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SENATE

WEDNESDAY, MARCH 28, 1956

(Legislative day of Monday, March 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God and Father of us all, amid all the global concerns which drain our strength and devour our hours, somehow, sometime, somewhere, this week of the passion, may we take time for commerce and communion with the unseen and eternal where in an oasis of quietness there may be restored the inner resources of our pressured lives.

Save us from sweeping through the whole year as if there were no shame upon us, nothing to repent of, nothing richer for us to accept and attain. We confess that the symbols of a contrite spirit such as Thou dost not despise may be very inadequate—our sackcloth may be lined with silk, and our ashes scented with the juice of roses, but let us do something in the healing shadow of the cross that shall break the mere monotony of complacent living. And so, this Holy Week, may the obtrusive secularism which blocks the door of our hearts be pushed back and let the way be cleared, that the highest and best may enter and meet no obstacle. Thus, may we celebrate the singing Easter of the soul. In the risen Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 27, 1956, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Public Lands Subcommittee of the Committee on Interior and Insular Affairs.

The Committee on Interior and Insular Affairs.

The Housing Subcommittee of the Committee on Banking and Currency.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business and take up nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a committee was submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Executive F, 84th Congress, 2d session: A protocol dated at Montreal, June 14, 1954, relating to certain amendments to the Convention on International Civil Aviation; without reservation (Ex. Rept. No. 4).

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED NATIONS

The Chief Clerk read the nomination of Stanley C. Allyn, of Ohio, to be a representative of the United States of America to the 11th session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations in the Diplomatic and Foreign Service be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Diplomatic and Foreign Service will be considered en bloc, and, without objection, the nominations are confirmed.

NATIONAL SCIENCE FOUNDATION

The Chief Clerk read the nomination of T. Keith Glennan, of Ohio, to be a member of the National Science Board, National Science Foundation.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

RAILROAD RETIREMENT BOARD

The Chief Clerk read the nomination of Thomas M. Healy, of Georgia, to be a member of the Railroad Retirement Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

NATIONAL LABOR RELATIONS BOARD

The Chief Clerk read the nomination of Stephen Sibley Bean, of Maryland, to be a member of the National Labor Relations Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SUBVERSIVE ACTIVITIES CONTROL BOARD

The Chief Clerk read the nomination of R. Lockwood Jones, of Oklahoma, to be a member of the Subversive Activities Control Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Francis Adams Cherry, of Arkansas, to be a member of the Subversive Activities Control Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES CIRCUIT JUDGE

The Chief Clerk read the nomination of Warren E. Burger, of Minnesota, to be a United States circuit judge for the District of Columbia circuit.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Paul C. Weick, of Ohio, to be a United States district judge for the northern district of Ohio.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of C. William Kraft, Jr., of Pennsylvania, to be a United States district judge for the eastern district of Pennsylvania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DISTRICT OF COLUMBIA, MUNICIPAL COURT OF APPEALS

The Chief Clerk read the nomination of Leo A. Rover, of the District of Columbia, to be chief judge of the District of Columbia municipal court of appeals.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SUPREME COURT, TERRITORY OF HAWAII

The Chief Clerk read the nomination of Philip L. Rice, of Hawaii, to be chief justice of the supreme court, Territory of Hawaii.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CIRCUIT COURTS, TERRITORY OF HAWAII

The Chief Clerk read the nomination of Cable A. Wirtz, of Hawaii, to be a judge of the second circuit, circuit courts, Territory of Hawaii.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of William L. Longshore, of Alabama, to be United States attorney for the northern district of Alabama.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the United States Public Health Service be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Public Health Service will be considered en bloc, and without objection, the nominations are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Amendment of Federal Reserve Act, Relating to Leasehold and Construction Loans Made by National Banks

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend section 24 of the Federal Reserve Act with respect to leasehold and construction loans which may be made by national banks (with accompanying papers); to the Committee on Banking and Currency.

Proposed Amendments to Senate Bill 2410, Relating To Operations of United States Information Agency

A letter from the Acting Director, United States Information Agency, Washington, D. C., transmitting sundry amendments to the bill (S. 2410) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.), now pending before the Committee on Foreign Relations (with accompanying papers); to the Committee on Foreign Relations.

Report on Withdrawals of Public Lands in Certain Cases

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report relating to withdrawals of public lands in certain cases (with accompanying papers); to the Committee on Interior and Insular Affairs.

Report on Reservation of Certain Lands Within Indian Reservations

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that during the year 1955, no reservations were made of lands within Indian reservations valuable for power or reservoir sites or necessary for use in connection with irrigation projects; to the Committee on Interior and Insular Affairs.

Report of Commission for Celebration of 200th Anniversary of Birth of John Marshall

A letter from the Chairman, United States Commission for the Celebration in 1955 of the 200th Anniversary of the Birth of John Marshall, transmitting, pursuant to law, the final report of that Commission (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolutions memorializing the Congress of the United States to enact legislation revising and extending the water pollution control act

"Whereas there is pending in Congress a bill to revise and extend the expiring Water Pollution Control Act; and

"Whereas the continuance of the benefits provided by this act is essential to the welfare of many of the citizens of this commonwealth; Therefore be it

"*Resolved*, That the House of Representatives of the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation extending the Water Pollution Control Act, incorporating therein the provisions of H. R. 9540 and providing for grants to cities and towns for the elimination of stream pollution and the construction of sewage treatment plants; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress and to the members thereof from this commonwealth."

Resolutions adopted by the California State Society, Daughters of the American Revolution, Los Angeles, Calif.; ordered to lie on the table.

By Mr. JOHNSTON of South Carolina (for himself and Mr. Thurmond):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Finance:

"Concurrent resolution memorializing Congress to institute proceedings to evaluate the Federal fiscal policy and taxing power as it affects the three levels of Government, and to effectuate such evaluation by the calling of a constitutional convention to consider same

"Whereas the people and the General Assembly of South Carolina have voted to increase substantially outlays and taxes in South Carolina for our public schools and other needed projects which it is the exclusive responsibility of the State to provide; and

"Whereas greater sums will be necessary to meet pressing needs; and

"Whereas with the increase and extension of the scope and magnitude of Federal taxation there is a resulting diminution of revenue sources available to the State and a consequent diminution of revenue sources remaining to local governments; and

"Whereas it is obvious that the people of the United States are confronted with a financial crisis, unparalleled in history, with our future form of government turning on the decision as to how to finance these vital State and local functions from State and local revenues as they should be under our form of government; and

"Whereas the time has now come for Congress to face this problem realistically and to recognize that an evaluation must be made of the Federal fiscal policy and taxing power and the effect thereof upon the three levels of Government; and to this end, Congress should initiate such a study by the creation of a joint and representative body which will be vested with the authority and duty to consider and make such recommendations as may be necessary to preserve State sovereignty in this respect, including the consideration of an appropriate constitutional limitation upon the Federal taxing power; and

"Whereas Congress should then effectuate said recommendations either by a calling of a constitutional convention to propose such constitutional amendments as may be deemed necessary or by the proposal of an amendment embodying said recommendations to be submitted to the States for ratification: Now, therefore, be it

"*Resolved by the house of representatives (the senate concurring)*:

"1. That the Congress of the United States is hereby respectfully petitioned to institute a study of the Federal taxing power and fiscal policy as they affect each level of government, by the creation of a joint and representative body which will include in its consideration the propriety of a constitutional limitation upon the Federal taxing power in order to preserve State sovereignty.

"2. That the findings and recommendations of such a body be effectuated by calling a constitutional convention to propose such

constitutional amendments as may be deemed necessary and appropriate or by the proposing by Congress of an appropriate constitutional amendment for ratification by the States.

"3. That a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States and the Clerk of the House of Representatives of the United States and to each Senator and Member of Congress from this State."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

S. 3246. A bill to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research (Rept. No. 1719); and

S. 3259. A bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes (Rept. No. 1720).

Mr. HILL subsequently said: Mr. President, I ask unanimous consent that the names of the Senator from New Jersey [Mr. Smith] and the Senator from Wisconsin [Mr. Wiley] be added as cosponsors of the bill (S. 3246), just reported by me, the next time the bill is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. HILL, from the Committee on Labor and Public Welfare, with an amendment:

S. 3076. A bill to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes (Rept. No. 1718).

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

S. 2851. A bill to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona (Rept. No. 1717).

By Mr. THURMOND, from the Committee on Public Works:

S. 3214. A bill to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir; with an amendment (Rept. No. 1721).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 3541. A bill to eliminate the financial limitation on real and personal estate holdings of the American Historical Association; to the Committee on the Judiciary.

(See the remarks of Mr. Saltonstall when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania (for himself and Mr. Duff):

S. 3542. A bill to provide for the issuance of a special series of postage stamps in commemoration of the 200th anniversary of the founding of the city of Pittsburgh, Pa.; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Martin of Pennsylvania when he introduced the above bill, which appear under a separate heading.)

By Mr. BENNETT (for himself and Mr. Payne):

S. 3543. A bill to protect the public in the operation of, and in performance under warranties on, delicate, complicated, sensitive or inherently dangerous machinery, mechanisms or apparatus sold in interstate commerce; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. Bennett when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 3544. A bill for the relief of Salvatore Sipala; to the Committee on the Judiciary.

By Mr. ERVIN:

S. 3545. A bill for the relief of Grace L. Patton; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 3546. A bill to exempt motor vehicles sold for the use of religious and nonprofit educational institutions from Federal excise tax; to the Committee on Finance.

By Mr. ANDERSON:

S. 3547. A bill to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON (for himself and Mr. Hayden):

S. 3548. A bill to amend section 9 of the Navaho-Hopi Indian Rehabilitation Act to extend the matching formula provided by such section to State plans under the Social Security Act for the permanently and totally disabled and to administrative expenditures under the public-assistance programs under the Social Security Act; to the Committee on Interior and Insular Affairs.

By Mr. ELLENDER (by request):

S. 3549. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; and

S. 3550. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. CASE of New Jersey (for himself, Mr. Bender, Mr. Bricker, Mr. Bush, Mr. Eastland, Mr. Ervin, Mr. George, Mr. Ives, Mr. Long, Mr. Payne, Mr. Saltonstall, Mr. Scott, Mrs. Smith of Maine, Mr. Smith of New Jersey, and Mr. Kennedy):

S. 3551. A bill to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946; to the Committee on Public Works.

(See the remarks of Mr. Case of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. WELKER (for himself and Mr. Dworshak):

S. 3552. A bill for the relief of certain alien sheepherders; to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 3553. A bill to extend the time for initiating and pursuing programs of institutional on-farm training under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Mansfield when he introduced the above bill, which appear under a separate heading.)

ELIMINATION OF LIMITATION ON CERTAIN HOLDINGS OF AMERICAN HISTORICAL ASSOCIATION

Mr. SALTONSTALL. Mr. President, I introduce, for appropriate reference, a bill to eliminate the financial limitation on real and personal estate holdings of the American Historical Association.

The American Historical Association is a nonprofit, learned society for the promotion, in the charter's words, "of historical studies, the collection and preservation of historical manuscripts, and for kindred purposes in the interest of American history, and of history in America." Since its founding in 1884 it has steadfastly pursued these objectives.

Because membership in the association has increased from 287 in 1885 to 6,500 today, its activities as an association and the value of its assets have increased substantially. As a result, it has become necessary to have the original act of incorporation amended in order to meet present circumstances.

The association asks therefore that its charter be changed by elimination of the financial limitation of $500,000 now imposed upon it. This seems to me a valid and proper request. Senator Hoar of Massachusetts filed the original bill authorizing incorporation of this association. It is for this reason as well that I am pleased to introduce this bill at the present time.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3541) to eliminate the financial limitation on real and personal estate holdings of the American Historical Association, introduced by Mr. Saltonstall, was received, read twice by its title, and referred to the Committee on the Judiciary.

SPECIAL SERIES OF POSTAGE STAMPS TO COMMEMORATE 200TH ANNIVERSARY OF FOUNDING OF CITY OF PITTSBURGH, PA.

Mr. MARTIN of Pennsylvania. Mr. President, on behalf of myself, and the junior Senator from Pennsylvania [Mr. Duff], I introduce, for appropriate reference, a bill to provide for the issuance of a commemorative stamp to celebrate the founding of the city of Pittsburgh.

November 27, 1958, will mark the 200th anniversary of the naming of the city. While this is 2 years ahead of us, a committee of public and private citizens has been organized to work out plans to honor this occasion. It is one hope that the Postmaster General will have sufficient time to schedule and prepare a stamp of suitable design. It will mean a great deal to the people of Pittsburgh.

The history of this great city is closely interwoven with the development of our life as a nation. In fact, it was a young Virginia militia officer named George Washington who first selected the site where the Monongahela and Allegheny Rivers meet at Pittsburgh to form the mighty Ohio as the location for a fort.

The French got there first and built Fort Duquesne. It was the British general, John Forbes, who later wrested the area from the French and named his new fortification Fort Pitt. Pittsburgh dates its founding from that day—November 27, 1758—General Forbes addressed a letter to the English Prime Minister Pitt, telling him that the city-to-be was named in his honor—Pittsburgh.

Since that time, the name of Pittsburgh has become a synonym for industry. It became the arsenal of the Union during the Civil War and carried that title to unprecedented heights during subsequent wars. It has been settled by English, Scotch, Irish, and people from practically every country of central and southern Europe. It has given birth to religious and political movements which have swayed the history of the Nation.

The people of Pittsburgh are justly proud of their city, which today has emerged from the smoke of history, and is building to newer and greater accomplishments.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3542) to provide for the issuance of a special series of postage stamps in commemoration of the 200th anniversary of the founding of the city of Pittsburgh, Pa., introduced by Mr. MARTIN of Pennsylvania (for himself and Mr. DUFF), was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

SALE AND DISTRIBUTION OF AUTOMOBILES

Mr. BENNETT. Mr. President, on behalf of myself and the junior Senator from Maine [Mr. PAYNE], I introduce a bill, send it to the desk, and request its appropriate reference.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3543) to protect the public in the operation of, and in performance under warranties on, delicate, complicated, sensitive, or inherently dangerous machinery, mechanisms or apparatus sold in interstate commerce, introduced by Mr. BENNETT (for himself and Mr. PAYNE), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. BENNETT. Mr. President, I now send to the desk an explanation of the bill, which I ask unanimous consent to have printed in the body of the RECORD at the conclusion of my remarks, along with the text of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. BENNETT. Mr. President, I ask unanimous consent that I may proceed for 2 minutes to explain the purpose of the bill I have just introduced.

The PRESIDENT pro tempore. Without objection, the Senator from Utah may proceed.

Mr. BENNETT. Mr. President, having been active in the retail automobile business, I have long been searching for a means, within the limits of existing law, of solving the "automobile bootlegging" problem. The bill I have just introduced contains such a solution.

This plan is based on two premises: first, that the interest of the consuming public is much more important than that of the manufacturers and the dealers; second, that in America today we have an essentially new commercial pattern, created because of the many products of a mechanical and electrical nature, which are purchased and operated by relatively unskilled persons, who need the protection of manufacturers' warranties, and also require that service be conveniently available during the entire useful life of the product. The bill recognizes that this responsibility to furnish service is shared by both the manufacturer and the dealer, and that, therefore, they can properly enter into an agreement recognizing this function, for which the manufacturer can properly compensate the franchised dealer who maintains the facilities and supplies the services required. Under this reasoning, it follows that the dealer's compensation can be divided between that for his selling function and that for his service function, thus reducing the potential profit to dealers who provide only the selling function. It is believed that the net effect of this arrangement will be to dry up the bootlegging evil under economic, rather than legal, pressure.

The bill suggests other features which might be introduced into such an agreement, including one under which the manufacturer could accept responsibility for the retail advertising of his product when sold as new. The bill also provides that the terms and conditions of any agreement arrived at pursuant to its provisions must be filed with the Federal Trade Commission, which, in the bill, is given power to modify any agreement if it is found to be contrary to the provisions of the bill.

I have discussed this bill with a number of persons in the industry, both manufacturers and dealers. They have indicated interest, although not complete agreement.

I am sending a copy of the bill and a more complete explanation of its contents to every Member of the Senate. Therefore, I ask that the bill be allowed to lie at the desk for 4 days after the close of the Easter recess, in order that any Senator who is interested may join me in sponsoring the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXHIBIT A

STATEMENT BY SENATOR BENNETT

Having been active in a retail automobile dealership before I came to the Senate, I have been searching for a proposal which might help to correct the conditions revealed by the current Senate hearings on manufacturer-dealer relationships in the automobile industry. I realize that to be effective, such a program must provide relief without doing violence to our existing law for the protection of free competition and the prevention of restraint of trade. Today I am introducing a bill for myself and the Senator from Maine [Mr. PAYNE], which I hope will help meet this situation. I ask that it be allowed to lie on the table until 4 days after the close of the Easter recess, during which any of my colleagues who may choose to do so may join in sponsoring it, and that thereafter it be appropriately referred.

In seeking a solution for these problems, I have found it helpful to refocus my thinking and approach them from a point of view that I feel is important in two respects:

First, instead of concentrating directly on the manufacturer-dealer relationship itself, I have sought to approach the problems from the point of view of the needs and interests of the consumers. That they have a much greater stake in its solution is indicated by the fact that there are millions of Americans who own and drive more than 60 million cars and trucks. My approach to the problems, then, is to develop a program through which the manufacturers and dealers can develop a pattern of relationships with the consumers' interests as its chief objective, thus substituting an attitude of shared responsibility for a less desirable relationship.

Second, we need to consider the new business pattern that is developing because ours is essentially an electrical age. This new commercial pattern grows out of the fact that there are millions of comparatively new devices which are delicate, sensitive, complicated—yes, and sometimes even inherently dangerous. These products are growing in variety and complexity each year and are bound to continue to increase in number. They are not limited to automobiles and trucks. They also include such things as radios and television sets, ranges and refrigerators, heating and air conditioning equipment with all its automatic controls, computing and recording devices, and agricultural implements and methods. All of these products have two things in common. First, they are purchased and operated by relatively untrained consumers; second, most of them are purchased from independent dealers on whom the purchasers must rely for service as well as sales. In fact, as product complexity increases and the span of its usefulness lengthens, these service functions become infinitely more important and impose a new kind of continuing business responsibility on both the manufacturer and the dealer.

That such service problems exist and that they must be provided for has long been recognized by many industries, including the automotive industry. The manufacturer usually acknoledged his responsibility by providing a limited warranty on his product and by requiring his franchised dealers to set up and maintain extensive service facilities manned by trained men. In the case of the automotive industry, these dealer service facilities carry a double burden. The manufacturer uses them to satisfy customer claims under the warranty, and the customer himself uses them to service the product long after the warranty period has expired—out to the very end of the product's useful life.

My bill, then, is based on the recognition of these two things: (a) the overriding interest of the consumer public and (b) the existence of this comparatively new business pattern involving service after the sale. The chief purpose of my bill, then, is to set up conditions under which the shared responsibilities of manufacturer and dealer can be expressed in a franchise agreement. While it is specifically designed to serve the needs of the automobile industry, I think the bill is broad enough to cover most, if not all, mechanical or electrical products.

The chief purpose of the bill is to set forth the area that may be covered by an agreement whose purpose is to protect the public in the operation of and in performance under warranties on delicate, complicated, sensitive, or inherently dangerous machines, mechanisms, or apparatus sold in interstate commerce. Its chief concern is with an agreement to protect the service function. Such an agreement shall set forth the minimum consumer service functions which the dealer shall be required to maintain, both to fulfill the manufacturer's warranty and to provide service for the full useful life of the product; and the agreement shall state the mutual obligations of the parties in carrying out their warranty and service responsibilities. Such a franchised dealer who has provided the required minimum consumer service facilities could also be appointed as an agent of the manufacturer to accept applications for the manufacturer's warranty from the consumer, to issue such warranty, and to perform the work required by any claims under the warranty. If the franchised dealer met these requirements, the manufacturer could include in the agreement a plan by which he could compensate the franchised dealer for his services. This

compensation could be paid in cash or by allowances or could be expressed as a portion of the trade discount or markup. Of course, the conditions for such payment would have to be identical for each francised dealer performing a like service.

The compensation in this case is conceived as functional and the conditions on which the dealer could qualify and the manner of computing the amounts involved would properly be part of the agreement and left to the judgment of the agreeing parties.

Because questions of truth in advertising have been raised, the bill, as an additional precaution, would permit the manufacturer under the agreement to assume control of and responsibility for all advertising of his product when offered for sale by the dealer as a new rather than used or secondhand product.

The chief approach of the bill is permissive, but it does provide that if a manufacturer and dealer enter into such an agreement, the agreement must contain all the terms and conditions of the contract. It also contains a prohibition against including in any agreement anything with respect to resale prices or terms, and it would require that the agreement be filed with the Federal Trade Commission which could, after notice and hearing, suspend, nullify, or modify any provisions thereof.

The effectiveness of the bill in providing the local dealer protection from bootlegging is based on the idea that it would drastically reduce the bootleggers' profit and thus dry up this source of trouble.

After checking the proposed language of the bill with legal counsel well versed in the application of existing antitrust laws, I have been given the opinion that this proposal will not violate any existing laws. Most of the known proposals to give territorial security to dealers have been attacked under the antitrust laws as inconsistent with a merchant's freedom to resell goods to whomever he may choose on his own terms. Section 1 of the Sherman Act prohibits any agreement between a manufacturer and a dealer which limits the dealer in his resales of automobiles to consumers residing or working within a limited geographical area is a restriction on his freedom to engage in commerce. Similarly, an agreement, requiring a dealer to pay a penalty to another dealer for selling an automobile to a consumer residing in the other dealer's geographical territory, is a restraint on the seller's freedom to engage in commerce. An agreement by a dealer not to resell to bootleggers would be a restraint on his freedom to resell to customers of his own choice.

The proposed bill does not run afoul of any of these prohibitions. The manufacturer is unrestricted in the dealers whom it may franchise as its franchised dealers. The bill does not require manufacturers to sell only to franchised dealers, although presumably manufacturers might choose to do so. Existing law gives a manufacturer the right to choose its customers, and currently manufacturers decline to issue franchises to dealers who do not possess minimum sales and service facilities.

The proposed bill does not restrict the dealer in the resale of automobiles. Any dealer may resell any automobile to any person at any price he may choose. Similarly, a consumer is free to purchase an automobile from any dealer in any area he may select.

In many respects, this bill stays clearly within existing law. No law requires a manufacturer to issue an express warranty, and implied warranties apply only to the condition of the goods at the time of sale. For reasons of their own choice, automobile manufacturers elect to give certain warranties to consumers.

The discount that automobile manufacturers grant dealers from list price is a functional discount. It compensates the dealer for several functions which he performs in the distribution of the product, only one of which is making the sale to the consumer. Dealers certainly may also agree to maintain certain service and repair facilities and to perform the warranty obligations of the manufacturer. A dealer for a particular car is generally already expected to perform the warranty obligation of the manufacturer on any automobile of that brand, no matter where it was purchased or where the buyer resides.

No law stipulates the amount of functional discount which the manufacturer must allow the dealer. This is a matter of negotiation between the seller and buyer, subject only to the restrictions of the Robinson-Patman Act against price discrimination.

No existing law prohibits a manufacturer from appointing an agent for the purpose of issuing its warranty to the consumer. Inherently, the manufacturer would want that agent to have knowledge concerning the character and operation of the product in order that he might make certain that the product was in a condition suitable for warranty at the time the warranty was issued. The manufacturer might wish to know that nothing had been done to the product, from the time it left the manufacturer's hands until it was delivered to the consumer, that might affect the liability of the manufacturer under the warranty.

In terms of automobiles, there is no prohibition under existing law to prevent a manufacturer from selecting certain dealers to issue warranties on its behalf, certainly no objection to authorizing all of its franchised dealers to do so. Since this is one of the functions the dealer performs in earning his functional discount, it would be appropriate to separate the compensation to be paid dealers for that purpose, from the functional discount they earn in other respects.

Furthermore, the automobile manufacturer has the right to choose its own customers and cannot be said to discriminate in price unless it charges different prices to competing customers.

The proposed bill contemplates that the automobile manufacturer would charge a nondiscriminatory price to its automobile dealers (presumably uniform to all dealers except for variations in freight charges); that each dealer would be free to resell his automobiles to any person in any area at any price he might choose; and the ultimate purchaser would be free to apply to any authorized dealer of the manufacturer for the manufacturer's warranty. Certainly, it cannot be contended that a manufacturer can be required to permit unauthorized persons to inspect vehicles on its behalf preparatory to issuing warranties, much less than such unauthorized persons could commit the manufacturer by a warranty.

It is, therefore, apparent that the course of conduct contemplated by this bill is permissible under existing antitrust laws and is not contrary to any of their provisions.

The bill further permits manufacturers to supervise and regulate the advertising of their dealers on new automobiles; and it would make the manufacturer liable for any false and misleading advertising of the dealer within its power to prevent. There is no existing prohibition against a contract between a manufacturer and a dealer under which the dealer agrees to use the manufacturer's trade name or trademark only in advertising previously approved by the owner of the trade name or trademark. In fact, the owner of the trade name or trademark may prohibit all advertising using its trade name or trademark. To the extent that the bill may be said to go beyond existing law in this area, it is only that it would make the manufacturer responsible for the advertising of the dealer which it could control, and it is not unlikely that under section 5 of the Federal Trade Commission Act that it is already liable for false and misleading advertising which it has approved expressly or by implication.

The only additional provisions of the bill provide for filing of contracts with the Federal Trade Commission and granting the Commission authority to enforce the purposes of the bill. To the extent that this may be said to go beyond existing statutory authorization, it would do no more than to authorize the Federal Trade Commission to protect the consuming public with respect to matters which the manufacturer and the dealer are already free to agree.

The purpose of the bill, then, is not so much to make new law with respect to the relationship between manufacturers and their service dealers as to focus attention on the existence of a functional service relationship which can be used as the basis for a manufacturer-dealer agreement under existing law, the practical effects of which would be to reduce the potential profit from bootlegging and thus tend to dry up this evil under economic rather than legal pressure. I commend the study of this approach to the committees concerned and to all of my colleagues in the Senate.

S. 3543

A bill to protect the public in the operation of, and in performance under warranties on, delicate, complicated, sensitive or inherently dangerous machinery, mechanisms or apparatus sold in interstate commerce

Whereas the American public annually purchase, in interstate commerce, many billions of dollars of delicate, complicated, sensitive, and sometimes inherently dangerous machines or mechanisms, such as electronic, refrigeration and heating equipment, computing and recording devices, automobiles, trucks, agricultural implements, and other manufactured products, from independent dealers on whom purchasers rely as the manufacturer's sales and service representatives; and

Whereas dealers in, and manufacturers of, such machines and mechanisms have a joint responsibility to the consumer for performance under the warranty issued in connection with the sale of any such machine, and for maintaining facilities to assure the availability of service throughout the useful life of such machine, which responsibility can neither be separated nor performed adequately by either without the cooperation of the other.

Be it enacted, etc., That this act may be cited as the Interstate Machine Sales Act of 1956.

DEFINITIONS

SEC. 2. As used in this act:

(a) "Commerce" shall have the meaning given the term in the act of September 26, 1914 (15 U. S. C. 45).

(b) "Person" shall mean any individual, partnership, firm, or corporation.

(c) "Commission" shall mean the Federal Trade Commission created by the Act of September 26, 1914 (15 U. S. C. 45).

(d) "Product" shall mean any manufactured, fabricated, or assembled delicate, complicated, sensitive, or inherently dangerous machine, mechanism, or apparatus such as, but not limited to, electronic, refrigeration, or heating equipment, computing or recording devices, automobiles, trucks, agricultural implements, and like manufactured goods.

(e) "Franchised dealer" shall mean any distributor of a product manufactured by a "manufacturer," pursuant to a "dealer agreement" filed with the Commission pursuant to this act.

(f) "Manufacturer" shall mean any person engaged in commerce who manufactures or assembles a product sold or distributed to consumers under its own trade name or trade names.

(g) "Dealer agreement" shall mean a written contract or agreement between a manufacturer and a franchised dealer entered into pursuant to the provisions of this act and the form of which is filed with the Commission as herein provided.

(h) "Consumer" shall mean any person purchasing a product for his or its own personal, domestic, or commercial use, and which he or it registers in his or its own name whenever State law requires registration, and not a person purchasing for resale for profit.

(i) "Consumer service facilities" shall mean the physical property, mechanized equipment, trained personnel, and stocks of new and replacement parts and accessories necessary to furnish consumers with an opportunity for demonstration and visual inspection of the product, and to adequately service and repair such product both before and after its delivery to the consumer.

Sec. 3. The purposes of this act are (a) to protect the consuming public in performance under the warranty issued on a purchased product, (b) to insure the continued availability to the public of adequate consumer service facilities, and (c) to preserve the availability of adequate consumer service facilities to consumers, from the thousands of small-business men dealers of such products, both during the period of the warranty and thereafter during the useful life of the product.

Sec. 4. A manufacturer (or his representative) and a franchised dealer may enter into a dealer agreement pursuant to this act, and any such agreement:

(a) Shall provide that it is entered into pursuant to the provisions of this act and is subject to the jurisdiction of the Commission as provided for in section 7 of this act.

(b) Shall contain all of the terms and conditions of the agreement between the parties, shall state the minimum consumer service facilities required to be maintained by the dealer in order that he can perform the warranty issued to the consumer and achieve the other purposes of this act, both during and after the warranty period, shall state the mutual obligations of the parties between themselves in compliance with their joint warranty and service responsibility to the consumer, and may contain such reasonable provisions as are required adequately to protect the manufacturer's good will in the sale, servicing, and advertising of his product by the franchised dealer.

(c) May provide for the appointment of franchised dealers of the manufacturer as its agents to accept from any consumer an application for, and to issue, a warranty on a trade-named product of the manufacturer and may establish or stipulate that portion of the dealer discount or markup (stated either in terms of a sum of money or as a proration of a trade discount or markup) representing the value of the franchised dealer's function in issuing and fulfilling such warranty and in having available appropriate consumer service facilities to service such product thereafter during its useful life, if called upon to do so by the consumer.

(i) The means, times and methods by which the manufacturer may make payments to franchised dealers, of the agreed value of issuing the warranty and maintaining consumer service facilities, may be such as are agreed upon by the manufacturer and the franchised dealers; provided, however, that the terms and conditions of such payments shall be identical for each franchised dealer, of any trade-named product of any manufacturer, performing like services.

(ii) The agreement shall provide the terms and conditions on which the warranty may be issued; provided, however, that nothing herein contained shall permit any restriction on the consumer in his free choice of the vendor from whom he may purchase a product, or to whom he may thereafter take such product for service, or of the franchised dealer he may select to fulfill the obligations of the warranty.

(d) Shall make no provision, express or implied, with respect to resale prices or resale terms or conditions of any product.

Sec. 5. A dealer agreement entered into pursuant to this act may also provide that all advertising by a franchised dealer for products, which use the manufacturer's brand or trade name (except when such products are offered for sale as used or secondhand), shall be (i) copy furnished or approved by the manufacturer, or (ii) copy and layout similar to that previously furnished or approved by the manufacturer (and unlike any copy ever disapproved by the manufacturer), and (iii) copy that is not false, misleading or deceptive.

If a manufacturer elects to enter into an agreement that contains provisions provided for in paragraph 5 above, it shall be legally responsible for advertising of its products (except when such products are offered for sale as used or secondhand) by a franchised dealer which is false, misleading or deceptive and which it could have prevented by reasonable utilization of the contractual commitments permitted by paragraph 5 above.

Sec. 6. Every manufacturer electing to enter into dealer agreements pursuant to this act shall file with the Commission, not later than 10 days after entering into any such agreement, a copy of the form of such agreement. Such form need not contain the name or address of the franchised dealer, the terminal date of the particular agreement, the number of products to be purchased by the particular dealer, or similar information of a numerical nature varying with different dealers and not expressly provided for by this act. When the same form is used by the manufacturer with more than 1 franchised dealer, it may file only 1 such form with the Commission.

(a) The Commission may, after notice and hearing, suspend, nullify, or modify any provision of any such dealer agreement which it finds contrary to the provisions and purposes of this act. Any proceeding hereunder by the Commission shall conform to the procedures and practices described in the Administrative Procedures Act, except that notice of hearing may be given merely by 60 days' advance publication in the Federal Register. Any party adversely affected by any final order or ruling of the Commission made pursuant to this section shall be entitled to a review thereof in the manner provided in section 11 of the act of October 15, 1914 (15 U. S. C. 22). No order of the Commission entered under this section shall have any retroactive effect.

Sec. 7. It shall be an unfair method of competition, in violation of any subject to the proceeding under section 5 of the act of September 26, 1914 (Federal Trade Commission Act; 15 U. S. C. 45), for any person to violate a provision of this act.

FEDERAL PARTICIPATION IN PROTECTION OF SHORES OF PUBLICLY OWNED PROPERTY

Mr. CASE of New Jersey. Mr. President, on behalf of 14 other Senators and myself, I introduce for appropriate reference a bill to amend the act of 1946 authorizing Federal participation in the cost of protecting one of the Nation's great natural assets, our shorelines.

I have been joined in this effort to overcome the beach erosion problem by the following colleagues: Senators Bender, Bricker, Bush, Eastland, Ervin, George, Ives, Long, Payne, Saltonstall, Scott, Smith of Maine, Smith of New Jersey, and Kennedy.

Under existing law, the Federal Government has limited authority to deal with wave and storm damage to our beaches. The Beach Erosion Board of the Army Corps of Engineers has entered into cooperative study agreements with 22 States. And, with the Federal share at one-third of project cost and with the State and local share at two-thirds, the Army engineers currently are involved in protection projects where publicly owned beach is involved.

Mr. President, we have not yet gained the mastery in the struggle to protect our shoreline from erosion by our lakes and seas. I believe that we cannot solve the problem by building protective works only where the shore is public property and ignoring adjoining areas which are privately owned. The processes of erosion cannot read signs. We cannot be truly effective by building groins, seawalls, and jetties here and there, without a comprehensive plan.

The need for expanding our present authority for dealing with beach erosion at the Federal level has been developed in the House, thanks, in great part, to the legislative efforts of Representative James C. Auchincloss, Republican, of New Jersey. The work he and several of his colleagues from various sections of the country are doing on new approaches to this problem has sparked the introduction of this bill.

The legislation we are introducing in the Senate today would not change present law affecting use of Federal funds for protection of public property. It would extend existing authority to private shore protection with the same ratio of Federal and State-local contributions embodied in Public Law 727.

In considering the merits of our bill, it should be remembered that in the case of flood-control projects, the Federal Government normally pays all the costs without regard to public or private ownership. The same theory applies to other engineering projects undertaken by the Army engineers. In addition, pending bills establishing hurricane and flood insurance programs make no differentiation between public and private property.

Mr. President, an extensive screening process would be involved, if this legislation is enacted, before individual beach erosion projects would be finally approved.

There are many safeguards against abuse incorporated in our bill. First, the Beach Erosion Board must agree with the State that a project is sound and economically justified. Moreover, the State or political subdivision must agree to keep up the project once completed.

Mr. President, this bill means flexibility in operation and assurance that the job can be adequately done under a cooperative partnership, with the Federal Government joining in dealing effectively with the problem for the first time.

Under a cooperative study agreement with our own State, the Army engineers have been surveying a major portion of the New Jersey coastline. The Engineers' initial recommendations cover an area of approximately 100 miles. The cost of improvement and rehabilitation is estimated at about $24 million.

Under existing law, the Federal share would reach about $3 million. The State or its subdivisions would be responsible for the other $21 million.

Under this bill, the Federal share would become $8 million. Under this bill such work and similar projects in other States could be accomplished. Moreover, there is continuity to the recommendations of the Army engineers. Private and public shores would not be segregated, some areas to be protected and improved while the rest are ignored.

Mr. President, I commend this bill to the Senate as a sensible and logical extension of Federal interest in a natural resource and a source of recreation of incalculable value to the American people.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3551) to amend the act entitled "An act authorizing Federal participation in the cost of protecting the shores of publicly owned property," approved August 13, 1946, introduced by Mr. Case of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. ERVIN (for himself and Mr. Scott) submitted amendments, intended to be proposed by them, jointly, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. LONG. Mr. President, some time ago, on behalf of the senior Senator from Georgia and myself, I submitted an amendment to H. R. 7225, for the purpose of increasing Federal matching funds to State public welfare programs for old-age assistance.

On February 24 I had the privilege of submitting, on behalf of 46 Senators, our amendment to the social security bill. Other Senators were offered the opportunity to join in sponsoring this amendment after it had been modified to include a provision to assure that the increased Federal funds would be passed along to the needy aged. Many of our colleagues responded enthusiastically.

I should like to call the attention of my colleagues to two of the proposals made on March 6 by the very able senior Senator from Washington. These proposals, submitted as amendments to the amendment I had the honor of sending to the desk February 24, would apply the same matching formula—that is, a Federal payment of five-sixths of the first $30, plus one-half up to $65—to our State programs for aid to the blind and aid to the permanently and totally disabled.

I wish to commend the Senator from Washington for his prompt action in this matter, and to state my own belief that the more adequate formula should be applied to the needy blind and needy disabled programs as well as to the old-age assistance program. I had originally considered including provisions for these changes in the amendment which I introduced. However, I decided to delay including the blind and disabled programs until figures became available regarding the cost to the Federal Government, and until I could better ascertain the sentiments of other Senators in this regard.

A tabulation showing the effect of changing the formulas for the other two programs for each State is now available. The total cost to the Federal Government would be $23,435,000 annually. I ask unanimous consent to have the table printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Long amendments to H. R. 7225:[1] Aid to the blind and aid to the permanently and totally disabled—Estimated annual increase in Federal funds under assumption II,[2] includes vendor payments for medical care

[Based on data for September 1955. Excludes Puerto Rico and the Virgin Islands]

State	Annual increase in Federal funds under assumption II [2] (in thousands)	
	Aid to the blind	Aid to the permanently and totally disabled
Total	$6,960	$16,475
Alabama	98	653
Alaska	6	
Arizona	65	
Arkansas	123	300
California	1,105	
Colorado	$27	$411
Connecticut	30	178
Delaware	19	23
District of Columbia	22	189
Florida	169	9
Georgia	204	637
Hawaii	9	109
Idaho	16	71
Illinois	305	544
Indiana	143	
Iowa	125	
Kansas	52	281
Kentucky	180	
Louisiana	160	937
Maine	45	23
Maryland	38	395
Massachusetts	162	901
Michigan	154	206
Minnesota	107	71
Mississippi	222	190
Missouri	329	794
Montana	38	120
Nebraska	67	
Nevada	11	
New Hampshire	24	22
New Jersey	77	305
New Mexico	26	110
New York	377	3,506
North Carolina	294	703
North Dakota	9	73
Ohio	320	526
Oklahoma	176	483
Oregon	29	277
Pennsylvania	625	1,040
Rhode Island	15	135
South Carolina	106	486
South Dakota	12	42
Tennessee	196	97
Texas	391	
Utah	20	151
Vermont	9	29
Virginia	84	311
Washington	68	482
West Virginia	70	617
Wisconsin	95	99
Wyoming	6	39

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[1] Federal funds shall equal ⅚ of the first $30 on the average per recipient plus ½ of the balance within a maximum of $65 on the individual payment per recipient.

[2] Assuming the States spend as much per recipient from State and local funds as they spent in September 1955.

Mr. LONG. My view, Mr. President, that the application of these changes to the two additional programs would be highly desirable, is shared by other Senators who joined as cosponsors of the February 24 amendment. In view of this, and in view of the desirability of having a "clean" amendment for consideration by the Finance Committee, I submit a revised amendment containing provisions applying the new formula to aid to the blind and aid to the disabled. It is submitted on behalf of myself, the other Senators who joined in the February 24 amendment, and on behalf of Senators Monroney and Purtell, who also desire to associate with these proposals.

The revised amendment contains an additional change of a technical nature. I have been attempting to perfect a pass-along proviso which would insure that States actually spend the increased funds for payments to recipients. The additional change would make the pass-along provision applicable for only 1 year, in order that the States could make allowance for the increasing number of aged persons who in the future will receive small payments under old-age and survivors insurance. A State could permanently qualify for the more liberal formula by maintaining for 1 year its average payment per recipient from State funds.

It is my earnest hope that the Congress will favorably act on these proposals during this session in order to bring a modest measure of relief to our neediest citizens.

Mr. MAGNUSON. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. MAGNUSON. I appreciate what the Senator is doing. Now that we have the figures, I think we can all come to an agreement that these two categories of our people should be included.

Mr. LONG. I agree with the Senator and appreciate his realization of the situation and bringing it to the attention of the Senate.

The PRESIDENT pro tempore. The amendment will be received, referred to the Committee on Finance, and printed.

The amendment, submitted by Mr. Long (for himself, Mr. George, Mr. Barrett, Mr. Bender, Mr. Bible, Mr. Bush, Mr. Chavez, Mr. Clements, Mr. Daniel, Mr. Douglas, Mr. Eastland, Mr. Ellender, Mr. Green, Mr. Hennings, Mr. Hill, Mr. Holland, Mr. Humphrey, Mr. Jackson, Mr. Johnston of South Carolina, Mr. Kefauver, Mr. Kennedy, Mr. Kerr, Mr. Kuchel, Mr. Langer, Mr. Lehman, Mr. Magnuson, Mr. Mansfield, Mr. McCarthy, Mr. McClellan, Mr. Monroney, Mr. Morse, Mr. Murray, Mr. Neely, Mr. Neuberger, Mr. O'Mahoney, Mr. Pastore, Mr. Payne, Mr. Purtell, Mr. Schoeppel, Mr. Scott, Mr. Smathers, Mr. Sparkman, Mr. Stennis, Mr. Symington, Mr. Thurmond, Mr. Welker, and Mr. Young), was received, referred to the Committee on Finance, and ordered to be printed.

Mr. LONG. Mr. President, I submit an amendment to the bill, H. R. 7225, to amend the Social Security Act, which would increase the present unrealistic minimum benefit payment under old-age and survivors insurance from $30 to $55 monthly. Senators may recall that I proposed an amendment to the social-security bill of 1954, requiring the

Department of Health, Education, and Welfare to study the problems involved in increasing the minimum payment. Although the Department recommends against my proposal, this study has been made and has been carefully examined in connection with the amendment I am now proposing.

I believe the time has come for the Congress to give serious consideration to the adequacies of minimum benefits under social security. We should give more recognition to the role of the aged in our economic life, and take into account the increased productivity of this Nation insofar as the benefits payable to those who earned social security coverage during the depression years are concerned.

About 40 percent of our 4.5 million retired workers drawing social security receive less than $55 per month; and a much higher percentage of the 2 million secondary beneficiaries receive less than $55.

For many of these individuals, the social-security check is the only source of income. I do not believe that it is reasonable to expect anyone to exist on $30 a month today.

It is estimated that if the $55 minimum were adopted 400,000 cases presently on old-age public assistance could be closed or reduced immediately, and by 1960 over 650,000 could be closed or reduced. For the country as a whole, this would reduce the expenditure for old-age assistance by $73 million immediately and by $116 million in 1960.

Furthermore, the administration's study estimates that of the present full-time male labor force covered by social security, based on 1954 wages, only 1.6 percent would qualify for less than $55 monthly when retirement age is reached. The time is thus approaching when most workers will receive at least $55 upon retirement age without changes in the law. However, it is neither necessary nor desirable to ignore the minimum needs of those already retired, nor to insist, during this interim period that they go on the public welfare rolls.

Without any further increases in payroll tax, a minimum benefit of $55 monthly could be paid, and the trust fund of the old-age and survivors' insurance program would continue to increase at the following rates, according to the administration study:

Trust fund short-range estimates

Year:	*Billions*
1955 (present law)	$21.6
1957 ($55 minimum)	22.4
1958 ($55 minimum)	22.9
1959 ($55 minimum)	23.2
1960 ($55 minimum)	25.2

The administration study was requested on alternative minimum benefits of $55, $60, and $75 per month. The following table indicates the increased benefits which would be payable at each of these levels:

[Millions]

Year	Increased disbursements		
	$55	$60	$75
1956	$591	$800	$651
1957	601	816	1,744
1958	600	814	1,746
1959	590	800	1,727
1960	571	775	1,685

The PRESIDENT pro tempore. The amendment will be received, referred to the Committee on Finance, and printed.

REORGANIZATION OF SAFETY FUNCTIONS OF THE FEDERAL GOVERNMENT—ADDITIONAL COSPONSOR OF BILL

Pursuant to the order of the Senate of March 23, 1956,

The name of Mr. Sparkman was added as a cosponsor of the bill (S. 3517) to provide for the reorganization of the safety functions of the Federal Government, and for other purposes, introduced by Mr. Humphrey (for himself and other Senators) on March 23, 1956.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. WILEY:

Easter address by Senator Wiley; and editorial entitled "The Light Shineth in Darkness," published in the Ripon (Wis.) Press of March 23, 1956.

TITLES TO CERTAIN LAND AND REAL PROPERTY—CHANGE OF REFERENCE

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent that the committee be discharged from further consideration of the following bills and that they be referred to the Committee on Interior and Insular Affairs:

S. 2581, to authorize the Secretary of the Interior to quitclaim all interest of the United States in certain land located in Forrest County, Miss., in order to clear the title to such land; and

S. 1523, to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.

The request which has been made is agreeable to the sponsors of each of the mentioned bills as well as the chairman of the Committee on Interior and Insular Affairs.

Both of these bills are in the same category as other "color of title" claims which are now pending before the Committee on Interior and Insular Affairs.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

COMMENDATION OF TREASURY DEPARTMENT FOR SEIZURE OF DAILY WORKER AND COMMUNIST PARTY OFFICES, AND RECOMMENDATION OF FURTHER LEGAL ATTACK ON TAX FRONT AGAINST THE COMMUNIST PARTY

Mr. WILEY. Mr. President, I should like to commend the Treasury Department for its action yesterday in seizing and padlocking the premises of the Daily Worker, as well as those of the Communist Party in New York and its branches across the country, on the ground of failure to pay back income taxes and penalties for the years 1951, 1952, and 1953. In my judgment, such action—strong, but perfectly legal and proper—is long overdue.

I should like to point out that almost a year ago—on April 20, 1955—I pointed out on the Senate floor how, for a period of months preceding that date, I had been urging the then Commissioner of Internal Revenue, T. Coleman Andrews, to launch a "tax blitz" against the Communist Party and its affiliates. On February 25, 1955, I wrote to Commissioner Andrews, pointing out, for example, that a New York State joint legislative committee had conclusively proven that only three Communist Party front organizations—the Civil Rights Congress, the American Committee for the Protection of the Foreign Born, and the so-called Joint Anti-Fascist Refugee Committee—had, among themselves, raised a total of $3½ million. What about all the other millions of dollars raised by the party and its fronts, I asked. What do the tax returns on these millions of dollars show or fail to show, I inquired. I stated that it was essential to place "under the miscroscope" the finances of the entire Communist and satellite system in our country. I urged vigorous analysis of the tax returns of the wealthy Communist-liners who have defrayed party expenses, the "business agents" who have reportedly invested huge Red sums in private enterprises on behalf of the party, and so forth.

This morning, I wrote an open letter to Secretary of the Treasury George M. Humphrey, urging further investigative action along this line.

I send to the desk the text of my letter to Secretary Humphrey. I ask unanimous consent that the letter and the text of my remarks published in the April 20, 1955, Congressional Record, volume 101, part 4, pages 4783–4785, be reprinted in the body of the Record at this point.

There being no objection, the letter and statement were ordered to be printed in the Record, as follows:

March 28, 1956.

Hon. George M. Humphrey,
Secretary of the Treasury,
United States Department of the Treasury, Washington, D. C.

My Dear Mr. Secretary: I am pleased to note the action of the Treasury Department in directing the Internal Revenue agents to seize Communist Party, as well as Daily Worker, offices because of nonpayment of back income taxes and penalties.

We can, of course, anticipate that a counterattack of criticism on the basis of alleged infringement of the press which has already been launched will be intensified on the part of the Communist Party.

We may also expect further criticism on the part of some otherwise well-meaning individuals, of proven loyalty, who may misguidedly assume that the Treasury Department's action may have been a violation of the first amendment.

In my judgment, as a lawyer, and as senior Republican on the Senate Judiciary Committee, based on facts which have become available thus far, it would appear that the Department was entirely within its legal rights in taking this action on the basis of the levy issued by the district director of internal revenue.

The Daily Worker and the Communist Party will, of course, have their day in court,

as is their right. They will have the fullest opportunity, in accordance with due process of law, to present their case.

As you know so well, however, they are not entitled to anything more than the law allows. And the whole outrageous history of the Communist Party, from its brazen bail-jumping officers to the many other Smith Act convictions against it, confirms the wisdom of the Treasury Department in not treating the present case as if it involves people and organizations of good faith. If it did involve such ordinary citizens, the Department might well have proceeded in a different pace and manner. But, instead, the Department was perfectly sound in acting decisively and speedily in delivering this hard-hitting legal blow.

In my judgment, the action yesterday should, however, be but the first element in an all-out blitz against the party. I believe—as I wrote to you and Commissioner Andrews last year—that a special section might well be set up in the Internal Revenue Service—a section of lawyers, CPA's, and others—specializing in the tax returns of the Communist conspiracy in our midst. Such a nationwide unit should function in collaboration with the Federal Bureau of Investigation in ferreting out every possible lead on Communist and satellite tax returns and in cracking down on every error of omission or commission.

This Nation well remembers that it was conviction for income-tax violations which finally put Al Capone in the penitentiary and which broke the back of other leading criminals in our country.

There is no reason why the same cannot be done against the Communist Party. Its whole financial basis is a vast web of sinister mystery whose exposure could well prove decisive. In my judgment, there is no point in treating Red tax returns in an ordinary or routine way.

I look forward to hearing from you on the effective followup of yesterday's action.

Sincerely yours,

Alexander Wiley.

[From the Congressional Record of April 20, 1955, pp. 4783–4785]

Cracking Down on Communists' Tax Returns

Mr. Wiley. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'Mahoney. I am glad to yield to the Senator from Wisconsin.

Mr. Wiley. Mr. President, I have been deeply interested for some time in making sure that the fullest investigative scrutiny of the United States Internal Revenue Service is directed at the Communist conspiracy in our Nation.

In my judgment, the tax investigative power offers a vital weapon which should not be ignored or underused in the all-out battle against the law-breaking Communist network in our land.

I send to the desk a statement and attachments on this subject, and ask unanimous consent that they be printed at this point in the body of the Congressional Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

"Statement by Senator Wiley

"'Will the United States Government use its fullest powers to investigate tax returns in combating communism in our midst?'

"This is a question which I have raised on several occasions with the Honorable T. Coleman Andrews, Commissioner of Internal Revenue, and with various other Federal authorities, in both the legislative and executive branches.

"In my judgment, the answer to that question must be 'Yes.'

"I believe it is absurd not to use this tax probe weapon, on a group which, from all evidence, is violating our tax laws, just as it has been violating so many other laws.

"I believe we could strike the Communist conspiracy where it would hurt the most, namely, in its financial artery, by turning the fullest light of investigation on Red financial trickery. This is more than a matter of definitely denying tax exemption to Red-front groups; it is a matter of an all-out tax investigation blitz on the Red conspiracy.

"Commissioner Andrews in his responses has commented on his organization's prompt followup in denying tax exemption to subversive groups.

"He has, however, raised the overall question as to the extent to which the Internal Revenue Service could depart from its regular tax review purpose for an auxiliary objective of assisting in investigating subversive forces financial operations, as such. The question as to just what should be the policy role of the Tax Bureau is in my judgment a very proper one to raise.

"However, in my view, the Internal Revenue Service can definitely find it administratively and legally feasible to do what I am asking. It can comply with both the letter and spirit of the law in making the type of comprehensive investigation which I am recommending.

"I recognize, of course, that the tax service has a job already on its hands with 50 million law-abiding Americans' tax returns.

"So, I believe, that, if necessary, it should seek additional staff for the purpose which I am recommending today, cracking down on Red lawbreakers. I believe further, that such an investigation could produce very fruitful results, in cooperation with those Federal sources, notably the great Federal Bureau of Investigation, which are necessarily the most expert in meeting the subversive problem, as such.

"In raising and reiterating this overall question, on which the Revenue Service has failed thus far to come to agreement with me, I should like to emphasize that I am not, of course, reflecting in any way on the stalwart anticommunism of Commissioner Andrews. He has been vigorously opposed to communism long before most folks were apparently even aware of this menace in our midst.

"I should like to say, moreover, that Commissioner Andrews has done a tremendous job in reorganizing and strengthening the Internal Revenue Service, and the Nation appreciates his efforts along this line. I understand that further improvements of tax machinery are in the works.

"I believe, however, that the antisubversive recommendation such as I am making today could add further credit both to his service and the Eisenhower administration as a whole.

"There follow excerpts from a few of my messages to him. They are preceded by an International News Service dispatch which apeared in, among many other papers, the April 10 Sunday Mirror of New York City. The dispatch is by Rose McKee, and is based upon my contact with Chairman Francis E. Walter, of the House Un-American Activities Committee, along this same line.

"As the initial item, I am reprinting important excerpts from the book, Men Without Faces, written by Louis Francis Budenz and published by Harper & Bros. in 1948. These excerpts underline the importance of my efforts in exposing Red finances."

Men Without Faces

(By Louis Francis Budenz)

The finances of the party were a complete mystery to most of the national committee members. Reports on finances were sometimes given and sometimes not; but it made little difference. As they were presented, very few people could make them out any way. It was quite clear that a much larger payroll was being met than the party dues and collections could account for. With the complication of district and section financing, for which separate books were kept, the whole thing became completely confounded.

The party always discreetly kept its financial records private until the Hitler-Stalin pact period. Their publication then meant little since they did not include the big secret fund under Robert William Weiner's control. However, that there were huge sums of money in the conspiratorial fund handled by Weiner and the secret committee cooperating with him, I knew to be a fact. At times Weiner had deposits amounting to hundreds of thousands of dollars in various banks. On occasion, William Browder also deposited amounts up to a million dollars, sometimes in his own name. The source of funds was frequently a mystery, further increased by the practice of conveying thousands of dollars in cash back and forth between Weiner and the various unions and other organizations under Red control. These transactions never appeared on the books of any organization since they were so arranged that the money appeared to be in the cash fund of the union or other body making the loan to Weiner.

A basic source of these mysterious funds is from abroad, flowing into Weiner's hands from Moscow. The late Joseph Brodsky was one of the connecting links in this transmission. But the Red international apparatus insists that every fifth column must stand on its own feet whenever possible. What Soviet financial aid does is to make the Communist group a going concern, always sure of capitalization. Whenever a fifth column in any country is in dire need, it receives the assistance it requires. On that foundation, it is supposed to hustle for itself and, by influence with Hollywood stars of a Red tinge, tired businessmen who want a thrill; and wealthy young people who have inherited huge sums, to raise as much money as it can.

In the big Daily Worker drives for the subsidy of $200,000 needed each year, there were large sums of money given to sections and reported as their donation whose original source was vague. In 1944, business manager William Browder reported to me that we had $50,000 in the Daily Worker drive which we did not know how to handle. Weiner had delayed giving it over to us for fear of possible inquiry, which would be embarrassing. For weeks the money was on hand, but the fund-drive reports could not show it publicly. It finally got on the Daily Worker books by allocating it to various local groups.

Week after week Bill Browder as business manager and I as president of the corporation had to work out various ways of getting money for the paper. It was a trying experience, when we knew that $50,000 which could relieve us of most of our effort and worry was lying in the till.

The secret fund was used for a number of purposes. It financed the beginnings of Communist-created front organizations, setting them on their feet and giving them an initial financial advantage over any genuinely American competitor. It was also used to supplement the regular salaries of leading comrades with cash gifts for personal emergencies. Vacation trips, special visits to health resorts, extraordinary medical care, and similar items were paid for in cash by Weiner from this fund. Some comrades bought houses with this assistance; automobiles were also purchased the same way. But a more important use of this huge cash account was to finance the secret and illegal trips of the leading Reds to other countries. It was with the aid of this fund that Eisler, Browder, Dennis, Stachel, and all the others moved into Asia and Europe and back with forged passports. Since the expenses of these trips were laid out in cash and never accounted for, they did not appear on the books of the party.

In this particular illegal financial work, Weiner often used the name of "Blake."

Active in the administration of the secret fund with the alien Weiner was a native American whose wealthy family was connected with Wall Street brokerage interests. He was Lement U. Harris, who has long lived in an exclusive section of Westchester County near Chappaqua. From him I learned that this fund helped initiate a number of enterprises, including Barney. Josephson's Cafe Society Uptown. The purpose was to make that night club a rendezvous for artists and entertainers and people of wealth, with whom Communists could there establish acquaintance.

[From the New York Daily Mirror of April 10, 1955]

Wiley Pushes Drive for Tax Crackdown on Reds

(By Rose McKee)

Washington, April 9.—Senator Wiley, Republican, Wisconsin, invited the House Un-American Activities Committee today to join with him in pressing for a tax crackdown on Reds and Communist-front organizations.

Wiley, in a letter to House Committee Chairman Walter, Democrat, Pennsylvania, said he believes the Internal Revenue Service has the legal right to make such an investigation.

Wiley told Walter he has had "considerable correspondence" with Tax Commissioner T. Coleman Andrews on the subject.

He said Andrews "has questioned whether his agency can depart from its traditional effort to secure tax revenue for an auxiliary purpose of helping to crack down on the Communist conspiracy."

TELLS OF METHODS

The Senator said former Communists such as Louis Budenz have said that front organizations have collected millions of dollars for one cause or another, frequently transferring the money from one group to another to escape accountability.

He said he had in mind a "blitz type" of investigation that would "hit the Reds where it hurts—in the purse."

United States Senate,
Committee on Foreign Relations,
December 29, 1954.

The Honorable T. Coleman Andrews,
Commissioner, Internal Revenue Service,
Washington, D. C.

My Dear Commissioner: I am writing to you with regard to a very important phase of the anti-Communist effort. I refer to the checking of tax returns of the great number of key individuals, organizations, and businesses within the Communist orbit in the United States.

As you know, the Reds have hatched all sorts of enterprises—companies and fronts have repeatedly transferred funds back and forth between them, and have otherwise juggled their books, according to strong evidence given to the FBI and to congressional investigative groups by ex-Communists.

It seems to me that we could sever the financial arteries of the Communist Party if a special effort were made to investigate the books of at least the major Red groups. In so doing, we could probably interfere with Red espionage in this country, which is dependent on disguised expenditures, of course. While they have probably covered their tracks carefully, an all-out probe would no doubt prove very fruitful.

I realize that this tax probe would be a very considerable undertaking, and that it would require a great deal of personnel. However, it seems to me that for too long, the Communists have been gettting away with financial trickery, and that they should be held to account taxwise, as well as in every other way.

I strongly believe that they have broken tax laws in handling the books of their fronts and of their key functionaries, just as they have broken other types of laws, in all their nefarious activities.

I would very much appreciate hearing from you as soon as possible, as to your reaction to this suggestion for an intensified effort in investigating their tax returns.

With all good wishes, I am.

Sincerely yours,

Alexander Wiley.

United States Senate,
Committee on Foreign Relations,
February 25, 1955.

The Honorable T. Coleman Andrews,
Commissioner, Internal Revenue Service,
Treasury Department,
Washington, D. C.

My Dear Commissioner: * * * Since the Internal Revenue Service is necessarily not the most expert source on antisubversion but must necessarily rely on other Federal agencies, I hope that it will actively seek out what I know will be the ready cooperation of these other agencies rather than to sit back and wait for pertinent information to come to it.

As an example of the pressing need for interagency cooperation, I point out that a New York State Joint Legislative Committee has just indicated that three subversive groups—the Civil Rights Congress, the American Committee for the Protection of the Foreign Born, and the Joint Anti-Fascist Refugee Committee—raised, alone, a total of $3½ million, but spent most of it apparently for subversive purposes. What about the National Committee for Justice in the Rosenberg case, and similar well-financed ventures, I ask?

I am glad that action is being taken to deny tax exempt status to such subversive groups, but my feeling is that there is usually such a considerable time lag before these groups can be so officially designated that a great deal of money in the meanwhile pours into the Communist fronts.

I realize, of course, that there is a strict limitation on your available manpower, but I earnestly feel that if such manpower as might be available could be assigned to this task now, our country would reap significant dividends in terms of its security.

Moreover, if necessary, I believe that a request to the Senate and House Appropriations Committees for additional manpower to handle the task might be well received by the Congress.

I am enclosing herewith some remarks which I am making in my State this coming Sunday night, in which I urge an all-out effort.

In summary, I do think that if an investigative "blitz" could be launched on your own initiative against these Communist fronts, we could set the Communist conspiracy back on its heels for quite some time.

* * * * *

Looking forward to hearing from you, I am,

Sincerely yours,

Alexander Wiley.

CONFIRMATION OF RED FINANCIAL MYSTERY FROM LOUIS BUDENZ

Mr. WILEY. Mr. President, finances are part of the lifeblood of the Red conspiracy. Slash the financial artery, and the conspiracy—propaganda, espionage, sabotage, and so forth—will be severely restricted. Of course, Red fanaticism will continue, with or without money; but dollars or rubles still play a major part.

DOMESTIC SECURITY COMPATIBLE WITH WORLD SECURITY

What of the foreign policy implication of yesterday's actions?

As senior Republican on the Senate Foreign Relations Committee, I assume that it will not be long before Moscow propaganda organs begin to shriek that the Treasury Department's action allegedly runs contrary to the so-called "peaceful co-existence" lullaby of the Kremlin. Our answer is this: The entire underground apparatus of the Communist Party in our own country and throughout the world completely belies the "peaceful coexistence" line of the Kremlin. The Kremlin has not called off a single spy, saboteur, or agitator either in our own country or anywhere else. There is no reason, therefore, why the Untied States should shrink back in the slightest from all-out legal action against the Red conspiracy in our midst. As a matter of fact, in our self-defense, I point out that the whole history of past such so-called peaceful periods between East and West evidences that they have been used by the Kremlin to intensify, rather than diminish, underground activity.

I hope our action on yesterday will serve as a model to other free peoples, a model which says this, in effect: "Smash the Red conspiracy by every legal means available. Meanwhile, hold fast to your basic liberties and continue your quest for world peace. After all, there is complete compatibility between the twin goals of domestic security on the home front and international security on the world front."

The Daily Worker will, no doubt, continue to be published through whatever makeshift arrangements it can devise. After all, the comrades must be informed as to what today's party line is, whether Comrade Stalin was a "bloody murderer," or whether he was really the "infallible genius" that he was pictured for three decades. The comrades must be informed whether Party Chief William Z. Foster must now get the ax because he was an unquestioning supporter of Stalin, or whether he is still the Kremlin's authentic mouthpiece.

Mr. President, let me conclude by stating that I, for one, yield to no man in my devotion to the faithful application of the Constitution or its Bill of Rights, even as regards the words and deeds of those whom we completely oppose and who completely oppose us. As the Supreme Court indicated, however, in its 7-to-2 decision on the witness immunity case just last Monday, there is no real reason why a constitutional guaranty—in that instance against self-incrimination—should serve as an absolute roadblock against the legal efforts of the Government of the United States to protect itself against those who would destroy it. "Freedom of the press" must stand as a great bulwark of our liberties. But the Red conspiracy must be smashed.

THE KANSAS CITY IDEA ON FOREIGN RELATIONS

Mr. SYMINGTON. Mr. President, a new idea in foreign relations was recently tried out with great success by 31 civic, business, and professional leaders of Kansas City, Mo. The new approach on foreign relations by these American citizens is worthy of serious consideration.

Acting on the suggestion of Hal Hendrix, Latin America specialist of the Kansas City Star, 31 men made a 3-week good will trip, visiting 8 Latin American countries. On February 24, in an editorial entitled "Kansas City Looks South," the New York Times described this approach as "Something new and pleasant and important in the way of hemispheric relations." On March 7, Daniel James, writing from Kansas City for the New York Herald Tribune, said:

> This bustling Midwestern capital may have the answer to the current Soviet offensive to win friends by offering economic aid. It certainly seems to have the answer to Moscow's recently announced economic penetration of Latin America, at any rate.

Even though these men were official ambassadors of good will from the Missouri city known as the Heart of America, each member paid all of his own expenses.

The immediate success of the trip was demonstrated by the warm hospitality and friendly reception accorded them in every area they visited. Veteran observers in South America reported newspaper and picture coverage of the visit of this Kansas City delegation was from 3 to 5 times as large as that received by any other delegation ever to visit in Latin America.

Mr. President, I ask unanimous consent to have a New York Times editorial of February 24, incorporated in the Record at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Kansas City Looks South

Something new and pleasant and important in the way of hemispheric relations has just come to a successful conclusion. It was a trip of 30 leading professional and business men from Kansas City, Mo., headed by the city's vigorous mayor, H. Roe Bartle, to 8 of the Latin-American countries. This is surely the first time that a group of leading citizens from a municipality in the very heart of the United States has made such a journey.

The idea and the push came from the Kansas City Star, which in recent years has shown a commendable interest in Latin-American affairs. The group whose trip has just ended was constituted as the "Kansas City Commission for International Relations and Trade" by a resolution of the city council and it has a 3-year term. Under the resolution it has "the purpose of fostering good will in the Americas and strengthening hemispheric solidarity, particularly between Kansas City, Mo., its metropolitan area and our Latin-American neighbor Republics to the south." The commission started in Venezuela 3 weeks ago and visited Brazil, Uruguay, Argentina, Chile, Peru, Panama and Mexico before returning to Kansas City.

There was nothing eccentric about the idea. Kansas City is a booming and dynamic city which has much to offer to Latin America and it made sense for a group of civic leaders to call the attention of Latin Americans to the trade opportunities of their area. It is, besides, a national service for North Americans of this type to go around Latin America and show their interest in the region. The Middle West, with its historic isolationism, has certainly moved a long way out when Kansas City can send a delegation of this sort on such a trip.

Mr. SYMINGTON. Mr. President, after getting approval of the State Department, Hal Hendrix presented his idea last fall to Kansas City's able and patriotic mayor, H. Roe Bartle. Mayor Bartle received the suggestion with enthusiasm, discussed it with the city council, and the council immediately authorized the Mayor to appoint a Kansas City Commission for International Relations and Trade.

So that members of the Senate and others interested in our foreign relations may note the varied fields of endeavor represented on the Kansas City Commission, I ask unanimous consent that the names of the commissioners and their businesses or professions be inserted at this point in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Kansas City Commission for International Relations and Trade

Hon. H. Roe Bartle, mayor, Kansas City, Mo.

J. E. Dunn, chairman of the commission, president of the J. E. Dunn Construction Co.

C. J. Kaney, vice chairman of the commission, president of the Swift & Henry Livestock Commission Co., and chairman of the metropolitan area planning council.

N. T. Veatch, vice chairman of the commission, Black & Veatch (engineers).

Louis B. McGee, secretary of the commission, and treasurer of the Old American Life Insurance Co.

Dr. Arnold V. Arms, official commission physician.

R. N. Bergendoff, senior partner, Howard, Needles, Tammen, & Bergendoff (bridge engineers).

Dudley C. Brown, partner, Brown & Loe (produce brokers).

Forrest D. Byars, executive secretary, downtown committee, chamber of commerce.

J. Roger DeWitt, president, the DeWitt Co. (real estate and investments).

Harry M. Gambrel, partner, Mann, Kerdolff, Kline & Welsh (insurance).

Kenneth G. Gillespie, vice president and general manager, Jenkins Music Co.

Edward C. Gosnell, president, Inter-Collegiate Press (manufacturers and publishers).

George Fuller Green (real estate and investments), member, Kansas City Board of Park Commissioners.

Hal Hendrix, Latin American specialist, the Kansas City Star.

John D. Hilburn, president, Boese-Hilburn Electric Co.; and president, Advertising and Sales Executives Club.

C. Earl Hovey (United States patent attorney).

Lowell R. Johnson, executive vice president, Puritan Compressed Gas Corp.

Ray E. Lawrence, Black & Veatch (project engineering).

Beverly Miller, president, Allied Independent Theatre Owners, Inc.

John O'Keefe, owner, O'Keefe Travel Service, and honorary vice consul of Spain.

Alfred F. Parmelee, president, United States Safety Service Co. (manufacturers and distributors of safety equipment).

Joseph V. Quigley, chairman of the board of Chapman Dairy Co. (Sealtest) and Franklin Ice Cream Co.

Walter A. Reich, president, A. Reich & Sons, Inc. (produce distributors).

Nathan Rieger, president, Mercantile Bank & Trust Co.

Charles C. Shafer, Jr., attorney at law and city councilman.

Frank H. Spink, president, Bunting Hardware Co., and president, board of police commissioners.

Eugene F. Stanton, president, Klughartt Machinery Co. (agricultural equipment).

Fred R. Suddarth, president, Kaw Transport Co., Inc., and president, Blue Valley Manufacturers & Merchants Association.

R. Carter Tucker, director and general counsel, Rudy Patrick Seed Co.

Lancie L. Watts, tax attorney, commission interpreter, and past president, Kansas City Lawyers Association.

Mr. SYMINGTON. Mr. President, on February 2 the Commission visited Washington for an official briefing by State Department officials, departing immediately thereafter on this good-will tour, which took them to Venezuela, Brazil, Uruguay, Argentina, Chile, Peru, Panama, and Mexico.

Upon return to Kansas City, February 24, the Commissioners did not halt their efforts for better understanding with our South American neighbors. Instead, they immediately started a heavy schedule of reports to civic, church, and school groups, and also appeared often on radio and television.

Following the trip, the Commission announced a program of scholarships for Latin American students at colleges and universities in the Kansas City area, the sponsoring of an International Trade Fair next spring, and the entertaining of several Latin American officials in Kansas City next fall.

In my opinion, Mr. President, this leadership by Kansas City in the field of inter-American relations deserves the notice and approval of the entire Nation.

The dedicated zeal of this particular group of business and professional men, representing all that is best in the American way of life, may well have set a pattern for future visits by comparable groups, not only to South America but throughout the entire world.

The far-reaching effect this tour could have on foreign policy was reported in the Kansas City Times on March 3. Mr. President, I ask unanimous consent to have this article made a part of my remarks at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Latin Trip Draws Praise From an Assistant Secretary of State

Washington, March 2.—Henry F. Holland, Assistant Secretary of State in charge of Latin America, said today the trip of a group of Kansas City officials and businessmen to Latin America last month contributed to the mutual understanding we are striving for in this hemisphere.

"Reports received by the State Department from our Ambassadors in Latin America," Holland said, "indicate that the trip of the Kansas City commission for international relations and trade was most successful.

"In each of the cities visited by the commission, it made an excellent impression. They had the opportunity to talk with the presidents of a number of countries, as well as with other high officials, business and professional men.

"The friendliness of members of the group and their genuine interest in the countries visited contributed to the success of their mission. It is certainly true that Kansas City is now known and appreciated more in Latin America than at any time in the past.

"The trip of this commission made a worthwhile contribution to the mutual understanding we are striving for in this hemisphere."

The commission, which spent 3 weeks in Latin America, was headed by Mayor A. Roe Bartle and J. E. Dunn, commission chairman.

Mr. SYMINGTON. Mr. President, this new idea in foreign relations was further noted in an article appearing in the New York Herald Tribune on March 7. Mr. President, I ask unanimous consent that this article, which was reprinted in over 137 additional newspapers, be made a part of my remarks at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE KANSAS CITY IDEA

(By Daniel James)

KANSAS CITY, Mo.—This bustling Midwestern capital may have the answer to the current Soviet offensive to win friends by offering economic aid. It certainly seems to have the answer to Moscow's recently announced economic penetration of Latin America, at any rate.

Kansas City's answer is not to wait for Federal action, but to act on your own. As a result, it has jumped with both feet into the tense international arena, and become the first American municipality to send a friendship-and-trade delegation to Latin America.

Just back after 3 weeks in 8 Latin American countries, the delegation, consisting of 30 prominent Kansas Citians headed by dynamic Mayor H. Roe Bartle, has scored some impressive results.

First and foremost, the idea of a group of private United States' citizens paying Latin America a friendly call, without in any way being sopnsored by Washington, has made the Latins happier than anything we've done in recent years.

The peripatetic Kansas Citians, as a matter of fact, got a bigger press in Latin America than any official United States delegation of late.

In the second place, some good commercial contacts were made which promise to profit both Kansas City and Latin America tangibly. The tour, then, was not just a gladhanding affair.

Nor was it a one-shot affair. Kansas City is planning at least 2 similar trips within the next 2 years, besides other related activities in line with a new international program it has initiated.

The idea of promoting trade and friendship between Kansas City and Latin America was originated by Hal Hendrix, Latin American specialist of the Kansas City Star, who promptly sold it to Mayor Bartle.

Hendix' idea took concrete form last November, when the mayor, himself, a longtime exponent of inter-American solidarity, was authorized to appoint an International Relations and Trade Commission.

The commission's major purpose, as laid down in a city ordinance, is to acquaint Latin America with Kansas City's "trade opportunities, economic development, and cultural life, and to develop better understanding among the people of the Greater Kansas City community of the cultural and social life of the countries of Latin America."

To make his commission both representative and potent, Bartle appointed 30 of Kansas City's most promient citizens, ranging from a suave patent attorney to a roughhewn cattleman. The 30 at once decided to look over Latin America for themselves, instead of sending a study group, and each paid his own way to the tune of about $3,000.

The commission's only connection with Washington was to go there for a briefing by various Government agencies, and to promise a report.

I interviewed Mayor Bartle and six of his commission members 2 days after they returned home from Latin America, and can report without exaggeration that I have rarely seen such enthusiastic supporters of Pan Americanism.

"They say we're isolationists here in Kansas City," Mayor Bartle boomed in his infectiously friendly way. "But we aren't. We very much believe in hemispheric solidarity."

Commission Chairman J. E. Dunn, who heads a flourishing construction company, repeated several times:

"We need South America more than it needs us."

All members of the delegation I interviewed were unanimous in asserting that boundless economic opportunities exist south of the border.

Commission Vice Chairman C. J. Kaney, one of America's leading cattlemen, told me:

"Many South American cities are moving ahead faster than ours. Latin America is a giant just about to wake up."

The Kansas Citians stressed that Americans could play a decisive role in Latin America's future, and thus earn its undying friendship, by supplying it with American know-how.

Illustrating the point, Commission member, C. Earl Hovey, a shrewed patent lawyer, told me that a Kansas City vending-machine company helped a Mexican affiliate expand its output 30 percent by lending it the use of United States patents.

At least three of the touring Kansas Citians made direct commercial contacts in as many South American countries. One proposes, for example, to manufacture unbreakable eyeglasses.

The Commission's report to Washington will stress these Latin needs:

1. Loans, especially for transportation.

2. Easier credit. The midwesterners found that the Latins prefer to buy from Europe, even where the goods are inferior to ours, because they get better credit terms.

3. Development of barter. Since some major Latin American exports—wheat and cattle, for example—are not needed by us, we should develop a three-way barter system by which they can be exported elsewhere, but in return enabling Latin America to get manufactured items from us.

4. More United States know-how. Our businessmen and technicians, the Kansas Citians feel, must aid Latin American expansion by lending it their experience, merchandising methods, and technological knowledge.

Emphasizing that Kansas City's interest in Latin America is real and permanent, Dunn pointed out:

"We didn't go down there to plant a seed and let it die. We have just begun. We're going to keep working at this through our city, and Washington as well."

Several Commission members observed that Soviet Premier Bulganin's offer of increased trade with Latin America is being taken seriously there, but such ventures as Kansas City's could more than offset any possible damage the Soviets can do.

Already, the Kansas City idea seems to be catching on elsewhere. St. Louis and Detroit now contemplate sending delegations to Latin America. Kansas City itself will follow up with an international fair in September, which will feature Latin America.

Is it farfetched to hope that the Kansas City idea will also be applied to other parts of the world, notably Asia and Africa? If it can be, it may well be the answer to the new Soviet economic offensive. For if anyone can outsell Moscow's star salesmen, Khrushchev and Bulganin, it is the American businessman once he gets going.

Mr. SYMINGTON. The wide notice given this program was also heralded in a roundup of newspaper comments appearing in the Kansas City Times on March 21. Mr. President, I ask unanimous consent that this article be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AS OTHERS SEE GOOD-WILL TOUR

Kansas City not only has strengthened its friendship and trade ties with Latin America as a result of the recent good-will tour of the new Commission for International Relations and Trade. By its initiative, it also has awakened the interest of numerous United States cities in better hemispheric understanding.

Newspapers in various parts of the country have commented editorially on what has become known as the Kansas City Idea. Several United States cities are suggesting closer relationships with our community. Some publications even have expressed a note of jealousy.

Several cities have launched plans to send commissions similar to the Kansas City group to Latin America on good will and trade missions. Some have written here to seek the organization formula. New York and Buffalo, N. Y., are in the development stages. The mayor of Miami, Randall N. Christmas, has appointed a 14-member commission. The group plans to depart for Latin America April 15.

"This is a frank bid for Latin American trade," commented the St. Louis Globe-Democrat, "and it could be hugely successful. What irritates us is that the Kansas City group is doing something that St. Louis should have been doing for years. Latin American markets have been open to us and we have done precious little to cultivate them by concentrated promotion. If Kansas City can send a trade delegation to beat the drums for business in Latin America, why can't St. Louis?"

On a different plane, the New York Herald Tribune comments that this "Midwestern capital (Kansas City) may have the answer to the current Soviet offensive to win friends by offering economic aid. It certainly seems to have the answer to Moscow's recently announced economic penetration of Latin America, at any rate."

The Herald Tribune points out that "Kansas City's answer is not to wait for Federal action, but to act on your own. As a result it has jumped with both feet into the tense international arena, and become the first American municipality to send a friendship-and-trade delegation to Latin America.

"Is it farfetched to hope that the Kansas City idea will also be applied to other parts of the world, notably Asia and Africa? If it can be, it may well be the answer to the Soviets. For if anyone can outsell Moscow's star salesmen, Khrushchev and Bulganin, it is the American businessman once he gets going."

The Mobile (Ala.) Press states that "leaders of this Gulf Port city might do well to keep a keen eye on a new movement launched in Kansas City to promote friendship and trade in Latin America. . . . A movement of this kind, although centering in a Midwestern community, is of considerable significance to Mobile. It can be expected that some of the trade that develops therefrom in the future will funnel through Mobile."

"The high-powered mission of Kansas Citians should bring more business through the Port of Houston," the Houston (Tex.) Chronicle notes. "What's good for Kansas City is good for Houston."

The Miami (Fla.) Daily News comments that Kansas City "is approaching this good-neighbor idea with common sense. Kansas City may be tucked away in the heartland of the United States, but there is no reason it cannot become a partner in business with Latin America."

In Latin America itself, the Journal of Caracas, Venezuela, noted that the Venezuelan capital has learned that "Kansas City is a tremendous agricultural and industrial metropolis of the Midwest with a big heart and eyes that see far. The Kansas City delegation proved that the Midwest is no longer an isolationist stronghold; the Midwest wants to be a good neighbor, too."

It was quipped recently that Kansas City is the only municipality in the United States of America with its own built-in State department. Editorial comments seem to bear this out.

Mr. SYMINGTON. Mr. President, I believe Members of the Senate and other students of our foreign relations will find the work of the Kansas City Trade Commission of increasing significance. Therefore, I ask unanimous consent that the commission's official report, as filed last week with the State Department, the Treasury Department, and the Export-Import Bank, be made a part of the RECORD at this point, and I direct particular attention to the 20 specific recommendations appearing at the end thereof.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE KANSAS CITY COMMISSION FOR INTERNATIONAL RELATIONS AND TRADE—LATIN-AMERICAN FACTFINDING TRIP FEBRUARY 1956

This is a report of impressions, observations, and suggestions of the Kanass City Commission for International Relations and Trade following its first factfinding tour of eight Latin American nations.

The report represents the concensus of the 30 members of the commission, each of whom paid all of his individual expenses for the 24-day trip that covered more than 15,000 miles. Even though the commission now is an authorized unit of the municipal government of the city of Kansas City, Mo., there was no expenditure of taxpayers' funds for any phase of our mission.

For purposes of background, the city council of Kansas City in November 1955, adopted a resolution authorizing the mayor to establish the Kansas City Commission for International Relations and Trade and to name 30 members to serve 3-year terms.

The resolution stated that "the commission shall be authorized to represent Kansas City and its metropolitan area for the purpose of acquainting the Latin American countries with this area's trade opportunities, economic development, and cultural life, and to develop a better understanding among the people of the Greater Kansas City community of the economic potentialities and the cultural and social life of the countries of Latin America."

Mayor H. Roe Bartle appointed the commission membership and named J. E. Dunn as chairman, Cliff J. Kaney and N. T. Veatch as vice chairmen, and Louis B. McGee as secretary. The membership represents a cross section of Kansas City's business, industrial, agricultural, professional, and cultural leadership.

For the commission's first project, it chose to visit the countries of Venezuela, Brazil, Uruguay, Argentina, Chile, Peru, Panama, and Mexico. At the invitation of officials of the State Department, the Commission first visited Washington for briefings on the areas to be visited.

At the outset of this report, we wish to express our gratitude to State, Commerce, and Treasury Departments, the Export-Import Bank, and the Pan-American Union for the excellent briefings given the commission when it visited in Washington February 2 to start the mission. As our trip progressed we found all the information gained in these briefings most helpful in becoming oriented with situations in the various Latin American nations.

We also wish to state that every embassy of the United States in the countries we visited could not possibly have been more cooperative. The caliber of each Ambassador and his staff made each one of us feel very proud of our Government. We know our Government's affairs in Latin America are in most able hands. At every turn we saw the work of these competent Foreign Service officers reflected in a sincere feeling of warmth for the United States of America. We cannot express enough commendation for our capable diplomatic service in Latin America.

In our 24-day factfinding trip we were privileged to meet and enjoy highly informative discussions with presidents, cabinet officials, governors, mayors, city councilmen, and leaders of business, industry, finance, health, professions, and education. We met and talked with literally hundreds of Latin Americans, rich and poor, and United States citizens living in Latin America. We inspected housing projects, schools, trafficways, oilfields, ranches, parks, hospitals, cultural centers, retail establishments, dairies, manufacturing plants, and many other fields of interest.

Bearing in mind that the membership of the commission, with three exceptions, never had seen any of Latin America beyond Mexico, the group returned to Kansas City unanimous in two conclusions: The United States needs Latin America as much or more than Latin American needs the United States of America, and we are more cognizant than ever before of the interdependence of the 20 Latin American republics and the United States of America.

Everywhere the commission traveled it was greeted with friendliness, understanding, and enthusiasm. People in every country were genuinely interested in making certain that we had every opportunity to obtain all the facts we sought. Outstanding courtesy was the rule. No one attempted to apply pressure. Everyone we visited shared our desire to strengthen our social and economic ties and to develop a stronger, healthier, better educated, and more prosperous family of the Americas. The commission is deeply appreciative of the kindness and courtesy extended to us by everyone.

We found a strong similarity between the people of North America and Latin America. We found a desire for a much better way of life. We found them experiencing a social revolution to attain this natural goal. We found them proud, patriotic, and independent people, who, under no circumstances, appeared to be willing to trade freedom for communism in their quest for a better life.

We found that the Latin Americans do not want charity nor handouts in the form of Government grant aids from this country. We learned they need and welcome our assistance in the form of loans for projects that will lead to a better way of living than now exists in some sections of the area. We found some adverse reactions and dissatisfaction over the policies of our Government with respect to billions of dollars given in grant aids to countries of Europe and Asia.

We found discontent over the failure of Secretary of State Dulles to visit Latin American countries. It was pointed out to us repeatedly that he has visited nearly everywhere in Europe and the Far East, but only once to Latin America—and then only to attend the Inter-American conference at Caracas in 1954. Each time the question arose, mainly in press conferences, Mayor Bartle and Chairman Dunn met it by stating that Secretary Dulles' trip abroad has been made to help meet problems that might grow and endanger or engulf the Western Hemisphere and the rest of the free world. It was noted that we have good friends in Latin America and a person or a country doesn't have to worry about good friends.

With the great natural resources that lie untapped in South America, it is our firm belief that in helping the Latin Americans satisfy their demands for a broader development of their economies, we will be helping ourselves. It is not enough just to make loans of dollars. We must give them more of ourselves in sharing our know-how and showing them how to best obtain the things they need most. By being this kind of a friend, we can plant seeds that will bear good fruit and we, as well as Latin America, can share in enjoying the fruits of these efforts in the years ahead.

The commission found the technical assistance program of the United States Government to be a tremendous asset in each of the countries visited. We feel this is one of the best expenditures of United States Government funds that can be made in Latin America.

Private investment, by both Latin American and foreign capital, appears to be one of the best avenues for greater production and consequent higher standards of living in Latin America. Venezuela certainly affords an outstanding example of what foreign private investment, with its technical know-how, can do to better general living conditions. We found, however, in some countries varying degrees of nationalism that constituted a handicap to development through foreign capital. This nationalism has, in some instances, developed very cumbersome restrictions. Such measures could easily discourage a potential investor.

We found United States business firms operating in Latin America making a marked contribution to the development of the countries in which they were established. Some of these investments, such as the Creole Petroleum Co. in Venezuela, provided a model example of cooperation and assistance in the form of better housing, health and working conditions and education for national employees. We found all the United States business officials to be very effective in interpreting to the nationals the policies of our Republic. This appeared with such firms as Pan American World Airways, the W. R. Grace Co., Sears, Roebuck & Co., United States Steel, Standard Oil, General Motors, and others with whom we were associated.

Three Latin American needs stand out as most pressing to the commission. They are needs for additional educational facilities, additional roads and highways, and additional power-producing facilities.

Shortage of school facilities appears to be general. As an example a Chilean educator noted that his school was providing education for about 1,200 boys and girls, but if the school facilities were enlarged and staffed accordingly the same education could be given to 12,000 boys and girls in that community.

Shortages of roads and highways also appear to be general. We learned in Brazil alone that there were only 1,800 miles of paved highways compared to approximately 560,000 miles in this country, and Brazil is much larger in area than the United States. We also learned of many instances in which foodstuffs rotted in the production areas because of inadequate transportation and distribution facilities. A highway network and many farm-to-market roads are absolute necessities if substantial gains are to be made in bettering living conditions.

Power shortages also constitute a serious handicap to the development the Latin Americans are seeking. Nearly all the countries have hydroelectric potentials, but in most cases they are stymied because of dollar shortages. The Export-Import Bank loan for a large Brazilian powerplant will contribute tremendously to Brazil's industrial activities, but one plant isn't going to solve but a fraction of the demand. It also seems to the commission that development of Brazil's oil industry at a much faster rate is an absolute must if its industrial growth is to continue in the race of demand brought on by the tremendous population increase, which is growing at the estimated rate of 2 million annually.

Inflation in some of the countries the commission visited, particularly Chile and Brazil, is another major point of distress observed. Its negative effects are very obvious, but we heard encouraging reports of programs being undertaken to curb inflation.

In connection with foreign trade, the commission heard many times that European countries and Japan are beginning to make sizable inroads on the Latin American market. The chief reasons appeared to be lower product costs, because of correspondingly lower labor costs in these foreign production centers; more attractive credit terms; more opportunities for barter with other dollar-short countries, and lower shipping costs. The long-term credit feature appeared to be the most dominant. The commission learned that United States products were higher in quality and more desired but that Latin American purchases now have to be tailored to fit the Latin American pocketbooks.

The commission also learned that Latin Americans are far better acquainted with the United States than citizens of this country are with Latin America. The commission is firmly convinced that there is a large area for expansion in this country for a better understanding of Latin America, its peoples, and its countries.

The commission is privileged to have as a member a representative of the medical profession who travelled as official commission physician. He visited and was highly impressed with physicians he met in the hospitals and medical institutions seen. His views and observations are shared by the commission.

We learned that a majority of the medical men we met either had visited or studied in the United States, and several had received scholarships from the Rockefeller or Kellogg Foundations. We learned that a real problem in the medical field is not in finding capable recent graduates who desire to come to the United States on scholarships for further training, but rather that professors and instructors in medical schools feel that much of this expensive training is being wasted since many young physicians are not able to practice their knowledge of new techniques upon returning to their own countries because of a lack of facilities or special equipment. We learned this has created a severe shortage of practicing medical specialists. For example, there is only one internal medical specialist in Caracas, Venezuela, a city of almost 1 million inhabitants.

The commission also learned that instructors and professors in medical centers feel a strong need for refresher courses and opportunity for study and research in their specialty fields, but are not eligible for the aforementioned scholarships unless they take the entire postgraduate course prescribed for them, generally the same courses given young students. We learned that transportation expenses are keeping these instructors at home, where no postgraduate training is available. The commission feels the medical instructors should have better opportunities to study the latest medical advances made in this country.

The Kansas City Commission for International Relations and Trade would respectfully submit the following recommendations to the United States Government:

1. Intensify its financial assistance in the form of loans for sound development projects, such as road construction and powerplants.

2. Consider extending loans strictly for educational purposes, such as school construction and teacher training.

3. Intensify its technical assistance programs in all Latin American nations, with increased numbers of skilled technicians and specialists.

4. Expand existing programs of education and cultural exchange cooperation, including scholarships for both Latin American and United States students, expansion of binational centers, and refresher training for teachers and professors.

5. Encourage more practicing Latin American doctors to visit the United States for training in the latest specialty medical techniques and skills and hospital operation.

6. Encourage oragnizations sponsoring medical scholarships in this country to amend their programs to add transportation costs to scholarship awards, and include refresher training and research for medical teachers, professors, and instructors; explore the feasibility of establishing a special fund in existing cultural exchange programs of our Government to assist Latin American medical instructors in keeping abreast of advancements made in our institutions.

7. Explore the feasibility of making more loans to speed up the mechanization of agriculture in Latin America.

8. Encourage United States producers and manufacturers to offer more attractive credit terms to Latin American countries and customers.

9. Develop a program to better acquaint manufacturers throughout the United States interested in export with the money exchange and freedom of restriction of exchange in each South American country.

10. Encourage United States manufacturers to prepare their South American correspondence in Spanish or Portuguese, and to print their sales brochures, circulars, etc., in the same manner.

11. Send to South America men trained in installment credit to aid in establishing and training South American merchants in the use of credit interchange bureaus.

12. Encourage all Latin American countries to eradicate any remaining cumbersome and complex business operation restrictions and work toward an areawide equal climate favorable to foreign investment capital.

13. Encourage more United States firms to explore the advantages of establishing productive operations in Latin American nations, including an examination of existing obstacles in this country to private investment abroad.

14. Adhere to bipartisan and stable trade policies with all Latin American nations.

15. Explore the formation of an international board of trade operation, through which a broad based program of barter exchange could be developed to aid countries with low dollar earning power.

16. Explore the possibility of enlisting the services of men of nationally known ability in business and industry in the United States to advise and assist Latin American governments with development problems, in the same manner that our economic leaders have served the United States, if the Latin American nations desire such assistance.

17. Encourage the United States school system to participate in more exchange-of-idea programs and cultural projects with Latin American nations.

18. Encourage more communities of this country to send delegations on fact-finding tours of Latin America, and at the same time lend official encouragement to Latin American cities to send delegations of their leaders to this country for a similar purpose.

19. Encourage the public information media of this country to disseminate more informative and constructive news about Latin America.

20. Encourage more missionary work on the part of all denominations for the purpose of elevating the way of life among the lesser developed areas of these countries.

It has been a most interesting and rewarding experience for this commission to represent Kansas City and the United States on its mission. There is no doubt in the minds of the commission members about the future of Latin America. While it is recognized that conditions in some countries today provide fertile ground for Communist infiltration, the commission is convinced that the Latin American people are devout, freedom-loving individuals who will not become gullible prey of the Communist doctrine. Latin America is on the march to become a powerful economic area of the free world.

This commission believes that our country's future prosperity and freedom are very closely related to that of Latin America. Two devastating world wars have strained this country's strategic resources. In this atomic age in which we are living, the wealth of strategic materials in the soil of Latin America could well be considered the guardian of freedom of the Americas. We have a great and important relationship of interdependence with our Latin American countries in this age. A much closer person-to-person and community-to-community relationship between the nations of the Western Hemisphere is essential if we are to sustain freedom and opportunity for all other liberty-loving people of the world.

The people of Latin America are our friends. It is mutually important that we build stronger and better-understood political, cultural, and economic ties between us. If we are a people of good will and share our many blessings, God's peace will be ours for many years to come.

Respectfully submitted.

The commission: J. E. Dunn,[1] chairman; C. J. Kaney,[1] vice chairman; N. T. Veatch, vice chairman; Louis B. McGee,[1] secretary; Arnold V. Arms, M. D.; R. N. Bergendoff; Dudley C. Brown; Forrest D. Byars; J. Roger DeWitt; Harry M. Gambrel; Kenneth G. Gillespie[1]; Edward C. Gosnell; George Fuller Green; Hal Hendrix[1]; John D. Hilburn; C. Earl Hovey[1]; Lowell R. Johnson; Ray E. Lawrence; Beverly Miller; John O'Keefe; Alfred F. Parmelee; Joseph V. Quigley; Walter A. Reich; Nathan Rieger; Charles C. Shafer, Jr.; Frank H. Spink; Eugene F. Stanton; Fred R. Suddarth; R. Carter Tucker; Lancie L. Watts; Mayor H. Roe Bartle,[1] Ex Officio.

Mr. SYMINGTON. In closing this commendation of a group of patriotic and unselfish men, I am reminded that what we of the free world want more than anything else is permanent world peace.

What better way could there be toward that desirable end than this Kansas City idea for spreading friendliness and good will among our neighbors—an atmosphere sadly lacking in some other parts of the world.

I am sure all America wishes to thank these men of Kansas City for their leadership in the interest of world peace.

THE MODERNIZED PARITY FORMULA

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the body of the Record at this point as a part of my remarks a letter which I have today sent to Secretary of Agriculture Benson, with reference to the so-called modernized parity formula.

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[1] Members of the report committee.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Hon. Ezra Taft Benson,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

Dear Mr. Secretary: Your statements to the press yesterday with reference to the dual-parity formula have caused me deep concern. You seem determined to put the so-called modernized parity formula for basic farm commodities into effect at all costs.

The so-called modernized parity formula, as you know, uses as its major provision in determining parity (fair price) the average price received by farmers for the previous 10-year period. Presently the prices received by farmers are averaging about 80 percent of parity. If farm prices continue at this low level for the next 10 years, then this low level of farm prices becomes parity or a fair price 10 years from now. That is wrong in principle. Almost every farm organization recognizes this, as was evidenced nearly everywhere the Senate Agriculture Committee held hearings throughout the United States last fall.

It is inconceivable that either labor or industry would ever sanction the use of any formula which would tie them to the average price received for the previous 10-year period. Both labor and industry, as you know, use as their base in making similar price calculations that favorable period of 1947 to 1949. In view of this, why should agriculture be subjected to this unreasonable principle which provides that the fair price in future years is based on the average price received for the previous 10-year period, no matter how adverse it may be.

It may be wrong, to some extent, to continue the dual-parity formula indefinitely. There is every justification, however, to continue the dual-parity formula until the Department of Agriculture can come forward with a new parity formula which will be more reasonable and fair to the farmers of America. The modernized parity formula is wrong in principle. As a Senator from a farming area, I do not feel it possible for me to compromise on a principle which I think is wrong. If permitted to go into effect, the modernized parity formula would do inestimable damage to the whole cause of agriculture.

The dairy farmers of America, recognizing that the modernized parity formula was doing an injustice to them, were able to have a provision inserted in the Senate agriculture bill which permits them to use the base period from 1946 to 1950. By this action they were able to set aside application of the modernized parity formula so far as the dairy industry is concerned. This action was completely justified and I was happy to support it.

I was pleased to note that no Member of the Senate—Republican or Democrat—moved to strike this provision from the agriculture bill. This in itself indicates the widespread disapproval of the so-called modernized parity formula.

It is my sincere hope that the Department of Agriculture will make an immediate study of parity formulas and that you will have ready for consideration by Congress next January a new parity formula that will be more fair to all segments of agriculture.

Respectfully yours,

Milton R. Young,
United States Senator.

THE AGRICULTURAL PROGRAM

Mr. MUNDT. Mr. President, 10 days ago, on March 19, the day the Senate finally passed the Agricultural Act of 1956, I made the following statement as a member of the Senate Committee on Agriculture and Forestry, in concluding my remarks during that long debate:

> Mr. President, let me conclude by saying that I hope all this is done before the Easter recess is taken. I think Congress needs an Easter recess; but I think America needs a farm bill worse than Congress needs a recess.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JOHNSON of Texas. I heard the Senator make his statement about how much America needs a farm bill, and I concur wholeheartedly in everything he has said in that connection. However, I would not want the country to think—and I know the Senator would not want it to think—that it is at all possible to get a farm bill out of conference between now and the time the House is scheduled to go on its Easter recess, before Good Friday. As a matter of fact, the leaders on both sides of the aisle in the Senate conferred yesterday at some length, and conferred with the leaders on both sides in the other body. It was the consensus of the members of the conference committee of both parties—and a rather lengthy colloquy took place in the House—that it would be impossible to do a thorough and adequate job of bringing in a conference report before probably the latter part of next week.

I wished to have the Senator know that that sentiment is expressed by both Democrats and Republicans, by the majority leadership as well as the minority leadership.

So far as I know, every single Senator would be willing to remain here on Good Friday, Saturday, Monday, and Tuesday, if there was any hope of getting a bill. However, the fact is that there is no such hope. Representatives Andresen, Hope, and Cooley say it is necessary for their subcommittees to study many of the amendments placed in the bill by the Senate, and that in their opinion it would require several days, even after agreement was reached on all the items, to have the conference report written up and printed. The majority leader was informed—and he so informed the minority leader, the junior Senator from Georgia [Mr. Russell] and other Senators who are very much interested in the subject—that there was absolutely no hope of having a report and having it printed and available for consideration until after the Easter recess.

Mr. MUNDT. The majority leader was unduly worried if he felt that I was about to try to indict the Democratic leadership.

Mr. JOHNSON of Texas. If the Senator will yield, the majority leader did not intend to imply that he was worried at all. He was attempting to convey to his beloved friend from South Dakota information which he assumed the Senator from South Dakota did not possess, in the light of the statement he was making.

Mr. MUNDT. I appreciate the information, and I shall comment upon it when I conclude reading what I said 10 days ago, at the time the debate was concluded.

I wish to reiterate what I said 10 days ago in concluding debate on the farm bill. I said at that time:

> Mr. President, let me conclude by saying that I hope all this is done before the Easter recess is taken. I think Congress needs an Easter recess; but I think America needs a farm bill worse than Congress needs a recess. If there is any tendency in the other body to drag heels or to delay action in conference, I suggest that we abandon the Easter recess rather than abandon the idea of having a new farm bill for the farmers to use in the crop year 1956. Time is running short but there is still time to complete this task by Easter—and we should resolve to stay here in session until conference approval is completed.

That concludes the statement I made 10 days ago, at the time we were debating the farm bill.

I rise today to reiterate every word of what I said 10 days ago. I know that the chairman of the Senate Committee on Agriculture and Forestry held our committee in session virtually day and night, in his very constructive and commendable effort to push the farm bill forward for action in time to make it effective this year; but I do not believe the Congress should begin its spring recess until it concludes action upon the conference report on the farm bill.

Much could have been done in conference during the past 10 days, and undoubtedly much has been done. I shall not speculate on that subject.

However, this I know: The spring work season is upon us in the farm belt now. Our farmers have a right to know under what farm program they will be working in 1956. Congress has the duty to give them this information. If necessary, therefore, I say to our leaders, we should postpone our spring recess by a week or two. We cannot turn back the calendar or retard the advance of spring. We can postpone our recess, but we cannot change the calendar.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. JOHNSON of Texas. The Senator from Texas attempted to make it abundantly clear to the Senator from South Dakota and every other Senator that that was the offer yesterday of the leadership on both sides of the aisle. We offered to postpone the recess if any good could come from it.

However, the conferees are postponing their recess, and they are meeting day and night. If the Senator will read the Record, he will note that the conferees have said there is no hope of having the conference report ready for consideration before week after next.

Mr. MUNDT. Of course, this I know, and the Senator from Texas knows also, that no conferees sitting on a Thursday of one week can set a time schedule and state definitely that they cannot conclude consideration of a matter until a week thereafter. Perhaps they may be able to conclude the matter earlier. That is entirely possible. Therefore, I say we should stay in session and urge them to complete their work earlier.

Mr. JOHNSON of Texas. I should think, however, that the conferees from both parties would be better informed as to when they could conclude their business than an individual Senator who makes a speech and says he is willing to stay here through the Easter holidays.

Mr. MUNDT. I agree that they may have a better educated guess than I, but their guess is nevertheless not to be taken as absolutely accurate. We have a tremendously serious problem on our hands, and it is a problem which must be solved. I believe we should stay in session until that important problem is solved.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MUNDT. I yield to our distinguished chairman.

Mr. ELLENDER. I thank the Senator for the compliments he has paid me. I fully expected to have the conference report ready by tomorrow. As a matter of fact, I discussed the matter with the leadership, with both the Senator from Texas [Mr. Johnson] and the Senator from California [Mr. Knowland]. The majority leader even agreed to have the Senate stay in session on Friday and Saturday if we could get the House to act.

However, we cannot control the action of the House. I was terribly disappointed yesterday when it was made known by the House leadership that it would take a few days for the Members of the House to read over the report and that there was no possibility of even considering the report this week.

Therefore, what the conferees have decided to do is to remain in session during the Easter recess until we get through with the job. It is my hope that not later than Saturday of this week we will have the conference report in shape.

Mr. MUNDT. Of this week, did the Senator say?

Mr. ELLENDER. Yes; Saturday of this week. However, under the rules of the House, as the Senator knows, the report must lie over for a day. We could not reach our goal this week, therefore.

I am very sorry about that, as the Senator knows. Let me go back a little bit in time. The Senator knows that when Congress was in session early in January, I expressed the hope that we could have the farm bill before the Senate on the 15th of February.

Mr. MUNDT. The Senator not only expressed that hope, but he did everything a human being could do to make that hope come true.

Mr. ELLENDER. That is correct. In making that prediction I forgot about the usual Lincoln Day holiday which is taken by the Republicans. Because of that there was a delay, as the Senator knows. Let us not try to blame each other for that.

Mr. MUNDT. If I may interrupt the Senator at that point, I should like to have the record made abundantly clear that I have not indicated that there has been any dereliction of duty on the part of the Democratic leadership. I have been very careful in that regard. I am sure the majority leader will bear me out. I am pointing out what one Member of the Senate has a right to point out, even though he knows he cannot control the action of the other body, and to express his resentment at the fact that the other body has decided to go home when an important matter like the farm bill is under consideration.

Mr. JOHNSON of Texas. Mr. President, I do not think it is fair to blame anyone. The leadership on both sides of the aisle were in agreement that we stay here and complete the bill if we thought there was any chance at all of completing it.

However, if the Senator will read the Record at page 5686 of yesterday, he will note that there are 38 Senate amendments that must be considered.

The Senator from Louisiana [Mr. Ellender] is an optimist. The Senator from Louisiana thought we would pass the Senate bill a long time before we actually did pass it. The Senator from Louisiana was willing to sit all during the holiday that we had agreed we would take over Lincoln Day. However, because it has been customary to take that holiday, we carried out our agreement in that respect.

We met with the House leadership. I do not wish to criticize the House by implication or otherwise. Under the rules of the House, the House does not have an opportunity to debate the subject as fully and as thoroughly as the Senate does. In addition, there are 38 amendments to be considered.

We have taken care of only a few of those amendments. The Senator knows that Good Friday is upon us. I do not believe that the Senator from South Dakota or his farmers in South Dakota would advocate that we meet on Good Friday.

Mr. MUNDT. I am willing to take Good Friday off.

Mr. JOHNSON of Texas. The House says it has various subcommittees dealing with individual commodities, like wheat, corn, and cotton, which must consider various amendments that the Senate has added to the bill. They have made it abundantly clear that in their opinion nothing could be gained by the House or the Senate or both staying in session next week.

The conferees have canceled their trip home. They have made a sacrifice. They are going to stay here to try to get it through. Perhaps their guess is bad; but, after all the parties had talked with the leadership on both sides of the aisle—and the Senator will see what was said if he will refer to the Record—and it was felt that no conference report would be available before Monday a week.

Mr. MUNDT. I may say to my distinguished friend from Texas in concluding my remarks, that earlier in the colloquy he suggested that I would do well if I took the suggestion of the conferees as to when they could conclude their labors. The chairman of the conference committee within the last 5 minuntes said that the conferees expected to finish the conference report on Saturday of this week.

Therefore, I am not particularly concerned about whom I am criticizing. I am criticizing the fact that because we are going into an Easter recess, it looks as though we will have a week's delay in acting on the conference report, on the basis of the estimate made by the chairman of the conference committee, the distinguished Senator from Louisiana [Mr. Ellender], for whom I have such an abundance of respect and in whom I have such great confidence.

Therefore, I merely say that while the farmers of America are compelled to wait and wonder about their future, I do not believe we should be in recess, when we could, perhaps, gain a week's time by staying here and taking our recess at a later date.

Mr. JOHNSON of Texas. I believe the Record is abundantly clear to the members of the Senator's own party—and I think the Senator from South Dakota was aware of it before he made his statement, and I believe his own leader is aware of the fact—that nothing would be gained by staying here next week. The conference report, when it is filed and is ready for action, will establish the fact that the Senator is aware of it.

Mr. MAGNUSON. Mr. President, I merely wish to say that I do not believe that next week will be wasted. I have conferred with the farmers of my State. I conferred with them when I was home.

The Senate version of the bill is entirely different from what they expected. I know I have already scheduled not 1, but 5 meetings in my State with farmers, and I want to discuss with them the farm situation and then come back with their opinions. Therefore, I do not believe the time next week will be wasted.

Mr. JOHNSON of Texas. The Senator from Texas has been around the Capitol long enough to know that we can always expect at least one speech along the line of the speech made by the Senator from South Dakota [Mr. Mundt]. Therefore, in anticipation of that speech I went to the minority leader and said, "We are likely to be confronted with this kind of situation." After consulting with the minority leader I went to the Speaker of the House and the majority leader of the House, both of whom conferred with the minority leader of the House. Then after that I had numerous conferences with the chairman of the conference committee, the Senator from Louisiana [Mr. Ellender].

I assured him that we would be glad to stay here on Saturday night and on Monday or Tuesday or Wednesday, or at any time, if we needed to do so in order to get the conference report acted on. However, it must be remembered that the conference report is not just a report to the Senate or just the report of one Senator. It is the report of two groups. What do the conferees say about it? I should like to read what the very able Representative August H. Andresen said yesterday:

> Mr. August H. Andresen. I thank the gentleman from Massachusetts for yielding to me.
>
> It is quite obvious that if we are to secure a good farm bill it will take time on the part of the conferees. I am one of the conferees. I can assure the gentleman there are a great many disagreements between the House and the Senate bill which we must discuss. I am foregoing any Easter vacation, like my chairman, so that we can be here to sit down and try to work out a good, sound farm bill that will receive the approval of the Congress. I may not agree to everything that is agreed to in the committee of conference; nevertheless, I feel that we must have a farm bill at the present time. The time is short, so I am going to stay here to work on the committee and get a bill out of the conference,

> in the hope that we can vote on it when the recess is over.
>
> Mr. Cooley. I should like to know whether the gentleman agrees with me in the statement I made a minute ago. Although we have worked faithfully and diligently and long hours, does the gentleman think it is even humanly possible for us to reach an agreement, prepare a bill, prepare a conference report, and have it back here before the Easter recess?
>
> Mr. August H. Andresen. I am in accord with the chairman, because I do not think that with all the knowledge we have here we could sit down and analyze every Senate amendment and be able to explain it to the House unless we have ample time to do it.

The Speaker of the House subsequently said:

> Mr. Rayburn. I want to propound this inquiry to the gentleman from North Carolina. I realize that the gentleman has a colossal job and I hope you do it thoroughly. I know it cannot be done hurriedly. That is just one thing that is absolutely certain because with 38 amendments and with deep differences between many of the conferees, it would seem to me that it would be a practical impossibility to even come to an agreement this week even if the conferees sat until Saturday. Then, also, with a complicated bill like this, the staff of the committee must go to work and seek to bring in a report explaining the bill so that the House can understand it. Does not the gentleman think that even that would take several days?

The chairman agreed with him.

Mr. President, the conference report has got to be participated in by the House. It has got to be acted on first by the House. The majority leader and the minority leader of the Senate were informed by the leadership of the other body that the conference report could not be available today and that they were asking the members of the conference committee to sit all week to try to make the report available. For that reason we expect to go through with our previous plans. If, by setting those plans aside, we could get a farm bill 1 hour earlier, I am sure I speak for the minority leader in saying that we would be glad to do it.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. Mr. President, when the majority leader inquired of me the other day as to whether I would be prepared to join with him in keeping the Senate in session to a late hour on Thursday, or even extending the period of the recess, if we could complete the farm bill, I told him he would have full cooperation on this side of the asile to complete action on the farm bill if it were at all possible to do so.

Mr. JOHNSON of Texas. Mr. President, I even went so far as to talk to some of the House conferees and ask them if they would not sit late into the evening. They are practical men, Mr. President. The Senate took days and days and weeks and weeks in discussing the farm bill. People who live in glass houses should not throw stones, and it ill behooves anyone to criticize the fact that there is a brief delay of a few days when it took the Senate weeks to act on the bill. It was not just the fault of the majority side; it was the fault of the minority side, too. I dislike to have the impression go out that we are not concerned with the farmers' interest. I thought the bill would be ready if the conference committee stayed in session, as did the Speaker, the majority and minority leaders of the House, and the House conferees, and everyone except the Senator from Louisiana, who, I think, has grave doubts himself. When he first came to us, he thought the conference report would be ready, but there are still some 38 amendments which have not been touched.

Mr. MUNDT. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. MUNDT. Mr. President, I should like to have the Record show that I had complete confidence in the accuracy of the prediction of the chairman of the conference committee [Mr. Ellender] that we could complete action by Saturday night. If that had been true, we could have acted upon the report on Monday or Tuesday.

Mr. JOHNSON of Texas. The Senator from Texas is not speaking for the Senator from Louisiana, but if the Senator from South Dakota will read the Record, I think he will see that action is not going to be completed by Saturday night. The Senator from Louisiana thought it would be completed by Wednesday night, but he was very optimistic. We cannot expect the House conferees to take 38 amendments and put them all into a suitcase and say they are going to take them all. They want to examine them thoroughly. I think they do themselves credit and do the legislative body of the United States credit when they cancel their own vacation to stay here and work on the conference report.

TRADE WITH LATIN AMERICAN COUNTRIES

Mr. SMATHERS. Mr. President, I wish to take just a moment to congratulate the junior Senator from Missouri and the fine Kansas City group of civic, business and professional leaders on their recent good-will trip to various Latin American countries.

The distinguished Senator has rendered a great service in bringing this new idea of promoting better understanding with our friends and neighbors to the south to the attention of the Senate.

I believe every one of us recognizes that as our trade with European and Asian countries diminishes, the United States of America must look to the countries in Central America and South America for their future economic welfare. The Latin American nations are rapidly growing to the extent that it is estimated they will have 300 million people by 1975. Theirs is an area of the world which is fertile for development of natural resources needed by these United States. They in turn need the things we make and need extended credit with which to purchase them. I think it is an excellent idea which was put forward by the Kansas City group; namely, getting civic, business, and professional leaders together and making a trip to those countries to try to encourage and promote trade with our Latin American neighbors. These ambassadors of good will certainly did an excellent job and should most definitely be encouraged to do it again next year. I trust that their idea will receive the serious attention of other civic, business, and professional leaders throughout this fair land of ours.

INTERFERENCE BY WHITE HOUSE AND REPUBLICAN NATIONAL COMMITTEE IN PRIMARY ELECTION PROCESS IN OREGON

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may be recognized for 8 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Oregon is recognized for 8 minutes.

Mr. NEUBERGER. Mr. President, there have been few more glaring examples of White House interference in a senatorial contest in an individual State than what recently occurred in my home State of Oregon.

This intrusion by the present White House hierarchy makes pallid and mild by comparison any participation in a State race that took place under the Presidency of Franklin D. Roosevelt.

I say this, Mr. President, even though I am aware of the fact that the distinguished occupant of the chair, the senior Senator from Georgia [Mr. George], was once the object of the intervention in a State campaign by President Franklin D. Roosevelt, in the Democratic primary in Georgia in 1938.

It does not take a long memory to remember how Mr. Roosevelt was denounced as a dictator and as the author of "purges" because he occasionally indicated a preference for one or another candidate in a Democratic Party primary somewhere in the Nation.

But no intervention which President Roosevelt ever sanctioned could compare even remotely with the ruthless brushing aside of the Republican Party in Oregon by the White House staff and the Republican National Committee when they recently dropped Secretary of the Interior Douglas McKay into the Oregon Republican senatorial primary.

Already entered in that primary were four candidates. These men were not even notified that the White House was interjecting McKay into the race. Yet Oregon's leading Republican newspaper is authority for the fact that Mr. McKay expected these other candidates to step aside for him, to withdraw abjectly from the election in his favor. Mr. President, did any intervention in a primary ever occur under Franklin D. Roosevelt which could even get close enough to this ruthless intervention to communicate with it by smoke signals? I doubt it, Mr. President. This intrusion by the White House and by Mr. McKay is in a class by itself.

President Roosevelt was accused of wanting a rubber-stamp Congress because of his several forays into some Democratic Party primaries. What would have been said, Mr. President, had President Roosevelt at the 11th hour dispatched a Cabinet member to a party primary in a sovereign State of the Union without so much as a moment's notice to the faithful party members already enlisted in that primary and then had expected these men to withdraw cringingly in favor of the White House entry?

Had President Roosevelt done anything like that, Mr. President, he would have been compared with every dictator from Atilla the Hun to Benito Mussolini, and more besides.

Let me read two paragraphs from the March 10, 1956, issue of the Portland Oregonian, a newspaper completely Republican in its editorial allegiance:

> It was obvious when the Secretary and Mrs. McKay slipped in unannounced by United Airliner just after midnight that they thought the national committee had paved the way—that all candidates would withdraw to make way for McKay.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. Is the Senator reading a quotation from the Portland Oregonian?

Mr. NEUBERGER. It is an exact quotation from the Portland, Oreg., Oregonian. I continue to read:

> It quickly developed, however, that the way had not been paved. Even top Republican brass in the State did not know he was coming. Neither did Lamar Tooze nor Phil Hitchcock, 2 of the 4 announced candidates for the nomination.

State Senator Hitchcock added the candid comment, in the columns of the Oregonian, that "Secretary McKay's decision comes a complete surprise to me."

Just imagine what transpired, Mr. President. A little group of men in the White House and the Republican National Committee handpicked a Republican senatorial candidate for the State of Oregon. Then they sent him off to Oregon, without so much as a courtesy notice to the Republicans already filed in that race—all this on the eve of the closing of filings. And, furthermore, this vine-ripened specimen from the hothouses of the GOP National Committee confidently anticipated that the other nominees would back out of the race, merely at the signal that the White House and Leonard Hall had decided whom the Republicans of Oregon should nominate.

Nothing that I can say about this ruthless intervention in the Oregon primary, Mr. President, can be as caustic as the recent statement of State Senator Lowell Steen of Umatilla County, a Republican member of the State legislature. Senator Steen is a regular Republican leader who supported my opponent in the 1954 senatorial election, but listen to his comments concerning the White House-Leonard Hall blitzkrieg on Oregon's primary election processes. This is what Senator Steen declared:

> The issue in the May 18 primary election is whether the Republicans will pick their own candidate or let the national Republican Party organization dictate who the candidate will be.

There has also been comment on the manner in which Mr. McKay, at the last moment, was injected into the Oregon senatorial race by the White House and the national leadership of the Republican Party. Let me quote, for example, the editorial reaction from the Oregon Statesman, published in our State capital city by a former Republican governor of my State and a nationally known figure, Mr. Charles A. Sprague:

> McKay was free to become a candidate even though on numerous occasions he had rejected the idea of standing against MORSE. The Statesman, however, objects to the commissioning of a candidate by the Republican national chairman or by the White House as was done with McKay, to the extent of having a special letter of commendation written by the President. It protests also to the way the maneuver was handled with no contact, so far as has been admitted, with party leaders in Oregon. This worked to McKay's embarrassment when he arrived Friday and certainly was embarrassing to State Chairman Wendell Wyatt. We think Hitchcock should stay in the race both because of his splendid qualifications and to repudiate the notion that Oregon is a province of the GOP GHQ.

I ask unanimous consent that this editorial appear in the CONGRESSIONAL RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Oregon Statesman of March 15, 1956]

HITCHCOCK REMAINS A CANDIDATE

> Phil Hitchcock has decided not to withdraw as candidate for the Republican nomination for United States Senator. Pressures were put on him to pull out of the contest after Secretary McKay announced his entry. Hitchcock concluded that having entered the contest in good faith and at the urging of many Republicans he should stay in the race.
>
> The Statesman commends Hitchcock for his decision. He is a man eminently qualified for the office he seeks. He was under no obligation, political or moral, to step aside. On the contrary those who had urged him to enter are the ones who are under obligation to continue their support.
>
> As for McKay, the Oregon primary is open to all who want to run for office in the party to which they adhere. McKay was free to become a candidate even though on numerous occasions he had rejected the idea of standing against MORSE. The Statesman, however, objects to the commissioning of a candidate by the Republican national chairman or by the White House as was done with McKay, to the extent of having a special letter of commendation written by the President. It protests also to the way the maneuver was handled with no contact, so far as has been admitted, with party leaders in Oregon. This worked to McKay's embarrassment when he arrived Friday and certainly was embarrassing to State Chairman Wendell Wyatt. We think Hitchcock should stay in the race both because of his splendid qualifications and to repudiate the notion that Oregon is a province of the GOP GHQ.
>
> The argument offered to support the shift to McKay was that he will be the strongest candidate the party can put up to contest with MORSE. Whether this is correct, of course, only time will tell. If McKay is the nominee then the issue becomes one of vindicating McKay and the McKay policies as Secretary of the Interior. Republicans are thus thrown on the defensive. With another candidate the issues are not so tightly narrowed, and MORSE is the one put on the defensive.
>
> Much is made of support for the Eisenhower policies. Hitchcock has already made it clear that he supports Eisenhower and his program. But the latter is much broader than the policies of the Interior Department. It embraces foreign affairs, maintaining a high level of prosperity without inflation, revision of farm legislation, expansion of Federal aid to highways, Federal aid for school construction, etc. The campaign in Oregon should not be bogged down with justifications for Al Serena mining claims, Hells Canyon, and tidelands grant to States. These appear to be settled issues, and while their wisdom may become part of the political debate, as was the case in 1954, the Republican campaign in Oregon needs to be conducted on a much broader basis. For that reason the Statesman feels that the Republican Party should draw on fresh material, especially where there is available a man of Hitchcock's character and ability.
>
> It will be a mistake for the Republican Party in Oregon to let the effort to defeat MORSE absorb all its energy. There is a whole slate of offices to fill, especially at the State level, and members to be elected to the legislative assembly as well as to the State decision on the presidental ticket. So Republican electors should do some hard thinking before casting their ballots on the senatorial nominees.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. Was not former Governor Sprague appointed either as a delegate or alternative delegate to the United Nations?

Mr. NEUBERGER. He was, indeed.

Mr. DOUGLAS. Is he not one of the most distinguished citizens of Oregon?

Mr. NEUBERGER. The name of former Governor Sprague has won more high journalistic honors, if my memory serves me correctly, than has any other journalist in the modern history of Oregon.

This is what ex-Governor Sprague said, in part, about the entry into the Oregon primary race of his fellow townsman of the city of Salem, a fellow Republican, and a fellow former governor of Oregon, Mr. McKay:

> McKay was free to become a candidate even though on numerous occasions he had rejected the idea of standing against MORSE. The Statesman, however, objects to the commissioning of a candidate by the Republican national chairman or by the White House as was done with McKay, to the extent of having a special letter of commendation written by the President. It protests also to the way the maneuver was handled with no contact, so far as had been admitted, with party leaders in Oregon.
>
> This worked to McKay's embarrassment when he arrived Friday and certainly was embarrassing to State Chairman Wendell Wyatt. We think Hitchcock should stay in the race both because of his splendid qualifications and to repudiate the notion that Oregon is a province of the GOP GHQ.

Mr. Hitchcock is the man I mentioned earlier.

Mr. President, those are not the words of a Democratic Senator; they are the words of a leading Republican, a former governor of Oregon, the foremost Republican editor in the State, who, I might add parenthetically, opposed the present junior Senator from Oregon editorially when I was a candidate in 1954.

The passage of a couple of weeks since Senator McKay's last-minute announcement of his candidacy for the Republican nomination for Senator from Oregon has afforded an opportunity for other press comments and assessments of the situation created by this sudden step. I believe some of these press comments will be of interest to Senators, and I am making them available by inclusion in the CONGRESSIONAL RECORD today.

For example, the Denver Post, published by Mr. E. P. Hoyt, who used to publish the Portland Oregonian—and both of these newspapers supported the Republican ticket in 1952—commented in an editorial on March 12, 1956:

> Secretary of the Interior McKay's departure from the Eisenhower Cabinet to contest the Senate seat held by Oregon's Republican-turned-Democrat WAYNE L. MORSE, will be no loss to the President or to the country. Nor will it, in our opinion, frighten the Democrats of Oregon.

Mr. President, I ask unanimous consent that the full text of the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. MCKAY STEPS DOWN

> Secretary of the Interior McKay's departure from the Eisenhower Cabinet to contest the Senate seat held by Oregon's Republican-turned-Democrat, WAYNE L. MORSE, will be no loss to the President or to the country. Nor will it, in our opinion, frighten the Democrats of Oregon, even though the GOP has worked up a real boil on Mr. MORSE who bolted the party which elected him to two terms.
>
> Mr. McKay was a popular legislator and two-term Governor of Oregon. A Salem, Oreg., automobile dealer, member of a pioneer family and a doughty little Scotchman with folksy ways and a good World War I record, Mr. McKay got along fine in the politics of the Beaver State. But when he was pulled into the national spotlight and given command of the explosive and angrily denounced affairs of Interior, Mr. McKay flopped futilely around like a Columbia River Chinook salmon on the cannery floor.
>
> Mr. McKay had worked persistently for flood control on the Willamette River which courses through Salem and occasionally bursts its banks. But he either had insufficient knowledge about the economics of great reclamation and power projects in the West, or he was forced into subscribing to fuzzy and phony compromises in setting policy for future Federal investments in land and water developments. And after 3 years Mr. McKay found himself wholly on the defensive in such matters as the relocation of Indians, the so-called partnership in generating hydroelectric power, the granting of mineral leases in wildlife refuges and the giveaway of public timber by misuse of the mining laws.
>
> Even when the Secretary was not wrong in principle, he was terribly inept in proving that he was right. And during 3 years as Secretary of the Interior he became identified with retrenchment, retreat, and apology in prosecuting the functions of this great western agency, rather than advocacy of legitimate public works which contributed to western prosperity and national security in the 20 years preceding his regime.
>
> We said once before, in suggesting Mr. McKay's retirement, that he was a man of courage, honor, and decent instincts. But he was, to, a small man in a big job—a job demanding vision and imagination as the supplements of courage, and a real deep-down belief in the economic role of the West in the drama of an expanding nation. Perhaps Mr. McKay was restrained by the unsympathetic influences in the administration he served. More likely, he went along without discriminating between what was good for the West and what was good for the Republican Party.
>
> Mr. Eisenhower's firm and successful prosecution of the upper Colorado River storage, reclamation and power project provides him with an opportunity to free Mr. McKay's successor in championing public works without the self-imposed inhibitions and fears about socialism. That makes it rather important that Ike name a Secretary who is not publicly identified with parroting such groundless fears to the expense of public works that cannot and will not be undertaken by misnamed free private enterprise.

Mr. NEUBERGER. Mr. President, Oregon was the first State to adopt a system for the direct election of United States Senators. It was one of the first States to have a direct primary election. If Oregon Republicans permit their primary to be perverted and dominated by absentee dictation from 3,000 miles away, then the primary election system is as dead as the mastodon, so far as Oregon Republicans are concerned.

Already one Republican candidate has withdrawn—General Tooze. This was done because Mr. McKay entered the race. Of course, this is the privilege of the man who withdrew, just as it was his privilege to enter the contest originally. But when, Mr. President, has there been such an example of gross and outright interference in a primary contest by the highest political echelons of a major party, as the Republican Party has done in the Oregon Republican senatorial contest?

Of course, Mr. President, I am not privy to the innermost secrets of the Republican Party. Therefore, I do not know whether the White House superimposed its will on the Oregon primary election because it wanted to eliminate from the Cabinet a man who has become a national symbol of giving away waterpower sites, national-forest timber, and wildlife refuges, or whether the White House actually felt that Mr. McKay has any real chance of election against the senior Senator from Oregon [Mr. MORSE]. The latter supposition is so remote from the truth that perhaps the former assumption is correct. It may have been that this entire invasion of a party primary was merely undertaken in order to rid the President's Cabinet of a man who is now anathema to the millions of Americans who are dedicated to true conservation of our natural resources.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. Was it not the practice in the former German Empire that if a figure around the court of Kaiser Wilhelm became unpopular he was sent to the most dangerous portion of the western front?

Mr. NEUBERGER. I think it might be said that Secretary McKay was sent to the front; and when I consider the high esteem in which the senior Senator from Oregon [Mr. MORSE] is held by the people of Oregon, it might be said that Mr. McKay has been sent to a dangerous sector of the front, as the distinguished Senator from Illinois has said.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MANSFIELD. I was interested in what the Senator had to say about the GOP–GHQ.

Mr. NEUBERGER. I did not say that; a distinguished former Republican governor of Oregon said it.

Mr. MANSFIELD. I understand that it was not said by the junior Senator from Oregon, but was said by a man who used to be a Republican governor in what used to be called the Republican State of Oregon.

But I am interested in the power exercised and displayed by the praetorian guard in the White House. They seem to be arrogating unto themselves a great deal of power in more ways than one; not only arrogating to themselves power in legislative matters, but also in the matter of subordinating the legislative branch at the same time.

Mr. McKay has a reputation for giving away the natural resources of the American people. Perhaps what the Republican GHQ had in mind was giving Mr. McKay away. But if that is the way it is going to work it is going to be a good thing for McKay, because he will not win against Senator MORSE. It will be a good thing for the country, because he will be out of his position, which he has used ruthlessly in the last 3 years in giving away the Nation's resources and in retarding the development of the country.

As a matter of fact, it would appear that Mr. McKay has outlived his "uselessness."

Mr. NEUBERGER. I will say to the distinguished Senator from Montana that he is certainly right. It is a good thing for America to have Mr. McKay out of the Cabinet, because of his policies of giving away our resources. It is a good thing for the senior Senator from Oregon [Mr. MORSE] to have Mr. McKay as an opponent. The only possible circumstance for which it is bad is the freedom of Republican primary elections in the State of Oregon.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MAGNUSON. The junior Senator from Oregon is a former member of the Oregon State Legislature. I wonder if the Senator knows of any law during his time of service, or of any law that has been passed any time since, which repealed the primary laws of the State of Oregon. They are still on the books, are they not?

Mr. NEUBERGER. They are still on the books, to my knowledge.

Mr. MAGNUSON. Oregonians have a peculiarly historic right to be proud, being members of the first State in the Union which had direct election of Senators, and they have pride in the freedom of being able to go into primaries and pick their own candidates in a given party. Is that correct?

Mr. NEUBERGER. That is correct.

Mr. MAGNUSON. Would the Senator say some of that spirit which has emanated from Oregon has gone across the Columbia River to the north, too?

Mr. NEUBERGER. The people in the State of Washington, I am sure, will resent just as much as will the people in the State of Oregon, any intrusion by the White House, or by "GHQ of the GOP," into the primary elections in the State of Washington.

Mr. MAGNUSON. The Senator and I think the people of the States of Oregon and Washington still adhere to the position—the Senator has had wide experience in both States—that we have primaries for a reason. The reason is that the people may pick the candidates in the various political parties. Then if the "GHQ" wants to say, "We are for the Republican nominee," the people will say, "That is only politically natural."

Will the Senator agree with me that we have had a lot of talk around the Senate in the last few weeks about campaign moneys and campaign contributions? The Senator knows, having freshly come from a campaign, that it costs considerable money to run a campaign, even in a State like Oregon or Washington, or States similarly populated. Would the Senator think that not only has the "GHQ" suggested, or pretended to suggest, to the people of Oregon that they can anoint a candidate, but it also may suggest that they might finance him after they have anointed him?

Mr. NEUBERGER. I take the suggestion of the senior Senator from Washington to be true.

Mr. MAGNUSON. And most of the financing will come, not from the people of Oregon, but from people outside the State of Oregon.

Mr. NEUBERGER. Undoubtedly, what the senior Senator from Washington says is entirely correct. I should like to emphasize to the senior Senator from Washington, who has raised this point, that the Portland Oregonian, a newspaper with which the senior Senator from Washington is familiar, because it has a large circulation in the western portion of Washington—and it is a Republican newspaper—stated as follows, and again I want to read these two sentences to show how ruthlessly Mr. McKay was superimposed on the Oregon primaries:

> It was obvious when the Secretary and Mrs. McKay slipped in unannounced by United Airlines just after midnight—

This was just before the time for filing would close—

> that they thought the national committee had paved the way, that all candidates would withdraw to make way for McKay.
>
> It quickly developed, however, that the way had not been paved. Even top Republican brass in the State did not know he was coming.

Mr. MAGNUSON. Mr. President, will the Senator yield further?

Mr. NEUBERGER. I yield.

Mr. MAGNUSON. Is it not true that several statements had been prepared the day before, and had been given to various persons throughout the Government, including Members of Congress, to be read at noon, announcing what a great man the Secretary of the Interior was, and that they had to withhold those statements because something happened out there? They were already to read them at noon. The statements were prepared before the announcement was made that he was going to file. They had to wait until about 3 or 4 o'clock until they had word from the "western front" what had happened.

Mr. NEUBERGER. All I can say to the distinguished senior Senator from Washington is that evidently the statements were not transmitted to Oregon, because several of the Republican nominees, I might say, quite courageously and impudently, stayed in the race, and they are running against Mr. McKay. They are actually running against him. His resignation has just been submitted as Secretary of the Interior, evidently indicating he feels some sense of emergency has arisen.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. As long as the Portland Oregonian referred to the GHQ of the GOP——

Mr. NEUBERGER. That was the Oregon Statesman.

Mr. DOUGLAS. I wonder if they meant the headquarters of the Republican National Committee, which is listed in the Washington telephone book as 1625 I Street, or whether they meant 1600 Pennsylvania Avenue.

Mr. NEUBERGER. Not having access to the innermost thinking processes of our distinguished ex-Republican governor, I would not know, but perhaps he might have referred to both of them, because evidently it was a calculated move.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may have 3 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. MANSFIELD. Referring to what the Senator from Illinois has said, did it not come to be quite a common practice during the war to have what was known as a combined GHQ?

Mr. NEUBERGER. I did not remember it until the distinguished Senator from Montana reminded me of it, but, of course, that is so.

Mr. MANSFIELD. I think it will take a combined GHQ to put Mr. McKay over. He will have to get a little more in the way of sustenance than he has so far. I am not referring to finances. He will have to have a combined GHQ to fall back on after the election is over.

Mr. NEUBERGER. I am sure it will be necessary for him, if he survives the primaries.

Mr. President, it is none of my business who wins the Republican primary in Oregon May 18. The senior Senator from Oregon [Mr. MORSE] will be reelected in November, regardless of the identity of his opponent. But the primary-election system in our State belongs to no party, be it Republican or Democratic. It belongs to the people, the descendants of those long-gone pioneers of political reform in Oregon who resisted fear and caution to give the voters the right to pick their own nominees at the polls.

What happened in our State March 9, when the White House and the Republican National Committee imposed their will on the Oregon primary system, was not democracy and it was not in the interest of good government. As one who heard Franklin D. Roosevelt being roundly criticized for so much milder and less overt intrusion into primary elections, I still am waiting for some words to be said, Mr. President, about purges and dictatorship and interference in State elections on the part of this administration.

Or, Mr. President, have we reached the stage where what is sauce for the goose actually is not sauce for the gander? Can the present administration act to choke off and muffle a primary election, as Secretary McKay evidently hoped would happen in Oregon? Is it permissible for our current national political leaders to subvert a primary, by attempting to secure a clear field for their handpicked nominee, who suddenly is thrust into the State's nominating process from 3,000 miles away?

Mr. President, by way of conclusion, I am extremely happy that many of the distinguished editors of my State and of nearby States, such as Colorado, share the indignation that has been voiced on the floor of the Senate today over the intrusion by GHQ of the GOP into the Oregon Republican primaries.

I ask unanimous consent to have printed in the RECORD as a part of my remarks two excellent editorials from the Medford Mail Tribune of March 20, 1956, by a former winner of the Pulitzer prize for journalism, Mr. Robert W. Ruhl; and, also, an article by Mr. A. Robert Smith, which appeared in the Oregon Statesman of March 18, 1956, and an editorial from the Astorian Budget of March 12, 1956, and an article from the Oregonian of March 10, 1956.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Medford Mail Tribune of March 20, 1956]

WHAT PERSUADED MCKAY?

Who or what did persuade Secretary of the Interior McKay to agree to resign his Cabinet job and run against Senator WAYNE MORSE for the Upper House?

The general supposition at first was it must have been the President. But Secretary McKay has publicly denied this. He says in effect, no one persuaded him. He decided to run himself.

Yet as the Mail Tribune correspondent in Washington, A. Robert Smith brought out so clearly in Sunday's paper:

On Monday, March 5, in an hour's interview, Mr. McKay said he hoped to retire to his beloved Oregon, reiterating that he had no intention of running for MORSE's Senate seat, that at 62 he was too old to tackle that sort of a job, that a younger man should take over, etc., etc.

On the next Tuesday, March 6, Secretary McKay told the same story to an Associated Press representative. He said he would not make the Senate race, but unless the President wished him to remain in the Cabinet he would retire.

On the day following (Wednesday, the 7th), Secretary McKay was invited to breakfast by Leonard Hall, the dynamic GOP chairman, and the pressure was put on hard

from the standpoint that the defeat of WAYNE MORSE on the Republican agenda came second only in importance to a victory for Ike and that the Secretary was the one man to do it, Lamar Tooze and Phil Hitchcock, the other contenders being not well enough known in Oregon.

According to Correspondent Smith, although the pressure was considerable Secretary McKay was still unconvinced.

The next day, however, Mr. McKay was called to a conference at the White House. En route (again according to Reporter Smith), he told an AP reporter he was still opposed to making the race against MORSE. But presto, bingo—that afternoon, only a few hours later, Secretary and Mrs. McKay were on a plane en route to Salem, Oreg., and the following day the controversial Secretary of the Interior, did what he had maintained for weeks and only the day before, he would never do—entered the lists to kick his oldtime enemy WAYNE MORSE out of the United States Senate and take the seat for the next 6 years himself.

Secretary McKay still stuck to his original story however, that President Eisenhower did not ask him to run, but was immensely pleased when Oregon's former governor told him he had decided to do so.

There is no reason to doubt this.

It comes down then, largely, to a matter of semantics.

No doubt the President did not put his arm around "Dear Doug's" shoulder and plead with him to make the race and thus save the GOP and the Nation. But his "alter ego," Sherman Adams probably did do something of the sort, so it was in reality the realization that his boss and revered leader wanted him to make the race, and would be sorely displeased and disappointed if he didn't, that as Reporter Smith expressed it: "Pushed McKay into a campaign he personally did not wish to enter."

R. W. R.

HE REFUSES TO QUIT

There was a second big surprise in this all-out GOP effort to "get" WAYNE MORSE—or else.

It was assumed in Washington that Messrs. Tooze and Hitchcock would meekly acquiesce and when they got word from "on high" that Secretary McKay had been properly chosen and anointed, they would fold up their tents and quietly sneak away.

Attorney Tooze did so. But former State Senator Hitchcock appeared to be made of sterner stuff.

At any rate, on his visit here Mr. Hitchcock assured his friends and supporters he was in the race to stay. He believed he had a better chance of beating Oregon's senior Senator than the vulnerable and reactionary Secretary of the Interior, and that in justice to those who believed as he did, he would not, regardless of what pressure might be brought, obey the command to quit and retreat, even if it were issued from GHQ or thereabouts.

Win, lose, or draw, Candidate Hitchcock is to be commended for his spirit and independence.

More than that, he will find plenty of support among Republicans for his contention that he would give WAYNE MORSE a harder run for his money than the Secretary of the Interior.

For all the true TR conservationists are not in the Democratic Party by any means. Nor are all the advocates of public power over private power at Hells Canyon or at similar multiple project. Thousands of liberal Republicans particularly here in the Northwest are as critical of the Interior Department's record under McKay as any of the Democrats, and while probably few of them would like to vote for WAYNE MORSE, not many of them would vote for 6 more years of McKay giveaway doctrine in the United States Senate—or anywhere else either.

So while as things now stand it isn't probable, it is possible, that young Hitchcock may pull one of the big upsets of the campaign and thus allow Secretary McKay to do what he really wants to do—retire from public life and hand over the job of carrying the torch for the Grand Old Party to younger and more eager hands.

R. W. R.

[From the Oregon Statesman of March 18, 1956]

RECONSTRUCTED STORY SHOWS VITAL ROLE OF IKE'S ADVISERS IN DECISION BY SECRETARY MCKAY

(By A. Robert Smith)

WASHINGTON.—The sudden decision of Secretary of Interior Douglas McKay to pull out of the Cabinet and run for the Senate in Oregon was brought about in a matter of hours by President Eisenhower's top political advisers, if not by the President himself.

This is the reconstructed background story, as completely as it could be pieced together, of this major political development.

Monday, March 5, in an hour-long interview with McKay that afternoon in his office, he told me he had no plans for the future except to resign next January 20 and let the President decide whether he wanted to make a Cabinet change. Either way would have been O. K. with McKay, for he said he was looking forward to retiring. In previous interviews, McKay said he had no desire to run for the Senate, explaining that a man younger than his 62 years should be tackling that job.

McKay seemed relaxed, genial as ever, and profiting personally from the philosophy he applies to his controversy-ridden job. No matter how thick the brickbats might fly, "I never go to sleep at night mad at anyone," he said.

In the month since the late Governor Patterson died, he had been urged by many to return to Oregon and take on Senator WAYNE MORSE. He had held out adamantly against this idea. Mrs. McKay was even more stoutly opposed to it. Up to this day, no one had successfully moved either from that position.

Tuesday, March 6: McKay told an inquiring reporter for the Associated Press substantially what he had told me Monday about his future plans.

Wednesday, March 7: McKay had breakfast with Leonard Hall, GOP national chairman. From this point the wheels began grinding furiously. Hall reportedly told McKay that a public opinion firm hired by the Republican National Committee had taken a sampling in Oregon and found McKay much better known by the average citizen than either Phil Hitchcock or Lamar Tooze, the two main Republican contenders for MORSE's seat. The day before, Hall told 1,500 ladies attending the National Republican Women's Conference here that MORSE was a prime GOP target, next in importance to the Presidency in this year's elections. Party leaders didn't want to take a chance on a relatively unknown candidate. McKay was told they thought he was the man to do the job.

McKay left the breakfast table unconvinced. During the day he sounded out close advisers. Some encouraged him to run. He said he would have to talk it over with Mrs. McKay that night. That same evening, Attorney General Herbert Brownell told a prominent Republican that despite the heat on McKay to run, he was still dragging his feet. Brownell said he was confident McKay would change his mind by the following day. He explained that an 11 o'clock appointment set up by the White House for McKay with the President the following morning would cinch the matter if McKay were still holding out when he arrived at the White House.

In this conversation, Brownell, who is one of the administration's top political masterminds, explained that party political leaders here felt that McKay had not made a satisfactory recovery from the political onslaught of the Democrats on the giveaway charge. Other Cabinet members, placed on the hot seat by partisan critics, had recovered much better, Brownell added, mentioning Defense Secretary Wilson.

This was clearly not the attitude of many western Republicans, such as Senator ARTHUR V. WATKINS, of Utah, who had come to regard McKay very highly and defended him frequently on the Senate floor. There was no apparent organized effort from the West, where Interior policies are most vital, to replace McKay before the campaign got under way. Indeed, Mountain State Republicans feel they are riding high now, having won congressional approval of the McKay supported upper Colorado project—second highest Federal reclamation project ever proposed by Congress.

Thursday, March 8: McKay went to the White House that morning. A top Republican told the AP that before he arrived he was still determined not to run. In any case, by late afternoon he was aboard a flight bound for Portland with a hastily prepared statement explaining his decision to oppose MORSE. McKay said he was not urged by Eisenhower himself to run, but that Sherman Adams, the President's chief assistant, encouraged him to do so and it pleased the President when he told him of his decision. That day Eisenhower wrote McKay a letter, saying his decision was worthy of the highest commendation.

Friday, March 9: McKay invited Hitchcock and Tooze to a morning confab to discuss his sudden entry into the race. Both, because he had been led to believe by party bigwigs in Washington that Tooze and Hitchcock had agreed to withdraw if he entered the race; Tooze and Hitchcock because no one had even mentioned it to them.

When the news leaked out about what was afoot, McKay told reporters there was some confusion and he didn't know whether he would run or not. This was flashed to Washington, and in turn the White House got on the phone to McKay and Ralph Cake, former GOP national committeeman. Adams and Hall were on the White House end of the line to see about ending the confusion. Shortly thereafter, McKay announced he was in the race, he drove to Salem to file, and the White House formally announced the news here.

Available evidence points to the conclusion that McKay was pushed into a campaign he personally did not wish to enter, by party officials at the Washington level who led him to believe he was the strongest of possible challengers for MORSE, that other Oregon candidates would welcome his candidacy and pull out (although they were not consulted) and that he would be doing what the President and the party most wanted him to do if he knocked off WAYNE MORSE.

Motivating at least some of this pressure on McKay was a feeling held by some of the GOP's top strategists here that McKay had not been able to combat his Democratic critics as effectively as they might have wished and that it would be no less politically valuable to have a new Secretary of the Interior as the 1956 campaign got under way than to have McKay barnstorming up and down his native Oregon after the scalp of his harshest critic.

[From the Evening Astorian-Budget of March 12, 1956]

LIVELY FIGHT AHEAD

There's certainly new life in the political situation this week with Interior Secretary Douglas McKay's dramatic entrance into the contest for Senator WAYNE MORSE's senatorial seat.

The resignation of a Cabinet member to enter a senatorial contest is highly unusual in United States politics.

When that Cabinet member has been the principal target of criticisms of a major administration policy—the handling of Northwest power development—and when his opponent for the Senate seat is a leading critic of that policy, obviously the issue for the campaign is drawn clearly.

We will have a real rouser of a campaign battle, it seems safe to predict, with full dress debate of the administration's "partnership" power policy versus the policy of full Federal development of power as advocated by Senator MORSE and the Democrats.

The outcome will clearly be of interest to the whole Nation as well as to Oregon and the Northwest, because it is such a showdown test of the administration's standing with the people of the Northwest on the power situation.

Whether one agrees with McKay's opinions or not, one must credit him with political courage in staking his political future and the administration's reputation in a tough political battle of doubtful outcome.

Senator MORSE is a competent campaigner, with few equals in skill at extemporaneous, rough and tumble debating. Any one who takes him on is in for a tough time. He had intimated quite often that there is nothing he would rather do than take on McKay in a campaign.

Well, he has his chance. There's no need to say that it will be an interesting campaign.

[From the Oregonian of March 10, 1956]

IKE'S BLESSING GOES TO DOUG FOR CAMPAIGN—INTERIOR BOSS' LAST-MINUTE FILING SEEN AS GOP MOVE TO BEAT MORSE

Douglas McKay, 62, Secretary of Interior, flew to Oregon Friday to enter the race for United States Senator with the blessing of President Eisenhower.

McKay's last-minute entry was an admitted attempt by the Republican National Committee to beat Senator WAYNE MORSE, Republican-turned-Democrat, whose defeat probably is second only to the reelection of President Eisenhower on the party's priority list.

McKay said President Eisenhower had not personally urged him to make the race. But the President specifically gave McKay his personal blessing in a letter dated Wednesday, March 8, and released by Murray Snyder, assistant Presidential secretary at the White House Friday simultaneously with McKay's formal announcement that he would file for the Republican nomination.

In a statement announcing his candidacy, McKay said:

"I am coming back home to bring to a showdown in Oregon the question of whether the President's program is to be jeopardized in the future, as it has been in the past, by those seeking personal gratification and notoriety at the expense of the national welfare. The plain fact is that I believe my native State is not now represented by a Senator whose political integrity can be relied upon."

DECISION HELD WORTHY

President Eisenhower wrote:

"Your decision to campaign for election to the United States Senate from your beloved State of Oregon is worthy of the highest commendation.

"The vast experience you have gained in private life, as a veteran State legislator, governor, and able administrator of the vital affairs of the Department of the Interior, qualifies you for legislative judgments that will be of the utmost importance, not only to the people of Oregon, but to the remainder of the Nation as well.

"As a personal matter, of course, I have mingled emotions. You have been a tremendous asset to us in the Cabinet and you will be missed. At the same time it is easy to understand your desire to be of maximum personal service to your home State," the President added. "As a Member of the United States Senate you will add a great deal to the working strength we need and must have in order to carry out the objectives of the administration."

McKay told the Oregonian Friday morning that up to Monday he had laughed at any suggestion he run for the Senate against MORSE. He said it was the Republican National Committee which importuned him to make the race.

TOOZE TO WITHDRAW

It was obvious when the Secretary and Mrs. McKay slipped in unannounced by United Airliner just after midnight that they thought the national committee had paved the way, that all candidates would withdraw to make way for McKay.

It quickly developed, however, that the way had not been paved. Even top Republican brass in the State did not know he was coming. Neither did Lamar Tooze nor Phil Hitchcock, 2 of the 4 announced candidates for the nomination.

Tooze by noon had indicated he would withdraw as soon as McKay actually filed. Hitchcock, ex-State senator, now public relations representative for Lewis and Clark College, has not indicated he will withdraw.

Friday afternoon he issued a statement declaring:

"Secretary McKay's decision comes as a complete surprise to me. Many people throughout the State have committed themselves to support me and I have committed myself to them to make the race. At this time I do not see how I could withdraw that commitment."

ACTIVE DRIVE PLEDGED

McKay, after conferring with Tooze, Hitchcock, and Republican Party leaders all morning, announced his candidacy at noon.

"I'm in," he told the Oregonian. "I propose to fight it out along the Eisenhower policy line."

In a formal statement issued as he left for Salem at 1:30 p. m. to file for the nomination he said:

"I am looking forward to active participation in the forthcoming battle for the principles and ideals of government that President Eisenhower and the Republican Party stand for."

McKay early indicated he had not expected to make a campaign in the State primary. He later explained that he would be in no position to do so. He has commitments as Secretary of the Interior, which will keep him busy throughout April and into May, he said.

"I will resign as soon as possible in view of my obligations to my Cabinet job, maybe June 1," he said.

IKE SAID "PLEASED"

While McKay emphasized that the President did not urge him to make the race against MORSE, the Secretary said he had reported to the President before leaving Washington, however, and said the President was "pleased."

McKay made it plain he is not fond of Washington, D. C.

"I want nothing better than to get back to Oregon and retire," he said. "I want to die in Oregon," he added with a grin.

He feels a duty to serve the Nation and the party, however, in whatever capacity he is needed, he indicated.

"It was 72 when we left Washington," he said. "But this weather still looks good to me," he added, ducking from a sudden dash of hail mixed with gobs of Oregon dew.

RETURN SET SUNDAY

Despite two sleepless nights of travel, McKay looked relaxed, fit and 45, rather than 62. Mrs. McKay, who travels with him, admitted the prospect of another 6 years in Washington did not fill her with glee.

McKay admitted, however, he would enjoy a good fight with MORSE, with whose philosophies he has frequently clashed. McKay plans to return to Washington Sunday. He leaves next Wednesday for a trip to the Virgin Islands.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following joint resolutions of the Senate:

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 500) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9064) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 1 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 2 and 3 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes.

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 226) establishing that when the two Houses adjourn Thursday, March 29, 1956, they stand adjourned until Monday, April 9, 1956, in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, March 29, 1956, they stand adjourned until 12 o'clock meridian, Monday, April 9, 1956.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1082. An act for the relief of Golda I. Stegner;

H. R. 1495. An act for the relief of Joseph J. Porter;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes.";

H. R. 1892. An act for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 4039. An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo;

H. R. 5839. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 6421. An act for the relief of Roy Cowan and others;

H. R. 6461. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), act 12, Session Laws of Hawaii 1951, and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, Territory of Hawaii;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices;

H. R. 8100. An act to authorize the loan of two submarines to the Government of Brazil;

H. R. 9166. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.; and

H. J. Res. 464. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Fifth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

SUSPENSION OF DEPORTATION IN THE CASES OF CERTAIN ALIENS

The PRESIDING OFFICER (Mr. McNAMARA in the chair) laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 68) favoring the suspension of deportation in the cases of certain aliens, which were, on page 3, strike out line 3; on page 3, line 16, strike out "Veccirkas" and insert "Vecoirkas", and on page 6, after line 2, insert:

T-303059, Bartolini, Alberto.
8511-A-1274, Caramanlau, Gheorghe.
E-053084, Cepeda-Teran, Aurelio.
A-3042474, Chaykowski, Michael.
A-1427387, Chervinski, Charles.
E-89265, Chillemi, Giovanni.
A-5934786, Cimino, Jean.
0800-106472, Cobos, Tomas.
A-1459543, Cowart, Harry Fuller.
E-069328, Dem, Louise.
A-2888771, Drewnowski, Czeslaw.
A-1847251, Elber, Isadore.
A-5524604, Feldman, Pal.
A-4724104, Ferro, Pete.
A-2174885, Figiolia, Louis Jack.
A-3740609, Grado, Luigi Di.
A-4705290, Gutstein, Albert.
A-5343594, Holody, Martin.
A-2194350, Honkamaa, Charles.
A-3155214, Irla, Anthony Stanley.
A-3237162, Kalinovik, Alexander Paul.
A-1028748, Kaplan, Abraham.
A-2518778, Kashigian, Artin.
A-5918920, Kauth, Kurt Max.
A-3132325, Knowles, Ann Eirwen.
A-7858221, Kryczka, John.
A-5402770, Lamars, Pete.
A-3623367, Latarski, Sigmund.
A-4963675, Lukac, John.
A-2941249, Maneniskis, Joseph.
A-5151675, Matheson, Wilfred Laurier (William Matheson).
A-3017074, Medoway, Sam.
A-5987784, Napolitano, Giovanni Antonio.
E-070997, Novak, Bela.
A-5720885, Nowak, John.
A-3818026, Ostrashelski, Constantine.
E-083290, Pong, Soon.
A-8116357, Reed, John David.
A-4755643, Richter, Walter.
A-5753580, Rocco, Louis.
A-2671145, Rucienski, Aleksander.
2770-P-142631, Sandler, Josel David.
A-1853190, Sandor, Victor.
E-066512, Schwar, Klara.
0600-84629, Simon, Aurif.
A-5862381, Slater, Frank.
E-47365, Sosa-Paz, Luz.
2310-P-15457, Stagliano, Maria Calogera nee La Forte.
A-1840646, Torres, Jose Buenaventura.
A-1815668, Tuchet, Frank.
A-5490012, Veilleux, Joseph Charles.
A-4967148, Walonce, Stanley Francis.
A-2935138, Wilkas, Julius.
A-1704536, Ziegenhirt, Joseph Francisco.
A-3122325, Forsbacka, Johannes Alfred.
A-5967839, Hovanec, John.
A-1985254, Jurlin, Daniel D.
A-7485159, Keefe, Everett Vernon.
E-057815, Moreno-Aguilar, Conrado.
A-4727339, Proch, John Alexander.

Mr. JOHNSTON of South Carolina. Mr. President, acting on behalf of the chairman of the Judiciary Committee, the distinguished senior Senator from Mississippi [Mr. EASTLAND], who happens to be absent at this time, I wish to state that on February 3 last the Senate agreed to Senate Concurrent Resolution 8, approving the granting of suspension of deportation of certain deportable aliens. On March 6, 1956, the House of Representatives agreed to Senate Concurrent Resolution 68 with amendments, to delete the name of one alien whose case has been withdrawn by the Attorney General, and to correct the spelling of one name. The resolution was further amended to add the names of certain aliens whose cases were previously approved and included in an earlier resolution by the Senate, and whose names were deleted from that resolution by the House of Representatives. Three additional cases which were being held for further study have also been approved and included in the resolution.

I move that the Senate concur in the House amendments to Senate Concurrent Resolution 68.

Mr. KNOWLAND. Mr. President, as I understand the parliamentary situation, with the exception of the deletion to which the Senator from South Carolina has referred, the concurrent resolution, as amended by the House, amounts in effect, to a consolidation of certain measures dealing with aliens, which previously had been acted on favorably by the Senate.

Mr. JOHNSTON of South Carolina. That is substantially the case.

Mr. KNOWLAND. I wish to establish whether the Senate had previously acted upon the measures. If that is not the case, I would wish to have a little more time, in order to consult with Members of this side of the aisle.

Mr. JOHNSTON of South Carolina. Yes, Mr. President; the Senate has already acted upon them; and the amendment merely makes the concurrent resolution conform with measures on which the Senate already has acted favorably, and sent to the House of Representatives.

Mr. KNOWLAND. Very well; I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

FERNANDA MILANI

The PRESIDING OFFICER laid before the Senate the admendments of the House of Representatives to the bill (S. 101) for the relief of Fernanda Milani, which were to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Fernanda Milani, Spirodon Karousatos, Romana Michelina Serini, Mojsze Hildeshaim, Ita Hildeshaim, Angel Feratero Madayag, Jirair Mazartzian, Gertrude Mazartzian, Mario Mazartzian, Santiago Landa Arrizabalaga, Pak-Chue Chan, Oi-Jen Tsin Chan (nee Tsin), Chee Tao Chan, and Wai May Chan, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

And to amend the title so as to read: "An act to grant the status of permanent residence in the United States to certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on June 14, 1955, the Senate passed Senate bill 101, to grant the status of permanent residence in the United States to the beneficiary. On February 21, 1956, the House of Representatives passed the bill with amendments to include the beneficiaries of seven similar individual Senate bills.

Inasmuch as the House amendments make no substantive changes but merely group several cases into one bill, I move that the Senate concur in the House amendments.

The motion was agreed to.

ANA P. COSTES

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 117) for the relief of Ana P. Costes, which were to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Ana P. Costes, Wolodymyr Krysko, Rosa Tomasina Maria Puglisi (Rosa Tomasina Maria Sano), Shima Shinohara, Hsi-Lin Tung, Ruth Min-Kwong Leung Tung, Sumie Legasse, Hava Shpak, A. A. Shpak, Sympcha Shpak, Richard Karl Hoffman, Marcelina Anderson, Gerassimo Troianos, Markos Demetrius Spanos, Maria Gabriella Byron (Maria Gabriella Michon), Dolores Maria Gondiaga, nee Seijo, Chang Ho Cho, Chia-Yi Jen (also known as Charles Jen), Catherine Samouris, Kerson Huang, Cirilo Jose, Meliton Topacio Tapawan, Alvaro A. Jose, Hedi Gertrude Spiecker, Vaclav Majer, Irma Majer, Vaclav Majer, Jr., and Chocura Yoshida, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

And to amend the title so as to read: "An act to grant the status of permanent residence in the United States to certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on June 14, 1955, the Senate passed Senate bill 117, to grant the status of permanent resident in the United States to the beneficiary. On February 21, 1956, the House of Representatives passed the bill with amendments to include the beneficiaries of 20 similar individual Senate bills.

Inasmuch as the House amendments make no substantive changes but merely group several cases into one bill, I move that the Senate concur in the House amendments.

The motion was agreed to.

INGEBORG C. KARDE

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 213) for the relief of Mrs. Ingeborg C. Karde, which were, to strike out all after the enacting clause and insert:

That for the purposes of the Immigration and Nationality Act Ingeborg C. Karde, Shigeko Nakamura, and Valdis Mikelsons shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

Sec. 2. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have been issued in the cases of Georges Demetelin, Athena Demetelin, Stanley William Wheatland, Mareanthe Baicou, and Peter Skole. From and after the date of enactment of this act, the said persons shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

Sec. 3. For the purposes of the Immigration and Nationality Act, Domenico Bompiani, Beri Denovi, Mervin Walter Ball, Gordon Thompson Brown, Edward White, Lily Elsie White, Doctor Klaus Hergt, and Stephen Fodo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

And to amend the title so as to read: "An act to grant the status of permanent residence in the United States to certain aliens and to cancel deportation proceedings in the cases of certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on July 22, 1955, the Senate passed Senate bill 213, to grant the status of permanent residence in the United States to the beneficiary. On February 7, 1956, the House of Representatives passed the bill with amendments to include the beneficiaries of 13 individual Senate bills. One case included in the bill passed the Senate, to provide for restoration of the beneficiary's United States citizenship, but, as amended, provides for the granting of permanent residence. Two cases which passed the Senate, to grant permanent residence to the beneficiaries, have been included in Senate bill 213, to provide for the cancellation of outstanding deportation proceedings.

The amendments are acceptable, and I move that the Senate concur in the House amendments to Senate bill 213.

The motion was agreed to.

ASHER EZRACHI

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 315) for the relief of Asher Ezrachi which were to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Asher Ezrachi and Ralph Piccolo (Raffaele Piccolo) may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Sec. 2. Notwithstanding the provisions of section 212 (a) (1) and (4) of the Immigration and Nationality Act, Bart Krijger may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

Sec. 3. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Anna Jerman Bonito and Esteni Rodriguez Estopinan de Witlicki may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Sec. 4. Notwithstanding the provision of section (6) of the Immigration and Nationality Act, Ivan Gerasko may be admitted to the United States for permanent residence, if he is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

Sec. 5. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Jose Alvarez, Hildegard Kropfitsch Pelloski, George Roland Lavoie, Katharine Lajimodiere (nee Schneeberger), Luigi Cardone, Ingeburg Edith Stallings (nee Nitzki), and Hilde Schiller may be admitted to the United States for permanent residence, if they are found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to enactment of this act.

And to amend the title so as to read: "An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on June 30, 1955, the Senate passed Senate bill 315 to waive the grounds of inadmissibility in behalf of the beneficiary. On February 7, 1956, the House of Representatives passed the

bill with amendments to include the beneficiaries of 11 similar individual Senate bills. One case included in the bill passed the Senate, to grant permanent residence, but has been amended to grant a waiver of the excludable grounds.

The amendments are acceptable, and I move that the Senate concur in the House amendments to Senate bill 315.

The motion was agreed to.

THERESA POK LIM KIM

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 396) for the relief of Theresa Pok Lim Kim, which were, on page 1, line 6, after "visitor", insert "and may be admitted to the United States"; on page 2, after line 12, insert:

Sec. 2. In the administration of the Immigration and Nationality Act, Edith Kalwies, the fiance of William H. Crandall, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor and may be admitted to the United States for a period of 3 months: *Provided*, That the administrative authorities find that the said Edith Kalwies is coming to the United States with a bona fide intention of being married to the said William H. Crandall and that she is found to be otherwise admissible under the Immigration and Nationality Act other than the provision of section 212 (a) (6) of that act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Edith Kalwies, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Edith Kalwies, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Edith Kalwies as of the date of the payment by her of the required visa fee.

Sec. 3. For the purposes of the Immigration and Nationality Act, Concetta Speranza Tapp, widow of Floyd William Tapp, shall, if otherwise found admissible to the United States, be deemed to be a nonquota immigrant.

Sec. 4. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Rosa Roppo, shall be held and considered to be the natural-born alien child of Michael Roppo and Julia Roppo, citizens of the United States.

And to amend the title so as to read: "An act to facilitate the admission into the United States of certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on June 14, 1955, the Senate passed Senate bill 396, to provide for the admission of the beneficiary to the United States for the purpose of marrying her United States citizen fiance. On February 21, 1956, the House of Representatives passed the bill, with amendments to include the beneficiaries of three individual Senate bills.

Inasmuch as the amendments make no substantive changes, but merely group several cases into one bill, I move that the Senate concur in the House amendments to Senate bill 396.

The motion was agreed to.

WILLIAM T. COLLINS (VASILIOS T. BUZUNIS)

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 663) for the relief of William T. Collins (Vasilios T. Buzunis), which was, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, William T. Collins, also known as Vasilios Buzunis, may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Mr. JOHNSTON of South Carolina. Mr. President, on July 11, 1955, the Senate passed Senate bill 663, to grant the status of permanent residence in the United States to the beneficiary. On March 6, 1956, the House of Representatives passed the bill, with an amendment to grant a waiver of the grounds of inadmissibility in behalf of the beneficiary. By departing from the United States, the beneficiary will be able to qualify for a visa to reenter the United States for permanent residence.

This language is acceptable, and I move that the Senate concur in the House amendment.

The motion was agreed to.

MR. AND MRS. ANDREJ (AVRAM) GOTTLIEB

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 963) for the relief of Mr. and Mrs. Andrej (Avram) Gottlieb, which were, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Andrej (Avram) Gottlieb, Jenny Gottlieb (nee Binder), Toy Lin Chen, Nouritza Terzian, Maria Ioannou Karvelis, Martha Karvelis, Boeleta Karvelis, and Euterpi Karvelis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

And to amend the title so as to read: "An act for the relief of certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on July 22, 1955, the Senate passed S. 963, to grant the status of permanent residence in the United States to the beneficiaries. On March 20, 1956, the House of Representatives passed Senate bill 963 with amendments to include the beneficiaries of three similar individual Senate bills.

Inasmuch as the House amendments make no substantive changes but merely group several cases into one bill, I move that the Senate concur in the House amendments.

The motion was agreed to.

PURITA RODRIGUEZ ADIARTE AND HER TWO MINOR CHILDREN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1242) for the relief of Purita Rodriguez Adiarte and her two minor children, Irene Grace Adiarte and Patrick Robert Adiarte, which were, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Purita Rodriquez Adiarte, Irene Grace Adiarte, Patrick Robert Adiarte, Katharina Steinbach, Joseph G. Ferrara, Clorinda Perri Sturino, Yee Loy Foo (also known as Loy Foo Yee or Ted Yee), Kosmas Vassilios Fournarakis, Rosita A. Jocson, Young Hi Yun, Cheuk Wa Leung, Camilla Ying Ling Leung, Panagiotis Nicolas Lalos, Antyro Panagiotis Lalos, Myra Louise Dew, and George Poulio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

Sec. 2. For the purposes of the Immigration and Nationality Act, Haim Cohen (Haim Braun) shall be held and considered to have been lawfully admitted to the United States for permanent residence upon payment of the required visa fee.

Sec. 3. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have been issued in the case of Antonio Domenico Narciso Bianchi. From and after the date of the enactment of this act, the said Antonio Domenico Narciso Bianchi shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

And to amend the title so as to read: "An act for the relief of certain aliens."

Mr. JOHNSTON of South Carolina. Mr. President, on July 11, 1955, the Senate passed Senate bill 1242, which would grant the status of permanent residence in the United States to the beneficiary. On March 6, 1956, the House of Representatives passed the bill, with amendments to include the beneficiaries of 12 individual Senate bills. One case included in the bill passed the Senate, to grant permanent residence to the beneficiary, but has been amended to provide only for cancellation of outstanding deportation proceedings in behalf of the beneficiary, and will accomplish the desired effect in providing relief from deportation.

I move that the Senate concur in the House amendments to the bill.

The motion was agreed to.

UNIQUE PLACE OF JAMES F. BYRNES IN AMERICAN HISTORY

Mr. THURMOND. Mr. President, I ask unanimous consent that I may speak for approximately 15 minutes.

The PRESIDING OFFICER (Mr. McNamara in the chair). Is there objection to the request of the Senator from South Carolina? The Chair hears none, and the Senator from South Carolina may proceed.

Mr. THURMOND. Mr. President, on January 9 of this year, the distinguished junior Senator from Kansas placed in the Record the names of 109 persons who have served their States as governor, Member of the United States House of Representatives, and Member of the United States Senate. Since that time I have had the records checked and find that one of the distinguished gentlemen named holds a unique place in history. In addition to having served his State as governor, as United States Representative, and as United States Senator, the Honorable James F. Byrnes, of South Carolina, has also served on the United States Supreme Court and as a member of the Cabinet of the President of the United States.

He is the only person in history who has held the three high offices mentioned by the Senator from Kansas and who, in addition, has served on the Court and in the Cabinet.

I would like to take this occasion, as the date of his next birthday approaches, to mention some of the highlights in the career of this son of South Carolina who attained the stature of world statesman.

James Francis Byrnes is of Irish descent, his grandparents having immigrated from the old country. His father, who was a clerk in the city government at Charleston, S. C., died a few months before his son was born on May 2, 1879.

At the age of 14, James F. Byrnes left school to help earn a living for himself and his mother. He worked in a law office in Charleston. He learned shorthand and by the time he was 20, he was making enough money as a stenographer to support his mother.

Young Byrnes entered a competition for the position of court reporter and won the job. He moved to Aiken, S. C., and, while working in the court, he studied law and was admitted to the bar in 1903. For a time, he also owned and edited a weekly newspaper in Aiken.

Mr. Byrnes married Miss Maude Perkins Busch, of Aiken, on May 2, 1906. She is a charming lady who has been a true helpmate to her distinguished husband.

Mr. Byrnes won his first election by 57 votes in 1908 when he was elected solicitor of the second circuit of South Carolina. After 2 years, he was elected to Congress from South Carolina's second district, and served in the House of Representatives for 14 years.

During World War I, he was 1 of 5 members of the House Deficiency Appropriations Committee which was responsible for recommending most of the appropriations made by the Congress for war activities.

One of the first things he did as a Congressman was to bring about the formation of the House Committee on Roads, from which grew the present Federal roads system.

In 1924 Mr. Byrnes lost the only political contest of the many in which he has participated. He ran for the Senate but lost to Cole L. Blease by a narrow margin.

For the next 6 years, Mr. Byrnes practiced law in Spartanburg, S. C., in the firm of Nichols, Wyche and Byrnes. Mr. Nichols had himself served in Congress and Mr. C. C. Wyche, the other member of the firm, has been for many years a distinguished Federal district judge in the western district of South Carolina.

In 1930 Mr. Byrnes ran against Senator Blease and defeated him. Senator Byrnes was a powerful and respected member of this body for the next 11 years. He rarely made a speech on the floor, but he seldom missed a committee meeting. When he did make a speech, his words were carefully weighed in high quarters. His power of persuasion in committees and in the cloakroom was legendary even while he was in the Senate.

At the Democratic Convention in 1932, Senator Byrnes had an important part in the nomination of Franklin D. Roosevelt as the presidential candidate. In the Senate he was chief lieutenant for the President. When he did not agree with Roosevelt proposals, he did not hesitate to vote against them.

In July 1941, President Roosevelt appointed Senator Byrnes to the Supreme Court, the third person from South Carolina ever to serve on the Court and the first in nearly a century and a half.

At the ceremony when Associate Justice Byrnes took the oath of office, President Roosevelt said he wished he were Solomon so he could divide Byrnes in two, appointing half of him to the Supreme Court and leaving the other half in the Senate.

But America was soon at war and Justice Byrnes offered himself to President Roosevelt for whatever service he could render his country.

In October 1942, the President called him from the Court to head the Office of Economic Stabilization and to coordinate the war effort.

His responsibilities were increased in 1943 when he was made Director of War Mobilization. In November 1944, the additional responsibilities of reconversion were put under his direction and his title became Director of War Mobilization and Reconversion. Except for the President, no other official in Government held so much power and responsibility. He was known as and in fact was the assistant President.

For his meritorious service in these vital offices during World War II, the Joint Chiefs of Staff recommended that Justice Byrnes be awarded the Distinguished Service Medal. The President made the award on August 4, 1945, and read the following citation:

> Mr. James F. Byrnes, as Director of War Mobilization from October 1942 to March 1945, discharged duties of great responsibility with outstanding success. Faced with the problem of aiding the Chief Executive in girding the Nation for a conflict of unprecedented proportion, he accomplished his task with exceptional skill. * * * He accompanied the Commander in Chief to vital conferences, applying his extensive knowledge of interallied problems to their prompt and effective solution. With vast understanding, exceptional ability as an arbiter, unswerving devotion to the national interests and firm determination, Mr. Byrnes performed difficult service (of high importance), making a major contribution to the war effort.

President Truman called him out of retirement to become Secretary of State. He held the office for 562 days and 350 of those days were spent at international conferences. His journeys abroad carried him to London, Paris, Potsdam, and Moscow. As a diplomat he traveled approximately 77,000 miles. Other important conferences, including the 1946 meeting of the Council of Foreign Ministers, were held in this country.

Secretary Byrnes established the United States policy of firmness and patience with Russia in the early postwar period. He gave Germany hope for the future and helped to bind our relations with that country.

The statement of American policy which then helped bind Germany to the West was made by Secretary Byrnes in a speech at Stuttgart on September 6, 1946. He told the German people that the United States would continue her interest in the affairs of Europe and of the world. In words that Russia could not misunderstand, he declared that "peace and well-being cannot be purchased at the price of the peace and well-being of any other country." He assured the Germans that American troops would remain in their land as long as the troops of any other nation remained.

Another principal achievement by Mr. Byrnes as Secretary of State was the negotiation of the Balkan treaties.

Time magazine named Secretary Byrnes "man of the year" for 1946. In its cover article in the issue of January 6, 1947, Time said:

> Had 1946 ended as it began, Molotov would have been the year's man. * * *
>
> Before the year was out, however, the Russian flood was contained. On the dam that held it many men had labored. * * * But the dam's chief builder was James F. Byrnes * * * who became the firm and patient voice of the United States in the councils of the world. * * *
>
> He managed to get over to the Russians, and the world, that the United States had planted the weight of its power in the path of the Russian advance.

Mr. Byrnes' resignation as Secretary of State was effective on January 20, 1947. He again took up active legal practice in the appellate courts, commuting between an office in Washington and one in South Carolina.

Persuaded that he could render vital service to South Carolina as Governor, he entered the Democratic primary in

1950 and won nomination over three opponents.

Governor Byrnes had campaigned on two main planks: That he would do everything in his power to improve the public schools of the State and that he would seek extensive improvements of facilities for mental patients.

He was inaugurated Governor in January 1951, and by the end of the legislative session that spring, Governor Byrnes had succeeded in getting the legislature to enact a broad program of educational improvement. A statewide school construction program resulted in allocation by the State of $125 million for new schools. This program has now reached the $200 million mark.

In his inaugural address, Governor Byrnes called for the unmasking of the Ku Klux Klan. This law was quickly enacted by the general assembly.

Many other progressive programs were started and completed during the Byrnes administration in South Carolina.

In 1952 Governor Byrnes declared his support for General Eisenhower in the presidential race. He stated that he did so because he felt he must place principle above party and that he believed the general the best qualified candidate for the office.

In 1953 Governor Byrnes served as a member of the United States delegation to the United Nations General Assembly.

Several years ago at the unveiling of a portrait of Mr. Byrnes in the South Carolina Senate, his friend Bernard Baruch spoke. He described Mr. Byrnes as "having joined that little band of immortals who make the world a finer and more peaceful place. We, of South Carolina, will always glory in that name."

Since he attained fame, Governor Byrnes has been the recipient of a number of honorary degrees from some of America's great universities. Occasionally, he comments humorously that he has been educated by degrees.

In 1947 he wrote a book, Speaking Frankly, which is an account of his experiences as Secretary of State. He established the James F. Byrnes Foundation to administer the proceeds from the sale of the book, and nearly 150 needy orphan students have received grants to prepare them for their chosen careers. The man who walked with kings did not forget those who needed help when he was able to offer that help.

Upon retirement from public office in 1955, Governor and Mrs. Byrnes built a new home in Columbia, the capital of South Carolina. He no longer practices law, but he goes to his private office almost daily to answer mail which comes from friends and strangers in faraway places.

He has the esteem, the high prestige, and the great respect and affection of millions, not only in South Carolina but throughout the world.

His career has been unique; his position of prominence is equally unique.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Laird in the chair). Without objection, it is so ordered.

Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

AMENDMENT OF INTERSTATE COMMERCE ACT

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, to regulate the use of motor vehicles not owned by motor carriers.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the junior Senator from Florida be recognized at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, the trip-leasing issue has been before the Congress for over 3 years and I believe the time is way overdue that it be settled by statute to remove the continuing doubt, uncertainty, and confusion it has brought to those engaged in transporting agricultural commodities by motor vehicle. Likewise, the uncertainty and confusion should be ended in fairness to the farmers of the Nation who produce crops which, in order to be put to beneficial use, must be transported to the persons and places where they are needed.

Let me make perfectly clear at the outset that the bill before the Senate today, S. 898, as reported by the Senate Interstate and Foreign Commerce Committee on July 30, 1955, in the closing days of the first session of this Congress, is a compromise bill. It is far different from the bill overwhelmingly passed by the House in 1953 (H. R. 3203) and as introduced in the Senate during the last session.

In its reported form it has been cut down from completely prohibiting the ICC to regulate length of lease or amount of compensation for a lease to meet the minimum necessary needs of agriculture, and contains far less restriction on the authority of the Interstate Commerce Commission to regulate the leasing of trucks than the earlier regulation.

First, let me give a little history and background to the problem. There are two general types of motor carriers which are fully regulated by the Interstate Commerce Commission—common motor carriers which must obtain certificates of convenience and necessity and contract carriers which must obtain permits for operating authority. These two general types of carriers are generally referred to as authorized carriers.

Outside of the regulatory control and authority of the ICC, except as to safety matters, are four main groups of carriers most concerned in this legislation, namely farmers, cooperative associations of farmers, operators who haul agricultural commodities, and private carriers.

Back in May 1951, the Interstate Commerce Commission issued some regulations in a proceeding known as Ex Parte MC-43 to govern the lease and interchange of vehicles by motor carriers—Lease and Interchange of Vehicles by Motor Carriers, 52 MCC 675. One of the rules promulgated by the Commission would have limited the minimum duration of the lease of any truck to an authorized carrier to 30 days. This rule became the subject of court action and finally, on January 12, 1953, the Supreme Court of the United States held, in the case of *American Trucking Associations* v. *U. S.* (344 U. S. 298 (1953)), that although the Interstate Commerce Act contained no specific grant of authority from the Congress to the Commission to put such a restrictive rule into effect; however, under the implications of the general grants of authority in the Interstate Commerce Act, the promulgation of this rule for authorized carriers falls within the Commission's power.

Just where did this decision of the Supreme Court in 1953 leave agriculture as to its ability to meet its practical transportation requirements?

Judging from the outcry and protestations that came from farmers and their representatives from nearly all sections of the country, continuing right down to today, it left the farmers away out on the limb and the limb was about to be cut off.

For many years, even predating the passage of the Motor Carrier Act of 1935, trucks hauling farm products to market have found it necessary to try to obtain from some of the regular carriers a load of general freight to transport back to or in the general direction of the area where the original movement started. This has helped to reduce the cost of transporting the farm products to markets because obviously the rate or cost on the initial movement is decreased if a payload can be obtained for the backhaul.

The imposition of the 30-day minimum limitation proposed by the Interstate Commerce Commission on the lease of trucks with drivers to authorized carriers, by farmers, cooperative associations of farmers, operators hauling agricultural commodities, or private carriers would obviously prohibit trip-leasing, which is usually for only a few days. None of these haulers would or could tie up their trucks to authorized carriers, even if the authorized carriers needed them, for a period of 30 days when their economic need was to return as fast as possible to home base or go to another harvest area to perform legitimate hauling functions.

So the people in agriculture, alert to the serious dislocations and the great blow that would be dealt the orderly marketing of agricultural commodities by the imposition of the 30-day rule of the ICC, asked Congress to establish a fair, clear policy by law which would preserve the economical and efficient practice of leasing trucks, with drivers, to authorized carriers for backhauls.

Bills were simultaneously introduced in the Senate and House in 1953. The House of Representatives moved first to consider the proposed legislation to relieve the plight of the farmer which would result from the prohibition by the ICC against trip-leasing. After extended public hearings before the House

Committee on Interstate and Foreign Commerce in 1953, and lengthy executive sessions, the House Commerce Committee reported favorably and the House of Representatives overwhelmingly passed H. R. 3203 on a voice vote June 24, 1953.

The bill gave the Interstate Commerce Commission affirmative powers not theretofore written specifically in the Interstate Commerce Act to regulate leasing practices, but denied to the Commission the authority "to regulate the duration of any such lease, contract, or other arrangement for the use of any motor vehicle, or the amount of compensation to be paid for such use." The compensation provision was inserted in order to prevent the Commission through indirect control over the amount of the rental compensation for the lease of trucks to bring about the abolition of trip-leasing.

Let me make it clear here that when an agricultural hauler leases his truck and services to an authorized carrier for a backhaul, the agricultural hauler and authorized carrier may mutually agree upon any rental compensation they care to but the authorized carrier must charge the published tariff rate to the shipper, whose freight is being hauled, just as if he were using an owned, rather than a leased truck.

Although public hearings were held before a subcommittee of the Senate Committee on Interstate and Foreign Commerce on the trip-leasing bill in 1953, no action was taken. Again hearings were held in May and June 1954, before the full Senate Committee on Interstate and Foreign Commerce on the trip-leasing bill. In spite of repeated efforts by some members of the committee on both sides of the aisle to bring the bill to a vote in the committee, these efforts were unsuccessful, and the 83d Congress was permitted to adjourn in 1954 without a committee vote being taken.

At the beginning of the 84th Congress, last year, the junior Senator from Oklahome [Mr. MONRONEY] and I cosponsored the trip-leasing bill again and public hearings were held on this legislation before our Subcommittee on Surface Transportation during June 1955.

Finally on July 30, 1955, in the closing days of the first session of this Congress, the Senate Committee on Interstate and Foreign Commerce reported the bill, with amendments, favorably to the Senate.

The committee report is before the Senate and sets forth a summary analysis of the problem and compelling reasons why the proposed legislation is sound and necessary. It has been clearly demonstrated on the record that if the Commission's original 30-day rule had gone into effect, it would have resulted in substantial increases in transportation charges for moving agricultural products from the farmer to the consumer. In addition, it would have put out of business many of the agricultural haulers upon whom many farmers, particularly the family-type farmers, are dependent for the marketing of their products.

The Commission has evidenced its recognition of this condition by amending its proposed 30-day rule at least 3 times while the proposed legislation was before Congress, and has also during the past 3-year period extended from time to time the effective date of the 30-day rule which is now scheduled for July 1, 1956. Except for the trip-leasing feature with respect to private carriers, the Commission has no objection to the bill.

Simply stating the problem before us, farmers and others have empty trucks which must be moved to points where traffic is available. Rather than incur the loss of moving an empty truck, the truck is leased for use to someone who has traffic to be moved in the direction in which the truck is bound. Usually the lease is for only a few days or for the duration of a trip; hence the term "trip lease." Such leases are often necessary to get the truck into position for profitable use, and are often arranged with common and contract carriers subject to the Interstate Commerce Act.

Under the July 1 order, the ICC would have leases of motor vehicles made for a minimum of 30 days, thus effectively putting an end to trip leasing and the economies accompanying it. S. 898 would establish standards for the ICC to follow in regard to trip leasing, with specific provisions designed to meet the needs of agriculture and private carriers.

I have spent a great deal of time on this matter and have conferred with representatives of farm operators from all sections of the country. I am convinced that the bill has been watered down as much as is possible without permitting serious detriment to the marketing of farm products. We all know there are actually thousands of private canneries, meat-packing houses, citrus plants, and the like, which, because of the continual increase in railroad and regulated motor-carrier rates, have been forced from the standpoint of economy of operations to buy their own trucks and transport their own products to their customers. These trucks are an important part of the transportation pool that serves the farmer's total transportation needs.

It would be uneconomic to permit a farmer or a group of farmers who have trucks in which they haul canned vegetables to their customers to lease the trucks to authorized carriers for a back haul, but to deny the same right to the privately owned cannery across the road from the farmer's plant. Likewise, the transportation costs and the right of the private cannery to trip lease have a direct bearing upon the amount which the private cannery can pay the farmer for his products. The same is true with respect to the thousands of private dairy plants, meat-packing houses, and other private concerns that deliver to their customers in their own trucks the processed food and fiber produced on the Nation's farms.

It is important to note that the private carrier, under the bill, cannot go all around the country, as it has been claimed some have done in the past, but will be definitely restricted in leasing his truck in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

So much for the bill, what it will do, and why it is necessary. So far as agriculture is concerned, there is a more far-reaching reason why it is necessary for Congress to settle the matter of trip-leasing by statute rather than to leave it for determination by the Interstate Commerce Commission.

Ever since the passage of the Motor Carrier Act in 1935, the ICC has demonstrated its attitude toward the exemption from route and rate regulation of trucks hauling agricultural commodities, which Congress wrote into the Motor Carrier Act in 1935. Obviously the advantage to farmers of exemption from rate regulation of trucks hauling farm products to markets is dependent upon those trucks being able to earn some compensation on the return movement which results in lower round-trip operational costs.

Time and time again the ICC since 1935 has recommended legislative action to Congress which would either restrict or completely repeal the agricultural exemption. In the 69th Annual Report of the ICC to Congress, dated November 1, 1955, and submitted just a few weeks ago, the Commission at page 128 recommended "that section 203 (b) be amended so as to limit the exemption of motor vehicles transporting agricultural commodities, fish, and livestock to transportation from point of production to primary market."

In the same report, at page 129, the Commission recommended that agricultural haulers and private carriers, as well as other carriers subject to safety regulations but not subject to economic regulation, be required to register with the Commission. Of course, we all know that registration is a customary first step toward eventual full economic regulation.

Aside from its legislative recommendations, the Commission time and again through strict construction of the scope of the term "agricultural commodities" has clearly demonstrated that it wants to exercise more and more regulatory power over the manner and cost of the movement of agricultural commodities by motor vehicle. Today there is pending before the Supreme Court a case to determine whether dressed poultry is an agricultural commodity. The Commission, although admitting that live poultry is an agricultural commodity and that trucks hauling it are beyond its regulatory jurisdiction, has contended that chickens with their heads and feathers removed have been transformed into a manufactured product and trucks hauling such dressed poultry are subject to the Commission's regulatory powers as to rates and routes. In the eighth Federal circuit, where it was held that dressed poultry is an agricultural product, the ICC follows this ruling. In the remainder of the country, the ICC considers dressed chickens a manufactured product—*Kroblin v. U. S.* (348 U. S. 836 (1954)).

Likewise, there is now being litigated in a New Jersey district court the issue of whether shelled nuts are an agricultural commodity. The Commission says no; agriculture thinks that whether shelled or in the shell, nuts are an agricultural commodity.

These are only a few of the many decisions by the Commission reflecting its attitude toward the agricultural commodities exemption, an attitude which has caused farmers to feel extremely insecure about the trip-leasing problem; they will continue to so feel until Congress acts. I must say, in all fairness, that there is much other evidence in the record to support agriculture's concern and feeling of insecurity.

Furthermore, the ICC is an agency of mortal men who may be on the Commission today and gone tomorrow. Any decision by the Commission today on this 30-day leasing rule which will protect the proper interests of agriculture might not be the decision of the Commission tomorrow or at some time in the future when the composition of the Commission has changed. This, of course, does not impute any bad faith at all to either former, present or future members of the Commission. As an example of the changes that occur, since the end of 1955, a little over 2 months, there have developed 4 vacancies on the Commission. Since May 1951, when the original 30-day rule was issued by the Commission, 10 of its 11 members have departed by resignation, retirement, or expiration of their terms.

There are other compelling reasons arising from the manner in which this whole problem has been handled by the Commission that makes, I believe, action by the Congress necessary.

On February 2, 1955, the ICC by official order postponed the effective date of the controversial 30-day rule from March 1, 1955, to March 1, 1956. The deferment was stated as being primarily for the purpose of affording Congress an adequate opportunity to consider and dispose of the pending legislation. On June 22, 1955, when spokesmen for the ICC appeared before our subcommittee at public hearings on this bill, in discussing the effective date of the 30-day rule, the Commission spokesman reiterated that the effective date of the rule had been postponed until March 1, 1956. These assurances were one factor in our willingness for this bill to go over from last year to this second session for action by the Senate. Then out of the clear, after Congress had adjourned last year, on October 17, 1955, the ICC made public an order advancing from March 1, 1956, to December 1, 1955, the effective date of the controversial 30-day rule.

Many Members of the Congress are familiar with this event, and only after many protests from Members of Congress and shippers around the country did the Commission, on November 15, 1955, restore the effective date to March 1, 1956. The Commission subsequently deferred the effective date to July 1, 1956.

I bring this matter to the attention of the Senate, not in any spirit of destructive criticism of the Commission, for whom as individuals and an official body I have the highest respect. I do regard it as essential, however, that the Members of the Senate be acquainted with some of the facts incident to the ICC's handling of this whole matter, which certainly is not conducive to the inspiration of confidence on the part of the agricultural shippers of the Nation that their interests will be reasonably protected in this matter unless a policy is established by statute.

In conclusion, I wish to say a few words on this matter of safety. Some of the opponents of the bill have made the argument that trip-leasing must be prohibited to promote safety on our highways. Of course, safety is a matter that is close to the hearts of every American. It involves the welfare of all our families and every person using our highways. We are in accord with every reasonable move that will promote safety. But the fact is that, in the hundreds of pages of printed testimony before congressional committees on this issue, I cannot find any convincing evidence, if any evidence at all, that the leased trucks on our highways are more dangerous than owned trucks. Realistically, it is reasonable to believe that the man who owns and drives a truck under lease to someone else, in which he has an investment, would be just as careful, if not more so than the man who is an employee driver.

A few dramatic cases have been brought up which show accidents in which leased trucks have been involved. But they do not prove anything. One could as reasonably argue that the several railroad accidents in recent months, in which a considerable number of persons have been killed and many more injured, make rail transportation more hazardous than some other modes of transportation. But such argument would be absurd.

There are two rather convincing points that undermine the weight of the safety argument that has been advanced against this bill.

First, the Supreme Court dispelled this argument in its decision on January 12, 1953, involving this issue. The majority opinion said:

> The conclusion that highway safety may be impaired rests admittedly on informed speculation rather than statistical certainty. A road check examination conducted by the Bureau (Bureau of Motor Carriers, ICC) did not indicate any significant difference in the number of safety violations between leased and owned vehicles (*American Trucking Associations v. U. S.* (344 U. S. 298, 305, footnote 7 (1953)).

Second, after the controversy over the 30-day rule developed, the ICC reopened the leasing proceeding to take additional testimony on the issue. Further hearings were held before an ICC examiner in 1954 at which many witnesses appeared. The examiner's proposed report was finally released on January 17, 1955, based upon all the evidence he had received, and in his official report on the matter of safety he gave substantially the same answer regarding safety as was given by the Supreme Court.

Thereupon the examiner recommended to the Commission that the effective date of the 30-day rule be postponed until at least March 1, 1957, and that the Commission enter an order requiring authorized carriers to segregate all reportable accidents reported according to whether the accident involves company-owned, term-leased, or trip-leased equipment. The examiner's recommendation contemplated that in the 2-year period reliable data on a natonwide basis could be compiled and considered at a further hearing as to just what bearing, if any, the trip-leasing of vehicles had on the matter of safety on the highways.

But the Commission did not see fit to follow this recommendation of their examiner, who had heard all the evidence and had an opportunity to weigh it carefully. Instead, the Commission proceeded to order the 30-day rule to go into effect, although it has been subsequently postponed.

So, regardless of the arguments made against this bill in the name of safety, which is of universal concern to us all, it is perfectly clear from the record that such arguments are based on isolated cases and conjecture—not facts that prove anything.

I do not think I need to say more at this time. There was probably never a bill which came before the Senate on which there have been more thorough hearings and screening and on which so much effort has been expended to reconcile the opposing views.

In view of the extended debate recently held on this floor on the farm bill, in an effort to find a constructive way to help the farmer help himself, it is inconceivable to me that the Congress would permit an agency of Government to be free to further extend its regulatory powers, as the ICC has proposed to do and as this bill is intended to prevent, with a certain further increase in transportation costs and a further tightening of the cost-price squeeze on the farmers of our Nation.

This is one of the few issues in my memory on which all of the farm organizations and agriculture generally, from the grassroots to Washington, have been in accord. The National Grange, the American Farm Bureau Federation, the National Council of Farmer Cooperatives, and the National Farmers Union, as well as scores of other national organizations across the country serving farmers in their marketing operations, have publicly and privately, time and again, urged the passage of this legislation.

I highly recommend that the Senate pass S. 898.

I might say at this point that, as the able chairman of the committee knows, and as the former chairman of the committee is aware, we have discussed this particular proposed legislation, not only with the farm groups, but we have talked it over with the railroad associations, with the trucking groups, and with the representatives of the private carriers.

The bill which is now before the Senate represents the very best bill we shall be able to get on this particular problem. It is my hope that we shall be able to pass a bill which will, once and for all, define exactly what we mean when we give an agricultural exemption and at the same time try to recognize, as we do in the bill, that if we are to have any sort of regulated common carriage in this country, we must continue to give to the ICC certain authority whereby it can control certain certificated common carriers.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Will the Senator from Florida advise me whether the bill as it has been reported will cover the problem adequately?

Mr. SMATHERS. My answer is "yes." I think the bill will protect the different groups. I am sure it protects the reasonable demands of the agricultural groups.

Mr. SMITH of New Jersey. I understand an amendment later will be offered. My interest in the bill and the amendment which will be presented results from the fact that in my State of New Jersey there are several large firms which are engaged in the processing of quick-frozen foods, especially the Seabrook Farms—and several firms dealing in canned foods, especially the Campbell soup firm. I understand the bill is to be amended in a way which might affect the activities of the frozen-food industry and the canned-soup industry in my State.

Mr. MAGNUSON. Mr. President, if I may interrupt, I think if the Senator from New Jersey will wait until I offer the amendment, it might be a better time to ask the question.

Mr. SMITH of New Jersey. I shall be glad to postpone further questioning of the Senator from Florida.

Mr. SMATHERS. Mr. President, I ask unanimous consent that I may yield to the Senator from New Mexico so that he may submit a conference report, without my losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

COLORADO RIVER STORAGE PROJECT—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 500) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of March 27, 1956, pp. 5765–5768, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ANDERSON Mr. President, I have prepared a statement which I wished to present and have printed in the Record for the purpose of adding to the legislative history. I do not intend to read the statement at this time. Other members of the committee are present. I am anxious to have them comment on the conference report.

But I ask unanimous consent to have my statement on the conference report printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Anderson on Conference Report on S. 500, to Authorize the Colorado River Storage Project

In connection with the conference report on S. 500, to authorize the Colorado River Storage Project, a few comments on the consummation of this legislative objective are desirable, not only as a matter of information to the Congress, but to make a matter of record certain points in connection with the legislative history of this measure for the guidance of the executive departments in considering administrative features of the bill. The legislative history will also have an important bearing as a matter of guidance for the Congress in the future in connection with appropriations for the construction of the Colorado River Storage Project.

First, I desire, on behalf of the Senate conferees, to express our appreciation of the cooperative spirit shown by the House conferees in connection with the deliberations of this all-important measure, not only to the development of the upper Colorado River Basin States, but to the arid West and the country as a whole. The adoption of the Conference report will again put the Congress on record in registering unmistakable approval of the reclamation program, initiated under the leadership of Theodore Roosevelt, through the enactment of the Reclamation Act of 1902. The stamp of approval the Congress registers through adopting the conference report will serve as a rebuke to detractors of the Reclamation program as an instrument for the conservation of the water resources of the West for irrigation, hydroelectric power production, municipal, industrial and domestic water supply. It is the unmistakable answer of the Congress to proposals that the potential water resources of the West—in this case the Colorado River Basin—shall be limited to aid one particular area of the West and that another vital segment of the West shall be condemned to remain undeveloped.

Likewise, its recognition of the fact that again the Reclamation program is recognized by the Congress, the President and the executive departments as deserving and receiving nonpolitical, nonpartisan and nonsectional support.

I refer to the fact that the program for the Colorado River storage project was developed under the democratic administrations of Franklin D. Roosevelt and Harry S. Truman, and it was endorsed and recommended by a Republican, Dwight D. Eisenhower.

On the passage of the bill in the Senate, by a vote of 58 to 23, more than 2 to 1, the party division was:

For the bill: Democrats, 31; Republicans, 27.

Against the bill: Democrats, 15; Republicans, 8.

Not voting: Democrats, 3; Republicans, 12.

In the House of Representatives the vote was:

For the bill: Democrats, 63; Republicans, 120.

Against the bill: Democrats, 63; Republicans, 73.

Absent or not voting: Democrats, 32; Republicans, 8.

Passed, 1.

Paired for: Democrats, 11; Republicans, 1.

Paired against: Democrats, 9; Republicans, 3.

This party division is cited for the purpose of showing the nonpartisan front that maintains confidence that the Congress, when the chips are down, drops political considerations and votes for developments of natural resources that benefit the entire country.

Now, as to some of the features of the Colorado River storage bill itself, I point out a few essential provisions for the legislative record for administrative guidance in connection with the programing, construction, and operation of the Colorado River project.

I shall not reiterate all of the items commented on by the managers on the part of the House in their report. However, I do desire to point out several features of the bill as presented by the conference report which have significance with respect to the legislative history of the measure.

First, Senate bill 500 reaffirms the law of the river, as applied to the Colorado River system by the Colorado River compact of 1922, the Boulder Canyon Project Act of 1928, the Boulder Canyon Project Adjustment Act of 1939, and the upper Colorado River compact of 1950. The language with respect to the law of the river is designed to protect the legitimate interest of all States, whether in the lower or the upper basin, in their rights to Colorado River water as laid down in the compacts and in congressional legislation enacted in pursuance thereof.

An objective of the reiteration of the law of the river is also to give maximum protection to lawful contracts made in pursuance of the compacts and the existing legislation. An objective is to minimize the justification for controversy or legal action over contracts or agreements that do not flow directly from congressional authorizations or action.

A second major point that requires elaboration as to the intent of the Congress is with respect to section 12 which reads as follows:

"There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated such sums as may be required to carry out the purposes of this act, but not to exceed $760 million."

It should be pointed out that the amount of $760 million written into the bill by the House committee and approved on the floor of that body represents merely a current limitation on appropriations authorized and not a limitation on the estimated cost of the features of the project directly authorized in the bill or conditionally authorized through the requirement of the feasibility report by the Secretary before construction may begin, as in the case of the Curecanti Dam in Colorado or projects which may hereafter be authorized by the Congress.

In this connection, the record is made for the information of the Senate and as a part of the legislative history. The conferees considered precedents which have been established by the executive agencies and the Congress with respect to language and figures similar to those in section 12, to which I have referred. Two outstanding examples of precedents may be cited.

One is in connection with the Boulder Canyon project, Nevada-Arizona, in the lower Colorado River Basin. When this project, of which the present Hoover Dam is the principal unit, was authorized by the Boulder Canyon Project Act of 1928, an appropriation of $165 million was authorized. Without any change in the language in the original act, the Congress, on presentation of the situation to the Appropriations Committees of the House and Senate, has appropriated a total of $223,064,101. Appropriations for Hoover Dam and powerplant alone have totaled $160 million, or within $5 million of the appropriations authorized in the original act of 1928. The excess over the original authorization has gone into construction of the All-American and Coachella Canals.

A more recent and at least an applicable precedent is cited in the case of appropriations authorized for construction of the Missouri River Basin project. In this case, the Congress has authorized total appropriations to the Bureau of Reclamation, Department of the Interior, of $550 million, in amounts of approximately $150 million at a time. Actual appropriations made under these authorizations now total $494 million.

At the same time, construction of units under the Missouri River Basin project, including multiple-purpose dams, powerplants, and irrigation works have been completed, or started, that entail an ultimate cost of approximately $845 million. This procedure has been explained to the Appropriations Committees of the Senate and House by the Bureau of Reclamation with approval of the Department of the Interior. In our opinion, the Missouri Basin project record constitutes an adequate precedent that will insure the ability of the Secretary of the Interior to finance from appropriations to be made by the Congress the initial construction of all of the storage dams and projects authorized or conditionally authorized (such as Curecanti Dam) in S. 500. In simple words, this explanation means that the Secretary of the Interior can and should proceed as rapidly as initial funds are appropriated by the Congress with the construction of the storage dams such as Glen Canyon, Flaming Gorge and Navaho, those in the initial phase of the central Utah project and Curecanti Dam, when the Secretary of the Interior reports to the Congress that the benefits anticipated from the Curecanti Dam exceed the estimated cost.

At the same time, the program for and initial construction of the authorized participating irrigation projects should proceed. Of course, water must be available; local interest in repayment manifest; and the limitations with respect to bringing new land into production under the surplus crop limitation amendment met.

The Senate conferees accepted the delineation from the bill by the House of the controversial Echo Park Dam in the Dinosaur National Monument area of western Colorado. The position of the Senate has been that Echo Park Dam would benefit rather than adversely affect the national monument area, and constituted no invasion of the sanctity of national parks. However, out of deference to the sincere views of the great majority of the conservation organizations of the country, and so as to expedite authorization of the upper Colorado River storage project, the Senate conferees yielded on the Echo Park point and made no effort to urge the House conferees to accept the Senate version in this respect. We regard that matter as closed.

Provision is made in the bill for the protection of the Rainbow Bridge National Monument by directing that the Secretary of the Interior in connection with the construction of the Glen Canyon unit, shall take adequate measures to preclude impairment of the Rainbow Bridge and National Monument.

The conferees, by appropriate language, adhere to the traditional position of the Congress with respect to construction costs of irrigation facilities on Indian lands. Those Indian lands, under participating irrigation projects authorized by the bill, will not be subject to irrigation construction charges as long as they remain in Indian ownership.

With respect to the Navaho participating project in New Mexico the following sentence in section 6 of the bill as submitted by the conferees reads as follows:

"In the event that the Navaho participating project is authorized, the costs allocated to irrigation of Indian-owned tribal or restricted lands within, under, or served by such project, and beyond the capability of such lands to repay, shall be determined, and, in recognition of the fact that assistance to the Navaho Indians is the responsibility of the entire Nation, such costs shall be nonreimbursable."

The Senate conferees insisted, and the House conferees receded from the amendment to extend the repayment period for power and other facilities to 100 years. The language of the bill as shown in the conference report provides for a 50-year basic repayment period. It was our feeling that the 50-year period represents a sounder approach to the maintenance of the principles of the reclamation program.

In conclusion, the conferees express the hope that the construction program for the upper Colorado storage project shall be carried forward expeditiously, efficiently, and economically. Such suggested procedure will require adequate finances first to get planning of major storage units completed so that early contracts may be awarded for actual construction. Construction should be so programed and financed that long-drawn-out periods will be avoided. It is axiomatic that unduly lengthy construction periods result in excessive overhead costs and unexplainable delays in achieving the ultimate objective of the construction of the facilities.

The cooperation of the Department of the Interior, the Bureau of the Budget, the Appropriations Committees of the House of Representatives and the Senate, and both Houses of the Congress in appropriating funds must be mobilized to effect the desired result.

Mr. O'MAHONEY. Mr. President, I rise merely to express my deep appreciation of the great ability with which the junior Senator from New Mexico [Mr. Anderson] handled this matter both before the Senate Committee on Interior and Insular Affairs and in the conference between the two Houses. The Senator from New Mexico has won the gratitude of all the upper basin States by the magnificient manner in which he led the fight for the attainment of this great objective, a work which will be of inestimable value to the upper basin States.

I see the Senator from Utah [Mr. Watkins] upon the floor. He, too, like all the other members of the committee, labored unflaggingly to bring this legislation about. It harnesses the waters of the upper Colorado River, and for the first time stops the wastage of this vital force into the sea. Now, for the first time, in the upper basin States it can be put to use.

I know all of us feel most grateful to the Senator from New Mexico for what he has done.

Mr. ANDERSON. Mr. President, I had not anticipated what the Senator from Wyoming would say.

I desire to pay tribute to the members of the Senate Committee on Interior and Insular Affairs who have participated in this rather long and arduous task, and particularly to pay tribute to the members of the Subcommittee on Irrigation and Reclamation for their extremely fine work and cooperation. I am looking at the able senior Senator from Colorado [Mr. Millikin], who on behalf of all of us, introduced this bill or a similar bill 2 years ago, and who has steadfastly, consistently, and persistently assisted those of us who wanted to bring about the result to which the Senator from Wyoming has alluded.

I have been cheered by the fine spirit of cooperation which has been evidenced on both sides of the aisle; and in that connection I mention the work the Senator from Wyoming [Mr. O'Mahoney] has done, and I also mention the work done by his senior colleague from Wyoming [Mr. Barrett], and the excellent work done by the able and very conscientious Senator from Utah [Mr. Watkins]. Let me say that I am particularly happy that the junior Senator from California [Mr. Kuchel] is now on the floor. It would have been his privilege, as a member of the Committee on Interior and Insular Affairs, to have caused us innumerable delays. But he did not do so. He fought vigorously and valiantly for the rights of his State; sometimes I thought he did so almost a little too vigorously. But he was not obstructive. He was willing to see that the Congress worked its way on this particular measure.

Mr. President, I am very anxious that there appear in the Record recognition of the fine work done by the members of the Senate Committee on Interior and Insular Affairs, and particularly by the members of its Subcommittee on Irrigation and Reclamation.

Mr. WATKINS. Mr. President, I wish to join the distinguished Senator from Wyoming [Mr. O'Mahoney] in his expression of appreciation of the way the junior Senator from New Mexico [Mr. Anderson] handled the bill in committee and on the floor of the Senate, and in conference. His work was really outstanding.

It was very heartening to me to work with the group from both sides of the aisle and also with the House group on such a cooperative enterprise, so as really to bring forth a very fine bill which will accomplish the purposes desired to be accomplished by such very important legislation.

I also express my appreciation to the junior Senator from Wyoming [Mr. O'Mahoney], to the senior Senator from Wyoming [Mr. Barrett], to my colleague from Utah [Mr. Bennett], and also to the senior Senator from New Mexico [Mr. Chavez], and the junior Senator from Colorado [Mr. Allott]—in short, to all the sponsors of Senate bill 500, which finally has reached this stage of parliamentary procedure. The cooperative effort which was made was very fine, indeed.

Naturally, at this time I think of the beginning of this work. It began many years ago, when the great project known as Hoover Dam was initiated. At that time we began an investigation of the upper Colorado resources and the possibilities of storing its water and putting it to beneficial use. That program has gone forward consistently since that time. When I came into the Congress, during the early stages of my service, I introduced at least two bills to authorize the central Utah project, which is part and parcel of this upper Colorado storage project.

Then in 1952, I believe, I introduced a bill to authorize the Colorado River project. I had been working in reclamation matters for many years before I came to the Senate; such matters have long been of special interest to me.

One of the great experiences in my life has been the outstanding cooperation and the fine spirit of nonpartisanship that have been manifested by all Members of both the House and the Senate who come from the upper basin States. I wish to extend my thanks to all Members of the Senate and to all others who have helped with this great piece of legislation.

I join with the Senator from New Mexico [Mr. Anderson] in his statement in respect to the junior Senator from

California [Mr. KUCHEL]. The Senator from California fought vigorously and valiantly to protect the rights of his State.

I am happy to say that, so far as I can determine, the bill—which I think I understand—protects the rights of California and of all the other States. The bill was not intended to take from any State anything which rightfully belonged to it, but was intended only to bring about the development of the waters which had been agreed upon by means of the compact, entered into in 1922, dealing with the waters belonging to the upper basin States, and the putting of them to beneficial use.

Mr. President, this measure is another forward step in accomplishing that great purpose. However, there is no use in our deceiving ourselves; we are still a long way from the time when the first dam will be completed and the water will be stored. It will take a long time to develop this project to its ultimate goal, namely, putting to beneficial use all the waters of the upper Colorado River which have been allotted to the four States under the 1922 compact.

Mr. KUCHEL. Mr. President, this long dispute is about to be concluded. Senate bill 500 is about to receive final congressional approval and be sent to the President who will, I have no doubt, sign it into law.

Ever since I first came to the Senate, 4 years ago, I have fought as earnestly and as vigorously as I could against what I contended was proposed legislation inimical to the interests of the people of California whom I have the honor to represent in part.

I am more grateful than I can say to the Senator from New Mexico [Mr. ANDERSON] and the Senator from Utah [Mr. WATKINS] for their comment, because in all the zeal which has motivated me in opposing the measure which now is before us. Mr. President, I have endeavored to be free from rancor and bitterness. I shall never seek the role of demagogue. On the other hand one who serves in the Senate of the United States is not worth his salt unless as best he can he seeks to uphold the interests and rights and needs of the people he represents.

Mr. President, there are 1 or 2 questions which I should like to ask; and then I shall make a very brief comment, and shall conclude by congratulating my friends who are now finally victorious in this long controversy.

Referring to the conference report, and particularly to section 14, on page 6, I read:

> SEC. 14. In the operation and maintenance of all facilities, authorized by Federal law and under the jurisdiction and supervision of the Secretary of the Interior, in the basin of the Colorado River, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River compact, the upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, and the treaty with the United Mexican States, in the storage and release of water from reservoirs in the Colorado River Basin.

This is the language to which I desire particularly to refer:

> In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

I ask my friend from New Mexico what is the intention, in his opinion, of the language permitting a State to file such a suit against the United States?

Mr. ANDERSON. Mr. President, the statement was repeatedly made that something in this legislation might permit an administration of the river which would do violence to the rights of California, Arizona, Nevada, or some other State. We tried by this language to make it entirely clear that if a State felt itself wronged by anything that was being done in the administration of the act, it could move immediately into the Supreme Court of the United States, the United States would automatically become a party, and it could proceed with the litigation of the existing trouble. We felt that that would permit a State also to represent its subdivisions, if they were in difficulty over the application of the law.

Mr. KUCHEL. I thank my friend from New Mexico. I remember very well the original discussion in the Senate committee with respect to rights to sue under this legislation, were there to arise a contention of grievance or a breach by a party to a contract with the Federal Government respecting water in the Colorado River. It is one of my pleasant memories that the Senate committee approved the amendment which I offered at that time, providing for the right to sue by States against the Federal Government. While the language, as it comes brack from the conference committee, is different from that which was originally approved, I am most happy to see that feature in the bill. I think it is a protection not alone to California, but to the other States of the Union. I am glad to have the views of the Senator from New Mexico, with whom I agree, that a State may, under the conference report, represent its subdivisions, and file a lawsuit if it feels aggrieved.

Mr. President, I would vigorously oppose any legislation which would permit political subdivisions to sue the Government of the United States. In my opinion that would be wrong, and I would oppose it. I am glad that such a provision is not a part of the conference report. But by the same token, I thank my friend from New Mexico and the other members of the conference committee who maintained and wrote into the conference report the right of a State to sue on its own behalf or on behalf of a subdivision, if the State should determine that there was a grievance under any water contract with the United States.

I wish to refer to two sections of the conference report, and to tell the members of the conference committee that I thank them for including them in the bill.

I refer first to certain language at the end of section 4, on page 3 of the conference report, which reads as follows:

> All units and participating projects shall be subject to the apportionments of the use of water between the upper and lower basins of the Colorado River and among the States of the upper basin fixed in the Colorado River compact and the upper Colorado River Basin compact, respectively, and to the terms of the treaty with the United Mexican States (treaty series 994).

I read section 7, on page 5 of the conference report:

> SEC. 7. The hydroelectric powerplants and transmission lines authorized by this act to be constructed, operated, and maintained by the Secretary shall be operated in conjunction with other Federal powerplants, present and potential, so as to produce the greatest practicable amount of power and energy that can be sold at firm power and energy rates, but in the exercise of the authority hereby granted he shall not affect or interfere with the operation of the provisions of the Colorado River compact, the upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act and any contract lawfully entered into under said compacts and acts. Subject to the provisions of the Colorado River compact, neither the impounding nor the use of water for the generation of power and energy at the plants of the Colorado River storage project shall preclude or impair the appropriation of water for domestic or agricultural purposes pursuant to applicable State law.

I thank the conferees for including that language, as well as for including section 9. I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks the text of section 9, found on page 6 of the conference report.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

> SEC. 9. Nothing contained in this act shall be construed to alter, amend, repeal, construe, interpret, modify, or be in conflict with the provisions of the Boulder Canyon Project Act (45 Stat. 1057), the Boulder Canyon Project Adjustment Act (54 Stat. 774), the Colorado River compact, the upper Colorado River Basin compact, the Rio Grande compact of 1938, or the treaty with the United Mexican States (Treaty Series 994).

Mr. KUCHEL. Mr. President, California is a reclamation State. The State from which I come now has a popuation in excess of 13 million, and we receive into our State a thousand new permanent residents every day in the year. I am sure that they, and we who endeavor to serve them in the Congress, can look forward in the future to the sympathetic consideration of my fellow Senators with respect to their problems relating to water. Water is the basic problem before the people of California.

As I conclude, I congratulate my brethren from the upper Colorado River Basin States, and wish for them godspeed and success in what I trust may be a project which will be of assistance to them and the people they represent and a detriment to none of the rest of us and the people which we represent.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. MILLIKIN. Mr. President, I had the privilege of serving as a conferee in this conference, the report from which has just been presented. I wish to congratulate the Senator from New Mexico [Mr. ANDERSON] and all other members of the conference committee on the fine work that was done in conducting that

conference. It was a very difficult task. It was undertaken with finesse, skill, great tack, diplomacy, and all the other arts of statesmanship one should bring to a great task like this.

I see the Senator from Wyoming [Mr. O'MAHONEY] on his feet. I congratulate him. The Senator from Utah [Mr. WATKINS] was one of the conferees. He did excellent work. Every member of the conference committee is to be congratulated upon doing a statesmanlike, perfect piece of work. This is a great day for the people who live in the Colorado River Basin.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ONE-HUNDREDTH ANNIVERSARY OF THE BIRTH OF THEODORE ROOSEVELT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1739, Senate bill 3386, and that I may be permitted to yield not to exceed 2 minutes to the Senator from Wyoming [Mr. O'MAHONEY].

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3386) to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt," approved July 28, 1955.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. O'MAHONEY. This is a noncontroversial bill. On the 28th of July, 1955, Congress authorized the establishment of a commission, consisting of 15 persons, to make plans for observing the 100th anniversary of the birthday of Theodore Roosevelt. The President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, 2 Members of the Senate, 2 Members of the House, and 8 persons appointed by the President at large constituted the Commission.

The members of the Commission were required to file, by the 1st of March 1956, their report on the plans. The report has been filed, and hearings were held. Now it becomes necessary to proceed within about 36 months to carry out the plans.

The pending bill is an authorization bill to authorize the Committee on Appropriations to appropriate not to exceed $461,000 to carry out the purposes set forth in the bill. There is no objection to the measure.

Mr. MORSE. Mr. President, I am in complete support of the measure. I think it very important that we give recognition to Teddy Roosevelt, and that such recognition as is contemplated in the bill be given to him by the Nation. I say most respectfully that I hope the authorities involved will ask themselves the question as to what Theodore Roosevelt, if he were alive, would think about any proposal to prevent a few piers of a bridge across the Potomac to be built on Theodore Roosevelt Island. Knowing his interest in the common people of the country, I cannot bring myself to believe that he would think he was in any way being dishonored if a part of the monument, Theodore Roosevelt Island, served as the foundation piers for a bridge.

On the contrary, I am inclined to believe that he would appreciate the building of such a highway on which human traffic would day by day cross the island dedicated to his memory, with the attention of the people called to the fact that they were crossing Theodore Roosevelt Island.

Speaking as a member of the Committee on the District of Columbia, I have never been able to understand the opposition of some of the officials of the Commission to having a bridge touch Theodore Roosevelt Island. We have a very serious situation confronting us. I believe a great memorial bridge could be built to the memory of Theodore Roosevelt, just as the Arlington Memorial Bridge, commonly known as the Lincoln Memorial Bridge, is a great monument to Abraham Lincoln. I hope my remarks today, as I support the Senator's proposal, will at least be noted by the members of the Commission. They are completely wrong in taking the position that a Roosevelt Memorial Bridge would in someway not be a proper part of Theodore Roosevelt Island.

Mr. O'MAHONEY. Mr. President, I am very happy that the Senator from Oregon has made his contribution to the support of the bill. I noted with pleasure his statement that a bridge across the southern portion of Theodore Roosevelt Island, which would be comparable to the so-called Lincoln Memorial Bridge, would be an honor to the former President. I shall be very happy someday to appear with him before the Committee on the District of Columbia in an effort to make sure that no bridge which is of less grandeur than the one he has described shall be built in that place. I hope the pending measure may be passed.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That section 7 of the joint resolution entitled "Joint resolution to establish a commission for the celebration of the one hundredth anniversary of the birth of Theodore Roosevelt", approved July 28, 1955, is amended to read as follows:
>
> "SEC. 7. There is hereby authorized to be appropriated not to exceed the sum of $461,000 to carry out the provisions of this joint resolution."

Mr. O'MAHONEY. Mr. President, as is set forth in the report of the committee:

> The committee believes it is necessary that the Centennial Commission be provided additional and adequate funds in order to accomplish the purposes set forth in the resolution creating the Commission.
>
> With the prophetic words of Theodore Roosevelt: "The fate of the 20th century will in no small degree depend upon the type of citizenship developed on this continent," the committee believes that a proper celebration of the centennial of the death of the 26th President of the United States should make this observance a potent factor in the fight for an awakened, free, and inspired America.

TRANSFER OF TITLE TO CERTAIN LAND TO THE PUEBLO OF SAN LORENZO, N. MEX.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of calendar 1665, H. R. 6625.

The PRESIDING OFFICER. The secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6625) to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, the pending bill relates to about 1¾ acres of land which the Government acquired from the Pueblo of San Lorenzo for school purposes. For that purpose it paid $600 for that piece of land. Subsequently, the Government decided not to run a day school at that location, and decided to abandon the school. The Government is now willing to surrender to the Pueblo of San Lorenzo the land which it had acquired from the pueblo.

We felt it would be of no value to have the Government in possession of an empty school building, which would be a hazard to the community. We would therefore prefer to have the land transferred back to the pueblo for its administration.

Mr. MORSE. Mr. President, I should like to read a brief statement on the bill.

H. R. 6625 proposes to provide for the transfer of title of certain land and the improvements thereon to the pueblo of San Lorenzo in New Mexico without compensation. The property comprises four parcels of land aggregating 1.77 acres which were acquired by the United States through condemnation proceedings in 1920 and 1936 for $662 for the purpose of establishing a day school for the Indians of the pueblo of San Lorenzo.

According to the committee report, the total estimated value of the improvements on the land involved is $13,752. The improvements on the property consist of a schoolhouse, a teacherage, a clinic; a small building which houses a home-economics room and four small structures.

Arrangements have been made so that the Indian children of the pueblo attend local public schools, therefore there is no longer a necessity for the Bureau of Indian Affairs to conduct a school or for the United States to continue to hold title to the property.

As I understand, those are the bare, cold facts that are involved in this matter. The Senator from New Mexico, of course, knows the Morse formula problem that disturbs the Senator from Oregon.

Mr. ANDERSON. Yes.

Mr. MORSE. This is a piece of Federal property on which the taxpayers of the country have spent, in round figures, $13,000 by way of improvements. We are confronted by the physical fact of the property being in the middle of an Indian pueblo, which is really an Indian community. Is that correct?

Mr. ANDERSON. That is correct.

Mr. MORSE. On an Indian reservation, I understand.

Mr. ANDERSON. That is correct.

Mr. MORSE. I understand further that we are also confronted with the proposition that the Indians claim they have no money.

Mr. ANDERSON. That is correct.

Mr. MORSE. What confronts the Senator from Oregon, to be very frank with the Senator from New Mexico, is that he is in the position where, under any other state of facts, he would insist on the application of the Morse formula which requires that 50 percent of the appraised fair market value of the land be paid to the Government, because the property technicaly belongs to all the taxpayers of the country, and not to the Indians.

Mr. ANDERSON. The Senator is correct. However, this exception should be stated. The land was acquired from the Indians for the purposes of establishing a day school. The Indians are very sensitive on the subject of ownership of land within their pueblo. They would never have allowed the condemnation of the land in the first place, except for the fact that the school was to be built on the land. Subsequently it was decided to take the children to school somewhere else. The Indians want this land returned to them.

If the Senator from Oregon were to insist on the 50-percent formula being applied, the Indians would refuse to take the property, and the property would stand as vacant property within the pueblo. I believe such a situation would do violence to the very principle the Senator from Oregon has fought for.

Mr. MORSE. As I understand, there would be even some difficulty about salvage operations because the Indians control the pueblo.

Mr. ANDERSON. This is a building that would be worthless as salvage, I may say to the Senator. The Senator knows that I have always helped him in fighting for his principle in the application of what is called the Morse formula. I assure the Senator that, so far as I know, there is no way in which that formula could be applied to this situation. Therefore the bill ought to be passed.

Mr. MORSE. That is the understanding I have as the result of my discussion with staff members of the committee. I am put in the position where there is not much that can be done about the Morse formula with respect to this rather novel and unique and exceptional fact situation.

Let me ask the Senator a question or two along this line.

I am not seeking a rationalization for a waiver of the Morse formula. I may vote against the bill when the vote is called for, but I am seeking to make a record to see if there is a distinguishable line which can be drawn. I have no desire to do an injustice to either the Indians or the taxpayers by insisting upon an application of the Morse formula if in part there is justification for not applying it.

Under the Indian policies of the Federal Government, it is true, is it not, that we have very definite Federal responsibilities and obligations which we owe the Indians in the administration of Indian affairs?

Mr. ANDERSON. That is correct.

Mr. MORSE. It is true, is it not, that very frequently the various funds in the Treasury of the United States that can be used for Indian purposes are used to supply an Indian reservation with necessary seed, feed, and so on, to meet various disaster problems or special economic problems which confront the Indians?

Mr. ANDERSON. That is correct. We frequently supply money for the digging of wells, and establishing sanitary systems as well as ordinary water systems. Those things are done for the Indians who are our awards.

Mr. MORSE. It is on the ward feature that I wish to inquire for a moment. Because of the fact that this relationship has existed ever since our treaties with the Indians were signed, whereby the Federal Government exercises what may be called a type of guardianship over the Indians as wards, we do spend a great deal of Federal money for the benefit of the Indians, whether it be the building of a school or supplying them with medical services, or libraries, or recreation facilities, or with feed, seed, and whatnot. The Federal Government frequently makes what amounts to a donation to the Indians from the standpoint of carrying out our guardianship obligations to them as our wards.

Mr. ANDERSON. The Senator is absolutely correct.

Mr. MORSE. In this instance, what this bill can be said to be is a donation, really, that we are making to one Indian reservation over which we still have guardanship responsibility, just as we make donations to the Indians for other purposes——

Mr. ANDERSON. With this additional factor, that no other person could have built these facilities in the first place except the guardian who is looking after them. Now that the guardian no longer has use for the facilities, we think they should be surrendered back.

Mr. MORSE. During the time we operated these buildings we operated them somewhat as a tenant by suffrance. Also we operated them as a donated service to the Indians in carrying out our guardianship obligations.

Mr. ANDERSON. That is correct.

Mr. MORSE. And I suppose they would have had authority at any time to cease cooperating with the Federal Government in regard to the services which the Federal Government sought to make available to the Indians through the use of these facilities.

Mr. ANDERSON. Except that they had to transfer title. They had to do that to get the building built.

Mr. MORSE. And title was transferred in the first instance for the specific purpose of the uses to which the Federal Government put the buildings.

Mr. ANDERSON. And no other.

Mr. MORSE. Now that the use is no longer going to be fulfilled, it is your position that the title should revert to the Indians?

Mr. ANDERSON. When the original bill had been passed it should have carried a provision for the reversion of the title, if the property was no longer used for school purposes. Then we would not need this bill.

Mr. MORSE. Could it not be said with complete accuracy that at the time of the original transfer of title there was the implied understanding on the part of the Indians and the Federal Government that at any time the buildings were not to be used for their original purpose the property would revert to the Indians? In other words is it not true that the Indians transferred title only to meet a technical legal requirement and the parties well understood that if the Federal Government ever abandoned the original purpose for the transfer the Indians would get back the property?

Mr. ANDERSON. That is correct.

Mr. MORSE. Mr. President, so that no one will say in the future, "Oh, you made an exception to the Morse formula in the New Mexico case," I have raised these questions on the floor of the Senate. I wish to thank the Senator from New Mexico for the answers and information he has given to me. I am satisfied that under the facts and special circumstances of the case the Morse formula does not apply. It is clear to me that the Federal Government under its guardianship responsibilities should provide these facilities for these Indians in any event.

One of the services, I am informed by a staff member of the committee, is to use some of the structures for clinic services and some of the buildings for community-center services. We should be doing that, anyway, in carrying out our guardianship functions and obligations which we owe to these Indians.

I shall vote for the bill. I shall vote for it, because, after I have weighed all the facts in the matter, I think it can be justified on the ground that we are simply making Federal facilities available to the Indians for the carrying out of services which, under our guardianship, we should carry out anyway, and, in all probability, would carry out. Therefore, in my judgment, the bill does not, in fact, violate the spirit, the intent, and the purpose of the Morse formula.

The PRESIDING OFFICER. The bill is open to amendment. If there be no further amendment, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ABOLISHMENT OF FOSSIL CYCAD NATIONAL MONUMENT, S. DAK.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1677, Senate bill 1161.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 1161) to abolish the Fossil Cycad National Monument, S. Dak., and for other purposes.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield 1 minute to the Senator from South Dakota [Mr. Case].

The PRESIDING OFFICER. Without objection, the Senator from South Dakota is recognized for 1 minute.

Mr. CASE of South Dakota. Mr. President, this bill would disestablish a national monument consisting of a 40-acre tract. The National Park Service desires to have it disestablished.

I desire to offer an amendment which would, in effect, postpone the disestablishment until September 1, 1957, so that in the interim scientific or educational institutions may remove the fossils.

The PRESIDING OFFICER. The amendment offered by the Senator from South Dakota will be stated.

The Legislative Clerk. It is proposed to strike out lines 3 to 7, inclusive, and insert the following:

That, effective September 1, 1957, the Fossil Cycad National Monument, S. Dak., is hereby abolished, and the lands contained therein shall be administered thereafter by the Secretary of the Interior as public lands in accordance with the public-land laws of the United States: *Provided*, That prior thereto the Secretary of the Interior may, under such regulations as he determines to be appropriate, issue permits to scientific and educational institutions for the discovery, excavation, and removal of fossil cycads for scientific and educational purposes.

Mr. MORSE. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. MORSE. I have not had an opportunity to study this measure, but my understanding of it leads me to the conclusion that it does not involve transferring title to the land. It is simply a transfer of the use of the land from a monument purpose to other purposes, under the control of the Department of the Interior.

Mr. CASE of South Dakota. That is correct. It is only a 40-acre tract, and the Government will still retain control over it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, effective September 1, 1957, the Fossil Cycad National Monument, S. Dak., is hereby abolished, and the lands contained therein shall be administered thereafter by the Secretary of the Interior as public lands in accordance with the public-land laws of the United States: *Provided*, That prior thereto the Secretary of the Interior may, under such regulations as he determines to be appropriate, issue permits to scientific and educational institutions for the discovery, excavation, and removal of fossil cycads for scientific and educational purposes; and

That if any excavations on such lands for the recovery of fissionable materials or any other minerals should be undertaken, such fossil remains discovered shall become the property of the Federal Government.

EASTER ADJOURNMENT—CONCURRENT RESOLUTION

Mr. JOHNSON of Texas. Mr. President, I ask the Chair to lay before the Senate a concurrent resolution relative to the Easter adjournment, and I ask for its immediate consideration.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 226, which the clerk will state for the information of the Senate.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, March 29, 1956, they stand adjourned until 12 o'clock meridian, Monday, April 9, 1956.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 226) was considered and agreed to.

AUTHORITY FOR COMMITTEES TO SUBMIT REPORTS DURING THE ADJOURNMENT OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committees of the Senate be authorized to submit reports to the Secretary of the Senate during the Easter adjournment from March 29 to April 9, 1956.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESEARCH AND DEVELOPMENT IN TITANIUM

Mr. MAGNUSON. Mr. President, at the request of the senior Senator from Montana [Mr. Murray], I ask unanimous consent to have printed in the body of the Record the very fine paper reviewing the history and present status of research and development in titanium given before AIME, on March 6, 1956, by Mr. John H. Garrett, of the Office of the Secretary of Defense, Research and Development.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Titanium Situation

GENERAL PRINCIPLES

We sometimes hear the thought expressed that the Government is placing too much research and development emphasis on titanium in relation to other metals. Consideration of the principles which underlie all of our materials research and development effort will show why titanium has, I think properly, received such favored treatment.

One of the most difficult aspects of management of the defense research and development program is determination of the relative emphasis which should be placed on different parts of the program. The objective of research management is to obtain the maximum contribution to the defense effort, in relation to the resources expanded. In applying this principle to the materials research program, a second principle comes to the front. This is, that Government resources will usually be applied only in areas which will not be supported directly by industry. Since the industrial research program on materials is very large in the aggregate, the Government program must be very selective, in order to avoid unnecessary duplication of work supported by industry.

Is there any general rule by which we can differentiate between materials research which industry might be expected to accomplish, and materials research which must be supported, if at all, by the Government? There appears to be such a rule, of quite general application. Industry will chiefly support materials development in areas where it is able to assess the size of the market for successfully developed products. This means, of necessity, an industrial or civilian market. Industry does not feel that it can judge the magnitude of the future military market, since it is completely dependent upon the vagaries of national and international politics. It is for this reason that industrial facilities required for military products, such as airplane, guided missile and ammunition plants, are chiefly financed by the Government.

In the field of metals, titanium alone among general purpose structural metals, will be used almost exclusively in military products during the foreseeable future. In the case of steel and aluminum, for example, something like 95 percent of current production is for nonmilitary use. With titanium, on the other hand, less than 5 percent goes into civilian products. Under these circumstances, it is evident that a large government research program on steel or alumium should not be necessary, and conversely, if there is to be a large research effort on titanium, it must be government-supported.

Financing titanium research

With these principles established, it is possible to develop a basis for judging the appropriate level of a government-supported titanium research and development program. In a well established, but progressive, business it is considered appropriate to budget 5 percent of sales for product development. In a business dependent upon new and difficult technology, as is titanium, probably a research and development budget equal to at least 10 percent of gross would be more reasonable.

Let us estimate the gross government investment in titanium during 1956. In round figures, some 5,000 tons of mill product will be produced. The value of this titanium in final fabricated form might be estimated at $20 a pound, of $40,000 a ton. The 5,000 tons would then cost some $200 million. In addition, several thousands tons of sponge will be purchased by the government under existing commitments, at about $7,000 a ton. The total cost of government procurement of titanium will therefore in all probability amount to about $250 million during 1956. If we take 10 percent as a reasonable level of research and development expenditure, we would have $25 million.

The level of identifiable goverment support for fiscal year 1956 is about $16 million, of which some $4 million is for research, $3,500,000 for the sheet rolling program, $7,500,000 for experimental fabrication and $1 million for the Titanium Metallurgical Laboratory. In addition, the aircraft and engine industries will spend some part of their product improvement funds on titanium applications, so that the total government expenditure should be close to the $25 million figure.

Review of Government titanium activities

Before discussing the present status of titanium, it is useful to review the history of the development, in order to understand the reasons for the various actions that have been taken.

Although titanium is the fourth most common structural metal in the earth's crust, it was strictly a laboratory curiosity until after World War II. The first Defense Department sponsored work on titanium was accomplished by Battelle in 1946 as part of the Air Force Rand project. This was followed by Bureau of Aeronautics efforts starting in 1947 and Army Ordnance work about the same time. All of these early efforts were small, being principally exploratory in nature. During this period the Bureau of Mines carried on a sustained effort laying the groundwork of knowledge of extractive metallurgy on which the present industry is based.

The first big boost to titanium came in 1951 when Army Ordnance allocated over $2 million to the support of titanium research, a considerable part of which was expended for procurement of sponge from the Bureau of Mines and titanium products from the infant titanium industry.

During the 5-year period from inception of interest in titanium as a structural metal in 1947-52, a great deal of fundamental knowledge of the characteristics of titanium was gained, but the industry was not able to turn out a uniform high-quality product which would meet the standards of the aircraft industry. The level of production climbed steadily to about 1,000 tons per year, and then faltered at that point because the aircraft industry was apparently not able to put the metal to use in production quantities. The halt in the growth of sales was then understood to be due to two basic factors. First, the aircraft and engine people were fearful that they would not be able to obtain adequate quantities of the metal if airplanes and engines were committed to its use. Second, the level of production in each producer's plant was too small to permit development of adequate production controls, in order to assure production of mill products of the required quality and uniformity.

At this crucial stage in the growth of the titanium industry, it is fortunate that there were enthusiastic supporters of the importance of titanium in all three services. Among these were Colonel Mesick in Army Ordnance, Mr. Promisel in the Bureau of Aeronautics and General Metzger and Colonel Dick in the Air Force. Had it not been for the faith of these and others in various places in the Defense Department in the ultimate success of the titanium program, the effort might well have been dropped.

It is interesting to note that when decisions were made involving the commitment of millions, and even hundreds of millions, in the titanium program, no one in the Defense Department had any specific knowledge, based on engineering studies, of the advantages to be gained from use of titanium in aircraft structures. Such engineering studies have only recently been made on a broad basis. At that time (around 1952) our chief basis for believing in the ultimate usefulness of titanium was a comparison of its mechanical properties with those of alternative materials. The high-strength, corrosion-resistant steels were not then available and the properties of titanium looked very good. Had the steel industry developed these alloys five years earlier, I doubt if the decision to go ahead with a major titanium effort would have been made.

Sponge production program

Early in 1952 a committee on materials was formed within the Research and Development Board organization. Much of the time of this committee was devoted to the perrenial problem, titanium. In the summer of 1952 it recommended a course of action that was to have far-reaching consequences. It had concluded that the difficulties besetting the industry were primarily due to the inability to process titanium into mill products on a continuous basis, in order to learn how to establish adequate control of product quality. A survey was made of the potential use of titanium over a 3-year period, assuming that all quality problems were overcome. This survey indicated that 35,000 tons per year of sponge might be needed after 3 years. The committee then took the bull by the horns, and recommended that the necessary steps be taken to build up sponge capacity to 35,000 tons by 1955. This was reduced by ODM to an initial goal of 25,000 tons by 1956, and subsequently further downward adjustments have been made.

This was the origin of the Government sponge support program. Certain errors and omissions in connection with this action are the cause of some of the subsequent problems which have been encountered.

In the first place, the difficulties encountered by the producers were not confined to the sponge production stage. While the sponge produced at that time would now be considered to contain an unacceptable level of impurities, the principal difficulties affecting the quality of mill products were in the melting and fabrication stages. Action taken to build up sponge production would not help solve the problems of subsequent stages in the process.

Secondly, no account was taken of the lead time between the time when a material with satisfactory properties becomes available and the time it can be procured in quantities for production use. This lead time is the time required to obtain complete engineering data, fabricate and test experimental components, and design, fabricate and test prototypes. For such complex structures as aircraft, this period can easily cover from 3 to 6 years, or even more where the effort is small.

It was therefore no surprise that use of sponge in mill products failed to reach the level of even the reduced sponge program.

About a year ago, when the gap between the sponge production rate established by the Government, and the rate of use by industry became uncomfortably large, a new plan was adopted. Recognizing that in the early stages of application of titanium, it is difficult to make accurate estimates of consumption more than a year ahead, whereas 2 or more years are required to plan and construct added sponge capacity, it was decided that a factor of safety of 100 percent should be added to forecasts of consumption. Since, even with this factor of safety, use of sponge would be somewhat less than the planned rate of expansion under the old program, certain of the planned increments of production were postponed.

The growth of consumption of titanium is being very closely watched, with new estimates being made every 3 months, so that we will be able to take timely action to raise production goals in ample time to prevent a sponge bottleneck.

Titanium Metallurgical Laboratory

A very significant event in the history of the titanium industry was the establishment, a year ago, of the Titanium Metallurgical Laboratory at Battelle Memorial Institute. During the summer of 1954 the Secretary of Defense became concerned with the magnitude of the problems confronting the titanium and aircraft industries, which were preventing a desirable rate of introduction of titanium into the construction of military aircraft. He requested the Assistant Secretary of Defense (Research and Development) to take appropriate action to correct this situation. After consulting with a number of his senior advisers, Mr. Quarles concluded that two steps should be taken. The first was establishment of a titanium laboratory to undertake research of a short-range nature on urgent problems and to provide technical consulting services to industry and the Department of Defense on titanium metallurgy.

The second step was the organization of a group to exercise greater leadership and coördination in the Department of Defense titanium program. This group is the so-called titanium steering group.

The operation of the laboratory has centered around four phases of activity:

1. Collection and dissemination of technical information on titanium.
2. Advice to the steering group to assist in formulating the D. O. D. titanium program.
3. Special tasks, investigations, and surveys on important problems.
4. Technical consulting services to industry.

Much effort during this first year of operation of the laboratory has gone into the organization of the information center. The laboratory has attempted to obtain copies of all existing reports on Government and Government-sponsored research and development on titanium. There are about 200 such research projects currently in existence, and an additional four-hundred-odd projects have been completed. From these projects, approximately 1,400 reports have been collected. Technical literature for the past 50 years was screened, and abstracts and full texts of important articles have been obtained. Arrangements have been made for the laboratory to secure, as they are issued, copies of all reports on current Government-sponsored research. The laboratory is also monitoring current technical literature throughout the world for information on titanium. Approximately 1,250 journals are being monitored either directly or through various abstracting services. In addition, a systematic effort has been started to collect nonproprietary information from private research and other private sources, as well as the mass of unorganized and unreported data which has been accumulated by industry.

All of this mass of information is organized in such a way that all information pertinent to a particular subject may be found on one place in the files. These files are available to anyone having a legitimate interest in defense applications of titanium. Access to the information may be either by a letter of inquiry or by a personal visit to the Laboratory. In addition, the more significant information is summarized in a series of state-of-the-art reports covering selected aspects of titanium metallurgy. About 15 such reports have been issued and 20 more are under preparation. These reports are distributed to a mailing list containing over 600 names.

In addition to the operation of the Information Center, the Laboratory is engaged in a wide variety of activities serving both industry and the Government. One of the most interesting of these activities involves a study, in cooperation with the Aircraft Structural Materials Subcommittee of NACA and the ANC-5 Committee, of the true nature of design data required by aircraft designers. It would require a prodigious amount of effort to secure mechanical property data covering yield and ultimate strengths in tension and compression, as well as values for ductility, bearing strength and other properties even at room temperature for a wide range of titanium alloys. When you multiply this by the amount of additional data required to cover a broad range of elevated temperatures, as well as short time and transient conditions, you can see what an imposing task faces us in supplying quickly the sort of information designers are accustomed to using for conventional materials.

An analysis of conventional mechanical property data, such as tensile strengths and elongations, revealed that these are imaginary concepts having no fundamental meaning in relation to structural design. An effort is being made to see if there are not more fundamental values which could be established by relatively few tests on each new alloy, and from which conventional properties could be computed. If such a shortcut

can be found, it will save millions of dollars and months, if not years, of time in furnishing essential data.

Titanium technology

So much for an account of how we got where we are. I would like to make a few remarks on the current state of titanium technology.

As far as I know all production applications of titanium (with one minor exception) use the metal in the annealed condition. The alloys commercially available, of which there are 5 in general use, have a minimum guaranteed yield strength ranging from 110,000 to 130,000 pounds per square inch. Four of these alloys are of the alpha-beta type, and therefore capable of strengthening by heat treatment. Typical annealed strenghths are from 5,000 to 30,000 pounds per square inch above the specification value, and one of the problems of titanium producers is to try to narrow this range. This variation in strength is a major cause of difficulty in fabricating titanium. It also penalizes titanium unduly in relation to other materials, because it is necessary to use the low side of the range of typical strengths, for design calculations.

Since practically all titanium is used as annealed, a comparison of the strength of annealed titanium with steel and aluminum of equivalent weight is of interest. While for aircraft design purposes the tensile yield is not very significant, it is convenient to use for purposes of comparison. Titanium at 120,000 pounds per square inch and 0.165 pounds per cubic inch density is approximately equivalent to aluminum at 73,000 pounds per square inch, and steel at 175,000 pounds per square inch. The annealed titanium competes fairly well with high strength heat treated alloys of aluminum or steel.

In order to obtain the full advantage of titanium in aircraft design it is necessary to heat treat the alpha-beta alloys to the strength levels of which they are capable. We do not have enough information to know what strength can be expected on a commercial basis either as typical values or minimum specification values. Laboratory experiments have shown that any of the alloys can be heat treated to yield strengths ranging from 170,000 to 190,000 pounds per square inch or higher, while retaining elongation of around 10 percent. For the sheet rolling program we are sponsoring, the objective is to reach 160,000 pounds per square inch yield as the minimum guaranteed value at room temperature, with uniform elongation of 10 percent and 105,000 pounds per square inch at 800° F. Typical values will probably be 170,000 pounds per square inch at room temperature and 115,000 pounds per square inch at 800° F. Equivalent room temperature values would be 102,000 pounds per square inch for aluminum and 300,000 pounds per square inch for steel. This compares with available typical yield strength of 72,000 pounds per square inch for aluminum alloy and 170,000 for steel (with, however, only 5 percent elongation). It is comparisons such as these that keep our enthusiasm for titanium alive in the face of discouragingly high prices and technical problems.

A great deal of work is being accomplished to develop improved alloys to overcome the shortcomings of the alloys which are commercially available. Some of these difficulties are nonuniformity of distribution of alloying elements in the ingot, poor formability in sheet, susceptibility to hydrogen embrittlement, and instability at elevated temperatures. The popular alloying elements around which many of the newer alloys are developed are aluminum, vanadium, and molybdenum.

Aluminum, which is an alpha-stabilizer, contributes to high-temperature strength. By the same token, alloys containing high percentages of aluminum are difficult to roll into sheet. Molybdenum and vanadium are beta-stabilizers and seem to confer a better combination of strength and ductility than some of the other beta-stabilizers such as iron and chromium. A very important characteristic of these elements is the tolerance to hydrogen which they seem to confer to the alloys.

The first alloy in the new series to reach commercial importance is the 6Al–4V alloy. This was originally developed as a bar and forging alloy. More recently there has been intense interest in its use as a sheet alloy because of the very good properties that can be obtained through heat treatment. The relatively high aluminum content has made this a difficult alloy to roll into sheet, and there are other problems inherent in this alloy in sheet form, such as difficulty in controlling oxygen content.

Some mention should be made of the sheet rolling program being sponsored by the Titanium Steering Group and administered by the Bureau of Aeronautics. This is an effort to accelerate, perhaps by several years, the availability of improved alloys in sheet form to meet the present needs of aircraft designers. A careful selection has been made among candidate alloys for large scale experimentation. For each of the alloys selected, contracts are being negotiated with two producers to produce the alloys in selected gages on a full commercial scale with the objective of meeting the target mechanical properties. These properties represent the highest level which it is believed can be successfully met in the present state of the art. At the same time, they are high enough to meet the essential needs of aircraft designers, and to place them well out in front of competing materials. The alloys which have been tentatively selected are 4Al–2V–1Cr–1Mo, 3Al–6Mo, 4½Al–3Mo–1V. A good look is also being taken at the 6Al–4V, in spite of the known fabricating difficulties, because of its excellent heat-treated strength possibilities and its low density.

It might be of interest to diverge for a moment to discuss the question of density in titanium alloys. At first glance, one would think that the difference between the density of the 6Al 4V alloy (0.162 pounds per cubic inch) and the 4½ Al–3Mo–1V (0.168 pounds per cubic inch) would not be significant. A calculation has been made for a particular airplane now in the design stage, showing that, other things being equal, substitution of the heavier alloy would add 80,000 pounds to the gross weight of the airplane. This heavy penalty is due to the operation of the well-known principle of growth in aircraft design. In this airplane the growth factor was unusually high—15. Because of the great importance of density, there are real advantages in basing alloy development on aluminum and vanadium, rather than iron, chromium, or molybdenum. Another way of saying this is that use of the heavier alloying elements must be accompanied by advantages which will offset their added weight.

Practically all present applications of titanium are in pieces originally designed for steel, where substitution of titanium is deemed worth the cost because of the saving in weight through direct substitution. In this type of application advantage cannot be taken of the growth factor, as when a new design is under consideration, and the cost of the weight saving is likely to be very high in terms of dollars per pound. Because of this high cost per pound of weight saved, titanium is only used in airplanes which are substantially overweight, so that a few pounds saving in weight is worth a great many dollars. As all such applications of titanium confer marginal benefits, and it would be possible to substitute back to steel if necessary, the titanium industry is at present on a hand-to-mouth basis. Not until titanium is incorporated in major elements of a new design—so that the airplane will be fully committed to titanium—will the benefits of large-scale production of titanium be gained.

There is no airplane currently scheduled for production which uses substantial amounts of titanium in its original design. There are several reasons for this, but they all add up to one thing—the industry has not had enough experience with the newer strong titanium alloys to commit themselves beyond the point of no return. What is needed is (1) more design data and (2) more experience with fabrication and test of these alloys in structural elements.

It should be recognized that this inability to use a theoretically more desirable material results in a combination of two undesirable effects on our military equipment—it increases the weight of the equipment, and reduces the performance of which the equipment will be capable. Both of these effects are distinct military handicaps which can be minimized by adequate remedial measures. The specific causes of titanium difficulties are becoming more evident. If these causes could have been identified, and appropriate measures taken 2 or 3 years ago, titanium would today be much nearer to massive use, which would have been greatly to the benefit of our aircraft programs.

Another possible obstacle is the lack of specialized facilities for fabricating titanium mill products. All titanium mill products are now produced on equipment designed for handling another metal—generally steel. The requirements for titanium are not the same as for the other metals. Differences involve rolling temperatures, amount and effect of scaling in heating furnaces, rate of reduction or speed of extrusion, pickling and other descaling procedures, annealing temperatures and furnace atmospheres, and, in fact, practically every detail of mill-product-fabricating procedure. It can, therefore, only be considered a makeshift situation to intersperse orders for titanium and steel (or aluminum or brass), using the same equipment and the same labor force. The early use of higher strength alloys—which will increase the demands on mill equipment—makes this question of facilities particularly urgent.

The structure of the titanium industry is such that it will be a very slow process for the industry to establish, with its own resources alone, the type of integrated specialized titanium facilities which would seem to be desirable. There are four independent organizations offering complete lines of titanium rolled products, and a number of others experimenting with production of extrusions or other special forms. With total business of less than 2,000 tons annually, divided among this number of plants, it has not been feasible for any of the companies to establish separate titanium facilities. If it is the desire of the Government to have titanium available for all useful military applications, it may be necessary to provide a certain amount of direct financial assistance toward procurement of production facilities.

At the present time the Materials Advisory Board is studying the adequacy of existing titanium fabricating facilities. It is hoped that the report, which should be available in about 6 weeks, will clarify the extent to which direct Government assistance in financing capital equipment would assist in meeting Defense Department titanium requirements.

There has been a notable increase in interest in titanium within the aircraft and engine industries during the past year. This appears to have been due to the combined influence of the following factors:

1. Clearing up of certain technical deficiencies in titanium alloys;
2. Completion of further engineering calculations showing the weight advantages to be gained from use of titanium in aircraft;
3. Wide dissemination of technical information through the titanium metallurgical laboratory;
4. Improvement in quality of mill products provided by the titanium industry; and

5. Favorable service experience with titanium.

In spite of the accelerated degree of acceptance of titanium, we are only on the threshold of development and use of this metal. The total research and testing expenditures on titanium from all sources is only a minute fraction of that which has been expended on steel or aluminum. As a consequence, only a bare beginning has been made in obtaining the voluminous data, not to mention service experience, which engineers must have before titanium can take its place as a routine material of construction.

REGULATION OF USE BY MOTOR CARRIERS OF CERTAIN MOTOR VEHICLES

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Mr. JOHNSON of Texas. Mr. President, I wish to express my gratitude to the distinguished Senator from Florida [Mr. Smathers] and the distinguished Senator from Washington [Mr. Magnuson] for permitting the Senate to dispose of certain bills while a number of Senators were on the floor.

Mr. SMATHERS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, all the committee amendments are agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

> On page 1, line 6, after the letter "(e)", to strike out "The" and insert "Subject to the provisions of subsection (f) hereof, the"; on page 2, line 16, after the word "regulations", to insert "as if they were the owners of such vehicles"; in line 19, after the word "and", to strike out "equipment; but nothing" and insert "equipment and inspection thereof, which requirements may include but shall not be limited to promulgation of regulations requiring liability and cargo insurance covering all such equipment"; at the beginning of line 24, to insert "(f) Nothing"; on page 3, line 2, after the word "vehicle", to insert "with driver"; in line 3, after the word "such", to strike out "use." and insert "use—."

The next amendment of the committee was, after line 3, to insert:

> "(1) where the motor vehicle so to be used is that of a farmer or of a cooperative association or a federation of cooperative associations, as specified in section 203 (b) (4a) or (5), or is that of a private carrier of property by motor vehicle as defined in section 203 (a) (17), and such motor vehicle is to be used by the motor carrier in a single movement or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based; or
>
> "(2) where the motor vehicle so to be used is one which has completed a movement covered by section 203 (b) (6) and such motor vehicle is next to be used by the motor carrier in a loaded movement in any direction, and/or in one or more of a series of movements, loaded or empty, in the general direction of the general area in which such motor vehicle is based.

Mr. MAGNUSON. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Washington.

The Legislative Clerk. On page 3, line 9, after the numerals "(17)", it is proposed to insert "and is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6)."

Mr. MAGNUSON. Mr. President, before explaining the purpose of the amendment, I should like to comment briefly on the purpose of the proposed legislation. The subject has been very adequately covered by the distinguished junior Senator from Florida, but the bill has been a matter of much complexity and controversy since he has been a Member of the Senate, and the Senator from Ohio [Mr. Bricker] and I can testify that that was true long before that. The subject has been a problem in our whole transportation system for a long time.

I do not know how many hours have been taken, or the number of conferences which the Members of the Senate Committee on Interstate and Foreign Commerce have had, not only with farm groups, but also with transportation and trucking groups, railroad organizations, and everyone else involved in the matter.

The junior Senator from Florida has done yeoman work on the bill. He has discussed the many facets of it. I could not help thinking, when consideration of this bill was interrupted in order to discuss the Colorado River bill, that the trip-leasing problem has more facets than the Colorado River has tributaries.

It is very difficult to prepare a bill which will satisfy completely the various segments of the transportation industry which are involved. Although the United States has the finest transportation system in the world, we have a national transportation problem. Without our transportation system, the economy of the country could not exist. Without it, we could not adequately prepare our defenses.

The transportation industry has grown and has become healthy and strong mainly because there has been competent regulation of the transportation system.

The Interstate Commerce Commission is, I believe, the oldest of the regulatory commissions which have been established in the Government. It was created upon the theory that in the whole surface-transportation system, some rules of government would be required.

Our transportation system is in even more need of rules of the game today because it is constantly growing. I do not know how many Senators realize it, but the fact is that 1 out of every 18 persons who are employed in the United States work for some part of the transportation systems of the country.

Of the gross national product of close to $400 billion, the transportation industry contributes more than $70 billion to the national economy; and of the $70 billion, $67 billion is represented by the transportation agencies which are regulated by the Interstate Commerce Commission.

As the Senator from Florida has pointed out, the Interstate Commerce Commission has made many mistakes, but they have dealt with difficult, complex problems. Some of their rulings have not been consistent. I think the Senator from Florida stated the situation correctly when he said that farm groups have complained because some of the rulings of the Commission with respect to agricultural products have been inconsistent. That has caused much trouble.

In fairness to the Commission, though, and I think the Senator from Ohio will agree with me, much of the delay has been caused by the fact that the entire matter has been in controversy in Congress for a long time. I hope, as the Senator from Florida has said, that the bill will be passed. After many weeks of consultation, conference, and compromise, I think a much better bill has been drafted than was originally proposed. The present bill fits into our national transportation policy better than the original bill. I wish to compliment the Senator from Florida in that regard, because he actually had to umpire a tug of war between the different interests concerned, as did the Senator from Ohio and other members of the committee, including the distinguished junior Senator from Nevada [Mr. Bible], who is seated beside me.

Finally, we reached the point where there was only one major controversy. Everyone agreed that the farmer should be exempt, so that he could haul his own products. Everyone agreed that if a private trucker could get agricultural products and haul them to a destination, both he and the farmer should have the right to trip lease their trucks home.

But there was some disagreement as to how the farmer should go home. Finally, the committee came to an agreement that he at least ought to return in the general direction of his home. If he had taken a load of oranges from Florida to New York, he at least should not return to Florida by way of Oklahoma.

Thus the committee came to many agreements, but there was no definition of what a private carrier could do. The two words "private carrier" caused much controversy. I think the Senate ought to know how important this matter is to a regulated transportation system.

The trucking system of the United States now carries close to 62 percent of the gross tonnage of our national economy. This tonnage has grown rapidly and is growing faster. That is why it is necessary to have a national policy or system of regulation of the trucking industry, while still not injuring the farmer. No one wants to do that. The senior Senator from Washington has never, to his knowledge, ever stood on the floor of either the Senate or the House and voted against a bill which he thought was in the interest of the farmer who owned the trucks. Because there has been an exemption for farmers to haul their products in their own farm trucks, there has been a healthy growth in the production of farm products. Normally, the farm trucks are not for hire.

There has been a healthy growth of the trucking industry. Three million trucks are owned as farm trucks. Sometimes they are for hire. There are trucks used in the U-Drive industry. Normally they are subject only to the regulations and laws of the road.

One million, three hundred thousand trucks comprise the bulk of our common carrier system. Four million trucks comprise the big bulk of private carriers. These are the ones we are talking about.

I think the Senator from Florida made his position clear in the hearings, near the end of June, when he said:

> Senator Smathers. Of course, that is all we are trying to do, is to make it possible for the genuine agricultural trucker to be able to trip lease coming home. * * *
>
> So that he can get back and haul some more agriculture.
>
> We are not interested in making this so that truckers who are not legitimate agricultural haulers can just take off and go around the country. We are not interested in letting those fellows run without regulation.
>
> We think they should be regulated, and we think they deserve to be regulated; but we do not want to interfere with the movement of fruit and vegetables and things like that, as they are moved into the markets.
>
> That is the problem I see.

I think that is a correct statement. The bill does not define private carriers. As the bill now stands, a private carrier can travel all over the country. One of the trucks can haul shoes from Connecticut to New Jersey, and then take a load of bed springs from New Jersey to Minneapolis, and then go to Dallas, Tex., with some other products, and then move into Los Angeles, and finally get back to Connecticut. I do not think anyone believes that should be allowed to happen.

What we are trying to do is give the farmer the best protection he can have, because his business is seasonal. He needs trip-leasing.

The amendment provides that somewhere along the line that the private carrier moves his trip must have some connection with agricultural products. Such products are not literally defined as the ICC defines them. It was pointed out, as an extraordinary case, that the ICC has said that when a chicken is plucked, it is a chicken no longer, or that when milk is processed into the form of cheese, it is not an agricultural product.

The language of my amendment is:

> And is used regularly in the transportation of processed or manufactured perishable commodities or products of the character referred to in section 203 (b) (6).

That defines the products we are talking about in connection with private carriers.

I have discussed the amendment with the Senator from Florida and other Senators. While I do not speak for them, I think I can truthfully say that the amendment is necessary, and that the amendment is in line not only with the general philosophy of the bill, but makes maximum transportation facilities available to the farmers of the country at the lowest possible cost, without at the same time seriously injuring the common carriers, which are the backbone of the transportation system.

Most of us on the committee had been concerned with the private-carrier provision of the bill as it now stands. As it stands, it would authorize the private carriers to go around the country without ever having hauled a single agricultural product. The trip-leasing benefits of the bill are extended to these private carriers without their ever having contributed in any way to the objective the bill seeks to attain.

I pointed out previously that there are 4 million private trucks in the country.

The amendment provides that the trip-leasing benefits are available to a private carrier whose truck is used "regularly in the transportation of processed or manufactured perishable commodities of the character referred to in section 203 (b) (6)." Section 203 (b) (6) is the section that exempts agricultural products, including livestock, poultry, and fish. So the amendment would extend the benefits of trip leasing to private carriers who transport processed or manufactured perishable products from agricultural commodities, livestock, fish—I call this to the attention of the Senator from Maine—or poultry.

In other words, a private carrier who uses his equipment regularly to haul dressed poultry, dressed meat, milk, butter, fish, or similar perishables processed or manufactured from agricultural commodities could trip lease home in accordance with the provisions of the bill. I think that would give the farmer more transportation in the long run.

I believe my amendment to be a fair one. The bill does not resolve all the problems. It will still have to go to the House. The House will hold adequate hearings.

I have discussed the amendment with members of the committee. I am sure the Senate will be doing the fair thing if it sends the bill in its present shape to the House, after all the work has been done on it, containing the proposal I suggest.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SMITH of New Jersey. I should like to ask two questions. In my State there are many small farmers who raise their products and send them to processors. We have in my State the Seabrook Farms, an organization which processes frozen and canned goods. The Campbell Soup people are also in my State, and they can vegetables which are obtained from the farmers. They are big processors, who, for the most part, have their own trucks.

It is my understanding that the amendment of the Senator from Washington would mean that private carriers who haul agricultural commodities or manufactured perishable goods made from such exempt agricultural products on the original trip would be allowed to trip-lease home. Is that correct?

Mr. MAGNUSON. That is correct. I may add, further, that they would be encouraged to do so.

Mr. SMITH of New Jersey. There seems to be some confusion as to carrying of manufactured products, such as canned goods, on the original trip. If the amendment is adopted, will both carriers to whom I have made reference be allowed to trip-lease home if they have carried canned goods, such as canned soups, on their original trip?

Mr. MAGNUSON. Canned goods would not necessarily be in the nature of perishables. If there is some confusion about that question, let us take the case of the Campbell Soup people in the Senator's own State. Let us assume the firm makes a haul to Chicago. It would have a right, under the general rules of the ICC, to lease its truck for the trip back, in any event. It will still be able to do that.

I assume the interested parties in the Senator's State were interested in whether or not the amendment would in any way limit their right to do that.

Mr. SMITH of New Jersey. Yes.

Mr. MAGNUSON. It would not.

Mr. SMITH of New Jersey. I thank the Senator for his explanation and for his reply to my questions.

TREASURY-POST OFFICE APPROPRIATION BILL—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, will the Senator from Washington indulge me again?

Mr. MAGNUSON. I yield.

Mr. JOHNSON of Texas. There are present two persons on the floor who are interested in the Treasury-Post Office appropriation conference report. They are way ahead of schedule. They have done a wonderful job. If it can be taken up at this time, they can dispose of it very promptly. Since the Senator from Washington has been detained so long that he cannot leave anyway, I wonder if he would indulge me so that the conference report can be considered.

Mr. MAGNUSON. I have missed my last plane to Seattle for today, so I yield.

Mr. ROBERTSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9064) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of March 27, 1956, p. 5765, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Record a table showing the committee action on the bill.

There being no objection, the table was ordered to be printed in the Record.

Treasury-Post Office appropriation bill, 1957, H. R. 9064

Appropriation title	1956 appropriations	Estimated increased pay costs, H. Docs. 330 and 341	Estimated total, 1956	1957 estimates	House bill	House bill compared with—		Restoration or amendment requested	Senate subcommittee recommendation	Senate full committee recommendation	Senate allowance	Conference allowance
						1956 appropriation	1957 estimate					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Treasury Department:												
Office of the Secretary: Salaries and expenses	$2,680,000	$170,000	$2,850,000	$2,922,000	$2,900,000	+$220,000	−$22,000	....	$2,900,000	$2,900,000	$2,900,000	$2,900,000
Bureau of Accounts:												
Salaries and expenses	[1] 2,785,000	126,000	2,911,000	2,950,000	2,925,000	+140,000	−25,000	....	2,925,000	2,925,000	2,925,000	2,925,000
Division of Disbursement: Salaries and expenses	15,475,000	280,000	15,755,000	16,240,000	16,100,000	+625,000	−140,000	....	16,100,000	16,100,000	16,100,000	16,100,000
Total, Bureau of Accounts	18,260,000	406,000	18,666,000	19,190,000	19,025,000	+765,000	−165,000	....	19,025,000	19,025,000	19,025,000	19,025,000
Bureau of the Public Debt	44,500,000	752,000	45,252,000	45,500,000	45,500,000	+1,000,000	....	....	45,500,000	45,500,000	45,500,000	45,500,000
Office of the Treasurer, United States: Salaries and expenses	15,000,000	175,000	15,175,000	15,125,000	15,125,000	+125,000	....	....	15,125,000	15,125,000	15,125,000	15,125,000
Bureau of Customs: Salaries and expenses	41,200,000	2,855,000	44,055,000	44,500,000	44,250,000	+3,050,000	−250,000	....	44,250,000	44,250,000	44,250,000	44,250,000
Internal Revenue Service: Salaries and expenses	282,250,000	17,900,000	300,150,000	307,850,000	305,000,000	+22,750,000	−2,850,000	....	305,000,000	305,000,000	305,000,000	305,000,000
Bureau of Narcotics: Salaries and expenses	2,990,000	155,000	3,145,000	3,250,000	3,250,000	+260,000	....	....	3,250,000	3,250,000	3,250,000	3,250,000
U. S. Secret Service:												
Salaries and expenses	2,960,000	179,000	3,139,000	3,374,000	3,340,000	+380,000	−34,000	....	3,340,000	3,340,000	3,340,000	3,340,000
Salaries and expenses, White House Police	800,000	57,000	857,000	859,000	859,000	+59,000	....	....	859,000	859,000	859,000	859,000
Salaries and expenses, guard force	268,000	17,000	285,000	287,000	285,000	+17,000	−2,000	....	285,000	285,000	285,000	285,000
Total, U. S. Secret Service	4,028,000	253,000	4,281,000	4,520,000	4,484,000	+456,000	−36,000	....	4,484,000	4,484,000	4,484,000	4,484,000
Bureau of the Mint: Salaries and expenses	3,650,000	....	3,650,000	3,650,000	3,650,000	....	....	....	3,650,000	3,650,000	3,650,000	3,650,000
U. S. Coast Guard:												
Operating expenses	[2] 160,750,000	....	160,750,000	165,350,000	164,850,000	+4,100,000	−500,000	....	164,850,000	164,850,000	164,850,000	164,850,000
Acquisition, construction, and improvement	7,000,000	....	7,000,000	7,500,000	7,400,000	+400,000	−100,000	....	7,400,000	7,400,000	7,400,000	7,400,000
Retired pay	[3] 23,900,000	....	23,900,000	25,400,000	24,500,000	+600,000	−900,000	....	24,500,000	24,500,000	24,500,000	24,500,000
Reserve training	[4] 3,403,000	....	3,403,000	[5] 3,750,000	3,500,000	+97,000	−250,000	....	3,500,000	3,500,000	3,500,000	3,500,000
Total, Coast Guard	195,053,000	....	195,053,000	202,000,000	200,250,000	+5,197,000	−1,750,000	....	200,250,000	200,250,000	200,250,000	200,250,000
Total, Treasury Department	609,611,000	....	609,611,000	648,507,000	643,434,000	+33,823,000	−5,073,000	[6] Language	643,434,000	643,434,000	643,434,000	643,434,000
Post Office Department:												
Administration	15,500,000	....	15,500,000	20,000,000	19,000,000	+3,500,000	−1,000,000	$1,000,000	19,000,000	19,000,000	19,000,000	19,000,000
Operations	1,870,000,000	....	1,870,000,000	2,118,880,000	2,108,000,000	+238,000,000	−10,880,000	10,880,000	2,118,880,000	2,118,880,000	2,118,880,000	2,113,440,000
Transportation	661,620,500	....	661,620,500	655,000,000	645,000,000	−16,620,500	−10,000,000	10,000,000	655,000,000	655,000,000	655,000,000	650,000,000
Finance	17,200,000	....	17,200,000	12,945,000	12,900,000	−4,300,000	−45,000	....	12,900,000	12,900,000	12,900,000	12,900,000
Facilities	157,400,000	....	157,400,000	193,175,000	189,000,000	+31,600,000	−4,175,000	4,175,000	189,000,000	189,000,000	189,000,000	189,000,000
Total, Post Office Department	2,721,720,500	....	2,721,720,500	3,000,000,000	2,973,900,000	+252,179,500	−26,100,000	26,055,000	2,994,780,000	2,994,780,000	2,994,780,000	2,984,340,000
Tax Court of the United States	1,170,000	48,000	1,218,000	1,365,000	1,365,000	+195,000	....	....	1,365,000	1,365,000	1,365,000	1,365,000
Grand total, Treasury and Post Office Departments and Tax Court	3,332,501,500	22,714,000	3,355,215,500	3,649,872,000	3,618,699,000	+286,197,500	−31,173,000	26,055,000	3,639,579,000	3,639,579,000	3,639,579,000	3,629,139,000

ADMINISTRATIVE EXPENSES OF GOVERNMENT CORPORATIONS

[Limitation on amount of corporate funds to be expended]

Corporation or activity	Authorization, 1956	Estimated increase, 1956	Estimated total, 1956	Estimates, 1957	House allowance	House allowance compared with—		Restoration requested	Recommended by Senate subcommittee	Recommended by Senate full committee	Senate allowance	Conference allowance
						Authorization, 1956	Estimates, 1957					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Federal Facilities Corporation	$975,000	....	$975,000	$250,000	$250,000	−$725,000	....	....	$250,000	$250,000	$250,000	$250,000
Reconstruction Finance Corporation	1,400,000	$85,000	1,485,000	1,060,000	1,060,000	−340,000	....	....	1,060,000	1,060,000	1,060,000	1,060,000
Total	2,375,000	85,000	2,460,000	1,310,000	1,310,000	−1,065,000	....	....	1,310,000	1,310,000	1,310,000	1,310,000

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[1] Includes $185,000 in the Supplemental Appropriation Act, 1956.

[2] Includes $7,000,000 in the Supplemental Appropriation Act, 1956.

[3] Includes $2,600,000 in the Supplemental Appropriation Act, 1956.

[4] Includes $228,000 in the Supplemental Appropriation Act, 1956.

[5] Excludes $3,500,000 budget amendment in H. Doc. 326.

[6] Two language amendments proposed by Washington Plate Printers Union affecting Bureau of Engraving and Printing.

Mr. ROBERTSON. Mr. President, the conferees were unanimously in favor of the report. The report was signed by all the Senate conferees and all but two of the House conferees, those two being out of town. The items in disagreement were with respect to increased funds for operations and transportation.

The members of the Senate committee felt that the testimony presented to us in regard to the estimated volume of mail for the next fiscal year clearly indicated the necessity for the budget estimates; and the bill as passed by the Senate provided for the budget estimates, which were $10,880,000 more than the House had allowed for operations, and $10 million more than the House had allowed for transportation.

In conference, several proposals were made, back and forth. Finally we compromised by splitting the difference—50–50. So the conference report provides for operations $5,440,000 more than was carried in the bill as passed by the House, and an equal amount less than was carried in the bill as passed by the Senate.

On amendment No. 3, for transportation, the conference report provides $5 million more than was included in the bill as passed by the House and $5 million less than was included in the bill as passed by the Senate.

We think the House was a little tight on the Post Office Department. The Department may have to have a supplemental estimate next year, to keep the mails moving. But most legislative matters involve compromise; and in that spirit we have submitted the conference report, and request its adoption.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The question is on agreeing to the report.

Mr. BRIDGES. Mr. President, I wish to concur in what the distinguished Senator from Virginia [Mr. ROBERTSON] has said. The conference report represents a meeting of the minds of the conferees, and is a compromise. But it seems to us to be a very thorough one.

I concur in the request of the Senator from Virginia that the conference report be adopted.

Mr. ROBERTSON. Mr. President, the chairman of the Treasury-Post Office Subcommittee of the Senate Committee on Appropriations wishes to acknowledge with thanks the fine assistance given him by the Senator from Illinois [Mr. DIRKSEN], both in the hearings and in marking up the bill and in conference.

We upheld the Senate's position until we decided that it would be better to make a compromise and get a report, and have a bill enacted into law.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. JOHNSON of Texas. Mr. President, I wish to congratulate the very able junior Senator from Virginia [Mr. ROBERTSON] and the very able senior Senator from New Hampshire [Mr. BRIDGES] for their promptness in handling this bill. Last year we thought they set a record when they made it possible for us to pass the Treasury-Post Office appropriation bill on May 23, and for the President to sign the bill on June 1. But now we find they have moved the schedule up to March. I am not sure that they are entirely responsible for the speed and the thorough action; I rather suspect that the able senior Senator from Arizona [Mr. HAYDEN] has been expediting the work of the committee. In any event, regardless of who may be responsible, the leadership on both sides of the aisle are very grateful, I am sure, for the very prompt, very thorough, and very efficient way in which this first appropriation bill has been handled.

Mr. ROBERTSON. Mr. President, I acknowledge with grateful appreciation the nice tribute paid by the majority leader.

Let me say that if the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and the chairman of the subcommittee could control debate on the floor of the Senate as well as we have been able to do in our committee, the Senate would end its session by the middle of June. [Laughter.]

Mr. KNOWLAND. Mr. President, I am sure the minority wish to join with the majority leadership in expressing appreciation not only to the distinguished chairman of the Treasury-Post Office Subcommittee of the Appropriations Committee, the junior Senator from Virginia [Mr. ROBERTSON], but also to the ranking members on both the minority and majority sides of the committee, and particularly to the distinguished senior Senator from Arizona [Mr. HAYDEN], the very able chairman of the full Appropriations Committee, who, I am sure, has had the cooperation of the Senator from New Hampshire [Mr. BRIDGES], the ranking minority member, and all other members of the committee in expediting the taking of action on the bill.

Mr. ROBERTSON. I thank the distinguished minority leader.

Mr. President, as has already been indicated, we could not have accomplished this without the full cooperation of the minority members of the committee.

Mr. JOHNSON of Texas. Mr. President, sometimes visitors to the Capitol see legislative measures passed by the Senate with a minimum of controversy, and do not understand how a bill can be passed without having a knockdown and dragout fight. Let me say that one of the secrets in that connection was revealed to me only yesterday by the distinguished chairman of the Appropriations Committee, the senior Senator from Arizona [Mr. HAYDEN]. I had not been assigned to his committee for more than minutes—literally minutes—under the order of the Senate, entered a few days ago, assigning me to membership on that committee, before the Senator from Arizona came to me and gave me a list of the subcommittees and their membership, and suggested that I take the list home with me and study it, and become acquainted with the organization of the committee. I did so.

Then, on yesterday, I had no more than entered the committee room when the Senator from Arizona came to me, and called a clerk to join us, and said to me, "Here is a list of the schedule of subcommittee meetings, and here is one that I want you to begin hearings with."

I asked, "When?"

He replied, "May 7."

I asked the Senator from Arizona, "Are you not planning a little far ahead? Usually Senator KNOWLAND and I plan the work for the Senate Chamber only 2 or 3 days ahead."

The Senator from Arizona replied, "Well, that is the schedule; and you are to start the hearing on May 7."

So I want to pay a great tribute to this distinguished son of Arizona, who has done so much to contribute to the efficiency of the work of the Senate. I wish to say that I very greatly appreciate all of his extremely fine work.

Mr. HAYDEN. Mr. President, I thank all the Senators—and particularly for not calling me a slave driver. [Laughter.]

Mr. DIRKSEN. Mr. President, the majority leader did not quite tell the whole story. The hearings may start on May 7; but the rest of the story is that when the chairman of the Appropriations Committee says hearings will begin at 10 o'clock, they begin at 10 o'clock. I think a person could deliver a rather pointed lecture on punctuality to the United States Senate and to a great many members of the committees. Frankly, time after time three-quarters of an hour or half an hour is wasted at the beginning of a committee session. If a committee is to meet at 10 o'clock it often takes until 11 o'clock to obtain a quorum; and, of course, in the meantime the members who are present cannot pursue their usual duties.

I wish to say, to the everlasting credit of the Senator from Arizona [Mr. HAYDEN] that at 10 o'clock a. m., when the hearings begin, he is there, and the hearings get under way then, regardless of whether any other member is present at that time.

Mr. President, once we hew to that line, we shall accomplish a great deal more in handling the business of the Senate.

Mr. JOHNSON of Texas. Mr. President, I appreciate the admonition of the Senator from Illinois; and I am sure that in connection with matters in which the majority leader is interested, he will be present promptly at 10 o'clock.

Mr. FREAR. Mr. President, I have been listening most intently, in anticipation that some Senator would move that the Committee on Agriculture and Forestry be made a subcommittee of the Committee on Appropriations. [Laughter.]

REGULATION OF USE BY MOTOR CARRIERS OF CERTAIN MOTOR VEHICLES

The Senate resumed the consideration of the bill (S. 898) to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property.

Mr. MAGNUSON obtained the floor.

Mr. SMATHERS. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. Well, Mr. President, I am willing to yield again. Of course, some time ago I had the floor; and since then the Senate has passed approximately six bills or other measures. I am willing to yield, to have the Senate pass six more, if that is desired.

Mr. SMATHERS. Not only has the Senate done what the Senator has mentioned, Mr. President, but the Senate has appropriated almost $100 million, by means of the conference report on the appropriation bill which was acted upon a few minutes ago.

Mr. FREAR. Mr. President, will the Senator from Washington yield for a question?

The PRESIDING OFFICER (Mr. THURMOND in the chair). Does the Senator from Washington yield to the Senator from Delaware?

Mr. MAGNUSON. I yield.

Mr. FREAR. What is a public carrier?

Mr. MAGNUSON. A public carrier is an authorized carrier, which includes both common and contract carriers operating in interstate commerce.

Mr. FREAR. What is a private carrier?

Mr. MAGNUSON. A private carrier is one carrying its own goods, and is not subject to economic regulation, and need not file rates.

Let me inquire whether we are indulging in quizzes.

Mr. FREAR. I merely wish to ask some questions, and to obtain answers to them.

What is 203 (b) (6) to which the Senator from Washington refers in his amendment?

Mr. MAGNUSON. 203 (b) (6) is part of the Interstate Commerce Act which interprets the term agricultural commodities; in other words, it states what they are.

Mr. FREAR. Yes. Does a private carrier pay the transportation tax?

Mr. MAGNUSON. Yes; a private carrier would pay the transportation tax in the States in which such carrier operates.

Mr. FREAR. I mean the transportation tax levied by the Government on the transportation of property and the transportation of people. It is not a sales tax; it is a transportation tax.

Mr. MAGNUSON. I know the carriers pay the sales tax in the various States. Perhaps the Senator from Florida can enlarge upon that point.

Mr. SMATHERS. Today, a private carrier is, of course, one which carries products or property it owns; and the only tax it is required to pay is the regular State tax, provided for by the State regulatory body.

Mr. FREAR. What is that?

Mr. SMATHERS. It differs from State to State.

Mr. FREAR. That is the license for the vehicle.

Mr. SMATHERS. Yes.

Mr. MAGNUSON. That is all he pays.

Mr. FREAR. What is the rate of transportation tax on a public carrier?

Mr. SMATHERS. I can tell the Senator from Delaware that a certificated carrier must pay 3 percent of the amount paid for transportation.

Mr. FREAR. I think that is entirely correct. The private carrier does not have to pay that 3 percent.

Mr. SMATHERS. That is correct.

Mr. FREAR. What would be the volume of tax paid into the Federal Treasury if all private carriers were assessed a 3 percent tax, which public carriers must pay?

Mr. SMATHERS. I do not know, but it would be considerably more. There are 4 million private carriers, as the Senator from Washington has just pointed out.

Mr. FREAR. Then by the terms of this bill, and by section 203 (b) (6) of the Interstate Commerce Act, are we not giving a tax exempt privilege to a private carrier, while we are assessing public carriers?

Mr. SMATHERS. No, we are not. A private carrier is not presumed to be in the business of common carriage. He is supposed to be carrying only his own goods. What the Senator is saying is that if we do not amend the bill as the Senator from Washington has suggested, in many respects we shall be permitting a private carrier, in effect, to operate as a common carrier, and to that extent, probably, avoid paying the 3 percent tax.

Mr. FREAR. Is it not true that many people who have been shipping by public carrier have installed their own systems of transportation, to avoid the 3 percent transportation tax?

Mr. SMATHERS. We are leaving out one very important step. For example, when the private carrier carries his own monkey wrenches from Chicago to Delaware, in order to trip lease his truck back home, he must go to a certificated carrier and enter into a lease with such carrier. The certificated carrier pays all the taxes necessary, in order to bring that truck through.

Mr. FREAR. Is the Senator sure about that?

Mr. SMATHERS. I am sure.

Mr. MAGNUSON. That is the law today, and the bill does not change it.

Mr. FREAR. I am sure that both the Senator from Florida and the Senator from Washington are familiar with some of the large private carriers of this country. They went into business to haul their own products, and they are hauling their own products; but if they were not in that business, and had to use public transportation, they would be paying a 3 percent tax into the Federal Treasury, would they not?

Mr. SMATHERS. That is correct.

Mr. FREAR. Then are we not widening the field of exemption by continuing to increase the number of private transporters?

Mr. MAGNUSON. We are leaving it as it is.

Mr. SMATHERS. Let me put it this way: For example, Sears, Roebuck & Co. is a private carrier, carrying only those things which it manufactures or sells. When it takes its trucks from Washington, D. C., to Chicago and unloads them at its store, if it wishes to bring any truck back loaded, it must either buy something and take title to it, in which event it could bring it back without paying the common carrier tax; or if it wished to bring back something else, it would have to go to a certificated carrier and say, "Here is our truck, and here is our driver. We will lease this truck to you under your certificate." Perhaps, in that case, the truck would bring back monkey wrenches. In such a case the certificated carrier would pay the tax.

Mr. MAGNUSON. Then, of course, he would come under the same regulation as a common carrier.

Mr. FREAR. In such a case would he then operate under authority of the Interstate Commerce Commission?

Mr. MAGNUSON. Certainly, because he leases to a common carrier.

Mr. FREAR. Then he would be subject to the rates imposed by the Interstate Commerce Commission, and also subject to the transportation tax.

Mr. SMATHERS. That is correct.

Mr. FREAR. Let us carry the illustration a little further. Suppose the same truck which the Senator has used in his illustration went to Chicago, and then went outside Chicago 20 miles and picked up a truckload of pumpkins from the farmer or producer, and brought them back to Washington.

Mr. SMATHERS. He can always carry agricultural products without being subject to ICC regulation. Pumpkins in the raw state are obviously agricultural products, so he does not need any certificate from the ICC to carry them.

Mr. MAGNUSON. Or a pumpkin pie, under my amendment.

Mr. SMATHERS. Or a pumpkin pie, if it is perishable.

Mr. MAGNUSON. It is perishable.

Mr. SMATHERS. I presume a pumpkin pie would be considered perishable.

Mr. FREAR. Anything of a canned nature which is perishable could also be included in that category; could it not?

Mr. SMATHERS. That is correct under the amendment offered by the Senator from Washington.

Mr. FREAR. The bill as it stands, without the amendment of the Senator from Washington, does not include that feature; does it?

Mr. SMATHERS. The way the bill is now written, before consideration of the amendment of the Senator from Washington, it provides that all private carriers may trip lease by one or a series of leases in the general direction of home base. To do that would, in many respects, as the Senator from Washington and the Senator from Delaware have pointed out, authorize certain private carriers to trip lease who have nothing whatsoever to do with agriculture, and never intend to have anything to do with agriculture; in effect to go into the trucking business, because they could trip lease to whomever they wished, and wherever they wished, as long as the movement is in the general direction of home, without being subject to ICC regulation.

Mr. FREAR. As private carriers?

Mr. SMATHERS. As private carriers.

Mr. FREAR. Without paying the transportation tax?

Mr. SMATHERS. They themselves would not pay the transportation tax, but I will say to the Senator from Delaware that when they trip lease, the man

to whom they lease must pay the transportation tax.

Mr. FREAR. Under all circumstances?

Mr. SMATHERS. That is correct; under all conditions.

Mr. FREAR. I noticed that the Senator from Washington was very explicit in his enumeration of the products covered by his amendment. He mentioned fish. I should like to inquire if oysters are included in that category.

Mr. MAGNUSON. Yes.

Mr. FREAR. Canned or fresh?

Mr. MAGNUSON. They would have to be fresh, or perishable.

Mr. FREAR. How about canned oysters?

Mr. MAGNUSON. Canned oysters would not be considered perishable. Canned goods are not touched by this amendment at all. The right to haul canned goods by private carrier or authorized carrier remains as it is. A private carrier may still trip lease, if it is for longer than a 30-day period, after transporting canned goods, in any amount.

Mr. FREAR. What advantage is the Senator's amendment?

Mr. MAGNUSON. The advantage of my amendment is that a private carrier must haul agricultural products or processed agricultural perishable products, in order to trip lease back. My amendment would affect the so-called itinerant truckers who run around the country. If they are to run around the country under an agricultural exemption, I say to them, "Sometime during your trip you had better haul some agricultural products." I think that would help the farmer.

Mr. FREAR. In effect, the Senator's amendment would give greater discretion, or greater control to the Interstate Commerce Commission than would the bill as it stands.

Mr. MAGNUSON. No. I think we are not proposing to give the Interstate Commerce Commission more control.

Mr. FREAR. But the Senator is proposing to place more vehicles under its control.

Mr. MAGNUSON. No. What we are doing in one respect, definitely, is defining the exemption given to the haulers of agricultural products, which has been a source of confusion in many cases before the Interstate Commerce Commission. There has not, in many instances, been a clear-cut definition of the term "agricultural products." We are defining that exemption once and for all. It will include, as far as private carriers are concerned, perishable processed agricultural products.

Mr. SMATHERS. Mr. President, will the Senator yield for one observation?

Mr. MAGNUSON. I yield.

Mr. SMATHERS. Let me say to the Senator from Delaware that there are 4 million private carriers. What the Senator from Washington is saying is, "We will not permit all those 4 million private carriers to trip lease. If they are going to be in that business, they should become common carriers and obtain certificates."

Out in the Midwest, butter and other processed products are no longer considered agricultural products. When meat has been cut up and the skin has been taken off it, and the carcass has been disjointed, the resulting product is no longer considered a straight agricultural product. Milk which has been pasteurized is no longer considered an agricultural product. Under those conditions, wholesalers and those engaged in the business of regularly carrying that type of processed agricultural product to the market in Chicago, Indianapolis, or elsewhere would be able, under the amendment of the Senator from Washington, to trip lease in order to get home, so that the cost of carrying the product to market would not be unduly increased. Unless they are regular carriers of processed or manufactured agricultural commodities, perishable in nature, they will not have the privilege of trip leasing.

Mr. FREAR. Under the present law, as I understand, they do not have the privilege of trip leasing, but must return empty. Is that correct?

Mr. SMATHERS. The practice of trip leasing has been permitted to everybody on everything. During the war when there was a shortage of trucks, and to meet the transportation problem, the ICC permitted the practice to grow. The war is over. The common carriers come in and say, "We must get a certificate from you in Washington and spend weeks and a great deal of money in order to get it. Then you finally give us a certificate under which we are authorized to carry one product." For example, they could be certificated to carry nothing but monkey wrenches. After they get that certificate they say, "Why do you allow a private carrier, like Sears, Roebuck, to transport the one thing that you let us carry?"

The ICC, under its order, would stop all of it. That order would affect the farmers, as well. The farmers rose up in righteous indignation and said to us that you have to meet that farm problem. We thereupon began to work in trying to solve the whole problem. I might say that the ICC said to us, "If you people want to set a policy, we would like to have you go ahead and do it. Otherwise, we will have to stop all this trip leasing."

That is what we are trying to do. We are trying to keep the ICC from eliminating trip leasing, so far as farmers are concerned, so far as farm cooperatives are concerned, and so far as businesses which regularly carry agricultural commodities are concerned.

Then with the amendment offered by the Senator from Washington [Mr. MAGNUSON], we are also going to permit trip leasing by a private carrier when the private carrier is regularly employed in carrying perishable processed or manufactured agricultural commodities. We are therefore setting up specific rules applicable to private carriers with respect to trip leasing.

Mr. FREAR. According to the statement just made by the Senator from Florida, if the bill were not enacted, the ICC would not permit any trip leasing, including the trip leasing of trucks carrying agricultural commodities. Is that correct?

Mr. SMATHERS. The ICC issued an order about 5 years ago that would not permit anyone to trip lease because the regulation required that leases of trucks must be for a period of 30 days or longer. That was an effective way of eliminating trip leasing, because no farm group wanted to trip lease its truck for 30 days or longer. They want to have that truck return home immediately.

The Senator from Washington, the Senator from Ohio [Mr. BRICKER], and other Senators have been discussing the trip-lease regulations with the ICC. At our request the ICC has held up its order, MC–43, until Congress could set some guideposts and establish a policy on the subject.

Mr. FREAR. Is that the situation at the present time?

Mr. SMATHERS. The Senator is correct.

Mr. FREAR. The bill proposes to give definitions as to what is permissible under the trip-leasing practice. Is that correct?

Mr. SMATHERS. We would say who can do it and who cannot do it.

Mr. FREAR. According to the Senator from Washington, he is improvising on the bill by adding an amendment which will permit trip leasing on perishable canned products if it is the regular commodity carried by that truck. Is that correct?

Mr. SMATHERS. Yes. Under his amendment a truck could trip lease on the return trip. It would be able to carry anything it wants to carry as long as it was leased to an authorized carrier.

Mr. MAGNUSON. And if it goes in the general direction of the home base.

Mr. SMATHERS. That is correct.

Mr. FREAR. I thank the Senator for giving me a better understanding of the bill. I do wish to say to the Senator from Florida, who is also a member of the Committee on Finance that he is cognizant of the fact, I am sure, that there is a shortage in the till of the Federal Treasury, and that we would not help to reduce that shortage by permitting private carriers to escape the payment of the 3 percent transportation tax.

Mr. SMATHERS. I may say to the Senator from Delaware that the proposal of the Senator from Washington would probably do a great deal to make a private carrier either lease his truck legitimately to a certificated carrier or to move his goods himself. The result would be that there probably would be more tax money coming into the Treasury.

Mr. MORSE. Mr. President, I have had a considerable amount of correspondence addressed to me by various organizations, individuals, and groups in my State on S. 898. I have also received correspondence from groups outside my State.

I wish to commend the Senator from Florida and the other members of the committee for the very clear record they have made today in support of S. 898. It is very interesting that the only correspondence I have had on the subject is in favor of the bill, and that no correspondence has come to me in opposition to the bill. I have studied the correspondence and the committee report and the various briefs that have been filed in connection with S. 898, and I have come to the conclusion that it is legislation which is in the public interest. Therefore I shall vote for it this afternoon, including the amendment offered by the Senator from Washington.

I ask unanimous consent to have published at this point in the Record, as a part of my remarks, the correspondence that I have received on the subject, on the basis of which and the committee report I have formed my final conclusion to support the legislation.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

Blue Lake Packers, Inc.,
Salem, Oreg., March 5, 1956.
Senator Wayne Morse,
United States Senate,
Washington, D. C.

Dear Senator Morse: It is our understanding that the trip-leasing bill S. 898, is scheduled to come before the Senate in the near future for debate and action. We urge your support of this bill in the form in which it has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee, without further restrictive amendment, for we sincerely believe that it preserves the economical and efficient practice of long-standing of leasing trucks for return hauls for it further preserves the importance from the standpoint of agriculture for the right of private carriers to trip lease.

In these days of increasingly keen competition and the price squeeze on the products of the farm, the maintenance and utilization of every possible economy is increasingly necessary.

Thanks in advance for your support of this bill which we sincerely feel is necessary to the agricultural economy of the State of Oregon.

Very truly yours,
N. W. Merrill,
Executive Vice President and General Manager.

The Oregon Wheat Growers League,
Pendleton, Oreg., March 8, 1956.
The Honorable Wayne Morse,
United States Senate,
Washington, D. C.

My Dear Senator Morse: The Interstate Commerce Commission has taken action in the past to discontinue the short-term leasing of independently owned trucks. Trip leasing, as you are well aware, is necessary for the agricultural exemption clause of the Interstate Commerce Act to have any meaning.

In the last session of Congress, H. R. 3203 was passed by the House of Representatives to prevent the ICC from nullifying trip leasing. A bill was introduced into the Senate, S. 898, to accomplish the same purpose as the House bill but did not reach the Senate floor prior to adjournment. Unless this bill is passed during the current session, the ICC has ruled that trip leasing of trucks by private carriers must cease on June 1, 1956.

The major purpose of the bill is to terminate the authority of the Commission to prohibit trip leasing or short-term leases of trucks. Trip leasing is the long-established practice whereby a hauler of farm products, having reached market, obtains a return haul by leasing his truck and his services to a common carrier.

Continuation of this practice is essential to efficient marketing and economical transportation of farm products. Unless trucks hauling farm products are permitted to obtain revenue on the return haul by trip leasing they must either (1) increase transportation rates for hauling farm products, or (2) go out of business because they cannot survive the competition of carriers that are permitted to obtain two-way revenue.

The existence of the independent truck operator, who can move from any farm shipping area to any market without back-hauling and transfer of lading, and who can be mobilized from surrounding areas to move seasonal commodities, is essential if farm products are to be marketed to best advantage.

Unless the right to trip-lease is maintained, the agricultural exemption of the Interstate Commerce Act becomes meaningless.

The enactment of S. 898 is supported by all agricultural interests and organizations.

We request your support for this legislation which is important to all agricultural producers in the State of Oregon.

Sincerely yours,
Richard K. Baum,
Executive Secretary.

Northwest Nut Growers,
Portland, Oreg., March 8, 1956.
Re trip-leasing bill, S. 898
Hon. Wayne Morse,
Senate Office Building,
Washington, D. C.

Dear Wayne: For many months we have been observing the progress and the pro and con arguments which have taken place in the Senate concerning the above-captioned bill. I know you are fully aware of the contents of this legislation, also the reasons for it. So there is no particular use for me to go over those things again.

Basically, of course, this bill is designed to preserve the efficient and economical practice of leasing trucks for return hauls. Since there are great numbers of private carrier trucks which transport agricultural products in processed form, it is most important from the standpoint of agriculture that the right of private carriers to trip-lease shall be preserved.

The form in which this bill has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee is the form in which we feel it should be passed without further restrictive amendments.

In light of the situation which is presently engulfing the farmers' economy, I feel this is one way in which Congress can help us partially solve our problems. The high cost of freight is ever becoming more serious. High freight cost from the Pacific Northwest to eastern markets is even more of a consideration than it is in some other parts of the country. There is scarcely any need to observe that the recently granted 6-percent increase to railroads by ICC was anything but welcome news to the farmers.

With these increases granted to the railroads, the truck people will be fully justified in asking for a similar adjustment and, of course, they will get it.

Thank you for your good attention.

Sincerely yours,
John E. Trunk,
General Manager.

Yakima, Wash., *March 12, 1956.*
Senator Wayne Morse,
Senate Office Building,
Washington, D. C.:

Fruit industry urges you vote for S. 898. Continuation of trip-leasing privileges as therein authorized will help provide adequate supply agricultural exempt trucks whose flexibility of route and service enhances distribution our fruits. Without trip leasing we would face serious transportation shortage as outlined in my statement forwarded with my letter of June 13.

Ernest Falk,
Northwest Horticultural Council.

Hood River Traffic Association,
Hood River, Oreg., March 13, 1956.
Hon. Wayne Morse,
United States' Senate,
Washington, D. C.

Dear Senator: We are informed that finally the Senate bill 898 is up for vote before the Senate and we trust that you will vote favorably for the passage of this bill as indicated in our previous correspondence. We have advised you of our interest in this bill from time to time and the reasons why we are in favor of this bill. You also have indicated your intention to support our position if and when the bill did finally come to the Senate for a vote.

It is our understanding that the bill as approved by the committee on Interstate and Foreign Commerce is the one that will come to the Senate for a vote and the bill as recommended by the committee is the one that the agricultural interests are in favor of. If, by chance, amendments are added to the bill that changes the intent and purpose of the bill as recommended by the committee, we would want to be informed of such action without delay.

As you realize, this bill has been before the Congress for 3 years and has had difficulty in being passed although the House did take favorable action on it a year ago, and, due to delaying tactics, it never came before the Senate for vote at the last session. However, it was progressed through committee to the point where it could be considered at this session.

Now that it has reached the Senate, we trust that you will continue to support the bill and there will be sufficient support in the Senate to pass the bill.

Yours very truly,
R. G. Scearce,
Secretary-Manager.

Pendleton Grain Growers, Inc.,
Pendleton, Oreg., March 12, 1956.
Hon. Wayne Morse,
Senate Office Building,
Washington, D. C.

Dear Senator Morse: It is our understanding that the so-called trip-leasing bill, Senate bill 898, should come before the Senate in the near future for debate and action.

This is an effective way for the farmers of the Nation to obtain some actual competition in transportation of farm products. We very definitely want to see the trip-leasing provision maintained for all types of carriers, particularly private carriers. Therefore, when this bill comes on the Senate floor, we hope that you will support it in the form in which it has been reported to the Senate by the Senate Interstate and Foreign Commerce Committee without any further restrictive amendments being put onto the bill.

We certainly appreciate your interest in those problems which affect the interests of our farm people. Best personal regards.

Sincerely,
James Hill, Jr.,
Manager.

Oregon Farm Bureau Federation,
Salem, Oreg., February 29, 1956.
The Honorable Wayne Morse,
United States Senate,
Washington, D. C.

Dear Senator Morse: The Oregon Farm Bureau Federation, for the past several years, has been particularly interested in the continuation of the practice of trip leasing—or the short-term leases of trucks.

Oregon agriculture is particularly concerned about the problem because of the rapid growth of this practice in the last few years—especially as it relates to haulers taking Oregon farm products into the State of California, and then obtaining a return haul by being able to lease the truck to a common carrier.

The farmers of Oregon are depending upon a continuation of this practice in order that orderly marketing functions may be continued and competition be offered in the transportation field.

The independent operators perform a very valuable service to the farmers of Oregon. Many of them live in farming communities, and are willing to fit their operations to the special needs of the farmer. They are willing to load on farms, help load, and to put up with loading inconveniences. They are willing to move from farm to farm so as to most effectively reach all market outlets to the best advantage of the farmer. They are willing and able to provide an individual service on the farms, on the road, or at the marketplace.

We, therefore, view with concern any regulation which would make it more difficult for independent operators to continue this service to agriculture.

The Senate will undoubtedly consider S. 898 (trip-lease bill) which gives the ICC power to regulate the leasing practices of common and contract carriers. The bill also provides that the ICC shall not have the power to regulate the duration of such short-term lease where the motor vehicle has a previous history of hauling agricultural products.

On behalf of the Oregon Farm Bureau Federation we respectfully urge your support of S. 898.

Yours truly,
George W. Dewey,
Executive Secretary.

Thomas C. Dyer, Inc.,
Spokane, Wash., March 15, 1956.
Re Senate bill 898.
The Honorable Wayne Morse,
Senate Office Building,
Washington, D. C.

Dear Senator Morse: As vice president and manager of Thomas C. Dyer, Inc., I am writing to you asking your support in favor of the pasage of Senate bill 898.

Our only source of revenue is the transportation of farm machinery from the points of manufacture to the farm machinery dealers in Oregon and surrounding States. As you can readily understand, our volume of traffic fluctuates greatly at different times of the year. It is not economical for us, a reasonably small operation, to own equipment to be able to meet these peak demands of the season for the service. It is essential that we lease trucks and trailers from both private individuals and other trucklines. Many times this leased equipment is available and/or needed for only one trip, particularly during emergencies.

The Interstate Commerce Commission proposes two leasing rules which would prevent the lease of equipment for a period of less than 30 days and would also prevent a payment of rental based upon the revenue derived from the use of the equipment. Both of these leasing rules would make it impossible for the haulers of farm machinery to operate on a sound, economic basis. Most of the drivers for Thomas C. Dyer, Inc., own their own equipment. Under present conditions it is possible for them to use their equipment for other purposes when it is not needed by this firm. The extreme peaks and valleys of the volume of traffic make imperative the lease of the equipment for whatever period is necessary and payment of rental based upon the revenue derived from the use of the equipment.

Senate bill 898 would curb the power of the Interstate Commerce Commission to prescribe the length of the lease period and determine the manner of rental compensation.

The Interstate Commerce Commission has exempted carriers of automobiles from the subject of these rules, but has refused to give the farm machinery haulers the same consideration. There is absolutely no difference in the mode of operation and the need for exemption between the automobile carriers and the farm machinery carriers.

The carriers of farm machinery sincerely feel that they are being discriminated against, and for that reason they urgently desire the passage of Senate bill 898.

Yours very truly,
David C. Cook.

The National Grange,
Washington, D. C., March 21, 1956.
The Honorable Wayne Morse,
Senate Office Building,
Washington, D. C.

Dear Senator Morse: We are informed that the trip-leasing bill (S. 898) will be on the Senate floor for vote in the next few days. We urge you to vote for the bill as it was voted out by the Senate Interstate and Foreign Commerce Committee. We urge you to oppose any amendment to further restrict the practice of trip leasing such as to prohibit private truckers from trip leasing.

Trip leasing promotes efficiency and good service in trucking. This practice, therefore, is of vital concern to farmers. It permits the agricultural truckers and other truckers to get a return load by leasing the equipment and driver to common and contract carriers, instead of returning empty. We do not ask that exempt agricultural truckers and private truckers be allowed to secure a return load on their own account by direct negotiation with shippers, but we do request that they be permitted to continue the time-honored practice of leasing truck and driver to common and contract carriers for a load under the authorized carriers' schedule of rates and safety requirements.

In many cases it is more economical for common and contract carriers to trip lease a truck than to send their own truck. They, themselves, might not have a return load. At times, the common or contract carriers do not have enough equipment of their own, and, therefore, without the privilege of trip leasing they would not be able to meet all the transportation demands, or they would have to maintain an idle reserve of equipment in order to take care of peak periods. The trip-leasing practice, in effect, provides a fluid or mobile reserve of trucks and drivers to meet peak and unusual demands.

Since the day the Interstate Commerce Commission issued the order banning trip leasing the Commission has made many changes or exceptions in it. However, the amended order still prohibits private truckers, such as those firms processing agricultural products and operating their own fleet, from trip leasing their trucks to common and contract carriers to get a return load. For example: a meat packer in Chicago who sends his own meat products to Florida in his own refrigerated truck would, under the pending ICC trip-leasing order, be prohibited from trip leasing it to a common or contract carrier for a return load of frozen citrus concentrates. We in agriculture are concerned with the transportation charges all the way between farmers and consumers and not only between farmers and the nearest rail or truck shipping point. Senate bill 898, if passed, would preserve the time-honored practice of trip leasing.

The safety argument against trip leasing is largely irrelevant. In the first place, a common or contract carrier that leases a truck is as responsible for compliance with safety rules on this truck as he is on his own trucks. Secondly, the States have the primary responsibility for enforcement of safety. In the third place, there is evidence to indicate that trip-leased trucks are as safe as employee-operated, company-owned equipment, or even safer. That is why the examiner in the further hearing on trip leasing concluded that the record afforded no definite answer on the question of safety.

Again, we urge you to vote for Senate bill 898 without crippling amendments.

Respectfully yours,
Lloyd C. Halvorson,
Economist.

National Milk Producers Federation,
Washington, D. C., March 22, 1956.
Hon. Wayne L. Morse,
Senate Office Building,
Washington, D. C.

Dear Senator Morse: We respectfully and earnestly ask that you vote for the trip-leasing bill, Senate bill 898. Your support of the proposed legislation is urgently needed to assure farmers that in the transportation of agricultural commodities to market by truck facilities will be available at all times at reasonable costs. The long-established practice of trip leasing has made possible efficient marketing and economical transportation of farm products. It must be continued.

This week the Senate passed the farm bill. Honorable and sincere men differ on the benefits to agriculture to be obtained from its various provisions. The farm organizations have opposing positions. However, there is no disagreement whatever among the national agricultural groups regarding the benefits agriculture will derive from the provisions of Senate bill 898.

The National Milk Producers Federation has supported and continues its support of the proposed legislation.

Your favorable vote for Senate bill 898 as reported by the Senate Committee on Interstate and Foreign Commerce will be very much appreciated.

Sincerely,
E. M. Norton,
Secretary.

Vegetable Growers
Association of America,
March 20, 1956.
Hon. Wayne Morse,
United States Senate,
Washington, D. C.

My Dear Senator: As the representative of the Vegetable Growers Association of America, the only national organization of vegetable growers, who depend heavily upon truck transportation and particularly trip-leased vehicles, I strongly urge your support of Senate bill 898 as favorably reported by the Senate Interstate and Foreign Commerce Committee.

The association adopted the following resolution at its 47th annual convention held here in Washington, December 1955:

"We urge the Congress to clarify its intent to the ICC to maintain previously granted highway exemptions of agricultural commodities."

This association is widely known for its policy of refusing the use of Government subsidies, which are a direct cost to the taxpayer. This policy reflects the traditional American right, the opportunity to produce and market their commodity as the law of supply and demand dictates. Therefore, this association believes it is not unreasonable to request your support of S. 898, which will not handicap their efforts or further reduce their already depressed income.

To deny the long-standing and satisfactory practice of trip leasing will only add to the cost of vegetables to consumers and reduce the return to the vegetable grower. It will deny the consumer of fresh produce in many instances because of a lack of facilities to handle rapidly perishable vegetables. To firmly establish the practice of trip leasing will be an outstanding and appreciated contribution by the Congress to American agriculture and particularly the Nation's vegetable growers.

Very truly yours,

Joseph S. Shelly,
Secretary.

International Apple
Association, Inc.,
Washington, D. C., March 12, 1956.
Hon. Wayne Morse,
United States Senate,
Washington, D. C.

Dear Senator Morse: There is at present pending before your honorable body for consideration S. 898 which would, in effect, permit continuation of the long-established practice of trip-leasing trucks by restraining the Interstate Commerce Commission from regulating the duration of such leases.

The members of International Apple Association are vitally concerned in this matter, and urge your favorable consideration of this legislation when it is brought to a vote. This association has actively advocated passage of similar legislation when it was brought up in previous sessions of Congress, and has opposed the Interstate Commerce Commission's endeavors to impose a minimum lease of 30 days by regulations issued under MC–43, lease and interchange of motor vehicles.

While these regulations as presently proposed to be put into effect by Interstate Commerce Commission are purported to take care of trip leasing by exempt agricultural haulers, it is the belief of IAA members that only by legislative action can this be assured since the Commission has issued more than 75 orders in connection with these regulations since they were first issued on May 8, 1951. There is no reason to presume that they will not be further amended, especially if the threat of imminent legislative action is removed.

This is a very real problem in many producing areas, and one not to be shrugged off lightly. I earnestly urge your consideration of this matter and your favorable action on this bill, S. 898.

Sincerely yours,

Fred W. Burrows,
Executive Vice President.

American Farm
Bureau Federation,
Washington, D. C., March 14, 1956.
Hon. Wayne Morse,
United States Senate,
Washington, D. C.

Dear Senator Morse: In the next few days the Senate will consider S. 898, the trip-lease bill, by Senators Smathers and Monroney.

The American Farm Bureau Federation respectfully recommends your support of this measure in the form reported by the Senate Committee on Interstate and Foreign Commerce. Its enactment is, in our opinion, essential to continued efficient marketing and economical transportation of farm products.

We are enclosing a copy of a statement in which we have endeavored to state concisely the purpose of the bill.

Very sincerely,

Charles B. Shuman,
President.

S. 898, THE TRIP-LEASE BILL

This bill would provide specific statutory authority to the Interstate Commerce Commission to regulate the truck leasing practices of contract and common carriers by motor vehicles; but would provide that the Commission shall not have authority to regulate the duration of any such lease where the motor vehicle leased is one previously used for the hauling of farm products.

The major purpose of the bill is to terminate the authority of the Commission to prohibit trip leasing or short-term leases of trucks. Trip leasing is the long established practice whereby a hauler of farm products, having reached market, obtains a return haul by leasing his truck and his services to a common carrier.

Continuation of this practice is essential to efficient marketing and economical transportation of farm products. Unless trucks hauling farm products are permitted to obtain revenue on the return haul by trip leasing they must either (1) increase transportation rates for hauling farm products, or (2) go out of business because they cannot survive the competition of carriers that are permitted to obtain two-way revenue.

The existence of the independent truck operator, who can move from any farm shipping area to any market without back-hauling and transfer of lading, and who can be mobilized from surrounding areas to move seasonal commodities, is essential if farm products are to be marketed to best advantage.

Unless the right to trip lease is maintained, the agricultural exemption of the Interstate Commerce Act becomes meaningless.

The enactment of S. 898 is supported by all agricultural interests and organizations.

HISTORY OF ISSUE

On May 8, 1951, ICC issued a ruling, MC–43, which provided that all truck leases must be for a period of at least 30 days—thus effectively terminating the practice of trip leasing.

A bill, H. R. 3203, was introduced in the 83d Congress, to prevent the Commission from taking such action. This bill was passed by an overwhelming voice vote in the House, but did not reach the Senate floor prior to adjournment.

During the process of congressional hearings of H. R. 3203 and S. 898, the Interstate Commerce Commission amended MC–43 on numerous occasions and in numerous respects. In its present amended form MC–43 contains much, but by no means all, of the provisions of S. 898. Many of the provisions of the amended MC–43 have been in effect for some time. Certain provisions thereof, including a prohibition against trip leasing of their trucks by private carriers, become effective June 1, 1956.

It is our conviction that the amendments to MC–43 that were made during congressional consideration of the bill, were the result of the legislative situation, were designed to head off legislation, and do not represent any change of viewpoint by the Commission.

Unless S. 898 is approved, the Commission will be free to re-amend its regulations in the future, to prohibit trip leasing. In view of the long history of ICC opposition to the agricultural exemption, and the Commission's expressed views with respect to the practice of trip leasing it is believed this would be the eventual outcome.

Trip leasing is of major significance to the efficient operation of truck common carriers—many of whom have supported the enactment of S. 898. Few companies can afford to own equipment adequate to handle peak loads and seasonal movements. It is uneconomic to maintain idle equipment for such contingencies. Even when a company is well supplied with equipment, it may not have equipment of the right kind, at the right place, at the right time, to meet all its needs. In order to efficiently service all their customers, common carirers must be able to dip into the transportation pool represented by exempt haulers to meet such needs.

From time to time the Congress appropriately concerns itself with the problem of maintaining small business as a healthy and dynamic part of our economy. With the exception of farmers and retail businesses there is no segment of our economy with a larger number of small businesses than the trucking industry. Curtailment of the practice of trip leasing would disastrously affect the welfare, and in many cases the continued existence, of these small businesses.

The enactment of S. 898 does not involve any change in the status of regulation of trucks as such regulations exist at this time. On the contrary, it would insure the maintenance of the status quo.

United Fresh Fruit and
Vegetable Association,
Washington, D. C., March 8, 1956.
Hon. Wayne Morse,
United States Senate,
Washington, D. C.

Dear Senator: S. 898 is an important agricultural bill. We understand it is to be taken up for consideration in the Senate following passage of the farm bill. The Committee on Interstate and Foreign Commerce has reported favorably on S. 898.

The Interstate Commerce Commission issued an order, originally effective March 1 but postponed until July 1, which, in effect, would prevent haulers of agricultural products from leasing their trucks for return loads of nonagricultural freight. The order of the Commission, however, would permit such leasing for not less than 30 days, with certain ambiguous and complicated requirements. For all practical purposes, the net effect of the order would prohibit trip leasing, and substantially nullify the agricultural exemption in the Interstate Commerce Act which has been sustained and extended by the Congress on several occasions.

S. 898 would prohibit such regulation by the Commission except as to safety. A similar bill was passed in the House on June 24, 1953, and we have every reason to believe S. 898 would be approved promptly by the House.

S. 898 has been endorsed by the four national farm organizations, and numerous organizations interested in the marketing of agricultural and fishery products. It is very important to the marketing of highly perishable fresh fruits and vegetables.

We respectfully urge your favorable consideration of S. 898.

Sincerely,

C. W. Kitchen,
Executive Vice President.

National Council of
Farmer Cooperatives,
Washington, D. C., March 9, 1956.
Re S. 898 (trip-leasing bill).
Hon. Wayne Morse,
Senate Office Building,
Washington, D. C.

Dear Mr. Morse: I respectfully urge your support of S. 898, referred to as the trip-leasing bill, in the form in which it has been reported to the Senate by the Committee on Interstate and Foreign Commerce. The bill has been cleared by the majority policy committee to be taken up in the Senate following consideration of the resolution proposing a constitutional amendment relating to election of the President and the Vice President.

In the 3 years that this bill and similar legislation have been the subject of hearings and consideration by the Senate at the committee level, many irrelevant questions have been introduced by the opposition to confuse and distract attention from the main issue involved and the real purpose of the legislation.

The heart of the bill is that provision which would preserve the right by statute

of farmers, cooperative associations of farmers, private carriers, and other agricultural haulers to lease their trucks to authorized motor carriers for backhauls and for other short periods of time, rather than having to return empty in the direction of the areas where their trucks are usually based. The legislation was made necessary by the proposed imposition by the Interstate Commerce Commission of a 30-day minimum limitation on the length of time for which a truck might be leased and by the continuing threat that, unless a clear policy is established by statute, the Interstate Commerce Commission might at will reinstate such limitation, or an even more stringent one, as applied to trucks hauling agricultural commodities.

The leasing of trucks for return hauls or for short periods at the peak of harvest seasons not only promotes economy in the transportation charges for the movement of agricultural commodities from the farm to the consumer, but also results in efficient and full utilization of equipment and balanced operations for both the lessor and lessee motor carriers.

At a time when the main groups opposing this legislation are enjoying unprecedented prosperity, it is almost beyond belief that they—the management and some labor groups in the railroad and regulated trucking industry—would seek the elimination or curtailment of the trip-leasing practice that has proved its economic value to both producer and consumer in the more economical, efficient, and timely marketing of food products and other agricultural commodities through the years.

The bill would not effect any changes in present trip-leasing practices. It would only make certain by law that in the future the Interstate Commerce Commission shall not put into effect any regulation such as it has proposed which would further restrict the leasing of trucks than as provided in the bill.

In view of the current efforts of the Congress to help stabilize and improve the alarmingly low net income position of agriculture, we feel it is imperative that this bill be enacted promptly to preserve at least some measure of competitive economy in the transportation of agricultural commodities to offset partially the continuing climb in railroad and other regulated carrier rates.

Powerful forces, including the Interstate Commerce Commission, have been alined against a united agriculture on this issue and have succeeded in delaying final congressional action for 3 years. We earnestly urge you to weigh carefully the facts pertinent to the issue and I am confident that you will conclude that S. 898 is not only necessary from the standpoint of agriculture but is fully justified on the basis of the proper interests of all segments of our economy.

Sincerely yours,

Homer L. Brinkley,
Executive Vice President.

P. S.—Because of the paramount interest of our members throughout the country in this matter, as evidenced by several resolutions adopted by our delegate body, I have had our staff prepare a rather complete factual information concerning the issues involved in S. 898, trip-leasing bill. I am enclosing a copy with the thought that this more complete information, fully documented, may be of some value to you and your staff in anticipation of the early consideration of and action on the measure by the Senate.

FACTUAL INFORMATION CONCERNING THE ISSUES INVOLVED IN S. 898, TRIP-LEASING BILL

This bill as reported to the Senate by the Senate Committee on Interstate and Foreign Commerce on July 30, 1955, vests the Interstate Commerce Commission with specific affirmative authority to regulate the leasing of trucks by common and contract motor carriers, including the requirement that all leases must be in writing, but denies to the Commission authority to limit the length of time for which a truck may be leased from a farmer, a cooperative association, a private carrier, or anyone else following a movement of agricultural commodities in the truck.

The bill has as its primary purpose the preservation of the long-standing economical and efficient practice of trip-leasing whereby farmers, cooperative associations, private carriers, or other owner-operators of for-hire trucks engaged in hauling farm products, after a trip to market have leased their trucks, with drivers, to authorized carriers for a loaded movement back to home base or in the general direction of the area where the truck was based.

BACKGROUND TO THE BILL

The Interstate Commerce Commission on May 8, 1951, issued rules in Ex Parte No. MC–43 to govern the lease and interchange of vehicles by motor carriers. One of these rules prohibited the lease of any truck, with driver, for a period of less than 30 days. Such rule would have had the effect of completely outlawing the trip-leasing of trucks.

The matter was litigated to the Supreme Court of the United States which in a divided opinion on January 12, 1953, held that although there was no specific statutory provision in the Interstate Commerce Act to authorize such restrictive regulation, the Court was of the opinion that under its implied miscellaneous powers the ICC had the authority to issue such rule.

Promptly after the Supreme Court decision there were introduced in both the Senate and the House in the first session of the 83d Congress bills which would establish by statute that although the ICC can regulate leasing practices, it cannot limit the length of time for which a truck might be leased and thus outlaw the leasing of trucks for a single trip.

The House of Representatives overwhelmingly on a voice vote passed such bill on June 24, 1953, after extended public hearings before its Commerce Committee. Hearings were held before a subcommittee of the Senate Interstate and Foreign Commerce Committee in 1953 (July 8 and 9) and before the full Senate Interstate and Foreign Commerce Committee in 1954 (May 10, 11, June 7, 8, and 25) but the bill was not permitted to come to a vote before the Senate Commerce Committee before the adjournment of the 83d Congress.

Bills were again introduced in both the Senate and House at the beginning of the 84th Congress last year to preserve the trip-leasing practice. Further hearings were again held before the Surface Transportation Subcommittee of the Senate Interstate and Foreign Commerce Committee on June 20, 21, 22, and 23, 1955, and in the closing days of the 1st session of this Congress, the bill was reported in a compromised form to the Senate.

During this long period while the legislation has been under congressional consideration, the ICC has on numerous occasions amended its rules and postponed the effective date of the 30-day rule, as amended. The 30-day rule is now scheduled to go into effect on July 1, 1956.

In view of the fact that the House of Representatives spent considerable time in hearings and approval of the trip-leasing legislation in 1953, only to have the bill die in the Senate Commerce Committee, the House is awaiting action by the Senate at this session before acting on the legislation again. Prompt action by the Senate is important to allow time for hearings and House action before the presently scheduled effective date of the restrictive rule on July 1, 1956.

IMPORTANCE TO AGRICULTURE

Elimination of the leasing of trucks for return hauls would mean that many agricultural haulers would be put out of business, thus denying their services to agriculture, and those that could continue to operate would have to increase their charges on the transportation of agricultural commodities if they had to make the return trips without a pay load.

The Interstate Commerce Commission has recognized the adverse effect that its original 30-day rule would have on agriculture by amending its rule on at least 3 occasions since the legislation has been before Congress to lighten its impact on the marketing of farm products.

The only significant difference between the rule as now proposed by the Commission and the bill before the Senate (S. 898) is that the Commission rule would not permit private carriers to lease their trucks for return hauls to home base. It is tremendously important that this right be preserved so that the trucks of private carriers which transport canned goods, frozen concentrate, meat products, butter and other farm products in a form processed to an extent that the ICC does not regard them as "agricultural commodities," may trip lease their trucks as freely as the operators of trucks which haul the products of agriculture in raw state.

WHY CONGRESS SHOULD ACT

Of the 11 members of the ICC today on the retirement of Commissioner J. Monroe Johnson, there is only 1 member who was on the Commission on May 8, 1951, when the 30-day rule was originally issued (Richard F. Mitchell). Since November 30, 1953, when the ICC made a change, which it termed a permanent amendment of the 30-day rule, to alleviate its adverse impact on agricultural hauling there have been 6 members (including Commissioner Johnson's prospective retirement), more than half, of the Commission to leave by retirement, resignation or expiration of their terms. The two members of the Commission, James K. Knudson and Hugh W. Cross, who were the principal spokesmen for the ICC in opposition to the trip-leasing bill in public hearings before congressional committees in 1953–54–55 are no longer members of the ICC.

The above facts definitely evidence the mutable character of the Commission and show how necessary it is for Congress to establish a definite policy on this matter by statute rather than leaving the policy for determination in accordance with the changing views of a Commission whose membership is continually changing.

PROPONENTS AND OPPONENTS OF THE LEGISLATION

A partial list of those supporting and opposing S. 898, as reflected by the printed hearings before the Senate Surface Transportation Subcommittee last year is as follows:

For

American Farm Bureau Federation.
National Grange.
National Farmers Union.
National Council of Farmer Cooperatives.
National Milk Producers Federation.
United Fresh Fruit and Vegetable Association.
International Apple Association.
National Fisheries Institute.
Vegetable Growers Association of America.
Growers and Shippers League of Florida.
Florida Fruit and Vegetable Association.
California Grape and Tree Fruit League.
Northwest Horticultural Council.
Dairy Industry Committee.

National Association of Commissioners, Secretaries, and Directors of Agriculture.

Private Carrier Conference of ATA.

Private Truck Council of America, Inc.

American Association of Nurserymen.

National Live Stock Producers Association.

American National Cattlemen's Association.

National Wool Growers Association.

Texas and Southwestern Cattle Raisers Association.

Sun-Maid Raisin Growers of California.

National Potato Council.

Hood River Traffic Association (Oregon).

Dixie Central Produce Co., Inc. (South Carolina).

Florida Railroad and Public Utilities Commission.

National Grape Cooperative Association, Inc.

Atlanta Freight Bureau.

Atlanta Paper Co.

United States Department of Agriculture.

General Services Administration.

United States Department of Interior.

Against

International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union of America.

Association of American Railroads and American Short Line Railroad Association.

Regular Common Carriers Conference of ATA.

Contract Carrier Conference of ATA.

American Federation of Labor.

Associated Transport, Inc.

Washington Motor Transport Association.

Group of Florida Certificated Motor-Transport Carriers.

Helm's New York-Pittsburgh Motor Express, Inc.

Shirks Motor Express (Pennsylvania).

Western States Meat Packers Association Inc.

Interstate Commerce Commission.

United States Department of Commerce.

Assistant Comptroller General of the United States.

COMPARATIVE ECONOMIC CONDITION OF AGRICULTURE AND THE PRINCIPAL GROUPS OPPOSING THIS BILL

Exclusive of the Interstate Commerce Commission, an agency of the Government, the main groups which have sought to eliminate the trip leasing of trucks and which have opposed the trip-leasing bill are the railroads; some, although not all, of the larger common and contract motor carriers; and the teamsters union. The gist of their arguments has been that the leasing of trucks for return hauls or other short periods from agricultural haulers and private carriers has tended to undermine the rate structure and adversely affect the financial health of the regulated transportation industry. Thus, the clear issue presented in this bill is an economic one, an alleged conflict in interest between the above groups on the one hand and the farmer on the other. It should be remembered that through the years since the Motor Carrier Act was passed in 1935 right up to the present time there has not been in effect by statute or regulation any limitation on the length of time for which a truck may be leased or any prohibition against trip leasing.

Let's look at the record of the comparative financial health and progress of these groups opposing the trip-leasing bill compared to agriculture.

CLASS I RAILROADS

The net railway operating income, after Federal income taxes, of the class I railroads of the United States for 1955 was $1,128 million compared with $874 million for 1954, an increase of 29.1 percent for 1955 over 1954. The net railway operating income for 1955 was the highest for any year in the 11-year period 1945–1955, and represented a 32.4 percent increase over 1945. The net railway operating income, after Federal income taxes, for the past 5 years is as follows:

Year:	*Millions*
1951	$943
1952	1,078
1953	1,109
1954	874
1955	1,128

(Above data from Transport Economics, February 1956, p. 1, monthly publication of the Bureau of Transport Economics and Statistics, ICC.)

The large intercity motor carriers of property for the first 9 months of 1955 had net income after income taxes of $57,678,944, compared with $37,040,734 for the comparable period in 1954, an increase of 55.7 percent. Furthermore, this net income after income taxes for the first 9 minths of 1955 for the large intercity motor carriers of property, amounting to $57,678,944 was substantially in excess of the $51,543,832 of net income after income taxes reported by the class I intercity motor carriers for the whole year of 1954 (foregoing data on motor carrier net income from reports Q-800 and Transport Economics, January 1956, published by Bureau of Transport Economics and Statistics, ICC). Even with this bright 1955 picture, some motor carriers have already in 1956 put into effect higher rates with the acquiescence of the Interstate Commerce Commission.

TEAMSTERS UNION

The average wage per employee in all trucking and warehousing is believed to be the most accurate available index to how the members of the Teamsters Union are faring in our economy.

The average wage per employee for all trucking and warehousing employees was at the highest figure for the past 11 years in 1954 at $4,884. Although the 1955 figure is not yet available and will not be compiled until later in the year, on the basis of known increases consummated in 1955, it is estimated by those in a position to know, that the average wage for 1955 will probably show as much as a 5 percent increase in 1955 over 1954. The 1954 average wage of $4,884 for trucking and warehousing employees was 30.7 percent higher than the average wage per employee for all private industry in 1954 at $3,734. The uninterrupted climb of wages in the trucking industry, reflecting the financial progress and stability of the regulated trucking industry, is disclosed by the following data on page 17 of American Trucking Trends (1955), an annual publication of the American Trucking Associations, Inc.:

Average wage per employee, all trucking and warehousing 1944–1954

1944	$2,374
1945	2,545
1946	2,752
1947	3,063
1948	3,355
1949	3,545
1950	3,811
1951	4,069
1952	4,377
1953	4,730
1954	4,884

It is also significant to note from American Trucking Trends (1955) at page 16 that in 1953 truck wages were 53 percent of the total truck revenues of the class I intercity common carriers of general freight, the highest percentage in the 10-year period since 1944.

AGRICULTURE

The conditions in agriculture present a striking contrast to the unprecedented prosperity presently enjoyed by the railroad and trucking industries. A few indexes of the contrasting picture will suffice.

The parity ratio which shows the relationship between the index of the prices received by farmers and the prices paid by farmers was in January 1956 at 80, the lowest point for any year since 1939, when it was 77. At 107 in 1951, it has moved downward continuouosly, as follows:

Parity ratio

1951	107
1952	100
1953	92
1954	89
1955	84
1956 (January)	80

The steady decline in the farmer's share of the consumer's food dollar since 1951, reflecting the increase in handling costs of which transportation charges are a major item in excess of 10 percent, is reflected in the following data from the Agricultural Marketing Service, United States Department of Agriculture:

Farmer's share (percent)

1951	48
1952	47
1953	45
1954	43
1955 (preliminary estimate)	41

The farmer's share of the consumer's retail food dollar was 53 percent in 1945.

The continued decline in the farmer's economic condition since 1951 is also reflected by the following data on income of farm operators from Economic Indicators by Council of Economic Advisers, January 1956, page 7:

[In billions of dollars]

	Realized gross farm income	Net income
1951	37.1	14.8
1952	36.9	14.1
1953	35.2	13.4
1954	34.0	11.8
1955 (3d quarter annual rate)	32.1	10.0

The Economic Report of the President, January 1956 (table D–16, p. 181) reflects that the per capita income from all sources of the farm population for the same years was as follows:

1951	$977
1952	940
1953	918
1954	913
1955	856

The above report of the President, in table D–24, also reflected some very significant wage data, as follows:

Average gross hourly earnings in selected industries, 1955

Manufacturing	$1.88
Bituminous coal mining	2.55
Buliding construction	2.66
Class I railroads	1.95
Telephone	1.82
Wholesade trade	1.91
Retail trade	1.50
Laundries	1.01
Agriculture	.675

CONCLUSION

Reasonable conclusions to be drawn from the above documented data are that:

1. The leasing of trucks to authorized carriers for return trips or other short periods of time, less than 30 days, which has been practiced through the years and is being practiced at present, has not undermined the rate levels of the regulated carriers nor brought about financial instability to the transportation industry.

2. Agriculture is the No. 1 economic problem of the Nation today and any undue restrictions on the leasing of trucks engaged wholly or in part in marketing agricultural commodities will add to transportation costs

which must largely be borne by farmers and will be reflected in further decreases in their net income. S. 898 is designed to prevent administrative action by the Interstate Commerce Commission with such results to frustrate and partly nullify the other efforts now being made by Congress to stabilize and improve conditions in agriculture.

Mr. BRICKER. Mr. President, so that the RECORD may be complete, I wish to make very brief comment on the pending legislation. Similar legislation, or legislation dealing with the same subject matter, has been before Congress for a number of years.

In the 81st Congress it was my privilege, along with the distinguished Senator from Pennsylvania [Mr. MARTIN] to hold hearings on surface transportation.

The problems of the exemption field and the irregular carrier and the exempt carrier and the private carrier and the so-called gypsy carrier came before us in a rather acute form.

From that time to this we have been dealing in committee with that problem and with the need of getting a satisfactory answer to what would be a very serious problem if it were considered wholly from the standpoint of one transportation system.

In the last 30 or 40 years, we have moved from what was essentially a monopoly system of transportation to a system that is highly competitive at the present time. That highly competitive condition has brought about the problems with which we are dealing today. As the result of those problems and because of the effort of the Interstate Commerce Commission to solve them by the issuance of its order, whose suspension has been brought about from time to time, as the Senator from Florida has stated, we are today faced with the necessity of Congress having to define the various areas of truck transportation in this country.

The committee has done an excellent job, and I wish to commend the chairman of the committee and the Senator from Florida, who is the chairman of the subcommittee.

The pending bill is not satisfactory, of course, to any 1 form of transportation or to any 1 segment of our transportation industry. I do not know that it is entirely satisfactory to the agricultural interests.

However, in my judgment, it is the most satisfactory bill we can work out as among the various competitive factors in our transportation system. I believe its enactment will be in the interest of agriculture and in the interest of the transportation system generally, and tend to the orderly development of our transportation system among common carriers, private carriers, farm carriers, and so-called irregular carriers in many of the States of the Union.

I merely wished to add my word of commendation to those of other members of the committee who worked hard on the bill. I hope we may be able to pass it this afternoon and finally provide a definite congressional solution of what has proved to be such a complex problem to the Interstate Commerce Commission.

Mr. PAYNE. Mr. President, I, too, as a member of the committee, wish to endorse the outstanding work that has been done by the Senator from Florida [Mr. SMATHERS], in connection with this matter, as well as the very constructive approach that was taken by all of my colleagues on the committee. I wish to join in urging support for and passage of the measure.

I ask unanimous consent that a statement I have prepared on the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

As a member of the Interstate and Foreign Commerce Committee the junior Senator from Maine has given thorough study to S. 898, a bill to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by the motor carriers. Although I was not a member of the subcommittee which held hearings on the bill, I carefully reviewed the testimony given at those hearings, and when the bill was before the full committee I voted to report it to the Senate with the recommendation that it be passed.

Despite the fact that the problem of trip-leasing has been before both the 83d Congress and the 84th Congress, and that during both Congresses extensive hearings were held on the subject, there still seems to be considerable confusion as to just what is the purpose of the bill. As a member of the Senate committee which studied the bill, and a Senator from a State that is much concerned with the problem involved, it is my hope that, without going too much into detail, I can resolve the surrounding cloudiness and clearly present the real question. If this can be done I believe there is very little question as to what action the Senate should take on S. 898.

As my distinguished colleagues all know, the trip-leasing problem is one of long standing. It has been under active consideration by the Interstate Commerce Commission for at least 7 years. During this period the Commission has issued regulations covering trip-leasing, established an effective date for the regulation, modified the regulations, and postponed the effective date repeatedly. It is my understanding that the latest Commission action has been to further postpone the effective date until July 1, 1956. The changes and postponements occurred with direct correlation to congressional activity and information developed by Congress on the subject.

At this point it might be well to state in general terms what trip-leasing is. When Congress adopted the Interstate Commerce Act providing for regulation of motor carriers, it partially exempted certain carriers from regulation. Basically these exempt carriers were private carriers and carriers of agricultural commodities, including livestock and fish. These carriers are not exempt from safety requirements regulations. Generally trip-leasing is the practice of the leasing of an exempt carrier by a regulated carrier for a single one-way or round trip. It is obvious that under many different circumstances such an arrangement is desirable to all parties concerned. As a result the practice has been in effect since the enactment of the Interstate Commerce Act. Over the years abuses crept into the system.

It was the abuses that caused the Interstate Commerce Commission to first look into the matter. As a result of its investigation the Commission proposed a regulation which would prohibit trip-leases for less than 30 days duration. The effective result of this regulation would be to abolish trip-leasing altogether. At this point it should be noted that no trip-leasing regulations have ever been put into effect by the Commission.

The heart of the problem as it comes before the Senate today centers on the purpose of Congress in exempting certain motor carriers when it adopted the Interstate Commerce Act. That purpose was to provide a highly flexible system of transportation for agricultural and fishery products to allow rapid and efficient distribution of such products to the markets. The need for having a flexible system of transportation for these products is obvious, and it is equally obvious that that need is as great today as when the act was originally put into effect.

What is the effect of trip-leasing on these exempt carriers and what would be the effect of prohibiting trip-leasing are the real issues at stake. Clearly the transportation of agricultural or fishery products from their point of origin to a market is a one-way operation. By trip-leasing his vehicle to a regulated carrier the operator can haul a payload on his return trip and thus help meet the cost of the trip. Obviously if this arrangement were prohibited so that the carrier had to return home empty it would increase the cost of transportation of agricultural or fishery products and thus would increase the cost to the consumer of such products.

The imposition of a requirement that trip-leases must be for 30 days duration or more would destroy the flexibility of the system that Congress was trying to protect. After this was demonstrated at congressional hearings the Interstate Commerce Commission amended its proposed regulations to exclude agricultural carriers. The proposed regulation would, however, prohibit trip-leasing by private carriers. These private carriers are an essential part of the agricultural transportation system since many producers of such goods do not operate their own vehicles, and the private carriers fill a very definite requirement.

As the trip-leasing legislation was originally proposed in the 83d Congress it would have specifically provided that the Interstate Commerce Commission could not regulate the duration of any trip-lease. At the hearings on S. 898 it became evident that with regard to the nonagricultural aspects of the problem there might be abuses which it would be desirable to control.

S. 898 as reported to the Senate by the committee will clearly establish the authority of the Interstate Commerce Commission to regulate trip-leasing except with regard to the duration of leases of carriers of agricultural and fishery products. Basically the bill would allow such carriers to trip-lease home after hauling exempt commodities, but would give the Commission authority to restrict general trip-leasing.

As a general proposition the bill would put into law the present provisions of the Commission's proposed regulations. Because of the indefinite history of the proposed regulations it is considered desirable that Congress should clearly establish its policy in this important matter. The principal objection to the bill has come from the railroads and some of the large motor carriers and is to the effect that trip-leasing is detrimental to their operations. The record of the past 10 years clearly shows that the income of these carriers has been steadily rising even though the practice of trip-leasing has been flourishing. The bill as it now stands will protect the legitimate operations

> of the exempt carriers, but leave the Interstate Commerce Commission free to otherwise regulate the carriage of goods on the highways.
>
> For these reasons the junior Senator from Maine strongly urges the passage of S. 898.

Mr. SMATHERS. Mr. President, I should like to ask the Senator from Washington one question for the RECORD. The Senator's amendment refers to "transportation of processed or manufactured perishable commodities or products." That means, does it not, that the citrus concentrate people of Florida, Texas, and California, as private carriers, would be able to carry their citrus concentrate and single-strength orange juice to the market and then trip-lease in the general direction home?

Mr. MAGNUSON. Yes. I was discussing the matter with the Senator from Virginia [Mr. BYRD]. We do not want to leave out apples, of course. We have a great deal in common, although we live far apart geographically. It would include apples. That is the intent. I hope the ICC will follow out that congressional intent.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SMATHERS subsequently said: Mr. President, essentially, the trip-leasing bill is a farm bill. The whole motive behind it is to try to help the farmer, and I think in many ways that is what has been done.

As has been pointed out in the debate, trip-leasing at present is a practice which is recognized and accepted by the Interstate Commerce Commission. A private carrier or a farmer, or anyone else, at this moment can trip-lease his truck. However, the Interstate Commerce Commission indicated about 5 years ago that it would not permit the practice of trip-leasing to continue, and it issued order MC-43, which provided that as of a certain date trip-leasing would not be permitted unless the person who trip-leased his truck to a particular carrier did so for a period of 30 days or more.

It was obvious from the order that it was the intention of the Interstate Commerce Commission to do away with trip-leasing. If it had been done away with, it would have cost the farmer a large sum of money. If a farmer in South Carolina wants to send his peaches to market in Chicago or New York, under the agricultural exemption he can carry the peaches to Chicago or New York in his own truck, and is able to sell his produce at a reasonable price.

Recently, the farmer has been able to trip-lease his truck on the return journey. In other words, he may take his truck to a large trucking concern, which has a certificate to carry certain manufactured goods, and say, "I want to trip-lease my truck to you for one trip to South Carolina." In that way, his truck returns loaded, and he makes a little money on the transaction. This means that the expense of moving his peaches from South Carolina to Chicago or New York is less than what it would have been if the practice of trip-leasing were not permitted.

So when the Interstate Commerce Commission indicated it planned to do away with the old practice of trip-leasing, Congress had to do something in order to establish by law the right of the farmer to trip-lease his vehicles. The committee began to consider over a long space of time the different bills which were presented. As a matter of fact, the committee has been trying to solve this particular problem for 3 years. We realized that it was desirable to let the farmer carry to market whatever he might grow, and to give him the right to trip-lease his truck back. That is a provision which is now written into the bill, and we hope it will now become law. That provision is not in the law at this point.

The bill also permits the farmers' cooperatives, which buy trucks and regularly haul to market the produce from the area in which the cooperatives are located, to trip-lease their trucks so that they may return loaded with manufactured goods to the area from which they started, thereby reducing the cost of shipping the original farm produce to the markets.

The bill also makes it possible for the regular haulers—those who are engaged in the business of hauling agricultural products—not the farmers themselves—to trip-lease their trucks. Not only are they given the right to trip-lease their trucks back home, but also they are given the right to trip-lease them once in any direction before starting home.

The reason for that provision is to enable the regular agricultural haulers to move from one harvest area to another. When the citrus crop in Florida becomes ripe at a certain time of the year, the citrus is hauled away to the markets of the North. About that time, as the distinguished junior Senator from South Carolina [Mr. THURMOND], who is at present the Presiding Officer, knows, the peaches in South Carolina begin to ripen, and the agricultural haulers begin to transfer their operations from the Florida area to the areas of Georgia and South Carolina.

After the agricultural commodities of South Carolina and Georgia have been hauled to the markets, the harvesting of crops begins in Texas and California.

So the agricultural haulers have been given the right to trip-lease in any direction. They may go from South Carolina all the way to California while carrying nonagricultural commodities, so that they can get to the new harvest areas and help the farmers in those areas move their produce to the markets. So that provision is now in the bill.

A question on which there was disagreement this afternoon was with respect to the private carrier, who is not in the business of hauling agricultural commodities at all—that is, the big manufacturer, a steel company, let us say, who has a great fleet of trucks and is sending steel to all parts of the country. The farmers originally wanted that kind of private carrier to have the right to trip-lease, even though he had nothing to do with agriculture.

It seemed to us, and it certainly seemed to me, as chairman of the committee, that the fact that the farmer wanted such a provision did not necessarily make it desirable. We felt we had protected the farmer in every way, because what the farmer sought and what the various farm groups wanted with respect to private carriers in many ways had nothing to do with agriculture. If the steel company wanted to ship some steel [illegible] from Pittsburgh to Chicago and thereafter to bring back furniture, that would not be of benefit to the farmers.

So the amendment offered by the Senator from Washington was designed to relate the trip-lease of a private carrier to agricultural products and, therefore, to make it possible for the legitimate agricultural producer to have the benefit of the private carrier. That was the purpose of his amendment.

I said I could not oppose it because it seemed only proper and right to me that farmers should utilize the private carriers, but that only carriers of products processed from the basic agricultural commodities should be permitted to trip-lease.

Farm groups were opposed to that provision in some respects, but I could not go along with them. I believe in the system of regulated transportation.

When Mr. A, who lives in Dallas, Tex., buys a great number of trucks, goes before the ICC, spends money to obtain a certificate which permits him to haul manufactured commodities from Dallas, Tex., to California, submits his rates to the ICC to get approval of them, and pays both a Federal and a State tax on the weight of his truck plus other taxes, I do not believe Congress should destroy his certificate and permit private carriers to go into the same business without any regulation whatsoever.

So it seemed to me the amendment offered by the able Senator from Washington was a fair amendment, and I was happy to vote for it and support it.

As the Senator from Ohio [Mr. BRICKER] stated earlier, I think we now have a bill which, in my judgment, is the best bill we will be able to get. The truckers are not completely satisfied with it. The railroads are not completely satisfied with it. The farm people are not completely satisfied with it. But it is the nearest bill we can arrive at upon which all the interests concerned can give some semblance of agreement. We have obtained the greatest degree of agreement it is possible to reach on a particular bill.

I think the bill will be of great assistance to the Interstate Commerce Commission. I know it will be of great benefit to the farmers, because the bill writes into the law for the first time the specific agricultural exemptions which he enjoys.

Trip-leasing will not work unless it has the cooperation of all groups, farmers, private carriers, railroads and common carriers alike. The ICC does not have sufficient manpower to enforce all of the regulations. It is already tremendously understaffed. For these reasons, it is important that we have a bill on which all interests primarily concerned could agree. To do this we all had to give and take a little. As a result we feel that we worked out a satisfactory compromise. Though it does not satisfy everybody completely, it is a measure under which all can work together. I sincerely hope that the Senate will overwhelmingly adopt S. 898 as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXEMPTION OF CERTAIN ADDITIONAL FOREIGN TRAVEL FROM TAX ON TRANSPORTATION OF PERSONS

Mr. MORSE. Mr. President, I should like to ask the acting majority leader a question. Is it contemplated that the Senate will now proceed to take up Calendar No. 1629, House bill 5265?

Mr. SMATHERS. The Senator from Oregon is as much interested in the bill as I am, and it is my understanding that the majority leader, the Senator from Texas, wishes to have it go over until tomorrow. I should like to suggest the absence of a quorum.

Mr. MORSE. Will the Senator withhold the suggestion a moment?

Mr. SMATHERS. I withhold the suggestion.

Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1629, House bill 5265.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5265) to exempt certain additional foreign travel from the tax on the transportation of persons.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill.

ACCESS ROADS

Mr. MORSE. Mr. President, the other day I made a speech on the access roads problem wherein I pointed out that the forward-looking lumber interests of my State and of the country have come to recognize the soundness of an access-road program, both from the standpoint of a conservation program and from the standpoint of a sound lumber management economy.

I know of no better proof and documentation of the position I took the other day than is furnished in a very able article which appears in Crow's Pacific Coast Lumber Digest for March 15, 1956, with which I am very glad to associate myself, and should like to make a part of my speech this afternoon.

The article reads as follows:

> LOGGERS CONVENE—RISING ROAD COSTS PROBED
>
> One of the major topics at the Willamette Valley logging conference in Eugene March 1-3 was logging roads. Costs are going up. One reason: lack of experienced logging engineers.
>
> The log comes first, then lumber. But before there can be logs there must be roads to reach the timber. If roads cost more than they should, the added expense is passed all along the line. It's included in the final price paid for lumber by the retail yard. If extra costs aren't passed along, someone loses money or goes out of business.
>
> Naturally, these problems are vitally important to the logger. They're also important to the wholesaler or retailer who wonders why lumber prices keep going up.

Mr. President, when I was discussing the access-road problem the other day and pointing out what the attitude of many lumber companies in my State was, I was presenting accurate information as to the attitude of lumber leaders of my State.

The article goes on to say:

> GROWING MORE ACUTE
>
> One of the many reasons was highlighted at the Willamette Valley Logging Conference March 1-3 in Eugene, Oreg. It's the shortage of engineers; logging engineers, road-building engineers, forest engineers. There aren't enough to go around, for industry or for the Forest Service. The situation is growing more acute all the time.
>
> Speakers at the conference showed how this scarcity is contributing to higher road-building and logging costs. The shortage refrain ran all through a panel discussion on logging roads, for which the moderator was Starr Reed of the Albany division of M & M Wood Working Co. Panel members were: Aaron Mercer, logging engineer for the Willamette Valley Lumber Co., Dallas; J. Wesley Webb, Webb Construction Co., Salem; Ralph De Moisy, general manager, Mapleton division, U. S. Plywood Corp.; C. E. Remington, assistant regional engineer, United States Forest Service, Portland.
>
> An important part of the problem of added road-building costs was laid at the door of the Forest Service, but it was a give-and-take affair, and Remington parried most of the criticisms with dexterity.
>
> Loggers frequently contend that Forest Service road-building standards are too high. These basic policies Remington defended, but there were other complaints. For instance, Mercer said figures allowed for rock in Forest Service appraisals are often too low—even below cost. Moderator Reed said that if a rigid time schedule is enforced on road-building, despite bad weather, costs are boosted. He suggested more flexibility in interpreting the rules. A speaker from the floor asserted that inexperienced locators can make poor selections of pit sites and thus create added rock-hauling costs. Sometimes larger rock than necessary has to be used, or a crusher has to be employed when this could be avoided with better planning.
>
> Questions of interpretation arise when part of a Forest Service road has been completed and a logger has to use it before the rest of the road has been finished. There have been cases in which Forest Service representatives have required that more rock be put on this used section of road later, an added expense to the roadbuilder which properly should be charged to maintenance.
>
> Remington answered this one by saying it is the policy of the Forest Service to accept a road by sections and pay the contractor accordingly. Repairs on accepted roads after use by loggers are regarded as maintenance and not as a charge against the contractor, he explained. But other speakers indicated there have been difficulties about drawing the line between construction and maintenance. Interpretations are often made by personnel on the job and loggers or contractors are reluctant to go over their heads.
>
> LOCATORS NEEDED
>
> Not all but much of the trouble can be traced to the lack of experienced engineers or other technical employees. On this point Remington said:
>
> "Fellows who graduate as logging engineers don't often go to work for the Forest Service because of the lower pay scale. We need 75 locators in region 6 and we have only a fraction of that number. We recently trained 29 locators, but because of the pay scale we doubt that we'll be able to keep them all on the job."
>
> One of the points stressed by industry and Government witnesses alike at last fall's congressional timber hearings was the need for larger appropriations for Federal timber-managing agencies in order to do an efficient job.

The Senate will recall that when I made my speech on the access road problem the other day I discussed the timber hearings of last fall, and pointed out that this personnel problem was raised. There was general agreement at those hearings not only on the need for access roads but also on the need for larger appropriations for Federal timber-managing agencies for the hiring of expert help so that they could do a more efficient job. That was particularly pointed out in the hearings when we dealt with the problem of coming nearer to the allowable cut in the Federal forests.

The hearings brought out that some of the Federal forests were falling 50 percent short of the allowable cut because they did not have enough help in the Forest Service to process sales. That is not a sound conservation policy. If we let a large stand of timber overripen, let it become diseased, let it become windblown, and do not go in and get that timber out of the woods quickly, we are bound to waste thousands and thousands of dollars of potential Federal revenue.

As this article points out, there is great need for increased appropriations for forestry personnel, so that an efficient management job can be done in handling the people's forests. This would be sound economy.

It is false economy to fail to appropriate the necessary money for access roads and for the Forest Service personnel which is needed for an efficient management of Federal timber. The article points out:

> But even if more money is available, where will the skilled men come from? Every other industry is competing for engineers today, offering attractive salaries and training programs to lure graduates.
>
> L. L. Stewart, president of the Bohemia Lumber Co., touched on this subject in addressing the loggers. Stewart is a logging engineer himself, and a Lane County representative in the Oregon legislature. Speaking of the shortage of trained foresters, he said: "We should aggressively work to induce high school boys to go into forestry. As time goes on, more and more foresters will be needed in management jobs."
>
> The same statement probably could be applied to all types of professionally trained men needed by the logging and lumber industries, and by Government. There appears to be no quick and easy answer, and that means keener and keener competition for the available supply of engineers.

Since making my speech the other day, I have heard from lumber operators in my State who support the position I have taken on the need for additional appropriations for access roads and additional appropriations for personnel in the Forest Service agencies of the Government.

I shall continue throughout this session of Congress to discuss this matter frequently on the floor of the Senate, because I want to point out that the policy which Congress is following, appropriation-wise, in respect to the management of the forests belonging to all the people of the country, is costing the taxpayers of the Nation millions of dollars in waste each year. It is waste that, in my judgment, cannot be justified. It is a penny-wise, pound-foolish policy. I think someone must be willing to stand on the floor of the Senate and, by repetition, drum away on the point, until finally we catch the attention and the consideration of the Senate, because I think the taxpayers of the country are entitled to the savings which I am urging.

Before I close on this subject, I shall have to suggest the absence of a quorum, because the reporters, apparently, have taken from my desk some other material I need to use in my remarks. During the quorum call, I shall try to get the material back from the reporters.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I should like to discuss the second part of my speech on this forest problem this afternoon and comment briefly on some of the very important facts set out in the annual report of the Pacific Northwest region of the United States Forest Service. In particular, I should like to call attention to the financial record being made by these 18 national forests in Oregon and Washington.

In fiscal year 1955 their receipts were $39,857,525 and their deposit in the Treasury, before taxes, or gross profit before taxes, was $29,680,135. These forests made "in lieu" payments to counties of approximately $9,682,194, and their net profit to the Treasury was $20,005,941. I do not think that the national forests in any other region can match this record.

On a nationwide basis, the national forests showed a gross profit of $7,692,249 before payments to counties were made, but after paying this amount they had a deficit of $13,210,603.

In the Pacific Northwest our national forests returned to the Treasury two dollars for every dollar spent.

When we come in and request that more access roads be built, that the recreational facilities on the forest be increased, that the inventories be brought up to date so that the full allowable cut can be harvested, we in the Northwest do this with the full understanding that our national forests are capable of producing substantial revenues for the Treasury, do make substantial contributions to local government, and can provide economic and social benefits not only to our region but to the Nation.

I wish to make it very clear to my colleagues in the Senate from other parts of the United States where there are national forests that the return to the Treasury of the United States would be much higher if we had more access roads into those forests. Also the return to the Treasury would be much greater if we appropriated the needed funds for the personnel for a more efficient management of the forests. If, for example, we had adequate personnel it would be possible for the management of Federal forests to cut up to the allowable cut and that would mean profits for the taxpayers of the country.

So, as I said a few moments ago, when I make the fight for more appropriations for access roads and forest personnel, I am making a fight to save the taxpayers of this country a great amount of money, because these forests will more than pay their way. They will pay a large profit to the people of the United States, if we provide the Federal Government forest agencies with appropriations so the forests can be efficiently managed.

I think the annual report of the Pacific Northwest Region of the United States Forest Service amply documents and supports the contentions I have just made. I am offering it for the record this afternoon, and I call attention to the relatively low level of investment in access roads and to the critical shortage of housing for timber sale personnel on the national forests.

I ask unanimous consent that the annual report of the Pacific Northwest Region of the United States Forest Service be printed in the RECORD at this point as a part of my speech.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ANNUAL REPORT, FOREST SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE, PACIFIC NORTHWEST REGION, 1955

INTRODUCTION

The Nation's national forest system is divided into 10 administrative regions. The Pacific Northwest region is composed of 18 national forests in Oregon and Washington. These forests contain a net of 23.5 million acres within their boundaries. They are blessed with rare combinations of scenic beauty; provide important water for power, industrial, and domestic use; provide forage for large numbers of wildlife and domestic livestock; and since about 37 percent of the commercial timberland acreage in Oregon and Washington is within their borders, it is not surprising that this region is the greatest of all national forest regions in the production of timber. Following is a brief summary of major work accomplishments and activities during 1955.

TIMBER MANAGEMENT

Timber sales

A new record was set in calendar year 1955. Timber sold amounted to 2,860,450 thousand board-feet, compared with 2,404,300 thousand board-feet for 1954. A total of 2,729,885 thousand board-feet was cut for which $44,582,518 was paid, or an average of $16.33 per thousand board-feet. In 1954 the cut amounted to 2,585,792 thousand board-feet with a value of $34,787,611. The 1955 cut was 94.5 percent of the allowable annual cut, according to present timber inventories. About one-quarter billion board-feet consisted of salvage of dead or dying timber.

Planting and stand improvement

A total of 10,276,000 seedlings and transplants were produced in Forest Service nurseries at Wind River, Wash., and Bend, Oreg., for field planting throughout the region.

A total of 18,734 acres were reforested by planting and 2,703 acres by seeding. Of this work, 20,159 acres were financed with cooperative sale-area-betterment funds and the remaining 1,278 acres with regular appropriated funds.

Total area successfully reforested by planting and seeding in the region to date is 175,414 acres.

In addition to thinnings of timber stands through commercial sale procedure on several national forests, improvement work was completed on 39,309 acres of young forests. This consisted of 5,523 acres of stand release and thinning and 33,786 acres of pruning. All of this work was financed with cooperative sale-area-betterment funds.

Spruce budworm project

To protect against Spruce budworm killing, 620,950 acres of Douglas-fir and white fir forests were aerially sprayed in 1955 in cooperation with the State of Oregon and private forest owners. Sprayed areas were mostly on the Ochoco, Malheur, and Wallowa-Whitman National Forests. This brings the total treated area for the period of 1949–55 to 3,840,000 acres. Cost of treatment has been about $1 per acre. Results have been excellent. Spruce budworm damage has been reduced to the point where no control activities will be necessary during 1956.

Blister rust control project

We treated 6,162 acres of sugar pine and white pine forests on the Rogue River and Umpqua National Forests to prevent damage from blister rust. In addition, the Forest Service provided technical direction and coordination to blister rust control work done in Oregon and Washington by the Bureau of Land Management and the National Park Service. The Bureau of Land Management treated about 26,000 acres, mainly on and adjacent to the Siskiyou National Forest, and the Park Service completed work on 639 acres at Mount Rainier and Crater Lake National Parks.

Road rights-of-way

Considerable progress was made in obtaining road rights-of-way to permit the construction of timber access roads. During the year action was taken on 128 right-of-way cases. Types of cases, and accomplishment, are listed in the following table:

	Number completed	Number pending
Easements across private land	70	20
Easements across mining claims	6	2
Road-use agreements	6	4
Cooperative construction agreements	2	5
Rights-of-way across public domain	7	0
Stipulations across national-forest land	5	0
Condemnation case		1
Total	96	32

Sustained yield units

No formal cooperative or Federal sustained yield unit applications were received during 1955. However, two submitted previously received attention. One of these was for Wind River Federal Unit. After much study, a hearing was denied the proponents because they failed to qualify on the basis of need at this time. Several informal requests for Federal units were received during the year and given consideration.

Management plans and inventories

Seven revised management plans were approved by the chief during the year. An increase of 100 million board feet of allowable annual cut will be possible as a result of these revisions. This increase reflects the results of reinventories on 7 working circles, which aggregate 3.5 million acres. New inventories were started on an additional 1.2 million acres. Goal for completion of the total reinventory job is the year 1960, but will depend upon funds available to do this work.

Reinventories and management plans as revised have shown increases of allowable cut because of added timber areas which are now considered operable by reason of new logging equipment and methods, the utilization of tree species heretofore not harvested, and the use of a greater proportion of individual trees.

RECREATION AND LANDS

Recreation

Recreational use of the national forests has continued its steady increase. Visits, which numbered 3,810,000 in 1952 increased to 5,192,496 in 1955. During recent years winter sports have become more popular. Ski enthusiasts last year totaled 658,600—a 10 percent increase over the previous year.

Some additional money was appropriated by Congress for sanitation and care of public campgrounds. The increase in funds to our region enabled us to maintain about one-third of the campgrounds satisfactorily and to replace or add 195 pit toilet buildings, 743 tables, and 484 fireplaces. In addition, a number of campground water systems were improved. Despite this accomplishment, the protection of resources from the impact of recreational use is far from satisfactory. It is a major national forest management problem locally and nationally.

Oregon's famous Timberline Lodge on Mount Hood is now under the operation of Richard L. Kohnstamm. The lodge was closed a portion of last year through cancellation of the previous operator's permit because of unsatisfactory operation. Mr. Kohnstamm has done an exceptionally fine job of rehabilitating the lodge and in providing services of which the public may be proud. One of these is the construction of a new chair lift, the upper terminal of which is located adjacent to the west wing of the lodge. The new lift enables skiers to use the fine terrain below the lodge which is sheltered by trees. This area is suitable for skiing during stormy periods when the upper chair lift is unable to operate.

Other major developments constructed this past year at winter-sports areas are two new electric tows in the Ski Bowl at Mount Hood, new pomalifts at both Snoqualmie Pass and White Pass, a new jumping hill at Spout Springs, and a new chair lift on the beginners hill at Stevens Pass.

Water

Important new water facilities within the national forests are being constructed. Near Oakridge, Oreg., on the Willamette Forest preliminary survey work, timber cutting, engineering, and recreation plans are in progress for the Hills Creek Dam area. The dam is being constructed by the United States engineers. The Pacific Northwest Power Co. has applied for a license to construct two new dams on the Snake River, below Hells Canyon. These are to be called the Mountain Sheep and Pleasant Valley Dams. Preliminary road, trail, and recreation plans have been started for both of them.

Wilderness and wild areas

A public hearing was held in Eugene, Oreg., February 16 and 17, 1955, on a Forest Service proposal to reclassify the Three Sisters primitive area to a wilderness area and make certain changes in the boundary. The region's recommendation was sent to the Chief June 10. We also recommend to the Chief that the Mount Washington wild area (46,655 acres) and the Diamond Peak wild area (35,440 acres) in the Willamette and Deschutes Forests be established.

Mining claims

A flurry of new mining claims occurred following the discover of uranium in the Fremont Forest. It is estimated that about 1,000 new claims were filed on this forest in July and August. Uranium claims were located on other forests in smaller numbers.

During the year about 150 claims of all types on national forests were protested by the Government and 27 were clear listed. Seventeen decisions were issued by the Bureau of Land Management with the following results: Protest upheld on 69 claims (7 cases); 28 claims (6 cases) were declared null and void; 118 claims (2 cases) defaulted and were declared null and void, and on 2 claims (2 cases) the Government was overruled and the claims vindicated. The Bureau of Land Management and Forest Service have joint responsibilities in the administration of mining law on Federal lands.

A milestone was reached on July 23, 1955, with the adoption of Public Law 167. This law represents the first major change in the mining laws since 1872. It gives to the Forest Service authority to manage and dispose of the vegetative surface resources on claims located after enactment of the law, to manage other surface resources (except minerals subject to the mining laws), and to use as much of the surface as necessary for access to adjacent lands. It also establishes a procedure in the nature of a quiet-title action whereby the Government can resolve uncertainties as to surface rights on mining claims located prior to July 23, 1955.

A test area on the Snoqualmie National Forest was selected to determine surface rights under provisions of the law. Preliminary examination was completed to determine who owns the numerous claims within the test area. Affidavits were prepared by those making the examination, setting forth the nature of the examination and the names and addresses of all persons known to have an interest in the claims. Early in 1956 we will notify each claimant that surface rights will be determined on all unpatented mining claims within the test area.

About 125 applications for oil and gas leases on national forest lands were received during the year. Eighty percent of these were on the Siuslaw Forest; about 15 percent on the Ochoco; and the remaining 5 percent on the Fremont and Snoqualmie Forests.

Coffee Pot Flat waterspreading project

The region was allotted $20,000 to invest in waterspreading on Coffee Pot Flat on the Fremont Forest during fiscal year 1956. The money was used to apply early-season runoff, through a series of contour ditches, to more than 300 acres of valley bottom land which had been revegetated. To do this, 25 miles of contour ditches and 1.3 miles of diversion ditch were built. The Coffee Pot area was selected as our highest priority project on the basis of public benefits to be expected from a limited investment. In addition to the tangible benefits of water control and soil stabilization, this project has much value as a demonstration.

Small watershed projects

During 1955, Forest Service participation on small watershed projects (brought about under Public Law 566) increased considerably. This included work on project feasibility surveys, program development, and hydrologic analyses. Preliminary field examinations were made on 9 watersheds in Washington and 7 in Oregon. Feasibility studies were made on 2 watersheds in Oregon and 3 in Washington.

On the Mission Creek watershed protection demonstration project, the Wenatchee National Forest completed 5 miles of fence, 6 miles of new trail, ⅜ mile of channel straightening, and some experimental work in planting and reseeding.

Land exchange

Under Public Law 426, 83d Congress, much progress has been made toward exchanging O. & C. and national forest lands for better administration. The job of appraising the lands has been finished. It is expected that the exchange will be completed and recommendations forwarded to Washington, D. C., well in advance of the date Congress set for its completion.

WILDLIFE AND RANGE MANAGEMENT

Range management

Livestock ranges in the region furnished forage for 89,466 cattle and 164,961 sheep in 1955. These figures represent an increase of 2,232 head of cattle and a decrease of 8,020 head of sheep, compared with 1954.

Grazing receipts were $224,159, about the same as the previous year. Higher market prices to cattle growers in 1954 were reflected by a slight increase in grazing fees for cattle, from 44 cents per cow month in 1954 to 45 cents in 1955. Sheep rates remained the same at 9 cents per sheep month.

Based on preliminary reports, seeding of livestock ranges was as follows: 333 acres of depleted forest ranges; 10,666 acres of logging-disturbed areas, to prevent erosion; and 2,964 acres of accidental burns (project only one-third completed). In addition, 2,200 acres of private land adjacent to the forest will be aerially seeded under cooperative agreement.

Field trials were made using a shortcut method of range inventory. Approximately 100,000 acres were surveyed in that manner.

To put the measurement of range conditions on a scientific basis, the region has started installing lines of permanent study plots, called range transects. Recurrent observations at the same point will give reliable data on the trend of range conditions. Progress in this work has been made, but only about 15 percent of the needed transects have been installed to date.

Wildlife management

Big game numbers continued to increase. The 1955 population estimates, prior to the hunting season, showed 325,000 deer and 53,000 elk on national forest land. The 1955 legal kill is estimated to be a little higher than the 1954 harvest of 68,000 deer and 5,900 elk. Measures were taken to control excess numbers on problem ranges. A number of special early-season and post-season hunts were held and some previously closed areas were opened. Work is progressing on wildlife management plans for the forests. Ten of the 18 forests have submitted their plans; the others are due in 1956.

Above normal snowfall and below normal temperatures over most of the region, exerted pressures on winter game ranges during late 1955. If such conditions prevail winter long, big game losses may run high.

Efforts are being made, in cooperation with State game commissions, to improve depleted ranges and to bring livestock and big game use into proper balance with range conditions.

FIRE CONTROL

The 1955 fire season was average as to number of fires and acreage of burn, but an unusual peak occurred over the Labor Day weekend during the severe fire weather which began August 1 and continued until September 10 to 13. September 4 a series of dry lightning storms began. About one-third of the number of fires for the year and most of the burned acreage came about the ensuing week.

	1955	1954	1950-54 average
Number of fires	[1] 1,013	729	1,040
Acreage burned	16,231	1,692	17,268

[1] The 1,013 fires include 618 from lightning, 140 from careless smokers, and 130 campfires. Man-caused fires numbered 395. Hunter fires were about one-half of the 124 reported in 1954.

Cooperation

Four of our larger fires this year were boundary fires resulting in joint action with the State of Oregon and the Klamath Forest Protective Association. Good cooperative action was taken in extinguishing these blazes. Cooperation of private forest industry was outstanding on many fires, especially during Labor Day weekend. Without this splendid help our losses would have been much greater in view of the critical conditions which prevailed.

Slash burning

Slash burning accomplishment was disappointing on many forests, especially those in western Washington. Fall rains started early and continued without sufficient drying periods to permit effective slash burning in many areas. Disposal of logging slash was only about 50 percent of that planned.

Aerial program

Smokejumpers and aircraft were used extensively during the year. June and September lightning fire concetrations taxed our facilities. Continued modernization of our air fleet took place. We acquired another twin-engined Beechcraft and a Cessna 180, and disposed of a Stinson Voyager. Our regional fleet consists of 6 planes; 3 for transporting smokejumpers and supplies and 3 for passenger travel and reconnaissance.

No fatalities and but few injuries resulted from the smokejumper activity during 1955. Smokejumpers were used interregionally. They played an important role in keeping numerous lightning fires to small size.

New structures and equipment

We purchased 22 additional slip-on tanker units which can be quickly loaded onto a pickup truck or 4-wheel drive vehicle for rapid, economical transportation to fires. A unit consists of a water tank, power-driven pumper, hose reel, hose, nozzles and all accessories needed for pumping water onto a fire. They are used most often near roads but may be hauled into the woods on a tractor-drawn sled.

Four new lookout structures were built and eight others were bettered.

ENGINEERING

Forest highways

Contracts amounting to $2,347,930 were awarded covering 85 miles of forest highway construction in 1955. Forest highways are high class roads on or adjacent to the national forest, used for transportation of forest products or for forest users. Most of this work was reconstruction of obsolete roadways to bring them up to the higher standard needed for modern traffic.

Roads and trails

Most road work in the region continues to be for access to timber areas. Accomplishments were:

Work done with Federal funds

New bridges on timber access roads (11)	$107,000
Bridges replaced with bridges (34)	1,012,076
Bridges replaced with culverts (52)	149,968
Timber access roads, new (25.2 miles)	3,972,921
Timber access roads, reconstructed (37.6 miles)	1,877,081
Other roads reconstructed (20 miles)	75,343

Work done through timber sale contracts (operators)

Bridge construction and replacement (30)	$355,450
Timber access roads, new (549.2 miles)	8,896,769
Timber access roads, reconstruction (205.4 miles)	2,316,994

Other accomplishments

Survey and design (910 miles)	$917,000
Inspection purchaser roads (791.9 miles)	339,117
Trail construction (127.8 miles)	133,709
Roads maintained (11,969 miles)	[1] 861,632
Trails maintained (13,803 miles)	[1] 389,031

[1] Includes regional overhead costs.

Cartography

Accurate, up-to-date maps are basic to the conduct of all multiple-use business on the national forests. For a number of years the region has been modernizing its maps by the use of aerial photographs and photogrammetric methods. This is important to others, also, since Forest Service mapping is made available to other Federal agencies. The States, and forest industries, also benefit. In turn, we obtain aerial photographs and map data from other agencies. Mapping programs are coordinated to avoid unnecessary duplication of work.

Since 1947 planimetric mapping of approximately 44,000 square miles, on a scale of 2 inches to the mile, has been completed. An additional 6,000 square miles is now underway and should be finished by July 1, 1956. Approximately 22,000 square miles are yet to be done. About 75 percent of this mapping is still subject to field editing.

New base maps of each national forest, on a scale of one-half inch to the mile, are being made, based upon planimetric mapping. Three base maps are in progress (about 75-percent completed) leaving 15 to be made.

During the past year aerial photography for mapping purposes, on a scale of 1: 20,000 or larger, was accomplished for about 3,000 square miles. Another 1,500 square miles was completed on a scale of 1: 40,000. Additional photography is needed. The amount will depend upon the quantity available to the Forest Service from other agencies.

Recreation maps were prepared for the Malheur and Siskiyou National Forest recreation folders, the latter 50-percent completed. Special topographic maps for timber-sale purposes, amounting to 230 square miles, were prepared for 25 separate sales scattered throughout the region.

Communications

We purchased 173 new radios in fiscal year 1955. This expanded the coverage by radio for forest protection. Radio use has also been an aid to better administration of all resource management work. The Forest Service radio laboratory has developed an automatic alarm for lookouts. This automatic alarm, attached to a battery radio, allows a dispatcher to call a lookout during periods when the lookout would normally be off the air. This devise should permit further reduction of telephone lines which are costly to maintain. Radio efficiency has been improved by the installation of remote and relay stations into forest areas not formerly covered. To accomplish this, a low-price remote-control unit for battery radios was developed, which permits operation of a single radio by two or more work stations which may be widely separated.

Automotive equipment

Without increasing the regional vehicle fleet inventory, peak summer needs were met by using some older cars and renting others from Bonneville Power Administration. The regional office and the Snoqualmie National Forest assisted the General Services Administration at Seattle in preparing a motor pool study and report. The auction method of selling old automotive equipment was used for the first time during 1955 with highly satisfactory results.

Building, water and sanitary systems

Architectural plans were prepared for renovation of 7 residences and 6 offices. Plans were prepared for 1 ski-warming hut, a new standard 3-bedroom residence and a 2-bedroom residence. Eight ranger station site plans were made. The Hemlock ranger Station water system on the Gifford Pinchot National Forest is being redesigned and reconstructed for safe domestic use and for adequate supply to the Wind River Tree Nursery. Studies were started for a sanitary system needed to serve this ranger station, the adjacent experiment station headquarters, residences, and the regional training school buildings.

Waterpower projects

Applications for licenses, and preliminary permits for waterpower projects on national forest land, require field examinations as to how these projects affect forest protection, administration, management, and use. Reports must be made to the Federal Power Commission. Eight cases were reported in 1955 and 18 applications are in active status.

In addition, the region has a total of 111 waterpower projects as of January 1, which require regular inspection and reports. Forty-eight of these are major and 52 are minor Federal Power Commission cases. The other 11 cases are projects approved by the authority vested in the Secretary of Agriculture before the existence of the Federal Power Act.

Soil study program

We have recognized the urgent need for more information about soil—to be used in determining proper road locations, adequate road drainage, soil stabilization and other practices involved in the multiple-use management of the forest resources. Work was begun in 1952 to develop satisfactory methods to be used in producing soils maps for extensive areas. As of January 1, 1956, field work mapping, field checking, and written reports have either been finished, or are in various stages of completion for all of the national forests in Washington.

OPERATION

Inadequate housing has become a major problem regionwide. It is of critical proportions in a considerable number of work areas. During the year an intensive survey of housing needs was made for each ranger district. The survey included the deficiencies in residences, ranger office space, small storage and warehouse buildings and other utilities. This survey was correlated with the anticipated program of national-forest development for the next 5 years. It was found we need at least $7 million for this project. It is particularly important that adequate housing be provided for timber-sale personnel if we are to reach our allowable annual cut in a planwise manner.

This critical situation was alleviated somewhat during the year. Eighty-eight house trailers were purchased from other Government agencies. They are being used by families in rapidly expanding work areas. This provides temporary relief in the most critical places until more suitable, permanent housing can be obtained.

During 1955, improvements were made in the operation of our regional office, by making further space adjustments, obtaining additional space, better lighting and air circulation, and necessary office equipment. To handle increased workloads, some additional personnel were added to the regional staff.

The task of preparing our annual budget of over $15 million, exclusive of cooperative work funds, was greater this year than ever before. This was due to: New legislation, including the Fringe Benefits Act; increased

appropriations to finance increasing workloads; salary increases; and refinements in the budgetary processes.

Plans were worked out with the General Services Administration and the Bonneville Power Administration to consolidate blueprinting, photostating, and other reproduction work. This should result in greater efficiency for this phase of the job.

Three other items are of interest. A total of 134 management improvement suggestions from employees were reviewed and processed. A study has been undertaken to develop a procedure for the use of IBM methods in checking truck log-load receipts. Details were worked out whereby a 2-acre tract of land, not needed at the site of the Mt. Hood supervisor's headquarters, was transferred through General Services Administration to Multnomah County, Oreg.

STATE AND PRIVATE FORESTRY

Cooperative forest protection

Federal funds allotted to the States under the cooperative Clarke-McNary forest protection program for fiscal year 1956, amounted to $612,679 for Oregon and $560,860 for Washington. This was approximately 25 percent of the amounts spent by the two States for the protection of State and private forest lands. Assistance was given the State forestry departments in developing safety programs and improving fire training and inspection procedures. Special assistance was given to the State Forester of Oregon in the development of job load analysis and standard accounting methods.

A study was begun with State officials to determine the cost of providing a basic level of protection for all State, and private forest lands. The report will be completed in 1956 and will be used, in part, for determining distribution of Federal C–M 2 funds to cooperating States.

Cooperative forest management

Beginning with fiscal year 1956, active supervision of the farm forestry program in the State of Washington will be under the State Supervisor of Forestry. This change was initiated by the Extension Service to consolidate and simplify those activities. The Extension Service continues to share the State's portion of the costs. All farm forestry projects in the region are now under the direct supervision of the State Forester.

Federal funds were made available for fiscal year 1956 for the cooperative forest management program in the amounts of $8,162 for Oregon and $11,100 for Washington. Of the total of $47,468 budgeted for the CFM program in Oregon and Washington, $19,252, or 40 percent, was made available through Federal allotment. This helps to provide for 10 farm foresters in the 2 States. One or two more are currently contemplated in the State of Washington.

Information was gathered regarding improved forest survey and inventory techniques through the use of punch cards and electronic calculators. This information was discussed in a conference of public and industrial foresters.

Special analysis of timber resource review data

The region, with the assistance of its many cooperators, obtained additional detailed information on conditions of recently cut timber lands when these were surveyed in the field for the Timber Resource Review. This information appears as a special section for the west coast, in chapter IV–B, Condition of recently cutover lands in the preliminary review draft of the Timber Resource Review. A study is now underway to determine the reasons for unsatisfactory stocking of cutover lands. This condition is prevalent in the smaller woodlands of Oregon and Washington. An effort will be made to determine what might be done to improve stocking of these timberlands.

Cooperative tree planting

Financial and technical assistance was given to State foresters in the production and distribution of 6½ million forest tree seedlings. State nurseries are currently being enlarged to produce more than twice this number of trees.

Agricultural conservation program

Technical forestry information was provided the Agricultural Stabilization and Conservation Office in the development and execution of the agricultural conservation program. In part, this is a supplement to the farm forestry activities aimed at encouraging improved forest management practices among small woodland owners.

PERSONNEL MANAGEMENT

Training

During 1955 approximately 70 young foresters were appointed to Forest Service positions. This brings the total number of technical foresters employed by the Forest Service in Oregon and Washington to approximately 600.

To accomplish the in-service training for these new men, and other personnel, nine training meetings were held. A 4-day orientation meeting in Portland was attended by 73 new foresters. An administrative and resource management training camp was held at the Wind River training station, attended by 39 trainees. Twenty-three fire control staffmen held a conference at Wind River training station, and an administrative assistants' training meeting at Portland, on the subject of internal audits, was attended by 1 representative from each of the 18 forests. Fifteen field men participated in a range management training meeting at Madras, Oreg.

Four engineering training courses were held as follows:

Course	Location	Trainees
Advanced road location, design and construction.	Portland, Oreg	20
Bridge course	do	26
Road location	Arboretum (in cooperation with OSC).	18
Staff leadership in road location and design.	Portland, Oreg	11

Safety

Continued emphasis on accident prevention at all levels of administration, and a near normal fire season (despite the critical fire situation in early September), resulted in the region performing 606,633 man-days of work with the low accident frequency rate[1] of 8.03. There were 33 cases of lost time due to personal injuries, and 6 cases due to occupational illness. The accident severity rate[2] was 1,464, the number of man-days lost on account of personal injuries and occupational illness numbered 7,143, and 1 fatality occurred from firefighting.

Pacific Northwest region, Forest Service—Condensed statement of receipts and expenditures national forest programs, fiscal year 1955

	Receipts	Expenditures	
		Operating	Investments
National forest protection and management and land utilization projects		$4,601,718	$304,436
Fighting forest fires		230,151	
Blister rust control		67,491	
Forest pest control		574,864	
Cooperative range improvements		22,071	
Road and trail system, construction and maintenance		1,398,553	2,870,455
Flood prevention and watershed protection		10,404	
Cooperative deposits	$57,395	89,247	
National forest and land utilization area receipts:			
Forest reserve fund	38,179,777		
Oregon and California lands (national forest)	1,271,251		
Land utilization areas (title III, Farm Tenant Act)	5,789		
Other miscellaneous receipts	343,313		
Total	39,857,525	6,994,499	3,174,891
Comparative total, statewide	82,340,150	50,144,523	24,503,380

Additional computation by the office of Senator Morse:

Pacific Northwest Region

Receipts		$39,857,525
Operating expenses	$6,994,499	
Investment expenses	3,174,891	
		10,169,390
Gross profit before taxes		29,688,135
Payment in lieu of taxes to local government		9,682,194
Net profit to United States		20,005,941

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have just reviewed the calendar with the distinguished minority leader. The Senate has only about 21 bills left on its calendar. Some of the bills have been passed over since January 1955 and should probably be returned to committee.

Calendar No. 1629, House bill 5265, to exempt certain additional foreign travel from the tax on the transportation of persons, is the unfinished business. After we convene on tomorrow, we shall proceed with the consideration of that bill.

I should like to have the Senate be on notice that it may be possible at some time in the not-too-distant future—perhaps on tomorrow, in some instances—for us to consider Calendar No. 235, Senate bill 300, to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Frying-pan-Arkansas project, Colorado; Calendar No. 832, Senate Resolution 131, relating to the refusal of Harvey M. Matusow to answer questions before a Senate subcommittee; Calendar No. 1193, Senate

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[1] Accident frequency rate=number of disabling injuries×1 million divided by number man-hours worked.

[2] Severity rate=number of man-days of lost time×1 million divided by number man-hours worked.

Concurrent Resolution 36, requiring conference reports to be accompanied by statements signed by a majority of the managers of each House; Calendar No. 1601, Senate bill 2042, to restore the jurisdiction of the district courts in certain civil actions brought against the United States; Calendar No. 1615, Senate bill 1687, for the relief of Lydia G. Dickerson; and Calendar No. 1595, Senate Concurrent Resolution 2, to establish a Joint Committee on Central Intelligence. I am sure it will not be possible, Mr. President, to arrange to have present on tomorrow all Senators on both sides who are interested in each of those measures; and of course they will not be called up unless the Senators who are interested in them are ready to have them taken up.

I should like to have the Record show that although the committees have been very diligent, at this session we have already passed hundreds of bills, and there are less than 21 measures on the calendar. So unless the committees quickly report additional measures, there will not be many important ones for the Senate to consider.

I call the attention of the Senator from Montana [Mr. Mansfield] to the possibility that Calendar No. 1595, Senate Concurrent Resolution 2, may be considered by the Senate on tomorrow. I rather doubt that the Senate will reach it tomorrow, because several Senators who desire to speak on that measure may not be present at that time. But during the evening I shall try to get in touch with them; and if we find that it is possible to have the Senate act tomorrow on the other measures to which I have referred, we shall try to have the Senate take up the Senator's concurrent resolution. We wish to accommodate him if we possibly can.

Mr. MANSFIELD. Mr. President, I desire to thank both the majority leader and the minority leader for giving consideration to the possibility of having the Senate consider on tomorrow Senate Concurrent Resolution 2, to establish a Joint Committee on Central Intelligence.

I realize there is some opposition to that measure, and that it may not be possible to have the Senate consider it on tomorrow. However, I am very appreciative of the fact that the leaders on both sides are agreeable to having the concurrent resolution considered on tomorrow. On the other hand, if anything prevents its consideration on tomorrow, I wonder whether the majority leader and the minority leader are able to give me assurance that the concurrent resolution will be considered as soon as possible following the recess.

Mr. JOHNSON of Texas. Mr. President, I am very anxious to accommodate the Senator from Montana. I spoke to him on yesterday, I believe, about the concurrent resolution. I shall do all I can to have it considered by the Senate as soon as possible; and I shall also do anything else the Senator from Montana wants done, insofar as I am able to do it.

Mr. MANSFIELD. I thank the distinguished Senator from Texas.

Mr. KNOWLAND. Mr. President, in response to the Senator's inquiry, let me say, further, that if it is not possible for the Senate to consider Senate Concurrent Resolution 2 on tomorrow, and still accommodate certain Senators, I shall certainly cooperate with the majority leader in urging that that measure be scheduled for consideration possibly immediately following the action of the Senate on the conference report on the farm bill, which I assume will be ready for our action when we return from the Easter recess.

Although the Senator from Montana knows that I am not supporting his concurrent resolution, nevertheless I believe it should be called up and should be subject to consideration by the Senate.

Mr. MANSFIELD. Mr. President, I wish to thank the distinguished minority leader, who once again is exhibiting his great sense of fairness. I am perfectly satisfied, on the assurance of both the majority leader and the minority leader, that this measure will receive consideration in due time.

ORDER FOR RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until tomorrow at 12 o'clock noon.

The PRESIDING OFFICER (Mr. Thurmond in the chair). Without objection, it is so ordered.

EXTENSION OF ON-FARM TRAINING PROGRAM

Mr. MANSFIELD. Mr. President, I introduce, for appropriate reference, a bill to extend the time for initiating and pursuing programs of institutional on-farm training under the Veterans' Readjustment Assistance Act of 1952.

When the GI bill for veterans of the Korean war was passed it included a provision for institutional on-farm training for interested veterans. This program is of particular importance in the State of Montana, where a considerable number of the people rely on farming and ranching.

In some of the more isolated and less populated areas of the State these programs have been delayed because there had been too few qualified veterans to warrant the offering of such training by a school located in the area of their residence. However, the institutional on-farm training class was then started in several Montana cities when interest had increased; but a number of veterans were unable to enroll under Public Law 550 because their 3-year period for the initiation of the program of education or training under the law had expired. I am sure that comparable situations will be found in all the other States.

The bill I am introducing would extend the time when a veteran may start this program. I do not like to see a veteran penalized for not participating in a program which, through no fault of his own, was not made readily available to him.

Mr. President, I ask unanimous consent that the bill I have introduced be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3553) to extend the time for initiating and pursuing programs of institutional on-farm training under the Veterans' Readjustment Assistance Act of 1952, introduced by Mr. Mansfield, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That section 212 (a) of the Veterans' Readjustment Assistance Act of 1952 is amended by inserting before the period at the end thereof a semicolon and the following: "except that an eligible veteran may, with the approval of the Administrator, initiate a program of institutional on-farm training at any time within 5 years after his discharge or release from active service."

Sec. 2. Section 213 of such act is amended to read as follows:

"EXPIRATION OF ALL EDUCATION AND TRAINING

"Sec. 213. (a) No education or training shall be afforded an eligible veteran (other than an eligible veteran to whom subsection (b) applies) under this title beyond 8 years after either his discharge or release from active service or the end of his basic service period, whichever is earlier.

"(b) An eligible veteran who initiates a program of institutional on-farm training under this title more than 3 years after his discharge or release from active service may, with the approval of the Administrator, be afforded institutional on-farm training under this title until the end of the 10th year after his discharge or release from active service.

"(c) In no event shall education or training be afforded under this title after January 31, 1965."

RECESS

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, March 29, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 28 (legislative day, March 26), 1956:

UNITED NATIONS

Stanley C. Allyn, of Ohio, to be a representative of the United States of America to the 11th session of the Economic Commission for Europe of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

Sheldon T. Mills, of Oregon, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Afghanistan.

Jefferson Patterson, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

Dempster McIntosh, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela.

NATIONAL SCIENCE FOUNDATION

T. Keith Glennan, of Ohio, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1958.

RAILROAD RETIREMENT BOARD

Thomas M. Healy, of Georgia, to be a member of the Railroad Retirement Board for the remainder of the term expiring August 28, 1958.

NATIONAL LABOR RELATIONS BOARD

Stephen Sibley Bean, of Maryland, to be a member of the National Labor Relations Board for the term expiring August 27, 1960.

SUBVERSIVE ACTIVITIES CONTROL BOARD

R. Lockwood Jones, of Oklahoma, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1960.

Francis Adams Cherry, of Arkansas, to be a member of the Subversive Activities Control Board for the term expiring March 4, 1960.

UNITED STATES CIRCUIT JUDGE

Warren E. Burger, of Minnesota, to be United States circuit judge for District of Columbia circuit.

UNITED STATES DISTRICT JUDGES

Paul C. Weick, of Ohio, to be United States district judge for northern district of Ohio.

C. William Kraft, Jr., of Pennsylvania, to be United States district judge for eastern district of Pennsylvania.

DISTRICT OF COLUMBIA MUNICIPAL COURT OF APPEALS

Leo A. Rover, of the District of Columbia, to be chief judge of the municipal court of appeals for the District of Columbia for term of 10 years.

SUPREME COURT, TERRITORY OF HAWAII

Philip L. Rice, of Hawaii, to be chief justice of the supreme court, Territory of Hawaii, for term of 4 years.

CIRCUIT COURTS, TERRITORY OF HAWAII

Cable A. Wirtz, of Hawaii, to be judge of the second circuit, circuit courts, Territory of Hawaii.

UNITED STATES ATTORNEY

William L. Longshore, of Alabama, to be United States attorney for the northern district of Alabama for term of 4 years.

UNITED STATES PUBLIC HEALTH SERVICE

Leonard Andrew Scheele, of Michigan, to be Surgeon General for term of 4 years.

The following appointments in the Regular Corps of the Public Health Service, subject to qualifications therefor as provided by law and regulations, to be effective date of acceptance:

To be senior surgeon

Anibal R. Valle
Paul Q. Peterson
Trois E. Johnson

To be surgeon

Osamu Hayaishi
Gerald R. Cooper
Phyllis Q. Edwards
Henry K. Beye
Frank W. Mount
Jack Orloff
William L. Bunch, Jr.

To be senior dental surgeon

Clarence A. Eggler

To be dental surgeon

Paul H. Keyes

To be sanitary engineer

Arve H. Dahl
Paul W. Reed

To be senior scientist

Lloyd W. Law
Everette L. May

To be scientist

Melvin H. Goodwin, Jr.

To be veterinarian

Raymond J. Helvig

To be senior nurse officer

Mary O. Jenney

To be nurse officer

Doris E. Roberts

To be dietitian

Dorothy M. Youland

To be senior assistant surgeon

John K. Irion
Harold P. Schedl
Allen C. Pirkle
James L. German
Patrick J. Hennelly, Jr.
Lesther Winkler
Samuel G. Southwick
Robert H. Parrott
Edward F. Wenzlaff

To be assistant surgeon

Duane L. Hanson
W. King Engel
Theodore A. Labow
Munsey S. Wheby
James C. Wooton
Alvin Singer
Lowell H. Hansen
Donald A. Neher
Leon N. Branton
Alex Rosen
Herman L. Smith
Hugh S. Pershing

To be assistant dental surgeon

Dale E. Smith

To be nurse officer

Mildred Struve

To be senior assistant nurse officer

Jean C. Casey

To be senior assistant therapist

Josef Hoog
Howard A. Haak
John F. Burke
JaNeva I. Porter
John R. De Simio
Nellie L. Evans

To be assistant therapist

Royce P. Noland
Michael J. Oliva
Dean P. Currier
Lennes A. Talbot, Jr.

To be junior assistant therapist

Arthur J. Nelson, Jr.
Dell C. Nelms
John L. Echternach
James W. Barbero

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HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 28, 1956

The House met at 12 o'clock noon.

Rev. Reginald Wall, of Decatur, Ga., offered the following prayer:

Our Father, it is with a deep sense of unworthiness that we approach Thy throne of grace. Especially during this Holy Week which reminds us of the sufferings of our Saviour do we realize what undeserving creatures and unprofitable servants we are. When we think of all the Christian church has done in her earnest desire to evangelize the world and then face the painful fact that in all of these 2,000 years she has been able to win but little more than one-tenth of the world's people to a saving knowledge of our Lord, when we look up and down the columns of our newspapers and see every page crimson with the history of the broken laws of God and man, when we see the nations of the world unable to adjust their differences and increasing their armaments to a point never known before in history, we are compelled to cry from the depths of needy souls, Lord help us and guide us. We would intercede on behalf of these leaders of our own dear land with whom is entrusted so much responsibility. Enlighten their minds and strengthen their faith in Thee. Grant us such true statesmen in Congress, such godly teachers in our schools, such divinely called and courageous men in our pulpits, and such consecrated Christian parents in our homes till true brotherhood must prevail throughout our world and peace cannot perish from the earth. This we pray through Jesus Christ our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8780) entitled "An act to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes."

The message also announced that the Senate agrees to the conference asked by the House on the bill (H. R. 9770) to provide revenue for the District of Columbia, and other purposes; and appoints Messrs. Bible, Frear and Beall, as its managers.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9770) entitled "An act to provide revenue for the District of Columbia, and for other purposes."

RELIEF FROM TAXES ON GASOLINE USED ON FARMS

Mr. COOPER. Mr. Speaker, I call up the conference report on the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1957)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2 and 3 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"'(A) by the owner, tenant, or operator of a farm, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife, on a farm of which he is the owner, tenant, or operator; except that if such use is by any person other than the owner, tenant, or operator of such farm, then (i) for purposes of this subparagraph, in applying subsection (a) to this subparagraph, and for purposes of section 6416 (b) (2) (C) (ii) (but not for purposes of section 4041), the owner, tenant, or operator of the farm on which gasoline or a liquid taxable under section 4041 is used shall be treated as the user and ultimate purchaser of such gasoline or liquid, and (ii) for purposes of applying section 6416 (b) (2) (C) (ii), any tax paid under section 4041 in respect of a liquid used on a farm for farming purposes (within the meaning of this subparagraph) shall be treated as having been paid by the owner, tenant, or operator of the farm on which such liquid is used;'" and the Senate agree to the same.

Jere Cooper,
W. D. Mills,
Noble J. Gregory,
Daniel A. Reed,
By T. A. Jenkins,
Thomas A. Jenkins,
Managers on the Part of the House.

Harry F. Byrd,
Walter F. George,
By Harry F. Byrd,
Robt. Kerr,
Edward Martin,
Frank Carlson,
Managers on the Part of the Senate.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8780) to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Subparagraphs (A), (B), (C), and (D) of section 6420 (c) (3) of the Internal Revenue Code of 1954 as proposed to be amended by the bill as it passed both the House and Senate, prescribe the uses of gasoline which for purposes of the bill are to be treated as use for farming purposes. Senate amendment No. 1 struck out subparagraph (A) and inserted a substitute. No change was made in subparagraph (B), (C), or (D).

Under subparagraph (A) of the House bill, gasoline was to be treated as used for farming purposes if used by "any person" in connection with cultivating the soil, or in connection with raising or harvestng any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife.

Under Senate amendment No. 1, gasoline used for any of the purposes set forth in the preceding paragraph was to be treated as used for farming purposes only if used by the owner, tenant, or operator of a farm (1) on a farm of which he is the owner, tenant, or operator, or (2) on any other farm (but only if the gasoline used by him on other farms is less than one-half of all gasoline used by him, during the period with respect to which claim is filed, on all farms for the purposes set forth in the preceding paragraph). Thus, under the Senate amendment gasoline used by a custom operator or other independent contractor in performing a service for one of the purposes specified in section 6420 (c) (3) (A) was not to be included in any refund claim.

Under the conference agreement, as under the House bill and the Senate amendment, if gasoline is used on a farm by the owner, tenant, or operator thereof for the purposes set forth above, he will be entitled to the payment provided for under the new section 6420 if he is the ultimate purchaser of such gasoline. In addition, under the conference agreement, if gasoline is used on a farm by any other person for these purposes, the owner, tenant, or operator of such farm is treated as the user and ultimate purchaser of the gasoline, and is therefore entitled to the payment. For example, where a custom operator uses the gasoline, the owner, tenant, or operator of the farm on which the gasoline is used will be entitled to the payment. In general, in the case where a custom operator performs services described in the new section 6420 (c) (3) (A) on a farm, the payment under section 6420 (a) will be made to the person (the owner, tenant, or operator, as the case may be) for whom such services are performed.

Under the conference agreement, comparable rules are provided with respect to diesel fuel and special motor fuels. For example, if a custom operator performs services described in the new section 6420 (c) (3) (A) and uses a special fuel in a motor vehicle, the tax imposed by section 4041 (b) would apply but the owner, tenant, or operator of the farm on which the fuel is used will be entitled to a refund of the tax paid with respect to the fuel used on the farm. As in the case of gasoline, the refund will, in general, be made to the person (the owner, tenant, or operator, as the case may be) for whom the custom operator performed the services.

Amendments Nos. 2 and 3: These amendments are clerical. The House recedes.

Jere Cooper,
W. D. Mills,
Noble J. Gregory,
Daniel A. Reed,
By T. A. Jenkins,
Thomas A. Jenkins,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 8780 as it passed the House would have relieved farmers of the burden of the excise taxes on gasoline and special motor fuels used on their farms for farming purposes. Since the cost of these fuels contributes to the expenses of farming, the bill would have removed the taxes on these fuels from the farmers' operating costs, providing them with approximately $60 million a year by way of tax relief.

The Senate basically adopted the House-passed bill. However, it amended the bill to deny tax relief in certain cases where custom operators, that is, independent contractors, perform services on a farm for a farmer in connection with the raising or harvesting of a crop. The House bill would have granted such custom operators relief from the fuel taxes where they did this work for farmers. The Senate amendment would have reduced the tax relief by $1 million, to about $59 million, as compared to the $60 million of relief under the House-passed bill. The Senate felt that custom operators should be excluded from this relief "because there is no assurance that they will pass the benefit of the refunds on to the farmers." The relief would under the Senate bill generally still have been available to farmers who exchange services with each other provided these services constituted less than one-half of the total services of the farmer.

The conference agreement would grant relief in the case of custom operations for the farmer by allowing a refund with respect to gasoline and special fuels used by custom operators, but the refund will be payable only to the farmer on whose farm the custom work is performed. The conference agreement assures that the farmer will benefit by the tax relief provided in the case of custom operations on his farm.

There also were two clerical amendments made by the Senate, to which the House conferees agreed.

I urge that the bill as agreed to in conference be adopted by the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, this bill, H. R. 8780, embodies President Eisenhower's recommendation that the Nation's farmers be relieved of the burden of the Federal excise tax on gasoline used on the farm in the course of farming operations. I introduced a bill to carry out this proposal, as did our distinguished chairman, the gentleman from Tennessee [Mr. Cooper], immediately following receipt of the President's recommendation.

The bill passed the House and the Senate with one major difference. The Senate bill denied the gas-tax relief in the case of so-called custom operations. I believe that the conferees have worked out a provision which resolves this difference very satisfactorily to all concerned. Under the conference agreement, a refund of the gasoline tax is to be available in all cases where gasoline is used for cultivating the soil for raising or harvesting crops, but, under our compromise, the refund will be payable only to the farmer on whose farm the gasoline is used and not to the custom operator. This amendment guarantees that the tax relief will go where we intended it to go, namely, to the farmer himself.

I believe that the Congress is to be commended for acting so promptly upon this recommendation of President Eisenhower.

TREASURY-POST OFFICE APPROPRIATION BILL, 1957

Mr. GARY. Mr. Speaker, I call up the conference report on the bill (H. R. 9064) appropriating funds for the Treasury and Post Office Departments and the Tax Court of the United States and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1956)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9064) making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,113,440,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$650,000,000"; and the Senate agree to the same.

J. Vaughan Gary,
Otto E. Passman,
Alfred D. Sieminski,
James C. Murray,
Gordon Canfield,
Benjamin F. James,
John Taber,
Managers on the Part of the House.

A. Willis Robertson,
John L. McClellan,
Dennis Chavez,
Earle C. Clements,
Olin D. Johnston,
Joseph R. McCarthy,
Styles Bridges,
Everett M. Dirksen,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate on the bill (H. R. 9064) making appropriations for the Treasury and the Post Office Departments, and to the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

FEDERAL FACILITIES CORPORATION FUND

Amendment No. 1: Corrects punctuation as proposed by the Senate.

POST OFFICE DEPARTMENT

Amendment No. 2: Appropriates $2,113,440,000 for "Operations," instead of $2,108,000,000 as proposed by the House and $2,118,880,000 as proposed by the Senate.

Amendment No. 3: Appropriates $650,000,000 for "Transportation," instead of $645,000,000 as proposed by the House and $655,000,000 as proposed by the Senate.

J. Vaughan Gary,
Otto E. Passman,
Alfred D. Sieminski,
James C. Murray,
Gordon Canfield,
Benj. F. James,
John Taber,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

PROVIDING REVENUE FOR DISTRICT OF COLUMBIA

Mr. SMITH of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept No. 1958)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$12,000,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$16,000,000"; and the Senate agree to the same.

Howard W. Smith,
Oren Harris,
Jos. P. O'Hara,
Managers on the Part of the House.

Alan Bible,
J. Allen Frear, Jr.,
J. Glenn Beall,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

There were two principal differences between the House version and the Senate version of the bill. The House version contained no exemption from the 2-percent sales and use taxes on the gross proceeds from the rental of textiles, the essential part of which includes recurring service of laundering or cleaning thereof (industrial laundry and diaper service companies). The Senate bill contained such an exemption. Under the conference agreement the Senate provision was retained.

The House version of the bill authorized an appropriation for fiscal year 1957, and each fiscal year thereafter, of $11,000,000 toward defraying the expenses of the government of the District of Columbia. The Senate version raised this amount to $13,000,000. These amounts are in addition to the $11,000,000 authorized for such purposes by section 1 of article VI of the District of Columbia Revenue Act of 1947, as amended. Thus, under the House version the total authorized Federal contribution was $22,000,000, and under the Senate version it was $24,000,000. The House version also provided that so much of the aggregate annual payments by the United States to the general fund of the District of Columbia as is in excess of $15,000,000 for fiscal year 1957, and subsequent fiscal years, would be available for capital outlay only. The Senate bill raised the $15,000,000 figure in the House bill to $17,000,000. Thus under either the House version or the Senate version there would be $7,000,000 available under this authorization for capital outlay. The conference agreement provides for an authorization of $12,000,000 for fiscal year 1957, and subsequent years, or a total of $23,000,000. Of this $23,000,000, $7,000,000 will be available for capital outlays.

Howard W. Smith,
Oren Harris,
Jos. P. O'Hara,
Managers on the part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

COLORADO RIVER STORAGE PROJECT

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (S. 500) to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1950)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 500) entitled "An Act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment, as follows: In lieu of the matter inserted by the House amendment insert the following: "That, in order to initiate the comprehensive development of the water resources of the Upper Colorado River Basin, for the purposes, among others, of regulating the flow of the Colorado River, storing water for beneficial consumptive use, making it possible for the States of the Upper Basin to utilize, consistently with the provisions of the Colorado River Compact, the apportionments made to and among them in the Colorado River Compact and the Upper Colorado River Basin Compact, respectively, providing for the reclamation of arid and semiarid land, for the control of floods, and for the generation of hydroelectric power, as an incident of the foregoing purposes, the Secretary of the Interior is hereby authorized (1) to construct, operate, and maintain the following initial units of the Colorado River storage project, consisting of dams, reservoirs, powerplants, transmission facilities and appurtenant works: Curecanti, Flaming Gorge, Navajo (dam and reservoir only), and Glen Canyon: *Provided*, That the Curecanti Dam shall be constructed to a height which will impound not less than nine hundred and forty thousand acre-feet of water or will create a reservoir of such greater capacity as can be obtained by a high waterline located at seven thousand five hundred and twenty feet above mean sea level, and that construction thereof shall not be undertaken until the Secretary has, on the basis of further engineering and economic investigations, reexamined the economic justification of such unit and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress and to the President that, in his judgment, the benefits of such unit will exceed its costs; and (2) to construct, operate, and maintain the following additional reclamation projects (including power-generating and transmission facilities related thereto), hereinafter referred to as participating projects: Central Utah (initial phase); Emery County, Florida, Hammond, La Barge, Lyman, Paonia (including the Minnesota unit, a dam and reservoir on Muddy Creek just above its confluence with the North Fork of the Gunnison River, and other necessary works), Pine River Extension, Seedskadee, Silt and Smith Fork: *Provided further*, That as part of the Glen Canyon Unit the Secretary of the Interior shall take adequate protective measures to preclude impairment of the Rainbow Bridge National Monument.

"Sec. 2. In carrying out further investigations of projects under the Federal reclamation laws in the Upper Colorado River Basin, the Secretary shall give priority to completion of planning reports on the Gooseberry, San Juan-Chama, Navajo, Parshall, Troublesome, Rabbit Ear, Eagle Divide, San Miguel, West Divide, Bluestone, Battlement Mesa, Tomichi Creek, East River, Ohio Creek, Fruitland Mesa, Bostwick Park, Grand Mesa, Dallas Creek, Savery-Pot Hook, Dolores, Fruit Growers Extension, Animas-La Plata, Yellow Jacket, and Sublette participating projects. Said reports shall be completed as expeditiously as funds are made available therefor and shall be submitted promptly to the affected States, which in the case of the San Juan-Chama project shall include the State of Texas, and thereafter to the President and the Congress: *Provided*, That with reference to the plans and specifications for the San Juan-Chama project, the storage for control and regulation of water imported from the San Juan River shall (1) be limited to a single offstream dam and reservoir on a tributary of the Chama River, (2) be used solely for control and regulation and no power facilities shall be established, installed or operated thereat, and (3) be operated at all times by the Bureau of Reclamation of the Department of the Interior in strict compliance with the Rio Grande Compact as administered by the Rio Grande Compact Commission. The preparation of detailed designs and specifications for the works proposed to be constructed in connection with projects shall be carried as far forward as the investigations thereof indicate is reasonable in the circumstances.

"The Secretary, concurrently with the investigations directed by the preceding paragraph, shall also give priority to completion of a planning report on the Juniper project.

"Sec. 3. It is not the intention of Congress, in authorizing only those projects designated in section 1 of this Act, and in authorizing priority in planning only those additional projects designated in section 2 of this Act, to limit, restrict, or otherwise interfere with such comprehensive development as will provide for the consumptive use by States of the Upper Colorado River Basin of waters, the use of which is apportioned to the Upper Colorado River Basin by the Colorado River Compact and to each State thereof by the Upper Colorado River Basin Compact, nor to preclude consideration and authorization by the Congress of additional projects under the allocations in the compacts as additional needs are indicated. It is the intention of Congress that no dam or reservoir constructed under the authorization of this Act shall be within any national park or monument.

"Sec. 4. Except as otherwise provided in this Act, in constructing, operating, and maintaining the units of the Colorado River storage project and the participating projects listed in section 1 of this Act, the Secretary shall be governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto): *Provided*, That (a) irrigation repayment contracts shall be entered into which, except as otherwise provided for the Paonia and Eden projects, provide for repayment of the obligation assumed thereunder with respect to any project contract unit over a period of not more than fifty years exclusive of any development period authorized by law; (b) prior to construction of irrigation distribution facilities, repayment contracts shall be made with an 'organization' as defined in paragraph 2 (g) of the Reclamation Project Act of 1939 (53 Stat. 1187) which has the capacity to levy assessments upon all taxable real property located within its boundaries to assist in making repayments, except where a substantial proportion of the lands to be served are owned by the United States; (c) contracts relating to municipal water supply may be made without regard to the limitations of the last sentence of section 9 (c) of the Reclamation Project Act of 1939; and (d), as to Indian lands within, under or served by any participating project, payment of construction costs within the capability of the land to repay shall be subject to the Act of July 1, 1932 (47 Stat. 564): *Provided further*, That for a period of ten years from the date of enactment of this Act, no water from any participating project authorized by this Act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security. All units and participating projects shall be subject to the apportionments of the use of water between the Upper and Lower Basins of the Colorado River and among the States of the Upper Basin fixed in the Colorado River Compact and the Upper Colorado River Basin Compact, respectively, and to the terms of the treaty with the United Mexican States (Treaty Series 994).

"Sec. 5. (a) There is hereby authorized a separate fund in the Treasury of the United States to be known as the Upper Colorado River Basin Fund (hereinafter referred to as the Basin Fund), which shall remain available until expended, as hereafter provided, for carrying out provisions of this Act other than section 8.

"(b) All appropriations made for the purpose of carrying out the provisions of this Act, other than section 8, shall be credited to the Basin Fund as advances from the general fund of the Treasury.

"(c) All revenues collected in connection with the operation of the Colorado River storage project and participating projects shall be credited to the Basin Fund, and shall be available, without further appropriation, for (1) defraying the costs of operation, maintenance, and replacements of, and emergency expenditures for, all facilities of the Colorado River storage project and participating projects, within such separate limitations as may be included in annual appropriation acts: *Provided*, That with respect to each participating project, such costs shall be paid from revenues received from each such project; (2) payment as required by subsection (d) of this section; and (3) payment as required by subsection (e) of this section. Revenues credited to the Basin Fund shall not be available for appropriation for construction of the units and participating projects authorized by or pursuant to this Act.

"(d) Revenues in the Basin Fund in excess of operating needs shall be paid annually to the general fund of the Treasury to return—

"(1) the costs of each unit, participating project, or any separable feature thereof which are allocated to power pursuant to section 6 of this Act, within a period not exceeding fifty years from the date of completion of such unit, participating project, or separable feature thereof;

"(2) the costs of each unit, participating project, or any separable feature thereof which are allocated to municipal water supply pursuant to section 6 of this Act, within a period not exceeding fifty years from the date of completion of such unit, participating project, or separable feature thereof;

"(3) interest on the unamortized balance of the investment (including interest during construction) in the power and municipal water supply features of each unit, participating project, or any separable feature thereof, at a rate determined by the Secretary of the Treasury as provided in subsection (f), and interest due shall be a first charge; and

"(4) the costs of each storage unit which are allocated to irrigation pursuant to section 6 of this Act within a period not exceeding fifty years.

"(e) Revenues in the Basin Fund in excess of the amounts needed to meet the requirements of clause (1) of subsection (c) of this section, and to return to the general fund of the Treasury the costs set out in subsection (d) of this section, shall be apportioned among the States of the Upper Division in the following percentages: Colorado, 46 per centum; Utah, 21.5 per centum; Wyoming, 15.5 per centum; and New Mexico, 17 per centum: *Provided*, That prior to the application of such percentages, all revenues remaining in the Basin Fund from each participating project (or part thereof), herein or hereinafter authorized, after payments, where applicable, with respect to such projects, to the general fund of the Treasury under subparagraphs (1), (2), and (3) of subsection (d) of this section shall be apportioned to the State in which such participating project, or part thereof, is located.

"Revenues so apportioned to each State shall be used only for the repayment of construction costs of participating projects or parts of such projects in the State to which such revenues are apportioned and shall not be used for such purpose in any other State without the consent, as expressed through its legally constituted authority, of the State to which such revenues are apportioned. Subject to such requirement, there shall be paid annually into the general fund of the Treasury from the revenues apportioned to each State (1) the costs of each participating project herein authorized (except Paonia) or any separable feature thereof, which are allocated to irrigation pursuant to section 6 of this Act, within a period not exceeding fifty years, in addition to any development period authorized by law, from the date of completion of such participating project or separable feature thereof, or, in the case of Indian lands, payment in accordance with section 4 of this Act; (2) costs of the Paonia project, which are beyond the ability of the water users to repay, within a period prescribed in the Act of June 25, 1947 (61 Stat. 181); and (3) costs in connection with the irrigation features of the Eden project as specified in the Act of June 28, 1949 (63 Stat. 277).

"(f) The interest rate applicable to each unit of the storage project and each participating project shall be determined by the Secretary of the Treasury as of the time the first advance is made for initiating construction of said unit or project. Such interest rate shall be determined by calculating the average yield to maturity on the basis of daily closing market bid quotations during the month of June next preceding the fiscal year in which said advance is made, on all interest-bearing marketable public debt obligations of the United States having a maturity date of fifteen or more years from the first day of said month, and by adjusting such average annual yield to the nearest one-eighth of 1 per centum.

"(g) Business-type budgets shall be submitted to the Congress annually for all operations financed by the Basin Fund.

"Sec. 6. Upon completion of each unit, participating project or separable feature thereof, the Secretary shall allocate the total costs (excluding any expenditures authorized by section 8 of this Act) of constructing said unit, project or feature to power, irrigation, municipal water supply, flood control, navigation, or any other purposes authorized under reclamation law. Allocations of construction, operation and maintenance costs to authorized nonreimbursable purposes shall be nonreturnable under the provisions of this Act. In the event that the Navajo participating project is authorized, the costs allocated to irrigation of Indian-owned tribal or restricted lands within, under, or served by such project, and beyond the capability of such lands to repay, shall be determined, and, in recognition of the fact that assistance to the Navajo Indians is the responsibility of the entire nation, such costs shall be nonreimbursable. On January 1 of each year the Secretary shall report to the Congress for the previous fiscal year, beginning with the fiscal year 1957, upon the status of the revenues from, and the cost of, constructing, operating, and maintaining the Colorado River storage project and the participating projects. The Secretary's report shall be prepared to reflect accurately the Federal investment allocated at that time to power, to irrigation, and to other purposes, the progress of return and repayment thereon, and the estimated rate of progress, year by year, in accomplishing full repayment.

"Sec. 7. The hydroelectric powerplants and transmission lines authorized by this Act to be constructed, operated, and maintained by the Secretary shall be operated in conjunction with other Federal powerplants, present and potential, so as to produce the greatest practicable amount of power and energy that can be sold at firm power and energy rates, but in the exercise of the authority hereby granted he shall not affect or interfere with the operation of the provisions of the Colorado River Compact, the Upper Colorado River Basin Compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act and any contract lawfully entered unto under said Compacts and Acts. Subject to the provisions of the Colorado River Compact, neither the impounding nor the use of water for the generation of power and energy at the plants of the Colorado River storage project shall preclude or impair the appropriation of water for domestic or agricultural purposes pursuant to applicable State law.

"Sec. 8. In connection with the development of the Colorado River storage project and of the participating projects, the Secretary is authorized and directed to investigate, plan, construct, operate, and maintain (1) public recreational facilities on lands withdrawn or acquired for the development of said project or of said participating projects, to conserve the scenery, the natural, historic, and archeologic objects, and the wildlife on said lands, and to provide for public use and enjoyment of the same and of the water areas created by these projects by such means as are consistent with the primary purposes of said projects; and (2) facilities to mitigate losses of, and improve conditions for, the propagation of fish and wildlife. The Secretary is authorized to acquire lands and to withdraw public lands from entry or other disposition under the public land laws necessary for the construction, operation, and maintenance of the facilities herein provided, and to dispose of them to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable.

"Sec. 9. Nothing contained in this Act shall be construed to alter, amend, repeal, construe, interpret, modify, or be in conflict with the provisions of the Boulder Canyon Project Act (45 Stat. 1057), the Boulder Canyon Project Adjustment Act (54 Stat. 774), the Colorado River Compact, the Upper Colorado River Basin Compact, the Rio Grande Compact of 1938, or the Treaty with the United Mexican States (Treaty Series 994).

"Sec. 10. Expenditures for the Flaming Gorge, Glen Canyon, Curecanti, and Navajo initial units of the Colorado River storage project may be made without regard to the soil survey and land classification requirements of the Interior Department Appropriation Act, 1954.

"Sec. 11. The Final Judgment, Final Decree and stipulations incorporated therein in the consolidated cases of *United States of America* v. *Northern Colorado Water Conservancy District, et al.*, Civil Nos. 2782, 5016 and 5017, in the United States District Court for the District of Colorado, are approved, shall become effective immediately, and the proper agencies of the United States shall act in accordance therewith.

"Sec. 12. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this Act, but not to exceed $760,000,000.

"Sec. 13. In planning the use of, and in using credits from, net power revenues available for the purpose of assisting in the payout of costs of participating projects herein and hereafter authorized in the States of Colorado, New Mexico, Utah, and Wyoming, the Secretary shall have regard for the achievement within each of said States of the fullest practicable use of the waters of the Upper Colorado River system, consistent with the apportionment thereof among such States.

"Sec. 14. In the operation and maintenance of all facilities, authorized by Federal law and under the jurisdiction and supervision of the Secretary of the Interior, in the basin of the Colorado River, the Secretary of the Interior is directed to comply with the applicable provisions of the Colorado River Compact, the Upper Colorado River Basin Compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act, and the Treaty with the United Mexican States, in the storage and release of water from reservoirs in the Colorado River Basin. In the event of the failure of the Secretary of the Interior to so comply, any State of the Colorado River Basin may maintain an action in the Supreme Court of the United States to enforce the provisions of this section, and consent is given to the joinder of the United States as a party in such suit or suits, as a defendant or otherwise.

"Sec. 15. The Secretary of the Interior is directed to continue studies and to make a report to the Congress and to the States of the Colorado River Basin on the quality of water of the Colorado River.

"Sec. 16. As used in this Act—

"The terms 'Colorado River Basin', 'Colorado River Compact', 'Colorado River System', 'Lee Ferry', 'States of the Upper Division', 'Upper Basin', and 'domestic use' shall have the meaning ascribed to them in article II of the Upper Colorado River Basin Compact;

"The term 'States of the Upper Colorado River Basin' shall mean the States of Arizona, Colorado, New Mexico, Utah, and Wyoming;

"The term 'Upper Colorado River Basin' shall have the same meaning as the term 'Upper Basin';

"The term 'Upper Colorado River Basin Compact' shall mean that certain compact executed on October 11, 1948 by commissioners representing the States of Arizona, Colorado, New Mexico, Utah, and Wyoming, and consented to by the Congress of the United States of America by Act of April 6, 1949 (63 Stat. 31);

"The term 'Rio Grande Compact' shall mean that certain compact executed on March 18, 1938, by commissioners representing the States of Colorado, New Mexico, and Texas and consented to by the Congress of the United States of America by Act of May 31, 1939 (53 Stat. 785);

"The term 'Treaty with the United Mexican States' shall mean that certain treaty between the United States of America and the United Mexican States, signed at Washington, District of Columbia, February 3, 1944, relating to the utilization of the waters of the Colorado River and other rivers, as amended and supplemented by the protocol dated November 14, 1944, and the understandings recited in the Senate resolution of April 18, 1945, advising and consenting to ratification thereof."

And the House agree to the same.

Clair Engle,
Wayne N. Aspinall,
Leo W. O'Brien,
William A. Dawson,
John P. Saylor,
Managers on the Part of the House.

Clinton P. Anderson,
Henry M. Jackson,
Joseph C. O'Mahoney,
Eugene D. Millikin,
Arthur V. Watkins,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 500, "To authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River Storage Project and participating projects, and for other purposes," submit the following statement in explanation of the effect of the language agreed upon and recommended in the accompanying conference report. The language incorporates the recommendations of the conference committee with respect to each of the differences between the Senate and House bills.

SCOPE OF THE PROJECT

With respect to the scope of the project, the conference committee agreed to retain in the bill for authorization only the four storage units and eleven participating projects in the House-approved bill.

The matter of retaining intact our national park system was an important issue in the consideration by Congress of this legislation. The House-approved bill—

(1) deleting the Echo Park storage unit,

(2) requiring "protective measures to preclude impairment of the Rainbow Bridge National Monument", and

(3) expressing the "intention of Congress that no dam or reservoir constructed under the authorization of this Act shall be within any national park or monument",—

makes clear the intention of the House that there be no invasion or impairment of the national park system by the works authorized to be constructed under this legislation. The conference committee upheld the House position and adopted the House-approved language.

The Juniper project would have been authorized as a storage unit by the language in the Senate bill. The House language would have required the Secretary to give priority to completion of a planning report on the Juniper unit in the event he found the Curecanti unit infeasible. The conference committee adopted substitute language which requires that priority be given to completion of a planning report on the Juniper project but removes the contingency in the House language and does not specify whether the Juniper project is to be a storage unit or a participating project.

The conference committee adopted House language requiring the Secretary to give priority to completion of planning reports on certain participating projects including those, except Woody Creek, which would have been conditionally authorized by the language in the Senate bill.

The sum of $760 million remains in the bill as the amount authorized to be appropriated. However, the conference committee, in retaining this amount in the bill, agreed that it should not be earmarked projectwise and that there is no prohibition against the use of such funds for the construction of the Curecanti unit, subject to the certification by the Secretary required in section 1 of the act.

REPAYMENT PLAN AND BASIN FUND

With respect to the repayment plan incorporated in the legislation, the conference committee agreed to and adopted language in the Senate bill, which requires the repayment with interest of costs allocated to power in not to exceed 50 years—a requirement that is in accordance with presently established policy.

The House-approved bill contained language setting out certain accounting and funding requirements to be made applicable to the basin fund. The conference committee adopted the language of the House bill, which provides for the establishment, from surplus power revenues of the storage project, of credits, within the basin fund, to each State of the upper basin for financial assistance to irrigation development in such State. It should be understood that the revenues thus credited to the States are only for use, within the individual States, in assisting the construction of Federal reclamation projects and shall not be used for any other purpose.

INDIAN LANDS

The House-approved bill contained language making nonreimbursable the costs allocated to irrigation of Indian lands which are beyond the capability of such lands to repay. The conference committee agreed to and adopted substitute language limiting this provision to the Navajo participating project. This language was adopted in recognition of the fact that assistance to the Navajo Indians is the responsibility of the entire Nation and not just the upper basin States.

OPERATION OF POWER FACILITIES

Section 7 of the House-approved bill, containing a grant of authority to the Secretary of the Interior relating to operation of the power facilities authorized to be constructed by S. 500, has been amended by the conference committee in two respects.

The first sentence of section 7, directing the Secretary to operate such facilities so as to produce the greatest amount of power and energy that can be sold at firm rates, has been amended through adoption of substitute language which relates to the grant of authority to the Secretary, and provides that such operation—

"* * * shall not affect or interfere with the operations of the provisions of the Colorado River compact, the upper Colorado River Basin compact, the Boulder Canyon Project Act, the Boulder Canyon Project Adjustment Act and any contract lawfully entered into under said compacts and acts."

This language has been adopted to make clear the intent that all of the instruments constituting the law of the Colorado River shall be read together by the Secretary of the Interior in the operation of the power facilities authorized to be constructed, operated, and maintained by this legislation.

In a similar vein, the conference committee has adopted an amendment in the nature of a substitute for the House-approved language contained in the second sentence in section 7. The language of this sentence, which deals with the impounding and use of water for the generation of power and energy at the plants of the Colorado River storage project, has been rewritten to make clear the intent of Congress that, subject to the provisions of the Colorado River compact, such impounding and use shall be subservient to the appropriation of water for domestic or agricultural purposes.

APPROVAL OF FINAL COURT DECREE RELATING TO BLUE RIVER WATER

The Senate bill contained language authorizing conveyance to the city of Denver of certain water rights used for the production of power at Green Mountain Dam on the Blue River in Colorado. The conference committee adopted substitute language. These water rights have been the subject of prolonged litigation between the United States, Denver, and water users on both the eastern and western slopes of Colorado in the consolidated cases of the *United States of America v. Northern Colorado Water Conservancy District, et al.*, in the United States District Court for the District of Colorado. Since the Senate action on S. 500, agreement has been reached between representatives of the eastern slope and western slope of Colorado and a final decree has been filed by the United States District Court in this matter. Copies of the final decree and stipulations have been submitted to the Congress. The substitute language adopted by the conference committee gives immediate congressional approval to the final judgment, final decree and stipulations, and instructs the proper agencies of the United States to act in accordance therewith.

PLANNING OF FUTURE PROJECTS

With respect to House language in section 13 of the bill relating to the planning of future projects by the Secretary, the conference committee adopted substitute language which does not change the intended purpose of this section. The intention of the language is to require the Secretary, in planning additional developments in the upper basin, to give consideration to achievement, within each of the States, of the fullest practicable use of the water apportioned to each State. Since, under section 5, revenues to assist irrigation development are apportioned to the States on the basis of the estimated percentages of upper basin water remaining to be developed in each such State, the intention of this section could also be stated as requiring the Secretary, in planning future projects, to give consideration to the revenues which it is anticipated will be available for repayment of such projects.

CONSENT TO SUIT OF UNITED STATES

Section 14 of the bill, which gives consent to joinder of the United States as a party to an action or actions by any State of the Colorado River Basin asserting noncompliance with the provisions of law made applicable by this section, has been amended to make clear the intent of Congress that the United States may be joined as a party thereto as a defendant or otherwise.

QUALITY-OF-WATER STUDIES

The House-approved bill included language in section 15 requiring the Secretary of the Interior to make certain quality-of-water studies. The conference committee adopted substitute language which, although not as specific, accomplishes the same purpose and recognizes that such studies are already required by law and are under way.

OTHER DIFFERENCES BETWEEN HOUSE AND SENATE LANGUAGE

With respect to all other major differences between the House and the Senate bills not discussed hereinbefore, the conference committee concurred in and adopted the House language.

In conclusion, one additional observation appears in order: throughout the hearings and deliberations of the House Committee on Interior and Insular Affairs on this legislation, in Floor presentation and debate, and in the several sessions of the conference committee, there has existed unity of understanding and agreement on the purpose of this legislation. That purpose is to authorize the construction of the Colorado River storage project and participating projects and to provide for the operation of the facilities thereof in accordance with the law of the Colorado River.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
WILLIAM A. DAWSON,
JOHN P. SAYLOR,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I would like to ask the chairman with respect to the repayment provisions found in the conference report. As I understand, the provisions of the House bill were taken out and the provisions of the other body agreed to. Is that correct?

Mr. ENGLE. That is correct, and that represents the only major change in the bill as passed by the House. The Senate provision called for a repayment of both the irrigation and the power features in 50 years. The bill that passed the House required equal annual installments of 50 years on the irrigation features, thus deferring for a somewhat longer time the repayment of the power features. The Bureau of the Budget

preferred the language of the Senate bill, and as a consequence of that and in order not to encounter any difficulties with the Bureau on that subject, we took what we regarded as the more restrictive language as far as payout time is concerned of the Senate bill.

Mr. HOSMER. That would be restrictive as to the payback period?

Mr. ENGLE. That is correct. In other words, the current policy of the Bureau of the Budget is not to look beyond 50 years, and they did not like the provisions of the House bill which permitted the power features to go beyond 50 years for their final payout. So, we restricted it to 50 years on each of them, which made it necessary for us to take out the provisions of the House bill calling for equal annual installments.

Mr. HOSMER. Do the provisions now require that both the power and the irrigation features be paid back within the 50-year period?

Mr. ENGLE. That is correct.

Mr. HOSMER. Is there any priority between them in the event the revenues do not provide sufficient money for the repayment?

Mr. ENGLE. The power features have to pay out in 50 years with interest. In other words, what we actually did in the House was this: We had a priority for the irrigation features with 50-year equal installments. We took that out, and what it boils down to is that the power features have to pay out with interest in 50 years, and if there is not enough money to pay for them both the final payment on the irrigation features has to come in later.

Mr. HOSMER. The irrigation features are nonreimbursable, as far as interest goes, to the United States Treasury, and the longer they remain unpaid, the more interest cost is involved.

Mr. ENGLE. That is true in all reclamation projects. So, the repayment program we have in this bill is exactly the same as other projects. The one we had in the House was really more onerous to the landowners because they had to pay interest longer.

Mr. HOSMER. One other question with respect to the $760 million authorization. I notice that the Curecanti Dam provisions have been somewhat liberalized in that the Secretary can now, if he chooses, build Curecanti or commence to build it, and I am wondering, inasmuch as the cost of Curecanti was not considered in arriving at the authorization figure, if the committee intends that some of the other projects be deleted or that an increase in the authorization will be sought at a later time.

Mr. ENGLE. If they run out of money, they will have to come back to Congress. We left it just exactly as it was in the House bill. The conference report simply points out that we never set up any priority as among projects; in other words, they can start with whatever is best to start out with, and if they do not have enough money, they will have to come back to Congress for additional authorization.

Mr. HOSMER. As the bill now stands, there is not enough money to go around for all the projects authorized.

Mr. ENGLE. Well, we cannot be too sure about what the situation is going to be 25 years hence.

Mr. HOSMER. Even if the cost remained the same, the possibilities now with regard to Curecanti, which were not considered before, do not make the authorization sufficient on the basis of presently estimated cost for the approved projects involved.

Mr. ENGLE. If they run out of money they have to come back for additional money. They cannot start a project for which they do not have sufficient money to complete and, as a consequence, it is, in effect, saying when they run out of money they are going to have to come back for another authorization.

Mr. HOSMER. The gentleman means that we have more or less written a blank check?

Mr. ENGLE. No, sir; we have not. They can keep building on what they are authorized to build, and when and if the money runs out a new and further authorization will have to be given by Congress.

The SPEAKER. The time of the gentleman has expired.

GENERAL LEAVE TO EXTEND

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks at this point in the RECORD, on the conference report just adopted.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, in respect to the conference report on S. 500, now under consideration, I would like to say there were a number of Members of the House who, like myself, supported this measure when it was considered here 3 or 4 weeks ago. I supported the authorization with the understanding from the committee in charge of the bill, as well as the supporters of the measure, that although this is an authorized project, it will, if appropriations are approved, be what may be known as self-liquidating, and that only approximately 1 percent of the cost of the project will really be charged to the Federal Treasury. When this legislation was considered in the House, the chairman stated that 99 percent of the capital investment will be paid from reclamation funds presently on hand amounting now to about $27 million, together with income to be obtained from the use of the project, including income from power and income from reclamation. So because of the small amount of charges against the general taxpayers of the country, I went along with the majority of the House.

The proponents of this bill insisted that major crops grown on the irrigated land will not be the kind that will come in competition with crops grown in other areas, especially those in surplus. As a matter of fact, an amendment was adopted in the House to take care of that situation.

If I thought the authorization of this project would provide for a substantial charge against the taxpayers of this country, I would not support it. We were informed by the proponents of the measure, including the chairman of the committee that approximately 1 percent of the entire cost of the project would finally come out of the Federal Treasury.

I am also advised that the approval of this legislation will to a considerable degree, alleviate a situation in regard to the Navaho Indians who will use a part of the land when irrigated to provide food for themselves so they will not be dependent upon the expenditure of millions of dollars of food costs from the Federal Treasury.

PUT SOME SENSE IN FARM SURPLUS DISPOSAL

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, the House-Senate conference committee now working on the farm bill could bring some sense and some reason to the surplus food disposal program by adopting, as part of the compromise bill, a food stamp plan such as proposed in my bill, H. R. 5105. This would assure getting some of the surplus to those in our country who are in need—many of them actually hungry. Let us feed our own needy as well as the poor of other nations.

The Senate bill provides for up to $500 million for sending surplus food abroad, including shipping costs. If we can afford that—and I am sure we can—then we can certainly afford the cost of distributing some of this surplus to needy Americans under a food-stamp plan. We have already bought and paid for this food. Let us distribute it.

The differences between the House and Senate farm bills are so great that the conference committee would have adequate authority to adopt a food-stamp amendment as a compromise provision. I urge the House conferees to suggest such an amendment. I urge its adoption by the conference committee.

We have over 5 million Americans on different forms of public welfare assistance. Each one needs—actually needs—some of this surplus food. These are people who do not now get enough to eat. Let us use this blessed surplus—this abundance—to help feed the hungry here at home as well as abroad.

The Sullivan bill for a food-stamp plan, H. R. 5105, is as follows:

H. R. 5105

A bill to provide for the establishment of a food stamp plan for the distribution of $1 billion worth of surplus food commodities a year to needy persons and families in the United States

Be it enacted, etc., That in order to promote the general welfare, raise the levels of health and of nourishment for needy persons whose incomes prevent them from enjoying adequate diets, and to remove the specter of want, malnutrition, or hunger in the midst of mountains of surplus food now accumulating under Government ownership in warehouses and other storage facilities, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is hereby authorized and directed to promulgate and put into operation as quickly as possible, a program to distribute to needy persons in the United States through a food stamp system a portion of the surpluses of food commodities acquired and being stored by the Federal Government by reason of its price-support operations or other purchase programs.

Sec. 2. In carrying out such program the Secretary shall—

(1) distribute surplus food made available by the Secretary for distribution under this program only when requested to do so by a State or political subdivision thereof;

(2) issue, or cause to be issued, pursuant to section 3, food stamps redeemable by eligible needy persons for such types and quantities of surplus food as the Secretary shall determine;

(3) distribute surplus food in packaged or other convenient form on the local level at such places as he may determine;

(4) establish standards under which, pursuant to section 3, the welfare authorities of any State or political subdivision thereof may participate in the food stamp plan for the distribution of surplus foods to the needy;

(5) consult the Secretary of Health, Education, and Welfare, and the Secretary of Labor, in establishing standards for eligibility for surplus foods and in the conduct of the program generally to assure achievement of the goals outlined in the first section of this act; and

(6) make such other rules and regulations as he may deem necessary to carry out the purpose of this act.

Sec. 3. The Secretary shall issue to each welfare department or equivalent agency of a State or political subdivision requesting the distribution of surplus food under section 2 (1) food stamps for each kind of surplus food to be distributed, in amounts based on the total amount of surplus food to be distributed and on the total number of needy persons in the various States and political subdivisions eligible to receive such food. The food stamps shall be issued by each such welfare department or equivalent agency to needy persons receiving welfare assistance, or in need of welfare assistance but ineligible because of State or local law, and shall be redeemable by such needy persons at local distribution points to be determined by the Secretary under section 2 (3).

Sec. 4. Surplus food distributed under this act shall be in addition to, and not in place of, any welfare assistance (financial or otherwise) granted needy persons by a State or any political subdivision thereof.

Sec. 5. In any one calendar year the Secretary is authorized to distribute surplus food under this act of a value of up to $1 billion, based on the cost to the Federal Government of acquiring, storing, and handling such food.

Sec. 6. The distribution of surplus food to needy persons in the United States under this act shall be in place of distribution to such needy persons under section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (7 U. S. C., sec. 612c), as amended, and section 416 of the Agricultural Act of 1949, as amended: *Provided, however,* That nothing in this act shall affect distribution of surplus food presently provided for in such sections other than to needy persons as defined in section 7 of this act.

Sec. 7. For the purposes of this act a needy person is anyone receiving welfare assistance (financial or otherwise) from the welfare department or equivalent agency of any State or political subdivision thereof, or who is, in the opinion of such agency or agencies, in need of welfare assistance but is ineligible to receive it because of State or local law.

Sec. 8. The Secretary of Agriculture, in consultation with the Secretary of Health, Education, and Welfare and the Secretary of Labor, shall make a study of, and shall report to Congress within 6 months after the date of enactment of this act, on the feasibility of, the costs of, and the problems involved in, extending the scope of the food stamp plan established by this act to include persons receiving unemployment compensation, receiving old-age and survivor's insurance (social security) pensions, and other low-income groups not eligible to receive food stamps under this act by reason of section 7 of this act.

Sec. 9. There are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. HARDY. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until noon on Saturday to file a report from its Subcommittee on International Operations.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. CHUDOFF. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until midnight tonight to file a report on certain activities in the Department of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FILLING VACANCY IN BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 122) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, be filled by the appointment of Everette Lee DeGolyer, a citizen of Texas, for the statutory term of 6 years, to succeed Harvey N. Davis, deceased.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILLING VACANCY IN BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 123) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

The Clerk read the resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, be filled by the appointment of Crawford Hallock Greenewalt, a citizen of Delaware, for the statutory term of 6 years, to succeed Vannevar Bush, resigned.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FILLING VACANCY IN BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 124) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

The Clerk read the resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, be filled by the appointment of Caryl Parker Haskins, resident in the city of Washington, for the statutory term of 6 years, to succeed Owen Josephus Roberts, deceased.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE

Mr. METCALF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, the other day the gentleman from North Carolina [Mr. Fountain] made a distinguished speech on the floor in which he outlined the means by which the Secretary of Agriculture, Mr. Benson, had made payments on cheese to restaurants, cheese to dealers, and to distributors that the Comptroller General ruled were unauthorized and improper. In the course of that speech he contrasted the legal action which was instituted by the Department of Agriculture against 281 wheat farmers who had violated their marketing quotas, wheat farmers who only owed the Government less than $500 apiece. And the prompt institution of prosecution and attempt to recover from these wheat farmers against the failure to try to recover for the cheese.

I suggest, however, that Secretary Benson knew that his program for farm people, and for the wheat farmers especially, was such that they were going to be bankrupt, so he proceeded promptly to recover the money for the Government. We should not be too critical of his actions.

DISPOSAL OF SURPLUS AND OBSOLETE GOVERNMENT AND CONGRESSIONAL PUBLICATIONS

Mr. LESINSKI. Mr. Speaker I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, accompanied by staff members of the House Subcommittee To Investigate Federal Printing and Paperwork, I recently inspected storage rooms containing hundreds of thousands of surplus and obsolete books which were printed for the House and Senate Libraries and the House folding room. This vast quantity of books, for the most part still in their original wrappings and stored in the subbasement of the Library of Congress and elsewhere, represents an accumulation which has developed over a long period of time, extending far back into the last century. Many of these books have only salvalge value, but some undoubtedly have historical value and may be of considerable interest to libraries and educational organizations. It is also likely that historical groups, like the Ford Foundation, in Dearborn, Mich., will avail themselves of any opportunity that may develop, to acquire such publications as will make some valuable contribution to their collections of Americana and history-making memorabilia.

It is my understanding that the chairman of the Committee on House Administration has referred the report of this accumulation to the Joint Committee on the Library. It is hoped that the disposal recommendations which it prescribes will take cognizance of the potential historical value of many of the books.

An inventory and proper disposition of this mountainous accumulation will well be recognized as a real progressive step toward giving the true value to the purpose for publishing these books and at the same time releasing thousands of square feet of valuable floor space which is presently used to entomb these books.

SECURITY PROCEEDINGS

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I arise on this occasion to comment on one of the most significant decisions of the present administration.

This was the recent decision by the Department of Justice not to appeal to the Supreme Court a lower court's decision condemning the use of secret informers in security proceedings. An answer has been long overdue to the controversial question of whether an accused security risk has a constitutional right to know and face his accusers or whether, as the Government has contended, informants' names must be kept secret in the interest of national security.

Last October, the United States court of appeals in San Francisco held that the Coast Guard's security program for maritime workers was unconstitutional because the seamen were not told of the sources of the charges against them. In its decision, the court denounced what it called a system of secret informers, whispering, and talebearers. Since that time there has been much interest in speculation as to whether the Justice Department would petition the Supreme Court to review the case.

When we consider the strong position which the Justice Department took last year in the case of Dr. John P. Peters against any requirement for confrontation in security cases, it seems strange that this same Department has now affirmatively decided not to appeal this position to the Supreme Court. And I think it is worth pointing out that this decision not to appeal was made by Solicitor General Sobeloff after consultation with and with the concurrence of Attorney General Herbert Brownell, Jr.

I do not think I am overstating the case, Mr. Speaker, when I say that this decision signals a significant victory for civil liberties in the United States. But the battle is not yet won. The decision of the court of appeals, which now becomes the law of the land, simply affirms the constitutional rights of a private employee accused of being a security risk to know and face his accusers. It is still possible, for a Federal employee, similarly accused of being a security risk, to lose his job without knowing or having the opportunity to face his or her accusers.

In other words, what constitutes due process of law for a private employee is now very different from that which constitutes due process of law for a Government employee. It is argued that working for the Government is a privilege, not a right, and that a Government worker is therefore not entitled to the constitutional guaranty of due process—including confrontation of his accusers. How much longer, I wonder, are we going to be content to find excuses for a security system lacking both in principle and honesty.

This question has been only partially answered, Mr. Speaker. Not only are Government employees still in doubt, but many thousands of others as well. On two occasions before, I have called attention to the fact that honorably discharged veterans of the Korean conflict are having their prisoner-of-war compensation denied them on the grounds that they collaborated with the Communists. Are these men to examine the evidence against them? No indeed. Are they allowed to face their accusers? No, indeed. Have they the opportunity of cross-examining those who have furnished derogatory information against them? Again, the answer is "No." And have they the right to court review? No, again. The simple fact, Mr. Speaker, is that these American veterans are not accorded even the suggestion of traditional American justice.

Certainly it is true that an efficient, intelligent security system is necessary for the protection of our Nation. But a security system which is unnecessarily destructive of our individual liberties cannot be tolerated. We cannot sit idly by while the freedoms are being flagrantly abused—all in the name of "security."

The decision of the court of appeals on this subject is well worth reading, Mr. Speaker. In part, the court says:

> It is unbelievable that the result (of this decision) will prevent evil officials from procuring proof. * * * But surely it is better that these agencies suffer from handicap than that the citizens of a freedom-loving country shall be denied that which has always been considered their birthright.
>
> Indeed it may well be that in the long run nothing but beneficial results will come from a lessening of such talebearing. It is a matter of public record that the somewhat comparable security risk program directed at Government employees has been used to victimize perfectly innocent men.
>
> The objective of perpetuating a doubtful system of secret informers likely to bear upon the innocent as well as upon the guilty * * * cannot justify an abandonment here of ancient standards of due process.
>
> Furthermore, in considering the public interests in the preservation of system under which unidentified informers are encouraged to make unchallengable statements about their neighbors, it is not amiss to bear in mind whether or not we must look forward to a day when substantially everyone will have to contemplate the possibility that his neighbors are being encouraged to make reports to the FBI about what he says, what he reads and what meetings he attends. * * *
>
> The time has not come when we have to abandon a system of liberty for one modeled on that of the Communists.

INVESTIGATION OF DAILY WORKER

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, yesterday a paradox developed. The internal-revenue men closed up the Daily Worker offices at the same time we were discovering the Daily Worker enjoys second-class mailing privileges for its mail. Therefore, in effect, the Daily Worker gets a subsidy from our own Government which the Postmaster General is not happy about. The paradox is that apparently here in the United States of America a revolution is all right so long as you pay your taxes—and if you pay taxes the United States will subsidize the revolution. I think the United States is the only country in the world that subsidizes those who try to overthrow it. I call upon our Committee on the Civil Service and Post Office to look into the matter and bring those who own and manage the Daily Worker before that committee so we may inquire how far our own Government is going in spending its own money to destroy itself—in other words, to commit hara-kiri.

The subsidy enjoyed by the Daily Worker, through cheap second-class mailing privileges, should be ended. The overthrow of our free Government should not be subsidized by the Government itself.

COMMITTEE ON VETERANS' AFFAIRS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may have until midnight tonight to file reports on the following bills: H. R. 7679, H. R. 8123, H. R. 8490, H. R. 8674, H. R. 9260, H. R. 9263, H. R. 9824, H. R. 10046.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CORPORATE TAXES AND SMALL BUSINESS

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, on March 8, I introduced legislation designed to ease one of the most onerous burdens which over the years small business has had to bear.

Most small corporations have been unable to expand and grow in the American tradition because of the heavy imposition of income taxes. In the past, in addition to the normal tax we have had for many years surtaxes which applied to small as well as to large corporations. It was not until recently that an exemption of $25,000 was made available in the surtax bracket. We know also that the normal tax rate of 25 percent of the taxable net income was raised to 30 percent and that increase in the normal tax rate still applies.

The bill which I introduced will not decrease revenue. It will, however, encourage the growth of small corporations. It will encourage thousands of businesses presently operating as individuals or partnerships to take advantage of an opportunity to place their businesses on a sound corporate basis. The corporate tax base would be broadened and within a reasonable period corporate tax revenue would be increased. At the same time, small corporations would be able to keep pace with their larger competitors in plant modernization which is imperative in an era of rapid technological development.

In providing relief for small corporations it is not intended, nor do I propose, to penalize corporations simply because they are large. As a matter of fact, under my bill until earnings exceed $700,000 there is no increase in the corporate tax. The increase above $700,000 amounts to only 2 percent more than the present effective rate of 52 percent or 54 percent. I consider this increase temporary, and it is my expectation that if this bill is enacted into law, a general corporate tax reduction would take place within the foreseeable future. Of course, we must remember that our present high tax rates are the result of wars and the necessity for the maintenance of a strong national defense. Few, if any, of us I believe are not willing to pay our fair share of the national-defense budget. At the same time, in order to keep our economy strong and healthy we must place a great deal of emphasis on the words "fair share."

I do not believe that we can continue to tax corporations without taking into account ability to pay. We apply that principle, after a fashion, to individuals and despite the opinions of some of our theorists and experts, I believe that a truly equitable graduated income tax for corporations is as sound from an economic viewpoint as a graduated tax for individuals. I desire to emphasize also that our corporate tax structure must not be confiscatory to large corporations nor have the effect of stultifying the growth of small corporations. I repeat that I hope my bill will receive serious consideration by the Ways and Means Committee this year. I also hope that the majority will see fit to schedule hearings on this most important and critical problem of small and independent business.

The tax rates which are proposed in H. R. 9851 are as follows:

If the taxable income is:	The tax is:
Not over $5,000	10 percent of the taxable income.
Over $5,000 but not over $25,000.	$500, plus 20 percent of excess over $5,000.
Over $25,000 but not over $100,000.	$4,500, plus 40 percent of excess over $25,000.
Over $100,000	$34,500, plus 54 percent of excess over $100,000.

BAGGAGE ALLOWANCES AND EXCESS BAGGAGE RATES BY AIR

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and to include a joint resolution introduced by me today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, when the Douglas DC-3's, Lockheed Lodestars, and Boeing 247-D's were the big all-metal luxury airliners, the infant airlines accepted passenger weight. We used to have to get on scales and be weighed in, personally, with briefcases, overcoats, and baggage.

Those were the days when a full load of passengers sometimes crowded out gasoline in making total gross weight limits. Oh, sometimes the mail bumped a passenger, or even two occasionally. But total gross was a very important figure, with CAA inspectors riding incognito and waiting to check load manifests.

It was in that time that 40 pounds—the minimum packed weight of a small suitcase—was established as the allowable weight without an excess baggage charge being levied on the sometimes unsuspecting passenger. Of course, there were those who filled their topcoat pockets with the heavier toilet articles and there were those who managed to hide briefcases from the eyes of vigilant countermen. It is still that way.

And then I remember when the weighing-in process got to be such a nuisance that test runs were made on weight manifests to find out what the average passenger weighed. I do not remember whether said passenger was weighed during the summer or in winter, but anyhow, the figure 160 pounds came out. A very convenient figure, that. Add it to 40 pounds of baggage and you round out 200 pounds. Very neat.

That evidently accounts for the nice little figures on the inside back cover of the Official Airline Guide. There it declares that excess baggage rates shall be figured at one-half of 1 percent of the applicable one-way adult fare. In other words, the excess baggage rates shall be the same as the passenger rate per pound.

So it is not difficult to figure. If the fare to Duck City is $64, the excess baggage rate per pound is 32 cents. But Duck City is exactly 1,000 miles distant so again it is easy to figure the passenger rate per mile. Divide $64 by 1000 and you have $.064 per mile as the answer.

It is also easy to figure passenger cost per ton-mile if you just figure that 10 passengers equal 1 ton and multiply $0.064 by 10. The answer $0.64. So the passenger pays 64 cents per ton-mile for himself and baggage.

Of course, in this discussion we have not mentioned air mail or air mail rates. And we shall refrain, because comparisons are odious either way you slice them. Neither will we discuss air express.

Suppose we talk about passenger fares in foreign commerce for a while. If a passenger is destined from Copenhagen to Los Angeles—or vice versa—he can carry 66 pounds of baggage all the way on his ticket and pay no excess baggage charge. If he flies SAS direct, there is no problem. And if he flies Pan-Am to New York and any domestic carrier to Los Angeles, there is no problem either, because he is a preferred customer on the domestic carrier. No excess baggage is charged anyone who has a portion of foreign travel on his ticket.

Take for example the Cuban who makes a round trip from Habana to Washington with a stop-over at Miami, and the Washingtonian who intends to spend some time in Miami, including in his plans possibly a trip to Habana. It is the same for both, except in the matter of our Federal transportation tax which the Cuban, of course, escapes. In what follows, the 10 percent Federal tax is not included.

The Washington-Miami round-trip costs our well-dressed passenger with 66 pounds of baggage $63.30 plus $63.30 less 5 percent, or $120.27, plus .005×$63.30×26×2 or $16.64 excess baggage round trip. Total: $136.91. Add to that a

round trip to Habana from Miami—on which trip he is entitled to carry 66 pounds of baggage—at a cost of $36 and you have a total trip cost of $172.91.

But if he were to buy a round-trip from Washington to Habana with a stop-over in Miami, he would be entitled to carry 66 pounds of baggage all the way and the total cost of the ticket is $155.30, a saving of $17.61. So the smart Washingtonian going to Miami buys a round-trip ticket to Habana whether he carries excess baggage or not, because the Washington-Miami round-trip carrying 40 pounds of baggage—$120.27—plus the Miami-Habana round trip allowing 66 pounds of baggage—$36—about equals the Washington-Habana round trip at $155.30, carrying 66 pounds all the way. So if any excess baggage is to be carried to Miami and a Habana trip is contemplated, it is actually cheaper to buy a through ticket, whether you use all of it or not. You might get a refund on the unused portion.

How silly can we be? A Cuban can travel all over the United States, if he is ticketed for it, carrying 66 pounds and the only difference between him and the American is that he flew over the 90 miles of the gulf. I suppose that entitles him to an advantage.

Now, just for a lark, let us consider a round trip from San Francisco to Habana by way of an interchange. First, the fare to Miami via Los Angeles-Dallas-Atlanta costs $174.40. So the excess baggage charge is 87 cents per pound. The round trip is $331.36 carrying 40 pounds. The round trip Miami-Habana is $36 carrying 66 pounds. So if you buy a ticket to Miami and return and then decide you want to visit Habana—you are that close—it costs $367.36 total. But if you bought a through round trip to Habana with stopover privileges, it only costs $355.51, and 66 pounds can be carried all the way.

But to add insult to injury, you will have to add excess baggage charges in on the San Francisco-Miami traveler, which, at 26 pounds at 87 cents times 2 equals $47.24. So the Miami round trip with 26 pounds excess costs $378.60 as against the Habana round trip with the same baggage costing $355.51, and if the Miami passenger decides to go on to Habana it is $36 more, or $414.60 transportation that he could have purchased for $355.51—a $59.09 saving.

Now, let us take a look at the Washington-Los Angeles round trip. If made entirely in the United States, the one-way fare is $149.35 and the round trip $283.86, and the excess-baggage rate is 75 cents per pound. If 66 pounds is carried, the round trip plus excess baggage at $39 is $322.80.

But if the trip is made via Mexico City you are offered that side trip—and you can make it either or both ways—for $59 additional over the round-trip fare, or a total of $342.80, and carry the 66 pounds without excess charge. So we come up with the fact that the side trip to Mexico City is really a bargain to the 66-pound baggage person—it only costs $20 net extra.

On mileage, it is really a bonanza. Washington-Mexico City is 2,123 miles; Mexico City-Los Angeles 1,640 miles, for a total of 3,763, or 7,526 miles round trip. Washington-Los Angeles round trip is 4,620 miles. So it will cost $20 for 2,906 extra miles of flight, or $.007 per mile if the Mexico City privilege is used both ways. That is the cheapest passenger transportation I know of anywhere.

The United States air carriers certainly discriminate against Americans who travel in the United States and in favor of foreigners and those Americans who travel abroad. You might think that the domestic carriers get something extra out of foreign ticketing, but they do not. They carry the extra baggage without a whimper.

But let someone say that the domestic carriers ought to treat Americans at least as well as they treat foreigners and a cry goes to high heaven that someone is robbing them of revenue.

Now to go from the ridiculous to the sublime, let us consider a trip to Honolulu. You can buy a first-class ticket from the east cost to Hawaii over any airline or combination of airlines that serve both ends of your trip and carry 66 pounds of baggage the whole way without extra charge.

The same thing is true of the first-class passenger who flies to Alaska. He too can carry, en route, 66 pounds all over the United States free of charge.

As a matter of fact the 40-pound limit applies only within the continental United States and Canada.

Abroad they recognize that passengers paying first-class fares should receive first-class treatment as to baggage allowance. Abroad you can carry 66 pounds anywhere on a first-class ticket. A tourist or second-class passenger can carry 44 pounds.

A United States coach-flight passenger to Hawaii or Alaska is entitled to carry 44 pounds just like the European tourist. It is only the continental passenger who is limited to 40 pounds.

But even sadder—the coach passenger in the United States and Canada has to pay the same excess-baggage charge as the first-class passenger, in spite of the fact that his ticket costs two-thirds as much. He must pay premium rates on excess baggage. Even the air mail travels for far less.

This is a situation that in air travel is as antique as the 247-D. It should be brought down to date. The same baggage allowance should persist all over the world for the same class of ticket, and this discrimination against the domestic traveler should be abolished. It should be done voluntarily by the carriers, but I have prepared a bill designed to accomplish it if they do not.

Then we might suggest that additional extra luggage could be carried in the same plane at freight rates. When that happens—the passenger with baggage will feel free to travel anywhere by air.

The joint resolution is as follows:

House Joint Resolution 595

Joint resolution to amend section 404 of the Civil Aeronautics Act of 1938, with respect to excess baggage charges collected by air carriers

Whereas under the tariffs filed with the Civil Aeronautics Board by air carriers, passengers holding tickets entitling them to transportation only in domestic air transportation must pay an excess baggage charge for baggage weight in excess of 40 pounds; and

Whereas, on the other hand, under the tariffs applicable to overseas and to foreign air transportation and to domestic air transportation when included with either overseas or foreign air transportation, first-class passengers are not required to pay an excess baggage charge except for baggage weight in excess of 66 pounds, and coach or second-class passengers in such transportation are not required to pay an excess baggage charge except for baggage weight in excess of 44 pounds; and

Whereas there are certain situations in which first-class passengers who are actually traveling between points in the United States may be able, at little extra cost because their tickets permit foreign travel, to carry up to 66 pounds of baggage without having to pay an excess baggage charge; and

Whereas coach or second-class excess baggage charges and weight allowances in domestic air transportation are the same as those applicable to first-class passengers, thus providing an even heavier discrimination against coach passengers; and

Whereas the result is severe discrimination against users of both first-class and coach or second-class passenger service in domestic air transportation only which neither the domestic air carriers as a group nor the Civil Aeronautics Board has done anything to correct: Therefore be it

Resolved, etc., That section 404 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C., sec. 484), is hereby amended by adding at the end thereof the following new subsection:

"EXCESS BAGGAGE CHARGES

"(d) The Board shall prescribe just and reasonable excess baggage charges which may be collected by air carriers, and no air carrier may collect any excess baggage charge which is not authorized by the Board. Such charges prescribed for any class of service shall be the same in the case of each type of air transportation. For the purposes of this subsection the types of air transportation shall be held and considered to be interstate air transportation, overseas air transportation, and foreign air transportation."

AGRICULTURE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, yesterday the chairman of the House Committee on Agriculture [Mr. Cooley] stated that the Secretary of Agriculture left with the Committee on Agriculture a draft of a bill on the 27th day of February, which was printed as a committee print but has not been introduced as yet, and further stated:

> The Secretary has not been able to prevail upon any Member of the House, either Republican or Democrat, to introduce the bill which he proposed.

While that particular print was not introduced as a bill, similar legislation was then pending before our committee. The soil-bank legislation proposed in the committee print was introduced by Congressman Hope as H. R. 8543 and by me as H. R. 8544 on January 17, 1956. These bills contain many of the sections in the committee print and the titles were such that any recommendation made by the Secretary of Agriculture in the committee print could have been adopted under H. R. 8543 or 8544.

So this legislation was before the Committee on Agriculture. Beginning on page 22 of the committee print, title III, "Agricultural Credit," are provisions amending the Bankhead-Jones Farm Tenant Act which were introduced by me as a separate bill on March 8, as H. R. 9843.

A subcommittee has held hearings on bills identical to title III of the committee print, so this legislation has been introduced and is before the Committee on Agriculture.

In fact the titles of these bills are so written that any of the changes suggested by the committee print would be germane to the Hope and Hill bills.

RESEARCH PROGRAM FOR DEVELOPING INCREASED USE OF FARM PRODUCTS

Mr. BEAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BEAMER. Mr. Speaker, on March 22, 1956 I introduced H. R. 10148, a bill to provide for a scientific study and research program for the purpose of developing increased and additional industrial uses of agricultural products so as to reduce surpluses of such products and to increase the income of farmers, and for other purposes.

This bill is identical with the bill introduced by Senator Capehart, of Indiana, and others in the Senate—S. 3503. As a farmer, I can appreciate this forward-looking approach to the solution of the farmers' problems. Unfortunately, too many approaches to the farm problem have been from the viewpoint of securing votes instead of actually helping the farmer. The present plight of the farmer actually is the result of the continuance of such a program and the farmer is entitled to an intelligent and honest approach to the solution of depressed agricultural conditions whenever they may arise.

H. R. 10148 is not a substitute for H. R. 12 which is in conference committee at the present time. It is an approach to the long term study of further uses of agricultural products, marketing research, and other ideas that will be of specific interest and help to the agricultural economy. I hope that the agriculture committee will give early and serious study to this bill and similar bills that have been submitted.

IMPORTS OF CHERRIES IN BRINE FROM ABROAD

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, I am in receipt of communications from the cherry growers and processors organizations in the State of Washington which indicate their real concern over the possibility of reductions in tariffs on imports of cherries in brine from abroad. These cherries can be produced in foreign countries much cheaper than they can be produced here because of the cheaper labor and production costs abroad. That being the case, the foreign producer can place his product on the American market at a lower price than can his American counterpart.

Any further reductions in tariffs on this product, coupled with increases in the amount of imports, will drive the domestic producer out of his own market and will put him out of business. There are about 20,000 growers and producers in the Pacific Northwest who are affected by this problem and all of them are sincerely worried about their present and future welfare.

These people, through their organizations, urge that Congress act to protect their industry. They want no further reductions in tariff on imported cherries in brine, and suggest that a quota be placed on the amount of imports. Certainly their requests should be given favorable consideration.

AGRICULTURE BILL

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, on Monday when the question of the recess was approached by the leadership of the House, I suggested that we ought to have a rollcall, and I said that I would insist on a rollcall unless I could be convinced that there was no possibility at all of bringing in a farm bill between now and the 9th of April. The leadership yesterday convinced me that it would be impossible to get a workable bill here—one that we understood and on which a report could be written that could be understood, and to bring in a bill which would be a good farm bill. So I am not going to ask for a rollcall on the resolution calling for a recess. I do suggest that the leadership in the House and on the Committee of Agriculture that they work hard to bring in a good bill that can be voted upon as soon as the Congress returns on April 9. The report should be clear and spell out all provisions of the bill. Time is of the essence. Agriculture needs a good bill, not one salted and seasoned with political gadgets.

The bill from the Senate with 40 amendments is a political hodge-podge of contradictory provisions. It is not workable or acceptable to the White House. Let the report on the bill be one understood and acceptable to those charged with its administration. I offer the suggestion in the hope that it will not be a political Christmas tree or something that the President will have to veto. The action of the conference committee so far is to the effect that a bill will be presented to this House that will not be acceptable to the other end of the avenue. From the sidelines it appears that there are those who hope the President will have to veto a farm bill. I trust the administration can also give and bend a little in order that a new agriculture bill can be promptly enacted.

The SPEAKER. The time of the gentleman from Nebraska [Mr. Miller] has expired.

RECESS, MARCH 29–APRIL 9, 1956

Mr. ALBERT. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 226).

The Clerk read as follows:

> *Resolved*, That when the 2 Houses adjourn on Thursday, March 29, 1956, they stand adjourned until 12 o'clock meridian, Monday, April 9, 1956.

Mr. ALBERT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

INTERIM AUTHORITY TO THE SPEAKER AND THE CLERK OF THE HOUSE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until April 9, 1956, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

INTERIM APPOINTMENT AUTHORITY TO THE SPEAKER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until April 9, 1956, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALENDAR WEDNESDAY, APRIL 11, 1956

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, April 11, 1956, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONSENT CALENDAR AND PRIVATE CALENDAR TO BE CALLED APRIL 9

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that on Monday, April 9, 1956, it shall be in order to consider business under clause 4, rule XIII, the Consent Calendar rule, and also that it shall be in order to consider business under clause 6, rule XXIV, the Private Calendar rule.

Mr. MARTIN. Mr. Speaker, reserving the right to object, I do this so we may learn the rest of the program for the week of April 9, if the gentleman from Oklahoma can inform us.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the minority leader, Monday, April 9 is District day, but there is no business.

As indicated in my request, both the Consent Calendar and the Private Calendar will be called.

On Tuesday the bill H. R. 9893, the Military Installations bill, will be called up and Tuesday devoted to general debate.

On Wednesday the bill H. R. 9893 will be read under the 5-minute rule and it will be followed on Wednesday, Thursday, and Friday by the following bills:

House Resolution 400, investigations, coal industry.

H. R. 5299, authorize Virgin Islands National Park.

S. 1188, examination of national banks.

S. 1736, qualifications of national bank directors.

H. R. 9285, extend authority, direct purchase bill.

H. R. 8750, Watershed Protection and Flood Prevention Act.

Conference reports may be called up at any time.

Any further program will be announced later.

Mr. MARTIN. Is there anything scheduled for tomorrow?

Mr. ALBERT. There is no business scheduled for the balance of this week.

Mr. MARTIN. I did not note in the gentleman's listing of the program any reference to the farm legislation.

Mr. ALBERT. I would like to advise the distinguished minority leader that I have announced that conference reports may be called up at any time.

It is planned to bring up the conference report on the farm bill as soon as it is ready.

Mr. MARTIN. Could we not get unanimous consent to have that filed during the recess so that it can be brought up on Monday, April 9?

Mr. ALBERT. I think the gentleman from North Carolina intends to make that request.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONFERENCE REPORT ON THE FARM BILL

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that if and when the conference report on the bill, H. R. 12, is ready for printing we may have it printed and made available to the Members of the House.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, is the gentleman going to bring that up on Monday the 9th or on Tuesday the 10th for a vote in the House?

Mr. COOLEY. I have no control over the program. I assume it cannot be brought up on Monday the 9th. I am advised that no Record will be printed during the recess. The conference report will have to be printed in the Record of Monday, the 9th, and will be available on Tuesday, the 10th.

Mr. HOFFMAN of Michigan. Then will a vote come before Wednesday the 11th?

Mr. COOLEY. I understand there is a primary election in Illinois on Tuesday, the 10th, so it appears to me it cannot possibly be called up before Wednesday.

Mr. MARTIN. Mr. Speaker, I am a little disturbed over waiting until Wednesday. The farmers are waiting to get word as to where they stand.

Mr. COOLEY. The gentleman is not half as much disturbed as I am, but that is the situation we are in and we have no control over the matter.

Mr. GROSS. Mr. Speaker, reserving the right to object, did the acting majority leader say anything about the State Department appropriation bill? I am interested in that bill because it provides for several hundred additional employees in a tremendously increased budget. I am somewhat interested in the Federal Government paying $47 for wastepaper baskets for the State Department. Can the gentleman say whether that bill is coming up immediately after recess? I remember a year ago when we came back from the Easter recess that that State Department appropriation bill was called up immediately.

Mr. ALBERT. I may advise the gentleman it has been the practice to program appropriation bills as soon as they are ready. We have programed a number already.

Mr. GROSS. I hope the gentleman will not program that bill for action immediately after we return from the Easter recess.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INDEPENDENT TIRE DEALERS SAY IT IS ESSENTIAL THAT CONGRESS STRENGTHEN THE ROBINSON-PATMAN ACT

Mr. PATMAN. Mr. Speaker, small business is asking for protection against a monopolistic practice which destroys small business. This should not be confused with big businesses' "bad faith." Small business is not asking for protection against bad faith. Protection against bad faith is already provided in the law as a result of a majority opinion of the Supreme Court's Standard Oil Company of Indiana against FTC.

EFFECTIVE ANTITRUST LAWS MUST CURB BIG BUSINESS ABUSE OF POWER

The effect of the Standard Oil opinion was to tell big business that it is perfectly all right to go ahead and discriminate in prices—which is to bring abuse of power into the competitive contest—just so long as big business is discriminating in good faith. In other words, the effect of the Court's interpretation of the Robinson-Patman Act is that it is all right to create a monopoly in good faith, and to use in good faith a method which destroys the smaller competitors, which keeps new competitors out of the market and ultimately but surely creates monopoly.

A law against bad faith is inadequate on two counts. First, it is too vague and nebulous to be enforceable, and it amounts to no protection at all. Second, it is irrelevant to the central problem. If we are to preserve even a vestigal state of competition, we must have antitrust laws which protect against monopoly. We must have antitrust laws which keep the door of opportunity open, so that small business, big business, medium size business, and every other business, may take its chances of succeeding on the basis of its efficiency. This means that the antitrust laws must place an effective curb on abuses of power; we cannot allow methods of competition by which the biggest firm will inevitably win and take over the markets, while the smaller firms will inevitably be squeezed out. It matters not whether these methods are employed in good faith or bad faith.

H. R. 11 will correct the misinterpretation of the Robinson-Patman Act which the Supreme Court made in the Standard Oil of Indiana opinion. It will thus restore to small business some equality of opportunity to survive and to succeed. It will help in a significant way to stop the tremendous numbers of small-business bankruptcies and failures which are now taking place in a period of unprecedented big-business profits. The Members know, I think, that there is a petition on the Clerk's desk to call up H. R. 11 for debate and a vote. If there should turn out to be as many as 218 Members of the House—that is a simple majority—who sign the petition, we can make certain of having a chance to vote on, and to pass, H. R. 11 during this Congress.

ALL SMALL BUSINESS ORGANIZATIONS HAVE ASKED FOR PASSAGE OF H. R. 11

Last November, when the Small Business Committee was holding hearings on small-business problems, representatives of every small-business organization came before our committee and entered a plea for legislation to correct the Supreme Court's misinterpretation of the Robinson-Patman Act and to return to small business the full protection against price discrimination which that act was intended to provide.

One of these small-business organizations is the National Tire Dealers & Retreaders Association, Inc. This organization has 2,500 members, doing business in all 48 States and the District of Columbia. These members are independent tire dealers—mostly retailers but also some wholesalers—and they are not tire manufacturers or big chain distributors.

Mr. W. W. Marsh, executive secretary of the National Tire Dealers & Retreaders Association, Inc., testified before our committee on November 4 and entered on behalf of this association a plea that Congress pass legislation to correct the Standard Oil decision. I know that all Members will be interested in Mr. Marsh's statement, which I am inserting in part, as follows:

Request of Independent Tire Dealers

> It is essential to the preservation of the purpose of the Robinson-Patman Act that Congress modify the rationale of the Standard Oil decision to provide that good faith shall remain an effective defense except where the discrimination may substantially lessen competition or tend to create a monopoly.
>
> The present status of the good-faith defense permits the same disadvantages and discriminations against the small buyer through the exercise of market control of large distributors in a particular market as pertained prior to the act.
>
> Certainly the fact that a distributor sets a lower price in a market which may be far removed from his establishment that he would from his local market gives rise to necessity for an explanation or justification. Thus, the ability to control the market by meeting a low price of a competitor, which may in itself be the result of an unlawful conspiracy, will result in the same abuses which the Robinson-Patman Act was intended to correct.
>
> This association feels that the theory and spirit of the Robinson-Patman Act is vital to the continuance of small independent businessmen in this country. When it is weakened or when wedges are driven into it to permit circumvention, as the Standard Oil case has done, the small-business man is in a very vulnerable position.
>
> One fallacy of the reasoning of those who support the rationale of the Standard Oil decision is that it emphasizes only the lower price and gives no attention whatsoever to the higher price which must exist if there is to be a price discrimination. The low price, it is said, is a response to competition and that if a company is denied the right to discriminate to meet the lower price, that company may sell only at the higher price, which would reflect a weakening of competition.
>
> But why should not this lowering of price then be available to all of its customers instead of just to some of them? It is certainly reasonable to assume that no businessman gives a price concession unless competition forces him to.
>
> Systematic and continuous discrimination by dominant sellers, though in good faith, may equally discourage the price competition of smaller rivals and result in the very monopoly or market control that the act attempts to discourage.
>
> Therefore, the good-faith defense should not apply to systematic and continuous discrimination practice by dominant sellers.
>
> The only way to accomplish this is by amending the act to provide that the good-faith defense not be an absolute one if the effect of the price discrimination be to lessen competition or encourage monopoly.
>
> We appreciate the opportunity to appear before this committee and to present the views of the independent tire dealer to the Small Business Committee, which has done so much to protect and preserve the competitive status of the independent businessman.
>
> * * * * *
>
> The hope for the future of the independent tire dealer lies in the hands of this committee and its administrative counterpart.

DECISION OF COURT OF CLAIMS WITH REFERENCE TO INDIAN LANDS

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. Metcalf] is recognized for 20 minutes.

Mr. METCALF. Mr. Speaker, the other day Mr. Perry Morton, who is one of the Assistant Attorneys General in the Department of Justice, testified before an Appropriations Committee that because of certain recent decisions of the Court of Claims, this country would have to buy its Indian lands all over again, and suggested that additional legislation either in language in a forthcoming appropriation bill or in the legislative committee in charge, the Committee on Interior and Insular Affairs, be passed in order to foreclose the recent decision of the Court of Claims.

That decision was the decision of Otoe and Missouri Tribes of Indians, and it is reported in volume 131, Court of Claims Report, at page 593.

The first question that was to be decided by the Court of Claims was whether the Congress, in creating the Indian Claims Commission did create a new cause of action for the Indians.

This is what the court held:

> We think it is quite clear from the face of the Indian Claims Commission Act that in its passage Congress was, to a certain extent, exercising its political function of creating certain new causes of action and recognizing liability in the United States, if the facts warranted, in connection with such causes. In fact, the act clearly creates causes of action and permits suit thereon which would not have been possible, and are not possible, as far as we know, between private individuals.

One of the new causes of action that was created, that the Court of Claims allowed the Indians to bring, was a claim under Indian title. The Court defines Indian title as that of exclusive possession, occupancy and use from time immemorial.

The Government, in the Otoe case took the position that even if the Congress did create new causes of action based on the revision of treaties for unconscionable consideration, or on lack of fair and honorable dealings by the United States, there is nothing in the act which indicates a congressional intent to create a cause of action in the claimant, or to admit the existence of a liability in the Government, where the treaty sought to be revised, or the dealings claimed to be unfair, involve land held by the Indan claimants by aboriginal use and occupancy title, Indian title, rather than reservation or treaty title.

The Otoe case decided that claims brought by the Indians which involve claims based on the payment of an unconscionable consideration under a treaty cession of land were proper claims for Indian title under the Indian Claims Commission Act. Having so decided, that the new cause of action was created, they decided against the Government and gave the Indians a claim.

When the Department of Justice lost the lawsuit in the Court of Claims, and when the Supreme Court of the United States declined to take jurisdiction on a writ of certiorari, they have come back to the Congress and said to us it was not the congressional intent to allow for such claims as were involved in the Otoe case.

Mr. Speaker, it is clear from an examination of the legislative history of the Indian Claims Commission Act, it is clear from an examination of the decisions of the Indian Claims Commission, and the Supreme Court decisions, that there was a legislative intent to create a cause of action in cases of this nature. There was a congressional intent to create a cause of action for aboriginal claims, there was a congressional intent to create a cause of action for claims where the Government's title was based on unfair treatment of the Indians or based on unconscionable and inadequate payments to the Indians.

The attempt on the part of the Department of Justice to have this legislative action repealed and the decision of the Court of Claims reversed—in the testimony that appeared before the Committee on Appropriations—is violative of the basic proposition that legislation, of this sort should be brought before the appropriate committee of the House, in this case, the Interior and Insular Affairs Committee. And, if we are going to change the rules in the middle of these Indian Claims Commission suits, we should change them only after open and forthright hearings before the appropriate committee, well knowing what the result of such change will be.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Ohio.

Mr. BOW. The gentleman has stated that from an examination of the act there is a clear legislative intent following the line of decisions to which he has referred. I am wondering if the gentleman has read the statement by the distinguished chairman of our subcommittee, the gentleman from New York [Mr. Rooney], on page 106 of the hearings to which the gentleman has referred, in which Mr. Rooney said this:

> We most certainly should have an interest in it if it involves the figures to which you have referred.
>
> Over the luncheon recess I have had an opportunity to do some checking and I am glad to find that I did not vote for this bill. I discussed it with some of the Members of Congress who were concerned with the bill back at that time, and they seemed to uniformly say that it was never contemplated that anything like this should be developing nor that the Government should buy back the country from the Indians.
>
> It was never intended that the Indian lands would cover, when it comes to compensation, all the places through which they roamed.

Has the gentleman considered that in making his statement?

Mr. METCALF. It was that language in the testimony of Mr. Morton at that point in the record that gave me concern about the future of this Indian claims legislation.

Mr. BOW. Well, can the gentleman tell us the amount that might be recovered under the present legislation and the decision of the court in the Otoe case?

Mr. METCALF. I will yield to the gentleman from Oklahoma [Mr. Edmondson] to answer that question.

Mr. EDMONDSON. Mr. Speaker, I would like to express my appreciation to the gentleman from Montana for this opportunity to participate in the discussion on a matter of vital importance to thousands of Indians across the face of this country. With specific reference to the point raised by my good friend, I would like to say that we have discussed at some length the interchange between Assistant Attorney General Morton and Chairman Rooney of the Subcommittee on Appropriations which handles Justice Department appropriations. I can assure the gentleman, in the first place, that there has never been any decision, to my knowledge, and certainly the Otoe decision does not hold, that Indian people are entitled to be compensated for land over which they roamed at any time. The concept of Indian title does not at all involve the idea of roaming over the lands and thereby acquiring a compensable right with regard to those lands. The idea of Indian title means exclusive occupancy, exclusive possession as against white people and against other Indian tribes, and that is a much smaller portion of the land than would be involved in the remarks which Mr. Morton made to the committee.

Mr. BOW. Has the gentleman estimated the cost, if the Otoe decision stands, to the Federal Government?

Mr. EDMONDSON. If every acre of land claimed in the 852 claims on file before the Indian Claims Commission were compensated for at the same rate that the land in the Otoe decision was compensated for, which is approximately 50 cents an acre, we would have a total figure of approximately $650 million, which is a far cry from the $5 billion figure cited by the Attorney General.

May I say this further? The record indicates very clearly in the cases already handled by the Indian Claims Commission that the percentage of recovery on the claims which have been asserted has been approximately 1.5 percent. If we apply to the estimated total value of claims which have been asserted and take into account all of the duplicating claims on which the same tribes are claiming the same land, which obviously is an impossibility under the concept of Indian title, as I understand it, if we allowed a 1.5 percent recovery on every acre of those lands to every tribe claiming them, it is my personal estimate based upon the recovery figure of the Indian Claims Commission that your total figure would be somewhere between $135 million and $150 million. That is my personal estimate.

I do not know that it has any greater weight than the estimate of the Assistant Attorney General, but it is based upon the experience of the Indian Claims Commission in dealing with these cases. I do not believe that Mr. Morton's estimate is based upon anything other than an ill-founded guess, as to the probable outcome, and it is certainly a gross exaggeration when we consider it is more than 30 times as much as the Indian Claims Commission's experience would indicate.

Mr. BOW. I am delighted to have the gentleman's explanation, as a member of the subcommittee before whom the Assistant Attorney General Morton appeared. What does the gentleman have to say about the fact that there are now pending claims before the Commission for more than 1,320 million acres of land compared to the total of 1,900 million acres throughout the entire United States? It is apparent from that that there is a claim being made for practically all of the land in the United States. Does the gentleman have some comment to make upon that subject?

Mr. EDMONDSON. I would say, in the first place, that I think it represents about 600 million acres less than the total acreage, for one thing, when I personally believe that had the Indians claimed every acre over which they roamed they could have claimed every acre in the United States. But aside from that I ask the gentleman once again to consider the figures on recovery allowed in the Otoe case. The recovery was only 50 cents an acre on claims asserted.

Mr. BOW. Would the gentleman say that the figure of 1,320 million acres is a correct figure by the assistant attorney general?

Mr. EDMONDSON. I think if you allow duplicating claims where the same tribes are claiming the same land it would probably be in that neighborhood. But obviously you cannot have 10 tribes collecting for the same parcel of land when you require the establishment of exclusive occupancy as a basis for Indian title.

Mr. BOW. If the gentleman will yield further, I was concerned also about the fact that in my own State of Ohio there are about 38 claims pending aggregating 117 million acres. In the entire area of the State of Ohio there are something in the neighborhood of 26 million acres. We have claims pending against 117 million acres when we have only about 26 million acres in the State. So that this has pyramided to the point where the committee is concerned about the possibility of $5 billion or even more in claims being made under this decision.

I appreciate the gentleman's bringing this to our attention because, as I say, our committee is quite concerned about this problem.

Mr. METCALF. Mr. Speaker, I will say to the gentleman that we are concerned about the problem, too. If the gentleman will carefully examine the decision in the Otoe case he will discover that there are no new rules as to Indian title. There is no change in the basic law. At this point in the Record I would like to insert a brief as to what the Indian title was before the decision in the Otoe case, and the gentleman will see that there have been no new changes.

The provision respecting the elements which must be found to sustain an award based upon unrecognized original Indian title is based upon the standards prescribed by the courts, as recently summarized by the United States Supreme Court in the case of *United States* v. *Santa Fe Pacific Railroad* (314 U. S. 339, 345):

> If it were established as a fact that the lands in question were, or were included in, the ancestral home of the Walapais in the sense that they constituted definable territory occupied exclusively by the Walapais (as distinguished from lands wandered over by many tribes), then the Walapais had Indian title—

One of the classic statements of the nature and extent of use or occupancy required to prove original Indian title was given by the Court of Claims in the case of *The Choctaw and Chickasaw Nations* v. *United States* (34 C. Cls. 17, 51):

> In all cases there must have been * * * some mastery of the tribe over the soil to the exclusion of others, or the joint possession of two or more tribes such as gave to each something of a fixed habitation or use of the land as hunting ground to establish a title by occupancy.

And in the case of the *Fort Berthold Indians* v. *United States* (71 C. Cls. 308, 334), the Court of Claims further stated:

> The Supreme Court has repeatedly held that the Indians' claim of right of occupancy of lands is dependent upon actual and not constructive possession.

But in defining use or occupation or possession, reference has always been to standards of the Indians' own economy and culture, as stated by the United States Supreme Court in the case of *Mitchel* v. *United States* (9 Pet. (34 U. S.) 711, 746):

> Indian possession or occupation was considered with reference to their habits and modes of life; their hunting grounds were as much in their actual possession as the cleared fields of the whites; and their rights to its exclusive enjoyment in their own way and for their own purposes were as much respected, until they abandoned them, made a cession to the Government, or an authorized sale to individuals.

In the case of the *Pawnee Indian Tribe of Oklahoma* v. *the United States* (1 Ind. Cls. Comm. 230, 258–262), the Indian Claims Commission adopted the above standards for application under the Indian Claims Commission Act, stating:

> It is well settled that where a claim is based on original Indian title, occupancy of the claimant tribe to the exclusion of other tribes [is] necessary (pp. 258–259).

And the Commission further stated:

> It is true the jurisdictional provisions of the Indian Claims Commission Act are broader than those contained in prior acts of Congress authorizing the adjudication of Indian claims, but this does not permit the Commission to deviate from these requirements made by the Supreme Court, as to what is necessary to establish original Indian title in land (id. at p. 262).

The use of the phrase "original Indian title" in the proposed amendment is not intended to suggest any distinction between that phrase and equivalent phrases which have been used by the courts, such as "aboriginal Indian title," "Indian title," "Indian right of occupancy," "aboriginal use and occupancy," "immemorial use and occupancy," and so forth. The qualifying word "unrecognized" has been used, because, as the law now stands, where the Indians' title to land has been recognized by the Government, factual proof of actual use and occupancy is not required.

The language of the proposed amendment, prescribing the measure of damages, adopts the rule which has been applied by the courts heretofore in unrecognized original Indian title cases. See *Alcea Band of Tillamooks* v. *United States* (115 C. Cls. 463 (reversed as to interest, 341 U. S. 48)), *Rogue River Tribe of Indians et al.* v. *United States* (116 C. Cls. 454, cert. den. 341 U. S. 902), *Otoe and Missouria Tribe of Indians* v. *The United States* (131 C. Cls. 593, cert. den. 350 U. S. 848). It expressly excludes any allowance of interest or any other increment as damages for delay in making payment, such as is normally allowed in computing just compensation. Therefore, as to claims based upon unrecognized original Indian title, there will be no liability upon the part of the Government to pay interest on the value of the land going back many years to the date when the Indians lost their interest in the land. Otherwise, the language of the amendment is intended to adopt the settled rules of valuation applied by the courts in determining just compensation. See *United States* v. *Miller* (317 U. S. 369), *Klamath Indians* v. *United States* (85 C. Cls. 451, affirmed 304 U. S. 119), *Shoshone Tribe of Indians* v. *United States* (85 C. Cls. 331, affirmed 304 U. S. 111).

Mr. BOW. If the gentleman will yield, does this open the door for the filing of additional cases that would not have been filed otherwise?

Mr. METCALF. The passage of the Indian Claims Commission Act did, as was said in the Otoe case, create a new cause of action that opened the door for the filing of additional cases.

But the rules under which Indian title is determined are unchanged. This overlap about which the gentleman is concerned and about which the gentleman from Oklahoma has talked will not be the basis for additional claims because they have to prove their Indian title under the same rules that were in existence before the passage of the act. Merely roaming over the land will not give them title.

Mr. BOW. Does this go back to the aboriginal title?

Mr. METCALF. The decision in the Otoe case demonstrated that Congress intended the Commission to have jurisdiction over claims arising out of original Indian title but such title had to be proved under established and recognized rules; mere roaming over the land did not give them title upon which to base a claim.

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Arizona.

Mr. UDALL. With regard to this matter of the legislative intent, which is the matter Mr. Morton brought up to the Appropriations Committee, was not that particular aspect of the problem fully considered in cases before the United States Court of Claims?

Mr. EDMONDSON. If the gentleman will yield, I would like at this point, if I may, to call to the attention of the House the remarks on the floor at the time this bill was before the House back in 1946 of some of the men who were responsible for the legislation and some of the men who were responsible for the interpretation of the legislation at the time it was under consideration. In the first place, I would like to direct the attention of the gentleman to the remarks made by the gentleman from Indiana [Mr. HALLECK] at the very outset of the discussion on the Indian Claims Commission bill. He said this:

> I do not propose to go into the merits of the legislation. I will leave that to the members of the Committee on Indian Affairs. However, may I say that this matter of Indian claims, claims of Indian citizens against their Government should be settled once and for all.

Along that line, we had testimony thereafter on the floor of the House by the different people associated with the bill, one after another of them stating that it was intended under this bill to take care of all of the claims of the Indian people. The gentleman from North Dakota, Mr. Robertson, who was a member of the committee at that time, called attention to a finding by the Select Committee on Indian Affairs to investigate Indian affairs under House Resolution 166 in the 78th Congress wherein they pointed out that—

> Indian claims of varying degrees of legality, morality, and merit remain outstanding against the Government in the aggregate sum of many hundreds of millions of dollars. Some of these claims are of unquestioned merit; others are highly questionable.

He goes on to point out that it is imperative that we take them all up in one forum and dispose of them.

Mr. Stigler, from Oklahoma, the late Bill Stigler, who was my distinguished predecessor in the House and one of the authors of this legislation, pointed this out:

> This bill creates a commission of three, appointed by the President subject to confirmation of the Senate, to hear and determine all claims of every nature whatsoever against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska.

The gentleman from South Dakota, Mr. MUNDT, had a similar statement in the RECORD. He said:

> Until and unless the Congress takes action to dispose of these claims, it simply means that these annual appropriations for the Indian Service and the Indian Bureau and for the bureaucrats who run them are going to have to be made, and the Indians will stay on their reservations, and we will get no place steadily in promoting the real interest and advancement of the Indian.

The Congressman from Washington, Mr. JACKSON, made this statement:

> Since 1928 when at the suggestion, I believe, of President Hoover, a comprehensive study was made by the Brookings Institution of our Indian administration, every group, private or public, that has studied this Indian problem has come to the conclusion that there ought to be a prompt and final settlement of all claims between the Government and its Indian citizens, and that the best way to accomplish this purpose is to set up temporarily an Indian Claims Commission which will sift all these claims, subject to appropriate judicial review, and bring them to a conclusion once and for all. That, in brief, is what H. R. 4497 seeks to accomplish.

Now that was the chairman of the Indian Affairs Subcommittee in the House.

Then we have the Senator from the State of Washington who stated that the purpose of this bill was to consider all of these claims.

What we are objecting to is the action on the part of the Department of Justice through the Assistant Attorney General in coming in the back door and by means of a rider on an appropriation bill substantially reducing the rights of the American Indians without giving them a public hearing.

The SPEAKER pro tempore. The time of the gentleman from Montana has expired.

INDIAN AFFAIRS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 20 minutes.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. FERNANDEZ. Mr. Speaker, with respect to this matter of the Indian Claims Commission law, the Department of Justice attorneys have known for more than 10 years now that all the lawyers who were representing the Indians were filing claims all over the country in behalf of the Indians for their aboriginal rights. They knew that the Indians were going to great expense in gathering evidence on their claims. They knew that through all these years. I think it comes with poor grace on the part of the Department of Justice attorneys to wait until they had lost their case and then come in here at this late date trying to get an amendment through the Appropriations Committee. If they thought the law needed clarification, and if they did not agree with the attorneys who were filing these suits that there was a cause of action, they should have come here before the proper committee to try to clarify the matter. I think it is just a case of their asking for more money from the Committee on Appropriations, and, in order to justify it, they brought in this big case and made quite a to do about it. The committee was no doubt surprised at the fantastic figures cited as the probable cost of recovery. When they were asked about it by the committee, they glibly said, "Yes; we can suggest language to take care of the situation." They know, or ought to know, that it is not the province of the Appropriations Committee to amend or repeal substantive law.

Mr. UDALL. I quite agree with my colleague, and I intended to comment on that point.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Florida who is chairman of the subcommittee on Indian Affairs.

Mr. HALEY. I agree with the statement made by the distinguished gentleman from New Mexico [Mr. FERNANDEZ] who just preceded me. I think that the gentleman from the Justice Department was merely trying to justify additional appropriations. I think he has become alarmed over something here without studying the thing, and even if the figures that he has submitted here—which I think are all out of proportion—even if they were correct and that were true, does not the gentleman believe that all Indians as well as any other Americans have a perfect right to come into a court of competent jurisdiction and have their day in court?

Mr. UDALL. I agree entirely with the chairman of our committee.

I might say that this Indian Claims Commission Act, which was passed 10 years ago, has been called by students of history one of the highest acts of conscience of any civilized country having aboriginal people who once occupied the land and were pushed aside. I would say to my colleagues, the gentlemen from Oklahoma and Montana, and the others from Indian States who have participated in this discussion that the Indian Claims Commission Act has come to be a symbol of the sincerity of our Government in its dealings with our Indian citizens. In fact, I believe those of us from the Indian States feel that until such time as these claims are settled once and for all, our Indian people will tend to look backward at their grievances and we will have a hard time getting them to look on ahead to the future and assume their responsibilities. It is my further belief that the action of the Department of Justice is properly regarded by the Indians as a hostile act by the Eisenhower administration. I know it is so regarded by the Indian tribes in my own State.

Let me give you for a moment the actions of the present Department of Justice in the handling of Indian Claims Commission cases. I have followed their efforts perhaps closer than anyone in the Congress because my State has more Indians under trusteeship than any other in the country—I have 12 tribes comprising approximately 80,000 Indians. Although this act has been in effect for 10 years not a single case by any of the tribes of my State has been adjudicated. Also, largely due to the fault of the Department of Justice, very few cases have been disposed of during the 10-year life of this act. One of the principal reasons for this is the fact that the Department has adopted a policy of refusing to compromise cases out of court. There is a rather curious aspect about this policy.

One division of the Justice Department—the Antitrust Division—has been boasting lately that practically all of its cases are being settled out of court on a consent decree basis. There are no trials, but this division is dealing with litigants who are big-business combines. On the other hand where Indians litigants are concerned this other arm of Justice has adopted a flat policy of no out-of-court compromises or settlements. To me that is a harsh and unrealistic policy, and I do not think it reflects credit on the Government of the United States. In addition, these attorneys have refused in these Indian clams cases to stipulate to facts which might bring the cases to issue in a hurry. It has been obvious all along that Justice has an inadequate staff to handle these cases. Now, finally, after 3 years, they have come in and asked for an additional appropriation of $300,000 to get the staff they need to process these cases.

This Division of the Department of Justice had the unique distinction of being cited by the Hoover Commission on Legal Services and Procedures for its delays and inadequacies in pursuing under proper legal procedures the matters which it is to handle.

So I think the Congress should take note of this particular Division of the Department of Justice. I think it is high time that its activities and failings are called to the attention of the Members of this body.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. EDMONDSON. Does not the gentleman agree with me also that it comes with rather poor grace from the Department which is supposed to be fighting for and contending for the rights of minority groups, as established by the courts, to go in the back door of an Appropriations Committee and seek to reduce and to diminish those rights for a substantial minority in our country by that back door, "no public hearing" approach, when those rights have been established and are substantial, as far as the Indian people are concerned?

Mr. UDALL. I agree with the gentleman. I think the Indians of my State take that view of it also.

Mr. METCALF. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. METCALF. Does not the gentleman agree that we are not buying 1 foot of this land over again, when the original consideration for the land was determined by the Court to be so inadequate as to be a violation of the treaty?

Mr. UDALL. I do not think we are. Nor do I think that Congress intended that we should rebuy any Indian lands.

Mr. METCALF. Had they purchased the land for a proper consideration originally there would be no basis for a claim.

Mr. UDALL. That is true.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. ALBERT. I congratulate the gentleman upon his very fine statement, and state that in my own State two of the great civilized tribes, the Choctaws and the Chickasaws, won a case in which they won a judgment for several million dollars. The policy that is now being pursued would preclude other Indian tribes from having exactly the same kind of treatment that was given to those tribes through the Indian Claims Act. Is that not true?

Mr. UDALL. That is quite true. It would place that particular tribe of Indians in a preferential category, and deny other Indians the same rights granted to those tribes.

Mr. ALBERT. And in the case of the Choctaws and the Chickasaws, as any other tribe, if they have another claim of equal merit they would be in the position of not being able to get an adjudication of their claims under the same precedent under which they have previously obtained what they considered to be a fair price for land that had been taken from them for inadequate consideration.

Mr. UDALL. That is true also.

Mr. ALBERT. I would like to say to the gentleman, in addition to what my colleague from Oklahoma [Mr. EDMONDSON] said about minority races and the interest of the Department of Justice in minority groups, it so happens that the Indians are wards of the Federal Government and here you find the legal arm of the Government taking action against a group of people under its own wardship. Is that not true?

Mr. UDALL. I think the Indians could very properly conclude, as the gentleman has suggested, that the Government has abused its trust duties.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield.

Mr. BROWNSON. It worries me a little about the legal implications of what the distinguished gentleman said about the problem of which we are all aware.

I wonder if we start renegotiating the acquisition price of all these lands all over the country just where that will lead if allowed to go to its ultimate extreme. As I remember we paid only $24 for the island of Manhattan. Is it the gentleman's logic that we should renegotiate everything, every land purchase from the Indians?

Mr. UDALL. I think if the gentleman would see this problem in its proper light he would realize there is not any claim pending for the island of Manhattan at the present time. And even if there were such a claim the price would be as of the time of taking and not the present-day price.

But many of these Indians out in the West have never been compensated at all for the lands which were taken from them, or they were compensated at rates which could only be considered as unconscionable.

Mr. BROWNSON. One further observation, if the gentleman will permit: We have had a great many years in which to negotiate these particular problems, at least 22 in which the gentleman's party was in power, and apparently they did not take any interest in it during that period of time.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to say with reference to what the gentleman just said that it was under the previous administration that the Indian Claims Commission Act was passed whereby our people achieved some justice in these cases.

The gentleman might also be interested to know that the States which have these claims pending include 28 of the 48 States. Some people would be surprised to know that there are 11 Indian groups in the State of Indiana that have claims filed before the Indian Claims

Commission; 21 in the State of Kansas; 59 in the State of Michigan; 15 in the State of Minnesota; 15 in the State of Nebraska; 33 in the State of New York; and 11 in the State of Wisconsin.

These claims are carried throughout the United States.

Mr. Speaker, I ask unanimous consent to insert at the conclusion of the gentleman's remarks a list of States in which such claims are pending at the present time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. UDALL. It will take me but a very brief time to complete my statement. I will yield to the gentleman then.

Mr. Speaker, having lost those cases in the Court of Claims—and the Supreme Court having declined to take the cases—what did Mr. Morton, the gentleman in charge of this Division of the Department of Justice, proceed to do? He first threw out these "scare figures" that the Indian Claims Commission Act was going to cost many, many billions of dollars in his annual report last January.

He did not come back to the committee that originally handled this legislation—the committee which was considering, and is now considering, the extension of this act—but approached a committee which has never considered this legislation before and could very readily be misled. He then made to this committee his misleading assertions about the high cost of this legislation. He attempted to get a rider attached to an appropriation bill to amend the Indian Claims Commission Act.

So there we have the posture of this whole matter at the present time. We find the Eisenhower administration and its Department of Justice attempting, as I say, to cut the very heart out of the Indian Claims Commission Act. As far as the Indian tribes of America are concerned, if the aboriginal title provision of the Indian Claims Act is stricken, the central purpose of the act will be eliminated.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Ohio.

Mr. BOW. I should like to call the gentleman's attention to a number of statements that have been made charging the present administration with not being fair to minority groups. I think the record ought to be straight on this matter. The fact is that at the time of passage of this legislation by the Congress the then Attorney General, who was of the gentleman's party and not an appointee of this administration, opposed the passage of this legislation. The facts about that will be found on page 107 of the hearings of the Judiciary Subcommittee on Appropriations.

Then again may I say to the gentleman that the Comptroller General during the previous administration, when this law was enacted, also opposed this legislation.

I should also like to add that at the time this bill passed the Congress, which would have made possible compensation based upon Indian title, President Truman vetoed it. Let us keep the record straight. In the previous administration there were objections filed by the then Attorney General, by the Comptroller General, and President Truman vetoed a bill which would have permitted this.

Mr. UDALL. I am well aware of the facts the gentleman sets forth, and they are facts; but the truth of the matter is that notwithstanding those objections the Congress went ahead and enacted the Indian Claims Commission Act and made it possible for the Indians to present their claims. It is my position that any change in that act now should be accomplished by the Congress through its appropriate committees.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Florida.

Mr. HALEY. So that we may have this in the RECORD, I would like to say to the gentlemen from the Justice Department that if they think legislation of this kind is necessary, I hope they will recommend it so that it may go to the appropriate committee of the Congress. If they will request it—I do not say I will support their request—I will be very glad to introduce such legislation so that there may be public hearings and the matter given proper consideration by the proper committee.

Mr. UDALL. The gentleman is willing to see that full hearings are had, and a full presentation made on this issue by both sides as to whether the Indian Claims Act should be changed?

Mr. HALEY. That is correct.

Mr. UDALL. I think the gentleman should be commended for his generous spirit. In my opinion, the jurisdiction to change this very important piece of legislation rests with his committee and I hope if any action is taken that it will be taken by that committee.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to include in the RECORD at this point a resolution adopted by the Oklahoma delegation in the House and Senate at a meeting held on yesterday, March 27, 1956, on this subject wherein they request that the Attorney General submit any proposal for changes in the Indian Claims Act in the form of proposed legislation on which public hearings can be held in order that the Indian people may have their day in court before these committees.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

(The matter referred to follows:)

RESOLUTION OF THE OKLAHOMA DELEGATION, MARCH 27, 1956

Whereas information has reached members of the delegation that an Assistant Attorney General has been seeking substantial amendment of the Indian Claims Commission Act by presentations before an appropriations subcommittee of the House, and in executive session before a Senate subcommittee; and

Whereas the Indians of Oklahoma have been seeking justice under the Indian Claims Commission Act since 1946, in accordance with court decisions interpreting that act; and

Whereas the proposed change in the law supported by the Assistant Attorney General would materially and substantially reduce and diminish the rights of many Oklahoma Indians under the Indian Claims Commission Act, without affording them any opportunity to be heard on the proposal in open hearings before congressional committees: Now, therefore, be it

Resolved by the Oklahoma delegation in the House and the Senate of the United States, That we respectfully request that the Attorney General of the United States submit any proposal for changes in the Indian Claims Commission Act in the form of proposed legislation, on which open public hearings will be held by the appropriate committees of the Senate and the House, in order that the Indian people may have their day in court before these committees, and an opportunity to be heard fully before any change is voted by Congress in the Indian Claims Commission Act, and the chairman of the Oklahoma delegation is hereby instructed to inform the Attorney General of the United States of the contents of this resolution.

Indian Claims Commission: Number of claims filed (852) by States of claimants

Alabama-Florida-Mississippi	3
Alaska	17
Arizona	42
Arizona-California	19
Arizona-Colorado-New Mexico-Utah	17
Arizona-Nevada-Utah	1
Arizona-New Mexico	12
Arizona-New Mexico-Oklahoma	2
California	11
California-Nevada	3
Colorado	1
Colorado-Utah	2
Connecticut	1
Florida	4
Florida-Mississippi	1
Idaho	1
Idaho-Montana	1
Idaho-Nevada-Utah-Wyoming	12
Idaho-Washington	3
Idaho-Washington-Oregon	2
Idaho-Wyoming	5
Indiana	11
Iowa-Kansas-Nebraska-Oklahoma	36
Iowa-Kansas-Oklahoma	6
Iowa-Oklahoma	19
Kansas	21
Kansas-Nebraska	3
Kansas-Nebraska-Oklahoma	1
Kansas-Oklahoma	15
Michigan	59
Minnesota	15
Minnesota-North Dakota	4
Minnesota-Wisconsin	11
Mississippi	2
Montana	23
Montana-Oklahoma	3
Montana-Wyoming	12
Nebraska	13
Nebraska-South Dakota	2
Nevada	2
New Mexico	19
New York	33
New York-Oklahoma	3
New York-Oklahoma-Wisconsin	10
North Carolina	3
North Dakota	10
North Dakota-South Dakota	1
Oklahoma	264
Oklahoma-New York-Wisconsin	3
Oregon	14
South Dakota	9
Utah	2
Washington	49
Wisconsin	11
Wyoming	3

Mr. EDMONDSON. Mr. Speaker, I would like also to call to the attention of the Members of the House the substantial facts in controversy in the Otoe case which were decided with regard to the land involved in that particular decision.

The third cause of action on which they secured a judgment for $554,000 in the Otoe decision dealt with 792,000 acres which were held under Indian title for which the Indians had been paid by the Government a total of 4.9 cents per acre for land which was found actually to be worth at that time at least 75 cents an acre.

If the position taken by the Attorney General were to be sustained and were to be written into law at this time, we would in effect ratify the purchase by the Government of these 700,000 acres of land for about 5 cents an acre when that land was actually worth 75 cents an acre at that time.

Mr. Speaker, the Congress has done a generous and a splendid thing in setting up legislation whereby we can review some of these transactions to see that justice is done where there are tribes to present claims by that kind of action. To undo the good work which we have done in this field would certainly be a step backward insofar as rehabilitation of our Indian people is concerned. One of the major reasons holding together tribes on reservations today is the fact that they think they will have their claims against the Government adjudicated. If we deprive them of their right to have some of those claims adjudicated at this time we are going to slow down and retard the business of getting them off of reservations and into a useful place in society as citizens should be in this society.

Mr. Speaker, I hope that we will not take this backward step. I hope the gentleman on the left side here will join us in preventing this from coming to pass through a rider on an appropriation bill.

WHAT ARE THE ANSWERS?

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Connecticut [Mr. SADLAK] is recognized for 15 minutes.

Mr. **SADLAK**. Mr. Speaker, the other day it was reported that another explosion of atomic bomb intensity had taken place within Soviet Russia. Further, that it was the first in a possible resumption of nuclear tests series.

Mr. Speaker, this news was preceded by a bigger bomb of world surprise proportions which allegedly exploded at the recent secret party congress held in Moscow; its shattering effects being pieced together in dispatches in the western press and its repercussions and reverberations will be watched very closely.

More specifically, the new look, the attendant circumstances leading up to what appears may be a most momentous decision not only upon the people within the confines of the vast territory terrorized by direct Soviet rule but also the possible resulting effect upon people and governments outside of the Iron Curtain.

Obviously, Mr. Speaker, my speech today is directed toward remarks attributed to Nikita Khrushchev, Secretary General of the Communist Party, announcing that Dictator Stalin was a very bad man, that he perpetrated multitudes of crimes and murders, made many blunders, and therefore should be condemned rather than continued on the high pedestal of adoration, albeit he, Khrushchev, and each of his comrades at the secret conclave contributed much and were accessories and accomplices along the bloody road to their sanctified Kremlin.

Watching developments since Stalin's demise and endeavoring to interpret them, it is my conclusion that the announcement by Khrushchev, who deposed Malenkov and saw to it that Beria was liquidated and others purged, was a most bitter pill for him to swallow. Why? Because it revealed the defeat of his own drive and intention to be the single successor to Stalin of Georgia—to step into his high boots of unquestioned authority. Time was not of sufficient length prior to the secret party meeting to remove all of the obstacles and, therefore, with the votes of those who attended with him, which votes or nods were not yet controlled by him, the decision could not be a unanimous one of autocratic authority for the Secretary General but a determination that the others in attendance continue to have a part in the over-all, finalized decrees.

To assure, as much as such was possible, that Khrushchev would not become a second Stalin, the mold had to be destroyed and a collective control confirmed by blasting the sanguine deeds of the heretofore Communist ideal.

Naturally, each of us now speculates as to the possibilities—we took hope from the Geneva Conference—there appeared a new tactic—smiles—friendly overtures—but, Mr. Speaker, the deeds which speak loudest are still forthcoming. How far will this new leadership group go? Will they admit that the survivors of Stalin's rule—they who escaped immediate death—will be freed from slavery, from work camps, from Siberia, if you please, because they wrongly and unjustifiably were placed there by whim, caprice, or order of Stalin.

Will the collective leadership now say that the Katyn massacre of Polish officers and men was Stalin's direct order? Will they now take different views on agriculture which has been a basis for much difficulty since the plots of land reserved for use of those who work the land have been constantly diminished? Will the people in the satellite countries be given an opportunity to vote as to whether they want to remain under the present administrators or whether they now would like to be under the leadership of the new regime?

Mr. Speaker, in my opinion there is no criterion on which we can make other than hopeful expectations, since the entire Soviet setup is different from other governments outside their aggrandized limits. I mean this, particularly, which has been the basis of some government overthrows in South America; the army would spearhead an uprising or revolution. I do not expect such an event in the U. S. S. R. since the army again through purges has been Sovietized to a very large extent in contrast to the people within the Soviet orbit, be they peasants or other civilians.

Mr. Speaker, there are many questions to which we await answers now that allegedly there has been some change.

We must wait and watch. There may even be some more colds among other administrators who will be sent to Moscow for special treatment, such as we had in the case of Mr. Beirut who was the man in charge in Poland, who contracted a cold while he was in Moscow during the congress there, was given some specialized medical treatment and sent back to Poland in a casket.

Mr. Speaker, this is the Easter time. We shall be adjourning tomorrow out of respect for that great holiday, that great observance, the salvation of mankind. We must keep strong in faith and defense and hope, as we wait and watch whether the surprise bomb, as I referred to it at the outset, will mean a lessening of the threat of communism or, forbid, an intensification.

Mr. **CRETELLA**. Mr. Speaker, will the gentleman yield?

Mr. **SADLAK**. I yield to my colleague.

Mr. **CRETELLA**. I would like to commend my colleague from Connecticut on an excellent presentation of a subject in which he has shown deep and enthusiastic interest. I should like to congratulate him on the presentation.

Mr. **SADLAK**. I am delighted to have that observation from my distinguished colleague from the third district. I know how closely he, too, is watching these newest developments.

A NEW LOBBY TO WEAKEN THE FLAMMABLE FABRICS ACT

The **SPEAKER**. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 20 minutes.

Mr. **CANFIELD**. Mr. Speaker, a new lobby has been born. It is part Japanese and it is part American. Its purpose is to weaken the Flammable Fabrics Act of 1954 so as to permit the importation and sale in the United States of certain lightweight silk scarfs manufactured in Japan which now cannot meet the act's safety tests developed after years of study and experimentation.

This new lobby reportedly is determined to work on the executive establishment, Members of Congress, and management and labor organizations, because certain Japanese manufacturers do not wish to treat their products for fire retardance and also because millions of dollars of such dangerous scarfs are now in offsale storage or bonded warehouses, chiefly in the New York area, and such cannot be released for sale to the American public because of the Federal statute and a like New York State statute.

It will be recalled that the House last year rejected by a more than 2-to-1 vote a rule which would bring up for floor debate and action a bill permitting the importation and sale of such scarfs. This fact of life, however, has not deterred those who would destroy the Flammable Fabrics Act and it appears now that the new lobby is reaching out to cover the waterfront in its program.

It is time that the women of America, through their clubs and organizations, the fire marshals, and fire chiefs of our land, and others who over the years crusaded to have written into the laws of our country a protective statute, should be alerted concerning this new threat.

I have been pleased to learn from a recent letter from the Honorable John W. Gwynne, distinguished Chairman of the Federal Trade Commission, and a former respected Member of the House, that inspectors of the Commission have been diligently on their toes in enforcing the Flammable Fabrics Act. Chairman Gwynne advises that the Commission has issued formal complaints against a substantial number of New York scarf importers violating the laws and many thousands of such scarfs have been condemned.

Contrary to earlier Japanese statements that they have found no way to make their scarfs meet the flammability test of our law, Chairman Gwynne states that new imports have been shown to pass the test readily because of being properly treated before export. He writes:

> As a result of Commission efforts and a growing consciousness on the part of importers, wholesalers, and retailers, of their responsibilities under the Flammable Fabrics Act, very few shipments of scarfs of questionable weight and material are being presented to customs authorities for entry into this country. However—

The Chairman goes on to say—

> I am advised that many of our American importers still have sizable inventories of lightweight scarfs either in offsale storage or bonded warehouses. These stocks remain under close scrutiny of representatives of this agency as well as New York State authorities who also are administering a State flammable fabrics act of practically identical provisions as the Federal law. Before being offered for sale, the merchandise must necessarily be treated with a fire retardant process which may be applied either here or in some foreign market.

There is the story and because some importers do not want to meet the flammability tests of Federal and State law, the new lobby is moving in. I cannot believe that this House will retreat 1 inch in its evident determination to maintain and protect a law designed to prevent the killing and maiming of our people, so many of them women and children, as in yesteryear.

Mr. Speaker, I desire to include in my remarks a complete copy of Chairman Gwynne's letter to me, dated March 12, 1956:

FEDERAL TRADE COMMISSION,
OFFICE OF THE CHAIRMAN,
Washington, March 12, 1956.

Hon. GORDON CANFIELD,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN CANFIELD: Thank you very much for your letter of March 2, 1956, relating to a bill presently before Congress to exempt from the provisions of the Flammable Fabrics Act scarfs which are made from plain surface materials. Your views in the matter are greatly appreciated.

In response to your request for information relating to the 1955 exports of Japanese silk scarfs to this country, the following is submitted:

During the latter part of 1954 it came to the attention of this agency that certain of the lightweight untreated silk scarfs being imported from Japan were questionable under the prescribed test for flammability set forth in the Flammable Fabrics Act. This information was immediately made known to the American scarf importers and they were generally advised that untreated silk habutae material less than 5 momme weight was questionable under the act and that the marketing of articles of wearing apparel made therefrom was unlawful.

Practically all importations of questionable Japanese silk scarfs entering this country during 1954 and the early part of 1955 involved shipments for which orders, accompanied by irrevocable letters of credit, were placed with Japanese exporters prior to the effective date of the Flammable Fabrics Act or at a time when it was generally thought throughout the trade that 4 momme silk habutae material would pass the prescribed test for flammability. As a result of these importations and the later sale of some of the scarfs contained therein, the Commission has issued formal complaints against a substantial number of New York scarf importers. During the same period libel proceedings were instituted by the Commission in the New York Federal District Court and approximately 88,000 silk scarfs of 3 momme weight were condemned.

Many of the lightweight scarfs imported into this country during 1954 and the early part of 1955 were treated for fire retardance before being marketed. In addition, I am advised that a large number of such scarfs have been returned by the importers to Japan or other foreign markets for further processing before sale.

Upon becoming aware of the questionable nature of untreated silk scarfs weighing less than 6 momme, the importing trade where possible converted orders which had already been placed but not delivered into ones for heavier weight silk or combination silk and rayon materials which safely pass the test for flammability. Likewise, most new orders, a large number of which were delivered during 1955, were for the heavier weight and combination silk and rayon materials. In addition, some of the 1955 entries were treated scarfs which readily passed the test for flammability.

As a result of Commission efforts and a growing consciousness on the part of importers, wholesalers, and retailers of their responsibilities under the Flammable Fabrics Act, very few shipments of scarfs of questionable weight and material are being presented to customs authorities for entry into this country. I am advised, however, that many of our American importers still have sizable inventories of lightweight scarfs either in offsale storage or bonded warehouses. These stocks remain under close scrutiny of representatives of this agency as well as New York State authorities who also are administering a State Flammable Fabrics Act of practically identical provisions as the Federal law. Before being offered for sale the merchandise must necessarily be treated with a fire retardant process which may be applied either here or in some foreign market.

I hope that the above will be helpful to you. However, if you desire more detailed information on the subject matter here involved, please let me know and I will have the chief of our division of wool, fur, and flammable fabrics call on you at your convenience.

Sincerely yours,

JOHN W. GWYNNE,
Chairman.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. Yes, I shall be glad to yield to the gentleman from California, my good friend, who was one of the original sponsors of the Flammable Fabrics Act.

Mr. JOHNSON of California. I am very much interested in the statement the gentleman is making. As he knows, in 1944 I introduced the first bill of this kind that was ever presented to the Congress. It was really a draft of a bill that the fire marshal of California asked me to introduce, because we had a statute in California which effectively barred flammable fabrics manufactured in our State from being sold in California. Mr. Walter Jones, editor of the Sacramento Bee suggested to me that the real solution of the problem would be a national act prohibiting the manufacture of dangerous fabrics which would provide our people with security and safety on a nationwide basis.

In working on that bill the Bureau of Standards helped me. They conducted in my office the first test to determine what was the right type and speed of burning, as far as the time element was concerned, which would make a fabric safe for human use. A member from the great Committee on Interstate and Foreign Commerce, the gentleman from Tennessee [Mr. PRIEST], was also present and viewed the test at the suggestion of Mr. Lea, chairman of the Interstate and Foreign Commerce Committee.

Later I personally investigated and found that a great many people, including children, had been burned by these dangerous fabrics. The gentleman is talking about these flammably dangerous scarves that ladies wear around their necks. I remember distinctly one case of a young lady at Texas University who was a member of a sorority, the same sorority to which my wife belonged in college. This young lady was going out to a party. She lighted a cigarette, and her scarf started to burn so rapidly that the poor girl was burned so badly that she died.

We were unable to accurately determine how many people had been injured by that kind of fabric, and whether they were fatal or not. The reason was that the insurance companies, who cheerfully gave us a great deal of data, did not record exactly how the injury occurred. They did not look into the question of the fabric involved, they merely ascertained that certain persons who were their policyholders had been burned and, therefore, the insurance policies had to be paid. They did not investigate the type of the burns.

I compliment the gentleman for raising this issue here in the House of Representatives today as we do not want the people desiring to change this law to go in the back door now that the Committee on Interstate and Foreign Commerce has on the books this very effective law that outlaws this type of dangerous fabrics and gives protection to everyone who uses fabrics. I am very much pleased with what the gentleman is saying. I offer him my sincere gratitude for bringing this before the House.

Mr. CANFIELD. I thank the gentleman for his testimony. I know that he is just as determined as I am that this act shall not be weakened or diluted in any way that may impair its effectiveness.

Mr. JOHNSON of California. I must refer to one other matter, of which the gentleman who has been so gracious in yielding to me is aware which illustrates that the fabric industry both in the retail field as well as in the manufacturing field are aware of the benefits of a strong fabric law and opposed to it being weakened.

Since I had been interested and appeared before committees on the problem of outlawing dangerous fabrics, I became known to many in the industry who might be affected.

Among others was the president of the Penney Co. He invited me to their New York laboratory and illustrated to me how they were continuously testing fabrics for flammability, to be sure that no fabrics going into their products would be dangerous to persons using these fabrics as wearing apparel. They were anxious to help the enforcement agencies keep the law strong and safe against injury. The company was anxious to have Members of Congress know about their efforts.

Also in the Easter recess in 1945 I visited an office near Charlottesville, the specific name of which I cannot now remember. However, here I talked to a very interesting man who represented the cotton industry. He informed me that his group was doing research designed to learn the flammability of various fabrics, the purpose being to sell only those whose flammability was so low that no possible danger from fire could result from the wearing of these fabrics.

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a copy of a letter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMERICA FACES LOSS OF WORLD LEADERSHIP IN SCIENCE AND TECHNOLOGY

The SPEAKER pro tempore (Mr. COOPER). Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 20 minutes.

Mr. PRICE. Mr. Speaker, as all of us here know, one of the most dangerous attitudes a person can have it overconfidence. I wonder how long it is going to take us to realize that overconfidence is exactly the attitude we have fallen into in the past few years. I wonder how many Americans realize that Russia may well be the world's leader in science and technology a decade from now. In fact, the Vice Chief of Staff of the United States Air Force stated on February 9 that the Russians not only are "making scientific and technological advances at a faster rate than we," but that they are presently "beating us at our own game" of mass production.

This statement is supported by some of their recent advances in scientific development. For example:

First. In June 1954 they completed a 5,000 kilowatt atomic reactor which produces commercial electric power.

Second. Last May the Russian Air Force revealed intercontinental jet bombers which compare favorably with any long-range bomber we have in production.

Third. They recently announced plans to construct an atomic-powered ice breaker and they may well have an atomic-powered surface craft completed before we do.

Fourth. According to some people who should know, the Russians expect to be in production on an intermediate range ballastic missile before the end of the year. And it should be common knowledge that a ballistic missile with a range of 1,500 miles will render our entire air defense system obsolete.

Fifth. The automation experts who visited Russia recently reported that the Soviets have completely automatic production lines which compare with the automated lines we have in this country.

Sixth. They have recently announced in their technical publications great advances in the field of electronic computers.

Seventh. Last summer at the Geneva Conference on Atomic Energy they reported that they are constructing a cyclotron which is bigger than any in the free world. We have no basis in fact to doubt their report.

Eighth. The Soviets have exploded hydrogen bomb devices. Soviet leaders boast that they really get a "bigger bang for a buck" with these bombs. They maintain that they use less of the costly materials involved to get results comparable to ours.

Ninth. The Russians have apparently progressed so far in the realm of nuclear technology that they can afford to share some of their reactors, fissionable material and technicians. They have made deals with both Rumania and Yugoslavia to furnish those countries with atomic reactors, the material to fire them and the technicians required for their installation and maintenance.

The United States has also made progress in these fields, but it has not been fast enough to maintain our position of scientific supremacy. How does it happen that a nation which only a few years ago was considered industrially primative can today challenge the leadership of the United States in atomic research and technology as well as in the sciences generally?

Well, let me recite some facts which may account for this alarming situation. The fault you will see lies in our own shortcomings.

AMERICAN SUPPLY OF SCIENTISTS AND ENGINEERS VERSUS DEMAND

Last year the American economy needed 35,000 additional engineers. Yet American colleges graduated only 23,000 engineers. This left a deficit of some 12,000.

This year, not counting the carryover demand from last year, it is estimated we will need 39,000 new engineers. Yet American colleges will produce only about 30,000. Thus, we will have a cumulative shortage during these 2 years of 21,000 engineers.

At the rate our annual technological requirements are increasing the shortage will be staggering by 1964. In that year, it is estimated that Government and industry will need 71,000 new engineers. Yet on the basis of current estimates, we will produce only 43,000 new engineers.

In total by 1964 we can expect the cumulative shortage to be some 166,000 new engineers alone. And that estimate merely assumes a continued industrial level of partial mobilization. What our shortage would be in the event of full mobilization is extremely disquieting to contemplate.

In some specific fields such as nuclear engineering the situation will be even worse than the figures indicate. Much the same picture prevails in the supply and demand of research scientists as well.

AMERICAN VERSUS RUSSIAN GRADUATION OF SCIENTISTS AND ENGINEERS

Mr. Speaker, if we compare Russian graduating classes with our own, we can easily see why they are gaining on us. The result is a colossal danger signal.

Five years ago we graduated nearly twice as many engineers as the Soviet Union. Two years ago the Soviets graduated more than twice as many as we did. And last year they produced nearly three times as many as we did.

At the moment we still have more engineers available to the Nation than the Soviet Union has, but our margin of leadership is getting smaller each year. If the present trend in both nations continues they will soon pass us.

QUALITY IS IMPORTANT TOO

The caliber of our scientists and engineers and the quality of American professional training is unsurpassed anywhere in the world. Still we cannot rest our hopes on that fact alone.

The quality of Soviet scientists and Soviet training, from a technical standpoint, is more than adequate for their needs. This fact was made amply apparent during their last May Day celebration and at the First International Conference on the Peacetime Uses of Atomic Energy, which took place at Geneva last year.

I had the opportunity of attending that atomic energy conference in Geneva. While I was there I had the opportunity of seeing some of their impressive progress. I made every effort to talk to as many scientists from the free nations of Europe as I could. Many of them had visited the Soviet Union and saw firsthand the products of Soviet scientists. The technical people I talked with in Geneva told me quite frankly that Soviet scientists, mathematicians, and engineers are as good as will be found anywhere. No one who attended that Conference went away in any mood to disparage the quality of Soviet scientists or their work.

At the Geneva Conference many American scientists were impressed with the high level of basic scientific and atomic research accomplished by Soviet scientists. This research has no direct military use. It is, however, the key to leadership, first in the sciences and sooner or later in technology. In the past American leadership in this area was unquestioned. Today, however, the Soviets are gaining on us in basic research as well as in technology. This is largely due to the current critical shortage of people with advanced training in the theoretical areas of the sciences.

SOVIET EFFORTS TO DEVELOP TECHNICIANS

Getting to the heart of the matter, the scientists I spoke with at Geneva told me that the efforts of the Communist leaders to develop an elite corps of science and engineering students was amazingly successful. Potential scientists and engineers among Soviet boys and girls are sought out and encouraged from the very earliest grades. If Russian boys and girls decide to enter the sciences, substantial government scholarships and the highest honors of the Soviet society are theirs. The size of the graduating classes in Russia demonstrates how effective this program is.

Neither do the Russian leaders spare any expense in making the very latest and best research tools and laboratories as well as a plentiful supply of qualified science teachers available to Soviet students. Their grade schools and high schools as well as their colleges have a broad and intensive curriculum in mathematics and the sciences. Their young students receive instruction from the best scientists and engineers available. Whatever one may think of Communist instruction in Marxist hogwash, their results in the physical sciences are impressive.

AMERICAN EFFORTS TO DEVELOP TECHNICIANS

The Russian educational system contrasts greatly with ours. We have a long tradition of local financing and control of schools. This means that our students largely have a free choice of studies and of careers. For this we can be grateful. Under no circumstances would we want the Soviet type of regimentation and dictatorship in our schools.

Unfortunately, the contrast does not stop here. In the United States only half of the high-school graduates who are potential science and engineering students enter college. And, to make matters worse, less than half of those who embark on science and engineering studies finish their preparation for a career in science or engineering.

This, in the total picture, means that the United States is receiving the services of, roughly, only 2 out of every 10 boys and girls who are its potential scientific and engineering resources. The rest of that talent, through lack of guidance and encouragement, is being lost. This Nation can ill afford such extravagance.

Time and again history has demonstrated that a nation's most valuable resource is the ability, character, and training of its people. The nation which squanders the potentialities of its young men and women is courting national disaster. And that is exactly what is happening in the United States today.

Let us go back one step further and look at the college preparation of high-school boys and girls in this country today. In 1900 over half of our high-school students enrolled in algebra courses. Today less than a quarter do.

In 1900 a fifth of the students took geometry. Today about a tenth do.

Most startling of all is the decreasing enrollments in physics courses. In 1900 a fourth of all high-school students studied this basic physical science. Today about 4 percent do. Indeed, today less than half of the high schools even include the science of physics in their curriculum.

The problem of high-school curriculum is closely tied up with the availability of teachers. With a shortage of scientists and technicians in high-paying industrial fields, it is only natural that a shortage of high-school science and mathematics teachers should occur. The result is a thin watered-down scientific course in high schools.

It is small wonder, then, that college enrollments in the physical sciences and engineering have fallen off. Unless students become acquainted with mathematics, physics, and chemistry early in their careers, they can hardly be expected to select these fields for their lifework.

This, however, is only part of the reason for a decreasing supply of graduate engineers and scientists. There are some basic economic reasons why many boys and girls do not go to college. A college education is getting more expensive every year. The cost of books, housing, clothing, and food, not to mention tuition, has been going up yearly. The purchasing power of college scholarships is only a fraction of what it was a few years ago. This means that boys and girls without money find it impossible to work their way through and still get a decent education. The Nation, not the student, is the loser in this economic squeeze.

SUMMARY OF THE PROBLEM

The general pattern of this problem is clear. A shortage of teachers and a decreasing curriculum in the high schools means that fewer students get early training in the sciences and mathematics. The poorer college preparation of our students means that they have less interest or incentive to go on to professional studies in college, especially in light of the high cost of such an education. Thus we have fewer graduates in the face of an increasing demand.

This by no means tells the whole story, but the root causes of the present crisis stand out sharp and clear. I have tried to picture some of them here.

The seriousness of the crisis becomes clear when you consider the dire consequences of this shortage.

DANGER TO OUR NATIONAL SECURITY

First, let us not forget for a moment that any flaw in the Amercan economic machine weakens our potential for national defense. Our national security rests on our technological superiorities. Man for man, the free world is outnumbered many times over by the teeming population of the Soviet world. We in the free world have been forced to base our defense on the greater fire power, greater mobility, and long-range striking power of our fighting forces.

Until recently our weapons have been so far superior to those of our enemies they have not dared attack us. They have been constrained to weigh heavily the disastrous consequences of war to themselves whether they won or lost. Without a continuing and increasing contribution from our scientists and engineers to the national defense we will be in serious trouble. They must keep us out in front in the race for the ultimate weapon. In spite of this great need we do not have enough scientists and engineers working to keep a safe margin between us and the Soviet Union. It is cause for alarm that the Soviet Union has so greatly surpassed us in turning out scientists and technicians. They are surpassing us in a primary element of military and industrial strength.

It is impossible to separate advance in the field of atomic energy from advance in the other sciences and mathematics. They go hand in glove, for the one relies heavily on the other. A single problem requires coördinated attacks by many different kinds of specialists. This is the reason why we on the Joint Committee on Atomic Energy have become so concerned with the problem.

DANGER TO OUR STANDARD OF LIVING

Secondly, let us recall that one of the greatest factors in the phenomenal growth of the American standard of living in the last century and a half has been our science and technology. The application of technical know-how to our vast physical resources has helped make us the freest, wealthiest, and happiest Nation on earth. It has provided us with a firm base for fulfilling the promise of the American way of life.

If we are to continue the constructive work of our predecessors, we must realize that progress is not an accidental occurrence. It is the result of hard work and careful planning. American industry still has a big job to do. It must continually expand to satisfy the needs of an expanding population. It must tackle more difficult and more complex problems to find new and better ways of fulfilling its mission. All of this means that the normal need for scientific and engineering manpower grows greater each year we progress.

This is illustrated by the fact that in 1900 there was only 1 engineer for approximately every 290 workers in industrial fields. Today there is 1 engineer for every 65 such workers. We may one day progress to the point where there are more scientific and technical workers than there are production workers. A shortage of technologists today is clearly a threat to our industrial strength and standard of living in the years ahead.

ACTION BY CONGRESS IS REQUIRED

This situation is urgent, but little has been done. The National Science Foundation and the AEC as well as industry and professional associations are making attempts to recruit more technological workers, but this only treats a symptom, not the cause. In the face of the gravity of the problem and the apparent inability of others to tackle it, Congress must assume leadership. This present session of Congress must initiate a crash program to prevent a steady decay in our economy and national defense. Should the present trends continue, we are certain to find ourselves sitting face to face with national tragedy in the near future.

As a first step we need to get more information. And we need to get suggested solutions from those who have already been working with the problem. Needless to say, a problem involving our national education system must be studied thoroughly. We dare not risk a remedy here which is worse than the ailment. However, hundreds of qualified people have been studying the problem for several years now. We want to bring out in the open the results of their research.

In order to lay the groundwork for this process, the Legislative Reference Service has prepared, at my request, an excellent summary of the material already available on the subject. As a result the problem areas which need our attention have been isolated.

As a second step, the Subcommittee on Research and Development of the Joint Committee on Atomic Energy is going to study this problem in open hearings. These hearings will be held as soon as circumstances permit. As chairman of that subcommittee, I invite every interested person who has something to contribute to join us in our study.

We plan to use the document prepared by the Legislative Reference Service as a jumping off point in our hearings. In order that this study may receive as wide a distribution as possible, the Joint Committee on Atomic Energy has had it printed as a committee document in preparation for the hearings. Copies of this study are being sent to every Member of Congress today. Additional copies may be obtained from the committee or from the Government Printing Office.

I am sure that every Member of Congress regardless of party or committee assignment will wish to participate in this important discussion and help formulate a positive program of Federal action in the coming weeks. It is certain that we cannot continue our present drifting without going on the rocks.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I wish to commend the distinguished gentleman from Illinois for his concern and for his serious study of our national shortcomings in the technological training of our people which are so essential to our national defense as well as for production and for the Government itself. His very carefully prepared report on this subject, which has been printed by the Joint Committee on Atomic Energy, should be required reading for every Member of Congress.

Mr. PRICE. I thank the gentleman from Ohio for his kind remarks. I hope every Member of Congress will look over this study which will probably be on his desk tomorrow. He will find in it much food for thought. It will be helpful to him in his consideration of the problem. I know there are many Members of the House who are deeply interested.

WHY NO LABOR LEGISLATION?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SCOTT] is recognized for 30 minutes.

Mr. SCOTT. Mr. Speaker, the Congress will begin its regular 10-day Easter recess tomorrow.

I suggest to my colleagues that this absence from Washington gives us an excellent opportunity to review this session's legislative progress. It also gives us the opportunity to resolve to increase our rate of progress after our return if we desire to do so.

Certainly that objective is of substantial importance since we will obviously desire to end this session in time for the national political conventions. This will reduce the period of time which might otherwise be available by extending the session for considering and adopting useful legislation.

Each one of us is aware that this is an election year.

But all of us are obliged to recognize that this is a legislative year as well. I am quite sure that our constituents will judge us in November against the standard of whether we discharge our legislative duties in meeting the session's issues and not against the standard of how successfully vital issues have been avoided for reasons of political self-protection.

Each of us in this Chamber shares a measure of responsibility to see to it that needed legislation is promptly enacted.

The major responsibility, in this connection, lies quite obviously with the Democrat Party which, as the majority party, controls the congressional committees and elects the committee chairmen, who in turn determine what legislation, if any, will be considered.

I wonder if the Democrat Party's campaign spokesmen will admit to this responsibility a few short months from now?

I think the answer to this question will be of great interest to substantial groups of our citizens.

I should imagine the answer to this question will be of particular importance to our American working men and women and their unions, since the Democrat Party has consistently advertised itself as being completely devoted to their interest.

The extent of this devotion—if legislative activity in this Congress upon proposals which seem to have some bearing on the American worker's welfare is any measure—would seem to be more a matter of lip-service than of heart-felt regard.

This matter has aroused increased public interest in recent weeks, thanks to the interest of men who really want to get something accomplished for the benefit of American wage earners.

Secretary of Labor James P. Mitchell, who is charged by act of Congress with the duty of fostering the American wage earner's welfare, has publicly expressed his concern that the appropriate congressional committees are disregarding the administration's proposals which are intended to benefit America's working men and women. Secretary Mitchell has expresesd the earnest hope that these proposals will at least receive consideration.

Here, it seemed to me, was an opportunity to compare the amount of interest the Republican Party and the Democrat Party have displayed so far by their support of Federal legislative proposals of benefit to the American workers. I, therefore, made some inquiries.

The results are amazing, when it is considered that 7 of the proposals I will describe to you are estimated to affect approximately 43 million American working men and women. That is a lot of people.

Republican Members of this House introduced nine bills which embodied proposals of interest to the Department of Labor in the first session. President Eisenhower specifically referred to some of these proposals in various of his messages to the Congress, and the Bureau of the Budget cleared each of them prior to its introduction so that they all can be considered in accord with the President's program.

The status of these proposals follows:

I. A BILL TO AMEND THE DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

This bill was introduced in the Senate—S. 1163—and in the House—H. R. 4312—on February 23, 1955.

President Eisenhower recommended the adoption of 2 of its 3 proposed amendments in his January 20, 1955, Economic Report. These were that all eligible claimants be entitled to receive unemployment compensation benefits for a maximum period of 26 weeks if they are unemployed that long, and that a uniform period of 6 weeks during which benefits will be postponed on disqualification be established, while providing for only 1 type of disqualification for the same act. The third proposal tightens the wage-qualifying requirements.

It is estimated that this proposal will benefit approximately 225,000 working men and women.

The House District Committee has taken no action upon this proposal since its introduction 1 year ago.

II. A BILL TO AMEND TITLE IV OF THE VETERANS' READJUSTMENT ASSISTANCE ACT

This bill was introduced in the Senate—S. 1418—on March 14, 1955, and in the House—H. R. 4946—on March 15, 1955.

It amends the act to provide that an ex-serviceman shall not be eligible for the special unemployment compensation benefits of the act for more than 3 years after his discharge or the effective date of the amendment, whichever is later, except where he has pursued education and training or vocational rehabilitation programs provided by the act.

The House Veterans' Affairs Committee acted most promptly on this proposal, and I am happy to report that it was enacted into law—Public Law 176—with President Eisenhower's signing of the measure on July 26, 1955.

III. A BILL TO PROVIDE FEDERAL GRANTS-IN-AID TO THOSE STATES WHICH ESTABLISH AN APPROVED PLAN FOR A PROGRAM OF INDUSTRIAL SAFETY

This bill was introduced in the Senate—S. 1091—on February 18, 1955, and in the House—H. R. 5740—on April 20, 1955.

The purpose of the bill is to encourage the States to develop industrial safety programs in order that they may adequately combat industrial accidents which result in injury, death, excessive financial loss, and uncomputable misery. Thus, in 1955 alone, industrial accidents caused 15,000 deaths, about 76,800 workers suffered some kind of permanent physical impairment, and more than 1,839,000 received injuries which disabled them for 1 day. The estimated direct and indirect cost of these accidents is almost $3½ billion.

It is estimated that this proposal will benefit approximately 39 million working men and women.

The Department of Labor voluntarily transmitted its report to the House Education and Labor Committee on May 30, 1955. This committee has taken no action upon the proposal since its introduction 11 months ago.

IV. A BILL TO ESTABLISH STANDARDS FOR HOURS OF WORK AND OVERTIME PAY OF LABORERS AND MECHANICS EMPLOYED ON WORK DONE UNDER CONTRACT FOR, OR WITH THE FINANCIAL AID OF, THE UNITED STATES, FOR ANY TERRITORY, OR FOR THE DISTRICT OF COLUMBIA

This bill was introduced in the Senate—S. 1204—on February 25, 1955, and in the House—H. R. 5758—on April 20, 1955.

It proposes to revise, modify, and codify the vast series of complicated and overlapping statutes, dating back to 1892, which govern the hours of work and overtime pay of laborers and mechanics employed on public work by the Federal Government and its contractors and subcontractors. It will, for example, eliminate such ambiguities as whether the law gives an employee who works overtime the right to collect time and one-half compensation if his employer fails to pay it. It also proposes to amend the existing overtime provisions which, as an example, presently permit certain contractors to perform Federal work with laborers and mechanics who work 56 hours a week without receiving overtime compensation even though Congress has established a straight-time workweek of 40 hours for Federal employment, for work connected with interstate commerce under the wage and hour law, and for work on Federal supply contracts under the Walsh-Healey Act.

It is estimated that this proposal will benefit approximately 1 million working men and women.

The House Education and Labor Committee has taken no action upon this proposal since its introduction 11 months ago.

V. A BILL TO AMEND THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT TO AUTHORIZE MORE EFFECTIVE USE OF THE SPECIAL FUND PROVIDED FOR IN SECTION 44

This bill was introduced in the Senate—S. 1308—on March 4, 1955, and in the House—H. R. 5759—on April 20, 1955.

The existing measure, aside from being the Longshoremen's and Harbor Workers' Compensation Act, is also the basic workmen's compensation law for the District of Columbia and its compensation rate is the measure for compensation paid by the Federal Government under the War Hazards Act. The act's total coverage, as extended, is estimated to total between 500,000 and 600,000 employees.

The section 44 special fund, which derives from collected fines and penalties and amounts paid by employers in the stevedoring industry covered by the act has an average annual income of approximately $35,000 and an average annual disbursement of approximately $10,000; the fund presently totals about $734,522. Experience indicates that the fund is capable of supporting certain presently unprovided worthwhile and necessary services for its beneficiaries.

The draft legislation proposes to establish a priority for payments from the entire fund for permanent total disability resulting from the combined effect of two injuries, to increase the amount of the maximum allowance for maintenance of employees undergoing vocational rehabilitation from $10 to $25 per week, to authorize the Secretary of Labor to use the fund for furnishing prosthetic appliances or other apparatus to refit an injured employee for employment, to authorize the Secretary of Labor to procure rehabilitation services in cases where necessary services are not otherwise available through existing facilities, and to authorize the payment of awards to provide relief to employees who are unable to collect compensation awards because of the insolvency of their employers or their deceased employers' estates.

It is estimated that this proposal will benefit approximately 650,000 working men and women.

I wish to note for the record that the House Education and Labor Committee's Subcommittee on Longshoremen's and Harbor Workers' Act began hearings on S. 2280 and pending House bills on March 12, 1956.

VI. A BILL TO AMEND THE LONGSHOREMEN'S AND HARBOR WORKERS' ACT, AS AMENDED, TO PROVIDE INCREASED BENEFITS IN CASE OF DISABLING INJURIES

This bill was introduced in the Senate—S. 1307—on March 4, 1955, and in the House—H. R. 5757—on April 20, 1955.

This act, which I just mentioned as being also the basic workmen's compensation law for the District of Columbia and whose rate is the measure of compensation paid by the Federal Government under the so-called War Hazards Act, specifies that benefits shall be paid at 66⅔ percent of the employee's average weekly wage, with a maximum dollar limit of $35 a week. This weekly sum aggregates only $1,820 when extended on an annual basis; this benefit limit therefore prevents the percentage from operating in the case of wage earners whose wages exceed the dollar maximum. Thus, as the level of wages rises, the compensation which is received sinks far below the two-thirds of the employee's wages intended by the law.

These weekly compensation limits were set in 1948 in relation to the prevailing wage rate in the industry and the then prevailing cost of living, and their continuance under today's economic conditions is obviously unrealistic.

It is estimated that this proposal will benefit approximately 650,000 working men and women.

I wish to note for the record that the House Education and Labor Committee's Subcommittee on Longshoremen's and Harbor Workers' Act began hearings on this and allied measures on March 12, 1956.

VII. A BILL TO INCLUDE PERSONS ENGAGED IN CARRYING OUT THE PROVISIONS OF LABOR LAWS OF THE UNITED STATES WITHIN THE PROVISIONS OF SECTIONS 111 AND 1114 OF TITLE 18 OF THE UNITED STATES CODE, RELATING TO ASSAULTS AND HOMICIDES

This bill was introduced in the Senate—S. 1150—on February 21, 1955, and in the House—H. R. 6997—on June 23, 1955.

The bill proposes to provide protection to Department of Labor officers and employees who are engaged in the administration and enforcement of Federal labor laws, as similarly engaged officers in other Federal activities are now protected. The protection results from the deterrent effect of designating these acts as Federal crimes.

The House Judiciary Committee has not considered this bill to date, although the Department of Labor transmitted its report on July 13, 1955.

VIII. A BILL TO AMEND THE FEDERAL EMPLOYEES' COMPENSATION ACT BY PROVIDING FOR REIMBURSEMENT OF EXPENDITURES FROM THE EMPLOYEES' COMPENSATION FUND BY FEDERAL EMPLOYING AGENCIES

This bill was introduced in the Senate—S. 1309—on March 4, 1955, and in the House—H. R. 5751—on April 20, 1955.

This bill proposes to assist in reducing the personal accident toll in the Federal service by shifting the financing of benefit payments in employment injury cases from a single appropriation to the appropriations of the employing agencies. The theory is, of course, that the agencies will develop a greater sense of responsibility in preventing accidents in the course of employment if they are required to discuss their accident rates in justifying appropriations to reimburse for claims of this nature.

It is estimated that this proposal will benefit approximately 2 million working men and women.

The House Education and Labor Committee has taken no action upon this measure since its introduction 11 months ago.

IX. A BILL TO EXTEND THE UNEMPLOYMENT COMPENSATION PROGRAM TO PUERTO RICO

This bill was introduced in the Senate—S. 2183—on June 10, 1955 and in the House—H. R. 6577—on May 31 1955.

Its purpose is to round out the effort which this Congress has heretofore made in meeting serious social problems in Puerto Rico: the evidence of this effort is that the fact that the Commonwealth now share in the benefits of the Federal-State unemployment service, the maternal and child-welfare program, the program for old-age assistance, aid to

dependent children, aid to the blind, and aid to the permanently disabled, and the old-age and survivors' insurance program, and all of the other provisions of the Social Security Act except the unemployment compensation program.

Although the Commonwealth Government is making great strides in attracting new industry to overcome its labor surplus, the extension of the unemployment compensation program will help to maintain purchasing power and assist in stabilizing and bolstering Puerto Rico's economy until the effort to attract industry takes up the slack of unemployment.

It is estimated that this proposal will benefit approximately 185,000 working men and women.

The House Ways and Means Committee has taken no action upon this bill to this date.

The score upon these 9 first session administration proposals in the labor field thus is that 7 of them were introduced into the House almost a year ago.

One of these seven proposals was passed expeditiously into law.

Hearings were finally afforded three of these bills this month.

The appropriate House committees have taken no action on the remaining 3 proposals which were introduced almost a year ago, or on the 2 measures which were introduced in May and June of last year.

The effect of ignoring these first session proposals indicates a distressing lack of interest in the problems of wage earners on the part of the Democratic leadership of this House. Republican Members have added to this total of similar desirable legislation in this session by introducing additional bills which the administration supports; these proposals will also benefit great numbers of working men and women. These measures include providing for a nonoccupational disability insurance program for the District of Columbia—affecting approximately 225,000 workers—the regulation of welfare and pension plans—affecting approximately 12 million workers—an equal pay bill for women—affecting approximately 7 million workers—the transfer of the District of Columbia Unemployment Service to the District Commissioners, the regulation of the interstate transportation of migratory workers—affecting approximately 1 million workers—and the clarifying of the judicial enforcement of reservists' reemployment rights provision of the Universal Military and Training Act—affecting approximately 1½ million workers.

Now, Mr. Speaker and gentlemen, I do not say to you that these first session and second session proposals, like the philosopher's stone of old, will cure every ill in the areas to which they are directed. Hearings well may reveal that amendments and changes to their ideas will give a more valuable benefit in the particular situation as to which they are intended to correct an existing deficiency or supply an existing need. Adjustments of this nature are all part and parcel of this system of Government of ours.

But I do say to you that neither you nor I will have the privilege of examining these or similar worthy proposals until hearings are held on them or their subject matter. Such needed hearings have not been held.

The Democratic Party holds control of this House and its committees. It is therefore its responsibility either to open hearings or to continue to deny hearings with respect to these and many other equally worthy proposals. This responsibility can neither be dodged nor befogged by last-minute campaign demagogery. Fustian is no substitute for facts.

The Democratic Party must explain to the working men and women of this country in the forthcoming campaign that, through its responsibility, hearings have not been held. After this Congress returns on April 9, Democrat leadership will have one last chance to fish or cut bait.

I hope we will see this reluctant Democrat leadership encourage hearings upon these proposals between April 9 and the session's end.

It is time to substitute performance for promises. American wage earners will judge this Democratic Congress as the foot-dragging, do-nothing Congress unless it mends its ways.

And soon.

THE INDIAN CLAIMS COMMISSION ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 20 minutes.

Mr. EDMONDSON. Mr. Speaker, I have already taken a good deal of the time of the House today during the appearances on the floor of my colleagues from Arizona and Montana, therefore I will take only a few additional minutes. There are two points which I would like to nail down and nail down as firmly as possible before we close the discussion for today on the Indian Claims Commission bill and the amendments being suggested to it before the appropriations subcommittee of the House by the Assistant Attorney General.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Ohio.

Mr. BOW. It is necessary that I leave to attend a committee meeting, but I should like to say to the gentleman that I hope legislation will be presented to the proper legislative committees of the House to review this mater. I quite agree with the gentleman and those who have spoken today that the proper way to legislate is not through appropriation riders. However, I do hope the gentleman will consider and that the Justice Department will send to the Congress for consideration this very important matter which may cost the taxpayers of this country somewhere in the neighborhood of $5 billion unless we have a review of the subject.

Mr. EDMONDSON. I thank the gentleman very much for sharing our concern about the attempt to legislate on this through the Appropriations Committee, and I appreciate his point of view on it. I hope that the gentleman will join us who feel so concerned in doing what he can to prevent any action in the Committee on Appropriations on that suggested rider.

Mr. Speaker, there was some discussion a few moments ago as to whether or not the administration, back at the time of the passage of this bill, was in favor of its enactment. In this connection, the gentleman who just left the floor directed attention to the fact that there were opinions supplied by the Comptroller General and also by the Attorney General of the United States in which they recommended against passage of the Indian Claims Commission Act. I have reviewed those opinions supplied by the two officials on the executive side of the Government at that time, and it is true that they did make recommendations against passage of the legislation as it was written. They did propose some substantial changes with regard to the legislation. Some of the things which they proposed actually were incorporated into the bill in later stages of its consideration. The significant thing with regard to the position taken by the parties, however, is this: The bill was proposed by Democratic authors in a Democratic House of Representatives. It was enacted by a Democratic Congress, and it was signed into law by a Democratic President of the United States. If that does not make pretty clear the record of Democratic sponsorship and support for this legislation, I do not know how else you can establish it.

I think also it is rather significant that there was support from the other side of the aisle at that time. It is significant because of the language of the Republican Party platform which was cited with regard to this legislation by the gentleman from South Dakota [Mr. CASE] in his remarks appearing in the CONGRESSIONAL RECORD, volume 92, part 4, page 5319. Mr. CASE read this language from the Republican national platform in 1944:

> We pledge an immediate, just, and final settlement of all Indian claims between the Government and the Indian citizenship of the Nation.

Now, the Republican Party platform of 1944 did not say of all claims except those based on Indian title. They did not say of all claims except those based upon original title or aboriginal title or the right of occupancy. They said:

> We pledge an immediate, just, and equitable settlement of all Indian claims between the Government and the Indian citizenship of the Nation.

That was the position they took then. That was the right position. That was the same position as that taken by the Democratic Party at that time, and because that was the party position which both sides shared, there was bipartisan support for this legislation to adjudicate all of these claims.

The question is not so much, however, where the parties stood in 1944 or 1946. The question is this: Where do the parties stand today, in 1956, with regard to these Indian claims? Is the Republican Party of 1956 repudiating the language of its platform back in 1944 when they come before us and say "You should not have a settlement of claims based upon Indian title or original title under this legislation." When the Assistant Attorney General comes before the House and says "We should change the law because it is going to cost us too much money," is he standing for immediate and final settlement of all claims, or is he qualifying those claims?

Incidentally, I am curious to know why the only reason which he can give against this legislation is it is going to cost too much money. He has not claimed that it is not fair to settle with the Indians. He has not claimed that it is not just to settle with them on these claims. He has not claimed at all that the Otoes should only have received 5 cents an acre for their land instead of the 75 cents an acre which was allowed to them under one portion of the Otoe decision. What he said is this: It is going to cost us too much money, so because it is going to cost us too much money, we have to change the law. That is the question for today. Where does the Republican Party and the Republican administration stand today with regard to the Indian rights of the Nation? Are they going to uphold the minority rights of one segment of our population on the one hand and then turn around and in the next breath, by a back-door entrance to a congressional committee seek to reduce and undermine the established and adjudicated rights of another minority group in our Nation? They are making a Dr. Jekyll and Mr. Hyde record on the subject of minority rights in this country if what they are doing with regard to Indian rights under the Indian Claims Commission is any indication of what their overall position is.

Let me nail for once and for all this question of what the intent of Congress was on the subject of Indian title. Here is the exact language presented to the House by the House managers in the conference committee report. I am going to quote it verbatim:

> The bill, as passed by the House of Representatives, enumerated six classes of claims cognizable by the Commission. The Senate, in the interest of simplicity, reduced these to three, being careful to state in its report, that the change was not intended to deprive the claimants of the right to invoke the jurisdiction of the Commission in any case which would have been cognizable under the language of the bill as it passed the House. Out of an abundance of caution the conferees reinserted two of the classifications struck by the Senate because they wanted to make sure that if any tribal claimant could prove facts sufficient to make a case under either of these classifications, the Commission would have authority to make an award to such claimant. * * * The second of these classifications covers claims arising from the taking by the United States of Indian lands, i. e., lands to which tribal claimants had Indian title or the right of occupancy. Sometimes these lands were taken under the guise of unratified treaties, sometimes without any semblance of a treaty. The reinsertion of this classification makes it plain that where claimant can prove sufficient facts within the language of this classification the Commission has full authority to award proper damages therefor.

There is the language of the managers in the conference, as presented on the floor of the House, with respect to Indian title or the right of occupancy. Clearly, the bill was intended to cover claims based on that kind of right.

Mr. Speaker, let me close with a quotation from a message of the President of the United States when he signed this bill into law. At that time, in 1946, he said:

> This bill makes perfectly clear what many men and women, here and abroad, have failed to recognize, that in our transactions with the Indian tribes we have at least since the Northwest Ordinance of 1787 set for ourselves the standard of fair and honorable dealings, pledging respect for all Indian property rights.

That was the spirit in which the President signed this bill into law. That is the spirit under which the Indians have prepared their cases over a period of 10 years for adjudication by the Indian Claims Commission. Are we today under the so-called great crusade of this administration to retreat from a standard of fair and honorable dealings with the Indian people of this Nation? That is the question which we believe the Attorney General of the United States should settle and settle conclusively with regard to the position his Department has been taking on the matter of Indian claims.

COMPANY ORGANIZATION

Mr. **BOYKIN**. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks and include a speech.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. **BOYKIN**. Mr. Speaker, whenever I find anything out of the ordinary and especially wonderful I always try to take it down home to our beloved Alabama. I have been talking to Gen. Robert E. Wood for many, many long years and he has been telling me about the great organization that he had helped to perfect down through the years.

Of course, I did not think it was possible to find anybody in this particular kind of business half as wonderful as General Wood, but we had a great meeting down in that southern city of Atlanta, Ga., last week. The industralists from every State in the Union were there to listen to the head of this great corporation—the head of Sears, Roebuck & Co.—they say of Chicago, but I think it is of every State in the Union, and I believe we were told at this meeting that they had different businesses in some 35 countries.

Anyway, the principal speaker at this great meeting held at the Biltmore Hotel in Atlanta, Ga., was Mr. Ted V. Houser, chairman of the board of Sears, Roebuck & Co. The speech was truly amazing and fantastic, and it was so good that I wanted the Members of the Congress of the United States to know all about it. We have here in the Congress 435 men, who represent every human being in this great Nation of 165 million people. I want these men who represent this great Nation to read what this great man, T. V. Houser, had to say about the work they had done, are doing, and will continue to do. It is almost unbelievable, and there is no way to tell about it except as Mr. Houser unfolded the story; it was almost like a fairy tale.

It shows you what brains and ability can do; what organization can do; and that is what this great company has done. It developed in the meeting by the man who introduced Mr. Houser that Mr. Houser used to be with Montgomery Ward, and I was just wondering if he—Ted Houser—is not a mixture of two great men, who have led two great businesses to such high places in this Nation. I am speaking of Gen. Robert E. Wood, of Sears, Roebuck & Co., and the great one and only—just like General Wood, only of a different calibre—Sewell Avery. General Wood, with his associates, has led Sears, Roebuck & Co.; Mr. Sewell Avery and his associates have led Montgomery Ward. I do not know but what every man and woman and every boy and girl in this Nation know about these people. I remember when I was a little boy, I used to look at their catalogs with their beautiful things and just wish for them. Then they only had, I guess, 1 or 2 stores, but now they have them everywhere.

I think this great story, as related by my friend, T. V. Houser, will be an inspiration to all men everywhere and will show just what can be done by working, pulling together and praying, as I am sure this great man does.

I spent a long time with Mr. T. V. Houser. I had Gen. Lewis A. Pick, former Chief of the Army Engineers, with me, along with Mr. Pleas Looney, General Pick's assistant, from Alabama. Mr. Houser had with him some wonderful men. I will name a few of them—Frank Parsons of their great Atlanta office; Edward Gudeman, of their Chicago office; John J. Amato, also of Chicago; C. H. Kellstadt, of Atlanta; and many other great men who represent these men and women that own this great plant from all over this Nation, and almost all over the world, and I think they will be all over the world sooner or later, if they keep going.

This man Houser is a very sincere and serious man, and like the man he succeeded, General Wood, he has a brilliant brain, a world of energy and an imagination that is truly wonderful. For instance, General Pick asked him how much money they had out on the installment plan, that they let our people in every State in the Union have, so they could have all of these great necessities of life. I believe he said, Mr. Speaker, $900 million. Think of it—$900 million—just distributed to the men and women and the boys and girls of this Nation. This makes it possible, on the installment plan, to own so many wonderful things—practically everything.

I was amazed to find out the different things they do, and I will not try to tell about it, because I want, at this time, to insert in the CONGRESSIONAL RECORD, which will go to every library and every beat in this Nation, a speech by Mr. T. V. Houser, so everybody can know about what a group of men are doing—their plans and how they do it. I believe it will help them along with their business, or the business they hope to get, because all of the little businesses want to be big businesses, and that is what they are working for.

The only way to properly appreciate what I am telling you is to read this great message that was given to us by a great man in a great city—Atlanta, Ga. I wish we could not only read this message, but could hear the story that was told us after the meeting was over in the rooms of Mr. Houser, where he had this group around, and where he talked to General Pick, Pleas Looney, and me for so long.

They are wonderful people; they are doing great work; they are the most unselfish group I have ever known, and I wanted everybody everywhere to know about it. I believe the speech that I am inserting here will give us the message.

I wish the other men that head the great corporations of this Nation would do the same thing. I believe it would do a lot of good, because while I have been close to them and I have visited with General Wood in Alaska, I have had him to visit me in Mobile—as a matter of fact, he will be coming down to Alabama just this very week—and we have kept in close touch with each other here in Washington, in Chicago and everywhere, I just had no idea of the magnitude of this great business that this speech so well describes.

The address follows:

> The agenda for your day's discussions includes the subject of company organization, and I thought a leaf or two from Sears experience might be of interest to you.
>
> Sears has traditionally been a growth company, and its growth is reflected in the evolution of its organizational structure. In tracing the development of organization through almost 70 years, several distinct periods can be seen, each one an era of growth, and each one associated with a modification of the organization to adjust to the problems of growth. As a growing and profitable company in the early days of mail order, Sears, Roebuck & Co. had attracted a group of highly competent aggressive men. It suited the purposes and personal inclinations of both Richard Sears, the founder of the business, and Julius Rosenwald, who succeeded Mr. Sears as the chief officer of the company, to give these men a relatively free rein. Thus from the beginning, Sears organization has never been the result of a master-mind plan, but rather of periodic appraisal of new conditions, with a resulting continuous series of adjustments. The history of Sears, from an organizational point of view, is largely a record of the response of a relatively fluid, loose-structured, highly personal type of organization to changing business conditions and growth, the absorption of new groups of people in various administrative and staff capacities, and the development of interauthorities and responsibilities.
>
> Sears was founded in 1886 as a mail-order merchandising business and continued as such for almost 40 years. During these early years, the business was carried on from a single mail-order plant. Businesses conducted in a single location, as Sears was in those days, usually adopt a functional type of organization built around the three primary functions of any business—sales, procurement, or production, and auditing-finance—with the head of the business appointing individuals in charge of these activities. He looks to them for specialized knowledge and direct responsibility for results in these areas. In such an organization, all threads come together at only one point, namely, the head of the business, and he alone can be responsible for the overall success or failure of the enterprise. He cannot separate off any one part of the business and look to some individual to be responsible for the complete functioning of that part, and therefore responsible for that much of the profit and loss of the whole.
>
> The Sears organization fell into this basic pattern, but with an important variation brought about by the special characteristics of a mail-order business. The function called merchandise embraced both the procurement of goods and sales responsibility as well, inasmuch as it planned and produced the medium of sale—the catalog. Because of its fundamental importance in this dual role, it came to be dominant in the organization. The activity comparable to production functions in other types of businesses was called operating, and was concerned with the physical handling of customer orders, the receipt and shipment of merchandise and the large volume of customer correspondence associated with the mail-order business. The auditing-finance activity was conventional.
>
> Mr. Julius Rosenwald called this organization a federation of merchants, and this in itself is indicative of the importance attached to the merchandise side of the business from the early days of the company. The merchandise function was carried on by a group of department heads, each one in charge of a given line of merchandise. These department heads had almost unquestioned authority within their lines. They established quality standards and selling prices of their merchandise, selected sources of supply and dealth with them, using the two buying advantages Sears possessed in those days—volume purchasing and prompt payment of bills. In some cases, where merchandise procurement problems made it necessary for the company to buy or build factory operations, such factories were under the supervision of the appropriate merchandise department head. Accuracy of copy and illustrations of merchandise offered in the catalog were the responsibility of department heads.
>
> The merchandise department heads reported to the vice president in charge of merchandising in the general merchandise office. As near as I can determine, the merchandising office concerned itself largely with overall inventory control and establishing size and cost limits of the catalog. In keeping with the federation concept, the general merchandise office influenced the merchandise departments only to the extent required to fulfill these two principal responsibilities.
>
> A counterpart of the general merchandise office existed in the operating function in the office of the operating vice president. The operating activity was concerned with the receipt of customer orders, preparation of tickets for each merchandise department, general correspondence, and the receipt of incoming merchandise. To carry out this function, a series of systems were established and precise production routines were developed. Schedules were devised for handling the flow of work, and successful operation of the plant depended on extremely rigid adherence to these schedules and routines.
>
> Here we have a situation which contained some seeds of conflict. The merchandise department heads had extreme latitude and were aggressive enough to claim every function related to their departments, some of which overlapped to a considerable degree those of the operating vice president. On the other hand, the operating people were accountable for the handling of orders and felt that their control of every operating function would insure the smooth and precise performance of the mail order plant. Conflicts did arise, but they were settled on a basis of negotiations between the functions concerned on a day-to-day basis. No decrees were issued outlining the boundaries between jobs. Instead there was a process of adjustment over a period of years, the net result being a clearer definition of jobs, with the merchandise function and its department heads gradually becoming limited to those matters clearly related to merchandising.
>
> Another conflict arose later when a group of men began to question the techniques used to present merchandise in the catalogs. These men were convinced that advertising was becoming a specialized field, requiring specialized techniques. At this time Sears did not have a separate advertising department. The layout, art work, typography, and copy for catalog pages was either prepared by the individual merchandise departments or by the company-owned printing plant under their close supervision. The printing plant merely followed instructions in the physical production of the catalog. The only limitations on the advertising activities of the merchandise departments were those imposed by the general merchandise office as to the size and cost of the catalog.
>
> With the sale of the printing plant and the contracting of catalog production with others, a mail order advertising department gradually developed with highly skilled specialists in the field of layout, art work, copy, and general advertising techniques. In general, the final evolution of this particular activity was to leave authority for selection of goods and allocation of catalog space by items to the merchandise people, with the advertising people pretty largely taking over the rest. There are still some marginal questions such as use of color pages and selections therefore, which are usually resolved by requiring the joint approval of both advertising and merchandise departments.
>
> Basically these two modifications of the merchandise department heads authority can be traced to technical changes. The production line techniques developed by the operating people required a greater degree of integration of the operating functions for efficiency. In a like manner, the specialized techniques that were developing in advertising could be employed more efficiently by the creation of an advertising department staffed with people skilled in the various specialties.
>
> Technical changes, however, were not the sole or the most important influence on the Sears organization. From 1886 until 1907, all of Sears business was carried on from a single mail order plant. In 1907 a branch office was opened in Dallas, Tex., and thus the company assumed territorial dimensions, which, in my opinion bring with them the really major complications in any business organization.
>
> Between 1907 and 1920, Sears opened mail order plants in Dallas, Seattle, and Philadelphia. As Sears operations became dispersed geographically, it was perhaps natural that the people responsible for the various functions in Chicago should try to operate these plants by simply extending their authority to the distant operation. However, by the time the fourth mail-order plant was opened in Philadelphia in 1920, it was plain to see that there was a need for an appraisal of this type of company organization. For one thing, delays in handling problems and the lack of knowledge of local and regional conditions were proving to be real limitations. It also became obvious that the personnel in the outlying mail-order plants could not possibly report in detail on all of their work to Chicago, nor could the people in Chicago make all of the detailed decisions necessary in these remote locations.
>
> Out of this appraisal came the recognition that a delegation of responsibility and a certain measure of authority had to be made to local plant management. Watchfulness, guidance, and an intimate knowledge of the individuals and problems in the field was substituted for direct control by Chicago. In effect, the functional people in Chicago

began to assume a staff relationship to top management and became less and less a part of a line chain of command. Each local plant was responsible for maintenance of inventories and availability of goods for customer orders in such distant plant. It was not responsible for selection of goods in the catalog or the source of supply and buying terms for such merchandise.

Along in the middle twenties, this evolution was recognized to the extent that the merchandising responsibility of the Chicago plant, which had been directed by the merchandise function, was removed from that authority and put on the same basis as the other mail-order plants. Thus the separation of powers between a parent group and local management of a mail order plant was beginning to take shape. The experience gained in this period of mail-order expansion was put to good use when Sears started opening retail stores in 1925. Not only were the retail stores also physically remote from headquarters operation, but they also represented a new type of business to Sears, thus introducing an element of diversification which had not been present before.

The retail stores were fitted into the existing pattern of organization, with the store managers reporting to the mail-order plant managers. This pattern seemed logical for several reasons, but primarily because of the jobbing function performed for retail stores by the mail-order plants. In addition, most of the retail stores initially opened were located in the mail-order plants themselves or in the metropolitan areas of mail-order plant cities, thus making the physical job of supervision by mail-order plant management relatively easy.

The company's expansion in the retail field was carried on at a rapid rate, and at the end of 1929, almost 5 years after the first store was opened, there were 324 retail stores. By this time it had become apparent that the physical scope of retail operations and the variety of local problems—inventory, local competition, community and customer relations—were such that a reappraisal of the organization was necessary.

The field organization which grew out of this reappraisal became the forerunner of our present organization. Regional managers were established on a territorial basis for the supervision of the retail stores, which were then separated from mail-order supervision. Retail stores reported to a district manager in each territory.

This organization was probably rather typical of chain-store operations at that time, but this form of organization lasted only a relatively short time because very fundamental weaknesses became apparent. The center of authority tended toward the district manager, which did not give enough latitude to the local store manager to handle those purely local matters properly—local personnel, sales promotion, inventory control, and so forth. Also the district managers were so removed from Chicago management that they could not properly interpret basic company policies and could not keep up with new developments emanating from the central organization.

The next step was to have all of the larger stores, called "A" stores, either individual or large city groups, report theoretically to the president of the company, and the smaller stores regrouped into fewer and larger group now called zones. The zone manager now had too many stores to attempt close and detailed direction but was in a better position to interpret overall company plans and policies, keep up with new merchandise developments, check personnel selection and training, and in short perform a rather broad administrative supervision. These zone managers theoretically reported also to the president of the company. In practice, a retail administrator, occupying a staff position to the president, reviewed store results and advised the president on many details. A personnel and employee-relations department was beginning to emerge at this time, which was also under the direction of the retail administrator so that there could be coordination between operating results and personnel administration.

The company made great strides during this period of the late thirties and during the war years under this general form of organization. The concept developed that the merchandise and operating functions in Chicago were there to develop plans and procedures covering merchandising selection and availability, sales techniques, store arrangement and operating methods to obtain the most efficient costs. In a general way, stores were expected to accept and put into use such plans and be responsible to the president for specific profit and loss performance. Some of the details covered in this over-all parent activity were mandatory for the stores, but the range of details that were optional was also very broad.

Up to 1941, the complete functions of merchandise, operating, auditing-finance, personnel and public relations were all in Chicago. In theory at least, none of these functions were specifically responsible for the execution of their functional activity in any single store because of the fact that these parent functions were by-passed by the line of authority from president to store group or zone manager. In practice, many store managers were not experienced enough for this long distance Chicago administrative supervision, and the three primary functions of merchandise, operating and auditing performed many rather direct functional jobs of supervision, but largely on a trouble-shooting basis.

In 1941, General Wood recognized that some intermediate position was necessary between the centralizing of all functional activities in Chicago and the extreme decentralization of day-to-day operations to 617 stores over the country. Beginning then and completed after the war, five territories were established, each under an officer of the company. Store, group and zone managers in each territory now were responsible to this territorial officer for operating results. In effect, the president of the company had now moved to five places, insofar as daily operations of the business were concerned. The operating function of Chicago was abolished insofar as any administrative activity was concerned, and thus became part of the territorial officer's responsibility.

Now with this historical background, let us take a good look at the organization we have today, because it is essentially a refinement of this last territorial principle.

The basic elements of the organization structure are first a staff of specialists and technicians which we call the parent, and which is without administrative authority in a coercive sense. Secondly, territorial administrative units to whom store results are accountable, and who in turn bypass the entire parent organization by being responsible direct to the president of the company.

This parent organization consists of 4,681 people. In its relations to the mail order, retail, and factory operating units, it is at one and the same time a banker, the landlord, the supplier of professional and technical skills; and in the president and chairman the final authority of company management. As banker, the parent organization loans working capital at the rate of 4 percent to every operating unit to cover inventories—credit accounts receivable—and necessary cash balances. At peak periods the total sum required for these purposes may exceed $1½ billion. As landlord, it provides store buildings and parking-lot facilities for which a rental charge is made of 4 percent on the undepreciated balance of the cost. For both owned and leased buildings, this landlord function provides investment in store fixtures and equipment, trucks, and all necessary capital goods, for which interest charge is also made on the unamortized balance.

In its capacity of being a professional staff the following functions are represented: Parent operating, which consists of divisions specializing in customer mechanical service, retail procedures, mail-order procedures, the service of supply to both mail-order plants and stores, a general traffic department which includes in its activity the company-owned over-the-road truck lines as well as rail-freight-forwarding operations, a communications department, operating one of the country's largest internal communications systems, and an operations research department, which in addition to its purely research function also supervises the departments which actually operate the computers and various other electronic equipment used in our parent organization.

The auditing, or controller's function, is made up of retail, mail order, parent, foreign, and merchandise accounting divisions, and a general auditing statistics unit, the insurance department and the credit department.

The personnel activity consists of sections responsible for employee relations, employee benefits and personnel policies, compensation, employee training and executive development, which includes a unit preparing and administrating correspondence courses for employee training, psychological testing and employee morale surveys. This latter activity carries on considerable research in this highly specialized field.

The factory management department serves the wholly owned factories and subsidiary factories in the same way in which other parent departments serve the mail-order plants and retail stores. Within the factory organization are units responsible for soft-line factories, hard line, electronic, plastic and paint factories. In addition, there is an industrial engineering unit, a personnel department, and a factory controllers department.

The public relations department is comprised of sections responsible for contributions and memberships, press relations, consumer education, employee publications and research. Located in this department also are the individuals in charge of the major projects of the Sears-Roebuck Foundation—agricultural programs, urban renewal, aid to education, which includes our scholarship program, and medical assistance. In addition, there is a controller for this activity.

The treasurer's office is responsible for the cashiering activity in all company units, the maintenance of banking relations and stockholder records. In addition, the tax department, with sections devoted to Federal taxes, foreign taxes, State taxes, local taxes, licenses, and manufacturers taxes, reports to the treasurer's office. Incidentally, it takes 135 people to handle Sears tax matters in Chicago and in the field.

The legal department is staffed with men specializing in various aspects of our business such as real estate, merchandise, factories, operating, and personnel. In addition it serves the traditional function of maintaining the nonfinancial corporate records.

The property department is made up of units in charge of various phases of construction and maintenance work, including architectural, structural, electrical, mechanical, temperature control and plumbing engineering, estimating, building material purchasing, and field construction supervision. An extensive drafting section supports the work of this department.

Our Latin-American operations are represented in Chicago by a parent function headed up by a vice president who in effect is a sixth territorial officer. On his staff are men who work with 36 stores in Sears 6 Latin-American corporations on personnel,

merchandise, ordering, shipping, construction and real-estate problems.

The parent merchandise function is comprised of 50 buying departments, catalog preparation, production, and distribution departments, a merchandise development and testing laboratory, a store planning and display division, a packaging and a merchandise-control operation, a merchandise comparison unit, a quality-control operation, an economic research department, and a department which purchases the supplies and mechanical equipment employed in the business.

All of these staff departments are maintained by a charge of a certain percent of sales made to every operating unit. This charge is designed to offset the exact cost of maintaining this staff of experts. This leaves the interest and rent received from operating units as income to this parent function, against which must be charged the interest paid banks for loans or costa of installment financing. The parent on the books of the company is the owner of factories and investments in subsidiaries, both manufacturing, foreign and retail companies, and Allstate insurance companies, and dividends from such investments are a part of this parent income account. There is for every operating unit a profit and loss statement monthly as well as a balance sheet, which constitutes the accounting between such operating unit and Chicago parent. Thus for 707 retail stores and 11 mail order houses, there are some 8,616 complete profit and loss and balance sheet statements prepared annually. In addition, there are test or sample statements covering factories, catalog sales offices, telephone sales units, and miscellaneous enterprises such as the diamond shop, the gun repair shop—even our company airplanes. Twice a year profit and loss statements are prepared for each of some 50 merchandise departments of each mail order plant and of 106 retail stores. Thus we have a total of about 20,500 profit and loss statements annually.

Now a word as to the functioning of this parent organization and its relations with operating units. We will use the buyer's job in the merchandise function as an illustration. Each buyer is responsible for the selection, design, or development of his specialized line of merchandise; he is responsible for the determination of the manufacturing source of supply and for the terms and conditions of purchase. He notifies each operating unit where applicable about his merchandise, and while no one else in the company has the authority to purchase or deal with manufacturers for his kind of goods, at the same time he does not have the authority to order any single store to carry his line of goods. Thus we achieve all the advantages of a highly centralized buying authority with the extreme decentralized authority to each store manager to express his own judgment as to the merchandise in his store. The buyer recommends a selling price and calculates the gross profit that should result to a store with a proper balance of sales between various lines and items. The buyer must make his commitments with a manufacturer without knowing to what degree the individual stores will back up his judgment. He may have the hedge of cataloging the item for mail order selling, which is his responsibility. Otherwise, he depends upon previous experience, his judgment as to acceptability of the merchandise in question, and the persuasion of himself and the sales manager of his department.

The buyer may not know just which stores carry certain of his items, but as orders flow to the manufacturer, it is his responsibility to see that sufficient lead time is provided for manufacture so that a supply will be available for ensuing demand. The local operating unit is wholly responsible for keeping goods in stock to serve the demand of its customers and for controlling the overall inventory so as to avoid both financial strain and seasonal carryover. Thus you see again the assumption locally of those operations which can be performed locally without detailed administration from the outside, except the overall territorial administrative office. The merchandise office in the parent is responsible for sales plans of the company as a whole, and this means minute correlatiton of the logistics concerning raw material supply to the factory, manufacturing process, distribution time to stores, advertising mat service, window and interior display information to stores, and enough advance time for employee understanding and instruction.

I will not attempt to describe in detail the many other staff activities of the parent whose wide range of interest was given in the former list, but I want to mention quite briefly the relationship of the controller's office and the personnel department with the territorial and field organization.

Since the controller's office has the responsibility of safeguarding company property, it has a direct line of communication through representatives in the territorial offices and thus direct to the store. This direct line is a necessary safety measure in a company doing business in 2,000 locations with a merchandise inventory of $500 million and installment accounts on the books totaling $900 million where uniform accounting practices are essential.

The personnel department evolves techniques and procedures which must be sold to the field on their merits. From this standpoint the influence of this department depends on the quality of its work. But it has an additional responsibility of developing a list of promotable people, or the reserve group as we call it. In the maintenance and development of this reserve group, essential in a company which has a firm policy of promotion from within, the personnel department plays an important part in the development and advancement of individuals. This is especially true of interterritorial promotions, where an overall judgment as well as a point of coordination is necessary.

With the development of these staff functions, the question arises, How can one be sure that the best use is made of the specialized knowledge available in the functional or staff jobs? After all, staff people have no authority to apply their knowledge direct to a line operation or to force line personnel to accept their findings. At Sears we have solved the situation by what I call the right of challenge. Regardless of the results being obtained by the individual management of a distant unit, the function which now has a purely staff character in the overall picture, has the right to challenge the results or the way they were obtained, so far as its specialty is concerned. The fact that acts of local management are subject to challenge by someone who knows far more about a certain subject than anyone in the local organization, is the price local management pays for its latitude in a decentralized operation. In effect, local management must be prepared to show that it is openminded, willing to take advantage of the highly developed skills found in the staff functions, and is applying with good judgment the specialized knowledge available to it in the staff departments.

In conclusion, while I have attempted a chronological history of the development of the present structural form of Sears corporate organization and its functioning in a broad sense, one must recognize that other factors have been envolving concurrently, which have been essential to the successful functioning of this organization. Probably personnel policies have been the most important of these factors. As I see it, sound merchandise policies, or public relations or finance, all of these could be reasonably successful, regardless of the particular structural form of the organization, but since the very essence of organization involves the way people work together, the whole atmosphere of personnel plays an important part. Sears has been fortunate in having a rich heritage from its earliest days of attaching great importance to the individual. Its well known profit-sharing plan started in 1916 was an early and tangible recognition of the responsibility and respect for the individual on the part of the company's management. It has been a magnet through the years of pulling in the one direction of overall company success the individual actions of thousands of people. There may be disputes at times between the individuals or company units as to the best way of performing some operation, but the fact that each party has in mind only the best interests of the company as a whole is taken for granted.

Practically the only place open for newcomers at Sears is at the bottom, if one may include in that phrase the basic-training program which certain selected but thoroughly inexperienced men undertake. I do not have time to cover the many highly organized techniques employed to identify promising talent at various levels of advancement and how we guide and direct their development. Every attempt is made to create an atmosphere wherein character and ability are recognized and a constant flow of talent through all levels is maintained. The new and expanded facilities in just the last 5 years alone created jobs for 24,000 people with all that this implies in the way of supervisory and technical positions.

We subject line executives, as I have indicated, to the discipline of the profit and loss and balance sheet statement. Their earnings are in proportion to results. While we believe in very adequate, competent, and highly specialized staff assistants, we are quite successful in preventing a bureaucratic atmosphere by giving no authority to such specialists so far as the line organization is concerned. They must attain influence through acceptance of sheer merit.

Many students of organization would say that an organization where 65 departments report to a functional officer, or 36 report to a line officer could not work. It does seem to work, however. The intangibles which make it work are far more difficult to recognize, identify, and evalute than mere physical form. I am sure that a business organization can get too large for a rigid, tightly compartmentized, dictatorial kind of organization, and must turn to greater and greater reliance on the initiative and good judgment of the individual, making sure that such individuals are the product of advancement through merit with adequate exeprience and motivated toward a common goal.

SOCIAL-SECURITY PROGRAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I am very proud of the part I have had in enacting legislation to permit State road workers, State employees, municipal workers, and schoolteachers to come under the provisions of the Social Security Act. One of my first acts after coming to Congress was to advocate the embracing of this group of workers under the coverage of this humanitarian act. I feel I have had quite a large part in strengthening and liberalizing this law.

We have done much in the past 20 years since the existence of the social security program to improve its benefits, but there is still room for further improvements. That is why I am shocked and saddened that we have an administration which opposes the lowering of the age at which women can receive social security benefits.

Where can a woman past 60 obtain employment these days? Who will employ women of this age? There is no place for women past 60 in the commercial job market. As a matter of fact where can men find gainful employment when they are past 60. I am in favor of lowering the age of both men and women with an increase in the provisions.

During the 84th Congress we have amended the social-security law to continue benefits to permanently and totally disabled children after they have reached the age of 18; extended coverage to certain professional groups and others not heretofore covered; lowered the retirement age of women from 65 to 62, bringing immediate benefits to 800,000 additional women; provided disability insurance benefits to some 250,000 permanently and totally disabled workers aged 50 or over.

I am astonished that the administration opposes the House-approved provision which provides for the payment of benefits to the permanently disabled at the age of 50. Certainly the provision paying benefits to a disabled man at age 50 is no more than right. How can a man who is totally and permanently disabled provide a living for his family? Only the most callous could oppose this provision.

Actually, I believe the retirement age should be lowered even below that set in the House-approved bill. I feel that men should be allowed to retire under social security after reaching the age of 60 and that women should be allowed to retire at an even lower age.

It is unfortunate that the present administration refuses to improve the social-security law. If we go ahead and pass this bill, it will be the cornerstone for security and happiness for the disabled and aged in our society.

This is not a giveaway program. This is not charity. Every man and woman who participates pays into this fund and it does not cost the Government 1 cent. I do not see how anyone can conscientiously oppose the program. I hope and pray that the Senate in its wisdom will see fit to improve the House version as passed last year instead of undermining and weakening the bill.

The Social Security Act has closed the poor houses all over the Nation and has made respectable citizens of our aged so they can face their sunset years with faith and confidence. I look at these things in the light of the teachings of the Master of Galilee and try to be helpful to the aged and infirmed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Canfield, for 20 minutes, on today.

Mr. Price, for 20 minutes, today.

Mr. Scott, for 20 minutes, today.

Mr. Staggers, for 15 minutes, on today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks, was granted to:

Mr. Hays of Arkansas (at the request of Mr. Trimble) and to include extraneous matter.

Mr. Granahan (at the request of Mr. O'Hara of Illinois).

Mr. Diggs and to include extraneous matter.

Mr. Wickersham (at the request of Mr. Klein) and to include extraneous matter.

Mr. Hill and to include a statement by Secretary of Agriculture Ezra Benson before the Committee on Agriculture.

Mr. Harrison of Nebraska and to include extraneous matter.

Mr. Avery.

Mr. Bow and to include extraneous matter.

Mr. Heselton and to include extraneous matter.

Mr. Byrne of Pennsylvania.

Mr. Reed of New York.

Mr. Metcalf.

Mr. McCormack (at the request of Mr. Albert) and to include extraneous matter.

Mr. Celler in two instances.

Mr. Wolverton.

Mr. Byrd (at the request of Mr. Albert) and to include extraneous matter.

Mr. Vanik (at the request of Mr. Albert) and to include extraneous matter.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1082. An act for the relief of Golda I. Stegner;

H. R. 1495. An act for the relief of Joseph J. Porter;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "an act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 1692. An act for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 4039. An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo;

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 6421. An act for the relief of Roy Cowan and others;

H. R. 6461. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), act 12, Session Laws of Hawaii 1951, and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the County of Hawaii, T. H.;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water-conservation practices;

H. R. 8190. An act to authorize the loan of two submarines to the Government of Brazil;

H. R. 9166. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.; and

H. J. Res. 464. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Fifth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Thursday, March 29, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1684. A letter from the Assistant Secretary of the Interior, transmitting a report stating that no reservations were made during the calendar year 1955, relating to lands within Indian reservations valuable for power or reservoir sites or necessary for use in connection with irrigation projects, pursuant to section 13 of the act of June 25, 1910 (36 Stat. 858); to the Committee on Interior and Insular Affairs.

1685. A letter from the Chairman, United States Commission for the Celebration in 1955 of the 200th Anniversary of the Birth of John Marshall, transmitting the final report of the United States Commission for the Celebration of the 200th Anniversary of the Birth of John Marshall, pursuant to Public Law 581, 83d Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. House Joint Resolution 396. Joint

resolution to establish a national motto of the United States; without amendment (Rept. No. 1959). Referred to the House Calendar.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 9952. A bill to provide a lump-sum readjustment payment for members of the Reserve components who are involuntarily released from active duty; without amendment (Rept. No. 1960). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri: Committee on House Administration. Senate Joint Resolution 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; without amendment (Rept. No. 1961). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. Senate Joint Resolution 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; without amendment (Rept. No. 1962). Ordered to be printed.

Mr. JONES of Missouri: Committee on House Administration. Senate Joint Resolution 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; without amendment (Rept. No. 1963). Ordered to be printed.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 7679. A bill to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.; with amendment (Rept. No. 1967). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 8123. A bill authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Roseburg, Oreg.; with amendment (Rept. No. 1968). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 8490. A bill authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.; with amendment (Rept. No. 1969). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 8674. A bill to provide for the return of certain property to the city of Biloxi, Miss.; with amendment (Rept. No. 1970). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9260. A bill to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; with amendment (Rept. No. 1971). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9263. A bill to amend title III of the Servicemen's Readjustment Act to remove certain impediments to the processing of applications for Veterans' Administration direct loans, and for other purposes; without amendment (Rept. No. 1972). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 10046. A bill to simplify and make more nearly uniform the laws governing the payment of compensation for service-connected disability or death, and for other purposes; with amendment (Rept. No. 1973). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9824. A bill to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war; with amendment (Rept. No. 1974). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Thirteenth Intermediate Report of Certain Activities Regarding Power, Department of the Interior (Changes in power line regulations) (Rept. No. 1975). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 581. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 1964). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. House Joint Resolution 591. Joint resolution to facilitate the admission into the United States of certain aliens; without amendment (Rept. No. 1965). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1484. A bill for the relief of Garrett Norman Soulen and Michael Harvey Soulen; with amendment (Rept. No. 1966). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 10249. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ASHMORE:

H. R. 10250. A bill to amend section 2056 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. ASPINALL:

H. R. 10251. A bill to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.; to the Committee on Veterans' Affairs.

H. R. 10252. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10253. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. O'BRIEN of New York:

H. R. 10254. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10255. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10256. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mrs. PFOST:

H. R. 10257. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H. R. 10258. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10259. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10260. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. BOGGS:

H. R. 10261. A bill to provide a further increase in the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. BROOKS of Louisiana:

H. R. 10262. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 10263. A bill to amend title 17, United States Code, entitled "Copyrights" with respect to certain fees; to the Committee on the Judiciary.

By Mr. CHATHAM:

H. R. 10264. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 to permit the barter or exchange of surplus agricultural commodities with certain foreign countries with which such barter or exchange was formerly prohibited; to the Committee on Agriculture.

By Mr. GUBSER:

H. R. 10265. A bill to amend title II of the Social Security Act to increase in certain cases the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. HAGEN:

H. R. 10266. A bill designating the first day of May in each year as Friendship Day; to the Committee on the Judiciary.

By Mr. JONES of Alabama:

H. R. 10267. A bill to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces; to the Committee on Banking and Currency.

By Mrs. KEE:

H. R. 10268. A bill to provide assistance to the States in the construction, modernization, additions, and/or improvement of domiciliary or hospital buildings of State or Territorial-operated soldiers' homes by a grant to subsidize in part the capital outlay cost; to the Committee on Veterans' Affairs.

By Mr. KING of California:

H. R. 10269. A bill to amend the Tariff Act of 1930 to place metallurgical grade alumina on the free list; to the Committee on Ways and Means.

By Mr. McCONNELL:

H. R. 10270. A bill to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MARSHALL:

H. R. 10271. A bill to authorize the Secretary of the Army to furnish memorial markers or plaques commemorating certain deceased members of the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. PHILBIN:

H. R. 10272. A bill to amend title II of the Social Security Act to permit an officer or employee of a State or local government to elect social security coverage as a self-employed individual if he is not covered by a retirement system and the Federal old-age and survivors insurance system has not been extended to his services by an agreement under section 218 of that act; to the Committee on Ways and Means.

By Mr. SCOTT:

H. R. 10273. A bill to provide for the development by the Secretary of the Interior of Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCRIVNER:

H. R. 10274. A bill to provide for payments in lieu of taxes on account of the real property constituting Sunflower Village, Johnson County, Kans.; to the Committee on Armed Services.

By Mr. THOMPSON of Louisiana:

H. R. 10275. A bill to amend title I of the Social Security Act to increase the amount of Federal funds payable thereunder to States which have approved plans for old-age assistance and which maintain their expenditures for such assistance at or above the 1955 level; to the Committee on Ways and Means.

By Mr. VANIK:

H. R. 10276. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHARTON:

H. R. 10277. A bill to provide for a preliminary examination and survey to be made of the Mohawk River at and in the vicinity of Schoharie and Greene Counties, N. Y., and of the Hudson River in the vicinity of Columbia, Dutchess, Greene, Schoharie, and Ulster Counties, N. Y., in the interests of flood control and allied purposes; to the Committee on Public Works.

By Mr. HINSHAW:

H. J. Res. 595. Joint resolution to amend section 404 of the Civil Aeronautics Act of 1938, with respect to excess baggage charges collected by air carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H. Res. 452. Resolution to authorize the Select Committee on Small Business to investigate and study the problems of small business with respect to basic and applied scientific research and development work; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the House of Representatives, Commonwealth of Massachusetts, memorializing the Congress of the United States to enact legislation revising and extending the Water Pollution Control Act; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact legislation revising and extending the Water Pollution Control Act; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIDSON:

H. R. 10278. A bill for the relief of Mr. Dusan Lezaja; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 10279. A bill for the relief of Albert H. Ruppar; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10280. A bill for the relief of Florindo Francesco Nappo; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 10281. A bill for the relief of Walter C. Jordan and Elton W. Johnson; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H. R. 10282. A bill for the relief of Evangelia Harlaos Papamattheakis Lester; to the Committee on the Judiciary.

By Mr. GUBSER:

H. J. Res. 596. Joint resolution waiving certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

785. By Mr. BOW: Petition of Herman E. Seiser and others of Stark County, Ohio, for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

786. Also, petition of W. C. Gonder and others of Stark, Tuscarawas and Wayne Counties, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

787. Also, petition of Byron S. Miller and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

788. Also, petition of Stephen Garfield and others of Stark and Tuscarawas Counties, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

789. Also, petition of Michael DeGirolamo and others of Alliance, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

790. Also, petition of Josephine E. Carmichael and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

791. Also, petition of E. J. Kuntz and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

792. Also, petition of E. C. Williner and others of Stark and Tuscarawas Counties, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

793. Also, petition of J. A. Eames and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

794. Also, petition of William Wilson and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

795. Also, petition of Howard G. Thorley and others of Canton, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

796. Also, petition of Hon. R. E. Fair, mayor of Shanesville, Ohio, and others of Tuscarawas County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

797. Also, petition of E. J. Hunsinger and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

798. By Mr. ELLSWORTH: Petition of Jerusha E. Brown and 31 other residents of the cities of Albany and Eugene, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

799. Also, petition of 44 members of post 1775, Veterans of Foreign Wars, Glendale, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

800. Also, petition of Henry La Barge and 44 other citizens of Brookings and Harbor, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

800. Also, petition of Henry La Barge and 45 other residents of the cities of Jacksonville, Central Point, and Medford, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

802. Also, petition of William Kidder and 44 other residents of the cities of Eugene, Fall Creek, Lowell, and Dexter, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

803. By Mr. HINSHAW: Petition of 22 residents of Glendale, Calif., urging enactment of legislation which prohibits alcoholic-beverage advertising on radio, television, and in interstate commerce; to the Committee on Interstate and Foreign Commerce.

804. By Mr. HOEVEN: Petition urging enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

805. By Mr. JENKINS: Petition of 270 members of Post Hocking, No. 6430, Veterans of Foreign Wars, Logan, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

806. Also, petition of 45 members of Veterans of Foreign Wars, Post, No. 7174, The Plains, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

807. Also, petition of 145 members of Veterans of Foreign Wars Post, Nelsonville, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

808. Also, petition of 45 members of Veterans of Foreign Wars Post, Ironton, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

809. Also, petition of 45 members of Veterans of Foreign Wars Post, Ironton, Ohio, urging immediate enactment of a separate and liberal pension porgram for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

810. Also, petition of 46 members of Veterans of Foreign Wars Post, Basil, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

811. By Mr. LECOMPTE: Petition of Veterans of Foreign Wars Post, Ottumwa, Iowa, urging enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

812. By Mr. RABAUT: Petition of Earl M. Scringer and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

813. Also, petition of Conrad H. Bannasch and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

814. By the SPEAKER: Petition of the secretary, International Union United Automobile, Aircraft, and Agricultural Implement Workers of America (UAW–CIO), Detroit, Mich., relative to Packard Local Union No. 190, UAW, going on record as endorsing the McNamara bill, S. 1206, etc.; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Easter Address by Senator Wiley and Editorial on Empire State Building Lights

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, March 28, 1956

Mr. WILEY. Mr. President, I was interested to read in last Friday's—March 23—issue of the Ripon (Wis.) Press, an editorial entitled "The Light Shineth in Darkness." It refers to the revolving beacons which will shine from atop the world's highest building—the Empire State Building—as a symbol of America's faith and freedom, and as a guide to the world.

As was stated by Col. Henry Crown, president of the Empire State Building Corp., these lights may symbolize "not only welcome—but the unlimited opportunities of America and our hopes and prayers for peace."

It is most appropriate, as we approach the hallowed Easter observance, that we turn our thoughts to man's greatest goal, his dearest wish—a just and enduring peace.

I sent to the desk the text of the Ripon Press editorial. I ask unanimous consent that it be printed in the Congressional Record, to be followed by the text of a pertinent radio address which I am delivering over most of the radio stations of my State on the theme of Easter.

There being no objection, the editorial and address were ordered to be printed in the Record, as follows:

[From the Ripon (Wis.) Press of March 23, 1956]

THE LIGHT SHINETH IN DARKNESS

Announcement has just been made of the "air age supplement to the American welcome so long extended to shipborne visitors by the Statue of Liberty." This new aerial symbol of welcome and freedom, which it is hoped can be turned on for Easter Sunday, will be visible to overseas visitors for 300 miles out over the Atlantic.

Described as a spectacular electronic tiara, this bright new welcome will be provided by 4 revolving beacons 1,092 feet above the sidewalks of New York atop the world-famous Empire State Building. These 4 Empire State lights, generating a brilliance of nearly 4 billion candlepower will be the brightest continuous source of man-made light in the world. The 4 huge lamps, weighing a ton apiece, are being installed at the base of the mighty television tower that provides the antenna for all 7 of New York City's TV stations. The synchronized beacons will revolve counterclockwise at approximately 1 revolution per minute, and will be in operation from sundown until midnight.

Air travelers in our own country will see the Empire State lights from as far away as Harrisburg, Albany, Boston, Batimore, and Washington. From the ground, they will be visible in Bridgeport, Conn., Poughkeepsie, N. Y., and Allentown and Bethlehem in Pennsylvania, and on especially clear nights perhaps in Philadelphia, 85 miles away.

It is the hope of Col. Henry Crown, president of the Empire State Building Corp., that these fabulous shafts of light will "symbolize not only welcome—but the unlimited opportunities of America and our hopes and prayers for peace."

Certainly these lights of liberty will give blazing testimony to the achievements possible with peace and opportunity and should likewise impress the beholder with man's ultimate faith in peace and his determination to pierce the darkness of suspicion and ignorance and oppression.

FULFILLING THE MEANING OF EASTER—1956

(Radio address by Senator Wiley over Wisconsin radio stations, Easter, 1956)

Eastertime is once more at hand. And with it, the thoughts of mankind return to the triumphant scene in the Holy Land when the Master, the wayshower, proved that there is no death; that life is eternal; that the immortal spirit is triumphant over mortal flesh.

In this beautiful time of year, all of nature tells the story of life returning—in the green earth, in trees, in flowers, in every bud that soon will bloom. Our thoughts naturally turn to this question:

"How may all of us—you and I—truly fulfill the message of Easter? How may we live by the spirit of Easter—of life triumphant?"

And so, during these next few minutes, through the kind courtesy of this station, I would like to share with you some observations on the subject of applying the spirit of Eastertime—applying it in all phases of our lives—in our homes, with our families, our neighbors, our friends, in our business or shop or factory or on our farm.

WORSHIP IN THE FAITH OF OUR FATHERS

Question. Senator Wiley, how best can all of us observe this Easter season?

Answer. The answer to that is, of course, by going to the church of our beliefs and worshipping there in "the way, the truth and the life."

The answer, too, is of course, by applying not simply on Sunday, but 7 days a week, the principles of Him who came that "we might have life, and have it more abundantly."

In other words, it is obviously up to each of us really to demonstrate our creed, our faith in the spiritual nature of man—in the brotherhood of man, and the Fatherhood of God.

Question. And what of our attitude toward the problem of death itself?

THERE IS NO DEATH

Answer. Perhaps, the poet gave us the best answer—the best statement that there really is—that there really can be no death of the spirit of man, that life is truly triumphant, and right and truth.

Thus, in the poem, An Easter Carol, Phillips Brooks wrote of death and life:

"Tomb, thou shalt not hold Him longer;
Death is strong, but life is stronger;
Stronger than the dark, the light;
Stronger than the wrong, the right;
Faith and hope triumphant say
Christ will rise on Easter Day."

RISING ATTENDANCE OF CHURCHES

Question. Senator Wiley, you mentioned going to the church of our choice. What do the statistics show as regards American churchgoing?

Answer. The Gallup poll reports the welcome news that last year the American people set an all-time high church-attendance record. During an average week approximately 49½ million adults attended church. By contrast, back in 1950 12¼ million fewer Americans attended church during the average week. On Easter Sunday last year an estimated 60½ million Americans—nearly 6 out of 10 adults—went to church.

Question. How do you interpret that statistic, Senator Wiley?

Answer. I think that the meaning is very clear. More and more Americans are recognizing that material answers do not provide the solution to our basic problems of living in this complex age—our problems of human relations. Some men's lust for wealth, their lust for power, lust for property—these are not the real keys to happiness or to peace of mind.

So, as more and more people come to understand this fact, as they come to understand the real laws of living and loving, the laws of giving and receiving, the divine law, they give of themselves to God. They turn to prayer.

Question. What else may be said about church attendance figures, Senator Wiley?

Answer. Just this. We are all naturally delighted that more and more Americans are finding inspiration and guidance in houses of worship. But, of course, we can't judge this churchgoing trend simply on the basis of big statistics. We will judge it on the inner quality of church attendance—the quality in your heart and mine, as we truly become filled with the presence of the all-knowing, all-seeing, all-powerful Creator.

As you know, just a little more than 90 million Americans list themselves as belonging to some church. That is the highest such total in our history.

If all of these Americans—if you and I—become true spreaders of the Gospel the good news of happy, fruitful, peaceful, harmonious living, then ours will be a happy country indeed. We will each find fulfillment. We will not be agitated, but will be calm, cool, and collected—the three C's—no matter what crisis may ever come.

HAPPY AMERICA AT EASTERTIME

Question. As you look about America on the Easter scene, Senator, how does the national picture look to you?

Answer. It looks excellent indeed. By almost every standard our country is enjoying more blessings of peace than ever before in our history.

Sixty-five million Americans are employed today, including 1.1 million Wisconsinites, over and above our Badger people employed in farming.

Our total national production of goods and services now approaches $400 billion. Our national income is $320 billion.

Income moreover, is fortunately better distributed among all Americans than ever before in our history. That means a better break for the little fellow in the lower income brackets.

Americans today own 250 million life insurance policies. They have $235 billion in liquid savings. Last year, Americans bought 7 million radios, 7 million television sets, 3½ million washing machines, a million air conditioners.

Today, 25 million of us own our own homes.

And 15 million of us have more than $30 billion invested for our later years in pension and retirement trust funds.

And I could go on and on with other impressive facts and figures that spell good news for the United States of America.

OUR MOST PRECIOUS ASSETS

Question. And you feel, Senator, that even more important than all these material assets is our spiritual wealth.

Answer. Of course. We could have all these possessions, all this wealth, and a lot more besides, and still possibly not be happy, unless—I emphasize, unless—we had a true respect for the real value of life's greatest blessings—our home, our mate, our family, our fine country, our God.

OUTLOOK FOR PEACE BRIGHTER

Question. And what about the problem of peace, Senator Wiley—peace which is so sacred, especially at Eastertime. What is the outlook for peace?

Answer. I believe that the prospects for peace are getting better all the time. That doesn't mean that world communism is not still on the march. On the contrary, atheistic, aggressive communism still seeks to conquer the world—by subversion, spying, sabotage, revolution.

Question. But you apparently feel that Red Russia itself is subject to stresses and strains from within.

Answer. Absolutely. There is vast ferment inside Russia. The terrible, longstanding lies about Dictator Joseph Stalin have now been completely debunked. He is being shown up for what he was—a ruthless murderer. The iron dictatorship is giving way slowly to some new forms.

Meanwhile, the people of Russia, the enslaved people of East Germany, of Poland, the Baltic States, of the Balkans—hunger for freedom.

But communism remains a deadly menace, and we must be strong, on our guard, and vigilant.

SOME NEGATIVE FACTORS ON UNITED STATES SCENE

Question. Senator Wiley, you've mentioned the positive side, the affirmative side of America's assets and of the outlook for peace. Now, as you look around, on the American scene, itself, what do you find are some of the factors which seem too contrary to the Easter spirit—factors which we should, in the Easter spirit, try to alter?

Answer. I can list several such negative factors which all of us ought to seek to change: First, there is the matter of some disharmony in our land. I refer to occasional prejudice and bigotry, to tension and hatred, between some groups, between regions—North and South—between races and religions. Such harmful conditions are, of course, contrary to the universal teachings of the Master—who taught love and understanding among all men. "Love thy brother as thyself" He taught.

Second, there is the awful matter of crime in our country. Two million crimes are committed every year—crimes against human beings and crimes against property.

Then, there is the matter of juvenile delinquency—a million American youngsters getting into trouble with the law.

Surely, we as a civilized, Christian Nation can achieve a better record than that. Surely, we can each raise our children—through the combined influence of home, church, and school, so that our youngsters abide by the law, and so that they live worthwhile lives.

Question. Any other negative factors?

Answer. Yes, there is the matter of conflict—occasional bitter conflict between labor and management. We see, for example, the recent awful Westinghouse strike in which everybody proved to be the loser. That strike lasted 156 days—the worst in American history. It crippled a great corporation; it cost the union a fortune. It destroyed millions of dollars of workers' pay envelopes. There were irreparable losses in communities. There was unhappiness in innumerable families.

Surely, men of good will, men of reason, in labor and management, could somehow have avoided or minimized such a terrific toll. What I am saying is simply that labor and management have a responsibility to themselves and to the American public, to try to work out things better in a spirit of harmony and brotherhood and good will.

As one man put it, "Let us not try to follow your way, or my way, but God's way."

SUMMARY

Question. I know, Senator Wiley, that our listeners have been enjoying your comments on both the practical and spiritual phases of the meaning of Eastertime. Thus far, you have commented upon the great blessings enjoyed by the American people. You have mentioned the bright prospects of preserving the peace, particularly now that the Soviet Union is ridden with strife and stress. You have pointed out the encouraging factors of America's prosperity; prosperity which covers virtually all groups of America, but which, as you have pointed out on many other occasions, does not extend as yet to American farming, as it should and will.

And then you have mentioned some of the continuing problems on the American scene—problems of discord, between some groups, of crime in our midst, and juvenile delinquency. But throughout, you have stressed the spiritual aspect of the American way of life.

LO, I AM WITH YOU ALWAYS

Answer. And I would like to reemphasize the importance of that spiritual aspect. You will remember, Jesus said, "Lo, I am with you always, even unto the end of the world."

Perhaps some of us do not realize the full significance of these words.

What the Master was saying was this, not the physical Jesus is present, but the spiritual truths He taught are available now and always to the earnest seeker.

He had told us to claim our heritage: "Be ye perfect, even as your Father in heaven is perfect."

This, He indicated, is not to be accomplished by blind faith, but by following in His steps—by understanding, by sound works and deeds.

He had told us to reach out and tap the source of all power. "I of mine own self can do nothing. It is the Father who worketh with Me," He had said.

Bear in mind that man, to a lesser extent had reached out and harnessed the mighty power of electricity or of the atom. But there is an infinitely greater power, a healing power, available to us all.

By following in the steps of the Man of Galilee, by fulfilling His teachings, the holy spirit will fill us with the light of inspiration, giving us continued guidance and direction.

Question. And you feel that this is a fact to be grasped throughout one's entire life and every hour of the day?

Answer. Of course. The divine law is not something to be practiced 1 day a week. Rather, it should be fulfilled throughout all our days and lives.

There is absolutely no place where we cannot follow in the Wayshower's steps—in our own home; certainly, of course, in our church; in our schoolroom; as we walk the outdoor paths of nature; in our lodge, our women's clubs, our veterans' post, as we bargain at the labor-management conference table.

Yes, those of us who are privileged to serve you in the halls of the United States Congress likewise have the heavy obligation to follow in His steps.

This, then, is the message of Eastertime. It is a message which will bring peace, which will bring harmony, which will bring fulfillment for all.

Question. I know, Senator Wiley, that your listeners have enjoyed your inspiring message today on the true meaning of Easter.

Answer. I have certainly enjoyed being with you. It would be a pleasure to get the benefit of your reactions to this broadcast.

And now may I wish for you and yours an Eastertime rich with blessings.

This is your senior Senator, Alec Wiley, signing off from the Nation's Capital.

Barcelona Harbor, Westfield, N. Y.

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. REED. Mr. Speaker, under leave to extend my remarks in the Congressional Record, I am inserting the statement I made this morning in behalf of the Barcelona Harbor project, before the Subcommittee on Public Works of the Committee on Appropriations of the House of Representatives:

STATEMENT OF REPRESENTATIVE DANIEL A. REED, OF NEW YORK, BEFORE THE SUBCOMMITTEE ON PUBLIC WORKS OF THE COMMITTEE ON APPROPRIATIONS OF THE HOUSE OF REPRESENTATIVES, WEDNESDAY, MARCH 28, 1956

Mr. Chairman, I sincerely thank you and the members of your subcommittee for this opportunity to appear before you in behalf of the Barcelona Harbor project in my congressional district.

I am here to urge an appropriation for improvement of Barcelona Harbor, Westfield, N. Y.

On February 21, 1956, the President communicated with the Speaker of the House of Representatives and proposed supplemental appropriations for the fiscal year 1957 for various projects, one of which is the Barcelona Harbor. The Director of the Bureau of the Budget recommended to the President that the sum of $2,260,000 be used to initiate construction of 4 authorized projects. Of that amount I believe the Army engineers have recommended that $250,000 be allocated for improvement of the Barcelona Harbor for the fiscal year 1957.

The Rivers and Harbors Act, approved March 2, 1945, adopted a project for improvement of Barcelona Harbor, N. Y., in accordance with the report contained in House Document 446, 78th Congress, providing for an entrance channel 10 feet deep with a harbor basin 8 feet deep, with breakwater protection.

The harbor is one of the authorized projects for construction of harbors of refuge on the coast of the Great Lakes for light draft vessels.

In 1945 the estimated cost of the breakwaters and dredging was $303,000, with annual maintenance estimated at $2,000, provided that local interests contribute $7,500 in cash toward the cost of the protective structures and dredging.

The local conditions were met several years ago. In July 1949, a $60,000 bond issue, needed to obtain the then estimated $791,600 in Federal aid for extensive improvements to Barcelona Harbor, was approved by the citizens of Westfield, N. Y., by a vote of 534 to 30. This was the first time in the history of Westfield that the town citizenry had been called upon to participate in a referendum authorizing a bond issue. The $60,000 bond issue was needed to contribute the necessary $7,500 in cash as well as to provide without cost to the United States, all lands, easements, and rights-of-way necessary for the construction of the project, including suitable spoil-disposal areas when and as required.

Assurances of local cooperation as required by law were furnished by the town of Westfield and approved by the Assistant Secretary of the Army on December 20, 1949.

In 1950 the estimated cost of the project had risen to $830,600 of which $15,600 had been allocated and expended for advanced planning of the project.

Now the estimate of the cost of construction is closer to a million dollars.

When this work is completed Barcelona Harbor will again be a harbor of refuge. Completion of this work will also mean the return of the million-dollar fishing industry to Westfield, N. Y.

Most of the fleet of 28 fishing boats formerly anchored at Barcelona Harbor in Westfield, because of the splendid fishing, were forced to move to Erie, Pa., and other places, after Barcelona Harbor became filled with sand.

Let me tell you something about Barcelona Harbor.

Barcelona Harbor was made a port of entry 125 years ago in 1831, when the Barcelona Co. laid out the area as a city on Lake Erie.

The Federal Government needed a lighthouse to protect the lake-borne commerce. Judge Trumbull B. Campbell built a beautiful stone lighthouse without cost to the Federal Government.

Judge Campbell constructed a wooden pipeline more than a mile in length to convey natural gas to furnish light to the lighthouse, at no expense to Federal Government.

A wharf was built by E. T. Foote to take care of the lively traffic by water which developed, and this wharf was built at no cost to the Federal Government.

In 1847, the increase in business was so great a larger wharf was built, costing $20,000, at no cost to the Federal Government.

Other than planning money resulting from authorization of improvement of the harbor in 1945, the United States has failed to appropriate a cent to preserve this harbor since 1838.

The citizens of Westfield have constantly done their part to maintain this harbor. They financed a large warehouse for freight inside the bar suitable for small steamers and sailing vessels, which continued to carry on a thriving waterborne trade, some of it with Canada.

Even as early as 1831 the *Western Peacock* steamboat was built by a company principally of Westfield people, the thriving village which this improvement at Barcelona Harbor will serve. This steamboat transported passengers between Buffalo and Erie.

Notwithstanding the failure of the Government to appropriate money for the harbor, the traffic to and from Barcelona held up for quite a number of years.

I cannot stress too strongly the importance to Westfield, N. Y., and its environs of the fishing industry which has been driven out of the Barcelona Harbor, because of the neglect of the Government in making the necessary improvements in the past, which improvements have now been authorized and for which I am asking you to act favorably upon the recommendations of the President and Director of the Bureau of the Budget.

A large fleet of tugs once operated out of Barcelona Harbor to the fishing grounds which lie between Barcelona and Canada. Now that these tugs cannot enter Barcelona they and their crews have been driven, together with their families, to the city of Erie, Pa., and to Buffalo, N. Y., and some even to Canada.

According to the State of New York Conservation Department, the bulk of the fish produced from New York waters of Lake Erie are taken out of two ports, Dunkirk and Barcelona. Approximately one-half of the total poundage would be taken out of Barcelona.

Barcelona has important advantages as a fishing port because it is closer to the best fishing grounds of certain times of the year, for instance the early spring fishing for whitefish and the late fall fishing for blue pike and ciscoes.

Fish production from the New York State waters of Lake Erie for 1948 was almost a million pounds and in 1946 it was 2¼ million pounds.

This harbor is needed not only to restore the fishing industry, which is a source of food and employment, but it is greatly needed as a harbor of refuge.

The storms that sweep Lake Erie are hard to describe. Spring and fall blizzards sweep through this area and within a few minutes Lake Erie can be transformed from a state of calm into roaring waves of mountainous size, in which only the strongest boats can survive.

Barcelona Harbor greatly needs improvement so that it can be a place of refuge. Moreover, when a fleet of tugs can enter and occupy the harbor they can serve as reserve ships to help save small boats caught in violent storms.

My brother was master of one of the largest ships on Lake Erie, and during his lifetime he commanded a ship 600 feet long. He encountered many of these severe storms and on one occasion on Lake Erie the smoke stack of this great ship almost dipped water, and his huge ship barely escaped capsizing.

You can readily see that the small craft which are increasing by the hundreds each year on Lake Erie need a nearby port to escape the hazards of these sudden and violent storms.

I believe that a community which has for years sought to hold its business of a great fishing industry and provide safety for its sailors through its own efforts and contributions should receive help from the Government.

The last major appropriation for Barcelona Harbor was under the River and Harbor Act of July 7, 1838, 118 years ago, in the amount of $35,466.

Barcelona Harbor is essential as a harbor of refuge. This harbor, once a thriving fishing port, should be restored. Fishing tugs with their nets and cold-storage facilities have been forced, by the filling in of this harbor with sand and silt, to either cease business or to move to other ports.

No more heroic men than those who operate the fishing tugs can be found when ships, either large or small, are in distress. When the work on this harbor is completed and they are once again able to locate there they will again be available to go to the rescue of persons and ships in distress.

I want to restore this harbor of refuge, and have these wonderful fishing tugs operate out of and in this historic port. There are several industries, especially small boatbuilding concerns, anxious to locate adjacent to this harbor when this project shall have been completed.

With completion of the improvements on the harbor, Westfield, N. Y. will again become a thriving commercial, industrial center of activity. Local hotels will find a lucrative business when small ships can use Barcelona Harbor. There will be ingoing and outgoing package freight, and excursion boats will operate from Barcelona to Erie, Cleveland, Dunkirk, Buffalo, and also to Canadian ports.

This improvement of the harbor will make it one of the popular ports for many of the hundreds of thousands of small craft in use on the Great Lakes.

When completed, Barcelona Harbor will again be a harbor of refuge and the million-dollar fishing industry will return and this will mean a rise in employment in the Westfield, N. Y. area.

Because some of the industries in my district have moved to the South, thus causing unemployment in some sections of the 43d district of New York which I represent, I am most anxious that the fishing industry be returned to Westfield.

I have been trying for many years to get an appropriation for this project and I sincerely hope you will act favorably upon the President's proposal and the budget director's recommendation concerning this project.

Discharge Petition on H. R. 11 Unnecessary

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. CELLER. Mr. Speaker, a most unusual petition has been filed to discharge the House Committee on the Judiciary from further consideration of Mr. Patman's bill, H. R. 11. This petition seeks to force a vote on this bill on the House floor without the benefit of committee hearings.

Members of the House, and particularly those who have signed or indicated an interest in signing this petition, should be apprised of all the facts. They should know that the House Judiciary Committee scheduled hearings on this bill well prior to the filing of the discharge petition. Specifically, on February 24, 1956, I advised Representative Patman by letter that the House Judiciary Antitrust Subcommittee would hold hearings on his bill April 18, 19, and 20, and would afford all interested parties an opportunity to testify. Some 2 weeks later, on March 12, the discharge petition was filed.

It is not only unusual, I think it is unprecedented, for a discharge petition to be filed after the chairman of a standing committee of this body announces that he is scheduling hearings on a bill.

Members should also understand the complexity and far-reaching effect of H. R. 11. Without prejudging this bill in any respect, it should be noted that it seeks to overturn a 1951 decision of the Supreme Court in the Standard Oil of Indiana case. If ever there has been a bill pending before Congress which requires careful deliberation, this is such a bill. Manifestly, it should not be voted upon by the membership of the House without benefit of committee hearings, including cross examination of witnesses, and committee recommendations.

This bill, H. R. 11, is designed to amend the antitrust laws. I think the record of the House Judiciary Antitrust Subcommittee shows beyond question extreme vigilance in support of the competitive principles embodied in the antitrust laws. Never before, to my knowledge, has a discharge petition been filed on an antitrust bill.

In light of these considerations, together with the fact that intensive hearings will be held on H. R. 11 starting next week, those who have already signed the discharge petition may well wish to reconsider and withdraw their signatures.

Lines Drawn in Oregon

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. METCALF. Mr. Speaker, as the St. Louis Post-Dispatch says in an editorial in the March 11 issue, this administration has paid the senior Senator from Oregon [Mr. MORSE] a high compliment in dispatching a Cabinet member to run against him. The editorial follows:

LINES DRAWN IN OREGON

The Eisenhower administration has paid Senator WAYNE MORSE a high compliment in dispatching Secretary of the Interior McKay to run against him in Oregon.

Some who regard Douglas McKay as something less than a gold-plated asset of the administration may suggest that the Oregon Democrat has really been done a favor. But it would be premature to regard Senator MORSE as a shoo-in. Clearly the administration has given the very highest political priority to the task of retiring this former Republican who committed the unforgivable sin of opposing Dwight D. Eisenhower in 1952, and then turning Democrat.

Secretary McKay is quite right in saying that the contest will amount to a showdown on the Eisenhower policies—and particularly, the Eisenhower policies on public power, conservation, and resource development which have been Mr. McKay's special province.

The people of Oregon heard those policies devastatingly criticized in 1954, and they sent the critic to the Senate in the person of RICHARD L. NEUBERGER, the first Democratic Senator from the State in 40 years. Now they will get a chance to register their sentiments on these issues, as well as many others, again.

The campaign will be watched with interest by the rest of the country because Senator MORSE has distinguished himself as one of those rare Senators who does not conform to a pattern of political orthodoxy. Like the late Senator George W. Norris, of Nebraska, he values his independence more than his party standing, and he therefore performs many a useful service which others neglect.

Mr. Speaker, the voters of Oregon will be called upon to evaluate Mr. McKay's record, including that in the field of conservation.

In this connection, I call your attention to the report on Preservation of National Wildlife Refuges, issued March 22 by the Committee on Merchant Marine and Fisheries. That report, adopted unanimously, was critical of the administration of wildlife refuge lands by Secretary of Interior McKay.

The committee's report said that hearings held early this year revealed "a picture of extreme administrative confusion" in the Department of Interior. It declares that new oil leasing regulations for refuges, issued last December 2 by Secretary McKay, "fall far short of providing the degree of protection to the refuges which the activities of recent years prove to be necessary."

The committee report, referring to oil leases on wildlife refuge lands, declared:

Such increased activity in the issuance of leases by the Secretary of the Interior, or by those under his immediate supervision, can only result in serious damage to the wildlife refuge system in this country.

As the distinguished chairman of that committee told us Monday:

The Committee on Merchant Marine and Fisheries was most charitable to the Secretary of the Interior, the Fish and Wildlife Service, as well as to the entire Department of the Interior, because the report will absolutely show that there was chaos existing in the Fish and Wildlife Service. Administrative matters were being passed from the Secretary of the Department out into the field without the Director knowing anything about it.

The Agricultural Trade Development and Assistance Act of 1954

EXTENSION OF REMARKS

OF

HON. ROBERT D. HARRISON

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. HARRISON of Nebraska. Mr. Speaker, it is evident to the point of being self-evident that the greatest single obstruction to rise in farm prices is the surplus that has accumulated in excess of reasonable carryover and that reduction of the surplus to manageable volume is essential to price improvement and cutting the tremendous cost of storage.

We began the major assault on that problem 2 years ago when the bill introduced by Senator SCHOEPPEL in the Senate and by me in the House of Representatives was approved on July 10, 1954, and became the Agricultural Trade Development and Assistance Act of 1954. This act has been described as the most significant agricultural legislation in the last 25 years.

On March 14, 1956, the Secretary of Agriculture reported that agreements totaling $1.2 billion have been signed for export sale of surplus United States agricultural commodities under title I of this act. The full text of the Secretary's announcement follows:

WASHINGTON, *March 14, 1956.*

Secretary of Agriculture Ezra Taft Benson today announced that agreements totaling $1.2 billion have been signed for export sale of surplus United States agricultural commodities under title I of Public Law 480, the Agricultural Trade Development and Assistance Act of 1954.

This law provides for sale of commodities to friendly foreign countries for their currencies, thereby helping meet convertibility and dollar-shortage problems and facilitate export of farm surpluses.

"This represents excellent progress," Secretary Benson said. "The program was set up by the Congress for 3 years, ending June 30, 1957. The goal of $1.5 billion in export commitments was to be reached as rapidly as possible. We are pleased to be able to report that as of today, not only are actual agreements signed that total $1.2 billion but also negotiations are under way that should lead to commitments for the remainder of the allotted $1.5 billion in the near future.

"The program is having timely and helpful effect. It has given strength to our foreign and domestic markets at a time when such strength has been needed.

"Thanks in big part to the program, our agricultural exports have been able not only to hold their own in the face of increased world competition but, on a volume basis, have increased 16 percent during the past 2 years. And these gains appear to be continuing."

The $1.2 billion of title I commitments since the fall of 1954 is based on Commodity Credit Corporation value of commodities. It represents well over $900 million export value of commodities. The mark was attained this week with the signing of agreements with Chile, Korea, and Turkey.

A total of 50 agreements have been made with the following 25 countries:

Latin America (6): Argentina, Brazil, Chile, Colombia, Ecuador, Peru.

Western Europe (10): Austria, Finland, France, Germany, Greece, Italy, Spain, Turkey, United Kingdom, Yugoslavia.

Far East (7): Burma, Indonesia, Iran, Japan, Korea, Pakistan, Thailand.

Middle East (2): Egypt, Israel.

It is estimated that title I agricultural exports during the current fiscal year will total from $500 million to $550 million. This would represent about one-sixth of expected total farm exports.

During the 6 months, July through December 1955, title I exports totaled about $217 million. Commitments made prior to that time have largely been carried out, except for cotton, and here it is expected that the recently announced export sales program for all upland cotton should substantially increase exports after August 1.

Commodity highlights:

Rice: Export commitments recently made or in process will virtually wipe out Government holdings of surplus milled rice resulting from 1953 and 1954 crops. Programs announced a few days ago will result in the movement of almost as much rice as the total United States rice exports in fiscal year 1955. These programs include 7,800,000 bags of rice for Indonesia and Pakistan under title I, as well as an additional 1,320,000 bags programed for Pakistan under title II of Public Law 480, administered by the International Cooperation Administration.

Wheat: The program has helped maintain United States wheat exports, despite increased foreign competition. An estimated 40 percent of all United States wheat exports are now moving as a result of title I arrangements. To date, more than 120 million bushels of wheat have been programed. Through January, 64 million bushels had been exported.

Livestock products: Yugoslavia has purchased nearly 88 million pounds of lard under the program, which has helped bolster the domestic lard market. Israel is beginning procurement of 40 million pounds of beef, recently arranged for. Programs recently signed with Spain and Korea include 28 million pounds of pork products. An agreement has been made with West Germany that includes 3 million pounds of poultry.

Vegetable oils: Since July 1955, title I agreements have included about 700 million pounds of vegetable oils. This programing has been a major factor in strengthening markets for soybeans and cottonseed.

Tobacco: Largely due to title I sales, exports of United States tobacco in 1955 exceeded the previous year by about 15 percent. Agreements with Korea and Burma represent the opening of new markets for United States tobacco. Under an arrangement with the United Kingdom, it is making an equivalent value of housing available to the United States Air Force in return for $15 million of United States tobacco.

Cotton: From July through December 1955 title I exports of 307,000 bales accounted for 40 percent of total United States cotton exports. A total of 1⅓ million bales has been programed under title I, with nearly half of this due to agreements signed during the past 6 weeks.

Fruits and vegetables: Within the last few weeks 2 program agreements have been signed providing for the sale of fruit and 1 for the sale of potatoes.

Approximate quantities of commodities included in title I agreements, Public Law 480

Commodity	Quantity	Market value	CCO cost
	Thousands	*Millions*	*Millions*
Wheat……bushels	120, 908	$208. 0	$406. 8
Feed grains……do	45, 418	55. 4	86. 9
Rice……hundredweight	9, 926	65. 2	119. 1
Cotton……bales	1, 302. 3	238. 9	238. 9
Cotton linters……do	16. 7	. 3	. 3
Tobacco……pounds	96, 753	62. 6	62. 6
Dairy products……do	89, 366	19. 4	33. 2
Fats and oils……do	1, 022, 326	153. 4	161. 9
Poultry……do	3, 000	1. 2	1. 2
Dry edible beans hundredweight	37	. 3	. 3
Fruits……pounds	4, 630	. 5	. 5
Potatoes……hundredweight	667	1. 4	1. 4
Hay and pasture seed……do	55	2. 5	4. 0
Meat……pounds	81, 284	25. 1	25. 1
Total commodities		834. 2	1, 142. 2
Ocean transportation		75. 8	75. 8
Total agreements		910. 0	1, 218. 0

Exports of Iron and Steel Scrap

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. McCORMACK. Mr. Speaker, I have been very much concerned in the past 3 years with the tremendous increase in the exports of iron and steel scrap. I have also found it very difficult to obtain any kind of official and reliable information as to the exports abroad of iron and steel scrap. As everyone knows, this is a very important activity to watch because we all remember that before World War II Japan, in particular, was buying iron and steel scrap in large quantities in the United States.

I have tried to obtain information from the proper departments of Government as to whether or not any of this iron or steel scrap was being resold to the Soviet Union, or anyone in the Communist-controlled countries, and the information I have received is that so far as is known, none has been resold to such countries. However, I have my doubts.

A staff member of mine has made a very careful check of the exports from the United States of iron and steel scrap during the years 1953, 1954, and 1955, as well as to the quantity shipped to the different countries abroad. The assimilation of this information required tremendous research work. It is based upon the figures of the releases from time to time by the Department of Commerce.

I enclose in my remarks a table showing the exports during the years 1953, 1954, and 1955, as well as the amounts exported to different countries. The amazing fact is in 1953 there was exported from the United States 307,673 short tons; in 1954, 1,507,310 short tons; and in 1955, 5,047,942 short tons. In other words, in a 2-year period, an increase of about 1,600 percent. I enclose in my extension of remarks the table showing the amounts exported, and to the countries that the iron and steel scrap has been exported during the calendar years 1953, 1954, and 1955, together with a copy of a letter that I have sent to Hon. Gordon Gray, Assistant Secretary of Defense.

Exports, iron and steel scrap, by countries and classes, calendar years 1953–55

[Short tons]

Country	1953	1954	1955
Samples	3, 966	7, 360	10, 890
Canada	76, 559	42, 664	413, 403
Mexico	156, 732	225, 763	276, 776
United Kingdom	9, 055	181, 342	1, 015, 549
Japan	61, 006	321, 800	715, 823
Argentina		75, 381	107, 876
Sweden		6, 434	25, 366
Netherlands		20, 182	42, 233
Belgium-Luxembourg	163	23, 268	185, 989
France		20, 951	246, 372
West Germany		254, 893	691, 891
Austria		32, 031	79, 521
Spain		54, 492	110, 600
Italy	56	178, 502	1, 084, 582
Yugoslavia		44, 130	17, 161
India		4, 353	1, 163
Taiwan		10, 362	7, 840
Finland			13, 022
Salvador			114
Chile			54
Union of South Africa	91		50
Norway		3, 256	
Philippine Republic	36	43	19
Colombia		81	
Brazil			99
Jamaica			24
Israel		22	50
Iran			914
Hong Kong			561
Venezuela	9		
Total	307, 673	1, 507, 310	5, 047, 942

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C., March 27, 1956.

Hon. GORDON GRAY,
Assistant Secretary of Defense, International Security Affairs, The Pentagon, Washington, D. C.

DEAR MR. GRAY: During the past 2 years I have been greatly disturbed by the enormous quantities of ferrous scrap that has been exported from the Port of Boston and from other ports in the United States.

Attached is a table showing the tonnages exported as revealed by statistics issued by the Department of Commerce.

You will note that the tonnages for the past 3 calendar years have been as follows:

	Short tons
Calendar year 1953	307, 673
Calendar year 1954	1, 507, 310
Calendar year 1955	5, 047, 942

It will be seen that the 1954 exports were 5 times those of 1953 and the 1955 shipments were 3 times plus those of 1954 and more than 15 times those of 1953. The 1955 exports make over 50,000 freight car loads of 100 tons each. In analyzing shipments by destinations in 1955, it is found that 25 rate in this order:

Italy	1, 084, 582
United Kingdom	1, 015, 549
Japan	715, 823
West Germany	691, 891
Canada	413, 403
Mexico	276, 776
France	246, 372
Belgium/Luxembourg	185, 989
Spain	110, 600
Argentina	107, 876
Austria	79, 521
Netherlands	42, 233
Sweden	25, 366
Yugoslavia	17, 161
Finland	13, 022
Taiwan	7, 840
India	1, 163
Iran	914
Hong Kong	561
Salvador	114
Brazil	99
Chile	54
Union of South Africa	50
Israel	50
Jamaica	24

It seems to me that the shipments to some countries are so large and unprecedented that we should be certain we are not reenacting the mistake made prior to Pearl Harbor.

Since your position is, I assume, to insure security in matters such as this and I find there may be divided responsibility as between the Department of State (including ICA), Commerce, and Defense, I would appreciate a prompt answer from you on these questions:

1. Are you convinced that there is no diversion or transshipment of this material to unfriendly countries?
2. Have you checked to insure that this material is being used for domestic purposes in the country of destination?
3. Do you consider that present export laws and regulations are adequate to protect our vital security interests in this matter?
4. Have you found cases of violations of export laws or regulations as regards these materials?
5. Do you have any recommendations with respect to amending our laws or policies regarding the export of ferrous scrap?
6. Are you convinced that responsibility over the export of scrap is sufficiently fixed as to insure adequate security? If so, where does the primary responsibility lie?

I am sure you agree that shipments of the magnitude involved in 1955 have portents worthy of review.

Very sincerely yours,
JOHN W. MCCORMACK.

Air Force Submits to Saudi Arabian Anti-Christian Prejudice

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. CELLER. Mr. Speaker, news dispatches indicate that the United States Air Force has made concessions to Saudi Arabian prejudice against Christianity in addition to tolerating anti-Jewish discrimination by Saudi Arabia.

At the Dharan Base, according to the reports, United States chaplains do not wear the insignia crosses denoting their status as Christian chaplains. This is done to avoid fanatical Moslem wrath. Catholic officials—in the interest of their personal safety—have been obliged to defrock when on a mission to the base.

Further, according to the reports, Chrisian religious services on the base are conducted with a measure of secrecy, with precautions taken to avoid arousing Moslem ire. The base figured in the news recently when Secretary of State Dulles, in response to Senate Foreign Relations Committee questioning, said that Saudi Arabia prohibited United States forces from stationing American servicemen of Jewish faith there.

One report recently heard is that the United States flag is not flown over the base because the Saudi Arabians look upon it as an infidel symbol. A question has been raised by service personnel as to the extent of control the United States command has over the base because of the numerous reported concessions to Saudi Arabian extremism. Several weeks ago Saudi Arabia threatened to refuse renewal of the agreement under which the base is leased, thus forcing the State Department to release 18 Army tanks held up at the port of shipment because of the tense Arab-Israel situation.

This proves that prejudice cannot be confined. It becomes all pervading. First Saudi Arabia directed its prejudice against Israel merchants by boycotting them, then discrimination was extended to American citizens of Jewish persuasion, and now it embraces members of the Christian faith.

The Easter Season and the Holy Land

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. BOW. Mr. Speaker, the Easter season turns my thoughts to the Holy Land and to a wonderful old lady I met there last year.

Mrs. Bertha Spafford Vester is the oldest American resident of Jerusalem, having gone there with her parents as a child in 1881.

Mrs. Vester's parents were wealthy Chicagoans who suffered a series of family tragedies and decided to go to Jerusalem to seek peace in service to the local people. With a small group of friends, they began a clinic for the poor. Jerusalem is a holy city to Christian, Jew, and Moslem, and these Americans served all three. Neither religion nor race made any difference when they found people in need.

Gradually the charities expanded until today the American colony, as it is called, operates the most modern children's hospital in the area as well as an infant welfare center and an outpatient clinic. Last year the hospital treated 623 patients; the center was visited by over 22,000 mothers bringing their babies; and the outpatient clinic treated 39,636 patients.

When Mrs. Vester came to Jerusalem as an infant, the city was a part of the old Ottoman Turkish Empire. She had lived there, raising a large family and serving the poor, through all of the troubled times since the surrender of the city to General Allenby in 1917; the stormy period of the British mandate; and the Israeli-Arab conflicts of recent years. Those who know her tell me that she has never flinched at danger nor permitted it to interfere with her impartial treatment of all who needed help.

The friends this fine American woman has made over the years are legion. Mrs. Vester is now ministering to her third generation of the sick and poor. To them she has become a symbol of the United States of America, and her generosity, courage, and enterprise are considered by them to be American characteristics.

As I met and talked with this fine lady last fall, it seemed to me that her lifetime of work as an individual American probably has accomplished more for good feeling between ourselves and the people of that area than all of the dollars and all of the propaganda we have poured into the Middle East.

Santa Fe Railroad: Misleading Advertising

EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. VANIK. Mr. Speaker, in yesterday's newspaper I was impressed by a large advertisement on behalf of the Santa Fe Railroad which advertised the fact that this railroad was spending $102 million for progress in building for the great future growth in America's industry and population. This ad points out that this is the largest sum this railroad has ever budgeted for capital improvements in a single year and that the costs of these improvements were computed to $270,000 per day for 1956.

In the next portion of this ad it is stated that the largest part of this expenditure will be for 5,210 additions to the railroad's fleet of freight cars, including many of new and improved design.

In one of its most emphatic sentences, this advertisement states that all of this progress comes from Santa Fe dollars—earned dollars—not a single penny from taxes paid by taxpayers.

This advertisement is typical of the great quantity of misleading advertisement which is being disseminated to the American public about the public spirit of the corporate spending. Nowhere does this advertising tell the public the truth about the fast tax writeoff certificate which makes it possible for the railroad to pay for the great bulk of this expansion out of current income which would normally flow to the Public Treasury in the form of taxes. Through the use of the rapid amortization device, the railroad will be able to amortize this investment and siphon off its profits to this improvement during the period of the next 5 years. In this way, the railroad cars get constructed but most of the money is money that would otherwise be public tax funds.

When they tell you that this progress comes from Santa Fe's dollars—earned dollars—and not a single penny comes from taxes you pay, they are forgetting to tell you that the dollars they use are dollars short-circuited from the United States Treasury in taxes deferred and perhaps never paid.

So in the end every taxpayer is helping to contribute to the great progress of the Santa Fe this year. Let us give credits where they are due.

The Facilities of the United Nations Should Be Used in Program of Economic Aid for Underdeveloped Countries

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. HAYS of Arkansas. Mr. Speaker, some time ago I wrote to the Secretary of State suggesting that he give earnest consideration to channeling an increased percentage of funds for economic aid to other countries through the United Nations and its specialized agencies. Under leave to extend my remarks in the CONGRESSIONAL RECORD, I include my letter to Mr. Dulles:

> FEBRUARY 21, 1956.
>
> The Honorable JOHN FOSTER DULLES,
> *The Secretary of State,*
> *Department of State,*
> *Washington, D. C.*
>
> MY DEAR MR. SECRETARY: I am writing you today on a matter to which I have given much thought during the past weeks. As a member of the United States delegation to the Tenth General Assembly, concerned particularly with the work of Committee II, I became convinced that the United States must soon find an effective way to help meet the aspirations of the less developed countries with respect to economic development. In meeting after meeting it was impressed upon me, and I am sure, upon the other members of the delegation, that to most of the nations in the United Nations an increase in the standard of living of their people and an improvement in their economic prospects are matters of importance far transcending most of the political issues with which their representatives deal in the United Nations.
>
> I heartily subscribe to the declaration of the United States delegation which was forwarded to you, and I was gratified and proud that you saw fit to bring it to the attention of the President and to read it, with his permission, in a recent press conference. I believe in that declaration. I believe that we are engaged in a profound and far-reaching struggle with the Soviet Union for the loyalty and confidence of the less developed countries of the world, and I am convinced that our response to the appeal of these countries for economic aid will be a paramount factor in determining some vital decisions which they must make.
>
> The Soviet Union, on its side, has put on a smiling mask of assumed generosity. I believe that many of the countries to which the Soviet blandishments are directed are aware of the evil designs back of these actions. But I am afraid that, in the absence of some effective measures on our part to give them the kind of help they desire, some may turn to the Soviets, either in desperation, or because they delude themselves into thinking they can accept Soviet aid while resisting Soviet penetration.
>
> We are all fully aware of the generosity and magnitude of our aid activities in past years. As a Member of Congress, I have participated in the framing and passage of many such measures. But in my work in the General Assembly I was struck by the extent to which many of the underdeveloped countries about which we are most concerned would prefer to be helped through the United Nations rather than to receive bilateral assistance which they may view as having "strings attached." This feeling is so strong in many cases as to amount almost to an obsession. Whether we agree with it or not, we must recognize that it exists.
>
> I have no particular brief for the SUNFED proposal as it now exists. I recognize the disadvantages and the dangers of placing substantial sums of our tax money into a fund which might be administered irresponsibly by numerical majorities without due regard to sound economic plans. But, Mr. Secretary, I greatly fear that unless we in the United States can produce a better plan which we are willing to support and which will have enough of a United Nations impress to satisfy the underdeveloped countries, we may find ourselves in the highly uncomfortable position of standing before an accomplished fact and being forced to join an organization which we dislike or else allow it to crash down in failure, shattering with it the hopes of millions of poor people in the world.
>
> The United States now proposes to devote $1.9 billion to economic assistance in the coming fiscal year. Would it not be worth while to consider whether we should seek some means of using a relatively small percentage of that amount through the United Nations? I have no doubt that the financial experts in the Department of State and in the other agencies of the United States Government could, if so directed, draw up a sound and workable plan for an international aid fund to be related to the United Nations and to which the United States could contribute. If this can be done, I am sure that our sponsorship of such an idea in the United Nations would meet an immediately favorable reaction in the United Nations and would win for us a spontaneous expression of appreciation comparable, perhaps, to that which greeted the atoms for peace proposal in 1953. Moreover, I believe that this would bring us far greater returns proportionately in good will and cooperation than the dollars we put into bilateral assistance.
>
> Mr. Secretary, I hope that you will give this matter your urgent consideration. I fear that time may be running short for us in this connection. With high personal regards,
>
> Sincerely,
>
> BROOKS HAYS.

Independence of Greece

EXTENSION OF REMARKS

OF

HON. JAMES A. BYRNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. BYRNE of Pennsylvania. Mr. Speaker, the 135th anniversary of Greek independence from the Ottoman Empire was observed on Sunday, March 25, 1956, and I am pleased again to pay homage to that land from which much of our own culture sprang. Also to participate in the more recent efforts of Americans of Greek descent to help in effectuating the union of Cyprus with Greece, the motherland.

We, as present-day American citizens, in this land of the free, cannot quite comprehend alien tyranny as being experienced by so many peoples at the present time. Yet, in spite of such tyranny, these groups have remained true to their ancient traditions, cherishing the ideal of national independence.

The world is today looking to England to see what her position will be regarding the early return to Cyprus of their recently exiled Archbishop Makarios, one of the highest church officials of the Orthodox faith on the island of Cyprus.

A famous English writer, H. G. Wells, with whom we are all familiar, said in his Outline of History that "the British acquired the island of Cyprus to which they had no right whatever and which has never been of the slightest use to them." Other English scholars and writers have similar views on enosis, which stands for the Cypriot movement aimed at the union of Cyprus with the Greek motherland. Back in 1880 Prime Minister Gladstone was sympathetic to this cause and so expressed himself, but the then Queen of England would not consent to the cession of Cyprus, and Gladstone announced that although he was very anxious for the happiness of the Cypriots he regretted he was bound by treaties which he could not break. More recently, the British press has made statements favoring the union of Cyprus with Greece and condemned the negative attitude of Prime Minister Eden and his colleagues.

All this has dampened the spirit of elation in Cyprus which is usually felt on Greek Independence Day, but we continue to hope and pray for early action that will result in self-determination for Cyprus, and for lasting peace and freedom for Greece.

An Opportunity Now for the House To Act on Civil Rights Legislation

EXTENSION OF REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. HESELTON. Mr. Speaker, I have been asked frequently why it is that Congress apparently does nothing in meeting and discharging its responsibilities in the field of civil-rights legislation. I assume many of my colleagues have been asked the same question.

It must be admitted that the record of Congress over the years in this field has been anything but a distinguished one.

No one, except an extreme partisan, would question the proven fact that the executive departments have made substantial and significant contributions in implementing an excellent civil rights program.

Few, whose opinions are respected, would challenge the progress made in the judicial department and particularly by the Supreme Court of the United States and of the other Federal courts in defining and upholding the civil rights of American citizens.

But Congress, which has now and has had many vital phases of legislation in this field confronting it, seems to all too many of those to whom it is responsible to have been indifferent, inept, or lacking in courage.

It is of little use to point out that congressional procedures are usually, and in many cases wisely, slow.

It is of as little use to call attention to the number of bills which have been filed in this field over the years by Members of Congress as to the number of hearings and even reports by congressional committees.

It is of no value at all to try to explain why it is that any real results have been delayed, obstructed, and even prevented by a very few having the power to do that or by such parliamentary devices as filibusters.

But now, next month, the House will have the opportunity of direct action in this field if a bare majority of the Members wish to exercise their undoubted right to demand it.

H. Res. 440 and H. Res. 441 were filed respectively by the gentleman from California [Mr. ROOSEVELT] and the gentleman from Indiana [Mr. BROWNSON] on March 21.

These are identical resolutions providing for the consideration of H. R. 627.

Each provides for recognition for the consideration of H. R. 627, a bill described as follows:

> To enact national policy to protect the right of the individual to be free from discrimination on account of race, color, religion, or national origin. Establishes a five-man Commission on Civil Rights, appointed by the President with the consent of the Senate, to gather information and report to the President on what activities affect civil rights. Authorizes a full-time staff director. Creates a Civil Rights Division in the Department of Justice under an Assistant Attorney General. Creates a 14-man Joint Congressional Committee on Civil Rights. Amends and supplements existing civil-rights statutes; provides additional criminal penalties and gives the United States district courts concurrent jurisdiction with State courts to enforce civil actions against offenders (amending U. S. C. 18, sec. 13).

These resolutions were referred to the Rules Committee and, of course, can be reported by that committee.

However, if there is no action by that committee by the time this House reconvenes on April 9, it will be in order, under the rules, to file a discharge petition and this will be done. This petition will become effective once it is signed by a majority of the Members of the House. Therefore, whatever actions may be taken by others and irrespective of the reasons assigned for such actions, each individual Member of the House will have his clear opportunity early next month of becoming a part of the majority of the House demanding that it be given an opportunity to express its own judgment and convictions in this field of civil-rights legislation.

It is important to note that 218 signatures are construed to be a majority within the purview of the rule, that additional signatures are not admitted after the requisite number have been affixed, and that when a majority of the membership has signed the discharge petition, the motion, generally known as the petition, is printed in the RECORD, entered in the Journal and referred to the Calendar of Motions to discharge committees.

It may be suggested that this discharge petition procedure is usually futile. It must be conceded that this is a fact.

But the exceptions are notable.

Many Members feel quite reasonably that the procedure should not be utilized unless there have been full hearings on the proposed legislation and a clear situation exists making it practically certain that this House as a whole will be deprived of its opportunity to pass upon such proposed legislation unless ~~that~~ procedure is invoked. If the Rules Committee decides not to take affirmative action upon either of these discharge rules by the time Congress returns from the recess, both conditions will be satisfied beyond any possibility of question.

It may also be suggested that consideration of H. R. 627 and action by this House on it may be frustrating because no one can guarantee the necessary further action. That, too, may become a fact; but if so, it will be one over which no Member of the House has any control. And the responsibility for it becoming a fact will be understood by everyone concerned as to the imperative need of congressional action at this time in the field of civil rights.

These are the facts which confront this House now.

I want to conclude with a reference to the brief remarks in the RECORD of March 21, at pages 5298 and 5299, which accompanied the introduction of House Resolution 440 and House Resolution 441.

I know that there has been some evidence of an inclination toward partisanship with reference to the consideration of H. R. 627 by this House. Any examination of the remarks in the RECORD which I have cited will contradict any such resort to partisanship and should prevent its recurrence while the matter is before this House.

That any such reference is not only unjustified but also completely inaccurate is proven beyond any possible doubt by the statements that these resolutions were filed, as the gentleman from California [Mr. ROOSEVELT] said, as "representing a very large group," and, as the gentleman from Indiana [Mr. BROWNSON], said, "in behalf of Members of the House on both sides of the aisle who have been meeting sincerely and earnestly in an attempt to work out with the Attorney General a thoughtful legislative solution to some of the civil-rights problems which face us" and "as a constructive step in the direction of making sure that the membership of this House will have a full opportunity to express themselves in connection with this problem of curtailment of civil rights." The gentleman from New York [Mr. POWELL] stated the undeniable fact when he said that "Mr. ROOSEVELT and Mr. BROWNSON have by their remarks indicated that this is an issue stripped of partisan politics." The good reputation of this House, in the judgment of an overwhelming majority of the American people, will be enhanced if the issue remains divorced from partisan politics and if a strong majority of the Members insist upon the right of individual Members to express themselves in this field of legislation as to which it has an absolute and unqualified responsibility.

Railroad Retirement Benefits

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. BYRD. Mr. Speaker, under leave to extend my remarks, I wish to insert a statement which I recently submitted to the Subcommittee on Transportation and Communications, House Interstate and Foreign Commerce Committee. This statement was in support of H. R. 3087 which is similar to my own bill, H. R. 8828. H. R. 3087, introduced by Congressman CHARLES BENNETT, of Florida, proposes three ways of liberalizing railroad retirement benefits. My statement, which follows, explains its provisions:

STATEMENT OF ROBERT C. BYRD, MEMBER OF CONGRESS, SIXTH WEST VIRGINIA DISTRICT, BEFORE THE SUBCOMMITTEE ON TRANSPORTATION AND COMMUNICATIONS, HOUSE INTERSTATE AND FOREIGN COMMERCE COMMITTEE

Mr. Chairman, I appreciate this opportunity to testify here today in favor of H. R. 3087, introduced by Congressman BENNETT of Florida. I have introduced a similar bill, H. R. 8828. This bill proposes three ways of liberalizing railroad retirement benefits. It provides, first, retirement at age 60 with 30 years of service, or with 35 years of service regardless of age. Secondly, it provides for computation of credit for service prior to January 1, 1937, on the basis of the five highest years rather than on the basis of average earnings for the years 1924–1931. Thirdly, it provides a 15 percent increase across the board to pensioners, annuitants, and survivors.

Reducing the retirement age after many years of service is necessary to care for those who lose their railroad positions at advanced ages, but before they have reached 65. Perhaps 65 as a retirement age is not a great hardship on rail employees who can remain in their employment until attaining that age, but it does seem that Congress should attempt to give some relief to employees who, through no fault of their own, lose their position a few years before becoming 65.

The Railroad Retirement Act was established in 1934 to deal with the hazards within the industry, and there is no greater hazard which can confront a worker today than to lose one's job late in life after many years of faithful service to the employer of his choice. This has happened to a large group of shop employees in the past. Those employees were deprived of their living. They have used up their unemployment insurance, sold their savings bonds, depleted their savings, and they are desperate when they must take a reduced pension because they are not 65 years of age. There is another class of employees who are interested in this provision—those who are in poor health and cannot qualify for a disability pension under the present act. This class would gladly retire, and it would be in the interest of all concerned if employees in this condition were availed of the opportunities for earlier retirement.

The elimination of the test period 1924–1931 is another provision of this bill that is very important to all railway employees who had service with the rail lines prior to 1937 when the present act became law. The using of this period to determine annuities brings in the depression years of 1929–1930, when some of the railway employees were only working a few days per month, and using this as a basis is the reason why only a little more than 1 percent today qualify for the maximum annuity or pension of $165.60 per month. A precedent has been established by social security in which the 4 highest years are used. H. R. 3087 would substitute the 5 highest years in lieu of this low earning period which has no relation to our present economy. There are over 60 million workers today in this country, and I say without fear of contradiction that none of them work at the level of earnings they made in the years 1924–1931. Every railway employee who retires before 1967 will have to use prior service credits, and this feature alone accounts for the fact that few retired railway workers have any conception of what their annuities will be until they retire and the sad news is broken to them by the Railroad Retirement Board.

The 15 percent increase would benefit all annuitants and pensioners. This would be of general help in the financial problems faced by all retired rail employees. Most of the retired people who are trying to live on a pegged income of a pension today find it very hard to cope with the high prices, and they learn that their pension dollars buy so little. In 1951 the last increase was made in their rail pensions and annuities. Several increases have been granted members of the various labor crafts during this interim. Retired railroaders feel that they are the forgotten creatures who contributed generously toward the national economy while employed in the heyday of their working career. They look forward, most hopefully, to this Congress for relief from an intolerable situation.

Thank you again, Mr. Chairman, for permitting me to appear here today in behalf of the measure introduced by Congressman BENNETT. In introducing a similar bill, I recognized the need for such legislation, and I sincerely hope that your distinguished committee will be able to act favorably upon H. R. 3087.

President Eisenhower Holds Important Conference With President Cortines, of Mexico, and Prime Minister St. Laurent, of Canada

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. WOLVERTON. Mr. Speaker, there is no act of the administration in recent months that can so readily produce good will and beneficial results of a lasting character than the invitation of President Eisenhower to meet with President Adolpho Ruiz Cortines, of Mexico, and Prime Minister St. Laurent, of Canada.

The purpose of this meeting held at White Sulphur Springs, W. Va., at the

famous Greenbrier Hotel, was to discuss in a friendly and informal manner problems and conditions that affect the welfare of the three great nations of the North American Continent. This important gathering could mean much to the future security and well-being of not only the three nations involved, but also to the entire Western Hemisphere.

The holding of this important meeting at this little village in the Allegheny Mountains is not the first time that this has been the site for important gatherings. It has entertained 13 Presidents in its time. But, this was the first time that the President of Mexico, the Prime Minister of Canada and our own President have met either there or elsewhere in a joint conference.

Notwithstanding the importance of many other conferences that have been held in this beauty spot of America, never has there been one so full of possibilities as this present one. It is my opinion that it is long overdue. It seems as if we have heretofore looked upon the far-off nations of the world as our chief concern. Our national wealth has been poured out lavishly upon all of them, large and small, in an effort to strengthen them in their economy, as well as militarily. All of this has given the appearance that these distant nations are more important to our welfare and security than the nations of Mexico and Canada, our immediate neighbors to the south and north of us. Furthermore, it has seemed that we were taking the friendship of Canada and Mexico for granted. While there is every reason to consider that these two nations are our friends in the truest sense of the term, and while it is not necessary to buy their friendship, as we seem to be trying to do elsewhere in the world, yet, it is a great mistake to take them for granted, not because they would ever become other than friends, but because they are our friends. These two nations, Mexico and Canada, have been, and will continue to be, our friends. It is because of this unadulterated friendship that we owe them a greater degree of appreciation and acknowledgment than we have shown in the past.

Thus, it comes with a feeling of satisfaction that we have at last recognized the friendship of these two great nations to the north and south of us. And it is particularly gratifying that this recognition comes on our highest level, namely, the President of our Nation. It is fitting that it be so.

We are all much more aware of the economic ties that bind us to Canada than we are to those that bind us to Mexico. This may be the reason that we have not always seemed as anxious to recognize our obligation to create trade conditions between Mexico and ourselves that would be mutually helpful to both.

Without any intention to discount the favorable trade relations that exist between our Nation and that of Canada, which it is a pleasure to recognize, yet, because of a general lack of knowledge of the facts underlying our trade relationships with Mexico, it seems appropriate to make some reference to them as a justification of the reason that has impelled President Eisenhower to include Mexico with Canada in a consideration of affairs that are pertinent to our mutual welfare.

An examination of our trade statistics reveals that Mexico is the fourth largest purchaser of United States products in the entire world, and the first in all of Latin America. It is buying $1.60 worth of United States products for each $1 worth of Mexican products bought by the United States from Mexico. As an illustration, it is astounding to realize that Mexico's sugar industry alone is buying more than $7 worth of United States products for each $1 worth of Mexican sugar bought by the United States. Altogether, the purchase of United States products by Mexico is the fourth largest among all the nations of the world. It is exceeded only by Canada, United Kingdom, and Japan. Furthermore, a further examination of United States public records shows that Mexico's purchases enrich the economy of every State in the Union.

It is highly desirable that these little known facts of Mexico's trade relations with the United States be given the fullest consideration as a result of the joint conference recently held. The favorable results that can be obtained as a result of strengthening the ties that bind the United States, Canada, and Mexico together can be of incalculable benefit, not only to each of the participating nations, but also in promoting the economy and security of the whole Western Hemisphere.

The Negro and the Destiny of Democracy

EXTENSION OF REMARKS

OF

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. DIGGS. Mr. Speaker, consent is requested to include in the RECORD the following address, which I made over the NBC network on Thursday, March 15, 1956, on the occasion of Newspaper Week, sponsored by the National Newspaper Publishers Association. The address follows:

With each of the participants on this broadcast, I share a deep feeling of responsibility in being invited to express views on a matter crucial to American welfare. The press is the pulse of the life of any democratic nation and its expressions record the beat and ebb of that life.

There is a gripping tie between this matter of freedom of the press and its functions and the destiny of the Negro and democracy. Despite those who would deny it, we need only glance through any American newspaper to become certainly informed that the Negro and democracy's destiny, entwined for some 300 years, has come to the inevitable crisis. Whether or not democracy will arise from its bed of crisis and live to walk among the free people of this earth and strengthen itself by drawing to it the uncommitted peoples who form three-fourths of the world's population, depends upon the choices it makes today and in the months ahead concerning the Negro and the pattern of human relations it adopts with them and, consequently, takes to itself.

From the freeing of the slaves through the executives proclamations and judicial and legislative mandates of our day, Negroes have taken their battle for freedom always to the law of the land embodied in the Constitution. This is why America's pattern of human relations applying to Negro citizens is of such concern to the rest of the world. They know that this pattern is evidence of the legal operation of the laws of democracy.

Negroes ask for such things as the right to vote, protection from mob violence, the opportunity to obtain education, employment, and housing without facing bars based solely upon color of skin. The answer of those who hesitate to make their choice in favor of democracy has been that most of these are guaranties already existing in our Constitution and the case law of the Nation. This may well be true, but many of these guaranties as now spelled out are ambiguous and capable of interpretation which is guided by personal bias and interest.

At this crisis in American human relations, we are in a general election year. Daily events communicate to the world through national and international press that 300 years is too long for a democratic nation to tolerate slavery or subjugation in any degree and now a choice of principles must be made. The representatives and guardians of the American way of life—politicians in their partisan activities in executive chambers and legislative halls—have no alternative but to uphold the democratic form of government or reject it in the face of the world. There is no middle course when one has arrived at the point of fundamentals. They choose a course of no return when, as representatives, they deny the requests for legislation to correct abuse of democratic principles and enforce its concepts. Our newspapers, the white and the Negro press, have made it certain that the vast majority of Americans know these requested mandates are necessary and needed now. The Democratic Party has been the leader of democracy's cause, but it is now subjected to legitimate criticism because of equivocating actions of some of its present leaders. The Republican Party, although pursuing the course of action initiated by its predecessors, is certainly not being creative in the field of civil rights and is not following through vigorously with the kind of leadership that the executive branch can follow; nor have their congressional responsibilities been fulfilled. These responsibilities must be fulfilled as representatives of our form of government chart America's destiny in the next few months as a democratic nation and a leader of men of the world. Those affected and concerned with civil rights should keep this in mind and withhold support from any individual candidate, regardless of his party, who fails to take a positive stand on this vital issue.

Present Administration Policies Swiftly Forcing Ruination of Small Independent Farmers, the Backbone of Our Nation

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to call to the attention of my colleagues the following statistics which indicate the facts that the farm population is decreasing and that the size of the farm is greatly increasing in the State of Oklahoma. These authentic statistics which I have secured indicate that not only one county but every county in the State of Oklahoma has suffered.

The present administration or any administration owes it to the present populace of our Nation and to posterity to protect the tiller of the soil, the backbone of our national economic life:

Change in size and number of farms, 1950–54

County	Change in number of farms (percent)	Change in average size (percent)
1. Adair	−17.1	+20.3
2. Alfalfa	−14.6	+13.0
3. Atoke	−20.4	+18.0
4. Beaver	−6.9	+12.4
5. Beckham	−16.5	+11.4
6. Blaine	−12.7	+17.7
7. Bryan	−18.1	+25.0
8. Caddo	−20.4	+27.7
9. Canadian	−11.5	+12.4
10. Carter	−19.5	+22.2
11. Cherokee	−22.6	+3.9
12. Choctaw	−24.2	+37.9
13. Cimarron	−9.3	+9.8
14. Cleveland	−21.0	+13.6
15. Coal	−25.8	+35.4
16. Comanche	−12.9	+5.0
17. Cotton	−11.8	+13.7
18. Craig	−15.2	+14.2
19. Creek	−28.5	+35.3
20. Custer	−13.9	+18.0
21. Delaware	−18.1	+14.8
22. Dewey	−15.3	+15.2
23. Ellis	−13.6	+11.3
24. Garfield	−11.3	+14.6
25. Garvin	−16.7	+8.7
26. Grady	−19.9	+24.0
27. Grant	−6.8	+10.2
28. Greer	−20.8	+18.0
29. Harmon	−15.6	+11.7
30. Harper	−14.7	+18.5
31. Haskell	−25.2	+32.6
32. Hughes	−19.4	+21.6
33. Jackson	−3.6	+14.5
34. Jefferson	−23.3	+28.4
35. Johnston	−23.6	+26.9
36. Kay	−12.8	+12.3
37. Kingfisher	−16.2	+16.9
38. Kiowa	−12.2	+16.3
39. Latimer	−7.7	+19.7
40. LeFlore	−17.6	+23.6
41. Lincoln	−16.2	+15.1
42. Logan	−4.3	+8.4
43. Love	−18.9	+18.5
44. McClain	−11.0	+20.2
45. McCurtain	−22.1	+27.0
46. McIntosh	−26.3	+30.2
47. Major	−4.1	+6.6
48. Marshall	−18.3	0
49. Mayes	−15.1	+10.2
50. Murray	−15.5	+10.9
51. Muskogee	−17.1	+15.9
52. Noble	−8.5	+12.3
53. Nowata	−17.3	+16.2
54. Okfuskee	−22.3	+25.3
55. Oklahoma	−14.2	+14.7
56. Okmulgee	−18.7	+31.8
57. Osage	−11.2	+3.8
58. Ottawa	−22.0	+23.2
59. Pawnee	−9.1	+11.4
60. Payne	−10.3	+12.8
61. Pittsburg	−16.5	+18.0
62. Pontotoc	−13.7	+31.0
63. Pottawatomie	−19.1	+20.3
64. Pushmataha	−21.8	+22.4
65. Roger Mills	−9.2	+4.9
66. Rogers	−4.9	−5.0
67. Seminole	−26.6	+33.7
68. Sequoyah	−15.2	+13.2
69. Stephens	−8.2	+7.2
70. Texas	−8.3	+6.7
71. Tillman	−17.9	+20.9
72. Tulsa	−30.6	+62.1
73. Wagoner	−15.8	+25.9
74. Washington	−27.4	+26.2
75. Washita	−13.4	+14.4
76. Woods	−9.9	+13.8
77. Woodward	−8.8	+17.0
State	−16.4	+20.3

NOTE.—Acres of land in farms in the State decreased 1.05 percent between 1950 and 1954.

Source: 1954 Census of Agriculture, U. S. Department of Commerce, Bureau of the Census.

Appointment of Maj. Gen. Garrison H. Davidson as Superintendent of USMA at West Point

EXTENSION OF REMARKS

OF

HON. WILLIAM H. AVERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. AVERY. Mr. Speaker, the people of First Congressional District of Kansas have always deemed ourselves most fortunate to have the illustrious Command and General Staff College of the United States Army situated at Leavenworth, Kans. To this famous school of military learning come the keenest minds of our own Army and its sister services and those of other great nations allied with us in the cause of freedom. From the college over the years have graduated the great military leaders of the past century: MacArthur, Eisenhower, Patton, Bradley, and a host of other distinguished field commanders.

It is only fitting that this school be led by men of stature and vision. This requirement has, of course, been seen to in the past by the Army Chief of Staff who has unfailingly sent only the finest men to be commandants of the college. In all fairness to those who have gone before, I submit that the present Commandant, Maj. Gen. Garrison Holt Davidson, must be counted among the very best. My remarks this morning are taken upon the recent announcement that General Davidson, after excellent service since July 1954, is about to depart from the Command and General Staff College to become Superintendent of the United States Military Academy at West Point. We are reluctant, indeed, to see this outstanding officer leave our midst in Kansas, but we rejoice in the fact that he has been selected to lead the long gray line in which he himself once stood many years ago as a cadet.

Garrison H. Davidson was born in the Fordham section of New York City on April 24, 1904, and graduated from the United States Military Academy, West Point, N. Y., with a bachelor-of-science degree on June 14, 1927, when he was appointed a second lieutenant in the Corps of Engineers. His initial assignment was as assistant football coach at the Academy in September 1927. From then until the fall of 1930, he alternated between coaching at the Academy each fall and service as a platoon leader with the 1st Engineers at Fort Du Pont, Del., and Camp Dix, N. J. After the 1930 football season he remained at the Academy as an instructor in the Department of Natural and Experimental Philosophy, doubling as assistant football coach each fall.

In October 1932, when still a second lieutenant, he was chosen as head football coach at the United States Military Academy. He is the youngest to have held that position in which he remained until June 1938.

In July 1938, he was transferred to Hawaii for duty. He commanded a company of the 3rd Engineers, Schofield Barracks, for a year and served as assistant G–4 of the Hawaiian Division his second year there. In July 1940 he was detailed as airbase engineer, Hamilton Field, Calif.

In January 1941 he was detailed to duty in Washington, D. C., with the construction division of the Office of the Chief of Engineers and was assigned staff supervision over the near billion dollar program of construction and expansion of the ports and supply depots throughout the United States in preparation for World War II. He served in this capacity until September 1942 when he was named executive officer to the engineer of the Western Task Force, which invaded North Africa under General Patton 2 months later. In November 1942 he became General Patton's engineer in the First Armored Corps in the North African Theater of Operations and served in that capacity in North Africa and later when the corps became the Seventh Army on D-Day in Sicily.

Commenting on the performance of the engineer troops in Sicily, General Eisenhower stated:

> Only through the engineers has the end of the campaign come so quickly.

At the close of the Sicilian campaign, military insignia not being available locally, General Patton pinned a pair of his own stars on him, when at the age of 39 he became one of the youngest general officers in the ground forces.

During the month following General Patton's departure from the Seventh Army and prior to General Patch's arrival he "commanded" the Seventh Army, then a planning headquarters. In this capacity he was called on during this period to recommend the area of Southern France into which the assault from the south should be launched. He named the area between Cavalaire and Agay on the Cote d'Azur which was not changed during the months of further study and planning that followed and where the assault was made 4 or 5 months later. He continued as army engineer under General Patch throughout the campaign in France and Germany.

Of the performance of the engineer troops in the landing in southern France and the pursuit of the German forces up the Rhone Valley to the Vosges, General Patch commented:

> The engineer support of the operation of the Seventh Army was the highlight performance of the Army.

He pinned the Distinguished Service Medal on him in Saverne, Alsace-Lorraine.

In July 1945, he became president of the first German War Crimes Commission in which capacity he conducted the first mass trial of German war criminals at Darmstadt, Germany, preceding the Nuremberg trials. In August 1945, he was appointed engineer of the ETO force commanded by General Patton.

In March 1946, back in the United States he was assigned to Headquarters, Sixth Army, as engineer. In September

1947 Gen. Mark Clark appointed him as his chief of staff. He continued in that capacity after General Wedemeyer took command.

In August 1950, he was assigned to the Eighth Army in Korea, and appointed Assistant Division Commander of the 24th Division. While serving in this capacity he commanded several task forces notably one which eliminated the last North Korean penetration of the Naktong bridgehead north of Anju on the Chongchon River against which the first Chinese intervention was stopped in the first week of November 1950. In February 1951, he was assigned to Headquarters Eighth Army and designated to supervise the construction of several defense lines, notably the defensive line north of Seoul against which the Chinese operation of April 1951 piled up and was stopped. In May 1951 he was appointed Acting Chief of the Korean Military Advisory Group in which capacity he served until July 10, when he returned to the Zone of the Interior.

Since July 1951, he served the Weapons System Evaluation Group in the Office of the Secretary of Defense. In July 1954, General Davidson was named Commandant of the Command and General Staff College and has won our unqualified respect and admiration since that time.

He was awarded the Distinguished Service Medal, with Oak Leaf Cluster, the Legion of Merit, the Bronze Star Medal, the Commendation Ribbon with Oak Leaf Cluster, the Presidential Unit Citation, the Legion of Honor—French—Croix de Guerre—French—Commander, Order of the British Empire, and the Korean Presidential Unit Citation.

General Davidson wears 13 battle stars; 7 of World War II and 6 from the Korean campaign. He also wears the Bronze Arrowhead for assault landings at Fedala, French Morocco; Gela in Sicily; and St. Tropes in southern France.

Perhaps it is only indicative of the quality of the man and the high esteem in which General Davidson is held by his superiors to note that at 39 he was the youngest brigadier general in the United States Army.

We, the people of the First Congressional District of Kansas, wish General Davidson every happiness and success in his new assignment and in the fine future that must certainly be in store for him in the Army.

Guaranteeing Civil Rights

EXTENSION OF REMARKS

OF

HON. WILLIAM T. GRANAHAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. GRANAHAN. Mr. Speaker, in the 10 years since I first came to the Congress I have been pleased to see—and to help bring about—a remarkable improvement in the status of civil rights. As we look back on these 10 years we cannot avoid being deeply impressed by how much has happened to remove inequities and inequalities and to bring about a more healthy society in our democracy. During that time we have seen some of our own cities and States do exactly what we have maintained should be done nationally—and that is set up fair-employment practices and antidiscrimination agencies. And, nationally, the courts have been instrumental in bringing about some far-reaching changes in the American scene.

But this progress has not always been steady. There have been ups and downs. There have been periods of retrogression. It is my feeling we are in such a period right now. The tensions which have been building up in some areas, stimulated by those who refuse to conform to the law or who seek to delay the application of the law, have already led to some serious and even tragic consequences.

I am not taking the position here in the House that these issues are easily solved or can be met merely by words. But there is a need for speaking out on this subject, to demonstrate that those who oppose progress in civil rights are not in truth the voice of the American people or of the Congress.

Also, however, there is a need for action. Action has been too long delayed. That is why I have proceeded to introduce bills to assure greater adherence to and protection for the civil rights of the American people of whatever color or creed.

The greatest ally we have in the fight for full civil rights is that great instrument which was drafted in my city of Philadelphia, the Constitution of the United States. As has been said, the Constitution is colorblind. It applies equally to all. It is the rock of our freedom. It cannot be set aside by States acting on their own or by individuals who set up their own views or prejudices to be above the requirements and principles of the Constitution.

In this respect, the courts, as I said, have done a remarkable job in interpreting the Constitution in this field of civil rights. But the courts do not act in a vacuum. Cases must be brought. They must be fought up through the lower courts. They must present clear-cut constitutional issues in order to reach the highest court for final determination.

I am deeply proud that in the years of the Franklin D. Roosevelt and Harry S. Truman administrations the Department of Justice of the United States was always in the forefront in bringing civil-rights cases up through the courts to the Supreme Court.

In the past few years some people seem to have closed their eyes to some of the most glaring incidents of violation of civil rights. The Till case is a good example. There have been others. We read that in some States spiritual successors of the days of the lynch mob and the fiery cross are now busily at work whipping up hatred for the Negro.

Let us not for a moment fool ourselves that achieving integration in the schools can be accomplished if this hatred is allowed to go on unchecked and unchallenged. The excesses of the few must be stopped by law and by order—and by decency.

There is a role here for the churches. There is a role here for local law and order, and for State law, and for national justice. There is much which has to be done. But fundamentally, we must see to it that the rabble rouser or the fanatic or the lawless mobster cannot defy the laws of this country or of God.

In other words, Mr. Speaker, while we need tolerance and moderation and understanding and all the other things which go with accomplishing social change smoothly and effectively, we also need the authority of law and the punishment—swift and sure—of those who flagrantly defy the law.

Let us enforce the laws we have to protect the individual. If local appointees and elected officials will not or cannot enforce those laws to protect the individual, then the States must step in; and if they fail, then the Federal Government must exercise its responsibilities under the Constitution to guarantee the rights of the individual.

If more laws are needed, let us pass them. I have introduced the so-called civil-rights package of proposed laws which are intended to nail down and make clear the responsibilities of the Federal Government in this field, but it seems to me that effective and active and vigorous enforcement of laws now on the books would go a long way toward resolving the issue.

How can it be that a boy can be kidnaped and murdered but no one is convicted of a crime, such as happened in the Till case? How does it happen that Negroes can be shot and killed in some areas but the person who wields the gun is found innocent of wrongdoing on the plea of self-defense against, for instance, an unarmed Negro?

Cases of this kind help to bring about a condition in which hate groups can flourish, because the haters develop a defiance of law and feel that they are immune from punishment in their mob activities against Negroes.

As one who has voted for and supported antilynch, anti-poll-tax, and FEPC bills, and who believes in their principles, I call upon this country to act now to end these terrible incidents by prompt and decisive policies to guarantee civil rights for all.

Statement by Secretary of Agriculture Ezra Taft Benson Submitted to the House Committee on Agriculture

EXTENSION OF REMARKS

OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 28, 1956

Mr. HILL. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the statement made by Secretary of Agriculture Ezra Taft Benson on H. R. 12 to the House

Committee on Agriculture on Tuesday, March 27, 1956:

Mr. Chairman and members of the committee, in response to your request of March 16 I am glad to review for you the President's recommendations in general and the pending agricultural bill, H. R. 12, as it was passed by the Senate a week ago. It is my earnest hope that when the bill comes before the House and Senate for final action we will have a measure that will truly serve the best interests of American agriculture. This is the hope of the great majority of people who are genuinely concerned with the well-being of those who live on our Nation's farms. But time is running short. Already it is so late that it would be difficult to put the soil bank fully into operation so as to help farmers this year. There remains much to be done to shape the bill into the kind of legislation now required to deal effectively with agriculture's difficult problems. That is the challenge which confronts the House and Senate conferees as they work on the bill, already too long delayed.

We in the Department of Agriculture want to assist Congress in every way possible in speedily developing and implementing legislation which is sorely needed by farmers now. It is getting late. Many 1956 crops have already been planted or soon will be planted. It is imperative that Congress act quickly.

Remedial farm legislation has been placed high on this administration's priority list. You will recall that on January 9 President Eisenhower sent his farm program message to Congress. It made specific recommendations for raising agricultural income and advancing the security of our farm families. Then on January 12, my staff and I appeared before the Senate Committee on Agriculture and Forestry to discuss the President's recommendations in detail. In its deliberations the Senate committee freely called upon Department staff members for help, and all of us were glad to provide this assistance. Legislation was introduced in the House of Representatives embodying practically all of the President's recommendations shortly thereafter. Representative Hope introduced H. R. 8543, and Representative Hill introduced H. R. 8544 on January 17. Then on February 10, nearly a month after the President's message, the Senate committee reported out its bill S. 3183. You will recall that I appeared before your committee on February 21, and members of my staff appeared on February 22 and 23 to discuss with you the farm situation and the need for legislative action. On February 27 in response to your request we submitted the legislative language that would put the President's recommendations into effect. This later appeared as a committee print. In addition, you are familiar with the general subject from the Senate debate on S. 3183 which is now embodied in H. R. 12.

In making recommendations, we feel that there are certain fundamentals which must be fully recognized if we are to have a sound agricultural program. Among these are:

1. A Government warehouse is not a market.

2. Large stocks of commodities in Government hands depress prices.

3. Emphasis on outlets for the surplus and preventing the buildup of new surpluses must go hand in hand.

4. In the best interests of farmers we must reduce rather than increase Government regulations and controls.

Since the end of the shooting war in Korea we have seen how farm income has been falling off while our agricultural surpluses were piling up. This took place in spite of the very programs that we have had in operation to support farm income. Thus it is now clearly apparent that a sound program for farmers must have in it the means to take off their backs the price depressing surpluses which are dragging down farm income. This drag on farm income is at the rate of $2 billion per year. The program transmitted to Congress by the President is designed to improve farm income and help relieve this surplus situation. It will help primarily through the soil bank—the acreage reserve and the conservation reserve programs.

The question has been raised as to whether the Department of Agriculture had authority to operate the soil bank program as proposed by the President without any new legislation. This has been carefully reviewed by our legal staff and the answer is that there are definite legal reasons for the necessity of new legislation. In order that there may be no misunderstanding, I wish to make clear that if Congress had provided the authority this soil bank program would be in operation right now. This program is of such importance and means so much to the welfare of agriculture that each day's delay in granting the needed legislative authorization is costing our farmers badly needed income.

I should like to review briefly our major recommendations which are covered in the draft of a bill which we submitted a month ago in accordance with your request. These recommendations are:

First is the soil bank which consists of two parts—the acreage reserve and the conservation reserve.

Acreage reserve program: This recommended program would authorize the Secretary to compensate producers for reducing their 1956, 1957, 1958, and 1959 crops of wheat, cotton and rice below their respective acreage allotments. It should be noted that there is special legislation with respect to these commodities such as minimum acreage allotments which prevent the adjustment of supply to normal levels. As a result of these minimum provisions in the law the 1956 acreage allotment for wheat is 36 million acres more than needed to adjust supplies to normal; cotton is 11 million acres above, and rice is 700,000 acres in excess. The acreage reserve program will help compensate for this needed adjustment, and assist in getting supplies back to normal levels.

In adjusting to their allotments, producers of these three commodities diverted a substantial part of the acreage taken out of production into feed grains. As a result, the 1954 and 1955 production of oats, barley, and grain sorghums increased about 800 million bushels, corn equivalent by weight. This led to the substitution of other feed grains for corn, a build-up of the corn carryover, and unrealistically low allotments for corn. The law prescribes the manner of establishing corn acreage allotments.

Against this background of minimum allotments for other basics and reduced corn acreage allotments resulting from the diverted acreage problem, it is only fair to provide for corn an acreage reserve program with payment for adjustments from the 1953–55 average acreage. Corn does not have these minimum allotment provisions. Corn producers cannot shift into production of basics covered by marketing quotas. Corn producers have been hurt by the feed grain production on acres diverted from other basics. This recommended program is just simple justice. A realistic corn acreage reserve program as proposed will bolster feed grain and livestock prices. This will be a great step forward. It is basic and constructive for the feed-livestock economy, out of which comes 5 out of every 8 dollars of farm receipts.

This acreage reserve program has been budgeted at $750 million, for the first year.

Conservation reserve program: With this program we hope to shift millions of acres from cropland to forage, trees or water storage. This is a long-range adjustment program designed to eliminate from cropping the less productive lands and some of the diverted acres. Payments would be made for establishment of suitable cover and annual rental payments would be made for a specified number of years. Thus, there would be income from these acres and reduced feed grain supplies would be translated into higher market prices for grains and livestock. This program has been budgeted at $350 million for the first year.

Another factor in a sound agricultural economy is the availability of adequate credit to farmers at all times. The importance of this was emphasized by the President in his farm message and we have made the following recommendations to bring about the desired credit situation for our farmers:

1. Authorize real estate loans to owner-operators of family type farms for refinancing of debts.

2. Authorize real estate and operating loans under titles I and II of the Bankhead Act on less than adequate farms where satisfactory off-farm income is to be available.

3. Increase the aggregate amount of insured loans for a fiscal year from $100 million to $125 million.

4. Eliminate the present limitation on insured loans of not exceeding 90 percent of the fair and reasonable value of the farm, thereby placing the insured loans and direct loans under title I on the same basis.

5. Eliminate the requirement that loans may not be made in excess of the average value of efficient family-type farm management units in the county, thereby making it possible to serve any family-type farm operator who is otherwise eligible for credit services under the act.

6. Provide that, not to exceed 10 percent of the annual appropriation for operating loans under title II may be used for loans in excess of $10,000 but in no event in excess of $20,000.

7. Permit in justifiable cases, due to causes beyond the borrower's control, outstanding loans to be renewed or extended for a period not to exceed 10 years and also authorize the agency to make further loans in such case during the 10-year period.

8. Extend and revise the authority under the statute for the compromise, adjustment and reduction of debts for loans being serviced by the agency.

In addition to these recommendations, we made suggestions for further improving our greatly expanded surplus disposal operations, strengthening commodity programs, considering dollar limits on price supports, and carrying out a rural development program.

Now let us turn to the agricultural bill that was passed by the Senate Monday of last week and which you requested me to discuss at this time. It is appropriate that we examine together the various features of the pending legislation (H. R. 12) as it now stands and analyze as best we can its total impact upon American agriculture.

The bill as passed by the Senate has some good features but it also carries a number of provisions which would work to the disadvantage of farmers and tend to defeat the purposes of the soil bank.

The proposed soil bank, with both its acreage reserve and conservation reserve, would move definitely in the direction of reducing agricultural surpluses which are seriously depressing farm income. While some modifications in legislative language may be necessary, this section of the bill is generally good. It will permit a massive assault on the most important factor depressing farm income, the surplus. Together with our stepped up surplus disposal operations farm prices and incomes will be strengthened in the market place.

Some of the other constructive features of the bill as passed by the Senate are:

1. The long needed adjustment in the grade and staple length for parity and supports for upland cotton.

2. Authorization for the Commodity Credit Corporation to pay the cost of processing commodities donated under section 416 into a form suitable for home or institutional use.

3. The provision for a Surplus Disposal Administrator.

4. The exemption from marketing quota penalties of wheat grown and used on the farm where produced.

5. Assistance to the States in tree planting and reforestation.

Now I should like to review some of the provisions of H. R. 12, as it passed the Senate, which we believe are economically unsound and contrary to the best interests of our farmers and our agriculture in general.

I. Increased set-aside: Last minute amendments to the bill which would statistically isolate vast surpluses of corn, cotton and wheat in an effort to boost support price levels would have the effect of aggravating still further the surplus problem.

This device can only move us away from a permanent solution for the farm problem. It merely perpetuates the very system that got us into our present trouble in the first place.

Changing the name or calling a surplus a "set aside" does not wish it out of existence nor does it remove the depressing effect on market prices. Every student of markets recognize and takes into consideration the existence of the burdensome supplies that have resulted from high rigid price supports. For, what one Congress does can be changed by the next. The physical existence remains.

For example, let us take a look at the 1955 corn situation. Market prices have been 40–50 cents under support—$1.58 per bushel (87 percent of parity). Does anyone honestly think that the market price would rise just because the Secretary waved a magic wand and placed a label on 250 million bushels marked "set aside"? Changing the lines on the thermometer does not change the patient's temperature.

Moreover, in the case of cotton, the increase in the set-aside provided for in the bill would curtail CCC's ability to export or otherwise sell any upland cotton. The reason for this is that CCC now owns 6¾ million bales whereas the mandatory minimum set-aside is proposed to be fixed under the bill at 7½ million bales. This would be a serious blow to cotton growers.

You may ask me why I oppose this increase in the set-aside, when the set-aside idea was originally proposed by the administration in the Agricultural Act of 1954.

The differences are these:

We proposed the set-aside as a gradual means of moving to a flexible program; this bill apparently contemplates their use as a means of avoiding such a move.

We proposed to and have in fact been reducing the set-aside; the bill apparently considers them as a more or less permanent way of life.

II. Double standard parity: Prior to the adoption of the new parity definition which became effective in 1950, parity prices were sharply criticized because they retained the same pattern of price relationships that existed in 1910–14. One of the major reasons for adopting the new parity formula was to bring and to keep the pattern of price relationships more nearly up to date.

To avoid sharp adjustments in the parity prices of individual commodities, the law provided that the decline in the parity price of any commodity could not exceed 5 percent of the old parity price. This provision was effective for nonbasic commodities beginning in 1950. The Agricultural Act of 1954 provided for a similar transition provision to become effective on basic commodities in 1956.

The effect of continuing the use of old or new parity, whichever is higher, for basic commodities is acceptance of the new parity formula, when it results in a higher parity price and rejection when it results in a lower parity price. This provides more generous treatment for basic commodities than for the nonbasics.

Making the parity price the result of whichever of two alternative calculations gives the higher answer raises serious questions about the whole parity concept. If the new parity formula is an improvement over the old formula, it should be accepted for all commodities. If it is not an improvement, it should be rejected for all commodities.

If modernized parity is right for rice, soybeans, hogs, apples, lemons, potatoes, and 150 other commodities, why isn't it right for wheat, corn, cotton, and peanuts? If it is right for commodities covering 80 percent of the gross receipts, why is it wrong for the other 20 percent?

The shift proposed in the bill would boost parity prices, mainly for peanuts, wheat, and corn. To the extent that we artifically raise prices we will stimulate over production, reduce consumption, increase stocks, and lower free market prices.

This dual approach destroys the very usefulness of the parity concept itself. It abandons parity as a principle. It places in the hands of enemies of all price support a potent weapon which they would not hesitate to use.

III. Higher dairy price supports: The dairy business in 1955 was much improved over 1954. Not everything is as we would like it, true enough. But real progress is being made, production and consumption are coming into better balance. During the past year:

	Percent
Number of milk cows decreased	1
Consumption of milk increased	5
Per capita consumption of butter increased	2
Milk prices increased	1
Feed prices declined	7
Farm income from the sale of milk increased	2

Stocks of CCC-owned butter, which stood at 466 million pounds in 1954, are now virtually all committed. We are out of butter. I hasten to add that we have substantial stocks of cheese, and that our low inventory of dairy products has been achieved through sales at less than cost and through a sizable donation program. Realized cost of the dairy program in the last year of record was $440 million.

Government purchases have dropped. In the marketing year 1953–54, dairy products in the equivalent of 11 billion pounds of milk were acquired. In 1954–55 the figure was 5.7 billion pounds in 1955–56 purchases of surplus-dairy products will be the equivalent of about 5 billion pounds of milk.

The dairy industry has greatly increased its promotional expenditures designed to increase milk consumption, and there is excellent cooperation all along the line. These efforts are paying off in increased sales of dairy products and expanded consumption.

Now comes this bill with a provision that turns us back toward the dark days of 1953 and 1954.

An arbitrary period of time is taken by selecting a high-base period. It does violence to the parity concept as normally considered. It will freeze forever a parity equivalent relationship which existed for a short time 7 years ago and which is already badly out of date.

It will discourage the dairy industry from its valiant effort to promote consumption of dairy products. Why try to sell milk in the commercial market when Uncle Sam stands ready to pay more than the trade will pay?

The results of enacting this provision might seem advantageous on the surface, but underneath dairymen will recognize the same old siren song that led their ship onto the rocks before.

IV. Domestic parity plan for wheat: We have spent considerable time reviewing the pros and cons of this part of the legislation. As I indicated in a meeting with representatives of wheat producers, I stood ready to reexamine the proposed plan with its new features. Just yesterday, this whole subject was reviewed for the fourth time, by the National Agricultural Advisory Commission. The Commission, which has had a changing composition during the past 3 years, turned down the domestic parity plan decisively in each instance. There is serious question whether this proposal will accomplish the objectives its sponsors seek.

Our analysis indicates that:

1. It will hurt the small wheat grower. Under the present program any farmer can produce up to 15 acres of wheat without marketing quota penalties. Any farmer may do this even though he exceeds his acreage allotment. Therefore, these small wheat producers are in a position to obtain substantial benefits from the operation of the present price-support program since they can sell all their production in a market protected by the price-support level.

Contrast this with the effects on the producer under the domestic parity plan. If a farmer has no allotment he will be forced to sell all his production at a feed price which will be very substantially less than the current support price.

Let us take the example of a farmer in the commercial wheat area with a 3-acre allotment and a 25-bushel yield. Under the present program he can produce 15 acres of wheat without penalty. This would give him a production of 375 bushels which he can sell at close to the support level, $1.81 per bushel.

This same farmer under the domestic parity scheme would receive the domestic parity level on 37 bushels, and the balance of 338 bushels would have to be sold at a price comparable to feed price, $1.40 per bushel. Thus the small farmer would lose in income about $100 from what he otherwise would receive with the present program in effect.

The proposed certificate plan for wheat would be costly indeed to the small wheat grower. It should be remembered that almost two-thirds of the wheat farms in the United States have allotments of 15 acres or less. In some States this runs above 90 percent. Here are the figures for certain States: Ohio, 82 percent of the wheat growers produce less than 15 acres. In Indiana, it is 80 percent; Michigan, 85 percent; New York, 84 percent; Kansas, 24 percent; North Dakota, 4 percent; Washington, 37 percent; and Oregon, 59 percent.

2. Small farmers will be disenfranchised. Under the present marketing quota program any farmer in the commercial wheat area who intends to harvest more than 15 acres of wheat is eligible to vote. All wheat producers outside the commercial area are not subject to the quotas. They do not vote because they are not subject to quotas.

Under the proposed certificate plan, all wheat producers—large and small, no matter where located—would be directly affected by the plan. And yet, not all these producers—only those in the commercial area who intend to harvest more than 15 acres of wheat—would be eligible to vote. This would be only about 35 percent of all the farmers who grow wheat.

This means that all the small farmers who now have the opportunity to plant up to 15 acres of wheat without marketing quota penalties will not be in a position to vote in the referendum on the certificate plan even though it directly affects every one of them.

Thus, on a plan that so seriously affects the welfare of about two-thirds of the wheat farmers in the United States their voice will not be heard. This legislation definitely disenfranchises the small wheat producer. In this connection it should also be noted that feed-grain producers who will be adversely affected by this legislation would not be eligible to vote unless they had wheat allotments of more than 15 acres.

3. The proposed certificate plan for wheat will result in lower prices for other feed

grains. Feed grain prices would drop by at least 2 percent. CCC would acquire the equivalent in other feed grains of about 50 percent of the additional wheat fed. Thus to the diverted acre problem is added the feed wheat problem for the cash grain producer.

4. Exports would not increase under the certificate proposal. We probably would still have price-support loans at above the world free market level for wheat. Therefore, CCC would still acquire wheat under the support program and we would need all the present Government programs such as Public Law 480, barter, ICA, IWA, and others to maintain the current level of exports. There would be no advantage for us to engage in a price war since importing countries would probably go on a hand-to-mouth basis anyhow.

5. It should be well understood that with a certificate plan there would be need for even more controls. Under the proposal allotments and price-support operations would continue to be authorized. The only additional feature is the domestic market certificate.

6. The cost of present farm programs is borne by taxation, according to income. Under this plan, the cost is borne according to consumption.

7. There would be demands from other commodity groups for price fixing of the domestically consumed portion of their crop.

8. The proposal permits one segment of our population to vote a program on themselves without others, who may be adversely affected, having opportunity to participate in the referendum.

V. Certificate plan for rice: It is generally recognized that our rice industry is now confronted with very serious surplus supply and production problems. The acreage has been reduced from 2.6 million in 1954 to 1.6 million acres in 1956. We in the Department of Agriculture, and I am confident that the Members of the House and Senate, want to see legislation enacted which is best for the long-time interest of our rice producers and the American people. The bill as passed by the Senate contains a provision for a certificate plan for rice. I am sure that if this provision did not meet the long-time interest of our rice producers and the American people, its sponsors would not want this legislation in the pending bill.

How would this proposed certificate plan for rice operate?

I. Producers would receive marketing certificates. The total amount of such certificates would equal the estimated consumption of rice in the primary market. Please note that under this proposal the primary market includes the United States possessions and Cuba. By means of these certificates, each producer would be allotted shares of the primary market based on a proportion of his normal production from his allotted acreage. The value of these certificates per hundredweight of rice would equal 35 percent of parity in 1956 and probably 40 percent of parity after 1956.

2. Processors would be required to purchase certificates for all rough rice milled.

3. A support price of 55 percent of parity would be made available for 1956, and probably 50 percent of parity in other years.

The separation of the primary market (which includes exports to Cuba) from the export market, as provided by the bill as passed by the Senate, would have serious economic, administrative, and international impacts. While I am sure that this type of legislation would not be without some advantages, it seems to me that on balance the disadvantages far outweigh the advantages.

Let us examine some of the disadvantages of this type of legislation.

1. Tremendous problems of enforcement would be encountered. One of the serious problems would be to prevent purchases for the secondary export market from finding their way into domestic consumption and exports to Cuba. Certainly this bill does not permit us to control imports into Cuba. If Cuban millers should so desire they could purchase rough rice in the United States at a very low price and mill this rice in Cuba. Thus, what many proponents of this legislation consider as a part of a primary market could be taken from the American producers in the form of sales at secondary market prices. Also, the American mills could lose the business of milling rice.

Let us examine another loophole in this proposal which depends so strongly on including Cuba in the primary market. Let us assume for a minute that a domestic mill has milled rice and has exported it to the Bahamas. The domestic miller would receive a refund for the milled rice exported. The purchaser in the Bahamas could then without even unloading the vessel transship the rice into Cuba. If the Cuban market is maintained at a high level, this United States-produced rice would move into Cuba at a profit to the transshipper, unless Cuban licensing and restrictions could prevent this.

Altogether, it seems to me that there are too many loopholes. Without the unilateral inclusion of Cuba in this program it cannot succeed.

2. Section 380 (c) relating to the establishment of the rice primary market quota requires the Secretary to make this determination at least 7 months prior to the start of the marketing season. While the experts tell me it is not too difficult to estimate the domestic requirements, the estimate of exports to Cuba so far in advance, especially when we are selling to Cuba at much above competitive levels, would be extremely difficult.

This increases the chance for error, a factor which is present even on estimates made just prior to the start of the marketing season. Also, there is no provision for adjusting the primary marketing quota upward once the determination is made.

3. The announcement of such a program could result in a virtual cessation of exports to non-Cuban areas after passage of the bill until August 1, 1956, unless a provision is made for a special subsidy since anyone who could defer purchases would do so in order to obtain rice at a lower market price.

4. The requirement of section 380 (h) that CCC make refund payments to owners of rough rice on July 31, 1956, equal to 35 percent of parity as of August 1, 1956, would result in windfalls to such processors for this reason:

(a) The support price in 1955 averaged only 86 percent of parity and on January 1, 1956, the farm price averaged 82 percent of parity. A refund of 35 percent of parity would result in a net price of 47 percent of parity, as against a new support for 1956 of 55 percent of parity. This procedure could provide an 8-percent windfall.

5. This type of program appears to be in violation of article I of the General Agreement on Tariffs and Trade. It violates the principle of the most-favored-nation clause. It is, in effect, a United States tax on Cuban consumers. Certainly Cuba would prefer to collect its own taxes rather than turn them over to the United States rice producer.

6. The higher we force Cuban prices the greater their incentive to increase production. The certificate plan would put United States rice at a disadvantage in the Cuban market, where it now enjoys a preference. We stand to lose the Cuban market.

In summary, I would like to point out that the rice certificate plan in the bill provides for more rather than less Government controls than are provided under the present program. The certificate plan would still retain acreage allotments, loans, and penalize farmers for overplanting. The new complication would be in the form of processing certificates. The impact on international relations should not be overlooked. We would probably be accused of dumping, and countries would retaliate by price competition or discrimination against the imports of American agricultural and manufactured products. For the above reasons it seems to me that the certificate plan for rice included in the pending bill is not in the best interest of rice producers and the American people.

VI. Compulsory price supports on feed grains: This provision will make thousands of farmers ineligible for 1956 price support. In areas such as the heavy grain sorghum area of Texas which expanded markedly in 1954 and 1955, limiting the acreage to the 3-year average may require farmers to cut back sharply if they are to be eligible for price support.

In addition, and most important of all, it sets up a system of price support relationships which defies logic. It goes on the theory that distance from a market has no effect on price. It discards all previous concepts of price relationships for the feed grains.

Adjoining farms would have price supports that differed as much as 25 percent from one another, where previously there had been no differences. Discretionary supports, which have been in effect up to now, have worked well. The provision in the Senate bill would move oats, barley, and sorghum into the group of problem commodities. They would move into Government warehouses and not into consumption. And a Government warehouse is not a market.

Also it would add a whole series of new Government controls on feed grain producers.

VII. Processor's certification on prices paid producer: This provision requires the Secretary, when conducting any support or surplus removal program through purchases, to obtain a certification from the processor that the producer was paid not less than the support price or, in the absence of a support price, a fair price determined and publicly announced by the Secretary.

This provision is impossible of administration. It would be ineffective and tend to defeat its purpose. It would cause widespread dissatisfaction among producers.

Processed products purchased by the Department in many cases are processed from milk, live animals, fruits and vegetables received from many producers. Prices paid to individual producers vary substantially by seasons, location, quality, age, class, or variety, as well as hauling and other services performed. It generally would be impracticable to make equitable adjustments for these factors in support prices or in fair prices required to be named. Also in many cases the commodities sold by farmers move through several hands before they are processed and sold to the Government.

Also, it would deny the direct benefits of support to those farmers whose only outlets are processors who could not or would not certify that they had paid the specified prices and who would sell their processed products in the commercial market instead of to the Government. The provision could result in lower prices to those farmers and cause widespread dissatisfaction among such farmers.

There are other provisions in both the Senate and House versions of H. R. 12 which are subject to question. For example, it will be extremely difficult in view of the requirements for annual appropriations to make long-term contracts under the conservation reserve program.

The Department of Agriculture will be happy to provide additional information if requested by the conferees. We shall be glad to provide an item by item summary of our position and the major reasons therefor. Our interest is that a sound bill be hammered out in conference, that this be done speedily and that the bill be quickly passed by both Houses in such shape that it can be signed by the President.

SENATE

Thursday, March 29, 1956

(Legislative day of Monday, March 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of life and light, our glad hearts thrill at the risen glory of the awakening earth robed in the blooming garb of spring. As common bushes, lately so bare, are now aflame and the time for the singing of birds has come, may a spiritual springtime make our own hearts even as the garden of the Lord, where barren branches may be clothed upon with the beauty of holiness and the fair flowers of humility and charity lift their fair petals above the fallow ground.

Prepare our hearts this holy day for the solemn glory of a malefactor's cross blazing with the splendor of an empty tomb. As so soon now we come to the place called Calvary, steady our hearts for the good fight we must wage, by the assurance that not a nail touched His truth, not a sword severed the secret of His might, that no cross could impede His conquering way, and the gates of hell cannot prevail over the Conqueror of Good Friday and Easter. So may we fare forth greeting the unseen and the unknown with a cheer, sure that the third day cometh. In His ever-blessed name. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, March 28, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 8780. An act to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes;

H. R. 9064. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; and

H. R. 9770. An act to provide revenue for the District of Columbia, and for other purposes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

ANNOUNCEMENT OF ADDITION OF BILLS TO CALENDAR AND POSSIBILITY OF THEIR CONSIDERATION TODAY

Mr. JOHNSON of Texas. Mr. President, I should like to announce to the Senate that five new bills have been placed on the calendar since yesterday, Orders Nos. 1740 through 1744, as follows:

S. 2851, a bill to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

S. 3076, a bill to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes.

S. 3246, a bill to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research.

S. 3259, a bill to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes.

S. 3214, a bill to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir.

The majority leader, and the minority leader and his policy group, have cleared those bills. It may be that we shall proceed to their consideration during the day. All the bills come from the Committee on Labor and Public Welfare, except one, which comes from the Committee on Public Works. I should like to have the attachés in the Senate inform the chairman of the committee and the ranking minority members of the committee that it is the plan of the leadership to call up the bills, and I should like all Senators on notice.

AUTHORIZATION FOR SECRETARY OF THE SENATE TO RECEIVE MESSAGES AND FOR PRESIDENT OR PRESIDENT PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING EASTER ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, notwithstanding any adjournment of the Senate until April 9, 1956, the Secretary of the Senate be authorized to receive messages from the House and that the President of the Senate or the President pro tempore be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION TO APPOINT MEMBERS OF COMMISSIONS, BOARDS, AND COMMITTEES DURING EASTER ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that notwithstanding the adjournment of the Senate until April 9, 1956, the President of the Senate be authorized to appoint members of commissions, boards, and committees authorized by law or by the Senate.

I cleared this before, but I wanted the minority leader to know about it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, it is with a great feeling of pride and satisfaction that I send to the desk an order, and ask for its immediate consideration.

I should like to observe that the Democratic steering committee, the official committee on committees for the majority party, has unanimously selected the junior Senator from Missouri [Mr. Symington] for membership on the Committee on Agriculture and Forestry. As Members of this body may recall, the distinguished junior Senator from Missouri had an outstanding record in the executive departments before he was sent to the Senate by the people of his own State in 1952, by a tremendous majority. He had distinguished service as Assistant Secretary of War for Air, as Secretary of the Air Force, as Administrator of the RFC, and as Chairman of the National Security Resources Board. In addition, Mr. President, one of the chief interests of the junior Senator from Missouri has been in the farmers of this country, and in seeing that the farmer got his fair share of the income.

So, Mr. President, after considering all the available men for this assignment, the steering committee, in its wisdom, selected the junior Senator from Missouri. If this order is agreed to, he will be excused by the Senate from further service on the Committee on Public Works, and will be assigned to the Committee on Agriculture and Forestry.

So I send to the desk an order, and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will read the order.

The order was read and agreed to, as follows:

Ordered, That the Senator from Missouri [Mr. Symington] be excused from further service as a member of the Committee on Public Works and that he be assigned to service on the Committee on Agriculture and Forestry.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour, subject to a 2-minute limitation on statements, and I ask Senators to please observe the 2-minute limitation, because there is present on the floor the distinguished chairman of a committee who has four noncontroversial bills which he wants to have passed. After those bills have been acted on, Senators will be recognized and may speak until the evening, if they desire.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Financial Report on Cooperation With Mexico in Control and Eradication of Foot-and-Mouth Disease

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a confidential financial report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the period July 1 through December 31, 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report on Military Prime Contracts With Business Firms in the United States for Experimental, Developmental, and Research Work

A letter from the Assistant Secretary of Defense, Supply and Logistics, transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Banking and Currency.

Admission Into the United States of Displaced Persons—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Loo Wei Yung from a report transmitted to the Senate on June 22, 1955, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Kentucky; to the Committee on Public Works:

"Concurrent resolution memorializing Congress to enact legislation designed to insure the construction of a high dam on the lower Cumberland River

"Whereas the region traversed by the Cumberland River has been the scene of numerous floods which have caused great and extensive damage to property and have moreover added to the steady depletion of the natural resources of the Commonwealth and of the Nation; and

"Whereas power production facilities in said area are insufficient to meet the demand with the result that large industries vital to the economic well-being of the citizens of the area are reluctant to establish there; and

"Whereas it appears desirable that Cumberland River be deepened thereby making more of its length navigable and affording industries of the area a more economic means of shipping their products; and

"Whereas it appears desirable that the citizens of the area be provided with a plan of recreation not only for their own enjoyment and welfare but as an inducement to tourist trade with its direct economic benefits: Now, therefore, be it

"*Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein)*:

"Section 1. That the Congress of the United States act, in the exercise of its broad legislative powers, to insure the construction, with all possible haste commensurate with the exercise of sound judgment, of a high dam on the lower Cumberland River.

"Sec. 2. That the clerk of the house cause copies of this resolution to be sent to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Kentucky delegation to the Congress of the United States."

By Mr. SALTONSTALL (for himself and Mr. Kennedy):

Resolutions of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolution memorializing the Congress of the United States to enact legislation revising and extending the Water Pollution Control Act

"Whereas there is pending in Congress a bill to revise and extend the expiring Water Pollution Control Act; and

"Whereas the continuance of the benefits provided by this act is essential to the welfare of many of the citizens of this Commonwealth: Therefore be it

"*Resolved*, That the House of Representatives of the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation extending the Water Pollution Control Act, incorporating therein the provisions of H. R. 9540 and providing for grants to cities and towns for the elimination of stream pollution and the construction of sewage-treatment plants; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth."

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—LETTER AND PETITIONS

Mr. MANSFIELD. Mr. President, I am in recepit of a letter signed by Mrs. Thure Johnson, of Butte, Mont., relative to the Siler bill (H. R. 6427) and the Langer bill (S. 923) to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over the air.

I ask unanimous consent that the letter and the petition accompanying the letter, without the signatures attached, be made a part of the Record at this point and appropriately referred.

The PRESIDENT pro tempore. Without objection, it is so ordered, and they will be referred to the Committee on Interstate and Foreign Commerce.

The letter and petition, without the signatures attached, are as follows:

Butte, Mont.

Senator Mike Mansfield,
Senate Office Building,
Washington, D. C.

Dear Senator Mansfield: I am sending you a petition about the Siler and Langer bills. Will you please include the number of signers in the Congressional Record?

Sincerely,

Mrs. Thure Johnson.

Petition Regarding the Siler Bill, H. R. 6427, and the Langer Bill, S. 923

To Senator Mike Mansfield:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over the air, a practice which nullifies the rights of the State under the 21st amendment to control the sale of such beverages.

At a time when 1 out of 10 drinkers is becoming an alcoholic, there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless especially by the audio and visual suggestion of radio and television.

Mrs. SMITH of Maine. Mr. President, I have received a petition signed by 354 citizens of Maine urging the passage of the Langer bill and the Siler bill, which states:

We, the undersigned citizens of Maine, being greatly disturbed by the rapid increase in drinking among young people and being convinced that the attractive advertising of alcoholic beverages contribute much to this problem, do humbly petition the Members of Congress of the United States that they vote in favor of the adoption of the Langer bill, S. 923, and the Siler bill, H. R. 4627 to prohibit the advertising of alcoholic beverages in interstate commerce.

I call this expression not only to the attention of the Senate, but also to the attention and consideration of the Committee on Interstate and Foreign Commerce which has primary jurisdiction over this legislation and which holds the control over whether such legislation is reported to the Senate for a vote.

The petition was received and referred to the Committee on Interstate and Foreign Commerce.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

S. 3554. A bill to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. SMATHERS:

S. 3555. A bill to establish an additional judicial district within the State of Florida; to the Committee on the Judiciary.

(See the remarks of Mr. Smathers when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER (for Mr. Murray):

S. 3556. A bill to amend Public Law 551, chapter 616, 83d Congress, 2d session; to the Committee on the Interior and Insular Affairs.

(See the remarks of Mr. Neuberger when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES:

S. 3557. A bill for the relief of Styllanos Lecomples; to the Committee on the Judiciary.

By Mr. PURTELL:

S. 3558. A bill to provide a library of captioned films for the deaf and hard-of-hearing; to the Committee on Rules and Administration.

(See the remarks of Mr. Purtell when he introduced the above bill, which appear under a separate heading.)

By Mr. AIKEN (for himself, Mr. Young, Mr. Allott, Mr. Holland, Mr. Anderson, and Mr. Hayden):

S. 3559. A bill to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen; to the Committee on Agriculture and Forestry.

By Mr. SPARKMAN:

S. 3560. A bill to amend the Settlement of War Claims Act of 1928 so that certain awards of the Mixed Claims Commission having a residual balance of $15,000 or less will be paid in full immediately, and for other purposes; to the Committee on the Judiciary.

By Mr. WILEY (for himself and Mr. O'Mahoney):

S. 3561. A bill to incorporate the National Music Council; to the Committee on the Judiciary.

(See the remarks of Mr. Wiley when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 3562. A bill to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, subject to employee referendum, and for other purposes; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Case of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for Mr. Lehman):

S. 3563. A bill for the relief of Benito Comellas Freixa; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 3564. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture and Forestry; and

S. 3565. A bill for the relief of George P. Nelson; to the Committee on the Judiciary.

By Mr. CURTIS (for himself and Mr. Hruska):

S. 3566. A bill to provide for the transfer to the Department of Agriculture of certain Government-owned alcohol and rubber plants; to the Committee on Government Operations.

By Mr. HENNINGS:

S. 3567. A bill to provide for the issuance of a special series of stamps to commemorate the 100th anniversary of the arrival in Springfield, Mo., of the first west-bound stage of the Overland Butterfield Stage Co.; to the Committee on Post Office and Civil Service.

By Mr. YOUNG:

S. 3568. A bill to provide for the establishment in western North Dakota of a uraniferous lignite buying station and a mill for processing uranium-bearing lignites; to the Committee on Interior and Insular Affairs.

By Mr. MORSE (for Mr. Humphrey):

S. 3569. A bill for the relief of George La Hood; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3570. A bill to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes;

S. 3571. A bill to extend the time during which visas may be issued under the Refugee Relief Act of 1953;

S. 3572. A bill to provide for the issuance of a number of visas to permit the entry into the United States of certain aliens afflicted with tubereculosis;

S. 3573. A bill to permit any voluntary agency recognized by the Department of State to submit assurances in behalf of certain aliens seeking to enter the United States; and

S. 3574. A bill to provide for the allocation of cetrain special nonquota immigrant visas which are authorized to be issued under the Refugee Relief Act of 1953; to the Committee on the Judiciary.

ADDITIONAL JUDICIAL DISTRICT IN STATE OF FLORIDA

Mr. SMATHERS. Mr. President, I introduce, for appropriate reference, a bill to create an additional Federal judicial district within the State of Florida, and to provide for the appointment of a district judge for such district.

The State of Florida today has two Federal judicial districts, namely, the northern and southern districts, but by reason of a tremendous growth in population, the present boundaries of the southern district have long since been outgrown. This situation prevents the expeditious and effective handling of the heavy case load causing a litigation log jam which can only be alleviated by a new division of the southern district.

As presently constituted the southern district comprises 45 counties, extending westward from the Atlantic along the boundary of the State of Georgia to and including Madison County, then southward from Levy and Alachua to include the greater part of the peninsula. Located within the boundary are the populous areas of Tampa, St. Petersburg, Palm Beach, and Miami. According to the last official census taken in 1950, this area had a total population of 2,277,535, as compared to that of 493,770 of the northern district. The population of Dade County alone, one of the counties included in the southern district was 495,084, or 1,300 more than the total population of the northern district. Of the State's total population of 2,771,305, which has increased substantially since the last official census, over 80 percent is located within the southern district. The phenomenal growth in population within the southern district has increased the volume of Federal litigation, both civil and criminal, to such an extent that the present composition of the United States attorney's office is inadequate to sufficiently cope with it. Unreasonable delay in the proper administration of justice is the net result.

Statistics taken from the annual report of the Director of the Administrative Office, United States Courts, furnish ample proof of the heavy case burden now carried by the southern district. During the fiscal year ending June 30, 1955, there was a total of 1,407 civil cases and 474 criminal cases pending at the beginning of the period; 1,365 civil and 877 criminal cases commenced, 1,352 civil and 1,000 criminal cases terminated, and 1,407 civil and 474 criminal cases pending on June 30, 1955, the end of the fiscal year as compared with the northern district, with a total of 181 civil cases and 49 criminal cases pending at the beginning of the period, 177 civil and 178 criminal cases commenced and 161 civil and 166 criminal cases terminated, and 181 civil cases and 49 criminal cases pending at the end of the fiscal period.

A Federal grand jury inquired into conditions prevalent in the southern district and submitted a report on January 22, 1953, urging that immediate action be taken to create a new judicial district, such being in its opinion the only solution on this vexing problem. At that time, the grand jury found, first, that the creation of new judgeships, though imperative to meet present needs, is not a solution to the problem; second, that the problem is largely an administrative one which can only be solved by action directly affecting the operations office of the United States attorney; third, that the work which evolves upon the Miami office has increased to a point where it encompasses at least 40 percent of the work of the entire district; fourth, that it is three times as great as the work done in the entire northern district; fifth, that the court dockets are clogged with a backlog of both civil and criminal cases for an unreasonable period of time; sixth, that routine work of this office such as the evaluation and disposition of civil and criminal complaints not yet in the litigation phase has lagged even further behind; seventh, that a properly staffed United States attorney's office should certainly be located in Miami, where its operations at all times would be under the direct supervision of a United States attorney; and, eighth, that by taking such action adequate and effective supervision of its operations could be maintained thus assuring that the legal work of the Government is handled with dispatch and efficiency.

I can fully appreciate the findings of the grand jury on the conditions existing in the Southern Federal Judicial District, for just prior to World War II, I had the honor of serving as an assistant United States attorney in charge of the Miami office, at which time, according to statistics, it was the 11th busiest United States attorney's office in the Nation. Since that time, the volume of work in that office has greatly increased to a point where it is a matter of urgent concern to all of us who are familiar with the litigation logjam in the area.

The orderly, speedy, and effective administration of justice is the concrete foundation of our system of government. To democracy it is a pillar of strength which should never be allowed to decay. Not too infrequently have we been warned that justice delayed is tantamount to justice being denied. Nothing could contribute more toward undermining the faith of our people in their institutions of government than to carelessly permit or condone by inaction a situation which prevents litigants from having their cases disposed of promptly and efficiently or which imposes upon litigants seeking such disposition undue hardships. Unreasonable delay in the administration of justice is therefore a situation which warrants prompt and effective corrective action by the Congress.

My bill is designed to correct the intolerable situation which exists in the southern Federal judicial district by giving effect to the recommendations of the Federal grand jury, to the views of the members of the bar, of the press, and of all the citizens of the State of Florida.

who are familiar with the problem. It simply provides that the State of Florida be divided into three Federal judicial districts to be known as the northern, middle, and southern districts. In addition, it contains a provision for the appointment of a district judge for what would be a newly created middle district. This legislation, if enacted into law, will more evenly distribute the workload of Federal litigation and make a substantial contribution to the orderly, speedy, and effective administration of justice. Florida's rapidly expanding population makes its need imperative.

Since the facts justifying the need for this legislation are uncontrovertible, it is my hope that the Judiciary Committee and the Congress will give this proposal immediate and favorable consideration.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3555) to establish an additional judicial district within the State of Florida, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF PUBLIC LAW 551, CHAPTER 616, 83D CONGRESS, 2D SESSION

Mr. NEUBERGER. Mr. President, on behalf of the distinguished senior Senator from Montana [Mr. MURRAY], who unfortunately is not able to be present today, I introduce, for appropriate reference, a bill which was requested by the distinguished chairman of the Appropriations Committee.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3556) to amend Public Law 551, chapter 616, 83d Congress, 2d session, introduced by Mr. NEUBERGER (for Mr. MURRAY), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

LIBRARY OF CAPTIONED FILMS FOR THE DEAF

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to authorize the Library of Congress to establish a captioned film library for the use of the deaf and hard of hearing.

This program is similar to the Braille book and talking book programs already in operation for the benefit of the blind. These captioned films, much like the old silent motion pictures, will be distributed to public residential schools, day schools, day classes in various schools, denominational schools, and schools for the multiple handicapped. There are more than 300 of these schools in the country and their total enrollment is more than 22,000.

In addition, there are more than 500 organizations of deaf and hard-of-hearing persons or organizations engaged in work in behalf of the deaf and hard-of-hearing. It is estimated that, in addition to the children, there are approximately 200,000 deaf and hard-of-hearing adults throughout the country who will benefit from this program.

The need for this program has been attested to by Captioned Films for the Deaf, Inc., which is sponsored by the Conference of Executives, American Schools for the Deaf; the Convention of Instructors, American Schools for the Deaf; the National Association of the Deaf; the Alexander Graham Bell Association for the Deaf and the Junior League of Hartford, Conn.

Dr. Edmund B. Boatner who heads the American School for the Deaf in West Hartford, Conn., is also the President of this organization, and his association has been most generous and cooperative in furnishing information in regard to this program which I think will fill a most important humanitarian and educational need.

In past years films were one of the greatest sources of information and recreation for the deaf. The advent of sound film deprived the deaf of this valuable resource and up until now, they have had nothing satisfactory to take its place. It is also true that the great number of educational films in existence are of little use, particularly to the deaf child, because nearly all of these films are carried by narration.

This program would provide great advantages not only from the educational and informative subject matter of the films themselves, but also in the recreational therapy and in the opportunity for a great increase in general understanding. Our deaf and hard-of-hearing are deprived of the many advantages available to others through radio and television and this program would compensate in a considerable measure for this lack.

A pilot program of this sort has been started by the Captioned Films organization which was able to pioneer in this work as a result of a gift of money from the Junior League of Hartford. There are now 17 films circulating among schools for the deaf and their enthusiastic reception justifies this proposal as a most worthwhile program.

Our research shows that there is need for at least 120 recreational film programs, consisting of a feature length film and a short subject, and a provision for at least 60 replacement films yearly. There is an even greater need for a larger number of educational films which are of paramount importance to schools for the deaf.

My visits to the American School for the Deaf in West Hartford, and my research in this matter, have convinced me of the worthiness of this project in behalf of young and old, who are deaf and hard-of-hearing. I believe this bill for $250,000 to inaugurate this program is reasonable and that the sum is comparatively small when measured against the opportunity for the incalculable benefit which it offers.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3558) to provide a library of captioned films for the deaf and hard-of-hearing, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Rules and Administration.

INCORPORATION OF NATIONAL MUSIC COUNCIL

Mr. WILEY. Mr. President, on behalf of myself and the Senator from Wyoming [Mr. O'MAHONEY], I introduce, for appropriate reference, a bill to provide a national charter for the National Music Council. I believe the bill would be a most helpful contribution to the advancement of music in our country. I have prepared a statement on the background of the legislation, and ask unanimous consent that it be printed at this point in the body of the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3561) to incorporate the National Music Council, introduced by Mr. WILEY (for himself and Mr. O'MAHONEY), was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement, presented by Mr. WILEY, is as follows:

STATEMENT BY SENATOR WILEY

"Music is the universal language of mankind."

These are the words of Henry Wadsworth Longfellow. And they have been quoted time and again in our country and throughout the world.

Down through the ages, countless tributes have been paid to the role of music in expressing man's highest ideals, his search for beauty, for harmony, his desire to pour forth his soul in a lyrical way which would be understood by all men.

Carlyle wrote that "music is well said to be the speech of angels."

And Robert Browning wrote "there is no truer truth obtainable by man than comes of music."

OUR REMEMBRANCE OF MUSIC

There is not one of us who does not recall some music which he or she has heard in bygone years.

We remember perhaps the music of graduation day, the tunes identified with great singers or of unforgettable motion pictures, the music of a Memorial Day prade when we stood with our parents and watched our servicemen march by.

Or we recall the anthems of a Fourth of July band concert or the music of the wedding march or of a child's confirmation. We recall music in our homes, our churches, our public halls, the music of the great composers of mankind, operatic selections, symphonic orchestrations, chamber music, pop music, or music over the radio, over television, or phonographs, tapes, and in countless other spheres and media.

AMERICA'S CONTRIBUTIONS TO MUSIC

We of this country are proud to have made our unique contributions to the music of mankind—serious music and light music, American jazz and American spirituals, the music of Gershwin and of other great composers, of Tin Pan Alley and Basin Street. The world has come to know and appreciate American music.

And here, in our own land, we are ever increasing the acquaintanceship of young and old with the delights of music.

FINE WORK OF NATIONAL MUSIC COUNCIL

I feel that it is most appropriate, therefore, that Congress consider the granting of a charter to the National Music Council.

It is an organization representing 45 nationally active music associations, with a combined individual membership of over 800,000.

The council has contributed on many occasions in war and peace to the service of

music. All segments of the musical world are represented in it—composers, performers, teachers, music publishers, and others.

LEGISLATION ON BOTH SENATE AND HOUSE SIDES

Already, legislation has been introduced on both the Senate and House sides for such a national charter. On the House side, it is principally, in the form of H. R. 7128, offered by the tireless champion of artistic efforts in our country, Congressman FRANK THOMPSON, of New Jersey. In addition, there are other bills, like H. R. 8110 and H. R. 8739. On the Senate side, the counterpart of the Thompson bill is S. 2662. The Wiley bill and the other bills are all identical with the exception that my own bill contains a new preamble of "Findings and Declarations" emphasizing the modern significance.

On January 26, House Judiciary Subcommittee No. 4 held hearings on this legislation. A tremendously impressive group of witnesses testified on behalf of the bill. I append to my statement a list of the prominent individuals who presented testimony in person or in written form on behalf of this legislation.

NATIONAL FEDERATION SUPPORTS THIS BILL

Among the witnesses was Mrs. Ronald Arthur Dougan, of Beloit, in my State, president of the National Federation of Music Clubs. This federation, founded in 1898, is a nonprofit organization, the largest single music organization in the world.

It is a charter member of the National Music Council. Its membership representing several hundreds of thousands, is a cross section of musicians in America—concert artists, teachers, composers, students, choral and symphony society members, music clubs, and others.

The national federation has splendidly helped to raise standards in every field of music. It promotes and encourages youngsters with musical talent. It contributes in the dissemination of music among the Armed Forces, and serves other worthy purposes as well.

Among other witnesses at the House of Representatives hearing were: the Honorable Emanuel Celler; Mr. Howard Hanson, president of the National Music Council, Mr. Edwin Hughes, executive secretary of the National Music Council, and Dr. Harold Spivacke, chief of the Library of Congress, Music Division.

HOUSE ADVERSE DECISION SHOULD BE REVERSED

Unfortunately, it was the decision of the House Judiciary Committee not to report this bill favorably.

Its decision was taken, as I understand it, not as a reflection on the bill itself, but rather, merely as part of a congressional committee's reluctance in recent years to grant almost any additional national charter.

I, for one, feel that we should, of course, strictly limit the number of national charters, lest, if the practice be extended too widely, it depreciate the value of the charters already granted, e. g., to great American patriotic and veterans' organizations.

Nevertheless, I think that it would be well to grant such a charter to the National Music Council.

It will involve no cost to the Federal Government, no appropriations. It will, however, confer appropriate recognition to this great fountainhead of culture.

ASCAP ENTHUSIASTICALLY ENDORSES BILL

Although it is only but a few days since I first announced word that I intended to cosponsor this legislation, I am delighted to say that a great many enthusiastic messages in support have already come to my office.

Promptest response has come from the famed American Society of Composers, Authors, and Publishers. Its distinguished president, Mr. Stanley Adams, wrote me as follows:

MARCH 27, 1956.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: ASCAP participates in the public-service activities on the National Music Council, and the undersigned assists in the formation of council policies as one of its vice presidents. Consequently, we are grateful to you for your intention to introduce in the Senate a bill to incorporate the National Music Council, thus according it the national status which it justly deserves. It is especially fitting that this measure should be introduced by you, in view of the cultural achievements of your State of Wisconsin and your own record of friendly support of music and the allied arts. It is also my feelings that your preamble as drafted, with its emphasis on the importance of music both nationally and internationally, should do much to win adherents to this needed legislation.

Mr. Cunningham, I am sure, will be in to see you in the very near future, and he will personally convey our support in the matter.

Sincerely yours,

STANLEY ADAMS,
President.

TELEGRAM FROM ASCAP'S PAUL CUNNINGHAM

I may say parenthetically by way of background that Mr. Paul Cunningham, ASCAP chairman of public relations, has on many occasions brought to my attention and the attention of many other legislators on the Hill, ASCAP's marvelous service, particularly on behalf of the morale of our fighting men overseas. ASCAP troupe have contributed invaluably in entertaining our boys abroad, not to mention ASCAP's other patriotic and civic services.

Mr. Cunningham himself wired me as follows:

"On behalf of the American Society of Composers, Authors, and Publishers, I wish to express our hearty endorsement of your bill for the incorporation of the National Music Council. The council has done fine work in the past, and we are confident that its recognition by our Government will advance the cultural interests of the United States, especially in the field of music."

Both Mr. Adams and Mr. Cunningham, I may say, are famous in American music in their own right.

MUSIC-MINDED WISCONSIN

I have also heard from numerous persons in my own State expressing gratification.

I should like to cite now a letter to me from Mr. Le Roy Umbs, of Milwaukee, on behalf of the Wisconsin Teachers' Association.

"As chairman of the Wisconsin Music Teachers Certification Committee and as first vice president of the east central division of the Music Teachers National Association, I wish heartily to endorse the establishment of a national music council and the issuance of a charter by the Federal Government to such a council.

"This country has been peculiarly slow to sponsor and encourage the arts. Other countries of the Western World are far ahead of us in this respect. Great Britain with its National Arts Council; Western Germany, with its municipally and provincially supported opera and drama; France, with its Radio Diffusion Francaise; Switzerland, with its state orchestra and radio; even tiny and impoverished Austria with its magnificent rebuilt opera house, all these countries and others may well serve as models and guides for our own great Nation to follow:

"Speaking for the groups, in which I am a leader, I know that they are solidly behind you in your efforts to charter the proposed National Music Council."

WISCONSIN FEDERATION OF MUSIC CLUBS WRITES

This is what Mrs. W. Paul Benzinger, of Oconomowoc, advisory chairman of the Wisconsin Federation of Music Clubs, wrote:

"I am delighted to learn that you will introduce the bill for a National Charter for the National Music Council.

"I feel along with many people who love and foster the study of music, that as a people increase their culture they also increase their humanities.

"Granted a charter, the National Music Council will have greater potential value to our country's musical development.

"With kindest wishes to you."

In the Wisconsin federation, Mrs. Alvin A. Mellentine of Stevens Point is president, Mr. Roger G. Cunningham of Jamesville is first vice president, Mrs. O. T. Slagsvol of Eau Claire, second vice president, Mrs. Lyle H. Brown of Waupun, third vice president, Mrs. Ragnhild H. Congdon of Kenosha, secretary, and Mrs. A. J. Bowen is treasurer.

BADGER PAPERS REPORT PEOPLE'S INTEREST

Each day in my office, I receive copies of publications issued in my State—newspapers and magazines. There is not a daily newspaper or a weekly newspaper in my State which does not somewhere virtually in every single issue report some musical activity. It may be a symphony or a band concert, a choral group, a piano recital, or any of a broad variety of musical forms.

Of course, Wisconsin has long been deeply interested in music. Wisconsin pioneers who came from the Old World brought a love of music to our shores, and this love has continued down through the years.

I have before me now literally dozens of clippings on music from Wisconsin periodicals.

The Wisconsin State Journal, for example, reports that 103 Madison and surrounding area high school musicians won superior ratings in a district music solo and ensemble festival.

Another issue of the same paper reports that 14 Madison students are members of the University of Wisconsin Concert Band, which will play its annual Palm Sunday Concert in the Wisconsin Union Theater. Still another clipping reports that 6 members of the Madison Civic Chorus appear as soloists when the Madison Civic Symphony Orchestra gives its sixth concert of Madison's 30th season of civic music.

And I could duplicate instances in other Wisconsin newspapers, not only from our famed State capital but from towns as large as Milwaukee and ranging to the smallest Badger communities where music is still richly enjoyed.

Music is the common heritage of us all. The smallest youngster in the tiniest hamlet, practicing his keys on the piano or the most accomplished virtuoso performing in Carnegie Hall in New York, enjoy a common hunger to express their souls, and they draw upon a common musical heritage.

OTHER NATIONS VALUE MUSIC HIGHLY

Earlier, in the letter from Mr. Umbs, there was indicated how foreign countries honor their musical profession.

Virtually all the nations of the Old World recognize in music a priceless national asset. So, too, even the relatively new nations of South Asia are similarly aware of their musical heritage dating back to ancient cultures. They all enjoy contact with American music and American musicians, whether it be Louis Armstrong's jazz or more serious music played by the Symphony of the Air.

Just the other day, I was pleased to note as senior Republican on the Foreign Relations Committee that the Senate wisely approved legislation reported by our committee to make permanent the President's program for United States participation in cultural exchange programs.

I have been pleased to cosponsor legislation for this goal, and I trust that the House of Representatives will soon take prompt, final action.

Let us have more of the finest musical talent from abroad and let the finest of our talent journey overseas. Moreover, let us nurture the roots of American music in our land so that from Madison or Oconomowoc or Superior or La Crosse or Milwaukee or from Chicago or Cheyenne or anywhere else will come fine, new talent in the world of tomorrow.

DIFFICULT ECONOMIC PROBLEM FOR UNITED STATES MUSICIANS

Of late, it is an unfortunate fact that the professional musicians of America, as such, have had a rocky time of it. In this modern, technological age, there are more and more transcriptions of music. (America today has more than a half million jukeboxes alone.)

The tendency is to cut down on live playing of music.

It is an unhappy situation to note the seriously declining number of American musicians and how difficult it is for those who remain full-time in the profession to make a decent living.

Excise taxes on musical entertainment in the Nation's hotels and cabarets have had a severe impact on live music. The American Federation of Musicians and other groups have pointed out this grim fact, and it cannot be repeated too often if we are to take remedial action so as adequately to preserve our great musical heritage.

Here, in our Nation's Capital, we have a particular obligation to help advance American music. Establishment of a National Music and Fine Arts Center would be a great national asset.

CONCLUSION—MAKE 1956 A GREAT MUSIC YEAR

In conclusion, may I say that the granting of a national charter to the National Music Council will constitute only a relatively small contribution in relation to the problems of the musical world, and yet it can prove most helpful.

And for that reason, I trust that there will be favorable action on this subject in the Senate Judiciary Committee and thereafter in the full Senate. I trust, moreover, that my colleagues on the House side in the Judiciary Committee will reconsider their previous adverse position.

I know that I speak for my good friend from Wyoming [Mr. O'MAHONEY] in these sentiments, as well as for our able friend from New Jersey, Congressman THOMPSON, and for Senator LEHMAN, sponsor of S. 2662.

I may say, incidentally, that my colleague from Wyoming comes naturally by his interest in music because I understand that his father had a rich tenor voice and his brother also has fine singing talent. When a Democrat like JOE O'MAHONEY and I, as a Republican, can work together as we are happy to, on behalf of a fine cause like this, it is a symbol of bipartisan harmony and agreement which I trust will mark this bill through final passage. Finally, I say this:

All over America we are helping to celebrate the 200th birthday of Wolfgang Amadeus Mozart. How appropriate it would be in this year of 1956 for the New World to send a message to the Old World that America rededicates herself to the cause of good music.

LIST OF INDIVIDUALS WHO TESTIFIED ON BEHALF OF NATIONAL MUSIC COUNCIL BILL BEFORE THE HOUSE JUDICIARY SUBCOMMITTEE

The Honorable FRANK THOMPSON, JR., a Representative in Congress from the State of New Jersey.

The Honorable EMANUEL CELLER, a Representative in Congress from the State of New York.

Mr. Howard Hanson, president, the National Music Council, director, Eastman School of Music.

Mrs. Ronald Arthur Dougan, president, National Federation of Music, Beloit, Wis.

Mr. Harold Spivacke, Chief, Music Division of the Library of Congress, Washington, D. C.

Mr. Sidney W. Wattenberg, counsel, National Music Council, New York.

Mr. Herman Finkelstein, general attorney, American Society of Composers, Authors, and Publishers.

Mr. Edwin Hughes, executive secretary, National Music Council.

Mr. George Lockhart, national president, American Society of Piano Technicians.

Mr. Wladimir Lakond, American Performing Rights Society.

Dr. Grace Spofford, vice president, National Guild of Community Music Schools, New York City.

Dr. William Doty, president, National Association of Schools of Music, Austin, Tex.

Mr. Guillermo Espinosa, chief, music section, Pan American Union, Washington, D. C.

Mr. Lenard Quinto, National Association for Music Therapy.

Mr. David S. Cooper, Chief, Music Program, United States Information Agency, Washington, D. C.

Mr. Patrick Hayes, chairman, cultural development committee, Washington Board of Trade.

Mr. John W. Travis, president, National Association of Piano Tuners.

LIST OF INDIVIDUALS WHO FILED STATEMENTS

Mr. S. Lewis Elmer, national president, American Guild of Organists.

Mr. S. Turner Jones, executive secretary, Music Teachers National Association.

Mr. Stanley Adams, president, American Society of Composers, Authors, and Publishers.

Mr. Thomas H. Belviso, member of executive committee, National Music Council.

Mr. Donald F. Malin, president, Music Publishers' Association.

Mr. E. Clifford Toren, president, National Association of Teachers of Singing, Evanston, Ill.

Mr. Frank W. Hill, president, American String Teachers' Association.

Miss Mary Howe, Washington, D. C.

COORDINATION BETWEEN CIVIL SERVICE RETIREMENT AND SOCIAL SECURITY ACTS

Mr. CASE of New Jersey. Mr. President, I introduce, for appropriate reference, a bill to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, subject to employee referendum, and for other purposes. I ask unanimous consent that a statement prepared by me, relating to the bill, may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3562) to provide a measure of coordination between the Civil Service Retirement Act and the Social Security Act, subject to employee referendum, and for other purposes, introduced by Mr. CASE of New Jersey, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

The statement, presented by Mr. CASE of New Jersey, is as follows:

STATEMENT BY SENATOR CASE OF NEW JERSEY

After a thorough study of pending legislative proposals to amend the laws governing retirement of civil-service employees I have reached four basic conclusions:

1. Retirement and survivor benefits for Federal employees, including both short-service and full career employees should be improved.

2. There would be real advantages both to employees and to the Federal service in extending to Federal employees the basic protection the Social Security Act now provides for employees in private industry.

3. Federal employees need both the basic protections of the social-security system and the benefits of a sound and adequate retirement system. Neither should be displaced by or subordinated to the other. For that reason I have joined with the proposal for extension of social-security benefits to Federal employees my proposal for substantial improvement in benefits under the retirement system.

4. An opportunity should be given to all Federal employees to express their views upon their inclusion in the social-security system.

The bill which I have introduced would provide for an increase in the basic formula for computing annuities under the retirement system. It will extend to Federal employees coverage under the social-security system. And it will become effective only if approved by a majority of Federal employees eligible under the retirement system.

Under my bill, the Civil Service Commission would be directed to conduct a referendum, in which each eligible employee would be advised of the proposed substantive changes in the retirement laws. After at least 3 months' notice, each employee would express his wishes by secret written ballot. The substantive changes in the law would become effective only if they are accepted and approved by a majority of affected employees. If a majority do not approve, the bill would not become effective.

Here are the major changes I propose to submit for employee approval or disapproval:

1. The basic formula for computing annuities would be 1¾ percent of average salary times years of service, in lieu of the existing 1½ percent.

2. New appointees would be under social security immediately, and would pay the regular employee tax. The rate is now 2 percent of the first $4,200 of salary. The rate is scheduled to be increased to 2½ percent in 1960; to 3 percent in 1965; to 3½ percent in 1970; and to 4 percent in 1975. The employing agency would pay the employer tax at the same rates.

3. Employees currently subject to civil-service retirement would become also subject to social security. After 3 years of continuous employment new appointees would come under civil-service retirement (as well as social security). Instead of the present salary deduction of 6 percent for civil-service retirement, the deduction rate would be 3½ percent of the first $4,200 of salary and 6 percent on salary over $4,200.

4. Federal employees would receive all social-security benefits for which they qualify under the laws generally applicable to private industry. An employee with 5 years of Federal service would be guaranteed eligibility for social-security survivor benefits in the event of his death. New employees would be eligible for generous survivor benefits after 1½ years of service, and would qualify for old-age benefits after periods ranging from 1½ to 10 years.

5. Present Civil Service Retirement provisions for age and optional retirement eligibility would be retained, as would eligibility for survivor benefits for widows generally. Benefits would be provided for dependent widowers.

6. Annuities payable before age 65 would be computed under the improved formula of 1¾ percent of average salary (or 1 percent of average salary plus $25), multiplied by years of service. When the retired employee reached age 65, if eligible for a Social Security benefit, his annuity would be reduced by $25 or less for each year of his service. His combined Civil Service Retirement and Social Security benefits would be larger than the annuity he received before age 65.

7. The annuity of an employee retired for disability would be a minimum of 40 percent of average salary, or the annuity he would have earned by age 60 if less.

In summary, my bill would (1) retain and improve the best features of the civil service retirement plan, with its promise of substantial rewards for long service, and (2) by extension of social security coverage to Federal employees, provide greater protection, particularly in the area of survivor benefits.

CARE OF MENTALLY ILL OF ALASKA, AMENDMENTS

Mr. MALONE submitted amendments, in the nature of a substitute, intended to be proposed by him to the bill (H. R. 6376) to provide for the hospitalization and care of the mentally ill of Alaska, and for other purposes, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

BENEFITS FOR SURVIVORS OR SERVICEMEN AND VETERANS—AMENDMENT

Mr. LONG. Mr. President, I submit an amendment, intended to be proposed by me to the bill (H. R. 7089) to provide benefits for the survivors of servicemen and veterans, and for other purposes, and ask that it be appropriately referred. I ask unanimous consent that the amendment, together with an explanatory statement of the amendment, be printed in the RECORD.

The PRESIDENT pro tempore. The amendment will be received, appropriately referred, and printed; and, without objection, the amendment and explanatory statement will be printed in the RECORD.

The amendment was received, and referred to the Committee on Finance, as follows:

On page 78, immediately preceding line 1, insert the following new subsection:

"(u) (1) Section 207 (b) of the Legislative Reorganization Act of 1946 (60 Stat. 812, as amended; 5 U. S. C. 191a, 275) is amended by adding at the end thereof the following new sentence: 'Whenever it is determined that any payment is due and payable under this subsection to any person in consequence of the correction of any military or naval record pursuant to subsection (a), such payment shall be due and payable effective on the date on which application for the making of such correction was filed.'

"(2) Subparagraph I (a) (3) of part I of Veterans' Regulation Numbered 2 (a) is amended to read as follows:

"'(3) Where a claim has been finally disallowed, a subsequent claim on the same factual basis, if supported by new and material evidence, shall have the attributes of a new claim, except that whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence resulting from the correction of the military or naval records of the proper Service Department the date of application for the pension so awarded shall be deemed to be the date of receipt of the original application therefor.'

"(3) The amendments made by this subsection shall be effective as of August 2, 1946, except that no payment shall be made for any period before the date of enactment of this subsection unless application therefor is made within 1 year after the date of enactment of this subsection."

The explanatory statement presented by Mr. LONG is as follows:

STATEMENT BY SENATOR LONG

This amendment is designed to remove an inequity from existing law in connection with those claims for benefits by survivors of military personnel which depend upon obtaining a correction in military records. Under existing law, benefits can be paid only for the period after the change in military records has been accomplished and a new claim filed with the Veterans' Administration.

In my opinion, this is unjust. As anyone knows who has made such an attempt, it is extremely difficult to obtain any correction in military records. Anyone who succeeds in obtaining a formal correction of a record should certainly not be penalized by being denied benefits during the lengthy process which is required.

I should like to emphasize that the scope of this proposed amendment is very narrow. It would apply only to those cases in which a claim for benefits is denied because of entries in official military records. The change in the law would apply only to those cases in which an application to change the military record is subsequently accepted. The only additional benefits which would be paid would be those during the period the application for change in the military record is being processed.

It is my hope that the Department of Defense and the Veterans' Administration will give their approval to this proposed amendment and that it can be made a part of H. R. 7089, which is scheduled for consideration by the Finance Committee in the near future.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JENNER:

Address delivered by him before the Inland Daily Press Association, Chicago, Ill., February 27, 1956, on the subject of the Communist conspiracy.

By Mr. MORSE:

A statement by him entitled "Enactment of Poultry Inspection Legislation Imperative."

By Mr. CASE of New Jersey:

Letter to Senator NEELY from Senator McNAMARA, Senator MORSE, and himself relative to mass transportation problems in the District of Columbia.

NOTICE OF CONSIDERATION OF NOMINATION OF LOWELL C. PINKERTON TO BE AMBASSADOR TO THE SUDAN

The PRESIDENT pro tempore. As a Senator, and as chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the nomination of Lowell C. Pinkerton, of Missouri, a Foreign Service officer of the class of career minister, to be Ambassador of the United States of America to the Sudan. Notice is given that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

NOTICE OF CONSIDERATION OF NOMINATION OF JAMES W. BARCO, OF VIRGINIA, TO BE A DEPUTY REPRESENTATIVE IN THE SECURITY COUNCIL OF THE UNITED NATIONS

The PRESIDENT pro tempore. As a Senator, and as chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the nomination of James W. Barco, of Virginia, to be a Deputy Representative of the United States of America in the Security Council of the United Nations. Notice is given that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

CONDITION OF WEST COAST SHIPYARDS

Mr. NEUBERGER. Mr. President, I ask unanimous consent that there appear in the body of the RECORD a resolution adopted at a recent conference of the International Association of Machinists. This conference, held in Portland, Oreg., my home city, was attended by representatives and delegates of this organization from each port on the Pacific coast.

The general vice president, in a letter to me, points out the very deplorable situation concerning our shipyards in the United States. Mr. President, this letter points out that the United States is now ranked in 10th place, due to the lack of construction and repair of ships.

There are 84 class 1 shipyards on the Pacific coast. Approximately 2,000 machinists are employed, at the last report. This is far from the figure of over 100,000 who worked in these 84 shipyards during the war. Of the thousands no longer employed, undoubtedly a great percentage has been forever lost to the ship-building industry. What, Mr. President, would we do if an emergency arose? Is it possible to recruit quickly and efficiently more than 98,000 machinists? Is it not to prevent such a possible occurrence that the act of May 17, 1938—title 34, United States Code, section 498j—places on the shoulders of the President of the United States the responsibility to see that the shipyards of the west coast are given a sufficient share of the Nation's ship construction and repair to maintain these yards and their manpower in condition for any rapid expansion which an emergency might necessitate? I believe the exact wording of that act reads:

> The Navy Department shall construct upon the Pacific coast of the United States such vessels as the President of the United States may determine to be necessary in order to maintain shipyard facilities upon the Pacific coast necessary and adequate to meet the requirements of national defense. (May 17, 1938, ch. 243, sec. 11, 52 Stat. 403.)

Under the conditions described in Mr. McBreen's letter to me, which I have drawn on for information, one may properly ask whether this act is being even loosely adhered to by the present administration.

I know the people in the Northwest will deeply appreciate any action the

White House may take which will implement the statement I have quoted from the act of May 17, 1938.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Whereas since our zone conference of last year, the various agencies of our Government interested in shipbuilding and ship-repair facilities on the Pacific coast, have, along with State agencies, conducted hearings and investigations up and down the Pacific coast checking the facilities of our shipbuilding and ship-repair yards and the availability of skilled manpower; and

Whereas while these hearings and investigations were going on, the American shipbuilding and ship-repair industry has dropped from its 4th place position of 1954, to 10th place in 1955 in the world shipbuilding standings, behind Great Britain, Germany, Japan, Sweden, Holland, France, Italy, Norway, and Denmark; and

Whereas at the present time, according to the latest available statistics, June 1955, there are on order by United States companies and their affiliates, in foreign yards, for foreign registry, over 62 vessels to be built; and

Whereas on the same date United States companies, or their affiliates have on order in United States shipyards only eight vessels: Therefore be it

Resolved, That the Pacific Zone Marine Conference of the International Association of Machinists assembled in the city of Portland, Oreg., on this 17th day of January 1956, strongly urges that Congress in session institute a merchant marine and shipbuilding program within the boundaries of the United States to prevent further decay of our shipyard facilities, and the restoration of our merchant fleet, as well as the retention of our skilled craftsmen employed in our private shipyards. That Congress must bring back to the private shipyards in the United States, the shipbuilding and ship-repair work now being done in foreign yards by American companies, and by the Government itself; now, therefore, be it further

Resolved, That if necessary our offshore procurement program be revised to protect our American shipbuilding and ship-repair industry.

S. 3444 WOULD IMPERIL NATIONAL FOREST CONSERVATION POLICIES

Mr. NEUBERGER. Mr. President, I desire to make a brief statement today in opposition to Senate bill 3444, which would most adversely affect my State by leading to elimination of the national forests.

Mr. President, as one of the Senators from a State in which the Federal Government owns 51 percent of all the land, and in which the national forests, owned and managed by the United States Forest Service, are of primary importance to the economy, the water supply, and the recreational opportunities of the people, I am concerned about proposals which look toward dismantling these great national assets under the guise of States rights. Such a proposal is contained in a bill which recently has been introduced in the Senate by the distinguished junior Senator from Louisiana [Mr. Long]—S. 3444—which would create a series of individual Federal-State land study commissions to develop plans for the disposal of Federal land in the different States. I believe that the objectives of this bill are of such far-reaching importance to States such as Oregon, that it deserves to be brought to the attention of the people of Oregon and other States which are concerned about the protection of the federally held natural resources within their borders.

Senate bill 3444 is based on the views of the present Republican administration regarding the management of the resources which are held by the Federal Government for all the people of this country. According to its sponsor, the bill reflects the ideas of the Hoover Commission Task Force on Real Property Management and the President's Commission on Intergovernmental Relations, that Federal lands should be transferred to State or private ownership.

Those study groups recommended a special presidential commission for the purpose of planning and carrying out such transfers on a national basis. But Senate bill 3444 would go beyond that; it proposes an individual commission for each State which requests one, with participation by members nominated by the governor of the State. This would facilitate dismemberment of the public domain, one State at a time. Furthermore, disposal plans prepared by the administration to carry out the recommendations of such a Federal-State land commission would be subject to only a negative veto by Congress—that is, both Houses of Congress would have to adopt a resolution of disapproval within 60 days, in order to block the proposed disposal of Federal land.

Mr. President, among all the lands held by the Federal Government, the 161 million acres of our 150 national forests are the most valuable national asset. Their continued existence and sound management are the keystone to all conservation policy in the United States. Large Western cities, such as Portland, Seattle, and Denver, depend upon national forest watersheds for pure drinking water. The whole pattern of native American wildlife and of outdoor sports such as hiking, camping, hunting, and fishing, depends on these forests. And, as I have said, the timber supply of the Nation and the economy of the States which furnish the supply depend on their maintenance and continued sound management.

Of course, this situation may not be of such great importance in Louisiana; and the junior Senator from Louisiana may not have had the national forests specifically in mind in introducing his bill. But their prominence in value among the Federal public lands is such that we cannot doubt that immense pressures would be brought to bear to have them parceled out to States and private owners, were Senate bill 3444 enacted. The Nation still remembers that only recently we saw an example of these pressures when the Federal offshore oil reserves were turned over to the four States of Texas, California, Louisiana, and Florida. And in the field of timber management we have precedent in regard to what may happen when Federal forest lands are transferred to States. When my own State of Oregon was admitted to the Union, it received 4,203,000 acres of public lands for "school purposes." Of these acres, only 765,000 are still held in trust for schools; yet only $10,771,000 from these lands is held in permanent school-fund accounts. Many valuable stands of Douglas fir were sold by the State legislature for $3.16 an acre, which would be worth $1,000 later on. In view of the history of the management of natural resources in this country, we have little reason to believe that if these lands were to be parceled out among individual State governments, they would be as safe from covetous hands as they have been in the trust of the National Government since the days of Theodore Roosevelt and Gifford Pinchot.

The Federal-State land commissions proposed by Senate bill 3444 would only submit recommendations for land disposal; but there can be no doubt that a policy of widespread disposal would be the whole basis for their existence, and that this administration would carry out their recommendations. Thus it is, in effect, proposed to permit the administration to parcel out the public domain; and Congress would have no further control over this wholesale and retail dismemberment and disposal, except by passing a concurrent resolution in each instance in which it desired to prevent a sale and to retain the property in Federal ownership.

Mr. President, I can see no reason for such an abdication of congressional authority over the Federal lands, and I urge that Senate bill 3444 be subjected to the most searching scrutiny before any action is even begun toward such a radical and far-reaching reversal of our historic conservation policies.

SURVEY AND SPECIAL STUDIES OF SICKNESS AND DISABILITY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1741, Senate bill 3076.

The PRESIDENT pro tempore. The bill will be read by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3076) to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment on page 2, in line 11, after the word "secure", to insert "on a noncompulsory basis", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "National Morbidity Survey Act."

Sec. 2. (a) The Congress hereby finds and declares—

(1) that the latest information on the number and other relevant characteristics of persons in the country suffering from heart disease, cancer, diabetes, arthritis and rheumatism, and other diseases, injuries, and handicapping conditions is now seriously out of date; and

(2) that periodic inventories providing reasonably current information on these matters are urgently needed for purposes such as (A) appraisal of the true state of health of our population (including both

adults and children), (B) adequate planning of any programs to improve their health, (C) research in the field of chronic diseases, and (D) measurement of the numbers of persons in the working ages so disabled as to be unable to perform gainful work.

(b) It is, therefore, the purpose of this act to provide for a continuing survey and special studies to secure on a noncompulsory basis accurate and current statistical information on the amount, distribution, and effects of illness and disability in the United States and the services received for or because of such conditions.

Sec. 3. Part A of title III of the Public Health Service Act (42 U. S. C. ch. 6A) is amended by adding after section 304 of the following new section:

"NATIONAL MORBIDITY SURVEYS AND STUDIES

"Sec. 305. (a) The Surgeon General is authorized to make, by sampling or other appropriate means, surveys and special studies of the population of the United States to determine the extent of illness and disability and related information such as: (1) The number, age, sex, ability to work or engage in other activities, and occupation or activities of persons afflicted with chronic or other disease or injury or handicapping condition; (2) the type of disease or injury or handicapping condition of each person so afflicted; (3) the length of time that each such person has been prevented from carrying on his occupation or activities; (4) the amounts and types of services received for or because of such conditions; and (5) the economic and other impacts of such conditions.

"(b) The Surgeon General is authorized, at appropriate intervals, to make available, through publications and otherwise, to any interested governmental or other public or private agencies, organizations, or groups, or to the public, the results of surveys or studies made pursuant to subsection (a).

"(c) For each fiscal year beginning after June 30, 1956, there are authorized to be appropriated such sums as the Congress may determine for carrying out the provisions of this section.

"(d) To assist in carrying out the provisions of this section the Surgeon General is authorized to cooperate and consult with the Departments of Commerce and Labor and any other interested Federal departments or agencies and with State health departments. For such purpose he may also utilize the services or facilities of any agency of the Federal Government and, without regard to section 3709 of the Revised Statutes, as amended, of any appropriate State or other public or private agency, organization, group, or individual, in accordance with agreements between the head of such agency, organization, or group, or such individual, and the Secretary of Health, Education, and Welfare. Payment, if any, for such services or facilities shall be made in such amounts as may be provided in such agreement."

Mr. JOHNSON of Texas. Mr. President, at this time I yield to the distinguished chairman of the Committee on Labor and Public Welfare, who will make a brief statement in explanation of the bill. I understand that the bill has been reported unanimously by the committee.

Mr. HILL. Mr. President, the bill has the strong support of the Eisenhower administration and the Department of Health, Education, and Welfare, and is unanimously reported by the Senate Committee on Labor and Public Welfare. Enactment of the bill will meet a very great need—namely, in order that we may have a survey and study of the diseases from which the people of the United States suffer today. Such a study has not been made in the last 20 years. One was made more than 20 years ago by the WPA, but perhaps it was not the most efficient study.

There is a very great need for the making of such a study at this time; and there is an unanimous report on the bill, as I am sure my friend, the distinguished senior Senator from New Jersey [Mr. Smith], will confirm.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield,

Mr. SMITH of New Jersey. Speaking for the Republican side of the committee, I am happy to join in the statement the Senator from Alabama has made. All of us joined in reporting the bill, which was very carefully studied.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3076) was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL INSTITUTE OF DENTAL RESEARCH

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1742, Senate bill 3246.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3246) to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas for the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, at this time I yield to the Senator from Alabama, who will make an explanation of the bill.

Mr. HILL. Mr. President, the bill was unanimously reported by the Senate Committee on Labor and Public Welfare. The bill would do nothing but increase the authorization for an appropriation for construction of a building to house adequately the National Institute of Dental Research.

I may say that the original bill, as introduced by the late Senator Taft, then chairman of the Committee on Labor and Public Welfare, carried an authorization of $2 million. Since that time, due to the increase in the cost of many things, we have found that $2 million is not sufficient. This bill will only increase that authorization.

As I have said, the bill has the unanimous support of the Committee on Labor and Public Welfare, as I am sure the distinguished senior Senator from New Jersey [Mr. Smith] will confirm.

Mr. SMITH of New Jersey. Mr. President, if the Senator from Alabama will yield to me, let me say that I am very glad to join him in supporting the bill. Our committee considered it thoroughly, and joined unanimously in reporting it.

The PRESIDENT pro tempore. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3246) was ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), is amended by striking out "$2,000,000" and inserting in lieu thereof "$5,000,000."

EDUCATION OF THE BLIND

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1743, Senate bill 3259.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3259) to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Alabama, who will explain the bill.

Mr. HILL. Mr. President, let me say that this bill was also unanimously reported by the Committee on Labor and Public Welfare. The bill does only one thing, namely, it increases the authorization for an appropriation to the American Printing House for the Blind, which, as we know, is in Kentucky. For many years we have made a small appropriation in order that the books published by the American Printing House for the Blind—its books being printed in Braille—may be available to the blind.

Because of the increased cost of so many things today, it is necessary, if we are to meet the need which we have met in the past—namely, the need for education of the blind, that the authorization be increased. I am sure the distinguished senior Senator from New Jersey [Mr. Smith] will confirm what I have said.

Mr. SMITH of New Jersey. Mr. President, if the Senator from Alabama will yield to me, let me say I am happy to join him in supporting the bill, which has the support of all members—on both sides of the aisle—of the Committee on Labor and Public Welfare.

The PRESIDENT pro tempore. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3259) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the paragraph of section 102 of the act of March 3, 1879, as amended (20 U. S. C. 102), labeled "First" is amended to read as follows:

"First. Such appropriation shall be expended by the trustees of the American Printing House for the Blind each year in manufacturing and furnishing books and other materials specially adapted for instruction of the blind; and the total amount of such books and other materials so manufactured and furnished by such appropriation shall each year be distributed among all the public institutions, in the States and Territories of the United States and the District of Columbia, in which blind pupils are educated. Each public institution for the education of the blind shall receive, in books and other materials, upon requisition of its superintendent, that portion of the appropriation as is shown by the ratio between the number of blind pupils in that institution and the total number of blind pupils in all of the public institutions in which blind pupils are educated. Each chief State school officer shall receive, in books and other materials, upon requisition, that portion of the appropriation as is shown by the ratio between the number of blind pupils in public institutions (in the State) in which blind pupils are educated, other than institutions to which the preceding sentence is applicable, and the total number of blind pupils in the public institutions in which blind pupils are educated, in all of the States and Territories of the United States and the District of Columbia. The ratio referred to in each of the two immediately preceding sentences shall be computed upon the first Monday in January of each year; and for purposes of such sentences the number of blind pupils in public institutions in which blind pupils are educated shall be authenticated in such manner and as often as the trustees of the American Printing House for the Blind shall require. For purposes of this act, an institution for the education of the blind is any institution which provides education exclusively for the blind, or exclusively for the blind and other handicapped children (in which case special classes are provided for the blind); the chief State school officer of a State is the superintendent of public elementary and secondary schools in such State or, if there is none, such other official as the governor certifies to have comparable responsibility in the State; and a blind pupil is a blind individual pursuing a course of study in an institution of less than college grade."

SEC. 3. The act entitled "An act providing additional aid for the American Printing House for the Blind," approved August 4, 1919, as amended (20 U. S. C. 101), is further amended by striking out "$250,000" and inserting in lieu thereof "$400,000."

ADJUSTMENT OF RENTALS UNDER LEASES FOR COMMERCIAL RECREATIONAL FACILITIES AT CLARK HILL RESERVOIR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 1744, Senate bill 3214.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3214) to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir.

The PRESIDENT pro tempore. Is there objection to the request for the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment, on page 1, in line 4, before the word "lease", to insert "existing", so as to make the bill read:

Be it enacted, etc., That the Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to amend any existing lease providing for the construction, maintenance, and operation of commercial recreational facilities at the Clark Hill Reservoir, entered into prior to the date of the enactment of this act under section 4 of the act of December 22, 1944, as amended (16 U. S. C. 460d), so as to provide for adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and as he determines such adjustment to be necessary or advisable in the public interest. No adjustment shall be made under the authority of this act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

Mr. JOHNSON of Texas. Mr. President, I yield now to the distinguished junior Senator from South Carolina [Mr. THURMOND], who will explain the bill.

Mr. THURMOND. Mr. President, the purpose of the bill is to authorize the Chief of Engineers, under the supervision of the Secretary of the Army, to amend any lease for the construction, maintenance, and operation of commercial recreational facilities at the Clark Hill Reservoir, entered into prior to the date of enactment of this act under section 4 of the act of December 22, 1944, as amended (16 U. S. C. 460d), so as to provide for adjustment of rentals from time to time during the term of such leases when and as he determines such adjustment to be necessary or advisable in the public interest.

The bill was reported favorably by the Department of the Army, and the committee has reported it unanimously.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF CERTAIN LANDS FOR THE BENEFIT OF THE YAVAPAI INDIANS OF ARIZONA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1740, Senate bill 2851. I ask the attention of my distinguished friend from Arizona [Mr. GOLDWATER].

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2851) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with amendments, on page 1, line 3, after the word "over", to strike out "approximately"; in line 4, after the word "and", to strike out "eighty-one" and insert "twenty"; in the same line, after the word "land", to insert "more or less"; and on page 2, line 5, after the word "jointly", to insert a comma and "and in the event a survey is required to make such determination, the Department of the Interior shall bear the expense thereof. The transfer shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs, after consultation with the Secretary of the Interior, determines to be necessary to protect the interest of the Veterans' Administration Center, Whipple, Ariz.", so as to make the bill read:

Be it enacted, etc., That jurisdiction over 1,320 acres of land, more or less, formerly a part of the Fort Whipple Military Reservation, Ariz., and subsequently transferred to the Veterans' Administration by section 6 of the act of March 4, 1931 (46 Stat. 1550), is hereby transferred to the Secretary of the Interior, and the title to such lands shall be held by the United States in trust for the Yavapai Indians, subject to any valid and existing rights in such lands. The description of the lands hereby transferred shall be determined by the Administrator of Veterans' Affairs and the Secretary of the Interior, jointly, and in the event a survey is required to make such determination, the Department of the Interior shall bear the expense thereof. The transfer shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs, after consultation with the Secretary of the Interior, determines to be necessary to protect the interest of the Veterans' Administration Center, Whipple, Ariz.

Mr. HILL. Mr. President, the bill was introduced by the distinguished junior Senator from Arizona [Mr. GOLDWATER]. It was unanimously reported from the Senate Committee on Labor and Public Welfare. The bill has the support of the Department of the Interior and the Veterans' Administration. All it does is to permit the transfer from the Veterans' Administration to the Department of the Interior of certain lands which are not now needed by the veterans, in order that the lands may be used by the Indians in Arizona for grazing purposes.

I am sure the distinguished Senator from New Jersey [Mr. SMITH] will confirm what I have said.

Mr. SMITH of New Jersey. Mr. President, I was very happy to join with the Senator from Alabama in reporting the bill favorably from our committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRIBUTE TO COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation

to the distinguished chairman of the Committee on Labor and Public Welfare [Mr. HILL] and the distinguished ranking minority member and former chairman [Mr. SMITH of New Jersey] for their efficient work today. Four bills were unanimously reported from their committee. They were reported only after they had received thorough consideration. I think it is a circumstance we all ought to note. The Senate has sufficient confidence in these men and the thorough work of their committee that four measures of major importance were handled in less than 25 minutes by the Senate.

I am sure I speak for the minority leader when I say that we are grateful for the efficiency and thoroughness which the members of this committee have demonstrated in their committee work.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HILL. I wish to express the thanks and appreciation of the committee for the very fine help and cooperation of the distinguished majority leader, and also the very fine cooperation of the minority leader. Both the Senator from Texas and the Senator from California [Mr. KNOWLAND] have not only been very helpful in expediting the passage of these four bills, but they are always most helpful and cooperative toward the Senate Committee on Labor and Public Welfare.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. SMITH of New Jersey. Mr. President, I wish to add a word to express my appreciation for the cooperation of the majority leader and the minority leader in expediting the passage of these bills. Also I wish to pay special tribute to the chairman of our committee [Mr. HILL] who helped us in expediting the passage of these bills today.

Mr. HILL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. HILL. These bills could not have been passed without the very fine help and cooperation, and the enthusiastic support, of the distinguished Senator from New Jersey [Mr. SMITH].

JURISDICTION OF DISTRICT COURTS IN CERTAIN CIVIL ACTIONS AGAINST THE UNITED STATES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1601, Senate bill 2042.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2042) to restore the jurisdiction of the district courts in certain civil actions brought against the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. I ask the distinguished senior Senator from Kentucky [Mr. CLEMENTS] to make a brief explanation of the bill:

Mr. CLEMENTS. Mr. President, the purpose of the proposed legislation is to insert a saving clause in section 1346 (d) (2) of the Judicial Code so as to restore to the jurisdiction of the district courts certain wage claims which were pending on October 31, 1951, and which were dismissed solely because the Judicial Code was then amended to take away the jurisdiction of the district courts over claims by employees of the United States for salary or wages.

So far as is known there were only about 100 very small salary claims pending in either the district courts or the Sixth Circuit Court of Appeals which were inadvertently prejudiced by the October 31, 1951, amendment.

It should be emphasized that the purpose of this legislation is merely to enable approximately 100 salaried employees of the United States to have a day in court as to whether they are legally entitled to certain salary or overtime payments.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Judicial Code (28 U. S. C., sec. 1346 (d)) is amended as follows:

"(d) The district courts shall not have jurisdiction under this section of—

"(1) any civil action or claims for a pension; and

"(2) any civil action or claim to recover fees, salary, or compensation for official services of officers or employees of the United States: *Provided*, That the exclusion of claims to recover fees, salary, or compensation from the jurisdiction of the district court as set forth in subsections (d) (1) and (2) of this section shall not affect the jurisdiction of the district courts in cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and any such pending cases which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court."

Mr. STENNIS subsequently said: Mr. President, I ask unanimous consent that the Senate reconsider the vote by which it passed S. 2042, to restore jurisdiction of the district courts in certain civil actions brought against the United States.

Mr. MORSE. Mr. President, I did not quite understand the Senator's request.

Mr. STENNIS. I have asked that the Senate reconsider the vote on Calendar No. 1601, S. 2042, which was passed this morning. It has been discovered that there is a companion bill now before the Committee on the Judiciary. It would simplify matters if the Senate would reconsider its vote on the Senate bill, discharge the committee from further consideration of the House bill, and if the Senate were to pass the House bill amended by substituting the text of the Senate bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and the vote is reconsidered.

Mr. STENNIS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of H. R. 5862.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I move that the Senate proceed to the consideration of H. R. 5862.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. STENNIS. Mr. President, I ask unanimous consent that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the text of the Senate bill.

The PRESIDING OFFICER. The Secretary will state the amendment.

The amendment was to strike all after the enacting clause and to insert the following:

That the Judicial Code (28 U. S. C., sec. 1346 (d)) is amended as follows:

"(d) The district courts shall not have jurisdiction under this section of—

"(1) any civil action or claims for a pension; and

"(2) any civil action or claim to recover fees, salary, or compensation for official services of officers or employees of the United States: *Provided*, That the exclusion of claims to recover fees, salary, or compensation from the jurisdiction of the district court as set forth in subsections (d) (1) and (2) of this section shall not affect the jurisdiction of the district courts in cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and any such pending cases which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. STENNIS. Mr. President, I ask unanimous consent that S. 2042 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LYDIA G. DICKERSON

Mr. JOHNSON of Texas. Mr. President, there is one more bill for which I desire present consideration. The Senate can then return to the morning hour. I appreciate the indulgence of my colleagues and their cooperation.

I ask unanimous consent for the present consideration of Calender No. 1615, Senate bill 1687.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 1687) for the relief of Lydia G. Dickerson.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 1, after the word "act", to insert a colon and "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (1) of section 212 (a) of the Immigration and Nationality Act, Lydia G. Dickerson may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill, as amended, is to waive the excluding provision of existing law relating to one who is feebleminded in behalf of the minor child of a United States citizen. The bill has been amended to provide for the posting of a bond as a guaranty that the beneficiary will not become a public charge.

I ask unanimous consent that the statement of facts contained in the committee report be printed in the Record at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Facts

The beneficiary of the bill is a 6-year-old native and citizen of Germany who presently resides in that country. Her mother was married to Cpl. John Truman Dickerson, a citizen of the United States, on April 13, 1954, in Germany. The beneficiary has been found inadmissible to the United States because she has been certified as being feebleminded. Corporal Dickerson is presently stationed at Fort Riley, Kans., and without the waiver provided for in the bill, the beneficiary will be unable to accompany her mother to the United States for permanent residence.

A letter, with attached memorandum, dated July 29, 1955, to the chairman of the Senate Committtee on the Judiciary from the Commissioner of Immigration and Naturalization with reference to the case, reads as follows:

United States
Department of Justice,
Immigration and
Naturalization Service,
Washington, D. C., July 29, 1955.

Hon. Harley M. Kilgore,
Chairman, Committee on the Judiciary, United States Senate, Washington, D. C.

Dear Senator: In response to your request for a report relative to the bill (S. 1687) for the relief of Lydia G. Dickerson, there is attached a memorandum of information concerning the beneficiary. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiary by the Kansas City, Mo., office of this Service, which has custody of those files.

The bill would waive the provisions of the Immigration and Nationality Act which excludes from admission into the United States aliens who are feebleminded and would permit the beneficiary to enter the United States for permanent residence if she is found to be otherwise admissible. The bill also provides that this exemption shall apply only to a ground of exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

Sincerely,

———— ————,
Commissioner.

"Memorandum of Information From Immigration and Naturalization Service Files Re Lydia G. Dickerson, Beneficiary of S. 1687

"The information concerning the beneficiary was furnished by her natural father, Cpl. John Truman Dickerson, the sponsor of the bill.

"The beneficiary, Lydia G. Dickerson, a native and citizen of Germany, was born on August 9, 1949. She is presently residing at a special speech institute known as Sonnenhaus at Auf Schloss Seckendorff, 13a Unterleinleiter, Germany. Her mother resides in Germany. The beneficiary has never been in the United States and, according to the sponsor, was refused an immigrant visa by the American consul at Munich, Germany, because she was certified by the United States Public Health Service as being feebleminded. The committee may wish to make inquiry of the Visa Office of the Department of State for further information in this connection.

"The sponsor was born on July 9, 1930, at Butler, Mo. He completed 2 years high school. He has served in the United States Army since April 4, 1951, and is presently stationed at Fort Riley, Kans. He has stated that he expects to make the Army his career. Corporal Dickerson was stationed in Germany in 1948 as a civilian at which time he met the beneficiary's mother, whom he married on April 13, 1954. He claims to have adopted the beneficiary in Germany in June 1954. His earnings are about $150 per month and he has cash savings of about $400. He was arrested in 1950 for stealing chickens, which charge was dismissed on October 2, 1951. He has stated that he will take leave and travel to Germany for the beneficiary if she is permitted to enter the United States."

Senator Stuart Symington, the author of the bill, has submitted the following information in support of the bill:

United States Senate,
April 18, 1955.

Hon. Harley M. Kilgore,
Chairman, Subcommittee on Immigration, United States Senate, Washington, D. C.

Dear Harley: On April 14, 1955, I introduced S. 1687, for the relief of Lydia G. Dickerson, copy attached.

This child is the daughter of Cpl. John Dickerson, who is now stationed at Fort Riley, Kans. I have been endeavoring to assist him in bringing his wife and daughter to the States. Mrs. Margarete A. Dickerson was found eligible for a visa in all respects. However, her daughter's case was deferred for 1 year, or until October 14, 1955.

I quote from a letter received from the Visa Office:

"The neuropsychiatric consultant of the United States Public Health Service who examined the 5-year-old child deferred her for 1 year on account of her functioning currently at a retarded intellectual level. The report which the consulate general received from the Public Health Service stated that after the deferral period it will be possible to determine whether schooling will assist in improving her level of functioning."

The reason for the introduction of this bill by me is because I cannot see why a child of that age should not accompany its mother—what should be done? By waiting until the deferral date, next October, and if she were still found not intellectual enough to meet the requirements, then should she be abandoned?

Thanking you for your early and favorable consideration of this legislation, I am,

Sincerely,

Stuart Symington.

On February 3, 1956, the Department of State informed the committee that on the basis of additional tests given the beneficiary following the 1-year deferral period, she is still feebleminded, and, therefore, there is no administrative remedy available.

The committee, after consideration of all the facts in the case, is of the opinion that the bill (S. 1687), as amended, should be enacted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ACCOMPLISHMENTS OF THE SENATE THUS FAR IN THE PRESENT SESSION

Mr. JOHNSON of Texas. Mr. President, I wish to express my thanks to the Senate for action on the bills which have been disposed of today. I have a brief statement to make for the Record, and then I shall yield the floor to my colleagues, who have been so kind and generous in indulging me during the past 25 minutes.

As of March 28, 1956, the Senate has been in session 54 days during 1956. As of March 31, 1955, the Senate had been in session 38 days.

Of the total of 337 Senate and House bills and Senate and House joint resolutions, 117 have been general legislation and 220 private bills. It is estimated that only 40 or 50 of the measures passed by March 1, 1955, were general bills. Fifty of the more important bills passed by the Senate so far this year are listed in a statement which I ask unanimous consent to have printed in the Record at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

As of March 28, 1956, the Senate had been in session 54 days. As of March 31, 1955, there had been 38 session days.

Of the total of 337 Senate and House bills and Senate and House joint resolutions, 117 have been general legislation and 220 private bills. It is estimated that only 40 or 50 of the 140 measures passed by March 31, 1955, were general bills. Fifty of the more important bills passed by the Senate so far this year are listed below:

1. H. R. 12, the farm bill: A bill to provide an improved farm program, and including a soil-bank provision.

2. H. R. 8780, the farm gasoline bill: Relieves farmers from paying excise taxes on gasoline and fuels used on the farm, and directs a refund of taxes paid on such gasoline in 1956.

3. House Joint Resolution 471, home disaster relief: Permits the FHA to provide

title I repair assistance to new homes damaged by major disasters.

4. H. R. 7871, disaster loans: Increases to $375 million the funds available to the Small Business Administration for disaster loans.

5. S. 2861, emergency highway funds: Authorizes an increase from $10 million to $30 million in emergency relief highway funds for fiscal year 1956, as a result of flood and hurricane damage.

6. H. R. 6645, natural gas bill: Freed independent natural-gas producers from direct Federal (FPC) price control.

7. H. R. 7930, Russian River project: Authorizes completion of the initial stage of development at Russian River Basin, Calif., a flood control and irrigation project.

8. S. 3116, cultural and athletic exchanges: Provides a permanent program for United States participation in international cultural, athletic, and industrial fairs.

9. H. R. 2552, Great Lakes channels: Authorizes the modification of existing connecting channels above Lake Erie, to provide deeper channels on several tributaries.

10. H. R. 6309, Mississippi-gulf outlet: Provides for a new channel between the gulf and the Mississippi waterway system, for deep-draft shipping.

11. H. R. 7036, limitation on retirement income: Increases from $900 to $1,200 the amount a person under 72 can earn before his over 65 retirement credit must be reduced.

12. S. 2990, polio vaccine: Extends to June 30, 1957, authority to make grants to the States, for their provision of Salk vaccine to children and expectant mothers.

13. H. R. 1855, forest research: Authorizes a permanent program of United States contribution to specialized forest, range, and watershed research.

14. H. R. 7236, soil conservation: Authorizes Federal assistance in soil-conservation programs to farmers in all areas, not merely arid sections of the United States.

15. S. 2887, security of juries: Makes a criminal offense the tapping, recording, or unauthorized observance of grand and petit jury deliberations.

16. H. R. 3233, fleeing arson prosecution: Makes it a Federal offense to move across State lines to avoid prosecution or custody for arson.

17. H. R. 7201, life-insurance company tax: Establishes new system of taxing income of life-insurance companies: reforms tax laws on investments by life-insurance companies; and amends the law regarding new insurance companies.

18. H. R. 5614, FCC complaints: Allows the FCC to demur to protests against the authorization of grants, and to dismiss insubstantial protests, after oral argument, without hearings.

19. S. 1456, FCC procedure: Permits the FCC to dispense with certain duplicatory procedures relating to reports and hearings, where communications carriers are jointly owned or where consolidations are desired.

20. S. 1135, Civil Air Patrol: Extends the benefits of the Federal Employees Compensation Act to senior CAP members.

21. Executive Q, 83d Congress, 1st session, treaty, commercial samples: Ratified the international convention to facilitate importation of commercial advertising samples.

22. H. R. 8100, submarines to Brazil: Authorizes the loan of 2 reserve submarines to Brazil, for 5 years, and authorizes MDAP payment of outfitting costs.

23. H. R. 6712, tax revision: Amends section 1237 of the code to afford capital gains treatment to corporations or individuals holding foreclosed land for 10 years, subdividing and selling, unless as part of a real estate trading business.

24. H. R. 1726, Federal Seed Act: Provides a civil action for violation of the analysis and labeling provisions of the act.

25. H. R. 8107, Reserve Act amendment: Equalizes, the pay scales of reservists called to 6-month training duty with those of National Guard members, and provides increased medical and disability benefits.

26. H. R. 7030, Sugar Act: Extending to December 31, 1962, the legislation under which domestic and imported sugar is controlled in the United States. Modifies the distribution formula for increased sugar requirements as between domestic and foreign producers and among foreign producers.

27. S. 2884, durum wheat: Extends to the 1956 durum wheat crop the increased acreage allotment provided for 1955.

28. H. R. 8320, school milk-brucellosis programs: Authorizes an additional $10 million for the school-milk program, or from $50 to $60 million; and $2 million for the brucellosis program, or from $15 million to $17 million through June 30, 1956.

29. H. R. 6574, motor-vehicle registration plates: Reestablishes the former fee of $1 for the transfer of motor vehicle registration plates from one vehicle to another during the course of a registration year in the District of Columbia.

30. H. R. 9063, urgent deficiency for 1956 appropriating $64,670,201.

31. H. R. 9064, Treasury-Post Office Appropriation Act for 1957, appropriating $3,629,139,000.

32. House Joint Resolution 582, authorizing an additional $13 million for unemployment compensation for Federal employees to be derived from transfer from the appropriation for unemployment compensation for veterans, 1956.

33. H. R. 9770, Federal contribution: Authorizes the annual payment by the Federal Government to be increased $3 million toward the cost of operating the District of Columbia government for fiscal 1957 and for each fiscal year thereafter.

34. S. 1777, disabled—reduced rates: Permits common carriers to transport, for one fare, a disabled person and his attendant, if an attendant is required for such person.

35. S. 2438, Maj. Walter Reed: Amends the act of 1929 which provided a pension of $125 monthly to Major Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever by increasing such pensions to $200 per month.

36. H. R. 2667, Internal Revenue Code: Makes effective December 31, 1947 (now 1950) the estate tax provisions of the Internal Revenue Code which provide that there shall not be included in a decedent's estate, property previously transferred in trust as to which the decedent retained certain discretionary powers if for at least 3 months prior to December 31, 1947, and up to his death he was under a mental disability.

37. H. R. 4376, duty free: Adds to the free list of the 1930 Tariff Act, handwoven fabrics imported by religious societies for use in making vestments.

38. H. R. 4582, amends the 1954 Internal Revenue Code, section 381 (c), to permit parent corporations acquiring subsidiary corporations under the 1939 Revenue Code under tax-free liquidations or mergers to deduct from gross income the unused contributions of the subsidiary to pension funds.

39. H. R. 5428, amends the Revenue Code of 1939 to provide that where a transferee or fiduciary by agreement waives the statute of limitations for the assessment of additional income taxes, the statutory period for credits or refunds shall be similarly extended.

40. H. R. 7054, amends the Internal Revenue Code of 1939 to provide an election for executors of a credit against the estate tax for the amount of tax paid on property which passed to the decedent from a spouse who died within 2 years prior to the decedent's death.

41. H. R. 7094, amends the 1939 code to allow for all taxable years governed by that code an unlimited charitable deduction where in 8 out of 10 of the preceding years the individual's contributions to charity and his income-tax payments are equal to 90 percent or more of his taxable income.

42. H. R. 7247, adds to the 1954 Revenue Code a new section which provides for the recognition of no gain in the recapitalization of a railroad corporation under the bankruptcy laws or in receivership proceedings where the property of a transferor corporation is exchanged solely for securities or stock of the transferee.

43. H. R. 7282, amends the Internal Revenue Code of 1939 to provide that in the computation of credits allowable for the corporate dividends received, dividends paid and Western Hemisphere trade corporations, corporations in determining their adjusted net income shall include their net long-term capital-gain income even though it may have been subject to the alternative 25-percent tax rate.

44. S. 1146, removes requirement that reasonableness of attorney's fees, in regard to claims under Trading With the Enemy Act, be passed on by Alien Property Office.

45. Senate Joint Resolution 95, authorizes the American Battle Monuments Commission to prepare plans and estimates for the erection of a suitable memorial to Gen. John J. Pershing, and to make its recommendations on the site and design to Congress as early as practicable.

46. H. R. 7634, amends the Internal Revenue Code of 1954 to exempt from the stamp tax the issuance of debt certificates sold under installment arrangements whereby the obligee may not pay more than 20 percent annually of the total maturity value.

47. H. R. 9166, provides a 1-year extension of the present corporate income tax and the existing rates of certain excises, which were scheduled for reduction on April 1, 1956.

48. H. R. 6904, establishes a public national memorial for Booker T. Washington, who, through prodigious efforts and many great contributions to his people and all mankind, was elected to the Hall of Fame.

49. S. 500, Colorado River storage: Authorizes construction, operation, and maintenance of the Colorado River storage project.

50. S. 898, trip leasing: Defines the legal standards for truck trip leasing by farmers, farm cooperatives, and private carriers.

Mr. JOHNSON of Texas. Every Member of the Senate, particularly the distinguished Senator from Maine [Mr. Payne], has a right to be proud of the work which has been done by the Senate in less than 90 days since the Congress reconvened in January. The Senator from Maine presided when most of these bills were passed. Efficient committee work, efficient work on the part of presiding officers, and complete understanding between majority and minority leadership, resulted in our passing 412 bills from January 3 to March 28. During the same period last year we had acted upon only 140.

This year we passed 161 House bills. Last year we had passed only 10 at this stage. This year we passed 158 Senate bills. Last year at this time we had passed only 62.

In order that the Senate and the country may realize what we have done during the last 90 days, I ask unanimous consent to have printed in the Record at this point as a part of my remarks a statement bringing us up to date on the work of the Senate through March 28, and comparing the record this year with the work done during the same period last year.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Measures passed by Senate through Mar. 28, 1956

Senate bills	158
House bills	161
Senate joint resolutions	7
House joint resolutions	11
Senate concurrent resolutions	11
House concurrent resolutions	3
Senate resolutions	61
Total	412

Measures passed by Senate through Mar. 31, 1955

Senate bills	62
House bills	10
Senate joint resolutions	3
House resolutions	3
Senate concurrent resolutions	3
House concurrent resolutions	7
Senate resolutions	52
Total	140

At this time we do not have accurate information on how many of the bills passed were general as distinct from private legislation. It would seem a safe guess, however, that at least two-thirds, or 94 of the 140 bills passed were private measures.

As of March 31, 1955, the Senate had been in session 38 days.

Mr. JOHNSON of Texas. I yield the floor.

SEIZURE OF PROPERTY OF COMMUNIST PARTY AND COMMUNIST DAILY WORKER

Mr. WILLIAMS. Mr. President, very often Federal employees are criticized for their shortcomings and are overlooked when they render an outstanding service.

The bold action of Mr. Donald R. Moysey, new Director of Internal Revenue in the lower Manhattan District in New York, earlier this week when he ordered the seizure of all property, bank accounts, and so forth, owned by the Communist Party and the Communist Daily Worker to secure payment of delinquent Federal income taxes, is action which should be commended.

Several years ago it was discovered that through strict interpretation and drastic enforcement of our Federal income-tax laws we could pick up prominent racketeers in this country. The Communist Party and its membership certainly fall in this category.

Their refusal to disclose their records to the Internal Revenue agents renders them liable for the assessment, and Mr. Moysey is to be commended by every American citizen for calling their bluff. Failure to have collected this tax liability would have meant that every American taxpayer would to that extent be making his contribution to the Communist Party.

Let us hope that the courts will pursue this case to the maximum degree of enforcement.

HARVEY M. MATUSOW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 832, Senate Resolution 131.

The PRESIDING OFFICER. The clerk will state the resolution by title, for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 131) relating to the refusal of Harvey M. Matusow to answer questions before a Senate subcommittee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JOHNSTON of South Carolina. Mr. President, this is the usual type of resolution which is adopted by the Senate in the case of a person who refuses to testify before a Senate committee. The pending resolution is similar to other resolutions that have been previously adopted by the Senate in such cases.

The RECORD should show that Harvey Matusow was properly served with a subpena to appear before the committee; that he appeared before the committee; that certain questions were asked of him, as set forth in the report; and that he refused to answer the questions after the committee insisted that he answer them.

I ask unanimous consent that a portion of the committee report be printed in the RECORD at this point.

There being no objection, the excerpt from the committee report (No. 825) was ordered to be printed in the RECORD, as follows:

The Subcommittee to Investigate the Administration of the Internal Security Act, and Other Internal Security Laws, of the Committee on the Judiciary, as created and authorized by the United States Senate by Senate Resolution 366, 81st Congress, 2d session, and Senate Resolution 172 agreed to January 27, 1954, and Senate Resolution 49 agreed to February 4, 1955, caused to be issued a subpena ad testificundum to Harvey M. Matusow, of New York, N. Y. The said subpena directed Harvey M. Matusow to be and appear before the said subcommittee on February 21, 1955, at 1 p. m. at their committee room 130B, Senate Office Building, Washington, D. C., then and there to testify relative to the subject matters under consideration by said subcommittee.

The said subpena was issued February 14, 1955.

The said subpena was duly served, as appears by the return thereof, by Louis R. Colombo, who was duly authorized to serve such subpena. The return of the service by the said Louis R. Colombo, bearing his endorsement, is set forth as follows:

FEBRUARY 14, 1955.

I made service of the within subpena by giving in hand the within-named Mr. Harvey Matusow, at Foley Square, New York City at 4:20 o'clock p. m., on the 14th day of February 1955.

LOUIS R. COLOMBO.

The said Harvey M. Matusow, pursuant to and in compliance with the said subpena, appeared before the said subcommittee as a witness, as required by said Senate Resolution 366, but failed and refused to answer certain questions propounded by the chairman, or by the acting chairman, or by the chief counsel, of the said subcommittee, after being specifically directed to do so by the said chairman and/or acting chairman, which questions were pertinent to the subject matter under inquiry. Excerpts from the records of the hearings, held February 28, March 1, and March 2, respectively, whereat Harvey M. Matusow appeared before the said subcommittee and thereupon refused and failed to answer the said questions as directed, are annexed hereto and made a part hereof and designated "Annex I."

As a result of the refusal of said Harvey M. Matusow to answer the certain questions as aforesaid pursuant to the inquiry of the said subcommittee, as appears in the aforementioned excerpts of the records annexed hereto, the said subcommittee therefore was deprived of evidence pertinent to the subject matter which, under said Senate Resolution 366, the said subcommittee was instructed to investigate and his persistent and illegal refusal to answer questions as ordered, deprived the subcommittee of necessary and pertinent evidence and places the said Harvey M. Matusow in contempt of the United States Senate.

Mr. JOHNSTON of South Carolina. It is my understanding that there is no objection to the adoption of the resolution. If there is, I do not know of it.

The PRESIDING OFFICER. The question is on agreeing to the resolution. [Putting the question.]

The resolution was agreed to, as follows:

Resolved, That the President of the Senate certify the report of the Committee on the Judiciary of the United States Senate as to the refusal of Harvey M. Matusow to answer questions before the Senate Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, said refusal to answer being pertinent to the subject matter under inquiry together with all the facts in connection therewith, under the seal of the United States Senate to the United States attorney for the District of Columbia, to the end that the said Harvey M. Matusow may be proceeded against in the manner and form provided by law.

LIESELOTTE BOEHME

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 1347, House bill 1667.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 1667) for the relief of Lieselotte Boehme.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill is to grant the status of permanent residence in the United States to Lieselotte Boehme. The bill provides for an appropriate quota deduction and for the payment of the required visa fee. The bill also provides for the posting of a bond as a guaranty that the beneficiary will not become a public charge.

Mr. President, I ask unanimous consent that the statement of facts appearing in the report of the committee be printed at this point in the RECORD.

There being no objection, the statement of facts was ordered to be printed in the RECORD, as follows:

STATEMENT OF FACTS

The beneficiary of the bill is a 32-year-old native and citizen of Germany who last entered the United States on September 15, 1952, as a visitor under bond. The beneficiary resides with her naturalized United States citizen parents and she also has 1 brother and 2 sisters, who are also citizens of this country. The beneficiary was refused a visa in 1938, when her mother and sister immigrated to the United States because of her mental condition, having been classified as mentally retarded. She resided with an aunt in Germany until 1952, when her aunt died. The beneficiary's parents indicate that they are willing to assume full responsibility for her full support, including a trust fund, and doctors state that her condition is showing improvement.

A letter, with attached memorandum, dated April 18, 1955, to the chairman of the Committee on the Judiciary of the House of Representatives from the Commissioner of Immigration and Naturalization with reference to the case, reads as follows:

DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D. C., April 18, 1955.

Hon. EMANUEL CELLER,
Chairman, Committee on the Judiciary,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: In response to your request of the Department of Justice for a report relative to the bill (H. R. 1667) for the relief of Lieselotte Boehme, there is attached a memorandum of information concerning the beneficiary. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiary by the Los Angeles, Calif., office of this Service, which has custody of those files.

The bill would grant the alien the status of a permanent resident of the United States upon payment of the required visa fee. It also directs that one number be deducted from the appropriate immigration quota. The bill further provides that a suitable bond prescribed in section 213 of the Immigration and Nationality Act be posed with this Service.

The beneficiary is chargeable to the quota of Germany.

Sincerely,

——— ———,
Commissioner.

"MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE LIESELOTTE BOEHME, BENEFICIARY OF H. R. 1667

"The beneficiary, Lieselotte Boehme, a native and citizen of Germany, was born in Mannheim, Baden, Germany, on May 14, 1923. She is single and resides with her naturalized United States citizen parents in Los Angeles, Calif. She is mentally retarded (Mongoloid type) with a mental age of 9 years. The beneficiary is not employed and is completely dependent upon others for care and support, which her parents presently furnish. In addition to her parents, the beneficiary has 1 brother and 2 sisters, all adults, naturalized United States citizens, residing in Los Angeles, Calif. She has no relatives outside of the United States.

"The beneficiary was refused an immigration visa in 1938 when her mother and sister immigrated to the United States, because of her mental condition. She resided in Germany with an aunt until her aunt's death in 1952, at which time she moved to the home of friends in Germany where she remained until arrangements were made for her entry into the United States. She entered the United States at New York, N. Y., on September 15, 1952, being admitted as a temporary visitor until March 14, 1953, under the ninth proviso to section 3 of the Immigration Act of 1917, under bond of $1,000. Her temporary stay was subsequently extended to September 14, 1953.

"Application for extension of stay beyond September 14, 1953, was not made due to the fact that private bill H. R. 6634 was introduced in the 83d Congress for the relief of the beneficiary. She was subsequently granted until March 1, 1955, to voluntarily depart from the United States. The beneficiary failed to depart from the United States, consequently deportation proceedings were instituted on March 2, 1955.

"The net worth of beneficiary's father is about $48,000 and that of her brother is about $21,000. She has received regular medical treatment and psychiatric observation since her entry into the United States and doctors have certified that her physical health and mental condition is constantly showing improvement. Members of her family indicate that they are willing to assume full responsibility for her future support, including a trust fund for the beneficiary, in order that she may be permitted to remain in the United States."

Congressman CRAIG HOSMER, the author of the bill, addressed the following letter to the chairman of the Committee on the Judiciary of the House of Representatives, with reference to the case:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 18, 1955.

Re H. R. 1667.

Hon. EMANUEL CELLER,
Chairman, House Committee on the Judiciary, House of Representatives,
Washington, D. C.

DEAR CHAIRMAN CELLER: On January 6, 1955, I introduced H. R. 1667 which is for the relief of Lieselotte Boehme, a sister-in-law of a constituent, William E. Crane, of Long Beach, Calif.

You may recall that I introduced a similar bill, H. R. 6634, for Miss Boehme's relief in the 1st session of the 83d Congress. Although the appropriate reports were obtained by your committee and the bill was docketed for consideration by Subcommittee No. 1, the legislation was not reached for consideration and action during the second session.

This, in my judgment, is a very worthy case, and I request your assistance in seeing that early consideration is given to the bill which I have reintroduced for the relief of Miss Boehme.

Miss Boehme, who is 29 years of age, is a citizen of Mannheim, Germany, and is here on a temporary visa which expired September 15, 1953. Of course, I have been informed by the Immigration and Naturalization Service that deportation will be stayed until March 1, 1955.

She came to the United States on September 15, 1952, to be reunited with her mother, who is a United States citizen, and to receive medical treatment. She was separated from her mother at the beginning of World War II when she was denied an immigration visa owing to a physical handicap which carried with it sufficient mental aberration to bar her clearance by examining immigration doctors in Stuttgart, Germany.

Miss Boehme's mother left her in the care of an aunt in Germany, who has since died, and came to this country with a younger child believing that within a few months it would be possible for her to bring Lieselotte Boehme to the United States.

Since in this country, Miss Boehme has been under the care of two specialists and her condition has improved remarkably. Although I am told that she is not yet socially competent, she is an excellent domestic worker. Her family in California know that if she is deported, it will be necessary for one of them to return to Germany to care for her.

Although I furnished this same information to the committee when the previous bill was introduced, I believe it will be helpful for you to have it at hand when H. R. 1667 is considered.

Thank you for your courtesy.

Sincerely yours,

CRAIG HOSMER,
Member of Congress, 18th District, California.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EVA GERSHBEIN RUBINSTEIN

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1360, Senate bill 1244.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1244) for the relief of Eva Gershbein Rubinstein.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "act", to insert a colon and "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (1) of section 212 (a) of the Immigration and Nationality Act, Eva Gershbein Rubinstein may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill, as amended, is to waive the excluding provision of existing law relating to one who is mentally defective, in behalf of Eva Gershbein Rubinstein, the daughter of a lawful, permanent resident of the United States. The bill also provides for the posting of a bond as a guaranty that the alien will not become a public charge.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the statement of facts contained in the report of the committee.

There being no objecion, the statement of facts was ordered to be printed in the RECORD, as follows:

STATEMENT OF FACTS

The beneficiary of the bill is a 32-year-old native of Russia, now living in Mexico. Her widowed mother, her 2 brothers, and her 2 sisters are all permanent residents of the United States. One of the sisters is married to a United States citizen, and the other sister has been naturalized. One brother is serving in the United States Armed Forces. The beneficiary was denied a visa to the United States because of feeblemindedness. She supports herself, working as a housemaid and has the equivalent of a fifth-grade education. Her unmarried sister in New York, with whom her mother resides, has agreed to support the beneficiary, if necessary. Without the waiver provided for in the bill, she will be unable to join her family in the United States.

A letter, with attached memorandum, dated September 1, 1955, to the chairman of the Senate Committee on the Judiciary from the Commissioner of the Immigration and Naturalization Service with reference to the bill, reads as follows:

UNITED STATES DE-
PARTMENT OF JUSTICE,
IMMIGRATION AND NAT-
URALIZATION SERVICE,
Washington, D. C., September 1, 1955.

Hon. HARLEY M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR: In response to your request for a report relative to the bill (S. 1244) for the relief of Eva Gershbein Rubinstein, there is attached a memorandum of information concerning the beneficiary. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiary by the New York, N. Y., office of this Service, which has custody of those files.

The bill would waive the provisions of section 212 (a) (1) of the Immigration and Nationality Act, which excludes from admission into the United States aliens who are feebleminded, if she is found to be otherwise admissible under the provisions of that act.

Sincerely,

———— ————,
Commissioner.

"MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE EVA GERSHBEIN RUBINSTEIN, BENEFICIARY OF PRIVATE BILL S. 1244

"Information concerning this case was obtained from Aida Gershbein Rubinstein, who is the mother of the beneficiary.

"Eva Gershbein Rubinstein, born January 10, 1924, is a native of Russia and a citizen of Mexico. She is unmarried and resides as a domestic in the household of Morris Melamed in Mexico City. The beneficiary has the equivalent of a fifth year elementary school education. Her mother, two brothers, and a sister are permanent residents of the United States. Another sister is a United States citizen.

"In 1949, the beneficiary applied at the United States consulate in Mexico City, for a visa to enter the United States. After an examination she was found to be feebleminded and therefore inadmissible into this country.

"Mrs. Aida Gershbein Rubinstein, a 50-year-old widow, was admitted to the United States for permanent residence on February 4, 1949. She resides with her unmarried United States citizen daughter, Rose Gershbein Rubinstein, at 370 Snediker Avenue, Brooklyn, N. Y., who is employed as a factory worker, and receives a salary of $50 a week. The latter has agreed to provide for the beneficiary, in the event she is admitted to the United States."

Senator JOHN F. KENNEDY, the author of the bill, has submitted a number of letters and documents in connection with the case, among which are the following:

BOSTON, *August 9, 1954.*

Senator JOHN F. KENNEDY,
United States Senate, Washington, D. C.

DEAR SENATOR KENNEDY: The following are all the facts which I have at present. Her name is Eva Gershbein Rubinstein; age, 29 years; single. A visa application was filed in November 1946 in her behalf by her mother. At time permission was granted to her by Washington to enter the country. But the health department refused her permission to enter on the grounds that she had a mental age of 7. For the next 7 years, no application for a visa was filed. Her family (mother, 2 brothers, and 3 sisters) were granted their visas and they left her here alone. About 2 months ago, I took an interest in this case but did not file a visa application. The Embassy informed me that it would be useless unless the health department gave her a clean bill of health. I took her to see the health officer who advised me that it would be necessary to give her some mental tests. We did this and the reports favored her but not sufficient to convince the health officer that she was mentally well. He classified her as feebleminded. He was also worried that her condition might be hereditary. There is no insanity or related disease in her family. The Mexican psychiatrists have stated that they do not believe that it is hereditary. The girl has expressed a willingness to undergo an operation so that she will not ever have any children if it is necessary. About a year ago, she underwent an operation to change the contour of her face because people have remarked that she resembles a feebleminded person. She talks coherent with me at all times but when she is in the presence of doctors, she becomes nervous. She is able to talk, read, and write intelligently. At the present time, she is working as a maid. Her work consists of washing clothes, ironing, and cleaning the house in general. She makes the food, does the shopping for the house and answers the telephone. She buys her own clothes and is dependent on no one. She understands directions perfectly and is punctual. She has a very good memory and knows her way around the city better than most of us. She is very friendly and never has moods of sadness, etc. Her entertainment consists of movies and reading. She likes to dress well and uses lipstick and makeup. If you wish to check with the psychiatrists, I will give you their addresses: Dr. Marin Foucher, consultorios medicos, Sinaloa No. 9, Mexico, D. F.; Dra. Lemberger, Estraburger No. 5–C, Mexico, D. F.

Her entire family are now living in the United States. Two of her sisters are married to American citizens. One brother is in the Army. They will be responsible for her financial support. We can also obtain various affidavits of people willing to be responsible for her. If you need them, I shall be very glad to obtain same for you.

I sincerely hope that the above information will be sufficient for you to introduce a private bill in her behalf. If you wish any further information, I shall be very happy to send it to you.

Thank you once again for all your help in this matter. Once again, I would like to say that you would not be making a mistake if you should be able to get her into the United States.

Hoping to hear from you as soon as conveniently possible, I am,

Cordially yours,
MURRAY H. RITTENBERG;
Counselor at Law.

BROOKLYN, N. Y.

To Whom It May Concern:

I wish to vouch for Eva Gershbein. I am a citizen of the United States having been born here. I am 40 years of age. I am in business at 4707 Church Avenue, Brooklyn, N. Y. I have been at this store for 7 years, prior to that I was in business at the King Diamond Market at Ralph Avenue and Avenue A, Brooklyn, N. Y., for 6 years ever since I came out of the United States Army.

I have my account at the Manufacturers Trust Co. at Church Avenue, Brooklyn, N. Y. I can refer you to the wholesale fruits and vegetable merchants I deal with, if you like. The merchants are as follows: Polen Bros., M. Finer, and C. English, all of Osborne Street, Brooklyn, N. Y.

Thank you.

Yours truly,
MEYER FRIEDMAN.

P. S.—I am a brother-in-law to Ann Levine, Eva Gershbein's sister.

Sworn to before me this 17th day of December 1954.

[SEAL] SOLOMON I. SHAPIRO,
Notary Public, State of New York.
My commission expires March 30, 1956.

HY KRAUS ORCHESTRA,
Brooklyn, N. Y., January 13, 1955.

To Whom It May Concern:

My name is Hyman Kraus, I vouch for Eva Gershbein. I am a citizen of the United States for the past 36 years, having been born and resided in the metropolitan area all my life.

I am married, have two adopted children and own my own home.

I am an orchestra leader and have been in business for the past 10 years. I have my account at the Lafayette National Bank on Bay Parkway, Brooklyn.

I have known the Gershbein family for the past 6 years and can also vouch for their honesty, integrity, and good citizenship. If there is any other information you may require, I am at your service.

Yours very truly,
HYMAN KRAUS.

STATE OF NEW YORK,
County of Kings:
Acknowledged to before me.
NATHAN D. ORUN,
Notary Public, State of New York.
Commission expires March 30, 1955.

The committee, after consideration of all the facts in the case, is of the opinion that the bill (S. 1244), as amended, should be enacted.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (1) of section 212 (a) of the Immigration and Nationality Act, Eva Gershbein Rubinstein may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Are we still in the morning hour?

The PRESIDING OFFICER. We are still in the morning hour.

Mr. JOHNSON of Texas. Mr. President, that concludes consideration of all measures with the exception of the unfinished business, and I am prepared to bring it up at this time. If the distinguished Senator from Oregon desires to address the Senate, I shall wait before suggesting the absence of a quorum.

There are only 16 bills remaining on the Senate Calendar, and this would be a good time for the chairmen of committees to get their committees to report those measures, because the Senate is in position to consider them.

Mr. President, the distinguished Senator from Maine [Mr. PAYNE] has indulged me, and I now yield the floor.

AUTHORIZATION FOR SELECT COMMITTEE TO SUBMIT A REPORT DURING ADJOURNMENT

Mr. GEORGE. Mr. President, I ask unanimous consent that the special committee appointed to investigate the statements made on the floor of the Senate by the Senator from South Dakota [Mr. CASE] during the natural-gas bill debate be allowed to file its report in vacation during the Easter adjournment. I may state that the committee has finished its work, and the report may be filed even tomorrow, but I ask unanimous consent that we may be permitted to file the report during the Easter vacation.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. GEORGE. Mr. President, I submit an amendment intended to be proposed by me, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, now pending before the Committee on Finance. I wish to have the amendment printed and sent to that committee. The amendment is a technical amendment and provides that if a child before becoming 18 years of age or at 18 years of age is totally and permanently disabled, his benefits may be continued after the passing of the father or the mother from whom he received some assistance until he became 18 years of age, but whose assistance ceases at age 18. That is a great defect in our present social security law.

I ask unanimous consent that a statement prepared by me be included in the RECORD as a part of my remarks on the amendment.

The PRESIDING OFFICER. The amendment will be received, referred to the Committee on Finance, and printed; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. GEORGE is as follows:

STATEMENT BY SENATOR GEORGE

The amendment I am proposing would remedy a serious defect in the bill as it applies to disabled children over 18.

We are all familiar with the situation faced by people who have the care of a child who never grows up, because of a mental deficiency, or who requires constant care throughout his entire life. Fortunately most of us do not have the care of such a child, but we are all aware of the heartaches the parents of such a child must endure. Their suffering is the more acute because they are constantly concerned about what will happen to the child when they can no longer care for him or when the father's income is cut off by retirement.

The present social-security law ignores the plight of these unfortunate children and their parents. The father will probably qualify for monthly benefits under social security when he retires at age 65 or later, and if he has a child under age 18 at that time the child can get a benefit equal to one-half the father's benefit. The mother also gets a benefit, which makes it easier for her to stay at home and care for the dependent child or children. But benefits for a child stop when he reaches 18, regardless of whether the child is still dependent because of mental or physical incapacity. Thus the problem remains unsolved after the child reaches 18. A child who is over 18 when his father retires cannot get social-security benefits at all, even though he is just as dependent on his father as he was before he reached 18.

H. R. 7225 would meet the problem in the first situation, where the child was under 18 when the father retired or died. In this situation, a child who was disabled before 18 would continue to receive his benefits after reaching 18. The mother caring for him would also receive benefits. It is estimated that about 1,000 children would benefit immediately under this provision. But this provision of the bill does not meet the problem in the second situation, which I am convinced is much the more common, where the child is over 18 when the father retires or dies. Reports of the Social Security Administration show that of the men who first became entitled to old-age insurance benefits in 1954 only 4 percent had children under 18 who were awarded benefits. Thus the chances are that if any of these workers had a disabled child, the child was already over 18 before the father retired. The amendment I am proposing would enable a child totally disabled before 18 who has always been dependent on his parents to draw benefits whenever the parent who has been supporting him retires or dies regardless of how old the child may be at that time.

The cost of paying benefits in these additional cases would be negligible. The cost of the disabled child's benefits provided by the bill has been estimated as under one-hundredth of 1 percent of payroll. Even if my amendment should cost several times as much, the cost would still be negligible.

I realize that there may be some opposition to this proposal on the administrative ground that if a child is, say, 40 years old when he first applies for benefits it may be difficult to prove that he was totally disabled before 18 and has always been dependent on his parents. I believe, though, that most of the cases will be those of children congenitally disabled who have never worked and who obviously could never work. Some few cases might present difficulties, but I do not think they will be too great or that the possibility of running into a few administrative problems is sufficient reason for refusing benefits to this most deserving group. My thought in making benefits available to disabled children regardless of their age would be that it would be the responsibility of the claimant to prove that he met the requirements for benefits. The burden of proving that he had been totally disabled before age 18 and had continued to be dependent on his parents would rest with him. Of course, he would not have to prove that he became disabled on any exact date—only that he was totally disabled before he reached age 18. In the few cases where the claimant could not prove conclusively that he met the requirements, he would not receive benefits.

The fact that a provision of this kind could be administered without undue difficulty is proved by the recent experience of the railroad retirement system. Before 1954, the survivor benefits for children under the railroad retirement system were limited to children under 18, as they are under social security. The Railroad Retirement Act was amended in 1954 to provide that a survivor annuity (as the benefits are called in that program) may be paid to a disabled child aged 18 or over if the child was totally and permanently disabled before age 18, and to the child's widowed mother if the child is in her care. This provision applies not only to children who become disabled before the provision went into effect but also to those who became disabled at any time before enactment of the provision, subject only to the limitation that the disability must have begun before age 18.

The disabled children awarded railroad retirement benefits through June 1955 were on the average 35 years old when their railroad retirement annuity began. Over half of the 922 children awarded benefits during this period had become disabled before 1937, when the railroad retirement system came into existence. It is my understanding that the Railroad Retirement Board has experienced no appreciable difficulties with these cases because most of the applicants were helplessly crippled either mentally or physically, or both, and have never been employed. I can see no reason why such a provision could not be administered with equal success by the Department of Health, Education, and Welfare.

I strongly recommend to the Congress this amendment which would bring peace of mind and much-needed financial assistance to the parents who carry the burden of a permanently disabled child. For a very small cost, my amendment will bring a rich return in increased family security.

LIABILITY OF MARITIME ACADEMY GRADUATES FOR ACTIVE NAVAL SERVICE

Mr. PAYNE. Mr. President, I ask unanimous consent that I may proceed for not in excess of 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Maine may proceed for 5 minutes.

Mr. PAYNE. Mr. President, on March 15 I called to the Senate's attention the effect that a recent Navy Department announcement that graduates of State maritime academies will serve on active duty for 3 years will have on our American merchant marine. At that time I stated that I had written a letter of protest to the Chief of Naval Personnel. Since Admiral Holloway, Chief of Naval Personnel, has replied to my letter, I wish to briefly review the situation to point up the urgency of this matter, to demonstrate as clearly as I am able, the source of the problem and to indicate the course of action that should be taken.

Up to January 1, 1953, students in both the State and Federal maritime academies were appointed as Reserve midshipmen in the Navy while attending school and were commissioned as ensigns in the Naval Reserve upon graduation. While in school they were exempt from draft registration or service and there was no obligation on the Navy to call such students to active duty. This program was entirely consistent with the Navy's requirements. In his recent letter to me, Admiral Holloway stated in part as follows:

> Briefly, the Navy's interest in the maritime academies stems from the national defense

requirement for an adequate merchant marine manned by well-trained officers possessing an understanding of naval procedures and capable of operating with the Navy in time of war. To the extent that bugetary limitations permit, the Navy has participated, and desires to continue to participate, in the training of such officers by teaching naval science courses in the academies.

The Navy does not however, require nor desire the operation of any merchant marine school for the purpose of producing Naval Reserve officers. It conceives of these schools as primarily and essentially required for the manning of our merchant marine.

Unfortunately the Armed Forces Reserve Act of 1952 withdrew statutory recognition of the Merchant Marine Reserve of the Naval Reserve. At the urgent request of the Maritime Administration the Navy set up a temporary program for appointing maritime academy students as officer candidates, with the understanding that the Department of Commerce would propose legislation to continue the program as conducted before January 1, 1953. Such legislation was introduced by my distinguished colleague, the senior Senator from Maine [Mrs. Smith], as S. 1748 and was passed by the Senate on July 30, 1955. The bill is presently before the House Armed Services Committee where no action has been taken, and none is scheduled, because of objections entered by the Department of Defense subsequent to Senate passage of S. 1748.

As a result students presently in attendance at the maritime academies, who entered after January 1, 1953, are, under an agreement between the Commerce and Navy Departments, officer candidates in the Naval Reserve, and the Navy is required by law to call such federally subsidized officer candidates to active duty. The Navy's recent announcement which prompted my remarks on March 15 was not because of the Navy's need for new officers, but rather because of the situation already indicated. As a matter of fact the Navy is reluctant to have to call all maritime academy graduates since this might require the curtailing of normal naval officer procurement programs. Therefore, the Navy does not wish to continue the officer candidate program for the maritime academies. Unless some action is taken soon, the unfortunate result will be that the Navy will have to withdraw its support of the maritime academies, contrary to its own desires and contrary to the needs of the academies, to say nothing of being contrary to the national interest.

When S. 1748 was under consideration by the Senate last year, it was actively supported by the Navy Department, and Admiral Holloway testified before the Senate Armed Services Committee recommending passage of the bill. Since that time the Navy Department, in order to comply with Department of Defense policy, has been forced to withdraw its support of the measure. The Department of Defense insists that the bill be amended to provide that merchant-marine students be given only a deferred status rather than the exempt status provided in the bill. The effect of this would be to compel the Navy to call such students to active duty upon the conclusion of their education and prior to service in the merchant marine. In other words, if the views of the Department of Defense were followed the situation that now exists would not be changed at all, except that the students would be called midshipmen rather than officer candidates.

The Department of Defense has taken the position that to be consistent with the Reserve Forces Act of 1955 it cannot support an exemption of students that does not lead to active military service. In view of the demonstrated importance of the American merchant marine, which has been repeatedly recognized by President Eisenhower, and in view of the fact that the Senate expressed its belief that the maritime academies meet a special defense need and should be exempt from normal draft and service requirements when it passed S. 1748, it seems to me that the position of the Department of Defense is unreasonable, unrealistic, and untenable. In effect, it refuses to recognize the importance of the merchant service. The result of this refusal has led to one of the worst stalemates I have ever seen.

Because of the fact that unless some action is taken the merchant marine academy graduates of this year will all go into the Navy and thus severely impair the merchant service, I believe the Congress should pass S. 1748 without delay and so clearly express the fact that maritime academy graduates are needed in the merchant service, an important segment of our national defense establishment, and that they should not be subject to active military service to the detriment of the merchant marine. In this connection I strongly recommend that the Department of Defense immediately withdraw its opposition to S. 1748.

Mr. President, I ask unanimous consent that a copy of my letter to Admiral Holloway and a copy of his reply, together with a copy of a letter I have sent today to the Secretary of Defense urging that the Department of Defense withdraw its opposition to S. 1748, be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

March 8, 1956.

Vice Adm. J. L. Holloway, USN,
Chief of Naval Personnel,
Department of the Navy,
Washington, D. C.

Dear Admiral Holloway: It has recently come to my attention that the Navy Department, in a letter from the Chief of Naval Personnel to the heads of the Departments of Naval Science at the four State maritime academies, dated February 27, 1956, serial Pers–B6262–raa, has announced its decision to exercise its légal authority to require all federally subsidized graduates of the State maritime academies to serve 3 years of active duty in the Navy immediately upon graduation.

The action of the Navy Department in this matter is directly contrary to the policy that has been followed in recent years. Until the letter referred to above was issued, State maritime academy graduates were going on active duty on a purely voluntary basis.

As a member of the Senate Interstate and Foreign Commerce Committee, which has jurisdiction over the maritime academies, both State and Federal, I was appointed last year to a special subcommittee to make a thorough study of merchant marine training and education. As acting chairman of the subcommittee, I held extensive hearings at the east coast academies, and in Portland, Boston, and Washington. The subcommittee filed its report in January, which was adopted by the full committee and submitted to the Senate. A copy of this report is attached.

In consequence of the wealth of information gathered by the special subcommittee, I am very well informed as to the need of the American merchant marine for well-trained officers. The study clearly established that the merchant marine requires between 1,000 and 1,600 newly licensed officers each year. On the average, the four State maritime academies and the Federal academy graduate about 450 officers each year. On the basis of a highly optimistic estimate no more than 500 new officers come into the merchant marine each year from nonacademy sources. From this it can readily be seen that the supply of trained officers in the merchant marine is inadequate to meet the demand.

Of the 450 annual graduates of the maritime academies, somewhat over half are federally subsidized students and come under the authority of the Navy to serve on active duty. It would seem to go without saying that if the supply of trained officers is already inadequate to meet the needs of the merchant service a further reduction in excess of 225 annually will have an extremely damaging effect.

I am advised that for fiscal 1955 the Navy required 10,488 new officers, and that requirement was fully met from what might be termed "normal sources," that is principally the Naval Academy, the NROTC, the OCS program, and the ROC program. The maritime academies were not a source of active duty naval officers beyond the voluntary service of individuals. For fiscal 1956, I am informed that the Navy expects to require about 11,668 new officers and that this need will be met from the normal sources exclusive of the maritime academies.

The present decision to call all maritime academy graduates under the Navy's jurisdiction to active duty appears to be based on the very tentative estimates of needs for fiscal 1957. In view of the severe damage that would be done to the merchant marine, it would seem that if the Navy expects to require a significantly greater number of new officers in fiscal year 1957 and after, serious consideration should be given to expanding the existing normal sources of naval officer supply, particularly the OCS program, since it appears to be the most flexible.

The fact that the recent letter did not apply to the Federal Maritime Academy at Kings Point is a cause of some concern to me. If it is necessary for the Navy to call up maritime academy graduates it does not seem fair or appropriate that graduates of Kings Point should be excluded.

In view of the foregoing, I wish to strongly urge that the Bureau of Naval Personnel carefully reconsider its decision to call maritime academy graduates to active duty. The need to maintain a strong, efficient merchant marine goes without saying, and the recent decision of the Bureau of Naval Personnel will do incalculable harm to this vital segment of our National Defense Establishment.

It will be appreciated if the Bureau of Naval Personnel will review this matter at the earliest opportunity and advise me of its views.

Sincerely yours,
Frederick G. Payne,
United States Senate.

Department of the Navy,
Bureau of Naval Personnel,
Washington, D. C., March 17, 1956.

Hon. F. G. Payne,
United States Senate,
Washington, D. C.

My Dear Senator Payne: This is in reply to your letter of March 8, 1956, wherein you strongly urge that I reconsider my decision with respect to calling Merchant Marine Academy graduates to active duty and you stress the importance of these graduates to meet the demand for trained officers for the merchant marine. You indicate that the study made by the special subcommittee under your chairmanship clearly established that the merchant marine requires between 1,000 and 1,600 newly licensed officers each year, but that academy sources can only produce about 450 officers and that nonacademy sources are optimistically estimated not more than 500 each year. Your information is correct that the Navy did meet its officer requirements for fiscal year 1955, and plans to meet the requirements in fiscal year 1956 from normal sources; that is, principally the Naval Academy, the NROTC, the OCS, and ROC programs. Further, the Navy can meet its officer requirements through these normal sources without reliance on the merechant marine academies in the future.

At the very outset, I wish to state that both the Secretary of the Navy and I are in full accord with the philosophy expressed in your letter to the effect that the primary purpose of the merchant marine academies is to supply the need for well-trained officers for the merchant marine in order to support a strong merchant marine, a vital segment of our national defense establishment.

The Navy's interest in the maritime academies has been restated many times to the Congress, to Department of Commerce, to maritime academy officials, and other interested parties. Briefly, the Navy's interest in the maritime academies stems from the national defense requirement for an adequate merchant marine manned by well-trained officers possessing an understanding of naval procedures and capable of operating with the Navy in time of war. To the extent that budgetary limitations permit, the Navy has participated, and desires to continue to participate, in the training of such officers by teaching naval science courses in the academies.

The Navy does not, however, require nor desire the operation of any merchant marine school for the purpose of producing naval Reserve officers. It conceives of these schools as primarily and essentially required for the manning of our merchant marine.

Pursuant to law, all federally subsidized officer candidates (merchant marine) attending either at the United States Merchant Marine Academy or any of the four State academies are obligated to serve 3 years on active duty upon graduation. The action recently taken in my letter of February 27, 1956, was intended to clarify the active duty obligation and not a change in policy to impose an active duty obligation. This move was not made in order to meet the contemplated needs of the service for officers since this need can be met through normal sources of naval officer procurement without reliance upon the merchant marine academies.

In order to properly apprise you of the current situation, it may be well to sketch, in brief, developments leading to the requirement of active duty for officer candidates (merchant marine).

Events leading up to the requirement of active duty are contained in the attached letter of August 12, 1954, to the then Maritime Administrator, Mr. Louis S. Rothschild. I have underlined in red those pertinent thoughts in the letter and made certain footnotes reflecting current information. Substantially, the temporary officer candidate (merchant marine) program was established at the urgent request of the Maritime Administration and officials of the State academies as an interim procedure due to a lack of statutory authority to continue the merchant marine midshipman program which required no active duty. This was done only with the understanding that legislation would be proposed by the Department of Commerce which would continue the program as operated prior to January 1, 1953, the effective date of the Armed Forces Reserve Act of 1952, which withdrew recognition of the Merchant Marine Reserve of the Naval Reserve.

Legislation in the form of S. 1748, sponsored by the Maritime Administration of the Department of Commerce and supported by me at that time, passed the Senate July 30, 1955. It would permit cadets at the Federal and State merchant marine academies to be appointed as Reserve midshipmen in the United States Navy and would provide for their exemption from registration and service while serving as such midshipmen.

The Secretary of Defense has recently indicated that he is opposed to the present wording of pending legislation, S. 1748. Specifically, he has indicated that, consistent with the intent of the Reserve Forces Act of 1955, the Department of Defense is opposed to any exemption for students with a military status which does not lead directly to active duty or active duty for training with the Armed Forces upon graduation and commissioning.

The Secretary of Defense further states that S. 1748, before it can be supported by the Department of Defense, must be reworded to provide for merchant marine students to be placed in a deferred status similar to the NROTC student rather than in an exempt status. This would require the Navy to bring all merchant marine graduates to active duty for 2 or 3 years or for 6 months' active duty for training. This, in effect, would continue the temporary officer candidate (merchant marine) program, except that such individuals will be known under another military name. The Chief of Naval Personnel and the Secretary of the Navy have continually maintained the position that a long-term commitment to place all such graduates on active duty is objectionable to the Department of the Navy and that any such procedure would be inconsistent with the Navy's own officer procurement programs. I am taking the liberty of enclosing a letter of March 8, 1956, to Senator Warren G. Magnuson, chairman of the Committee on Interstate and Foreign Commerce, which further reflects the Department of Defense and Department of Navy's position with respect to subject matter. Accordingly, the Department of the Navy is unable to support S. 1748 under the present circumstances.

In view of the foregoing, it can readily be seen that I am placed in that position of having to take action to bring officer candidates (merchant marine), as distinguished from merchant marine midshipmen, to active duty whether or not they are attending the United States Merchant Marine Academy or any of the four State academies.

In view of your extensive knowledge of merchant marine training and education, I can appreciate your position with respect to this matter, and again, believe me, it is regretted that the Navy cannot relieve officer candidates (merchant marine) who are prospective graduates from immediate active duty. However, realizing that certain of the officer candidates (merchant marine) attending the State academies understood that they would be required to serve only 2 years, I am advising them that they will only be obligated for 2 years, and not 3 years. It should be noted, however, that those who executed contracts for 3 years will be required to serve on active duty for the agreed period.

May I assure you that the entire matter is receiving my personal attention, and that of the Secretary of the Navy under whose policy aegis I execute the statutory duties of my office. If there is any further information that you desire, or any amplification of the points I have discussed, please do not hesitate to call upon me.

With high esteem and kind regards, believe me, my dear Senator, I am,

Sincerely yours,
J. L. Holloway, Jr.,
Vice Admiral, United States Navy,
Chief of Naval Personnel.

March 29, 1956.

Hon. Charles E. Wilson,
Secretary of Defense, Department of Defense, Washington, D. C.

Dear Mr. Secretary: Prior to January 1, 1953, students at the State and Federal maritime academies were appointed as midshipmen, Merchant Marine Reserve, United States Naval Reserve, by the Secretary of the Navy. Under the Universal Military Training and Service Act (title 50, U. S. C., app. sec. 456 (a)), they were relieved of liability for registration and active military service. The Armed Forces Reserve Act of 1952, which became effective January 1, 1953, withdrew statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve.

For some time the Navy Department has given support to the maritime academies because of the importance of the merchant marine and the need to have the merchant marine prepared to work closely with the Navy in time of war. To the best of my knowledge the Navy has never considered the maritime academies as a source of naval officers and does not desire to do so today.

The effect of the 1952 legislation was to withdraw the justification on which the Navy contributed to the operation of the maritime academies. At the urgent request of the Maritime Administration, the Navy instituted a temporary program to appoint maritime academy students as officer candidates. This action was taken with the understanding that legislation would be prepared to reinstate the midshipmen program. The Navy Department, at that time, realized that by appointing students as officer candidates they would not be exempt, but only deferred, and that upon commissioning, the Navy would be compelled to call them to active duty. This is undesirable both because of the damage to the merchant marine which needs 1,000 to 1,600 new officers annually and because if the Navy is required to call these graduates to active duty, it may force a curtailment of normal naval officer procurement programs.

Senator Margaret Chase Smith introduced a bill (S. 1748) on April 20, 1955, which would provide statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve, retroactive to January 1, 1953. When this bill was considered by the Senate Armed Services Committee, it was actively supported by the Navy Department. It was passed by the Senate on July 30, 1955, and is now before the House Armed Services Committee.

During the congressional recess last fall the Department of Defense indicated its opposition to the bill and the Navy Department withdrew its support to conform with Department of Defense policies. This opposition is based on an interpretation of the Reserve Forces Act of 1955, under which the Department states it is forced to oppose any exemption during training which does not lead to active military duty. However, if the bill were amended to conform to the position taken by the Department of Defense it would not help the present critical situation.

As the problem now stands, the maritime academies are 1 of the 2 principal sources of merchant-marine officers. The merchant marine annually needs more officers than these sources can supply. Without the adoption of S. 1748, the Navy will be compelled to call graduates to the maritime academies to active duty to the severe detriment of the merchant marine. The Navy may also be forced to withdraw its support of the academies which would be contrary to the best interests of both the Navy and the merchant marine, to say nothing of being contrary to overall national security interests.

President Eisenhower and the Congress have repeatedly recognized the merchant marine as a vital segment of the National Defense Establishment. In the particular problem at hand, the Senate of the United States has expressed itself as favoring the exemption of maritime academy students because of the particular needs of the merchant service. Therefore, it appears that the position taken by the Department of Defense is unreasonable and untenable as well as contrary to the best interests of the United States as clearly stated by both the executive and legislative branches of the Government.

For these reasons I strongly urge that the Department of Defense withdraw its opposition to S. 1748 in order that action may be taken expeditiously to prevent possible severe injury to the effectiveness of the American merchant marine. It will be appreciated if you will advise me at the earliest practicable date of the Department's final position in this matter.

Sincerely yours,

FREDERICK G. PAYNE,
United States Senator.

FIVE HEROIC RUMANIAN EXILES

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Are They Heroes or Criminals?" written by Peggy Mann, and published in the Washington Post and Times Herald of March 18, 1956.

The article describes a splendid broadcast over channel 4 of the National Broadcasting Co., on Tuesday, March 20, 1956, sponsored by the Armstrong Circle Co.

The broadcast, entitled "The Five Who Shook the Mighty," told the story of the 5 heroic Rumanian exiles who in February 1955 seized the Communist Rumanian Embassy in Bern Switzerland, held it for several days, and captured immense amounts of documentary material on the Soviet spy network which operates out of Switzerland in many European countries. The material included the latest Soviet secret directives to the Communist parties of Western Europe. The five young men were arrested by the Swiss Government, which refused to extradite them to Communist Rumania. Their trial will be held shortly in Switzerland. Their legal defense is being conducted by Mr. Mihail Farcasanu, president of the League of Free Rumanians, 47 East 61st Street, New York City.

The broadcast was one of a series of vigorously anti-Communist broadcasts sponsored by the Armstrong Circle Co. and televised by the National Broadcasting Co.

I warmly congratulate these two companies for informing the television audience of climactic chapters in the story of Soviet expansion and anti-Communist resistance. The telling of this story over mass communication media is vital to our national defense and our ability to win ultimate victory over the Communist conspiracy against the world.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE THEY HEROES OR CRIMINALS?

(By Peggy Mann)

BERN, SWITZERLAND.—Four young men will go on trial here next month for a crime which has never before been committed.

The question is, Was it a crime—a mockery of international law—or was it an act of heroism that gave help to the free world and hope to Europe's enslaved?

It began in February 1955, in a small furnished room in the West German town of Konstanz. Five young men and a girl sat intently around a table spread with maps.

The girl must remain nameless. She was young, and to Oliviu Beldeanu, the leader of the group, she was beautiful; they were in love. Beldeanu and this Rumanian refugee girl he had met in Munich.

Beldeanu, too, was Rumanian. He had graduated from the Bucharest School of Fine Arts, a talented sculptor. He had taken to the mountains to fight in the resistance movement. In 1949, when arrest was imminent, he had fled to Yugoslavia. There, in forced labor camps, he had met the four young Rumanians who sat with him now around the table.

There was Ion Chirila, called the Colt. There was Soare Codrescu, an auto mechanic. There was Dumitru Ochiu, shy and mild. And there was Theodore Ciochina, nicknamed Dorel, which means longing.

This was what they had lived for—the hope that some day they would find a way to help their countrymen. Their will to help was typified by Dorel Ciochina when he wrote a letter to the American Army:

"I am a fine driver. I could drive a tank, and in danger I would not run away. This is certain. I could not, for I have no legs."

All were members of the League of Free Rumanians. Through his work in the resistance movement, Beldeanu had learned that on the night of February 14 new directives to Communist parties throughout Western Europe would be issued by Moscow. These directives were to be distributed through the Rumanian Legation in Bern.

At 7 p. m. on the night of February 14 the chauffeur of the Rumanian Legation would drive from Bern to the airport in Zurich. This chauffeur was in fact a top-ranking Communist agent, Arel Setu. At the airport Setu would meet an emissary from Bucharest, who would hand him a briefcase containing the new directives.

If the five young Rumanians were waiting for Setu when he returned to the legation, if the directives were to find their way into western hands—

Dorel Ciochina had a car—part payment for a pair of legs. He had been run over in Munich and granted 30,000 marks (about $7,500) insurance. He had bought a Volkswagen and made his way to Bern. His four friends had crossed Lake Constance by rowboat and met him in the Swiss capital.

The Volkswagen drove slowly down the Schlosslistrasse and drew up before No. 5, a building flying the hammer and sickle of the new Rumanian flag.

Silently, four masked figures climbed out of the car and scaled the 6-foot wall of the legation. Beldeanu knocked at a door of a small chalet to the side of the main building. It was opened by the wife of the chauffeur. He clapped his hands over her mouth. They gagged her and bound her in a chair.

Quickly they pried open desk drawers, filing cabinets; stuffed papers, documents, records into suitcases they had brought with them.

In the cellar, they discovered a virtual arsenal, with ammunition, automatic weapons, time bombs. There was also a shortwave transmitter and a collection of Swiss police and army uniforms.

Twenty-six-year-old Soare Codrescu was alone upstairs when the front door opened and Setu entered. Codrescu, gun in hand, demanded the chauffeur's briefcase.

Setu, a burly man, walked forward, "What are you doing here, boy? Playing games?"

Setu lunged forward, refusing to obey Codrescu's demand to halt. The young Rumanian stepped back and shot the Communist in the leg. Setu turned, staggered out of the door and fell into the snow. Within minutes the chauffeur's briefcase, along with other document-filled suitcases, was hidden in the Volkswagen and Chiochina drove off swiftly toward the West German border.

The other four might easily have left with him. Instead, Ochiu was dispatched on foot as a decoy.

Beldeanu, Chirila, and Codrescu ran into the legation building to fulfill the second portion of their plan. Entering the lobby, they beheld startled staff members in nightclothes peering over the banisters. They had been awakened by the shot.

Under Beldeanu's watchful pistol, staff members were permitted to don garments tossed to them by Beldeanu's companions. They were told to take Setu with them, but they did not stop in their haste to get out of the building.

The following morning the historic Rumanian flag flew above the building. Two hundred Swiss policemen surrounded the grounds and the crowds grew as the day wore on.

The Swiss could do nothing, for the Rumanian chargé d'affaires had not received instructions from Bucharest and he could not allow Swiss police to enter the legation. How, for example, could he account for the munitions, arms and Swiss uniforms?

The Swiss council of ministers hurriedly met. Notes were exchanged between Bern and Bucharest.

Finally Bucharest authorized the Swiss police commission to enter the legation and take the masked men into custody. But the young men would not come forth. They told the commissioner that by taking back this small portion of Rumanian soil, even for a matter of hours, he could dramatize the struggle for the satellite nations.

They had taken a solemn vow not to leave. The young Rumanians were in earnest, the police commissioner reported. They had barricaded themselves inside and had guns, gas masks and ampoules of poison.

The Communist Rumanian Government threatened to break off diplomatic relations with Switzerland for failure to extradite the bandits of Bern.

Later, the Swiss council of ministers came to a firm decision. Despite threats, they would not extradite the men if they asked asylum. When this was communicated to them * * * 43 hours after the siege had begun * * * the three masked men surrendered to the Swiss authorities and were driven off to jail.

One of their companions, Ochiu, already had been arrested. Ciochina later was arrested in West Germany and he, too, will be tried after the Bern trial.

What did the young Rumanians achieve with their unprecedented raid? The concrete results may never become completely known publicly, but here are a few results that were released:

Through two large code books which they found in the chauffeur's safe, western authorities were able to decode messages sent by the Rumanian Government during the previous 6-month period to all western countries.

Lists of British subjects who were selling information to the Rumanian legation were found in its files and were turned over to the British Government.

Through the raid, the Swiss police received a tip on two fat dummy accounts in an obscure farmers' bank in the mountains of Switzerland. The Communists were using the money to run far-reaching spy nets in Western Europe. Other Swiss authorities uncovered a Rumanian organization for buying foreign money in the black market with Swiss francs.

In Copenhagen, Rumanian refugees kidnaped another Rumanian legation chauffeur spy, Ion Cympu. He gave valuable information to Danish authorities.

Authorities in Stockholm, tipped off by the Bern raid, uncovered an important spy ring centering around the Rumanian and Czechoslovakian legations.

THE FEDERAL EXCISE TAX ON THE TRANSPORTATION OF PROPERTY AS A FACTOR AFFECTING AGRICULTURE

Mr. SCHOEPPEL. Mr. President, transportation costs absorb a considerable portion of the wholesale prices of many farm commodities that are produced at a distance from the main terminal markets. Prices of the commodities that farmers buy are also affected by transportation costs.

Most of the increase in these costs since the war ended is due to the sharp rise in freight charges. Among other significant factors which have increased marketing costs for the farmer, is the excise tax on the transportation of property.

The tax on the transportation of property increases transportation costs by the full amount of the tax. It also applies to other services furnished by the carrier in connection with shipping a commodity. These additional services, such as refrigeration or heating, loading, unloading, storage, demurrage, transfer in transit, local cartage, and other similar services may add 10–15 percent or more to the basic transportation charges, depending upon the commodity and the distance hauled.

HISTORY OF THE TAX

Transportation taxes were a part of World War I revenue legislation, and were repealed on January 1, 1922. Similarly, the present tax on the transportation of property was enacted during World War II for revenue purposes. But, unlike the earlier legislation, more than 10 years have passed since the end of hostilities, yet the tax has not been repealed.

The tax on the transportation of property became effective on December 1, 1942. It is levied at the rate of 3 percent of the transportation charges made by rail, motor, water, or air carriers, on all commodities except coal, which carries a rate of 4 cents per short ton.

All types of for-hire transportation are subjected to the tax, including common and contract carriers, local moving firms, express companies, freight forwarders, and so forth. Exemptions to the tax that affect agriculture are:

First. Payments for the transportation of property intended for export.

Second. Payments for the transportation of property by a freight forwarder, express company, or other carrier for which a transportation tax has already been paid.

Through June 30, 1955, taxes collected on the transportation of property totaled more than $4 billion. It has been estimated that approximately 22 percent of these tax collections, equal to $784 million, was derived from the movement of agricultural products.

EFFECTS OF THE TAX UPON PRICES

The tax on the transportation of property tends to increase the prices of the commodities which the farmer buys and to reduce the prices that he receives for the commodities which he sells.

Mr. President, this effect of the tax has especially burdensome on the farmer during the past few years because of the ever-widening margin between the prices paid by farmers and the prices received by them.

Prices paid by farmers have been quite stable in recent years at a level only 4 percent below the peak reached in May 1952.

In sharp contrast, prices received by farmers have rapidly declined. For the calendar year 1955 they average 5 percent below the previous year, and 24 percent below the peak established in February 1951. The parity ratio for 1955 was 84 compared with 89 a year earlier and with the post-Korean peak of 113 in February 1951.

The division of the transportation tax among the parties involved may differ in the long run and in the short run. In the short run, market conditions may result in producers or dealers absorbing all or part of the tax. The long-run effects, however, are likely to be quite different.

To the extent that competition exists within markets and complete mobility of factors of production prevails, there is a tendency for consumers eventually to bear a substantial portion of the tax. But because the farmer serves the dual role of producer and consumer he can not escape the burden.

Since the tax is a fixed percentage, any increase in the rate will be accompanied by an increase in the tax. Freight rates have been increased 11 times since the end of the war, and on December 30, 1955, the railroads petitioned the Interstate Commerce Commission for an additional increase of approximately 7 percent.

As a result of these increases, the tax in cents per 100 pounds has risen substantially during this period. For example, on the movement of fresh meats from Kansas City, Kans., to New York City, N. Y., the rate increased from $1.21 per 100 pounds in 1946 to $2.35 in 1956—this year. This increased the tax from 3.6 cents to 7.0 cents.

The increase in the prices paid by consumers resulting from the transportation tax is often greater than the tax itself. The increase in price will exceed the amount of the tax to the extent that middlemen price goods at a fixed percentage above the cost.

To illustrate, assume that a retailer purchases goods valued at $5,000, including transportation costs of $800, exclusive of the tax. At a 25 percent markup on cost, the retailer's gross margin would equal $1,250 and the selling price would equal $6,250. However, when the transportation tax of $24—3 percent of $800—is added, total costs now equal $5,024.

Computing the markup on the basis of the larger cost increases the selling price to $6,280. This latter figure exceeds the former selling price plus the transportation tax by $6—an amount which represents a 25 percent markup on the transportation tax.

The oftener this process is repeated, the greater the effect of the tax. In complex trade channels made up of several middlemen, the result may be to increase prices substantially.

Another significant aspect of the effect of the tax results from the fact that changes in transportation charges tend to lag behind price changes. Thus, when the price of a commodity is declining, transportation charges make up an increasing proportion of the retail value. Since the transportation tax is a fixed percentage of the freight charges, it also increases in relation to the retail price.

EFFECTS UPON THE COMPETITIVE POSITIONS OF PRODUCERS AND SHIPPERS

A flat percentage increase in freight rates will affect adversely the competitive position of the long-distance shipper.

This principle has been recognized in many general rate increases through the use of "hold-downs" on a number of agricultural commodities, where maximum rate increases on selected agricultural commodities were limited to a specified amount in cents per 100 pounds. In some cases the effect of the "hold-downs" was to increase the rates from competing areas by the same amount, thus maintaining their relative positions within a given market.

In other cases, where the amount of the increase was less than the hold-down from one or both producing areas, the result was to increase the difference in rates to the disadvantage of the one farthest from the market. For example, the rates on shipments of celery to New York City are $2.38 per 100 pounds from Chula Vista, Calif., and 60 cents from Marion, N. Y., or a difference of $1.78. When the tax is added to the rates, the differential becomes $1.83.

Based upon a minimum carload of 20,000 pounds, the California producer would pay a tax of $14.28 per carload, while the New York producer pays a tax of only $3.60 per carload. Similar results would occur in a comparison of many other commodities. If protective services were included in the previous computations, the increase in the differential due to the tax would be even greater.

This widening differential in the freight rates paid by long-haul versus short-haul producers tends to discourage long-distance hauling, especially of lower-valued commodities, and stimulates production that is close to markets. The utilization of the most fertile lands is likely to be decreased.

The increase in transportation costs caused by the tax thus may reduce the degree of geographical division of labor and the volume of production. These conclusions also apply to articles farmers buy.

EFFECTS UPON CARRIERS

The principal effect of the tax upon carriers by rail, motor, water, and air has been to divert traffic to private transportation. In its 62d annual report, the Interstate Commerce Commission pointed out this problem by declaring:

> This method of taxation * * * adds to the difficulties of for-hire carriers in their competition with private transportation since the war, it appears reasonable to question whether continued use of for-hire carriers for tax-collecting purposes is justified.

Furthermore, since the tax tends to reduce long-haul transportation, carriers' revenues are affected adversely.

That is one of the reasons why I offered a bill in an effort to have the Congress do something about this very serious situation, which I think militates against the farmer, and about which I hope something will be done in due time by the Congress of the United States, and especially the Finance Committee.

EXEMPTION OF CERTAIN ADDITIONAL FOREIGN TRAVEL FROM TAX ON TRANSPORTATION OF PERSONS

The PRESIDING OFFICER (Mr. Payne in the chair). Is there further morning business? If there is no further business, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5265) to exempt certain additional foreign travel from the tax on the transportation of persons, which had been reported from the Committee on Finance with an amendment to strike out all after the enacting clause and insert:

That subsections (a) and (b) of section 4261 of the Internal Revenue Code of 1954 (relating to the tax on transportation of persons) are hereby amended to read as follows:

"(a) Amounts paid within the United States: There is hereby imposed upon the amount paid within the United States for taxable transportation of persons (as defined in section 4262) by rail, motor vehicle, water, or air a tax equal to 10 percent of the amount so paid.

"(b) Amounts paid outside the United States: There is hereby imposed upon the amount paid without the United States for taxable transportation of persons (as defined in section 4262) by rail, motor vehicle, water, or air, but only if such transportation begins and ends in the United States, a tax equal to 10 percent of the amount so paid."

Sec. 2. Section 4262 of the Internal Revenue Code of 1954 (relating to exemptions from the tax on transportation of persons) is hereby amended by striking out subsection (a) and by redesignating subsections (b), (c), (d), (e), and (f) as subsections (a), (b), (c), (d), and (e), respectively. Such action, as so amended, is hereby renumbered as section 4263.

Sec. 3. Part I of subchapter C of chapter 33 of the Internal Revenue Code of 1954 is hereby amended by inserting after section 4261 the following new section:

"Sec. 4262. Definition of taxable transportation of persons.

"For purposes of this part—

"(1) General rule: The term 'taxable transportation of persons' means transportation that begins in the United States or at any point in Canada or Mexico not more than 225 miles from the continental United States and ends in the United States or at any point in Canada or Mexico not more than 225 miles from the continental United States.

"(2) Transportation outside the northern portion of the Western Hemisphere: The term 'taxable transportation of persons' does not include transportation any part of which is outside the northern portion of the Western Hemisphere (the area lying west of the 30th meridian west of Greenwich, east of the International Date Line, and north of the equator, not including any country of South America)."

Sec. 4. (a) Part I of subchapter C of chapter 33 of the Internal Revenue Code of 1954 is hereby amended by adding at the end thereof a new section as follows:

"Sec. 4264. Special rules.

"(a) Payments made outside the United States for prepaid orders: If the payment upon which tax is imposed by section 4261 (b) is made for a prepaid order, exchange order, or similar order, the person furnishing the initial transportation pursuant to such order shall collect the amount of the tax.

"(b) Tax deducted upon refunds: Every person who refunds any amount with respect to a ticket or order which was purchased without payment of the tax imposed by section 4261, shall deduct from the amount refundable, to the extent available, any tax due under such section as a result of the use of a portion of the transportation purchased in connection with such ticket or order, and shall report to the Secretary or his delegate the amount of any such tax remaining uncollected.

"(c) Payment of tax: Where any tax imposed by section 4261 is not paid at the time payment for transportation is made, then, under regulations prescribed by the Secretary or his delegate—

"(1) such tax shall be paid by the person paying for the transportation or by the person using the transportation;

"(2) such tax shall be paid within such time as the Secretary or his delegate shall prescribe by regulations after whichever of the following first occurs:

"(A) the rights to the transportation expire; or

"(B) the time when the transportation becomes taxable transportation; and

"(3) payment of such tax shall be made to the person to whom the payment for transportation was made or to the Secretary or his delegate.

This subsection shall not apply in the case of any tax collected in the manner provided in subsection (a) or subsection (b) (to the extent any tax due is collected)."

"(d) Application of tax: The tax imposed by section 4261 (a) shall apply to any amount paid within the United States for transportation of persons unless the taxpayer establishes, pursuant to regulations prescribed by the Secretary or his delegate, at the time of payment for the transportation, that the transportation is not taxable transportation of persons (as defined in section 4262).

"(e) Round trips: For purposes of this part, a round trip shall be considered to consist of transportation from the point of departure to the destination and separate transportation from such destination to the point of departure."

(b) Section 4261 (d) of the Internal Revenue Code of 1954 (relating to payment of tax imposed on transportation of persons) is hereby amended by adding at the end thereof the following: "except as provided in section 4264."

(c) The first sentence of section 4291 of the Internal Revenue Code of 1954 (relating to cases where persons receiving payment must collect tax) is hereby amended to read as follows: "Every person receiving any payment for facilities or services on which a tax is imposed upon the payor thereof under this chapter shall collect the amount of the tax from the person making such payment, except as provided in section 4264 (a)."

Sec. 5. Subchapter B of chapter 68 of the Internal Revenue Code of 1954 (relating to assessable penalties) is hereby amended by adding at the end thereof a new section as follows:

"Sec. 6676. Failure to pay tax on transportation of persons.

"In addition to any criminal penalty provided by law, if any person liable for payment of tax imposed by section 4261 (relating to tax on transportation of persons) fails to pay such tax within the period prescribed, unless it is shown that failure to pay is due to reasonable cause, such person shall be liable to a penalty in an amount equal to whichever of the following is greater:

"(1) Two times the amount of tax due; or

"(2) $10."

Sec. 6. (a) The table of sections of part I of subchapter C of chapter 33 of the Internal Revenue Code of 1954 is hereby amended by striking out

"Sec. 4262. Exemptions."

and inserting in lieu thereof

"Sec. 4262. Definition of taxable transportation of persons.

"Sec. 4263. Exemptions.

"Sec. 4264. Special rules."

(b) The table of sections of subchapter B of chapter 68 of the Internal Revenue Code of 1954 is hereby amended by adding at the end thereof

"Sec. 6676. Failure to pay tax on transportation of persons."

Sec. 7. The amendments made by this act shall apply to amounts paid on or after the first day of the first month which begins more than 60 days after the date of the enactment of this act for transportation commencing on or after such first day.

Mr. SMATHERS obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. SMATHERS. I yield for that purpose.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. Mansfield in the chair). Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, I should like to make a brief explanation of the bill which now is under consideration.

The bill seeks to eliminate a discrimination in our tax laws, which originated when the Congress in 1946 passed a bill removing the 10 percent travel tax from all travel originating in the United States and ending in Europe, Asia, or South America. In other words, it provided that one who travels from New York to

London can travel without paying the 10 percent transportation tax. However, we happened to ignore at that time—probably by oversight, rather than by design—the fact that there still existed a 10 percent transportation tax on travel, for example, from New York to Mexico City, or from New York to Canada, or from New York to Cuba, or from New York to any of the Central American countries.

So, Mr. President, today a rather unusual situation exists, in that the Federal Government does not apply the transportation tax to the travel of one whose trip originates in the United States and takes him to Europe, Asia, or South America—which is considered to include all the countries below the Panama Canal. On the other hand, the 10 percent travel tax on tickets purchased in the United States applies to a trip taken by one whose journey originates in the United States and takes him to Canada, Mexico, any of the Caribbean countries, or to Alaska or Hawaii.

So the purpose of the bill is to eliminate that particular discrimination. It has been estimated that the bill, if enacted, will cost the Treasury approximately $20 million. However, because of the discrimination which exists in the present law, the Treasury Department approved of the elimination of this discrimination. The bill also has the tacit approval of the State Department. It is the belief of those agencies of the Government and others favoring this legislation that the discrimination against our best friends and customers such as Canada, Mexico, Cuba, Dominican Republic should be removed.

The sole purpose of this measure, which has been unanimously reported by the Finance Committee passed some time ago by the House of Representatives, is to eliminate this discrimination.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. MORSE. Mr. President, on behalf of myself, the Senator from Louisiana [Mr. Long], the Senator from California [Mr. Kuchel], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Murray], the Senator from Washington [Mr. Jackson], and my colleague from Oregon [Mr. Neuberger] I submit to the committee amendment, the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The Legislative Clerk. In the committee amendment on page 6, in line 4, it is proposed to redesignate paragraph (2) ("Transportation outside the northern portion of the Western Hemisphere") paragraph (3), and to insert at the end of paragraph (1) on page 6, at line 4, the following:

"(2) Transportation to or from Alaska or Hawaii: The term 'taxable transportation of persons' does not include that portion of transportation to or from the Territory of Alaska or the Territory of Hawaii which—

"(A) is outside the United States,

"(B) is not transportation between ports or stations within the continental United States or that portion of Canada or Mexico within 225 miles of the continental United States, and

"(C) is not transportation between ports or stations within the Territory of Alaska or the Territory of Hawaii."

Mr. MORSE. Mr. President, I shall be very brief in discussing my amendment to the committee amendment. In fact, I ask unanimous consent to have inserted at this point in the Record, as a part of my remarks, a statement on my amendment submitted by the Senator from Montana [Mr. Murray], the chairman of the Senate Committee on Interior and Insular Affairs, and also a memorandum statement which I have prepared on this subject.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement by Senator Murray in Support of Senator Morse's Amendment To Restore Alaska and Hawaii to H. R. 5625

As chairman of the Senate Committee on Interior and Insular Affairs, which has general responsibility for legislation affecting the Territories of the United States, I strongly concur in the amendment proposed by the distinguished senior Senator from Oregon, Mr. Morse, to restore Alaska and Hawaii to the offshore areas exempted from the Federal transportation tax by H. R. 5265.

I may state that Puerto Rico and the Virgin Islands, which continue to be exempted under the bill as amended by the Senate Finance Committee, are just as much a part of our committee's responsibility as are Alaska and Hawaii. I know I can speak for a majority of the committee when I say that we heartily approve the exemption of Puerto Rico and the Virgin Islands. The exemption will serve to further tourist travel and commerce, and thus contribute substantially to the economy of these areas.

But Hawaii and Alaska also merit, and need, the economic benefits that exemption from transportation tax will bring. I personally visited Hawaii during the recess to study at first hand some of the legislative problems before our committee respecting the Territory. Of my own knowledge, I know that the tourist trade is the second largest industry of Hawaii. Only agriculture exceeds it in importance as the foundation of the economy of the approximately half-million American citizens who comprize the population of the Hawaiian Islands. Tourist facilities there are being greatly expanded, both by new capital from the Mainland and by local enterprise, and the tourist business is entering a period of very vigorous competition there.

H. R. 5265 as reported is discriminatory against Hawaii and Alaska. Both are as dependent upon trade and travel with the mainland, at this point in their economic development, as are Puerto Rico and the Virgin Islands. All four of these offshore Territories of the United States should be treated equally in this respect.

I urge the adoption of the amendment.

Memorandum Statement by Senator Morse

As passed by the House of Representatives on July 30, 1955, H. R. 5265 contained a section providing for a partial exemption from the transportation tax for travel between the mainland of the United States and the Territories of Alaska and Hawaii.

The Senate Finance Committee in reporting this bill on February 24, 1956, removed this partial exemption. The attached amendment has only one purpose and that is to restore this partial exemption to the bill. The reasons supporting this amendment can be summarized as follows:

1. The partial exemption for travel to the Territories was added to the original version of the bill by the House Ways and Means Committee, and approved by the House of Representatives, as a means of lessening to some extent the handicap which the Territories suffer because of their distance from the mainland of the United States. Both Territories are completely dependent on commerce with the United States, which requires a substantial volume of business travel between the Territories and the mainland. In addition, the partial exemption provided in the House bill would stimulate tourist travel to the Territories, and revenue from this source is important to both Territories, particularly so in the case of Hawaii.

2. The fact that the Territories may some day become States is no argument against this partial exemption. Their becoming States will not change their geographical location, and the transportation tax handicap resulting therefrom. The effect of the exemption would simply be that, for transportation tax purposes, both Territories would be moved in space so that their boundaries become contiguous with the United States.

3. Both the House and Senate Finance Committee bills remove the tax from travel to Puerto Rico and the Virgin Islands. It would be inequitable not to give at least a partial exemption to Alaska and Hawaii.

4. The partial exemption for travel to the Territories is needed to correct a tax evasion practice which the present law encourages. For example, if a passenger travels from Seattle to Honolulu, he must pay tax on the entire trip. If, however, he crosses the border into Canada and buys his ticket in Vancouver for travel from Vancouver to Honolulu, the entire trip is tax free. This evasion practice diverts traffic from American-flag carriers to foreign-flag carriers.

Mr. MORSE. Mr. President, suffice it to say, by way of argument, that my amendment seeks to eliminate the inequity and injustice which would be inflicted upon Alaska and Hawaii if the bill were enacted in its present form.

As passed by the House of Representatives on July 30, 1955, House bill 5265 contained a section providing for a partial exemption from the transportation tax for travel between the mainland of the United States and the Territories of Alaska and Hawaii. The Senate Finance Committee, in reporting the bill on February 24, 1956, removed this partial exemption. The only purpose of my amendment is to restore to the bill this partial exemption.

If the exemption were not restored, the result would be an unwarranted inequity against Hawaii and Alaska and a discrimination in favor of Puerto Rico and the Virgin Islands. I am in favor of the exemption insofar as Puerto Rico and the Virgin Islands are concerned, but I also take the position that it is only fair to provide the same exemption for Alaska and Hawaii. In this connection, I think I need to read only one paragraph from my statement in order to make clear the essence of my argument:

> The partial exemption for travel to the Territories is needed to correct a tax-evasion practice which the present law encourages. For example, if a passenger travels from

> Seattle to Honolulu, he must pay the tax on the entire trip. If, however, he crosses the border into Canada and buys his ticket in Vancouver, for travel from Vancouver to Honolulu, the entire trip is tax free. This evasion practice diverts traffic from American-flag carriers to foreign-flag carriers.

So, Mr. President, at present we are encouraging such tax evasion.

Mr. President, I wish to make clear that the amendment to the committee amendment covers only the part of the trip from the mainland of the United States to Alaska or to Hawaii; it does not cover, for example, the part of the trip from New York to San Francisco or from New York to Seattle or to Portland. The amendment covers only the travel from the American port where the trip begins—for example, from one of the ports on the West coast—to either the Territory of Alaska or to the Territory of Hawaii.

So I submit the amendment to the committee amendment, with a plea that my friend the Senator from Florida [Mr. Smathers] extend me the favor of taking the amendment to conference. I know his position on this matter. I also know him to be a very cooperative legislator. I think the merits of my amendment to the committee amendment are so clear that it should be taken to conference.

Mr. LONG. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. LONG. I am sure the Senator from Oregon will agree that if we had discriminated against Puerto Rico and the Virgin Islands in the same fashion that this bill, without the amendment of the Senator from Oregon, would discriminate against Alaska and Hawaii, it would be absolutely impossible for Puerto Rico and the Virgin Islands to have any tourist traffic.

Mr. MORSE. That is correct.

Mr. LONG. Inasmuch as the bill will do justice to our friends, Canada, Mexico, and the Central American countries, we only seek to have the same treatment accorded to Hawaii and Alaska.

Mr. MORSE. That is correct.

Mr. President, I wish to thank the distinguished Senator from Louisiana for the support he has given to this matter in the committee, as well as for the support he is giving it at this time.

Mr. KUCHEL rose.

Mr. MORSE. Let me inquire whether my friend, the Senator from California, desires to interrogate me about this matter.

Mr. KUCHEL. No; I am merely waiting to make a brief statement about it.

Mr. MORSE. Very well. Then let me ask whether the Senator from Florida wishes to ask questions of me at this time, or whether he prefers to wait to hear from the Senator from California.

Mr. SMATHERS. I should like to be persuaded.

Mr. KUCHEL. Mr. President, this bill is a worthwhile and desirable measure designed to end unintended discrimination and burdens and to promote the very significant travel business. However, it falls far short of remedying all present injustices imposed in the 10 percent tax on transporttion, and has the extra curse of perpetuating a vicious deterrent to trade and travel between the United States mainland and our Pacific Territories.

I am wholeheartedly in favor of the amendment offered by the Senator from Oregon, which I am cosponsoring, because it is indefensible to me to treat Hawaii and Alaska under a different formula than the one which applies to American possessions in the Atlantic. Americans in one segment of the hemisphere are entitled to the identical consideration that we give to those in a second segment.

The thought of continuing to collect 10 percent of the cost of tickets for travel to Hawaii and Alaska is exceedingly repugnant, because of the refusal of Congress to extend the thoroughly earned right of statehood to the Territories. By insisting that vacationers and businessmen pay this tax for trips to and from those Territories, we compound the offense of according the people of Hawaii and Alaska only second-class citizenship.

It makes no more sense to say that travelers to and from Puerto Rico and the Virgin Islands are entitled to tax-free transportation, while persons going between the mainland and these Pacific Territories must pay the tax, than it would be to pay an outright subsidy to foreign-flag steamships which serve the routes between west coast ports and Hawaii and Alaska.

In fact, by imposing this tax on Pacific travel, we are encouraging tourist and business trade to use Canadian ports and diverting patronage from Los Angeles, San Francisco, and Seattle.

While it is true that these Territories belong to the United States, they still—because we deny them the statehood for which they have demonstrated convincing fitness—are not truly of the United States. At the same time, they are almost entirely dependent upon the United States, and their welfare is inextricably wrapped up in trade with, and travel to and from, the mainland. Their growth and prosperity are vital to the United States, yet this tax puts us in the position of placing obstacles in their way while showing deep concern about trade and travel between the United States and a foreign nation such as Cuba.

If there is need at all for this bill, there is overwhelming reason why it should be passed in the form in which it originated and went through the House of Representatives, extending the same relief to Hawaii and Alaska as it gives to noncontiguous American possession in the eastern half of the hemisphere.

Mr. President, it seems to me it is crystal clear that there is manifest justice in the amendment which is being proposed, and I very much hope the Senate will adopt it, and that it will become a part of the law.

Mr. SMATHERS. Mr. President, the position of the Finance Committee when this particular subject was discussed was essentially that we would be creating a bad policy by adopting an amendment such as that suggested by the very able Senator from Oregon. His proposal is based on the theory that when one travels over water or over land outside the continental limits of the United States, that portion of the trip should be tax free.

A person may travel in an airplane from New York City to Miami, Fla., by direct flight, three-fourths of which trip would be over the water, and outside the continental limits of the United States. Would not that bring up the question as to whether that particular three-fourths of the trip should be tax free?

When a person travels from Tampa, Fla., to New Orleans, La., a great portion of that trip—in fact, practically all of it—is over international waters and is not travel over the United States.

We believe that while this amendment might be limited so as to apply only with respect to the Territory of Alaska and the Territory of Hawaii, it might contravene the due process and uniformity provisions of the Constitution inasmuch as both the Territories are deemed to be a part of the United States. In effect we would be discriminating against the other 48 States of the Union in any case in which they might be reached by going outside the continental limits of the United States.

For example, a person might get on a boat in Miami and travel through the Panama Canal to the home State of the able minority leader [Mr. Knowland]. All of such travel would be travel outside the continental limits of the United States. Do we propose to establish a precedent in this particular case which will enable steamship companies to say, in a given case, "We think this particular trip should not be taxed," and to cite as their authority the precedent which we established here?

Mr. LONG. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. LONG. Under the terms of the proposed legislation—and I am in support of the bill, and also of the amendment—it would be possible, if I correctly understand the measure, for a person to buy a ticket in New York City and fly to Mexico City, let us say, without any portion of that trip being taxed. Is that not true?

Mr. SMATHERS. That is correct.

Mr. LONG. Under the terms of the amendment we are proposing, Hawaii, being in competition with Acapulco, Mexico, would be affected by the tax covering that part of the United States over which the plane flew. Only about 40 percent of the trip would be exempt. So we are not asking nearly as much for Hawaii and Alaska as is being asked for Mexico, Cuba, and other countries.

Mr. SMATHERS. Economically speaking, the Senator from Louisiana is eminently correct, as is the Senator from Oregon and the Senator from California.

But are we not establishing a principle here? The Senator from Louisiana is a strong advocate of statehood for Hawaii and Alaska. One of the arguments he uses is that they are incorporated Territories, and that they are being treated in many respects as States.

What would happen with respect to the Senator's own State of Louisiana if it were desired to create a little more travel between Florida and Louisiana? Most of the trip would be over the waters beyond the continental limits of the

United States. Will it be said that that particular portion of the trip should not be subject to tax because we have eliminated, by this amendment, the tax on travel from San Francisco to Hawaii?

Mr. LONG. So far as I am concerned, I should like to repeal the entire transportation tax. But if we are to tax transportation within the United States, and exclude transportation outside the United States, it seems to me that the Territories of Hawaii and Alaska, in seeking American tourist trade, have the same problem as almost any foreign nation in trying to attract the American tourist dollar. Therefore, I feel that they should have the same consideration.

Mr. KNOWLAND. Mr. President, I hope the proposed legislation will be enacted, and that the amendment which has been proposed by the Senator from Oregon [Mr. Morse] on behalf of himself, the Senator from Louisiana [Mr. Long], the Senator from California [Mr. Kuchel], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Murray], the Senator from Washington [Mr. Jackson], and the junior Senator from Oregon [Mr. Neuberger] will be accepted by the Senator in charge of the bill and taken to conference. I hope it may be retained in the bill in conference.

This amendment would, in effect, place the proposed legislation in the situation in which it was when it passed the House of Representatives.

The question of establishing a precedent has been raised. I think the legislative history is perfectly clear. This is not a subterfuge whereby someone leaving Florida and flying to New York would be exempted merely because a part of the flight might be over international waters. I think the legislative history is clear, to the effect that such is not the intent; nor would it be countenanced. Nor would a flight from San Francisco to Seattle, if it passed over international waters, be exempted. It is not the legislative intent that that be done.

However, in view of the fact that certain of our good neighbors in the Caribbean area are exempted, it is perfectly logical, in view of the prior exemptions made with respect to travel to Europe, and our action with respect to our possessions of Puerto Rico and the Virgin Islands, that equal consideration be given to Hawaii and Alaska. Otherwise there would be a discrimination against the Territories of Hawaii and Alaska.

I believe that no unusual precedent would be established in this regard. The fact remains that neither Alaska nor Hawaii is a State of the Union today. I wish I could be sure that statehood legislation would be enacted at this session of Congress. I am not that optimistic at the present time. However, I hope consideration may be given to statehood legislation at an early date. But by the time these two great Territories become States—as I think they are destined to become in the not too distant future—I hope we can eliminate the entire transportation tax. Actually, it is an undue penalty imposed particularly upon people in the far reaches of our country. In normal times I believe that it places an unnecessary burden upon them. I hope that by the time Alaska and Hawaii become States in the Union we shall have abolished the transportation tax upon travel between Florida and California or between New York and Seattle.

Mr. MORSE. Mr. President, I merely wish to buttress what the Senator from California has stated, so that we may pin down the legislative history, so that there will be no doubt about the legislative intent. It is certainly not our intention to set up any such precedent as the Senator from Florida has suggested. Rather, it is our intention to provide that the bill shall deal only with trips from the mainland of the United States to Alaska and Hawaii, and from Hawaii and Alaska to the mainland of the United States. That is the purpose and intent, and I believe it is clear in the language. I do not believe there is a necessity for any modifying language. With that statement, I am ready to submit the amendment to a vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse] and other Senators to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. DANIEL. Mr. President, I send to the desk an amendment to the committee amendment, and ask that it be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The Legislative Clerk. On page 5, line 24, of the committee amendment, it is proposed to strike out "225" and insert in lieu thereof "100"; and on page 6, line 2, to strike out "225" and insert in lieu thereof "100."

Mr. DANIEL. Mr. President, the amendment would merely change the distance provisions in the bill from 225 miles to 100 miles. I am offering the amendment on behalf of myself and the distinguished senior Senator from Texas [Mr. Johnson]. We have heard from constituents along the Mexican border who feel that the bill should be applicable to travel between the border and Monterey, Mex. Several cities along the Mexican border would come within the provisions of the bill if it were amended to change the distance from 225 miles to 100 miles.

Mr. President, I hope the distinguished Senator from Florida will at least agree to take the provision to conference, so that it may be given due consideration.

Mr. SMATHERS. Mr. President, I may say to the distinguished junior Senator from Texas that we discussed this point for quite some time in committee. The senior Senator from Texas was interested in it, and the proposal was thoroughly debated before the Committee on Finance. It was determined, after much discussion, that we had to have a 225-mile buffer zone. If we did not have it, we were afraid we would encourage too many people to avoid the payment of the 10 percent transportation tax. For example, if trips to any point in Mexico were tax free, a person going from Washington to Los Angeles could buy a ticket to Tijuana, Mexico. If the entire ticket was tax free, he would have saved money by purchasing the ticket all the way to Tijuana although he never intended to go farther than Los Angeles. The distance of 225 miles, rather than some other distance, was fixed to establish a sufficient distance in Canada or Mexico that it would not commonly be possible for a person to purchase a ticket to a foreign destination at a lower price than he could purchase one to an American city that was his actual destination. We were afraid that we would be opening up a Pandora's box of trouble if we cut down the zone to less than 225 miles. It was the considered judgment of the committee that we could not very well do it without getting into all kinds of difficulty.

Therefore, it is with deep regret that I must say to my very good friend, the able and distinguished junior Senator from Texas, that on behalf of the Committee on Finance we just cannot take the amendment to conference. I hope the Senate will reject it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. Payne in the chair) laid before the Senate a message from the President of the United States submitting the nomination of James W. Barco, of Virginia, to be a Deputy Representative in the Security Council of the United Nations, which was referred to the Committee on Foreign Relations.

MAINTENANCE OF A PERMANENT DOMESTIC TIN-SMELTING INDUSTRY IN THE UNITED STATES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following message from the President ofthe United States, which, with the accompanying document, was referred to the Committee on Banking and Currency:

To the Congress of the United States:

Pursuant to the provisions of Senate Concurrent Resolution 26 of April 21, 1955, I transmit herewith for the information of the Congress a report entitled "A Study on the Feasibility of Maintaining a Permanent Domestic Tin-Smelting Industry in the United States."

The study was made for me by the Office of Defense Mobilization with the assistance of a special interagency group comprised of representatives of the Departments of State, Treasury, Defense, Interior, and Commerce, the General Services Administration, and the United States Tariff Commission.

I concur with the conclusions of the study and I am also in accord with the recommendation contained in the attached memorandum from the Director of the Office of Defense Mobilization.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *March 29, 1956.*

THE PORTSMOUTH STORY

Mr. BENDER. Mr. President, recently in Portsmouth, Ohio, a unique celebration was held by labor, capital, and the community, celebrating an event which has come to be called in Ohio the Portsmouth story.

In Portsmouth great progress has been achieved through the cooperation of management, labor, and the community. As a matter of fact, the celebration is very unique, since the industries concerned and the labor organizations and the community have been operating on a wholesome basis, and the entire citizenry turns out for the celebration. That fine relationship has existed there over a long period of time.

There is one phase of the development, however, which is very unfortunate indeed. Transportation facilities are greatly lacking in the area, particularly air service. Portsmouth is identified with the neighboring atomic-energy plant and with the vast development of the Detroit Steel Co., and many other developments.

I hope the application for air service, principally for the benefit of the atomic-energy installation and the demands of the steel industry, will be considered very seriously, so that the air facilities will be made available.

I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Looking to the future," published in the Portsmouth Times of February 29, 1956; an article entitled "Detroit Steel To Offer Scholarships in Labor Relations," published in the Portsmouth Times; an editorial entitled "Mutual Understanding," published in the magazine Steel of March 12, 1956; an article entitled "The Portsmouth Story," by James B. Pugh; an address entitled "The Portsmouth Story," delivered by Kenneth A. Dunbar; the text of the address by the Honorable James P. Mitchell, Secretary of Labor, delivered on February 29, 1956; and an address delivered on the same day by Mr. George Reese, assistant director of organizations, AFL-CIO. The addresses were delivered on the occasion of the community celebration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Portsmouth Times of February 29, 1956]

LOOKING TO THE FUTURE

Tonight's labor-management recognition banquet could go a long way toward establishing Portsmouth in the minds of citizens elsewhere as a 100-percent community.

The Portsmouth area has about every tangible asset needed to attract others to it. It has utilities, transportation, water, good government, good schools, good churches, a good athletic plant, and all the other facilities a community needs. It has friendly people and a cordial welcome for newcomers, as many of them have found out over the years.

Now, tonight, it is making community recognition of another asset which just about fills the kit of things Portsmouth has to offer—fine labor-management relationship.

That asset began to develop some years ago. It got a big boost from the splendid experience of construction workers and contractors who are nearing completion of the mammoth Portsmouth area atomic-energy plant.

At the same time, Detroit Steel Corp. and its employees have developed a fine esprit de corps and achieved a marvelous success in continuing steel production while a major rebuilding and expansion program was in process, without either's interfering with the other. The Selby Shoe Co. is finding harmony under a 5-year contract with its employees. And there are other notable evidences of a spirit of cooperation among labor and management and the community.

Portsmouth is honored signally in having here today and tonight the United States Secretary of Labor, James P. Mitchell, as its main banquet speaker. And there are a host of other notables here from labor and management and government, all at the invitation of the sponsoring Jaycees and chamber of commerce.

The visiting dignitaries will have an opportunity to hear the Portsmouth Story—the story of how a community has achieved community success through the teamwork of its various segments. And Portsmouth people themselves are glad to hear—and to tell—that story.

It is through such a great community effort as this that Portsmouth can continue to progress, and continue to provide the atmosphere for continued growth of its established industry as well as for the new growth everyone feels sure is bound to come.

Labor and management leaders well should be proud of their achievement. Tonight's recognition affair should serve as a challenge for the future and a demonstration of progress that can be made when everyone cooperates toward the common goal of orderly development and growth for Portsmouth.

[From the Portsmouth Times]

THANKS TO COMMUNITY—DETROIT STEEL TO OFFER SCHOLARSHIPS IN LABOR RELATIONS

In appreciation of its acceptance in the community, Detroit Steel Corp., Portsmouth Division, announced Wednesday afternoon a $4,000 scholarship in labor relations.

As far as local officials knew, it was the first scholarship ever offered by an industry in that field.

Besides granting the scholarship winner $1,000 each year for 4 years, the steel company also will grant the chosen college $500 a year for each year the student attends the school.

Max J. Zivian, president of DSC, announced the scholarship as the community honored industry and labor.

The 4-year scholarship, to be made annually "to the boy or girl desirous of pursuing a college course in the field of labor relations, is the company's action in appreciation for the tribute which Portsmouth has paid to both labor and industry in this community," Mr. Zivian said.

Recipients will be entitled to $1,000 each year for the 4 years of his or her college career.

"It is our intent that the scholarship shall be a gift to a well-deserving community," Mr. Zivian said. "We are asking that a group of community leaders, including school officials, determine the recipients of these annual gifts.

"It is our desire to continue the improved relationships which have come to exist here between labor and industry. We believe sincerely that real progress is being made wherein the triumvirate—community, labor, and local industry—is being best served, each with its own responsibilities toward the other two.

"For this reason we also will invite our labor union to be represented on the selection committee."

The boy or girl to receive the scholarship each year is to be chosen on the basis of character, scholarship, interest, and aptitude, Mr. Zivian said. To be eligible, an applicant must be a high school graduate residing in Scioto County, or the son or daughter of a present, retired, or deceased employee of Detroit Steel's Portsmouth Division—in which case the residential requirement does not apply.

Each scholarship recipient will be free to attend any accredited college or university offering a recognized degree in labor relations. One scholarship is to be granted annually, renewable for each year required for a baccalaureate degree.

The recipient must maintain a creditable scholarship record and remain in good standing as judged by his university officials.

The $1,000 scholarship may be used for tuition, books, board, room, or any other legitimate college expense. The accompanying grant of $500 to the college selected by the student is to be paid directly to the college for each year the student attends.

The first scholarship is to become effective in the fall of 1956. As planned, there will be four scholarships in effect, beginning in the fall of 1959 and thereafter, subject to the company's continued approval of the program, Mr. Zivian said.

As an additional aid to scholarship recipients, the company has agreed to provide summer employment for those desiring it.

To insure a well-rounded work experience for the student, Mr. Zivian expressed the hope that the student would elect to alternate his work between the union and the company during summer vacations.

"No recipient, however, will be in any way obligated to become employed by the company during summers or after graduation," he emphasized.

[From magazine Steel of March 12, 1956]

MUTUAL UNDERSTANDING

One of the most unusual demonstrations of the growing desire on the part of management and labor to understand each other's problems occurred a few days ago in the Ohio River city of Portsmouth, Ohio. The entire community took time out for a recognition day to pay tribute to both sides for their efforts in achieving mutual understanding.

Portsmouth had good reason to celebrate. The city was about to become a ghost city when World War II ended. Except for a shoe factory and a few smaller plants, its people were largely dependent for their livelihood on a steel plant that was about to be abandoned. The city's labor record made it unattractive to new enterprise.

Financier Cyrus Eaton came to the rescue by acquiring the steel plant in June 1946, and initiating a modernization program. In January 1950 Portsmouth Steel was consolidated with Detroit Steel Corp. By the end of 1957, $90 million will have been expended on modernization and expansion. Already, jobs have been made for 4,200 workers.

At the outset, Detroit Steel's management decided on a policy of dealing frankly with its employees and the community. It initiated a program of supervisory training and management development. It encouraged management personnel to participate actively in community affairs (its blast furnace superintendent is Portsmouth's mayor). Speakers were provided for clubs and societies, and plant tours were set up for community groups. Educational material about the company was made available to schools. A 4-year college scholarship in labor relations was set up for Portsmouth high-school graduates.

The program for industrial harmony fostered by industry, labor, and the community has paid off in many ways. For example: The Atomic Energy Commission picked a site near Portsmouth for its gaseous diffusion plant. Labor agreements concluded in advance made it possible to complete this $1 billion plant (it employs 2,700) ahead of time and at savings of millions of dollars.

There is nothing especially unusual about the methods used in Portsmouth. What is unusual is the determined effort to make them work through better mutual understanding.

THE PORTSMOUTH STORY

(By James B. Pugh)

May I speak for the joint committee of the Portsmouth Jaycees and the Portsmouth Chamber of Commerce when I express our extreme pleasure in welcoming you all to participate in tonight's meeting so that not only our Portsmouth citizens, but our guests and the Nation can hear the Portsmouth story.

Tonight is the culmination of the dream of every industrial community, namely, that its labor, its management, and its citizens live harmoniously together in mutual understanding and respect, that each facet of our community life recognizes and accepts its responsibility to the whole and becomes thereby committed to continue the same progressive cooperation and peaceful effort which has proved both successful and satisfying.

The first chapters of the Portsmouth story were written several years ago after earlier misunderstandings between labor and management resulted in strife and periodic unemployment.

Over the years the sincere application of faith and commonsense to problems and disparities by both labor and management have resulted in substantially improved relations accounting for the present enviable peace and understanding which now exist. We acclaim and recognize tonight the leaders of both labor and management who have so diligently and ably applied themselves to the task. The production and expansion of our mills and factories reflect the cooperative attitude which has been engendered by high-quality leadership of all parties concerned.

Another chapter of the Portsmouth story was begun in August 1952. In that exciting and important year for us in southern Ohio, the AEC chose the Pike County site on which to build the giant plant we have now come to accept as one of our local industries. Those early uncertain days were filled with speculation, and no little apprehension; first, as to whether the neighboring site would be chosen and then, after the choice was a fact, as to just what to do next.

When the first wild flurry of excitement subsided our dreams for new industry became the reality of thousands of men and machines melting somehow into amazingly efficient forces to accomplish the gigantic construction task which, being now practically completed, we accept, perhaps too casually.

The giant which we call the A-plant, initiated by one of the largest single contracts known to history, now stands as a monument to industry and to labor and to the cooperative effort of both who have performed the Herculean task in record time.

The priority of this atomic energy project, at its inception, demanded a vastly different approach than had any similar project to that time, to the end that both parties to the complex labor-management problem reached a unique, an extraordinary and a fair and sensible agreement and high policy level under which the job was operated. Result—completion ahead of schedule, the saving of millions of man-hours and millions of dollars, the latter of which, in the final analysis, must come from your pocket or mine. And, yes, a most valuable byproduct was revealed in the doing—mutual confidence and pride which grew apace during the progress of the job. To say "Well done" is not sufficiently commendatory. Such cooperative spirit and practical applications, completely aside from the end results, have become a shining example which justifies not only local pride, but national recognition.

I have told you nothing new. Most of you here tonight know the Portsmouth story as well, or perhaps better than I, and it applies not only to the atomic plant but to all our local industries. I am certain most of us also are cognizant of the great strides forward which local labor and management have taken in recent years. We see and feel and are alert to such improvement, but one most important question remains—are prospective businesses and industries aware of improved conditions in this area? All too many times, we must admit, have prospective industries remembered only the old news stories and have quietly turned the page on the Portsmouth area. This fact constitutes another prime reason for this meeting, the unwritten chapter, if you please. We want the Nation to know, not only of the natural resources which lie in the Ohio Valley, but also that our people can supply the know-how, the skills and the leadership to satisfy the most demanding requirement. We can now prove that the entire community is determined to move forward to greater heights.

Our intention in telling the Portsmouth story is to banish once and for all the ghosts of yesterday and to mark a day of dedication by you and me, management and labor, the teacher, the janitor, the banker, the millwright, the stenographer, and the plumber, that by the same and continuing sincere and cooperative effort, we can go forward in the knowledge that each is helping the other and that the mutuality of benefit is recognized by all. We think the Portsmouth story is new and different and unique and that our story, multiplied many times, will prove to be the commonsense American way to build a happy, progressive and prosperous community.

Now, since you have been kind enough to listen so attentively to these brief foregoing remarks, we come to the really important phases of our program. I am sure you will be indulgent in consideration of the problems we have encountered in planning for the many guests and dignitaries who honor us by their presence. We haven't had much opportunity to practice protocol. We are embarrassed that time does not permit us to ask for remarks from all of our guests. It has been necessary, as a matter of fact, to request brevity by reason of our well-filled speaker and guest tables. I use "well filled" figuratively and I hope, literally. To cover with dispatch the Portsmouth story we have planned the next best thing, as you have already noted in your program, namely, to have one representative speak for a particular group; otherwise, it would have been necessary to have the Second Presbyterian women prepare ham and eggs for breakfast in the early morning hours. You are also aware that it is necessary to meet a close time-schedule so that the main address can be carried live by the ABC radio network to some 400 affiliated stations across the Nation. We therefore ask your kind indulgence.

THE PORTSMOUTH STORY

(By Kenneth A. Dunbar)

It is indeed a privilege to take part in the Portsmouth story being sponsored jointly by the junior chamber of commerce and the Portsmouth Chamber of Commerce. To me, the Portsmouth story began to unfold about 4 years ago. It was about that tie that some very serious planning was being done toward a sizeable expansion of production facilities for the separation of the uranium isotope 235 from 238 by the gaseous diffusion method. This program was to include additional facilities at Oak Ridge, Tenn., and Paducah, Ky., and a new plant, the location of which was yet to be decided. It was estimated at that time that the program would cost roughly $2 billion and that the plant at the new location would represent about half of the total cost. The new location ultimately became the Portsmouth area and it is of this plant which I will now confine my remarks.

As you may well imagine, there were many problems to be solved and much work to be done before product could finally be taken from the plant. For discussion purposes, we can group the problems as follows:

1. Design;
2. Selection of site ;
3. Obtaining of power;
4. Construction; and
5. Operation of the plant.

The design criteria and fundamental scoping was done by the Carbide Nuclear Corp. who were at that time and still are operating the plants at Oak Ridge and Paducah. The detailed engineering was done by eight firms, including Giffels & Vallet, of Detroit; Sargent & Lundy, of Chicago; and A. M. Kinney, of Cincinnati. There were roughly 14,000 drawings made by these eight firms.

The criteria for the site included several very important requirements such as—

1. An area of 6 to 10 square miles not subject to flooding and with suitable soil on which to build.

2. An area in which sufficient crafts and labor could be assembled to meet the needs of construction and operation, and in which reasonable stability could be expected.

3. An abundant water supply (40 million gallons per day).

4. An area in which there existed cities and towns of sufficient size to provide some and absorb reasonably well the remainder of the manpower requirements.

5. An area in which cheap electric power could be produced and, during the time that new generation was being constructed, could provide sufficient power and energy to meet our needs.

6. A location where adequate rail facilities existed and where highways were adequate at least until improvements could be made.

In addition, there is another factor which is very important and that is the support of the community. A successful venture needs community support. Your civic leaders assured this support before the selection was made and it thus became a plus factor in the decision to locate here.

The problem of obtaining power was solved by an agreement with the Ohio Valley Electric Corp. for the supply of both interim and permanent power. This corporation is made up of 15 utility companies located within this general area. In order to provide our permanent requirements of nearly 2 million kilowatts, OVEC constructed two steam generating plants, one near Gallipolis, Ohio, and the other near Madison, Ind.

In order to get the plant built, we considered all of the construction firms in the United States that we thought were capable of handling the job and finally selected the Peter Kiewit Sons Co., of Omaha, Nebr. An exhaustive search for qualified specialty subcontractors finally culminated in the selection of the Reynolds-Newberry joint venture for the electrical work, Grinnell Corp. for the piping, and George Koch Sons, Inc., for the sheet-metal work.

The fifth of the problems mentioned was the selection of a firm to operate the plant. In order to do this, many firms whose business was such as to qualify them, were contacted and invited to submit proposals. A careful study of these proposals finally led us to the conclusion that the Goodyear Tire & Rubber Co. offered us the best organization with which to successfully operate the plant. Thus the Goodyear Atomic Corp. was formed by the Goodyear Tire & Rubber Co. for the purpose of operating the plant for the Atomic Energy Commission.

Due to the strict limitation of time, I have really boiled the problem down. We are, however, far enough along in the Portsmouth story to check some of the theoretical answers with actual ones, and I am happy to report that the calculations were good. Our contractors have lived up to expectation. Our plant construction has progressed through a peak employment of slightly over 20,000 construction workers to a force of about 500. Our original time schedule was met and slightly bettered. Our actual cost is considerably below the original estimate. Interim power has been supplied in needed quantities and the two generating plants are substantially complete. The segments of plant which Goodyear have operated to date have performed as expected. They were able to recruit and train an adequate number of people for the job. Their employment of roughly 2,700 people appears to be sufficient. We have found the State and local communities to have been most cooperative. The impact was taken in an admirable fashion. There was exhibited throughout the job a sincere effort on the part of labor and management to mutually resolve their differences and progress together toward a common goal. This teamwork played an important role in meeting schedules at reasonable costs. Both labor and management have reason to be proud. And certainly your community can be proud, not only of the fine labor-management record which has been established, but also of the fine manner in which you received newcomers and the hospitality shown during their stay. It is sincerely hoped that the plant has filled a need for employment in this area and that more fields have been opened for those young people who are now choosing a profession or are seeking an occupation. It is also hoped that other industry will find an analysis of the Portsmouth area to their liking and you all will be rewarded with their locating here. May the Portsmouth story continue to be good reading.

SPEECH OF THE HONORABLE JAMES P. MITCHELL, SECRETARY OF LABOR, FEBRUARY 29, 1956

We are gathered here tonight to tell and to celebrate the Portsmouth story. I think too, tonight, we have another thing to celebrate, at least I have. I can't begin to talk tonight, without sharing with the millions of American citizens and the millions of people throughout the world, the joy and the gratitude we all feel that the President of the United States, President Eisenhower, has decided to continue in office for another 4 years.

The purpose of this meeting is to celebrate and to attest to a stirring story of labor-management cooperation, that I think is one of the signal stories in the country today. I had the opportunity, today, to meet with representatives of labor, with representatives of management, and to visit several of the plants in this area. And I want to tell you, as I talked to labor and talked to management and met with the men and the women who man your offices and your plants and your mills and your factories and your hearths, that you have in this area a labor-management cooperation that should be the envy of most communities of America. And I think that business can well be proud and labor can well be proud of the spirit that was evident to me in all my visits and trampings today through the mills and factories. It seems to me that what I saw represented one of the most precious business assets that any community can have, and that is an asset of people working harmoniously together in a common cause. I think we have come to the stage in this country, when we realize that between labor and management there is a mutuality of interest—that they are both dedicated to the same common cause which is the preservation of the free-enterprise system.

Surely, labor realizes today, as Mr. Reese has so well said, that its members are trade union, it is true, but that its members are also citizens of the community. And management realizes today that it has a responsibility to its employees and a responsibility to the community in which it lives. Labor realizes that there are no jobs unless management exists. And management realizes that it cannot produce a product or make a profit without the workers who work in their plants. Labor realizes that management's position competitively is a vital force which must be recognized by labor. And management realizes that labor is entitled to and must get a fair share of the products of its labor. It seems to me that this concept of mutuality of interest that is so well expressed in this community is something that we in the United States, every community in the United States, can well envy.

When you realize that in Portsmouth, Ohio, and in many other communities throughout the land, the old philosophy of squeeze labor; the old philosophy of hate the boss; has disappeared; we find them both going down the same road toward the preservation and improvement and increase of the products they are both making. When you see this in Portsmouth, Ohio, you wonder why it shouldn't be true in every community throughout the land. It is true in many and it has grown stronger each day.

As I travel about this country, I have seen the mutual respect and regard of management for labor and labor for management grow. There has begun in this country, at the grassroots level, a recognition of one for the other. There has begun in this country, a recognition that the free-enterprise system, which we here in America regard so preciously, is the foundation on which our prosperity is built. In Portsmouth, Ohio, I think we have an evidence, an evidence here tonight, what can be done, when labor and management see alike, in terms of their mutuality of interest. Certainly, this does not mean, and I'm sure labor and management would not want it to mean that these things can be accomplished without difficulties. Certainly, we are going to have disagreements, as between management and labor, as to how each one shares the product they both produce. Certainly, we are going to have in the free-enterprise system, industrial dispute. We are going to have strikes in the free-enterprise system, but I think as this mutual regard and understanding grows, we will have a greater era of industrial peace, fewer strikes than we have had in the past.

In talking to the people today in the shops and in the plants, I could not help but think that here in this area you have a skilled labor force in the building trades, in the plants; a skilled labor force that is devoted to the job at hand. A skilled labor force that in the main, owns their own homes. A skilled labor force that is an integral part of the community in which they live and that asset to business is an invaluable asset, as I'm sure business recognizes. And I hope that communities throughout the country might take a leaf out of the book of Portsmouth, Ohio, and pay homage and recognition to the industrial peace which exists in many communities in this country. In this respect, I think Portsmouth, Ohio, has led the way, and I am sure many other communities, with the assistance of labor and of management may see fit to do as Portsmouth has done and to take recognition of harmonious labor relations which I have called business' most precious asset.

You know, in this free-enterprise system of ours, Government has a very little part to play. The level of prosperity which is being enjoyed today; the low level of unemployment; the high wages; the stability of the cost of living; the high standard of living; is due largely, in my opinion, to the fact that the Government policy has been to unleash the ingenuity and resourcefulness of management and of labor at the local level and permit it to flower, and as a result of that unleashing, you have all over this country, greater investment in plants, greater investment in equipment, all of which provide jobs. You have a greater investment in things that make life better living in terms of automobiles, refrigerators, television sets, and all the things that increase our standards of living.

I am sure that the announcement tonight of an additional $20 million to be invested by the Detroit Steel Corp. in Portsmouth, is evidence enough that given confidence in the future; business, management, using your money and my money will invest to the limit in the future of any community in which it has confidence. And the evidence of the Detroit Steel Corp. today, I think is real evidence of its confidence in the labor of this community, and for that expression of confidence I congratulate both the community and organized labor groups within this community which have made this investment possible.

As I walked through the plants today, several thoughts occurred to me, as to problems of the future. As you know, President Eisenhower, the other day, released over $1 billion of nuclear energy power for civilian use to the world. That means, I believe, that we of the future, in labor and in management, are going to be presented with problems that we have never confronted before. Right now, in the plants that I visited today, there was evidence of those problems arising. One of them is: What do you do about the skills that are going to be required in the future, and that are required, even now, in some occupations. Mr. Reese, representative of the AFL-CIO of Washington, mentioned the basic interest of that great organization in schools and I would like to take a moment to develop what good schools mean in terms of future business, because it seems to me that unless we look ahead to see what skills are required to do the jobs that must be done in the next 10 years, and unless we take a look ahead to see what training is required to develop those skills, we may find ourselves unable to produce the things that our people can use and need. Certainly, as jobs become more complex; as jobs become more mechanized; as jobs are created as a result of improved technological methods; it means in my mind, that the people who are to be trained in those jobs have to have a basic education that many of our children in the past have

not received and that many of our children currently are not receiving. So it seems to me that the community, labor, and management have a very selfish interest, in terms of the future, in the real development of the necessary schooling for all of our children.

As I walked through the plants today, I saw other problems. This problem of skill; the higher the skill, the more difficult it is to get a man to do it, and it seems to me that if we are going to meet the skill requirements of the future, we have got to develop, we have got to develop every single American to the highest potential of which he or she is capable in terms of skill. It seems to me that we cannot any longer tolerate in America the waste of manpower that we have tolerated for so many years. For example, from just good, hard, business commonsense, we can no longer tolerate the waste of the manpower of 6 million Negroes. If we are to meet the Communist threat, we can meet it not in numbers of workers, because we are outnumbered many times. We can only meet it in terms of the skill; the individual skill of every single, last American man and woman. And if we are to develop that skill, or permit that skill to be developed, in terms of skilled mechanics, in terms of technicians, in terms of scientists, in terms of engineers, then we must begin right in the communities to build our schools and make them adequate to do the job, so that industry in turn can build on that basic education in the training of people.

I saw another problem today as I went through the plants. In one plant I was impressed by the fact that I met people with 30 years of service, with 35 years, with 44 years of service. Men doing an actual tough skilled job in the various shops. We have got to learn in this country ways and means of further improving our methods and our techniques in the use and employment of older workers. We have been discriminating as a matter of personnel policy too long against older people in jobs.

These are some of the problems that I saw as I went through the plants, and I would like to leave this thought with you. If we value the society in which we live, if we value the things like homes, work, church, then we must necessarily support with all our hearts this wonderful thing we call, for the want of a better name, the free-enterprise system; because I believe that in so doing, like Lincoln said, "We can nobly save or meanly lose the last best hope on earth."

Thank you very much.

ADDRESS BY GEORGE REESE, ASSISTANT DIRECTOR OF ORGANIZATIONS, AFL–CIO, AT LABOR-MANAGEMENT RECOGNITION BANQUET, PORTSMOUTH, OHIO, FEBRUARY 29, 1956

The city of Portsmouth and the workers therein are synonymous. The largest group of citizens of this city are the wage earners and the progress of Portsmouth is therefore intimately bound up with the advancement in the welfare of those who depend upon wages for their livelihood. The purpose of the AFL–CIO is to improve the standard of living of all workers and insure freedom and justice for all.

To make the community a better place to live, has been a foremost purpose of the AFL–CIO since its inception. Abraham Lincoln once said: "The strongest bond of human sympathy outside the family relation should be one uniting all working people." Our concern as a labor organization has not been confined to the welfare of labor alone. From the outset, we have proposed and supported programs and policies designed to raise the general standard of living, to provide for better community services.

As our President, George Meany, said in 1952: "No officer or member can place the welfare of his union or the welfare of his members ahead of the welfare of the country as a whole." Organized labor is taking its place as a responsible partner in those industries and services which serve the Nation's needs. It is accepted politically and socially as a constructive group in the community. This is the result of organized effort—not chance. It is our obligation to hand equal opportunities on to future generations and such added progress as we are able to achieve.

The major share of responsibility for the development of public schools in this country belongs to organized labor. In the days when schooling was available only to the children of the well-to-do, unions fought for free public schools so that children of wage earners could have equal educational opportunities. It was the trade-union movement also that conducted the successful campaign for free textbooks.

Enactment of child labor laws and of compulsory school attendance laws secured by organized labor took the children of wage earners out of factories and mines and enabled them to get the necessary schooling.

When we fight for better schools for the children of our members, we are helping to provide better schools for every family and a better break for every child. When we seek the elimination of slums and the promotion of better housing, we are not just advancing some special interest of trade-union members—we are helping to make the community at large a better and a more wholesome place in which to live and raise a family. When we undertake to advance the cause of democracy in local, State and National affairs, and to secure a type of representation that will respond to the pressing needs of the many rather than the selfish demands of a few, we are not working for labor government but for good government, in the best American tradition.

For the trade-union movement is native to the soil. It springs from the natural aspirations of the men and women who comprise the solid base of every substantial community. Power, in the AFL–CIO does not flow from the top down, or from some remote centralized authority. It wells from the bottom up, through the efforts, energies, and devotion of millions of individual members, working through their local organizations. Those local organizations, serving workers at firsthand in their shops and hometowns, are the fountain heads from which all of the strength and vigor of organized labor at large are drawn.

The whole can be no greater than its component parts, and the chain no stronger than each of its links. Only to the extent that labor succeeds in fulfilling its proper role in the life of the local community can it hope to grow and endure as a force in the life of the Nation. Thus, the progress of the trade unionists of this area—so well exemplified by this occasion—in source of encouragement and renewed confidence for all of us within the whole family of the AFL-CIO.

Just as the origins of trade unionism stemmed from the efforts of individuals to make a better life for themselves in their own native surroundings, its end results must be measured by the extent of labor's contribution to the improvement of local conditions. Everything that we are able to accomplish through every channel and at every level of activity is ultimately reflected in the status of our members in their own hometowns and neighborhoods. Labor's gains are of value only to the extent that they find their final expression in a better and a more abundant life, a more wholesome environment, and a more fruitful range of opportunities for the working men and women in their own community.

Every element of the community has a stake in those gains, for labor does not, and cannot, serve itself alone, in isolation from the welfare of the rest of society. Our progress is shared by every group within and without the family of labor.

We need apologize to no person or group for the direction of our efforts for the methods we employ, or the results of those efforts. The trade union serves basic human needs, responds to basic human drives and aspirations, and is closely attuned to the practical requirements of the times and conditions in which we live. The trade union is far more than just another pressure group. It is, and will continue to be, an active movement forward, in the vanguard of progress, toward a better life for all.

Labor is a stable, permanent part of the community, casting its lot—for better or for worse—with the future of the community. The object of labor is to place its hands and skills in the services of local improvement, to enlarge the opportunities that exist for all individuals and groups within the home community, so as to make it a better and a richer place in which to work and live.

The AFL–CIO stands today in membership, vigor, and solidarity at the highest point of its development. This progress is reflected in the pay envelopes and in the standards of life, labor, and leisure enjoyed by the millions of trade unionists throughout the length and breadth of this land. Perhaps the greatest testimonial to the AFL–CIO today is that, regardless of the fact that we have many who oppose the trade-union movement in America, our membership each year grows and grows and stands today that no enemies of labor can long retard a movement such as ours, so deeply rooted in basic human needs and aspiration, and so responsive to the practical requirements of the time in which we live.

Our responsibilities and our interests extend around the world and reach into every community. Upon the quality of our performance in meeting those heavy responsibilities may well depend the future of democracy, the ideal of human progress, and the institution of freedom itself. These responsibilities begin in the local communities, the towns and cities of America, where our members must live, find education, housing, and medical care and make a place for themselves in society.

If we in the AFL–CIO neglect our role in the life of the community we can never hope to grow as a force in the life of the Nation or in the affairs of this world. There is no conflict between the trade-union movement and the community at large. Our members, after all, are the people from many different walks of life, and their interests are broadly representative of the basic interests of the people as a whole.

In analyzing our social problems and the responsibilities which we face today I am confident all will agree that in a society such as the one in which we live cooperation between individuals and groups, between labor and management, is absolutely essential. Here we are working together in a knowledge that by contributing to the good of all the individual gains most for himself. It seems that here in America we are blessed with the spirit and ability to work together better than anywhere in the world. Indeed history well demonstrates tragically that freedom and democracy cannot survive unless there is the universal desire to work together voluntarily in a common cause.

In asserting our cherished independence we must always be aware of, and responsive to the duty and responsibility of joining in worthy projects. Which in altogether too many lands are carried on, if at all, under the threat of the gun or the lash. If it be true that voluntary cooperative effort is the means of strengthening our social system and in finding a solution to our social problems, then indeed it follows that participation by all is imperative. All must share, labor, management, and other segments of our society. If this effort is to spell success, the social problems that we face must be faced with the responsibility to achieving a positive end in correcting them. For social problems are manmade. If social problems are manmade then they can also be unmade by man.

It is time we recognize that the things we call social problems are the makings or unmakings of man. We in the trade-labor movement have a long tradition particularly here in America that the impossible is merely a little more difficult than the rest to achieve.

The problems with which all of us are concerned are all interdependent one with the other. If we are working in the field of health we know that our progress ultimately comes up against the upper limits of education, and of housing and of general well being. If we are working in the field of education we know that we cannot leave untouched, housing and health, community organization, and material welfare. There is nothing separate to any of them and to touch one is to be involved in all.

Social workers today deserve a great deal of credit for their time and effort in trying to solve these problems. It is our duty in the AFL-CIO, and responsibility, to help them solve these problems to the best of our ability. For some unknown reason social workers in seeking help in solving a problem, look upon labor and management as not only too diverse but too perpetually antagonistic groups in the community. This is not so, actually both labor and management could point out many cooperative programs that they are carrying out for the benefit of their workers and also for the benefit of the community.

Enlightened management no longer seeks to carry out these programs alone but now seeks and welcomes the cooperation of their organized employees. As we broaden the base of interest we invite and inspire more good citizens to carry on the united campaign services.

Labor and management are recognizing more and more every day their great responsibilities to their communities. Management today recognizes the right that management has to make progress, but both labor and management have a right to make progress only when their progress is a part of the total progress of the whole community.

To those assembled here today, who are members of the AFL-CIO I would like to leave this message with you.

There are some who would call all of this participation in community welfare, good public relations. I prefer to call it good human relations. The challenge of the day is in building sound, honest, good human relations. It means to maintain and promote the living standards of the well and to raise those of the needy. It means to actively live up to, the second moral and religious commandment, the vital principle behind all voluntary agencies. "Thou shalt love thy neighbor as thyself."

DOMESTIC RELATIONS BRANCH, MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. Mansfield in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1289) to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes, which was to strike out all after the enacting clause and insert:

DOMESTIC RELATIONS BRANCH, MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Sec. 101. That there is hereby created in the municipal court for the District of Columbia, a domestic relations branch.

Sec. 102. Definitions: As used in this act—

(a) "Branch" and "Domestic Relations Branch" mean the Domestic Relations Branch of the Municipal Court for the District of Columbia created by this act;

(b) "Court" means the Municipal Court for the District of Columbia and the several judges thereof.

Sec. 103.(a) Additional judges: The first section of the act entitled "an act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes," approved October 25, 1949 (63 Stat. 887), is hereby amended by striking therefrom "thirteen" and inserting in lieu thereof "sixteen."

(b) The judges appointed to the additional positions authorized by the amendments set forth in subsection (a) of this section shall during their tenures of office serve as judges of the Domestic Relations Branch, but the chief judge of the court may, if he finds the work in the Domestic Relations Branch will not be adversely affected thereby assign any of said judges of the Domestic Relations Branch to perform the duties of any other judge of the court. The chief judge of the court shall also have the authority to assign any of the other judges of the court to serve temporarily in the Domestic Relations Branch if, in the opinion of the said chief judge, the work of the Domestic Relations Branch requires such assignment.

Sec. 104. The judges of the Domestic Relations Branch, with the approval of the chief judge of the court, shall have authority to appoint and remove a clerk and such other personnel as may be necessary for the operation of the branch.

Sec. 105. Jurisdiction of Domestic Relations Branch: The Domestic Relations Branch and each judge sitting therein shall have exclusive jurisdiction over all actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental to such actions for alimony, pendente lite and permanent, and for support and custody of minor children; applications for revocation of divorce from bed and board; civil actions to enforce support of minor children; civil actions to enforce support of wife; actions seeking custody of minor children; actions to declare marriages void; actions to declare marriages valid; actions for annulments of marriage; and proceedings in adoption.

Nothing in this act shall be construed to divest the United States District Court for the District of Columbia of jurisdiction and power to consider, and to enter and enforce judgments, orders, and decrees in any such action, application or proceeding filed in such court prior to the effective date of this section to the same extent as if this act had not been enacted.

Sec. 106. (a) Domestic Relations Branch vested with power to effectuate purposes of act: The Domestic Relations Branch is hereby vested with so much of the power as is now vested in the United States District Court for the District of Columbia, whether in law or in equity, as is necessary to effectuate the purposes of this act, including but not limited to, the power to issue restraining orders, injunctions, writs of habeas corpus, and ne exeat, and all other writs, orders, and decrees.

(b) The Domestic Relations Branch shall have the same power to enforce and execute judgments, orders, and decrees entered by it as is now vested in the United States District Court for the District of Columbia. Judgments of the branch shall have the same legal status as liens upon real estate as judgments of the United States District Court for the District of Columbia.

Sec. 107. (a) Amendments of statutes: Section 963 of the act approved March 3, 1901 (31 Stat. 1345, ch. 845), as amended by the act approved June 21, 1949 (63 Stat. 215, ch. 233; sec. 16-416, D. C. Code, 1951 edition), is amended by striking therefrom "United States District Court for the District of Columbia", and inserting in lieu thereof "Domestic Relations Branch of the Municipal Court for the District of Columbia."

(b) Subsection (a) of section 3, and section 13 of the act entitled "An act to prescribe and regulate the procedure for adoption in the District of Columbia", approved June 8, 1954 (68 Stat. 241), is amended by striking therefrom "United States District" and inserting in lieu thereof "Domestic Relations Branch of the Municipal."

(c) Section 6 of the act entitled "An act to regulate the placing of children in family homes, and for other purposes", approved April 22, 1944 (58 Stat. 194), as amended, is amended by striking "Office of the Clerk of the District Court of the United States for the District of Columbia" and by striking "Office of the Clerk of the United States District Court for the District of Columbia", and by inserting in lieu of each such phrase "Domestic Relations Branch of the Municipal Court for the District of Columbia."

Sec. 108. Docket: A separate docket shall be maintained for the Domestic Relations Branch. There shall be recorded in such docket the actions taken at each stage of each action and proceeding instituted or conducted in the Branch.

Sec. 109. Process: Service of process for the Domestic Relations Branch shall be made by the United States marshal for the District of Columbia or by any of his authorized assistants. Service of process for the Domestic Relations Branch may also be had by publication in the same manner as service of process is had by publication for the United States District Court for the District of Columbia.

Sec. 110. Rules: The judges of the Domestic Relations Branch, with the approval of the chief judge of the court, shall by rules prescribe the fees, charges, and costs and the forms of process, writs, pleadings, and motions, and the practice and procedure in actions and proceedings in the Domestic Relations Branch. Such rules shall neither abridge, enlarge, nor modify the substantive rights of any litigant. Except as otherwise specifically provided by such rules, the applicable Federal Rules of Civil Procedure shall govern in the Branch.

Sec. 111. Appeals: Any party aggrieved by any final or interlocutory order or judgment entered in the Domestic Relations Branch shall have the same right of appeal available in respect to any final or interlocutory order or judgment entered in the civil branch of the court.

Sec. 112. Sessions: The Domestic Relations Branch, with at least one judge in attendance, shall be open for the transaction of business every day of the year except Saturday afternoons, Sundays, and legal holidays, and, if deemed necessary, may also hold night sessions.

Sec. 113. Jurisdiction of Juvenile Court not affected: Nothing contained in this act shall be construed so as to affect or diminish the jurisdiction of the Juvenile Court of the District of Columbia, or any judge presiding therein.

Sec. 114. Appropriations authorized: Appropriations for expenses necessary for the operation of the Domestic Relations Branch, including personal services, are hereby authorized.

Sec. 115. Effective dates: This act, except sections 105, 106, and 107, shall take effect upon its approval. Sections 105, 106, and 107 shall take effect 30 days after the appointment and qualification of the 3 additional judges authorized by this act to be appointed to the court.

Mr. MORSE. Mr. President, I am pleased to report that this morning the Committee on the District of Columbia decided by unanimous vote to substitute the House bill for the Senate bill in connection with the so-called family court in the District of Columbia.

I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. SMATHERS. I understand that the senior Senator from Oregon desires to make a speech.

Mr. MORSE. Mr. President, I have a brief dissertation.

Mr. SMATHERS. I may say for the benefit of the Senate that the acting majority leader has been instructed to move that the Senate adjourn at the conclusion of the remarks of the Senator from Oregon.

RURAL REVOLT—ARTICLE PUBLISHED IN WALL STREET JOURNAL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the Record, as a part of my remarks, a very interesting article published in this morning's Wall Street Journal. The Wall Street Journal is not known as an anti-Republican paper. On the contrary, it is frequently referred to as the economic handbook of the Eisenhower administration. The article I have reference to is entitled "Rural Revolt—Liked Ike in 1952, but Plan Switch in 1956, Say Minnesota Farmers—President, not Benson, Gets Most Blame for Sliding Income, Rising Costs—Politics and the 20-cent Hogs."

The article stresses so many of the things which I have been stressing since the inauguration, when I started to place the responsibility exactly where it belonged, on the President of the United States, that I ask unanimous consent to have the article printed in the Record at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Rural Revolt—Liked Ike in 1952 but Plan Switch in 1956, Say Minnesota Farmers—President, Not Benson, Gets Most Blame for Sliding Income, Rising Costs—Politics and 20-Cent Hogs

(By Sterling E. Soderlind)

Blue Earth, Minn.—"This is a real farmers' rebellion against Ike, his hired man, Benson, and their farm program. You bet I'm voting Democratic this fall. I never knew I would hurt myself so much when I voted Republican in 1952."

Richard Quaday, a hog and corn farmer near this southern Minnesota town, thus explains his defection from Republican ranks. Shocker for the GOP: Interviews with farmers in this State show that 3 of every 5 who voted for Mr. Eisenhower in 1952 now plan to switch to the Democratic candidate in November.

The discontent of Mr. Quaday and other Minnesota farmers, which received its first political expression in the March 20 Minnesota presidential primary election, is of growing importance to both the Republican and Democratic Parties. Serious farm dissatisfaction could cost the GOP congressional seats and electoral votes in key Midwest States in November.

POLITICIAN, PUNDIT VIEWS

Politicians and pundits began arguing the meaning of the Minnesota election results even before the polls closed. Republican leaders generally attributed Senator Estes Kefauver's resounding victory over Adlai Stevenson as a slap at alleged dictation and bossism of the Democratic-Farmer-Labor Party and its leaders, Gov. Orville Freeman and Senator Hubert Humphrey.

Democrats like Senator Kefauver and Mr. Stevenson noted that the total Democratic vote was more than double the GOP vote, indicating, they said, an agrarian revolt and a smashing repudiation of the present administration. The Stevenson forces also laid their defeat to thousands of Kefauver Republicans, who, according to their theory, invaded the Democratic primary to stop Stevenson and embarrass D. F. L. leaders.

Both parties are now at work checking these theories and what they portend for November. Shortly after President Eisenhower said he thought the Minnesota election should be studied to see what it means, the Republican National Committee assigned three staff members to help the State party organization analyze the vote.

DISSATISFACTION DEEP

Wall Street Journal interviews with Minnesota voters this week indicate that Republican analysts will find little to be happy about in rural Minnesota. The interviews, with nearly four score farmers, show their dissatisfaction is deep, bearing out the Democrat's theory of agrarian revolt.

"I switched over from Ike to the Democrats last October when I got as low as $9.45 a hundred for 250 hogs I marketed," said Francis O'Neil, who farms 240 acres southwest of Blue Earth. "I've taken a personal beating under the Republicans. As far as I'm concerned they have a mighty tough row to hoe from now on."

Farmer Quaday says he waited 3 years "for Ike to make good his farm promises made right here at Kasson, Minn., in 1952. But nothing is getting better and I have eight kids to support. In 1950 I could have sold out, a house in town and be sitting pretty. Now I couldn't even pay my debts if I sold the works."

SQUARELY ON IKE

While Secretary Benson takes much of the criticism for lower farm income, many farmers place the blame for their personal predicament squarely on the President. Says an Ortonville farmer as he unloads his hogs at the South St. Paul stockyards: "I don't know what folks got against Mr. Benson. I wished I had a hired man that good. He does everything the boss tells him to." The farmer, who liked Ike in 1952, crossed over to Kefauver in the primary and will vote Democratic this fall.

Wallace Manthei, who helps his mother run a diversified farm in Kittson County in the extreme northwest corner of Minnesota, says he will change his vote in November "because Benson seems to think that those of us who have trouble in farming should seek employment elsewhere." Mr. Manthei says he doesn't expect the Democrats "will have all the answers either, but at least it will be a change."

The seriousness of farm discontent in Minnesota was measured in a statewide survey by the Minneapolis Tribune's Minnesota poll taken in mid-March, but published after the election. In trial heat pairings, Minnesota farmers favored Senator Kefauver over President Eisenhower by 52 percent to 45 percent. In cities Ike led, 56 percent to 40 percent. If they were voting today, the poll showed Ike running ahead of Stevenson, 49 percent to 43 percent among farmers, and 56 percent to 40 percent in cities.

FARMERS UNION VIEW

Edwin Christianson, president of left-leaning Minnesota Farmers Union, which has 35,000 members, termed the results a decisive repudiation of sliding scale farm policies. He noted that the combined vote of the 2 candidates favoring firm, adequate farm programs vastly exceeded the combined vote of the 2 sliding-scale candidates. (The Democrats polled 422,000 to the Republicans 195,000 in incomplete returns. Individual tallies were Kefauver, 239,000; Stevenson, 183,000; Eisenhower, 192,000; Knowland, 3,000.)

Many Republicans argue that the lower GOP vote in the Minnesota primary, in comparison with the Democratic total, is easily explained by the fact that, since Senator Knowland pulled out of the race, there was no Republican contest and little incentive for voting. Says Leonard Hall, Republican national chairman: "Republicans weren't in the Minnesota primary; we were on the sidewalk watching."

But talks with farmers over the back fence, in the feedstore, and along the streets of Minnesota's rural communities leave little doubt that, despite such factors, the farm revolt is real.

And another, more surprising fact emerges from these interviews. Until now it was theorized that although some farmers might express discontent by switching their votes from Republican to Democratic Congressmen this fall and by griping about Secretary Benson, their devotion to Ike remained strong. Actually, almost the opposite seems to be the case.

STAND WITH CONGRESSMEN

Minnesota farmers who plan to switch parties this fall in the presidential election show little inclination at this early date to express their dissatisfaction by voting against the three farm area Republican Congressmen. This is explained by the fact that the Minnesota congressional delegation, with the exception of one Minneapolis representative, is nearly as outspoken against the administration's farm program as their Democratic colleagues.

Not all of President Eisenhower's 1952 farm supporters have soured on him, of course. The President enjoys much good will among Minnesota farmers for ending the Korean war and bringing peace to the country.

"I'd rather be getting half prices and peace instead of full prices and war," remarks Ernest Frank, as he hefts a box of groceries into a truck to return to his farm near Madison Lake. "I was for Ike in 1952, and he'll get my vote again in November."

When asked what it would take to keep them in the Republican ranks this fall, most farmers who plan to switch parties come up with variations on this theme: "We have to have higher prices for what we sell and lower prices on what we buy." Alfred Labf, Blue Earth County farmer, says hogs would have to climb from the present 13 or 14 cents a pound to 20 cents before he would go for Ike again. Farmer Quaday says he won't vote Republican again no matter what happens. "It doesn't pay to have a short memory," he adds.

WHY FARMERS PREFER ESTES

Although Stevenson forces believe the Tennessean beat out Adlai on the Minnesota farm front because he outpromised their candidate, most farmers interviewed gave other reasons as to why they preferred Senator KEFAUVER.

Comments run along these lines: "KEFAUVER is just more of a farmers' man"; "I can't see going for a loser like Stevenson," and "Me and my friends feel KEFAUVER is more sincere on this farm issue."

Few farmers seemed to think that Senator KEFAUVER's advocacy of 100 percent of parity for low-income farmers gave him any special edge over Mr. Stevenson.

A Mankato farm implement dealer said the fine distinction between the two Democrats' farm policies amounted to the feeling they left in their farmer audiences. "To most of our farmers, Stevenson seemed to be rigid on flexibles while KEFAUVER was flexible on flexibles."

Undoubtedly, many Minnesota Republicans didn't vote in the primary. Yet the GOP total of 195,000 compared not too unfavorably with the total of 290,000 in 1952, considering that there was a Republican contest that year between supporters of Mr. Eisenhower and favorite son Harold Stassen. Ike's vote was a writein, but his backers were in a contest with Stassen supporters, especially in the final days before the election.

REPUBLICAN CROSSOVERS

Some Republican city dwellers freely admit that they took advantage of the primary law which allows voters to cross over into the opposition's primary. Since most of these city crossovers may return to their party in the general election, they are not regarded as posing a serious problem for the Republican Party such as that presented by farmers who have changed allegiance because of an issue.

"Sure I switched over," explains Eli Momsen, a salesman for a St. Paul gold refining firm. "I could name 20 others who did, too. No good Republican would pass up a chance to put FREEMAN and HUMPHREY in their place. Of course I'm for Ike."

"I crossed over just for fun," explains Frank W. Wilkens, a Twin Cities insurance agent. "Stevenson was too glib and I welcomed a chance to vote against him. Of course, I'm no KEFAUVER lover, either."

But such harassing-action crossovers by some urban Republicans can in no way hide the fact that a great share of the switching done in Minnesota was done by farmers and stemmed from deep dissatisfaction with the GOP. Not one farmer was found who had switched his vote just for the harassing effect.

One Blue Earth farmer summed up the general feeling: "I think Mr. Eisenhower needs a rest and I believe we folks around here are going to give it to him."

Mr. MORSE. Mr. President, I also have in my hand another very interesting political announcement of the day which I think is worthy of a comment or two. It is a news item from Bismarck, N. Dak., which reads as follows:

> North Dakota's Nonpartisan League broke a 40-year tradition today by voting to switch from the Republican to the Democratic column in filing its candidates in this year's elections.
>
> The action was taken on the 40th anniversary of the league's organization.
>
> A standing vote at the league's State endorsing convention here was about 150 to 7 in favor of the change.

I think that is a rather substantial majority. The article goes on to say:

> Some leaders of the Nonpartisan League have been trying for several years to effect the shift to the Democrats. Political sources here saw their success this year as a protest against the Eisenhower-Benson farm program.
>
> The league, although without legal status in North Dakota as a political party, has been a power in State politics since its inception in 1916. It claims strong backing from the Farmers Union, an organization which claims membership of more than 80 percent of the farm families in North Dakota.
>
> Today's action came as no surprise to State political observers. Nonpartisan League county conventions held recently voted heavily in favor of backing the switch.

Mr. President, I am waiting to find my very dear and close friend from North Dakota [Mr. LANGER], because I have always felt that sooner or later he would join with me, and I think that now the possibilities and probabilities are a little greater.

RECURRING BOXCAR SHORTAGES IN THE NORTHWEST

Mr. MORSE. Mr. President, I turn now, in a very serious vein, to a discussion of an economic issue of great concern to the people of my State, to the lumber industry, and to the small businesses of my State. I wish to speak for a few minutes about the boxcar shortage, Oregon's annual headache, and I wish to state for the record where I think the responsibility rests.

I desire to point out, Mr. President, that the No. 1 industry in my State is the lumber industry. It is very frequently said in economic circles, "As lumber goes, so goes employment in Oregon. As lumber goes, so goes the small-business man in Oregon. As lumber goes, so goes the economy of our State."

Mr. President, we have been plagued for many years with a boxcar shortage, and the responsibility for its rests, in my judgment, on two groups—the Interstate Commerce Commission and the railroads of the country.

A group of lumbermen from Oregon are in Washington today testifying before the Committee on Interstate and Foreign Commerce of the Senate, at a hearing which was arranged many weeks ago by the distinguished chairman of that committee, the Senator from Washington [Mr. MAGNUSON]. They will discuss not only the boxcar shortage, but an order known as ICC Order 910, recently promulgated by the Interstate Commerce Commission, about which I shall have a few things to say, and also discuss the bill which provides for laying a penalty on railroads that do not return cars to the true owners as rapidly as they should be returned, within the regulations of the Interstate Commerce Commission.

Mr. President, we just seem to wait each year for this emergency to arise. It usually comes along in July, August, and September, by way of a boxcar shortage, with resulting losses of millions of dollars to the economy of my State. We are being fed up with it, Mr. President. We think that the Congress has a responsibility to take some action in respect to the matter.

I had a few things to say about it before the committee this morning, and I want to make a record in regard to some of the same points in the Senate this afternoon, because I want to serve notice, as I did on the committee this morning, that I do not intend to stop this fight until the people and the shippers of my State get some protection and some help from the Interstate Commerce Commission. The Commission already has adequate authority, within the law as it is presently written, to prevent this fiasco by way of a boxcar shortage occurring every year. The Commission can no longer hide behind the alibi and rationalization that it is a seasonal problem, because it is fast becoming a problem of almost 12 months duration.

I wish to say, Mr. President, that in my opinion, the Interstate Commerce Commission has adequate authority under existing law to do a better job than it has done in connection with alleviating these boxcar shortages each year. The reason why it is not doing so—and I know the seriousness of the statement I make, but I am satisfied that it is true—is that they pay too much attention to the railroads and too little attention to the shipping needs of the people of this country.

I asked this morning for hearings on the part of the Interstate Commerce Committee so that we could bring forth a record and disclose what the Interstate Commerce Commission is up to.

I make the charge that if the Commission paid less attention to the railroads of this country and more attention to the shipping needs of the people, we would not be confronted with the boxcar shortages of such serious proportions that we have suffered for years past. I do not intend to let the Commission off the hook, because I have studied this matter sufficiently to be satisfied that the Commission must share a large proportion of the responsibility for the great losses suffered through the car shortages year after year. I shall bring out in the course of my remarks this afternoon, as I have before the committee this morning, certain aspects of the problem involving the Interstate Commerce Commission.

I serve notice on the Senate that I shall press for hearings on the matter before the Committee on Interstate and Foreign Commerce of the Senate, and as chairman of a subcommittee of the Select Committee on Small Business and as a member of the select committee, I intend to press the question, because we are dealing with inefficiency in administration by a Commission which is a child of the Congress, and we, the Congress, have some responsibility in the matter.

As I pointed out this morning, we should bring this child in and not only give it a spanking, but a horsewhipping, because of its inefficiency and maladministration and its failure over the years to do a better job in connection with boxcar shortages.

I am all fed up with the passing of the buck that we get each year from the Interstate Commerce Commission. They say they do not have enough personnel. That is always the excuse of any commission which is not doing a good job. The question is, What kind of a job are you doing with the personnel you have?

I submit, Mr. President, that the Interstate Commerce Commission is rendering very poor service in this matter. They recognize that if we wait long enough, time will ride out the storm each year. So when we are in the economic mess that goes along with the situation, the Commission keeps issuing press releases stating that the problem is seasonal, and that it is doing the best it can. They are trying to put Congress before the public as not having given them enough money to enable them to operate satisfactorily. We have to exercise some judgment in the Congress as to how much they should get.

In respect to certain phases of the Interstate Commerce Commission's budget, I think they do need more personnel, such as in the car policing section, about which I shall have something to say in a moment. But, Mr. President, I think we have a duty now to look into this matter, so far as the policies of the Interstate Commerce Commission are concerned, and see how they have been doing. When that shall be done, I am satisfied we will discover that a very poor record has been made.

Last summer, at the height of the boxcar shortage which confronted the Nation, I traveled extensively in my State, visiting lumber operator after lumber operator, and getting the story as to what the problem was. Lumber operator after lumber operator told me, what I have become satisfied is a fact and can be documented, that much of the cause of the boxcar shortage was the failure of the Interstate Commerce Commission to do an effective, efficient boxcar service policing job, for reasons which I shall point out shortly.

I am making my speech in the Senate today on the basis of a very careful investigation which my colleague, the junior Senator from Oregon [Mr. NEUBERGER], and I have already made of the problem. I do not intend to wait until July or August to do something about it. I serve notice today that I intend to drum the condition into the ears of my colleagues in the Senate week after week, from now until adjournment, in the hope that there will be no excuse on the part of any Senator that he does not have the facts about the matter.

From the standpoint of the interests of the vast numbers of small-business men, wherever there is a boxcar shortage, this is a problem about which Congress has the duty to do something. Therefore, on behalf of the rail shippers of Oregon, I am making this speech, and I shall present in it the views of some of the lumber operators and shippers in my State who have discussed the problem with me. It is a problem, seemingly, of endless freight-car shortages in our State, but I am satisfied it is subject to solution if Congress has the will and the determination to take the legislative and investigational steps which are necessary to bring about its solution.

The subject is not new to Oregon. Businessmen who are engaged in shipping by rail tell me that the problem of freight-car shortages, particularly in the lumber industry, has reached the half-century mark. This is an interesting milestone, but is one that should be removed promptly. In my opinion the Senate Committee on Interstate and Foreign Commerce under the able leadership of its chairman, the senior Senator from Washington [Mr. MAGNUSON], is performing a fine public service in its efforts to put an end to the nonstop endurance contest of freight-car shortages. I might add that this contest is one in which the railroads do the promoting and collect the gate receipts, the shippers engage in exhausting efforts, and the public, as spectators, finds little amusement.

For many years past I have worked with Government officials and with colleagues in the Senate to bring relief from these periodic shortages. Others have joined in this effort, but the problem has not been solved to a substantial degree. However, some progress has been made in that we have determined the root cause of the problem, namely, the lack of initiative and foresight on the part of American railroads in meeting shippers' needs and a failure on the part of the Interstate Commerce Commission to carry out its full duties and obligations under the law.

AMERICAN RAILROADS NEED AWAKENING

The sad fact is that the number of freight cars owned by our railroads is steadily decreasing.

This comes as a surprise to most persons, when they are first asked to look into the matter. Most persons who have not studied the facts, if they were asked the question, "Do you think the number of boxcars in the United States is increasing?" would say, "Yes, I think so." Why? Because they read newspaper items from time to time about the production of new boxcars. But the fact is that the number of boxcars in the tracks of America has not been increasing; it has been decreasing. Why? Because of some very selfish motivations within the railroad industry.

From recent figures compiled by the Association of American Railroads, I note that freight car ownership by the class I railroads decreased from 1,729,939 on March 1, 1955, to 1,696,259 on March 1, 1956. This trend has been in effect since the beginning of 1926 when the railroads owned a total of 2,347,275 freight cars. Of course, the freight car of today has greater capacity to move traffic than the car of years ago, but the railroads appear to have made little real effort to meet the expanding needs of the shippers. I have a strong suspicion, Mr. President, that the railroads are concentrating so intensively on the profit dollar that they fail to comprehend fully the car service needs of business and industry. Apparently, general freight rate increases, not more freight cars or better service to shippers, seem to appeal to the railroads as a means of bettering their situation. I doubt that any other form of business takes such an attitude. It is small wonder, therefore, that the railroads' proportion of the total intercity traffic is steadily decreasing. In 1939 the railroads carried 62.34 percent of such traffic—in 1954 only 49.5 percent. We can predict an even smaller proportion of traffic for the railroads in the future unless they change their attitude.

The foregoing facts become most disturbing when we recall that during recent years the class I railroads of this country have not suffered from financial malnutrition. Figures made available to me by the ICC reveal extremely favorable net railway operating income averaging about a billion dollars per year for American class I railways for the years 1950 to 1954, inclusive. This figure increased during 1955, when the class I railways earned $1,128,000,000 in net railway operating income.

Contrast the foregoing profit figures with those relating to capital expenditures for equipment. During the period of 1951 to 1954 inclusive, there was a steady and marked decline in capital expenditures for equipment on class I railroads. In 1951 equipment outlays were slightly over $1 billion. In 1954 they dropped to approximately one-half of that amount—$499 million.

The figures for new freight cars put into operation and freight cars retired on class I railroads between 1951 and 1955 inclusive, are also very revealing. They show a decided adverse trend insofar as interests of shippers are concerned.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a table showing the total number of freight cars installed and retired on class I railways, 1951–1955, inclusive.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total freight cars installed and retired, class I railways, 1951–55, inclusive

	Total freight cars installed	Total freight cars retired
1951	87,727	53,028
1952	67,420	62,240
1953	69,394	50,123
1954	30,562	71,858
1955	37,509	73,491
January-February 1956	9,276	7,362
Total	301,888	318,102

Mr. MORSE. Mr. President, the figures in this table are sufficiently discouraging in themselves, but they become appalling when we reflect that during the same period of 1951 to 1955, inclusive, the class I railroads had the benefit of rapid tax amortization on their freight-car program.

I digress to point out what the accelerated tax amortization program really is. It is an interest-free loan supplied the beneficiary by the taxpayers of America out of the Treasury of the United States. That is what it amounts to. What the seekers after accelerated tax amortization like to gloss over in their representations about it to the public is the little matter of interest. They simply think the average layman does not pay very much attention to the little item of interest. But we are dealing here with construction projects which involve many millions of dollars. A little difference in interest over the period of amortization amounts to many millions of dollars of savings to the beneficiary of this kind of giveaway.

I do not want to be misunderstood about this matter. I voted for the tax-amortization program for the building of boxcars, because I made a study of the situation at the time. For example, I, myself, went to Altoona, Pa., which is one of the centers of boxcar construction in the United States. I went there at the invitation of a civic group, which wanted me to see a distressed employment area, an area where thousands of people were out of work. In Altoona, I talked with small-business men, who pointed out that they were carrying on their cuffs, figuratively speaking, credit to the extent of thousands and thousands of dollars to relieve the economic needs of the consumers of Altoona, Pa., hoping that the sunny day would come when men would again pick up their dinner pails in the morning and go to work for a full day's employment.

I came back here to the Senate. I recall distinctly pointing out to the Senate the disastrous situation that existed not only in Altoona, Pa., but in a good many other places where there were pockets of great unemployment. So we voted for an accelerated tax-amortization program for the railroads of the country for the building of new boxcars. We had in mind the purpose not only of helping the unemployment problem at the time, but we also had in mind doing something about the annual boxcar shortage.

What did the railroads do? They built new cars, but they took off the tracks more cars than they built, cars which, I am satisfied the record will show, could be kept on the tracks with a little outlay of money for repair. What they have been doing is using a tax-free loan from the taxpayers of the country to improve their rolling stock, to get new cars at a low cost resulting therefrom, and they are junking some of their older, but still usable, cars. That means, in the long run, more profit dollars for the railroads.

Get it out of your head, Mr. President, if you think a boxcar shortage means economic trouble for the railroads. To use a figure of speech, it creates a "gravy train," and places it into the hands of the railroads, by the law of scarcity.

I said in committee this morning, and I am willing to say it on the floor of the Senate, that not only did I vote for the accelerated tax amortization program for the railroads, but I am willing to vote for another one, because the purpose of an accelerated tax amortization program is to meet an emergency need. Show me the emergency need, show me that in order to meet that need and to serve the public interest there is a need for an accelerated tax-amortization program, and I will vote for it.

My bill of complaint is not that we voted for an accelerated tax-amortization program for the railroads for boxcar construction, but that the Interstate Commerce Commission did not do a better job in carrying out its policing functions to stop the railroads from junking usable cars. Do not think the railroads would not listen to the Commission. The trouble is that the Interstate Commerce Commission is in the habit of listening too much to the railroads, rather than making the railroads listen to the Interstate Commerce Commission. If we could get the Commission to change in its attitude about that, we would have part of the answer to the annual boxcar shortage.

I said in committee this morning that I not only would vote for an accelerated tax-amortization program for the building of boxcars to increase the total number of boxcars on the tracks, but, as I said laughingly there, I would even run the risk of being called a creeping Socialist by saying that my devotion to the American free-enterprise system and my devotion to protecting the competitive free-enterprise system in America is such that I would have the Government come to the assistance of the small-business men and the shippers of the country if the railroads could show on the record—I do not think they could, but if they could—that it would be economically unjust to require them to keep on hand a surplus of boxcars to meet the boxcar shortage part of the year. I would go so far as to say I would have the Government participate in some form of subsidy to build their cars in order to stem them over the period of car shortage and have them available for the free-enterprise system of America, represented by the small-business men and the shippers of America.

In my opinion that is what the Government ought to do for the people, and I do not look upon it as at all socialistic, although I know my detractors will say, "Why MORSE proposes that the Government build boxcars." What I am proposing is that if we are to have the boxcars to meet the needs of the free-enterprise system, and the railroads will not build them, then it becomes the duty of the Government to come to the assistance of small-business men when they cannot get assistance any other way. There is nothing socialistic about that. That is carrying out the spirit of what Lincoln pleaded for, that it is the duty of the Government to do for the people what they cannot do for themselves, but what needs to be done for the general welfare of the people.

Mr. President, this situation is serious, not only in my own State, but as one travels in the grain States of the Middle West he is confronted with great losses each year as a result of the boxcar shortage. We have a national problem. The time has come when we ought to do something about the national problem, and this happens to be the national legislative body to do it.

Therefore, I shall continue to urge that we follow a sound policy, so far as our economy is concerned, and stop this penny-wise pound-foolish policy that has characterized our failure up to date to enact legislation which will help meet the boxcar shortage, and to issue instructions and, if necessary, orders to the Interstate Commerce Commission—by legislation if necessary—to require it to do a better job than it has been doing in this matter.

Mr. President, based upon information supplied by the Interstate Commerce Commission, we find that a total valuation of $2,320,908,334 in freight-car construction was under 85-percent accelerated tax amortization between 1951 and 1955, inclusive.

I ask unanimous consent to have the table of figures printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year:	*Freight car valuation under amortization*
Available from 1950 to be carried forward	$33, 862, 000
1951	636, 520, 800
1952	843, 320, 231
1953	428, 428, 484
1954	143, 098, 485
1955	235, 678, 334
Total	2, 320, 908, 334

Mr. MORSE. Mr. President, thus, the amortizable amount was $1,731,600,890, constituting, in effect, a tax-free loan from the Government. There is a serious doubt as to whether this rapid tax writeoff program should apply where it fails to produce an overall increase in the number of boxcars on American railroads.

I wish to stress that point. I am for the tax amortization program. I think the amortizable program is sound to meet an emergency need if—and I underscore the word "if"—by its use the railroads increase the total number of boxcars. That is the test. Now, if they are going to try to continue to play the game they have played up to now, of coming in and testifying about the great need for new boxcars, and then proceeding to take off the tracks usable cars which, with a little repair work could be kept in operation from 2 to 5 years—and that is what some of the experts have told me about this junking game of the railroads—then they ought to pay the full tax, and we ought to seek some other remedy for aiding farmers, shippers, and small-business men who need boxcars.

A mystery that practically defies the imagination is why the railroads, with this enormous rapid tax writeoff bonus, did not initiate a truly forward-looking car construction program. Their record of heel dragging is inexcusable.

The railroads have been described as the lifeline of our economy, particularly in times of emergency. Their importance to our whole economy and to national defense is tremendous. That is why I am deeply concerned over current indications that this vital industry is failing to keep pace with the transportation demands of the Nation.

RAILROAD FREIGHT CAR USE PRACTICES ADD TO THE CAR SHORTAGES IN THE WEST

The economic activities of the West, as compared with those of the heavily industrialized East, set the stage for boxcar shortages in the West.

The principal economic activities in the West, and those in the South, as well, are the production of bulky heavy-loading commodities, such as lumber, minerals, and grain. These by necessity must move in large volume to the areas of greatest consumption in eastern portion of the United States, where the bulk of the population and most of the Nation's industry are located. Obviously, in the West and in the South more carloads of freight are originated than terminated. The opposite is true in the East.

Thus, the preponderance of freight movement is eastbound, requiring movements of empty cars West and South.

Prompt return of these cars is highly important to the economic well-being of these areas. Once these cars are unloaded in the East, it seems that there is a tendency for the eastern railroads to avail themselves of the use of these cars for their own traffic, rather than to load them promptly with freight destined to the South and West, or to return them empty. Expressed in a word that often has been used in another connection, the Interstate Commerce Commission should be given authority to unleash freight cars, when necessary to relieve car shortages.

Failure to return freight cars promptly accentuates the car shortage in Oregon in the period each year when economic activity is at its height. The shortage is aggravated even more in the areas where a single railroad holds a monopoly, and knows that shippers must wait until the carriers choose to furnish boxcars.

The committee bill, S. 2770, is designed to correct this practice of the eastern railroads of delaying the return of freight cars to the West. The bill would grant to the Interstate Commerce Commission increased authority to deal with freight-car shortages. I favor the giving of such authority to the Interstate Commerce Commission; so I favor the passage of this bill, as it is now written, or with reasonable changes calculated to give the Commission authority to establish penalty per diem rates to promote "expeditious movement, distribution, interchange or return of freight cars," the additional charges to be paid to the owners by the carrier using such cars.

"Return of freight cars" is a phrase used in the bill that is of great practical importance to the State of Oregon and the rest of the Pacific Northwest. It is failure to return the cars owned by the railroads in the Northwest that accentuates the shortages of freight cars that occur periodically. The enactment of this proposed legislation is of the greatest importance to the areas where a monopoly of rail service exists. Some of those areas lie in Oregon.

RAILROAD-CAR SERVICE MONOPOLY—A GUARANTY OF FREIGHT-CAR SHORTATES

During the past summer and fall, as I have said, I traveled extensively in Oregon; and I can assure the committee that the subject of freight-car shortages was raised by scores of Oregon businessmen, especially those engaged in the lumber and plywood industries in the area south of Albany, Oreg., and west to the Pacific Ocean. Again and again these people, who have had firsthand experience, insisted that the Southern Pacific Railroad is discriminating against the State of Oregon in the distribution of freight cars, and that it has been favoring California shippers of lumber, to the disadvantage of Oregon shippers. They further contended that the freight-car shortage is most acute in the areas of the State where the Southern Pacific is the sole source of rail-freight transportation. In other words, they asserted that where competition exists among rail-freight carriers in Oregon, Washington, and California, boxcars are available in ample quantities for the lumber industry. But, where the Southern Pacific Co. enjoys a monopoly—as it does in so many Oregon communities—almost invariably lumber shippers can be sure of one thing: an insufficient quantity of boxcars.

Several months ago I talked to a group of about 15 lumbermen in Grants Pass, Oreg. They stated that the Southern Pacific Railroad apparently regards Grants Pass as a forgotten area. These businessmen said that for weeks they had been getting from 25 to 50 percent of the boxcars actually needed, and that this resulted in mill operations that often totaled less than 50 percent of capacity. They charged that the Interstate Commerce Commission failed to police properly a critical shortage of boxcars where a rail-freight carrier operates as a monopoly.

Mr. President, what does that situation mean? It means unemployment and men laid off from work, and it means that families are losing paychecks. So when we consider the boxcar problem, we are not dealing only with boxcars; we are also dealing with the problems which the shortage of boxcars creates throughout the entire economic life of the area in which that shortage is experienced. In other words, in that case we are dealing with the economic interests of men, women, and children who are dependent for their standard of living upon an ample supply of boxcars.

So I wish to say to the members of the Interstate Commerce Commission that in taking this position in regard to some of their attitudes on the boxcar shortage, I am making a fight for the economic interests of the men, women, and children of my State who have suffered inexcusably and unjustifiably because of the failure of the Interstate Commerce Commission in the past to do a more efficient and more effective job in regard to this problem.

Mr. President, this problem has ceased to be "seasonal in nature." The unfortunate boxcar shortage in western Oregon appears to have become an institution; but it is one that cannot and should not be tolerated longer.

The lumber market is one that is subject to rapid fluctuations. Readily available and adequate rail transportation is absolutely essential to obtaining the benefits of a favorable market. Both large and small producers of lumber and lumber products in Oregon suffer substantial economic losses while they wait for their share of boxcars at the sufferance of the rail carrier. If the Southern Pacific is in fact discriminating against Oregon in the distribution of freight cars, that is a practice that cannot be endured much longer by Oregon lumber producers in the category of small business.

I urge the committee to explore ways and means of getting freight cars for use at the height of the season in this rail-monopoly area of my State. Favorable action on Senate bill 2770 will help, but additional remedies are essential. One of these, I respectfully submit, is the addition of highly essential car service agents to the staff of the Interstate Commerce Commission. The committee can perform an important public service by making recommendations on this score.

CREEPING PARALYSIS IN THE ICC—THE REDUCTION IN CAR SERVICE PERSONNEL

The Interstate Commerce Act gives the Interstate Commerce Commission powers under which to assure adequate service on the part of our American railroads to the public. For example, we find these provisions:

> 11. It shall be the duty of every carrier by railroad subject to this part to furnish safe and adequate car service and to establish, observe, and enforce just and reasonable rules, regulations, and practices with respect to car service. * * *
>
> 14. The Commission may, after hearing, on a complaint or upon its own initiative without complaint, establish reasonable rules, regulations, and practices with respect to car service by common carriers by railroad subject to this part * * * and the penalties or other sanctions for nonobservance of such rules, regulations, or practices.
>
> 15. Whenever the Commission is of opinion that shortage of equipment, congestion of traffic, or other emergency requiring immediate action exists in any section of the country, the Commission shall have, and it is hereby given, authority, either upon complaint, or upon its own initiative without complaint, at once, if it so orders, without answer or other formal pleading by the interested carrier or carriers, and with or without notice, hearing, or the making or filing of a report, according as the Commission may determine: (a) to suspend the operation of any or all rules, regulations, or practices then established with respect to car service for such time as may be determined by the Commission; (b) to make such just and reasonable direction with respect to car service with regard to the ownership as between carriers of locomotives, cars, and other vehicles, during such emergency as in its opinion will best promote the service in the interest of the public and the commerce of the people, upon such terms of compensation as between the carriers as they may agree upon, or, in the event of their disagreement, as the Commission may after subsequent hearing find to be just and reasonable; (c) to require such joint or common use of terminals, including main-line track or tracks for a reasonable distance outside of such terminals, as in its opinion will best meet the emergency and serve the public interest, and upon such terms as between the carriers as they may agree upon, or, in the event of their disagreement, as the Commission may after subsequent hearing find to be just and reasonable. * * *
>
> 16. Whenever the Commission is of opinion that any carrier by railroad subject to this part is for any reason unable to transport the traffic offered it so as properly to serve the public, it may, upon the same procedure as provided in paragraph (15), make such just and reasonable directions with respect to the handling, routing, and movement of traffic of such carrier and its distribution over other lines of roads, as in the opinion of the Commission will best promote the service in the interest of the public.

Mr. President, a law which is not efficiently administered and effectively enforced is practically worthless, so far as end results are concerned. The record shows quite clearly that, in recent years, a creeping paralysis has reduced the Interstate Commerce Commission's enforcement staff in the field from over 100 agents to 30, as of now.

Just yesterday I learned the almost unbelievable fact that in the Interstate Commerce Commission Zone No. 25, we now have only three car-service agents—one each in Spokane, Portland, and San

Francisco. Believe it or not, Mr. President, these men have not one secretary to assist them in their clerical duties. It is little wonder that we have an almost insurmountable problem of policing the boxcar situation in the Pacific Northwest.

Mr. President, let us consider this inefficiency on the part of the Interstate Commerce Commission and let us see what it means when translated into action or lack of action in regard to the boxcar shortage problem. There sits in Portland, Oreg., the Commission's so-called boxcar policing agent; and he has to finger out on his own typewriter his redtape reports—and they are many—with the result that he has little time to go into the field and do the policing job which should be done. The Interstate Commerce Commission does not even supply that agent with a secretary. I say good naturedly that I could walk down to the Interstate Commerce Commission this afternoon and take out at least a dozen secretaries, and I would not by one iota lessen the efficiency of the Interstate Commerce Commission at the Washington level; and I could transfer them to the field and thus could give these boxcar policing agents the assistants they need in order to do the work and to compile the reports and to take the action required in order to help alleviate the boxcar shortage.

I know something about the oversupply of personnel which develops in Washington departments. I am not moved to tears by the Interstate Commerce Commission, with its personnel argument, until it can first show me that it is doing a more efficient job in using the personnel it has, so far as secretarial help is concerned. What we do need, and what the railroads do not want, are some more boxcar policemen. The Car Service Agency of the Interstate Commerce Commission needs to have its personnel increased. I am about to recommend that it be increased at least to 60 for this year.

If the rules and regulations of the Interstate Commerce Commission were effectively enforced, I am satisfied that our car-shortage problem would diminish. Such enforcement, of course, is not possible in the absence of a proper enforcement staff in the field and the employment of such a staff is, of course, a Federal budgetary matter.

I believe that, at the earliest possible moment, we should bring the ICC car service agent back to a minimum of 100. I am pleased to note that the House recommended an increase from 30 to 40 a few days ago. I suggest that the number be raised by the Senate to 60 this year, with the ultimate target of 100 to restore efficiency in the field of enforcement.

I have looked into this subject, and I find that that is about the last thing the railroads would like to have us do. The railroads are not eager to have the Car Service Department of the Interstate Commerce Commission in the field enlarged by more personnel, because they know that if there were more personnel in the field, some of the wrongdoing of the railroads would be more easily brought to light. But if we wish to do something constructive in the direction of helping to alleviate the boxcar shortage problem, we must come to grips with the problem of supplying the Interstate Commerce Commission with the field agents it needs to enforce the regulations of the Commission. I sincerely hope that if the members of this committee agree with my conclusions in this respect, they will join me in urging the Senate Appropriations Committee to provide the necessary funds this year. I intend to appear before the Appropriations Committee of the Senate and make my plea for such funds. An increase of car service agents from 40 to 60 would call for an addition of approximately $200,000 for the Interstate Commerce Commission. In my judgment it would save many millions of dollars in the economy which are now lost because of the failure to supply an adequate number of boxcars.

The importance of the public service these men can perform would make this a bargain-rate appropriation.

CAR SERVICE ORDER NO. 910

On March 19, 1956, Division 3 of the Interstate Commerce Commission issued car service order No. 910.

Almost immediateley, my office received comments from Oregon lumber shippers. The great majority of communications I received contend that order 910, if put into effect, will completely disrupt normal marketing procedures to the disadvantage of the small mills in Oregon and will play into the hands of the large operators. Other communications, fewer in number, insist that this order will help resolve the box car shortage. Those who have protested on this order assert that they have not been heard on the subject and they ask that the April 9, 1956 effective date of the service order No. 910 be postponed by the Commission pending a hearing.

This morning, before the Committee on Interstate and Foreign Commerce, I made this plea in behalf of the shippers of my State who desire a postponement of the application of this order. I sincerely hope that the committee and the Interstate Commerce Commission may heed that plea. These businessmen, who are our fellow citizens, are entitled to a hearing on the effects of the order before it is put into effect on April 9. We ought to listen to some of their testimony as to what this order would do to the small mills in my State.

As I pointed out to the committee this morning, it would create, according to their testimony, great economic hardship, and inexcusable injustice. I do not think we should stand idly by and let a child of the Congress, namely, the Interstate Commerce Commission, engage in such delinquent acts.

In the past day or two, I have talked to many Oregon lumbermen and I am satisfied that they make a strong prima facie case for postponement of the effective date of the order in order to afford all interested parties a hearing on the merits.

The problem is so serious and it has been presented to me in such convincing fashion that I feel it would be a mistake for the Commission to proceed with order No. 910 without having received the views of both sides. Therefore, I urge this committee to communicate immediately with the Commission asking for a postponement of the April 9 effective date of the order in question.

Therefore I am urging the Commission and the Committee on Interstate and Foreign Commerce to provide for a suspension of this order, or a postponement beyond April 9, so that hearings on the order can be held. I would prefer hearings in the field.

A group of small lumber operators in my State traveled to Washington, a distance of more than 3,000 miles, to testify before the committee today. They did not come for nothing. It is an expensive trip. I think the Federal Government owes it to the objectors to order No. 910 to have some early field hearings, out in the parts of the country where the devastating effects alleged by the mill operators would take place.

BOXCARS SHOULD NOT BECOME MOBILE GRAIN ELEVATORS

Many people with whom I have conferred on the car shortage contend that Commodity Credit Corporation shipments of grain during the period of high demand for boxcars intensify the problem. For example, I am told that the inadequacy of permanent storage facilities in the Grain Belt has, in effect, caused large sums of freight cars to become mobile grain elevators. This, in turn, has caused delay in the transfer of such boxcars to other parts of the country, including the Pacific Northwest. The complex problems of the freight-car shortage have been heightened by the fact that the demands for grain and lumber shipping space too often coincide. It is quite likely that the Government can establish periods of grain movement which do not conflict with the periods at which lumber shipments are the heaviest.

As I stated before the committee this morning, I have received information which I think is reliable—but I am having it checked with the Commodity Credit Corporation—to the effect that under the rules and regulations of the Commodity Credit Corporation they prohibit the shipment of grain in trucks in some instances. It has been reported to me that trucks will leave the west coast, for example, loaded with goods for St. Paul, Minneapolis, Chicago, Detroit, or other midwestern or eastern cities, and return, at least part of the way, empty. Frequently they pass Commodity Credit Corporation elevators and storage bins where they could stop and pick up a load of grain and take it to the shipping center by truck. However, the Commodity Credit Corporation allegedly has a rule which prohibits shipment of the grain in trucks, and requires that the grain be shipped in freight cars.

That is unsound economically. It is an injustice to our farmers, and it is an injustice to our shippers, who need the boxcars. Whenever the commodities can be shipped by other conveyances, I do not think we should have any Federal regulation by any agency of the Government which prevents shipment by truck.

Insofar as the demand for grain shipping space amplifies the shortage of rail transportation for lumber, an indirect

solution might be worked out through an accelerated Federal program of increasing grain storage facilities coupled with a more realistic plan for disposal of our surplus grain to hungry people in friendly foreign nations.

It seems to me that the committee could explore to the advantage of the public, shippers, and the railroads themselves, some of the following suggestions relative to car shortages:

First. Increase demurrage charges to discourage delay in car movements.

Second. Reduce to a minimum empty cars held for loading.

Third. Place embargoes against consignees who accumulate cars.

Fourth. Repair defective cars promptly.

Fifth. Load cars promptly and as heavily as possible.

Sixth. Increase the supply of new cars.

Speaking of loading the cars as heavily as possible, the lumbermen with whom I conferred at breakfast this morning tell me that under the so-called transit-sale system they are able to get into the cars about 20 percent more lumber than is loaded in the cars when there is a so-called firm sale in advance of shipment.

They also point out on this subject that it is not true, as the representatives of the Interstate Commerce Commission are so prone to say, that the transit-sale program results in undue delays in the delivery of cars. They say that at the height of the boxcar shortage period—and, of course, that is the period that concerns us—the average time for the transportation by way of a so-called transit sale is 3.9 days. However, if we follow order No. 910, what will happen is that the shippers will take the longest route around. In this instance, they say some of our Oregon shippers will use the Southern Pacific and take the lumber down through California and on around to Houston and then up into the Middle West. That plays right into the hands of the Southern Pacific Railroad and gives them an advantage which in my opinion they are not entitled to have.

I pressed that point this morning in committee, and it is a point that I shall continue to investigate and to press forward on in connection with the boxcar shortage program.

In conclusion, I suggest that the Government has perhaps relaxed its vigilance of former years in the field of railroad transportation. The time appears to be opportune for closer analysis of the whole subject of rail transportation. Our economy is becoming too complex to permit extended delay in this respect. There is much to be gained by a determination as to whether existing freight handling practices of the American railroads is efficient, economic, and in the interest of the American public. The Senate Committee on Interstate and Foreign Commerce can do immeasurable good in calling to the attention of Government agencies and the public, the adverse economic effects of the constantly recurring freight-car shortages and in suggesting affirmative action on the part of the carriers and the Federal Government in correcting this condition.

Mr. President, I hold in my hand a very interesting document. It is a hard one to get. It is scarcer than hen's teeth. It contains some very interesting information which apparently some people do not want to have subjected to very wide circulation. It will get some very wide circulation now. It is Report No. 30708 of the Interstate Commerce Commission in "Shippers Car Supply Committee against Southern Pacific Co." It is an examiner's report. It is an exceedingly interesting report.

Because I shall refer to it from time to time as we press forward on the boxcar shortage problem in the weeks ahead, I ask unanimous consent to have the examiner's report printed in the RECORD at this point.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION, No. 30708, SHIPPERS CAR SUPPLY COMMITTEE[1] VERSUS SOUTHERN PACIFIC CO.

Defendant not shown to have engaged in unreasonable or otherwise unlawful practices that could be remedied by retroactive order, in furnishing or not furnishing cars to complainant and intervener in western Oregon. Complaint and intervening petition dismissed.

William P. Ellis and Dean Ellis for complainant and interveners.

James E. Lyons, Charles W. Burkett, Jr., James C. Dezendorf, and Stanfield B. Johnson for defendant.

Report proposed by O. L. Mohundro, examiner.

By complaint filed November 6, 1950, complainant charges the following specific violations of law:

1. Failure to provide transportation of property upon reasonable request, particularly in failing to provide adequate trackage, motive power, and other facilities and equipment to meet the demands of the shipping public, in violation of section 1 (4) of the Interstate Commerce Act, as amended.

2. Failure to furnish adequate car service, particularly (a) in failing and neglecting to purchase or construct a supply of cars adequate for the needs of its shippers; (b) failing to effect suitable arrangements with connecting carriers for interchange of empty and loaded cars; and (c) failing to employ an adequate staff of competent employees to promptly, efficiently, and fairly distribute the supply of cars available, in violation of section 1 (11) of the act.

3. Causing undue and unreasonable prejudice and disadvantage to camplainant's members by failure to provide car service to them in the same proportion to actual requirements as were provided to other shippers on its lines in Oregon and elsewhere, contrary to section 3 (1) of the act.

4. Causing undue and unreasonable prejudice and disadvantage to shippers generally on its lines in Oregon and giving undue and unreasonable preference and advantage to other shippers on its lines in other States, in violation of section 3 (1) of the act.

5. Causing substantial increases in transportation and marketing costs, substantial losses in labor, production, and profits of complainant's members and others by curtailing their production by preventing them from making deliveries on contracts and from selling their products in the open market, which has resulted in damage and loss of goodwill for which defendant is liable.

Complainant seeks an order commanding the defendant to cease and desist from the unlawful acts alleged and requiring it to provide complainant's members and other shippers on defendant's lines in western Oregon with adequate and nondiscriminatory service and facilities; also that defendant be required to pay to complainant's members such damages as may be claimed and established by them, with reasonable counsel fees.

The Commissioner of Public Utilities of Oregon, at the time of hearing, Hon. Geo. H. Flagg, later Hon. Chas. H. Heltzel, intervened generally in support of complainant and joined with complainant in the making of the record herein.

A. L. MacInnis and Cosima D. MacInnis, doing business as Wren Planing Mill, members of complainant, Shippers Car Supply Committee, intervened in support of complainant and in addition to the prayer for general relief, seek an award of damages.

Defendant answered, challenging the sufficiency of the complaint and alleging that there is a defect of parties defendant in that connecting lines are necessary parties with respect to the matters alleged, particularly paragraphs IV and V thereof. Defendant denies the alleged violations of the act; and, as an affirmative defense, alleges that during the years 1947 to 1950, inclusive, unavoidable freight car shortages existed on its lines during the peak of the fall shipping seasons; that similar shortages existed contemporaneously on the lines of other railroads throughout the United States, and that such shortages resulted from a number of causes, specifically set forth of record, for none of which defendant can be held accountable.

The answer further alleges that defendant has done, is doing, and in the future will continue to do all practical things within its power, circumscribed only by financial limitations, availability of materials, and production capacity of car and equipment builders throughout the country, to acquire and maintain a reasonably adequate car supply, including locomotives to move them, and to maintain a railroad system reasonably adequate to meet the needs of the public defendant serves.

Concurrently with the filing of its answer defendant made a motion to dismiss the complaint and, alternatively, to make the same more definite and certain. This motion was denied on February 8, 1951, but without prejudice to defendant requesting, at the close of complainant's testimony, a further hearing for introduction of defendant's evidence respecting those allegations of the complaint which defendant claims are indefinite and uncertain. Such further hearing was held, and the record is ably briefed on all major issues.

The chairman of complainant, Shippers Car Supply Committee, has been engaged in the wholesale lumber business as the Trio Lumber Co. at Eugene, Oreg., for more than 25 years. He owns an interest in the Douglas Manufacturing Co., a sawmill and remanufacturing plant near Roseburg, Oreg., with an output of 90,000 feet per day, and Ada Co., out of Ada, Oreg., cutting 25,000 to 30,000 feet per day. The market for his lumber and that of other shippers who testified of record is practically throughout the United States. The practice of billing is not uniform. Sometimes the company is shown as the shipper, sometimes the mill, and in some instances the purchaser of the lumber is named as the shipper. The inability to obtain cars when desired caused the chairman of the complainant committee in 1946 to investigate the causes for lack of cars for Oregon lumber shippers. He contacted the western representative for the AAR in Seattle, Wash.

He described the situation, stressing the local conditions, lack of carrier competition, etc., but without results. Thereafter, following the car shortage of 1947, he and two other firms, by letters, requested an investigation by the Interstate Commerce Commission of the lack of car service to western Oregon lumber shippers, "but he didn't get anywhere with that." In 1948, he was appointed chairman of a traffic committee for the Western Forest Industries Association. The purpose of the association was to make an investigation among shippers with a view to remedying the situation caused by the car shortage. During the investigation, it was determined that an organization devoted solely to investigating the car supply should be formed. The complainant committee, an Oregon corporation, nonprofit in character, controlled by a board of directors elected from the membership was created for the purpose.

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[1] Complainant is a nonprofit corporation of Oregon dedicated to the purpose of improving the freight car supply and the quality of railroad service, especially in western Oregon.

In his business the car shortage at Eugene was serious during the summer months of 1946 and for subsequent summer seasons, including 1950 and some of 1951. During the summer, or demand months, he could not tell a customer when a shipment would be made because of the lack of cars. This condition affected western Oregon lumber shippers, particularly those located on the lines of defendant, to such an extent that they lost the so-called premium business—premium price for quick shipments. The inability to get cars when needed caused the mills to take orders for short periods instead of a normal 30-day order supply. The car shortage of 1946 and 1947 caused purchasers to operate somewhat in the same manner. This eventually led to the practice of so-called transit sales. Though not satisfactory either to the producer or the buyer of the lumber, 50 percent or more of the volume shipped from western Oregon was forced into this practice because of inability to arrange for shipment of a car when needed.

In 1950 the chairman of the committee went into Washington to get cars to stop off for complete loading in Oregon. That caused extra expense and delay. Shippers could get cars from railroads in Washington, put a small amount of lumber therein, and route them through Oregon to complete loading. The routing of such cars generally was "UP-SP-UP." For a time no definite amount of lumber had to be loaded to get the car. Later 25 percent of car minimum was required. That requirement was hard to meet because of the difficulty and cost of obtaining the quantity and quality of lumber desired. This caused wasteful use of cars and did not prove a real help. Experience thus gained caused the witness to think that the cars should have been given to defendant at Portland. In some instances lumber was hauled by truck as much as 200 miles from valley points (local to defendant) to Portland for partial loading, and some cars were fully loaded from the trucks in Portland.

The failure to get cars when needed caused many mills to "shut down" during the summer months of 1946–50, inclusive. The situation was particularly bad in 1949 and 1950. When the lumber could not be shipped as produced, storage soon became so expensive that shutdown was made necessary. Shipping members of complainant at Grants Pass, Oreg. (local to defendant), experienced severe car shortage during 1947–50, inclusive, "but not too bad in 1951." Costly shutdowns in 1949 and 1950 were forced by lack of cars. A member of complainant committee operating a custom milling business and manufacturing molding plant at Grants Pass had a capacity of eight cars per day. During the car shortage periods of 1949–50, that member received as low as 1 or 2 cars per day. He had storage for some 5 million feet of lumber, but when that much lumber accrued, the plant had to stop work, thus causing a shutdown of all supplying mills. Handling and storing large quantities of lumber was inconvenient and expensive. The cost of such operations could not be added to the price of the lumber or millwork. Shippers generally, and particularly those at Grants Pass, complained of poor service, such as switching, time changes of switching, and the manner of handling orders for cars.

Some 15 other witnesses representing lumber shippers who operated from 1 to 5 mills and who produced large quantities of lumber for shipment by rail, and most of whom were dependent for cars upon defendant, testified along the same lines and to the same effect.

Witnesses for feed and seed dealers of Oregon located on defendant's lines at Cornelius, Gladstone, North Plains, and Roy described as serious to them the car shortages of 1946 and 1947. Their greatest losses caused by lack of cars were during the summer months of those years. Some of their plants are located also on the "SP&S," and some of the lines of both the defendant and the Oregon Electric. At most times they were able to get cars as needed at the competitive points. For example, in 1947 they shipped 57 cars from North Plains, a competitive point, and only 10 cars from Roy, local to defendant. They reduced the bad effects of the 1950 car shortage by trucking their grain to Portland. The 1951 crop was said to be about 10 percent of usual volume, so there was little for shipment that year.

Witnesses for the lumber interests of Grants Pass were recalled at the adjourned hearing to testify as to conditions existing during the summer months of 1952. Operations of the Engler-Hudson Co., located some four city blocks distant from defendant's station, were described. The company operated two shifts daily and produced some 250,000 feet per day. The capacity of the plant was rated as 8 cars per day. On 6 of the first 10 business days of July, orders were not filled, though presumably there was no car shortage elsewhere on the line at that time. On July 11, six cars were furnished. A shortage of cars was experienced every other working day in July (1952), except two. Record for the month was 113 cars ordered, 83 furnished, a shortage of 31. The situation shown for August was not so good. On seven working days, the company received no cars, but had orders for an average of 8 cars for each day. The record for August was 184 cars ordered, 83 furnished, a shortage of 101. During the period September 1 to 19 (1952), 72 cars were ordered, 56 furnished, shortage 17.

The switching service at Grants Pass continued bad as shown by the following (Record, pp. 739–740):

"Question (by Mr. Lyons). Mr. Hedrick, what kind of an engine is it that switches your plant? Is it an assigned switch engine at Grants Pass, or is it a line haul engine that comes down from Medford?

"Answer. It's both. The one that goes to Glendale also. There's three. You never know which one you're going to get for sure. They have a diesel switch engine that apparently stays at Grants Pass most of the time, and that's the one that does the switching usually.

"However, here lately it's been whatever crew they could get to do it.

"Question. Well, have you taken up with the trainmaster or the superintendent the question of having the switches made at a convenient hour to your plant?

"Answer. Yes, we did. They came down—I don't recall who I talked to—one fellow we used to talk to, I believe, was named Barney—Ted Barney. I may be wrong about that, but I think that's his name—from Roseburg, and we got together with him on this night switch, which was very convenient for us if they'd do it. They wanted to switch us about 10:30 at night, but that fell through.

"Question. Well, I understood from your testimony that the switching has not been satisfactory as it might be, but it's only been in the last month or two that it's been particularly bad for your plant because the switching came at irregular hours and sometimes in the morning and sometimes at night; is that right?

"Answer. That's correct.

"Question. But have you in the last 30 days or so taken up with any superior officer of the Southern Pacific the question?

"Answer. Taken it up with our own local agent. I can't find out anymore who you do take it up with. I took it up with Mr. Criswell; I talked to Mr. Criswell just before he went on his vacation which I believe was Friday, and he told me that it really had him beat because he said it got to the point where he had no authority whatsoever.

"I talked to Mr. Nugent, who is taking Mr. Criswell's place; I talked with him Monday, and he says he's fighting a losing battle, too.

"Question. Well, may I suggest that the general manager is in the room, that you contact him, and he'll relay it down to the proper party?

"Answer. I called Mr. Leslie and spent 'oodles' of money on the telephone for the past 2 years, and haven't succeeded. So I quit spending that money."

Complainant employed a special representative with some 30 years' experience in traffic matters in the considered origin territory. His special attention was directed to car supply and transportation service in western Oregon since 1948. He visited practically all communities in that part of the State, attended many meetings looking to the improvement of the car supply. He worked closely with members of complainant committee and lumber shippers in western Oregon during the car shortage of 1950. During the months of car shortage on defendant's lines in 1950, he found no specific shortage of cars at Portland. Accompanied by lumber shippers he personally called on all carrier agents in the Portland switching area. Some of the agents are said to have admitted that at no time during the summer of 1950 had there been a shortage of cars at Portland. The agents at Portland would not furnish cars to lumber shippers on the lines of defendant in western Oregon. He found a large quantity of lumber during that summer being loaded from trucks into cars at Portland, and found that it had been trucked from points local to defendant's lines. Some of it had been trucked as far distant as Coos Bay. The record indicates that the cars were furnished by carriers other than defendant, though some were being loaded on trucks at Park Street and at East Portland on tracks operated by the "UP" and "SP."

To correct the situation, the witness suggested that the Oregon Electric Railway from Eugene to Portland, including branch lines, be used to capacity, or at least more than they had been in the past. Tariffs, according to this witness, should provide that lumber shippers located only on the lines of the defendant could order cars from the nearest agent of the Oregon Electric Railway, the cars to be handled in switching or line haul, but delivered back to the Oregon Electric by defendant. The lines of defendant and the Oregon Electric connect at Eugene, Albany, Lebanon, and Salem. As an example of how shippers would benefit, a shipper at Corvallis (10 or 12 miles from Albany) would order a car from the Oregon Electric agent at Albany. Oregon Electric would furnish the car for defendant to move to Corvallis where it would be loaded. The car would then be forwarded by defendant to the Oregon Electric at Albany for movement to Portland. (Tr. 393.) The witness expressed the belief that this would be better than the present practice because at present shippers on Southern Pacific have trouble over the period of years getting sufficient equipment, whereas the northern lines generally have equipment when sorely needed by shippers local to the lines of defendant. According to this witness there have been

car shortages on the Southern Pacific in western Oregon periodically for 30 years. During those periods if the relief suggested had been afforded by the Oregon Electric, the situation would have been corrected or materially improved.

An agent for the Union Pacific Railroad stated that the current practice of solicitation for freight on the lines of defendant at Oregon is through the Ogden gateway. Obviously, solicitation of defendant is for its long haul, and not for routing of Oregon shipments by way of the Portland gateway (Tr. 492 and 1126).

This proceeding, though a complaint case, was presented much in the nature of a general investigation proceeding. Considerable evidence of record was obtained by employees of the Commissioner of Public Utilities of Oregon. These employee witnesses cooperated with complainant and its counsel in making the record. The proceeding and its purpose is described in complaint's brief as follows:

"The situation is even more acute as concerns the supply of empty cars because, as stated by Mr. Hallawell (General Manager of defendant lines) 'the only available reservoir of empties that the Southern Pacific can get hold of is located in the Southwest,' making it necessary to 'haul empties 1,500 to 2,000 miles to take care of the needs of western Oregon.' (930) The utter dependence of western Oregon shippers upon this circuitous route of supply, as so forcefully demonstrated by the earthquake in Southern California last year, and the helpless, hopeless attitude indicated by Southern Pacific management, manifestly underlines the urgency of some alternative relief measures.

"The necessity of traversing a mountain range via either Southern Pacific route from western Oregon is a second geographical disadvantage, emphasized by the severity of grades and curvature and by the prohibitive cost of double tracking.

"The natural conflict of interest between the defendant and its shippers arises in part from the fact that its traffic, with Oregon excluded, is relatively well balanced. Loadings and unloadings in California are relatively equal, and it is not unnatural that Southern Pacific directors should desire to preserve western Oregon timber traffic for future generations of stockholders. There can be little doubt that this factor has, over a period of years, resulted in more favorable consideration toward improvements on other portions of the system, and neglect in providing for the construction of needed trackage and other facilities for the development of western Oregon tonnage, tonnage which will much better serve defendant's purposes if kept in the western Oregon storehouse for perhaps another hundred years. This is demonstrated by the testimony and exhibits of Mr. Andrus (assistant to president, defendant lines)."

Complainant stresses the fact that the trackage and other facilities of defendant are not adequate to meet the transportation needs of the area in western Oregon served only by its lines. It charges the management of defendant of failure to recognize the transition of the lumber industry as it has taken place. During the past 15 to 20 years, the transition from western Washington to western Oregon has been evident, and the tempo recently has increased. Exhibit 14 of the record shows that lumber shipments from Oregon originating on the lines of defendant have increased some 92,000 cars, 1950 over 1938, an increase of 65.92 percent. In 1925 Washington produced almost twice as much lumber as that produced in Oregon. Now the figures have been reversed. On brief it is stated:

"The growth of the lumber industry in western Oregon during the past 10 years has exceeded that of any previous period. Its growth has substantially exceeded other industrial growth in the Northwest, largely by virtue of the vast stand of mature timber. But in that same 10 years the defendant company has done nothing to assist in that development through improvement or extension of its facilities. At the close of 1951 it was operating 22 miles less trackage in Oregon than in the year 1940 (p. 6, Ex. 20)."

It is the opinion of the witnesses who have been connected with the lumber business in Oregon that production will continue to increase in volume for many more years; that the yard tracks at Eugene are sometimes jammed" (Tr. 60) at Roseburg short of adequate storage (Tr. 222 and 784), and Brooklyn yard facilities at Portland so taxed at times as to cause delays (Tr. 933) is practically conceded.

From this testimony complainant asserts that carrier facilities designed for conditions of 1930 do not meet the needs of the Oregon lumber industry of 1952.

It was not possible for the personnel of intervener, public utilities commissioner of Oregon, to survey traffic conditions on all lines of defendant in Oregon. Effort was concentrated on certain portions which seem to constitute bottlenecks. The Oakridge-Crescent Lake portion was characterized as the cork in the bottle—having in 1950 reached a point "where it saturates; you can't run any more."

Train sheets were checked for record of performance. The Oakridge-Crescent Lake section of defendant's lines in Oregon was regarded as the principal bottleneck. The investigation made by the witness was to ascertain the extent to which car supply was affected by operating conditions. Train sheets were checked at Eugene, Portland, and Albany. The testimony related principally to the operation of trains between Eugene and Crescent Lake and between Ashland, Oreg., and Black Butte, Calif. Operation over the mountains is considered an important factor materially affecting the ability of defendant to get empty cars into the valley and loaded cars out. The following description of this portion of track and somewhat of the conditions encountered is copied from complainant's brief:

"At Oakridge, 45 miles west of Eugene yard, a helper station is operated; helpers are attached to westbound trains at that point. The Springfield subdivision between Eugene yard and Oakridge, extends 45 miles; between Oakridge and Crescent Lake 51.9 miles, consisting of two dispatcher districts. Between Springfield, 6.1 miles west of Eugene yard, and Oakridge, 38.9 miles, there are 2 telegraph offices. Between Oakridge and Cascade Summit, 43.8 miles, there are 4 telegraph offices. At Oakridge, 45 miles west of Eugene yard, the helper station is operated. Helpers are attached to westbound trains at that point and are normally cut out at Cascade Summit, 43.8 miles westward (278).

"The gradient between Oakridge and Cascade Summit is continuous, ascending at the rate of 1.8 percent for the distance shown. Nineteen tunnels are located within this mileage, as well as 8 passing tracks and 4 train-order stations. The distance between sidings averages about 4 miles. The passing tracks are limited from 98 to 115 cars. Train order stations are spaced westward from Oakridge, 11.2 miles, 8.9 miles, 5.6 miles, 8.8 miles, and 9.3 miles, respectively. Carrier records show average tonnage freight trains consist of 85 cars (279).

"Springfield subdivision carries the main passenger and freight business moving from and to Oregon points for California and east. This subdivision connects with the Shasta division at Crescent Lake, through which the principal car supplies move to the loading territory on the Portland division (279). The Black Butte subdivision connects with the Shasta division at Ashland, Oreg. Only one regular passenger train is operated between Springfield Junction and Ashland and one regular passenger train between Ashland and Black Butte, Calif. An operating division point is located at Roseburg, Oreg., 71.7 miles west of Springfield Junction (279). For operating convenience, tonnage originating at Dillard, 10.6 miles west of Roseburg, generally moves eastward to Eugene where it is placed in westbound trains and routed over Springfield subdivision.

"The direction of this line is, from a compass standpoint, north and south, but for train operating purposes it is designated west and east, west being toward San Francisco, and east being away from San Francisco (280).

"Westward from Ashland, trains are operated over what is known as the Siskiyou Mountain. The gradient consists of 16.9 miles of 3.3 ascending grade for westward trains, to the station Siskiyou; then passes through a tunnel about 1 mile in length. The grade is then descending for a distance of 19.1 miles to Hornbrook, Calif. Eastward trains are operated over the mountain grades mentioned. Between Ashland and Hornbrook there are 5 passing tracks with capacity varying from 48 to 73 cars. Only 1 train order station, at Hilt, 27.3 miles west of Ashland, is operated (280).

"Freight train frequency of operation on the two subdivisions mentioned is materially affected by the physical characteristics of the line, especially on the two mountain grades mentioned, of Oakridge and Ashland."

From his studies the witness stated that the total number of trains operated daily on the Oakridge-Crescent Lake tracks was between 32 and 34. It seldom exceeded 16 freight trains per day in each direction. Often no more than 7 or 8 freight trains were operated in either direction. During the week of April 2, 1950, 51 freight trains were operated east and 51 west between Eugene and Crescent Lake. Forty-three passenger trains were operated and 68 helpers and light, making a total of 215 trains. (Tr. 283). The density for the week ending April 9 was 57 freight trains east, 51 west, 53 passenger trains, 68 helpers and light, a total of 219 (Ex. 5). The density for the week April 2, 1950, through the week commencing October 22, the average number of trains operated daily ranged from 32.4 to 34.7. In 1950 the average west cars on hand at the Eugene yards ranged from 400 during the first 2 weeks of April, above 500 for May and the first half of June, reached 861 for the week of June 21 and did not again drop materially below 500 until late in July 1950. During 1951 the total cars handled west from Eugene averages some 17 more per day than in 1950. This is said to be due to an order from "D. T. A." requiring heavier loading. The total cars handled in both directions in 1951 through Eugene yard averaged about 35 more daily than in 1950. From this study the witness for the Commissioner of Oregon concluded that the Oakridge-Crescent portion of defendant's line has reached its maximum capacity under existing conditions and that substantial delays in the movement of both empties and loads have resulted.

A similar study was made of the train density via Ashland. During April 1950 some 10 freight trains were operated daily between Ashland and Black Butte; 2 passenger trains, 3.9 helpers and light, or a total of 15.9 trains per day. The two passenger trains were operated throughout the period studied. The operation was as low as 6.3 freight trains per day in May, 5.9 in June, 6.8 in July, 4.8 in August, and 6.1 in September. For the period April through October, the daily average of freight trains in both directions over the Ashland-Black Butte lines ranged from 6.6 to 9.3.

The main supply of empty cars for loading in the valley comes through the Crescent Lake gateway. The Ashland gateway supplies empty cars for Medford, Phoenix, and Grants Pass, Oreg., and southern portions of defendant's lines. The study (exhibit 7) reflected a day-by-day analysis for the period April to October 1950 of freight cars loaded and empty, handled east and west by Eugene and Crescent Lake with a comparison showing the number of west cars on hand as of 5 a. m. each day and the locomotives available. Complainant described the study on brief as follows:

"For the weekly period beginning April 3 the daily average of west cars on hand was 356; in the following week, 379; the next week, 485; then 539, 619, 558, 564, 691, 516, 463, 757; a high of 861 for the week of June 21; 784 the following week, 480 the next, 544 the next, 604 the next, then 460, 527, 380, 390, 243, 247, 275, 608, 391, 376, 448, 392, 439 and for the last week shown, the week of October 23, 539.

"On 2 days of the week commencing June 19 the west cars on hand exceeded 1,000, the average being 861. During that same week the average daily cars handled was 1,353. During the following week when the west cars on hand average 784 the average number of cars handled daily was 1,377; the highest daily average, 1,435 cars, was reached during the week of May 15, when the west cars on hand reached a high of 671 and averaged 564.

"The second section (of exhibit 7) covers the period April to October 1951, and likewise shows cars handled east and west and the west cars on hand, as well as additional locomotives available. The week ending April 2, there were 952 cars to be handled west at a daily average, 657 average was handled each day leaving an average of 310 on hand as of 5 a. m. The following week an average of 976 was available for westbound movement and an average of 320 left on hand. For the week of April 16, the daily average to be handled was 1,074 and the daily average on hand was 386; for the following week the daily average westbound cars to be handled was 1,028 and on hand 298; for the week of May 7, the west cars on hand was 378; for the week of May 14 a high of 501 west cars on hand was reached; for the following week 463, then 400, 388, 497, 582 for the week of June 18; 443 for the week of June 25, 276 for the week of July 2, 283 for the week of July 9, 320 for the week of July 16, 434 for the week of July 23, 438 for the week of July 30, 537 for the week of August 6, 426 for the week of August 13, 488 for the week of August 20, 500 for the week of August 27; 292 for the week of September 3, 398 for the week of September 10, 314 for the week of September 17, 378 for the week of September 24, 308 for the week of October 1, 358 for the week of October 8, 453 for the week of October 15, 432 for the week of October 22.

"The highest weekly average for total cars handled was for the week of April 23, with an average of 1,496 cars. The highest daily average for westbound movement of loads and empties was reached during the week of June 18 when an average of 742 cars was handled daily. In that week the eastbound daily average was 609 cars and the total cars handled 1,351."

From the studies the witness concluded that there is more traffic available on the Southern Pacific Western Oregon lines than is practical or feasible to handle in their existing operations. In his opinion relief could come from an order of the Commission requiring the Oregon Electric to furnish cars as far south as Drain and get them back, keeping the cars away from the mountain. Defendant could handle more traffic to Portland. If such were the case, trains could be increased and congestion would be avoided on the Cascade Line. The distance from the Oregon lumber area to the east through Portland is some 175 miles shorter than the distance through Ogden. The witness was strong for using the Portland gateway. He stated that provision should be made for free exchange of equipment at Portland, expecially for traffic as far south as Albany. The witness suggested that lumber shippers would be benefited, and the handling of Oregon lumber traffic could be facilitated if the yards at Eugene were enlarged, by central traffic control on congested portions of the line, and the lengthening of passing tracks on the Eugene-Crescent Lake Line. Some of his reasons for concluding that the portion of line in question was being used substantially to capacity were the fact that during the summer months of 1950, 1951, and 1952 there were very few days when the train density exceeded 35 trains, and seldom was there a density of freight trains exceeding 17.

The total number of cars originated by defendant in 1950 exceeded the number originated in 1940 by 427,000 carloads, an increase of 54 percent. The number of cars owned by defendant increased 15,389. This, however, does not portray adequately the picture so far as availability of cars for loading Oregon lumber is concerned. Defendant is said to have depended for many years for its car supply upon cars furnished by other lines. At numerous times during the last 10 years complainant shows that defendant has had between 180 and 194 percent of its ownership on line, whereas in more recent years, 1949, for example, it had an average of only 128 percent of ownership on line. The general superintendent of transportation of defendant testified (transcript 965) that the general adoption of the 5-day week has decreased the utility of freight cars to such an extent that it has displaced an estimated 5,197 of defendant's car supply. Using that figure, instead of an increase of 41 percent in effective car ownership in the 10-year period, it has shown an increase of only 27 percent in contrast to 54 percent increase in cars originated. The inadequacy of defendant's car supply is further emphasized by defendant's witness, Andrus (83), in his testimony wherein he states that the average length of haul of lumber products originating in Oregon has increased from 1,293 miles in 1940 to 1,598 miles in 1949 and 1,718 miles in 1951.

The record shows that in certain instances cars furnished Oregon shippers were undesirable for intended shipments. Typical of this evidence was by witness Griswold (transcript 75), who was given 44 undesirable cars out of 98 furnished in the month of July 1950. Witness Anderson was compelled to load cattle cars, refrigerators, and gondolas; witnesses Bronson (transcript 261) and Hedrick (transcript 738) were compelled to accept cars littered with debris from previous shipment. Others were furnished automobile cars limited to California destinations where the market was not desirable.

Complainant stresses the inadequate car ownership of defendant as a factor contributing directly to the car shortages that work hardship on Oregon lumber shippers. It considers the lack of a proper number of cars owned by defendant as one of the direct causes of car shortage and alleged poor car service in the origin territory considered. It criticizes the use by defendant of its 1940 ownership as a base of comparison because, as it claims, 1940 is the lowest ebb in car ownership for a long period of years, being only 85 percent of 1937 ownership. Complainant asserts that this is largely the reason for the fact that during the war years 1941–1945, defendant had little more than half enough cars to meet its traffic requirements. Exhibit 14, page 14, shows the average percentage of cars on line to cars owned (1941–1945) range from 151 to 202 percent.

Complainant insists that defendant was short some 19,000 cars in 1940. That comparison of increases in car ownership with growth of traffic is little help to the understanding of the real causes or effects of car shortages to the Oregon lumber shipper, because the development of the lumber business is so much dependent upon an adequate car supply during the times the cars are most needed. Complainant uses exhibits filed by defendant to emphasize this point. For example, defendant shows that the 1951 cars owned or leased was 147.7 percent of those in 1940 (exhibit 51). The improvement made in cars shows that they could transport in 1951, 155.6 percent of the 1940 tonnage. (Exhibit 53.) For the same period carloads of revenue freight originated increased 143 percent and tons increased 158 percent. These average figures have little significance to lumber and grain shippers, complainants herein. The latter are interested principally in boxcars. The increase 1951 over 1940 for that class of car was 145.1 percent in number, and 146.6 percent in carrying capacity. Forest products (excluding logs) originated by defendant in Oregon during that period increased 183 percent in carloads and 209 percent in tons. It is claimed that some 7,700 more boxcars than was acquired by defendant was needed for the increase in traffic. It would have required 12,000 additional boxcars to have kept pact with the 204 percent increase in Douglas fir lumber production in Oregon during the same period. (Exhibit 14.) In 1950 some 82½ percent of defendant's traffic originated in Oregon consisted of forest products. Comparisons were made of revenue-ton miles and traffic originated per mile of road on lines of defendant with national averages. On the revenue ton-mile showing, complainant insists that defendant was short in car ownership by several thousand cars. As to traffic originated per mile of line, the national average in 1950 was 145 cars in contrast with 150 for defendant system lines, and 215 on its Oregon lines. Other comparisons were made in computations from exhibits of record to show that viewed from any standpoint car ownership of defendant is much below its current needs. The following summary from complainant's brief is designed to place side by side the several yardsticks which it has used:

Method of measurement:	*Added cars shown to be required*
Index number increases over 1940 based on increase in lumber production	20,500
Same, with Grant[1] allowance for 5-day week	25,700
Revenue ton-miles, 1950	31,000
Revenue ton-miles, 1951	26,500
Revenue ton-miles, 1951, adjusted to Wascoe,[2] exhibit 56	24,000
Revenue ton-miles, 1951, adjusted to Wascoe exhibit 56, with Grant allowance for 5-day week requirements	29,000
Percentage of ownership on line, 5-year average, 1941–49	33,254
Percentage of ownership on line, 1949 only	25,858
Car orders, exhibit 47	20,836

[1] Witness C. H. Grant, general superintendent of transportation, defendant lines.

[2] Witness Ferdinand Wascoe, assistant engineer, bureau of transportation research, defendant lines.

Shortage of adequate car ownership by defendant would affect its ability to serve shippers over the whole of its system lines. Complainant shows, upon brief, that Oregon lumber shippers are made to bear the brunt of all car shortages and the shortages have been severe during the summer months—the main shipping season for the years 1946 and since.

A witness for the Oregon commissioner (exhibit 11) shows that the car shortage on the Portland division was acute from the week ended May 15 and continued until the second week of November 1950. Weekly shortages after the first week exceeded 1,000 cars, averaging 2,864 cars during July and

showing a high of 5,562 in late August. Defendant does not question seriously the correctness of these figures. Somewhat comparable figures appear in exhibit 30, introduced by the general superintendent of transportation for defendant. It shows that an average shortage of some 1,352 cars existed on the Portland division. The exhibit indicates that a severe shortage of cars was experienced on the Portland division some weeks before any shortage was indicated for the rest of the system. No overall system shortage is shown until the week ended June 17, 1950. The system shortage for that week appeared as 831 cars, whereas the shortage for the Portland division is shown as 1,497 cars. Extensive comparisons are shown in complainant's exhibit 11 and defendant's exhibit 30. According to complainant the weekly average shortage on the Portland division was 2 or 3 times that shown for the system. For example, for the weeks ended July 15, 22, and 29 there was shown a net system surplus of 303,421, and 95 cars (exhibit 30, p. 30), whereas there was a shortage on the Portland division of 2,091, 2,793, and 2,884 cars, respectively (exhibit 11, p. 1).

Complainant claims that during the period of extreme shortage of cars on the Portland division in 1950, there was reported a surplus—sometimes a substantial surplus—on other parts of the system of defendant lines. In support of this, complainant on brief states:

"We have prepared the following table entirely from Southern Pacific data admitted to be—indeed claimed to be—accurate. We are convinced the system data are exaggerated and that Portland division data reported to San Francisco for inclusion therein did not account for the full shortage. The system figures are from * * * exhibit 30, page 30, the Portland division figures are from * * * exhibit 11, pages 1–3, and the final column showing car surpluses on the Pacific system, excluding Portland, are cur computations therefrom."

Portland division shortage—System surplus

[Total cars, all types]

Week ending—	Portland division shortage	S. P. Co. Pacific lines surplus or shortage	S. P. Co. Pacific lines (excluding Portland division) surplus
1950			
May 20	451	3,440	3,891
May 27	1,433	4,146	5,579
June 3	1,617	1,701	3,318
June 10	1,910	334	2,244
June 17	1,497	[1] 831	666
June 24	1,113	[1] 893	220
July 1	2,319	[1] 1,108	1,211
July 8	2,282	[1] 487	1,795
July 15	2,091	303	2,394
July 22	2,793	421	3,214
July 29	2,884	95	2,979
Aug. 5	3,686	[1] 1,000	2,686
Aug. 12	4,650	[1] 904	3,746
Aug. 19	4,853	[1] 1,008	3,845
Aug. 26	5,253	[1] 1,382	3,871
Sept. 2	5,562	[1] 1,171	4,391
Sept. 9	3,873	[1] 1,422	2,456
Sept. 16	4,624	[1] 419	4,205
Sept. 23	4,915	[1] 270	4,645
Sept. 30	4,232	[1] 1,117	3,115
Oct. 7	4,454	[1] 1,023	3,431
Oct. 14	2,915	[1] 934	2,981
Oct. 21	2,800	926	1,874
Oct. 28	2,012	[1] 192	1,820
Nov. 4	1,456	1,644	2,100
Nov. 11	453	2,226	2,679

[1] Denotes shortage.

The above figures may not be correct in every detail. However, the record is persuasive that there have been during the summer months 1946–50, inclusive, serious shortages of cars for all the lumber that western Oregon shippers desired to have moved. Complainant asserts that the all too few cars have been so distributed as to unjustly discriminate against and among the lumber shippers of western Oregon. The real basis of discrimination among such shippers is said to have arisen from the manner in which allotment of the cars available was made to the several western Oregon mills. Mills were given ratings by an official of defendant at Portland. The ratings were published early in the car-shortage period of 1950 in what is called Agent's 50 Report. The method employed in determining mill ratings for cars is an issue about which there is much controversy in the record. Typical of these reports are shown in exhibit 82 (in three parts) (Tr. 801). In discussing this issue on brief, defendant states, in part:

"The difficulty of solving the problem of accurate mill ratings was brought out by Mr. George Leslie, assistant superintendent of defendant's Portland division, in charge of car distribution (741). Mr. Leslie said that the question first arose in the early twenties, when a meeting was called by the Oregon Railroad Commission during the time Mr. William P. Ellis was secretary (794). This hearing was attended by representatives of the Oregon Commission, of the ICC, and defendant. As the result of that meeting a group of lumber shippers appointed a committee who gave defendant the ratings of each sawmill on its line at that time for use in distributing cars during the shortage then in progress (1094–1095).

"There being no car shortages on defendant's line from the early twenties to 1946, there was no occasion to maintain any mill ratings during that long period. However, the question again came up in 1948 when a meeting was held at Grants Pass on the invitation of lumbermen at that point. This meeting was presided over by Mr. Carl W. Huson, manager of the Engler-Huson Co., and was attended by a large number of shippers and by Mr. Leslie and other railroad representatives (1095–1096).

"At the meeting, Mr. Leslie suggested that the shippers form a committee and supply defendant with the ratings of each of the mills in the Rogue River Valley. At first, they said they would, but later they reported that they did not want to do so because it would divulge each other's secrets (1096–1097).

"The next time the subject came up, according to Mr. Leslie, was in the spring of 1950, when another meeting was held in Eugene, Oreg. This meeting was attended by between 75 and 100 persons, including Mr. Robert H. Bronson, one of the witnesses for complainant in the instant case, by Representative HARRIS ELLSWORTH and a number of others. Mr. Leslie testified concerning this meeting:

"'Question. [By Mr. Lyons]. And what was the subject of that meeting?

"'Answer. It was a general discussion of the car situation, sort of a friendly get-together meeting.

"'Question. Was anything said about the mill ratings?

"'Answer. Yes. Mr. Hopkins personally addressed the meeting and asked any of the lumbermen if they could help us out in obtaining some substantial data as to the ratings of the mills, and he would (1097) like a committee, if possible, of the lumberman to get together and give us such information.

"'Question. And did they on their own volition supply you with any information as a result of that meeting?

"'Answer. No, sir.

"'Question. Now, your present recollection is that this meeting was called shortly after you had already initiated steps to obtain some form of rating sheet in 1950 in anticipation of a car shortage in the summer that year?

"'Answer. Yes, sir, because the weather was good and it was a nice noonday at the hotel, as I was facing the windows and it was a nice sunshiny day and it should have been shortly after the early spring.

"'Question. Well, then, failing to get any assistance as a result of that meeting, what did you try to do?

"'Answer. I proceeded to do the best I could in the short time I had to take up the information on the ratings and the capacities of the mills with my first rough draft.

"'Question. Now, do you claim that the first rough agent's 50 report was 100 percent accurate?

"'Answer. No, sir.

"'Question. Was it the best that you knew how to get at the time?

"'Answer. It was, sir.

"'Question. Now, did you during 1950 make a revision in the agent's 50 rating sheets as information came to you of either errors or (1098) desires on the part of any shipper whose rating was indicated that wanted to have a change made?

"'Answer. Yes, sir; and that is borne out by the fact that I reissued this R–50 report several times because I found bugs in it.

"'Question. Now, how long was the first agent's 50 rating sheet in effect?

"'Answer. I can't say that, but I presume about 6 weeks.

"'Question. And you did accept revisions as, for example, was brought out in connection with the mill at Stomar Lumber Co.?

"'Answer. Yes, sir; I did.

"'Question. Now, there were others; were there not?

"'Answer. Yes, sir.

"'Question. How many mills were covered by the first agent's 50 report?

"'Answer. Four hundred and thirty-six' (1099).

"This testimony stands uncontradicted in the record. Copies of the ratings were supplied by defendant to the Oregon Public Utilities Commissioner, who secured the number of cars furnished each shipper from defendant's records (1099–1100). No objection was made by him, so far as the present record indicates, to any of such matters."

As shown in the testimony, the agent's 50 report was placed in use on the Portland division at the beginning of the car shortage period in 1950. It was compiled from information received from agents on the Portland division (Tr. 802). The witness was subpenaed by complainant, and appeared as an adverse witness. Defendant in 1950 was distributing cars from the Portland office for almost the entire Portland division, and that undertaking was left largely to the official just named.

The testimony of this witness is treated, in part, upon brief of complainant as follows:

"Questioning of Mr. Leslie developed the actual process followed in compiling the mill ratings embraced in the agent's 50 report," which were thereafter made the basis for allotment of quotas of constantly varying percentages. Our questions were directed to specified stations, picked at random, which were believed to represent a cross section of the Portland district. The record, therefore, shows clearly the process followed.

"In compiling the first issue of his allocation list he depended upon reports from local agents of his company responsive to his inquiry as to two principal facts—production capacity and loading capacity. This information was obtained largely from the mill management by the local agents and transmitted to Mr. Leslie, who made his own interpretation of the data submitted and established the rating. In compiling later lists like process was used except that the inquiry was made direct to the mill management by Mr. Leslie, who accepted the replies at face value, without verification, but who apparently wavered between production capacity and loading capacity in establishing his rating figure with most discriminatory results.

"He stated that the inquiry concerning loading capacity, made in his letter to shippers and agent, had no bearing on the rated capacity of the mill, and was intended mainly for information purposes (1052–3). But a Coos Bay mill producing 4 cars daily was rated at 8 cars, because it could load 8 cars (1059). A Dallas mill producing 20 to 22 cars daily was given a quota of 30 cars daily (1060). A Grants Pass mill that can load 8 cars per shift—of 16 cars per day—is allotted only 5 (1066). A Grants Pass shipper with an 8-car capacity was alloted only 5 (1067). Another Grants Pass mill that can load 14 cars was rated at 4 (1070).

"A tide water mill at Toledo which normally ships no more than 8 cars by rail is given a 20-car rating, ignoring its water shipments (1090), while a 24-car cargo mill at Coos Bay had an allotment of only 6 (1056). A Corvallis mill with a capacity equal to 4 cars daily, without any report on loading capacity, was given a 6-car rating (804). A Wren mill of greater capacity was rated first at 4 cars, then raised to 5 on the protest of its owner (807). A Medford mill with a production capacity of 8 cars has an allocation of 16 (1079).

"The foregoing constitute examples of some of the more glaring inconsistencies in the compiling of data for the Agent's 50 Report. Other shippers, perhaps a large portion of them, were rated on their own claim of actual productive capacity. While the overall productive capacity of all mills combined, as developed by the report, is perhaps reasonably accurate, it is only by reason of the fact that the high ratings offset the low ratings. Between individual shippers, however, the inaccurate ratings produced rank discrimination and injustice. A mill with a rating double its normal production suffered no shortage of cars when the mills of the district were working on a 50 percent quota. Competitors rated fairly dropped from 2 shifts to 1 and tried to stay in business. The underrated mill kept going as long as it could, then shut down its planer, or perhaps shut down entirely and waited for the building season and car shortage to end—to sell its inventory at reduced prices.

"It is difficult to explain, and this record does not explain, why he should have used such unconventional and basically unsound methods in establishing the yardstick upon which all car distribution was to be measured, when he had readily available in his own records, as he well knew and admitted, accurate data of actual shipments, and there were at least three recognized, unbiased directories of lumber mills and their production available for his guidance. Indeed, his own freight traffic manager had published unbiased and current data which he could have safely used with little possibility of challenge. Instead he relied upon biased reports of local agents, selfish claims of individual mill owners and then—to cap the climax—personally established the rating of individual mills without any disclosed reason or justification for his choice of method either upon claimed mill capacity or claimed loading capacity, which might mean length of spur track, capacity of loading dock, or perhaps the number of men in the loading crew then employed, although he professed to believe the capacity of the mill should be the rule."

The complaint herein charges defendant with unlawful acts in connection with car service, or the lack of it, in western Oregon which have caused lumber shippers to bear increases in transportation and marketing costs, loss in labor causing the curtailment of production, preventing deliveries on sale contracts for lumber, from selling in the open market, all resulting in damage and loss of good will, for which complainant alleges the defendant is liable. These allegations were made in the complaint for the benefit of any lumber shipper member of complainant committee who might desire redress through an award of reparation. Only one, A. L. MacInnis and Cosima D. MacInnis, d. b. a. Wren Planing Mill, has asked damages or reparation in this proceeding. Violations of sections 1 (4), 1 (11), and 3 (1) specifically are alleged by this complainant, and damages under sections 8 and 9 of the act are sought for the period June 1 to October 1, 1950. It specifically is charged that during that period defendant failed to furnish this shipper a reasonable car supply, and that it unlawfully discriminated against this shipper in that it failed to make an equitable distribution of the cars it did have on the Portland division. This claim is based principally on the failure of defendant to establish and enforce car quotas equitably to distribute its short supply of cars during the period in question, due largely to inconsistencies and variances in keeping records of cars ordered and supplied to this and other shippers. Most Oregon lumber mills, including Wren, are dependent on adequate car supply to keep their mills in operation. Storage facilities are limited. Without cars the storage space soon is filled and slowdown or shutdown in operation is forced. The claim here is that defendant prevented Wren from producing lumber that it could have produced and sold by failure to supply cars. The shipper testified directly that there was no stoppage of work at his mill during the period June 1 to October 1, 1950, except for that made necessary by lack of cars (Tr. 536, 599). There was no recorded sawmill production for a period of 10 days from August 18 to August 29, 1950 (Tr. 1149). However, exhibit 18 shows that during that time defendant furnished Wren two cars, one on August 23 and one on August 24. On August 14 Wren ordered 6 cars for placement August 18; on August 19, 6 cars were ordered for replacement on August 21; and on August 24, 18 cars were ordered, 6 for each day of August 25, 26, and 28. This total of 30 cars ordered for delivery during the 10-day period, according to complainant, shows that the shutdown was due solely to the lack of cars.

The complaint refers to the reports of the Commission in which it has discussed methods for distribution of cars in periods of car shortages. In *Tanner & Co.* v. *Chicago, B. & Q. R. R. Co.* (53 I. C. C. 401, 406), the report states:

"Thus it is a common practice of carriers in periods of car shortage to distribute coal cars in accordance with mine ratings, determined by the volume of past shipments; but coal is shipped as mined and the amount that may be considered ready for shipment is the amount that can be mined, loaded, and forwarded from day to day. The best evidence of mine capacity is the volume of shipments during normal periods."

Lumber produced at mills in western Oregon must be shipped almost as it is produced. Complainant stresses the fact that rating such a mill for cars based on production, as indicated in the quotation above, is not a proper measure because car shortages in western Oregon during summer months since 1946 has been the rule and not the exception. Ratings based on prior production would necessarily carry into effect the consequences of prior shortages of cars and serve to protect defendant in its alleged failure to furnish cars during the complaint period herein. Because of this, complainant asserts that there has not been a period of normal movement of lumber from the considered origin territory that would show the true capacity of lumber mills or the true market demand. It is argued, therefore, that the rules established in cases determining quotas for movement of wheat and coal would not be equitable if applied strictly to the case of western Oregon lumber. It further is argued that in considering the question of damages suffered by Wren during the summer months of 1950, it should not be limited to lumber on hand, nor to shipments made in prior years as a basis for capacity. Prior operations and prior shipments are only as accurate a measure of Wren's capacity as defendant's furnishing of cars in any period was proper and complete. There being no period of proper or complete car service for Wren, rules for distribution stated in prior Commission reports should not be considered as controlling here.

Rating for mills in the so-called agent 50 reports gave Wren 4 cars on a stated production of 135,000 feet. This production figure was said to have been furnished defendant by 1 of the partners of Wren (Tr. 807). The rating later was raised to 5 cars, but the record is indefinite as to why just such an increase was made. Wren claims that it was at the time producing more lumber; that it was and is shown in reliable publications relating to the Oregon lumber industry as having a capacity of 140,000 feet in its resaw and 200,000 feet for the planing mill. Wren claims that the proper official of defendant was advised of this capacity which would warrant a quote or rating of 7 cars per day, but that the carrier official could not remember having received such advice from Wren (Tr. 808). Notwithstanding the fact that reliable information was published by defendant's freight traffic manager, Crow's Buyers and Sellers Guides, and so forth, such publications were not consulted nor used in making ratings for Wren or other mills on the Toledo division of defendant's lines. At no time during the period covered by the report was Wren given a rating of more than 5 cars (Tr. 797).

Reference is made to *Martin Bros. Box Co.* v. *Southern P. Co.* (280 I. C. C. 395) (now under court review). The Commission, division 3, dismissed the complaint which sought damages in the amount of $737,140.96 from losses of profit and $3,614,747 for loss of good will. It was alleged that defendant failed in its duty to provide and furnish transportation from the plant of complainant at Oakland, Oreg., upon reasonable request therefor, failed in its duty to furnish safe and adequate car service at that plant and subjected the complainant to undue or unreasonable prejudice and disadvantage. On brief, counsel undertakes to distinguish this from the Martin case as follows:

"The method by which proof of damages was made in the Martin case is similar to Wren's evidence herein, to the extent that loss was predicated upon estimated gross sales and a margin of profit computed from other business done by the complainant. (See 280 ICC, p. 403.) This method was not criticized by the Commission. Criticisms were: (1) That there was no evidence in the record by which operations (computed for a full year by complainant) could be broken down to the 9 months period covered by the complaint. (2) Margin of profit was computed on margins realized during a 5-year period, 1943–47, at complainant's plants located in Aurora, Ind., and Toledo, Ohio. The Commission said that conditions in 1943, 1944, and 1945 were not like those in 1947. (The Commission might have added that margins of profit at established plants located in the Midwest could vary considerably from the margins realized in a new mill located in western Oregon.)"

Wren asks an award of damages in the amount of $154,385.86. This total is made up of two items: (1) Loss of profits $144,510.45 (this is said to be what could have been obtained from mill and planer operations if Wren had available cars for capacity operation and shipment); and (2) for loss on sales of cants $9,875.41. The computations on which these losses are based are shown of record in exhibits 16 and 17. The computations appear to be based on a capacity operation—a production of 4 million feet per month, or 16 million feet for the reparation period June to September 1950 (both inclusive). That volume production appears to have been used by the witness based on what he termed "normal production" or that produced by Wren in July and August 1948 (Tr. 555, 585). Exhibits 16 and 17 are

copied in appendix A hereto. In explaining these exhibits, the witness said in part:

"Schedule A, page 1, this schedule is a recapitulation of the information shown on the other four schedules. From schedule D, page 4, we have the shipments under approximate normal production and from that we had deducted the actual shipments had by the company during the period, leaving an estimated shortage applicable to each of the sawmill's production and to the cants and lumber purchased. Such shortage is broken between the sawmill production of approximately 3,073,000 feet and to that applicable to the cants purchased and custom milling, 5,517,000 feet, or a total shortage of approximately 8,590,000 feet.

"The summary in the middle of the page shows the margin of profit—actually the margin of gross profit—computed by including only the direct variable costs, resulting in a margin of profit in their own sawmill production of approximately $32.12 per thousand, and on the cants and lumber purchased of $8.30 a thousand.

"The very last figures on the schedule merely apply the loss or estimated shortage of lumber by the appropriate rates per (Tr. 558) thousand on the estimated margin of profit to arrive at a total loss of profit, estimated approximately at $144,510.45 (Tr. 559). * * *

"On September 30, 1950, the Wren Planing Mill had on hand in cant inventory a footage of 560,784 feet. This footage was shipped in October of 1950 at less than what the actual purchase price of such cants were.

"The actual cost of the cant sales were $65.32, as shown by schedule A of exhibit 16, and the average sales price of the cants in October of 1950 was $47.71 per thousand, or a loss of $17.61 a thousand on the sale of the cant inventory in October of 1950. The total loss amounted to $9,875.41 which again is an approximation of the loss (Tr. 561). * * *

"(Mr. Lyons):

"Question. Now, turning your attention to exhibit No. 17, does that imply that there was a sale of cants, as such, by the Wren Planing Mill?

"Answer. No. They were remanufactured and sold. The company didn't just buy lumber and then act as—buy and sell the same lumber. They remanufactured and sold the lumber they purchased.

"Question. Inasmuch as your exhibit 16 covers the entire operation, I don't get the significance of exhibit 17.

"Answer. Exhibit 17 was for the purpose of showing the loss or the difference between the sales price and the actual cost to the Wren Planing Mill. In other words, they sold that cant inventory for less than what they paid for it (Tr. 595)."

On June 1, 1950, Wren had on hand 285,358 feet of sawmill lumber and 77,919 feet of cants; on July 1, 543,783 feet of lumber and 182,766 feet of cants; on August 1, 685,800 feet of lumber and 145,756 feet of cants; on September 1, 165,768 feet of lumber and 480,798 feet of cants; on September 30, 1,408,033 feet of lumber and 560,784 feet of cants (Tr. 595).

Witness for Wren presented at the hearing copies of a substantial number of car orders bearing dates in June, July, August, and September of 1950. Generally they sought delivery or placement of six cars per day. On some there were notations indicating that 5 cars were furnished on an order for 6; on others there were no notations to indicate whether any cars had been furnished on a particular car order. The record indicates that there may have been other car orders on which Wren received cars during the period, but which the witness had not brought to the hearing. (The copies of car orders mentioned above are exhibit 18 of record Tr. 577.) The witness stated that Wren actually received 173 cars (of which 7 were stopovers) during the period June to September 1950, inclusive. Of the 343 cars ordered during the period (Tr. 580), Wren shipped 47 cars in October and 26 cars in November 1950 (Tr. 582).

Exhibits 16 and 17 (reproduced herein as appendix A) were presented by a certified public accountant employed by Wren. They were reworked by another certified public accountant employed by defendant, whose study was introduced as exhibit 78. Wren made all his records available to the latter. From this examination of Wren's records, the witness stated that of 350 cars ordered for spotting by Wren, June to September 1950, inclusive, 197 were furnished during the period. Orders for 165 cars placed during the period were canceled (Tr. 1139–1140). For the year 1950, schedule B of exhibit 78 shows that Wren ordered 557 cars, canceled orders for 245 cars, and received 394 cars—82 more than asked for on uncanceled orders. No showing is made of cars either ordered or furnished for January and February. By months the record is as follows:

	Cars ordered	Cars received by month of receipt	Cancellations on orders of month
January			
February			
March	31	33	
April	24	47	
May	41	55	
June	93	58	1
July	44	45	1
August	81	31	32
September	132	32	132
October	78	46	78
November	24	26	1
December	9	21	
Total	557	394	245

From this, defendant argues that Wren was given a reasonable flow of empty cars for all the months during which it operated in 1950, actually 82 cars more than its records show from uncanceled orders for the year.

On the issue of discrimination against the Wren mill, on brief, counsel states:

"Distinct from the question of a general failure to provide cars there remains the question of discrimination in allocating the cars which were actually available in western Oregon during the complaint period. If Southern Pacific goes scot free on the more general question of car supply, it must nevertheless respond in damages to Wren for the discrimination which we believe is established by the record.

"On this question we confine ourselves to the period June 12, 1950, to and including September 30, 1950, which was the period used by Dench in exhibit 11 and by Southern Pacific in its related exhibits 79 and 80. The most detailed and complete record of cars ordered and furnished to Wren is contained in defendant's exhibit 66, and to eliminate argument we will adopt that exhibit with respect to cars ordered and furnished. From exhibit 66 we note two corrections which should first be made in defendant's exhibit 80. With respect to total number of cars ordered for the period June 12 to September 30, 1950, an analysis of exhibit 66 reveals that 315 cars were ordered instead of 309 as shown in exhibit 80. Likewise, exhibit 66 shows 156 as total cars furnished during the period instead of 155.

"We believe that during the period June 12 to September 30, 1950, Wren was entitled to receive, as a minimum, the same percentage of cars in relation to its car orders as the other 23 mills on the Toledo branch, listed in defendant's exhibit 80. To arrive at that percentage we have subtracted Wren orders and cars furnished from the total orders and cars furnished as shown by exhibit 80. Excluding Wren, 3,045 cars were ordered and 2,365 cars were supplied on those orders. The percentage of cars furnished to cars ordered is 77.5.

"Taking the 315 cars ordered by Wren for this period, as shown by defendant's exhibit 66, Wren was entitled to receive 77.5 percent or 244 cars. From exhibit 66 we find that Wren received only 156 cars, or a shortage of 88 cars.

"At this point we are compelled to lean over backward in estimating the footage of Wren lumber which would have been shipped in those 38 cars, because of a deficiency in the record. We know that Wren averaged 39,200 feet per car for 36 cars in August of 1950, and that the average was 30,200 feet for March 1950 (Tr. p. 1144). The average for the total complaint period is not in the record. Witness Shinn thought it would exceed 30,000 board-feet per car (Tr. p. 583). In view of the foregoing evidence, we think there can be no objection to our assumption of a figure of 30,000 feet per car, which has been used throughout the record as an industry average. At that figure, Wren could have shipped 2,640,000 feet in the 88 cars.

"Taking the percentages of Wren's own sawmill lumber and cants for the complaint period, as shown by exhibit 16, 47 percent or 1,240,800 board-feet would be attributable to Wren's own sawmill operation, and at the actual realization of $32.12 per thousand on such sawmill lumber, as shown by exhibit 16, the profit would be $39,854.49. On the 53 percent attributable to cants, we would have 1,399,200 board-feet at a profit of $8.30 per thousand or $11,613.36. A total loss of profit of $51,467.85. To this should be added the $9,875.41 loss on cant inventory as shown by exhibit 17, for total damages of $61,343.26.

"If we revise the margin of profit to give effect to Hutchison's testimony, as we have hereinbefore set out, the margin of $25.15 per thousand on sawmill lumber and $9.38 per thousand on cants would give a total loss of profits of $44,330.61, which with the loss on cant inventory added would give total damages of $54,206.02.

"We contemplate that these figures will be objected to by the defendant on the grounds that Wren ordered a greater percent of its rated capacity than the average mill on the Toledo branch. If those rated capacities were accurate there would be merit in such an objection. And if Wren had ordered more than 100 percent of a correct rated capacity we would likewise agree that such excess orders should not be considered; but in view of the testimony of the defendant's superintendent in charge of car supply, Mr. Leslie, showing that each mill's own statement of its capacity was used as a basis for car quotas (Tr. p. 797) and the admission of witness Grant for defendant that under such circumstances the ratings were no more reliable than car orders as a basis for allocating cars (Tr. pp. 1183–1184), we believe that the rule of *Wausau Southern Lumber Co.* v. *G. & S. I. R. R. Co.* (64 I. C. C. 732), is properly invoked. This case involved an alleged discrimination in distribution of cars in favor of competing lumber companies. Distribution was supposedly based on the proportion of cars loaded during normal supply, with adjustments for capacity changes. The complainant contended that distribution should be based upon ability to promptly load as determined by production and accumulated stock on hand. An inspector from the American Association of Railroads made an investigation and established quotas. The Commission said that it was not satisfied that the quota basis was correct, and added:

"'The best evidence of whether or not complainant was discriminated against in the matter of car supply would be afforded by testimony showing the number of cars ordered by the respective lumber companies * * * during the period in question.

and the number of cars furnished thereon by the carriers.'

"The complainant did not recover because there was no evidence in the record with respect to cars ordered and furnished.

"The Commission went on to say, at page 736, that any rule of car distribution established at one shipping point would of necessity have to be extended to include other lumber shippers located on the carrier's lines in the same general district. And that it was just as important to maintain a proper relationship for car distribution between shipping points, districts, and railroad divisions as between individual shippers.

"Approaching the problem from another standpoint, if Mr. Leslie had in the case of Wren, used Wren's statement of capacity, as he said he did in the case of other mills, he would have rated Wren upon a 6-day week (Tr. p. 536), and upon a capacity in excess of 200,000 feet per day (Tr. pp. 529–530) which would show a rating of 7 cars per day. Taking only the 6 cars which Wren thought it was rated (Tr. p. 535) instead of the 4 or 5 cars of the actual rating (Ex. 80) and using the 6-day week, Wren would have been entitled to 564 cars during the period June 12 to September 30, 1950 (same as shown for Corvallis Lumber Co., Ex. 80). Its orders of 315 cars would then appear as only 56 percent of rated capacity, instead of the 82 percent shown by defendant on exhibit 80; and that 56 percent is not disproportionate to percentages of other mills on the Toledo branch."

Exhibit 11, referred to by counsel, was submitted by Witness Thomas W. Dench, an employee of the public utilities commissioner of Oregon, who had been engaged in checking defendant's records during the period of 2 years prior to the hearing. He testified on cross-examination as follows:

"Question (by Mr. Lyons). .Well, as a preliminary question, I like to ask you, Mr. Dench, did the Southern Pacific officers, including superior officers, and the station agents along the line cooperate with the Public Utilities Commissioner?

"Answer. We received 100 percent cooperation from the Southern Pacific; any files that they had available they permitted us to see; any material that we requested to look at—there was no indication that came to my knowledge of any refusal to supply information which we might have requested.

"Question. Now, you realize, Mr. Dench, that the Southern Pacific lines in Oregon are far flung and consist of many branch lines.

"Answer. That is correct.

"Question. And to distribute a large number of cars within that area is a pretty hard job, isn't it?

"Answer. There is no doubt of it, Mr. Lyons.

"Question. And do you think after the 2 years' investigation, the Southern Pacific made a bona fide attempt to distribute its cars equitably and fairly among the shippers?

"Answer. Well, I believe the answer, in my opinion, is that the shippers and the Southern Pacific are both human; human errors will creep up, and certainly I believe that they tried, certainly (432) tried to do the best they could." (433).

One of the partners, a principal witness for Wren was asked: "Now, Mr. MacInnis what was your car supply situation in 1951." Answer, "It was very good." (Tr. 577). In 1951, Wren is shown to have ordered for daily placement from 1 to 4 cars (exhibit 67). During the months of June to September inclusive, 1951, on 5 days only Wren ordered as many as 4 cars. For the rest of the period orders were for 1 to 3 cars. Defendant argues from this that orders of 6 cars per day during the summer period of 1950 by contrast with those ordered in 1951, and further evidenced by the large cancelation of car orders made in September and October 1950, show beyond doubt that the 1950 car orders were inflated and excessive. Schedule D of exhibit 78 shows total footages of lumber shipped by Wren by months for 1950 and 1951 as follows:

Total footages shipped

	1951	1950
January	666,586	0
February	83,119	0
March	110,038	1,001,061
April	60,482	1,207,061
May	490,896	1,429,970
June	1,293,778	2,269,640
July	1,503,143	1,722,566
August	1,448,938	1,573,728
September	1,141,352	1,626,028
October	1,551,319	1,723,706
November	462,685	816,694
December	473,906	608,145
Total	9,286,241	13,978,599

The accountant witness was asked about profits of Wren for operations in 1948, 1949, and 1950. He stated that Wren's profits exceeded $118,500 for 1948, $105,500 for 1949, and approximated $94,500 for 1950 (Tr. 590). The stated production capacity as 16 million feet of lumber and cants used for the basis of reparation sought assumed that Wren would operate almost full time during the 103 working days June through September 1950. Operations, production, etc., are assumed at full capacity with small margin for hazard that might cause stoppage of work, due to loading, shipping, marketing, or other hindrance (Tr. 593). The estimate based on capacity operation and handling of cant purchases also contemplated cars sufficient in number and when needed to keep the total volume of lumber moving as produced (Tr. 587). The estimates for the 4-month period also uses the prevailing prices for lumber at the time. It is assumed that those prices would have remained in effect if Wren and all the other western Oregon mills had 100 percent car supply during the period (Tr. 589). In contrast with the claim of right to cars for full capacity production and for placement when desired during the peak shipping season—or damages for not having received that sort of car service—Wren's counsel states on brief:

"The record in this case is replete with testimony of various mill owners who were required to reduce from a double to a single shift operation, and in some cases completely suspend operation during the period covered by Wren's complaint, until cars could be obtained (Tr. pp. 143, 360, 371, 661). Wren mill was among those so afflicted by the car shortage (Tr. p. 536). The planer was forced to go on a single shift operation and the sawmill was forced to close down completely, once for 10 days, and again for 2 weeks (Tr. p. 1163).

"The factors pointed out in the preceding paragraphs, arising from the car shortage, do not make less certain the fact of damages, but they do make necessary the use of some estimates in arriving at what the actual damages were."

It will be noted from the statement just quoted that other mills like Wren were prevented from operating at capacity during the peak season of 1950 for lack of cars.

Wren was entitled to just, reasonable, and nondiscriminatory car service. However, there is no absolute right of cars for any shipper, and the carrier is liable in damages only if it fails to render a reasonable service. In *Midland Valley R.* v. *Barkley* (276 U. S. 482, 484–485) the Supreme Court said:

"The right of a shipper to cars is not an absolute right and the carrier is not liable if its failure to furnish cars was the result of sudden and great demands which it had no reason to apprehend would be made and which it could not reasonably have been expected to meet in full. The law exacts only what is reasonable from such carriers."

There have been car shortages severe in nature on the Portland division of defendant's lines during the summer seasons since 1946. From the showing made of record there is no ground for the assumption that Wren or any other of the 436 mills on the Portland division reasonably might have expected cars for maximum lumber capacity production and in addition thereto, lumber purchases during the summer months of 1950.

On the issue of discrimination, it is clear from the record that Wren did not receive as many cars in the summer of 1950 as he desired; neither did other mills, as a rule, on the Portland division. Wren was diligent in his efforts to obtain cars; so were other shippers in the territory, and some of them are shown to have expended greater effort to obtain cars than did Wren. There is some evidence that Wren did not receive cars in the exact proportion to capacity production as was furnished other mills on the division during the time. This is said to be due to the method used and the manner in which defendant allotted cars to the mills during the period on a quota or rated basis. The main issue here is whether the alleged discrimination was "undue" and "unjust." Without here determining fully the lawfulness of car distribution as made by defendant on the Portland division, as treated in the main case, it properly may be said that the record shows that a rating was assigned Wren based on the information furnished by it. This is the method that was followed in the case of other mills. Ratings were revised as shown by exhibit 82. In such revision the rating for Wren was increased from 4 to 5 cars per day. Wren claims that the rating should have been changed to 7 cars per day. He claims that he furnished the proper official of defendant information sufficient to entitle him to that rating. The official testified that he had no recollection of having received any such advice from Wren. The official is criticized for not having used or consulted information furnished by the traffic manager of defendant and official publications relating to the lumber industry in Oregon for better results in assigning ratings to Wren and other mills on the Portland division. The same method was followed in assigning quotas or ratings for Wren that was followed in the giving of ratings to other and competing mills. The results were not satisfactory to Wren, nor to many other shippers who testified of record. The testimony of the official of defendant whose sole responsibility it was to make the quotas or ratings, viewed in retrospect, causes one to wonder why management of defendant left to one man so great a task with apparently little supervision and inadequate assistance. It is shown that the official was diligent in his undertaking to distribute the all too few cars, and, however unsatisfactory in some parts as to the results, he was not shown intentionally nor negligently to have failed in his undertaking fairly to distribute the cars provided for the Portland division during the period in question.

One of the partners of Wren observed cars that were placed for competing mills in his vicinity as he passed along the highway near the carrier tracks. He did not know the ratings of those mills, nor did he check to ascertain the car numbers for identification nor keep a record of such cars by definite count. From this he assumed that competing mills in the vicinity were getting a better quota of cars than was being furnished him. The annoyance caused by such observation is obvious. However, the evidence is short of proof requisite to establish unjust discrimination.

There is not upon this record proof to sustain an award of damages as sought by Wren. It follows that the claim for reparation should be dismissed.

Defendant called attention to certain testimony on the issue of alleged inadequate facilities and lack of service to western

Oregon lumber shippers of witnesses for the commissioner of Oregon. On the facilities question, witness Winter conceded that in 1951 defendant "handled a few more cars" (Tr. 616) from western Oregon than in 1950. Page 2 of witness Clark's exhibit 20 shows the number of cars originated and terminated by defendant in Oregon 1940–51, inclusive, as follows:

	Carloads
1940	344,000
1941	409,000
1942	461,000
1943	476,000
1944	466,000
1945	418,000
1946	427,000
1947	479,000
1948	478,000
1949	449,000
1950	460,000
1951	507,000

It will be noted that 47,000 more carloads were originated and terminated in 1951 than in 1950. Of these, 15,635 cars consisted of lumber and forest products. The increase in volume of lumber and forest products carried was 619,400 tons.

As to operation of trains, witness Winter showed an operation of 1,672 westbound freight trains in the period April to October 1950 between Eugene and Crescent Lake, whereas during the like period in 1951, defendant moved a total of 1,747 such trains over the same section of line. Considering the rapidity in which defendant has increased its fleet of powerful diesel locomotives and switchers (exhibits 55 and 64), the completion of new retarder yards at Roseville and Los Angeles, increase in traffic density and freight-train speed (exhibit 29), planned centralized traffic control (hereinafter sometimes referred to as CTC) on the lines between Crescent Lake and Klamath Falls—the saturation point apparently has not been reached as claimed by Witness Winter.

Witness Winter mentioned the desirability of CTC as a means of expediting movement on portions of defendant's lines. At the time of hearing defendant had well underway a study of its several subdivisions of lines in Oregon, including the Portland division, the Springfield subdivision, and the Shasta division. These studies are discussed in brief as follows:

"Redispatching studies were made of train operations on each of those subdivisions as well as on portions of them for the latest 12-month period for which data was available. This study was made for the purpose of determining what effect the installation of CTC would have upon the movement of traffic over each of the subdivisions in their entirety, as well as over selected segments thereof. The segments studied were those between Oakridge and Crescent Lake on the Springfield subdivision, and the Klamath Falls-Chemult segment of the Kirk subdivision. The Kirk subdivision of the Shasta division, which lies south of Crescent Lake, handles all of the traffic that moves over the Springfield subdivision of the Portland division, plus the increment represented by the traffic of the Great Northern Railroad which uses that line between Chemult and Klamath Falls for a total distance of 74 miles, or approximately 75 percent of the total territory of that subdivision (890). In addition, there are many log haulers operated on the Kirk subdivision. The work of dispatching trains by train order system on the Kirk subdivision was found to be approaching a point where it would become a burden upon dispatchers and eventually lead to train delays. The Kirk subdivision is dispatched by one set of dispatchers, that is, 3 men around the clock, each working 8 hours, it being impractical to separate the subdivision into 2 districts for dispatching purposes (890–891). The Springfield subdivision of the Portland division naturally subdivides at Oakridge. One set of dispatchers handles the line between Eugene and Oakridge, a distance of 41 miles, and another set of dispatchers handles the line between Oakridge and Crescent Lake, a distance of 51.9 miles, as contrasted with the 99-mile Kirk subdivision (891).

"The * * * studies * * * mentioned demonstrated that, if there was any portion of the line between Klamath Falls and Eugene which would first become restrictive to the flow of traffic between Eugene and Klamath Falls, it would be that portion of the line extending between Klamath Falls and Chemult, and not the portion of the Springfield subdivision extending between Oakridge and Crescent Lake, as Mr. Winter contends. Because of the impracticability of separating the Kirk subdivision into two dispatching districts, one between Klamath Falls and Chemult, to be operated under CTC, and the other between Chemult and Crescent Lake, to be operated by the conventional train order system, it was concluded to equip the entire Kirk subdivision, Crescent Lake to Klamath Falls, with CTC, and the sum of $2,400,000, heretofore mentioned, was appropriated to accomplish this objective. The work has been started and it is expected the completed installation will be in service sometime before midyear 1953" (891–892).

There are not enough cars made empty in Oregon nor in California north of San Francisco to satisfy demands for empty cars for loading in these areas. It is necessary for defendant to move empty cars from the area around Los Angeles and from as far distant as Texas and Louisiana. A small number of cars are received from the D. & R. G. W. and the U. P. at Ogden. The necessity of bringing empties from such distant areas and over such portions of route as that via Tehachapi increases the chance of events to restrict or stop the flow of cars from those distant areas to the Oregon territory. Events that have hindered or stopped the flow of cars to western Oregon, such as the Tehachapi earthquake in July 1952, the loss of Western Pacific tunnel by fire in the Feather River Canyon, Calif., in August 1952, are said to be typical of events that make it almost impossible at times for defendant to get adequate cars into western Oregon. Obviously, that is true, but it emphasizes the claim of shippers local to defendant in western Oregon that they are made to bear the brunt of all car shortages, and that there are often severe shortages there when none is reported for the other portion of defendant system lines.

Prior to 1949 the supply of cars for western Oregon was hindered by a sort of bottleneck in that portion of line from Indio to Alhambra. Defendant, in undertaking better to serve shippers in western Oregon, the aforesaid bottleneck was relieved by CTC installed in 1949 at a cost of $2,500,000 (Tr. 898). A modern retarder yard was completed at Los Angeles in 1951 at a cost of $2,300,000. Operation on the line between Redding and Black Butte, Calif., has been improved by installation of CTC at a cost of approximately $855,000 (Tr. 899). At the time of hearing there had been completed a modern retarder yard at Roseville, Calif., at a cost of approximately $4,700,000. Roseville is said to be a sort of hub to and from which is dispatched loaded and empty cars. It is expected that the Roseville yard will relieve pressure on its yard at Eugene. The general manager of defendant lines testified somewhat at length in reply to criticisms made by witness Winter, an employee of the Oregon Commissioner. Witness Winter criticized sharply defendant's operations between Eugene and Crescent Lake. The testimony of the general manager is quoted on brief as follows:

"Since September 1, 1926, when the Cascade line was placed in operation, up to the present time, various portions of the railroad and facilities thereon have approached the point of being restrictive in the movement of traffic, including empties into Oregon, and as that potential has developed, these deficiencies have been corrected.

"Never has there been a time within the scope of my experience when the Springfield subdivision between Eugene and Crescent Lake, or that portion of it between Oakridge and Crescent Lake, constituted the governing factor in the movement of traffic, including empties into Oregon or the movement of traffic out of that State, except, of course, during those occasions when the movement of trains on that subdivision was interrupted by reason of snow difficulties, slides, derailments, and so on.

"It is also of interest to note that during the period 1942–1944, when I was serving as General Superintendent of (900) Transportation, and as a member of the Advisory Committee to W. F. Kirk, Director of the Office of Defense Transportation, and Agent of the Interstate Commerce Commission, it became necessary to divert traffic from various of Southern Pacific routes under authority of Interstate Commerce Commission orders to the end of avoiding or liquidating congestion occasioned by heavy upsurges of military traffic. Such situations were experienced on the El Paso route eastward from Los Angeles, on the Ogden route eastward from Roseville, and on the Valley route extending between Los Angeles and central California via Mojave and Bakersfield, but at no time was it necessary to seek such relief because of restriction imposed upon traffic flow by the Springfield subdivision of the Portland division.

"It must be remembered, and, as will be testified to in detail by a subsequent witness, that except for those spot shortages that may be due to traffic interruption for causes immediateley mentioned above or because of more serious and prolonged interruptions, as exemplified by the earthquake damage on the Tehachapi Mountains, when cars are in short supply in Oregon, they are in short supply elsewhere on the system.

"No reservoir of empty equipment ordinarily exists anywhere on the lines of this company that might be tapped for the benefit of Oregon, and which tapping it is alleged is prevented by restrictions imposed by the physical characteristics of the Springfield subdivision." (901)

Witness Winter also criticized the lack of facilities and the operation on the Siskiyou line between Ashland, Oreg., and Hornbrook, Calif. He described the line as incapable of handling more traffic (Tr. 319). Witness Hallawell stated that prior to 1926 the Siskiyou line was defendant's only entrance into Oregon. In June 1926 that line carried 32½ trains per day. Inauguration of service over the Cascade line through Klamath Falls diverted traffic from the Siskiyou line such that in 1952 the average movement over the latter was 8.2 trains per day. Defendant asserts that except for the removal of a few short sidings the line is the same as in 1926. The Siskiyou line now handles 30 percent or less of the empty cars brought into Oregon. In 1926 locomotives operated over the Siskiyou line into Oregon were of the 2–10–2 type with a rating of 645 tons. The locomotives now used to serve Oregon are for the most part diesels with a rating of 2,450 tons (Tr. 902). With the Cascade line in service western Oregon is now giving train service per day some eleven times that in 1926. Carloads originating on defendant's lines in Oregon have increased 170 percent and tons originated have increased 200 percent 1951 over 1926 (Tr. 903).

Complainant sought to emphasize the fact that defendant's facilities have not kept pace with the rapid development of industry in western Oregon during recent years.

That is a substantial issue in the proceeding. Bearing on that issue, defendant shows that over $630 million has been spent in the last 20 years for additions and betterments to its property and for locomotives and cars. Some $375 million of the investment has been made in the last 6 years. The testimony relating to the expenditure designed for expeditious handling of traffic to and from Oregon (made in the last 30 years) is summarized in brief as follows:

"1. Constructed the Cascade line, otherwise known as the 'Natron Cutoff,' completed in 1926 at a cost of over $33 million. This line, running from Natron, Oreg., to Klamath Falls, was constructed in order to bypass the heavy grades and curvatures encountered in movement over the Siskiyou Mountains. With increased capacity and reduced time en route, the Cascade line now handles all Southern Pacific through traffic to and from points east, in the railroad sense, of Eugene, Oreg.;

"2. Relocated a section of the line between Black Butte and Klamath Falls at a cost of $10,800,000. This line change, when considered along with the Cascade line, resulted in more expeditious handling of California and south line traffic originating in Oregon east and north of Eugene and also from Myrtle Creek, some 100 miles south of Eugene;

"3. Constructed the Alturas line from Klamath Falls, Oreg., to Fernley, Nev., at a cost of around $5 million, and standard-gaged and reconstructed the former Nevada, California & Oregon Railway between Wendel and Alturas, at a cost of more than $2,700,000, all of which combined to reduce time in transit on eastbound carloads originating in Oregon and westbound empties destined to Oregon for loading;

"4. Constructed the Taylor retarder yard in Los Angeles at a cost of nearly $2 million and the Roseville retarder yard at Roseville, Calif., at an additional cost of more than $3.3 million, which yards, though remote from Oregon, have improved the handling of cars destined to and from that area by reducing the switching and blocking of outbound loads and by expediting the movement of empties toward Oregon loading points. (The amounts stated are for investment expenditures only and do not include total costs amounting to from $2.5 to $3 million more than the figures just stated.) (842);

"5. Installed CTC between Black Butte and Dunsmuir, Dunsmuir and Redding, Bena and Tehachapi, Santa Margarita and San Luis Obispo, Alhambra and Colton, Colton and Indio in California between Sparks and Massie in Nevada, and between Lucin and Bridge in Utah, all of which installations contribute to hurrying loads and empties toward Oregon and loads from Oregon to markets in all parts of the country;

"6. Recently defendant's board of directors approved the expenditure of $2.4 million to install CTC on the section of the line from Crescent Lake to Klamath Falls, which will greatly improve the movement of cars to and from Oregon (842);

"7. Installed diesel engine servicing facilities at El Paso, Roseville, and Ogden at a cost of many millions of dollars;

"8. Installed radiotelephones in 44 cabooses operating between Eugene and Dunsmuir via Klamath Falls at a cost of $121,968. From 20 minutes to 5 hours per trip have been saved by such telephones through avoiding delays incident to cutting out helpers, cutting trains at sidings, and entering and leaving sidings, particularly those not equipped with spring switches (843); and

"9. Had on order and undelivered, as of August 31, 1952, 6,718 freight cars and 116 diesel locomotives at a cost of $66 million (845)."

Defendant asserts that the car shortages during the peak shipping season 1947–50, inclusive, are the only severe peacetime shortages on its lines since 1922–23. It refers to the period 1924 to late 1940 as one of large surpluses of empty cars on all class I railroads. This surplus is said to have reached 700,000 cars for the national average. In 1939 defendant had on line a daily surplus of 6,632 serviceable cars, and in 1940 the average of such cars was 5,374. Reference is made to annual reports of this Commission which discuss the matter, and the effect such surpluses had on new car purchases, etc., during that period. That period was followed by an upsurge in volume of traffic as a result of World War II. The latter period 1942–45 caused a real problem for defendant in its effort to dispose of cars made empty on its lines. During that period defendant was required to haul trainloads of empties to its eastern connections. With the end of the war, the situation suddenly reversed. The car supply generally was short until the decline in industrial production—and in railroad traffic—which occurred in 1949. That recession soon was followed by an upsurge in traffic caused by the Korean situation, and so-called scare buying. The national traffic situation changed from a reported car surplus of some 35,000 to one of car shortages that became widespread and severe in many parts of the country—particularly in western Oregon. Much space in the record and in briefs was given the topics just mentioned. Suffice it here to say that exhibits 45 and 46 (Tr. 964–167) show a daily shortage national in scope of several thousand needed cars for immediate movement. The effect of the 5-day week in terms of car shortage, was to reduce the Nation's car supply by about 175,000 cars. That subject was discussed in the 64th and 65th annual reports of this Commission to the Congress. The car shortages, national in scope, were widely publicized during the principal period covered by the complaint and record herein.

Contributing to the difficulty of defendant to furnish cars to its shippers during the period in question, defendant shows by exhibits 34 and 35 that the Association of American Railroads issued several car service orders or directives requiring it to turn over to their connecting lines specified numbers of serviceable cars as described in the orders. The record shows that 7 such orders were issued in 1946, 4 in 1948, 3 in 1949, 10 in 1950, and 7 in 1951. Four of these were still in effect in December 1950. The service orders made effective during 1950 are described on pages 4 and 5 of exhibit 35 as follows:

"Effective May 6, 1950 (still in effect December 1950). Order provided for return empty of all gondolas of Eastern Allegheny ownership with the exception that gondolas covered by this order locating west of the Continental Divide could be loaded to any destination east thereof.

"Effective May 21, 1950 (canceled June 10, 1950). Order requires S. P. Co. to deliver A. T. & S. F. Ry. 500 plain box suitable for merchandise loading or better at rate of 50 cars daily. Order was modified effective June 1 through June 10 to require S. P. Co. to exclude A. T. & S. F. Ry. plain box from all distribution and loading excepting in the State of Oregon and return empty to owners.

"Effective July 5, 1950 (canceled November 15, 1950). This order restricted the loading of Canadian owned boxcars to destinations only north of a line extending from St. Louis through Kansas City to Denver or to destinations to or via Canadian Roads.

"Effective July 7, 1950 (canceled August 3, 1950). Order required S. P. Co. to withdraw from distribution and return to owners W. P. RR. boxcars locating in States of California and Nevada. This order was superseded by another effective July 10 which directed S. P. Co. to deliver 50 empty serviceable plain boxcars to W. P. RR., daily, for a 10-day period. This order took preference over S. P. Co. requirements.

"Effective July 7, 1950 (canceled August 3, 1950), order required that S. P. Co. exempt from distribution D. & R. G. W. Railroad boxcars and expedite return empty to owners; however, order was immediately modified to permit cars to be loaded in accordance with car service rules.

"Effective July 16, 1950 (canceled October 5, 1950), order required S. P. Co. to deliver to U. P. Railroad at southern California junctions 50 serviceable plain boxcars daily, count not to include Canadian boxcars or cars home to owners at junctions where made empty. Order was amended on August 2, increasing requirements to 125 cars daily, and again amended August 17 to increase demands to 200 cars daily, excluding junction rule 2 and Canadian ownership.

"Effective July 17, 1950 (canceled August 30, 1950), order required that all flats and gondola cars other than Pacific coast, Canadian, and D. & R. G. W. ownerships arriving San Francisco-Oakland area under load with Government shipments be returned empty in service route. Order was modified on August 31 through September 30 to permit the loading of flats falling within provisions of this order to destination east of the Continental Divide.

"Effective August 10, 1950 (canceled October 4, 1950), order required S. P. Co. to deliver to W. P. Railroad for movement via W. P. Railroad, and delivery to G. N. at Bieber, Calif., 10 serviceable boxcars daily, preferably of G. N. ownership."

The orders made worse the bad situation for defendant at the very time it could not supply its shipper demand for cars. Defendant calls attention to the fact that during World War II the purchase of cars, locomotives, etc., was restricted by priorities. In the period 1940–51 defendant purchased 42,813 freight cars and 725 locomotives. Some 454 of the latter were diesels. Defendant has purchased 30,680 cars since 1946 at a cost of approximately $380 million. In addition, since 1946 defendant contributed some $79 million for the purchase of refrigerator cars for the Pacific Fruit Express, of which defendant owns one-half. Delays were experienced in delivery of some of the equipment. Bad-order cars have been repaired with diligence (Tr. 838). Defendant asserts its serious consideration of the plight of shippers during the periods of car shortages in recent years. It claims to have done all within its power to serve its shippers, and cites the above purchases and expenditures as indicative of its undertaking to do all within its power to provide service to all its shipper patrons. In addition to the equipment referred to, defendant has spent in recent years some $375 million for construction, additions, and betterments. Reference is made to an agreement reached by the railroads in July 1951 at Chicago to "(a) increase ownership to 1,727,873 cars as of July 1, 1950, or an increase of 122,000 cars; (b) reduce bad-order cars to 5 percent ownership of each class of car on each railroad; (c) speed up car handling so as to attain an average of 50 miles per freight car per day; (d) avoid delays and other insufficiencies in freight-car handling; and (e) solicit shipper-receiver cooperation in freight-car efficiency."

Defendant shows that at all times during recent years it has had on order cars much above the average for class I railroads; that in carrying out the Chicago agreement it has far exceeded the efficiency in operation there contemplated. In 1950 defendant was moving freight cars more than 65 miles per day and for all serviceable cars 68 miles. Unserviceable cars on all class I railroads were shown to be about twice the percentage of that on the system lines of defendant (Tr. 852). The efficiency in operation shown here of record for the period 1946–51 shows that

defendant exceeded the national average in additions to equipment and other improvement. Such a showing is important to the ultimate conclusion in this proceeding, but it affords little comfort to the lumber shippers in western Oregon, who, as claimed, have suffered more shortage in cars desired than is shown for any other area in the territory served by defendant. The supply of cars during favorable weather conditions for producing lumber in western Oregon largely determines the amount that can be produced and determines definitely the volume of business of the industry.

The production of lumber in western Oregon has been increasing steadily for several years. The tempo has accelerated in recent years. Since 1946 defendant has not furnished all the cars desired by Oregon lumber shippers during the peak season of summer months. It appears, however, that on an annual basis cars furnished have approximated, and in some instances exceeded, those ordered (on orders remaining uncanceled).

Shippers in western Oregon local to defendant are dependent for cars drawn, for the most part, from 1,500 to 2,000 miles distant from that area. As empties are pulled up from Texas through California obviously the supply of empties shrink en route. The supply diminishes along the route when shippers there are asking for cars. This has caused the car supply in western Oregon for shippers local to defendant to bear no small part of the grief when shortages occur on the system lines of defendant.

Careful consideration has been given all the findings proposed by counsel on briefs. The situation is aptly stated in brief of complainant (p. 293): "Many conditions shown to prevail perhaps cannot be fully corrected within the limit and scope of this proceeding. Full restitution to damaged shippers can never be made." One cannot consider the record herein without feeling the force of these statements. The records show that in times of car shortage the Portland division generally is reported "short." Seldom, but at times, other divisions are reported "short" by smaller percentage of cars furnished to cars ordered than that of the Portland division. Consideration has been given by the Commission's Bureau of Service to the issuance of a car service order that would require carriers more equitably to distribute cars among its several operating divisions in times of car shortage where surpluses were reported on certain of the divisions. Instances are here shown of record of distribution in which it appears that the Portland division and 1 or 2 other divisions of defendant's lines appeared to have been given less than an equitable share of cars on hand. The Commission's Bureau of Service generally receives daily reports of cars on hand, cars ordered, cars furnished, surpluses or shortages for the several operating divisions of carriers in car shortage areas. Application promptly should be made to the Commission for relief, when and where an equitable distribution is not made among operating divisions, for the issuance of a car service order to effect needed relief. All the findings proposed by complainants properly may not be made on this record. Section 15 (4) of the act protects the carrier originating the traffic in its long haul. Section 15 (8) allows the shipper the right to route his traffic. Both defendant and shippers here are shown to have exercised those statutory rights.

Upon this record the Commission should find:

1. The complainant herein and interveners in its behalf are proper parties complainant.

2. The defendant originates, transports and delivers a very substantial portion of the volume of rail freight moving to or from points in western Oregon and, except in the limited territory served by Oregon Electric Railway Co., enjoys what almost amounts to a monopoly in that portion of western Oregon southerly from Portland.

3. While Portland, Oreg., to some extent, as designated in the tariffs, is an open gateway for the movement of rail shipments originating on lines of defendant in western Oregon, so far as rates and routings are concerned, and competitive rates and practical routings exist via Portland in connection with Union Pacific Railroad Co., and, to a lesser extent with other northern lines, defendant has discouraged the use of such route and has solicited against it; Union Pacific Railroad Co. solicits traffic at points on lines of defendant for routing via Ogden.

4. During the past decade that portion of western Oregon served by defendant has experienced a substantial industrial growth, particularly in the production of lumber and other forest products, which growth and development has substantially increased the rail freight tendered to and transported by defendant, and has likewise greatly increased the potential traffic of the area to a point exceeding that here reflected of record in rail shipments.

5. That defendant, by reason of its near monoply in rail transport facilities within the described area in western Oregon, owes to the shippers of that area the duty of anticipating any community and industrial growth reasonably to be expected, and of furnishing to shippers and prospective shippers service, equipment and facilities as nearly as reasonably possible, adequate to their needs, and to augment the same from time to time in advance of development to such extent that such development and growth may reasonably be anticipated.

6. That the alleged failure to furnish intervener, Wren Planing Mill, all the cars it desired during the period June 1 to September 30, 1950, is not shown to have constituted a vioaltion of the Interstate Commerce Act as to warrant a finding of damages on the issues raised.

7. That the record does not afford a basis upon which the Commission may make an enforceable order retroactive to the periods covered by the complaint and the evidence adduced of record.

It follows, therefore, that the complaint, including the intervening petition, should be dismissed.

APPENDIX A

SCHEDULE A. WREN PLANING MILL

Footage and profits comparison to actual results of operations with estimated normal results of operations for the months of June to September 1950, inclusive

	Applicable to sawmill shipments	Applicable to cants purchased and custom milling	Total
	Feet	*Feet*	*Feet*
Estimated shipments based on approximately normal production as per schedule attached	7,562,466	8,437,534	16,000,000
Actual shipments during the period, per records of the Company	4,489,048	2,920,394	7,409,442
Estimated shortage	3,073,418	5,517,140	8,590,558
Summary of per M feet sales and costs as shown on attached schedules:			
Average sales prices applicable during the 4 months	$68.02	$73.62	
Less—			
Direct variable costs included in lumber from own sawmill	26.86		
Summary, etc.—Continued			
Less—Continued			
Direct variable costs included in resaw, planing mill, and shipping	$9.04	$9.04	
Cost of cants purchased		56.28	
	35.90	65.32	
Margin of profit	32.12	8.30	
Loss of production:			
Sawmill, 3,073,418 feet at $32.12 per thousand or			$98,718.19
Purchased cants and lumber, 5,517,140 feet at $8.30 per thousand or			45,792.26
Loss of profits, partly estimated			144,510.45

SCHEDULE B. WREN PLANING MILL

Sales prices and production costs applicable to year 1950

	Amount	Feet	Per M feet
Actual sawmill sales price in 4 months of June to September 1950	$305,338.34	4,489,048	$68.02
Actual sales price of cants and lumber purchased, remanufactured, and sold during the 4 months of June to September 1950	155,477.55	2,111,845	73.62
Direct variable costs included in lumber from our sawmill exclusive of resaw, planing, and shipping for the year 1950	275,063.47	10,239,630	26.86
Cost of cants and lumber purchased for the year 1950	$184,376.15	$3,275,943	56.28
Direct variable costs applicable to resaw, planing mill, and shipping being on combined footage of sawmill production sold and purchased lumber sold for the year 1950	118,629.45	13,129,477	9.04

SCHEDULE C. WREN PLANING MILL

Data in re costs and expenses for the year 1950

Direct variable costs:		
Gross payroll for the year		$167,564.32
Lumber and cants purchased		184,376.15
Logs purchased	$284,071.90	
Less:		
Logs sold	64,085.55	
Increase in inventory during year	9,168.23	
		210,818.21
Stumpage depletion		11,854.60
Supplies and expenses		38,212.18
Payroll taxes and payroll insurance (4.08 percent average)		6,828.34
Power, lights, and water		$10,146.38
Total direct costs of all operations		629,800.18
Less:		
Supervisory labor and other labor including watchmen (fixed costs)	$49,703.22	
Payroll taxes and payroll insurance thereon	2,027.89	
		51,731.11
Total direct costs variable applicable to production		578,069.07

Distributed as follows:

	Sawmill production	Cants, resaw and planer	Total
Gross payroll	$66,935.06	$100,629.26	$167,564.32
Lumber and cants purchased		184,376.15	184,376.15
Logs purchased	210,818.21		210,818.21
Stumpage depletion	11,854.60		11,854.60
Supplies and expenses	14,397.10	23,815.08	38,212.18
Payroll taxes and payroll insurance	2,730.95	4,097.39	6,828.31
Power, lights, and water	4,058.55	6,087.83	10,146.38
Total	310,794.47	319,005.71	629,800.18
Less:			
Gross payroll fixed	34,330.32	15,372.90	49,703.22
Payroll taxes and payroll insurance thereon	1,400.68	627.21	2,027.89
	35,731.00	16,000.11	51,731.11
Total direct costs	275,063.47	303,005.60	578,069.07

	Sawmill production	Cants, resaw and planer	Total
Less cants and lumber purchased		$184,376.15	
Total		118,629.45	
Mill cut feet	10,239,630		
Cants and lumber purchased do		3,275,943	
Cants and lumber purchased and sold do		3,245,236	
Sawmill production sold do		9,884,241	

SCHEDULE D. WREN PLANING MILL

Data in re footages for the months of June to September 1950, inclusive

Footage shipments had in 1948:

July	3,979,193
August	4,038,730
Total for 2 months	8,017,923
Average	4,008,961
Use	4,000,000

This footage represents essentially the capacity of the entire operation including our sawmill production, lumber purchased and remanufactured in resaw and planer, and custom milling.

Had there been a sufficiency of railroad cars for shipment of the production, at least 4 million feet of lumber would have been shipped in each of the 4 months of June to September 1950, inclusive and the shipments would have been segregated between own lumber produced and cants purchased on essentially the following basis:

Own lumber produced being based on average daily production in June, 1950, prior to curtailment of sawmill operations:

	Feet
See attached schedule	7,562,466
Balance applicable to cants purchased remanufactured, and shipped and to some custom milling	8,437,534
Total estimated normal shipments for the 4 months of June to September, 1950, inclusive	16,000,000

SCHEDULE E. WREN PLANING MILL

Footage of sawmill production for the month of June 1950

Date	Day shift	Night shift	Total
	Feet	*Feet*	*Feet*
1	43,472	37,007	80,479
2	37,067	43,145	80,212
3	37,216		37,216
5	51,059	41,598	92,657
6	45,934	36,634	82,568
7	43,754	37,961	81,715
8	38,262	35,476	73,738
9	41,942	39,351	81,293
10	44,533	39,835	84,368
12	44,134	38,134	82,268

Footage of sawmill production for the month of June 1950—Continued

Date	Day shift	Night shift	Total
	Feet	*Feet*	*Feet*
13	41,835	37,218	79,053
14	44,224	41,120	85,344
15	43,051	43,029	86,080
16	48,596	42,501	91,097
17	43,377	38,875	82,252
19	44,394	38,876	83,270
20	48,729	45,031	93,760
21	43,158	40,864	84,022
22	44,919	41,310	86,229
23	30,080	38,349	68,429
24	39,526		39,526
26	44,149	39,549	83,698
27	40,032	42,659	82,691
28	42,175	42,827	85,002
29	42,954	44,039	86,993
30	41,035	39,980	81,015
Total	1,109,607	965,368	2,074,975

Total footage feet	2,074,975
Less average of 8 percent falldown, for trim, resaw, and through planing mill being approximate experience of the company feet	165,998
Sawmill production do	1,908,977
Total days operated during June 1950	26
Average cut per day feet	73,422
Working days in 4 months ended Sept. 30, 1950	103
Estimated production if operated continuously during the said 4 months on basis similar to preceding months feet	7,562,466

ACCOMPLISHMENT OF THE SENATE THUS FAR IN THE PRESENT SESSION

Mr. MORSE. Mr. President, I should like to make a brief comment—and I am doing it as a "Liberal"—on what I consider to be unfair criticism directed to the legislative record which the majority leader of the Senate is making in this session of Congress.

For example, I have before me an analysis of measures passed by the Senate through March 29, 1956. It does not include measures that were passed in the Senate today since the compilation was drafted. The compilation compares the record of the Senate this year with the record of the Senate a year ago. By March 31, 1955, we had passed 140 bills, a large number of which were private bills. This year, by March 28, 1956, we have passed 412 bills.

The compilation shows that as of March 28, 1956, the Senate has been in session 54 days. As of March 31, 1955, the Senate had been in session 38 days.

Of the total of 337 Senate and House bills and Senate and House joint resolutions, 117 have been general legislation and 220 private bills. It is estimated that only 40 or 50 of the 140 measures passed by March 31, 1955, were general bills. Fifty of the more important bills passed by the Senate so far this year are listed in the compilation, which I believe has already been printed in the Record.

I wish to say as a "Liberal" that it is very unfair to read in some press stories that this has been a do-nothing Senate thus far in this session. We started in January with bills to vote on. We proceeded immediately with debate and voting. That does not usually happen at the beginning of a session. I also wish to say that I do not share the view of some liberals in the country who have been quoted recently in press stories as castigating the majority leader because of the legislative course of action he has followed in this session of Congress.

Let me cite a major piece of legislation or two. It may be that there are certain types of liberals who feel we should not have followed the course of action we followed in connection with the gas bill. I was a little surprised, at the beginning of the session, when the gas bill was brought up for early debate and vote, that there was a suggestion from some liberal sources in the country that we ought to bottle it up in committee. I do not believe in either steamroller tactics or in bottling-up tactics.

That is why I took the floor to state that as a liberal I would be no party to a proposal to bottle up the gas bill. I thought it was a very bad bill. I disagreed with the majority leader of the Senate. I believe he was dead wrong on the gas bill.

However, that has nothing to do with the parliamentary procedure in the Senate. That has nothing to do with the rights of our colleagues in the Senate, both on the majority side and on the minority side. When a bill goes through hearings in committee and is reported out by the committee, as was the case with the gas bill, within a reasonable period of time it should be brought to the floor of the Senate and disposed of.

It was suggested that I go into the Democratic policy committee and oppose bringing the bill out of committee. I refused to do that. On the contrary, I took the floor of the Senate and set forth my feeling as to why it ought to be brought up. I said it ought to be brought up because we could not justify, under our legislative process, the adoption of tactics that some liberals thought would be all right to adopt in that case, because they thought it was such a bad piece of legislation.

Mr. President, the soundest way to strengthen a liberal program in this country is always to be willing to take it on, on the merits. It may mean getting ready to be defeated sometimes, but one of the responsibilities of a liberal in the Senate is to make the record so that liberals who will follow will be in a stronger position to serve the public than they would have been if the record had not been written.

I believe the record we made against the gas bill will redound to the benefit and the glory of liberals in the Congress of the United States in connection with future issues, because I can already hear someone say, "Well, you know what happened with the gas bill. You know the position they took, and you had better be ready to meet them on the merits."

In this session of the Congress we have devoted many hours to the farm bill. What would the critics of the majority leader have us do? I happen to think—and the majority leader knows this, and I have criticized him privately about it—that we held too many night sessions. I think we were held in session too many nights, to the disadvantage of the legislative process in the Senate. He does not share my point of view on that matter, but he is not entitled to the criticism that he is a do-nothing majority leader. On the contrary, he has been a very effective majority leader, who has kept the so-called pressure upon the Members of the Senate to get our work done. The figures in the Record on that point cannot be denied. I think it is due the majority leader, before we begin our recess period, to make that statement. I think it is unfair to close this part of the session of the Congress with these criticisms of the majority leader going unanswered. I think everyone knows that on substantive legislation I have disagreed with him time and time again, but I have a high regard for his fairness; I have a high regard for his complete impartiality in the handling of his parliamentary duties in the Senate; and I have a high regard for his dedication and devotion to the public service in carrying out his responbilities as majority leader.

ADJOURNMENT TO APRIL 9, 1956

Mr. STENNIS. Mr. President, in accordance with House Concurrent Resolution 226, I move that the Senate stand in adjournment until Monday, April 9, 1956, at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 44 minutes p. m.) the Senate adjourned, the adjournment being, in accordance with House Concurrent Resolution 226, until Monday, April 9, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 29 (legislative day, March 26), 1956:

Diplomatic and Foreign Service

Lowell C. Pinkerton, of Missouri, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sudan.

United Nations

James W. Barco, of Virginia, to be a deputy representative of the United States of America in the Security Council of the United States.

United States Attorney

William C. Spire, of Nebraska, to be United States attorney for the district of Nebraska for the term of 4 years vice Donald R. Ross, resigned.

Associate Judge

Austin L. Fickling, of the District of Columbia, to be associate judge of the municipal court for the District of Columbia for a term of 10 years vice Armond W. Scott, term expired.

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HOUSE OF REPRESENTATIVES

Thursday, March 29, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, in this moment of prayer, we are coming unto Thee in the spirit of penitence and confession, of praise and adoration, of supplication and intercession.

We beseech Thee to give us a more vivid sense of our filial relationship to Thee and may we seek to be one with Thee in the thoughts of our minds, the desires of our hearts, and the endeavors of our lives.

May we also cultivate a deeper appreciation and understanding of our fraternal relationship to mankind everywhere and may all attitudes of contempt and hatred toward others be supplanted by feelings of considerateness and love.

Grant that this Holy Week, reminding us of the sufferings and death of our blessed Lord, and the Easter season, commemorating His resurrection, may inspire us to rise with Him in newness of life and give ourselves more sacrificially to the glorious task of building a finer and nobler civilization in which men and nations shall live together in peace and good will.

Hear us in the name of our crucified Saviour and risen Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill and a concurrent resolution of the House of the following titles:

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes; and

H. Con. Res. 226. Concurrent resolution establishing that when the two Houses adjourn Thursday, March 29, 1956, they stand adjourned until Monday, April 9, 1956.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 500) entitled "An act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9064) entitled "An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 898. An act to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property;

S. 1161. An act to abolish the Fossil Cycad National Monument, and for other purposes; and

S. 2386. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt," approved July 28, 1955.

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 101. An act for the relief of Fernanda Milani;

S. 117. An act for the relief of Ana P. Costes;

S. 213. An act for the relief of Mrs. Ingeborg C. Karde;

S. 315. An act for the relief of Asher Ezrachi;

S. 396. An act for the relief of Theresa Pok Lim Kim;

S. 663. An act for the relief of William T. Collins (Vasilios T. Buzunis);

S. 963. An act for the relief of Mr. and Mrs. Andrej (Avram) Gottlieb;

S. 1242. An act for the relief of Purita Rodriguez Adiarte and her two minor children, Irene Grace Adiarte and Patrick Robert Adiarte; and

S. Con. Res. 68. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens.

DEPARTMENT OF DEFENSE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 453) authorizing the printing of additional copies of the hearings of the Department of Defense Appropriations for 1957 for the use of the Committee on Appropriations, House of Representatives, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That there be printed for the use of the Committee on Appropriations 1,000 copies of the hearings entitled "Department of Defense Appropriations for 1957," held before the Subcommittee on Department of Defense Appropriations, Committee on Appropriations, during the 2d session of the 84th Congress.

The resolution was agreed to.

EVOLUTION OF A PARTY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, at this happy Easter time I feel it appropriate to bring to the attention of my colleagues on the other side of the aisle an editorial from a Republican newspaper, the Chicago Tribune of March 27, 1956. Commenting on an article in the New York Times this editorial says:

> Mr. White, as the representative of an eastern newspaper, is pleased to observe that the center of control over party affairs has shifted to the East. This is not exactly news, and does not signify that the Republican center of gravity has shifted at all from the Middle West. What it does mean is that the successful political wirepullers in the party are mostly easterners.

Further the editorial says:

> In other words, the party is in the hands of eastern men who wield financial clout and who control the instruments of propaganda. We believe that to be true.

Then the editorial goes on:

> We thought our middle western readers would like to know of this eastern viewpoint on where they fit in the new Republicanism. It seems that they just don't fit.

This from the Republican Chicago Tribune. I do hope that my bringing it to the attention of my colleagues on the other side of the aisle will not mess up with gloom the joyous Easter greetings that with my colleagues on this side of the aisle I extend to them as we recess.

The SPEAKER. The time of the gentleman from Illinois has expired.

DUST STORMS

Mr. HYDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HYDE. Mr. Speaker, high in the sky over America this Easter weekend, will be great eddies of dust that a few days ago were topsoil on the western plains.

The loss of that good earth means the destruction, according to the papers, of three-fourths of the crop of hard winter wheat.

But it means much more than that. These clouds of airborne topsoil can never be returned to that prairie land. Those precious acres are well on the way to becoming stark and arid desert, land which America may never reclaim.

May I remind the leadership of this Congress, Mr. Speaker, that on Tuesday, January 17 of this year, an eminent Member of this body, an authority on agriculture, the gentleman from Colorado [Mr. HILL], addressed this House and said:

> There is no reason in the world why a man should plow up land that will blow away at the first gust of wind.
>
> I am fearful of another cycle of terrific dust storms—

He prophesied.

> It is so dry in three counties in my district that they have little water for their livestock. They have had no snow, practically no moisture since last fall. So, a windstorm in that area would bring about a serious situation.

It is true that we were forced by the emergency of war to plow up these sod lands and crop them chiefly for wheat. It is true, likewise, that we had to help these farms by the parity program for several years after the war, but we saw the handwriting on the wall when the wheat crop on these sod land acres dropped from 100 million bushels a year down to 20 million and 40 million bushels for the last 2 years.

And now, as we face God's wrath as expressed by the wind and the dust storms, are we preparing to add another year of high parity to encourage more growing of grain we cannot use, sell, or eat?

Go back and read again that January speech. It tells us what must be done today to save our land.

INDUSTRIAL SAFETY LEGISLATION

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, yesterday the gentleman from Pennsylvania [Mr. SCOTT] called our attention to a number of important bills affecting the wage earners of this country in various ways. Mr. SCOTT pointed out that despite the importance of these bills, and the desirability of enacting suitable legislation in these fields, the Democrat leadership had shown little interest in their enactment. His warning that we should increase our rate of progress is well-timed. We may be in session for only 3 more months, and our legislative schedule is lagging.

I should like to call attention today to H. R. 5740, the so-called industrial safety bill, which I introduced almost 12 months ago, on April 20, 1955. This bill was referred to the House Education and Labor Committee, of which I am a member. The Department of Labor transmitted its report on this bill to that committee on May 30, 1955.

This bill, to promote industrial safety, is important. When 609 Americans died in Christmas holiday accidents last year, we called the weekend Black Christmas and the Nation deplored the useless and tragic loss of life. Yet we seem to ignore the fact that last year almost 15,000 workers died in job accidents while doing the work that is keeping America strong and prosperous. During that same period nearly 2 million workers were injured.

The suffering of the workers injured and killed during 1955 and the sorrow of their families cannot, of course, be calculated. The economic loss to our Nation, however, can be estimated. It has been calculated that the direct and indirect cost of these accidents amounted to \$3½ billion in 1955.

In 1955 lost time due to industrial accidents is estimated at 39 million man-days of work. Think of what could be built or produced with 39 million days of work. That is a week's work for almost 7½ million men and women.

This is bad enough, but it is not all.

The accumulative effects of these accidents—the time lost in the future due to the deaths and permanent disabilities suffered last year—will amount to 193 million man-days.

How many good things for us all could be made or built in 193 million days of work? It is staggering. The future time lost because of last year's occupational accidents could build more than 100 million refrigerators or cut and sew 200 million men's suits, or make 1½ billion pairs of men's shoes. It could fabricate more than 26,000 modern jet bombers or construct a million 6-room houses or mine 2 billion tons of coal.

And year after year after year, this tragic loss goes on and on. The most heartbreaking fact is that nearly all these accidents could be prevented.

If H. R. 5740, or something like it, could be enacted, we should have taken a step toward reducing occupational accidents in this country. It would further the cause of industrial safety by providing grants-in-aid to the States so that they can improve their safety programs. President Eisenhower has included in his recent budget message a request for \$2 million to finance these grants when the legislation is passed.

Under our Federal-State system, the States have the basic legal responsibility for occupational safety. President Eisenhower believes firmly in the exercise by the States of this initiative.

Few State labor departments today, however, are equipped to carry on a good safety program, to make necessary inspections, and to advise management on ways to prevent accidents. A study made several years ago showed that out of 37 States less than two-thirds spent as much as 10 cents per year per industrial worker on safety.

State labor departments, except for the few which administer employment security programs, are the one main branch of State governments that do not receive the benefit of Federal financial grants. If such grants were available, the same progress in industrial safety could be expected as has taken place in State public health, vocational rehabilitation, vocational education, and welfare programs. All these programs are partly financed by Federal funds.

Were this proposed law in effect today, an estimated 39 million workers would benefit if every State and Territory accepted its provisions.

This legislation, along with several other bills which would directly benefit many millions of workers, was originally proposed by President Eisenhower in 1955. Since Congress took no action, and our committee held no hearings, President Eisenhower has proposed it again this year.

Inaction with respect to these important pieces of legislation is difficult to explain. These bills would benefit millions of working men and women throughout the country, and they should be acted upon.

This spring perhaps this bill and others may be given a speedy hearing. At this time of year hope springs eternal.

KEEP: RURAL DEVELOPMENT IN CHINA

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, I would like to call to the attention of my colleagues in the Congress a project in Japan, largely the vision of a single American, which is today contributing immeasurably to the well-being of an important ally of the United States and providing an inspiring "pilot plant" for other countries in Asia.

The people of Japan have long been beset with the problem of finding sufficient food to meet the needs of their teeming population. Today, with over 89 million people living on 4 small islands—an area no larger than our own State of Montana—that problem is more acute than ever before. Only 17 percent of Japan can be used for growing the foodstuffs which are traditional in Japan.

Beyond this, the people of Japan face a spiritual problem—one of obtaining a workable faith in God and man which will constitute an adequate underpinning of the democratic form of government they desire to maintain. They recognize their need for this faith, particularly for a demonstration of how democratic ideas can be made to work at the grassroots level.

KEEP, or to give it its full name, the Kiyosato Educational Experiment Project, offers to the Japanese people at least a partial answer to these two pressing problems. This project, located in the mountains of Yamanashi Prefecture at the village of Kiyosato, some 70 miles west of Tokyo, stems from a summer camp founded in 1938 by an American teacher in Japan. Today it is known all over Japan, not only for its camp facilities but for the pioneering it has done in agriculture, medicine, public health, and youth work. It is, in effect, a full-scale demonstration for the betterment of rural life, inspired directly by some of the finest traditions to be found in America—our original New England combination of church and meeting house; our free libraries, our voluntary hospitals, and our colleges of agriculture.

Last year over 20,000 Japanese, young and old alike, came to visit KEEP's experimental farm, library, hospital, conference center, and village church. Several whole schools of 500 students and upward were brought there by their teachers for 1-day inspections. More than 5,000 persons participated in the formal conferences alone, which included such groups as university students, high school boys and girls, 4-H groups, and farm extension agents. A number of American students also came to participate in work camps and to learn more of rural Japan and its problems.

Mr. Speaker, KEEP has proven to the Japanese people that there are yet ways in which their small country can increase its food production. There is little that the world can teach Japan about ordinary paddy field crop raising. Their lowland farmers are as efficient as can be found. In uplands farming, however, KEEP has blazed a new trail. It brought the first Jersey cattle into that part of Japan and proved that they could be pastured in Japan's mountain areas. As a result of this experiment there are today over 5,000 Jersey cattle in Yamanashi Prefecture. KEEP also, in 1952, flew into Japan 200 Hampshire Red chicks from Petaluma, Calif., to begin a poultry industry. Today there are 10,000 Hampshire Red laying hens in the area around Kiyosato. One village has stated that the introduction of this breed increased the economic prospects for their whole population.

KEEP has also proven that 19 kinds of vegetables and 7 cereals and grains can be raised in the unused lands of that part of Japan—all 5,000 feet above sea level. It has now begun to introduce Hereford beef cattle, the first ever to be seen in Japan.

Beyond the immediate problem of food, however, KEEP has brought a new meaning to life for the people of Yamanashi Prefecture. Its free lending library, its pioneer work in rural public health, its outpatient medical service, and its annual county fair—modeled on those great fairs which all of us who grew up in rural America remember so well—have given the impoverished farmers of Yamanashi a broader vision, and feeling of local pride.

KEEP is an ambitious project, but not a luxurious one. Its buildings are of the simplest construction, but they are practical. What is more, they are designed to be within reach of other rural communities of Japan that desire to establish similar projects. KEEP was made possible by a number of small gifts from over 6,000 organizations and individuals here in the United States. Many of these persons served in Japan with our Armed Forces and hence know at firsthand how important KEEP is. Others have never been in Japan, but they have met the dynamic man who established KEEP. It is heartening to know that KEEP's plant is now practically complete and is already nearly self-supporting. There remains to be established only a rural-life training institute, where farm families can learn to develop household industries.

A native of Kentucky, Paul Rusch, the founder of KEEP, first went to Japan in 1925 on a business venture. What started out to be a year in the Far East has turned out to be a lifetime. From 1926 until 1942 he served as a member of the economics faculty of St. Paul's University, an educational institution in Tokyo, founded and supported by the Episcopal Churches of America. He introduced American football to Japan in 1934; but he is most remembered for the Christian work he established among young university men in Japan.

On the day of Pearl Harbor, Paul Rusch was the sole American faculty member remaining at St. Paul's and was arrested and interned by the Japanese secret police. Repatriated in the exchange of 1942, he volunteered for service in the American Army.

From 1942 to 1945 as an intelligence officer he was engaged in the training of some 6,000 officers and men for Japanese language duty in the Far East. Almost all of these were nisei, Americans of Japanese ancestry. The school was just outside my city of Minneapolis and it was here that I came to know and respect Paul Rusch. In mid-1945 he was flown to Manila to enter Japan as a colonel on General MacArthur's staff. From 1945 through 1949 he served in the Civil Intelligence Section of General Headquarters, Tokyo. For his service he was awarded the Army Commendation Ribbon and the Legion of Merit.

Paul Rusch, however, saw a challenge beyond his Army career. In 1949 he left the service and began in earnest to develop the work he had started at KEEP before the war. Since that time he has devoted all his energies to organzing the project and raising the necessary funds in Japan and in the United States to make it possible.

Recognition of this great man's record has come from all quarters. Hobart College has awarded him an honorary degree. The Japanese Governor of Yamanashi Prefecture has said:

> The precious seed of democracy planted and watered by KEEP has grown into a big tree, which is already bearing fruit.

Shigeru Yoshida, former Prime Minister of Japan, describes KEEP as "a wonderful work for the betterment of rural life in this country.

The Dallas Morning News once observed:

> Paul Rusch asks Congress for nothing. He does not demand the enactment of laws by the Japanese Diet. He simply goes to work for his fellow man.

Dr. Paul Rusch is but one of many Americans who over the past hundred years have given themselves to lives of service for the people of Asia. His work is unique, however, in that it demonstrates so dramatically what can be done, with faith and a shoestring, to help a people to help themselves. That this has been accomplished by private initiative and support is in the best American tradition.

Mr. Speaker, I know few if any places where Americans can invest their dollars with greater long-range benefit to more people.

All America can well be proud of Paul Rusch and the forward-looking men and women who have made and are making KEEP possible.

CIVIL-RIGHTS LEGISLATION

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, there is an old principle of engineering against forcing. If technicians in the scientific world have discovered that rule of engineering, some legislators have not or do not apply the principle to the successful enacting of laws in a great body like the Congress of the United States.

As one who consistently supports civil-rights legislation I realize that a Member of Congress can wave his arms and shout and lay the blame for the ills of the Nation on the administration in power, and yet actually such tactics are damaging to the very cause which is being embraced.

On the other hand by quiet persistence, reason, and tact it is possible to make great progress.

The administration has announced a three-point civil-rights program to broaden Federal authority in this controversial field. As I understand it, the executive branch will ask for, first, the creation of a Civil Rights Commission with subpena power to review complaints of violations of Federal law; second, the establishment of a Civil Rights Division in the Department of Justice, headed by an Assistant Attorney General; third, enactment of a law to permit civil suits to be filed in Federal courts against persons or organizations that deny or attempt to deny voting rights in any States.

May I say, Mr. Speaker, that I believe that the long-range remedy for race problems lies in the third proposal because once, for example, the Negro gets and exercises the opportunity to vote, he will bring about through his voting franchise the equality he seeks and is entitled to. However, what I would like to point out is that the Congress, particularly the other body, is constituted in such a way that too much pressure at this time would only result in no remedial legislative action. Like good legislative engineers those of us who favor the civil-rights program should not try to force our colleagues against their wills. We must be reasonable and compromise to the extent that half a loaf is better than no bread at all.

I noticed that one of our distinguished colleagues is instituting a discharge petition to force a certain bill out of committee. In this connection I want to say that I believe all legislation should have a public hearing and committee consideration before a measure comes to the floor of the House. Again, like the engineer, I say do not force. Let us use all the persuasive power at our command to get the Judiciary Committee to report out legislation we favor. Let us be patient and calm. After all, it will do our cause no good even if the House passes the bill if it is pigeonholed in the other body. So again I say it is better not to use force.

In conclusion, Mr. Speaker, let me express my pleasure and satisfaction that the administration is sending this three-point civil-rights program to us. I hope it will be speedily considered and acted upon favorably.

EX-CONVICT DISPLACES DISABLED VETERAN

Mr. AYRES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, I was deeply hurt this morning when I read in the Washington Post that John Maragon, a former 5-percenter and ex-convict, was an employee in the House folding room. I was hurt because Ralph Scalzo, a friend of mine and a disabled American veteran who served his country for 13 years and is 60 percent disabled, a man who wears 4 battle stars from the Africa-Italy campaign, had been displaced by Mr. Maragon.

Mr. Speaker, I realize that at times politics can be awfully rough, but I think we are carrying it just a little too far when we replace a lad who is a 60 percent disabled veteran and then give that job to an ex-convict.

I hope, Mr. Speaker, that the fine gentleman in charge of such affairs in the House of Representatives will see that justice prevails and that this disabled veteran is reinstated in his job.

Fortunately, I have a little clerk hire left in my allowance, and I am going to put him on temporarily to assist him in increasing his earning power a little over the disability pension he now receives.

Mr. Speaker, if this is an example of what is going on, I think perhaps it would be advisable to establish a bipartisan committee to screen these employees as they come into the House of Representatives.

THE HONORABLE JAMES MIDDLETON COX

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Speaker, I take this time today to express my highest personal regards and all good wishes to a very illustrious and distinguished citizen of our great Miami Valley, who will celebrate the 86th anniversary of his birth this coming Saturday, March 31.

The Honorable James Middleton Cox, a former Representative in Congress from the Third District of Ohio, the same district I now have the high honor and privilege to represent here in the Congress, was born near Jacksonburg, Butler County, Ohio, on March 31, 1870.

After graduating from the high school in Amanda, Ohio, he taught school, worked on the farm, and also worked in the mechanical and editorial departments of a daily newspaper. Showing very early in life all those abilities, drive and interests which have always characterized him, he became the owner and publisher of the Dayton Daily News in 1898. In 1903 he also became the owner and publisher of the Springfield (Ohio) Daily News, the Miami (Fla.) Metropolis in 1923, and the Atlanta Journal in 1939. A few years ago he also became the owner of the Dayton Journal Herald and in addition to all these highly respected newspapers, he also owns and operates a number of radio and television stations. Through all these years he has maintained a very close personal daily contact with each of these very important newspapers, radio stations, and television stations. His son, James M. Cox, Jr., of whom he is understandably proud, has been closely associated with and has ably assisted his father in all these far-flung business interests. James Cox, Jr., has also followed his father's interest in all civic affairs and has just successfully conducted a Red Cross finance campaign in Dayton during which the high quota set was substantially exceeded.

Mr. Cox, in spite of his great personal and financial responsibilities in his many business matters, has always been deeply interested in and devoted to all those matters which are in the best public interest of our great district, State, and Nation.

Mr. Cox was elected as a Democrat to the 61st and 62d Congresses and served with distinction from March 4, 1904, until January 12, 1913, when he resigned to become Governor of Ohio. Governor Cox became the first Governor of Ohio to serve our great State of Ohio for three successive terms. During his three terms as Governor, a great deal of legislation was enacted that has since become models for many other States. Time will not permit a review of all this forward-looking legislation, but I must mention one phase in particular. In March 1913, a devastating flood struck the Miami Valley causing millions of dollars of property loss and taking the lives of hundreds of people. The famous "do-it-yourself" spirit of our area and State soon asserted itself. The people, through voluntary contributions, raised the necessary money to develop a flood-prevention program. The State legislature, under the very capable leadership of Governor Cox, passed the Ohio conservancy law which has since become a model for many other States. The Miami Conservancy District was formed—

dams were built, streams were deepened and straightened, and this entire area protected from future floods—all of it being done at the expense of the area itself with no help either being requested or received from the Federal Government. The Ohio conservancy laws and the Miami Conservancy District are living monuments today of Governor Cox and the many distinguished citizens of our area who are devoted to the principle of local responsibility and self-help.

Governor Cox is noted for many other civic and business contributions and successes. Although he was the unsuccessful candidate for President of the United States in 1920, he did not permit his defeat to embitter him or lessen his interest in public affairs. He has always been willing to assist in any civic or national matter. He served with distinction as vice chairman of the United States delegation to the World Economic Conference in London in 1933 and was president of its Monetary Commission. He has served our community and our Nation in many other ways and many times.

Governor Cox retired from active political life in 1946 but he maintains a very keen and active interest in all of the affairs of Government at all levels. He constantly encourages all of his associates and employees to maintain their interest in all public matters and the columns of his newspapers constantly reflect an alert constructive awareness of all the problems which face our Nation and its communities.

Mr. Speaker, Governor Cox will be 86 years young on March 31. He has a host of friends throughout the length and breadth of this Nation. He is a great American who not only has served our community, State, and Nation with honor and distinction, but he is one who also continues his interest and work in our behalf each day. I heartily congratulate Governor Cox on the 86th anniversary of his birth and express my most sincere hope that he will enjoy many more happy, healthful, and fruitful years of active life.

The SPEAKER. Without objection, all Members desiring to do so may extend their remarks on the life and character of ex-Governor Cox at this point in the RECORD.

There was no objection.

Mr. RAYBURN. Mr. Speaker, again I wish to congratulate my old and dear friend, James M. Cox, on his birthday. Jim Cox's life has been a full and useful one. It may be said of him that he has really and finely served his day and generation. He is and has been a friend to man.

PENSIONS FOR WORLD WAR I VETERANS

Mr. BYRNES of Wisconsin. Mr. Speaker, I submit a petition which I received from Mr. Lloyd LaPlant and others of Manitowoc and Brown Counties, Wis., relating to pensions for World War I veterans, which I ask be referred.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

OUR IMMIGRATION POLICY

Mr. RODINO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, the question of United States immigration policy is one which is of great concern to all of us. Ever since the passage of the Immigration and Nationality Act of 1952, proposals have been forwarded by legislators, private citizens, and civic organizations indicating the need to reconsider the principles of this act.

Such reconsideration is justified.

Look at the record. By continuing the unjust precedent of the national origins quota system, it has given credence to racist theories and undemocratic practices. By providing 70 percent of our meager quota to northern and western European nations, the law discriminates against other deserving European immigrants. By making distinctions between naturalized and native-born American citizens, the law debases citizenship itself. By granting sweeping and unreviewable powers to administrative officials, the act has a great potentiality for injustice. On this last point, Adlai Stevenson recently wrote:

> The decision of a customs official with regard to the admission of a sack of beans can be appealed to the highest court of the land. But the decision of a consular official with regard to the admission of an American citizen's mother or wife is final and subject to no appeal whatever.

The bill which I have introduced, H. R. 8392, presents a more equitable and just means of meeting the need for a democratic immigration and naturalization policy. It provides a policy which is responsive to the humanitarian desires of the Nation and yet protective of its security.

The bill bases the annual quota at one-sixth of 1 percent of the United States population according to the latest census. Thus, approximately 250,000 immigrants per year will be admitted when the bill is enacted. Since my bill provides for a percentage based on changing census figures, the number of immigrants admitted will change as our population changes. We now admit approximately 150,000 immigrants a year, just as we did in 1924. Our population has increased by half since then. Our quota has remained exactly the same.

Surely we must liberalize this provision.

H. R. 8392 provides furthermore, that these immigrants be admitted not on the basis of the nation from which they come, but on the basis of our national needs and policies. In addition to allotting a minimum of 20 percent of the quota annually to newcomers, the bill indicates percentages to be distributed in order to bring skilled persons into the United States; to reunite families; to provide a haven for the persecuted victims of tyranny; and to promote the national policies of our country. In this last category, the act will probably be devoted, at the present time, to aiding those nations with population pressures which threaten their stability.

By granting our visas in this manner, we affirm our basic democratic belief that the true worth of a man is not determined by the nation of his birth, but by his individual qualifications.

The national origins quota system is an outmoded product of a bygone era—it has no place in our Nation today.

Another democratizing feature of my bill is that it eliminates those distinctions which make the naturalized American a second-class citizen. For the first time in the history of naturalization legislation, we have had, written into our laws, provisions differentiating between citizens who have been naturalized in good faith and native-born citizens. Before the Immigration and Nationality Act, the grant of citizenship to an alien placed him on an equal level with other citizens. But a change was introduced by the present immigration law—a change which, if unchecked, may start a dangerous trend making the naturalized citizen always suspect, always a little bit less than those who, by an accident of birth, happened to be born here. Under the present law, a naturalized American can be deprived of his citizenship on grounds which are not even considered criminal when the same act is committed by a native-born citizen.

I have eliminated such provisions. Naturalized citizens are given the same rights and duties as native-born citizens. They suffer the same penalties for wrongdoing.

Under the present administrative system of the act, the Immigration and Naturalization Service in the Department of Justice and the Bureau of Security and Consular Affairs of the State Department, are the two governmental bodies which oversee our immigration laws. This division of responsibility begets confusion and delay. With no clear line of authority, our immigration policy remains uncoordinated and overcomplicated.

H. R. 8392 provides for the creation of an Immigration and Naturalization Commission, which would be a single, independent authority, responsible solely for this vital function.

In addition, this bill provides a workable set of standards to insure against the entry of genuine subversives and antidemocratic peoples into our Nation. In the current act there are so many contradictory and complicated requirements that we often bar the scientist, the professor, the scholar and others who can make a real contribution to our democracy. This failing represents a loss to our national security and a loss to our international prestige.

There is no reason why our security provisions cannot protect us from evil and still assure us of good. H. R. 8392 provides an orderly and sensible procedure for doing exactly that. It can never be attacked on the grounds of laxity, it can be applauded on the grounds of justice. Thus, when we are offered a means of safeguarding our security, and bolstering our democracy, we must not reject it.

On these grounds, I urge passage of H. R. 8392. This bill represents the comprehensive revision long sought by thinking and responsible citizens. It represents an enlightened and human approach to a vital national function. It represents our Nation at its best.

CONSTRUCTIVE CORPORATE TAX REFORM IN THE INTEREST OF SMALL BUSINESS

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, I am today introducing a corporate income tax bill which I believe is a constructive approach to the tax problems of small and intermediate incorporated business concerns. In introducing this bill I am associating myself with the gentleman from Connecticut [Mr. Seely-Brown], who introduced an identical bill on March 8, 1956. This step is taken in full recognition of the fact that the present corporate normal and surtax rates have been extended through March 31, 1957.

Frankly, it is not my expectation that additional tax legislation affecting corporate income tax rates will be considered in this, the 84th, Congress. However, a basis for future action should be established, and it will be my purpose to press for such action as soon as is possible. I will say that I hope the Ways and Means Committee will be able to hold hearings this session on the several corporate tax rate schedules which are now, or may be, before the committee. I think that small and independent business has a right to voice its opinions in tax legislation at the earliest possible moment. Small business should not only have the right to express its opinions, but it should have those opinions carefully and earnestly considered by the Ways and Means Committee.

It is becoming more evident, as time goes on, that tax relief to small and intermediate corporations is a prerequisite for our continuously expanding economy. With the growth of our larger business units and a trend toward mergers and consolidation, we should write into our tax laws a formula which will encourage every independent enterprise in this country.

In my years of service on the Small Business Committee I have been interested in what could properly be accomplished by the Federal Government to help small business. We have considered, I believe, every type of problem which has beset small business over the years. May it be said that in the consideration of these problems that the House Small Business Committee in past Congresses has on numerous occasions been able to point out areas for improvement to the executive departments and agencies. Many of our recommendations were adopted.

In our consideration of small-business problems, we have found it necessary on at least two occasions to establish independent agencies for the avowed purpose of aiding and assisting small business in its dealings with the Government. We have provided through these agencies financial assistance, help in securing Government contracts, and aid in production and management problems. May I say parenthetically that the Small Business Administration, the first peacetime agency wholly devoted to the affairs of small business, in my opinion has done an outstanding job. There is no doubt in my mind that this agency should be placed on a permanent basis to work in the fields that Congress has authorized and to even work harder in these fields throughout the years to come. As important and as useful as these various aids by the Federal Government are to small and independent business, they are only a partial solution to the problems of the small-business man. The most formidable barrier to the growth and health of small business is the continuance of an unrealistic corporate income tax levy particularly in the lower tax brackets.

There is one point which many of us sometimes overlook or forget. By far the greatest majority of businessmen in the United States ask only for a free hand in the operation of their businesses. They do not like to be hampered by rules or regulations which serve no other purpose than to restrict or control their efforts to become an integral part of our American free enterprise system. Businessmen are as patriotic as any other group in these United States. They do, however, welcome rules and regulations which guarantee fair play in business and which afford protection to the consumer. They have in fact loyally accepted the most stringent regulations on materials, prices, wages and other economic controls needed to maintain our national defense. There is no question about that in my mind. I do believe, nevertheless, that we have imposed through our taxes a formidable deterrent to the successful operations of small business.

I am a small businessman myself. I feel that I have some personal knowledge of small business problems. As one in the manufacturing field, I know the necessity of streamlined production facilities and the absolute necessity of increasing production because that is the only way you can stay in business. I know the difficulties experienced by small firms which generally lack product diversification and sell in rather narrow markets. Many small firms operate on a narrow margin and lack financial resources with which to meet changes in consumer demand.

It is, however, absolutely essential that in order to remain competitive, a business concern replace wornout or obsolete equipment, develop new products, erect new buildings, or fill many of the other demands necessitated by today's highly competitive markets.

Customarily, a small firm depends upon its earnings to finance expansion. With the tax burden such as it is today, however, they must turn to borrowing, and borrowing is itself difficult.

They are, as we all know, unable to go into the securities market and it is increasingly difficult to attract private investors. High taxes have discouraged what used to be one of the best sources of capital for small firms. In fact, small-business men themselves are discouraged in their efforts to expand or to even maintain their present operations. They feel that with such high tax rates the return does not justify the risk and work entailed.

Mr. Speaker, we cannot help but admire the versatility and tenacity of today's small-business man. But let us give him the relief and strength which is so badly needed. The country as a whole will be the ultimate beneficiary.

Reductions in our corporate tax rates in appropriate earnings brackets seem to me to be a logical and imperative step in the solution of the problems of small and independent business. The rates in the bill which I am introducing are as follows:

If the taxable income is:	The tax is:
Not over $5,000	10 percent of the taxable income.
Over $5,000 but not over $25,000.	$500, plus 20 percent of excess over $5,000.
Over $25,000 but not over $100,000.	$4,500, plus 40 percent of excess over $25,000.
Over $100,000	$34,500, plus 54 percent of excess over $100,000.

May I say in conclusion that these schedules will not reduce revenue. Moreover, they do not penalize the larger corporations. The slight increase to 54 percent is negligible when compared with the benefits derived by small corporations as a whole.

Of course, a continued effort should be made to reduce all taxes and it is my hope this may be done.

VACATING SPECIAL ORDER

Mr. METCALF. Mr. Speaker, I ask unanimous consent that the special order granted me for today may be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORT OF SUBCOMMITTEE ON INTERNATIONAL OPERATIONS ON TECHNICAL ASSISTANCE IN LATIN AMERICA

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. Meader] is recognized for 15 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, I desire to call to the attention of the House the fact that today the Committee on Government Operations of the House approved a report of the Subcommittee on International Operations on Technical Assistance in Latin America.

That report is founded on a study by the International Operations Subcommittee which has been going on for several months. Included in that study was a trip to the capitals of 11 Latin American countries, made between the 7th of October and the 1st of November last year. That subcommittee is under the chairmanship of the Honorable Porter Hardy, Jr., of Virginia. The other Members who took the field trip were the Honorable Jack Brooks, of Texas; the Honorable Victor Knox, of Michigan; and myself.

I want to commend the chairman of our subcommittee, the gentleman from Virginia [Mr. Hardy], for the statesmanlike, impartial attitude he has taken in all the investigations of our subcommittee and particularly that phase dealing with our expenditures on technical assistance programs in Latin America.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I am glad to yield to the distinguished gentleman.

Mr. HARDY. Mr. Speaker, I cannot help but express appreciation to my distinguished colleague for the kind remarks he has made; and particularly I should like to commend the gentleman from Michigan [Mr. Meader], the gentleman from Michigan [Mr. Kox], and the gentleman from Texas [Mr. Brooks], who participated with me in the hearings and in the preparation and writing of the report that was approved today. All those gentlemen contributed immeasurably to the work of the committee and gave a tremendous amount of thought and effort to the preparation of the report. I do want the gentleman to know that I appreciate his contribution particularly.

Mr. MEADER. Mr. Speaker, I thank the gentleman. I might say that while the subcommittee's inquiry concerned itself primarily with so-called point 4 expenditures in South America, we did have occasion to go into other overseas activities of the United States; activities of our diplomatic representatives, and activities of the United States Information Agency.

In addition, almost everywhere we went in the capitals of those South American countries we met informally with representatives of American business, members of the American Chambers of Commerce of Rio de Janeiro, Sao Paulo, Montevideo, Buenos Aires, Santiago, and Lima. On other occasions we met informally with American business representatives and from them attempted to get their appraisals of the effectiveness and success of our programs in Latin American countries.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to my colleague.

Mr. BROWNSON. Mr. Speaker, I am proud to be the ranking minority member of the Subcommittee on International Operations. I am sorry I was unable to make the study trip this year. I do want to say that having read the report it is my considered opinion that the Members who made the trip did a capable job of investigation and reporting. It is my prediction that the taxpayers of the United States will save a considerable amount of money as a result of this report. For that reason I desire to commend our capable chairman, the gentleman from Virginia [Mr. Hardy], the gentleman from Michigan [Mr. Meader], with whom I have traveled previously and whose judgment I respect very highly, and the other Members who participated in this report. I particularly call to the attention of the Members of the House this report which was approved by the House Committee on Government Operations today, and which I believe has a great deal of merit as a basis for study of our continuing South American relationships.

Mr. MEADER. I thank the gentleman from Indiana for those remarks.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Virginia.

Mr. HARDY. May I say that the gentleman from Indiana did read our report and studied it very thoroughly, and made some constructive suggestions to the committee before it was submitted to the full committee for approval. I express my regret that the gentleman was unable to accompany us on our trip to South America, because I know he could have contributed a great deal to our deliberations.

Mr. MEADER. May I say to the gentleman from Virginia that I share his sentiments concerning the contribution of the gentleman from Indiana.

Mr. Speaker, I now include what I regard as an excellent article appearing in the January 1956 Americas, the monthly magazine published by the Organization of American States, in English, Spanish, and Portuguese editions, which gives an account of this subcommittee's activities on this trip to South America:

My Trip Was Worth It—A United States Congressman, Just Back From Latin America, Reports on His Experiences

(By Porter Hardy, Jr.)

In the annual exodus of hundreds of thousands of travelers from the United States to foreign lands, probably no trip attracts more attention than that of a departing or arriving legislator. Congressional travel abroad—which some people like to refer to as junkets—seldom fails to provide a lively topic for discussion in the press and among the people. Just as it seems to be a perennial puzzle to the United States taxpayer, who foots the bill, perhaps it is also a source of wonder to the citizens of the country of destination. Why do Congressmen go abroad? What do they do when they get there? What are the results?

In the light of my own experience, I would like to try to answer these three questions. I have just returned, along with three of my colleagues on the House Government Operations Committee, from a 22-day, 15,000-mile official journey to 11 countries in Latin America. I cannot deny that it was pleasant, although it was not a pleasure trip; it was also colorful, exciting—and arduous. Despite the generous hospitality of our hosts in each country and the wonderful things to be seen everywhere, our job was basically hard work.

One of the functions of Congress is to watch over the expenditure of the taxpayer's dollar to make such that the executive agencies who do the spending use a maximum of economy and a minimum of waste. The way Congress is organized, a major part of this responsibility falls on the Government Operations Committee of the House. The International Operations Subcommittee of which I am chairman, is specifically charged with the duty of examining United States overseas civilian operations, including those of the United States Department of State and allied agencies.

Only if we have good people, good organization, and good managerial control at all levels can we carry out our programs abroad economically and efficiently. Take one of the major United States activities in Latin America, for example, the cooperative technical assistance program through which the United States and the Republics to the south exchange know-how on problems of economic development, better known as point 4. Examination of this program in all its ramifications was the principal task undertaken by the International Operations Subcommittee. For several months we made an intensive inquiry in Washington, collecting and analyzing a wealth of documentary material from the Department of State, from the Foreign Operations Administration, and from the United States Information Agency, with personnel, organization, and managerial control our chief concerns. We held a series of hearings in Washington, with witnesses from the Government and recognized civilian authorities in organization and management. Still, important questions remained unanswered—questions that could be answered only in the field.

For example, there was considerable confusion in Washington about the organizational structure, since the technical assistance program has bounced around from one agency to another. At one time it was handled by the autonomous Institute for Inter-American Affairs; later it became a unit of the Technical Cooperation Administration within the Department of State; in 1953 it was transferred to the newly created Foreign Operations Administration; and now it falls under the International Cooperation Administration, which has itself been moved part way back inside the Department of State. One reason for our journey was to clear up the lines of responsibility. To get the answers to our questions, we had to talk with people in the field who had these tasks in hand.

What does such a journey accomplish? In our swing around the continent we visited Brazil, Uruguay, Argentina, Chile, Bolivia, Peru, Ecuador, Colombia, Panama, Guatemala, and Mexico. We took more than 50 hours of recorded testimony on the point 4 program and allied United States activities; we talked with Government officials at all levels—Presidents, Cabinet members, Senators, Congressmen—and with local businessmen in the various countries and members of the press. With the accurate, up-to-date, and voluminous information we collected, the result should be a most useful report to the Congress on the status of the technical assistance program in Latin America.

Perhaps the best way to give an idea of what our committee did in Latin America is to describe only one of the countries we visited. We arrived in Bolivia on a Wednesday night, stayed through Thursday, and left shortly after noon on Friday. In that short space of time we spent approximately 14 hours in a round of formal and informal conferences and meetings and brought back a verbatim transcript of the information we gathered from United States officials there. It left us literally breathless at two and a half miles above sea level. For visitors like ourselves, the altitude of La Paz was hard to take. We found we had to move slowly there, since any excessive physical exertion—even walking up a flight of stairs—brought on dizziness.

As picturesque as its landscape are the people of Bolivia, particularly the Indians. The women were dressed in colorful skirts and shawls, and all, without exception, wore brown derby hats. I heard at least two tentative explanations for the origin of these hats. One was that they were the typical headgear worn by the Spanish conquerors hundreds of years earlier; the other suggested that they were the result of an enterprising salesman's visit some years ago. Neither of my informants seemed certain. The derbies may even be left over from a presidential campaign we had in the United States back in 1928.

Fleeting impressions can be very misleading, of course. More than one Bolivian may have wondered why a United States Congressman was armed on the streets of La Paz. Here's how it happened. On our way to visit the President, my colleague, Jack Brooks, of Texas, who served in the Marines during the war, admired the firearms of the palace guards. He mentioned his interest to President Paz Estenssoro, who promptly presented him with one of his own Mausers as a souvenir, complete with a box of ammunition, so that Jack could go hunting in Texas with a Bolivian rifle.

Bolivia probably best typifies the role played by our technical-assistance program. About one-seventh as large as the United States, the nation has slightly more than 3 million people. The eastern half of the country consists of sparsely populated lowland plains with tremendous but almost unexploited agricultural possibilities. The western half is divided into valleys, where some crops are grown, and a high, barren plateau about 500 miles long and 80 miles wide. Most of Bolivia's people and industries are found here. For years, the nation's economy has depended upon the mineral resources of this area, chiefly tin. Late in 1953, because of falling tin prices, many Bolivians faced starvation. After appeals to the United States, $12,400,000 was authorized for emergency shipments of wheat and flour. For Bolivians must import $20 million worth of foodstuffs annually.

In diversifying the Bolivian economy, in developing the agricultural possibilities of the Bolivian lowlands, in improving health and rural education facilities, and—more recently—in developing a sizable petroleum industry, United States technical assistance plays a significant part. Under this program, improved cultivation methods have been employed, the use of better seeds has been encouraged, fertilizers and insecticides have been introduced. Training centers in health education have been set up, and mobile units have served more than 580,000 people annually in the effort to control such communicable diseases as diphtheria, typhus, and typhoid. Significant progress has been made in the provision of teacher-training for rural elementary schools. Through June of last year the United States had obligated $8 million for this program. Over the next 12 months it will spend about $2½ million more. Bolivia, for her part, has contributed about $9 million, and plans to spend $5 million more next year.

Our trip was worth many times what it cost. Above all, we hope that it will enable us to point out measures of economy and efficiency in the conduct of the technical-assistance program which will result in substantial savings in operating costs. But the journey also produced some intangibles that cannot be measured in dollars and cents.

Each legislator who goes abroad as a member of a committee does so in a dual capacity and with dual responsibilities. As a committee member he has the responsibility for informing himself on the particular matters over which the Congress has given his committee jurisdiction. As a Congressman, however, he is called upon to exercise his independent judgment and to vote upon all matters which come before the Congress as a whole. In his travels abroad, therefore, each legislator has both the opportunity and the duty to enlarge his understanding of the countries he visits, quite apart from his concerns as a committee member. Today's world—and certainly tomorrow's world—depends for its very existence on informed judgment and a thorough appreciation of affairs beyond the confines of a single nation's boundaries.

During the course of our discussions in the many lands we visited we learned a great deal about Latin America. One thing we all discovered—and on this I think I can speak for the other committee members, Congressman Brooks of Texas, Congressman Meader, of Michigan, and Congressman Knox, of Michigan—is that it is difficult, even dangerously misleading, to generalize about Latin America. The differences between the individual countries, their geographies, their histories, their economies, their governments, and the state of their development make it almost impossible to treat them as a group. How, for example, can one talk about the sophisticated seacoast capital of Rio de Janeiro and the busy, booming commercial city of Sao Paulo in terms of the land-locked mountain civilization in the highlands of Bolivia? How compare an Argentina now apparently emerging from years of political dictatorship with its small neighbor, Uruguay, where democratic procedures and freedom of the press have been part of the political landscape for years? I think that if anyone in our group started out on this trip with the idea that Latin America could be lumped together as a single entity, he was thoroughly disabused of that notion by the time he returned.

All of us learn by contrasts and similarities, and I found myself inevitably trying to understand what I saw in terms of what I already knew—the United States. As one Congressman was supposed to have said some years ago, after his first trip abroad: "You know, I've discovered that there's a whale of a difference between Paris and Jersey City, and the funny part of it is, you notice it more in Paris than you do in Jersey City."

Certainly no visitor to the Republics of Latin America can fail to be impressed by the beauty of the land, by the largely untapped economic potential, and by the peoples of Latin America. A flood of memories tumbling one over the other comes to mind. The winding road up Corcovado, with its impressive statue of Christ at the top and the magnificent view of Rio far below, of Sugarloaf and the blue waters of the harbor; the friendly, alert Uruguayans and their pride in their fine country; the lush green fields of Argentina; the incredibly beautiful Andes near Santiago and the naval base at Valparaiso; the utterly unique landscape of Bolivia's altiplano; free enterprise thriving in Peru; the portrait of George Washington alongside that of Bolivar and other Latin American liberators in the Governor's Palace at Guayaquil; the fascinating Colombian music that led me to purchase recordings for my teenage daughter; the thrill of seeing both the Atlantic and Pacific Oceans as we came in for a refueling stop at Panama; the vigor of the Guatemalans under their youthful leaders; the bustling, colorful metroplis that is Mexico City—and everywhere, in the people, in the land, almost in the air itself, the sense of growth, of development, of burgeoning progress.

I came back from this journey deeply impressed with the vast potential of Latin American resources. The strides in public health and education have been big and promise to grow bigger. Only then can Latin America take full advantage of her greatest resource; her people. The extent of the second great resource—the natural endowments of the land—in terms of agricultural and industrial possibilities has barely been discovered, let alone developed. On these two counts alone, I am convinced there are few if any areas in the world that can look to the future with more confidence and optimism.

To be sure, the path is not free of obstacles. We have returned aware that pressing and serious problems face many of these countries. Historically, it appears that many suffer from having put their economic eggs in one basket for too long. Dependence on a single export, such as coffee, tin, copper, or nitrates, has brought serious difficulties. With world markets subject to considerable price shifts, such dependence has at times brought disaster. Obviously, diversification of the individual countries' economies is the answer. But this is neither an easy nor a quick solution. In the United States, it took two centuries, and even at that rate there were grave problems. A country today faced with a similar task can shortcut the process by leaning on our experience. The costly trial-and-error method is no longer necessary nor justifiable. Here, I think United States technical assistance can play its greatest role.

In the light of the knowledge we gained about the working of the United States technical assistance program, and in the longer view, considering what we learned about Latin America in general, I can say with conviction, "My trip was worth it."

I might say that this was not a pleasure trip. The gentleman from Virginia, however congenial and statesmanlike he may be, is a hard taskmaster. We found ourselves attempting to keep a very tight schedule of committee hearings, taking testimony from our officials in formal hearings, which always began at 9 o'clock and sometimes lasted late in the afternoon. The days we did not have hearings we were traveling and our chairman would arrange to have our bags picked up at our hotel rooms at 7 o'clock in the morning, and we were aboard the plane at 8.

I believe the Members will find a great deal of interesting information in our hearings. Unfortunately, they are not yet in final printed form but are in galley proof.

I hope the report we filed and the hearings we held will provide a foundation for study of the proposed extension of the mutual security program currently before the House Committee on Foreign Affairs.

My own reaction to the activities of our representatives in South America was that on the whole they are doing a good job in continuing the good neighbor policy. Frankly, I think there should be in their organizational structure a closer integration of activities. Our programs suffer from the right hand not knowing what the left hand is doing.

With respect to the technical assistance expenditures in and of themselves, which account for about $30 million of United States taxpayers' funds annually, I believe there could be a tightening up of the administration of those funds. I feel that the area in which our officials roam is entirely too wide and without adequate limits on individual discretion. Point 4 officials in the field need clearer guidance and instructions and stronger control from Washington.

The point 4 program in Latin America of course is an old one. It commenced during World War II and therefore provides a basis for studying a program which has been in existence longer in

that area than it has in other parts of the world. The program is designed to help Latin American governments build up services of their own in the field of agriculture, public health, sanitation, education, and so on. By and large Latin American countries are pioneering in developing their natural resources, something like our own pioneering several decades ago, but they are making rapid strides in economic progress.

I believe if we should facilitate the investment of American capital in Latin America, we would thereby automatically and without expense to the taxpayers transfer the know-how and the capital to enable them to develop their economies rapidly and efficiently and establish them on a free enterprise basis.

In my opinion the subcommittee should continue to examine expenditures of this kind. I believe its work will be fruitful in achieving better results at a substantial savings of taxpayers' money. In this connection, I was informally advised that, as the result of one of our hearings, two questionable programs which totaled approximately $150,000 a year, were completely eliminated. At least that specific saving can be attributed to the investigation our subcommittee conducted.

Mr. Speaker, at this point I incorporate in my remarks the conclusions and recommendations contained in the report of the Hardy subcommittee which has just been approved by the Government Operations Committee today:

CONCLUSIONS

1. The technical-assistance program in Latin America as a whole lacks clearly defined objectives, although many individual projects have been well conceived and satisfactorily carried out.

2. The technical-assistance program has been hampered by failure on the part of the Department of State and the International Cooperation Administration to issue instructions clearly defining areas of responsibility and authority assigned to Embassy and United States Operations Mission officials. In some countries this has been overcome by close liaison and cooperation initiated by field personnel, but in other countries organizational problems and interagency disagreements have resulted both from the absence of specific instructions and the sometimes conflicting instructions issued from Washington.

3. Planning of projects and programs has been deficient in that they have sometimes been started without adequate information concerning the extent of the problem, without determination of the availability of necessary technical personnel, and frequently without reasonable evidence of genuine host-country interest. As a result, desired objectives have not been achieved.

4. In spite of a basic requirement that only projects desired by the host countries are to be undertaken, the subcommittee found projects being implemented where host country approval had been obtained through selling methods rather than as a result of a bona fide interest on the part of the host government. Some of these instances appear to be engendered simply by the availability of technicians. There was also evidence that pressure for certain projects was generated in Washington. Almost invariably such projects were financed with a maximum of United States funds, and little, if any, host country contribution.

5. Although the law intends and International Cooperation Administration instructions require the phasing out of United States financial participation in technical assistance projects, there is no evidence that provision for this is included when the programs are developed and the transfer of projects for continuation by host countries has not been accomplished to the extent desirable.

6. Some projects have continued beyond the point where they can properly be termed technical assistance and have assumed characteristics of economic aid. In a number of these cases technical assistance funds are being used to finance what would normally be routine day-to-day activities of the host governments.

7. The so-called illustrative method of presenting technical assistance budget requests to the Congress is unwise. The need for flexibility to meet unforeseen contingencies is not sufficient to justify the use of this method for technical assistance budgeting. The illustrative program fails to provide adequate information for the exercise of congressional judgment. It circumvents the normal requirement for specific congressional approval in advance of the expenditure of funds. It entails no commitment by the agency to expend any funds for the particular program used as an illustration. It accentuates the tendency toward hasty allocation and ill-considered obligation of funds during the closing months of the fiscal year.

8. Actual host country contributions to technical assistance programs and projects cannot be determined because presentations to Congress on this subject have been unrealistic and misleading. This has resulted from (a) the employment of differing exchange rates in the same compilation which have the effect of maximizing host country contributions and minimizing host country economic capabilities; (b) the inclusion as host country contributions of third-party funds which actually represent payments made by the beneficiaries for goods and services supplied; and (c) the listing of so-called in-kind contributions which are computed, in part, by placing arbitrary values upon intangibles.

RECOMMENDATIONS

The subcommittee recommends as follows:

1. The Department of State should deal decisively with the organizational problems created by the location of the International Cooperation Administration as a semiautonomous unit within the Department. Positive and vigorous measures should be taken to define on a current basis both for Washington and the field the policy objectives of the technical assistance program.

2. The Department and the International Cooperation Administration should review all existing and applicable directives and instructions governing the technical assistance program for the purpose of (a) bringing them up to date; (b) eliminating existing conflicts and confusion; and (c) clearly delineating the authority and responsibility of Embassy and United States Operations Mission personnel in overseas posts.

3. Administrative controls should be strengthened at the Washington level and in the field to assure that deficiencies in program planning are eliminated; that programs approved conform to overall policy objectives; that these which do not so conform are discontinued; that the formal host country request for a project or program reflects a bona fide interest and indicates an intent to contribute a fair share of the cost; that in the development of programs provision is made for the phasing out of United States financial participation and the transfer of projects to host country responsibility.

4. The use of the illustrative program method of presenting technical assistance budget requests to the Congress should be discontinued. Requests for appropriations should be accompanied by completed and well-documented plans which should include clear evidence of bona fide host country interest.

5. Statistical compilations on which the International Cooperation Administration bases its statements to the Congress and to the public regarding the amount of host country contributions to technical assistance programs should be entirely recast to reflect a true picture of the relative contributions of the United States and the host countries. Specifically, realistic exchange rates keyed to current values should be uniformly applied; so-called third-party payments should not be included as host country contributions; in kind contributions should either be eliminated entirely or should include only those items tantamount to a contribution in cash, whose value is readily ascertainable.

Mr. Speaker, I also incorporate my additional remarks on technical assistance in Latin America.

I subscribe to the committee's report on technical assistance in Latin America. However, I desire to make certain additional observations which I believe may contribute to more effective execution of our foreign policy.

American foreign policy in Latin America is, of course, to maintain friendly relations—furthering the good neighbor policy—to combat the extension of world communism and to promote healthy and stable free economies, free governments and free institutions. All United States activities—the activities of our diplomatic representatives, our information activities and our aid and technical assistance programs, as well as military assistance—should be aimed at that broad goal of our foreign policy.

We believe that economic and political stability are achieved through a flourishing free-enterprise system depending on private capital rather than socialistic governmental operation and control of economic activities. That has been officially announced as United States Government policy in Latin America by the Assistant Secretary of State for Latin American Affairs, Mr. Henry Holland, in the following words:

> One of the fundamental facts of United States-Latin American relations today is the determination of the governments and people of Latin America to make even more rapid economic progress than they are now making and to improve their standard of living. In recognizing this fact it should also be understood that the individual opportunities which our Government has for facilitating the economic development objectives of our sister Republics must be considered within the following context:
>
> ### LIMITS ON UNITED STATES ACTIVITY
>
> First, the measures which our Government can take will not be the decisive factor in the economic development of Latin America. There is nothing that this Government can do to create a stable economy or raise living standards in another country unless the necessary factors are already there. But if the internal conditions necessary for economic development are there, then our Government can hurry the process somewhat by pursuing constructive policies.
>
> Second, we have neither the right nor the desire to prescribe to any other American Republic the kind of economic system which it should adopt or the programs it should follow to achieve its economic aspirations. That is the exclusive domestic responsibility of every sovereign state. On the other hand, whatever help we give will be, as it should, consistent with our own national philosophy as to the role which a government should

> play in the economic field and with the wishes of the majority of our people. Likewise, it will be given in support of those programs and policies which our experience has led us to believe are best designed to achieve real economic progress.

OUR ECONOMIC BELIEFS

> These are reasonable views. They do raise questions, of course. What are our convictions as to the role of Government in the economic field? What kinds of programs and policies do we believe will produce strong economies? The answers are probably apparent. The people of the United States believe in the private-enterprise system. We are convinced that we ourselves can do more than any government can to make business enterprises grow, to create new ones, to create more employment at acceptable wages, and to raise the standards of living of our people. We believe that our Government helps the national economy most when it creates those conditions which give us, the working men and women, the farmers, the businessmen of the country, the greatest opportunity to carry on all those processes of private enterprise which have brought us to the point where we now are.
>
> This means that there are certain things that we expect our Government to do and some that we expect it not to do. We rely on our Government leaders to follow sound fiscal and taxing policies, policies that will maintain a stable currency, policies that will combat the evil disease of inflation, policies that will assure to investors a fair chance to make a reasonable profit if they risk their capital in industry or commerce. We expect our Government to supply those public facilities and services which are needed in a free-enterprise system, but which are not in themselves attractive to private investors. These include such things as roads, schools, hospitals for the poor, irrigation systems, port works, and things of that nature.

GOVERNMENT VERSUS BUSINESS

> Of equal importance are the things that we expect our Government not to do. We strongly believe that except in special situations our Government should stay out of the field of business. When Government enters a particular industry or commercial activity, private enterprise generally withdraws. This is because onerous regulations are usually imposed on the private enterprise in order to insure the survival of the less well organized and operated Government enterprises which cannot compete without special advantages. Our experience has convinced us that as a rule Government-run enterprises are not as strong and do not make as great a contribution to the national economy as do their counterparts operated by private citizens. Therefore, we feel that Governments should invade the field of industry and commerce only where essential and then, if possible, only on a temporary basis.
>
> Our Government's chief emphasis will be on those kinds of economic cooperation that contribute to the creative efforts of private individuals, particularly nationals of the other countries. We believe they are the greatest hope for progress in the other American Republics. The most effective contribution that our country could make to the economic development of Latin America would be to help private enterprise throughout the hemisphere. It is responsible for our inter-American trade which each year provides our neighbors with about \$3½ billion in cash and credits. Our own private investors have supplied some \$6½ billion of capital for the economic development of the area. In addition they are also providing technical knowledge, equipment, and marketing opportunities for Latin America's growing industries.

From that general statement of United States policy certain broad principles can be enumerated to serve as guides to all our officers stationed in Latin America.

Any activities and related expenditure of United States tax funds should have clear and specific relationship to the achievement of the goals of foreign policy as above stated. Efforts of our diplomatic representatives, our information people and our technical assistance officials should seek constantly to promote development and investment of private capital in economic undertakings; to eliminate or minimize barriers to investment and trade and to facilitate creation of a climate favorable to the investment of private capital. On the other hand, by all appropriate diplomatic means they should seek to discourage the extension of socialism and nationalized industries and should decline to commit United States funds to the support of Government-owned and Government-operated industrial and commercial facilities. They should likewise avoid expenditure of our funds to support erroneous policies and practices of foreign governments which, without our financial support, would sooner or later have to be corrected or eliminated by the force of circumstances.

The foregoing is not intended to advocate or condone meddling in international affairs of other countries. Obviously all of our activities should be carried out with full regard for the sovereignty of friendly nations and by methods and actions calculated not to offend. Yet there should be no hesitation on the part of our officials from top to bottom under the guidance of the President's representative in each country—the Ambassador—to let it be known that United States funds are trust funds exacted through taxes from the American people; that they must be devoted to ends calculated to promote the common defense and general welfare of the American people; that they were appropriated by the Congress, not for the purpose of pure philanthropy but for the security and interest of the United States, in the belief that the threats of Communist imperialism and subversion can best be met by promoting the stability of free peoples so that they may be able to defend themselves against aggression and subversion.

Aside from our commitment to the philosophy of free economic and political institutions and our economic interest in trade and commerce with free peoples as contrasted to totalitarian controlled economies, we are convinced that economic and political stability are promoted by free-enterprise institutions and are weakened by socialistic institutions.

Many Latin-American governments have flirted with various forms of socialism. Testimony taken by the subcommittee almost universally demonstrated that true economic programs were impeded by those excursions. For example, at Rio de Janeiro, in Brazil, the economic counselor, Mr. Robert P. Terrill, testified before the committee as follows:

> Mr. Meader. Is there any sentiment, getting away from oil for a moment, either in the Congress or general public for getting the Government out of any of these other businesses they are in—transportation, etc.?
>
> Mr. Terrill. I regret to say there is very little. Some but not much.
>
> Mr. Meader. You pointed out that the losses of those business-type operations are definite contributing factors to inflation?
>
> Mr. Terrill. Yes, they are losing 8 billion cruzeiros a year. On the railways, statistics for last year show that they did not earn enough gross revenue to pay their wages bill. They have to keep rates practically constant in order to avoid political complications. Thus with inflation the losses go up and up.
>
> Mr. Meader. Would you say they are poorly managed?
>
> Mr. Terrill. Extremely so.
>
> Mr. Meader. Shipping, railroads, power?
>
> Mr. Terrill. The majority of existing power facilities are privately owned by Americans and Canadians.
>
> Mr. Meader. Communications?
>
> Mr. Terrill. Only one Government company; mostly owned by private companies.
>
> Mr. Meader. Is there any noticeable trend for any more Government operations of an economic character?
>
> Mr. Terrill. There is no pronounced trend such as there was in the thirties and immediately after the war. The bloom is off the rose, so to speak. There have been some cases where the Government is going in to support new operations. For example, a new steel mill is projected for São Paulo, which will be privately owned. I might add the Government's steel mill, Volta Redonda, is, by Latin-American standards, an excellent operation and earns its way very nicely, with handsome profits.
>
> Mr. Meader. Well managed?
>
> Mr. Terrill. Yes, sir.
>
> Mr. Meader. And completely Government owned?
>
> Mr. Terrill. No, sir, there are many private stockholders; however, the stock of the company is owned in the majority by the Government in accordance with the statutes of the corporation. I was going to add that the new electrical generating capacity is, to an increasing extent, being constructed under the auspices of the Government.
>
> Mr. Meader. It strikes me that this rapid economic growth you mentioned would tend to build up a sentiment for greater private enterprise activities rather than a trend in the opposite direction, when the record of the Government in business has been so poor here.
>
> Mr. Terrill. I believe, sir, that experience accounts for the statement I made earlier that the bloom is definitely off socialism in Brazil. A Government officer stated the other day, "The worst enemy of socialism is socialization."
>
> This is the case in Brazil. There is no strong movement for socialism.

It is common knowledge that the Peron experiment into national socialism in Argentina converted, in a 10-year period, a prosperous economy with an extremely favorable foreign exchange position into a condition of economic chaos approaching bankruptcy. The Argentine people face a period of turmoil and privation until they can rebuild their economy and their political institutions on a basis of free representative government and free economic institutions, and establish political and economic stability and prosperity.

In Peru a controlled economy produced such economic chaos that the Peruvian Government employed Klein and Sacks, a firm of economic consultants, to make a study. Their recommendations, which by and large recommended the removal of governmental controls and the establishment of free institutions, have gone far already to improve the economic health of Peru.

Chile has employed the same firm of consultants to assist in lifting Chile from its economic difficulties.

In Chile the committee was told by Ambassador Beaulac:

> Chile's principal problem today is inflation. As an index to what inflation means here, when we came to Chile 2 years ago the dollar was worth less than 200 pesos. Today it is worth 670 in the free market. While that is not an important market, it does reflect the degree of inflation. Our problem down here—our effort—is to help Chile to improve the economic situation, using the devices we have available to us—point 4, the information program, and traditional diplomacy within the free democratic system I have described.
>
> The larger copper-mining companies—the most important element in Chile's economy— furnish most of the foreign exchange, for example, something like half of the foreign exchange that the country earns. The Government has given to the country increasingly generous social-security provisions, retirement provisions, wage guaranties, and so forth, which have required additional funds needed to service these programs from the copper companies, and to a lesser degree, from the nitrate companies.
>
> One result which could be anticipated is that the copper industry in Chile has declined in importance, and Chile, from being the second most important copper-producing country in the world, has now become fourth. In absolute production she has kept her level, but she hasn't increased as she should have in terms of the markets that exist for copper. The result of that has been that the copper industry—and I give you that because it is the important example—ceased for a long time to make important investments; and that tended to prevent Chile's economy from having the dynamic character which it needs in order to progress.
>
> By improving or helping to improve the position of the copper industry, we could help to improve the overall situation in Chile and tend to accomplish both our principal objectives at the same time.
>
> Conversely, by helping to improve the general atmosphere for investments and the general attitude of the Government toward private initiative, we could tend to improve the attitude of the Government toward the copper industry; and our programs here, diplomatic program, point 4, and information program, have been directed squarely at trying to accomplish that double purpose. In order to do that, as a means of doing that, we try to have the coordination which seems possible in the situation. For example, every 2 weeks we have a meeting here of economic people, point 4 people, and our information people.
>
> During these meetings we exchange information—our labor reporting officer is included in those meetings, and I must say that labor forms an important part of this picture.
>
> So our effort is through the coordination we try to have, and we have not only these biweekly meetings but there is a very close coordination between Mr. Patterson, point 4 director, and Mr. Harkness, the information director, and myself; and between those persons and Mr. Rosenson, for example, the head of our economic section. Through all these men we try to cooperate in order to bring about those objectives.

Uruguay, with a long history of political stability and free elections along democratic lines, nevertheless is perhaps the most socialistic of all Latin American governments. The situation in Uruguay is briefly described in the following passage from the committee's record of testimony taken at Montevideo:

> Mr. Meader. Ambassador McIntosh, I was interested in the industrial activities of the Government. Does the Government itself operate all utilities, such as power, communications, railways?
>
> Ambassador McIntosh. The Government of Uruguay operates all the utilities except the gas. For some reason they have left the English gas company undisturbed by the Government operations, but the Government operates the electric power, telephones, railways, and all other utilities. In addition, the Government has a monopoly in the oil-refining field. They are building a cement factory. They have an insurance monopoly—no private insurance companies are permitted to operate here.
>
> Mr. Meader. Banking?
>
> Ambassador McIntosh. No; private banks are allowed to operate, but the Government bank competes with them, since it is both a bank of issue and commercial bank. In general, the Government of Uruguay treats foreign investments very fairly, and the foreign companies operating here are treated just the same as Uruguayan companies. There is no discrimination against them.
>
> Mr. Meader. I understand the Government also has a monopoly on meat for the city of Montevideo. Is that true?
>
> Ambassador McIntosh. I omitted to mention that one Government operation, which is one of their biggest. That is called frigerifico nacional. It means "packing-plant national." That Government packing plant has a monopoly to supply meat to the city.
>
> Mr. Meader. Are these industrial operations successful—the Government's industrial operations—or do they lose money?
>
> Ambassador McIntosh. Unfortunately, nearly all the Government operations lose money continuously. The railways are very unprofitable and show heavy, continuous losses, and that is also true of the frigerifico nacional. So Government ownership, in my opinion, is becoming less popular here than it was.
>
> Mr. Meader. Is there any sentiment for divesting the Government of some of these activities?
>
> Ambassador McIntosh. Yes.

We must bear in mind that the stability of the economies and the governments of other countries is primarily the problem of the people who live in them and not ours. Our role must be a very minor one of assisting their efforts to achieve these goals where our assistance is requested.

Efforts on the part of our officials to dictate policies, to persuade officials of other countries to accept our ideas, or to tell them how they should run their business achieve only resentment and hostility.

Very often the basic problems confronting a country are bound up in internal politics. For example, many Latin American countries are attempting to develop an oil industry through government-owned monopolies. Testimony taken by the subcommittee is convincing that this socialistic method of developing oil reserves is unsuccessful. Tremendous amounts of capital for drilling, pipelines, refineries, and so forth are required. They are not available, however, to governments whose fiscal condition is precarious.

But it would be politically unpopular for an elected official of such countries to advocate that privately owned oil companies be invited to engage on a fair basis in the development of oil reserves. "The oil is ours" is the slogan, and anything other than government development of oil reserves is immediately attacked as a sellout. That line, while not originating with Communist and Marxist elements, is effectively exploited by them.

Venezuela, of course, is the outstanding example of a Latin American country which has created a climate favorable to the development of oil reserves through private capital. Its flourishing economy probably has done—and will do—more to induce a different attitude throughout Latin America toward developing their oil businesses with private capital than anything the United States Government might do by way of propaganda or persuasion.

Brazil is throught to have substantial oil reserves which, if proven, will be adequate for its domestic needs for some time to come. Nevertheless, because of the inability of the Brazilian monopoly, Petrobas, to produce the petroleum products Brazil needs, that nation is required to drain off one-quarter billion dollars annually of scarce foreign exchange for the importation of petroleum products. That contributes to inflationary forces which are affecting Brazil's economy. The situation is similar in Argentina.

Bolivia recently passed a law permitting development of Bolivian oil reserves through private capital. That should help relieve the desperate condition of the Bolivian economy as soon as outside capital begins to flow into Bolivia for the development of the petroleum industry.

When all of our representatives abroad have a clear understanding of our foreign policy objectives; when we have established sound organizational structures with clear lines of command; when relationships between agencies have been clarified and their activities coordinated; when procedures have been simplified and streamlined; then all our representatives, under the guidance of the President's representative—the ambassador—will work together as a team in helping friendly free countries to build economic and political stability on a foundation of free individual enterprise, enabling them effectively to resist Communist imperialism and subversion.

ADMINISTRATION OPPOSITION TO SOCIAL SECURITY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. King] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. KING of California. Mr. Speaker, I would like to discuss with my colleagues in the House an outstanding example of a spokesman of the Republican Party faithfully adhering to those long-enduring tenets of Republican principles; namely, being consistently inconsistent and being indifferent to anything resembling humanitarianism. I would like to speak about the social-security program, specifically on the Republican record on social security, and even more specifically on the strange paradox that is created by the

Honorable Marion B. Folsom, Secretary of Health, Education, and Welfare on social security.

Mr. Speaker, it will be recalled that during the 1st session of the 84th Congress, the House of Representatives by a vote of 372 yeas to 31 nays acted favorably on the Social Security Amendments of 1955, H. R. 7225. This legislation is now pending before the Senate Finance Committee and would make modest but important changes in our social-security law by removing certain benefit gaps and extending old-age and survivors insurance coverage to certain groups now excluded under the law. Specifically, this legislation would amend the Social Security Act to—

First. Provide for the payment of monthly disability benefits at or after age 50 to eligible workers who are permanently and totally disabled;

Second. Provide for the continuation of child benefits for a child upon attaining age 18 if such child has become totally and permanently disabled before reaching that age;

Third. Provide for a reduction in the age requirement for women so as to make them eligible for monthly benefits at age 62—insured workers, wives of insured workers, and widows and dependent mothers of deceased insured workers;

Fourth. Provide for an extension of coverage under the OASI system to include in the program certain groups—primarily professional—who are presently denied the protection afforded by the old-age and survivors insurance system; and

Fifth. Provide for the establishment of an Advisory Council on Social Security Financing to review periodically the status of the old-age and survivors insurance trust fund in relations to the long-term commitments of the program.

Mr. Speaker, from the foregoing recitation of the principal features of H. R. 7225, it is evident that this legislation is designed to make the social-security program more adequately provide protection for a greater number of Americans. On this subject, Mr. Speaker, I would like to remind the House of a fairly recent statement on the part of the present administration. I quote as follows:

> First, the individual citizen must have safeguards against personal disaster inflicted by forces beyond his control; second, the welfare of the people demands effective and economical performance by the Government of certain indispensable social services.

That statement, which ably describes the actions of the Democratic Party when our great party is in power, was actually uttered by President Dwight D. Eisenhower in his state of the Union message of February 2, 1953. That quote from the President, taken at its face value, could be construed to be a direct endorsement of the Democratic-sponsored Social Security Amendments of 1955.

We should have been able to infer from that expression by the President that representatives of his administration would support legislation that was designed to improve our social-security system so as to make OASI benefits available to disabled persons who have suffered "personal disaster inflicted by forces beyond their control" and that would call for "performance by the Government of certain indispensable social services." We can very properly ask ourselves, Did the administration pattern its actions after its platitudinous words in connection with the consideration of H. R. 7225?

The fact is, Mr. Speaker, that the present Republican administration departed from the literal meaning of its platitudes and carefully adhered to the traditional Republican policy of being consistently inconsistent and indifferent to basic humanitarianism considerations. Administration spokesmen appeared before the Committee on Ways and Means while H. R. 7225 was being prepared by our committee under the distinguished leadership of our chairman, the Honorable Jere Cooper, of Tennessee, and opposed disability benefits for our disabled workers and opposed making OASI benefits available at an earlier and more realistic age to the women of America.

More recently, than its opposition before the Committee on Ways and Means, the Republican administration has persisted in its obstructionist attitude toward improvements in the Social Security Act by appearing before the Senate Finance Committee and reiterating its opposition to the basic provisions of H. R. 7225. The administration spokesman in this instance was the Secretary of Health, Education, and Welfare, the Honorable Marion B. Folsom, the man who is charged with the administration of the social-security program. In a statement before the Senate Finance Committee on March 22, 1956, Mr. Folsom said:

> It was 21 years ago, in February 1935, when I first appeared before the Committee in behalf of a sound social-security program.

I would suggest that the Secretary's recent appearance before the Senate Finance Committee might be said to be in behalf of a half sound social-security program.

The Secretary in his statement went on to tell the distinguished members of the Senate Finance Committee:

> My interest this morning is the same as it has always been—to support a strong and sound system of economic security for the American people.

I would suggest that the Secretary is limiting his concern for the economic security of the American people to only a segment of our population—the business interests which the present administration continually brags about representing. In opposing H. R. 7225, Secretary Folsom was in effect seeking to deny the increased protection that would go, under the legislation, to the groups of Americans who are most urgently in need of OASI benefits. He would deny the protection of disability insurance benefits that would be afforded under H. R. 7225 to all American citizens. None of us can say that the present disabled are not deserving of OASI benefits. None of us can say that he may not suffer the misfortune of being disabled tomorrow. The workers themselves who are the potential beneficiaries of this protection and about whom Mr. Folsom expresses such pious concern not only fully support disability benefits but also fully endorse an increase in taxes on themselves to pay for them.

The people who would derive immediate and direct benefit from the disability insurance are the individuals who have suffered a crippling disability and who are without resources other than the income they derived from employment prior to their disability. Such people, in the absence of disability insurance benefits, are compelled to seek public assistance despite the fact that they must have, under the House-passed bill, a substantial record of contributing toward OASI benefits. It is my view that disability causing forced retirement is just as logically a test of retirement as is old age. Certainly our workers who have contributed many years to social security deserve the concern of all of us. You would think that they, above all, would rate the concern of the man who administers the social-security program. But no; he wants them to continue to meet a test of destitution and poverty and then give them public assistance. I would suggest that Secretary Folsom has demonstrated he is little concerned with a strong and sound system of economic security for the American people despite his pretentions.

Just take a look at the record to see who oppose these provisions, along with Mr. Folsom. It speaks for itself and you can see that he is talking about a definite minority when he refers to the American people. He is found with those who have always opposed social security—a strange place for the man who runs the social-security system.

How sound does Secretary Folsom want the OASI system to be? I believe that the record clearly indicates a total disregard for any concept of soundness on the part of the Secretary aside from that which is convenient by reasons of political expediency. In an appearance before the Committee on Ways and Means on March 2, 1939, Mr. Folsom, in discussing the funding of the old-age and survivors insurance system presently provided for by the OASI trust fund, made the following observations which clearly indicate his thinking then. Maybe it reveals his thinking now as to a sound OASI system. This is what he said:

> So I think it is very important that steps should be taken to abandon the reserve plan, and to adopt a system which would build up only a small contingency fund, say of about $5 billion, and have the collections each year related fairly closely to the benefits. * * * So long as you have a reserve fund now of $1 billion, if you let that gradually increase to $5 billion, there would be no serious objection, but I don't think it will be necessary to have it reach any larger figure than that.

That was Secretary Folsom, a representative of big business posing as an expert on social security, talking. Let us now examine Mr. Folsom, the fiscal expert, when he was Under Secretary of the Treasury. Most of us present in this Chamber today will recall the tax message which was sent to the Congress by President Eisenhower on May 20, 1953. I will discuss only a small portion of that tax message. It was prepared at

the time Mr. Folsom was Under Secretary of the Treasury and was the principal architect, if I might be charitable, in developing Republican fiscal policy, if again I might be charitable. A portion of that tax message reads as follows:

> (3) The increase in the old-age insurance tax from 1½ to 2 percent on both employees and employers, now scheduled to go into effect next January 1, should be postponed until January 1, 1955.
>
> The old-age and survivors trust fund has now reached almost $18 billion. Receipts at present tax rates are currently well in excess of expenditures. The further addition to the fund which would flow from the projected tax increase is not required.
>
> From now on, the old-age tax and trust accounts, while maintaining the contributory principle, should be handled more nearly on a pay-as-you-go basis.
>
> The postponement of the tax increase will reduce the impending tax burden on every covered employee and employer. It will not influence the administrative budget, but it will involve an increase in the cash deficit.

In that recommendation, Mr. Folsom, 14 years after the other reference he made in 1939, was preaching the same gospel of soundly inadequate social-security financing.

After a ground swell of opposition to this recommended tax freeze from the working people throughout the country, whom I consider to be the "American people," the present administration backed off from this recommendation. It is still a matter of record. It was necessary for the workers to insist on a sound system and insist on paying for it out of their wages and incomes in order to protect it from Mr. Folsom's guidance.

In his appearance before the Senate Finance Committee on March 22, 1956, Mr. Folsom said:

> The old-age and survivors insurance system is in excellent condition. * * * the system is in approximate acturial balance. It will thus be self-supporting under present estimates, providing taxes are increased as scheduled and benefits are not increased without a corresponding increase in revenue.

Thus, we have a picture of Marion B. Folsom as Undersecretary of the Treasury recommending a freezing of the social-security tax and a picture of Marion B. Folsom as Secretary of Health, Education, and Welfare stating that for the OASI system to be self-supporting, it will be necessary that "taxes are increased as scheduled." Mr. Speaker, I would like to remind Mr. Folsom that the House-passed bill not only kept the system self-supporting but it also improved its actuarial soundness.

Mr. Folsom's record on his concern for a sound social-security system leaves plenty to be desired. It shows, as I have recited, that he believes, first, that it is all right to freeze the social-security tax; second, that we need only a minimum trust fund; and, third, that the OASI program cannot be liberalized without a corresponding tax increase but "there is a limit to the tax increases that should be imposed on the people to finance a social-security program." I again refer to the record, present and past, for anyone interested to find out who it is who opposes paying for a soundly financed, liberalized social-security program. It is not the people who want and need the protection.

Mr. Speaker, in his recent appearance before the Senate Finance Committee in opposition to H. R. 7225, Secretary Folsom said that the administration "vigorously supports a strong, sound old-age and survivors insurance system. It is encouraging to note that both political parties, over the years, have supported this effort to keep the system sound." I would suggest that the "vigor" the Secretary claims could more appropriately be termed "rigor."

I am appalled by the Secretary's hypocritical, bland assertion of bipartisan support for the social-security program over the years.

Mr. Speaker, we on the Democratic side were gratified in 1954 to see many of our Republican colleagues, after more than 20 years, vote for the first time in favor of legislation which would strengthen our social-security program. Many of my Democratic colleagues joined me in the hope that our friends on the other side of the aisle had seen the so-called light and that we could work together in the future to make further improvements in the old-age and survivors insurance program. Apparently, instead of seeing the light, they were more affected by what they feared to be the handwriting on the wall, because our hopes for such bipartisan support were shortlived. In 1955 the Republican members of the Committee on Ways and Means reverted to the traditional Republican policy of obstructing in committee the favorable consideration of social-security legislation. These Republican members advocated delaying tactics that were intended to thwart Democratic efforts to make OASI benefits available to our disabled workers and children and to women at age 62. It is significant to note that the unsuccessful Republican delaying tactics demonstrated that the Republican Party was more interested in procedures than it was in humanitarianism. And Mr. Folsom has proved himself to be a true Republican in the traditional sense of the word.

The over-the-years support of the social-security program that Secretary Folsom claims for the Republican Party is, in fact, sadly lacking in the record and, indeed, in the recollection of man.

In case there are some who may have forgotten, let us take a quick look at the record. In 1935 Republican support for the Democratic-sponsored social-security program took the form of epithets to label the social-security program as "socialistic," "a cruel hoax," "unconstitutional," "enslavement of the worker," "bureaucratic," and "fiscally irresponsible." Fortunately, the Republicans were unsuccessful in their desperate political effort to defeat social security in 1935. In 1936 the Republican Presidential candidate who had termed social security "a cruel hoax" was defeated; and in 1937 the United States Supreme Court repudiated the Republican contention that the social-security law was unconstitutional.

In 1939 the Democratic Congress again succeeded in enacting legislation designed to improve the social-security program in the face of Republican opposition. The period from 1940 to 1947 in the history of the Social Security Act was marked by Republican attempts to wreck the old-age and survivors insurance program indirectly by freezing the payroll taxes which provide the income for the payment of social-security insurance benefits. The freeze amendments became known as the Vandenberg amendments, after Republican Senator Vandenberg.

The Republican-controlled 80th Congress, in the period 1947–48, enacted legislation that impaired the then existing social-security system and most assuredly obstructed further improvements in the social-security law during the time the Republicans were in power. The Republican impairment in the 80th Congress occurred with the adoption of the so-called Gearhart resolution, which took away from hundreds of thousands of our American citizens the protection they had previously been granted under th social-security system. The obstruction to improvements in the OASI program in the Republican 80th Congress occurred in connection with the consideration of an appropriation bill which made it impossible for the Commissioner of Social Security to carry out effectively his statutory responsibilities for studying needed changes in the social-security program.

During the 81st and 82d Congresses the Republican Party continued its efforts to use procedural and parliamentary means to obstruct Democratic humanitarian improvements in the system. Mr. Speaker, that brings us to 1954 which is the first instance in which I believe the Republican Party can honestly claim support of the social-security program, but as I have indicated earlier, in 1955, the Republican Party's true colors showed through again and they reverted to obstructionist tactics in opposing social-security improvements. I wonder, Mr. Speaker, what support "over the years" Secretary Folsom was referring to.

In his appearance before the Senate Finance Committee on March 22, 1956, Secretary Folsom testified against lowering the retirement age for women and against the establishment of disability insurance benefits and advocated instead some administrative changes such as the adoption of an interest-rate amendment and an amendment relating to consolidated reporting. This is a true businessman at work. He wants to bring about a business-like approach on the interest earnings of the trust fund, and this is fine, and he wants to save employers some time and money in their paperwork. The disabled worker and the woman beneficiary unfortunately do not share in Mr. Folsom's compassion. The Secretary would substitute his administrative changes for the humanitarian objectives that were so overwhelmingly passed by the House of Representatives.

Mr. Speaker, to put it mildly, the Folsom interest-rate amendment and the Folsom consolidated reporting amendment would not provide much subsistence to a disabled worker or a destitute widow even if they may have been an employer. On the other hand, the Democratic proposals provided in H. R. 7225 to provide disability benefits and to lower the retirement age for women would assuredly mean that these OASI beneficiaries would preserve their self-respect, that many family relationships would remain unimpaired, and would in all cases mean the difference between subsistence and existing.

Secretary Folsom, in opposing the disability insurance provisions of H. R. 7225, cited the questionability about "the wisdom of bringing the new element of cash disability payments into the old-age and survivors insurance program." He went further on in testifying in opposition to the disability insurance benefits as follows:

> To decide that a person is eligible for benefits it would be necessary first to determine medically the severity of his impairment. Numerous medical witnesses have testified to this committee as to the great problems which they foresee in evaluating physical and mental conditions for purposes of disability determinations. I believe that the testimony of so many medical experts as to the problems involved in determining disability must be given considerable weight.

In 1939, in appearing before the House Committee on Ways and Means on the Social Security Act Amendments of 1939, Mr. Folsom, as treasurer of the Eastman Kodak Co., had the following to say in regard to his company's pension plan:

> We have a provision that if a man has been with us for 15 years and he becomes totally and permanently disabled his annuity will become payable right away.

Then in regard to integrating his company plan with social security, Mr. Folsom said:

> We adjusted our pension plan so that in the future he gets part from our plan and part from the Government.

Mr. Speaker, 17 years later Secretary of Health, Education, and Welfare Folsom attacks the concept of disability insurance benefits because of disability determination problems. I suggest to my colleagues in the House that Secretary Folsom made a politically motivated decision to oppose humanitarian improvement in the social-security law and then desperately cast about for fallacious logic on which to predicate his shortsighted opposition to social progress and humanitarian undertakings.

I was gratified to note that in mouthing the arguments of the American Medical Association against the social-security program, Secretary Folsom at least did not predict that such a legislative step would result in socialized medicine. While on the subject of the AMA, it is most interesting to note that it fully endorses a disability provision in legislation providing favorable tax treatment for doctors upon their disability. This legislation has no standards or guides when compared to the strict provisions in H. R. 7225.

As an example of the specious arguments used by the Secretary against the enactment of disability benefits, I would like to quote the following excerpt from the Secretary's statement:

> It would also be necessary, in deciding whether a person is eligible for disability payments, to determine whether his impairment is the cause of his unemployment. This, too, can become a difficult question. It would be particularly difficult in cases involving part-time employees, intermittent workers, and those who do not have strong reasons for continued employment.

Surely, Secretary Folsom is aware that even more stringent eligibility requirements are present in regard to the granting of disability insurance benefits under H. R. 7225 than are present in the disability freeze provision contained in present social-security law as belatedly supported by the Republican Party. Surely, the Secretary of Health, Education, and Welfare knows that the medical determinations of disability that would be made in connection with the payment of disability insurance benefits under the provision of H. R. 7225 would follow the same procedure as is prescribed with respect to the disability freeze provisions of present law. Surely, the Secretary of Health, Education, and Welfare knows that while he is hypocritically engaged in specious argument against disability insurance benefits, there are thousands of American citizens who have sustained "personal disasters inflicted by forces beyond their control"—if I may paraphrase the expression of President Eisenhower that I previously quoted—who are without means of subsistence because of their disabilities and are facing the administration's apathy towards their problems.

In testifying before the Senate Finance Committee against disability insurance benefits, Secretary Folsom suggests that such disability benefits might serve to retard the vocational rehabilitation programs available to our disabled citizens. In his remarks on this subject, Mr. Folsom said, in part, as follows:

> Witnesses have testified that cash benefits may reduce the incentive of some disabled persons toward rehabilitation—particularly if the benefits, when combined with other resources of the individual, adequately meet essential needs. Our own experience with the rehabilitation process indicates that the drive and willpower of the individual is the most important single factor in determining his chances of successful rehabilitation. Rehabilitation and establishment in employment are often arduous and difficult experiences. There are, undoubtedly, those among the disabled who would hesitate to move from the security of an assured benefit to the uncertainty of the competitive labor market.

Mr. Speaker, I consider such remarks an insult to the American worker. In this instance Secretary Folsom has rashly undertaken, in part, one of his few departures from the line of the American Medical Association. In connection with vocational rehabilitation, the American Medical Association has recently published a booklet in which it is stated as follows:

> More important, inadequate indemnity can lower patient morale or force return to gainful employment in advance of clear-cut medical indications.

Mr. Speaker, like Secretary Folsom, I am not a physician, but I believe that our understanding of our fellow man is sufficient to permit us to know that a man who has the small security and peace of mind that would be given to him through the disability insurance provisions of H. R. 7225 is more susceptible to successful vocational rehabilitation than is a person who is without financial resources.

Mr. Speaker, Secretary Folsom was not content to deny a liberalized social security program for our disabled American citizens. Before the Senate Finance Committee, he also opposed liberalizing the provisions of the Social Security Act prescribing the eligibility age for women. Secretary Folsom testified that the provision of H. R. 7225 that lowered the retirement age for women from 65 to 62 is in conflict with the current trend of an increasing life expectancy for women.

Secretary Folsom in giving lip service to life expectancy has completely disregarded the factor of job expectancy. Secretary Folsom chose not to mention the fact that most women age 62 who have the physical and mental ability to work would probably not avail themselves of this earlier opportunity to obtain social security benefits, but that those who are not fortunate enough to have sufficient health to permit their obtaining employment are sorely in need of this liberalization of the social security program. This statement is substantiated by a quote from the Secretary's remarks before the Senate Committee on Finance as follows:

> Surveys by the Bureau of Old-Age and Survivors Insurance show that only 5 percent of those receiving old-age benefits consider that they have retired because they wanted to retire; rather, health and other factors had led to their retirement.

I would suggest, Mr. Speaker, that the 95 percent of those receiving old age benefits not mentioned by the Secretary of Health, Education, and Welfare are drawing their benefits because they are compelled to by reason of health or some other adverse factor.

Mr. Speaker, the Eisenhower administration has previously gone on record as having a complete disregard for the farmers' well-being, an indifference to the welfare of America's low-income families, and an apathetic attitude toward the problems of labor and small business. The Republican Party has already established a record of tax-favoritism for the rich and a bountiful prosperous America for the selected few who have curried the favor of the Republican administration. Under the Eisenhower administration the record is clear that what might be good for the United States must necessarily be good for General Motors before it receives administration support.

To that list of administration neglect, indifference, and irresponsibility with regard to the welfare of our American citizens, we must now, unfortunately, add a disdain for the problems of our aged women and our disabled. The actions of Secretary Folsom in appearing before the Senate Finance Committee in opposition to humane Democratic amendments liberalizing the Social Security Act cannot be undone by Republican words of sympathy espousing a claim to human understanding solely for political convenience.

Mr. Speaker, the time has come when the Democratic Party must enact forward-looking legislation designed to serve the needs of all the American people even though administration opposition may be expressed to such legislation. To my colleagues in the House on the Democratic side, and to those colleagues on the Republican side who may care to join in this effort, I call upon you to join with me in dealing with the problems that confront our great country with realism, foresight, and human understanding.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to Mr. Meader, on today for 15 minutes, following any special orders heretofore entered.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks was granted to:

Mr. Forand and to include a draft of a public welfare bill introduced by him today.

Mr. Schwengel (at the request of Mr. Arends).

Mr. Minshall (at the request of Mr. Arends) and include extraneous matter.

Mr. Cooper.

Mr. Reed of New York on a bill he just introduced (H. R. 10284).

Mr. Johnson of California and include extraneous matter.

Mr. Merrow to extend his remarks in the Record and to include an address he delivered on the subject of Greek Independence Day.

Mr. Schenck and to include editorials.

Mr. Dorn of New York (at the request of Mr. Arends).

Mr. Cannon.

Mr. Dingell.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 898. An act to amend the Interstate Commerce Act, with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them, in the furnishing of transportation of property; to the Committee on Interstate and Foreign Commerce.

S. 1161. An act to abolish the Fossil Cycad National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 3386. An act to amend the joint resolution entitled "Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt," approved July 28, 1955; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 8780. An act to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes;

H. R. 9064. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; and

H. R. 9770. An act to provide revenue for the District of Columbia, and for other purposes.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1082. An act for the relief of Golda I. Stegner;

H. R. 1495. An act for the relief of Joseph J. Porter;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 1892. An act for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung;

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction for arson;

H. R. 4039. An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo;

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 6421. An act for the relief of Roy Cowan and others;

H. R. 6461. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii 1945, section 1 (b), Act 12, Session Laws of Hawaii 1951, and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent numbered 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, T. H.;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices;

H. R. 8100. An act to authorize the loan of two submarines to the Government of Brazil;

H. R. 9166. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a three-acre tract in Orangeburg County, S. C.; and

H. J. Res. 464. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Fifth International Trade Fair Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 226, 84th Congress, the House stands adjourned until 12 o'clock meridian, Monday, April 9, 1956.

Thereupon (at 12 o'clock and 33 minutes p. m.), pursuant to House Concurrent Resolution 226, the House adjourned until Monday, April 9, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1686. A letter from the Assistant Secretary of Agriculture, transmitting a financial report on the Mexican-United States foot-and-mouth disease program for the period July 1 through December 31, 1955, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1687. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend section 24 of the Federal Reserve Act with respect to leasehold and construction loans which may be made by national banks"; to the Committee on Banking and Currency.

1688. A letter from the Assistant Secretary of Defense, transmitting supplemental data relating to a monthly report on military prime contracts with business firms in the United States for experimental, developmental, and research work which was submitted on March 17, 1956, pursuant to section 6 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1689. A letter from the Assistant Secretary of the Interior, transmitting a report showing tabulations submitted by the Director of the Bureau of Land Management showing the withdrawals and restorations for the period from January 1, 1955, through December 31, 1955, pursuant to the act approved June 25, 1910 (36 Stat. 847, 16 U. S. C. sec. 471, 43 U. S. C., sec. 141 et seq.); to the Committee on Interior and Insular Affairs.

1690. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional evidence relating to the case of Loo Wei Yung, A-10245600 (0300-460282), involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURLESON: Committee on House Administration. House Resolution 453. Resolution authorizing the printing of additional copies of the hearings on the Department of Defense appropriations for 1957 for the use of the Committee on Appropriations, House of Representatives; without amendment (Rept. No. 1976). Ordered to be printed.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 2972. An act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes; with amendment (Rept. No. 1979). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYS of Arkansas: Committee on Foreign Affairs. Report on the 10th session of the General Assembly of the United Nations; without amendment (Rept. No. 1980). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6084. A bill to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District; with amendment (Rept. No. 1981). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIES: Committee on Interstate and Foreign Commerce. H. R. 7732. A bill to amend section 406 of the Federal Food, Drug, and Cosmetic Act (Public Law 717, 75th Congress), as amended; with amendment (Rept. No. 1982). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 9852. A bill to extend the Defense Production Act of 1950, as amended, and for other purposes; with an amendment (Rept. No. 1983). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Fourteenth intermediate report on United States technical assistance in Latin America (Rept. No. 1985). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 590. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 1977). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. House Joint Resolution 592. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 1978). Referred to the Committee of the Whole House.

Mr. WILLIS: Committee on the Judiciary. H. R. 4635. A bill to authorize the Secretary of the Interior to transfer to Robert T. C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions; with amendment (Rept. No. 1984). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER:

H. R. 10283. A bill to amend and improve the child welfare provisions of the Social Security Act, to authorize special project grants to institutions of higher education or research in connection with maternal and child health and crippled children's services, and for other purposes; to the Committee on Ways and Means.

By Mr. REED of New York:

H. R. 10284. A bill to amend and improve the child welfare provisions of the Social Security Act, to authorize special project grants to institutions of higher education or research in connection with maternal and child health and crippled children's services, and for other purposes; to the Committee on Ways and Means.

By Mr. COOLEY:

H. R. 10285. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture.

By Mr. HOPE:

H. R. 10286. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture.

By Mr. AUGUST H. ANDRESEN:

H. R. 10287. A bill to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen; to the Committee on Agriculture.

By Mr. ASPINALL:

H. R. 10288. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. BELCHER:

H. R. 10289. A bill to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen; to the Committee on Agriculture.

By Mr. BERRY:

H. R. 10290. A bill to amend the National Service Life Insurance Act of 1940 to permit the renewal of certain policies of insurance; to the Committee on Veterans' Affairs.

By Mr. BROOKS of Texas:

H. R. 10291. A bill to authorize and direct the Secretary of Agriculture to convey to the Sabine River Authority of Texas easements in certain lands of the United States within the Sabine National Forest, Tex.; to the Committee on Agriculture.

By Mr. CHELF:

H. R. 10292. A bill to increase from $600 to $1,000 the income-tax exemption allowed each taxpayer, each dependent, and $1,800 for a dependent child (until said child reaches 21 years of age) while attending any business school, college, or university; to the Committee on Ways and Means.

By Mr. CURTIS of Massachusetts:

H. R. 10293. A bill to prescribe a code of procedure for the conduct of congressional investigations; to the Committee on Rules.

H. R. 10294. A bill to amend section 1717 of title 18 of the United States Code, so as to make nonmailable certain defamatory and other matter; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 10295. A bill to provide for the establishment in the executive branch of the Government of a Department of Housing and Urban Affairs; to the Committee on Government Operations.

H. R. 10296. A bill to amend certain laws relating to the provision of housing and the elimination of slums, to establish a National Mortgage Corporation to assist in the provision of housing for families of moderate income, and for other purposes; to the Committee on Banking and Currency.

By Mr. EDMONDSON:

H. R. 10297. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisibility of establishing the Creek Indian Council House on the grounds which constitute its site as a national monument and historic shrine; to the Committee on Interior and Insular Affairs.

H. R. 10298. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing the former Capitol Building of the Cherokee Indian Nation and the grounds which constitute its site, located in Tahlequah, Okla., as a national monument and historic shrine; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

H. R. 10299. A bill to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects; to the Committee on Interior and Insular Affairs.

By Mr. FERNANDEZ:

H. R. 10300. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10301. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Terroritles, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FORAND:

H. R. 10302. A bill to amend the Social Security Act to enable the States to establish more adequate public welfare programs, and for other purposes; to the Committee on Ways and Means.

By Mr. HARRISON of Nebraska:

H. R. 10303. A bill to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen; to the Committee on Agriculture.

By Mr. HAYWORTH:

H. R. 10304. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H. R. 10305. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mrs. KEE:

H. R. 10306. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KRUEGER:

H. R. 10307. A bill to provide for the establishment in western North Dakota of a uraniferous lignite buying station and a mill for processing uranium-bearing lignites; to the Joint Committee on Atomic Energy.

By Mr. MASON:

H. R. 10308. A bill to exempt motor vehicles sold for the use of religious and nonprofit educational institutions from Federal excise tax; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 10309. A bill to require certificates of fitness in the sale of automobiles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10310. A bill to provide for the regulation of motor vehicles on the highways of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10311. A bill to prohibit coercion by automobile manufacturers in the sale of parts, accessories, equipment, or tools, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10312. A bill to amend title 15 of the United States Code with respect to the operation of speedometers on motor vehicles, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10313. A bill to prevent the sale of automobiles with unauthorized equipment, parts, and accessories, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10314. A bill to amend the Federal Trade Commission Act with respect to certain contracts and agreements between manufacturers of motor vehicles and their franchised dealers, to permit the establishment of exclusive representation by dealers and to restrict franchised dealers from reselling to certain unauthorized persons, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H. R. 10315. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture.

By Mrs. PFOST:

H. R. 10316. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

H. R. 10317. A bill to amend the Organic Act of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H. R. 10318. A bill to provide for the appointment of postmasters, United States marshals, and collectors of customs, through written competitive examination in accordance with the civil-service laws and regulations; to the Committee on Post Office and Civil Service.

By Mr. RHODES of Pennsylvania:

H. R. 10319. A bill to authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of certain widows, widowers, and unmarried persons, age 55 years or older, in hardship cases, to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

By Mr. RIEHLMAN:

H. R. 10320. A bill to amend the Internal Revenue Code of 1954 to establish new corporate tax rates; to the Committee on Ways and Means.

By Mrs. ST. GEORGE:

H. R. 10321. A bill to amend section 202 of the Agricultural Act of 1949 to provide that while butter is in surplus supply, it shall be a part of the ration of the Army, Navy, and Air Force; to the Committee on Agriculture.

H. R. 10322. A bill to amend the Davis-Bacon Act, and for other purposes; to the Committee on Education and Labor.

By Mr. TUMULTY:

H. R. 10323. A bill to provide for Government loans to enable certain holders of national service life insurance or United States Government life insurance to pay the premiums hereafter accruing thereon; to the Committee on Veterans' Affairs.

By Mr. DAVIDSON:

H. J. Res. 597. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Program; to the Committee on Rules.

By Mr. BURLESON:

H. Res. 454. Resolution to provide funds for the expenses of conducting studies, investigations, and inquiries incurred by the Select Committee on the Baltic States, and by the Special Committee To Investigate Tax-exempt Foundations; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CURTIS of Massachusetts: Memorial of the House of Representatives of the General Court of Massachusetts memorializing the Congress of the United States to enact legislation revising and extending the Water Pollution Control Act; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States to enact legislation designed to insure the construction of a high dam on the lower Cumberland River; to the Committee on Public Works.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to institute proceedings to evaluate the Federal fiscal policy and taxing power as it affects the three levels of Government, and to effectuate such evaluation by the calling of a constitutional convention to consider same; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H. R. 10324. A bill for the relief of Cesare Picco; to the Committee on the Judiciary.

By Mr. LONG:

H. R. 10325. A bill for the relief of Mr. and Mrs. Roumanos Germanos and their child, Nofal Germanos; to the Committee on the Judiciary.

By Mr. MACDONALD:

H. R. 10326. A bill for the relief of Mrs. Consuelo Gonzales Jaminola Hansen; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 10327. A bill for the relief of Mrs. Edward W. McCrary; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 10328. A bill for the relief of Ellen Scaglione; to the Committee on the Judiciary.

H. R. 10329. A bill for the relief of Mrs. Francine Corrigan de Jacomé; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 10330. A bill for the relief of Frank Konrad; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

815. By Mr. BYRNES of Wisconsin: Petition of Lloyd LaPlante and others from Brown and Manitowoc Counties, Wis., for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

816. By Mr. FORAND: Petition of the Ukranian National Women's League of America, Inc., submitted by Mrs. Rose B. Wecal, president of the Ukranian National Women's League, Branch 29, Woonsocket, R. I., protesting the torturing of millions of slave laborers in U. S. S. R., particularly against murdering of 500 women in concentration camp in Karaganda, Kazakhstan; to the Committee on Foreign Affairs.

817. By Mrs. KEE: Petition of Omer C. Meadows of Hinton, W. Va., and 45 residents of Summers County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

818. Also, petition of James H. Buckland of Alderson, W. Va., and 45 other residents of Monroe County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

819. Also, petition of R. L. Holmes of Renick, W. Va., and 46 other residents of Greenbrier County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

820. By Mr. VORYS: Petition of 45 residents of Franklin County, Ohio, urging immediate enactment of a pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

The Public Welfare Act of 1956

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1956

Mr. FORAND. Mr. Speaker, I have today introduced for appropriate reference the Public Welfare Act of 1956.

This bill proposes to remedy a growing inequity and inadequacy in our total social security system by placing the public welfare program on an up-to-date basis that will make it possible for the State and local public welfare agencies to carry out, in an adequate and constructive way, their assigned task of providing ultimate protection to all people against unmet economic and social needs.

Specifically the bill provides a new title XVI in the Social Security Act, as an optional alternative to its present assistance provisions, under which the States might submit a single comprehensive public welfare plan and receive Federal aid on a more flexible, adequate, and rational basis for assistance to all needy persons and services for all those who require such welfare aid. This bill incorporates principles which have long been advocated by labor unions, public welfare officials, and other social work leaders. It brings up to date similar bills I have offered in previous Congresses.

The actions taken over the past 6 years to strengthen the contributory old-age and survivors insurance program make it especially urgent that we now move to improve the situation of those who still remain in need. Among others we find in this situation the following: First, those who retired from employment or were widowed too early to benefit from the OASI program; second, those whose needs are not adequately met by fixed insurance benefits either because they fall in the minimum benefit category or because they have special needs—as, for example, for medical or nursing care; third, those whose needs arise from situations not provided for in any existing program—as, for example, catastrophic illness or prolonged unemployment or the loss of a farm; and fourth, those whose particular needs require a helping hand to assist the individual get back on his feet, secure the specialized care he requires, or—in the case of a child or badly handicapped adult—be assured the protective care he needs. The plight of many of these groups—so inconsistent with our present unprecedented prosperity—has been sharply pointed up in the recent report of the Subcommittee on Low-Income Families of the Joint Committee on the Economic Report.

In all these situations people are dependent for help on their State and local public welfare agencies in finding an answer to their immediate needs, whatever longtime social remedies may be sought elsewhere. The public welfare agency is the place to which any American can turn when all other sources of help have proved inadequate to his need: his savings, his social insurance benefits, his family, his union, or lodge, his church, voluntary welfare agencies, and many others. We pride ourselves in this country on the fact that no one need go hungry and no one need lack for a helping hand when he needs it. The public welfare program is the instrument through which we translate this community pride into a reality. It does not compete with the means, like social insurance and a full employment economy, through which we seek to prevent need. Nor does it compete with our traditional social institutions: the family, church, private enterprise, and other forms of voluntary association. It underpins and supplements these so that they can better perform their own functions.

At the present time, however, these public-welfare aspects of our social-security program are badly handicapped by certain outdated provisions of the Social Security Act. These provisions, especially those incorporated in the assistance titles I, IV, X, and XIV, served a great pioneering purpose in the days when large categories of persons were excluded from social-insurance coverage and it was necessary clearly to establish their right to public aid. Today, however, as more adequate social-insurance provisions begin to reduce the numbers of persons requiring public assistance, it is imperative that our public-welfare machinery be modernized in order to meet more adequately the special needs of all those who are still excluded from the general national prosperity. It is not only right in principle that we should do so but it is essential to the future strength and health of our Nation that no individuals—and especially no children—should be deprived of their right to share in the American ideal and to find some answer to their most basic needs.

While some of the assistance changes proposed by the present administration move very slightly in the direction of my proposal, especially in making somewhat more adequate provision for medical care for assistance recipients and in giving official recognition to the service factor in administering assistance, they make no approach whatsoever to the basic public-welfare problems with which my bill deals; namely, (a) universal coverage, more adequate levels of aid for all States; (b) a more realistic concept of the scope and purposes of public-welfare services; (c) the simplification of administrative procedures and organization.

In at least one important respect the administration proposals move in the opposite direction by proposing to reduce the Federal aid available to assist those older persons whose OASI benefit falls below the assistance level established as minimal by their States. For all these reasons it has seemed to me of the utmost importance that the Congress should have before it a forward-looking public-welfare bill which incorporates the best thinking of those familiar with this field and reflects our earnest concern for those many Americans whose problems, needs, and hardships still lie outside the range of existing social measures. Only through a measure of scope and vision can we be sure that our general social advance leaves in its wake no forgotten Americans.

In the statement which follows a more detailed explanation of the provisions of this bill is given.

PROVISIONS OF THE PUBLIC WELFARE ACT OF 1956

General: The bill provides a new title XVI for the Social Security Act under which a State could submit a comprehensive public-welfare plan for assistance to needy persons and welfare services as defined in the bill. States that wished to do so could continue to operate programs of assistance under the existing provisions of titles I, IV, X, and XIV, but the new matching provisions described below are applicable only to title XVI and the usual provision is made to preclude assistance payments to any individual under more than one title of the act. For most States the scope, flexibility, and financial provisions of title XVI would probably prove an inducement to change, but the optional feature would ease the transitional process and make it possible for a State, which wished to retain certain programs—as, for example, aid to the blind—on the present basis, to do so.

Coverage for assistance: This bill makes it possible for a State to receive Federal aid for assistance to any needy person and not exclusively for those over 65, blind, permanently and totally disabled, or those meeting the restrictive definition for aid to dependent children—as at present. Administration by categorical groups would, however, be optional with the States, provided the basis for establishing the categories was reasonable. Assistance could not, however, be paid to persons residing in public institutions other than medical institutions nor to patients in an institution for tuberculosis or mental disease.

Higher assistance levels: This bill would provide a more flexible, rational, and adequate financial base for assistance payments in all States by making the following changes:

First. Ceilings, or the maximum payments subject to Federal aid would be increased to $75 a month for all adults and $37.50 for all children. Present maxima in old-age assistance, aid to the blind, and aid to the permanently and totally disabled are $55 a month; in aid to dependent children the present ceilings are $30 each for the first child and adult caretaker and $21 a month for each additional child. In both cases, however, the amounts are scheduled to be reduced, under existing law, on September 30, 1956.

Second. Matching on the average of all payments rather than in terms of each individual payment as at present would, however, make it possible to receive Federal matching for higher payments in cases of unusual need—provided these were offset by other payments below the maximum level.

Third. A new and simplified matching formula would replace the present complex and inequitable formula which neither recognizes the special needs of low-income States nor the great efforts made by some States to provide more adequately for their own needy. Under the proposed formula the total of all assistance payments—within the average ceilings as shown in 1 above—would receive a 62-percent Federal reimbursement in any State whose average per capita income was the same as that of the United States as a whole. For States above this average the percentage of Federal reimbursement would be proportionately decreased but would in no case fall below 50 percent. For States with a lower than average per capita income the percentage of Federal reimbursement would be proportionately increased but the maximum level of reimbursement would be 80 percent. Under this formula the needy in both the high- and low-income States would benefit: the former by the higher reimbursable ceilings and the latter by the higher rate of reimbursement.

Fourth. Welfare services provided by the public welfare agency would be subject to the same rate of reimbursement as assistance payments. Increasingly those persons turning to public welfare agencies for aid are those with special needs requiring knowledgeable service for their solution. Such service can often help speed the return of the individual to self-support, secure for him the care he needs from other sources, prevent serious or long-term future difficulties, and reduce the cost to the public of extended dependency. For example: many people needing medical care or rehabilitative service do not know what provisions are available or how to go about applying for them: many people are lingering in general or mental hospitals simply because they have no other place to go—and no one to help them find such a place; many people living in areas where their former source of livelihood has ceased to exist need help in moving to areas of new opportunity; many children might be saved from juvenile delinquency or other forms of costly social maladjustment if their parents received helpful guidance at the crucial time or—in cases where substitute family care was necessary—the child welfare services of the public welfare agency could make prompt and adequate provision for their adoptive or foster-care placement. An advantage of this bill to the child-welfare program is the fact that it permits child-welfare workers to apply assistance funds to the placement of needy children requiring foster care. The grave injustice done to this neediest group of children under the present act, which denies assistance to children not living with a close relative, was pointed out by the Welfare report of the Commission on Inter-governmental Relations.

Fifth. Simplified administration, with consequent benefits to those requiring public welfare aid as well as to those who do its work and pay its cost, is provided in this bill in several ways. Matching on the average of all payments, the optional elimination of categorical administration, and the provision of the same reimbursable formula for all types of aid would permit an enormous reduction in paperwork with subsequent reduction in the cost of overhead administration. The bill also requires that the program be administered by a single agency at each level of Government thus eliminating costly duplication, overlapping, and confusion of responsibility. From the point of view of the individual or family requiring help the advantage of a single agency is obvious.

Sixth. Availability of benefits: The bill makes it a condition of the broadened base of Federal financial assistance provided by this new title that its benefits should be available to all qualified persons without residence or citizenship requirements. No public welfare program can be considered to be fulfilling its function as the ultimate guarantee against individual need if it arbirtarily excludes needy persons solely because of their length of residence. The very factors that make it essential for the Federal Government to share the broad public welfare responsibilities of the States make it equally essential that such aid be available to all.

Seventh. The Virgin Islands and Puerto Rico: This bill rights a longstanding injustice toward our fellow American citizens in the Virgin Islands and the Commonwealth of Puerto Rico by extending to these jurisdictions the same program provisions as apply in the States and Territories.

Eighth. Confidential assistance records: This bill restores to all persons receiving assistance under this title the protection formerly required by all titles that the facts concerning their receipt of assistance be treated as confidential information.

Ninth. Personnel training: The bill recognizes the serious shortages in qualified public welfare personnel by providing special financial aid for training such personnel.

The text of the bill follows:

A bill to amend the Social Security Act to enable the States to establish more adequate public welfare programs, and for other purposes

Be it enacted, etc., That this act may be cited as the "Public Welfare Act of 1956."

Sec. 2. Effective July 1, 1956, the Social Security Act, as amended, is further amended by inserting at the end thereof the following new title:

"TITLE XVI—COMPREHENSIVE PUBLIC WELFARE PROGRAM

"*Purpose*

"Sec. 1601 (a) The Congress finds and declares that whereas the Nation's strength depends upon the welfare of its individual members and families and whereas, social insurance programs alone cannot anticipate all situations of individual need, therefore a program of public welfare to meet such needs is an essential part of the Nation's program of social security.

"(b) The purpose of this title is to enable each State to develop, as an optional alternative to the present programs of public assistance and child welfare services authorized by titles I, IV, V, X, and XIV. A comprehensive public welfare program providing (1) economic assistance on an individualized basis for those persons or families whose basic needs in accordance with standards established by the States, are not fully met through their own resources, social insurance, or other social measures, (2) welfare services for those who require aid in meeting their own needs, achieving self-support, or discharging their own responsibilities and for those who require special social protection because of youth, age, disability, or other special vulnerability, and (3) community welfare services.

"*Appropriations*

"Sec. 1602 (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1957, and for each fiscal year thereafter, a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used (1) for making payments to States which have submitted, and had approved by the Secretary of Health, Education, and Welfare (hereinafter referred to as the Secretary) a State public welfare plan and (2) to enable the Secretary to extend and strengthen facilities for training and to make training available for personnel of State and local public welfare agencies by making grants to State agencies administering plans approved under this title, colleges, universities, and other approved educational institutions.

"*State public welfare plans*

"Sec. 1603 (a) To be approved under this title a State plan must—

"(1) Provide that it shall be in effect in all political subdivisions of the State and, if administered by them, be mandatory upon them;

"(2) Provide for such financial participation by the State, and for such distribution of funds, as to assure meeting the need of all eligible individuals throughout the State, as determined in accordance with standards established by the State;

"(3) (A) Either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the local administration of the plan, and (B) provide that there will be not more than one agency of a local subdivision of the State designated or established to administer the plan within such subdivision;

"(4) Provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for assistance is denied or is not acted upon with reasonable promptness;

"(5) Provide such methods of administration as are found by the Secretary to be necessary for the proper and efficient operation of the plan (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods);

"(6) Provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(7) Provide that the State agency shall, in determining need for assistance, take into consideration any other income and resources of an individual claiming assistance;

"(8) Provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the State plan;

"(9) Provide that all individuals wishing to make application for assistance shall have opportunity to do so and that assistance shall be furnished with reasonable promptness to all eligible individuals;

"(10) Provide, if the plan includes payments to or in behalf of individuals in private or public institutions for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions;

"(11) Provide, if assistance is administered by categories, for a reasonable basis for establishing such categories which excludes from assistance no otherwise eligible individual; and

"(1) Provide that no aid will be furnished any individual under the plan with respect to any period with respect to which he is receiving old-age assistance under the State plan approved under section 2 of this act, and to dependent children under the State plan approved under section 402 of this act, aid to the blind under the State plan approved under section 1002 of this act, or aid to the permanently and totally disabled under the State plan approved under section 1402 of this act.

"(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a) except that he shall not approve any plan which imposes, as a condition of eligibility for assistance or welfare service under the plan (1) any residence requirement which excludes any otherwise eligible individual actually residing, permanently or temporarily, in the State, or (2) any citizenship requirement which excludes a citizen of the United States.

"*Payment to States*

"Sec. 1604. (a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan under this title for each quarter after June 30, 1956 an amount, which shall be used exclusively for carrying out the State plan, equal to the Federal percentage for such State (as determined in accordance with section 1607 (a) of the total amounts expended during such quarter under the State plan, not counting so much of such expenditures for any month for assistance as exceeds the product of $75 multiplied by the total number of individuals 18 years of age and over who received assistance for such month plus the product of $37.50 times the total number of individuals under the age of 18 who received assistance for such month.

"(b) The method of computing and paying such amounts shall be as follows:

"(1) the Secretary shall, prior to the beginning of each quarter estimate the amount to be paid to such State for such quarter under the provisions of subsection (a), such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such section, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if the sum of such amount and the estimated Federal grant to be paid the State under such section is less than the total sum of such estimated expenditures, the source from which the difference is expected to be derived; and (B) such other data as to such estimated expenditures and such other investigations as the Secretary may find necessary.

"(2) The Secretary shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary (A) reduced or increased, as the case may be, by any sum which he finds that his estimate for any prior quarter was greater or less than the amount which would have been paid to the State under subsection (a) for such quarter, and (B) reduced by a sum equivalent to the pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any prior quarter by the State or any political subdivision thereof under the State plan; except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Secretary for such prior quarter; *Provided*, That any part of the amount recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof, for the funeral expenses of the deceased shall not be considered as a basis for reduction under clause (B) of this paragraph.

"(3) The Secretary of the Treasury shall, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary, the amount so certified.

"Operation of State plans

"Sec. 1605. In the case of any State plan which has been approved by the Secretary, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

"(1) That the plan has been so changed as to impose any requirement prohibited by section 1603 (b), or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

"(2) That in the administration of the plan there is a failure to comply substantially with any provision required by section 1603 (a) to be included in the plan; the Secretary shall notify such State agency that further payments will not be made to the State until he is satisfied that such prohibited requirement is no longer imposed or that there is no longer any such failure to comply. Until he is so satisfied, the Secretary shall make no further certification to the Secretary of the Treasury for payment to such State.

"Definitions

"Sec. 1606. As used in this title—

"(a) The term 'assistance' means money payments to or medical care in behalf of or any type of remedial care recognized under State law in behalf of needy individuals who have attained the age of 18 years and are not inmates of a public institution except as a patient in a medical institution and, with respect to needy individuals under the age of 18 years, money payments made to or medical care in behalf of or any type of remedial care recognized under State law in behalf of parents, relatives, or other individuals who assume responsibility for parental care and support of them, if such parents, relatives, or other individuals maintain a family home for such needy individuals: *Provided*, That such needy individuals (whether or not they have attained the age of 18 years) are not individuals who are patients in an institution for tuberculosis or mental disease.

"(b) The term 'welfare services' includes personal services performed by persons employed by the agency administering the plan, directed to any of the following ends: assisting the recipient of or applicant for assistance to meet his own needs, establish partial or total self-support, utilize existing resources, more adequately discharge his own family and other social responsibilities, or participate in community life; extending protective services and assuring care to children who are deprived of adequate parental or other responsible adult care; extending services to strengthen the family environment of children, older people, the handicapped, and others with special needs; acting as a source of referral, guidance, and facilitating aid; extending cooperative social services to other public agencies upon their request; stimulating both social agencies and individuals in the community to provide needed social services; establishing and maintaining standards for such services where the State law so provides.

"(c) The term 'medical care' means medical services for needy individuals through payments by the agency administering the plan (including payments of insurance premiums therefor) to persons, agencies, or institutions furnishing or procuring such services.

"(d) The term 'State' shall include the District of Columbia, Alaska, Hawaii, the Virgin Islands, and the Commonwealth of Puerto Rico.

"Federal percentage

"Sec. 1607 (a) The 'Federal percentage' for any State shall be 100 percent less than the State percentage; and the State percentage shall be that percentage which bears the same ratio to 38 percent as the per capita income of such State bears to the per capita income of the United States, except that the Federal share shall in no case be more than 80 percent or less than 50 percent.

"(b) The Federal percentage for each State shall be promulgated by the Secretary between July 1 and August 31, of each even-numbered year, on the basis of the average per capita income of each State and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall, for purposes of this section, be conclusive for each of the eight quarters in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Secretary shall promulgate such percentage as soon as possible after the enactment of this title, which promulgation shall be conclusive for the purpose of this section for each of the four quarters in the period July 1, 1956, and ending June 30, 1957.

"Administrative provisions

"Sec. 1608. The Secretary is authorized to establish within the Social Security Administration an Office of Public Welfare to administer the provisions of this title."

Use of Tennessee Valley Authority Power Revenues To Meet Growing Power Needs

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EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 29, 1956

Mr. CANNON. Mr. Speaker, under leave to extend my remarks in the Record, I am including recent correspondenec from Comptroller General Joseph Campbell concerning use by the Tennessee Valley Authority of its power revenues to add generating units to existing projects to meet growing power needs, and a statement which I issued on March 28 commenting upon this correspondence and the facts in the matter.

The statement and correspondence follow:

STATEMENT OF CONGRESSMAN CLARECNCE CANNON, OF MISSOURI, CHAIRMAN, HOUSE APPROPRIATIONS COMMITTEE

The letter from Comptroller General Joseph Campbell to Congressman John Taber on March 26 relative to TVA is completely misleading. His purpose is quite clear, for his letter contains the following statement:

"This letter is not addressed to the question of the TVA's statutory authority * * * except to recommend that the present law be amended."

It will be recalled that Mr. Campbell was a member of the Atomic Energy Commission, which approved the Dixon-Yates contract. The terms of that contract got so odious that even its proponents wanted it set aside. Now we find the same Mr. Campbell telling the Congress it should repeal part of the TVA Act. He seeks to do in his new suit what he couldn't do in his old hat.

To support his demand for amending the TVA Act, Mr. Campbell would completely mislead the public as to the situation. It would appear that Mr. Campbell is going out of his way when he uses his position as Comptroller General to press further his views.

It is to be noted, however, that Mr. Campbell—in his letter recognizes that TVA does have the right to use revenues to add additional units at existing plants after meeting its obligations to the Government.

If that were not so, Mr. Campbell would not be urging the Congress to repeal the right of the TVA to meet its growing power needs at existing plants from its revenues. As Mr. Campbell well knows, Congress has refused further direct appropriations and has not passed legislation to enable TVA to meet its growing needs by issuing bonds. The only way left is for TVA to use its power revenues to add units to existing projects.

The Democratic leadership believes the people of the valley have a right to expect its power supplier to plan for the future needs of its service area.

The facts are greatly different from what Mr. Campbell very adroitly implies. The letters of intent issued for the 7 new generating units referred to in Mr. Campbell's letter simply represent the schedule upon which TVA believes capacity should be added to meet the electricity requirements of the area it serves.

Taken as a whole, the Comptroller General's letter appears to be intended to frighten the Congress into a belief that TVA has taken some extraordinary action and has committed the Government to a program

unforeseen and unanticipated. He is wrong. There is no surprise in the fact that new capacity must be added to the TVA system. There is nothing extraordinary about the issuance of letters of intent.

These letters served to place TVA's units on the manufacturers' construction schedules so that when and if firm orders are placed, many months of time will be saved in delivery dates. Substantial price increases were put into effect by the manufacturers of the turbo-generators early in September, but the options were secured at the prices in effect prior to the increase. The saving will run into millions of dollars for the taxpayers.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, March 26, 1956.

Hon. Clarence Cannon,
Chairman, Committee on Appropriations, House of Representatives.

Dear Mr. Chairman: Enclosed for your information in connection with pending bill H. R. 10004 is a copy of our letter of today to Hon. John Taber concerning the use by the Tennessee Valley Authority of power proceeds for capital expenditures for power facilities. Attention is particularly called to our recommendation that the present law be amended to clearly state the intent of Congress with respect to the use of power proceeds for such purposes.

Sincerely yours,

Joseph Campbell,
Comptroller General of the United States.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, March 26, 1956.

Hon. John Taber,
Committee on Appropriations,
House of Representatives.

Dear Mr. Taber: Reference is made to your letter of March 21, 1956, enclosing a copy of the reports of the Appropriations Committee in connection with H. R. 10004, and directing our attention to the language concerning the Tennessee Valley Authority in both the majority and minority reports. You also request specific information pertaining to TVA's commitments of funds for power projects or parts of projects, the amounts of TVA's revenues in recent years, and the portion of such revenues that resulted from the sale of electricity to the United States Government.

A considerable portion of the language to which you directed our attention, as well as much of the record of the TVA hearings held March 1, 1956, before the Subcommittee on Public Works Appropriations, involves the basic questions of whether TVA has the statutory authority to use its power revenues to install additional generating units at existing powerplants without specific and prior approval of the Congress. The part of the law in question is the following language contained in title II of the Government Corporations Appropriation Act, 1948:

"None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress" (61 Stat. 577).

This letter is not addressed to the question of TVA's statutory authority, which has been the subject of considerable discussion and disagreement, except to recommend that the present law be amended to clearly state the intent of the Congress with respect to its control over TVA's capital expenditures for power facilities. We believe such legislation is necessary at this time because, in our opinion, (1) the present law is not clear in this respect, (2) there has been a substantial change in the nature of TVA's capital expenditures for power facilities between 1948 and 1955, and (3) the present law, as currently applied, does not give the Congress effective control over TVA's expenditures of public funds for power facilities. It is our view that the Congress can most effectively control expenditures of this character through appropriations; however, if the Congress wishes TVA to use its power revenues, or funds obtained from other sources, to construct or acquire power facilities, it should require TVA to obtain specific and prior authorization from the Congress for such facilities.

There follows the specific information that you requested, as well as some comments on the significant change in the nature of TVA's power facilities between 1948 and 1955.

1. TVA's budget program for fiscal year 1957 was transmitted to the Bureau of the Budget on September 28, 1955, and provided for the use of TVA corporate income to start the installation of 5 additional generating units at 3 existing steam plants. These generating units are: John Sevier (unit 4), Johnsonville (units 7 and 8), Gallatin (units 3 and 4).

Prior to the date of the budget transmittal, TVA had issued letters of intent covering the acquisition of major equipment for unit number 4 at the John Sevier steam plant. These letters of intent provide for cancellation only upon payment of stipulated costs which are currently accruing against TVA. On September 22 1955, the TVA Board of Directors, by a 2 to 1 vote, approved the awarding of these letters of intent based on the advice of the TVA General Counsel that such action was authorized by law.

The Bureau of the Budget did not approve TVA's use of corporate funds to start these five units; however, the Bureau did make the following provision in the President's Budget, dated January 16, 1956, for TVA expansion:

John Sevier (unit 4) (by supplemental appropriation for 1956 and by issuance of revenue bonds under proposed legislation).

Johnsonville (units 7 and 8) (by issuance of revenue bonds under proposed legislation).

On January 17, 1956, the TVA Board of Directors, by 2 affirmative votes (1 director abstaining), authorized the awarding of letters of intent covering the acquisition of major equipment for 6 additional generating units—units 3 and 4 at the Gallatin steam plant and units 7, 8, 9, and 10 at the Johnsonville steam plant.

The total cost of the equipment covered by the letters of intent that have been authorized for all seven units is approximately $30 million. Other pertinent information pertaining to these seven units is summarized.

Plant	Unit	Capacity (kw's)	Estimated cost
John Sevier	4	180,000	$28,000,000
Johnsonville	7 and 8	270,000	44,000,000
Do	9 and 10	270,000	39,000,000
Gallatin	3 and 4	450,000	67,000,000
Total		1,170,000	178,000,000

In effect, the TVA Board of Directors has authorized the initiation of a major expansion program which will add 1,170,000 kilowatts of installed capacity to its system and will cost an estimated $178 million. The expansion program has not been reviewed or approved by the Congress, and further, it includes four units which have not been approved by the Bureau of the Budget.

2. As noted above there has been a significant change in the nature of TVA's power facilities. Prior to 1948 TVA was essentially a hydroelectric power system and additional generating units were of the size of 10,000 kilowatts to 70,000 kilowatts each. Since 1948, however, TVA has added 7 large modern steam plants, and current additional generating units are of the size of from 112,500 kilowatts to 225,000 kilowatts each. The future addition of a number of steam-electric generating units of this size, or larger, represents a substantial increase in generating capacity. At June 30, 1948, the TVA power system was 17 percent steam-electric and 83 percent hydroelectric; after completion of generating units under construction at June 30, 1955, the TVA power system will be 63 percent steam-electric and 37 percent hydroelectric (these percentages, of course, do not include the 7 steam-electric units discussed above).

Further, a single steam-electric generating unit today is very large (the Gallatin units are 225,000 kilowatts each). A single steam-electric generating unit of 225,000 kilowatts is larger than most present-day hydroelectric powerplants or most steam-electric powerplants in 1948. In 1948 the TVA system had only 2 powerplants with an installed capacity as large as 225,000 kilowatts. As of June 30, 1955, excluding TVA's 7 modern steam plants, the TVA system consisted of 44 hydroelectric powerplants and 8 steam-electric powerplants; however, only 3 hydroelectric plants and 1 steam-electric plant have an installed capacity of over 225,000 kilowatts. The average installed capacity of the 44 hydroelectric plants is 80,000 kilowatts and of the 8 smaller steam-electric plants is 55,000 kilowatts. It is significant to note that technical advancements are still being made rapidly in the size of generators, as shown in the March 15, 1956, issue of Public Utilities Fortnightly, which reports:

"The electric utilities now have five generators with nameplate ratings of 300,000 kilowatts or over on order; Consolidated Edison has ordered two 335,000-kilowatt units for installation in 1958–59."

At June 30, 1948, the TVA system had an installed capacity of 2,567,402 kilowatts and during fiscal year 1948 average gross generation was 65 percent of installed capacity. The seven additional units involving the letters of intent discussed above have an installed capacity of 1,170,000 kilowatts, and, being steam-electric units, are sometimes capable of an average gross generation of over 100 percent of installed capacity (during fiscal year 1955, Johnsonville, Shawnee, and Widows Creek all had an average gross generation of over 100 percent of installed capacity). Therefore, the present expansion program of 7 additional units, which has not been reviewed by the Congress, involves installed capacity equal to 45 percent of the entire TVA system at June 30, 1948.

3. It is clear that the language of the 1948 Appropriations Act quoted above prohibits TVA from building a new steam-electric plant at a new location without prior congressional approval; however, it should be realized that TVA has the potentiality for expansion at some of its existing steam plants. The largest potentiality is probably at its Gallatin steam plant which at present is a 2-unit plant with an installed capacity of 450,000 kilowatts, but which could be expanded to a 10-unit plant. The following information pertaining to the Gallatin plant is contained in TVA's annual report for fiscal year 1954 (p. 16):

"TVA gave special consideration to the design of the main control and instrument switchboard, since it could ultimately become the centralized control board for a 2,500,000-kilowatt station (the present 1,440,000 installed capacity planned at Kingston makes it the largest station in the world at present)."

4. The final point is a discussion of the financial significance of TVA's power revenues. The TVA system is the largest single integrated electrical system in the country, and it follows that its power revenues are substantial. In the last 5 years, during which period steam generation has become an important factor, there has been a tremendous expansion in TVA's power system, primarily to supply the power needs of the

Atomic Energy Commission. The following tabulation summarizes this growth:

Year	System installed capacity June 30 (kilowatts)	Power revenues, fiscal year		
		Total	Federal agencies	All other
1951	3,181,000	$70,329,580	$8,162,812	$62,166,768
1952	3,859,910	95,004,390	25,230,407	69,773,983
1953	5,102,985	104,877,869	31,505,622	73,372,247
1954	6,075,685	133,947,808	54,368,480	79,579,328
1955	7,809,985	188,162,989	102,962,859	85,200,130

In addition to the rapid growth in TVA's power revenues, as shown above, TVA estimates that its power revenues will continue to increase and that in fiscal year 1957 they will be $231,550,000.

It is significant to note the increase in TVA power revenues that has resulted from the sale of electricity to Government agencies ($8,162,812 in 1951 and $102,962,859 in 1955). During fiscal year 1955 such revenues represented 55 percent of TVA's total power revenues.

Based on estimated figures in TVA's statement of source and disposition of power income appearing in TVA's budget program for 1957 submitted to the Congress, TVA's net power proceeds for fiscal years 1956 and 1957 will be approximately $100 million each year. Such amounts are available for the construction and acquisition of power assets and for the repayment of the Government's investment in the power program. The budget program contemplates that TVA will repay to the Government $59 million in 1956 and $75 million in 1957 out of power revenues; however, it should be realized that the actual amount that will be repaid to the Government will be determined by the TVA Board of Directors and will be the amount of money which in the judgment of the TVA Board will not be needed in the conduct of the TVA power operation. As of June 30, 1955, TVA was several years ahead of the minimum repayment schedule required by the law and was 1 year ahead of an average repayment schedule based on a 40-year amortization period.

A copy of this letter is being sent to Gen. Herbert D. Vogel, Chairman of the TVA Board of Directors.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General, of the United States.

H. R. 10284, a Bill To Improve the Child Welfare Program of the Federal Government

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. REED of New York. Mr. Speaker, I have just introduced a bill to improve the child-welfare program of the Federal Government. The improvements contained in my bill have been recommended by President Eisenhower.

Under the present law, Federal child-welfare funds may be used for local child-welfare services only in predominantly rural areas. My bill removes this limitation so that the funds can be used in any part of the State where they will be effective in establishing, extending, and strengthening child-welfare services. Emphasis will continue to be placed on services in rural areas. However, it is obvious that children in urban areas should no longer be denied the benefits of this program.

I strongly believe that problems such as those involved in child welfare must be handled by action at the State or local level. The Federal Government cannot and should not seek to take over the administration of such local responsibilities. My bill continues to recognize this principle. Federal funds are simply made available, on a matching basis, to the States for their use in meeting child-welfare problems. Under my bill, the amount authorized for annual appropriations for grants to the States for child-welfare services would be increased from the present $10 million to $12 million for the fiscal year ending June 30, 1958, and to $15 million for each year thereafter.

I am hopeful that this bill will receive prompt consideration by the Congress.

Stanley C. Allyn

EXTENSION OF REMARKS
OF
HON. PAUL F. SCHENCK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. SCHENCK. Mr. Speaker, it is with a deep sense of personal pride that I call attention to my colleagues here in the Congress of the United States of another high and deserving honor bestowed upon one of my good friends in the great and important Third District of Ohio.

President Eisenhower, whose outstanding ability to recognize qualities of leadership in men is a legend, has just appointed Stanley C. Allyn, of Dayton, Ohio, as American representative at the 11th session of the Economic Commission for Europe, which will be held next month.

Chick Allyn, as he is affectionately called by his close associates and friends, brings a great amount of experience, ability, and knowledge to this new responsibility.

Mr. Allyn was born in Madison, Wis., and graduated from the University of Wisconsin. Shortly after his graduation he came to Dayton to work with and for the National Cash Register Co. His steady rise to new responsibilities in this company, whose products are known, purchased, and used throughout the world, has been phenomenal but has never been questioned by his associates because they are poignantly aware of his great capacity for leadership. Mr. Allyn has been president of the National Cash Register Co. since 1940. Mr. Allyn is termed a "global citizen" because of his efforts toward world trade. The National Cash Register Co. has large plant facilities in Dundee, Scotland; Augsburg, Germany; and Bulach, Switzerland. They sell and distribute cash registers and business machines in 90 countries and thus the name and fame of the city of Dayton, Ohio, is known throughout the world. As reported in National Biographic, a publication of the American Institute of Management, he once reduced his formula for successful foreign trade to these terms:

> In order to conduct overseas business, you must understand the peoples, live with the complexities and roll with the punches.

That is not a bad prescription for successful diplomacy, and it should be obvious that Mr. Allyn will bring to his ECE task strengths rooted in attitudes as well as in experience.

Mr. Allyn, in addition to his great responsibilities with the National Cash Register Co. in guiding most successfully their huge domestic and foreign business, is also a member of many boards of directors of other important businesses and organizations. He has not stopped there—he is also deeply interested and very active in many civic activities. He is a former president of the Community Chests and Councils of America; he has been a director of the United States Chamber of Commerce and the International Chamber of Commerce along with many other professional and business organizations. In his own local community of Dayton, Ohio, he has been a tower of strength and an active participant in every forward looking and necessary civic activity. During my many years as president of the Dayton Board of Education he was always available to consider and actively work for any activity leading to the betterment of our schools. He has always also been extremely liberal with his financial help as well as his leadership ability in every worthwhile civic event.

For all of these, and many other reasons which time will not permit me to mention, Mr. Speaker, our entire Miami Valley salutes Stanley C. (Chick) Allyn and want him to know we are deeply grateful for his life and work in our community.

Byelorussian Independence Day, March 25

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. DINGELL. Mr. Speaker, to Americans perhaps the least known of all national and religious groups of the Soviet Union are the Byelorussians, or the White Russians, as they have been known to us in the West. There are many reasons for this, but the principal one is that during the last several hundred years Byelorussians have not been the real masters of their own destiny. Though they occupy a distinct area between historic Poland and Muscovite Russia and constitute a distinct national entity with their own tradition and culture, yet from the late 14th century until the partition of Poland late in the 18th century, the Byelorussians have been tossed between the Lithuanians, the Poles, and the Russians, and their historic homeland has been not only a field of strife among many rivals but also become the graveyard of many an ambitious and autocratic adventurer.

During all that time Byelorussians were the unfortunate victims of their unwanted and despised overlords. They were subjected to the harsh brutalities of innumerable alien tyrants, and they endured them all with exemplary fortitude and courage. Moreover, in the midst of indescribable tribulations and vicissitudes, they successfully maintained their distinct national traits, their language, and above all their love for independence and freedom.

Toward the end of the First World War, when the decrepit Russian regime was overthrown and the Tsar's empire crumbled, the Byelorussians saw their chance for their national freedom. Finally on March 25 of 1918 their leaders set up their own government and proclaimed the independence of the Byelorussian Democratic Republic.

The republic thus proclaimed and created did not last long; by 1921 it was engulfed in the Bolshevik revolutionary war, and subsequently was forced into the Soviet Union, yet the proclamation of that independence day has become a veritable landmark in the Byelorussians' history. It is remembered by all Byelorussians as the day on which their cherished national dream was realized, and their national independence attained.

Since 1921 more than 10 million Byelorussians have been chained to the brutal Communist steamroller. The fair land of Byelorussia has become a torture chamber for its unfortunate and helpless peoples. Innocent Byelorussians have been forced out of their homeland by the hundreds of thousands and are exiled to distant and uninviting parts of the Soviet Union. In Byelorussia the idea of freedom and independence have been proscribed; any thought of attaining national political independence is impossible under the watchful eye of the ubiquitous state security police. The unfortunate Byelorussians will not be allowed to celebrate their national independence day. Fortunately, however, those Byelorussians who live in freedom, particularly those in this free and hospitable country, celebrate that memorable day; and we gladly join them on the anniversary of their independence day and in their prayers for those Byelorussians who can celebrate only in secrecy.

Congressman Minshall's Opinion Poll

EXTENSION OF REMARKS
OF
HON. WILLIAM E. MINSHALL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. MINSHALL. Mr. Speaker, today I am releasing the final tabulation of an opinion poll conducted among the registered voters in Ohio's 23d Congressional District.

Questionnaires, prepared at my personal expense, were mailed to the home of every registered voter—Republican, Democrat, and Independent—in the district, and of 66,000 questionnaires mailed, 11,257 were returned.

This unusually large return of 17 percent can be attributed to the vital and tremendous interest the people of this suburban area have in their Government.

The results of the poll follow:

QUESTION AND ANSWER

	Percent
1. Regarding the Nation's fiscal policy, check one:	
(a) Balance the budget and reduce national debt before granting any tax reductions	83.5
(b) Reduce taxes before budget is balanced	16.5
2. Regarding a reduction in taxes, check one:	
(a) Across the board reduction for individual taxes only	29.1
(b) Reduction for both individual and business	48.0
(c) Reduction for low-income groups only	22.9
3. Regarding foreign aid, check one:	
(a) Favor President's program expected to be $4.8 billion for next fiscal year starting July 1, 1956	36.3
(b) Favor a reduction in President's program	45.3
(c) Oppose all financial aid to foreign countries	18.4
4. Regarding Federal aid for local schoolroom construction, check one:	
(a) A 5-year program to assist local school systems who are attempting to meet their local classroom shortage but who require additional funds	60.1
(b) A 5-year Federal-aid program with funds to be distributed to local school systems in proportion to their individual enrollments regardless of whether there is local financial participation	12.1
(c) Oppose any Federal aid to local school systems	27.8
5. Regarding the proposed 40,000-mile interstate highway system, check one:	
(a) Approve such a highway program and pay for it by issuing Government bonds	28.1
(b) Approve such a highway program and pay for it by increasing the highway user's tax; i. e., gas tax, rubber tax, etc	25.0
(c) Approve such a highway program and finance it with a combination of (a) and (b)	36.7
(d) Oppose any new Federal interstate highway program	10.2
6. Regarding the annual Post Office Department deficit of one-half billion dollars, check one:	
(a) Increase postage rates to make the Department self-sufficient	73.4
(b) Maintain existing postage rates and accept the deficit as a normal cost of an essential governmental service	26.6
7. Regarding the agricultural policy, check one:	
(a) Continue present flexible support system implemented by President's proposed 9-point program	62.0
(b) Return to rigid 90 percent of parity program	6.8
(c) Oppose any Federal assistance	31.2

The Public Assistance Amendments of 1956 and the Child-Health and Welfare Amendments of 1956

EXTENSION OF REMARKS
OF
HON. JERE COOPER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. COOPER. Mr. Speaker, on February 7, 1956, I introduced legislation, H. R. 9120, which would amend the public assistance titles of the Social Security Act. I introduced this legislation as chairman of the Committee on Ways and Means at the request of the administration. My purpose in introducing H. R. 9120 was to permit public study and comment.

My distinguished colleague on the Committee on Ways and Means, the Honorable Daniel A. Reed, of New York, introduced similar legislation, H. R. 9091.

I have today announced that the Committee on Ways and Means is tentatively scheduled to begin public hearings on Thursday, April 12, 1956, on these two bills, as well as on H. R. 10283 introduced by me, and H. R. 10284, introduced by Mr. Reed, of New York, relating to amendments to the provisions of the Social Security Act pertaining to child welfare services. These latter two bills were also introduced at the request of the administration. In announcing these hearings I indicated that the committee would also receive testimony on other bills amending the public assistance titles and related provisions of the Social Security Act.

Mr. Speaker, at the time of introducing H. R. 9120, I issued a press release explaining the principal features of the bill. For the benefit of the Members of Congress and other interested persons, I would like to include that release at this point in the Record. In addition I would like to include a summary prepared by the Department of Health, Education, and Welfare on the Child-Health and Welfare Amendments of 1956, H. R. 10283.

The matters follow:

CHAIRMAN JERE COOPER, DEMOCRAT, OF TENNESSEE, HOUSE COMMITTEE ON WAYS AND MEANS, TODAY ANNOUNCES INTRODUCTION OF LEGISLATION AMENDING THE PUBLIC ASSISTANCE TITLES OF THE SOCIAL SECURITY ACT, H. R. 9120

Hon. Jere Cooper, Democrat, Tennessee, chairman of the House Committee on Ways and Means, today announced that he had introduced legislation, H. R. 9120, at the request of the administration to amend the public assistance and related provisions of the Social Security Act. Chairman Cooper's complete statement is as follows:

"As chairman of the House Committee on Ways and Means, I have today introduced legislation, H. R. 9120, to amend the public assistance titles and related provisions of the Social Security Act. This legislation was prepared in the Department of Health, Education, and Welfare and embodies the public assistance recommendations made by President Eisenhower in his state of the Union message and in his budget message. I have introduced this legislation at the request of the administration.

"While no action has yet been scheduled by the Committee on Ways and Means on this legislation, the introduction of the bill will make it available for public study and comment. It is probable that some legislative action will be taken by the Congress this year on public assistance, in view of the fact that the present matching formula (the so-called McFarland amendment) for the payment of Federal funds to the States for public assistance purposes is scheduled to terminate September 30, 1956.

"The principal features of the bill are as follows:

"1. Extension of the 1952 temporary matching formula: The bill would extend from September 30, 1956 to June 30, 1959 the present formula for Federal matching of assistance payments. Under the present formula, the Federal share in old-age assistance, aid to the blind, and aid to the permanently and totally disabled is four-fifths of the first $25 of a State's average monthly payment per recipient, plus one-half of the remainder, within individual maximums of $55. For aid to dependent children, the Federal share is four-fifths of the first $15 of the State's average monthly payment per recipient, plus one-half of the remainder, with individual maximums of $30 for the adult, $30 for the first child, and $21 for each additional child in a family. In the absence of such an extension of the present matching formula, on October 1, 1956, the Federal share in expenditures for old-age assistance, aid to the blind, and aid to the permanently and totally disabled would be reduced to three-fourths of the first $20 of the average monthly payment per recipient, plus one-half of the remainder up to a maximum of $50 on any individual payment. In aid to dependent children, there would be similar changes in the Federal formula. This extension of the current matching formula would be effective only with respect to persons who are on the public assistance rolls before July 1, 1957 and to those persons who are added to the rolls after that date who are not receiving old-age and survivors insurance benefits. It is estimated that this provision will cost $155 million in fiscal year 1957 (9 months' extension) and $210 million annually in fiscal years 1958 and 1959.

"2. Revised matching formula for persons added to the old-age assistance rolls after June 30, 1957 who receive old-age and survivors insurance benefits: The bill would provide a new matching formula with respect to old-age assistance recipients who are added for the first time to the public-assistance rolls after June 30, 1957 and who receive old-age and survivors insurance benefits. Federal matching-in-assistance payments in regard to persons in this category would be 50 percent of the average monthly payment per recipient up to a maximum of $55 on the payment to any one recipient. It is estimated that this provision will save approximately $6.5 million in fiscal year 1958 and $73 million annually by the year 1967.

"3. Matching of assistance expenditures for medical care: The bill would amend the formula for determining the Federal share of assistance expenditures to provide separate dollar-per-dollar matching of State expenditures for medical care in behalf of assistance recipients, including expenditures for insurance premiums for medical care, up to a specified maximum. This maximum is determined by multiplying $6 a month by the number of adult recipients and $3 a month by the number of child recipients. There is also included in the bill a provision for the establishment of an advisory council on medical care to advise the Secretary of Health, Education, and Welfare. These provisions would be effective as of July 1, 1957. It is expected that the cost of this feature of the bill would be $65 million in fiscal year 1958 and $110 million annually by fiscal year 1967.

"4. Federal assistance for the training of public welfare personnel: The bill would assist the States in paying for the training of skilled workers to deal with the problems of persons receiving assistance. The Federal Government would share in State expenditures for this purpose for a 6-year period with the Federal share being 80 percent for the first 4 years and 66⅔ percent for the remaining years. The funds are to be used by the States to make grants to institutions of higher learning for training of personnel for employment in public assistance programs and for establishing fellowships and special short-term courses of study. The bill would also provide for Federal payment of certain costs connected with research and demonstration projects in social security. It is expected that the cost of these provisions in fiscal year 1957 would be $500,000 and $5 million in fiscal year 1958.

"5. Extension of aid to dependent children: The bill would liberalize the present provisions applicable to the aid to dependent-children program so as to extend the list of relatives with whom a child may live and receive aid to include first cousins, nephews, and nieces. The bill would also eliminate the school attendance requirement for children 16 and 17 years of age thereby permitting disabled children and other children unable to attend school to receive assistance. This provision would be effective July 1, 1957, and would have an annual cost of $2 million.

"6. Limitation on payments to Puerto Rico and the Virgin Islands: The bill would increase the dollar limitation now in effect for Federal public assistance grants to Puerto Rico and the Virgin Islands by 25 percent after June 30, 1956. For Puerto Rico the dollar limitation on annual Federal assistance grants would be raised from $4,250,000 to $5,312,500, and for the Virgin Islands $160,000 to $200,000. It is expected that the cost of this provision would be $1,102,500 annually.

"7. Self-support and self-care: The bill would amend the purpose clauses of the public assistance titles to make explicit that restoration of recipients of public assistance to self-support or self-care is a program objective, and that strengthening of family life is an objective in the program of aid to dependent children.

"It is my expectation that thorough public hearings would be held on this legislation in the event a decision is made by the Committee on Ways and Means to give consideration to the bill. I believe it essential that very careful study be given to the bill before it is acted on by the Congress and that careful examination be made of the effect that the financing features of the bill would have on the public assistance programs of the respective States. The humanitarian purposes of the public assistance program, modest as they may be, must be carefully safeguarded and developed so that our Nation's needy may be assured an adequate standard of living and necessary medical care."

Summary of Child Health and Welfare Amendments of 1956—H. R. 10283

The bill would amend part 3 of title V of the Social Security Act, relating to child-welfare services, in a number of respects. It would also amend parts 1 and 2 of that title, relating to maternal and child health and crippled children's services, with respect to special project grants. These amendments would be effective July 1, 1956.

CHILD-WELFARE SERVICES

Rural areas: The present limitations requiring that Federal child-welfare funds may be used for local child-welfare services only in predominantly rural areas would be removed. This would give greater flexibility to the States. Federal funds could be used in any part of the State where they are effective in establishing, extending, and strengthening child-welfare services. Emphasis would, however, continue to be placed on services in rural areas, as in the maternal and child health and crippled children's provisions of the present law.

Foster care: The bill would make explicit the authority to use Federal funds for the extension and improvement of foster care.

Amount authorized for annual appropriation: The amount authorized for annual appropriations for grants to the States for child-welfare services would be increased from the present $10 million to $12 million for the fiscal year ending June 30, 1958, and to $15 million for each year thereafter.

Allotment formula: In order to make the allotment of funds consistent with the above changes concerning rural areas and foster care, the bill would change the present statutory formula under which allotment is made entirely on the basis of rural child population under the age of 18. Allotments to the States of funds appropriated in any year for this purpose would, instead, be made (after a flat allotment) on the basis of the need of each State for financial assistance in carrying out its plan, as determined by the Secretary of Health, Education, and Welfare after considering the relative population under 21 and the relative rural population under that age.

The flat allotment referred to above, which would be made first, would be $40,000 if the appropriation were $10 million. It would be reduced proportionately if the appropriation were less than $10 million and would be raised proportionately if the appropriation were increased to the higher amounts authorized by the bill.

Matching: Each State's allotment would be available for paying the Federal share of the cost of the expenditures under the State plan, with the balance being made up from State and local funds. The Federal share would vary inversely with the State's relative per capita income between a minimum of 33⅓ percent and a maximum of 66⅔ percent, with the share for the State with a per capita income equal to that for the United States being 50 percent. The Federal share for Alaska and Hawaii would be set at 50 percent and for the Virgin Islands and Puerto Rico at 66⅔ percent.

Reallotment: A new provision would be added to permit redistribution of Federal funds, after a State certifies that any portion of its allotment will not be required for its program. The portions so certified would be reallotted from time to time to other States which the Secretary determines have need for and will be able to use amounts in excess of their original allotments. The reallotment among these States would be based on their State plans after taking into consideration the relative size of the population under age 21, the relative size of the rural population under such age, and the relative per capita income of the States eligible for the reallotment.

Special project grants: A new provision would authorize up to 15 percent of the funds appropriated for grants for child welfare services to be earmarked (in the appropriation) for grants for special projects of regional or national significance. These special project grants would be available to State public-welfare agencies, and, with the concurrence of such agencies, to any public or nonprofit institution of higher education or research.

Return of runaway children: The bill changes the present law by raising the age limit of children who may be returned to their community in another State through the use of Federal child welfare funds from 16 years to 18 years, and adding authorization for the use of these funds for maintaining the children pending their return (for a period not exceeding 15 days). These costs, and the costs of the return of the child, could be met when they cannot be met by those legally responsible for the child's support.

SPECIAL PROJECTS RELATING TO MATERNAL AND CHILD HEALTH SERVICES

The bill authorizes up to 12½ percent of the annual appropriation for grants for maternal and child health services to be earmarked (in the appropriation) for special projects of regional or national significance. This percentage represents the same proportion of the total annual appropriation as is reserved at present for special projects grants. These special project grants would be available not only to the State agencies administering the State plans, as at present, but also, with their concurrence, to other public and nonprofit institutions of higher learning or research.

SPECIAL PROJECTS RELATING TO CRIPPLED CHILDREN'S SERVICES

Amendments, similar to those described above for maternal and child health services, would be made by the bill in the crippled children's provisions of the Social Security Act.

We're Here To Legislate, Not To Play Politics

EXTENSION OF REMARKS
OF

HON. FRED SCHWENGEL

OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. SCHWENGEL. Mr. Speaker, as a freshman Member of Congress, I have often expressed pride in belonging to the greatest legislative body in the world. It will take more than a few disappointments and setbacks before I would abandon that pride. Some of the experiences over the past year, however, have given me cause to wonder if maybe we are not the greatest political body in the world, a designation which would give me much less cause for pride.

One instance of playing politics on a grand scale is evident in the way Congress has handled farm legislation.

In just 38 days it will be a year since the House passed H. R. 12. In this year, Congress has been in session approximately 6 months. Still we have no farm legislation. In fact, we seem further away from any workable farm bill than ever before.

More is the pity because with the farm economy sagging through no fault of its own, government should take steps to help undue the causes for the farm crisis, most of them fashioned through Federal legislation.

On January 9, 1956, President Eisenhower brought to Congress, as the first item of business, a nine-point program which was hailed by farmers and leading farm organizations as being an instrument for soundness in agriculture.

It provided the way for farmers to adjust to a peacetime economy on a solid, businesslike basis and still be compensated for their efforts. Now, more than 2 months later, the legislation is still under consideration and we have no assurance of when it will be enacted. At the present, it has little prospect of emerging in any form which will reflect the element of statesmanship which Congress is obligated to endow to matters of this kind.

Surely, the farmer, who is fast approaching another planting season, should be free of the quandary in which Congress has placed him. He has no way of anticipating what type of program will be thrust upon him. He cannot plan in advance. He must follow the age-old requirement of keeping in step with nature by preparing the soil and planting the crops in season. It could be that these basics would be legislated from him, however, and he may be required to plant nothing, harvest nothing, and expect nothing. We have an obligation to ourselves no less than we do to all the people engaged in agriculture in this great land of ours. We are here to legislate, not to play politics.

I sincerely hope that, just because 16 of 19 members on the Agriculture Committee of one political faith come from areas where the major interest agriculturally does not fall within the realm where farmers are experiencing the greatest economic difficulty right now, there has not been a lack of interest in the real problem.

I join with other Members who feel that because we have dragged our feet and because we have played politics with the farmer's welfare, that we owe it to him to remain in session until farm legislation is enacted. None of us can enjoy an Easter recess with any peace of mind if we do otherwise.

Thirty-eighth Anniversary of Lithuania's Independence

EXTENSION OF REMARKS
OF

HON. FRANCIS E. DORN

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. DORN of New York. Mr. Speaker, I should like to bring to the attention of the House the statement of Secretary of State John Foster Dulles, and the proclamation of Mayor Robert Wagner, of New York City, on the occasion of the 38th anniversary of Lithuania's independence.

Secretary of State John Foster Dulles issued the following statement on February 15:

> This year the peoples of Lithuania, Latvia, and Estonia will commemorate the 38th anniversaries of their declarations of independence from Russia. On this occasion it is appropriate to call attention once more to the determination and self-sacrifice which the peoples of these countries showed in the community of free nations.
>
> Though the Baltic peoples have been deprived of this freedom, we know that they retain their will to be free.
>
> We continue to believe in the principle that sovereign rights and self-government should be restored to those who have been forcibly deprived of them. We are confident that this principle will one day be realized.

Mayor Robert Wagner, of New York City, issued the following proclamation:

> Whereas on February 16, 1918, Lithuania was proclaimed an independent republic by the people of Lithuania, climaxing a long struggle of a courageous and gallant nation for freedom;
>
> Whereas Americans of Lithuanian origin and ancestry will commemorate this occasion with special services emphasizing their faith in the American way of life and demonstrating their belief in the inalienable rights of freedom-loving peoples; and
>
> Whereas the people of New York City appreciate the contributions the Lithuanian people have made to the cultural heritage and development of this great city since the arrival of the first Lithuanian in New York City, Dr. Alexander Carolius Curtius, who came to teach the classics to the children of the early Dutch Colony of Nieuw Amsterdam (1659), today's New York, and as New York has served as the gateway to the ever-increasing numbers of Lithuanians who came here and became an integral part of our industrial system:
>
> Now, therefore, I, Robert Wagner, of the city of New York, do hereby declare February 16, 1956, Lithuahia's Independence Day, in the city of New York and call upon all citizens of our great city to observe this anniversary and pay honor to our Americans of Lithuanian descent.

District of Columbia Mass Transportation Problems

EXTENSION OF REMARKS
OF

HON. CLIFFORD P. CASE

OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Thursday, March 29, 1956

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a letter addressed to the distinguished senior Senator from West Virginia [Mr. NEELY], and signed by the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], and myself, relative to the problem of mass transportation in the District of Columbia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 28, 1956.

Hon. MATTHEW M. NEELY,
Chairman, Senate Committee on the District of Columbia,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: The Subcommittee on Public Health, Education, Welfare, and Safety, of the Senate Committee on the District of Columbia, met for more than 2 hours this morning for consideration of the District of Columbia mass transportation problems. We have come to the conclusion that some form of public authority for the operation of a mass transportation system in the District, at least on an interim basis, is necessary if the people of the area are to have adequate transportation services at reasonable cost. Therefore, it is our recommendation that within the next 15 days, the professional staff of the Senate District Committee be instructed to study and prepare whatever revisions of S. 3073, which is the present transit authority bill, may be necessary to accomplish the following legislative objectives:

1. Establish a public transit authority on a 1- to 3-year interim basis with sufficient flexibility to adapt its transit program to the recommendations of the mass transit study now underway. It should be noted that Congress has already authorized the expenditure of approximately $400,000 for

a mass transit study. It appears to your subcommittee that any transit program which is to be adopted by the Congress this year should take into account the need for maintaining whatever flexible powers and jurisdiction that may be necessary to adapt itself to any sound findings and recommendations submitted by the mass transit study.

2. Your subcommittee believes that another essential feature of interim public transit authority should be one which empowers the District Commissioners not only to operate a public transit system for the interim period of 1 to 3 years, but also empowers the Commissioners to transfer the transit system into a private ownership system if during the interim period a sound proposal for private ownership is submitted to the District Commissioners and they find that the proposal would result in providing the people of the District of Columbia with a reliable and efficient transportation system under private ownership.

The members of your subcommittee continue to be of the opinion that private ownership operation of the transportation system is the most desirable if a satisfactory offer from some qualified, competent, and adequately financed company could be obtained. However, your subcommittee is also satisfied that up to this date no such proposal from private interests has been forthcoming and this lack of interest by private capital necessitates the Congress proceeding with all deliberate speed to pass the necessary legislation for a public operation of the transportation system for at least an interim period of 1 to 3 years. It may be that with such extension of time private interests will come forward with an acceptable offer, although your committee feels that it is only fair and proper to point out that it is not too encouraged or optimistic over that prospect. The fact is, and it is an inescapable one, that mass transit systems throughout the country are not an attractive investment possibility and in most instances are either losing money or paying very low returns. Such is even true in many localities where private transit companies are receiving what amounts in fact to various types of subsidies in tax exemptions and public services that are paid for by the taxpayer.

The trend in our country for some years in the field of public transportation has been in some form of public ownership and operation. Even though the members of your committee prefer private operation, we cannot ignore the economic realities of the situation and we feel that the Congress has the obligation of facing up to the transportation needs of the citizens of the District of Columbia. The Federal Government has a vital interest in providing the thousands of Federal employees who work in the District with sufficient and adequate public transportation.

3. It is our recommendation that any interim public transportation authority that is authorized in this session of Congress by legislation should place the authority and responsibility for operating the transportation system squarely in the hands of the District Commissioners, including the authority to give transit priority necessary to insure efficient operation of the transportation system in respect to routing, traffic control, safety, reservation of street lanes, and the many other managerial details that go along with providing the transit riders with satisfactory service.

We wish to call the attention of our colleagues on the Senate District Committee that it is only to the extent that we make a public transportation service attractive to the thousands of the daily potential public transit riders who are now operating private cars that there is any hope of maintaining a self-sustaining and profitable public transportation system.

4. In view of the national trend toward public operation of mass transportation systems in many of our cities, we would point out to the full Committee on the District of Columbia that a subsidy program which in effect seeks to guarantee a private company against financial losses is too high a price to pay for managerial services of such company. A public authority at least has the advantage of complete control over the service rendered the public and is not solely motivated by excessive quick profits.

5. We wish to stress the fact that the time schedule for the handling of the transportation emergency that confronts the District of Columbia should not be ignored by the Congress or by interested groups in the District. We urge that the business interests of the District face the fact that they have a great deal to lose if a satisfactory transportation system is not worked out in the immediate future, so that there will be adequate transportation services available on August 15. Therefore, we hope that the business, professional, and civic interests of the District of Columbia will give favorable consideration to the proposal which we have outlined in this letter and which will be submitted to the full Committee on the District of Columbia in detail as soon as the professional staff of the committee completes its study and prepares the legislation.

Sincerely yours,

SUBCOMMITTEE ON PUBLIC HEALTH, EDUCATION, WELFARE, AND SAFETY.
PAT MCNAMARA, *Chairman.*
WAYNE MORSE, *Member.*
CLIFFORD P. CASE, *Member.*

Our Hellenic Heritage

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. MERROW. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include therein a speech given by me in the Greek Orthodox Church Assumption Virgin, Manchester, N. H., Sunday, March 25, 1956, in celebration of the 135th anniversary of Greek Independence Day. The speech is entitled "Our Hellenic Heritage":

OUR HELLENIC HERITAGE

(By Congressman CHESTER E. MERROW, Greek Orthodox Church Assumption Virgin, Manchester, N. H., Sunday, March 25, 1956)

I am very grateful for the opportunity to participate in this ceremony commemorating the 135th anniversary of Greek Independence, established on March 25, 1821, when Greece raised the standard of revolt against the Turks. On this occasion we pay tribute to the young men who made the supreme sacrifice in order to help maintain the Independence of Greece. Today we honor Greece for the great contributions made over all the years to the free way of life.

GOVERNOR DWINELL'S PROCLAMATION

The Governor of New Hampshire in his proclamation setting aside Sunday, March 25, 1956, as Hellenic Day, used these words:

"Whereas Greece has contributed much to the advancement of mankind in the field of art, literature, and science in the past 2,500 years, and has been a leader in the preservation of independence; and

"Whereas the Greek nation has taken up arms as our ally in two world wars and is now allied with us in preventing the attempted encroachments of totalitarian powers in Eastern Europe; and

"Whereas Greece stands as the bastion of democracy in the West in preventing communism from spreading its hardships and evils in that part of the world;

"Now, therefore, I, Lane Dwinell, Governor of the State of New Hampshire, do hereby proclaim Sunday, March 25, 1956, as Hellenic Day in honor of the 135th anniversary of the Greek independence."

GREECE, THE BIRTHPLACE OF DEMOCRACY

The Greek people and their friends in all the Western World look to this day as a day of rejoicing, a day of retrospection, and a day of rededication to the ideas and ideals that form the foundation of free civilization. The free world, and particularly the Western World, hails Greece as the birthplace of the democratic form of government and of a glorious civilization which, even at the present hour, we are being called upon to maintain and defend.

The United States is the undisputed leader of the Free World in this struggle. We recognize that the roots of our institutions lie deep in the history of Greece. It is the wonder of the world that on the tiny Hellenic peninsula freedom had its birth, and that the developments in Greece form a heritage which has made possible subsequent democracies and the rise to the position of preeminence which we hold today. In all the annals of history, no group of people has had such a far-reaching and powerful influence on the establishment of freedom as have the Greek people.

OUR INDEBTEDNESS TO GREECE

Daniel Webster, in his moving and immortal speech delivered in the United States House of Representatives on January 19, 1823, stated in clear and eloquent language the influence which Greece has had upon the Republic of the United States. These words are as true today as when delivered by one of the world's foremost orators—a man whose eloquence ranks with that of the Greek orator Demosthenes. Said Webster: "We must, indeed, fly beyond the civilized world; we must pass the dominion of law and the boundaries of knowledge; we must, more especially, withdraw ourselves from this place, and the scenes and objects which here surround us—if we would separate ourselves entirely from the influence of all those memorials of herself which ancient Greece has transmitted for the admiration and the benefit of mankind. This free form of government, this popular assembly, the common council held for the common good—where have we contemplated its earliest models? This practice of free debate and public discussion, the contest of mind with mind, and that popular eloquence, which, if it were now here, on a subject like this, would move the stones of the Capitol—whose was the language in which all these were first exhibited? Even the edifice in which we assemble, these proportioned columns, this ornamented architecture, all remind us that Greece has existed, and that we, like the rest of mankind, are greatly her debtors."

GREECE, A BASTION AGAINST TYRANNY

The proud history of Greece stretches into antiquity over a period of 4,000 years. It is a fascinating story of achievement against recurring adversity, and within the memory of millions now living, Greece stands, as she has so nobly done in the past, against the forces of tyranny and despotism. As we recall the history of Greece, there unfolds in our memory the long story of the valiant struggle which spans the centuries as the people of Hellas have defended free civilization against the barbarous onslaughts of tyrannical and despotic power. In ancient days people of lesser cultures looked with envy at the magnificent civilization of the Hellenic city-states. Time and time again the Greeks were forced to defend their very existence to fight for their ideals.

FOUNDERS OF WESTERN CULTURE

During the fifth century B. C. the Persian hordes under Xerxes were repulsed, ushering in with this victory the Golden Age of Greek culture. This was the age of Plato and Aristotle, the age of political, literary, and artistic maturity—the age that produced masterpieces that have since inspired art and thought the world over.

We recall the work of Plato and Aristotle in government, Sophocles in literature, Socrates in philosophy, Meton in astronomy, Ictinus in architecture, Hippocrates in medicine, Herodotus and Thucydides in history, Euripides in drama, and Protagoras in rhetoric. These individuals have played a major role in shaping Western culture and are influencing our way of life to the very hour. The breadth and depth of Greek intellectual accomplishments were so extensive that they form the basis of the free institutions we are defending today. As we recall Greek history on this most significant occasion, we are impressed anew by the ever-present influence of Greek thought on the very society in which we move today.

GREEK THOUGHT AND THE CHRISTIAN FAITH

Greece has given us a priceless heritage. The Greeks embraced the Christian faith and the first churches in Europe were founded in Macedonia by St. Paul. It was the combination of the Christian faith and the Greek thought that makes up the Greek tradition as we know it—the tradition that has lived on through the centuries—the tradition that forms the basis of free Western civilization. The combination of Greek thought and the Christian faith has produced the freedoms which we enjoy today and the emphasis that Christianity places on the value of the individual is at the core of our civilization.

The Golden Age was followed by that of Alexander the Great who succeeded even in his short lifetime in spreading the Hellenic culture through much of Asia and parts of Africa. As a result of Alexander's conquests, Greek became the common language of the whole Middle East, thus paving the way for the spread of Christianity.

By peaceful evolution this combination of Christianity and Greek thought transformed the eastern part of the Roman Empire into the Greek Byzantine Empire. This empire held the torch of civilization high for more than a thousand years and stood as a rampart between Christian Europe and despotic Asia.

GREECE THROWS OFF THE OTTOMAN YOKE

However, the Byzantine Empire succumbed to the Turks in 1453 with the fall of its capital, Constantinople. By the 16th century, the Ottoman Turks held all of Greece. Freedom and liberty seemed to have been stamped out in this cradle of democracy for the following three centuries. Yet through this long period of Ottoman rule, the Greeks continued to keep their heritage alive in their democratic ideals and their Christian faith. Through the church, they retained hope and resourcefulness. The Greek Orthodox Church has had a long, proud history in building a civilization of freedom and a civilization that places emphasis on the dignity of the individual human being.

When the 19th century opened, Turkey was decadent, with internal weaknesses developing rapidly. Resistance in Greece to the Sultan's rule, which had actually never ceased, began to grow. The Greek people were developing a strong sense of national consciousness. The impact of the superior Greek culture was felt by the Turkish overlords and by all the near neighbors of Greece.

Greek leaders of the rapidly rising middle class were interested not only in revolution against the Turks, but also in the establishment of the type of social and political government at that time advocated by the French revolutionaries. Having endured the hardships of foreign rule for centuries, the Greeks now felt that they could challenge the authority of their hated overlords and when their religious leader, Archbishop Germanos of Patras, raised the standards of revolt in his monastery against the Turks on March 25, 1821, all Greece joined him in this national struggle. It is most significant that the signal for the war of independence was given by a Greek prelate in a monastery.

Great Britain and France were both eager to see the oppressed Greek people win over the Turks. Even Czarist Russia, in her desire to see the Ottoman Empire weakened, was on the side of the Greeks. As for the United States, the memory of our own fight for independence was still fresh in our hearts and minds, and President Monroe spoke for us all in his annual message of 1823 expressing sympathy for the Greek cause.

With our own moral support and with the aid of a joint French-Russian-British fleet, the Greeks finally won—although the struggle did not end until 1827. Finally, the Turks were utterly defeated at the Battle of Navarino on October 29 of that year. Although they were supported by other friendly nations, the impassioned Greek patriots themselves made great sacrifices in this brutal war of independence. By these sacrifices they won forever the admiration of the American people and the freedom-conscious people everywhere.

GREECE DURING THE SECOND WORLD WAR

The development and progress of the Greek people was suddenly and disastrously interrupted by the Fascist attack on Greece in 1940. When the war first broke out in Europe, Greece had remained neutral. However, its neutrality was violated on October 28, 1940, when the Italians presented an ultimatum and then attacked.

The magnificent resistance offered by the small Greek Army on this occasion was totally unexpected by the Italians. The Greek Army not only kept the enemy at bay throughout the winter of 1940, but were able to capture two forward bases of the Italian forces. Thus the Greeks were able to bottle up the Italian forces for almost 6 months. It was not until the Germans opened up a second front that they were forced to fall back. This heroic stand against the Italian forces recalls an ancient day of glory when the Greeks at the Battle of Salamis in 480 B. C., even though woefully outnumbered by the Persian fleet, were yet able through sheer courage and fortitude to completely cripple and rout the enemy.

On April 6, 1941, the Germans attacked Greece from Yugoslavia and Bulgaria. The Greeks received aid from the British, but by April 27 the British force of 57,000 was forced to evacuate. The Greek Army was outflanked and had no alternative but to surrender. By June 1, the whole of Greece was in Axis hands. Her valiant stand against Hitlerite Germany commanded the respect and admiration of freedom-loving people throughout the world.

Before Greece fell into Axis hands, however, the determined Greek resistance had upset the Nazi timetable, which called for an attack on the Soviet Union early in the spring and gave the Allies valuable time to build up their strength. Some historians have also pointed out that the amazing strength shown by the Greek resistance also forced Hitler to keep troops in Greece on occupation duty that might otherwise have been used against the Allies in Sicily and in Italy. In any case, it was obvious that the determined resistance of the Greeks made a considerable contribution to the Allied war effort.

As we contemplate the resistance the Greeks made to the Axis powers, we recall once again Daniel Webster's speech of 133 years ago in which he said: "Does it not become us, then, is it not a duty imposed on us, to give weight to the side of liberty and justice, to let mankind know that we are not tired of our own institutions and to protest against the asserted power of altering at pleasure the law of the civilized world." Magnificently and splendidly Greece has always risen to the occasion and struck telling blows for liberty that will be remembered forever in the annals of freedom.

There was bitter suffering in Greece during the occupation. Thousands of Greeks were killed by the invaders; hundreds of thousands more died of starvation and disease. Destruction was enormous. When Greece was liberated in late 1944, 11 percent of the population was dead either at the hands of the Nazis or from starvation and disease. The country was in a state of indescribable misery. Ninety percent of industrial equipment was destroyed. Farm lands were ravaged; all livestock had perished. The greater part of the Greek merchant fleet, which before the war had been one of the world's largest, was sunk. All that remained was a shell of a country and the shadow of a people.

RESISTANCE TO COMMUNISM

And then, this tragic situation was shamelessly exploited by international communism. Before the Greek people could recover from the chaos of World War II, they plunged into another war, civil rather than international. In the moment of Greece's greatest weakness, in 1945, the Communists struck.

Guerrilla bands had been organized by the Communists during the war to harass the Nazi occupation forces. With the end of the occupation and the setting up of a new government, the Communists had attempted to obtain a dominating position in the new Greek Government. They had failed. So guerrilla forces were sent from the sanctuary of Greece's Communist neighbors. They burned and pillaged 1,700 Greek villages, slaughtered thousands of men, women and children, and kidnaped 28,000 children who were transported behind the Iron Curtain. The Communists intended to take over the government and force the country to accept Communist control. They were almost successful, but the British quickly bolstered the Greek Government forces. Throughout this early period of Communist aggression, the British Government had to bear the major responsibilities.

However, by early 1947 Britain decided that she could no longer carry the burden of assisting Greece in her struggle. Also it had become clear that Greece still faced a long period of warfare. The United States at this time adopted the aid to Greece and Turkey program. On March 3, 1947, I said on the floor of the United States House of Representatives that I was convinced that "Greece and Greece alone is the only hope for democracy in the Balkan area. Greece is the one country in this section where anglo-American ideals and principles have a chance of surviving and spreading. * * * I hope that the United States will do everything in its power to aid Greece."

On May 22, 1947, Congress passed Public Law 75, granting military and economic assistance to Greece and also to neighboring Turkey. This legislation was carefully worked out by the House Foreign Affairs Committee, and I am happy that as a member of that committee, I supported the legislation vigorously and spoke for its passage when it was considered on the floor of the House. The United States immediately established military and economic missions in Athens. The groundwork was laid for a systematic military campaign to wipe out the Communist force. It was not until 1949, however, that law and order were finally reestablished. In that year a united Greek people, with American assistance, decisively defeated the Communist forces.

REBUILDING THE COUNTRY

Immediately after defeating the Communists, the Greeks turned to the immense task of rebuilding their shattered land. At the same time our own country stepped up its program of aid for the rehabilitation of Greece. In this field again, our assistance was wisely and courageously used. The Greek people, always sturdy, thrifty and hard working, accepted American aid with gratitude and worked with the full measure of their own ability to rebuild their shattered country.

The Greek economy has slowly recovered from the chaos into which it had been plunged. The railroad system has been fully restored and several hundred miles of new track have been added. Two thousand miles of highway have been repaired and resurfaced, and an additional 1,000 miles of highway have been added to the nation's road system. The important Corinth Canal and all Greece's ports have been cleared and put back into operation.

Production in the farmlands has now surpassed prewar levels and thousands of acres of swamp and wasteland in northern Greece have been drained and irrigated for the growing of grain and rice. Great efforts are now being made toward a long-range power development program. Plans are already in operation for the exploitation of Greece's rich mineral deposits.

In spite of the progress that has been made, economic recovery in Greece is still in the making. In per capita income and in natural resources the country is still among the poorest of the Western European family of nations. Yet these sturdy people, our allies in NATO, proceed with their tasks firmly and resolutely, confident that their unity of purpose will bring a steady improvement in their living conditions.

CYPRUS

The same spirit that has characterized the Greek people down through the centuries is evidenced today as they strive for liberty and self-determination on the island of Cyprus. The world is vitally concerned in what is happening on this tiny island and with the future of the Cypriotes, who are striving for self-determination and for union with their mother country, Greece.

I have long been interested and concerned with the situation in Cyprus. In September 1954, I was asked by Mr. Stephen S. Scopas, supreme president, Order of Ahepa, and chairman, Justice for Cyprus Committee, to serve on a national honorary committee entitled, "Justice for Cyprus Committee," composed of prominent Americans to further this democratic and humanitarian cause and to uphold the principle of self-determination. I was pleased and honored to accept. On many occasions I have made my position clear and in letters written to members of the American Hellenic Council of New Hampshire in October 1955, I stated: "At this time I hope to reaffirm my personal views on Cyprus. As you know, they are well known and I have stated them on several occasions. I believe that freedom should be given to the Cypriotes. You can count on my continued interest and cooperation."

HOUSE CONCURRENT RESOLUTION 224

On last Tuesday, the 20th of March, I introduced what is now House Concurrent Resolution 224 which reads as follows:

"Whereas it is the policy of the United States to encourage efforts toward independence and self-government truly expressive of the desires of the people and as they show their capability to establish and protect free institutions; and

Whereas the Island of Cyprus, one of the most ancient cradles of Western civilization, is a vital part of the free world area; and

Whereas the island of Cyprus has been since 1925 a crown colony of the United Kingdom; and

Whereas 80 percent of the population of the island of Cyprus is Greek and has always been inhabited by Greeks: Therefore be it

"Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that ways and means should be vigorously explored and found in order to insure the applicability of the principle of self-determination of peoples in the case of the population of the Island of Cyprus."

VIOLENCE MUST CEASE

For the peace and welfare of the entire world, violence must come to an end in Cyprus. The 3 nations primarily concerned are Greece, the United Kingdom, and Turkey. All 3 are our allies through NATO. Greece and Turkey, along with Yugoslavia, are also members of the Balkan Pact. Thus the discord resulting from the situation in Cyprus affects all American interests in that part of the Eastern Mediterranean which borders on the Iron Curtain.

The self-determination of the Cypriotes is a matter in which we are vitally interested. Our own struggle for independence has made us sympathetic to the desire for independence by people wherever they may be. We understand and are sympathetic to the wishes of the Cypriotes for an opportunity to determine their own future, to govern themselves, and to be united with Greece.

Cyprus has become an international question. It is unthinkable that violence should continue on the island, and certainly every effort should be exerted by all the parties concerned in this matter to end violence and to reach a speedy solution to this problem. The Greek people, always dedicated to freedom, are anxious that the Cypriotes determine their own future and until this is accomplished, the problem will not be settled. In my opinion, the removal by the British of Archbishop Makarios from the island of Cyprus was most unfortunate and deeply to be regretted. It is my hope that ways and means will soon be found to enable the highest Cypriote church official of the Greek Orthodox Church, Archbishop Makarios, to return to his people.

It is fervently hoped that all those engaged in the handling of the Cypriote question will do everything possible to terminate violence, that negotiations will be resumed and proceed in good faith, and that Cyprus will soon attain the goal of freedom. Toward the attainment of that goal I pledge my continued efforts.

CONCLUSION

Thus, in commemoration of the aniversary of Greek independence, we see, as we have taken a cursory glance at the history of Greece, both ancient and modern, that there always burns in the heart of every Greek a constant and determined resistance to tyranny. Whether against Darius or Xerxes, the Ottoman empire, the Italian Fascists, the Nazis, or the Communists, the indomitable spirit of the Greek people inspires liberty-loving nations everywhere throughout the world.

So today, as we are engaged in a universal, world-encircling struggle against the evil forces that would destroy the ideas and the ideals that had their birth in Hellas and in Christianity, we receive anew, from the inspiring Hellenic heritage which is a part of the heritage of this republic, the determination and the inspiration to defeat the onslaught of communism against the free world. We will win in this, the greatest struggle for freedom in which men have been engaged.

On this Greek Independence Day in 1956, let all of us dedicate ourselves anew to the ideals of freedom which are at the core of the civilization we cherish. In the development of these ideals, Greece has made an extensive and imperishable contribution. At no time in history has the day we are now commemorating been of deeper significance. The accomplishments made on the Hellenic peninsula are warp and woof of the fabric which constitutes the principles of the free world and the democratic way of life.

Because of Greek accomplishments, the Republic of the United States has been able to develop the greatest democracy the world has ever known. Greece has always carried on a most gallant fight for individual liberty. We salute Greece on this memorable occasion as the freedom-loving nations of the earth march to the future, determined to achieve success in this current universal struggle against communism for the survival of the free world and free men.

Enactment of Poultry Inspection Legislation Imperative

EXTENSION OF REMARKS

OF

HON. WAYNE MORSE

OF OREGON

IN THE SENATE OF THE UNITED STATES

Thursday, March 29, 1956

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD my statement entitled "Enactment of Poultry Inspection Legislation Imperative."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORSE

The lack of legislation for the mandatory inspection of poultry has in the last few weeks caused bitter consequences in Oregon. Psittacosis or parrot fever, a pneumonia-like illness, has broken out among turkey flocks in the Portland area and has spread to humans.

So far, 2 persons are dead, 24 hospitalized, and 38 ill. The toll may yet be higher. Economic dislocations have resulted in the west coast poultry industry with Washington State clamping a tight embargo on Oregon turkeys and turkey eggs. Consumers, although not necessarily endangered, have probably been sold birds which died of the disease. And the Oregon poultry industry has suffered a severe public relations setback.

These tragic consequences to life and property can be minimized, and perhaps even prevented, by the enactment of poultry inspection legislation. Such legislation is now before the Senate in the form of S. 3176, of which I am a co-author. The Oregon outbreak is a case history in the need for such legislation.

Poultry suffers from some 26 diseases which are transmissible to man. Some of the illnesses are of only academic interest; they are spread so rarely to humans. Others, like psittacosis, cause major epidemics. Texas poultry workers have been the target of several of these outbreaks between 1948 and 1954. The last, in the summer of 1954, hit at least 200 persons with either 1 or 2 fatalities occurring. Outbreaks have also taken place in New Jersey, Nebraska, Virginia, and Iowa.

In February and March the disease came to Oregon in full force. Two turkey breeding flocks, with a total of 10,000 fowls, contracted the illness. These flocks were on farms near Portland on the Columbia River, according to the Portland Oregonian.

The disease soon spread from the turkeys to farm workers. This, by the way, is the first time health officials have found farm workers to have contracted psittacosis from poultry. In previous outbreaks, the United

States Public Health Service reports that only poultry processing workers were affected.

But in Oregon several farmworkers became ill. One died. Although health authorities cannot be certain the death was completely due to psittacosis, they believe the disease was at least a contributing factor.

The diseased poultry was sent to a rendering plant and three processing plants in the Portland area. It spread havoc there. Another man who had been handling the diseased birds died. Other employees became ill with many requiring hospitalization.

The toll now stands at 64. It may actually be higher. Influenza has been prevalent in the Portland area and additional psittacosis cases may have been misdiagnosed for it. The Public Health Service is still sending blood samples from suspect cases to the Communicable Disease Center in Atlanta, Ga. to determine whether these persons are suffering from the poultry disease.

Psittacosis is a very painful illness, according to medical authorities. I should like to read, Mr. President, a short excerpt of the clinical findings in the Texas outbreaks, as reported in the book, Psittacosis, edited by F. R. Beaudette. It will give the members of this chamber an idea of the human suffering caused by the disease:

"The onset usually was characterized by fever, anorexia, chilly sensations, severe headache, and nausea or vomiting. Unless prompt and vigorous antibiotic treatment was instituted, the disease was slowly progressive and after a few days most patients felt much worse. At the height of the illness the most common complaints were feverishness, headache, cough, weakness, nausea, and loss of appetite. Several patients complained of chills, drenching sweat, and pain or soreness in the chest. Abnormal findings on physical examination usually were negligible at the time of hospitalization, even though the patients were quite toxic, usually with high fever. During the height of illness the patients frequently were delirious or disoriented. The most seriously ill became lethargic or stuperous; this frequently was a cause for comment * * *

"The duration of illness varied from a few days to several weeks. More than half of the patients were ill 2 or 3 weeks. Several patients had relapses; relapses occurred both in treated and untreated cases. Those more seriously ill convalesced slowly, but, excepting the fatal cases, recovery generally was complete and uneventful except for prolonged weakness."

But what about the consumer? So far, he has not been endangered by psittacosis. In fact, no consumer has been reported hurt so far in any American outbreak of this disease. Public health groups emphasize the "so far" however, since they recall that until the Oregon epidemic no farm worker had ever been reported hit by the disease either.

The Portland situation does demonstrate how dead, diseased birds are slaughtered for marketing to consumers just like live healthy ones. In one plant, health authorities found 49 fowls which had previously died of psittacosis were, nevertheless, being processed. Even if psittacosis is definitely found to be nontransmissible to man after the fowl has been killed or has died, I believe the consumer should be protected from unwittingly buying such diseased poultry. There is no reason why he should not be assured of a healthy bird when he pays his hard-earned money.

The psittacosis outbreak has not only caused human suffering, it has also created havoc and fear in agricultural commerce on the west coast. The Washington State Department of Agriculture has clamped a strict embargo agains turkeys and turkey eggs coming from Oregon. Its officials say this bar will be maintained until they are convinced the psittacosis outbreak has been localized.

The embargo is causing considerable hardship to Oregon turkey growers, according to the Oregon Journal. The State is one of the Nation's largest producers of turkeys and turkey eggs and the hatcheries ordinarily sell 60 percent of their products to other States. Washington, Colorado, and Utah usually are the biggest buyers, but now the Washington market has been temporarily shut off.

In addition, the Oregon poultry industry has suffered a serious public relations setback. Needless to say, occurrences such as these, including the dressing of poultry which has previously died of disease, lowers the confidence of the public in poultry. Sales necessarily suffer.

So what is being done about the outbreak? At a conference in San Francisco on March 20, called by the United States Department of Agriculture, it was decided that the fowls be fed antibiotic drugs to wipe out psittacosis among them. A segregation program for diseased or suspect birds was also ordered.

These steps are good as far as they go. But further action must be taken and it is up to us, in Congress, as well as State legislators, to take them.

We, here, must enact a mandatory poultry inspection law, as provided by S. 3176. The before and after slaughter inspection provision of the bill would virtually wipe out the industrial health hazard now posed to poultry workers. We would be able to bring to a minimum, and perhaps completely prevent, deaths and illness, from psittacosis, as are now taking place in Oregon.

The inspection would assure the consumer a clean and healthy product in poultry moving in interstate commerce. He could have complete confidence in the healthfulness and cleanliness of the chickens, the turkeys, and ducks he buys.

The producer and the processor would benefit from a more stable market. And with large outbreaks gone, the embargoes and the resultant economic dislocations would become a thing of the past.

The Oregon psittacosis outbreak demonstrates the imperativeness that we enact S. 3176 as soon as possible. We cannot afford to let human life suffer, as in the Portland area. We cannot afford to let an industry decline. We have a means of dealing with the problem. Let us use it.

The Communist Conspiracy

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, March 29, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, the text of an address given by me before the Inland Daily Press Association in Chicago, Ill., on February 27, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There are many reasons why it is a pleasure for me to speak before the Inland Daily Press Association. It is always a pleasure to appear on a program with our Indiana editor, and my good friend, Stew Riley.

There is a special reason why it is a great satisfaction for me to speak today to this association of newspapermen of our Middle West.

These are not ordinary times. Many things which we have taken for granted are suddenly in jeopardy. Who in the United States, from the days of William Zenger, doubted that freedom of the press had been won for all time? Then suddenly the long hand of Communist power reached out, and seized a quiet Indiana reporter named Bill Oatis. They put him in a Communist jail, subject to we know not what tortures, and kept him there for years, regardless of the power and might of the United States.

Today, we know an ingenious and ruthless enemy of freedom seeks to destroy everything we stand for. But as the danger increases, we learn the old lesson, that we never truly value everything in time of security as we value it in the time of danger.

Even a few years ago, freedom of the press was a legal right, a high point in history, a matter of professional pride—something we could take for granted.

Today, freedom of the press is coming to be as real to all of us as it was in the days of Peter Zenger and John Milton, who won our freedom for us in days of darkness and bitter hate.

About a year and a half ago, I sat in a Senate hearing room and listened to Gen. James A. Van Fleet tell our Subcommittee on Internal Security, how, during the Korean war, we could have beaten Red China, broken the back of communism in Asia, and turned backward the lava flow of communism, for the first time since it erupted in Moscow in November 1917. Standing before a map with a pointer in his hand, General Van Fleet showed us the single railway along the North China coast, which was the only railway the Red Chinese had, to move their troops to Korea and then to supply them. The railway from North China could have been bombed continuously by our Air Force throughout the last 200 miles of its journey to the front.

On our side, the general said, "We had command of the water and air. We had and still have unexcelled bases in Japan and Korea for redeployment. We had a base in Japan fully at our disposal. We had the flank protected by our Navy and all this base here to destroy a Red Chinese Army far from home, well out on the limb, and in great difficulty all the time. That is why I say this was the right place and at the right time, with the wonderful nation of the Koreans, the right ally."

Of course, every one of my listeners knows what happened. Our American boys were not permitted to defend themselves by striking the enemy at his supply lines, his bases, and the bridges across which he sent his troops 24 hours a day.

Another high commanding officer in the Korean theater, Gen. George E. Stratemeyer, described the situation in these historic words, "We were required to lose." Gen. Mark Clark, Adm. C. Turney Joy, and Lt. Gen. Edward M. Almond, gave our subcommittee more details on this planned disaster. Together with General Van Fleet, they told us how the United Nations violated its own fundamental principle of collective security, when it refused to accept the divisions offered by Chiang Kai-Shek to fight against the aggressors in Korea. Our military leaders showed us how Red China's armies were originally freed to move toward the Yalu, when our Seventh Fleet was ordered by our President to blockade Chiang Kai-Shek on Formosa so he could not strike Red China's flank on the mainland. They showed us how we even put a limit on the number of South Korean soldiers who would be allowed to defend their own country. Of course, that meant more Americans were bound to be killed.

You remember Samson, who was so strong that no one could overcome him, until some one he loved and trusted cut off the long hair, which was the source of his strength.

Like Samson, America was too strong to be defeated except by enemies from within.

All of these limitations and restrictions, all of this policy of shearing Samson's hair, was contrived in Washington. As General Almond expressed it, "It is bad enough to have to fight the enemy; it is terrible to have to fight both the enemy and those that you are supposed to have support from."

We know the excuse given us by the administration in Washington, which conducted itself so that it seemed like an enemy to its own troops in the field. The excuse was that if we allowed American soldiers to fight, as they have always fought at every other time in our history—if we allowed them to fight to win—it might cause the war to spread beyond Korea.

Did this strategy of cutting Samson's hair keep the war from spreading? Or did we really help extend it? If we had whipped Red China in Korea, would she have been able to move against Indo China? If we had whipped Red China in Korea, and released Chiang's forces for an attack on the mainland, would the Red Chinese be building airfields and assembling fleets today, for an attack across Formosa Straits?

These questions answer themselves. But what do they have to do with the subject of my talk here today, namely, "Communist Infiltration of the Press?" They have this to do with it. General MacArthur and every one of the Korean commanders who testified before us unanimously believe that the Red Chinese would never have dared even to enter the Korean war unless they had been told of our "Samson's hair" policy in advance.

Who told them? We don't know for certain who gave the Red Chinese this information, so vital to the course of recent world history. We do know the Communists always cover their penetration in Government offices with parallel penetration into the press. Thus a stream of slanted reports adds to the confusion, while espionage by their agents in the press gives them much unpublished information about what their opponents intend to do.

In London, the head of the American desk in the British Foreign Office was a man named Donald MacLean. "His hand fingered all the crucial inner secrets of the Western Alliance" according to an acknowledgement made on the floor of Parliament itself. Guy Burgess was at the center of British-American secret negotiations in Washington. Today they are both proven Soviet agents living in Moscow.

Fearless reporters in the British press have been tearing away the veil of official secrecy around Burgess and MacLean, since they fled east in 1951. Their findings were finally confirmed by the disclosures in Australia of Vladimir Petrov, a former Soviet spy. From these findings, we learn that MacLean and Burgess were open Communists during their undergraduate days at Cambridge in the 1930's. Even before they left the classroom they traitorously joined, not the Communist Party, but Soviet Intelligence, and provided themselves with a cover by pretending to have abandoned Communism. Note the interply between Government and press. The first job that this concealed Soviet agent, Burgess, obtained, after he left the University, was on a newspaper. He was again trying to get a newspaper job in 1951, when his orders came to head for the Kremlin.

Somewhere in this planned chaos, the Communists were fully informed of our State Department's policy to protect Red China.

How could Americans have accepted this fool's policy? Red China was in the war, not outside. The only question was whether we should attack an enemy already fighting us, or turn the full destructiveness of war upon our friends and allies, the Koreans. This decision to protect Red China made it necessary to bomb the lands and burn the buildings of the brave Korean people, while the territory of Red China was made a privileged sanctuary by our own Government.

Now let's turn the clock back to 1939, when Adolph Hitler was trying to decide whether he would start World War II. The decisive factor in his thinking was this: if we struck toward the West, would he be safe in the East? Would the Soviets be with him or against him? Stalin himself was puzzling over the same question. Whose side would he choose? Would he go along with Britain, France, and Poland in an alliance which could have stayed Hitler's hand, or would he ally himself with Hitler and let loose the Nazi hordes?

Before he made his decision, Stalin had to know what Japan might do. One day, word came to him from Tokyo that Hitler was proposing a German-Japanese alliance against the U. S. S. R. So Stalin moved toward Berlin with a gesture of friendship. That friendship produced the Hitler-Stalin Pact, which started World War II. The man who told Stalin about Hitler's negotiations in Tokyo was one Richard Sorge, who had gone to the Far East years before with the cover of a reporter for Frankfurter Zeitung.

Sorge was the grandson of a man who had been secretary to Karl Marx. He had been an undercover Communist since 1927. The Communist spy ring he organized in the Far East was one of the most deadly in the history of the world. It included Ozaki Hozumi, journalist; Branko De Voukelitch, a journalist; Guenther Stein, a journalist; Kawamura Yoshio, a journalist; Wawi Teikichi, a journalist; Funakshi Hisao, a journalist; Nakanishi Ko, a journalist; and Agnes Smedley, a journalist. At one time or another these men and women had written for Havas News Agency, the Manchurian Daily News, the Berlin Tageblatt, Shankhai Mainichi, the Rengo News Agency, the Christian Science Monitor, and the New York Times.

Let me dwell for a moment on the case of Agnes Smedley. It is very significant for a number of reasons.

In 1949, the Pentagon published a statement about the Sorge spy ring, based on reports from Major General Willoughby, who was General MacArthur's chief of intelligence in Tokyo. Agnes Smedley was named in this report. She made a tremendous display of outraged indignation. Harold Ickes, who had served so long in the Roosevelt Cabinet, was one of the many powerful people who rushed to her defense. Someone in the War Department backed down, in a shameless display of cowardice, and withdrew the charges against her. Smedley herself threatened to sue General MacArthur, but when General Willoughby publicly stated that he was responsible for the statement that Smedley was a Soviet spy, and he would be delighted to confront her in a lawsuit, she forgot all about her indignation.

She fled to England and died there on the eve of the Korean war. Then it was learned that this "innocent, abused" American journalist had left her ashes and all that she possessed to Chu Teh, the general who was to lead his troops against Smedley's American countrymen only 6 months later.

On the first anniversary of her death, Smedley's ashes arrived in Communist Peiping. An immense celebration was held in her honor. The Communist Kwang Ming Daily contained a whole page of tributes to her from the most important of Red Chinese writers, who praised her without stint for exactly what General Willoughby had said she was, an underground Communist agent through her entire adult life. The Communists boasted of how she had served them as a world propagandist, as an apologist for the Red Chinese army, as a raiser of money for Communist causes, and as an underground agent who used her apartment to hide other agents and send them on their way as couriers for the Communist conspiracy.

Now let's come back a little nearer to the present. You remember, of course, the Australian spy scandals of 1954. You remember how Vladimir Petrov unmasked the Soviet spy ring there. You remember too, that a Royal Commission on Espionage issued a report based on the documents Petrov had given to it.

Here is what that report said on the subject of journalists:

"The interest of the MVD in journalists, and in particular in members of the Parliamentary Press Gallery at Canberra, appears clearly from the material before us. The principal reason for that interest is obvious. Parliamentary journalists are in constant touch with ministers and highly placed officials. They frequently receive 'off the record' and background information, sometimes of an important nature.

"It is apparently the worldwide Soviet practice for Tass representatives to be recruited espionage agents. It certainly was so in Australia, where Nosov, Pakhomov, and Antonov—in succession the Tass men here—were all active MVD cadre workers.

"The study of journalists for the MVD was primarily the task of the Tass representative, who could without exciting attention mix freely with journalists, and would be naturally accepted by them as one of themselves. He is thus in the way of gaining access to such information as they have and may be able to use them as at least unwitting informants."

And only a few short days ago Yuri Rastvorov, another world-famous defector from the Soviets, told our subcommittee that 80 to 90 percent of Tass correspondents are agents of Soviet intelligence.

Against all of this background, which I have detailed to you here, the Subcommittee on Internal Security began last summer an investigation of its own into Communist infiltration of the American press.

Our first witness was Winston Burdett, a well-known commentator for the Columbia Broadcasting System, who told us that he had joined a Communist cell on the Brooklyn Eagle in the 1930's. He said the Communist Party had ordered him to become a European correspondent for the Eagle. Why? He told us—in order to perform espionage service for the Kremlin. He also gave us the names of 16 persons whom he had known as Communists, when he belonged to the Brooklyn Eagle cell.

Who were some of those Communists, and what happened to them? One was Alvah Bessie. He went to Hollywood and ultimately became one of the famous "Hollywood Ten." Another was Nat Einhorn. He is now public relations man for the Embassy of Communist Poland. Another was Charles Saul Lewis, whose story is one of those juicy little tidbits we are still finding as we open up new rat holes in this shady business.

Lewis was a $75-a-week copyreader in 1943, when Elmer Davis' OWI put him in its New York office, with responsibility "for direct implementation of United States policy toward allied and neutral countries and the furthering of our aims toward the enemy." Seven months after he landed on the payroll, OWI tried to increase Lewis' salary by nearly 50 percent. The Civil Service Commission raised a howl of protest, but Lewis seems to have known the right people, so the raise went through. A short while after that, he was sent to San Francisco as the personal representative of Elmer Davis to reorganize the San Francisco office. Among his other responsibilities, Lewis "supervised the various language control desks on the output of the Voice of America." He had never been a foreign correspondent. He knew no foreign languages at all when he controlled these language control desks. But there seems to have been something about him, nevertheless, which appealed to the people who ran OWI.

What happened to this former member of the Brooklyn Eagle Communist cell when Germany surrendered? The Office of Military Government took him to Berlin and in a few months he was formulating and directing the implementation of policy governing radio broadcasting in Germany.

German newspapers and political leaders began complaining that the policy our friend Lewis formulated and directed was soft toward communism. The day of the Berlin airlift arrived. It was obvious to anyone that at that moment America needed every possible facility to bring words of freedom and encouragement to the German people. Obvious, that is, to everyone but the man who formulated and directed our broadcasting policy. His method of supporting his country's policy at this perilous moment was to ship a brand new 40,000-watt transmitter out of Berlin itself, just when it was ready to double our broadcasting capacity. Security officials finally caught up with Charles Saul Lewis, but he resigned from Government service rather than face a hearing.

So he came home and returned to private industry. When we put Lewis on the witness stand last summer, he was an employee of a radio station in rural New England. His salary was $70 a week, or $5 less than he was making as a copyreader when OWI clasped him to its bosom back in 1943. Lewis admitted he had been a Communist in the Brooklyn Eagle cell, but he asked us to believe he had renounced communism before he joined OWI, and long before he hustled that radio transmitter away from the Berlin airlift.

Congressional committees are continuously digging out stories like this about Elmer Davis' OWI. It's not hard to understand why Elmer spends so much time in print, on the platform and on the air trying to put congressional committees out of business.

Another witness in our investigation of Communists in the press was Ira Henry Freeman of the New York Times. Mr. Freeman also acknowledged that he had been a Communist in the past, but denied that he was a Communist at present. He gave us the name of the man who had been head of the Times Communist underground in the 1930's. That man bore one of the most famous newspaper names in the United States, but he is dead now. In deference to his family, who are good Americans, the New York Times attorney asked us to leave his name out of public hearings. Against all precedent of the subcommittee, we granted the Times request.

What did the Times do? It published an editorial denouncing the chairman of our subcommittee, Senator EASTLAND, and also the subcommittee counsel, and myself, for daring to call to the witness stand Communists who had been, ever so remotely, connected with the Times. The Times declared that it had been singled out for this attack. Why? Because, the Times said, it was against "many of the things for which Mr. EASTLAND, his colleague, Mr. JENNER, and the subcommittee counsel, stand."

Why did the Times consider it an attack against the Times, when the subcommittee called to the witness stand, certain Communists and ex-Communists who are or had been employed by it? We thought we were attacking, not the New York Times, but the Communist apparatus. We thought the Times would be grateful for the subcommittee's help in getting evidence, under oath, of what they should certainly wish to know.

Why did the Times feel that it was singled out? It is interesting to follow that question. Did the Times mean that other New York newspapers employed as many Communists as the Times employed, but had not been mentioned? If that is what it does mean, will the Times give the subcommittee the names of those Communists on other New York newspapers? But if the charge does not mean this, if the Times has no information about Communists on other New York newspapers, then what is its purpose in trying to persuade its readers all over the world that it has been singled out? Does it by any chance wish us not to subpena those whose Communist activity we have information about, if they are or had been employees of the Times?

The 22d witness was a man who worked on the Times 1 day, and next day became managing editor of the Communist Daily Worker. He told us in vivid detail how the Daily Worker was under the absolute daily discipline of Gerhardt Eisler, the comintern's top agent in the United States. This witness, James Glaser, is presently employed on the New York Post. He has not been a member of the New York Times staff for 21 years. Now, seriously, is it an attack on the New York Times to put this man on the witness stand? Is it an attack on the New York Post to put him on the witness stand? Is the Daily Worker a Communist paper or is it not? We think the testimony James Glaser gave us was vitally important in further uncovering the international Communist conspiracy. Should we have refused to hear him in deference to an employer of 21 years ago?

The 24th witness was Clayton Knowles, who is presently a Times reporter. He told us that he is not a Communist now, but he had been a member of a Communist cell on the Long Island Daily Press in the late 1930's. He gave us important information about that cell. Was it an attack on the New York Times to take his public testimony about a Communist cell on the Long Island Daily Press? Would the Times frankly say it preferred that we let Clayton Knowles testify in secret as a "concealed accuser" of the alleged Communists on the Long Island Daily Press?

The 27th and 28th witnesses were John T. McManus and James Aronson. Both were former Times employees, but they are presently the moving spirits in a weekly newspaper which goes under the title of the National Guardian. And what is the National Guardian? The National Guardian is a direct link with the American brainwashers and torturers, who serve the Chinese Red Army. The National Guardian was the American end of the unspeakably treasonable operation conducted inside Communist China by John W. Powell and his confederates. Powell edited and published the China Review, which the Chinese Communists described to American prisoners of war as "our magazine." American prisoners of war were forced to study and approve the vicious and anti-American lies in Powell's China Review under pain of torture, starvation and death. The National Guardian, was Powell's American agent. Through the Guardian, the Chinese Communists were able to bring pressure on the wives and mothers of American boys held prisoner in Red China. Was it an attack on the New York Times to call John T. McManus and James Aronson to the witness stand? Does the Times mean we should have ignored this service to Red China, in deference to them?

Here are some additional facts which we did not put into the record. I am sure that they will be especially interesting to this audience of newspaper people. You all remember the long hard fight to break the Communist control over the New York Newspaper Guild. You remember that that fight was won in 1947, when John T. McManus was defeated for reelection as president of the New York Guild. "Plain Talk" reported the vote of Times employees in that election. Here is the score, and I quote: "The New York Times (employees) gave the pro-Communist candidate 516 and the anti-Communist candidate 256."

Now let me generalize a moment on this whole question of Communist infiltration of the press. I have told you the facts about Guy Burgess in Washington and London, the Sorge ring in China and Japan, and the Australian apparatus. I have told you the facts about the men who were Communists with Winston Burdett in the United States. What conclusion can we draw from these facts? The conclusion is obvious. The Communist conspiracy is and always has been interested in infiltrating the press, because the press is important. Also a press cover is as good a cover for a Communist agent as any which could be found. Journalists have access to information which never reaches the hands of other citizens. They have opportunities to divert, distract, and misguide public opinion, which are never given to other citizens.

So what should be done to attack this problem? Does it clarify the issues to say that the Subcommittee on Internal Security is against the press, if we hunt out Communist agents who are planted among you? Should those who believe in an independent press raise the cry that the subcommittee is against the press itself? That's the kind of thing some people said back in 1939, when the Dies committee went after Communists in labor unions. They said that Dies was attacking labor itself, didn't they? In the end the CIO had the courage to clean the Communists out of its own ranks, but 10 years had been lost.

What happened when our subcommittee began to hunt Communists in the IPR? We were accused of being the enemy of scholarly research. Guenther Stein and Agnes Smedley were among the IPR "scholars" we were "persecuting." So were Alger Hiss, Harry Dexter White, Frank Coe, Lauchlin Currie, Owen Lattimore, and a whole host of others whose shameful story we put into the record. When we dug out a barrel full of Red agents who had been planted in the faculties of American universities, some people said we were against education. When we dug a barrel full of Communists in the United Nations Secretariat, some people said we were against the United Nations. I don't believe the members of the Inland Daily Press Association think the Subcommittee on Internal Security is against the American press, when we pull the covers off Communists who are hiding within that press. I believe that the members of the Inland Press Association and the great majority of American newspapermen are just as anxious to expose the Communist traitors who have crept in among them as are all other good Americans, regardless of the callings they follow.

I have spoken to you of the Communist efforts to penetrate the press, because that is where your interest lies. We know also of Communist intrigue against our schools, our churches, our labor unions, our business enterprises, and our financial institutions. We know only too well of the unremitting effort to penetrate our political parties, and our Government agencies.

I have spoken of our country as a fortress whose citizens were so just, no decent men wished to attack it, and whose walls were so strong no evil men dared try. Today we are in danger from those who would undermine our walls, and send saboteurs to mingle with us, to destroy us.

It is a lonesome road for those who try to uncover the trail of communism and end its evil power. Every one who has ever touched the Communist evil has paid a high price. But we are beginning to see we are all threatened. We are all needed for defense of the citadel.

We love our country. We would give our lives to save it from destruction. We can save our country against this strange new evil when every American is ready to fight the enemy on his doorstep and ready to work with all other Americans who are defending their own. Then we shall all be soldiers fighting together, to drive this unclean evil force from our land.

H. R. 772

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 29, 1956

Mr. JOHNSON of California. Mr. Speaker, today I address myself to the proposal which is contained in the bill, H. R. 772, which provides for a modification of the Walter-McCarran Act.

When that bill was before the House, I voted for it. The proposal which I make in my bill would not materially change that bill, but in my opinion, would distinctly eliminate certain inequities to a group of our people. As all of you know, the Walter-McCarran bill followed the same basic principle which had been contained in the Johnson Act of 1925, of which Hiram W. Johnson, our Senator, was one of the ccauthors, and Mr. Albert Johnson, of Hoquiam, Wash., was the other coauthor. The principle in the Johnson Act gave preference to the so-called Nordic races, of which I am one and of which I am proud. Also, the classification as to the right of migration into the United States was dated back to 1890 and applied to the population racial pattern at that time. This same principle was carried out in the McCarran Act, which dated back to 1920, in other words, about 30 years back of the time when the bill became effective.

Undoubtedly in the consideration of the bill, it was determined by the evidence before the committee that wrote the bill just how many immigrants we could absorb and be assured that they would readily melt into the population and become good American citizens.

The odd result in both these cases was that, despite the fact that the Nordic races were given preference, they did not take full advantage of the preference given them. This, I understand, was more true when the Walter-McCarran bill was passed than it was at the time the Johnson bill went into effect. However, it is a well-known fact that the Scandinavian countries—Norway, Sweden, and Denmark—scarcely use any of the quota to which they are entitled. This is likewise true of the British Empire. It is also true of the Netherlands, Belgium, France, and to some extent of Germany.

In other words, there are vacancies which could be used by countries that have serious population problems.

I am frank to say that I am speaking of only one country. The one that I am thinking about is Italy. This is due in large part because we have a great many Italians in my congressional district. Many of them, especially the leaders among them, feel that it is unfair to class them as an undesirable group of people who are given a very small quota with no flexibility and a quota that virtually prohibits any migration of their fellow countrymen.

Among the Italian group in my district, I need mention only a few as typical of the kind of people and the part which the Italians contribute in our community life.

Many years ago a lowly fruit peddler migrated from Italy to the United States. He finally landed in San Francisco, and became a peddler of fruit. He made a meager living and later became a businessman who sold fruit wholesale. After he became prosperous, it began to irritate him when he learned of the high rates of interest which the banks at that time charged those who needed to borrow money to invest in their business. This situation grieved him and he decided to find a way to make the borrowing of money a little easier for the borrower who needs credit for his business. In other words, he wished to develop a credit system that he considered equitable. The result was that he and some others acquired a bank, which they called the Bank of Italy, and whose policy it was to make business loans easier for the businessman.

That bank prospered and began to buy up branch banks in various parts of California. It later changed its name to Bank of America, and as perhaps all of you know, today there are 555 branches in California of the parent Bank of America.

There is no doubt in my mind that, if Mr. Giannini had had merely the ambition to become a wealthy man, he could have died worth from ten to fifty million dollars. The instincts of the man became absolutely apparent when his will was probated. It showed that he had a personal wealth of $445,000. It also provided stupendous gifts for agricultural research to the University of California, and to other public, worthy institutions. In other words, the man was not the grasping type that it was anticipated he would be by some people, due to the large bank over which he was the dominant figure.

His son, who later became the president of the bank, and his family carried on the benefactions and policies which Mr. A. P. Giannini started. Is it not natural that those people should feel that they are discriminated against because unfortunately some persons of Italian birth have become criminals. They are as ashamed of that as we are. And it is unfortunate that frequently idle gossip is indulged in that the great mass of Italians in some manner condone the criminal conduct of some of those that have been convicted, and some that have not been convicted but who have been born in Italy and migrated to America.

I need but mention another man, who had much the same kind of a career as Mr. Giannini. He also started as a peddler of fruit and soon became one of the largest agriculturists and most humane agriculturist in the State of California. I refer to Mr. Di Giorgio. This man farmed vast areas of fertile land in the San Joaquin Valley. He raised many different kinds of fruit and nut crops. He had a big office in New York where his goods were distributed to the trade in that large metropolitan area. In the State of California, we have a great many migratory laborers. The reason is that they harvest one crop and then they must go to another place where a different crop comes in. Many of them start in the lower part of California, and work their way through the various stages of the crops clear up to the States of Oregon, Washington, and Idaho.

The squalid way in which these workers lived attracted the attention and the sympathy of Mr. Di Giorgio. He realized that they were human just like he was, and that they had families and should have a chance to raise their families in a home environment like all Americans expect.

Consequently, he was one of the pioneers in trying to provide labor for these migrants all through the year. In the wintertime he would have the ranch land plowed; his employees would fix the fences; they would do all kinds of work in the offseason which would keep them busy and also improve the ranch for the owner. Recognizing that the happiness of a family revolves around the home, Mr. Di Giorgio started to build houses for his workers. He sold them for less than they cost, and permitted the persons who bought them to buy on the installment plan. The result was that he had satisfied and contented workers. A group of labor union people at one time boycotted the place, claiming that what he was doing was unfair to labor. Remember there was no strike among the laborers, they were thoroughly satisfied. Apparently the union decided that the laborers must be organized. They were unwilling to become organized as they felt they did not require to be organized to obtain good treatment from Mr. Di Giorgio. The result was that the Labor Committee of the House of Representatives some years ago sent out a group to look into the matter; and they found that every single laborer on the ranch of Mr. Di Giorgio was thoroughly satisfied with the treatment that he was being given, including the wages and the living conditions. The result was that there was no more agitation concerning the workmen on the Di Giorgio ranch.

This man also, upon his death, gave a great deal to charitable institutions. He was a wonderful example for men who are financially successful to leave posterity something as an indication of their gratitude for the opportunity which has been theirs to accumulate funds and to become an important person in the community or in the State and Nation.

I wish to mention one other individual who happens to be a close, personal friend of mine who would not give me permission to do this if I asked him. However, I feel that he is typical of the people of the Italian race that live in our area. His name is Philip Cavalero. He is a lawyer of tremendous ability. His father was a farmer. He went through the schools of San Joaquin County and then he determined to go to Stanford University. This was by his own efforts and by helping his father, who was kind enough to pay him for his work. At Stanford he became one of the best debaters in the university. He won the Carnot medal as the best debater in the college. After completing his academic course, and his law course, he was admitted to the bar of California, and shortly thereafter he became a member of the firm with whom he still works.

The name of the firm is Rutherford, Jacobs, Cavalero, and Dietrich. Mr. Cavalero is one of the best water lawyers in the State of California. He is a thoroughly ethical, capable, successful member of the bar of California.

These are three typical examples of what the Italians are in our area. Also, among them we have some of the finest vegetable crops to be found anywhere. The Italian gardeners of San Joaquin County, and the Italian gardeners of Lodi, Calif., have an organization and once a year they have a great picnic. The output of agriculture crops by these groups staggers the imagination, and it is one of the things that has helped make San Joaquin County, the fifth county in the point of dollar value of their crops in the entire Nation. Frequently I get things from them, such as asparagus, peaches, cherries, and so forth that I distribute to the Members of the House.

This all leads me to say why is it not possible to give the home country of these remarkable persons a little better opportunity to send people to America to occupy the spaces which are not taken by other nationalities. We must look further still to understand really how disappointed the American-Italian feels by virtue of some of the provisions of this law.

I frequently listen to the TV, and I am especially interested in hearing tuneful songs sung by people that know how to do it. One of my favorites is Perry Como. He is a remarkable individual. Just looking at him one could tell that he was modest and kind, as well as extremely capable in his chosen field of endeavor. He is merely symbolic of many others in all fields of endeavor in our life, many of whom were immigrants.

In the long span of history, I doubt if there is any country in the world that has contributed as much as Italy. They contributed Christianity, law, invention, science, architecture. A study of their past shows that in practically every century they have played a dominant part since long before the Christian era in making contributions to mankind. Therefore, I am hoping that the bill, which I have and which a number of other colleagues have, will be given serious consideration to the end that the unfortunate situation in which Italy finds itself, due largely to a mad dictator who domineered and almost ruined the entire nation, makes their population situation that much more difficult. Mussolini could have had a place in history as one of the great men of this era. He had an empire in Africa, which I have visited where he could put his excess population, but he threw it all away in his frenzied demand for political power and domination.

We must consider many of the cultural things that Italians have contributed to the world. Italian artists have contributed their experience and creative talents to the construction and decoration of buildings for monarchs and religious communities since Carlovingian times. Later, the famous masters of Como and campione participated in creating cathedrals in Spain, France, Germany, and Hungary; and the Roman Piero Oderisi of the Cosmati school, built the two earliest tombs destined for English Kings—Edward I and Henry III—in Westminster Abbey, in the 14th century. During this century, Italian artists participated in building the Papal Palace of Avignon, and frescoed it; among these artists, the great Sienese Simone Martini was outstanding. Others were in France and Bohemia at this time, and a follower of Giovanni Pisano built the Mausoleum of Saint Eulalia in the cathedral of Barcelona. Later, Italian artists succeeded in replacing the Gothic style throughout Europe with Renaissance classics. Much more could be said about the influence of these artists. Another group of artists and architects decorated the Chateau of Fontainebleau magnificently, and made of it a model of style, and a school for future French art.

In the 17th century, the celebrated Taj Mahal of Agra, one of the marvels of Indian architecture was built by the Venetian Girolamo Veronese with craftsmen he brought with him.

Italian explorers like Marco Polo unlocked unknown parts of the world.

Marconi discovered wireless telegraphy. An early Italian scientist, Leonardo da Vinci—1452–1519—who was also a sculptor and artist and painter predicted that some day motive power would propel machines in the air to vie with the birds. In the First World War the Italians built Capronis and other models of planes that were used in the prosecution of the war. The author of this statement served in France with Fiorello La Guardia at a French field where we both were learning to fly Nieuports and other French planes. Fiorello was sent to Italy because of his knowledge of the Italian language and I learned that he flew some Capronis in combat on the Italian front.

Italian painters decorated the Capitol Building where we hold our sessions of the House of Representatives and the United States Senate holds their sessions.

We certainly must recognize that Italy, the nation, has made tremendous contributions during the long period of its existence.

We should not discard or ignore these tremendous contributions in every field of endeavor because perchance a few bad men of Italian birth have become criminals or gone sour and disgraced their native land by their un-Christian-like conduct.

SENATE

MONDAY, APRIL 9, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Lord and Master of us all, midst the tumult of these earth-shaking days with all their angry fury, we come to this shrine of Thy grace seeking the unshaken assurance of those whose minds are stayed on Thee. At this altar of prayer in the radiant afterglow of Easter, with its thrilling message of the risen life, steady us with the realization that back of all the dark tragedy now plaguing the world there is the permament good of Thy purpose for all mankind, in which we may believe and to which we must be loyal if life is to be saved from frustration at last.

And so, returning to the pressing problems of state, we beseech Thee, empower these servants of the Nation's welfare to bring to their waiting tasks minds to be illumined with kindling thoughts that flame for Thee and for all Thy children, lips to be touched by the burning coals of Thy cleansing that Thou mayest speak through them, wills that glow with holy zeal to do Thy will, and eyes that may see the invisible with the far look of a faith in things that shall abide beyond our earthly years. And so we pray that Thou wilt direct, control, suggest, this day, all we design or do or say. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, March 29, 1956, was dispensed with.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under authority of the order of March 29, 1956, the following message from the House was received by the Secretary of the Senate:

On March 30, 1956:

The message announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

S. 101. An act to grant the status of permanent residence in the United States to certain aliens;

S. 117. An act to grant the status of permanent residence in the United States to certain aliens;

S. 213. An act to grant the status of permanent residence in the United States to certain aliens and to cancel deportation proceedings in the cases of certain aliens;

S. 315. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

S. 396. An act to facilitate the admission into the United States of certain aliens;

S. 500. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes;

S. 663. An act for the relief of William T. Collins (Vasilios T. Buzunis);

S. 963. An act for the relief of certain aliens;

S. 1242. An act for the relief of certain aliens;

S. 1289. An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes;

H. R. 1667. An act for the relief of Lieselotte Boehme;

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Pursuant to the order of the Senate of March 28, 1956, the following reports of committees were submitted:

On April 2, 1956:

By Mr. MORSE, from the Committee on the District of Columbia:

H. R. 4909. A bill relative to the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership-corporations law of the State of New York, in accordance with the applicable provisions of the membership-corporations law of the State of New York; with amendments (Rept. No. 1722); ordered to be printed.

On April 3, 1956:

By Mr. SMATHERS, from the Select Committee on Small Business:

A report entitled "Military Procurement—1956—Volume 1" (Rept. No. 1723); ordered to be printed.

Pursuant to the order of the Senate of March 29, 1956:

On April 7, 1956:

Mr. GEORGE, from the Select Committee for Contribution Investigation, pursuant to Senate Resolution 205 establishing a select committee to investigate circumstances involving alleged improper attempts through political contributions to influence the vote of Senator Case of South Dakota on the so-called natural-gas bill (Rept. No. 1724); ordered to be printed.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED DURING ADJOURNMENT

Under authority of the order of March 29, 1956,

The Secretary of the Senate reported that on March 30, 1956, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 101. An act to grant the status of permanent residence in the United States to certain aliens;

S. 117. An act to grant the status of permanent residence in the United States to certain aliens;

S. 213. An act to grant the status of permanent residence in the United States to certain aliens and to cancel deportation proceedings in the cases of certain aliens;

S. 315. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

S. 396. An act to facilitate the admission into the United States of certain aliens;

S. 500. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes;

S. 663. An act for the relief of William T. Collins (Vasilios T. Buzunis);

S. 963. An act for the relief of certain aliens;

S. 1242. An act for the relief of certain aliens;

S. 1289. An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes;

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On March 29, 1956:

S. 1271. An act to authorize the appointment in a civilian position in the Department of Justice of Brig. Gen. Edwin B. Howard, United States Army, retired, and for other purposes;

S. 1272. An act to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes;

S. 1585. An act to provide for the return to the town of Hartford, Vt., of certain land which was donated by such town to the United States as a site for a veterans' hospital and which is no longer needed for such purposes; and

S. 3452. An act to amend the act of July 15, 1955, Public Law 161, 84th Congress (69 Stat. 324), by increasing the appropriation authorization for the aircraft control and warning system.

On April 2, 1956:

S. 760. An act for the relief of Pietro Meduri;

S. 1992. An act to provide for the conveyance of a certain tract of land in Madison County, Ky., to the Pioneer National Monument Association; and

S. J. Res. 95. Joint resolution to authorize the American Battle Monuments Commission to prepare plans and estimate for the erection of a suitable memorial to Gen. John J. Pershing.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Lewis R. Knox to be postmaster at Helena, Mont., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORT ON OPERATION OF UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the First Annual Report of the Operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 9, 1956.*

REPORT OF NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of Public Law 307, 73d Congress, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 9, 1956.*

(NOTE.—Only copy of report transmitted to the House of Representatives.)

BOARD OF VISITORS TO UNITED STATES AIR FORCE ACADEMY

The VICE PRESIDENT. The Chair appoints the Senator from Minnesota [Mr. THYE] as a member of the Board of Visitors to the United States Air Force Academy, under title 10, United States Code, section 1056, vice the Senator from Maine [Mrs. SMITH].

ESTABLISHMENT OF JOINT COMMITTEE ON CENTRAL INTELLIGENCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1595, Senate Concurrent Resolution 2.

The VICE PRESIDENT. The clerk will state the concurrent resolution by title.

The LEGISLATIVE CLERK. A resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

Mr. HAYDEN. Mr. President, reserving the right to object, I should like to inquire if this is the measure on which an agreement to vote next Wednesday is to be proposed.

Mr. JOHNSON of Texas. The Senator from Texas proposes to propound such a unanimous-consent agreement as soon as there is a quorum call. The Senator from Texas will propound the agreement in accordance with the conversation with the Senator from Arizona.

The Senator from Texas has so drafted the unanimous-consent request, and intends to propound it as soon as the absence of a quorum can be suggested.

The VICE PRESIDENT. Is there objection to the unanimous-consent request to proceed to the present consideration of Senate Concurrent Resolution 2?

There being no objection, the Senate proceeded to consider the resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence, which had been reported from the Committee on Rules and Administration with amendments.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, on behalf of myself, the distinguished minority leader [Mr. KNOWLAND], the distinguished junior Senator from Montana [Mr. MANSFIELD], and the distinguished senior Senator from Arizona [Mr. HAYDEN], I have sent to the desk a proposed unanimous-consent agreement. I ask that it be read.

The VICE PRESIDENT. The proposed agreement will be stated.

The legislative clerk read as follows:

> *Ordered,* That, effective on Wednesday, April 11, 1956, at the conclusion of routine morning business, during the further consideration of the concurrent resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said concurrent resolution shall be received.
>
> *Ordered further,* That on the question of the final passage of the said concurrent resolution debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said concurrent resolution, allot additional time to any Senator or Senators during the consideration of any amendment, motion, or appeal.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Mr. JOHNSTON of South Carolina. Mr. President, the conference report on the farm bill probably will reach the Senate on either Wednesday or Thursday of this week. The conference report will be a privileged matter, when it is received, will it not?

The VICE PRESIDENT. Yes; it will be a privileged matter, and may be taken up whenever it is received.

Mr. JOHNSTON of South Carolina. I thank the Chair.

The VICE PRESIDENT. Is there objection to the proposed unanimous-consent agreement?

Without objection, the agreement is entered.

HOUR OF MEETING ON WEDNESDAY, APRIL 11

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes on Wednesday next, it convene at 11 o'clock a. m.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to state that it is the intention of the leadership on both sides of the aisle to have our action on the unfinished business, the concurrent resolution relating to a Joint Committee on Central Intelligence, concluded at an early hour on Wednesday, perhaps at 1:30 or 2 p. m. If the House adopts the conference report on the farm bill by that time, it is the intention of the leadership to have action on the pending concurrent resolution followed immediately by the consideration of the conference report on the farm bill, and to have the Senate remain in session until late that evening, if necessary, in order to try to dispose of that measure.

Mr. DOUGLAS. Mr. President——

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Illinois.

Mr. DOUGLAS. Let me ask the eminent majority leader what his plans are in regard to taking up the so-called bank-holding bill.

Mr. JOHNSON of Texas. At the moment we have no plans in regard to that bill. The distinguished chairman of the subcommittee handling that measure is in Yugoslavia. I called him this morning, to see whether that measure could be brought up today. But until he returns—and I am not informed when he will be ready to have that measure brought before the Senate—I cannot make any definite announcement in that regard. I shall inform my friend, the Senator from Illinois, as soon as the Senator from Virginia [Mr. ROBERTSON] returns, and we can ascertain the schedule from him.

Mr. DOUGLAS. I thank the Senator from Texas.

SENATOR FROM SOUTH CAROLINA

Mr. JOHNSTON of South Carolina. Mr. President, I have before me the credentials of the Honorable THOMAS A. WOFFORD, Senator-designate from the State of South Carolina. The credentials are signed by the Governor of our State, the Honorable George Bell Timmerman, Jr. I send the credentials to the desk.

The VICE PRESIDENT. The credentials will be read.

The credentials were read by the legislative clerk, and ordered to be placed on file, as follows:

STATE OF SOUTH CAROLINA,
EXECUTIVE OFFICE,
Columbia.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of South Carolina, I, George Bell Timmerman, Jr., the Governor of said State, do hereby appoint, effective April 5, 1956, the Honorable THOMAS A. WOFFORD a Senator from said State to represent said State in the Senate of the United States until the vacancy therein caused by the resignation of the Honorable Strom Thurmond is filled by election, as provided by law.

Witness: His Excellency our Gov. George Bell Timmerman, Jr., and our seal hereto affixed at Columbia, this 20th day of March, the year of our Lord nineteen hundred fifty-six.

GEORGE BELL TIMMERMAN, Jr.,
Governor.

By the Governor:
[SEAL] O. FRANK THORNTON,
Secretary of State.

The VICE PRESIDENT. If the Senator-designate will present himself at the desk, the oath of office will be administered to him.

Mr. WOFFORD, escorted by Mr. JOHNSTON of South Carolina, advanced to the Vice President's desk; and the oath of office prescribed by law was administered to him by the Vice President, and was subscribed by the new Senator.

[Applause, Senators rising.]

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour there be a 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. Doc. No. 110)

A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, in the amount of $752,779, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

AVAILABILITY OF EMERGENCY CREDIT TO FARMERS AND STOCKMEN

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen (with an accompanying paper); to the Committee on Agriculture and Forestry.

Amendment of Commodity Credit Corporation Charter Act

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Commodity Credit Corporation Charter Act (with an accompanying paper); to the Committee on Agriculture and Forestry.

Report on Overobligations of Appropriations

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law a report on overobligations of appropriations (with accompanying papers); to the Committee on Appropriations.

Report on National Industrial Reserve

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on the National Industrial Reserve, dated April 1, 1956 (with an accompanying report); to the Committee on Armed Services.

Exchange of Certain Lands With Commonwealth of Puerto Rico

A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation to authorize the exchange of lands at the United States Naval Station, San Juan, Puerto Rico, between the Commonwealth of Puerto Rico and the United States of America (with an accompanying paper); to the Committee on Armed Services.

Report on Contracts for Research and Development Work

A letter from the Deputy Assistant Secretary of Defense, Supply and Logistics, reporting, pursuant to law, that during the 6 months from July 1, 1955, through December 31, 1955, no new contracts were negotiated for research and development work; to the Committee on Armed Services.

Amendment of Federal Civil Defense Act of 1950, Relating To Payment of Travel Expenses and Per Diem Allowances

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting a draft of proposed legislation to amend further the Federal Civil Defense Act of 1950, as amended, to authorize the Administrator to pay travel expenses and per diem allowances to trainees in attendance at the National Civil Defense Staff College, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

Report of Board of Governors of Federal Reserve System

A letter from the Chairman, Board of Governors, Federal Reserve System, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the year 1955 (with an accompanying report); to the Committee on Banking and Currency.

Report of Small Business Administration

A letter from the Administrator, Small Business Administratión, Washington, D. C., transmitting, pursuant to law, a report of that Administration, for the period July 1-December 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

Report of National Capital Planning Commission

A letter from the Acting Chairman, National Capital Planning Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the fiscal year 1955 (with an accompanying report); to the Committee on the District of Columbia.

Reports on International Educational Exchange Program

A letter from the Secretary of State, transmitting, pursuant, to law, a report on the international educational exchange program, Department of State, for the period January 1–June 30, 1955 (with an accompanying report); to the Committee on Foreign Relations.

A letter from the Secretary of State, transmitting, pursuant to law, a report on the international educational exchange program, for the calendar year 1955 (with accompanying papers); to the Committee on Foreign Relations.

Amendment of Federal Register Act, Relating to Certain Public Notices

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States (with accompanying papers); to the Committee on Government Operations.

Audit Report on Alaska Railroad

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Alaska Railroad, Department of the Interior, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

Report on Little Wood River Project, Idaho

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report on the Little Wood River project, Idaho (with accompanying papers); to the Committee on Interior and Insular Affairs.

Final Proof of Settlement on Unsurveyed Public Land in Alaska

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Conveyance of Homestead Allotments to Indians or Eskimos in Alaska

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the conveyance of homestead allotments to Indians or Eskimos in Alaska (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Amendment of Section 1343 of Title 18, U. S. Code, Relating to Fraud by Wire, Radio, or Television

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

Report on Backlog of Pending Applications and Hearing Cases

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of February 29, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Report of Pacific Marine Fisheries Commission

A letter from the Chairman, Pacific Marine Fisheries Commission, Portland, Oreg., transmitting, pursuant to law, a report of that Commission, for the year 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Report of Proceedings of Annual Meeting of Judicial Conference

A letter from the Chief Justice of the United States, Washington, D. C., transmitting, pursuant to law, a report of the proceedings of the annual meeting of the Judicial Conference of the United States, held at Washington, D. C., September 19–20, 1955 (with an accompanying report); to the Committee on the Judiciary.

Report on Payment of Claims Arising From Correction of Military or Naval Records

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on the payment of claims arising from the correction of military or naval records, for the period July 1 through December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

Proposed Bipartisan Commission on Civil Rights—Additional Assistant Attorney General

A letter from the Attorney General, transmitting drafts of proposed legislation to establish a Bipartisan Commission on Civil Rights in the Executive Branch of the Government, and to provide for an additional Assistant Attorney General (with accompanying papers); to the Committee on the Judiciary.

Report of Director of Administrative Office, United States Courts

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting, pursuant to law, his annual report, for the fiscal year 1955, together with the reports of the annual and special meetings of the Judicial Conference of the United States, held in 1955 (with an accompanying report); to the Committee on the Judiciary.

Report of Directors of Federal Prison Industries

A letter from the Secretary, Federal Prison Industries, Inc., Department of Justice, transmitting, pursuant to law, a report of the Directors of the Federal Prison Industries, Inc., for the fiscal year 1955 (with an accompanying report); to the Committee on the Judiciary.

Temporary Admission Into the United States of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

Admission Into the United States of Certain Alien Defectors

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain alien defectors (with accompanying papers); to the Committee on the Judiciary.

Admission of Displaced Persons—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Nikola Mirko Vujosevic or Vujosevich from a report transmitted to the Senate on May 18, 1955, pursuant to section 4 of the Displaced Persons Act of 1948, as amended, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

Suspension of Deportation of Certain Aliens—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Tang Tsou from a report relating to aliens whose deportation had been suspended, transmitted by him to the Senate on August 1, 1955 (with an accompanying paper); to the Committee on the Judiciary.

Suspension of Deportation of Certain Aliens

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

Granting of Applications for Permanent Residence Filed by Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

Expansion of Teaching and Research in Education of Mentally Retarded Children

A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies (with accompanying papers); to the Committee on Labor and Public Welfare.

Conformation of Appointment and Compensation of Chief Legal Officer, Post Office Department

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to conform the appointment and compensation of the chief legal officer of the Post Office Department to the method of appointment and rate of compensation provided for comparable positions, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

Report of National Society, Daughters of the American Revolution

A letter from the secretary, National Society of the Daughters of the American Revolution, transmitting, pursuant to law, a report of that society, for the year ended April 1, 1955 (with an accompanying report); to the Committee on Rules and Administration.

Disposition of Executive Papers

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Senate Joint Resolution 2

"Joint resolution memorializing Congress to enact legislation and appropriate moneys as proposed in H. R. 4446, a bill to provide assistance to the States in the construction, modernization, additions, and improvements of domiciliary and hospital buildings of State veterans' homes by a grant to subsidize, in part, the capital outlay cost

"Whereas there is an alarming shortage of hospital and domiciliary beds in California provided by the United States Veterans' Administration for veterans of all wars;

"Whereas the ever-increasing migration of veterans into California from every State in the Nation has brought here hundreds upon hundreds of thousands of veterans; and

"Whereas the veterans population of California stands today as one of if not the largest in the United States; and

"Whereas the Federal Government has recognized assistance given by the States in their care for thousands of disabled war veterans through Federal aid subsidies in part payment for day-by-day operating expenses to maintain establishments for the care of such veterans; and

"Whereas a master-building program of the Veterans' Home of California ultimately will provide hospital and domiciliary beds for 3,300 disabled California veterans; and

"Whereas the construction of four new buildings containing 800 beds for such purposes will be urgently needed in the next few years; and

"Whereas financial assistance in part will be needed from the Federal Government for construction of these buildings: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the legislature of this State respectfully memorializes the Congress of the United States to enact legislation and appropriate moneys as proposed in H. R. 4446, 84th Congress, 1st session, introduced by the Honorable GEORGE P. MILLER, Congressman, Eighth District, California, which provides States with Federal aid in part for construction, modernization, additions, and improvements of State-operated soldiers' homes; and be it further

"*Resolved*, That copies of this resolution be forwarded to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Administrator of the Veterans' Affairs, and to each Senator and Representative from California in the Congress of the United States."

Three joint resolutions of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 4

"Joint resolution relative to the enactment of Federal highway legislation

"Whereas the California Legislature at its 1955 session adopted Senate Joint Resolution No. 28, California 1955 Statutes, Chapter 126 of Resolutions, relative to the enactment of Federal highway legislation; and

"Whereas the Congress has not, up to this time, enacted such Federal highway legislation; and

"Whereas there is now pending before the Congress legislation pertaining to the highways of the Nation, which, if enacted by the Congress, will be of great importance to California, not only as to that portion of the national system of interstate highways but to all other public highways in California: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California (jointly)*, That the Congress of the United States is memorialized to enact legislation at the current session for the completion of the system of interstate highways, without interfering with the orderly allocation of funds to the other systems of Federal-aid highways, and that such legislation should recognize the principles set forth in Senate Joint Resolution No. 28, giving particular emphasis to:

"1. That the formula for the allocation of funds among the various States for the improvement of the system of interstate highways should be based upon the cost of completing the system in each State, as related to the cost of completing the entire national system.

"2. That any provision for credit by reason of the previous completion or toll financing of any portion of the national system be subordinated to the completion of the entire system and that if credit is to be given to any State therefor, such credit be considered as a portion of the allocation to such State under the above formula.

"3. That in formulating such legislation the Congress give due consideration to the experience and demonstrated ability of the States to perform highway work under existing Federal and State law and procedures that have been promulgated thereunder; and be it further

"*Resolved*, That copies of this resolution and copies of Senate Joint Resolution No. 28, California 1955 Statutes, Chapter 126 of Resolutions, be transmitted to the President of the United States, the Vice President of the United States, the chairmen of the appropriate committees of the Congress, and to each Senator and Representative from the State of California."

"Senate Joint Resolution 28

"Joint resolution relative to the enactment of Federal highway legislation

"Whereas the President of the United States has placed before Congress the matter of the improvement of the roads, streets, and highways throughout the Nation, giving special emphasis from the standpoint of national defense to the rapid completion of the Interstate System of Highways; and

"Whereas there are now numerous bills pending before the Congress relating to the improvement of the Federal aid systems of highways; and

"Whereas the Interstate System is now recognized by Federal law as including 40,000 miles of highways throughout the United States but at the present time only 37,600 miles have been designated as being on said system, it being understood that that portion of said remaining 2,400 miles which will be allocated to California will comprise circumferential and other connecting routes in metropolitan areas; and

"Whereas that portion of the Interstate System located within California includes highways most seriously deficient from the standpoint of traffic volumes, traffic safety, and structural inadequacy; and

"Whereas the completion of the Interstate System from Federal funds would permit the more rapid correction of the remaining deficiencies on the public streets and highways in California: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Congress of the United States is memorialized to enact legislation for the completion of the Interstate System within the shortest feasible period of time, and that such legislation should recognize the following principles:

"1. That the provisions for the Federal financing of the Interstate System should permit long-range planning, to the end that the system can be completed as rapidly as possible and as a free system of highways.

"2. That the program for improving the Interstate System should not interfere with the orderly allocation of funds for the other Federal-aid systems of highways.

"3. That the formula for the allocation of additional funds among the various States for improvement of the Interstate System should be based upon the needs for improvement of that system in the various States, and that such formula should be made definite and certain, so that the various States may plan and construct said Interstate System as rapidly as possible in an orderly manner.

"4. That the provisions requiring States to match Federal funds for the improvement of the Interstate System should not require a greater outlay by the States for such system than was required in amount to match the 1956 allocations for that system under the 1954 Federal Highway Act.

"5. That the preparation of the plans and specifications of projects, their priority, and the handling of the construction work be substantially as has previously been provided under existing Federal-aid legislation.

"6. That if credit is to be given to any State by reason of the previous completion or toll financing of any portion of the Interstate System, the legislation be so drafted that such credits be taken into consideration in computing the allocation formula, so that no delays will result while such credits are being computed; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the chairmen of the appropriate committees of the Congress, and to each Senator and Representative from the State of California."

"Assembly Joint Resolution 4

"Joint resolution relative to the enactment of Federal highway legislation

"Whereas the California Legislature at its 1955 session adopted Senate Joint Resolution No. 28, California 1955 Statutes, chapter 126 of resolutions, relative to the enactment of Federal highway legislation; and

"Whereas the Congress has not, up to this time, enacted such Federal highway legislation; and

"Whereas there is now pending before the Congress legislation pertaining to the highways of the Nation which, if enacted by the Congress, will be of great importance to California, not only as to that portion of the National System of Interstate Highways but to all other public highways in California: Now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California (jointly)*, That the Congress of the United States is memorialized to enact legislation at the current session for the completion of the National System of Interstate Highways, without interfering with the orderly allocation of funds to the other systems of Federal-aid highways, and that such legislation should recognize the principles set forth in Senate Joint Resolution No. 28, giving particular emphasis to:

"1. That the formula for the allocation of funds among the various States for the improvement of the National System of Interstate Highways should be based upon the cost of completing the system in each State, as related to the cost of completing the entire national system.

"2. That any provision for credit by reason of the previous completion or toll financing of any portion of the national system be subordinated to the completion of the entire system and that if credit is to be given to any State therefor, such credit be considered as a portion of the allocation to such State under the above formula.

"3. That in formulating such legislation the Congress give due consideration to the experience and demonstrated ability of the States to perform highway work under existing Federal and State law and procedures that have been promulgated thereunder; and be it further

"*Resolved*, That copies of this resolution and copies of Senate Joint Resolution No. 28, California 1955 Statutes, Chapter 126 of Resolutions be transmitted to the President of the United States, the Vice President of the United States, the chairmen of the appropriate committees of the Congress, and to each Senator and Representative from the State of California."

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"Senate Joint Resolution 1

"Joint resolution relative to the 'Status of Forces Treaty'

"Whereas on June 19, 1951, the parties to the North Atlantic Treaty, including the United States, entered into an agreement commonly referred to as the 'Status of Forces Treaty,' which was ratified by the Senate of the United States on July 15, 1953; and

"Whereas, this agreement confers on each of the contracting nations criminal jurisdiction over the military personnel of the other contracting nations stationed in the former; and thus permits American military personnel accused of crime to be tried in the courts and according to the laws of other countries; and

"Whereas, in many countries where American military personnel are stationed the law does not provide the same safeguards as are provided by the courts of this country, including such fundamental requirements of due process as a full statement of the specifications of the crime alleged, right to bail, presentation to the grand jury in all serious cases, fair trial by an unbiased judge and jury, confrontation of witnesses, presumption of innocence, and entitlement to counsel; and

"Whereas foreign military personnel stationed in this country would under the agreement be placed in a better position than our servicemen since they would be entitled to the safeguards mentioned, indicating that the agreement is not truly reciprocal; and

"Whereas there is no justification whatever for this country continuing such an arrangement that is so unfair and unjust to those who are making the greatest sacrifices to serve the Nation and who are entitled to the full protection of our Government; Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Members of the Legislature of the State of California take this means to indicate their dissatisfaction with the so-called 'Status of Forces Treaty,' and to urge the Federal Government to terminate that agreement at the earliest possible time; and be it further

"*Resolved*, That the Secretary of the Senate be hereby directed to transmit suitably prepared copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of State of the United States, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Finance:

"Concurrent resolution memorializing Congress to institute proceedings to evaluate the Federal fiscal policy and taxing power as it affects the three levels of goverenment, and to effectuate such evaluation by the calling of a constitutional convention to consider same

"Whereas the people and the General Assembly of South Carolina have voted to increase substantially outlays and taxes in South Carolina for our public schools and other needed projects which it is the exclusive responsibility of the State to provide; and

"Whereas greater sums will be necessary to meet pressing needs; and

"Whereas with the increase and extension of the scope and magnitude of Federal taxation there is a resulting diminution of revenue sources available to the State and a consequent diminution of revenue sources of remaining to local governments; and

"Whereas it is obvious that the people of the United States are confronted with a financial crisis, unparalleled in history, with our future form of government turning on the decision as to how to finance these vital State and local functions from State and local revenues as they should be under our form of government; and

"Whereas the time has now come for Congress to face this problem realistically and to recognize that an evaluation must be made of the Federal fiscal policy and taxing power and the effect thereof upon the three levels of government; and to this end, Congress should initiate such a study by the creation of a joint and representative body which will be vested with the authority and duty to consider and make such recommendations as may be necessary to preserve State sovereignty in this respect, including the consideration, should such be deemed necessary, of an appropriate constitutional limitation upon the Federal taxing power; and

"Whereas Congress should then effectuate said recommendations to propose such constitutional amendments as may be deemed necessary or by the proposal of an amendment embodying said recommendations to be submitted to the States for ratification: Now, therefore, be it

"*Resolved by the senate (the house of representatives concurring)*:

"1. That the Congress of the United States is hereby respectfully petitioned to institute a study of the Federal taxing power and fiscal policy as they affect each level of government, by the creation of a joint and representative body which will include in its consideration the propriety of a constitutional limitation upon the Federal taxing power in order to preserve State sovereignty.

"2. That the findings and recommendations of such a body by proposing such constitutional amendments as may be deemed necessary and appropriate or by the proposing by Congress of an appropriate constitutional amendment for ratification by the States.

"3. That a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate of the United States and the Clerk of the House of Representatives of the United States and to each Senator and Member of Congress from this State."

A concurrent resolution of the Legislature of the State of Pennsylvania; to the Committee on Finance:

"Whereas the increased importation of numerous products that come into competition with the output of factories, farms, and mines of Pennsylvania, replacing the products of Pennsylvania's industries, is a constant menace to the State's continuing economic stability; and

"Whereas the lower wages paid abroad make it impossible for many of our smaller and medium-sized producers to compete with imports without resorting to ruinous price cutting, which in turn would result either in financial losses or heavy pressure for wage reductions and outright unemployment; and

"Whereas our national obligations have reached such extreme proportions that the national income must be maintained at its present unprecedented high level, or close thereto, lest we become insolvent; and

"Whereas unemployment caused by the imports of residual oil, which increased 300 percent from an average of 45 million barrels in 1946, to more than 136 million barrels

in 1954, or the yearly equivalent of 33 million tons of coal; and unemployment caused by imports of crude oil; various types of glass, steel, aluminum, brass, and zinc products; pottery and chinaware; granite, tiles, cement, hardboard, plywood, hardware, plumbing, flat glass, and other building supplies; lace, carpets, and all kinds of woolen, cotton, and synthetic fiber manufactured goods; leather and fabric gloves; bicycles; hydraulic turbines; machine tools and other machinery; heavy electrical equipment and other electrical industry products and electronics; watches, clocks, and parts; optical industry products; cutlery; scientific apparatus; pencils and pens; pins, clips, and fasteners; soft fiber; insulation board and manufactured cork products; chemicals; toys, mushrooms; farm, dairy, and dried-milk products; wallpaper, hats, and millinery; printing industry products; ladies handbags and leather goods; nails, wire, screws, bolts, and nuts and many other commodities; will render the upholding of the economy at its highest levels most uncertain and difficult, unless all import trade is placed on a fair competitive basis and the potential injury therefrom thus eliminated; and

"Whereas agricultural products such as wheat, wheat flour, cotton, butter, cheese, and peanuts enjoy the protection of import quotas; and

"Whereas a maximum of satisfactory trade results from a prosperous domestic economy freed from the threat of a breakdown resulting from unfair import competition: Therefore be it

"*Resolved (if the house of representatives concurs)*, That the General Assembly of the Commonwealth of Pennsylvania hereby memorialize the Congress of the United States that adequate safeguards be provided in tariff and trade legislation, including import quotas, against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition and that the existing trade-agreements legislation be amended accordingly; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Secretary of State, the Secretary of Commerce, the Secretary of Labor, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the Speaker of the House of Representatives, and each Senator and Representatives from Pennsylvania in the Congress of the United States."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolutions memorializing Congress requesting the passage of legislation requiring the Federal Government to defray costs of cleaning, dredging, and widening the Blackstone River channel

"Whereas there is a dire necessity because of floods, hurricanes, and other acts of God to clean, dredge, and widen the Blackstone River channel, particularly that portion of the river in Massachusetts; and

"Whereas the Commonwealth of Massachusetts has been unduly burdened with overwhelming expenses because of said floods, hurricanes, and other acts of God; and

"Whereas the defraying by the Federal Government of the costs of such improvements would be of inestimable benefit to the inhabitants of the Blackstone Valley in particular, and to all of the inhabitants of the Commonwealth, in general; and

"Whereas such improvements are a normal and natural function of the Federal Government: Therefore, be it

"*Resolved*, That the General Court of Massachusetts urges the Congress of the United States to pass necessary legislation defraying such costs; and be it further

"*Resolved*, That the State secretary send copies of these resolutions to the President of the United States, to the presiding officer of each branch of Congress, to the Members thereof from this Commonwealth, and to the Chief Engineer of the War Department."

A resolution of the Senate of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"Resolutions memorializing the Congress of the United States to grant certain aid to Israel and to implement the joint declaration of the United States, Great Britain, and France guaranteeing the peace and security of Israel

"Whereas the Governments of the United States, Great Britain, and France by a tripartite declaration have guaranteed territorial integrity of the State of Israel; and

"Whereas certain Arabian countries by the acceptance of arms from Communist countries have provided the Soviet Union with the opportunities to advance Communist influence in the Middle East; and

"Whereas the influx of arms into Arabian countries disturbs the military balance of power in the Middle East, and thereby threatens the peace of the world; and

"Whereas the United States has recently shipped tanks to Saudi Arabia in direct violation of the declared United States policy of discouraging an arms race in the Middle East; and

"Whereas the State of Israel has requested from the State Department of the United States permission to purchase certain arms and supplies in order to meet the threat of certain Arabic countries, which request has not been acted upon after a period of 4 months from the time of such request: Therefore be it

"*Resolved*, That the Massachusetts Senate respectfully urges the Congress of the United States to take immediate action to insure the discouragement of a potential arms race in the Middle East; that the United States authorize the sale of arms and supplies to Israel in order to provide for the security of Israel and to establish a balance of military power between Israel and the Arab nations; that further shipment of arms to Arab nations be prohibited; and that steps be taken to enforce the provisions of the tripartite declaration of the United States, Great Britain, and France, thereby insuring the territorial integrity of the State of Israel, and that such action be taken as may best promote peace between Israel and the Arab countries and throughout the Middle East; and be it further

"*Resolved*, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the United States Secretary of State, to the Presiding Officer of each branch of the Congress of the United States and to each Member thereof from this Commonwealth."

A resolution adopted by the Board of Supervisors, Erie County, Buffalo, N. Y., relating to retirement benefits for certain persons; to the Committee on Finance.

A telegram in the nature of a petition from the Uniontown, Pa., chapter, Order of Ahepa, signed by William Gregory, president, embodying a resolution adopted by that organization, favoring self-determination by the people of Cyprus; to the Committee on Foreign Relations.

A resolution adopted at a public assembly held at St. George Greek Orthodox Memorial Parish House, Springfield, Mass., relating to self-determinatian of Cyprus; to the Committee on Foreign Relations.

A resolution adopted by the Florida Junior Chamber of Commerce, at Tallahassee, Fla., favoring the widespread dissemination of the recommendations and findings of the Commission on Organization of the Executive Branch of the Government; to the Committee on Government Operations.

A letter, in the nature of a petition, from the San Jose Chamber of Commerce, San Jose, Calif., signed by Russell E. Pettit, manager, favoring the continuance for 2 years of the Advisory Committee on Weather Modification; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by Pastorius Unit 38, Steuben Society of America, Philadelphia, Pa., favoring a complete return of privately owned German and Japanese property; to the Committee on the Judiciary.

A resolution adopted by the Florida Junior Chamber of Commerce, at Tallahassee, Fla., favoring a proclamation that all election days be patriotic holidays for the purpose of displaying the American flag; to the Committee on the Judiciary.

Resolutions adopted by the Lima, Ohio, Traffic Club, member of the Associated Traffic Clubs of America; to the Committee on the Judiciary.

A telegram, in the nature of a petition, signed by Mr. B. S. Williams, of Atlanta, Ga., favoring the enactment of legislation to create the office of Second Vice President of the United States; to the Committee on the Judiciary.

A statement adopted by the general executive board of the United Electrical, Radio and Machine Workers of America, relating to the so-called manifesto of southern Congressmen; to the Committee on the Judiciary.

A resolution adopted by the California Highway Commission, Sacramento, Calif., favoring the enactment of legislation to complete the national system of interstate highways; to the Committee on Public Works.

A resolution adopted by the New York chapter, American Institute of Architects, New York, N. Y., protesting against any alteration of the east front of the Capitol Building in Washington, D. C., to the Committee on Public Works.

A resolution adopted by Columbus Council 126, Knights of Columbus, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treaty-making power; ordered to lie on the table.

By Mr. HAYDEN:

A joint resolution of the Legislature of the State of Arizona; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 3

"Joint memorial requesting the Arizona congressional delegation to initiate legislation in the Congress of the United States stabilizing the financial features of the program for the education of Indian children within this State

"To the Honorable Carl Hayden and the Honorable Barry M. Goldwater, Members of the Senate of the United States; and the Honorable John J. Rhodes and the Honorable Stewart L. Udall, Members of the House of Representatives of the United States:

"Your memorialist respectfully represents:

"The people of the State of Arizona are concerned about the education of Indian children in the public schools of the State.

"In view of the total Indian population of some 70,000 and the anticipated increase in the number of Indian children of school age, and the tremendous amount of land held in trust for the Indian people and which is exempt from State and local taxation, the Federal Government must continue to bear a very substantial part of the cost of integrating the Indian children in the public schools of the State.

"We are aware that the Federal Government has recognized, at least for the time being, that this financial responsibility is theirs.

"We are concerned, however, and rightfully so, over the possibility that the entire financial burden may at any time be shifted to the taxpayers of the State.

"We are justified in this concern because of the recent negotiation of contracts for the integration of Indian children in our school system. These contracts obligate the school districts of the State to accept such children over a period of 20 years; yet the contracts declare, insofar as the Federal Government is concerned, that the life of the contracts depends on the availability of Federal funds.

"The State and the school districts should not be subjected to this uncertainty.

"Hence, we request that you initiate legislation which will insure, as far as is reasonably possible, to this State the continued Federal responsibility for the education of Indian children over the 20-year contractual period now embodied in such contracts."

A resolution of the House of Representatives of the State of Arizona; to the Committee on Labor and Public Welfare:

"House Memorial 9

"Memorial requesting the Congress of the United States to enact legislation extending the provisions of the Bacon-Davis Act as set forth in the provisions of sections 276a through 276a–5, title 40, United States Code annotated

"*To the Congress of the United States:*

"Your memorialist respectfully represents:

"It appears that the United States Government may in the near future undertake a huge program of highway construction and a school building-construction program throughout the United States. Moreover, the development of these programs will undoubtedly require the employment of thousands of wage earners in each of the 48 States by contractors who are the successful bidders for the particular work to be performed.

"In view of these circumstances it is important to the economy of our country and for purposes of equity that persons employed be paid wages based on the prevailing wage for corresponding types of work in the geographical area where the work is being performed.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"1. That the Congress of the United States enact legislation extending the provisions of sections 276a through 276a–5, title 40, United States Code annotated, known as the Bacon-Davis Act.

"2. The Bacon-Davis Act as now constituted prescribes that the prevailing wages shall be paid to persons employed in constructing, repairing or altering public buildings or public works. The members of the House of Representatives urge that the Bacon-Davis Act be extended to apply in an equal manner to highway construction and school-building programs."

(The VICE PRESIDENT laid before the Senate a resolution of the House of Representatives of the State of Arizona identical with the foregoing; which was referred to the Committee on Labor and Public Welfare.)

A resolution of the House of Representatives of the State of Arizona; to the Committee on Interior and Insular Affairs:

"House Memorial 13

"Memorial requesting Congress to create a program for the rehabilitation of the Papago Tribe of Indians for the protection and better utilization of the resources of the tribe

"*To the Congress of the United States:*

"Your memorialist respectfully represents:

"The Papago Tribe of Indians, of about 8,000 population, is located on the second largest reservation in the United States, comprising over 2,500,000 acres of desert and mountainous land in southern Arizona. The area, although vast in size, has few known resources. This tribe, because of conditions beyond its control, is in dire need of assistance from the Federal Government.

"A major need of this tribe of Indians is more adequate educational facilities and opportunities. At present the reservation has only 6 Government schools to provide education for about 1,250 children. Some of the schools teach only through the sixth grade; others go to the eighth grade; and only one, the Sells Consolidated School, has a ninth grade. In addition 5 Catholic mission schools serve about 350 children. Some of these schools receive Federal assistance because there are no Government-supported schools near enough so that children in these areas can be served by Government buses. Distances from Papago communities to a Government school are, in some cases, 20 miles. There are no opportunities for Papago children to attend high school on the reservation, and opportunities for the Papagos to attend college anywhere are limited, as is true for all Indians throughout the Western United States.

"While medical facilities have been expanded since the United States Public Health Service assumed the responsibility for the Papago medical program in July 1955, much remains to be done to improve the tragic and deplorable Papago health situation. There are no obstetrical facilities on the entire reservation. It is estimated by the Bureau of Indian Affairs that the life expectancy at birth for a reservation Papago is about 20 years and that 1 infant out of every 4 dies during the first year. This infant mortality rate is the worst in the United States.

"A hospital at Sells to replace the one which burned in 1947 is essential. The present necessity of removing sick persons to distant hospitals in Tucson and Phoenix remains as one of the principal barriers to the Papagos accepting modern medicine. Also there is no tuberculosis sanatorium on the entire reservation and the death rate from this disease is about seven times greater than the average throughout the rest of the United States. Another basic health need is the establishment of more field clinics. At present there are only 3 clinics on the entire reservation to care for all the Papagos, 1 at Sells, 1 in Santa Rosa, and 1 in the isolated village of Pisinimo. This last-mentioned clinic, built by the Papago villagers themselves, is an indication of how desperately field clinics are needed on this reservation. These three field clinics are not staffed by doctors, being visited at intervals only by a doctor.

"The Papago Indian Reservation, located in an extremely arid region, has insufficient wells for both stock water and domestic purposes, an average of only about one well per village. While domestic water storage has been improved during the past year, there are still villages where the only sources of drinking water are open ponds and stock tanks. This water, used for household purposes without boiling, is a major health hazard on the reservation.

"Nor does the irrigation problem stand in any better light. There are only about 15,000 acres or less than one-half of 1 percent of the total reservation area, which are irrigable land. This small amount can support at best only about 200 families of the 1,200 families living on the reservation. Additional farmland can be developed only if additional deep wells are drilled.

"The poverty of the reservation makes it necessary that many members of this tribe must seek all or part of their livelihood away from it. Annually, over half of the families move off the reservation for work in the mines and agricultural fields of southern Arizona. However, at present no effort is being made to deevlop this Papago effort to attain economic self-sufficiency. Moreover, this migration results in many children being taken out of school and permitted to work in the fields in violation of the child-labor laws.

"At present, the only Federal program for the development of Papago workers is directed toward relocating them in distant urban areas. Under this high-cost program other States get our best Papago citizens and Arizona is left with many economic-problem cases. Relatively large numbers return to the reservation, some with severe social maladjustments as the result of their experiences. Thus the relocation program is now a detriment to Arizona and there is need of modification of same to a more local program. Federal assistance is needed to assist additional Papagos to find work in agriculture, mining, construction, and industry in areas reasonably near to the reservation. This, together with a program of adult and vocational education, including classes to learn to read, write, and speak English, so that those already employed can be upgraded, would go far toward helping solve these important social and economic problems.

"Any of the above circumstances would of itself be sufficient to justify immediate action by the Federal Government; taken in concert the situation of the Papago is desperate beyond human conception. They underlie fundamental social, economic, and health problems which will become increasingly serious and difficult to cope with if not met comprehensively now.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, respectfully prays:

"1. That, although Congress saw fit to close the Papago Reservation to mineral entry, thus undoing an injustice of long standing, for which the citizens of Arizona, both Indian and non-Indian, are grateful, their mineral resources are of no value to these poverty-stricken Papagos as long as they remain undeveloped.

"2. That a survey of the mineral potential of the Papago Reservation be made; that since the tribe has no funds for this survey, Federal funds be made available therefor.

"3. That sufficient funds be appropriated by Congress to create and make effective a comprehensive rehabilitation program to promote the economic and social development of the Papago Indians, such comprehensive program to include:

"(a) An education survey of the reservation to determine exact needs; enough elementary schools on the resarvation to permit a choice between Federal and church schools; funds for construction of dormitories in towns adjacent to the reservation to afford Papago children the opportunity to attend junior and senior high schools, and also the opportunity to attend colleges off the reservation.

"(b) Funds for rigid enforcement of child-labor laws and school-attendance laws.

"(c) Efforts to integrate Papagos into the off-reservation economic life of the State since not all can support themselves on the reservation; funds for surveys of the Papago labor potential, and to provide a special Papago placement program in Arizona which would serve as an alternative to the highly expensive Federal out-of-State relocation program; also a comprehensive program of adult and vocational education, including classes to learn to read, write, and speak English so that Papagos can improve their place among the State's workers.

"(d) A 50-bed general hospital is needed at Sells, staffed with sufficient doctors, dentists, nurses, sanitarians, and health educators; a department in said hospital to maintain vital statistics; also the construction of a number of small clinics in the major Papago communities, to be staffed with medical personnel to administer to the health heeds of the Papagos and win their confidence through personalized services.

"(e) More wells for household, stock, and irrigation purposes.

"(f) A revolving credit fund to provide development capital to enable small businesses, mines, and agricultural developments

to be started by the Papagos on the reservation.

"(g) More all-weather roads and market-access roads.

"(h) Range-improvement measures.

"(i) Large-scale survey of all reservation economic resources.

"(j) In general to provide facilities, employment, and essential services in combating hunger, disease, poverty, juvenile delinquency, and demoralization among members of the tribe; to make available the resources of the reservation for use in building up a self-supporting economy and self-reliant communities; and to lay a stable foundation upon which the Papagos can engage in diversified economic activities and ultimately attain standards of living comparable to those enjoyed by other citizens of the State of Arizona and the United States of America."

The VICE PRESIDENT laid before the Senate a resolution of the House of Representatives of the State of Arizona identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.

RESOLUTIONS PREPARED BY KANSAS SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. SCHOEPPEL. Mr. President, the Daughters of the American Revolution will be holding their annual convention next week in the Capital of the United States. In preparation for that convention, the Kansas Society of the Daughters of the American Revolution have prepared a set of resolutions, which have been forwarded to me. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF THE KANSAS SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

AMERICAN HISTORY MONTH

Whereas a true appreciation of American history is important to good citizenship and a bulwark against the infiltration of alien ideologies; and

Whereas a renewed and increased appreciation of great lessons drawn from studying the history of our county creates increased spiritual strength and wisdom; and

Whereas certain youth groups have become special targets of internationalism, one such well known youth organization having designated February as "International Month": Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution urge its chapters to designate February as "American History Month" and urge the Governor of the State of Kansas and city mayors to officially declare February as "American History Month" to help build a durable heritage of faith, fortitude, and righteousness for future generations.

PATRIOTISM IN EDUCATION

Whereas national security depends upon the character of our citizens and a knowledge of the fundamental principles upon which the United States Government was established, and also an understanding of the forces working toward its destruction; and

Whereas the "training of our youth today determines the security of our Nation tomorrow" presupposes the necessity of specialized instruction regarding the advantages of our system of government above others in order to build good future citizens and provide for the security of coming generations: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution continue and strengthen its interest in the patriotic education of our youth by the support of laws requiring the teaching of American history, civics and the science of the American form of government in our schools; increased supervision in the selection of instructors and materials used; encouragement of more public meetings for the purpose of increasing interest in patriotic education, and other means for accomplishing the objective stated in this resolution.

UNESCO

Whereas the United Nations Educational, Scientific and Cultural Organization, known as UNESCO, a specialized agency of the United Nations, has declared among other objectionable things that "nationalism is the major obstacle to the development of world mindedness"; and

Whereas said UNESCO is carrying on powerful propaganda through the American school system and otherwise working toward destruction of the form of government established by the Founding Fathers with the thought of promoting a one world pattern and

Whereas UNESCO is a deliberate plan to create public opinion for world citizenship—especially directed to the school children of the Nation and is patterned exactly after the Communist teaching in Soviet Russia: Therefore be it

Resolved, that the 58th annual conference of the Kansas Society of the Daughters of the American Revolution go on record as supporting the action taken by the recent national convention of the American Legion at Miami, Fla., urging Congress to take appropriate action to completely disassociate the United States Government from the UNESCO program.

FEDERAL AID TO EDUCATION

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution, reaffirm their adamant stand for control of education by the people through their States and local communities only and oppose Federal aid to education.

INVESTIGATING COMMITTEES

Whereas we have on previous occasions stated our approval of investigating committees devoted to protecting our country against the invasion of alien ideologies and the operation of subversive forces: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution reaffirm its previous stand in this regard and commend the efforts of those who are exposing subversive activities and request the Congress to appropriate adequate funds for the continuance of the courageous campaign by our duly elected legislators and their staffs.

APPENDIX NINE

Whereas a special report prepared some years ago by the House Committee on Un-American Activities when Representative Martin Dies was chairman, known as Appendix Nine consisting of several volumes, has been for some reason taken out of circulation; and

Whereas said report is known to contain vital information designed to alert the American people to dangers of subversive activities: Therefore, be it

Resolved, That the 58th annual convention of the Kansas Society of the Daughters of the American Revolution urge the Congress of the United States to authorize the reprinting and circulation of this document and appropriate the necessary funds required to complete the project.

THE FBI

Whereas the Federal Bureau of Investigation has by its integrity, courage, intelligent leadership, and loyalty to the principles upon which the Republic was founded, helped insalute the American people against foes of many types and descriptions: Therefore, be it

Resolved, That the 58th annual convention of the Kansas Society of the Daughters of the American Revolution reiterate confidence in the Federal Bureau of Investigation and its able leadership symbolized by the person of Mr. J. Edgar Hoover.

KANSAS COMMITTEE ON UN-AMERICAN ACTIVITIES

Whereas certain States, notably California, have found it advantageous to set up committees on un-American activities to cooperate with various law-enforcement agencies and departments of the Federal Government such as the Federal Bureau of Investigation and the House Committee on Un-American Activities; and

Whereas the people of Kansas need to be kept informed regarding the mechanics and machinations of the Communist apparatus, and also alerted to the dangers of Communist infiltration among non-Communist groups including schools, civic clubs, churches, labor unions, and other bodies: Therefore be it

Resolved, That the 58th annual convention of the Kansas Society of the Daughters of the American Revolution suggest that the Kansas State Legislature explore the possibility and advisability of organizing such a committee in Kansas to function along lines comparable to similar committees now existing in other States.

FEDERAL JURY SYSTEM

Whereas the jury system is a fundamental of the American judicial structure and basic to a free society under law and must therefore be protected; and

Whereas recent attempts have been made to undermine and bring this branch of the judicial system into question and disrepute by secretly planting dictaphones in rooms where jurors were deliberating, thereby eavesdropping on their conversations dealing with the innocence or guilt of persons on trial in open court; and

Whereas Attorney General Herbert Brownell proposed on January 10, 1956, that Congress enact a law prohibiting such activities as being inconsistent with the purposes of the seventh amendment to the Constitution of the United States: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution go on record as condemning said innovations and urge Congress to do everything possible to expedite enactment of the law proposed by Attorney General Brownell.

RIGHT TO WORK

Whereas the Constitution of the United States and the Bill of Rights guarantees to its citizens certain freedoms including the choice of occupation, a fundamental right of the American heritage; and

Whereas totalitarian systems deny their citizens the rights of such choice thereby making those who labor and all others servants of the state: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution recognize and approve the basic right of all Americans to choose their own vocations and at the same time commend those who are trying by legislative processes to preserve and uphold this sacred right.

IMMIGRATION

Whereas the Immigration and Nationality Act, known as the Walter-McCarran Act (Public Law 414) became effective on December 24, 1952; and

Whereas the act has been especially effective in the denaturalization and deportation of criminals and subversives and is operating in the best interests of the American people; and

Whereas pressure is being placed upon Government officials and Congress by certain groups to change this law: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of Daughters of the American Revolution reaffirm its approval of the Walter-McCarran Act and urge all patriotic Americans to resist any change, weakening amendments or private bills which would destroy its effectuality.

REVIEW OF U. N. CHARTER

Whereas the 10th General Assembly of the United Nations passed a resolution on November 21, 1955, which calls for a Review Conference, and the Security Council voted its concurrence on December 15, 1955; and

Whereas a Committee of the Whole has been created to work with the Secretary-General of the United Nations in fixing a time and place for the Conference, its organization and procedure, and said Committee is to report its recommendation to the 12th Assembly in 1957; and

Whereas proponents of world government are seeking to propagandize the American people into support of converting the United Nations in to a world government wherein the sovereignty of our Republic under constitutional government would be destroyed: Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution reaffirm its opposition to world government in any form and urge our Congress to carefully investigate charter review and resist any attempt to convert the United Nations Charter into a world government.

SUPPORTING THE BRICKER AMENDMENT

Whereas treaties shall be the supreme law on the land and the judges in every State shall be bound thereby when two-thirds of the Senators concur; and

Whereas executive agreements may have the same prerogatives; and

Whereas the United States is one of the few nations in which a treaty becomes self-executing automatically; and

Whereas specialized agencies of the United Nations an dother entangling alliances can pose special threats through these treaty-making powers; and

Whereas the supremacy of the United Nations Charter over the United States Constitution has already become an issue in some court cases: Therefore be it

Resolved, That the 58th annual conference, Kansas Society, Daughters of the American Revolution, reaffirm its support and endorsement of the Bricker amendment which provides that no treaty or other international agreement can become internal except through laws enacted by elected representatives of the American people; and be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution reaffirm its request that the United States Senate consider the advisability of further amending the Constitution, so as to require either a majority or two-thirds vote of the entire membership before any treaty can be adopted.

PEACEFUL COEXISTENCE

Whereas the 20th Congress of the Soviet Communist Party recently declared it a part of their global program to work inside the capitalist world under the slogan "peace," with Khrushchev declaring there are only two roads, "peaceful coexistence or war," and at the same time stating that violent revolution is not necessary now to bring about a Socialist state; and

Whereas the Select Committee on Communist Aggression of the House of Representatives concluded that the history of Czechoslovakia is the history of every government that tried to coexist or cooperate with the Communists; and

Whereas the committee further concluded "that peaceful coexistence is a Communist myth which can be attained only through the complete surrender of our free way of life for one of slavery under Moscow-controlled communism"; Therefore be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution support a reexamination of the country's foreign policy by the Congress of the United States that America may not succumb to this poisonous formula of peaceful cooexistence distilled by communism; and be it further

Resolved, That the 58th annual conference call upon our Government and its citizens to heed the warning: "When they shall say peace and safety, then sudden destruction cometh upon them."

WORLD COUNCIL OF CHURCHES

Whereas the World Council of Churches has on its official roster leaders from the Iron Curtain countries, as for example Prof. Josef L. Hromadka, Prague, Czechosolvakia, a member of the executive committee; Dr. Jan Chadaba, of Czechoslovakia, member of the central committee; Dr. Victor Hajek, of Czechoslovakia; synodical senior of the Church of the Czech Brethren, member of the central committee of the World Council; Bishop Janos Peter, of Hungary, delegate to the World Council; and

Whereas such men are exercising a baneful influence on the Christian program through the world and Communists are known to use the church as a cloak to cover their teachings; and

Whereas Paul the Apostle said "Be ye not unequally yoked together with unbelievers; for what fellowship hath righteousness with unrighteousness and what communion hath light with darkness?": Therefore, be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution call upon its members to be alert and protest any contamination of the holy Christian faith which comes to their attention.

REDEDICATION TO RELIGIOUS PRINCIPLES

Whereas by the dispensation of divine grace we are favored to live in a nation founded on a fundamental belief in God; and

Whereas the thought of mankind is today being invaded and poisoned by atheistic philosophies and doctrines designed to destroy faith in the supernatural content of historical and evangelical Christianity, in the name of so-called "liberal theology," the "brotherhood of man," and related teachings: Therefore, be it

Resolved, That the 58th annual conference of the Kansas Society of the Daughters of the American Revolution rededicate itself to continued faith, sincere prayer, steadfast belief in the Bible and greater participation in the field of Christian activities.

Mrs. W. HAROLD HAWKINS,
Chairman.
(Miss) MAUDE B. SKINNER,
Cochairman.

PROTECTION OF DOGS IN THE DISTRICT OF COLUMBIA—LETTER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Peoples Lobby, Inc., of Washington, D. C., signed by Mrs. Charles Edward Russell, president, relating to the protection of dogs in the District of Columbia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *March 27, 1956.*

Hon. WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: S. 2015 and H. R. 6680 protect dogs in the District of Columbia. It may be said that this is but a crumb but will Congress deny us even that crumb? Surely, dogs, the beloved of mankind should have sanctuary someplace, sometime, and where better than the Nation's Capital, now. Can one look into his pet's eyes, the one utterly devoted to him in loyalty, and say, "You must be ruthlessly used as a tortured instrument of student practice." Christianity teachers benevolence and surely that extends to man's best friend. He is an unyielding friend even in dire necessity. Is it enough that he lay down his life for us; must he be also tortured?

God be with you in your effort. And may I say that public opinion is with you. Too long have the various societies fought the good fight alone. Overlooked has been public opinion, the average citizen who though not known as a humanitarian or society member is just as much concerned with the welfare of the dog, man's best friend.

There are many humanitarian groups in the United States organized to allay and prevent the unwarranted suffering visited upon animals. Throughout our land self-sacrificing men and women strive unceasingly to better the lot of these defenseless ones. They devote their time and substance to this praiseworthy work, this Christian endeavor. And their accomplishments dedound to their credit.

They educate the populace in humane endeavors, they provide animal shelters, they rescue stray animals and return them to their proper owners or find new havens for them. They, in a word, instill into our Christian consciousness an appreciation of God's handiwork.

However, when it comes to the point of reducing concern for animals to protective legislation there is an evident record of lack of accomplishment. The failures may be attributed to two patent defects. First, the lack of unity. There is a wide diversity of opinion amongst the various groups as to which action should be taken. There is no united front of all the friends of animals. This, despite the fact that they are all humanitarians and should consider the enactment of any measure of protective legislation as a step forward even though it is not the actual legislation they favored. Second, public opinion has had no voice. The humanitarian groups, after all, are but a segment of our population and as such do not have sufficient impact in the matter of persuading legislators to their viewpoint. The legislator is elected by majority vote and it follows that he will be influenced, in the main, by majority opinion.

Many of the leaders of movements for animal protective legislation in the past are today discouraged and disheartened. They state that attainment of such legislation is impossible. They state, further, that this is not the psychological moment and that the bulk of the people are antagonistic to any corrective legislation.

We sharply disagree with these defeatists. Public opinion is overwhelmingly opposed to the torture of animals. If ours is a Christian Nation, and it is, can any follower of the all-loving Christ fail to display a benevolent, kindly attitude toward God's lesser creatures? It remains for this public sentiment to be vividly portrayed for the benefit

of legislators. This is the most persuasive factor in the consideration of any legislation.

Peoples Lobby, Inc., Washington 6, D. C., is a nonprofit organization chartered for the sole purpose of procurement of protective legislation for animals. It provides a common ground for unity of legislative action by all society members and other humanitarians, combined with the impact of public opinion.

Our officers are: President, Mrs. Charles Edward Russell, Washington, D. C.; vice presidents, Mrs. Alma T. Opal, Washington, D. C.; Mrs. P. O. Chapman, St. Petersburg, Fla.; trustees, Mrs. Frederick Bertram, Tenafly, N. J.; Mrs. Betty B. Ellers, Phoenix, Ariz.; chairman of the board of directors, Charles M. Davis, Washington 6, D. C.; legislative counsel, Hon. J. Hardin Peterson, Lakeland, Fla.; counsel-treasurer, James M. Barrett, Washington, D. C.; secretary, Emory S. Avant, Washington, D. C.

Sincerely yours,
MRS. THERESA H. RUSSELL,
CHARLES EDWARD RUSSELL.
President.

DISCONTINUANCE OF TRAINS CAUSED BY DIVERSION OF MAIL TO TRUCK CARRIERS—LETTER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from E. George Siedle, Assistant Postmaster General, relating to the discontinuance of certain trains caused by the diversion of mail to truck carriers.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POST OFFICE DEPARTMENT,
BUREAU OF TRANSPORTATION,
Washington, D. C., March 29, 1956.

Hon. WILLIAM LANGER,
United States Senate.

DEAR SENATOR LANGER: You, like myself, attended the dinner of the Federation for Railway Progress and heard President Kennedy of the Brotherhood of Railroad Trainmen.

During the course of his remarks Mr. Kennedy made reference to certain Post Office Department transportation activities regarding which he was either mistaken or misinformed. His remarks have since been published in the CONGRESSIONAL RECORD for Friday, March 23, 1956.

Realizing that as a Member of Congress you are vitally interested in the policies and conduct of the postal service, I feel that it is my duty to set the record straight.

Let me point out what Mr. Kennedy said, and show what the actual facts are.

1. Mr. Kennedy stated: "Literally hundreds of passenger trains have been pulled off * * * because the mail has been taken away and awarded to trucks."

The facts are: For the period February 1, 1953, to December 31, 1954 (a typical period), a total of 350 trains were discontinued. Of these, 311 were discontinued because the railroads took positive action to withdraw the trains before any mail was diverted. Only 39 trains were discontinued after mail had been diverted for service or cost reasons.

2. Mr. Kennedy said: "Trucks are obliged to bid against each other as contract carriers, and I am told a very large number of successful bidders have gone broke in their bargain services to the Department."

The facts are: Federal statutes require the Department to award contracts for motor carrier operations to the lowest responsible bidder. Competitive bidding is mandatory. Department records show that less than one-tenth of 1 percent of successful bidders have failed annually.

3. Mr. Kennedy said: "Mail which it (Post Office Department) ships by rail is handled at a profit, and mail by air at a tremendous loss."

The facts are: Since nearly all nonlocal mail is carried by more than one mode of transportation before arrival at destination, it is impracticable to allocate revenues or cost to a single segment of a through movement. For this reason there is no way of determining a "profit" or "loss" on rail movement as against air movement. Revenues and expenses have been allocated, however, as between classes of mail. As shown by our cost ascertainment report, the Department experiences heavy losses on those classes of mail which move by surface means, chiefly by rail. On the other hand, it is on the class of mail which moves principally by air that the Department most nearly breaks even. It is therefore obvious that Mr. Kennedy's statement has no factual basis.

4. Mr. Kennedy said: "Yet, despite this loss, the Post Office Department is engaging in an experiment * * * shipping 3-cent mail between important terminals by air. This action is absolutely illegal except as an experiment."

The facts are: The 3-cent airlift on a nonpriority basis has substantially improved service without added cost to the Department. The legality of the operation was questioned in a suit brought by five principal railroads and it was upheld unanimously by the United States Circuit Court of Appeals in the District of Columbia in a decision rendered in December 1955. The court refused to put any limit on the length of time an experiment may be carried on.

As you are aware, it has always been Post Office Department policy to utilize the speediest available means of transportation. The Department must, therefore, take fullest advantage of the new developments in air and highway transport. This does not mean that we are abandoning railroad service. Far from it. Of a total of $439 million expected to be paid by the postal service to all forms of transportation companies in fiscal year 1956, the railroads will receive an estimated $302 million. This is more than twice as much as will be received by all other forms of transportation combined.

In making changes in transportation, the Department is definitely committed to economy as well as service improvement. In pursuance of this policy the total sum paid out to carriers for postal transportation was reduced from $421 million in fiscal 1953 to $378 million in fiscal 1955 even though the volume of mail increased 8.4 percent.

Since you had Mr. Kennedy's remarks published in the CONGRESSIONAL RECORD, it occurs to me that you would care likewise to have published this letter giving the Post Office Department's side of the story.

Sincerely yours,
E. GEORGE SIEDLE,
Assistant Postmaster General.

RESOLUTIONS OF NORTH DAKOTA RECLAMATION ASSOCIATION, INC.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the North Dakota Reclamation Association, Inc., favoring the enactment of the bill (S. 863) to govern the control, appropriation, use, and distribution of water.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

Whereas it has been the settled rule of law for nearly a century that water rights in Midwestern and Western States are determined by State law, and not otherwise; and

Whereas it has also been the established rule that control and jurisdiction over the waters of streams and rivers have been vested in the several States subject to whatever control the Federal Government has found necessary to exercise in the case of navigable waters in its regulation of navigation under the commerce clause of the United States Constitution; and

Whereas section 210 of the constitution of North Dakota provides that "all flowing streams and natural water courses shall forever remain the property of the State for mining, irrigation, and manufacturing purposes," and section 61–0101 of the North Dakota revised code, as amended, provides that "all waters within the limits of the State belong to the public and are subject to appropriation for beneficial use"; and

Whereas the decision of the Supreme Court of the United States in the recent Pelton case, which virtually divested the State of Oregon of complete jurisdiction over the waters of the Deschutes River, a nonnavigable stream therein, threatens to jeopardize and impair the control of States in granting and adjudicating rights to the beneficial use of the waters of their streams: Now, therefore, be it

Resolved by the North Dakota Reclamation Associatiotn, Inc., in meeting assembled this 3d day of March 1956, That Congress be, and is hereby urged, to definitely and unambiguously recognize the right and jurisdiction of the several States in and to the waters of streams and natural watercourses therein by speedily enacting into law Senate bill 863 proposed by Senator FRANK BARRETT, of Wyoming, and thereby settle for all time, and beyond question, that the control, use, distribution, and appropriation of the waters of streams and rivers is vested in the States, and not otherwise; and be it further

Resolved, That copies of this resolution be sent to Senator FRANK BARRETT, Senator WILLIAM LANGER, Senator MILTON R. YOUNG, Congressman USHER L. BURDICK, and Congressman OTTO KRUEGER.

Mr. LANGER. Mr. President, I ask unanimous consent that another resolution adopted by the North Dakota Reclamation Association, Inc., may be printed in the RECORD. This resolution favors the enactment of legislation providing for the establishment of small irrigation projects in cooperation with the States.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the establishment of small irrigation projects in North Dakota and in other States periodically afflicted by drought on account of variation of rainfall is needed to stabilize the production of crops, particularly feed crops, and thereby stabilize the agricultural economy and promote the welfare of the people therein; and

Whereas it has been conservatively estimated, and in fact demonstrated, that because of the routine of specialized detailed investigation, cross checking of design and division of staff into many categories required by Federal regulations, the cost of small irrigation projects, planned, designed, and constructed by the Federal Government is approximately 30-percent larger than the cost of similar projects planned, designed, and constructed by a State or local governmental unit thereof; and

Whereas some Western and Midwestern States, including North Dakota, maintain engineering staffs which, although not specialized, have professional competence in the field of engineering to adequate investigate, plan, design, and construct small multiple-purpose projects: Now, therefore, be it

Resolved by the North Dakota Reclamation Association, Inc., in meeting assembled this 3d day of March 1956, That the association does hereby recommend and request that Congress enact a bill providing for the establishment of small irrigation projects in cooperation with the States; be it further

Resolved, That copies of this resolution be mailed to Hon. WILLIAM LANGER, North Dakota; Hon. MILTON R. YOUNG, North Dakota; Hon. CLINTON ANDERSON, New Mexico; Hon. RUSSELL LONG, Louisiana; Hon. ALAN BIBLE, Nevada; Hon. FRANK BARRETT, Wyoming; Hon. ARTHUR WATKINS; Utah; Hon. USHER L. BURDICK, North Dakota; Hon. OTTO KRUEGER, North Dakota; Hon. CLAIR ENGLE, California; Hon. WAYNE ASPINALL, Colorado; Hon. LEO O'BRIEN, New York; Hon. A. L. MILLER, Nebraska; Hon. JOHN SAYLOR, Pennsylvania.

GARRISON DAM AND RESERVOIR PROJECT—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Board of County Commissioners, Emmons County, N. Dak., favoring the withdrawal of all restrictions on the completion of the Garrison Dam and Reservoir project.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States, in the Flood Control Act of 1944, authorized the construction of the Garrison Dam in North Dakota to provide urgently needed flood protection, for diversion to the James, Sheyenne, and Souris Rivers for the irrigation of over 1 million acres of land in North and South Dakota, for production of hydroelectric power for rural electrification, municipal and industrial use, for municipal and industrial water supplies, stabilization of stream flows for stream pollution abatement and improved downstream navigation, for restoration of lakes, and for recreation and fish and wildlife conservation, and propagation and other multiple benefits; and

Whereas, through the coordinated efforts of the Corps of Engineers, the United States Bureau of Reclamation, the North Dakota State Water Conservation Commission, and the Missouri Basin Interagency Committee, it has been determined that a maximum operating pool level for the Garrison Reservoir of 1,850 feet (above mean sea level) is the most economical and will insure a realization of the maximum potential benefits by meeting all requirements of water users and, as a result of this determination, the Corps of Engineers have proceeded to plan, design, and construct the facilities for the project for operation at this pool level; and

Whereas adequate measures have been incorporated in the Garrison Dam and Reservoir project plan and designs for the protection of the city of Williston, the Lewis and Clark and Buford-Trenton irrigation projects from any adverse effects caused by reservoir operation at the maximum pool level of 1,850 feet so that there will not be any interference with the normal use of these areas; and

Whereas the operating pool level of 1,850 feet (above mean sea level) of the Garrison Dam project will insure the maximum production of hydroelectric power for rural electrification, irrigation, municipal and industrial use that, according to studies by the Federal Power Commision, the Missouri Basin Interagency Committee and other, will be needed by these users as soon as it is available; and

Whereas the additional power revenues that would be earned by the power facilities at Garrison Dam when the reservoir for that project is operated at a maximum normal operating pool level of 1,850 feet as compared to a lower level are needed to permit the maximum development of irrigation as authorized by the Congress of the United States; and

Whereas the construction of main stem dams on the Missouri River will permit the construction and enhance the feasibility of small irrigation projects below and adjacent to these reservoirs because of the elimination of bank erosion, reduced power costs and flood protection afforded to the lands involved; and

Whereas the diversion of water from the Missouri River into central and eastern North Dakota for irrigation, municipal water supplies, restoration of lakes, stream pollution abatement, and other purposes has been advocated by many people in North Dakota for the past 70 years and a plan under investigation by the United States Bureau of Reclamation to accomplish this diversion by utilizing the waters stored in the Garrison Reservoir has been determined feasible and can be most efficiently accomplished if the Garrison Reservoir is operated at the 1,850-foot pool level; and

Whereas any reduction of the operating pool level of Garrison Reservoir will be a waste of its capacity to store reserve water for irrigation, municipal water supply, hydroelectric power production, and other uses during periods of drought; and

Whereas the Garrison Dam and Reservoir project is now over 80 percent complete and to curtail progress so as to prevent or delay its full utilization by restricting the operation of the reservoir at any elevation below 1,850 feet for flood protection, irrigation, hydroelectric-power production, and other multiple uses would result in major losses of potential benefits to the people of North Dakota and the entire Missouri Basin, and would not be consistent with good conservation practices; and

Whereas the county of Emmons, State of North Dakota, recognizes the need for the complete utilization of water from the Garrison Reservoir in central and eastern North Dakota as provided by the Garrison diversion plan to provide for this county's continued prosperity any economic expansion through the irrigation of large areas which can be accomplished most efficiently and economically if the Garrison Reservoir is operated at a maximum normal pool elevation of 1,850 feet (above mean sea level): Now, therefore, be it

Resolved, That the Board of County Commissioners of the County of Emmons, N. Dak., do hereby petition and request the Congress of the United States to withdraw all restrictions on the completion of the Garrison Dam and Reservoir project to operate at the maximum operating pool level of 1,850 feet (above mean sea level) and to appropriate sufficient funds to enable the Corps of Engineers to proceed with the project at an efficient rate in procurement of real estate for planning and construction of the project; and be it further

Resolved, That copies of this resolution be mailed to the Honorable WILLIAM LANGER, Senator; the Honorable MILTON R. YOUNG, Senator; the Honorable OTTO KRUEGER, Representative; and the Honorable USHER L. BURDICK, Representative.

Dated this 2d day of March 1955 by the board of county commissioners in session.

W. T. GRUNEFELDER,
Chairman, Board of County Commissioners, Emmons County, N. Dak.

Attest:

J. A. ALLENSWORTH,
County Auditor.

RESOLUTION OF SHEYENNE VALLEY ELECTRIC COOPERATIVE, INC., FINLEY, N. DAK.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of directors of the Sheyenne Valley Electric Cooperative, Inc., Finley, N. Dak., protesting against the Hoover Commission proposal relating to the Rural Electrification Administration.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SHEYENNE VALLEY
ELECTRIC COOPERATIVE, INC.,
Finley, N. Dak., March 21, 1956.

Senator WILLIAM LANGER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: The following is a resolution adopted by our board of directors at the March 14 meeting:

"HOOVER COMMISSION PROPOSAL

"Whereas the Rural Electrification Administration was brought into being by an act of Congress in 1935 for the purpose of bringing electricity to the rural people who were not served by the utilities; and

"Whereas in order that electrification in these thinly populated areas would be feasible, the Federal Government, through the Rural Electrification Act, made finances available to the various rural-electric cooperatives at a 2-percent interest rate; and

"Whereas during the existence of rural electrification the United States Treasury has made a profit from the interest paid on the money borrowed for the development of rural electrification; and

"Whereas the records show that the rural electric cooperatives have been self-supporting and have made electricity available to 90 percent of all rural areas; and

"Whereas if the Rural Electrification Administration was abandoned and in its place the Rural Electrification Corporation was set up, the cost of money would greatly increase and work a hardship on all rural electrics: Now, therefore, be it

"*Resolved*, That the board of directors of the Sheyenne Valley Electric Cooperative of Finley, N. Dak., urge the 2 Senators and the 2 Representatives from North Dakota to vigorously oppose the Hoover recommendation in its entirety; and be it further

"*Resolved*, That the 2 Senators and the 2 Representatives do all in their power to support the present Rural Electrification Act that was adopted by the Congress of the United States in 1935."

Respectfully submitted.

JULIUS ANDERSON,
President.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3575. A bill to repeal all Federal retailers excise taxes, certain manufacturers excise taxes, and the excise taxes on facilities and services; and

S. 3576. A bill to allow an additional income tax exemption for a dependent child who is a full-time college student; to the Committee on Finance.

By Mr. MUNDT:

S. 3577. A bill for the relief of Kew Chan (Chan Kew), Nancy Tsui Mei (Leung) Chan and Cecelia (Oi Fan) Chan; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 3578. A bill for the relief of Domenico A. Morin; to the Committee on the Judiciary.

By Mr. AIKEN (for Mr. IVES):

S. 3579. A bill for the relief of Elizabeth M. A. de Cuevas Faure; to the Committee on the Judiciary.

By Mr. DWORSHAK:

S. 3580. A bill to provide for the construction, reconstruction, and rehabilitation by the Secretary of the Interior of certain irrigation works of the Hayden Lake Unit, Rathdrum Prairie project, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PAYNE:

S. 3581. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Post Office and Civil Service.

By Mr. THYE:

S. J. Res. 159. Joint resolution to establish a Joint Committee on Scientific Research; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. THYE when he introduced the above joint resolution, which appear under a separate heading.)

PRINTING OF REPORT OF SUBCOMMITTEE ON WELFARE AND PENSION FUNDS AS A SENATE DOCUMENT

Mr. DOUGLAS submitted the following resolution (S. Res. 235), which was referred to the Committee on Rules and Administration:

Resolved, That the report of the Subcommittee on Welfare and Pension Funds made to the Committee on Labor and Public Welfare be printed as a Senate document, and that 2,000 additional copies be printed for the use of the Committee on Labor and Public Welfare.

JOINT COMMITTEE ON SCIENTIFIC RESEARCH

Mr. THYE. Mr. President, I introduce, for appropriate reference, a joint resolution to establish a Joint Committee on Scientific Research. I ask unanimous consent that I may proceed for not to exceed 5 minutes, in explanation of the joint resolution.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the Senator from Minnesota may proceed.

The joint resolution (S. J. Res. 159) to establish a Joint Committee on Scientific Research, introduced by Mr. THYE, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. THYE. Mr. President, I ask unanimous consent that the joint resolution lie on the desk until the close of business on Friday of this week, so that other Senators may join as cosponsors of it.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. THYE. I am delighted to yield for a question.

Mr. LANGER. May I ask what the resolution deals with?

Mr. THYE. It relates to the establishment of a committee within Congress to make certain that we keep abreast of scientific student development and the development of scientists in the United States. I shall make a brief explanation of the joint resolution.

Mr. LANGER. Do I understand correctly that it will lie on the desk so that Senators may join as cosponsors?

Mr. THYE. That is correct.

Mr. LANGER. I wish to join as a cosponsor.

Mr. THYE. That privilege will be extended to the Senator from North Dakota.

Mr. President, since the release of the initial atomic bomb at the close of World War II, the United States has been placed into a position of world leadership which demands that we pursue two paths of progress which, in a sense, are contrary in purpose but essential to the role in world affairs which we inherited. On the one hand, we represent the free peoples of the world in a quest for peace and freedom. On the other hand, we also represent the bulwark against Communist aggression and domination, which demands the utmost of progress in the development of weapons of modern warfare.

No one can predict at this time whether our destiny is to be written in terms of war or peace. However, it has become obvious that our success in either venture will depend to a great extent on our ability to keep pace with the fabulous and almost unbelievable progress which we are witnessing in the field of scientific and technological advancement. The advent of atomic and nuclear energy has opened up vast new vistas of progress. We see before us the innumerable peacetime uses of atomic and nuclear energy. At the same time, we view the penetrating destructive uses of the same energy which will become a part of any future conflict among nations.

This new scientific and technological era has brought with it difficult problems which have become the responsibility and property of industry, our colleges and universities, our scientists, our teachers, our high schools, the executive branches of the Government, and the Congress of the United States.

Perhaps the most basic problem is that of keeping pace with the rapid strides in these fields which are currently being made. In this connection, we come across another paradox.

At the present time, the United States has taken the lead in scientific and technological development, but at the same time we are faced with a shortage of future manpower in these same fields. We must assume this type of leadership and make certain that it will be retained. That can only be done if we look constantly to the future and make sure that at all times we have the type of highly trained and efficient personnel to continue the advances already begun.

Our best intelligence reports indicate that the Soviet Union today is graduating each year over twice as many engineers and scientists as are being graduated in the United States.

We are faced with a marked and continuing decrease in the number of qualified teachers at the high school and college levels in the basic science fields. As a result of this, we also have fewer and fewer students each year who are pursuing studies in the sciences and in engineering. The number of students taking courses in mathematics, physics, chemistry, and other related subjects is dropping off.

This, then, is the crux of the problem—at the same time that science and technology are moving to a position of unprecedented importance—the manpower to maintain that progress is declining.

It is for this reason that I have introduced the resolution to establish a Joint Committee of the House and Senate on Scientific Research.

The need for such a committee seems most apparent and urgent. The legislative branch of Government cannot escape the fact that it is going to become more deeply involved and enmeshed in this vast area of activity. We will be called on to legislate on the many problems and issues which are bound to arise. It is incumbent upon the legislative branch to be fully informed on future developments. We will be called upon to work with plans and programs established by the executive branch of Government. In short, we will be, in part, responsible for the success or failure of our country's attempt to advance and expand our leadership in these fields.

None of the committees which we now have are equipped to meet this type of responsibility. Each committee is overburdened with an ever-increasing workload. Present committees do not have the time or the technical staffs to carry out this assignment.

The joint committee, under this resolution, would not have legislative authority. It would be given wide authority in the areas of study and investigation. It would work in cooperation with the executive agencies, industry, and our institutions of learning. It would, as a result of its work, be in a position to advise and counsel the proper legislative committees which will be called upon to legislate in these areas.

There is precedent for this type of committee. The Joint Committee on Atomic Energy is the most recent and perhaps the most similar precedent. When that committee was established, it was recognized that there was a need for a committee which could devote its energies and time to the study of the many problems involved in the use of atomic energy. There was no standing committee that could meet the need.

The Joint Committee on Scientific Research would embrace an entirely different field than the Joint Atomic Energy Committee. It would be wider in its scope of interest. It would not conflict with the Atomic Energy Committee in any way. This committee's main concern would be the field of manpower in scientific and engineering research and study.

Last week, President Eisenhower established a 19-man committee for the development of scientists and engineers. Some of our outstanding educators and laymen in industry, labor, science, education, and government will serve on that Executive committee. The President, by his action, demonstrated that he is alert to the problems which I have outlined.

Now, it is up to the Congress to assume its share of responsibility and to use the type of vision and foresight which will insure that it will be able to meet its responsibility with maximum intelligence.

I have requested that the resolution be allowed to lay on the desk until the close of business next Friday, April 13, so that as many as care to may join in sponsoring this resolution.

Mr. LANGER. Mr. President, I cannot commend too highly the Senator from Minnesota for introducing his joint resolution. Only a few weeks ago the president of the University of North Dakota, George W. Starcher, one of the ablest educators in America, speaking before the alumni meeting at that university, stated that in the State of North Dakota more than 1,000 high-school graduates are too poor to attend the University of North Dakota or any of the other institutions of learning within the borders of the State.

During the days of the drought, in the 1930's, Mr. President, the Board of Administration of North Dakota borrowed $150,000 from the Bank of North Dakota and made it available to any poor students whose applications were approved by a committee of three and who wished to borrow money, up to $300, for the purpose of attending college. The result was that approximately 1,200 students selected by the presidents of the various institutions of learning in North Dakota were enabled to attend various colleges in the State who otherwise would have been unable to attend, after graduating from high school.

Today, Mr. President, as I go over the State of North Dakota, in almost every city in the State I meet nurses, engineers, doctors, lawyers, or agriculturalists who, because of the money they were able to borrow, attended the university and graduated. The money thus obtained in connection with the money they earned enabled them to complete their college courses.

Mr. President, about a year ago I introduced a bill providing a revolving fund of $1 billion to be made available to the Department of Education for the benefit of poor students throughout the United States of America, regardless of creed, religion, or nationality. That bill is still in committee. If that bill had been passed, it would have solved one of the problems mentioned by the distinguished Senator from Minnesota. Who knows but that some poor boy or girl graduating from high school this year might have a chance to go to college and become another Thomas A. Edison, or an inventor or scientist equally as great, and render a tremendous service to the people of the United States?

I might add, Mr. President, that one of the poor students who, in the 1930's, took advantage of the $300 loan, is now spoken of very favorably in the State of North Dakota for the office of Governor. His name is Arley Bjella, of Williston, N. Dak. He told me that, if it had not been for the loan which he was able to obtain through the Board of Administration of the State of North Dakota, he could not have attended college. Today he is one of the outstanding lawyers of the State.

Again, Mr. President, I wish to commend my friend from Minnesota. It seems to me this action should have been taken a long time ago. Late as it is, it is a step in the right direction.

DEFINITION OF BANK HOLDING COMPANIES AND THEIR EXPANSION CONTROL—AMENDMENT

Mr. DOUGLAS. Mr. President, on behalf of myself, the Senator from Oregon [Mr. MORSE], the Senator from Mississippi [Mr. STENNIS], the Senator from New York [Mr. LEHMAN], the Senator from Maine [Mr. PAYNE], the Senator from North Carolina [Mr. ERVIN], and the Senator from Wyoming [Mr. O'MAHONEY], I submit an amendment, intended to be proposed by us, jointly, to the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests. I ask that the amendment be printed and lie on the table.

I ask unanimous consent that the text of this very important amendment be printed at this point in the RECORD, together with an editorial from the American Banker for March 27, 1956, and the Independent Bankers Credo for 1956 with names of supporting banks, from the same issue of the American Banker, both of which strongly state the reasons for the adoption of the amendment I am submitting.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table; and, without objection, the amendment, editorial, and Credo will be printed in the RECORD.

The amendment, editorial, and credo are as follows:

On page 8, between lines 6 and 7, insert the following new subsection:

"(d) Notwithstanding any other provision of this section, no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank located outside of the State in which such bank holding company or subsidiary thereof maintains its principal office and place of business or in which it conducts its principal operations unless the acquisition of such shares or assets of a State bank by an out-of-State bank holding company is specifically authorized by the statute laws of the State in which such bank is located, by language to that effect and not merely by implication."

[From the American Banker of March 27, 1956]

VITAL VITALITY: INDEPENDENT BANKERS A FORCE FOR GOOD

The vitality of the Independent Bankers Association of America is the important news in American banking today.

Assembled in an even larger convention than last year's at Washington, the members at their 22d annual convention at New Orleans represent a powerful force for good in our dual banking system and for the future of our system of correspondent banking.

Their battle cry is one honored in American history, "Independence." They too want representation when laws affecting the future of banking are made. They march against our modern counterparts of monarchistic power and crown chartered corporations, today's concentrations of financial power and ever threatening drives toward monopoly. They believe in maximum local autonomy and home rule, and in States' rights.

Quite in the American tradition, therefore, is the philosophy of the independent banker.

The strength of that tradition is the real source of the growing membership and power of the Independent Bankers Association, and its west coast twin, the Independent Bankers Association of the 12th Federal Reserve District.

Consciousness that they bespeak traditional American philosophy lends courage to the fight these associations have been making for better banking and independent banking in our land.

There are those who quarrel with the independents' objectives; their right to do so is unquestionable.

But equal right devolves upon the independent unit bankers to muster their strength and present their case against branch banking trends, holding company practices that evade our laws restricting branch banking, tax-exempted competition and tax-subsidized Government lending agencies.

Right now, the major objective of the IBA is passage of an adequate Federal law to place group or chain banking under the same rules that have been enacted in the public interest to control the spread of branch banking. The problem has been with us in growing proportions for well over a half century.

A bit of history may be interesting as background.

A BIT OF HISTORY

Whether the First Security Co., organized as an affiliate of the old First National Bank of the city of New York, meant control of a nationwide chain of banks when it began purchasing blocks of stock of leading banks in major cities some 40 years ago, will probably never be known. But it is a fact that in 1911 the Solicitor General of the United States, Frederick Lehmann, took notice. He ruled that since it was unlawful for a national bank to own stock of another bank or operate a branch, it was therefore illegal to do so indirectly. Despite the vast wealth and power of the men behind the old First National, its security affiliate promptly divested itself of bank share holdings.

Senator Carter Glass, of Virginia, in 1932, declared himself shocked when he learned that this opinion existed but had never been applied to the early bank buying maneuvers with which the institutions were assembled to create the Giannini branch system in California despite opposition of other banks and of the State banking authorities, and also had never been invoked by the national banking authorities in regard to the group banking chains which sprang up in so many places in the 1920's, and which contributed so heavily to the bank failure record in the South in 1926, and all over the country in 1930–33. Senator Glass had the Lehmann opinion published in full in the CONGRESSIONAL RECORD, May 30, 1932.

Present-day parallels of the Lehmann opinion are the ruling of the attorney general of Texas about 2 years ago that affiliate banks violated the Texas law against branch banking, and also the laws passed in Illinois forbidding holding company bank ownership. Illinois, of course, has steadfastly prohibited branch banking in any form.

Today's most important question in banking is whether the holding company minority is strong enough to prevent enactment

of a Federal law to restrain their expansion on the same principles that limit branch bank expansion.

FIGHTING FOR PRINCIPLES

Why do the independent bankers believe they are upholding principles of sound banking and political philosophy? It is because they see how the building of intercity and interstate branch or bank chains offers such a quick and speculatively attractive way in booming times to attain financial power; and because such systems tend toward monopoly, and further, because concentration of the money and credit mechanism of the Nation in private hands invites socialization.

Simply stated, they believe that the locally owned and locally managed bank is a better and more responsive vehicle for administration of the money and credit power than vast aggregations of capital and branches owned and directed by absentees domiciled in a distant city.

Hence, the independent bankers give more than lipservice to the distinctively American dual-banking system, and its unique pattern of closely knit independent correspondent banks.

And it is because of their vital interest in the health of our system that the independent bankers of America at New Orleans are deliberating this week on the problems of banking from the unit bank point of view. They will have their say not only on the holding company and branch banking issue, but also on what they believe is the unfairness of competition between tax-favored savings and loan associations and taxpaying banks, the development of better unit bank management methods and sounder banking policies, and the unwisdom of Government-subsidized loans.

We have our two independent bankers' associations because of the challenges which have risen affecting the future of the unit bank, and of American banking. The two organizations reflect the determination of the independent and smalltown bankers of America not to let drift, complacency and powerful minorities shape the future of American banking.

This week's meeting of the I. B. A. of A., in New Orleans, we can well predict, will be remembered in banking history for the vitality with which the independent bankers of the Nation are attacking the vital issues before them.

What these independents say and achieve will determine greatly the fate of the dual-banking system and correspondent banking in the United States.

[From the American Banker of March 27, 1956]

INDEPENDENT BANKERS CREDO FOR 1956

We believe in the American way.

We believe in the American ideal of independent banking.

We believe in first things first.

In the field of credit and banking, we support the principle of home rule and we respect the principle of States rights.

We oppose all trends which would lead away from these principles toward nationalization or socialization.

We are opposed, therefore, to the unrestricted expansion of multiple banking. Establishment of branches of chartered banks is subject to restriction in every State, and altogether prohibited in many of them by State law and concurrent Federal law. We hold that the local, State, and National interest is best served when banking control and expansion are subject to laws and to supervision designed to eliminate unsound developments.

Inasmuch as the bank holding company constitutes in fact a form of branch banking, the expansion of which is not subject to either Federal of State control, we believe that legislation to halt unrestricted expansion of holding-company ownership of banks is the immediate need in defense of the American tradition of local banking autonomy, independent banking, unit banks, and States rights.

Further, banks are properly restricted to banking. So also should we restrict bank holding companies. The principle that banks refrain from engaging in business outside the field of banking is established in both State and National banking statutes. A bank is arbiter of the credit and is entrusted with the safekeeping of its community's funds; its objectives must not be confused or compromised by ownership of nonbanking types of business, which may well be competitors with its depositors and borrowers.

Independent banking is an American tradition. "Free banking" has been a watchword of free community development. Under its banner, the States have fought for their independent sovereign right to charter State banks, defending our dual system of banking against theorists who would concentrate all banking authority in the Nation in one central Federal agency. The national and independent State banks of our chartered system of free banks of today have survived all the economic storms and depressions of our past, thus demonstrating absolutely their continuing capacity to serve their communities with safety and with credit, locally administered for local development.

Money and credit are the lifeblood of industry and business. Their control should lie in the hands of those most responsive to the needs of the American people in their hometowns and States. The safety of the deposits entrusted by our people to our chartered system of banks should be in the hands of men accountable to their neighbors as well as to the State and National bank supervisors.

We know that when banking concentration expands without limit, and great nationwide chains of financial power can be created by ambitious men, the temptation of power-seeking governments to socialize them is great. History of dictator countries has shown how true this is.

Our system of free and independent banks has stood squarely athwart the intentions of the Socialists and planners who recognize with the Communists that a first step in taking away a people's economic freedom is to take away the freedom of their banks.

Independent banks, therefore, view with alarm the unrestricted way that the holding company has been able to evade the strict limitations which have been set upon branch banking in the national and in the State banking laws. We recall that in the speculative 1920's, financiering holding companies were used as devices for building up top-heavy chains of banks to aggrandize the financial power of ambitious men. And that the subsequent collapses of certain of these unsupervised and loosely assembled holding-company systems in the 1930–33 period brought distress to millions, and pulled down with them scores of other banks. We urge legislative attention to close every loophole through which this might happen again.

The American banking system has been handed down to us by our banking forefathers as an American institution embodying the principles of free and independent administration of the funds of each local community for local development, subject only to such State and national supervision as our elected representatives deemed necessary.

We believe in first things first, and that the first item in the defense of independent banking and independent communities today is enactment now and without further delay of legislation that will end the uncontrolled status of the bank holding company, restrict it exclusively to banking, and forbid its expansion beyond the limitations which have been placed upon branch banking by Federal and State laws.

We view with great alarm any further delay in enacting bank holding company legislation. It is an invitation to expand banking chains were branch banking is prohibited. It is an open door to the acquisition of banking power outside the banking law. And it is our belief that this is neither desirable nor good for American banking nor for the American bank customer.

We are now in a crucial moment on holding company legislation. Our conviction is stronger than ever that the sound future of American banking makes enactment of the measures before Congress urged by independent bankers' associations mandatory.

This is our credo again for 1956. It is our statement of faith in the American way of liberty and fair play within the law, of freedom founded on principles of justice to which all can give consent.

Underwritten in behalf of the approximately 5,200 members of the Independent Bankers Association by the cooperating banks listed below:

Alabama: The Commercial National Bank of Anniston, Anniston; the Farmers & Merchants Bank, Ashford; Farmers & Merchants Bank, Centre; Bank of Dadeville, Dadeville; the First National Bank of Florence, Florence; Peoples Bank, Frisco City; Peoples Bank of Greensboro, Greensboro; the First National Bank of Guntersville, Guntersville; the First National Bank, Hartford; the First National Bank, Huntsville; Peterman State Bank, Peterman; Bank of Prattville, Prattville; Bank of Reform, Reform; Alabama Exchange Bank, City Bank, Tuskegee; the American National Bank of Union Springs, Union Springs; the First National Bank, Wetumpka; Winfield State Bank, Winfield.

Alaska: The B. M. Behrends Bank, Juneau; Matanuska Valley Bank, Palmer.

Arizona: The First National Bank, Holbrook; Farmers & Stockmen's Bank, Phoenix.

Arkansas: American State Bank, Charleston; the Merchants National Bank, Fort Smith; Farmers & Merchants Bank, Marianna; Merchants & Planters Bank, Warren.

California: Azusa Valley Savings Bank, the First National Bank, Azusa; Beverly Hills National Bank & Trust Co., Beverly Hills; the First National Bank of Dixon, Dixon; the First National Bank, La Verne; Farmers & Merchants Bank, Long Beach; the Farmers & Merchants National Bank, Los Angeles; the First National Bank of Monterey, Monterey; Oakland Bank of Commerce, Oakland; San Fernando Valley Commercial Bank, Pacoima; the First National Bank, Pleasanton; the Mechanics Bank of Richmond, Richmond; Salinas National Bank, Salinas; the Commercial National Bank of Santa Ana, Santa Ana; County National Bank & Trust Co., Santa Barbara; the Bank of Sierra Madre, Sierra Madre; Sun Valley National Bank of Los Angeles, Sun Valley; Security State Bank of Turlock, Turlock; the First National Bank, Vista; the Pajaro Valley National Bank, Watsonville; the First National Bank of Willows, Willows.

Colorado: The Moffat County State Bank, Craig; the Colorado Bank & Trust Co., Delta; the National City Bank, Denver; the First National Bank, Durango; the American State Bank, Granada; United States Bank of Grand Junction, Grand Junction; the First State Bank of Hotchkiss, Hotchkiss; the Colorado Savings & Trust Co., La Junta; the First National Bank, Las Animas; the First National Bank, Salida; the Routt County National Bank of Steamboat Springs, Steamboat Springs; the First National Bank, Strasburg.

Connecticut: The Black Rock Bank & Trust Co., Bridgeport; Danbury National Bank, Danbury; Groton Bank & Trust Co., Groton;

the Union Bank & Trust Co., New London; the Cargill Trust Co., Putnam; the Stratford Trust Co., Stratford.

Florida: The State Bank of Apopka, Apopka; Bank of Blountstown, Blountstown; the Bank of Bonifay, Bonifay; Gadsden County State Bank, Chattahoochee; Levy County State Bank, Chiefland; Peoples Bank of Crescent City, Crescent City; the Bank of Pasco County, Dade City; the Dania Bank, Dania; Commercial Bank of Daytona Beach, Daytona Beach; Bank of Everglades, Everglades; Citizens Bank of Frostproof, Frostproof; First National Bank of Hollywood, Hollywood; American National Bank of Jacksonville, Jacksonville; Peoples Bank of Lakeland, Lakeland; Lake Wales State Bank, Lake Wales; Pinellas Central Bank, Largo; the First National Bank of Leesburg, Leesburg; Pan American Bank of Miami, Riverside Bank, Miami; the Commercial Bank & Trust Co., Ocala; Bank of Pahokee, Pahokee; Citizens Bank & Trust Company of Quincy, the Quincy State Bank, Quincy; Union Trust Co., St. Petersburg; Gulf Beach Bank, St. Petersburg Beach; Capital City National Bank, Tallahassee; Citizens Bank, Titusville; Umatilla State Bank, Umatilla; the Valparaiso State Bank, Valparaiso; the Indian River Citrus Bank, Vero Beach; Bank of Wildwood, Wildwood; the First National Bank of Winter Garden, Winter Garden.

Georgia: The National Bank, Athens; East Atlanta Bank, the First National Bank, the Fulton National Bank, South Side Atlanta, Atlanta; Georgia Railroad Bank & Trust Co., Augusta; Austell Bank, Austell; Baxley State Bank, Baxley; the National Bank of Brunswick, Brunswick; the Citizens State Bank, Butler; Farmers and Merchants Bank, Coolidge; First State Bank in Cordele, Cordele; Bank of Covington & Trust Co., Covington; Granite City Bank, Elberton; the Bank of Heard County, Franklin; Jones County Bank, Haddock; Citizens Banking Co., Hartwell; the Pulaski Bank Co., Hawkinsville; the Hinesville Bank, Hinesville; the Brand Banking Co., First National Bank, Lawrenceville; State Bank, Leesburgh; Citizens Banking Co., Lexington; Bank of Manchester, Manchester; Bank of Millen, Millen; the Bank of Soperton, Soperton; Bulloch County Bank, Sea Island Bank, Statesboro; Farmers and Merchants Bank, Summerville; Commercial Bank, Thomasville; Bank of Villa Rica, Villa Rica; Citizens State Bank, Warner Robins; First National Bank, Waycross.

Idaho: Glenns Ferry Bank, Limited, Glens Ferry; the Weber Bank, Kellogg; Largilliere Company Bankers, Soda Springs.

Illinois: Alton Banking & Trust Co., First National Bank & Trust Co. in Alton, Alton; Farmers State Bank, Beecher; First National Bank, Belleville; First National Bank, Bunker Hill; First Bank and Trust Co., Cairo; Canton State Bank, Canton; Capron State Bank, Capron; First National Bank of Carbondale, Carbondale; the Farmers & Merchants National Bank, Carlinville; the Charleston National Bank, Charleston; Beverly State Savings Bank, Chicago; Central National Bank in Chicago, Chatham Bank, Chicago National Bank, Citizens National Bank of Chicago, Commercial National Bank of Chicago, the District National Bank of Chicago, Marquette National Bank; State Bank of Cowden, Cowden; Home State Bank of Crystal Lake, Crystal Lake; State Bank of East Moline, East Moline; Union National Bank, East St. Louis; Edwardsville National Bank & Trust Co., Edwardsville; First National Bank in Fairbury, Fairbury; Fairview State Banking Co., Fairview; Granite City Trust & Savings Bank, Granite City; the First National Bank, Lacon; State Bank, Lombard; the Union National Bank of Macomb, Macomb; the Bank of Marion, Marion; Central National Bank of Mattoon, Mattoon; Mt. Carroll National Bank, Mt. Carroll; Mount Prospect State Bank, Mount Prospect, the first National Bank of Mt. Pulaski, Mt. Pulaski; the City National Bank, Murphysboro; Oak Park Trust & Savings Bank, Oak Park; the First National Bank, O'Fallon; the Onley Trust & Banking Co., Olney; State Bank of Orion, Orion; the First National Bank, Ottawa; the Central National Bank & Trust Co., Jefferson Trust & Savings Bank of Peoria, South Side Trust & Savings Bank of Peoria, Peoria; Peotone State Bank, Peotone; First National Bank, Raymond; First Trust & Savings Bank, Riverdale; South Holland Trust & Savings Bank, South Holland; the Union National Bank of Streator, Streator; H. F. Gehant Banking Co., the Bank of West Frankfort, West Frankfort; Wheeling State Bank, Wheeling.

Indiana: First Bank of Berne, Berne; the First State Bank, Bourbon; the First State Bank, Decatur; the Etna Bank, Etna Green; First-Citizens Bank & Trust Co., Greencastle; State Bank, Lizton; Madison Bank & Trust Co., Madison; the First National Bank of Mays, Mays; the Floyd County Bank, New Albany; the Citizens State Bank, Newport; the Second National Bank, Richmond; Farmers & Merchants Bank of Rochester, Rochester; the State Bank of Waldron, Waldron; Bank of Whiting, Whiting; First Union Bank & Trust Co., Winamac.

Iowa: The First National Bank, Akron; First Trust & Savings Bank, Armstrong; First Trust & Savings Bank, Aurelia; Farmers State Bank, Charter Oak; the First National Bank, Clarion; Clear Lake Bank & Trust Co., Clear Lake; Clinton National Bank, Iowa State Savings Bank, Clinton; Iowa State Savings Bank, Creston; Crawford County Trust & Savings Bank, Denison; Central National Bank & Trust Co., Des Moines; State Bank of Dumont, Dumont; Iowa Trust & Savings Bank, Emmetsburg; the Emmet County State Bank, Iowa Trust & Savings Bank, Estherville; George State Bank, George; Peoples Trust & Savings Bank, Grand Junction; First National Bank, Hampton; Farmers State Bank, Hawarden; Peoples Trust & Savings Bank, Indianola; Iowa State Bank & Trust Co., Iowa City; Security Savings Bank, Ireton; State Bank of Lawler, Lawler; Commercial State Bank, Marshalltown; Nevada National Bank, Nevada; Taintor Savings Bank, New Sharon; Farmers Savings Bank, North English; the First National Bank of Oelwein, Oelwein; Northwestern State Bank, Orange City; Readlyn Savings Bank, Readlyn; Lyon County State Bank, Rock Rapids; Morningside State Bank, Sioux City; Victor State Bank, Victor; Peoples Bank & Trust Co., Waterloo.

Kansas: The First National Bank, Columbus; the First State Bank of Elkhart, Elkhart; Ellis State Bank, Ellis; Citizens National Bank, Minneapolis; the Midland National Bank, Newton; State Bank of Parsons, Parsons; the First State Bank of Pittsburg, Pittsburg; Russell State Bank, Russell; the Farmers State Bank, Sabetha; Silver Lake State Bank, Silver Lake; the Merchants National Bank of Topeka, the State Savings Bank, Topeka; the Grant County State Bank, Ulysses; the Southwest National Bank, the Union National Bank, Wichita State Bank, Wichita; the First National Bank, Winfield.

Kentucky: The Third National Bank of Ashland, Ashland; the Royal Bank, Louisville; Bank of Middletown, Middletown; Citizens Bank & Trust Co., the Paducah Bank, Paducah.

Louisiana: Security National Bank, Alexandria; American Bank & Trust Co., Baton Rouge; Caddo Trust & Savings Bank, Belcher; the National Bank of Bossier City, Bossier City; Cottonport Bank, Cottonport; Bank of Commerce & Trust Co., Crowley; City Savings Bank & Trust Co., De Ridder; Tri-Parish Bank & Trust Co., Eunice; the St. Mary Bank & Trust Co., Franklin; Bank of Gonzales, Gonzales; the First National Bank of Jefferson Parish, Gretna; the First National Bank, Guaranty Bank & Trust Co., Lafayette; the First National Bank of Lake Charles, Gulf National Bank, Lake Charles; Merchants & Farmers Bank & Trust Co., Leesville; Bank of Maringouin, Maringouin; Metarie Savings Bank & Trust Co., Metarie; Moreauville State Bank, Moreauville; the Citizens National Bank, Morgan City; Progressive Bank & Trust Co., New Orleans; Oil City Bank, Oil City; First State Bank, Plain Dealing; Bank of Commerce & Trust Co., St. Francisville; Springhill Bank & Trust Co., Springhill.

Maine: The First National Bank, Fort Kent; the Ocean National Bank, Kennebunk.

Maryland: The First National Bank of Cumberland, Cumberland; the First State Bank of Grantsville, Grantsville; Cecil National Bank, Port Deposit.

Massachusetts: The First National Bank of Amherst, Amherst; Gardner Trust Co., Gardner; the Merchants National Bank, Leominster; Malden Trust Co., Malden; the First National Bank of Marlboro, Marlboro; Home National Bank, Milford; Northampton National Bank, Northampton; the Orange National Bank, Orange; Tanners National Bank in Woburn, Woburn National Bank, Woburn; Guaranty Bank & Trust Co., Worcester.

Michigan: First State Bank, Alma; the Peoples State Bank, Alpena; Security National Bank, Battle Creek; the Jipson Carter State Bank, Blissfield; Bank of the Commonwealth, the Manufacturers National Bank of Detroit, Detroit; East Lansing State Bank, East Lansing; Citizens Commercial & Savings Bank, Flint; the State Bank of Fraser, Fraser; Gaylord State Bank, Gaylord; Grand Haven State Bank, Grand Haven; Old Kent Bank, Grand Rapids; Bank of Commerce, Peoples State Bank, Hamtramck; First Security Bank, Ionia; the Commercial National Bank of Ithaca, Ithaca; Bank of Lansing, American State Bank, Lansing; the First National Bank of Lapeer, Lapeer; Security Bank, Lincoln Park; Metamora State Savings Bank, Metamora; Milan State Bank, Milan; Plainwell Bank, Plainwell; River Rouge Savings Bank, River Rouge; the Roscommon State Bank, Roscommon; Commercial State Bank, Roseville; the Wayne Oakland Bank, Royal Oak; Second National Bank & Trust Co., Saginaw; the Peoples State Bank, St. Joseph; Central Savings Bank, Sault Ste. Marie; First-Peoples State Bank, Traverse City; the First National Bank, Watervliet; the National Bank of Wyandotte, Wyandotte.

Minnesota: Security State Bank of Albert Lea, Albert Lea; State Bank, Anoka; Farmers & Merchants State Bank, Appleton; Arlington State Bank, Arlington; Beaver Creek State Bank, Beaver Creek; North American State Bank, Belgrade; State Bank of Belle Plaine, Belle Plaine; Swift County Bank, Benson; Biwabik State Bank, Biwabik; Community State Bank, Bloomington; The First National Bank of Bovey, Bovey; Citizens State Bank of Brainerd, Brainerd; the First National Bank of Brewster, Brewster; State Bank of Bricelyn, Bricelyn; Union State Bank, Browns Valley; Security State Bank, Cannon Falls; Farmers & Merchants State Bank, Clarkfield; Columbia Heights State Bank, Columbia Heights; Detroit State Bank, Detroit Lakes; First State Bank of Dover, Dover; State Bank, Edgerton; First State Bank, Fertile; Security State Bank of Glencoe, Glencoe; Glenwood State Bank, Glenwood; The First National Bank, Good Thunder; Security State Bank, Hector; First National Bank, Le Roy; State Bank of Long Lake, Long Lake; The Bank of Long Prairie, Long Prairie; Citizens National Bank, Farmers State Bank of Madelia, Inc., Madelia; Melrose State Bank, Melrose; Marquette National Bank, Thirteenth Avenue State Bank of Minneapolis, Minneapolis; American State Bank of Moorhead, Moorhead; First State Bank of New Brighton, New Brighton; State Bank of New Richland, New Richland; Otisco State Bank, Otisco; The Security State Bank, Pine Island; The First National Bank, Pipestone; Farmers State Bank, Raymond;

Richfield State Bank, Richfield; Olmstead County Bank & Trust Company, Rochester; St. Clair State Bank, St. Clair; St. Cloud National Bank, St. Cloud; First State Bank of St. Joseph, St. Joseph; Citizens State Bank, St. Louis Park; Security State Bank of St. Michael, St. Michael; The American National Bank, Cherokee State Bank, St. Paul; First State Bank of Sauk Centre, Sauk Centre; The First National Bank, Shakopee; First National Bank of Starbuck, Starbuck; Northern State Bank of Thief River Falls, Thief River Falls; Triumph State Bank, Triumph; Peoples State Bank, Truman; Waldorf State Bank, Waldorf; Security State Bank, Warroad; Windom State Bank, Windom; The Winona National & Savings Bank, Winona; Citizens State Bank of Winsted, Winsted; State Bank of Wood Lake, Wood Lake.

Mississippi: Hancock Bank, Bay St. Louis; Canton Exchange Bank, Canton; Leflore Bank & Trust Co., Greenwood; Hancock Bank, Gulfport; Citizens Bank of Hattiesburg, Hattiesburg; Deposit Guaranty Bank & Trust Co., Jackson; Merchants & Farmers Bank, Kosciusko; the First National Bank of Laurel, Laurel; Magnolia Bank, Magnolia; Bank of Franklin, Meadville; Peoples Bank, Mendenhall; Bank of Morton, Morton; Bank of Pontotoc, Pontotoc; the First National Bank & Trust Co., Vicksburg; the Bank of West Point, West Point; The Bank of Yazoo City, Yazoo City.

Missouri: Arnold Savings Bank, Arnold; Polk County Bank, Bolivar; Farmers State Bank, Cameron; Fenton Bank, Fenton; New Era Bank, Fredericktown; Citizens Bank of Grant City, Grant City; Farmers & Merchants Bank, Green Ridge; the Bank of Houston, Houston; Irondale Bank, Irondale; Central Missouri Trust Co., Jefferson City; the Park National Bank of Kansas City, Kansas City; Citizens National Bank of Maplewood, Maplewood Bank & Trust Co., Maplewood; First National Bank, Mexico; Bank of Perryville, Home Trust Company, Perryville; Washington County Commercial Bank, Potosi; Bremen Bank & Trust Co., Easton-Taylor Trust Co., Gravois Bank, Lemay Bank & Trust Co., Manchester Bank of St. Louis, the Plaza Bank of St. Louis, St. Johns Community Bank, St. Louis; Third National Bank, Sedalia; the Citizens Bank, Springfield; State Bank & Trust Co. of Wellston, Wellston.

Montana: The First National Bank of Billings, Billings; Gallatin Trust and Savings Bank, Bozeman; Security Bank & Trust Co., Bozeman; the First National Bank, Browning; the Yellowstone Bank, Columbus; Farmers State Bank of Conrad, Conrad; Bank of Glacier County, Cut Bank; Deer Lodge Bank & Trust Co., Deer Lodge; First National Bank of Fairfield, Fairfield; the First National Bank, Geraldine; Montana Bank, Great Falls; Citizens State Bank, Hamilton; the Continental National Bank, Harlowton; Citizens Bank of Montana, Havre; the Conrad National Bank, Kalispell; the Yellowstone Bank, Laurel; the First National Bank, Missoula; Basin State Bank, Stanford.

Nebraska: The Commercial National Bank of Ainsworth, Ainsworth; First National Bank, Beemer; the First National Bank, Belden; the Commercial Bank, Blue Hill; Bank of Brule, Brule; Bruning State Bank, Bruning; the First National Bank, Falls City; Bank of Hartington, Hartington; Harvard State Bank, Harvard; Farmers State Bank, Kilgore; the First National Bank of Lincoln, National Bank of Commerce of Lincoln, Lincoln; First National Bank of Newman Grove, Newman Grove; Platte Valley Bank, North Bend; Douglas County Bank of Omaha, First National Bank of Omaha, the Omaha National Bank, Omaha; Nebraska State Bank, Ord; the American National Bank of Sidney, Sidney National Bank, Sidney; Farmers State Bank, Superior; Johnson County Bank, Tecumseh; the First National Bank of Tekamah, Tekamah; the First National Bank of Wahoo, Wahoo.

Nevada: The First National Bank of Ely, Ely.

New Hampshire: First National Bank of Concord, Concord; Siwooganock Guaranty Savings Bank, Lancaster; the Littleton National Bank, Littleton; Pemigewasset National Bank, Plymouth; Savings Bank of Walpole, Walpole.

New Jersey: Bank of Bogota, Bogota; Bound Brook Trust Co., Bound Brook; the Branchville National Bank, Branchville; the Edgewater National Bank, Edgewater; Union County Trust Co., Elizabeth; First National Bank in Garfield; Garfield Trust Co., Garfield; Peoples Bank of Hawthorne, Hawthorne; the Hillsdale National Bank, Hillsdale; Keansburg National Bank, Keansburg; the Leonia Bank & Trust Co., Leonia; Linden Trust Co., Linden; the Maplewood Bank & Trust Co., Maplewood; the Millville National Bank, Millville; the First National Bank & Trust Co., Paulsboro; First Bank & Trust Co., Perth Amboy; the State Trust Company at Plainfield, Plainfield; Ridgefield Park Trust Co., Ridgefield Park; Riverside Trust Co., Riverside; Rutherford Trust Co., Rutherford; Citizens Trust Co., Summit; Swedesboro Trust Co., Swedesboro; the Union Center National Bank, Union; the First National Bank of Westwood, Westwood; the Woodridge National Bank, Woodridge.

New Mexico: First National Bank in Albuquerque, Albuquerque; the First National Bank, Belen; American Bank of Carlsbad, Carlsbad; the Carlsbad National Bank, Carlsbad; the Farmers & Stockmens Bank, Clayton; the Portales National Bank, Portales; First State Bank of Taos, Taos.

New York: The First National Bank, Addison, the Evans National Bank of Angola, Angola; the Citizens Bank, Arcade; the First National Bank and Trust Co., Bay Shore; the Industrial Bank, Binghamton; The Gramatan National Bank & Trust Co., Bronxville; the Peoples National Bank of Brooklyn, Brooklyn; the St. Lawrence County National Bank, Canton; Peninsula National Bank, Cedarhurst; Hayes National Bank, Clinton; Dundee State Bank, Dundee; Erie County Trust Co., East Aurora; Endicott Trust Co., Endicott; the Bank of LeRoy, LeRoy; Citizens State Bank, Lyndonville; the Massena Banking & Trust Co., Massena; the National Union Bank of Monticello, Monticello; Nanuet National Bank, Nanuet; State Bank of Newfane, Newfane; Royal State Bank of New York, New York; the Bank of North Collins, North Collins; the Exchange National Bank, Olean; the Oneida Valley National Bank of Oneida, Oneida; the Red Creek National Bank, Red Creek; the First National Bank, Richfield Springs; Salamanca Trust Co., Salamanca; the Silver Creek National Bank, Silver Creek; the First National Bank, Wayland.

North Carolina: Haywood County Bank, Canton; Durham Industrial Bank, Durham; the Fidelity Bank, Durham; the Citizens Bank, Warrenton.

North Dakota: First National Bank, Bottineau; the Ramsey National Bank of Devils Lake, Devils Lake; the Liberty National Bank, Dickinson; Security State Bank, Dunseith; the Fargo National Bank, Fargo; Walsh County State Bank, Grafton; First State Bank, Harvey; Citizens State Bank, Lankin; the First National Bank, Linton; the First State Bank of Munich, Munich; Stock Growers Bank, Napoleon; Security State Bank, Robinson; Farmers and Merchants Bank, Sheyenne; State Bank of Streeter, Streeter; First International Bank, Watford City; Farmers and Merchants Bank, Wimbledon.

Ohio: The Amsterdam State Bank Co., Amsterdam; the Farmers National Bank, Canfield; the Peoples Bank Co., Carey; Market Exchange Bank, Columbus; the Citizens Bank, Degraff; the Genoa Banking Co., Genoa; the Holgate State Bank, Holgate; the First National Bank, Ironton; the Johnstown Bank, Johnstown; the Firestone Bank, Lisbon; the Farmers Exchange Bank, Lynchburg; the First National Bank of Miamisburg, Miamisburg; the Sterling State Bank, Mount Sterling; the First National Bank of Newcomerstown, Newcomerstown; the Peoples Savings Bank, New Matamoras; the Citizens Banking Co., Perrysburg; the Farmers National Bank, Plain City; the First National Bank, Salem; the Silverton Bank, Silverton; the Miners and Mechanics Savings & Trust Co., Steubenville; the Farmers Savings Bank, Stony Ridge; the Peoples Bank, Tiltonsville; the Wakeman Bank Co., Wakeman; the Washington Savings Bank, Washington Court House; the Woodville State Bank, Woodville.

Oklahoma: The Atoka State Bank, Atoka; the Farmers National Bank, Carnegie; the First State Bank, Ketchum; the First National Bank of Minco, Minco; the First National Bank & Trust Co., Muskogee; the Eastman National Bank, Newkirk; First National Bank in Perry, Perry; the Stillwater National Bank, Stillwater; the First National Bank, Tahlequah; the National Bank, Verden; the First National Bank, Yale.

Oregon: First State Bank, Milwaukee; Bank of St. Helens, St. Helens; Commercial Bank of Salem, Salem.

Pennsylvania: Apollo Trust Co., Apollo; the Farmers National Bank, Beaver Falls; the First National Bank of Bellefonte, Bellefonte; the First National Bank of Berwick, Berwick; the National Bank, Boyerstown; Bank of Brentwood, Brentwood; Delaware Valley Bank & Trust Co., Farmers National Bank, Bristol; the Bryn Mawr Trust Co., Bryn Mawr; the First National Bank, Claysburg; the Conyngham National Bank, Conyngham; the Denver National Bank, Denver; the First National Bank at Derry, Derry; the First National Bank, Ebensburg; Elizabethtown Trust Co., Elizabethtown; the Ephrata National Bank, Ephrata; the Citizens National Bank of Evans City, Evans City; First National Bank, Export; Forty Fort State Bank, Forty Fort; the Old Freeport Bank, Freeport; First National Bank, Greensburg; the Grove City National Bank, Grove City; the Bank of Hartsville, Hartsville; the Hatfield National Bank & Trust Co., Hatfield; the Imperial Bank, Imperial; the Dale National Bank, Johnstown; National Bank & Trust Co., Kennett Square; the National Bank of McKeesport, McKeesport; Merchants National Bank & Trust Co., Meadville; the First National Bank, Milton; the First & Farmers National Bank & Trust Co., Montrose; Muncy Banking Co., Muncy; Beaver County Trust Co., New Brighton; the New Tripoli National Bank, New Tripoli; Citizens Bank of Pleasantville, Pleasantville; the First National Bank, Reynoldsville; McDowell National Bank, Sharon; Smithfield State Bank, Smithfield; First Blair County National Bank, Tyrone; Upper Darby National Bank, Upper Darby; the First National Bank of Wellsborough, Wellsboro; Williamsport National Bank, Williamsport.

South Carolina: Farmers & Merchants Bank, Aiken; the Bank of Barnwell, Barnwell; Guaranty Bank & Trust Co., Florence; the County Bank, Greenwood; Bank of Greer, Greer; Palmetto Bank & Trust Co., Lake City; Palmetto Bank, Laurens; the Southern National Bank, Orangeburg; Peoples Bank & Trust Co., Pageland; Bank of Ridgeland, Ridgeland; Arthur State Bank, Union.

South Dakota: The First National Bank, Beresford; Burke State Bank, Burke; Custer County Bank, Custer; the Bank of Union County, Elk Point; Corn Exchange Bank, Elkton; the Farmers State Bank, Estelline; Community Bank, Hartford; Bank of Hoven, Hoven; Exchange Bank, Lennox; Menno State Bank, Menno; First National Bank, the Pierre National Bank, Pierre; Sioux Valley Bank, Union Savings Bank, Sioux Falls;

Roberts County National Bank, Sisseton; Farmers State Bank, Stickney; Commercial State Bank, Wagner; Wilmot State Bank, Wilmot.

Tennessee: Bank of Adamsville, Adamsville; First National Bank, Athens; Brighton Savings Bank, Brighton; Bank of Camden, Camden; the Ridgedale Bank & Trust Co., Chattanooga; Cleveland Bank & Trust Co., Cleveland; Union Peoples Bank, Clinton; the Middle Tennessee Bank, Columbia; Cottage Grove Bank & Trust Co., Cottage Grove; Citizens Bank, Elizabethton; Bank of Knoxville, Knoxville; Blount National Bank, Maryville; Farmers-Peoples Bank, Milan; Third National Bank in Nashville, Nashville; Merchants & Planters Bank, Newport; First Trust & Savings Bank, Oneida; the Union Bank, Pulaski; the Rutherford Bank, Rutherford.

Texas: Security State Bank & Trust Co., Beaumont; First National Bank, Borger; Citizens National Bank, Brownwood; College Station State Bank, College Station; The First National Bank, Commerce; The Love Field State Bank, Republic National Bank of Dallas, Dallas; Del Rio National Bank, Del Rio; First State Bank, Dumas; Commercial State Bank, El Campo; Farmers and Merchants State Bank, Ferris; The First State Bank, Gainesville; Haskell National Bank, Haskell; Houston Bank & Trust Co., Texas National Bank, Houston; The First National Bank, LaFeria; The Farmers State Bank, Mexia; The First National Bank, Midland; Muenster State Bank, Muenster; The First National Bank of Navasota, Navasota; First National Bank, Orange; First National Bank, Pampa; Pasadena State Bank, Pasadena; Hale County State Bank, Plainview; First State Bank & Trust Co., Rio Grande City; Silsbee State Bank, Silsbee; Union State Bank, South San Antonio; The First State Bank, Taft; The Citizens National Bank, Waco; Wharton Bank & Trust Co., Wharton; The Wolfe City National Bank, Wolfe City; The First National Bank, Woodsboro.

Utah: The First National Bank, Layton; State Bank of Provo, Provo; First National Bank of Salt Lake City, Salt Lake City; Springville Banking Co., Springville.

Vermont: Bradford National Bank, Bradford; Vermont-Peoples National Bank, Brattleboro.

Virginia: First National Bank, Ashland; the Bank of Colonial Heights, Colonial Heights; the First National Bank, Farmville; Vaughan & Co., bankers, Franklin; the Citizens National Bank, Hampton; Farmers & Merchants Bank, Lawrenceville; the National Bank of Manassas, Manassas; Citizens Marine Jefferson Bank, Newport News; Merchants & Planters Bank, Southern Bank of Norfolk, Norfolk; Bank of Norview, Norview; the National Bank, Orange; Bank of Giles County, Pearisburg; Lee Bank & Trust Co., Pennington Gap; Petersburg Savings & American Trust Co., Petersburg; Merchants & Farmers Bank, Portsmouth; Mechanics & Merchants Bank, Richmond; American Bank & Trust Co., National Bank of Suffolk, Suffolk; the Vienna Trust Co., Vienna.

Washington: the Citizens State Bank, Arlington; the Bellingham National Bank, Bellingham; Bothell State Bank, Bothell; Cashmere Valley Bank, Cashmere; the First National Bank, Enumclaw; First National Bank in Montesano, Montesano; Olympia State Bank & Trust Co., Olympia; the First National Bank, Pullman; Citizens State Bank, Puyallup; Skagit Valley State Bank, Sedro Woolley; North Pacific Bank, the Puget Sound National Bank of Tacoma, United Mutual Savings Bank, Tacoma; the Baker-Boyer National Bank, Walla Walla.

West Virginia: the Flat Top National Bank, Bluefield; Bank of Charles Town, Charles Town; Nicholas County Bank, Summersville.

Wisconsin: The Second National Bank, Beloit; the Indianhead State Bank, Chetek; Dairyman's State Bank, Clintonville; The First National Bank, Elkhorn; the First State Bank, Fennimore; First Bank of Grantsburg, Grantsburg; Farmers and Merchants Bank, Greenwood; Iron Exchange Bank, Hurley; Rock County National Bank, Janesville; Exchange State Bank, La Crosse; Lancaster State Bank, Lancaster; the American Exchange Bank, Madison; State Bank of Medford, Medford; West Side Bank, Whitefish Bay State Bank, Milwaukee; the Oshkosh National Bank, Oshkosh; Peshtigo State Bank, Peshtigo; the Port Washington State Bank, Port Washington; Farmers-Merchants National Bank, Princeton; State Bank, Reeseville; St. Nazianz State Bank, St. Nazianz; Bank of Two Rivers, Two Rivers; Union State Bank of West Salem, West Salem.

Wyoming: The Casper National Bank, the Wyoming National Bank of Casper, Casper; the Stock Growers National Bank, Cheyenne; Stockmens Bank, Gillette; the Jackson State Bank, Jackson.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Address delivered by him on April 3, 1956, before Knights of Columbus in Silver Spring, Md., with relation to the 1956 Olympic games.

Statement by him commemorating anniversary of independence of Greece.

Address by Senator MARTIN before Port of Philadelphia Maritime Society, at Philadelphia, Pa., on March 22, 1956.

NOTICE OF CONSIDERATION OF NOMINATIONS OF FOREIGN SERVICE OFFICERS OF VARIOUS CLASSES

Mr. GEORGE. Mr. President, the Senate received today a list of nominations of persons for appointment as foreign service officers of various classes, consular and/or diplomatic designations for career, staff, and Reserve officers, and one promotion. As chairman of the Committee on Foreign Relations I desire to give notice that these nominations will be considered by the committee at the expiration of 6 days.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 29, RELATING TO THE QUALIFICATIONS OF ELECTORS AND SENATE JOINT RESOLUTION 39, RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN

Mr. KEFAUVER. Mr. President, on behalf of the standing Subcommittee on Constitutional Amendments of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 11, 1956, at 11 a. m., in room 424, Senate Office Building, on Senate Joint Resolution 29, proposing an amendment to the Constitution of the United States, relating to the qualifications of electors, and Senate Joint Resolution 39, proposing an amendment to the Constitution of the United States relative to equal rights for men and women. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. HENNINGS], the Senator from Texas [Mr. DANIEL], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], and myself, chairman.

FOURTEENTH ANNIVERSARY OF THE FALL OF BATAAN

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be allowed to proceed for not more than 5 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from California may proceed for 5 minutes.

Mr. KNOWLAND. Today is Bataan Day, the 14th anniversary of the fall of the historic bastion of freedom in the Philippines. It was a bitter defeat. Yet Bataan has become a synonym of courage and honor. As President Magsaysay observed in setting aside the day as a national holiday, Bataan "has become a shining symbol of courage and heroism to all freedom-loving peoples of the world."

Americans can take special pride in this commemoration of Bataan Day. It marked a military failure, it is true, but it gave us a valuable lesson in how to establish abiding relationship between free peoples. Again I should like to quote President Magsaysay:

"Bataan Day," he said, "has strengthened the everlasting bonds of friendship and cooperation between the Philippines and the United States."

Mr. President, in today's New York Times there appears a very fine editorial, which I should like to quote at this point in my remarks. The editorial, which is entitled "Bataan Day" reads:

BATAAN DAY

> Today's observance of Bataan Day in the Philippines and in the United States has some unusual aspects. There is probably not such another political and military commemoration that is noted jointly by two separate nations. It is a national holiday in the Philippines. It might well be one here.
>
> This is also a celebration, not of a military victory, but of a defeat. This is an anniversary of the loss of Bataan to the Japanese. It is not, however, a memorial service nor an occasion for mourning. It is a day of triumph.
>
> What Bataan Day means both there and here is that somehow in the flames of war there was forged a bond between Filipinos and Americans that is worth remembering and celebrating. We were brothers in arms. We were comrades in disaster. We are associates in the new freedom.
>
> What made the joint effort on Bataan possible, and what makes the celebration of this day meaningful, is the fact that we and the Filipinos were joined in the good cause of human liberty. That liberty was threatened by an invader and we and the Filipinos stood side by side to resist the threat. In that moment we were overwhelmed and suffered together. But out of that experience there arose the new sense of comradeship, mutual faith, and mutual loyalty that we celebrate today.
>
> There have been ripples of antagonism on the surface of our association since that time. They are just that, neither a tide nor the deeps that lie beneath. They, too, will pass, just as the horrors of Bataan have become a memory.
>
> Today is a day for mutual understanding, for deeper sympathy. We remember and honor our glorious dead. We fought in one cause, for one goal. That goal can be realized if we keep faith with those who died on the peninsula.

It is fitting, therefore, that we in our own country observe Bataan Day as a milestone in the unbroken continuity of mankind's march toward human dignity and freedom.

This anniversary of the fall of Bataan finds Americans and Filipinos united in resistance to a new form of tyranny, a godless ideology that is unmoral and ruthless, that recognizes neither faith nor ethics, that enslaves the human mind and soul.

We are witnessing a struggle between freedom and slavery, between democracy and totalitarianism. At stake today, as it was 14 years ago, is human liberty and the dignity of the individual. In this struggle our Filipino friends are fighting shoulder to shoulder with us, just as they did on Bataan, in Leyte, and in Korea.

It is well that we should draw inspiration from the courage of the defenders of Bataan, American and Filipino, who fought aggression more by their physical and spiritual courage rather than with material resources, of which they had very little. Not only do we salute the living and the dead for their sacrifice, but we learn from their stirring example the fortitude and the determination we have to muster to face the future, and successfully fight our enemies of today.

May our Nation and the world recall today that last broadcast from Corregidor by Gen. Carlos P. Romulo, then a lieutenant colonel on MacArthur's staff—that unforgettable message of hope and valor which now, as it did then, should galvanize free men into action in defense of their threatened liberties everywhere. General Romulo said:

> Bataan has fallen, but the spirit that made it stand—a beacon to all liberty-loving peoples of the world—cannot fail.

The spirit which made Bataan stand is the invincible might that alone can safeguard world peace today. It is this spirit that assures the maintenance of a free world of free men, despite the temporary gains which totalitarian systems—Nazi, Fascist, Communist, or any other—may make.

FINAL REPORT OF COMMITTEE FOR THE WHITE HOUSE CONFERENCE ON EDUCATION

Mr. SMITH of New Jersey. Mr. President, last Friday, April 6, the final report of the Committee for the White House Conference on Education was presented to President Eisenhower.

The committee recommended a temporary emergency program of Federal aid for public school construction, for a 5-year period, on a matching basis. The committee urged that such aid be given in such a way that the States and local school districts would be encouraged to make use of their own resources, and that States which have really made an effort to solve their own problem not be penalized.

On January 12 I introduced on behalf of myself and 17 colleagues S. 2905, the administration's school construction bill.

So far, no action has been taken by the Senate on this important measure.

The principles set forth in S. 2905 have now been supported in this final report.

On Saturday, April 7, the New York Times carried an editorial entitled "School Report."

The final paragraph of that editorial reads as follows:

> The most practical way of implementing the general philosophy and some of the particular recommendations of the committee is to push for action on the President's school-aid bill. It will need every ounce of strength the administration can muster to get it through and get it through without irrelevant or destructive amendments.

Mr. President, I ask unanimous consent that this entire editorial be printed at this point in the body of the RECORD.

I hope that with this final White House conference report as an impetus, all of us will in the coming weeks increase our efforts, in a bipartisan manner, to see that a school-construction bill receives the prompt consideration of the Senate.

We cannot afford to postpone action on this crucially important subject any longer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCHOOL REPORT

> The final report growing out of last fall's White House Conference on Education gives a striking picture of the present state of the public schools and provides firm ground for a new and vigorous drive to get the President's school-aid bill through Congress during the current session.
>
> The overwhelming majority of the President's committee found no doubt that a school-building emergency exists, and that Federal aid should be made available on a limited basis to help the States and local school districts overcome that emergency. At the same time the committee urged that Federal money be provided "under the philosophy of encouraging greater use of State and local funds for school purposes" and that each State and district be required "to match Federal funds in proportion to its financial ability." This is a point of view with which we fully agree, and it is embodied in the administration's school-aid bill on which the House of Representatives for many weeks has failed to take action.
>
> The committee found not only that "a few States are so lacking in economic ability that they cannot finance an adequate system of public education * * *" but also that the emergency "is so extensive that no State or Territory escapes it." This is not to say that some States and districts cannot do a great deal better than they are doing. Indeed, they can, and it may surprise some complacent northerners to know that the least effort, as measured by the ratio of total income to expenditure on schools, appears to be in the North and not in the South.
>
> The committee took no definitive position on the highly controversial subject of Federal help for operation, as distinct from construction, of schools. It said the extent to which public funds should be expended in providing basic health and safety services for nonpublic (parochial) schools should be locally determined. On the even more touchy segregation issue, it endorsed a solution "worked out by each community in its own way" but "within the intent" of the Supreme Court decisions.
>
> The most practical way of implementing the general philosophy and some of the particular recommendations of the committee is to push for action on the President's school-aid bill. It will need every ounce of strength the administration can muster to get it through and get it through without irrelevant or destructive amendments.

SUMMARY OF LEGISLATIVE ACTION AS OF MARCH 31, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a summary of the legislative action of the Senate as of March 31, 1956.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LEGISLATIVE ACTION AS OF MARCH 31, 1956

The Senate has been far more active in the second session of the Democratic-controlled 84th Congress than it was during the comparable sessions of either the 83d or the 80th Congress, both controlled by the Republican Party.

Through March 31 of this session, the Senate has passed a total of 423 pieces of legislation. That compares with 222 bills passed by the Senate during the first 3 months of 1954 and with 301 passed by the Senate during the first 3 months of the second session of the 80th Congress.

At the end of March, the Senate had been in session a total of 355 hours. The score was 304 hours in session during the first 3 months of 1954 and only 227 hours during the comparable period of 1948.

The box score in full follows:

Senate activity—2d sessions of 84th, 83d, 80th Congress, as of March 31, 1956

	84th Cong., 2d sess.	83d Cong., 2d sess.	80th Cong., 2d sess.
Days in session	55	56	80
Hours in session	355:58	304:03	227:42
Total measures passed	423	222	301
Senate bills	164	82	127
House bills	164	84	121
Senate joint resolutions	7	3	8
House joint resolutions	11	5	5
Senate concurrent resolutions	11	8	4
House concurrent resolutions	4	4	11
Senate resolutions	62	46	25
Confirmations	24,366	8,412	4,612

Below is a subject list of the 127 general legislative measures passed as of March 31, 1956.

AGRICULTURE

1. H. R. 12, the farm bill: a bill to provide an improved farm program, and including a soil-bank provision.

2. H. R. 8780, the farm gasoline bill: relieves farmers from paying excise taxes on gasoline and fuels used on the farm, and directs a refund of taxes paid on such gasoline in 1956.

3. H. R. 1855, forest research: authorizes a permanent program of United States contribution to specialized forest, range, and watershed research.

4. H. R. 7236, soil conservation: authorizes Federal assistance in soil-conservation programs to farmers in all areas, not merely arid sections of the United States.

5. H. R. 1726, Federal Seed Act: provides a civil action for violation of the analysis and labeling provisions of the act.

6. H. R. 7030, Sugar Act: extending to December 31, 1962, the legislation under which domestic and imported sugar is controlled in

the United States. Modifies the distribution formula for increased sugar requirements as between domestic and foreign producers and among foreign producers.

7. S. 2884, durum wheat: extends to the 1956 durum wheat crop the increased acreage allotment provided for 1955.

8. H. R. 8320, school milk-brucellosis programs: authorizes an additional $10 million for the school-milk program, or from $50 million to $60 million; and $2 million for the brucellosis program or from $15 million to $17 million through June 30, 1956.

9. S. 1688, prescribes civil penalties for violations of the Federal Seed Act.

10. House Joint Resolution 455, restores the 1955 acreage allotments on burley tobacco quotas.

11. House Joint Resolution 521, restores the 1955 acreage allotments on Maryland tobacco.

12. House Joint Resolution 518 restores the 1955 acreage allotments on dark air-cured and fire-cured tobacco.

APPROPRIATIONS

13. H. R. 9063, urgent deficiency for 1956, appropriating $64,670,201.

14. H. R. 9064, Treasury-Post Office Appropriation Act for 1957, appropriating $3,629,139,000.

15. House Joint Resolution 582, authorizing an additional $13 million for unemployment compensation for Federal employees, to be derived from transfer from the appropriation for unemployment compensation for veterans, 1956.

DISTRICT OF COLUMBIA

16. H. R. 6574, motor-vehicle registration plates, reestablishes the former fee of $1 for the transfer of motor-vehicle registration plates from one vehicle to another during the course of a registration year in the District of Columbia.

17. H. R. 9770, Federal contribution, authorizes the annual payment by the Federal Government to be increased $3 million toward the cost of operating the District of Columbia government for fiscal 1957 and for each fiscal year thereafter.

18. S. 3053 extends to May 1, 1956, the time for the District of Columbia Auditorium Commission to submit its report and recommendations regarding construction of a District of Columbia civic auditorium.

FEDERAL EMPLOYEES

19. S. 1135, Civil Air Patrol, extends the benefits of the Federal Employees' Compensation Act to senior CAP members.

20. H. R. 8107, Reserve Act amendment, equalizes the pay scales of reservists called to 6-month training duty with those of National Guard members and provides increased medical and disability benefits.

21. S. 3237, life-insurance coverage, continues coverage under Federal Employees' Group Life Insurance Act for employees receiving benefits under the Compensation Act so long as the employee is unable to return to work.

22. S. 3315, reemployment requirement: Makes the 1-year reemployment requirement inapplicable to civil servants who die before that year is served, in establishing survivor's benefits.

23. S. 1542. notaries public: Authorizes reimbursement of notaries' fees for Government employees who become notaries for the convenience of the Government.

24. H. R. 3996. Military Personnel Claims Act: Increases from $2,500 to $4,000 the limit on administrative settlement under the act.

FINANCE, COMMERCE, INDUSTRY—INCLUDES TAXATION

25. H. R. 7201, life insurance company tax: Establishes new system of taxing income of life insurance companies; reforms tax laws on investments by life insurance companies; and amends the law regarding new insurance companies.

26. H. R. 6712, tax revision: Amends section 1237 of the code to afford capital gains treatment to corporations or individuals holding foreclosed land for 10 years, subdividing and selling, unless as part of a real-estate trading business.

27. H. R. 2667, Internal Revenue Code: Makes effective December 31, 1947 (now 1950) the estate-tax provisions of the Internal Revenue Code which provide that there shall not be included in a decedent's estate, property previously transferred in trust as to which the decedent retained certain discretionary powers if for at least 3 months prior to December 31, 1947, and up to his death he was under a mental disability.

28. H. R. 4376, duty free: Adds to the free list of the 1930 Tariff Act handwoven fabrics imported by religious societies for use in making vestments.

29. H. R. 4582, amends the 1954 Internal Revenue Code, section 381 (c), to permit parent corporations acquiring subsidiary corporations under the 1939 Revenue Code under tax-free liquidations or mergers to deduct from gross income the unused contributions of the subsidiary to pension funds.

30. H. R. 5428, amends the Revenue Code of 1939 to provide that where a transferee or fiduciary by agreement waives the statute of limitations for the assessment of additional income taxes, the statutory period for credits or refunds shall be similarly extended.

31. H. R. 7054, amends the Internal Revenue Code of 1939 to provide an election for executors of a credit against the estate tax for the amount of tax paid on property which passed to the decedent from a spouse who died within 2 years prior to the decedent's death.

32. H. R. 7094, amends the 1939 code to allow for all taxable years governed by that code an unlimited charitable deduction where in 8 of the 10 preceding years the individual's contributions to charity and his income tax payments are equal to 90 percent or more of his taxable income.

33. H. R. 7247, adds to the 1954 Revenue Code a new section which provides for the recognition of no gain in the recapitalization of a railroad corporation under the bankruptcy laws or in receivership proceedings where the property of a transferor corporation is exchanged solely for securities or stock of the transferee.

34. H. R. 7282, amends the Internal Revenue Code of 1939 to provide that in the computation of credits allowable for corporate dividends received, dividends paid and Western Hemisphere trade corporations, corporations in determining their adjusted net income shall include their net long-term capital gain income even though it may have been subject to the alternative 25-percent tax rate.

35. H. R. 7364, amends the Internal Revenue Code of 1954 to exempt from the stamp tax the issuance of debt certificates sold under installment arrangements whereby the obligee may not pay more than 20 percent annually of the total maturity value.

36. H. R. 8166, provides a 1-year extension of the present corporate income tax rate and the existing rates of certain excises, which were scheduled for reduction on April 1, 1956.

37. S. 3091, sale of Louisville, Ky., rubber plant and butadiene producing equipment.

38. H. R. 5265, foreign travel tax: exempts from the 10-percent excise tax on transportation of persons, travel to or from a point outside the United States, or that part of Canada and Mexico which is more than 225 miles from the United States.

FOREIGN RELATIONS

39. S. 3116, cultural and athletic exchanges: Provides a permanent program for United States participation in international cultural, athletic, and industrial fairs.

40. Executive Q, 83d, 1st, treaty, commercial samples: Ratified the international convention to facilitate importation of commercial advertising samples.

41. H. R. 8100, submarines to Brazil: Authorizes the loan of two reserve submarines to Brazil, for 5 years, and authorizes MDAP payment of outfitting costs.

42. S. 2562, Fulbright scholars: Amends the act to require of exchange students a return to their home country, or to a cooperating country for 2 years, before they become eligible for naturalization.

43. Executive F: Transfers to the U. N. procedural functions formerly performed by the League of Nations.

44. Executive P: Ratifying a protocol modifying the International Customs Convention, to permit the Bureau to increase its maximum budget from 125,000 gold francs to 500,000 gold francs and increases assessments of members.

45. House Joint Resolution 464, permits duty-free importation of articles exhibited at the State of Washington International Fair.

GENERAL GOVERNMENT

46. S. 1146, removes requirement that reasonableness of attorney's fees, in regard to claims under Trading With the Enemy Act, be passed on by Alien Property Office.

47. Senate Joint Resolution 95, authorizes the American Battle Monuments Commission to prepare plans and estimates for the erection of a suitable memorial to Gen. John J. Pershing, and to make its recommendations on the site and design to Congress as early as practicable.

48. H. R. 6904, establishes a public national memorial for Booker T. Washington, who, through prodigious efforts and many great contributions to his people and all mankind, was elected to the Hall of Fame.

49. H. R. 3557, settling claims against the United States: Amends the act providing for claims up to $1,000 resulting from noncombat injury or damage by extending the statute of limitations to 2 years, broadening circumstances covered by the act, etc.

50. H. R. 6463, Hawaiian lands: Ratifies certain acts of the Hawaiian Legislature, giving abutting property owners preference rights to small tracts of lands.

51. H. R. 6807, Hawaiian lands: Provides for relaxation of certain restrictive covenants on former public lands.

52. H. R. 6808, Hawaiian lands: Provides for a second private sale of public lands after initial auction, at not less than the advertised price.

53. H. R. 6461, Hawaiian lands: Provides for the mandatory inclusion of Government-sold lands in irrigation projects, and assessments therefor.

54. H. R. 5844, passport applications: Increased the fee for executing an application for a passport from $1 to $3.

55. H. R. 8191, New Zealand paintings: Authorized the donation to New Zealand of 25 World War II paintings of New Zealand soldiers, done by German artists.

56. Senate Joint Resolutions 122, 123, 124, to provide for filling of 3 separate vacancies in the Board of Regents of the Smithsonian Institution, of class other than Members of Congress.

57. House Joint Resolution 517, date of electoral vote count: Establishes January 1, 1957, as the date for counting electoral votes, January 6 falling on Sunday.

58. H. R. 1806, Theodore Roosevelt Memorial Association: Authorizes consolidation of Theodore Roosevelt Association with Women's Theodore Roosevelt Association.

59. S. 3386, Theodore Roosevelt Centennial: Authorizes an additional $461,000 for the Commission for Celebration of 100th Anniversary of Theodore Roosevelt's birth.

60. H. R. 6112, Colonial Historical Park: Authorizes construction of a sewage disposal system in the park, with some private users paying.

61. H. R. 6022, Trenton Massacre Monument: Authorizes movement of the Monument to a more convenient location nearby.

62. H. R. 5280, Colonial Historical Park: Authorizes certain land exchanges for the park.

63. H. R. 4391, Castle Pinckney Monument: Abolishes the Castle Pinckney National Monument, S. C., and authorizes disposal of the land as surplus Federal property.

64. H. R. 374, Stanislaus Forest: Authorizes the exchange of deeds to 440 acres in the Stanislaus National Forest, Calif., for 440 acres contiguous thereto, to cure defects in the two deeds.

65. S. 1161, Fossil Cycad National Monument: Abolishes the monument after allowing for a period of scientific investigation.

66. S. 1992, Pioneer National Monument, Ky.: Provides for conveyance of a tract of land in Madison County, Ky., to the Pioneer National Monument Association.

67. H. R. 7927, Federal housing projects: Extends to 1 year the time in which Louisiana may make down payments for housing projects.

68. H. R. 6772, Oregon land: Conveys certain Federal land to School District No. 24 of Lake County, Oreg.

69. House Joint Resolution 112, South Carolina land: Releases United States reversionary interest in certain improvements on a 3-acre tract in Orangeburg County, S. C.

70. H. R. 6625. New Mexico land: Transfers back to the Pueblo of San Lorenzo, N. Mex., 1¾ acres taken by the Government for school purposes.

71. H. R. 5889, Georgia land: Transfers back certain lands to Savannah Beach, Tybee Island, Ga.

72. H. R. 622, Michigan land: releases United States right-of-way interest in Saginaw County, Mich., land.

73. H. R. 585, California land: authorizes conveyance to Lake County, Calif., of Lower Lake Rancheria, to be used as an airport.

74. S. 2246, South Dakota land: authorizes sale of certain Bankhead-Jones lands to Wall, S. Dak.

75. H. R. 4680, California land: affirms that title to a tract vested in California in 1897.

76. S. 2267, Nevada land: conveys certain public lands to Henderson, Nev.

77. H. R. 6298, war housing projects: permits transfer of war housing projects to Moses Lake, Wash., and other communities similarly situated.

78. S. 2909, Commerce seals: authorizes maintenance of seals of office by branches of the Commerce Department.

79. H. R. 5856, penalty envelopes: repeals requirement that department heads report to Postmaster General the number of penalty envelopes and wrappers on hand at year's end.

80. H. R. 5876, Copyright Office: permits deposit of photographic reproductions in the office in lieu of certain published works.

HEALTH

81. S. 2990, polio vaccine: extends to June 30, 1957, authority to make grants to the States, for their free provision of Salk vaccine to children and expectant mothers.

82. Senate Joint Resolution 115, designates February in each year as American Heart Month.

83. S. 3076, authorizes the Public Health Service to make a continuing survey of sickness and disability.

84. S. 3246, increases by $3 million, or from $2 million to $5 million, the amount authorized for erection and equipment of buildings and facilities for National Institute of Dental Research.

INTERNAL SECURITY

85. S. 2887, security of juries: makes a criminal offense the tapping, recording, or unauthorized observance of grand and petit jury deliberations.

86. H. R. 3233, fleeing arson prosecution: Makes it a Federal offense to move across State lines to avoid prosecution or custody for arson.

NATURAL RESOURCES, INCLUDING FLOOD CONTROL

87. House Joint Resolution 471, home-disaster relief: Permits the FHA to provide title 1 repair assistance to new homes damaged by major disasters.

88. H. R. 7871, disaster loans: Increases to $375 million the funds available to the Small Business Administration for disaster loans.

89. H. R. 6645, natural-gas bill: Freed independent natural-gas producers from direct Federal (FPC) price control. Vetoed February 17, 1956.

90. H. R. 7930, Russian River project: Authorizes completion of the initial stage of development at Russian River Basin, Calif., a flood-control and irrigation project.

91. S. 500, Colorado River storage: Authorizes construction, operation, and maintenance of the Colorado River storage project.

92. Senate Joint Resolution 135, authorizes payment of $5 million to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam and Reservoir project, Montana and Wyoming.

93. H. R. 6309, authorizes construction of the Mississippi River-gulf outlet.

94. H. R. 6268, facilitates the construction of drainage works and other minor items on Federal reclamation and similar projects by making irrigation funds available for such works and items.

95. H. R. 7097, provides for reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project to the former owners.

96. H. R. 5556, authorizes a preliminary examination and survey of McGirts Creek, Fla., for flood control.

97. S. 180, authorizes the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma. Public Law 419, approved February 25, 1956.

98. S. 926, authorizes the Secretary of Interior to construct, operate, and maintain the Ventura River reclamation project, Calif. Public Law 423, approved March 1, 1956.

SOCIAL WELFARE

99. H. R. 7036, limitation on retirement income: Increases from $900 to $1,200 the amount a person under 72 can earn, before his over-65 retirement credit must be reduced.

100. S. 2438, pensions: Amends the act of 1929 which provided a pension of $125 monthly to Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever by increasing such pensions to $200 per month.

101. S. 51, repeals the provisions of law under which States were empowered to exercise civil and criminal jurisdiction over Indian reservations without the consent of or consultation with the Indian tribes involved.

102. S. 1528, authorizes enrolled members of Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., to acquire trust interests in tribal lands.

103. S. 1555, authorizes restoration to tribal ownership certain lands in the Crow Indian Reservation, Mont.

104. S. 2042, restores jurisdiction of the district courts over certain wage claims which were pending in the district courts or in the courts of appeal on October 31, 1951, and which were dismissed solely because the code was amended to remove that jurisdiction.

105. S. 2151, provides for segregating certain funds of Fort Berthold Indians on a basis of membership roll.

106. S. 3259, increases from $250,000 to $400,000 the appropriation to the American Printing House for the Blind and authorizes wider distribution of books and other specialized instructional material to promote the education of the blind.

107. H. R. 4802, authorizes the execution of mortgages and deeds of trust on individual Indian trust or restricted land.

108. House Concurrent Resolution 94, favors waiving State residence requirements in certain elections.

109. House Concurrent Resolution 199, extends congressional felicitations to those participating in the 250th anniversary of the birth of Benjamin Franklin.

110. House Joint Resolution 194, designates the General Grant tree in King's Canyon National Park, Calif., as a national shrine.

111. House Joint Resolution 443, authorizes additional funds for the Woodrow Wilson Centennial Celebration Commission.

TRANSPORTATION AND COMMUNICATIONS

112. S. 2861, emergency highway funds: Authorizes an increase from $10 to $30 million in emergency relief highway funds for fiscal year 1956, as a result of flood and hurricane damage.

113. H. R. 2552, Great Lakes Channels: authorizes the modification of existing connecting channels above Lake Erie, to provide deeper channels on several tributaries.

114. H. R. 5614, FCC complaints: Allows the FCC to demur to protests against the authorization of grants, and to dismiss insubstantial protests, after oral argument, without hearings.

115. S. 1456, FCC procedure: Permits the FCC to dispense with certain duplicatory procedures relating to reports and hearings, where communications carriers are jointly owned or where consolidations are desired.

116. S. 1777, Disabled—Reduced rates: Permits common carriers to transport, for one fare, a disabled person and his attendant, if an attendant is required for such person.

117. S. 898, trip leasing: Defines the legal standards for truck trip leasing by farmers, farm cooperatives and private carriers.

118. S. 1702, clarifies the provisions of law relating to the sale or pledge of stamps by postmasters or postal employees.

119. S. 1871, provides for reimbursement to the Post Office Department for the transmission of official Government-mail matter.

120. S. 2210 modifies the project for St. Mary's River, Mich., south canal, in order to repeal the authorization for the alteration of the international bridge as a part of the project.

121. S. 2286 authorizes the utilization of privately owned American shipping services for the transportation of privately owned motor vehicles of military personnel.

122. S. 2972 punishes the willful damaging or destroying of aircraft, and attempts to willfully damage or destroy.

123. S. 3269 permits Canadian vessels to continue to serve Alaskan ports until June 30, 1957.

124. S. 3422 authorizes transfer of certain amounts from unclaimed payments on United States savings bonds to the fund created for the payment of Government losses in shipment.

125. H. R. 6043 makes permanent the Merchant Marine Academy.

126. S. 2711 authorizes medals and decorations for outstanding service in merchant marine.

127. S. 3452 increases authorization for aircraft control and warning system.

THE PRICE SUPPORT PROGRAM

Mr. LEHMAN. Mr. President, in the course of the recent farm debate, I referred to a poll which the Watertown Daily Times, one of the finest newspapers in upstate New York, has been conducting among the farmers of northern New York on the price-support program.

It is an amazing fact, according to the Watertown Times of Saturday, March 31, that over 90 percent of those who have thus far participated in the poll voted in opposition to the Benson flexible price-support program. Only 8.76 percent voted in favor. Over 50 percent indicated their support for 90 percent price supports.

Mr. President, I believe the Watertown Daily Times is performing a great public service in conducting this poll. I expect to report to Congress the periodic results of this poll as they are printed in the Watertown Times. At this point, I should like to congratulate the Watertown Times on this undertaking.

Mr. President, I ask unanimous consent that the interim report of March 31 on the dairy farmers poll, as published in Farm and Garden, the farm supplement of the Watertown Daily Times, be printed in the RECORD at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

OPINIONS EMPHATIC IN FARM POLL—FLEXIBLE SUPPORTS DISLIKED—$6 MILK IS STRONGLY FAVORED

(By Boyd W. Moffett)

A 3½ weeks' dairy-farmers' poll, conducted by Farm and Garden to sample northern New York dairy-farmer opinion with respect to issues involved in any Federal farm program, has been concluded.

In tabulating the final results, these highlights stand out:

1. A total of 335 persons responded. There were 331 who sent in ballots and 4 who replied in letter form but did not enclose a ballot.

2. Of the 331 who filed ballots, 302, or 91.24 percent, voted against the Benson flexible price-support plan. A total of 29, or 8.76 percent, marked "Yes" on that No. 1 question on the ballot.

3. To the question: "Are you in favor of subsidies paid to farmers?" there were 254, or 76.74 percent, who answered "Yes." Sixty-eight, or 20.54 percent, said "No." This inquiry was unanswered on 9 ballots, or 2.72 percent.

4. On the parity question, 90 percent price support was the overwhelming favorite. A total of 168, or 50.76 percent, cast their ballots for that figure.

5. Six-dollar milk was the big choice. A total of 154, or 46.53 percent, listed this figure as the price they believed would be fair to them.

6. Although the ballot did not request identification, 82 of the 335 who responded either signed their names and addresses, or dispatched the information in personalized envelopes.

7. There were 37 letters received—33 of them with ballots attached. Twenty-six of the letters bore signatures. And on 112 of the ballots, senders wrote comment in the margins.

8. A total of 73 different northern New York communities were represented in the voting. The area covered extended from Sandy Creek and Lacona, on the south, to Ausable Forks, on the north, and Boonville, on the east.

Farmer opinion on the price-support and subsidy questions was emphatically distinct. With reference to parity, however, the answers were more varied.

While 90 percent was the favorite, with 169 votes, 100 percent ranked second, attracting 89 votes, or 26.89 percent of the 331 total. Eleven farmers, or 3.32 percent, voted for 85 percent of parity, while 10, or 3.02 percent, marked in 95 percent.

There were other scattered figures as follows: Eight in favor of 150 percent, 5 for 75 percent, 2 for 125 percent, and 1 vote each for 200, 110, 104, 98, 82, 60, and 50 percent. Thirty-three failed to answer this question.

Similarly, there were 19 different suggested milk prices. Six dollars per hundredweight led the poll, followed by $5, favored by 76 farmers, or 22.96 percent. A price of $5.50 was chosen by 50 voters, or 15.11 percent. In third position was a figure of $4.50, listed on 15 ballots, or 4.53 percent.

Other scattered price quotations included: $6.50 and $4, by 4 farmers each; $6.94, $4.40, and $4.25, by 3 each; $7, $5.75, and $4.75, by 2 each; and $10, $7.50, $6.35, $6.25, $4.95, $4.85, and $4.70, each with 1 vote. There were only six ballot-senders who did not insert a price choice.

The Dairy Farmers' Poll brought forth many interesting sidelights.

As one Adams section farmer wrote: "I think this is the first time the family-size farmers have had a chance to let people know what they think."

Another, this man a resident of Mannsville, wrote: "What pleases me is when farmers have the right to vote individually, the truth comes out."

The one farmer who asked for $10 per hundred for his milk and 150 percent price support, choice, noted that he preferred subsidies "rather than work for nothing."

Another, who listed $6 milk and 150 percent price support, wrote that "I would like farmers to get $2 per hour."

And still another concluded making out his ballot with this written-in note: "I wonder if what we think ever means anything."

The No. 1 question on the ballot, concerning the Benson flexible price-support plan, seemed to draw the strongest comment. Here are some of the typical notations scribbled along the margins of the ballots:

"I am not in favor of Benson."

"I have no use for Benson. He will wreck the Republican Party."

"We have all of Ike and Benson we want."

"I am a Republican but will vote Democratic. This administration is no good for the farmers."

"We want Democratic times. Most farmers will be on welfare before long, or bankrupt."

"If the GOP loses the eastern farmers' vote they can thank Benson for it."

Then, of course, there were a few who were even more rash in their attack on the Secretary of Agriculture—and even the President. Among those sharp notes were:

"I have no use for Benson."

"Remove Benson."

"Please help kick Benson out."

"I think we have the worst President and Secretary of Agriculture we ever had or ever will. They are out to starve the farmers and help the big shots."

Of the 29 farmers who marked their ballots in favor of the Benson flexible-support plan, a few sent along brief letters or notes. Among the comments were these:

"Benson's flexible plan is the best for the farmer in the long run, but in the meantime milk is still going down."

"While Secretary Benson has made his mistakes, to me he is sincerely trying to straighten out the milk problem. If we stick with Benson it will straighten itself out. It takes more than a couple years to straighten out a mess thas has existed for so long."

"Some people wouldn't have enough if they got $10 a hundred."

The comment on subsidies was not quite as strong, but here again the ballot senders made their voices heard. Many of those who voted in favor of subsidies said:

"If we cannot have a fair price without them," or "as long as other businesses get them."

Several commented that they did not believe in subsidies "for any farm produce," and a number of farmers dislike subsidies of any type.

Comment on the parity question was fairly light. One farmer wrote in: "What is parity? Dealers set the price then."

Another wrote he favored keeping grains and milk at the same support level. And there were many who observed that "if we're going to have supports, the figure should be 100 percent, if any."

Varied comment also was noticed on the milk price inquiry. Scores of the ballots carried the notation that the year-around price should be $5. Some favored $4.50. "If we could get $4.50 the year around for the blend price, we might keep out of the red," wrote 1 farmer.

Still others leaned toward a price of $6 in winter and either $5 or $4 in summer. One man suggested $6 for 3.5 milk for 5 months and $5 for the other 7 months.

Then there were these two notations:

"Five dollar milk with labor at $1 an hour."

"Seven dollars per hundredweight would allow me $1 per hour wages, plus 2 percent interest on investment."

Here are a few of the other general comments which were made on the ballots:

Subsidies should be paid "directly, not to distributors or dealers."

"A thousand times 'no,' (with respect to the flexible price support plan).

"Keep the Government out of agriculture."

"Subsidy money comes from the taxpayer—you and me—not the Government."

"A fair price for his work and investment would be appreciated."

And, to cap the climax, was this one: "Please do something about the poor farmer. Stop to think; that is where all your milk comes from."

The dairy farmers' poll ballot appeared in Farm and Garden on three successive Saturday's—March 3, March 10, and March 17. Previous reports on the progress of the balloting were issued March 10, 17, and 24. All ballots received up to this past Wednesday were included in this final tabulation.

PROBLEMS FACING MAINE FISHERIES

Mr. PAYNE. Mr. President, recently I received from the Portland Fisheries Association of Portland, Maine, a letter which is an excellent summary of the problems facing Maine fisheries. While the letter pertains especially to local conditions in Portland, the suggestions it contains have application to the problems shared by the fisheries of all sections of our country. These problems merit very careful consideration by the Federal Government, and it is my hope that every Member of Congress will give this letter some careful thought, with particular reference to the corrective measures which have been suggested by the Portland Fisheries Association.

Mr. President, I request unanimous consent that the text of this letter from the Portland Fisheries Association may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND, MAINE, *March 30, 1956.*
Senator FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: The undersigned, who are the charter members of an association now in the process of being formed, called Portland Fisheries Association, which association is being organized for the purpose of promoting, protecting, developing and assisting the Maine Fishing Industry,

have drafted this letter to point out to you, our Senator, some of the many problems which the fishing industry, including boat owners, fish plant owners, fishermen, and those connected with the fishing industry in Maine, are facing.

First, we would like to present some facts and figures:

In 1946, the average price of fish per pound, ex vessel, in Maine was as follows:

Haddock	0.081
Hake	.043
Pollock	.037
Redfish	.039
Round whiting	.016
Black backs	.047

In 1956, 10 years later, the price of these same classes of fish is almost exactly the same, with the exception of whiting, which has dropped to between 0.010 and 0.0125 per pound.

Nor has this lack of increase in price been helped much by increase in volume, since the following comparison between the number of pounds of fish landed in Maine in 1946 and those landed in 1955 shows that only the landings of haddock, redfish, and whiting have increased, while the landing of black backs, pollock, and hake have substantially decreased:

Landings, 1946

Haddock	2, 814, 800
Hake	8, 418, 400
Pollock	7, 098, 100
Redfish	41, 072, 400
Round whiting	5, 696, 600
Black backs	1, 080, 100

Landings, 1955

Haddock	4, 009, 249
Hake	2, 398, 185
Pollock	5, 051, 212
Redfish	67, 084, 954
Round whiting	25, 092, 249
Black backs	918, 000

In spite of the fact that the price per pound of fish is no higher in 1956 than it was in 1946, the cost of operating fishing vessels has more than doubled. P. & I. insurance has increased in cost over the past 4 or 5 years alone from approximately $125 per man per year to approximately $300 per man per year. Hull insurance has increased from approximately 4½ percent to 9 or 10 percent (based on the age of the vessel) and, in addition, prior to 1951 or 1952 the rate included 100-percent valuation with no deductible and full Inchmaree clause. The 1956 rate is based on a $250 deductible, an 80-percent valuation, and a limited Inchmaree clause which no longer covers machinery damage due to negligence of master, mates, pilots, engineers, etc. It is also becoming extremely difficult, if not impossible, to place hull insurance on vessels over 10 years old, and as you may know, most of the Portland fleet are over 10 years old.

Other items which are indispensable to the operation of fishing vessels, and therefore to the whole fishing industry, are repairs, fuel oil, wire rope, and manila line. In 1946 the average wage in shipyards in the Portland area for unskilled labor was $1.50 to $1.75 per hour. Today the average wage is $3 to $3.50 per hour. In 1946 fuel oil was 11 cents per gallon; today it is 14½ cents per gallon. In 1946 wire rope was $17.20 per hundred feet; today it is $27 per hundred feet. In 1946 manila line was 45 cents per pound; today it is 52 cents per pound.

Adding fuel to the flame is the fact that in 1946, the bulk of the fishing out of Portland was done between 60 and 150 miles from Portland, while today the bulk of the fishing is done on the Grand Banks, which are from 800 to 1,000 miles away. You can easily see what this added distance does to the profits of everyone connected with the fishing industry. It means that the boatowners have 10 times the maintenance and repair expenses that they used to have. The fishermen who have to pay for fuel, ice, and food under our present share system have to pay several times more for these items than they did a few years ago. The fish company's supply becomes erratic, as it is difficult to predict time of landings. This added distance also has an adverse effect on younger men who might want to come into the fishing industry because, whereas in 1946 trips averaged 7 days for a vessel of 150,000–250,000 pounds capacity, today these same vessels are out sometimes 17 days.

To demonstrate the very sad condition of the fishing industry in Portland at the present time, as compared to a few years ago, we present the following facts:

In 1946, 34 vessels were fishing out of Portland; today there are only 19. Of these 19, 2 are 5 years old or newer, 2 are between 5 and 10 years old, 2 are between 10 and 15 years old, 1 is between 15 and 20 years old, and the remaining 12, or the majority of the fleet, are over 20 years old.

Another fact which even better demonstrates conditions in Portland is that in the last 2 years 5 fish companies have been forced to close their doors and go out of business, leaving only 13 active companies at the present time.

In short, the undersigned feel that the following factors are largely responsible for the present unhealthy condition of the Portland fishing industry:

1. The consistently low ex-vessel price of fish, coupled with the long haul to the fishing grounds and the greatly increased cost of operation, make it almost impossible to operate fishing vessels at a profit.

2. The refusal of local banks to extend credit to fish plants and to loan money to fishing-vessel owners secured by first preferred mortgages on the vessels has prevented the modernization of fish plants and deprived vessel owners of enough working capital to properly maintain and repair their vessels. It has also almost completely prevented the construction of new vessels for the fleet. For Portland, only 3 new vessels have been built for the fleet that were over 70 gross tons in size, in the last 10 years. At the present time no new vessels are under construction or even in prospect for Portland.

3. The failure of present conservation methods to prevent the source of supply from moving further and further away from Portland.

4. The importing, without restriction, of fresh fish from foreign countries which, because of a lower standard of living, are underselling Portland fish, which is already priced far too low for the members of the fishing industry to make a decent living.

The undersigned respectfully submit for your consideration the following suggestions that they feel will definitely benefit the Portland fishing industry, the Maine fishing industry, and in fact the whole east coast fishing industry:

1. Have the so-called Jones Act amended so that it does not include crewmen on fishing vessels (which it was never designed for anyway). We feel that fishermen should all be treated equally and that they should be protected and cared for when ill or injured by a compensation act similar to the Longshoremen's and Harbor Workers' Compensation Act.

2. Establish a governmental lending institution somewhat similar to the RFC which would make loans to fishing vessel owners and to fish plant owners. These loans would be serviced and processed through local banks and would be properly screened. These loans would be available not only for modernization and improvement of fish plants, for maintaining, repairing and improving fishing vessels as well as for the construction of new vessels, but would also be available in time of emergency caused by hurricanes, and so forth.

3. Establish a subsidy plan for fishing vessels, similar to the subsidy available to merchant vessels. After all, fishing vessels are esesntial to [illegible] national defense, both as a source of food and as coastal patrol vessels.

4. To have the Government contribute to the high cost of P. & I. and hull insurance, in the event of the Jones Act is not amended to exclude fishing vessels.

5. Have a fisheries commission established in Washington, with branches in the various States in which there are fishing industries. This commission would operate similar to the Agriculture Commission and would be well staffed with trained personnel who could educate the members of the fishing industry and the public in general, if interested, in the most efficiently scientific methods of fishing, processing, and selling, and would also make continuous research into better methods of conservation.

6. Set up a flexible parity system similar to the farm program which would enable the vessel owner and the fisherman to get reasonable returns on their investments, whether it be of money or of time.

7. Curtail the importing of fresh fish from foreign countries to the extent necessary to allow the American fishing industry to survive. This does not apply to frozen fish.

Portland Fisheries Association, by its Charter Members; Bernard F. Harris, A. J. Pedersen, G. I. Lewis, Otis L. Thompson, Mortier D. Harris, Harold Paulson, John E. Willard, Jr. (by H. Paulson).

Attested:

BENJAMIN THOMPSON,
Secretary.

FLOOD INSURANCE

Mr. LEHMAN. Mr. President, I ask unanimous consent that I may address the Senate for about 4 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from New York is recognized for 4 minutes.

Mr. LEHMAN. Mr. President, for the past 4 weeks I have had my staff reporting to me almost daily on the weather bulletins from upper New York State. These past weeks have been times of momentous world and national developments. Yet there has not been a day during this period when I have not been very deeply concerned to know whether or not it was raining in upper New York State.

Does that sound like a petty matter, Mr. President? I assure you it is not. During these weeks the threat of flood has hovered over New Yorkers like the fabled sword of Damocles—suspended over their heads by a thin hair of chance and the weather. In the early part of this period New York State experienced a succession of heavy blizzards. As a result the disaster operations office of the Federal Civil Defense Administration informed me that there was a potential 12 inches of water on every square foot of the upper Mohawk valley. In the adjacent State of Pennsylvania, Warren County was declared a major disaster area by President Eisenhower. In the rest of New England, there was a heavy snow blanket of varying degrees of thickness. At any moment during this time, a heavy rainfall, a sudden thaw, even a thundersquall could release these tons and tons of water to pour down the valleys and repeat the tragic destruction of the floods of last summer and autumn.

As it happens, Mr. President, we have been lucky. There has been no really heavy rain. There has been no sudden thaw. Rather the warm weather has arrived gradually, and the floods experienced have been only minor. They are what the disaster operations office refers to as local and basement flooding. But even basement flooding can spell tragedy for the person to whom it happens. Let me read a brief fragment from a letter I received from the victim of an earlier so-called minor local flood:

> We borrowed quite a bit of money last fall to put in a new furnace and to make repairs as a result of the flood in March 1955. That money and those repairs are lost, we can't borrow again, we haven't paid off last fall's loan.
>
> We have no heat as yet, our hot water tank is broken, our washing machine is ruined, the basement floor is damaged and everything stored in the basement is lost. These may seem like small matters to some people but to small people like us trying to raise a family it's close to a disaster.
>
> We can't sell this house; we have tried through the real estate dealers. The only thing left is to let the house revert to the bank and lose our GI rights.

That, Mr. President, is what basement flooding can mean.

Can anything be done about such situations? Indeed there can. Flood control projects are a part of the answer. I will have much to say about this at a later date, for the fact is that New York, and her sister States in the Northeast have been consistently shortchanged on flood control appropriations. It has been carefully calculated that my own State has received on the average about one-fifteenth of what she might reasonably expect on the basis of her needs and the peril to which she is exposed. At the same time, New York has cheerfully and willingly supported flood control projects and other Federal benefits all over the Nation. When I say supported, Mr. President, I do not mean merely that New York's Representatives in Congress have voted for these projects. I mean that New York State has paid for them. For New York State furnishes a larger single portion of the total revenues collected by the National Government than does any other State.

But, as I say, Mr. President, flood control is only a part of the answer, for human ingenuity can never anticipate all the combinations of events that may cause a flood. Floods can and do occur where no flood ever occurred before. The other part of the answer therefore is insurance, flood insurance. Perhaps no flood-control structure could prevent the flooding of an occasional basement and the kind of loss the letter I have read describes. Flood control therefore must be buttressed with flood insurance.

The Banking and Currency Committee of the Senate has been working on a proposal for such insurance since early last fall. The problems are many, for this kind of insurance has not been tried heretofore. But we are making good progress. We have held many informative and helpful hearings during the fall and winter. During the past 2 weeks, staff meetings have been resolving the differences between the administration flood insurance bill and the Lehman-Kennedy bill which is cosponsored by many of my colleagues on this side of the aisle. It is my hope that the Committee on Banking and Currency will be able to report a clean bill to the Senate by the latter part of this month. I have high hopes for this bill, and I trust the Senate will agree that the many months spent in developing its provisions will prove to have been months well spent.

SELECT COMMITTEE TO INVESTIGATE ATTEMPT BY CAMPAIGN CONTRIBUTION TO INFLUENCE THE VOTE OF A SENATOR

Mr. GEORGE. Mr. President, the Select Committee composed of four Senators, and appointed by the Senate to investigate the matter called to the attention of the Senate by the junior Senator from South Dakota [Mr. CASE] has finished its work.

I ask unanimous consent that the transcript of the record and all files now in the possession of the committee or its counsel be turned over to the Special Committee on Lobbying.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, before the Senator from Georgia leaves the Chamber, may I, speaking as the acting minority leader, inquire if my understanding is correct, from what the Senator has just said, that all the files will be turned over to the special committee but that the select committee has made or will make a formal report to the Senate, which will be printed and be available?

The PRESIDING OFFICER. For the information of the Senator from Massachusetts, the report has already been submitted.

Mr. GEORGE. The report has already been filed.

Mr. SALTONSTALL. I thank the Senator.

FEDERAL INDIAN POLICY

Mr. MANSFIELD. Mr. President, before the Easter recess I received a reply to my most recent communication to the Secretary of the Interior, Douglas McKay, relative to Federal Indian Policy and the situation among the Indians on Hill 57 in Great Falls, Mont. In brief, there is nothing new in the letter. The Department continues to refuse to inject any flexibility in its rigid policy toward the American Indian.

I wish to make several brief observations about this letter. The Secretary says that 87.5 percent of all Indian children attended public, Federal, or mission schools in 1955. The national figures for all children—6 to 18, inclusive—in the United States is 97.1 percent. The record of education for Indian children is good, but it can be improved.

In the Secretary's letter to me, dated February 8, 1956, with respect to the relocation program, he stated:

> There has not been a single complaint on this score from the communities.

However in this most recent communication he has qualified his statement with respect to the relocation program, he states now that there is "generally satisfactory adjustment of the individual Indians." Perhaps this qualification is due to recent stories in national periodicals giving another picture of the relocation program.

In my letter to Mr. McKay on February 18, I questioned the discrepancy between his firm stand against aid to Indians who do not live on a reservation and a statement made by Assistant Secretary of the Interior, Wesley A. D'Ewart that the Department would help those Indians who are in need of relief assistance and cannot obtain it from other sources. Secretary McKay regrets the lack of clarity in this matter and has reaffirmed his stand of confining Federal aid to Indians to those residing on Indian reservations.

Mr. President, I ask unanimous consent that the letter of the Secretary of Interior dated March 20, 1956, be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington D. C., March 20, 1956.

Hon. MIKE MANSFIELD,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MANSFIELD: Reference is made to your letter of February 18, 1956, in which you offered further comment upon the situation among the Indians on Hill 57 in Great Falls, Mont., as well as upon statements of Bureau policy.

Regarding your question raised in connection with Federal-State cooperation in the education of Indian children, the 40.2 figure is the percent of all Indian children of school age (6–18 inclusive) who were attending public schools in the fiscal year 1955 but does not include the enrollment of Indian children in Federal or mission schools. Comparable figures for Indian children to the National Education Association estimate of 97.1 percent of all children of school age in attendance for the same period is as follows:

Percent Indian children in school	87.5
In public schools	40.2
In Federal schools	30.2
In mission schools	8.1
Percent Indian children not in school	7.7
Percent for which information not received	4.8

It is the desire of the Bureau to extend the services of the relocation program to all agencies and jurisdictions where the Indian people are in need of this service. Our experience in developing the relocation program has indicated that the care taken in giving counseling and guidance to Indian relocatees, both before their departure from reservations and after arrival in metropolitan aeas served by our field relocation offices, is reflected in the generally satisfactory adjustment of the individual Indians. Because of the limited appropriations in the past years for this program, we have necessarily been required to limit the availability of services to those reservations with the greatest need, and to a limited number of metropolitan areas.

We have felt for some time that considerable expansion of relocation activity should take place to provide services to the increasing number who are interested in relocation. Our proposals for this activity for the fiscal year 1957, if approved by Congress, will make available relocation services at

additional reservations and metropolitan areas.

As to the statement on welfare policies quoted from the letter to Mr. T. A. Busey, publisher, the Glacier Reporter, Browning, Mont., the general assistance program of the Bureau of Indian Affairs for needy Indians, ineligible for public assistance and not receiving general assistance from their county departments of public welfare, is confined to those residing on Indian reservations. We regret that it was not made entirely clear in the letter to Mr. Busey that the statements applied only to those Indians under the jurisdiction of the Bureau of Indian Affairs. As we wrote you on February 8, 1956, we believe our proper role is to care for those Indians on reservations who are not cared for by other agencies and to continue our role of working with communities when we can be of assistance in an advisory or cooperative way for those Indians who have moved away from Indian reservations.

Sincerely yours,
DOUGLAS MCKAY,
Secretary of the Interior.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article entitled "Uprooting the Indians," written by Ruth Mulvey Harmer, and published in the March issue of the Atlantic be made a part of the RECORD at the conclusion of my remarks. This article by Mrs. Harmer is a very revealing and thought-provoking study of the Department of Interior's Indian relocation program.

There being no objection, the article was ordered to be printed in the RECORD at the conclusion of Mr. MANSFIELD's remarks.

(See exhibit A.)

Mr. MANSFIELD. Mr. President, in conclusion, I wish to bring to the attention of my colleagues an article entitled "The Raid on the Reservations," written by Dorothy Van de Mark, and published in the March issue of Harper's magazine.

EXHIBIT A

UPROOTING THE INDIANS

(By Ruth Mulvey Harmer)

I

Two months ago Little Light, her husband Leonard Bear, and their five children were persons of standing in a Creek Indian community in Oklahoma. They had only 80 acres of poor land and a modest cabin, but except for the hungry seasons they understood their way of life; they were at peace.

Today they are slum dwellers in Los Angeles, without land or home or culture or peace. Leonard Bear and his family have become part of that vast army of displaced persons which has been created by the Government's policy of accelerating the integration of the Indian. Uprooted from their native soil, many without even the weapon of comprehensible language with which to defend themselves, the 400,000 indigenous Americans still living in reservations and small communities are being turned loose upon the asphalt jungles of metropolitan centers in one of the most extraordinary forced migrations in history.

The relocation program being carried out by the Bureau of Indian Affairs was established in 1951 to help the Indians become part of the national economy and part of the national life. However, it did not really become important until August 15, 1953, when President Eisenhower signed Public Law 280. That law, which he branded as most un-Christian, authorizes any State to substitute its own law for Federal Indian law and its own codes for Indian tribal codes. It was enthusiastically hailed in the Western States by persons who had long been seeking legal sanction to move in on Indian lands, superficially poor but rich in subsurface oil and minerals. Further strength was given to the program to dislodge the Indians under the terms of the Watkins bill (Senate 2670), providing that the 177 pure-blood Paiutes who own 45,000 acres of potentially valuable land in Nevada should no longer receive Federal aid protection. Another precedent to weaken the Indians' hold on their whittled-down grants was set by Senate bill 2745, which forcibly removed from trusteeship all individually owned Klamath lands in Oregon and which authorized any enrolled Klamath to force the tribe to sell its corporate holdings in order to buy him out.

Other bills now pending promise to end all Federal services to Indians, to liquidate all tribal organizations, and to dispose of their holdings.

However, the Bureau of Indian Affairs is accomplishing that end so rapidly through the relocation program that additional laws may be simply ex post facto legislative items. A remarkably effective sales campaign is prompting thousands of Indians to abandon their lands and interests for the promised lands of the relocation centers.

In defense of the program, an officer of the Bureau of Indian Affairs points out that some of the new immigrants to the urban centers have become model citizens and are enjoying the fruits of 20th century civilization * * * up to and including television sets. That is true. But the Bureau is curiously vague about the number of maladjustments and even the number of returnees, which well-informed welfare and social workers in several of the centers set at 60 percent.

For every success story, there are a 100 failures. For every former trapper-farmer now adjusted to assembly-line work and city life, there are 99 adrift in a new and hostile environment. Against the optimistic pronouncement of Government agents that with a little proper guidance, Indians have no trouble making the major adjustment from reservation to city life is the bitter cry of Little Light: "So this is the land of sunshine they promised us."

A damning summary of the program was spoken by a woman in the chairless kitchen-dining-living room of a small shanty on the outskirts of Los Angeles. Five children, black eyes round with wonder in their apricot faces, sheltered against her skirt. The walls were unpainted, the floor a patchwork of linoleum. Through an archway, another room was visible where three beds crowded together. A two-burner gas stove stood on a box, and on the only other piece of furniture in the room—a battered table—rested the remains of dinner: some white, grease-soaked bags which had contained hamburgers and fried potatoes prepared by the restaurant a few blocks away.

She answered our questions in an Indian dialect which the woman beside me interpreted. "No, my husband is not here. He went out with some other men. He does every night. They are drinking.

"Yes, he is working. He makes lots of money. One dollar and sixty cents an hour in the airplane factory.

"Yes, the children are in school. All but Zena." She indicated one of the girls, about 10 years old. "Zena is sick. I don't know what sickness. There is no doctor.

"Yes, the food came from that place. I don't go to the store often. Everybody laughs at me.

"Yes, I want to go back. There is not money. We pay $75 a month for this house. We pay for food. We pay for lights. We don't have the money to go back."

Then the patient planes of her face became distorted. "They did not tell us it would be like this."

What had "they" told Little Light and her husband?

A good indication may be found in an article entitled "Relocation News" written by George Shubert for the Fort Berthold Agency and News Bulletin of Newtown, N. Dak., for May 12, 1955. Following a glowing account of jobs for young men and women with a large company in Chicago—"skilled, lifetime jobs * * * with paid vacation, sick benefits, paid pension plan, union membership, protection, etc."—the Indian Affairs officer wrote:

"This office is presently equipped to offer financial assistance to a large number of qualified persons who have an earnest desire to improve their standard of living, by accepting permanent employment and relocation to 1 of 4 large urban areas in the United States; namely Chicago, Ill., Denver, Colo., Oakland, Calif. (including the entire bay area) and Los Angeles, Calif.

"Our offices in those areas are presently able to place on jobs and render any assistance necessary to practically an unlimited number of families. They also state that there is a good selection of employment opportunities and housing facilities available at the present time.

"The rapidly rising waters in the bottom lands of the reservation should remind us of the fact that the Fort Berthold people have lost forever over one-half of the natural resources and practically all of their class 1 and 2 agricultural lands, comprising one-quarter of the area of the entire reservation and one-half of the agricultural resources, thereby rendering the remaining portions of the reservation inadequate to provide subsistence for the remaining members of the tribes, at a standard comparable to the people adjacent to the reservation.

"We feel that a workable solution to the above problem would be to avail yourselves of the opportunities offered by the Relocation Branch of the Bureau of Indian Affairs. It must be at least worthy of serious consideration for persons who have ambitions to advance economically and socially and to provide better opportunity for their children."

Undeniably, the pitch is effective. The prospect is given a choice between the nothing of life in Fort Berthold and the glittering something of security and prosperity elsewhere; aid and friendship will be given to those who make the "right" choice. And even if the prospect is reluctant to send in the boxtop for himself, he should think of his children.

For those who cannot be reached by words, there is the poster recently concocted in the Los Angeles Relocation Center picturing a number of pleasant, comfortable houses owned by Indians who are shown demonstrating the wonders of garbage disposals in the assorted kitchens and of television sets in the assorted living rooms.

The salesmanship rates an A plus, but what about the product?

II

First of all, the Government's financial assistance in connection with relocation is limited specifically to one-way travel costs and a weekly allowance until the first pay check comes in. Those monetary aids are made only to persons without any funds; partial grants are given to those who have some reserves. But that even the maximum grant is sufficient is highly debatable· transportation costs and a living allowance for a few weeks might be all that a bright young man moving from San Francisco to New York would need to tide him over the transitional period; it is not enough to cover the period of adjustment needed by a family moving from a pre-Columbian culture into the mechanized 20th century.

"Accepting permanent employment" is another rather meaningless phrase since absolute job security is almost nonexistent.

Moreover, many of the Indians find it impossible to work in foundries or at assembly-line jobs after a history of outdoor experience. The Bureau of Indian Affairs accepts no responsibility for those who wish to transfer from the jobs they took blind when they first arrived.

That the Relocation Offices in the 4 areas are presently able to "render any assistance necessary to practically an unlimited number of families" is an absurdity. In Los Angeles, where between 150 and 200 new arrivals are pouring in each month under Government sponsorship (another 100 are coming on their own), the Relocation Office has a staff of 14 persons, including clerks, receptionist, secretaries, and others who play no active role in the integration. Those who do, necessarily confine themselves to receiving the Indians who show up at the office, making job contracts for them, giving them a living allowance and the address of a vacant dwelling.

This sketchy reception is obviously a prologue to disaster for persons whose acquaintance with the American language is painfully new if it exists at all, who are not accustomed to handling money—most of them have lived in an agricultural environment where barter is the approved method of exchange—who are generally more ignorant of urban ways than a 6-year-old child reared in a city, and who become unutterably lonely removed from the security of tribal identity.

Their first glimpse of city life is rarely happy. In Los Angeles, where there has been an acute housing shortage since the beginning of World War II, the Indians have been hard pressed to find decent accommodations. Many of them are sent to antiquated rooming houses and apartments in the Bunker Hill area, which is now being razed with Federal and municipal funds. Others are sent to trailer courts and dreary buildings in the southern part of the city near the aircraft plants.

For many, a few days is enough; others leave in a few weeks; some stay, and for most the going is rough. A number of the men—particularly the GI's and those who have taken the 5-year training course at Sherman Institute or other Government schools—fare rather well. They know English, they have learned a trade, they have had an extended relationship with white men and white men's ways. But most are hopeless and dangerous misfits.

The Indians in Los Angeles—and there are now 10,000 of them, representing 86 tribes—have had a relatively good police record: a 1 percent arrest, mostly on charges of drunken driving and plain drunk. That figure soared in 1955. During the Memorial Day lost week-end, an estimated 1 out of every 4 of the men haled into court was an Indian. Not long ago, for the first time in the history of Los Angeles an Indian was picked up by the police for child beating—a crime unheard of among them. Recently, and for the first time, a number have been arrested for sex offenses. Women and children have been getting into trouble, too.

III

When a 21-year-old Sioux was brought before a municipal court judge to defend himself on a charge of drunken driving, he apologized: "If I go into a bar and have a couple of drinks everyone is nice to me. Friendly. I feel good then."

At that point, a small, slim Indian woman rose to intercede. "This boy is not delinquent," she told the judge. "We are."

By "we," Stevie Whiteflower Standingbear meant the Los Angeles Indian Center which she heads and which is doing heroic work to make relocation easier for its victims. The center began in 1935 when Myra Bartlett, an Indian, and a singer on the Orpheum Circuit, decided to establish a meeting place for the Indian women working as housemaids whom she encountered each Thursday afternoon gathered at the streetcar terminal for a weekly visit. It was a refugee center during the depression and was reorganized under the American Friends Service Committee in 1948 and supported by that group until last October. Now on its own, with a $20,000 yearly budget and a staff of 2 persons—Mrs. Standingbear and Mary Buck—the center has become an island of security for the Indians in Los Angeles.

One of its main functions is to make available to newly arrived and needy Indians the help of those established in the city. More than 200 volunteers render all kinds of services from baby sitting and practical nursing to loaning or giving money, finding decent living quarters, obtaining medical treatment, and just visiting.

Aside from this emergency work, the center provides a familiar environment for the 10,000 Indians in Los Angeles. Its dances, dinners, classes, clubs, and activities for all age groups have an average weekly attendance of more than 600. The center's chapter of Alcoholics Anonymous has rescued scores of men and women. Although the center itself has little money, it is often able to scrape up a bit to tide destitute persons over a period of immediate want. This is particularly valuable since municipal and State services are not available to persons who have not fulfilled residence requirements. "We can get medical care for some people by taking them—including pregnant women—through the emergency entrance," Stevie Standingbear reports. But those who are not specifically emergency cases must either find a creditor or wait until their sickness becomes acute. A small number obtain some help from one of the professional men and women who aid the center as a charity. The courts parole to the center some of the newer arrivals who have been picked up for drunkenness. "If we can only get to them during the first few weeks they are here, we can save a lot of suffering," Mrs. Standingbear feels.

Occasionally the center makes demands on some of the municipal agencies; several months ago a committee headed by Mrs. Regina Johnson persuaded the Health Department to close and condemn a group of dwellings to which Indian arrivals were being referred by the relocation center. She had found the place while calling on a list of recent arrivals to invite them to a party at the Indian center.

"You don't need to see them. They don't need to go to no parties." The landlady had tried to block her way. "They have all the parties they want right here."

In a sense, she was right. Mrs. Johnson found the shanties where they were staying crammed with mops and floor wax thanks to the Stanley parties given by neighboring women to which the Indians had been threateningly invited and instructed to buy or else. But the parties were the least of the troubles of the 20 families unfortunate enough to land at the Government-approved address. The original building was in fair shape, but not the 20 flimsy "coops" built around it by the enterprising owner. Rent for the 2-room shacks ranged between $60 and $80 a month. Conveniences were minimal. The outdoor toilets were not functioning and the occupants of the 20 apartments had to depend upon the hospitality of 1 woman in the main building who had plumbing in working order and who was willing to permit them to use it. Bad cases of impetigo bred by filth afflicted most of the children, and young and old were generally suffering colds and bronchial disorders.

Why didn't they move? According to one young woman, the landlady announced that anyone who made any trouble would be handed over to the police.

"It was one of the worst things I have ever seen," Mrs Johnson says. She and her husband (a white man), parents of a young soldier son, have been working full time for years to help Indians adjust to Los Angeles. So have a number of other immigrants, like Myron Denetdale, who has been with North American Aviation for 10 years, and his wife Virginia; Pakali and Alex Reifel, a Sioux couple who spend their evenings and week ends visiting the jails trying to aid men and women there; Frank Peshlakai, a Navaho who has been working in a Los Angeles plant for 16 years and who now has his own business.

The dedication of the staff and the volunteers has enabled the center to perform almost incredible tasks. To a large degree, it has permitted the successful integration of hundreds of Indians, and it has minimized the problem of relocation in Los Angeles. Many cities have fared worse. In Minneapolis, Indians, who comprise less than 1 percent of the city's general population, make up more than 10 percent of the inmates at the men's workhouse and almost 70 percent at the women's workhouse. Judge Luther Sletten of that city's municipal court calls it "one of our gravest social problems."

Obviously, something must be done with Indian lands inadequate to support the present and fast-growing population. One solution would be a kind of domestic point 4 program which would enable the Indians to make the most of the rich potential of reservation lands. Instead of being hindered, they should be encouraged to start businesses on reservations and in their communities. Young men with trade and technical training have had to leave home in order to utilize their newly acquired skills. One of the recent applicants for help in finding a job at the Los Angeles Indian Center was a former GI who had attended a barbers' school after his discharge. He returned to his reservation with an enthusiastic plan to open a barbershop, but Government agents said "No." Schools and extension classes should be instituted to help the Indians exploit their resources. If necessary, tribal funds which have been impounded could pay the costs of running them.

If, however, the program to dislodge the Indians is to be an all-out one, some educational program must be established to prevent the creation of another acute minority problem. It is imperative to slow down the relocation until the Indians have been prepared for integration.

The first step would be to institute a comprehensive orientation program in the relocation centers and on the reservations, providing some education and vocational training for the Indians who are to be sent into a mechanized, urban environment.

Secondly, there should be a thorough screening process to make sure that those who are participating in the program are able to make the adjustment physically and mentally. Obviously, a knowledge of the English language is a prerequisite. So is at least fair health. Many of the new arrivals have been women in advanced pregnancy; many have been men with tuberculosis scars and other defects which make them unacceptable to industries.

Instead of being given the rosy picture of the promised land, the Indians who are leaving the security of their old life should have a more realistic picture of what lies before them. Most of them, Mrs. Standingbear says, are "woefully prepared." Few bring changes of clothing, bedding, or even cooking utensils—apparently under the delusion that the centers will "take care of everything."

Courses in household management are a must for women who have never seen electric lights and know nothing about shopping and little about cooking anything but the foods they have always eaten, which are rarely available. One woman was severely burned when her little tot tried to light the unfamiliar gas stove in their city dwelling.

A health insurance program is a must since the limited budgets of unskilled workers settling down in a new environment rarely stretch to cover medical and hospital bills. And the municipalities charged with their integration should make exceptions to residence requirements in order to permit the new arrivals to avail themselves of necessary services. The American Indians, that long-suffering and inarticulate minority, have a great contribution to make to our culture. Unless they are permitted to do that, they will become a social and economic burden of magnitude—a shadow on the national conscience.

Mr. LANGER subsequently said:

Mr. President, just before the Senator from Montana began to discuss the matter of the CIA, he mentioned the fact that Secretary of the Interior McKay had written a letter involving care of Indians. I did not quite clearly understand the attitude of the Secretary of the Interior. Will the Senator tell me exactly what it is?

Mr. MANSFIELD. I may say to my distinguished friend from North Dakota that I made a few remarks before speaking on Senate Concurrent Resolution 2, relative to the position in which the Indians on Hill 57 in Great Falls, Mont., were placed, and I quoted a letter from Secretary McKay which seemed to indicate that, so far as Indians off the reservation were concerned, there was not a great deal the Federal Government could do or that it intended to do for them.

As the Senator from North Dakota well knows, because he has been a true friend of the American Indian during his many years of service in the Congress, we think the Indians off the reservation are entitled at least to relief and succor when they are in need and when they are living in the deplorable circumstances under which they do live, not only in Montana, but in the State of North Dakota and elsewhere.

Mr. LANGER. I may say that the Secretary of the Interior is woefully ignorant of the real situation of the Indians, when he writes that kind of letter. Before the Senator began his remarks on the CIA, he mentioned the Turtle Mountain Reservation, for example, where five or six thousand Indians live on the land in two townships. The Indian Commissioner is saying that they should get jobs, so some of them have been working on the Garrison Dam. If the Indians stay on the reservation and become ill or if their families become destitute, it is the job of the Indian Commissioner to see that hospital facilities are provided and that the families are taken care of. But the moment an Indian goes 20, 30, or 40 miles away from home to get work, because there is no work on the Turtle Mountain Reservation, and he then becomes ill, it is apparently the position of Mr. McKay that the Indian should go to a private hospital and that the Government should not have to pay for his care.

Mr. MANSFIELD. The Senator is correct.

Mr. LANGER. The result is that the Indians do not want jobs off the reservation, where, if they become ill and incur hospital bills, they will have to pay them, when, as the Senator from Montana well knows, the Indians can have hospital care free of charge upon the reservation.

What I have said about the Turtle Mountain Indians is true of the Indians on the Klamath Reservation in Oregon. It is true of Indians in Arizona and New Mexico. There are in the tribes in Arizona and New Mexico Indian veterans who offered their lives for the country. When I was conducting an investigation in those States, we were asked to make it possible for those Indians to obtain jobs on the reservation, by getting industries to locate on the reservations. The wives were saying that the husbands had to go three or four hundred miles away to get a job, and were not able to come home more than once a month, and families were being broken up. We were told that they had millions of acres of land, and that they wanted industries to be established on that land. The Government has not provided one single place on the reservation where Indians can get work. It is even worse than that.

Under the Truman administration—and I am a Republican, Mr. President—one Indian tribe received a loan of $72,000 to enable them to buy cattle. An ordinary Indian veteran coming out of the service cannot get a loan from the Government. As the Senator from Montana well knows, he has no security, because the land in New Mexico and Arizona belongs to the tribes. There may be involved 1 million acres, or 1½ million acres, or 2 million acres, which amounts of land some of the tribes own, as the Senator from Montana well knows, but the Indian veterans who offered their lives for the Government cannot borrow a dollar from the Government. Under the Truman administration $72,000 was loaned to a tribe. The tribe was getting along very well. It paid back every single dollar of the $72,000 except one disputed item of $160. Yet this Republican administration cuts out loans to the Indians and tells them, "Go two or three hundred miles away and get a job, if you can, but if you become ill," according to Secretary McKay, "it is too bad. You will have to pay your own bill, and will not be able to come back to a reservation hospital."

I wish to commend the Senator from Montana for bringing this matter to the attention of the Senate this morning because the way these Indians have been abused is a disgrace to the United States Government.

Mr. MANSFIELD. I think there is no question that one of the most shameful chapters in all our history is the way we have treated the American Indian from the very beginning. We are trying to get $5 million appropriated for the Yellowtail Dam site project in the southeasten section of my State of Montana. Some persons are complaining that the Indians are being offered too much for this great and valuable natural resource. In the case of the Indians, I think we ought to recognize that it is better to lean over a little backward than to get right down to a matter of a minimum in dollars and cents. We owe these people so much that we shall never be able to repay them.

As a matter of fact, in the part of Montana to which I have referred, a litte bit to the southeast, is the tribe known as the Northern Cheyennes. It is called the Race of Sorrows, because all they have known is poverty and illness since the white man took control of that area. It is in that area that there is a higher TB rate than in other section of our country. What has happened to the Northern Cheyennes has been duplicated at least in part in a great many of the Indian tribes of the United States.

Mr. LANGER. I cannot imagine that there is a tribe any worse off than is the Papago Tribe in Arizona. Dr. Salisbury testified after the hospital burned in 1947, that of every 100 Indian babies born each year 17 percent died before they were 6 years of age, 42 percent died before they were 16 years of age, and 52 percent died before they were 21 years of age. I cannot imagine an Indian tribe that would have a worse record than that.

Mr. MANSFIELD. I can, so far as TB is concerned.

DELIVER US FROM EVIL—THE STORY OF THE RESCUE OPERATIONS IN NORTH VIETNAM

Mr. MANSFIELD. Mr. President, the March issue of Reader's Digest contains a condensation of the book entitled "Deliver Us From Evil," written by Thomas A. Dooley, lieutenant, Medical Corps, United States Navy. The book relates some of the very interesting, worthwhile experiences of Lieutenant Dooley incident to the work performed by the United States Navy in transporting refugees from North Vietnam to South Vietnam. I call the attention of the Senate not only to the condensation of the book but, more important, to the book itself, which has just been published by Farrar, Straus & Cudahy, Inc.

Lieutenant Dooley has left the Navy. At present he is in Washington; and according to information I have received, he is preparing to return with a medical team to Vietnam to help the people there.

The book itself is inspiring. The work performed by Lieutenant Dooley and other American sailors in the rescue operations should be brought to the attention not only of Congress but of all the American people, as well. It should be noted that the armed services of our country on frequent occasions do many things which are not publicized or glorified. But certainly this humanitarian operation, which was responsible for transporting some 800,000 North Vietnamese to South Vietnam, and to freedom, is worthy of the consideration of the people of the United States. In this instance the American Navy did splendid, outstanding work under terrific conditions.

I take this means to salute the United States Navy, and especially I commend Lt. Thomas A. Dooley for the fine work he did personally, and for the inspiration his brand of ambassadorship and Americanism afforded the North Vietnamese as they were being transported to the south.

If the United States had abroad more ambassadors like Dr. Thomas A. Dooley, I think it not only would be better off, but would be better understood in the countries which are underdeveloped and which need understanding at this time.

His countrymen owe Tom Dooley a vote of thanks for his humanitarian efforts in behalf of a fine people who needed his help. We, in the Senate of the United States are proud of this fine American who has done so much for his country. We wish him Godspeed and good luck in the years ahead.

I ask unanimous consent to have printed in the RECORD the condensation of the book, Deliver Us From Evil, written by Lt. Thomas A. Dooley, Medical Corps, United States Navy, containing a foreword by Adm. Arleigh A. Burke, Chief of United States Naval Operations.

There being no objection, the condensation was ordered to be printed in the RECORD, as follows:

DELIVER US FROM EVIL

(By Adm. Arleigh A. Burke, Chief of U. S. Naval Operations)

FOREWORD

Every American will read with pride of the courageous exploits of young Lt. Tom Dooley, as told in Deliver Us From Evil, the story of an extraordinary rescue operation in turbulent, hostile North Vietnam. Through the tireless work of his small naval unit in a huge refugee camp, under arduous and challenging circumstances, Lieutenant Dooley won for the United States the love and admiration of thousands upon thousands of refugees on their desperate march to freedom.

The Navy's traditions have been built by generations of men like Lieutenant Dooley who were willing and able to act boldly and independently for the common good. The Navy is proud of such traditions and inspired by Lieutenant Dooley's historic contribution to them.

(By Thomas A. Dooley, lieutenant, Medical Corps, U. S. Navy)

One night last spring I lay sleepless and sweltering in the dying city of Haiphong, North Vietnam, asking myself the question that has taunted so many young Americans caught in faraway places: "What in hell am I doing here?"

None of the answers that came to mind seemed wholly satisfying. I was not on this weird bamboo curtain mission by compulsion. Each month the Navy offered me the chance to quit and go back aboard a nice clean ship and perhaps home. Yet each month I volunteered to stay on in this nightmare for still another 30 days. Why? In my depressed mood I cursed myself for a fool.

For as long as I could remember, I had wanted to be a doctor. Now, at 28, I was an M. D., although a very green one. Moreover, I was a Navy doctor, an added distinction I had coveted since serving as a hospital corpsman in the Navy in 1944–46. Finally, I was one young doctor who did not lack patients. God knows, I had more cases than any doctor could possibly handle.

Out there, in the makeshift refugee camp I had set up with United States Army tents, were more than 12,000 wretched, sick, and horribly maimed Vietnamese, most of them either very young or very old. They were fleeing from the Communists of North Vietnam, hoping to reach the doubtful security of Saigon. Before they came, more than 300,000 others had already passed through the camp. The number would exceed the half-million mark before the tragedy ended.

I was treating diseases that most of my classmates would never encounter in a lifetime's practice, performing operations which the textbooks never mention. What do you do for children who have had chopsticks driven into their inner ears? Or for old women whose collarbones have been shattered by riflebutts? Or for kids whose ears have been torn off with pincers? How do you treat a priest who has had nails driven into his skull to make a travesty of the crown of thorns?

Yes, cocky young Dooley, ticketed by the professors at medical school as a future "society doctor," was at last being educated, the hard way.

At Notre Dame the priests had tried valiantly to teach me philosophy. But out here in this Communist hellhole I had learned many more profound and practical facts about the true nature of man. I had watched tough United States sailors become tender nurses for sick babies and dying old women. I had seen inhuman torture and suffering elevate weak men to lofty heights of spiritual nobility. I knew now why organized godlessness can never kill the divine spark that burns within even the humblest human.

That night in Haiphong I tossed fitfully on my cot until, just before dawn, I heard Boatswain's Mate Norman Baker stumble into my tent. "Better get moving, Doc," he said. "We've got another batch—1,000 more." From Baker's tone, I could tell that the newcomers would be like all the rest—filthy, starving, diseased, and maimed in God knows what manner.

Groping for a flashlight and pushing my swollen feet into a pair of muddy boondockers, I instinctively began murmuring the Our Father, as I had every morning since childhood. "* * * and deliver us from evil * * *." I had to pause in the darkness. You O God, that is the people's prayer—to be delivered from evil. At that moment I think I sensed, however dimly, the purpose behind my being there.

"Temporary" assignment

A brandnew Navy doctor, with the 1½ stripes of a lieutenant, junior grade, I was stationed at the United States naval hospital in Yokosuka, Japan, when the orders which got me into it came. Early in July 1954 I was temporarily assigned to the U. S. S. *Montague* AKA 98, for amphibious exercises. The duty seemed likely to be so brief that I allowed a Navy nurse in Yokosuka to drive my new convertible while I was gone, and told my roommate he could wear my best civilian suit. When I got back to Japan, 11 months later, there were 20,000 additional miles on the convertible's speedometer. As for the new suit—well, I couldn't have worn it anyway; I had lost 60 of my 180 pounds.

For a couple of weeks the amphibious exercises had us scrambling down landing nets and storming the sweltering beaches of the Philippines. But on August 12 task force 90 was ordered to "proceed to Haiphong, north Vietnam, anchor in stream and await instructions."

We could only guess the nature of the job before us. Vietnam, of course, suggested the latest tragedy in the Red engulfment of Asia—the fall of the fortress at Dien Bien Phu, the signing of a shameful treaty at Geneva, the partitioning of yet another country. Some of us had even heard that, under the terms of the treaty, the Vietnamese in the Communist north were guaranteed unmolested passage to the non-Communist south. Presumably, Tast Force 90 would lend a hand.

The *Montague* was the first American ship to glide into the Baie d'Along. Soon other ships dropped anchor behind us. The historic "Passage to Freedom" was getting under way.

Beyond the bay lay the city of Haiphong, chief port on the Tonkin Delta, and then the last enclave of freedom in North Vietnam. I stood on deck gazing at the distant, mysterious shoreline, wondering about our prospective human cargo.

Then I heard a shout, and saw the men pointing to a small craft heading toward us, bobbing like a little cork on the rough waters of the bay. We identified it as a French LCT. Such craft are designed to carry 4 or 5 tanks and a few dozen men; but when at last this one pulled alongside the *Montague*, I looked down with horror. Huddled there on the open deck, drenched by the sea and exposed to the cruel sun, were at least 1,000 human beings, many of them babies.

The adults had children on their backs and by the hand, and even the older kids toted babies. Across their shoulders they carried balance poles with shallow baskets at either end. There they had their meager belongings—clothing, rice bowls, heirlooms, and, invariably, a crucifix.

With the help of a French-speaking priest and the elders (whom we called mandarins), we tried to make the ship's rules known; then we herded the people aboard. As I watched them pass, I had to struggle to control the terrible nausea within me. They were filthy, scabrous, or covered with open sores. Many bore the disfigurements of inhuman treatment. From a dimly remembered course in tropical medicine I was able to recognize symptoms that said I had lots of work ahead of me.

But what struck me most was the look of fear, terror, and hostility in the eyes of everyone, young and old. These people were mortally afraid—of us.

Master-touch of evil

The LCT brought another load, and the embarkation was complete. The "ready to get underway" reports went to the skipper, and the *Montague* headed south. I immediately organized sick call. It ran almost continuously thereafter until we reached Saigon 3 days later.

Dr. Dooley now learned at first hand about diseases that had escaped him at school. On the first day I isolated 10 cases of smallpox. I saw yaws, leprosy, beriberi, elephantiasis, skin syphilis—and one case we mentioned only in a whisper: cholera.

In the *Montague's* sick bay I unearthed the secret behind the fear and hostility in the people's eyes. The priests and the mandarins, who had stood watching me for hours, finally told the story. These people were the victims of a master stroke of Communist evil, a fiendishly clever propaganda barrage.

The Vietnamese in the north had been conditioned to believe that to go south was sheer folly—suicide, or even worse. They were told that the Americans, even more than the despised French, were inhuman monsters. The mandarins reached into their sleeves and drew forth the evidence—a number of leaflets that purported to describe what would happen to refugees who took the "Passage to Freedom."

There were never more than 5 or 6 words on a sheet, but the skillfully drawn pictures conveyed the idea perfectly. One picture showed a group of American sailors squatting around a fire, cooking a Vietnamese baby on a spit. Another showed American naval officers at the foot of a gangplank checking off Vietnamese girls for the brothels of Saigon. There was even a picture of a Navy doctor vaccinating the people with deadly germs. But the prize was a graphic drawing of an LST-type ship that carried its passengers far out to sea, then opened its giant maw and spewed them overboard.

Now the mandarins shook their heads solemnly over the enormity of these lies, and apologized that the people had believed them. They promised to work diligently to correct or dispel the groundless fears.

When we reached Saigon, we helped the passengers gather up their babies and

bundles and prepare for the next stage of the journey into the unknown. They were still a sad lot, but somehow they seemed cleaner, brighter, braver than when they came aboard. Their bundles were heavier with all the extra rice, bread and flour that the sailors had purloined from the galley. And what a joy it was to see a Vietnamese mother pat a young sailor on the head and say, "Tot lam"—"Very nice."

We had transported 2,001 people. There were two deaths, two burials at sea. Dr. Dooley had officiated at four births, mothers and babies all doing well—including one little guy who faces life burdened with the name, dreamed up by his proud parents: Thinh Van Montague AKA 98 Ngham.

Before turning in, I stood on deck congratulating myself on being a Navy doctor. "Dooley," I said, "you've seen and done things that are out of this world. You'll never have another experience to top this one in your whole lifetime."

That's what I thought.

Dr. Dooley "volunteers"

We returned to Haiphong, picked up another load of refugees, and made another and no less harrowing round trip—which was to be my last. By now the anchorage in the Baie d'Along was filled with ships. And one day I was invited aboard a newly arrived transport to give a sanitation briefing. While on deck I heard the ship's captain yelling orders in English to a French landing craft alongside. The French coxswain obviously knew no English, and the situation was beautifully fouled up. I speak French, so I decided to go to the bridge and make myself useful.

The skipper glared at me. "Later, doctor, Can't you see I'm busy?"

I cleared my throat. "Beg pardon, sir, but——"

"But, nothing. I told you—later."

There was fire in his eye. "Captain," I said plaintively, "I speak French. Thought I might help."

"Hell's bells, why didn't you say so?" he roared. "Tell that idiot to pull away and come alongside Chinese-fashion."

I shouted the orders in French, and the landing craft came around smoothly with its bow to the transport's stern. I got a grateful salute from the Frenchman and a gruff "Thank you" from the skipper. But as I left the bridge I noticed the calculating predatory look in his eye.

That started it. Word got around that young Dooley could speak French like a native. Soon I was performing all sorts of extra duties that had nothing to do with the practice of medicine. Then I was ordered aboard the flagship to report to Capt. James Grindell, force medical officer of Task Force 90.

Captain Grindell said he was organizing a preventive medicine and sanitation unit to be based in the port city of Haiphong. The place was inundated with refugees, and would soon be infested with all sorts of diseases, including the fancier tropical varieties. The local population would be exposed to plagues and epidemics; but even more serious, there was a strong likelihood of the diseases spreading to the city of Saigon in the south where we were depositing our uprooted humanity.

Then Captain Grindell laid it on the line. "Dr. Dooley," he said, "I'm considering attaching you to this unit as a medical officer and—well, as a sort of interpreter, let's say. You understand, of course, that this is a voluntary duty. Strictly voluntary. So make up your own mind."

When a man with four gold stripes on his arm, and speaking for the admiral, says that he is "considering" a junior lieutenant for something, the lieutenant doesn't have to thing too long. I "volunteered."

Bright and early next morning I went aboard the flagship and met the four officers of the newly minted preventive medicine unit to be commanded by Capt. Julius Amberson. Captain Grindell read the orders, which said, among other things, that we were "to provide humanitarian care and medical attention for the refugees as they came within the orbit of our operation." Even at the time I wondered if we weren't a rather small company for such an ambitious undertaking. But I still didn't suspect that the "humanitarian care and medical attention" of a half-million refugees would soon become my responsibility alone.

"All right, gentlemen, that's it," Captain Grindell concluded. "Lots of luck to you."

We picked up our light kits (how light, O Lord) and went ashore.

Haiphong

Haiphong greeted us with heat, faded grandeur and a mélange of odors that smelled like the quintessence of all Asia. Unlike most port cities, it presents its best aspects on the waterfront, with beautiful modern wharves and warehouses. But after you pass a block or two of gracious homes and parks, the town degenerates rapidly into bazaars, flea markets and indescribable squalor.

Normally, the population was less than 100,000. When we arrived late in August 1954 it had been doubled, at least, by the gray tides of refugees sweeping into the city. They sprawled in the streets, gutters and alleys, and covered the parks like swarming ant heaps. Through this filth and confusion moved detachments of French sailors and Foreign Legionnaires, busily evacuating French military and civilian property from the doomed city.

We reconnoitered Haiphong's two hotels, the Paris and the Continental. One was as bad as the other, so we settled at the Continental in barnlike rooms furnished with faded upholstery and decrepit beds covered with mosquito netting. The place was infested with fighting cockroaches and rats that looked big enough to saddle.

Outside the hotel I had my first encounter with the only really engaging thing about Haiphong—the shoeshine boys. They were filthy, ragged, amusing little beggars, and accomplished thieves, who traveled through the town in small herds and slept on the street corners at night. Somehow we became fast friends. On that first day someone swiped a camera from my room; next morning I merely mentioned it to the shine boys, and by nightfall the camera was returned, as mysteriously as it had disappeared.

While trying to shine my rough combat boots (with a dozen kibitzers telling the shiner how the job should be done), they taught me my first phrases of Vietnamese—a simple, monosyllabic language which I soon spoke fairly well. They tried to pronounce my ridiculous name, but soon gave up. So it was the shine boys who first called me Bac Sy My (American Navy doctor), which henceforth was to be my Vietnamese name.

Later, when things got really rough, these ragged urchins became my dependable corps of volunteers, sleeping in the hotel corridor outside my door or fending for themselves in our camp, always ready to do my bidding as scouts, couriers, and rascals of mercy. During the last days of Haiphong, Roger Ackley of the Foreign Operations Administration watched these eager beavers operating and named them the "little dooleys." I felt deeply honored.

Building the camp

Under the terms of the Geneva Treaty which ended the Indochinese war 6 weeks earlier, Vietnam had been divided at the 17th parallel into two "temporary zones of political influence" until things could be settled by a national plebiscite slated for July 1956. Meanwhile, the southern half, with a population of 10 million, was to be ruled by the national government in Saigon; and the northern half, with a population of 12 million, controlled by the Viet Minh Communists under the leadership of Ho Chi Minh.

An important clause in the cease-fire agreement provided that a crescent-shaped area around Haiphong at the mouth of the Tonkin Delta was to remain an "open zone to both parties." This was to serve as a staging area for the evacuation of those people in the north who preferred exile in South Vietnam to life under the Communists. The agreement was that these people were not only to be allowed but assisted to move south; and a mixed neutral commission, composed of representatives of Canada, Poland, and India, was created to supervise the evacuation.

But this small open zone around Haiphong was scheduled to shrink gradually, and on specified dates, until in the middle of May 1955 the entire area, including the city of Haiphong, would be in the hands of the Commmunists. Obviously, this was a tricky arrangement—just how tricky we would soon learn.

On our second day in Haiphong, Captain Amberson called me in and tossed a sheaf of notes and sketches at me. "Dooley," he said, "your job will be to build refugee camps. There's the general idea. Now get going. And don't bother me about the details."

"Aye, aye, sir," I said. But at that moment I didn't know the difference between a refugee camp and a summer playground for girls.

There was no suitable place in Haiphong for a refugee camp, but I found a reasonably good spot about 4 miles from town, on the road leading to Hanoi. We rounded up a gang of coolies and had them clear the area and dig drainage ditches to keep the place from floating away in the monsoon season. Then I yelled to Mike Adler, Haiphong agent of the Foreign Operations Administration (FOA) for tents and supplies.

I pulled a few prize boners—which Captain Amberson caught in time—like locating the latrine area on the windward side, and putting the water-purifying machinery too near the paddies the people used for other purposes. But we made amazing headway. Only a few days after we had asked for them, Mike Adler flew in my 150 tents from Japan—and prudently threw in 250 spares.

These were Army 60-man tents, but we made each one accommodate 120 refugees. I set them up in rows of 12, with drainage ditches on all four sides of each tent. The first row I reserved for my hospital area—a tent for sick call, a nursery for newborn babies, several supply tents, and 5 or 6 tents for sick patients. I also set aside one tent for the elders, or mandarins, who would act as camp leaders.

Beyond the last row of tents was the latrine area, and 12,000 people can present an enormous problem of daily waste disposal. Despite regular spraying and oil burning, the tents nearest the latrines quickly became uninhabitable. So I devised the system of regularly moving my hospital area forward and shifting the last row of tents to the front of the camp. In this way my camps literally walked toward Haiphong. Later, as the Viet Minh perimeter closed in around us, it was always my latrine area that I surrendered to the Communists.

If medals could be awarded to machines, I would recommend the highest honors for our water-purifying equipment. We had to produce 15,000 gallons of drinking water every day; and that spunky little unit ran for nearly 300 days with a minimum of faltering. The water was drawn from a rice paddy, passed through a sand filter and two chemical feed tanks, and finally through a chlorination gizmo before passing into the big 3,000-gallon rubber storage tank. This was Nuoc My (American water), which the refugees drank with obvious distaste. They much preferred the typhoid flavor of the water in the paddies.

I considered the water machinery a mechanical mystery, to be admired from a distance. Whenever something went wrong I gave Boatswain's Mate Baker my jeep and a carton of cigarettes, and in the voice of command I had learned from Captain Amberson I'd say: "Baker, get that damn thing fixed, and don't bother me with the details!"

Hours later Baker would return with a couple of Legionnaires, all full of cheap brandy and smoking American cigarettes. I never knew where the Frenchmen or the spare parts came from, but the water machine always became as good as new. And Baker always had a hangover.

On being an eager beaver

We processed and evacuated the refugees as quickly as we could. But new refugees kept streaming in, and sometimes we had as many as 14,000. Our primary job was to delouse, vaccinate and inoculate, and to screen out those who had communicable diseases. But there was more to it than that. At the sick-call tent I was seeing between 300 and 400 people every day who were desperately in need of medical treatment. What was I to do? Leave them in the camp to sicken and die? Send them back behind the Bamboo Curtain?

There is a service motto which says (approximately) that a man should keep his mouth shut, his internal system in order, and never volunteer. Fortunately, this is a rule seldom observed when things get tough. In my own case, the breach is widened by an Irish temperament that makes me stick my neck out.

"Doctor," I said to Captain Amberson, "we've got to do something for these sick people. We can't turn back a woman and child to the Communists just because the kid has, say, smallpox. We've got to treat the disease so the family can get aboard ship."

He looked at me wearily, but with obvious understanding. As a doctor he agreed with me, but he just felt sorry for the eager beaver who thought he could lick every problem.

"All right, Dooley," he said. "Do the best you can."

So we stepped up sick call, and I even enlarged my hospital tent for surgery. My enlisted men—some, like Baker, without previous training as corpsmen—learned to spot yaws at 10 paces, and they washed hideous sores, changed dressings, and slapped on ointments as if they had been doing it all their lives. I began treating dysentery, cholera, smallpox, typhoid, trachoma, worm infestations, fungus, and ratbites. But soon I was almost floored by the surgical problems of traumatic injuries induced by fiendish torture.

For the kind of job I had undertaken I needed drugs and dressings and surgical equipment enough to stock a good-sized hospital. I had no authority to requisition the Navy for my needs; nor did the Navy, under the circumstances, have the authority to supply them. But there's always a way of doing things, and the Dooleys have never been cursed with false pride.

With hat in hand

I got what I could from the FOA by the simple expedient of having the Refugee Committee make the requisition (which was regulation) and then turn the supplies over to me. Then we went out to the ships and transports of Task Force 90 to practice what in the Orient is known as cumshaw but in plain American is called scrounging.

Perhaps we played upon the eternal curiosity of men afloat about what goes on ashore. But we had hair-raising tales to tell about conditions they were not allowed ashore to see, and each ship paid us off with what could be spared—a few vials of penicillin, a dozen bottles of vitamin pills, some dressings and bandages. By this means I built up a pretty good pharmacy.

But it still wasn't enough. My needs increased just as the main ships of the task force departed. That's when I stuck my neck out again, and sent Operation Hat-in-Hand stateside. I sat down and wrote letters to every pharmaceutical and surgical supply house that had ever sent me circulars or samples. I told them what I was up against, carefully stressing the fact that I was writing as an individual—Tom Dooley, M. D.—and not as an officer of the United States Navy.

God bless America. Those firms never stopped to investigate. They simply sent me posthaste what I asked. The Pfizer Laboratories of New York rushed 50,000 capsules of terramycin, and later shipments of streptomycin and penicillin. Meade-Johnson, of Evansville, Ind., sent a liquid vitamin preparation. A few drops make a dose, but they sent me gallons—a godsend. Pan American Airways sent 10,000 bars of soap. I wish I could name all those who gave so generously.

After that, whenever we used a medication we were careful to explain: "Day La Vien Tro My"—"This is American aid." And, believe me, those wretched people understood, and were grateful.

Operation Cockroach

By October Captain Amberson had been recalled to Washington and Lt. Comdr. Ed Gleason, a field sanitation expert, and the other officers had finished their chores and departed. Now I was the only remaining officer, with just four enlisted men to help me; Dennis D. Shepard, Peter Kessey, big Ed Maugre and stouthearted Norman Baker, who was to be with me to the bitter end.

Daily, I expected new brass to arrive and take over, but no one came. Much later I learned what had happened. Captain Amberson had said to Rear Adm. Lorenzo S. Sabin, the commander of Task Force 90: "The situation in Haiphong is pretty sticky, and the fewer men we have ashore the better. Young Dooley has the situation well in hand, and can carry on."

Sure enough, in mid-October orders came through designating me "Commander, Task Unit 90.8.6." I was pretty proud of my command until Communications advised us that, for security reasons, we would be known as Operation Cockroach.

There wasn't time to brood about this affront, however. The refugee horde pouring into Haiphong was increasing daily, and as the perimeter tightened, the people came through weaker and more diseased, and showing greater evidence of atrocities. The cease-fire guarantee of free and unmolested passage was now clearly a farce.

Still, the refugees didn't come hailing us as their deliverers. They were fearful, suspicious and sometimes hostile. We had to win them over. Sickness and suffering forced them to seek the hospital tents, so that I was kept busy from sunup to long after dark. But it was like operating in an amphitheater, for crowds gathered and watched every move I made. They wanted to see if I poisoned or mutilated people, as the Communists said.

Baker and I took some beatings at the hands of these misguided and hysterical people. But, remembering the importance of "face" in the Orient, we always were careful to take up where we left off.

One day a woman brought me a baby whose body was covered with ulcers. Yaw ulcers respond miraculously to penicillin: I gave the infant a shot in the buttocks and told the mother to bring it back next day.

A few hours later I heard shouts and curses, and saw the woman holding the baby aloft for the people to see. Here was proof that I was an American murderer. The child had reacted to penicillin with an angry-looking—but harmless—case of hives.

The distraught mother was in no mood for explanations. She handed her baby to a bystander, grabbed a pole, and called up a dozen sympathizers. When my corpsmen rescued me at last, I had three broken ribs, two black eyes, and a lot of miscellaneous bruises.

Next day, with the whole camp watching, I went to the woman's tent alone and unarmed. As I expected, the hives had disappeared, and the ulcers were healing nicely. The woman burst into tears and fell at my feet begging forgiveness. She remained in the camp for weeks, serving as one of my helpers at sick call, always eager to exhibit her nice, clean baby. The effect on the other refugees was worth much more than a couple of fractured ribs.

Although my uniforms now consisted only of a few worn and faded shirts and trousers, I never appeared anywhere without a necktie and my dirty officer's cap, on which the eagle and anchors were corroded almost beyond recognition. This was partly for "face," and partly for carrying the flag. My corpsmen and I were determined to be one unit on foreign soil that would never fail to deliver what we called the American impact.

We constantly impressed upon the refugees that what we were doing for them was being done by the generosity of the American people.

"Yes, the gloves on your hands are good," one refugee would say. "But the eagle on your cap is bad."

"No, the eagle on my cap is good," I would answer. "Without the eagle there would be no doctor gloves. The eagle stands for America. America sends the Navy, which brings you the American Navy doctor. The American Navy takes you to safety in Saigon."

These argument went on interminably at sick call. Sometimes I wished it were possible to work without talking. But this job had to be done.

Wrath of the godless

As the weeks passed I found myself increasingly puzzled, not only by the growing number but by the character of Communist atrocities. They seemed almost to have a religious significance. I was accustomed by now to patching up emasculated men, and women whose breasts had been mutilated, and even little children without fingers or hands. But more and more I was learning that these punishments were linked to the refugees' belief in God.

One night the shoeshine boys came as they did so often, to inform me that I was needed in a little village near the Bamboo Curtain. We drove about 10 miles in the truck, and they they led me to a straw hut. Inside, by the light from a kerosene lamp, I saw an elderly couple and several children kneeling in prayer.

Then I saw a man lying on a bamboo stretcher, writhing in agony, his lips moving in silent prayer. When I pulled away the dirty blanket I found that his body was a mass of blackened flesh from the shoulders to the knees. The belly was hard and distended, and the scrotum swollen to the size of a football. I gave him a shot of morphine, and inserted a large needle in the scrotum in an attempt to draw off some of the fluid.

The old woman said the man was her brother, a Catholic priest, from a little town now within Communist territory. The Viet Minh had told him he could hold only one mass daily, at 6 a. m.—the hour when everyone had to gather in the village square for a daily lecture on the new life. When he persisted in saying mass secretly at night, the Communists decided that he needed reeducation.

They hung him by his feet from the rafters of the church, so that his hands just barely touched the floor, and beat him with bamboo rods, concentrating on the genitalia. How long this went on he couldn't remember, but early the next morning the altar boys found him hanging there and cut him down.

They lashed together an arrangement of bamboo poles that could be carried as a litter

and floated as a raft. They hid the old priest near the riverbank. Then, after dark, they swam downstream towing the raft, and carried him to his sister's hut in the still-free zone.

Miraculously he survived the ordeal and for a time served as a chaplain of our camp.

On another gruesome day there came to my hospital tent seven little boys and an emaciated young man who was barely conscious. The children looked like zombies. Thick pus was running from their ears. Two of them still had queer-looking things protruding from their heads. Chopsticks.

We pieced together the story. The young man was a schoolteacher. The Communists had caught him leading his class in the Lord's Prayer. They made him repeat it for them, line by line, and made a mockery of the words.

"Give us this day our daily bread * * *." Then they said to the children, "Who gives you bread? God? No; the state." When the lesson was ended they led the class into the schoolyard and taught the pupils a different kind of lesson.

Two Viet Minh guards held a child by the arms and another grasped his head. Then the leader rammed a chopstick deep into each ear, splitting the canal and shattering the inner ear. When all seven children had been "treated" the guards turned to the teacher. They drew forth his tongue with pincers and sawed it off with a blunt bayonet.

Somehow five of the children had managed to remove the chopsticks from their heads. I had to use an anesthetic before doing the job on the other two. There was little I could do for them but control the infection. The young teacher presented a greater problem. He had lost a great deal of blood and needed a transfusion, but I didn't have the equipment for it. I was able, however, to draw together the edges of his tongue stump and patch it up. Penicillin and the hand of God took care of the rest.

The 8 survived—1 young man who never again would pray aloud, and 7 children who would hear the word of God only in their hearts.

Mother of a thousand

When my spirits were unusually low, I would get in my jeep after sundown and drive into Haiphong to the An Lac (Peace) Orphanage, where there was aways laughter.

Usually there would be other guests for dinner—the French admiral, a few officers of the Foreign Legion or some Haiphong dignitary. But all observed two rules of the house: (1) you ate what was set before you, always a Vietnamese menu, which might consist of fish heads, bat-wing soup, a paste made of sparrows' eyes, or raw pork mixed in ancient fish oil; and (2) you never mentioned war or politics. The latter rule was rigidly enforced by our hostess—Madame Vu Thi Ngai—mother of a thousand children.

Madame Ngai was one of the most remarkable women I shall ever meet. She must have been in her 60's; but with her jet-black hair (dyed), fine-textured skin, wide-set black eyes and beautiful white teeth, she could easily pass as a fashionable 40. She was a big, beautifully proportioned woman, and her ample bosom seemed always to be shaking with laughter.

I became even more devoted to Madame Ngai when I learned her story. She had been a woman of great wealth, with a beautiful home and much land in Thanh Hoa, in southern Tonkin. But Thanh Hoa was one of the first towns ravaged by the Viet Minh in 1946. Madame Ngai's husband was killed, and her home partially destroyed.

She went through Thanh Hoa gathering up waifs and orphans and brought them to her home—the nucleus of the An Lac Orphanage. When the Viet Minh came a second time, Madame Ngai gathered up her brood and fled to Nam Dinh, perhaps 50 miles away. She had only her jewelry and some blocks of gold leaf. But she bought another house in Nam Dinh for her orphans—by now she had 600.

During the next 6 years the An Lac Orphanage was to move five times, from town to town, always a few days ahead of the Communists, until Madame Ngai and company reached Haiphong in 1954. By this time the jewelry was gone, and the hoard of gold leaf was perilously low; but she acquired a house big enough to accommodate her orphans. The first time I made a count in the summer of 1954 they numbered 1,089.

The Americans came into her life in August 1954, and she captivated even those who couldn't understand her exquisite French—including my old chief, Captain Amberson. When he left Haiphong his last words were: "Don't neglect those kids at Madame Ngai's." And that was one of Captain Amberson's orders that Dooley obeyed to the letter.

A leg for lovely Lia

After dinner, while the Frenchmen regaled their hostess with tall tales, I would take my bag and make the rounds of the An Lac Orphanage. There was enough disease and infirmity among these kids to give a man a complete residency in pediatrics, and my visits were busy ones. But there was always time for play, particularly with a favorite pal of mine, little Nguyen.

No one knew Nguyen's last name; he was an abandoned infant when Madame Ngai plucked him from a roadside, and now he was 5. But tuberculosis of the spine had made him one of the most misshapen hunchbacks I've ever seen. He could barely waddle around. He couldn't sit at all, and had to take his meals lying down. Most of the time he just rolled on the floor, but he was always laughing. I once took him aboard an American ship, and when I got him ashore I found that he had swiped 3 sailor caps and 5 cigarette lighters.

But my special love was reserved for Lia, one of the older girls. Since she was now 7, Lia took care of the babies for Madame Ngai, and she looked like a solemn little oriental doll as she went about her duties in the nursery. Still, that was pretty hard work for a 7-year-old who had to get about on a roughhewn crutch. Lia's right leg had been blown off by the land mine that killed both her parents.

When I first visited the orphanage in August 1954, I examined Lia's stump. It was badly healed, with some raw and granulated patches. With minor surgery I got a good secondary closure. Then I asked Lia if she would work with me patiently to make the stump strong, and she said she would because she loved her Bac Sy My. So I taught her how to soak, stretch, and exercise it daily, and by Christmas we had a good, functional stump.

Meanwhile, I had written to A. S. Aloe, a surgical-supply house in St. Louis, describing the case and giving measurements in detail. But Lia was a growing girl, and what she needed was an adjustable limb that could grow with her. That company couldn't fill the bill and consulted the McCarthy-Hanger Co. Then the two of them got together and found a third outfit, in New Jersey, that could produce what we needed.

Several months later Lia's American leg arrived in Haiphong. I put it on her, and, holding onto my hand, she walked for the first time. She smiled radiantly, and then she burst into tears—and Madam Ngai, Boatswain's Mate Baker, and I all burst into tears, too. Everybody was happy.

Now all proper Tonkinese females wear long black trousers which reach to the ankles; and little Lia was probably the most modest child you could find. But for a week after she got her leg she refused to wear any pants at all. One night I came to the orphanage late and tiptoed through the rooms to look at a couple of sick kids. I found Lia asleep on her cot, still wearing the limb.

I woke her. "You must not do this, Lia," I said. "I told you how important it is for you to take care of that stump."

She looked at me with real hurt in her sleepy eyes. "When I sleep," she said, "I do not remove by Vietnamese leg. Why must I take off my American leg?"

Cosmo Invidiato, head of the Cosmevo Surgical Supply Co., in New Jersey, which made Lia's leg (free of charge), wrote "From what I can read between the lines of your letter, conditions must be horrible for the people of that faraway country. It is difficult for us here to understand the sacrifices those people are making and the hardships they are undergoing constantly. Sometimes we fall to musing on our complete uselessness. Perhaps we should all try a little harder. * * *"

We can never repay Mr. Invidiato. But I did send him a little roll of movie film showing Lia and her American leg. And Lia says she remembers him in her prayers each night, and will always.

The days get darker

I seldom made the 4-hour boat trip to the ships in the Baie d'Along any more. With Viet Minh infiltrators itching for trouble, our launches no longer made the trip after dark; and the daylight hours were my busiest. But the lure of a hot bath and a good meal often seemed irresistible. Once I succumbed and, via my walkie-talkie, requested the command ship's helicopter.

When the skipper asked me what was up, I answered boldly, "Sir, I am in desperate need of a hot bath and a decent meal." He merely chuckled. The whole task force knew about Dooley's bathing difficulties, having heard about the time I went aboard the flagship and was invited to luncheon by Admiral Sabin.

I was wearing my tattered khaki shirt and trousers, my hands were stained red with merthiolate, and I needed a bath. Nevertheless, with all those high-ranking officers present, the admiral seated me at the end of the long table, directly facing him. I was obviously flattered, but he brought me up short. "Don't get any ideas, Doctor," said the admiral. "You just smell so bad I want you as far away as possible."

Now the days were getting darker. I was racked by malaria, and had acquired some intestinal parasites that ate more than I did. I was down to skin and bones, and low in spirits. Many times I determined to take up Admiral Sabin on his monthly offer to send someone to replace me, but in my heart I knew I wanted to see this through to the end.

The atrocities were beginning to get me down, and some of them I could never become inured to. One day the shoeshine boys informed me that Father Lopez at the Philippine mission in Haiphong needed me at once. O Lord, I thought, another mutilated priest. But, whatever I expected, I had underestimated the fiendish imagination of godless men.

Father Lopez led me to a tiny room off the mission courtyard. Lying on a straw mat was an old man, moaning in delirium. His head was covered with foul green pus. When I washed it away, I counted 8 swollen and badly infected wounds encircling his skull. In this instance Communist reeducation had consisted of tying the priest's hands behind his back and driving eight nails into his skull to simulate the crown of thorns.

The old man had managed to drag himself to a hut, where the peasants had dislodged the nails and then brought him to Haiphong. I gave him tetanus toxoid and huge doses of penicillin, drained the pus pockets and dressed the wounds. He made a remarkable recovery.

But one morning I arrived and found his straw pallet unoccupied. The old priest had disappeared in the night. The note he left for Father Lopez merely said that he had to get back to his flock behind the Bamboo Curtain.

And I remember the day they brought me a number of young boys who had escaped from the town of Bao Lac, near the China border. The Communists had caught them at the perimeter, but had let them pass—after tearing an ear off each young head with pincers.

I trimmed the stumps, dissected the surface of the external canal and sutured the skin of the scalp and face. But the tension on the suture line was so great that I knew those kids would always bear hideous scars.

The horror of experiences like these might have been overwhelming but for the fact that there just wasn't time to dwell upon them. All around us things were coming to a slow boil.

The little hero

One morning Capt. Jerome Cauvin, of the French Navy, who was in charge of patrolling the waters around Haiphong, called to tell me that a seaplane had just sighted several sampans, apparently lashed together, floating mysteriously far out in the Baie d'Along. He was going out on a landing craft. Did I want to go along?

I joined him on the LSM, and 3 hours later we reached the sampans. There were 14 of them, and they were adrift under the blinding noon sunlight because none of the more than 1,000 people we found aboard had strength enough left to navigate.

I clambered from sampan to sampan, examining the most miserable humans I have ever seen. There wasn't much I could do for them right then. They were all green from seasickness, cold and stiff from exposure, their feet and ankles swollen from long immersion, and skin cracked by constant salt spray and blazing sun. We took as many as we could aboard the LSM, and towed the rest back to Haiphong in the sampans.

Captain Cauvin and I found several elders and brought them to the cabin for hot tea. The mandarins told their story in a sad, weary monotone that came to life only when they mentioned the name of Mai Van Thinh, a 12-year-old lad who will always be remembered as the great hero of Cua Lo.

Cua Lo, the old men said, was a little seaside village 300 kilometers south of Haiphong. It had always been a happy place, made fairly prosperous by heavy hauls of fish and good crops from the rich, well-irrigated paddies inland. The people from Cua Lo spoke nostalgically of the French, for, under the French, life had not been so bad.

Then the Communists had taken over Cua Lo, bringing the bright promises of Viet Minh nationalism. The mandarins shook their heads sadly. "They gave us land reform, and it brought only famine," an old man said. "They carted away our fish, which we needed for food. They tried to teach us the new sociology, which we found meant family denunciation, self-criticism, fear, distrust. Oh, it was very bad."

The people of Cua Lo had only one desire: escape. But the newly appointed Viet Minh commissar was determined to keep them captive and had acquired a small garrison of Viet Minh guards.

So escape plans were made secretly and passed in whispers. Food and water were smuggled aboard the sampans bit by bit. Finally, a moonless night was set for the departure. There was only one loophole in the plan: someone would have to divert the Viet Minh guards from the waterfront while the people boarded the sampans. That was when little Mai Van Thinh volunteered.

The youngster was the sole survivor of an old Cua Lo family. His father and mother had been killed in the war. His older brother, Cham, denounced by the Viet Minh as the leader of the local Christian Youth Movement, had been tied to a tree, drenched with gasoline, and burned alive.

Mai offered to remain behind to divert the guards. This was a desperate gamble, but it was Cua Lo's last hope.

On the appointed evening, 1,156 people huddled in the darkness awaiting the signal. Then, on the far side of town, all hell broke loose. Fires started in widely separated places. Mai Van Thinh raced through the village, a screaming phantom, with the entire garrison trying to pin him down. And 1,156 men, women, and children quietly boarded the sampans and slipped away into the dark. One doesn't like to think what must have happened to Mai Van Thinh in the end.

The voyage on the open China Sea took 5 nights and 5 days. Without navigation instruments, and most of the time without food or water, it was a miracle that these refugees ever reached the waters off Haiphong. But now, down in the well deck of the LSM, there were signs of life. The people were softly signing a hymn. One of the mandarins repeated the words for us: "O Lord, we love the beauty of Thy house, and the place where Thy glory dwells. Provide that our days may be spent in peace with Thee."

Evidence from Phat Diem

As the Communist perimeter closed in around Haiphong, there was no longer any doubt that it was being heavily policed. The only people who reached the evacuation zone were those who escaped into it at their peril. The less fortunate were being held captive behind the bamboo curtain. All this, of course, was in flagrant violation of the Geneva agreements.

The International Control Commission (known, from its French title, as CIC) was supposed to see that the Geneva terms were carried out. The CIC was genuinely feared by the Communists. While it had no enforcement powers, it could report violations to Geneva and call upon world opinon. Also, it had mobile teams that could go anywhere, freely and secretly, to investigate conditions. What, then, was wrong?

You must remember that the CIC was a "mixed neutral" commission. Canada, the only truly democratic member, worked valiantly, but at great disadvantage. India was painfully neutral. Poland, of course, was Communist. And the Poles were past masters of obfuscation.

Many times I sent atrocity cases before the CIC in Haiphong. After hours of wrangling, the hapless refugees would be sent back to camp. The Polish member always demanded impossible proof that the people who committed the atrocities were Communists.

For example, we knew that things were pretty bad in Thai Binh, one of the larger cities of the Tonkin. The CIC mobile team went there, secretly. But somehow a "fix" was made. The team held hearings, and the people gave testimony—under the eyes of their Viet Minh masters. So CIC reported back that things were just fine in Thai Binh! The people were happy and prosperous, and no one had the slightest interest in the "passage to freedom."

Captain Cauvin planned a test case and asked our help. We chose the town of Phat Diem, about 50 miles south of Haiphong, because some of my refugees insisted that at least 30,000 people there wanted to escape and couldn't. A few of the strongest, bravest men and women agreed to go back to Phat Diem with this message: "If you want to escape, gather in the churchyard on November 1, the Feast of All Saints. The International Control Commission will visit you there. You will be able to make your declaration, and perhaps gain your freedom."

Meanwhile, Adm. Jean Marie Querville of the French Navy, Admiral Sabin of Task Force 90, powerful Gen. "Iron Mike" O'Daniel in Saigon, and many French and Vietnamese dignitaries used their influence to insure that the CIC would be on hand in Phat Diem on the appointed date. But, as always, something went wrong.

People from all over the canton flocked to the church on November 1. But the CIC team just couldn't make it. Admiral Querville offered them his helicopter, although they had two planes of their own. But they couldn't leave that day, nor the next, nor the next!

In Phat Diem the Viet Minh became suspicious of this prolonged mass observance of the holy day. They ordered the people to go home, but the people refused. So the Viet Minh locked the gates, stationed guards and allowed no food or water to be passed into the churchyard.

The siege went on for 3 days, 6, then 9. The people in the church and churchyard grew weaker, and the wailing of starving children pierced the nights. Hunger, thirst, dysentery and worse diseases cut the people down. Finally, on the 10th day, the CIC team arrived.

A Canadian told me later that even the Poles were appalled by the horror and filth. The CIC took thousands of declarations, and registered a strong protest with the Viet Minh government in Hanoi. The Viet Minh relented—but how.

They set up 4 offices, capable of processing only a hundred people a day. The first office issued passports. The second sold (!) bus tickets to Haiphong at exorbitant prices. And so it went. Not until the 15th of November did the first small group leave Phat Diem. The Viet Minh chose a circuitous route to Haiphong. En route the buses "broke down." During the delays lecturers told the people that they were going to French and American atrocity camps.

Some of the people were transferred to sampans and taken upriver to Hanoi, the Red capital, there to await transportation by truck or train to Haiphong. And, more often than not, they learned that their exit permits had "expired" during these interminable delays.

By our final count, about 5,000 people from Phat Diem gained their freedom—out of 35,000 who made the attempt. Yet those 5,000 people owe a debt of gratitude to Captain Cauvin, the gallant Frenchman who had the courage and determination to toss the Big Lie back into Communist teeth.

Goodby, little Dooleys

April came, and Haiphong was dying block by block. The tightening Communist perimeter had pushed us almost into the heart of the city. The French troops had left, riots were breaking out and one fear began to haunt us all: that Ho Chi Minh, the Viet Minh leader, might take Haiphong before the appointed hour. The time had come to evacuate the An Lac Orphanage.

Madame Ngai perked up perceptibly when we told her that the American Wives' Club in Saigon had assured the future of the orphanage there. Of course, we fibbed a bit—for there was no assurance of anything in Saigon's future; but the American wives had found a building for the children, and we just had to pray that they and their friends at home would somehow make up for the resources Madame Ngai no longer possessed.

So we packed up the orphanage in toto—cribs, cots, bedding, medicine, and toys—and trucked it down to the landing. The children filed aboard the French LSM that would take them out to the U. S. S. *General Brewster*—the babies in the arms of the older girls, under the vigilant eyes of the little mother, Lia; and my carefree pal Nguyen, wearing his white cap cocked over one eye, in the arms of an American sailor.

Madame Ngai was leaving her beloved Tonkin for the first time, forsaking cherished

roots and a way of life she probably would never see again. But hope springs eternal. "We Tonkinese are a brave and militant people," she said. "We know the day will come when our country will be liberated from the Viet Minh. Of that we have no doubt."

Farewell, noble lady. With women such as you to keep the flame alive, no nation can die; surely there will be a new birth of freedom.

We stood there watching until the LSM was only a dot on the horizon. I have never felt so abysmally alone.

I had one more difficult task to perform. The shoeshine boys had to go. For months they had resisted every argument I put in favor of Saigon. I warned them that the Communists were just as hard on thieves as on honest men, and that life under the Viet Minh would be impossible. They only leered at me, as if to say that, after all this time, I still didn't appreciate their skills as artful dodgers.

What convinced them finally, I think, was the matter of shoes. The idea came to me in a flash one day. "Well," I said, "you might as well throw those kits away. There'll be no more shoeshining when the Viet Minh arrive. Or do you think you can make a shine on canvas shoes?"

It was a telling argument. They looked at each other in dismay. From their frequent forays behind the Bamboo Curtain, they knew that canvas sneakers were standard equipment among the Viet Minh. They let me vaccinate them then, and one April morning Baker and I gave the little dooleys a loaf of bread each and a final delousing, and watched them shoulder their shoeshine kits and sullenly file aboard the landing craft.

They arrived safely in Saigon, and I'm sure that city hasn't been the same since.

The conquerors come

The advance guard of the Viet Minh arrived on May 4, according to schedule. It was a committee of experts, 480 strong. They came in brandnew, Russian-made Molotova trucks, and were impeccably dressed in high-collared gray uniforms, pith helmets, and canvas shoes.

The French-speaking leaders were extremely polite and respectful. They urged me to stay on and treat the "true people of Vietnam." I replied that my job was just about over, and that I expected to be leaving soon.

They sent a delegation out to the camp and gave me a bit of dialectical materialism.

"When you treat sick people in America," the leader asked, "do you make any distinction between Democrats and Republicans?"

"Certainly not."

"Very well," he said, "there must be no distinction here between capitalistic dupes and the loyal people of Vietnam."

Then the cheeky so-and-so ordered his men to divide up my pharmaceuticals and surgical supplies—half for me, and half for the "Democratic Republic" of Vietnam. And there wasn't a thing I could do about it.

We took down the tents of our camp and moved the last of our refugees into empty buildings in the heart of Haiphong. May 12 was to be our last loading day, which would bring the total number of evacuees above 600,000. On that morning I had my last grisly experience in Haiphong.

A rickshaw driver rushed up with a teenage boy he had picked up in an alley. Viet Minh guards had seized the kid as he was crossing the line of the demilitarized zone, and stomped their rifle butts on his bare feet. I had no X-ray equipment, but it was obvious that the damage was beyond repair. The feet and ankles felt like moist bags of marbles, and were already gangrenous. I had only a few instruments left, and a little procaine and penicillin. I did the best I could by disarticulating the ankles where they connect with the lower leg. Someone would have to do a more thorough amputation later.

That was my last surgery in Haiphong. We got the boy aboard a boat. Then we turned to the job of loading the landing craft with our last 3,600 refugees. They weren't really the last, of course. There were still several million behind the Bamboo Curtain who never had a chance. But we had done the best we could. And I hope the men who made the deal at that lovely Geneva lakeside are happy with the results.

On the morning of May 18 we stood by solemnly as Gen. René Cogny hauled down the French flag from the standard where it had flown for nearly a hundred years. Thus an era ended. Haiphong was dead, and awaiting the Red vultures. Operation Cockroach was forgotten in the shambles of Asia.

A very important person

When we arrived in Saigon, Capt. Harry Day, chief of the Navy section of the Military Assistance Advisory Group there, provided me with a hot tub and a tall gin-and-tonic, and gave me all the scuttlebutt from Task Force 90.

Then he said: "Dooley, we must find you a clean uniform. You're due at the palace tomorrow morning."

Next day the Premier (now President of the Republic) Dinh Diem, decorated me with the medal of Officier de l'Ordre National de Vietnam. Our medical assistance had not only saved many lives for his people, he said, it had also shown them the true goodness and spirit of cooperation that America is showing Vietnam and all the countries of the world who seek to achieve and maintain their freedom. "My people," he concluded, "will long remember their Bac Sy My, his work, and his love."

I went aboard ship and to sick bay now—this time as a patient. My monthly bout with malaria was on, and I had a temperature of 104. When I reached the hospital in Japan, my colleagues ("Where have you been, Dooley?") were less interested in my medal than in my intestinal parasites, which they said were the most interesting they'd ever seen.

The Navy awarded me the Legion of Merit and, after I had been patched up, told me to report to Washington. When I stopped at Pearl Harbor en route I was taken to the headquarters of Adm. Felix Stump, commander in chief in the Pacific, and asked to brief his staff on my experiences in Vietnam. Although I had never seen so much high brass assembled before, I talked for an hour. Then, at the insistence of one of the admirals, I spoke for 30 minutes more about the constructive things we might do in the remaining free areas of southeast Asia. My words may have been brash, but they came from the heart. And I knew they couldn't bust a medical officer any lower than a lieutenant, junior grade.

Afterward, a very spit-and-polish young officer, Ensign Potts (I've changed his name), introduced himself as my aide. "The admiral has ordered VIP treatment for you while you're in Pearl Harbor, sir," he said. "I'm supposed to see that you get it."

Ensign Potts baffled me. He saluted me every time I turned around. When we got into "my" staff car, I would invite him to sit with me. "Thank you, sir," he'd say—and climb in with the driver.

Well, if I was a VIP, I would use my VIP privileges. "Mr. Potts," I said, "there's a sailor somewhere in this yard—Norman Baker, aviation boatswain's mate, third class. I think he's aboard the *Philippine Sea*. Have him in the lobby of the Royal Hawaiian in the morning. Don't mention my name—just 'the admiral's orders.'" Potts gave me an icy stare and said, "Aye, aye, sir."

Next morning I was in the lobby waiting for the fun. A bewildered Baker, looking slick in clean whites, came through the door. "Over here, sailor," I called. He looked, and then let out a yell. "Eeyow—Dooley—beg pardon, Dr. Tom, sir—you sure look like hell." Then we forgot rank and fell on each other's necks.

We enjoyed the best the Royal Hawaiian had to offer that day, and talked for hours about what seemed like the distant past, and about the shoeshine boys and Madame Ngai and Lia and the kids. Then we raised a final glass to an undying friendship. Good old Baker. I was happy to hear later that the Navy awarded him a letter of commendation—an honor he richly deserved.

Baker, a boatswain's mate by grade, was really assigned to me as an interpreter, but he became an excellent medical corpsman. Like so many of the 15,000 officers and sailors of Admiral Sabin's task force, Baker was resourceful, steadfast and never ran out of genuine compassion. Some days my Irish personality would have me wallowing is despair. Baker always pulled me back. He would do any job assigned him, no matter how distasteful. And he would do it well. His sense of humor got him through, and frequently me too. The success of the operation owes much to that boatswain's-mate-become-corpsman, Norman Baker. The greatest tribute I can pay him is to say that, within all the glory of our tradition, he is a fine American Navy man.

But Ensign Potts was getting on my nerves. We were on our way to Hickam Air Force Base to get my number for the flight home. "Mr. Potts, get in the rear seat," I said. "That's an order." He obeyed stiffly.

"Potts, what the hell's wrong with you—or with me?" I asked. "I get along with most people—but you baffle me. What gives?"

"May I speak frankly, sir?"

"Hell's bells, yes."

He opened up. "Well, I can't go for this hogwash you're handing out," he said. "All this love and altruism and better understanding among people. That's not the Navy's job. We've got military responsiblities in this cockeyed world. Big responsibilities. We've got to perform our duties without sentiment. That's what we've been trained for. Love and kindness and slobbering over people is a job for preachers and old women."

He said a lot more that made me shudder. But at least he got it off his chest. I think we both felt better.

Reunion in Hawaii

I got my flight number and was pushing my way back through the crowded terminal when I heard a high-pitched voice: "Chao Ong, Bac Sy My" (Hi, American Navy Doctor). Then a pair of strong arms were around me, and a young Vietnamese was blubbering on my shoulder. About 2 dozen more gathered around and joined in the chorus. I noticed that they were all wearing the uniform of the Vietnamese Air Force.

"Don't you remember me, Bac Sy My?"

Who could remember one from among those half-million faces? Then I noticed—the boy had no left ear. I looked at the others and recognized the hideous scars wrought by Viet Minh cruelty and my own poor ineptness.

"Of course, I remember," I said. "You boys come from Bao Lac." They told me that they were on their way to Texas to be trained as mechanics for the new Vietnamese Air Force.

Quite a crowd, mostly Americans, had been attracted by his highly emotional scene. This was as good a time as any to begin "briefing" my fellow citizens. So I spoke up and told the onlookers what it was all about. I told them where I had come from, a little of what I had seen, and then I satisfied their curiosity as to why some of these air cadets had only one ear apiece. When I finished I was choking back the tears—but there wasn't a dry eye in the crowd.

I turned and looked at Ensign Potts, and saw the tears running unashamedly down his cheeks. "Mr. Potts," I said, "pull yourself together, sir." He came over, grinning through the tears, and wrung my hand.

Ensign Potts had discovered the power of love.

I learned that the Vietnamese cadets were caught in the inevitable foul-up. They had been on the field for days with no one to look after them. Since they knew no English, they had never found the mess hall, and they were hungry. I sought out the Air Force officer in charge; he just shrugged and told me the kids were due to leave on a flight that night. I told him I wanted to be put aboard the same plane.

"Well, now, wouldn't that be nice, lieutenant?" he sneered. "That way you could get home a bit ahead of time, eh?"

The Irish in me boiled, but it wasn't necessary. Ensign Potts moved in with all guns blazing.

"Sir, Dr. Dooley is Admiral Stump's guest, and I have the authority to speak for the admiral," he roared. "The doctor can have anything he wants, including the admiral's own plane. Seems to me the least the Air Force can do is put him on that lousy flight."

And the Air Force did. Roger.

Old Dr. Dooley speaks

The big Constellation was filled with soldiers, sailors, and marines, and—aside from the crew—I was the only officer aboard. When we were airborne, I decided to have some fun. I stood up and told the men that they were in for a lecture, and that they'd have to listen because there was no way of getting out of it at 10,000 feet. They all groaned.

I called up my 26 cadets one by one, and asked each to tell his story while I translated. My captive audience was entranced. Then I asked the cadets to sing some of their mountain songs. Tonkinese music is hauntingly beautiful, something like the ancient Hebrew liturgical chants. The men listened with rapt attention, and afterward sang American songs for the cadets. The Vietnamese loved Shake, Rattle, and Roll the best. Translate that.

That night, high over the Pacific, new bonds of friendship were formed which surmounted the barriers of language. When we finally came in over the Golden Gate the Americans had given up their seats at the windows to the Vietnamese and were excitedly trying to explain the sights by gestures and sign language. And at Travis Air Force Base I watched them file off the plane, each sailor and marine with a cadet in tow.

While I was on the west coast, I decided to visit a high school in San Diego. Its senior class had sent my refugees bundles of clothes, and I wanted to thank the various people and organizations who had responded to Operation Hat-in-Hand. Of course, that senior class was gone now. But the principal and teachers buzzed around, and I found myself scheduled to address the assembled classes of several San Diego schools.

I looked out over that sea of young faces and felt older than Father Abraham. They were noisy kids, dressed in faded blue jeans and leather jackets, some of the gals in full-blown sweaters and many of the boys with long duck-butt haircuts. When I stepped out on the platform, wearing my uniform and ribbons, there was a bedlam of wolfcalls, whistles and stomping feet.

They were tough, so I decided to shoot the works. I gave them the whole sordid story of the refugee camps, the Communist atrocities, the "Passage to Freedom" and the perilious future of southern Vitenam. I talked for an hour. You could have heard a pin drop.

When I was through, they asked questions, earnest, intelligent questions that kept me on my toes. One little girl, who couldn't have been more than 13, had to come down front in order to be heard. She took a wad of gum from her mouth before asking her question with intense seriousness.

"Dr. Dooley, what can we boys and girls really do to help improve the situation in Southeast Asia?"

Dear little girl, put back your gum, and don't be ashamed. Your heart's in the right place. I haven't met a single American who hasn't asked something like that after hearing the facts. But it's a tough question to answer.

We all want to help, but we don't know how. I guess we're all like Ensign Potts, more or less: we need only to glimpse the truth, and then the scales fall from our eyes. Only then do we begin to realize the extent of our obligations and opportunities. We lose our inhibitions, and we're no longer afraid to speak of love, compassion, generosity. Christ said it all in the three words of His greatest commandment: "Love one another."

I have no magic formula to offer. I know nothing about foreign aid in billion-dollar packages. But I do know that American aid, used wisely and generously by individual hands on a people-to-people basis, can create bonds of friendship that will be hard to sever. And we have several million willing American hands around the world if we want to use them.

Not the Navy alone, but all the services overseas. They're all made up of Bakers and Ambersons and Gleasons—we were not unique. Men in uniform have primary duties to perform in the national defense. But without neglecting those responsibilities we can still serve the folks back home—if they want us to—as instruments of the sympathy, generosity, and love that are hallmarks of the American character.

Unless those intangibles are con[illegible]d to people plainly, however, I'm afraid t[illegible]ostly programs of material aid are often wasted. They needn't be. My meager resources in Indochina did not win the people's hearts, although they helped. What turned the trick were those words "Day la vien tro my" ("This is American aid")—and all that those words conveyed.

I believe that in the long run such plain help can be the decisive factor in bringing about victory for all the sacred things we stand for.

ESTABLISHMENT OF JOINT COMMITTEE ON CENTRAL INTELLIGENCE

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

Mr. MANSFIELD. Mr. President, at this time I ask unanimous consent that at the conclusion of my remarks on Senate Concurrent Resolution 2, a resolution to establish a Joint Committee on Central Intelligence, there be inserted in the Record a number of newspaper editorials and articles on the proposal to establish such a joint committee and also letters of approval of the resolution by the Citizens' Committee for the Hoover Report in the western area of the United States and a letter signed by Mr. Clarence Francis, chairman of the Citizens' Committee for the Hoover Report, both of which are in favor of the adoption of Senate Concurrent Resolution 2.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, today the Senate is considering Senate Concurrent Resolution 2, a concurrent resolution to create a Joint Committee on Central Intelligence. I have introduced similar measures on two previous occasions. However, this is the first time the proposal has come to the floor of the Senate for consideration. The concurrent resolution the Senate is considering today was cosponsored by 34 of my distinguished colleagues in the Senate.

The events of the past year have made it imperative that such a committee as is proposed be authorized before the adjournment of Congress this summer. This concurrent resolution was reported to the Senate by a majority of the members of the Committee on Rules and Administration.

To begin with, let me say that because of the very nature of the Central Intelligence Agency, I think it is important that a joint congressional committee be established for the purposes of making continued studies of the activities of the Agency and problems related to the gathering of intelligence affecting the national security. The Hoover Commission recommendations, the recent Presidential appointment of a commission to study CIA, the conflict over the site of the new CIA headquarters building, and other incidents in the past year have only intensified my interest in seeing that such a committee is established by the Congress.

I feel that a joint congressional committee should be established and that the CIA should, as a matter of law, keep that committee as fully and as currently informed as possible with respect to its activities.

Allen Dulles, Director of CIA, may make no mistakes in assessing intelligence, but he should not be the lone judge in matters which have to do with the intentions of other nations with respect to war and peace.

Mr. President, as you know, the President recently appointed an eight-man board to review periodically the Nation's intelligence activities. This is a step forward, but not far enough to reach the goal which I and the cosponsors of Senate Concurrent Resolution 2 seek.

Mr. MORSE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. I wonder if the Senator will make a brief statement at this time with regard to the nature of the jurisdiction of the proposed committee and the relationship, if any, between the President's so-called eight-man board and the Congress of the United States.

Mr. MANSFIELD. I may say to the distinguished senior Senator from Oregon that there is no relationship between that board and the Congress; that the board has had its lips sealed; that it is supposed to report at least once every six months; and that the report is to be made to the President only. What that means in effect is a further arrogation of power on the part of the Executive and a diminution to that extent of the equality between the executive and the legislative.

Mr. MORSE. Will the Senator yield for a question or two, or does he prefer to complete his remarks before yielding?

Mr. MANSFIELD. I yield.

Mr. MORSE. I am honored to be a cosponsor with the Senator from Montana, of Senate Concurrent Resolution 2, and I am glad he is discussing it today, because it seems to me that once again it is important that the American people—who, after all, in the last analysis, shall we say, "own" American foreign policy—should be apprised of the fact that there is a Government agency known as the CIA which works and functions in complete secrecy, and over which the Congress really has but little authority or jurisdiction except by way of the purse strings. In my view it is very dangerous to permit such an arrangement to continue, and I think Senate Concurrent Resolution No. 2 is essential from the standpoint of maintaining a people's check on American foreign policy, to the extent that the CIA is involved in American foreign policy.

With that statement, I should like to ask a few questions. Does the Senator agree with me that since the CIA organization functions in any country in any part of the world where it may operate with the secrecy that surrounds it, so far as its relationship to the Congress is concerned, it is bound to create the impression upon the leaders of the foreign countries in which it operates that its activities represent the official foreign policy of the United States?

Mr. MANSFIELD. I will say to the Senator from Oregon that that is a fairly sound assumption. The officials of the CIA could be considered as agents of American foreign policy, and perhaps they are so considered in some countries; but I could not, on the basis of what I know about the CIA, either prove or disprove the Senator's statement, because there is only limited congressional contact with the agency.

Mr. MORSE. That is so, for the simple reason that Congress, along with the American people, is kept in ignorance about the operation of the CIA. Is that correct?

Mr. MANSFIELD. That is correct.

Mr. MORSE. I have one further question. Has the Senator from Montana, as a colleague of mine on the Foreign Relations Committee of the Senate, ever received any correspondence or information or complaints in regard to the activities of CIA in foreign nations which indicate criticism of American foreign policy abroad?

Mr. MANSFIELD. I must say to the Senator that I have not.

Mr. MORSE. I should like to inform the Senator that I have received a series of communications in regard to alleged activities of the CIA which have caused me concern, and make me all the more enthusiastic in support of the Senator's resolution. I think it is highly desirable that we have, by congressional action, the authority which I think this resolution would give us to require this administration, through its CIA, to keep Congress, through the special committee which the Senator proposes to set up, informed as to exactly what it is doing in other countries by way of action that is bound to have some effect on American foreign policy and our standing in those nations.

This all goes back to what as the Senator knows, is a deep conviction of mine. I abhor government by secrecy. I cannot reconcile it with democratic processes. In the Senate of the United States I do not propose by my vote to endorse the action of any administration no matter what the party, that keeps the American people so much in the dark as the American people are being kept in the dark by the present administration in the whole field of foreign policy. As the Senator knows, I do not agree that there can be justification for keeping from the American people by so-called executive committee meetings in the Senate a good deal of information. But I particularly abhor the operation of government by secrecy in such a way that it threatens the liberties of the American people. Whenever there is government by secrecy, the freedom and liberties of the American people are endangered. A mistake by the CIA in some tinderbox area of the world might result in the loss of the lives of millions of our fellow citizens because no opportunity was afforded in advance to place a check on mistaken policies on the part of the CIA or other agencies of our Government.

Mr. MANSFIELD. I thank the Senator from Oregon for his pertinent observations.

Mr. President, the announcement of this new board was released 2 days after the time when the hearing on this bill was set by the Rules Committee. I do not think that was a deliberate attempt to head off the establishment of a congressional watchdog committee on the intelligence agency; I am sure that was only a matter of coincidence. But it does emphasize one thing: it extends and strengthens the executive control over the CIA.

I do not object to the formation of this new Commission, nor do I question the need by the Central Intelligence Agency and all other intelligence agencies in the Government for this kind of supervision. What I am concerned with, however, is the CIA's position of responsibility to none but the National Security Council. I believe this should be changed. The newly appointed board members will have neither power nor control over the CIA; and it appears to me that it is questionable how much this group will be permitted to learn under the agency's broad charter.

Mr. SALTONSTALL. Mr. President, will the Senator from Montana yield for a question?

Mr. MANSFIELD. I am delighted to yield.

Mr. SALTONSTALL. Concerning the responsibility of the CIA only to the National Security Council, if a change in that situation were to be made, would not a change of law be required, inasmuch as the law Congress passed in 1947, as I recall, requires the CIA to be responsible only to the National Security Council and to the President?

Mr. MANSFIELD. The Senator from Massachusetts is correct. However, instead of changing the law, I think we should establish a joint watchdog committee composed of Members of the House and Members of the Senate. In that way we could provide safeguards in connection with the operation of the CIA, and we could also deal with questions which Members of Congress might have in their minds.

Mr. SALTONSTALL. Mr. President, will the Senator from Montana yield further to me?

Mr. MANSFIELD. I am glad to yield.

Mr. SALTONSTALL. Of course, the Senator from Montana will agree with me that the Armed Services Committee and the Appropriations Committee now have subcommittees with members assigned to follow the activities of the CIA. Is not that correct?

Mr. MANSFIELD. That is correct.

Mr. SALTONSTALL. As a member of both those committees, I consider I have been informed of the activities of the CIA to the extent that I believe it is wise for me to be informed. As regards further information, let me say that, so far as I know, nothing has been concealed from us.

Mr. MORSE. Mr. President, will the Senator from Montana yield for a question?

Mr. MANSFIELD. I yield.

Mr. MORSE. I should like to ask a question of the Senator from Massachusetts.

Mr. MANSFIELD. Certainly.

Mr. MORSE. Has the Senator from Massachusetts ever informed the Foreign Relations Committee of the information he gained in regard to the CIA?

Mr. SALTONSTALL. I have never been asked by the Foreign Relations Committee for any such information. We have discussed such matters rather briefly in the Armed Services Committee, in executive session, as I recall, and also, of course, in the Appropriations Committee.

Mr. MORSE. That is just my point. After all, both the Senate Foreign Relations Committee and the Senate Armed Services Committee have great responsibilities in regard to foreign policy. The Foreign Relations Committee has no such liaison officer of which I know in respect to CIA, and I think it is very important that there be established the joint committee the Senator from Montana is proposing, with the very definite understanding that the Joint Committee will keep the Foreign Relations Committee, the Armed Services Committee, the Appropriations Committee, and the Senate as a whole informed. Certainly, under the advice and consent clause of the Constitution, it is important that we keep ourselves informed regarding what is occurring in connection with American foreign policy.

Mr. SALTONSTALL. As one member of the committee, I reply that to the extent I can do so under security regulations and in accordance with my own knowledge, of course, I shall be very glad to inform the Senator from Oregon or any other Senator, insofar as it is proper for me to do so.

Mr. MANSFIELD. Mr. President, I know the Senator from Massachusetts speaks from his heart, but I wonder whether the question I shall ask now should be asked in public; if not, let the Senator from Massachusetts please refrain from answering it: How many times does the CIA request a meeting with the particular subcommittees of the Appropriations Committee and the Armed Services Committee, and how many times does the Senator from Massachusetts request the CIA to brief him in regard to existing affairs?

Mr. SALTONSTALL. I believe the correct answer is that at least twice a year that happens in the Armed Services Committee, and at least once a year it happens in the Appropriations Committee. I speak from my knowledge of the situation during the last year or so; I do not attempt to refer to previous periods. Certainly the present administrator and the former administrator, Gen. Bedell Smith, stated that they were ready at all times to answer any questions we might wish to ask them. The difficulty in connection with asking questions and obtaining information is that we might obtain information which I personally would rather not have, unless it was essential for me as a Member of Congress to have it.

Mr. MANSFIELD. Mr. President, I think the Senator's answer tells the whole story, for he has informed us that a subcommittee of the Senate Armed Services Committee has met only twice a year with members of the CIA, and that a subcommittee of the Senate Appropriations Committee has met only once a year with members of the CIA. Of course, it is very likely that the meetings in connection with the Appropriations Committee occurred only at a time when the CIA was making requests for appropriations. That information from the Senator from Massachusetts does not indicate to me that there is sufficiently close contact between the congressional committees and the CIA, as such.

Mr. SALTONSTALL. In reply, let me state—and I should like to discuss this point more fully when I present my own views on this subject—that it is not a question of reluctance on the part of the CIA officials to speak to us. Instead, it is a question of our reluctance, if you will, to seek information and knowledge on subjects which I personally, as a Member of Congress and as a citizen, would rather not have, unless I believed it to be my responsibility to have it because it might involve the lives of American citizens.

Mr. MANSFIELD. I see. The Senator is to be commended.

Mr. MORSE. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. MORSE. I wish to say that no one has greater respect for the Senator from Massachusetts [Mr. SALTONSTALL] than do I, and what I say now goes only to the point of view he has expressed, and not to the Senator from Massachusetts himself. But it is the very point of view of the Senator from Massachusetts which I protest, because the very procedure for checking the CIA the Senator from Massachusetts has outlined is at best a voluntary one, and is not based upon the establishment by resolution of a mandatory jurisdiction of the Congress in relation to the CIA. That is what is necessary. But it does not exist under the present very loose and voluntary relationship existing between the CIA and the Armed Services Committee and the Appropriations Committee. What we must do is to write in black and white provisions which will give mandatory jurisdictional power to the Congress in relationship to the CIA.

The second point I wish to mention in connection with a comment made by the Senator from Massachusetts—whom I highly respect, but who has laid down a premise with which I am in total disagreement—is in relation to the argument that some information in this field should be kept from the Members of Congress who serve on the appropriate committees, and that such Members of Congress should not have knowledge of those matters.

Mr. President, let us consider the personnel of the CIA. Who are the supermen of the CIA? They are not elected officials of the Government. Instead, they are appointees of the executive branch of the Government. But the responsibility as the elected representatives of a free people happens to be ours, under the advice and consent clause of the Constitution, to protect the people, by serving as a check against the administration—and I care not whether it is a Republican or a Democratic administration. What is happening today, in connection with the trend toward government by secrecy in America, is that Congress has been standing by and has not been insisting upon exercising its power to check the executive branch of the Government in many fields including foreign policy.

Mr. MANSFIELD. Mr. President, the Senator from Oregon is entirely correct. The trend to which he has referred began during the Roosevelt administration, if not before, and continued during the Truman administration and down into the present administration. I refer to the trend toward reposing more and more power in the hands of the executive branch of the Government, and less and less power in the hands of the Congress. The Senate must wake up and do something about this matter, because, unless we do so, as time passes the Congress will become less of an equal branch under our constitutional system, and more power will rest in the hands of the Executive. The policy of increased executive power is nonpartisan. The same thing happened under Democratic administrations as is happening under a Republican administration.

Mr. MORSE. For years I sat over on the other side of the aisle and made the same protests under Democratic administrations that I am making today under a Republican administration.

This policy of too much secrecy has been characteristic of administrations of all parties in the executive branch. What we must do is to face up, before it is too late, to the fact that there is an increasing concentration of arbitrary power in the executive branch of the Government. This process has been going on for the past quarter of a century. We must stop it. The CIA issue affords a good example of what I am protesting.

I do not know of a single secret of Government which ought to be vested in the hands and minds of some appointees of the executive branch of Government in the CIA, to the exclusion of the elected representatives of the people. Who are these CIA employees? Many of them are very young, and, from the standpoint of experience, very immature men. Does anyone suggest that it is safe for democracy to vest in them crucial information, and to say that because we are Members of Congress on the Foreign Relations or Armed Services Committee, we should not have or should not want such information? I say that we must insist on getting it, if we are to keep faith with the oath we took when we entered this body, and are properly to discharge our duties and responsibilities as elected representatives of a free people.

Today we are talking about an abstraction in respect to a principle of Government, but the Senator from Montana is to be complimented and commended for raising the issue. He has raised an issue of government under our constitutional system which has been too long lost sight of by too many people in this country.

What is happening now in the United States is similar to what has hapened in the history of other free nations. They flowered in freedom for a long time, and then gradually a small clique of government officials in the executive branch started taking over their rights, freedoms, and liberties. The people woke up too late to discover that they had lost their freedoms, rights, and liberties. It can happen in America, if we do not stand on guard in relation to the principle of checks and balances under the Constitution.

I commend the Senator from Montana. Through this resolution I think he has placed his finger on a very important duty of Members of Congress. We ought to insist that the power which has been vested in the CIA be subjected to an occasional check, as provided by his resolution.

Mr. MANSFIELD. The Senator from Oregon is absolutely correct. Under the Roosevelt administration so-called executive agreements were agreed to between this country and Saudi Arabia, Yemen, and Nepal. Those executive agreements should have come before the Senate, under the advice-and-consent clause of the Constitution, because they were in reality treaties of friendship and commerce.

Under the Truman administration, Congress appropriated sufficient funds to provide for a 70-group Air Force. President Truman impounded the money and allowed only a 48-group Air Force to come into being.

Under this administration, last year Congress appropriated $40 million to maintain the Marine Corps at its then present strength. What happened? Secretary of Defense Wilson said he would not use the money. He did use a part of it. A part of the cut went into effect. I note from the document asking additional appropriations for the fiscal year 1956, page 8, that it develops that under the Department of Defense, military functions, the Office of the Secretary of Defense used $769,000—to be derived from where? From transfer from the appropriation "Military personnel, Marine Corps."

The Office of Public Affairs in the Department of Defense used $27,500, to be derived by transfer from the appropriation "Military personnel, Marine Corps."

For Interservice Activities, Court of Military Appeals, $41,400 was used, to be derived by transfer from the appropriation "Military personnel, Marine Corps."

For the Department of the Navy, servicewide supply and finance, $7,400,000 was used, to be derived by transfer from the appropriation "Military personnel, Marine Corps."

For servicewide operations in the Department of the Navy, $2,180,000 was used, to be derived by transfer from the appropriation "Military personnel, Marine Corps."

All this was after the Congress unanimously restored $40 million to maintain the Marine Corps at its then present strength, 223,000 men. What happened to those funds? What happened to the mandate laid down by Congress, which is supposed to control the Armed Forces of the United States, and to provide for them? What happened during the Truman administration when Congress appropriated for a 70-group Air Force? What happened during the Roosevelt administration when, in the field of foreign policy, executive agreements were made which were in reality treaties of commerce and friendship?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SALTONSTALL. First, with respect to the executive agreements to which the Senator has referred, let me say that I believe they should have been made in the form of treaties, and should have been brought to the attention of the Senate.

So far as the Marine Corps appropriation is concerned, that question is now before the Committee on Appropriations. I agree with the Senator that if the money was not used for the Marine Corps, if the total strength of the Marine Corps provided for by the Congress was not maintained, and was not necessary, in the opinion of the Department, that money should have gone back to the Treasury, and, if money for other purposes was needed, new appropriations should have been requested. There should have been no transfers. I thoroughly agree with the Senator from Montana.

Mr. MANSFIELD. I am delighted to hear it.

Mr. SALTONSTALL. I do not approve of the method by which the funds were handled. The question as to whether the strength of the Marine Corps provided for by Congress was necessary is another issue; but certainly the money should not have been transferred.

Mr. MANSFIELD. As the Senator knows far better than I, a portion of the Marine Corps cut was restored.

Mr. SALTONSTALL. That is correct.

Mr. MANSFIELD. But not to the point mandated by the Congress of the United States. The Senator from Massachusetts also voted last year for the $40 million appropriation to maintain the Marine Corps at its then present strength. The money is being used for other purposes, which in my judgment is contrary to the intent and wish of the Congress.

Mr. SALTONSTALL. If my memory is correct as to the figures—and I am not sure it is—the number of marines last year was 215,000. The idea was to reduce the number to 195,000, in round figures. Congress directed that the strength be kept at 215,000. I believe that the present figure is 201,000, and that it will be 205,000 at the end of the present fiscal year. I am not quite certain as to the accuracy of those figures, but the present strength is more than 200,000.

Mr. MANSFIELD. I think the Senator is approximately correct; but it is still to be noted that the wishes of the Congress were ignored by Mr. Wilson, who is an agent of the President, and the money was used as he saw fit, and not as Congress intended.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LANGER. I wish to join the distinguished Senator from Oregon [Mr. MORSE] in complimenting the Senator from Montana for bringing this subject to the attention of the Senate.

I believe that the entire policy of secrecy in this connection is a cancer in the operation of our Government.

Only a short time ago we had the spectacle of Sherman Adams, Assistant to the President, telephoning to the Securities and Exchange Commission and holding up for 3 or 4 days a hearing in connection with the Dixon-Yates matter. When we asked why an Assistant to the President should call up an agency of Government and delay a hearing for 3 or 4 days, while in the House an appropriation of $6,500,000 was being considered, we received a letter from the assistant secretary to the effect that this subject was secret.

When the Senator from Tennessee [Mr. KEFAUVER], as chairman of the subcommittee, joined with other members of the subcommittee in a letter requesting the Assistant to the President, Sherman Adams, to come before us and tell us the reason for such procedures, we received a very brief letter of 3 or 4 lines in reply.

I fully agree with the Senator from Oregon that the policy of secrecy is resulting in keeping from the Congress and the people matters with which the Congress ought to be thoroughly familiar. We are called upon to enact laws dealing with those subjects, and we are dealing with them, as the Senator from Massachusetts stated a few moments ago, in such a manner that members of the Committee on Armed Services meet only twice a year with representatives of the CIA, and members of the Committee on Appropriations meet with them only once a year, when they need more money. I believe the Committee on Foreign Relations, of which the distinguished Senator from Oregon and the distinguished Senator from Montana and I are members, can testify to the fact that we see those gentlemen, members of the CIA, on very, very rare occasions, and then only when we practically invite them to attend.

Mr. MANSFIELD. The Senator may well be correct. As a matter of fact, I do not recall ever seeing them before the Committee on Foreign Relations, although I may be mistaken about that.

Mr. MORSE. Mr. President, will the Senator yield once more? I shall not interrupt him again after this comment if it can be avoided.

Mr. MANSFIELD. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I wish to associate myself with the observations of the Senator from North Dakota [Mr. LANGER], and I am very glad, indeed, that the Senator from Montana has mentioned the executive agreements which have been made with some Middle East countries, especially Saudi Arabia.

He has referred to agreements about which we were not apprised at the time they were made. I do not believe it can be questioned that in regard to a good many of the agreements which are entered into the CIA has, so to speak, a background part to play, and does play; and it supplies what it believes to be information which ought to be influential in reaching executive decisions. That is why I believe it very important that the Committee on Foreign Relations be kept advised right up to the minute in regard to the findings of the CIA and the recommendations of the CIA as they may affect American foreign policy.

Let us take, for example, the executive agreement to which the Senator from Montana has referred. Now, belatedly, we are beginning to get information, for example, pointing out that in Saudi Arabia human-slavery traffic is rampant in the year 1956. Before the week is over I intend to discuss on the floor of the Senate human-slavery traffic in Saudi Arabia.

Nevertheless, Mr. President, the argument is made that we ought to ship military supplies to Saudi Arabia. The argument is made that in order to combat communism we ought to keep an airbase in Saudi Arabia.

Mr. President, I seriously question the whole program of America in Saudi Arabia, so long as evidence can be brought forth that the nation with whom we have the agreements is engaged in human slavery in this year of 1956.

We cannot reconcile that fact with the high moral principles for which we as a nation profess to stand in American foreign policy.

The reason I am pleading for full disclosure to the American people of American foreign policy is that if such disclosure is not made we get into the kind of situation the Senator from Montana has mentioned with regard to so-called executive agreements. That happens whenever we in the Congress do not have all the facts presented to us.

I sat on the Committee on Armed Services for 8 years. What did the brass do? They came before the committee and said, "This is our recommendation.

However, because of the top secrecy involved, we do not want to go into the information and the facts on which the recommendation is based."

What did we do? We used to sit there and say, "Well, we will take you at your word."

In my judgment, we should not do that. In my judgment, in a democracy, the elected representatives of the people are entitled to whatever facts anyone who has brass on his shoulders may have in his head. I for one think we ought to stop the tendency to let the military, the CIA, and a few officials of the State Department determine foreign policy for the American people, without any check on the process by their elected representatives in the Legislative Halls of the Government.

Mr. MANSFIELD. Mr. President, I wish to say to the Senator that what frightens me about the whole matter is the fact that the Senate, particularly, has been willing to give up its share of its responsibility in the Government during the past 15 or 20 years, at least. It is a bad trend. I do not believe it is the President who is arrogating unto himself this added authority. I assume it is in the executive departments and in the praetorian guard in the White House where the authority is being used, to the detriment of the elected representatives of the people in both the House and in the Senate, and against the course laid down under the Constitution of the United States.

It is a very serious constitutional question. I deeply regret that I am not a constitutional lawyer, because I believe there is quite a field for discussion of this subject. I only hope that the Senate will recognize the fact and will take some action to restore the equality which should exist between the executive and the legislative branches of the Government.

Mr. SALTONSTALL. Mr. President, will the Senator from Montana yield once more? Then, like the Senator from Oregon, I will not interrupt him again. That is, I hope I will not interrupt him again, but I cannot promise that I will not.

Mr. MANSFIELD. I am glad to yield to my friend from Massachusetts.

Mr. SALTONSTALL. I am sure the Senator will agree with me that the CIA is not a policymaking body but that the policymaking body is the State Department which is an executive agency of the President in the initiation and determination of the foreign policy of the United States. In the same way, under the President, the Defense Department is the initiating body with regard to our national security. I am sure the Senator will agree with me on those primary facts.

Mr. MANSFIELD. Yes; except that in the field of foreign policy we do have the advice and consent clause in the Constitution. That clause can be stretched a long, long way. That is what has been happening in recent years, with the result that the Senate has exercised less and less influence in foreign affairs, and with the further result that the executive department has taken under its control more and more of that field.

Mr. SALTONSTALL. The point I wished to make especially in the present discussion is that the CIA is not a policymaking body of the executive branch of the Government, and that the policymaking body is the State Department. The CIA is one of the agencies which the State Department uses in determining what the foreign policy of the Government shall be.

Mr. MANSFIELD. I would be inclined to take the Senator's word for that. However, I do not know whether the CIA has any part in making policy. The Senator is correct in saying that it is the function of the State Department under the President of the United States to act in that field.

Mr. SALTONSTALL. The present Administrator of CIA does his utmost to maintain that principle within his agency. In other words, he does not alone determine policy, but carries out the orders which are given to him by the policy-making body.

Mr. MANSFIELD. I agree with the Senator. In my remarks about the CIA I wish it to be clearly understood that I have nothing but the highest regard for Mr. Allen Dulles, the Director of CIA, and for the type of administration which he is carrying on. What I am talking about is the CIA as an executive agency and its relations to Congress.

Mr. SALTONSTALL. I assume that the Administrator of CIA—the present one or any other Administrator, past or present—would come before the Committee on Foreign Relations and discuss with it any subject he could properly discuss within his field, if the committee asked him to appear before it.

Mr. MANSFIELD. Yes, I know and believe he would be glad to.

Mr. SALTONSTALL. Of course the problem of security comes up, both in public and in executive sessions.

Mr. MANSFIELD. Yes.

Mr. MORSE. Mr. President, will the Senator yield once more?

Mr. MANSFIELD. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I am always interested in the meaning that is given to words. Of course, when we argue that CIA is not a policymaking body because under the administrative setup it is not charged with making policy, it does not follow that it does not make policy. Let us take a look at Government operations and what happens when we give an assignment to an agency such as CIA.

It proceeds to gather information and to make investigations and studies. On the basis of such studies and investigations and what it discloses to the executive arm of the Government, and what it does not disclose, someone in the Government must then make a determination. The tendency is usually to follow the recommendation of the agency that was asked to do the job of investigating.

One of the reasons why I believe the pending concurrent resolution should be adopted is that we should find out to what extent in fact—not in theory, but in fact—CIA is forming policy. I will tell the Senate my suspicion. My suspicion is that it determines a great deal of policy. I happen to believe we have the duty of finding out whether my suspicion—and I am not the only one who has such a suspicion—is warranted or not. I think we must take it for granted that when we give broad powers to the CIA, which it has been exercising, it has great influence in determining foreign policy. I urge that a check be placed upon it. We ought to know to what extent its recommendations are being generally followed.

I agree with the Senator with respect to Allen Dulles, but I am not in favor of giving him unchecked power. I want to know to what extent the recommendations and the policies made by CIA under Allen Dulles become the policies of John Foster Dulles, his brother, the Secretary of State. I believe we need checks on families as well as checks on men who do not belong to the same families.

Mr. MANSFIELD. Not only would that question be interesting, but I am sure the answer to it would also be interesting.

Mr. President, so long as the subject of the power of the executive vis-a-vis the legislative has been brought up, I ask unanimous consent that at this point in my remarks an excerpt from a communication from the President of the United States to the 84th Congress, 2d session, Document 341, at the top of page 8, under the heading "Department of Defense—Military Functions," be incorporated in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Office of the Secretary of Defense: "Salaries and expenses," $769,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

"Office of Public Affairs," $27,500, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

Interservice activities: "Court of Military Appeals," $41,400, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

Department of the Navy:

"Servicewide supply and finance," $7,400,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

"Servicewide operations," $2,180,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps."

Mr. MANSFIELD. Mr. President, I also ask unanimous consent to have made a part of the Record at this point in my remarks a copy of a speech which I made 2 years ago relative to 3 executive agreements under the Roosevelt administration which should have come before the Senate.

There being no objection, the speech was ordered to be printed in the Record, as follows:

SPEECH BY SENATOR MANSFIELD

There is a real issue, and it has troubled me deeply, as I am sure it has troubled other Senators. It is to be found in the power of the executive branch in the field of foreign policy.

The Constitution specifically provides the President with certain unique powers to conduct our foreign relations, just as the other branches of Government have unique powers in other matters. I do not question those powers which accrue to him as Commander in Chief of the Armed Forces.

But in one aspect of our foreign relations, the treatymaking power, he does not have unique, but rather concurrent, power shared with the Senate. Treaties are to be made by the President only with the advice and consent of the Senate. The most vital matters involving the relationships of this country with others are or should be conducted within this realm of concurrent power.

But it is precisely in this realm that an extra-constitutional device, the executive agreement, now threatens the fine balance of power which has been maintained under our system of government for a century and a half.

It will be argued, as it has been, that executive agreements are used almost exclusively in pursuance of authority delegated by Congress or to supplement certain valid undertakings growing out of the unique powers of the President. That is true, and I think the device, so used, is necessary and useful and harmless to the principle of balance of powers.

But it is not in the mass of executive agreements that the issue is to be found. It is, rather, in the few, in the very few. For it is in the few, the very few, that this extra-constitutional device can be used to stretch the unique powers of the executive. It is in the few that there lies the danger of usurpation, destruction of the constitutional balance, and in the last analysis, the threat of Executive tyranny.

This is no imaginary fear which haunts me and other members of the Senate. Executive agreements have been used to stretch the powers of the Presidency and unless safeguards are established there is no reason to believe that they will not continue to be so used. If the Senate will bear with me for a few moments longer, I will undertake to prove by specific example how this extra-constitutional device can undermine the power of the Senate in foreign relations. I will endeavor to show how this device can and has been used to erode that power and transfer it painlessly, almost imperceptibly, from this body to the executive branch.

For decades, treaties of friendship, commerce, and navigation have been made with other countries by the President with the advice and consent of the Senate. As the Senators know, these are basic treaties which establish the framework of our relations with other countries. The Senate has traditionally given advice and consent to such treaties. It still does so, for the most part.

In 1933, however, the Department of State negotiated an agreement of friendship and commerce with Saudi Arabia. As far as I can determine, this was the first time an executive agreement, rather than a treaty, was used for this purpose. To be sure, the agreement with Saudi Arabia was labeled provisional in nature and was to remain in effect, I quote: "until the entry in force of a definitive treaty of commerce and navigation." Even though it was temporary, however, the State Department must have known that this executive agreement was treading on dangerous constitutional ground for it added the following clause, I quote "Should the Government of the United States of America be prevented by future action of its legislature from carrying out the terms of these stipulations the obligations thereof shall thereupon lapse."

This executive agreement was never replaced by a definitive treaty of friendship, commerce, and navigation. Though the Senate has never given consent to ratification, it stands in equal force with genuine treaties dealing with the same subject matter, to which the Senate has given approval.

This agreement, Mr. President, established a precedent. Note now how the precedent is reenforced. Thirteen years later, in 1946, the State Department negotiated a similar agreement with the Kingdom of Yemen. The terms of the two agreements were practically identical except for two omissions. The agreement with Yemen no longer carried the phrase indicating that it was to remain in effect only; I quote: "until the entry in force of a definitive treaty of commerce and navigation." Also omitted was the phrase, I quote: "Should the Government of the United States of America be prevented by future action of its Legislature from carrying out the terms of these stipulations the obligations thereof shall thereupon lapse."

In short, the State Department appears, in 13 years, to have reached the conclusion that the power to make treaties of friendship, commerce, and navigation had become, at least in some cases, a unique power of the executive branch, that the consent of the Senate was no longer necessary, at least in some of these agreements.

One year later, in 1947, a third agreement of friendship, commerce, and navigation was negotiated with the Kingdom of Nepal. In printing the text of this agreement in its Bulletin, the State Department apparently still had a twinge of nervousness about the procedure it was following. It was constrained to point to two precedents. What were the precedents? The agreements with Yemen and Saudi Arabia.

Yemen, Saudi Arabia, and Nepal. These are small, faraway lands. Few of us could locate them quickly on a map. Still fewer have any direct concern with what transpires in them. Yet, the agreements which have been negotiated with them constitute a series of precedents which is of vital importance to our constitutional division of powers. None of them has ever been replaced by a regular treaty, yet all of them cover subject matter which traditionally has been handled by treaty.

Twenty-one years have elapsed since the first of these three agreements was negotiated. Was the failure to replace the agreements by permanent treaty an oversight or a conscious expansion of the unique powers of the executive at the expense of the Senate? Is this example a straw man or a very real case of usurpation of power? Will the President now send these three agreements or their permanent replacements to the Senate for advice or consent or after years and decades is the need still for temporary agreements?

How is the Senate to deal with the disappearance of its prerogatives in this fashion?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that some illustrations of the use of Executive power in relation to the power of Congress, which I requested the Legislative Reference Service of the Library of Congress to compile for me, be incorporated in the Record at this point.

There being no objection, the illustrations were ordered to be printed in the Record, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C.,

SOME ILLUSTRATIONS OF THE USE OF EXECUTIVE POWER IN RELATION TO THE POWER OF CONGRESS

The general nature of the alleged usurpation of the powers of Congress by Executive circumvention of legislative intent has been stated by Representative Howard W. Smith.

Testifying before the Joint Committee on the Organization of Congress on March 28, 1945, Representative Smith said:

"Under our Constitution legislation is supposed to be enacted by the Congress. I want to call your attention to what I assert to be a fact, that we now have not only legislation by the Congress, but we have four other types of legislation. I will go into each one of them a little more fully * * *. We have legislation by sanctions; we have legislation by subsidies; we have legislation by Executive regulations, under authority of acts of Congress; and we have legislation by interpretation—interpretations that Congress never dreamed of when we enacted the law.

"I think that that is of very great moment. * * * I do not think the American people realize to what extent our system of government is being changed by these innovations. * * *

"I do not think Congress as a Congress realizes it. On the other hand, I think almost every individual Member of Congress realizes what is going on, and they talk about it and fuss about it, and they say something ought to be done about it, but as a rule Congress does not do anything about it.

"Now, much of this stuff is done in perfectly good faith. I am not here to say that any of it is not done in good faith. It is done under the spur of the emergency, but when we once break down the constitutional boundaries and begin to do things that there is not any authority under the Constitution or the law for, we get into a field that spreads and gets worse, like a spreading disease.

"Personally I am very much disturbed about it and I hope that we can do something to check it and bring us back within the limits of what we ought to do."

Absolute and unequivocal proof of executive circumvention of legislative intent in the interpretation or administration of laws passed by Congress is in most cases impossible to obtain. In some instances disputes arising under these circumstances have been settled by adjudication, but in most cases these conflicts have been characterized by charges and allegations which were sometimes answered and sometimes ignored. Interpretations of what a law means and how it should be administered may very well often require the exercise of subjective judgment. The charges of circumvention may be equally subjective. There may be no conclusive evidence that either party is acting in bad faith, or that the executive is deliberately flouting the law.

Certainly there are some instances where evasion or ignoring of the law was deliberate, but in these cases the President usually acted upon what might be argued to be mitigating circumstances or what he regarded as a more fundamental legal authority. For example, President Jackson felt that his reelection in 1832, after a thorough public discussion of his veto of the bill to recharter the National Bank, justified his withdrawal of public funds from the bank 3 years before its old charter was to expire. Although he acted legally through his Secretary of the Treasury, Jackson knew that he was acting contrary to congressional intent. "Indeed, Congress had already refused to pass a measure authorizing him specifically to do this. * * *"[1]

In a case of historic importance, President Andrew Johnson fired Secretary of War Stanton in deliberate violation of the Tenure of Office Act, which had been passed over his veto, because he "was convinced that the act was unconstitutional and was consequently eager to get it in the courts for the purpose of a test."[2] Although Johnson was impeached primarily for this action and escaped conviction by only one vote, this law was repealed in 1887, and a very similar measure was declared unconstitutional in

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[1] Binkley, Wilfred E. The Powers of the President, New York, Doubleday, Doran, 1937, pp. 76–77.

[2] Ibid, p. 149. See also Corwin, Edward S., The President: Office and Powers, New York, New York University Press, 1948, pp. 77–78.

1926 in *Myers* v. *United States* (272 U. S. 52).

The illustrations of alleged executive circumvention or flouting of legislative intent in the following pages of this report do not by any means comprise a definitive listing of examples. They are, rather, cases that could be compiled in the time available, and it is hoped that, taken together, they offer a fairly representative picture of cases of this type.

One other explanatory word is needed. No attempt has been made to present the other side, the answers to charges of executive disregard for legislative intent. Much background material has also been omitted. The political context surrounding each example is held to the absolute minimum.

President Theodore Roosevelt is known as a Chief Executive who believed in using the power of his office to the full. Two examples of his alleged circumvention of legislative intent are recorded here: [3]

In two other instances, although his conduct ultimately received a judicial sanction, [T. R.] Roosevelt aroused the ire of his political opponents by employing the powers granted to him by these statutes to secure a result apparently not intended by these acts, and certainly not approved by Congress. Having failed to convince Congress of the urgency of preventing the acquisition by monopolies of public coal lands at ridiculously low prices, he undertook to remedy this situation by issuing a series of proclamations withdrawing these coal lands from public entry and setting them aside as parts of the national forest reserves. That a doubt existed as to the legality of these orders is attested by the refusal of his successor, Taft, to proceed further without an express sanction of Congress. Again, when an attempt was made to obstruct his efforts at conservation by attaching to an appropriation bill a rider exempting from withdrawal as reserves a large portion of public lands in the Northwest, Roosevelt, without assuming the responsibility of vetoing a financial measure, defeated this effort by setting aside all the timber lands in question before the bill was presented to him for signature.

President Woodrow Wilson was another of the so-called strong Presidents who believed in the vigorous use of all of the powers of his office, as the following excerpt shows: [4]

Even Wilson, staunch advocate that he was of the observance of strictly legitimate procedures, was not averse, on the occasion of impending war, to execute a policy for which statutory authorization, previously solicited from Congress, had been refused. In asking Congress to empower him to arm merchant vessels, Wilson had spoken as follows:

"No doubt I already possess that authority without special warrant of law by the plain implication of my constitutional duties and powers, but I prefer to act not upon implication. I wish to feel that the authority and power of Congress are behind me."

Notwithstanding the defeat of an authorizing statute by the action of 11 willful men, Wilson proceeded to arm merchant vessels in reliance not only upon his constitutional powers but upon the support derived from an obsolete statute of 1819. Where an executive relies on a novel interpretation of an existing statute, which was designed at the date of its adoption to serve a wholly unrelated purpose, it would seem that by an act of repeal, Congress could deprive the executive of the color of authority for his action. Whether the repeal of the law could, of itself, halt the President is probably dependent upon whether his action, through his subordinates, could be made the subject of litigation.

The following excerpt is taken from the annual message of President Warren G. Harding delivered to the Congress on December 6, 1921:

"The previous Congress, deeply concerned in behalf of our merchant marine, in 1920 enacted the existing shipping law, designed for the upbuilding of the American merchant marine. Among other things provided to encourage our shipping on the world's seas, the executive was directed to give notice of the termination of all existing commercial treaties in order to admit of reduced duties on imports carried in American bottoms. During the life of the act no executive has complied with this order of the Congress. When the present administration came into responsibility it began an early inquiry into the failure to execute the expressed purpose of the Jones Act. Only one conclusion has been possible. Frankly, Members of the House and Senate, eager as I am to join you in the making of an American merchant marine commensurate with our commerce, the denouncement of our commercial treaties would involve us in a chaos of trade relationships and add indescribably to the confusion of the already disordered commercial world. Our power to do so is not disputed, but power and ships, without comity of relationship, will not give us the expanded trade which is inseparably linked with a great merchant marine. Moreover, the applied reduction of duty, for which the treaty denouncements were necessary, encouraged only the carrying of dutiable imports to our shores, while the tonnage which unfurls the flag on the seas is both free and dutiable, and the cargoes which make a nation eminent in trade are outgoing, rather than incoming.

"It is not my thought to lay the problem before you in detail today. It is desired only to say to you that the executive branch of the Government, uninfluenced by the protest of any nation, for none has been made, is well convinced that your proposal, highly intended and heartily supported here, is so fraught with difficulties and so marked by tendencies to discourage trade expansion, that I invite your tolerance of noncompliance for only a few weeks until a plan may be presented which contemplates no greater draft upon the Public Treasury, and which, though yet too crude to offer it today, gives such promise of expanding our merchant marine, that it will argue its own approval."

One outstanding authority on the presidency declares that Franklin D. Roosevelt, in a message of September 7, 1942, peremptorily demanded that Congress repeal a certain provision of the Emergency Price Control Act or that he, the President, would treat this provision as repealed. After quoting a passage from the Roosevelt message, Edward S. Corwin goes on to say: [5]

"In a word, the President said to Congress: "Unless you repeal a certain statutory provision forthwith, I shall nevertheless treat it as repealed." On what grounds did Mr. Roosevelt rest his case for power of so transcendent a nature? Although he made a vague gesture toward congressional acts, it is obvious that his principal reliance was, and could only have been, on his powers under the Constitution—that is to say, his conception of these. Presidents have before this in a few instances announced that they did not consider themselves constitutionally obligated by something which Congress had enacted but which, as they contended, trenched on presidential prerogatives. This, for example, was Johnson's position in 1867. But the position advanced by Mr. Roosevelt * * * goes beyond this, claiming as it does for the President the power and right to disregard a statutory provision which he did not venture to deny, and indeed could not possibly have denied, which Congress had complete constitutional authority to enact, and which, therefore, he was obligated by express words of the Constitution to take care should be faithfully executed."

Speaking of the administration of the Internal Security Act, former Senator Herbert R. O'Conor, of Maryland, said: [6]

"There is strong evidence that some officials of this Government are engaged in a studied and deliberate effort to avoid compliance with certain basic provisions of the Internal Security Act of 1950 which are designed to protect this country against infiltration by Communist agents.

"Notwithstanding these provisions of the Internal Security Act which provide for the exclusion and deportation of aliens whose presence in this country endangers the public security, virtually nothing was being done by the executive department to carry those provisions into effect."

* * * * *

"In the course of the last few days we held an executive session with the officials of the Department of State on this matter including the Chief of the Division of International Administration and the administrative attorney of the Division. So far as I can comprehend their attitude it is this, that the security of the United States should be weighed in the balance against a policy of facilitating our international relations with other nations. I assert that this is not only a direct violation of the Internal Security Act, which these officials are sworn to uphold and which is designed to protect this country, but is a course leading to the practical annulment of the statutory provisions passed by the Congress to protect our internal security.

* * * * *

"So long as certain officials of this Government refuse to heed the warnings of our intelligence agencies and deliberately ignore provisions of the Internal Security Act, we shall have an open door for the infiltration of spies and saboteurs."

Both President Truman and President Eisenhower have been subjected to congressional criticism for impounding funds which have been appropriated by Congress for specific purposes. In 1949 Congress appropriated money for 53 air groups. A Truman order of October 29 specified that funds would be spent for only the 48 air groups he had recommended. This policy was examined by the House Subcommittee on the Department of Defense Appropriations in January 1950. Members of the subcommittee regarded the action as an invasion of congressional authority. Representative SIKES declared: "I would consider that there is a prohibition in the law against the things which now are being done. The Congress under the Constitution decides how much money is to be expended. * * * Anything done contrary to this is in my opinion contrary to the basic law of the land." [7]

Last Summer President Eisenhower was accused by several Senators of acting, or threatening to act, with regard to already appropriated funds, in a manner that was contrary to the wishes and intentions of Congress.[8] In the public works appropriation bill Congress inserted provisions for funds for some projects that did not appear in the President's budget. "According to the newspaper stories," said Senator MORSE, "the President implied such unbudgeted projects will not be initiated even though the Congress has specifically appropriated the funds until detailed engineering plans have been completed. * * * It will be a sad day for government by law if a President is allowed to thwart the will of Congress as President Eisenhower apparently intimated he might do."

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[3] Small, Norman J., Some Presidential Interpretations of the Presidency, Baltimore, the Johns Hopkins Press, 1932, pp. 148–149.

[4] Memorandum on the Powers of Congress, Short of Impeachment, To Control a President in Matters of the Faithful Execution of Congressional Legislation. Legislative Reference Service Report, October 20, 1942.

[5] Corwin, Edward S., op. cit., pp. 304–305.

[6] CONGRESSIONAL RECORD, volume 97, part 10, pages 13323–13324.

[7] Executive-Legislative Relations: Examples of Real or Alleged Overstepping, 1920–51, Legislative Reference Service Report, May 28, 1951.

[8] CONGRESSIONAL RECORD, volume 101, part 8, pages 10672–10679.

With reference to an aspect of the Dixon-Yates controversy, Senator O'MAHONEY said: "If it shall continue to be true that the President and the Bureau of the Budget can defy the acts of Congress in making appropriations and can say, notwithstanding the appropriations, that the works will not be built because the executive department does not approve of them, although the President has signed the bill, it is useless to talk about saving free government." Referring to the congressional appropriation affecting the Marine Corps, Senator MANSFIELD declared: "Why should Secretary [of Defense] Wilson thwart the will of the Congress by saying he had impounded the $46 million authorized by the Congress to keep the marines at their present strength? * * * This is something the executive branch is doing regardless of the action taken by Congress." On another subject, Senator NEUBERGER said: "The President announces to the world, in a press statement, that, even though the Congress has provided for the Cougar Dam, he evidently does not intend to proceed with the spending of the money for it, although the appropriation has been provided by the Congress."

A question of executive as against legislative authority arose last July when President Eisenhower signed the Defense Department appropriation bill. Section 638 of this measure gave to the Appropriations Committees of the Senate and the House a virtual veto power over certain proposed cutbacks in some of the business enterprises in the Defense Department. The President signed the bill because the Department had to have the money, but he declared in his message of July 13 that section 638 "constitutes an unconstitutional invasion of the province of the Executive. * * * Such section will be regarded as invalid * * * unless otherwise determined by a court of competent jurisdiction."

According to the Washington Star of July 15, Representative SIKES was completely shocked at the President's attitude. "Seldom have I heard such complete and utter disregard for the rights and privileges of Congress or of the constitutional processes of law." He said the President would "in this way seek to place himself above the law and to set aside a section of law that he or someone who speaks for him does not like. This is veto by paragraph, and veto by paragraph is not legal. This is usurpation of the powers of the Congress." House Majority Leader MCCORMACK said: "I had the idea that the Civil War settled the question of nullification in this country, but this is a nullification of an act of Congress."

The following material consists entirely of examples of executive agreements and other international agreements arrived at through executive action. The first 2 excerpts discuss the subject in general terms; the next 4 consist of more specific illustrations:

The first of the general excerpts follows:[9]

"Generally speaking, the interwar period was characterized by the wide use of executive agreements to effect international understandings on matters that seem quite as important as those dignified by the use of the treatymaking process. Approval by two-thirds of the Senate was not required to terminate the First World War, to join the International Labor Organization, to acquire Atlantic naval bases in British territory in return for overage destroyers, to accept the Atlantic Charter, nor to enter into lend-lease agreements."

The second of the general excerpts states:[10]

"The United States annexed Texas and Hawaii, ended the First World War, joined the International Labor Organization, the Universal Postal Union and the Pan American Union, settled over $10 billion worth of post-World War I debts, acquired Atlantic naval bases in British territory during World War II, acquired all financial claims of the Soviet Union in the United States, joined the United Nations pledging itself not to make separate peace in World War II and to accept the Atlantic Charter, submitted over a score of cases to international arbitration, and modified the tariff in numerous reciprocal trade agreements by means other than the treaty-making process."

The more specific illustrations are:

"1. INTERNATIONAL LABOR ORGANIZATION [11]

"Membership of the United States of America, by proclamation by the President of the United States, September 10, 1934

"Whereas by a joint resolution of the Congress of the United States of America, approved June 19, 1934, the President was authorized to accept membership for the Government of the United States of America in the International Labor Organization, provided that in accepting such membership the President should assume on behalf of the United States of America no obligation under the covenant of the League of Nations. * * *

"2. ACQUISITION OF ATLANTIC NAVAL BASES [12]

"*Naval and air bases*

"United Kingdom

"Arrangement providing for lease to the United States of naval and air bases in Antigua, Bahamas, Bermuda, British Guiana, Jamaica, Newfoundland, St. Lucia, and Trinidad and for transfer to the United Kingdom of 50 United States Navy destroyers.

"Effected by exchange of notes signed at Washington September 2, 1940.

"Duration: Not stated; leases to run for 99 years.

"Text: (54 Stat. 2405; E. A. S. 181; 203 L. N. T. S. 201). Opinion of the Attorney General.

"Advising that the proposed arrangement might be concluded as an executive agreement and that there was Presidential power to transfer title and possession of the overage destroyers (39 Op. Att. Gen., 484).

"3. ATLANTIC CHARTER [13]

"On August 14, 1941, President Roosevelt and Prime Minister Churchill, representing the United States and Great Britain, issued a joint declaration of peace aims. * * *

"4. PAN AMERICAN UNION [14]

"The Pan American Union was set up and continues to exist by virtue of a series of resolutions to which the President's plenipotentiaries, as members of international conferences of the American states, gave his and their consent, but in regard to which Congress appears to have exercised no influence other than its power—common to both treaty- and agreement-made unions—to grant or to withhold appropriations for the payment of the recurrent dues."

Mr. MANSFIELD. Mr. President, will this new commission be able to make available to the public and to Congress anything they learn about CIA doing the wrong things or not doing enough of the right things? This commission is responsible to the executive department alone, and lacks the legal authority a congressional inquiry enjoys. An Executive order could conceal any report or recommendation the Board might make on the grounds that revealing such information might injure the country. The Congress would still remain in the dark.

It is true that intelligence services of other major countries operate without direct control of the legislatures. This is understandable in a totalitarian government, such as the Soviet Union. It is even understandable in a parliamentary democracy, such as Great Britain, where the entire administration is a part of and is responsible to Parliament. Our form of Government, however, is based on a system of checks and balances. If this system gets seriously out of balance at any point, the whole system is jeopardized, and the way is opened for the growth of tyranny.

CIA is the only major Federal agency over which Congress exercises no direct and formal control. Its budget and its personnel lists are classified. By law the agency can withhold even such obviously unimportant information as the salaries of its top officials.

It has been the tradition in both Houses of Congress to have individual, but corresponding, committees to handle legislation in both the House and Senate. We have the Committees on Agriculture, Finance, Judiciary, Foreign Relations, and so on. These committees generally correspond to executive departments or agencies in their jurisdiction.

The Congressional Directory lists CIA as an executive agency, directly responsible to the President; however, the other agencies and commissions under this listing are relatively small in number of employees and many act largely in an advisory capacity. We do not know how large CIA is, but according to plans for its new concentrated headquarters, it is no longer a small agency, if it ever was.

CIA is subject to congressional review by four established and fully authorized subcommittees, and I am sure that they are doing a creditable and fine job. But this is not enough. The Senators on these committees have many other things to consider, as members of the full Armed Services and Appropriations Committees. In addition, there is no staff to rely on. The Appropriation Committee's check on CIA is generally, I assume, when the executive budget request is up for consideration. The Armed Services Committee receives a periodic report, or at the committee's request. In addition, several checks have been made by independent groups, as we know. Even the recent Commission set up by the President functions only parttime, and will make only a periodic check on the CIA. That is not what we need; these checks are fine, but we need a continual check on the operations of this agency which seems to be expanding continually. The most efficient method is by a Joint Committee on Central Intelligence.

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[9] Cheever, Daniel, and H. Field Haviland. American Foreign Policy and the Separation of Powers. P. 92.

[10] McDougal, Myres S. and Asher Lans. Treaties and Congressional-Executive or Presidential Agreements: Interchangeable Instruments of National Policy. Yale Law Journal, Vol. 54, no. 2, March 1945. P. 238.

[11] U. S. Congress, 75th Cong., 3d sess., Senate Doc. 134, p. 5531.

[12] U. S. Congress, 76th Cong., 3d sess., House Doc. 943.

[13] Langer, William L., comp. and ed., An Encyclopedia of World History, Boston, Houghton, Mifflin Co., 1952, p. 1137.

[14] McClure, Wallace M., International Executive Agreements, New York, Columbia University Press, 1941, p. 12.

There have been a number of reports recently that all is not well with the CIA. The Hoover Commission reported a woeful shortage of information about the Soviet Union, and noted that the agency could stand some internal administrative improvements. These are the sorts of inadequacies which the newly appointed Commission certainly will not allow, but congressional guardians might be able to compel even swifter and surer reform than could an executive committee.

Everything about CIA is clothed in secrecy. CIA is freed from practically every ordinary form of congressional review. Control of its expenditures is exempted from the provisions of law which prevent financial abuses in other Government agencies.

I agree that an intelligence agency must maintain secrecy to be effective. And I certainly do not mean to suggest that CIA should reprint for public consumption every item that comes across the Director's desk. If sources of information were inadvertently revealed, they would quickly dry up. Not only would the flow of information be cut off, but the lives of many would be seriously endangered. In addition, much of the value of the intelligence product would be lost if it were known that we possessed it. For these reasons, secrecy is obviously necessary.

However, there is a profound difference between an essential degree of secrecy to achieve a specific purpose and secrecy for the mere sake of secrecy. Once secrecy becomes sacrosanct, it invites abuse. If we accept the idea of secrecy for secrecy's sake we will have no way of knowing whether we have a very fine intelligence service or a very poor one.

If a new joint committee is set up as proposed in Senate Concurrent Resolution 2, all bills, resolutions, and other matters in the Senate or in the House of Representatives relating primarily to the CIA, would be referred to the joint committee; and the joint committee would, from time to time, make whatever reports are necessary to the Congress concerning its relationship with the CIA.

The enactment of the concurrent resolution would establish a joint committee, composed of 6 Members of the Senate to be appointed by the President of the Senate, and 6 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Of the 6 Members to be appointed from the Senate, 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Appropriations of the Senate and 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Armed Services of the Senate. The six House Members would be appointed from the corresponding subcommittees in the House. In each instance, not more than four members shall be of the same political party.

The joint committee or any duly authorized subcommittee thereof would be authorized to hold such hearings, to sit and to act at such places and times, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deemed advisable. The committee would be, in addition, empowered to appoint a small, selective staff of persons having the highest possible clearance, and would be authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government.

The staff which I had envisioned for such a joint committee would be small and would be subject to the most rigorous security regulations. Such a staff of trained, specialized, and dedicated persons would assist the committee members in making checks and appraisals on CIA and its operation. There certainly should be no more risk in trusting classified information to a trusted few connected with a congressional committee than there would be to a trusted many in a Government agency.

It has been pointed out that there is too little legislation to require a committee of this nature. Admittedly, proposed legislation which would be referred to the suggested joint committee might have helped to resolve problems and to make suggestions in the controvery over the site of the proposed CIA building. As to other legislation, it is difficult to know what might have happened. We must remember that a joint committee would also be a defender of CIA against unwarranted and unjustified attacks from within and outside the Federal Government.

Mr. President, in my opinion, the CIA is in somewhat the same category as the Atomic Energy Commission; and just as a special committee, with well-defined authority and powers, has been created on a joint congressional basis to oversee and supervise the interests of AEC, so I believe that a joint congressional committee should be created for the same purpose in connection with the CIA. I realize full well, because of the very nature of the duties of the CIA, that there has been no public scrutiny of its activities. This may be necessary in this day and age, but I believe that a joint congressional committee should be created for the purpose of making certain that good management is maintained in the CIA and also to keep a constant check on its intelligence policies. It is well, too, that this joint committee should be in a position to criticize any mistakes which the CIA may make.

Until a committee of the kind this resolution proposes is established, there will be no way of knowing what serious flaws in the Central Intelligence Agency may be covered by the curtain of secrecy in which it is shrouded.

The creation of the new executive board to review intelligence fulfills partially the suggestion of the recent Hoover Commission report on intelligence. However, it is only a partial fulfillment of the Hoover Commission recommendations. The Hoover Commission, on two occasions, suggested a bipartisan committee, including Members of both Houses of Congress, empowered by law to ask and get whatever information it thought necessary to aid, guide, or restrain CIA.

Recommendation No. 2 of the recent intelligence activities report of the Hoover Commission reads as follows:

> That a small, permanent, bipartisan commission, composed of Members of both Houses of the Congress and other public-spirited citizens commanding the utmost national respect and confidence, to be established by act of Congress to make periodic surveys of the organizations, functions, policies, and results of the Government agencies handling foreign intelligence operations; and to report, under adequate security safeguards, its findings and recommendations to the Congress, and to the President, annually and at such other times as may be necessary or advisable. The proposed watchdog commission should be empowered by law to demand and receive any information it needed for its own use. It would be patterned after the Commission on Organization of the Executive Branch of the Government (Hoover Commission). Appointments by the President of persons from private life to the proposed commission should be made from a select list of distinguished individuals of unquestioned loyalty, integrity, and ability, with records of unselfish service to the Nation.

Mr. President, I wish to state again that the appointment of the citizens' board should not preclude the establishment of a continuing and permanent congressional watchdog committee. Such a committee would act as a financial overseer, supervisor, guardian, sponsor, and defender of the CIA. It could give a constant and more thorough supervision to our intelligence activities than could any periodic check.

At the time of my appearance before the Rules Committee in behalf of this concurrent resolution I was informed by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] that he voted against the creation of the civilian advisory group, and it is his belief that the distinguished senior Senator from Arkansas [Mr. MCCLELLAN] joined him in this decision. Both of them, however, as members of the Hoover Commission, would recommend, according to the Senator from New Hampshire [Mr. BRIDGES], the establishment of a Joint Congressional Committee for the CIA.

Two committees, the Joint Congressional Atomic Energy Committee and the Joint Congressional Central Intelligence Committee, would be mutually supporting. They should insure as far as humanly possible, a proper support for and control of our powerful intelligence organizations. This a citizens' committee cannot do alone.

Before concluding my statement in behalf of Senate Concurrent Resolution 2, I wish to comment briefly on the determined opposition to this measure being voiced by various members of the executive department. The determined effort to defeat this concurrent resolution is another instance of executive interference with a purely congressional function. In fact the President is quoted in the press to have said, "It is too sensitive for Congress to take it up."

I am sure that I need not remind my colleagues here in the Senate that a concurrent resolution is not subject to Presidential approval or disapproval. It is the prerogative of the Congress to set up such a joint committee if it so desires.

Executive control has been on the increase in recent years, and I do not feel that this is good for a Federal government whose secure foundation is based upon a system of checks and balances between the executive, legislative, and judiciary.

As an illustration—and I have mentioned this before—I wish to remind my colleagues that last year the Congress appropriated an additional $40 million in funds to maintain the Marine Corps budget at a more satisfactory strength, but these funds were not used as directed by Congress. In the American system each important segment of our governmental operation is subject to check by another segment. Such an important agency as CIA should not be left unchecked.

As has been so ably stated by New York Times columnist, Hanson Baldwin:

> If war is too important to be left to the generals, it should be clear that intelligence is too important to be left unsupervised.

I firmly believe that it is now more imperative than ever that a joint congressional committee be created at the earliest opportunity. The representatives of the people are the ones who should be given, through a joint committee of Congress, the right to act for the Congress vis-a-vis the CIA, just as the Joint Committee on Atomic Energy does at the present time and has done for some years vis-a-vis the Atomic Energy Commission

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. MORSE. The most convincing argument, in my opinion, for the adoption of the concurrent resolution is President Eisenhower's objection to it. When the President of the United States says that the matter of the CIA is too sensitive for Congress to take up, he shows the American people what many of us have long known, namely, his lack of understanding and appreciation of the legislative process of the Government, and the check and balance system of the Constitution.

I say to the President of the United States from the floor today that no topic of Government belonging to all the people of the country is too sensitive for the elected representatives of a free people to handle. It is about time the American people made that clear to the President. What the President needs is a refresher course on the constitutional system of our country.

For the President to say that Congress, acting under the legislative process of a concurrence resolution, seeks to deal with a subject matter which is too delicate for Congress to handle, shows that the President lacks a sensitivity and an understanding of our constitutional system itself. His very criticism of the Senator's concurrent resolution is, in my opinion, a sound reason for the adoption of the concurrent resolution at the earliest possible hour.

Mr. MANSFIELD. I may say to the Senator from Oregon that the Senate, likewise, should wake up to its responsibilities and should recognize the fact that what we are considering today is a resolution which will not, under any conditions, be sent to the White House. This is a matter for Congress itself to decide. I think Congress can take care of its own housekeeping, and is fully capable of rendering its own decisions and making its own judgments.

Mr. MORSE. I completely agree with that comment. One of the reasons why I am one of the cosponsors of the concurrent resolution is that it is long overdue that the Congress of the United States should assume its clear responsibility in this matter. We should proceed, without any hesitation, to give the people of the country a service they are entitled to have from us, by adopting the concurrent resolution, thus bringing the CIA under the surveillance of the Congress, and putting an end to this type of government by secrecy on the part of the President of the United States.

Mr. MANSFIELD. I thank the Senator.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LANGER. I wish to agree fully with the viewpoints of the distinguished Senator from Montana.

EXHIBIT I

[From the Wall Street Joural of January 27, 1956]

THE LONE JUDGE

Mr. Allen Dulles, head of the cloak-and-dagger Central Intelligence Agency, opposes a bill now before the Senate which would create a congressional watchdog committee for CIA.

The bill would empower a 12-man committee drawn from the House and Senate Armed Services and Appropriations Committees to ask CIA how it's doing in intelligence matters and where the money's going that it spends. These are questions Congress cannot now ask.

Mr. Dulles doesn't like the idea; he says that if the bill becomes law there might be leaks of Agency secrets from the committee which might endanger the plans and programs of CIA. We can recall no important leaks from the Joint Congressional Atomic Energy Committee which watchdogs the AEC.

Apparently a number of Senators don't agree with Mr. Dulles' ideas on the subject. Thirty-five of them sponsored the watchdog bill under which Mr. Dulles will have to leak some information to the Congress which created the secret agency. Mr. Dulles may make no mistakes in assessing intelligence; but he should not be the lone judge in matters that have to do with the intentions of other nations for war or peace.

[From the Butte Standard of January 29, 1956]

OUR INTELLIGENCE HAS BEEN FOUND WANTING

A Hoover Commission task force looked into the operations of the highly secretive Central Intelligence Agency last spring and came up with this conclusion: "The task force is deeply concerned over the lack of adequate intelligence data from behind the Iron Curtain."

The task force also found: "Effective intelligence has become increasingly necessary for our protection against propaganda, infiltration and aggressions of the Communist leaders. By trial and error, study and skill, we have made progress; but we must not labor under any complacent delusions."

Reflecting upon this incident, as well as upon the fact that not all of the Hoover commission's recommendations have been carried out, might cause one to wonder if lack of intelligence about what is happening behind the Iron Curtain is not the direct cause of a lot of disorder in Washington.

The number of contradicting statements relative to the armed strength of the Soviet Union would indicate that we don't know very much about what the Soviet has. This fact could easily be the cause of much of the disunity in our own defense department.

If a commander is in the dark about what kind of opposition he is likely to run into, he is in a smilar manner in the dark as to how to prepare for the contingency of conflict.

So, it seems that our intelligence may be at fault, although the Hoover Commission task force found at least 12 major departments and agencies dealing in intelligence in one form or another.

The lack of knowledge would similarly have a blighting effect on the conduct of our foreign policy. It might even cause a war, whereas if our intelligence had been more compete war could have been avoided.

One of the recommendations made by the task force was that the President appoint a committee of experienced citizens to examine and report to him periodically on the work of the Government foreign intelligence activities. It was directed that the President might make public such findings as he saw fit.

Such a committee has just been appointed by President Eisenhower. It includes such personages as Robert A. Lovett, former Secretary of Defense.

The other part of the recommendations made public had to do with Congress. It was recommended that the Congress consider creating a joint congressional committee on foreign intelligence, similar to that on atomic energy.

It would be the duty of the two committees to collaborate on matters of special importance to the national security.

Congress as yet has not acted.

There was still a third part of the Hoover Commission report which dealt with the highest security classification. It was sent directly to the President.

Needless to say, the American people would rest easier if they knew more about and had greater confidence in our intelligence organizations.

On the reverse side, it has been demonstrated time and again the Communists have a world-wide intelligence system which works at a very high degree of efficiency.

[From the Washington Evening Star of February 20, 1956]

CIA LEADERS ARE COOL TO WATCHDOG PROPOSAL

(By Richard Fryklund)

The Central Intelligence Agency enthusiastically obeys the law which imposes strictest secrecy on its activities, but the Agency still is subject to the scrutiny of several outside executive and congressional groups.

Soon—possibly Wednesday—a group with the sole function of watchdogging the CIA is expected to get Senate Rules Committee approval.

Backers of the watchdog committee say that while it is true that four congressional subcommittees, the Budget Bureau and a new presidential commission all do look at some facets of the CIA, no congressional group keeps a close, constant check on it the way the Joint Atomic Energy Committee watches the also-secret Atomic Energy Commission.

COOL TO SCRUTINY

The CIA is reported to be cool toward the watchdog idea. But perhaps the most distasteful part of the expected Rules Committee approval of the bill will be the public attention sure to follow.

The job of the CIA is to gather intelligence and coordinate the intelligence activities of more than a score of other agencies.

The genesis of the CIA goes back to the day Japanese bombs shattered the morning calm at Pearl Harbor, December 7, 1941. American intelligence agencies knew that raid was coming, but the information was never properly used.

To protect against future Pearl Harbors, a National Intelligence Authority was set up immediately after the war body created a Central Intelligence Group that grew into the Central Intelligence Agency. The job of the Agency is to gather foreign intelligence, which includes spying in the traditional sense as well as research into more conventional sources; coordinate intelligence activities of other agencies, and assemble the material in usable form and deliver it to the policymakers in time.

WEEKLY MEETINGS

Director of Central Intelligence Allen Dulles meets once a week with the heads of Army, Navy, and Air Force intelligence, the National Security Agency, the Federal Bureau of Investigation, the intelligence sections of the executive departments, to draw up summaries of latest estimates of a potential enemy's capabilities and to predict the potential enemy's probable course of action.

These estimates—and often vigorous dissenting opinions—are taken the next day to the National Security Council by Mr. Dulles. Sitting on the council are President Eisenhower, Vice President Nixon, Secretary of State Dulles, Secretary of Defense Wilson, and Office of Defense Mobilization Director Arthur S. Flemming.

How the CIA arrives at the intelligence estimate and the nature of the estimates themselves are things the potenial enemy would very much like to know. To guard that information, the CIA was given unprecedented powers of secrecy by Congress.

CAN SET OWN PAY SCALES

The 1947 act setting up the agency specifies that the director need not make his spending public or explain the agency's organization or the identity of its personnel, its methods of operation or its sources. Mr. Dulles can hire or fire whom he pleases and set his own salary scales. He can bring as many as 100 unidentified aliens into this country every year, and he can hand out bribes to foreign code clerks or finance beautiful blonds in Vienna apartments.

There are some checks on the CIA, however: The agency is directly under the President and the National Security Council and must justify its activities there. And the CIA budget must be defended in detail before a small group of Budget Bureau officials.

An eight-man board of consultants was named by President Eisenhower last month to review semiannually the work of the CIA. Its chairman is Dr. James R. Killian, Jr., president of Massachusetts Institute of Technology.

The group has set up shop with a small staff in the executive offices building. It will report directly to the President, and only a few innocuous parts of each report will be made public.

The CIA also is checked by four subcommittees of Congress, made up of 17 Congressmen, the senior members of the House and Senate Armed Services and Appropriations Committees.

The CIA tells the appropriations subcommittees as much as they want to know about the agency's budget. Figures are not made public. They are concealed in the published Federal budget, in fact, by being scattered through appropriations for other agencies.

GET COMPLETE ANSWERS

The Armed Services Subcommittees receive intelligence reports and complete answers, according to Senator Russell, to all questions asked about CIA activities.

The annual spending of the CIA is known only to the Appropriations Subcommittees. Many guesses have been made—ranging from a few hundred million dollars a year up to more than a billion. But the Hoover Commission said other intelligence agencies outspend the CIA, so it is perhaps a fair guess to say the CIA budget is around $100 million and that the agency employs about 15,000 full-time persons.

HEADQUARTERS NO SECRET

Headquarters of the agency is a group of aged brick buildings at 2430 E Street NW. Its location is no secret. Any cab driver can take you there if you just ask for the Central Intelligence Agency.

Once you are there, however, you cannot enter any building unless you're on business. Security restrictions inside, of course, are maximum. No visitor wanders through the halls alone. Guards are everywhere.

Much of the work—perhaps 90 percent—is routine research in unclassified documents—foreign publications, phone books, technical journals, newspapers, and the like. It is not the material, but the way it is put together and the conclusions that can be drawn that are important.

A minor number of employees are engaged in cloak-and-dagger activities abroad.

NO DOMESTIC FUNCTIONS

The CIA has no domestic function, according to the law, but every once in a while a CIA man turns up with a bit of domestic intelligence—such as the time an agent reported erroneously that Far East specialist Owen Lattimore was about to leave the country.

Job applications are mistrusted—they might be from Communits trying to gain entry—and the Agency likes to seek out its own prospective employees. Higher echelon workers are recruited through personal contact.

Of all persons who formally apply for jobs with the CIA, more than 82 percent are rejected by personnel or security officials. Every employee must undergo a full FBI security check.

As director of Central Intelligence, Mr. Dulles, brother of the Secretary of State, is head of the CIA and coordinator of all Government intelligence activities. Mr. Dulles, 62 years old, has had a long career in diplomacy, international law and spying. His exploits as an OSS agent in Switzerland during World War II have become spy-thriller classics.

He is as friendly and shaggy as a St. Bernard, dresses in rumpled tweeds and baggy sweaters, and gestures with a pipe. His appearance creates two impressions valuable to him: He is a man you can trust; he has nothing to hide.

Mr. Dulles' deputy is Lt. Gen. Charles P. Cabell, formerly director of the Joint Staff of the Joint Chiefs of Staff and intelligence director of the Air Force. He is 50 years old.

Head of the CIA's technical intelligence is a former Harvard law professor, Robert Amory, Jr. He is 39.

[From the Washington Evening Star of February 21, 1956]

PRODUCT OF CIA EXPENSES QUERIED ON CAPITOL HILL

(By Richard Fryklund)

Several Congressmen who are not on 1 of the 4 unpublicized subcommittees which have contact with the Central Intelligence Agency want to know if the country is getting its money's worth out of the supersecret organization.

"The average Member of Congress knows no more about the CIA than what he reads in the papers," said Representative McCarthy, Democrat of Minnesota. "We don't know how much the group spends or what it produces, and that disturbs many of us.

"I doubt if even Chairman Vinson, of the Armed Services Subcommittee on the CIA, knows enough about the Agency—and, of course, what he does know he quite properly keeps to himself."

Neither Representative McCarthy nor other backers of bills to set up a House-Senate committee to "watchdog" the CIA want the Agency's affairs made public. Nor do they believe the CIA is grossly maladministered.

CHECK IS SOUGHT

But they do believe that the interests of good government require that a standing committee keep a continual check on the CIA.

"Such a committee would not pass on much information either," Mr. McCarthy said, "but it could assure other Congressmen and the public that the CIA is operating efficiently."

Whether the CIA is a topflight intelligence organization spending its money judiciously, no one is in a position to say publicly. Most criticism is necessarily uninformed, and the CIA never answers back openly.

Allen Dulles, Director of Central Intelligence, will sometimes call a critic in for a private chat or will drop a note of protest to the editor of a paper which he thinks has attacked the CIA injudiciously.

The most authoritative criticism has come from the Hoover Commission task force, headed by Gen. Mark Clark. The group was given full access to CIA secrets. In a public report filed last June (there was another classified report given to the President) the Commission gave the CIA this indorsement:

"On the basis of its comprehensive studies the task force feels that the American people can and should give their full confidence and support to the intelligence program."

DULLES' BURDEN CITED

But there were also these specific criticisms:

Director Dulles has taken on too many burdensome duties and responsibilities himself.

There is not enough concentration on collection of intelligence information from behind the Iron Curtain.

The glamour and excitement of some aspects of the work sometimes overshadows other vital functions.

There is not enough machinery available for outside surveillance of the CIA.

On the first criticism, the Hoover Commission was whistling into the wind. Mr. Dulles, considered one of the world's master intelligence experts by the cognoscenti, loves his work and is not about to turn the fun over to subordinates. If anything, he has assumed more responsibilities since the Clark report.

Mr. Dulles does not tense up under responsibility. His friends believe he can safely assume more work than could another administrator.

REDS TOUGH TO PENETRATE

The quality of intelligence from the Soviet Union, Red China, and the satellites does not satisfy Mr. Dulles. The Communist countries are tougher to penetrate than Germany was during World War II, and spying there is an exceedingly difficult job.

The problem of glamour versus grubbing always will be with the CIA. Employees have no reward except their Government salaries and inward satisfaction. The occasionally

exciting assignment is what keeps many employees on the job.

A Hoover Commission recommendation for a Presidential panel to examine the CIA periodically was approved by Mr. Dulles, and the panel is now operating. Another recommendation for a congressional watchdog committee has been ignored officially by the CIA.

Senator Mansfield, author of a watchdog bill scheduled to be approved by the Senate Rules Committeea tomorrow, believes that Mr. Dulles opposes his bill on two grounds: The present intermittent contacts with congressional committees are very satisfactory, and the more persons who know about CIA activities, the more difficult it will be to maintain secrecy.

SUCCESS AND FAILURE

The proof of the CIA pudding lies, of course, in the eating. What are the successes and failures of the group?

Again one runs into uninformed opinion and "no comment." Critics say the CIA muffed the Red Chinese invasion of North Korea, the release by South Korean President Rhee of the Red prisoners of war during the truce negotiations and the recent Soviet economic penetration of South Asia. They say the CIA has lost friends for America in Burma by maintaining a group of Nationalist Chinese guerrillas there, and the CIA agents have messed unsuccessfully in palace revolutions in several countries.

These are the answers:

No one knows when the CIA muffs because the Agency's responsibility ends when it has gathered and evaluated the intelligence. If this country was caught off base in North Korea, it may be because men responsible for policy and action did not properly use the intelligence available.

There are some well-known successes. The CIA is credited with the overthrow of the Red-oriented government of Guatemala and the Iranian regime of Premier Mossadegh. In both instances, apparently, CIA agents helped organize and supply the opposing, more democratic, forces.

STILL HAS BUGS IN IT

The CIA is a new agency, organized in 1947, so it certainly has bugs to be worked out.

Its biggest administrative problem is personnel. Mr. Dulles pays civil-service wage scales, yet he needs employees of high intellectual quality. A young man who can get money, public prestige, and the admiration of his wife by doing a good job in law or business has little inclination to bury his talents in the CIA—where he can't even boast to his wife.

Relatively low pay and complete anonymity has lost many good men for Mr. Dulles. The Director is sufficiently worried about it that he personally examines the problems of all persons above clerical level who submit resignations.

He does not expect to solve the personnel problem. He hopes to ease it by making working conditions more attractive. That is why he wants a new campus headquarters for the CIA in a pleasant residential area near Langley, Va.

Security within CIA walls is a constant problem. The Hoover Commission said, however, that the CIA handles it well—that there apparently has been no effective Communist penetration of the agency. Lower-level employees have been ousted, however, for alleged subversive associations.

There comes a final area of criticism: The trivial secrecy rules that are always good for laughs at Washington cocktail parties.

CAN'T REVEAL JOB

Except for a half dozen topmost employees, CIA workers are not permitted to say publicly where they work. So frequently when a group of Government people get together to talk shop there will be one man in the crowd who will say, "I can't tell you where I work." The group laughs and says, "CIA."

When one telephones the CIA—the number is in the book—an operator answers with the phone number, under the impression, it seems that she can keep secret the outfit one is calling.

And the CIA used to get along without an identifying sign on the gate—despite the fact most any cab driver can take a passenger there without directions.

The CIA knows everyone is laughing, but maintains there are good reasons for the cloak and dagger stuff. What the reasons are specifically, it won't say, but apparently the agency believes a few extra precautions are worth the general merriment.

[From the New York Times of February 22, 1956]

GOP SENATORS BACK CIA CHECK—POLICY GROUP BRUSHES ASIDE EISENHOWER'S OPPOSITION TO CONGRESSIONAL GROUP

WASHINGTON, February 21.—Senate Republicans brushed aside today President Eisenhower's objections to a special congressional committee to check on the Central Intelligence Agency.

They indicated that they would give active, and possibly unanimous, support to the basic principle of a bill by Senator Mike Mansfield, Democrat of Montana, calling for a CIA committee similar to the Joint Congressional Committee on Atomic Energy, which keeps watch on the Atomic Energy Commission.

The intelligence agency gathers worldwide information on action and intentions of other nations.

The Republican Senators obviously were miffed by what they regarded as the President's implied lack of trust in Congress' discretion in handling super-secret intelligence matters.

President Eisenhower created a special eight-man citizen's commission on the CIA in January, but it contained no Members of Congress. It also was directed to report directly to the President with no provision for congressional review.

Senator Styles Bridges of New Hampshire, chairman of the Senate Republican Policy Committee, told reporters after the regular weekly luncheon of all Republican members that the group had been advised the President was "very much opposed" to the Mansfield bill.

"He [the President] said it was too sensitive for Congress to take it up," Senator Bridges declared.

BRIDGES NOT IMPRESSED

Senator William F. Knowland of California, the Senate Republican leader, told the policy group of the President's views. Senator Bridges said that the news did not impress him, nor did it have any noticeable effect on other Republican members.

Senator Bridges declared that most of his colleagues seemed to believe the President, in his creation of the citizens' advisory board, had indirectly suggested that intelligence bearing on this country's security was "too delicate" for Congress to handle.

He said that this implication that outsiders were more to be trusted than Members of Congress had "annoyed" the Senators and brought them "much nearer" the Mansfield bill. The measure already has 34 cosponsors on both sides of the aisle.

As matters now stand, the CIA is the only major Federal agency over which Congress exercises no direct and formal control. Its budget and its personnel lists are classified, and the only supervision Congress exercises is through subcommittees of the Senate and House Appropriations and Armed Services Committees. Even these receive only sketchy reports on the agency's activities.

ALLEN DULLES OPPOSES MOVE

The Director of the Agency, Allen W. Dulles, a brother of John Foster Dulles, Secretary of State, has argued against creation of a congressional committee on the ground that members might leak vital secrets to the press.

Senator Mansfield and other Members of Congress have retorted that members of the Joint Atomic Energy Committee have not leaked information about the activities of that highly sensitive agency.

The Mansfield bill would create a 12-man joint committee, to be composed of 3 members each from the House and Senate Armed Services and Appropriations Subcommittee. It would be empowered to maintain a constant check on the budget, personnel, and general activities of the Intelligence Agency.

The Commission on Organization of the Executive Branch of the Government recently urged creation of a permanent bipartisan commission on intelligence that would include Members of both Houses of Congress and other public-spirited citizens * * * empowered by law to demand and receive any information it needed for its own use.

[From the Washington Daily News of February 25, 1956]

THIS ONE IS ESSENTIAL

In its report on our intelligence agencies, and more particularly the Central Intelligence Agency which is overall top dog, the Hoover Commission said in effect we are pretty fair. But—

It was deeply concerned about the lack of adequate information from behind the Iron Curtain.

And it went on to report other findings which led to the conclusion that our intelligence is not as good as it ought to be. It ought to be superlative.

"Intelligence," said the Hoover task force, "deals with all things which should be known in advance of initiating a course of action."

Whatever we do, militarily, politically, diplomatically, economically, in world affairs, is hit or miss unless it is based on facts.

Our ability to exist and survive in this kind of world depends on assembling the facts, faithfully, and promptly, and then on correct evaluation of the facts. There is evidence that we have missed on both points, too often.

That could be fatal.

The Central Intelligence Agency is a big, top secret, costly operation. Nobody in it will tell you the time of day. We don't want 'em to. But—

"The people who support these operations are entitled to assurance that the investment is paying dividends."

So said the Hoover Commission. So, in effect, said President Eisenhower, who then appointed an independent, civilian committee to keep watch on the CIA. An able committee, too.

Now the Senate Rules Committee has cleared a resolution creating a Senate-House committee to do the same thing. This the Hoover Commission also recommended. It makes good sense.

Congress ought to know whether the CIA is doing its job. It ought not to just think it is doing O. K. It ought to know, positively.

This joint committee is the way to know. Senate and House should pass this resolution as an urgent safeguard of our national interest.

[From the Washington Daily News of February 25, 1956]

CHECK IS URGED ON CIA

(By Marshall McNeil)

The chief United States spy and counterspy bureau—the little known and highly secret Central Intelligence Agency—has been accused by a Senate committee of unquestionably placing itself above other Government departments.

The Senate Rules Committee with this accusation has recommended creation of a permanent congressional committee to keep an eye on CIA. There was one dissenter.

Its recommendation comes after 35 Senators and 25 Members of the House have sponsored bills to provide continuing congressional surveillance of this agency whose every aspect is now, the committee said, beclouded with secrecy.

The pattern for the special "kibitzing" congressional committee was set in the first law turning our atomic-energy enterprise over to civilian control. The atomic "watchdog" committee is generally regarded as having done a first-class job in keeping an eye on our atomic advances.

In World War I, the Rules Committee said, the United States "had no intelligence service equal to the name." Between the two World Wars, reliance in this field was placed upon the military services and the State Department.

As World War II started, the Office of Coordinator of Information was set up to collect and analyze information bearing upon national defense. This was transformed into the Office of Strategic Services. In 1947, Congress established the National Security Council and under it the present CIA.

Although it has immense powers, worldwide operations, and many millions to spend, CIA is listed with four lines of type in the Congressional Directory. These give its name, main address and telephone number, and the names of its two bosses: The Director, Allen W. Dulles, brother of the Secretary of State, and the Deputy Director, Lt. Gen. C. P. Cabell, an Air Force officer.

The Rules Committee found these studies insufficient. "It is not enough," its report says, "that CIA be responsible alone to the White House or the National Security Council. Such responsibility should be shared with Congress in a more complete manner."

"It is agreed that an intelligence agency must maintain secrecy to be effective," the Rules Committee said. "There is, however, a profound difference between an essential degree of secrecy to achieve a specific purpose and secrecy for the mere sake of secrecy. Secrecy now beclouds everything about CIA, its cost, its personnel, its efficiency, its failures, its successes.

"The CIA has unquestionably placed itself above other Government agencies. * * * It is difficult to legislate intelligently if there is a dearth of information upon which Congress must rely * * * to protect the public welfare * * *."

[From the San Francisco Examiner of February 28, 1956]

ANOTHER LOOK

President Eisenhower is reported to be very much opposed to a bill sponsored by Senator MANSFIELD of Montana, and already approved by the Senate Rules Committee, which would set up a joint Senate-House "watchdog" committee to check on the operations of the Central Intelligence Agency.

If this is true, we think the President should take another look at the matter.

He is right that the CIA is a sensitive operation, being mainly concerned with what goes on secretly behind the diplomatic and military scenes at international levels.

But immunity from scrutiny is a dangerous thing to grant under any system of government, and it is particularly repugnant in a democracy where the people are the masters rather than the servants of Government.

It seems to borrow a page out of the book of rules of the authoritarian state, to suggest that neither the people nor their representatives in Congress are entitled to hold any agency of Government accountable for its acts and expenditures.

Every bureaucrat covets that immunity, and most bureaucrats think they could do better jobs under it, and perhaps there are even some who could be safely entrusted with it.

But the bureaucratic aspiration to be free of all responsibility to the people is always the forerunner of tyranny, because it not only gives freedom of action to the sincere and the worthy but it also provides a cover for the mistakes and crimes of the inefficient and the corrupt.

There are many so-called sensitive agencies in Government, including the Federal Bureau of Investigation, but it is doubtful if blank check authority would increase their usefulness to the Nation.

[From the CONGRESSIONAL RECORD of March 12, 1956]

CONTROL OVER CIA NOT IMPRACTICAL

(Extension of remarks of Hon. CLEMENT J. ZABLOCKI, of Wisconsin, in the House of Representatives, Thursday, March 8, 1956)

Mr. ZABLOCKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to recommend to the attention of the membership of this body an editorial which appeared in the Milwaukee Journal on March 6, 1956, entitled "Some Congressional Control Over CIA Is Not Impractical."

During the last 3 years I have exerted repeated efforts on behalf of the proposal to establish a Joint Committee on Intelligence Matters. I have first outlined my proposal on this subject in House Concurrent Resolution 169, 83d Congress, and reintroduced it, in an amended version, in House Concurrent Resolution 28, 84th Congress, together with over a score of my distinguished colleagues.

It is my sincere hope that the House Rules Committee will report House Concurrent Resolution 28 in the near future.

"SOME CONGRESSIONAL CONTROL OVER CIA IS NOT IMPRACTICAL

"For several years there has been a rash of resolutions in Congress calling for an agency to watch over the Central Intelligence Agency, our top cloak and dagger corps.

"The second Hoover Commission called for the same thing. It suggested that a small, permanent Commission composed of a bipartisan representation from Congress and distinguished private citizens handle the job.

"President Eisenhower has gone halfway. He recently named a civilian Commission in the executive branch to serve as watchdog and report to him. But he has shied away from letting Congress in on the act. This hasn't stilled demands that Congress take a hand in watching an agency for which it appropriates money. Senator MANSFIELD, Democrat, Montana, has come up with a bill to create a joint committee of both Houses of Congress to work with the CIA. The Senate Rules Committee has agreed to congressional action on the bill and it has attracted a large measure of support.

"The Hoover Commission pointed out that the CIA, because it needs a large degree of secrecy to operate, is exempted by law from rules that control other Government agencies. For instance, the General Services Administration, the Government's housekeeper, has no control over CIA at all. CIA is exempted 'from compliance with any provision of law limiting transfers of appropriations; any requirements for publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the agency; and any regulations relating to the expenditure of Government funds.'

"Such exemptions are, by and large, proper. The Atomic Energy Commission has similar exemptions. But Congress does have to appropriate funds for the CIA. It created the Agency and set its scope of activities. Surely someone in Congress should be given at least peek enough to make sure that CIA is operating efficiently and properly. This is particularly true because of criticisms—some from the Hoover Commission itself—of some shortcomings in CIA.

"The AEC, which hoards secrets, too, has a joint congressional committee which is given enough of a picture to judge whether the organization is handling Government funds properly. The joint committee has worked exceedingly well, and without weakening national security. The same sort of committee could do the same sort of job for CIA. It wouldn't have to be told everything—and shouldn't.

"But Congress ought to be able to determine whether the dagger is being kept sharp and the cloak is kept cleaned and pressed and buttoned. It's basic that Congress, with control of the purse, must get enough information to make an informed judgment on how the purse is expended.

"That's all MANSFIELD and others want—and it's little enough to ask."

[From the Wall Street Journal of January 18, 1956]

A CHECK ON THE WATCH

Recently President Eisenhower announced the appointment of a committee of eight citizens to serve as watchdog over the Central Intelligence Agency. Their duties will be to review periodically the workings of the supersecret CIA and report their suggestions and give their advice to the Chief Executive. So far so good.

But there is a serious question whether the authority of the committee goes far enough. The CIA is clothed in such secrecy that even the Congress cannot ask about its inner activities. By law it can withhold even such obviously unimportant information as the salaries of its top officials. Its adventures are known only to a few people. The gentlemen serving on Mr. Eisenhower's committee will have neither power nor control over CIA. And there is a question how much they will be permitted to learn under the Agency's broad charter.

There is the further question whether this committee will be able to make public anything they may learn about CIA doing the wrong things or not doing enough of the right things. The reports are to go to the executive department and no executive department under whatever administration likes to see errors or shortcomings publicly revealed. In the case of CIA, an Executive order could clothe in secrecy whatever the watchdog committee thought should be revealed even from the Congress on the ground that revelation might injure the country.

It has been said that the appointment of the committee follows the suggestion of the Hoover Commission. The fact is that it does not. The Hoover Commission suggested a bipartisan committee including Members of both Houses of Congress empowered by law to ask and get whatever information it thought necessary to aid, guide, or restrain CIA.

Though nearly everything CIA does is secret, there is no secret about one thing. CIA is run by men, and though the men who run it may be more intelligent than other men they still may make mistakes as do all other men. Slight errors in intelligence assessment may not, individually, amount to a very great deal; collectively, they could have the most serious consequences. To set a national policy on a wrong course because of compounded errors could be more dangerous than no intelligence agency at all.

We hope no one will read into these remarks a suggestion that CIA run off carbon copies for all who ask about its activities; that would be as silly as it would be unwise to leave CIA answerable only to itself.

Neither do we suggest that CIA is not doing its job properly; we could not so suggest, for even the Congress does not know

whether it is or not. And that is precisely our point.

Surely the Congress, with its power to declare war, has a responsibility to watch carefully over an agency it created to stand watch in that shadowland between peace and war.

[From the New York Times of January 15, 1956]

WATCHDOG OF THE CIA—AN EVALUATION OF THE PRESIDENT'S ACTION IN NAMING BOARD TO REVIEW INTELLIGENCE

(By Hanson W. Baldwin)

The President's appointment last week of an eight-man board to review periodically the Nation's intelligence activities is a step in the right direction. But unfortunately it does not go far enough.

The establishment of the citizen's commission was approved by Allen W. Dulles, Director of the Central Intelligence Agency. The action will be interpreted on one hand as an attempt to head off the establishment of a congressional watchdog committee on the Intelligence Agency. On the other hand it lends tacit support to frequent and repeated criticisms of our intelligence services, particularly of the CIA.

The recent Hoover Commission report on intelligence activities recommended the establishment of a permanent bipartisan commission on intelligence. But it suggested a different form from that announced last week.

The Hoover Commission urged the inclusion of "Members of both Houses of the Congress and other public-spirited citizens * * * empowered by law to demand and receive any information it needed for its own use."

The President's board has no congressional members. Although it has executive authority for support it does not have the legal authority that congressional enactment could give. In other words, it is not powerful enough or broad enough. Nor will it have sufficient continuity.

CIA UNDER CRITICISM

Nevertheless the reputation, experience, and character of the eight appointees, who include Robert A. Lovett, former Secretary of Defense, give promise that the board will, in fact, as the President suggested, "make a real contribution to the task of Government." It is well fitted to take a fresh outside look at intelligence, even though it has no authority and will be able merely to suggest and advise rather than to control and supervise.

But there have been so many intelligence failures, so much friction, and such sharp criticism, particularly of the CIA, that the appointment of the citizens board should not preclude the establishment of a continuing and permanent congressional watchdog committee.

Such a committee could act, in the same manner as the Joint Congressional Atomic Energy Committee, as purse watcher, supervisor, guardian, sponsor, and defender of the CIA. It could give a constant and more thorough supervision to our intelligence activities than could any periodic check.

The two committees, working together, would be mutually supporting. They should insure as far as human checks and balances can do, a proper support for, and control of, our powerful intelligence organizations. This the citizen committee alone cannot do.

The need for such support and control should be obvious. As the President said, "prompt and accurate intelligence is essential to the policymaking branches of Government." But it is more than that. It could mean national life or death in the atomic age.

On the other hand, uncontrolled secret intelligence agencies are in a position to dominate policymaking, and hence government. Their very secrecy gives them power; there are few to accept or reject their findings. Their facts do not pass through the sieve of congressional debate or public inquiry. Few, even in the executive branch, know what they do.

The CIA, for instance, by the very breadth of its charter, is beyond the normal checks and balances of the law. An overpowerful secret intelligence agency is dangerous, not alone to the formulation of sound policy, but to the viability of democratic institutions.

RECORD IS SPOTTY

The intelligence record of the Nation and of the Central Intelligence Agency in particular is spotty. There have been notable successes but also notable failures. The Hoover Commission's public critique was politely critical of some of our shortcomings.

The secret report of the same Hoover Commission task force on intelligence is far more critical.

Lt. Gen. James H. Doolittle, a member of the President's new board, investigated CIA and other intelligence activities in Germany a year ago and found much overlapping and ineffectiveness.

Late this summer, Maj. Gen. Arthur G. Trudeau, Assistant Chief of Staff of the Army for Intelligence, was relieved after Mr. Dulles had sent a long and detailed bill of complaints against General Trudeau to the Pentagon.

A great many other incidents also suggest that all is not well with our intelligenco establishment.

It can only profit from the new committee. But it could profit more from a permanent congressional watchdog committee. If war is too important to be left to the generals, it should be clear that intelligence is too important to be left unsupervised.

CITIZENS COMMITTEE FOR THE
HOOVER REPORT,
Washington, D. C., March 5, 1956.

Hon. MIKE MANSFIELD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: During a recent conference in Helena, Mont., the Citizens Committee for the Hoover Report passed a resolution supporting your Senate Concurrent Resolution 2 which implements recommendation No. 1B of the Hoover Commission Report on Intelligence Activities in the Federal Government.

The attached editorial which appeared in the February 28 issue of the San Francisco Examiner also supports your resolution. We would appreciate very much if you would have the Citizens Committee resolution and this editorial inserted in the CONGRESSIONAL RECORD.

Very truly yours,
HARVEY HANCOCK,
Regional Director.

CITIZENS COMMITTEE FOR THE
HOOVER REPORT,
Washington, D. C., March 13, 1956.

The Honorable MIKE J. MANSFIELD,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR MANSFIELD: I am gratified to learn that you are anxious to have the views of the Citizens Committee on the Hoover Report concerning Senate Concurrent Resolution 2, that you have introduced in the Senate.

This Concurrent Resolution would create a Joint Congressional Committee on Central Intelligence to "make continuing studies of the Central Intelligence Agency and of problems relating to the gathering of intelligence affecting the national security and its coordination and utilization by the various departments, agencies, and instrumentalities of the Government." The Committee would be composed of six Members from each House of Congress.

The Commission on Organization of the Executive Branch of the Government recommended in its report on Intelligence Activities:

"That the Congress consider creating a Joint Congressional Committee on Foreign Intelligence, similar to the Joint Committee on Atomic Energy."

This recommendation was based on a detailed study of our intelligence activities that was made for the Commission by a group of eminent citizens. This group pointed out concerning the Central Intelligence Agency that:

"The act" (creating it) "exempts the Agency from compliance with any provision of law limiting transfers of appropriations; any requirements for publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency; and any regulations relating to the expenditure of Government funds. * * *

"The task force fully realizes that the Central Intelligence Agency, as a major fountain of intelligence for the Nation, must of necessity operate in an atmosphere of secrecy and with an unusual amount of freedom and independence. Obviously, it cannot achieve its full purpose if subjected to open scrutiny and the extensive checks and balances which apply to the average governmental agency.

"Because of its peculiar position, the CIA has been freed by the Congress from outside surveillance of its operations and its fiscal accounts. There is always a danger that such freedom from restraints could inspire laxity and abuses which might prove costly to the American people."

Thus, this group of able citizens found that there was no effective control over intelligence agencies. On principle, such a situation is undesirable, but in addition the task force found that there were defects in the organization and function of our intelligence agencies. Thus it concluded that:

"The task force is deeply concerned over the lack of adequate intelligence from behind the Iron Curtain. Proper directional emphasis, aggressive leadership, boldness and persistance are essential to achieve desired results."

* * * * *

"The task force feels that certain administrative flaws have developed in the CIA, which must be corrected to give proper emphasis and direction to its basic responsibilities."

These conclusions of the task force were endorsed by the Commission.

It is significant that the first Commission on Organization of the Executive Branch of the Government in 1949 in its report on the National Security Organization recommended (Recommendation 4c):

"That vigorous steps be taken to improve the Central Intelligence Agency and its work."

The Commission on Organization of the Executive Branch of the Government in its 1955 report on Intelligence Activities was anxious that Congress have adequate information concerning the operation of our foreign intelligence activities while still preserving the secrecy required for national security.

I am pleased to inform you that the Citizens Committee on the Hoover Report believes that House Concurrent Resolution 2, would if enacted implement fully the recommendations of the Commission that there be created a Joint Congressional Committee on Foreign Intelligence.

Yours sincerely,
CLARENCE FRANCIS,
Chairman.

ORDER FOR RECESS TO WEDNESDAY AT 11 O'CLOCK A. M.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until Wednesday, April 11, 1956, at 11 o'clock a. m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTABLISHMENT OF JOINT COMMITTEE ON CENTRAL INTELLIGENCE

The Senate resumed the consideration of the resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

Mr. SALTONSTALL. Mr. President, I rise to speak very briefly on the subject matter of Senate Concurrent Resolution 2. When the Senate discusses the subject again on Wednesday, I hope to make further remarks in more detail concerning it. I may add that I respect the sincerity of the Senator from Montana in submitting the concurrent resolution. He has discussed the matter a number of times, and I know he believes in the objective of the resolution and the creation of such a joint committee as is provided for. Personally, I do not think the administration of the Central Intelligence Agency would be improved by the creation of another joint congressional committee.

Mr. President, all of us want security for our country, and all of us want our country to have the best possible defenses. All of us want the best and most accurate intelligence reports to be obtained. All of us want to protect the lives of those who are engaged in this work. All of us want to protect our sources of information. There is no difference between us in regard to these matters. The difference comes in regard to the methods to be employed.

First, let me say that the Federal Bureau of Investigation—an agency whose work and whose leader all of us respect—provides us with sources of information within the United States. There is no criticism of the FBI of which I know; there is no effort to set up a joint committee to supervise it.

Second, our intelligence sources, which provide us with information from outside the United States are threefold: One is the State Department, which has its ambassadors and consuls and their staffs. Next, there are the armed services, which have their official aides in our embassies. Finally, there is the CIA. In broad outline, that Agency does for us outside the United States the work the FBI does inside the United States.

Let me say that there is complete coordination and almost daily interchange between these two agencies concerning information and intelligence. Naturally, the methods of the CIA are different from those of the FBI. The methods of operation of the CIA vary in the several countries where it operates; but its aim is to provide the United States with information which will help us to be more secure, and to carry out within its jurisdiction the orders which may be given it by the highest executive agency which protects us, namely, the National Security Council.

Some of the work of the CIA may be done in the open. But most of its work is absolutely under cover. If it were not under cover, the CIA would not function, for the simple reason that its sources of information would dry up very quickly; in many places its agents would be quickly liquidated or forcibly evacuated. So one point is crystal clear: There is no secrecy for secrecy's sake. There is secrecy because by means of secrecy, results can be obtained. Without secrecy, nothing would be accomplished, and the lives of many brave men would be sacrificed. In broad outline, that is the situation which confronts us today.

As the majority report points out, before World War II we had no service of this character. Instead, we relied upon our friends in other nations, or upon our guesses, or upon whatever information the State Department or the armed services could pick up. But we soon found that was not enough for the strongest free nation to have, in order to function. So President Roosevelt asked Colonel Donovan to organize the OSS. It functioned under his leadership during the war years. Later, its work was continued by two agencies created by Executive order, until the National Security Act in 1947 created the Central Intelligency Agency, as we know it today. The amendments to the National Security Act of 1947 which were passed in 1949 set up its procedures.

The CIA is essentially an executive agency under the direction of the National Security Council, which is the highest policymaking body for our security. The functions of the CIA are threefold, in broad general outline: First, intelligence, both covert and overt; second, activities ordered by the National Security Council; third, the coordination of intelligence. It coordinates that intelligence in Washington and reports it to the National Security Council. The CIA is not, I repeat, a policymaking body.

As has been pointed out, at the present time the CIA is supervised by subcommittees of the congressional Armed Services Committees, under whose jurisdiction the CIA comes, and by subcommittees of the Appropriations Committees of the Congress. If the work of the Members of Congress who serve on those subcommittees is not well done, the members of those subcommittees should be blamed. Let that be done, instead of creating a new agency to duplicate or take over the work which now is being done by 2 regular, legalized committees of the Senate and 2 regular, legalized committees of the House of Representatives.

As the Senator from Montana [Mr. MANSFIELD] has said, several commissions have studied the work of the CIA and have submitted reports thereon. That was done by the Hoover Commission, and also by the so-called Clark Commission, headed by General Mark Clark, which I believe served under the Hoover Commission. Its report was made to the President. A portion of it was made public; and a part of it was not made public, for the sake of security.

The Senator from Montana has referred to the establishment of the Joint Committee on Atomic Energy as a precedent for the establishment of a new congressional joint committee on the CIA. Let me point out that there is an essential difference between the work of the Atomic Energy Commission and the work of the CIA. The Atomic Energy Commission is a manufacturing commission. It is the first agency of the Government, I believe, which actually is in the manufacturing business. It has continual activities which are subject to congressional consideration, in connection with proposals for legislative changes. The work of the Atomic Energy Commission is constantly changing. The Commission makes annual reports.

On the other hand, the CIA has made very few requests for legislation. As I have stated, it is an executive agency, similar to the Federal Bureau of Investigation or similar to the Department of Agriculture or the Department of the Interior or other executive departments. The CIA does not often have changes made by means of legislation in its fundamental structure.

So the work of Congress in supervising the CIA from a legislative point of view is essentially that of seeing that its funds are properly spent and that its activities are properly carried out in the way intended by Congress. As I have said, such supervision is now being conducted by a subcommittee of the Senate Armed Services Committee and a subcommittee of the Senate Appropriations Committee, and is similarly conducted in the House of Representatives.

The Senator from Montana has referred to the functioning of the staff of the proposed joint committee. I do not see how such a staff could possibly conduct investigations of its own. I do not see how the members of such a staff would be able to investigate to any great degree the work of the CIA, for the simple reason that the necessary papers and the personnel with whom it would be essential to have discussions are within the National Security Council. Therefore, unless the matter under inquiry could be discussed openly, the staff members would not be able to obtain any information other than that which the Members of Congress now are able to obtain if they themselves request it.

In other words, the work of the CIA is essentially the work it does under the orders of the President and the National Security Council; and, as such, it must do that work. As I have said, I do not see how the staff members of the proposed joint committee could investigate the work of the CIA or could steer it into new and useful lines of endeavor.

Very briefly, those are the reasons why I oppose the establishment of a new committee. I happen to be a member of both subcommittees to which reference has been made. If the members of the subcommittees are not now doing their work properly, let them take the blame, and let new members be placed on those subcommittees.

On the Subcommittee of the Armed Services Committee at present are the distinguished Senator from Georgia [Mr. RUSSELL], the Senator from Virginia [Mr. BYRD], the Senator from New

Hampshire [Mr. BRIDGES], and the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], and myself.

The members of the Subcommittee of the Committee on Appropriations, of which subcommittee I was formerly chairman, are the Senator from Arizona [Mr. HAYDEN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. RUSSELL], and, on the Republican side, the Senator from New Hampshire [Mr. BRIDGES] and myself.

We have gone into the subject to the degree we believe necessary to determine that the CIA is functioning properly. If we do not do our work, we should be the ones to be criticized, and we should be given suggestions as to what policies should be carried out.

For those reasons, briefly, I am opposed to the concurrent resolution. This is not a subject that can be discussed at length, because it is surrounded with security problems. I am opposed to the concurrent resolution which the Senator from Montana has submitted, although, as I say, I know that he is sincere, and I hope he accords me the same credit in opposing his resolution.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MANSFIELD. The distinguished senior Senator from Massachusetts has a very high credit rating with me, I assure him.

Mr. SALTONSTALL. I appreciate that statement.

Mr. MANSFIELD. I am delighted at the high level upon which the Senator has kept the discussion of the concurrent resolution.

Did I correctly understand the Senator to say that the National Security Council is the chief policy-determining body of the Nation?

Mr. SALTONSTALL. For defense purposes. That is my understanding. I shall be glad to be corrected if I am mistaken. The President, as the head of the executive department, conducts foreign policy through the State Department. He conducts security policies through the Defense Department; and the CIA is an administrative agency which funnels to the National Security Council the information which the State Department, the Defense Department, and the CIA obtain in various parts of the world. The information comes to the National Security Council, where it can be used as a basis for the determination of the policies best fitted to promote our security. That is my understanding.

Mr. MANSFIELD. I now understand a little more clearly the question raised by the Senator from Massachusetts. The Senator says that if there is any fault, the members of the subcommittees are the ones who should be replaced. I assure the Senator that in my opinion the members of the various subcommittees are not the ones at fault. The concurrent resolution specifically provides that the membership of the new committee shall be composed of Senators and Representatives who at present are members of the CIA subcommittees in both the House and Senate.

Mr. SALTONSTALL. I understand.

Mr. MANSFIELD. I have nothing but the highest regard and esteem for all the Members who comprise the subcommittees, both Republicans and Democrats. All I am saying is that this activity should not be conducted on a subcommittee basis, but that a joint committee, with regular standing, should be appointed. It should have a small staff, so that an outlet could be furnished for the Congress, and the security and welfare of the CIA could be further insured.

From the remarks of the Senator, and from our personal conversations, I know that he understands my position on this question. I assure him that I understand his position, and have nothing but the highest regard for him.

Mr. SALTONSTALL. The sentiment is mutual. I thank the Senator.

Mr. President, I yield the floor.

Mr. MORSE. Mr. President, I had not intended to discuss Senate Concurrent Resolution 2 today. However, I believe the remarks of the Senator from Massachusetts make it imperative that they be answered before the Senate adjourns today.

I think the Senator from Massachusetts knows that I hold him in exceptionally high regard. However, I have differed with him many times with regard to the administration of both military and foreign policies. In my judgment, our difference is very basic. As I see it, our difference is that I believe in putting to full and complete use our system of checks and balances. I have interpreted a great many of the positions of the Senator from Massachusetts, as I interpret his position today, as indicating what I consider to be an undue and unsound willingness to delegate to the executive branch of Government control which should always be vested in the people of the country through their elected representatives in the Congress. So I rise now to answer what I consider to be a complete fallacy of argument by false analogy used by the Senator from Massachusetts.

The Senator from Massachusetts compares the CIA with the FBI, and says that the procedure followed in regard to the FBI corresponds to the procedure followed in respect to the CIA. I deny it. I deny it because of the many checks which we exercise with respect to the FBI as a branch of the Department of Justice and do not exercise in respect to CIA. We are constantly checking the FBI. We check it with full disclosure in connection with appropriations. We check it with full disclosure in regard to the salaries paid by the FBI. We have neither such check on the CIA.

We check the FBI also in respect to its jurisdiction. We check it in respect to the authority we give it, and we check it—although not to the degree I think we should—even in respect to the type of files it maintains and the evidence it collects and the use to which it puts its files. We exercise some check on it even in respect to so-called secret information.

For some years past, in almost every session of Congress, we have gotten into a little difficulty with the FBI over the question whether or not the Congress, as the legislative body of the people of the United States, shall have access to the information we think we are entitled to, when we consider there is a possibility of a wrong being done by the FBI. What happens then? I think the record is replete with instances of at least exercising a check upon the FBI to the extent that representatives of the FBI sit down with the chairmen of the committees concerned, and with the majority and minority representatives of such committees, and make available the material in their possession in connection with some alleged injustice. In such cases Congress has called for the FBI files so that they can be examined in order that we may determine whether or not we should impose further checks on the FBI.

Thus in the operation of the so-called FBI internal police system it is simply not true that we fail to exercise checks upon it, as has been contended by the Senator from Massachusetts this afternoon.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. SALTONSTALL. Let me say to the Senator from Oregon that I respect his sincerity in the position he takes.

Mr. MORSE. I thank the Senator.

Mr. SALTONSTALL. As I see it the checks on the FBI, through the chairmen of committees, or through the ranking members of committees, are the same checks that we exercise with respect to the CIA.

As I say, the information which we obtain as members of the subcommittee is available, so far as it can be made available consistent with security purposes, to Members of the Senate in open debate or in executive session. So I think the procedure is the same in that regard.

Mr. MORSE. There are many rebuttals I could make to the statement of the Senator from Massachusetts.

Consider, for example, reports from the Committee on Appropriations. Compare the FBI reports with the CIA reports, as they relate to the Committee on Appropriations.

The FBI makes full public disclosure to the American people with regard to the amounts appropriated, and the uses to which they are put. That is not true with respect to the CIA. As a member of the Committee on Appropriations, the Senator from Massachusetts may know something with respect to the CIA which I, as a member of the Foreign Relations Committee, do not know, and which the American people do not know. That is what I am protesting against. I see nothing about any Member of the United States Senate which should entitle him to any information which is denied to the entire membership of the Senate as representatives of the American people.

We are dealing with America's spy system when we are dealing with the CIA; and when we are dealing with America's spy system, we had better take care that we do not deal with a police state system. We do not have to fight communism with a police state system. We did not have to fight Naziism with a police state system. We had better keep on free ground. We had better keep intact the system of checks provided by our form of government.

I wish to say to the Senator from Massachusetts that when he countenances and gives support to the kind of procedure which exists in the handling of CIA—and I say this most respectfully—he is supporting a form of American police state system. Never will my voice be raised in defense of it. I believe the manner in which the American spy system functions ought to be known by all the members of the Armed Services Committee and by all the members of the Foreign Relations Committee. We do not know it today. The Senator from Massachusetts stands on the floor of the Senate today and makes an argument in support of an exclusive system under which certain favorite ones are picked out and given certain secret information. That is not a system of checks and balances, I say most respectfully to the Senator from Massachusetts; it is government by selection.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. SALTONSTALL. As the Senator well knows, I would never support any kind of police state system. That is furthest from my mind. I am trying to support a system which is making an effort to obtain for us the necessary information on which to base our security policies. In doing that we are trying to protect the lives of men who are endeavoring to get the information for us. Those are brave men.

Mr. MORSE. Mr. President, the Senator from Massachusetts would not support a system with the label "police state" pinned on it. I say to him again most respectfully that when he defends the present CIA system, he defends a spy system that is based upon a police state procedure. I say that because when such procedures keep away from elected officials of a free people and from the people themselves facts which are important to them, then they constitute, in my judgment, a police state procedure. I shall never support it.

I believe it is very important that we maintain a legislative check on the spy system our Government maintains around the world. I say that because if that spy system miscarries, if it is not based upon sound procedures, it can get us into a great deal of trouble.

I wish to say something about the argument the Senator is making, from the standpoint of security. During my 11 years in the Senate, whenever we try to discuss this subject, some Senator rises, as the Senator from Massachusetts has done, and argues that we have to do a certain thing in the interest of security. I say that is an unsound argument. I feel that America is most secure when there is a full public disclosure made to the elected representatives of the people of the facts about our foreign policy.

We cannot escape the fact that CIA has a great deal to do with forming the foreign policy of the United States. As it makes its report to the Secretary of State, as it makes its report to the National Security Council, and as it makes its report indirectly to the President of the United States, it is bound to influence foreign policies.

That is why the Senator from Massachusetts has heard me say so many times—and I repeat it because it is a truth that must be drummed into the thinking of the American people—that our rights as free people are no better than our procedural rights.

We had better always look at the procedure we are defending. Let us forget labels for a minute. Let us forget all the talk about security. Let us, instead, ask what the procedure is that we countenance.

I say to the Senator from Massachusetts that under the procedure he countenances in regard to the CIA, there are being kept from the American people and their representatives in Congress facts which in my judgment they ought to know. They are facts which go into the formation of American foreign policy. I am worried about America's foreign policy.

If the Senator from Massachusetts wishes to know why I believe the Secretary of State stumbles so much, it is because we do not have sufficient check on him in regard to the policy he follows, which we discover only too late as a result of his stumbling.

I believe the pending concurrent resolution to be of great importance because it would give to the American people, through their representatives in the Congress a check on the activities of the CIA, for the resolution would establish a joint committee which would have as its primary and sole duty checking on the functions of the CIA.

I cast no reflection on the Senator from Massachusetts and on the other members of the subcommittee. However, I wish to say that his membership on the subcommittee is not the major job of the Senator from Massachusetts. As a member of the Committee on Foreign Relations I do not have any information which has ever been given to me by the Senator's subcommittee with respect to the so-called checks the Senator has made on the CIA. The Senator says that if we had asked him for information he would have always been willing to give it to the Committee on Foreign Relations.

I happen to believe—and I say this most respectfully—that, if the Senator claims the subcommittee has been checking on the CIA, then the Senator should have been making reports right along, periodically, to the Committee on Foreign Relations. His subcommittee should have been submitting such reports. It should have been submitting such reports to the Committee on Armed Services and to the Committee on Appropriations. The three committees I have mentioned, the Armed Services, the Appropriations, and the Foreign Relations Committees, ought to be kept apprised of the subcommittee's findings and with respect to the information the subcommittee has gathered in regard to its so-called studies of CIA.

Mr. SALTONSTALL. Mr. President, will the Senator from Oregon yield?

Then I shall not interrupt him any further.

Mr. MORSE. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I have never personally—and I make this a personal matter because I do not wish to speak for anyone else—asked the Joint Committee on Atomic Energy for any knowledge it may have obtained, either in private or open hearings, because I have always considered that those matters were of primary concern to that joint committee, and that they were handling the matter very well so far as I knew, and therefore I did not wish to have that kind of information given to me if it was not necessary for me to have it.

In the same spirit, we operate with the CIA. We discuss questions with them. If the Senator from Oregon were to ask me about certain information, I might be able to tell him, and tell him reasonably accurately. I have not done so in the past, because the Senator has not asked me. I believe also that he has not asked for such information of the Joint Committee on Atomic Energy, particularly information which that committee may have obtained in its investigations.

Mr. MORSE. I should like to make two observations with respect to what the Senator has commented on. First, I should like to say that there is a great difference in the thinking of the Senator from Massachusetts and myself. How do I know what information I ought to have in regard to CIA that is in the mind of the Senator from Massachusetts and the other members of his subcommittee if he does not volunteer it?

If he has been conducting, as a subcommittee of the Senate, an investigation or a study of the CIA, and acquires information which has a bearing upon American foreign policy, I believe it to be his duty to inform the Committee on Foreign Relations, and not to wait for us to pitch in the dark and say, at a meeting of the Committee on Foreign Relations, "I wonder whether the subcommittee has something in which we might be interested." I believe, in carrying out my duty as a member of the Committee on Foreign Relations, I am entitled to that information.

I go back to the Saudi Arabian matter which I discussed earlier today. As a member of the Committee on Foreign Relations, I have been greatly concerned about what is going on in the Middle East. I believe we ought to have some information on it from the CIA. We ought to have some information as to what is going on in Saudi Arabia and in the other countries in the Middle East. The kind of joint committee that is called for in Senate Concurrent Resolution 2 will make that kind of information available to us. The joint resolution makes it the clear duty of the CIA to supply such information to us. The Senator's subcommittee has no such mandate from the Senate. I want a committee established that will have that kind of mandate. I want to have established a committee which will have as its duty periodically to report to the committees of the Senate the kind of information they can use.

I close by saying that what is represented in the debate today is a serious difference of opinion in the administration of our Government. Certainly a very dangerous trend has been developing in Government during the past quarter of a century. It is the trend toward Government by secrecy on the part of the executive branch of the Government. I want to know whether that trend is to continue, and whether, as the Senator from Massachusetts argues this afternoon, in the interest of security there is a body of information which ought to be kept secret from the elected representatives of the people.

I deny the premise. I say that under our constitutional system of checks and balances we must watch out for that kind of argument, because in my judgment such an argument indicates that dangerous shoals lie ahead, shoals which can easily wreck our whole ship of freedom which has been built up under our great Constitution.

As this debate proceeds on Wednesday, I think we will have the right to get the answers from the subcommittee to which the Senator from Massachusetts has referred, in regard to some of their findings. If they do not want to give them to us in open session, I think we have the right to get them in executive session, because, Mr. President, when we are dealing with the CIA, we are dealing with America's spy system; and the American people have a right to know what kind of spying we are doing and what kind of policy we have. A spy system, unless it is very rightly handled, can be a major cause of war.

I see that my junior colleague is on the floor, and I shall defer the suggestion of a quorum call, because I understand he wishes to address the Senate.

Mr. NEUBERGER. Mr. President——

The PRESIDING OFFICER. The junior Senator from Oregon.

UPPER COLORADO PROJECT GAINS APPROVAL BUT HELLS CANYON PROJECT STILL IS DENIED AUTHORIZATION

Mr. NEUBERGER. Mr. President, approval of the bill to authorize construction of the upper Colorado River storage project promises to become a new landmark in the history of the development of the arid West. The action reaffirmed the 50-year-old concept in the field of reclamation that the multiple-use functions of water resources should be dedicated to the material advancement of all the people within the drainage of a river basin.

I frankly admit that when upper Colorado River project legislation was introduced at this session of Congress, I had many reservations about its economic feasibility and its possible impact on national policy for protection of our national park system. During the course of debate I was especially impressed by the cogent arguments of the able Senator from New Mexico [Mr. ANDERSON] who serves with distinction as the chairman of the Subcommittee on Irrigation and Reclamation of the Interior and Insular Affairs Committee. In my opinion, his speech on the coordinate elements of the project and their relationship to the future development of the Rocky Mountain region was an outstanding declaration of the purpose of irrigation in the arid plateaus of the West. The able Senator from New Mexico gave real meaning to the project's usefulness in enhancing the welfare of both the region and the Nation. I became convinced that the upper Colorado River project, although a relatively high-cost development, was justified because of what it will mean to the future advancement of a large segment of our Nation's land area.

FEDERAL POWER REVENUES AID IRRIGATION

The principle established in the upper Colorado River bill for use of power revenues to aid irrigation development is one which, transplanted to the Columbia River region, would provide thousands of new farming opportunities and convert to productive use a vast area of fertile but now arid land. Irrigation developments such as the Crooked River, Bully Creek, Pendleton, John Day, and many other projects in the State of Oregon will be dependent on the use of surplus power revenues for their eventual construction. This form of aid to irrigation is needed to meet the costs which are beyond the ability of water users to pay. It is justified because of the contribution which such development makes to our Nation's supply of food and fiber.

I also thought that the upper Colorado project set forth another principle which should be applied to my native region, the Columbia River Basin. The theory that the interrelated use of water requires a basin wide approach to planning of river-development projects was clearly enunciated in the upper Colorado bill. Unfortunately, the Columbia River Basin—with the greatest potential for beneficial use of all our Nation's waterways—has been subjected to more haphazard treatment. The once-great pattern for Columbia River development—the Army's 308 Report—has been decimated by policies advanced by the present administration. Partnership schemes, surrender of priceless damsites to partial development, and attempts to deauthorize Federal projects have resulted in the shrinking of the Northwest's possibilities for flood control, power, and irrigation development. Perhaps the concept represented by the upper Colorado project will help put back the Columbia River Basin development on the road to proper development.

PRIVATE POWER COMPANIES SHUN COLORADO POWER

I have joined in the approval of the upper Colorado project because the provision has been eliminated which would have drowned out Dinosaur National Monument, a feature which I thought would set a precedent for endangering our entire national park system. Also, I endorsed the belief of upper Colorado project supporters that the area's water resources were in urgent need of immediate development.

However, Mr. President, there are certain aspects of the approval of the project which furnish a contrast that must be called to the attention of the American people.

While Congress has given approval to the upper Colorado project, it has denied approval to the Hells Canyon project. What does this mean? It means that, under this national administration, only those Federal water-resource projects evidently can gain authorization which have the sanction of the private-utility industry.

No private power company would think of undertaking development of the marginal, high-cost waterpower sites involved in the upper Colorado project. A very influential power company, the Idaho Power Co., covets the magnificent hydroelectric site at Hells Canyon, along the Snake River, on the Oregon-Idaho boundary.

Thus, the administration pushes the upper Colorado project, while simultaneously choking the Hells Canyon project.

Approval of the upper Colorado project—combined with denial of approval to the Hells Canyon project—sets the pattern for a program of letting the United States Treasury finance development of the dregs of our national waterpower sites, while the cream of these sites are given away to private utility corporations.

SEVEN HUNDRED AND FIFTY-SIX MILLION DOLLAR PROJECT IS APPROVED, THREE HUNDRED AND EIGHT MILLION DOLLAR PROJECT IS SCUTTLED

There is no other possible interpretation of this contrasting action in the case of the two projects. The sites in the Rocky Mountain area, where there is low and undependable stream flow, are reserved for Uncle Sam. The sites in the Pacific Northwest, where lurks 40 percent of all the untapped hydroelectricity in the United States, are bestowed upon the private utilities.

Mr. MORSE. Mr. President, will the junior Senator from Oregon yield?

Mr. NEUBERGER. I am happy to yield.

Mr. MORSE. Is it not true that, apparently, they are reserving those sites because the development of power at those sites would be so expensive that no private utility company would want to undertake their development?

Mr. NEUBERGER. That is quite obvious. The sites which this administration is willing to set aside for public development are those which are so uneconomical, so unfeasible that no private utility company would think of risking its capital in trying to develop them.

Mr. MORSE. Is it not true that the sites which are being turned over to private utility companies under this administration are the sites which, under Government operation, could generate power at rates from 2.5 mills to 3.5 mills, whereas private utility companies at the same sites would generate and sell power at from 5 mills to 7 mills?

Mr. NEUBERGER. Even from 5 mills to 9 mills, I will say to my distinguished colleague.

Mr. MORSE. Has the Senator read in the newspapers that the present Secretary of the Interior says that he has never given anything away?

Mr. NEUBERGER. Evidently, he has never heard of Hells Canyon.

Mr. MORSE. Or, apparently he cannot figure the difference between 2.5 mill to 3.5 mill power and 5 mill power to 7 mill power. Every time he has been a party to making available to private utility companies great multiple-purpose dam sites of great value to the American people, and belonging to the American people, he has given away millions of dollars which, in the last analysis, belong to all the taxpayers of the country. Is not that true?

Mr. NEUBERGER. I think it is true.

Mr. MORSE. Is it not also true that the Secretary of the Interior, in effect, would give away the value of the high dam at Hells Canyon to private companies if they should succeed, in the last analysis, in defeating us in our fight to have the Government develop Hells Canyon?

Mr. NEUBERGER. The Senator is too generous in his description of the Secretary's action. Not only did the Secretary of the Interior intervene in the Hells Canyon fight, but he actually intervened on the side of the Idaho Power Co. He stated before the Chamber of Commerce that he believed the Hells Canyon reach of the Snake River to be the finest water power site remaining on the North American continent.

Mr. MORSE. Is the Senator aware that the Secretary, in recent testimony before the Joint Committee on the Economic Report referred to the high Hells Canyon project as a white elephant? The testimony of the Secretary's own engineers before the Senate and House Interior Committees was very explicit that the Hells Canyon Dam is feasible, and the Army engineers have consistently supported the Hells Canyon dam site, as did General Itschner in regard to its flood-control benefits in recent testimony.

I asked General Itschner whether the Army Engineers still held the same opinion as to Hells Canyon Dam, and his answer was in the affirmative. Yet, now, the Secretary of the Interior has turned over, by way of recommendation, the Hells Canyon site, to the Idaho Power Co., a site containing many millions of dollars of value and belonging to all the people of the United States. Does the Senator agree with me?

Mr. NEUBERGER. I not only agree totally, but, again, I think the Senator is somewhat too generous. When the Secretary of the Interior used the term "white elephant" to describe the Hells Canyon site he was using the identical language employed by the opponents of Grand Coulee approximately a quarter of a century ago. Yet, Grand Coulee, now in operation, is not only the greatest power producing project anywhere on the face of the earth, and not only has it resulted in thousands of farms where ex-GI's are profitably raising crops, but the Federal Columbia Basin system, including Grand Coulee, is $65 million ahead of schedule in paying back into the Treasury of the United States the investment in its power facilities. Grand Coulee was called a "white elephant," just as the Secretary of the Interior refers to the proposed Hells Canyon high dam as a white elephant. I would say it is a singularly inappropriate choice of language on his part.

Mr. MORSE. Mr. President, I wish to commend my colleague for the speech he is making this afternoon, and I shall make use of it in the months ahead.

Mr. NEUBERGER. I am gratified that the Senator feels that it is of value to him.

Mr. President, speaking as a Senator from Oregon, I regard it as significant that the three Republican Members of Congress from my State, who have opposed Federal development of Hells Canyon, all voted for passage of the upper Colorado Federal project.

Mr. President, I believe in development of the Whole West. Occasionally that development requires high-cost and uneconomic projects of the type of the upper Colorado. This has been necessary before in arid and sparsely-settled regions. But, Mr. President, I would not be so inconsistent as to support this $756 million project in the Rocky Mountains and yet abandon a $308 million project, of greater economic worth and validity, on the frontiers of my own State.

Let us study some amazing facts, Mr. President.

Total cost of the three main upper Colorado Dams—Glen Canyon, Flaming Gorge, and Curecanti—is $735,256,000. Of this sum $469,715,000 has been assigned to be paid back out of power revenues. The average net annual output of these three principal upper Colorado dams is 3,500,000,000 kilowatt-hours of electricity.

Total cost of Hells Canyon high dam is $308,500,000, of which $270 million would be assigned to be reimbursed from power revenues. The annual average production of electricity at Hells Canyon would be slightly over 5 billion kilowatt-hours.

Thus, upper Colorado project dams will contain power facilities costing 74 percent more than the power facilities at Hells Canyon, but the upper Colorado plants will generate only 70 percent as much energy. Upper Colorado power, therefore, is about two and a half times more expensive than Hells Canyon power.

This comparison, Mr. President, strips all seven veils from the power program of the present Republican administration: It shows that the marginal and costly sites are reserved for Federal development. The magnificent and low-cost sites are given away on a platter to the private utilities. As we sit here in this Chamber authorizing the upper Colorado project, with its high-cost power, the Idaho Power Co. proceeds with preemption of the Hells Canyon hydroelectric site on the Snake River. The administration has backed upper Colorado, it has scuttled Hells Canyon. Skim milk for the public, whipped cream for the private power companies.

SKIM MILK FOR PUBLIC, WHIPPED CREAM FOR THE UTILITIES

Mr. President, this administration in the field of natural resources has turned back the clock half a century, to before the era of Teddy Roosevelt and Pinchot. Nowhere is that tragedy more grippingly emphasized than in the Federal authorization of the upper Colorado project and the denial of Federal authorization to Hells Canyon. My region, the Pacific Northwest, is paying the penalty because its power sites are so valuable. Were the power sites in the Pacific Northwest low in flow and dubious in quality, like those in the upper Colorado Basin, we, too, would be sharing in Federal Government authorization today. We are penalized because our power sites are sterling in quality, and so the private utilities insist upon preempting them.

In conclusion, Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Partners in Plunder," written by me, and published in the Progressive for July 1955, and also an illuminating editorial entitled "Developing a River," published in the New York Times of March 3, 1956. I call special attention to that portion of the Times editorial which questions why the administration is prepared to build the costly upper Colorado project, but not the Hells Canyon project, "With greater promise of economic returns."

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

PARTNERS IN PLUNDER

(By RICHARD L. NEUBERGER)

Conservatives in the United States sigh with relief these days, now that the Republican administration has stopped the creeping socialism of public-power projects on the great rivers of the Nation. The President even cites approvingly at press conferences a book entitled "Big Dam Foolishness," with the implication that no such foolishness will be tolerated while he resides at No. 1600 Pennsylvania Avenue.

Liberals, conversely, are distressed over the fact that they evidently have seen the last of the great Federal dams as long as the present administration is in office.

Both groups happen to be substantially in error.

The Eisenhower administration is not opposed to public-power projects per se. It is only opposed to those projects which would be located at dependable low-cost sites, sure to pay off handsomely for the United States Treasury. At the same time the administration fervently favors public-power projects at locations where the energy will prove expensive and thus quite likely be a financial liability in decades to come. When historians begin pronouncing judgment on this administration, they are certain to be puzzled by a regime supposedly wedded to fiscal solvency but which, nonetheless, has insisted that the Government ought to develop only hydroelectric sites that promise scant possibility of achieving financial success.

This irony is symbolized by the administration's contrasting attitudes toward the Columbia and the Colorado Rivers.

The Columbia is the grandest stream for hydroelectricity on the continent, perhaps in the world. It carries down to the sea the snows and glaciers that melt all the way from Canada's distant Arctic divide to the Coast Range. The Columbia combines the hurtling gradient of a mountain brook with the massive volume of a Niagara; actually, greater than Niagara. Its flow is reliable and steady. The late J. D. Ross, first Administrator of Bonneville Dam, told me that the Columbia was a coal mine which would never thin out, an oil well that could never run dry. Furthermore, the Columbia's broad bosom is suitable for ocean commerce as far as The Dalles, safely inland of the backbone of the Cascades. In the Columbia and its tributaries lurks 42 percent of the undeveloped waterpower of this entire Nation.

The Columbia River drains approximately 180 million acre-feet of water to the Pacific. The average flow of the Colorado, by comparison, amounts to merely 16,270,000 acre-feet, or less than 10 percent the drainage of the Columbia. In fact, even the Columbia's principal tributary, the Snake River, has a volume of 37 million acre-feet, which is more than double that of the Colorado. Within the surging reaches of the Columbia and its feeder streams a total of 31,369,000 kilowatts of power remains to be tapped. But undeveloped power in the basin of the Colorado totals only 5,056,000 kilowatts; this is about 16 percent of the residual strength of the Columbia.

On the Columbia River, where generating costs are low because of the Columbia's vast potential, the Eisenhower administration has decided that Federal dams would be ideologically and financially unwise. During the 1954 campaign Secretary of the Interior McKay cited the huge Federal debt as a compelling reason why further Government projects were unlikely in the Columbia Basin. Where was the money to come from? Yet this same administration, through the President and Secretary McKay, is advocating expenditures of $1,659,000,000 for the upper Colorado power and storage project and an additional $156,541,000 for the Fryingpan-Arkansas project in the Colorado area.

"With a $275 million national debt," McKay told an Oregon audience last year, "Congress is not going to put as much money into Northwest power development as we need. We will have to attract risk capital for quickest development of the Northwest's power resources."

Magically, the national debt seemed to be cleared up by the time the Secretary's plane had flown 800 miles eastward to the intermountain region, where sluggish power sites are not coveted by private utilities. All at once, McKay discovered nearly $2 billion in the straitened United States Treasury for unprofitable power development along the upper Colorado.

Why the ambivalence? Why are Federal dams creeping socialism and fiscally unsound in the Columbia Basin but good, solid Republican doctrine in the watershed of the Colorado?

The apparent explanation for the contrast does scant credit to the sincerity of the present national administration.

Power can be produced at Federal dams on the Columbia for as little as 2.1 mills a kilowatt-hour. This is cheaper than Niagara, cheaper than TVA, and barely more than one-third the cost of the 6-mile energy that will be generated at the projects which the Eisenhower regime favor on the upper Colorado. Industrial users are hungry for the low-cost power available from the mighty Columbia. They besiege the Government for more of it, thereby repudiating those private-utility propagandists who confidently predicted Bonneville and Grand Coulee Dams would become "white elephants" after F. R. D. gave the go-ahead signal for construction 20 years ago.

In an effort to convince the Nation that new Federal projects should not be built in the Columbia Basin, Secretary McKay has referred to this energy as subsidized power. But he does not read the reports from his own bureau. The 1953 annual report of the Interior Department boasts that the repayment of the Federal investment in the Bonneville Power Administration "is substantially in excess of scheduled requirements." Indeed, the repayment was $65 million ahead of schedule as of June 30, 1954. After only 11 years of full operation, Bonneville Dam is more than 35 percent paid for—principal, plus 2½ percent interest—through revenues to the Federal Treasury from the sale of power.

Paradoxically, this is the kind of dam which the Eisenhower administration no longer can afford to construct—because of the crushing burden of the national debt. Yet this same administration, which shuns profitable dams, is eager to undertake unprofitable dams. Not even Secretary of the Treasury George Humphrey has explained how such a policy can possibly have a favorable impact on the fiscal standing of the Government.

Hells Canyon on the Snake River, an awesome gorge over a dizzy mile in depth, is the finest natural hydroelectric power site left in North America. The administration plans to surrender this site to the Idaho Power Co., an absentee-dominated corporation which charges the highest rates of any major company in the Northwest. At recent hearings held in Oregon and Idaho by the Senate Interior Committee, prominent Republicans denounced a bill (S. 1333) for a Federal dam at Hells Canyon as creeping socialism and a threat to our American way of life.

II

No such tirades are directed against the Glen Canyon and Echo Park Dams which the Republican administration is promoting as part of the upper Colorado project, in spite of the fact that the Echo Park unit would breach the National Park system with a commercial development for the first time in history.

Here are the comparative economics of Hells Canyon and the combined dams at Glen Canyon and Echo Park:

Hells Canyon:	
Cost	$357,000,000
Power production (kilowatt-hours)	5,504,000,000
Glen Canyon and Echo Park:	
Cost	$597,696,000
Power production (kilowatt-hours)	4,830,000,000

Thus, Glen Canyon and Echo Park will cost 67 percent more to construct than Hells Canyon but will generate 14 percent less waterpower.

In my opinion, this ironical situation strips clear down to the seventh veil the administration's pious protestations about "creeping socialism" and fiscal solvency. If a Federal dam on the Columbia River or Snake River is ideologically perilous, what mysterious alchemy makes a Federal dam on the upper Colorado River politically pristine?

The actual reason for not constructing Federal dams in the Columbia Basin today is that private utilities crave these magnificent sites where kilowatts can be produced so cheaply. No power company with management capable of passing a sanity test would think of investing stockholders' funds in concrete poured into the unprofitable and marginal locations along the upper Colorado. In essence, it is a policy of turning over the cream of hydroelectric sites to the power companies and leaving the skim milk for the public.

I am one of those who believes the upper Colorado project (minus Echo Park) should be undertaken by the Government, regardless of the fact it may never pay out. The settlement of the intermountain West probably demands such a capital investment by the rest of the Nation. After all, countless millions have been poured into Mississippi levees and harbor dredging at Chesapeake Bay and New York's East River with no suggestion that direct returns to the Treasury must result. But in my view, it is little short of criminal for the administration to promote Federal responsibility for the arid and extravagant sites on the upper Colorado while it simultaneously disseminates propaganda about creeping socialism and subsidized power to justify Federal abandonment of the great power sites along the Columbia River and kindred streams.

III

At Glen Canyon Dam, construction costs will total $463 for each kilowatt of generating capacity. At Echo Park Dam, which threatens to scar the scenic grandeur of the Dinosaur National Monument, costs will be still higher—$640 per kilowatt. Contrast these figures with the construction sums for two major Federal dams in the Columbia River Basin: $115 per kilowatt at Bonneville, $90 at Grand Coulee. Yet Bonneville and Grand Coulee are the kind of sites which the administration wants to surrender to private power companies.

The surrender takes two separate forms: (1) outright relinquishment, as at Hells Canyon, where the hydroelectric site will be turned over to a utility corporation, and (2) a partnership operation between the Government and power companies, such as the administration advocates at John Day and other sites in the lower reaches of the Columbia Basin.

Partnership is an intriguing gimmick. The Government pays for the deadweight part of a dam, such as fish ladders, flood gates, and navigation locks. A syndicate of utility companies finances the powerhouse and installs the generation equipment. In return, the companies get a monopoly on the dam's power production for half a century. Of course, this completely circumvents the public-power preference clause, which until now has reserved first call on Columbia River energy for farmers' rural electric cooperatives and similar nonprofit agencies. Theodore Roosevelt first conceived the preference clause, in the Reclamation Act of 1906.

Last year Secretary McKay approved a bill that would have given utility companies a 50-year stranglehold on the John Day site in return for a contribution of $164 million toward construction of the dam. Protests by public-power groups, under the leadership of Senator WAYNE L. MORSE, of Oregon, prevented the bill from passing. Now, McKay is backing a new John Day bill increasing the private-utility offer to $273 million—a tacit acknowledgment by him that the 1954 version would have denied the public purse at least $109 million which was its due.

Yet, even with a partnership contribution of $273 million, the abandonment of the John Day power facilities for half a century would be one of the greatest bargains since Manhattan Island was traded off for $24. The Corps of Army Engineers estimates that annual power benefits creditable to John Day Dam will amount to $25,538,000. Over a period of 50 years this would total $1,276,900,000 before company profits are added: a tidy return on the utility's original investment.

From the standpoint of people directly affected—citizens of Oregon and Washington—perhaps the worst feature of the Eisenhower partnership is its adverse economic impact. In my home State of Oregon, the successful Federal power program increased farm electrification from 27 percent to 98 percent. It brought about the only period in Northwest history when our gains in industrial payrolls, from 1939 to 1948, exceeded the national average.

Partnership would return high-cost power to the Pacific Northwest. Private power companies must pay higher interest rates on their borrowings than the Federal Government and a reasonable rate of return to stockholders. Also, partnership projects would be isolated plants outside the Columbia power system and would not benefit by having costs averaged in with low Bonneville and Grand Coulee rates.

These two factors alone would raise the cost of power to consumers. For the Pacific Northwest partnership means higher power rates, less industry, and fewer jobs.

IV

When Theodore Roosevelt occupied the White House, the Rivers and Harbors Board of the Engineers Corps made this recommendation after a partnership had been proposed between the Government and a power company to develop the Tennessee River: "In general, any partnership relation between the United States and a private corporation is necessarily to be closely scrutinized as the results in the past have been that the Government as party to such agreements usually suffered thereby."

The partnership fostered by the Eisenhower administration classically fits this warning. The public relinquishes to private utilities such majestic sites as Hells Canyon, but the public pays to harness such marginal sites as those in the upper Colorado. At sites earmarked for partnership development, the public gets the watery staircases for migrating salmon and the gates to hold back floods. Utilities get 50-year monopolistic leases on the powerhouses—powerhouses like Bonneville, which have put a gross sum of more than $350 million in the United States Treasury since Federal power sales began on the Columbia and its tributaries.

In fact, the partnership between the American people and the private power companies proposed by President Eisenhower and Secretary of the Interior McKay follows generally the lines of the immortal partnership between the Owl and the Panther described by Lewis Carroll:

"I passed by his garden and marked, with one eye,
How the Owl and the Panther were sharing a pie;
The Panther took piecrust, and gravy, and meat,
While the Owl had the dish as his share of the treat."

[From the New York Times of March 3, 1956]

DEVELOPING A RIVER

House passage of the $756 million bill to harness, store, and use the waters of the upper Colorado makes it virtually certain that this gigantic power and irrigation project will soon be enacted into law.

The President has enthusiastically endorsed the plan in principle and the Senate has passed an even more expensive version of its own. The major—though not the only—difference between Senate and House bills is that the former includes and the latter excludes the highly controversial Echo Park Dam, on which the President showed himself to be misinformed at his press conference Wednesday when he stated that it was fear of damage to wildlife that had aroused hostility to Echo Park Dam. Wildlife had nothing to do with it. The Nation's conservationists were united in their opposition, and with such effect that the entire Colorado project would have died in the House had Echo Park been left in the bill, because this dam would have constituted a direct and unnecessary incursion into the national park system. In addition, the dam would have seriously damaged some of the finest canyon scenery in the West.

The measure as a whole, in both Senate and House versions, provide basically for several major works on the upper Colorado, one of the most important of which would be the enormous Glen Canyon Dam, a large power producer. This and other projects would store water precious to the region, and would provide for the initial irrigation of more than 100,000 acres of land and supplemental irrigation of over 200,000. The project marks the real beginning, for the upper basin States of Utah, New Mexico, Wyoming, and Colorado, of enjoyment of the benefits of that portion of the flow of the Colorado River allocated to them in an interstate compact of 1922. It would undoubtedly be of great economic, industrial, and agricultural advantage to the upper basin States.

Whether or not the project is worth the cost is a matter of dispute between such ardent proponents as Senator WATKINS, of Utah, and such able critics as Senator DOUGLAS, of Illinois. While we have serious reservations regarding many features of this project, especially the economics of its irrigation and reclamation plans, we think there is no question but that the basic principle of comprehensive, multipurpose development represents the proper approach of exploiting the actual and potential resources of a vast river system. While the actual mechanics must necessarily vary with the specific problems of each region—whether it be the Tennessee, the Missouri, or the Colorado—the basic idea of integrated river-valley planning seems inescapably logical, practical, and desirable. As a matter of fact, one of the criticisms of the pending project is that not all of its component parts have yet been sufficiently studied. Furthermore, there are political hazards that this or any comparable scheme must run, including the insertion of economically doubtful projects in order to get votes. But the principle remains valid that a flowing river should be tackled as a unit, as something greater and more challenging than the mere sum of a large number of isolated and localized parts.

If a stream such as the Colorado is going to be developed with dams, storage reservoirs, powerplants, irrigation projects, and other facilities, it has to be developed with the financial resources of the Federal Government. This the present administration is fully prepared to do at Glen Canyon in the Colorado Basin but not at Hell's Canyon in the Columbia Basin. Of course, the two situations are not identical; but it would seem to us that from the point of view of long-term, regional, comprehensive planning, a high Federal dam in Hell's Canyon makes just as much sense—and with greater promise of economic returns—as a high Federal dam in the upper basin of the Colorado.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD a very illuminating letter published in the Coos Bay (Oreg.) Times of March 12, 1956. The author of the letter is Howard Morgan, a former member of our State legislature and now the State chairman of the Democratic Party in the State of Oregon. Mr. Morgan asks a very cogent question. He wants to know why the three Republican Members of the House of Representatives from Oregon voted to pass the costly upper Colorado River project, but are opposing the Hells Canyon project on the borders of Oregon.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Coos Bay (Oreg.) Times of March 12, 1956]

CONGRESSMEN FOR POWER IN COLORADO, NOT HERE

EDITOR:

Something new has been added to the power controversy and it raises some important questions.

As we all know, Republican Congressmen NORBLAD, COON, and ELLSWORTH have spent the last 3 years parroting the private power line that the Federal Government has stopped building power dams. The record clearly demonstrates that these men have dragged their feet on every authorization or appropriation bill for Federal dams in Oregon and the Northwest.

They offered no help to Senators MORSE and NEUBERGER and Congresswoman GREEN in last year's successful Democratic fight for three new starts on Federal dams in the Northwest. In fact they tried and are still trying to deauthorize every Federal power project so the private power companies, after endless delays, can try to get authorization for gravy-train partnership deals.

VOTE FOR COLORADO

But on March 1, 1956 NORBLAD, COON, and ELLSWORTH voted for the enormous all-Federal power project on the upper Colorado River system when the bill passed in the House, 256 to 136. Let's see how this vote stacks up against the pious statements of our 3 Republican Representatives.

They say the Government won't build dams. If so, how did the bill sail through the House with a 120 vote margin? I predict it will pass the Senate with equal ease.

They say the high Federal dam at Hells Canyon, for example, costs too much money and we have to balance the budget. But power facilities at Hells Canyon would only cost $270 million while the upper Colorado power facilities will cost $470 million.

Do our Republican statesmen figure Hells Canyon can't produce enough power? It can produce 5 billion kilowatt-hours per year, compared to 3½ billion from the upper Colorado.

POWER COSTS MORE

Get that, please. Hells Canyon power facilities would cost 43 percent less and produce 42 percent more power than the upper Colorado, yet NORBLAD'S, COON'S, and ELLSWORTH'S votes went to the upper Colorado. Where is that hard-headed Republican business sense we've heard so much about?

Do the people of Oregon agree with their Republican Representatives that high-cost power in the Rocky Mountains is a better public investment than low-cost power here at home?

I am not attacking the merits of the upper Colorado project. The people in that area need power and they need water. The upper Colorado project is their best hope of getting either, and the project is undoubtedly worth what it is going to cost. It is soundly engineered and no Member of Congress need apologize for voting in its favor.

ENTITLED TO KNOW

However, the people of Oregon are entitled to know why their Republican Representatives are willing to vote for high-cost Federal power projects a thousand miles from home but are absolutely unwilling to vote for low-cost Federal power projects right here on the boundary and even inside the State of Oregon.

This sort of behavior is not the simple-minded, country-bumpkin type of four-flushing it might appear to be. This is four-flushing with a vengeance and with a purpose. If these men can think up a single, sensible reason for their behavior they ought to do it now and it ought to be good.

HOWARD MORGAN,
State Chairman, Democratic Party.

DANGER IN NEW OREGON VOTING LAWS

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter written by State Senator Monroe Sweetland, of Milwaukee, Oreg., and published in the Portland Oregonian of February 25, 1956. Senator Sweetland is Democratic national committeeman for the State of Oregon. It seems to me that his letter sets forth very clearly and effectively the danger in new Oregon voting laws which would restrict the right of franchise in our State. Voting is the culminating act in a democracy, as Woodrow Wilson once said. In my opinion, Mr. Sweetlands' letter demonstrates how the Republican Party, which controls the Oregon State Legislature, has made an effort to restrict the number of persons who will vote in Oregon in future elections. This is not in keeping with the traditions or aims of our great democracy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Oregonian of February 25, 1956]

NEW VOTING LAW CRITICIZED

TO THE EDITOR:

On February 20 you published a letter from Mrs. Jean K. Young, a top official of the Republican Party, defending and explaining the new voting restrictions under which Oregonians will cast ballots this year.

There is no hint in Mrs. Young's letter, written with an air of injured innocence, of how drastic and dangerous the new law is. These changes were fought bitterly by the helpless Democratic minority in the legislature, but Mrs. Young herself masterminded the new law and cracked the whip of discipline over those Republicans at Salem whose uneasy consciences would otherwise have led them to oppose these bushwhacking, partisan amendments.

If our Republic is founded on "consent of the governed," it is the duty of our States to make as simple and easy as possible the accurate recording of that consent. After Senator NEUBERGER'S close victory in 1954, Mrs. Young's little coterie carefully laid their plans to rig Oregon's voting laws with gimmicks to make voting and registration more difficult and dangerous for certain groups of citizens who usually vote Democratic.

Mrs. Young's letter brushes off the new poll book signing law as trivial. Actually, to compel each voter to sign the books twice will approximately double the time now required to cast ballots. One of the great discouragements to voting in Oregon already is the jam at the polls in the big precincts in presidential years. In precincts populated with business and industrial employees (that is, Democratic precincts), the big jam comes between 5 and 8 p. m., when working people return home. Many more thousands will be utterly discouraged under this clumsy new system, and it will cost thousands of Oregonians their votes next fall.

Mrs. Young omitted from her letter any reference to the two most grave assaults on the right to vote.

She skimmed over the fact that the new law has set a trap to try to snare tens of thousands of voters who have kept a permanent address at a property they may own, or a former home, or the residence of a relative. These are mostly construction workers, teachers, loggers, farmworkers, and salesmen, who come back every 2 years to vote. They vote only once. There is no fraud. They seek only, as good citizens, to cast their one ballot. Because Mrs. Young's group knew these people mostly vote Democratic, the law has been rewritten to impose terrific penalties for voting in your home precinct instead of where you are at the moment staying. Many may be intimidated by this, as the Young group hopes.

Then there is the revision of the voters' registration cards, another effort at entrapment and discouragement of voting.

The new law puts on every voter's registration card a dire warning of 2 years imprisonment and $5,000 fine for "any false statements" on this card. Heretofore the voter was held responsible only for any false statements on the card "as to my qualifications as an elector," and many blanks on the card were not essential to his voting. Nonessential information now required to be sworn to include such as place of birth, spouse's full name, parents' full names, and—note this—the "section, township, and range" of all who reside outside numbered-street areas.

We are stuck with this law until the 1957 legislature. This outrage against American democracy is all the more shocking because Oregon already has the worst voting record of any Western or Northern State, with one-third of our eligible adults not voting. We should be making registration and voting more convenient and simple, not more difficult and dangerous.

MONROE SWEETLAND,
State Senator, Clackamas County.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1834. An act to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired, in the computation of their retired pay under the provisions of the Career Compensation Act of 1949, as amended;

S. 2438. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever; and

S. 3269. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8107) to amend the Armed Forces Reserve Act of 1952, as amended.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 47) withdrawing suspension of deportation of Benito Quintana Seara.

ADOPTION BY WEST COAST LUMBERMEN'S ASSOCIATION OF NEW GRADING RULES FOR LUMBER

Mr. MORSE. Mr. President, I call to the attention of my colleagues a significant change which occurred on March 15 in the western lumber industry. The West Coast Lumbermen's Association has adopted new grading rules for lumber shaped for the buyer and the consumer. For many years the standard construction grades of lumber were designated as No. 1, No. 2, No. 3, and No. 4. These did not mean a thing to the consumer, and as a matter of fact he often had the feeling that unless he got No. 1 he was not getting good lumber.

For several years in the West this problem has been under serious study because our lumber industry desires to sell a product which will satisfy the consumer from every standpoint. These lumber grades have been redesignated so that the consumer will have a better idea of exactly what he is getting. The new designations are now construction, standard, utility, and economy. These changes will enable the retail lumberman and the consumer to understand exactly what they are getting. Further, I think it will increase the amount of graded lumber on the market.

The production of lumber has been constantly climbing, and more and more of the tree is being used to manufacture a product which serves all types of consumers. I wish to insert in the RECORD the statement of the West Coast Lumbermen's Association regarding these new grading rules. In so doing, I call attention to some of the increases in the quality of the product under the new grades and the standardization of thicknesses and widths of boards and finished items.

This is a great forward step in sound merchandising, one which will help to keep all segments of the lumber industry healthy. It shows the recognition of a need and a willingness to make changes.

I should like to comment for a moment on the need for many changes in the way in which Federal agencies such as the Forest Service, the Bureau of Land Management, and the Bureau of Indian Affairs, sell their stumpage. An increasing number of western lumber companies depend upon Federal timber to manufacture lumber and other forest products. I think there is plenty of room for improvements in their merchandising starts in the woods. In order standardization in their dealings with the many companies buying their timber for manufacture into lumber.

I think it is axiomatic that good merchandising starts in the woods. In order to be able to satisfy the consumer and to develop outlets for all the things which can be manufactured from a log, the sawmill needs a good analysis of the quality of the raw material. With this the mill will better know what can be manufactured and how best to fill the market with a desired product. I should like to see the Federal agencies develop new merchandising techniques for stumpage to a far greater extent than is being done today. It would be a great boon to proper utilization of our timber.

I reiterate that these new lumber grades, construction, standard, utility, and economy, represent a great advance in providing the American consumer with lumber merchandised to fill their needs.

When the retail yard owner or the consumer asks for grade stumped lumber he is helping himself. The new grades tell them what the lumber they are buying will do for them. When the consumer buys lumber in the proper grade he needs for the job, he profits by getting exactly what he needs at the best price.

We all can make a contribution toward conservation by using our lumber wisely. When the consumer demands clear boards 1 inch by 12 inches by 16 feet long to saw up into 1-inch-by-3-inch material 4 feet long, he is paying a premium for that wide clear board, which is in relatively short supply and is proportionately higher in price. Very often he can buy a utility or economy grade board and get just as usable short boards at a much lower price. He helps himself by showing an interest in a budget-priced product. He creates a market for a product suited to his needs, and one which if not marketed represents a cost to the consumer any way. If he demands and buys only clear lumber, he forces up the price of that quality. Besides, the mill must tack on to its premium material the cost of handling, storing, and disposing of the other material which does not readily flow to the market, but which is a natural and sizable product in the manufacture of the log.

Lumber is one of our best building materials. If we use it wisely, we will always have an abundance to use freely. The four new grades, construction, standard, utility, and economy, and the story they tell, are a contribution by the western lumber industry to conservation and an abundance of supply.

Mr. President, I ask unanimous consent to have published at this point in my remarks a statement entitled "New West Coast Grading Rules," written by H. V. Simpson, executive vice president, West Coast Lumbermen's Association, and published by the West Coast Lumbermen's Association.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

New West-Coast Grading Rules

(By H. V. Simpson)

Beginning March 15, 1956, west-coast lumber will be graded under a new rule—rule No. 15.

The change from rule No. 14 is profound in only one respect. An attempt has been made to write a rule which the purchaser of lumber can readily understand. It is not a technical document decipherable only by professional graders.

The actual change in the grades themselves is minor. You can expect to get in each grade just about what you have been getting in the past. We have made some refinements, of course, which we feel will improve the marketability of the product. More about these in a moment.

The principal and basic change is a change from grade numbers to grade names. But it is not nearly as complicated as it sounds. There are only four things to remember:

No. 1 becomes Construction.
No. 2 becomes Standard.
No. 3 becomes Utility.
No. 4 becomes Economy.

It is reasonable to ask, since the change is so slight, Why bother at all?

Because we believe we can no longer continue practices which make the merchandising of lumber less orderly and less responsible than the merchandising of other building products. Let me quickly say that the irresponsible merchandiser is only a fractional minority. Most lumbermen choose to and do sell the grades they buy. But even they are hampered by the reluctance of the consumer to purchase a third-grade product for a home which he visualizes as first grade in every respect.

It is the numbers which cause the trouble.

The demand for grade stamping is steadily increasing. The demand is coming from retail dealers, Government agencies, builders, and many others.

A number of areas have already refused to accept anything but grade-stamped lumber. Several others are considering a similar prohibition. This trend has the endorsement of west-coast lumber manufacturers. We merely feel that a useful product should not be penalized because it is identified by a number.

Thirty years ago the National Lumber Manufacturers' Association adopted a resolution supporting universal grade stamping. The Southern Pine Association and the West Coast Lumbermen's Association have gone similarly on record. But every effort during the past 30 years to substantially extend the grade stamping of lumber has failed because the public would not accept No. 2 or No. 3 or No. 4.

The NLMA, American Lumber Standards, WCLA's board of directors, the FHA all say, "Let's grade stamp the lumber." Today the tide of demand is stronger than it has ever been before. And this time—with names instead of numbers to sell—every advocate of responsible lumber merchandising has a chance to make it work.

The change to names applies only to the present No. 1, No. 2, No. 3, and No. 4 grades of boards and 2-inch and thicker dimension planks and timber. Select Merchantable remains the top grade in boards and Select Structural the top grade in dimension.

The lettering system—"B&Btr.," "C," and "D"—remains in effect on finish, flooring, casing, and other clear items. The only change in this category is that "C&Btr." becomes the top grade of flat-grain clears. This, of course, is merely in line with current practice. Vertical-grain clears continue to be designated "B&Btr.," "C," and "D."

The name of the bureau has been changed to West Coast Lumber Inspection Bureau, which is somewhat less cumbersome than West Coast Bureau of Lumber Grades and Inspection.

The format of rule No. 15 has been changed. We have tried to make it more readable and more understandable. Key paragraphs should be easier to find and easier to remember.

The fiber stress value of the present 1450f grade (No. 1) has been increased to 1500f and the fiber stress value of the 1100f grade (No. 2) has been increased to 1200f. In both cases the quality of the product has been improved.

The old rules permitted a full-length skip in No. 2 dimension, which probably caused more difficulty than any other single provision in the rules. FHA, for instance, regarded a full-length skip an intentional scant sawing.

The universal feeling of the industry was that this situation should be cleaned up and that as a matter of good merchandising it should be handled at the manufacturing end. Consequently, rule No. 15 provides that Standard (the old No. 2) may have hit-and-miss skips on the edge, but may not be skipped full length.

The Standard joists and planks grade (2 by 6 and wider) becomes a little better all around, as a matter of fact. As was mentioned a moment ago, the fiber stress value has been upped from 1100f to 1200f. And a medium-grain requirement has been included.

The thickness of boards and finish items has been reduced from $^{25}/_{32}$-inch to ¾-inch. Fifty percent of such material is ¾-inch at the present time. There is more value in $^{25}/_{32}$-inch material than is needed. The official change merely recognizes current practice. Those who wish to buy $^{25}/_{32}$-inch boards may still buy them, of course, and have them grade stamped.

Rule No. 15 will have a standard provision on material 6 inches in width—5½-inch instead of 5⅝-inch as at present. This applies already in the larger sizes—7½-inch, 9½-inch, 11½-inch. The new provision simply makes the practice uniform. It is, of course, in accordance with American Lumber Standards.

There are numerous other changes of lesser importance, but little or nothing to make the lumber you specify and receive under rule No. 15 much different in appearance than the lumber you have been specifying and receiving under the old rules.

In some cases knot sizes have been tightened, in other cases the restrictions on wane or splits have been somewhat eased. Wherever improvements could reasonably be made, they have been made. More than 2 years of the most sincere and painstaking consideration has gone into the development of rule No. 15.

It is, for the first time, a grading rule shaped for the buyer and consumer of lumber rather than the professional grader.

It will, we hope, usher in four words which will long be useful to the retail lumber dealer—Construction, Standard, Utility, and Economy.

Again, the effective date of the new rules will be March 15, 1956, and copies of rule No. 15 will be mailed to all segments of the industry.

RECESS TO 11 A. M. WEDNESDAY

Mr. MORSE. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in recess until Wednesday at 11 o'clock a. m.

The motion was agreed to; and (at 2 o'clock and 57 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Wednesday, April 11, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 9, 1956:

Diplomatic Service

Kenneth A. Byrns, of Colorado, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 1, consuls, and secretaries in the Diplomatic Service of the United States of America:

Rollin S. Atwood, of Maryland.
Winthrop G. Brown, of Virginia.
Henry J. Tasca, of Pennsylvania.

The following-named persons for appointment as Foreign Service officers of Class 2, consuls, and secretaries in the Diplomatic Service of the United States of America:

Julius Bassin, of New York.
Ben H. Brown, Jr., of South Carolina.
Leon Crutcher, of Texas.
Charles L. Hodge, of Virginia.
Daniel L. Horowitz, of New Jersey.
Fisher Howe, of Illinois.
Boris H. Klosson, of Maryland.
Jesse M. MacKnight, of Maryland.
Frederick T. Merrill, of the District of Columbia.
George H. Steuart, Jr., of Virginia.
Idea van der Gracht, of New York.
Roswell H. Whitman, of the District of Columbia.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the Diplomatic Service of the United States of America:

Anthony J. Cefaratti, of Illinois.
Otho T. Colclough, of North Carolina.
Leonard Felsenthal, of the District of Columbia.
Leo M. Goodman, of New York.
Michael G. Kelakos, of Massachusetts.
Richard J. Kerry, of the District of Columbia.
Edward S. Little, of Ohio.
Walter Q. Loehr, of California.
Edwin L. Smith, of Arkansas.
Howard F. Smith, of Michigan.
Jay A. Van Swearingen, of Ohio.
Alberto M. Vázquez, of Virginia.
Jack S. Williams, of the District of Columbia.
Miss Marion W. Worthing, of Maryland.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the Diplomatic Service of the United States of America:

Herbert W. Baker, of Montana.
John R. Barrow, of California.
Miss Elizabeth Ann Brown, of Oregon.
Phillip B. Dahl, of Illinois.
Robert C. Davis, of Florida.
Frank J. T. Ellis, of Ohio.
Charles B. Ferguson, of Indiana.
Millard L. Gallop, of Virginia.
Edwin J. Garrity, of Virginia.
Loren L. Goldman, of Maryland.
Chester H. Kimrey, of Oklahoma.
James L. Lee, of California.
Francis C. Prescott, of Maine.
Stanley J. Prisbeck, of Pennsylvania.
Mrs. Montana W. Zbinden, of California.

Charles E. Paine, of California, now a Foreign Service officer of class 5 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

Roy O. Carlson, of Illinois, for promotion from Foreign Service officer of class 6 to class 5.

Miss Norah H. Alsterlund, of Illinois, for appointment as a Foreign Service officer of class 5, a consul, and a secretary in the Diplomatic Service of the United States of America.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Forest E. Abbuhl, of Ohio.
John W. Anderson, of Texas.
Charles White Bass, of Tennessee.
George R. Bingham, of Florida.
Miss Eleanor Glover Bond, of Florida.
Miss Eleanor R. Borrowdale, of California.
Miss Marie C. Chabot, of Rhode Island.
Philip R. Cook, Jr., of Virginia.
William E. Culbert, of Connecticut.
Rudolph Days, of Maryland.
N. Hunt Heubeck, of Florida.
Andrew John Kauffman II, of Maine.
Miss Marcia N. Lindgren, of California.
Edward S. McClary, of California.
Franklin L. Mewshaw, of New York.
Miss Gertrude M. Meyers, of Minnesota.
H. Miller Elliott, of Pennsylvania.
Lawrence J. Moran, of Massachusetts.
Laurent E. Morin, of New Hampshire.
Miss Janice Plowman, of Missouri.
Kenneth F. Rose, of Florida.
John L. Smith, of Wisconsin.
Miss Bernadine Whitfield, of Oregon.
Jean E. Zimmermann, of Missouri.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Brady G. Barr, of the District of Columbia.
Wesley D. Boles, of California.
Marshall Brement, of Maryland.
Hugh K. Campbell, of Ohio.
Willard A. De Pree, of Michigan.
Richard W. Dye, of New York.
Harold T. Ellis, of California.
Charles E. Exum III, of North Carolina.
Robert Earl Gordon, of Oregon.
Robert W. Huddleston, of New Jersey.
Joseph P. Leahy, of the District of Columbia.
Louis J. Link, of Kansas.
J. Thomas McAndrew, of New York.
W. Wyatt Martin, Jr., of Tennessee.
Robert W. Maule, of Minnesota.
Robert H. Munn, of California.
James C. Nelson, of Illinois.
Robert L. Nelson, of the District of Columbia.
James D. Rosenthal, of California.
Charles E. Rushing, of Illinois.
John D. Scanlan, of Minnesota.
James R. Wachob, of Oregon.
Richard L. Williams, of Indiana.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Walter L. Campbell, of Connecticut.
James C. Flint, of Ohio.
William A. Krauss, of California.
Francis J. McArdle, of New York.
Richard M. McCarthy, of Iowa.
William H. J. McIntyre, of Pennsylvania.
Allan Nelson, of California.

The following-named Foreign Service Reserve officers to be secretaries in the Diplomatic Service of the United States of America:

Daniel P. Oleksiw, of Pennsylvania.
Martin M. Tank, of Wisconsin.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

Frank Ahmed, of Massachusetts.
David H. Cohn, of Florida.
Joseph R. Johnson, of Virginia.
Burton S. Miller, of Connecticut.

National Science Foundation

Warren Weaver, of Connecticut, to be a member of the National Science Board, National Science Foundation, for the remainder of the term expiring May 10, 1960, vice James Bernard Macelwane, deceased.

Department of Defense

Floyd Sherman Bryant, of California, to be an Assistant Secretary of Defense, vice Franklin G. Floete, resigned.

Department of Justice

George Cochran Doub, of Maryland, to be an Assistant Attorney General, vice Warren E. Burger, resigning.

Federal Maritime Board

Thomas Edward Stakem, Jr., of Virginia, to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1958, vice G. Joseph Minetti.

Subversive Activities Control Board

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1959, vice Kathryn McHale, term expired.

United States Attorney

Ralph Kennamer, of Alabama, to be United States attorney for the southern district of Alabama for a term of 4 years, vice Percy C. Fountain, deceased.

In the Army

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Robert George Butler, O17191, Army of the United States (colonel, U. S. Army).

Brig. Gen. Louis Edward Cotulla, O29069, Army of the United States (colonel, U. S. Army).

Brig. Gen. David Haytor Buchanan, O17746, Army of the United States (colonel, U. S. Army).

Brig. Gen. Eugene Fodrea Cardwell, O38662, Army of the United States (colonel, U. S. Army).

Brig. Gen. Louis Theilmann Heath, O18060, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. David William Heiman, O17094, United States Army.

Col. Eric Hilmer Frithiof Svensson, O17630, United States Army.

Col. Thad Adolphus Broom, O18246, United States Army.

Col. William Frederick Cassidy, O18354, United States Army.

Col. Milton Leonard Ogden, O18687, United States Army.

Col. Charles Henry Chase, O19095, United States Army.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 759, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress:

To be major

Mordecai, Lindley R., MC, O1718112.

To be captain

Bridge, Carl J., MC, O1861678.

To be first lieutenants

Belleville, Helen E., ANC, N901757.
Caldwell, William L., MC, O4050745.
Clarke, Robert B., JAGC, O4017173.
Fenstermacher, James M., MC, O2268939.
Laubham, James J., Jr., DC, O2275651.
Mansfield, John O., MC, O4016515.
McCaffrey, Joseph P., MSC, O2049015.
Montgomery, Roena, ANC, N794859.
Staples, Jack E., MC, O2205819.
York, Germaine, ANC, N758821.

To be second lieutenant

Wilson, Shannon D., ANC, N901478.

The following named officer for appointment, by transfer in the Judge Advocate General's Corps, Regular Army of the United States, in the grade specified.

To be captain

Rouillard, Irving G., O28177.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Brandt, Fred A., O2275375.
Collie, Lamar P., Jr., O2275374.
Davies, Olwyn K., O2275572.
Fagerstrom, Charles D., O2275393.
Groth, Robert C., O2275559.
Haller, Yoel I.
Hartenstein, Paul E., O2275420.
Jacobs, Robert D.
Kuxhausen, Donald L., O2275415.
Lagace, Maurice N.
Lopiano, Michael, A., O2275372.
Miale, August, Jr.
Plaut, Samuel M., O2275597.
Sample, Donald W.
Smith, Neilson, A., O2275352.
Walker, Donald D., O2275456.
Weisshein, A. Sigmund.

The following-named person for appointment in the Dental Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), upon receipt of doctor of dental surgery degree:

Kelly, James J., O2276573.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Gwaltney, Robert L.
Kuhns, Craig S., O2210734.
Maurer, William W., O2268174.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Edwards, Charles A.
Hanson, Gene
Hawkins, Charles C., III
Pinson, David L.
Rosecrans, James E.
Sawyer, Frank N., Jr.
Schvaneveldt, Noel S.
Sentell, Joseph W.
Wolf, Walter E.

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force under the provisions of sections 502, 508, 509, and 510 of the Officer Personnel Act of 1947, as amended, and section 107 of the Army-Navy Nurses Act of 1947, as amended. All officers are subject to physical examination required by law.

LIEUTENANT COLONEL TO COLONEL

Line of the Air Force

Dundas, Donald Sears, 2448A.
Martin, Charles Patrick, 2449A.
Turner, William Millard, 2694A.
Augustinus, Robert Herman, 2724A.
Klein, Edward Colburn, 2761A.
McCollum, Hugh Archie, 2774A.
Lutz, Simon Michael, Jr., 2808A.
Baker, Robert Britton, Jr., 2814A.
Pilhal, Joseph Anton, 2859A.
Brown, Edward Tompkins, 2899A.
Armstrong, Jack Lawrence, 2904A.
Chase, Kenneth Bryant, 2939A.
Bennett, William Albert, Jr., 3067A.
Mabardy, Mitchell Abraham, 19664A.
Packard, Walter Burt, 3205A.
Gugliotta, Philip Anthony, 3254A.
Miller, Fred W., 3257A.
Ellis, Herbert Sargent, 3273A.
Crook, William Ralph, 3282A.
Isbell, James Albert, Jr., 3289A.
Williams, Joseph Bethea, 3463A.
Benjamin, Walter Paul, 3480A.
Savage, Columbus, 3495A.
Sammons, James Nile, 3499A.
Downey, Clyde Jackson, 3502A.
Hamilton, Edwin John, 3503A.
Perkins, Dale, 3505A.
Robinson, Robert Thompson, 3509A.
Workman, Robert Herndon, 3512A.
McColpin, Carrol Warren, 3514A.
Earle, Wilton Haynsworth, 3519A.
Sullivan, Charles Edward, Jr., 3524A.
Tortora, Bernardino Ornorfio, 3528A.
Cosgrove, Charles Patrick, 3530A.
Dickerson, Robert William, 3548A.
Masters, Robert Eugene, 3551A.
McCarter, Elmer Heath, 3553A.
Haggard, Van Buren, 3555A.
Price, Oran Oscar, 3563A.
Walton, Victor Emanuel, 3569A.
LaPlante, Robert William, 3601A.
Greco, Joseph Alfred Lowry, 3603A.
Fackler, Paul Henry, 3606A.
Prodanovich, George, 3608A.
Pedrazzini, Harold Oliver, 3611A.
Clinkscales, Theodore Ross, 3627A.
Wilson, Keith Streeter, 3623A.
McChristy, Albert Jordan, Jr., 3648A.
Friederichs, Gilbert Francis, 3657A.
McFarland, Earl, Jr., 3667A.
Lavell, Walter Wellman, 3671A.
Fisher, Sydney Gilbert, 3672A.
Esau, Charles Gillies, 3675A.
Colligan, Robert Leonard, Jr., 3676A.
Smith, John Joseph, Jr., 3679A.
Rasmussen, James Holland Stephen, 3681A.
Erwin, William Horace Bruce, 3699A.
Kent, Glenn Altran, 3701A.
Zoeckler, John Lewis, 3724A.
Wolke, Gerad George, 3726A.
Swancutt, Woodrow Paul, 3729A.
Nevins, Hugh Jean, 3733A.
Mitchell, John William, 3741A.
Hanford, Samuel Burton, 3744A.
Edwards, Edward Daniel, 3767A.
Riley, Daniel Edward, 3768A.
Lewis, Archie Robert, 3770A.
Banks, William McGowan, 3775A.
Smith, Arthur Edward, Jr., 3779A.
Read, Elkins, Jr., 3780A.
Egan, John Clarence, 3781A.
Smith, Robert Nelson, 3783A.
Wilkinson, Robert Norman, 3804A.
Smyser, Willis Michael, 3806A.
McGehee, Thomas Kendrick, 3809A.
Sluga, Emil Lawrence, 3811A.
Willis, Benjamin Grant, 3815A.
Ireland, Loren Elsworth, 3820A
Paul, Leo Francis, 3822A.
Keeling, Gerald Fay, 3827A.
Vandiver, Ray, 3837A.
Bettinger, Sterling Peter, 3842A.
Carter, Wendell Eugene, 3848A.
Humfeld, Harold Emmett, 3857A.
Davis, Howard Allan, 3860A.
Johnsen, Lester James, 3863A.
Johnson, Herbert Elroy, Jr., 3874.
Hamby, Henry Gordon, Jr., 3891A.
Henry, Stephen Wetherell, 3907A.
Fry, Richard Jefferson, 3915A.
Rasmessen, Edward Bernard, 3927A.
Wood, Frank Preuit, 3928A.
Welsh, Albert Michael, 3929A.
Price, Galen Barger, 3931A.
Scott, Oliver McFarlane, 3943A.
Griffith, Stebbins West, 3944A.
Stanton, LeRoy Moore, 3945A.
Gell, Thomas Wesley, 3970A.
Gibbons, Robert Joseph, 3978A.
Laven, George, Jr., 3984A.
Holstrom, Everett Wayne, 3986A.
Wells, Selmon Willard, 3991A.
Ellis, Richard Nat, 4001A.
Carter, George Albert, 4014A.
Watson, Ralph James, 4016A.
Heaton, Donald Haynes, 4032A.
Seawell, William Thomas, 4034A.
Ascani, Fred John, 4036A.
Dessert, Kenneth O'Reilly, 4037A.
Mayo, Ben Isbel, Jr., 4038A.
Gould, Gordon Thomas, Jr., 4040A.
Silk, Joseph Meryl, 4044A.
Rhynard, Wayne Edgar, 4045A.
Watson, Leroy Hugh, Jr., 4052A.
Kunkel, David Ernest, Jr., 4053A.
Brooks, John Adams, 3d, 4059A.
Mitchell, William LeRoy, Jr., 4063A.
Thompson, Clyde Arnold, 4076A.
Seamans, Charles Sumner, 3d, 4086A.
Brown, George Scratchley, 4090A.
Hicks, George Luther, 3d, 4092A.
Andrus, Burton Curtis, Jr., 4094A.
Corbin, Thomas Goldsborough, 4097A.
Banks, Wilson Harper, 4104A.
Riordan, Robert Polk, 4107A.
Perego, Frank Smith, 4110A.
Haveman, Allen Ernest, 4112A.
Martensen, William Burke, 4113A.
Lyle, Lewis Elton, 4115A.
Best, Everett William, 4121A.
MacNaughton, Franklin H., 4128A.
Henry, John Bailey, Jr., 4129A.
Northamer, Kenneth Walter, 4131A.
Richmond, Luther Henry, 4133A.
Sonnkalb, Charles David, 4136A.
Brock, Russell Keith, 4140A.
Burns, Robert Wiygul, 4142A.
Brown, Grover Cleveland, 4144A.
Sands, Harry James, Jr., 4145A.
Olson, Robert Alroy, 4153A.
Garrison, Edwin Herbert, 4154A.
O'Neill, John William, 4155A.
McCarthy, James Francis, Jr., 4156A.
Bostwick, George Eugene, 4159A.
Bickell, George Ross, 4160A.
Shankle, Willard Mayes, 4161A.
Hook, Fred G., Jr., 4162A.
Kunkel, John Howard, Jr., 4163A.
Hunziker, Richard Overton, 4164A.
Oliver, Frank Everell, 4166A.

Medical Corps

Cooper, Elven Ross, 19598A.
Niemi, Osmo Ilmar, 19113A.

Dental Corps

Warren, Frederick Wardwell, 18837A.
Harlan, Maurice Cooper, 18858A.

Medical Service Corps

Korn, Bernard, 19410A.

Chaplain

Hamel, Henri A., 18729A.

FIRST LIEUTENANT TO CAPTAIN

Line of the Air Force

Bach, Roy Elwood, 18810A.

Medical Corps

Willis, Henry Stuart Kendall, Jr., 27605A.
Cobb, Leonard Cowgill, 27606A.
White, Melvin Jeffrey, 27607A.
Greene, John Randall, 27608A.
Marx, Frank George, 27609A.
Pollard, Lawrence Welford, Jr., 27607A.
Catlin, Randolph, Jr., 27610A.
Lincoln, Cicero Lee, Jr., 27984A.

Chaplain

Beckley, Robert Howard, 27663A.
Johnston, Roy Benjamin, 27664A.
Holler, Adlai Cornwell, Jr., 27665A.
Webster, Stanley Blosser, 27666A.

Nurse Corps

Coats, Ada Louise, 21403W.
Chandler, Glenna Loving, 21884W.
Maisey, Alberta Frances, 23243W.
Kennedy, Elizabeth Marie, 21713W.
Matter, Helen Elizabeth, 22088W.
Elser, Florence Frances, 21887W.
Porter, Nan Lee, 25755W.
Gernus, Mildred Irene, 25753W.
Davidson, Emma Mae, 25752W.
Henry, Arland Ruth, 25746W.
Ruhe, Carolyn Helen, 25754W.
Fahrenkopf, Bernadette Kathryn, 25751W.
King, Wanda Mae, 23244W.
Burgess, Julia Marie, 25745W.
Arrington, Agnes Maye, 25743W.
Kessler, Doris Mae, 21711W.
Evans, Bertha Elizabeth, 21717W.
Danowski, Dorothy Dolores, 21890W.
Fineg, Edith Joan Erb, 25757W.
Guitrau, Genevieve Dora, 26655W.
Peden, Louise Seever, 25747W.

SECOND LIEUTENANT TO FIRST LIEUTENANT

Nurse Corps

Thomas, Patricia Ann, 25355W.

(NOTE.—Dates of rank of all officers nominated for promotion will be determined by the Secretary of the Air Force.)

IN THE NAVY

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, to have the grade, rank, pay, and allowances of vice admiral while so serving:

Vice Adm. Herbert G. Hopwood, United States Navy

Rear Adm. Roscoe H. Hillenkoetter, United States Navy

Rear Adm. John M. Will, United States Navy

Vice Adm. Francis C. Denebrink, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral.

IN THE NAVY

The following-named midshipmen (Naval Academy) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Frederick G. Adams
Michael C. Ahrens
Sherman G. Alexander
George M. Allen, Jr.
Ronald L. Amon
Allan L. Andrade
Joseph D. Anthony, Jr.
Leonard G. Anton
John DuB. Apple, Jr.
Thomas Ashworth III
Garland O. Audilet
John R. Baals
Robert A. Buchman
LaVon H. Bair
Robert E. Baker
Max M. Baldwin
Glenn F. Ball
Harold D. Barnhart
John M. Bauman
John R. Bellinger
Peter C. Bennett
Thomas C. Benson
Robert F. Berg
Roger S. Betts
Duane U. Beving
William W. Bigler
George E. Biles
Ralph G. Bird
Gregory J. Bittner
James L. Black
James W. Blanchard, Jr.
Frank L. Boebert, Jr.
Arthur C. Boensch
Peter B. Booth

Clifford A. Borden
John L. Bossert
Roger E. Box
Phillip C. Brainerd
Charles J. Brockway, Jr.
Nicholas Brown
Robert H. Brown III
James W. Brunner
James W. Bruso
Thomas E. Bruyere
Charles A. Buchanan, Jr.
William C. Bullis
Howard F. Burdick, Jr.
Edmund Burke III
Mattison A. Burt, Jr.
Russell H. Burt
Vernon R. Bush
Weston H. Byng
John M. Caldwell
James R. Cannon
Walter G. Carlson
David M. Carre, Jr.
Richard C. Carrigan
Stanley G. Catola
Carlos M. Charneco, Jr.
Scott A. Chester
Bruce A. Clark
George G. Clark
James M. Clark
Jack D. Clay
Richard V. Clock
Cornelius E. Coleman, Jr.
Merrill F. Collier
LeRoy Collins, Jr.
Richard D. Cook
Ross E. Cook
Wilmer P. Cook
Julian L. Coolidge II
James L. Cooper
James R. Copeland
Charles W. Corkins, Jr.
Delbert J. Cory
Kenneth L. Costilow
Edward J. Covey
Robert J. Craig
Robert P. Craven
Byron A. Cyr
Rudolph H. Daus
Paul J. Davidson
Nicholas J. DeNunzio
David W. Deutermann
Charles J. DiBona
Kenneth A. Dickerson
Robert E. Diedrich
Edward K. Dillard
Harold J. Doebler II
John F. Donahue
Neil Donovan
Frank J. Drayton, Jr.
Roderick A. Dresser
Donald LeR. Dudrow
Nathaniel B. Dyer, Jr.
Vernon A. Eagye
Joe D. Edwards
James W. Egerton
Michael Elinski, Jr.
Hal R. Ellis III
William W. Elpers
Frederic H. Evans
James A Evans
William A. Everett
Frederick P. Eylar
Armand T. Eyler, Jr.
Jerry W. Fallin
Thomas J. Farren
John H. Fellowes
Robert J. Pesler
Theodore A. Fischer, Jr.
Peter K. Fitzwilliam
Dale L. Fjelsted
Frederick P. Flack
Gerard J. Flannery, Jr.
James H. Flatley III
John W. Flight, Jr.
Everett W. Foote
Robert M. Forster
Paul R. Fournier
Thomas L. Freeman
Henry W. Friedel, Jr.
Gerald A. Fulk
George M. Furlong, Jr.
Richard S. Gaines
Paul R. Gambarani
Charles H. Garrison, Jr.
Elvin L. Gaylor
Walter L. Ghering
James W. Gillman
Michael R. Gluse
Glen E. Good
Paul D. Graf
Frank M. Graham
John C. Grant
Gerald E. Green
William H. Green
Donald L. Grimes
Neil F. Groepler
Frederick W. Hale
Stewart W. Hannah
Donald C. Hanson
Morton H. Hanson
Robert H. Harris
Ross R. Hatch
Douglass F. Hayman, Jr.
Dunne L. Heisinger
Roy C. Hejhall
Albert L. Henry, Jr.
John A. Henry, Jr.
William F. Henry
Harry E. Hicks
John R. Hicks
Raymond W. Hill
Fermor W. Hobbs III
Fredrick C. Hoerner
Chauncey F. Hoffman
Herbert F. Hoffman, Jr.
James R. Hogg
Clyde G. Hohenstein
Vernon C. Honsinger
Roger B. Horne, Jr.
Donald L. Horvath
Arthur K. Hovater
William J. Howell
William S. Hull
Harold W. Hussey
Murl E. Husted, Jr.
Frank LeQ. Ingram
Philip D. Isaac
Lyle M. Ishol
Robert H. Jaeger
Ernest W. James
Jack P. Janetatos
Guy C. Jarratt III
Walter E. Jennings
Richard S. Jensen
Gunnar S. Jenson
Andre L. Jernee
James E. Johnson
Donald H. Johnston, Jr.
Donald W. Johnston
Darrell E. Jones
Jerry E. Jones
Henry M. Jordan
Arthur E. Keegan
Robert M. Keller
Frank B. Kelso II
Robert D. Kemper
George W. Kenaston
John H. Kinert
Ben J. Kinney
John H. Kirkpatrick
Melvin A. Klein
Serapheim D. Koutas
Thomas R. Krieger
Herbert B. Kuykendall
William A. LaBarge
Jimmie D. Lakey
John J. Lally
Francis J. LaMotte
John P. Langenheim
Thomas R. Langley, Jr.
Burton R. Laub, Jr.
Philip G. Leahy
Harry F. Lenhardt, Jr.
Richard J. Levendoski
Charles A. Levis
Theodore E. Lewin
Harold S. Lewis
Frederick J. Lind
Donald E. Lindquist
Frederick G. Lippert III
David B. Lloyd
Lawrence A. Lowden
Rex F. McAlister, Jr.
Michael A. McBride
Dale R. McClure
James C. McCoy, Jr.
John R. McCravy, Jr.
Richard J. F. McDermott
Walter I. McDonell, Jr.
John G. McGarry
Daniel R. McGrath
Robert J. McHugh, Jr.
John R. McLaughlin
Lee Q. McMillan
Eugene J. McPartland
Albert A. McPherson
John J. Macan
Malcolm J. Macdonald
Henry L. Maines
Malcolm A. Malloy
Richard J. Mann
Joseph H. Maston III
Douglas S. Mayfield
Samuel E. Mays, Jr.
Channing W. Medwedeff
Danny J. Michaels
Hoyle H. Miller, Jr.
John M. Miller, Jr.
Kenneth L. Miller
Wayne W. Miller
William H. Miller
James L. Milne
David C. Minton III
Harold A. Moore, Jr.
Garner E. Mogan, Jr.
Alexander R. Morris
Charles S. Morris
Robert B. Morris, Jr.
Edmund C. Mortimer
Wallace L. Mossop, Jr.
Richard A. Mozier
Charles S. Mulloy
Frank S. Murray
William M. Musgrove
"L" "D" Nagel
Carl A. Nelson
Paul J. Nelson, Jr.
Sven D. Nelson
Henry H. Neuhard
Alfred C. Newbury
James W. Newcomb, Jr.
Murray M. J. Nicholson, Jr.
Thomas A. Northam, Jr.
Donald B. O'Connell
Jerome A. O'Connell
Kyran M. O'Dwyer
Donald T. Ogram
Douglass J. Ohmen
William J. O'Keefe
Theodore E. Oliverio
Wayne R. Osgood
James L. Owen
Dwight C. Owings
Edgar H. Parker
Stephen M. Pattin
Richard D. Petersen
Karl L. Peterson
Peter C. Peterson, Jr.
Theodore C. Pickel, Jr.
Benjamin L. Poe, Jr.
Wendell W. Powell
William H. Price II
John C. Putnam
Peter N. Randrup
James P. Ransom II
Allen E. Reed, Jr.
Paul J. Reese
Willis S. Rich
Douglas V. Rigler
Charles R. Roberts
Ned C. Roberts
Richard D. Roberts
Hollis E. Robertson
Robert D. Rodgers
Vincent W. Roper
Thomas M. Ryan
Dean R. Sackett, Jr.
Robert J. Sampson
Hugh P. Sams
Stephen E. Sargent
Robert J. Scanlon
Robert G. Schatz
Ernest J. Scheyder
Herbert A. Schick
Edward W. Schildhauer
George F. Schilling
Robert H. Schmidt
Vincent L. Schmidt
Walter L. Schneider III
William M. Schoessel, Jr.
Raymond J. Schreiner
John M. Schulze, Jr.
Ralph C. Schwartz
Melvin B. Schweiger
Thomas P. Scott
William W. Scott
Edward A. Sechrest
John R. Seesholtz
Richard W. Shafer
David A. Shelso
Robert A. Shinn
Benjamin F. Short
Theodore B. Shultz
Robert H. Shumaker
David N. Sibley
James H. Sikes
George T. K. Simpson
William H. Simpson
William T. Slaughter
William D. Sloan
John H. Slough
Robert R. Smiley III
Harold L. Smith, Jr.
James W. Smith
Norman M. Smith
Phillip J. Smith
William R. Smith
Richard C. Snyder
Fred G. Spellman
Peter J. Spink
Walter H. Stammer, Jr.
Christopher M. Stefanou
John C. Sterling
Connelly D. Stevenson
James W. Stinson
Lowell P. Stone
Gene F. Sullivan
Harlan D. Swanson, Jr.
Clarence O. Taff, Jr.
Joseph T. Talbert, Jr.
Richard R. Tarbuck
Frank B. Tatom
David S. Teachout
James G. Thomas
Benton G. Thompson
John D. Thurber
Barrick F. Tibbitts
Edward L. Toohey, Jr.
Donald N. Topping
James B. Townsend
Maurice F. Tyler, Jr.
James M. Van Metre
John A. Wagner
Brian F. Walker
Compton E. Ward
Robert L. Watkins
John A. Webster, Jr.
David Weggeland
Russell H. Weidman
George T. Welsh
Edwin K. Wharton
Laurence A. White, Jr.
Richard F. White
Jack M. Wilbern
John H. Wilde, Jr.
George H. Wilkins
Forrest R. Williams
Charles N. Wilson
Eric J. Wilson
Stephen A. Wise
Marc T. Wolff
Orpheus L. Woodbury III
Gene L. Woodruff
Herbert P. Woods
Carl B. Wootten, Jr.
Joseph M. P. Wright, Jr.
Orville Wright, Jr.
Frank F. Zechlin
Robert W. Zimmerman

The following-named midshipmen (Naval Academy) to be ensigns in the Supply Corps in the Navy, subject to qualifications therefor as provided by law:

Robert A. Allen, Jr.
Victor J. Baricev
Jack R. Binns
Stanley L. Booth
John S. Boyd
George D. Broyles
John E. Buckley
Whitmore S. Butts, Jr.
George S. Connolly, Jr.
Donald E. Coyne
James A. Dickey
Harold E. Dolenga
Thomas E. Eaton, Jr.
Jules J. Gervais, Jr.
Robert G. Harmon
Ernest C. M. Higgins
Edward N. Hobson
Robert Houghton
William S. Hunt, Jr.
Lloyd B. W. Kriner
John R. Legendre
William G. Loveday, Jr.
Patrick R. McCool
Lawrence E. McCullers
Franklin D. McMullen, Jr.
Jacob G. Oak-, Jr.
James E. Orange
Douglas C. Osgood
Louis A. Perrone
William A. Peters
Louis J. Pfeiffer
Jan S. Prokop
Donald A. Sacarob
Franklin D. Smith
William H. Stiles
Donald R. Stone
Isidore L'A. Tobin III
Richard S. Walsh
Perry L. Westmoreland
James A. White
Robert L. Williams
Corbin Woodward, Jr.
Eugene A. Wrobel
Edward A. Zabrycki

The following-named midshipmen (Naval Academy) to be ensigns in the Civil Engineer Corps in the Navy, subject to qualifications therefor as provided by law:

Charles C. Baggs
Paul H. Bradtmiller
Robert E. Quinn, Jr.
Robert A. Schade, Jr.
John J. Shanley, Jr.
James E. Whelan

The following-named midshipmen (Naval Academy) to be ensigns (engineering duty only) in the Navy subject to qualifications therefor as provided by law:

James M. Taylor
Richard L. Thomas

The following-named midshipmen (Naval Academy) to be ensigns (special duty only) in the Navy, subject to qualifications therefor as provided by law:

Richard O. Allen, Jr.
Edward I. H. Bennett, Jr.
Donald L. Brown
Joseph W. Harrison
Angus D. McEachen III
Nelson E. Moore
Carl Schleicher
Robert W. Schmitt
Frank D. Scovel
John S. Wilson
Frederick E. Wright

The following-name (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

Andre N. Abele
Paul R. Ackerman
Kenneth G. Ackroyd
Benjamin S. Adams
Jerome B. Adams
Richard D. Adams
Robert W. Adams
Thomas C. Adams
James W. Adolphson
William P. Albrecht
Henry C. Alden
Jaime P. Alexander
William H. All III
Frank A. Allard
Corbett U. Allen, Jr.
Edward P. Allen
Frederick J. Allen
John E. Allen
John McL. Allred
James W. Amis, Jr.
James B. Anderson
Paul N. Anderson
Salvatore J. Angelico
Layne B. Anspach
David L. Armstrong
Lloyd R. Armstrong
Thomas F. Arnold
Peter D. Arrowsmith
Robert L. Atkinson
Robert S. Attiyeh
Franklin P. Auwarter
Arthur DeL. Ayrault, Jr.
Arthur A. Bailey, Jr.
John L. Bailey
Evan S. Baker
Robert C. Baker
John W. Ballard
William M. Balliette, Jr.
Harold E. Barnes
Charles E. Barnett
John E. Barrett, Jr.
William L. Barrett, Jr.
Robert L. Barry
Neil J. Barta
Robert H. Bartley
Jerry J. Bass
Charles G. Bassett
Ned P. Baugh
Harold L. Baynes
Robert R. Beach
Lawrence L. Beall
Joseph J. Beard
Nathaniel O. Beasley
Paul F. Beatty

William H. Bedenbaugh
Phillip M. Belisle
John E. Benadum
Philip W. Benediktsson
Earl H. Benser
Richard C. Bensman
John D. Bentley
John L. Berg
Elmer L. Bergstraser
Theodore J. Berntsen
William H. Berry
Fred A. Besel
John M. Beshoar
Albert H. Best III
Francis X. Beytagh, Jr.
Henry E. Bilkey, Jr.
Robert J. Bitts
Josiah H. Blackmore II
Samuel J. Blackwell, Jr.
Benjamin C. Blake, Jr.
Gordon N. Blake
Warren W. Blakely
Jack J. Bland
Robert E. Blank, Jr.
Lurton W. Blassingame
Douglas J. Blatt
Robert B. Bliss
"S" "C" Boggess III
William S. Bolte
Robert L. Bootes
Andrew J. Borcik, Jr.
Gary L.Boshears
William C. Bourke
Raymond J. Bouvin
John C. Bowne
Leonard G. Brackeen, Jr.
Charles T. Bradshaw
Heinz R. Brandt
James W. Brannigan, Jr.
Robert N. Brannock
David M. Brantt
William McK. Braselton, Jr.
Edmond L. Brasseur
Donald J. Brautigam
Ambrose K. Brennan, Jr.
Marc A. Brenner
Walter C. Brestel, Jr.
Richard A. Bright
Sterling M. Brockwell, Jr.
Ora D. Brown III
Robert F. Brown, Jr.
Robert E. Browne
William C. Brumfield
Richard R. Brummett
Paul C. Brunet
Erwine T. Buckenmaier, Jr.
Gary L. Buckwalter
William S. Buehler
Robert F. Bullock
Willard J. Burch
Edward M. Burgess
Robert A. Burke
Paul Burnham
Robert H. Burr
Raymond D. Butler
Ralph L. Button
Michael J. Byrne
Olin R. Cable, Jr.
Richard P. Calhoun
Richard G. Camacho
Alan H. Campbell
Ronald K. Campbell
Ralph A. Capshaw
Joseph W. Carlson, Jr.
Joe D. Carr
William J. Carr, Jr.
James T. Carroll
Michael S. Carswell
John B. Carter
John L. Carter
Richard A. Carter
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Harold J. Castner
Wilfred B. Caton
James A. Cavenaugh, Jr.
Leonard H. Caveny
Douglas S. Chalmers
Dean A. Chambers
Donald G. Champlin
Charles W. Chandler
Paul W. Chapman
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Duward E. Chastain
Eugene S. Cherry
John Cheston
William S. Chilton
John H. Christ
Philip J. Christensen
Thomas J. Christman
Sylvester G. Chumley
Gilliam Clark, Jr.
Leonard J. Clark, Jr.
Robert W. Clark, Jr.
Ted G. Clause
Steven K. Cochran
Silas B. Coley, Jr.
Charles A. Collins
George A. Coltrane
Craig Comstock
Edmund T. Comstock, III
James H. Conley
Laurence M. Connell
Donald A. Connelly
David W. Conrath
Frank F. Conte
Fred J. Contrata, Jr.
Charles W. Cook, Jr.
Joseph A. Cook
Clyde "F" Coombs, Jr.
Gary O. Cooper
Henry Cox
Gerald G. Craddock
Edward A. Cramer, Jr.
John A. Cramer, Jr.
William R. Crate
Richard L. Crawford
Gene B. Cross
Robert T. Crow
Christopher G. Crowson
James F. Crum
James V. Cuff, Jr.
David H. Cullen
Alan "B" Cutter
John Dale
Joseph M. Daley, Jr.
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Harry M. Davidson
John G. Davies
Jackson K. Davis, Jr.
Jacob E. Davis II
Leroy L. Dawson, Jr.
John T. Day, Jr.
William C. Deans
David A. DeBell
Armando Delapaz
David S. Dennis
James E. Dennison
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Richard W. Devane, Jr.
Robert M. Dever
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William J. Dick
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Douglas J. Donohue
Edward W. Donovan, Jr.
Edward E. Doolan
Burton T. Doremus, Jr.
Henry Dormitzer II
Frank C. Dorsey
William R. Dorsey III
William F. Dove
Carl S. Downing
Peter Downs
Robert T. Draughon
Paul J. Driscoll
Frederick H. Duffield, Jr.
Kenneth D. Duncan
Paul E. Dunmire
Charles G. Durfee
Taylor R. Durham
John W. Durr III
Jerry C. Dusthimer
Charles "M" Earnest
Joshua V. Edwards
Theodore J. Elder
Philip S. Elkins
Frank K. Ellis
Peter R. Ellis
Frank F. Embick, Jr.
William J. Engle
James R. English, Jr.
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George B. Enoch
Sheridan B. Ensley
Eugene D. Eppen
Malcolm L. Erich
Kermit R. Escudier, Jr.
Frederick A. Ethridge
David L. Evans
Richard S. Evans
Marvin L. Eyler
Fred F. Farmer
Lawrence R. Farmer
John H. Farris
John H. Farrow, Jr.
Norman A. Felsenthal
Robert LeR. Ferguson
James L. Ferro
William E. Feurer, Jr.
Byron Fielding
George E. Fink
John M. S. Finney
John R. Firth
Edmund W. Fisher, Jr.
John H. Fite, Jr.
Richard B. Fitzpatrick
Charles R. Flather
Samuel A. Fleshman II
Daniel F. Flynn
Nathaniel E. Flynn
Robert H. Ford
Neville D. Fowler
Otis O. Fox
Rector K. Fox III
Irwin Z. Frank
Thomas P. Frank
George M. Fredrickson
Jerre M. Freeman
James C. Freund
Charles H. Frey
Charles L. Fries
Robert E. Fritts
Charles R. Fuller
Edwin P. Gable
Henry H. Gaffney, Jr.
Milton J. Gaines
Gino E. Gallina
George W. Gardner
Robert H. Gardner
Edwin J. Garn
Albert E. Garrett III
John O. Garvey
Donald M. Gay
Robert J. Gebel
Jerry D. Geist
Thomas L. Gibbons
James C. Gibson, Jr.
Robert M. Gifford
William F. Gilchrist
Robert H. Gile
Richard A. Gill
Leonard E. Giuliani
Lawrence MacN. Gleason
Culver C. Godfrey, Jr.
Robert A. Gonsalves
Tarrant A. Gooch
Philip I. Goodman
Winthrop M. Goodwin
Richard T. Gralow
Richard P. Gramley
Freeman A. Grant, Jr.
William E. Green
William H. Griffin
Richard A. Groeneveld
Ronald R. Grove
Robert "C" Grover
John K. Gschwind
William A. Guiffre
Malcolm W. Guild
Stewart E. Gully
Francis S. Hackney
Edwin R. Haering
Dayton R. Hahne
Roger L. Hale
George K. Haley
James W. Hall
Robert A. Hall
Ralph E. Hamilton
Glenn Hanna
Walter L. Hannum
Robert W. Hansen
John L. Hanson, Jr.
George K. Harding, Jr.
Jay H. Hardy
Jack E. Harmon
Buford A. Harris, Jr.
Jack E. Harris
David G. Harscheid
Robert L. Harshman
Donald F. Hart
Douglas Hart
Patrick E. Hart
Hugh B. Haskell
Cleighton J. Hastad
Robert N. Haven
Richard A. Hays
Peter S. Hearst
Robert D. Heatherly
Richard J. Heimer
Richard A. Hein
John P. Helmick, Jr.
Robert L. Hemmerling
James A. Henderson
Richard H. Henderson
Edward Hennessee
Richard D. Hensel
Michael McC. Hercher
Paul H. Herzing
Donald J. Hesketh
Robert M. Hetterly
James M. Hickerson
Owen W. Hickey
John C. Hiebert
Melvin L. Hildebrandt
Richard T. Hill
Walter P. Hines
William H. Hinkes
James W. Hinkley IV
Don G. Hinsvark
Benjamin R. Hippe
Gilbert R. Hitchcock
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Charles Hodgate, Jr.
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John P. Holm
Billy H. Holmes
Leslie K. Y. Hong
William K. Hoskins
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John H. Hubbard
Fred P. Hueber
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George Huling, Jr.
Donald E. Huntington, Jr.
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James H. Jacobs
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John C. Jamison
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Craig I. Johnson
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Robert E. Johnson
James R. Johnston
Gordon B. Jolley
John A. Jones
Robert F. Jones
Henry W. Jordan
Crawley F. Joyner III
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Richard A. Kammann
Kurt W. Karmin
Alvin R. Karn, Jr.
Grant W. Kearl
Paul L. Kearney
Dennis Keeley
Dennis E. Kennedy
Earl L. Kenworthy
Charles D. Kepner, Jr.
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Richard A. Kerr
William T. Kilbourne II
Monte L. Killingsworth
Stanley R. Kingnan, Jr.
James M. Kingsbury
Calvin H. Kinsley
Thomas C. Kirkman, Jr.
Wayne A. Kirkpatrick
John C. Kirscher
Barry D. Kirshbaum
Albert D. Kirwan, Jr.
Frank H. Klein
Peter M. Klein
John A. Kleinheinz
Philipp B. K. Knake, Jr.
Andrew G. Knezich
George H. Knightly
Ernest J. Kohl
Walter A. Kordex
Erich "F" Korman
Roger J. Kowalsky
John R. Kraft
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John W. Krieger
John J. Krimm
Herbert P. Krog
Ralph E. Kromer
George C. Kronmiller, Jr.
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John W. Kuhl
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Arne S. Landaas
Wesley A. Landen, Jr.
Grover W. Lang
John O. Langley
James B. Langworthy
William T. Lanier
James L. Larsen
William V. Laszlo
Peter C. Lauterbach
Robert W. Lawrence
James MacN. LeCuyer
Gerald D. Lehmer
Harold DeW. Lester
John W. Leth
John F. Lewis
Norman H. Lewis
Richard B. Lewis
Robert S. Lewis
Jon C. Liebman
Bruce R. Lippke
George F. Lockeman, Jr.
Cecil P. Loechelt
Harold F. Lombard, Jr.
Mathew R. Loonin
John W. Losa
Donald G. Lowry
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Fitz O. Lufkin, Jr.
Richard E. Luybli
Deane R. Lycan
Byron C. Lynch, Jr.
William M. McAllister
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Joseph M. McCabe
Robert A. McCaffery
Charles H. McCaghy
Robert C. McClanahan
Jerry McCleskey
William F. McClure
John H. McComb
Richard L. McCormack
Ronald K. McCreight
John J. McDermott
Russell B. McDonough, Jr.
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James R. McEowen
Paul L. McKaskle
William M. McKeeman
Louis A. McKellar
Mark H. McKinsey, Jr
Charles R. McLean
Gerald L. McMahon
Michael T. McNevin
Bruce G. McPhee
Stanley R. McSwain
Ronald B. MacDiarmid
James D. MacDonald
John M. MacEwen
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John H. Maclaren
Donald T. Maclay
Rankin DeW. Magill
Edward A. Mainland
Michael N. Malitz
John D. Malone
William C. Manes
Thomas D. Marks, Jr.
Merritt R. Marquardt
Michael R. Marron
Richard A. Marseille
Karl E. Martersteck, Jr.
Frank P. Martin
Joseph D. Mathewson
Myron F. Maxson
Charles J. Maxwell
John J. Mayo, Jr.
Alfred W. Medcalf
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Leonard M. Meier
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Robert E. Merki
Grant C. Merrill
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Donald O. Metcalf
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Allen W. Miller
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Wilfred T. Morioka
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Arnold W. Morton
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Ronald M. Muller
James McA. Murphy
Paul W. Murrill
William A. Musgrove
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John R. Neff
Robert A. Nerrie
Walter T. Neubacher
Stephen L. Newnham
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Jul M. Nickerson
Willis B. Nickerson, Jr.
John D. Niles
Bertil D. Nordin
Kenneth L. Norman
Thomas W. Nuckols
Harry O. Nutting III
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Ronald J. Oberle
Robert K. O'Brien
Edwin A. O'Connor
Darryl D. Olson
John A. Onderdonk, Jr.
James A. O'Rourke
David N. Orrik
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William S. Overton III
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Thomas W. Page
Charles F. Palmer
Harry F. Palmer
John S. Parke
Thomas R. Parker
James Parmiter
Richard R. Paske
Francis C. Pasquinelli
Alan D. Pasternak
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Joseph W. Penders
Thomas C. Perkins
Albert J. Perry
James F. Peterson
Noel H. Petree, Jr.
Darrell R. Pieper
Richard L. Plaut, Jr.
John K. Poggenburg, Jr.
Clarence R. Polfer
John C. Polking
Parker F. Pond, Jr.
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Donald H. Portch
John S. Porter, Jr.
Wells P. Poulsen, Jr.
Leonard F. Powell
LeRoy R. Price
Cornelius B. Prior, Jr.
Reed R. Probst
Ronald M. Propper
William E. Quillinan
James E. Quinn, Jr.
Peter J. Quinn
Roy M. Raja
Harr F. Ranney
Thomas J. Rappel
Philip W. Rathbun
Niels J. Reimers
Kent S. Renshaw
Gerald G. Reppetto
Theodore F. Reusswig, Jr.
Max C. Richardson
Ronald H. Richter
George B. Riefler
John F. Rish
Theodore C. Robbins
Bobby W. Roberts
Gordon J. "A" Roberts
David W. Robinson
Eugene I. Robinson
David M. Rockmore
Garland A. Roe
Charles E. Roegge
David E. Rosenbaum
Joe O. Ross
Rodney S. Rougelot
Carl R. Rundell
Charles W. Runnette III
Charles W. Rusch
William M. Russ, Jr.
John A. Rutgers
Frederick E. Sallade
Arthur Salzfass
Marvin C. Sanders
Dwayne C. Savage
Samuel L. Sayers
Gerhard R. Schade, Jr.
John J. Schang
William A. Schlapper
Kurt G. A. Schlick
Thomas D. Schlobohm
Stuart G. Schmid
Adrian W. Schmidhauser
William F. Schmiedel
Edward A. Schmitt
Daniel N. Schmoker
Maurice T. Schmoll
Howard A. Schneider
Jay W. Schwartz
Hans T. Schwarz
Douglas A. Scott
John P. Scudder
Fred A. Sears
John A. Sears, Jr.
James G. Seebold
Richard H. Setlowe
Philip R. Shafer
James R. Shaid
Roy Shank
Francis P. Shannon, Jr.
Fred H. Sharp, Jr.
George E. Shear
Amos T. Showalter
Joseph L. Showalter
William D. Simerville
Alexander Simkovich
Charles W. Simmons III
Leonard Simpson
Ronald K. Sley
John H. Sloan
Thomas M. Sloan
Herbert E. Smetheram
Bobby E. Smith
Lawrence H. Smith
Robert L. Smith
Sherwood H. Smith, Jr.
Robert E. Snow
Gilbert R. Sommer
William C. Sones
Philip E. Sonnet
Jerry C. Soper
William J. Soss
Lauren M. Soth
Roy G. Sowley
Arnold W. Staedell
Rex P. Stallings
James S. Stanford
Robert M. Stanford
Kenneth R. Stapleford
Bradley W. Stark
Walter W. Stark
Robert B. Steece
Colin G. Steele, Jr.
Robert E. Stengle
Barr S. Stevenson
John J. St. John
Terry L. Stockham
Sigurd I. Stocking
Robert H. Stotz
Robert H. Stratford
George R. Strohmeyer
Charles E. Strong
John M. Stuhldreher
Newell M. Stultz
James D. Stutz
John L. Sullivan
Michael P. Sullivan
Norman E. Sumner
Jerrold T. Sundt
Gilbert C. Sutton
John P. Swezey
Robert L. Swingle
Ronald H. Swinnerton
Donald P. Swisher
John H. Swope IV
Herman E. Tarnow
Dan L. Taylor
Larry J. Taylor
Carter S. Terrell
Arvel D. Tharp
Alexander Thomas
Charles H. Thomas II
John H. Thomas
Allan R. Thompson
Donald C. Thompson
Donald H. Thompson
Theodore Thomte
Robert E. Thorne
James L. Thorson
Jon S. Thurneysen
John M. Tiderman
Stanley M. Titus
James R. Tracy
Leigh B. Trevor
Robert G. Tripp
Reidar A. Trosdal, Jr.
Adam R. Trupp
Edwin B. Tucker
James E. Tucker
Benjamin B. Turner, Jr.
Charles H. Turner III
Dudley R. Turner
James R. Turner
Peter H. Turner
Robert R. Turner
John A. Turpin
Clinton L. Tuttle
Thomas D. Tuttle
Joseph W. Twinam
Thomas R. Ulrich
Richard J. Urban
Richard C. Ustick
William C. Vail
Kenneth M. Valentine
Daniel A. VanDuyne
Alfred L. VanSickel
Leroy W. Varettoni
Robert E. Vaughan III
Thomas R. Viknelson
Bruce R. Viloudaki
Clifford J. VonHoene
Richard L. Vonier
Joe L. Vowell
Charles H. Waldron
Howard R. Warner
Mitchum E. Warren, Jr.
Robert V. Watkins
Thomas J. Watson
Edward R. Way
Ross A. Webber
Gustave A. Weber, Jr.
James F. Weber
Frederick E. Weicker, Jr.
Frank A. Weidknecht
William M. Weinberger
John L. Welborn
Richard D. Welch
William L. Welch
Hugh A. Weston, Jr.
Harold S. Westphal, Jr.
William F. Whalen
Orville E. Wheeler
Henry M. White, Jr.
James D. Whiteside
Guy K. Whitfield
James W. Whittington
Jerry R. Whittlesey
Frederick P. Whittum
John C. Widman, Jr.
Charles L. Wiedrich
William E. Wiegand
James D. Wilder
Frank E. Williams
Jerome B. Williams
Richard E. Williams
Robert C. Williams
Thomas W. Williams, Jr.
Nicholas J. Willis
Bruce B. Wilson
Charles R. Wilson
Paul G. Wilson
William R. Wilson, Jr.
David E. Winer
John L. Witt
Arthur F. Woeber
Charles R. Wolf
David R. Womack
Bruce R. Wood
Charles L. Wood, Jr.
Rex S. Wood
Lucien C. Woodhouse
Jess B. Woods, Jr.
David B. Woodward
Allan M. Woolson
George Woron
Bruce H. Wyma
Richard A. York
Joseph E. Youmans
Ronald E. Young
Hercules P. Zagoras
Larry E. Zent
Chester A. Zinn, Jr.
William D. Zirbel
Bertram R. Zweig

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Lawrence F. Arnold
Peter C. Babcock
Harvey C. Barragar
Robert J. Bolke
Thomas G. Brown
Edgar G. Bulluck
Carroll J. Campbell
Edwin F. Cooke
Ula H. Cozart III
Franklin D. Crutchfield
Robert Curry
Gerald R. Daughtridge
Charles V. Doherty
Edwin J. Feller, Jr.
Ernest A. E. Gellhorn
Wayne W. Gerstenberger
William G. Goodwin
Donald B. Gruelle
Newton G. Hardie, Jr.
Louis L. Heil
Philip S. Heinecke
Donald A. Johnston
Robert A. Johnston
Kyle D. Krusemark
Robert D. LaMoreaux
Henry O. Larsen
Frederick D. Lawson
Edwin A. Love
Henry A. McClellan, Jr.
Michael W. McKinnon
Lee N. McMillion
William J. Martin
Richard E. Meredith
James H. Moeller
Stephen A. Moss
John A. Neal
Joseph Y. Nishimura
Denny R. Olivier
Charles E. Quesnoy, Jr.
James A. Raymond
Paul A. Reeder
Robert S. Rexford
Gerald J. Roos
Frederick L. Sorkin
Phillip B. Stevens
Don V. Sweder
Charles F. Vandegrift
David E. Wilson
Ronald A. Young
Stanley A. Young

The following-named (Naval Reserve officers) to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Roy G. Brown

LIEUTENANT

Ralph E. MacNaughton

LIEUTENANT (JUNIOR GRADE)

Richard T. Upton

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

LIEUTENANT

Joseph L. Sedwitz

LIEUTENANT (JUNIOR GRADE)

Russell Miller, Jr.

The following-named (Naval Reserve officers) to the grades indicated in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Joseph J. Hoyt

LIEUTENANT

Billie F. Outlaw

LIEUTENANT (JUNIOR GRADE)

David A. Ferguson
Theodore C. Riegelman

The following-named officers for permanent appointment to the grade of chief warrant officers in the United States Navy, subject to qualification therefor as provided by law:

Robert F. Ault, W–4.
John R. Gorman, W–4.
Albert F. Christener, W–3.
Walter A. Janas, W–3.
John C. Valek, W–3.

Ensign Russell L. Rose, Supply Corps, United States Navy, for transfer to and permanent appointment in the line of the Navy in the grade of ensign.

The following-named officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Robert L. Allen, Jr.
Homer W. Alton
Charles R. Anderson
George J. Arrighi, Jr.
Paul R. Avery
George M. Bailey
Clifford W. Bandy
William J. Barbour, Jr.
Donald R. Bauer
Harold R. Brenneman
William L. Brennen
Bernard A. Brooks
Elmer L. Browning
Wallace R. Bruns
Charles E. Clynes
Erwin A. Collins
Leo J. Connolly
Francis A. Conti
Harold E. Cox, Jr.
Dean E. Cramer
John Cremo, Jr.
Billy R. Crim
Robert Cross
Donald E. Cunningham
Hilton L. Cutler, Jr.
William F. Denison
Robert E. Driskell
Alton R. Evans
Gerald F. Faircloth
Lynn E. Gee
Donald Gibson
Eugene R. Glenn
Kenneth A. Gregory
Verlie M. Hamilton
William R. Harris
Fremont G. Haswell, Jr.
Newton G. Hayes
Hubert B. Herring
Jimmie E. Hickman
Kenneth E. Hill
James R. Holliday
David E. Hutchinson
William A. Ingram
Jerry V. Jenkins
Guy Keenum
William H. Kersting
Robert L. Kirkwood
Burton L. Knight
Maurice G. LaFave
John V. Laird
Bill Lakin
Arno H. Laux
William A. Leird
Ray M. McDonald
Claude A. McGee
Mercer L. McKinney, Jr.
Robert R. Mayer
Herbert A. Miller
Charles J. Murrell
John A. Norman, Jr.
George H. Overstreet
Ervin E. Padgett, Jr.
Jerry J. Palmer
Thomas W. Parker
Joseph P. Persell
Frederick C. Philipp
Elmer F. Poyet
Moody L. Pritchett
Ralph G. Reid, Jr.
Ellwood B. Reinhardt, Jr.
John R. Rinn
Tommie W. Roberts
George W. Rosendale, Jr.
Claude E. Rush
Frederick R. Sabine
Richard E. Saleh
Ramon A. Sesma
Joseph C. Smith
Thomas F. Smith
Vernon C. Smith
Charles C. Stewart
Elmer M. Stone
Bruce A. Tager
William J. Thomte
Dan "J" Tikalsky
Wade A. Tralla
Rocco D. Vallera
Logan E. VanPool
Edward F. Walder, Jr.
George D. Wehner
Walton E. Wells
Clarence A. White
Nelson E. Windsor
Harold R. Woodside
Robert LeR. Zipse

The following-named officer candidates to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Eric W. H. Bilicke
Francis W. Carson
James R. Durbin
Douglas L. Erickson
Daniel S. Gregorio
Kinner C. Mason
Kenneth H. Maxwell
Joseph P. Mitts
Vincent J. Pistolessi
Raymond V. Sullivan
James C. Woodard
Harold C. Wright

The following-named to be ensigns in the the line in the Navy, for limited duty only, classification deck, subject to qualification therefor as provided by law:

James E. Ballou
Stephen B. Barnett
James E. Brown
George E. Campbell
Howard C. Davis
Joseph A. Hierholzer
Edgbert F. Howard
William D. Hughes
Albert D. Isenberg
Walter C. Kurz
John D. McKinnon
Jack L. Reifschneider
Rodney R. Reynolds
Ronald W. Richardson
James W. Warren

The following-named to be ensigns in the line in the Navy, for limited duty only, classification ordnance, subject to qualification therefor as provided by law:

George H. Clayton, Jr.
John H. Dolan
Richard J. Halloran
Myron S. Johnson
Eugene A. Marcoux
William N. Morgan
Eugene A. Mount
Dorance L. Ochs
Robert G. O'Donnell
Odd B. Pedersen
Robert E. Peetz
Robert J. Robertson
Clayton L. Sheppy
Robert F. Vincent
Charles J. Whitbeck

The following-named to be ensigns in the line in the Navy, for limited duty only, classification administration, subject to qualification therefor as provided by law:

Lynn B. Bean
Richard S. Benoit
Roy A. Berry
Jesse V. Boyer, Jr.
Mario J. Cicchetto
Paul L. Dennis
Robert N. England
Walter H. Fehrs
James P. Forgy
Benjamin W. Gerrald
Oliver E. Harmon
Frederick G. Ingalls
Robert D. Jebb
Edward C. Keeley
Francis S. Paine, Jr.
Simon A. Roscoe, Jr.
Delbert A. Sexton
Raymond L. Smith
Peter P. Vispo
Floyd H. Whitehorn

The following-named to be ensigns in the line in the Navy, for limited duty only, classification engineering, subject to qualification therefor as provided by law:

Willie G. Almand
Leo F. Armstrong
Alfred J. Billings
James J. Brown
Leroy Bryant
Gustav F. Builder
Milton N. Cohen
Thomas E. Condron
Ira B. Dement
James M. Donley
Edward J. Farrell
Homer L. Ford, Jr.
Robert B. Goodman
Lawrence C. Gore
Carmano J. Gulli
William J. Hipp
Howard W. Hughes
Alden M. Hutchinson
Norman C. Johnson
William J. Landroche, Jr.
Gerald D. McCarthy
Donald H. Millon
James J. Murphy, Jr.
Robert E. Murphy
Harold B. O'Connor
James A. Pardo
Robert G. Patterson
Emile J. Racek
Robert S. Repta
Harry M. Rutherford
Elmer E. Salo
Robert P. Schmidt
Herbert "H" Scranton
Hobart E. Seward
Darryl D. Skow
Bruce L. Slawson
Bryce D. Slawson
George O. Smith
Homer R. Spann
Michael C. Staats
Leo H. Sweeney
Glynn A. Waldrop
James W. Watts
Ralph W. Welch
Henry W. Whittle
Martin F. Zdolsek

The following-named to be ensigns in the line in the Navy, for limited duty only, classification hull, subject to qualification therefore as provided by law:

Milfred C. Berg
Albert P. Festag
Gene Lanham
Edward C. McConkey
Ralph Motika
Eugene J. Schuster

The following-named to be ensigns in the line in the Navy, for limited duty only, classification electronics, subject to qualification therefor as provided by law:

Raymond W. Ashbacher
Lee E. Barret, Jr.
Charles LeG. Benjamin
Arthur LeV. Bentley
James T. Boyle
James W. Brooks
Bruce F. Brown
Howard E. Bylund
Walter A. Cahill
Allyn C. Christopher
Bernard F. Clausen
James E. Crickey, Jr.
Thomas P. David
George E. Davis
Robert R. Dunn
Jack D. Durham
Robert N. Elfsten
John R. Griffin
Bruce C. Haddan
James L. Haning
Thomas W. Hefferon
Edgar L. James
Michael J. Judge
Edward J. Kasnicki
Louis A. Kilpatrick
Herman LeR. Kinsel
Donald J. Kreutzberger
Henry E. Loudermilk
Richard C. McAllister
James L. McGlamery
Paul F. Mademann
Irving C. Nielsen
William J. O'Halloran
Gilbert A. O'Rear
Howard L. Palmer
Frank B. Scarlett
Donald D. Shelton
Jack W. Waddell
Theodore R. Weatherby
Norman P. West
Charles R. Witherspoon

The following-named to be ensigns in the line in the Navy, for limited duty only, classification aviation operations, subject to qualification therefor as provided by law:

George W. Crowe
Llewellyn LeR. Naddy
James I. Pardue

The following-named to be ensigns in the line in the Navy, for limited duty only, classification aviation ordnance, subject to qualification therefor as provided by law:

George F. Biehl
John E. Campbell
Duane J. Counsell
John C. McIlwaine
Edward R. Mateer, Jr.

The following-named to be ensigns in the line in the Navy, for limited duty only, classification aviation maintenance, subject to qualification therefor as provided by law:

Robert V. Dawe
John J. Errickson
Charles E. Farrar
Clyde W. Holland
Charles E. Johnson
Edward M. Nowak
Charles Nuanes
John H. Richter
Milton W. Schreck
William J. Stephens
James R. Vannice
Bryce K. Worrock

The following-named to be ensigns in the line in the Navy, for limited duty only, classification aerology, subject to qualification therefor as provided by law:

Claude C. Brown
Richard C. Husted
Stanley W. Stanwick

The following-named to be ensigns in the line in the Navy, for limited duty only, classification aviation electronics, subject to qualification therefor as provided by law:

Robert C. Borden, Jr.
Jack R. Carpenter
Elmer S. Clark, Jr.
Jay R. Collins
Daniel Curran
Bernard C. Elliott
George R. Fromm
Frederick W. Glaeser
William J. Keith
William P. Koll
Calvin H. Lyle
William Maliczowski
Robert L. Miller, Jr.
Ashley A. Myers
Odis A. Nicholson
Henry B. Perry
Jesse W. Quisenberry
John C. Roach
William P. Yarbrough, Jr.

The following-named to be ensigns in the Supply Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Harry Blackwell, Jr.
Walter E. Buck, Jr.
George J. Cooney
Russell S. Dohmeyer
James F. Erskine
Wallace J. Hanna
James J. Hart, Jr.
Harold S. Hatcher
Horald McR. Hughes
Billy N. Jones
Diedrich K. Krietemeyer
Lloyd W. Krueger
Jamie R. Murphy
Robert H. O'Malley
Harold S. Parr
Joseph R. Riser
Jettie C. Shuler
James Thompson
Blaxton V. Todd
Charles A. Vedra
Frank J. Wolfe
Joseph M. Zepczyk

The following-named to be ensigns in the Civil Engineer Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Lee S. Brooks
Robert E. Kenny
Victor H. Kimmons
Joseph F. Young

The following-named (Naval Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Don E. Aitchison
Ronald L. Amon
Charles T. Andrews
William C. Auer, Jr.
Harry F. Barnes
Ronald G. Beagle
Richard G. Braun
James C. Brokaw
Robert S. Brown, Jr.
William C. Bullis
Forrest W. Crone
Timothy J. Cronin, Jr.
William C. Doerner
Donald M. Douglas
Thomas R. Edgar
John J. Egan
Alex E. Fazekas
Pat D. Ford
Carroll R. Franklin
Albert L. Granger
Roy M. Gulick, Jr.
Milledge A. Hart III
Richard T. Henry
Dale C. Herndon
John I. Hopkins
Don E. Kennedy
Cloyd H. Klingensmith
Charles E. Knettles
Raymond M. Kostesky
Robert S. Lamb
John L. Landis
Franklin J. Lewis
Darwin D. Lundberg
Jarvis D. Lynch, Jr.
Daniel R. McGrath
Schamyl C. Massey
Robert F. Milligan.
Charles L. Monson, Jr.
Robert T. Motherway
James B. Murtland III
Cornelius J. O'Shea
Clarence R. Perry
Keith E. Phillips
Louis G. Sasso
William M. Schoessel, Jr.
Richard T. Shigley
James S. Shillinglaw
John Smallman
James W. Smith
Daniel L. Sullivan
Theodore W. Taylor
Anthony Trent
Richard S. Varney
Wayne M. Wills
Joseph B. Wuertz

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Dennis P. Abrahamson
Robert T. Adams
James D. Alton, Jr.
Kenneth F. Anderson
Neil P. Anderson
William D. Andrews
Harold L. Angle
Richard K. Apple
Keith E. Austin
George M. Ball
Leonard S. Baranski
Richard H. Barnhardt
Victor M. Barr
John E. Bates
Norbert J. Beckman
John P. Beggin
Dan A. Bench
James W. Benson
Robert F. Bickel
Charles E. Billips
Ben C. Blasingame
James M. Boswell
Daniel D. Bocklund.
James C. Boggs, Jr.
William E. Bower
Loren A. Brandt
Bruce L. Brown
Arnold J. Bur
John C. Burger
Phillip R. Burnaman
Robert G. Burnham
Franklin D. Burroughs, Jr.
Richard W. Calfee
Theodore E. Calleton
James T. Callier, Jr.
Richard G. Camacho
Joseph G. Campbell, Jr.
Floyd E. Cannon
Vincent A. Carbonar
John D. Carlton
Harry D. Carroll, Jr.
Raymond L. Carroll
Jared G. Carter
Roger T. Castonguay
Harlan P. Chapman
James L. Clapp
Dale H. Clark
Carl A. Clay
Westray S. Cobb
Fred J. Cone
Charles G. Conway
Robert M. Cook
James C. Cooley
John R. Dailey
Thomas F. Davenport, Jr.
Elden R. Davisson
Jerry A. Dick
Larry L. Dier
Wade D. Dorland
William P. Dowling
Terry L. Eikenbery
John S. Evans
Hans M. Ewoldsen
James E. Felker
Charles R. Ferree
Robert L. Formanek
Otis F. Forsyth
Clifford G. Fox
Peter D. Francis
Armin H. Frank
Ray M. Franklin
Donald R. Fraser
Joseph A. Frasier III
Larry W. Freeman
John D. Friske
Irving L. Fuller, Jr.
Donald A. Gazzaniga
Donald P. Geddes, Jr.
William G. Giles
Thomas E. Gillespie, Jr.
Earle P. Gillette, Jr.
Thaxter L. Goodell
John C. Goodman
William T. Graham
John L. Griffin
George F. Hager, Jr.

George S. Hamilton
John K. Hammes
John R. Harman
Peter C. Harrity
James B. Hart
Francis M. Hayden
Phillip M. Haymond
John W. Henry, Jr.
John M. Hey
Dean C. Hickox
William R. Hinds
Russell E. Hoffman
William G. Holiday
Lee B. Holmes
Kenneth R. Hook
Peter F. Hovell
Delbert J. Howerton
Guy D. Hughes
Richard D. Hughes, Jr.
Charles J. Hurbis
William D. Jackson
Walter M. Jastrzemski
Bruce W. Johnson
Gordon E. Johnson III
Paul D. Jones
James J. Kent
Paul D. King, Jr.
Ben Kingree III
Joseph A. Kish
George W. Kisker
Eugene J. Klosak
Eugene W. Knobloch
Clement J. Koehler
Alan R. Kosmata
Aaron Kraemer
Ernest R. Kugler
Ludwig G. Kuttner
Jovite Labonte, Jr.
James H. Lane
John F. Laue
Richard J. Lawrence
Bobby A. Lay
Clark M. Leonard
Ronald R. Lethin
John S. Llewellyn, Jr.
Arthur P. Loring
James F. Lowrie
Bruce D. Luedke
Robert Lugannani
Edmund M. Lutes, Jr.
Bruce G. Lynch
John L. MacFarlane
Robert T. Maddox
Earl S. Maeser
John A. Manke
David L. Marble
John T. Marshall
Robert S. Martin, Jr.
Gerald J. Massey
James L. Massey
Harris E. Matthews
Josephus L. Mavretic
Robert J. McAlister
Peter F. McCloskey
George M. McClure
Dudley E. McFadden, Jr.
Jack E. McGregor
Edward P. McManus
Theodore R. McMillin, Jr.
John J. McPhillips
Leon G. Mears
Joseph B. Meiners, Jr.
George F. Meister, Jr.
Howard I. Melton, Jr.
James P. Menton
David A. Merline
Michael Miller
Robert R. Mills, Jr.
Frederick J. Moe
Wesley N. Mollard
William B. Moore
James C. Moreton
Richard C. Movich
Robert G. Munro
Dewey L. Newman
James S. Nist
Richard J. O'Brien
Don J. Ogden
James P. O'Malley
Carl D. Orio
James W. Orr
John K. Palmer
Delos S. Pappas
Blaine R. Park
Charles F. Parke
Richard A. Patterson
Theodore R. Paulson, Jr.
Richard K. Penland
Dayle M. Perkins
Richard I. Peterson
Adolph J. Poche, Jr.
Charles R. Porter
Leonard E. Porter
Floyd T. Pottratz
Robert A. Powers
David T. Pratt
George S. Prescott
Robert N. Rackham
George D. Raitt
James P. Reed
Frank C. Regan
Frank M. Reinecke, Jr.
Milton A. Reinke
James F. Rice
James L. Roach
Jack J. Rogers
John E. Rogler
Carl A. Rohloff
William B. Rourke, Jr.
Eugene B. Russell
Edward F. Ryan
Robert W. Rychlik
Joe P. Sanders
Robert A. Sargeant
Donald E. Schaet
William A. Schaffer
William A. Schoen
Rolf R. Schroeder
Philip A. Schwerl
Henry L. Searle
Lawrence D. Sheridan
William H. Shirley
Francis Sistrunk
Phillip G. Slough
Donald A. Smith
Carl Solomonson, Jr.
Charles J. Sonnen II
Richard H. Stableford
Gerald F. Staleton
Michael E. Stein
Benton E. Stephenson, Jr.
Edward E. Stith
Rodney L. Stone
Walter A. Suhre, Jr.
John A. Sullivan
Haskell H. Sumrall, Jr.
M. Ronald Svec
James E. Swab
William J. Swartz
Carter P. Swenson
Ronald E. Tatum
Edward F. Toben, Jr.
Franklin J. Tonini
Edward F. Townley, Jr.
James B. Townsend
Paul G. Toxie
Raymond C. Treat
Donald R. Treicher
Robert H. True
Thomas J. Tully
Jan H. Vangorder
Neil R. VanLeeuwen
Richard J. Vesely
Walter L. Wagenhals
Robert C. Wagner, Jr.
Jay B. Weidler, Jr.
Wayne C. Weld
James P. Williams
John C. Williams III
Robert W. Williams
Anthony M. Wynn
Melvin B. Young III

The following-named (Army Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Nicholas J. Adamo
George H. Brower
William R. Hopkins
Edmund W. Kaaa, Jr.
William M. Westerman

The following-named Reserve officers for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Arthur Bergman
Howard A. Christy
Phillip E. Clemente
Ervin J. Crampton
George J. Higginbotham
Billy J. Kahler
Benjamin E. Macha
Robert C. Maher
Carl B. McGuire
Jimmy B. McInroe
Warren L. Melchert
David L. Odom
George E. Peterson
Stanton H. Roberts, Jr.
John B. Schafer
Sylvester D. Smaldone
Richard G. Steffey
Arthur L. Stewart, Jr.
Marvin V. Uthe
Gerald E. Vorrhees
William W. Widener

The following-named officers for permanent appointment to the grade of chief warrant officer in the Marine Corps, subject to qualifications therefor as provided by law:

Jack B. Aldridge
David N. Duncan
Winifred F. Welch

The following-named officer for temporary appointment to the grade of chief warrant officer in the Marine Corps, subject to qualifications therefor as provided by law:

Dennis M. Cantrell

The following-named officer from the temporary disability retired list for permanent appointment to the grade of captain in the Marine Corps, subject to qualifications therefor as provided by law:

Norman H. Bryant

The following-named persons to be postmasters:

POSTMASTERS

ALABAMA

Luther Palmer Bean, Clanton, Ala., in place of R. W. Lowe, retired.

Winston S. Morris, Elkmont, Ala., in place of J. T. Evans, transferred.

ALASKA

Michael Shepard, Anchorage, Alaska, in place of H. E. Brown, retired.

ARIZONA

William F. Cole, Maricopa, Ariz., in place of E. B. Green, retired.

Sarah L. Smith, Randolph, Ariz., in place of M. H. Smith, deceased.

ARKANSAS

Boyd B. Hamner, Bradley, Ark., in place of T. S. Reynolds, retired.

Harry Craig, Jonesboro, Ark., in place of F. R. Parr, retired.

Willis E. Varvil, Quitman, Ark., in place of J. O. Woolly, retired.

CALIFORNIA

Laura J. Pawlus, Bridgeville, Calif., in place of G. H. Cox, retired.

Virginia N. Tharp, Esparto, Calif., in place of L. K. Murray, resigned.

Noma Joyce Marshall, Five Points, Calif., in place of O. L. Smith, resigned.

James E. Orr, Lancaster, Calif., in place of L. P. White, transferred.

Charles F. Linck, Ja., Ontario, Calif., in place of C. J. Hase, removed.

Raymond C. Durant, Redondo Beach, Calif., in place of A. M. Schaeffer, declined.

CONNECTICUT

Richard J. Brereton, Wilton, Conn., in place of J. J. Cahill, resigned.

DELAWARE

Mark T. Berryman, Seaford, Del., in place of J. H. Cox, removed.

FLORIDA

Troy K. Smith, Bowling Green, Fla., in place of H. H. Bryan, retired.

L. M. Gallaway, Eustis, Fla., in place of A. O. Jefferis, deceased.

William O. Kennedy, Inverness, Fla., in place of J. S. Savary, deceased.

GEORGIA

William C. Chambers, Jr., Fort Gaines, Ga., in place of J. G. Scaife, deceased.

Samuel H. Henderson, Gray, Ga., in place of U. S. Lancaster, retired.

Carlos M. Sisson, Hapeville, Ga., in place of M. F. Smith, transferred.

William A. Garner, Ray City, Ga., in place of G. L. Webb, removed.

HAWAII

Joe R. Ferreria, Hanamaulu, Hawaii, in place of Antone Nobriga, Jr., retired.

ILLINOIS

Walter B. Tregoning, Carterville, Ill., in place of F. J. Rudloff, removed.

Wilburn R. Spencer, Murrayville, Ill., in place of Nellie Waters, retired.

Alfred E. Leininger, Nauvoo, Ill., in place of P. H. Schenk, removed.

Oliva S. Bradford, Table Grove, Ill., in place of Ruby Maxwell, resigned.

INDIANA

Otto L. Groninger, Akron, Ind., in place of D. L. Slaybaugh, retired.

Robert L. Sieber, Delphi, Ind., in place of W. B. Popejoy, transferred.

Charles F. Hasnerl, Knox, Ind., in place of C. W. Cannon, retired.

Ned Warner, Osceola, Ind., in place of E. T. Jansen, resigned.

Wendell R. Martin, Rensselaer, Ind., in place of H. E. McMahan, resigned.

Alfred L. Howe, Star City, Ind., in place of H. L. Korner, retired.

John D. Gaston, Urbana, Ind., in place of A. O. Hipskind, resigned.

Wilfred E. Shoemaker, Yorktown, Ind., in place of C. E. Jones, retired.

IOWA

Ray H. Aten, Humeston, Iowa, in place of R. W. Gardner, removed.

Charles R. Kremenak, Newell, Iowa, in place of D. N. Layman, retired.

KANSAS

Ralyn M. Hill, Abilene, Kans., in place of J. B. Robson, removed.

Warren L. Hartley, Belle Plaine, Kans., in place of G. L. Savage, resigned.

Myrtle M. McNelve, Emmett, Kans., in place of C. M. Moylan, retired.

Layne B. Lairmore, Newton, Kans., in place of W. F. Decker, deceased.

Bertha I. Elniff, Randall, Kans., in place of R. E. Collier, retired.

Merle E. Popplewell, South Haven, Kans., in place of H. F. Dodson, retired.

KENTUCKY

John D. Miller, Valley Station, Ky., in place of Murray Swindler, retired.

LOUISIANA

Claude Rogers, Saline, La., in place of W. S. Montgomery, retired.

MAINE

Pauline C. Nason, Poland, Maine, in place of E. J. Johnson, retired.

MARYLAND

Beatrice P. Brittingham, Fishing Creek, Md., in place of L. W. Tyler, declined.

Edward F. Boston, Princess Anne, Md., in place of J. E. Morris, retired.

Hugh H. Hassell, Rockville, Md., in place of H. A. Dawson, retired.

Rayola M. Moore, White Marsh, Md., in place of A. A. Kellner, resigned.

MASSACHUSETTS

Ernest A. Paradis, Dodgeville, Mass., in place of J. E. Langlois, deceased.

Larz D. Neilson, North Wilmington, Mass., in place of A. E. Gallagher, retired.

Cecil H. Evans, West Hanover, Mass., in place of P. J. Hanberry, deceased.

MICHIGAN

Donald H. Hutchins, Glenn, Mich., in place of G. M. Gerstner, resigned.

Mason Holmes, Idlewild, Mich., in place of M. A. Porter, removed.

Gordon H. Buckner, St. Clair, Mich., in place of J. C. Chamberlin, retired.

Alice R. Cox, Willis, Mich., in place of G. D. Howell, transferred.

MINNESOTA

Loren J. Schendel, Saint Michael, Minn., in place of C. E. Bloms, deceased.

MISSISSIPPI

Allie Mack Coker, Brookhaven, Miss., in place of Troy McGehee, retired.

Reece L. Cupit, Columbia, Miss., in place of D. W. Colbert, transferred.

Harvey C. Mitchell, Jr., Plantersville, Miss., in place of W. T. Grant, transferred.

Minnie L. Logan, Tinsley, Miss., in place of D. C. Selby, retired.

MISSOURI

Robert E. Hock, Fort Leonard Wood, Mo., in place of A. L. York, removed.

Wilma M. Henneke, Leslie, Mo., in place of G. C. Henneke, deceased.

Davis L. Owen, Moberly, Mo., in place of P. K. Weis, retired.

James W. Buzzard, Seneca, Mo., in place of H. B. Anderson, removed.

MONTANA

George W. Duffy, Whitefish, Mont., in place of L. E. Whitmore, retired.

William B. McCracken, Wolf Point, Mont., in place of L. R. Johnson, resigned.

NEBRASKA

Earnest A. Moxham, Chester, Nebr., in place of W. C. Rhea, retired.

Dale B. Morrill, Creighton, Nebr., in place of W. A. Horstman, removed.

Lowell L. Saunders, Dixon, Nebr., in place of H. L. Balser, retired.

Gilbert R. Fletcher, Hoskins, Nebr., in place of E. F. Winter, resigned.

Albert W. Watsek, Humboldt, Nebr., in place of Charles Hynek, deceased.

Alvin O. Jones, Sutherland, Nebr., in place of J. M. McKinley, removed.

Leland D. Dewitz, Wisner, Nebr., in place of W. M. Gross, removed.

NEVADA

Minnie Kennedy Tuxill, Glenbrook, Nev., in place of Frank Schneider, resigned.

NEW HAMPSHIRE

Ives Atherton, Hanover, N. H., in place of J. S. Gould, resigned.

NEW JERSEY

Harry H. Pedersen, Jr., Absecon, N. J., in place of C. S. Giberson, removed.

George W. Douglass, Cape May Court House, N. J., in place of Preston Fisher, retired.

Gertrude N. Bailey, Dividing Creek, N. J., in place of J. R. Hendricks, removed.

Howard F. Koons, Perth Amboy, N. J., in place of J. J. Quinn, retired.

John J. Picknally, Jr., Sea Bright, N. J., in place of J. L. Garland, resigned.

NEW YORK

Maurice W. Keating, Beacon, N. Y., in place of E. B. Murphy, retired.

Doris M. Robinson, Comstock, N. Y., in place of T. C. Sullivan, retired.

Alice M. Bird, Lake Peekskill, N. Y., in place of Zenobia Carrara, retired.

William R. Costello, Red House, N. Y., in place of Nevil France, deceased.

NORTH CAROLINA

Nelwyn F. Carawan, Bridgeton, N. C., in place of R. J. Weisiger, retired.

OHIO

Glenn M. Price, Gahanna, Ohio, in place of H. C. Reisdorf, resigned.

Ann M. Collins, Hooven, Ohio, in place of L. F. Hayes, retired.

Clarence J. Loch, Salineville, Ohio, in place of M. F. Mulheran, retired.

Victor Ferrari, Sr., Smithfield, Ohio, in place of C. A. Flenniken, removed.

Janice B. Hilborn, Tiro, Ohio, in place of J. L. Snyder, retired.

Nolen E. Stuckey, Van Wert, Ohio, in place of J. I. Miller, retired.

Richard G. Graham, Wapakoneta, Ohio, in place of A. J. Brown, retired.

Owen F. Hartsock, Waynesville, Ohio, in place of E. W. Conner, resigned.

Stephen M. Snouffer, Worthington, Ohio, in place of H. B. Lindimore, retired.

OKLAHOMA

William A. Craig, Miami, Okla., in place of Roy McGhee, removed.

Glen L. Strange, Tonkawa, Okla., in place of H. J. Barclay, retired.

PENNSYLVANIA

Robert W. Newton, Blandburg, Pa., in place of A. R. Lovell, retired.

Adrian E. Kibler, Hastings, Pa., in place of P. O. Holtz, retired.

Mary E. Yost, Loganville, Pa., in place of H. P. Shue, deceased.

Norbert C. McDermott, McKees Rocks, Pa., in place of L. A. Donahoe, deceased.

Drue L. Eyer, Nescopeck, Pa., in place of L. A. Parr, retired.

Melvin S. Raudabaugh, New Kingstown, Pa., in place of S. V. Martin, resigned.

Alfred E. Ingram, Norwood, Pa., in place of R. B. Mushler, removed.

Robert D. Esbenshade, Paradise, Pa., in place of S. T. Hershey, retired.

Howard J. Short, Willow Grove, Pa., in place of H. T. McEvoy, removed.

Jack S. Karchner, Woodland, Pa., in place of F. B. Maines, retired.

Samuel P. Zangari, Wrightsville, Pa., in place of M. E. Reisinger, retired.

PUERTO RICO

Euclides Pagan Irizarry, Aquadilla, P. R., in place of Antonio Esteves, retired.

SOUTH CAROLINA

Manly D. Padgett, Edgefield, S. C., in place of J. G. Holland, retired.

TENNESSEE

Josiah A. DeMarcus, Norris, Tenn., in place of R. Q. Williams, deceased.

Ross C. Hopkins, Sneedville, Tenn., in place of C. M. Seal, resigned.

TEXAS

Ponder A. Pickett, Big Wells, Tex., in place of S. A. Armstrong, resigned.

Ernest A. Mullen, Florence, Tex., in place of W. H. Taylor, deceased.

Melvin J. Nagel, Mathis, Tex., in place of N. G. Magowan, retired.

Annie M. Ramsey, Point Comfort, Tex., established January 1, 1955.

Jean F. Walker, Sheridan, Tex., in place of L. A. Botard, removed.

Dewey E. Waggoner, Sundown, Tex., in place of E. F. Oden, resigned.

UTAH

Garnel E. Larsen, Hyrum, Utah, in place of M. R. Liljenquist, retired.

Gordon A. Wood, Monticello, Utah, in place of A. B. Barton, retired.

VERMONT

John William Laramie, North Springfield, Vt., in place of E. J. Chapman, deceased.

VIRGINIA

Charles William Brown, Narrows, Va., in place of H. W. Hale, Jr., transferred.

Raymond N. Kinder, Rural Retreat, Va., in place of F. P. Brown, resigned.

WASHINGTON

Arlow R. Evers, Electric City, Wash., in place of W. M. Ratliff, resigned.

Lawrence G. Luzader, Pe Ell, Wash., in place of H. M. Walker, deceased.

James T. Likes, Rosalia, Wash., in place of H. C. Roberts, retired.

WEST VIRGINIA

Anna Jean Duncan, Cannelton, W. Va., in place of Roy Palmer, resigned.

Evelyn Wolford, Edgarton, W. Va., in place of L. J. Weaver, resigned.

Johnston Winston Chapman, Montgomery, W. Va., in place of Michael Kandel, transferred.

Leon D. Rishel, Spencer, W. Va., in place of W. H. Miller, transferred.

Erma J. Compton, Volga, W. Va., in place of A. C. Lambert, deceased.

WISCONSIN

Bernice A. Bechard, Bear Creek, Wis., in place of Frank W. Flanagan, retired.

Lawrence W. Paul, Fox Lake, Wis., in place of L. L. Dinkel, transferred.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 9, 1956.

Postmaster

Lewis R. Knox to be postmaster at Helena, in the State of Montana.

HOUSE OF REPRESENTATIVES

Monday, April 9, 1956

The House met at 12 o'clock noon, pursuant to the provisions of House Concurrent Resolution 226.

The Chaplain, Rev. Bernard Braskamp D. D., offered the following prayer:

Almighty God, our Father, by whose mercies we are spared and by whose power we are sustained, we thank Thee for Thy protecting care over us during the Easter recess.

Grant that our Speaker and the Members of the Congress may now be abundantly blessed with renewed strength and wisdom as they again turn to their high vocation and the particular business of statecraft.

May we daily feel that it is Thy work in which we are engaged and may it be the goal of all our aspirations and endeavors to be faithful stewards of Thy manifold grace and obedient servants of Thy holy will.

Help us never to interpret the reality and value of life merely in terms of its duration but always by its devotion and consecration to lofty principles and our donations and contributions to the welfare and happiness of all mankind.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of Thursday, March 29, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and

joint resolutions of the House of the following titles:

On March 19, 1956:

H. J. Res. 582. Joint resolution making an additional appropriation for the Department of Labor for the fiscal year 1956, and for other purposes.

On March 21, 1956:

H. R. 2552. An act to authorize the modification of the existing project for the Great Lakes on connecting channels above Lake Erie.

On March 24, 1956:

H. R. 1912. An act for the relief of Howard Rieck;

H. R. 5556. An act authorizing a preliminary examination and survey of McGirts Creek, Fla., for flood control;

H. R. 7927. An act to extend the time within which the State of Louisiana may make initial payment on the purchase of certain property from the United States; and

H. J. Res. 517. Joint resolution changing the date for the counting of the electoral votes in 1957.

On March 29, 1956:

H. R. 585. An act to authorize the conveyance to Lake County, Calif., of the lower Lake Rancheria, and for other purposes;

H. R. 622. An act to provide for the release by the United States of its rights and interests in certain land located in Saginaw County, Mich.;

H. R. 930. An act for the relief of John Daniel Popa;

H. R. 1014. An act for the relief of Chung Fook Yee Chung;

H. R. 1074. An act for the relief of Mrs. Esther Chan Lee (Eta Lee);

H. R. 1097. An act for the relief of John Meredith McFarlane;

H. R. 1104. An act for the relief of Guenther Kaschner;

H. R. 1137. An act for the relief of Harry John Wilson;

H. R. 1209. An act for the relief of Numeriano Legmay;

H. R. 1323. An act for the relief of Sister Ramona Maria (Ramona E. Tombo);

H. R. 1492. An act for the relief of Krsevan Spanjol;

H. R. 1544. An act for the relief of Mrs. Moli (Mali) Sobel;

H. R. 1666. An act for the relief of Jose Canencia-Castanedo;

H. R. 1806. An act to amend the act entitled "An act to incorporate the Roosevelt Memorial Association," approved May 31, 1920, as heretofore amended, so as to permit such corporation to consolidate with Women's Theodore Roosevelt Memorial Association, Inc.;

H. R. 1920. An act for the relief of Ane Karlic Vlasich;

H. R. 1923. An act for the relief of Kevin Murphy;

H. R. 1973. An act for the relief of Mrs. Chiu-An Wang (nee Alice Chiacheng Sze);

H. R. 2054. An act for the relief of Induk Pahk;

H. R. 2072. An act for the relief of Julian Nowakowski, or William Nowak (Novak);

H. R. 2283. An act for the relief of Wilhelmus Marius Van der Veur;

H. R. 2285. An act for the relief of Marie Lim Tsien;

H. R. 2345. An act for the relief of Jean Henri Buchet;

H. R. 2347. An act for the relief of Heinrich Wolfgang;

H. R. 3037. An act for the relief of Jakob Hass, Roza Hass, and Mala Hass;

H. R. 3057. An act for the relief of Dr. Bienvenido L. Balingit;

H. R. 3201. An act for the relief of George Mikroulis, his wife, Dora Mikroulis, and his daughter, Madonna G. Mikroulis;

H. R. 3557. An act to further amend the act of July 3, 1943 (ch. 189, 57 Stat. 372), relating to the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or certain civilian employees of the United States, by removing certain limitations on the payment of such claims and the time within which such claims may be filed;

H. R. 3723. An act for the relief of Freda H. Sullivan;

H. R. 3845. An act for the relief of Guillermo Pedraza;

H. R. 3869. An act for the relief of Esther Ledea Escobedo;

H. R. 3965. An act for the relief of Max Moskowitz;

H. R. 4181. An act for the relief of P. F. Claveau, as successor to the firm of Rodger G. Ritchie Painting & Decorating Co.;

H. R. 4185. An act for the relief of Zabel Vartanian;

H. R. 4391. An act to abolish the Castle Pinckney National Monument, in the State of South Carolina, and for other purposes;

H. R. 4680. An act affirming that title to a certain tract of land in California vested in the State of California on January 21, 1897;

H. R. 4802. An act to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land.

H. R. 5280. An act to authorize land exchanges for purposes of Colonial National Historical Park, in the State of Virginia; to authorize the transfer of certain lands of Colonial National Historical Park, in the State of Virginia, to the Commonwealth of Virginia; and for other purposes;

H. R. 5856. An act to repeal the requirement for heads of departments and agencies to report to the Postmaster General the number of penalty envelopes and wrappers on hand at the close of each fiscal year;

H. R. 5866. An act for the relief of Giovanni Lazarich;

H. R. 5876. An act to amend the copyright law to permit, in certain classes of works, the deposit of photographs or other identifying reproductions in lieu of copies of published works;

H. R. 6022. An act to provide for the relocation of the Trenton Massacre Canyon Monument presently located near Trenton, Nebr.;

H. R. 6112. An act to authorize the construction of a sewage-disposal system to serve the Yorktown area of the Colonial National Historical Park, Va., and for other purposes;

H. R. 6309. An act to authorize construction of the Mississippi River-Gulf outlet;

H. R. 6363. An act for the relief of Edward Barnett;

H. R. 6532. An act for the relief of John William Scholtes;

H. R. 6617. An act for the relief of Boris Kowerda;

H. R. 6618. An act for the relief of Etha Dora Johnson;

H. R. 6772. An act to authorize the Secretary of the Interior to convey certain federally owned land under his jurisdiction to the School District No. 24 of Lake County, Oreg.;

H. R. 6961. An act to designate the lake created by Buford Dam in the State of Georgia as Lake Sidney Lanier;

H. R. 7097. An act to provide for the reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project, to the former owners thereof, and for other purposes;

H. R. 8607. An act to authorize and direct the Secretary of the Interior to convey to David Peters, or to his heirs or assigns, title to land held by the United States in trust for him;

H. R. 9166. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates;

H. J. Res. 194. Joint resolution to designate the General Grant Tree (known as the Nation's Christmas Tree) in Kings Canyon National Park, Calif., as a national shrine; and

H. J. Res. 443. Joint resolution to increase the appropriation authorization for the Woodrow Wilson Centennial Celebration Commission.

On March 31, 1956:

H. R. 9770. An act to provide revenue for the District of Columbia, and for other purposes.

On April 2, 1956:

H. R. 944. An act for the relief of Nicola Teodosio;

H. R. 2522. An act for the relief of Isabelle S. Gorrell, Donald E. Gorrell, Mary Owen Gorrell, and Kathryn G. Wright;

H. R. 3265. An act for the relief of Alkista Sfounis;

H. R. 3375. An act for the relief of Dr. James C. S. Lee, his wife, Dora Ting Wei, and their daughter, Vivian Lee;

H. R. 3501. An act for the relief of Nisan Sarkis Giritliyan and Virgin Giritliyan;

H. R. 3650. An act to provide for the conveyance to Ellef Rue of certain real property situated in Cassia County, Idaho;

H. R. 3857. An act for the relief of Constantin David, Paula Marie David, Claire Edmonde David, and Ariane Constance David;

H. R. 4376. An act to exempt from duty the importation of certain handwoven fabrics when used in the making of religious vestments;

H. R. 6904. An act to provide for the establishment of the Booker T. Washington National Monument;

H. R. 8320. An act to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school milk program, the veterans and Armed Forces milk programs, and the brucellosis eradication program;

H. R. 8780. An act to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes;

H. R. 9064. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; and

H. J. Res. 464. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Fifth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1244. An act for the relief of Eva Gershbein Rubinstein;

S. 1687. An act for the relief of Lydia G. Dickerson;

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona;

S. 3076. An act to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes;

S. 3214. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir;

S. 3246. An act to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research; and

S. 3259. An act to amend the act to promote the education of the blind, approved

March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 5265. An act to exempt certain additional foreign travel from the tax on the transportation of persons; and

H. R. 5682. An act to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation.

COMMUNICATION FROM THE CLERK

The SPEAKER laid before the House the following communication, which was read by the Clerk:

APRIL 9, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority granted on March 29, 1956, the Clerk received from the Secretary of the Senate on March 30, 1956, the following messages:

That the Senate has agreed to the amendment of the House of Representatives to the bill (S. 1289) entitled "An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes"; and

That the Senate has passed without amendment the bill (H. R. 1667) entitled "An act for the relief of Lieselotte Boehme."

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

BILL ENROLLED

Mr. BURLESON, from the Committee on House Administration, announced that that committee had on March 30, 1956, examined and found truly enrolled the bill of the following title:

H. R. 1667. An act for the relief of Lieselotte Boehme.

BILLS AND JOINT RESOLUTIONS SIGNED BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Wednesday, March 28, 1956, he did on March 30, 1956, sign the following enrolled bill of the House:

H. R. 1667. An act for the relief of Lieselotte Boehme.

And enrolled bills and joint resolutions of the Senate as follows:

S. 101. An act to grant the status of permanent residence in the United States to certain aliens;

S. 117. An act to grant the status of permanent residence in the United States to certain aliens;

S. 213. An act to grant the status of permanent residence in the United State to certain aliens and to cancel deportation proceedings in the cases of certain aliens;

S. 315. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

S. 396. An act to facilitate the admission into the United States of certain aliens;

S. 500. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes;

S. 663. An act for the relief of William T. Collins (Vasilios T. Buzunis);

S. 963. An act for the relief of certain aliens;

S. 1242. An act for the relief of certain aliens;

S. 1289. An act to establish a domestic relations branch in the municipal court for the District of Columbia, and for other purposes;

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

DR. J. WALTER MALONE, PRESIDENT, MILLIKIN UNIVERSITY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, on April 1, Dr. J. Walter Malone, president, Millikin University, Decatur, Ill., retired. This good and kindly man has been president of Millikin for 10 years and has done an outstanding job. He has proved to be one of the best presidents in the history of the school.

Dr. Malone has had a long and honorable career in religious and educational service, beginning with his graduation from Western Reserve University in 1909 and from McCormick Theological Seminary in 1919. He also was a fellow at the University of Edinburgh in 1920–21.

I first knew Dr. Malone while he was director of the McKinley Memorial Church and Foundation at the University of Illinois from 1922 to 1941. There he was one of the most popular and able men ever associated with any foundation at the university. He did his job so well there that he was, in January 1946, chosen as president of Millikin University.

In addition to being one of the most popular and enthusiastic presidents in Millikin's history, he has compiled an outstanding record of accomplishments.

Dr. Malone provided much of the leadership in the raising of funds for the new million-dollar Scovill Science Hall which was opened this school year. During his tenure, gifts to the university totaled more than $2,500,000, with most of the money designated for building purposes or endowments. During the last few months as president, Dr. Malone asked the board of trustees to consider new dormitory construction. It appears that this dream of his will become a reality before long.

Dr. Malone fought to bring a larger and better faculty to Millikin. The Ford Foundation recently granted $182,200 for faculty salary increases.

One time in 1947 and 1948, Millikin enrollment reached an alltime high of 1,642. This indeed tested the capacity of the university, but it met that challenge.

Thanks to Dr. Malone's fine work, the university has remained with the small private college characteristics, including strong religious inspiration.

In this connection, it should be pointed out that Dr. Malone was moderator of the Presbyterian Church Synod of Illinois in 1927–2[illegible].

It was most appropriate that upon his retirement to faculty and alumni should pay tribute to Dr. Malone.

Roy M. Ha[illegible]ton of Decatur, president of the board of managers of the university, released a statement praising Dr. Malone in these words:

> He—

Dr. Malone—

> can pass from its gates with the knowledge that he leaves a task well and nobly performed.

Rev. Horace Batchelor of Mattoon, president of the Millikin board of trustees, said:

> We admire his fine Christian, manly spirit and his earnestness in building the lives of young people. His life has been devoted to the development of young people.

Victor C. Dewein of Decatur, president of the Millikin Alumni Association, said:

> How fortunate we at Millikin have been to enjoy the wonderful, warm, and friendly personality of Dr. Malone. His personal friendship not only carried into the alumni classes of his time, but to all Millikin alumni.
>
> Speaking in behalf of all the alumni, I wish him godspeed and much happiness in the years to come.

I am no minister, but if I were to take a text on Dr. Malone, I am sure it would be: "Well done, thou good and faithful servant: thou hast been faithful over a few things, I will make thee ruler over many things: enter thou into the joy of thy Lord."

No one I know who has performed an outstanding job could more appropriately warrant these words.

REMOVAL OF RESTRICTIONS OF RAISING CROPS FOR THE FEEDING OF LIVESTOCK

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a resolution adopted by the New York State Assembly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, on February 20 of this year I introduced a bill which would permit farmers to raise wheat without acreage restrictions when the produce is used exclusively by the producer on his farm. That day I joined several of my colleagues in testifying before the House Agriculture Committee in support of this principle.

Mr. Speaker, that was nearly 2 months ago, and as yet no action has been taken to relieve these farmers who are being forced to curtail their operations or pay the penalty if they fail to meet regulations. After much delay, a farm bill has

emerged from the conference committee, but nowhere in it is there provision to take care of the little farmer who merely wants to raise enough wheat to feed his own stock.

My bill, H. R. 9401, would broaden existing exemptions to include those farmers in commercial wheat-producing areas who harvest more than 15 acres, who use all their wheat on the farm where it is grown for feed and seed, and who do not desire wheat support.

Last week I received a resolution from the Legislature of New York State which supported this idea by urging removal of certain Federal restrictions on the raising of crops for the feeding of livestock. Under leave to extend my remarks I am inserting this resolution.

In particular, I call attention to the declaration by the legislature of their belief in the right of farmers to raise their own crops for their own use without Government restriction and their appeal to Congress to abolish or modify certain crop-control laws. I hope Congress will heed this call and do something to remove this inequity which, in effect, punishes the small farmer for practicing his right to use his own produce as he sees fit, even though he does not interfere with the rights of his neighbors or other citizens and does not use that right improperly.

The resolution follows:

STATE OF NEW YORK,
IN ASSEMBLY,
Albany, March 19, 1956.

Assembly Resolution 40

Concurrent resolution urging removal of certain Federal restrictions on the raising of crops for the feeding of livestock

Whereas the right to own and till our soil is one of the basic conceptions of our American way of life; and

Whereas this is construed to mean the right to raise any crop we wish in order to feed ourselves, our cattle and poultry; and

Whereas since 1938 a provision of the Federal crop-control law has restricted and denied this right to farmers; and

Whereas there is every justification that a farmer should be free to grow on his farm whatever crops he deems proper and necessary to feed his own livestock and poultry; and

Whereas the margin of profit, if any, under present prices for milk depends, to a large extent on the amount of feed grown on the farms: Now, therefore, be it

Resolved (if the senate concur), That the legislature of this State on behalf of all its people go on record as favoring the modification or removal of these restrictions; and be it further

Resolved (if the senate concur), That the legislature of this State does hereby respectfully memorialize the Congress of the United States to enact such legislation as may be necessary to alleviate the situation above set forth and to modify or remove the crop-control laws which created it; and, be it further

Resolved (if the senate concur), That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the clerk of the House of Representatives and to each Member of Congress duly elected from the State of New York.

By order of the assembly:
ANSLEY B. BORKOWSKI,
Clerk.

In senate March 23, 1956. Concurred in without amendment.

By order of the senate:
WILLIAM S. KING,
Secretary.

BIPARTISAN COMMISSION ON CIVIL RIGHTS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, today, I am introducing two bills suggested by the Attorney General to carry forward the administration's civil rights program. Identical bills are offered by the gentleman from Pennsylvania [Mr. SCOTT] and the gentleman from New York [Mr. MILLER].

One measure provides for the establishment of a bipartisan commission to study deprivations of the vote and other facets of the civil rights problem. The other proposal would authorize an additional assistant attorney general to direct the Government's activities in the field of civil rights.

Today, the fact that deep emotional overtones surround any approach to the subject of the rights of some of our citizens guaranteed by the Constitution makes it necessary that we approach the whole field with restraint, calm judgment and understanding.

At the same time we can let nothing stand in the way of the guarantee of the right to vote. The vote is a cornerstone of our form of government and affords protection of all our rights. What is needed now is to get at the facts—facts uncharged with emotion.

The establishment of a bipartisan commission to make a full-scale public study seems to be the best manner in which to bring the facts to light in a proper manner.

The proposed legislation provides for a commission of 2 years' duration, consisting of six members, appointed by the President subject to the approval of the Senate. No more than three may be of the same political party.

In addition, the office of Assistant Attorney General should be created with the special responsibility of overseeing the civil rights activities of the Department of Justice. At present, such activities are confined to the Criminal Division of the Justice Department, but modern problems and fairness to all concerned demand that they be given more full treatment in the manner this bill provides.

I am in agreement with the Attorney General that further legislation is needed to provide civil remedies in the field of civil rights, as well as in the criminal field. Later in the week I shall introduce legislation to prevent anyone from threatening, intimidating, or coercing an individual in the exercise of his right to vote; to authorize the Attorney General to bring injunction or other civil proceedings to carry this out; to eliminate the requirement that all State administrative and judicial remedies must be exhausted before access can be had to the Federal court; and legislation to allow the Attorney General to institute civil action in behalf of individuals in cases where certain rights have been infringed.

I hope the Congress will look upon all these proposals in the calm light of reason. It is only by means of a dignified, ordered approach that we shall be able to work together to solve these problems which face the Nation today. I am confident that the creation of a bipartisan commission to study the problem and an Assistant Attorney General for civil rights will be steps in the direction of an intelligent solution to this whole problem.

THE FARM BILL

Mrs. PFOST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, the conference version of the farm bill will be before us this week. It has been estimated that if the Congress passes the bill, and President Eisenhower signs it, farmers' net income for 1956 will be boosted between one and two billion dollars.

One of the best arguments for passing this bill lies in what has happened in Secretary Benson's native town—Preston, Idaho. Secretary Benson was born a couple of miles from Preston, which is the Franklin County seat, and grew up there. He later served as county agricultural agent.

Preston is a typical southeastern Idaho community of about 3,500 people. It is surrounded by highly diversified farms which raise wheat, sugarbeets, vegetables, feed, cattle, hogs, and poultry. It is also a dairying center. The business houses depend almost entirely upon farm trade for their existence.

Mr. Speaker, during the past 2 years 9 major businesses have failed in Preston—a department store, 2 large grocery stores, 2 hardware stores, an automobile agency selling a low-priced popular car, an electronics shop, a sweetshop, and a cafe. The city dads are so worried they have taken out the parking meters in an effort to get the farmfolk to come to town and shop.

The Federal land bank in Preston reports they did a land-office business last year—making the largest number of loans in their history, with an enormous increase in mortgages on family-sized farms.

Mr. Speaker, what is happening in Preston, Idaho, is happening in farm communities throughout the entire country. And we all know that when farm buying power goes down business failures soar and unemployment lines form. A farm recession is like an octopus—it reaches out and drags us all in.

American farm income must be substantially increased. With net farm income down $3 billion since 1952, and with small-business failures up, there is not a single Member of this body who can afford to vote for less than 90 percent of parity—and it should be 100 percent.

The Preston story is like a scarecrow in the field—a warning to both the Congress and the administration.

ULLMAN, PETITIONER, VERSUS U. S. A.

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, because I know very few Members of the House have had the opportunity to read the full text of a very important recent decision by the Supreme Court of the United States in the case of Ullman, petitioner, against U. S. A., which is commonly known as the recent decision on the Immunity Act of 1954, I am, pursuant to consent previously granted, placing most of the text of the decision in the CONGRESSIONAL RECORD for your guidance.

Secondly, I wish to call your attention to the fact that I am placing in the RECORD today what I believe is a very significant and important letter from J. Edgar Hoover, Director of the FBI, to me in answer to certain questions I asked him because I wanted his opinion to me as a member of the House Committee on Un-American Activities. It was in answer to my letter to him of March 29 asking him to give me his letter reply thereto, a copy of which letter to him is hereinafter set forth. He has done so in his letter to me of April 2, and I feel it is so clearly a helpful explanation by this distinguished American of the respective functioning of the FBI and the House Un-American Activities Committee, of which I am a member; and other similar congressional committees, that I am pleased to have you and every one of my distinguished colleagues in this great legislative body promptly know of his analysis, appraisement, and opinion.

One reason I wrote Mr. Hoover and asked him to give me his considered opinion is because of the frequent inquiries I receive asking why the FBI could not also do the work being done by the House Un-American Activities Committee and by the corresponding committee in the United States Senate. Also almost universally the letters I receive about the FBI compliment Mr. Hoover on the work of the FBI, of which he is the distinguished Director. So I therefore assume that this clearcut statement by Mr. Hoover showing the place and importance of these congressional committees will be accepted in full faith and credit by any who have open minds on this subject and really seek the true and correct answers.

MARCH 29, 1956.

Hon. J. EDGAR HOOVER,
Director, Federal Bureau of Investigation, Department of Justice, Washington, D. C.

MY DEAR SIR: I read in the Washington Evening Star for Tuesday, March 20, on page A-3, a quotation by you as to some of your testimony before the House Appropriations Committee. If you have more of the text of your prepared statement available so that I might have a copy of whatever you are able to send me, I will appreciate it very much.

Being a member of the House Un-American Activities Committee, your statement, as printed, was naturally very interesting and informative and whatever additional you have along those lines will be welcomely received by me. And if you do communicate with me in the premises I will especially thank you to answer the following inquiry by me: to wit, To what extent do you believe it is valuable and necessary to our national defense and national security against subversive activities of persons or groups in our Nation for such a committee as the House Un-American Activities Committee, or the corresponding Senate committee, to operate vigilantly from day to day.

One reason I ask this is that not infrequently I receive expression of opinion of people questioning the need of both the FBI and the congressional committees herein named. Many of these persons clearly state that they do not see the need of either of these committees functioning because, they claim that the FBI can, could, and should do all the work that is necessary. In your answer, therefore, if you can make it clear as to what you believe to be the function of such congressional committees and why you believe them to be necessary, if you do, I will appreciate it.

I trust you will anticipate from my question to you and the extent of my inquiry that it will be also appreciated if you will make a statement of the value of such committees in the House and Senate, and wherein they do necessary work which the FBI cannot and should not be expected to do.

I write you this letter because I want to be able to show your answer, and if convenient and you have no objection, to insert it in the daily CONGRESSIONAL RECORD and also release it back to at least these people who write me as above indicated and criticize the existence of the House Un-American Activities Committee and the corresponding Senate Committee.

For your cooperation in this, which I hope may come forward as promptly as convenient, and with personal regards, I have the honor to be

Cordially,

CLYDE DOYLE,
Member of Congress.

UNITED STATES
DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
OFFICE OF THE DIRECTOR,
Washington, D. C., April 2, 1956.

Hon. CLYDE DOYLE,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: Your letter of March 29, 1956, has ben received and I do appreciate your interest in my recent testimony before the House Appropriations Subcommittee. Unfortunately, I do not have copies available for distribution, but you may like to make inquiry with the office of the committee for the text.

The American people owe a great debt of gratitude to the work over the years of congressional investigating committees. These committees, day after day, secure information vitally needed in the consideration of new legislation. They are indeed indispensable parts of the American legislative process.

Congressional investigating committees, moreover, time after time have brought to the attention of the Nation conditions of fraud, dishonesty, and subversion. This function of awakening public opinion is of the greatest importance in our democratic life—a service not within the province of regularly constituted investigative agencies. Congressional investigating committees, by the very nature of the broad powers vested in them, are enabled to search out the facts and make them available to the citizenry.

We in the FBI have the highest appreciation for the contributions rendered by congressional investigating committees dealing with un-American activities. Each in its own way is serving the American people. The FBI is strictly a fact-gathering agency. It does not express opinions or make recommendations on the information it secures. That is the function of other officials of the Government. As the investigative arm of the Department of Justice, the FBI is charged with the duty of investigating violations of the laws of the United States, collecting evidence in cases in which the United States is or may be a party in interest, and performing other duties imposed by law. Its function is not exposure or securing information for legislative purposes. That is the function of the congressional investigating committees.

I feel that both the FBI and congressional investigating committees, in the field of internal security, have important roles to play. We are working for the same goal—protecting our great Nation from enemies who seek to destroy us. Our work is not contradictory, but mutually helpful. That is as it should be.

It was a pleasure to set forth my opinions on this topic and you may feel free to insert this letter in the CONGRESSIONAL RECORD.

Sincerely yours,

J. EDGAR HOOVER.

ROY COWAN ET AL.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 370)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 6421, "For the relief of Roy Cowan and others."

The bill directs the payment of sums aggregating $276,568 to 28 individuals in settlement of claims for damage based on the flooding of privately owned lands. The flooding is alleged to have resulted from activiities of the Fish and Wildlife Service of the Department of the Interior in the establishment and management of the Lake Alice National Wildlife Refuge in North Dakota.

In my judgment this is a case in which there has been an unfortunate failure in communications between the executive and legislative branches of the Government. A subcommittee of the House conducted a hearing on the ground and made a personal inspection of the area and the construction works involved. Although Department of the Interior engineers testified at the hearing, the views of the Department were not presented at the hearing and the report of the Department on the bill apparently was not received in time for consideration before floor action was taken by the House of Representatives. As a result, the record before me is one of unresolved disagreements of fact and law. Nevertheless, the materials presented by the Department of the Interior convince me that a satisfactory and adequate basis has not been established for appraising the merits and the equity of the claims.

Under the circumstances I believe that I have no choice but to return the bill without my approval, but with my recommendation that the case be handled either by the referral process frequently used in difficult claims cases or, if warranted, by the enactment of a jurisdictional bill which will preserve the rights and proper defenses of the litigants.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *April 9, 1956.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection the bill and the message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

FEASIBILITY OF MAINTAINING A PERMANENT DOMESTIC TIN-SMELTING INDUSTRY IN THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 371)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

Pursuant to the provisions of Senate Concurrent Resolution 26 of April 21, 1955, I transmit herewith for the information of the Congress a report entitled: "A Study of the Feasibility of Maintaining a Permanent Domestic Tin-Smelting Industry in the United States."

The study was made for me by the Office of Defense Mobilization with the assistance of a special interagency group comprised of representatives of the Departments of State, Treasury, Defense, Interior, and Commerce, the General Services Administration, and the United States Tariff Commission.

I concur with the conclusions of the study, and I am also in accord with the recommendation contained in the attached memorandum from the Director of the Office of Defense Mobilization.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *March 29, 1956.*

REPORT OF THE NATIONAL CAPITAL HOUSING AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on the District of Columbia:

To the Congress of the United States:

In accordance with the provisions of section 5 (a) of Public Law 307, 73d Congress, approved June 12, 1934, I transmit herewith for the information of the Congress the report of the National Capital Housing Authority for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *April 9, 1956.*

FIRST ANNUAL REPORT OF THE OPERATION OF THE UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the First Annual Report of the Operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *April 9, 1956.*

AMENDING THE ARMED FORCES RESERVE ACT OF 1952

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8107) to amend the Armed Forces Reserve Act of 1952, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

After line 5, insert:

"SEC. 2. The Armed Forces Reserve Act of 1952, as amended, is amended by inserting immediately after section 263 thereof the following new section:

"'SEC. 264. Notwithstanding any other provision of law any person called or ordered to perform a period of active duty for training in excess of 30 days under authority of subsections 233 (d) or 262 (c) of this act, shall during such period be deemed to have been called or ordered into active naval or military service by the Federal Government for extended naval or military service in excess of 30 days for the purpose of determining eligibility for any benefit prescribed under Public Law 108, 81st Congress (63 Stat. 201)'."

After line 5, insert:

"SEC. 3. This act shall be effective from August 9, 1955: *Provided*, That no additional basic pay shall be paid to any member by reason of the enactment of this act for any period prior to the first day of the calendar month in which this act is approved."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not object because I know what the bill purports to do, but I would like to ask the gentleman from Louisiana if he will kindly explain the substance not only of what the bill proposes to do but the Senate amendments added by the Senate.

Mr. BROOKS of Louisiana. Mr. Speaker, this measure simply equalizes the pay received by all the reservists under the new Reserve Forces Act of 1954. It seems that the National Guard man called on active duty for 6 months' training received greater pay than the reservist for the armed services who is not a guardsman. This bill would equalize that pay so that the men all receive the same amount of money when they go on active training for 6 months. They would receive the pay of a private and after 4 months get the pay of a private first class; that is, a pfc.

The Senate added two amendments. One of the amendments was to the effect that if a man on active duty training for 6 months received some disease which was injurious and disabling to him or contributed to his death, that this man should be compensated on the basis that the regular is compensated for when he dies or is injured in the service. It also provides under section 3 that the act shall be effective from August 9, 1955. The reason is that the Comptroller asked that we so frame the act so that the repeal is dated back to August 9, 1955, except for pay purposes.

Mr. ARENDS. Let me say to the gentleman from Louisiana I think this is good legislation. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND TO THE CITY OF CHARLOTTE, N. C.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8634) to authorize the conveyance of a certain tract of land in North Carolina to the city of Charlotte, N. C.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey to the Charlotte Park and Recreation Commission, an instrumentality of the city of Charlotte, N. C., all right, title, and interest of the United States in and to the tract of land described in section 2 of this act upon the payment by such commission of an amount equal to 50 percent of the fair market value of such tract as determined by the Administrator, less $10,000, the latter sum representing the amount contributed by the Charlotte Chamber of Commerce toward the purchase price paid for such tract and contiguous land by the United States.

SEC. 2. The tract of land referred to in the first section of this act is described as follows:

A parcel of land located two and one-quarter miles east of the center of Charlotte County of Mecklenburg, State of North Carolina, and more particularly described as follows:

Beginning at a stake at the southeasterly intersection of Central Avenue and Westover Street, and running thence with the southerly line of Central Avenue south 82 degrees 36 feet east 1,200.00 feet to a stake in the southerly line of Central Avenue; thence south 7 degrees 34 feet 30 inches west 1,445 feet, more or less to a stake in the northerly line of McClintock Avenue; thence with the northerly line of McClintock Avenue in a westerly direction 1,325 feet, more or less, to the easterly line of Westover Street; thence with the easterly line of Westover Street 887 feet, more or less, to the point of beginning, containing 32.5 acres, more or less; less and except approximately 7.46 acres transferred March 16, 1956, to the Department of the Army described as follows:

Beginning at the southeasterly intersection of Central Avenue and Westover Street; thence along the southerly line of Central Avenue south 86 degrees 36 feet east 500 feet to a point; thence southerly and parallel with Westover Street 650.00 feet to a point; thence westerly and parallel with Central Avenue to a point in the easterly line of Westover Street; thence northerly with the east line of Westover Street to the point of beginning, being in the city of Charlotte, State of North Carolina, and containing 7.46 acres, more or less; also less and except approximately 4.0 acres transferred March 1, 1955, to the Department of the Air Force described as follows:

All that tract or parcel of land lying and being in the city of Charlotte, Mecklenburg County, North Carolina, bounded on the north by land of the United States Government, Department of the Army, east by land of the United States Government, Veterans' Administration, south by McClintock Road; west by Westover Street and being more particularly described as follows:

Beginning at a point, said point being the most northwesterly corner of the herein described tract, on the east edge of Westover Street 263.00 feet from the center line of the intersection of McClintock Road and Westover Street; thence from the point of beginning with the land of the Department of the Army, south 86 degrees thirty-six minutes no seconds east 500.00 feet to a point, a corner common to the land of the Department of the Army, and on the property line of the Veterans' Administration; thence with the land of the Veterans' Administration south 3 degrees 34 minutes no seconds west 456.00 feet to the north edge of McClintock Road; thence along the north edge of McClintock Road north 57 degrees 24 minutes 38 seconds west 400.00 feet to the P. C. of a curve; thence along a curve to the left having a length of 124.16 feet and a radius of 322.72 feet to a point on curve: said point being also the P. C. of a curve to the right having a length of 34.47 feet and a radius of 25.00 feet to the P. T. on the east edge of Westover Street; thence along the east edge of Westover Street north 3 degrees 34 minutes 20 seconds east 221.15 feet to the point of beginning, containing 4.0 acres, more or less; also less and except approximately 2.98 acres transferred August 1, 1955, to the Department of the Army, described as follows:

All that tract or parcel of land lying and being in the city of Charlotte, Mecklenburg, North Carolina, and being more particularly described as follows:

Beginning at a point on the south right-of-way line of Central Avenue and 500.00 feet easterly along said right-of-way line from the east right-of-way line of Westover Street, said point being a corner of the Charlotte Army Reserve site; thence south 86 degrees 36 minutes east along the south line of Central Avenue 20,000 feet; thence south 3 degrees 34 minutes west 650.00 feet; thence north 86 degrees 36 minutes west 200.00 feet to a corner of the Charlotte Army Reserve training site; thence north 3 degrees 34 minutes east 650.00 feet to the point of beginning, and containing 2.98 acres, more or less.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Administrator of General Services is authorized and directed to convey to the Charlotte Park and Recreation Commission, an instrumentality of the city of Charlotte, N. C., 18.06 acres of land, more or less, being that part of a 32.5-acre tract of land acquired by the Veterans' Administration on June 16, 1947, as a hospital site which has not been transferred to other Federal use, exact boundaries of said property to be determined by the Administrator.

SEC. 2. Such conveyance shall be made subject to the requirements of section 13 (h) of the Surplus Property Act of 1944 (58 Stat. 770) as added by Public Law 616, 80th Congress (62 Stat. 770.350) (50 U. S. C. App. 1622 (h)): *Provided, however,* That in computation of the amount to be paid by said commission as consideration for the transfer hereby authorized the sum of $10,000 shall be deducted, such sum representing the amount contributed by the Charlotte Chamber of Commerce to the United States toward original acquisition of the aforementioned 32.5-acre tract.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON THE FARM BILL

Mr. COOLEY submitted a conference report and statement on the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk; and for other purposes.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AINSWORTH UNIT OF THE MISSOURI RIVER BASIN PROJECT

The Clerk called the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the report approved by the Secretary of the Interior on November 21, 1955, demonstrating the physical and economic feasibility of the Ainsworth unit of the Missouri River Basin project, integrated as a part of said project by the act of August 21, 1954 (68 Stat. 757), is hereby approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO INCUR EXPENSES BEFORE FOREIGN JUDICIAL TRIBUNALS

The Clerk called the bill (H. R. 7646) to authorize the Secretaries of the military departments, and the Secretary of the Treasury with respect to the Coast Guard, to incur expenses incident to the representation of their personnel before judicial tribunals and administrative agencies of any foreign nation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I want the RECORD to show that I am unalterably opposed to status of forces treaties and agreements under which American servicemen are tried in foreign courts under foreign judges; that I would do nothing to implement or continue those treaties or agreements. This bill, however, provides for the appointment, as I understand it, of legal counsel to represent American servicemen who are being tried under such conditions. Therefore, Mr. Speaker, I withdraw my reservation of objection, pointing out at the same time that there would be no necessity for this bill if these un-American treaties and agreements were not in effect.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. This is an extremely important bill which provides counsel for our men overseas, so I thank the gentleman very much for withdrawing his objection.

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in connection with the bill H. R. 7646.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, this bill was reported to the House by the Committee on Armed Services with the representation that it would be "a means of supplementing the substantial list of protections already secured by the NATO Status of Forces Agreement and related agreements."

I am glad that the gentleman from Louisiana who submitted the report frankly said on the floor of the House, on March 19, that he thought this was unfortunate phraseology. He knows, and I think we all know, that the Status of Forces Agreement and other similar agreements do not afford substantial protection to the servicemen, civilian components and dependents who are subject to it. The agreements do provide substantial deprivations—and the loss of American rights.

This bill is a frank admission by the executive department that the various agreements as to the status of our forces do not protect our people abroad. It is also following typical bureaucratic procedure is not admitting a mistake. Instead of publicly recognizing that the Status of Forces Agreements and similar agreements should never have relinquished to foreign nations the criminal jurisdiction over our citizens, they now make a show of offering our citizens some slight protection against those same agreements.

No one could be more conscious than I am of the plight of any serviceman or civilian who runs afoul of the provisions of one of these agreements, in Japan, in France, in Great Britain, or any other country. Last May I gave this body an opportunity to show its concern by offering House Joint Resolution 309, which would have directed the President to seek a modification of the terms of such agreements. The Foreign Affairs Committee has refused to report this resolution to the House for action. The committee has ignored, also, the identical resolutions offered by 14 of my colleagues—and ignored the prevailing sentiment of the membership which had been expressed last May in the adoption of my amendment to the first Reserve bill.

The committee was obliged to recognize that there were obvious wrongs resulting from these agreements, even though they have not permitted the House to vote on the resolution. Presumably a subcommittee is to be appointed to consider the possibility of congressional action. That seems hopeful, although possibly calculated as a sop to the consciences of some of the members of the committee, or to discourage other affirmative action by the House.

The present bill is, of course, a result of the hearings had last July on my resolution. The Defense Department was prodded into doing many things to help accused men. Things which it had been dilatory about doing earlier. Without this bill I understand that the Department has paid for counsel in a few individual cases where an appeal was made to a Secretary of one of the services. This was in order that one of the top officials could say later in speeches that the Department was doing everything possible for accused servicemen, including the payment of attorney fees.

In sending a draft of the present bill to the Speaker, the Defense Department stated that the authorization was important to the military departments "in order to protect United States personnel against possible disadvantages which may arise as a result of unfamiliarity with local laws, procedures, and language."

I say that the disadvantages referred to are not merely possible, they have already been suffered by every serviceman or civilian who had the misfortune to be accused and tried in foreign courts.

The purposes of the bill are praiseworthy—as far as they go.

They do not go far enough.

This bill will not restore to any accused his right under our Constitution to be presumed innocent until proven guilty.

It will not shift the burden of proof to the prosecution.

It will not protect him against being forced to testify against himself—or having an involuntary confession used against him.

It will not change one iota any provision of foreign criminal codes.

We are not justified in assuming that any prisoner will be released on bail now because the United States will be responsible. Practice in foreign courts so far indicates the contrary.

If the language barrier is to be surmounted in the employment of counsel—the counsel should be an American. As a practical matter it may be difficult to secure the service of an American lawyer versed in foreign laws and admitted to practice in the particular court involved.

The Status of Forces Agreement, and other agreements, do not carry any provision for the appearance of lawyers who may not already be admitted to practice in such foreign court. An American lawyer trying to defend his client by American methods and rules in a foreign court may actually provoke more antagonism for his client. At least—he is butting his head against the proverbial wall.

I have in mind one case reported by an observer in Japan where two servicemen were tried jointly. One was represented by an American lawyer admitted to practice in the court, the other by an attorney appointed by the Japanese court. The American tried to do all possible by American standards to protect his client—the Japanese, as is customary it seems, practically admitted his client's guilt and sought for a mitigation of punishment. The energetic efforts of the American lawyer were of no avail against the procedure and practices of the Japanese court.

We cannot do too much to relieve our servicemen from the effects of the various Status of Forces Agreements. But, it is important that the necessity for piecemeal measures should be ended by a revision of the agreements.

Our men should be treated as Americans.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, and the Secretary of the Treasury, with respect to the Coast Guard when it is operating as a service in the Department of the Treasury, may employ counsel, and may pay counsel fees, court costs, bail, and other expenses incident to the representation before judicial tribunals and administrative agencies of any foreign nation of persons subject to the Uniform Code of Military Justice.

SEC. 2. The Secretary of each of the military departments concerned, and the Department of the Treasury, shall prescribe regulations which shall be uniform to the extent practicable, to carry out the provisions of this act.

SEC. 3. Sections 189 and 365 of the Revised Statutes do not apply to any action taken under this act.

SEC. 4. Appropriations available to the military department concerned and to the Department of the Treasury for the payment of personnel may be used to carry out the terms and provisions of this act.

With the following committee amendments:

Page 2, line 10, insert:

"SEC. 4. No claim for reimbursement shall be made against any person subject to the Uniform Code of Military Justice with respect to any payments made on his behalf under the authority of this act: *Provided,* That claim for reimbursement may be made against any such person who is responsible for forfeiture of bail provided on his behalf at Government expense."

Page 2, line 17, strike out "4" and insert "5."

Mr. MARTIN. Mr. Speaker, I move to strike out the last word.

BATAAN: SYMBOL OF FREEDOM

Mr. Speaker, today is Bataan Day, the historic fall of that Philippine peninsula where 14 years ago American and Filipino soldiers fought side by side to defend freedom to the death against the forces of fascism and totalitarianism.

It is fitting that we should commemorate Filipino loyalty to democracy and American heroism, both of which were displayed at their best by American troops and Filipino soldiers. I recall with what admiration we followed their 3-month unforgettable struggle against odds, how they were outmanned, outguned, outplaned, how they were starving, many of them dysentery-ridden, some malaria-ridden, and yet they kept on fighting, heroes all of them worthy of every reward that our grateful nations can bestow.

What does Bataan mean to us now in the midst of the present ideological warfare in which we are engaged?

Bataan means that two nations of two different races can treasure the same spiritual values and the same ideals and together fight for them. It shows that an Asian people, 10,000 miles away from the American mainland, can learn to know and appreciate the American way of life and cherish it as if it were its own. It also shows that the American people can learn to like and understand and admire the culture and traditions of an Asian country and so respect them as to give of their genius and their substance to help fortify and enrich those values.

Battan is the most effective refutation to Communist propaganda that America is an imperialist nation because it was in Bataan where the Filipinos fought for freedom because they knew they had a stake in it—America having promised it to them and they knew America's word was her bond. America had fixed a definite date for Philippine independence, this Congress having enacted the Tydings-McDuffie Independence Act and we had pledged Philippine freedom for July 4, 1946.

Bataan stands today as the symbol of America's undying friendship for the Filipino people. There may be times when it may appear that as a nation we may not be giving our Filipino friends and allies all the support and all the assistance that they deserve. That would not be for lack of gratitude for what they did for us in our darkest hour in the Pacific because that we will never forget. It would only be because in a global struggle of the proportions such as the one in which we are now engaged, for the security of the free world and in the interest of safeguarding peace for all mankind, it may be imperative for us sometimes that certain needs should claim our preferential consideration. Filipino welfare and Filipino security, however, are just as fundamental to us as our own and we want to assure the people of the Philippines that when the chips are down they will find the American people as loyal to them as they have been loyal to us.

It was Secretary of State Dulles who, in September 1954, solemnly and formally pledged, for and in behalf of the Government and people of the United States, in an exchange of notes with the government of the Republic of the Phillippines, that in case of attack by an enemy on the Philippines, such an attack would be considered by the United States as a threat to its own security and it would be met with an automatic retaliation by the United States. Secretary Dulles knew that such an assurance has the full backing of the American Congress and that he was speaking for the American people.

The Filipino leader, President Ramon Magsaysay, has the confidence and support of our Government and people. We know how successfully he has defended human freedom in his relentless fight against communism. We know, too, that he is the symbol of integrity in public office and that because of his honesty, his courage and his vision he has the unquestioning support of the Filipino masses. The Philippine Ambassador to the United States, General Carlos P. Romulo is held in affectionate regard all over the United States because we see in his record, in war and in peace, the highest qualities of courage, statesmanship and patriotism. These two men fought as soldiers in the Second World War. We in America cannot forget those who served under the colors and risked their lives for us. To the American people these two men symbolize Bataan, and Bataan is enshrined in every American heart.

Mr. Speaker, to speak of Bataan is to speak of General Douglas MacArthur. History will accord to this great American hero the niche of fame he has earned by his valor and by his incomparable record as a soldier-statesman. When the petty passions of today are forgotten, he will emerge in his full stature as one of America's immortals. True greatness can only be appreciated given the perspective of time. Nothing can dim the luster of his record and his name. To him as well as to all the American and Filipino soldiers who served under his glorious banner, we dedicate today our grateful thoughts.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECORDS OF FEDERAL AGENCIES

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

BRIDGE AT OGDENSBURG, N. Y.

The Clerk called the bill (H. R. 8547) to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved August 19, 1950, authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the St. Lawrence River, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation, at or near the city of Ogdensburg, be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 4 years and completed within 6 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 3, after "1950," insert "heretofore extended by an act approved August 14, 1953."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF CERTAIN PROJECTS IN MICHIGAN

The Clerk called the bill (H. R. 8807) to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in the first section of the act entitled "An act to revive and reenact the act entitled 'An act authorizing the State of Michigan, acting through the International Bridge Authority of Michigan, to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the St. Marys River, from a point in or near the city of Sault Sainte Marie, Mich., to a point in the Province of Ontario, Canada', approved December 16, 1940", approved July 28, 1953 (67 Stat. 225; Public Law 157, 83d Congress), is amended to read as follows: "*Provided*, That this act shall be null and void unless the actual construction of the bridge, or series of bridges, causeways, and approaches thereto, referred to in this act, is commenced on or before July 28, 1959, and completed on or before July 28, 1962."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLFUL DESTRUCTION OF AIRCRAFT OR MOTOR VEHICLES

The Clerk called the bill (H. R. 319) to punish the malicious destruction of aircraft and attempts to destroy aircraft.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADMINISTRATOR OF GENERAL SERVICES

The Clerk called the bill (H. R. 7913) authorizing the Administrator of General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to convey by quitclaim deed to the city of Cape Girardeau, Mo., all right, title, and interest of the United States of America in and to the following described lands lying and being in Cape Girardeau, county of Cape Girardeau, State of Missouri: Beginning at a point in the easterly line of Lorimier Street which point is distant 100 feet northwardly from the intersection of the easterly line of Lorimier Street with the center line of Themis Street extended eastwardly; running thence south 82 degrees 59 minutes east, on a line parallel with the center line of Themis Street extended, a distance of 240 feet to a point; thence south 6 degrees and 58 minutes west, on a line parallel with the easterly line of Lorimer Street, a distance of 280 feet to a point; thence north 82 degrees 59 minutes west, on a line parallel with the center line of Themis Street extended, a distance of 240 feet to a point in the easterly line of Lorimier Street; thence north 6 degrees 58 minutes east along the easterly line of Lorimier Street a distance of 280 feet to the point or place of beginning, as shown on plat of Post Office and Court House Site, Cape Girardeau, Mo.; made by Albert J. Chandler, assistant construction engineer, dated June 10, 1941, and by reference made a part thereof; together with the improvements thereon except the library building. As consideration for such conveyance, the city of Cape Girardeau, Mo., shall, concurrent therewith, convey by deed to the United States of America, free of all liens, taxes, and encumbrances, all right, title, and interest of the city of Cape Girardeau, Mo., in and to the following described lands lying and being in Cape Girardeau, county of Cape Girardeau, State of Missouri: Fronting 125.5 feet on the southerly side of Broadway Street and extending of that width in a southwardly direction along the easterly side of Fountain Street a distance of 165.175 feet to the northerly side of a 9-foot ally; being the same premises acquired by the United States November 19, 1907, in condemnation proceedings instituted in the Circuit Court of the United States for the Southeastern Division, Judicial District of Missouri, and designated as Case No. 19 in the records of said court.

SEC. 2. The conveyance authorized pursuant to this act shall restore all right, title, and interest to lands formerly owned by and exchanged between the United States of America and the city of Cape Girardeau, Mo. The Attorney General of the United States of America shall approve in writing the title to the property to be conveyed by the city of Cape Girardeau, Mo., prior to the delivery of the deed from the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVAL RESERVE OFFICERS

The Clerk called the bill (H. R. 7611) to establish a date of rank for pay purposes for certain Naval Reserve officers promoted to the grades of lieutenant and lieutenant commander.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act of July 24, 1941 (55 Stat. 603), those officers of the Naval Reserve—

(a) who were selected for promotion to lieutenant or lieutenant commander by selection boards of officers whose reports were approved by the Secretary of the Navy on April 11, 1952, April 14, 1952, April 22, 1952, April 25, 1952, May 20, 1952, or May 29, 1952; and

(b) who were promoted to the grade for which selected while on active duty,

shall be considered to have been promoted on the date which is stipulated in the appointing orders to be the date of rank in the grade to which promoted, and shall be entitled to pay, allowances, and precedence from this date of rank.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS FOR YELLOW FEVER RESEARCH

The Clerk called the bill (H. R. 8390) to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever."

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2438, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929 (45 Stat. 1409), is amended by striking out "$125 per month" and inserting in lieu thereof "$200 per month."

SEC. 2. The provisions of this act shall take effect on the first of the month following the date of its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 8390, was laid on the table.

AMENDMENT OF WOMEN'S ARMED SERVICES INTEGRATION ACT OF 1948

The Clerk called the bill (H. R. 8477) to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title II of the Women's Armed Services Integration Act of 1948 (62 Stat. 363) is amended by—

(1) amending section 203 to read as follows:

"SEC. 203. Women commissioned in the Regular Navy under the provisions of this title shall not have permanent commissioned grade on the active list of the Regular Navy above that of commander. The number of women officers on the active list of the line of the Regular Navy in the permanent grades of commander and lieutenant commander shall not exceed 10 percent and 20 percent, respectively, of the number of women officers on the active list of the line of the Regular Navy in the grades of ensign and above at any one time. Computations to determine such numbers shall be made at such times that the needs of the service require but not less than once annually. Whenever a final fraction occurs in any computation made pursuant to this section, the nearest whole number shall be taken and if such fraction be one-half the next higher whole number shall be taken. Upon determining such numbers the Secretary of the Navy may further determine the number, which may be a lesser number, of women officers on the active list of the line of the Regular Navy which may serve in each of these grades, and if the number so determined in the grade of commander is less than the computed number the number determined in the grade of lieutenant commander may exceed the computed number by the amount of such difference. The numbers so determined shall be held and considered as the authorized numbers until subsequent computations and determinations are made. No woman officer of the Regular Navy shall be reduced in grade or pay, or be separated from the active list, as the result of any such computation or determination.";

(2) amending section 206 (b) by—

(A) inserting before the word "promotion" the word "permanent"; and

(B) adding at the end of the section the following sentences: "A woman officer of the grade of ensign in the Regular Navy or the Naval Reserve on active duty may be temporarily appointed to the grade of lieutenant (junior grade) under regulations prescribed by the President and when so appointed shall be entitled to the pay and allowances of such grade from the date of eligibility for the temporary appointment. The permanent appointment of a woman officer so temporarily appointed shall not be vacated by reason of such temporary appointment.";

(3) amending section 206 (d) by deleting the first sentence thereof and substituting therefor the following: "Women lieutenant commanders and lieutenants of the line of the Regular Navy shall become eligible for consideration by a selection board for promotion to the next higher grade in the fiscal year on June 30 of which they will have completed 4 years of service in their grades and women lieutenants (junior grade) of the line of the Regular Navy shall become so eligible after they will have completed such periods of service in grade as the Secretary of the Navy may prescribe. Women lieutenant commanders, lieutenants, and lieutenants (junior grade) shall retain their eligibility for consideration for selection for promotion until recommended for promotion in the approved report of a board on selection or until separated from the active list.";

(4) amending section 206 (i) by adding the following sentence at the end of the section: "In addition, for a period of 4 years after the effective date of this amendatory act, when determined by the Secretary of the Navy to be required for the needs of the service, there shall be furnished the appropriate selection board the number of those officers in the grade of lieutenant who will complete 13 years of active commissioned service in the Regular Navy and Naval Reserve in the current fiscal year and who, if not selected for promotion to the next higher grade, may be recommended to be retained on the active list until June 30 of the fiscal year in which they complete 15 years of active commissioned service in the Regular Navy and Naval Reserve.";

(5) amending section 206 (k) by changing the period at the end of the section to a semicolon and adding the following: "if such computation produces an indeterminate or inequitable number, the Secretary of the Navy shall prescribe a number which is equitable. In addition, for a period of 4 years after the effective date of this amendatory act, when determined by the Secretary of the Navy to be required for the needs of the service, there shall be furnished the appropriate selection board considering women staff officers the number of those officers of the grade of lieutenant who will complete 13 years of active commissioned service in the Regular Navy and Naval Reserve in the current fiscal year and who, if not selected for promotion to the next higher grade, may be recommended to be retained on the active list until June 30 of the fiscal year in which they complete 15 years of active commissioned service in the Regular Navy and Naval Reserve.";

(6) amending section 207 (j) by—

(A) inserting after the words "to the next higher grade" the words "and who have not been recommended for retention on the active list by a selection board pursuant to section 206 (i) or section 206 (k),"; and

(B) adding at the end of the section the following sentence: "Women officers of the grade of lieutenant of the Regular Navy who have been recommended for retention on the active list by a selection board pursuant to section 206 (i) or section 206 (k) shall be honorably discharged on June 30 of the fiscal year in which they complete 15 years of active commissioned service in the Regular Navy and Naval Reserve, with a lump-sum payment computed as prescribed above."; and

(7) amending section 213 by—

(A) adding within the parentheses contained in subsection (a) after the words "Marine Corps" the words "or as otherwise provided in this section";

(B) redesignating subsection (d) as subsection (e);

(C) adding a new subsection (d) as follows:

"(d) Women commissioned in the Regular Marine Corps under the provisions of this title shall not have permanent commissioned grade on the active list of the Regular Marine Corps above that of lieutenant colonel. The number of women officers on the active list of the Regular Marine Corps in the permanent grades of lieutenant colonel and major shall not exceed 10 percent and 20 percent, respectively, of the number of women officers on the active list of the Regular Marine Corps in the grades of second lieutenant and above at any one time. Computations to determine such numbers shall be made at such times that the needs of the service require but not less than once annually. Whenever a final fraction occurs in any computation made pursuant to this section, the nearest whole number shall be taken and if such fraction be one-half the next higher whole number shall be taken. Upon determining such numbers, the Secretary of the Navy may further determine the number, which may be a lesser number, of women officers on the active list of the Regular Marine Corps which may serve in each of those grades, and the number so further determined shall be held and considered as the authorized numbers until subsequent computations and determinations are made. No woman officer of the Regular Marine Corps shall be reduced in grade or pay, or be separated from the active list, as the result of any such computation or determination."

(D) adding the following new subsections:

"(f) The number to be furnished the appropriate selection board in respect to the promotion of women officers of the Regular Marine Corps to the grades of lieutenant colonel and major shall be determined by the Secretary of the Navy as of the date of the convening of the board and shall be equal to the number of vacancies existing for such officers in the grade concerned, plus the estimated number of such vacancies which will occur during the ensuing 12-month period and minus the number of such officers then on the promotion list."

"(g) Women officers of the grades of captain and first lieutenant in the Regular Marine Corps whose names on June 30 of the fiscal year in which they complete 13 and 7 years' active commissioned service, respectively, in the Regular Marine Corps and Marine Corps Reserve are not then on a promotion list for promotion to the next higher grade shall be honorably discharged from the Marine Corps on that date with a lump-sum payment computed on the basis of 2 months' active-duty pay at the time of their discharge for each year of commissioned service, but not to exceed a total of 2 years' pay. For the purposes of this subsection a fractional year of 6 months or more shall be considered a full year in computing the number of years' commissioned service upon which to base such lump-sum payment."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING LAWS RELATING TO GRADE OF CERTAIN PERSONNEL OF THE ARMY, NAVY, AIR FORCE, AND MARINE CORPS UPON RETIREMENT

The Clerk called the bill (H. R. 8904) to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That—

(1) subsections 203 (a) and 203 (e) of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1085, 1086) are amended by striking the words "during the period September 9, 1940, to June 30, 1946,"; and

(2) section 5 of the act of August 21, 1941, as amended (62 Stat. 1085), is further amended by striking the words "during the period September 9, 1940, to June 30, 1946,".

SEC. 2. (a) Section 2 of the act of July 16, 1953 (ch. 203, 67 Stat. 175), is amended to read as follows:

"SEC. 2. This act takes effect on June 29, 1948."

(b) A retired member of the Army or the Air Force would have been eligible to be retired in a higher grade or advanced to a higher grade on a retired list if the amendment made by subsection (a) of this section had been in effect at the time of his discharge or release from active duty as a commissioned officer, shall, if he applies within 1 year after the effective date of this act, be advanced on the applicable retired list to that higher grade, and be entitled to retired pay on and after the effective date of this act at the rate prescribed by section 5 of the act of July 31, 1935 (49 Stat. 507), as amended, for that grade.

SEC. 3. Section 10 (b) (2) of the act of July 24, 1941, as added by subsection 8 (a) of the act of February 21, 1946 (60 Stat. 28), is amended by adding after the word "act" the words "or title III of the act of August 7, 1947 (61 Stat. 829)."

SEC. 4. (a) Subsection 10 (e) of the act of July 24, 1941, as added by subsection 8 (a) of the act of February 21, 1946 (60 Stat. 28), is repealed effective February 21, 1946.

(b) Subsection 203 (f) of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1086) is repealed.

(c) Section 1 (c) of the act of August 9, 1955 (69 Stat. 615), repealing section 7 (c) of the act of February 21, 1946 (60 Stat. 26), is effective February 21, 1946.

(d) No part of this act deprives any member or former member of the Armed Forces of entitlement to the retired or retirement pay to which he was entitled on the day before the day on which that part takes effect.

SEC. 5. No person is entitled to advancement on the retired list or to an increase in retired or retirement pay because of this act for any period before the effective date of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PROVISIONS OF ACTS AUTHORIZING PAYMENT OF 6 MONTHS' DEATH GRATUITY

The Clerk called the bill (H. R. 2005) to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of December 17, 1919 (41 Stat. 367), as amended (10 U. S. C. 903), authorizing the payment of a 6 months' death gratuity upon the death of certain Army personnel is further amended by changing the period at the end thereof to a colon and adding thereto the following: "*And provided further*, That the words 'relative' and 'parent,' as used herein, shall include a person who has stood in loco parentis to the decedent at any time prior to entry into active service for a period of not less than 1 year."

SEC. 2. The act of June 4, 1920 (41 Stat. 824), as amended (34 U. S. C. 943), authorizing the payment of a 6 months' death gratuity upon the death of certain naval and Marine Corps personnel, is further amended by changing the period at the end thereof to a colon and adding thereto the following: "*And provided further*, That the words 'relative' and 'parent,' as used herein, shall include a person who has stood in loco parentis to the decedent at any time prior to the entry into active service for a period of not less than 1 year."

SEC. 3. The provisions of this act shall apply likewise in all cases where a 6 months' death gratuity is now or may hereafter be authorized by law to be paid upon the death of other persons on the same basis as provided in the said act of December 17, 1919, as amended, or the said act of June 4, 1920, as amended.

SEC. 4. The provisions of this act shall apply in all cases of death occurring on and after June 27, 1950, but nothing contained herein shall be construed to authorize any payment of death gratuity when payment on account of death of the decedent shall have been made to any person entitled thereto under the provisions of law in effect at the time of such payment.

With the following committee amendments:

On page 1, line 6, after the word "by", strike the remainder of the section and insert in lieu thereof the following: "adding the following new sentence at the end thereof: 'The terms "parent" and "relative", as used herein, include a stepparent, parent by adoption, and any person, including a former stepparent, who last stood in loco parentis to the member at any time before his death for at least 5 years'."

On page 2, line 6, after the word "by", strike the remainder of the section and insert in lieu thereof the following: "adding the following new sentence at the end thereof: 'The terms "parent" and "relative", as used herein, include a stepparent, parent by adoption, and any person, including a former stepparent, who last stood in loco parentis to the member at any time before his death for at least 5 years'."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING RETIRED COMMISSIONED OFFICERS OF THE COAST GUARD TO USE GRADE AUTHORIZED UNDER WHICH THEY RETIRED

The Clerk called the bill (S. 1834) to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired in the computation of their retired pay under the provisions of the Career Compensation Act of 1949, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 511 of the Career Compensation Act of 1949, as amended, is amended by striking out "*Provided*, That" and inserting in lieu thereof the following: "*Provided*, That for the purpose of the computation of (b) above, the retired or retirement pay of each commissioned officer of the Coast Guard who, upon retirement, was advanced one grade pursuant to the provisions of the act of January 12, 1923 (Public Law 381, 67th Cong.), shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned officer grade authorized for such officer by such act: *Provided further*, That."

SEC. 2. The amendment made by this act shall be effective as of October 1, 1949.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING TRANSPORTATION ON CANADIAN VESSELS BETWEEN CERTAIN UNITED STATES PORTS

The Clerk called the bill (H. R. 7874) to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either

directly or via a foreign port, or for any part of the transportation.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3269, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That, until June 30, 1957, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers may be transported on Canadian vessels between ports in southeastern Alaska, and passengers and merchandise may be transported on Canadian vessels between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 7874, was laid on the table.

GRANTING INCREASE IN ANNUITIES OF CERTAIN FORMER CIVILIAN OFFICIALS

The Clerk called the bill (H. R. 842) granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That each individual receiving or entitled to receive an annuity under the act entitled "An act to provide for the recognition of the services of civilian officials and employees, citizens of the United States engaged in and about the construction of the Panama Canal," approved May 29, 1944, now or hereafter drawing an annuity of less than $2,160 shall be paid an additional amount of $25 a month in the amount such individual now or hereafter otherwise receives under such act but not to exceed 25 percent of his present annuity or an increase of a lesser amount sufficient to bring an individual's annuity up to and not to exceed $2,160.

SEC. 2. The provisions of this act shall take effect on the first day of the first month that begins after the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING TRANSFER OF OFFICERS OF THE NURSE CORPS

The Clerk called the bill (H. R. 9838) to authorize transfer of officers of the Nurse Corps of the Regular Navy and Naval Reserve to the Medical Service Corps of the Navy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That during a period of not more than 12 months after enactment of this act, any officer on the active list of the Nurse Corps of the Regular Navy or any officer of the Nurse Corps of the Naval Reserve in a permanent grade not above lieutenant who is qualified in one or more of the specialties of dietetics, physical therapy, or occupational therapy, may be, upon her application, transferred to and appointed in the Medical Service Corps of the Regular Navy subject to regulations to be prescribed by the Secretary of the Navy. An officer so transferred shall be appointed in her permanent grade with the precedence held by her at the time of transfer and upon transfer she may be reappointed to a higher permanent or temporary grade which corresponds to a higher temporary grade in which she was serving at the time of transfer. The reappointment in a higher temporary grade of an officer so transferred shall be regarded for all purposes as having been effected under the same authority of law pursuant to which she was serving in a higher temporary grade at time of such transfer. The running mate of an officer transferred in accordance with this authority shall be, upon transfer, a woman line officer or a male officer, as the case may be, of the Regular Navy of appropriate precedence assigned by the Secretary of the Navy. Officers so transferred who at the time of transfer had to their credit leave accrued, but not taken, shall not, by reason of such transfer, lose such accrued leave.

SEC. 2. All provisions of law now existing or hereafter enacted relating to authorized grades, distribution in grade, selection for promotion, promotion and retirement of women staff officers of the Regular Navy appointed pursuant to the act of June 12, 1948 (62 Stat. 356, ch. 449), as amended, or the act of June 24, 1952 (66 Stat. 155, ch. 457) shall be construed to apply in like manner to officers transferred and appointed to the Medical Service Corps under the authority of this act; however, officers transferred and reappointed pursuant to this act shall not be subject to existing provisions of law relating to age limitations for appointments.

SEC. 3. All provisions of law relating to pay, leave, money allowances for subsistence and rental of quarters, mileage and other travel allowances, or other allowances, benefits, and emoluments of women staff officers of the Regular Navy shall apply to officers transferred and appointed to the Medical Service Corps under the authority of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING $100 PER CAPITA PAYMENT TO MEMBERS OF THE RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the bill (H. R. 5478) to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to withdraw as much as may be necessary from the fund on deposit in the Treasury of the United States arising from the proceeds of the sale of timber and lumber within the Red Lake Reservation in Minnesota, according to the provisions of the act of May 18, 1916 (39 Stat. 137), to the credit of the Red Lake Indians in Minnesota, and to pay therefrom $100 to each member of the Red Lake Band of Chippewa Indians of Minnesota who is living at the date of enactment of this act. Such payment shall be made under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. No money paid to Indians under this act shall be subject to any lien or claim of attorneys or other persons. Before any payment is made under this act, the Red Lake Band of Chippewa Indians of Minnesota shall, in such manner as may be prescribed by the Secretary of the Interior, ratify and accept the provisions of this act.

SEC. 3. Payments made under this act shall not be held to be "other income and resources" as that term is used in sections 2 (a) (7), 402 (a) (7), and 1002 (a) (8) of the Social Security Act, as amended (U. S. C., 1946 edition, title 42, secs. 302 (a) (7), 602 (a) (7), and 1202 (a) (8)).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING TO COMMONWEALTH OF PUERTO RICO THE POWER TO ENTER INTO CERTAIN INTERSTATE COMPACTS

The Clerk called the bill (H. R. 5274) extending to the Commonwealth of Puerto Rico the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 111 of title 4 of the United States Code is amended by inserting "(a)" before "The consent of Congress" and by adding at the end thereof the following new subsection:

"(b) For the purpose of this section, the term 'States' means the several States and the Commonwealth of Puerto Rico."

With the following committee amendment:

Page 1, line 8, strike out "the Commonwealth of Puerto Rico." and substitute in lieu thereof: "Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, and the District of Columbia."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUIRING INSPECTION AND CERTIFICATION OF CERTAIN MECHANICALLY PROPELLED VESSELS CARRYING PASSENGERS

The Clerk called the bill (H. R. 7952) to require the inspection and certificaton of certain mechanically propelled vessels carrying passengers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That when used in this act, unless the context requires otherwise—

(a) The term "passenger" means every person carried on board a mechanically propelled vessel other than—

(1) the owner or his representative;

(2) the master and the bona fide members of the crew engaged in the business of

the vessel who have contributed no consideration for their carriage and who are paid for their services;

(3) any employee of the owner of the vessel engaged in the busines of the owner, except when the vessel is operating under a bareboat charter;

(4) any employee of the bareboat charterer of the vessel engaged in the business of the bareboat charterer; or

(5) any guest on board a vessel which is being used exclusively for pleasure purposes who has not contributed any consideration, directly or indirectly, for his carriage.

(b) The term "mechanically propelled vessel" means any vessel propelled in whole or in part by steam or by any form of mechanical or electric power, which is (1) of 15 gross tons or less, or (2) of more than 15 and less than 100 gross tons and not more than 65 feet in length measured from end to end over the deck including sheer. The term includes (1) any domestic vessel operating on the navigable waters of the United States, or on the high seas outside of those waters and within the normal operating range of the vessel, and (2) any foreign vessel departing from a port of the United States. The term does not include (1) any public vessel of the United States or of a foreign state, and (2) any motor propelled lifeboat forming part of a vessel's lifesaving equipment.

(c) The term "International Convention for Safety of Life at Sea" means the "International Convention for Safety of Life at Sea, 1948" or any similar international convention which comes into force and effect after ratification by the United States Senate.

(d) Except as used in subsections (b) and (c) of section 7, the term "carrying passengers" includes only vessels which carry more than six passengers.

(e) The term "Secretary" means the Secretary of the Department in which the Coast Guard is operating.

Sec. 2. (a) The Secretary shall, at least once every 3 years, cause to be inspected each mechanically propelled vessel carrying more than 6 passengers, and shall satisfy himself that every such vessel (1) is of a structure suitable for the service in which it is to be employed; (2) is equipped with the proper appliances for lifesaving and fire protection in accordance with applicable laws, or rules and regulations prescribed by him; (3) has suitable accommodations for passengers and the crew; and (4) is in a condition to warrant the belief that it may be used, operated, and navigated with safety to life in the proposed service and that all applicable requirements of marine safety statutes and regulations thereunder are faithfully complied with.

(b) The Secretary may prescribe reasonable fees or charges for (1) any inspection made and (2) any certificate, license, or permit issued pursuant to this act or the rules and regulations established hereunder.

Sec. 3. In order to secure effective provision against hazard to life created by mechanically propelled vessels carrying passengers and to carry out in the most effective manner the provisions of this act, the Secretary shall prescribe such rules and regulations as may be necessary with respect to design, construction, alteration, or repair of such vessels, including the superstructures, hulls, accommodations for passengers and crew, fittings, equipment, appliances, propulsive machinery, auxiliary machinery, and boilers; with respect to all materials used in construction, alteration, or repair of such vessels including the fire prevention and fire retardant characteristics of such materials; with respect to equipment and appliances for lifesaving and fire protection; with respect to the operation of such vessels, including the waters in which they may be navigated and the number of passengers which they may carry; with respect to the requirements of the manning of such vessels and the duties and qualifications of the operators and crews thereof; and with respect to the inspection of any or all the foregoing.

Sec. 4. (a) No mechanically propelled vessel shall be operated or navigated until a certificate of inspection in such form as may be prescribed by the regulations promulgated by the Secretary under the authority of this act, has been issued to the vessel indicating that the vessel is in compliance with the provisions of this act, and the rules and regulations established hereunder; except that when a foreign passenger-carrying vessel belongs to a nation which is signatory to the International Convention for Safety of Life at Sea, a valid safety certificate issued to the vessel pursuant to the Convention may be accepted in lieu of the required certificate of inspection.

(b) Any mechanically propelled vessel to which a valid certificate of inspection has been issued pursuant to this section shall during the tenure of the certificate be in full compliance with the terms of the certificate.

(c) A certificate of inspection issued pursuant to this section may at any time be voluntarily surrendered and shall be withdrawn and suspended or revoked for noncompliance with any applicable requirements of this act or regulations thereunder.

Sec. 5. Any owner, master, or person in charge of any vessel subject to this act who violates the provisions of this act, or the rules and regulations established hereunder, shall be liable to the United States in a penalty of not more than $1,000 for each such violation, for which sum the passenger-carrying vessel shall be liable and may be seized and proceeded against by way of libel in any district court of the United States having jurisdiction of the violation.

Sec. 6. To the extent that any existing provision of law is in conflict with any provision of this act, or with any rule or regulation duly prescribed pursuant hereto, the provisions of this act, and the rules and regulations established hereunder shall prevail.

Sec. 7. (a) The act of January 18, 1897 (29 Stat. 489; 46 U. S. C. 520), is hereby repealed.

(b) Section 4426 of the Revised Statutes, as amended (34 Stat. 193; 46 U. S. C. 404), is amended to read as follows:

"4426. The hulls and boilers of every ferryboat, canal boat, yacht or other small craft or like character propelled by steam; shall be inspected under the provisions of this title. Such other provisions of law for the better security of life as may be applicable to such vessels shall, by the regulations of the Secretary of the department in which the Coast Guard is operating, also be required to be complied with before a certificate of inspection shall be granted, and no such vessel shall be navigated without a licensed engineer and a licensed pilot: *Provided*, That in open steam launches of 10 gross tons and under, one person, if duly qualified, may serve in the double capacity of pilot and engineer. All vessels of above 15 gross tons carrying freight for hire and all vessels of above 15 gross tons and in excess of 65 feet in length carrying passengers for hire, but not engaged in fishing as a regular business, propelled by gas, fluid, naphtha, or electric motors, shall be subject to all the provisions of this section relating to the inspection of hulls and boilers and requiring engineers and pilots, and for any violation of the provisions of title 52 of the Revised Statutes applicable to such vessels, or of rules or regulations lawfully established thereunder, and to the extent to which such provisions of law and regulations are so applicable, the said vessels, their masters, officers, and owners shall be subject to the provisions of sections 4496, 4497, 4498, 4499, and 4500 of the Revised Statutes, as amended (46 U. S. C. 494–498), relating to the imposition and enforcement of penalties and the enforcement of law: *Provided, however*, That until June 30, 1956, no vessel registered or licensed as a vessel of the United States of 15 gross tons or less on December 31, 1953, shall be deemed to be subject to the inspection provisions of this section notwithstanding the fact that such vessel may thereafter be found to have a tonnage in excess of 15 gross tons, unless such finding results from an alteration in the length, breadth, or depth affected after December 31, 1953."

(c) Section 7 of the act of April 25, 1940, as amended (54 Stat. 165; 46 U. S. C. 526f), is amended to read as follows:

"Sec. 7. No such motorboat, and no other vessel of 15 gross tons or less propelled by machinery other than steam, while carrying passengers for hire, shall be operated or navigated except in charge of a person duly licensed for such service by the Secretary of the department in which the Coast Guard is operating. Whenever any person applies to be licensed as operator of any motorboat, or of any other vessel of 15 gross tons or less propelled by machinery, carrying passengers for hire, the Secretary shall make diligent inquiry as to his character, and shall carefully examine the applicant orally as well as the proofs which he presents in support of his claim, and if the Secretary is satisfied that his capacity, experience, habits of living, and character are such to warrant the belief that he can safely be entrusted with the duties and responsibilities of the station for which he makes application, the Secretary shall grant him a license authorizing him to discharge such duties on any such motorboat, or on any other vessel of 15 gross tons or less propelled by machinery, carrying passengers for hire, for the term of 5 years. Such license shall be subject to suspension or revocation on the same grounds and in the same manner with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of the Revised Statutes, as amended (U. S. C. 1952 edition, title 46, sec. 239): *Provided*, That motorboats and other vessels of 15 gross tons or less propelled by machinery shall not be required to carry licensed officers except as required in this act: *And provided further*, That licenses herein prescribed shall not be required of motorboats or of any other vessels of 15 gross tons or less propelled by machinery engaged in fishing contests previously arranged and announced."

Sec. 8. Nothing contained in this act shall be deemed to amend, alter, or otherwise affect the requirements of any International Convention for Safety of Life at Sea.

Sec. 9. This act shall become effective on January 1, 1957, or on the first day of the sixth month following the prescription of rules and regulations by the Secretary under section 3, hereof, whichever is later.

Sec. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Sec. 11. If any provisions of this act, or the application of any provision of this act to any person or circumstance is held invalid, the application of such provision to other persons or circumstances, and the remainder of this act, shall not be affected thereby.

With the following committee amendments:

Page 1, line 6, delete the words "mechanically propelled" and insert in lieu thereof the words "passenger-carrying."

Page 2, line 11, delete the period and insert in lieu thereof a semicolon and the following: "or (6) any person on board a vessel documented and used for tugboat or towboat service of 50 gross tons or more who has not contributed any consideration, directly or indirectly, for his carriage."

Page 2, lines 12 to 25, inclusive, delete in entirety and insert in lieu thereof the following: "(b) The term 'passenger-carrying vessel' means any vessel which carries more than 6 passengers, and which is (1) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of 15 gross tons or less; (2) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of more than 15 and less than 100 gross tons and not more than 65 feet in length measured from end to end over the deck excluding sheer; (3) propelled by sail and is of 700 gross tons or less; or (4) non-self-propelled and is of 100 gross tons or less; except any public vessel of the United States or of any foreign state, or any lifeboat forming part of a vessel's lifesaving equipment. The term includes (1) any domestic vessel operating on the navigable waters of the United States, or on the high seas outside of those waters and within the normal operating range of the vessel, and (2) any foreign vessel departing from a port of the United States."

Page 3, lines 6 to 8, inclusive, delete in entirety.

Page 3, line 9, delete "(e)" and insert in lieu thereof "(d)."

Page 3, lines 12 and 13, delete the words "mechanically propelled vessel carrying more than 6 passengers" and insert in lieu thereof the words "passenger-carrying vessel."

Page 4, lines 4 and 5, delete the words "mechanically propelled vessels carrying passengers" and insert in lieu thereof the words "passenger-carrying vessels."

Page 4, line 22, delete the words "mechanically propelled" and insert in lieu thereof the words "passenger-carrying."

Page 5, line 10, delete the words "mechanically propelled" and insert in lieu thereof the words "passenger-carrying."

Page 6, lines 4 to 8, inclusive, delete in entirety.

Page 6, line 9, delete "Sec. 7" and insert in lieu thereof "Sec. 6."

Page 6, line 15, delete the words "or like character" and insert in lieu thereof the words "of like character."

Page 7, line 23, delete the word "affected" and insert in lieu thereof the word "effected."

Page 9, lines 10, 13, 17, and 20, respectively, delete "Sec. 8," "Sec. 9," "Sec. 10," and "Sec. 11," and insert in lieu thereof "Sec. 7," "Sec. 8," "Sec. 9," and "Sec. 10," respectively.

The committee amendments were agreed to.

Mr. RAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record in connection with the bill H. R. 7952.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAY. Mr. Speaker, the purpose of H. R. 7952, as amended, is to require that certain vessels which carry more than six passengers for hire shall be subject to inspection and certification by the United States Coast Guard in the interest of safety. The smaller types of commercial passenger-carrying vessels, such as party-fishing boats and small excursion craft, are not now subject to inspection and certification as to seaworthiness. At present the law only requires that mechanically propelled vessels of 15 gross tons and less, carrying passengers for hire, shall be subject to minimum safety requirements. Similarly, sail vessels of 700 gross tons or less and non-self-propelled vessels of 100 gross tons or less must conform only to the very minimum of safety standards.

While the provisions of the Motorboat Act of 1940 and the regulations thereunder are considered to be necessary minimums for pleasure craft, they are deemed to be wholly inadequate for the safety of motor vessels carrying passengers for hire. Yet, there are in the United States well over 8,000 small passenger-carrying vessels of less than 15 gross tons which are not subject to inspection. Two of the most tragic accidents of recent years occurred off Montauk Point, Long Island, in 1951, involving uninspected vessels of this category, resulting in the loss of 56 lives. Both accidents aroused much concern in the New York area and led to the preparation of the bill now before us.

It was clear from the testimony before our committee, that adequate inspection of small passenger-carrying vessels is needed, because existing requirements are insufficient to provide safeguards against the causes of most marine casualties, that is, first, lack of seaworthiness; and second, overloading. In the words of the commandant of the Coast Guard:

> Lack of seaworthiness and overloading have been the basic causes of some of the more serious casualties—among the small uninspected passenger-carrying vessels.

During the course of the hearings, statistics were introduced to show that, in recent years, casualties on inspected vessels have been relatively minor as compared with those on uninspected vessels. In the light of this background, our committee found that lack of adequate inspection standards for small craft have largely contributed to unnecessary loss of human life. It, therefore, considered that the bill H. R. 7952, as amended, should be enacted into law.

During the hearings, the committee heard from Members of the Congress, representatives of the United States Coast Guard, and the small-boat industry, including private-yacht men. All agreed upon the need for legislation. Passage of this bill will make a big step forward toward insuring safety for the large and growing number of people who patronize small passenger-carrying vessels in the navigable waters of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "To require the inspection and certification of certain vessels carrying passengers."

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I ask for this time in order to inquire of the majority leader as to the program for the week.

Mr. McCORMACK. Tomorrow the military construction bill will be called up for general debate. Then on Wednesday the conference report on the farm bill will be the first order of business and following that the further consideration of the military construction bill under the 5-minute rule. Of course, there is other legislation, too.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

CHARLES O. FERRY AND OTHERS

The Clerk called the bill (H. R. 909) for the relief of Charles O. Ferry and other employees of the Alaska Road Commission.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons enumerated below the sums specified, in full settlement of all claims against the Government of the United States, as reimbursement for personal effects destroyed as a result of the fire which occurred on January 11, 1953, at the Alaska Road Commission camp at Johnson River, Alaska: Charles O. Ferry, $275.50; Stanley R. Buck, $1,339; Ray P. Cady, $150.85; and Arthur T. Hartman, $65.

Sec. 2. No part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 4, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATHAN PHILLIPS

The Clerk called the bill (H. R. 1096) for the relief of Nathan Phillips.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Nathan Phillips, of 111 Tyler Street, Rochester, N. Y., in full settlement of all claims against the United States as reimbursement for bond posted for Fuel Pitruszynski in 1950: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPICER ICE & COAL CO.

The Clerk called the bill (H. R. 1476) for the relief of the Spicer Ice & Coal Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Spicer Ice & Coal Co., Groton, Conn., the sum of $3,354.56, in full satisfaction of the claim of such company against the United States for an amount of additional compensation under contracts numbered T44 cg–10 and T44 cg–11 equal to the difference between the contract prices at which coal was delivered by such company under such contracts to the Coast Guard Academy, New London, Conn., and the prices which such firm would have bid on such contracts if it had anticipated the termination of legislation under which it received from the Office of Price Administration, during a portion of the time in which deliveries were made under such contracts, a compensatory adjustment to assist such company in defraying the payment of freight charges upon coal so delivered: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OATHER S. HALL

The Clerk called the bill (H. R. 2524) for the relief of Oather S. Hall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., that Oather S. Hall, Clarksville, Ark., is hereby relieved of all liability to pay to the United States the sum of $1,270.45 and any interest accrued thereon. Such sum represents the unpaid balance of a loan secured by a Farmers' Home Administration mortgage (dated February 20, 1951), which, through the negligence of the clerk of the local circuit court, was never signed by the borrower. The borrower subsequently sold the livestock, which constituted security under the mortgage, and left the United States; and the said Oather S. Hall has been financially able for such sum because the mortgage was executed by the Farmers' Home Administration in Johnson County, Ark., while he was serving as Farmers' Home Administration county supervisor for that county.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KELMOOR FOX AND FUR FARM, INC.

The Clerk called the bill (H. R. 4851) for the relief of the Kelmoor Fox and Fur Farm.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Kelmoor Fox and Fur Farm, Inc., of Medina, Ohio, the sum of $14,140. The payment of such sum shall be in full settlement of all claims of the Kelmoor Fox and Fur Farm against the United States for compensation for the loss of 36 iridium platinum, hybrid, and silver foxes, and for related losses and damage, resulting from the activities of certain aircraft of the United States Army which circled over such farm at a very low altitude on April 17, 1947. Such claims are not cognizable under the tort claims procedures provided in title 28 of the United States Code: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 3, strike all after the enacting clause, and insert "That notwithstanding any statute of limitations or lapse of time, the Secretary of the Army is authorized and directed (1) to accept and consider any claim filed under the act of July 3, 1943, as amended (57 Stat. 372; 31 U. S. C. 223b), within 1 year after the date of enactment of this act, by the Kelmoor Fox & Fur Farm, Inc., of Medina, Ohio, for compensation for the loss of iridium platinum, hybrid, and silver foxes, and for related losses and damage, alleged to have resulted from the operation of certain aircraft of the United States Army on April 17, 1947, and (2) to award to the said Kelmoor Fox & Fur Farm, Inc., any amount of compensation payable under such act to which it would have been entitled, had such claim been filed within the time and in the manner provided by such act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the Kelmoor Fox and Fur Farm, Inc."

A motion to reconsider was laid on the table.

W. R. ZANES & COMPANY OF LOUISIANA, INC.

The Clerk called the bill (H. R. 5382) for the relief of W. R. Zanes & Company of Louisiana, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the W. R. Zanes & Company of Louisiana, Inc., is hereby relieved of liability to pay to the United States the amount erroneously levied as increased customs duty on account of merchandise imported by them, because of a clerical error in the entry of such merchandise (New Orleans consumption entry numbered 3137 of January 29, 1952), such error being perpetuated by an appraisement based thereon which became conclusive with respect to all parties upon the lapse of 30 days after the date of such appraisement.

With the following committee amendment:

Page 1, line 5, after the word "amount" insert "of $146,907.45."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF ROBERT BRADFORD BICKERSTAFF

The Clerk called the bill (H. R. 5453) for the relief of the estate of Robert Bradford Bickerstaff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Robert Bradford Bickerstaff (a pilot in the U. S. Army Air Corps who died on January 5, 1945), the sum of $6,896.14 plus interest on such sum computed at 6 percent per annum from September 7, 1950, to the date such sum is paid under this act. The payment of such sum, plus interest, shall be in full settlement of all claims of such estate against the United States for refund of amounts paid by such estate as income tax and interest under a construction by the Treasury Department of the Internal Revenue Code of 1939 which was rejected by the Supreme Court of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. R. ZANES & COMPANY OF LOUISIANA, INC.

The Clerk called the bill (H. R. 5813) for the relief of W. R. Zanes & Company of Louisiana, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. R. Zanes & Company of Louisiana, Inc., the sum of $306.90. The payment of such sum shall be in full settlement of all claims of the said W. R. Zanes & Company of Louisiana, Inc., against the United States on account of the erroneous liquidation of the New Orleans consumption entry No. 2804 of December 4, 1952, which entry incorrectly classified the merchandise involved, resulting in excessive custom duties being charged against such merchandise: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 4, after the word "act" strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT N. CALDES

The Clerk called the bill (H. R. 6313) for the relief of Vincent N. Caldes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vincent N. Caldes, West Point Pleasant, N. J., the sum of $1,240.35. Such sum represents the amount of the judgment and costs for which the said Vincent N. Caldes was held liable on May 5, 1955, in the courts of the State of New Jersey, as the result of an accident which occurred on February 7, 1952, and which involved a Government vehicle being driven by the said Vincent N. Caldes in the course of his duties as an employee of the Department of the Navy, United States naval ammunition depot, Earle, Red Bank, N. J. Such sum shall be paid only on condition that the said Vincent N. Caldes shall use such sum, or so much thereof as may be necessary, to pay such judgment and costs in full: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Page 2, line 7, after the word "Act", strike out "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING THE STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called the concurrent resolution (H. Con. Res. 221) favoring the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A–8039686, Bartol, Dimitri.

A–7828332, Blicher, Adolf.

A–7948074, Blicher, Anna.

A–7945613, Crynberg, Natalia.

A–6848437, Chen, Tung-Kei, now Phillip Kei Chen.

A–6973683, Chow, Liang-Yen.

A–8021361, Chu, Pauline Jo-Nan Chou.

A–7095539, Emmus, Roland.

A–7095540, Emmus, Leida Maria.

A–6881711, Hai-Chow, Lee.

A–6779249, Hnykova, Maria Irena.

A–6962958, Hsu, Carlton W.

A–7395104, Iliescu, Maria, formerly Negoita (nee David).

A–6903727, Irany, Fuad Jalil Zend.

A–7138237, Kao, Lindberg Lin Pai.

A–6159692, Korbel, Josef.

A–6159691, Korbel, Anna.

A–7197504, Korbel, Marie Jana.

A–7197503, Korbel, Anna Catherine.

A–7197505, Korbel, Jan Josef.

A–6837688, Kroha, Rudolph Filip.

1300–127922, Lee, Hai.

T–2659454, Mah, Ling Kam.

A–7061846, Onon, Peter, alias Urunoge, Urrounge or Urgunge Onon.

A–7415227, Onon, Nina (nee Pei-Lien Chen or Lien-Chen Pei), alias Lien-Chin Onon, Narangerel Onon, or Lien-Chen Urrounge.

A–7415228, Onon, Sally, alias Salungwa or Salunga Onon.

A–7779057, Pan, Ju Chu.

A–7809055, Patyk, Jozef, also known as Jozef Franciszek Patyk.

A–8001814, Patyk, Julia (nee Julia Katarzyna Assman).

A–8001815, Patyk, Barbara, also known as Barbara Kazimiera Patyk.

A–6967335, Pe-Sheng, Wang.

A–7858205, Radolli, Constantino.

A–6992030, Siu-Lung, Li or Sister Mary Sira.

A–8082043, Sun, Flora H., also known as Hu Ling Feng.

A–6949479, Sutt, Michael or Mihkel.

A–6952903, Teng, Yung Ching Wang.

A–6690989, Tong, Chiu or Sun Yung.

A–9568320, Tsu, Teh Kwei.

A–6967742, Chen, Mei Chio.

A–6881784, Chu, Hu-Nan or Chu Hu-nan.

A–6334725, Donat, Alexander, also known as Mojzesz Grunberg.

A–6334726, Donat, Leona, also known as Laja Grunberg (nee Liberman).

A–6334727, Donat, William, also known as Wlodjimierz Grunberg.

A–6381287, Hou, Ling.

A–9734422, Kow, Lai or Lai Gow.

A–7463421, Valvur, Ludvig.

A–7124540, Vcela, Vladimir.

A–6730656, Verhovsky, Andrew.

A–9554376, Wong, Sau or Shau Wong or Wong Sau.

A–7354808, Wu, Wayne, also known as Wai Ye Wu.

0300–399163, Yip, Kin.

A–9542540, Youw, Lee Ah.

A–6848713, Yu, Ting Chi, also known as Richard Ting Chi Yu.

A–8082029, Zec, John, formerly Ivan Sime Zec.

A–9510296, Bacanovic, Jovo.

A–6923147, Balogh, Barna.

A–6702207, Liu, Lillian Hsuan Yu.

A–7985663, Moh, Tan Yoek, also known as Moh Yeak Tan or Tan Yoeh Heh.

A–6944241, Wu, Tien-Hsing or Edward Tien-Hsing Wu.

A–8082839, Tung, Chen Tse.

A–6912324, Wang, Ven Ling, also known as Raymong Wang.

A–7249877, Berzins, Arvids Voldemars.

0300–390570, Chan, Kan Cheong.

A–6848411, Chiu, Jeanne, also known as Chiu Kung-Chen.

A–7863017, Klavins, Arvids Leonids.

0300–425608, Kwai, Chan or Cheng Kay.

V–606154, Lee, Ling Yun.

A–7863009, Pukulis, Andrejs.

A–5928452, Shee, Lai.

A–5963617, Yen, Pao-Ming.

0300–83904, Yeu, Cheng Cho or Cheng Yeu.

With the following committee amendment:

Page 3, line 19, at the beginning of the line for the number insert "A".

Page 4, line 21, strike out the name "Raymong" and insert the name "Raymond."

The committee amendments were agreed to.

The concurrent resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 31) for the relief of Shih Ming Wang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shih Ming Wang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Shih Ming Wang, Chih Shing Hwa, Erich Anton Helfert, Eugene Alexander Figueirdo, Rose Hu Chen, Felisa Ho (nee Chang-Kuon), Balbino Acusin Ariasa, and Adel Kamal, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"SEC. 2. For the purposes of the Immigration and Nationality Act, Kathleen Schrater shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

BENITO QUINTANA SEARA

The Clerk called the concurrent resolution (S. Con. Res. 47) withdrawing suspension of deportation of Benito Quintana Seara.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Benito Quintana Seara (A-4363045) which was previously granted by the Attorney General and approved by the Congress.

The concurrent resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OTTILIE HITZLBERGER LACHELT

The Clerk called the bill (S. 83) for the relief of Ottilie Hitzlberger Lachelt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Ottilie Hitzlberger Lachelt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ottilie Hitzlberger Lachelt and Maria Michela Federico may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 2. Notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Dorin Ursulesku Baron may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act, and the said Dorin Ursulesku Baron shall be classified as a nonquota alien under the provision of section 101 (a) (27) (B) of the Immigration and Nationality Act.

"SEC. 3. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens."

A motion to reconsider was laid on the table.

BRIGITTA POBERETSKI

The Clerk called the bill (S. 1255) for the relief of Brigitta Poberetski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Brigitta Poberetski, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Hugo Wendt, citizens of the United States.

With the following committee amendment:

After line 7, at the end of the bill, add a new section 2 to read as follows:

"SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Nicholas Menis shall be held and considered to be the natural-born alien child of Mr. and Mrs. Antonio N. Panopoulos, citizens of the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "For the relief of Brigitta Poberetski and Nickolas Menis."

A motion to reconsider was laid on the table.

MEYER URECKI ET AL.

The Clerk called the resolution (H. J. Res. 580) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Meyer Urecki, Estera Urecki, Nathan Urecki, Shanho Ma, Tsui Ou Cheng Ma, George Mechial, Mourkåkos, Suingtuk Jacob Kim, Tai Kang Kim, Ruth Sunyung Kim, Luther Sunil Kim, Lydia Kunder, Lee Fay Fan, and Adam M. Macielinski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 2. For the purposes of the Immigration and Nationality Act, Luigia Pelella shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 3. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

With the following committee amendments:

On page 1, line 5, after name "Mechial" strike out the comma.

On page 1, line 7, after the name Kim," strike out the name "Lydia" and substitute in lieu thereof the name "Lidia."

The amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN WAR-BUILT CARGO VESSELS

The Clerk called the resolution (H. J. Res. 513) to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That (a) the Secretary of Commerce is hereby authorized during a period of 6 months after the enactment of this joint resolution, to sell to the Alaska Steamship Co. the C1-M-AV1 type cargo vessels *Square Knot* and *Square Sinnet* on an as is, where is, basis. The sales price for the *Square Knot* shall be the sum of $460,499 which sum shall be reduced by $127 per day as depreciation for the period beginning January 16, 1956, and ending with the date of execution of the contract of sale of the vessel. The sales price for the *Square Sinnet* shall be the sum of $463,529 which sum shall be reduced by $126 per day as depreciation for the period beginning January 16, 1956, and ending with the date of execution of the contract of sale of the vessel.

(b) Each such sale shall be on the basis of the payment by the purchaser of not less than 25 percent of the vessel sales price at the time of the execution of the vessel sales contract, with balance payable in approximately equal annual installments over the remainder of the 20-year economic life of the vessel, with interest on the portion of the vessel sales price remaining unpaid at the rate of 3½ percent per annum. The obligation of the purchaser with respect to payment of such unpaid balance, with interest, shall be secured by a preferred mortgage on the vessel in form satisfactory to the Maritime Administrator.

(c) Any contract of sale executed under authority of this act shall provide that in the event the United States shall, through purchase or requisition, acquire ownership of any such vessel, the owner shall be paid therefor the value thereof, but in no event shall such payment exceed the actual depreciated sales price under such contract (together with the actual depreciated cost of capital improvements thereon), or the fair and reasonable scrap value of such vessel, as determined by the Maritime Administrator, whichever is the greater; that such determination shall be final; that in computing the depreciated acquisition cost of such vessel, the depreciation shall be computed on the vessel on the schedule adopted or accepted by the Secretary of the Treasury for income-tax purposes as applicable to such vessel; that such vessel shall remain documented under the laws of the United States during the remainder of the 20-year economic life of the vessel or as long as there remains due the United States any principal or interest on account of the sales price, whichever is the longer period; and that the foregoing provisions respecting the requisition or the acquisition of ownership by the United States, and documentation shall run with the title to such vessel and be binding on all owners thereof.

With the following committee amendment:

Page 2, line 16, insert at the end of the line the following:

"Except with the prior approval of the Secretary of Commerce any vessel sold under this joint resolution shall, during the period ending December 31, 1965, or so long as there remains due the United States any principal or interest on account of the purchase price, whichever is the longer period, be operated only in service between the west coast of the United States and the Territory of Alaska."

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 581) to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Anthony Asprakis and Michael Alexis Melgunow may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Maria P. Morra and Lucy (Lucia) Bisanti may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (17) of the Immigration and Nationality Act, Kaare Moe Johnsen may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. Notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Antonio Lopez Aldama and Alice Petrides (also known as Alice Defotiou and Alice Mathews) may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 5. For the purposes of this act, exemptions provided for herein shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendment:

On page 2, lines 10 and 11, strike out the following names: "Alice Petrides (also known as Alice Defotiou and Alice Mathews)" and substitute the following: "Alice Mathews (nee Laife)."

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 591) to facilitate the admission into the United States of certain aliens.

There being no objection, the Clerk read the resolution as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Philip Cheng, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Andrew I. S. Cheng, citizens of the United State.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Grace Cheng shall be held and considered to be the minor natural-born alien child of Mr. and Mrs. Andrew I. S. Cheng, citizens of the United States.

SEC. 3. For the purpose of section 101 (a) (27) (B) of the Immigration and Nationality Act, Edith Skeete shall be held to be classifiable as a returning resident alien.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GARRETT NORMAN SOULEN AND MICHAEL HARVEY SOULEN

The Clerk called the bill (H. R. 1484) for the relief of Garrett Norman Soulen and Michael Harvey Soulen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 310 (d) of the Immigration and Nationality Act, Garrett Norman Soulen and Michael Harvey Soulen shall be held to meet the residential requirements set forth in section 323 of that act and shall be eligible to have petitions filed in their behalf by their adoptive United States citizen parent or parents in conformity with that section.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That reentry permits issued pursuant to section 223 of the Immigration and Nationality Act for Garrett Norman Soulen and Michael Harvey Soulen shall be valid until such time as they become 10 years of age, or until such time as their adoptive father, Garrett H. Soulen, resumes permanent residence in the United States, whichever date occurs earlier."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 590) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Myrtle Richardson Beane, and Finne Bache, may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, George Tyson Campbell, Edson Rhodes Mills, and Aldo Alvarez, may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9) and (17) of the Immigration and Nationality Act, Colin Noyes Clinch-Jones may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 4. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 10, after the name "Campbell," strike out the name "Edson Rhodes Mills."

On page 2, after line 7, insert a new section 4 to read as follows:

"SEC. 4. Notwithstanding the provisions of section 212 (a) (17) and (19) of the Immigration and Nationality Act, Edson Rhodes Mills may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act."

On page 2, line 8, strike out "SEC. 4." and substitute in lieu thereof "SEC. 5."

The amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 592) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Ida Kaganowicz, Wonona Wong Chang (or Yit Chen Wong), Giuseppe Rosario DiStefano, Albert Rossi, Mrs. Kama Asato, Mrs. Tomeko Kishi, Fusa Kimura, and Geu Lau shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Antonio Doncovio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendments.

On page 1, line 6, after the word "and" strike out "Geu."

On page 1, line 7, after the name "Lau" insert the name "Geu."

The amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF INTEREST IN CERTAIN INVENTIONS

The Clerk called the bill (H. R. 4635) to authorize the Secretary of the Interior to transfer to Robert T. C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be authorized and directed to transfer to Robert T. C. Rasmussen, former employee of the Bureau of Mines, Department of the Interior, by means of an appropriate legal instrument, the right, title, and interest of the United States, in foreign countries, in and to certain inventions made by the said Robert T. C. Rasmussen, consisting of electric smelting processes for production of silicon-aluminum alloys, manganese alloys, and other alloys and metals, and apparatus therefor, as described and claimed in United States Application for Letters Patent filed in United States Patent Office on July 30, 1952, and February 10, 1953, designated as serial numbers [illegible], 336,212, and 336,213: *Provided, however*, That such legal instrument shall reserve to the Government of the United States, and all

> agencies thereof, the right to a nonexclusive, irrevocable royalty-free license for all governmental purposes, and the right to grant sublicenses consistent with the law of any foreign country in which the invention may be patented, for the use of such invention in such country, pursuant to procurement or production for mutual defense purposes.

With the following committee amendment:

> Page 2, line 9, before the word "and" insert "including military or economic foreign aid."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE FARM BILL

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that when the conference report on the bill H. R. 12 is called up for consideration on Wednesday next the time be extended for 1 additional hour, making a total of 2 hours for discussion of the conference report and that at the end of the 2-hour period the previous question will be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, in granting this extra hour I hope the gentleman will be more than generous and give us on this side at least half of the time.

Mr. COOLEY. I may say to the gentleman that I will certainly be generous. I do not know whether I will be more than generous, but it will be my purpose to have the bill fairly and properly presented to the House. I am sure the gentleman knows I will be just as fair as circumstances will permit.

Mr. MARTIN. I appreciate that, Mr. Speaker, and may I say that the gentleman is to be congratulated for having the time extended. The bill in its present form has never been before the House and it should have more than the normal time for discussion. I therefore commend the gentleman for making this request and I know he will be very fair to those of us who are in opposition to the conference report who may want to speak.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

UNITED STATES AGAINST ALDO LORENZO ICARDI

Mr. COLE. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state the question of privilege.

Mr. COLE. Mr. Speaker, I have been subpenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will report the subpena.

The Clerk read as follows:

> UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDO LORENZO ICARDI, CRIMINAL CASE NO. 821–55
>
> Spa ad test: Court of Chief Judge Laws.
>
> The President of the United States to Hon. W. STERLING COLE, Committee on Armed Services, United States House of Representatives, Capitol, Washington, D. C., or 1610 44th Street NW., Washington 7, D. C.:
>
> You are hereby commanded to attend the said court on Monday, April 16, 1956, at 9 a. m., to testify on behalf of the United States, and not depart the court without leave of the court or the district attorney.
>
> Witness the Honorable Bolitha J. Laws, chief judge of said court, this 22d date of March, A. D., 1956.
>
> [SEAL] HARRY M. HULL, *Clerk.*
> By JOHN C. CUGAN,
> *Deputy Clerk.*
>
> NOTE.—Report to New Courthouse between Third Street and John Marshall Place on Constitution Avenue NW., courtroom No. 8.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 455) and ask for its immediate consideration.

The Clerk read as follows:

> Whereas Representative W. STERLING COLE, a Member of this House, has been served with a subpena to appear as a witness before the United States District Court for the District of Columbia, to testify at Washington, D. C., on the 16th of April, 1956, in the case of the *United States of America* v. *Aldo Lorenzo Icardi*, criminal case No. 821–55: and
>
> Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it
>
> *Resolved*, That Representative W. STERLING COLE is authorized to appear in response to the subpena of the United States District Court for the District of Columbia in the case of the *United States of America* v. *Aldo Lorenzo Icardi* at such time as when the House is not sitting in session; and be it further
>
> *Resolved*, That as a respectful answer to the subpena a copy of this resolution be submitted to the said court.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CO-OPS GET THE RUNAROUND

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. METCALF] is recognized for 30 minutes.

Mr. METCALF. Mr. Speaker, as part cf H. R. 9893, authorizing construction at military installations, we are going to authorize the multi-billion-dollar semiautomatic ground environment air defense system.

Before we begin debate on this bill, I wish once again to call to the attention of my colleagues the threat posed by the SAGE system to the rural telephone and rural electric cooperatives.

First, I want to thank the chairman and members of the Committee on Armed Services for the hearing they granted me on this problem and for the protective language they inserted in the bill and in the report.

As I told the committee, to date the Department of Defense and its agents have shown a marked reluctance to deal with the co-ops, in whose immediate service areas some of these SAGE installations are to be built. I presented evidence of attempts to deliberately bypass the cooperatives.

One case I cited was that of the Sheridan County Electric Cooperative of Medicine Lake, Mont. Last summer, that co-op was almost paralled in its own immediate service area—a mile from its line, as a matter of fact. It may be yet.

I also told the committee of the case of the Mid-Rivers Telephone Cooperative at Circle, Mont. This co-op started out late in September to try to find out how it might fit into the SAGE system. It does not know yet—although plans were far enough along in July of last year to permit circulation among the commercial independent companies of a list of proposed sites.

On April 15 last year, the Seattle district engineer asked the Sheridan County Electric Cooperative, which already is furnishing power to one Air Force installation, if it could serve as gap filler in the SAGE system, and if so, for how much.

The cooperative replied that it could, promptly following up with details such as rates.

The Corps of Engineers broke off negotiations about June 17, by which time the co-op, which has a line within 1 mile of the site, had gone to considerable engineering expense, including acquisition of right-of-way.

On June 23, well after the cooperative had made its offer, the district engineer asked the Montana-Dakota Utilities Co., if it were interested in serving the facility. The utility said it was, submitting on July 18 an offer lower than that of the cooperative.

Learning of this, the cooperative came back on August 23 and trimmed its offer to $3,140 a year under the Montana-Dakota figure. This latter offer was not accepted, the Department of the Army told me, because "accepting successive competitive offers from each supplier would delay the utility connection beyond completion date of the facility with only minor savings to the Government."

So the contract was awarded to the commercial utility, subject to approval of the Army power procurement officer.

I questioned this award on several grounds.

First, the installation is in the immediate service area of the cooperative.

Second, $3,140 a year is more than a minor savings.

Then, there was the time element. The cooperative was approached 2 months prior to the commercial utility. The latter came into the picture after the cooperative had made its offer—leading me to wonder if the commercial utility had been furnished details of the cooperative's offer. That question has not yet been answered.

There also was a note of urgency in the initial inquiry to the cooperative, which was told that "it is anticipated that construction of the facility will start about June 15, 1955, and that it will become operative about November 1, 1955." It is difficult to reconcile this with the fact that the initial approach to the commercial utility was dated June 23—or 8 days after construction was anticipated to have started.

In November, I was notified that the Army power procurement officer was withholding approval of the contract and that he would negotiate further with both suppliers.

The case of the Mid-Rivers Telephone Cooperative began early in October when our senior Senator—Senator MURRAY—received an inquiry from that organization. The co-op offered its facilities, personnel and maintenance equipment to the SAGE system. Our Senators and I asked the Air Force about it. We were advised that since the American Telephone & Telegraph Co.'s long lines department was the prime contractor for this entire project, the inquiry was being forwarded to them.

I then asked the Air Force what provision the prime contract between the Air Force and the American Telephone & Telegraph Co. makes for utilization of telephone facilities existing in an area. That resulted in a correction. The American Telephone & Telegraph Co. "is not the prime contractor, as I inadvertently stated in my letter to you of October 21, 1955," Maj. Gen. J. W. Kelly wrote me on December 15, "but rather acts as a focal point for overall systems coordination among the Air Defense Command, associated companies of the Bell system and the numerous independent companies."

I do not know the difference between a "prime contractor" and a "focal point." I do know that defense is everybody's business; that we should use all our available facilities in our defense effort.

Now it is proposed that we authorize these SAGE contracts for periods of 10 years, and it is proposed that the investment be amortized in 10 years. So the Federal Government is, in effect, subsidizing the remaining life of the electrict and telephone facilities to be built under the SAGE program.

When these contracts go to others than the companies now serving a particular area, the Government is subsidizing competition to the detriment of the firms now serving the area. If the Federal Government can subsidize duplicating facilities in the service area of a cooperative, it can parallel these facilities in the area of a commercial independent telephone company or a Bell System affiliate or a commercial electric company.

To the best of my knowledge, however, the only companies we would parallel and destroy under the SAGE program, as it has operated to date, are the cooperatives, organized by the people in sparsely settled areas to furnish their own electric or telephone service after the commercial utilities were either unwilling or unable to do so. These cooperatives are repaying money loaned them by our Federal Government. If we subsidize duplicating facilities in their service areas, we will be giving public funds to one group to enable it to destroy another group to which we have loaned public funds.

The Committee on Armed Services was very cooperative, amending the section, authorizing procurement of communication services for the SAGE system, to include these words on page 51 of the printed bill:

> In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communcation common carriers, including cooperatives, within their respective service areas.

On page 19 of the report on this bill—House Report No. 1890—the committee called attention to this sentence in these words:

> It might be pointed out at this time that the last sentence of the provision will insure that in the procurement of communication services required in connection with the SAGE project, communication common carriers, including cooperatives, shall be afforded an opportunity to participate in the furnishing of such services within their respective service areas. The Air Force is required to utilize to the fullest extent the available facilities and capabilities of such carriers rather than procure the construction of parallel lines which might duplicate such facilities or capabilities. Thus only in the event that a carrier is unwilling or unable to furnish required service within its service areas shall another carrier be requested to provide such service.

I was satisfied that the hearings, the bill and the report would provide for adequate protection of the service areas of both the rural electric and telephone cooperatives. I so wrote the chairman, members of the committee, and the other Members of this body who had written me about this matter.

However, I am beginning to have my doubts. In November of last year, I learned that the long lines department of the American Telephone & Telegraph Co. had been advised of the selection by the Air Defense Command in September of two radar sites in the service area of the Mid-Rivers Cooperative.

To date, my files show that the cooperative has been informed of only one of those sites.

Part of the explanation for the delay may be in the prime contractor or focal point, whichever words you wish to use. At least in my part of the country, the Bell System does not have a history of concern for the development of rural telephone cooperatives.

Bell System people hold many key positions in the Defense agencies. For example, the assistant to the head of the American Telephone & Telegraph Co.'s international long lines department is Mr. Harold M. Botkin, who returned to A. T. & T. after serving as Office of Defense Mobilization Assistant Director for Telecommunications from September 17, 1954 to July 21, 1955, in a WOC—without compensation— status. In this capacity, on loan from A. T. & T., he advised the ODM director on the development of telecommunications policies, plans and programs for operation in both peacetime and in time of national emergency.

Mr. Botkin served under Mr. Victor E. Cooley, Deputy Director of the Office of Defense Mobilization. During the hearings which proceded this confirmation, the Senate Committee on Banking and Currency was told that Mr. Cooley was on a semiretirement basis from the Southwestern Bell Telephone Co.

One stock explanation of the delay in notifying the cooperatives of plans for the SAGE system is that "we don't know yet where the installations are going to be."

"We" knew enough about where they were proposed to send out a list of proposed sites to the commercial independent telephone companies early last July. Apparently "we" are in doubt about sites only where the cooperatives are concerned.

This bill establishes at $222 million the maximum contingent liability of the Government under termination provisions of contracts authorized hereunder. If that figure is anywhere near accurate, somebody must know what lines they propose to build and where. If no one knows, then how was that figure arrived at? The engineering is being done by Western Electric, A. T. & T. subsidiary.

Another explanation for the delay may be in the liaison.

Among witnesses before the Armed Services Committee on March 7 was Maj. Gen. Gordon A. Blake, United States Air Force Director of Communications-Electronics. As part of his testimony, he read into the record a letter dated December 7, 1955, from the Rural Electrification Administration to REA telephone borrowers. That letter said in part as follows:

> The USITA, through Col. William C. Henry, USITA military liaison officer, is serving as the coordinating agent for the independent telephone industry and working with the Bell System in carrying out the program.

General Blake said the word "independent" includes cooperatives.

USITA stands for United States Independent Telephone Association. The association bitterly oposed extension of the REA program into the rural telephone field. The 1949 hearings before the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry are revealing on this point. One of the opposition witnesses at these hearings was Colonel Henry. He and the organization for which he speaks still oppose the rural telephone program.

The commercial independent telephone companies have, and should have, representation on the SAGE General Coordination and sector committees. Their representatives are, and should be, sitting in on discussions which will vitally affect their telephone operations.

But these people, who are not in sympathy with the telephone cooperatives, should not be allowed to speak for the cooperatives. The coperatives are entitled to their own representation, separate and distinct from the USITA, to which the cooperatives do not even belong. I should mention here that this case is the first time I have ever heard of the cooperatives being lumped together with the independents.

Nor can the Rural Electrification Administration speak for its borrowers in SAGE policy discussions.

This is pointed out clearly in a letter to me under date of March 9, 1956 from Mr. C. R. Thiessen, of Lambert, Mont., president of both the Mid-Rivers Telephone Cooperative and the Montana Telephone Association, the State organization of telephone cooperatives.

Mr. Thiessen's letter follows:

> This is the letter I promised to write you following our telephone conversation this morning regarding a meeting held at our offices in Circle, Mont., with Mr. K. P. Todd, vice president and general manager; Sid Jones, commercial manager, and Al Sweeney, all of Mountain States Telephone & Telegraph Co. of Helena, Mont., where we discussed working agreement in regard to the SAGE program.
>
> Mr. Todd furnished us with a letter from H. R. Huntley, assistant chief engineer of the American Telephone & Telegraph Co. dated February 21, 1956. I want to quote the first paragraph of this letter:
>
> "As the detailed work phase for the establishment of SAGE system communications reaches more operating companies, the requirements for coordination with independent telephone companies are increasing. To care for the necessary general coordination with the Independent part of the industry, representatives of the United States Independent Telephone Association and the Rural Electrification Administration have been invited to join the SAGE General Coordination Committee to represent connecting companies, the independent manufacturers, and the REA telephone borrowers."
>
> We pointed out that the telephone cooperatives were not identified with the USITA, and since the Rural Electrification Administration is merely a lending agency and identified with the same governmental administration as the defense agency handling the SAGE program, we would not be properly identified by either a representative from USITA or from the Rural Electrification Administration.
>
> Mr. K. P. Todd agreed with us that a person amenable to the National Telephone Cooperative Association should be cleared and seated as a member of the SAGE General Coordination Committee. He further agreed that they would give support to such a proposal and that they would do everything to work in harmony with us to serve these sites located in the telephone cooperatives' areas.

This letter indicates that attempts are being made on a local level to reach a working agreement on the SAGE program.

Unfortunately, however, to date these efforts have been confined to the local level.

Following publication of House Report 1890, Mr. Richard A. Dell, legislative representative for the National Rural Electric Cooperative Association, which represents the REA electric and telephone borrowers in 45 States and Alaska, offered his services to the Air Force. As of this time, his offer has not been accepted—and doubt has been expressed as to whether it will be.

I could only interpret rejection of his offer as a refusal to abide by the wishes of the committee and of the Congress. The cooperatives are entitled to representation—their own representation—on the SAGE General Coordination and Sector Committees.

USITA cannot speak for the cooperatives, any more than the cooperatives could speak for the commercial independents or the Bell System affiliates. No one in high authority here would even presume to think that the cooperatives could represent the commercial independents or the Bell System.

Mr. Thiessen had pointed out two of the reasons why the Rural Electrification Administration cannot represent the cooperatives—it "is merely a lending agency," and it is "identified with the same governmental administration as the defense agency handling the SAGE program."

The hearings brought out that on December 7, 1955, the REA sent out a general letter to the cooperatives. This, according to the information I have, was the first official word the cooperatives had had on SAGE from 1 of the 2 groups which supposedly were to coordinate with the cooperatives. According to testimony by General Blake, this letter was entitled "To All REA Telephone Borrowers. Subject: Air Defense SAGE System," and was signed in the name of Ancher Nelson, by Fred H. Strong. The letter follows:

> You may have already learned of the impending expansion of the aid defense facilities of the United States, commonly known as SAGE—semiautomatic ground environment. Expansion of these facilities require extensive communication circuits and related equipment to be provided by the telephone company serving the areas involved. The USITA, through Col. William C. Henry, USITA military liaison officer, is serving as the coordinating agent for the independent telephone industry and working with the Bell system in carrying out the program.
>
> The general policy which has been agreed upon is that the company serving the territory in which the facilities are to be located has the responsibility for providing the facilities required by the SAGE project. The Bell companies and Western Electric have indicated they will cooperate in every possible way, particularly in providing counsel and technical advice. In some cases it may be necessary for the REA borrower to contract certain technical work with an equipment manufacturer or a Bell company.
>
> It is not possible to determine at present how many REA borrowers will be involved in the SAGE project because of the uncertainty as to where the various facilities will be located. As these locations are determined, the nearest Bell company will notify the REA borrower involved of the need for certain types of circuits and related facilities. As these notifications are made it will be imperative that the company involved take immediate steps to determine how the facilities will be provided in its own service territory.
>
> The investment required will vary according to the type of facilities to be installed. All REA borrowers are advised that REA is ready to provide technical advice and counsel regarding the SAGE system and will consider applications for loans necessary to finance the required facilities.
>
> More details will be made available to you as they become known to us. REA will try to maintain a close liaison with the proper personnel in the Air Force, the USITA and A. T. & T. in order that REA borrowers may be kept informed regarding this matter.

This very general letter was in marked contrast to the specific letter, listing proposed sites, which went to the commercial independents early in July—5 months previously.

As you know, hearings on this bill have begun in the other body.

Our Senators, Senators Murray and Mansfield, are not satisfied that the amended authorization or the House report offer the protection needed by the cooperatives. Neither are several other Senators who have followed the SAGE program from the beginning.

So the senior Senator from Montana—Senator Murray—has proposed to substitute these words for the cooperative-protection sentence on page 51 of H. R. 9893:

> In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent all the communication facilities and capabilities in the Nation, including rural telephone cooperatives, and, for power supply shall utilize to the fullest extent the facilities and capabilities of public utilities and rural electric cooperatives, within each of their respective service areas.

As I read this amendment, it would spell out the protection for cooperatives more completely than does the language in H. R. 9893.

Seventy Members of this body have written me about this problem. I am sure there are others who agree that each of the three suppliers of telephone service—the Bell System, the commercial independents, the cooperatives—has a place in the SAGE system. So do those who supply electricity, public and private alike.

The run-around the Montana cooperatives have been getting is no different from that elsewhere. In Texas, I understand, the situation is about the same.

Now I do not claim to know everything there is to know about SAGE. I have had a certain amount of trouble getting information. Only recently our Senators and I learned for the first time of the selection of a site in central Montana—and we got that information from reading a Montana newspaper. I understand the Appropriations Committee staff did a study of SAGE last year, but I am told I cannot see a copy. The Secretary of Defense told the Appropriations Committee he wanted to see as much of the SAGE material declassified as possible.

Some of this secrecy undoubtedly is necessary. But some of it appears to be for the purpose of covering up blunders like the awarding of contracts for communications services without adequate authority from Congress and at excessive rates.

In view of what has happened, I can only conclude that the statements of the Assistant Secretary of the Air Force, Mr. Lyle S. Garlock, to the chairman of the Air Force appropriation unit and to the Comptroller General of the United States, was administration policy.

Mr. Garlock said:

> The Air Force is acquiring the communications services needed for the SAGE system under contracts with private telephone companies.

If this conclusion is not correct, the administration should clarify its policy toward the cooperatives, so there will be no doubt about the matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Doyle, from April 12, 1956, on account of official work in California as subcommittee chairman of the House Un-American Activities Committee.

Mr. O'Hara of Minnesota (at the request of Mr. August H. Andresen), indefinitely, on account of illness.

Mr. Gordon (at the request of Mr. Gray), on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Bailey, for 1 hour, on Thursday next.

Mr. Metcalf (at the request of Mr. McCormack), for 30 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks, was granted to:

Mr. Donohue (at the request of Mr. Trimble) and include extraneous matter.

Mr. Doyle and to include appropriate material.

Mr. Price and to include appropriate matter.

Mr. Knox and include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1244. An act for the relief of Eva Gershbein Rubinstein; Committee on the Judiciary.

S. 1687. An act for the relief of Lydia G. Dickerson; Committee on the Judiciary.

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona; Committee on Veterans' Affairs.

S. 3076. An act to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes; Committee on Interstate and Foreign Commerce.

S. 3214. An act to authorize adjustment, in the public interest, of rentals under leases entered into for the provision of commercial recreational facilities at the Clark Hill Reservoir; Committee on Public Works.

S. 3246. An act to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research; Committee on Interstate and Foreign Commerce.

S. 3259. An act to amend the act to promote the education of the blind, approved March 3, 1879, as amended, so as to authorize wider distribution of books and other special instructional material for the blind, to increase the appropriations authorized for this purpose, and for other purposes; Committee on Education and Labor.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On March 29, 1956:

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 8780. An act to amend the Internal Revenue Code of 1954 to relieve farmers from excise taxes in the case of gasoline and special fuels used on the farm for farming purposes;

H. R. 9064. An act making appropriations for the Treasury and Post Office Departments, and the Tax Court of the United States, for the fiscal year ending June 30, 1957, and for other purposes; and

H. R. 9770. An act to provide revenue for the District of Columbia, and for other purposes.

On March 30, 1956:

H. R. 1667. An act for the relief of Lieselotte Boehme.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 10, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1691. A communication from the President of the United States, transmitting increases in appropriations for the fiscal year 1957 in the net amount of $547,100,000 for the Department of Defense—Military Functions (H. Doc. No. 373); to the Committee on Appropriations and ordered to be printed.

1692. A letter from the Secretary of State, transmitting a report on the operations of the Department of State relating to educational exchange activities for the calendar year 1955, pursuant to Public Law 584, 79th Congress (H. Doc. No. 374); to the Committee on Government Operations and ordered to be printed.

1693. A letter from the Chief Justice, Supreme Court of the United States, transmitting the report of the proceedings of the annual meeting of the Judicial Conference of the United States, held at Washington, D. C., September 19–20, 1955 (H. Doc. No. 372); to the Committee on the Judiciary and ordered to be printed.

1694. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated May 26, 1954, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of streams flowing through the Coastal Plains Soil Conservation District, Tex., with a view to improvement in the interest of navigation, flood control, and related purposes, including channel and major drainage improvements, authorized by the Flood Control Act approved June 30, 1948 (H. Doc. No. 375); to the Committee on Public Works and ordered to be printed with two illustrations.

1695. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the act of August 31, 1954, as amended, so as to extend the availability of emergency credit to farmers and stockmen"; to the Committee on Agriculture.

1696. A letter from the Deputy Secretary of Defense, transmitting a report of violation of administrative control of funds regulation (DD–SD (AR) 170), pursuant to section 3679 (i) (2) Revised Statutes; to the Committee on Appropriations.

1697. A letter from the Secretary of Defense, transmitting the Eighth Annual Report on the National Industrial Reserve, pursuant to section 12 of Public Law 883, 80th Congress; to the Committee on Armed Services.

1698. A letter from the Secretary of Defense, transmitting the Ninth Semiannual Report of the Department of Defense of payments made arising from the correction of military or naval records, pursuant to Public Law 220, 82d Congress; to the Committee on Armed Services.

1699. A letter from the Deputy Assistant Secretary of Defense (Supply and Logistics), transmitting the semiannual report on contracts for research and development work negotiated under section 2 (c) (11), and certain industrial mobilization type projects negotiated under section 2 (c) (16), pursuant to Public Law 413, 80th Congress; to the Committee on Armed Services.

1700. A letter from the Under Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America"; to the Committee on Armed Services.

1701. A letter from the Administrator, Federal Civil Defense Administration, transmitting a draft of proposed legislation entitled "A bill to amend further the Federal Civil Defense Act of 1950, as amended, to authorize the Administrator to pay travel expenses and per diem allowances to trainees in attendance at the National Civil Defense Staff College, and for other purposes"; to the Committee on Armed Services.

1702. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the 42d Annual Report of the Board of Governors of the Federal Reserve System for the year 1955, pursuant to section 10 of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

1703. A letter from the Administrator, Small Business Administration, transmitting the Fifth Semi-annual Report of the Small Business Administration covering operations for the period July 1 through December 31, 1955, pursuant to section 215 of the Small Business Act of 1953, as amended (Public Law 163); to the Committee on Banking and Currency.

1704. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the Commodity Credit Corporation Charter Act"; to the Committee on Banking and Currency.

1705. A letter from the Acting Secretary, Department of Health, Education, and Welfare, transmitting the draft of proposed legislation entitled "A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies"; to the Committee on Education and Labor.

1706. A letter from the Secretary of State, transmitting the 15th Semiannual Report of the International Educational Exchange Program for the period ending June 30, 1955, pursuant to section 1008 of Public Law 402 (80th Cong.); to the Committee on Foreign Affairs.

1707. A letter from the Comptroller General of the United States transmitting the report on the audit of the Alaska Railroad, Department of the Interior, for the fiscal year ended June 30, 1955, pursuant to provisions of the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1708. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearings cases in the Federal Communications Commission as of February 29, 1956, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1709. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to authorize the conveyance of homestead allotments to Indians or Eskimos in Alaska"; to the Committee on Interior and Insular Affairs.

1710. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands"; to the Committee on Interior and Insular Affairs.

1711. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to establish a Bipartisan Commission on Civil Rights in the Executive Branch of the Government"; to the Committee on the Judiciary.

1712. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States"; to the Committee on the Judiciary.

1713. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television"; to the Committee on the Judiciary .

1714. A letter from the Director, Administrative Office of the United States Courts, transmitting the annual report of the Director of the Administrative Office of the United States Courts, and the annual report of the Proceedings of the Judicial Conference of the United States for the fiscal year 1955, pursuant to section 604 (a) (4) of title 28 of the United States Code; to the Committee on the Judiciary.

1715. A letter from the secretary, Federal Prison Industries, Inc., United States Department of Justice, transmitting the annual report of the Directors of Federal Prison Industries, Inc., for the fiscal year 1955, pursuant to the act approved June 23, 1934 (18 U. S. C. 4127); to the Committee on the Judiciary.

1716. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1717. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

1718. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1719. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5); to the Committee on the Judiciary.

1720. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Tang Tsou, A-7250943, and requesting that the case be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1721. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, relative to the case of Nikola Mirko Vujosevic or Vujosevich, A-7044355, and requesting that the case be withdrawn from those now before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1722. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by certain subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1723. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to the provisions of section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1724. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1725. A letter from the Acting Postmaster General, transmitting a draft of proposed legislation entitled "A bill to conform the appointment and compensation of the chief legal officer of the Post Office Department to the method of appointment and rate of compensation provided for comparable positions, aid for other purposes"; to the Committee on Post Office and Civil Service.

1726. A letter from the Acting Chairman, National Capital Planning Commission, transmitting a report showing lands acquired by the Commission during the fiscal year 1955 for the development of the park, parkway, and playground system of the National Capital and its environs in nearby Maryland and Virginia, pursuant to section 4 of the act of Congress of June 6, 1924 (renumbered sec. 13 by Public Law 592, 82d Cong.); to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House on March 28, 1956, the following conference report was filed on April 6, 1956:

Mr. COOLEY: Committee of Conference. H. R. 12. A bill to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities (Rept. No. 1985). Ordered to be printed.

[*Submitted April 9, 1956*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBERTS: Committee on Interstate and Foreign Commerce. S. 2587. A bill to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; without amendment (Rept. No. 1987). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7891. A bill to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, T. H., for the relief of persons whose lands were destroyed by volcanic activity; with amendment (Rept. No. 1988). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7426. A bill to ratify and confirm Act 249 of the Session Laws of Hawaii, 1955, as amended, and to authorize the issuance of certain highway revenue bonds by the Territory of Hawaii; with an amendment (Rept. No. 1989). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7858. A bill to designate the reservoir above the Monticello Dam in California as Lake Berryessa; without amendment (Rept. No. 1990). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9768. A bill relating to general obligation bonds of the Territory of Hawaii, amending Public Laws 640 and 643 of the 83d Congress (68 Stat. 782, ch. 889, and 68 Stat. 785, ch. 892), and ratifying certain provisions of Act 273, Session Laws of Hawaii, 1955, which authorizes issuance of public improvement bonds for schools in the city and county of Honolulu and the county of Hawaii; without amendment (Rept. No. 1991). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9769. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds; without amendment (Rept. No. 1992). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10331. A bill to prohibit the importation of manufactured articles from the Union of Soviet Socialist Republics, and other Communist-dominated countries; to the Committee on Ways and Means.

By Mr. BENNETT of Florida:

H. R. 10332. A bill to preserve the Key deer and other wildlife resources in the Florida Keys by the establishment of a National Key Deer Refuge in the State of Florida; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 10333. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. DEROUNIAN:

H. R. 10334. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for making payments in lieu of taxes on certain real property of the United States Government; to the Committee on Government Operations.

By Mr. DONOVAN:

H. R. 10335. A bill to provide that acts of Congress do not occupy, and shall not be construed to occupy, the field of sedition against the United States to the exclusion of State laws on such subject without express provision by Congress to such effect; to the Committee on the Judiciary.

By Mr. ENGLE:

H. R. 10336. A bill to extend for 2 years the Advisory Committee on Weather Control; to the Committee on Interstate and Foreign Commerce.

By Mr. GROSS:

H. R. 10337. A bill to amend the Packers and Stockyards Act to prevent sudden and unreasonable decreases in the price of hogs and cattle which are sold at stockyards or to packers subject to that act; to the Committee on Agriculture.

By Mr. HORAN:

H. R. 10338. A bill to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KEATING:

H. R. 10339. A bill to provide for an additional Assistant Attorney General; to the Committee on the Judiciary.

H. R. 10340. A bill to establish a Bipartisan Commission on Civil Rights in the executive branch of the Government; to the Committee on the Judiciary.

H. R. 10341. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; to the Committee on the Judiciary.

By Mr. KILGORE:

H. R. 10342. A bill to provide for the inclusion of United States commissioners within the purview of the Civil Service Retirement Act of May 29, 1930; to the Committee on Post Office and Civil Service.

By Mr. KING of California:

H. R. 10343. A bill to amend the Internal Revenue Code of 1939 to provide that in certain instances an interest passing to the surviving spouse within 6 months after the death of the decedent shall not be considered an interest which will terminate or fail in certain instances; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 10344. A bill to establish the concurrent jurisdiction of the Federal Government and the States and Territories with respect to sedition against the Government of the United States, States, Territories, and their political subdivisions; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 10345. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. PFOST:

H. R. 10346. A bill to provide for the construction, reconstruction, and rehabilitation by the Secretary of the Interior of certain irrigation works of the Hayden Lake unit, Rathdrum Prairie project, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10347. A bill to encourage the discovery, development, and production of antimony in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT:

H. R. 10348. A bill to provide for an additional Assistant Attorney General; to the Committee on the Judiciary.

H. R. 10349. A bill to establish a Bipartisan Commission on Civil Rights in the executive branch of the Government; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 10350. A bill to provide for the establishment of a Federal Advisory Committee on the Arts, and for other purposes; to the Committee on Education and Labor.

By Mr. THOMSON of Wyoming:

H. R. 10351. A bill to amend section 317 (a) of the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. UDALL:

H. R. 10352. A bill to transfer certain lands to the Department of the Interior for the benefit of the Yavapai Indians of Arizona; to the Committee on Veterans' Affairs.

By Mr. BAILEY:

H. J. Res. 598. Joint resolution to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs; to the Committee on Rules.

By Mr. ENGLE:

H. Res. 456. Resolution authorizing the printing as a House document of material relating to the Central Valley project of California, and additional copies for the use of the Committee on Interior and Insular Affairs; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the Massachusetts State Senate memorializing the Congress of the United States to grant certain aid to Israel and to implement the joint declaration of the United States, Great Britain, and France guaranteeing the peace and security of Israel; to the Committee on Foreign Affairs.

By Mrs. ST. GEORGE: Concurrent resolution of the State of New York Assembly urging removal of certain Federal restrictions on the raising of crops for the feeding of livestock; to the Committee on Agriculture.

By the SPEAKER: Memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States requesting Congress to create a program for the rehabilitation of the Papago Tribe of Indians for the protection and better utilization of the resources of the tribe; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States requesting the Congress of the United States to enact legislation extending the provisions of the Bacon-Davis Act as set forth in the provisions of sections 276a through 276a-5, Title 40, United States Code annoted; to the Committee on Public Works.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the Status of Forces Treaty, and to urge the Federal Government to terminate that agreement at the earliest possible time; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States requesting passage of H. R. 4446, a bill to provide assistance to the States in the construction, modernization, additions, and improvements of domiciliary and hospital buildings of State veterans' homes by a grant to subsidize, in part, the capital outlay cost; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to grant certain aid to Israel and to implement the joint declaration of the United States, Great Britain, and France guaranteeing the peace and security of Israel; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States requesting the passage of legislation requiring the Federal Government to defray costs of cleaning, dredging, and widening the Blackstone River Channel; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States requesting that adequate safeguards be provided in tariff and trade legislation, including import quotas, against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition and that the existing trade agreements legislation be amended accordingly; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 10353. A bill for the relief of Mrs. Marianne Koch Everson; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 10354. A bill for the relief of Capt. Clarence A. Klaver; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 10355. A bill for the relief of Jose Da Silva Ferreira; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 10356. A bill for the relief of Mrs. Marina Coralia Castillo Wamba; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 10357. A bill for the relief of Mrs. Elizabeth Stein Whitsell Ille; to the Committee on the Judiciary.

Mr. REES of Kansas:

H. R. 10358. A bill for the relief of Vicente Soto Morales; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 10359. A bill for the relief of Henry B. Landers; to the Committee on the Judiciary.

By Mr. TUMULTY:

H. R. 10360. A bill for the relief of Mario Colombo; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 10361. A bill for the relief of Joseph Juda Teuchberg; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

821. By Mr. BOW: Petition of Frank H. Schaller and others of Stark County, Ohio, for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

822. Also, petition of John Davis and others of Stark and Tuscarawas Counties, Ohio, for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

823. Also, petition of Clementas A. Reed and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

824. Also, petition of Russell E. Owen and others of Stark County, Ohio, for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

825. By Mr. BUSH: Petition of employees of the Bloomsburg Mills Inc., Lock Haven, Pa., bearing 260 signatures, in opposition to

the enactment of H. R. 5550, United States membership in the Organization for Trade Cooperation; to the Committee on Ways and Means.

826. By Mr. GROSS: Petition of 18 Iowa residents urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

827. Also, petition of Carl Oeltjenbrun, Swaledale, Iowa, and 18 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

828. Also, petition of 30 residents of Alden, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

829. By Mr. HESELTON: Resolution of the City Council, Boston, Mass., urging that the Governor of the Commonwealth of Massachusetts and each member of the Massachusetts delegation in Congress to take whatever action is necessary to have the United States Secretary of Health, Education, and Welfare speed up the Salk anti-polio vaccine subjection program throughout the United States, and particularly in Massachusetts and the city of Boston; to the Committee on Interstate and Foreign Commerce.

830. By Mr. HORAN: Petition of Mrs. Grace Kingsolver and 27 others of Chelan County, Wash., urging the passage of the Siler bill, H. R. 4627, to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

831. Also, petition of Pete J. MacDermott and 45 other veterans of Spokane and Stevens County, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

832. Also, petition of Forrest A. Corwin and 90 other veterans of Spokane, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

833. By Mrs. KEE: Petition of Walter F. Rose of Bluefield, W. Va., and 46 other residents of Mercer County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

834. Also, petition of G. C. Brewster of Welch, W. Va., and 45 other residents of McDowell County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

835. Also, petition of W. L. Martin of Ronceverte, W. Va., and 45 other residents of Greenbrier County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

836. By Mr. NORBLAD: Petition of Bessie Eggers and 18 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

837. Also, petition of Edward M. Gerttula and 44 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

838. By Mr. SHORT: Petition of Edd Stegall and other citizens of Jasper and Newton Counties, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

839. Also, petition of E. E. Palmer and other citizens urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

840. By the SPEAKER: Petition of the secretary, Texas Construction Council, Fort Worth, Tex., petitioning consideration of their resolution with reference to going on record as opposing title IV, section 403 of S. 3153 and that portion of title V of S. 3302 which seeks to increase the amount of Federal funds for college housing loans from $500 million to $600 million; to the Committee on Banking and Currency.

841. Also, petition of the corresponding secretary, Pastorius Unit No. 38, Steuben Society of America, Philadelphia, Pa., petitioning consideration of their resolution with reference to requesting the Congress to make complete return of privately owned German and Japanese property; to the Committee on Interstate and Foreign Commerce.

842. Also, petition of the clerk of the board, office of the Board of Supervisors, County of Santa Clara, San Jose, Calif., petitioning consideration of their resolution with reference to urging the Congress to extend the term of activities of the Advisory Committee on Weather Control, etc.; to the Committee on Interstate and Foreign Commerce.

843. Also, petition of the grand knights, Columbus Council 126, Knights of Columbus, Brooklyn, N. Y., petitioning consideration of their resolution with reference to expressing its support of the principles of the proposed Bricker amendment to the Federal Constitution; to the Committee on the Judiciary.

844. Also, petition of the mayor, Toledo, Ohio, with reference to urging the Congress to pass H. R. 8836; to the Committee on Public Works.

845. Also, petition of the general manager, City Public Service Board, San Antonio, Tex., petitioning consideration of their resolution with reference to providing Federal participation in the cost of right-of-way and for the payment of the cost of relocating public utility lines in the construction of transcontinental and international highways; to the Committee on Public Works.

846. Also, petition of the secretary, Texas Construction Council, Fort Worth, Tex., petitioning consideration of their resolution with reference to expressing extreme disapproval of section 11 of H. R. 8836 providing for the payment of wage rates as determined by the Secretary of Labor under the Davis-Bacon Act; to the Committee on Public Works.

847. Also, petition of the secretary, New York Chapter, American Institute of Architects, New York, N. Y., petitioning consideration of their resolution with reference to opposing any changes which would alter in material or design the central portion of the Capitol; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Address by Hon. Edward Martin, of Pennsylvania, Before Port of Philadelphia Maritime Society

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Monday, April 9, 1956

Mr. BUTLER. Mr. President, over this Nation's long history, few Americans have made a more important contribution to the discussion of vital problems affecting security and other phases of our country's welfare than has the senior Senator from Pennsylvania [Mr. MARTIN]. His lengthy services in various capacities, affording experience which enables him to evaluate present-day developments, combine to make him an authority on questions which now challenge countrywide attention.

On March 22, in Philadelphia, the Senator from Pennsylvania delivered a most impressive address before the Port of Philadelphia Maritime Society. For the reasons I have stated, I ask unanimous consent that the text of his address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE ANNUAL DINNER OF THE PORT OF PHILADELPHIA MARITIME SOCIETY IN THE BELLEVUE-STRATFORD HOTEL, PHILADELPHIA, MARCH 22, 1956

It is an honor and a sincere pleasure to be here tonight with the maritime leadership of the Delaware River ports.

I am happy to be here because your organization is taking such an active and vigorous part in building the economic and defensive strength of the United States.

The tremendous industrial expansion that has taken place here in the Delaware Valley is one of the dominant forces in the march of American progress.

It is one of the most spectacular industrial developments of our time.

It is evidence that we have not yet begun to realize the heights of achievement that can be attained under the American system of free enterprise.

Our Nation is growing by leaps and bounds. One of the most spectacular developments has been the surprising increase in our population. We are now a Nation of more than 165 million people. We did not expect to reach that number for many years to come. It represents an increase of more than 13 million, or nearly 9 percent, above the last general census of 1950. Since 1940 the population increase has been 25 percent.

Translated into terms of human needs this population increase has imposed upon us many great problems—and one of the most important of these problems is the increased volume of transportation required to meet the needs of an expanding national economy.

For many years I have been deeply interested in transportation, from the military standpoint as well as the needs of commerce and industry.

As a member of the Senate Committee on Public Works I have given a great deal of attention to every form of transportation—highways, railroads, airlines, pipelines, and the great volume of traffic generated by foreign and domestic commerce on our rivers and harbors.

One thing stands out clearly. There is not enough railroad equipment and not enough highway capacity in our country to carry the heavy freight of our commerce and industry. We can never build enough railroads or highways to do the job of transportation as economically as it can be done by water.

The only way we can meet our growing needs for the bulk transportation of raw materials and finished products at low cost is by the improvement of waterways all over the country.

Perhaps some of the funds now going abroad to buy unwilling or questionable friendship might be diverted to more profitable purposes if applied to river-and-harbor improvements.

We need a steady stream of strategic ores and other raw materials that are vital to national defense.

We need more ships flying the American flag. We need better, deeper and wider ports, modern inland waterway facilities, and river channels of sufficient depth to accommodate the largest vessels for economical operation.

From its earliest days Pennsylvania has recognized the importance of its waterways. We are fortunate to have within the borders of our Commonwealth three great ports that give access to sealanes of the world.

Here along the Delaware River the highly developed ports of Pennsylvania, New Jersey, and Delaware serve one of the greatest concentrations of industry in the world.

At Pittsburgh the Monongahela and the Allegheny Rivers join to form the mighty Ohio, giving access to the Mississippi waterways and the Gulf of Mexico. These vital waterways carry millions of tons of freight to and from the greatly diversified industries that line their banks.

The splendid harbor at Erie is one of the busy ports of the Great Lakes.

In my support of river and harbor improvements I have not been restricted to projects that would benefit Pennsylvania alone. I have always regarded the national interest as paramount, and for that reason—because I know it is of vital importance to the whole Nation—I have given every possible assistance in the fight for a deepwater channel in the Delaware River.

I cannot allow this occasion to pass without expressing the highest praise for the hard work that has been put into this fight by members of your organization as well as other representatives of the civic, commercial, and maritime interests of the Delaware Valley. I have the highest admiration for such men as Harry Schad, Colonel LaBrum, Walter Miller, Joe Costello, Alex Crothers, and many others I could mention. They have carried on the fight with unfailing courage and vigor and in the finest spirit of cooperation.

Our sincere thanks should be extended also to my distinguished colleagues from Pennsylvania, New Jersey, and Delaware who have put aside all political differences and have battled for the Delaware River in the United States Senate and the House of Representatives.

It has been a real privilege to be associated with them in the effort to expand the usefulness of the Delaware River to its full capacity as an international highway for commerce and trade with the world.

All share in the credit for the gains we have made, but we must face the fact that final victory is not yet in sight. Much remains to be done.

We must clear away the fog of misconception and misrepresentation that has been allowed to cloud the issue. We must sweep away the misleading arguments that have been advanced by those who oppose the 40-foot channel in the upper Delaware for selfish reasons.

We must continue with increased vigor our fight to uphold the traditional American concept that navigation improvements for the promotion of commerce are the function and responsibility of the Federal Government.

This policy has been adhered to since the beginnings of our existence as a Nation. It is the foundation upon which was built the great foreign and domestic commerce which had such an important part in our economic growth.

The Founding Fathers were wise and farseeing when they wrote into the Constitution of the United States the provision that vests in the Federal Government the responsibility for commerce and navigation.

Let us see how this policy is applied today. There are under construction in the United States at present 79 navigational projects under the jurisdiction of the United States Army Corps of Engineers.

The total estimated cost of these projects is in excess of one billion dollars. To carry them forward there is an allocation of $100 million in the 1957 budget. And let me tell you that in no major project of all those now under construction have private interests been asked to share the cost.

A few weeks ago the Senate Public Works Committee approved legislation authorizing two major navigation projects. The Committee, after hearing lengthy testimony, decided that these projects would be highly beneficial to the areas in which they are located and would contribute to the economic welfare of the Nation.

One bill provides for deepening the Great Lakes connecting channels at an estimated cost of $110 million. The other calls for the construction of a new Mississippi River outlet from New Orleans to the Gulf of Mexico at an estimated cost of $88 million. I voted to report them out favorably and let me point out that in neither case was there any recommendation—or even the slightest suggestion from the Corps of Engineers or from the Budget Bureau—that would require a cash contribution from local interests to pay part of the construction costs.

When the legislation authorizing a 40-foot channel depth in the upper Delaware was before our committee the proposal for a local contribution was carefully and thoroughly considered.

As you know, it was rejected as unsound and inconsistent with the national policy which has been followed for many years on navigation projects throughout the country.

In fighting to sustain that policy we are upholding a fundamental principle of the American system of government.

We are supporting the constitutional plan of checks and balances which specifically defines and restricts the functions of the three branches of government, legislative, executive, and judicial.

Under that plan the power to legislate is placed exclusively under the jurisdiction of Congress.

It is, therefore, proper to question the right of the Budget Bureau to encroach upon the legislative function and to usurp the power of Congress.

In the case of the Delaware River the Budget Bureau is not only invading the field of legislation but is actually attempting to defy the will of Congress as expressed in the authorization enacted in the last session.

When Congress rejected the Budget Bureau's philosophy that from some private but not clearly defined source, there should be paid the sum of $18 million, that should have cleared the way for an appropriation to get the job started.

But as I said before, we still have a fight on our hands. We must renew the attack with increased vigor.

We may encounter difficult obstacles, but I am confident that we will win in the end. No barrier to progress has long resisted determined and aggressive attack by civic-minded men who are fighting to advance the prosperity of their fellow citizens.

When I look at the figures showing the tremendous increase in the business of the Delaware River ports in Pennsylvania, New Jersey, and Delaware, I can readily understand your pride in this great natural asset.

No major port of the United States can match the record of progress achieved on the Delaware.

I think our cause would be greatly aided if the whole country could be told what we have here along Delaware River.

Even in the Philadelphia area many of our citizens are unaware that here is the largest fresh-water port in the world.

Here we have the Nations' leading import port, handling almost one-fourth of all the incoming foreign cargo of the United States. In 1955 some 34,600,000 tons of imports were unloaded here, a gain of 14 percent over 1954.

Here on the Delaware River we have the No. 1 ore port of the Nation. Every day an ore boat arrives bringing an average of 7,000 tons of iron ore to feed the furnaces of the biggest steel plant on the Atlantic seaboard.

Here we have the largest oil-refining center east of the Mississippi and the second largest in the world. Recently plans were announced for the construction of a new refinery on the Delaware River that will cost $100 million.

Here on the Delaware River the American Navy was born and the first navy yard established nearly 150 years ago. Today the Philadelphia Naval Base is one of the most important naval centers in the world and includes the largest shipbuilding yard in the world.

In 1955 the total waterborne commerce of the Delaware River ports achieved an all-time high of over 85 million short tons of cargo. This compares with 57 million tons in 1948, an increase of almost 50 percent.

These facts are well known to you, but they are worth repeating because they are positive proof that Delaware Valley, United States of America, is going ahead, and that its continued growth and expansion depends upon a deep-water channel from the upper reaches of the Delaware to the sea.

The only obstacle to industrial development that will pay big dividends in economic progress is the lack of deep water in the upper river.

It is no longer a question of whether we can afford to spend the money needed for a 40-foot channel. The real question is whether we can afford not to make an investment that will add to the wealth of the United States and increase the defensive strength of the American Republic.

Eisenhower Administration Ignores Warnings of Our Military Leaders

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, April 9, 1956

Mr. PRICE. Mr. Speaker, this administration has for the past few years displayed a peculiar aptitude of not appreciating Soviet technological achievements, or to intelligently measure and counteract rapid Soviet military advancements.

It is bad enough that the American people have been and are being hoodwinked and falsely informed of true Soviet capabilities. It is worse when this administration permits itself to be lulled into a feeling of complacency.

Mr. Speaker, this administration, by its shortsightedness and false budgeteering, is permitting this Nation's military strength to deteriorate to the point where we will have a second-rate Air Force. The warnings of our military leaders are being completely ignored.

Mr. Stewart Alsop, in an article in the New York Herald Tribune of March 28, has again clearly described the extent to which this administration has gone in its failure to truly appreciate the Soviet threat to this Nation's security.

Mr. Alsop quotes statements by Generals Twining, White, and Power to the effect that the Soviet Union is rapidly outstripping the United States in strategic airpower. Why, asks Mr. Alsop, why do their warnings and the additional warnings of General LeMay, of the Strategic Air Command, go unheeded?

> The plain fact—

Mr. Alsop says—

> is that the American Government has officially decided to permit the Soviets to outstrip this country in strategic airpower. Many people refuse to worry about this decision, because Dwight D. Eisenhower is head of the Government. But General Eisenhower's own military experience was in a different field, and he himself has often disclaimed personal infallibility.

Mr. Speaker, I feel that I am only doing my duty in calling the attention of my colleagues to the frank admissions of these several Air Force generals which are at such strange variation with the decision of the administration. Public apathy in the face of sensational warnings from the highest authority raise the question of public responsibility.

Mr. Speaker, I believe that the warnings of our military leaders, as reported by Mr. Alsop, must be given the highest degree of consideration. For this reason I am happy that our colleague from Pennsylvania has inserted the Alsop article in the daily CONGRESSIONAL RECORD of March 28, 1956, on page A2739. I urge every Member of the House to give his attention to the remarks of Mr. FLOOD.

Full Appropriation for Flood-Control Projects Are in the National Interest

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 9, 1956

Mr. DONOHUE. Mr. Speaker, at this time I should like to include the statement I presented before the House Appropriations Committee on March 28, 1956.

The statement follows:

STATEMENT OF HON. HAROLD D. DONOHUE, OF MASSACHUSETTS, BEFORE PUBLIC WORKS SUBCOMMITTEE OF HOUSE APPROPRIATIONS COMMITTEE AT HEARINGS ON NATIONAL AND NEW ENGLAND FLOOD-CONTROL PROJECTS CONTAINED IN THE PUBLIC WORKS APPROPRIATION ACT OF 1957, MARCH 28, 1956

Mr. Chairman and members of the committee, may I express my continuing appreciation of your courtesy in granting this opportunity to again appear before you at this hearing on the current public-works program, which, under the civil-functions section, includes appropriations for recommended flood-control and flood-protection projects within my area and the Nation.

Flood control and protection has, indeed, these past few years become one of our most pressing domestic problems, and the responsibility of the Federal Government to aid the various States and municipalities of the country in solving that problem is great. The extraordinary and unfortunate rapidity with which the ruinous visitations of the wildest elements of nature have followed one upon another throughout the country and, particularly in New England, has projected the imperative necessity of Federal legislation for assistance in flood control to the height of national and congressional consciousness.

I should like to take this moment to most sincerely thank the chairman and members of this committee, on behalf of my own people and I am sure the people of the country, for devoting so much of your personal and committee time, well beyond the usual hours, to patient, earnest study of this flood-disaster subject and your substantial action in attempting to conscientiously provide sufficient Federal money to grant help where it is needed. It is a trying and difficult job, as we, your colleagues, well know and you have been and are now discharging your obligation in an inspiring manner.

I last presented testimony to you during your January hearings on the urgent deficiency appropriation bill, which has now already passed the Congress. The sympathetic understanding you extended to those then coming before you pleading for protection of their people's lives and property and the speed with which this measure was handled is a historical tribute to the intense devotion to legislative duty of each and every one of you.

On this particular occasion, I come before you to plead for your approval of all the funds requested for the recommended projects already initiated and listed and to earnestly ask your further action in approving additional funds in contemplation of particular projects, vitally needed in my area and other areas of the country, which have not yet but may well be authorized before this Congress concludes. As you well realize, many earnest and worthy pleas for flood protection assistance have been placed before you without sponsorship understanding of the technicalities of our required legislative procedure. These people and the general public cannot be expected to know such technicalities of preliminary authorization, officially registered local willingness to participate, the required presurvey by the most efficient Corps of Army Engineers and other procedural standards that should be met before this committee and the Congress can properly consider them for approval. This is quite understandable and excusable because the general public has observed, during the frequent national disasters that have suddenly and violently struck so many areas of the country these past few years, the Army engineers and other executive department agency units move in very quickly and assist them locally. They do not comprehend that this assistance must legally be restricted mainly to temporary relief aid for the emergency protection of American lives and municipally owned public works and buildings. The general public appears, then, to be, unfortunately, under the impression that temporary emergency relief assistance by these Federal Government units is practically the same as Federal participation for permanent relief construction and Federal participation in permanent relief projects may be had by the presentation of a simple and informal request to Congress. In this respect, it would seem that our newspapers and other information agencies could help clear up much of this public misunderstanding by the printing of instructive articles prominently placed on repeated occasions. The newspapers of my home city and surrounding communities have done an excellent job on this score, and they could well be emulated in other sections of the country.

In any case, a great many individual bills for special projects, sponsored by a great many Members of this body on behalf of their people, are now before the House Public Works Committee, and it is possible that many of them may yet be approvingly acted upon. The objectives of these individual measures are as serious as life and death to the localities that will be affected, and it is for that primary reason that I solicit this committee to favorably consider the recommendation of appropriations even more than sufficient to cover all these projects; if the proposals are not eventually approved, nothing will be lost to the Government, while on the other hand, if they are approved and too much time elapses before a further appropriation, the Lord alone knows how many lives may be lost and how much property will be destroyed.

I am, indeed, here sympathetic with an understanding of the supplications of my colleagues from other sections of the country on behalf of the flood-control projects needed in their States, and I exhort your favorable attention to them. Quite naturally and humanly, I am, of course, primarily concerned here with the flood protection and control projects of vital importance to the continuing preservation of the lives and property of the people within my own State and area. Within these past 3 years, Massachusetts and New England have been visited in quick succession with an unprecedented series of unparalleled natural disasters. First it was tornadoes, after which came hurricanes, then raging floods, and finally, three of the greatest blizzards in our history within 10 days. At this moment, in Massachusetts and New England, any quick thaw of the enormous amount of snow presently existing, and that is an ever-threatening danger during this season of changes, would be another major catastrophe, and we are just praying that the good Lord will protect us from any additional floods for which we are still seriously unprepared.

The list of particular flood control projects for Massachusetts which has been recommended by the Army engineers and cleared by the Bureau of the Budget is in your hands, and I am not going to intrude upon the time of this committee with repetitious recitation of the details of their urgency. That has been repeatedly and superbly done already by my esteemed friend and distinguished colleague, Congressman PHILBIN, who has spoken to you on behalf of his own District and as chairman of the Massachusetts Delegation State Flood Control Committee. No one could present a more scholarly or more eloquent explanation than he has and the people of Massachusetts are indeed indebted to him.

He has explained to you the pressing need for the approval of planning funds for the Littleville, the Westville, and particularly, the West Hill Dam, known as the Blackstone Basin. I would like to be permitted to join in his appeal to you for planning funds for all these projects and especially the Blackstone Basin project which is designed to materially control the rising flood heights on the Blackstone River, which is a recurring threat to the lives and property of the people affected by the river as it passes through the Massachusetts towns of Uxbridge, Millville, and Blackstone down into the State of Rhode Island. The people and the businesses in this area have experienced tremendous personal hardships and financial losses because of the repeated floodings and inadequate control barriers during the extraordinarily heavy rainfalls and excessive downward flow from water sources on the river above. This situation is of immediate urgency to thousands of residents and industries and eminently deserves the favorable consideration of your committee for planning funds leading to permanent corrective construction and, meanwhile, to permit the Army engineers to lend their assistance by prompt erection of some temporary controls or dredging.

With respect to my home city of Worcester, Mass., I especially desire to express to this committee the gratitude of myself and my people for your approval in the urgent deficiency appropriation of the sum of $60,000 to permit the Army Corps of Engineers to complete their resurvey of the Worcester diversionary tunnel flood-control project. In this program before you, there is included and recommended the sum of $840,000 to begin the construction of this tunnel next year. When I appeared before this committee last January 18, I presented a detailed explanation of the need and urgency of this flood protection project for the safety of the people of my city and area. I am not going to repeat all those details again now, but I would like to emphasize that the authoritative voice of the Army Corps of Engineers has been registered in recommendation of this tunnel as a vitally needed project. They have also testified to you that the project is of superior justification economically because the benefits that will derive are far greater than the cost and that the ratio of annual benefit to annual cost is high above the average that is required. Since the absolute need and the positive merit of the Worcester diversionary tunnel project remain unquestioned and it has received the preliminary approval of this committee, may I respectfully but earnestly ask your speedy approval of this appropriation for construction beginning, because without this continuing appropriation approval, your previous deficiency appropriation approval would be in vain, and indeed, in waste.

Mr. Chairman and members of this committee, there is indeed no need for me to attempt to dramatically exaggerate the effects upon my State of Massachusetts and the New England area of the natural disasters, particularly of floods, that have been visited upon us these past few years. The truth has been well publicized throughout the country and is impressive in its terribleness. The aftermath of the flood disasters alone in loss of lives, property damage, lost employment, and lost business is staggering to the imagination. Precise figures may never be established, but the financial losses are unquestionably in the billions according to authoritative accountants. The family tragedies through the loss of loved members will never be erased from our consciences if we do not take prompt, sensible steps to prevent death from striking down our people in this manner again, and that is the principal reason I am before you today, in discharge of my moral obligation as an elected Representative, asking for reasonable Federal assistance to my region.

The people of Massachusetts and New England have never evidenced any desire to be simple wards of the Federal Government, nor are we so doing now. We truly believe we have always contributed more than our full share, both in lives and material wealth, to the Federal Government for the general national welfare. It is simply and solely in recognition that our regional problem affects the whole national welfare that we are now asking Federal aid in our flood control and natural disaster problems. Our people can be counted upon now, as always, to exhaust the limit of their own initiative and resources in helping to solve their own area problems.

To extend Federal aid in this manner for this purpose is not in contravention of any congressional tradition or precedent. In my sincere judgment, the whole history of congressional action in relation to water control and waterpower impressively reveals the continuing congressional conviction and intent that our water resources should be developed and controlled in a manner to assure their greatest contribution to the national economic growth, strength, and general welfare.

In pursuit of that policy and intent the Congress has repeatedly demonstrated their belief that in any regional water control problem the Federal Government should assume a major share of responsibility when Federal participation is necessary to safeguard the national interest or to accomplish broad regional objectives of national import, where projects, because of size, complexity, or potential multiple benefits, are beyond the means of local communities and private enterprise. Within these principles of Federal Government activity, I believe the great regional New England water control problem lies; and the Federal Government must, with promptness, assume their moral, patriotic, and financial obligation in granting assistance for the solution of the problem.

The United States has granted, in Christian generosity, untold billions of needed aid to desperate people in foreign lands and as a Christian nation we can be modestly proud of such action. It is, at the very least, a gamble on the side of God. However, the willing and patriotic taxpayers of our own country have a prior and predominant claim on the resources of this Government and it will be a national disgrace if the imperative and immediate needs of our New England and other flood-ravaged regions are not provided for with full Federal assistance before disaster comes again.

I thank the committee for their courtesy to me and demonstrated interest in my people. I know that you will give your utmost consideration to the merit of all the flood-control projects that are before you and that have been proposed. I earnestly hope you will see fit to recommend appropriations sufficient to cover them all and to insure their completion at the earliest practicable date in the national interest.

One Hundred and Thirty-fifth Anniversary of Greek Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, April 9, 1956

Mr. BUTLER. Mr. President, March 25 was the 135th anniversary of Greek independence. Certainly there is no nation held in higher esteem by the people of America than Greece with its ageless culture and long heritage of freedom and independence. I ask unanimous consent that a statement prepared by me commemorating the anniversary of the independence of this noble country be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ONE HUNDRED AND THIRTY-FIFTH ANNIVERSARY OF GREEK INDEPENDENCE DAY

One hundred and thirty-five years ago, on March 25, 1821, the Greeks rose against the Ottoman Empire, under the leadership of their beloved Archbishop, Germanos of Patros, and commenced their struggle for freedom and independence. For more than a decade they fought heroically against their oppressors, and ultimately, on May 7, 1883, the Convention of London recognized Greece as an independent nation.

From that day, the Greeks have tenaciously retained their hard-earned independence. However, it has not been an easy task for they have constantly had to resist the predatory designs of their neighbors.

Recent tangible evidence of their determination to preserve their independence can be seen in their struggles against the Nazis is World War II, and even more recently in their battle against the Communists. Their indomitable stand against these totalitarian oppressors has amazed the world. Despite almost insurmountable odds the Greeks have never relinquished their cherished freedom.

In their struggle against Communist tyranny, the Greeks were aided by the United States. We realized that the Greeks' battle against Red infiltration of their country was actually a strife against the spread of communism beyond the Greek borders and a conflict for free world security.

The Greeks' eventual triumph was also a victory for America for it permitted the United States to win the first major contest in the cold war launched by the Kremlin. Furthermore, it served as a source of inspiration for all enslaved people who were suffering under Soviet despotism.

Although victory was attained and freedom secured, the Greeks have not relaxed their vigilance. They are ever conscious of the threat of communism and with the help of United States economic and military aid they have strengthened their economy and armed forces as a safeguard against future aggression. The fact that Greece has been included in the North Atlantic Treaty Organization is indicative of their ability to share responsibility in the struggle against Soviet expansion.

The occasion of the celebration of Greek independence is always an auspicious time to emphasize the cultural contributions that the Greeks have bequeathed to civilization in the field of philosophy, science, art, and literature. On this 135th anniversary it is also fitting to emphasize the debt that America and all the free world owes the courageous Greek people for their valiant stand against communism. People of Greece, we congratulate you on this important day, and pray that the strong bonds of friendship between our nations will remain, and grow even stronger during the years to come.

Congressman Clyde Doyle, 23d District, California, Again Reports to the People

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 9, 1956

Mr. DOYLE. Mr. Speaker, I thank you and all of my distinguished colleagues for previously extending me unanimous consent to make these remarks. It is a time-honored custom, a very important and valuable custom, for Members on both sides of our political aisle to make such reports directly back to the people we represent in this, the "greatest legislative body in the world's history." I consider it as my report of my stewardship, of my trusteeship for the people of the congressional district I represent during this, my fifth elective term, in the House of Representatives.

Heretofore on the following dates, I have also sought to report to the people I represent what I could, within the limits allowed by House rules as to time and space, on May 9, 1946, on April 28, 1952, on May 10, 1954. On those dates I made similar reports. Very many of my constituents thanked me and have asked for a report to date. Now, as before, no tax money will pay for the printing of the several thousand copies which will be furnished to the people of the great 23d District, Los Angeles County, Calif. I again repeat what I stated in the CONGRESSIONAL RECORD of April 28, 1952, to wit:

> The strength of our democracy and the American way of life depends upon the extent to which the American people know the facts about, as Abraham Lincoln said, "a government of the people, by the people, and for the people."

To the people of the 23d Congressional District, Los Angeles County, Calif.:

MY DEAR FRIENDS AND NEIGHBORS: I am pleased and proud to give to you this necessarily brief report of some of my work as your Representative in the House of Representatives, 84th Congress, to April 9, 1956, as follows:

My district and Washington, D. C., office open weekdays for your assistance.

My district office, situated in the Post Office Building, Huntington Park, has been open week days, excepting Saturday afternoons. Miss Ida Reynolds has been in charge, ably assisted by Mrs. Bess Prusso and Mrs. Fannie Leonard. They do whatever is necessary to aid and assist the people in the district, for the Congressman. This is my district staff. My Washington, D. C. office, at 1030 House Office Building, has likewise been open daily, ably staffed for several years now by Miss Margaret Tucker, and Mrs. Nell Talbert. This is my staff here at the Capitol. Since it is generally known that my good wife, Lydia (with whom I observed our 42d wedding anniversary March 21), has materially helped me all these 10 years that I have now served in Congress, it appears pertinent to report that she has never been on the Government payroll. We did not come to Congress to increase our income.

THREE MAIL DELIVERIES DAILY; HEAVY

It averages about 35 letters, numerous printed reports, circulars, postcards, magazines and communications from foreign countries, newspapers, several telegrams, current communications from colleagues and executive agencies, local and long distance phone conversations, etc.

I maintain my 10-year-old habit of reading every first class communication. Frequently I begin this before 8 a. m. Of course, when I am away from the Capitol on official committee work for several days, I cannot personally read and answer them until I return. If you take time to write me as your Congressman, I am glad to take time to personally read and answer it.

I AM ON TWO MAJOR COMMITTEES

As in the 83d Congress, I again serve on two standing committees; both recognized as of major importance; to-wit, Armed Services Committee (35 members), and Un-American Activities Committee (9 members). Since both these committees must often meet the same day and hour, I necessarily miss attendance upon one or the other. Since I preside as subcommittee chairman frequently, I must be there in person. However, I am pleased to report to you that, out of 191 meetings of the Armed Services Committee, I only had 43 absences and these on account of other committee work. The committee clerks advise me my attendance is rated excellent.

I HAVE MADE SPEECHES

My 17 speeches in Congress and the 72 remarks all appear in full in the CONGRESSIONAL RECORD for the day occurring. Senators are seldom limited as to time. House Members always have their time fixed before they begin.

NINETY-SEVEN NEIGHBORS FROM 23D DISTRICT VISIT ME

Already this session 97 residents of the 23d District have honored my office, and made me very happy, to have them personally call upon me here at my Washington office. I invite all who come this way to do so. Bring your school and college students, too. Many other folks from California, not residents of the 23d District, also called.

I HAVE SERVED HUNDREDS OF CASES OF WORTHY PEOPLE AND BUSINESSES

More than 200 specific cases of service rendered, many of them involving matters of vital concern to the persons or the businesses (both small and large). In addition, many hundreds of requests for particular information, documents, copies of bills, reports, etc., have been promptly complied with. Hundreds of clubs, chambers of commerce, business and professional groups and committees, churches, patriotic and fraternal orders, etc., have rightfully asked and been cordially served.

TWENTY-THIRD DISTRICT BOYS KEPT AT ACADEMIES

I have actively and cordially cooperated with every boy who was physically and scholastically qualified to try the Academy exams. I am very proud of all the boys, both those who made the grade, and those who will try again. Yes, also of those who tried and failed. I invite any 23d District lad who has the ambition, to let me hear from him; always with the knowledge and consent of parents.

I HAVE COOPERATED WITH SCHOOLS

As in previous years, I have again been pleased to be called upon by most of the school districts in the matter of their need for the prompt receipt of their full entitlement of Federal funds under applicable public laws. These school-district officials always have their applications in tiptop shape, when the mail brings them here. They have received a very substantial sum of many thousands of dollars.

I HAVE COOPERATED WITH VETERANS

I consider it a high honor to be called upon so often by an increasing number of individual veterans and veterans' representatives and organizations. Also, the veterans' service centers at Compton and Huntington Park, in their splendid work, frequently have had my help whenever they have asked it. They do very valuable work.

I PLACED CONGRESSIONAL RECORD IN ALL LIBRARIES

So that the most people in the 23d District could have easiest access to the daily work in Congress and better know what I, as Representative, do and say and how I have voted, too, I had the RECORD placed in all the public libraries, high-school and college libraries from the very first. I'll keep them coming there as long as I am in Congress. Only an informed democracy can act intelligently.

I FILED HELPFUL PRIVATE AND IMPORTANT PUBLIC BILLS

Six private bills were authored by me for the benefit of persons in the 23d District. Eighteen public resolutions were filed by me. Since this 84th Congress is only one-half through, I cannot now report what the final tally may be by July. But I am proud to report that the Doyle resolution, H. Res. 151, passed the House unanimously on March 23, 1955. This did away with one-man investigative committees in the House. It requires at least two committee members present. I am also proud to report that the President of the United States did a few weeks after I had filed two other Doyle resolutions to amend the Constitution of the United States make public statements supporting the principle and objective contained in said two proposals by me made. The President did not refer to my resolutions in any way whatsoever. He may not even have known of them.

I HAVE PRESIDED AS TEMPORARY SPEAKER

As in previous Congresses, Hon. SAM RAYBURN, Speaker of the House—longer so than any man in history—has placed me in his chair, both as Speaker and also as Chairman of the Committee of the Whole. It is always a thrill, naturally.

THE ELDER CITIZENS ARE MY CONCERN, TOO

Even if the span of life in the United States had not already measurably increased, just American humane considerations compel us to arrange so that our increasing number of elder citizens shall not become economic liabilities. I have supported broadening social security, increased elder citizens' pensions, reduction in age to receive social security, increase in amount allowable to earn.

The spirit of people of our Nation constitutes the indestructible wealth of our Nation.

I HAVE SUPPORTED STRONG NATIONAL DEFENSE

My guide or thought for each day as your Congressman is as follows: "I daily work and pray for a safe and sound America in a world of enduring peace."

I close each letter with that sentence, before I sign my name. I mean it. But, my friends, with the world as it has been reported to be, I would not have felt I was doing my duty to you—and all the people of our beloved Nation—if I had neglected to vote for funds necessary to keep our country strong enough militarily to resist possible military aggression. But military defense is not the ultimate solution.

It now costs each American family about $105 a year, and President Eisenhower has recently asked a sum from Congress which will increase that to about $125 per year, per family.

I HAVE FREQUENTLY SENT NEWSLETTERS TO YOU

Almost every week until recently when my work load was too much to continue it for a time, I have sent to all the newspapers in the 23rd district a brief newsletter from my desk. It has been nonpartisan. I thank the press for whatever use they have been able to make of it for the information of their readers about Congress. For a few months I have sent home, free, a monthly "newsletter." If you want to also receive it, I'll honor your written request for it.

I DID NOT COME HOME FOR EASTER RECESS

Naturally, I would like to have come home. I was advised that all but two California Congressmen had gone home "to see how matters stood politically, etc." But, I felt it necessary to remain in Washington, D. C., and do two important official pieces of work which could not wait until Easter recess ended, to wit:

1. Work on a few cases which only I, as Congressman, could be effective in, and which could not well wait.

2. Prepare to act as subcommittee chairman, beginning April 16th at Un-American Activities Committee hearings at Los Angeles Federal Building for several days. To be chairman of such an important hearing is considerable of a responsibility in the fight against subversive communism, wherever it raises its ugly head.

Whenever there is a primary election in any State, all Members of Congress are excused to return to that State in ample time to protect their own "political status" in their respective Congressional Districts. No

roll call votes are taken on the primary election date. So, on June 5 comes the primary election in California. No doubt almost all of the 30 Congressmen from California will have been excused from the Halls of Congress so they could come home in due time to campaign a bit for their own reelection. I expect to be home for at least a few days and to personally cast my vote at South Gate. Mrs. Doyle will vote by absentee ballot.

I HAVE EXPERIENCED GREAT EVENTS AND MET GREAT PEOPLE FOR YOU

My membership on the Armed Services Committee has occasioned my witnessing outstanding and inspiring events in connection with our National Security and National Defense. From the supersonic wind tunnel to being submerged off the Atlantic seaboard on the nuclear submarine *Nautilus* for over 12 hours; to cruising on the supercarrier *Forrestal;* to witnessing atomic tests and seeing one "guided missile" "hit the mark" over 10 miles in the sky; to eating luncheon at the White House with the President (before his heart attack) to being present as great foreign nation leaders speak to us in Congress—these and other moments are all occasions when I would be most happy if you and each of you in the great 23d District, could also share the experience.

I often say that our Nation deserves the best of whatever we are.

I HAVE BEEN FAITHFUL IN FLOOR ATTENDANCE AS WELL AS COMMITTEE ATTENDANCE

I was either personally present on every "yea" and "nay" rollcall vote, or paired on every "yes" and "nay" rollcall vote from the beginning of the 84th Congress to the date of this "report." As heretofore stated, my official duties as a member of the Armed Services Committee and the Un-American Activities Committee, on occasions takes me away from the Capital to other parts of our Nation during the time Congress is in session, on account of important official subcommittee work which it is required to do in connection with our legislative responsibilities. But, on such occasions I have always been able to arrange to be paired on any vote when I was necessarily personally absent. To date there have been 88 "yea" and "nay" rollcall votes. I was necessarily absent on 13 thereof but was paired on everyone of the 13. As to quorum calls (which are not voting occasions) there have been 80 to date. I necessarily missed 17 during the 1st session of this 84th Congress; I have not missed any quorum calls in this second session. The missed quorum calls were occasions for the same reasons which obtained in the manner of the "yea" and "nay" rollcalls. I have never been absent from attendance upon the floor of the House, or upon a committee meeting, nor in answer to a "yea" and "nay" rollcall vote, or a quorum call, or any other congressional duty or responsibility on any occasion during the almost 10 years I have already served in Congress on account of sickness or illness of any sort. I make this frank and full accounting to you of the same as I do of my discharge of every other official responsibility as your Representative in Congress.

I HAVE PERSONALLY TESTIFIED BEFORE CONGRESSIONAL COMMITTEES

For instance, I personally appeared and testified before the Post Office and Civil Service Committee of the House, in support of a reasonable increase in pay for the postal workers. Committees set definite dates when Members of Congress will be heard by the committee on pending legislation.

I HAVE KEPT A DIARY OF CONGRESS FOR 10 YEARS

Again during all of this 84th Congress I have daily kept a brief diary of important happenings and events occurring on the floor of Congress. Speaker RAYBURN, Majority Leader MCCORMACK and Republican Leader MARTIN have told me that such a diary has never been kept by any Member of Congress within their knowledge. I was able to frequently accept invitations to speak to community groups, patriotic organizations, churches, lodges, Y. M. C. A., etc., about Congress.

Space prevents my visiting with you on other subjects which I should like to talk with you about in this report. But, whatever you have in mind to have me tell you about, please write me—or better yet—look me up when I am home this summer and give me the benefit of your opinion on it.

With kind regards to each of you and looking forward to again meeting you whom I already know and you whom I also wish to meet and know, I have the honor to be,

Your Congressman,

CLYDE DOYLE,
23d District, California.

Kalkaska Air Force Base, Kalkaska, Mich.

EXTENSION OF REMARKS
OF
HON. VICTOR A. KNOX
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, April 9, 1956

Mr. KNOX. Mr. Speaker, in a few days the Members of the House of Representatives will be called upon to vote on legislation authorizing the defense military construction program for fiscal year 1957. That legislation authorizes construction amounting to a total of $2.2 billion for projects deemed vital to our national security.

It is impossible for us as Members of Congress to be fully familiar with every aspect of this important legislation. However, when an instance arises with respect to such legislation, that threatens to squander the taxpayers' money and irresponsibly retard the development of a defense installation described as urgent by the Department of the Air Force, it is essential that the matter be called promptly to the attention of the membership of this distinguished body. I regret that such an instance is contained in the defense military construction bill, H. R. 9893. I refer specifically to the portion of the bill authorizing the appropriation of funds for the Kalkaska Air Force Base, Kalkaska, Mich.

In the action of the House Armed Services Committee in transferring the location of the base from Kalkaska, Mich., to Manistee, Mich., there can be no question that the American taxpayers' money will be squandered and the defenses of the United States irresponsibly retarded.

The membership of the House may recall that on March 13, 1956, in a speech that I delivered in this Chamber, I first called attention to this matter. My remarks on this subject at that time appear beginning on page 4631 of the CONGRESSIONAL RECORD of March 13.

In that speech I cited the fact that in the early fall of 1954 following thorough study of possible sites by the Department of the Air Force and by the interested committees of Congress, work was begun on a jet interceptor airbase at Kalkaska, Mich. The actual construction work was undertaken only after the Congress had authorized the construction and had appropriated funds for the initial expenditure of $8.6 million with respect to the Kalkaska Base.

The development of the Kalkaska Base was described by the Department of the Air Force as being in the best interest of the Air Force. The importance of immediate development of the base was further described by the Air Force as necessary to meet an urgent air defense requirement. The cost of the Kalkaska Base was estimated to be significantly less in original construction cost and substantially less in annual maintenance cost than similar costs pertaining to any other site considered.

In my remarks of March 13, I went on to relate how certain persons seeking to further their selfish interests had endeavored to have the jet interceptor base transferred from the Kalkaska area to a less satisfactory site near Manistee, Mich. I explained and documented how such a transfer would cause a minimum of 1 year's delay in the completion of a vital link in our northern defense perimeter intended to protect the north central industrial area of the United States from Detroit to Chicago. I also explained and documented the way in which the transfer from Kalkaska to Manistee would not only result in the abandonment of taxpayers' money already spent on the development of the base at Kalkaska but would also significantly increase the total cost of the development of the base. In my remarks of March 13, I also pointed out factors pertaining to troop morale considerations that dictated that the airbase be located at Kalkaska in the interest of promoting troop welfare and furthering our national security.

In my remarks of March 13 I thought that I had fully discussed the reasons why it was essential that the air base be retained at Kalkaska, Mich. and not transferred to Manistee, Mich. However, since that time certain additional matters relating to this subject have been brought to my attention. This additional information makes the motives of the self-seeking individuals endeavoring to transfer the base to Manistee, Mich. even more questionable and the propriety of the methods they have used to accomplish this end even more dubious than these motives and methods had appeared at the time of my previous speech.

The motivation for their efforts to transfer the base relates to their personal convenience and to their abhorrence of possible association with our American boys wearing the uniform of the United States Air Force. Mr. Speaker, I will have more to say on that later.

The self-appointed czar of this minority group effort to obstruct the development of an airbase at Kalkaska, Mich. that the Air Force has termed urgent to our national security, is an occasional summertime resident of the Kalkaska area who owns property in the area assessed at $3,800 in value and who paid $100.70 in taxes on that property for the year 1955. The individual heading this irresponsible obstructionist movement actually lives in St. Louis, Mo.

This $100 a year summertime taxpayer would deny to the year-around taxpayers of Kalkaska the opportunity of seeing their community prosperity enhanced by virtue of the $5.8 million payroll that would attend locating the jet base at Kalkaska. He would prefer that the community lose that multi-million-dollar payroll so that his summertime peace and tranquility to which he contributes $100 a year would not be disturbed. The Department of the Air Force has expressed a view that because of community and recreational facilities that will be available to Air Force personnel, the Kalkaska site is the most desirable location considered in connection with locating the jet base in northern Michigan. This part-time resident of Kalkaska would sacrifice the morale and welfare of our military personnel for his part-time convenience.

In a letter dated October 5, 1955 which this St. Louis "constituent" sent to citizens in the Kalkaska area soliciting the donation of funds to thwart the Air Force in the development of an Air Force base essential to our national defense stated in his letter as follows:

> We have employed two lawyers in St. Louis and will shortly employ a third one in the State of Michigan.

He goes on to say with reference to the two lawyers in St. Louis:

> Both of these men know their way around Washington and are close to several influential Members of Congress.

The sinister implication of the expression in this St. Louis "constituent's" letter to the effect that the two lawyers in St. Louis are "close to several influential Members of Congress" should be carefully considered by every Member of Congress in his vote as to whether or not this vital air base should be retained at Kalkaska, Mich., as desired by the Air Force or whether it should be transferred to Manistee, Mich., as desired by a few part-time residents of the State of Michigan. I cannot help but wonder why the third lawyer from Michigan that this St. Louis "constituent" proposes to hire is necessary if the two lawyers from St. Louis have the Washington influence that he claims for them. Mr. Speaker, is this another instance of a person seeking to substitute influence for merit, in endeavoring to further a cause before the Congress of the United States? I think it is, Mr. Speaker, and, therefore, I am confident that the Congress will not sustain him in his selfish purpose.

My St. Louis "constituent" recently sent to me a petition allegedly representing the alleged views of approximately 700 signatories in opposition to the location of the air base at Kalkaska. I instigated an investigation to determine the validity of that petition. I have recently received reports on that investigation in the forms of a telegram from the Honorable Merle C. Lutz, President of the Kalkaska Air Base Committee and also a sworn affidavit from the Honorable Hollis W. Morgan, President of the Kalkaska County Chamber of Commerce. Mr. Speaker, at this point in my remarks I will include the telegram and the affidavit:

TRAVERSE CITY, MICH., *March 23, 1956.*

Representative VICTOR A. KNOX,
House Office Building,
Washington, D. C.:

March 16, 690 cards addressed to signers of Comfort's petition were mailed at the post office of Traverse City, Mich., as of this date March 26 9:30 a. m., the following returns have been experienced: 94 returned—unknown, 30 returned—moved, 1 returned—deceased, 3 returned—no reason given, 37 returned—no such post office, 21 returned—insufficient address, 53 signers have indicated they are no longer opposed, 136 are still opposed to the site, 8 are undecided.

MERLE C. LUTZ,
President, Kalkaska Air Base Committee, Inc.

KALKASKA COUNTY CHAMBER OF COMMERCE,
Kalkaska, Mich., March 17, 1956.

To Whom It May Concern:

I, hereby, certify that I have conducted an investigation of the attached petition circulated in protest of the Kalkaska jet base in the summer of 1955 and I submit the following report:

There are 690 signatures entered on the petition of which 536 are reported here. Not one signature bears a Kalkaska address: 294 are found to be property owners, including husband and wife; 59 are year around residents (husband and wife and family); 313 are summer residents, or visitors (weekends to two months); 154 are completely unknown signatures; 9 are duplicate signatures; 1 is deceased for approximately two years; 23 minors (mostly early teenagers including two children of Hartley Comfort).

I hereby certify that the above report is true and accurate to the best of my knowleldge.

HOLLIS W. MORGAN,
President, Kalkaska County Chamber of Commerce.

Subscribed and sworn to before me a Notary Public in and for Kalkaska County on this 17th day of March 1956.

MILDRED E. SHOEMAKER,
Notary Public, Kalkaska County.
My commission expires August 16, 1959.

Mr. Speaker, these two documents are significant in that they demonstrate the deceit being used by those who would prevent the location of the jet base at Kalkaska.

Thus far, Mr. Speaker, in my remarks on this vital subject today, I have documented the facts that, first, the minority group of part-time residents in the Kalkaska area who are seeking to thwart the efforts of the Department of the Air Force to complete the vital link in the air security of our Nation have resorted to the pressures of influence, and, second, have resorted to deceitful misrepresentations, in their efforts to accomplish their purpose.

Mr. Speaker, without attempting to minimize the serious gravity of those two devious methods that have been employed by this minority group that seek the transfer of this jet base to the Manistee area, there is a third factor with respect to their methods that causes me even greater concern and that must be called to the attention of my colleagues in the House.

Mr. Speaker, that third factor concerns the effort on the part of the same individual who is purchasing influence and practicing deceit to keep the Kalkaska base from being completed, to attain support for his selfish efforts by making scurrilous and opprobrious attacks upon the moral character of the men and women serving in the Armed Forces of the United States. This individual has expressed opposition to the location of the jet base at Kalkaska for the reason that "Around a military establishment unfortunately are found saloons, taverns, motels of questionable character, bawdy houses, and so forth." This same individual has said: "Traverse City with two bases in its area already can point to an alarming increase in delinquency. Thirty-five cases of illegitimacy, traceable to these bases is something the families do not want in the Chain of Lakes area." I have had both of these allegations carefully checked by the appropriate police officials in the Traverse City area. I have been informed in sworn affidavits from these officials that not only are these allegations untrue but the fact is that the military personnel located in the Traverse City area have a record of rendering substantial community service to the citizens of that area.

Mr. Speaker, at this point in the RECORD I would like to include those affidavits as part of my remarks.

AFFIDAVIT

TRAVERSE CITY, MICH., *March 17, 1956.*

1. That I have been sheriff Grand Traverse County for the past 6 years, and associated with law enforcement for the past 10 years.

2. That during this period, to the best of my knowledge and belief, and especially following a thorough study of record, that the following facts are presented:

A. That there has been no above normal increase in crime, or reason to suspicion that there is, either due to the Empire Air Force Base or to the United States Coast Guard Air Station located in Traverse City.

(a) That, quite to the contrary, both of these installations have been a decided asset as assistance to law enforcement agencies, and that this assistance has been rendered to law enforcement agencies both under the official direction of commanding officers apart and separate from official duty nature, and as individuals during off-duty periods.

(b) That as examples of this assistance to law enforcement are quoted:

(1) The many assistances given in the rescue of resorters encountering trouble on the many lakes of the region.

(2) The assistance given in the finding of lost children, lost hunters, etc.

(3) The assistance given in searches for drowned bodies, and the subsequent finding of same, as a result of their efforts.

(4) The assistance rendered during large fires and other emergencies.

3. That, to the best of my knowledge and belief, there has been absolutely no increase in the rate of illegitimacy, or any related incidents or crimes, within the jurisdiction of this department.

RICHARD WEILER,
Sheriff, Grand Traverse County, Mich.

STATE OF MICHIGAN,
County of Grand Traverse:

On this 17th day of March 1956 before me, a notary public in and for said county, personally appeared Richard Weiler, known by me to be the sheriff of Grand Traverse County, Mich., and who signed and acknowledged the foregoing instrument as his free act and deed.

MADELYN E. KELSCH,
Notary Public, Grand Traverse County, Mich.
My commission expires March 25, 1956.

AFFIDAVIT

CITY OF TRAVERSE CITY, MICH.,
March 17, 1956.

This is to certify that I, Charles Woodrow, am the chief of police in the city of Traverse City and have been for the past 14 years. I have been in police work in the city of Traverse City for the past 28 years.

In a letter to Mr. Donald Quarles, Secretary of the Air Force, dated August 30, 1955, Mr. Hartley B. Comfort alleges in paragraph No. 8 of this letter: "Traverse City, with two bases in its area, already can point to an alarming increase in delinquency. Thirty-five cases of illegitimacy traceable to these bases is something the families do not want in the 'Chain of Lakes' area."

I would like to make the following statement:

That, to the best of my knowledge and belief, there has been no abnormal increase in crime, delinquency, or illegitimacy since the establishment of these bases, and that, quite on the contrary, the personnel have been extremely well behaved. We have had the utmost cooperation from both bases in the handling of what few minor problems that have come up.

CHARLES WOODROW,
Chief of Police, Traverse City, Mich.

STATE OF MICHIGAN,
County of Grand Traverse:

On this 17th day of March 1956 before me, notary public in and for said county, personally appeared Charles Woodrow, known by me to be the chief of police of the city of Traverse City, Mich., who signed and acknowledged the foregoing instrument as his free act and deed.

MADELYN E. KELSCH,
Notary Public, Grand Traverse County, Mich.
My commission expires March 25, 1956.

Mr. Speaker, neither the patriotic people of the Kalkaska area nor I as their Representative in the Congress of the United States initially sought to have the jet air base located in their lovely community. It is typical of the people in that community, however, that when they learned that the Department of the Air Force desired to build an air-base installation in their area that was vital to the defense of the United States, they immediately undertook to cooperate wholeheartedly with the Department of the Air Force in the completion of that project. The people of the community have already spent tens of thousands of dollars acquiring land to be donated to the Federal Government, enlarging school facilities, and improving recreational facilities to assure completion of the base and to assure maintenance of troop morale at a high level for the military personnel to be stationed there. The citizens of Kalkaska demonstrated in a typically American way that they wanted and would welcome the Air Force as an addition to their community.

Mr. Speaker, the Air Force also wanted Kalkaska. The reasons for the decision by the Department of the Air Force to locate at Kalkaska can best be summarized by inserting in the RECORD at this point in my remarks excerpts from the testimony of Mr. John M. Ferry, Special Assistant for Installations of the Department of the Air Force before the House Armed Services Committee on March 7, 1956, in connection with that committee's consideration of H. R. 9893, authorizing construction for the military departments for fiscal year 1957.

The Air Force is satisfied with the Kalkaska site, from an operational and community viewpoint. It is the cheapest site for construction of any of those that we have surveyed. It has a great advantage in that the plans for construction are substantially completed. The land is being in the press of being acquired and donated in fee by the community and we have a lease on some 7,000 acres of State land, which we are ready to move in on. * * * It is a matter of importance that this go forward rapidly. Not only because of the need and desirability of establishing a base for our fighters as a protection to the central part of the country, but in order to establish the SAGE installation which is a part of the network of protection for the whole northern border of our country. * * *

The project of the SAGE installation is of the utmost importance. The plans are ready. We could go forward placing contracts within a matter of weeks if it were established that the installation will go at Kalkaska. * * *

In establishing the desirability of our base at Kalkaska, we gave considerable weight to the fact that we had obtained community support. By that I mean housing, schools, churches, social centers, close to our base, which is one of the factors involved in the selection of such a thing.

* * * * *

Mr. FERRY. Without looking at my figures, sir, it is about $18 million cheaper than Cadillac, but in annual costs, which I shall bring out later, it is considerably cheaper than Cadillac because of this SAGE installation.

I would like to point out one fact which is of great importance.

Here is Torch Lake, which Mr. Comfort discussed with you today, and pointed out there are expensive properties around here, which is true.

Here is the relationship of our base to Torch Lake. You will note it is a matter of about 8 miles away.

There is the runway. The pattern will bring planes in on the east-west heading, because there are prevailing winds, which will substantially keep them away from any of the Torch Lake area, so that the possibility of annoyance from noise of these jet planes is very minimal in the Torch Lake area.

I have never been quite clear as to just what the objection the Torch Lake residents was to this, because of the fact that it is relatively remote from their property. * * *

Under these circumstances, sir, I believe that it is in the best interests of the Air Force to expedite the construction of this property that is badly needed. We are ready to go forward with the concurrence of the committee.* * *

* * * * *

The CHAIRMAN. Then the committee can understand after Cadillac had been rejected by the Appropriations Committee you appointed a board to make further studies, and the board made its findings and conclusions and recommended Kalkaska?

Mr. FERRY. Yes, sir.

The CHAIRMAN. Did they examine Manistee?

Mr. FERRY. They examined three sites.

The CHAIRMAN. Which three sites?

Mr. FERRY. They are not identifiable geographically other than to say they are relatively close together, and we titled them "Sites 1, 2, 3, in the Manistee area."

The CHAIRMAN. Compare the difference between the Kalkaska site and the Manistee site.

Mr. FERRY. May I refer to my figures to give you accurate cost information, sir?

For the purpose of your information, the cheapest Manistee site—there were three sites developed—the cheapest one was $11,850,000, as compared with the Kalkaska site, $11,652,000.

The CHAIRMAN. Now, are there any military objections to any one of the three sites?

Mr. FERRY. Yes, sir.

The CHAIRMAN. Tell us the advantage of the Kalkaska site over the Manistee site.

Mr. FERRY. The Kalkaska site is closer to a community, so that in time off that our people may have they will have a good-sized town. It is about a 20,000-inhabitant town—a good-sized town to go for such recreation as they may be able to develop.

The CHAIRMAN. As a military mission, has Kalkaska any advantage over Manistee?

Mr. FERRY. Militarily, with the exception of the fact that Manistee has a difficult soil problem in connection with the runways and foundations for the buildings. It will be difficult to expand the Manistee site in the near future.

* * * * *

The CHAIRMAN. Now, then, the other factors that caused you to make your decision, please.

Mr. FERRY. The other factors were cost, community support.

The CHAIRMAN. What is the difference in cost between the Manistee site and Kalkaska site, about $500,000?

Mr. FERRY. About $250,000. In first cost. In first cost.

The CHAIRMAN. There is no difference insofar as the cost is concerned?

Mr. FERRY. The first cost, sir. The annual costs are quite different.

The CHAIRMAN. How does the annual cost increase more at Manistee than at Kalkaska?

Mr. FERRY. The difference is brought about by the cost of the land lines which are used to connect up the SAGE installation into our defense network. The annual charges at Kalkaska are $1,040,000, as compared with $1,500,000 a year—a saving of almost a half million dollars a year in land-line costs.

Mr. DURHAM. Can you give us at this time the amount of money the Government would lose if another site were selected at this time? What are your commitments already, and how much money have you spent?

Mr. FERRY. We have between $400,000 and $500,000 already spent or committed to be spent for the development and completion of the plans and working drawings at the Kalkaska site.

Mr. DURHAM. In other words, you would lose about $500,000?

Mr. FERRY. Yes, sir.

Mr. DURHAM. Do you have a commitment already on your SAGE project and the contract?

Mr. FERRY. No, sir; and I am most anxious to place it. I am most anxious.

* * * * *

Mr. RIVERS. How much would it cost in delay if we selected another site?

Mr. FERRY. We would lose 1 year.

Mr. RIVERS. That would leave a gap in defense of this country for an additional year?

Mr. FERRY. Yes, sir.

* * * * *

Mr. WICKERSHAM. If you desire to expand in the future, can you expand at one base as easily as you can at the other?

Mr. FERRY. No, sir. We can expand more readily at the Kalkaska site than at the Manistee site because of soil conditions. We run into a rather difficult peak situation. It would be difficult to extend our runways.

* * * * *

The CHAIRMAN. You know of the various complaints coming in from cities all over the country about the noise caused by the jets. Why doesn't the Department try to locate these places that have equal military value, where there will be less objection on account of the noise? Why do you want to go into fine sections and have people worried and disturbed, when you could go to a more isolated section and have the same military defense, and put it there instead of putting it in other places?

Mr. Ferry. I am glad you have raised the question, Mr. Chairman. There are only two answers to that. In the first place, we have put it in an isolated area. We are out in an untouched wilderness, a completely untouched wilderness where we will not disturb any existing residents. There are only 3 or 4 cabins that have to be taken away from this entire area which we are about to occupy, and we are 20 miles away from the town of Traverse City—18 or 20. We are 8 miles away from the residential section which has been so clearly described here, at Torch Lake, and the pattern of our take-off and landing in the summertime is so consistently east-west, that we cannot see where it will cause the slightest major trouble to the people living at Torch Lake.

Mr. Speaker, that is the record that was before the House Armed Services Committee at the time that distinguished group adopted an amendment to H. R. 9893 that would transfer the jet base in northern Michigan from Kalkaska which was supported by the Air Force, to Manistee which was supported by a small minority group of summertime residents in the Kalkaska area.

The views of this minority group endeavoring to obstruct the Department of the Air Force in locating an airbase in Kalkaska is most persuasively offset by the testimony of the representative of the Department of the Air Force before the House Armed Services Committee. It is also persuasively offset by the views expressed by the majority of the citizens affected by the location of the base at Kalkaska. Typical of these expressions of views is a letter signed by Dr. B. B. Breese dated March 20, 1956, addressed to the House Armed Services Committee. At this point in my remarks I will include Dr. Breese's letter:

Rochester, N. Y., *March 20, 1956.*

House Armed Services Committee,
House of Representatives,
Washington, D. C.

Gentlemen: I have just learned of the decision of your committee to change the jet base location in northern Michigan from Kalkaska. Although I know that your time is precious, as a summer resident of Torch Lake, I should like to express my protest.

I have always considered Hartley Comfort, who has been instrumental in making this change, as a friend and I still do. However, I believe that many of the summer residents, even though they originally signed the petition which he presented to you have changed their views and would favor the base if they knew.

1. That from a defense, and taxation standpoint the Kalkaska area was advisable.
2. That money spent to prepare the site for use was wasted if the base were moved.
3. That the local residents would welcome the base and its personnel.

Apparently all three of these questions can be answered in the affirmative.

I know that I express the sentiment of a large group of resort people, many of whom have told me that that is the case.

My guess would be that if a secret ballot were permitted and the decision were based on the sentiment of the total local and summer resident population that those who favor the base would win. This, however, is not a problem for a referendum.

Although I am in no position to dictate your decision from a national standpoint, the question would seem to be:

Where can the needed base be most effectively and cheaply installed?

If Kalkaska is that spot, feel assured that by and large the base will be welcome.

Very sincerely yours,

B. B. Breese, M. D.

There has recently appeared in the newspapers in the Kalkaska area a full page ad paid for by public-spirited citizens in the community who have recognized the economic and military need for the location of the airbase at Kalkaska. Because the contents of this ad clearly demonstrate the true feeling of the people in the area with respect to the location of the jet base near their community, I will, Mr. Speaker, include the text as part of my remarks at this point:

An Outrageous Decision

There is widespread outrage among local residents at the decision of the Armed Services Committee to shift the location of the jet base from Kalkaska to Manistee.

Much of this feeling, too, is directed at one summer resident who, regardless of whether he intended to or not, has in reality put his interests ahead of those who live here year around, as well as ahead of our Nation's defense.

An annual payroll of about $6 million has been thrown away because of an unproved and dubious claim that the jet base would hurt the resort business, and also partly because of a false implication that we who live here don't want it.

Obviously the resorter in question has no concept of the economic problems facing the 10,000 or so year-around residents in Antrim County. He apparently thinks that the largess from the golden egg of a 2-month summer resort business is all—absolutely all—that this area should expect, and all that it needs, to continue living at its usual substandard level.

Fine schools, job and business opportunities, good housing, adequate loan institutions, improved sanitation, well-equipped hospitals close at hand, and many other cultural and economic advantages—all these have apparently been taken for granted by he who lives in the midst of them in the more prosperous area below. For us, these things are still a hope for the future that can only be fulfilled as our economy develops.

The tragedy is that there has been no convincing proof that the jet base and the resort business in this instance cannot be compatible. The Kalkaska site is in wasteland, far enough from the populated lakes region, and the flight patterns from this base were not planned for over the Torch Lake area.

The belief that the air base and our resort enterprise can exist side by site mutually benefiting each other is what has accounted for the silence of most local residents on the jet base issue before this.

Most of them felt that there was no use having an unpleasant argument when it seemed that the base was assured anyway.

Most of them felt that it was a healthy thing for those in opposition to express their opinions along with those who were in favor of it. That's democracy.

But the fact is that the House Armed Services Committee has apparently come to believe the story told it by the summer resorter, who came armed with a 1,200-name petition.

The House Armed Services Committee apparently believes that we are all "up in arms" about the base and don't want it here. What a libel of this area?

The loss of the jet base is not just a loss for those who live here. It's a terrible waste of both time and money for the entire Nation—because, for the most part, of the aggressive and successful action of one man working determinedly to keep the base out of Kalkaska and possibly out of Michigan.

According to news reports, the 1,200-name petition is the weapon that did it—and yet we know how phony petitions can be. We're not saying there's anything wrong with the petition that was presented. No one has had a chance to investigate it yet. But we cannot believe that most of those who signed it wanted it to be interpreted as a mandate for a reactionary treatment of national defense and the welfare of this area.

After all, a great measure of the enjoyment that summer residents have in any resort community depends upon and grows out of the friendly relationships with local residents.

What happens to the pleasure of such a relationship if there is no equality or dignity in it?

Each social group has a right and duty to help the other understand its individual and mutual problems. Discussion, persuasion, education—all are the accepted techniques of making a better society for free men.

But no one person, or small group of individuals, has the right to virtually dictate how this area shall grow, how it shall be developed, or attempt to place a ceiling over it—not without the consent of those living here. That is the basic reason for the outrage at the jet base decision.

We are sure that neither the summer residents nor the local residents are going to let the jet base affect their friendly relationship for the future, but we are also sure this issue is not dead yet.

If you want to help, whether local or summer resident, let the Armed Services Committees of the House and Senate know how you feel.

Let them know that you are disgusted with the waste of taxpayers' money running into millions of dollars that would result from such a change.

Let them know that you believe that soldiers and citizens can live together in harmony in America.

Let them know that you believe that our real enemies are abroad and not at home.

Let them know that you want a reversal of the outrageous decision recently made by the House Armed Services Committee.

But act by sending a wire, telephoning, or writing your Congressman now, or it may be too late. (This appeal paid for by local citizens and businessmen interested in the continued economic and cultural development of this area.)

Thus, Mr. Speaker, we have a record of the Department of the Air Force undertaking to establish a vital defense link in the northern perimeter of the United States at a site which was desirable in terms of strategic and military considerations and which would result in the lowest possible cost to the American taxpayer, a record of the American citizens in the community working with the Department of the Air Force in a spirit of patriotism and cooperation. Unfortunately, Mr. Speaker, we also have a record of a small group of persons who had some tenuous claim to residency in the area using influence, deceit, and unwarranted attacks on the character of the men and women wearing the uniforms of the Armed Forces of the United States in order to obstruct the development of this airbase at Kalkaska.

Mr. Speaker, we also have at issue in this matter a question of the confidence and faith that the people of America may place in their Federal Government and more particularly in the Congress of the United States. In my remarks today and in my remarks on March 13 I carefully documented the reliance that the people of Kalkaska placed on the decision to locate the jet base in their

community. The Department of the Air Force and the citizens of Kalkaska were fully justified in proceeding with their cooperative effort to bring to a prompt conclusion the construction of this essential Air Force establishment. In this connection, Mr. Speaker, it is appropriate to note that the actions taken in this regard followed the approval of the House and Senate Committees on Armed Services and the House and Senate Committees on Appropriations. This concurrence is documented by correspondence addressed to Defense Department officials from the appropriate committee and subcommittee chairmen expressing congressional approval of the selection of the Kalkaska site. Mr. Speaker, at this point in my remarks I will include copies of those letters:

House of Representatives,
Committee on Armed Services,
July 29, 1955.

Hon. Lyle S. Garlock,
Assistant Secretary of the Air Force,
Department of the Air Force,
Washington, D. C.

Dear Mr. Garlock: I have your letter of July 28, 1955, in which you indicate that it is the intention of the Air Force to establish the Traverse City area base at Kalkaska, Mich.

I am gratified that final selection of this base has been made, since I know of its importance to our Air Defense Command.

You request that this committee give its approval for the development of the airbase at the Kalkaska site. This request is somewhat of a surprise to me, since I assume that the site selected is in the Traverse City area and, this being so, this committee has no further function to perform or approval to give. The only remaining matter which would come within the cognizance of this committee would be the acquisition of the land necessary for the base, and I would expect that a project covering this land acquisition will in time be submitted to the committee.

Sincerely yours,

Carl Vinson,
Chairman.

House of Representatives,
Committee on Appropriations,
July 28, 1955.

Hon. Harold E. Talbott,
Secretary of the Air Force,
Washington, D. C.

Dear Mr. Secretary: This committee has no objection to the Air Force proceeding with the immediate construction of an airbase at the so-called Kalkaska site in Michigan as requested in Mr. Garlock's letter of July 28, 1955. It should be understood that funds can be made available from the appropriation for "Military construction, Air Force," in the amount previously justified and appropriated for an airbase in the Traverse City area.

Sincerely,

Clarence Cannon,
Chairman.

United States Senate,
Committee on Armed Services,
August 11, 1955.

Hon. Lyle S. Garlock,
Assistant Secretary of the Air Force, Financial Management, Washington, D. C.

Dear Mr. Secretary: Chairman Russell has referred to the Subcommittee on Real Estate and Military Construction your letter of July 28, 1955, regarding the development of a new airbase in the Traverse City, Mich., area.

As you know, the authorization for this base is designated as "Traverse City area, Michigan." It appears that this authorization is broad enough to support a location at any of the sites mentioned in your letter. The Senate Armed Services Committee was not responsible for the two previous changes in the proposed location of this base and, thus, has not had an opportunity fully to evaluate the comparative merits of the proposed sites. Since under the terms of the authorization act no further action is required on the part of the committees that considered the authorizing legislation, the Senate Armed Services Committee does not desire to impose any further restrictions on the Air Force in its selection of the site that is most advantageous to the Government.

Sincerely yours,

John Stennis,
Chairman, Subcommittee on Real Estate and Military Construction.

United States Senate,
Committee on Appropriations,
August 4, 1955.

The Honorable Charles E. Wilson,
Secretary of Defense,
Department of Defense,
Washington, D. C.

My Dear Mr. Secretary: The Senate Appropriations Committee has this day approved reprograming requests of the Departments of the Army and Air Force for military construction items as submitted and testified to by the Departments concerned.

The enclosed lists marked "Pending Construction Requests" and dated July 28, 1955, indicate the 3 Army projects and the 13 Air Force projects considered and approved.

In addition, the Committee has approved the development of the Kalkaska, Mich., Air Force Base, for which funds have been previously appropriated for a similar project in this area.

Very sincerely yours,

Carl Hayden.

Mr. Speaker, the membership of this distinguished body will soon be called upon to exercise its considered judgment on an amendment that I shall offer at the time H. R. 9893 is being considered in the United States House of Representatives. My amendment will provide for the continuation of the jet airbase at Kalkaska in the interest of military and defense economy. My amendment is supported by the Department of the Air Force. My amendment is supported by the vast majority of the citizens residing, part-time and full-time, in the Kalkaska area. My amendment is supported by the urgency of military considerations and the dictates of sound Federal economy. It is my hope, Mr. Speaker, that my colleagues in the House will undertake to join me in this effort to achieve greater national security for our glorious country at less cost to our already overburdened taxpayers.

The 1956 Olympic Games

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, April 9, 1956

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Congressional Record a speech dealing with certain aspects of the 1956 Olympic games, which I delivered on the evening of April 3, 1956, before the Father Rosensteel Council of the Knights of Columbus in Silver Spring, Md.

There being no objection, the address was ordered to be printed in the Record, as follows:

The 1956 Olympic Games

Last June, in Baltimore, I delivered an address on a subject in which I am keenly interested. I discussed certain aspects of a situation which has aroused in me a great deal of indignation.

It is a subject which should make all Americans indignant, regardless of their individual interests.

I spoke at that time on the subject of sports—amateur athletics as they relate to the activities of hundreds of America's good-will ambassadors who participate in the Olympic games every 4 years.

I say "good-will ambassadors" because that is exactly what they are.

These clean, wholesome, young Americans have traveled to the far corners of the globe every 4 years as outstanding examples of our way of life. They have always been dedicated to the true spirit of amateur competitive sportsmanship. They are living testimonials of the excellence and superiority of the free American system.

More often than not, these exemplary young people have proven themselves to be athletically superior. But, win or lose, they have consistently excelled in sportsmanship. And, regardless of the outcome of their endeavors, America's young men and women have never been found wanting in their valuable roles as representatives of that type of decency, morality, fair play, and courage which underlies the greatness of this Nation.

It can truly be said that America's young athletes—like her soldiers—have never let this Nation down.

There is, however—and it is extremely sad to relate—a growing body of evidence indicating that we, the American people, will, by sheer default, let them down this year at Melbourne, Australia.

This is a serious charge for me to make.

I do not make it in a moment of passion or with tongue in cheek.

Rather, I make it in the cold, clear light of unimpeachable evidence and only after much serious study and consideration.

I am acutely conscious of its far-reaching implications, but it is stated without reservation.

I pointed out a year ago at Baltimore—and have many times since then—that since the revival of the Olympic games in Athens, Greece, in 1896, Olympic committees of every nation have recognized the fact that the true spirit of sportsmanship rules out even the slightest taint of professionalism or commercialism. So insistent are they in this respect that this concept is embodied in their rules and regulations.

I also explained that the spirit of the Olympics as we have known them is the spirit of amateur sportsmanship itself; the spirit that encourages observance of moral laws; the spirit that engenders a wholesome respect for ethical standards; the spirit that is the nourishment of man's growth. It is the ultimate expression of that inborn sense of honesty, integrity, and fair play that can be found and cultivated in the heart of every man regardless of race, creed, political conviction, or social standing.

I further explained that under our free system in the United States this spirit has found fertile soil in which to blossom to fruition. Our young folks, voluntarily, and on their own time, and without monetary compensation, develop their individual athletic skills and freely compete in the spirit of the Olympics.

I charged at Baltimore—and do here again today—that the Soviet Union flagrantly and wantonly perverts that spirit and ignores Olympic rules in international competition.

I warned that the international Communist conspiracy—as an integral part of its world-wide cultural propaganda offensive—has an iron fist ominously pointed at Melbourne, Australia. I declared with all the conviction at my command that this atheistic gang of cutthroats would do everything and anything, honorable and dishonorable, to capture all the honors at that great international amateur athletic event.

I cited chapter and verse to substantiate these dire charges.

Now, I realize that, because of my own athletic activities as a youth and because of my special interest in sports, many of you may think I am making too much of this matter—seeing ghosts under the bed, as it were.

I assure you, had I never held a baseball in my hand, had I never bounced a basketball off a backboard, had I never felt the precarious balance of a javelin or the compelling weight of a discus, or had I never put a pair of track shoes on my feet, I would be as concerned and as indignant as I am at this moment.

I would be as concerned and as indignant—yes. Fighting mad, if you will—because there will be more at stake for this Nation at Melbourne, Australia, than the outcome of a few athletic events.

The 1956 Olympic games will not primarily test the physical prowess and stamina of our voluntary American athletes. Rather, they will show whether or not America can still hold its head high; whether or not we, as a nation, can still boast of moral integrity; whether or not this Nation to whom the rest of the free world looks for leadership still has a soul.

But, if you still think I am merely getting unduly excited about a pet subject, then I beg your indulgence while I quote the opinions of a few very well qualified persons on the subject.

On June 15, 1955, only five days after my remarks in Baltimore, a distinguished colleague of mine, the Honorable STYLES BRIDGES, senior Senator from the State of New Hampshire, inserted in the daily CONGRESSIONAL RECORD an article on Professionalism in Soviet Athletics.

The article was written by John Washburn of Hanover, N. H. It was published in the Concord Monitor, Concord, N. H.

Mr. Washburn, who served in the Army in Korea in 1945 and 1946 as a Russian interpreter, is now a sportswriter for World Tennis and the author of several articles on tennis behind the Iron Curtain. From 1950 to 1953 he was instructor in Russian at Dartmouth College.

Here is what he had to say about the relentless Soviet sports offensive, and I quote:

"The great Soviet Encyclopedia, in its entry on Dynamo, the oldest and most powerful Soviet athletic organization now in existence, confirms the fact that training camps for young Russian athletes do exist by its statement: 'For the training of young cadres of athletes from the youth of Dynamo, the young dynamovite (yuni dinamovets) which has raised many champions and U. S. S. R. recordholders was created.'

"It ought to be noted, in passing, that Dynamo is the athletic organization of the secret police and organs of state security.

"There is considerable material to prove that all top Soviet athletes are professionals, by any definition except the Communist-approved definition.

"The official Soviet Government position on professionalism in athletics was stated in detail by N. K. Antipov back on October 7, 1934, at a meeting of the presidium of the all-union Soviet of physical culture, and, since no other official viewpoint has been publicly expressed, we can assume that it is the official one.

"Said Antipov:

"'Our instructor, by bourgeois concepts, is, of course, a professional. We have thousands of such people, and we shall have even more. How can there be a question about allowing our instructor to enter competitions? In our country an instructor is just as much an athlete as anybody else.'"

Mr. Washburn goes on to point out example after example testifying to the rank professionalism of Soviet athletes.

He proves conclusively that they are paid by the state.

He offers adequate proof that they are official pawns of the government.

He shows beyond a shadow of a doubt that they are not amateur athletes in any sense of the word.

And, Mr. Washburn advises, and I quote: "While there is still time to avoid another debacle like Yalta from occurring at the 1956 Olympic games," steps should be taken by the International Olympic Committee to determine if Russia will be willing to abide by the rules of the Olympic games. If she will not, Mr. Washburn says—and these are his exact words—"Then Soviet masters of sport should be termed 'professionals,' and banned from Olympic competition."

After I had prepared my Baltimore remarks, the June 1955 issue of Life magazine carried a very illuminating article. It was written by Yuri A. Rastvorov, a former Soviet secret agent, and was entitled "Red Amateurs Are Pros."

I invite your attention to a few pertinent observations of Mr. Rastvorov, and again I quote:

"In the 17 months since my flight from the Russian Intelligence Service I have studied international sports with particular interest from the viewpoint of a fan and a former athlete in the Soviet Union. I was at once amazed by the gulf between the United States and the Soviet attitudes toward sports. I believe that if Americans do not learn just how complete this difference is before next year's Olympic games, they may be in for some rude shocks. Americans have to realize that such terms as 'amateur' and 'voluntary' are totally irrelevant in the U. S. S. R. Soviet teams are not organized; they are assembled as parts of a great State machine. Soviet teams do not play at their sports; they work at them.

"As a member of the Russian generation that grew up after the revolution and later as a member of the Soviet Intelligence Service, I had very full opportunities to observe the total regimentation of Soviet sports. As a youth I was trained in the military skills that were compulsory sports requirements for young Soviet citizens. As a young man I learned of the flagrant special privileges that are given Soviet sports stars, and later in a Siberian prison colony I saw what happened to athletes who were suspected of abusing those privileges. I learned that no Soviet team is sent into foreign competition unless it is practically certain of winning, although this may involve bribing of judges and referees. Finally as an espionage agent I saw how the machinery of Soviet Intelligence is constantly at work evaluating foreign athletic capabilities just as it evaluates foreign military capabilities."

Mr. Rastvorov goes on to emphasize example after horrible example testifying to the indisputable professionalism of the Soviet musclemen who masquerade as amateur athletes.

He proves conclusively that, in flagrant violation of Olympic rules and regulations, they are subsidized by the Kremlin.

He offers adequate proof that they are nothing but monstrous robots following the dictates of the international Communist conspiracy.

He shows beyond any shadow of a doubt that they will have a criminally unfair advantage over our young people who are dedicated to common decency, honesty, and fair play.

Also, after the preparation of my Baltimore remarks, the June 1955 American Legion Magazine featured an article by Arthur Daley. Mr. Daley didn't concern himself particularly with flagrant perversion by Russia of the spirit of the international Olympics. Rather, he boldly outlined the staggering results which this diabolic slave-State has been able to produce.

Here is Mr. Daley's startling revelation as set forth in the pages of the American Legion Magazine, and I quote:

"A decade or so ago the U. S. S. R. was in the Middle Ages, athletically speaking. Now it's in the atomic age.

"If you need a few examples, here are some which should open your eyes. This is what the Soviet athletes did in various championships last year:

"Speed skating: Swept all 5 men's championships and took 4 out of 5 women's titles.

"Skiing: Won 2 men's and 2 women's championships, thus muscling in on the Scandinavian monopoly for the first time.

"Gymnastics: Won 5 of 7 championships for men and 3 of 6 women's. Won both men's and women's team titles.

"Wrestling: Won 3 of 8 championships, more than any other nation.

"Rowing: Won the grand challenge cup at Britain's Henley Regatta.

"Weight lifting: Won 4 of 7 championships and took the team title.

"Shooting: Won 7 of 9 championships and 6 of 9 individual championships.

"The closest thing to a world championship in track and field was the European title games. The Russians won them.

"The comrades also set world records for the 3-mile run, for the 5,000 meters, for the 400-meter hurdles, and for the hammer throw while their Amazons set 9 more world records. Their male swimmers set two.

"And if all these statistics don't give you a chill, it's worth mentioning that there isn't a Russian track and field record—except the high jump—for the 19 standard Olympic events that's older than 4 years. Ten of them were made in 1954."

And so, Mr. Daley dramatically illustrates the results obtained by the Red-Soviet overlords as they wantonly befoul the spirit of the Olympics by making a propaganda weapon of amateur sports.

He demonstrates effectively that the athletic Frankenstein monsters of the Soviet regime are, first, last, and always, determined to be ruthless winners by fair means or foul.

He offers adequate proof that their cunning masters within the Kremlin walls have stockpiled them just as surely as they have A- and H-bombs.

He shows beyond any shadow of a doubt that these so-called amateur athletes are not sportsmen in any sense of the word. Just one more devilish weapon in the Communist cold-war arsenal to be used in their relentless drive for superiority in every phase of human existence.

Mr. Daley concludes the second portion of his articles with this dire warning—these are his prophetic words:

"Brace yourselves, boys, and accept an unhappy fact. When the 1956 Olympic games are ended, the Soviet scoreboard will not be blank. It will be heralding its news to the world in letters and in figures of red."

The sports columns of the New York Times of April 3, 1955, gave a graphic illustration of the size of the Soviet athletic program.

In an article written by Clifton Daniel it was asserted that "The Soviet Government has appropriated this year more than 30 billion rubles" for its physical culture program.

Mr. Avery Brundage, president of the International Olympic Committee, has warned that Russia "is building the greatest mass army of athletes the world has ever known."

I could go on and on and further substantiate my charges that the slave masters of the Kremlin are brazenly befouling the international Olympic games.

But why belabor the issue any longer?

Need I offer any more proof?

Inasmuch as the Russians have already walked away with the seventh winter Olympic games which were recently held in Italy, and since it is a foregone conclusion that they will do the same in Melbourne, it is too late to worry about an intensified program to prime our youth so that they may match the skills of the Russians.

We couldn't do this even if we wanted to.

We follow the rules.

The rules stipulate only 3 weeks of training and a strict amateur status of participants. This automatically precludes the possibility of meeting the Russians on their own terms and on equal grounds.

And, since these animated beasts of propaganda are not even sportsmen or athletes, we shouldn't worry whether we beat them or not.

What, then, is my complaint?

What am I getting excited about?

What do I advise?

Simply this:

This nation should do everything humanly possible to expose this gigantic international fraud and blackmail for what it is.

In fairness to our youth—who have never yet let us down in peace or war—we should do everything humanly possible to ban Russia and her barbaric goon squads from participation in the 1956 summer Olympics at Melbourne, Australia.

For, as I said nearly a year ago, if we allow the push-button athletes of the Soviet Union to run away with all the honors at the 1956 Olympics—without so much as a protest—and we start complaining afterward that they haven't complied with Olympic rules, we will be providing them with a razor-sharp, double-edged propaganda sword with which to run us through.

The winning Russian athlete will be flaunted as a symbol of strength, clean living, fun, courage, and fair play; a superior product of the dictatorship of the proletariat.

The complaining Americans will be ruthlessly propagandized as inferior products of a decadent, outmoded, capitalistic system, incapable of winning over the Russian athlete—and a poor loser to boot.

I am grieved by the sad lack of concern shown by American athletic officials—official American—and the American people as a whole, regarding this thoroughly deplorable state of affairs. These unprincipled disciples of the devil walked all over our youth at the winter Olympics and only mild and muted murmurs were heard on this side of the water.

This fact is quite amusing—if pathos is ever funny—in view of the extremely harsh and hasty action which we take against our own athletes.

As was reported in a recent issue of the Washington Post and Times Herald, Washington, D. C., our athletes cannot reflect the slightest taint of professionalism. If they do, they are banned forever from participation in the Olympic games.

Mr. Shirley Povich, talented sports writer for the Post, in his column, This Morning, outlined the case of famed mile-king Wes Santee.

Santee is a graduate of Kansas University and presently a proud member of the United States Marine Corps. He is alleged to have accepted more money for travel expenses to various track meets than the rules permit.

This, it is alleged, makes him a professional.

The American Athletic Union, which Santee claims offered him the money in the first place, has stripped him of his amateur rating forever. This of course prohibits him from participating in the 1956 Olympic games.

Mr. Povich in suggesting that the American Athletic Union has exploited the amazing talents of Santee to enhance its own gate receipts at various meets, asks this pertinent question, and I quote:

"And how come the AAU did not show the same vigorous interest in investigating those AAU promoters who propositioned Santee into violating the rules? Their sins are down in black and white on the financial statements of the meets they conducted, yet all they drew was a wrist-slapping reminder not to do it again."

Now, it is not my purpose to go into the relative merits of the case of Wes Santee who was this country's best hope in the forthcoming Olympic in the 1,500-meter or mile-run.

However, it does seem incongruous to me that our own athletic officials will mete out extremely harsh and apparently unjustified punishment to an American athlete, but accept the gross insults and deliberate violations of the Russians without a protest.

This is especially provoking because there is more than a reasonable doubt as to the real guilt of the accused. Indeed, my distinguished colleague, United States Senator FRANK CARLSON, of Kansas, considers the Santee case worthy of a congressional investigation.

I submit, in view of this case, that if American Olympic officials fail to protest the participation of the Russians in the 1956 Olympics, they will have automatically branded themselves as rank hypocrites.

Their failure to take a strong stand on this issue will be inscribed in athletic history as a personal insult to every American athlete participating in the Olympic games.

This strange silence in the face of Russian violation of the Olympic rules on the part of official America is perhaps understandable in one sense of the word.

I say "one sense of the word" because in these latter days there is a substantial and extremely vocal segment of our society which seems to have forgotten what common morality, integrity, honesty, and decency are.

They are bedeviled by a vast and consuming vision of a brave new world of angels and demons coexisting in peace, prosperity, and universal brotherhood. The collectivist society of their impractical dreams has economic equality and material comfort as its highest attainable goal.

This ridiculous notion has dimmed their senses.

It has darkened their vision.

It has dulled the voice of conscience.

In their mad rush to materialize and make manifest their wild dreams and schemes, they have no time for immutable truth. No time for moral indignation. No time for the unashamed honesty, decency—yes, and patriotism—which shine forth with such brilliance from the pages of our glorious history.

These are the same people who saw nothing wrong in our participation in the Korean war. The flower of our youth was sent to the God-forsaken wastelands of that conflict to suffer without hope and to die without reason. They were forced to fight a war which they were forbidden to win—all for the brave new world of coexistence.

The self-styled architects of this futuristic Armageddon, however, were so blinded by their senseless vision, they could look upon mangled bodies, frozen limbs, and tortured minds without shedding a tear or suffering a twinge of conscience; the shrieks of the dying and the stench of the dead failed to move them.

So, perhaps I'm asking too much to expect that they'll be moved to compassion by the mere prospect of our youth being unfairly pitted against the athletic automatons of Soviet Russia in the forthcoming Olympics.

It is this same vocal group—scared to death of war and enamored of a false peace—which refuses to see anything wrong with sitting in the council chambers of the United Nations—making deals with Russia and her satellites. These people wink at daily violations of the fundamental precepts of the U. N. Charter which they swore to uphold.

Perhaps I'm asking too much to expect that they'll even raise an eyebrow at the mere prospect of violation of the Olympic rules.

And, it is this same vocal group which is eager to extend recognition to the murderous tyrants of Red China—the wholesale slaughterers of American youth.

Perhaps I'm asking too much to expect that they'll be at all concerned about the figurative slaughter of American youth on the athletic field.

But, even though this segment of our society seems to be the dominant factor in our national life, I am convinced that they represent only the temporarily confused mind of America.

I cannot believe and will not believe that they reflect the great spirit of America.

I am convinced that that great spirit has yet to be heard.

It was the spirit of America speaking in the memorable spring of 1775. Patrick Henry was one American who lived by an ideal and had the courage to speak out for it.

Was he willing to supinely acquiesce in the face of British might?

No.

When the Second Revolutionary Convention of Virginia was meeting to determine whether to make an armed resistance to the Red Coats, he asked this question:

"Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery?"

He gave his own answer—an answer which we might profitably ponder at this time.

"I know not what course others may take, but as for me—give me liberty or give me death."

Those were the days when the spirit of America could make itself heard.

We might well ask ourselves today: "Is life so dear, or peace so sweet as to be purchased at the price of embezzling the pride, the honor, the spirit, the morale, and courage of our youth?"

It was the spirit of America speaking in the early 1800's when Stephen Decatur said: "Our country. In her intercourse with foreign nations may she always be in the right; but our country right or wrong."

Today, when there is absolutely no question as to the rightness of our country's position, shall we be less eager to defend her national honor?

Shall we be less eager to defend the honor of her youth?

It was the spirit of America speaking at Springfield, Ill., in 1837. In that proud year of American history, Abraham Lincoln asked a significant question.

"At what point then," he asked, "is the approach of danger (to this Nation) to be expected?" And his answer was one which we might well ponder at this moment.

"If it ever reach us," he said, "it must spring up amongst us; it cannot come from abroad. If destruction be our lot we must ourselves be its author and finisher. As a Nation of free men we must live through all time, or die by suicide."

I say at this time without hesitation or qualification that if we are willing to turn our backs on our youth, we have already reached a dangerous junction on the road of national suicide.

And, it was the spirit of America speaking on the deck of the *Missouri* in Tokyo Bay, on September 2, 1945. Speaking of what man must do to insure peace, justice, and morality in our modern world, General MacArthur said:

"The problem is basically theological * * * it must be of the spirit if we are to save the flesh."

I submit that the great spirit of America should make itself heard in this particular instance.

It is time that we insist on justice, morality, honesty, and integrity instead of just talking about it.

We must expose the Russians for what they are.

We must ban them from the 1956 Olympic games.

We must be done with common cause with the Devil.

We must chart a course of honor and stand behind our youth who are, after all, the America of tomorrow.

Mr. Rastvorov, whose words I have quoted previously, captures the problem in much more profound and lucid terms than my poor power permits.

With your permission, I will quote the conclusion of his article:

"[If the future] is to be productive in the sense that there is a spreading and diffusion of those values upon which our civilization is founded and from which it draws its strength, it will only be because we who are the present custodians embrace them with genuine conviction, live by them, and include them in our legacy to the world of our children * * * it is a matter of loving and hating the proper things; a matter of rejecting that which is false in favor of that which is known to be true; of putting principle before expediency, of cherishing universal values rather than those of limited worth and application. It is a problem of stark realism and honesty in the evaluation of fact * * * the future will depend upon the instruments which we are able to bring to its solution; our moral conviction, our vision, our wisdom, and our will."

I am confident that if and when the spirit of America shall make itself heard, we will not let our young people down.

HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

God of all grace and goodness, inspire us now to wholeheartedly dedicate and devote our capacities and talents, our energies and resources, to the best possible use in solving effectively and rightly our many national and international problems.

We penitently confess that we are frequently indifferent and satisfied with doing and giving our second best for those causes which challenge and demand the consecration of our noblest manhood and womanhood.

Encourage us to go forward bravely and fearlessly in the great adventure of building for humanity a new world of righteousness and justice, of peace and good will.

May we have within us more of the faith and fortitude of the Founding Fathers and daily bear witness to a spirit which places its confidence in the Lord God omnipotent.

Hear us in the name of the Captain of Our Salvation. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEMOCRATS BOOM McCORMACK FOR PRESIDENT

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, it started in Massachusetts about a week ago among the many friends and supporters of House Majority Leader John W. McCormack.

What began as a spontaneous move to have the Massachusetts delegation at the Democratic National Convention put John's name in nomination as a favorite son has already spread beyond the borders of his home State.

The Boston Post is carrying the good news to the six New England States and beyond.

His colleagues in the United States House of Representatives, on both sides of the aisle, have long known his ability, judgment, and courage.

So have the people of New England.

Now a nationwide constituency is waking up to the fact that John McCormack is the logical candidate of the Democratic Party for the highest responsibility and honor that this powerful country can confer.

Two weeks from today, on April 24, in the Bay State presidential primary, his name will be written in by tens of thousands of voters, serving notice to the Nation that the Democrats want a candidate of national stature, and one who is thoroughly familiar with all the domestic and international problems that require the best in leadership.

The popular demand in New England for McCormack for President will mushroom to national proportions in the weeks to come.

Our House majority leader is not the kind to promote himself. He is too busy with the great demands of his position, plus the conscientious attention he gives to the people of his Boston district, to think in terms of personal ambition.

But he cannot escape the call of those who recognize his magnificent services to the Nation.

John McCormack is a lawyer and a war veteran.

He had to make his way in life through sheer ability, determination, and a faith in those eternal verities that make him a fighter for human decency and human freedom.

Through the Massachusetts House and Massachusetts Senate, he rose to the position of majority leader in the United States House of Representatives which he has held by the common consent and warm approval of his colleagues for a total of many years.

In war and in peace, he has proved equal to every occasion.

Few men in the whole history of Congress have had his knowledge of both sides to every vexing problem in National Government, or his integrity in working for their solution.

All of his colleagues will vouch for this.

Their constituents in every State and district of the Nation will soon learn that they have overlooked, for too long, the great ability and character of a majority leader who is destined, by every standard that we apply to those who are considered for this highest office, to be our next national leader.

Massachusetts proudly presents John W. McCormack for President.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to advise my colleagues of the House that I am today introducing a resolution directing the House Committee on Ways and Means to undertake an investigation and study of the General Agreement on Tariffs and Trade. I will be joined in this effort by my distinguished colleague the gentleman from Maine [Mr. Hale] who will introduce the same resolution.

The Members of the House must be aware that we are being asked under the provisions of H. R. 5550 to approve United States membership in this agreement in an indirect way through the approval of the Organization for Trade Cooperation.

May I advise my colleagues that I have asked for 1 hour on Thursday of this week, and I will be joined by some 10 or 12 Members on both sides of the aisle, to try to explain to the Members of the Congress why we should not enter into this agreement until we know just what commitments have been made and how far Congress has been bound by the General Agreement on Tariffs and Trade.

THE LATE HALLETT S. WARD

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. Bonner].

Mr. BONNER. Mr. Speaker, it is my sad duty to announce the passing of a former Member of the House of Representatives, Hon. Hallett S. Ward, who served here during the 67th Congress.

Mr. Ward was born in Gates County, N. C., on August 31, 1869, the son of a Confederate veteran. He was educated at the University of North Carolina and entered the practice of law at Winton, N. C., in 1894. In 1896 he moved to Plymouth, N. C. In addition to practicing in the courts of eastern North Carolina he served as mayor of that city. He was a member of the State senate in 1898 and 1900. In 1904 he was named solicitor of the first solicitorial district of North Carolina and was reelected in 1906. From 1904 until his death his home was in Washington, N. C.

In 1920 he was elected from the First Congressional District of North Carolina to the Congress and retired voluntarily in 1924. Again in 1930 he served in the North Carolina State Legislature. Mr. Ward was a lifelong Democrat and for 34 years taught the men's Bible class in the Episcopal Church at Washington, N. C. He was twice married: First, to Miss Aileen Latham, of Washington County, who died in 1927; second, to Miss Dora Bonner, to which union a son, Hallett Ward, Jr., was born, who is an attorney, a graduate of the University of North Carolina, and now in the armed services. Mr. Ward practiced law for 62 years. He was an able lawyer, a faithful public servant, Christian gentleman, and an interesting conversationalist. The State of North Carolina has lost an able citizen, one who was held in high regard and esteem by all who knew him. To his wife and son I express my deep sympathy.

[From the Washington (N. C.) Daily News]

Hallett S. Ward

> A gentleman of the old school has graduated.
>
> Hallett S. Ward traveled life's highway for 86 years. During all that time he never made a detour and he never stopped to get his bearings. He knew where he was going, and his pathway was filled to overflowing with activity, service, and dedication to mankind.
>
> Few men in this world will ever enjoy the full measure of life that was Mr. Ward's. Until his short illness, his keen insight, prolific wit, and unfailing skill set him apart from the crowd.
>
> As an attorney, legislator, solicitor, and Congressman, Mr. Ward stood ever erect. As a citizen, husband, father, churchman, and beloved Pamlicoan, that erectness and straightforward approach were his finest labels.
>
> It is most difficult for one so immature to pay tribute to one so wise. Trite though it might be, Mr. Ward was a gentleman and a scholar—a gentleman in every sense and a scholar in the truest sense. He made his mark in life—a magnificent one. We may never see his like again.
>
> His travels this way have enriched many lives. His contributions to life have challenged many more. His 86 years of full and active life tell a story more beautiful than words can express. And death has not robbed his life of any of its splendor.
>
> All of us can look at that great life and be inspired.

HOUSING CONGRESS FOR WOMEN

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, I hold in my hand an interesting document, which is just one more reason why the silliest of all proposals for wasting the taxpayers' money—Housing Administrator Albert Cole's so-called Housing Congress for Women—should be canceled.

I have here a publication entitled "What People Want When They Buy a House," published by the United States Department of Commerce, Office of Technical Services, and released on December 16, 1955, less than 4 months ago. Its purpose is to be a guide for architects and builders.

It was prepared by the Housing and Home Finance Agency and includes a foreword by Albert M. Cole, the Administrator. This is the same Albert M. Cole who is now planning a conference of women—winners of a letter-writing contest—to find out the information contained in this booklet which, if Mr. Cole has not read it, he may purchase for $3 or perhaps be given a copy, as I was.

Since Mr. Cole, if we are to believe the contents of this booklet, already knows what people want when they buy a home, it can only raise a number of doubts about the nature of this coming Congress, and I think he should be called upon for some explanations.

First, Mr. Cole should tell us whether the investigations he is conducting include clearance by the Republican National or State committees; and

Second, he should tell us whether this Congress is interfering with the normal business of his agency; and

Third, is the money he plans to spend to pay the travel expenses of the contest winners being taken from funds which normally would be used for the regular business of the Housing and Home Finance Agency, including necessary travel.

I have received a letter from a Philadelphia housewife, who had submitted her ideas to Mr. Cole. She writes, in part, as follows:

> Last week a local member of the staff (HHFA) called on me for details of my background. He said the entire staff was called off regular duties to interview every single letter writer, the details to be sent to Washington where a selection would be made of a representative group.

This housewife went on to say that she doubted very much that she would win a trip to Washington because she also happens to be a Democratic committeewoman.

CIVIL RIGHTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, approximately 7 legislative days ago the gentleman from Indiana [Mr. Brownson] and I introduced identical resolutions the effect of which would give to the House of Representatives an opportunity to sign a petition to bring to the floor of the House a measure upon which action could be taken on the subject of civil rights. Yesterday the Attorney General of the United States presented to the Speaker of the House and to the Presiding Officer of the other body a program which, in my opinion, is somewhat overdue, but which nevertheless, I think, is a sound program. I hope, therefore, that no hasty action will be taken until such time as the Committee on the Judiciary has had a reasonable opportunity of considering this program. I hope the committee will bring forth a program and a bill which both sides of the aisle can join in supporting. It will then be our determination to take the necessary procedures to see to it that we have an opportunity to vote on this important matter before the adjournment of this session of the Congress.

GENERAL AGREEMENT FOR TARIFF AND TRADE

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, I rise to confirm the statement made a few moments ago by my colleague, the distinguished gentleman from West Virginia [Mr. Bailey] to the effect that he and I have introduced a resolution which calls in very specific terms for a study by the Committee on Ways and Means of the General Agreement for Tariff and Trade affectionately or unaffectionately known at GATT. This general agreement is having a profound effect upon the American economy. Its effect is particularly disturbing to the New England textile industry or what is left of it, which is still a great factor in the economy of the district which I have the honor to represent. I hope that resolution will be agreed to and that a study will be made as I think the result of such a study cannot fail to be salutary.

FACT FINDING COMMITTEE OF FRIENDS NEIGHBORLY SERVICE CLUB

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks and include therewith a letter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I am placing in the Record a communication from Mr. William N. Galbreth, chairman, Fact Finding Committee of Friends Neighborly Service Club, San Bernardino, Calif., dated March 30, 1956, covering more equitable distribution of surplus commodities to the needy people of this country, which I think is definitely worthy of consideration by those who are governing the distribution of our surplus foods:

> Friends Neighborly Service Club,
> San Bernardino, Calif., *March 30, 1956.*
>
> Hon. Harry R. Sheppard,
> *House Office Building,*
> *Washington, D. C.*
>
> Dear Congressman: Inviting your attention to the much publicized, criticized, and confusing reports relative to the cost of storing various articles of surplus food, and the very great amount of confusion in the ranks of the farmers as well as among the rank and file of the already overburdened taxpayers of our Government relative to the cost of storage, and the very, very strong opposition to sending said surplus food to foreign countries, thereby competing with their farmers.
>
> The very fact that there are 16,000 individuals here in San Bernardino County suffering from lack of proper food, not included

in this number are thousands of retired civil service employees (Federal), some who retired before 1948, some from partial as well as total disability, whose retirement annuities are not enough to allow them to live in a semblance of the so-called American standard of life, even if their annuities were based on the 100 percent value of the dollar.

This condition exists in practically every county and parish in the United States. These Federal annuitants along with low wage earners, low social security recipients, as well as other recipients of State dole could use surplus food to keep alive the spark of life and enthusiasm that made this country that you gentlemen so proudly and justly refer to as the greatest democratic government in the world. You can make your words come true by distributing this surplus food to the low wage earners, old-age pensioners, annuitants in the lower brackets from Federal retirement, and senior citizens dependent on State and other charitable dole, thereby reestablishing that feeling of confidence and security that caused us to give the best years of our lives to make it possible for you to be where you are today. Show your appreciation for our labor and efforts by giving us a few square meals before it is too late, because when we cross the bar material food ceases to be of value.

Don't you think we could use and appreciate the butter that was practically given to Italy at 15 cents per pound while here at home the price per pound was beyond the reach of the average citizen? Likewise, the grain stored in warehouses that cost the taxpayers of this country $1 million a day for rent was allowed to deteriorate to the extent that it had to be disposed of to the distillers to make wider, longer, and more enticing the avenue to juvenile delinquency, while millions of our citizens are suffering from malnutrition and undernourishment. Some of the senior citizens, as well as millions of our children, have forgotten the taste of butter as well as rice.

Let it be indelibly impressed on your mind that this is not a socialistic or communistic problem. It is a democratic problem based on Christian humanitarianism born in the hearts and John and Bertha Entrikin, watered and nourished by the spirit of the great Prince of Peace. Let Him come into your lives and your conscience will be at ease and in peace will be your deliberations.

This problem was recognized as one of merit by the Department of Agriculture through the constant and persistent efforts of John and Bertha Entrikin until the Department of Agriculture issued status 32 permitting the distribution of surplus food to low-wage earners, pensioners, etc. The intent was good but the motive was used as a political football. The result, suffering and hardship, causing millions of citizens to ask, "Where is that prosperity and that $117 every citizen is supposed to have?" Gentlemen, reverse your positions, place yourselves in the place of the low-wage earners, old-age pensioners, etc., and be governed accordingly.

We request that legislation be enacted calling for the distribution of all surplus food, above that required by law to be held for emergencies, to the aforementioned people until the supply now in storage be reduced to the level required by law. We are now, as you well know, overtaxed, and the part required for cost of storage can be used for other purposes.

Remove the pangs of hunger and you remove 75 percent of juvenile delinquency and 50 percent of broken homes. Try it and see if the results will not justify the means. Storage costs mount, starvation increases mortality. Reduce both by fair and proper legislation.

Yours respectfully,

FACT FINDING COMMITTEE OF FRIENDS NEIGHBORLY SERVICE CLUB,
WILLIAM N. GALBRETH, *Chairman*.

THE LATE HARRY M. MOSES

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, during the Easter recess of the Congress, one of the country's truly great men who contributed much for improving labor-management relations—a man who showed the way—was called to his eternal rest and eternal reward.

I refer to the passing of Harry M. Moses, organizer and president of the Bituminous Coal Operators Association. I knew him well and know much of what he accomplished in his all-too-short life of 59 years. It is with pride that I could call him my personal friend.

Harry was born in Westville, Ill., in my congressional district, and was an outstanding citizen of Danville, Ill., for many years. He got his schooling while working in coal mines. He later went into mine management and worked his way up to become the head of coal subsidiaries of the United States Steel Corp. With this background, a full understanding, and a sympathetic one, of the problems of the miners and a full understanding of the problems of management, Harry Moses brought an end to the long, bitter battles between the two. Disputes were settled by negotiation, without strikes, and both the miners and management profited.

I extend my personal sympathy to the Moses family. I surely share their loss. It is a great one to them, to his untold numbers of friends, and to all of us.

As a part of my remarks I should like to add the following editorial on Harry M. Moses which appeared in the Danville (Ill.) Commercial-News and one from the Washington (D. C.) Post and Times Herald:

[From the Danville (Ill.) Commercial-News]

HARRY M. MOSES

A great rock of a man, with a nobility of heart to match his stature, has been removed from Danville and the national scene with the death of Harry M. Moses.

The obituaries told that he was a "close friend" of John L. Lewis—indeed, the only man "Old John" would sit down and negotiate with in the last few years. He was also a close friend to many others.

Although he spent less and less sustained time in Danville in recent years, he was here on many flying visits to see his mother and sister, Mrs. Tom Moses and Mrs. Harold T. Leverenz.

Mr. Moses was stricken by that cruel killer—cancer. He had been seriously ill and in much pain for weeks. The son of Tom Moses who rose from a mule driver in the old Bunsenville mine to general superintendent of the United States Fuel Co., Harry Moses knew the terrible labor conditions which once existed in the industry.

Although he wound up on the management side of the business, he knew from personal experience what the current hit song, Sixteen Tons, meant. It was this knowledge which made him invaluable in dealing with Lewis. And it was mutual trust and understanding which enabled these two to bring peace in a turbulent industry.

He was the first president of the operators' association and as such worked out 3 industrywide labor contracts with Lewis, head of the United Mine Workers. Before 1950, when these 2 began their periodic negotiating sessions, the coal industry went through 9 different strikes and work stoppages in 5 years.

He lived but 59 years, but he served others for most of these. Whether it was Pittsburgh or Washington, he was never too busy to visit with Danville friends. Right to the last he was accessible for a quiet chat, sharing that marvelous twinkle of his merry eye and a heartwarming chuckle.

He always called Danville home and his work in top business circles did much to improve our industrial economy.

[From the Washington (D. C.) Post and Times Herald]

HARRY M. MOSES

Under the leadership of Harry M. Moses, an urbane and infinitely patient man, the Bituminous Coal Operators Association was able to help keep peace in the Nation's coal mines and to strengthen what had been a terribly sick industry. From 1950 until his death Sunday, Mr. Moses was president of the association and a guiding spirit in the industry-wide negotiations it conducted with John L. Lewis, president of the United Mine Workers of America. Few men understood better than Mr. Moses the roars that emanated from both sides in these negotiations and seldom did a man have to show patience in such a full measure as he did. The result was that he had the confidence and respect of operators and union leaders. Sometimes he was criticized for giving in too readily at the expense of higher coal prices, but this criticism needs to be weighed against the economic cost of strikes. He was bamboozled by neither side, and during his presidency of the bituminous association there was never a coal strike. His death at the age of 59 takes from this city one of its most respected industry spokesmen.

THE FARM LEGISLATION

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, I have often wondered if Mr. Eisenhower was actually the President of the United States. There is strong evidence here now, if newspaper reports can be relied upon, that he is not. Here is the headline in the Evening Star, Washington, D. C., which appeared recently: "Benson Will Not Accept Farm Bill."

I always thought Ezra was simply the mouthpiece of the President, but I evidently was wrong. He says he will not accept the farm bill as worked out by the conferees. I guess that settles it. There is no use trying to see the President, which I was tempted to do, as a veto of the 90 percent of parity will make the vote picking for the Republicans a precarious undertaking. I hope someone, either Mr. Hall, or someone interested in the Republican Party, will go down and see Mr. Eisenhower and suggest to him in a roundabout way that he, Mr. Eisenhower, is the President, and not Mr. Benson.

Ezra thinks because the National Farm Bureau is out to skin the farmers—which it has been doing for some time—that the sentiment of the farm belt is all for Benson's support. The

funny part of that is that not all the State Farm Bureaus are following the National Farm Bureau in reference to support prices. I do not know how many States have parted company with their parent organization, but I know that the North Dakota Farm Bureau is for support prices. Anyway, Mr. Benson is adamant and arrogant and wants his way—but the only way he should have is his way out of the Department of Agriculture.

Benson's howl about surplus is the most unfair claim that could be imagined, so far as North Dakota is concerned. North Dakota raises her spring wheat and there is not now, and never has been a surplus of that kind of wheat. Bread cannot be successfully made without a good portion of hard spring wheat, and many times in recent years importations of hard spring wheat from Canada were permitted to accommodate millers. Any State that raises winter wheat does not produce hard spring wheat. The Western Pacific States raise a variety that is much harder than the Kansas, Oklahoma, and Texas wheat, but yet it does not fill the bill. If there is a surplus of the kind of wheat we produce in North Dakota will Mr. Benson tell us just where it is? In his figures on hard wheat he puts the Pacific States wheat on a par with our hard spring wheat, and adding those two figures together and classifying it all as our kind of wheat, there is a surplus. I repeat again that there is no surplus of hard spring wheat.

But Mr. Benson says the present bill is not satisfactory to him, so it looks as though a commissar of Russia is running our farm business. There seems to be a growing tendency here in Washington for the bureaus to take over the functions of government, and Mr. Benson's attitude is proof of this tendency. If this bureau chief can dictate all laws pertaining to agriculture, we could very well get along without a President or a Congress. We still have a Congress, but we appear to have a President who takes his agricultural signals from Benson, hook, line, and sinker. I think this situation exists and I therefore predict a veto on the farm bill which the conferees have worked out. If the bill is vetoed there will be no farm bill. It could, I think, be passed over the veto in the House, but in the Senate it could not pass, as many Republicans will sustain the President on the ground of party loyalty, and if that is not sufficient, the President can round up his 13 Democratic Senators, and thus prevent the passage of the bill.

With no farm bill, what will the situation be? A great many Republican Members who have rendered valuable service to the farm people will be mowed down by the resentment which a veto of the farm bill will fan into a blaze in the farm belt.

If the resentment were confined to farmers alone, the situation would be bad, but not dangerous; but remember in States like North Dakota small towns and even our largest cities are engaged in rendering a needed service to farmers, and the businessmen know they cannot get any money until the farmers get it first.

CITATION CONFERRED UPON HON. SAM RAYBURN, SPEAKER OF THE HOUSE OF REPRESENTATIVES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, last night on the occasion of the Bataan Day dinner at the grand ballroom of the Mayflower Hotel in Washington, D. C., our distinguished and beloved Speaker, the gentleman from Texas [Mr. RAYBURN], was signally honored by the Government of the Philippines by having conferred upon him the great honor of the Order of Sikatuna, Lakan Class, which is the first time anyone who is a nonresident of the Philippine Islands has had this great honor conferred upon him.

I wish to extend at the close of the legislative RECORD today, in the body of the RECORD, the address delivered by my valued friend and our former colleague, Gen. Carlos P. Romulo, and also the address by our distinguished and beloved Speaker, together with a copy of the citation.

The SPEAKER. Is there objection?

There was no objection.

UNITED STATES v. ICARDI

Mr. KILDAY. Mr. Speaker, I rise to a question of the privilege of the House.

The SPEAKER. The gentleman will state it.

Mr. KILDAY. Mr. Speaker, I have been subpenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 o'clock a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDO LORENZO ICARDI (CRIMINAL CASE NO. 821-55)

Spa ad test: Court of Chief Judge Laws.

The President of the United States to Hon. PAUL J. KILDAY, Committee on Armed Services, United States House of Representatives, Capitol, Washington, D. C., or 3507 Albemarle Street NW., Washington 8, D. C.:

You are hereby commanded to attend the said court on Monday, April 16, 1956, at 9 o'clock a. m., to testify on behalf of the United States, and not depart the court without leave of the court or the district attorney.

Witness, the Honorable Bolitha J. Laws, chief judge of said court, this 22d day of March, A. D. 1956.

HARRY M. HULL, *Clerk*.
By JOHN C. CROGAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 457) and ask for its immediate consideration.

The Clerk read as follows:

Whereas Representative PAUL J. KILDAY, a Member of this House, has been served with a subpena to appear as a witness before the United States District Court for the District of Columbia, to testify at Washington, D. C., on the 16th of April 1956, in the case of the *United States of America v. Aldo Lorenzo Icardi*, Criminal Case No. 821-55; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative PAUL J. KILDAY is authorized to appear in response to the subpena of the United States District Court for the District of Columbia in the case of the *United States of America v. Aldo Lorenzo Icardi* at such time as when the House is not sitting in session; and be it further

Resolved, That as a respectful answer to the subpena a copy of this resolution be submitted to the said court.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. SHORT. Mr. Speaker, I rise to a question of privilege of the House.

The SPEAKER. The gentleman will state it.

Mr. SHORT. Mr. Speaker, I have been subpenaed to appear before the United States District Court for the District of Columbia, to testify on Monday, April 16, 1956, at 9 o'clock a. m., in the case of the United States of America against Aldo Lorenzo Icardi. Under the precedents of the House, I am unable to comply with this subpena without the consent of the House, the privileges of the House being involved. I, therefore, submit the matter for the consideration of this body.

Mr. Speaker, I send to the desk the subpena.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDO LORENZO ICARDI, CRIMINAL CASE No. 821-55

Spa ad test: Court of Chief Judge Laws.

The President of the United States to Hon. DEWEY SHORT, Committee on Armed Services, United States House of Representatives, Capitol, Washington, D. C., or 2811 34th Place, Washington 7, D. C.:

You are hereby commanded to attend the said court on Monday, April 16, 1956, at 9 o'clock a. m., to testify on behalf of the United States, and not depart the court without leave of the court or the district attorney.

Witness the Honorable Bolitha J. Laws, chief judge of said court, this 22d date of March A. D. 1956.

HARRY M. HULL, *Clerk*.
By JOHN C. CROGAN,
Deputy Clerk.

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Res. 458) and ask for its immediate consideration.

The Clerk read as follows:

Whereas Representative DEWEY SHORT, a Member of this House, has been served with a subpena to appear as a witness before the United States District Court for the District of Columbia, to testify at Washington, D. C., on the 16th of April 1956, in the case of the *United States of America v. Aldo Lorenzo Icardi*, Criminal Case No. 821-55; and

Whereas by the privileges of the House no Member is authorized to appear and testify, but by order of the House: Therefore be it

Resolved, That Representative Dewey Short is authorized to appear in response to the subpena of the United States District Court for the District of Columbia in the case of the *United States of America* v. *Aldo Lorenzo Icardi* at such time as when the House is not sitting in session; and be it further

Resolved, That as a respectful answer to the subpena a copy of this resolution be submitted to the said court.

The resolution was agreed to, and a motion to reconsider was laid on the table.

FACILITATING THE CONSTRUCTION OF CERTAIN DRAINAGE PROJECTS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects, with a Senate amendment thereto, disagree to the amendment of the Senate, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Engle, Aspinall, Metcalf, Saylor, and Berry.

AUTHORIZING CONSTRUCTION FOR THE MILITARY DEPARTMENTS

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 444 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Ohio [Mr. Brown], and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 444 provides for an open rule, waiving points of order against the bill, and would allow 4 hours of general debate on the bill.

The total of all authorizations granted in the bill is $2,156,730,000; $133,394,000 is to cover the increased cost of projects previously authorized.

The Army is authorized $304,562,000 for operational, training, maintenance, and production facilities; also medical, administrative, and housing facilities. This amount includes an authorization for the expansion and improvement of the NIKE defense facilities of the continental United States and key overseas bases, and facilities in support of the intermediate range ballistics missile program.

The Navy is authorized $401,194,000. The funds will be used to modernize its shore establishment, for the development of several strategic overseas stations, and to replace certain badly deteriorated structures. Authorization is also included to establish 4 new installations and to make engineering studies with respect to 3 other installations.

The Air Force is authorized $1,137,280,000. Of this amount $80,942,000 is for the continental aircraft control and warning system which includes the so-called SAGE project, the semiautomatic ground-environment air-defense system.

Several new sections were added to the bill. One section is designed to increase construction efficiency by the use of modular design. Another section provides that family housing to be constructed for military and civilian personnel must be justified by the Armed Services Committee; and a third section permits the purchase by the Government of Wherry housing projects which, it is pointed out in the committee report, will effect large savings.

The bill as originally presented totaled approximately $2,174,000,000 and as reported totals $2,156,000,000, or a decrease of $18 million.

In view of the large amount of money involved, adequate time is provided in the resolution for debate on this measure and I urge the adoption of House Resolution 444.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the gentleman from New York has very ably and very well described H. R. 9893 which the adoption of this resolution, House Resolution 444, will make in order for consideration a little later.

This bill carries authorizations of expenditure of huge funds, up into the billions of dollars, for military construction of different types throughout the country and the world. Members who may be interested in checking the authorizations for military construction within their own States will find in this very able report the complete listing by States, starting on page 34.

The bill contains several items or provisions or authorizations that have been the cause of some concern to a number of us and was gone into rather thoroughly by the Committee on Armed Services and by the Committee on Rules. One of the things that I would like to call to your attention which is contained in this bill is the provision for the purchase of new acreage in the United States by the military forces of a total of 749,099 acres of land to be owned by the Government of the United States. The amount of land now owned by the Government is amazingly and alarmingly large. Yet, as explained by the committee, the purchase of this huge amount of land by the military forces of the country is necessary in order that we may have room for our guided missile testing. However, this continuous and continual accumulation of land by the United States Government is a matter that should give us grave concern, and I hope will be watched closely in the future.

I want to also call to the attention of the House, as mentioned by the gentleman from New York, that this bill carries authorization for the so-called SAGE program, the program for semiautomatic ground environment, air defense system, and IRBM radar system setup so that we can automatically defend the United States through the use of guided missiles and so forth and so on, so that approaching aircraft may be traced through this automatic system. This matter was given considerable attention not only by the Committee on Armed Services but by individual Members of the House and by the Committee on Rules. And, I am happy to be able to report to the House this afternoon that as the result of the discussions that took place between the leadership of the House and the leadership of the Committee on Armed Services and between the members of the Committee on Rules and the discussion that took place during the hearings on this bill between the leadership and the members of the Committee on Armed Services, the gentleman from Georgia [Mr. Vinson], the chairman of the Committee on Armed Services, will offer an amendment at the proper time in the consideration of this bill that will protect the interests of this country in connection with the SAGE program and will save hundreds of millions of dollars for the taxpayers of the United States.

Mr. Speaker, I think we have seen in connection with this particular measure the responsibilities of the House and of its various committees are well met. I want to congratulate at this time, if I may, the majority leader of the House, the gentleman from Massachusetts [Mr. McCormack], who has taken a personal interest in this matter, as well as an official interest, and the chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. Vinson], as well as the members of the Committee on Rules, who joined with him and with the gentleman from Massachusetts in working out this agreed amendment for the benefit of the United States of America.

Mr. DELANEY. Mr. Speaker, I have no further requests for time.

Mr. BROWN of Ohio. Mr. Speaker, I have no further requests for time.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

ABSENCE OF A QUORUM

Mr. KILBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. KILBURN. Mr. Speaker, I withdraw the point of order.

AUTHORIZING CONSTRUCTION FOR THE MILITARY DEPARTMENTS

Mr VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9893, with Mr. Delaney in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. VINSON. Mr. Chairman, I yield myself 55 minutes.

(Mr. VINSON asked and was given permission to revise and extend his remarks.)

Mr. VINSON. Mr. Chairman, I desire to announce that at 3 o'clock I shall move that the Committee rise to enable the minority to hold a very important conference.

After the conference report on the farm bill is agreed upon tomorrow I shall ask that the House again resolve itself into the Committee of the Whole for the consideration of this bill. I am in hopes that we may be able to dispose of the bill tomorrow; and if not, on Thursday. At the end of the consideration of the bill, I shall ask for a rollcall vote.

Mr. Chairman, H. R. 9893 is the military construction bill for fiscal year 1957.

Under the provisions of this bill as it appears today, the military departments will get the following authorizations:

Army	$304, 562, 000
Navy	401, 194, 000
Air Force	1, 137, 280, 000

In addition to these amounts, which total $1,843,036,000, the bill provides authority for housing for the Chairman, Joint Chiefs of Staff, and some of his personnel, $300,000; housing for overseas areas under the surplus commodities program, $150 million; and emergency construction, $30 million.

This makes a total so far of $2,023,336,000.

In addition to these authorities, the bill through amendments of prior public works laws grants additional authorities for each of the departments, as follows:

Army	$485, 000
Navy	1, 250, 000
Air Force	131, 759, 000

The grand total granted by all authorities in the bill is $2,156,730,000.

This amount will be reduced by $72 million by reason of the fact that on March 20 the House passed Senate bill 3452, which contained authority in the amount of $72 million for the distant early warning line. The language of that bill has been extracted from this public-works bill in the interest of having the additional DEW line authority provided at the earliest possible date. I might mention that this bill has also passed the Senate and has been signed by the President. At the appropriate time I will offer an amendment to strike from the bill the authorizing language for the $72 million which was the subject of Senate bill 3452. This will leave the bill with a net authorization of $2,084,730,000.

It has always been my view that when the Congress is faced with a bill of this size—and a bill which involves so much matter of a highly detailed nature—the Congress should be informed as to how the bill was put together and the manner in which it was reviewed by the various authorities with responsibility for scrutinizing it as it is assembled for final submission to Congress. I would like to describe briefly, then, the manner in which the program was originally presented by the field offices of the departments, the review within the military departments themselves, and the review given all three programs by the Office of the Secretary of Defense. Lastly, I will mention the review given by the Armed Services Committee.

As I have said, the Army would get $304 million in authorization under the bill. The field, however, requested $600 million. So the Army program as presented to the committee had been cut in half.

The Navy program in the bill is $401 million. The field offices of the Navy had requested $1.8 billion. So the Navy program represents today less than 25 percent of the field requests.

In the case of the Air Force the program in the bill is about $1.1 billion. But the field offices of the Air Force had requested $2.8 billion. The Air Force program, therefore, represents less than 40 percent of the program as submitted by the field. So we have before us in this bill a total program which represents only about 40 percent of what the field offices of the military departments requested. Or to put it another way, the field requests totaled $5.2 billion, while this bill contains authority for about $2.15 billion. There has been a total reduction, then, of over $3 billion from the amount requested by the field down to the bill which we have before us today.

Much of this reduction in the program was done by the Secretaries of the individual military departments, but the Office of the Secretary of Defense reduced the bill by about one-third—or $1 billion—prior to submitting it to the Congress.

The only conclusion I can reach from these figures is that we have before us a very tight and closely scrutinized military construction program. The committee itself made some 75 amendments to the original bill, and in the process eliminated items in the amount of $32 million and added items in the amount of $14 million. The committee's action, therefore, was a net decrease of $18 million. I realize that this does not represent a very great amount when compared to the whole bill, but I do believe it establishes this fact: that the program as submitted simply did not lend itself to any great variation.

It was sound as submitted, and it is even somewhat sounder after the committee's deliberations.

There are about 400 named installations in this bill, the greatest number of them, of course, in the Air Force section. And there are about 2,700 individual line items.

In order that this number of trees wouldn't cause the House to lose sight of the forest, I had the committee report this year prepared in such fashion that I believe any question which any Member of the House might have will find its answer somewhere in the report.

And I feel also that the Member will not have to indulge in any extended search to find his answer because the report is broken down in logical manner so as to lead a questioner pretty directly to the answer he is seeking.

The Army portion of the bill starts on page 2 of the report, the Navy portion starts on page 7, and the Air Force portion starts on page 11.

The portion of the bill headed "General provisions" is dealt with starting on page 22 and the special deliberations which, I believe, contains matter of particular interest to many of the Members begins on page 25.

A complete breakdown by State—and by service—begins on page 34. This tabulation will show exactly how much each of the services proposes to construct in each of the States and in the various overseas areas.

Because the report has been prepared in the manner which I have described, I will deal only briefly with each of the three services and similarly with the general provisions and other matters of particular interest.

ARMY

The Army portion of the bill represents $304,562,000. Eighty-six million dollars of this is in the United States; 30 million is overseas, and almost 190 million is for classified construction.

Almost 140 million of the classified construction is for the tactical defense of cities, military bases, and industrial centers. This is the Nike program.

About $40 million is devoted to construction for the Army's part of the missile program including the Redstone ballistic missile. The rest of the program for the Army is broken down by categories on page 3 of the report and, following that breakdown, by the various technical services and continental armies.

Section 104 would establish certain military installations as permanent. On March 2, Secretary of the Army Brucker took appropriate action to make these stations permanent and I therefore will offer an amendment to strike section 104 from the bill.

Section 105—still in the Army title—refers to a special study relating to the San Jacinto Ordnance Depot in Houston, Tex. There is good reason to believe that this depot should be moved for the reason that it constitutes a danger to the surrounding area and is located on land which is extremely valuable for other purposes.

The Army would be authorized to acquire about 28,000 acres at a cost of $1.2 million under the bill. This is a substantial acreage, I realize, but the committee was encouraged to find that this was substantially less than has been through the last several years.

NAVY

The Navy portion of the bill—title II—calls for authorization in the amount of $401,194,000. For the most part, the Navy program, as was true of the Army program, is for additional facilities at existing installations. The Navy this year, however, does have 4 new bases in the program and 1 base which, although previously used, will be so substantially changed in type and mission as to be virtually a fifth new base.

These new Navy bases are set out on page 25 of the report. There is 1 in Maine, 1 in Mississippi, 1 in California, and 1 in North Carolina. You will also note that amoung the new bases is a flying field for the Naval Academy at Annapolis. This has not been pinpointed as to location since the bill provides authority for a special location study with respect to this installation and two others.

Shipyard facilities of all kinds total about $45 million. Aviation facilities, which comprise over 50 percent of the program, calls for over $205 million. Supply facilities have about $19 million and the Marine Corps gets over $23 million. The rest of the breakdown by type will be found on page 10 of the report under the headings of ordnance facilities, service school facilities, and so forth.

Section 202 of the Navy bill was inserted by the committee for the purpose of authorizing a special study to find a proper bombing target in the Norfolk, Va., area; and objective examination of the Port Chicago, Calif., naval magazine which has been a subject of discussion by the committee for over a year; and the location of the John H. Towers Field at Annapolis which I mentioned before.

The Navy would be granted authority to acquire 713,000 acres at a cost of over $47 million under this bill. Over half of this land is required for two installations, Fallon, Nev. and the marine base at Twenty-nine Palms, Calif. Other substantial acquisitions are as follows: 32,500 acres for the new Navy base at Lemoore, Calif.; 9,500 acres for the new base at Meridian, Miss.; 32,000 acres for a bombing target to be used in conjunction with the Jacksonville Naval Air Station.

I will deal with this land question for each of the services a little later on.

AIR FORCE

Title III of the bill covers the Air Force. As has been true for the past several years, the Air Force program exceeds both of the other two services together. The Air Force would get $1,137,280,000; $661 million of this amount would be for the United States, almost $313 million outside the United States, and $163 million under the category of classified construction.

I mentioned previously that there were about 400 named military installations in the bill not counting the various classified locations which would add substantially to this number. The Air Force under the bill gets authority for construction at 205 major installations of which 144 are in the United States and 61 overseas.

The whole Air Force program is aimed at having the 137 Wing Air Force in being and ready to go in 1957. I have good reason to believe that after next year, the Air Force program will go down rather substantially and will level off within 2 or 3 years.

On page 12 of the report, there is a table which sets out the authorities granted the various commands of the Air Force both inside and outside the United States. The Air Defense Command this year gets by far the largest share of the program, $188 million. The table shows that the Strategic Air Command is next in order followed by the Aircraft Control and Warning System.

Starting at the bottom of page 12 of the report, the missions and principal elements of the various command programs begin with the Air Defense Command first followed by the Air Materiel Command and so forth. On page 17, the program is again broken down by types of things to be constructed. As would be expected, operational and training facilities comprise the largest part of the program—$354 million, or 31 percent of the total. Research and development is next in size followed by housing and community facilities.

The direction of the Air Force program is well pointed up by the fact that administrative facilities comprise only eight-tenths of 1 percent of the total program.

Much of the operational and training category is for airfield pavements, principally runway additions for both fighters and bombers. Almost all of this additional pavement is made necessary by reason of the B–52's coming into production together with the so-called Century series fighter planes. These are the F–100, F–102, and so forth.

SAGE

As you are aware, the project called SAGE has received a great deal of public discussion. Because the committee realized the importance of SAGE in our defense system, it made a very special study of it. I believe that SAGE itself is dealt with rather exhaustively in the committee report starting on page 18.

However, since SAGE constitutes only one portion of our air-defense system, it must be considered in connection with our total defense system. I would, therefore, like to take a few minutes to describe the defense system generally and the part that SAGE plays in it.

What does SAGE mean? SAGE is a short title derived from the words "semiautomatic ground environment." Actually, it is nothing more than a project designed to shorten the time between the discovery of an enemy plane and the use of our planes and missiles to bring it down. The idea behind SAGE is not new. SAGE merely provides, as I have said, a semiautomatic operation of our radar-warning system. It replaces, in other words, the manual operation which is now used.

The need for semiautomatic operation becomes evident when one considers the great volume of flight information which must be poured into the system. Surprisingly enough, this volume of information is just about as large in peacetime as it is in wartime. The reason for this is that all aircraft flights must be watched and identified by our defense system.

In the United States, each day there are 30,000 scheduled flights, plus a great many more which are unscheduled. Information concerning these flights is fed into our defense system from 13 different sources.

The first source is the heavy radars within the United States.

The second is the heavy height-finder radars. Height finders are necessary because most radars do not give altitude.

Third, are the small gap-filler radars between the large radars. These cover the areas which the large radar equipment cannot see.

Fourth, with respect to civilian planes, flight plans and other information are released from the Civil Aeronautics Administration flight centers.

Fifth, for military aircraft, similar information is relayed from the military flight service.

The sixth source is the pine tree line. This is the name given that part of the radar fence which laps over into Canada.

Seventh, there are our early warning lines. One is the Mid-Canada line, sometimes called the McGill line, which extends across Canada from British Columbia to Newfoundland. The other is the Dew line—distant early warning—which extends for some 3,000 miles across the top of Alaska and Canada.

Eighth, there are radars in southern Alaska.

Ninth, there are Navy picket ships along the Atlantic and Pacific coasts.

Tenth, supplementing the coverage at sea, are the constellation early warning and control planes which fly out of Newfoundland and Alaska.

Eleventh, is the radar on the Texas towers which are built on ocean shoals off the Atlantic seaboard.

The 12th source of information is the Ground Observer Corps.

The 13th source of information is the Air Weather Service. In order to successfully assign and guide weapons, we must know the weather.

That is the Air Defense System as a whole. What specific part does SAGE play in this system and exactly what is it?

There are three major elements to SAGE. First, there are direction or combat center buildings which house a huge electronic brain. Second, there are leased communication circuits which connect the rest of the air-defense activities with these combat centers. And third, there is equipment at the radar and other sites which converts the raw information which is received into a form which can be sent over the leased circuits.

In the SAGE system, there will be eight combat centers in the United States. These will, in turn, be divided into 32 subsectors. Each of the 40 sectors or subsectors will have a computer building with the electronic brain which I have mentioned. Each of these buildings will be of the blockhouse type and will cost about $3½ million each.

At the risk of oversimplifying of what SAGE does, it can be said that all of the portions of the air-defense system which are in one way or another tied into SAGE

will feed the SAGE system information. The large electronic brains will assimilate this information and provide the military commanders involved with the kind of guidance with respect to speed, direction, height, weather, and every other kind of information required by him to make the decision as to what air base or air bases should send off its planes, what missile sites should be alerted, and whether other combat centers further along the line of flight of the enemy airplane should be fed the information which has been gathered.

Actually, the only portion of the SAGE system which has become a matter of controversy is that relating to the leased telephone circuits which will carry the information in the SAGE system.

Because of the doubt raised by the Comptroller General as to the authority of the Air Force to enter into the large and expensive contracts for communication services involved in SAGE, the committee inserted a new section 303 which you will find on page 51 of the bill. This section would give the positive and affirmative authority of the Congress to the SAGE system and the contracts which are a part of it. Since the time that that section was inserted, better language has been devised and I will offer an amendment to insert this new language in place of the present section 303.

The big question on SAGE is the large contingent liability which the Government might have to assume should the communication contracts be canceled prior to the 10-year period for which they run.

Actually, there is little reason to believe today that the contracts, or any substantial number of them, will be canceled. However, the possibility is always there and the Congress must be aware of it and give its sanction before the possibility is allowed to arise.

On page 20 of the report under the heading "Contingent Liability," I have placed a simple mathematical example as to how the liability could arise. The concept is a fairly complicated one and I felt that this would permit the Members to see just what was involved.

I would like to say that I feel there has been a great deal of apprehension—and I might say, misapprehension—concerning SAGE. I don't know how it arose but I do feel that this is the time to clear up the question once and for all.

It is quite true that the contingent liability which the Government might incur is a large one. But, as I have said, to my mind, it is a highly unlikely one. Indeed, it could most probably arise only if an entirely new air defense system should be developed within the next few years or—such a firm peace should descend upon the world as to make air defense unnecessary. This latter is something which we can almost devoutly wish for but something which I feel all will agree cannot be depended upon.

New language has been proposed for insertion in place of the present section 303 and I believe this new language will allay any fears which may still remain as to excessive rates being charged or excessive benefits in any way accruing to the telephone companies. The language will require the General Services Administration to keep constant surveillance over the rates and to appear before Federal and State regulatory bodies to insure that the Government receives every benefit in the ratemaking process as is possible.

Also, the amendment will give the General Accounting Office a full and free hand in the auditing of all contracts relating to SAGE prior to any final payment being made.

I simply do not know how much further we can go in protecting the Government but I will welcome any suggestions which any Member of the House has toward this end.

Now, I think those remarks coupled with the information which you will find in the report cover SAGE adequately.

I have mentioned the land acquisitions proposed for the Army and the Navy and I would like to refer in similar fashion to the Air Force program in this respect. The Air Force program for land contemplates the acquisition of about 53,000 acres at a cost of about $24½ million.

In view of the continued development of jet aircraft and the need for longer runways and safety zones, I feel the land proposed for acquisition by the Air Force is not excessive.

The general provisions which start on page 58 of the bill are somewhat different this year than they have been in the past and I would like to spend a few minutes describing these provisions and what they do. You will note that the report deals with these in some detail starting on page 22.

Sections 401 through 405 provide no new or unusual authority and are either identical or very similar to previous public works laws.

Section 406 is new in a public works bill but is very similar to authority which has been contained in annual appropriation acts. Simply stated, it permits the military departments to acquire lands which do not exceed $5,000 in cost. This authority will eliminate the literally hundreds of minor land items which are normally contained in public works bills—and many of these acquisitions involve only a few hundred dollars.

Section 407 provides authority for the replacement or restoration of facilities which have been destroyed by negligence or acts of God. This authority has been granted the individual military departments for several years.

Section 408, again, is similar to authority which has been granted in annual appropriation acts. In essence, it grants authority to the military departments for the construction of urgent items which could not—or at least have not—been anticipated. Naturally, these items will occur even under the best of planning. The committee has added a subsection which will give it surveillance over the exercise of this authority.

Section 409 makes provision for housing for the chairman of the Joint Chiefs of Staff and certain of his personnel. The House passed this in last year's public works bill but it failed of enactment in conference.

Section 410 is a device whereby old construction authorities are rescinded if not used within a certain period of time. This clears up the books in an automatic fashion.

Section 411 merely extends and increases the authority to use surplus commodities for the construction of family housing overseas. This is the fourth time this authority has appeared in a public works bill.

Section 412 permits the renting of houses at our Nike sites. The authority has been limited to 1,000 units, and this section will increase it to 3,000 units. It is a natural expansion to keep pace with the progress of our Nike defenses.

Section 413 will permit certain family housing at the Air Force Academy to be built on a somewhat larger scale than is otherwise authorized under the law.

Section 414 makes it unnecessary that construction funds for armories and other Reserve facilities be used to pay rentals. This will leave more funds available for new construction.

Section 415 permits the redistribution of certain family housing which has been previously authorized. In other words, the advent of the new title VIII will permit the construction of housing at certain installations where it was previously thought it would be necessary to build appropriated funds housing. This section provides a reasonable latitude in the plan for family housing.

Section 416 could be called the lease-purchase plan for our petroleum storage. It will permit 5-year leases on storage facilities which will be located out of vulnerable areas of the country. Private enterprise was unwilling to engage in construction for this storage under leases which would extend for only 1 year. This is entirely understandable. The section also provides for an option in the Government to purchase these storage facilities, and the rent which has been paid will constitute part of the purchase price.

Again, the committee, pursuant to a subsection inserted by it, will receive periodic reports as to the progress of this petroleum storage program.

SPECIAL DELIBERATIONS

Sections 417, 418, and 419 are new authorities inserted by the committee and represent the committee's view that it fails to perform its proper function if it does not, from time to time, give the departments guidance in certain areas of activity.

Section 417 will encourage the use of modular construction which, simply stated, is the decimal system applied to building materials.

I invite the Members' attention to the description of modular construction which starts on page 25 of the report.

Everyone who has had a house built or even who has built closets, or furniture himself, knows how much lumber or other building material is wasted. The use of a 4-inch module, which is the size contemplated, simply eliminates this kind of waste.

The most everyday example is the new type brick which is 4 inches wide, 4 inches thick, and 8 inches long. All of the lumber which would be used in the construction is simply divisible by 4 inches. Savings up to 15 percent in construction costs are said to be wholly realistic through the use of this construction method.

Section 418 does two things. First, it requires that any family housing proposed for construction for military use shall be justified to the Armed Services Committees. This part of section 318 has two important advantages. First, it permits the Armed Services Committees to reenter an important military field from which they have been, in a sense, excluded for the past few years. This exclusion was by no means deliberate and was merely what I might call an incidental effect of the housing law.

In any event, the Armed Services Committees will, under this provision, be able to keep their finger on what has become in our modern military force one of the most important elements of our defense from the standpoint of obtaining and keeping the best personnel.

The second effect is that a forum will be provided for discussion of the always-present problem as to whether the military may be overbuilding in the field of family housing in a particular area. This possibility of overbuilding is, of course, a matter of constant concern to local private interests and the provision of an appropriate forum for discussion of this important matter is a highly desirable thing.

The second portion of section 418 limits to 20 years the period of mortgages covering houses built for the military.

Now, I have heard some objections to the insertion of this provision. And I would like, therefore, to explain the basis on which the committee took this action and leave it up to the House to decide whether the committee did the right and proper thing.

Here are the facts: A Capehart house, for example, costing $13,500 to build, will have added to it almost $8,500 in interest during the 25 years which the mortgage will run. This makes the house cost about $22,000.

This same house if amortized over a period of 20 years, costs about $20,064, or $1,878 less.

Now, this $1,800 is not a great deal of money, but when it is multiplied by the 100,000 units already authorized, it means a saving of about $187 million. This saving is doubled to $374 million when one considers that the current plan is to increase the authorization to 200,000 units.

COMPARATIVE HOUSING COSTS

And while I am on the subject of relative costs of family housing for our military, I would like to have the record show the committee's views in this respect.

An appropriated-funds house is amortized through housing allowances in 16 years. The cost of the house is $13,500, plus $3,513 in interest at 3 percent. The total cost of the house is, therefore, $17,013.

The shortest time in which a Capehart house can be amortized is 18 years. The total cost of this house is $19,338. This cost is made up of the original $13,500, plus $5,838 in interest at 4¼ percent. This house, therefore, costs $2,325 more than the appropriated-funds house.

A Capehart house amortized over a period of 20 years costs $20,064. This cost is made up of $13,500 plus $6,564 in interest at 4¼ percent. This house costs $3,051 more than an appropriated-funds house.

A Capehart house amortized over a period of 25 years costs $21,942. This cost is made up of $13,500 plus $8,442 in interest at 4¼ percent. This house costs $4,929 more than an appropriated-funds house.

A Capehart house with a 25-year mortgage costs $1,878 more than a Capehart house with a 20-year mortgage.

In round numbers, then, a Capehart house at 25 years costs $5,000 more than an appropriated-funds house and a Capehart house with a 20-year mortgage costs $2,000 less than one with a 25-year mortgage.

Now, those are the facts.

WHERRY HOUSING

The last section which I wish to deal with is section 419. I will try to cover this briefly since the report contains the complete story on this section. You will find this referred to in the report on page 27 and it extends over to page 30.

Briefly, then, this section would authorize the acquisition of the Wherry housing projects which have been built for military—and in some cases, civilian—use. A Wherry house costs $9,000, or less, to build. The sponsor of the project has a right to future income under his lease for a period of either 50 years or 75 years. During the 50-year period, the Government will appropriate in housing allowances $54,000 before the house is owned by the Government.

This is $54,000 for a $9,000 house.

In the case of the 75-year lease, the $9,000 house will cost $81,000.

I do not believe any of us have ever been aware of how expensive this house is, but since the committee became aware of it, we have been attempting to devise some reasonable way whereby they could be acquired and save the Government literally hundreds of millions of dollars over the years.

There are some 82,000 Wherry houses in existence today and even if we take those with the 50-year leases, the savings are nothing less than fantastic.

Existing law does provide a method whereby these Wherry projects can be acquired. However, since what the Wherry sponsor owns is not physical structures but only the right to future income, an appraisal of fair-market value on a project which has even a moderate vacancy factor, develops an amount of compensation which is so small as to make it unlikely that the sponsor would sell.

In other words, present law would help those who do not need any help, and does not return a fair value to those projects which are already in trouble.

Section 419 provides what the committee believes is a reasonable method of acquisition and will afford the Wherry project owners a fair and equitable value.

At the bottom of page 28 and extending on to page 29, are actual mathematical examples of what a Wherry sponsor would get in the way of compensation should he wish to sell his project to the Government.

KALKASKA-MANISTEE

Now, I believe that there is only one really controversial item in the bill and that is the question of the location of an Air Defense Command base—this is a base for fighter interceptor airplanes—in the northern Michigan area.

Today there is a gap in our defense line across the northern part of the United States and this gap will be filled by the airbase which will be built in what has been called the Traverse City area.

Wurtsmith Air Force Base is about 75 miles south and east of the Traverse City area and Kinross Air Force Base is about the same distance north of the Traverse City area. This means that there is a gap of something in the order of 150 miles which is today not adequately protected.

I think a brief history of the attempts to locate an Air Defense Command base in this part of the country will be helpful.

Public Law 534, dated July 27, 1954, authorized the construction of an Air Defense Command base in what was designated as the "Traverse City area" of Michigan.

The first site selected by the Air Force was known as the Long Lake site. This site was for some reason abandoned and a second site known as the Benzie County site was selected.

Because of complaints that the location of the base at this second site would interfere with the famous Interlochen Music Camp, a subcommittee of the Armed Services Committee made an on-site inspection and stated as its position that it did not feel the base should be located within less than 15 miles of the music camp.

The Air Force then moved the site to Cadillac, Mich. The Appropriations Committee refused to appropriate funds for the construction of the base at this site and the Air Force selected a fourth site. The fourth site was at Kalkaska, Mich.

Again, objections arose with respect to the selection of this site and the Armed Services Committee, after hearing testimony, both pro and con, decided to exercise its own authority with respect to the location of military installations and placed the base at Manistee.

It should be understood that from a purely tactical standpoint, any one of these sites would appear to be wholly acceptable. The great advantage of the Manistee site, in the opinion of the committee, is the fact that it will not and cannot interfere with the homes, businesses, or other activities in that part of Michigan. The committee hopes that this will settle the matter once and for all.

As I have mentioned before, the committee has 3 amendments of a substantial nature to offer and 1 amendment to correct an error in addition. The first, designed to strike section 104 which appears on page 8 of the bill and relates to the permanent Army stations.

The second, to insert a new section 303 on page 51. This amendment will provide new language relating to SAGE. This is as follows:

> On page 51, strike all of section 303 and insert in lieu thereof the following new section 303:
>
> "Sec. 303. Section 1 of the act of March 30, 1949 (ch. 41, 50 U. S. C. 491), is amended by the addition of the following:
>
> " 'The Secretary of the Air Force is authorized to procure communication services required for the Semiautomatic Ground Environment System. No contract for such services may be for a period of more than 10 years from the date communication services are first furnished under such contract. The aggregate contingent liability of the Government under the termination provisions of all contracts authorized hereunder may not exceed a total of $222 million, and no termination payment shall be final until audited and approved by the General Accounting Office, which shall have access to such carrier records and accounts as it may deem necessary for the purpose. In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas. Negotiations with communication common carriers, including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949, as amended (40 U. S. C. A., sec. 481)'."

And the third one will lower the bill by $72 million by reason of the fact that the House has already passed S. 3452, which provides this needed authority for the distant early warning line.

The fourth amendment, which will appear on page 59 of the bill, will merely change two totals which are in error.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield for a question?

Mr. VINSON. With pleasure.

Mr. SEELY-BROWN. On page 10 of the bill, lines 3, 4, and 5, there is an authorization for the Navy underwater sound laboratory at New London, Conn., research and development facilities and land acquisition. Is it fair to say that in view of this item being in the bill, it is anticipated that this important work in the near future will be carried on in buildings of more permanent nature than those presently used?

Mr. VINSON. It is to be hoped that in all these places that are of a permanent nature the construction will be made permanent as soon as possible and as fast as economy will permit us to do so.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Throughout the bill there is reference to community facilities in the matter of construction. I am curious to know what is meant by the phrase "community facilities."

Mr. VINSON. It means facilities such as chapels, swimming pools, recreation facilities, clubs.

Mr. GROSS. By clubs, does the gentleman mean officers' clubs?

Mr. VINSON. Clubs of various kinds fall within that classification.

Mr. GROSS. One other question, since we are on this Navy phase of the bill; is it provided in this bill that an air-training center shall be established at Annapolis?

Mr. VINSON. Yes. What we are doing in this bill is to set up a commission to locate a suitable place. In view of the fact that over half of the money in title II goes for naval aviation we feel that it is highly important that the men at the Academy have some air training. That must take place at some air base. We hope to be able to convince the committee that the proper thing to do is to provide an airfield for the Naval Academy. It may be, however, that some existing field will be recommended. But the fundamental idea is there must be some naval aviation training at the Naval Academy.

Mr. GROSS. Does not the gentleman think that is going to be tremendously expensive in view of all the naval air training centers we have?

Mr. VINSON. No. The type of training there will be different from the type of training received at the other naval training centers. These are midshipmen. They must be trained in certain things. They must know the planes, they must know what it is to fly before they go on to more advanced training. Eliminations may occur there, and some young men will be found not to have qualifications to fly; therefore, it is one of the economies of this to learn that soon instead of later on.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. SPRINGER. Mr. Chairman, pursuant to the remarks made by the gentleman from Iowa, title II having to do with the Navy, properly carries out the mission of the Navy as it is divided in the whole command; is that true?

Mr. VINSON. Exactly.

Mr. SPRINGER. Practically all of this appropriation follows out the mission which has been previously assigned to the Navy?

Mr. VINSON. Yes. All three of these services have military missions. This whole bill seeks to carry out the military missions assigned by the Department of Defense.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. In connection with the discussion which the gentleman had with our colleague from Iowa on the John H. Towers Field at Annapolis, it appears in two places. There is an outright authorization for it, including plans and specifications for aviation facilities of $4 million. Then over on page 23 of the bill, section 202, it is listed as among a group of facilities on which the Secretary of the Navy is authorized to obtain information on engineering, location, planning, and so forth.

Mr. VINSON. Yes.

Mr. DAVIS of Wisconsin. Will the gentleman reconcile those two items?

Mr. VINSON. There is no conflict at all. On page 15 it is stated:

> Naval air facility, John H. Towers Field, Annapolis, Md.: Land acquisition, and plans for specifications for aviation facilities, $4 million.

That is for the establishment of the field at the Academy, establishing it in broad language. But we do not pinpoint it, and say in what area it is going to be. We do not know at this time just where it should be. That is the purpose of section 202. We hope we will not bother the people there about it, so we thought the best thing to do is to have a board go out and make an examination to see at what point it should be, whether in that county or somewhere else. It may go over into Montgomery County, it may go to some other counties in there. But there is no conflict between those two provisions.

Mr. DAVIS of Wisconsin. On page 23 it is confined to what we might call a site study?

Mr. VINSON. Yes; that is right.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. On page 27 of the report, under title VIII, Wherry housing, it is stated:

> In the committee's opinion, however, the time has come when this unusually expensive program must be reviewed and action taken which will eliminate costs which are wholly unnecessary.

May I say to the distinguished chairman of the Committee on the Armed Services that I agree heartily with that. However, at Stewart Field in my district I have been recently notified that they are going to increase the program in connection with Wherry housing. While we need the housing, I would prefer to see it put on a more permanent basis.

Mr. VINSON. I am going to discuss the Wherry housing phase a little later on. I am glad the gentlewoman raised that question. I shall discuss title VIII, what the gentlewoman refers to as the Capehart bill, and the Wherry bill. I doubt very seriously whether the Department, in view of the Capehart law, will recommend any Wherry housing at the designated place the gentlewoman speaks of, or anywhere else for this reason: A Wherry house cost $9,000, and before the Government owns that house the Government will have spent $54,000 on a house that originally cost $9,000. The Capehart provision is far better, although I do not think the Capehart provision is as good as direct appropriations. However, we have got to provide accommodations, housing facilities, for our armed services or else the morale of the forces is seriously impaired.

Mrs. ST. GEORGE. I thank the gentleman. May I say I feel sure that in his very able hands this will be taken care of. I do not think morale is greatly benefited by this Wherry housing proposition which is most unsatisfactory in some instances.

Mr. VINSON. It is not in the interest of the economy of the country to have the Government spend $54,000 before the Government gets title to a $9,000 home.

Mrs. ST. GEORGE. They need good housing.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. VINSON. I yield.

Mr. GROSS. Will the gentleman explain that?

Mr. VINSON. I will do that a little bit later. I am coming to that, and if you will just bear with me, I believe I will cover the matter to the gentleman's satisfaction.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. I notice on page 6 of the report reference is made to the NIKE program, and it is stated it will be expanded.

Mr. VINSON. Well, the Nike program is a part of our overall defense system. Nike is located in various cities of the country. We have to go in and defend these communities, and buy properties. We have to rent homes there, too, for the men to live in. That is the system that detects incoming planes, and I am going to discuss all of that a little bit later.

Mr. O'HARA of Illinois. May I call the chairman's attention to this, that in the district I have the honor to represent the Nike installation has been placed on the promontory in Jackson Park and while our people are willing to make any sacrifice necessary for the national defense there is a feeling that the installation could have been placed elsewhere advantageously or that in any event some compensation should be made by the Federal Government to provide other recreational facilities to replace those destroyed.

Mr. VINSON. Now, we are in this kind of a position. In many communities that question arises, but the defense of this country is No. 1. It is the paramount duty of the Government to provide adequate defense. If it takes Jackson Park to protect the great city of Chicago and that area, much as we hate to disturb parks, they have to give way to the security of the Nation.

Mr. O'HARA of Illinois. And the gentleman will agree with me that the Federal Government should play fair with the municipal governments and the park districts?

Mr. VINSON. Yes; and I think the Government does play fair. If they saw some of these prices we have to pay, why, they would have no complaint.

Mr. O'HARA of Illinois. Does the gentleman know that no money has been paid Jackson Park and that there is no money to recondition the property for the recreational use of the people? Jackson Park represents a large investment of the money of the people of my community. Why should its lands and facilities be taken over without even a gesture toward paying a token of what would be paid a private owner?

Mr. VINSON. If the gentleman will come by the committee, we will help you get Jackson Park straightened out. But we have to have Nike sites in the Chicago area.

Mr. O'HARA of Illinois. I at this time merely wish to inquire of the chairman—for whom I share with all Americans a profound admiration—if there is sufficient authorization in the present bill for an appropriation later to provide for payment to the park district.

Mr. VINSON. It is not mentioned in this bill. There is no way by which the Committee on Appropriations could make any money available. Here is an authorization bill, and the Committee on Appropriations cannot go beyond the authorization.

Mr. O'HARA of Illinois. Then will the chairman agree to an amendment to the present bill that will furnish authorization for such an appropriation if later the appropriation should be proposed?

Mr. VINSON. Well, I will have to see the amendment and get all the facts. I think if the gentleman will contact the committee counsel and myself and the gentleman from Missouri [Mr. SHORT], why, we may be able to dispense with an amendment and accomplish what he wants.

Mr. O'HARA of Illinois. I appreciate most thoroughly the fine cooperation of the distinguished gentleman, and wish him to know my gratitude.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from California.

Mr. BALDWIN. Mr. Chairman, I take this opportunity to express the thanks of the people of the Port Chicago area in California for the consideration the gentleman from Georgia and his great committee have given the problems of the Port Chicago naval ammunition center and your thoughtfulness in sending a subcommittee out into that area. And, I want to take this opportunity also to thank the gentleman from Illinois [Mr. PRICE], the gentleman from Missouri [Mr. SHORT], the gentleman from Oklahoma [Mr. WICKERSHAM], and the gentleman from Maryland [Mr. LANKFORD], for the great study they have given to the problem and the thoughtful recommendations that are included in their report. The people in the area involved appreciate the consideration you have shown them.

Mr. VINSON. And I want to take this opportunity, Mr. Chairman, to thank the distinguished gentleman from California for his cooperation, aid, and assistance in trying to work out a solution of this naval magazine problem in his district.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. I notice we still have Mr. Truman's airbase with us in this bill, Grandview, Mo.

Mr. VINSON. I am not going to let the gentleman get me off on that now, but we are all cocked and primed to give the gentleman all that information when the bill is considered under the 5-minute rule. I said to my able assistant, Mr. Kelleher, "You be sure to get me all the information about Mr. Truman's airbase." So we will have it here.

Mr. SHORT. Mr. Chairman, I yield myself 35 minutes.

Mr. Chairman, I have never in the years I have been in this body served with a finer gentleman, abler legislator, a more resourceful and astute tactician, or a harder worker than the gentleman from Georgia, our very distinguished and understanding chairman. CARL VINSON's business is work, his hobby is work, his recreation and pastime is work. I know of no man who devotes so many hours of serious study and arduous labor to the task before him than does the gentleman from Georgia [Mr. VINSON].

How fortunate this country is that we had his services during two world wars and the Korean conflict, and most of all in this postwar period of transition and readjustment which in many respects is the most difficult period we have gone through in this country. I am not prone to flattery nor do I indulge in fulsomeness. I do try to give credit where credit is due.

I happen to know that the gentleman from Georgia and our able and faithful counsel, Mr. Kelleher, whom the gentleman assigned to this piece of legislation, spent endless hours going over these myriad projects—and there are hundreds of these posts and installations in this bill; there are thousands of items connected with each one of these particular projects spelled out in thick volumes of hearings and studies. For a whole week the House Armed Services Committee devoted itself to title I, the Army section of the bill. For another whole week we devoted our efforts to the consideration of title II, the Navy section. Another week was devoted to the consideration of title III, the Air Force section of the bill. But long though we were in session as a full committee, from 10 to 12 in the morning and from 2 to 4 in the afternoon scrutinizing with painstaking care and almost infinite patience, the gentleman from Georgia as chairman of this important committee and Mr. Kelleher our counsel spent endless hours long before the projects were brought to our consideration in the bill now being discussed.

So I am constrained to express my personal thanks and my admiration, and I am sure I speak for all members of our Committee on the Armed Services as I do for the entire membership of this House when I say we shall forever feel indebted to the gentleman from Georgia for his long and distinguished career in this body and for the valuable contributions he has made not only to our national defense but to the strength in every way of our great Nation.

You know the dean of the Congress who served longer than anyone else was the late Adolph Sabath, of Illinois, who served in this body for 46 years. But I want to remind the Members of the House that our beloved Speaker and the distinguished gentleman from Georgia are now rounding out 44 years of service in this body. Sam was elected in a regular election and Carl came to Washington in the same Congress in a special election about 6 months later; but both of them are now challenging the all-time record established by the gentleman from Illinois for length of service in this body. We hope they will excel it. I believe they will.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. COLE. I am curious to know if the gentleman knows of any way by which those of us who share the thoughts he has just expressed, indicating the high esteem in which the gentleman from Georgia [Mr. VINSON], chairman of the Committee on the Armed Services, is held by all his colleagues, can join him in making certain those 44 years of service may be extended to not less than 50 years of service.

Mr. SHORT. Mr. Chairman, I am trying in my feeble way to do that now. I am willing to contribute in any possible way from my small substance or of my small talents to see that that is consummated, and I think that all other Members of this body likewise would be happy to assist in any way. The gentleman from Georgia, I have discovered a long time ago, is fairly capable of taking care of himself under any and all circumstances.

Mr. Chairman, anything I may say after the exhaustive and lucid analysis of the different sections of this bill would be repetitious. I know that a lot of statistics and figures are not very romantic, entrancing or interesting to the general public. But if the Members of this body could have gone through this particular measure and could have listened to all the hearings I think they would have found the story as it is written in our excellent report, and from what we have been told today, is a very interesting and a very fascinating one. Certainly it is a story that cannot be told too often in these critical days.

Mr. Chairman, this is what is termed a public works bill. It provides in this authorization $304,562,000 for the Army; $401,194,000 for the Navy; and $1,137,280,000 for the Air Force. These amounts, together with Title IV, Housing Authority and Emergency Construction, in the amount of $180,300,000, totals $2,023,336,000.

In addition to the authorizations listed above, the bill through amendments to prior public-works laws to cover increased construction costs, grants additional authorizations to the Army in the amount of $510,000; to the Navy in the amount of $1,250,000; and to the Air Force in the amount of $131,759,000.

The grand total of all authorizations granted by this bill is, therefore, $2,156,730,000.

This bill was considered by the Committee on Armed Services over a period of about a month. There are more than 300 named military installations in the bill, and in addition, there are a great number of unnamed classified installations inside and outside continental United States.

From the above, it is obvious that the presentation of details with respect to the bill would take a long time. We think you will find material to aid you in seeing what the committee had in mind, and the scope of their inquiries, from the report that we have filed.

THE ARMY

Now, let us take up the Army. In the Army title, 45 percent of the program, or $136.9 million, is for tactical facilities. This includes what is known as Nike sites, both in the continental United States and at key bases overseas. As many of the Members know, they are located in defense of our principal industrial centers and major metropolitan areas. An additional $8.5 million, or 2.7 percent, is included for support facilities in the continental United States.

In addition to the above amount, $36.6 million or 12 percent, is for construction in support of the Army's expanded role in guided missile, ballistic missile and rocket development. This request includes $25 million in support of the IRBM, intermediate range ballistic missile. Members will find more details on the Nike and IRBM on pages 6 and 7 of the committee report.

Some $22 million or 7.2 percent of the program is for troop and family housing and community support facilities. The Members will note that this request includes only 3,875 enlisted men's barracks spaces and 196 units of family housing.

The sum of $14.5 million, or 4.8 percent, is for facilities in support of Army aviation.

Some 15.9 percent or $48.3 million, is for overseas construction, exclusive of tactical facilities, in Okinawa, Alaska, Caribbean, Hawaii, Germany, United Kingdom, and Italy.

The remaining $37.7 million or 12.4 percent, is for essential construction of facilities in the fields of research and development, training, medical, and communications necessary to the accomplishment of the Army's mission.

You will find on page 3 of the committee report, the Army's program broken out in detailed categories. It indicates whether the construction is in the continental United States or overseas. Underneath that table, you will note that each of the technical services and each of the continental armies is dealt with individually by the type of facilities to be constructed and the portion of the program it represents. This continues over to page 4, where the Military District of Washington, the Armed Forces special weapons project, and other items are described as well as overseas areas.

Section 102 of the bill contains an authorization of $188,783,000 million, for classified military construction, and section 103 provides an increase of $485,000 in authorization to meet deficiencies granted under the provisions of prior public works laws for construction at Fort Jay, N. Y., and at Adak, Alaska.

Section 104 of the bill declares as permanent installations, Camp Gordon, Ga.; Fort Jackson, S. C.; Camp Stewart, Ga.; Camp Chaffee, Ark.; and Fort Leonard Wood, Mo. The reasons for taking this action is dealt with at length on pages 5 and 6 of the committee report. I am happy to report that the Secretary of the Army, on March 21, 1956, by a general order, has declared these same named installations permanent.

Section 103 of the bill authorizes the Secretary of the Army to proceed with studies and planning relative to the siting of the ammunition depot at San Jacinto, Tex. On page 32 of the report, the various conflicting interests involved in the locations of ordnance depots and magazines, is dealt with in detail.

THE NAVY

The next part of the bill is title II, for the Navy. The Navy title totals $401 million. This amount will enable the Navy to take another step forward in its planning to keep its shore establishment in phase with the modern ships, aircraft, weapons, and equipment which it must operate and service.

Under this program the Navy would get authority to build nearly 400 units of family housing at isolated overseas stations—they would get their family housing at continental stations under other provisions of law outside this public works bill—and to build bachelor quarters for about 2,300 officers and about 30,400 barracks spaces for enlisted personnel. That last figure for barracks spaces is relatively high for a Navy program. It is due chiefly to their need to replace old, run-down barracks which were built during World War II to last for the duration, but which they have made do only with mounting maintenance costs. In fact, about 20 percent of the whole Navy program is for the replacement of worn out structures. I should say here that the biggest replacement project is that at the Naval Hospital, Great Lakes, Ill. At that location the temporary wood constructed hospital wards, built in 1943, are to be replaced with a permanent hospital. This will cost an approximate amount of $13 million. It will provide hospital care to Army, Navy, and Air Force personnel serving in the area and their dependents—a population of nearly 70,000 persons.

The introduction of greater numbers of high-performance jet aircraft into the fleet has resulted, directly and indirectly, in the Navy's plan to establish three new air installations and to activate a new jet seaplane base at the site of a small World War II seaplane station. The only other new installation is an important naval radio station in northeast United States similar to the one we authorized a decade ago at Jim Creek in Washington. One of the important things about these new installations, with the possible exception of one, is the evidence that the communities where they are to be located want them. The one for which there may be some doubt of the community's desire would not be definitely located without the concurrence of the Senate and House Armed Services Committees. There is a provision in this bill that would require the Navy to have a study made of possible sites and to come back to those two committees with recommendations for the best solution of this problem. That provision is in section 202 of the bill, which also directs the Navy to have studies made and to submit their recommendations to the committees relative to two other controversial land-acquisition projects which are not included in the bill but have been deferred pending completion of the study.

One of the aspects of defense of the country that seems to be of great concern to a large number of our people and has received a great amount of publicity in recent months is the guided missile. You will be interested in knowing that the Navy's program includes an appreciable amount for facilities in support of that weapon.

Each year the committee makes a very careful study of proposed land aquisitions. This was particularly true this year of the Navy's program—as it was unusually large for the Navy. The members of the committee made very searching inquiry into the need for every area, explored alternative means of meeting their requirements, heard friendly and opposing witnesses, and in every case which we approved, we could come to only one conclusion in the interest of our national defense—that the Navy had to have these lands if it is going to carry out the missions which the country has imposed on them.

What I have been telling you of the Navy's program is summarized at greater length and with more specific detail in the report. In the middle of page 8 of the report is a table which shows the various categories of the program. You will note that the great bulk of their program—about 65 percent—is for operational facilities. These might be called the lifeblood of the Navy's Shore Establishment. They are the types of facilities that permit the docking of the ships for overhaul and repair, replenishment of supplies and ammunition, that allow aircraft to take off and land and keep them flyable, that are used for storage, checking, and issuing of weapons and similar usual functions. I mentioned earlier the troop housing in the program. About 16 percent of the program is for this category. The other categories we consider to have equal importance but each is only a small percentage of the whole.

Following the table on page 8 of the report is a summary of each identifiable portion of the program—or, as the Navy calls them—the sponsors programs. These start with the shipyard facilities and run through the 11 sponsors, including the aviation facilities for approximately 50 percent of the whole Navy program, the Marine Corps facilities and finishes near the top of page 11 with the yards and docks facilities.

AIR FORCE

The Air Force portion of this bill provides for construction of additional facilities in phase with the buildup of the 137-wing Air Force. The construction proposed is essentially that required to provide facilities necessary for effective sustained operations by the strategic, tactical, defense, support, and training forces. Included also are facilities for Air Reserve Forces and other essential air activities such as research and development and early warning systems. Air Force planning for the last several years has been focused upon attaining by the end of fiscal year 1957, the base structure needed to properly house, train, and fight the forces. The program provided by this bill, plus that previously provided, will permit, on a selective basis, substantial completion of the bases required under present concepts to accommodate present types of operational equipment and weapons. However, future programs must also provide large amounts to eliminate deficiencies remaining in the operational and support requirements needed to attain full capability for launching defensive and offensive operations and to make the adjustments needed for phased implementation of new weapons systems.

The Air Force, during the last few years, has greatly increased its striking and defensive capability. At the end of the Korean conflict, July 1953, the Air Force had 106 combat wings. Today, it has 128 and is rapidly increasing to its goal of 137 wings by mid-1957.

Not only have the number of combat wings increased during this period, but the quality of the Air Force has increased as well. The fighter interceptor inventory has been substantially modernized and completely equipped with all-weather jet aircraft. Strategic Air Command's medium bomber and reconnaissance forces have been converted 100 percent to B–47 aircraft and the heavy bomber wings are now replacing their B–36's with B–52's. The total aircraft inventory has increased during this period from 21,300 to 24,800. Additionally, the United States and Canadian early warning networks are well underway and will be in operation by early 1957.

Commensurate with the rapid buildup of the Air Force and combat capability, it was necessary to program a base structure which could be achieved in the most economical and rapid manner possible and at the same time provide the required base capability. The Air Force military construction program is aimed at providing the airbase facilities required for a ready, effective Air Force of 137 wings. This is not a static condition as there are constantly increasing construction requirements for warning systems, extensive test and operational facilities for new weapons systems and facilities to reduce the vulnerability of our retaliatory strike force. For example, the Air Force's fiscal year 1957 military construction request includes facilities for tactical and defensive missile wings which will become a part of the 137-wing force during the fiscal year 1958 and 1959 time period. It includes operational facilities required at existing bases to implement the dispersal of the Strategic Air Command's bomber force.

The development of additional bases necessary to reduce the vulnerability of our retaliatory strike force, as well as sites for strategic long-range missiles will be phased through succeeding construction programs. These new and increasing demands make it appear that Air Force construction must continue at substantially its present level for some time to come.

To accomplish the development of bases needed to meet these objectives, the major portion of the total authorization provided by the bill is for facilities at Air Force bases. Fifty-eight percent or $661,446,000, of the Air Force program total of $1,137,280,000 is for bases inside the United States, 28 percent, or $312,834,000, is for bases outside the United States, and 14 percent, or $163 million, is for classified facilities. In addition, an increase of approximately $132 million in authorizations granted in prior years is included in the Air Force title of the bill to provide for increased costs on certain approved projects, bringing the total amount of additional authorization for the Air Force in the bill to $1,269,039,000, about 60 percent of the total amount of the bill.

The largest portion of the program in continental United States, which amounts to $187,998,000, is for air defense command bases. Almost one-half of this amount is for operational and training facilities, consisting for the most part of runway extensions to provide for the safe sustained operation of the high speed jet fighters assigned to all interceptor units. The air defense command program calls for the construction of one new base near Portland, Oreg., and provides a second increment at the two other new bases, Buckingham Air Force Base in Florida and Richard Bong Air Force Base in Wisconsin, each initially authorized last year. The program also includes $38 million for the establishment of operational sites and facilities for air defense missile systems.

In addition to the $188 million for air defense command bases, $80,958,000 are included to expand the continental aircraft control and warning system. This expansion includes initiation of construction for one new SAGE—semiautomatic ground environment—installation and provision of additional support facilities at one of the SAGE sites started last year. One-fourth of the AC & W program is for family housing, essential if the Air Force is to retain in service the highly skilled technicians who are assigned to isolated AC & W sites. The program also adds facilities at existing permanent and mobile radar sites and constructs 53 new gap-filler sites.

The second largest segment of the continental United States program, $93,684,000, is for Strategic Air Command bases. Actually, the program includes much more than this amount for Strategic Air Command, as many of the Strategic Air Command requirements are included in the base programs of other Air Force commands where Strategic Air Command units are stationed or from which they will be operated. A substantial portion of the Strategic Air Command program is for operations and training facilities necessary for maintaining of Strategic Air Command's constant readiness. Another important part of the Strategic Air Command program provides essential housing and community facilities which, for the most part, will replace substandard and worn-out temporary buildings.

Over half of the Air Training Command program of $80,177,000 is for airfield pavements to provide the capability to train student pilots safely in jet aircraft. Much of this advanced pilot training heretofore has been accomplished in propeller aircraft.

The Research and Development Command program of $77,147,000 provides principally facilities for continuing the development of missiles systems and a nuclear-powered aircraft.

The Air Materiel Command program of $56,712,000 provides facilities to support the Air Materiel Command mission of depot maintenance and supply. A major portion of the total Air Materiel Command program is for projects supporting air defense and strategic command units stationed on Air Materiel Command bases and for research and development activities.

The Tactical Air Command receives $35,977,000. This is largely for additional airfield pavements and aircraft maintenance facilities.

The other Air Force commands in the continental United States have smaller programs percentagewise, amounting to about 4 percent of the total.

The largest single major command program in the overseas portion, $97,123,000, is for the United States Air Forces in Europe. One-third of this USAFE program consists of operations and training facilities and one-third for utilities projects, principally in Spain and the United Kingdom. Also included in the USAFE program is authorization for construction in Germany where, for the first time appropriated funds are to be provided for required construction which was formerly accomplished by the Deutschemark support program of the Federal Republic of Germany. Under terms of the peace treaty, this support will be discontinued after fiscal year 1956.

The program for Spain continues construction of the 4 phase I bases, the 2 phase II bases, and the area POL system.

The second largest portion of the overseas program, or $70,250,000, is for the Northeast Air Command. Over one-half is for housing and community facilities including 600 units of family housing at Ernest Harmon and Goose Bay. Approximately 30 percent of the program is for operations and training facilities, mainly airfield pavements required to support operations of the strategic forces.

The Military Air Transport Command program of $55,859,000 includes facilities only in the Atlantic area. These Atlantic bases contribute directly and essentially to the missions of the Strategic Air Command.

The smaller Alaskan Air Command program of $36,172,000 consists principally of operations and training facilities, and 250 units of family housing at Eielson Air Force Base, one of the three major bases in Alaska.

The Far East Air Force program of $27,684,000 provides facilities in Japan, Philippine Islands, Okinawa, Hawaii, and other Pacific locations. A major portion of the Far East Air Force program is at Clark Air Force Base in the Philippines and at the Okinawa bases.

The overseas program of the strategic air command of $25,746,000 is for bases on Guam and Puerto Rico. The major portion of the program provides operational and aircraft maintenance facilities for the bases on Guam and 400 units of family housing.

In summary, the Air Force's fiscal year 1957 military construction program includes construction items to provide a minimum operational capability at all bases of the 137-wing Air Force; however, a few serious deficiencies required for the existing weapons systems will remain since all important and desirable items cannot be provided in a single year. It includes only the most urgently needed troop housing and recreational facilities and family housing which can be built only by appropriated funds and which directly affects operational capability. It includes research and development facilities essential to carry out important new weapons development and operational facilities required for tactical and defensive missiles. Finally, it provides for a start toward protecting our war-deterrent potential through decreasing its vulnerability by implementing initial dispersal of our strategic bomber striking force.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I am happy to yield to my friend from California.

Mr. BALDWIN. In this bill there is authorization for the purchase of Wherry housing. It is my understanding that there have been court decisions establishing the principle that Wherry housing is subject to taxation by local communities and districts. Has the committee given any consideration to the possibility of establishing some type of relief in lieu of tax?

I can cite the example of one community in my district where they have over 900 units of Wherry housing from which the county now receives something over $40,000 per year in taxes. The transfer of those units from the present Wherry setup which makes them taxable, to Government control will cause the loss of a great deal of revenue to the county, in excess of $40,000. Since there is quite an impact on the local economy from this transfer I wonder if the committee has given consideration to some in-lieu tax principle which might be comparable to the in-lieu tax principle for Lanham Act housing?

Mr. SHORT. It will, of course, as the gentleman says, cause a loss of revenue to the local community, but in addition to that, it is unfair, unjust, and discriminatory in my opinion to force the owners or operators of Wherry housing to pay taxes and then compete with tax-free Government-owned property.

Of course there are many provisions in the bill dealing with Wherry housing. The trouble is that the formula is a bit obsolete, I think, in arriving at the fair market value, because the fair market value at the present time is arrived at, I believe, by figuring on the number of occupants in one of these housing units instead of taking into consideration what the houses originally cost or what it would cost the Government to replace them at the present time.

This whole proposition of Wherry housing and Capehart housing is tied in with appropriated-funds housing. Our committee is of the opinion that the cheapest and best way to erect these houses is by appropriated funds; it would be cheaper in the long run, but we simply do not have the money; it would bankrupt the Government, and we are close enough to bankruptcy as it is, but we certainly do not have the money to build all these houses out of appropriated funds. That is the reason there is a tendency to go from Wherry housing to Capehart housing, but attention should be given, of course, to making up for that tax revenue loss to the community.

Mr. BALDWIN. That is the question I specifically had in mind, whether the committee has given any consideration to the possibility of some in-lieu tax probably comparable to the type of in-lieu tax principle applying to Lanham Act housing.

Mr. SHORT. Yes; it was mentioned in committee, but it was not discussed to any great length. No definite action has been taken.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BAILEY. I would like to ask the gentleman about a phase of Wherry housing. It provides for the construction of streets, sidewalks, sewage disposal, and other utilities; why cannot you figure in it the cost of school buildings? They do everything else except build school buildings.

Mr. SHORT. I know how tremendously interested the gentleman from West Virginia is in schools.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SHORT. Mr. Chairman, I yield myself 1 additional minute.

Did the gentleman from West Virginia wish to say something further?

Mr. BAILEY. No; I would just like to have some comment from the gentleman.

Mr. SHORT. I am for more and better schools, of course. I believe the gentleman has raised a good point. However, money spent on schools cannot build houses.

Mr. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from California.

Mr. WILSON of California. I would like to point out that when the land is transferred to the Federal Government the children living in that Federal property entitle the local community to special school money under the gentleman's bill H. R. 8185; so the local community will benefit to a slight extent anyway.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BEAMER. Before we get into too deep a discussion of comparisons I wonder if the gentleman can clear up a point for me. The Air Force base at Bunker Hill, Ind., is undoubtedly one of the most outstanding installations of the Tactical Air Command in the United States. All of you should visit it, if possible. They are not going to get enough housing—and I wonder if this is prevalent generally—even to take care of the people presently on the base. This happens to be a new Air Force base and I am wondering if any provision is going to be made in order to take care of this increased Air Force installation.

Mr. SHORT. We have gone about as far as we think we could go in this particular bill. We have provided more housing on these bases at many installations, but we are still suffering from an acute shortage of housing. That along with a lack of adequate medical care for dependents have been the two things that have contributed more to the deterioration of the morale of our armed services than any other two causes. I repeat, lack of adequate housing and lack of adequate medical care have cut down our enlistments.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Georgia.

Mr. VINSON. To aid in giving the gentleman from Indiana the correct information, the Armed Services Committee on Friday 2 weeks ago approved 680 Capehart houses for Bunker Hill, which are now under design.

Mr. BEAMER. I think that is a great relief. But because of the situation of the neighboring cities of Peru and Kokomo, there is not sufficient houses to take care of the personnel, the enlisted men and the commissioned officers, and they are going to have the problem of taking care of the men who are coming to the base at the present time.

Mr. SHORT. Lack of adequate housing along with lack of adequate medical care have been two of the things that have contributed more I think to the deterioration of morale in our Armed Forces than any other two factors.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from West Virginia.

Mr. BAILEY. For the information of the gentleman from Indiana, may I say that I was speaking of Wherry, Capehart housing units on base.

Mr. SHORT. Where we have Capehart, and particularly Wherry housing on base, and then the Government allows the Armed Forces personnel to go out and rent cheaper houses perhaps several miles from the base is unfair and discriminatory against Wherry housing. It also impairs the efficiency of our armed services. It should be stopped.

Mr. BAILEY. A lot of things are unfair and discriminatory.

Mr. SHORT. That is another thing I think we should take up. We already have but we have not achieved worthwhile results.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. VINSON. Mr. Chairman, I yield 18 minutes to the gentleman from Louisiana [Mr. Brooks].

Mr. BROOKS of Louisiana. Mr. Chairman, we have had two very erudite speeches on this bill. We have had it well discussed from a great many angles and at the present time I imagine a great many of us have formed in a general way our opinion regarding the merits of the measure. So well have these speeches been delivered that I would be loathe to take up the time of this committee here today were it not for the extreme importance which I attach to this bill. I think it is so vital, it means the very safety, well-being and preservation of our country. Therefore, in the 18 minutes allotted to me I am going to discuss some features of the measure that I do not think have been fully exploited up to the present hour.

Mr. Chairman, the Air Force will receive, under this bill, $1,137,280,000 of new construction authority plus an increase of $131,759,000 for projects authorized in prior years or a total of $1,269,039,000. This is almost two-thirds of the total authority provided by the bill. I believe an analysis of the character of the Air Force and the nature of the base facilities to fight and support that force will explain the need for emphasis on the construction of airbase facilities.

First, we must be aware of the key role being played by the Air Force as part of the team providing for the defense of our Nation. Each branch of our splendid forces in uniform, the Air Force, the Army, the Navy, and the Marine Corps have a definite and essential part in this effort. However, the nature of the Air Force mission and the history of the Air Force buildup create a separate problem when considering base facilities. Most important is the timing of our military actions after the outbreak of hostilities. The Air Force, by its nature must play the principal role during those critical first few days or weeks after a war begins. As such, its bases, as well as its forces, must have their maximum capability in being at the time a war begin if we are to survive that first critical phase and retain the ability to put all of our military forces and resources into play to assure an early and successful conclusion to that war.

In defining the magnitude of the requirement to attain this objective of maximum capability for the bases, consideration must be given, not only to the cost, but also to the number and location of bases involved and the timing of actions involved in the ultimate provision of facilities. The location and timing in the provision of Air Force base facilities are particularly vital since, to a much greater degree than with the other services who operate in the field or on the oceans in event of war, a large share of the bases developed and used by the Air Force in peacetime are also the bases from which their tactical units will fly their missions during that war.

Modern aircraft require extensive facilities for their operations and maintenance such as runways, parking aprons, hangars, and shops, and fuel storage tanks. Due to the long lead-time required for the construction of these facilities, it is essential that they be in place before actual hostilities break out so that, the day the "bell rings," our air defense warning systems can sound the alarm, our fighter interceptor aircraft can rise to repel the attacking bombers, and our strategic air forces can launch their B–52's and B–47's in immediate retaliatory offensive actions. This requires the peacetime construction of bases which are strategically placed around the world and to which our strategic air forces can deploy on D-day and start immediate operations. It also requires the peacetime construction of staging bases between the home bases and targets where the aircraft can refuel and obtain repairs, if necessary; and bases from which immediate air support can be given ground operations of our Army units.

In considering the kinds of facilities and the magnitude of the construction required, certain major factors bearing on these requirements must be recognized.

These factors include:

The relatively small and inadequate facilities available to the Air Force at the conclusion of World War II, and the degree of postwar retrenchment discrepancies;

The rapid increase in size and complexity of weapons, weapons carriers, and their logistic support systems;

The changing concept of air warfare with inherent need for increased range, speed, and payload of aircraft;

The need for the training and preservation of a force of highly skilled technicians capable of maintaining and utilizing highly complex weapons; and

The rising ascendancy of air power as a major force for defense and decisive strategic operations and as a vital component of joint operations.

Consideration of these factors has necessitated the direction of the major portion of the Air Force construction effort to:

Provision of additional facilities at all types of existing bases as well as the construction of completely new bases in all parts of the world;

Provision of large increments of facilities such as hangars, shops, and warehousing required for the maintenance support of aircraft;

Constructing millions of square yards of airfield pavements, and millions of barrels of fuel storage and distribution of facilities in consonance with the increased size, weight, critical takeoff and landing characteristics and increased fuel capacity and consumption of modern aircraft;

Increased emphasis on adequate housing, and welfare and morale facilities as a means to retaining in the service those skilled personnel necessary to maintain an efficient, well-trained force in constant readiness; and

Development of a system of early warning, intercept control, and communications to warn and defend against enemy attacks on this country and on our outlying possessions and interests.

It takes a lot of bases and base facilities to support these forces and to provide the capability needed to insure the national defense.

On June 30, 1950, at the outbreak of hostilities in Korea, principal Air Force installations numbered only a little over 200 and the number of wings had been reduced to 48. With the advent of new-type higher-performance aircraft, even most of these bases were inadequate and required substantial expansion in addition to the need to provide the additional bases required for the new wings being added to create the 137-wing force structure.

The 137 wings which are commonly known as the force level of the Air Force, include only the combat wings such as strategic bombers and fighters; air defense interceptors, and tactical fighters, tactical bombers, and troop-carrier aircraft which support ground operations.

In addition to the operating and staging bases needed for these combat elements, the Air Force construction program also includes bases and facilities for other flying operations such as Military Air Transport, logistic cargo transport, and pilot and crew training as well as bases for other types of training and indoctrination, logistic support, research and development, and security and administration.

For these activities, the Air Force requires, by the end of fiscal year 1959, facilities at over 3,000 different installations of all types, of which about 360 are major bases. Two hundred and four of these major installations will be inside United States and 156 will be in overseas locations. The some 2,800 ancillary type installations of the Air Force are scattered throughout the world and include the communications and radar warning sites on mountain tops and in the remote frigid reaches of Greenland, northern Canada, Alaska, and the Aleutians.

This bill includes construction at 205 of the major air installations, 104 of which are inside United States and 61 are overseas. In addition, the program provides facilities at a number of other installations and sites, including A. C. & W. network projects, and facilities for the development, testing and operation of missile systems and for the continued development of the nuclear-powered aircraft.

In the years since the outbreak of the Korean war, we have made considerable progress in developing the finest fighting Air Force in the world and the expansion of base facilities to accommodate that force. The Congress has made substantial construction authorizations and appropriations for that purpose during the same period. Since the start of this base buildup program which dates back to 1950, approximately $7 billion have been appropriated. This amount has been put in place or will be under contract by April 1 of this year.

The Air Force installations program, as you know, for the past several years has been aimed at providing airbase facilities required for already, effective Air Force of 137 wings with a goal of having those wings in place by the end of fiscal year 1957. The construction for the Air Force provided by this bill will, with the exception of certain deficiencies, substantially accomplish that original goal. This, however, by no means signifies substantial completion of total Air Force construction requirements. In fact, many things remain to be accomplished in future years. Although this bill is designed to provide an operational capability for all units of the 137-wing force on a minimum basis as planned through fiscal year 1959, many things remain to be done.

These generally fall into two categories. First is improvement of the present base structure. It has been recognized that all important and desirable facilities cannot be provided in a single year or a few years. Even for the present force structure with manned aircraft, additional operational facilities must be provided after this year to attain a higher degree of the combat capability so essential to the security of the United States and its allies.

Also, we must improve the conditions under which our men in uniform and their families must live and work. I am speaking of the so-called things for people—housing, both bachelor and family; welfare and recreational facilities; and adequate medical facilities. We have made progress on this in the last few years and will continue that progress by this bill, but more remains to be done. We have provided substantial amounts of family housing in the last 2 years and this bill provides another increment including 3,144 units for the Air Force. This bill also continues the program to provide needed personnel facilities and to replace the deteriorated and obsolete dormitories and medical facilities which were constructed for temporary use to meet World War II requirements and have now become health and fire hazards and are uneconomical to maintain. Many of these type facilities will still require replacement after this year.

Second, and even more significant in the things still to be done, is the provision of facilities to support new weapons systems, operational concepts, and other technological advances, and, in view of increased enemy capabilities, to insure a greater degree of protection to the existing forces. As I previously stated, this bill substantially meets the initial Air Force goal of bedding down the 137-wing force as originally planned by the end of fiscal year 1957. Actually, the construction planned and programed up to this point for the 137-wing force completes only the first phase of its development and provides a required degree of capability for the present force to defend the country during the preparation for the second phase we are now entering.

This second phase is the awesome era of intercontinental guided missiles, nuclear-powered aircraft, space satellites, and other technological developments to bestir the imagination. This bill contains substantial amounts for facilities to support these types of things and increased amounts will be needed in the next years.

I do not want to dwell further on the details of the requirements to support these weapons and equipment, but we must recognize that that era is rapidly becoming reality. We must pursue the implementation of these new weapons to the utmost if this country is to maintain the technological and military superiority which is so vital to maintenance of our national security.

The construction being provided by this bill is necessary for the Air Force to carry out the responsibilities placed upon it by the American people to fill its role in the defense of this country. I am sure you will agree to its need and to the conclusion that this bill, as part of our defense program, is cheap insurance for that national security.

That concludes my remarks with respect to the bill itself. There is, however, one additional matter which I consider to be of sufficient moment to mention, and that is the extensive acquisitions of property by the three military services during peacetime.

I am aware that as new weapons are developed, land needs change and are in many instances greatly magnified. I do feel, however, that all three departments have utilized the power of eminent domain to an extent which is not wholly consistent with our normal democratic processes.

So many times, we find the Army, Navy, or the Air Force entering an area of the country and in somewhat arbitrary fashion staking out extensive areas of fertile farmland or other valuable property and proceeding to use its power of condemnation to acquire the property—and to acquire it in a manner which sometimes appears to have elements of arbitrariness in it.

It is my strongly held opinion that the whole subject of land acquisitions during peacetime—and particularly through the exercise of eminent domain—should be carefully reexamined by the military departments to the end that local people, whose only contact with the Federal Government in many instances is in connection with the land acquisition, will not have created in their minds a picture of the Federal Government as a landgrabber.

A reasonable admixture of commonsense, good public relations, and truly competent planning, can, in my opinion, eliminate many of the objections which we encounter concerning the land acquisition programs of the military.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Iowa.

Mr. GROSS. Is there any money in this bill to provide for the building of a new NATO headquarters?

Mr. BROOKS of Louisiana. None that I know of, no.

Mr. GROSS. I thank the gentleman.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I should like to express my appreciation to the gentleman for the very fine statement he is making. It is a very comprehensive and constructive statement concerning the need for these bases not only in the United States but overseas.

We in Oklahoma are particularly proud of the part that two generals from Oklahoma play in this great construction. Maj. Gen. Lee Washbourne, of Jay, Okla., is one of the important men in the installations program of the Air Force. Brig. Gen. Ben Talley, of Mangum, Okla., is the Army engineer in charge of base construction in North Africa. I know from talking to these two gentleman how great an undertaking it is and how important it is to our country that we proceed with it rapidly.

I thank the gentleman for yielding to me.

Mr. BROOKS of Louisiana. I thank the gentleman for his remarks. His great State of Oklahoma has played a vital part in this program. I have seen some of his bases. I commend my colleague who has just spoken for his interest in the activities of the Air Force for the defense of this country.

Mr. Chairman, in conclusion I want to say a few words in reference to a matter which has given me considerable concern in the last few years. That is the attitude of our Government and some of its branches in reference to moving into localities and taking over very often, I think, in an arbitrary manner, land which is needed for public purposes. It is true that in the case of a defense bill, the land taken is vital to the needs of the defense of the United States. In the process of taking this land from the localities, I think our services and agencies of Government could proceed in a little more diplomatic and a little more careful and a little more considerate manner. This bill alone provides for 3,750,000 acres of land to be taken over for use by the Military Establishment. I will say in this particular bill the Navy is the principal offender in taking this land. I think if the defense services must have the land, and if no other land will meet their needs, they should proceed with the least inconvenience to the local people possible under the circumstances. I have seen cases where the services have moved in and taken over areas for bases or for facilities or for other needs where other areas would have cheerfully been given by the local communities for the purposes. So I say our people are defense minded, they are loyal, they are patriotic, but I think our Defense Department and the Bureau of Public Roads, and other departments of the Government, when they need land for public purposes could move in in a diplomatic and considerate manner in taking over this land and in the exercise of the great power of eminent domain. In many instances, this is an extremely harsh remedy which is used by them. If other land is suitable and can be obtained without opposition, it should be given full consideration in the selection of needed locations and needed sites.

Mr. VINSCN. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Chairman, I certainly vigorously agree with the statements made in the last few sentences by the gentleman who preceded me with reference to the wide acquisitions of lands by the military department. Because the committee of which I am chairman has jurisdiction of the public lands and the public domain area of the United States, I would like to call the attention of the committee to what has been going on with reference to public land acquisitions by the military in the Far West. During the past several years I have been aware of an increasing concern throughout our Western States over the continued expansion of these single purpose or limited purpose reservations through public domain withdrawals. With a single exception, perhaps, of reservations created for management purposes by some Federal agency, the Defense Department has been and is one of the principal consumers of land for limited purpose utilization.

I have been impressed by these facts: That the Defense Department agencies, other than lands withdrawn for Corps of Engineers civil works purposes, have withdrawn lands which in total area exceed the States of Connecticut, Massachusetts, Maryland, New Hampshire, and Delaware combined; that if the corps civil-works lands are added, you must add an area exceeding the total acreage of 400 Manhattan Islands; and that if present applications by Defense agencies are approved, there will be added to the list of lands held by the military and withdrawn from multiple use and development, a land area greater than the combined acreages of the States of New Jersey and Rhode Island, plus 50 Districts of Columbia.

The Defense Department today owns 14 million acres of land in the United States, and if all of its applications are approved, it will hold 20 million acres of the land area of our country.

The total land holdings, to include those presently held and those under application by the Defense Department in the continental United States exceed the combined areas of the States of Connecticut, Massachusetts, Maryland, New Hampshire, Delaware, New Jersey, and Rhode Island combined, plus 400 Manhattan Islands, and 50 Districts of Columbia.

The Defense Department in this country today owns an area greater than one-half the British Isles, and they claim that they need every square foot of it for their military installations. I have asked how other nations in Europe, Great Britain, and elsewhere throughout the world, maintain their military proficiency when, if you plastered the area owned by the Defense Department on those areas there would not be any area left.

To put the matter another way, the present defense holdings are the equivalent of a strip of land 13 miles wide from New York to San Francisco. Present applications for defense withdrawals are the equivalent of an additional strip of land, from New York to San Francisco, more than 3 miles wide, in addition to present holdings. In other words, if you added what they are asking for to what they now have, you would have a strip of land more than 16 miles wide running from San Francisco to New York.

I point out that the foregoing figures cover only the continental United States and do not include very substantial holdings in Alaska and Hawaii and other offshore areas. As of October 1, 1955, there were pending in the Department of the Interior applications from defense agencies for withdrawal of well in excess of 4 million acres of public lands, with certain other pending applications bringing the real "loss" figure close to 7 million acres. Three such pending applications in the West, the Navy's request for 2.2 million acres in the Black Rock Desert-Salwave in northwestern Nevada, the Navy's request for approximately 1 million acres in the Saline-Panamint Valley are in southeastern California, and the Air Force request for continuation of a withdrawal of 2.5 million acres in the Ojo-Gila Bend-Yuma area in Arizona have generated a real and understandable concern on the part of thousands of citizens living in those areas.

The probable impact of these and other such withdrawals on future multiple-resource utilization, to include forage for grazing, water, fish, wildlife, timber, minerals and materials, and recreational, scenic and wilderness resources brought into sharp focus the need for an early examination into current withdrawal policies and procedures. It was in light of the foregoing that I addressed a letter on October 29, 1955, to the Assistant Secretary for Land Management in the Department of the Interior, asking that his office withhold approval of any requests for further withdrawals of public lands for military reservations or extensions of existing reservations until the Committee on Interior and Insular Affairs of the House had an opportunity to relate the pending defense application to overall public land policy.

It must be remembered that in the past all they have had to do was to file an application with the Secretary of the Interior for the amount of land they needed, and because no one in any agency of the Federal Government has the knowledge to pass upon defense needs as weighed against other needs of the Nation, those applications were necessarily granted.

It boils down to any agency in the Defense Department, Navy, Air Force, Marine Corps, or Army, being able to write out an application for a hundred square miles of the State of Nevada and for all practical purposes by a stroke of the pen taking that area over.

It was in the light of the foregoing that I addressed a letter, on October 29, 1955, to the Assistant Secretary for Land Management, Department of the Interior, asking that his office withhold approval of any request for further withdrawals of public lands for military reservations, or extensions of existing reservations, until the Committee on Interior and Insular Affairs of the House had an opportunity to relate the pending defense applications to overall public land policy.

In making this request I assured the Interior Department that we would give prompt consideration to the areas most urgently needed.

On November 4, 1955, Mr. D'Ewart replied in a letter stating that Interior would honor my request and at the same time urging that the projected hearings be held at the earliest practical date in order to minimize delay in the matter of defense withdrawals where the need for it was established.

Without going into detail as to the nature of the testimony received, I believe the following figures will indicate that the conclusions we have set out were not arrived at without a somewhat detailed inquiry.

The full committee took testimony on 10 different days or for a period of approximately 23 hours. Eight hundred and seventy eight pages of testimony were taken, and witness appearances totaled 55.

On January 6, 1956, witnesses for the Department of the Air Force solemnly advised our committee that not only did the Air Force not have too many acres for their needs in the States of Utah, Nevada, New Mexico, and Arizona, but also that their studies indicated that they would need to acquire additional substantial acreage.

When we consulted the Defense Department, they with equal assurance and solemnity concurred in these declarations of the Air Force.

On February 27 and 28, 1956, witnesses for the Department of the Navy advised the committee that in 1953 and again in 1955 they had sought without success to effectuate joint utilization with the Air Force of 3,500,000 acres of the Nellis Air Force range in southern Nevada.

On February 1, 1956, the committee requested the Department of Defense and the Department of the Air Force to supply the committee with a justification for the utilization of these public land areas and especially for their refusal to make a joint utilization of the Nellis Air Force Base.

On February 29 the Department of Defense transmitted to the committee as much of the material requested on February 1 as was in existence. That indicated that there was no material in existence which showed that the Defense Department had made any analysis at all of the possible joint utilization of those areas.

On March 1 the Air Force advised the committee, further clarifying their advice of March 14, that 2.2 million acres within the exterior boundaries of the Nellis Air Force Range were being declared surplus to Air Force needs. On March 30 the committee learned, through the Bureau of Land Management of the Department of the Interior, that the Air Force was declaring surplus to its needs 225,000 acres at Wendover Bombing Range, in Utah and Nevada. In other words, in the 95 days that have elapsed since we called the defense agencies before our committee to find out how they were using these huge public land areas, when the Air Force declared that it could not give up any of the land that it had, nor could it permit joint utilization of this area by the Navy; the Air Force has declared surplus to its needs 2,427,000 acres of land.

To put the matter another way, notwithstanding their declared position on January 6, the Air Force has since that date: Declared surplus to their needs 36.5 percent of the total Air Force public domain holdings in the continental United States.

The rate of release appears to be 110,000 acres per hour of hearings held by the Committee on the Interior and Insular Affairs of the House. The fact of the matter is that the Air Force since the beginning of those hearings has released public lands which it held and which it declared absolutely essential to the defense needs of this country, public-domain lands, at the rate of over 1,000 acres an hour, over 25,000 acres a day since those hearings were first initiated.

We think these facts show that the defense agencies do not know what they have or what they need. How many millions of acres are they still holding or applying for that they can get along without?

As I said in the beginning, these military agencies have the capability of writing upon a piece of paper and taking over these huge public-domain areas. We now have a bill before us that has for its purpose authorizing further land acquisitions by the various defense agencies. Some, if not all, of those are connected in one way or the other with these huge contemplated withdrawals which will approximate 6 million additional public-land acres in the far western part of the United States.

What I am going to ask the Armed Services Committee to do is to give us some help in finding a reasonable method of controlling the land-acquisition requirements of these defense agencies and, further than that, setting up appropriate procedures to hold under surveillance the uses that they are presently making in order that we do not have tremendous areas of the western part of the United States put in what I would call a legal icebox taken away from mining, lumbering, grazing, livestock, and all the other uses to which those areas can be put and reserved for a single-purpose military use when it is not necessary in the defense of the Nation.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Georgia.

Mr. VINSON. In view of the statement that the gentleman just made in propounding the inquiry, let me assure him that as far as the Armed Services Committee is concerned, and we certainly have a strong interest in certain matters connected with the public domain—so has the gentleman—I look with much favor upon his suggestion that some meetings be had to see if a workable plan can be devised between the two committees so that there will not be any friction between the utilization of public domain from the Interior Department and between your committee and the Armed Services Committee. I know we can do this.

Mr. ENGLE. May I ask the distinguished chairman a question? I assume that the authorizations in this bill for the purpose of acquiring private lands have not presupposed nor do they constitute a congressional approval of these pending public-land reservations?

Mr. VINSON. Let me say there is not one line in this bill for authorizing the acquisition of public domain. The only thing this bill will do is this: if public domain is set aside for military purposes, this bill authorizes money to be made available to settle private rights on those public domains. In other words, we cannot get 1 foot of the public domain except by permission of the Secretary of the Interior.

Mr. ENGLE. That is correct under the present procedures.

Mr. VINSON. There is no authorization to take over any public domain. For instance, if he sets aside so many acres of land in the public domain in Nevada, and if there is any private interest in there, there is authorization to settle with those individuals, and that is as far as it goes.

Mr. ENGLE. I realize that.

Mr. VINSON. I understand the gentleman's apprehension, and so does the committee. We do not want to be taking all of the public domain. But, you must bear in mind that the first duty of this Government is self-preservation. If it becomes necessary, we have to do these things, and we regret that the conditions sometimes require us to do them. We cannot do all of our bombing practice out in the ocean, because there is so much world commerce going on that we cannot control. So, we are forced to come back on the mainland, and we only want to take those lands which are absolutely necessary. Not 1 foot should be taken that cannot be clearly justified, and it should be scrutinized very carefully. We will be more than glad to sit down with the gentleman and his committee, which has jurisdiction of this matter, and see that there is a workable understanding reached.

Mr. ENGLE. May I make this closing comment, that I heard what the distinguished chairman had to say with reference to the care with which the committee goes into the matter of the acquisition of these private areas, that is, when money is allowed for condemnation proceedings, and I only hope that a similar careful consideration in the light, of course, of defense needs, will be given when these great public land areas are taken over.

Mr. VINSON. I will say to the gentleman that I will take up with the Department and request that, when they wish to take public domain, it be treated in the same category as our other land acquisitions by referring it to the committee as if it was being purchased.

Mr. ENGLE. I thank the gentleman very much. We believe there should be congressional approval of the large public land withdrawals.

Mr. VINSON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes, had come to no resolution thereon.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have permission to sit during general debate tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during general debate on Thursday and Friday of this week and during sessions of the House next week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CITATION CONFERRED UPON HON. SAM RAYBURN, SPEAKER OF THE HOUSE OF REPRESENTATIVES

Mr. McCORMACK. Mr. Speaker, under permission previously granted today, I include herewith the address by Gen. Carlos P. Romulo and the address by Hon. Sam Rayburn, Speaker of the House of Representatives, together with a copy of the citation conferred upon the Speaker, at the Bataan Day dinner, Washington, D. C., Monday, April 9, 1956:

Address Delivered by Gen. Carlos P. Romulo at the Bataan Day Dinner, Grand Ballroom of the Mayflower Hotel, Washington, D. C., Monday, April 9, 1956

Mr. Speaker, fellow veterans of Bataan, ladies and gentlemen, 14 years have passed since the fall of Bataan. It seems like 14 centuries. In the passage of time since those grim days, we have gone so far and been through so much that we are able—so soon after the event—to fit the epic of Bataan into the timeless pattern of history.

In the military sense, the defeat at Bataan was not one of the world's great battles. It could even be argued that the course of the great war might not have been radically changed if the outcome had been different. Nor was it, as so often happens in the history of peace-loving nations, the kind of defeat that takes on a deep and emotional meaning simply because brave men fought bravely against brutal odds.

Its importance runs far deeper than this. Bataan was a victory of the human spirit. It was such a victory because it was a strange and wonderful symbol of what the 20th century could mean to the human race. Ever since those terrible days in 1942 we have been aware of this symbolism. But it does no harm to repeat it now—because, like all the great verities, it seems to acquire new truth each time it is repeated.

And so tonight we recall the victory of Bataan: The demonstration to the whole world that people of different races, different origins, different backgrounds, have a common cause in liberty. That the old and despicable balance of mastery and slavery, of colonial power and subject nation, can be wiped out in a spirit of mutual trust and respect. That the men of the West and the men of the East can face a common foe in absolute and unquestioned equality.

That was the victory of Bataan. It was a tribute to the people of the United States, who never carried the mantle of imperialism with ease and who set out, from the moment they arrived in my country, to liberate the very nation that destiny had placed under their aegis. It was a tribute to my fellow countrymen, who had the vision and the courage to continue fighting for their freedom until they had earned it, and at the same time to recognize that from a free and democratic people we could learn much, a country that could not possibly, by the very logic of freedom and democracy, remain as masters in our beloved island homeland.

That was the victory of Bataan. It was a repudiation of the tempting hypocrisy of power-mad men who sang of Asia for the Asians when in fact they sought the domination of the Asian peoples—and of their successors today who, like freaks bearing gifts, seek to persuade the peoples of Asia that their brand of slavery is a new kind of freedom.

That was the victory of Bataan. It was a portent of things to come. For the first time, of their own free and positive choice, an Asian people rose, almost unanimously, to the defense of an Occidental power—not because America was white and Western, but because America was friendly and honest and just and, above all, dedicated to the idea of liberty.

That was the victory of Bataan. It sealed the bond of friendship between Americans and Filipinos—a bond already established through the long years that led up, before the great war came, to the guaranty of national independence. As the long shadows of military defeat fell over those Filipino and American warriors in the tropical night on Bataan, the victory of the free spirit hovered overhead. It foretold the massive and exciting roster of nations that would quickly win their freedom in the years to follow—India, Pakistan, Burma, Ceylon, Indonesia, South Korea, and all the others.

The victory at Bataan showed the way. It was important in time of war. It was even more important in the cold peace that succeeded the war. For we can now place the troubled problems of relationships between nations against the background of the lesson we taught ourselves on Bataan. Today we are faced, not with the menace of imperial Japan, but with the menace of imperialistic communism. The threat is real; it is made even more real by the new and beguiling mask that the Communist leaders have been using during the past few months. Surely none of us can be misled by the current change in the party line; nowhere, in all the meanderings and maneuverings among the Communist leaders anywhere, have we seen any indication that the purpose is altered. Only the methods change, the tactics, the curiously tortured interpretations of things past. The goal remains. It is what it has always been: conquest of the world for the totalitarian philosophy of international communism.

And it is more than ever clear that the tacticians of communism see all of Asia as a fertile field. They have played heavily on the unhappy memories of peoples who still recall the injustices of western colonial rule, who still have a long way to go before they feel themselves to be in full control of their own destinies.

No country with such deep-etched memories, no country with such insecurities, can feel safe from the subversive methods of Communist penetration. But now a new dimension must be added to the Communist menace, and that is the Communist pattern of economy. A new offensive has been launched by the Kremlin, the most dramatic example of which, in recent months, has been the proffer of assistance in the Middle East. In southeast Asia, Mr. Bulganin and Mr. Khrushchev have traveled far and wide, establishing personal contacts with Asian leaders.

What is behind the new Soviet persuasion? The answer is: A system of economy which could easily be tailored to the needs of impoverished areas. This system cannot be dismissed as a failure. The Soviet salesmen are offering too much tangible assistance, both economic and military, to be dismissed as spokesmen for a hollow shell. And they are getting results. Under a dictatorship, they can act quickly and irresponsibly. Already they have, in a few short months, brought the Middle East to the brink of trouble. By contrast, the slowness and deliberation with which we work—the very characteristic of the free society, in which no government can move faster than the public opinion it represents—seems to be tantalizingly inadequate. In the long run, the free-enterprise, libertarian system will win out—that we know. But it will do so not because we say so, but because we make it so.

There is a clear and present danger that Asia's underdeveloped countries may fall for the Soviet pattern of economy. We in the Philippines are resolved not to allow this to happen. We have been through too much—beginning with Bataan, continuing through the dreary and oppressive years of Japanese occupation, the terrible destruction that accompanied our ultimate liberation, the mountainous difficulties we encountered in reestablishing stable government and a viable economy, and the long and dangerous years of coping with the Communist threat within our own borders—we have been through too much to relax now.

It will not surprise you to learn that we feel that we are not strong enough to cope with the current Communist threat by ourselves. We take seriously the concept of the interrelationship of the entire free world, and—knowing the American people better than any other nation—we have no mental reservations in accepting the leadership of the United States in this free-world coalition.

In the past few weeks, some political figures in the Philippines have been rather outspoken in their criticism of the scope and nature of American assistance to the Philippines. A few go further, and criticize the nature of the basic American relationship with the Philippines. Because we have a free democratic Government, some of these criticisms may be traced directly to politics. I do not apologize for it—I do not need to make any apologies to Americans who are themselves going into the exciting and quarrelsome months of an election year—but I think it is worthwhile to remind ourselves of the fact itself.

Yet I am not sure that it is possible to dismiss the current uproar in Manila as being merely a matter of domestic politics. We must not. We must recognize that any small nation, like the Philippines, will always find itself reexamining the nature of its relationship with a great nation like the United States. To us and to you Bataan was a symbol of the bond between us. Bataan is of the past; but the bond lives, and must never be shaken.

And today we look to America for more than maintenance of that bond. We look to America for a strengthening of the bond. I suppose it is a natural human impulse to pay closest attention to those who waiver rather than to those you trust; to give greater help to the uncertain—the neutralists, if you will—than to the committed. But this impulse, however human, does not always coincide with the realities of world affairs. It is not a device of domestic Philippine politics to remind America of the continuing mutuality of our friendship.

The other day, the New York Times, with journalistic acumen, put its finger on this matter in a direct and healthy way. It discussed the current debate in Manila, and asked whether there were ways in which the United States can give further help to the Philippines without presuming to interfere in our domestic affairs. The Times suggested in its editorial that such help might be given on several fronts:

"One is a cool appraisal of all our policy in and toward the Philippines. This cannot be carried out if we permit side issues and minor matters to take the spotlight. For example, we do no possible good by an irresponsible threat"—I am quoting from the New York Times—"to curtail Philippine sugar in the American market unless the Philippines open up more widely to imports of American leaf tobacco.

"A major problem that urgently needs solution is the question of American military bases in the Philippines. The principle is sound, but until there is fixed agreement there is always the chance of irritating friction. Too much time has already been lost.

"We need also a close coordination of our own activities in the area. This means better liaison in our Army, Navy, and Air Force and with the defense establishment of the Philippines. It means more effective economic and military aid, properly and promptly administered.

"This is a good time for such an appraisal of policy."

I have quoted this editorial, not because it necessarily reflects the views of the Government of the Philippines, but because it is a fine and important illustration of the spirit of Bataan in action, in the United States. It is a typical example of American fair-mindedness. This is the America I wish to commend to my people. For America is a Nation with instincts far closer to the aspirations of our fallible and striving human nature, a Nation whose heart is in the right place or, if it is not there at the moment, soon returns there.

I have always believed that the harmony, the friendship, the blood brotherhood of Bataan, between the Philippines and the United States, form the rock on which the relations between our two countries are founded. This friendship, and the common cause from which it stems, are more important than any difference of opinion which can ever arise between us: the differences are temporary because the friendship is lasting. But it is not enough to recognize that problems do arise between friends. We must go forward to a solution of the problems, precisely because that is what friendship means.

So today, in 1956, we recall the symbolism of Bataan—the spiritual victory that makes the military defeat look puny—and in the remembrance of that great moment in our common history we have the right to stand side by side through all the years to come, certain of the rightness of our cause and the timelessness of our friendship.

Address of the Honorable Sam Rayburn, Speaker of the House of Representatives, Monday Night, April 9, 1956

General Romulo, Mr. Justices, members of the Cabinet, my colleagues of the Senate and the House, ladies and gentlemen, I am deeply touched by the citation which I know is undeserved. I am profoundly grateful and words fail me to express my appreciation. When one is awarded a decoration by a friendly government, we in America give it such great importance that in our Constitution it is provided that it needs congressional sanction before we can accept it. I am receiving this decoration, Mr. Ambassador, and please convey to President Magsaysay my heartfelt thanks. I receive it in behalf of my colleagues of the United States House of Representatives because it is their collective decision that has given the Philippines the legislation that is mentioned in the citation. I receive it in behalf of the American people whom we represent. I will deposit the decoration and the scroll with our State Department and will accept it when Congress gives me its approval. To your Government and to you, General, you who so worthily and so ably represent the Philippines in our country, my profound gratitude.

My mind goes back in retrospect to the days when we had your great leader, Manuel L. Quezon, as your Resident Commissioner. I remember how he fought for the passage of the Jones Act. He was a patriot, and I wish to pay tribute to him tonight. Your country owes him much. He had worthy successors. You were the last Philippine Resident Commissioner, Mr. Ambassador. I will always remember your report to our Congress when you returned from Leyte and described the triumphal return of American and Filipino troops and the reconquest of the Philippines. How you eloquently and patriotically fought on the floor of the House to improve for the welfare of your people the Philippine Trade Act and the Philippine Rehabilitation Act is on the record.

Your speeches in behalf of the Filipino veterans have been most helpful to us in getting the Philippine side. You defended Philippine interests in a way that won our admiration. We treasure our association with you and with the other Resident Commissioners. Here, too, Ocampo and Legarda, Earnshaw and Guevara and Gabaldon, Osias and Paredes, Veyra and Yangco, Elizalde and Delgado worked hard and labored faithfully for the best interests of the Filipino people.

On July 4, 1946, the independent Republic of the Philippines was proclaimed in accordance with the Tydings-McDuffie Act passed by the Congress in 1934, providing for Philippine independence in 1946. This act showed the ancient principle of the Government of the United States; we want no foreign territory and we covet not a foot of ground over which the flag of any other country flies.

Tonight we commemorate the fall of Bataan. It was not a defeat; it was a victory. Our American and Filipino soldiers surrendered their arms; they did not surrender their spirit. They represented the unconquerable spirit of freedom which is invincible. Behind them stood the aroused determination of two peoples welded together by a mutuality of ideals. Bataan is a lesson of courage and friendship, courage of the highest order that withstood overwhelming odds and tested human endurance to the utmost, friendship of two peoples, each loyal to the other in the face of defeat and adversity.

A broad mutuality of interests, a vast community of ideals, a common liberation tradition forged in the fire of war, and an abiding concern for the steady progress of the Philippine Republic have consistently underlined American policy toward the Filipino people.

Through the whole pattern of Philippine-American association, from the passage of the Jones law through a succession of Philippine measures adopted by the United States Congress, notably the Tydings-McDuffie independence law, the Philippine Rehabilitation Act, the Trade Act, the Extension of the Trade Act, and the New Trade Act, the golden thread of interested and profound concern for the welfare of the Philippines runs with flawless consistency.

Nor has that concern been unrecognized and unnoticed. In World War II, particularly in Bataan and on Corregidor, the unswerving devotion and matchless gallantry of the Filipinos in the face of superior force not only contributed immeasurably to the success of the American strategy against advancing totalitarianism, but also gave a new dimension to the story of human freedom, a new and incontestable proof that a people who have known freedom, of whatever race or clime, shall never relinquish that freedom without a fight.

In the cold war, especially in the councils of international diplomacy, the Philippines has always stoutly and firmly stood by the battle stations of liberty. In a seething and doubting continent, peopled by more than half of the human family, our most steadfast friends and allies are the Filipino people. The growing stature of their young nation in the international community is today the best refutation of all the motives of selfishness and imperialism ascribed to American policy and leadership by the Communists. The Philippine Republic is the best evidence that the United States has never sullied her hands with the dross and stain of crass colonialism.

It is to be hoped that the Philippines can hold out as tenaciously as she has done in the past against the blandishments of Communist propaganda, which even now is weaning many peoples away from the beaten path of militant democracy and assertive freedom and into the devious ways of apathy and neutralism. For no people, big or small, can of their own choice stay out of a mortal struggle in which, by its scope and implications, is global and involves the whole human race.

Moreover, with the march of events in Asia, there is no denying the fact that the newly independent nations of the Far East lie in the trajectory of Communist imperialism. The weapons employed at a given time by the adversary scarcely matter in the last reckoning; the ultimate effectiveness of such weapons in the overall Communist objective of enslaving peoples is what counts in any event.

Now, more than ever, it is all to the good that the Filipino and American peoples reaffirm their common resolve to live by and fight for the ideals consecrated by Bataan and Corregidor.

Order of Sikatuna, Lakan Class, Conferred on Speaker Sam Rayburn

CITATION

Speaker Sam Rayburn, United States legislator, statesman, patriot, uncompromising fighter for freedom, friend of the Philippines, who now holds the position of Speaker of the United States House of Representatives longer than any man in the history of his country and who voted for and piloted legislation which granted first autonomy and subsequently the complete independence for the Philippines; one whose assistance and counsel have been the guiding inspiration for all Philippine resident commissioners since the time of late Philippine Resident Commissioner Manuel L. Quezon; under whose leadership important trade and rehabilitation measures for the Philippines were approved by the United States Congress.

The Order of Sikatuna, Lakan Class, is hereby conferred on Speaker Sam Rayburn in recognition of his services to the free world and as a farseeing statesman whose vision has been unerring in his uncompromising stand against the enemies of freedom.

This is awarded as a token of profound gratitude and admiration of the Filipino people who will be always beholden to him for his constant and consistently friendly interest in their behalf.

Ramon Magsaysay,
President of the Philippines.

THE PUBLIC HAS A RIGHT TO KNOW

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. Dingell] is recognized for 5 minutes.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, a very interesting thing occurred the other day. A story was filed by Merriman Smith, White House correspondent for the United Press. The story was put on the wire for its client newspapers.

Before the story was printed by the newspapers, the United Press sent out another message to all editors. They were told to kill the story. While most editors did kill the story, one newspaper, to its eternal credit, went ahead and printed it. That newspaper was the Washington Daily News. United Press officials do not say who ordered the story killed or why. However, Reporter Smith, the highly respected dean of White House correspondents said that the story was entirely accurate.

The story is of great interest to the people of this country. It deserves to be considered along with all of the other important criteria for the fitness of Candidate Eisenhower for the Presidency.

For the benefit of the people I insert here in the Record the full text of that story:

It happened not long after President Eisenhower announced on February 29 that he

> was willing to run again. He was walking from his office to his residential quarters. "I had to say 'Yes,'" Mr. Eisenhower said, "because they told me they didn't have time to build up another candidate."

The inference is clear that the people are being deprived of their right to have full information by desperate men, who are afraid that the full facts might jeopardize their attempts to shoehorn a sick and reluctant candidate into an office which he neither desires nor feels able to carry out.

I hope that the President either will affirm or deny the contents of this story, so that the people of this country may have the full facts as to his decision to run again.

NORTHEAST AIRLINES

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. McCormack] is recognized for 20 minutes.

Mr. McCORMACK. Mr. Speaker, Northeast Airlines, a Boston-based airline, is the smallest of the 13 originally certificated trunklines which now make up the foundation of the Nation's expanding air-transportation system. Yet, despite its excellent record in serving New England for 23 years, Northeast has never had the opportunity to grow and prosper like so many of the other long-established leaders among the scheduled carriers in the United States.

Northeast has a route structure which makes it absolutely impossible for it to be self-sufficient or make a profit. Its routes in New England are too short. Its whole system centers in Boston and extends only 184 miles south to New York, 250 miles northwest to Montreal, and only 340 miles north to northern Maine.

Back in 1951, Northeast applied for extension of its route to Florida because it knew that operating in the New York-Florida market would solve its most critical problems, and make Northeast a sound airline. The 1,100-mile New York-Miami route would provide the needed long-haul profits to offset the losses which are inevitable with Northeast's inherent short-haul routes in the network that covers 36 New England communities.

Northeast has never had a chance at any long-haul traffic, and yet that is the only type of traffic on which airlines can make a profit. Airlines, in general, use the profits from their long-haul operations to offset the losses they incur in providing necessary service on a short-haul pattern, of which New England's is one of the most concentrated and most demanding in the country.

Unless an airline has long-haul routes to produce some profitable operations, it takes Federal subsidy to cover the losses which cannot help but result from short-haul services. In Northeast's case, it requires a subsidy of over \$1½ million annually to maintain so creditably the service it has provided all of New England for so many years. Northeast is recognized in New England as a first-rate, capable organization—justly proud of its fine record of outstanding public service since its founding in 1933.

Northeast Airlines is now a participant in the New York-Florida proceeding currently before the Civil Aeronautics Board. It has applied to extend its routes beyond New York to Washington and to Jacksonville, Tampa, and Miami, Fla. The case is now in its 19th month since the prehearing conference was held in September 1954.

Northeast is the only applicant which sought really to expand all of New England's air service. Several other applicants asked for limited New England authorizations—mostly for service rights to Boston only.

At the hearings, which were held in Washington last summer and lasted more than 3 months, Northeast outlined its plans for Florida service. It explained how greatly its proposed service would benefit New England in giving all New England its first direct access, without change of airline, to Washington and Florida. It emphasized how entry into the long-haul and highly profitable New York-Florida market would strengthen Northeast itself and, in turn, enable it to expand and improve its entire operation within New England. In this way Northeast would remove itself from the need for Federal subsidy.

The Northeast presentation made it clear that Northeast has developed an enormous amount of air traffic. Its rate of increase has been greater than the national average, and the company has earned the admiration and respect of all New England.

Testimony at the hearing made it clear that the short-haul limitation in route structure is not Northeast's only serious handicap. In addition, it has the most severe seasonal problem in the airline industry. Summertime traffic is extremely heavy. It reflects a tremendous amount of air travel to and from New England's famous vacation points—places like Cape Cod and the islands of Nantucket and Martha's Vineyard, as well as the many well-known resort areas in our neighboring States of Maine, Vermont, and New Hampshire.

In the summer, Northeast flies full planes, sometimes around the clock. In wintertime, this vacation-bound traffic falls off. Poor weather conditions cut down flying generally. At times during the low winter season, Northeast carries only about 3 passengers for every 10 who fly during the peak summer season. No business can operate economically with such seasonal ups and downs in its volume. If Northeast tries to keep its personnel reasonably related to seasonal trends, it means that each spring many new employees must be trained—only to be laid off in the fall. If facilities are maintained the year round at sufficient level to handle the peak summer demands, there is too much personnel and equipment for wintertime operations.

Transport planes cannot be bought and sold as traffic demands change by the season. Enough expensive equipment must be retained to handle the heavy summer volume—even though winter traffic cannot possibly justify its retention. The only solution to these problems is the balanced route pattern that Northeast is seeking in the New York-Florida proceeding.

The Florida traffic which each year becomes increasingly heavier in the wintertime and drops off somewhat in the summer, would give that necessary balance to level off New England's seasonal demands. Northeast thus would have year-round need for maintenance of a large facility and a large staff, and sufficient traffic in all seasons to utilize such expanded facilities and personnel to economic advantage.

Such was the basis of Northeast's proposal. All New England recognized the soundness of the thinking, and because it made so much sense New England as a whole endorsed Northeast's application. Many prominent New England organizations, as well as individual States and municipalities, strongly supported Northeast. Their representatives, who appeared and testified at the hearing, urged that recognition be given this Boston-based airline for its faithful years of public service.

At the close of the hearing the participating parties filed briefs. One of the briefs filed was by counsel for the Civil Aeronautics Board's Bureau of Air Operations. Bureau Counsel, as this party is called, heartily endorsed Northeast's application and recommended that Northeast, and Northeast alone, be chosen as the additional New York-Florida airline. Bureau Counsel said in his brief that "Northeast, confined to its short-haul routes in New England, and with no logical extensions possible to it, save in this proceeding, might well find itself permanently relegated to the subsidy class." This emphasizes the seriousness and importance of the outcome of this case.

Bureau counsel made many other pertinent and logical observations proving that extension to Florida was the answer to Northeast's economic problem and that if granted the extension, "it is reasonable to believe that Northeast also could achieve self-sufficiency." This was exactly what Northeast has been seeking for itself and for New England as a whole.

Yet on Tuesday, April 3, the hearing officer, Examiner Wrenn, handed down his recommendations in the proceedings. The gist of his recommendation was that New England should, for the most part, receive nothing and that New England's primary and pioneer airline, which also made valuable contributions to the war effort in World War II, should receive absolutely nothing.

The only consolation which Examiner Wrenn is charitable enough to toss to New England is Florida service to 3 cities—and 3 cties only: Boston, Providence, and Hartford—by a tired and overburdened National Airlines, whose record in the case showed it to be hopelessly swamped by the present record-breaking demands for New York-Florida service.

The examiner himself specifically found National to be so overwhelmed by its New York-Miami responsiblity as not to be able to give adequate attention to its other present responsibilities—let alone any added cities. It seems logical to ask, therefore, "When could Boston, Providence, and Hartford reasonably expect to find their service needs being

cared for if the recommendation of the examiner was followed?"

The president of Northeast Airlines said that the examiner has recommended only token improvements in New England service to Florida. It is doubtful that the service recommended can even be called that. The rest of New England is completely ignored by Examiner Wrenn. It would get nothing. The examiner's reasoning is essentially that the rest of New England is not important enough to be deserving of Florida service or even of direct connection with the Nation's Capital.

To what extent the examiner may have been influenced additionally by his personal animosity to Northeast's largest stockholder—Atlas Corp.—is not clear. It is sufficient to say that he attacks Atlas unfairly and unwarrantedly. He gives no recognition whatsoever to the fact that Atlas has been the financial sponsor of New England air transportation when no one else would accept that responsibility for the past 12½ years.

The examiner ignores the recommendation of the Bureau counsel and he ignores the Board itself which said in a decision involving another case only last November that—

> We have little doubt that in the long run a smaller trunk can, provided it operates over a sound route system, attain a fair share of the markets here in question and provide the competitive spur essential to development of a full pattern of air service to the communities they are now authorized to serve.

Nor does it make any sense to have concern about Northeast's ability to compete. An airline is either capable of doing a good job of giving service or it is not. If it can give good service, it will be patronized wherever it operates. The ringing praise which has arisen for Northeast from all over New England leaves no doubt that a Northeast knows the answers, operates as an outstandingly good airline and is capable of giving excellent service.

The examiner passes over Northeast as the third New York-Florida carrier and recommends Delta Airlines, which is destined, in view of other route awards, to become one of the giants of the industry. Thus the examiner again ignores the admonition of the Board itself in the same case that—

> The statutory objective of a sound national air route structure requires, in the selection of a carrier to provide needed new services, consideration of the applicants' competitive positions and their relative need for strengthening.

Examiner Wrenn's recommendations in this New York-Florida proceeding strikes at the very heart of New England's future in air transportation. Three of the region's principal cities are recommended for additional service by an airline with a long history of unwillingness or inability to serve even its present routes. The third- or fourth-rate service which the examiner has proposed for Boston, Providence, and Hartford is the only new service, moreover, which the examiner would permit any part of New England to have. Overlooked is Northeast's proposal to serve these cities with new deluxe four-engine equipment which Northeast has ordered specifically to be able to perform this service. Northeast is the only applicant, in fact, which has bought new equipment for the specific purpose of being able to give New England its needed new services—and promptly.

Northern New England, which now has no direct service beyond New York, is not deserving of any such service, the examiner concludes. All of Maine and New Hampshire, most of Vermont and Massachusetts, and a substantial part of Connecticut must get along, as best they can, without any direct one-carrier service to Philadelphia, Washington, and Florida, even though there are important economic ties between all New England and these other areas.

Obviously, the examiner is not concerned if New England's own airline, Northeast, hopelessly slips into stagnation which the Board itself has said would inevitably result from adoption of a policy granting route awards to the stronger carriers at the expense of the smaller. He is utterly insensitive to Bureau Counsel's warning that Northeast has no logical extensions possible to it, save in this proceeding, and that unless strengthened in this proceeding, Northeast might well find itself permanently relegated to the subsidy class.

The examiner apparently is equally unmindful of the Board's objective—to so strengthen the smaller trunks as to insure that they will in the future be able to continue operations without subsidy even during periods of economic adversity.

Further, it appears the examiner is unaware of the foundation of the Civil Aeronautics Act itself, through which the Congress in 1938 created the Civil Aeronautics Board and admonished that Board to develop a sound national air transportation system. The examiner's recommendations, which go against all the weight of the evidence, policy, and testimony, if approved, could well cripple New England air service instead of developing a sound system.

It is hoped that the Civil Aeronautics Board in its final decision will continue its sound, logical thinking as shown in other recent decisions and ignore the examiner's absurd findings.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Dingell, for 5 minutes, today.

Mr. McCormack, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Philbin and to include extraneous matter.

Mrs. Rogers of Massachusetts and to include a copy of a bill being introduced by her today at the request of the Veterans of Foreign Wars.

Mr. Reed and to include extraneous matter.

Mr. Knox, the remarks he expects to make during general debate on H. R. 9893 today, and include in the appropriate place in the Record certain extraneous material pertinent to his remarks, as follows:

First. A news release of United States Senator Charles E. Potter dated March 12, 1956.

Second. Affidavit signed by Mrs. Ruth H. Keller, dated April 7, 1956.

Third. A resolution adopted by the Michigan Department of the American Legion dated March 18, 1956.

Fourth. Reprint of a letter published in the Traverse City Record Eagle, Monday, March 27, 1956, by Robert B. Murchie, esquire.

Fifth. Results of the investigation of petition.

Mr. Brooks of Louisiana in three instances and include extraneous matter.

Mr. Reece of Tennessee and to include a speech he made at Columbus, Ohio, recently.

Mr. Dorn of New York.

Mr. Thompson of New Jersey (at the request of Mr. Edmondson) and to include extraneous matter.

Mr. Machrowicz (at the request of Mr. Rabaut).

Mr. Jensen and to include a letter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Scott (at the request of Mr. Fenton), for the balance of the week, on account of illness.

Mr. Tollefson (at the request of Mr. Pelly), on April 11 and 12, 1956, on account of official business.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 8107. An act to amend the Armed Forces Reserve Act of 1952, as amended.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1834. An act to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired, in the computation of their retired pay under the provision of the Career Compensation Act of 1949, as amended;

S. 2438. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever"; and

S. 3269. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p. m.), the House adjourned until tomorrow, Wednesday, April 11, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1727. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to provide further protection against the dissemination of diseases of livestock or poultry, and for other purposes"; to the Committee on Agriculture.

1728. A letter from the Acting Secretary of Agriculture; relative to an investigation made by a team of veterinarians from the Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease during the month of January, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1729. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Civil Aeronautics Board made by the Division of Audits, pursuant to the Budget and Accounting Act of 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

1730. A letter from the Comptroller General of the United States, transmitting a report on the audit of the United States Coast Guard, an agency of the Department of the Treasury, for the fiscal year ended June 30, 1954; to the Committee on Government Operations.

1731. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1732. A letter from the Chairman, Pacific Marine Fisheries Commission, transmitting the Eighth Annual Report of the Pacific Marine Fisheries Commission for the year 1955, pursuant to section 2 of Public Law 232, 80th Congress; to the Committee on Merchant Marine and Fisheries.

1733. A letter from the Administrative Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to authorize the establishment of 10 positions for specially qualified scientific and professional personnel in the Department of the Interior with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Joint Committee on Atomic Energy. H. R. 10387. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; without amendment (Rept. No. 1993). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H. R. 10362. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT of Florida:

H. R. 10363. A bill to establish an additional judicial district within the State of Florida; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 10364. A bill to grant certain lands to the Territory of Alaska; to the Committee on Interior and Insular Affairs.

H. R. 10365. A bill to make public facility loans available, under title II of the Housing Amendments of 1955, to the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States; to the Committee on Banking and Currency.

H. R. 10366. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. BUDGE:

H. R. 10367. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 10368. A bill to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DEMPSEY:

H. R. 10369. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10370. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE:

H. R. 10371. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. FERNANDEZ:

H. R. 10372. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. KELLEY of Pennsylvania:

H. R. 10373. A bill granting the consent and approval of Congress to the Middle Atlantic interstate forest fire protection compact; to the Committee on Agriculture.

By Mr. McMILLAN:

H. R. 10374. A bill to amend the act to incorporate the Oak Hill Cemetery, in the District of Columbia; to the Committee on the District of Columbia.

H. R. 10375. A bill to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929; to the Committee on the District of Columbia.

By Mr. METCALF:

H. R. 10376. A bill to provide Federal assistance for the construction of school facilities in Guam; to the Committee on Interior and Insular Affairs.

H. R. 10377. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of New York:

H. R. 10378. A bill to establish a bipartisan Commission on Civil Rights in the executive branch of the Government; to the Committee on the Judiciary.

H. R. 10379. A bill to provide for an additional Assistant Attorney General; to the Committee on the Judiciary.

By Mrs. PFOST:

H. R. 10380. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 10381. A bill to establish a Department of Veterans' Affairs; to the Committee on Government Operations.

H. R. 10382. A bill to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; to the Committee on Veterans' Affairs.

By Mr. ROGERS of Florida:

H. R. 10383. A bill to provide for the conveyance of certain real property of the United States to the city of Vero Beach, Fla.; to the Committee on Government Operations.

By Mr. ROGERS of Texas:

H. R. 10384. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. SADLAK:

H. R. 10385. A bill to amend the Internal Revenue Code of 1954 to provide an amortization deduction with respect to the demolition of buildings in urban renewal areas; to the Committee on Ways and Means.

By Mr. WHITTEN:

H. R. 10386. A bill to provide for adjustments in the lands or interests therein acquired for the Arkabutla, Sardis, Enid, and Grenada Reservoirs, in Mississippi, by the reconveyance of certain lands or interests therein to the former owners thereof; to the Committee on Public Works.

By Mr. DURHAM:

H. R. 10387. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. FERNANDEZ:

H. R. 10388. A bill to encourage the discovery, development, and production of mica in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10389. A bill to require that hunting and fishing on military reservations, when permitted, shall be in full compliance with the game and fish laws of the State or Territory wherein such military reservations are located; to the Committee on Merchant Marine and Fisheries.

By Mr. McDONOUGH:

H. R. 10390. A bill to provide that every combat veteran awarded the Purple Heart shall be deemed to be 10-percent disabled from service-connected causes in addition to any other disabilities from which he is suffering; to the Committee on Veterans' Affairs.

H. R. 10391. A bill to amend Public Law 361, 77th Congress, to provide for admission of certain combat veterans to hospitalization in Veterans' Administration facilities pending adjudication of service connection of the disabilities for which they need treatment; to the Committee on Veterans' Affairs.

By Mr. McINTIRE:

H. R. 10392. A bill to merge production-credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production-credit associations; and for other purposes; to the Committee on Agriculture.

By Mr. REECE of Tennessee:

H. R. 10393. A bill to amend the Bankruptcy Act to limit the exception of Federal taxes from a discharge in bankruptcy; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 10394. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 10395. A bill to amend the Internal Revenue Code of 1954 to exempt from tax admissions to theatrical performances conducted by or for the benefit of the American National Theater and Academy; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 10396. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. HYDE:

H. J. Res. 599. Joint resolution providing for the amendment of the Potomac Valley Conservancy District Compact and for the control of pollution in the Potomac River Basin; to the Committee on Public Works.

By Mrs. KELLY of New York:

H. J. Res. 600. Joint resolution requesting the President to instruct the Permanent Representative of the United States to the United Nations to request the Security Council without delay to convene the Arab States and the State of Israel and other interested nations in a peace conference; to the Committee on Foreign Affairs.

By Mr. BURDICK:

H. Con. Res. 227. Concurrent resolution providing for the reading of the Declaration of Independence on the Fourth of July; to the Committee on Rules.

By Mr. BAILEY:

H. Res. 459. Resolution authorizing the Committee on Ways and Means to investigate and study the General Agreement on Tariffs and Trade; to the Committee on Rules.

By Mr. HALE:

H. Res. 460. Resolution authorizing the Committee on Ways and Means to investigate and study the General Agreement on Tariffs and Trade; to the Committee on Rules.

By Mr. PATMAN:

H. Res. 461. Resolution providing for the consideration of the bill H. R. 9067, to amend the Internal Revenue Code of 1954 for the purpose of aiding small- and medium-sized business, encouraging industrial expansion, encouraging competition, counteracting forces growing out of the present tax structure which are bringing about widespread corporate mergers and consolidations, and for the purpose of discouraging the growing concentration of business into a few giant corporations, by substituting for the nearly uniform tax rates now applicable to corporations of vastly differing sizes a moderate graduation of tax rates on corporate incomes; to the Committee on Rules.

By Mr. SMITH of Virginia (by request):

H. Res. 462. Resolution amending the Rules of the House to create a standing Committee on Administrative Procedure and Practice; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress requesting the passage of legislation requiring the Federal Government to defray costs of cleaning, dredging, and widening the Blackstone River Channel; to the Committee on Public Works.

By Mr. MARTIN: Memorial of the Massachusetts Senate, memorializing the Congress of the United States to grant certain aid to Israel and to implement the joint declaration of the United States, Great Britain, and France guaranteeing the peace and security of Israel; to the Committee on Foreign Affairs.

Also, memorial of the General Court of Massachusetts, memorializing Congress, requesting the passage of legislation requiring the Federal Government to defray costs of cleaning, dredging, and widening the Blackstone River Channel; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the construction of Buchanan Dam and Reservoir on the Chowchilla River and Hidden Dam and Reservoir on the Fresno River; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Mississippi, memorializing the President and the Congress of the United States to propose an amendment to the Constitution of the United States granting to the States the right to regulate health, morals, education, marriage, peace, and good order; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States relative to urging removal of certain Federal restrictions on the raising of crops for the feeding of livestock; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to institute proceedings to evaluate the Federal fiscal policy and taxing power as it affects the three levels of Government, and to effectuate such evaluation by the calling of a constitutional convention to consider same; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 10397. A bill for the relief of Charles T. Crowder; to the Committee on the Judiciary.

By Mr. ADDONIZIO:

H. R. 10398. A bill for the relief of Mrs. Rose Maria Pucillo; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 10399. A bill for the relief of Roy Cowan and others; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 10400. A bill for the relief of Soonja Kim; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 10401. A bill for the relief of Martin A. McGrory; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 10402. A bill for the relief of Tomiko Abiru and her minor child; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 10403. A bill for the relief of Antoni Kopystynski; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 10404. A bill for the relief of Vicente San Joaquin Garcera; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 10405. A bill for the relief of Ivo Paiva; to the Committee on the Judiciary.

H. R. 10406. A bill for the relief of Gumero Rubalcava-Quezada, also known as Gelasio Juaregi-Lopez; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 10407. A bill for the relief of Pietro Trupia; to the Committee on the Judiciary.

By Mr. SIMPSON of Illinois:

H. R. 10408. A bill for the relief of Pierina Luicia Baglioni Baptist; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 10409. A bill for the relief of Mrs. Chie Imaizumi Chao; to the Committee on the Judiciary.

H. R. 10410. A bill for the relief of Henry T. Quisenberry; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 10411. A bill for the relief of Juan Oro'-Florensa; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 228. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. Res. 463. Resolution honoring Joseph G. Woodbury; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

848. By Mr. BUSH: Petition of I. LaVerne Lundy and other veterans of Towanda and Bradford County, Pa., urging the immediate enactment of a separate and liberal pension program for veterans of World War I, their widows and orphans; also petition of members of post 617, the American Legion, South Williamsport, Pa., urging the immediate enactment of a separate and liberal pension program for veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

849. By Mr. LECOMPTE: Petition of VFW post of Albia, Iowa, urging the enactment of a separate and liberal pension program for the Veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

850. Also, petition of the Veterans of Foreign Wars of Grinnell, Iowa, urging enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

851. By Mr. MAGNUSON: Petition of Fred Richardson of Seattle, Wash., and others, urging immediate enactment of a separate and liberal pension program for veterans of World War I; to the Committee on Veterans' Affairs.

852. By Mr. MARTIN: Petition of residents of Massachusetts, petitioning for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

853. By Mr. NORBLAD: Petition of C. N. Bryant and 43 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

854. By Mr. POLK: Petition of Homer Merryman, Washington Court House, Ohio, and 44 other citizens of Fayette County and other parts of the Sixth Ohio District, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

855. Also, petition of C. H. Jenkins, Portsmouth, Ohio, and 43 other citizens of Scioto County, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

856. By Mr. RABAUT: Petition of Silver K. Parrish and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

857. Also, petition of Charles Hamann and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

858. Also, petition of Earl P. Gross and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

859. Also, petition of Stanley Osowski and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

860. Also, petition of John W. Schaff and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

861. Also, petition of Joseph Berant and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

862. By Mr. SHORT: Petition of F. G. Eslinger and other citizens of Ozark County, Mo., urging immediate enactment of a separate and liberal pension for veterans of World War I; to the Committee on Veterans' Affairs.

863. Also, petition of Rev. Paul W. Buchanan and other citizens of Webster County, Mo., protesting alcoholic beverage advertising on television and radio; to the Committee on Interstate and Foreign Commerce.

864. Also, petition of Mr. and Mrs. Roy A. Sullivan and other citizens of Aurora, Mo., protesting alcoholic beverage advertising on television and radio; to the Committee on Interstate an Foreign Commerce.

865. Also, petition of Mrs. Rilla Richmond and other citizens of Jasper County, Mo., protesting the sale and distribution of inartistic and filthy comic books; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Pay for 6-Month Trainees

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 10, 1956

Mr. BROOKS of Louisiana. Mr. Speaker, I would like to briefly explain the purpose of my bill, H. R. 8107, to amend the Armed Forces Reserve Act of 1952, as amended.

The Reserve Forces Act of 1955 authorized new special enlistment programs in the Reserve. One of these programs, made available to persons under the age of 18½, authorized enlistments in the Reserve for a period of 8 years. These persons are obligated to perform an initial period of active duty for training of 6 months and thereafter must serve in the Reserve for 7½ years. Section 262 (d) of the Armed Forces Reserve Act of 1952, as amended, limits the pay of these reservists to $50 per month. In contrast, other persons performing active duty for training, including members of the National Guard, receive the pay authorized for their individual grades, in any case, not less than $78 per month. The bill would equalize the pay received by persons undergoing the 6 months' training in the armed services so that all such persons would receive pay at the rate of $78 per month.

The bill also provides that persons who are disabled or die as a result of disease incurred while in training will be qualified for all of the benefits of Public Law 108, 81st Congress, which law extends the reservists and national guardsmen, who qualify thereunder, the same pension, compensation, death gratuity, retirement pay, hospital benefits, and pay and allowances as are authorized by law or regulation for members of the Regular components. Under this same law all persons will also be covered for disability and death as a result of injury received while in training for the 6 months' program.

The bill also is made retroactive to August 9, 1955, which is the effective date of the Reserve Forces Act of 1955, except that no additional basic pay shall be paid to any member of the Reserve for any period prior to the first date of the calendar month in which the bill is approved:

The reason these provisions of the bill are necessary is that the Comptroller General has held that because of the restrictive language appearing after clause 3 of subsection 262 (d) reservists undergoing 6 months of active duty for training cannot count this time in determining eligibility for retirement and for retired pay purposes of title III, Public Law 810, 80th Congress. The opinion implies that neither would this time be counted for longevity pay purposes. This produces an incongruous result since these reservists who enlist for a period of 8 years can count the remaining 7½ years, which they spend in the Reserve components, for longevity pay and retirement purposes. By virtue of the language of the bill all persons who have entered the program since its inception and all enlistees in the future will be entitled to compute the 6 months of active duty for training for longevity pay and retirement purposes.

Mr. Speaker, I feel that enactment of H. R. 8107 will give impetus to the 6 months' training program. Undoubtedly, the disparity in pay between reservists, national guardsmen, and others performing initial active training has retarded Reserve enlistments. Even so, I am happy to report that as of April 6, and since October 1, 1955, when the program was first implemented, 17,185 persons have enlisted in the Army Reserve in order to participate in this new training program. For instance, in the period of March 9 to April 6, 5,165 enlisted in the Army Reserve. In the past 2 weeks more than 1,000 trainees throughout the country have been graduated and have returned to their homes to take up training with their home units. The Army intends to graduate trainees in 2-week cycles, and I think we can look forward to young men completing this program and returning to their home units in ever increasing numbers.

Rowland R. Hughes

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 10, 1956

Mr. REED of New York. Mr. Speaker, on April 1 of this year, Rowland R. Hughes resigned as director of the Bureau of the Budget to return to private life. In his resignation, the United States Government and the American people as a whole lost the services of one of the finest and most capable men that it has ever been my privilege to know.

Mr. Hughes took office as director of the Bureau of the Budget on April 16, 1954. Prior to his appointment to this post by the President, he served as Deputy Director of the Bureau for 8 months and as Assistant Director for 3 months. Thus, for a period of almost 3 years he was in a position of critical responsibility in the vital task of bringing Federal spending and the Federal budget under control. How well he met this challenge is demonstrated by the fact that today the Federal Government has achieved a balanced budget. For his splendid contribution to this achievement, the American people owe a debt of gratitude to Rowland Hughes.

Before coming to the Bureau of the Budget, Mr. Hughes was a vice president of the National City Bank of New York, an institution with which he had been

associated since 1916. He had been a senior official of the bank since 1934, when he was appointed comptroller, an office which he held until 1951. He was assistant comptroller from 1929 to 1934, and inspector of foreign branches in Europe in 1928 and 1929. From 1916 until 1927, when he returned to the head office, he served in the bank's foreign branches in London, Shanghai, Bombay, and Japan.

Long active in tax work, he has been chairman of the committee on the excess profits tax of the American Bankers' Association, chairman of the Federal taxation committee of the Comptrollers' Institute of America, a member of the Committee on Federal Tax Policy, and a member of the tax committees of the Foreign Trade Council and the Council of State Chambers of Commerce. He has served as consultant to various congressional committees. As chairman of the Committee on Ways and Means during the 83d Congress, I appointed Mr. Hughes to serve as a member of a Special Advisory Committee on Revision of the Internal Revenue Code. He made especial contributions in the field of foreign-tax problems. In addition, as chairman of the Joint Committee on Internal Revenue Taxation, I appointed Mr. Hughes to the advisory group on the Bureau of Internal Revenue.

He was born in Oakhurst, N. J., March 28, 1896. He was graduated from Brown University in 1917, and has been a university trustee since 1943. In February 1955 he received the Susan Colver Rosenberger Medal, highest honor awarded by the Brown University faculty. It is given in recognition of specially notable and beneficial achievement in scholarship or public life. In June 1955 the university awarded Mr. Hughes the honorary degree of doctor of laws.

Mr. Speaker, Rowland Hughes is a close personal friend of mine, and over the years I have developed the highest respect for his splendid character and capability. With his resignation, we have lost a public servant who represents the very finest in every respect. His dedication to the principles of sound government and fiscal integrity will be sorely missed. In this year's balanced budget and the prospect for a continued balanced budget next year, he is leaving a monument of which he can well be proud. I can only hope that, in returning to private life, he will continue to make available to the Congress as well as to the executive branch his wise counsel and great experience.

The Farm Situation

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 10, 1956

Mr. JENSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter to a constituent:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 10, 1956.

DEAR MR. ———: Your letter in regard to the farm situation, of course, gives me no cause to cheer for I know you have reason to feel as you do at the present time. Many farmers and others, including your humble servant, BEN JENSEN, are now, and have been for the past several years, greatly concerned and worried about the welfare of the farmers.

In justice to the Republican Party we must not lose sight of the fact that the Democratic Party was in full power in the White House and in Congress when Mr. Mike DiSalle, the Director of the Office of Price Stabilization, rolled back the price of cattle 10 percent on July 1, 1951, with President Truman's complete approval, and he said I will again roll back cattle prices another 4½ percent on August 1, 1951, and another 4½ percent on October 1, 1951. Why? Because they were very anxious to give the packinghouse workers the 9 percent wage raise which they demanded, and by so doing the price of steaks would not be increased. Immediately after the rollback went into effect the packinghouse workers were granted the wage increase they demanded.

Congressmen from the cattle-producing States took up the fight and we were able to stop all except the 10-percent rollback—but the damage had been done. Even before July 1, 1951 arrived, cattle prices went on the toboggan and took other farm commodities down the grade with cattle prices, and farm commodities kept tumbling down in price until the early spring of 1953 after the Republicans took over the White House and Congress, and abolished the Office of Price Stabilization. Then for several months the price of farm commodities leveled off and stabilized, until Benson and the Farm Bureau heads announced the flexible-support proposal of 75 percent to 90 percent, and again the price of farm commodities began to weaken and slide downward. Please read my speech of May 12, 1954, and my letter to Mr. Benson of September 30, 1955, copies enclosed. In 1954 the Republican Congress passed a farm bill providing, as you know, 82½ percent to 90 percent support prices for our six basic storable farm crops, corn, wheat, cotton, rice, tobacco, and peanuts.

We must also be mindful of the fact that the Democrats are right now in full control of both Houses of Congress, just as they were during the last session, which adjourned last August when the House of Representatives passed H. R. 12, amending the Agriculture Act of 1949, as amended, with respect to price supports for basic commodities; that bill passed the House, May 5, 1955, by a vote of 206 yeas to 201 nays, and that bill reinstated the full 90-percent supports for the 6 basic storable farm crops and which I supported, but the Democrat-controlled Senate pigeonholed the bill for purely political reasons and nothing else. But ever since that time they have been very busily engaged in trying to put all the blame on the Republican Party for the decline in farm prices. While all this is water over the dam, it does point up where, and who, is responsible for the farm problem as it exists today. The thing we are interested in today is finding the right solution to the condition in which the farmer finds himself now—not only for the farmers' welfare, but for every American who over the long pull will sooner or later all be in the same boat.

Let us who are directly interested in the welfare of the farmer speak up, and make no bones about it. Let us say to Congress and to everyone who has a responsibility in the matter, that so long as everything the farmer buys at the counter is made or processed under a system of high supported and protected wage costs from the minute the raw product leaves the farm, the mine, or the water, just so long will it be a nation must to give the farmer like protection on the products he markets, for unless the farmers' dollar buys 100 cents worth of manufactured goods at the counter, and soon, I shudder to think of the consequences to our entire Nation.

According to a recent newspaper article, Henry Wallace, now of New York, said he favors flexible parity. Mr. Wallace was Secretary of Agriculture from 1933 to 1940, inclusive. Records show that our total farm income was less during that 8-year period than it was during the 8-year period previous to 1933. And, long after Mr. Wallace plowed under crops and caused little pigs to be destroyed, and after the New Dealers had spent over $19 billion tax dollars trying to prime the pump, top hogs sold on the Chicago market in 1940 for $5.70, and over 10 million Americans were out of work; but all those problems were solved quickly by World War II. All farm prices went up and up, and 14 million Americans were employed, in uniform. Oh, how soon we forget.

Now, I don't want any more of that kind of business. So, I'll continue to cast my lot with the Republicans, and I hope you will do likewise.

Sincerely yours,
BEN F. JENSEN,
Member of Congress.

Department of Veterans' Affairs

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 10, 1956

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks, I herewith include the text of a bill I introduced today, at the request of the Veterans of Foreign Wars, to establish a Department of Veterans' Affairs. It is similar to a bill which I introduced as H. R. 351 in the 82d Congress and as H. R. 23 in the 83d Congress.

I have long felt that the Veterans' Administration should be a department instead of a bureau and with a Cabinet head. It has a tremendous responsibility to perform in the care and assistance of our veterans. It involves the expenditure of very large sums of money, and the head of the Veterans' Administration is responsible for the administering of six large business activities.

The Department of Veterans' Affairs should be treated with the greatest respect and consideration. It is only fair to the veterans and to the country to do so.

The text of the bill follows:

H. R. 10381

A bill to establish a Department of Veterans' Affairs

Be it enacted, etc., That there is hereby established at the seat of government an executive department to be known as the Department of Veterans' Affairs, and there shall be at the head thereof a Secretary of Veterans' Affairs, who shall be appointed by the President, by and with the advice and consent of the Senate. The provisions of chapter 1 of title 5 of the United States Code shall be applicable to said Department, and in furtherance of such purpose, section 158 of the Revised Statutes, as amended (U. S. C., title 5, sec. 1), is hereby amended by adding at the end thereof the following: "Eleventh. The Department of Veterans' Affairs." The said Secretary shall cause a seal of office to be made for the said Department of such device as the President shall approve, and judicial notice shall be taken of said seal.

Sec. 2. There shall be in said Department an Under Secretary and five Assistant Secretaries, who shall be appointed by the President, by and with the advice and consent of the Senate, who shall perform such duties as shall be prescribed by the Secretary: *Provided*, That one of such Assistant Secretaries shall be the Surgeon General and another of the Assistant Secretaries shall be the General Counsel. Such Assistant Secretaries shall receive compensation at the rate of $12,000 per annum each.

Sec. 3. There is hereby transferred to the Department of Veterans' Affairs all personnel, files, records, property, reservations, and facilities of the Veterans' Administration of both the central office and field stations. The balance of all appropriations and all trust funds of the Veterans' Administration shall be available for expenditure by the Department in the same manner as if originally specified in the respective statutes authorizing or creating such appropriations or funds.

Sec. 4. All contracts and agreements entered into, and all orders, rules, regulations, delegations, permits, or other privileges issued or created by the Administrator of Veterans' Affairs, shall continue in effect until modified, superseded, or terminated. All laws relating to the Veterans' Administration, and those relating to veterans' benefits generally, shall remain in effect except as hereby modified and shall be administered by the Secretary of Veterans' Affairs.

Foreign Minister Artajo, of Spain, in Washington

EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. MACHROWICZ. Mr. Speaker, the Nation's Capitol is graced today and during this week by the presence of the Honorable A. M. Artajo, Minister of Foreign Affairs of the Republic of Spain, who is being officially received and will hold conversations with the Secretary of State on important problems affecting the two nations and the free world.

I take this occasion to call to the attention of my colleagues the intelligent and far-sighted attitude of our distinguished guest and the Spanish Government toward the menace of communism to the free world today.

The Spanish people have experienced, during their civil war, a long and bitter struggle with the forces of communism. As a result, they are well aware of the Soviet methods of penetration and terror.

The fate of the captive nations has always been met in Spain with deep and sympathetic understanding on behalf of both the people and the Government. It might be interesting to call to your attention that the Spanish Government has never recognized the Communist-sponsored regime in Poland, and still gives full accreditation to a Polish Ambassador representing the free prewar government of Poland, now in exile. On many occasions since 1945 official Spanish pronouncements were published to the effect that no lasting peace can be achieved as long as Poland, and the other subjugated nations of Europe, are not free.

Recent declarations by Generalissimo Franco and Foreign Minister Artajo confirm that this attitude in respect to the problems of captive nations is a fundamental principle of Spanish foreign policy.

On June 4, 1955, at the closing session of the International Congress in Escorila, organized by the Centre Européen de Documentation et d'Information, Mr. Artajo, who presided at this meeting, confirmed emphatically that "the liberation of the European countries occupied by communism is—from the point of view of justice—a historical necessity as well as a political one."

In an interview in January, 1956, with the representative of the Spanish paper YA, Mr. Artajo, when asked about the policy of coexistence with the Soviets, answered: "When Russia will liberate the subjugated countries, we will begin to believe in her good will of coexistence." Similar declarations were made by the head of the Spanish Government, Generalissimo Franco.

We will hail the presence of this far-sighted statesman in our presence and hope that his conversations with our Secretary of State will lead to a better understanding of the Communist menace and a more solid basis for a firm and lasting era of peace based on justice.

Aspects of the Farm Problem

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. PHILBIN. Mr. Speaker, in connection with various farm measures under consideration of the House, it is pertinent to note at this time that the idea of taking cropland out of production in order to limit general agricultural output is not new. It was carried on very extensively in the early days of the New Deal by Secretary Wallace.

In fact, the original AAA program very closely resembled present proposals. It will be recalled that the original program was predicated on the allotment or quota system with limits fixed for the output of each farm to be administered by an Agricultural Adjustment Administration proposing to pay farmers for taking their land out of crop production.

As the law first operated in 1933, the individual wheat grower signed a contract with AAA to decrease his wheat acreage by 15 percent in the first contract and then he received a bounty of 30 cents a bushel on a percentage of his crops. Almost at the same time cotton and tobacco were covered and the rental of the land taken out of production was fixed according to the valuation of the land. Cotton growers, for example, were paid from $7 to $20 an acre depending upon the previous average yield of the land.

The Government hoped to take 10 million acres out of cotton then in the ground and actually that quantity of cotton was plowed under and the potential cotton crop for the year thus reduced by 4 million bales. In 1934 a similar program was inaugurated for corn, tying in a hog-reduction program. The objective was to reduce corn output by 20 to 30 percent and hog output by 25 percent. Corngrowers would receive 30 cents a bushel based on the appraised yield of the corn acreage rented. In that 1934 campaign about 1,150,000 signed by producers taking about 13 million acres of corn out of production and reducing hogs by about 13 million.

When these programs were underway, then came one of the worst droughts in a generation. In addition to the production cuts made by the Government, Mother Nature in her own caprice cut the corn crop until the original reduction program of AAA was actually doubled. The result was the smallest crop in 40 years. Because of the relationship between the corn supply and hog production, the raisers of hogs likewise reduced far beyond the intended figures and cut the number of hogs about 28 million head to about 35 percent of the base for 1932–33 production.

The 1934 curtailment operations in corn and hogs cost the Government over $350 million, the bulk of which went into the Corn Belt States, as presumably the bulk of payments under the proposed 1956 soil-bank measure would go. In those 2 years certain growers were paid $200 million for taking acreage out of production. The second cotton curtailment program started in the beginning of 1934 when 2-year contracts were offered to the farmers. Over a million individual contracts were signed under this program in which the Secretary of Agriculture rented and took out of production some 15 million acres and paid the growers about $115 million for cutting down the cotton acreage. The tobacco crop in 1934 at about the same time was reduced about one-third below production in the base years. Rice followed suit.

In the light of the drought of 1934, however, the following year what acreage not only did not shrink any further, but certain growers increased their sowing in 1935 by 6 million acres. You will recall that the Supreme Court decision in January 1936 declared the AAA program unconstitutional and the Department of Agriculture thereupon revamped its program building it around the voluntary system of conservation of land by which farmers were given direct payments for certain soil-conservation practices. The above figures were taken in the main from an article in Hoard's Dairyman magazine by Mr. A. B. Genung, of the New England Farm Foundation, and I believe that the statements presented are correct in every respect.

I desire to illustrate by presenting this statement that, insofar as Congress is concerned regarding the agricultural program, in one part of it at least, we are right back where we started from in 1933 when cotton was plowed under, little pigs were wastefully slaughtered, and the principle of scarcity was pursued as a national agricultural policy.

I think that all Members of this body are exceedingly anxious to help the farmers of the Nation. I would like to state that I, for one, do not believe that this Nation can long remain prosperous if over one-third of its population on the farms and in related activities are suffering from declining income.

It is certainly unsound and unjust to make the farmer buy in a protected market and sell in an unprotected one. It is unfair to apply price fixing to farm products in an otherwise free economy.

But it is also very unsound to tax the American people billions of dollars to support farm prices at a high parity level and as a result roll up in the warehouses of the Nation unprecedented, huge, and growing surpluses that hang like a black cloud over domestic and foreign markets and thereby serve to defer indefinitely the sound, permanent solution of farm problems that must be found some day, if we are to keep the American economy sound, healthy, and free.

On the other hand, I believe that any program we adopt should follow a line of sanity, soundness, and prudence and should be tied to our American enterprise system of which the American farm is probably about the best example. Let us seek solutions, not be along the lines of mass regimentation and price controls because those are the discredited methods of collectivism rather than the successful practices of free enterprise.

I hope that the Congress will work out a satisfactory program to solve the farm problem in the national interest as well as in the interest of the farmers.

A. J. Hodges Gardens

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. BROOKS of Louisiana. Mr. Speaker, the opening of the A. J. Hodges Gardens in western Louisiana recently was an outstanding occasion for all of those who love beauty in the outdoors and in its natural state. The A. J. Hodges Gardens, located near Many, La., on Highway 171, 90 miles south of my home city of Shreveport, affords an opportunity to the people now for the first time of enjoying the pristine beauty of the pine-clad, clay hills of northern and western Louisiana. A huge lake, several islands, rose and azalea gardens, wildlife pastures and other attractions are most interesting to those who perchance pass in this general area on business or on pleasure.

Mr. A. J. Hodges, the owner of the Hodges Gardens, is a Shreveport, La., man. For years he has been accumulating forest areas in western Louisiana and several years ago he conceived the idea of developing a lovely park area nestled in an especially selected part of what has commonly been referred to as the cut-over pine area of Louisiana.

The gardens are not yet in a full state of completion but they, even at this hour, offer much to the visitor. One more full year's work will be required on the gardens. In the area of the garden park is a 225-acre lake and the forest areas have been stocked with deer, which were once native to that section, and with elk and wild turkey. The entire park area is composed of 4,300 acres and contains beautiful gardens exhibiting native and nonnative types of flowers. Of great interest also is the area of the park devoted to the important pine tree experiments and an air-conditioned laboratory, kept at 70 degrees temperature the year round. All types of tests on pine trees are conducted in this air-conditioned laboratory. An arboretum containing 38 different species of pine trees, some from faraway Japan and Australia, is located near the center of the gardens and provides natural allurement to those interested in beautiful trees.

I am not a fortuneteller nor am I a soothsayer. Louisiana is a lovely State but I will predict in the years to come one of the outstanding places for sheer beauty and loveliness—when nature does its best to outstrip even itself—the A. J. Hodges Gardens, with experimental areas, with game and wildlife refuge, will be known from far and wide as a natural utopia with its cloistered enchantment and its verdant beauty.

U. S. S. "Saratoga" To Be Commissioned April 14, 1956

EXTENSION OF REMARKS

OF

HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. DORN of New York. Mr. Speaker, I wish to call to the attention of the Members of the House the fact that on April 14, 1956, the U. S. S. *Saratoga*, CVA 60, will be commissioned at the New York Naval Shipyard. Upon commissioning, she will become the most powerful fighting ship afloat in the entire world. I believe that the *Saratoga* name is entitled to such an honor because the new ship will succeed to the name carried by five previous ships which participated in illustrious and memorable service to the United States. The name was originally taken to commemorate the famous Battle of Saratoga of our Revolutionary War, which proved to be its turning point. All of the ships which have since borne this name have fought with great distinction for the United States.

The first U. S. S. *Saratoga* was an 18 gun continental sloop-of-war which was commissioned in April of 1780. Although her life was a short one, she distinguished herself by capturing several ships carrying heavier armament and taking vessels into port as prizes of war. When last seen, in March of 1781, the U. S. S. *Saratoga* was heading out in pursuit of a strange vessel which had been sighted on the horizon. She disappeared from sight and her fate was never known.

The second U. S. S. *Saratoga* won her fame on Lake Champlain in the War of 1812. Commissioned on April 11, 1814, she was a 26-gun corvette and first saw action on September 11, 1814. At this time a great battle was shaping up for control of the Great Lakes. The British hoped by gaining control of the lakes, they could invade the United States from the north. In one of the decisive battles, the *Saratoga*, as a result of brilliant seamanship on the part of her captain, was able to defeat the British flagship, which carried 39 guns. As a result of this action, the British plans for the northern invasion of the United States were abandoned, and the United States maintained control of the Great Lakes.

The third U. S. S. *Saratoga* was a first class sloop carrying 20 guns. She received her commission in July of 1842 and served as an integral part of the United States Navy from that date until 1907. During this period of 65 years, the *Saratoga* saw action in the Mexican War, was part of Commodore Matthew C. Perry's squadron in 1853 during the negotiations for the treaty which opened Japan to the west, helped blockade the South Atlantic Coast during the Civil War, and served as a training ship for naval apprentices. She was finally sold to the State of Pennsylvania in 1907 for use as a training ship.

The fourth U. S. S. *Saratoga* was so named for only part of her naval career. She was launched in December 1891, as the U. S. S. *New York*, an armored cruiser carrying all the latest naval improvements. She was Admiral Sampson's flagship in the crucial Battle of Santiago in the Spanish-American War. On February 16, 1911, her name was changed to the U. S. S. *Saratoga*, which she carried until December 1, 1917. During this time she served as the flagship of the Asiatic Station. On this date, the vessel's name was again changed to the U. S. S. *Rochester*, and subsequently took part in the Nicaraguan campaign of 1926–31 and other important naval engagements. In 1938, she was stricken from the list of naval vessels.

The fifth U. S. S. *Saratoga* was probably the most famous of all of the ships to bear this illustrious name. She was launched in April of 1925 and was the first United States vessel to be launched as an aircraft carrier. During the years 1925–41, the U. S. S. *Saratoga* served as a training vessel for aircraft carrier pilots and contributed greatly toward the promotion of naval aviation.

On December 7, 1941, the U. S. S. *Saratoga* was in San Diego Harbor. The following day she was dispatched for the South Pacific carrying marine aircraft to bolster the defenses of Wake Island. Wake Island surrendered before help could reach it, and the *Saratoga's* planes were delivered to Midway Island, where they were of great help in repelling air strikes against the island.

The *Saratoga* next saw action in May of 1942 when she delivered additional aircraft to the carriers which took part in the Battle of Midway. She then became a member of Task Force 17 and served as the flagship of Vice Adm. F. J. Fletcher. From this time until she became a member of the famed Task Force 58, the U. S. S. *Saratoga* carved out a magnificent name for herself. She participated in the landings and capture of Guadalcanal. She conducted successful raids against the eastern Solomon Islands. She was responsible for the sinking of the Japanese aircraft carrier *Ryujo* and for severely damaging the Japanese seaplane carrier *Chitose*. She lent great assistance in the marine strikes in Empress Augusta Bay and later in Tarawa. In March of 1944, she took part in operations against the Japanese-held islands of Java and Sumatra. She then returned to the United States for repairs and joined Task Force 58.

As a member of this notable task force, the *Saratoga* took part in the first carrier-based attack on Tokyo in February 16–17, 1945. She then lent her support to marine units in the invasion of Iwo Jima. During this operation she was severely damaged by 4 suicide planes and 7 bombs. She returned to the United States once again for repairs and spent the rest of the war performing training duties at Pearl Harbor.

The battle-scarred grand old lady of United States aircraft carriers was finally swallowed up by the waters of Bikini Atoll as a result of the underwater blast of the atomic bomb test on July 25, 1946.

The sixth U. S. S. *Saratoga* not only will be the world's most powerful warship, with a 60,000-ton displacement, but will contain all of the latest mechanical improvements since her sister ship, the U. S. S. *Forrestal*, was designed. She has an overall length of 1,039 feet, an extreme beam of 252 feet, and her speed will be in excess of 30 knots—34 miles per hour. She is equipped to carry the latest jet aircraft. Sufficient replenishment-at-sea equipment will allow her to remain away from port for extended periods of time with no loss to battle efficiency.

The ship's complement numbers 3,800 men. These men will be fed by a galley which can dispense 1,100 loaves of bread, 9,400 pounds of vegetables, 1,000 pounds of dairy products, 4,600 pounds of meat, and 12,100 pounds of dry provisions per day. They will be medically cared for by a complete 84-bed modern hospital, and a pharmacy. There are also 6 battle dress stations, 10 decontamination stations, 192 first aid boxes, and 4 dental offices.

The contract for building this vessel was awarded to the New York Naval Shipyard on July 23, 1952. The keel was laid on December 16, 1952.

I believe that a special word of commendation should be given to the men who have worked so diligently on the construction of this vessel. These men of the New York Naval Shipyard have proven that they are a "can do" shipyard and have taken those two words as their motto. They have performed their jobs with such great efficiency and quality that I know that when this vessel is delivered to the United States Navy, it will be as perfect a fighting machine as can be constructed anywhere, any place, any time.

With such a ship in the capable hands of experienced naval personnel, under the command of Capt. Robert J. Stroh as her first commanding officer, the name of the U. S. S. *Saratoga* will go on to greater heights in the annals of our United States Navy. Let us pray that she will win her place in history by her might as a preserver of peace, rather than as a defender in war.

The American Council on Education Endorses Plan for a New Joint Congressional Committee Which Has Bipartisan Support

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, the educational exchange program is of deep interest to the American Council on Education and of special concern to the council's commission on education and international affairs which is responsible for coordinating all council activities in the international area.

At its last meeting on March 1–2, 1956, the commission again gave careful consideration to various measures before the 84th Congress which propose the establishment of a joint committee to be known as the Joint Committee on United States International Exchange of Persons Programs. These measures include House Joint Resolution 474, and Senate Joint Resolution 120 introduced by the Honorable J. W. Fulbright for himself and Senator Hubert H. Humphrey.

House Members who have joined with me in sponsoring this legislation include Representatives Hugh J. Addonizio, Victor L. Anfuso, Thomas L. Ashley, Cleveland M. Bailey, Robert C. Byrd, Irwin D. Davidson, Thomas J. Dodd, Edith Green, Don Hayworth, Harris B. McDowell, Jr., Thaddeus Machrowicz, Henry S. Reuss, George M. Rhodes, Peter W. Rodino, Jr., Hugh Scott, B. F. Sisk, Stewart L. Udall, Harrison A. Williams, Jr., and Herbert Zelenko.

As a result of its study of these measures, the commission on education and international affairs of the American Council on Education took certain actions which are reflected in the following excerpt from the minutes of the meeting held at the beginning of March:

> The Commission on Education and International Affairs believes that a well-planned program for the international exchange of persons has and can contribute significantly to international understanding, freedom, and world peace. Major weaknesses of the Government's program have been their intermittent character and the absence of a broad, inclusive, long-range plan. We resolve therefore:
>
> 1. That the Commission on Education and International Affairs supports the proposal to establish a special joint committee of the Congress for purposes of making a study of present and proposed exchange programs and of formulating proposals for a comprehensive and continuing program.
>
> 2. That the Commission on Educational and International Affairs recommends to the Secretary of State that he take all appropriate measures to achieve the effective coordination of such exchange programs as are authorized by the Congress and to bring them into proper relationship with exchange programs of intergovernmental and private agencies.
>
> 3. That the officers of the American Council on Education be asked to arrange for the presentation of these views at the time of public hearings on the proposed legislation.

I include as part of my remarks the text of a letter which I sent to my colleagues in the House of Representatives explaining the purposes of House Joint Resolution 474. Also included here is a short article by Senator H. Alexander Smith which appeared in the October 1955 News Bulletin of the Institute of International Education; as well as a brief statement of the history and activities of the American Council on Education.

Congress of the United States,
House of Representatives,
Washington, D. C., April 10, 1956.

My Dear Colleague: I have introduced a joint resolution, House Joint Resolution 474, to establish a joint congressional committee to be known as the Joint Committee on United States International Exchange of Persons Programs. Such a joint committee will be able to make an important contribution to these international exchange programs.

It gives me great pleasure to be able to say that Senator J. W. Fulbright has introduced a companion measure in the Senate as Senate Joint Resolution 120, and Senator Hubert H. Humphrey has joined Senator Fulbright as cosponsor of the measure.

I am hopeful that you and many other colleagues of mine from both parties will join with us in introducing this measure in the House. The text of our joint resolution is enclosed herewith for your study.

We believe that international exchange of persons has proved to be a valuable means of developing closer cooperation among the nations of the free world. The need for such cooperation is everyday more apparent. The United States Government is using this technique both for building better understanding of our country abroad and for technical cooperation and economic development. Large exchange programs are now operated by the Department of State. Students, teachers, prominent specialists, and leaders in many fields are exchanged and outstanding cultural performers are sent abroad under these programs. The Congress authorized these programs through the Smith-Mundt Act (P. L. 402, 80th Cong.), the Fulbright Act (P. L. 584, 79th Cong.), and several other acts. American technical experts are sent abroad and foreign nationals are brought to the United States for training under the International Cooperation Administration (formerly FOA and point 4).

The Congress receives reports from the Secretary of State on these programs and reviews their operation annually in connection with appropriations. The Smith-Mundt Act also provides for a United States Advisory Commission on Educational Exchange

which reports directly to the Congress on a semiannual basis.

All of these programs are reviewed separately, and by different congressional committees. They are extremely complex both from the point of view of administration and source of funds, and all use dollars and foreign currencies and rely to a large extent on the efficient use of private resources here and abroad.

It is, therefore, not surprising that some confusion has persisted in the Congress as well as in the public mind as to the relationships that exist between these programs. Yet broad public understanding and public acceptance of these exchange programs are essential if Congress is to support them. It is, we believe, imperative that this understanding be achieved and the confusion ended in order that these important activities can achieve the most useful results.

No concerted or continuing review of these programs and their relationships to each other has ever been undertaken by the Congress. Such a review is of the utmost importance and would be of inestimable benefit to the Congress and to the public. It would help all of us to make a more realistic appraisal of these programs.

The Joint Committee on United States International Exchange of Persons Programs which our joint resolution would establish will provide the necessary review to insure the most effective planning, operation, and administration of these important facets of our international relations.

Discussing the perennial crisis of exchange appropriations in Congress, Senator H. Alexander Smith, writing in the October 1955 issue of the news bulletin of the Institute of International Education, points out that although private exchange programs long antedate Government activity in this field, the role of the Federal Government is most significant and in recent years has become nearly indispensable.

Over the past few years, as he makes clear, a definite pattern has emerged in the process of getting appropriations for the Government's participation in international educational exchange programs, for instance, the President requests funds for an adequate program; the House of Representatives slashes this figure nearly in half. The Senate restores the full amount; and the final figure is a compromise between the two. The result, the Senator observes, is clearly insufficient appropriations, and he calls for grassroots understanding.

May I hear from you as to your interest in this legislation at your earliest convenience?

With kindest regards.

Sincerely yours,

Frank Thompson, Jr.,
Member of Congress.

[From the News Bulletin of the Institute of International Education for October 1955]

PERENNIAL CRISIS

(By H. Alexander Smith)

Senator H. Alexander Smith, Republican, of New Jersey, was cosponsor of the Smith-Mundt Act and sponsor of the act, passed in 1949, authorizing the use of payments on World War I debts by Finland for educational activities, including exchange of students between the two countries.

THE CHALLENGE

"As long as we believe that knowledge is better than ignorance, that the truth makes men free, exchange of persons programs should survive and grow." That sentence, taken from the report of the Committee on Educational Interchange Policy on the Goals of Student Exchange, eloquently presents the challenge to those of us who do believe that knowledge and truth are the sound foundations on which to build enduring peace and a free and prosperous world.

Educational exchange plays an important, but by no means exclusive, role in the spreading of knowledge and truth. However, the almost ideal partnership through which we in the United States have combined private and public contributions to international educational exchange is a guiding example to be followed in attacking all aspects of international ignorance, prejudice, and misunderstanding.

THE SMITH-MUNDT ACT

There is no justification for complacency or inattention merely because a program has reached a high level of success. We must constantly review our goals, as did the Committee on Educational Interchange Policy, and, of equal importance, continuously inspect the foundation and framework on which we have built.

As readers of this bulletin are well aware, private exchange programs long antedate the Government's activity in this field, and still bear the major share of the burden. However, the governmental role is a significant one, and in recent years has become nearly indispensable. The legislative foundation on which the Government's participation is built consists essentially of two laws: Public Law 584 of the 79th Congress and Public Law 402 of the 80th Congress. The former is popularly known as the Fulbright Act and the latter as the Smith-Mundt Act.

As a cosponsor of the Smith-Mundt Act, I am particularly gratified with the outstanding success of the exchange program. My participation was inspired by the experience that I had personally with the activities of the Belgium American Educational Foundation, established by former President Hoover after World War I. This was an outgrowth of the old CRB—Commission for the Relief of Belgium—which saved Belgium during the First World War. The Belgian American Exchange program has been in continuous operation for a period of over 35 years. It counts among its alumni the leading Belgians in public life today. To it can be attributed directly the abiding friendship today between Belgium and the United States. It has been a model operation for many other private exchange programs.

THE FULBRIGHT ACT

The Fulbright Act inspired by my colleague, Senator William Fulbright, of Arkansas, originally enabled the use, for educational exchange purposes, of some of the foreign currencies available to the United States as a result of the disposal abroad of surplus property. As such it was a temporary program, but free from the necessity of annual appropriations. The Smith-Mundt Act provided a framework for a permanent program of much broader scope (in addition to the educational exchange features, this act is also the basis for the activities of the United States Information Agency), but required appropriated funds. Happily the Fulbright program now has available foreign currencies acquired by the United States through other means, and presumably will carry on indefinitely. Less happily, the program must now purchase these funds from the United States Treasury, thus becoming dependent upon appropriated funds.

It is in this context that we legislators who annually find ourselves on the firing line in the battle for appropriations, are forced to examine the foundation and framework on which we have built the Government's participation in educational exchange. For some years now I have had the growing feeling that, while the framework of the administration and programing can always be improved, the immediate problem is a crack in the foundation itself.

APPROPRIATION PATTERN IN THE CONGRESS

Over the past few years a definite pattern has emerged in the process of getting appropriations for the Government's participation in international educational exchange; the President requests funds for a minimal, but adequate, program; the House of Representatives slashes this figure nearly in half; the Senate restores the full amount, and the final figure is a compromise between the two. The result is, of course, a clearly insufficient appropriation.

In passing it should be mentioned that our successes in securing Senate approval of the full budget request have not been easy. The votes, when pressed in committee and on the floor, have been close. Unfortunately, in the House they have gone the other way, and deep cuts have been sustained.

Why? The program is an inspiring one, quick to catch the imagination of intelligent men, and never more important than today. The Congress is a responsible institution of Government, and responsive to the desires of the articulate voter—traditionally the House even more so than the Senate.

SUPPORT AT THE GRASSROOTS

The answer would seem obvious. Public understanding and public acceptance are the sine qua non for any long-range governmental program requiring annual appropriations. In the case of the exchange program we would seem to rely too heavily on an annual flood of testimonials at appropriations time, instead of building up a genuine and thorough year-round understanding of the program.

We have become too parochial, too ingrown. Happily we have had great success in securing wholehearted acceptance at the local level for the exchangees themselves. We must translate this acceptance—which has widely become enthusiasm—into a grassroots understanding of the program itself, and the role of the Government in it. When that has been accomplished, the appropriations should readily be forthcoming.

It is particularly appropriate that we renew our private efforts at this time, for the Geneva Conference, on the initiative of President Eisenhower, directed the Foreign Ministers to study measures to bring about freer contacts and exchanges to the mutual advantage of the countries and peoples concerned. This is one item on the agenda of the October meeting of the Foreign Ministers. We can do no less than give overwhelming support at home to this international interest at the highest levels of Government in promoting that which we believe in so deeply.

A Brief Statement of the History and Activities of the American Council on Education

WHAT THE COUNCIL IS AND DOES

The American Council on Education is a council of national educational associations; organizations having related interests; approved universities, colleges, teachers colleges, junior colleges, technological schools, and selected private secondary schools; State departments of education; city school systems and private school systems; selected educational departments of business and industrial companies; voluntary associations of higher education in the States; and large public libraries.

The membership as of July 1, 1953, was 1,097, consisting of 143 national and regional associations, and 954 educational institutions. Today, as in the beginning, membership in the council is by organization or institution, not by individual.

The council operates through its staff and the commissions and committees set up to perform specific services. Outstanding leaders in education, in related fields, and in public life serve on council committees and take an active part in educational conferences and studies.

Through the 35 years since its founding in 1918, the council has been a center of cooperation and coordination for the improvement of education at all levels, with particular emphasis on higher education. Its very existence, its functions as set forth in its constitution, its membership, and its activities reflect the peculiar genius of the American educational system—a system without national control, compromising a large number of autonomous units working together for the establishment and improvement of educational standards, policies, and procedures.

More specifically, the council has been a clearinghouse for the exchange of information and opinion; it has conducted many scientific inquiries and investigations into specific educational problems and has sought to enlist appropriate agencies for the solution of such problems; it has stimulated experimental activities by institutions and groups of institutions; it has kept in constant touch with pending legislation affecting educational matters; it has pioneered in methodology that has become standard practice on a national basis—its extensive series of tests, examinations, and cumulative records are representative achievements; it has acted as liaison agency between the educational institutions of the country and the Federal Government and has undertaken many significant projects at the request of the Army, Navy, and State Departments and other government agencies; and through its publications, now so extensive as to rank well with those of other educational presses of the United States, it has made available to educators and the general public widely used handbooks, informational reports, and many volumes of critical analysis of social and educational problems.

ORIGIN OF THE COUNCIL

The council came into being in 1918 as a direct result of the obvious need to coordinate the services which educational institutions and organizations could contribute to the Government in the national crisis brought on by World War I. The first meeting of educators looking toward that end was held in Chicago January 12 and 13, 1918, attended by members of the executive commitees of the Association of American Colleges, Association of American Universities, Catholic Educational Association, and the National Association of State Universities. A larger conference was held in Washington on January 30, when an organization was formed and named the "Emergency Council on Education."

Eleven national educational associations were represented at this meeting and comprised the membership of the Emergency Council. They were: American Association of University Professors, Association of American Agricultural Colleges and Experiment Stations, Association of American Colleges, Association of American Universities, Association of State Universities, Association of Urban Universities, Catholic Educational Association, National Education Association, National Council of Education (NEA), Department of Superintendence (NEA), and Society for the Promotion of Engineering Education.

By the time of its next meeting, March 26–27, 1918, three additional associations had joined the Emergency Council: Association of American Medical Colleges, American Association for the Advancement of Science, and the National Council of Normal School Presidents and Principals.

The members of the Emergency Council on Education had not proceeded far with their work before they realized that there would be as much need for cooperative educational endeavor in time of peace as in time of war. Consequently, early in July 1918 the name of the organization was changed to American Council on Education, thus eliminating its original transient and emergency character, and visualizing its broadened scope in developing better relations with educational institutions abroad. The 14 founding organizations became constituent members of the permanent council.

ACTIVITIES OF THE COUNCIL

From its inception in January 1918 to the termination of hostilities in November of that year, the activities of the council were centered on the war effort. It performed many special services at the request of the President and various Government agencies, as it did again in World War II.

In peacetime it has broadened and intensified its study of American education, expanded its services to its member institutions and to educational institutions in general, and initiated and supported projects designed to promote better international understanding and relations.

In addition to its numerous services to the Federal Government, the council has made a number of State surveys of education at the request of State officers or legislatures. Among the surveys in recent years are those of Maryland, Illinois, Utah, Delaware, Alabama, Louisiana, and Hawaii.

Some highlights of educational achievement

Some of the council's activities of lasting value to American education are: the psychological examinations for high-school students and college freshmen, issued annually by the council from 1924 through 1947, and the Cooperative Test Service which functioned under the council's sole sponsorship from 1930 to January 1, 1948, when both of these projects were merged into the newly created Educational Testing Service; the National Teacher Examinations, established in 1939—a testing program administered on a nationwide scale; the American Youth Commission, composed of a group of leaders in civic and educational affairs who studied youth problems through a period of years and produced more than 30 volumes of enduring value; the Commission on Teacher Education, a cooperative Nation-wide project in which more than 50 colleges, universities, and public-school systems participated, resulting in a series of 20 published reports on a variety of problems; the Financial Advisory Service, which operated actively for the 5 years between 1935 and 1940, and produced 21 pamphlets on specific financial and business problems of institutions of higher education. The council was also exceedingly active in working for better and more uniform accreditation standards through a long period of years.

Ongoing council projects and committees include the Commission on Accreditation of Service Experiences established in 1945; the Inter-American Schools Service, established in 1943, and the Committee on Measurement and Evaluation, established in 1949 and continuing in a field in which the council has long been active. Other areas in which council committees have been influential in establishing policy in recent years include educational television, the education of women, intercollegiate athletics, college teaching, international cultural relations, institutional research policy, and religion in education. These activities are briefly described in connection with the responsible committees on pages 11–22.

EXPANSION OF MEMBERSHIP

Although the council originated as an association of national educational organizations, it soon became evident that both the organizations and the institutions of higher education would benefit by working together, and the constitution was therefore amended as early as December 1918 to provide for the inclusion of institutional members, that is, accredited colleges, universities, and technological schools, and for the inclusion of associate members—organizations with interests related to the work of the Council.

In June 1935 membership privileges were further extended to accredited teachers colleges, and later to State departments of education, public and private school systems, private secondary schools, junior colleges, the educational departments of business and industrial concerns, large public libraries, selected institutions of a specialized nature, voluntary associations of colleges within the United States, and selected universities outside the United States of America. The membership of 1,097 on July 1, 1953, comprised the following:

Seventy-nine constituent members (national and regional educational associations).

Sixty-four associate members (national organizations in fields related to education).

Nine hundred and fifty-four institutional members (universities, colleges, selected private secondary schools, public and private school systems, educational departments of industrial concerns, voluntary associations of colleges and universities within the States, large public libraries, etc.).

Almost all of the major educational associations are actively affiliated with the American Council on Education, which also includes institutional members from 47 States, the District of Columbia, Hawaii, and Puerto Rico.

THE MEN WHO HAVE DIRECTED THE COUNCIL

The development of the council naturally has revolved around the men who have served as its chief executive officer. Dr. Samuel P. Capen was its first full-time director, serving from 1919 to 1922, when he accepted the chancellorship of the University of Buffalo. He was succeeded by Dr. Charles R. Mann, who was director until 1934 when he retired. Dr. George F. Zook came to the presidency of the council in 1934 from the position of United States Commissioner of Education, having previously been president of the University of Akron. Dr. Zook served from July 1, 1934, through December 31, 1950. Dr. Arthur S. Adams became president January 1, 1951. Dr. Adams came to the council from the presidency of the University of New Hampshire. He was formerly provost of Cornell University.

Associate directors of the council have been David A. Robertson, who served from 1923 to 1930, John H. MacCracken from 1930 to 1934, C. S. Marsh from 1935 to 1944, and A. J. Brumbaugh, vice president from 1944 to 1950. The titles of director and associate director were changed to president and vice president in 1935. The office of vice president was discontinued in 1951.

The chairmen of the council have always played a most important part in its achievements, and the list of chairmen is a notable rollcall of some of America's greatest leaders in education. The last several chairmen were:

1942–43: Edmund E. Day, president, Cornell University.

1943–44: O. C. Carmichael, chancellor, Vanderbilt University.

1944–45: Herman B. Wells, president, Indiana University.

1945–46: Alexander J. Stoddard, superintendent of schools, Philadelphia.

1946–47: George D. Stoddard, president, University of Illinois.

1947–48: Leonard Carmichael, president, Tufts College.

1948–49: Herold C. Hunt, superintendent of schools, Chicago.

1949–50: James B. Conant, president, Harvard University.

1950–51: J. L. Morrill, president, University of Minnesota.

1951–52: Everett N. Case, president, Colgate University.

1952–53: Robert L. Stearns, president, University of Colorado.

How To Improve the Income Tax

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. REED of New York. Mr. Speaker, some individuals today are advocating repeal of the Federal income tax on the ground that it has become too complicated and too erratic in its application. In my opinion, this proposal is like trying to cure the patient by killing him. It is totally unrealistic to talk about abolishing the income tax.

The individual income tax is today producing about $31 billion annually, close to one-half of the general revenues of the Federal Government. The corporation income tax produces another $20 billion. Thus, the income tax as a whole raises about $51 billion annually. We have to face the plain fact that without this source of revenue our Nation would have been crippled during critical years of its history.

Those who suggest abolition of the income tax have not offered any alternative source of revenue. I can only suppose that such an alternative would take the form of a general sales tax or some similar proposal. Primary reliance on such a method of taxation would impose unfair burdens on millions of Americans. Those least able to pay would be those hardest hit. Therefore, to be realistic, we must recognize that, so long as our Government requires billions for our security and other essential operations, the income tax is the only practical and fair method of raising most of this revenue.

This is not to say that there is not room for improvement in our income tax structure. Far from it. In 1954, the Republican 83d Congress enacted the new Internal Revenue Code of 1954 which I sponsored. That mammoth legislation, covering thousands of changes in the tax laws, corrected countless inequities which had accumulated over the years. Many loopholes which had been permitted to exist in the past were closed. Fairer treatment for millions of taxpayers was provided, including more generous medical deductions, more liberal treatment of dependents, the exemption of sickness and accident benefits, tax advantages for retirement income, and the deduction of child care expenses of working mothers, to mention only a few.

It has been estimated that about 700,000 man-hours of work went into the development of that legislation. Experts from all over the country lent their assistance. There is no question but that the present strength and vitality of our economy is due in no small part to the sounder tax rules which the new law contains. We were successful in developing greater simplicity and clarity in many areas which had confused taxpayers in the past.

The fact remains, and I would be the last to deny it, that the income tax is still complicated and still poses difficult problems for the average taxpayer. We must recognize that every time a new relief provision is enacted, whether for business or for the average individual, and no matter how meritorious, new complexities are created in the tax structure. This is inevitable. Each new amendment designed to promote greater equity in the system as a whole must take the form of an exception to the general rules. Thus, no matter how sound, no matter how fair, each new exception almost invariably creates a new complication.

Moreover, it must not be thought that these special relief provisions are simply for the benefit of the well to do. They are not. The most costly of them are primarily for the benefit of low-income taxpayers. The retirement income tax credit, the extra $600 exemption for those aged 65 and over, and many others are examples of special relief provisions which mainly benefit those with small incomes.

Today, Congress is besieged with demands for further changes in the tax law, each designed to lessen the impact of the income tax in some particular area. I have received hundreds of such suggestions in my own office. They include increased deductions for child care, increased deductions for charitable contributions, larger deductions for dependents, bigger medical expense deductions, the allowance of deductions for tuition and other educational expenses, the deduction of the transportation expenses of handicapped persons; the deduction of life insurance premiums, a deduction for the cost of repairing and maintaining a home, the exemption of pensions generally, the complete exemption of active duty pay of members of the armed services, an additional exemption for the totally disabled, and so forth. These are only a few of the many examples which could be cited. There are countless more. Some involve a negligible loss of revenue. Some involve a potential revenue loss of hundreds of millions of dollars. With many of them I am entirely sympathetic. However, each one, if enacted, would whittle down a little more the total income tax base, and would, thus, to that extent, increase the burden of less fortunate taxpayers. Each one would add a new exception to the tax law. Each one would add a new complication to our already complex income tax forms.

We would seem, therefore, to be faced with this dilemma: Shall we ignore these reasonable and just demands for fair treatment or shall we adopt many of them and by so doing add further complexities to our already complicated tax law? I submit that there is another alternative which would go a long way toward solving this problem.

I believe that the underlying cause of most demands for special relief is the excessive nature of our tax rates. Our lowest tax bracket rate today is 20 percent. Our highest is 91 percent. Think of it. The Government takes over 90 cents out of every dollar earned in the top bracket. No wonder serious hardships arise and special relief becomes necessary.

I realize that some claim that the rates at the very top of the scale are largely fictitious because certain of these taxpayers can avoid the full impact of the rates by taking advantage of relief provisions. There is an element of truth in this argument. Some can avoid the full impact of the tax rates. However, the fact is that many others cannot. It seems to me that this very lack of uniformity in the incidence of the top rates is a compelling argument for their reduction to more reasonable levels.

I do not believe that the average American has any conception of how high our tax rates are. On March 18 of this year, George Gallup released the results of a nationwide poll taken to determine what the public itself believes the proper tax rates should be. The results were startling. The public sets the proper tax level of a family of four with an income of $5,000 at $235. Actually, a family with that income today pays $420 under our present tax rates, almost twice what the public thinks is fair. The public sets the tax level of a similar family with an income of $10,000 at $690, when in actuality that family pays $1,372 under our present law, again about twice as much. Finally, when the public was asked to fix the tax for a family of four with a $50,000 income, it set the tax at $7,125 instead of the $18,294 which it actually is, almost three times as much.

It is these excessive rates which are the villain of the income-tax problem. They stifle initiative. They encourage evasion. They breed disrespect for the tax system. They create severe individual hardships which in turn create the demand for special relief provisions. This, then, is the real cause of our income-tax difficulties. When the rates become too high, as they obviously have, special exceptions necessarily have to be adopted in order to soften their impact. At the same time, special restrictions have to be enacted in order to prevent the evasion and avoidance which excessive rates openly invite. In my opinion, the present complexity of our income-tax system is due almost exclusively to this cause. Those who seek to cure the problem by abolishing the income tax would provide a more worthwhile and constructive public service if they would recognize the true nature of the problem and develop appropriate remedies within the framework of the existing income-tax system.

I propose this program as a first step toward a fairer and simpler income-tax system, to be undertaken as soon as the budget permits:

First. The top bracket rate should be reduced to at least 75 percent.

Second. All other bracket rates, including the bottom, should be graduated downward to conform to the new top rate; and

Third. The law should be simplified by the elimination of as many of the special exceptions as possible.

Certainly it seems reasonable enough that any individual be permitted to keep at least one-quarter of any income he receives. Moreover, this would not need to be a costly program. Substantial reduction in the progressive rates would have relatively little revenue effect, because only a very minor portion of our total revenue today is derived from these high bracket rates. However, I feel strongly that any such rate revision should be accompanied by a tax reduction benefiting those in the first bracket. Any tax reduction program must help all of our taxpayers. Naturally, across-the-board relief of this kind is much more costly.

For example, of the approximately $31 billion produced by the individual income tax, about $25 billion comes from the first bracket rate of 20 percent applicable to all taxpayers. This fact brings out two important points. First, it shows that the entire progressive element of our income tax—the portion of the rates above 20 percent—produces only $6 billion or 19 percent of the total individual income-tax revenue. Secondly, it shows that any reduction in the first bracket results inevitably in a substantial reduction in revenues.

I point these facts out simply to indicate the revenue implications of the tax program I have proposed. I have no information at this time which would suggest that the budget will permit substantial tax reduction in the immediate future. However, I believe that preparatory work should be begun immediately to develop a constructive program of this type. Excellent studies have been made recently of the economic impact of the income tax. It is time now that the tax committees of the Congress assume the obligation of developing a sound tax program. For this reason, I propose that the Joint Committee on Internal Revenue Taxation begin immediately to prepare studies and recommendations along the lines of my proposals.

In conclusion, I believe that the advantages of my program are tremendous. It would encourage individual initiative. It would lessen the demands for special treatment. It would simplify the tax laws. It would reduce evasion and avoidance. It would ease the compliance problems of the taxpayer. It would simplify the administrative problems of the Government. It would strengthen public confidence in the income tax.

It is a program that should recommend itself to every Member of Congress, irrespective of party.

Flood Control and River Development

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend and revise my remarks, I wish to present an address delivered by me before the annual convention of the Red River Valley Association in Shreveport, La., on April 3, 1956, entitled "Flood Control and River Development—Its Progress and Its Objectives":

During the last 15 years, especially, this has been a land of greatly increasing population. During the easy recollection of everyone here, this country has grown from a population of 142 millions of people in 1940 to 166 million people at the present time. This growth has pushed us into a period of prosperity and development the like of which this Nation has not heretofore seen. New houses, new buildings, new factories, new and wider roads, great airports and other means of expansion. Our transportation facilities have been taxed at times to the utmost and our network of roads has been repeatedly expanded and enlarged only to find that our plans, as wild as they appeared to be, were inadequate to meet the burden of traffic placed upon them.

During this period of time, one would naturally think that as a nation our plans should envision an increase in our program of water transportation and that these plans should go forward with the thought that water transportation should carry its full part in the development of the Nation. Strange to say, such has not been the case. We have not developed our water roads as we have developed our macadam and concrete highways.

Just before leaving Washington I obtained figures to indicate the progress we are making in our river and water development throughout the country. I find the following: During the year 1951 we appropriated in Congress, roughly, $505 million for flood control and river and harbor development; during 1952 we reduced and appropriated $477 million; during 1953 we further economized and appropriated $446 million. In 1954 this sum appropriated went down to the alltime low of $366 million. In 1956, I led the fight on the floor of the House for more money and we were able to report for the current year the sum of $477 million, an increase of over $100 million. In addition to the sum of $97 million which the House added to the bill which came out of the Appropriations Committee, the Senate added some 10 to 15 million dollars more.

The United States Army engineers were so surprised at this change of attitude of the Congress that they were hardly prepared to spend this additional money, although it was badly needed in the pushing of the projects which had been pending a long time. As a result, I am told that some of the money appropriated last year will not have been fully expended when this present fiscal year comes to an end.

In spite of all of these facts, I am somewhat disappointed that the Bureau of the Budget failed to recommend at least the sum which Congress had previously appropriated. For the coming fiscal year the budget recommends the appropriation of $457 million—a sum which if appropriated will put us back again on the road to an increasing program of water development.

I am president of the National Rivers and Harbors Congress, and in this capacity I am familiar with the attitude of the people of this country in relation to our present problem. Our organization has recommended to the Congress and to the President that we work for a budget of $1 billion per year for all water resources uses. This means that over the long pull we think that this Nation needs an annual appropriation of $1 billion to continue our work of development and to maintain properly the work previously completed. With the present recommendations of the Budget Bureau, we will have to expand our appropriation some $250 million per year to meet this goal. Our budgeted expenses in regard to almost everything else has increased tremendously—food, labor, clothing, construction, have all increased tremendously; but there seems to be the idea that we can continue the water-development program with the same budget and the same expenditures without an increase. Well, it just can't be done.

It is now apparent that Congress is turning the corner. This change is due to what? Last year, when the Appropriations Committee brought to the floor of the House of Representatives a bill which would have reduced the budget estimated needs of rivers and harbors by some $50 million, some of us connected with the National Rivers and Harbors Congress called a meeting of all Members interested, in the caucus room of the Old House Office Building in Washington. At this meeting we had some 60 Members present, and we passed 4 resolutions, asking that I see that they were introduced into the Congress. I am proud to report that every one of these 4 resolutions passed the House and that as a result of this action we restored to the bill some $97 million. This was the first time in 10 years that we had been able to reverse the trend toward diminishing appropriations.

That this is a definite trend is well shown by the fact that I as president of the National Rivers and Harbors Congress joined with others and succeeded this year in adopting an amendment in a deficiency appropriation bill which gives New England money she is entitled to receive for needed help as a result of three disastrous floods within the last year and a half. Again, we repeated this action in the case of the Carolinas which came to us this year with a plea for help which no sympathetic person could deny. In three instances, therefore, recently we have reversed the trend of appropriations and have been able to give the Nation something like the money needed for these purposes.

It was at an annual convention of the National Rivers and Harbors Congress 2 years ago that the President of the United States announced the appointment of a Cabinet committee to work out recommendations for a national water policy. Undoubtedly, some definite policy in furtherance of the development of this great natural resource is needed for our guidance. I look forward to a definite policy stabilized over a period of years which will assure us in advance what is to be expected in our program.

We have made tremendous progress under our present system of handling our program—but in all fairness, I think with better planning, we could have made much more progress. I do not favor the establishment of a new Board of Review to further screen our projects. This was the recommendation of the President's Advisory Committee on Water Resources Policy recently. Such a Board is not necessary and adds to the tremendous number of agencies which already have a part in the screening of projects before they are completed. Do you realize that some 28 separate steps have to be taken in the authorization of a project? These usually require a period of several years, with continual checking and investigating going on until the project is finally screened by Congress and becomes the law of the land. A further process—a new board—could only mean that new and burdensome bureaucratic processes would be added to the careful program we presently have set up.

Rather than add to the number of agencies and processes which must be considered in the authorization of any flood-control project, I would say that our chief problem and my chief concern is our increasing difficulty in obtaining money in the Congress. Year by year this has developed into a great fight; and as a rule, we make the heavy appropriations only after a great catastrophe has struck our economy.

In 1927 when the great flood struck the Mississippi Valley, our total approved civil works program was only $1,200,000,000; and the sum of $800 million had been expended on this program. This left a backlog of only $400 million of work to be done on 1927 prices.

In 1937, following the increasing interest in flood control due to the passage of the 1936 Flood Control Act, which, by the way, was sponsored by my uncle, Senator John Overton, the backlog of construction had

grown from $400 million to $900 million and at 1937 prices. By the year 1947, when we had adopted the concept of basinwide development as applied to our valleys, our backlog of approved projects had grown to $5.4 billion at 1947 prices.

Today, our situation is anything but envious. We have an approved program of civil works construction, approved by Congress, which totals some $19 billion. Of this program, we have spent some $7 billion through the years, leaving us as of this hour $12 billion in unconstructed projects at present-day prices.

Of course, some of these projects are obsolete and some are undoubtedly not necessary because of intervening developments through the years. But even taking into consideration all of these things, I do not believe that anyone will seriously question the fact that our authorized list of projects will exceed $8 billion. This is the situation at a time when we put all of our power and our influence behind a real program to advance the needs of the Nation. This is the situation at a time when our increased population, our larger cities, millions of acres more land in cultivation and in pasturage all cry loudly for an active aggressive and comprehensive program.

There has been talk in Congress about flood insurance. This was in fact the administration recommendation. Much emphasis has been given by Members of Congress to such a program; and I hope that some method will be developed to lighten the heavy burden which falls upon a community, State, and on the Nation when a great disaster like the New England floods visits a section of the country. I am, however, not too optimistic about such a program.

We can approach this matter much better by a frontal attack. The closing the stable door after the horse has fled type of approach may mitigate the suffering and the hardship but it will not prevent the flood. Far better it is for the Congress to approach this matter from the viewpoint of one who wants to prevent the tragedy rather than extend financial sympathy after the pall of death and destruction has fallen.

My friends, the use of water resources by a people is not a new program. It is as old as are the pyramids of Egypt. In fact, the first information which we have after the dawn of history regarding flood control and irrigation comes fom the Middle East. It was along the Euphrates and the Nile Rivers that man first made a serious effort to conquer the floods.

Along the Nile River which traverses desert country for many miles, ancient Egyptians broke the ground, built little irrigation ditches and dams, and tried in a meager way to cultivate a little fringe of land along the banks of the Nile. They tried their peculiar method of controling floods by throwing their children into the muddy waters of this often-swollen stream, to the crocodiles, to appease their gods and have them stop the ravages of their lands and loss of their lives by flood waters. Perhaps it was the information which their engineers gained from developing drainage and flood-control works which later gave them the skill to construct monuments that stand through the ages, as the sphinx and the pyramids.

Much time has passed since then; and we are still fighting the problem which was old to even Egypt itself 5,000 years before Christ. It is for you to judge just how much progress has been made by us since the days of the Pharaohs and the Egyptians. I earnestly believe that had we determinedly set our minds toward the work of eliminating floods in our own land and using our greatest natural resource—water—we would have made much more progress than we can boast of today.

To Socialism by Way of Tax-Exempt Foundations

EXTENSION OF REMARKS

OF

HON. B. CARROLL REECE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 10, 1956

Mr. REECE of Tennessee. Mr. Speaker, thinking that a speech which I made before the Association of American Physicians and Surgeons, at Columbus, Ohio, April 6, 1956, might be of interest to the Members, I am inserting it in the RECORD:

TO SOCIALISM BY WAY OF TAX-EXEMPT FOUNDATIONS

(By Hon. CARROLL REECE, of Tennessee)

I

In this era in which we live, the old-fashioned virtues grow increasingly unpopular.

Liberal economists tell us that our Government (instead of cutting our suits to fit our cloth) should tax us to the limit of tolerance and then borrow more from us in order to shower us with paternal blessings.

Instead of being taught independence, energy, and enterprise, our youth today is taught to look for security.

The man who believes in individualism, freedom, and self-reliance is ridiculed as antediluvian.

We approach closer and closer to socialism.

Most of those who urge us in this direction suffer the illusion that we can stop at a sort of extended New Deal.

But their British counterparts know better.

They see, and rely upon, the paternal state as a necessary transition—a stage between free enterprise and socialism.

Being evolutionary Socialists, they wish to reach their goal through the democratic process, and this requires the paternal state as a preparation for that goal.

They are confident, once this intermediate stage has been reached, that full socialism will follow inevitably.

But these British collectivists suffer under their own illusion, in turn. They refer to their ideal society as one based on production for use and not for profit. This slogan, also dear to the hearts of so many of our own radical educators, is pure nonsense.

One who works for his own profit is likely to work hard. One who works for the use of others, without profit to himself, is likely not to work any harder than he must.

And so this state which the British Socialists and our liberals envision, in which production will be higher and cheaper, can come into being only under the compulsion of communism or some other form of Socialist dictatorship—if it can come, at all, under any Socialist state.

II

This, then, is the illusion of British socialism, so much respected and aped by our own radicals, that they can stop at the point of democratic socialism.

Communists smile at this, knowing full well that the road to socialism is the road to collectivist dictatorship.

In this process they have materially weakened our people's patriotism. Flag waving is still with us, but patriotism in its deeper significance is fading—sadly fading.

An article in the United States News recently disclosed that fully one-third of the American prisoners of war succumbed to brainwashing without torture.

They were so weak in their patriotism, our schools had given them so little understanding of American principles, that they offered little or no resistance to the blandishments and seduction of Chinese Communist interrogators and propagandists.

Maj. Wm. E. Mayer, an Army psychiatrist, who made the study of brainwashing among 1,000 of our soldiers captured in Korea said he found even many soldiers had lost respect for patriotism. He said:

"I think a great many people feel that references to patriotism and love of country are somewhat embarrassing, unsophisticated, or foolish flag waving. I think this is to a very considerable degree the result both of well-meaning liberals, so-called, as well as others whose intentions are clearly destructive, to create the attitude that we should abandon love of country and patriotic ideals, as being identical with this evil thing called nationalism."

Where is the ruggedness which used to be so characteristic of Americans?

I attach rather clear meaning to terms such as "Americanism" and "the American way."

But to use terms such as these is to bring down a torrent of ridicule from the liberal press, writers, and commentators who dominate communications in the United States. These expressions are "corny" and "horse and buggy."

Behind this is a definite disparagement of patriotism.

Patriotism springs from nationalism, and nationalism has become a vice, not a virtue.

As the National Education Association has so often told our teachers and students, nationalism is an obstacle in the way of achievement of the one world state without which, they say, we cannot have peace.

We are eventually to be merged into an international society—distinctly socialistic in its nature—an international Eden. And nationalism, they say, stands in the way of bringing us to it.

III

The president of the Fund for the Republic, Dr. Robert M. Hutchins, eloquently says:

"The Fund for the Republic is a sort of fund for the American dream. I do not think the fund can make the American dream came true, but perhaps it can help keep it alive and clear."

The American dream that is now occupying the attention of the foundation-financed intellectual cartel promotes the idea of government by an elite.

Robert Hutchins and the other members of this self-appointed professional intellectual aristocracy dream of an America governed by social scientists, guided by their benign infallibility under a system which frees the people from the responsibilities of freedom.

This is again illustrated by Mr. Pendleton Herring, of the Social Science Research Council, who wrote in 1947 concerning this matter:

"One of the greatest needs in the social sciences is for the development of skilled practitioners who can use social data for the cure of social ills as doctors use scientific data to cure bodily ills."

The degree to which this elite even penetrated the Federal Government is indicated by the 1947 report of the President's Commission on Higher Education.

I would like to give you a few significant extracts from that report:

"It will take social science and social engineering to solve the problems of human relations."

"Our people must learn to respect the need for special knowledge and technical training in this field (of social science) as they have come to defer to the expert in physics, chemistry, medicine and the other sciences."

I would like to say that by no valid definition can sociology and economics identify themselves as true science.

Seven years before this report was issued, one of the members of the President's Commission on Higher Education, Horace M. Kallen, wrote a magazine article entitled "Can We Be Saved by Indoctrination?"

I would like to quote two short paragraphs from that article:

"I find within the babble of plans and plots against the evils of our time one only which does not merely repeat the past; this is the proposal that the country's pedagogues shall undertake to establish themselves as the country's saviors."

After some elaboration, Dr. Kallen concludes, "Having taken power, the teachers must use it to attain the 'central purpose' of realizing the American dream. They must operate education as the instrument of social regeneration. This consists of inculcating right doctrine."

Change the word "American" to "Fabian" and you are pretty close to the truth.

Another phase of this American dream might be found in another document for professional pedagogues entitled, "Molders of the American Mind," by Professor Norman Woelfel.

Here is one of his admonitions: "The younger generation is on its own, and the last thing that would interest modern youth is the salvaging of the Christian tradition. The environmental controls which technologists have achieved and the operations by means of which workers earn their livelihood need no aid or sanction from God nor any blessing from the church."

And he adds this final touch: "In the minds of the men who think experimentally, America is conceived as having a destiny which bursts the all too obvious limitations of Christian religious sanctions and of capitalistic profit economy."

All this has behind it the figure of Karl Marx, in one way or another. And this is just the kind of a thing being emphasized by the foundation in the field of social sciences.

There is a theory that the growth of Socialist influence in this country was accelerated by numbers of American professors who studied abroad at the end of the last century and came back to us full of new theories—intriguing, materialistic and social welfare philosophies, rooted in variations of Marxism, and depending upon a strong centralized government.

Whether this be the answer or no, there is no doubt that academicians had much to do with the suborning of public opinion through Marxism. In the long run, much public opinion is made in the universities; ideas generated there filter down through the teaching profession and the students into the general public.

As the egalitarianism of Marxism is attractive to many, socialism could have attracted many followers in America, anyway.

But there is no doubt that it could not possibly have affected us so widely and so deeply as it has, had it not been heavily financed.

This financing was supplied by several of the great fortunes built up by American industrialists under our capitalistic system.

This most certainly was not intended by such men as Andrew Carnegie and John D. Rockefeller, nor more recently by Henry Ford.

They would truly writhe in their graves if they could know that the foundations which they created have become the principal treasury of the radical movement in their country.

IV

It is difficult for the public to comprehend that this could be possible. The boards of these foundations have always contained many men who could not possibly have lent themselves consciously to an undermining of the free enterprise system. Indeed they did not. They just knew not what they did.

It happened, it began to happen, when these trustees, against sage advice, no longer confined themselves to the direct support of educational institutions, or religion, medicine, public health and science. It is difficult to put to propaganda or political use a grant to a college endowment or for medical research.

But when these foundations launched themselves into what are called the social sciences they made themselves vulnerable to a form of seduction and subversion against which they could not defend themselves.

When they entered the areas of man's relation to man—as the social sciences are so attractively described, they opened the door to political propaganda.

It is not hard to understand why these trustees went along usually without protest.

A great captain of industry is very likely to have just as high an IQ as a professor.

But when the industrialist sits on the board of a foundation which deals with areas which are both highly technical and extremely vague, he is not equipped to make informed decisions.

It is almost inevitable that he bow to the superior understanding of the academic adviser, just as he would to his doctor or lawyer.

Insofar as projects in the politically sensitive social sciences area are concerned, therefore, the decisions of the great foundations have been chiefly the decisions of academic advisers.

And the sad fact is that these advisers have come overwhelmingly from those who have been politically slanted to the left—and many of them far to the left.

One reason for this has been small grants are naturally unattractive to large foundations with large sums of money to dispense. A mass research project is something substantial—something to use up the money.

Yet mass research is rarely attractive to the conservative professor who needs support for individual research but does not want to run a large staff of computing machine operators and poll takers.

V

The liberal leftist educators, however, have become increasingly interested in the purely, or almost purely, empirical methods of research.

They have thought that they could translate some of the research methods of pure science into use in the social sciences.

It has been one of the outstanding fallacies of this large and terrifically influential group that human relationship problems could be solved mechanically and mathematically by what they call factfinding.

They have so often ignored or failed to take into account important and highly mutable factors such as love, patriotism, loyalties, motivations, and individual characteristics which are utterly incapable of measurement and quite beyond the application of a scientific approach.

Jealous, perhaps, of the true scientist in medicine, physics, etc., these men who have pompously and arbitrarily called themselves scientists, have concluded, and pronounced, that they are the only sound technicians. They have made themselves into a self-appointed elite. They call themselves social engineers.

Operating on a grand scale, they ponder mass symptoms and ignore individual diagnosis.

Armed with their punch cards and electronic brains they consider themselves far more competent to lead us into better pastures than the old-fashioned practitioners who permit themselves to be circumscribed by the known limitations of social science.

"This country was not built by an elite and it is inconceivable that it should ever be run by one," as President Jones, of Rutgers, says.

They have become messianic. And they have succeeded materially in their efforts, over the years, to influence our people.

Their approach has been what Professor Colegrove has called pathological.

They are always looking at what may be wrong with us, not for the purpose of improving what we have that is good and making it better, but for the purpose of supplanting it with something else.

These are the extreme followers of the cultural lag theory which assumes that our technological progress requires a new set of ethical values governing man's relation to man, and they are the advisers best equipped to furnish them.

So, in a period when informed men deplore our tragic lack of engineers and technicians, and the extent to which we are falling behind Russia in technological development, they have persuaded the great foundations to spend more on mass research in the social sciences.

The present shortage of engineers, physicists, and chemists is largely attributable to inadequate teaching of mathematics and the physical sciences in the secondary schools.

Young children have been encouraged to take social study courses rather than to accept the discipline of an exact physical science based on rigorous mathematical principles.

Teachers, too, have been encouraged to escape these disciplines, as they can readily major in a so-called social science, supported by a foundation grant, while they are preparing themselves to teach.

It is no wonder that it is becoming more and more difficult for industry or for Government to recruit from our schools the kind of people who can maintain our position in this age of science and technology.

The biggest foundation of all, the Ford Foundation, excluded itself wholly from such areas as science and medical research. The Rockefeller Foundation, last year, gave hundreds of thousands of dollars to a program of empirical research training in the social sciences. And so it goes.

VI

The same academicians to whom I refer, those who now so deeply influence the great foundations, have little respect for tradition and principle.

They are, almost all of them, followers of the theory of moral relativity, that there are no absolutes, whether religious, moral or civil.

What the facts disclose, is right.

They say: If the Rockefeller-financed Kinsey studies disclose that a large percentage of young girls have active sex-experience before marriage, we should change our laws and morals to permit this; if so many people have a touch of sex abnormality in their souls as indicated by Dr. Kinsey, laws against sex deviation should no longer be tolerated; in the economic field, if research indicates, that the Federal Government can do something more efficiently than can the States, the Federal Government should take it over, regardless of what our Constitution may say about the separation of legislative powers.

This discussion, this description, may give you the beginning of an idea of the type of mind of the intellectual whose opinions have directed the great foundations in the social sciences.

But they have not worked alone. There has come into being a new class of men, almost a guild—the professional administrators of foundations.

Selected largely under the advice of "liberal" intellectuals, they have come into practical operating control of these foundations.

These men, in turn, are overwhelmingly of a leftist political position. You would have to look hard to find a conservative among them.

All of them whom I have met, are pleasant, personable and attractive men who give the impression of complete sincerity (which is usually correct) and of complete objectivity (which is not).

There has been a further aid to the process by which socialism has been fed by the foundations. Just as these administrators

have helped the leftwing intellectuals, intermediary organizations have been created to help the administrators—to serve as their advisers and retail distributors of their social science funds.

Typical of these organizations are the Social Research Council and the American Council of Education.

Nor must we forget the nefarious Institute of Pacific Relations, which the Carnegie Corp., the Carnegie Endowment for International Peace and the Rockefeller Foundation used to retail their funds to an aggregate of millions of dollars.

The IPR was Communist dominated and was more responsible than any other factor for the debacle which turned China over to the Communists.

The damage done by the foundations through the IPR cannot be estimated. It may have changed the whole course of history.

Intermediary organizations such as these have also come into the control of those consciously and actively to the left politically.

VII

And although the trustees of the great foundations think they run their foundations, except in the broadest sense, they do not.

Operating in areas substantially beyond their understanding (except in the most peripheral way) they rely on their leftist academic advisers, their leftist professional employees and their leftist-controlled intermediary organizations, to make the decisions which are the most vital part of their trust function.

There is an occasional revolt such as that which, I suppose, occurred when the Ford Foundation made its magnificent grants last year to operating institutions, for which the people should be deeply grateful.

But even the Ford Foundation has not given up its major interest in leftist research in the social sciences nor its basic operating principle of permitting its experts, rather than its trustees, to determine the methods of operation.

I believe it might be safe to say that, in fields such as economics, sociology, and other social-science areas in which political slant can have a deep effect, the major foundations, both directly and through the use of intermediary organizations, have supported leftist thinking and leftist-slanted research and publication in the United States in the proportion of 10 to 1, compared with the support of the conservative or traditional. The proportion may even be very substantially greater.

Occasionable mistakes would be forgivable. But it is difficult to forgive mistakes in such volume. Moreover, mistakes can often be corrected.

And it is one of the most striking features of major foundation history in the United States that no substantial effort has ever been made to correct mistakes.

Let me give a few illustrations of what I mean, out of so many which could be recited.

VIII

There are some foundations which, like the League for Industrial Democracy, have been frank in their advocacy of socialism.

That foundation, originally the Intercollegiate Socialist Society, did not abandon its ardent propaganda for socialism after it changed its name.

This organization is avowedly socialistic and has openly operated as an educational arm of the Socialist Party.

Before the rapprochement between Hitler and Stalin in 1939, when the Socialist and Communist Parties in the United States worked to establish a popular front, many known Communists were assisted in placing their messages before the American people through the tax exemptions granted to the League for Industrial Democracy.

The League for Industrial Democracy is only one of many of the smaller tax-exempt foundations which have come into the control of those cautiously and actively engaged in subversion.

Although we think of foundations in terms of the great foundations such as Ford, Carnegie, and Rockefeller foundations, there are literally hundreds of smaller tax-exempt organizations which devote almost their entire income to the political area, like the League for Industrial Democracy.

IX

But some of the major foundations have been more subtle than LID and the IPR in their support of leftism.

Perhaps the most vicious and fateful product of foundation financing in our history was the Conclusions of the Commission on the Social Studies of the American Historical Association, published in 1934.

It became a bible of radical educators in our country, and its effects have been cumulatively with us. It has done us inestimable damage. It was financed to the tune of $340,000 by the Carnegie Corp.

Prof. Harold J. Laski, the philosopher of British socialism, said of this report:

"At bottom, and stripped of its carefully neutral phrases, the report is an educational program for a Socialist America."

And Harold Laski knew socialism when he saw it.

The report was, in fact, an utterly frank call to the teachers of America to use the schools for the purpose of indoctrinating our youth into an acceptance of socialism, which it called by the equivalent but softer name of "collectivism."

This monumental report was produced, not by a cross section of American academic opinion, but by a group overwhelmingly radical in its views, a group itself devoted to socialization. Read it some day, and you will be shocked.

It should shock you more to understand that, after publication of this report, the president of the Carnegie Foundation, which had financed it, made a public statement in which he said that, although he, personally, did not agree with all of the report, he felt the American people should give a vote of thanks to its authors.

You might have thought that, having spent $340,000 to finance an advocacy of socialism in the schools, this great foundation might have supported a counterbalancing project—a study on the defense of capitalism by professors of contrary opinion so that the American people and the American educators could have the benefit of both sides of the argument, at least. Nothing like this was done.

The report was published and widely disseminated and today it stands as an educational charter in the United States.

Almost equally shocking and dangerous is the Encyclopedia of the Social Sciences which is regarded as the "bible" or the social sciences. It was sponsored with foundation money.

It is not only heavily slanted to the left but it slanders the free-enterprise system.

It would appear to be clearly designed to promote socialism among teachers and students.

The keyman in its preparation, Alvin Johnson, admitted he had two assistant editors who "asserted they were Socialists" and he said he was "informed" another was a Communist.

X

Do not think that these incidents stand alone.

American foundations contributed some $4 million to the London School of Economics and Political Science, for so many years the operating base of the late Harold J. Laski, and the fountainhead of Fabian socialism.

Devotion to the principle of academic freedom has been a tradition of the American Republic since its establishment. But I think that history has demonstrated that the London School of Economics and Political Science was at once something more and less than an institution of higher learning.

In the years immediately before World War II, it was communism's most respectable and effective forward base in the Western World.

The Carnegie Corp. selected Gunnar Myrdal, a Scandinavian Socialist, to do a major study on the race problem in our South.

Carnegie's Myrdal reported in his An American Dilemma that our Constitution "is in many respects impractical and ill-suited for modern conditions" and that its adoption was "merely a plot against the common people."

He also stated that Americans have "a relatively low degree of respect for law and order."

And he bemoans the "anarchistic tendency in America's legal culture."

Even before his Carnegie grant, Myrdal was a Rockefeller fellow at the School of International Studies in Geneva.

This is another example of the incredible fact that the fortunes piled up by industrial giants are being used today to discredit our system of enterprise of free labor and free management that gave them birth.

Our form of government, of course, does not appeal to this European Socialist, imported by the Carnegie Foundation to teach us better ways of living.

Another Carnegie unit financed a book called Business as a System of Power, written by Prof. Robert A. Brady, who likened our Messrs. Knudsen, Stettinius, and Bernard Baruch to Hermann Goering, described our business system as a form of feudalism, and opined that "war is necessary for capitalist survival."

Professor Lynd, in his introduction to this important foundation-supported book, stated that "capitalist economic power constitutes a direct, continuous, and fundamental threat to the whole structure of democratic authority everywhere and always."

Another Carnegie-financed item is the Proper Study of Mankind, a book which was designed under the auspices of the Social Science Research Council, the major intermediary organization supported by the great foundations. This influential book, which sold 50,000 copies, was written by Stuart Chase, who has advocated collectivism by name.

XI

Mr. Chase was the selected apologist for many of the theses which those who operate the foundation combine favor, theses which push research and academic opinion to the left.

Among them is the cultural-lag theory, to which I have referred, that we must change our ways of living and even our social concepts because of our advancing civilization.

It may sound reasonable, that theory, but it is actually a medium for questioning our moral standards and our fundamental governmental and social precepts—an ideal way for those who are collectivist minded to undermine our beliefs and faiths.

The Rockefeller Foundation has been frank in its support of this dangerous cultural lag theory.

The Ford Foundation gave a million to the Friends Service Committee, which, in turn, sponsored the World Youth Congress, a Communist front, and sent a delegate to the World Youth Festival in Prague in 1947, an admittedly Communist affair. It also advocated Red China's admission to the United Nations.

Alfred Sloan Foundation financed public-affairs pamphlets, some of which were the next thing to Communist leaflets. They were sold in Communist bookstores but were also distributed to libraries and frequently used in high schools.

The evidence is plain that the leftist movement in this country has penetrated the foundation world as consciously and intentionally as did the Communists.

It was incontrovertibly established that the American Communists were directed by Moscow to infiltrate American foundations and to use their funds to promote communism in the United States.

We know that they succeeded to some extent, but we may never know the full extent, as their methods are devious. Two well-known foundations had their tax-exempt status lifted by the Treasury because of Communist subversion. And I understand the Fund for the Republic is now under investigation.

But in the case of the infiltration of collectivists or Socialists into the foundations, we know a great deal about it. They have virtually taken over the operating phases of the major foundations, and through them or in conjunction with them have taken over a vast part of the direction of thought and teaching in our educational system.

We have called this use of the foundations for the promotion of socialism by the name "subversion."

For this our enemies have bitterly criticized us.

The Socialist in the United States prefers to have the term "subversion" confined to Communist penetration.

But the term "subversion" denotes an undermining, a chipping away. In this sense the promotion of socialism is clearly subversive of our institutions.

Moreover, it is my opinion, and I am far from alone, that subversion through socialism offers us a far greater internal danger than the threat of communism.

There is no doubt that socialism and communism go hand in hand. The Socialist may hate the Communist, but the Communist loves the Socialist.

The Communist knows that if the Socialist is able to get the upper hand and to destroy a capitalistic system, the Communist can quickly take over.

There is much misconception about the relationship of socialism and communism.

They are the same and identical thing except for one single difference—the Communist believes in establishing the Socialist order by force, while the Socialist is generally content to achieve it through subversive methods—by perverting a democracy.

I wish I had time to give you case after case of socialist propaganda financed by the Carnegie Corp., the Rockefeller Foundation, the Ford Foundation, and others, each without repudiation afterward, each without any effort being made to counteract the impact of what had appeared.

XII

As I intimated previously, one can perhaps exonerate the trustees who did not understand what was being done with the money they allocated to such projects—exonerate them for having been uninformed; yes.

But one cannot exonerate them for having abdicated their trust functions by relying upon professional employees and advisers and intermediary organizations to do their thinking for them.

Nor can one forgive them for either not having studied the products of their negligence or else having failed to repudiate or counter the evil which reading must have disclosed.

We must congratulate Mr. Henry Ford II for having finally had the courage to repudiate (in somewhat gentler language than one might have hoped for) the irresponsible and dangerous antics of the Fund for the Republic.

But does this belated and qualified disavowal excuse Mr. Ford and his fellow trustees of the Ford Foundation for having created this Fund for the Republic and placed $15 million in the administrative hands of Mr. Paul Hoffman and Dr. Hutchins knowing from their own experience with them, that they could use it for purposes conforming to their own radical political predilections?

I do not say that foundations should avoid the social sciences. They need support, just as do the true sciences, medicine, public health, the humanities, etc.

But I do say that the social sciences form a dangerous area for foundation activity unless they are approached with the greatest objectivity and realism.

There are perhaps dangers even in direct grants to institutions, such as universities, when these themselves are to select the areas of research and its administrators.

But there are natural protections within most such institutions.

The dangers are limited by its traditions, its academic organizations, its inter-conflicting opinion, and other factors which keep such an institution reasonably on the track of objectivity.

It might be better if foundations which wish to support social science research did so solely through undirected and unselected grants to universities and colleges.

But if they, with the help of their intermediary organizations, decide to design and control such research themselves, they must do so in conformance with their duty to the public to whose service they are, and by law must be, dedicated.

This dedication requires objectivity, which in itself is not easy. There are many excuses for avoiding this responsibility.

XIII

For example, professional foundation managers frequently talk about the desirability of using foundation funds as risk capital, in ventures where the chances of success are too remote to attract normal financing.

This is an intriguing concept, and has great validity when you are talking about medical research, and other basically noncontroversial areas.

If, however, risks are to be taken with the form of our society, or with the form of our Government, or with public opinion in fields which affect our morals, ethics, and political theory, then I, for one, do not believe this to be a proper use of public trust funds.

When funds as huge and powerful as those of the Ford Foundation can be focused upon the proliferation of unscientific science, the risks to society are so great that I do not believe we can tolerate such risk-taking.

My time is too short to give you more. I must close with a plea to you and other like you to become alert to what has happened in the foundation world—and what is currently happening.

I close, as well, with a plea to the trustees of the great foundations themselves to give closer attention to their own organizations.

As matters now stand, the tremendous amount of good performed by these foundations is being jeopardized by their delinquencies.

It is possible pressure for legislative control of foundations may increase. I would deplore it if such legislation became necessary.

There is an easier cure, one which would permit these huge organizations to continue independently. They have done so much for the benefit of humanity and should be allowed to continue.

In your field of medicine, for instance, so many great accomplishments have been foundation financed.

But the great aggregate of good they have done cannot excuse the evil for which they have been responsible; and the day may come when society is unwilling to permit them full freedom unless they reform from within.

That is what I hope for, that their trustees will come to understand that they must restore these foundations to the full respect which careful management would entitle them, and to the very useful place in our society which foundations should occupy.

Such reform from within would entail jettisoning, once and for all, the political influences to which they have been subjected. It would demand a general housecleaning, both as to their academic advisers, their professional staffs, and the intermediary organizations which they support financially and use as retailers.

A foundation, by its very public character, must be wholly objective and wholly free from any political influence.

This is particularly true, obviously enough, when the political forces which seek to influence it are those which are seeking to propel us toward a state which they see as ideal but which must inevitably pitch us into slavery of socialism.

SENATE

Wednesday, April 11, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Most merciful God, who knowest our necessity before we ask, and our ignorance, limitations, and fallibility in asking, have compassion, we beseech Thee, upon our infirmity, strengthen us in all noble impulses, and daily increase in us the spirit of wisdom and understanding, the spirit of counsel and knowledge, and true godliness.

Dowered with privileges and with the stewardship of power as no other nation, may our high estate be to us Thy call to protect the weak and exploited, that through the potent ministry of this republic of freemen, all peoples of the earth may be blessed.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 9, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On April 6, 1956:

S. 1240. An act for the relief of Imre de Cholnoky;

S. J. Res. 122. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress;

S. J. Res. 123. Joint resolution providing for the filling of a vacancy in the Board of

Regents of the Smithsonian Institution, of the class other than Members of Congress; and

S. J. Res. 124. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress.

On April 10, 1956:

S. 101. An act to grant the status of permanent residence in the United States to certain aliens;

S. 117. An act to grant the status of permanent residence in the United States to certain aliens;

S. 315. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

S. 396. An act to facilitate the admission into the United States of certain aliens;

S. 663. An act for the relief of William T. Collins (Vasilios T. Buzunis);

S. 963. An act for the relief of certain aliens; and

S. 1242. An act for the relief of certain aliens.

On April 11, 1956:

S. 213. An act to grant the status of permanent residence in the United States to certain aliens and to cancel deportation proceedings in the cases of certain aliens;

S. 500. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects, and for other purposes; and

S. 1289. An act to establish a Domestic Relations Branch in the Municipal Court for the District of Columbia, and for other purposes.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Canada, vice R. Douglas Stuart, which was referred to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary;

The Permanent Subcommittee on Investigations of the Committee on Government Operations;

The Subcommittee on Fiscal Affairs of the Committee on the District of Columbia; and

The Subcommittee on Constitutional Amendments of the Committee on the Judiciary.

The Armed Services Committee was authorized to meet during the sessions of the Senate today and tomorrow.

On request of Mr. Fulbright, and by unanimous consent, the Committee on Banking and Currency was authorized to meet during the session of the Senate tomorrow.

On request of Mr. Langer, and by unanimous consent, the Subcommittee on Constitutional Rights of the Committee on the Judiciary was authorized to meet tomorrow afternoon during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a limitation of 2 minutes on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CHAIRMAN OF SPECIAL COMMITTEE ON SENATE RECEPTION ROOM

The PRESIDENT pro tempore. The Chair has been requested by the Vice President to announce for him the appointment of the Senator from Massachusetts [Mr. Kennedy] as a member and as chairman of the Special Committee on the Senate Reception Room, vice the Senator from Texas [Mr. Johnson].

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

Personnel Situation in the Armed Forces

A communication from the President of the United States, relating to the personnel situation in the Armed Forces (with an accompanying paper); to the Committee on Armed Services, which was ordered to be printed in the Record, as follows:

The White House,
Washington, *April 9, 1956.*

Hon. Richard M. Nixon,
President of the Senate,
Washington, D. C.

My Dear Mr. President: The attached letter, addressed to me by the Secretary of Defense, reviews the serious nature of the personnel situation in the Armed Forces. It also outlines the major legislative proposals which the administration has presented to the Congress as a means of improving military career incentives.

I urge that this legislation be enacted. Only when we have created a career military service which can compete with the attractive opportunities available in civilian pursuits will we be able to stop the wasteful losses from our Armed Forces and attract individuals to those services. We cannot move too soon in our efforts to increase the number and quality of volunteers for long-term career military service in both enlisted and officer ranks.

Sincerely,
Dwight D. Eisenhower.

Proposed Supplemental Appropriations, Small Business Administration, and Departments of Agriculture and Post Office (S. Doc. No. 112)

A communication from the President of the United States, transmitting proposed supplemental appropriations, for the fiscal year 1956, in the amount of $20 million for the Small Business Administration, $500,000 for the Department of Agriculture, and $16 million for the Post Office Department (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

Amendments to Rules of Criminal Procedure for United States District Courts

A letter from the Chief Justice of the United States, transmitting, pursuant to law, copies of amendments to the Rules of Criminal Procedure for the United States District Courts (with accompanying papers); to the Committee on the Judiciary.

Protection Against Dissemination of Diseases of Livestock or Poultry

A letter from the Acting Secertary of Agriculture, transmitting a draft of proposed legislation to provide further protection against the dissemination of diseases of livestock or poultry, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

Report on Cooperation With Mexico in Control and Eradication of Foot-and-Mouth Disease

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with Mexico for the control and eradication of foot-and-mouth disease for the month of January 1956 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report of United States Advisory Commission on Information

A letter from the Chairman, United States Advisory Commission on Information, transmitting, pursuant to law, a report of that Commission, dated March 1956 (with an accompanying report); to the Committee on Foreign Relations.

Audit Report on United States Coast Guard

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the United States Coast Guard, Department of the Treasury, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

Audit Report on Civil Aeronautics Board

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Civil Aeronautics Board, dated October 1955 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of New York; to the Committee on Agriculture and Forestry:

"Concurrent resolution urging removal of certain Federal restrictions on the raising of crops for the feeding of livestock

"Whereas the right to own and till our soil is one of the basic conceptions of our American way of life; and

"Whereas this is construed to mean the right to raise any crop we wish in order to feed ourselves, our cattle and poultry; and

"Whereas, since 1938, a provision of the Federal crop control law has restricted and denied this right to farmers; and

"Whereas there is every justification that a farmer should be free to grow on his farm whatever crops he deems proper and necessary to feed his own livestock and poultry; and

"Whereas the margin of profit, if any, under present prices for milk depends, to a large extent on the amount of feed grown on the farms: Now, therefore, be it

"*Resolved (if the senate concur)*, That the legislature of this State on behalf of all its people go on record as favoring the modification or removal of these restrictions; and be it further

"*Resolved (if the senate concur)*, That the legislature of this State does hereby respectfully memorialize the Congress of the United States to enact such legislation as may be necessary to alleviate situation above set forth and to modify or remove the crop control laws which created it; and be it further

"*Resolved (if the senate concur)*, That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives and to each Member of the Congress duly elected from the State of New York."

Five concurrent resolutions of the Legislature of the State of Mississippi; to the Committee on the Judiciary:

"Senate Concurrent Resolution 128

"Concurrent resolution memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States granting to the States the right to regulate health, morals, education, marriage, peace, and good order

"*Be it resolved by the Mississippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of America be and it is hereby requested to propose the following article as an amendment to the Constitution of the United States:

" 'Section 1. No branch or department of the Federal Government shall limit, abridge or interfere in any manner with the right and power of the States to regulate health, morals, education, marriage, peace, and good order in the States, and exclusive jurisdiction thereof is reserved to the States.

" 'The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation'; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, a part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the secretary of state be, and he hereby is directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

"Adopted by the senate March 21, 1956.

"Carroll Gartin,
"*President of the Senate.*

"Adopted by the house of representatives March 30, 1956.

"Walter Sillers,
"*Speaker of the House of Representatives.*"

"Senate Concurrent Resolution 130

"Concurrent resolution memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States relating to the legal effect of certain treaties and other international agreements

"*Be it resolved by the Mississippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of American be and it is hereby requested to propose the following article as an amendment to the Constitution of the United States:

" 'Section 1. A provision of a treaty or other international agreement which conflicts with this Constitution, or which is not made in pursuance thereof, shall not be the supreme law of the land nor be of any force or effect.

" 'Sec. 2. A treaty or other international agreement shall become effective as internal law in the United States only through legislation valid in the absence of international agreement.

" 'Sec. 3. On the question of advising and consenting to the ratification of a treaty, the vote shall be determined by yeas and nays, and the names of the persons voting for and against shall be entered on the journal of the senate.

" 'Sec. 4. This article shall be inoperative unless it shall be ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission'; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, a part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the secretary of state be, and he hereby is directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

"Adopted by the senate March 21, 1956.

"Carroll Gartin,
"*President of the Senate.*

"Adopted by the house of representatives March 30, 1956.

"Walter Sillers,
"*Speaker of the House of Representatives.*"

"Senate Concurrent Resolution 131

"Concurrent resolution memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States with respect to the election of President and Vice President

"*Be it resolved by the Mississippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of America be and it is hereby requested to propose the following article as an amendment to the Constitution of the United States:

" 'Section 1. Each State shall choose a number of electors of the President and Vice President, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress, in the same manner in which its Senators and Representatives are nominated and elected. But no Senator or Representative or person holding an office of trust or profit under the United States shall be chosen elector.

" 'Sec. 2. The electors shall meet in their respective States, and vote by ballot for President and Vice President, one of whom, at least shall not be an inhabitant of the same State with themselves; they shall name in their ballots the person voted for as President, and in distinct ballots the person voted for as Vice President; and they shall make distinct lists of all persons voted for as President, and of all persons voted for as Vice President, and of the number of votes for each, which lists they shall sign and certify, and transmit sealed to the seat of Government of the United States, directed to the President of the Senate; the President of the Senate shall, in the presence of the Senate and the House of Representatives, open all the certificates and the votes shall then be counted; the person having the greatest number of votes for President shall be the President and the person having the greatest number of votes for Vice President shall be the Vice President, if such numbers be majorities of the whole number of electors chosen.

" 'Sec. 3. If no persons voted for as President of Vice President have a majority of the whole number of electors chosen, then from the person having the highest numbers, not exceeding three, on the lists of those voted for as President and Vice President, the Senate and the House of Representatives, assembled and voting as one body, shall choose immediately from the respective lists the President, and then the Vice President, or either, as the case may be; a quorum for these purposes shall consist of three-fourths of the whole number of the Senators and Representatives, and the persons receiving the greatest number of votes for President and for Vice President on the respective roll calls shall be the President and the Vice President. But no person ineligible to the office of President shall be eligible to the office of Vice President'; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, a part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the Secretary of State be, and he hereby is, directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

"Adopted by the senate March 21, 1956.

"Carroll Gartin,
"*President of the Senate.*

"Adopted by the house of representatives March 30, 1956.

"Walter Sillers,
"*Speaker of the House of Representatives.*"

"Senate Concurrent Resolution 132

"Concurrent resolution memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States relative to the procedure for amending the Constitution

"*Be it resolved by the Missssippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of America be and it is hereby requested to propose the following article as an amendment to the Constitution of the United States:

" 'Section 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the legislatures of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: Provided, that no State, without its consent, shall be deprived of its equal suffrage in the Senate.

" 'Sec. 2. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 7 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

" 'Sec. 3. Controversies respecting the validity of an amendment shall be justifiable and shall be determined by the exercise of the judicial power of the United States.

" 'Sec. 4. This article shall be inoperative unless it shall have been ratified as an

amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission'; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, a part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the secretary of state be, and he hereby is directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

"Adopted by the senate March 21, 1956.

"Carroll Gartin,
"*President of the Senate.*

"Adopted by the house of representatives March 30, 1956.

"Walter Sillers,
"*Speaker of the House of Representatives.*"

"Senate Concurrent Resolution 133

"Concurrent resolution memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States relative to the balancing of the budget

"*Be it resolved by the Mississippi State Senate (the House of Representatives concurring therein)*, That the Congress of the United States of America be and it is hereby requested to propose the following article as an amendment to the Constitution of the United States:

" 'Section 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimates of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of receipts. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimated receipts, it shall not recess or adjourn for more than 3 days at a time until action has been taken necessary to balance the budget for such ensuing fiscal year: *Provided, however*, That in case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

" 'Sec. 2. This article shall take effect on the 1st day of the fiscal year next following the ratification of this article.

" 'Sec. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress'; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, requested to provide as the mode of ratification that said amendment shall be valid to all intents and purposes, a part of the Constitution of the United States, when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That the secretary of state be, and he hereby is directed to send a duly certified copy of this resolution to the Senate of the United States and one to the House of Representatives in the Congress of the United States.

"Adopted by the senate March 21, 1956.

"Carroll Gartin,
"*President of the Senate.*

"Adopted by the house of representatives March 30, 1956.

"Walter Sillers,
"*Speaker of the House of Representatives.*"

By Mr. JOHNSTON of South Carolina:

A current resolution of the Legislature of the State of South Carolina, relating to the evaluation of the Federal fiscal policy and taxing power as it affects the three levels of government, and so forth; to the Committee on Finance.

(See concurrent resolution printed in full when laid before the Senate by the Vice President on April 9, 1956, p. 5894, Congressional Record.)

UTILITY RELOCATION — RESOLUTION OF CITY COUNCIL OF MINNEAPOLIS, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Record, and appropriately referred, a resolution adopted by the City Council of the City of Minneapolis, Minn., endorsing section 11 of the Fallon bill, relating to utility relocation.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the Record, as follows:

Resolution relating to the utility relocation-cost section of the Fallon bill (H. R. 8836, section 11)

Whereas the Fallon bill (H. R. 8836, section 11) provides for the inclusion of the cost of relocation of utility facilities necessitated by the construction of a project on the Federal highway systems, whenever a State makes provision for paying such costs; and

Whereas the city of Minneapolis has had mutually satisfactory arrangements with the State of Minnesota on the inclusion of such utility costs on projects heretofore carried out in the city: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That the city council endorse the said section 11 of the Fallon bill providing for financing the cost of relocating utility facilities; be it further

Resolved, That a copy of this resolution be transmitted forthwith to the members of the Minnesota delegation in the House and Senate of the United States Congress and to the chairman of the House Committee on Public Works.

Passed March 29, 1956.

Eugene E. Stokowski,
President of the Council.

Approved April 2, 1956.

Eric G. Hoyer,
Mayor.

Attest:

Leonard A. Johnson,
City Clerk.

RESOLUTION OF WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM

Mr. HUMPHREY. Mr. President, the National Board of the United States Section of the Women's International League for Peace and Freedom held a meeting in Philadelphia, Pa., February 3 to 5, 1956, and the following resolution was adopted. I want to bring this to the attention of my colleagues and therefore ask unanimous consent to have it printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution Re the Senate Special Subcommittee on Disarmament

The national board of the Women's International League for Peace and Freedom, meeting in Philadelphia, Pa., February 3–5, 1956, commends the establishment of the Senate Special Subcommittee on Disarmament, chaired by Senator Hubert H. Humphrey, and welcomes the expressed intention of the committee to study all phases of the problem.

In the findings we hope that the committee will make recommendations based on testimony of nongovernmental organizations with a concern in the field, as well as that of experts. We hope that the committee will be able to extend the opportunity for this expression of citizen opinion by holding hearings throughout the United States.

RESOLUTIONS OF THE CO-OP SERVICES, INC., OF NEW YORK MILLS, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Record the resolutions adopted by the members of the Co-op Services, Inc. of New York Mills, Minn., relating to parity prices, and so forth.

There being no objection, the resolutions were ordered to be printed in the Record as follows:

Whereas farmers everywhere are going broke due to falling farm prices and rising costs of production; and

Whereas profiteers and speculators in our economy are inflating prices of food and other goods until consumers cannot afford these items; and

Whereas taxes are sky high due mostly to defense spending from which the common people get little benefit, but which is creating millionaries by the thousands; and

Whereas our shaky economy is being propped up with borrowed money in the form of mortgages, installment buying and loans from high interest-charging loan sharks: Therefore be it

Resolved, That we wake up to the fact that drastic measures are needed to prevent a complete depression; measures such as the Brannon plan with 100 percent of parity for farmers, Federal aid to schools and roads, and also other programs to increase the consuming power of the people. This means greater efforts toward world peace and disarmament and repeal of universal military training with corresponding cuts in spending of tax money for war purposes; this means getting back to real freedom of speech so people can discuss remedies such as the Brannon plan: Therefore be it

Resolved, That Co-op Services, Inc. assert leadership in the fight for peace and parity; and a real fight for peaceful use of atomic energy, especially for REA powerplants, immediate action on new farm legislation enabling the family-size farm family to survive. Any farmers with over $15,000 yearly gross income should not be protected with 100 percent parity but left to sell on the open market: Therefore be it

Resolved, That we, the members of Co-op Services, Inc. of New York Mills, Minn., representing 1,880 members and patrons, feeling that the situation among farmers is getting desperate, urge our representatives in Congress to take immediate action to alleviate matters by measures as outlined herein.

Verner A. Anderson,
Secretary, Co-op Services, Inc.

EXPANDED FEDERAL HIGHWAY PROGRAM—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the Record a resolution proposed by streets and traffic committee of the League of Minnesota Municipalities, Minneapolis, Minn., supporting an expanded Federal highway program.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution on Expanded Federal Highway Program

Whereas Minnesota and the Nation's highway systems fall steadily behind accelerating traffic needs, and bold construction programs involving all levels of government are an urgent necessity; and

Whereas pending congressional legislation for an expanded Federal-aid highway program properly recognizes national interest in an adequate system of interstate highways for reasons of defense and economic progress; and

Whereas until the interstate highway routes and their rate of development are decided, it is frequently impossible for municipalities in many cases to determine access roads, connecting streets, and highway rights-of-way in and near cities, and delays will cost money, particularly in added right-of-way costs; and

Whereas adoption of the pending expanded Federal highway program along with ratification next fall of Minnesota's proposed amendment No. 2 will provide admirably for the three-way governmental partnership essential to a solution of Minnesota's highway problems, both rural and urban; and

Whereas the need for immediate action may make impossible an official legislative expression by the League of Minnesota Municipalities at its June legislative conference: Be it

Resolved, That the streets and traffic committee of the League of Minnesota Municipalities endorse adoption of the pending expanded Federal highway program in a form which would—

1. Achieve the earliest possible completion of the 40,000-mile interstate highway system along with the highest possible level of construction on the Federal-aid primary, secondary, and urban systems, having due regard for inflationary pressures resulting from too rapid a construction program;
2. Provide for the assumption of 90 percent of the cost of the interstate system, including urban extensions, with a continuation of present matching formulas for other parts of the Federal-aid program;
3. Properly recognize the needs of rural and urban highways;
4. Provide for getting the expanded highway program adopted and in high gear at the earliest possible time, recognizing that to achieve prompt passage of the expanded program a review of many controversial details of the program can be provided periodically in the course of its execution over the next 15 years; further

Resolved, That if such action will still be timely, the League of Minnesota Municipalities at its legislative conference in Detroit Lakes on June 15, 1956, be asked to adopt this resolution as the official statement of the league and that in the meantime, copies of this resolution as the expression of the league streets and traffic committee be sent to Members of the Minnesota congressional delegation.

RESOLUTIONS AND REPORT OF NORTH CAROLINA ACADEMY OF SCIENCE

Mr. HUMPHREY. Mr. President, at the annual meeting of the North Carolina Academy of Science on March 23, 1956, several resolutions were adopted, two of which I want to bring to the attention of my colleagues. I should also like to bring to their attention the report of the conservation and legislative committee of the North Carolina Academy of Science. I ask unanimous consent to have these printed in the Record.

There being no objection, the resolutions and report were ordered to be printed in the Record, as follows:

Resolutions Adopted by the North Carolina Academy of Science

Whereas the land now constituting the Wichita Mountains Wildlife Refuge was set aside in 1905 by President Theodore Roosevelt to preserve for future generations this tract as a national forest, and because of the importance of this tract as a wildlife refuge and recreational area it was transferred to the Fish and Wildlife Service in 1935; and

Whereas the reduction in the size of the refuge as requested by the Army and proposed by legislation now in Congress will seriously impair, if not destroy, the value of this wildlife refuge which protects one of the largest herds of bison and Texas longhorns on the North American continent; and

Whereas the Secretary of the Interior has firmly opposed suggestions that a portion of the Wichita Refuge be transferred to the Army; and

Whereas, testimony before the Congress by the Honorable Hubert H. Humphrey calls attention to the fact that all prominent conservation groups of the State of Oklahoma and every major national conservation group are on record as opposing this transfer which is not essential to the national defense: Now, therefore, be it

Resolved, That the North Carolina Academy of Science, meeting in Chapel Hill on March 23, 1956, vigorously opposes H. R. 9665 by Congressman Victor Wickersham, and S. 3360, by Senators A. S. Mike Monroney and Robert S. Kerr, which would transfer to the Army certain lands from the Wichita Mountains National Wildlife Refuge; and be it further

Resolved, That copies of the academy's views be sent to the House Committee on Merchant Marine and Fisheries and the Senate Committee on Armed Services, and that a copy of this resolution be transmitted to all Members of Congress from North Carolina.

Whereas the National Wildlife Refuge System is essential to the protection of many endangered species of native birds and mammals and also serves to insure protection for migratory species in critical parts of their range; and

Whereas these refuges were established for the purpose of protecting the remnants of this Nation's once vast wildlife heritage which belongs to all the people; and

Whereas the Secretary of the Interior has the authority to dispose of this Nation's wildlife refuges by signing an administrative order without public hearing, without advance notice, or without discussion with the sportsmen and other conservationists whose funds and support were responsible for the establishment of the refuge system for the benefit of the present and future generations; and

Whereas legislation (S. 2101, H. R. 5306, and H. R. 6723) is now being considered which, if passed, will require the Secretary of the Interior to obtain prior approval of the Congress before the Secretary can dispose of or relinquish any of the national wildlife refuges, or parts thereof: Now, therefore be it

Resolved, That the North Carolina Academy of Science, meeting in Chapel Hill on March 23, 1956, supports in principle S. 2101, introduced by Senator Hubert H. Humphrey, H. R. 5306, introduced by Congressman Lee Metcalf, and H. R. 6723, introduced by Congressman Henry S. Reuss, and urges the immediate passage of legislation to require the Secretary of the Interior to obtain approval of the Congress before he can dispose of, relinquish, or permit incompatible uses of a national wildlife refuge or parts thereof: And be it further

Resolved, That copies of the academy's views be sent to the House Committee on Merchant Marine and Fisheries and the Senate Committee on Interstate and Foreign Commerce and a copy of this resolution be transmitted to all Members of Congress from North Carolina.

Report of the Conservation and Legislative Committee, North Carolina Academy of Science, March 23, 1956

The past several months have been marked by a considerable increase in activity on the part of numerous individuals and groups who wish to exploit or to develop our natural resources. In the opinion of your committee, some of these activities have not been in the public interest.

On November 29, Secretary of the Interior Douglas McKay announced that the Department was abandoning plans for the controversial Echo Park Dam in the Dinosaur National Monument. This withdrawal by the Secretary represents a major victory by the conservationists in their fight to protect the integrity of the national park system.

The almost successful raid on the public lands by certain grazing interests were finally defeated in conference committee where North Carolina's Representative Harold D. Cooley, supported by other conservation-minded Congressmen and Senators, struck out the amendment which had been tied to the totally unrelated farm subsidy bill in the Senate. The amendment was vigorously opposed in the Senate by Senator Samuel J. Ervin and several other Senators.

The Al Sarena case, in which Al Sarena Mines, Inc., of Trails, Oreg., became owner of 300 acres of fine Oregon timber worth more than $600,000, by getting the Department of the Interior to approve some questionable mining claims, is being investigated by North Carolina's Senator Kerr Scott.

What amounts to a lifting of restrictions on the exploration for oil on wildlife refuges by the Secretary of the Interior has created considerable apprehension among wildlife biologists throughout the Nation. It is felt that the manner in which the Lacassine Waterfowl Refuge was opened to Frankfort Oil Co., a subsidiary of Seagrams' Distillers, should be the subject of a thorough congressional investigation.

The attempt by the Army to appropriate a portion of the Wichita Mountains Wildlife Refuge as a target area for atomic cannon is of grave concern to conservationists, particularly in view of the fact that public testimony shows that the area is not essential for national defense. If this tract of 10,700 acres is turned over to the Army, it would be possible under current law and practice for it to become a hunting preserve for a select group of Fort Sill and other Army personnel and their guests in addition to its use as an impact area for artillery practice. Fire resulting from shell bursts would be almost impossible to control during certain seasons and would spread to the remainder of the Wichita Refuge. The efforts of Senator Hubert H. Humphrey, of Minnesota, in opposing this transfer is most gratifying to conservationists.

Another resolution for the academy's action deals with the danger to the national wildlife refuge system by the power now vested in the Secretary of the Interior to dispose of any or all of these refuges by signing an administrative order without reference to the Congress or to the public.

The continuation and strengthening of the Water Pollution Control Act (Public Law 845, 80th Cong.), which expires on June 30, 1956, is recommended by your committee. A resolution is submitted for your consideration.

Respectfully submitted.

Harry LeGrand,
Wanda S. Hunter,
T. E. Maki,
F. S. Barkalow, Jr.,
Chairman.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HAYDEN, from the Committee on Appropriations:

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 1725).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 5566. An act to terminate the existence of the Indian Claims Commission, and for other purposes; with an amendment (Rept. No. 1727).

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, from that committee, I report favorably, with amendments, the bill (S. 3481) to amend the Foreign Service Act of 1946, as amended, and for other purposes, and I submit a report (No. 1726) thereon.

Without objection, the report will be received and the bill will be placed on the calendar.

AMENDMENT OF CONSTITUTION, RELATING TO TREATIES AND EXECUTIVE AGREEMENTS—INDIVIDUAL VIEWS

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed my individual views on the amendment in the nature of a substitute submitted by the Senator from Illinois [Mr. Dirksen] to the joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States relating to the legal effect of certain treaties and other international agreements, Calendar No. 1649, as part 2 of Senate Report No. 1716.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Subsequently, Mr. Hennings submitted his individual views, which were ordered to be printed as part 2 of Report No. 1716.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. PASTORE, from the Committee on Interstate and Foreign Commerce:

James Durfee, of Wisconsin, to be a member of the Civil Aeronautics Board, vice Ross Rizley, resigned; and

Herman H. Druebert, and James C. Sainsbury, for permanent appointment in the Coast and Geodetic Survey.

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, I report favorably from that committee the following nominations, which will be placed on the Executive Calendar:

James W. Barco, of Virginia, to be a deputy representative in the Security Council of the United Nations; and

Lowell C. Pinkerton, of Missouri, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Sudan.

The PRESIDENT pro tempore. Also from the Committee on Foreign Relations, I report favorably the following conventions, and I submit a report (Ex. Rept. No. 5) thereon:

Executive A, 84th Congress, 2d session: A Convention Concerning Customs Facilities for Touring, signed at New York on June 4, 1954; and

Executive B, 84th Congress, 2d session: A Customs Convention on the Temporary Importation of Private Road Vehicles, signed at New York on June 4, 1954.

Without objection, the report will be received and the conventions will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH of New Jersey (for himself, Mr. Bridges, and Mr. Saltonstall):

S. 3582. A bill to amend the Federal Employees' Compensation Act, approved September 17, 1916, as amended, by providing for reimbursement of expenditures from the Employees' Compensation Fund by Federal employing agencies, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Smith of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. KERR:

S. 3583. A bill for the relief of Mathilde Gombard-Liatzky;

S. 3584. A bill for the relief of Helga Binder; and

S. 3585. A bill for the relief of Paz Tupas Meeker; to the Committee on the Judiciary.

S. 3586. A bill to provide for the conveyance of certain real property of the United States under the jurisdiction of the Secretary of the Army to the State of Oklahoma; to the Committee on Public Works.

(See the remarks of Mr. Kerr when he introduced the last above-mentioned bill, which appear under a separate heading.)

S. 3587. A bill to permit articles imported from foreign countries for the purpose of exhibition at the Americas' New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. Kerr when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. AIKEN (for himself, Mr. Allott, Mr. Bennett, Mr. Bricker, Mr. Cotton, Mr. Magnuson, Mr. Payne, Mrs. Smith of Maine, Mr. Williams, and Mr. Frear):

S. 3588. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Aiken when he introduced the above bill, which appear under a separate heading.)

By Mr. JOHNSON of Texas (for Mr. Byrd) (by request):

S. 3589. A bill to carry out the International Convention to Facilitate the Importation of Commercial Samples and Advertising Matter; to the Committee on Finance.

(See the remarks of Mr. Johnson of Texas when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT:

S. 3590. A bill for the relief of Oather S. Hall; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 3591. A bill for the relief of Benedetto Campo; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3592. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; and

S. 3593. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. CURTIS:

S. 3594. A bill to reauthorize construction by the Secretary of the Interior of Farwell unit, Nebraska, of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

S. 3595. A bill for the relief of Irma B. Poellmann; to the Committee on the Judiciary.

By Mr. BRIDGES (by request):

S. 3596. A bill for the relief of Lt. Col. Kenrick W. Hackett; to the Committee on Armed Services.

By Mr. MILLIKIN (for himself and Mr. Allott):

S. 3597. A bill for the relief of Duk Chang Cho; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3598. A bill to provide for the reconveyance of certain property to the city of Biloxi, Miss.; to the Committee on Labor and Public Welfare.

S. 3599. A bill to authorize the Secretary of the Army to compensate certain civilian employees of the Corps of Engineers who suffered loss of annual leave as the result of being engaged in emergency flood relief work; to the Committee on Public Works.

By Mr. FULBRIGHT:

S. 3600. A bill for the relief of certain dependents of the late Darwin Philo Taylor; to the Committee on Finance.

By Mr. DWORSHAK:

S. 3601. A bill to authorize the conveyance of certain lands in Lemhi County, Idaho, to the State of Idaho for the use and benefit of the department of fish and game; to the Committee on Interior and Insular Affairs.

By Mr. McCARTHY:

S. 3602. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Finance.

S. 3603. A bill to amend section 3231, title 18, United States Code, to reaffirm the jurisdiction of State courts to enforce State statutes prohibiting subversive activities; to the Committee on the Judiciary.

(See the remarks of Mr. McCarthy when he introduced the above bills, which appear under a separate heading.)

By Mr. DIRKSEN (for himself, Mr. Kuchel, Mr. Beall, Mr. Bush, Mr. Duff, Mr. Langer, Mr. Potter, Mr. Purtell, Mr. Smith of New Jersey, Mr. Case of New Jersey, Mr. Capehart, Mr. Bender, Mr. Butler, Mr. Knowland, Mr. Ives, Mr. Jenner, Mr. Thye, and Mr. Saltonstall):

S. 3604. A bill to provide for an additional Assistant Attorney General; and

S. 3605. A bill to establish a bipartisan Commission on Civil Rights in the executive branch of the Government; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3606. A bill to amend section 4 (a) (11) of the Refugee Relief Act of 1953 so as to permit the issuance of visas to certain refugees residing in the Far East; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 3607. A bill to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States; to the Committee on Government Operations.

By Mr. JENNER:

S. 3608. A bill establishing the Joint Congressional Commission on Fundamental Farm Policy; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Jenner when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 3609. A bill to exempt fine arts programs from the admissions tax; to the Committee on Finance.

(See the remarks of Mr. Wiley when he introduced the above bill, which appear under a separate heading.)

By Mr. BENDER:

S. 3610. A bill to prohibit the importation of manufactured articles from the Union of Soviet Socialist Republics, and other Communist-dominated countries; to the Committee on Finance.

S. 3611. A bill for the relief of Ignacio Conicacelaya Cenarruzabeitia; and

S. 3612. A bill for the relief of Gust Madias; to the Committee on the Judiciary.

By Mr. WATKINS (for himself and Mr. Bennett):

S. 3613. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Watkins when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 3614. A bill to amend the public assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Finance.

(See the remarks of Mr. Kefauver when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3615. A bill to recognize and facilitate the administration of the multiple uses of the national forests and other lands under the jurisdiction of the Secretary of Agriculture, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Humphrey when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY (for himself, Mr. Neely, Mr. Lehman, Mr. Morse, Mr. Douglas, and Mr. Murray):

S. 3616. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, special disability determinations for railroad employees, and for other purposes; and to amend the Railroad Unemployment Insurance Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Kennedy when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (for himself and Mr. Bridges):

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the Special Committee of the Senate established by Senate Resolution 219, 84th Congress; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. J. Res. 161. Joint resolution to establish a joint congressional committee, to be known as the Joint Committee on United States International Information Programs; to the Committee on Foreign Relations.

(See the remarks of Mr. Humphrey when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MUNDT (for himself, Mr. Thye, Mr. Langer, Mr. Humphrey, Mr. Barrett, Mr. Young, and Mr. O'Mahoney):

S. J. Res. 162. Joint resolution to establish the Crazy Horse Memorial Foundation to provide for the construction of a permanent national memorial to the North American Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

RESOLUTION

The following resolution was submitted and referred as indicated:

By Mr. PAYNE (for himself and other Senators):

S. Res. 236. Resolution directing the Tariff Commission to investigate whether imports of textiles or textile products are affecting injuriously the domestic industry; to the Committee on Finance.

(See the remarks of Mr. Payne when he submitted the above resolution, which appeared under a separate heading.)

AMENDMENT OF FEDERAL EMPLOYEES' COMPENSATION ACT RELATING TO REIMBURSEMENT FOR CERTAIN EXPENDITURES

Mr. SMITH of New Jersey. Mr. President, on March 4, 1955, I introduced, on behalf of myself, the Senator from Massachusetts [Mr. Saltonstall], and the Senator from New Hampshire [Mr. Bridges] the bill (S. 1309) to amend the Federal Employees' Compensation Act by providing for reimbursement of expenditures from the Employees' Compensation Fund by Federal employing agencies.

For some time we have been greatly interested in promoting greater occupational safety within the various agencies of the Federal Government and have been backed up fully in this interest by the Department of Health, Education, and Welfare.

Mr. President, over the past few months, a review has been made of the provisions of S. 1309, and as a result it has been found that certain changes in that bill would be desirable in order to provide for easier and more economical administration of this program.

Therefore, on behalf of myself, the Senator from Massachusetts [Mr. Saltonstall], and the Senator from New Hampshire [Mr. Bridges], I am today introducing a new, substitute bill, which will accomplish the same results as S. 1309, but at considerably less expense, and I ask that the bill be appropriately referred.

I ask unanimous consent that the bill and an explanation of the bill be printed in the Record at this point in my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanation will be printed in the Record.

The bill (S. 3582) to amend the Federal Employees' Compensation Act, approved September 17, 1916, as amended, by providing for reimbursement of expenditures from the employees' compensation fund by Federal employing agencies, and for other purposes, introduced by Mr. Smith of New Jersey (for himself, Mr. Bridges, and Mr. Saltonstall), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That section 35 of the Federal Employees' Compensation Act, as amended (5 U. S. C. 785), is amended to read as follows:

"Sec. 35. (a) There is established in the Treasury a separate fund to be known as the employees' compensation fund which shall consist of such sums as the Congress may from time to time appropriate therefor or transfer thereto, and amounts otherwise accruing thereto under this section. Such fund, including all additions that may be made to it by appropriation or otherwise, shall be available without time limit for the payment of the compensation, medical benefits, sums advanced as costs for enforcement of liability in third party cases as approved or required or as undertaken by the Secretary pursuant to section 26 of this act, and such other benefits and payments as are provided for by this act or any extension or application thereof, except as may be provided by this act or other acts. The Secretary shall submit annually to the Bureau of the Budget estimates of the appropriations necessary for the maintenance of the fund.

"(b) Except as otherwise provided in this section, or as exempted by the Secretary as he may find necessary or proper in the public interest or to avoid serious impairment of the conduct of Government business, each executive department and each agency or instrumentality of the United States, or other establishment, having employees who are or may be entitled to compensation under this act or any extension or application thereof (hereinafter called 'agency'), shall contribute to the maintenance of the employees' compensation fund in the manner herein provided. At the end of each quarter the Secretary shall determine for each agency the total cost of benefits and other payments made in that quarter from the employees' compensation fund on account of cases arising from injury, or death from injury, occurring after July 1, 1956, in such agency under this act or any extension or application thereof. The Secretary shall bill each agency for the amount of the payments made as determined under this section giving such information as may be required to enable the agency to make payments under subsection (d) hereof. If an agency or part thereof or its functions shall be transferred to another agency, the receiving agency shall be billed for undischarged liability to the Employees' Compensation Fund on the same basis as if such liability had been originally incurred by the receiving agency.

"(c) Within 45 days after receipt of the Secretary's bill, the head of each agency shall cause the charges billed to his agency pursuant to this section to be obligated against and paid from the appropriations and funds of the agency and its constituent units, such payments to be placed to the credit of the employees' compensation fund.

"(d) Payments to the employees' compensation fund under this section shall be made from the respective appropriations or funds which are used for payment of salaries, wages, or other compensation of the employees of the several agencies: *Provided,* That the head of each agency may make transfers between such appropriations up to the amounts needed for this purpose.

"(e) Charges billed by the Secretary to each agency for payments made from the fund shall be subject to such readjustment and correction as may be found necessary: *Provided,* That such readjustment or correction must be made within 120 days after the receipt of the Secretary's bill specified in subsection (c).

"(f) The provisions of this section with respect to contributing to the maintenance of the employees' compensation fund shall not apply in cases of persons to whom the benefits under this act or any extension or application thereof are payable from sources other than the employees' compensation fund. Losses or payments arising out of war risk hazard (as defined by the Secretary of Labor) shall not be included in such contributions."

Sec. 2. In addition to the contributions for the maintenance of the employees' compensation fund required by section 1 of this act, any mixed ownership corporation as defined in section 201 of the Government Corporation Control Act (31 U. S. C. 856), or any corporation or agency (or activity thereof) which is required by law to submit an annual budget pursuant to, or as provided by, the Government Corporation Control Act (31 U. S. C. 841-849), shall pay an additional amount for its fair share of the cost of administration of the Federal Employees' Compensation Act as determined by the Secretary of labor. With respect to said agencies, the charges billed by the Secretary of Labor pursuant to section 1 of this act shall include an additional amount for such costs, which shall be paid into the Treasury as miscellaneous receipts from the sources authorized, and in the manner otherwise provided in section 1 of this act.

Sec. 3. All provisions of law, other than those included in this act, which require contribution or payment by any agency to the employees' compensation fund are hereby superseded.

Sec. 4. This act shall take effect July 1, 1956.

The explanation presented by Mr. Smith of New Jersey is as follows:

Explanation of Bill Amending the Federal Employees' Compensation Act To Provide for Reimbursement of Compensation Costs by Federal Agencies

As the largest single employer in the Nation, the Federal Government should utilize every means to reduce accidents among its employees. If the various departments and agencies are made more conscious of both the incidence and costs of accidents in employments within their responsibility, more effective safety measures would be adopted and the number of accidents accordingly reduced. The shifting of costs to the employing agencies is consistent with sound business practice. It will allow the Congress, on a cumulative basis, to evaluate the progress of the agencies toward safer practices.

In furtherance of this objective, the President's 1955 budget message recommended that the financing of benefit payments in employment injury cases be shifted from a single appropriation to the appropriations of the employing agencies. A bill (S. 1309 and H. R. 5751) was introduced during the first session of this Congress to accomplish that result. Further study by the Department of Labor has shown that certain changes in the form and substance of the prior bill are desirable. These changes, while retaining the principle expressed in the budget message, would accomplish the result at less administrative expense than under the prior bills.

The most fundamental of these changes concerns the method by which Federal agencies will reimburse the employees' compensation fund established by this bill. Under the provisions of S. 1309 and H. R. 5751, the agencies would contribute to the maintenance of the fund by payment of a premium charge determined in accordance with commercial workmen's compensation insurance practice. This method, however, would be expensive from an administrative point of view. Therefore, the premium charging method has been replaced by a less complex system under which each agency will be charged only for actual payments made from the fund on its account for injuries occurring after July 1, 1956. This would considerably reduce administrative expenses. Under the premium charging method proposed by S. 1309 and H. R. 5751, it was estimated that $1,500,000 in additional administrative costs would result annually. Additional administrative costs under the revised bill are estimated at $50,000 annually. Under the revised bill, administrative costs would not be charged back to the employing agencies, with the exception of corporations or agencies subject to the Government Corporation Control Act.

The coverage of the revised bill is broader than that of S. 1309 and H. R. 5751. The new bill includes the employees of all agencies, regardless of size (the prior bill excluded those having less than 5,000 employees), and includes military reservists (who were excluded under the prior bill).

CONVEYANCE OF CERTAIN REAL PROPERTY TO STATE OF OKLAHOMA

Mr. KERR. Mr. President, I introduce, for appropriate reference, a bill to provide for the conveyance of certain real property of the United States under the jurisdiction of the Secretary of the Army to the State of Oklahoma.

The Oklahoma Planning and Resources Board operates the recreational facilities at Greenleaf Lake and it is now designated as Greenleaf State Park.

A portion of the Gruber Military Reservation, which has been declared surplus, is needed to round out this park.

My bill proposes to give the State of Oklahoma this land for park purposes.

It appears that the State is operating the Greenleaf State Park under a 5-year lease. The leased land consists of 575 acres plus the 900 acres in the lake itself. They desire to secure an additional 1,960 acres adjacent to the property they now operate in order to have adequate land for control of the area and future expansion.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3586) to provide for the conveyance of certain real property of the United States under the jurisdiction of the Secretary of the Army to the State of Oklahoma, introduced by Mr. Kerr, was received, read twice by its title, and referred to the Committee on Public Works.

ADMISSION, DUTY FREE, OF ARTICLES IMPORTED FOR EXHIBITION AT AMERICAS' NEW FRONTIERS EXPOSITION

Mr. KERR. Mr. President, I introduce, for appropriate reference, a bill to permit articles imported from foreign countries for the purpose of exhibition at the Americas' New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes.

The bill has for its purpose to permit articles imported from foreign countries for exhibition purposes in the Americas' New Frontier Exposition at Oklahoma City, Okla., to be free of duty and tax, as long as they are used for exposition purposes.

Americas' New Frontier Exposition is the name used for the exposition to celebrate the 50th anniversary of statehood for Oklahoma.

This procedure is not unusual. It is done regularly in order to attract exhibitions that have outstanding appeal to be used.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3587) to permit articles imported from foreign countries for the purpose of exhibition at the Americas' New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes, introduced by Mr. Kerr, was received, read twice by its title, and referred to the Committee on Finance.

COMPULSORY INSPECTION BY DEPARTMENT OF AGRICULTURE OF POULTRY AND POULTRY PRODUCTS

Mr. AIKEN. Mr. President, on behalf of myself, the Senator from Colorado [Mr. Allott], the Senator from Utah [Mr. Bennett], the Senator from Ohio [Mr. Bricker], the Senator from New Hampshire [Mr. Cotton], the Senator from Washington [Mr. Magnuson], the Senators from Maine [Mrs. Smith and Mr. Payne], and the Senators from Delaware [Mr. Williams and Mr. Frear], I introduce, for appropriate reference, a bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products. I may want to add 1 or 2 additional cosponsors of the bill before the end of the session today.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3583) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products, introduced by Mr. Aiken (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

INTERNATIONAL CONVENTION TO FACILITATE THE IMPORTATION OF COMMERCIAL SAMPLES AND ADVERTISING MATTER

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Virginia [Mr. Byrd], by request, I introduce, for appropriate reference, a bill to carry out the International Convention To Facilitate the Importation of Commercial Samples and Advertising Matter. I ask unanimous consent to have printed in the Record at this point a letter addressed to the Vice President by Herbert Hoover, Jr., Acting Secretary of State, relating to the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the Record.

The bill (S. 3589) to carry out the International Convention To Facilitate the Importation of Commercial Samples and Advertising Matter, introduced by Mr. JOHNSON of Texas (for Mr. BYRD) (by request), was received, read twice by its title, and referred to the Committee on Finance.

The letter presented by Mr. JOHNSON of Texas is as follows:

DEPARTMENT OF STATE,
Washington, March 17, 1956.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: There are transmitted herewith for your consideration and action copies of a draft of a proposed bill to implement the International Convention To Facilitate the Importation of Commercial Samples and Advertising Material. The Convention was dated at Geneva, November 7, 1952, and was signed on behalf of the United States on May 28, 1953.

The Convention has been approved by the Senate and will be submitted to the President for ratification at such time as implementing legislation has been enacted. The Convention establishes simpler standards and uniform regulations for customs treatment of imported commercial samples and advertising for the purpose of facilitating their importation with a view to promoting the expansion of international trade.

The following is a summary of the attached draft bill:

Section 1 amends the Tariff Act of 1930 so as to provide duty-free treatment for advertising material as defined in the Convention.

Section 2 amends the Tariff Act of 1930 so as to provide duty-free treatment for samples of negligible value. This section also limits the quantity of samples of alcoholic beverages and tobacco products that each consignee may receive.

Section 3 amends the Tariff Act of 1930 so as to provide temporary duty-free treatment for advertising films.

Section 4 provides for this legislation to become effective when the Convention enters into force for the United States.

In regard to temporary duty-free treatment for samples of more than negligible value provided for in the Convention, it is considered that present United States legislation is sufficient to implement that provision.

Sincerely yours,
HERBERT HOOVER, Jr.,
Acting Secretary.

EXEMPTION OF FINE ARTS PROGRAMS FROM TAX ON ADMISSIONS

Mr. WILEY. Mr. President, I introduce for appropriate reference a bill to provide relief from the 10-percent nuisance excise tax on the legitimate theater and on fine arts performances, including concerts, operas, ballet, lectures and the like; and I send to the desk a statement I have prepared on the bill.

The bill is a counterpart to H. R. 7109, which has been introduced in the House of Representatives by Representative FRANK THOMPSON, of New Jersey, and to H. R. 7851, introduced by the distinguished chairman of the House Judiciary Committee, Representative EMANUEL CELLER, of New York.

I ask unanimous consent that my statement on the subject be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3609) to exempt fine arts programs from the admissions tax, introduced by Mr. Wiley, was received, read twice by its title, and referred to the Committee on Finance.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

On March 29, I was pleased to introduce a bill on behalf of myself and my able colleague from Wyoming [Mr. O'MAHONEY] for the purpose of providing a National Charter to the National Music Council.

I emphasized at that time the crucial role played by the living theater and by fine arts in American life and, indeed, in the life of all peoples.

As one phase of this field, I had earlier reprinted in the CONGRESSIONAL RECORD the text of an open letter sent to me urging relief from the nuisance excise tax on the stage and fine arts performances. The text of this letter from a group of distinguished leaders (representing the National Association of the Legitimate Theatre and the National Association of Concert Managers) may be found in the CONGRESSIONAL RECORD of March 23 on page 5441.

TREASURY LOSS OF REVENUE WOULD BE MINOR

The purpose of my action today is to follow through on both the specific and the generalized approach which I have already outlined.

I do not ask for specific tax relief without an appreciation of the Federal Government's revenue problem. Every American realizes that the budget situation of the United States is such that we cannot, willy nilly, slash taxes right and left, particularly if they produce important revenue.

But the fact of the matter is, in this instance, that the net loss to the Treasury of the bill which I am proposing today is approximately $7 million per year. This, while a substantial sum, is modest indeed in relation to our $65 billion budget.

Moreover, even if the present tax produced larger revenue, it is intrinsically objectionable as a crippling burden on the legitimate theater and on fine arts. (After all, they are already hard-pressed from a competitive standpoint by the medium of television.)

As pointed out, in connection with the earlier letter which I had reprinted in the CONGRESSIONAL RECORD, the United States is probably the only major power in the world which discriminates against its own fine arts by taxation of this nature. Other countries not only do not tax their theater, their concerts and similar productions, but they provide direct financial support.

DON'T PENALIZE THE SMALL-BUSINESS MAN

Surely the very least we can do is to help facilitate cultural development in our country.

Recognizing the role of fine arts, Congress had previously completely removed the tax on performances, conducted by nonprofit groups—municipal groups, foundations and the like (a fine category in which my own State, I am glad to say, really abounds).

While I welcome such tax exemption, I do not feel that profit-making bureaus, that is, unsubsidized small-business men, managing these fine arts performances should at the same time be penalized. As everyone is aware who works in this field, it is hardly very lucrative. Men and women engaged in it do so almost exclusively out of love for cultural media, and not out of a desire to become a millionaire.

HOUSE MUST ORIGINATE ACTION

I urge, therefore, prompt action on this legislation this year. I do not believe that the United States Treasury is so poor that it need carry on only on the basis of taxing its fine arts.

I hope that the House of Representatives, whose Ways and Means Committee must initiate action of this nature, will give the Thompson-Celler bill its sympathetic attention and I hope the Senate Finance Committee will at the appropriate time do likewise.

LET'S SEE MORE, NOT FEWER THEATERS

Let's expand the theater and increase the frequency of fine arts performances. All over America, the living stage has, for example, been hard hit by skyrocketing costs. In New York City, fountainhead of the living theater, there is at last an indication that, thanks to far-thinking leadership, a new, modern theater may be constructed. It may be a partial replacement of the many theaters which have unfortunately closed (and/or which have been taken over by TV). Let us see more live theaters open and let Congress help by wiping out this nuisance excise.

I shall incidentally at a later day take up another phase of the entertainment problem—the problem of U. S. motion picture theaters, as such. My commitments today have been addressed to the problem of the legitimate theater.

PUBLIC ASSISTANCE AMENDMENTS OF 1956

Mr. KEFAUVER. Mr. President, I am about to introduce a bill and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Tennessee may proceed.

Mr. KEFAUVER. Mr. President, the ever-growing problem of providing real social security for the people of my country has long been of great concern to me.

Not until the devastating depression of the 1930's did the social conscience of our country stir sufficiently to realize that unless society as a whole was guaranteed some form of security—then no member of society could attain and be sure of keeping any measure of security.

Because hardship, hunger and deprivation descended, not just on a few, but on the majority of our people in those horrible years, an acute social conscience was demanded from our Government.

As a result, our Social Security Act was passed by Congress in 1935.

It was a good beginning. It still is a good beginning. But, anyone who faces the facts knows that it is only a beginning.

Unfortunately, with the advent of prosperity for the majority—social conscience has had conspicuously little or no influence on legislation.

Yet there is today a large segment—a most worthy segment—of our population living under conditions which are in many instances far worse than depression standards. I refer here particularly to the needy aged, blind, physically handicapped and dependent children who come under the Public Assistance Section of the Federal Social Security Act.

These are the forgotten citizens.

I maintain that it is my duty—and it is the duty of each and every Member of

Congress—to be forever seeking to better the social welfare of our country. Only by doing so can we hope to fulfill the trust placed in us by the people we serve.

While improvements have been made from time to time in the Social Security Act pertaining to old-age and survivors insurance benefits, the public assistance section has been almost wholly ignored.

For several months now I have been doing research to find out how we could help these forgotten citizens; where the trouble spots lay, and how the public assistance section could be amended to correct many of the injustices now endured by the needy aged, blind, the physically handicapped, and helpless children.

I have personally talked with many recipents of this aid to determine what the most needed improvements are, and I have received correspondence from aid recipients in every State of the Union telling of their miserable plight.

Of course, the greatest need is for more money. This fact is evident when we take a look at the Social Security Bulletin issued in January 1956 by the United States Department of Health, Education, and Welfare, and study the amounts paid during the month of October to those on public assistance.

This bulletin reveals that the more than two and a half million recipents of old-age assistance received a nationwide average of only $53.28 per month.

No one in his right mind can say that $53.28 per month is enough to keep body and soul together with the cost of living at its present high.

I think statistics will show that the cost of living varies little in any of the 48 States, but the amount of assistance varies much. Aid to the blind, physically handicapped, and dependent children showed the same wide difference of payments between indivdual States and approximately the same low average monthly payment.

The root of the whole trouble and its correction—if you please—lays in the Social Security Act.

Under our present formula, the Federal Government has a ceiling of $55 a month on the matching of Federal funds to the States. This means that the Federal Government will not pay more than a total of $35 toward a recipent to whom the State is paying $55 a month or more.

I say that such a ceiling is most unrealistic. I propose to raise that ceiling to $100. Under present law, where a State pays an aged, blind, or physically handicapped recipent $55 per month or more, the Federal Government pays four-fifths of the first $25 plus one-half of the next $30.

In other words, of the first $55 paid, the Federal share is $35 and the State's share is $20. But the Federal Government contributes not one red penny of any amount granted by the State over and above the $55. Quite obviously, only the more wealthy States can pay over and above the ceiling and some of the poorer States cannot even afford to match up to the present ceiling. So, we end up with a jigsaw puzzle of payments. And in no State are they adequate.

This should make it quite evident that we must also revise parts of our formula. I have worked out an amendment to the Social Security Act which would, I believe, solve this problem to everyone's satisfaction. My formula would peg the Federal grants-in-aid to the States, on a per capita income basis.

For instance, a State whose per capita income is equal to or greater than the per capita income of the continental United States would still be required to match 50–50 with the Federal Government over the first $25, and under the $100 ceiling. This would greatly assist the more wealthy States who are now paying relatively high pensions and carrying the whole burden over $55.

Under my plan, the poorer States would also be able to up their pension payments considerably. This would be possible because the Federal share in no case would be lower than 50 percent and would graduate up to 75 percent, according to the per capita income of the individual State.

For example, the State of Georgia's per capita income in 1954 was only 70 percent as compared to 100 percent for the continental United States. Therefore, Georgia's share of the grant over $25 and under $100 would be 35 percent, with the Federal Government contributing 65 percent.

To take the extreme example, Mississippi, whose per capita income was lowest in the Nation with 49 percent in 1954, would receive the maximum of 75 percent Federal contribution, or three Federal dollars to every State dollar expended on these programs.

Needless to say, this additional Federal money would immeasurably help these poorer States who are from necessity now paying such starvation-level assistance, and would at the same time help to equalize and make more uniform assistance payments throughout the country.

As I said before, the biggest problem these people have to meet is the lack of enough money to keep body and soul together.

Their serious problems, however, only just begin there. I think that probably the other element—the loss of human dignity that a recipient of aid must undergo in order to qualify for assistance—places just as great a moral obligation upon Congress to correct.

I think this has been done because Congress has never established a humane single standard of qualifications for the applicants and recipients of aid, below which no State would go and still receive Federal grants-in-aid.

This accounts for the fact that the public-assistance laws are different in each of the 48 States. It also accounts for the desperately low morale of the poor people who come under these laws, a condition quite evident by the letters I have received asking respite from the harsh restrictions.

For instance, in some States an applicant or recipient of aid must first sign over his home to the State before aid shall be granted.

This practice violates a cardinal principle on which the Social Security Act is based:

> That needy persons should not be differentiated by reason of their need and that recipients of assistance have the same right of self-determination by reason of their need in the use of their resources as others in the community.

I propose that Congress spell out in the law that our old pioneers can own a home and that there be no imposition of a lien on such a home as a condition of receiving aid.

Another disgraceful practice is the publishing of the recipients names in an effort to shame them off the assistance rolls. This not only violates cardinal principles of the Social Security Act, but I say it violates our very decency itself. I recommend that this be prohibited.

One of the provisions now in the Social Security Act which desperately needs revision is the clause stating that all "outside income and resources must be deducted from the amount of aid granted." This prohibits recipients from earning even the smallest amount to supplement their pitiful grants.

The standard of living for many who are able to do a little work here and there would most assuredly be improved. And of perhaps as much benefit would be the better mental health of the aged and handicapped—now sentenced to a life of idleness—if these people were allowed to earn up to $50 per month without threat of deduction from their grants. This privilege has already been granted by Congress to the blind.

I also urge that needy children be permitted to earn up to $30 per month. Most assuredly children, especially of school age, should not be sentenced to a life of idleness simply because their parent or guardian, through some circumstance, has had to seek aid to feed the child. It seems to me that such children need more than ever to be encouraged to learn self-reliance and certainly should not be discouraged from seeking part-time employment.

Many are the harsh provisions imposed by the various States, but none so unfair, nor un-American, as the State residence requirement. Under the Social Security Act, this can be and often is a maximum of 5 years' duration.

It is hard to reconcile how such a provision ever became part of the law of this land. Under any other circumstance, the United States is considered to be the legal residence of all of us. We are not citizens of 48 different States. We are all citizens of these United States. No tariffs may be imposed between States. In time of war, no one escapes military duty because of State boundaries.

I propose that the maximum State residence requirement allowable be reduced to 1 year and certainly not more than 3 years; and I further propose that where an otherwise qualified person does not meet State residence requirements, the Federal Government pay its share direct to the person until they have met the residence requirement of the State.

This would at least give some help to these citizens without a State—and under present conidtions—without a country.

Much has been said about lowering the age for women applicants and recipients from 65 to 62 years. I say that this is not only right, but it is absolutely necessary considering the present pattern of employment and retirement.

Studies show that almost two-thirds of the caseload on public assistance is women and that the dependency rate for women is 1½ times greater than that of men.

The substantially higher dependency rates for women derive from many factors. Among the most important are the following:

First. Women have traditionally assumed a more dependent economic role in our society, concentrating on home management rather than outside employments.

Second. Because of limited employability, they require public assistance at an earlier age. This is confirmed by the fact that there is a larger concentration of women at the younger age levels of 65 years.

Lastly, I would add a few features which may seem minor but which are of the greatest importance to those involved:

First. That the needy not be penalized because of marriage.

Second. No person receiving such public aid shall be deemed a pauper, and no warrant drawn in payment shall contain any reference to indigency or pauperism.

Third. The program is to be administered by each State so as to insure uniform treatment of the needy in all its political subdivisions.

The public assistance section of our Social Security Act has been too long neglected. During the last 20 years when we should have been slowly building here, firming there, steadily improving the act, we have instead either lost or ignored our sense of social conscience and all but ignored these unfortunate citizens.

I am not seeking new laws; I am seeking to amend existing laws so as to assure those on public assistance the right to retain their self-respect and, as human beings, their right to human dignity.

The intent of the Social Security Act is to help the American people when they need it. It most assuredly was never meant to act as a form of harassment to people already plagued with distress.

I say it is our duty to God and to our country to provide a decent level of social security for the people of these United States.

MULTIPLE-USE ADMINISTRATION OF CERTAIN NATIONAL FOREST AND OTHER LANDS

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference, a bill to provide statutory authority for the multiple-use administration of the one hundred and eighty-odd million acres of national forests and other lands under the jurisdiction of the Secretary of Agriculture.

Our national forest lands are presently administered under a system which provides many benefits to a diverse group of users—including timber, grazing, mining, water, wildlife, and recreational interests. However, these various groups need a medium through which they may maintain formal, advisory relationships with the Secretary of Agriculture in the formulation of policy covering these forest lands.

This bill if enacted would write into law the authority of the Secretary of Agriculture to make the fullest possible use of the rich and varied range, timber, water, mineral, wildlife, and recreational resources of these public lands under a multiple-use system of management. It would also provide for the establishment by the Secretary of multiple-use regional and national citizens' advisory councils, representing the many diverse groups of users of the forest areas, from those interested in timber to those interested in the recreational resources—including wildlife and wilderness.

These multiple-use councils would be of tremendous value in aiding the Department of Agriculture in promoting the maximum appropriate utilization of these valuable lands. The proposed legislation insures adequate consideration of the incalculably valuable recreational assets of our national forests. Recreation is the third major use of these lands, ranking in importance with timber production and watershed protection. Recreational interests and wildlife conservationists would have important representation on the proposed advisory councils.

In the interest of preserving these basic plant, soil, water, and wildlife resources, this bill leaves the Secretary of Agriculture with full authority to control the management practices that are applied by the various individual users of the forest areas. However, it would provide a badly needed means for the democratic expression of the viewpoints of these forest area users, so that these viewpoints can be fully weighed by Department Administrators. While these Administrators will retain final control and authority, the recommendations of the proposed citizens multiple-use councils would aid immeasurably in the formulation of policies designed to serve the best interests of the American people, to whom the forest lands belong.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3615) to recognize and facilitate the administration of the multiple uses of the national forests and others lands under the jurisdiction of the Secretary of Agriculture, and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

INVESTIGATION OF EFFECT OF IMPORTATION OF TEXTILES ON DOMESTIC INDUSTRY

Mr. PAYNE. Mr. President, last February I had the privilege of discussing on the Senate floor the problem of increasing textile imports and their effect on the domestic textile industry. At that time I urged that continued consideration be given to all possible alternatives for dealing with this problem of increasing imports. As I pointed out at that time, the Tariff Commission was directed by Senate Resolution 121, 84th Congress, to keep fully informed regarding the importation of textiles and textile manufactures. This resolution, which was adopted by the Senate during the last session, did not direct the Tariff Commission to make an immediate investigation because the effects of last September's tariff reductions were not known at that time.

It is now evident that imports of cotton manufactures and cotton cloth are continuing to increase. In January 1956 the value of cotton-cloth imports was up 46 percent, and the value of cotton manufactures was up 14 percent over December 1955. A comparison of January 1956 imports with the average monthly imports in 1955 is extremely alarming. It is apparent that the continuing increase of textile imports will result in further injury to the domestic textile industry and the people it employs.

Because of this continued textile import increase, I am submitting a resolution on behalf of myself, my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], and Senators BRIDGES, COTTON, GREEN, FLANDERS, KENNEDY, PASTORE, PURTELL, SALTONSTALL, GEORGE, WOFFORD, and BUSH, directing the United States Tariff Commission to make an immediate and thoroughgoing investigation to determine what textiles and textile products are being imported into the United States in such increased quantities as to cause or threaten serious injury to the domestic textile industry. I ask unanimous consent that a copy of this resolution may be printed in the RECORD, and that the resolution may lie on the desk until Monday, April 16, to afford other interested Senators an opportunity to join in sponsoring this resolution.

The PRESIDENT pro tempore. The resolution will be received, appropriately referred, and under the rule, will be printed in the RECORD; and, without objection, the resolution will lie on the desk, as requested by the Senator from Maine.

The resolution (S. Res. 236) was referred to the Committee on Finance, as follows:

Whereas substantial reductions have been made in tariff rates on textile products in various trade agreements with foreign countries; and

Whereas the value of imports of cotton manufactures in January 1956 was 14 percent higher than in December 1955 and the value of imports of cotton cloth in January 1956 was 46 percent higher than in December 1955; and

Whereas more than 1 million persons are employed directly in the textile industry of the United States; and

Whereas in many sections of the Nation the entire economy of a community is tied directly to the healthy operation of the textile industry; and

Whereas the textile industry of the United States is a vital part of our national defense; and

Whereas the United States Senate in Senate Resolution 121, 84th Congress, directed the United States Tariff Commission to keep currently informed regarding the impact of imports of textiles and textile products on the domestic industry producing like or directly competitive products in order to be prepared to act promptly on such investigations as may be requested by the President, or directed by resolution of either House of Congress, the Committee on Finance of the Senate, or the Committee on Ways and Means of the House of Representatives, or applied for by any interested party, under section 7 of the Trade Agreements Extension Act of 1951, as amended, to determine whether any product upon which a concession has been granted in a trade agreement is, as a result in whole or in part of the concession, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products: Now, therefore, be it

Resolved, That the United States Tariff Commission is directed to make an immediate investigation pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended, to determine whether any textiles or textile products are being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Mr. PAYNE. I ask unanimous consent that the text of a letter I have written to Senator ALLEN J. ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, urging early hearings on the bill (S. 2702) to encourage the sale of cotton for export and to limit imports of manufactured cotton products, be included at this point in the RECORD, together with an exchange of correspondence which I have had with the Lewiston (Maine) Chamber of Commerce on the textile import problem.

There being no objection, the correspondence was ordered to be printed in the RECORD as follows:

APRIL 10, 1956.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: On July 30, 1955, Senator JAMES EASTLAND introduced a bill, S. 2702, in the Senate for himself and 62 other Senators, including myself. This bill would encourage the sale of cotton for export and limit imports of manufactured cotton products. To date no hearings or other action has been scheduled on this bill by your committee.

On February 27, I spoke on the Senate floor in regard to the effect of increasing cotton textile imports on the domestic textile industry. At that time, I urged that careful attention be devoted to all possible alternatives for alleviating further damage to the domestic textile industry. I further urged that consideration be given to the imposition of import quotas on cotton textile goods should the situation continue to deteriorate.

All available evidence indicates that the influx of imported cotton textiles has not abated. January imports of cotton manufactures and cotton cloth have increased significantly since December. The value of import of cotton manufactures, including such items as velveteen and bedspreads which have previously provided severe competition for the domestic industry, has increased from $7,978,685 to $9,084,949 in a 1-month period. In the same period (December 1955 to January 1956), the value of cotton cloth imports has increased from $4,173,829 to $6,105,558. The increase in the value of imports of cotton manufactures has been nearly 14 percent in 1 month, while in cotton cloth the increase has been approximately 46 percent. It should not be necessary to point out the adverse effects such increases are having and will continue to have on the domestic textile industry.

On March 23 of this year, the Bates Manufacturing Co., one of the largest textile industries in New England, announced that a reduced work schedule had been adopted for employees in 3 of Bates' 5 plants in Lewiston, Augusta, and Saco, Maine. Some shifts have been reduced to a 3- and 4-day week. These cuts have been prompted by an oversupply of goods, which in turn is due, according to the management of Bates Manufacturing Co., "in large measure to the Japanese production of millions of yards of fabric which have been shipped into this country since tariffs were lowered."

It is obvious that in an area where the average hourly wage is $1.30, laborers cannot afford a reduced working week. If layoffs in the textile mills are the result of imports of cotton textiles, then it would seem apparent that the situation has reached alarming proportions.

Recently I received a letter from the Lewiston, Maine, Chamber of Commerce which represents business, mercantile, and industrial groups of Lewiston, urging immediate efforts to insure adequate protection of Maine's textile industries and the people it employs. I am forwarding a copy of this letter for your information and consideration.

The Senate Committee on Agriculture and Forestry has before it a bill (S. 2702) which would, if enacted, control the level of textile imports. Only through extensive hearings on this proposed legislation can the facts of the textile import situation be conclusively established. I, therefore, strongly urge that the Senate Committee on Agriculture and Forestry schedule hearings on S. 2702 at the earliest possible date.

Sincerely yours,
FREDERICK G. PAYNE.

LEWISTON CHAMBER OF COMMERCE,
Lewiston, Maine, April 6, 1956.

Senator FREDERICK G. PAYNE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR PAYNE: This letter is being directed to you in the avowed hope that this appeal by the Lewiston Chamber of Commerce will receive serious consideration by you, and also with the fervent wish that some serious threat to the economy of this community, as well as to the State of Maine in general.

After much deliberation, counsel, and discussion, the chamber has come to the conclusion that some action by our Federal Government is urgently needed to protect our domestic textile industry. As you well know, the economy of this community, and that of a large part of our State, relies heavily on this industry.

Today, this industry, still fighting to keep pace with its competitive counterparts within the United States, finds itself faced with a damaging situation—the rising importation of Japanese textiles into this country. The situation has reached alarming proportions and the industry already is showing effects of the low-cost Japanese textiles products that are glutting our markets. Our State's largest employer, which has plants here and in other Maine communities, has been forced to curtail operations at a number of its factories. Most of the products produced at these plants are in direct competition with those coming into this country from Japan's low-cost manufacturing plants.

The chamber has conferred with representatives of labor and management in the local textile industry, and it is convinced that the only recourse available for relief is through our congressional delegation. You, no doubt, are aware of this serious situation since it has attracted nationwide attention, and has been the subject of debate by some congressional committees.

The Lewiston Chamber of Commerce, as representative of the business, mercantile, and industrial groups of this community, is hereby appealing to our Maine congressional delegation to make every effort to see that this State's textile industry, and the thousands of jobs it provides for our people, are protected.

The chamber, being vitally concerned over this situation, urges that immediate efforts be made to obtain this protection, either through congressional action or by the Federal agencies delegated to administer such matters. The chamber sincerely hopes that this appeal will receive your prompt attention, and that the Maine congressional delegation will move to the forefront with proposals for remedial action.

When you have given this plea for action your consideration, we will expect to receive your observations of action you anticipate taking at your level to meet the existing threat to our textile industry.

Sincerely yours,
LEWISTON CHAMBER OF COMMERCE,
MURRAY SHULTZ, *President.*

APRIL 10, 1956.

Mr. MURRAY SHULTZ,
President, Lewiston Chamber of Commerce, Lewiston, Maine.

DEAR MURRAY: This is to acknowledge and thank you for your letter of April 6, in regard to the effect of textile imports on the domestic industry.

Because the problems of the textile industry have been recurring ones, it might be useful to review what has been done, what is being done, and what can be done for the benefit of the textile industry.

As you have pointed out in your letter, the textile industry in Maine is meeting severe competition, not only from abroad, but also from its competitive counterparts in the United States. Since coming to the Senate in 1953, I have had the opportunity to work for measures to foster fair domestic competition in the textile industry and to prevent unfair foreign competition.

Several measures enacted by the Congress in the past 2 years have had the effect of bringing the terms of competition between the northern and southern segments of the textile industry more nearly into line. The increase of the minimum wage from 75 cents to $1 per hour, which went into effect March 1, will result in equalizing labor costs and will bring southern wage scales closer to the higher wage scales prevailing in Maine and the rest of New England, with the effect of more nearly balancing production costs throughout the industry.

In the past 3 years I have been active in securing increased appropriations for the Wage and Hour Division of the Department of Labor, so that sufficient funds would be available for adequate enforcement of minimum-wage laws throughout the country. Again this was directed toward insuring fairer competition from the textile industry in lower wage areas. Last year, I also advocated repeal of the Federal tax exemption on municipal bonds issued for industrial purposes. There are several bills now pending in the House, where all tax legislation must originate, which would repeal this exemption. If such a measure should reach the Senate it will receive my full support, with the intent that this action would make it less attractive for northern textile industries to migrate to other areas of the Nation.

During the last session of Congress, Senator JOHN KENNEDY and I jointly sponsored an amendment to the Walsh-Healy Act. This amendment would, in effect, prevent a trend to award Government contracts for uniforms and other textile manufactures to textile industries with lower wage scales. Because of a recent Supreme Court decision, which accomplishes the purpose of the Payne-Kennedy amendment, it is unlikely that congressional action will now be needed on this proposal.

Similarly, the members of the New England delegation have consistently supported measures to prevent unfair foreign competition. In this connection the Senate last summer passed a resolution, which I cosponsored, directing the United States Tariff

Commission to study the effect of imports of textiles and textile products upon the domestic textile industry. On July 30, 1955, Senator James Eastland introduced, for himself and 62 other Senators, including myself, a bill (S. 2702) which would impose quota restrictions on cotton textile imports.

Early in this session, I spoke at some length on the Senate floor in regard to the textile industry and the problem of increased imports of textiles. At that time I urged that this problem be given the utmost consideration and that the various possible solutions, including the imposition of import quotas, be fully analyzed with a view toward positive action.

To date no action has been taken on S. 2702 by the Senate Committee on Agriculture and Forestry. Until hearings are held and a full and accurate analysis has been made of the entire problem of textile imports and their effect on the domestic textile industry, it will be impossible to get any favorable action on S. 2702. Because of this lack of action on the part of the Senate Committee on Agriculture and Forestry, I have written to Senator Allen J. Ellender, the committee chairman, urging him to schedule hearings on S. 2702 at the earliest possible date. I have taken the liberty of forwarding a copy of your letter to Chairman Ellender, so that he may know how representative groups in Maine, such as your organization, regard the problem of textile imports.

Under the terms of the Reciprocal Trade Agreements Act, when an industry, such as the textile industry, feels that increased imports are seriously damaging the domestic industry, the industry may apply for an investigation by the United States Tariff Commission. If the results of the investigation indicate that serious damage is being caused by imports, then the Tariff Commission can recommend that the President invoke the "escape clause" to raise the tariff on the imports causing the serious damage. To date, the domestic textile industry has not requested such an investigation by the United States Tariff Commission.

Because the value of imports of cotton manufactures and of cotton cloth have increased substantially in January of this year, indicating that the domestic textile industry will meet even more severe foreign competition than in 1955, I introduced a resolution for myself and Senator Margaret Chase Smith, which would direct the United States Tariff Commission to conduct an investigation of the effect of increasing textile imports on the domestic industry. A thoroughgoing investigation by the Tariff Commission should determine to what extent the distress of the domestic industry has been caused by imports, by intraindustry competition, and by competition from cotton-substitute textile industries. If the facts, when clearly established, indicate that the importation of foreign textiles is a primary cause of the current distress of the domestic industry, then the need for protection will be clearly demonstrated. It is my hope that this resolution calling for an investigation by the Tariff Commission will receive the full support of the textile industry, textile labor groups, and other interested parties such as your organization.

If the Senate Committee on Agriculture will act on S. 2702 and if the Senate will direct the Tariff Commission to investigate the effect of increasing imports, then it should be possible to get positive action which will alleviate the distress felt by the domestic textile industry as a result of increasing imports of cotton textiles.

It is regrettable that I cannot answer your letter with the promise of a panacea for this problem. I am sure you will agree that any action taken must be well thought out, and must, in fact, provide the relief the industry is seeking. You may be certain that I shall continue to work in the future, as I have in the past, to promote the welfare of Maine's textile industry and the people it employs.

Enclosed are copies of my letter to Senator Ellender, the resolution I introduced in the Senate, and the remarks I made on introducing this resolution.

With very best wishes to you and the members of your organization.

Sincerely yours,

Frederick G. Payne.

Mr. PAYNE. I ask unanimous consent that a table based on Bureau of the Census statistics comparing the monthly average of United States imports of countable cotton cloth for 1955 with January 1956 statistics may be printed in the Record.

There being no objection, the table was ordered to be printed in the Record as follows:

United States imports of countable cotton cloth, monthly average for 1955 compared with January 1956

	Total	From Japan
Monthly average, 1955	11,095,000	8,294,000
January 1956	24,638,000	19,992,000
Percent increase	122	141
Annual rate, based on January 1956	295,656,000	239,904,000
Percent increase over—		
1953	360	682
1954	302	402
1955	122	141

Source: Bureau of the Census, U. S. Department of Commerce.

Mr. PAYNE subsequently said: Mr. President, earlier this morning, at the time I submitted a resolution on behalf of myself and my distinguished senior colleague from Maine [Mrs. Smith] and other Senators, I intended, because of the very great interest he has always displayed in any matter affecting the textile industry, to speak with the distinguished Presiding Officer, the President pro tempore, in connection with the resolution, to determine whether in his judgment it would be desirable for him to join as a cosponsor of the resolution.

Since then I have had an opportunity to discuss the matter with the distinguished senior Senator from Georgia [Mr. George], and I understand that he would like very much to be identified with the resolution.

Therefore, Mr. President, I ask unanimous consent that his name may be included in my earlier remarks today, and that he may be listed as one of the original sponsors of the resolution which is now at the desk, and which will remain there until Monday, to give other Senators an opportunity to join as cosponsors.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ACQUISITION OF CERTAIN LANDS IN SINNISSIPPI LAKE, ILL.—ADDITIONAL COSPONSOR OF BILL

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have the name of my colleague, the senior Senator from Illinois [Mr. Douglas] as a cosponsor of the bill (S. 2831) authorizing the acquisition of certain lands in the Sinnissippi Lake, Ill., in connection with the operation of Illinois and Mississippi Canal, and for other purposes, introduced by me on January 5, 1956.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. KERR (for himself and Mr. George) submitted amendments, intended to be proposed by them, jointly, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability-insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

The PRESIDENT pro tempore. As a Senator, the Chair submits, for appropriate reference, amendments intended to be proposed by him to House bill 7225, the social-security bill. Without objection, the amendments will be received, referred to the Committee on Finance, and be printed. And, without objection, a statement, prepared by the Chair, relating to the amendment, will be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR GEORGE

The purpose of this amendment is to enable the State of Georgia to enter into an agreement with the Secretary of Health, Education, and Welfare for coverage under the Old-Age and Survivors Insurance System of those employees of the State who are covered by the Georgia State Employees' Retirement System and desire to obtain coverage under the Old-Age and Survivors Insurance System. Legislation recently adopted by the general assembly of the State contemplated the State's entering into such an agreement under conditions which would not necessitate either the State's or the employees' contributing any additional funds for the cost of retirement benefits. That legislation provided, in effect, that the employees subject to the State employees' retirement system should have the option (1) of being covered under the Old-Age and Survivors Insurance System and retaining their coverage under the State employees' retirement system but having their benefits under the latter system reduced as a result of the diversion of funds to pay the cost of Old-Age and Survivors Insurance System coverage, or (2) of not being covered under the Old-Age and Survivors Insurance System and continuing their coverage under the State employees' retirement system with no change in benefits. The existing provisions of the Social Security Act do not permit the State of Georgia to enter into an agreement such as was contemplated by the general assembly. However, if the amendment to H. R. 7225 which I am sponsoring is adopted and becomes law, it will be possible for the State to enter into such an agreement with the Secretary of Health, Education, and Welfare.

Mr. HUMPHREY. Mr. President, I submit six proposed amendments to the House-passed social-security bill, H. R. 7225. Each of these six amendments has been pending before the Senate Finance Committee in regular bill form since June 1955. In their original version, they are S. 2382, S. 2383, S. 2384, S. 2385, S. 2386, and S. 2389. I have had each of these bills recast as amendments to H. R. 7225 so that committee consideration of them may be simplified.

The PRESIDENT pro tempore. The amendments will be received, printed, and referred to the Committee on Finance.

MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES—AMENDMENT

Mr. McCLELLAN submitted an amendment, intended to be proposed by him, to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, which was referred to the Committee on Armed Services and ordered to be printed.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956—AMENDMENT

Mr. BEALL submitted an amendment, intended to be proposed by him, to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. LEHMAN. Mr. President, on March 7 I offered an amendment to H. R. 7225, the social-security bill. The number of the amendment is 3-7-56-D. The senior Senator from North Dakota [Mr. Langer] has asked to be a cosponsor of that amendment. I ask unanimous consent that his name may be added as a cosponsor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. KEFAUVER:

Text of address on the subject of joint disarmament and the foreign-aid program, delivered by him at the Jefferson-Jackson Day dinner of Young Democratic Clubs of Maryland in Baltimore on March 10, 1956.

By Mr. JENNER:

Radio address entitled "The Congress and the Constitution," recently delivered by him.

NOTICE OF HEARING ON NOMINATION OF WILLIAM B. HERLANDS, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. O'MAHONEY. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, April 18, 1956, at 10:30 a. m., in room 424, Senate Office Building, on the nomination of William B. Herlands, of New York, to be United States district judge for the southern district of New York.

Prior to the above-mentioned date all persons interested in the above nomination should file with the committee such representations as may be pertinent.

The subcommittee consists of the Senator from Mississippi [Mr. Eastland], the Senator from Illinois [Mr. Dirksen], and myself, chairman.

NOTICE OF HEARING ON NOMINATION OF LIVINGSTON T. MERCHANT TO BE AMBASSADOR TO CANADA

The PRESIDENT pro tempore. As a Senator, and as chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the nomination of Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Canada, vice R. Douglas Stuart. Notice is given that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days.

TRIBUTE TO BASEBALL AND THE MILWAUKEE BRAVES

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the body of the Record a statement I have prepared under the headline "Tribute to America's National Pastime and to the Milwaukee Braves—Ike's Hurling of First Ball Here Symbolizes United States Sportsmanship."

There being no objection, the statement was ordered to be printed in the Record, as follows:

TRIBUTE TO AMERICA'S NATIONAL PASTIME AND TO THE MILWAUKEE BRAVES—IKE'S HURLING OF FIRST BALL HERE SYMBOLIZES UNITED STATES SPORTSMANSHIP

(Statement by Senator Wiley)

Next Tuesday, April 17, Americans will take a few hours off from their troubles—from concern about the Middle East and South Asia and farm parity, concern about dieting, gray hair, the cost of braces on the kids' teeth, or any other care. They will turn to our national pastime, baseball.

The folks here in our Nation's Capital will be trooping out to Griffith Stadium to watch the Washington Senators.

And we of Wisconsin will be crowding the Milwaukee County Stadium to watch what we feel is the finest team in the major leagues—the Milwaukee Braves.

Radio and TV sets all over the Badger State will be tuned in as the Braves show off their stuff and, we hope, blast a few "horsehide A-bombs" over the fence.

It will be my pleasure that day to join with Louis Perini, president of the Braves; with Charles B. Perini, first vice president; Joseph F. Cairnes, executive vice president; John J. Quinn, vice president and general manager; Joseph R. Perini, treasurer, in the opening-day ceremonies at the stadium.

To us of the Badger State, the Braves are, of course, more than a mere team. They are a real source of day-to-day inspiration on a great and wholesome sport, a living demonstration of outstanding team spirit.

Charley Grimm and his Battling Braves have proven what the enthusiasm of a hometown can mean in helping to revitalize a ball club and in keeping it in pennant contention.

Even before the Braves came to "wonderful Wisconsin" in 1953, setting a new National League attendance record, Wisconsin was wonderful baseball country. The largest home talent league in the world played in a belt 40 miles wide around metropolitan Milwaukee. In every crossroads there were at least a team of a dozen men and boys. Around our State capital was another large league. The Wisconsin State League played in other cities, and there were dozens of amateur and semipro circuits.

Wisconsin, as we all recall, took the Braves to its heart from the very outset, jam-packing the stadium from cavalcades by bus, rail, plane, car, and every other means. From every part of the State, the fans poured in, as excitement mounted, including, of course, a Portage barber who closed up, hung a sign on the door, saying, "I can't stand it any longer. Closed for 2 days. Gone to see the Braves."

The shot-in-the-arm that this gave to Milwaukee and all Wisconsin's economy was, of course, enormous.

It is, of course, our hope that the Braves will not only win National League honors, but that they will go on to take the World Series, as well.

But series or not Lou Perini and his Braves will be battling every inch of the way and will be serving as a fine example for both major leagues.

Meanwhile, there are well over 80 Wisconsin players in all of organized baseball, including, of course, the Braves' own Andy Pafko, of Boyceville, plus 10 other major leaguers, who are living in Wisconsin or who were born in our State, plus 20 Badger youngsters on Braves' farm clubs, and 60 Badgers on other National or American League farms.

I am hoping that this year will be a peak year for America's national pastime. I hope that it will encourage more of our youngsters to get out on the ball diamond themselves, whether it is in Junior League baseball, unorganized sandlot clubs, or any other type and enjoy the pleasure of swinging the bat at an oncoming ball or trying out to be a future Warren Spahn on the mound.

When President Eisenhower here in our Capital hurls out the opening day ball, he will symbolize America at play, having a good time and enjoying the best of sportsmanship.

ISRAEL IS HERE TO STAY

Mr. HUMPHREY. Mr. President, considerable comment has been caused by an editorial entitled "Israel Is Here To Stay," appearing in Life magazine on March 19, 1956.

I do not agree with everything that the editors of Life say in this editorial but I accept wholeheartedly the editors' main theme—the one stated in the title: If some of the other nations in the Middle East similarly accepted the permanence of the State of Israel, I do not believe that the present Middle Eastern crisis would be nearly as severe as it is.

I ask unanimous consent to have printed in the body of the Record, the editorial from Life entitled "Israel Is Here To Stay." There being no objection, the editorial was ordered to be printed in the Record, as follows:

ISRAEL IS HERE TO STAY—UNLESS THE ARABS ACCEPT THIS, THERE CAN BE NO PEACE

The time has come for friends of the Arabs to tell them, with the bluntness of genuine friendship, something they seem unable to understand. That something is this: "Israel is here to stay. It is going to stay. The American people, who helped create Israel, who were the first to recognize her, and who hold warm feelings of friendship for her, are going to see to it that she stays. Until you, the Arabs, accept, deep in your hearts, the fact that Israel is here to stay, there can be no real peace in the lands of either."

Something else also needs to be said: "It is you, the Arabs, who insist there is no peace. Israel does not say she intends to destroy the Arab world, but it is you who proclaim your intention to destroy Israel. It is your holy men who cry out for holy wars against her. It is your spokesmen who talk of driving the last Israeli into the sea. It is you who refuse to accept Israel's right to existence. Until you do accept it, you will have no moral case before the world."

A sad and dangerous thing is happening to the Arab nations. They have let their fanatical hatred of the Israelis cause them to open their gates to a piecemeal invasion by the Communists, the new colonial imperialists. Half-priced Communist arms are pouring into Egypt, and Soviet technicians with them. Syria, already deeply penetrated by Communist agents, is in the process of eagerly rising to the same bait to get a bargain whose real price is the eventual destruction of Syria as a sovereign nation.

When the northern tier of nations—Turkey, Iraq, Iran, and Pakistan—soberly aline themselves to resist Soviet expansion, it is the oil-rich Saudi Arabians who pass out the bribes to set Jordanians rioting in the streets against the Baghdad Pact. It is the same gold, accompanied by proddings from agents of Egypt's Premier Nasser, which has led Jordan to dismiss the British professional soldier who made and kept the Arab Legion the most efficient military unit in the Arab world.

What is even sadder is that the man most responsible for this chaos in the Middle East, Premier Nasser, is a man who knows better, who had every capacity to become (and showed every indication of becoming) a statesman. He desired to raise his countrymen out of the mire of poverty, but instead he has allowed the anti-Israel clamor to divert him into the course so many other leaders have followed, of subordinating internal problems to external adventuring.

Nasser, the moderate who suppressed the fanatic Moslem Brotherhood, now sacrifices Egypt's welfare to Pan-Arabic political expediency and the avowed nation builder has become a saber rattler. He permits the Cairo radio to shrill incendiary falsehoods throughout the Middle East. This man who now caters to the wave of racial hatred is the same man, who, after being wounded in the disastrous 1948 war against Israel, repeated to his soldiers, "Comrades, our holy war is not here, but at home." Nasser knows, as he once eloquently said, that his true war should be against the ignorance and wretchedness of his people. While he stands mute before the insane cries for jihad, the children of his land go on wasting, as they have done since the days of Joseph, from rickets and trachoma, bilharziasis and starvation. By his rash or cynical expediency he now endangers the very measures—such as American aid—which would do most to help them.

Certainly it is an immensely difficult task for any Arab leader—even if, like Nasser, he is not a fanatical Israeli hater—to stand against this murderous wave and still retain power. Yet this very difficulty should present a challenge for the Arabs to produce the kind of leadership the world would welcome. We say to Gamal Nasser, "Lead your people up, into the light. Do not let the fanatics lead you into the abyss. You have never been known to lose your temper. Do not, then, let your people lose their reason. Instead of following the exploiters of hatred, teach your own patience to your people. Destiny has given you a chance for greatness; do not meanly forfeit or betray it."

We of Life have not hesitated to criticize the Israelis when we thought they were wrong—as they frequently are. We have espoused the Arab cause when we thought it right. We have condemned, repeatedly, Israel's failure to repatriate or compensate the 1 million Arab refugees driven from their homes. We have disapproved the tendency of Harry Truman to let domestic political considerations make him a rubber stamp for Israel, right or wrong. We have welcomed the wisdom of President Eisenhower in redressing the balance by his policy of strict impartiality between Israeli and Arab.

But when Americans recognized Israel it was not merely because, de facto, it had made itself a state. It was because of our debt to their religious traditions, as well as a moral sentiment of their right to a homeland as compensation, if any there could be, for the unspeakable horrors inflicted upon them in other lands. Americans will support their right to live in peace in this homeland. Until the Arabs do the same, giving up their unjust desire to obliterate the Israelis as a state and as a people, there can be no genuine settlement of the just claims the Arabs do possess. They are playing dice with the peace of the whole world by refusing to accept the fact of Israel in their hearts.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Stennis
Symington
Thye
Watkins
Welker
Wiley
Williams
Wofford
Young

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. Anderson and Mr. Chavez], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Oklahoma [Mr. Monroney], the Senator from Florida [Mr. Smathers], and the Senator from Alabama [Mr. Sparkman] are absent on official business.

The Senator from Virginia [Mr. Byrd] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. Ives] is absent because of illness.

The PRESIDENT pro tempore. A quorum is present.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement for the benefit of the Senate. It is our plan, when we conclude the consideration of the unfinished business, in the event the House has acted upon the conference report on H. R. 12, the farm bill, to proceed to the consideration of the conference report. If it appears possible to finish action on that report this evening, even by running past the dinner hour, the leadership has agreed to do that. If it does not appear that that is possible, the Senate will recess and return tomorrow at 11 o'clock, a. m., if that is agreeable to the Members of the Senate.

The distinguished chairman of the Committee on Appropriations, the Senator from Arizona [Mr. Hayden], is ready to report the supplemental appropriation bill.

Calendar No. 1184, Senate Joint Resolution 97, to amend certain laws relating to the Food and Agriculture Organization and International Labor Organization, and Calendar No. 1193, Senate Concurrent Resolution 36, requiring conference reports to be accompanied by statements signed by a majority of the managers of each House, may be taken up later in the week, or may be sandwiched in during times when it is convenient for the Senate to consider them. I want all Senators to be on notice about the program, and particularly to be on notice about the farm conference report.

After consulting with the minority leader, the chairman, and the ranking minority member of the Committee on Agriculture and Forestry, it has been decided to keep the Senate in session, if necessary, until 7 or 8 o'clock, or perhaps even later, this evening. If action on the farm conference report cannot be completed today, we will have the Senate resume consideration of it tomorrow. What will happen will depend on the progress made with the unfinished business today.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that an additional opportunity be now afforded to present routine matters, with a limitation of 2 minutes on statements, without the time being charged to either side.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AVAILABILITY OF SENATOR JOHNSON OF TEXAS AS "FAVORITE SON" CANDIDATE

Mr. RUSSELL. Mr. President, on the 10th of April the distinguished majority leader [Mr. Johnson of Texas] delivered a very able and eloquent speech which was directed primarily to the people of Texas. In the course of his remarks he not only made a stirring appeal for party unity, but he emphasized the value of the two-party system in our political life. The distinguished majority leader announced his availability to the people of Texas as a favorite son candidate, and

as chairman of the Texas delegation to the Democratic National Convention.

In the course of his remarks he said:

> I have made it clear to the leaders of other States that I am seeking none of their delegates.

I cannot refrain from observing that when his name is presented to the convention as a favorite-son candidate from the great State of Texas, it will be impossible to prevent delegations from other States from adopting him as their favorite son.

I ask unanimous consent that the text of the address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

To Dwell in Unity

(Address by Senator Lyndon B. Johnson, of Texas, over television and radio stations in Texas)

My fellow Texans, I want to talk to you tonight about something to which I have given a great deal of thought in the past few weeks. It is on a subject that is important not only to me but to every Texan and every American.

This year is the centennial of President Woodrow Wilson, the first great world leader which this Nation produced.

He was a wise man—a very wise man. It is not surprising to find that more than 40 years ago, he had already said what I want to say to you tonight.

This is what Woodrow Wilson said in 1915:

"This country is not going to use any party that cannot do continuous and consistent teamwork. If any group of men should dare to break the solidarity of the Democratic Party for any purpose or for any motive, theirs will be a most unenviable notoriety and a responsibility which will bring deep bitterness to them. The only party that is serviceable to the Nation is a party that can hold absolutely together and march with the discipline and with the zest of a conquering host."

I want you to think about those wise words of Woodrow Wilson while I am talking with you tonight, because I am going to talk about the delegation which Texas will send to the national convention of the Democratic Party in Chicago next August.

A MEANS TO AN END

Most of us—as Americans—will agree that a political party is only a means to an end. We should be interested in our party because we are interested in our country. We want our Democratic Party to be strong and united because it is the only instrument through which we can act effectively for our Nation.

Through the experience of more than 150 years, we have found that political parties are essential to effective action. We have also learned that they cannot survive if they are torn by factional strife or warfare over personalities.

And when the parties are torn apart, the Nation suffers.

We have in the world today the example of France, sorely troubled by unceasing warfare between a multitude of parties representing factional, rather than national, views.

WITH A UNITED VOICE

In the United States, we have learned—and, I hope, learned well—to conduct our affairs through the two great parties. Neither demands unswerving allegiance to the principles of one small group or one small faction. Therefore, between them, when they speak, they speak the voice of America.

In the Congress, both branches are now controlled by the Democratic Party. I have the honor to lead that party in the Senate. Another Texan—our beloved Speaker Rayburn—leads the party in the House.

During the past 3 years, the Democrats in both branches have demonstrated that a party can be held together by a desire to serve the Nation—the Nation which belongs to all of us, whether Democrats or Republicans.

At the beginning of the last Congress, there were those who predicted freely that the Democratic Party would fly to pieces. But the hard, factual record demonstrated 77 unanimous party votes during the time I have served as leader of the Democrats—a mark almost without equal.

A CONQUERING HOST

Democratic Senators of widely divergent views—Senator George and Senator Lehman; Senator Russell and Senator Humphrey—were able to vote together on principle. These men have not agreed on everything, but they were able to vote together most of the time on principle. Even when they differed, they did not attempt to divide or destroy the party's record for responsibility and patriotic performance. What can be done in the Senate can be done in Texas.

In the words of Woodrow Wilson, we have managed to "march with the discipline and with the zest of a conquering host." Yet we have marched only along the road which we believed would lead to the greatest security and prosperity for the United States.

That march will continue so long as our parties remain strong and vital. But they cannot do so if groups or factions within these parties abandon our traditional system of give-and-take discussion and seek to exercise a veto over all other groups or factions.

THE PROPOSAL

A few weeks ago, our great Speaker Rayburn proposed that Texas place me in nomination for the Presidency at the Democratic National Convention. He suggested also that I head the Texas delegation to the Chicago convention.

I have given this proposal a great deal of thought. There are many considerations which must go into such a decision.

Frankly, I am not anxious to assume burdens in addition to those already carried. I am even more reluctant—in fact, completely opposed—to entering a popularity contest between Texans.

But this is not basically a question of a popularity contest nor should it become one. It is a question which involves the duties and the obligations that are owed to my friends and fellow Texans who have honored me over the years.

THE WILL OF THE MAJORITY

If it should be the will of the majority of the delegates to the State convention, representing the majority of the people of Texas, that my name be placed in nomination at the Chicago convention, I will be deeply honored. If it is also the will of the delegates to the State convention that I head the Texas delegation to the national convention, I will accept the responsibilities that this post brings, and be grateful for the trust and confidence reposed in me.

AMBITIONS FULFILLED

It should be emphasized once more that this is not a matter of personal ambition. You—the people of Texas—have already fulfilled my ambitions beyond the wildest dreams of my youth. For that, I am grateful beyond the power that any words can express.

I have made it clear to the leaders of other States that I am seeking none of their delegates. I am a Texan seeking to serve the people of Texas. I will have no part of any move that can create tensions and turmoil in our party.

If I can serve as an instrument to strengthen the voice of Texas in the councils of our Nation, I will be content.

BRETHREN IN UNITY

One lesson has been driven home to us. It is best expressed in the words of the 133d Psalm: "Behold how good and how pleasant it is for brethren to dwell together in unity."

Personally, I believe that the people of Texas are united. Most of us, it is clear, are in fundamental agreement in our dreams, in our hopes, and in our yearnings.

We want our State—and our country—to be strong and united. But such unity can come only through our political parties when they are united through the medium of free discussion and by a sense of responsibility.

AN ISSUE OF PRINCIPLE

Texas should send a delegation of men and women to the national convention seeking the nomination of the very best person available in America to lead the Democrats of the Nation. I believe that delegation should abide by the decision of the majority of the convention and return to Texas to work for the election of the nominee.

I have no quarrel with those who want to support another party. I disagree with them but it is disagreement based upon principle and not upon a challenge to their motives or their patriotism.

TEXANS WILL DECIDE

In all of this discussion, there is one point that must be emphasized above all others. It is that Texans themselves will have the opportunity to decide their future.

On May 5, the precinct conventions will be held. They are the first step in the process that ultimately selects our delegation to the national convention.

These precinct conventions are the instruments through which your voices are felt. They give you the opportunity to exercise the American right which is most envied by the people of the world—the right of free choice.

A GLORIOUS HISTORY

From Sam Houston to Sam Rayburn, Texas has had a glorious history. In time of war, we have produced the military leaders who led our forces to victory. In time of peace, we have produced the industrial and agricultural leaders who made our Nation prosperous.

Texas industrialists have given the world a prime example of efficiency. Texas oil provided the fuel that won two world wars. Texas cattle and cotton are second to none. Our influence in national affairs—since the immortal 40 nominated Woodrow Wilson at Baltimore—has been strong.

A Texan leads the majority in the House, and a Texan leads the majority in the Senate. Texans head the vital committees of Congress, and are in line for other key posts. Our soil is rich and our resources great. Our people have initiative and energy.

LET US REASON TOGETHER

Why cannot we also have the strongest and most effective delegation to the national convention? We can have such a delegation—a delegation of reasonable, loyal, and prudent men and women—if we will accept the words of the prophet Isaiah, who said, "Come now and let us reason together."

Let us, therefore, reason together, and let us go together to the precinct conventions on May 5. I hope that every Texan from every walk of life will be present and make known his or her desires.

Texas is important to me as it is to you. For three generations my ancestors, the Johnsons and the Baineses, have made their living from the soil of our State. I live on a central Texas hill country farm that was founded by my grandfather in the days of Sam Houston. Both of my grandfathers served in the Confederacy.

WE WORK TOGETHER

Through my 25 years of public service, you and I have worked together. Through all those years, I have stood up and been counted on every issue. We have gone together through sunshine and sorrow—through good times and bad times. And this has been the history of Texas—a State which was built by adventurous men with the spirit of the pioneer—by men who could unite—by men who with Benjamin Franklin realized that they must hang together or they would all hang separately.

This is one time when all Texans should come together in the spirit of unity. The right of choice is too sacred to be left to the narrow partisans of any stripe or to those who would place personal ambition or personal disappointment above the common good.

We must all turn out to the precinct, county, and State conventions—turn out with our wives and with our sons and our daughters. Turn out so that for all time to come you can look your fellowman in the eye and tell him that you thought enough of your American heritage to exercise your rights where and when they counted—at the precinct convention.

ALL DEMOCRATS

I am appealing to all Democrats without prefixes or suffixes. May 5 is indeed the day of decision. It is the day upon which the voice of Texas can be heard.

And whatever your decision may be, you know I will abide by it in good faith.

Let me remind you once more of those words of President Wilson:

"This country is not going to use any party that cannot do continuous and consistent teamwork."

This is LYNDON JOHNSON, your Senator. Goodnight, goodby, and God bless you.

JET-AIRPLANE ENGINE FIASCO—PRIZE-WINNING NEWS ARTICLES

Mr. HENNINGS. Mr. President, during the past weekend in Atlantic City a great newspaperman was honored by the National Headliners Club for a superior job of reporting which won for his newspaper the 1955 National Headliners Club award for outstanding public service. Theodore Schafers of the St. Louis Globe-Democrat capped a long series of major stories with his exposé last fall of a serious blunder in the purchase of military jet aircraft, which cost the taxpayers of the United States more than a hundred million dollars.

He revealed that McDonnell Aircraft had delivered to the United States Navy 47 jet fighters, each costing about $2,600,000 which were equipped with Westinghouse engines not powerful enough to lift the planes off the ground. Theodore Schafers has set an example of alert and responsible news gathering which embodies the highest type of public service. His persistent prodding of tight-mouthed public officials and the imaginative scope of his inquiry led to the story which focused public attention on a major fiasco, and led immediately to a congressional investigation. House subcommittee chairman, CHET HOLIFIELD, praised the Globe-Democrat for doing a service to the Nation by publishing the facts as uncovered by Mr. Schafers.

I am proud to join in paying tribute to Theodore Schafers. The American people must rely on their newspapers for the facts they use in evaluating the performance of Government officials. There is no greater service to our democracy than the high standard of reporting which has won for Mr. Schafers and the Globe-Democrat the National Headliners distinguished award.

Mr. President, I ask unanimous consent that there be printed in the RECORD as a part of my remarks a news article appearing in the St. Louis Globe-Democrat on March 17, 1956, which describes Mr. Schafers' achievements in further detail.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GLOBE-DEMOCRAT WINS 1955 HEADLINERS AWARD ON JET SERIES—SCHAFERS' STORIES ON ENGINE FIASCO TAKE PRIZE FOR PUBLIC SERVICE

The Globe-Democrat has won the 1955 National Headliners Club award for outstanding public service by a newspaper, it was announced in Atlantic City yesterday.

Theodore Schafers' stories on the Westinghouse-Navy-McDonnell Aircraft jet plane fiasco "exemplified especially" the standard of public service by the Globe-Democrat which earned it the award, the judges said.

Schafers will go to Atlantic City April 6–8 to receive the Headliner silver medallion at the award ceremony, and to be an honor guest at the various dinners and events in the annual three-day Headliner Frolics.

The National Headliners Club, started in 1935 by the Press Club of Atlantic City, salutes those who have distinguished themselves in news coverage.

NINE JUDGES

A total of 1,500 entries from all news media, including foreign and domestic news reporting, radio, television, photography, editorial pages, sports and news magazines, was studied by the 9 judges who selected the 23 winners in various fields.

Only one annual award for outstanding public service by a newspaper is offered by the club, the one which was conferred upon the Globe-Democrat in the 1955 competition.

The Globe-Democrat's jet plane exposé was a story of an amazing military aircraft flop which cost taxpayers at least $122,200,000. This newspaper disclosed, in a series of stories which began last September, that McDonnell had delivered to the Navy 47 jet fighters which were grounded. The planes, each costing about $2,600,000, eventually were carried out of St. Louis by river barges.

ALL CRITICIZED

The failure resulted from use of Westinghouse engines which were not powerful enough for the planes. A congressional subcommittee, investigating after the Globe published the story, criticized McDonnell and the Navy for accepting the engines knowing that they "were below performance specifications for the airframe."

Westinghouse also was censured for not delivering the kind of engine it had promised.

Representative CHET HOLIFIELD, a California Democrat and chairman of the House Military Operations Subcommittee which conducted the inquiry, said the Globe-Democrat "did a service to the Nation" in bringing the costly blunder to national attention.

Schafers was curious last year when he saw a large group of the planes parked by the McDonnell Aircraft plant, at Lambert-St. Louis Municipal Airport. He observed, during periodic visits to the area, that the planes apparently were never moved.

DUG FOR FACTS

He started asking questions, and as his prodding increased, logical information sources began to dry up. The lack of cooperation by these sources increased Schafers' suspicions and he kept digging for the facts. He pinned down enough data from his contacts in industrial circles to warrant a Navy explanation on the grounded planes and what would be done with them.

But when Marsh Clark, a member of the Globe-Democrat's Washington bureau, began to press the Navy for this information, he, too, was met with evasive tactics. Meanwhile, in St. Louis, staff writer Carl Major joined with Schafers in running down additional phases of the story.

The persistent efforts of the trio finally yielded the facts which caused the congressional investigation that assessed the taxpayers' losses and fixed the responsibility for what the legislators called a "debacle."

Schafers, 41, became a Globe-Democrat copyboy when he was 14, and he has worked continuously for this newspaper for the last 27 years. While still going to school, he held various jobs on the paper, and learned the newspaper business from the staff members. He was added to the staff in 1938.

Schafers was assigned in 1940 to the Criminal Courts Building, and started a 15-year period of crime-story coverage, which was interrupted by a 2-year service with the Army.

His many news beats included the exclusive interview of John Hager, the taxi driver who tipped police on the Greenlease baby kidnap murderers. He got the story during the early morning hours, too late for the Globe's last edition. He knew that rival newsmen were searching for Hager, as was the Teamster's Union, which wanted to put the cabdriver on a national television show.

HID CABDRIVER

To protect his exclusive interview, Schafers talked Hager into hiding in a hotel until the Globe-Democrat could "break" the story the following night.

Other major stories by Schafers included the series with Globe Staffer Edwin D. Krell on the Missouri State Penitentiary scandal, which caused many major reforms and a multi-million-dollar rehabilitation program; and disclosure of a city jail racket in which big-shot labor racketeers were paying bribes to get special privileges.

Schafers is married and the father of five children. The Schafers live at 6735 Mathew Street, Northwoods. The newsman is a member of Sigma Delta Chi, the national professional journalism fraternity, and of the American Newspaper Guild.

Tom Duffy, editor of the East St. Louis Journal, also is a 1955 headliner award winner. He was cited for "consistently outstanding" feature columns for his daily feature, On the Home Front.

Other headliner awards include:

Michael J. O'Neill, United Press, for outstanding coverage of a major domestic news story, in his articles on Salk polio vaccine.

Andrew Tully, Scripps Howard Newspaper Alliance, for outstanding coverage of major foreign news, and especially for his series, Inside Russia.

Charles E. Shutt, Telenews and INS, for exclusive interviews with Russian leaders, including Malenkov and Bulganin.

Sports Illustrated, best news series in a magazine for its exposé, Boxing's Dirty Business.

Eric Sevareid, CBS, for consistently outstanding news broadcasting in his The World Tonight.

Movietone News and Georges Chassignes, cameraman, for outstanding newsreel coverage of a news event, the Algerian revolt.

PRIZE-WINNING ESSAY IN FIFTH NATIONAL LAWRENCE S. MAYERS PEACE ESSAY CONTEST

Mr. FLANDERS. Mr. President, a New York merchant, Mr. Lawrence S. Mayers, awards an annual prize in an essay contest which is open to seniors in high schools throughout the United States on questions relating to peace and disarmament. I have had the honor of serving on the board of judges for these essays year after year. I believe the prize-winning essay for this year, which was awarded to Miss Janet P. Bellin, of a small town in Oregon, is a particularly good one. I ask unanimous consent that it may be printed in the RECORD as a part of my remarks.

There being no objection, the prize-winning essay was ordered to be printed in the RECORD, as follows:

My question: "During the next 5 years, what can I do to help bring about permanent world peace?"

I am an 18-year-old farm girl in a small town in Oregon. It is a logging community, and familiar to everyone's ear is the cry of "Timber" and the sound of a power saw snorting its way through the few remaining stands of second-growth fir and cottonwood. How hard it is for me to realize as I hoe in the warm sunshine and feel the firm, sandy soil beneath my feet that this tiny community is part of a clashing, struggling civilization that claws like a wild beast underneath while it clamors on the surface for world peace.

I have lived for 18 years on this earth. During that time my parents have provided me with food and shelter, love and affection, the opportunity to grow up and go to school in a free country. Teachers have taught me from books and opened new horizons of interest. Townspeople have invited me in for a cookie, attended school functions, and were interested in the fact that I was a child growing up. Now, after these years, the time has come for me to do what I can to make the world a better place for the children of tomorrow.

When I was in the fifth grade, Mrs. ——— came to school one day. She had a flag with her. She stepped to the front of the room, and as she unrolled the familiar Stars and Stripes I wondered why she had saved this tattered, faded flag. "Boys and girls"—she cleared her throat, her voice a bit unsteady as the room grew quiet—"Boys and girls, after my son was killed 4 years ago, I kept this flag which covered his grave. I'm leaving it here to fly above your school, and I pray that none of you will ever have to be shipped home dead to your mother from a strange land where you died for your country. Take this flag * * *." She couldn't go on. She left the room crying. I had never seen Mrs. ——— cry before. I'll never forget that moment. I have a twin brother, a boy friend, cousins, and friends. Mrs. ———'s son can only die once.

Next time, perhaps it will be me who stoops to remove a faded flag from a newly turned grave. In 18 years I have been taught to eat, to walk, to talk, to sing, to drive, and a thousand and one other things. But no one has ever taught me what to say in this moment when I ask myself, "What can I do during the next 5 years to promote permanent world peace?"

It does no good to look at the lives of famous people, living and dead, to see what they did to answer the question. They are not I and I am not they. This must be my own solution. However, the question is not mine alone. It belongs to every man, woman, and child everywhere. If each answered it not only in words, but in deeds, to the best of his ability there would be no such question for generations to come.

Next fall I plan to enter college. Surely there will I find an answer to my question. As a freshman, I haven't much choice of courses, but I ought to be able to squeeze in several hours a week for the study of international relations. Learning of the problems of coexistence is not the complete answer. A nationwide organization, the International Relations Club, might also help me to understand my question, even if it won't solve it. Perhaps if I major in political science, studying world politics, international law, European political theory, etc., and after finishing, find my place in one of today's international organizations, I will be doing my job.

It has been said that the people in countries across the sea have a strong dislike for the United States as a country. Part of these feelings are present through misunderstanding. By writing to a pen pal in Ireland, Japan, or another country, I would only be reaching one person, but at least I could tell that one person about this community where I live—so unlike the picture Communist countries paint of the extravagant, imperialistic United States of America.

Like most 18-year-old girls, I dream of someday having my own home and children—in some nice town, not too different from the place I live. If I were to be married next month, how could I use my 5-year time allotment to help promote world peace? Instead of the garden club, and bridge club and the numerous other societies which young wives of today find so attractive, I might join the town's United Nations Club, or if it didn't have one, start one. The American Association for the United Nations is very cooperative in helping such organizations to get on their feet. Such a group could study the U. N., raise money to help support its specialized agencies, provide milk and clothing for children in India and undertake countless other small projects. An even larger one could be sponsoring an exchange student or refugee.

By teaching my children to respect other people and their property, to control their tempers when in an argument, and to make every effort to get along with the other children of the neighborhood, I would be promoting peace—even if it were on a very small scale.

I hope to graduate from college and teach in Oregon schools. Here my peace promoting could operate on a slightly larger scale as I teach students the Golden Rule along with their other courses. In social-studies classes, I could help them to explore the countries which make daily headlines in the American press. Here, though they were influenced by their parents' feelings, they could learn to broaden their opinions and their understanding through group discussion about these trouble spots. Sending pencils to Korean children, soap and washcloths to the children in Panama—these are projects that would help answer my question and would answer it for my students, too.

My question has been presented to me in another way. Jesus said, "Be ye kind one to another." As part of my Christian heritage I must do all that is in my power to promote world peace. Again, it is hard to find an answer to this question which is so overpowering. To what degree shall I give? How hard shall I try to answer it?

A missionary in the steamy jungles of Africa could promote permanent world peace. In 5 years I could complete missionary training and represent my church in a missionary field. I would have to provide not only spiritual help and translations of the teachings of Jesus Christ, but I would also have to be, in part, a medical adviser, a counselor, and a friend—an ambassador of the United States of America.

"More things are wrought by prayer than this world dreams of." Perhaps I am overlooking the closest, but most effective way of answering my question. How simple it would be for me to dedicate a few minutes a day to prayer for world peace. Who can tell what power those collected minutes could hold? In this way I would be fulfilling my Christian duty, my duty as a citizen of the United States, and my duty as a citizen of the world.

No one ever thinks he has enough money. No matter what he has, he always needs more. Although my future earnings will certainly never total a million dollars, a small percentage of them could help organizations that are the means by which the average citizen may contribute to possible peace. Agencies such as CARE, and specialized agencies of the U. N.—UNESCO and UNICEF, for example—spend dollars carefully, aiding the most people possible, helping them to become better educated, to be healthier and thus, enable them to better understand why world peace is the route to happier living for all mankind. Because I have visited the United Nations headquarters in New York and spent a week there studying its functions, I am convinced that promoting the U. N. is synonymous with promoting world peace.

I offer no solution for impressing upon people their duty to serve in this capacity. I have invented no secret weapon that will cause the world to "heel" at my command. All I have to offer is the minute bit of knowledge that I have acquired, plus my faith in God and the future.

It's up to me as an individual of this world, who has been lucky enough to attend school for 12 years, to send CARE packages, join the International Relations Club at college, study foreign affairs, write to a foreign pen pal, and be constantly on the lookout for new and more efficient ways to complete my task.

I pray that someday everyone will hear my question, answering it to the best of their ability, and, in some year to come, perhaps the soldier's question will be changed. As he puts aside his gun forever, he may look wonderingly at a comrade and ask in hushed tones, "Why is there peace?" The people who have answered my question will know.

THE DECLINE OF PRINCETON UNIVERSITY

Mr. MUNDT. Mr. President, I am completely confident that thousands of Princeton alumni read with shame and disappointment a news dispatch this week indicating that Alger Hiss had been invited to speak at Princeton University. It is indeed unfortunate that so great a university should be thus embarrassed and involved.

I rather think, sir, that the Washington Daily News put it both succinctly and significantly in its editorial columns of day before yesterday when it ran the following editorial under the heading of "Hiss." It reads:

> This business of inviting Alger Hiss to speak at Princeton strikes us as corny show-off, pure and simple.
>
> Hiss is scheduled to talk before a campus debating society April 26 on the meaning of Geneva. Presumably, he gained special insight to affairs of state from his 4 years in jail for lying about his part in a Communist spy ring.
>
> The debating society takes the usual out that "while it does not approve of Hiss' record;" etc., it does want to get his views. It's our guess that, rather than Hiss' views, they are plumping more for public attention for imagined courage in inviting a jailbird to speak before them.
>
> Well, it wasn't so long ago that some Princetonians were winning notoriety by swallowing goldfish. They now think they can get more of it by swallowing Alger Hiss.

Indeed, Mr. President, for university students to engage in goldfish swallowing contests and in pajama wars is bad enough. But to invite convicted agents of the Communist conspiracy to visit the campus and to advise them on the meaning of Geneva hits an all-time low. Surely a much more appropriate theme for Alger Hiss would be the betrayal at Yalta.

What has happened to our universities? What campus influences are at work thus to seduce the collegiate mind? Where, indeed, is the American spirit of earlier times which would have impelled students themselves to rise up and protest such perversions of a university forum?

Will we next read that Princeton—because of some inane interpretation of academic freedom, I presume—is inviting Lucky Luciano to visit the campus to lecture students about narcotics? Will some Federal convict be asked in to tell them about counterfeiting? If this is modern education or academic freedom, heaven help all of us.

THE SOUTH IS ON THE MOVE AGAIN

Mr. MUNDT. Mr. President, I now desire to refer to another subject.

The PRESIDENT pro tempore. The Senator from South Dakota may proceed.

Mr. MUNDT. Mr. President, the South may be docile but it is not down. Based on personal observations which I have made in addressing southern audiences during the past few years, I am convinced that the proud people of Dixie have reached a point in our national history where they are no longer content to be pushed around and humiliated by the northern politicians who have counted on the southern votes to be "in the bag" for the Democratic Party for so many elections that they have come to believe that southern ideals and aspirations may be ignored without political risk to northern Democratic politicians.

At this point in the Record, I would like to call attention to a news release which I issued on this subject on April 3 and which was given wide circulation by the Associated Press. It reads as follows:

Senator Mundt Notes Signs That the South May Have Had Enough

"A political uneasiness and uncertainty is pervading all the States of the Old South," Senator Karl E. Mundt, of South Dakota, told a Capitol Hill reporter here last week. "Beginning as far back as 1944, and gaining strength in each quadrennial election since then, the restlessness of the Southern States at being straitjacketed in the grip of a one party system which rejects its policies, resents its political leadership, and repels some of its convention delegations at the Democratic National Conventions, hits its heights in 1952 when five Southern States voted for Eisenhower and several others came within a few thousand votes of doing the same thing.

"The Presidential election of 1956 is likely to witness a similar revolt on the part of Jeffersonian Democrats in Dixie who have about had enough of the Rooseveltian formula of pitching the party policy to attract northern minorities while relying upon Southern docility and political prejudice to furnish over 100 electoral votes in each election to a pyrrhic victory which elects their party but rejects every policy and principle in which the South believes.

"The present controversy over integration versus segregation is but a single manifestation of the wide open split between Southern and Northern Democrats," Mundt continued. "Actually, there is a whole pattern of programs and policies which Stevenson, Harriman, Kefauver, and the Democratic National Committee offer as 'lures' to Northern voters in big metropolitan eastern cities which are repugnant to the States rights advocates who predominate among Southern voters. Southerners consider the 10th amendment to the Constitution as important as any of the other stipulations of our famed constitutional Bill of Rights whereas, increasingly, New Dealers, Fair Dealers, and modern machine Democrats seek to solve every social and economic problem by increasing the powers of the central government in Washington and decreasing the self-determinative powers of individual citizens and separate States.

"The resentment of the South at their own one-party political trap is increased rather than decreased by realization of the fact that 8 of the 9 Supreme Court Judges who made the segregation decision which they abominate were appointed by the political party which their votes had kept in power for 20 consecutive years. Thus, their recent manifesto signed by nearly 100 Democratic Senators and Congressmen is an unhappy lamentation over their futility and their fate—but proposes no specific course of action to extricate themselves from their self-made trap. However, that manifesto, if it means anything at all, is a warning shot over the prow of the ship manned by Northern Democrats that the days of docility and blind obedience to the demands of their city-machine associates are over. Whether this results in another third party movement in the South or another mass shifting of voters to the support of Eisenhower, it is too early to speculate but it clearly indicates that unless the Democratic National Committee nominates a conservative Democrat (which it won't) the South cannot be counted upon for the type of blind political support it used to provide nor the 100 electoral votes it used to deliver.

"Almost solid Southern support for our recent attempt to win support for a constitutional amendment providing for electoral colleage reform is another indication that the South is weary of riding in a political automobile which it can never steer. Pressure groups playing for the block votes of States with large units of electoral college votes seek to bargain with both parties and sell their support to the one making the highest bid, realizing this, the South may develop a political mechanism of its own for tying together the largest electoral block in America, over 100 votes, and thus cease giving away for nothing a political commodity which could prove to be the determining factor in every political election. Thus, the South may be about to write a new chapter in American political behavior. It is something to be watched."

Mr. President, since the publication of this news item, I have received many letters and communications from the South—by far the vast majority of them expressing agreement with these observations. In addition, I have received numerous editorials from southern newspapers in which the editors concur in my belief that something is stirring in the South and that the good people of that great area have finally learned the basic lesson in politics which teaches that when an area of the country, or any specific segment of our society, gives its votes away by habit or prejudice the politicians who profit by such blind allegiance soon cease listening to the expressed desires of those who sell their franchise so cheaply. Only by remaining or becoming unpredictable can any group of citizens long have any important impact in helping to determine America's long-term destiny.

The Augusta Chronicle, published in Augusta, Ga., carrys on its masthead the significant legend "The South's oldest newspaper." It was established in 1785. For that reason, I have selected from the editorials sent to me an editorial from the April 5 issue of the Augusta Chronicle for incorporation in the Record at this point. It refers to my release of April 3 and provides additional evidence that political docility is dying out in Dixie. There is therefore good cause to hope that this great area of the country may once again become important in our national American political scene. If such portents come true, I am confident the effect upon all Americans will be wholesome.

I ask unanimous consent that the editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Growing Restless

Adlai Stevenson, trying his best to say words that would please southerners, dropped off in Atlanta Tuesday to make a little hay during his brief Georgia stay.

He said among other things, that he stands by his original statement that he oppoces any use of force to carry out the Supreme Court's desegregation ruling.

But no sugar-coated words, or half-hearted gestures of appeasement, can mask the Democratic candidate's real feelings about segregation and the racial issue. These were revealed in this direct quotation from Mr. Stevenson's Georgia interview:

"Eliminating segregation in the schools of some of our States presents us today with a national challenge to show our maturity as a people. For my part, as most northerners, I feel that the Supreme Court has decreed what our reason told us was inevitable and our conscience told us was right. I feel equally strongly that whether you agree with that decision or not, it is the law and should be obeyed."

Thus Adlai Stevenson, who is being called the "moderate," comes South to woo the southern electorate which before many months may be called upon to support him as the Democratic candidate for President. He doesn't believe in force, but he does believe in racial integration.

Some distance removed from the South a western Senator perceives the fact that the wool is not being pulled over the eyes of a large and growing segment of the southern population.

Politically, the South is growing restless, rebellious, thinks Senator Mundt, of South Dakota.

"The South," he says, "is weary of riding in a political automobile which it can never steer. This election year may see a revolt of Jeffersonian Democrats in Dixie. * * * A political uneasiness and uncertainty is pervading all the States of the Old South."

Senator Mundt added these pertinent thoughts:

"Jeffersonian Democrats in the South have had about enough of the Roseveltian formula of pitching the patry policy to attract northern minorities while relying on southern docility and political prejudice to furnish over 100 electoral votes in each election."

Senator Mundt is right in saying that the Democratic South is becoming uneasy and restive in its political straitjacket. Segregation is merely one manifestation of Deep South restlessness over the course that political events are taking, with southerners

still being called upon to continue their demonstration of loyalty to a party which tells them to stand in the corner every time they ask for some consideration.

Whether this dissatisfaction will be evidenced in the South going Republican, or forming a third party, or doing nothing at all, remains to be seen. But there promises to be an extraordinary violent display of fireworks at the Democratic National Convention.

The South is getting uncomfortable "in the bag," and this is the year that it might want out.

Mr. MUNDT. Mr. President, I should like to call attention to but one other southern editorial at this time from among the many on this theme which are appearing in the press of the South.

This one is from the Texarkana Gazette, of Texarkana. I have spoken in this delightful and unusual Southern city lying on the border of two of our great and important Southern States, Arkansas and Texas. Texarkana people are as progressive as pioneers and as independent as a Texas rattlesnake. They are also opinionated, proud, and well-informed. Along with millions of other southerners they are growing weary and restless under a political whiplash which drives them in national elections to vote for people and for policies which they know, in advance, will do violence to their traditions and insult the ideals for which they stand. They are reappaising the dimensions of the political trap which for too long has thwarted their purposes and prevented their attaining the political stature to which all areas of the country are entitled, but which has been denied to so many of the South because they have loaned their birthright of a free and unfettered franchise to Northern Democratic bosses to exercise in their own behalf. Such supine support of a party which has ceased to represent their aspirations and their ideals is, in my opinion, about to be terminated by a great new declaration of political independence by the good people of Dixie.

Mr. President, I ask unanimous consent that the editorial be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Senator Mundt Makes a Point

Senator Mundt, one of the most politically astute Republicans in Washington, has been planting some seed in the South in recent weeks that may take root.

He has observed what he chooses to call "the restlessness of Southern States at being straitjacketed in the grip of a one-party system which rejects its policies, and resents its political leadership."

Mundt goes on to say that Southern people are getting fed up with the Rooseveltian formula of pitching Democratic Party politics to attract northern minorities while relying on southern docility and political prejudice against Republicans to furnish over 100 electoral votes in each election.

Mundt states further that Southern resentment of their one-party political trap is increased by the knowledge that 8 of the 9 Justices of the Supreme Court who handed down the decision against racial segregation in public schools were appointed by New Deal Democratic Presidents.

Although we all know that the political sagacity of Mundt is dedicated to the proposition of obtaining more Republican votes in the South, the fact remains that he is speaking the truth. The South is the most persecuted of all political minorities and it's getting pretty darn tired of it. If the Democrats refuse—and we believe they will—to nominate a conservative candidate, another third party may be formed in the South. If not, then many southerners may decide to take a walk, which is what Senator Mundt hopes they will do.

HISTORIC LETTER BY GEORGE WASHINGTON TO THE HEBREW CONGREGATION IN NEWPORT, R. I.

Mr. LEHMAN. Mr. President, lately I have had occasion to reread an historic letter written by the Father of Our Country, George Washington, to the Hebrew Congregation in Newport, R. I. It is not only one of the greatest testaments of liberty I have read, but it is also one of the most beautiful expressions of America's faith in freedom.

It would be well if this letter were required reading in every school and university in the country. But it should be unnecessary to require the reading of this magnificent utterance by the Father of Our Country. It should be read with eagerness and with wonderment at the stirring sentiments so grandly expressed.

Recently I had occasion to address a message to a luncheon meeting of an organization which is engaged in an effort to restore the famous Touro Synagogue in Newport, R. I. In that message I commented on one particular sentence in this letter. I ask unanimous consent that George Washington's letter be printed at this point in my remarks and that, as a minor footnote to this great document, my message to the Touro Synagogue restoration committee be also printed in the Record.

There being no objection, the letter and message were ordered to be printed in the Record, as follows:

To the Hebrew Congregation in Newport, Rhode Island:

Gentlemen: While I receive, with much satisfaction, your Address replete with expressions of affection and esteem, I rejoice in the opportunity of assuring you, that I shall always retain a grateful remembrance of the cordial welcome I experienced in my visit to Newport, from all classes of Citizens.

The reflection on the days of difficulty and danger which are past is rendered the more sweet, from a consciousness that they are succeeded by days of uncommon prosperity and security. If we have wisdom to make the best use of the advantages with which we are now favored, we cannot fail, under the just administration of a good Government, to become a great and a happy people.

The Citizens of the United States of America have a right to applaud themselves for having given to Mankind examples of an enlarged and liberal policy, a policy worthy of imitation. All possess alike liberty of conscience and immunities of citizenship. It is now no more that toleration is spoken of, as if it was by the indulgence of one class of people that another enjoyed the exercise, of their inherent natural rights. For happily the Government of the United States, which gives to bigotry no sanction, to persecution no assistance requires only that they who live under its protection should demean themselves as good citizens, in giving it on all occasions their effectual support.

It would be inconsistent with the frankness of my character not to avow that I am pleased with your favorable opinion of my Administration, and fervent wishes for my felicity. May the Children of the Stock of Abraham, who dwell in this land, continue to merit and enjoy the good will of the other Inhabitants, while every one shall sit in safety under his own vine and figtree, and there shall be none to make him afraid. May the father of all mercies scatter light and not darkness in our paths, and make us all in our several vocations useful here, and in his own due time and way everlastingly happy.

G. Washington.

April 7, 1956.

Touro Synagogue Restoration Committee,
Washington, D. C.
(Attention: Mr. William Zeckendorf.)

My Dear Friends: I deeply regret that prior engagements make it impossible for me to be with you at the luncheon to consider plans for the restoration of the Touro Synagogue. Yours is a most worthy purpose. The restoration of the Touro Synagogue will certainly be a notable addition to the shrines in Washington, the Nation's Capital.

I am deeply moved to know that at your luncheon the justly famous and inspiring letter from George Washington addressed to the Hebrew congregation in Newport will be on display in its original form and that you are choosing this letter as the theme of your luncheon discussion. I have often reflected on the grace and eloquence of that letter. It is, in my judgment, one of the great documents of the literature of liberty in America.

There is, for instance, the sentence in which the great Father of Our Country said of his fellow citizens: "All possess alike liberty of conscience and immunities of citizenship." The concept of immunities of citizenship was fixed into the 14th amendment to the Constitution where it is provided that no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States.

In recent years the Supreme Court has been giving renewed life to this language. It is well to remember that this sentence in the 14th amendment has a direct relationship to the reference made by our first President and that in America all citizens should have truly equal rights.

But there is little that I can add to the sermon of liberty and equality contained in George Washington's famous letter. It serves well as the theme of America itself.

I only wish that I could be with you on the occasion of your luncheon to see the original of this historic document.

I scarcely need add that I strongly support the Touro Synagogue restoration project.

Yours very sincerely,
Herbert H. Lehman.

BATAAN DAY

Mr. LEHMAN. Mr. President, it was 14 years ago, on April 9, that the American flag was hauled down in defeat and surrender on the mountain stronghold of Bataan in the Philippines. For long and bitter weeks and months, Filipino and American forces—most of them Filipino—had fought side by side in a gallant defense of this famed redoubt, the last but one where American authority remained in the Far East. The last was Corregidor. It seemed incredible to the world, as it was incredible to the Japanese attackers, that the defenders of Bataan should be able to maintain their defense, day after day and week after week, though plagued by disease, short of ammunition, short of food, short of medicine—short of everything but raw courage.

But it is unnecessary, even today, 14 years later, to retell this great story. The world knows it. The American people remember it.

It was a saga of heroism. But, much more, it was an epic of Philippine-American devotion. Filipino troops fought just as hard, and just as heroically in defense of Bataan, as the Americans. And they were fighting for America.

Four years later, on July 4, 1946, the American flag was hauled down again from the flagstaffs of the Philippines, but this time not in surrender, but in victory. On that occasion we gave the Philippines their independence. That was a great day for America in the Far East. It was a great day for the cause of freedom and democracy. I am referring, of course, to the day when the United States turned over the sovereign control of these islands to the Filipino people.

The Filipino people have justified all the confidence we had in them. They have proved the validity of democracy. They have managed their most pressing economic problems. They have continued to repair the ravages of war and occupation. They have held three national elections. They have remained strictly faithful to the traditions of democracy.

They continue today to be the showcase for democracy in the Far East, reflecting the best lessons we taught them, in the highest traditions of government under law.

Their president, Mr. Ramon Magsaysay, is a great leader of men. But more than that, he is a great believer in, and practitioner of, democratic ways. He is not only a friend of America—he is a friend of the cause of freedom.

I am afraid that we are inclined too much to take the Philippines for granted. We eagerly court our former enemies, while we somewhat neglect our friends. I hope that our Government will give a more attentive ear than it has in the recent past to the needs and aspirations of the Filipino people.

One of the troublesome questions now being dealt with between the Philippine Republic and the United States is the question of title to certain military sites in the Philippines. It seems to me, although I do not know too much about it, that it ill behooves us to stand on fine legalisms in pressing our claims. Let us be more than generous with these faithful friends of ours. No base rights in a foreign country have any meaning except by the full consent and support of the people of the country concerned. It should be our object to continue to cultivate the support and friendship of the Filipino people. That is our chief asset and our chief source of strength in this area.

I am glad to salute the Philippines on the occasion of Bataan Day, and to urge that it be an occasion throughout America for reaffirmation of Philippine-American friendship.

NATURAL RESOURCES POLICIES OF THE PRESENT ADMINISTRATION

Mr. NEUBERGER. Mr. President, in the course of its comprehensive study of the state of our Nation's economy, based upon the economic report of the President, the Joint Committee on the Economic Report has taken a hard look at the natural resources policies of the present Republican administration. Eight members of this joint committee—the learned chairman, Senator DOUGLAS, the able vice chairman, Representative PATMAN, Senators SPARKMAN, FULBRIGHT, and O'MAHONEY, and Representatives BOLLING, MILLS, and KELLEY—submitted a supplemental report on a number of aspects of our economic situation. In expressing their concern over the administration's attitude toward resource development, these distinguished Members of Congress referred to flood control and conservation of water resources; timber and mining policy; reclamation policy and hydroelectric development.

They say, as I said in a recent speech in this body, that we should favor the building of the Aswan Dam in Egypt and the proposed TVA-type development of the River Jordan. But they continue:

> We wish the administration would show equal concern for domestic projects for water conservation, flood control, and power development. It seems to us utterly illogical to undermine our domestic programs while promoting such projects abroad.

And they correctly point out that this Republican administration's use of the slogans of "free enterprise" in the field of developing the resources of the Federal lands and rivers is only "a platform of inaction" and "a springboard for the parceling out of great resources to unbridled exploitation without regard to the national interest." They conclude:

> We do not believe that development or conservation of our natural resources would constitute "intrusion of government into private affairs." It was not so regarded in the time of Theodore Roosevelt, Gifford Pinchot, Charles McNary, George Norris, and other distinguished Republicans.

Mr. President, the points made by these able members of the Joint Committee on the Economic Report are well taken and important, and I ask unanimous consent that the section on natural resources of their supplemental report be printed in the RECORD at this point.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

JOINT ECONOMIC REPORT

(March 1, 1956)

NATURAL RESOURCES

The majority of this committee is deeply concerned with the administration's attitude toward development, utilization, and conservation of our great resources—human and material.

It is crucial that we make the most of the resources we now have, as the committee has observed in point 4. We must also develop those resources which are potentially ours, and expand and accelerate our development of new resources and substitutes for those we now use. The development and efficient utilization of our resources is the key to an expanding economy, to future stability, and to national strength.

Today, the United States has passed from a "have" to a "have not" nation in the matter of raw materials. We are running out of iron ore, copper, oil, lead, bauxite, and many other vital materials. The Paley Commission on Natural Resources reported that this Nation is critically short of 44 strategic and critical materials.

The need for effective flood control and water conservation programs was dramatically illustrated by the 1955 New England floods and this year's floods in California and Oregon. Property losses were more than $1 billion in New England and $100 million in California.

By 1975 the industrial and home demands for water will be doubled. Vast areas of California, Texas, the Middle West, and portions of the East face the limit of their industrial and urban growth unless new supplies of water are provided. In 15 years the problem will be acute. China, India, and Soviet Russia have undertaken mammoth flood control, conservation, irrigation, and hydroelectric programs, and are pushing them with all possible speed.

The United States, however, ranks third in per capita development of electric power, behind Canada and Norway, although it is the greatest industrial nation in the world.

The United States daily consumption of crude oil has risen from a wartime peak of 6.2 million barrels in 1945 to 8.7 million barrels this year. In 1955 we increased our oil imports 18 percent and as we place more automobiles and trucks, tractors, and other power equipment into service in the future the drain on our oil resources will continue to increase.

The United States has never met its timber requirements on a sustained yield basis.

In the face of our resource needs, we find:

Our stockpiling of critical and strategic minerals is being halved.[1]

The Paly Commission report was received, filed, and so far as we can determine, forgotten.

In spite of the enormous flood damages we have sustained, the administration proposes to spend only $20 million in New England next year, and a total of only $157 million for all flood-control projects in 1957.

The policy in relation to water resources is disastrously inadequate over the long term. Our policy now seems to be to pray for rain in the drought areas and to rebuild the damage and pray for drought in the flood-devastated regions of the country.

The Benson-McKay-Wilson committee report to the President on water-resources policy represents a retreat from Federal responsibility for the development and conservation of water resources. It would reverse policies which have been evolved through a series of Federal laws since 1906. The approach recommended in this report would split up the various water resource development programs, assign bits and pieces to a multiplicity of private groups and public agencies, and would inevitably result in less flood control, less navigation, less power development. It would establish a basis for challenging the Federal Government's rights with respect to water resources projects. It would junk completely the river basin development concept which experts agree is the only sound and economical approach to water problems.

There is no program to meet the need for a rapidly expanding supply of water for industrial and residential uses.

Reclamation projects have been sorely restricted, the Tennessee Valley Authority given the shock treatment, and great public reclamation projects reduced or consigned to private interests.

In regard to synthetic fuels to supplement our dwindling supply of petroleum, the administration closed out the Louisiana, Mo., plant experiment for production of oil from

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[1] Budget Message of the President, p. M30.

coal, and the Rifle, Colo., plant experiment for production of oil from shale. Both of these experiments offered great promise, and in the case of shale production the cost of producing a gallon of oil had been brought to within a fraction of the cost of producing regular petroleuem.

Secretary McKay stated that added demands are being created for the development and use of public lands and their resources. He said:

"Individuals and corporations want to use and acquire public lands for grazing, logging, mining, farming, industry, commerce, residence, recreation, and other purposes."[2]

Other congressional committees have concerned themselves with the rapacious scalping of our timberlands under mineral leases granted by this administration. We regard such acts as indefensible. We have hitherto suggested that the Government could give impetus to its soil-bank program by withdrawing these lands from exploitation. There is no apparent concert of programs between the Departments of Agriculture and Interior for land and timber use. The present policy is apparently to turn over vast resources of timber for private logging operations.

The majority members of this committee have supported foreign-aid programs. We believe this is a sound investment in national security. We approve the building of the Aswan Dam on the Nile in Egypt at a cost of $1.3 billion, and the proposed TVA development of the River Jordan. We wish the administration would show equal concern for domestic projects for water conservation, flood control, and power development. It seems to us utterly illogical to undermine our domestic programs while promoting such projects abroad. Sound policy calls for progress in both fields.

The Economic Report states that:

"Today, we believe as strongly in economic progress through free and competitive enterprise as our fathers did, and we resent as they did any unnecessary intrusion of Government into private affairs."[3]

Secretary McKay also stressed the Government's "partnership policy" in the development and use of resources. We believe in free and competitive enterprise as strongly as the administration. But we fear that the first statement is something of a platform of inaction; the second a springboard for the parceling out of great resources to unbridled exploitation without regard to the national interest. We do not believe that development or conservation of our national resources would constitute "intrusion of Government into private affairs." It was not so regarded in the time of Theodore Roosevelt, Gifford Pinchot, Charles McNary, George Norris, and other distinguished Republicans. It is apparent that this administration has undertaken, under a variety of slogans, a negation of the historical and continuing resources policy that began with Alexander Hamilton.

TARIFFS ON JEWELED WATCHES AND JEWELED WATCH MOVEMENTS

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared on the subject of tariffs on jeweled watches and jeweled watch movements; a letter written by Paul F. Mickey, vice president, American Watch Manufacturers Association, Inc., to the editor of the Washington Post and Times Herald, and published in the March 18, 1956, issue of that newspaper; and a letter written by Daniel J. Edwards to the editor of the Washington Post and Times Herald, and published in the March 30, 1956, issue of that newspaper. The letters are in answer to the arguments made by the Swiss spokesman in the Washington Post and Times Herald article to which I have referred.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS

Constant complaints are heard from the Swiss that American tariffs on jeweled watches and jeweled watch movements are crippling what is a basic industry in their country. No one doubts that the Swiss have every reason to be concerned for their watch industry. After all, the British, French and Germans, to protect their own jeweled watch industry have imposed high tariffs and quotas on Swiss watches. In addition, these countries provide substantial subsidies for their domestic manufacturers of watches and clocks. Moreover, the Russians, long heavy purchasers of Swiss watches, are now making their own watches and clocks.

There is a very good reason for all this. The British, French, Germans, and Russians have learned at great cost, particularly the British and French, that no nation can depend on another nation for the production of timing devices and that the jeweled watch industry is the basic element in the manufacture of timing devices. The jeweled watch industry is the industry that provides the solid core of scientists, engineers, metallurgists and draftsmen needed to develop the methods and machinery needed for the mass production of timing devices in time of war.

As a result of their failure to sell watches to other countries, the Swiss have been engaged in what amounts to a dumping operation in the American jeweled watch market. Recently, a leading spokesman for their watch industry complained in an article in the Washington Post and Times Herald that when President Eisenhower ordered an increase in the tariff on jeweled watches, the Swiss were able to send so few watches here that their economy was seriously damaged.

Was this the fact? Certainly not. Let me quote the Wall Street Journal:

"In 1953, the Swiss shipped an unprecedented 13.5 million watches and movements to the U. S. The first half of 1954 made it clear this unusual pace could not be sustained by demand. The tariff hike became effective in August of that year and got most of the public blame when the 1954 total fell to 10.2 million. But in the past year the Swiss proved able to shove their stateside sales up again to 10.9 million."

[From the Washington Post and Times Herald of March 18, 1956]

SWITZERLAND SPEAKS

American watch manufacturers would indeed be gratified if they could obtain as much space, paid or otherwise, in Swiss newspapers to explain their side of the tariff story as the Washington Post and Times Herald made available to the Swiss to explain theirs in the March 11 supplement on Switzerland. This gratification would be compounded if the space were made available in Bern at a time when the Swiss Legislature is in session, in which case our story would have an impact comparable to the impact the Swiss story as told in the Post must have had on Senators, Representatives, members of the White House staff, other Government officials, and national opinion leaders.

That the free exchange of ideas is just as important as the free exchange of goods is indisputable. Yet, it seems that the Swiss believe in neither in spite of their protestations to the contrary.

When President Eisenhower ruled that the tarriff on jeweled watches should be raised, American watchmakers were well aware that the Swiss people might regard this as a discriminatory act. To forestall such misunderstanding an effort was made to place in Swiss newspapers paid advertisements explaining the American view that a sound horological industry is an essential part of any nation's defense production base. The Swiss rejected that advertising and it is difficult to reconcile such action with their claim that Swiss ideals and practices of freedom are like our own.

The Swiss know full well that no nation can afford to be dependent on another nation for its time-keeping equipment and timing devices. England learned this truth too late, with the result that after World War II it was forced to expend a great deal of money, time, and talent reviving the jeweled watch industry it let be swept away by foreign competition between World War I and World War II.

In this connection, it is worth noting that Communist Party boss Nikita Khrushchev told the 20th Congress of the Communist Party of the U. S. S. R. that Russia planned to increase its production of timepieces from the present level of 19.5 million to 33.6 million by 1960.

It is also difficult to reconcile Swiss assertions that they are exponents of free international trade. In his article on Swiss watches and tariffs, G. Ketterer, vice president of the Swiss Federation of Watch Manufacturers Association, writes of the "revival of protectionism in America." For a Swiss to characterize as protectionism the modest efforts which our Government has made to keep alive a small, essential industry is particularly ridiculous since the Swiss themselves have long practiced the most rigid sort of protectionism.

For example, Mr. Ketterer refers to Switzerland as a low tariff country, while Swiss tariffs are on an average 60 percent higher than American tariffs. In addition, the Swiss make extensive use of quotas while the restrictive practices of their watch cartel make the worst of our American monopolists look like amateurs.

It is this cartel, incidentally, that levies a tax of approximately 12 cents on every watch or watch movement manufactured in Switzerland. This fund is used to further Swiss efforts to monopolize the world market for watches, and it is estimated that it amounted to approximately $2.5 million last year.

Mr. Ketterer was certainly evading the facts when he failed to mention that the Swiss now have about 80 percent of the market for jeweled watches in the United States. American jeweled watchmakers have no desire to force the Swiss to give up any substantial part of this market. They want only to be able to sell enough watches in this country to keep production at levels which will insure the adequate use of skilled workers and machinery.

This cannot be considered an unreasonable demand when one considers that the reason the Swiss captured so large a part of the American market was that American manufacturers gave up making jeweled watches during World War II so that they could devote their entire facilities to defense production.

In his article, Mr. Ketterer refers to the American watch industry as a "rival." This Mr. Ketterer must know is patently absurd. The Swiss cartel dominates world trade in jeweled watches. This dominance would be even greater had not England and France found it necessary to increase their tariffs on jeweled watches and impose import quotas. And it will obtain a complete monopoly of the United States' market unless our

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[2] Hearings, p. 544.

[3] January 1956 Economic Report of the President, p. 10.

Government continues to keep a watchful eye on the small American industry.

PAUL F. MICKEY,
Vice President, American Watch Manufacturers Association, Inc.
WASHINGTON.

[From the Washington Post and Times Herald of March 30, 1956]

SWITZERLAND SPEAKS

When the section on Switzerland was published a couple of weeks ago, I felt that there would be many letters protesting Mr. Ketterer's use of statistics. Not only has no one protested as yet, but not even Mr. Mickey brought this to our attention in his letter.

The questions I have are, first, why did Mr. Ketterer use an absolute reduction in numbers for the entire year without stating from what base this decrease took place? Second, why did he use a percentage figure for only a 6 months period? Was there an increase in imports for the last 6 months? This use of statistics is not consistent and may be misleading.

Then, the following appeared in the Wall Street Journal of the 21st:

"In 1953, the Swiss shipped an unprecedented 13.5 million watches and movements to the United States. The first half of 1954 made it clear this unusual pace could not be sustained by demand. The tariff hike became effective in August of that year and got most of the public blame when the 1954 total fell to 10.2 million. But in the past year the Swiss proved able to shove their stateside sales up again to 10.9 million. This resurgence plus expanding markets in such places as Spain and India have left the Swiss watchmakers today with a solid order backlog and a labor shortage."

There appears to be an inconsistency in somebody's statistics. Can Mr. Ketterer clarify this apparent discrepancy? Are his statistics like his country's famous cheese?

DANIEL J. EDWARDS.
GREENBELT, MD.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 31 An act for the relief of Shih Ming Wang;

S. 83. An act for the relief of Ottilie Hitzlberger Lachelt; and

S. 1255. An act for the relief or Brigitta Poberetski.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ASPINALL, Mr. METCALF, Mr. SAYLOR, and Mr. BERRY were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 842. An act granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes;

H. R. 909. An act for the relief of Charles O. Ferry and other employees of the Alaska Road Commission;

H. R. 1096. An act for the relief of Nathan Phillips;

H. R. 1476. An act for the relief of the Spicer Ice & Coal Co.;

H. R. 1484. An act for the relief of Garrett Norman Soulen and Michael Harvey Soulen;

H. R. 2005. An act to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces;

H. R. 2524. An act for the relief of Oather S. Hall;

H. R. 4635. An act to authorize the Secretary of the Interior to transfer to Robert T C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions;

H. R. 4851. An act for the relief of the Kelmoor Fox and Fur Farm, Inc.;

H. R. 5274. An act extending to the Commonwealth of Puerto Rico the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States;

H. R. 5382. An act for the relief of W. R. Zanes & Company of Louisiana, Inc.;

H. R. 5453. An act for the relief of the estate of Robert Bradford Bickerstaff;

H. R. 5478. An act to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 5813. An act for the relief of W. R. Zanes and Company of Louisiana, Inc.;

H. R. 6313. An act for the relief of Vincent N. Caldes;

H. R. 7611. An act to establish a date of rank for pay purposes for certain Naval Reserve officers promoted to the grades of lieutenant and lieutenant commander;

H. R. 7646. An act to authorize the Secretaries of the military departments, and the Secretary of the Treasury with respect to the Coast Guard, to incur expenses incident to the representation of their personnel before judicial tribunals and administrative agencies of any foreign nation;

H. R. 7913. An act authorizing the Administrator of General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8477. An act to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes;

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y.";

H. R. 8634. An act to authorize the conveyance of a certain tract of land in North Carolina to the city of Charlotte, N. C.;

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress;

H. R. 8904. An act to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement;

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project;

H. R. 9838. An act to authorize transfer of officers of the Nurse Corps of the Regular Navy and Naval Reserve to the Medical Service Corps of the Navy, and for other purposes;

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes;

H. J. Res. 580. Joint resolution for the relief of certain aliens;

H. J. Res. 581. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 590. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 592. Joint resolution for the relief of certain aliens.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 221) favoring the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1834. An act to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired, in the computation of their retired pay under the provision of the Career Compensation Act of 1949, as amended;

S. 2438. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever;

S. 3269. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation; and

H. R. 8107. An act to amend the Armed Forces Reserve Act of 1952, as amended.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred as indicated:

H. R. 842. An act granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 909. An act for the relief of Charles O. Ferry and other employees of the Alaska Road Commission;

H. R. 1096. An act for the relief of Nathan Phillips;

H. R. 1476. An act for the relief of the Spicer Ice & Coal Co.;

H. R. 1484. An act for the relief of Garrett Norman Soulen and Michael Harvey Soulen;

H. R. 2524. An act for the relief of Oather S. Hall;

H. R. 4635. An act to authorize the Secretary of the Interior to transfer to Robert T. C. Rasmussen, the right, title, and interest of the United States, in foreign countries, in and to certain inventions;

H. R. 4851. An act for the relief of the Kelmoor Fox and Fur Farm, Inc.;

H. R. 5274. An act extending to the Commonwealth of Puerto Rico the power to enter into certain interstate compacts relating to the enforcement of the criminal laws and policies of the States;

H. R. 5382. An act for the relief of W. R. Zanes & Company of Louisiana, Inc.;

H. R. 5453. An act for the relief of the estate of Robert Bradford Bickerstaff;

H. R. 5813. An act for the relief of W. R. Zanes & Company of Louisiana, Inc.;

H. R. 6313. An act for the relief of Vincent N. Caldes;

H. J. Res. 580. Joint resolution for the relief of certain aliens;

H. J. Res. 581. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 590. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 591. Joint resolution to facilitate the admission into the United States of certain aliens; and

H. J. Res. 592. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. R. 2005. An act to further amend the provisions of the acts authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of persons in the Armed Forces; to the Committee on Finance.

H. R. 5478. An act to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation; and

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project; to the Committee on Interior and Insular Affairs.

H. R. 7611. An act to establish a date of rank for pay purposes for certain Naval Reserve officers promoted to the grades of lieutenant and lieutenant commander;

H. R. 7646. An act to authorize the Secretaries of the military departments, and the Secretary of the Treasury with respect to the Coast Guard, to incur expenses incident to the representation of their personnel before judicial tribunals and administrative agencies of any foreign nation;

H. R. 8477. An act to amend title II of the Women's Armed Services Integration Act of 1948, by providing flexibility in the distribution of women officers in the grades of commander and lieutenant commander, and for other purposes;

H. R. 8904. An act to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement; and

H. R. 9838. An act to authorize transfer of officers of the Nurse Corps of the Regular Navy and Naval Reserve to the Medical Service Corps of the Navy, and for other purposes; to the Committee on Armed Services.

H. R. 7913. An act authorizing the Administrator of General Services to effect the exchange of properties between the United States and the city of Cape Girardeau, Mo.; and

H. R. 8634. An act to authorize the conveyance of a certain tract of land in North Carolina to the city of Charlotte, N. C.; to the Committee on Government Operations.

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress; to the Committee on Foreign Relations.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 221) favoring the granting of the status of permanent residence to certain aliens, was referred to the Committee on the Judiciary, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A–8039686, Bartol, Dimitri.

A–7828332, Blicher, Adolf.

A–7948074, Blicher, Anna.

A–7945613, Crynberg, Natalia.

A–6848437, Chen, Tung-Kei, now Phillip Kei Chen.

A–6973683, Chow, Liang-Yen.

A–8021361, Chu, Pauline Jo-Nan Chou.

A–7095539, Emmus, Roland.

A–7095540, Emmus, Leida Maria.

A–6881711, Hai-Chow, Lee.

A–6779249, Hnykova, Maria Irena.

A–6962958, Hsu, Carlton W.

A–7395104, Iliescu, Maria, formerly Negoita (nee David).

A–6903727, Irany, Fuad Jalil Zend.

A–7138237, Kao, Lindberg Lin Pai.

A–6159692, Korbel, Josef.

A–6159691, Korbel, Anna.

A–7197504, Korbel, Marie Jana.

A–7197503, Korbel, Anna Catherine.

A–7197505, Korbel, Jan Josef.

A–6837688, Kroha, Rudolph Filip.

1300–127922, Lee, Hai.

T–2659454, Mah, Ling Kam.

A–7061846, Onon, Peter, alias Urunoge, Urrounge, or Urgunge Onon.

A–7415227, Onon, Nina (nee Pei-Lien Chen or Lien-Chen Pei), alias Lien-Chin Onon, Narangerel Onon, or Lien-Chen Urrounge.

A–7415228, Onon, Sally, alias Salungwa or Salunga Onon.

A–7779057, Pan, Ju Chu.

A–7809055, Patyk, Jozef, also known as Jozef Franciszek Patyk.

A–8001814, Patyk, Julia (nee Julia Katarzyna Assman).

A–8001815, Patyk, Barbara, also known as Barbara Kazimiera Patyk.

A–6967335, Pe-Sheng, Wang.

A–7858205, Radolli, Constantino.

A–6992030, Siu-Lung, Li or Sister Mary Sira.

A–8082043, Sun, Flora H., also known as Hu Ling Feng.

A–6949479, Sutt, Michael or Mihkel.

A–6952903, Teng, Yung Ching Wang.

A–9690989, Tong, Chu or Sun Fong.

A–9568320, Tsu, Teh Kwei.

A–6967742, Chen, Mei Chio.

A–6881784, Chu, Hu-Nan or Chu Hu-nan.

A–6334725, Donat, Alexander, also known as Mojzesz Grunberg.

A–6334726, Donat, Leona, also known as Laja Grunberg (nee Liberman).

A–6334727, Donat, William, also known as Wlodjimierz Grunberg.

A–6381267, Hou, Ling.

A–9734422, Kow, Lai or Lai Gow.

A–7463421, Valvur, Ludvig.

A–7124540, Vcela, Vladimir.

A–6730656, Verhovsky, Andrew.

A–9554376, Wong, Sau or Shau Wong or Wong Sau.

A–7354808, Wu Wayne, also known as Wai-Ye Wu.

$300–399163, Yip, Kin.

A–9542540, Youw, Lee Ah.

A–6848713, Yu, Ting Chi, also known as Richard Ting Chi Yu.

A–8082029, Zez, John, formerly Ivan Sime Zec.

A–9510296, Bacanovic, Jovo.

A–6923147, Balogh, Barna.

A–6702207, Liu, Lillian Hsuan Yu.

A–7985663, Moh, Tan Yoek, also known as Moh Yeak Tan or Tan Yoeh Heh.

A–6944241, Wu, Tien-Hsing or Edward Tien-Hsing Wu.

A–8082839, Tung, Chen Tse.

A–6912324, Wang, Ven Ling, also known as Raymond Wang.

A–7249877, Berzins, Arvids Voldemars.

0300–390570, Chan, Kan Cheong.

A–6848411, Chiu, Jeanne also known as Chiu Kung-Chen.

A–7863017, Klavins, Arvids Leonids.

0300–425608, Kwai, Chan or Chenk Kay.

V–606154, Lee, Ling Yun.

A–7863009, Pukulis, Andrejs.

A–5928452, Shee, Lai.

A–5963617, Yen, Pao-Ming.

0300–83904, Yeu, Cheng Cho or Cheng Yeu.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 11, 1956, he presented to the President of the United States the following enrolled bills:

S. 1834. An act to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by law under which they retired, in the computation of their retired pay under the provisions of the Career Compensation Act of 1949, as amended;

S. 2438. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever"; and

S. 3269. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

ESTABLISHMENT OF JOINT COMMITTEE ON CENTRAL INTELLIGENCE

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there further morning business? If not, morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. As I understand, there are several committee amendments. Under the unanimous consent agreement, debate on any amendment is limited to 1 hour; and the time on each committee amendment is to be controlled by the chairman of the Committee on Rules and Administration, the distinguished Senator from Rhode Island [Mr. GREEN], and by the majority leader or the minority leader. Is that correct?

The PRESIDING OFFICER. The Senator's statement is correct. There are about a half dozen committee amendments to the concurrent resolution.

Mr. MANSFIELD. Mr. President, will the majority leader yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. As I understand, debate on the resolution itself is limited to 2 hours.

Mr. JOHNSON of Texas. There are several committee amendments which are to be acted on first. If any Senator desires time, time can be yielded on an amendment; and the unanimous-consent agreement provides also for 1 hour to each side on the bill.

Mr. HAYDEN. Mr. President, I am opposed to the concurrent resolution and have filed minority views. I should like to have some time allotted to me so that I may speak in opposition to the concurrent resolution.

Mr. JOHNSON of Texas. Under the unanimous-consent agreement, the Senator can be yielded time by either the majority leader or the minority leader. Does the Senator wish to have time yielded to him?

Mr. HAYDEN. I should like to speak for about 5 minutes a little later in the debate.

Mr. JOHNSON of Texas. Mr. President, would the Senator from Georgia be agreeable to speaking in opposition to a committee amendment?

Mr. RUSSELL. I merely wish to make a brief statement.

Mr. JOHNSON of Texas. Mr. President, may the clerk state the first committee amendment?

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The LEGISLATIVE CLERK. On page 3, 21, after "report", it is proposed to strike out "public."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. JOHNSON of Texas. Mr. President, I yield 15 minutes to the distinguished junior Senator from Georgia.

Mr. RUSSELL. Mr. President, I have such high regard for the ability and the patriotism of the distinguished junior Senator from Montana [Mr. MANSFIELD], who is the principal sponsor of the concurrent resolution, that ordinarily I am reluctant to differ with him on legislative matters. But in the case of the pending concurrent resolution, I can but believe that the efforts of the Senator from Montana are based upon a mistake of fact and a misapprehension of the functions of the Central Intelligence Agency.

I was unable to be on the floor Monday when the debate occurred on the concurrent resolution, but I have read in the RECORD all that occurred, and I do not find that there was advanced one substantial argument, predicated on established facts which would justify the Senate in adopting the concurrent resolution.

Some Senators who addressed themselves to the resolution on Monday last seemed to hold the opinion that the CIA was a policymaking agency. That theme ran all through the remarks which were made in advocacy of the adoption of the resolution.

Mr. President, the Central Intelligence Agency is far from being a policymaking agency. It makes no policy. It was established to coordinate all the activities of the various agencies of the Government which gather intelligence vital to our national security, to coordinate the intelligence thus obtained, to gather intelligence on its own initiative, appraise it, and present it to a policymaking body, one that is seldom heard of, but which is probably the most important policymaking body in our Government, namely, the National Security Council.

Mr. President, the argument was made that the failure to apprise Members of Congress of the detailed activities of the Central Intelligence Agency was an invasion of the prerogatives of the Congress. I will lay my record in this body, in defense of the prerogatives of the Congress of the United States under the Constitution, against the record of any other Senator who serves here today or who has served during my tenure of office. I have jealously sought to guard every prerogative of the Congress. I complained when I thought those prerogatives were being taken over by the executive branch of the Government, when the President of the United States was a member of my own party, as I have when the President was a member of the Republican Party. I have complained about the invasion of the prerogatives of Congress by the judicial branch of the Government.

But, Mr. President, we go very far afield when we undertake to predicate a resolution of this nature on the right of individual Members of the Congress to know all the details of all the agencies of Government that are working in secrecy in an effort to secure information which would warn us, for instance, of a sneak act which might destroy us, or which would advise us as to the potential strength of the enemies who are arrayed against us.

There have been intelligence agencies in the Army since the beginning of our Government. There have been intelligence agencies in the Navy since the Navy was established. The Air Force has had its intelligence agency since the Department of the Air Force was created. To my knowledge, not once has a Member of Congress risen on the floor and said he was being denied his prerogatives because he was not informed as to all the activities of all the agencies which were seeking to gather vital security information. Now the situation has allegedly changed because, forsooth, the three departments have been coordinated into one. In addition, there has been brought into the picture the OSS, which did invaluable service behind enemy lines in World War II.

I shall not accept that argument. I do not believe we should announce a principle of that nature. I am proud of the Senate of the United States, but I must say that early in my service I became disillusioned on finding that information classified as secret which was given in committees in executive session, within a couple of days had trickled to the press of the Nation. That has been my one disillusionment with the Senate of the United States, and, indeed, with both bodies of the Congress.

I say here today that, in my judgment, it would be more desirable to abolish the CIA and close it up, lock, stock, and barrel, than to adopt any such theory as that all the Members of the Congress of the United States are entitled to know the details of all the activities of this farflung organization.

Mr. President, it was stated in the debate, which I read in the RECORD, that the Central Intelligence Agency does not present to the Congress a detailed budget estimate of all its expenditures. That statement is true. It does not present to the Congress an estimate such as comes from the Department of Agriculture, the Post Office Department, the Treasury Department, and other departments of government, because to do so would be to give the Soviet Union a blueprint whereby it might readily run down and ascertain the activities and the identity of every person who is risking his life today in an effort to secure information which can be vital to the future of the United States.

I say, and I say it in the full conviction of the correctness of the statement, that one bit of information which has been used on 2 or 3 occasions is well worth the total cost of the administration of all our security agencies. They undoubtedly waste some money. They make mistakes. They have not been able to penetrate behind the Iron Curtain and gather the last detail as to the strength of the Russian forces. Other agencies, such as the British intelligence, which was in existence long before our agency was, have likewise failed. That is certainly no reason for circumscribing the Central Intelligence Agency's efforts and hampering it at the very top, when the program is developing and bringing to us information which is of vital value.

There has been talk about the amount of money involved. I shall not state what it is, but I will state it is a very, very small percentage of the amount of tax money spent each year by the Armed Forces for research and development of new weapons. Certainly, we should not complain about a portion of the amount of money spent for research and development being expended in an effort to keep up with the activities of those arrayed against us in that field. I say no person would risk his life in carrying on this work if every Member

of the Congress and the large staff of a new committee were in a position to know where that person was every day and to know the nature of the work in which he was engaged.

I was interested to learn that the distinguished author of the resolution said it was contemplated that the committee would have only a small staff. Every Senator present has had experience in that field. It is next to impossible, when a committee is created, to keep the staff down to the size intended originally. Every Senator knows of occasions when a committee has started with a small staff, with the assurance that it would be kept small, and in 2 or 3 years it has been extended all over the Capitol. Most of us are, instinctively, empire builders. We build in our own little field whenever we have authority to do so. It would not be long before the staff of the proposed committee would be large.

The point has been raised that there is not any committee supervision over the Agency. The Committee on Armed Services, and its predecessor committees, have, since the inception of the Congress, had jurisdiction over intelligence activities of the various branches of the service. During World War II that committee had supervision over the activities of the OSS. Therefore, it was but natural that the Armed Services Committee would be considered the parent committee of the Central Intelligence Agency.

I hope I have not been derelict in my duty in reference to this very important Agency. I appointed the subcommittee, having jurisdiction over it, which I am confident is composed of as able men as any who sit in this body. The distinguished senior Senator from Virginia [Mr. BYRD], who is vigorously opposed to the resolution, the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. BRIDGES], are members of that subcommittee.

On at least 2 occasions in each year, and more often on 3, we have had before us the head of the Central Intelligence Agency and his staff. We have never had them fail to respond to a single question we have asked them. They have been forthright and frank.

On the floor of the Senate the statement has been made, in effect, that we have not told all the country about what we have learned from the Central Intelligence Agency; and one Senator said the country was entitled to know. No, Mr. President; we have not told the country, and I do not propose to tell the country in the future, because if there is anything in the United States which should be held sacred behind the curtain of classified matter, it is information regarding the activities of this Agency. I repeat that it would be better to abolish it out of hand than it would be to adopt a theory that such information should be spread and made available to every Member of Congress and to the members of the staff of any committee. Rather than do that, it would be better to abolish the Central Intelligence Agency and, by so doing, to save the money appropriated and the lives of American citizens.

Mr. HICKENLOOPER. Mr. President, will the Senator from Georgia yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Iowa?

Mr. RUSSELL. Yes; if I have the time.

Mr. HICKENLOOPER. Is the time limited?

Mr. RUSSELL. Yes; but I yield to the Senator from Iowa.

Mr. HICKENLOOPER. I merely wished to make an observation and to ask a question of the Senator from Georgia.

Mr. RUSSELL. Certainly.

Mr. HICKENLOOPER. The Senator from Georgia and I have had some mutual experiences along this line. He was a member of the Special Committee on Atomic Energy, which was the predecessor of the present Joint Committee on Atomic Energy. At all times since its creation, he has been a member of the Joint Committee on Atomic Energy; and I have shared that experience with him, to my very great benefit. So I am intrigued and interested and very much moved by the argument of the Senator from Georgia.

Having served, myself, on the Joint Committee on Atomic Energy, and understanding that an attempt has been made by some Members, on the floor of the Senate, to draw an analogy between the Joint Committee on Atomic Energy and the proposed Joint Committee on Central Intelligence, I merely wish to say to the Senator from Georgia that I believe he is utterly correct in what he has said. There is no real parallel between the problems confronting the two groups. The work of the Central Intelligence Agency is vastly different from that of the Joint Committee on Atomic Energy, even though probably it is not more vital and requires no greater secrecy than some of the activities of the Joint Committee on Atomic Energy, in its dealings with the atomic energy program.

But I myself cannot adopt the philosophy that because we have a Joint Committee on Atomic Energy and because its operations are secret, the establishment of a Joint Committee on Central Intelligence, to deal with the Central Intelligence Agency, is justified.

So I commend the Senator from Georgia on his very powerful and forceful argument along this line.

Mr. RUSSELL. Mr. President, I thank the Senator from Iowa for bringing out that point, which I had overlooked thus far in my discussion. The point he has mentioned has been raised.

I started serving with the Senator from Iowa on what was first the Special Committee on Atomic Energy, when it was created.

Mr. HICKENLOOPER. Yes, both of us were on that special committee, which was created to write the Atomic Energy Act.

Mr. RUSSELL. Yes. Since that time I have served—with great profit to myself—with the Senator from Iowa on the Joint Committee on Atomic Energy.

I have also served on the Committee on Naval Affairs, a predecessor of the present Armed Services Committee, since I have been a Member of this body. I state on my responsibility as a Senator that there is no comparison whatever between the activities of the Joint Committee on Atomic Energy and the activities of the Central Intelligence Agency or the contemplated activities of the proposed Joint Committee on Central Intelligence.

Mr. HICKENLOOPER. They operate in two different fields. Although secrecy is involved in both, the methods of operation and of accomplishment of the two groups are entirely different.

Mr. RUSSELL. Yes. For example, the Joint Committee on Atomic Energy has the duty of maintaining surveillance on a very large and important construction program, under which certain production is had. In that work, thousands of persons, including scientists, are employed, and a large part of that work is devoted to seeing to it that the production program and the construction program of the Atomic Energy Commission are maintained. But nothing whatever of that nature pertains to the secret intelligence work of such a group as the Central Intelligence Agency.

Mr. HICKENLOOPER. Mr. President, the Senator from Georgia has placed his finger on one of the most important differences between the two agencies. There are other differences, of course; but I shall not attempt to discuss them at this time. Suffice it to say that the operations of the two groups are fundamentally and basically different, and it is inherent in the operation of the CIA that it be given certain broad powers and authority, subject, in my judgment, to the major supervision of the executive branch of the Government.

Mr. RUSSELL. Yes. Of course, the National Security Council has direct supervision over it.

Mr. HICKENLOOPER. Yes.

Mr. RUSSELL. But I wish to reiterate that although Mr. Allen W. Dulles has been before us and although we have asked him very searching questions about some activities which it almost chills the marrow of a man to hear about, he has never failed to answer us forthrightly and frankly in response to any question we have asked him. I think the Senator from Massachusetts [Mr. SALTONSTALL] has been present at practically every one of those meetings during the past 2 or 3 years.

Mr. HICKENLOOPER. Mr. President, I should like to ask only one other question, and then I shall conclude.

As the Senator from Georgia well knows, before the Joint Committee on Atomic Energy we have had Mr. Allen Dulles and his top assistants, in connection with the various categories of the activities of the Central Intelligence Agency. They have appeared before our committee in connection with matters applicable to our responsibility in the atomic energy field. I also wish to testify, following the statement of the Senator from Georgia, that at no time has Mr. Dulles or any of those under him who are knowledgeable regarding so broad a subject, failed to give us full, complete, and frank answers to our questions regarding the matters which come within our responsibility. Let me say that we, as a committee, do not attempt to trespass upon the responsibility of other committees in other areas.

Mr. RUSSELL. Yes; Mr. President; that has been the experience of the Armed Services Committee.

Mr. KNOWLAND. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. KNOWLAND. First of all, I wish to commend the distinguished Senator from Georgia for the very powerful argument he has made in regard to the differences between the Joint Committee on Atomic Energy and the proposed Joint Committee on Central Intelligence.

As the Senator from Georgia well knows, among the other differences is the fact that the Joint Committee on Atomic Energy was created by statute and was given legislative power, as a legislative committee. Matters relating to the Atomic Energy Act go to that committee.

Second, I refer to a fact which must be brought home in this connection: I know that the President of the United States and others in the executive branch of the Government have very grave misgivings regarding the pending concurrent resolution, not only for the reason that the lives of Americans who may be seeking to obtain information which we need for the very defense of our country may be involved, but also because we have cooperative arrangements with other agencies and perhaps with friendly countries, and the slightest leakage of information regarding perhaps just one field of activity might result in the disclosure of all the agents who had been operating there, and might mean their death by hanging or execution in the matter of a few days' time.

Mr. RUSSELL. Of course they would be liquidated immediately.

Mr. President, I shall not dwell on all of the many differences between the CIA and the Atomic Energy Commission. Instead, I shall point out only one or two.

In the first place, the principal operations of the Atomic Energy Commission are within the United States, whereas most of the operations of the CIA are outside the United States. The Atomic Energy Commission is primarily concerned with preserving security. On the other hand, the CIA is primarily concerned with breaking security and obtaining secrets. There is a great deal of difference between the two groups, when we consider that fundamental of their activities.

I feel very deeply that it would be a serious mistake to approve the concurrent resolution.

The Committee on Appropriations is headed by the distinguished Senator from Arizona [Mr. HAYDEN]. Representatives of the Central Intelligence Agency come before the Committee on Appropriations each year. I have been present on 2 or 3 occasions when the committee was hearing the request of the CIA for funds with which to operate. The representatives of that Agency have never failed to answer a question which was asked on any of the occasions when I was present, as to the operations and the use of the money which had been appropriated for the Agency.

Great stress has been laid on the fact that the law does not limit the expenditures for individual personnel, as made by the Director of the Central Intelligence Agency. I can say here—and I do not think it involves any violation of secrecy—that that question has arisen repeatedly, both in the Appropriations Committee and before the subcommittee of the Armed Services Committee, when the Director of the CIA appeared before the subcommittee. With the exception of the Director and his assistant, whose salaries are fixed by statute, all the other employees are paid according to civil service scales.

It has been exceedingly difficult to obtain the character of men needed to carry on this work. The CIA cannot send a mere plodder or dullard, however earnest he may be, to do some of the work which is necessary to be done. With the exception of the Director and his assistant, whose salaries are fixed by statute, the agency pays only civil service scales.

Mr. President, I can think of no sound reason which would justify approval of this concurrent resolution. I think it would be just as appropriate to establish a joint committee to deal with foreign policy—or perhaps even more appropriate—as it would be to establish a joint committee to deal with the Central Intelligence Agency.

I shall endeavor, to the best of my ability, to keep in touch with what the CIA is doing. I do not mean to say by that that I intend to undertake to find out whether or not we have an agent in some foreign country—perhaps a satellite—who is tapping the telephone of some foreign embassy, or anything of that nature. However, I shall undertake to exercise as close supervision over this Agency as is ordinarily exercised by the parent committees of the Congress in dealing with the agencies which are responsible to them.

I doubt very much whether the heads of many of the independent agencies have spent more time with the committees to which they are supposed to report, over the course of the average year, than Mr. Dulles, as Director, has spent before my committee.

This is a grave question, and one which should not be considered from the standpoint of politics. It should be considered only from the standpoint of the national interest. In my judgment, the national interest does not require that we create a new joint committee, with a new staff. To do so would result only in increasing the hazards to the lives of those who work for the CIA, and dry up sources of information which are vital to the national security.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one question?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Does not the Senator agree with me that the CIA is essentially a service agency? It is not a policymaking body in any way, as is the Atomic Energy Commission, to which reference has been made. The differences between the two have been pointed out. The CIA is a service agency. The Director, Mr. Allen Dulles, does not make policy. He does not judge conditions. He merely reports to the National Security Council, which is directly under the President, who is the Director's boss.

Mr. RUSSELL. As I undertook to state at the outset of my remarks, I was somewhat dumbfounded to note that the argument had been made that the CIA was a policymaking agency. I think it is far from that. The best analogy I can draw is this: When the National Security Council meets—and there is present in the Chamber at this moment the distinguished junior Senator from Kentucky [Mr. BARKLEY], a former Vice President of the United States, who sat with that Council through some of the very trying hours in the life of this Republic—it has two primary advisers. The first is the Chairman of the Joint Chiefs of Staff of the Military Establishment, to advise as to the military situation. The second is the Director of the Central Intelligence Agency, who gives the National Security Council the results of the efforts of his Agency in relation to the intelligence it has been able to assemble concerning the problem at hand. He is an adviser. He is not even a member of the National Security Council, and by no stretch of the imagination can the CIA be considered a policymaking agency.

In the course of the debate on Monday, which I have read, a number of extraneous questions were brought up. Among other things, it was stated that there had been some secrecy in connection with the Dixon-Yates contract. That was unfortunate. I deplore it, but I hope Members of the Senate will not lay at the feet of the CIA responsibility for any secrecy which may have obtained with respect to a telephone call from someone at the White House regarding the Dixon-Yates contract.

Some question was raised with respect to the signing by the Chief Executive of executive agreements concerning which Congress had no knowledge. I feel as deeply on that subject as do most other Members of the Senate. Perhaps I do not feel quite so deeply about it as does the distinguished Senator from Ohio [Mr. BRICKER], but I have followed him in his efforts to see that such executive agreements were not made. However, we cannot attribute to the CIA responsibility for the fact that executive agreements were made. The CIA has no power even to negotiate executive agreements.

Other arguments were made. Something was said about the impounding of Marine Corps funds. That has no relation whatever to the functions of the CIA, or the desirability of our doing all we can, while still performing our functions as a legislative body, to see that the lives of those who work for this agency are not endangered by any haphazard administration by the large staff of a joint committee, which, in my opinion, would be a very cumbersome fifth wheel.

Mr. MANSFIELD. Mr. President——

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Does the acting minority leader have charge of the time in opposition?

The PRESIDING OFFICER. The Senator is correct. To whom does the Senator yield?

Mr. SALTONSTALL. Of course, the Senator from Montana is in favor of the concurrent resolution, so he would take time on the affirmative side.

Mr. BARKLEY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BARKLEY. There are pending 2 or 3 committee amendments, on 1 of which I believe the Senator from Georgia [Mr. RUSSELL] took time to discuss the concurrent resolution itself. Has any limitation of debate been imposed up to this time with respect to amendments?

Mr. MANSFIELD. Mr. President, I think the answer is that an hour is allowed on each amendment, 30 minutes to a side, and 2 hours on the concurrent resolution itself.

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Montana?

Mr. JOHNSON of Texas. I am willing to yield 10 minutes to the Senator from Montana. Has the first committee amendment been disposed of?

The PRESIDING OFFICER. It has not.

Mr. JOHNSON of Texas. Has time been consumed on that amendment?

The PRESIDING OFFICER. Time is now running on that amendment.

Mr. JOHNSON of Texas. Has all time been used on that amendment?

The PRESIDING OFFICER. The opposition time is exhausted. Thirty minutes remain on the affirmative side.

Mr. JOHNSON of Texas. The majority leader controls the time on behalf of the chairman of the Committee on Rules and Administration [Mr. HAYDEN], so he controls only the time in favor of the amendment. Is the Senator from Montana opposed to the amendment?

Mr. MANSFIELD. I am not opposed to it.

Mr. JOHNSON of Texas. Will the acting minority leader yield 10 minutes to the Senator from Montana?

Mr. SALTONSTALL. Mr. President, I am glad to yield time to the Senator from Montana. I respectfully suggest to the majority leader that I do not think there is any objection to the committee amendments. It seems to me that the Senate could agree to the committee amendments, and then proceed to debate the concurrent resolution itself.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

Mr. JOHNSON of Texas. Mr. President, if the Senate will permit me to do so, we will charge the time the Senator from Georgia [Mr. RUSSELL] has used to the time of the opposition, and I will then yield 10 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Would it be possible at this time to vote on all the amendments en bloc?

The PRESIDING OFFICER. By unanimous consent it could be done.

Mr. BARKLEY. Mr. President, I desire to address the Senate on the concurrent resolution itself. I do not know how much time I may want to use, but I do not wish to deprive myself of addressing the Senate on the resolution. If I agreed to the adoption of all the amendments en bloc, that would leave time only on the measure itself, as I understand. May I inquire how I may obtain some time to speak on the resolution, and when I may have that time?

Mr. JOHNSON of Texas. The Senator from Kentucky may have as much time as he wishes to use, if he will indicate to me when he desires to speak, and how much time he may want.

Mr. BARKLEY. I told the Senator from Arizona that I would like not less than 10 minutes.

Mr. JOHNSON of Texas. Does the Senator from Kentucky desire to use that time now?

Mr. BARKLEY. No; I do not.

Mr. JOHNSON of Texas. I assure the Senator from Kentucky that he will have 10 minutes, and 10 additional minutes if he should desire them.

As this time I do not agree to the adoption of the amendments en bloc. I have yielded 10 minutes to the Senator from Montana. After the Senator from Montana has concluded his remarks, I am prepared to yield time to other Senators. I am now yielding 10 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I do not believe I desire to take 10 minutes at this time, because I am beginning to feel a little like David facing Goliath, although I fear the results will not be the same. Inasmuch as I am to be the only one who will speak in favor of the resolution, I do not wish to be squeezed in this early. Therefore, if the majority leader does not mind, I shall wait until the distinguished former Vice President, the distinguished minority leader, the distinguished chairman of the Committee on Appropriations, the distinguished chairman of the Armed Services Committee, and other Senators, have an opportunity to speak. Then I should like to make some remarks in favor of the adoption of the resolution.

Mr. JOHNSON of Texas. The Senator from Montana will have ample time to speak. Does he yield back the time I yielded him?

Mr. MANSFIELD. I yield back the time.

Mr. JOHNSON of Texas. Does any other Senator desire time to speak in favor of the committee amendment?

If no other Senator desires time at this time, I am prepared to yield back my time.

Mr. BARKLEY. Mr. President——

Mr. JOHNSON of Texas. I yield time to the Senator from Kentucky, if he desires to speak now. Does the Senator from Kentucky desire that I yield him some time?

Mr. BARKLEY. I do.

Mr. JOHNSON of Texas. Mr. President, I yield 15 minutes to the distinguished Senator from Kentucky.

Mr. BARKLEY. Mr. President, I do not know that I shall need 15 minutes. I am very deeply concerned about the resolution. If it were a bill or a joint resolution, instead of a concurrent resolution, I feel very definitely that the President of the United States would have no alternative except to veto it. I sincerely regret to say that I am compelled to disagree with my good friend from Montana about the wisdom of the resolution.

We have before us a concurrent resolution which proposes to set up a committee of 12 members, with a staff. It would cost $250,000 a year. I would not object to that sum of money being appropriated, if the proposed joint committee were needed. In my judgment it is not only not needed, but it would be very unwise on the part of Congress to establish it.

The concurrent resolution would authorize the joint committee to summon members of the Central Intelligence Agency. It would authorize the joint committee to summon all the papers and documents of the Central Intelligence Agency, and to obtain from that Agency all the information the joint committee desired to obtain, which information, of course, would then be public.

I ask my colleagues if the desire to make public, for the benefit of the American people, all the confidential information the CIA obtains all over the world is sufficient reason to justify the danger, to which we would subject ourselves and which we would assume by the creation of such a committee and taking the chances on its operations.

As the Senate knows, Congress enacted a law creating the Central Intelligence Agency. That Agency is a confidential body. It is an arm of the President of the United States for obtaining, not only in the United States, but all over the world, information which is of advantage to him in the protection of the interests and rights of the American people. Being an arm of the President, it is therefore an arm of the National Security Council.

CIA is the information-gathering agency of the National Security Council. The duty of the CIA is to gather from all sources and to lay before the President and the National Security Council information of the most intimate and confidential nature, which will enable the President and the National Security Council to act to protect the security of our own country, without making public the information which this Agency has gathered from all parts of the world.

I sat on the National Security Council for 4 years as Vice President of the United States. The present Vice President has sat on it since his induction into office, on the 20th day of January 1953. Some of the information gathered by the Central Intelligence Agency and laid before the National Security Council itself was so confidential and secret that the very portfolios in which it was contained were under lock and key. The members of the National Security

Council were not even permitted to take those folders and portfolios to their homes. They had to be unlocked in the presence of other members.

One of the distinguished heads of that Agency for 2 or 3 years was Gen. Walter Bedell Smith, the famous soldier and diplomat. During the time when he was the head of the Agency he sat in the National Security Council. The information I received as a member of the National Security Council, in my capacity as Vice President, was so confidential that I would lose my right arm before I would divulge it to anyone, even to members of my own family.

To say that now we should establish a joint committee to pry into and look into secret documents, to submit them before the joint committee, and to make them public seems to me incredible.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BARKLEY. I am glad to yield.

Mr. SALTONSTALL. I would appreciate very much the Senator's views on what a staff member of such a committee could do. It seems to me that a staff member could do nothing.

Mr. BARKLEY. I presume the staff members, whoever they might be, would be under the direction of the joint committee, and perhaps under the chairman of the joint committee, whoever he might be. According to the custom of committees, whether joint or single, the staff members would probably be authorized by the joint committee, if not directed, to invade the precincts of the National Security Council and obtain confidential information for the benefit of the joint committee, preparatory to a public hearing, to which they would have the right to summon members of the Security Council, and for which they would have the right to subpena documents.

Mr. GORE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. GORE. I am a member of the Joint Committee on Atomic Energy. In that capacity I have received information upon many occasions which I would regard as just as confidential, just as delicate, just as sensitive, as is the information to which the distinguished junior Senator from Kentucky has referred. It is difficult for me to draw the line of distinction. How is it that the Joint Committee on Atomic Energy can deal with the topmost secrets of the Government and establish a responsible record in doing so, a record both in the retention and safeguarding of secrets given in executive session, and also in the conduct of public hearings, when some other committee could not establish a similarly satisfactory record?

Mr. BARKLEY. The Senator from Georgia and the Senator from Iowa a moment ago discussed the fundamental difference between the Joint Committee on Atomic Energy and the proposed Joint Committee on the CIA. The Senator from Tennessee may not have been present at the time the discussion took place, and I should be glad to yield to the Senator from Georgia if he wishes to repeat what was said, because I am not a member of the Atomic Energy Committee, a member of the Armed Services Committee, or a member of the Appropriations Committee. Both the Armed Services Committee and the Appropriations Committee receive information from the CIA and also from the Joint Committee on Atomic Energy. I should prefer that the Senator from Georgia answer the question of the Senator from Tennessee.

Mr. RUSSELL. Mr. President, I stated that I was on the original Atomic Energy Committee of the Senate which wrote the legislation creating the Joint Committee on Atomic Energy, and I have served on that committee, although not so actively as has the Senator from Tennessee, during the past few years. I was on one of the original committees which was superseded by the Committee on Armed Services, and I had been on the Naval Affairs Committee ever since I became a Member of the Senate.

In my opinion, there is no comparison whatever between the activities of the two committees. The Joint Committee on Atomic Energy is supposed more or less to be a policy-developing agency which deals with tremendous programs of construction and production. Its primary function is to undertake to preserve secrecy within the United States. On the other hand, the CIA, which is a consolidation of the intelligence agencies which existed heretofore, functions outside the United States, and its principal endeavor is to break secrecy and to obtain secrets.

There is a great deal of difference between undertaking to preserve secrets as to what occurs in one of the great plants of the Atomic Energy Commission, and the case of Joe Jones who may be endeavoring to obtain secrets in one of the satellite countries, and who, if his activities were disclosed, would be liquidated immediately.

Mr. GORE. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. GORE. A little more than an hour from now a subcommittee of the Joint Committee on Atomic Energy is scheduled to meet in executive session. One of the great military figures of our country is scheduled to testify before it. He is called to testify on one of the most sensitive and delicate matters of national policy. He is to discuss stockpiling and stockpile needs and requirements. That is just as secret, just as sensitive, just as necessary to be safeguarded as is the information to which the able junior Senator from Georgia has referred.

As I understood his remarks the distinguished junior Senator from Kentucky was addressing the Senate on the inadvisability of having a joint committee of the Congress deal with highly secret matters. I rose to point out that the committee on which the junior Senator from Georgia and the junior Senator from Tennessee have the opportunity to serve has established an enviable and almost unblemished record of preserving secrets, dealing with them responsibly, and also holding public hearings so as to enlighten the public on matters which can safely be brought to public notice. I cannot quite draw the line of distinction.

Mr. RUSSELL. If the Senator from Kentucky will indulge me, I did not make the point he cited. The Central Intelligence Agency does report to the Armed Services Committee when it is requested to do so. I have stated that they have answered frankly, forthrightly, and fully every question asked by the Armed Services Committee. There is no necessity for having the proposed joint committee when there are four committees which are in a satisfactory manner supervising intelligence activities, as has been done since the beginning of the Republic. I stated that there was no need of creating a joint committee, with a staff added, to undertake to delve into the activities of the Central Intelligence Agency overseas.

I do not wish to prolong the discussion. I appreciate the indulgence of the Senator from Kentucky, but I must state for the record that I disagree with the Senator from Tennessee that there is no difference between evidence relating to stockpiling in the United States and evidence relating to someone who has succeeded in some satellite country in tapping the telephone of a foreign ambassador. I think there is a considerable difference. If we adopt this kind of policy and establish a new joint committee, we are going to dry up sources of information. Men will not be willing to endanger their lives, and there will be a disruption of the very fine cooperative relations existing between our Agency and the similar agencies of other countries, notably the British Intelligence Agency, which has been one of the best for many years.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. RUSSELL. Mr. President, the Senator from Texas [Mr. JOHNSON] was called from the floor and asked me temporarily to function in his absence. I shall be glad to yield 5 additional minutes to the Senator from Kentucky.

Mr. BARKLEY. I thank the Senator from Georgia.

Mr. GORE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. GORE. I thank the distinguished junior Senator from Kentucky.

The observations of the junior Senator from Georgia are well taken with reference to the substantial ground on which he has indicated he is opposed to the pending proposal. Other than on the ground that a joint committee cannot be trusted with preserving essential secrecy, I shall not challenge his position. But I would respectfully challenge the position taken by any Senator, if such a position should be taken, that a joint committee could not responsibly deal with the most sensitive secrets of our Government. It was for that purpose that I rose, and I thank my distinguished and able friend from Kentucky for yielding.

Mr. BARKLEY. Mr. President, there is one thing which differentiates the Joint Committee on Atomic Energy from the proposed committee. The Joint Committee on Atomic Energy deals legislatively with atomic energy. I have nothing but the greatest admiration for the manner in which that joint committee has functioned.

But the Central Intelligence Agency deals with all manner of subjects, everywhere throughout the world. It is not limited to any particular form of defense or any particular form of offense. It is the duty of the CIA to encompass the entire world, and to report to the Security Council and the President. On the Security Council the chairman of the Joint Chiefs of Staff sits, just as does the chairman of the Central Intelligence Agency.

I feel very deeply and sincerely that to open the records and the personnel of the CIA, which is an intelligence agency that gathers valuable and highly confidential information from all over the world, would handicap the CIA in obtaining the information which is so essential to our defense. The activities of the CIA cover the entire world, and the CIA makes reports on the entire world situation.

Because I believe it is not now necessary to create such a joint committee, and because I believe that to do so would be fraught with great danger, I shall oppose and vote against the concurrent resolution which is now before the Senate.

There is nothing more that I can say, and nothing more that I desire to say, in regard to the matter. I hope the Senate will not agree to the concurrent resolution.

Mr. RUSSELL. Mr. President, I do not know whether any other Senator, while I am acting temporarily for the Senator from Texas, desires to have me yield him time.

If the Senator from Montana were agreeable, I would have no objection to having the committee amendments agreed to en bloc, and then yielding to the Senator from Montana such time as he might desire as the author of the concurrent resolution.

I may say to the Senator from Montana that the Senator from Missouri [Mr. SYMINGTON] wishes to speak for a few minutes. Did the Senator from Montana wish to conclude the debate?

Mr. MANSFIELD. Not necessarily. I shall be glad to follow the Senator's suggestion.

Mr. RUSSELL. Mr. President, with the agreement of the distinguished Senator from Massachusetts [Mr. SALTONSTALL], who is the acting minority leader, I, as the acting majority leader, ask unanimous consent that the committee amendments be considered as agreed to en bloc, and that the time remaining on the amendments be yielded back.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 3, line 21, after the word "report", to strike out "public"; in line 23, after the word Senate", to strike out "The cost of such services to report executive hearings shall be fixed at an equitable rate by the joint committee"; on page 4, line 6, after the word "Government", to insert "on a reimbusable basis with the prior consent of the heads of the departments or agencies concerned and the Committee on Rules and Administration"; in line 11, after the word "paid", to strike out "one-half"; in line 12 after the word "Senate", to strike out "and one-half from the contingent fund of the House of Representatives"; and in line 14, after the word "chairman", to strike out "Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed, from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made."; so as to make the concurrent resolution read:

"*Resolved by the Senate (the House of Representatives concurring)*, That there is hereby established a Joint Committee on Central Intelligence to be composed of 6 Members of the Senate to be appointed by the President of the Senate, and 6 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Of the 6 members to be appointed from the Senate, 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Appropriations of the Senate, and 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Armed Services of the Senate. Of the 6 members to be appointed from the House of Representatives, 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Appropriations of the House of Representatives, and 3 shall be members of the Central Intelligence Agency Subcommittee of the Committee on Armed Services of the House of Representatives. Not more than 4 members appointed from either the Senate or the House of Representatives shall be from the same political party.

"SEC. 2. (a) The joint committee shall make continuing studies of the activities of the Central Intelligence Agency and of problems relating to the gathering of intelligence affecting the national security and of its coordination and utilization by the various departments, agencies, and instrumentalities of the Government. The Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to its activities. All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Central Intelligence Agency shall be referred to the joint committee.

"(b) The members of the joint committee who are Members of the Senate shall from time to time report to the Senate, and the members of the joint committee who are Members of the House of Representatives shall from time to time report to the House, by bill or otherwise, their recommendations with respect to matters within the jurisdiction of their respective Houses which are (1) referred to the joint committee, or (2) otherwise within the jurisdiction of the joint committee.

"SEC. 3. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

"SEC. 4. The joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such places and times, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of the amounts prescribed by law for reporting the hearings of standing committees of the Senate.

"SEC. 5. The joint committee is empowered to appoint such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government on a reimbursable basis with the prior consent of the heads of the departments or agencies concerned and the Committee on Rules and Administration.

"SEC. 6. The expenses of the joint committee, which shall not exceed $250,000 per year, shall be paid from the contingent fund of the Senate upon vouchers signed by the chairman."

Mr. RUSSELL. Mr. President, as I understand, the Senator from Massachusetts [Mr. SALTONSTALL] would have to yield time to the Senator from Missouri. Although I am very much opposed to the concurrent resolution, I, as the acting majority leader, am supposed to yield time only to Senators who favor the concurrent resolution.

Mr. SALTONSTALL. Mr. President, do I understand correctly that the committee amendments have been agreed to?

The PRESIDING OFFICER. The amendments have been agreed to en bloc. The question before the Senate is on agreeing to the concurrent resolution, as amended.

Mr. SALTONSTALL. I yield 10 minutes, or as much of that time as he desires, to the Senator from Missouri [Mr. SYMINGTON] who wishes to speak in opposition to the concurrent resolution.

Mr. SYMINGTON. Mr. President, I appreciate the kindness of the distinguished Senator from Massachusetts.

As a former member of the National Security Council, I have had considerable experience with the Central Intelligence Agency, which reports to the National Security Council.

In my opinion, it would be a mistake to establish the proposed joint committee. The Central Intelligence Agency Subcommittee of the Senate Committee on Armed Services is composed of the distinguished junior Senator from Georgia [Mr. RUSSELL], as chairman; the majority leader, the distinguished senior Senator from Texas [Mr. JOHNSON]; the distinguished senior Senator from Virginia [Mr. BYRD]; the present acting minority leader, the distinguished Senator from Massachusetts [Mr. SALTONSTALL]; and the distinguished senior Senator from New Hampshire [Mr. BRIDGES], who is the ranking Republican Member of the Senate.

Where could one find a better committee of the Senate?

I do not see why, under the present circumstances, there should be a special joint committee to supervise the Central Intelligence Agency.

I am sorry not to have been present for all the debate, having just returned from Omaha, Nebr., and have just now reached the floor.

This is one of the few times it has been my misfortune not to be able to vote with my able colleague, the distinguished junior Senator from Montan [Mr. MANSFIELD]. He knows of my respect and affection for him. Nevertheless, in this case I cannot agree with him.

I thank the Senator from Massachusetts for yielding to me.

Mr. RUSSELL. Mr. President, I shall be glad to yield to the junior Senator from Montana as much time as he may desire from the 2 hours on the bill.

Mr. MANSFIELD. I shall take only 15 minutes.

The PRESIDING OFFICER. The junior Senator from Montana is recognized for 15 minutes.

Mr. MANSFIELD. Mr. President, I wish my friend, the distinguished Senator from Missouri, had remained in Omaha. Unfortunately for the concurrent resolution, he has returned and is opposed to it. That means, of course, that the odds are lengthening a little more, because in addition to a former Vice President of the United States, who also was a member of the National Security Council; in addition to the distinguished junior Senator from Georgia [Mr. RUSSELL], who is a great statesman and a fine friend, and is outstanding as the chairman of the Senate Committee on Armed Services; in addition to the senior Senator from Arizona [Mr. HAYDEN], who has served his State ably and well since it achieved statehood, and who also is a very fine friend; in addition to the ranking minority member of the Senate Committee on Armed Services, the distinguished Senator from Massachusetts [Mr. SALTONSTALL]; and in addition to the minority leader of the House; we find also that the President of the United States and the Central Intelligence Agency itself are opposed to the concurrent resolution.

The Senator from Georgia [Mr. RUSSELL] suggested that the statement with reference to the $40 million appropriated by Congress last year for the Marine Corps which the executive branch did not use to carry out the unanimous intent and mandate of Congress, had no proper connection with this subject. Of course, it has no connection directly, but it has a connection indirectly.

What is the executive branch trying to do? It is trying to take over, lock, stock, and barrel, as many of the functions of the legislative branch as it possibly can. Let us examine the record, simply to prove that point. The criticism applies to Democratic as well as to Republican administrations.

When President Roosevelt was in office, on three separate occasions he promulgated executive agreements which were, in effect and in fact, treaties of friendship and commerce. Under the advice and consent clause of the Constitution, those treaties should have come before the Senate for consideration and approval. Mind you, Mr. President, there were three executive agreements which should have been negotiated as treaties of friendship and commerce, and which should have come before the Senate for its advice and consent. But what did the Senate do in that respect? The Senate did nothing. It willingly relinquished the authority and the responsibility which were accorded it under the Constitution.

President Truman acted in similar fashion. Again, what did Congress do? Congress appropriated funds for a 70-group Air Force. What happened? President Truman impounded the money and allowed only enough to be spent for a 48-group Air Force. That was just before the Korean war. Do Senators remember that? If that was not a flouting of congressional authority, I do not know what it was. Certainly it meant that the executive branch was not a coequal branch of the Government, but was the predominant branch of the Government.

We find that last year Congress unanimously restored $40 million in order to keep the Marine Corps at its then strength, to prevent its reduction by some 25,000 men in this fiscal year. That was done under the leadership of the distinguished junior Senator from Missouri [Mr. SYMINGTON], who now speaks against the concurrent resolution.

Was it only the Marine Corps which was cut down last year? Not at all. The strength of the Army was reduced by approximately 300,000 men. So on June 30 of this year there will be 1,025,000 men in the Army of the United States. Think of that, notwithstanding the worldwide commitments we have. In addition, the Navy was cut down. Those actions on the part of the administration indicate to me that there is a trend—a strong trend—and a trend to which the Senate and the Congress are acceding—on the part of the executive to take over more and more control.

I cannot understand why the constitutional lawyers in this body do not rise on their hind legs and protest against the loss of power which is being suffered by the Congress, and especially the Senate, and take some action to regain the powers which the Executive, through the praetorian guard it has in the White House, and certain agencies, has taken unto himself. If Senators do not wake up, some day they will find that they are members of a debating society, and not Members of the Senate of the United States, as the Constitution intended them to be.

Mr. RUSSELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Montana yield to the Senator from Georgia?

Mr. MANSFIELD. I shall yield in a moment. What happened when the resolution was to be considered by the Committee on Rules and Administration? Two days before, the President of the United States announced the creation of an 8-man Civilian Board to advise him on the CIA. What kind of powers does that Board have? None, really. It is to meet once every 6 months. To whom is the Board to report? To the President of the United States. Will the members of the Board be able to give out any information to anybody else? No, not at all. In this particular instance where does Congress come in? What type of men are we? Do we have responsibilities? We are elected. We have to fight for these jobs. We represent the people. We are not appointed. We have to make an accounting of the responsibilities which have been thrust upon us.

When word was received that the resolution was going to be considered, the President announced, and I believe hurriedly—and I do not blame him for it—that the Board had been created, and he said he was doing it in accord with the recommendations of the Hoover Commission. He was partly right, but only halfway right, because the Hoover Commission said that not only should a civilian board be created, but that a joint congressional committee should be created as well. And that was the second time the Hoover Commission had recommended the creation of a joint congressional committee.

What do we have now? We have the CIA doing everything it possibly can to defeat this resolution—a resolution which is intended to safeguard them and give them some security and an outlet which they do not have now, because the contracts they have with the Congress are very thin, indeed.

What did the distinguished Senator from Massachusetts say on Monday last? Twice a year the CIA appears before the appropriate subcommittee of the Committee on Armed Services. Once a year it appears before the Appropriations Subcommittee, and at that time the officials of the CIA ask for money. Ask for how much? What do we know about the funds appropriated to them? What do we know about the agency's personnel? We do not know anything. Perhaps we should not, but we ought to have a standing joint committee which can take care of it.

I think it is well to refer to another point, since the distinguished Senator from Georgia has brought it out. The Senator referred to my remarks about a small staff. Of course, that staff would have to have the highest possible clearance. I should like to ask the Senator from Georgia if in the meetings, having to do with the CIA, which Mr. Allen Dulles and his assistants have with the members of the Armed Services Subcommittee and with members of the Appropriations Subcommittee, staff members are absent and only Members of the Senate are in attendance.

Mr. RUSSELL. I shall answer the question of the Senator from Montana with a "no," even though he would not permit me to ask a question a moment ago. I have had one staff member present during the course of the hearings. I have had one staff member present, and only one, who has been with the committee since I have been a member of the committee. I have not brought in other staff members of the committee, even though I have full confidence in them, because I see no necessity for it, just as I see no necessity for an appropriation of $150,000 for a new staff which it is proposed to create.

The Senator from Montana has said the Armed Services Committee knows nothing about the agency, and that the Appropriations Committee knows nothing about it. Before the debate is concluded, the Senator from Arizona [Mr. HAYDEN] will state that officials of the agency come before the Appropriations Committee, and the committee members know as much about how the agency spends its money as they know in the case of many other agencies.

Mr. MANSFIELD. I thank the Senator, and apologize to him for not having yielded when he asked me to.

Mr. RUSSELL. I certainly intended no criticism of the Senator for not yielding to me. I know how it is when the Senator is in the course of making his

remarks, which he has outlined in his mind. I would not have interrupted the Senator, who was making a very eloquent speech, if I had not wanted to call something to his attention, which I have forgotten now. I hope my interruption did not have the effect of annoying the Senator.

Mr. MANSFIELD. No, indeed.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SYMINGTON. I agree with much of the remarks of the distinguished Senator regarding the encroachment of the executive on the legislative branch of Government. I am sure the Senator knows, in illustrations he gave with respect to the Military Establishment, what my feelings are in those matters. But we have a fine subcommittee of the Armed Services Committee handling the CIA from the standpoint of Senate legislative analysis and determination. I think that committee as capable a committee—and I believe the distinguished Senator from Montana would agree—as could be obtained in the Senate.

Mr. MANSFIELD. I certainly would agree with the Senator. It is a good committee.

Mr. SYMINGTON. If he believes the committee has been remiss in its handling of the CIA, which is a function of the Senate Armed Services Committee, I shall be very glad to cooperate with my distinguished friend from Montana in any suggestions he may care to make.

Mr. MANSFIELD. I may say to my good friend, the Senator from Missouri, that the one thing he could do to put into effect his offer is to vote for the resolution, because what the resolution proposes to do is to bring the subcommittees together. It would not break the continuity they now have with the CIA. The same persons would be involved, but there would be a standing joint committee, with a small staff, with the highest possible clearance. This committee could furnish an outlet for both the Congress and the CIA. I think this is the best way to handle the matter.

Certainly, I have never advocated that we should exercise undue oversight over the CIA, because I recognize the need for a certain amount of secrecy. I have not even advocated open sessions of the joint committee, if it should be created, because the occasions would be rare when such an instance would arise. Had there been a joint committee at the time the CIA headquarters fight was on, perhaps something could have been done; but otherwise there is no reason I can see why any of the meetings should be open.

There is no reason for anyone to suspect or be suspicious that the sponsors of the resolution want to pry into the secrets of the CIA; but I say to my colleagues that the Senate and the House—the Congress of the United States—have the right, under our system of checks and balances, to exercise some degree of control, not through subcommittees which meet occasionally, but through a regular standing joint committee. I, for one, feel that Members of Congress can be trusted as well as can a group of private citizens who may occasionally be given such information as the Agency wants to put before them. I think Members of the Congress can be trusted just as much as can the members of the National Security Council. Certainly I have every faith in the men and women with whom I am associated in the Congress; and I would say that insofar as the Joint Committee on Atomic Energy is concerned, it has exercised a high degree of discretion during the many years it has been in operation.

The distinguished junior Senator from Kentucky [Mr. BARKLEY], formerly Vice President of the United States, told the Senate about his contacts with the National Security Council while he was Vice President, and he referred to Gen. Walter Bedell Smith. I should like to inform the Members of the Senate that, so far as I know, Walter Bedell Smith is in favor of a measure of this kind, and I believe he has so stated on a number of occasions. I believe that any right-thinking Director of the CIA would welcome such a group, if for no other reason than the agency's security and its protection from unjustified attacks by individuals or groups.

Mr. President, there are other things I should like to discuss.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. RUSSELL. Mr. President, I am glad to yield to the Senator from Montana as much further time as he may desire to have.

Mr. MANSFIELD. I should like to have 10 more minutes.

Mr. RUSSELL. Mr. President, I yield an additional 10 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 10 minutes more.

Mr. MANSFIELD. Mr. President, today our attention has been called to the Joint Committee on Atomic Energy and its application to the pending proposal. Let me point out that at the bottom of page 12 of the report of the Committee on Rules and Administration in regard to Senate Concurrent Resolution 2, we find the following recommendation—one of the recommendations of the Hoover Commission:

RECOMMENDATION

> (a) That the President appoint a committee of experienced private citizens, who shall have the responsibility to examine and report to him periodically on the work of Government foreign intelligence activities. This committee should also give such information to the public as the President may direct. The Commission should function on a part-time and per diem basis.

The second part of the recommendation of the Hoover Commission is the important one:

> (b) That the Congress consider creating a joint congressional committee on foreign intelligence, similar to the Joint Committee on Atomic Energy. In such case, the two committees, one Presidential and the other congressional, should collaborate on matters of special importance to the national security.

What did the President do? He appointed a group of private citizens, but he took a stand against the creation of a joint committee; and, according to the newspapers, he said that the CIA was too sensitive for Congress to take up.

Mr. President, who does the President of the United States think the Members of Congress are? In our own way, we have just as much responsibility as he does; and I, for one, intend to do everything I possibly can to see to it that the powers given to Congress by the Constitution are retained by the Congress, and are not whittled down or taken away, and are not willingly given up. I think the Congress is in danger, and we should recognize that fact.

I should also like to bring to the attention of the Senate the fact that I hold in my hand a letter from Mr. Clarence Francis, chairman of the Committee for the Hoover Report. He was a member of the Hoover Commission when it was in operation. In speaking for the Committee for the Hoover Report, he comes out in wholehearted support of Senate Concurrent Resolution 2.

Let me point out that two Members of the Senate were members of the Hoover Commission—the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Arkansas [Mr. MCCLELLAN]. According to information given to me by the Senator from New Hampshire, they went on record, during the time when the Commission was in existence, as being opposed to the creation of a civilian commission, and as being in favor of the establishment of a joint congressional committee. Those two Senators were our representatives on the Hoover Commission; and that was their recommendation, as I understand.

Instead of having this matter handled by the two subcommittees to which reference has been made—which meet occasionally, but are not vitally and solely interested in the CIA, for they have many other duties—I certainly believe that a regular, standing joint committee of the Senate and the House of Representatives should be established to look after the interests of the Congress and also to look after the interests of the people of the United States in this field. I trust those with whom I am associated in the House and the Senate; I trust them, regardless of whether they be Republicans or Democrats.

Certainly we as a body are entitled to as much consideration as are members of the National Security Council or members of a private commission or members of any other group. After all, the Congress has the ultimate responsibility. Congress has the obligation of appropriating the moneys used in the Government service. Congress creates the various agencies, but then sits back and lets the Executive take over as much control as it desires to have. Mr. President, I think it is about time for the Senate to wake up.

Mr. RUSSELL. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. RUSSELL. I do not wish to prolong the debate, but certainly I do not like to have the Senator from Montana leave me in the position of seemingly wishing to surrender any of the powers of the Congress.

What I am trying to have the Congress do is keep where they are now, in the Armed Services Committee and the Appropriations Committee, the powers which the Senator from Montana proposes to take from those committees and lodge in the proposed joint committee. I know of nothing such a joint committee could do that the Armed Services Committee and the Appropriations Committee cannot do.

The Senator from Montana referred to the Marine Corps fiasco in the executive branch of the government. To the very best of my ability, I have fought to obtain the appropriations for the Marine Corps. I have expressed my grievous and distinct disapproval of the action of the executive branch in not expending those appropriations for the purpose for which they were made by Congress. I have undertaken to—well, Mr. President, I do not like to use a strong word, but I have made it perfectly clear to the Secretary of Defense and to the Joint Chiefs of Staff that I think they have gone directly counter to the clear intent of the Congress. Of course, they added insult to injury by submitting budget estimates by means of which they undertook to have the money we appropriated for the Marine Corps used by the Office of the Secretary of Defense and by other civilian agencies. On yesterday afternoon I had the privilege, in the Appropriations Committee, of making a motion to strike out that language, so as at least to show that we do not propose to stand by and have insult added to injury.

But I must confess that I do not exactly see the relationship between the Marine Corps incident—much as I deplore it and much as I condemn it—and the efforts which are being made to remove these powers of supervision from the committees which now have them.

Mr. MANSFIELD. Mr. President, I wish to say again—I have already said it many times—that the Marines have never had a better friend than the distinguished Senator from Georgia [Mr. Russell], the chairman of the Armed Services Committee. That is a well known and an established fact; and I know he was the one who was primarily responsible, behind the actions of the distinguished Senator from Missouri [Mr. Symington], last year, in bringing about a restoration of the $40 million which Mr. Wilson, the Secretary of Defense, acting for the President, impounded, and later used in part for other purposes in the office of the Secretary of Defense, the Secretary of the Navy, and a few other of the agencies under his jurisdiction. So I am delighted that the distinguished Senator from Georgia did what he did on yesterday. I only hope that he will see to it that if these moneys are not used for the Marine Corps, as they should be, they will be returned to the general Treasury and will not be used for other purposes.

Mr. RUSSELL. Mr. President, if the Senator from Montana will indulge me, let me say that I think the funds should be reappropriated, so as again to have the Congress go on record regarding its desire to have the money used for the Marine Corps, and so as again to show that the present Department of Defense, acting under the Chief Executive, has been clearly flouting its responsibility to act in accordance with the directives of the Congress, which has the responsibility of raising and maintaining armies for the defense of the United States.

Mr. MANSFIELD. Am I to understand from what the distinguished Senator says that if he has his way this money is to be used by the Marine Corps for the purposes intended?

Mr. RUSSELL. We shall have to reappropriate it, but I shall certainly make every effort, when the defense bill comes before the Senate, to see that it is reappropriated for the Marine Corps.

Mr. MANSFIELD. I thank the Senator.

Referring to the second part of the Senator's question, I did not say that the Marine Corps matter, the 70-group Air Force matter, or the matter of executive agreements was directly connected with the CIA. However, I tried to indicate that indirectly, through the years, both during Democratic and Republican administrations, there has been a tendency on the part of the Executive to assume our responsibility, and to get away from the idea of coequality, as provided by the Constitution. I certainly did not mean to imply any personal responsibility on the part of the distinguished Senator from Georgia, whom I recognize as one of the great constitutional lawyers of this body. I tried to indicate that that was being done willingly, so far as the Congress as a whole was concerned, because we are not fighting the tendency to shift power away from us.

Mr. RUSSELL. So far as the Senator from Georgia is concerned, he will condemn such a trend at every opportunity. I know of no other way to fight it. I regret that there are not more Member of Congress who feel as does the Senator from Montana, who has expressed himself so forcefully.

Mr. MANSFIELD. I thank the Senator from Georgia.

Mr. SALTONSTALL. Mr. President, I yield 10 minutes in oppositon to the distinguished Senator from Idaho [Mr. Dworshak].

Mr. DWORSHAK. Mr. President, I have listened to the debate this afternoon with a great deal of interest. I have been undecided as to whether I would vote for or against the concurrent resolution.

I have profound respect for my colleague, the junior Senator from Georgia [Mr. Russell], with whom I serve as a member of the Appropriations Committee; and likewise for the distinguished chairman of the Appropriations Committee, the senior Senator from Arizona [Mr. Hayden].

Logically there is much truth in what has been said, to the effect that there is little justification for the creation of another joint committee. We have an adequate number of standing committees now, if they function effectively and discharge their duties as they should. It is true, as the Senator from Georgia pointed out, that probably we now have access to information, data, and records of the Central Intelligence Agency through the Armed Services Committee, of which he is the chairman, and likewise through the Appropriations Committee.

I have had some experiences in this connection during the past year. A year ago I was assigned to membership on the subcommittee on Defense Appropriations. For a long time I had had certain misgivings and uncertainty with respect to the operations of the CIA. I was very eager to find out something about the CIA, because it is a very vital and important agency in the executive department of the Government.

When the director of the CIA appeared before the Senate appropriations subcommittee, I was so naive as to think that, as a member of the committee, and a Member of the Senate, I might be entitled to some information.

I ventured to ask certain questions of the director. I was told very emphatically "This information is classified." Information as to the number of personnel is classified, whether there are 1,000, 10,000, or 20,000 employees and officials working for CIA. Oh, Mr. President, that is highly classified information!

Then when I directed questions to the director about the amount of money required to operate the CIA, I was again told, quite forthrightly, "This is classified information." Hush, hush! Members of the Appropriations Committee must be willing to assume that the CIA, as a part of our Defense Establishment, is operating efficiently. We are told that it should not be our concern to inquire whether we are obtaining full value for the several millions of dollars which are appropriated annually for the CIA.

At this point I should like to have the Record show that while I do not think it is necessary to establish another committee to ride herd on the CIA, I am wondering whether members of the Appropriations Committee and the Armed Services Committee are fully informed as to the far-flung operations of the CIA. I wonder whether the former Vice President, the junior Senator from Kentucky [Mr. Barkley], and the junior Senator from Missouri [Mr. Symington], who was formerly the head of the Air Force of our country, are fully informed.

The CIA must operate in a manner which provides the maximum safeguards for the safety of those who place their own lives in jeopardy when they go abroad to work in countries behind the Iron Curtain and obtain information essential to our national defense. But, Mr. President, I think it is the direct responsibility of the Congress and its duly constituted committees to take a profound interest in the operations of the CIA, and to determine whether or not an efficient job is being done. It is not enough to receive assurances from the Director that his agency is doing outstanding work and to say at that point that the Congress of the United States has no further responsibility with respect to the operations of the CIA.

During the past year the CIA personnel near the top level probably have been concerned with many vital questions of intelligence. However, they have not been too busily engaged to avert a controversy concerning the proposed construction of a $50 million showplace across the Potomac in Virginia.

I wonder, if the CIA spreads out its personnel throughout the entire world to

gather this vital information, why it is necessary to build a grand showplace on the Potomac costing $50 million. I do not know how many employees would be housed there, but I leave it to the good judgment of my colleagues to say whether it is necessary to have a $50 million administration building for the CIA. If it is, then obviously it is proposed to house probably several thousand employees. I think the newspapers have indicated that 6,000 or 7,000 employees would be located in this magnificent palace on the banks of the Potomac.

I ask Members of the Senate whether the CIA operatives and officials propose to obtain this vital secret information right here in the National Capital. Why should it be necessary to house 6,000 or 7,000 employees in the National Capital? I had assumed that the primary function of the CIA was to visit the far-flung areas of the world to gather this vital information. I certainly hope the distinguished chairman of the Committee on Armed Services will make it his responsibility to find out why it is necessary to have that grand showplace on the Potomac. It is already being called the Little Pentagon.

I remember when some Members of the Senate, especially of my own party, were critical of a Democratic President who had the Pentagon constructed at a cost of about three times the funds that had been originally requested of Congress. We were quite critical, because we thought it was too lavish a building for the military.

Now we are to have a little Pentagon. It may be very difficult to get CIA operating personnel to leave the lush showplace on the banks of the Potomac and undertake dangerous and hazardous missions in countries throughout the world.

Mr. President, last summer, I like many other Americans, read articles in the press and listened to reports over the radio which indicated that possibly in the Soviet Union an economic upheaval of some kind was imminent.

There was confusing information available upon which to base any definite conclusions. Therefore, with the Senator from North Dakota [Mr. Young] and other Members of the Senate, I made a brief visit behind the Iron Curtain last September. We visited Moscow for 6 days, including 2 hours conferring with Khrushchev and Bulganin, as well as with Ambassador Bohlen and members of his staff.

The most amazing and astounding thing we learned on our visit behind the Iron Curtain was that there was little evidence of an impending economic upheaval or crash of any kind. I was somewhat dumfounded as I viewed the situation there. I am sure the distinguished chairman of the Armed Services Committee will agree with me——

The PRESIDING OFFICER. The time of the Senator from Idaho has expired.

Mr. SALTONSTALL. Mr. President, I yield five additional minutes to the Senator from Idaho.

Mr. DWORSHAK. I am sure the distinguished chairman of the Committee on Armed Services, who likewise traveled behind the Iron Curtain, made similar observations. Is that not true?

Mr. RUSSELL. I will say to the distinguished Senator from Idaho that I spent 17 days in Russia. I went from the Baltic to the Caspian over to the Black Sea, and up to Kiev, through the center of Russia, and I found that there was no impending revolution. If there was, it was certainly well disguised from the eyes of tourists.

Mr. DWORSHAK. Did the Senator from Georgia see any apparent evidence of the oncoming crash of any kind?

Mr. RUSSELL. No; I did not. Of course, under the Soviet system, no one has very much to have a crash with, unless it be a failure of crops. From what I saw, they had fairly good crops when I visited the farms.

Mr. DWORSHAK. In the city of Moscow it was apparent that seven or eight million people were enjoying economic security to a large extent. Is that correct?

Mr. RUSSELL. They were not enjoying the kind of standard living that Americans have. However, according to their standards, I suppose that is so. They had plenty of bread and enough clothing, so far as I could see.

Mr. DWORSHAK. I thank the Senator for his observation. The only reason I am referring to my experience behind the Iron Curtain is that I was convinced the highly rated CIA, charged with the responsibility of getting information in farflung places, did not have any information, or very little reliable information, concerning the economic status of people behind the Iron Curtain.

Again I ask Members of Congress whether it is not our responsibility to learn whether the millions of dollars which we annually appropriate for CIA are used properly and effectively. If Members of Congress, after spending a few weeks behind the Iron Curtain can come home with definite ideas about the economic conditions in Russia, then certainly it is not expected too much of CIA to be able to gather the information for the people of this country. Congress, the armed services, and the National Security Council should be properly informed about the very vital conditions that exist in the countries which are opposed to our way of life.

I shall not belabor the point, Mr. President, because I feel sure that the concurrent resolution will not be adopted. However, I hope that those who are responsible for the operations of the CIA will not assume that such action is evidence that Congress is not interested in what is done by that agency. Certainly CIA has features which require its operation without complete disclosure of what is being done, but the agency should make reports to standing committees, like the Committee on Appropriations and the Armed Services Committee. However, I think it is our responsibility, and I charge the two committees and the chairmen of those two committees to see to it that we do not permit the CIA to operate in any but in the most efficient manner, which will justify the appropriations which are being made for its operations. Because the funds for the agency are integrated with the funds appropriated for the armed services, it should not be assumed that Congress is not interested in—or that the American people are not demanding—a full report to the responsible committees of the Congress.

In closing, Mr. President, I should like to say that, whether we have a special committee appointed or have standing committees deal with this vital question, I take the position that Members of Congress can be trusted to consider any vital classified information to the same extent that the civilian employees of CIA can be trusted.

Likewise, I hope when the great showplace on the Potomac is completed—its construction has already been authorized—that CIA will not make the tragic blunder of housing surplus employees there and giving them soft berths when they should be operating in the field. It is the responsibility of Congress to make certain that CIA knows what is going on behind the Iron Curtain and that it is aware of conditions that exist everywhere in the world, if it is to function in accordance with its obligations and responsibilities as a vital arm of our defense.

Mr. SALTONSTALL. Mr. President, I yield myself 2 minutes in opposition. I wish the Record to show in this debate that I am very much opposed to the concurrent resolution. I gave my reasons at length on Monday when I debated the matter with the Senator from Montana [Mr. Mansfield].

I merely wish to add at this time that I am opposed to the resolution because it is impractical and because I believe it is unnecessary. It is impractical because it will be a step toward drying up the sources of our information which it is necessary for our intelligence agency to have, and will make it very dangerous for the grave men who are conducting our intelligence activities.

I believe it is unnecessary because two subcommittees of committees of the House and of the Senate now have the responsibility of looking into CIA and its duties and into the way it is carrying out its duties. If Congress is not given sufficient attention, it is the fault of Congress, not the fault of methods of organization. For these reasons and for the reasons I gave last Monday, I am opposed to the concurrent resolution.

Mr. President, I yield 5 minutes, or as much time as he may need in opposition, to the Senator from Arizona [Mr. Hayden].

Mr. HAYDEN. Mr. President, as a member of the Committee on Rules and Administration I filed my individual views in opposition to the pending concurrent resolution, and I ask that they be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. Laird in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. HAYDEN. Mr. President, I have listened with great interest to the debate, and, like the Senator from Georgia [Mr. Russell], I have very carefully read the proceedings of last Monday, not being privileged, as he was not, to be present at that time. I was interested in noting that there was a repetition of the idea expressed by the provision in section 2 of the concurrent resolution that "the Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to all of its activities." It was urged that the information thus disclosed should be made available not only to members of the joint committee, but, it was further stated, to all Members of the Congress and even generally to the American people. How it would be possible to keep the American people fully informed and at the same time keep our Communist enemies in Moscow in the dark, it is difficult to imagine.

There must be secrets. There are men all over the world who are engaged in the service of the CIA. Are we to tell the dictators in Moscow how much money we are spending in employing these men, and where they are employed? If a representative of the Central Intelligence Agency should penetrate into China and obtain information from a Chinese, for which he had to pay, would it be required that the Chinese sign a voucher for it? That CIA cannot do business that way. If it became known that a resident of China gave any information about the widespread human slavery which communism has imposed upon the people there to one of our Central Intelligence agents, he would not live very long.

I was interested in the assertion that we must maintain some kind of supervision and control of congressional prerogatives. A Marine Corps appropriation was used as an illustration. The facts in the Marine Corps case were that Congress appropriated money to maintain the Marine Corps at 215,000 men, and the administration allowed the corps to drop down to less than 200,000 men, and consequently did not spend the money which Congress had appropriated. There is absolutely no way to compel the executive branch to spend money which Congress has appropriated. I found that out when I first became a Member of the House of Representatives. I made my first political campaign in Arizona in an Apperson Jackrabbit automobile, which became stuck in the quicksands of the Gila River and we had to have the help of Apache horsemen who used their ropes and saddle horns to pull us out. At that time I made a vow that if I should be elected to Congress I would try to have a bridge built across the Gila River. When I was elected I proceeded to try to carry out my vow. I introduced a bill, which provided money to build a bridge across the Gila River on the San Carlos Reservation.

When the bill was under discussion, Mr. James R. Mann, the Republican minority leader of the House at that time, insisted that since the Osage Indians who were once very poor but who had become rich through oil discoveries, the San Carlos Apaches might some day become wealthy and in that event should reimburse the Government for the cost of the bridge and his amendment was adopted. The Bureau of Indian Affairs refused to build the bridge so long as that condition was attached; Congress had appropriated the money for it but the bridge was never built.

The Constitution provides that the President "shall take care that the laws be faithfully executed" but does not fix the time when he shall do so. Congress can appropriate money for maintaining the Marine Corps at full strength but the President does not care to spend it, there is nothing we can do about it. There is no way of compelling any executive department to spend money if it does not wish to do so. Consequently there is no connection between the failure of the administration to spend money appropriated for the Marine Corps and the need for the pending resolution.

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield?

Mr. HAYDEN. I yield.

Mr. MANSFIELD. There is no direct connection, but there is a pattern. I tried to point out earlier in the debate that 2 days before we had a hearing the President hurried up his appointment of the private commission recommended by the Hoover Commission. I think he did it to forestall action by the Senate committee and to make certain that he could say, "I followed the Hoover Commission's recommendations," which he did in part, but he did not follow the main part, which was the creation of a joint committee on the CIA, a proposal which had been advocated by both this and the previous Hoover Commission some 5 years before.

The executive department, I submit, is arrogating unto itself more and more power all the time. I stated that under Roosevelt there were executive agreements which were in reality treaties of friendship and commerce and which should have been brought before the Senate. Under Truman, Congress appropriated funds for a 70-group Air Force, but these funds were impounded by the President and enough allowed for only a 48-group Air Force. Under Eisenhower, Congress appropriated $40 million, which Congress said should be used to maintain the Marine Corps at its then present level. So they tie in.

Mr. HAYDEN. In my opinion, there is no tie-in. The Central Intelligence Agency is an arm of the President. Under the Constitution, I feel we have no right to attempt to regulate an agency which is designed solely to provide the President, who, under the Constitution, is responsible for our foreign relations, with information to enable him to make decisions.

There is complaint that the various departments do not tell us all we should know. If that be the case, and they do not give Congress all the information it should receive, why not appoint a watchdog committee to supervise the President's Cabinet? Cabinet members can perform their duties out loud or be quiet about it, but their official actions are included in the responsibility placed upon the executive department. There are three distinct branches of government. I am just as much opposed to congressional invasion of the executive branch as I am to an invasion by the executive of the congressional branch. Each has its place. If we are to place watchdogs elsewhere, why not insist that Congress have a watchdog in attendance at every meeting of the President's Cabinet?

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield further?

Mr. HAYDEN. I yield.

Mr. MANSFIELD. I think the Senator is taking an extreme view of the resolution. The purpose is not to pry into the secrets of the CIA. The idea, in reality, is to safeguard and secure the CIA in furnishing outlets both ways. I do not see how the Senator can disagree with reference to treaties of friendship and commerce——

Mr. HAYDEN. I do not wish to enter into an argument with my good friend. I know there have been at times efforts on the part of the legislative branch to exercise dominating power. The Senator will remember the attempted impeachment of President Andrew Johnson. The legislative branch can go to extremes and the executive branch can go to extremes. Some complaints have recently been made that the judicial branch has gone to extremes. But there are certain constitutional limitations on all three branches of the Government and, because of those limitations, our Government is today the oldest continuous government in the world. We should keep our Government of divided responsibility the way it is. Nothing of value would be gained by agreeing to the concurrent resolution.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. MANSFIELD. I agree with the Senator from Arizona that our Government should be conducted as it was intended to be conducted under the Constitution. But am I not correct in assuming that differences relative to the equal division of powers, so-called, and supposedly, between the executive branch and the legislative branch can be settled in the judicial branch by the Supreme Court?

Mr. HAYDEN. Sometimes.

Mr. MANSFIELD. If that is the case, why not agree to a concurrent resolution, which will be purely congressional action, which does not call for approval by the President of the United States, but which requires only a majority vote of both Houses? Then, if the executive branch thinks that the legislative branch is infringing upon the powers of the Executive under the Constitution, let the matter be taken to the Supreme Court, so that the executive and the legislative branches can ascertain where they both stand.

Mr. HAYDEN. There would be no necessity for the executive branch to take such a matter to the Supreme Court. The Executive could simply refuse to cooperate and Congress could not do anything about it. As I have said when the executive branch does not want to spend appropriated money, it does not have to do so. When the executive branch wants to hold a closed-door

meeting of the Cabinet, it can do so, and Congress can do nothing about it.

Exhibit 1

Individual Views of Mr. Hayden

STATEMENT

Senate Concurrent Resolution 2 is based upon the mistaken and erroneous assumption that the Congress has maintained little or no control over the expenditures of the Central Intelligence Agency (CIA) and that Senators and Members of Congress who should be informed have been kept in the dark as to its activities because of a veil of secrecy imposed by the executive branch. The truth is that the Armed Services Committees of the Senate and the House of Representatives have continuously and do now maintain supervision over the operations of that Agency to an entirely adequate degree. This is made clear by quoting a paragraph from a letter addressed on January 26, 1956, to the chairman of the Senate Committee on Rules and Administration by the Senator from Georgia, Mr. RUSSELL, who is the chairman of the Senate Committee on Armed Services:

"The responsible officials in the Central Intelligence Agency have demonstrated their willingness to keep the Armed Services and Appropriations Subcommittee fully informed on the subject of the Agency's activities and operations. Although I cannot speak with authority on the extent to which all the existing subcommittees on Central Intelligence Agency carry out their functions, I do know that the subcommittee of the Senate Armed Services Committee has had periodic contact with the appropriate Central Intelligence Agency officials. At these meetings the Central Intelligence Agency representatives have candidly furnished the desired information and have responded to the specific complaints and criticisms that have been voiced in Congress and in the press. It is entirely coincidental but it happens that the Senate Armed Services Subcommittee is holding its first meeting of 1956 with Central Intelligence Agency officials on the same date that your committee has scheduled for the consideration of Senate Concurrent Resolution 2."

ARMED SERVICES COMMITTEE JURISDICTION

While no definite rule has been adopted by either body conferring jurisdiction over legislation relating to the Central Intelligence Agency upon the Armed Services Committees of the Senate and the House of Representatives there is a clear precedent which establishes that jurisdiction. The National Security Act of 1947 created the Central Intelligence Agency and since then the 3 subsequent amendments to that act affecting the Agency have all been considered by and reported from those 2 committees.

The functions of the Central Intelligence Agency are essentially functions of an executive character in assisting the President of the United States, the National Security Council, the State Department, and the Department of Defense to carry out their responsibilities. If a joint committee of the Congress is established to supervise the work of this executive Agency, it might very well be argued that due to some failure of the standing committees of both branches of Congress properly to perform their duties, a joint committee should be set up for each of the Departments of Interior, Agriculture, Commerce, and other executive agencies. If the CIA must have a "watchdog" joint committee, why not have one for the FBI?

THE APPROPRIATIONS COMMITTEES

Owing to the active interest taken by the ranking members of the Senate and House Armed Services Committees in the operations of the Central Intelligence Agency, it has not been necessary for like members of the Senate and House Appropriations Committees to devote as much attention to what the Agency is doing as would otherwise be required. When submitting requests for funds to carry on its activities, responsible officials of the Agency have demonstrated each year their willingness to keep the designated members of the Appropriations Committees fully informed as to its operations.

There has been open and free exchange of all necessary information required for an adequate liaison between the Congress and the Central Intelligence Agency. No information has been denied and all desired information has been candidly supplied.

I can also personally certify that committee members have, from time to time, refused proffered information because such information has no relation to the normal legislative procedures of Congress. How far to go in seeking detailed information is well stated in this further quotation from Senator RUSSELL's letter:

"Throughout my tenure in the Senate I have consistently advocated the right of Members of Congress to information that was required for the formulation of legislation. In this instance, the legislation affecting the Central Intelligence Agency is not of sufficient magnitude to be burdensome. On the other hand, the importance of the results of Central Intelligence Agency activities to our national safety can hardly be exaggerated. If there is one agency of the Government in which we must take some matters on faith without a constant examination of its methods and sources, I believe this Agency is the Central Intelligence Agency."

The concurrent resolution leaves little or no room to "take some matters in faith" by specifically directing that—

The Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to all of its activities.

INVESTIGATIONS OF THE CENTRAL INTELLIGENCE AGENCY

As the history in the majority report indicates the Central Intelligence Agency has been intensely and repeatedly investigated by various special commissions during the past 5 years. Reference is made to a number of recommendations by these commissions and the report implies that there is little or no evidence of any action by the Central Intelligence Agency as a result of these recommendations. It is not alleged that the Central Intelligence Agency has failed to cooperate fully with commissions, sponsored both by the Congress and by the Executive, which have investigated its activities, or that it has failed to take positive action on their recommendations and to report such action to the appropriate congressional committees.

For example, the majority report refers to recommendations in the 1949 Hoover Commission report that a top-level evaluation board be set up within the Agency and that the internal structure of the Agency be reorganized and improved. In 1950, such an evaluation board was set up, and the internal structure of the Agency has been reorganized so as to improve its effectiveness. It is a fact that successive commissions which have investigated the Central Intelligence Agency have disagreed with the recommendations of their predecessors. It is also a fact that the Agency has adopted legitimate recommendations made in such reports without disrupting the continuity of its organization and activities.

The majority report also shows that, as recommended in the 1955 Hoover Commission report, the President by an Executive order issued on February 6, 1956, has established a board of consultants consisting of eight distinguished citizens, outside of the Government, to keep him regularly advised on the conduct of activities in the foreign intelligence field and to report its findings at least twice a year. The imposition of another supervisory committee with jurisdiction over the Agency would only serve to complicate matters.

The Congress and the President have given the Central Intelligence Agency a most important job to do. Subcommittees of standing committees of Congress have been created to provide for the appropriate jurisdiction of the Congress over this activity. The greatest service we can do now is to facilitate the important work of the Agency and to let it get its job done without being watchdogged to death.

THERE IS NO SECRECY FOR THE SAKE OF SECRECY

It should be emphasized, most strongly, that secrecy for secrecy's sake does not exist in, nor is it an objective of, the Central Intelligence Agency.

Such confidential and secret procedures and operations necessarily characterize its activities are designed wholly for the security of this Nation, the saving of men's lives and the obtaining of essential information which will achieve these vital ends. There is no present evidence of any policy of secrecy having become sacrosanct. Upon the contrary, such secrecy as is being observed is appropriate and necessary.

Furthermore, I repeat that the Central Intelligence Agency is subject to congressional review by four established and fully authorized subcommittees. The first 2 of these are the subcommittees on the Central Intelligence Agency of the Senate and House Armed Services Committees; the second 2 of these are subcommittees of the Senate and House Appropriations Committees. These subcommittees seem clearly to be adequate for such a supervisory purpose and function. If they are not doing their job fully and properly, it should be brought promptly and emphatically to their attention as a more appropriate and effective means of achieving the end desired than the creation of a new joint congressional committee for such a purpose.

THE JOINT COMMITTEE STAFF

It would be almost impossible for the staff of such a joint legislative committee to function helpfully because of the high security demanded in the work of the Central Intelligence Agency. The information given to Members of Congress by officials of the Central Intelligence Agency is given to them personally and their judgment as to what may be properly reported is final.

Senate Concurrent Resolution 2 empowers the joint committee "to appoint such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary" and the majority report states that—

"The establishment of a Joint Committee on Central Intelligence will insure the existence of a trained, specialized, and dedicated staff to gather information and make independent checks and appraisals of CIA activities prusuant to the committee's directives and supervision."

This statement appears to contemplate that the staff will do the work and reach conclusions as to how effectively the Central Intelligence Agency is operating.

A new and separate staff of some magnitude must be contemplated since an annual expenditure of $250,000 is authorized. This is almost as much as the $258,000 now available to the Joint Committee on Atomic Energy, which at present maintains a professional and clerical staff of 21 individuals.

There is actually no real need for such a staff either large or small. Despite the flexibility which the Congress has granted to the Central Intelligence Agency in carrying out its unique functions, the Agency has administratively taken measures to control its expenditures in at least as strict a manner as other Government agencies and to require a complete accounting for the use of all of its funds, vouchered or unvouchered. This system, and the actual use of the funds are described each year to the appropriations subcommittees.

The Central Intelligence Agency is essentially any executive Agency. It is not an arm of the Congress to carry into effect legislative policies as are the Interstate Commerce, the Federal Trade or other like Commissions. The act of July 26, 1947, after first creating a National Security Council to advise the President on natonal security matters then established the Central Intelligence Agency under the National Security Council. The principal functions of the Agency were to correlate and evaluate for the Council information obtained from other departments and agencies of the Government and to keep the Chief Executive informed from day to day as to the activities of foreign governments with whom the Constitution gives the President the sole right to conduct foreign relations and to negotiate treaties.

It is obvious that there is no possible way for the joint committee to keep "fully and currently informed" with respect to all of the activities of the Central Intelligence Agency except to have a member of its staff sit in as a "watchdog" at all meetings of the National Security Council, and after each meeting make a report to the joint committee of what he has learned.

THE LEGISLATIVE BRANCH CANNOT TAKE OVER AN EXECUTIVE FUNCTION

The creation of a Joint Committee on Central Intelligence, with the functions and powers provided for in Senate Concurrent Resolution 2 would be certain to raise a constitutional issue on the separation of powers between the executive and legislative branches of the Government. Activities are undertaken by the Central Intelligence Agency only in accordance with directives of the National Security Council. The availability of intelligence of the highest order to the President and to the National Security Council is an essential element in the formulation of the foreign policy of the United States, and in the conduct of foreign relations by the President in carrying out that policy. Any congressional action which seeks to alter the legally established relationship between the Central Intelligence Agency and the National Security Council would tend to impinge upon the constitutional authority and responsibility of the President in the conduct of foreign affairs.

The provisions of the National Security Act are a recognition by the Congress of the highly sensitive nature of Government intelligence activities. Senate Concurrent Resolution 2, if adopted, will not be submitted to the President for approval or disapproval. Consequently, any of its provisions which contravene existing law will have no mandatory effect. The existence of such provisions in a resolution agreed to by both Houses, however, would lead inevitably to continuing difficulties of construction and interpretation which would impair the continuity of sound and proper relationships between the executive and legislative branches in intelligence matters.

THE CENTRAL INTELLIGENCE AGENCY AND THE ATOMIC ENERGY COMMISSION

The Central Intelligence Agency and the Atomic Energy Commission have nothing in common except the secrecy which is required because both deal with highly classified matters of the greatest importance to the national security. Beyond that, their functions are not comparable. Through the Commission as its operator, the Government is in the manufacturing business—the business of making nuclear energy. Consequenty, the Congress has a very different relationship with that Commission than any other governmental agency.

The cost of this business operation is enormous. Beginning in 1941 with the Manhattan project, financed first from the emergency fund for the President and later in various hidden amounts in appropriation bills, and continuing with the Atomic Energy Commission since 1947, appropriations have totaled $15,202,600,000, of which $6,806,200,000 has been expended for operations and $8,396,400,000 has been expended for facilities. The total amount made available to the Central Intelligence Agency since it was created in 1947 is only a minor fraction of even the smallest of those vast sums.

There has been need to make only minor changes in the act creating the Central Intelligence Agency, but the problems of atomic energy are constantly changing. Legislation concerning the activities of the Atomic Energy Commission must be frequently brought up to date to permit it to function adequately.

The dynamics of the program for developing peacetime aspects of atomic energy have tremendous potential consequences for major aspects of national policy. The future production of electric power from coal, oil, or natural gas may be vitally affected. Atomic Energy Commission policies can give rise to conflicts of interest between various groups and individuals and the resulting issues must be subjected to legislative scrutiny. For example, bills before the Joint Committee have such subjects as construction of industrial facilities, housing at Oak Ridge and self-government at Hanford, taxation, patents, contract awards, and guaranty of uranium ore prices. No such factors relate to the conduct of foreign intelligence.

CONCLUSIONS AND RECOMMENDATIONS

A Joint Committee on Atomic Energy was established because of the particular nature of the nuclear problem and the fact that the Federal Government was forced to go into private business on a massive scale. This had important domestic implications in a broad range of fields. The intelligence activities, which it is proposed be subject to a joint committee's scrutiny, are peculiarly the prerogative of the Executive and intimately associated with the conduct of the foreign relations of the country.

I am firmly convinced that Congress now, through its regular Committees on Armed Services and on Appropriations has the opportunity to get the necessary information from the Central Intelligence Agency and the designated members of those committees are doing so without in any way endangering the security of the information given them. We must also remember that the Central Intelligence Agency carries on its work outside the United States boundaries. Many of its agents are in constant physical danger. We, as Members of Congress, must do our part to see that the work is carried on wisely, efficiently, and with due security to the persons who are working in the interests of our Government.

The contacts between the Central Intelligence Agency and the Congress should never be allowed to prejudice or compromise the highly secret work of that Agency. What the Congress has needed to know in the past it has been told. What the Congress will require to know in the future it can obtain through means already in existence. A new joint committee will only complicate the process.

For the above stated reasons I voted against reporting Senate Concurrent Resolution 2 to the Senate and urgently recommend that it be not agreed to.

Mr. BUSH. Mr. President, I should like to speak for 2 minutes in opposition to the concurrent resolution.

Mr. KNOWLAND. I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. Mr. President, I wish to associate myself fully with the remarks recently made by the distinguished Senator from Massachusetts [Mr. Saltonstall] and also with the position so ably taken by the distinguished Senator from Arizona [Mr. Hayden], both in his written individual views and on the floor. I think the Senator from Arizona has made the situation very clear and has covered three important points.

I should like to emphasize, first, that the language of the concurrent resolution seems to me to be utterly impossible of fulfillment when it provides:

> The Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to its activities.

I consider it to be absolutely impossible for the Agency to function in that manner. If it tried to do so, it would endanger the lives of Americans who may be in the service of this Government behind the Iron Curtain, and of persons who may be prisoners of war or who may be, indeed, nationals of some of the countries which are behind the Iron Curtain. I think it would be a perilous undertaking, and on that ground alone the concurrent resolution should be rejected.

The Senator from Arizona [Mr. Hayden] has pointed out very ably that the Central Intelligence Agency is a functionary of the executive branch and is intimately associated with the conduct of the foreign relations of the United States. That, I believe, is true and should be true.

The important thing in connection with the administration of the CIA is that we have as the top Administrator of that organization a man of the highest quality and the greatest ability. I take this opportunity to say that I believe the Government and the country as a whole are very fortunate to have in that position now, in the person of Allen Dulles, a man who is ideally suited by experience, by temperament, and by character to fulfill the obligations of that office.

Therefore, Mr. President, I join very strongly with the distinguished Senator from Arizona in opposing the concurrent resolution.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished junior Senator from Montana.

Mr. MANSFIELD. Mr. President, I have listened with much interest this afternoon to my friends, the distinguished senior Senator from Arizona and the distinguished senior Senator from Connecticut. It was an unusual feature of today's session to hear the Senator from Arizona relate some of the experiences of his early days in politics. I wish to assure the Senator that not only were they apropos, but they were well appreciated.

The Senator from Arizona in his individual views has raised a number of questions, and I should like to try to answer some of them, so long as the report and the individual views of Mr. Hayden will be included in the Record of today's debate.

On page 24, in the individual views of Mr. Hayden, the Senator from Arizona states:

> If the CIA must have a "watchdog" joint committee, why not have one for the FBI?

As I understand the FBI is a part of the Department of Justice. There are committees in both House of Congress whose purpose it is to supervise matters affecting the Department of Justice, of which the FBI is a part.

Further on the same page, the Senator from Arizona states:

> The concurrent resolution leaves little or no room to "take some matters in faith" by specifically directing that—
>
> The Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to all of its activities.

The word "all" is italicized.

I would be willing to agree to the elimination of the word "all," so that the sentence would read:

> The Central Intelligence Agency shall keep the joint committee fully and currently informed with respect to its activities.

In that way, a wrong interpretation could not be attached to that particular word.

The question relative to the joint committee staff has been answered in the colloquy between the Senator from Georgia [Mr. Russell] and myself. Once again, all I can state is that I recognize the difficulties which the CIA apprehends, and that the staff to be selected, if the resolution shall be agreed to, should be very small and certainly should have the highest possible clearance.

Reference has been made to the sum of $250,000 provided in the concurrent resolution. I would say that the amount is unimportant; that when I submitted the concurrent resolution, the space for the amount was left blank. The amount of $250,000 was inserted by the Committee on Rules and Administration. So far as I am concerned, $25,000 would do the job. I think that amount would be sufficient.

At the bottom of page 26, the Senator from Arizona states:

> The legislative branch cannot take over an executive function.

I cannot agree with that statement, because I have tried to point out that that is not the purpose of this particular concurrent resolution. The purpose of the concurrent resolution is to retain for Congress the powers which have been granted to it under the Constitution, and to stop the trend of power grabbing which the administrations, both Democratic and Republican, have been following in recent years.

I wish to say again that I think the Senate, and Congress as a whole, ought to wake up to its responsibilities, to guard them, and to guard them well. I wonder if Senators think it odd that the CIA does not want a committee of the kind proposed by the concurrent resolution? Can Senators think of any other agency of the Government which would willingly agree to have a congressional committee supervise it? Not at all. If Senators will examine the legislative history, they will find that all executive agencies do not want to have any congressional supervision, because they feel they will be hamstrung, they will be held down, they will not be allowed to spend as much as they would like to spend. That is the history of bureaucracy under Republican and Democratic administrations.

Do Senators think the executive branch trusts Congress? I think that is immaterial. The question I want to ask is, Does Congress trust itself? Do we think that civilian groups should be given greater authority, and that the Executive should show more confidence in them than we can place in ourselves?

I think we should consider this particular matter and recognize that the concurrent resolution now before the Senate does not call for presidential approval. It is a matter which Congress itself—the Senate and the House—must consider and pass upon. In conclusion, I only say that the choice is ours.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the question of agreeing to the concurrent resolution.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I yield myself 2 minutes.

I rise in opposition to the Mansfield resolution. I thought the distinguished Senator from Georgia [Mr. Russell] made a very powerful argument, and I only wish that all the Members of the Senate had been present to hear his remarks and the other debate on the pending concurrent resolution which took place on the floor. The situation with respect to the proposed joint committee is not comparable with that affecting the Joint Committee on Atomic Energy, as has so ably been pointed out by the Senator from Iowa [Mr. Hickenlooper] and the Senator from Georgia [Mr. Russell].

Mr. McCARTHY. Mr. President, will the Senator yield for a unanimous-consent request that I may suggest the absence of a quorum without taking it from his time?

Mr. KNOWLAND. Yes.

Mr. McCARTHY. While I disagree with the Senator from California, I think the Senate should hear him.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from California yield for that purpose?

Mr. KNOWLAND. Yes; I yield for that purpose, with the understanding that the time will not be taken from either side.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. JOHNSON of Texas. Mr. President, is the request that there be a quorum call, without the time being taken from either side?

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Stennis
Symington
Thye
Watkins
Welker
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER (Mr. Kennedy in the chair). A quorum is present.

The Senator from California is recognized for 2 minutes.

Mr. KNOWLAND. Mr. President, to continue with my statement, let me say that I speak in opposition to adoption of the pending concurrent resolution, which was submitted by the Senator from Montana [Mr. Mansfield], on behalf of himself and certain other Senators, and which proposes to establish a Joint Committee on Central Intelligence.

Earlier, the distinguished Senator from Georgia [Mr. Russell] very ably pointed out that the proposed Joint Committee on Central Intelligence and the existing Joint Committee on Atomic Energy are not comparable; and the accuracy of that statement by him was borne out by the distinguished former chairman of the Joint Committee on Atomic Energy, the Senator from Iowa [Mr. Hickenlooper].

Mr. President, the Joint Committee on Atomic Energy was created by statute, and was given legislative powers. It deals with a subject primarily within the domestic jurisdiction of the United States.

Furthermore, as has been pointed out, I think the key to the present situation is to be found in the fact that the Central Intelligence Agency gathers information outside the United States, in hostile areas of the world where the slightest slip, inadvertent though it might be, could result in uncovering our intelligence system in those areas, and would jeopardize not only the lives of American citizens, but also the lives of the citizens of our allies who may be working in cooperation with us, as well as the lives of many other persons. The lives of all those persons would immediately be endangered; and, as a result, the whole fabric of such a system would be destroyed.

It has been pointed out that at the present time supervision of the CIA is being handled, in part, by a subcommittee of the Armed Services Committee, which is under the able leadership of the Senator from Georgia [Mr. Russell], who has named the members of that subcommittee who have met with Mr. Allen Dulles, the head of the Ceneral Intelligence Agency; and it has been pointed out that such supervision is also shared by a subcommittee of the Appropriations Committee, headed by the distinguished senior Senator from Arizona [Mr. Hayden], one of the senior Members of this body. Those Senators have joined in minority views in opposition to adoption of the pending resolution; and

I hope all Members of the Senate have now read their views. It has also been pointed out that those subcommittees have available to them whatever information may be necessary.

Some Members of the Senate had, I believe, originally intended to support the pending resolution, based on the report of the Hoover Commission. However, I call attention to the fact that on page 9 of the report which Senators have on their desks, it is shown that the recommendation of the Hoover Commission was that there be established a small, permanent, bipartisan commission composed of Members of both Houses of Congress and other public-spirited citizens commanding the utmost respect and public confidence. The Hoover Commission recommended that such a commission be established by act of Congress, that the commission should make periodic surveys, and so forth. However, the joint committee proposed to be established by the pending resolution is not at all of that type.

Mr. BRIDGES. Mr. President, will the Senator from California yield to me?

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KNOWLAND. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 5 additional minutes.

Mr. KNOWLAND. Mr. President, at this time I yield to the Senator from New Hampshire.

Mr. BRIDGES. I thank the Senator from California.

Let me say that I was a member of the Hoover Commission, along with the distinguished Senator from Arkansas [Mr. McClellan]. We went very carefully into this situation. I have always felt that this field of government is a very sensitive one, but I have also felt that some check should be had upon it.

I wish to say that the distinguished Senator from Montana [Mr. Mansfield] is, I know, a very conscientious and a very able Member of the Senate, and is seeking the answer to this problem; and he has proposed one approach to it.

The approach recommended by the Hoover Commission, of which I had the honor to be a member, was a little different. It recommended an approach by means of an act of Congress or a resolution, under which the President of the United States would enter the field, and under which the Members of both Houses of Congress would be represented on a commission, along with other public-spirited citizens.

I find that I do not agree particularly with the way the President has proceeded by appointing an independent group of citizens, without congressional authority. I am not in accord with the proposal made by the Senator from Montana, in connection with the pending concurrent resolution. I believe that the approach recommended by the Hoover Commission is the best one.

However, I concede, first, that the President, in endeavoring to meet the need to deal with this subject, has proceeded according to his best judgment; and I think he has done so in order to fill this vacuum. I think the Senator from Montana has proceeded according to his best judgment. But somewhere between the two approaches the Hoover Commission plan is probably the most equitable and logical answer to the problem. For that reason I commend the Senator from California for bringing out the particular phase of the approach which was recommended by the Hoover Commission.

Mr. KNOWLAND. I thank the Senator from New Hampshire.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MANSFIELD. I hold in my hand a letter dated March 13, 1956, addressed to me and signed by Mr. Clarence Francis, Chairman of the Citizens Committee for the Hoover Report, who was, I believe a member of the Hoover Commission. This letter was placed in the Record on Monday, but for the benefit of the distinguished minority leader I read the following portion:

> I am pleased to inform you that the Citizens Committee on the Hoover Report believes that House Concurrent Resolution 2,

It should be "Senate Concurrent Resolution 2"—

> would if enacted implement fully the recommendations of the Commission that there be created a Joint Congressional Committee on Foreign Intelligence.
>
> Yours sincerely,
>
> Clarence Francis,
> *Chairman.*

Mr. KNOWLAND. I thank the Senator. Of course, that is not the recommendation which the Hoover Commission made, although obviously the Senator is entitled to his opinion.

I fully concur in what the Senator from New Hampshire [Mr. Bridges] says. I have the highest respect for the Senator from Montana. I know that he is concerned with this problem. I know that other Members are concerned with it. But I think there is great merit in what the distinguished Senator from Georgia [Mr. Russell] pointed out. We are dealing with an extremely sensitive field, involving jeopardy to the lives of our own citizens and those with whom we are associated abroad. While I will not go so far, perhaps, as to say, as he did, that we would be better off by abolishing the CIA than by establishing this type of committee, through which we might uncover and destroy the effectiveness of this agency at a time when we are perhaps facing some of the most crucial intelligence problems the country will confront, I think there is much merit in what the Senator from Georgia said.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I shall certainly be glad to sit down with the Senator from Montana, as I know the able Senator from New Hampshire would be glad to do, and discuss means of meeting some of the very real questions he has in mind.

Mr. President, I hope the Senate will not agree to the concurrent resolution.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. KNOWLAND. I yield myself an additional 2 minutes, and yield to the Senator from Wisconsin.

Mr. McCARTHY. Let me say to the able Senator from California that, while he has made a very good presentation, I heartily disagree with him.

I wonder if he knows that Mr. Bundy, who contributed $400 to Alger Hiss' defense fund, is now being appointed to a top position in the CIA.

I should also like to say to the able Senator that I have roughly 100 pages of documentation covering incompetence, inefficiency, waste, and Communist infiltration in the CIA, which I am holding in the hope that a committee will be established so that I can turn the information over to it.

Mr. KNOWLAND. I will say to the distinguished Senator from Wisconsin that I do not have the facts which he states he has. However, I respectfully say to the Senator from Wisconsin, who has been deeply concerned by the question of Communist infiltration and Communist expansion in the world, as have other Members of this body on both sides of the aisle, that when it comes to the question of the defense of our country there is no center aisle in this Chamber. I believe that Members on both sides of the aisle are vitally concerned with the ultimate security of our country and the preservation of a free world. However, I know, as well as I know that I stand here, that if the distinguished Senator from Wisconsin were to present the facts to which he has referred to the Senator from Georgia [Mr. Russell], in whom I know he has great confidence; to the Senator from New Hampshire [Mr. Bridges], who serves on that committee; to the Senator from Massachusetts [Mr. Saltonstall], who serves on the Committee on Appropriations as well as on the Committee on Armed Services; or to the distinguished chairman of the Appropriations Committee [Mr. Hayden], on which committee the distinguished Senator from Wisconsin serves, they would be in a position to go into the subject very fully, without the necessity of creating a new joint committee in this manner.

The PRESIDING OFFICER. The time of the Senator from California has again expired.

Mr. KNOWLAND. I yield myself 2 additional minutes.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. KNOWLAND. I yield to the Senator from Wisconsin.

Mr. McCARTHY. The unfortunate situation is that Mr. Dulles takes the position that we cannot call any witnesses from the CIA. I think it would require a committee such as the able Senator from Montana suggests to empower the Senate to subpena the proper witnesses from the CIA.

As the Senator from California knows, the CIA has hundreds of thousands of dollars of unvouchered funds. There is no accounting for those funds. The CIA is making foreign policy, and refuses to respond to subpenas. I do not believe any of the committees the Senator has mentioned have the power of subpena. I think the able Senator from Montana has arrived at the proper answer to this problem. Without further discussion, let me say that I will heartily support the concurrent resolution.

The PRESIDING OFFICER. The time of the Senator from California has again expired.

Mr. KNOWLAND. I yield myself 2 minutes.

I appreciate the comments of the Senator from Wisconsin. Of course, he is entitled to his opinion and judgment. However, I believe that under the rules of the Senate the existing Committee on Armed Services has the power of subpena. I think there is no question about it. In any event, Mr. President, I know that the President of the United States, who has had some experience in the field of intelligence, as Supreme Commander in Europe during the war, feels that this proposal would jeopardize the Intelligence Service of this country abroad.

I hope the concurrent resolution will be defeated.

DECISION OF SUPREME COURT IN PENNSYLVANIA ANTISEDITION CASE

Mr. McCARTHY. Mr. President, I request that either the proponents or the opponents of the concurrent resolution yield me 7 minutes. I have two bills to introduce, and I should like to discuss them very briefly.

Mr. JOHNSON of Texas. Mr. President, I yield 7 minutes to the Senator from Wisconsin.

Mr. McCARTHY. I thank the Senator. I now introduce the bills.

The PRESIDING OFFICER. Without objection, the bills will be received and appropriately referred.

The bills, introduced by Mr. McCarthy, were received, read twice by their titles, and referred, as indicated:

S. 3602. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Finance.

S. 3603. A bill to amend section 3231, title 18, United States Code, to reaffirm the jurisdiction of State courts to enforce State statutes prohibiting subversive activities; to the Committee on the Judiciary.

Mr. McCARTHY. Mr. President, a decision by the Supreme Court, announced last week, urgently requires action by Congress.

In the case of Commonwealth of Pennsylvania against Nelson, the Court ruled that Pennsylvania's Sedition Act was unconstitutional because the Federal Government had preempted the antisedition field. The effect of this extraordinary ruling is to invalidate all State laws providing for prosecution of subversion and sedition.

The Nelson decision was based primarily on the argument that, in enacting various Federal statutes against subversion, Congress intended to exclude the States from this field. A more ridiculous interpretation of the Federal statutes can hardly be imagined. There is not a word in the United States Code that permits this inference; and, as a matter of fact, one section of the code explicitly recognizes the concurrent jurisdiction of the States.

Fortunately, however, this error can be corrected. When the Supreme Court makes a bad decision as the result of misinterpreting the will of the Congress, Congress can remedy the situation by passing new legislation. Therefore, I am introducing today a bill which will put beyond doubt the intention of Congress to share with the States responsibility for protecting this country against subversion. My bill provides, in effect, that no Federal antisubversion legislation shall be construed to deprive the States of jurisdiction to enforce their own antisubversion or antisedition statutes.

The PRESIDING OFFICER. The time yielded to the Senator by the Senator from Texas has expired.

Mr. KNOWLAND. I yield 4 minutes to the Senator from Wisconsin.

Mr. McCARTHY. I thank the Senator very much.

I may say, Mr. President, that I think this matter is of utmost urgency. I hope the Judiciary Committee will report this bill, or one substantially like it, with all possible haste. But I want to say also that I deeply resent the fact that Congress is called upon to enact such legislation. Congress has enough to do without having to spend its time repealing laws enacted by the Supreme Court. The Supreme Court's job is to interpret laws, not to make them. And the Court's decision in the Nelson case is the most outrageous instance of judicial legislation that has ever come to my attention.

By no stretch of logic—or even of the fertile imaginations for which this bench is famous—is the Nelson decision a reasonable interpretation of existing laws. The Court's ruling, and the arguments cited to support that ruling, compel the conclusion that the Court simply made up its own mind about what was best for the country, and then set about looking for reasons, however implausible, to support its position. There are some questions on which reasonable men can differ, but I deny that the issue of supersession as raised in the Nelson case is one of them.

Let me review briefly the reasoning cited by the majority of the Court to support its decision. The Court conveniently listed its reasons as "first," "second," and "third," so let us take them in order.

First, the Court contends that, after reviewing all Federal subversion and sedition laws, "the conclusion is inescapable that Congress has intended to occupy the field of sedition." But the Court does not cite a single passage of any Act that supports this contention. It could not because none exists. Beyond this, the majority of the Court completely ignored a provision of the Federal law which explicitly contradicts its contention. The Smith Act of 1940, which the Court cites as primary evidence that the Federal Government meant to preempt the antisedition field, is contained in title 18 of the United States Code. Section 3231 of that title provides that "nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof."

Now, Mr. President, what could be clearer than that?

It cannot be said that the majority of the Court was unaware of this provision for it is cited by the dissenting judges as a "decisive" reason "in and for itself" for upholding the Pennsylvania statute. I do not see how the Supreme Court can look at an enactment of Congress and proclaim that it means exactly the opposite of what the language plainly says, and still maintain the respect of the American people.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. Mr. President, I yield 3 additional minutes to the Senator from Wisconsin.

Mr. McCARTHY. I thank the Senator very much.

Second, the Court states that the "Federal interest" in the antisedition field "is so dominant that the Federal system must be assumed to preclude endorsement of State laws on the same subject." The Nelson dissent proves that the cases cited by the majority to support this contention are completely inapplicable to the antisedition laws. But more important, Mr. President: Let us note that the Court is announcing a new and revolutionary doctrine here—namely, that the States do not have a sufficient interest in attempts to overthrow American institutions to justify measures of self-protection. If this doctrine is allowed to stand, we might as well quit talking about a Federal system, and admit that the States have become meaningless political shells. This doctrine is, of course, entirely contrary to our Constitution. Under the Constitution, the States are sovereign bodies except to the extent that they have delegated specific powers to the Federal Government. The States have never delegated to the Federal Government the attribute of sovereignty in question; namely, the right of self-protection. It is perfectly obvious that the States would be powerless to protect themselves if the Federal Government were overthrown by the Communist conspiracy. Therefore, the States have an undeniably legitimate interest in preserving the National Government as well as their own governments. It is for this reason that, until the day of the Nelson decision, it was never doubted that the States shared with the Federal Government a concurrent responsibility for protecting the Federal Government against overthrow by force or violence. To say that the Federal Government has a "dominant" interest in this field so as to preclude concurrent State jurisdiction is to undermine completely the principles of our Constitution.

Third, the Court argues that the enforcement of State sedition acts "presents a serious danger of conflict with the administration of the Federal program." In this instance, the Supreme Court is simply talking off the top of its head. It cites no evidence to support this contention, and conveniently ignores the evidence that proves the contrary.

The best the Court could do by way of supporting its position was to cite a statement by President Roosevelt made in 1939, and another by J. Edgar Hoover, made in 1940—which were to the effect that it is desirable for local law enforcement agencies to furnish the FBI with evidence of subversive activities. Neither of these statements says a word about it being necessary or advisable for State governments to desist from prosecutions.

The clearly competent and therefore appropriate authority on this point is the Justice Department—the Federal agency which is responsible for the enforcement of Federal sedition laws. Plainly, no one is better qualified to determine whether the efforts of the Justice Department to enforce Federal laws are hampered by State laws than the Justice Department itself. Now, in this very case, the Justice Department filed an amicus curiae brief, which dealt with the point as follows:

> The administration of the various State laws has not, in the course of the 15 years that the Federal and State sedition laws have existed side by side, in fact interfered with, embarrassed, or impeded the enforcement of the Smith Act. The significance of this absence of conflict in administration or enforcement of the Federal and State sedition laws will be appreciated when it is realized that this period has included the stress of wartime security requirements and the Federal investigation and prosecution under the Smith Act of the principal national and regional Communist leaders.

But the majority of the Court failed to even mention the Justice Department's views. Just as the Court second-guesses Congress on the question of what Congress intended, just so the Court second-guesses the Justice Department on the question of whether State sedition laws interfere with the enforcement of Federal sedition laws.

I do not think it is necessary, Mr. President, for me to point out that it is desirable for the Congress to reaffirm the concurrent jurisdiction of the States in the sedition field. For the past 30 years the States have played an important role in investigating and prosecuting those who are involved in the Communist conspiracy. State Governments have aided the Federal Government in this field, not obstructed it. It is clearly in the national interest to have as many competent governmental authorities as possible working on the problem of protecting our institutions against the Communist attack. But there is one further point: Let us note that it is not only State prosecutions of communism, but also State investigations of Communists that are affected by the Supreme Court decision. If the States have no jurisdiction to prosecute Communists, then it would seem to follow that the States are also deprived of jurisdiction to conduct investigations looking toward prosecution of Communists.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. McCARTHY. Mr. President, I have one more page. I wonder if the Senator from California will yield me another minute.

Mr. KNOWLAND. I should be glad to, but I have one commitment of 1 minute and another commitment of 2 minutes, and I find I have only 3 minutes remaining. I am sure the acting majority leader will be glad to arrange to give the Senator a few more minutes.

Mr. RUSSELL. Mr. President, I will presume, without any authority, to yield the Senator from Wisconsin 3 minutes.

Mr. McCARTHY. Mr. President, unquestionably, some of the most valuable work in exposing the Communist conspiracy has been accomplished by the investigating committees of State legislatures. It is in the national interest that these committees be permitted to continue their work.

Let me say that I associate myself entirely with the sentiments recently expressed by Representative SMITH of Virginia, that the Nelson case is "merely a symptom of the dangerous disease that has threatened to destroy completely the sovereignty of the States." The Nelson decision is just one of a long series of decisions in which the Supreme Court has hacked away at the foundations of our Federal system, and one of the many in which the Court has relied on a spurious interpretation of congressional legislation to support its position. I therefore believe that the bill introduced by Representative SMITH 2 years ago—which forbids the Supreme Court to construe a congressional act of Congress as depriving States of jurisdiction unless Congress expressly states its intention to do so—is necessary and urgent legislation. I do not believe, however, that the Smith bill can deal with the problem raised by the Nelson case, since I doubt whether his bill could be enforced retroactively.

Therefore both my bill and Congressman SMITH's bill are necessary. I hope the Congress will act on both of them during this session.

Let me add, Mr. President, that since I prepared my remarks on the Nelson case, the Supreme Court has handed down another ukase that flagrantly violates States rights. In the Slochower case, the Court reached a new low in judicial irresponsibility. And it has handed another solid victory to the Communist Party. This extraordinary decision forbids a State educational institution to fire a teacher because he refuses, on the grounds of the fifth amendment, to testify before competent authorities with respect to alleged Communist affiliations.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. RUSSELL. Mr. President, I yield to the Senator from Wisconsin 2 more minutes.

Mr. McCARTHY. Mr. President, I thank the Senator from Georgia.

The Supreme Court maintains that it is unreasonable and arbitrary, and thus a violation of due process, for the city of New York to decide that a person who says, "I will not testify about my alleged Communist associations because a truthful answer might tend to incriminate me," is unfit to teach its youth. It is bad enough that a majority of the Justices have fallen hook, line, and sinker for the leftwing view of what taking the fifth amendment implies; but that the Court should have gone further, and said that a contrary interpretation by a competent State body is impermissible is—as a matter of constitutional law—outrageous.

The Slochower and Nelson decisions are only the latest in a recent series of judicial rulings that aid the Communist Party. The Federal judiciary is making a full-scale assault on efforts by various Government authorities to protect American institutions. It is time the American people recognize the seriousness of the threat posed by incompetent and irresponsible judges. It is absolutely essential for State and Federal legislative bodies to work together in seeking means of preventing the judiciary from erecting a wall of protection around the Communist conspiracy.

Mr. RUSSELL. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. McCARTHY. Mr. President, will the Senator from Texas yield 1 minute?

Mr. JOHNSON of Texas. I yield.

Mr. RUSSELL. The whole trend of the actions of the Supreme Court in recent months, including the two decisions which the Senator has mentioned, indicates that the Court has dedicated itself to abolishing completely the States and federalizing the American people. Such actions can only lead to the destruction of the rights and liberties of the American people.

Mr. McCARTHY. I thank the Senator from Georgia; and I agree a hundred percent.

Mr. McCARTHY subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "No Sinister Meaning?" which was published in the Washington Evening Star of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO SINISTER MEANING?

A five-man majority of the Supreme Court has ruled that New York City cannot dismiss a Brooklyn College professor because he refused to answer a question concerning past Communist affiliations on the ground that a truthful answer might tend to incriminate him.

In a vigorous dissenting opinion, Justice Reed said that this ruling, based on the Federal due process clause, "strikes deep into the authority of New York to protect its local governmental institutions from influences of officials whose conduct does not meet the declared standards for employment." At what point does this intrusion of Federal authority into municipal affairs end? If New York cannot dismiss a professor who refuses to say whether he was a Communist, is its authority equally restricted in the case of a policeman who, on a plea of possible self-incrimination, refuses to say whether he is a grafter? It is true that Justice Clark, speaking for the majority, went on to disclaim any intention of saying that the professor has a constitutional right to serve on the Brooklyn College faculty, and to assert that it "may be that proper inquiry" would show his continued employment to be "inconsistent with a real interest in the State." Just what this may mean is not clear. At the least, however, it means that a city employee cannot be dismissed for refusing to answer questions put to him by a duly qualified investigating agency. To this extent, the freedom of the local authorities to choose their own employees is circumscribed.

There is another aspect of this case worth noting.

The New York board of education said that one of two inferences had to be drawn from the professor's refusal to testify: (1) That a truthful answer to the question would tend to prove him guilty of a crime in some way connected with his official conduct, or (2) that in order to avoid answering the question he falsely invoked the claim of self-incrimination.

This was rejected by the Court, which said that "at the outset we must condemn the practice of imputing a sinister meaning to the exercise of a person's constitutional right under the fifth amendment. * * * The privilege against self-incrimination would be reduced to a hollow mockery if its exercise could be taken as equivalent either to a confession of guilt or a conclusive presumption of perjury."

Does it follow that no inference may be drawn in such a circumstance? When an intelligent man, claiming no misunderstanding and advised by counsel, refuses to answer a proper question on the ground that a truthful answer might incriminate him, is he to be persumed to be innocent of any wrongdoing? It seems to us that the inference which the board of education drew was justified in the circumstances, and that Brooklyn College should have been as free to get rid of this professor as a banker would be free to fire a teller who had refused, on a plea of possible self-incrimination, to say whether he was an embezzler.

ESTABLISHMENT OF A JOINT COMMITTEE ON CENTRAL INTELLIGENCE

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the junior Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I am one of the cosponsors of Senate Concurrent Resolution 2, but I now expect to vote against it. Hence I desire to state briefly the reasons for the vote I shall cast.

I offered my name as a cosponsor of the concurrent resolution in the belief that the Central Intelligence Agency needed closer supervision; that it needed to have a sharper sense of responsibility in the spending of money illustrated, for example, by the exorbitant figure they asked for the construction of their new building, and because of other evidence of an indifference to the dollar sign.

I thought it might be desirable also to have joint meetings of the subcommittees of the Senate and House Committees on Armed Services and the subcommittees of the Committees on Appropriations which deal with the Central Intelligence Agency. I think it might be desirable to have such meetings in any event, whether the concurrent resolution shall be agreed to or not.

I think it might be desirable also—and I hope that will be the result of this discussion—for the subcommittees which deal with the Central Intelligence Agency to exert a greater sense of responsibility and closer supervision with respect to some of the activities of that agency.

I have concluded to vote against the concurrent resolution because in the broad authority to create a large staff, and in the provision for the borrowing of consultants, experts, technicians, and clerical and stenographic assistance from various agencies of the Government, I think I sense possibilities that some very highly classified information might become too widely diffused.

In that connection, I am reminded of the story——

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. May I have 1 more minute?

Mr. JOHNSON of Texas. I yield 1 more minute to the Senator from South Dakota.

Mr. CASE of South Dakota. I am reminded of the story once told by CHARLIE HALLECK, a Member of the House of Representatives. Mr. HALLECK told of the man who said, "I never have any trouble in keeping a secret. The trouble is that the folks to whom I tell it will not keep their mouths shut."

In this instance, the trouble might be that if we start to borrow clerks and assistants from agencies of the Government to create the kind of staff which would be represented by $250,000, we might be having secrets told to too many people.

I believe, therefore, that the responsibility should rest where it now does, namely, with the Committees on Armed Services and the Committees on Appropriations. But I sincerely hope that as a result of the presentation of the concurrent resolution and the discussion in connection therewith, those committees will exert a closer scrutiny upon the activities of the Central Intelligence Agency.

PROPOSED JOINT COMMITTEE ON UNITED STATES INTERNATIONAL INFORMATION PROGRAMS

Mr. HUMPHREY. Mr. President, I should like to speak for 5 minutes in connection with the introduction of a joint resolution.

Mr. JOHNSON of Texas. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I introduce a joint resolution for appropriate reference, and I desire to make a brief statement in connection therewith.

The United States Advisory Commission on Information, established pursuant to Public Law 402, 80th Congress, is making public today its 11th semiannual report to Congress as required by law. Congress authorized this Commission in order that the public interest might be adequately represented in the conduct of our international information programs. The five members of the Commission are appointed by the President with the advice and consent of the Senate. The Chairman of the Commission is Dr. Mark May, director, institute of human relations, Yale University. Other members are Edwin D. Canham, editor, Christian Science Monitor; Sigurd S. Larmon, president, Young & Rubicam; Judge Justin Miller, retired chairman of the board, National Association of Radio and Television Broadcasters; and Philip D. Reed, chairman of the board, General Electric Co.

This group of distinguished Americans has performed a real public service in their efforts to strengthen our international information programs. The members have been in constant touch with the planning and operations phases of those programs. Periodic visits have been made to the field offices of many of the countries where we maintain an information program in order to learn firsthand the problems which must be met on the local or country level and quickly resolved. They have studied the activities carried on by unfriendly forces abroad to discredit the United States and to confuse the public mind about American intentions. The Commission has never hesitated to be critical of any phase of our information activity where the facts have required such criticism. Above all it has sought to bring stability, efficiency, imagination and public understanding to a function of government which has been forced upon us by circumstances largely beyond our control.

The United States Advisory Commission on Information is to be congratulated for the constructive and pioneer work it has accomplished since its creation in 1948.

It is the practice of the Commission, in connection with its semiannual report to Congress, to set forth a series of recommendations based upon its studies and findings during the preceding 6-month period. Those recommendations are made in order to effectuate the purposes and objectives of the United States Information and Educational Exchange Act of 1948—Public Law 402. Such recommendations have been directed to the President, Congress, and to the executive responsible for the direction of our international information program. It is encouraging to note that most of the recommendations made by the Commission in previous reports have been acted upon favorably. Members of Congress will want to study carefully, and act upon, the many recommendations made by the Commission specifically to the Congress in part III of today's report.

But there is one item which, I believe, demands our immediate attention and speedy compliance. There is one basic recommendation which has been advanced since 1953 on which no action has been taken as yet. That is the recommendation to Congress that it establish a Joint Committee on International Information Programs.

In its Seventh Semiannual Report to Congress dated February 20, 1953, the Advisory Commission recommended "that a permanent Joint Congressional Committee on International Information be established to provide liaison between the legislative and executive branches." In support of this recommendation the following statement appears in that 1953 report:

> The need for such a committee was also apparent in past years. Mr. Elmer Davis, wartime Director of the Office of War Information, in his concluding report to the President, stated that such a joint committee would be needed should the occasion for overseas propaganda operations ever again arise. Such a need is now more than evident to the members of this Commission.

This same recommendation was repeated in the Ninth Semiannual Report under date of February 2, 1954.

In its 10th Semiannual Report dated February 10, 1955 this same recommendation was again repeated.

The 11th Semiannual Report of the Advisory Commission made public today repeats this recommendation once more.

The report carries this statement in support of the recommendation:

> For the past 3 years this Commission has believed that the appointment of such a committee would be instrumental in strengthening the work of the United States Government in this field. We would not ask the Congress to add another committee to the almost overwhelming number that now exist were it not for the inescapable fact that the importance of information in international affairs, and for our own national security, is rapidly increasing.

The Commission report also takes specific notice of House Joint Resolution 433, introduced by Congressman FEIGHAN, of Ohio, to provide for the creation of a Joint Committee on United States International Information Programs. The Commission endorses this resolution and now urges the Congress to act favorably on it.

This resolution, identical with House Joint Resolution 433, is very carefully drawn. It emphasizes the need for a bipartisan approach to the conduct of our overseas information work. It calls for an 18-member committee, 9 from the Senate and 9 from the House. Two members, 1 from each party, are to be selected from each of the following Senate Committees: The Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Appropriations. Provision is made for 3 members at large, 2 from the majority and 1 from the minority. This same procedure will be followed in the selection of members from the House.

The joint committee is to elect its own chairman and vice chairman. The chairmanship and vice chairmanship are to rotate between the two Houses with each session of Congress.

The terms of reference of this joint committee are carefully defined so as to avoid the possibility of duplicating the work of any of the standing committees. In addition to inquiring into the extent and effectiveness of our present international information programs, this resolution calls for an examination into the extent to which scientific research and development in the field of mass communications has progressed in the United States and the degree to which such scientific advances are utilized by our information programs. It also calls for constant study of the technique, special characteristics, and extent of all types of Communist propaganda in order to better understand what we must do to present the true facts about the United States and its policies to all the people of the world.

Through such a joint committee a continuous, cooperative relationship between Congress and the United States information programs will be built. The regular exchange of views, together with discussion of the major problems facing the information programs or hindering their most effective operation, should bring added stability and strength to the present work.

Since about 1948 a great deal has been said about the "cold war of ideas"; "the struggle for the minds of men"; "the unlimited power of ideals," and the "conflict of ideologies" between the East and the West. In 1950 President Truman called for a worldwide campaign of truth in order to prevent war and to win the peace. In December 1955 President Eisenhower, in a conference with the leaders of Congress, called for a greatly expanded international information program in order to meet the challenge of the latest Russian propaganda offensive. Leaders in practically every walk of life have expressed their opinions on the importance of an adequate information program. Few people today fail to understand how the advancement of science has reduced the size of the earth and made mass communications a new dimension in world affairs. The importance of a sound international information program to our national security is now beyond reasonable debate.

Mr. President, the Congress still has to play a full and useful role in assuring the American people of a sound and adequate international information program. The only opportunity Congress now has to make its contribution to this important work is when the appropriations bill for the USIA is before the Senate or House. This occurs once a year. Individual members have interested themselves in this work and have made splendid contributions to it. The Senate Foreign Relations Committee has naturally taken an interest in the information programs. But Congress has not given the attention to this work which its promise for the future both warrants and requires.

With all the arguments advanced to point out the importance of our international information programs, I believe there is one which is more compelling than all others. That is the unwavering belief that mankind can win through to lasting peace despite the present obstacles to that cherished goal. Among those obstacles are ignorance and hatred. Despots and tyrants down through history have always played upon ignorance to generate hatred. No tyrant or despot can thwart the hopes of mankind without his historical allies of ignorance and hatred. Similarly, we as a Nation will advance toward our goal of peace in proportion to the progress we make in removing the factors of ignorance and hatred from the relations between nations and people. The demonstrated capability of modern means of mass communication present a real challenge to all those who work for a better world. That challenge is how we shall best use these modern means of mass communication to attain our cherished goals.

It is for these reasons that I now introduce in the Senate an identical resolution to House Joint Resolution 433. Through the bipartisan spirit expressed in the language of that resolution, I trust that a good number of my colleagues will join in with me in its introduction. Hence, I ask, Mr. President, that the joint resolution remain at the desk until the close of Senate business on Monday, April 16, so that other Senators may have an opportunity to familiarize themselves with the proposal and to cosponsor it if they wish.

I ask unanimous consent that the text of the joint resolution which I am introducing may be printed at this point in my remarks.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the text of the joint resolution will be printed at this point in the RECORD.

The joint resolution (S. J. Res. 161) to establish a joint congressional committee, to be known as the Joint Committee on United States International Information Programs, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD as follows:

Resolved, etc., That (a) there shall be a joint congressional committee known as the Joint Committee on United States International Information Programs (hereinafter in this joint resolution referred to as the "joint committee").

(b) The joint committee shall be composed of 18 members as follows:

(1) Nine Members of the Senate, appointed by the President pro tempore of the Senate, as follows:

(A) Two from each of the following committees, 1 from the majority and 1 from the minority party: The Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Relations; and

(B) Three at large from the Senate, 2 from the majority and 1 from the minority party.

(2) Nine Members of the House of Representatives, appointed by the Speaker of the House, as follows:

(A) Two from each of the following committees, 1 from the majority and 1 from the minority party: The Committee on Appropriations, the Committee on Armed Services, and the Committee on Foreign Affairs; and

(B) Three at large from the House of Representatives, 2 from the majority party and 1 from the minority party.

(b) No person appointed by the Speaker of the House under section 2 (A) shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee of the House of Representatives of which he was a member when appointed to the joint committee, except that a member who has been reelected to the House of Representatives may continue to serve as a member of the joint committee notwithstanding the expiration of the Congress.

(c) A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original selection.

(d) The joint committee shall elect a chairman and vice chairman from among its members, and the chairmanship and vice chairmanship shall rotate between the two Houses with each session of Congress.

(e) Subject to applicable provisions of law, the joint committee may appoint and fix the compensation of such personnel as it shall determine to be necessary to carry out the purposes of this joint resolution.

(f) The expenses of the joint committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman.

SEC. 2. (a) The joint committee shall—

(1) conduct public hearings on, and cause studies to be made concerning, the extent and effectiveness of all United States international information programs;

(2) cause studies to be made of the technique, special characteristics, and extent of all types of Communist propaganda, including methods used to penetrate information media of the free world with such propaganda;

(3) inquire into the extent to which scientific research and development in the field of mass communications have progressed in the United States and the degree to which such scientific advances are utilized by the United States international information programs; and

(4) provide a continuous, cooperative relationship between Congress and the United States international information programs, counsel with executives and policymakers of such programs, and promote a better public understanding of the objectives of such programs.

(b) As used in this joint resolution the term "United States international information program" means any program operated by or financed in whole or in part by any department or agency of the Government utilizing media of communications or other psychological or informational means to inform or to influence opinion among people of other nations.

SEC. 3. The joint committee shall report to the Congress twice annually (beginning on July 1, or January 1, after the effective date of this act, depending upon which date is nearest) on the extent and effectiveness of United States international information programs and at such other times as the joint committee deems necessary; and shall recommend to the President and to Congress steps considered necessary to improve the quality, coverage, and impact of all such programs.

SEC. 4. For the purposes of this joint resolution the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable. The provisions of section 102 to 104, inclusive of the Revised Statutes shall apply in case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

PRINTING OF INDEX OF REPORTS OF COMMISSION ON INTERGOVERNMENTAL RELATIONS (S. DOC. NO. 111)

Mr. McCLELLAN. Mr. President, will the distinguished minority leader yield 1 minute to me?

Mr. KNOWLAND. I would be assuming authority I do not have if I yielded time under the control of the majority leader. I am sure the majority leader will be available in a minute.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, on behalf of the Committee on Government Operations, I submit herewith an index to the report, Various Study Committees, Staff and Survey Reports, and Supporting Documents of the Commission on Intergovernmental Relations, and ask unanimous consent that it be printed as a Senate document.

This index, which covers 16 reports published by the Commission on Intergovernmental Relations, was prepared by the Legislative Reference Service of the Library of Congress at the request of the Committee on Government Operations.

Since the Commission inadvertently overlooked the preparation and printing of an index to these reports, which were referred to the Committee on Government Operations, the committee requested the Library of Congress to compile the index and approve its publication as a Senate document, to insure that the reports may be properly utilized.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

ESTABLISHMENT OF A JOINT COMMITTEE ON CENTRAL INTELLIGENCE

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 2) to establish a Joint Committee on Central Intelligence.

Mr. McCARTHY. Mr. President, will the Senator from California yield me 2 minutes?

Mr. KNOWLAND. I yield 2 minutes to the distinguished junior Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I have in my hand a documentation of incompetence, theft, and Communist infiltration in the CIA. I shall not introduce it into the RECORD, because it may contain some security information. But I want the Chair to know that the minute the proposed committee is established, I will promptly turn over all this information to the committee.

Mr. LANGER. Mr. President, will the majority leader yield me 1 minute?

Mr. JOHNSON of Texas. I yield my friend from North Dakota 2 minutes.

Mr. LANGER. As a cosponsor of the concurrent resolution, I wish to reply to the reference made by the distinguished Senator from South Dakota [Mr. CASE] that the staff of the committee which would be created could not be trusted. He did not say anything about the 1,000 or 5,000 or 10,000 employees of the CIA. I would trust a staff made up of 5 or 10 or 25 persons as much as I would one, two, three, or five thousand employees working for the CIA, whose names we do not know, not one of whom has been confirmed by the Senate.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The clerk will call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the time not be charged to the other side, because I do not know whether the majority leader has other commitments.

Mr. McCLELLAN. Mr. President, I understand the majority leader does not have any other commitments.

The PRESIDING OFFICER. The time has about expired. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Stennis
Symington
Thye
Watkins
Welker
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time, with the understanding that the opposition will do likewise.

The PRESIDING OFFICER. The time of the opposition has expired. The Senator from Texas has yielded back the time under his control.

The question is on agreeing to Senate Concurrent Resolution 2, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GEORGE (when his name was called). On this vote, I have a pair with the senior Senator from Virginia [Mr. BYRD]. If the Senator from Virginia were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Virginia [Mr. BYRD] is absent because of illness.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent because of illness. If present and voting, the Senator from New York would vote "nay."

The result was announced—yeas 27, nays 59, as follows:

YEAS—27

Barrett
Clements
Ervin
Fulbright
Gore
Green
Hill
Humphrey
Jackson
Jenner
Kefauver
Kennedy
Kerr
Langer
Lehman
Mansfield
McCarthy
McNamara
Morse
Mundt
Murray
Neely
Neuberger
Pastore
Payne
Smith, Maine
Welker

NAYS—59

Aiken
Allott
Barkley
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Flanders
Frear
Goldwater
Hayden
Hennings
Hickenlooper
Holland
Hruska
Johnson, Tex.
Johnston, S. C.
Knowland
Kuchel
Laird
Malone
Martin, Iowa
Martin, Pa.
McClellan
Millikin
O'Mahoney
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, N. J.
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

NOT VOTING—10

Anderson
Byrd
Chavez
George
Ives
Long
Magnuson
Monroney
Smathers
Sparkman

So the concurrent resolution (S. Con. Res. 2) was rejected.

SIGNING OF CONFERENCE REPORTS BY MAJORITY OF THE MANAGERS OF EACH HOUSE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1193, Senate Concurrent Resolution 36.

The PRESIDING OFFICER. The concurrent resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement for the information of the Senate, if I may have the attention of Senators: I am informed that the other body has just rejected a motion to recommit the conference report on the farm bill—doing so by a vote of 238 to 181, or a majority of 57—and that the roll is now being called there on the question of the adoption of the conference report. The vote would indicate that the conference report will be adopted overwhelmingly, and will shortly be before the Senate. Therefore, I inform Senators that in the event the report is approved by the House and is received by the Senate within the next hour or so, it is planned that the Senate shall remain in session until late this evening, in an attempt to dispose of the conference report.

FEDERAL HOUSING ADMINISTRATION REGULATION RESPECTING CERTAIN THICKNESSES OF LUMBER

Mr. JENNER obtained the floor.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JENNER. I yield.

Mr. MORSE. I ask unanimous consent that I may speak for 6 minutes without the Senator from Indiana losing his right to the floor, on an emergency problem which has arisen in my State, with respect to which I think the Senate should be informed before the Committee on Banking and Currency holds a hearing tomorrow morning.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and the Senator from Oregon is recognized for 6 minutes, with the understanding that the Senator from Indiana [Mr. JENNER] will not lose the floor.

Mr. MORSE. Mr. President, I should like particularly to have the attention of members of the Senate Committee on Banking and Currency, of which I am a member.

Tomorrow morning a subcommittee of that committee will begin writing up the bill relating to the Federal Housing Administration. I shall appear before the subcommittee and ask for the suspension of writing up that bill until we can obtain the facts and correct what I am satisfied Senators will agree is a gross injustice which the FHA is imposing on builders on the west coast. Let me say to the Senator from California [Mr. KNOWLAND] that this regulation will affect California in a matter of a few hours, as well as the State of Washington and my own State.

The situation is this: The FHA has written what, in my judgment, is an order which represents the height of bureaucratic asininity, an order which will stop construction, and is stopping construction this very hour, on many houses in my State. The situation will later spread to the other States, unless they use lumber of a thickness of twenty-five thirty-seconds of an inch, instead of the so-called ¾-inch lumber, which is twenty-four thirty-seconds of an inch in thickness. The 24/32-inch thickness of lumber has been used for years in the construction of FHA housing in the West. It is agreed by all, including FHA headquarters in Washington, that a 24/32-inch board will give a house all the structural strength it needs, and in excess of what it needs. But because there is a so-called standard of 25/32-inch thickness which is laid down by the American Lumber Standards Committee the Commissioner of the FHA is taking the arbitrary position that until that standard is changed by the American Lumber Standards Committee the FHA will continue to require lumber of 25/32 inch in thickness. This very afternoon its inspectors are closing down housing projects in Oregon, and I am advised will have to close them down, in the hours immediately ahead, in Washington and California as well because of the delivery of 24/32-inch lumber to the contractors and builders instead of 25/32-inch lumber.

This order is perfectly absurd and silly. What we need to do in the Banking and Currency Committee is to bring before that committee immediately the Commissioner of the Federal Housing Administration for a full disclosure and explanation of this arbitrary ruling on the part of the FHA.

Mr. President, a few minutes ago I released to the Press Gallery a press release on this matter, which reads as follows:

> Senator WAYNE MORSE, Democrat, of Oregon, issued the following statement today in regard to what he termed irresponsible arbitrariness on the part of the Federal Housing Administration. He stated:
>
> "As a member of the Banking and Currency Committee, I have just listened to frantic appeals from representatives of home builders, contractors, mortgage-loan officials, and homeowners whose homes are in the process of construction, in protest over what must be characterized as an asinine ruling of the Federal Housing Administration at the Washington, D. C., level.
>
> "For years FHA inspectors have approved construction inspection of FHA-financed homes in which boards with a thickness of twenty-four thirty-seconds of an inch have been used. On March 13 the Washington office of FHA sent a letter setting forth an order that, effective March 15, board thickness must be twenty-five thirty-seconds of an inch, The effective date of order, March 15, had arrived before the letter was even received in Oregon. It is admitted by all that the difference of one-thirty-seconds of an inch in no way affects the structural soundness of the houses. In fact, it is admitted that twenty-four thirty-seconds of an inch thickness produces a house with structural strength much beyond the minimum strength necessary. The physical fact is that much of the so-called twenty-five thirty-seconds of an inch lumber coming from the same sawmill will vary more than one thirty-seconds of an inch from cutting to cutting. Yet the FHA is standing behind its arbitrary order, with the result that today construction of FHA houses is being closed down, not only in Oregon, but the work stoppage is spreading up and down the west coast. This action by the FHA threatens the lumber industry of the Northwest and the construction industry of the west coast, and if this order is carried to its logical conclusion would require that the FHA measure every board going into every house that they are guaranteeing.
>
> "This is bureaucratic asininity at its worst. I am appearing before the Banking and Currency Committee tomorrow morning, asking for a cessation of any consideration of the omnibus housing bill now before it until the FHA Administrator appears before the committee to clean up this mess."

I also wish to read to the Senate an article published in the April 6 issue of the Eugene Register-Guard, the newspaper of my home town, dealing with this subject matter, which reads as follows:

> Lumbermen said Friday they were confident they would soon settle the controversy that led the Federal Housing Administration to man the ¾-inch-thick boards mills now are producing.
>
> The FHA said it would have to reject loan applications on houses where boards were stamped with the ¾-inch designation, since the American Lumber Standards organization calls for twenty-five thirty-seconds of an inch thickness in boards.
>
> Lumbermen and FHA officials were agreed it was a technicality over one-thirty-seconds of an inch that could be straightened out April 30 when the American Lumber Standards Committee meets. If that committee approves ¾-inch-thick boards as the new standard, the FHA also will approve, J. Guy Arrington, Oregon FHA director, said.
>
> Lumbermen said mills have been producing three-quarter boards for some years, but the trouble arises now because the mills have just begun stamping the thickness on the boards.
>
> "Structurally, there is no difference in strength between a ¾-inch board and one twenty-five thirty-seconds of an inch thick. I don't think we should be stuffy about this. The main thing is we want a structure that is sound within the intent of our mortgage-guaranty program. We are going to rely on our officers. I'm hoping they will use their common sense," said Charles A. Bowser, Assistant Commissioner in charge of underwriting for the FHA in Washington, D. C.
>
> Arrington said, however, his office would not approve loans where it was known ¾-inch board had been used.
>
> "Of course, where a house is already built, we can't see what size is stamped on the boards. And if the boards are unstamped in new construction we probably can't tell the size—water content can make more than one thirty-second of an inch difference," Arrington said.
>
> But Arrington said that where stamped lumber can be seen loan applications will be rejected until the national FHA office puts out a new directive or the American Lumber Standards Committee approves the ¾-inch board.

Mr. President, I have just been in long-distance telephone conference with representatives of homeowners, mortgage-loan bankers, contractors, and lumbermen. They say that this order is perfectly asinine.

On March 13 the FHA sent out a letter announcing that on March 15 the 25/32-inch-thickness requirement would be laid down. Before the letter reached Oregon the application date had already arrived. Carloads of lumber had already been loaded for shipment to builders and contractors. Lumber was piled up on building sites—24/32-inch lumber. But the FHA Administrator is laying down the rule that such lumber cannot go into the houses, because there is a standard laid down by the American Lumber Standards Committee, and the Commissioner is reported to me as having taken the position that it was understood in the industry that the industry should meet the standards of the American Lumber Standards Committee. However, I point out that I have been advised that for years so-called ¾-inch lumber has been used in FHA housing and inspectors for FHA know it and have approved the houses. Now all at once the Commissioner cracks down on the builders.

Mr. President, this order involves a terrific cost to the building-construction industry in the West. All the industry is asking for is a 30 days' suspension of the order—the policy involved has been in effect for years—until, at the Chicago conference of the American Lumber Standards Committee, to be held the latter part of April, this subject can be considered. At this conference it is expected that the old standard of twenty-five thirty-seconds will be changed, permitting ¾-inch lumber to be used.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I shall be glad to yield in a moment.

One further point is that it is a physical fact that, day in and day out, lumber which is cut by a particular saw in a mill will vary during the day more than one thirty-second of an inch. The same saw will vary in its cutting. Yet we are confronted with a ruling that unless lumber is stamped in such a manner as to indicate that it is twenty-five thirty-seconds of an inch thick, it cannot go into FHA housing.

Mr. President, this means losses of large sums of money if this order is not suspended until the question can be cleared up. This order and the way it was issued is what I call government by arbitrary edict. It is the kind of arbitrary action which we must stop.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. There is scheduled for tomorrow morning a committee meeting of the Subcommittee on Housing. If the Senator would like me to do so, I shall be delighted to issue an invitation to the Federal Housing Commissioner to attend the hearing and discuss this question.

Mr. MORSE. I appreciate very much the offer of the Senator from Arkansas who is the chairman of the Banking and Currency Committee. All I ask is an opportunity to bring the Commissioner before the Housing Committee to explain the order, and to answer the questions which I know my constituents will wish to ask him.

Mr. FULBRIGHT. I will see that such an invitation is issued to him this afternoon to attend that meeting.

If the Senator will further yield, I ask unanimous consent that the full Committee on Banking and Currency be authorized to meet tomorrow afternoon during the session of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. I thank the Senator very much; and I thank the Senator from Indiana [Mr. JENNER] for his courtesy.

REEXAMINATION OF OUR FARM POLICIES

Mr. JENNER. Mr. President, I introduce a bill which I send to the desk and ask to have appropriately referred.

The PRESIDING OFFICER. Without objection the bill will be received and appropriately referred.

The bill (S. 3608) establishing the Joint Congressional Commission on Fundamental Farm Policy, introduced by Mr. JENNER, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. JENNER. Mr. President, in view of the action of the House just reported by the majority leader, I should like to discuss for a while the question of a reexamination of our farm policies.

Mr. JENNER. It is time for Congress to get off the treadmill of superficial discussion of the farm problem. We have an emergency farm problem, and I favor vigorous emergency measures to give the farmers whatever help is proper and just. That is why I have given my support to the measure recently passed by the Senate, the conference report on which will be before the Senate in about an hour.

There is no reason why the farmers should bear the brunt of all the errors and omissions made in all our Government policies, through the years.

We also have a long-term farm problem. We have been talking about it for 25 years.

We have spent billions of dollars and we have woven a mesh of governmental and supernational controls over our politically independent farmers, but we have not done one single thing to remedy the basic farm problems. The reason is that we have not yet dealt with fundamentals. We have talked about parity price, but what is parity price?

When we are finished with all the high-sounding explanations, parity price means, simply, that American farmers are smart enough to raise magnificent crops, but are not smart enough to sell them at prices which cover the outlay needed to remain in operation. That I do not believe. I am not willing to believe that American farmers and American businessmen are not smart enough to solve the problems of marketing farm production, but Government bureaucrats are smart enough to solve them, if the farmer leaves everything to them.

Let us look for a moment at the origin of our policy of Government aid to, and direction of agriculture.

In the great depression, we accumulated vast surpluses of cotton and wheat.

Congress set up the Federal Farm Board to dispose of the surpluses, chiefly abroad.

President Hoover appointed an able Board under an able and experienced Chairman, Alexander Legge, president of the International Harvester Co. Mr. Legge made every effort to move the surpluses, but he found farm surpluses could not be sold by Government, traded abroad, or dumped, without causing more evils than they cured.

State trading was no remedy. Only a realistic approach to the underlying factors in the marketing of farm products could give the farmers any higher income than the price they were offered in the world exchanges.

This conclusion, the classical conclusion of non-Socialist economists, means that the income of producers, farmers, or anyone else can be increased only by cutting the costs of the producers, raising the income of consumers, or opening up new markets.

All other remedies are a form of subsidy, open or hidden, which appears first as a gift from the Government to the producer, but ends ultimately in devaluation of the dollars in which the gift is paid.

When President Roosevelt took office in March 1933, the world depression was

8 months past its crisis. World trade was slowly climbing upward.

American farm prices were low enough so that we were recapturing, by simple business competition, foreign markets for cotton and pork which we had lost years before. Farm debts were the heaviest burden.

President Roosevelt inaugurated an excellent program, in the Farm Credit Administration, for quick refinancing of mortgages made at the height of postwar inflated land prices. This was a sound, conservative effort to cut the operating costs of farmers who had bought land during an orgy of land speculation.

It was not in the national interest to have able farmer-operators driven out of production, and farm families driven from the land, while farmlands were bought at distress prices by financial interests.

The Farm Credit Administration was working for a return to complete self-reliance by farmers, as soon as the speculative burden was lifted.

As a remedy for the depression, the normal rise in the business cycle, which was already underway, would have increased employment, and raised farm prices in the domestic market, the largest market for farm output. Farm income would have been pushed up, by fundamental recovery in the consumers' market.

A great many fancy tables and reports apparently prove that, because farm sales were just as high in depression as in prosperity, farmers could not improve their incomes without Government price-fixing. These tables and charts are the statistical mirage with which anything can be proven, if one does not look at fundamentals.

Farm prices, made in a free market, would have responded to the improved demand which was underway in 1933, just as rapidly as they responded to the falling demand which set in, in 1929.

Statistically, a gain in farm income from price manipulation by Government looks as good as a gain in farm income from healthy recovery in the entire economy. The difference is the same as in the case of the revived energy of a sick patient through overstimulating drugs, and his revival through elimination of germs and restored vitality of his body.

In March 1933, American agriculture stood in need of careful thinking by national leaders. We needed a national agricultural policy, to meet three separate problems:

First. The emergency problem causing widespread foreclosures.

Second. The world business depression which caused the steep fall in prices.

Third. The long-term change in the situation of American agriculture, due to the fact that our farmlands were facing heavy competition from new virginal farmlands outside our boundaries.

What went wrong, if the emergency program for refinancing debt was sound, and the cyclical influences were pulling farm income rapidly upward?

The answer is that the Socialist influences within the administration were stronger than those who advocated sound, economic remedies. I will show you this is the problem we have been wrestling with, in this body, in all the intervening years.

We have measured the ears of the elephant, the trunk of the elephant, the legs of the elephant, and the elephant's tail. But we have been blindfolded. We have never looked at the whole elephant, so we could not cope with the real obstacle in all of its many ramifications. We could not return to our proper path as a nation.

How were we persuaded to change to price controls and then production controls? I can give the answer. Within the farm board in 1932, there was a minority group which did not believe in free markets. Among them, Mordecai Ezekiel urged artificial price increases accompanied by production controls.

Part of Mr. Ezekiel's record can be found in a recent publication of the Senate Subcommittee on Internal Security, the report on the Concord papers of Harry D. White.

His Socialist doctrine could make no headway with the marketing experts of the farm board, but after March 4, he found a haven in the Department of Agriculture; where Rexford Guy Tugwell was busy making America over.

Ezekiel and his friends helped draft the agricultural adjustment payments program, and its successors, and devised the Commodity Credit Corporation to serve their purpose—Government control of the marketing of farm products.

I need not remind Senators that a Communist cell had been organized within the Department of Agriculture, during the depression, under Harold Ware, son of one of the top Communist leaders.

I need not remind Senators that the atmosphere of the Department was sufficiently friendly to collectivism so that such admitted Communists as Lee Pressman, later counsel to the National Labor Relations Board, and others, served there for several years on the way to higher responsibilities in the mushrooming Federal executive establishment.

Another of the early members of the cell was Alger Hiss.

Dr. Wirt, a citizen of my own State, has told how the pro-Communists in Washington talked of the revolution to come, after Roosevelt, the American Kerensky, had opened the door of the citadel.

Dr. Wirt was hounded to an early grave by powerful left-wing forces in the administration.

The chairman of a House committee, Representative John O'Connor, was hounded to political extinction by the same forces because he came to regret his part in unjustly smearing Dr. Wirt, and publicly recanted.

It is true that Secretary Wallace purged some of the extremists among the brain trusters in the Department of Agriculture, but we must not take too much hope from that.

In a speech delivered on December 28, 1933, before the American Farm Economic Association, and other economic associations, Mr. Wallace stated again and again that the underlying purpose of the administration's farm program was "social discipline."

As a specific example of the new willingness to modify individual behavior for the larger purposes of society, he cited the current policy of the Agricultural Adjustment Administration, to reduce wheat-acreage 15 percent, in line with the London Wheat Agreement, and to pay farmers who complied from tax funds.

When you cut away all the undergrowth is not that just where we are still?

There is always a great deal of plausible argument, wearying detail, and fancy verbiage, about any socialistic program. Otherwise, no one would buy it. But we, in Congress, cannot be deceived by the trimming.

Mr. Wallace said the farm program proved "the desirability of collective action," and he praised the farmers for "their willingness to undergo a certain amount of social discipline for the larger purposes of the group."

America has not become great by assuming a man must join a group in order to be able to think about the "larger purposes" of society. Imagine Franklin or Jefferson or Washington being told they could not think about the larger purposes of the Nation unless they joined a planning collective.

Mr. Wallace frankly referred to the program as "a planned agriculture." He admitted it was to be a long-term program, not a "dream born of the emergency, to evaporate when the emergency disappears."

If we plan, he said, on a nationalist course, "then a huge area of farmland must be kept out of cultivation, certain processing and handling trades will have to adjust themselves to it, and consumer purchasing power will have to be kept at a level high enough to support it. Each and all of these operations demand planning."

Such was the policy of the first two administrations of President Roosevelt.

Mr. Wallace also described "planned agriculture" in an era of internationalism. That is what we adopted with the third term of the Roosevelt administration. He said:

> If we decide for the international course, then there will have to be radical lowering of many tariffs, high-cost industries will have to be eliminated, and foreign purchasing power will consciously have to be increased; this, too, requires planning.

Surely, Mr. President, I do not have to point out to you how neatly Mr. Wallace defined our present policies, even if he did not suggest the names of GATT and OTC, mutual aid, and point 4.

The collectivists knew well what they were doing in 1933, but sometimes I wonder if we know it now.

This planned economy, said Mr. Wallace, "presupposes a social machine. I have always thought of the Agricultural Adjustment Act as fundamentally such a machine."

Such a machine, he said, "demands certain types of plasticity" in people, "vastly different from the little hard human particles which have been so characteristic of the past."

The pioneers who broke the soil would have been human particles much too hard for this planned economy.

Senators will also appreciate the role assigned to Congress in this planned agriculture. Said Mr. Wallace:

> It may be the duty of Congressmen as individuals to speak for specific selfish local interests among their constituents but the administration if it is to do its part in perfecting an enduring social discipline, must use its power, whether dealing with farmers, with wage earners, or with businessmen, to keep each within the bounds dictated by the general welfare.

At that very meeting, Mr. Wallace's description of a planned agriculture for the United States, based on Rex Tugwell's dream of the Soviet heaven on earth, was denounced in urbane but devastating terms by B. H. Hibbard, dean of agriculture at the University of Wisconsin and one of the founders of the original and very distinguished Division of Agriculture Economics in the oldtime Agriculture Department. He urged the need, at that time, for a long-range, fundamental analysis of agriculture.

What did American farmers get by this Government price-fixing and Government intervention in selling their products? They got more dollars, but, as always happens, the value of the dollar was forced down to half.

What was the result politically? Every farm State was subdivided into sections, in which the farmers were to decide on production quotas. But this districting, under the direction of county agents and agricultural officials, meant that the entire farming area of the United States was covered by an administrative grid, controlled from the central powerhouse in Washington.

What was this grid? It was a political machine, by means of which the administration could reach into every agricultural country in the United States, and spread its propaganda, support those local leaders who favored controls, and supply Washington with first-hand reports on political sentiment in each area.

All these things, added up, meant that a political machine centered in Washington, but reaching out to every acre of farmland in the country, was built up by Henry Wallace and his merry men, at the same time Hopkins was building his political machine at the grassroots, through WPA.

Mr. President, do you think President Roosevelt and Henry Wallace did not know they had a combined Gallup poll and Tammany Hall reaching from Washington into every farm community?

Do you think they did not use it to help Senators and Congressmen in their thinking?

Do you think Sidney Hillman missed this opportunity?

Do you think they were too scrupulous to use it to help reelect "good" Representatives and Senators, and help defeat the "reactionaries" who distrusted Government controls?

Do you think they never tried to persuade Senators and Congressmen from the farm areas to vote for nonfarm bills, like the Wagner Act, or later foreign aid, by a friendly reminder of the payments flowing into their districts from the Public Treasury?

Mr. President, what I am saying is that President Roosevelt's socialist advisers knew exactly what they were doing when they chose to help the farmers of this country by Government price controls and Government buying up of surpluses, instead of helping them by lowering costs, finding new markets, and lowering the cost of living for domestic consumers.

The Farm Credit Administration, which spoke for freedom of production and freedom of marketing, fought on for a while, but was soon absorbed by Henry Wallace and his collectivist brigade.

Maybe Senators think that is old stuff, Mr. President, but it is right here with us today.

We have changed the names of our Government buying programs, again and again, but we have never changed their philosophy.

Lend-lease was, in reality, a plan for buying up farm surpluses, as well as industrial surpluses, and then giving them away, to make producers still more dependent on Government aid, and to win political support for the administration. So were UNRRA and the Marshall plan.

I cannot take the time of Senators to show them what they can easily see for themselves.

Under all the outward differences, these programs had one effect—to make the farmers economically dependent on the Government to market their crops, so that farm families would vote to keep the collectivists in power.

I shall have to skip quickly over 25 years of history, but I assure you, Mr. President and Senators, I am charting the direction correctly, even though I do not point out every curve along the way.

During World War II, all the forms of collectivist control which had been perfected by 1940, were stretched to international dimensions. Then these supernational mechanisms were redesigned for postwar survival in the United Nations, the food and agriculture organization, point 4, and the rest. Every one of these agencies was a New Deal agency, in global form.

Mr. President, do any of us here in Congress really understand the intricate mesh of controls which now dominates our agriculture, since the growth of the United Nations, NATO, GATT, the various international commodity agreements, and all the other bits and pieces of supergovernment?

Do any of us understand how much of the price loss the farmers now face is due to economic causes, and how much is due to the political machinations of the Government?

Do any of us know what are the real policies of this supergovernment, or what we are acceding to, when we agree to the bills put before us by the bureaucracy, which leave most of our policies to supernational machinery we cannot control?

I maintain that the collectivist international mechanism is now so well-developed, so completely in control of national governmental policies, that changes in political party labels have virtually no effect whatever.

The American people may vote for changes today, as they did in 1932. But in 1932, when they voted for a change, the whole governmental operation could be changed.

Today, when they vote for a change in the party in power, their vote affects only a little band of national officials such as Cabinet officials, tightly wedged between the supernational agencies above them, and the supporting bureaucracy below.

The elected and Senate-approved officials can move a little, but they can change our real policies hardly at all.

I fully agree with Representative WHITTEN, of Mississippi, chairman of the Agricultural Appropriations Subcommittee in the House of Representatives.

I believe we have now reached a point, as a result of these supercontrols, where American agriculture is being manipulated to fit a world plan by which we are to be restricted to production for the domestic market only.

We are told that American farmers must reduce their acreage because surpluses are increasingly burdensome and that they depress prices.

Our Government has launched a multi-billion-dollar program of increasing productive acreage throughout the world.

Our Government is doing everything possible to increase agricultural production across the face of the globe.

A substantial portion of our foreign aid appropriations has been devoted to this purpose.

Through the programs, we taxpayers—including, naturally, the farmers—are paying to supply competitor nations with seed, farm machinery of every description, and hundreds of agricultural experts to increase their farm output.

And, while our own farmers have to pay dearly for such equipment and other factors, foreign farmers are getting it all free from the United States.

To top this one, we are also spending vast sums of money to provide irrigation and other soil improvements abroad—again free of charge—which will continue to skyrocket competitive farm production.

We hear the Secretary of Agriculture complain about the surplus of cotton in the United States. What has the administration done about it? It has made it possible, through United States money, for Mexico to double its cotton production. It has made it possible for India to increase its cotton production by 50 percent. It has made it possible for cotton-growing Egypt to add 2 million irrigated farm acres when the Aswan Dam is finished.

All this cotton growing is being encouraged by the State Department, at a time when world production, in the past 4-year period for which figures are available, has already increased by more than 5 million bales, all of which competes with United States cotton.

As a result, cotton exports from this country dropped nearly 40 percent in 3 years, while exports by other cotton-growing countries rose 46 percent.

United States wheat exports were cut approximately in half since 1948–49, while production and exports of countries receiving United States aid went up.

We had an opportunity to sell wheat in South America. Our Department of Agriculture wanted to sell it, but the State Department said, "No. We must take it up with our friendly allies."

So Canada was tipped off, and the Canadian Minister of Agriculture went to South America and made the wheat deal. Yet we talk about farm legislation for an emergency.

We hear the Secretary of Agriculture complain even more bitterly that there is a surplus of dairy products. Yet, the action of the administration in helping foreign dairy production to increase rapidly, has forced a drop of nearly 90 percent in United States exports.

This is only the beginning. Money to build up foreign farm competition is flowing as freely as the Mississippi River.

There are almost 750 United States farm experts abroad helping spend the money, helping foreign nations build up their farm production. This must stop if we are going to help American farmers realize an American standard of living. If we want to beggar them to the level of the Asiatic peasant, then the program so diligently pursued by our State Department is well on its way to doing the job.

One other important fact: Congress has provided legal authority to operate in world markets on a competitive basis, but the policies of the Agriculture and State Departments have ignored the law almost entirely.

When the Congress created the Commodity Credit Corporation, it made provision for the sale of agricultural products on the domestic market at a price based on costs, but at a world-competitive price on the world markets.

But what have we done? We have held our prices on the world market high, making an umbrella, and all our competitors have slipped beneath it, while we keep our products rotting in storage.

It was clearly the intent of Congress to offer our surplus commodities at a price which would be competitive in world markets, and so eliminate surpluses at home.

The extent to which the legislative will has been carried out by the bureaucracy is shown in these words of the chairman of the House Agriculture Appropriations Subcommittee:

> The Government, through the Commodity Credit Corporation, has held its commodities off world markets.

Until this fantastic influence of the international network is corrected, no efforts by Congress to write farm legislation will meet the farmers' very real difficulties.

I should like to bring to the attention of the Senate some of the detailed facts on the manner in which policies of the Government have been used to undermine farm export possibilities, by increasing production in foreign lands, production which is in direct competition with our farm products, and which is in favorable position because of lower production and labor costs.

A part of the lower cost factor derives from the subsidy which American taxpayers are forced to pay foreign producers.

I have already mentioned the extent to which our Government is helping to increase farm production abroad. The actual figures are even more striking. In the 7 years beginning April 1948, the United States foreign-aid program provided, for the promotion of foreign agricultural production, a total of $984,159,436—nearly a billion dollars.

A half billion dollars went for the purchase of agricultural machinery and equipment—all as a gift to foreign farmers who are now able to compete with American farmers, who find no overgenerous Uncle Sam to give them tractors, or reapers, or trucks, or seed, or fertilizer, but who, on the contrary, in addition to the cost of operation of their farm machinery, have to pay the tax bill.

One reason why the cost of farm machinery and other things that the farmer buys is so high is the unbearable tax burden to pay for foreign gifts.

In addition to this billion dollars, the United States has set up over $700 million in counterpart funds, also to help agricultural production.

To make certain foreign farmers get to use this free American equipment, the State Department has sent a division of more than 700 agricultural experts abroad to give aid and advice.

This direct aid is only a part of the total picture. The Government has given tax privileges and other forms of incentives to encourage private investments abroad. Also, the policy of keeping American goods off world markets has, in effect, encouraged private investors to expand production abroad without fear of having any real competition from American farm products.

The 1 million acres of farm lands added to Mexican farm production were financed largely by American money. The story is the same all the way across Latin America.

Here we are, working on a farm bill. We are going through the motions of developing laws that will help the farmers. But we are working in a vacuum, a vacuum created by executive action not consonant with the farm legislation of Congress. We can stay here 24 hours a day, but we shall never work out a farm bill that will solve the real problem.

We are working on one side of a building, which has crumbling walls on the other three sides. No matter how well we build the one wall, how strongly we reinforce it, the wind and rain will destroy it from the other three sides. We are doing that to the American farmer.

Our Government is like Penelope, of Greek legend. Penelope knit by day and unraveled by night. That is what our Government is doing with the farm program. What little is knit by our Agricultural officials is quickly unraveled in the stealth of the night through the State Department. We are working hard and getting nothing done. If you have any doubts, Mr. President, just ask the farmer.

We recently invited over here a party of Russian "private citizens," led by the man already chosen to head their agricultural ministry. We told him everything we knew about seed, fertilizer, equipment, and the more elusive elements of know-how in achieving high farm production.

But note this: the heaviest military handicap of the Soviet system is that they need to keep 3 or 4 workers on the farms to produce what 1 man would produce under our system.

But if we teach Soviet officials how to get more production per man, and thereby free millions of workers from the farms, where will those extra workers go? They will go into the Russian armed forces, into the munitions plans, or into the factories making goods for the Soviet give-away programs in Egypt, India, Afghanistan, and Latin America.

We cannot put all the blame for this folly on our Secretary of Agriculture. Operations of any Federal agency outside of the United States are caught in the many-stranded web of State Department officials interlocking with the supernational agencies.

The Senator from Nevada [Mr. MALONE] has given us the record of GATT, through which the internationalists decide what farm products we may sell. The United States has made commitments to consult with the other nations in GATT on the effect of our laws limiting import of farm products. We must even discuss with them such details as whether the statistical base period used by the United States in setting import quotas under section 22 is a proper one. The other member nations make an annual review of any action by the United States on import quotas. The United States must furnish to these nations a report showing any modification of our restrictions, the restrictions still in effect, and the reasons why they continued to be applied. We also report to these foreign governments on any steps taken to solve the problem of agricultural surpluses.

We have just had a report of that kind from West Virginia, where the President of Mexico was assured of certain things.

The National City Bank, in its letter for June 1955, quotes the President of Australia's National Farmers Union as saying:

> By her irresponsible disposal of agricultural surpluses, the United States is flagrantly breaking the spirit of GATT.

The letter continues:

> Even more terse, the Manchester (England) Guardian pictured the United States as asking GATT for "legal permission to live in a state of sin."

I do not know, Mr. President, what other Senators think of having officials of the executive branch apologize to foreign governments for the laws passed by Congress, to help American farmers. I will not at this moment say what I think, Mr. President, but perhaps you can guess it.

Do you seriously think, Mr. President, that our farmers can carry all the burdens of production and marketing and at the same time follow all the intricate decisions made by the bureaucracy which operates behind a curtain of secrecy, and by former bureaucrats such as Mordecai Ezekiel, who staff the supernational agencies? You know how nearly impossible it is for Members of Congress to know what is going on, although that is our principal responsibility. How much can we expect of operating farmers?

Let me mention in passing, Mr. President, that in the case of nonfarm employment we are following exactly the same policy of helping competitive production. Every American who takes his capital abroad, and, protected by our tax laws, sets up production in foreign countries, is taking part of the domestic market from our farmers, but he is also taking jobs from the workers of the United States, whose prosperity should result in expansion of the farmers' domestic markets.

Industrial workers have been given short-run benefits, such as the dollar minimum wage, collective bargaining, and Government orders for their factories, but these cause the same difficulty as that caused by Government farm aid. The dollar payments increase, but the value of the dollar goes down. Farmers have paid off their mortgages with Government payments, but what of the mortgage that hangs over every family from our unpaid Government debt? That mortgage hangs over every farm family, and over all the nonfarm families who are the principal market of American farmers.

Mr. President, I see nothing but falling real income for both farmers and industrial workers, if we continue to rely on the planned economy of Mr. Wallace and Mr. Tugwell. I see nothing but tragedy for our country when the spell is broken and it is too late to escape.

Every day the gap between landowner and farmer-operator grows wider. Our concern must be with the men who work and produce, not with the financial returns for land ownership.

I understand that in the conference report on the farm bill, all such limits have been removed, so that—without lifting a hand—the great landholders in the West can obtain over $1 million from the taxpayers.

We know that, while farmer-operators are losing their markets abroad, they are also being driven from the land at home.

For 25 years government cash allotments have over-stimulated the tendencies to the use of high-cost equipment, fertilizers, and large acreage. We flog the land. Our policies exert constant pressure toward corporation farming and the hated "latifundia," the huge estates owned by absentee capital, and operated by farmers turned into hired hands.

Government payments have greatly increased the tendency toward the purchase of farmland by financial, nonfarm interests. During the potato scandal, we heard how farms in Maine were being sold by farmers to interests in Boston which had never seen a plow.

At this point I should like to make a proposal more radical than any so far offered. I have lost hope that manipulation of so-called parity prices, to reach any levels, will be of permanent benefit to the American farmer. Why? Because parity price is price control, and price control means price-controllers. Price-control machinery must, in the nature of the case, fall into the hands of the planners, the collectivists, the supernationalists. The first step on that slippery road brings us inevitably to the last step, where we are enmeshed in a web of controls, visible and invisible, which is designed to destroy the superiority of the United States in agriculture, in industry, and in war.

I have the utmost confidence that our Secretary of Agriculture wishes to avoid this web of controls over farming as much as I do, but I do not believe he can ever succeed.

Here in Congress we have worked hard to patch and repair what Henry Wallace and the collectivists set up in our Government. Our present Secretary of Agriculture is trying by means of little improvements here and there, to lead farming back toward freedom. But like an angry boil, this program grows worse every day. It is time to lance it, or the poison may spread throughout the body politic, without hope of cure.

I return, Mr. President, to my suggestion that we must separate our emergency measures and our long-term proposals. It is time for Congress to set up its own machinery for working out a truly American long-term farm program. Our only hope lies in the establishment by Congress of a congressional advisory committee, set up to make the basic studies Congress needs.

The purpose of an American farm policy is not to get so-called parity for farmers with some mythical competing class. That is the Marxian class conflict. Our purpose is to save the American family farm.

Other nations have gone down the road we are traveling. If we stop, look, and listen, I know that no American Congress will willingly choose the road to serfdom.

The family farm is the social basis for our free enterprise, our political liberty, our biological heritage, and our military strength.

The real military strength of the Romans lay in their independent farmers, even more than in their legions. When the farms decayed, Rome was dependent on mercenary armies, recruited from barbarian tribes.

It should not be the purpose of Congress to help corporation farming, or the spread of factory methods to farming. It should not be our purpose to help the city owner who buys farmland to help him avoid taxes. It should not be our purpose to do one single thing to increase the price of farmland.

The price of farmland is a cost to the farmer-operator, which reduces the net income he receives for his work.

Maturing societies must distinguish between the share of farm income which goes for enterprise, and the share which is paid for land because land ownership and land use inevitably grow more and more apart. As the older generations die, and part of the family turns to nonfarm occupations, the income from farming is drained away.

Dependence on rising prices of farmland is financial speculation, just like playing for rising prices in the stock market. The growth of population, alone, exerts a continuing upward pressure on land prices.

Nearly all the so-called remedies for farmers benefit the owner of capital invested in land, and penalize the farmer-producer.

The rising cost of American farmlands, as our society matures, means that we need a fundamental reexamination of our export policies. We need a reexamination of the relations between farming and the domestic market.

I have not mentioned the broad area of savings which could come from tax reductions.

In 1950, before the Korean war, the Federal Government collected $41 billion in taxes. Last year, it collected $69 billion. This increase of nearly $30 billion is paid either by farm families, or by nonfarm families who are their chief customers.

History is full of examples of the tragedy that overtakes the farmer-producer as a society matures, unless the greatest wisdom is used in national policies.

When the farmers of ancient Italy were ruined, the rural families which had given Rome her legions became the beggars in the forum. The farmers of the city-states of Greece had met the same fate.

England ruined her yeoman class; and there are those who date the decline of England's greatness from that weakening of the foundations.

It is time, Mr. President, that we closed the account on the 25-year cycle that began by giving our farmers emergency aid and ended by meshing them into the international agencies which now set so many of our policies.

The global planners can well reduce our farmers to becoming suppliers of commodities for a province of one world whose standard of consumption they will reduce to the lowest common denominator of the world.

We must return to that branch of political philosophy which was discarded by Rex Tugwell and Mordecai Ezekiel, and make it the corner of the temple.

Let us set up a congressional advisory commission which will gather for us the best ideas in the Nation on how to restore our family farms as the foundation of our society, on helping them maintain themselves, without Government aid, by their productive arts, by constant cost cutting, by skill in marketing, and by raising the real income of those domestic producers in nonfarm industries who should buy most of their products.

A truly effective solution of the farm problem will benefit, also, nonfarm producers and their families. It will strengthen the forces of freedom over those of collectivism. It will help extricate us from controls by our own Government and its supranational allies.

It will restore to Congress the legislative function now preempted by the bureaucracy.

It will—perhaps most desperately important of all—restore the foundation under our military strength in time of need.

HOUSE ACTION ON CONFERENCE REPORT ON THE FARM BILL

Mr. JOHNSON of Texas. Mr. President, I am informed that the House has adopted the conference report on the agricultural bill by a vote of 237 to 181, and that the conference report is being sent to the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes.

REGULATION OF WITHDRAWALS OR RESERVATIONS OF PUBLIC LANDS

Mr. WATKINS. Mr. President, on behalf of my colleague [Mr. Bennett] and myself, I introduce a bill to provide for congressional authorization of withdrawals or reservations of Federal land in excess of 5,000 acres.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 3613) to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress, introduced by Mr. Watkins (for himself and Mr. Bennett), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. WATKINS. Mr. President, this bill is being introduced as a companion bill to bills introduced into the House by Chairman Engle of the House Interior and Insular Affairs Committee and other Members of the House. The House Committee has just completed some rather extensive hearings on military withdrawals, and I commend our associates in that body for making that study and introducing remedial legislation. I sincerely trust that both bodies now will expedite action on this matter.

The subject matter of this bill will come as no surprise to the Federal agencies involved, because I and the junior Senator from Utah introduced a bill—S. 531—on January 18, 1955, providing for public hearings prior to withdrawals of public lands and establishing a time limit to so-called "temporary" withdrawals. This bill has been under study by the agencies involved in withdrawals and I am sure that this agency study of S. 531 will help expedite any legislation considered on this subject.

Both bills were introduced because of the tremendous size of present and pending public-land withdrawals in the West, and because large additional withdrawals are being pressed by executive departments, especially the Department of Defense. As evidence of this continuing reservation of public lands for defense purposes, I direct your attention to the proposed withdrawal of 2,938,240 acres in the State of Nevada for Navy aerial gunnery ranges.

The area of public land withdrawn for military and other defense purposes as of June 30, 1955, totaled 17,168,843 acres, an area nearly three times as large as the State of Massachusetts. This acreage was distributed among 18 States, but 5 States—one of which is my own State of Utah—each contain in excess of 2 million acres of such reserved lands.

In view of the widespread interest in this subject among the 18 States affected, my colleague and I today submitted a request to the Senator from Montana [Mr. Murray] that he order hearings by the Senate Interior and Insular Affairs Committee on this new bill and S. 531. It is our hope that the good features of both bills can be consolidated into a final Senate bill that will prove acceptable to our colleagues in the House and expedite action on this needed legislation.

MADE IN MINNESOTA WEEK

Mr. HUMPHREY. Mr. President, this week is the State of Minnesota's first Made in Minnesota Week, proclaimed by Gov. Orville L. Freeman, to be highlighted from April 11 to April 15 by the first annual Made in Minnesota International Trade Show in the Minneapolis Auditorium.

Six thousand active and enthusiastic members of the Minnesota Junior Chamber of Commerce have been responsible for this fine effort to bring to the attention of the whole Nation the remarkable advantages enjoyed by Minnesota industries and the widening opportunities for new industry in the North Star State.

Minnesota's outstanding labor force of skilled workmen, its supply of managerial talent, its great banking and credit institutions, its many advantages in terms of natural resources of land, minerals, timber, and water, its remarkable percentage of stable families owning their own homes, its lack of slum and blight areas, its advantages in scenic beauty and recreation, and the friendly welcome Minnesotans have given them have attracted many new industries to Minnesota during the past decade.

With fine rail, water, and truck transportation now being augmented by major advances in low-cost water transportation, including the 9-foot channel of the Mississippi and the prospective emergence of Duluth as an ocean port, with the completion of the Great Lakes seaway, more and more heavy industry is giving careful consideration to the possibility of establishing new plants in Minnesota.

Ingenuity is the watchword of Minnesota industry. This is clearly apparent when one looks at some of the great industries native to Minnesota—Minneapolis-Honeywell, Minneapolis Moline, Minnesota Mining & Manufacturing, General Mills, and Pillsbury, to name only a few of the largest. The remarkable new taconite industry, representing the steel industry's conviction that Minnesota will continue to be a major source of iron ore when the open-pit mines of the great Mesabi Range are exhausted, is the product of Minnesota thought and tenacity and support of research.

Minnesota's steadily increasing payroll, almost three and a quarter billion dollars in 1955, is testimony to the expanding opportunities for Minnesota industry.

Minnesota is a wonderful place to work and a wonderful place to live. It is an area of opportunity and wholesome environment. I invite the attention of the whole Nation—particularly American industry—to the celebration of Made in Minnesota Week. This week, through April 15, Minnesota industry is on display. Those who come to Minnesota this week will find the usual warm and friendly welcome, but they will also find their eyes opened, thanks to the initiative and planning of the young businessmen of Minnesota, the Minnesota Jaycees.

THE CONFERENCE REPORT ON THE FARM BILL

Mr. BEALL. Mr. President, we are all aware of the many opinions which have been expressed by persons with varying interests concerning the farm bill. There is one group, however, whose ideas should be given foremost consideration, and that group, quite logically, is made up of the farmers themselves. They are the ones most affected. They are the ones who know what should be done. Therefore, to show how many Maryland farmers feel, I read a letter addressed to me by C. E. Wise, Jr., secretary-treasurer of the Maryland Farm Bureau, Inc.:

> Dear Senator Beall: The Maryland Farm Bureau opposes the conference committee report on the farm bill as unsound legislation that will aggravate the present farm problem.
>
> Provisions we object to are: (a) 90 percent fixed rigid supports for basic crops; (b) the double parity standard; (c) the mandatory three-price wheat-dumping plan; (d) the high support for noncommercial corn and feed grains; (e) the dairy support increase; (f) no control of acres diverted from quota crops.
>
> These provisions will stimulate production and nullify the beneficial effects of the soil bank and other parts of the farm bill. As the soil bank will not be effective his year these price boosts will add much to surpluses under normal crop conditions in 1956.
>
> Unless the objectionable features of the committee report are corrected, agriculture will fare better for the long pull under the present law. We, therefore, urge you to oppose the report in its present form.
>
> Sincerely,
>
> C. E. Wise, Jr.,
> *Secretary-Treasurer, Maryland Farm Bureau, Inc.*

SUGGESTED CHANGES IN THE PAROLE AND PROBATION SYSTEMS IN THE UNITED STATES

Mr. LANGER. Mr. President, I send to the desk a statement and ask that it be read by the clerk.

The PRESIDING OFFICER. The statement will be read.

The legislative clerk read as follows:

Mr. President, I wish at this time to call the attention of the Senate to the speech delivered yesterday by Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation, before the National Parole Conference.

I believe Mr. Hoover has called for certain badly needed changes in the parole and probation systems in this country. Present conditions where a man is arrested, evidence is presented, and a conviction is brought about, only to find that after a short time our criminal authorities are again hunting the same man for another crime—such conditions cry out for improvements.

I found the FBI's figures on the increase in sex crimes absolutely appalling—an increase in sex crimes over the past 20 years of 163 percent. And among them recently appeared a highly celebrated crime in North Dakota where the person convicted of the crime, a veteran discharged from the service as a sex deviate, had asked several times for help "before he hurt someone." Mr. Hoover makes it plain that if a person has a proven record as a sex deviate, there is an immediate responsibility to see to it that the proper authorities are notified and warned of the potential threat in their community.

The recent organized plea on the part of the women of the District of Columbia for better street lighting and an increased police protection after dark are symptomatic of this problem—a problem that exists on a nationwide scale and one that will only be solved through the vigorous action called for in Mr. Hoover's message.

Mr. LANGER. Mr. President, I ask unanimous consent that the statement by J. Edgar Hoover may be printed in the Record at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Challenges of Crime Control

(Address of J. Edgar Hoover, Director, Federal Bureau of Investigation, April 10, 1956, before the National Parole Conference, Washington, D. C.)

Much has happened to all of us—and the world—since a conference similar to this one was held in Washington 17 years ago. That was in 1939. You will remember, as I do so well, that we were emerging from an era which had witnessed the overthrow of virtual gang control in community after community of our Nation. Then we had the international gangsters who attacked us and who were responsible for a Second World War and the domestic upheavals that follow all wars. We won the war—but we found we still had the problem of crime and criminals with us—a problem that has continued to grow faster than our Nation's growth.

Even though crime increased there was hope that we could do better in the postwar world than we had in the past. That hope is always with those of us who have the duty of dealing with crime and with the problem of parole and probation.

I was hopeful that after the war that steps could be taken to make the worthwhile principles of parole and probation truly effective. This is a humanitarian task. This is a vitally important work and I believe in the objective which you, who are engaged in this work, are seeking and unless you succeed, then our work too often is made ineffective. I want to make that point clear to you—because it seems it has not always been clear to some people in the past who have regarded me as an opponent of parole and probation.

I want to make it clear, too, that my criticism of the workings of parole and probation is for one reason only—to bring about more effective methods of crime control. Your objectives and my objectives can be reached only if probation and parole are worthy of the name and if law enforcement is worthy of its name. My criticism certainly is intended to be constructive for criticism designed only to destroy never helps anyone.

All of us have our dreams of achieving a goal. And to achieve a goal we must be practical. And to be practical we must speak frankly and face facts. As I see it, while progress has been made in many States and in many areas of the country—probation and parole in some areas are not worthy of the name. I say this without antagonism toward either probation or parole. The time has come for us to get together and try to find a solution to this problem which is a grave responsibility allied to law enforcement and to the rehabilitation of criminals.

As I see it, parole presupposes careful selection of those who will benefit by its application. It presupposes that those who are paroled will have careful and competent supervision. And the same principles apply to probation. I think all of us here subscribe to these principles. It is as obvious to me as it is to you that wrongdoers who have learned the error of their ways should be restored to a useful place in society and helped to recognize the values by which they can live at peace with themselves and with others.

From where I stand, parole and probation are only a part of the overall effort to achieve criminal justice. They are a part of our machinery of criminal justice which exists for only one purpose—the protection of society. This machinery fails when any part of it breaks down and leaves society unprotected. When such a breakdown occurs, then somewhere, someone has failed in his responsibility.

Society suffers when any unit of the vast machinery of criminal justice places the interest of the wrongdoer above the protection of society. Those of us who are assigned the responsibility of detecting and apprehending criminals are more and more coming to the view that our efforts, however essential, are but a temporary expedient. We arrest a wrongdoer today, present the evidence which establishes his guilt and bring about his conviction. All too frequently, within a short time thereafter, we are again hunting the same man because he has committed another crime.

Our work is only part of the answer. We know that the time-proven deterrents to crime are certainty of detection and arrest, swift prosecution, and the realization that one must pay for his law violations.

I have condemned what I regard in some prisons as a country club atmosphere. By that description, I mean prisons which permit idleness and which neither punish nor rehabilitate the wrongdoer. Fuzzy and shallow thinking which contributes to maudlin sentimentality helps no one. We frequently hear about the plight of some criminal but little or nothing about his victims or the anguish and disgrace he has brought to his own loved ones.

The press accounts of the Boston prison riot last year are a perfect illustration of the misdirected concern in some quarters for vicious criminals which is inconsistent with our duty to protect society. Much was said about the participants in this riot, and their hope for freedom, but men and nations do not deserve freedom as a handout. They must earn and guard their freedom. In the talk of freedom for these men little appeared about their criminal background and their vicious crimes or whether the general welfare of society justified their freedom or whether they had earned their freedom. It is necessary to examine only two of the cases to make my point.

One of the convicts previously had been given the benefit of both parole and probation. He has been arrested for forgery, larceny, robbery, and other crimes. He was serving a sentence of 15½ to 20 years, with a 25-year Federal sentence for bank robbery awaiting him. Another had been given the benefit of parole, probation, and conditional release. He was serving time for assault, burglary, and rape. His case was aggravated by the fact that he had committed a series of rapes and in his assaults had viciously beaten several of his victims. You cannot serve freedom on a silver platter to men like that.

One of the frequent arguments advanced for probation and parole is the overcrowding in prisons which exists today. But how valid is this argument when the population in State and Federal prisons has increased from 179,047 in 1939 to only 182,051 in 1954, an increase of only 3,000 in a 15-year period? To be sure, it is more economical to release convicts on parole or probation. But let us not put the system on the basis of the cheapest price tag. When you do, you get shoddy merchandise.

One of the most serious problems we face today in the field of crime control is that of the repeater. This problem is brought into sharp focus by looking at the background of the population in Federal prisons where in 1954 of those received under sentences of more than 1 year, 63.8 percent were repeaters. When our people check the fingerprints of arrested persons which are received in the identification division they find that 70 percent have records of previous arrests.

The only way we have at present of dealing with the repeater is to demonstrate to him that truly he can't get away with it. But this is not enough in dealing with those who are unreformed and incapable of rehabilitation without extensive and prolonged mental treatment. If I can judge from the reports which come to my desk daily from every section of the country, there is a growing concern among law enforcement officials over the increase in crimes by repeaters and those who have been improperly selected as beneficiaries of parole, probation and other forms of clemency. I am certain you are just as concerned about this as we are. Parole upon parole and probation upon probation for those who have not reformed are unreasonable and unjustified. I appreciate the fact that for every flagrant mistake in parole and probation there are scores of cases reflecting dynamic reformation and rehabilitation. What I am saying is not that parole and probation are wrong, but that ill-advised parole and probation reflect adversely upon these methods of protecting society. It is the old case of a rotten apple tainting the whole barrel.

I can best illustrate my feelings by referring to a few cases which immediately come to mind. One eastern gang of 11 responsible for a $2½ million holdup had received a total of 20 paroles and 17 probations, and one was pardoned, thereby blocking a deportation case. Another criminal had killed a policeman in 1932 and was given a life term. After the third parole, following the killing of the police officer, he was arrested burglarizing a safe. Another policeman was killed last fall by a criminal who had been paroled the previous month with a criminal record which dated back 15 years. Within the past few months, there was a nationwide manhunt for an individual who killed 6 persons following his parole less than 2 years ago. A group of parolees on a criminal spree, a little over a year ago, engaged in a gun fight with 2 policemen, and 1 of the policemen and 1 of the parolees were killed. Is not this enough to show that there is a need for improvement?

Since we established the widely publicized list of "ten most wanted fugitives" in March 1950, a total of 95 criminals has been on the list. Fifty-two had received paroles on at least one occasion during their criminal careers. Of the 18 special agents of the FBI who have lost their lives in line of duty, 11 were killed by criminals who had previously received paroles, probation or other forms of clemency. That errors have been made and are being made in the selection of persons to benefit from parole is a proven fact and a matter of grave concern. This is not merely the problem of law enforcement officers, it is your problem also.

The mistakes in selecting the wrong person for release on parole might have been rectified with the type of supervision which the humanitarian principles of parole require. I do not say it is the fault of those who administer parole and probation. But it is the fault of those who permit these conditions to exist.

Politics, poor pay for parole and probation officers, lack of interest by city and State officials and the lack of uniform laws and practices all are involved. Parole supervision too often is a farce and exists in name only in too many cases. Those who have the most expert knowledge of parole hold that proper parole supervision requires a caseload of no more than 50 to 65 for each parole officer. When you face the facts, it is a marvel that parole succeeds as well as it does. This is particularly true when you find parole officers carrying caseloads of as many as 115. In a State where 45 parole and probation officers are required to supervise 2,800 persons on probation and 1,500 on parole it is clear that these overworked men cannot do their jobs properly. But that is only part of the picture. In addition, these 45 officers are required to make investigations in connection with granting of paroles and probation.

In one State, which boasts of an advanced parole system, maximum parole supervision requires a monthly visit to the parolee's home and place of employment. Minimum supervision requires a visit every 3 months either to the home or place of employment. It is no wonder that parole and probation fail so frequently. In one State, it is reported that 50 percent of those granted parole violate the conditions of parole. Figures vary in other States.

The picture is clear. The time has come for public indignation over the failure to give these men and women a chance to do their jobs properly. And, if it hurts some politicians—well, that is just too bad. At least, your conscience will be clear.

Justice is undermined and respect for constituted authority becomes a mockery when judges take it upon themselves to coddle hardened criminals by giving them undeserved probation. To illustrate, I refer to a case where a judge placed a criminal on probation on the charge of car theft and violation of the Federal Firearms Act. This man previously had been arrested for armed robbery and breaking and entering. For this he received a 10-year sentence in a State penitentiary. He escaped and was later arrested in a distant State. He resisted extradition on the grounds of cruel and inhuman punishment in the State penitentiary. The State made a careful investigation and subsequently the criminal's charges were disproved to the satisfaction of a Federal judge who ordered him returned. After serving 3 additional years of his sentence, he was paroled. When later arrested in a Western State with a stolen car, he pleaded guilty but leveled the same old charges of the cruelty of punishment which had already been disproved. The judge placed him on probation for 10 years and told the criminal to behave himself and he would never have to serve the balance of the term for which he was paroled because as the judge told him, he had "an umbrella over you now."

There can be no doubt that many judges are handicapped by not having complete details. Once a wrongdoer is arrested and brought before the courts, there can be no more important investigative function than to place before the judge the facts which will aid him in arriving at his conclusions as to what is best, both for society and the individual offender. We regard this as so important in our service that our various offices are under instructions to furnish all available case information to judges when so requested.

The Federal probation system does an excellent job of developing information to be submitted in its presentence reports. Likewise, some States do an outstanding job in this respect, but there are others where much improvement is sorely needed.

I want to express my deep appreciation for the splendid assistance and cooperation which our special agents are receiving from most parole and probation offices throughout the Nation. It has been a source of gratification to observe that in the past 20 years there has been a gradual improvement in the cooperation between the professional advocates of parole and probation and law-enforcement officers. It must continue to improve. The police officer on the beat, the county and State officer and the Federal investigator are primarily concerned with the protection of society just as you are—and the old frictions should be removed. Fundamentally, there should be an even closer bond of cooperation between those charged with treatment of offenders and those charged with detection and apprehension. After all, our end objective is the same.

Under our legal system there is authority to act in most instances only after a crime has been committed. Somewhere and somehow, a new authority is needed—that of prevention. Let me illustrate. A policeman was killed by a 21-year-old parolee. He had been in and out of institutions on numerous occasions, having escaped and been paroled several times. After he had killed the policeman, the parolee's father disclosed that he had made efforts to have his son's parole revoked to prevent him from becoming further involved in serious crimes.

When parents appeal to authorities, not once but time and time again, to have their son on parole committed in the public interest, it is unbelievable that someone would not take action. Yet this has happened more than once. Last December, a 20-year-old parolee kidnaped a 3-year-old girl. The parolee was an admitted sex offender who had attacked girls ranging from 8 to 13 years of age. He had been committed twice to a mental hospital for examination. Paroles granted this criminal had been violated time and again. The parents saw that their son needed help—and he knew it himself. On the day before he abducted the 3-year-old girl, this sex offender had pleaded with his parole officer to come to see him; but for some reason, the officer did not see him. Cases like this cast a shadow, not on the principle, but upon the administration of parole.

More and more, we are finding the earmarks of crime long before the final act of violence occurs. Day after day, individuals who are mentally ill are committing serious crimes. They are bringing misery, not only to themselves, their relatives and their friends, but also to other innocent men, women, and children.

There are many individuals in America with backgrounds of emotional instability where the danger signals are clear and where the individual is clearly "earmarked for crime." The time has come when some way must be found to take preventive action, and here is the proposal I hope you will consider: When a person has been convicted and sentenced to prison, the authorities today have the ability to determine in many cases whether the wrongdoer is capable of leading a law-abiding life. But when it is clear that due to mental quirks the likelihood of violence exists, then there should be some legally recognized machinery whereby such individuals can be isolated from society to receive preventive treatment.

These are days of stress and strain. Modern society is geared to a fast tempo. Pressures are heavy from all sides, thrusting vast burdens on us all. Nerves become taut, tempers frayed, minds blurred. Abnormalities appear, which if recognized in time, can be treated and perhaps lives can be spared. If action is taken, mentally sick criminals might claim no more victims but, on the other hand, they may be made into useful citizens.

The rise in sex offenses is shocking. Last year, while the total number of crimes was leveling off, rape increased 5.9 percent, and this has been the case for the past 20 years when such crimes have increased 163 percent, according to reports on crimes received from local, county, and State law-enforcement agencies. You who have devoted your lives to treatment of offenders know that there are certain types of persons who are mentally and physically ill and need to be treated as such. You also know that there are types of individuals whose prognosis for normal adjustment is so remote as to be improbable. The time has come when society can better be protected by providing some means of enforced treatment for such people. Public health authorities may legally place a family in quarantine if they have a disease which is dangerous to others. The freedom of that family is restricted for the good of the community. If this is accepted as a proper health measure, then certainly there should be a quarantine for mentally ill criminals who should be released only upon certification of competent medical authorities who can also say when the facts justify it, "This man in mentally ill and we cannot approve his release until this illness is cured. He must be kept in quarantine."

Mental illness, emotional instability, and abnormality are major problems in crime control just as certain diseases are problems in the health of a community. When official agencies receive information that a person convicted of a crime has a mental illness or abnormality which could endanger others, there should be a responsibility to advise proper law-enforcement agencies of the facts. If the case is sufficiently acute, there should be a means, with all the proper safeguards for constitutional rights, whereby treatment could be enforced—even beyond the period of actual sentence, if necessary.

If, for example, the facts are known that a person has a proven record as a sex deviate, there is also a responsibility to see to it that proper authorities are notified so that they may be warned of a potential threat to their community.

If the present trend of fiendish crimes is to be reversed, there is a need for a new attitude and a determination to prevent such acts. It is already the experience of law enforcement that perhaps as many sex crimes go unreported as are reported. If every sex offender knew that his name was on record, this in and of itself would be a powerful deterrent. If every sex offender knew there were ways and means by which he might get corrective treatment, the lives of potential victims as well as offenders and their families might be spared. A person suffering from contagious disease is removed from contact with healthy persons until the danger is past. So should the mentally ill criminal who endangers the safety of the community be treated. Law enforcement, of course, knows when an offender is placed on probation, but it seldom knows when one is placed on parole. It seems to me there is no valid reason why law enforcement officers should not know when a potential offender is released within their jurisdiction, just as health authorities should know when a typhoid carrier is around. The mere fact that a parolee knows that law enforcement has his identity could be another force of deterrence, and law enforcement could be of assistance in giving a

helping hand to make parole more workable. This should be a cooperative effort.

Doubtless some of you already are thinking of reasons why this program I have suggested cannot be done. I could give you right now a dozen reasons why it would be difficult—but it is ridiculous to say it cannot be done to the everlasting benefit of the mentally ill and the community. It can be done if we work together and if you add your pool of ideas.

We complain about high taxes, but last year crime cost every man, woman, and child in these United States $122, or a staggering estimated total of $20 billion. Perhaps this figure could become more meaningful if we realized that for every $1 spent on education, crime cost $1.46; and for every $1 which went to the churches of the Nation, $13 went to crime.

If we could but divert the waste of crime to constructive use—recruit and train the people so sorely needed in every phase of the administration of criminal justice and quarantine the mentally ill criminal until he is cured—the Nation would soon reap a marvelous profit. And there would be the added profit from a decline in sorrow, mental anguish, and outright physical suffering resulting from crime.

The challenge in crime control is a challenge to all of us here this morning. We live with it. It is the responsibility of every citizen, of course, but it is our job—it is our basic responsibility, if we do not find the answers—they will not be found. We must provide the ideas and the leadership.

And we must work together in mutual understanding—or else we fail. We must not fail.

AGRICULTURAL ACT OF 1956—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of April 9, 1956, pages 6110–6125.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I understood that we were going to have a quorum call.

Mr. JOHNSON of Texas. It was my understanding that there would be a quorum call when the conference report was ready to be discussed.

Mr. KNOWLAND. I should like to have a quorum call before we begin the discussion.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the Senator from Louisiana [Mr. ELLENDER] losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. KNOWLAND. Mr. President, I object, at this point.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Texas. Mr. President, I wish the RECORD to show who is prolonging the discussion. [Laughter.]

The PRESIDING OFFICER. The clerk will continue the quorum call.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken
Allott
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear

Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy

McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Stennis
Symington
Thye
Watkins
Welker
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the conference report.

Mr. ELLENDER. Mr. President, the conference report now before the Senate represents a concentrated effort by the committee of conference to agree on a bill which would meet with the approval of both Houses of Congress, and which can be sent to the President as quickly as possible. The committee of conference met during the Easter recess and worked long hours. To use a colloquialism, we "sweated blood" over this conference report.

I realize that the report is not satisfactory to everyone. Nevertheless, it is a fair and workable report, and a good compromise between the Senate and House measures. I believe it embodies reasonable and realistic methods by which the sad economic plight of our farmers can be remedied, both in the months immediately ahead and in the more distant future as well.

I hope Senators will listen carefully as I explain the provisions of the conference report, how it differs from the Senate bill, and the reasons for those differences.

Mr. President, the House bill provided support at 90 percent of parity for the 1955, 1956, and 1957 crops of the basic commodities. Section 301 of the Senate amendment, by providing for setting aside 250 million bushels of corn, and increasing the set-asides for wheat and cotton, would have resulted in minimum 1956 support levels for corn, wheat, and cotton, according to the Department's estimates, of 84 percent, 85 percent, and 88 percent of parity, respectively, and under the flexible-support formula would have continued to affect the price-support levels of these commodities in future years. The conference substitute represents a compromise between these 2 provisions, in that it calls for 90-percent price support for the 1956 crop only. I should like to point out that this provision of the conference substitute does not affect the support price for tobacco, which, under existing law, is required to be supported at 90 percent of parity, or the support price for rice, which, both under the Senate amendment and the conference substitute, will be subject to a 2-price plan in 1956.

Of primary importance to our American farmers, of course, is how the conference bill will affect them pricewise as compared to the present flexible price-support program. The announced support prices for corn and wheat would be raised, respectively, from $1.40 per bushel for corn—81 percent of parity—and $1.81 per bushel for wheat—76 percent of parity—to $1.65 per bushel and $2.27 per bushel, respectively, on the basis of March 15 data and the old parity formula. Ninety percent of old parity for cotton and peanuts would be 31.81 cents per pound and 12.3 cents per pound, respectively.

The provision of the Senate amendment changing the standard grade for cotton was omitted from the conference substitute, so that middling seven-eighths inch remains the standard grade and staple for price-support purposes; this change will increase the support price for each grade of cotton about 1.36 cents per pound above what it would be if the average grade and staple were used as the standard, and, of course, provided also it was based on the schedule of premiums and discounts used in 1955.

Both the House bill and the Senate amendment provided support for milk and butterfat at between 80 and 90 percent of parity. In addition, the Senate amendment provided for the use of a parity equivalent for manufacturing milk based on the period July 1946 to December 1948. Use of this parity equivalent would have increased the support price for manufacturing milk to about $3.25 per hundredweight. In lieu of increasing the support price on a permanent basis through use of this parity equivalent, the conference substitute provides for a specific support price of $3.25 per hundredweight for manufacturing milk, and 58.6 cents per pound for butterfat for the current marketing year ending March 31, 1957. The price of 58.6 cents for butterfat is equivalent to the price of $3.25 for manufacturing milk.

The conference report retains the dual parity formula provided by the Senate amendment, but gives the Secretary until January 31, 1957, after Congress has returned next year, to submit his recommendations for an improved formula.

The Senate amendment would have required the filing of this report during the recess of Congress.

The most difficult problems faced by the conferees concerned the provisions with respect to corn and feed grains. Except for clarifying changes, the provisions with respect to corn in the commercial area the same in the conference substitute as in the Senate amendment. The feed grain provisions are substantially those of the Senate amendment in general purpose. The formula contained in the Senate amendment, however, for feed grain support prices was found to be unworkable when the support prices produced by it were examined. Since the historical pattern of feed grain prices does not follow the pattern for corn prices, a provision basing all feed grain prices at each location on corn prices at such location results in serious maladjustment of the feed grain price structure and discrimination between producers on adjoining farms who, in the past, have been accustomed to receive similar prices.

Corn is produced principally in the heavy feeding area, while feed grains are more frequently shipped to port for export, or to other areas for feeding. The conference substitute, therefore, adopts a formula designed to bring feed grain prices into proper relation with corn and with each other, and permit appropriate adjustment for location differentials. The substitute would raise the support price for corn in the noncommercial area from 75 percent of the support level in the commercial area to 85 percent of such level, and provide for support of rye, barley, oats, and grain sorghums at 5 percentage points of parity below the percentage of parity at which corn in the commercial area is supported. Thus, for 1956, corn in the commercial area will be supported at 90 percent of its parity price, established on the basis of the old parity formula; corn outside the commercial area will be supported at 85 percent of the support level in the commercial area, or 76.5 percent of parity; and rye, oats, barley, and grain sorghums will be supported at 85 percent of their respective parity prices, all of which are established on the basis of the modernized parity formula. The feed grain support prices computed in this manner bear a fair feed value relationship to corn support prices and permit appropriate adjustments to conform to the historic price structure. A savings clause in the substitute permits feed grain producers, including corn producers outside the commercial area, who do not comply with the additional price-support requirements of the bill to receive price support at the levels which would have prevailed but for the special feed grain provisions of the bill.

As provided in the Senate amendment, corn producers in the commercial area, to qualify for price support, would have to keep within their farm base acreages and, in addition, devote an acreage equal to 15 percent of their farm base for corn to either the acreage reserve for corn or the conservation reserve. The substitute makes it clear that the producer in the commercial area would have to keep within his farm base, and that land devoted to the acreage reserve would have to be devoted to the acreage reserve for corn, to qualify the producer for corn price support.

Like the Senate amendment, the substitute requires feed grain producers, in order to qualify for feed grain price support, to devote an acreage equal to 15 percent of their feed grain base acreage to the soil bank and not to plant more than 85 percent of their feed grain base acreage. For 1956 the feed grain base acreage would, as provided in the Senate amendment, be the average acreage devoted to feed grains in 1953, 1954, and 1955. However, the conference substitute includes in this requirement corn produced outside the commercial area along with other feed grains. After 1956, a national feed-grain base equal to the average acreage for 1953, 1954, and 1955 would be apportioned among States, counties, and farms in the same manner that wheat acreage allotments are now apportioned. This apportionment would be made on the basis of a 5-year moving base, so that it would take into account shifts in production.

While the Senate amendment required producers to devote acreage to the acreage reserve or conservation reserve in order to qualify for feed-grain price support, the Senate amendment did not provide for putting feed-grain acreage into the acreage reserve. The conference substitute enlarges the acreage reserve to include feed-grain acreage; and any lands put into the acreage reserve, in order to qualify the producers for feed-grain price support, would have to be put in the feed-grain acreage reserve.

The announced support prices for 1956 are $1.80 per hundredweight for grain sorghums, 59 cents per bushel for oats, $1.16 per bushel for rye, 93 cents per bushel for barley, and $1.05 per bushel for corn outside the commercial corn area. Based on parity prices for April, the support prices for 1956 under the conference report would be $2.18 per hundredweight for grain sorghums, 72 cents per bushel for oats, $1.41 per bushel for rye, $1.13 per bushel for barley, and $1.40 per bushel for corn outside the corn commercial area.

Mr. YOUNG. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. Scott in the chair). Does the Senator from Louisiana yield to the Senator from North Dakota?

Mr. ELLENDER. I yield.

Mr. YOUNG. If a producer of feed grains did not wish to comply with the provision by which he would have to cut his base acreage of feed grains by 15 percent, and place that in the soil bank, he would still be eligible to receive the 70 percent price supports we now have, would he not?

Mr. ELLENDER. That is correct, for 1956. We have included a savings clause in that connection.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Does the conference report provide for expecting drought years in figuring the base acreage?

Mr. ELLENDER. It does provide for adjustments in alloting feed grain base acreage after 1956. I shall comment on that.

Mr. DANIEL. I thank the Senator from Louisiana.

Mr. ELLENDER. It is specifically written into the bill, I may say to my good friend, the Senator from Texas.

Another of the major decisions made by the conferees was to make the soil bank voluntary. Except in the case of corn and feed grains, price support is not conditioned upon soil-bank participation under the conference substitute. This was a matter which has been given extensive consideration throughout the period of consideration of the bill. The administration and most of the farm organizations and witnesses before the committee favored a voluntary soil bank. A mandatory provision had been included in the Senate amendment principally because of the corn and feed-grain provisions, so that the conferees would have the entire question before them. However, after careful consideration the conferees felt that while the special base-acreage provisions for corn and feed grains made a mandatory program appropriate for those commodities; a mandatory program was not suitable for the basic commodities already subject to serve acreage restrictions or to the nonbasic commodities which are not subject to any acreage restrictions, and for which insufficient data is available.

The two-price plans for wheat and rice contained in the Senate amendment have been retained in the conference substitute, with mostly minor changes, most of which are of a technical nature. In the case of wheat, the principal changes made by the conference substitute are as follows:

First. The Secretary would determine whether compliance with acreage allotments would be required as a condition of eligibility for price supports and marketing certificates—as provided in the Senate amendment—but if such compliance is required, the acreage allotments would be established in the manner now provided by law;

Second. The Secretary would be required to put a certificate program into effect if approved by producers;

Third. Producers would not be eligible for marketing certificates unless they actually planted wheat;

Fourth. The question as to whether producers desire a wheat-certificate program would be submitted at every marketing quota referendum until such a program is approved. The reason for this change is that the 1957 referendum will be held shortly after the bill is passed, and before wheat producers have had sufficient opportunity to study the plan proposed by the bill. The conferees did not want to delay the referendum or deprive producers of an opportunity to put the program into effect in 1957, but did want to preserve to the producers the opportunity to vote for the plan after they have been fully advised of its advantages.

In the case of rice, the conference substitute would, first, permit the 1956 crop to be supported at more than 55 percent of parity, since the world price at present is about 65 percent of parity; and, second, limit rice inventory adjustment payments to the amount by which 80 percent of the parity price as of August 1, 1955, exceeds the 1956 support price. The conferees felt that this computation of adjustment payments represented a more realistic appraisal of the loss which otherwise would be suffered by persons holding rough rice on August 1, 1956, as a result of the transition to a two-price plan. The Senate amendment, it was felt, would have given them a measure of relief from a market loss which would have occurred even if the two-price plan were not put into operation.

The provisions of the Senate amendment limiting price-support loans to $100,000, acreage reserve payments to $25,000, and conservation reserve payments to $7,500, are omitted from the conference substitute. While the conferees were sympathetic to the general objective of limiting assistance to those actually in need of such assistance, these provisions did not seem to be effective for that purpose, and appeared likely to be either completely ineffective or, to the extent effective, destructive of the program. If a limitation on price support were feasible, $100,000 would probably be too high. However, since the objective of the program is to support the market price, the few producers who might be directly affected by this limitation could probably derive practically the full benefit of the support program in the market place. If, however, the volume affected by the limitation were such as to break the market price, the small producer who ordinarily does not have adequate storage facilities or, for other reasons, does not put his commodities under loan, would probably be affected in much the same way that the large producer would be affected.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me, so that I may propound a unanimous-consent request, and without losing his right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the following order be entered: that during the further consideration of the conference report on H. R. 12, the Agricultural Act of 1956, debate on the question of agreeing to said report shall be limited to 3½ hours, to be equally divided, and controlled by the majority and minority leaders, respectively.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, at this time I yield 15 minutes to the distinguished Senator from Louisiana [Mr. Ellender].

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 15 minutes.

Mr. ELLENDER. I thank the Senator from Texas.

Mr. President, the purpose of the soil bank is to retire lands from production, so as to alleviate the surplus and bring about better market conditions for all farmers. To the extent that limitations on participation in the soil bank would prevent farmers from putting their lands into the soil bank, the program would be adversely affected, and the benefits to be obtained from it would be decreased.

The provision of the Senate amendment requiring processors to certify as to prices paid farmers in order to participate in certain price-support and surplus-removal operations is omitted from the conference substitute. This provision would have made many beneficial programs impossible to undertake. For instance, it probably would bar any surplus-removal operation undertaken to clear the market of a prior year's production, and would bar other price-support or removal operations where the processor has no way of obtaining information as to the price paid to the producer.

The conferees also gave extensive consideration to various provisions of the Senate amendment dealing with protection for tenants and sharecroppers. The conferees were most diligent in seeking a formula which would protect both the landlord and the tenant; but in view of the many varied types of arrangements between landlords and tenants, frequently involving much more than the use of the land itself, the conferees were unable to develop a formula which would be fair in all cases. It was felt that the county committees, who are familiar with arrangements customary in their counties, with some general guidance from the Congress and the Department, would be in the best position to determine what would be fair in each case. The various provisions of the Senate amendment on this subject have therefore been consolidated into a single section of the conference substitute, under which arrangements between landlords and tenants for sharing in soil-bank payments would be subject to approval by the county committee.

The provision of the Senate amendment making forfeiture of price-support benefits a penalty for violation of soil-bank contracts was felt by the conferees to impose a penalty having little relation to the offense, since a contract violator might have raised no price-supported crops or might have sold all of them in the market place. The conference substitute, therefore, omits this penalty, and provides instead for forfeiture of all benefits under the contract—instead of just those beginning with the year in which the violation occurred—and, in addition, it provides for payment of a further penalty in the case of grazing or harvesting in violation of the contract, equal to 50 percent of the compensation otherwise payable for the year of violation.

Other changes made by the conference substitute in the soil-bank program include the following:

First. The substitute would require compliance with acreage reduction to be checked before acreage-reserve payments could be made. This would not delay acreage-reserve payments much beyond the planting season, and conforms to the Department's tentative plans for administering the act.

Second. The substitute imposes dollar limits on the acreage-reserve program for each commodity so that the total amount available could not be used entirely for a single commodity. The limit for each commodity was purposely set so that the total limitation for all commodities exceeds the total amount available for any year in order to allow for some adjustment between commodities.

Third. The substitute makes it clear that a producer putting lands devoted to tame hay or other soil-conserving crops in the conservation reserve would not be required to reduce crop production on the balance of his land.

Fourth. Participation by State and county committees in the procedure for terminating conservation reserve contracts has been provided for by the substitute so that the producer can obtain a hearing in a familiar forum before being required to resort to more formal and expensive court procedure.

Fifth. Under the substitute the Secretary would make allowances for drought and other abnormal conditions in establishing yields for the purposes of fixing acreage-reserve compensation. This will make the program more attractive to producers who, despite adversities, continue to base their decisions upon the expectation of making a crop.

Sixth. Compliance with feed-grain base acreages would be a condition of eligibility for acreage-reserve payments for other commodities or for conservation-reserve payments, after 1956, in the same manner that compliance with acreage allotments are a condition of such payments. Such compliance with feed-grain base acreage is not required for 1956 because the Department will not have the data to determine feed-grain base acreages in time to make it applicable to the 1956 program.

Seventh. The provision of the Senate amendment prohibiting leasing of Government lands for agricultural purposes was modified in accordance with suggestions received from the executive branch, which has had the problem under study for some time.

Eighth. The substitute permits Commodity Credit Corporation funds to be used until June 30, 1957, to finance soil bank operations instead of switching from corporate funds to appropriated funds on February 1 in the middle of the fiscal year, and permits Commodity Credit Corporation funds to be used after June 30, 1957, to the extent that funds have been appropriated to the Commodity Credit Corporation for that purpose. These changes will facilitate the operation of the program, but still preserve the control of Congress over the program through appropriations.

I ask unanimous consent to have printed in the Record at this point as a part of my remarks a letter addressed to me, dated April 5, 1956, from the Department, signed by True D. Morse, Acting Secretary, on this subject, showing the reason why the conference agreed to make the changes suggested in the letter.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, D. C., April 5, 1956.
Hon. Allen J. Ellender, Sr.,
United States Senate.

Dear Senator Ellender: I am writing to you as chairman of the conference committee on H. R. 12, to call to your attention the urgent need for a further amendment to section 221 (a) of the bill, to change from February 1, 1957, to July 1, 1957, the date for transition from CCC financing of the soil-bank program to appropriation financing.

This section, as it passed the Senate, authorizes the financing of the soil-bank program from CCC funds until February 1, 1957. It also requires the submission of a report prior to February 1, 1957, of all operations which will require the making of expenditures prior to July 1, 1957, and authorizes appropriations to carry out the purposes of the Soil Bank Act, including payments to CCC for costs incurred up to February 1, 1957.

We have no objection to the submission of such a report by February 1 nor to the principle that the soil bank should be financed by direct appropriations as soon as feasible, if that is the desire of Congress. Our original proposal for permanent CCC financing with subsequent appropriations to repay CCC—which was adopted in the Senate committee version of S. 3183—was based primarily on (1) the close relationship of the soil bank to CCC operations, especially the need to reduce the vast accumulation of surpluses so that price support activities can operate effectively, (2) the administrative simplification that would reult from using CCC authorities, especially at the local level, (3) the urgent time element in getting the program in operation, and (4) the ample precedents for this approach, such as the financing of the International Wheat Agreement, titles I and II of Public Law 480, the special milk program, the special brucellosis program, eradication of foot-and-mouth disease, emergency famine relief to friendly peoples, emergency feed assistance to farmers and stockmen in disaster areas, etc.

We understand that the conferees have already agreed on an amendment which would permit the use of CCC funds after February 1 provided the corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of the act. This provision will be most helpful after the transition has been made to an appropriation basis by permitting the continued use of CCC authorities in administering the program.

However, we strongly urge that the transition to an appropriation basis be made on July 1, 1957—the beginning of a new fiscal year—rather than on February 1. As you know, the time element is extremely critical. If the Soil Bank is to be implemented in time to have any material effect on the planting of the 1956 crops, it must be gotten under way at the earliest possible date and immediately upon passage of the basic legislation. However, if the immediate fund availability is limited to February 1, it would cast doubt upon the availability of funds to fulfill commitments and furthermore could have the effect of suspending payments and administrative operations unless an appropriation were actually passed by February 1. It seems extremely doubtful that Congress would be able to review the report of operations, examine a budget estimate, and actually pass an appropriation during the month of January 1957, especially if the usual amount of time is required to organize committees and otherwise make the necessary internal arrangements for the operations of a new Congress.

For these reasons, we believe it imperative to change the transition date to July 1, 1957. On this basis the appropriation estimate can be handled as a part of the regular budget for the fiscal year 1958 without the disruptive effects of shifting the basis of financing in the middle of the fiscal year, and avoiding the risks of suspending the program pending the approval of an appropriation almost immediately upon the convening of the new Congress.

We are furnishing sufficient copies of this letter for your use in advising other members of the conference regarding the need for this change. Your favorable consideration of this matter will be highly appreciated and will assist greatly in the administration of the Soil Bank program.

Sincerely yours,

True D. Morse,
Acting Secretary.

Mr. ELLENDER. Ninth, State game and fish agencies and the Fish and Wildlife Service are specifically included among the agencies to be utilized, and capability surveys as developed by the Soil Conservation Service are specifically included among the land use capability data to be utilized.

Tenth. The substitute specifies the date, March 15, as the date by which the Secretary's report on the conservation reserve program for the preceding year shall be transmitted to Congress.

One paragraph in the statement of managers on the part of the House may need a word of clarification. The paragraph on "Tree Seedlings" should not be taken as showing any intention to exclude State nurseries from participation as fully as private nurseries in supplying seedlings for the conservation reserve program.

The surplus disposal provision of the Senate amendment contained several provisions relating to cotton. The provision directing the Commodity Credit Corporation to encourage sales for export to reestablish and maintain the fair historical share of the world market for United States cotton was omitted from the conference substitute because the corporation already has adequate authority to sell cotton for export, and should do so. The conferees were in agreement that this cotton should be sold, but were not in agreement that this provision was the proper way to accomplish such disposition. The disposition of Commodity Credit Corporation stocks should be conducted in an orderly manner that will encourage continued sales for export and discourage foreign purchasers from withholding their purchases in anticipation of occasional sale programs.

Section 303 of the conference substitute authorizes the President to enter into agreements with foreign countries to limit exports to the United States and to issue regulations to carry cut such agreements. This provision was incorporated in the substitute in the light of a possible agreement being negotiated with Japan on cotton textiles, although it is applicable to all countries, and all agricultural commodities and their products.

The conference substitute retains the provision of the Senate amendment to include cotton of $1\frac{11}{16}$ inches and longer staple length in the import quota applicable to cotton having a staple length of $1\frac{1}{8}$ inches or longer, but requires administration of the quota in a manner that will permit the importation of $1\frac{11}{16}$ inches and longer cotton to conform to normal requirements for such cotton. The overall quota is 95,000 bales, and it is estimated that 16,000 bales of $1\frac{11}{16}$ inches or longer cotton came in ex quota in 1955. In the future the $1\frac{11}{16}$-inch cotton will be required to come in within the 95,000-bale limitation.

The Senate provision requiring the Commodity Credit Corporation to encourage the sale of extra long staple cotton has been confined by the conference substitute to the quantity of such cotton which the Commodity Credit Corporation has on hand, since there is no desire to require it to purchase cotton for export.

Other provisions of the conference substitute dealing with surplus disposal would:

First. Require food stamp and food stockpiling programs to be included along with the surplus disposal program required to be submitted to Congress by the Secretary;

Second. Clarify the ocean freight provision of the Senate amendment;

Third. Make the commission concerned with the industrial use of industrial products a bipartisan commission;

Fourth. Limit the amount of the supplemental section 32 funds which might be devoted to any one commodity to 50 percent of the $500 million authorized; and

Fifth. Limit the penal institution donation provision to donation of food commodities, but permit donations to be made to State corrective institutions for minors.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LANGER. May commodities be donated to penitentiaries?

Mr. ELLENDER. Yes. That provision has not been changed, except to limit the donations to food. I am sure that is what the Senator would like to do.

Mr. LANGER. Am I correct in understanding that donations to Federal penitentiaries can be taken care of?

Mr. ELLENDER. The Senator is correct. The only change we made was to add State correctional institutions for minors to the amendment which the distinguished Senator from North Dakota had inserted in the bill.

The provision of the Senate amendment exempting wheat produced for feed, food, or seed on the farm where grown from marketing penalties is omitted. The wheat quota law permits any producer to grow 15 acres of wheat without penalty. This very liberal exemption, which is not contained in the marketing quota provisions for any other commodity, has contributed heavily to excess wheat production, and the conferees felt that the still more generous provision of the Senate amendment was

unnecessary and might contribute seriously to the wheat surplus situation.

Other changes in the marketing quota and acreage allotment provisions of the Senate amendment made by the conference substitute would:

First. Permit the Secretary to apportion among small cotton farms in any State in 1956 an acreage equal to the acreage allotted in such State which he estimates will not be planted, put in the soil bank, or considered as planted. Since it is contemplated that very few cotton farmers will underplant their cotton acreage without taking advantage of the acreage reserve program, it is expected that the acreage which might be apportioned under this section would be a very small acreage. This provision of the conference substitute supplements the provision of the Senate amendment providing additional acreage for small cotton farms, effective in 1957 and 1958;

Second. The provision of the Senate amendment for additional peanut acreage allotments in certain cases in States where the acreage devoted to Virginia or Valencia type peanuts is less than 10,000 acres is omitted from the conference substitute. This provision would have given preferential treatment to the States covered by it. The Department has the authority to increase allotments for types of peanuts in short supply and has exercised this authority this year. However, this authority provides for the apportionment of any increase among all States producing the types needed.

Section 602 of the Senate amendment providing for forest products price reporting and research is omitted from the conference substitute, since there was considerable objection to it and further consideration of it appears desirable before adoption.

The provision of the Senate amendment for a survey of existing meat-grading systems was omitted since the Department has ample authority to make such a survey. Objections were raised to the provision and since it was not studied in committee, further consideration appears desirable if it is to be enacted.

The PRESIDING OFFICER (Mr. Kennedy in the chair). The time of the Senator from Louisiana has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. It will take me 10 more minutes to conclude my statement.

Mr. JOHNSON of Texas. I yield 10 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I admit that the bill agreed to in conference and which I have explained, is not perfection. It is, however, the best that could be obtained by the Senate conferees after 2 long weeks of discussions with the House managers.

I wish to say this, Mr. President: the conference bill is workable. Aside from our own experts and those from the House, we had many from the Department of Agriculture to help us write a bill that was administratively feasible. It is designed to bring immediate relief to our farmers and, I fervently believe, it will halt the drastic decline in farm income without further aggravating our surpluses.

Now, we have heard that the White House is dissatisfied with this bill. That may or may not be true. I know that in his press conference of April 4, President Eisenhower set up as his main criteria for a farm bill, one designed to do two things; help our farmers over the "long term," as he put it, and, second, "help them now."

These two tests are amply met by the conference bill.

For the "long term," to use the President's words, we have provided a soil bank, one which is designed to reduce plantings on allotted acres and cultivated acres, as well. Unplanted acres will create a scarcity. The soil-bank provisions as embodied in the conference bill are almost identical with those proposed by the President. We have vested the Secretary of Agriculture with broad and ample authority to make the soil bank work. He has sufficient leeway to do so; his discretion is extremely flexible so as to permit him to adjust requirements and participation to meet changing conditions, as he determines them.

But, Mr. President, it would be but an idle gesture for us to expect the soil bank to help farmers adequately this year. It is well into the spring; farmers have planted much of their lands. As President Eisenhower declared in his April 4 press conference:

> Now, the soil-bank portion of the program which we originally thought would help a great deal this year probably can't because it is getting too late.

That was the President's opinion as of April 4; it is now later, and it may become much later, depending on the action taken today. The prospects of the soil bank providing any effective income relief for farmers this year is so remote as to be only a cherished hope of the most ardent supporters of the plan.

Therefore, Mr. President, the choice is clear. Either we can wait another year to give our farmers much-needed relief, by depending upon the soil bank to do the job, or we can approve a method by which plummetting farm income can be arrested and substantially raised this year, by voting for the pending conference report.

I do not believe we can, in good conscience, afford to wait another year. Besides owing a duty to our farmers to see that they are not driven off their lands, we also must face the fact that another year of disastrously low farm income will threaten our whole economy, aside from agriculture.

Mr. President, to bring about this much-needed assistance this year, we have provided in the bill for 90 percent of parity price supports for 1956. We have voted to raise support levels for the basics to 90 percent of parity to tide our farmers over until such time as the soil bank, according to the President's own estimate, will take full effect. Frankly, I doubt that the soil bank will show any appreciable results until the middle of 1957, but I am willing to yield to the President's wishes and accept his prognosis in order to get a bill enacted which will pump life back into our farm economy now.

Let us face facts, Mr. President. Ninety percent of parity price supports for 1956 are not going to increase production. Contrary to Mr. Benson, and his followers, there is no conflict between the 1-year, 1-shot emergency, 90 percent of parity supports in this bill and the soil bank. Here is why:

First, by the President's own admission, the soil bank cannot be effective in 1956. Therefore, as to 1956, there can be no conflict between 90 percent of parity and the soil bank.

Second—and this is most important—90 percent of parity price supports for 1956 will not and cannot bring about any increase in production of the basic commodities.

Every basic commodity to which the 90 percent of parity price supports apply are under tight acreage allotments. By the President's own admission, much of these allotments have been and are now being planted. Thus, since the higher support levels in the conference bill cannot increase acreage, they cannot conceivably increase production.

The argument has been advanced that our present surpluses are the fault of 90 percent of parity price supports. I reiterate most emphatically that they are not; these surpluses exist because the Department of Agriculture, because our Government, called upon farmers to achieve all-out production during the Korean war. Can the farmers be blamed for that, Mr. President?

I hold in my hand a number of clippings on the subject which might be of interest at this time. For example, here is one from the New York Times of October 28, 1950, which bears the caption "Brannan Warns Farmers—They Must Produce or Face Further Controls, he says." Here is another from the October 4, 1950, edition of the Wall Street Journal entitled "Farm Crop Switch: Federal Planners Do About Face—Will Ask Bigger Output in 1951—All Curbs Off for Next Year on Cotton Planting—Talk of More Rice, Corn, Meat—Wheat Goal Is Also Lifted."

Here is another, Mr. President, from the March 20, 1951, edition of the New York Times. It is headed "1951 Crops May Fall Short of United States Needs—Outlook Is Most Disturbing In Corn, With Plantings Seen 5 Percent Below Acreage Goals."

Here is an article taken from Newsweek of October 16, 1950, entitled "Cotton Shortage." It states, in part, that Secretary of Agriculture Brannan decided last week that "there would be no controls of any kind on next year's planting. Farmers were asked to aid at a total output of 16 million bales."

Now, later, Mr. President—just this week, as a matter of fact—the magazine U. S. News & World Report noted that the 1953 crop of supported commodities had not been controlled, and that, as a result, the surpluses shot skyhigh.

Whoever may be to blame for this situation, whether he be a Democrat or a Republican, there is one thing certain: Our farmers were not to blame nor can anyone blame it on 90 percent of parity price supports for the basics.

The blame rests upon those planners who declined to impose controls on the 1953 crop. The Democrats were in office in 1952, Mr. President; it was up to the Democratic Secretary of Agriculture, Mr. Brannan, to determine if controls were to be imposed. That determination, it must be noted, had to be made at not later than the dates set opposite the following commodities: Cotton, October 15; corn, November 15; wheat, July 1; rice, December 31.

Thus, the issue of controls or no controls had to be decided during the year 1952, as to whether the 1953 crop would be controlled. Let me remind the Senate that the war in Korea was still in progress at that time. The truce was not signed until July 1953. Hence, during 1952, at the time when the issue of controls or no controls for the 1953 crop had to be decided, it was not known whether war and defense demands for farm commodities would slacken, or whether they would actually increase. Should a truce agreement not have been achieved—and in 1952 the Communists were still bargaining, haggling, and, I might note, threatening an expanded conflict—the prospect of an overwhelming and overnight demand for farm commodities was a distinct probability. Thus, in 1952, when the Secretary had to decide whether to impose controls, he took the prudent course. He determined that it would be better to chance the prospect of future surpluses, than to run the risk that full-scale fighting might break out again and find our country without the food and fiber necessary to prosecute the conflict to a successful conclusion.

Mr. Brannan warned this would be his course in 1950, and he was of the same opinion, I assume, in 1952. The Washington Post quotes former Secretary Brannan to this effect, in August of 1950, shortly after the Korean war broke out, under the headline, "Bumper Crop Goal of Brannan Again."

Secretary Brannan stated:

> I would rather be guilty of building up a huge surplus of agricultural products than to be blamed for a shortage of food and clothing. I have said that repeatedly; I am stronger than ever of that view now, in view of the critical world situation.

Mr. President, can any man honestly say that the Secretary of Agriculture was wrong. "Be prepared" is a motto wisely adopted by the Boy Scouts of America. It is a motto founded on wisdom. It is the keystone of our present defense program. I think the only prudent thing the Secretary could do in 1952, when the truce talks were floundering and the decision on controls had to be made, was to plan for the worst, and hope that the best would happen. That is precisely what he did.

The PRESIDING OFFICER. The time of the Senator from Louisiana has again expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, can 90 percent of parity be blamed for this? Most emphatically not. The cry of our Government was for more production, more food and fiber: "Food and fiber will win the war," they were told.

Without controls, these farmers produced. Acting at the behest of their Government, they coaxed from their lands an abundance of food and fiber which, had the truce in Korea not been signed, could have well meant the difference between survival or annihilation of American troops battling on that bloody peninsula.

Now, however, we are being told that our farmers, in effect, should be "punished" for overproducing. We are being told that 90 percent of parity price supports are to blame for our surpluses.

If ever a Secretary of Agriculture has been guilty of politicalizing our agriculture, and misrepresenting the facts to our people, then the man who now holds that office should bear that guilt.

Besides his untrue prognostications as to what future years would bring—his optimistic predictions as to what 1953, 1954, and 1955 would bring in the way of increased farm income—Secretary Benson has not proved himself sympathetic to the administration of the farm program which was the law of the land at the time he assumed his office.

Mr. President, I urge the Senate to repudiate this relentless politicalizing of our farmers' serious plight. I remind the Senate that the conference bill meets the President's criteria laid down in his April 4 press conference. I state to my colleagues, in all good faith, that the conference has done its level best; we have written a compromise bill which, if administered properly, will be of substantial and immediate assistance to our farmers.

I shall be the first to admit that it is not a rubber stamp of what Secretary Benson, in his doubtful agricultural wisdom, has determined to be best for the farmers. It is nevertheless a bill which, in the judgment of the majority of the conference committee, comes as close as is practically possible toward assuring our farmers of relief, both immediate and long-range. It is a bill the President can and should sign, and I believe he knows so. The fallacious cry raised from the panelled offices of the Secretary of Agriculture to the effect that 90 percent of parity, as written into this bill, will increase production is pure unadulterated buncombe.

Mr. President, I wish to emphasize the fact that the conference bill must be adopted if our farmers are to avoid the unhappy fate of economic strangulation in an economy which is bursting at the seams in other respects. If the President is a reasonable, realistic man—and I believe he is—then he will sign this bill.

When he signs it, then his next official act should be to obtain the services of one who will administer the bill in accord with the will of the Congress. It would seem to me that Mr. Benson has disqualified himself from administering this program, inasmuch as he declared, only brief hours after the conferees came into agreement, that their report was unacceptable to him. Nothing seems to be acceptable to Mr. Benson, except a continuation of the present program which has spelled disaster to many farmers.

The office of the Secretary of Agriculture needs an administrator who is in harmony with a price-support program; the farmers of our Nation who have seen their income shrink by more than $3 billion since 1952, who have watched the parity ratio plummet from 100 in 1952 to 80 as of January of 1956, deserve a Secretary of Agriculture who will administer the program enacted by Congress in a sympathetic manner.

The conference bill offers our farmers hope for increased income in 1956. It provides our President with a soil-bank program of his own choosing, which he says can be made effective in 1957, since it is a little late for it to become fully effective this year. It in no way, form, or manner involves an increase in production, since acreage allotments have already been fixed and would remain unchanged under this bill. Only income, stimulated by 90 percent of parity price supports on heavily curtailed production, would rise.

If this program is administered wisely and sympathetically, I think it can bring our farmers much relief this year, much more relief next year, and perhaps a return to full economic vigor in subsequent years. If it is placed in the hands of a Secretary who has already passed judgment upon it and found it unacceptable, then it can only bring more of the same economic disaster which has already been visited upon our farmers in such abundance.

This bill must go to the White House, Mr. President; it must be signed into law. It must be made operative as quickly as possible. It is the very least our farmers deserve.

Mr. President, I ask unanimous consent that the clippings to which I have referred may be printed in the RECORD at the conclusion of my remarks.

There being no objection, the clippings were ordered to be printed in the RECORD, as follows:

[From the New York Times of October 28, 1950]

BRANNAN WARNS FARMERS THEY MUST PRODUCE OR FACE FURTHER CONTROLS, HE SAYS

DENVER, October 27.—Secretary of Agriculture Charles F. Brannan put this issue directly to the farmer here tonight: Produce or face further controls.

"We need more meat, wool, and feed grains," Mr. Brannan said soon after arriving in his home State to help carry the Democratic campaign, "and the best way for farmers to avoid controls in time of need is to produce fully those items we require."

He admitted that our food reserves are not sufficient to feed all the world. The said, "we must give to countries such as Korea, the know-how to eventually produce their own food as well as temporary supplies."

[From the Wall Street Journal of October 4, 1950]

FARM CROP SWITCH: FEDERAL PLANNERS DO ABOUT FACE—WILL ASK BIGGER OUTPUT IN 1951—ALL CURBS OFF FOR NEXT YEAR ON COTTON PLANTING—TALK OF MORE RICE, CORN, MEAT—WHEAT GOAL IS ALSO LIFTED

(By Kenneth Scheibel)

WASHINGTON.—"About face" is the order of the day at the Agriculture Department.

After 2 years of trying to reduce crops—in a vain effort to stave off mounting surpluses

of everything from wheat and butter to tung nuts—the Agriculture Department will give farmers new, higher crop goals to aim at in 1951.

The trend was spotlighted yesterday when the Agriculture Department dropped all curbs on cotton production in 1951.

Final figures won't come out until next month when Agriculture Department officials hold their annual National Farm Outlook Conference, at which they tell State and local farm leaders what's what in the farm world for the coming year. But right now they're aiming at a 10-percent boost for most crops, while goals for some, like cotton, are being hiked as much as 60 percent or more over this year's output.

MORE ACREAGE

The switch will mean a drastic easing in the rigid acreage restrictions which were slapped on basic crops this year. In some cases, like cotton, the curbs will be dropped entirely. Meantime, farm planners are talking of boosting acreage allotments on rice and corn, to get more production. Greater wheat output next year has already been ordered by Agriculture Secretary Brannon, who ruled out previous plans to trim planting.

Why the reversal? Agriculture Department spokesmen give a variety of answers: Larger crops are needed because of the stepped-up military mobilization. They're needed to help hold down prices of food and to meet the needs of the ever-increasing population—say the planners.

GOALS FOR NEXT YEAR

Here's the Agriculture Department's 1951 goal for each of the major crops:

Wheat: Next year Secretary Brannan wants farmers to produce about 150 million more bushels of wheat than this year. That would mean about 10 billion extra loaves of bread. He's asking for a wheat crop of 1,150,000,000 bushels, compared with a little more than 1 billion bushels turned out this year.

Before the Korean war broke, Mr. Brannan planned to cut next year's wheat acreage to between 60 million and 65 million acres. Now he's asking for 72,800,000 acres.

The 1951 goal, plus 417 million bushels carried over from this year, would cover estimated exports and military needs and provide a safe reserve margin, Mr. Brannan says. Some private grain men say it may mean a burdensome surplus. The average support rate for 1951 wheat has been set at $1.99 a bushel, compared with $1.95 this year.

Cotton: In dropping all curbs on cotton output next year, Mr. Brannan urged growers to produce 16 million bales of the white fiber. That would be 60 percent more than this year's low crop which was badly hit by insect damage. It's indicated at around 9,982,000 bales. This crop, plus present carryover supplies, aren't considered enough to meet United States civilian and military needs, exports and reserves. On the basis of past average yields, farmers will have to sow 25 million to 30 million acres for 1951 if they're to produce the 16 million bales Mr. Brannan wants. They planted 20 million acres this year.

Agriculture Department budget watchers have their fingers crossed about the whole scheme. Helter-skelter production of cotton next year could ruin currently high prices. Committed now to support cotton prices at a high level in 1951, Uncle Sam might wind up owning millions of bales.

MORE CORN

Corn: Agriculture Department officials would like farmers to plant 90 million acres of corn next year, compared to this year's 84 million acres. This should produce a little more than 3,200 million bushels of the grain, against this year's crop of 3,162 million bushels.

Corn production has to remain high, the planners say, as protection against a runaway in the price of meat. The country's supply of pork chops and sirloin steaks depends on the supply of corn for feed, the experts add.

Figures for the corn crop are still tentative, and there's a good chance they'll be hiked even further. Mr. Brannan's cohorts are trying to come up with a goal that will sidestep the possibility of a glutted market and still give them enough grain to keep consumer prices of livestock, poultry, and dairy foods from climbing.

NOT ENOUGH TO GO ROUND

Meat: This energy food is one both the housewife and Federal food experts would like to see more of. "With lots of money in the public's pocketbooks, and with a growing military program, there just isn't enough to go around," say the experts. "The public is buying even the highest-priced cuts as fast as it can get its hands on them."

Farm planners would like to see steak and chop production hiked sharply. This year beef production has amounted to about 63 pounds per person. In 1951, they want to see output boosted to 65 or 66 pounds per person.

Last year pork production was about 67.6 pounds per person. This year it's expected to average about 70 pounds. And the experts are asking farmers to aim at production of between 73 and 75 pounds of pork per person in 1951.

About 6.7 pounds of veal went to each meat eater in 1949, compared with an estimated 8 pounds this year. Experts are hoping for a 1951 production figure of 9 pounds of veal per person.

A BLUE NOTE

One blue note in the meat picture is lamb. Prospects for increasing the amount of supercostly lamb chops are not so good.

Since 1942, United States sheep flocks have shrunk 50 percent and experts say the downtrend will probably continue. Farmers find easier and more lucrative ways of making a living than growing sheep. In 1949, there were only 4.1 pounds of lamb for each of us. There will be about 3.9 pounds this year, and a shade less next year, officials say.

Poultry: The experts are calling for a little more turkey and chicken on dining-room tables next year. This year poultry is being eaten at an annual rate of about 29.3 pounds per person. Next year, the prediction is for 30 pounds.

Fruit: Increased fruit production in 1951 is a must, say the Agriculture Department pundits. The short crops this year, especially of peaches, pears, and citrus fruit, brought supplies to the lowest level since 1943. With attractive prices in the offing, growers are expected to have bigger crops next year, unless they run into bad weather and plant diseases as they did this year.

Lifting of all Government curbs on United States cotton production in 1951 was expected by cotton merchants who anticipate a dangerously low supply of the staple by next spring.

The Government slashed cotton acreage this year to reduce expected surpluses but prospects for a surplus vanished when the Korean war greatly increased demand for cotton goods. At the same time the boll weevil for the second successive year is taking a heavy toll of the crop.

As a result dealers feel the 1950 cotton crop will shrink to around 9 million bales compared with the big 1949 production of 16,128,000 bales. A 9 million bale crop would not even cover domestic consumption, currently running at a rate of better than 10 million bales a year.

In addition to calling for a big crop next year the Department of Agriculture is expected to limit the volume of cotton exports to assure supplies for the domestic textile mills next year until the new crop starts moving in the second half of 1951.

Dealers estimate that if no restrictions were placed on the distribution of cotton, the carryover stock on August 1 next year could be under 1 million bales. The carryover on August 1 (start of the crop season) this year was 6,700,000 bales.

[From the Washington Evening Star of March 20, 1951]

1951 CROPS MAY FALL SHORT OF UNITED STATES NEEDS—OUTLOOK IS MOST DISTURBING IN CORN, WITH PLANTINGS SEEN 5 PERCENT BELOW ACREAGE GOALS—WHEAT PROVES EXCEPTION—AGRICULTURE DEPARTMENT SAYS FEARS OF LABOR SHORTAGE BALKED EXPANSION PLANS

WASHINGTON, March 19.—A Department of Agriculture report indicated today that this year's production of vital food and livestock feed crops may fall considerably short of the Nation's expanding needs under the defense program.

The outlook was most disturbing in the case of corn—the major raw material for production of meat, dairy and poultry products. These are the foods most in demand and bringing the highest prices at retail stores.

The Department said fears of a shortage of labor at harvesting time and a reluctance to plow up lands which have been taken out of cultivation and put into grass in recent years appears to be holding down plans for crop expansion.

In the case of corn, the department had urged plantings of at least 90 million acres compared with 84,370,000 planted last year. Today's report—based upon farmers' plans as of March 1—showed a prospective acreage of only 85,694,000.

PROSPECTS FOR CORN

At relatively high average yields per acre, such plantings would produce a corn crop of only 3,050,000,000 bushels. The Department has said that at least 3,590,000,000 bushels will be needed to maintain current levels of meat, dairy and poultry production.

Reserve supplies of corn are dwindling under a rapidly increasing livestock feeding program, and consequently would not be large enough to make up the possible deficit in this year's crop.

[From Newsweek of October 16, 1950]

COTTON SHORTAGE

King Cotton last week was in a parlous state—from an overdose of planning. The patient would survive, but it would take a strenuous resuscitation effort.

The trouble had its origin more than a year ago, when Congress, after a protracted debate, passed a bill authorizing the Department of Agriculture to limit cotton acreage (for price-support purposes) and impose strict marketing quotas. Those who had planted the crop over the longest period got the biggest acreage allotments, but many southern farmers, who benefited from the law, didn't use the allotments received. Following long-standing Agriculture advice, they diversified their crops, resting the land before the next cotton planting.

Result: the smallest harvest since 1946 from the smallest acreage planted to cotton since 1886. This week the Agriculture Department estimated the 1950 cotton crop at 9,869,000 bales. Officials had been confident, however, that a yield like this, backed by a stockpile of 7 million bales, would avert a shortage.

Their optimism was short lived. Consumption had already been running well ahead of production, when the Korean war and the long-range defense program upset the market. Suddenly, agriculture was faced with a demand for 16 million bales of cotton; this year's short crop and all the surplus would be needed. Last week, Secretary

> Brannan, after denouncing the "unworkability" of the present law, announced the inevitable: There would be no controls of any kind on next year's planting. Farmers were asked to aim at a total output of 16 million bales. As usual, they would enjoy price supports—probably at 90 percent of parity.
>
> First reaction from cotton growers was surprisingly gloomy. A goal of 16 million bales would require planting about 30 million growing acres. There were grave doubts that sufficient manpower, after the draft and defense plants take an increasing toll, would be available to handle that big a job.
>
> While cotton is in the tightest position, Secretary Brannan has made or is about to make upward revisions on quotas of other major farm products. Probably, potatoes and peanuts will be the only two crops kept under rigid control. Wheat acreage for next year already has been raised 12 million, up to 72,800,000 acres; a decision on corn, due by February 1, and rice, by December 31, will undoubtedly open the gate for bigger plantings.
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> [From the Washington Post of August 18, 1950]
>
> BUMPER CROPS GOAL OF BRANNAN AGAIN
>
> Secretary of Agriculture Charles F. Brannan is shooting for another year of bumper farm production in 1951.
>
> "I would rather be guilty of building up a huge surplus of agricultural products than to be blamed for a shortage of food and clothing," he told the Washington Post. "I have said that repeatedly. I am stronger than ever of that view now, in view of the critical world situation."
>
> To accomplish his goal of plenty, no matter what the future may bring, Brannan is expected to:
>
> 1. Announce in a few days a liberal level of price supports for 1951 wheat, and later for the other so-called basic crops of corn, cotton, rice, peanuts and tobacco. The Agricultural Act of 1949 gives Brannan authority to reduce price supports this year from the present 90 percent of parity to 85 percent. Brannan is expected to keep wheat, at least, at the present 90 percent level. He doesn't have to announce support levels for the others for several months.
>
> 2. Set liberal acreage allotments on crops where he is required to announce Government goals.
>
> Brannan already has fixed liberal acreage allotments for wheat for next year. This is 72.8 million acres, compared with 60,513,000 acres being harvested this year. (More than 18 percent of the acreage sown to wheat this year was abandoned.)
>
> The proposed increase in wheat acreage is particularly striking for States surrounding the District of Columbia, Maryland, Virginia and West Virginia are asked to plant more wheat for 1951 harvest than ever before. Maryland is asked to plant 383,412 acres, compared with 328,000 this year and 362,000 in 1949; Virginia 508,354 acres compared with 425,000 this year and 472,000 in 1949, and West Virginia 100,943 compared with 70,000 this year and 77,000 last year.
>
> Prospects are for a corn crop this fall only 95.8 percent of the 1949 crop. Wheat will total only 78.8 percent of last year. Oats, barley, and rye are well above last year, but beans are only 84 percent, peas 64 percent and cotton less than 69 percent of 1949.
>
> Demands of the Armed Forces will cut into supplies, so that the bases for figuring supplies is changed since last year. The law requires that Brannan base his acreage allotments for wheat, for instance, upon a total supply—carryover plus the harvest—equal to normal domestic demands, normal export demands plus 30 percent. Brannan is expected to raise that formula considerably.

Mr. JOHNSTON of South Carolina. Mr. President, I yield to the Senator from North Dakota [Mr. YOUNG] 10 minutes.

Mr. YOUNG. Mr. President, the distinguished Senator from Louisiana has given a very good and an impartial explanation of the conference report. However, as one of the Senate conferees, I should like to make a few comments.

The Senate Committee on Agriculture and Forestry has been laboring with their farm bill for some four months. It has been a daylong job, day after day. I think the bill in its present form represents one of the best pieces of farm legislation considered by Congress for many, many years. It will go a long way toward helping the farmers over the difficult post-war period in which they presently find themselves.

At the present time, farmers are receiving only 39 percent of the consumer's food dollar. Farm prices in general have sunk to approximately 80 percent of parity. In view of that situation, I am quite sure the President of the United States, who, in my opinion, has always been fair, will sign this bill. I certainly hope he will sign it.

Mr. President, I have in my hand the current issue of the U. S. News and World Report. Let me read a paragraph or two from it:

> Just ahead is one more round of wage-and-price inflation, one more turn in the upward spiral that's been going on since World War II ended.
>
> Steel wages are to go up by midyear, maybe 20 cents an hour. Steel prices then will be raised about $10 a ton to offset higher wages and other increases in costs. Freight rates are going up 7 percent. Coal wages have just taken an automatic increase. Coal prices are being marked up accordingly.
>
> Aluminum is up. Copper prices are up. Paper prices have been marked higher. Automobile wages will rise automatically. New-car prices on models to come out later this year are likely to be higher.

The article states further that farm machinery and many other things the farmer has to buy will rise in price in the near future.

Everything the farmer has to buy will go up still further in price. That is simply another reason why the failure of the farm bill to become law would create an impossible situation for the farmers of America.

There are about four provisions of the bill which are in major controversy; 4 or 5 provisions to which I think the Secretary of Agriculture has raised objection.

The bill would extend the 90-percent price supports for basic farm commodities for 1 year. This is only a few percentage points higher than the price at which the Secretary himself has indicated he would like to set the price supports for basic farm commodities. He has indicated that he would give cotton producers a support price of 86 percent of parity for this year. He has already set corn prices at 81 percent of parity. He has indicated that the 90-percent support price should be made permanent for the tobacco producers. The producers of other basic farm commodities, with the exception of wheat, would receive price supports of 80 percent of parity, or above. I do not think, therefore, that the objection of the Secretary of Agriculture is well founded. This is only a 1-year provision.

Another important provision of the bill relates to price supports for the feed grains. Feed grains would receive mandatory support at 80 percent of parity. But in order to secure the 85-percent support, a farmer would have to reduce his acreage 15 percent and place that 15 percent acreage cut in the soil bank. After discussing the soil-bank program with farmers in the last 2 weeks, I find that this provision will do more to place land in the soil-bank program than will any other provision of the bill.

The provision will have another very healthy effect, namely, to increase the price of feed grains. At present, cash prices for barley are 70 percent of parity, oats at 73 percent of parity, rye at 59 percent of parity, and grain sorghums at 72 percent of parity. I believe most agricultural authorities in the United States have come to the conclusion that cheap grain prices are largely responsible for the low prices for hogs, beef, and other meats. One of the purposes of the soil-bank program is to improve the prices of feed grains and other farm commodities by curtailing production of these commodities. If we really want to increase the prices of feed grains, this is the best way I know of to do it. If we really want the soil-bank program to work, this is the way to do it.

Another major provision of the bill is that which affects dairy commodities. The bill would raise dairy support prices for butterfat 2.2 cents per pound. This is a reasonable increase in the support price, in view of the ever-increasing costs of operations of the dairy farmers.

Another important provision is the dual parity formula. This is the provision to which I understand the Secretary of Agriculture is most opposed. To me, it is the most important provision in the entire bill.

The modernized parity formula uses as its major factor in determining parity or a fair price the average price which the farmer received during the previous 10-year period. For example, if farm prices continued at 80 percent of parity for the next 10 years, then the 80-percent price which we now have would become the fair price 10 years from now.

For example, the 75-percent support price of 4 years ago is only one-tenth of 1 percent lower than the 80-percent support price today for dairy commodities. We are certainly moving in the wrong direction.

Business uses the favorable period of 1947 to 1949 to determine similar prices. Labor uses exactly the same period—1947 to 1949. To me, this is the most important provision in the bill. I do not know of a greater disservice that could be rendered to agriculture than to subject farmers permanently to the modernized parity formula. If we lost everything else in the bill, save that one provision, agriculture in the end would stand to gain much more. The dual parity formula has its objectionable features, to be sure. It would be far better, however, to continue this until the Department of Agriculture can develop a parity formula that will be more fair to farmers than the so-called modernized formula.

Whether there will be a domestic parity or two-price system for wheat will depend on whether two-thirds of the wheat farmers approve such a program. That is a tremendous majority. I doubt that two-thirds of the wheat farmers would approve that kind of program. I believe, however, it would be a far better program than the present flexible price-support program, which will remain in effect if the 90-percent support price program in the bill is not approved.

There are many other good provisions of the bill, which the able chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER] discussed in some detail a while ago.

The bill provides for a trial of the two-price system for rice. I think that is a good provision. I think that kind of program should be tried. It has been discussed for many years. It was a Republican program in the 1920's. It will be found today that a great many farmers still think it is a good idea. I believe such a program should be tried.

Mr. President, I ask unanimous consent to have printed as a part of my remarks on the domestic parity wheat plan some figures prepared by the Department of Agriculture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

> The price of wheat has very little influence on the price of a loaf of bread.
>
> In January 1948 the price of wheat was $2.81 a bushel and the national average price of a 1-pound loaf of bread then was 13.8 cents. In February this year (1956) the price of wheat averaged $1.95 and the national average price of a loaf of bread was 17.6 cents. Thus in this 7-year period, while the price of wheat was down 31 percent, the price of the loaf of bread was up 28 percent.
>
> In February of this year, as noted above, the average price of bread was 17.6. The value of wheat in the loaf was 2.7 cents.
>
> If the price of wheat were raised to 90 percent of parity this would add 7 mills to the value of wheat in the loaf, but it cannot be said that this would be passed on to the consumer—if you consider this fact:
>
> In 1955, with the institution of flexible support instead of the old 90 percent, the actual value of the wheat crop (938 million bushels) was placed by the USDA at $1,867 million, whereas if the whole crop had sold at the old 90 percent of parity support level, farmers would have received $2,129 million for the 1955 wheat crop.
>
> Thus the 1955 crop brought $262 million less than would have been the case if the crop had sold at 90 percent of parity. This difference means that wheat was 12 percent (actual value) under 90 percent of parity.
>
> But what happened?
>
> While wheat was down 12 percent under 90 percent, the price of bread in 1955 rose one-half cent a loaf (national average), or 3 percent.
>
> And, while farmers did not receive the $262 million that a 90-percent price would have brought, no advantage whatever accrued to consumers of bread, actually the price of bread advanced. The supposed savings to consumers was more than lost between the farmer and the retail store counter.
>
> This, too, is significant:
>
> In 1914 the average hourly wage of a factory worker would buy 3.5 1-pound loaves of bread; in 1929 it would buy 6.4 loaves; in February of this year the average hourly earnings of an industrial employee would buy 11 loaves of bread.

Mr. YOUNG. Mr. President, I do not regard the bill embraced in the pending conference report as perfect, but it is certainly a vast improvement over the present law. It will help farmers greatly to stabilize their income in the future. Certainly it will not immediately give them 100 percent of parity in the market place; it will not give them all they are entitled to; but it will go a long way toward improving farm prices.

I feel that the President of the United States will sign the bill because I feel he is a reasonable man. When he considers all of the factors involved, I hope and feel sure he will sign it.

Mr. KNOWLAND. Mr. President, I yield 20 minutes to the Senator from Vermont [Mr. AIKEN]. Before he starts, I understand the Senator from Massachusetts [Mr. KENNEDY] wishes to introduce a bill and to make a short statement in connection therewith, not to exceed 1 minute.

Mr. KENNEDY. That is correct.

Mr. JOHNSTON of South Carolina. As I understand, the time consumed by the Senator from Massachusetts will not be charged to either side.

Mr. KNOWLAND. Mr. President, with that understanding, I ask unanimous consent that I may yield to the Senator from Massachusetts 1 minute.

AMENDMENT OF RAILROAD RETIREMENT ACT

Mr. KENNEDY. Mr. President, on behalf of myself, the Senator from West Virginia [Mr. NEELY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], and the Senator from Montana [Mr. MURRAY], I introduce, for appropriate reference, a bill to amend the Railroad Retirement Act. I ask unanimous consent that the bill be retained in the Secretary's office until the close of business on April 20 for the purpose of adding additional cosponsors.

The PRESIDING OFFICER. Without objection, the bill will be held in the office of the Secretary, as requested by the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as Chairman of the Senate Labor Subcommittee on Railroad Retirement, it is my intention to hold hearings on this important legislation at a sufficiently early date to insure action by this Congress before it adjourns.

This bill has already received the unanimous approval of all the standard railway labor organizations, whose responsible recommendations have traditionally been given considerable weight by the Congress in determining the rate and benefit structure of their pension system.

In general, the bill contains four major provisions:

First, all benefits, with the exception of some based upon Social Security levels, are increased 15 percent. Today retired railroad workers receive benefits averaging only $104 a month. Those forced to retire by disability receive on the average only $95 a month; and the averages of the various types of survivor benefits range from $40 to no more than $62 a month. A modest increase of 15 percent is badly needed at once.

Second, to pay for these increased benefits while keeping the Railroad Retirement Fund actuarially sound, the bill would increase both the carrier and the employee contribution by 1 percent of the taxable payroll, making the total contribution of each 7¼ percent or a combined total contribution of 14½ percent of taxable payroll. The results of the latest actuarial valuation of the Railroad Retirement Account admonish against any liberalization of benefits without simultaneously providing additional revenues to defray the cost. We cannot irresponsibly vote generous benefits for those presently retired only to find in subsequent years that we have exhausted the fund to which those presently working had contributed in anticipation of their own secure retirement.

Third, the bill would ease the burden on the active railroad employees of this increased contribution rate by excluding the amount of contributions to the Railroad Retirement Account from income and wages for income-tax purposes. Such a provision is only just. Current railroad employees, who will incur immediately higher costs but no immediate benefits from this bill, will still be paying a higher effective rate of contribution than employees under social security and, of course, private noncontributory pension plans; and the loss in tax revenues to the Federal Government will be considerably less than the loss it would sustain if the system were noncontributory, enabling the carriers to charge off the entire cost as an operating expense on their corporation income tax returns. Even after the increase to 7¼ percent under this bill, the carriers—under current corporate tax rates—would be in effect actually paying only 3.48 percent of payroll while the employee—if he paid any income tax at all, and were within the 20-percent profit—would be paying at an effective rate of 5.8 percent. Employee pension contributions in England and Canada are similarly treated—and the cost of most other industrial pension plans in this Nation, being non-contributory, is entirely deductible for tax purposes.

Fourth, a technical, noncontroversial section of the bill places in the Railroad Retirement Board the authority to make disability freeze determinations for career railroad workers. This classification will facilitate administration of the present act, expedite the adjudication of claims and save administrative costs.

In closing, I should like to urge the Senate to give most careful consideration to the bill that I have introduced in the light of the pressing needs of railroad men and women all over the country for immediate relief. We must not be deterred by any dissuading voices from keeping our eye on the main objective: that of furnishing needed relief to tens of thousands of retired railroad workers all over the country who are looking to the Congress of the United States for prompt and effective action along the modest lines proposed in this bill.

Mr. President, I ask unanimous consent that the bill may be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3616) to amend the Railroad Retirement Act of 1937 to provide increases in benefits, special disability determinations for railroad employees, and for other purposes; and to amend the Railroad Unemployment Insurance Act, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 3 (a) of the Railroad Retirement Act of 1937 is amended by striking out "2.76", "2.07", and "1.36" and inserting in lieu thereof "3.18", "2.38", and "1.59", respectively.

(b) (1) So much of section 3 (e) of such act as precedes *"Provided, however"* is amended to read as follows: "(e) In the case of an individual having a current connection with the railroad industry, the minimum annuity payable shall, before any reduction pursuant to section 2 (a) 3, be whichever of the following is the least: (1) $4.76 multiplied by the number of his years of service; or (2) $79.35; or (3) his monthly compensation;".

(2) The said section 3 (e) of such act is further amended by adding the following: "For purposes of this subsection and all purposes of the Social Security Act, the Board shall have such authority to determine a 'period of disability' within the meaning of section 216 (i) of the Social Security Act, with respect to any employee who will have filed application therefor and (i) have completed 10 years of service or (ii) have been awarded an annuity, as the Secretary of Health, Education, and Welfare would have to determine such a period under such section 216 (i) if the employee would meet the requirements of clauses (A) and (B) of paragraph (3) of such section by considering all his employment as an employee after 1936 to be 'employment' within the meaning of the Social Security Act, and his quarters of coverage were determined by presuming his compensation in a calendar year to have been paid in equal proportions with respect to all months in which he will have been in service as an employee in such calendar year: *Provided,* That no such period of disability shall be deemed to have begun if the employee died before July 1, 1955: *Provided, further,* That an application for an annuity filed with the Board on the basis of disability shall be deemed to be an application to determine such a period of disability, and such an application filed with the Board on or before the enactment of this proviso, shall, for the purpose of this subsection, be deemed filed after December 1954 and before July 1957: *And, provided further,* That, notwithstanding any other provision of law, the Board shall have the authority to make such determination on the basis of the records in its possession or evidence otherwise obtained by it, and a determination by the Board with respect to any employee concerning such a 'period of disability,' shall be demed a final decision of the Board determining the rights of persons under this act for purposes of section 11 hereof; and such a determination by the Board of a period of disability for an employee shall, for the purposes of section 5 (k) (2) of this act, be considered a determination of such a period for such employee by the Secretary of Health, Education, and Welfare under section 216 (i), and to meet the conditions of section 222, of the Social Security Act."

SEC. 2. (a) The first sentence of section 5 (f) (2) of the Railroad Retirement Act of 1937 is amended by striking out "and 7 per centum of his or her compensation after December 31, 1946 (exclusive in both cases of compensation in excess of $300 for any month before July 1, 1954, and in the latter case in excess of $350 for any month after June 30, 1954)", and inserting in lieu thereof "7 per centum of his or her compensation paid after December 31, 1946, and prior to July 1, 1956, and 8 per centum of his or her compensation paid after June 30, 1956 (exclusive of compensation in excess of $300 for any month before July 1, 1954, and in excess of $350 for any month after June 30, 1954)."

(b) Section 5 (h) of such act is amended by striking out "$30", "$160", and "$14" wherever they appear and inserting in lieu thereof "$34.50", "$184", and "$16.10", respectively.

(c) Section 5 (k) (1) of such act is amended by striking out the phrase "for the purposes of sections 203 and 216 (i) (3) of that act" and inserting in lieu thereof the phrase "for the purposes of section 203 and, with respect to an employee who will have completed less than 10 years of service, section 216 (i) (3) of that act."

(d) Section 5 (k) (3) of such act is amended by inserting in the first sentence after the word "service" the words ", of determinations under section 3 (e) of this act, or under section 216 (i) of the Social Security Act, of a 'period of disability' within the meaning of such section 216 (i)," and after the phrase "this section" the phrase ", section 3 (e) of this act,".

(e) Section 5 (l) (10) of such act is amended by striking out "40", "10", "$14", "$33.33", "$25", and "$13.33" wherever they appear and inserting in lieu thereof "46", "11½", "$16.10", "$38.33", "$28.75", and "$15.33", respectively.

SEC. 3. All pensions under section 6 of the Railroad Retirement Act, all joint and survivor annuities and survivor annuities deriving from joint and survivor annuities under that act awarded before July 1, 1956, and all annuities under the Railroad Retirement Act of 1935 are increased by 15 percent.

SEC. 4. (a) Sections 3201, 3202 (a), 3211 and 3221 of the Railroad Retirement Tax Act are each amended by striking out "after December 31, 1954" wherever it appears and inserting in lieu thereof "after June 30, 1956", and by striking out "after 1954" and inserting in lieu thereof "after June 1956."

(b) (1) Sections 3201 and 3221 of such act are each amended by striking out "6¼ percent" and inserting in lieu thereof "7¼ percent."

(2) Section 3211 of such act is amended by striking out "12½ percent" and inserting in lieu thereof "14½ percent."

SEC. 5. Sections 3201 and 3211 of the Railroad Retirement Tax Act are each further amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of law, the amount of the tax imposed on the income of any individual by this section shall be excluded from such individual's gross income for purposes of chapter 1 and from individual's 'wages' for purposes of chapter 24."

SEC. 6. (a) The amendments made by subsections (a) and (b) (1) of the first section of this act and by subsection (b) of section 2 shall be effective only with respect to annuities (not including annuities to which section 3 applies) accruing for months after June 1956. The amendments made by subsection (e) of section 2 shall be effective only with respect to annuities accruing for months after June 1956 and lump-sum payments (under sec. 5 (f) (1) of the Railroad Retirement Act of 1937) in the case of deaths occurring after June 1956. Section 3 shall be effective only with respect to pensions due in calendar months after July 1956 and annuities accruing for months after June 1956.

(b) The amendments made by section 4 shall be effective only with respect to compensation paid after June 30, 1956, for services rendered after such date. The amendments made by section 5 shall apply with respect to taxable years ending after June 30, 1956, but only with respect to compensation paid after such date for services rendered after such date.

SEC. 7. Section 11 (c) of the Railroad Unemployment Insurance Act is hereby amended by inserting after the phrase "the Board", where this phrase appears the third time in that section, the following: "and expenses, tuition, and salaries of employees designated by the Board to attend courses of instructions or training at institutions whether or not conducted by the United States."

SEC. 8. The amendments made by sections 1 (b) (2) and 2 (d) hereof shall be effective with respect to annuities accruing for months after June 1955.

AGRICULTURAL ACT OF 1956—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes.

Mr. AIKEN. Mr. President, I had hoped Congress might pass and send to the President's desk a farm bill which would materially improve the lot of the farmers this year, and in the succeeding years would increase their income without doing violence to any agricultural group or to any class of farmers. It appears that my hopes are not to be realized.

Although the bill as it passed the Senate was bad enough, the work of the conference committee has made it worse.

As the bill now stands, it discriminates against the livestock producer, the dairyman, the fruit grower, the poultryman, and the vegetable grower. It even discriminates against a number of farmers who produce grain and who are supposed to benefit most from the bill.

The bill discriminates against the small farmer in favor of the large producer.

The conferees took from the bill provisions inserted by the Senate for the special protection of the tenant farmer.

They removed the limitations on payments which were in the bill as it passed the Senate so that now the sky is the limit on payments to the big producers.

All the small farmer can look forward to, should the bill become law, is higher costs of production and, in the case of many thousands of farmers, the eventual abandonment of their farms.

The livestock producer will find that the safeguards against mis-use of soil bank acres which were in the Senate bill have been deleted. Certainly, the deletions of such safeguards by the

conferees will do little to discourage the grazing of livestock on soil-bank land.

The cottongrower can get little comfort out of the conference report. Originally, the administration had planned a strong program to regain the domestic and foreign cotton market for the American producer. That program would be smashed by this bill. The welfare of both cotton producers and American cotton manufacturers would be sacrificed on the altar of political expediency.

Any claim that the restoration of 90 percent supports and dual parity, as agreed to by the majority of the conferees, will benefit American agriculture must be made with a disregard for the facts. Agricultural income dropped steadily for 5 years. Almost 90 percent of the drop in farm income took place when rigid supports and dual parity were in effect. All of the recovery in farm prices in recent months has taken place since flexible supports have been in effect.

Now I should like to discuss particularly 2 or 3 provisions of the conference bill.

Some assume that the wheatgrowers will be sitting pretty with the provisions of this bill, especially the domestic parity program for wheat.

A couple days ago, I received a letter from Mr. Herbert Hughes, setting forth the virtues of the domestic parity plan for wheat, as he sees them.

I have no doubt that Mr. Hughes understands the wheat business thoroughly. I understand that he is a large and very successful wheat producer, besides having other successful business interests.

It appears to me, however, that Mr. Hughes views this subject through the eyes of a large producer, and without full knowledge of what the plan he so ardently sponsors would do to the small farmer who grows only a few acres of wheat, and perhaps grows that in rotation with other crops.

I wish to quote from Mr. Hughes' letter, and to point out what some of the things which he thinks would be of benefit to large producers would do to the small wheatgrower or the family-size farm.

First, I ask unanimous consent to have Mr. Hughes' letter in full made a part of the RECORD, and then I shall quote excerpts from the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
WHEAT GROWERS,
Imperial, Nebr., April 7, 1956.

Hon. GEORGE D. AIKEN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR AIKEN: Soon you are going to vote on a farm bill. It is important to everyone—the laborer, the businessman, and the farmer. Although I am president of the National Association of Wheat Growers, I am first a dirt farmer, doing much of my own work on an average sized farm.

Because it is so important, I hope you will consider carefully the following facts about domestic parity, the program on which wheat producers have worked for many years and in which we believe sincerely. It is supported by other segments of the wheat industry.

Domestic parity will reduce controls by abolishing the marketing quotas which have been so objectionable to farmers. Small farmers in both commercial and noncommercial areas will be able to produce wheat for feed on their own farms without the penalties which marketing quotas have required. Farmers in commercial areas will be encouraged to produce quality wheat.

The same farmers who in the past have voted on marketing quotas will vote for or against domestic parity. There will be no change in the voting procedure which has been in effect since 1939. The referendum on domestic parity will be held at the same time as the marketing quota referendum and will actually give them a choice between two systems.

The corn producer will benefit from the domestic parity program for wheat because the program will work toward a decreased supply of feed grains. Farmers who have been growing barley, oats, or sorghums on their acres diverted from wheat will gradually shift to the soil bank or back to wheat. As you may know, wheat produces a smaller quantity of feed units per acre than other grains.

Poultry and dairy farmers in feed deficit areas, like the East and Northeast, will benefit because they can then produce their own feed or purchase feed wheat produced locally at a price they can afford to pay.

The taxpayer will benefit because he will be relieved of high-level Government support of wheat prices. Wheat moving into export markets will require vastly reduced export subsidies. Wheat for the feed market will carry a very low support level.

The grain trade will benefit because the domestic parity program works toward getting Government out of the business of buying, storing, and selling wheat.

Labor and business will benefit because this program will help stabilize the income of the wheat grower at a level where he will be a good customer for the things they make and sell.

Thank you for taking the time to read what I have had to say about domestic parity. As far as the wheat grower is concerned, it is the most important part of the present farm bill. It is the only program, as we see it, that can be counted on to expand markets over the years, and increase income of producers in the market place.

I sincerely hope we will have your support for domestic parity when it comes to a vote.

Respectfully yours,
HERBERT HUGHES, *President.*

Mr. AIKEN. Now let me quote excerpts from this letter:

> Domestic parity will reduce controls by abolishing the marketing quotas which have been so objectionable to farmers.

Mr. President, the so-called domestic parity plan will not reduce controls. True, it would eliminate marketing quotas. But it retains acreage allotments and substitutes domestic food quotas for marketing quotas. From the standpoint of the processor who would be required to buy certificates under this plan, controls would be greatly increased. From the standpoint of the small farmer, the controls required by this plan would be much more burdensome than those now in effect.

Again I quote from Mr. Hughes' letter:

> Small farmers in both commercial and noncommercial areas will be able to produce wheat for feed on their own farms without the penalty which marketing quotas have required.

All farmers in the noncommercial wheat area are now permitted to grow wheat for use as feed without penalty. The small wheat farmer in the commercial area would be much worse off under this plan. At the present time the small wheat farmer can grow up to 15 acres of wheat, either to use as feed or to sell, without penalty. The so-called domestic parity plan abolishes this 15 acre minimum acreage protection for the small farmer.

Under subsection 379k (c) of the conference bill, the small farmer can be forced to comply with allotments as small as 1 acre—and perhaps even less—as a condition of eligibility for price support and marketing certificates. Even after he complies, the small farmer will receive marketing certificates for only about one-half of his production.

I quote again from Mr. Hughes' letter:

> Farmers in commercial areas will be encouraged to produce quality wheat.

There is not one provision in the conference bill that provides any recognition for quality wheat production.

Under section 379 (c), the domestic wheat quota is to be distributed to all wheat growers on the basis of their historical production, without regard to the quality of wheat they have been growing. The man who produces wheat entirely for use as feed would be entitled to receive domestic food certificates in exactly the same proportion as the man who produces a quality wheat that is used for domestic food consumption. The result will be to tax the quality wheat producer for the benefit of the man who now produces feed wheat on a large scale.

The domestic parity plan makes no allowance for the fact that wheat is not a single commodity. There are five major classes of wheat. Some are largely used for human consumption, while others largely go into export, feed, or Commodity Credit storage.

Statistics show the percentage of production used for domestic human food is five times as high for hard red spring wheat, such as is grown in Minnesota, the Dakotas, and Montana, as it is for white wheat.

I ask unanimous consent to have a table on the use of wheat for domestic flour printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1942–51 average quantity of United States wheat used for domestic flour [1]

Type of wheat	Percentage of production used as flour	Quantity used as flour (millions of bushels)
Hard Red Winter	39.7	[illegible]
Soft Red Winter	52.5	[illegible]
Hard Red Spring	61.5	[illegible]
Durum	63.2	[illegible]
White	12.0	[illegible]
Average	43.6	[illegible]

[1] Does not include 10 million bushels used for breakfast food.

Mr. AIKEN. The table shows that the percentage of hard red winter wheat used as flour is 39.7 percent; of soft red winter wheat, 52.5 percent; of hard red spring wheat, 61.5 percent; of durum wheat, 63.2 percent; and of white wheat, 12 percent.

Yet, under this domestic parity plan for wheat, growers who now have 63 percent of their crop used for flour and milling purposes will get certificates to sell only approximately 50 percent of their crop for that purpose, and growers who now produce wheat of which only 12 percent is used for milling purposes will also get certificates entitling them to sell 50 percent of their crop for the full 100 percent parity price.

Is it any wonder that the white wheat producers of certain areas are for a plan which would classify about 50 percent of their production as domestic human food, entitled to 100 percent parity price, when the average amounts so used have been only about 12 percent?

I again quote from Mr. Hughes' letter:

> The same farmers who in the past have voted on marketing quotas will vote for or against domestic parity.

This is true, but more farmers will be directly affected by the domestic parity plan. Producers with 15 acres or less have been excluded from voting on marketing quotas because of the 15-acre-quota exemption. But there is no 15-acre exemption under the domestic parity plan. All wheat producers would be affected, but only those with more than 15 acres would be allowed to vote. Over one-half of the total wheat producers in the Nation would be disfranchised. And the percentage of growers who would be entitled to vote on whatever kind of program would be set up to serve their destiny ranges from about 95 percent in the State of North Dakota to only 2 percent in the State of Wisconsin. I repeat, only two percent of the wheat growers in the State of Wisconsin would be permitted to vote on what kind of program they want.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I cannot yield, unless I have more time later.

If there is to be a referendum on this plan, equity would require that small wheat growers, whose very existence is at stake, be allowed to vote. Equity would also require that the producers of corn and other feed grains be permitted to vote since the obvious effect of this plan would be to dump wheat surpluses into the domestic feed market.

I quote again from Mr. Hughes' letter. I am quoting Mr. Hughes particularly because he is president of the National Association of Wheat Growers. Mr. Hughes says:

> The corn producer will benefit from the domestic parity program for wheat because the program will work toward a decreased supply of feed grains.

He also says:

> Poultry and dairy farmers in feed deficit areas, like the East and Northeast, will benefit because they can produce their own feed or purchased feed wheat produced locally at a price they can afford to pay.

He also says:

> Wheat for the feed market will carry a very low support level.

These statements are patently contradictory. The feed grain producer certainly, cannot be benefited by a plan that encourages feed deficit areas to produce their own feed, or a plan that makes feed wheat available so cheaply that feed deficit areas cannot afford to buy other grains, particularly corn. The livestock, poultry, and dairy markets are national markets. Increased production of these products in any area affects all areas.

I quote again from Mr. Hughes' letter:

> The grain trade will benefit.

He also says:

> Labor and business will benefit.
>
> It is the only program as we see it, that can be counted on to expand markets over the years and increase income of producers in the market place.

Mr. President, any benefits that large wheat farmers might reap as a result of this plan—and it is by no means certain that such benefits would actually materialize—would be at the expense of other farmers. This plan would mean, first, reduced income to the small wheat farmers; second, increased surpluses of feed grains; and third, lower livestock and poultry and dairy prices.

It is extremely doubtful that this plan would result in any appreciable increase in our exports of wheat. We are already meeting competition in the world market by subsidizing wheat exports and by selling wheat for foreign currencies under Public Law 480. The real effect of this proposal would be to dump surplus wheat into the domestic feed market. That could only be done at the expense of other farmers who are trying to make a living out of the production of feed grains for livestock, poultry, and dairy products.

Mr. President, on March 13, in the debate in the Senate on S. 3183, later passed as H. R. 12, a letter was placed in the RECORD to prove that the Canadian wheat growers favored the 3-price wheat plan now included in the conference report. The letter, dated March 12, was sent to the Senator from Kansas [Mr. CARLSON] by the same Herbert J. Hughes; and it will be found in the CONGRESSIONAL RECORD of March 13, on page 4580.

I know that the Senator from Kansas inserted the letter in the RECORD in good faith. However, in a telegram which W. J. Parker, president of the Manitoba Pool Elevators, sent under date of April 10 to the Senator from Kansas, there is specific reference to the March 12 letter of Mr. Hughes; and in the telegram it is pointed out that there is a "misunderstanding between Mr. Hughes and Canadians on this matter." It is quite evident that the Canadian wheat producers are not reassured with respect to the domestic parity program, and repudiate representations that they endorse it.

Mr. President, I have already asked consent of the Senator from Kansas to insert the telegram in the RECORD. Therefore, at this time I ask unanimous consent to have the telegram from W. J. Parker to the Senator from Kansas, under date of April 10, 1956, printed at this point in the RECORD, as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

> Hon. FRANK CARLSON,
> *United States Senate,*
> *Washington, D. C.:*
>
> Reference Mr. H. J. Hughes letter March 12 addressed you re two price plan wheat. Canadian farm leaders at Geneva understood Mr. Hughes information re proposed legislation was given us as matter of courtesy. Obviously on meager information given verbally by Mr. Hughes, we were not competent to assess ultimate impact of suggested legislation on our competitive position in international wheat market and no considered opinion was expressed by us. We did not understand that Mr. Hughes had been requested by Secretary Benson to seek Canadian farm leaders' opinion of proposed wheat legislation. I greatly regret the evident misunderstanding between Mr. Hughes and Canadians on this matter and trust you will appreciate our position.
>
> W. J. PARKER,
> *President, Manitoba Pool Elevators.*

Mr. AIKEN. Mr. President, now I wish to refer to the two-price plan for rice. The adoption of this plan might well cost us the Cuban market. Cuba is our most important export market for rice. The plan, in effect, imposes a tax on the processing of rice for consumption in the United States and Cuba. A loophole in this bill would permit Cuba to evade this tax by buying rough rice. The plan would not work satisfactorily without the inclusion of Cuba in the primary market.

The value of the proposed certificate exceeds the tariff preference which the United States now has in the Cuban market. Even if Cuba were to increase the tariff preference on United States rice, our ricegrowers would still lose, as the increased price of rice in Cuba would stimulate increased Cuban production.

The rice plan violates our commitments under the general agreement on tariffs and trade. It is of doubtful constitutionality.

On January 15, 1956, the parity price of rough rice was $5.42 per hundredweight. The cost of 1956 marketing certificates per hundredweight of rough rice—35 percent of parity—is $1.90.

Rice shrinks about one-third in the milling process; therefore the cost of certificates would be roughly $2.50 per hundredweight of milled rice. The United States now has a tariff preference of 90 cents per hundredweight of milled rice in the Cuban market. Thus, the certificate plan would destroy our present preference in the Cuban market, and would create an artificial disadvantage of $1.60 per hundredweight of milled rice.

In the 1954–55 marketing year, Cuba took 3,391,000 hundredweight or 34 percent of our total exports of 9,848,000 hundredweight, milled basis.

The provisions in the conference report for the establishment of base acreages for small grains and mandatory supports for small grains are likely to cause trouble not only for the dairy and poultry producers of the country, who would experience a sharp increase in their production costs, but also for the producers of these grains themselves.

On page 4, paragraph (c) of subtitle A, we find this proviso:

> (c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955.

Going over to page 22, we find in paragraph (d) of section 408 the following:

> The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage-reserve program for feed grains or the conservation-reserve program equal to 15 percent of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percent of such farm base acreage for feed grains.

Under the provision establishing a base acreage for feed grains, and to qualify for price supports, we find that a very substantial reduction in planning is required for the year 1956.

I have had this matter checked for certain States. There is in the rear of the Chamber a chart showing the percentage by which each State would have to reduce its planting of feed grains in order to qualify for price supports. I shall read into the RECORD some of the percentages. I find that the percentage of reduction from the 1955 planting in each of these States is as follows:

	Percent
Colorado	29
Texas	26
Oklahoma	28
Washington	40
North Dakota	27
New Mexico	35
Montana	30
Missouri	24
Idaho	25
Oregon	26

The result would be about the same in the rest of the country—a 25 to 40 percent mandatory reduction in planting in all States where feed grains are produced and where diversified farming is practiced.

So, in addition to the reduction required in order to establish a base acreage under section 203, we find that under section 408 a further reduction of 15 percent would be necessary if the producer were to get any price support at all for his crop.

For instance, in the State of Washington, in order to qualify for 85 percent of parity price support for oats—or an increase of 15 percent over the present support price as provided for in the conference report a producer of oats or barley in that State would have to reduce his acreage 40 percent. It is obvious that that would be a losing proposition for him.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The time of the Senator from Vermont has expired.

Mr. AIKEN. Mr. President, I ask the Senator from California to yield additional time to me; I believe that five minutes more will be all that I shall need.

Mr. KNOWLAND. I yield an additional 5 minutes to the Senator from Vermont, Mr. President.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 additional minutes.

Mr. AIKEN. I thank the Senator from California.

Mr. President, what I am trying to point out is that, in addition to the reduction required in order to establish a base acreage under section 203, we find that under section 408 a further reduction of 15 percent is necessary if the producer is to get any price support at all for his crop.

Of course, this latter 15 percent reduction would carry some compensation in the form of soil bank payments.

What I am trying to point out is that with oats, barley, and sorghum supported at 70 percent anyway, under the present law, the increased support to 85 percent provided in this conference report would actually mean a considerable reduction in the income of the producer if he had to reduce his planting one-third in order to get an increased 15 percent in supports.

The effect of the mandatory supports for feed grains as I see it not only would mean greatly increased cost of production for the dairyman, the livestock producer, and the poultry grower, but could actually bring about reduced income for the producer of the grain himself.

Congress has now delayed this legislation so that the soil bank can hardly be effective this year. We have good farm laws on the books at the present time. They have not had much opportunity to work up until now; but since the Agricultural Act of 1954 has taken effect with the crops of 1955, we have seen a steady but gradual rise in the farm price level. It has risen quite substantially during the past 3 months. I believe this rise will continue throughout the remainder of this year, although not in a spectacular manner.

The soil bank would have helped, but with the other provisions added by the Senate and the conferees, nearly every agricultural area in the United States would be more harmed than helped by this bill.

It would be better to do the best we can with the program we now have in operation. The bill as it now stands is completely unacceptable to the administration. I shall vote against the conference report, in the interest of American agriculture, and I strongly urge all other Members of the Senate to do the same.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the distinguished Senator from North Carolina [Mr. SCOTT].

Mr. SCOTT. Mr. President, today I am hopeful that we are at the end of what has been a long and trying ordeal.

As we approach the final vote on the new farm bill I ask, with all sincerity, that we pause and give serious thought to what we are trying to do. In the heated debate during the past several weeks fury has replaced reason in some cases, and solutions have been fogged by side issues.

If we keep gnawing the trough there will be no water left.

There is one thing, and one thing alone, that we are setting out to do in writing new farm legislation. We are attempting to help the farmers of this Nation regain their rightful place in our overall economy.

Our farm economy is almost $3 billion a year short of what it should be. It is the responsibility of Congress to bring about conditions that will channel this much money back into the farm economy. In plain words, we must help increase farm income.

For many months now I, along with other members of the Agriculture and Forestry Committee, have heard many farmers tell us what their problems are. We have heard many ideas as to how the problems could be solved.

After months of hearings and many hours and weeks of deliberation, we have a farm bill before us. I doubt if any Senator would say that it is a perfect bill. Certainly, there are many things in it that I do not like; but taken as a whole, it will help increase income on this year's crops. After all, that is what we are trying to do.

Unfortunately, I am afraid that we have spent about as much time talking about politics as the issue itself.

To put it bluntly, the effect this legislation has on the November elections is unimportant. The important thing is to get additional purchasing power into the hands of the farmers, and get it there immediately.

In all the debate I have heard on this subject my ears have become a little threadbare with all the talk about whether or not this phrase or that clause is in line with the order of the day from the White House.

Day in and day out, as I listened to debate on this legislation, I was told that this section or that provision would not meet the approval of the President. I heard that this or that would mean a veto.

In all the talk and debate it was hard to find that the administration was concerned about what would meet the needs of the farmer. Instead it has been a question of what would meet the needs of the White House.

From what I have seen and heard, one might think that we were writing a private Eisenhower bill instead of a national farm bill.

Personally, I do not know whether the President would veto the bill as it is now written. I have a strong suspicion that when the time comes he must swallow his pride and sign the bill for the sake of millions of farmers. At least, I hope so.

If the 90-percent parity provision of the bill is against the principles that guide the President, I hope he will see fit to go back to the principles on which he campaigned in 1952.

With no ifs, ands, or buts, to use his own words, he was for the principles involved in this bill in 1952. I can see no reason why the principles of 1952 will not work in 1956.

With these thoughts in mind, I sincerely believe that it is time for us to get down to brass tacks and approve the conference report immediately. Until we do, we are dilly-dallying with the economic well-being of millions of people.

Mr. KNOWLAND. Mr. President, I yield 15 minutes to the distinguished Senator from Mississippi [Mr. EASTLAND].

Mr. EASTLAND. Mr. President, in my judgment, the Senate conferees have done the very best they could. I desire to thank and congratulate our conferees. They have improved the bill as it left the Senate.

I cannot vote for the conference report, for several reasons. I think the economy of the State of Mississippi is dependent upon cotton to a greater extent than is the economy of any other State in the Union. We have had a system by which there has been continual acreage reduction. We have screamed for 90 percent of parity; but, when we consider the acreage reduction, the farmers' income has been drastically less than 90 percent of parity. Today, with acreage reduction, it stands at approximately 52 percent of parity income.

This conference report would continue that system. In my candid judgment it would destroy the American cotton industry.

There are several things which are fundamental. A few years ago the American cotton industry exported between 6 million and 8 million bales of cotton a year, and enjoyed between 50 and 60 percent of the world's export cotton market. Today that has shrunk to less than 30 percent; and if we follow the street we are now following, which is a one-way street, the acreage allotments will become less and less each year.

We have seen that, as we have had acreage reductions in the United States, foreign producers, largely financed by American capital, have expanded their acreage and have taken over markets which were formerly enjoyed by the American cotton farmer.

There is one fundamental factor which underlies the whole program, and that is that the United States Government, with the stocks of the Commodity Credit Corporation in excess of 7 million bales of cotton—stocks which will reach in time, in my judgment, 10 million bales—must put on an export sales program to assist the American cotton grower in regaining and expanding his share of the cotton market. Such a provision was in the bill which passed the Senate. Not by the fault of the Senate conferees, that provision was deleted from the bill.

What has happened? We have held an umbrella over foreign cotton production. The road is now open for a continuation of that acreage expansion.

It was said that an export sales program would be announced. So it was. However, an export sales program by administrative order is not as effective as an export sales program which is written into the law.

The State Department, as I have said a number of times on the floor of the Senate, is not an American agency of government; it protects and promotes the interests of foreign agriculture against the welfare of the American people. I know that since the export sales provision was stricken from the bill, the State Department has been bringing pressure against the export sales program which would reduce its effectiveness in the interest of the American farmer.

Mr. President, 5 or 6 large international cotton organizations are financing an increase in cotton production in Latin America. I am sorry to say they have more influence in the State Department than has American agriculture.

Therefore I say I do not blame the Senate conferees. They did what they could do. Nevertheless, an export sales program is fundamental to the preservation of the American cotton industry and such a provision should be in the law. It has been stricken from the bill.

I said that we were on a one-way street, that acreage allotments would get lower and lower each year, and that the American cotton industry was on the verge of collapse. We must meet foreign competition abroad; we must have the aid of the American Government, and we must meet the competition of synthetics in the United States on a quality basis.

Under the bill as agreed to in conference, foreign cotton growers will again expand their acreage. It is fundamental that we must prevent further expansion in cotton production abroad. Last year Egypt increased its acreage by 250,000 acres. India increased its acreage by 1,200,000 acres, and it has a program for a much larger acreage expansion. In the past 4 years Mexico has increased its acreage by a million acres, practically doubling its production. These increases have come about at the expense of the American cottongrower.

While we have reduced our acreage, in an attempt to keep world supplies within world demand, foreign countries, which have enjoyed the benefits of our price-support program, have increased their acreage, and have taken our markets away from us.

Let me say that while we will export about 2 million bales of cotton this year, against a normal export of about 6 million bales, half of the 2 million bales will be given away under different aid programs.

The largest market we have left is the domestic market, which amounts to about 9 million bales of cotton a year.

When we fix a price, as the bill does, at a rigid 90 percent, we hold an umbrella over the producers of synthetic fibers, and we deny the cotton producer the opportunity to compete for the domestic market in the fiber field.

Synthetic fiber producers will proceed with current and future planning for expansion under the provisions of the bill. In 1955 alone the equivalent of 978,000 bales of cotton were supplanted by the increase in rayon production. These fibers now enjoy the equivalent of 4,800,000 bales of cotton in the domestic fiber market of the United States. That is largely because the American grown cotton has been priced too high.

Beginning a year ago, and for a 3-year period, contracts were let, and there are now in production new rayon plants to the tune of $155 million. The new rayon production will, in my judgment, supplant about 2 million bales of cotton in the domestic fiber market.

What we must do in the cotton industry is to be more competitive with synthetic fibers in the United States and to be more competitive in the international market. We must have the aid and assistance of the United States Government. When there was stricken from the bill the provision for a mandatory export sales program, which would regain and recapture and expand our normal share of the world cotton market, there was stricken the provision which would be of the greatest benefit to the American cottongrower.

For these reasons, and for the reason that the price support is again linked to seven-eighths inch Middling cotton, I must vote against the conference report. The latter provision would permit the discount in the markets of the short, low-grade cotton, which is not merchantable, and which is grown largely in one congressional district in the United States. It is grown largely for the loan. It is grown largely to be sold to the United States Government. We accumulated a great surplus of such cotton, and that surplus reduced the acreage allotments in every cotton-growing State in the United States.

Mr. President, we shall have, under this bill, the same old surplus which has brought the American cotton industry to the brink of destruction. What we must realize is that acreage allotments must be based on markets, and that in the long run they will be based on markets. Acreage allotments must be based, also, upon our ability to sell a commodity which in the long run will pay. It goes without saying that farmland values will be based upon the market for farm products. So, Mr. President, the road which we must follow is a road which will expand markets and place the cotton industry upon a sound basis.

For those reasons, Mr. President, I shall cast my vote against the conference report.

Mr. KNOWLAND. Mr. President, after consultation with the acting majority leader, I ask unanimous consent that we may have a quorum call without the time being taken out of either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LANGER in the chair). Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the Senator from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. President, I am going to vote for the adoption of the conference report. Personally, I feel it is imperative that farm legislation be enacted at this session of Congress. In the face of rising national income, net farm income has fallen 32 percent in the past 4 years.

Despite the strong demand for farm products, the farmer is caught in his own quicksand of surplus production. While it is true that this rather complex piece of legislation affects agriculture directly, it will also affect indirectly all segments of our Nation's economy.

The conference report before the Senate not only carries temporary relief for the farmer this year, but carries many provisions which will be of permanent benefit.

I have no doubt that every Member of this body can find some objectionable feature in the conference report bill, but even one or two or more objectionable features, in my opinion, do not warrant the rejection of this report.

The farmer expects this Congress to enact farm legislation, and this is our opportunity to do so. President Eisenhower, in a special farm message to Congress, stated:

> Although agriculture is our basic industry, farm families find their prices and incomes depressed amid the Nation's greatest prosperity.
>
> An oversupply of commodities drives down prices as mounting costs force up from below, generating a severe price-cost squeeze.
>
> Remedies are needed now, and it is up to the administration and the Congress to provide them swiftly. As we seek to go forward, we must not go back to old programs that have failed utterly to protect farm families.

This conference report provides for a 90 percent parity for this year, 1956. It creates for the first time a soil bank program which I think is not only timely but has great long-range possibilities. However, I do not see how it can be effective in getting needed financial relief into the farming areas this year.

Those of us who are familiar with farming operations realize that at this season of the year, the farmers have already made their plans for the planting and harvesting of their crops. It is for that reason that I believe there is sound justification for a loan price support program which will assure the farmers 90 percent of parity for this year. Next year the farmers will have an opportunity to make plans to place some of their acreage in the acreage reserve and the conservation reserve programs of the soil bank.

I do not believe that either rigid or flexible parity is the solution to the farm program. We have tried both. It is my opinion that we must begin to take a new look at the entire farm picture, with a view of securing for the farmer his fair share of the national income, based on domestic consumption.

This conference report provides machinery for the marketing of two of our farm commodities on a domestic parity or domestic consumption basis.

I believe the day has passed when we can expect the American farmer to buy his farm machinery, his labor, pay his taxes and pay for his utilities on a domestic price level and then even suggest that we have a farm price parity level which will make him sell his commodities at a world level market.

It is for that reason that I believe a sound program for American agriculture must be built on a commodity by commodity approach. In other words, we must fashion a weapon to meet the problems and the needs of each commodity.

Mr. President, the Senate this afternoon has an opportunity to vote for legislation which will give some temporary relief to agriculture, establish for the first time in the Nation's history a soil-bank program and provide for domestic parity on two of our important farm commodities.

The conference bill, if enacted, will give the farmer an opportunity to share in our expanding national prosperity, and, in all fairness, I do not see how we can do less.

Mr. WELKER. Mr. President, will the Senator from Kansas yield?

Mr. CARLSON. I will yield if I have time remaining.

Mr. WELKER. I have noted with much interest the remarks of my esteemed colleague from Kansas. I know he feels, as I feel, that the farmer must be helped. I wonder if the distinguished Senator from Kansas can tell me wherein the farmers of Idaho will be helped by the bill.

The PRESIDING OFFICER. The time of the Senator from Kansas has expired.

Mr. CARLSON. May I have an additional minute?

Mr. JOHNSTON of South Carolina. I yield 1 additional minute to the Senator from Kansas.

Mr. CARLSON. I appreciate the great interest the junior Senator from Idaho takes in agriculture and in legislation in behalf of the farmer.

The soil-bank program provided for in the bill has, I think, the possibility of affording long-range benefit to agriculture and to the Nation as a whole; it is a most important step.

I think the 90 percent of parity provision will provide some relief for this year. I do not think the rigid or the flexible parity program is the answer.

The program adopted provides an approach, commodity by commodity, including wheat, which I know is raised in the State of the Senator from Idaho. I am confident that this is the kind of program we shall have to establish in the Nation if we expect to improve the condition of wheat farmers on the basis of domestic production.

Mr. WELKER. I voted with the Senator from Kansas for the parity plan for wheat. I have some scruples with respect to whether or not I voted correctly. Certainly the Senator from Kansas knows the conditions in my State well enough to realize that the soil bank provision of the bill cannot and will not affect my State.

The PRESIDING OFFICER. The additional minute allotted to the Senator from Kansas has expired.

Mr. WELKER. I ask unanimous consent, Mr. President, that I may have one additional minute.

Mr. JOHNSTON of South Carolina. The time to be allotted to the Senator from Idaho would have to be yielded by the other side.

Mr. KNOWLAND. I yield 1 minute to the Senator from Idaho.

Mr. WELKER. Does the Senator from Kansas wish to comment on my statement?

Mr. CARLSON. I have no doubt that agriculture in the great State of Idaho is somewhat different from agriculture in the great Midwest areas, where mostly dry farming is carried on. At the same time, the agricultural program is practically universal. If the junior Senator from Idaho has some better suggestions, then when the opportunity presents itself, I shall vote for them. But this is the only bill before the Senate at present. That is why I am supporting it.

Mr. WELKER. I think that is why I shall have to support it; but the Senator said in his remarks that we would look the matter over. What I fear is that we may look ourselves out of business. That is the sad part of the matter.

I thank my distinguished colleague.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the distinguished senior Senator from Utah.

Mr. WATKINS. Mr. President, I rise to speak against the conference report on H. R. 12. I voted for H. R. 12, as amended by the Senate, on final passage, because I believed there was a chance that the conference committee would present a sound, acceptable bill. This it did not do, in my opinion.

First, the Senate conferees, by agreeing to an extension of 90 percent price supports on the so-called basic commodities, have rendered the President's soil bank program ineffective for all practical purposes. In my opinion, producers, especially of wheat and cotton, simply will find it more profitable to continue and even increase their present production at the high support level rather than to place a portion of their acreage allotment land in the acreage reserve.

The reason for this is that certain fixed costs of production must be met by the producer whether all of his lands are in production or whether a portion of them are kept idle in a soil bank. Since the difference between total costs per acre and total returns per acre is much less at lower price support levels than they would be at the proposed higher support levels, farmers will be more likely to put allotment lands in the acreage reserve at lower support levels. High rigid price supports cancel any possible benefit from the soil bank program, in my opinion.

Second, unless farmers do put a substantial part of their allotment lands in the reserve, we can, at 90 percent price support, expect continued production in excess of our needs of these so-called basic commodities, especially wheat, cotton, and corn. We can also expect to see the continued production of feed grains greatly in excess of our needs, with increasing livestock numbers and further price declines for beef cattle, hogs, poultry, eggs, and lambs.

As the President pointed out in his economic report:

> Government restrictions on acreage of several crops, notably wheat and cotton, have insufficiently curtailed production of these crops and have led to expansion of others. Huge carryovers have piled up, far beyond liberal estimates of desirable reserves. Government holdings acquired under price-support programs have kept rising, in spite of intensive and effective efforts to dispose of surpluses * * *.
>
> The production-control programs that have been operated for basic commodities, which account for [only] about one-fourth of the total income from farm marketings, have indirectly contributed to lower incomes for the producers of other important commodities. Farmers with acreage diverted from basic crops have deemed it more profitable to produce feed grains or other crops, even at lowered support prices * * *. Many have expanded their hog and beef cattle numbers to use the additional feed thus produced, adding further to the expansion induced by relatively favorable livestock prices in earlier years * * *. These factors have been largely responsible for lower prices of beef cattle and sharply lower prices of hogs in 1955, and a continued increase in production of dairy products.
>
> Unrealistic supports have * * * overstimulated production of several basic products in this country * * * (pp. 54, 56, and 57).

The large inventories of basic commodities and feed grains which the Commodity Credit Corporation has on hand can be directly traceable to the stimulus given their production by 90 percent of parity price supports.

According to the USDA's most recent release on the status of price-support operations, the CCC had in its inventories as of February 29, 1956: 846,270,626 bushels of wheat, valued at $4,309,484,973; 7,214,630 bales of upland cotton, valued at $1,317,658,448; 744,618,750 bushels of corn, valued at $1,291,422,848.

Its inventories as of the same date contained the following quantities of feed grains: 17,942,345 hundredweight of grain sorghums, valued at $53,643,952; 24,696,408 bushels of barley, valued at $36,314,441; 32,032,375 bushels of oats, valued at $27,985,658.

Such an abundant production of feed grains induced by a rigid 90-percent support program on the basics, especially wheat and cotton, the last few years not only has resulted in surpluses of these commodities, but substantial increases in livestock numbers and lower livestock prices. For example, on January 1, 1956, cattle numbers reached a new high of 97.5 million head. Hog numbers were 9 percent above those of a year earlier.

Yet, even though these so-called basics—wheat, cotton, rice, and peanuts, to mention a few—have had mandatory price supports, producers of livestock products have had to get along without price support, even though today the average prices received by them as a percentage of the parity price is lower than the basics I have mentioned. As of March 15, 1956, the producers of the following crops were getting the following supports:

Upland cotton, 90 percent of parity.
Wheat, 82 percent.
Rice, 82 percent.
Peanuts, 90 percent.

Yet, as of the same date, the producers of the following livestock were getting the following supports:

Beef cattle, only 68 percent of parity.
Calves, only 71 percent of parity.
Chickens, only 77 percent of parity.
Hogs, only 58 percent of parity.
Lambs, only 70 percent of parity.
Sheep, only 66 percent of parity.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I am speaking on very limited time, and I wished to get the whole statement in the Record. I shall yield at the conclusion of my statement, if I have time.

Mr. President, it should be realized that the production of these basic commodities provides farmers with only 26 percent of their net income. Yet, during the fiscal years 1932–55, the Federal Government has spent $5,632,700,000 on programs primarily for the stabilization of prices and income for basic commodities. Yet, in spite of this cost and preferential price-support treatment, 90-percent price support on the basic commodities has utterly failed to prevent net farm income from declining. As I pointed out in my minority views to the report of the Joint Committee on the Economic Report:

> High rigid supports have not facilitated adjustment of production to effective demand; and being applicable to only the basic commodities which provide commercial farmers with only 26 percent of their income, they cannot materially raise farm prices or total net farm income (p. 67).

But there is another reason, as well, why the 90 percent rigid support provision of the conference report will not raise farm income, just as price supports have not done so in the past: Namely, two-thirds of our farms, which are mostly family-type, produce so very little for sale that they cannot materially benefit from price support programs, regardless of the level of price support, be it 75, 90 or 100 percent of parity.

Mr. President, section 104 of the conference report, which eliminates the new parity formula for determining the price support level on basic commodities, will in and of itself serve to keep the support level of the basic commodities at or near 90 percent of old parity and about 100 percent of new parity. Therefore, even though at the end of 1956 the flexible support formula will again be operative, the actual support levels will reflect old parity and are likely to be above 90 percent of new parity which is now in effect for the basic commodities. For example based upon January 15 prices:

Wheat would be supported at 103 percent of new parity.

Corn would be supported at 100 percent of new parity.

Cotton would be supported at 91 percent of new parity.

So with this provision in the bill, after 1956, we can expect farmers to continue to produce wheat, corn, and cotton in excess of demand, and we can expect continued production of feed grains on acres diverted from these basic commodities. This will mean greater livestock numbers and lower livestock prices.

Mr. President, there are also other provisions of the conference report which I doubt the wisdom of enacting into law

First is section 103, which would set the support level for milk at 80 to 90 percent of parity, instead of 75 to 90 percent as at present. It seems to me that this is a move in the wrong direction, since under the support formula now in effect, the dairy situation has improved considerably since April, 1954. For example, CCC purchases of butter, cheese, and nonfat dry milk solids in 1955 were down 35 percent compared to 1954, when dairy products were supported at 90 percent of parity. Specifically, butter acquisitions were down 50 percent; cheese down 59 percent; nonfat dried milk down 15 percent.

With this new provision enacted into law, we can expect to see milk production soar, while prices and incomes decline. And we also can expect to see again those mountainous CCC inventories of butter and cheese. In 1953, if you recall, Mr. President, we had an inventory of 358.9 million pounds of butter, now only 162.3 million pounds, 3 years later. We also had 291 million pounds of cheese then, instead of 162.3 million pounds today.

I have some reservations also with respect to mandatory price supports on feed grains, and to the two-price plans on wheat and rice. For these reasons, Mr. President, I feel I must vote against adoption of the conference report.

Mr. President, I ask unanimous consent to have printed in the Record as a part of my remarks at this point an article entitled "Turkeys Could Provide Wheat Market," from the Utah Farm Bureau News of March 1956.

There being no objection, the article was ordered to be printed in the Record, as follows:

TURKEYS COULD PROVIDE WHEAT MARKET

One of the paradoxes facing Utah agriculture is found in the turkey, poultry, and wheat-growing enterprises.

Turkey growing in Utah in recent years has become a highly important part of the overall agricultural picture, actually bringing into the State in 1954 more money in cash sales than our wheat crop, according to USDA reports.

Total cash income from turkeys in 1954 amounted to $10,635,000, while eggs, chickens, and broilers brought $13,683,000, compared to $10,082,000 from wheat.

The paradox comes in the fact that while wheat is a natural feed for turkeys and chickens there is almost none of it being fed to turkeys and its use is rapidly diminishing in other poultry feeds.

The reason for this is that milo, which is regarded as practically equal to wheat as a poultry feed, can be purchased at a lower cost by about 60 cents per hundredweight. To the turkey, broiler, or egg producer this price differential can well be the difference between success and failure.

Studies show that the turkey industry in Utah would consume 2 million bushels of wheat annually if it could be purchased at a price equal to that being paid for milo. At

that level, wheat growers would receive approximately $1.50 per bushel for their wheat.

The present support price on wheat in Utah ranges from $1.79 to $1.91 per bushel. Under present price-support law wheat is out of reach of turkey growers pricewise. Wheatgrowers who may wish to use presently diverted acres to produce wheat for the turkey industry can do so only under severe penalties. A great many idle wheat acres might be profitably used to provide turkey feed if that could be done.

Average yield of wheat in Utah in 1955 was 19.9 bushels per acre. At that rate Utah grown turkeys could provide a market for nearly 100,000 acres of wheat.

Kansas and Texas are the major producers of milo, which has a crop yield of about equal to wheat. Kansas can grow milo on land diverted from wheat and Texas can grow milo on land diverted from cotton, wheat, peanuts, and rice, all of which are designated as basic crops.

The Utah growing season appears to be too short for milo. Utah wheatgrowers are thus placed at a greater disadvantage from diverted acres than are the producers of the basic crops in many other States.

Mr. WATKINS. Mr. President, the writer of the article points out that in Utah alone if wheat prices were such that the farmers could afford to buy it to feed turkeys, they could use 2 million bushels of wheat. The farmers cannot afford to buy wheat, but must buy other feed from Kansas and Texas, because the price of wheat is completely out of line. Yet wheat is stored in Government warehouses, and the farmers have to pay for other feed grains grown in Texas and Kansas.

As a commentary on the present matter before the Senate, I ask unanimous consent to have printed in the Record an article from the Detroit Free Press of Sunday, March 25, 1956, written by Mr. James M. Haswell, of the Washington bureau staff of that newspaper, entitled "Farm Group Hits Price Supports." The article asks this question: "Is Michigan heeding argument they benefit chiefly big operators?"

There being no objection, the article was ordered to be printed in the Record, as follows:

Washington.—The belief that Michigan farmers don't profit much from price supports must be getting around. And also the fact that $75 million in grain crop loans last year went to 1,695 farm operators—out of a total of 5,375,034 farmers.

In a poll taken by Representative Alvin M. Bentley, Republican, of Michigan, in central Michigan, a group of one-third of the farmers said they wanted Congress to abolish farm price supports altogether.

Roughly another third, however, favored flexible supports, and the other third came out for 90-percent supports.

But the news was in the fact that so many farmers—about 500—had swung away altogether from the price-support idea. That was a great change from polls Congressman Bentley has taken in other years.

The no-support thinking apparently reflects growing belief in the argument that 3 out of 4 farmers in a State like Michigan have no real stake in price supports. They don't sell the right kind of farm produce, or enough of it.

Two years ago Secretary of Agriculture Benson published a table showing that Michigan farmers obtained only 10 percent of their income from sale of price-supported grains, such as corn and wheat.

But 63 percent of their income, the Secretary showed, was lowered because of the support price on grains used to feed livestock.

At about the same time Representative Charles M. Brownson, Republican, of Indiana, began a campaign to find out exactly who benefits most from crop loans—the form that grain price supports take.

The Agriculture Department now admits that the top 1 percent of wheat borrowers got 12 percent of the wheat money in 1953—or $63 million.

One percent of the corn borrowers got $3,575,000.

Sixty-six barley borrowers got $6,364,000, an average of $96,424 each.

Altogether 1,695 borrowers—out of 5,375,034 farm operators—got $75 million in rain crop loans that year.

Last month Senator Arthur V. Watkins, Republican, of Utah, published a study of farm incomes which has had a tremendous impact on the farm debates in Congress.

Watkins concluded that price supports don't help two-thirds of the American farmers. And these are the two-thirds most needing help.

In order to get price supports, a farmer must have something to sell, and two-thirds of the family-type farms simply do not produce for commercial sale in any significant amount, Watkins explained.

The men who run America's biggest farms, Watkins said, do not need unlimited price supports. They could farm at a profit without any supports, he said, and certainly they don't need the unlimited loan privileges they have now.

In 1950 for the first time the Census Bureau classified farms into economic groups. The big division was between farms producing more than $5,000 in farm goods for market annually and those producing less.

Farms in the over-$5,000 group use 60 percent of the harvested cropland; supply 74 percent of all farm production; give the families on them an average income of $5,143. There are 1,200,000 of these farms, supporting about 5 million persons.

But farms in the under-$5,000 group occupy 34.6 percent of the harvested cropland while supplying only 24 percent of farm goods sold. The average family income is only $1,741. There are 2,500,000 of these farms, supporting 10,300,000 persons.

A special study was made in Michigan, Illinois, and Indiana.

The amount of land farmed in these three States varied little over a 20-year period.

But the number of farms has shrunk steadily. Meaning that the size of the successful farming enterprises has increased.

The extremes of the farm economic scale show extreme contrasts.

As an example, farms which produce goods worth $10,000 or more a year, supply 51 percent of all farm products marketed. They bring in a quarter of all farm income. The average family income is $6,585.

But farms at the other end of the scale produce only 2.3 percent of farm marketings, and provide average family incomes of but $975 a year.

Almost 1 in 10 Michigan farms fall into this class.

Senator Watkins argues that only top farm operators have much of a stake in farm price supports.

The rest produce so very little for sale they cannot materially benefit whether the market prices are supported at 75, 90, or 100 percent of parity, he says.

There is a need for effective price-support programs, Watkins says. But the programs should not be of the kind which give unlimited aid to a few big producers and do not help the great bulk, the farm people.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Wyoming.

Mr. BARRETT. If I understood the Senator from Utah correctly, about 25 percent of the farm income in his State is derived from production of basic crops. Is that right?

Mr. WATKINS. No. Only about 7 percent of our crops under price supports are basic, and only 7 percent of our farm income is aided by price supports.

Mr. BARRETT. I thank the Senator. That figure is more nearly in line with the situation in Wyoming. I felt certain that our States were similar in that respect and as a matter of fact, our people are fearful that in the end this bill will hurt our farmers and ranchers more than it will help. I certainly agree that some steps should be taken to liquidate the surplus of farm commodities and I would favor the provisions of the soil bank.

Mr. WATKINS. In my State we have to have twice the number of acres for dry-land wheat in order to produce an ideal yield, for the reason that the land has to be summer fallowed and left idle for 1 year. A crop is grown only every other year. The high-price supports are detrimental to the overwhelming number of farmers in Utah, because they have to buy from the Middle West grains and feed for their livestock and poultry, such as corn and other grains, much of which they have to import from Iowa, Texas, and Kansas. So they help pay taxes to get prices up, and then they have to buy at those high prices. So they have to pay twice.

Mr. BARRETT. The Senator is absolutely correct. In Wyoming about 75 percent of all our agricultural income comes from livestock, both cattle and sheep. The high-price supports on corn has militated against the livestock operator. This bill will make a bad situation much worse.

The feeders in the Corn Belt have lost considerable money feeding this year and they will undoubtedly try to buy their feeder stock at lower prices this fall. It appears now that the cattle situation may become worse as far as the grower is concerned.

Mr. WATKINS. I think the Senator is exactly right. I think that is the situation in most of the Intermountain States. We do not grow basics for market. Wheat is about the only one we grow. The kind of wheat we grow which gets a price support is millable wheat. It is the so-called Turkey Red and other varieties, high in protein content, which are used for milling. There is a very limited acreage in our State.

The PRESIDING OFFICER (Mr. Ervin in the chair). The time of the Senator has expired.

Mr. BARRETT. Will the Senator from Illinois yield 2 additional minutes?

Mr. DIRKSEN. I yield the Senator from Utah 2 additional minutes.

Mr. BARRETT. I also wanted to call to the Senator's attention the fact that the conference committee has changed the provisions in the soil-bank section with reference to grazing the acres diverted from crop production. As the

Senator well knows the Senate adopted my amendment which provided that if the farmer violates the provision of his contract and permits his cattle to graze on the lands taken out of crops, that he would lose not only the benefits that he might be entitled to under the soil bank, but also any payments that he might be entitled to under the price-support program. The latter provision was eliminated entirely. In my opinion the protective provisions were weakened materially in conference.

Mr. WATKINS. I agree 100 percent with the Senator from Wyoming. That was probably the only benefit our States would have obtained from this measure, and now it has been eliminated.

Mr. BARRETT. That is correct.

Mr. WATKINS. Also let me point out that two-thirds of the farmers of the Nation will not obtain any substantial benefit from this program; they cannot possibly do so. This program is in the interest of the big operators, not the small farmers; and very few of the smaller family-size farms will obtain any benefit from it.

Mr. BARRETT. The Senator is correct. The conference struck out the limitations inserted on the floor of the Senate whereby no individual could receive more than $100,000 in payments from one section of the bill and $50,000 limitation on another section. In fact all limitations were removed.

Mr. WATKINS. That is correct; the sky is the limit.

Mr. BARRETT. I would like to see a good constructive farm bill but it seems to me that insofar as our section of the country is concerned we have no choice but to vote against this conference report.

Mr. WATKINS. That is correct. The conference report is an economic mess, insofar as we are concerned. There are sound and helpful provisions in the bill as reported from conference, but they have been largely nullified by other provisions adopted.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 12 minutes to the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 12 minutes.

Mr. HUMPHREY. Mr. President, I rise to support the conference report which has been presented to the Senate by the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER].

First of all, let me commend the conferees for the report they have brought to us. I know that the preparation of the final conference report required a great deal of hard work and detailed effort on the part of the conferees.

Mr. President, I was pleased no end to learn of the action taken by the House of Representatives on the conference report, and of the large vote in the House of Representatives in favor of the report. That vote should indicate to the administration and to the American people that the Congress of the United States is not going to be made the victim of propaganda or political pressure.

As have others, in the days since the Senate passed the agricultural bill, I have watched the press reports, including those relating to the work of the conference committee, and also, of course, the many press reports in regard to statements issued by the Secretary of Agriculture and by some of those who are associated with him. The Secretary of Agriculture and his associates have attempted in every conceivable way to influence the conferees by propagandizing the American people and trying to set up, in connection with this agricultural bill, straw men which they could conveniently knock down.

Mr. President, I have been somewhat honored by the fact that the Secretary of Agriculture has seen fit to single me out for political verbal treatment. I welcome that privilege and recognition on the part of the leading agricultural spokesman for the administration. Let me say that at any time the Secretary of Agriculture desires to have me do so, I shall be more than happy to accommodate him in debate upon agricultural matters. I suggest, however, that it might be well to debate in an agricultural area, and not within the confines of one of his selected audiences.

Mr. President, the conference report does not do all I had hoped the bill would do. For example, I had hoped that the bill as reported by the Senate committee would become the law of the land. In that bill we provided for a 2-year extension of 90 percent of parity price supports on basic commodities. We had for the dairy price-support program a formula which was somewhat different from that contained in the conference report. I was also sorry to see eliminated from the final conference report section 602 of the Agricultural Act as passed by the Senate, which related to price reporting on timber products. That particular amendment to the Senate version of the bill was one which was close to my heart, and one which I felt would do a great deal of good to our timber farmers. However, I am happy to note that section 601, which relates to the reforestation program, was sustained and kept in the conference report. At a later time I shall make it my business to try to press for action upon the price-reporting features relating to timber. It is my opinion and belief that they are very essential for our timber farmers. Our timber farmers will increase in number and in significance under the terms of the soil conservation and soil-bank program.

Mr. President, I have noted with particular interest that the administration is putting up quite a howl about the delay in the passage of the farm bill, and I have also noted with considerable interest that some of the spokesmen for the administration have seen fit to level their attack upon the junior Senator from Minnesota. Mr. President, I will place my record in behalf of farm legislation on the line against that of any administration spokesman. This administration did not have a farm program as recently as January 1 or January 15. This administration was never in favor of a soil bank; but now the administration would like to claim the soil bank as its own product. The fact of the matter is that the administration resisted the soil bank from the beginning, but now the American people would be led to believe that the soil bank was a great creation of Eisenhower and Benson. The delay—if any—is due to the lack of cooperation by the Eisenhower administration—the refusal of the administration to present a program until compelled to by action of the Senate Committee on Agriculture and Forestry.

Mr. President, one thing I can say for this administration is that it certainly knows how to reach out and capture the ideas of other persons. It is like the man on the flying trapeze—it "purloins"—with the greatest of ease.

I hesitate to digress, but I noticed that the other day Mr. Brownell came to the Congress with some ideas about civil rights—about as new as last year's calendar. In fact, the very bills the Attorney General brought to the Congress as a great, bold, new program in the field of civil rights have been before the Congress for years. I am the sponsor of these measures, yet the administration has never shown any interest in them. Of course, I am always happy when some political sinner repents and comes forward and asks to be cleansed of his political sins. I do not wish to discourage any of the erring brothers and prodigal sons who now are seeking to return home. Of course, we shall treat them with kindness, generosity, and compassion. The opportunity is at hand on this conference report on the farm bill for those who mistakenly followed the administration's misguided program to, in part, at least, reform and repent by voting for it.

When it comes to the soil bank, as early as 1936 there was legislative, permissive authority for the Department of Agriculture to enter upon an extended soil-bank operation. So there is no need for the present administration to talk about any delays. The only delay is in the mental processes and the will and the conviction of this administration. There has been plenty of delay there by the born obstructionists of the administration, who are obstinate and stubborn. They became interested in the soil bank after the Senate committee hearings, where farmer after farmer and group after group said that the soil bank was what they wanted. As I have said, thereafter the administration made its announcement in the Wall Street Journal—a fine newspaper, but one seldom read by farmers. This administration talks a great deal about peace and prosperity. I suggest to my colleagues there is about as little prosperity in the Midwest as there is peace in the Middle East. In both of these areas the administration's program has been "too little and too late" to be effective.

Mr. President, I shall support the conference report because I think it offers genuine help for the American farmer. But let it be clear, Mr. President, this administration's program offered none. The soil-bank program as endorsed by the administration was, at best, one for replacement of income, not increase of income.

The finest part of the soil bank program is its conservation-reserve feature, calling for long-term soil conservation or soil rebuilding for the arid lands and semiarid lands and marginal lands. However, it was this very section of the soil bank that the administration had the least interest in.

The acreage-reserve section relates to a number of allotted acres, and was included as an attempt on the part of the administration to bail itself out of its own mismanagement.

Mr. President, the conferees have shown great courage and wisdom, and I personally wish to express my gratitude for the job they have done.

I particularly wish to thank them for the 90 percent of parity for 1 year. I had hoped it would be 2 years, but at least we can be thankful for the fact that for 1 year the farmer will have a fighting chance to have improved income.

I wish to thank the conferees for the dairy section, which will mean so much to our dairy farmers. It provides a minimum price of $3.25 a hundredweight. We shall have to look into that section next year again, because this is only temporary relief.

I also congratulate the committee on retaining feed grains under price-support protection, and making them eligible for acreage conservation or acreage reserve benefits.

Mr. LANGER. How about butter?

Mr. HUMPHREY. The Senator from North Dakota mentions butter. I include butter and butterfat in the dairy products section.

I also wish to say that the opportunity for the two-price plan, both with respect to rice and wheat, is a forward-looking step, because it will give farmers a fair choice, on the basis of 90 percent of parity, with acreage allotments, or the alternative of a two-price system, so that when they make their choice they will have genuine alternatives. In other words, there will be some equity as between the two proposals.

Finally, in the limited time, let me say that no other piece of legislation will be before Congress this year which will be more important than this particular measure. The farmers of America, as we have stated again and again, are in trouble. The other day I read that hog prices were up. They are always up after the farmer has sold his hogs. That is good old Republican economics. The farmer has sold his fall litter. Now the packing houses have the hogs, so hog prices go up—the farmers have the reduced income.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HUMPHREY. Mr. President, may I have one-half minute to conclude?

Mr. JOHNSTON of South Carolina. I yield 1 additional minute to the Senator from Minnesota.

Mr. HUMPHREY. Every United States Senator now has an opportunity to declare himself for economic equality for American agriculture. It will do no good for us to listen to the propaganda barrage from the Department of Agriculture. That Department has been negligent in the performance of its duties. I say that if Mr. Benson cannot live with the farm bill as we pass it here tonight, he ought to resign. I say the President ought to sign it, and I think he will sign it, because I am hopeful that the President will think of the national interest, and not merely of partisan interest. If the President signs it, there is only one thing Mr. Benson can do, and that is to resign. That will be two good blows for freedom, and economic justice in this country, at one fell swoop.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with my remarks on the conference report, a statement I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

We are soon going to give our final approval to new farm legislation and send it to the President for his signature.

While the President will likely be tugged and hauled in different directions by his various advisers, particularly by those who have already got themselves pretty far out on a limb by unjustified criticism of Democratic efforts to put into the bill something which would benefit farmers this year, I, for one, am confident he will wind up by signing the measure.

Perhaps his aides should do some soul searching before pushing him too far against doing what needs to be done for agriculture.

Just to help them out as they consider his important pending decision, I wish to place at this point in the RECORD an article from the Wall Street Journal of March 29, 1956, headed "Rural Revolt: Liked Ike in 1952, But Plan Switch in 1956, Say Minnesota Farmers." The article is as follows:

"RURAL REVOLT: LIKED IKE IN 1952, BUT PLAN SWITCH IN 1956, SAY MINNESOTA FARMERS—PRESIDENT, NOT BENSON, GETS MOST BLAME FOR SLIDING INCOME, RISING COSTS—POLITICS AND 20-CENT HOGS

"(By Sterling E. Soderlind)

"BLUE EARTH, MINN.—'This is a real farmers' rebellion against Ike, his hired man Benson and their farm program. You bet I'm voting Democratic this fall. I never knew I would hurt myself so much when I voted Republican in 1952.'

"Richard Quaday, a hog and corn farmer near this southern Minnesota town, thus explains his defection from Republican ranks. Shocker for the GOP: Interviews with farmers in this State show that 3 of every 5 who voted for Mr. Eisenhower in 1952 now plan to switch to the Democratic candidate in November.

"The discontent of Mr. Quaday and other Minnesota farmers, which received its first political expression in the March 20 Minnesota presidential primary election, is of growing importance to both the Republican and Democratic Parties. Serious farm dissatisfaction could cost the GOP Congressional seats and electoral votes in key Midwest States in November.

"Politician, pundit views

"Politicians and pundits began arguing the meaning of the Minnesota election results even before the polls closed, Republican leaders generally attributed Senator ESTES KEFAUVER's resounding victory over Adlai Stevenson as a slap at alleged 'dictation' and 'bossism' of the Democratic-Farm-Labor Party and its leaders, Gov. Orville Freeman and Senator HUBERT HUMPHREY.

"Democrats like Senator KEFAUVER and Mr. Stevenson noted that the total Democratic vote was more than double the GOP vote, indicating, they said, an 'agrarian revolt' and 'a smashing repudiation of the present administration.' The Stevenson forces also laid their defeat to thousands of 'Kefauver Republicans,' who, according to their theory, invaded the Democratic primary to 'stop Stevenson' and embarrass D. F. L. leaders.

"Both parties are now at work checking these theories and what they portend for November. Shortly after President Eisenhower said he thought the Minnesota election should be studied to see what it means, the Republican National Committee assigned three staff members to help the State party organization analyze the vote.

"Dissatisfaction deep

"Wall Street Journal interviews with Minnesota voters this week indicate that Republican analysts will find little to be happy about in rural Minnesota. The interviews with nearly fourscore farmers show their dissatisfaction is deep, bearing out the Democrat's theory of agrarian revolt.

" 'I switched over from Ike to the Democrats last October when I got as low as $9.45 a hundred for 250 hogs I marketed,' says Francis O'Neil, who farms 240 acres southwest of Blue Earth. 'I've taken a personal beating under the Republicans. As far as I'm concerned they have a mighty tough row to hoe from now on.'

"Farmer Quaday says he waited 3 years 'for Ike to make good his farm promises made right here at Kasson, Minn., in 1952. But nothing is getting better and I have eight kids to support. In 1950 I could have sold out, got a house in town and be sitting pretty. Now I couldn't even pay my debts if I sold the works.'

"Squarely on Ike

"While Secretary Benson takes much of the criticism for lower farm income, many farmers place the blame for their personal predicament squarely on the President. Says an Ortonville farmer as he unloads his hogs at the South St. Paul stockyards: 'I don't know what folks got against Mr. Benson. I wish I had a hired man that good. He does everything the boss tells him to.' The farmer who liked Ike in 1952 crossed over to KEFAUVER in the primary and will vote Democratic this fall.

"Wallace Manthei, who helps his mother run a diversified farm in Kittson County in the extreme northwest corner of Minnesota, says he will change his vote in November 'because Benson seems to think that those of us who have trouble in farming should seek employment elsewhere.' Mr. Manthei says he doesn't expect the Democrats 'will have all the answers either, but at least it will be a change.'

"The seriousness of farm discontent in Minnesota was measured in a statewide survey by the Minneapolis Tribune's Minnesota poll taken in mid-March, but published after the election. In 'trial heat' pairings, Minnesota farmers favored Senator KEFAUVER over President Eisenhower by 52 percent to 45 percent. In the cities Ike led 56 percent to 40 percent. If they were voting today, the poll showed Ike running ahead of Stevenson, 49 percent to 43 percent among farmers, and 56 percent to 40 percent in cities.

"Farmers union view

"Edwin Christianson, president of left-leaning Minnesota Farmers Union, which has 35,000 members, termed the results a 'decisive repudiation of sliding scale farm policies.' He noted that the combined vote of 'the two candidates favoring firm, adequate farm programs vastly exceeded the combined vote of the two sliding-scale candidates.' (The Democrats polled 422,000 to the Republican's 195,000 in incomplete returns. Individual tallies were KEFAUVER, 232,000; Stevenson, 183,000; Eisenhower, 192,000; KNOWLAND, 3,000.)

"Many Republicans argue that the lower GOP vote in the Minnesota primary, in comparison with the Democratic total, is easily explained by the fact that, since Senator KNOWLAND pulled out of the race, there was no Republican contest and little incentive for voting. Says Leonard Hall, Republican National Chairman: 'Republicans weren't in the Minnesota primary—we were on the sidewalk watching.'

"But talks with farmers over the back fence, in the feed store and along the streets of Minnesota's rural communities leave little doubt that, despite such factors, the farm revolt is real.

"And another, more surprising fact emerges from these interviews. Until now it was theorized that although some farmers might express discontent by switching their votes from Republican to Democratic Congressmen this fall and by griping about Secretary Benson their devotion to Ike remained strong. Actually, almost the opposite seems to be the case.

"Stand with Congressmen

"Minnesota farmers who plan to switch parties this fall in the presidential election show little inclination at this early date to express their dissatisfaction by voting against the three farm area Republican Congressmen. This is explained by the fact that the Minnesota congressional delegation, with the exception of one Minneapolis Representative, is nearly as outspoken against the administration's farm program as their Democratic colleagues.

"Not all of President Eisenhower's 1952 farm supporters have soured on him, of course. The President enjoys much goodwill among Minnesota farmers for ending the Korean war and bringing peace to the country.

"'I'd rather be getting half prices and peace instead of full prices and war,' remarks Ernest Frank, as he hefts a box of groceries into a truck to return to his farm near Madison Lake. 'I was for Ike in 1952, and he'll get my vote again in November.'

"When asked what it would take to keep them in the Republican ranks this fall, most farmers who plan to switch parties come up with variations on this theme: 'We have to have higher prices for what we sell and lower prices on what we buy.' Alfred Labf, a Blue Earth County farmer, says hogs would have to climb from the present 13 or 14 cents a pound to 20 cents before he would 'go for Ike again.' Farmer Quaday says he won't vote Republican again no matter what happens. 'It doesn't pay to have a short memory,' he adds.

"Why farmers prefer Estes

"Although Stevenson forces believe the Tennessean beat out Adlai on the Minnesota farm front because he outpromised their candidate, most farmers interviewed gave other reasons as to why they preferred Senator KEFAUVER.

"Comments run along these lines: 'KEFAUVER is just more of a farmers' man'; 'I can't see going for a loser like Stevenson'; and 'me and my friends feel KEFAUVER is more sincere on this farm issue.'

"Few farmers seemed to think that Senator KEFAUVER's advocacy of 100 percent of parity for low-income farmers gave him any special edge over Mr. Stevenson.

"A Mankato farm-implement dealer said the fine distinction between the two Democrats' farm policies amounted to the feeling they left in their farmer audiences. 'To most of our farmers, Stevenson seemed to be rigid on flexibles, while KEFAUVER was flexible on flexibles.'

"Undoubtedly, many Minnesota Republicans didn't vote in the primary. Yet the GOP total of 195,000 compared not too unfavorably with the total of 290,000 in 1952, considering that there was a Republican contest that year between supporters of Mr. Eisenhower and favorite son Harold Stassen. Ike's vote was a write-in, but his backers were in a contest with Stassen supporters, especially in the final days before the election.

"Republican crossovers

"Some Republican city dwellers freely admit that they took advantage of the primary law which allows voters to cross over into the opposition's primary. Since most of these city crossovers may return to their party in the general election, they are not regarded as posing a serious problem for the Republican Party such as that presented by farmers who have changed allegiance because of an issue.

"'Sure I switched over,' exclaims Eli Momsen, a salesman for a St. Paul gold-refining firm. 'I could name 20 others who did, too. No good Republican would pass up a chance to put Freeman and Humphrey in their place. Of course, I'm for Ike.'

"'I crossed over just for fun,' explains Frank W. Wilkens, a Twin Cities insurance agent. 'Stevenson was too glib, and I welcomed a chance to vote against him. Of course, I'm no KEFAUVER lover, either.'

"But such harassing-action crossovers by some urban Republicans can in no way hide the fact that a great share of the switching done in Minnesota was done by farmers and stemmed from deep dissatisfaction with the GOP. Not one farmer was found who had switched his vote just for the harassing effect.

"One Blue Earth farmer summed up the general feeling: 'I think Mr. Eisenhower needs a rest, and I believe we folks around here are going to give it to him.'"

This administration has always kept a pretty alert eye on the Wall Street Journal, so I hope its officials have not missed this significant article.

There is a new popular song out in the Midwest these days. It is called Sixteen Hogs, a parody on Sixteen Tons. Because it describes the situation in the Midwest agriculture so well, I would suggest the President's advisers try singing this tune before talking to the President about vetoing the farm bill.

To make sure that official attention is called to the words of the song entitled "Sixteen Hogs," written by Mr. Irvin Shapiro, I include them now, as follows:

"SIXTEEN HOGS

"(Parody on Sixteen Tons)

"Some people say farmin' is a life of ease,
You plant what you want and you sell what you please
But it ain't so easy when you get to town
And you find that the prices have all gone down.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt.
Mr. Benson won't ya tell me what's happened to me
Since I gave my vote to the GOP.

"Oh Gen-ral Motors made a pile of dough
Their profits just grow and grow and grow
Their prices are the highest in history
It's good for them but it ain't for me!

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
Mr. Benson won't ya tell me 'cause I don't know
How much lower my prices can go.

"In '52 I joined the parade
And cast my vote for the Great Crusade
But in Washington the GOP
Just couldn't remember what they promised me.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
Mr. Benson will you please e-lu-ci-date
What was wrong with the welfare state?

"When I was a boy I went to school
In arith-metic I learned this rule
You can't be a farmer and make a dime
If the market keeps droppin' all the time.

"Chorus

"You raise 16 hogs and what d' you get
Another day older and deeper in debt
The farmer gets less but his wife pays more
When she does her shoppin' at the grocery store."

I have just one more exhibit to offer—one which I think should be read with interest by critics of effective aid for agriculture. It is an article written by a Corning, Iowa, farmer, and is entitled "As I Am Leaving the Farm." The article was published in the Audubon (Iowa) News-Guide, in a column entitled "Corn Meal and Cobs," conducted by Elmer G. Carlson, a member of the Press Columnists of Iowa. The article reads as follows:

"CORN MEAL AND COBS

"(By Elmer G. Carlson)

"As I Am Leaving the Farm

"Today you sold out. Now the crowd has gone and you have loaded the last reluctant cow and stubborn hog out to their various destinations. As the last truckload pulls out of the driveway onto the road, you lean up against the darkened strangely silent barn and smoke thoughtfully.

"Somehow you dread going into the house; the kids, not too long home from school will be noisily asking questions about the sale; questions you don't care to answer. The whole family will be discussing the move to town; a move you hate to think about. You pull your collar a little higher around your ears and hunker down on the leeside of the barn, out of the gusty wind—to think.

"A confused jumble of thoughts run through your head. "Where did I fail? Surely not from lack of hard work." You think of the backbreaking years of toil you and your wife spent. Lack of management? Maybe you could have managed better, but you were always counted a good farmer. You loved the soil and tended it carefully; your carefully terraced fields and neat farmstead vouch for that. Your mouth twitches bitterly as you contemplate the fate of those fields. The man farming your land next year is just adding your little 160 to his already extensive holdings, and a vision of your farmstead, deserted and weed-grown flits through your mind's eye. The new operator—a firm believer in straight rows; you sadly contemplate the fate of your terraced fields and grassed waterways. Oh well, maybe all small farms have to go, that seems to be the trend now, anyway.

"About that move to town. What in the devil are you going to do? You can slop hogs and milk cows, but Omaha doesn't seem to have any demand for those skills. Also you realize that you're a heck of a lot older than you thought you were. Seems like 45 is 10 years too old to be worth a darn for anything as far as getting a job is concerned. You consider the future with a deep aching fear. You can't help it. What if I can't find a job? What will my wife and family do? How will the kids adjust themselves to town life?

"You flick the yard light on. You feel that somehow it will make the silent barn and empty lots less stark. You make the rounds closing the open doors and widely flung gates. Why? Nothing left to get out, but habit is strong.

"You look across the driveway at the crib. In the glare of the yard light, the different-colored sale bills tacked up there today

stand out strangely. There they hang, an even dozen of them, stuck up there by fellow farmers, each one bearing that pathetic hearing 'As I Am Leaving the Farm.' You gaze at those brightly colored scraps of paper. Some of the names on them are men you know, men like yourself being torn from the soil they love and have cherished, to be thrown into a gristmill of a strange and unfriendly environment. Men whose dreams and hopes withered with their crops the last couple of drouth-stricken years, and now, like you, will be walking city pavements when the bluegrass greens the hills next spring. You can't help but wonder about the bright boys; those boys whose heads are fuller of statistics rather than brains; whose answer to the farm problem is 'Let's get rid of the small inefficient farmer.' You wonder how they'd feel if they were in your shoes.

"It's getting cold—you start slowly toward the house. Under the yard light pole lies one of your bills. Your own name in big bold letters at the bottom looks coldly strange. You walk up and idly flip it over with your boot. A gust of wind whirls it and away it goes, across the driveway into the road to disappear in a cloud of dust—into the cold and windy dark.

"ELDON 'ZEKE' ROBERTS.

"CORNING, IOWA."

I urge my colleagues to read that description of a farmer's thoughts after he has gone broke and been forced to sell out at auction.

Mr. DIRKSEN. Mr. President, I yield 13 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, huge agricultural surpluses have been accumulated as a result of the 90-percent price support program.

At the end of the Korean war the Commodity Credit Corporation had less than $4 billion invested in agricultural commodities. On June 30, 1954, this amount increased to $6,187,000,000. On February 28, 1955, 1 year ago, it had increased to $8,395,000,000; and on February 29, 1956, the Commodity Credit Corporation had utilized $11,521,000,000 of its borrowing authority.

If we adopt the conference report and accept 90-percent supports for another year we shall inevitably add to the accumulation of these surpluses.

On February 29, 1956, we had an inventory of 1,114,445,000 bushels of corn, at a cost of $1,864,747,000, nearly $2 billion. During 8 months of this fiscal year we have lost on corn alone more than $75 million, and the corn inventory has increased during this same period by 260 million bushels.

Today we have on hand 1,119,542,000 bushels of wheat, at a cost of nearly $3 billion. If we were to reduce both the corn and the wheat to terms of carloads we would find that we would have enough corn today, if we put it into 40-ton cars, to make a trainload of corn 4,200 miles long, or about long enough to reach from Seattle, Wash., to Miami, Fla.

Our inventory of wheat placed in freight cars would form a train long enough to reach from Los Angeles, Calif., to Portland, Maine.

And yet the advocates of the 90-percent support formula still propose that we add to that inventory.

Our cotton inventory has increased more than 5 million bales over and above the inventory 1 year ago. We now have on hand 13,797,000 bales of cotton, representing an investment of $2,385,073,000, or an increase of more than $1 billion over and above the investment a year ago.

Our normal consumption requires only about 9 million bales of cotton, so we have enough cotton, without planting any at all this year, to last us for another 15 months.

We have an inventory of $563,547,000 worth of tobacco in warehouses, or an increase of $150 million over and above the inventory 1 year ago.

We have on hand 114,107,000 pounds of butter, at a cost of $68,034,000 which is lower than the figure of a year ago. However, the reason it is lower than the figure of a year ago is that we have sold our inventory at ridiculously low prices. In the past 8 months we have sustained a loss on butter and butter products of $140,058,653. We have lost $100,344,590 on butter alone in the last 8 months. The other $40 million loss was on butter oil. That is the equivalent of a rate of $17,500,000 a month, or $4,250,000 a week, or almost $600,000 a day during the past 8 months. Yet it is now proposed to again increase the support price on butter and to increase further the inventories.

This is ridiculous. We are allowing butter to become rancid in warehouses. The only way rancid butter can be sold is to soap manufacturers. So far as the housewife is concerned, since butter has been priced out of the market, she has been buying oleo, which is manufactured by the same soap manufacturers. We have a ridiculous situation in which the housewife is giving her baby a bath with soap made with butter, and we are spreading on our bread a byproduct of the same soap manufacturers.

During the first 8 months of fiscal 1956 we have lost $662,989,011 under the Commodity Credit Corporation operations alone. This does not take into consideration any of the losses or expenditures of section 32 funds or that which has been spent under the International Wheat Agreement.

If we consider the Commodity Credit Corporation alone, and forget all the other subsidy programs, our loss for the first 8 months this fiscal year has been at the rate of $100,000 an hour.

We have on hand 103,968,000 bushels of barley, at a cost of $105,642,000. We have lost $31,431,724 on barley in the past 8 months.

On oats we have lost $11,408,732 during the same period.

On cheese we have lost $76,107,510, in order to hold up prices to the American housewife.

At the same time we have not been doing the American farmers any good by the continuous accumulation of surpluses.

If we adopt this report and thereby reestablish the rigid 90 percent supports it will mean the continued accumulation of grain in the warehouses, thereby withholding it from the markets and forcing the feeders of livestock and poultry to pay a substantial increase in the cost of feed.

Yet at the same time this group will continue to sell their product on the free market.

Their situation will be much worse then than it is today. This will bankrupt our poultry and dairy farmers in the Northeast. I now point out how this bill is a bonanza for the large absentee farmer.

The conference report has had removed from it any limitations as to the amount of payment under the soil-bank plan. I cite one example showing that if the bill is passed in its present form one individual in the Montana area, now farming approximately 340,000 acres of wheat, could put 170,000 acres into the soil bank and collect from the United States Government a check for $3,400,000—all for not farming one-half of his acreage. Then on the other half he could continue to raise wheat and sell it to the Government at an increase of 40 cents per bushel over and above what he received last year.

Another section of the bill would give him free lime and fertilizer so as to increase production on the acreage which is left.

All this is being done in the name of the small farmer.

There has also been stricken from the bill the provision which would have prevented the Department of the Interior from continuing its reclamation projects while the soil bank is in operation. We will now have one agency of the Government spending millions of dollars bringing new land into production while at the same time, under the soil-bank plan, we shall be spending hundreds of millions of dollars to take land out of production.

This is the nearest to perpetual motion that the taxpayers can get. The taxpayers are pouring $4 billion or $5 billion a year on this water wheel, and at the same time the farmers are being ground under.

In the interest of the American farmer this conference report should be rejected. Let us recognize the fact that we are unable to get a decent farm bill in an election year. Let us get the election out of the way and come back next year and see if we can get a sound farm program when the eyes of Members of Congress will be off the election.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. WATKINS. I understood the Senator to say that the program was costing the taxpayers about $100,000 an hour.

Mr. WILLIAMS. That is correct.

Mr. WATKINS. Does the Senator believe that high cost has some political significance? Would the Senator recommend turning the matter over to the special select committee on campaign contributions for investigation?

Mr. WILLIAMS. To approach the farm problem with the idea of putting three or four billion dollars into the hands of the American farmers in order to get their vote for either the Democratic Party or the Republican Party is an insult to their intelligence. Certainly the American farmers cannot be bought and sold like cattle. This bill is an insult to their intelligence and integrity.

I ask unanimous consent to have printed in the Record two telegrams and a letter from farm organizations in the State of Delaware opposing this bill.

There being no objection, the communications were ordered to be printed in the Record, as follows:

Selbyville, Del., *April 11, 1956.*
Senator John Williams,
Senate Building,
Washington, D. C.:

This organization strongly urges opposition to farm bill in its present form. Rigid price support strongly opposed by this organization.

E. Bowen Quillen,
President, Eastern Shore Poultry Growers Exchange.

Selbyville, Del., *April 11, 1956.*
Senator John Williams,
Senate Building,
Washington, D. C.:

Strongly urge opposition to farm bill in present form. Conflicting names seem to make it unworkable and impracticable. Strongly oppose rigid price supports aspects of bill. In the interest of saving time and economy we hope you will be willing to convey our opinions on this important subject to other Members of the Congress from this area. Our organization represents every phase of the poultry industry including allied businesses, merchants, and civic leaders affected by the poultry economy of this peninsula.

Ray E. Murphy,
President, Delmarva Poultry Industry, Inc.

Delaware Farm Bureau, Inc.,
Dover, Del., April 10, 1956.
Senator John J. Williams,
Senate Building,
Washington, D. C.

Dear Senator Williams: The Delaware Farm Bureau most sincerely urges you to oppose the following undesirable features of the farm bill:

1. Ninety-percent fixed supports for 1956 for basic crops.
2. Double standard parity.
3. Mandatory three-price domestic dumping plan for wheat.
4. Mandatory support of noncommercial area corn at 85 percent of commercial and increase supports from 70 percent to 85 percent parity for oats, barley, rye, and grain sorghum provided 15 percent farm base acreage for such feed grains are put into soil bank.
5. Ten cents per hundredweight increase in 1956 and 80–90 percent mandatory dairy support for 1957 and thereafter.
6. No control of diverted acres of quota crops.

These provisions would nullify the other parts of the bill which might help to adjust the agricultural plant to effective market demand. Since it is too late for the soil bank plan to be effective this year I urge you to use your influence to help Congress to develop a bill more suitable to all farmers.

With kindest personal regards, I remain,
Sincerely,

James H. Baxter, Jr.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 15 minutes to the Senator from Minnesota.

Mr. THYE. Mr. President, there are really two objectives we are seeking to accomplish through the pending farm bill. The first objective is to lift the farm economy to a higher level, because the farmers' income is out of balance with the national income. The second objective is to effect control of production that is adding annually to the surpluses. The soil bank achieves this objective.

We have seen the farmers' income drop in the postwar years from $17,200,000,000 to a recent figure of $10,200,000,000. That is a $7 billion drop. At the same time the national economy has been rising steadily every year.

The farmer is affected by the rising national income since all the expenses of his operations are thereby increased. This is true in the case of the machines he must buy, the fuel with which to operate the machines, his taxes, as well as all the other incidental expenses which farming involves.

We must bear in mind that because of this drastic drop in the farmer's income we in Congress must try to bring his income back into proper relation with the income in other segments of the Nation's economy. How can we accomplish that? We can only accomplish it by the higher price supports that are proposed in the farm bill.

I made a motion in committee to extend 90 percent price supports for 1 year only. That motion failed. Why did some of us in committee vote for 90 percent supports for this calendar year? I have already answered this question in saying we were working to restore some of the farmer's lost income. I wish to commend the conferees for having reestablished 90 percent price supports for the calendar year 1956. They do not go beyond this year. If we do not reestablish 90 percent supports for this calendar year, wheat will go down 27 cents a bushel, come this next fall when the first applications for commodity loans are filed with the county committees. Corn will go down 18 cents a bushel. Feed grains will go down correspondingly in price to that of wheat and corn, and the farmer will again be on the merry-go-round of receiving less for everything he produces. The farmer's income will be further reduced in the face of the already drastic drop in income he has already suffered.

That is what I see if we do not approve a continuation of 90 percent supports for calendar year 1956.

I find it most unpleasant to go against my administration. I have supported President Eisenhower as strongly, I believe, as has the average Senator on the Republican side. I have supported President Eisenhower in his foreign policies. I have supported him on a great majority of his proposed domestic programs. I might mention that it was the Senator from Kansas [Mr. Carlson] and I who introduced the Federal tax refund bill on gasoline used in farm equipment. We introduced that bill more than a year ago. I was delighted when it became law. I know it will afford relief to the farmer because today he is operating with gasoline, not with hay and grains, as was the case 40 years ago. The farmer's power is now derived from fuel oils and gasoline in combustion engines.

Again I stood in complete support of the administration, or the administration stood in support of me—it may be phrased whichever way one desires—on the school milk program. I introduced last year the bill to continue and expand the school milk program. My bill provided that the program should not only be continued but should be expanded as the administration recommended this year.

I also introduced a bill this year to provide additional funds for the brucellosis control program. This was also sought by the administration.

Therefore I have tried to assist my administration in every conceivable manner.

I have discussed the 90 percent provision in the report and I have done so with the thought in mind that the President would be wholly justified in signing the bill.

Now the other major objective of the bill is the proposed soil-bank program.

If we had enacted such a program 2 years ago, we would not be standing on the floor of the Senate today debating the whole question. I had a conference with the Secretary of Agriculture, Mr. Benson, early in January 1954. I proposed at that time that we control the acres which would be diverted from wheat, corn, cotton, and other basics, because I knew we would never get a reduction of the farm surpluses until we reduced the number of acres harvested.

When I was unsuccessful in convincing the Secretary of Agriculture of the need for controlling the diverted acres—getting them into clover or alfalfa, or some kind of a soil-building crop—I wrote a letter to him under date of January 21, 1954. Here is the evidence of what I proposed to do in order to reduce production so that we would not add to the surpluses, which are today destroying the farmers' markets.

At this point I ask unanimous consent that my letter of January 21, 1954, to Secretary of Agriculture Benson be printed as a part of my remarks. I wish the record to be clear that I did not come only recently to the support of the soil-bank program. I have worked for such a program for a long time.

There being no objection, the letter was ordered to be printed in the Record, as follows:

United States Senate,
Committee on
Agriculture and Forestry,
Washington, D. C., January 21, 1954.
The Honorable Ezra Taft Benson,
Secretary of Agriculture,
Washington, D. C.

Dear Mr. Secretary: I am writing you to outline my views on some phases of our agricultural problem. These views, you will recall, I had indicated to you in our conference prior to the presentation of the proposed program to Congress.

One of the major problems we must recognize is that, in the main, the farmer has suffered too great a drop in his income. The prices that he receives have dropped drastically in many of the commodities and products, while his operating expenses are still on the level to which the Korean war inflation carried them, to say nothing of the higher school taxes levied on real estate and personal property, or township and county taxes. They are all up.

The machines the farmer must purchase in his normal operations are still at those inflationary price levels, likewise the repairs

on his old machinery if he be so unfortunate he cannot afford to buy the new machines. Then there is the high cost of mill feeds, commonly known as high-protein feeds, which he must purchase to supplement his homegrown feeds for his dairy operations, poultry production, or any general livestock feeding operations. How the farmer can further suffer a loss in price and still continue to pay these inflationary costs is a question that we must consider.

I am in support of certain phases of the President's recommendations, such as isolating some of the surplus, placing it in reserve in a stockpile as an assurance against some national or international catastrophe, such as a major drought could bring about.

The first step that we must take here in Congress and administratively is to demonstrate our ability to handle this surplus, whether we isolate, stockpile, or barter it off in the international field. We must show that we can do it, or it will be like a black shadow threatening or weakening our own domestic markets as well as the international market. Our number one problem is to manage this surplus.

Secondly, the farmer last fall voted and agreed to reduce his acreage of wheat planted, in order to manage the surplus in wheat. He has willingly accepted reduction in the number of acres planted to cotton and I know that the producer of corn will likewise agree to a reduction in the number of acres planted to corn. Farmers will agree to put these acres into clover, alfalfa or some type of legume crop that will be soil-building, bringing a higher fertility in the land that will give greater assurance of production in the future if the need arises. With the use of such soil-building practices, farmers would be prepared to take such surplus acres out of production entirely.

These are two essential steps—take care of present surpluses and plan to manage and govern future surpluses. When we have proved our ability in this respect we can take the necessary steps toward the question of price supports and what our price supports should be. If we are successful in the first two steps, it makes no difference what your price supports are, because you will have full parity for agriculture at the market place, but you do not have it today. If you take 90 percent support off the basics, with the exception of pork the prices would drop to the very level you reestablish. If you desire a change in production by adjustment in the price supports, what type of crop or livestock enterprise would you advocate that the producers divert to? I know we have a surplus in every category of grain or products with the exception of the pork. I believe that we don't need to encourage that by price, because pork production will be up in the coming year.

The effect of our agricultural economy is so important—it has its reflected effect not only in the smaller communities of our Nation but in industrial centers. The farmers provide a great outlet for heavy industry such as farm machinery, trucks, etc. I saw too many implement yards full of new machines last fall not to know what was happening to the farmer's purchasing power.

Mr. Secretary, I have just frankly set forth some of my thoughts as I believe I have some understanding in the field of agriculture. I am confident that we will work out an excellent, sound, administratively possible farm program, but we certainly cannot do so unless we are prepared to consider all these phases of the agricultural problem.

Sincerely yours,

Edward J. Thye,
United States Senator.

Mr. THYE. If this bill fails of enactment by either a rejection of the conference report or by a Presidential veto, we shall place in jeopardy every young couple who started farming in the postwar years. Let us consider the plight of these young farm families. They bought their livestock and their machinery and their first year's feed and fuel needed for their farm operation the first year, before the first crop was harvested. They bought all their equipment at inflationary prices. They paid $300 to $400 a head for milk cows. They paid an enormous price for a tractor and for other machinery. In short, they went into debt. They are now trying to meet their financial obligations with a reduced income. They are in trouble.

If we fail these young farm families, and force them for another year to suffer the low income that the farmer has been receiving, we might well force them into a foreclosure sale before the end of the calendar year.

We shall take the heart out of that young farmer. We shall destroy every hope and every incentive he may have had. In many instances, he is the young man who fought for this country during World War II. Mr. President, I live among those people. There is a veteran farming on each side of my own farm, veterans of World War II. They married, they started farming, and they assumed financial obligations. If we permit this farm economy to remain at its present low level, it may well spell ruination for such young men.

Mr. President, the soil bank is the first realistic approach we have ever taken in bringing our production into line with our domestic needs and our export abilities. But we cannot accomplish our objective in this calendar year. The season is too far advanced. Winter wheat was seeded last fall, and much of the southern crop has been planted.

The 90 percent supports this year are a necessity. They will give the farmer time to understand and to adjust himself to the soil-bank program, and by next year we shall have not only compliance, but a reduction in the overall farm plant. We then shall find farm prices in the market place reflecting full parity, and the issue as to whether we should have flexible or fixed supports will be a forgotten one.

Mr. President, it has been asserted that the farm economy has risen under the application of flexible price supports. Nothing could be further from the truth. The price of dairy products dropped 59 cents a hundredweight for fluid milk as soon as the Secretary of Agriculture announced the reduction in price support from 90 to 75 percent. It has never risen 1 cent to the producer, from that first drop in February of 1954. In fact, the market is weaker today than it was in February of 1954.

Mr. President, we had better take a good look at the statistics. The production of dairy products is up more than 4 billion pounds since lower price supports were effected, and we are entering into a period of higher production today than we had a year ago.

Flexible price supports have not gone into effect on 1 commodity or 1 crop other than dairy products. We have not felt the effect on grain or on any of the basic crops, because they were not applied until this calendar year. They have been announced only in the past 6 months on wheat and corn. Then it was announced that wheat would drop 27 cents per bushel this calendar year and an 18-cents-a-bushel drop this calendar year in corn prices would be the result of flexible price supports. Can anyone be expected to understand and to believe the statement that the farm economy will rise under the application of flexible price supports? Nothing could be further from the fact.

It is for that reason that I ask my colleagues to think this question through with exceeding care, because, if we force a further price reduction on the producer, more especially the young couples who have not the financial means or credit to carry on under a depressed farm economy, we shall be confronted with foreclosures. This does not mean that we shall have reduced farm production, because someone with good credit and the financial means will go on producing from the land from which the young farm family was driven.

There is no program except the soil bank which will have any positive and lasting effect upon this agricultural economy of ours. We must reduce production. We can effect a reduction only by decreasing the number of acres harvested. It is for that reason that we have in the bill the best provision that has ever been incorporated into any legislation, namely, the soil bank provision. It will stop the production on acres diverted from corn, cotton, and wheat. We previously have succeeded only in diverting from production of a basic to some feed crop, the result being a greater production of feed than ever before. This feed went into livestock, poultry, and milk production. That is why we have been overburdened with milk supplies, poultry, pork, and we are now threatened with an overproduction of beef.

So, Mr. President, we must think very carefully as to whether we should reject this bill. If it is rejected, we shall be responsible for bringing on a real recession in the agricultural communities of this Nation.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Illinois [Mr. Dirksen].

Mr. DIRKSEN. Mr. President, I pretend to no expert knowledge in the field of agriculture, but I am ready to accept my full responsibility in connection with this conference report. I say I pretend to no expert knowledge. I do know, however, when a matter goes in both directions at one and the same time.

As I seek to analyze the measure proposed I think of a man at home who had a balky little mule. The mule lay down on its side, and the man could not do anything with it. Not even building a fire under the little critter would do any good. After a while a veterinarian came by and said, "What is the matter, Joe? Can you not do anything with your mule?"

The man said, "No."

The veterinarian took a syringe and injected some fluid into the mule's hindquarters, and 60 seconds later the mule got up and bounded down the street.

The owner of the mule said to the veterinarian, after looking at him with a big smile like a western sunburst, "How much did that cost?"

The veterinarian said, "About 25 cents."

The man said, "Here is 75 cents. Give me two shots so I can catch that mule." [Laughter.]

Mr. President, it is said that this bill is designed to reduce acreage. That is an important thing to do. But we encumber it with every known kind of gimmick to offset whatever we have done to bring about acreage reduction. So, Mr. President, we are going in both directions at once.

I think I have a pretty fair idea of the record, and I know of no way to defend this kind of a bill. So I say to my distinguished friend from Minnesota [Mr. THYE] that I am very glad indeed to accept my responsibility today.

If I have any time remaining, Mr. President, I should like to say a kind word about the committee and about its distinguished chairman. I can well appreciate, Mr. President, the heartbreaks and the frustrations which go into a conference of this kind. I served for 16 years at the other end of the Capitol. I know how obstinate I could be. I know how I stood on my pride as a Representative in Congress.

When all the conferees sit around the conference table, the Members of each body sharing the pride in their respective body, and the Members of each body acting according to their own lights, I can understand that it is like an irresistible force meeting an immovable object. So I feel we should congratulate the distinguished Senator from Louisiana [Mr. ELLENDER], the chairman of the Committee on Agriculture and Forestry, as well as the other members of the committee of conference.

Finally, I would feel derelict in my duty if I did not raise my voice once more in behalf of the distinguished Secretary of Agriculture, whose moral stamina and courage I admire very greatly. If the junior Senator from Minnesota [Mr. HUMPHREY] were on the floor at this time, I would pose to him the question, whether in an hour like this, when the challenges are so great, he believes former Secretary Wickard, of Indiana, might have stood up under the challenge and the force of the moment.

I have lived in the Government long enough to have served contemporaneously with Henry Wallace, of Iowa, with Claude Wickard, of Indiana, with Charlie Brannan, of Colorado, and with the able and distinguished junior Senator from New Mexico [Mr. ANDERSON], when he was Secretary of Agriculture, for whom I have great affection, and for whose discernment I have the greatest respect. But I think agriculture and the country as a whole can be grateful today that a man of courage and a well-defined sense of direction never gave in under political pressure and the verities of the moment.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. KNOWLAND. I yield 2 additional minutes to the Senator from Illinois.

Mr. DIRKSEN. Secretary of Agriculture Benson has had an eye single to the objective he felt must be achieved in the interest of the farmers of the country.

I make this other personal allusion. I cannot always be certain, of course, what the right direction is. Experts in the board of trade have talked to me about what they thought should be in the farm bill. Members of the Grange, of the Farm Bureau, of the Farmers Union, and of the United Farmers have spoken to me on the subject. I have listened patiently to all of them. I have had as many as 150 farm representatives with me in the reception room. I have been threatened with condign political extinction if I did not vote for this measure. I have been threatened with political demise at the polls if I did not support this or that proposal. So I simply fall back on the admonition of Edmund Burke, a sometime great member of the House of Commons, when he said that, finally, he must preserve unto himself his individual judgment as a representative, and to let that judgment be fortified and dictated by the facts in the case.

From everything I see in the conference report, Mr. President, I can do no other than to oppose it, let the chips fall where they may, because I think that in one breath we are going in one direction, and in the next breath we are going in another direction. Therefore, with that kind of conflicting philosophy in a single farm bill, I have no choice except to vote against the conference report.

One final observation: The junior Senator from Minnesota [Mr. HUMPHREY] made what I thought was a significant statement. He said that next year we shall have to be dealing with this subject all over again. There is a confession, Mr. President, since the junior Senator from Minnesota was so active in the deliberations on the bill. There is a confession that evidently we have not contrived a durable handiwork.

So I accept my responsibility, and I shall vote against the conference report.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 5 minutes to the distinguished Senator from Indiana.

Mr. CAPEHART. Mr. President, so that there will be no misunderstanding about what I shall say, I am going to vote for the conference report. The reason I shall vote for the conference report is that I voted for the bill. How any Senator could have voted for the bill and then could vote against the conference report, I cannot quite understand.

Mr. President, over the last 50 years, the Government has spent billions of dollars and millions upon millions of man hours to teach the American farmer how to grow more and more and more. There is an agent in every county whose work it is to teach the farmer how to grow more. Great agricultural universities exist in every State to teach the farmer how to grow more. I am not complaining about that; I am simply being factual. That is one reason why farm production is away up. Not only is farm production away up but huge surpluses of farm commodities now exist. Likewise, the Government has spent billions of dollars—yes, I think it is in the billions—of the money of the American taxpayers—and I am not complaining about that; again I am being factual—to bring into new production hundreds of thousands of acres in the United States. The taxpayers of Indiana, Illinois, and other States have been taxed for the construction of irrigation projects in Arizona and California. The result is that California and Arizona today, if my facts are correct, produce more cotton than do any of the Southern States.

While we have been doing all these things, we have forgotten one important matter. The one thing we have completely forgotten is, To whom is the farmer going to sell his additional production? Fifty years ago there were 350 million tillable acres in the United States. Today there are still 350 million tillable acres.

Fifty years ago the production from 90 million acres was used to feed horses and mules which were necessary to cultivate the 350 million acres. Therein lies the difference between the surpluses of today and the market demand. It is the 80 million acres. Today we farmers—I am a farmer—buy our horsepower in the form of gasoline. Fifty years ago we produced it on the farm.

We have an economic problem on our hands today, not a political problem. We had better not deal with the problem in a political way. We had better handle it in an economic way.

Whether we like it or not, whether we like 90 percent, 80 percent, or 75 percent of parity—regardless of what we like—we have only one agricultural problem in America today, and that problem has arisen because we have taught and shown the farmers how to grow more than can be disposed of in the markets.

On top of that, we have lost much of our foreign market. I am not complaining about it. I am not complaining about any of these things. But we have lost much of our foreign market because we have been teaching the farmers of other countries to raise more. We have given them tractors and technical aid. Let me say, in all fairness, that the farmers of foreign lands have as much right to grow their own foodstuffs as we have.

So we find ourselves tonight in the position that the American people, Congress, the State governments, the Department of Agriculture——

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. JOHNSTON of South Carolina. I yield an additional minute to the Senator from Indiana.

Mr. CAPEHART. Will the Senator yield me a couple of minutes? That is an important subject.

Mr. JOHNSTON of South Carolina. I yield 2 additional minutes to the Senator from Indiana.

Mr. CAPEHART. This is not a political matter; it is an economic matter.

We have huge agricultural surpluses on hand, and the capabilities of the American farmer are such that he can produce unlimited amounts of crops. I am not complaining about that; I am happy he can do so. But it will be necessary to deal with the problem now as an economic matter. We shall have to defend, protect, and help the farmer until Congress can pass a bill which has been introduced by a number of Senators, including myself, the purpose of which is to develop new industrial uses for farm products.

The farmers of America need not till all their acres simply to feed the people of America. It will be necessary to find new industrial uses for the surplus agricultural products.

I think the Senate had better accept the conference report. I do not particularly like it; but I do not know of anything better at the moment. I think it will have a tendency to create more surpluses, as a result of the 90 percent of parity price supports, but I am one who does not particularly care, because I do not think 90 percent or 80 percent of parity has too much to do with the problem. The thing which concerns me is the capacity and the capability of the American farmer to produce increasingly larger crops. He is producing, producing, and producing.

So I think the Senate had better agree to the conference report. I voted for the bill on the floor of the Senate a couple of weeks ago. If I voted for it then, why should I not vote for it now? I am one who hopes the President of the United States will sign the bill, and I think he will sign it. I do not think he has any other course, because I do not think there is any other answer at the moment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CAPEHART. Mr. President, will the Senator yield me one additional minute?

Mr. JOHNSTON of South Carolina. I yield one more minute to the Senator. It will have to be the last.

Mr. CAPEHART. The answer to the farm problem lies in more markets and more uses for the farmer's products. A farmer's well-being cannot be increased by cutting him back. We cannot do that. We have to do the best we can for 1 year, 2 years, 3 years, 4 years, and maybe 5 years, until the Government, helping the 6 million farmers, can find in industry new uses for their products.

The problem is not a simple one. It will not be solved by the soil bank or by 90 percent of parity supports. The problem will not be solved by 80 percent of parity. The problem will be solved only when the Congress of the United States makes up its mind to appropriate $100 million or $200 million or $500 million to find new uses for farm products in industry. Then the farmer's problem will be solved. The problem will not be solved by the monkey business we are talking about tonight; but let me say there is no better way right now than what we are talking about tonight.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I do not know what the President of the United States will do. I do know, however, something about the rules of the United States Senate. I know something about the rules of the House of Representatives. I shall answer the question of my distinguished friend from Indiana. The bill passed the House in May 1955. It was messaged to the Senate, and referred to the Committee on Agriculture and Forestry. That is where it lodged. When we considered the bill as reported to the Senate, we could either have killed all new farm legislation, or voted for the bill which was before the Senate. Except by passing the bill, there was no other way to get farm legislation into conference and bring back a conference report, in the hope that the difficult questions would be adjusted and there would be something we could accept. So I must familiarize my friend from Indiana with the reasons why there was an almost unanimous vote, except for 2, in the Senate. There was no other way to get the matter into conference.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DIRKSEN. No; I shall not yield.

Mr. CAPEHART. I ask for a half a minute. There is only one way to get help for the American farmer, and that is to adopt the report. It is planting time in Indiana, if you please. It is planting time all over the United States.

Mr. DIRKSEN. We are not going home.

Mr. CAPEHART. But I say to the Senator that in my opinion the conference report presents as good a bill as can be had. The answer to the problem is not in the bill; the answer is in new markets and new uses for agricultural products. That is the answer.

Mr. KNOWLAND. Mr. President, I yield one-half hour to the Senator from Florida.

Mr. HOLLAND. Mr. President and Members of the Senate, I shall not consume that much time. First I want to say that the conference on the bill was one of the most pleasant I have ever passed through, or survived—maybe that is the better word—and since I could not go to Florida for the Easter vacation, I do not know of any more pleasant place I could have spent the time than in the conference, because it was a delightful experience to find our friends in the conference committee thoroughly bent on revising the bill so as to set forth an appealing program in this political year; it was really enjoyable to watch the situation as it developed.

Mr. President, may I say I have the utmost respect for every conferee who was there, and I have already said I enjoyed the conference; but I want to make it very plain that the bill as it comes back from conference is, in my opinion, a vastly worse bill than it was when it passed the Senate, and it was certainly bad enough at that time.

What are some of the worsenings that took place? I shall mention them as briefly as I can. The first is the 90 percent rigid price support this year for wheat, cotton, corn, and peanuts. My colleagues may recall that the Senate, by a very sizable vote of 54 to 41, voted down the 2-year extension of rigid 90 percent of parity price supports. The members of the committee will recall that in committee we had voted down, by a sizable vote, a 1-year extension because we felt that it would be obvious that in this political year we were playing politics with this vital economic question of the prosperity of the farming population of the Nation if we so extended the program.

We had two votes on this subject in committee. One was on the 1-year extension, which was defeated largely on the ground that it was too patently a political maneuver, and the other was on the 2-year extension which carried in the committee, but when it got to the floor of the Senate, was voted down by a vote of 54 to 41.

In conference we took the political course—and I say "we" without including myself as one who followed that course—of holding the Senate and the Congress up to the fair opinion of the good people of the country by the adoption of a 1-year program, which we might as well have said would expire on November 7, 1956, as to say it would expire on December 31, 1956. We put ourselves and the Congress in the position of playing superb politics with this particular economic measure, which is an unpleasant thing to look at, but that is what it is.

There is not a Member of the Senate and there is not a person in the galleries who does not know perfectly well why the 90 percent price-support provision for 1 year appears in the conference report. I regret that it appears in the conference report for that reason. Perhaps it is too much to expect that it would not appear in the conference report in a political year. It is too bad this important measure could not have come to the floor and have been debated with more deliberation last year, before the political virus, which now seems to be so potent, had infected us in the Congress of the United States. I wish we could have considered the bill without the influence of a political year being upon the Congress. I think it is not to the credit of the Congress of the United States that we have yielded thus supinely to the demand, which comes from a minority of the agricultural producers of the Nation, to insert in the bill a provision for 90 percent of parity price supports for 1 year.

The demand does come from a minority of the producers, and every Senator knows it. They all know perfectly well that the total basic crop production amounts to about 23 cents of every dollar of agricultural production, and nearly 4 cents of that 23 cents represents the production of tobacco. So between 19 and 20 cents of every dollar of agricultural production is represented in the pressure to which I regret to say the Congress has yielded. I do not think it is much of a commentary on our own good sense to yield to a minority pressure of that kind.

I have already called attention on the floor of the Senate to the fact that many agricultural industries in the United States are prosperous, and a great many of them are prosperous because they have not yielded to the inducements and blandishments of price supports, but, instead, have insisted on working out their own salvation as best they could. My own State is full of industries which want nothing of price supports. They think it would be weakening for them to receive price supports. They saw an example of that in the case of Irish potatoes when such supports were destroying the independence and income of potato producers and holding them up to the ridicule of the other producers of the Nation.

Senators who were here then—and they include most of those now present—will recall that the potato producers of Florida along with the potato producers of Louisiana and the potato producers of other States demanded that that program be ended, because they said it was not right, was costing the Government too much money, and was destroying the confidence of the people in any agricultural program, no matter how sound.

Then I come to dual parity, which is a deceptive sort of thing because it operates so differently in the case of different commodities. Let us consider how it operates in the case of wheat. For wheat, 90 percent of parity at the dual parity level means that the wheat industry will get the parity of the horse-and-buggy days of 1910 to 1914, which will mean between 96 and 97 percent by this year's standard. It so happens that the wheat industry is now as highly mechanized, if not more so, as any other industry, whereas in the period from 1910 to 1914 the wheat industry was nowhere near so highly mechanized. It happens that the wheat industry, in being able to claim the advantage of the conditions and the parity levels of the 1910–14 period, is able to claim the advantage of a gimmick which gives that industry a very great advantage over other producing industries.

Mr. President, adoption of dual parity plus the 90 percent price support provision makes for very great inequalities among our commodities, particularly in the case of wheat for this year, because on the basis of present parity levels, that will amount to 96-plus percent of parity. For the next year and the year after, it will be even worse.

I remember that my distinguished friend, the Senator from Kansas [Mr. Carlson], whom I see in the Chamber at this time, sold us on the floor of the Senate—as indicated by a very considerable vote, as I recall—on the 2-price system, which really is a 3-price system, for wheat. He did so on the basis of repeating—and he repeated it in a colloquy with the Senator from Florida—that he was simply offering something which might be used, but which the Secretary of Agriculture would always have the right to decline to use if it proved not to be fair. However, instead of being brought forward in that way now, we find that that proposal comes from the conference as a mandatory one, so that if the referendum carries, the Secretary of Agriculture will no longer have the discretion which was provided in the measure as passed by the Senate, in regard to putting that program into effect or not putting it into effect, depending upon how fair it might seem to be. Instead, the conference report makes this provision mandatory. So that constitutes a material change from the bill as passed by the Senate, and a material change which I wish to state for the Record, and which I wish to have every Member of the Senate aware of when he casts his vote on the conference report tonight.

Mr. President, I think I should also mention another matter in reference to the wheat program, namely, the completely unfair treatment as between that to be received by the producers of hard and desirable and millable and salable kinds of wheat and the treatment for the producers of the less desirable kinds. The distinguished Senator from Vermont [Mr. Aiken] has already made the point—but I shall refer to it again, in passing—that it is a fact that even the area in the Far West which produces white wheat does not send to the mills, for consumption by the American people as a part of their food, more than a very small percentage of its production, approximately 20 percent; and the Senator from Vermont has pointed out that under the conference report, in connection with the three-price system for wheat, if that system is adopted, those who produce such wheat will receive exactly the same kind of certificates as the ones which will be issued to producers of highly desirable kinds of wheat, for approximately 51 percent of their entire production, and that they will be issued at 100 percent of parity at the dual rate, which will run up to approximately 107 or 108 percent, whereas the producers of the fine wheat which is desired by the millers will receive the same kind of treatment. If that is fair, then I do not know the meaning of the word "fair."

Next, Mr. President, I wish to refer to the ⅞-inch staple cotton program. A careful program was worked out by the committee, under the leadership of the distinguished Senator from Mississippi [Mr. Eastland] and the distinguished Senator from New Mexico [Mr. Anderson], under which we were making a real effort again to have American cotton get into competition with cotton coming from other countries, so that American producers would have a chance to recapture their part of the export market. Likewise, under that program we were trying to get into a competitive position with synthetic fibers produced domestically. The Senator from Vermont has already ably mentioned them.

Mr. President, as a result of those three provisions of the conference report—namely, the 90 percent parity provision, dual parity, and the ⅞-inch staple standard for cotton—on which the Senate conferees have yielded to the House conferees, rather than to insist upon what the Senate wrote into the bill and what came from the Senate committee, the Senate's well laid out program is entirely destroyed. So I am quite unhappy that the benefits of an effort lasting approximately one year, in connection with which most of the elements of the cotton industry have cooperated in working for the development of a common program, have been so ruthlessly destroyed in favor of a sop in the form of a 1-year price support program at 90 percent. If there is anything fair and anything farsighted and anything statesmanlike about that kind of action, I do not know what it is, because the conference report ruthlessly destroys our well-laid-out program and our deliberate plan in the case of the great cotton industry to recapture the American share of the foreign markets and to recapture a competitive position for the synthetics produced in this country.

Mr. President, I wish to mention in particular the weak provision pertaining to the feed grains. I do not know how it will work, and I do not know that anyone else can say that he knows how it will work, but I think I know what will happen, and I wish to state it for the Record. I think this program for small grains will do two things which will be hurtful, instead of helpful, aside from hurting the livestock industry, to which I shall refer in a moment.

In the case of the production of corn from the commercial area, let us say, two things which I think will be done will be very hurtful to the commercial corn producers: First, I think the price level which will be created will be so tempting that we shall see Canada devoting hundreds of thousands of acres of land to the production of feed grains, rather than to the production of wheat. We have already had trouble of that sort. I call attention to the fact that the Canadian granaries are full, just as our granaries are full. Hundreds of thousands of acres of land in Canada are available for diversion from wheat production to the production of small grains. Mark my words, Mr. President: We shall see Canada claim an unusually large share of the market in the northern part of our country.

Perhaps there is a good element in that situation, at least insofar as my section of the country is concerned, but it will not be good for the commercial corn growers. I refer to my belief that we shall see the great centers of poultry production and dairy production in the South turn all the more to the production of small grains in the areas which are noncommercial areas in general, rather than to look for their mixed feeds or other feeds to the commercial areas of production. Why should not the poultry industries of Gainesville and Harrisonburg and the dairy industries in the milksheds of Atlanta and Houston and Dallas and New Orleans and the other places which occur to all of us, turn to greater production in their own communities of the small grains which can be produced there, and the production of which can be greatly enlarged there when the price level will be forced up by having the Government buy and buy and buy from the commercial corn producers; and why would it not be a good thing for producers who are further away from the commercial Corn Belt to increase their production? I suspect that we shall see much of that occur.

The fundamental difficulty in the small-grains provisions is that they cannot be added up in any way which will come out right. For instance, in the conference report the corn-producing area is arbitrarily divided into a commercial belt and a noncommercial belt. When we try to work out a formula which would adjust the other four grains to those belts, although the other four grains are not at all indigenous or peculiar or applicable to them, we are bound to have trouble, and we are bound to have a Chinese puzzle which cannot be solved. That is exactly what will happen under the small-grains program.

I see that my time is rapidly running out, and there are several other points which I should like to mention. One of them relates to the manner in which grain production affects the livestock industry, and it is not the only thing in the conference report which adversely affects the livestock industry. In conference we yielded—again I say "we" without including two of us—to the demand of the House to eliminate a provision which I thought afforded the most teeth, namely, the amendment offered by the two Senators from Wyoming, providing a penalty against anyone who grazed lands under the soil bank program. That provision was eliminated. So I can see several scythes cutting off whatever there is left in this bill of prosperity for the livestock producers. There is no way to deny it, because they are there, and he who looks should see.

There is another place where we eliminated salutary provisions. Two entire sections and a part of another section in the Senate version of the bill were designed to protect tenants and sharecroppers. It was an excellent protection. That suffered the same fate as the protection which we had written in for livestock producers. The meat of that provision was eliminated. The provision with respect to forfeiture of anything in the way of price supports was eliminated, as was the provision bringing the tenant into the picture by giving him some right to be consulted with respect to placing into the program land of which he had been the husbandman. That provision, requiring his consent and consultation with him, was eliminated from the bill, along with other portions of the Senate measure which gave full protection to the humble man in the picture.

I do not think it is too much to say that on this point the bill in its present form, as compared with the Senate bill, becomes a landlord bill instead of a fair bill in which the landlord and the tenant receive equal consideration and equal care at the hands of the Federal Government.

Another one of the provisions which was eliminated from the bill was the provision which I had offered, called the compulsion amendment. It sought to require some measure of equality of participation and sacrifice by those who went into the soil bank, so that if they accepted the very great benefits of the soil bank, and particularly the acreage reserve, they would have to place in the program land which came out of their production, and they would have to agree not to put that land into production of other crops which were price supported.

That is the very essence of fairness. It is cross compliance. It is entering into the picture now not as a part of the original program, where it ought to have been, but as an ancillary part of the soil bank program. The Senate voted for it. That provision went out in the conference. So did everything else which tended to require any sort of equitable participation and equal sacrifice by growers of a given commodity, in the very laudable soil bank program.

One further point, and I shall be through. It will be remembered that the distinguished Senator from New Mexico [Mr. Anderson] announced to the Senate he proposed to vote—and he did vote—for a certain provision in the bill which is about the only bad provision we finally eliminated in conference. It would have jumped up the set-aside to some ridiculous proportion. He stated that he voted for it because he thought it would bring pressure to bear on the conferees which would compel them to come back with a better surplus-disposal program. He was hoping that we would hold onto what we had by way of a better surplus-disposal program, and build from there.

However, I am sorry to have to report to the Senate that, instead of what he expected to occur, we lost even what we went to conference with.

The Senator from Vermont has already stated that there was taken out of the bill the provision under which the surplus-disposal program would have been strengthened by placing a mandate upon the Secretary of Agriculture, with sole power to make decisions with respect to which he is now hampered by interference from the State Department. I refer to decisions as to the amount or volume of the various surplus commodities which are to be handled in the surplus-disposal program.

I am sorry the Senator from New Mexico is not present to participate in the discussion, because of the fact that, instead of forcing a better surplus-disposal program, and instead of improving it, we come back from conference with a surplus-disposal program which, with the 90 percent of parity price supports and other features, will enhance surpluses, fill up more warehouses and more ships, and cause them to overhang the market with even greater harm than results from the surpluses which now hang over it. After all, we know that the crux of the entire situation is the immense surplus which hangs over our heads and destroys markets.

Mr. President, how much more time have I?

The PRESIDING OFFICER. The Senator has 7 more minutes.

Mr. HOLLAND. There is one further thing to which I should like to refer, and that is the statement which I have often heard made by my distinguished friend the Senator from Louisiana [Mr. Ellender], who has done such a noble job in the preparation of the bill. I suspect that he is heartsick at the fate of this year of effort. I heard him say repeatedly that the high rigid price support was not adopted as an incentive to greater production, and that it did not result in greater production. I had never heard that argument seriously advanced by anyone before. So I took the pains to examine some of the measures of the wartime, and of the time which followed, to see exactly what were the words of those who had been responsible for the drafting of such legislation during wartime and in the period following, when reference was made to the high rigid price supports, and what was intended to be accomplished by them.

Mr. President, I ask unanimous consent to have printed in the Record at this point as a part of my remarks a summary of price-support legislation.

In 1941 the sponsor of the so-called Steagall amendment filed for the House Committee, House Report 742, 77th Congress, to accompany the legislation. The report contains this language:

> Recently the Secretary of Agriculture has found it necessary to encourage farmers to increase the production of certain crops in order to obtain additional supplies for export to Great Britain during the present emergency. Under these circumstances, farmers are entitled to some assurance that after they have increased their production upon the encouragement of the Government, the increased supplies will not be allowed to depress the domestic market to a level of unreasonably low prices. In order to meet this obvious need section 4 is included in the bill for the purpose and with the intent of assuring farmers, upon being encouraged by the Secretary to increase their production of any commodity during the present emergency, that the Department of Agriculture will undertake, within the limitations of funds available, to provide through loan programs, purchase programs, and other programs for the maintenance of a price for such commodity of not less than 85 percent of the parity price therefor, or, under certain circumstances in the case of nonbasic commodities, a price comparable to not less than 85 percent of the parity price for other commodities.

Section 4 of the Act (Public Law 147, 77th Congress) reads as follows:

> Whenever during the existing emergency the Secretary of Agriculture finds it necessary to encourage the expansion of production of any nonbasic agricultural commodity, he shall make public announcement thereof and he shall so use the funds made available under section 3 of this act or otherwise made available to him for the disposal of agricultural commodities, through a commodity loan, purchase, or other operation, taking into account the total funds available for such purpose for all commodities, so as to support a price for the producers of any such commodity with respect to which such announcement was made of not less than 85 percent of the parity or comparable price therefor. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this section if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities. Any such commodity loan, purchase, or other operation which is undertaken shall be continued until the Secretary has given sufficient public announcement to permit the producers of such commodity to make a readjustment in the production of the commodity. For the purposes of this section, commodities other than cotton, corn, wheat, tobacco, and rice shall be deemed to be nonbasic commodities.

In House Report 1776, 80th Congress, filed by Congressman HOPE of Kansas, to accompany the Agriculture Act of 1948, we find the following words which are pertinent to this discussion:

> The price-support programs for agricultural commodities which would be modified and continued by this bill came into being principally because of the urgent demands for increased food and fiber production to meet war and essential civilian needs. * * * These programs have been invaluable in obtaining necessary production of agricultural commodities.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I cannot yield now because of my limited time. I regret it very much. On the 1949 Agricultural Act, the Senate committee report, which was concurred in by the distinguished Senator from Louisiana [Mr. ELLENDER] and by most of the present members of the Committee on Agriculture and Forestry, reads in part as follows:

> Price supports which were incentives for production became an established principle in our wartime program.

There is no question about that being the case.

I ask that all of the quoted material be included in the RECORD at this point in my remarks.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

SENATE REPORT NO. 1091

> During the past decade, price supports for agricultural commodities have played important and varying roles in the economy of the country. Prior to World War II, the major purpose of the program was to support and maintain the purchasing power of the farmer at a level which would allow agriculture to play its proper part in a stable economy. During the war the price-support program was used successfully as a national defense measure by encouraging increased production of food and fiber vitally needed by ourselves and our allies. Price supports which were incentives for production became an established principle in our wartime program.

Mr. HOLLAND. I quote from another report filed by Representative SPENCE, in 1952:

> In the field of agriculture, we know from experience that unless agricultural producers receive a fair price for the commodities they produce, we are not likely to have the high level production we need (p. 23, H. Rept. 2177, 82d Cong.).

Then the following statement was made by the then Secretary of Agriculture, Mr. Brannan:

> The Nation today is confronted by an emergency calling for high-level production. We need favorable prices and adequate price protection to provide an adequate climate favorable to high-level production.

In connection with other legislation adopted in 1952, the House committee report filed by Representative COOLEY contained the following statement:

> It is the belief of the committee that the enactment of this provision—

That has to do with the 90 percent provision—

> is absolutely essential to assure the Nation adequate production of these important agricultural commodities during this emergency period. * * * it is certain that the bill will add tremendously to the response that may be expected from farmers to the Government's request for high-level agricultural production.

Mr. President, it cannot be denied that in the report on each extension and in the enactment of the original Bankhead bill it was stated in reports and on the floor and in other ways, by the responsible Members of the House and of the Senate who handled the measures, that high level supports were designed to force heavy production, and that later, after they had accomplished heavy production, they had become the established principle of our Nation's agricultural economy because they had succeeded in bringing about heavy production.

The last language I wish to quote is from a report filed by my distinguished friend the junior Senator from North Dakota [Mr. YOUNG] in 1952. The statement reads as follows:

> Your committee views this legislation as particularly important at this time. Farmers are being asked to achieve record production goals in 1952 and similar record production will be needed in 1953 and perhaps for several years. Without the enactment of S. 2115, large groups of producers face sharp reductions in the parity price for their product in 1954. Farmers cannot be expected to do their best productionwise unless such an adverse situation is prevented.

Mr. HOLLAND. There is another quotation from my distinguished friend, the junior Senator from North Dakota, but I shall not place it in the RECORD at this point. He has already placed it in the RECORD himself as a communication which he sent to his constituents in 1952.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, may I have 1 additional minute?

Mr. AIKEN. I yield 1 more minute to the Senator from Florida.

Mr. HOLLAND. I should like to make one more statement, and that is that Senators who force this kind of bill to enactment are ignoring the fact that a large part of our country does not want it, and that a great many people in our country will not stand for it. Further, the whole matter will come back to plague Senators if this bill is passed.

For instance, I have before me a poll taken of country editors throughout the United States by the American Press magazine, which is a trade journal. I ask unanimous consent to have page 12 and the top of page 13 printed in the RECORD at this point as a part of my remarks. I merely read the headline: "Don't Return to Rigid Price Supports for Farmers, Country Editors Warn."

The country editors know pretty well what the sentiment of their people is, and what is good and what is bad for the commodities in their areas. That is the sentiment we are getting from that group of people.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

DON'T RETURN TO RIGID PRICE SUPPORTS FOR FARMERS, COUNTRY EDITORS WARN

"Continue Eisenhower's flexible price-support program, or eliminate price supports altogether—but don't return to the 'rigid' price support for farmers.

"Try out the soil bank idea.

"Repeal restrictions on sale of surplus farm products to Iron Curtain countries.

"Exempt farmers from the Federal gasoline tax."

That is the concensus of opinions of the country editors of the Nation on the farm program, as revealed by a poll just completed by the American Press, based on replies received from 653 editors from all sections of the United States.

The poll also showed majority approval of the job being done by the Secretary of Agriculture.

Conducted while discussion of the farm program was at its height, the American Press poll not only asked editors to give their opinion on various proposals, but also asked for their estimate of the opinions of their readers. This second part of the survey showed considerable difference between the opinions of the editors and of their readers.

Whereas only 18 percent of editors favored a return to rigid price supports, for example, 45 percent thought their readers favored the idea of going back to the old support system. And where 61 percent of editors approved the job being done by Secretary Benson, only 31 percent thought their readers approved of his work.

The survey revealed strong opposition among editors to the whole price support idea. Many who voted for the flexible supports emphasized that they should gradually be reduced and the Government should aim at getting rid of all supports as rapidly as possible.

Many of the editors felt that price supports were simply being used by politicians to get votes and stated their belief that the idea is "un-American," that the farmer should stand on his own feet like any other businessman, and that there is no more reason to give "hand-outs" to farmers than to newspaper publishers.

Sentiment in favor of the "soil bank" idea was mild—many of the editors feeling that it is perhaps "the only way out" but not a sound answer to the basic problem of the farmer.

A good many editors who thought some kinds of supports were necessary, felt they should be restricted to small farms—or include ceilings on the amount paid out—in order to help out the family-type farmer who is having a difficult time but to avoid aiding the "factory-type" large farm which, they believe, is well able to take care of itself and which should be discouraged from adding to our surpluses of farm products.

Response to the poll was the greatest of any conducted by the American press so far, indicating a high degree of interest in and knowledge of the farm problem among the country editors. Almost 50 percent of those who received the questionnaire answered it in detail, many making extensive comments on the subjects covered.

Many suggestions were made by the editors for helping to solve the farm problem, ranging from the suggestion that we adopt the plan, explained in the Bible, of a food bank such as was set up by Joseph in Egypt, to the idea that instead of worrying about getting rid of surplus products we center our attention on doing away with surplus farmers, and find jobs for them in industry.

Many other suggestions and views on the general situation are included in the comments published in this issue. A summary of the questions and answers to the poll, broken down by geographic areas, follow:

1. (a) The soil-bank plan, proposed by President Eisenhower, to help deal with the problem of farm surpluses, calls for the Government to pay farmers a yearly rental for each acre of land taken out of production. Are you for or against such a plan?

[Percent]

	Northeast	South	North Central	West	Total
For	47	51	63	52	56
Against	51	47	34	48	41
No answer	2	2	3	0	3

1. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	Northeast	South	North Central	West	Total
For	50	60	75	52	65
Against	41	34	22	39	30
No answer	9	6	3	9	5

2. (a) As for farm supports, which of the three choices below appeal to you most?

[Percent]

	Northeast	South	North Central	West	Total
Flexible supports	44	38	55	48	48
Rigid supports	7	33	17	7	18
No supports	43	26	25	44	30
No answer	6	3	3	0	4

2. (b) How do you think the majority of your readers would vote on this question?

[Percent]

	Northeast	South	North Central	West	Total
Flexible supports	52	24	38	54	39
Rigid supports	15	67	50	24	45
No supports	27	7	7	15	11
No answer	6	2	5	7	5

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

Mr. KEFAUVER. Mr. President, will the Senator withhold his suggestion of the absence of a quorum? The Senator from South Carolina [Mr. JOHNSTON] has promised to yield me 3 minutes.

Mr. JOHNSON of Texas. Would not the Senator prefer to have more Senators on the floor?

Mr. KEFAUVER. I thought the Senator from Texas wanted to suggest the absence of a quorum just before the Senate voted on the report.

Mr. JOHNSON of Texas. I would suggest the absence of a quorum so that more Senators may be present.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and the secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Welker
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSTON of South Carolina. I yield 3 minutes to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I rise to support the conference report on the agricultural bill. I believe it represents a great improvement over the bill originally proposed by the Eisenhower administration and over the bill originally reported by the Senate committee. Although it does not do all that many of us would like to have done, it will have the effect, in my opinion, of improving economic conditions considerably on the farms. That I consider to be the economic problem number one of the Nation.

I am glad that in this final conference report the matter of the surplus has been separated from the general agricultural program and therefore can be handled in an orderly manner without continually depressing present farm income. The surplus should not forever be used to hold down fair treatment to the farmer, particularly the small farmer.

Under title III of this program, the Secretary, among other things, is directed to submit to Congress recommendations for any other detailed programs necessary to carry out surplus disposal, including programs for a food stamp plan. I think that we should waste no time in putting into operation a food stamp or allotment plan. I have one pending, and the Senator from Oklahome [Mr. KERR] and other Senators have similar plans pending. There is no doubt of the need both from the standpoint of moving the surplus and from the standpoint of improving the diets of many people throughout the Nation.

In my opinion there is no reason for great delay on the Secretary's part in producing such a plan.

I also trust that he will take immediate steps to comply with the spirit of the report in seeking to move the surplus in world markets. Here we have an opportunity not only to move much of our surplus but to do it in a way to improve our international relations.

Mr. President, I am delighted that under this program the 90 percent price level will be maintained. It is my hope that before long our agricultural programs will have special provisions for assisting family-type farming, and I am going to continue working for that. I believe it is essential to our future.

I want to compliment the many Members of the Senate who have worked so hard and so tirelessly in bringing about an acceptable agricultural bill over great obstacles. They have accomplished much in the face of stiff opposition from Mr. Benson and the Agriculture Department.

SEVERAL SENATORS. Vote! Vote!

Mr. JOHNSTON of South Carolina. Mr. President, I yield 3 minutes to the senior Senator from Georgia.

Mr. GEORGE. Mr. President, of course this bill is not all that anyone wishes to have, but it is a fair bill. The compromise brought forth by the conferees, as I have endeavored to keep in close contact with it day by day, seems to me to be a reasonably fair bill. It really gives to the President his main recommendation which he submitted in his farm message, namely, his recommendation with respect to the soil bank. Already other committees of the House and the Senate have given to the President his recommendation for a reduction of 2 cents a gallon on gasoline for the farmers' machinery.

Therefore, Mr. President, it seems to me it is a reasonably fair bill. It does not do everything everyone wants. It does not perpetuate high support prices except for the current year. Certainly, an industry which has lost from $6 billion to possibly $7½ billion since 1951, in the shrinkage of its prices, is entitled to some consideration.

It may be disturbing to some Members of the Senate that we are about to pass, I hope, this farm bill, imperfect as it may be and inadequate as it may be, as a relief program, but I dare say and I dare remind my colleagues that several million farmers are sitting near their television sets or with their ears to their radios listening to learn what the Senate will do.

It will give some heart to that vast population of farmers to learn that the Senate has followed the lead of the House this afternoon in paying some attention to the problems which confront the people who live on and operate the farms of the United States.

I hope, Mr. President, that we shall by an impressive vote confirm what our conferees have done through the laborious days they remained here during the Easter vacation in an effort to work out a reasonable farm bill for our people.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 2 minutes to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, I should like to associate myself with the very constructive and commendable remarks of the Senator from Georgia, [Mr. GEORGE]. As a member of the committee, I have been one of those who have been working on this bill for almost a year since we began our hearings over the countryside. I think we brought forth a very good bill when it emerged from the Committee on Agriculture and Forestry. Perhaps in the main it was a better farm bill than is the one on which we are now to have an opportunity to vote. I do not think it is the best bill this Congress is able to write, but I believe it to be the best one we can get during the present session of the Congress. I have been in this business long enough to appreciate the fact that we do not always reach exactly the perfect goal or objective which we seek. If we seek too hard to get a perfect objective we sometimes wind up with nothing.

I invite attention to the fact that the problem of the farmer is a serious one. It needs some immediate constructive action, and we have an opportunity by accepting this conference report, to take a long step in the right direction.

Mr. McCARTHY. Mr. President, will the Senator from South Dakota yield for 10 seconds?

Mr. MUNDT. I yield.

Mr. McCARTHY. May I say that I think the Senator from Georgia contributed very greatly to this bill, and I agree with him wholeheartedly?

Mr. BENDER. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I think my time has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Ohio.

Mr. BENDER. Mr. President, I come from a State where the going is rough, and politics is pretty even, but I am not playing politics with this bill. The Eisenhower administration did not create the present condition. They inherited it. They found it here when they assumed office. Certainly the President and our great Secretary of Agriculture have done as good and as honest a job as they could to solve the problem. I refuse to play politics on this vote. I am voting to support the President and the Secretary of Agriculture. If anyone else has ever come up with any other reasonable solution, I do not know what it is.

Ohio is an important State. It is a great agricultural State, and I believe the people of Ohio respect honesty and respect a man of integrity who inherits a problem and who is trying to do a good job in solving it.

So, Mr. President, I shall vote with the administration.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to myself.

Because of the limitation of time the distinguished Senator from Florida [Mr. HOLLAND] did not get an opportunity to put into the RECORD a part of an editorial from the Tampa Morning Tribune, and he has requested that I do so. I think the significant paragraph of the editorial is this:

> It just does not make sense—

Speaking of the conference report.

> It is equivalent to ordering youngsters at a PTA carnival to engage in a hotdog-eating contest to counteract indigestion caused by prior over-indulgence.

Mr. President, Senators may honestly differ on this issue as on all other issues which come before Congress. Anyone who knows President Eisenhower and Secretary Benson can have no reservation, I believe, in the knowledge that they are vitally interested in all segments of the American economy. The President of the United States is devoted to the American people. He recognizes that what is a disadvantage to any single segment of the national economy will ultimately react upon all its segments.

It is my belief, and I think it is the very strong feeling of the administration, that the conference report which is now before the Senate will not solve the agricultural problems of the Nation but, to the contrary, will multiply them. If the administration thought the bill would do the things which those who have spoken in favor of the conference report seem to think it will do, I believe the adminstration would be favorably disposed toward the measure. But it is my judgment that the bill in the form in which it has finally come from the committee of conference is totally unacceptable to the administration, and that they believe it is unworkable from an administrative point of view.

We have our job to do. In due time the executive branch, of course, will have to assume their responsibility.

The VICE PRESIDENT. The time of the Senator from California has expired.

Mr. KNOWLAND. I yield myself an additional minute.

I hope, in the event the bill in its present form does not become the law of the land, that Congress will still proceed to develop additional agricultural legislation for the benefit of the American farmer. The bill in its present form will be, I believe, a disadvantage to the farmers of America. I believe it will be unworkable from an administrative point of view.

Mr. JOHNSTON of South Carolina. Mr. President, I yield 3 minutes to the distinguished junior Senator from Kentucky.

Mr. BARKLEY. Mr. President, I support the conference report. I support the 90 percent of parity program, as I have supported it for many years. On one occasion, when I occupied the chair now occupied by the distinguished Vice President, I broke a tie vote in behalf of the 90-percent formula.

My regret is that the conference report provides for a term of only 1 year, which probably will make it necessary to thresh out the whole question again next year, to determine what sort of agricultural legislation Congress will give to the farmers of the Nation.

It has been charged this evening that the farm bill is before Congress because of politics. If it is here because of politics, it necessarily follows that it is here because of cheap politics. I do not believe that any such charge is justified. I do not believe the great Committees on Agriculture or the conferees of both Houses have brought the measure before Congress because this is a presidential year, and because they wished to curry favor with some group of the American people.

The Senator from Ohio [Mr. BENDER] intimated that the bill was here because the present administration inherited a farm problem from the previous administrations. Mr. President, if it had not been for the previous administrations, the Nation would still be floundering in the bankruptcy which it inherited 2 decades ago.

The bill is not political, any more than anything which is governmental is political.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. BARKLEY. I have not the time; I have only 3 minutes.

The VICE PRESIDENT. The Senator from Kentucky declines to yield.

Mr. BARKLEY. It seems to me that our duty is plain. I do not know what the President will do with the bill. I have the greatest respect for the President of the United States. I have the greatest respect for Mr. Eisenhower as a person and as President. But I want to discharge my duty now on the floor of the Senate. Whatever the President may do will be his responsibility, and I am sure he will do whatever his conscience dictates he ought to do.

Surely we cannot vote here in fear because the President may veto the bill. If he vetoes the bill, the responsibility will be his, not ours.

Because I believe the farmers of the Nation are entitled to know when they plant their crops what their support will be when they harvest the crops I favor the 90-percent support price. I believe now it is either that or nothing.

Therefore, I shall vote for the conference report, although I agree it is imperfect. But if the conference report shall be rejected now, we cannot hope to get a better bill, or any bill at all, at the present session, and Congress will adjourn, leaving the farmers unprotected in an economy where it is claimed that while the Nation as a whole is blessed with high prices, the economy of agriculture is constantly on the decline.

Mr. President, I decline to be frightened by the fear which seems to have possessed the souls of some of our colleagues with respect to the effects of the bill. I believe that no matter how Senators voted before, whether for rigid high supports or for flexible supports, they now have the obligation to vote the conference report up or down.

I shall support the conference report with pleasure and with some regret because it does not go far enough, in my judgment.

Mr. JOHNSTON of South Carolina. Mr. President, I yield myself 1 minute.

As I see the situation at present, we must do everything we can to help the farmers of the Nation. A few short years ago, the net income of the farmers was $17.2 billion. This year it is $10 billion. Thus there has been a reduction of more than $7 billion in the net income of the farmers.

The committee of conference has tried to hold up the prices received by the farmers, in order to keep their net income from sinking even lower than it is at present.

I commend the distinguished chairman of the Committee on Agriculture and Forestry, who also was the chairman of the committee of conference, the distinguished Senator from Louisiana [Mr. ELLENDER]. He worked faithfully in the endeavor to bring forth a satisfactory bill from conference. Not only that, but he worked week in and week out, month in and month out, to report the bill to the Senate in its original form. I say to him now that we have done a good job in perfecting the bill which has come from conference. I served with the Senator from Louisiana

on the Senate committee and on the committee of conference.

There is no doubt in my mind that the Senate will agree to the conference report. But before taking this vote, I remind the Senate that this is a give-and-take bill, and that this is the best possible measure that could be obtained under the circumstances.

We have moulded together the desires of the Senate and the House. We have not achieved all that the Senate desired; neither have we achieved all that the House desired. Certainly the farmers have not achieved all that they need to restore themselves to their rightful place in our Nation's economy. But I must point out that the conference report is much better for the farmers than either of the bills that passed the House and Senate.

I would have not signed the report if I did not think it was the best possible measure obtainable.

We cannot leave the farmers high and dry with no legislation, which is what we would be doing if we failed to agree to the conference report. To do this would be to leave the farmers at the mercy of the Benson Department of Agriculture and its programs, which have slid the farmers down into the muck of a depression while being surrounded by high prosperity on every hand for everyone else.

The House has agreed to the conference report by a vote of 237 to 181. To do our duty to the farmers of this country, we should and must agree to the conference report now before the Senate.

I hope the Senate will agree to the conference report.

Mr. KNOWLAND. Mr. President, how much time have I remaining?

The VICE PRESIDENT. The Senator from California has 2 minutes remaining.

Mr. KNOWLAND. I yield the remainder of my time to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, had it been possible to enact proper legislation in time, the soil-bank provisions would undoubtedly have contributed immensely to the prosperity of American agriculture this year. However, it is now too late for the soil bank to be particularly effective this year. There have been so many unwise and unsound provisions added to the bill, including certain soil-bank provisions, that it would be a disservice to the farmers of the United States to enact the bill. It would be the kind of legislation which would destroy farm markets, both domestic and foreign, and especially markets for cotton. It would be the kind of legislation which would demoralize our agricultural economy. It would be the kind of legislation which would greatly increase the cost of production for livestock producers, dairymen, and the poultry men, without any assurance at all that the producers of feed would benefit.

If my colleagues will look at the chart in the rear of the Chamber, they will see the percentage of reduction in production which every State would have to make in order to enjoy the so-called benefits given to the producers of livestock feed under the bill.

Mr. President, we have on the books a very good law. It has not had a chance to work yet. If this bill fails to become law, as I am sure it will, the Agricultural Act of 1954 will take effect. We would see agricultural conditions improve under that act, though not nearly to the extent to which they would have improved had not the soil-bank provisions of the bill been emasculated and wrapped up in unsound provisions which are totally unacceptable to the administration.

Therefore, Mr. President, for the good of the farmers of the United States, I shall vote against the conference report, and I hope the majority of the Members of the Senate will also vote against sending this monstrosity to the White House.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. JOHNSON of Texas. Mr. President, I yield myself the time remaining on this side.

Mr. President, because I believe it will be in the best interests of the farmers of the United States, I hope this conference report will be adopted. It was with deep regret that I read an article in the New York Times this morning explaining that the food processors have joined the Secretary of Agriculture in his lobbying to keep farm income low. I read a paragraph from the article, as follows:

> Food industry interests opened a campaign yesterday to mobilize consumer sentiment against certain features of the farm bill.
>
> They acted as a result of a telephone conversation between John Q. Adams, chairman of the board of directors of the Coordinating Committee of the Food Industries, and Secretary Benson. The committee was set up by 52 trade associations in various levels of food production, processing and distribution.

I think this article is very revealing as to the forces that are alined against the measure. It is certainly opposed by people who have little interest in the welfare of the farmer, and these people are trying to rally others to their cause.

So far as I am concerned, farm legislation will best benefit the Nation if it benefits the farmer, and not if it is designed only to help the food processors at the expense of the farmer.

This measure deserves the support of everyone who is interested in bolstering lagging farm income.

Mr. President, the bill I repeat is opposed by the food processing industry, according to the article I have just read. It is opposed by everybody except the farmers, and each Senator has a chance tonight to stand up and be counted as to whether he believes in the farmer or in the food processors and the others who have been living off the farmer.

Mr. KNOWLAND. Mr. President, on the question of agreeing to the conference report I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, will the Chair state the question?

The VICE PRESIDENT. The question is on agreeing to the conference report on H. R. 12, the Agricultural Act of 1956. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREEN (when his name was called). On this vote I have a pair with the junior Senator from Oklahoma [Mr. MONRONEY]. If present and voting, the Senator from Oklahoma would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. PASTORE (when his name was called). On this vote I have a pair with the Senator from Washington [Mr. MAGNUSON]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. ROBERTSON (when his name was called). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. On this vote I have a pair with the junior Senator from New Mexico [Mr. ANDERSON]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." Therefore I withhold my vote.

Mr. CLEMENTS. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Washington [Mr. MAGNUSON], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Virginia [Mr. BYRD] is absent because of illness.

I further announce that if present and voting, the Senator from Virginia [Mr. BYRD] and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New York [Mr. IVES] is absent because of illness. If present and voting, the Senator from New York would vote "nay."

The result was announced—yeas 50, nays 35, as follows:

YEAS—50

Barkley
Bible
Capehart
Carlson
Case, S. Dak.
Clements
Curtis
Daniel
Douglas
Dworshak
Ellender
Ervin
Frear
Fulbright
George
Gore
Hayden
Hennings
Hickenlooper
Hill
Humphrey
Jackson
Johnston, S. C.
Kefauver
Kerr
Laird
Langer
Lehman
Long
Mansfield
Martin, Iowa
McCarthy
McClellan
McNamara
Morse
Mundt
Murray
Neely
Neuberger
Russell
Schoeppel
Scott
Sparkman
Stennis
Symington
Thye
Welker
Wiley
Wofford
Young

NAYS—35

Aiken
Allott
Barrett
Beall
Bender
Bennett
Bricker
Bridges
Bush
Butler
Case, N. J.
Cotton
Dirksen
Duff
Eastland
Flanders
Goldwater
Holland
Hruska
Jenner
Kennedy
Knowland
Kuchel
Malone
Martin, Pa.
Millikin
O'Mahoney
Payne
Potter
Purtell
Saltonstall
Smith, Maine
Smith, N. J.
Watkins
Williams

NOT VOTING—11

Anderson
Byrd
Chavez
Green
Ives
Johnson, Tex.
Magnuson
Monroney
Pastore
Robertson
Smathers

So the conference report on H. R. 12 was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the conference report was agreed to be reconsidered.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the motion to reconsider be laid on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina to lay on the table the motion of the Senator from Texas that the vote by which the conference report was agreed to be reconsidered.

The motion to lay on the table was agreed to.

AMENDMENT OF CODE RELATING TO ENFORCEMENT OF STATE STATUTES PRESCRIBING CERTAIN CRIMINAL PENALTIES

Mr. BRIDGES. Mr. President, I introduce, for appropriate reference, a bill entitled "To amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities."

At the outset, Mr. President, let me state that my distinguished colleague, the senior Senator from Pennsylvania [Mr. Martin] has a peculiar interest in the bill because of the fact that introduction of the bill was made imperative by the recent decision of the Supreme Court in the case of Pennsylvania against Steve Nelson. Inasmuch as the case arose in the State which is so well represented by our distinguished colleague from Pennsylvania [Mr. Martin], he has, as I have said, great interest in this bill. However, due to the fact that the attorney general of my State, a very distinguished attorney, Mr. Louis Wyman, was selected by the National Association of Attorneys General as chief counsel to plead the case before the United States Supreme Court, I am introducing the bill, and in doing so I am joined by the senior Senator from Pennsylvania [Mr. Martin] and the junior Senator from New Hampshire [Mr. Cotton], as cosponsors of the bill.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Will the Senator from New Hampshire be willing to permit other Senators to join in sponsoring the bill? I should like to join as a cosponsor of the bill.

Mr. BRIDGES. I am very happy to have the Senator from California do so. Therefore, I introduced the bill also on behalf of the distinguished Senator from California [Mr. Knowland].

Mr. DANIEL. Mr. President, will the Senator from New Hampshire also include my name as a cosponsor of the bill?

Mr. BRIDGES. Yes, Mr. President; I also include as a cosponsor the distinguished Senator from Texas [Mr. Daniel].

I wish to provide opportunity for other Senators to join in sponsoring the bill, if they desire to do so.

Mr. BRICKER. Mr. President, I should like to be included as a cosponsor of the bill; and I am quite sure that if the Senator from New Hampshire will arrange to have the bill made available so that other Senators may join in sponsoring it there will be a considerable number of other Senators who will wish to do so.

Mr. BRIDGES. I thank the Senator from Ohio, and I am glad to include him as a cosponsor of the bill.

Mr. WELKER. Mr. President, will the distinguished Senator from New Hampshire permit me to join in sponsoring the bill?

Mr. BRIDGES. I am delighted to do so.

Mr. JENNER. Mr. President, I should also like to join in sponsoring the bill.

Mr. BRIDGES. I thank the Senator from Indiana, and I am glad to include his name as a cosponsor.

Mr. KUCHEL. Mr. President, will my friend, the Senator from New Hampshire, yield to me?

Mr. BRIDGES. I yield.

Mr. KUCHEL. Will the Senator from New Hampshire request unanimous consent that the bill be held at the desk until tomorrow, so that other Senators may have a chance to join in sponsoring it? I should like very much to talk to the Senator from New Hampshire about the bill.

Mr. BRIDGES. Mr. President, I request such permission.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Hampshire? Without objection, it is so ordered.

Mr. BRIDGES. Mr. President, I am not a judge or a great constitutional lawyer, such as some persons in the United States regard themselves as being. Nevertheless, I introduce the bill, which will have the effect of clarifying the part the several States may play in protecting themselves from subversion. I think it essential that that be done. I in no way am attempting to second-guess the Supreme Court of the United States, but this is not a matter which involves intricate legalisms. It is a matter in which the Supreme Court by a divided opinion of 6 to 3 has interpreted the intent of the framers of the Constitution. The men who framed our Constitution were not all men trained in the law. Most of them were elected servants of the people as you and I are, Mr. President. I think, therefore, that it is entirely within my province to introduce the bill, and entirely within the province of the legislative branch to enact legislation which I think is necessary in order to correct a misinterpretation of the intent of our Founding Fathers.

It seems inconceivable to me—considering, as we must, that our Federal Government is based on a grant of power from sovereign States—that they had any intention whatsoever of depriving themselves of the power to deal with attempts at subversion or attempts to overthrow the respective governments of those sovereign States.

In the course of preparing these remarks a few moments ago, it was brought to my attention that the Subversive Activities Liaison Committee of the National Association of Attorneys General, of which New Hampshire's attorney general, Mr. Louis Wyman, is vice president, has just adopted resolutions urging the enactment of amendatory legislation of this type. A meeting of these attorneys general was called today in Washington in response to widespread concern by the law-enforcement officials of the various States in regard to the situation created by the Supreme Court's decision.

Therefore I am very proud, at the request of this committee of attorneys general of the various States, and because the attorney general of my State, the vice president of that organization, has been chosen to plead the case before the Supreme Court, to introduce this bill, and I introduce it on behalf of the Senator from Pennsylvania [Mr. Martin], the junior Senator from New Hampshire [Mr. Cotton], the Senator from Ohio [Mr. Bricker], the Senator from Indiana [Mr. Jenner], the Senator from Idaho [Mr. Welker], the Senator from Texas [Mr. Daniel], the Senator from Arkansas [Mr. McClellan], the Senator from Wisconsin [Mr. McCarthy], the Senator from California, the distinguished minority leader [Mr. Knowland], the Senator from Mississippi [Mr. Stennis], and myself.

The bill (S. 3617) to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities, introduced by Mr. Bridges (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McCARTHY. Let me say that I have read the Senator's bill, and I heartily approve of it. It is along the same line as one which I have introduced today, and I should like to be a cosponsor of the Senator's bill, if he will consent to it.

Mr. BRIDGES. I shall be very happy and delighted to have the Senator join as a cosponsor. As I indicated earlier to the distinguished Senator from Wisconsin, his bill is aimed at the same objective at which my bill is aimed. I told him that I was introducing it at the request of the Association of Attorneys General. I am very happy to have the Senator join as a cosponsor, because we seek the same objective, namely, to right an injustice which has been brought about by a decision of the Supreme Court which deprives the States of the Union of the opportunity to protect themselves against subversive activities.

Mr. McCARTHY. Let me say to the Senator that I think he is performing a great service in introducing the bill.

Mr. BRIDGES. I thank the Senator. I am happy to have him join.

Mr. MARTIN of Pennsylvania. Mr. President, I have joined with the distinguished Senator from New Hampshire [Mr. Bridges] in introducing a bill which would restore to the respective States the right to prosecute those who would destroy the Government of the United States or of the State. The recent decision of the Supreme Court of the United States upholding the decision of the Supreme Court of Pennsylvania struck down the sedition statutes of the 42 States and the Territories which have them.

I firmly believe in the right of each sovereign State to have and to enforce such legislation. A study of the debate at the time the Smith Act was approved in 1940 makes clear that Congress did not wish nor intend that it should nullify State sedition laws then existing or to be passed.

Moreover, we have the assurance of the Justice Department and the FBI that the States have administered their sedition statutes in harmony with the Federal law. We know further that information gathered by individual States has been of great value to the Justice Department and the FBI.

I do not intend to criticize or quarrel with our courts, but I believe that Congress should make its intention clear by enacting the bill which has been introduced.

I believe, that each State should have the right to combat sedition within its borders. I believe each should have the right to punish not only those who seek forcible overthrow of the State but also those who would forcibly overthrow the Nation.

These matters are locked together.

No movement can overthrow by force the government of a State and make it stick, unless it also overthrows the governments of all the States and the Nation.

No movement can forcibly overthrow the Federal Government without, at the same time, overthrowing the governments of the States.

And so I join with my distinguished colleague, the Senator from New Hampshire in an effort to plug the hole which the Supreme Court decision has made in the dike protecting our internal security.

REQUIREMENT THAT STATEMENTS ACCOMPANY CONFERENCE REPORTS

The Senate resumed consideration of the concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

PROGRAM FOR REMAINDER OF THE WEEK

Mr. JOHNSON of Texas. Mr. President, in the event that the unfinished business is disposed of tomorrow, I should like to have Senators on notice that it is planned to proceed to the consideration of Calendar No. 1628, Senate bill 3340, a bill to transfer the functions of the Passport Office to a new agency of the Department of State, to be known as the United States Passport Service, to establish a passport service fund to finance the operations of the United States Passport Service, and for other purposes.

I also give notice that it is planned to proceed at the earliest possible date with the consideration of the supplemental appropriation bill reported today.

Mr. President, there are less than a dozen bills on the calendar. I appeal to the chairmen of committees and the ranking minority members of committees to report any proposed legislation which may be ready for consideration by the Senate.

The majority leader and the minority leader are very desirous of keeping the Senate in session to act upon any necessary legislation as soon as it is reported.

I do not know that I have ever seen a calendar which had as few bills on it as the one we now have.

I expect to hold a meeting of the majority policy committee tomorrow or next day, and clear some of the bills on the calendar for consideration on the floor of the Senate.

ADDITIONAL BILL INTRODUCED

Mr. BRIDGES (for himself, Mr. Martin of Pennsylvania, Mr. Cotton, Mr. Knowland, Mr. Daniel, Mr. Bricker, Mr. McClellan, Mr. Jenner, Mr. Welker, Mr. McCarthy, and Mr. Stennis), by unanimous consent, introduced a bill (S. 3617) to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities, which was read twice by its title and referred to the Committee on the Judiciary.

(See the remarks of Mr. Bridges when he introduced the above bill, which appear under a separate heading.)

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. Langer, and by unanimous consent, the Subcommittee on Constitutional Rights, of the Committee on the Judiciary, was authorized to meet tomorrow during the session of the Senate.

RECESS

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires recognition at this time, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 9 o'clock and 26 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 12, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nomination received by the Senate April 11 (legislative day of April 9), 1956:

Diplomatic and Foreign Service

Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada, vice R. Douglas Stuart.

HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast been our help in ages past and art our hope for years to come, we rejoice that Thou art able and willing to make our minds and hearts the dwelling place of Thy peace and power.

We pray that we may have that courageous and conquering spirit which knows how to meet and master all the mountains of doubt and difficulty, of fear and frustration, of trial and tribulation.

Grant unto us a greater feeling of sympathy for the suffering and sorrowing and make us eager to share our blessings with all Thy needy children who are finding the struggle of life so strenuous.

Direct us with Thy counsel during the deliberations and decisions of this day and may we seek to establish among all the members of the human family a happier and more peaceful relationship.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

BIOGRAPHICAL SKETCH OF FRANK BOYCE, 13, OF ELIZABETH CITY, N. C., 1956 WINNER OF JUNIOR CITIZENSHIP AWARD OF BOYS' CLUBS OF AMERICA

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, Frank Boyce, 13, of Elizabeth City, N. C., the 1956 winner of the junior citizenship award of Boys' Clubs of America, is regarded by his parents, Mr. and Mrs. Wilford Boyce, as just an average American kid.

Frank, a slim lad with brown hair and brown eyes, echoes this view of his father, a truck driver and fruit-stand operator, and his mother. "I reckon I just had a lot more help than many kids," he says.

But the 13-year-old, who is modest in the extreme about his achievements, can scarcely be called "average" by most standards. Those achievements include his selection last year as top player in the Pop Warner Midget Football Conference, an honor he won in competition with 40,000 boys in 266 midget leagues across the country.

In addition, last year he was also named the most valuable baseball player in the Little League in his community. More than 100 schoolmates and fellow Boys' Club members competed in that contest.

Somehow, between his athletic activities, studies, work with the Boys' Club of Elizabeth City—785 members—and the help he gives his father in his business, Frank is able to squeeze in the operation of a newspaper route, the arduous duties of the presidency of the Junior High School Student Council—550 members—summer-camp counseling and, for extra measure, enlistment in local campaigns of the Red Cross, March of Dimes, and other local welfare drives.

The youngster received the junior citizenship award at ceremonies in New York on April 2. During National Boys' Club Week, April 2–8, Frank was to meet a number of celebrities and was scheduled to appear on TV and radio programs commemorating the golden anniversary of Boys' Clubs in America. The organization is observing its 50th anniversary this year.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 22]

Avery
Celler
Dawson, Ill.
Dollinger, N. Y.
Eberharter
Gamble
Gordon
Grant
Hoffman, Ill.
Johnson, Calif.
Lesinski
McDonough
McVey
Miller, Calif.
Mollohan
Nelson
O'Hara, Minn.
Osmers
Powell
Prouty
Scott
Sullivan
Tollefson
Velde

The SPEAKER. On this rollcall 411 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL BILL OF 1956

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1986)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Agricultural Act of 1956'.

"TITLE I—PRICE SUPPORT

"Price Support Levels on Basic Commodities

"SEC. 101. Section 101 (d) (6) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"'(6) Except as provided in section 402, the level of support to cooperators shall be 90 per centum of the parity price for the 1956 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas'.

"Price Supports—Cottonseed and Soybeans

"SEC. 102. Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"'SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this Act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market.'

"Price Supports—Manufacturing Milk

"SEC. 103. The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: 'The price of whole milk and butterfat, respectively, shall be supported at a level not in excess of 90 per centum nor less than 80 per centum of the parity price therefor: *Provided*, That for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and the price of butterfat shall be supported at not less than $3.25 per hundredweight and 58.6 cents per pound, respectively.'

"Parity Formula

"SEC. 104. Section 301 (a) (1) (G) of the Agricultural Adjustment Act of 1938, as amended (providing for a dual parity formula), is amended by striking out the following: ', as of any date during the six-year period beginning January 1, 1950.'. The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

"Effective Date

"SEC. 105. This title shall take effect with the 1956 crops.

"TITLE II—SOIL BANK ACT

"Short title

"SEC. 201. This title may be cited as the 'Soil Bank Act'.

"Declaration of Policy

"SEC. 202. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farm land for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

"Subtitle A—Acreage reserve program

"Terms and Conditions

"SEC. 203. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the 'Secretary') is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as 'the commodity'), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable, within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the 'reserve acreage'), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

"Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

"(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

"(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

"(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of fifty-one million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the five calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

"(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 408 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

"(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the three years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the three years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the three years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such perod. The base acreage of feed grains for each State, less a reserve of not to exceed 3 per centum thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the five calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the three years immediately preceding the year for which the apportionment is made (such farms are hereinafter called 'new feed grain farms'). Producers shall not be eligible for compensation under the acreage reserve program for feed grains, on new feed grain farms. For purposes of this subsection, section 214, and section 408 (d) the terms 'plant' or 'planted', as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

"Extent of Participation in Program

"SEC. 204. For purposes of the acreage reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 203 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

"Compensation of Producers

"SEC. 205. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any one year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than one year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

"(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

"(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed $750,000,000, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, $375,000,000; cotton, $300,000,000; corn in the commercial corn-producing area, $300,000,000; other feed grains, $175,000,000; peanuts, $7,000,000; rice, $23,000,000; and tobacco, $45,000,000. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 204.

"Effect on Acreage Allotments and Quotas

"SEC. 206. (a) In the future establishment of State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

"(b) In applying the provisions of paragraph (6) of Public Law 74, Seventy-seventh Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g)), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

"Subtitle B—Conservation reserve program

"Terms and Conditions

"SEC. 207. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than three years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

"(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

"(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

"(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

"(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 203 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

"(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

"(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

"(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

"(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

"(b) In return for such agreement by the producer the Secretary shall agree:

"(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

"(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

"(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation reserve program.

"(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within thirty days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such thirty-day period, the determination of the State committee made in accordance with regulations of the Secretary, shall be final and conclusive. If the producer within such thirty-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceeding, shall submit a report including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determinaton, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within ninety days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination, within the ninety-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms 'county committee' and 'State committee' as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

"Conservation Reserve Goal

"Sec. 208. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carry-over. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

"(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

"(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop production regions of the country.

"Authorized Period of Contracts and Expenditures

"Sec. 209. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the five-year period 1956–1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

"(b) The period covered by any contract shall not exceed ten years, except that contracts for the establishment of tree cover may extend for fifteen years.

"(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of $450,000,000 in any calendar year.

"Termination and Modification of Contracts

"Sec. 210. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

"(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

"Conservation Materials and Services

"Sec. 211. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

"(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

"Effect on Other Programs

"Sec. 212. Notwithstanding any other provision of law—

"(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

"(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this Act.

"Geographical Applicability

"Sec. 213. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term 'State' includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

"Subtitle C—General provisions

"Compliance With Acreage Allotments

"Sec. 214. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or fifteen acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or fifteen acres, whichever is larger.

"Reapportionment Prohibited

"Sec. 215. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

"Certificate of Claimant

"Sec. 216. Subject to the provisions of section 205 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

"Utilization of Local and State Committees

"Sec. 217. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

"Utilization of Other Agencies

"Sec. 218. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State foresters, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

"Utilization of Land Use Capability Data

"Sec. 219. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

"Financing

"Sec. 220. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

"(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

"Finality of Determinations

"Sec. 221. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

"Protection of Tenants and Sharecroppers

"Sec. 222. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

"Penalty for Grazing or Harvesting

"Sec. 223. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 203 or 207 shall be subject to a civil penalty equal to 50 per centum of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

"Regulations

"Sec. 224. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

"Production on Government Lands Prohibited

"Sec. 225. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price supported crops in surplus supply.

"Pooling of Conservation Reserve Land

"Sec. 226. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

"TITLE III—SURPLUS DISPOSAL

"Program of Orderly Liquidation

"Sec. 301. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

"(b) The Secretary shall submit to Congress within ninety days after the enactment of this Act detailed programs, with recommendations for any additional legislation needed to carry out such programs, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

"(1) the quantities of surplus commodities on hand;

"2) the methods of disposition utilized and the quantities disposed of during the preceding twelve months;

"(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding twelve months;

"(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and

"(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

"Extra-Long Staple Cotton

"Sec. 302. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

"(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this Act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

"Agreements Limiting Imports

"Sec. 303. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933), as amended.

"Appropriation To Supplement Section 32 Funds

"Sec. 304. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of $500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, Seventy-fourth Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 per centum of such $500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

"Transfer of Bartered Materials To Supplemental Stockpile

"Sec. 305. (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98–98h), or for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

"(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

"(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

"Surplus Disposal Administrator

"Sec. 306. The Secretary of Agriculture is authorized to appoint an agricultural surplus disposal administrator, at a salary rate of not exceeding $15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

"Use of Voluntary Agencies and Shipping Subsidy for Merchant Marine

"Sec. 307. That the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

"(a) The first sentence of section 103 (a) is amended by striking out the word 'and' following the words 'handling costs,' and by inserting immediately before the period the following: 'and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended'.

"(b) Section 201 is amended by striking out 'f. o. b. vessels in United States ports,'.

"(c) The first sentence of section 203 is amended to read as follows: 'Not more than $500,000,000 (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title.' Section 203 is further amended by adding at the end of the section the following: 'Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President.'

"Commission To Recommend Legislation Providing for Increased Industrial Use of Agricultural Products

"Sec. 308. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as 'the Commission'). The Commission shall be composed of five members, of whom not more than three shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

"(2) Members of the Commission shall be paid compensation at the rate of $50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

"(3) The Commission is authorized to appoint and fix the compensation without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

"(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

"(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434 or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

"(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

"(c) There is hereby authorized to be appropriated such sum, not to exceed $150,000, as may be necessary to enable the Commission to carry out its functions.

"(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

"(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

"(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"Donation to Penal and Correctional Institutions

"Sec. 309. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

"Federal Irrigation, Drainage, and Flood-Control Projects

"Sec. 310. (a) For a period of three years from the date of enactment of this Act, no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this Act.

"(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included, in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized, such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of three years from the date of enactment of this Act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this Act and under price support legislation.

"(c) On or before October 1 of each year, the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

"(d) For the purposes of this section the term 'Federal irrigation or drainage project' means any irrigation or drainage project subject to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

"Processing of Donated Food Commodities

"Sec. 311. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: 'In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible.'

"TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

"Extension of Surrender and Reapportionment Provisions for Wheat Acreage Allotments

"Sec. 401. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out '1955' wherever it appears in such subsection and inserting in lieu thereof '1955, 1956, or 1957'.

"Acreage Allotments for Cotton for 1957 and 1958

"Sec. 402. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: 'Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956'.

"Cotton—Small Farm Allotments

"Sec. 403. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: '*Provided*, That there is hereby established a national acreage reserve consisting of one hundred thousand acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be one thousand acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1).'

"(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: '*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 per centum of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 per centum of the county allotment determined without regard to such additional acreages).'

"(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

" '(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such three-year period'.

"(d) The first sentence of section 344 (f) (6) of such Act is amended to read as follows: 'Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the three years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such three-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 per centum of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50 per centum limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein.'

"(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

"Minimum State Acreage Allotments for 1956 Rice Crop

"Sec. 404. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

" '(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 per centum of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage.'

"Increase in Peanut Marketing Penalties

"Sec. 405. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: 'The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 per centum of the support price for peanuts for the marketing year (August 1–July 31).'

"Collection of Peanut Marketing Penalties

"Sec. 406. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding two new subsections as follows:

" '(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

" '(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest, shall be in effect in favor of the United States.'

"Preservation of Unused Acreage Allotments

"Sec. 407. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

" 'Preservation of Unused Acreage Allotments

" 'Sec. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage allotments are in effect for any commodity under this Act, the acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the sixtieth day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section.'

"Acreage Requirements for Price Support on Corn and Other Feed Grains

"Sec. 408. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 per centum of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

"(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

"(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area, for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

"(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 per centum of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 per centum of the farm base acreage established for such feed grains under section 203 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percentum of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 per centum of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

"TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

"Sec. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: 'Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates'; (2) by changing the designation of subtitle D thereof to read as follows: 'Subtitle F— Miscellaneous provisions and appropriations'; and (3) by inserting after subtitle C new subtitles D and E, as follows:

" '*Subtitle D—Domestic parity plan for wheat*

" 'Legislative Findings

" 'Sec. 379a. Wheat, in addition to being a basic food, is one of the great export crops of American agriculture and its production for domestic consumption and for export is essential to the maintenance of a sound national economy and to the general welfare. The movement of wheat from producer to consumer, in the form of the commodity or any of the products thereof, is preponderantly in interstate and foreign commerce. That small percentage of wheat which is produced and consumed within the confines of any State is normally commingled with, and always bears a close and intimate commercial and competitive relationship to, that quantity of such commodity which moves in interstate and foreign commerce. For this reason, any regulation of intrastate commerce in wheat is a regulation of commerce which is in competition with, or which otherwise affects, obstructs, or burdens, interstate commerce in that commodity. In order to provide an adequate and balanced flow of wheat in interstate and foreign commerce and thereby assist farmers in obtaining parity of income by marketing wheat for domestic consumption at parity prices and by increased exports at world prices, and to assure consumers an adequate and steady supply of wheat at fair prices, it is necessary to regulate all commerce in wheat in the manner provided under the marketing certificate plan set forth in this subtitle.

" 'Domestic Food Quota

" 'Sec. 379b. Not later than May 15 of each calendar year the Secretary shall determine and proclaim the domestic food quota for wheat for the marketing year beginning in the next calendar year. Such domestic food quota shall be that number of bushels of wheat which the Secretary determines will be consumed as human food in the continental United States during such marketing year.

" 'Apportionment of Domestic Food Quota

" 'Sec. 379c. (a) The domestic food quota for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the several States on the basis of total production of wheat in each State during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed, with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period. The reserve quota set aside herein for apportionment by the Secretary shall be used to establish quotas for counties, in addition to the county quotas established under subsection (b) of this section, on the basis of the relative needs of counties for additional quota because of reclamation and other new areas coming into the production of wheat during the five calendar years immediately preceding the calendar year in which the quota is proclaimed.

" '(b) The State domestic food quota for wheat, less a reserve of not to exceed 3 per centum thereof for apportionment as provided in subsection (c), shall be apportioned by the Secretary among the counties in the State on the basis of the total production of wheat in each county during the ten calendar years immediately preceding the calendar year in which the quota is proclaimed,

with such adjustments as are determined to be necessary for the acreage diverted under previous agricultural adjustment and conservation programs, for abnormal weather conditions and for trends in production during such period.

" '(c) The county domestic food quota for wheat shall be apportioned by the Secretary, through the local committees, among the farms within the county on which wheat has been seeded for the production of wheat during any one or more of the three calendar years immediately preceding the calendar year in which the marketing year for which the quota is proclaimed begins, on the basis of past acreage of wheat, the normal yield, crop rotation practices, type of soil, and topography. The reserve provided under subsection (b) shall be used to adjust farm quotas which the county committee determines to be inequitable on the basis of past acreage, if any, planted to wheat and the normal yield for such farm or the average of the county tillable acres, crop-rotation practices, type of soil, and topography.

" 'Marketing Certificates

" 'Sec. 379d. (a) Beginning with the first crop of wheat for which a marketing certificate program is placed in effect under section 379j, the Secretary shall prepare for issuance in each county marketing certificates aggregating the amount of the county domestic food quota. Such certificates shall be issued to cooperators in an amount equal to the domestic food quota established for the farm pursuant to the applicable provisions of section 379c of this Act. The marketing certificates for a farm shall be issued to the farm operator, but the Secretary may authorize the issuance of marketing certificates to individual producers on any farm on the basis of their respective shares in the wheat crop, or the proceeds thereof, produced on the farm. The Secretary shall also issue and sell marketing certificates to processors and importers in such quantities as are required by them in order to meet the requirements of subsections (a) and (b) of section 379e. Marketing certificates shall be transferable only in accordance with regulations issued by the Secretary.

" '(b) Whenever a domestic food quota is proclaimed for any marketing year pursuant to section 379b of this Act, the Secretary shall determine and proclaim for such marketing year (1) the estimated parity price, (2) the estimated farm price for wheat, and (3) the value per bushel of the marketing certificate. The value of the marketing certificate shall be equal to the amount by which the estimated parity price exceeds the estimated farm price as determined herein. The value of each marketing certificate shall be computed to the nearest cent by multiplying the value per bushel by the number of bushels thereof. Except as otherwise provided herein, the value of the certificate so determined shall remain constant and shall remain in effect throughout the marketing year for which it is issued. The proclamation required by this subsection shall be made during the month of May immediately preceding the marketing year for which such domestic food quota is proclaimed.

" '(c) The Secretary is authorized and directed through the Commodity Credit Corporation to buy and sell marketing certificates issued for any marketing year at the value proclaimed pursuant to subsection (b) of this section. For the purpose of facilitating the purchase and sale of certificates, the Secretary may establish and operate a pool or pools and he may also authorize public and private agencies to act as his agents, either directly or through the pool or pools. Certificates shall be valid to cover sales and importations of products made during the marketing year with respect to which they are issued and after being once used to cover such sales and importations shall be canceled by the Secretary. Any unused certificates shall be redeemed by the Secretary at the price established for such certificates.

" 'Marketing Restrictions

" 'Sec. 379e. (a) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed, and except as provided in subsection (d) hereof, all persons engaged in the processing of wheat into food products composed wholly or partly of wheat are hereby prohibited from marketing any such product for domestic food consumption or export containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person. The quantity of such marketing certificates acquired shall be equivalent to the number of bushels of wheat processed into food products.

" '(b) Beginning with the first day of the marketing year in which the first crop of wheat for which a marketing certificate program is placed in effect under section 379j would normally be marketed and except as provided in subsection (d) hereof, all persons are hereby prohibited from importing or bringing into the continental United States any food products containing wheat in excess of the quantity for which marketing certificates issued pursuant to section 379d of this Act have been acquired by such person.

" '(c) Upon the exportation from the continental United States of any food product containing wheat, with respect to which marketing certificates as required herein have been acquired, the Secretary shall pay to the exporter an amount equal to the value of the certificates for the quantity of wheat so exported in the food product. For the purposes of this subsection, the consignor named in the bill of lading, under which the article is exported, shall be considered the exporter: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives claim in favor of such other person.

" '(d) Upon the giving of a bond satisfactory to the Secretary under such rules and regulations as he shall prescribe to secure the purchase of and payment for such marketing certificates as may be required, any person required to have a marketing certificate in order to market or import a food product composed wholly or partly of wheat may market or import any such commodity without having first acquired a marketing certificate.

" '(e) As used in this section, (1) the term "marketing" means the sale and the delivery of the food product composed wholly or partly of wheat, and (2) the term "food" means human food.

" 'Conversion Factors

" 'Sec. 379f. The Secretary shall ascertain and establish conversion factors showing the amount of wheat contained in food products processed wholly or partly from wheat. The conversion factor for any such product shall be determined upon the basis of the weight of wheat used in the processing of such product.

" 'Civil Penalties

" 'Sec. 379g. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of subsection (a) or (b) of section 379e of this Act shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

" 'Adjustments in Domestic Food Quotas

" 'Sec. 379h. If the Secretary has reason to believe that because of a national emergency or because of a material increase in demand for wheat, the domestic food quota for wheat should be increased or suspended, he shall cause an immediate investigation to be made to determine whether the increase or suspension is necessary in order to meet such emergency or increase in the demand for wheat. If, on the basis of such investigation, the Secretary finds that such increase or suspension is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quotas shall be increased or shall be suspended, as the case may be. In case any domestic food quota for wheat is increased under this section, each farm quota for wheat shall be increased in the same ratio and marketing certificates shall be issued therefor in accordance with section 379d of this Act. In case any domestic food quota for wheat is suspended under this section, the Secretary may redetermine the value of marketing certificates issued pursuant to section 379d of this Act.

" 'Reports and Records

" 'Sec. 379i. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except wheat producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $2,000 for each such violation.

" '(b) The provisions of section 373 (b) of the Act shall apply to all wheat farmers who are subject to the provisions of this subtitle.

" 'Referendum

" 'Sec. 379j. In any referendum held pursuant to section 336 of this Act on the national marketing quota proclaimed for any crop of wheat, the Secretary shall also submit on separate ballots the question whether farmers favor a marketing certificate program under this subtitle in lieu of marketing quotas under subtitle B. If more than two-thirds of the farmers voting in the referendum favor such marketing certificate program, the Secretary shall, prior to the effective date of the national marketing quota proclaimed under subtitle B, suspend the operation of such quota and place into effect a marketing certificate program for that crop and subsequent wheat crops under the provisions of this subtitle, in which event marketing quotas and acreage allotments and the provisions of title III of this Act relating thereto, except as otherwise provided in this section, shall not thereafter be in effect for wheat: *Provided,* That, whenever a marketing certificate program is in effect, the wheat marketing quota provisions and penalties shall remain in effect with respect to prior crops of wheat in the same manner as if marketing quotas were in effect for the current crop of wheat, and the Secretary may, by regulation, prescribe the method for collecting penalties on any such wheat.

" 'Price Support

" 'Sec. 379k. Notwithstanding any other provision of law—

" '(a) Whenever a wheat marketing certificate program under this subtitle is in effect, price support for wheat shall be determined in accordance with the provisions of subsection (b) of this section.

" '(b) The Secretary of Agriculture is authorized to make available through loans, purchases, or other operations, price support to producers of wheat who are cooperators. The amount, terms, conditions, and extent of such price-support operations shall be determined by the Secretary, except that the level of such support shall be determined after taking into consideration the following factors: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which corn and other feed grains are being supported and the feed value of such grains in relation to wheat, (3) the provisions of any international agreement approved by the Congress or ratified by the Senate relating to wheat to which the United States is a party, (4) foreign trade policies of friendly wheat exporting countries, and (5) other factors affecting international trade in wheat including exchange rates and currency regulations.

"'(c) Compliance by the producer with acreage allotments may be prescribed and required by the Secretary as a condition of eligibility for price support and for the receipt of wheat marketing certificates. Acreage allotments shall be established in accordance with the provisions of subtitle B, part III of this Act.

"'(d) Notwithstanding any other provision of law, no producer of wheat shall receive certificates for a number of bushels in excess of the number obtained by multiplying the acreage actually planted to wheat by the normal yield.

"'(e) Any farmer who is dissatisfied with his farm acreage allotment may have such acreage allotment reviewed in accordance with the procedures prescribed by sections 363 to 368, inclusive, for reviewing marketing quotas.

"'*Subtitle E—Rice certificates*

"'Legislative Findings

"'Sec. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this Act.

"'Effective Date and Termination

"'Sec. 380b. The provisions of this subtitle, unless extended by law, shall apply only to the crops of rice harvested prior to 1958, and sections 380c through 380g (c) shall not be applicable to rice harvested before 1956. Notwithstanding any other provision of law, the national acreage allotment of rice for 1957 shall be not less than the national acreage allotment for 1956, including any acreage allotted under section 353 (c) (5) of this Act, and such 1957 national allotment shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956.

"'Rice Primary Market Quota

"'Sec. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year, except that for the marketing year beginning in 1956 such determination and proclamation shall be made not later than thirty days after the enactment of the Agricultural Act of 1956. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"'Apportionment of Primary Market Quota

"'Sec. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year. Notwithstanding the foregoing provisions of this subsection, the primary market quota for rice shall be apportioned by the Secretary among the several States for the marketing year beginning in 1956 on the basis of the 1955 production of rice in each State.

"'(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"'Review of Primary Market Quota

"'Sec. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this Act.

"'Price Support

"'Sec. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on the 1956 crop of rice at not less than 55 per centum or more than 90 per centum of the parity price of rice as of the beginning of the marketing year and on the 1957 and subsequent crops of rice at such level, not less than 50 per centum or more than 90 per centum of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"'(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of the 1956 and 1957 crops, but all the other provisions of such Act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"'Certificates

"'Sec. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"'(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"'(c) The provisions of section 385 of this Act shall be applicable to certificates issued to producers under this section.

"'(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"'(e) The value of each certificate issued under this section shall be equal to the difference between 90 per centum of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this Act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"'Inventory Adjustment Payments

"'Sec. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of July 31, 1956, in amounts equal to the amount by which 80 per centum of the parity price of rice as of August 1, 1955, exceeds the support price for the 1956 crop of rice, multiplied by the quantities of such rough rice: *Provided, however,* That such payments shall not be made with respect to rice of the 1956 crop, imported rice, or rice acquired from Commodity Credit Corporation. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"'Rice Set-Aside

"'Sec. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of sixty days after the beginning of the 1956 marketing year, not exceeding twenty million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"'Exemptions

"'Sec. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"'Processing Restrictions

"'Sec. 380k. (a) Each person who on or after August 1, 1956, engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this Act in an amount sufficient to cover such quantity of rough rice.

"'(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"'(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"'Import Restrictions

"'Sec. 380l. Each person who, on or after August 1, 1956, imports processed rice into the United States shall acquire certificates issued under section 380g of this Act covering the rough rice equivalent of such processed rice.

"'Regulations

"'Sec. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"'Civil Penalties

"'Sec. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this Act, or regulations prescribed by the Secretary for the

enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"'Reports and Records

"'Sec. 380o. (a) The provisions of section 373 (a) of this Act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $2,000 for each such violation.

"'(b) The provisions of section 373 (b) of the Act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"'Definitions

"'Sec. 380p. For the purposes of this subtitle—

"'(a) "cooperator" shall have the same meaning as under the Agricultural Act of 1949, as amended.

"'(b) "processing of rough rice" means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"'(c) "processed rice" means any rice from which the husk or hull has been removed and includes, but is not limited to—

"'(1) whole grain rice,

"'(2) second head milled rice,

"'(3) screenings milled rice,

"'(4) brewers milled rice,

"'(5) undermilled rice or unpolished rice,

"'(6) brown rice,

"'(7) converted rice, malekized rice or parboiled rice, and

"'(8) vitaminized rice or enriched rice.

"'(d) "United States" means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rice.

"'(e) "exporter" means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"'(f) "rough rice equivalent" means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than one hundred pounds of rough rice for each sixty-eight pounds of processed rice.

"'(g) "import" means to enter, or withdraw from warehouse, for consumption.'

"Normal Yield for Rice

"Sec. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"'(D) "Normal yield" for any county, in the case of rice, shall be the average yield per acre of rice for the county during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"'(E) "Normal yield" for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the five calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"'(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such five-year period is less than 75 per centum of the average, 75 percentum of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such five-year period is in excess of 125 per centum of the average, 125 per centum of such average shall be substituted therefor in calculating the normal yield per acre.'

"TITLE VI—FORESTRY PROVISIONS

"Assistance to States for Tree Planting and Reforestation

"Sec. 601. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than fifty million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

"(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

"(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided,* That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

"(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

"(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

"(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,
Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12) to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

H. R. 12 passed the House on May 5, 1955. It consisted of 4 sections: (1) Establishing price supports for basic commodities at 90 percent of parity for the years 1955, 1956, and 1957; (2) establishing the support level for milk at 80 to 90 percent of parity; and (3) and (4) extending and providing additional funds for the special school milk program and the brucellosis eradication program. The Senate struck out all after the enacting clause of the House bill and inserted an amendment consisting of 62 sections comprising some 77 printed pages. The task facing the conferees of reconciling the differences between these two measures has been substantial, particularly since some of the more complicated provisions of the Senate amendment were adopted on the floor without the opportunity for testimony and explanation which takes place in the process of committee consideration.

The committee of conference has reworked the Senate amendment section by section and the bill reported herewith is the Senate amendment with numerous changes and amendments agreed upon by the conferees. The major provisions are: (1) price-support provisions for basic commodities, cottonseed and soybeans, milk, and feed grains; (2) restoration of "dual parity" for basic commodities; (3) authority for a "soil bank" program; (4) various provisions to assist in disposal of surplus commodities including authority to donate such commodities to Federal penal institutions and State penal institutions for minors, substantial additional appropriations to supplement "Section 32" operations, and a directive to the Secretary of Agriculture to study and report promptly to Congress on other disposal programs, including a food stamp plan; (5) various provisions relating to acreage allotments and marketing quotas for commodities, chiefly designed to assist the small farm operator; (6) a domestic parity program for wheat and a "two-price" program for rice; and (7) authority for further assistance to States in forestry programs. Following is an explanation of the major provisions of the bill as reported herewith to the House.

Section 101. Price support levels on basic commodities

Establishes the support level for basic commodities at 90 percent of parity for the 1956 crop. The House bill provided support at 90 percent for 3 years. The Senate rejected the 90 percent support provisions but later significantly modified its action by adopting other provisions, including substantial additions to the "set-aside," which would have had the effect of requiring the Secretary to establish support prices close to the 90 percent level. Under the provisions of the Senate bill it was estimated that the Secretary would have been required to support the basic commodities at the following levels for 1956: tobacco 90 percent, wheat 85 percent, cotton 88 percent, corn 84 percent, rice 90 percent on domestic consumption and not less than 55 percent on the balance, and peanuts 90 percent.

The committee of conference was agreed that falling farm prices, coupled with rising production costs, have created a crisis in farm income that may well become a catastrophe unless strong and effective action is taken to bolster farm income in 1956. Rather than adopt any of the devious devices which have been proposed for raising the level of support prices by indirection (including the set-aside which has been so strongly condemned by the Secretary of Agriculture), the committee of conference agreed that the most effective way of accomplishing this purpose is the simple and straightforward procedure adopted in the conference report of establishing price support levels for the basic commodities at not less than 90 percent of parity for 1956.

Section 102. Price supports—Cottonseed and soybeans

Requires that when the price of either cottonseed or soybeans is supported the price of the other of these closely related crops shall be supported at a comparable level.

Section 103. Price supports—Manufacturing milk

Establishes the support level for milk at 80 to 90 percent of parity (instead of 75 to 90 percent as provided in existing law) and further provides that for the marketing year ending March 31, 1957, the price of milk for manufacturing purposes and price of butterfat shall be supported at not less than $3.25 per hundredweight and 58.6 cents per pound, respectively. This provision replaces a complicated formula for establishing the parity equivalent for manufacturing milk which had been placed in the Senate amendment.

The price of $3.25 per hundredweight for milk for manufacturing (3.95 percent butterfat) is 85 percent of the February 15, 1956, parity equivalent for milk for manufacturing. This is 10 cents per hundredweight higher than the $3.15 support price announced by the Secretary of Agriculture on February 14, 1956. The $3.15 support price is 82 percent of the February 15, 1956, parity equivalent for milk for manufacturing.

To accomplish this 10 cent per hundredweight increase in the price of milk for manufacturing by increasing the purchase price of butter would require an increase of 2 cents per pound in the price of butter, which is equivalent to 2.4 cents per pound in the price of butterfat. Adding this 2.4 cents to the 56.2 cents announced support price for butterfat in cream would result in a support price of 58.6 cents per pound. This would be 82 percent of the parity price of butterfat in cream as compared with the February 14, 1956, announced level of 78 percent.

Although the committee amendment omits from the first sentence of section 201 (c) the words "and the products of such commodities", it does not change the present method of supporting milk and butterfat prices through "loans on, or purchases of, milk and the products of milk and butterfat" as provided in the second sentence of the subsection.

Section 104. Parity formula

Provides that the dual method of computing parity for the basic commodities (using both the old and the new parity formula) which has been in effect for the basics from 1949 until this year, is to be used henceforth. The section also recognizes the possibility of shortcomings in both of our existing methods of computing parity and directs the Secretary to make a thorough study of this subject and report thereon to Congress not later than January 31, 1957, with specific recommendations, including drafts of any necessary legislation, for the improvement of our parity system.

Section 105. Effective date

Makes all the foregoing provisions effective with 1956 crops.

TITLE II—SOIL BANK ACT (SECS. 201–227)

Title II comprises the Soil Bank Act. The provisions in the committee report are only slightly modified from those adopted by the Senate which are described in some detail in the committee report on S. 3183 (S. Rept. 1484) on pages 8 to 20. The provisions adopted by the Senate were, in turn, based upon and only slightly modified from the recommendations made by the Secretary of Agriculture.

The soil-bank program authorized in title II consists of two parts: The acreage-reserve program (secs. 203 to 206) and the conservation reserve program (secs. 207 to 214). Sections 215 to 227 are general provisions applying to either or both the conservation reserve and the acreage-reserve programs.

Sections 203–206. Acreage-reserve program

The acreage-reserve program is not a soil-conservation measure but a short-term program designed to curtail production of specific commodities even below the anticipated production from allotment programs. It is authorized only for the 4 crop years 1956–59. It applies only to specified commodities: wheat, cotton, corn, peanuts, rice, most kinds of tobacco, and the feed grains (oats, rye, barley, grain sorghums, and corn grown in noncommercial corn areas).

The objective of the acreage-reserve program is to induce farmers to reduce their acreages below their allotments or base acreages and to make no other use of the land so retired. The farmer who thus curtails his production will be paid an amount roughly equivalent to his anticipated return from the land had he put it to its intended purpose.

A special provision inserted in the bill by the committee will make it possible for the farmer to participate in the 1956 program even though he may already have planted his 1956 crops or may have been prevented from planting his normal crops because of adverse weather conditions. This latter provision was inserted in order to care for the condition which now exists in a vast area, particularly in the Southwest, where drought has prevented normal planting operations, and it is intended that the farmer who has not been able to plant and has not, therefore, planted will, nonetheless, be allowed to participate in the acreage reserve for 1956.

In general, the rate of payment will be approximately 50 percent of the price support for that quantity of the commodity which would normally be produced on the land placed into the acreage reserve. The specific rate of payment will, of course, vary from commodity to commodity and in different areas, but will be required to be in such amounts as will make the program attractive to farmers. Payment will be made in negotiable certificates redeemable in cash by the Commodity Credit Corporation or, in the case of grains, redeemable in grain at the option of the producer.

The committee proved that in case of unusual weather conditions resulting from either drought, flood, hail, wind, or other natural causes, the Secretary should make adjustments in calculating the normal yield for each farm. The committee was informed by representatives of the Department that the practice would be to eliminate the record of years of abnormally low production in calculating the normal yield for the farm for soil-bank-payment purposes, as well as in the calculation of acreage history of the farm for the determination of acreage allotment or farm base acreage.

The total amount which may be expended on the acreage-reserve program in any one year is $750,000,000. To assure a fair division of funds between the various commodities, the committee has also established maximums for the separate crops: Wheat, $375,000,000; corn, $300,000,000; cotton, $300,000,000; tobacco, $45,000,000; rice, $23,000,000; peanuts, $7,000,000; and feed grains, $175,000,000. The individual commodity limitations add up to more than the overall limit of $750,000,000 in order to permit adjustment of commodity programs to meet operating conditions but to not have the effect of increasing the overall limitation of $750,000,000. The conferees struck out of the Senate amendment a provision which would have limited payments to any one producer to not to exceed $25,000. Also eliminated from the Senate amendment was a provision which would have denied all price supports to a producer who did not participate in the acreage reserve.

The amount of acreage a producer will be permitted to put into the conservation reserve will vary by commodities but generally the program as tentatively formulated by the Department of Agriculture will permit farmers with small acreage allotments to put their entire allotment into the acreage reserve while those with larger allotments will be limited to a maximum percentage of their allotment. For example, a producer with a grain allotment would be permitted to put into the reserve 50 acres or 50 percent of his allotment, whichever is larger. Thus, any farmer with a grain allotment of less than 50 acres could place his entire allotment in the acreage reserve if he chose to do so. In addition, there is nothing in the legislation herewith reported which would prevent a small farmer from putting his maximum allowable acreage in the acreage reserve and then placing the balance of his land in the conservation reserve, providing regulations of the Secretary permit such action.

Preliminary and still tentative estimates of the payments per acre for the various crops or acreage put into the acreage reserve are as follows: Cotton, $48–$60; wheat, $18–$25; corn, $36–$50; rice, $60–$75; peanuts, $50–$70; tobacco, $100–$300; and feed grains, $15–$50. It should be emphasized that these figures are not only tentative, they are national average figures based upon the national average yield per acre of the various crops. The rate of payment an individual farmer can expect will be based not only upon these national average figures but upon the normal yield per acre of the land he is placing into the conservation reserve and other local factors. The two basic principles with respect to payment are: (1) That the rate of payment should generally reflect the actual net income the farmer might expect to receive from the acreage had he planted it to the allotted crop and (2) that rates of payment are to be attractive enough to encourage farmers to place substantial acreages into the acreage reserve and thereby curtail production below national allotments and marketing quotas.

At the request of the committee of conference the Department of Agriculture has made available its latest administrative memorandum on this matter, now being used as the basis for further consultation with State and county committees. The memorandum is printed herewith as appendix A.

Sections 207–214. Conservation reserve program

The conservation reserve program (secs. 207–214) is designed to take out of the production of crops and put into a conservation status on a semipermanent basis specified acreages of land. Croplands, including lands now being devoted to such soil-conserving

crops as tame hay, alfalfa, and clover, are eligible for the conservation reserve. Section 207 (a) (2) of the Senate amendment would have required a producer putting such soil-conserving croplands into the conservation reserve to increase the acreage devoted to soil-conserving crops or left idle on his remaining land to that previously devoted to soil-conserving crops or left idle on the entire farm. The conference substitute would change this to require the producer to devote to soil-conserving crops or idleness only an acreage of his remaining land equal to that previously devoted to soil-conserving crops or left idle on such remaining land. Thus a producer who normally had 100 acres of tame hay and 10 acres each of oats and barley could put 40 acres of tame hay land into the conservation reserve without being required to reduce his acreage of oats or barley. He would be required to maintain in soil-conserving crops or leave idle that acreage of his land outside the conservation reserve which had previously been devoted to soil-conserving crops or left idle (namely, 60 acres), but he would not be required to increase such acreage by reason of having put 40 acres of tame hay into the conservation reserve.

The program would be carried out on the basis of contracts entered into between the Secretary of Agriculture and the producer. Contract periods would be for not less than 3 years nor more than 10 (except for forestation areas where the period could run for 15 years). In return for the producer agreeing, among other things, not to harvest any crop nor graze the land in the conservation reserve, the Secretary would pay a large part (estimated at approximately 80 percent) of the cost of establishing conservation practices on the land and would pay thereafter an annual amount to the producer roughly equivalent to the rental value of the land.

The total amount of expenditures for the conservation program in any one year is limited to $450,000,000, including the materials and services provided to assist farmers in establishing conservation practices on the land put into the reserve. A provision in the Senate bill which would have limited payments in any year to any producer to not more than $7,500 was removed from the bill by the conference.

Sections 215–227. General provisions

Sections 215–227 contain general provisions relating to the soil-bank program. These provide: (1) No person will be eligible for soil-bank payments in any year in which he exceeds his farm-acreage allotment for any commodity; (2) a prohibition against the reapportionment to any other producer of acreage placed in the acreage reserve or conservation reserve; (3) authority for the Secretary to make payments under the program upon satisfactory proof by the producer that he has complied with his part of the contract; (4) the requirement that in carrying out the program the Secretary make use of local and state ASC committees, other appropriate state and federal agencies, and of the land use capability data developed by the Soil Conservation Service; (5) the provision that until July 1, 1957, the funds of the Commodity Credit Corporation may be used for carrying out the soil-bank program but that after that date such funds must come from regular appropriations. This provision does not limit the authority elsewhere conferred for the Secretary to make contracts under the soil-bank program for periods of more than 1 year.

Special provisions

In its endeavor to make the soil-bank program not only practical and successful from the standpoint of conservation and surplus reduction but also one which will be outstandingly fair and equitable to all who participate in it the committee of conference has made a number of changes, amendments, deletions, and additions of special provisions relating to the soil-bank program. Some of these which deserve special mention are:

Protection of tenants and sharecroppers: No single problem connected with the proposed soil bank has caused the committee more concern than that of guaranteeing adequate protection of tenants and sharecroppers under the program. Several provisions referring to tenants and sharecroppers and intended to protect their interests, while at the same time safeguarding the interests of landlords, were scattered throughout the soil-bank portion of the Senate bill. After the most careful consideration, the committee considered them inadequate to afford the protection desired. The committee tried for many hours to devise a specific formula or direction to the Secretary of Agriculture covering the landlord-tenant-sharecropper relationship which would assure by specific legal provision fair treatment of all concerned. It realizes, however, that these relationships are so different in various types of farming areas and in different geographic locations, and even from one farm to the next in the same area, that it is probably impossible to write into the law a formula for equitable sharing in benefits under the soil bank act which will work fairly in all the multitude of individual relationships of this type which exist.

After the most thorough consideration, therefore, the committee of conference reached the conclusion that the safest way to guarantee fair treatment of all participants in the soil bank program is to put into the law the general rules on which the division of benefits under this act is to be made, to require that each landlord in applying for participation in the program stipulate in detail how he proposes to share the benefits with his tenants or sharecroppers, and to require the county committee made up of farmers who are thoroughly familiar with local conditions to approve the proposed division of benefits before the farmer will be permitted to participate in the program. The stipulated and approved proposal for dividing the benefits will then be made a part of the contract and failure or refusal to carry out that provision would subject the producer to the penalties provided by the act.

Forfeiture of price supports benefits: The committee has stricken from the bill language appearing in two sections of the soil-bank title which would have authorized the Secretary to require forfeiture of all price-support benefits for violation of a soil-bank contract. This was a provision desired chiefly by livestock producers as a protection against a farmer placing land into the soil bank, receiving his payment therefor, and then using the land for grazing purposes.

The committee recognizes the problem faced by the livestock industry. Under the soil bank program, it is likely that millions of acres now in crops will be put into grass. The contract signed by the producer placing his acreage into the soil bank will prohibit the using of this land for grazing except under emergency conditions and with the permission of the Secretary of Agriculture. Recognizing both that payments for participation in the soil bank probably cannot and should not be deferred until a full year's compliance can be checked, but also that after a farmer has received his payment and the grass on his regular pastures becomes short there will be a substantial temptation to put livestock on the soil-bank acreage in violation of the contract, the committee of conference still believes that the penalty provided in the Senate bill of forfeiture of all benefits under the price support programs is unduly excessive.

Instead, it urges the Secretary of Agriculture to utilize the very adequate legal provisions relating to contract violation which remain in the bill, including the additional penalty of 50 percent which was added by the conference committee, to deal quickly and effectively with violators of soil-bank contracts and not to hesitate to resort to court action to enforce the penalties provided by the bill whenever that action seems justified. In addition, administrative regulations should provide as much certainty as is possible that the contract conditions have been and will continue to be adhered to before any payment for performance is made.

Appeal of terminated contract: The committee was not satisfied with the provisions in the bill relating to the right and the procedure of appeal by a producer from a decision by the Secretary terminating a soil-bank contract. The committee has completely rewritten this provision (sec. 207 (d)). As reported herewith it provides that where the State committee believes there has been a violation which would warrant termination of contract, the producer must be given written notice thereof by registered mail, and the producer will have the right within 30 days to appear at an informal proceeding before the county ASC committee to show cause why his contract should not be terminated. At the conclusion of such hearing the county committee will submit a report to the State committee and the producer has the right to appear before the State committee in connection with its determination of the issue.

The State committee must give the producer written notice of its decision in the matter and if the producer feels aggrieved he has the right of immediate appeal to the United States district court and for a trial de novo of the issue before such court.

Voluntary participation: Stricken from the bill is section 226 of the Senate amendment which would have required participation in the soil bank as a condition of eligibility for price support. The committee felt that the soil-bank program and the regular price support program, while they supplement and complement each other, are separate and distinct programs and that no new condition of eligibility for price support (except as to those commodities for which new price support programs directly related to the soil bank are set up in the bill) should be imposed by the soil-bank program.

The soil-bank provisions require that to be eligible for payment under the program a producer must be in compliance with all acreage allotments. In addition, each of the allotment and marketing quota programs carries its own penalty for failure to comply. Removal of section 226 from the bill will make the soil bank a strictly voluntary program, as recommended by the Secretary of Agriculture.

Tree seedlings: In section 211 the Secretary is authorized to "purchase or produce" conservation materials. The word "produce" is retained in the section for the single purpose of permitting the Department of Agriculture to grow seedling trees for reforestation purposes—and then only to the extent of utilizing existing departmental nursery facilities—or to supply a definite deficiency that cannot be filled by private nurseries. It is not the intention of the committee to put the Department into the seedling producing business, but rather, that seedlings for the soil-bank program should be purchased from private sources to the full extent that such sources are capable of meeting the demand at competitive prices.

Production on Government-owned lands: Section 225 would have prohibited the leasing hereafter, or the renewal or extension of any existing lease, for the production on Government-owned lands of any agricultural commodity determined by the Secretary of Agriculture to be in surplus supply. As enacted by the Senate the provisions of the section would have been extremely difficult to administer and would have required of the Secretary a separate determination as to the surplus position of each agricultural commodity.

It is the understanding of the committee that the President has received or is about to receive from a committee appointed by him the report on a thorough study of this problem with recommendations as to its solution. In place of the language in the Senate bill, therefore, the language adopted by the conferees directs the President to carry out a policy of restricting, insofar as practicable, the leasing of such lands for the production of price-supported crops in surplus supply.

TITLE III—SURPLUS DISPOSAL

Section 301. Program of orderly liquidation

Requires the Commodity Credit Corporation to use its existing authority to dispose as rapidly as possible of all stocks of agricultural commodities held by it. Requires the Secretary to submit a detailed program for such disposal and also for preventing the future accumulation of surpluses in the hands of CCC by adoption of a food-stamp plan or similar program, and also for strategic stockpiling of foodstuffs and other agricultural products both inside and outside the United States. These reports are to be made within 90 days after enactment of the act and to include specific legislative recommendations for their accomplishment.

Section 302. Extra long staple cotton

Subsection (a) as passed by the Senate provides that the existing import quota on extra long staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall, hereafter, cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{11}{16}$ inches and longer to bring such cotton back within the quota.

The import of cotton having a staple length of $1\frac{11}{16}$ inches and longer has increased from a level of about 7,000 bales in 1951 to an estimated 16,000 bales in 1955. During this same period, stocks of United States grown extra long staple have increased about 7 times. Any imports of extra long staple cotton above the established quota necessarily materially interferes with and tends to render ineffective the price-support program for United States grown extra long staple cotton.

This section was amended by the committee of conference to require that provision be made for the type of cotton being brought within the existing quota and that dates for the quota year conform to normal marketing practices. The present quota year (February 1 to January 31) conforms to the harvest and marketing season of the cotton now subject to quota control. Cotton stapling $1\frac{11}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. If the quota were filled at that time, importers of such cotton could not enter any such cotton into the United States until the next quota year. The amendment will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) is the same as it was in the Senate bill except for a clarifying amendment. As amended, this section directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra long staple cotton. These stocks currently amount to about 100,000 bales. The program directed by this section, together with the continued offering of any CCC cotton for domestic use in accordance with the provisions of section 407 of the Agricultural Adjustment Act of 1949, as amended, will enable the Commodity Credit Corporation within a relatively few years to move its stocks of this type of cotton into consumption in an orderly manner.

Section 303. Agreements limiting imports

Authorizes the President, whenever he determines such action appropriate, to negotiate with foreign countries in an effort to obtain agreements to limit the export from any such country and the importation into the United States of any agricultural commodity (including, as does sec. 22 of the Agricultural Adjustment Act of 1933, as amended, products of agricultural commodities such as flour, dairy products, textile products, and other products manufactured or processed from agricultural commodities). In order to carry out any such agreement which may be entered into, the President is authorized to issue such regulations governing the importation of such articles as may be required or appropriate to carry out the arrangements made with such countries to prevent increases in imports of such commodities or products.

This section is desirable in view of section 302, which directs the disposal of stocks of agricultural commodities held by the Commodity Credit Corporation, and of the general policies of the Department of Agriculture under which surplus agricultural commodities are made available in world markets at competitive prices which are generally below domestic price levels.

Unless there is some limitation on imports of products manufactured abroad from our surpluses, the sales program may well defeat its own purpose of expanding the total market for our agricultural products. It is the belief of the committee that this objective frequently can be accomplished through friendly negotiations, rather than taking recourse in the first instance under section 22 of the Agricultural Adjustment Act of 1933, as amended. However, if it develops that the desired objective cannot be accomplished through negotiations, then it is the belief of the committee that appropriate action should be taken under section 22 of the Agricultural Adjustment Act of 1933, as amended. This section makes it clear that the authority conferred does not in any way limit or restrict the use of section 22.

Section 304. Appropriation to supplement section 32 funds

Authorizes the appropriation annually, beginning July 1, 1956, of not to exceed $500,000,000 to supplement operations under section 32, Public Law 320, 74th Congress, of which not to exceed 50 percent could be used for any one commodity or the products thereof.

Section 305. Transfer of bartered materials to supplemental stockpile

Directs the transfer to the supplemental stockpile of strategic materials acquired by CCC as the result of barter or exchange of agricultural products.

Section 306. Surplus Disposal Administrator

Authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture at an annual salary not exceeding $15,000. It is the understanding of the committee that the Secretary now has a capable Administrator doing this job—without benefit of the title here conferred. It is the committee's hope that, with this ratification of such policy, it will be further implemented by appointment of topflight assistants to the Administrator to deal with problem commodities, specifically cotton and wheat.

Section 307. Use of voluntary agencies and shipping subsidy for merchant marine

Increases from $300,000,000 to $500,000,000 the limitation on operations under title II of Public Law 480, 83d Congress. Also authorizes the payment of ocean freight from CCC funds for commodities shipped under title II and also for commodities made available under section 416 of the Agricultural Act of 1949, if the President finds that payment of ocean freight is necessary to accomplish the purposes of these acts.

Section 308. Commission to recommend legislation providing for increased industrial use of agricultural products

Establishes a five-member bipartisan commission appointed by the President to prepare and present to Congress not later than June 15, 1957, recommendations to bring about the greatest practical use for industrial purposes of agricultural products. Authorizes appropriation of $150,000 for the expenses of the commission.

Section 309. Donation to penal and correctional institutions

Authorizes donation of surplus food commodities to Federal penal and correctional institutions and to State reformatories and other correctional institutions for minors.

Section 310. Federal irrigation, drainage, and flood-control projects

Prohibits for a period of 3 years from the date of the act, payment of "any crop loans or Federal farm payments or benefits" on any agricultural commodity declared by the Secretary to be in surplus supply if grown on any newly irrigated or newly drained lands within any Federal irrigation or drainage project hereafter authorized. It is to be emphasized that this provision applies only to projects "hereafter" authorized, continues only for a period of 3 years, and does not apply to any lands "used for the production of such commodity" before the enactment of this provision. It will not, therefore, apply to any irrigation or drainage projects on which price-supported crops are presently being grown.

Section 311. Processing of donated food commodities

Authorizes the Commodity Credit Corporation to pay the cost of processing into a form suitable for home consumption commodities donated under section 416 of the Agricultural Act of 1949. Present authority extends only to "reprocessing," which does not include such operations as the grinding of grain into meal or flour. CCC is authorized to carry out such operations now only in connection with the special relief programs authorized by Public Law 311, 84th Congress.

TITLE IV—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Section 401. Extension of surrender and reapportionment provisions for wheat acreage allotments

Extends for the crop years 1956 and 1957 authority for the voluntary surrender and reapportionment of wheat acreage allotments.

Section 402. Acreage allotments for cotton for 1957 and 1958

Provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956.

Section 403. Cotton—small farm allotments

Establishes for the years 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller. The 100,000 acres would be in addition to the national acreage allotment and would not be taken into consideration in establishing future State acreage allotments. In addition, a provision added by the conference committee promises some relief for small farmers in 1956 by authorizing the Secretary to allot in each State acreage which is underplanted and not placed in the soil bank or considered planted by virtue of notification to the county committee, for the purpose of increasing small farm allotments in 1956 to 4 acres or the highest acreage planted in the past 3 years, whichever is smaller.

Section 404. Minimum State acreage allotments for 1956 rice crop

Provides each State with a minimum allotment of rice for 1956 equal to 85 percent of the final allotment established for such State for 1955.

Section 405. Increase in peanut marketing penalties

Beginning with the 1956 crop, establishes peanut marketing penalties at 75 percent of the support price instead of 50 percent under present provisions of law.

Section 406. Collection of peanut marketing penalties

Provides for interest at 6 percent a year on peanut marketing penalties from the date when due until the date of payment and for a lien on any crop of peanuts subject to marketing quotas in which the person liable for the payment of penalty has an interest, until the penalty is paid.

Section 407. Preservation of unused acreage allotments

Provides that beginning in 1956 any producer may underplant an acreage allotment but maintain his history as though the full allotment had been planted, if he makes proper notification to the county committee of his desire to retain his acreage history. The exception would not be granted to any farm on which no acreage of the commodity was planted for 4 successive years or if done to avoid penalties. The acreage not planted could not be reallocated to any other farm.

Sections 408 (a), (b), (c). Corn

No substantial change has been made in the provisions relating to price supports for corn as adopted on the Senate floor. The provisions in this section, together with other correlative provisions of the bill, would make corn acreage allotments inoperative for 1956 and substitute in lieu of the national acreage allotment of 43,281,000 acres a "base acreage" for corn totaling 51,000,000 acres nationally.

To become eligible for price supports under this new program, a corn producer would be required to devote an acreage equal to 15 percent of his farm base acreage for corn to the acreage reserve or the conservation reserve program. By underplanting his corn base acreage 15 percent and placing that land in the acreage reserve, the producer would become eligible for an acreage reserve payment at the corn rate. By planting not to exceed his base acreage in corn and placing an amount of land equivalent to 15 percent of that base acreage in the conservation reserve, he would become eligible for a conservation reserve payment.

Not later than December 15, 1956, the Secretary is directed to conduct a referendum among corn producers in the commercial producing area to determine whether they favor continuation of corn acreage allotments and price supports under section 101 of the Agricultural Act of 1949, or no acreage allotments and price supports "at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn." The decision reached in the referendum would be effective for 1957 and subsequent years.

Section 408 (d). Feed grains

In lieu of the provisions in the Senate bill relating to feed grains the committee of conference has set up an entirely new provision relating to price supports for feed grains and their inclusion in the soil bank program. The new program has the following major features:

(1) In noncommercial corn areas corn will be classified as a feed grain along with oats, rye, barley, and grain sorghum. In commercial corn areas the feed grains will consist of the customary four small grains.

(2) A base acreage allotment for feed grains will be established for each farm. In 1956 this allotment will be the average acreage devoted to feed grains on the farm in the 3 years 1953–55. Thereafter a national base acreage allotment will be determined on the basis of the 1953–55 national acreages of these grains, and this will be allotted to States, counties, and farms in the usual manner of distributing acreage allotments. The apportionment of the county base acreage for feed grains to farms on the basis of past acreage, crop rotation, tillable acreage, type of soil, and topography would be on the basis of the same factors now provided in the establishment of individual farm wheat-acreage allotments. Under this language, any year in which the acreage for a farm is low because of abnormal weather conditions, the acreage for such year would be eliminated from the historic average since the actual acreage planted was below the acreage which would have been planted under the crop-rotation system followed on the farm.

(3) For each year in which there is an acreage reserve program in effect for corn in the commercial corn area, feed grains will be entitled to support on the following basis: Corn grown outside the commercial corn area, 85 percent of the level of price support for corn grown in the commercial area; grain sorghum, barley, rye, and oats, a percentage of the parity for each commodity which is 5 percentage points of parity less than the percentage of parity at which corn is supported in the commercial corn-producing area.

(4) In order to be eligible for such price supports on feed grains, the producer would be required to devote not less than 15 percent of his base acreage to either the acreage reserve program or the conservation reserve, and not to plant a total acreage of feed grains in excess of 85 percent of his base acreage. For 1956, however, producers may remain eligible for the price supports heretofore announced, even if they do not participate in this manner in the soil-bank program and thus become eligible for the higher level price supports provided by this section.

TITLE V—PRICE SUPPORT PROGRAMS FOR WHEAT AND RICE

Section 501. Wheat marketing certificates

This section provides for a domestic parity plan for wheat almost identical with that which has previously been approved by the House. Producers would receive 100 percent of parity for their share of the wheat crop which is domestically consumed for food and substantially the world price for the balance of their production. Stability of market prices would be assured by a low level loan rate geared primarily to the support level of feed grains and to world market conditions.

Acreage allotments may be continued, and eligibility for domestic marketing certificates would be conditioned both upon compliance with acreage allotments and upon the planting of an acreage of wheat sufficient to fill the producer's domestic quota at normal yields. If acreage allotments are prescribed, they shall be in the amounts and determined in the manner provided by title III of the Agricultural Adjustment Act of 1938, as amended. The plan would automatically take care of producers who do not ordinarily grow wheat for sale but rather for use as feed. Any such producers would be permitted to grow any quantity of wheat without penalty.

The program would be self-financing. Processors and importers would be required to purchase certificates for the difference between the domestic parity and the established market price of wheat processed or imported by them, and refunds would be made upon the exportation of wheat products. The amounts collected from processors and importers would offset almost identically the amounts paid to producers.

The bill provides that the new program will not go into effect at once but will be the subject of a referendum among wheatgrowers whenever referendums are held in the future on marketing quotas. The first such referendum will be held early next summer. If wheat producers vote, in any such referendum, by more than two-thirds in favor of the domestic parity plan, the program will automatically go into effect in place of the present system of acreage allotments, marketing quotas, and price supports by loan and purchase programs.

Section 501. Rice—primary marketing certificates

Section 501 (which makes extensive amendments to the Agricultural Act of 1938, as amended) also establishes a two-price plan for rice quite similar to that authorized for wheat. Unlike the wheat plan, which calls for a referendum, the rice program would be put into operation in 1956 but would apply only to rice harvested "prior to 1958."

Under this plan, rice producers would be given a primary market quota. Such quota would be based upon the consumption of processed rice in the United States plus the quantity exported to Cuba. The support level for rice would be established for 1956 at 55 to 90 percent of parity and thereafter at 50 to 90 percent of parity, with the Secretary being directed to establish the support price at a level which would not discourage the exportation of rice produced in the United States.

At the beginning of each marketing year rice producers would be issued certificates for the quantity of rice equal to the primary market quota for the farm. The value of such certificates would be the difference between the support level for rice and 90 percent of parity. Processors of rice in the United States would be required to acquire certificates in an amount sufficient to cover the quantity of rough rice processed. Certificates would also be required for the importation of rice. Upon the exportation of processed rice to any country other than Cuba, processors would receive a refund on an equivalent quantity of certificates. This program, like the two-price plan for wheat, would be essentially self-financing since the sale of certificates to processors would substantially cover payments to producers.

The section provides for inventory adjustments to persons owning rice in the United States on the date the program becomes effective, so that they will neither gain nor lose from the anticipated change in general market prices of rice on that date.

Section 502. Normal yield for rice

Establishes new criteria for determining the normal yield for rice for counties and farms. The calculation is to be based on a five-year period adjusted for abnormal weather conditions and trends in yield.

TITLE VI—FORESTRY PROVISIONS

Section 601. Assistance to States for tree planting and reforestation

This section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation. Upon presentation by the proper State official the Secretary is authorized to approve a plan for tree planting and reforestation within the State and thereafter to cooperate technically and financially in such program. With respect to parts of the program carried out on non-Federal lands, the Federal financial contribution cannot exceed that of the State toward the same program. The Secretary is directed to cooperate with other Federal agencies and with the appropriate State forester in approving and carrying out such plans.

DELETIONS FROM SENATE BILL

Several sections appearing in the Senate amendment have been deleted by the committee of conference. Among them are the following:

Standard grade for cotton (sec. 103 of Senate bill)

The Senate committee bill contained a provision changing the standard grade for cotton. The committee of conference eliminated this provision from the bill. In considering these standards for cotton the committee was aware of the past practice of the Commodity Credit Corporation of refusing to make the differentials in loan values on spotted cotton which are customarily made by the cotton trade. Specifically, the trade recognizes a very wide differential in value between light and heavy spotted cotton. Most cotton buyers will at all times pay substantially more for light spots than for heavy spots. In some cases this differential amounts to as much as $15 or $20 per bale. By contrast, the CCC has consistently recognized no differential between light and heavy spots and has made their loans on all spotted cotton on the basis of heavy spots. The committee understands that the Department of Agriculture and the Commodity Credit Corporation now have the power to make the same differential in commodity credit loans which are normally made by the cotton trade. It is the opinion of the committee that the Department should exercise this power.

Processor certificates (sec. 108 of Senate bill): This section would have required the Secretary of Agriculture to obtain from processors of agricultural commodities purchased for price support or surplus removal certificates stating that producers had received not less than the support price for the raw commodities. It would have applied to funds used "regardless of the source" and would thus have applied to section 32 operations as well as to the regular price-support programs.

Many of these operations are carried out on a bid and purchase basis under conditions where it would be virtually impossible for the processor to certify as to the price paid for the particular products being bought by the Government. It would have rendered virtually impossible most of the operations now being carried out with section 32 funds and many of the regular price-support operations.

The committee believes that the present provision of law (sec. 401 (e) of the Agricultural Act of 1949) is adequate if applied with the utmost diligence by the Secretary. The committee is not certain that it has always been applied in this manner but urges that the Secretary utilize this existing authority to the fullest. In this connection, it also urges that where these operations are carried out purchases or loans not be confined to only certain grades of products but that, to the fullest extent practicable, they be made available on all usual grades.

Reestablishment of United States share of world cotton market (sec. 303 of Senate bill): Directed the Commodity Credit Corporation to use its existing powers and authorities to encourage the sales for export at competitive world prices of such quantities of cotton as well establish and maintain the fair historical share of the world market for United States cotton. The volume to be sold was to be determined by the Secretary of Agriculture. The section further provided that export sales for foreign currency under section 102 of Public Law 480 be made at competitive world prices.

The Secretary of Agriculture already has ample authority to accomplish the purposes of section 303. Furthermore, the Department of Agriculture announced on February 28, 1956, that cotton will be sold for export after July 31, 1956, on a competitive bid basis. The committee of conference is gratified that action has been taken to inaugurate what it hopes will be a stable and consistent sales program. This section was deleted with the understanding that the Secretary of Agriculture would use such methods as are necessary to achieve the purposes of section 303 and meet his announced goal of exporting at least 5,000,000 bales of cotton annually.

Study of meat grading system (sec. 701 of Senate bill): This section was eliminated from the bill not because the conferees do not agree that the existing system and theories of meat grading require study and review, but because ample authority exists in present law for such a study by the Secretary of Agriculture.

In recent years there have been numerous questions raised about the present system of meat grading—both as it affects livestock producers and as it may affect marketing and distribution systems and consumer buying habits. The Secretary has ample authority to study and examine the meat grading system both under his general authorities and under such specific statutes as the Research and Marketing Act of 1946. The committee recognizes the value of the meat grading system and anticipates its continuation. If it can be improved, however, the Secretary should make such study as he determines necessary and suggests such changes as he finds desirable.

APPENDIX A

PLANS FOR IMPLEMENTING THE SOIL BANK (TENTATIVE)

(Based on H. R. 12)

The season for 1956 crops is so far advanced that the acreage reserve program will not be fully effective.

I. Acreage reserve—objective: Reduction of acreage of designated crops on a voluntary basis

A. Establishment of Normal Yields to Serve as a Basis of Payment

1. Operating procedure:

(a) Use check yields during 1951–55 as a base except for wheat which will be for 1945–54 period. Adjustments will be made for abnormal years.

(b) Establish county check yields on basis of (a) above. In the case of tobacco and peanuts, actual farm yield will be used where available.

(c) County committeemen determine normal yields for community (these should weight out to county normal yields).

(d) Community committeemen may aid the county committee in establishing a normal yield rating for each farm in the community which grows the designated crops. Each such farm will be placed in one of several yield rating categories, ranging above and below the community average. Adjustment procedures may be necessary to bring farm yield into balance with county average.

(e) Individual farmers will then be invited to offer a part of their acreage of the designated crops for the acreage reserve. Such land should be equal in productivity to land used for the allotment crop on their farms. The county committee can then quote them a dollar figure per acre for typical land to be set aside for the acreage reserve for these designated crops for their farm. If the designated land is found to be below average, a lower per acre payment will be made. With the exception of the first year, farmers should indicate their intention to participate prior to planting time.

(f) No crop may be harvested or grazed from reserve acres, except that the Secretary may permit grazing under certain emergency conditions.

B. Preliminary Incentive Rates for the Acreage Reserve Program

1. Possible incentive payment rates: The extent to which these rates need to be varied according to quality, location, and other factors is still under study. (These following figures are preliminary.)

Commodity	Unit	Payments based on H. R. 12				
		Support rate [1]	Rate as percent of 1956 support			
			35	50	60	70
Wheat	Bushel	$2.27	$0.79	$1.14	$1.36	$1.59
Cotton	Pound	.3181	.1113	.1590	.1909	.2227
Rice	Hundredweight	4.90	1.71	2.45	2.94	3.43
Corn (commercial area)	Bushel	1.65	.58	.83	.99	1.14
Corn (noncommercial area)	Bushel	[2] 1.40	.49	.70	.84	.98
Oats	Bushel	.72	.25	.36	.43	.50
Barley	Bushel	1.13	.40	.56	.68	.79
Rye	Bushel	1.41	.49	.70	.85	.99
Grain sorghum	Hundredweight	2.18	.76	1.09	1.31	1.53
Peanuts	Pound	.123	.043	.062	.074	.086
Tobacco:						
Flue-cured (11-14)	Pound	.482	.169	.241	.289	.337
Fire-cured (21-24)	Pound	[3] .354	.124	.177	.212	.248
Burley (31)	Pound	.472	.165	.236	.283	.330
Maryland (32)	Pound	.476	.167	.238	.286	.333
Dark air-cured (35-36)	Pound	[4] .315	.110	.158	.189	.220
Sun-cured (37)	Pound	[4] .315	.110	.158	.189	220
Cigar types: [5]						
42–44	Pound	.230	.081	.115	.138	.161
51	Pound	.516	.181	.258	.310	.361
52	Pound	.483	.169	.242	.290	.338
54	Pound	.226	.079	.113	.136	.158
55	Pound	.290	.101	.145	.174	.203

[1] 90 percent of "old" or "new" parity, whichever is higher as of Mar. 15, 1956, except feed grains and corn in the noncommercial area.

[2] 85 percent of the rate in the commercial area or about 76.5 percent of old parity.

[3] Three-fourths of burley support rate.

[4] Two-thirds of burley support rate.

[5] Preliminary estimate as parity is computed for groups 42–44, 51–5.

2. Maximum and minimum participation:

(a) Maximum:

Grain: 50 acres or 50 percent of allotment, whichever is larger.

Cotton and peanuts: 10 acres or 50 percent of allotment, whichever is larger.

Tobacco: 5 acres or 50 percent of allotment, whichever is larger.

(b) Minimum:

Grain: 5 acres or allotment, whichever is smaller.

Cotton and peanuts: 2 acres or allotment, whichever is smaller.

Tobacco: 1 acre or allotment, whichever is smaller.

C. Participation and Cost on a National Basis (Highly Tentative)

	Acres which might come in	National average check yield per acre	Approximate cost per acre [1]	Total cost
	(*Millions*)		(*Dollars*)	(*Million dollars*)
Cotton	3–5	303 pounds	48–60	145–300
Wheat [3]	[3] 12–15	15.8 bushels	18–25	216–375
Corn [2]	4–6	44.2 bushels [4]	36. 50	144–300
Other feed grains [5]	2–4	Depends on crop	15–50	75–175
Rice	.3	2,500 pounds	60–75	18–23
Peanuts	.1	900 pounds	50–70	5–7
Tobacco	.15	1,300 pounds	100–300	15–45
Total	21.4–30.55			618–1,225

[1] Based on approximately 90 percent supports and optional parity.

[2] Commercial area only.

[3] Based on both winter and spring crop.

[4] Commercial corn area yield.

[5] Oats, barley, rye, sorghum for grain, and corn in the noncommercial corn area.

The cost per acre of obtaining participation remains in doubt due to the lateness of the season and the changing provisions of the proposed legislation. Surveys previously made of payment rates required are no longer applicable due to the fact that crops are already being planted and the support rate changes.

With every day's delay, the cost of the program increases and the effectiveness decreases.

D. Terms of the "Acreage Reserve" Agreement

1. Voluntary.

2. For 1 year but with terms to encourage participation for more than 1 year.

3. "Acreage reserve" lands must be at least typical quality land for the designated crops on the farm.

4. The acreage of crops covered by the agreement must be reduced below the acreage allotment or the base acreage, whichever is applicable, by the amount of acreage placed in the "acreage reserve."

5. In the case of rented land, compensation is to be divided among interested landlords, tenants, and sharecroppers on the farms in the same proportion as they would have shared in the crop in the absence of an acreage reserve program, unless division on another basis is agreed upon by landlords and tenants and their agreement is approved by the county committee in accordance with standards prescribed by the State committee.

II. Conservation reserve—Objective: reduce the acreage of land in row crops and grains including oil seeds on a voluntary basis and divert such acreage to conservation uses

A. Conservation Reserve Incentives

1. Annual payments and terms of contract:

(a) $10 per acre, per year average for the United States for 3- to 15-year period. Rates established on basis of land productivity, agricultural value of land, and other factors. Rates are designed to encourage farmers to take out their marginal cropland.

(b) County or area rates would vary on the basis of such factors as productivity and value of farmland.

(c) Rates would be established by areas and be based on relative productivity of the land in the area. Farm rates would be established on the basis of the rating of the area in which the specified acreage placed in "conservation reserve" is located.

(d) Eligible land, depending on area, would be land which was used for the production of rotation crops including alfalfa, clover, and other tame hay during the rotation on the farm. The acreage of row crops and grains including oilseeds must be reduced by the number of acres placed on the conservation reserve and the acreage reserve.

(e) All lands placed in the "conservation reserve" must be in or placed in approved conservation uses and may be neither harvested nor grazed except that the Secretary may permit grazing under certain emergency conditions.

1. Some lands may already be in approved types of cover. These lands may be entered in a 3-year contract.

2. Where it is necessary to establish cover, the normal contract will be for 5 years. In the case of land placed in trees, the normal length of the contract will be 10 or 15 years.

3. Costs of practices would be shared, with Government paying up to 80 percent of agreed-upon costs, within maximum limitations for establishment of trees, other cover, or other practices. Due to seed limitations, practices in first year may be modified if soil is protected.

2. Eligible conservation practices and uses:

(a) Practices and rates of payment insofar as possible will be consistent with the present ACP program.

(b) Vegetative cover:

1. Prefer perennial grasses and legumes.

2. Annuals may be permitted when seeded with perennial grasses and legumes.

3. Annuals may be permitted alone when no perennial seed is available if approved practices will follow. Due to seed limitations, some latitude may be needed regarding soil protective practices during the first year.

(c) Trees:

1. Adapted forest trees.

2. Shrubs when interplanted for shelterbelt purposes.

(d) Water storage: Cost of water retention reservoirs shared.

III. Inclusion of full farms

A farmer offering to place his full farm in the "soil bank" may receive payments under the "acreage reserve" for the designated crop acres on the farm (subject to maximum) and under the "conservation reserve" at the appropriate conservation reserve rate which will normally be lower than the acreage reserve rate, for the other acres normally in row crops or grains (including oil seeds). No payment would be made on the number of acres of land normally in conservation uses or normally idle.

IV. Certificates

A. Draw them in terms of dollars.

B. Under certain conditions, to be established by the Secretary, a farmer may purchase CCC grains with his certificates.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,
Managers on the Part of the House.

The SPEAKER. The gentleman from North Carolina is recognized for 2 hours, at the conclusion of which the previous question on the conference report is considered as ordered.

Mr. MARTIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN. I have a motion to recommit, which I presume I will offer at the conclusion of the 2 hours of debate?

The SPEAKER. Will the gentleman during his remarks let us know what the motion to recommit is?

Mr. MARTIN. Yes, but my parliamentary inquiry is, When shall I offer the motion to recommit?

The SPEAKER. At the conclusion of the debate and when the Chair announces that the previous question is ordered.

Mr. COOLEY. Mr. Speaker, the House is about to consider a matter of paramount importance. It is rather unfortunate that a matter of such importance to so many people must, of necessity, be considered in an atmosphere which is intensified by partisan politics. I want to say here and now, as I have said from this well on many occasions, that I have taken great pride that the Committee on Agriculture has been almost entirely free from partisan politics during the entire time I have served on that great committee. I started service on that committee under the able leadership of that great statesman from Texas and beloved citizen, Marvin Jones. What I say about the nonpartisan approach to farm legislation applies not only for Marvin Jones but also for every other chairman of the committee under whom I have served. I know that every man on the committee is a devoted friend of the farmers of this Nation. This bill comes before you today not as a bill which was prompted by partisan politics. Ten devoted men, public servants, sat here in this Capitol Building during the entire Easter holiday and we worked every morning and every afternoon and long into the night in a diligent, careful, and cautious effort to present a bill to the House which we thought might be acceptable to you. I know that even while we were sitting here we were accused of trying to write a bill that the President of the United States could not possibly sign. That was a rather unfortunate and unfair accusation to make against men who were laboring long and hard in their efforts to draft a bill which the President of the United States could sign. So, we bring this bill here to you with a conference report and a statement which contains an analysis of the bill. To show you just how impartial and nonpartisan these 10 devoted men were when the conference report was prepared, only 2 out of the 10 refused to sign the report. One was a distinguished Republican and one was a very distinguished Democrat. Eight members signed this report—3 of them are Republicans and 5 of them are Democrats.

The bill comes here as a result of the labors of men who lifted themselves above the prejudices and passions of partisan politics. We tried to write a bill which we believe will serve all of agriculture and will serve all of the people of this great Republic. I believe that we have given to the President the type of soil bank that he asked us to give him—an entirely voluntary program. We have given to him in this bill $1,200,000,000 to implement and make effective the soil bank which he has advocated. In addition to that, we have given him $500 million to expand and to accelerate the surplus-disposal program which has disturbed and distracted so many people. We have also given to him a special committee of five experts to study the problems of new uses and bigger and better markets for American farmers. We have given to him an Administrator of the Surplus Disposal Program, and we fixed his salary.

Now as to what is left in the bill that is objectionable: When you take into consideration the one thought that all of us know, yes, the President knows, that the downward trend in America's agriculture income is tragically leading the farmers of this Nation to the very brink of bankruptcy, we must realize that the soil bank with its $1,200,000,000 is not even intended to increase the farm income in the year 1956 nor in the year 1957. Its primary purpose is to replace farm income while we reduce our production of crops now in surplus. The only thing in this bill that will increase farm income in 1956, yes, all of the provisions here that are even calculated to increase farm income in this year, will be stricken from this bill if I understand what the motion to recommit will contain. I understand it is proposed to strike out the price support program and to give to the farmers something less than fair treatment. As I understand the motion to recommit, the leadership responsible for offering that motion, will today, here in this House, put the farmers of America on the auction block and try to buy them at the cheapest possible price. If you cannot get them for 75 percent, if you cannot get them for 80 or 85 percent, perhaps you will be willing to go to 82½ percent. Even if you go to 89.9 percent you go out and crow about a victory. What are we fussing about?

I suppose that every man in this House that understands the plight of the American farmer and the terrific impact the loss of income has and is now having upon all the farming industry of this great Nation, would naturally want to increase farm income and to change this tragic downward trend. You know and I know that the problems of agriculture are paramount to all other problems, and unless we solve the problems of plenty we are headed for trouble in the days ahead.

The farmers of America have been lambasted and vilified and ridiculed throughout the length and breadth of this Nation as no other group in our economy in all history has ever been lambasted and ridiculed. What have they done?

I need only quote from the lips of your own President when he said in this House in his message of January 9: "Today's surpluses consist of commodities produced in a volume imperitively needed in wartime but unmarketable in peacetime at the same prices and in the same quantity." Who among us could have foreseen that on July 27, 1953, there would be a cessation of hostilities out yonder in Korea? On that day when men ceased fighting, and American boys stopped dying, the American farmers were doing just what they had been persuaded to do; just what their Government called upon them to do. We were told to produce a 16-million-bale cotton crop, to have an abundant production of wheat, corn, and other vital foods; and that is what the American farmer did. Of course our fields flourished. Our crops were harvested.

Then the pipelines were closed. The shooting was over, and these commodities had to go into storage.

Then, the very next year, 1954, what did the farmers do? They did exactly what the experts in the Department of Agriculture told them to do: Drastically reduce wheat acreage by the millions of acres, drastically reduced cotton acreage, yes, by the millions. The farmers have done everything they could possibly do to bring production down in line with consumer demands.

Is that their great crime? Because they were told that food would win the war, food for freedom—yes, at a time when the ancient institutions of freedom were being threatened throughout the world. Now, is that a crime our farmers have committed for which they should be vilified and ridiculed?

Now we are told that within 3 years we have been on the brink of war 3 times. The great Secretary of State did not tell us about it. How do we know that we are not now at this hour on the brink of war? And if we are then we all know that these vital foods and fibers are actually a blessing to all mankind.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. Did I understand the gentleman correctly to quote the President and then say for himself that for years these surpluses that now plague us were built up as a result of the request for war production?

Mr. COOLEY. That is exactly what he said on January 9.

Mr. HALLECK. Evidently the purpose of this conference report is to propose to go back to the very same sort of incentive to increase production now when there is no war going on.

Mr. COOLEY. I know that my friend from Indiana is one of the most intelligent Members of this House. I am sure he heard me say that the very minute there was a cessation of hostilities we started on this curtailed production program. And let us understand what this support program is. It is not a program just to increase production. It has always operated in a dual fashion: When we need production we offer the high support to bring about the production so as to secure for the farmer the price that he should receive and below which he should not be permitted to go; when we want to reduce acreage we offer him the same inducement if he will curtail his acreage and comply with the Secretary's program. That is the way we are using it now. Cotton acreage came down from twenty-seven or twenty-eight million to 17 million acres; wheat acreage came down from 78 million to about 55 million.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. Is it not a fact that from the year 1941 to the year 1951, a 10-year period, the six basic farm crops that were supported at 90 percent of parity during that time were considerably above 90 percent of parity? Is that right?

Mr. COOLEY. I might say that during no year from 1942 until 1953 was the general level of agricultural prices ever below 100 percent of parity.

Mr. JENSEN. In answer to that I may say, of course, that any time we have war prices go up naturally; so I am not going to give you credit however much I agree with you on this premise. So the fact is those basic crops were over 90 percent of parity all during that time on an average.

Mr. COOLEY. The gentlemen is exactly right.

Mr. JENSEN. And that has nothing to do with the surplus?

Mr. COOLEY. Not a thing.

Mr. JENSEN. The reason we established this 90-percent floor under the basic storable crops was because we were looking into the future for such a situation as now faces the American farmers?

Mr. COOLEY. The gentleman is right.

Mr. JENSEN. And agriculture generally, to take care of the very problems that are facing us today. Now, we are asked to reduce the farmers' income when the farmer's dollar is only buying 80 cents worth of merchandise at the counter.

Mr. COOLEY. The gentleman is correct.

Mr. JENSEN. I am not going along with that kind of business, not only so far as the farmers of America are concerned but so far as industry and business are concerned, especially in the breadbasket section of America. Industry is going to suffer. They are starting to suffer now. The farmer is the basis on which our whole economy operates and sooner or later we will all be in the same boat. Industry, factories, stores, everybody is going to be in the same boat with the farmer unless we take care of the farmer and see that his dollar buys 100 cents worth of merchandise at the counter.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman mentioned a moment ago that there is a floor under the acreage on cotton?

Mr. COOLEY. Yes.

Mr. ARENDS. There is a floor under the acreage on wheat?

Mr. COOLEY. What does the gentleman mean by "a floor"?

Mr. ARENDS. I mean the minimum below which that acreage can go.

Mr. COOLEY. That is right. The law fixes that.

Mr. ARENDS. What about corn?

Mr. COOLEY. The gentleman is an expert on corn.

Mr. ARENDS. There is no acreage limitation on corn. In other words, corn goes bang, bang, bang.

Mr. COOLEY. But corn has not gone bang, bang, bang. Only about 40 percent of your farmers made any effort to go bang, bang, bang.

Mr. ARENDS. I am not talking about price. I am talking about the acreage reduction.

Mr. COOLEY. I am talking about that, too.

Mr. ARENDS. It is down to 43 million acres at this time. It must keep on going down, yet the formula says we have to reduce the acreage. You cannot do that with wheat or cotton. You go to a certain point and stop, but with corn you can go just as far as you want under the present law.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. APERNETHY. Is it not a fact that there is nothing compulsory about the corn program? It is simply an acreage allotment program and the farmers can accept it or not accept it. Other basic commodities accept acreage allotments and controls. Corn is not controlled.

Mr. COOLEY. May I say to the Members of the House that I am not going to undertake to discuss this complex controversial measure in any great detail.

Here are the major provisions, just the barest highlights, of the conference bill:

First. Ninety percent of parity for 1956 for cotton, wheat, corn, peanuts, and rice. Tobacco supports will continue to be maintained at 90 percent. This at a time when realized net income of farmers has dropped more than $4 billion since 1951 and is at the lowest point since 1942.

Second. Restoration of the old parity formula for those basic crops where modernized parity would bring about reduction in parity levels. At the same time a directive to the Department of Agriculture to restudy the whole subject of parity and make specific recommendations to Congress for a real improvement in our parity formula.

Third. A $1,200,000 a year soil bank in 2 parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains. Payments would be made to farmers to reduce their acreage of these crops below their acreage allotments or below their 3-year average in the case of feed grains. The Department's present estimates of the payments which would be made per acre for this reduction are: Tobacco, $100–300; cotton, $48–60; peanuts, $50–70; wheat, $18–25; corn, $36–50; rice, $60–75; and feed grains, $15–50. A maximum of $750 million per year could be expended on the acreage reserve for the next 4 crop years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which payments approximately equivalent to the rental value of the land would be made, with an annual limit of $450 million.

Fourth. The soil bank is substantially improved over the Senate version:

(a) The compulsory features have been removed;

(b) Limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable distribution of funds;

(c) Some of the drastic and unfair penalties have been removed; and

(d) Far more adequate provisions have been made for the protection of tenants and sharecroppers.

Fifth. A domestic parity plan for wheat that will go into effect if wheat growers vote for such a plan by a two-thirds majority in a referendum. It will give growers 100 percent of parity for wheat consumed domestically and substantially the world market price for the balance of their production.

Sixth. A two-price plan for rice quite similar to that provided for wheat.

Seventh. The minimum support level for dairy products and milk is raised from 75 to 80 percent and the producers of manufacturing milk and butterfat are assured a fairer price proportionately by establishment of a $3.25 support price for manufacturing milk and 58.6 cents per pound for butterfat.

Eighth. For the first time a program designed to bring stability to the rapidly deteriorating feed grain situation is provided. It will cut down the acreage of feed grain and give producers support prices of 85 percent of parity if they comply with the acreage reduction.

Ninth. A somewhat similar program is provided for corn. Corn producers are given an increase of about 9 million acres in their allotments for this year but will be required to put 15 percent of their cropland into the soil bank in order to be eligible for price supports on corn.

Tenth. There are various provisions to improve the disposal of surplus commodities. One provision will make surplus foods available to Federal penal institutions and to State reformatories and institutions for minors. Another provision requires the Secretary to study the various proposals for food stamp plans and make specific recommendations to Congress within 90 days.

I propose to yield to the gentleman from Kansas [Mr. Hope] to discuss the wheat situation, to the gentleman from Texas [Mr. Poage] to discuss the corn and small grain situation, to the gentleman from Mississippi [Mr. Abernethy] to discuss the cotton section, if there are any questions to be discussed, and to the gentleman from Arkansas [Mr. Gathings] and to the gentleman from Texas [Mr. Thompson] to discuss the rice section.

Let me emphasize what the distinguished and able gentleman from Iowa just said. The people have been screaming their heads off about these vital foods and fibers in storage. It is claimed that storage is not a market place. But here are the figures that prove conclusively, and they are figures from the Secretary's own department, that when Mr. Benson went into office the price support program on the basic agricultural commodities through the Commodity Credit Corporation did not show a loss. The program showed a net profit of more than $13 million.

Where are we now? At the end of December 1952, there was a profit of $13,011,290 on the overall program for the basic crops. On potatoes, eggs, wool, and everything, we had lost slightly more than a billion dollars, but that was due to World War II and the Korean situation.

Here are the latest figures, February 29, 1956. The loss on basic commodities is $560 million. That is up to the last report.

Now, let me tell you this: In this very bill we are appropriating $500 million to give it away across the seas; not only to give it away but to pay the freight from the place of production to the seaboard and to pay the ocean charges to deliver it on foreign shores. Now, why should the gentleman complain about a $500 million loss on basic commodities taking us through World War II and into Korea and on up to last February, just a few days ago?

Mr. ABERNETHY. Mr. Speaker, if the gentleman will yield further, is it not correct to say that the soil bank itself will cost as much in one or maybe one and a quarter years as the entire price support program has cost in 20?

Mr. COOLEY. Why, certainly. And that is the thing that I think the House should know. We give him here in this bill $1.2 billion. He says he needs it and he wants it. Now, that is a figure that is larger than the total losses were in this program that I mentioned in 1953.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. My question deals with the overall bill. It is my understanding that the Senate bill contained a limitation upon the maximum amount of payments which could be made to any one individual. It is also my understanding that there has been a bill proposed by the gentleman from Wisconsin, Mr. Laird, before your committee for some time, setting that limitation at $25,000. Does this conference report contain any such limitation, sir; and, if not, was it considered by the conferees?

Mr. COOLEY. It was carefully considered in conference, and my recollection is the vote was unanimous to take it out, because we know that the little farmer is not the one who is piling up the surpluses or in any way responsible for them. Unless Mr. Benson, through the soil-conservation program, can induce the big operators, those who are operating mechanized farms, to take out large acreages of wheat and cotton and other surplus crops, his program will miserably fail. So, when you put in a limitation, you just restrict him in the operation of the program.

Mr. OLIVER P. BOLTON. In other words, the loan program then would be designed to extend loans and make payments to the big farmers; is that correct?

Mr. COOLEY. Along with all other farmers.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. COOLEY. Well, I can give you an illustration here. One company put in 7,000 bales, I believe it was, in a loan, but he took out all but about 65 bales. They paid the Government interest. People get another foolish idea about this thing. When you loan a man money on cotton and corn, it is like going to the bank to borrow. He pays the loan back and he pays the interest on it.

Now, Mr. Benson, unfortunately—and I respect the gentleman and I certainly have a high regard for his high office—does not tell the people of America that on the cotton program alone we have made a profit of $250 million. He does not tell the people of America that on the sugar program, which is universally popular, we have made a profit of over $300 million. Oh, no; he does not tell them that. He does not tell them this, either, that we are today supporting sugar beets at more than 98 percent of parity. We are supporting wool at 106 percent of parity. Now, those crops grow in Utah. They do not grow down south in North Carolina.

Mr. OLIVER P. BOLTON. If I understand the gentleman correctly, when cotton is put in for a Government loan upon which interest is paid, the cotton grower then has the choice of either paying his loan, withdrawing it from storage, or of taking the 90 percent parity price at his choice. Is that correct?

Mr. COOLEY. He could take it out and sell it on the open market.

Mr. OLIVER P. BOLTON. But if he does not, he takes the 90 percent parity price?

Mr. COOLEY. Yes. And the Government sells it at the best price obtainable. I just told you, even with Benson or without Benson, we still have a profit of over $200 million. Now, why should you want to take this program away from the farmer?

Mr. OLIVER P. BOLTON. If he is unable to sell his crop, whether it is wheat, corn, or cotton, on the open market at a price less than the 90 percent or otherwise established parity payment, he can then go to the Government and get the amount of the 90 percent or otherwise established parity payment and turn it over to the Government; is that not correct?

Mr. COOLEY. When his note falls due—it is a nonrecourse loan—the Government takes it over, and the Government then sells it. And today the United States Government is the biggest merchant this world has ever known; and Mr. Benson is charged with the primary responsibility.

Mr. OLIVER P. BOLTON. But the Government pays him the difference between the loan and the 90 percent or otherwise established parity price; does it not?

Mr. COOLEY. No; I suggest to the gentleman that he get somebody to explain it to him; I do not have the time now.

Mr. H. CARL ANDERSEN. Mr. Speaker, will be gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. For example, when I, on my farm in Minnesota, would take out a loan on corn, I would get a loan, up to this previous year, of up to 90 percent of parity. Very well; if I cannot obtain more than 90 percent of parity for my corn, when that note becomes due, naturally I turn it over to the Government, deliver the corn to the Government, just satisfy the note. They do not in any way make up the difference between the loan and so-called parity.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman, a member of the committee.

Mr. DIXON. The gentleman will recall that with his permission and at my request, the Secretary of Agriculture inserted in the record a statement of the losses on high support price commodities which showed a figure of over $13 billion.

Mr. COOLEY. What is that?

Mr. DIXON. And that that $13 billion figure had been arrived at after taking into account the profits on cotton and sugar. That figure of $13 billion is in the Congressional Record. I can find it for the gentleman. That figure has never been successfully disputed.

Mr. COOLEY. Let me dispute it once and for all and nail it to the barn door right now. And I am going to do it out of the Secretary's own book. I have it right here. I gave the figures a minute ago. On the basics, the figure is $560,763,769. On the whole business that the gentleman is talking about, the figure is $2,937,445,602.

Mr. DIXON. If the gentleman will give me permission, I would like to get that statement that was submitted to the Committee on Agriculture, for the Record.

Mr. COOLEY. I should be glad for the gentleman to put these figures in the Record. I am putting these CCC audit reports in the Record now. These are the Secretary's figures.

Let me say something to the Members from the dairy districts. We talk about the basic program and the high support level, and so forth. Do these gentlemen know that of this loss that we are talking about here, the loss on dairy products has been over $800 million? They have not lost any money on tobacco and cotton, and they will not lose any on those crops, if the programs are properly administered. The dairy industry pretends that they have had no relief at all.

The champion of our dairy farmers, the gentleman from Minnesota, indicates he wants me to yield to him, and I yield to him at this time.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, there are many factors that go into these figures of losses. One is the use of surplus milk in the school lunch program. Another one is the give-away program, which is taking place all over the world, the program under which they give away dairy products.

Mr. COOLEY. I hope the gentleman will not misunderstand me. I am not trying to charge these losses up to the American dairy farmer.

Mr. AUGUST H. ANDRESEN. Another thing is the markdown from 90 percent to 75 percent of parity, which is also charged up to the American dairy farmer.

Mr. COOLEY. Mr. Speaker, I want to say to my friend that all of us appreciate his great interest in the dairy farmer. Just last week in this House we passed a bill providing for an expenditure of $75 million per year for 2 years, for milk in the school lunch program. That is $150 million. We gave them $10 million to continue the program for the rest of this year. That is $160 million. We gave them $2 million extra on the brucellosis program. That is $162 million. Then we gave them $20 million a year for the next 2 years under the brucellosis program. That runs it up to over $200 million that we have provided the dairy industry of this country, just in the last week. That is the picture we have here.

Mr. KEATING. The gentleman was talking about the profits of the Government in the tobacco and cotton programs. Is it not a fact that those profits, so-called, were brought about only because of large amounts of those commodities shipped overseas in the foreign-aid program?

Mr. COOLEY. Some cotton was shipped in the foreign-aid program. But this by no stretch of the imagination could be called a subsidy to farmers. This profit in the cotton program is an actual bona fide profit, and the money is in the Treasury.

Mr. KEATING. But a large part of it was by credit from one Government Department to another?

Mr. COOLEY. No. The gentleman will find that is not right. The profit in the cotton program is real and the money is right here in the Treasury now. So is that money that came out of the sugar program.

Mr. Speaker, before concluding, for our good friends representing city districts, I should like to cite briefly the benefits that have occurred to our great consuming population during the lifetime of our farm program.

The consuming population of the United States, for a smaller percentage of their income, now eats more and better food than ever before in history. It has been in times when food was the cheapest, in relation to other values in our economy, that breadlines in the cities have been the longest.

Today the average hour's wage of a worker in industry buys more food than ever before. In 1929 the hour's wage bought only 6.4 loaves of bread. Now it buys 11 loaves. And I invite my city friends to examine these other figures on the cost of food. An hour's wage bought 1.2 pounds of round steak in 1929, now it buys 2.3 pounds; 1.5 pounds of pork chops in 1929, now 2.8 pounds; 1 pound of butter then, now 2.7 pounds; 3.9 quarts of milk then, now 8.2 quarts; 1.1 dozens of eggs then, now 3.3 dozens; 17.7 pounds of potatoes then, 35.1 pounds now. and the average hour's wage bought 1.3 pounds of bacon in 1929, and now it buys 3.6 pounds.

Our friends from the cities also will want to take note of the fact that between 1947 and 1955, farm income decreased 37.7 percent, while the hourly wage of factory workers increased 52 percent, and dividend payments jumped 71 percent.

Our farmers deserve better treatment in this great country of ours. They are entitled to share in the blessings of our free enterprise. They are entitled to a fair share in the Nation's prosperity. That is my philosophy and that is what I am fighting for here today.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I do not wish this opportunity go by without thanking the gentleman from North

Carolina, together with the other conferees, for what I think is as good a conference report as can be written in behalf of the farmers of the United States. Certainly this is a compromise. There are changes I would like made. But on the whole this bill means much to agriculture and again I want to thank the gentleman from North Carolina [Mr. Cooley] and his colleagues for a very difficult job well done.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the distinguished minority leader, the gentleman from Massachusetts [Mr. Martin].

Mr. MARTIN. Mr. Speaker, as the gentleman who has just spoken has said, and I hope it is true, this is not a political measure. There has been some talk otherwise. It should not be, because it is a measure that vitally affects the welfare of not only the farmers of this country but the whole United States. In that spirit we must consider this legislation.

We all want to help the farmer. We all want to see him prosper. We all want to see him get his full share of this great economy. We must further consider that there are 155 million people who also want to see this country conducted on a sane, sensible basis. We do not begrudge the farmer anything he gets because we know he works hard for it. We people who live in the cities know that a successful agriculture is essential to the country. But we do want that money spent properly. This administration believes in helping the farmer. If it were not so, we would not have this bill here today.

The basic soundness of the President's proposal is evident from the fact that, for the greater part, they are still in the conference report. They have survived the most intensive hearings, debate, and conference to which a farm bill has ever been subjected.

The conference report which is before us is a fantastic mixture of good and bad provisions in which the bad features tend to cancel out the good. It contains the soil bank much as it was proposed by the President, though delayed beyond the time when this program could be fully effective in 1956. It contains other provisions which would be self-defeating and would pile up surpluses as fast as the soil bank could pull them down.

The bill as it stands is a many splendored thing, and like the current movie of the same name, is intended as a big box-office attraction. It cannot provide farmers the help they need.

Nor do I see how the President can bring himself to sign it.

Mr. Speaker, I am assuming that every Congressman is vitally interested in givng farmers help this year. I am therefore not ready to give up hope for the passage of sound legislation. I do not believe we have yet exhausted all the possiblities of getting a good bill—a bill the President can sign—a bill that can give farmers the sound help they expect and deserve.

Proceeding from this thought, my motion to recommit H. R. 12 would instruct the House conferees to strip from the bill its self-defeating features, and to retain those provisions that will be permanently helpful to farmers.

The following features now embodied in the conference report, or in the Senate bill in the case of dairy supports, would be retained:

First. The soil bank, which is the very heart of the program, which is highly favored, and is sound. It provides for a $750 million acreage program and a $450 million conservation reserve.

Second. The increase in dairy price supports, as contained in the Senate version of H. R. 12. This will provide a more favorable base period for establishing dairy price supports.

Third. The surplus disposal section, because our goal must be to get rid of the surpluses that depressed farm income by $2 billion last year. This includes the authorization for $500 million additional for surplus removal.

Fourth. Title IV on marketing quotas and acreage allotments would be retained, except for the provision requiring mandatory price supports for feed grains. This includes no reduction in the national acreage allotment for cotton for the next 2 years and special provision for aiding small cotton farmers.

Fifth. Title VI which provides for assistance to the States in reforestation.

All of these—and they are the constructive substance of the bill—would be retained even though they fall short of perfection.

The major controversial feature of the bill is the proposed return, for 1 year, to price supports for the basic commodities at 90 percent of parity. The language in my motion for recommital would delete this provision. My motion would substitute support for basic crops in 1956 at not less than 82½ percent of parity. This is the same provision which the House wrote into law for the 1955 crops.

Other provisions which are self-defeating, and which would hurt farmers far more than they would help, would be stricken. These include:

First. Dual parity, or the double standard of parity. This provision would give special treatment to four favored commodities out of about 160 on which parity is calculated. There is no justification in logic or equity for this kind of favoritism.

Under the working of the modernized parity formula, the dual parity provision would pull down the parity prices of commodities other than the four favored ones. This is not well understood. All these years farmers producing other crops, livestock, and other farm commodities have been penalized because the law gave more under the old parity to wheat, cotton, peanuts, and corn. I am afraid the provision for dual parity might even destroy the usefulness of the parity concept for any price support calculations.

Second. Mandatory price supports for feed grain would be deleted. The difficulties of establishing needed base acreages and yields would make this provision practically impossible to apply in 1956. Also higher price supports for these crops would soon pile up new and large surpluses. The provision would increase Government relations farm by farm. And it would result in sharp differences in support levels for farmers across the fence from each other.

It would increase costs to dairy, poultry, and livestock farmers. It would help hold down prices on feeder cattle, lambs, and hogs. If continued, it would tend to dry up markets for the very farmers for whom help is intended.

Congress is not wise enough to arbitrarily step in between the farmers that produce feed grains and those farmers who buy feeds—and set a fair price—with all the many geographic locations and changing supply situations. Vastly more farmers buy feed than produce feed grains to sell.

Third. The multiple-price plans for wheat and rice would be stricken. This part of the bill was written for the special benefit of large wheat and rice growers. The wheat plan would discriminate against small farmers who produce less than 15 acres of wheat—and that means two-thirds of all wheatgrowers. It would discriminate against them by denying them a vote in the wheat referendum and by giving them a lower price.

Moreover, it would hurt other farmers by forcing down the price of all other grains.

This provision would also increase the price of bread by about 2 cents a loaf. The result would fall most heavily on our low-income families who are the major users of cereal foods and against whom we must not discriminate.

I am in favor of helping wheat and rice producers, but let us continue to do so out of general tax revenues until we are very sure there is a better plan.

These most unwise and unworkable provisions of the conference report before us are the result of shooting from the hip on farm legislation, of trying to write a bill on the floor, and of bypassing the normal process of hearings on fundamental provisions.

Mr. Speaker, the season is now well advanced. Winter wheat is stretching up. Cotton and spring grains are being seeded. Farmers in the Corn Belt will soon be planting corn.

This conference report comes to us at the 11th hour. The usefulness of the soil bank for 1956 has diminished with each passing day.

The President cannot be expected to sign an unsound total bill, just to get the soil bank.

A month or two ago when there was still opportunity for making it fully effective in 1956, the enactment of the soil bank would have meant a real lift for farmers. But the soil bank now looks more and more like a program for 1957 and less and less like a program for 1956.

The Department of Agriculture will do its utmost to put a program into operation. But time is fleeting. At this late date, if a soil bank is put into effect for 1956 spring crops it would become, in substantial part, a plow-up program. And this is hardly an auspicious beginning for a soil bank.

At this late date the signing of the conference report in its present form is less likely, and in the eyes of the public, its veto would be more an act of statesmanship. The press of the country strongly support the changes suggested by the President.

We must pass a constructive bill if we want the President to sign it. And we would be unworthy of our own responsibility if we pass a bill which we know is bad, and which should not—yes, cannot—be signed.

As I have offered my motion to recommit, it incorporates, I think, all that is acceptable to the administration from the conference report. And that part which the motion incorporates is the real heart of a constructive farm program, even though it would still lack the perfection to which the President has referred. On behalf of our farmers and all the people of the United States and in behalf of sound legislation, I urge a favorable vote on my motion.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. Martin] has expired.

Mr. MARTIN. I wonder if the gentleman could give me some more time.

Mr. COOLEY. I will have to take it away from someone else. I will yield the gentleman 2 additional minutes.

Mr. MARTIN. I do not have time to explain in detail my motion. I call attention to the fact that here we are today with 2 hours of debate and the leader in opposition to the conference report does not have time to adequately present his case. I protest against it.

I want to say in conclusion that I hope this conference report will be recommitted.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. No. I do not have the time.

Mr. ABERNETHY. I thought perhaps I could help. I wanted to yield you my time.

Mr. COOLEY. I told the gentleman I would have to take any time away from somebody in order to give him time. I yield the gentleman 5 additional minutes.

Mr. MARTIN. I thank the gentleman from Mississippi [Mr. Abernethy] for his generosity. I know the fine spirit which prompts it.

In conclusion, I hope that when this House gets around to voting, it will recommit this bill, will send it back to the conference committee where the conferees can once more look the bill over and make other worthy amendments which are very essential if we are to have the right type of bill for the building up of agriculture which must, of course, be the thought of all our people. This motion means that the conferees will bring back the bill without the 90 percent of parity and other features I have outlined in my motion. What is wrong with that? It would be a bill the whole country is looking for. The people of the East, the people of the West, the North and the South are all deeply involved in this bill because it means so much to them. Send it back to the committee and let that committee bring back a bill which the President of the United States can sign. This we would do if we had only the interest of the farmer at heart.

Without disclosing any confidences I am sure the President will not sign this bill. He has said that it does not meet the test of a fair bill, a bill that will help agriculture in the years ahead; a bill that will provide real security; with those views I have no doubt as to the action of the President.

As far as I personally am concerned, if this motion to recommit does not prevail I shall feel constrained to vote against the conference report.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. King].

Mr. KING of Pennsylvania. Mr. Speaker, I shall be brief because I have no hope of stopping this nonpartisan stampede to kill the farmer with kindness. In this contest between the Republicans and the Democrats to see which party can make the highest bid for the farm vote, there is no serious consideration given on either side of the House to the fundamental problems of agricultural economics in a free-enterprise system.

The whole argument reflects just a confusion of schemes, each proposing to be the most expeditious way of robbing the taxpayer and putting operating capital into the hands of farmers, with which they will proceed to produce more surpluses. In voting billions to farmers, no one seems to understand that operating capital is just as important as acreage in the production of farm crops, and no one seems to believe that sound principles associated with the law of supply and demand can work in agriculture.

This concept of the present problem is probably due to the fact that the Federal Government has for much too long a time subsidized agricultural production and, thereby, created a distorted monstrosity in the form of Federal management which has almost completely divorced the agricultural economy from the free-enterprise system. Because of this past action, the problem today is very difficult. A quick return to the system where price is determined by the relation of supply to demand and where production is limited by operating capital and profit, would be disastrous. It is equally true, however, that the return to this price and profit system is desirable and inevitable.

This Congress shows no inclination to make the return by gradual reduction of subsidy, so the return is likely to come suddenly some day right here on the floor of the House when the representatives of taxpayers and consumers generally wake up to the fallacy of subsidy and kill the whole farm program in one stroke of legislation.

An equally foolish idea held by this Congress is that 13½ percent of our population can be maintained in agricultural production. Only through complete socialization can they be maintained and that would freeze them all in economic bondage and deny to farmers the benefits of progress by better methods and techniques.

Despite the copious tears shed here on the floor of the House about the poor farmer, farmers are not the poor segment of our society. Their average wealth exceeds that of any other equally large class of our society and greatly exceeds the average wealth of the city worker. City Congressmen whose districts supply most of these billions of farm-subsidy money, and who represent consumers will some day wake up to realize that their support of big farm subsidies is definitely contrary to the interests of their own districts. If you do not believe it, look up the records and see who gets the $3 billion annually which this proposed program will cost. Then, you will understand the motivation of the corn, wheat, cotton, tobacco, peanut, and rice Congressmen.

Consumers finally pay all of the costs of taxation. And do not let anybody fool you into believing that there is anything about this farm subsidy program which makes for lower consumer prices.

Now I want to assure you that I hold no ill will toward the farmer. I grew up in the wheat country where I still have plenty of relatives, and I, myself, have been a Pennsylvania farmer for the last 35 years. I have made a lot of money in farming and have lately lost a lot. Farming, by nature, is a risk business and should stay that way.

If I thought subsidy would, in the long run, do farmers any good, I would not be so opposed to the program. But I do not want guaranteed status quo with socialistic bondage for farmers. Farmers, generally, do not want that. Yes; many of them are glad to take any money handed to them by the Federal Government, but at the same time they sincerely believe that the subsidy system is wrong and that it is not the proper function of the Federal Government to guarantee prices.

I am convinced of this thinking on the part of the farmers, and I am, as a consequence, convinced that the political importance of this problem, to either the Republicans or the Democrats, is largely in the minds of Congressmen who are running scared. Not many people behind the curtain of a voting booth are going to be diverted by bribery from voting their conscience.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Maine [Mr. McIntire].

Mr. McINTIRE. Mr. Speaker, I have requested this time to ask a question or two of the chairman of the Committee on Agriculture. If this bill passes there will be some interest in my section of the country, although of a very minor impact, I am sure, with reference to the conservation reserve feature of the soil bank provisions.

On page 7 of the conference report section (2) states:

> To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

In an explanation of the bill prepared by the staff, entitled "Differences Between the Conference Substitute, the Senate Amendment and H. R. 12 as Passed by the House," I would like to read and get the gentleman's comment on paragraph No. 13, page 2, reading as follows:

> The substitute makes it clear that a producer putting in the conservation reserve lands devoted to such soil conserving crops as tame hay, alfalfa, and clovers would not be required to increase his acreage of soil conserving crops on the balance of his land, or to reduce the acreage devoted to other crops on the balance of his land. Thus, a producer putting 10 acres of tame hay land in the conservation reserve could continue to use the balance of his land in exactly the same manner as he had previously done, if he so desired.

Now, is it the understanding of the chairman, as one of the managers on the part of the House, that this explanation of this provision of the bill itself is in line with the general agreement in conference?

Mr. COOLEY. I think the gentleman is entirely correct; yes.

Mr. McINTIRE. I think it is important, Mr. Speaker, that this be contained in the legislative record of this bill.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. Cretella].

Mr. CRETELLA. Mr. Speaker, I am happy to follow my colleague the distinguished gentleman from Pennsylvania [Mr. King], because he talked of the impact of this report on the consumer, and that is who I am going to talk about.

The conference report on H. R. 12 although not admitted contains provisions which result in direct food taxes on consumers.

Under title V, the domestic parity plan for wheat would increase consumers' grocery bills by almost a million dollars a day. Next year's food bills would be higher by about $340 million.

This plan is really a consumer tax, which would boost the price of bread about 2 cents a loaf. Higher prices would not be on bread alone, but would hit all food products containing wheat.

Low-income consumers are more dependent on bread and other cereal foods than are the rest of our people. Thus, this provision of the bill before us would fall most heavily on families against whom we must and should not discriminate.

Similarly, the 2-price plan for rice would increase the retail price for this food by 2 cents or more per pound. Consumers would pay about $25 million more per year. And this, too, would most seriously burden our low-income families.

The people unquestionably bear the costs of any price-support program. However, the programs now in effect are financed from the general tax revenue of the Government, and thus do not discriminate especially against the people least able to bear the cost.

The special feed-grain provisions with the sharply reduced acreages required, about 20 percent below the 1955 level—not 15 percent as some people think—accompanied by high price supports is just bad business for the whole Northeast. The effects of this section of the bill will be felt in higher feed costs to the livestock producer. This will mean higher prices to the consumer.

Not only will the consumer have to pay higher prices for the livestock products but he will be levied upon as a taxpayer to pay for the loss to the Commodity Credit Corporation. In addition, it will not be long before the law requires import controls on feed grains from Canada. This will hurt our relations with our friends to the north.

This is triple jeopardy for us in the Northeast.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. Belcher].

Mr. BELCHER. Mr. Speaker, I find myself today in a very peculiar situation. In the 5 years that I have been a Member of this House, this is the first time that I have taken the floor against the leadership on my side of the House. In addition to that, this is the first time that I have been able to agree with some of my colleagues on the Committee on Agriculture. But, I think it is about time that we quit fighting and got on with the business of passing some kind of an agricultural bill.

Now, the soil bank proposal was advanced in January of this year. It will cost considerable money. We were told by Mr. Benson and Mr. Eisenhower, for whom I have the greatest respect, that it was a good program. I was asked to support it. As a member of the Committee on Agriculture I have supported it. I think it is a good program; at least, I think it will be a good program. If the soil bank program had been adopted in January of this year, it would have cost this year more money than 90 percent parity will cost the taxpayer. The passage of the soil bank program at this time, as far as I am personally concerned and as far as the farmers of my district are concerned, will give no benefit whatsoever during this year's crop, because it will not go into operation in time.

The proposal of the great minority leader to eliminate the two-price system for wheat, for which I have fought since 1932; the reduction of the parity price from 90 percent to 82½ percent, will eliminate every single benefit to my district as far as this year is concerned, even though the soil bank program and the acreage conservation program should turn out to be a success. If that program turns out to be a success, we will not need 90 percent of parity after this year because the soil bank program will make the cash price of commodities go above 90 percent. And that is the objective of every Member of Congress; that the time shall arrive when every farmer can sell his product in the market place at 100 percent of parity without the intervention of the Government in any respect.

The gentleman from Kansas [Mr. Hope] is going to explain the two-price system. In the limited time allotted me I cannot undertake to do it but it is the only farm program that will not cost the taxpayer any money. I think it will work; I think it will be a good program.

Our great minority leader has said that the President of the United States will veto this bill if it is approved by the Congress in its present form. I have the highest love and respect not only for the President of the United States, but for the leader of my party. He represents all of the people of the United States. I represent 600,000 of those people. My conscience should tell me what to do. The President's conscience should tell him what to do. He represents a segment of society. I represent a segment of society. If I follow the leadership of the President to the detriment of my 600,000 people, my 600,000 people will be disfranchised as far as having a spokesman is concerned.

With that idea in mind, if the President's conscience tells him to veto this bill, I am not going to criticize him for doing that because it is his duty and responsibility, to follow the dictates of his conscience. I know President Eisenhower well enough to know that he would not ask me, as a Member of Congress, merely to accept his wishes, to the detriment of the people whom I represent here in the Congress. He is too big a man for that.

As long as I am a Member of this Congress I intend to look out for the best interests of the people of my district and the people of the United States. As a member of the Committee on Agriculture I have a duty and responsibility to the agricultural interests of the entire United States. As the Representative of the First Oklahoma District I have a duty to the farming interests of my district. Today I am discharging that duty.

For the first time, as I say, I am taking the floor in opposition to a motion that I know is going to be made by the minority leader, a man whom I admire and respect and love and whose leadership I have followed. I do that because my conscience tells me to do this and for no other reason. I do that with a heavy heart. I think his motion to recommit is a mistake. I think we should approve this conference report and send the bill down to the President.

That is the way I intend to vote.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. Halleck].

Mr. HALLECK. I thought the gentleman was going to yield me 10 minutes.

Mr. COOLEY. I am sorry, but every minute of the time has been allotted. I regret it more than I can say. More than 1 hour has been allotted on the gentleman's side of the aisle.

Mr. HALLECK. I appreciate the gentleman's attitude, but I had arranged to yield some time to the gentleman from Wisconsin from my time, on the assumption I had 10 minutes.

Mr. COOLEY. I am very sorry it happened that way. I have 5 minutes I am going to yield to the gentleman from Illinois [Mr. Arends]. Maybe he can yield some time to the gentleman from Indiana.

Mr. H. CARL ANDERSEN. If the gentleman will yield, I understand I am to be yielded 2 minutes. I should like to accord the gentleman my time if he will give me the opportunity.

The SPEAKER. The time is under the control of the gentleman from North Carolina.

Mr. COOLEY. In view of what the gentleman from Minnesota has said, I will yield the gentleman from Indiana 2 additional minutes.

Mr. H. CARL ANDERSEN. I have a preface. I feel positive the motion to recommit will not prevail, consequently I am glad to yield to my majority leader.

Mr. COOLEY. I yield the gentleman from Indiana 2 additional minutes, then.

Mr. HALLECK. I thank you very much.

I am equally sure the other way, may I say to my friend from Minnesota, and I think for good reason.

As the gentleman from Massachusetts pointed out, we all recognize that the farming economy is the one soft spot in the whole national economy, and we all want to do something about it. As fair-minded people we should do something about it. I am just a little afraid that as we have moved to do something, there has been too much shadowboxing and not enough attention paid to the really important factors that are involved.

There are several features in this bill, as was pointed out by the gentleman from North Carolina [Mr. Cooley], which should be brought to quick passage in the interest of the farmers of this country, not only in their interest but in the interest of all the people of the country.

Also, the gentleman from North Carolina knows that while he has responded with his committee to many of the things that the President asked—and may I say that the President's program and his proposals submitted more than 3 months ago meet with the approval not only of the farmers but the great majority of all of our people—he has in this bill many provisions that I am sure he knows himself are not right, which he knows are opposed by the President, and which, I say on my responsibility, if they go down to the White House, should bring a veto of this measure, a veto which will be sustained.

That leads me to suggest that perhaps there has been too much maneuvering for a veto and not enough real action to get a bill that will be acceptable and really helpful to the farmers.

In respect to this motion to recommit, let me say this to many of my friends on the righthand side of the aisle. When that roll is called, a lot of people will be looking to see just how you voted on some of these proposals.

The good things that are staying in the bill have already been recounted. Now what is in this motion to recommit? The first is that it holds the 82.5 percent that we fixed the past year, so we are flexible between 82.5 and 90. But certainly the 90 percent high rigid support price was calculated to be an incentive to increased production in wartime, not increased production in peacetime. I do not care how you argue it, the war is over. We are in peacetime. If you go on and on with the high rigid 90 percent formula, you will continue to pile up surpluses that will continue to plague us and continue to depress prices. I say it is time to get away from that, for the farmer's own good.

Secondly, the motion to recommit would take out the provisions for dual parity. You had arranged in the law for the application of modernized parity and, I think, there was general agreement at that time. The time has arrived to make parity more realistic, and yet here even though you know that it is completely obnoxious to the President of the United States, you insist on putting in dual parity which, I say, should not be in the bill and it ought to go out.

Now you will be doing another thing. You bring feed grains in to increase their support price from 70 percent to 85 percent. I know where most of those feed grains are grown, and maybe some of the Members who want that increase in supports think it is going to be good for the people who produce the feed grains. I seriously doubt that. But, let me say to you, you are going to make it more difficult for the corn farmers in the Middle West who are already under pressure. If you think for a minute that the people out there are not going to take a look at how you vote on this motion to recommit, you have another guess coming. The action which you are seeking to take will pile up feed grains in surplus supply and further depress the price to the farmers.

In addition to that, you put in the bill the 2-price arrangement or the 3-price formula, or whatever it is, for wheat and for rice. There again some people say it is going to be good for the wheat farmers. But, in all likelihood the minimum you will do to the corn farmers in the Middle West with that arrangement is to provide for the dumping of up to 300 million bushels of wheat on an already depressed farm market where corn is in surplus supply.

I hope the provisions of the motion to recommit will be adopted to clean up this bill and to keep the good that is in the bill and to take out the bad—but if this bill goes down to the White House in its present form and is vetoed and the veto is sustained, then those of you who are for this arrangement will go back and explain to your wheat farmers this proposition:

Under existing law, the support price on wheat will be $1.73 a bushel and under the 82½-percent proposal, as provided for in the motion to recommit, it would be $1.97 a bushel. In my book, that is a pretty good support price for wheat.

I trust without regard to partisanship that you will support this motion to recommit because it is good for the farmers and good for the consumers of the entire Nation. So far as I am concerned, there is so much bad in the bill that if we do not do something about it by the motion to recommit, I am going to vote against the conference report and I will vote to sustain the veto of the President.

Mr. Speaker, now I yield to the gentleman from Wisconsin [Mr. Laird].

Mr. LAIRD. Mr. Speaker, I come from a congressional district which produces more milk and cheese than any congressional district represented here today. I have enjoyed my work on the House Agriculture Committee and I agree with the chairman of the committee, the gentleman from North Carolina [Mr. Cooley] that as members of the Committee on Agriculture, we should look at farm legislation on a nonpartisan basis. One must also look at agricultural legislation on the basis of what is best for his congressional district.

This conference report discriminates against the family-type dairy farm. The so-called basic commodities are given increases in support level of from 15 to 20 percent. The support for the so-called feed crops are increased by 17 percent. The support level for manufactured dairy products is increased by only 2.5 percent.

In addition to this, the conference report completely eliminates the Senate penalty provisions for violation of soil-bank contracts. Millions of acres will be placed in the soil bank and farmers in the areas producing basic commodities will plant this land in grasses and legumes. In order for the Wisconsin dairy farmer to be adequately protected against the diversion of this land to milk production, adequate penalty provisions were necessary to keep this land from being used for livestock and grazing. Under the conference report a producer of the so-called basic commodities can still continue to receive his price supports even though he grazes the land he has placed in the acreage reserve of the soil bank.

Milk production will be greatly increased in areas of this country outside of our historic dairyland by this conference committee action.

In addition to the objectionable features which I have already outlined as far as the dairy farmer is concerned, the conference report continues the present method of calculating the parity equivalent for manufactured milk.

The computation of the parity price at which manufactured milk is supported must be changed so that dairy farmers are assured of stability in prices. As example, $3.15 per hundredweight for manufactured milk at the beginning of 1954 was about 75 percent of parity, but now that price is approximately 83 percent of parity.

The parity equivalent for manufactured milk as now computed does not reflect a fair ratio of milk prices to farm costs. The parity equivalent for manufactured milk is based on the relationship of the price of manufactured milk to the price of all milk sold at wholesale which includes the price of class I fluid milk. During the base period of 1910–14 there was no such thing as what we know today as class I milk.

Milk used for fluid purposes in the 1910–14 period was probably inferior to present-day manufacturing milk in both quality and in the production standards or facilities required for its handling. Grade A milk as accepted in most fluid markets is a new commodity that has entered the market since 1914. The kind of milk that was produced in 1910–14 and was then sold for fluid purposes is now used almost entirely for manufacturing, a market that is also invaded by Grade A producers as a dumping ground for their surplus produced in excess of fluid needs.

In many instances, prices of fluid milk are established by Federal orders in a way that insures producers equitable incomes. At the same time, manufacturing milk prices are currently and under this conference report supported according to a "parity equivalent for manufacturing milk" that continuously declines in direct relation to rising fluid prices.

Under this conference report parity equivalent for manufacturing milk will continue to be calculated as follows:

First. The parity price of all milk sold at wholesale is computed.

Second. The relation is established between (a) the average price received by farmers for all milk sold at wholesale, and (b) the average f. o. b. plant price for milk sold for use in American cheese, evaporated milk, and butter and milk byproducts. This relation is established for the period from July 1946 through the most recent December, but when such a period exceeds 10 years for only the 10 most recent calendar years.

When fluid milk producers improve their price in relation to manufacturing milk prices, so that the margin is widened between the price of manufactured milk and the price of all milk sold at wholesale, they reduce automatically the parity equivalent for manufacturing milk the next time such parity equivalent is computed by the USDA.

This reduction is most easily illustrated by an example in which the figures are chosen for simplicity rather than by current prices and volume. In the example we will assume that 100 pounds of milk is sold, with 50 pounds going into fluid use at $4 per hundredweight and 50 pounds is sold for manufacturing at $3 per hundredweight, and 100 percent of parity is $3.50 per hundredweight for all milk sold at wholesale. In such circumstances the parity equivalent for manufacturing milk would be $3/$3.50 or 85 percent of parity for all milk sold at wholesale, and 100 percent of parity equivalent for manufacturing milk would be $3 per hundredweight.

Now we will assume that the fluid-milk price for the period is increased to $4.50. Such an increase would bring the average price of all milk sold at wholesale up to $3.75 if there is no change in utilization. If parity for all milk remains unchanged at $3.50 per hundredweight, the parity equivalent for manufacturing milk would be lowered as follows:

First. The ratio of manufactured milk to all milk would be $3/$3.75 or 80 percent.

Second. Parity equivalent for manufacturing milk would be reduced from 85.7 to 80 percent of the parity for all milk sold at wholesale.

Third. Parity equivalent for manufacturing milk would be 80 percent of $3.50, or only $2.80 instead of the $3 that existed before the increase in fluid milk prices.

In actual practice the parity equivalent for manufacturing milk was 88.5 percent of the parity price for all milk wholesale when first computed. It was later reduced to 84.1 percent, then 83.7 percent, and on January 31, 1956, it was further reduced to only 83.3 percent. The parity equivalent of 88 percent is based on the period of the first 30 months following July 1946. The parity equivalent of 83.3 percent is based on the period of July 1946 through December 1955. This reduction has occurred because a diffferent commodity, fluid milk, has been developed since the 1910–14 base period and has been classed in the same category with the ungraded milk of the earlier period, but which because it was a new and different product has been given a higher premium price in the market.

There is no reason for permitting a continuous decline in the level of the parity equivalent for manufacturing milk.

The Senate bill fixed the parity equivalent at the 88 percent of parity price as originally calculated. The conference report calls this method a complicated formula and rejects the Senate amendment which permanently establishes the parity equivalent at 88 percent. By so doing this conference report approves for future marketing years the continuing drop in the parity equivalent and also a much more complicated formula. This will result in a lower minimum dollars and cents support level on manufactured milk. For next year under the conference report the 80 percent of parity will be $3.08 on manufactured milk using the parity equivalent of 83.3 percent. However, in view of the fact that class I priced milk will receive increases during the next few months the parity equivalent will further drop and I predict that by December 31, 1956, the parity equivalent will be 82.7 percent.

The amendment offered by the gentleman from Massachusetts [Mr. Martin] is of utmost importance to a congressional district such as mine which produces its milk almost solely to be manufactured into dairy products. We need to fix the parity equivalent for manufactured milk in line with what parity should represent. This amendment should be supported by every Congressman from a dairy district. The parity equivalent must be established at the 88-percent figure and the only method we can use to insure this action is to reject the conference report and to adopt this important amendment. If this amendment is not adopted, I certainly cannot support the conference report. I cannot sit here today and cast my vote in opposition to this important provision. A vote for the conference report without the Martin amendment is a vote to reduce the minimum support level to at least $3.08 in the next marketing year and undoubtedly with the new parity equivalent calculation which will be made on December 31, a still further reduction in the minimum support level is in the making for the next marketing year.

If the Martin amendment is adopted the parity equivalent for manufactured milk will be pegged at 88 percent of parity on all milk sold at wholesale. The 80 to 90 percent support range for the next marketing year would be from $3.26 to $3.66 per hundredweight. Under the conference report the 80 to 90 percent support range would be from $3.08 to $3.47 per hundredweight based on the present 83.3 percentage parity equivalent. With the increases, however, which are currently in the making for class I milk this dollars-and-cents range will be even lower on December 31, 1956.

The position taken by the majority party in supporting this conference report today is indeed detrimental to the best interests of the Wisconsin dairy farmer. The majority party position regarding the milk producer is directly opposite to the statements made by Democrat politicians campaigning in our State. Action speaks louder than words. If this conference report is approved without the Martin amendment, it will clearly show that the majority party continues to lack a sympathetic understanding of the problems of the Wisconsin dairy farmer. Farmers in the Seventh Congressional District of Wisconsin receive less than 2 percent of their total cash income from agricultural commodities which have been given preferential treatment by this conference report.

I am unwilling to sell the Wisconsin family type dairy farm down the river for political expediency. The dairy farmer deserves more consideration than has been shown to him in this conference report. The dairy farmer is the forgotten man in this conference report.

I am most interested in having a farm bill in this year 1956. The President has indicated that he will sign a farm bill if it includes the provisions as outlined in the Martin amendment. If the provisions of the Martin amendment are not included, it will be vetoed. I therefore urge my colleagues, particularly from dairy districts, to vote "Aye" on the Martin motion. If this motion does not prevail, certainly we will have no other recourse but to vote against this conference report.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Kansas [Mr. Hope].

Mr. HOPE. Mr. Speaker, like the gentleman from Oklahoma [Mr. Belcher], I regret to find myself in opposition to the position of the leadership of my party. I cannot say exactly the same thing he said, that this is the first time, because there have been other times, but I would say there are very few people on the Republican side of this House who have a better record for supporting the program of President Eisenhower than have I.

Of course we all have our responsibilities. The President has his. I would not feel I was doing my full responsibility to my constituents and to the country as a whole at this time if I did not do what I think is the thing that must be done if we are going to keep agriculture in this country on an even keel.

I want to begin my statement by reading a paragraph from a Department of Agriculture publication for March 1956 entitled "The Farm Income Situation."

It reads as follows:

> The farmers' realized net income in 1955 is now estimated at $10,800,000,000; down a billion dollars or 9 percent from 1954 on the basis of more complete information on farm marketings and farm production costs last year.

Now that is what has happened in 1955 as compared with 1954. 1954 was less than 1953. 1953 was less than 1952. I do not know how long this situation can continue and agriculture remain solvent in this country. But I am not going to dwell further on that question because my time is limited.

It is not the farmer alone who is being affected. In every small community, in every county seat town in the United

States, businessmen at this time are beginning to feel the pinch that is coming because of low farm prices and high farm costs.

I hold in my hand a little article that I have taken from this morning's Wall Street Journal, and I want to read a paragraph or two from that. It says:

> FARM EQUIPMENT MAKERS PLAN NEW CUTBACKS IN OUTPUT AS SPRING SALES SHOW NO PICKUP—MASSEY-HARRIS ASKS WAGE CUT—HARVESTER TO SLASH PRODUCTION APRIL 30
>
> Spring breezes are blowing cold for farm equipment and tractor producers. Advent of the farm planting season has brought no pickup in lethargic sales of this industry.
>
> So companies are tightening belts still further after earlier production adjustments and layoffs.
>
> Massey-Harris-Ferguson, Inc., yesterday told its nearly 800 workers at its Batavia, N. Y., plant to accept a pay cut to keep the unit operating. International Harvester Co. reports it has scheduled tractor and other farm implement production cutbacks for April 30. Allis-Chalmers Manufacturing Co., Milwaukee, reports a 20-percent cut in its tractor production in March, with 100 employees shifted to other departments.
>
> Other farm equipment makers report slow sales and production cuts which are coming on top of earlier slowdowns.

The article goes on and recites how other farm implement companies are cutting back. So you see this is not something that is confined to farmers or to farming communities. It is something that is affecting the very economy of the country itself.

I do not know of anything we can do to help farmers increase their income this year except to depend upon some of the provisions of this bill. I am speaking particularly of dual parity and of the 90 percent of parity provision on basic commodities.

I am for the soil bank. I think it is a splendid idea. I think it will work out, but it will not function to any extent this year. We cannot count on any help from the soil bank except in very restricted areas. So the only way that Congress can do anything this year to stop this constant drop, drop, drop in farm income is to vote down the motion to recommit and adopt this conference report.

I have no information as to what the President will do when this bill is placed upon his desk. But I am sure that he will give consideration to every aspect of the matter and will take into account all of the facts which the conferees and the Congress had before them when the bill was passed.

I want to devote the remainder of my time, if I may, to a discussion of the domestic parity provision, which is one of the items included in this motion to recommit. I think many of you are familiar with it.

This plan is also known by other names, such as the certificate plan and the two-price system. The term "two-price system," however, is a misnomer as applied to the domestic parity plan, because under this plan all wheat would be sold on the market at one price, that is, the going market price. The principles of this plan are in successful operation in the field of dairy products under marketing agreements, and have been discussed in connection with other commodities.

Briefly, the plan and its operation may be described as follows:

First, all wheat would be sold without marketing quotas or restrictions of any kind.

Second, at the beginning of each marketing year the Secretry of Agriculture would make an estimate of the average going market price for that year. He would also announce the parity price of wheat for the year.

Third, the Secretary would estimate the probable amount of wheat which would go into domestic consumption for human food during the marketing year. This amount, which for many years has been approximately 500 million bushels, would then be allotted among the wheat farms of the Nation on substantially the same basis as acreage allotments are made now, except that in this case the acreage would be translated into bushels and the allotment to each farm would be in bushels. Each wheat farmer would receive a certificate stating the number of bushels constituting his share of the estimated domestic consumption of wheat for food.

This certificate would have a value in dollars and cents of the number of bushels which it represented multiplied by the difference between the going market price of wheat as estimated by the Secretary and full parity.

Let us assume for the sake of illustration that the number of bushels represented by this certificate is 1,000 and that the difference between the estimated price of wheat and full parity is 75 cents per bushel. In that event the certificate would have a value of $750.

WHERE WOULD THE MONEY COME FROM?

The next question is how would the farmer realize cash on this certificate and from whence would the money come? The answer to that question is that each miller or other processor of wheat will have to purchase certificates covering the total amount of wheat which he processes for domestic consumption as human food.

It will not be necessary for farmers to deal directly with millers because under the pending legislation the Secretary of Agriculture is authorized through the Commodity Credit Corporation to buy and sell marketing certificates. Thus the Commodity Credit Corporation would act as a clearinghouse. Farmers would turn their certificates in to the Commodity Credit Corporation through the county agricultural stabilization committee and millers in turn would buy certificates from the Commodity Credit Corporation.

The program in general would be administered by the county agricultural stabilization committees which administer other agricultural programs. The benefits which may be anticipated from this legislation are numerous and may be summarized as follows:

First. Returns to the farmer will be somewhat greater than under the present program and there is a good prospect that expanded outlets will further increase these returns in the future.

Second. Marketing quotas and penalties will be eliminated and acreage controls greatly minimized and possibly entirely eliminated in the course of time.

Third. Relief to taxpayers will be afforded through an immediate substantial reduction and eventual elimination of practically all the costs of the present program under which export subsidies and storage costs amount in the aggregate to over $400 million per year.

Fourth. To a large extent it will take the Government out of the warehousing and merchandising of wheat and in the end probably do away with such activities altogether.

Fifth. Wheat would be produced for market instead of for sale to the Government and would be sold on the basis of quality thus encouraging good farming and the production of superior varieties.

Sixth. Producers of livestock and poultry wherever situated would be able to produce wheat for feed or buy wheat at feed prices.

Seventh. There would be some expansion of wheat exports through the elimination of redtape, delays and other obstacles existing at present.

Eighth. It would result in moving wheat into its natural outlets and market channels.

Ninth. It will fit in perfectly with the soil bank proposals recently submitted by the President.

Tenth. It will return to the farmer greater freedom and control over the operation of his own farm.

The only real objection that I have heard made to this program, the only one that is substantial, is one that has been made by the producers of feed grains who have felt that perhaps it might result in increasing the supply of feed grains. In reply to that let me call attention to the fact that most of the acres we have taken out of wheat under the present program have gone into the production of feed grains. And let me call your attention to these figures very briefly. Compared with the 10-year average 1944 to 1953, we reduced wheat production by 216 million bushels in 1955. Bear that figure in mind.

But for the same period we increased feed grain production exclusive of corn and soy beans by 482 million bushels—more than twice as many bushels of feed grain were produced on those acres than went out of production of wheat. In other words, if wheat had been grown on that land and every bushel had been fed to livestock we would have fed less than half as many bushels of grain as we actually produced by transferring from wheat to other feed grains.

So if those in the Corn Belt who have a sincere belief that this may interfere with feed grain prices will only consider what has happened and is happening at this time they can see that there is no danger of increasing feed grains supplies; rather, the reverse.

But I want also to call attention to the fact that there is in the bill itself a provision which provides that the Secretary of Agriculture may establish acreage allotments on wheat. So he has it in his power to prevent such an expansion of production of wheat as will result in an increase of the total feed grain supply.

Furthermore, the Secretary has the authority to put a low loan upon wheat, and one ingredient of that is the price of corn, so that he has the authority to prevent wheat from coming into unfair competition with corn as a feed grain. There will be less feed grains produced if this proposal is adopted than have been otherwise. Furthermore, this provision does not go into effect automatically; two-thirds of the wheatgrowers voting in a referendum must vote to put it into effect.

Mr. BELCHER. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. BELCHER. The statement was made a while ago by the gentleman from Connecticut that this would raise the price of food to the people of the United States. It can never raise the price of food beyond 100 percent of parity, and 100 percent of parity merely constitutes a fair price. Nothing in this bill, therefore, would ever raise the price of wheat or the price of bread beyond a fair price to the farmer. That being true, we pass tariff laws on everything else for the very purpose of guaranteeing a fair price, so I do not believe that the people of the United States expect to get their food below a fair price.

Mr. HOPE. Let me say to the gentleman, and I am glad he brought that matter up, that in the 7-year period from 1948 to 1955 wheat prices in this country went down 31 percent while the price of bread went up 28 percent. There is no correlation between the wheat price and the price of a loaf of bread.

Let me call attention also to the fact that in 1914 the average hourly wage of a factory worker would buy 3½ pound loaves of bread, in 1929 it would buy 6.1 loaves of bread and this year the average hourly earnings of the industrial employee will buy 11 loaves of bread.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Iowa.

Mr. JENSEN. Of course, the gentleman knows there has been some concern about wheat going into feed grain. Will the 90 percent provision for corn, along with the other lending provisions in the conference report for oats, barley and sorghums, offset possibly any detriment that your feed wheat might create in the feed market as against corn?

Mr. HOPE. I think it will to a very large extent.

Mr. JENSEN. Does the gentleman feel that the corn farmer is adequately protected in the conference report and in the conference bill? Of course, the corn farmer of Iowa, most of them, also raise wheat, oats, barley, and sorghums. Is it not a fact that the provisions of the conference report will greatly benefit the oats, the barley, and the sorghum farmers?

Mr. HOPE. They will. They will not only increase the price support level but they will bring about a reduction which we must have in all our feed grains if we are going to strike a balance.

Mr. JENSEN. I thank the gentleman.

Mr. Speaker, I urge that the House vote down the motion to recommit and adopt the conference report.

Mr. COOLEY. Mr. Speaker, I yield 4 minutes to the gentleman from Utah [Mr. DIXON].

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Indiana.

Mr. BEAMER. I wanted to ask the preceding speaker why I have a handful of telegrams from bakers who are alarmed about the two-price wheat system because they say it is going to raise the price of bread.

Mr. DIXON. Mr. Speaker, I ask unanimous consent to include in my speech a statement by the Secretary last February made before the Committee on Agriculture, showing that the basic commodities yielded a net loss, did at that time, of $5,077,000,000 and that the losses in 1954 were three times the losses in 1953.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Secretary of Agriculture, Ezra Taft Benson, testified before the Committee on Agriculture, House of Representatives, February 17, 1955, as follows:

> The aggregate realized cost of these programs for the period from 1932 through 1954 was $8,469.2 million, of which $962.5 million represents costs realized in the fiscal year ending June 30, 1954. The costs in 1954 were almost 3 times those realized during the fiscal year 1953.
>
> Of the $8,469.2 million realized costs of these programs, $5,077.1 million is attributable to the basic commodities, as follows:

	Millions
Corn	$1,228.2
Cotton	1,581.4
Peanuts	163.0
Rice	35.3
Tobacco	97.0
Wheat	1,972.2
Total	5,077.1

> This is a far cry from the $500 million figure just quoted as losses on the price support program. If we add to the $8,469,200,000 losses just quoted $4,238,900,000 representing a Government procurement of agricultural commodities for foreign aid programs, we arrive at the total of $12,708,100,000, which is very near the $13 billion which I quoted.

Mr. Speaker, I rise to speak in favor of the motion made by the gentleman from Massachusetts [Mr. MARTIN] to recommit with instructions to the House conferees the conference report on H. R. 12. My reasons are as follows:

First. The report repeats and augments the fatal mistakes of the program in effect until 1954, which accounts for our present agricultural distress.

Second. It not only repeats but increases the incentive to further production and as a result means continued over-production and continued declines in farm income as excess production piles up in Government warehouses.

Third. It invites and hastens the tragic day of reckoning by offering a renewed and even stronger effort to completely repeal the law of supply and demand and thereby sacrifice the welfare of all of our farmers for temporary expediency.

Fourth. It renders almost inoperative the soil bank, which is the major if not the only provision in the report designed to go to the heart of all farmers' problems. In other words, the provisions of the report attempt to go in two opposite directions at the same time.

Fifth. It discriminates further in favor of the basic commodities which produce only 25 to 26 percent of the Nation's agricultural income, while at the same time the producers of many of the other agricultural commodities are far worse off than the producers of the basics. There is only one exception here, and that is the dairy industry. It, in my opinion, justifies the recommendation provided in the report because surpluses of butter and dry milk have been consumed and supply and demand appear to be in balance, at least at the present time, and possibly will continue to be so if the soil bank becomes operative and the supply of feed grains is materially reduced.

Let us consider first my last proposition; namely, that the report discriminates further in favor of the basic commodities, and that this discrimination plus the competitive effects of diverted acres from the basic commodities threaten with ruin the producers of many of the other agricultural commodities.

Now, the so-called basics which are accorded this preferential treatment are really not the basics because:

First. They do not provide farmers with the bulk of their income.

Second. They are no more fundamental, and probably not as fundamental to the maintenance of good diets and health as the nonbasics.

Third. They are not the agricultural commodities for which the consuming public is expressing the greatest demand at the meat counter, the local dairy, or the fruit and vegetable market.

As proof of my charge of rank favoritism shown the basic commodities, I call your attention to the contrasts between the percentage of parity received by the basic commodities and the average received by other commodities, as reported by the USDA under date of March 15, 1956, as follows:

First. Upland cotton receives 90 percent of parity.

Second. Wheat 82 percent of parity.

Third. Rice 82 percent of parity.

Fourth. Peanuts 90 percent of parity.

Now, compare these with the parity prices producers receive for the nonbasics:

First. Beef cattle and calves, which alone provide farmers with considerably more income than all of the basics, combined average 68 percent of parity for beef and 71 percent of parity for calves.

Second. Chickens are at 77 percent of parity;

Third. Hogs are at 58 percent of parity;

Fourth. Lambs are at 77 percent of parity;

Fifth. Sheep are at 64 percent of parity.

Mr. Speaker, section 104 of the report also eliminates the new parity formula for determining the price support level on basic commodities. It would permit the use of either old or new parity whichever would give the highest level.

This action once again means added preferential treatment for the producers of basic commodities, commodities which provide farmers with only 25 or 26 percent of total net income. Yet, we produce over 130 different agricultural commodities in this country. For example, based on January 15, 1956, figures:

First. Wheat would be supported at 103 percent of the existing new parity.

Second. Corn would be supported at 100 percent of new parity.

Third. Cotton would be supported at 91 percent of new parity.

In the second place, the report not only increases the favoritism already shown the basic commodities, but worst of all the recommendation of 90 percent of parity upon the basics will render ineffective the only part of this bill which offers any prospect of help to livestock producers. This is the soil bank, in particular the acreage reserve program.

It is extremely doubtful that producers of wheat, cotton, and corn can be induced to put acreage allotment land in the acreage reserve when they can get price support on the quantity they produce at 90 percent of parity but only, as the conference report points out, "approximately 50 percent of the price support for that quantity of the commodity which would normally be produced on the land placed in the acreage reserve"—page 37. Let me explain by pointing out the choice of alternative which Utah wheat producers would face.

Even if the dual parity feature of this conference report does not remain in the bill, the support level on wheat at old parity would be $2.14 per bushel. With an average yield of 16 bushels per acre a farmer could receive $34.24 per acre. If it cost him 80 cents per bushel to raise that 16 bushels, his total cost per acre would be $12.80. So his net return for his wheat on this acre would be $21.54.

Now, if his rate of payment for placing an acre of wheat allotment land in the acreage reserve were one-half that of the support level—$1.07 per bushel, and his average yield were 16 bushels, his payment for placing an acre in the reserve would be $17.12. This would be $5.42 less for putting an acre of land in the acreage reserve than he could get under price support at 90 percent of parity. Now it is true that even if the farmer placed an acre of land in the acreage reserve certain fixed costs would still have to be met. I have not shown that calculation here, since I do not know what portion of that 80 cents per bushel cost figure represents fixed costs. But as long as this factor is held constant, which is the case, in my example comparing the incentives a farmer has to put an acre of land in the reserve at 76 percent of parity with that at 90 percent of parity the comparison is valid.

With price support 76 percent of parity or $1.81 per bushel, as it will be for 1956, and assuming an average yield of 16 bushels to the acre, a farmer could get $28.96 per acre. His cost per acre at 80 cents per bushel would be $12.80 and his net return would be $16.16. On the other hand, if he were given an incentive of one-half the support level to put the same acre in the acreage reserve he would receive $14.48. So that although it would appear at first glance to pay a farmer to put his wheat under price support, and his per-acre return would be $1.68 more, it might not in fact actually pay him to do so, when it is realized that he still would have some fixed costs even on land placed in the acreage reserve.

Thus, it is evident because the difference between total costs per acre and total returns per acre is narrower at lower support levels than at higher levels—90 percent for example, that farmers will not put land in the reserve at higher levels when they will be more inclined to do so at lower levels. I do believe that the incentive level, however, will need to be at least 60 and maybe even 65 percent of the support level in order to induce enough participation to get 12 to 15 million acres of wheat out of production. Furthermore, I would recommend that the Secretary raise this incentive to 60 or 65 percent.

Part of my opposition to both the 90 percent rigid support level and dual parity is that they will operate to prevent participation in the acreage reserve—the only hope we have of balancing supply with the demand for basic products and of getting production of diverted acres out of feed grains.

Furthermore, the committee's statement on page 35 is tantamount to an admission that 13 years of mandatory, rigid, price supports have created "a crisis in farm income that may become a catastrophe unless strong action is taken to bolster farm income." Yet these same people would not only feed the farmer the same medicine which has resulted in a 20-percent loss of income this year due to price depressing surpluses but also would add to his dosage. At the same time they blame the Secretaries of Agriculture for the farmer's sickness and for failure to operate a law that leaders of the agriculture committees have made inoperable and attempt to make still more inoperable.

The time has come when, in the general public interest, to say nothing of the best interests of all American farmers, a majority of the Members of Congress must stop a distinguished minority of its Members, who dominate the agricultural committees and thereby the conference committees, from enacting special-interest legislation for the benefit of the producers of a few select commodities, under the guise that it is good for the entire country.

For 3½ years, this small minority of powerful defenders of 90 percent price support on 6 so-called basic commodities which provide American farmers as a whole with only 25 or 26 percent of their total net income, has prevented the adoption of a sound price support program.

I do not want to be a party to the badgering and abuse which committee leaders have heaped upon the heads of our Secretaries of Agriculture of both political persuasions merely because these leaders have the whip hand. Neither do I want to lead a crusade to bring down the wrath of the people upon the heads of the Secretaries of Agriculture because they try in all sincerity to make operable an unworkable law which they have forced them to administer. I do not want future Secretaries of Agriculture, the farmers who produce the 75 percent of our agricultural commodities, our taxpayers and all consumers whom ratification of this conference report would injure, to suffer from my transgressions.

That is why I plead with you, my colleagues, to support the motion to recommit, to be guided by principle rather than expediency and to clean this bill up and to make it workable. If we think as much of all of the farmers as we say we do we'll get them a good bill and do it now. It is within our power to do so.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. Arends].

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. McCULLOCH. I would like to know whether or not the committee of conference report authorizes a farmer to grow as much grain, particularly wheat, as he chooses to grow so long as he uses it on his own farm.

Mr. ARENDS. I think that is correct.

Mr. McCULLOCH. Without any equivocation or without any conditions, he may grow as much as he wants?

Mr. ARENDS. I understand that is right.

Mr. Speaker, I want to thank the gentleman from North Carolina for giving me these 5 short minutes. That is the best he could do, I know. I wish I had an hour, because, coming from a great agricultural district, I have some understanding of the farmers' problems and of what is proposed in this legislation.

It is my belief the average Member who represents an agricultural district is trying to find a solution to the farm problem. We differ, however, as to what the solution really is. I believe there is a sincere desire on the part of the average Member representing an agricultural district to reach a decision whereby we may have a constructive bill which will benefit the farmer. It is my conviction that will not be accomplished if the conference report is adopted.

Mr. Speaker, in the years I have been in Congress I do not know a single measure that has disturbed me as much as this particular proposal before us. I am not speaking politically or in a partisan manner. I am talking solely from an economic point of view. As I mentioned on this floor before, I am not intelligent enough to vote for a Republican farmer on one side of the road as against a Democratic farmer on the other side of the road or vice versa. It just cannot be done. Either I vote for the benefit of agriculture as a whole, or I vote against the best interests of agriculture as a whole, and what I am attempting to do is to vote in the best interests of all agriculture. Accordingly I think this conference report should be sent back to the committee for further consideration.

The conference report now before us is completely self-contradictory and contains much that could hurt farmers far more than it could help them. Frankly, I do not see how the President could sign this bill if it were passed, and I do not believe he will.

It is imperative that the bad features of the bill should be deleted so that other sound and constructive provisions can bring help to farmers this year.

I came from the so-called Corn Belt. Let me speak about it specifically. The Corn Belt has inherited surplus problems that originated in wheat and cotton. Over 17 million acres diverted out of these crops have gone into oats, barley, and grain sorghums. As a result, the 1954 and 1955 production of these feed grains increased more than 800 million bushels. And what did they supplant? Eight hundred million bushels of corn, thus leading to a buildup of corn carryoyer and disastrously low acreage allotments for corn in the commercial corn area.

Existing legislation prescribes how corn acreage allotments must be figured. Under these requirements an allotment of 43 million acres has already been announced for 1956—down 22 percent from the planted acreage and 15 percent from the allotted acreage of last year. The Corn Belt cannot live with such severe restrictions, nor can our agricultural heartland any longer bear the brunt of surplus accumulations and acreage restrictions on wheat and cotton.

If we do not pass workable and sound legislation the situation in the Corn Belt becomes worse. That I firmly believe. Existing law prescribes how corn allotments shall be figured. Acreage allotments in subsequent years will be forced lower than the 43 million acres announced for this year, other feed grains will be taking the market and corn stocks will be further accumulated. Put that down in your book and remember it.

Remember always that corn has no minimum allotment as do wheat and cotton. I repeat, corn has no minimum allotment as do wheat and cotton. This year many farmers will be forced to plant more than their acreage allotments which means corn prices could be further depressed.

If we can improve this bill as proposed in the recommittal motion, the Corn Belt could be relieved this year of restrictions that now have become practically intolerable. Simple justice demands relief from the surplus problems of others dumped upon the Corn Belt. We must write a bill the President can sign or we automatically force on our corn farmers a corn allotment too small for them to live with.

The chief difficulty with the provision in the bill for mandatory price support on feed grain will be noncompliance—the same problem we have had on corn.

The way the program provided in this bill now before us is set up, feed grain acreage would have to be reduced sharply below 1955 levels in order for a farmer to participate. In North Dakota the cut would be 27 percent; in Iowa, 14 percent; in Washington, 40 percent; in Texas, 26 percent; in Ohio, 22 percent; in New York, 17 percent, and so on. Nationwide the cut would be 20 percent. With cuts as sharp as this many farmers would choose to stay out of the program.

The result will be that a certain percentage of the farmers would come into the program and turn their crop over to the Government. Others would stay out, and increase production.

Our 1955 experience with low participation in the corn program and low prices will be duplicated here for the other feed grains. Note, that except for 1956, these feed grain producers who do not cut their acreage sharply will not be eligible for any supports. This will hurt not help the corn producer.

In the Midwest, in order to become eligible for the higher support rate, farmers, once they find out their farm base—this cannot be done in less than a month—will have to plow under substantial acreages. The oats will have already been planted.

Mr. Speaker, I sincerely urge that this conference report be recommitted for further consideration. We do not have before us a farm bill, in the true sense of the word, in that it does not solve the farmer's problem—it only complicates it and creates new problems. In my view this is not a farm bill but a mere pretense. I would say that the bill we have before us is more of a political measure than anything else.

I have been in rather intimate touch with all that has transpired during the course of the consideration of this legislation. It has been my privilege to attend the conferences at the White House on the subject and participate in the discussions.

While the President has not said categorically that he would veto this bill if, in its present form, it comes to him for approval, I am confident that he will. I am also confident that he will make certain that the farmers know why and that he will insist upon another measure.

For one, I shall urge upon the President that he explain to the people of this great country why this measure is unacceptable and why this Congress should remain in session, however long, until it deals realistically, objectively, constructively, and economically, rather than politically as here proposed in the bill before us, with the grave farm problem we have before us.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to include as part of my remarks a letter from the Illinois Agricultural Association and a telegram from the American Farm Bureau Federation.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

(The matter referred to follows:)

Illinois Agricultural Association,
Chicago, Ill., April 10, 1956.

In re H. R. 12.

Hon. Leslie C. Arends,
House Office Building,
Washington, D. C.

Dear Mr. Arends: The conference committee recommendations upon H. R. 12, in our opinion, provide very well for the interests of cotton and wheat producers but again pass a major portion of the burden for adjustments in production to the Corn Belt. This is done, notwithstanding the fact that farm income in the Corn Belt already has fallen much lower, proportionately, than farm income in these other areas.

The committee would retain the 2- or 3-price plan for wheat. Wheatgrowers would be assured 100 percent of parity for wheat produced for the domestic market. The remainder of their wheat, which is not exported, could be dumped on the domestic market as feed in competition with corn and other feed grains, which are already in surplus supply. A large portion of the existing surplus of more than 1 billion bushels of wheat, plus an estimated one-half of the future wheat production in the United States, might be sold as feed.

As further evidence of the preferential treatment of wheat and cotton growers, the law now provides a minimum of 55 million acres for wheat and H. R. 12, in effect, would provide a minimum acreage of about 17.4 million acres for cotton. Although the wheat area has diverted approximately 21 million acres out of wheat into soybeans and feed grains, and the cotton area has diverted approximately 8 million acres out of cotton into soybeans and feed grains, the committee struck from the bill the requirement that beginning with 1957 crops, in order to be eligible for price supports, producers must place a percentage of their acreage in the soil bank. The committee retained the provision fixing a 51-million-acre base for corn but with a requirement that in order to qualify for price supports the corn grower must place crop land acreage equal to at least 15 percent of the corn base in the soil bank. The Illinois Agricultural Association feels that the growers of wheat and cotton should be treated in the same manner and that the provision requiring participation in the soil bank, in order to be eligible for price supports, should be retained in the bill.

With respect to feed grains, which compete with corn, the bill would raise the support price. The increased production of soybeans and feed grains has largely occurred in the cotton and wheat areas. This would further encourage increased production of these feed grains. The bill would require the small grain grower to place an acreage equal to 15 percent of the small grain acreage in the soil bank in order to receive price supports. Thus, the Illinois farmer would be required to place an acreage equal to 15 percent of his corn base, plus an acreage equal to 15 percent of the amount usually planted in oats and other grains, in the soil bank. However, in Illinois, oats for 1956 already have been sown.

If we are realistic, we know that it is too late for the bill to be effective in Illinois this year. Small grains for the most part already have been sown. After the bill is passed, at best it will be 3 or 4 weeks before soil bank regulations can be issued and information carried down through the State and county offices to the farm level. By that time, corn will have been planted, too.

We recognize that a majority of the members of the conference committee cannot be familiar with Corn Belt problems. If the interests of the Corn Belt and Illinois are to be protected, this will have to be done on the floor. In view of the fact that the bill can have but little effect this year, we would urge that it be sent back to the conference committee with instructions to bring back a bill that is fair to all areas and particularly with instructions to include provisions which will obtain some control over diverted acres in all areas.

Sincerely,
Illinois Agricultural Association,
Otto Steffey, *President.*

Washington, D. C., *April 10, 1956.*

Hon. Leslie C. Arends,
United States House of Representatives,
Washington, D. C.:

There is no justification for Congress to rush through ill-considered farm legislation. To accept the conference committee report would be harmful to agriculture. It is too late for the soil bank to be effective this year.

Among the objectionable features of the bill are:

(1) Fixed price supports for the basic commodities for 1956 at 90 percent of parity.

(2) The double standard for computing parity prices.

(3) Title V, price-support program for wheat and rice.

(4) Mandatory support of noncommercial area corn and the mandatory increase in the support prices from 70 percent to 85 percent of parity for oats, barley, rye, and grain sorghums.

(5) A 10 cent per hundredweight increase in the 1956 dairy price-support level and 80 to 90 percent mandatory support for dairy products in 1957 and thereafter.

(6) Lack of control of delivered acres.

These provisions nullify other parts of the bill that might help adjust the agricultural plant to effective market demand.

The policy of fixing prices for certain farm commodities has been an important factor contributing to the development of our excess productive capacity and the present unsatisfactory farm-income situation.

One of the main objectives of the soil bank is to shrink the overexpanded agricultural plant. The conference committee report would have the effect of encouraging the production of wasteful and price-depressing surpluses.

We recommend rejection of conference report and enactment of Legislation that will actually help bring supplies in line with effective market demand.

Charles B. Shuman,
President, American Farm Bureau Federation.

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, this legislation is unfair to both the farmer and the general taxpayer. It is a short term sop rather than a long-term solution to the ills besetting our agricultural economy. It is a political potpourri of conflicting proposals.

Every agricultural expert I have talked to blames the present drop in farm income on price-depressing surpluses. These surpluses are directly attributable to the rigid price support program that has been in effect in recent years. This bill we are asked to approve continues and in some cases expands the rigid price support theory. We are giving the farmer more of the medicine in a somewhat stronger form than that which has made him ill.

Let us take the dairy industry as an example. Two years ago, Secretary Benson lowered the price supports on dairy products as he was required to do by law. A hue and cry went up that by so doing, the Secretary was going to destroy our dairy farmers. This did not happen. Today, the dairy industry is in better shape than it has been for 3 years. Milk prices are better than they were when the Secretary lowered the support prices. And—miraculous to say—the Government does not own 1 pound of surplus butter. Yet this bill would junk that program. The dairy farmer would be returned to the straitjacket of high price supports. Surpluses would again begin to pile up as would the resentment of the city taxpayer.

The sensible feature of this legislation—the soil bank—comes too late to benefit many of our farmers. And the purpose of the soil bank—to cut production without penalizing the farmer—has been nullified by other sections of the bill which encourage more production.

The farmers need and are entitled to have sound legislation that will solve their problem on a long-term basis. They must not be at the whim of each succeeding Congress. Provisions of this bill setting high support prices on domestic feed grains benefit temporarily one type of farmer. But at the same time the livestock grower and poultry producer who must buy these feeds is penalized by having to compete with the Government for their purchase.

The continuation of the Government surplus purchase program is unfair to the farmers because it subjects them to criticism from city taxpayers that they do not deserve. Given the help proposed by the soil bank proposal and the conservation reserve, they could work out their own solution. But with this legislation they will be again plunged into a program which has brought them to grief.

One of the few good features of the legislation as it was approved by the other body was deleted in conference. I am referring to the ceiling limits on the amount of Government purchases any single farm could receive. We are asked to approve this legislation to benefit the family farmer, yet the lion's share of the funds will go to large corporate farms that do not need any Government help. Certainly a $100,000 gross limit on the amount of Government commodity purchases any one farmer could receive would be sufficiently high to include the type of farmer we are trying to help. But this has been taken out of the bill. I can't vote for any legislation that permits the Government to turn over up to $1 million to one corporate farm from taxes collected from our working people at a basic rate of 22 percent of their income.

Let us draft good, sound farm legislation. I have confidence that this is the type of legislation our farmers want. They are tired of being a political prize auctioned off each election year by each succeeding session of Congress.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. Burdick]

Mr. BURDICK. Mr. Speaker, I just want to make a few feeble remarks in my weak way about this situation. One protest I want to make is that I do not believe it is right to threaten the Congress of the United States with a veto by the President.

We have three distinct divisions of this Government. We started out that way and I hope we are still on that course. The leader of the minority party comes in here today and gives us to understand that if this bill is not passed as they want it there will be a veto.

I have been up against a good many scary things in my life and I have not run yet. That veto does not scare me any, because I do not think the President has anything to do with veto, for, if the papers can be relied on, Mr. Benson says he will not approve this bill, so I do not think it will ever reach the President.

I will tell you the situation we are in in North Dakota. We do not raise 1 bushel of surplus wheat, not 1 bushel, yet everybody that comes out there to talk hollers "Surplus, surplus." If they were wakened in the night suddenly, the first utterance they would make would be "Surplus," when we do not have any. We raise hard spring wheat, not soft wheat, and there never has been and there never will be a surplus of that kind of wheat.

We are limited to a half section of 41 acres to plant. Who can make a living for a family on 41 acres, no matter what the yield is?

Then this bill provides for something that I am opposed to, but the general benefits outweigh the damage. They are gong to have a soil bank. Where are they going to get the soil bank? They are going down into our little limited 41 acres and take it out of that. It just makes the future of the farmer less secure by taking away 8 acres of the 41. How many acres do you have left? Thirty-three.

I wish I had means enough and my friends had means enough to live this thing through and let you chicken feeders on the Atlantic seaboard have another depression. You want "soup lines" again. They appeal to you but commonsense and reason, apparently, do not.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. August H. Andresen].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, we have at least 57 different varieties of opinion on farm legislation. Major farm organizations are in disagreement, and there is also great disagreement among Members of Congress. It is very difficult even to find farmer neighbors in agreement as to the proper type of legislation that should be approved by Congress to solve the farm-surplus problem. I respect the judgment and opinions of those who do not agree with me.

The production of food in this country is vital to every person whether they live in the cities or on a farm. Therefore, food and fiber production is also vital to the entire economy and security of our country.

During my service in Congress, I have always taken the position that we need a strong and prosperous agriculture. The buying power of American farmers is essential to the men and women engaged in business, industry, and labor in all of our communities. Farmers now find themselves in a price-squeeze situation which has already had its effect upon those engaged in business and profession in our respective communities. The farmer is a good buyer when his income permits. Therefore, I am approaching the farm problem in the philosophy that we must have a strong and prosperous agriculture for the benefit of the Nation's economy.

I was a minority member of the conference committee on the farm bill. In view of falling farm prices, I sincerely feel that it is necessary to have a satisfactory farm bill enacted during the present session. A conference committee was delegated to work out a bill, and naturally, we were forced to compromise our individual positions on some issues in order to secure an agreement in the conference report which is being considered today. There are provisions in the conference report which I do not like, and if it were left to me to write a farm bill, it would suit me but there might be many others in disagreement. Other members of the conference committee were in the same position, and we therefore endeavored to compose our differences in order to work out the best kind of a farm bill under the circumstances.

I definitely feel that all farm legislation, as well as other legislative proposals, should be considered on a nonpolitical basis. I have endeavored to follow such a policy in considering the present farm bill. A political farm bill will never be of much value to American agriculture, and I hope that the time is close at hand when Congress can enact legislation, which will place agriculture on an equality basis with other segments of our economy. I signed the conference report in the spirit which I have indicated. It was the best bill that we could get out of the conference.

One impelling reason why I signed the conference report was because it contained a major portion of President Eisenhower's nine-point proposal. The keystone to the President's program created the soil bank which provides for taking tillable acres of land out of production so as to reduce surplus farm products in the United States. I am for the President's nine-point program as publicized in the newspapers.

We have been working on the farm surplus problem ever since I came to Congress. This was when we brought up the first-passed McNary-Haugen bill. At that time, I was a member of the Committee on Agriculture. The McNary-Haugen bill was never put into operation although twice passed by Congress. It dealt with the removal of surplus farm products. Some of the principles of the McNary-Haugen bill are embodied in the wheat proposal set forth in the conference report.

I feel that this program should be tried. We have tried many other schemes to get rid of surplus wheat without a great deal of success. Of course, the wars that we have been engaged in during the past 40 years have solved our surplus food problem, but I for one, do not want another war to be the solution of this important problem.

Time will not permit me to go into detail over the conference report. This report is available to all of the Members and I hope that you will study it. However, let me reiterate that we need farm legislation now and Congress should not adjourn without passing on this vital issue. I hope that the bill presented in the conference report will be agreed to.

My very distinguished and good friend, who spoke to you a few moments ago, the gentleman from Kansas, Clifford Hope, is now serving his last term in Congress. He has announced his retirement. I have served with him on the Committee on Agriculture for nearly 30 years. While we have had some differences of opinion, we have both worked for what we thought would be for the best interests of American agriculture. I regret that Mr. Hope is leaving Congress. He has performed outstanding service during the past 30 years for his constituents and the country at large. He is, and has been, a very valuable Member of the House of Representatives—a man of integrity, a good legislator and one who has had the respect of all Members on both sides of the aisle. I am sure that all of my colleagues join with me in wishing Mr. and Mrs. Hope the best of health, happiness, and success when he leaves as a Member of the House of Representatives.

I respect the opinions of others. Although I hope that all people will agree with me, I fully recognize that I sometimes find myself in disagreement with other able Members and officials. In other words, I do not condemn or criticize those who have different opinions than mine. I vote my convictions, and that is the way it should be with all persons who have the country's interest at heart. Although there are certain provisions of the conference report with which I find myself in disagreement, I nevertheless feel that we have done a fairly good job in reaching an agreement and in bringing this conference report to the House of Representatives for a vote.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from North Carolina [Mr. Barden].

Mr. BARDEN. Mr. Speaker, certainly in a few minutes I cannot discuss the details of this bill. I am not complaining, for under the rules of the House under which we are operating, we have 2 hours for debate and 435 Members. It certainly is not a perfect bill, but it contains many provisions which in my opinion will help the agricultural people of this country. Some of the provisions will help some sections and not help others; however, after considering the whole bill, I think it should pass and expect to vote for it. Certainly I feel it is the best we can do at this time, for the agricultural problem is one that involves the whole Nation—consumer as well as producer—and it is not an easy matter for 435 Members of Congress from every section to come up with the perfect bill that would satisfy everybody. Any farm bill must of necessity be the result of compromise.

Several things have happened during this debate that are rather astounding to me. I have great respect for the minority leader [Mr. Martin]. He comes out with the statement that the greater part of the provisions of the President's bill, sent down here in January, are in this bill. Then following that the distinguished gentleman from Kansas [Mr. Hope]—and I have served with him for over 20 years during which time he has served twice as chairman of the great Committee on Agriculture and I do not know of a better student of agriculture or a more honorable man or one who thinks more seriously than does he, yet the gentleman from Massachusetts [Mr. Martin] certainly implied that the President has not called him in to counsel on whether or not he should veto this bill. Others in this House who would not know a potato from an acorn say definitely that the President is going to veto the bill. I simply cannot believe the President will veto this bill and leave agriculture in its present plight. I want to say this, in all seriousness, agriculture in this country is facing a very, very serious situation. We have not tried to stress it in my section of the country, but you cannot dress it up any longer. It is a depression. When hogs are selling for 12 cents a pound and other farm products just as low, the gentleman from Illinois [Mr. Arends], who opposes this bill, need not be worrying about this bill. He had better be worrying about some hogs with an appetite for his Illinois corn. What does it mean to sell hogs at 12 cents per pound and corn at $1.20 per bushel, less handling charges? Why during the depression hogs were bringing 6 cents per pound and corn 80 cents; but they were dollars worth more than 100 cents to the dollar for there were not many around. Now with dollars worth about 50 cents comparatively speaking the farmer is now back to 6-cent hogs—60-cent corn, and so forth. Remember the last great depression of 1931, 1932, and 1933 started with agriculture; then spread to the cities and all other sections of the country for there was no buying power. In my opinion we should not take such chances, agriculture is entirely too important to the Nation's economy for us to do other than give the problem our best. If we cannot get everything we want, I think we should remember that a part of something is better than a whole lot of nothing.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. BARDEN. To my district, my State and the Nation this is not only a serious matter but very important. I know it has been regarded as serious with the Committee on Agriculture. When the distinguished minority leader, Mr. Martin, said he is going to beat the bushes to try to defeat this agricultural bill with his motion to recommit, I am going to tell him that he had better find a place to beat rather than in the bushes, because he is going to find some farmers there, and I want him back in this House.

Mr. MARTIN. Is the gentleman trying to help me out?

Mr. BARDEN. The gentleman is in a very serious situation.

Mr. MARTIN. How is the gentleman's own Committee on Education and Labor? Is that in jeopardy in any way?

Mr. BARDEN. Oh, listen, any man who is chairman of the House Labor Committee is always in jeopardy.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has again expired.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. Gathings].

Mr. GATHINGS. Mr. Speaker, I wish to address myself to the rice provisions of this bill. It is not necessary to outline the cotton provisions. The most significant cotton changes are known to the membership of this House. I do want to talk for a moment on domestic parity or the so-called two-price plan for rice. This legislation for rice is similar to the provisions for wheat.

The cutback in rice acreage has been drastic over the affected area in the seven States that grow rice. In 1954 there were 2,609,908 acres planted. Under this bill the acreage allotment would be 1,652,596 acres for 1956 and also for 1957 which is about a one-third cut in the short period of 2 years.

I think this House and this Congress acted wisely in keeping the cutback down to 15 percent for 1956. If that provision had not been passed the acreage would have been cut some two-thirds in the current year.

Now as to the export picture. Sales to Pakistan have totaled 3,620,000 hundredweight, and to Indonesia 5,510,000 hundredweight, a total of 9,130,000 hundredweight which were recently consummated. I want to congratulate the Department of Agriculture for pushing those deals through although it was not an easy task. It is a most valuable service to the economy of those States that grow rice.

The volume of rice grown in America amounts to only 1½ percent of the total production of rice throughout the globe.

As we move along I could explain to you some of the provisions of the two-price system for rice that are in this bill. The Secretary would proclaim the primary market quota which would amount to the consumption in America and possessions plus that in Cuba. The apportionment to the States would be on the basis of the average yield to the acre. In 1956 the average yield for 1955 would be used and in 1957 the 1956 average an acre would be the basis. Then the Secretary would apportion to the farms using normal yield on the farm under a formula that has been set up in this conference report.

The support would be 90 percent of parity for the domestic consumption plus the Cuban sales, and not to fall below 55 percent of parity on export sales in 1956. This is a 2-year program. For 1957 the export could not fall below 50 percent of parity, and the producer would obtain 90 percent of parity for rice that would be sold in this country and Cuba.

Certificates would be issued to cooperators for each producer's share of the primary marketing quota. The value of the certificates would be equal to the difference between 90 percent of parity and the level of price support which the Secretary of Agriculture had determined for the particular year, multiplied by the quantity of rice included in the certificate. The actual value of the certificate would amount to about $1.83 per hundredweight. These certificates would be negotiable and the farmer could cash them in prior to the time that his rice would be delivered to the mill.

It is estimated that under the domestic parity or two-price system on rice, the farmer would average somewhere between 78 to 83 percent of parity on the total production on his farm. The domestic consumption, plus the Territories and Cuba, would amount to about 60 percent of the total rice production. On this 60 percent, the farmer would realize 90 percent of parity.

The bill provides for inventory adjustment payments to be made to those individuals or firms who hold rice in their possession on July 31, 1956. These payments are provided so that such person or firm would not suffer a loss by virtue of purchasing the rice during the crop year of 1955 at a higher price than would be provided under the two price or domestic parity plan contained in the bill.

The bill amends the Agricultural Act of 1954 by providing a set-aside for rice. Sixty days after the new marketing year would start, the Commodity Credit Corporation would be authorized, under the rice set-aside provisions of the legislation, to transfer to the set-aside not to exceed 20 million hundredweight of rice.

This two-price system or domestic parity for rice is of vital concern to the States of California, Texas, Arkansas, Louisiana, Mississippi, South Carolina, and Missouri. The ricegrowers in these States cannot operate their farms and continue in business under the drastic cuts that are contained in the present law. A plan to move rice consistently into export channels is essential to the well-being of the industry. It is felt that to fix the minimum support level at 55 percent of parity for 1956 and the figure of not lower than 50 percent of parity on such export sales in 1957 should encourage the movement of greater quantities into the channels of trade. These figures of 55 and 50 percent of parity do not mean that the export price would drop to such a figure; they mean that the price could not go lower than 55 percent in 1956 and 50 percent in 1957.

As the fledgling member of the conference on the part of the House, it has been a pleasure to serve with such outstanding Members of this House who have worked for the cause of American agriculture so ably and well for many years.

The conference worked long hours to bring this report to the House today. The farmer needs the relief contained in this legislation. Anxiously does he await the outcome of the vote on this proposal in both bodies of Congress, as well as whatever action that may be taken by the Chief Executive. I trust that the motion to recommit will be voted down and the conference report approved.

Mr. COOLEY. Mr. Speaker, I yield myself 1 minute.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized.

Mr. COOLEY. Mr. Speaker, just a moment ago someone displayed a handful of telegrams on the left side of the aisle saying that there was great support for this bill. Here are petitions that I received in support of this bill, and not one is from my district or from the State of North Carolina. I have never seen such interest in any measure in my life as the farmers from Minnesota and all over this country have displayed and shown in sending these enormous lists of names here to me. Here are thousands of people throughout this country urging the Members of this House to pass this bill. I only desire to call your attention to this enormous number of petitions During my entire service in Congress, I have never seen anything like this. It will, of course, be utterly impossible for me to acknowledge receipt of these thousands upon thousands of communications. I only hope that those who signed these petitions will understand and appreciate the fact that it will be impossible for me to acknowledge this grand expression of their views and interest in the work which has been done by the conference committee in trying to work out a workable bill.

I think this proves that the farm program is perhaps better understood than some of us in Congress believe.

The time will come in a few moments when the roll will be called and the vote taken. The farmers will then be able to count their true friends 1 by 1 and they will know just what has happened here in this chamber today.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Anfuso].

Mr. ANFUSO. Mr. Speaker, I must commence with the established fact that price supports for our farmers are a definite guaranty that they will receive a fair return from their labor on the farm. It is my view that the 90 percent of parity price support to the farmer is proportionately 10 percent less than what the laborer or the factory worker in the city would expect from industry. It is also 10 percent less than what any individual or corporation would expect in return for an investment in a business enterprise.

In short, all that price supports aim to do is to guarantee a minimum return for the farmers to an even lesser degree than is guaranteed to Americans in other industries.

The argument that such protection to the farmers constitutes an increase in the cost of living to the consumers is spurious. Even if it were true, I am certain that the average American consumer would not like to see any farmer lose his farm or quit producing food commodities because of insufficient income, just so that he—the consumer—can save a few pennies during the year. And that is all it amounts to, when we analyze it properly. Actually, however, it is not true that price supports increase the cost of living.

Let me illustrate this point once again, just as I have done many times in the past. A loaf of bread sells for around 16 to 18 cents, but of this amount the farmer gets only about 2½ cents for the wheat in that loaf. The percentage is so small that the price of wheat would have to be reduced by about 80 cents a bushel before it would be possible to get a 1-cent reduction in the price of a loaf of bread.

Or take the case of a cotton shirt which retails in the store for $3.95. The cotton which goes into that shirt is worth less than 24 cents, and that is what the farmer gets for it. If you reduce the price of cotton, you can readily see how little it would affect the price of the shirt in the store.

Now, I want to tell my colleagues on both sides of the aisle that I believe we are missing the boat on this whole question. While playing politics and maneuvering for a favorable position, we are simultaneously closing our eyes to the tremendous opportunity which we have to eradicate hunger in the world and the great potential that food surpluses have in winning friends for our side in the struggle against communism. The surpluses of agricultural commodities, which some regard as a burden or even a threat to our economy, are in reality a blessing to our people. It is God's bountiful gift to America which enables us to maintain our country as a secure and prosperous Nation. It also enables us to aid less fortunate nations by helping to alleviate hunger in every part of the world.

There is no reason, no logical or sensible explanation, why these food surpluses should rot in warehouses, on abandoned ships, and on the streets, with the additional waste of millions of dollars every day in storage fees. These surplus commodities should be loaned out, not given away outright, just as we lend money to other nations; and this is to be done under terms which are most favorable to the countries that are able to use these surpluses in order to feed hungry mouths, as well as to keep the Russian bear away from their door.

My bill, H. R. 6868, would do exactly that. The bill seeks to amend the Agricultural Trade Development and Assistance Act of 1954 so as to authorize the sale of agricultural commodities on credit to be repaid within 10 years of the delivery of the commodities. Public Law 480 has done it to a very limited extent.

At this time, I should like to direct your attention to an even greater potential outlet for these farm surpluses. A few weeks ago, during a series of hearings held by the House Agriculture Committee, of which I have the honor to be a member, we heard a representative of the Department of Defense. I was shocked to learn that in the event of a sudden attack or other warlike catastrophe no provision was made to guarantee food supplies either to the civilian population of the United States and its territories, or the other peoples throughout the world. From past experience we know that in such event famine will strike many areas. We also know that wars have been won not only by extending the lines of defense, but perhaps no less also by extending and maintaining the food supply lines.

Last summer, when I was a member of the United States congressional delegation to the NATO Parliamentary Conference in Paris, I proposed to General Gruenther, the supreme Allied commander, that we store some of our surpluses in strategic areas throughout the world. I submitted the same proposal to the distinguished chairman of our committee, the Honorable Harold D. Cooley. Both he and our distinguished colleague from Texas, the Honorable W. R. Poage, brought up the same suggestion at a meeting of the House Agriculture Committee a few weeks ago.

I wonder if our colleagues here fully realize how important this could prove to be. In carrying through this proposal to store surpluses in strategic areas, we would practically have no surpluses to speak of. To all intents and purposes, it would almost eliminate the problem. But even more important is the fact that, in so doing, we would bolster our lines of defense throughout the world and we would strengthen our allies. This, to me, is one of the most constructive and far-reaching solutions to the farm problem. It is certainly much more preferable than seeking cutbacks in production. It is certainly much more logical than the accumulation of huge surpluses which are rotting away, while millions of people in this country subsist on inadequate diets and untold millions abroad live in constant fear of famine and starvation.

Take the case of the famine in Greece last year, or in the lower provinces in Italy earlier this year. If some of our surpluses would have been stored in that area, they could have been used the moment the emergency struck, instead of having to fly the food in limited quantities from thousands of miles away under tremendous hazards and obstacles. Let me say also that in the event of some disaster or other emergency, I would not even hesitate to feed hungry and starving peoples behind the Iron Curtain, not only as a humanitarian deed, but as the surest way of helping to remove the shackles from those oppressed and enslaved people.

I am convinced that if we pursued a policy along such lines, it would serve to remove the fear and distrust on the part of many people who unfortunately regard us as being in the same category with Russia, namely, that we are only interested in military gains and in extending colonialism over subjugated peoples, but that we are not at all interested in the preservation of the freedom and the independence of these peoples in distressed areas of the world. It would be proof positive that we are very definitely and very seriously concerned with the well-being and preservation of all human beings in any emergency, whether manmade or through natural catastrophe.

I should like to suggest another way to stimulate wider distribution of our food surpluses abroad, not only as a solution to our present surplus problem but also for the future. I propose that at an early date the United States take the initiative in arranging a large international food fair with the participation of as many countries as possible, including the food-surplus countries as well as those who have to rely on outside sources for their food supplies. These food fairs could be held annually, each time in a different country, and the main purposes would be to promote a greater exchange of food commodities, demonstrate ways to increase production and consumption, and provide a better understanding of nutrition.

Let me make it clear that I am more interested in increasing the consumption of food by raising the standards of living for needy people in our own country, as well as abroad, than in cutting back production or controlling output. Let us keep the American farmers producing. There is a crying need throughout the world for our production. Our problem is not overproduction of commodities; the problem is underconsumption of foodstuffs. That perhaps more than anything else explains the great paradox of declining farm income at a time when we are enjoying an abundance of farm products.

I believe we ought to pass this bill now under consideration, notwithstanding the fact that it is not the best bill or the most desirable bill. Nevertheless, it is a measure of relief to the farmers of this Nation, and as such I shall support it. Later on, I trust, it might be possible for us to come up with something better, something more acceptable to all concerned, if only we can permit ourselves to keep politics out of our deliberations.

Thank God, I do not have to play politics with this issue. As all of you well know, I do not have a single farm in my district in Brooklyn. I do not even have a tree in my modest city dwelling. Thank God also that I represent a district which is composed of people of various national origins from nearly every part of the world—but all of them decent, hard working and loyal Americans who only want to see this great country of ours remain united and strong, and whose great dream in life is to see the world truly at peace.

In determining our action today, let the words of John Ruskin, the famous 19th century essayist, serve as our guiding light for the future:

> Therefore when we build, let us think that we build forever. Let it not be for present delight, nor for present use alone; let it be such work as our descendants will thank us for, and let us think, as we lay stone on stone, that a time is come when these stones will be held sacred because our hands have touched them, and that men will say as they look upon the labor and wrought substance of them, "See this our fathers did for us."

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks on the conference report at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EVINS. Mr. Speaker, in considering this great farm bill, the Congress holds in its hand the remedy for one of the major economic problems which now confronts this Nation. Millions of farmers across the country are anxiously awaiting word of our action here today—and we must not fail them for their plight is tragic and their needs are urgent.

This Congress has thus far accomplished much. We have increased the minimum wage to $1 an hour in an effort to improve the welfare of the workers of this Nation. We have enacted many other items of important legislation designed to benefit various groups. But the farmers, who need immediate aid, are still waiting—we must not let them wait any longer.

This farm bill should not be recommitted.

Our conference committee, which is composed of the leading agriculture specialists of the Congress, has reported an excellent bill which contains many features which will increase farm income and curb declining farm prices. It has been thoroughly studied and discussed by Members of both Houses and explored in great detail by the able conference committee. There is no need for further committee deliberation—but there is a definite need for immediate action.

Farmers this very minute are beginning their annual spring planting and they need to know what Congress is going to do for them this year—not next year.

If we delay here today in approving this farm bill, it probably will mean that these suffering farm families will receive no relief from Congress during this session.

I strongly urge that the House approve this measure as reported by the conference committee without further delay and in doing so the Congress will give our American farmer the type of legislation needed.

The plight of the American farmer is critical and we must not bypass them now because of political differences. The farmers of this Nation no longer discuss their problem in terms of prosperity—now, it is a question of survival.

To many of our farm families, our decision here today will be the deciding factor on whether they remain on the land they have tilled for decades—or whether they will be forced to leave their homes and farms and move to the cities where they can make a decent living.

In 1953, just a few days after Secretary Benson took office, farm parity stood at 94 percent and farm income was $12.3 billion a year. Today the parity ratio has fallen from 94 to 80—the lowest it has been in 15 years—and farm income has dropped more than a billion dollars.

In my own State of Tennessee, cash income of farmers dropped more than $30 million during 1955, and was the lowest since 1950.

A child could read these figures and come to the obvious conclusion that the situation is critical and immediate action should be taken. We have delayed too long already. The legislative process has been too extended on this measure.

It is obvious that declining price support policies, backed by the Republican Party and the Eisenhower administration, have done nothing except plunge the farmer deeper and deeper into the economic crisis which he now faces.

Forced farm sales, bankruptcies, foreclosures and tax sales have increased almost 50 percent during the past 3 years. Farm mortgage debts have increased in excess of $1 billion. The value of the farmer's property has dropped more than $10 billion. This is a far cry from the "prosperity" slogans handed out during the 1952 Presidential campaign.

The Benson manipulation of the farm problem through the flexible price support theory indeed has had a strange history.

In the fall of 1952, President Eisenhower stood in Brookings, S. Dak., a candidate for President, and wooed the farm votes of America by saying:

> The Republican Party is pledged to the sustaining of 90 percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty of the price support of 90.

This was before the 1952 Presidential election. As history unwound itself—this promise, as did many others—fell by the wayside and the farmer was again forgotten—his vote having been used.

Here is the way the story unfolded.

In July 1953, parity stood at 94 percent. On October 21, 1953, Secretary Benson said, "It is my belief that the major price declines are behind us." The very next month parity ratio fell to 90—this was the minimum the President promised the farmers of America in his South Dakota speech a few months before.

On June 30, 1954, Secretary Benson said that the previous month's decline in farm prices "does not indicate a general weakening in the farm price structure." The next month parity fell to 88.

On June 15, 1955, the Secretary said:

> I am confident we have seen the worst of the transition which agriculture goes through following every major war.

The next month parity stood at 86.

Today, parity stands at 80, 20 percent below the base which President Eisenhower promised the American farmer in his South Dakota speech 4 years before. The present plight of the American farmer is clear evidence of the gross deception practiced upon the farmers of America.

And to further compound the deception, we have indications that the President will veto a high price-support bill if approved by this Congress.

I am reminded of the ancient parable which goes, "Oh, when first we begin to deceive, what a tangled web we weave." And caught in this tangled web is the administration struggling to clear itself of the tentacles of Benson sliding scale price policies for the farmers of America.

But in spite of all the propaganda, the speeches, the glib sayings; the facts are that out of every dollar the housewife spends for food, the farmer receives only 42 cents, compared with 46 cents in the fall of 1952. Farm prices are going down, down, down, and this plunge will not stop until we return to the parity formula previously enjoyed by the farmer under a 20-year, well-tested, and successful farm program sponsored by the Democratic Party.

From the history of declining farm prices, can the President and his Secretary of Agriculture, in spite of the 1952 deception, rightfully conclude that a plan of flexible price supports is the answer to declining farm prices?

It is time for Democrats and Republicans in Congress alike to join hands and bounce bungling Benson from his below parity bandstand.

We have tried the flexible method and it did not get the job done. It is time we quit experimenting with the welfare of our farmers and enact legislation which will give them the relief they need and deserve.

The farmer's plight is not a laboratory case that can be examined under a microscope by the so-called farm expert scientists—it is a real and vital problem affecting the welfare of millions and the economic stability of our entire Nation. It is time we quit playing around with high sounding ideas and get down to the facts of the situation.

Our conference committee has proposed high price supports on basic commodities and a new parity formula based on modern prices. These formulas are aimed at increasing farm income and stabilizing declining farm prices.

Here are the hard, cold facts:

First. The minimum support price of wheat will be increased from $1.78 a bushel to $2.26.

Second. The minimum support price of peanuts will be increased from 10 cents a pound to 12 cents.

Third. The minimum support price of cotton will be increased from 27.6 cents a pound to 33.5.

Fourth. The minimum support price of corn will be increased from $1.30 a bushel to $1.64.

Fifth. Higher support prices will be set up for other feed grains, and quickly—now, not later.

Last year, when the Democrats proposed a soil-bank bill, as a long-range aid to agriculture, the Agriculture Department told Congress that the soil-bank proposal would not work. However, this year the same proposal is placed before Congress and President Eisenhower terms it "imperative." What I cannot figure out is why was it not imperative last year—the trend in farm prices has not changed—they are still going down, down, and down.

In any event, the measure is before us today and I believe just about everyone believes it imperative. This measure is designed to reduce surpluses and to increase farm income. It is a good proposal and to use a hackneyed phrase, "It will help stem the tide in the long pull."

It is estimated that under the acreage-reserve plan, as proposed in this bill, farmers would receive about $100 to $300 an acre for tobacco, $48 to $60 for cotton, $40 to $70 for peanuts, $18 to $25 for wheat, $36 to $50 for corn, and $60 to $75 for rice.

The two-price program for wheat, as proposed in this bill, will give the farmers themselves an opportunity to vote on a plan which they think is best. It is a Democratic proposal—and I mean that in both senses of the term.

Under provisions of this bill, cotton growers are given protection against any cut in their allotments in 1957 and 1958, below the 1956 level. The national cotton allotment this year is 17,891,000 acres. In addition, to protect small planters, a national acreage reserve of 100,000 acres would be set up for the benefit of small growers. They will further benefit because unused cotton acreage allotments within a State in any year

can be turned over to small planters to help them reach the minimum goal.

The same picture will prevail for other types of agriculture if the recommittal motion is defeated and this bill approved.

It is time the administration quit making an economic battlefield out of the American farms—the farmers deserve better. They deserve the benefits of this sound farm program, and I urge that we pass this bill without further delay.

Mr. FOGARTY. Mr. Speaker, the conference committee report submitted to this House undoubtedly represents long hours of consideration and an attempt by farm area lawmakers to find some answers to an admittedly serious economic situation in American agriculture.

However, as a representative of producers and consumers in the State of Rhode Island I must take issue with several of the major items embodied in this proposed legislation.

This bill, with its provision for high rigid Government price supports and increased incentives for surplus production, can mean only higher taxes and rising production costs for the consumers and the farmers of my district. Farmers in this section of the United States can see little benefit in a legislative proposal that would provide increased costs on the feed grains they must have in order to raise—on limited acreage—livestock, poultry, and dairy cattle. At the same time, under the three-price program advanced for wheat the cheap feed that might result to farmers in other sections of the United States—particularly in the grain belt—can only mean greater competition to us by producers not now raising poultry, dairy, and other livestock.

This bill will depress agriculture in Rhode Island. It will further aggravate misunderstandings between consumers in the metropolitan areas and producers in rural and fringe areas.

It is not easy for a Rhode Island farmer, hamstrung by this type of legislation and all the publicity connected with it to explain to a city dweller in my State that he is reaping none of the benefits but, in fact, is finding his income steadily pushed lower and lower by the ever-mounting surpluses of overproduction from other areas of this country.

As many Congressmen from the Northeastern States know, the present program, and the program now before us, while not benefiting northeastern farmers in any discernible respect, impose harmful restrictions on us. Many of our northeastern farmers would like to grow wheat on their farms to use as feed. But if they raise more than 15 acres of wheat, heavy penalties are imposed upon them even though they feed all wheat they produce on livestock on their own farms. If they fail to pay such penalty they are eventually faced with court action compelling them to pay it.

The Legislature of the State of New York recently approved—Assembly Resolution 40, March 19, 1950—a resolution memorializing the Congress to permit farmers who use for livestock or poultry feed all the wheat they produce on their farms to be permitted to do so. These farmers do not receive any benefit from the Federal farm program. They should not be penalized by it. I am disappointed that there is nothing in this conference report that would lift such restrictions.

Farmers do not want this bill; consumers can only be against it. For these reasons, I urge that the conference committee report be rejected.

Mr. RAY. Mr. Speaker, I take this opportunity to place in the Record the principal reasons why I must vote against acceptance of the conference report on the farm bill, H. R. 12.

That bill imposes high rigid price supports which will be a continuing incentive for overproduction which, in turn, will build up enormous surpluses, all at heavy cost to the taxpayers. Coupled with the acreage limitation scheme for controlling production, such supports produce huge payments to the few operators of very large farms and threaten to eliminate the family-operated farms. Thus, those supports, for which the Democratic leadership claims credit, enrich the large operator and squeeze the small farmer.

This costly subsidy adds heavily to the already burdensome Federal taxation imposed upon the people of the whole State of New York and particularly heavily on the residents of the 15th District of that State, which I represent.

Other provisions in H. R. 12 will increase the prices of food for everybody.

Furthermore, the large farm organizations in New York are on record, as is the nationwide Farm Bureau Federation, in opposition to the rigid price support plan.

Recently, I sent a questionnaire to 12,000 residents of my district. Nearly 2,000 answers have been received. They voted 55 to 45 that a farm subsidy program is not right in principle.

Capping all these are the authoritative and expert opinions of the President and his Secretary of Agriculture that rigid price supports are contrary to the national interest.

For all these reasons, I must vote against the bill which the conference report brings before us.

Mr. H. CARL ANDERSEN. Mr. Speaker, as a man who came directly from the farms to Congress and as a Member of Congress representing a great agricultural district, I support the bill our conferees have brought before us. My support is not based on any belief that this bill is perfect but it is based on the conviction that it represents the best compromise possible under the circumstances. This conviction is further strengthened by the urgent need for new farm legislation for the benefit of American farmers and the rural business communities which have been so hard hit by the cost-price squeeze in our agricultural economy.

We farm Congressmen recognize, as do the Members from other segments of our Nation, that all legislation is a compromise and it is not often that we get all we want in the way of new laws. We are grateful for the good things this bill contains, and we can perfect the others as their shortcomings become evident.

Much has been said about the defects and deficiencies of this bill. Some of these criticisms are well founded, while others are based primarily upon the judgment or viewpoint of the individual voicing them. Personally, I am more vitally concerned with the good features of the bill.

The President and the Secretary of Agriculture have made the soil bank the cornerstone of any new farm program. Despite minor differences as to details, I am happy to say that all of the major farm organizations have endorsed the idea. I am also gratified that the committees developing this bill, the other body, and now the conferees have brought before us a bill containing a reasonably good soil-bank program along the basic principles of the President's recommendation.

As we stand on the threshhold of victory in this long battle for a better farm program, I am grateful for the acceptance by the President and now by the Congress of a fundamental approach to our farm problems. For me personally, this is a day to long remember as I see the Congress move toward the adoption of a program for which I have long campaigned.

What better solution could we find to our problem of temporary surpluses than a program to help our farmers divert surplus-producing acreages to a soil-building and water-conserving bank of fertility for future needs sure to come? In my judgment, it will take about 3 years for the soil bank to have its full effect on the farm commodity markets, but a beginning must be made somewhere, and that beginning is being made here today.

As most of my farm colleagues know, I began the long, uphill battle for a soil-bank program several years ago. With this problem of temporary surpluses plaguing our Nation and depressing our farm commodity markets, it seemed that some commonsense approach should be developed to overcome this serious problem.

There is nothing new about the principles of the soil bank, but there is definitely something new about the manner in which we propose to apply those time-tested principles for the benefit of our agricultural economy—indeed, for the lasting benefit of our entire economy, for it is not just the farmers who gain from better farm commodity prices.

Three years ago the idea had become so fixed in my own mind that I began discussing it with farm leaders, individual farmers, small-town businessmen, agricultural experts, and others concerned with this problem. Early in January 1954 I arranged a meeting with the Secretary of Agriculture to discuss with him the fundamental principles of the soil-bank idea. It was my thought that if the Secretary could see the wisdom of such a program we might move for its enactment by the 83d Congress that year.

Although my proposal had been enthusiastically received by all with whom it had been discussed, I knew from my experience in the Congress that support from the administration would be essential to its enactment—and subsequent events have proven the accuracy of that opinion. We saw no real action on this until the President made the soil bank the No. 1 point in his nine-point program for agriculture as set forth in his message of January 9, 1956.

On January 28, 1954, when the Secretary of Agriculture was before my Subcommittee on Appropriations for Agriculture, I again discussed with him—in very general terms—the fundamental principles of the plan and asked his opinion on it. Although no bills had yet been introduced on the subject, and, although the urgent need for such a program was already manifest, I was disappointed in the Secretary's rejection of the basic idea.

Anyone interested in the first official discussion of this proposal in the Congress will find that discussion between myself and the Secretary of Agriculture beginning on page 23 of the 1955 hearings on appropriations for agriculture.

Welcome support came from my distinguished colleague from Minnesota [Mr. MARSHALL] who has long rendered outstanding service, both in the Congress and in prior service, to the cause of agriculture. My colleague and I, on February 2, 1954, introduced the first bills of record in the 83d Congress to authorize what I had termed a "soil bank of fertility" on acres diverted from production.

These bills were followed on February 26, 1954, by S. 3036 on the same subject by the distinguished senior Senator from Minnesota; and another, S. 3049, by the distinguished junior Senator from Minnesota on March 1, 1954. I think it most significant, Mr. Speaker, that all of the soil-bank bills introduced in the 83d Congress came from members of the congressional delegation from Minnesota. Once again, we find Minnesota and its congressional representation in the forefront in the battle for good, constructive farm legislation.

No action having been taken on these proposals by the 83d Congress, the gentleman from Minnesota [Mr. MARSHALL] and I again introduced our bills on January 17, 1955, and we began our campaign for support which has led to the bill we have before us today.

On May 10, 1955, I went before the House Committee on Agriculture to testify in support of the basic principles of my soil-bank bill, and I must acknowledge today that the reception given the idea by that great committee was the most encouraging development to date.

We owe a great debt of gratitude to the distinguished members of our Committee on Agriculture who have worked so long and hard to bring this bill before us today. On this, as on most farm legislation, they have set aside their partisan and other differences and have joined in the common cause of doing something constructive for agriculture and our farm people. Perhaps in no other committee of the Congress can we find the members so completely dedicated to the responsibilities of their committee.

There are many good features to this bill, and foremost among them is the soil bank.

Give us this program to bring a reasonable balance between production and consumption, back it up with an expanded program of market development, research, and extension, and I confidently predict that within a few short years this deplorable argument over the level of price supports will disappear along with the surplus. Within the framework of this proposed legislation we find necessary provisions which will advance the cause of agriculture immeasurably and bring our otherwise booming prosperity to the rural business communities of America as well as our 5 million farm families.

A new day will dawn for American agriculture when this bill becomes the law of the land. For my farmers of the Seventh Congressional District of Minnesota, and the merchants and other businessmen caught in this sinking farm economy, I express my heartfelt thanks for your consideration of our needs.

Mr. BERRY. Mr. Speaker, I sincerely regret the fact that it is not possible for me to follow the leadership of my party on this bill but I shall vote against the recommittal of the conference report today because I feel the bill as worked out by the conference committee will do a better job of improving the economic condition of the farmers of the Middle West than will the bill as is proposed to be amended by the recommittal motion.

The prime purpose of this bill is to close the gap between the price the farmer is required to pay for his necessities and the price of the product he has to sell.

As was stated by President Eisenhower, the purpose of the legislation is to increase farm income. The soil-bank program, proposed by the administration is intended to reduce the burdensome surpluses and permit the law of supply and demand to improve farm income.

We are today faced with the fact that because of the lateness of the season, there can be little if any benefit to farm income this year through the soil-bank plan.

In addition it should be pointed out that farm acreages have already been determined for the 1956 crops, either they have already been planted or will be before this bill takes effect, so that reduced supports or any other price inducement will not affect the production of most corps, either up or down. All that can be done in this legislation is to improve the price of that crop which is produced.

The acreage allotments are in effect and apply to the 1956 crop. These crops cannot be increased.

The only thing this bill can hope to do is to improve the price of the crop that is produced this year on the designated acreages. The higher support prices incorporated in the bill apply to only 1 year.

During the pending year the provisions of the soil bank can be put into effect so that farm income can be maintained in the coming years with even reduced acreages.

In the meantime the wheat farmers of the Nation can pass their judgment upon the domestic parity plan, and put that into effect.

It seems to me that the best interest of agriculture and agricultural areas, as well as the economy of the entire Nation will be best served by voting down this motion to recommit and passing the bill as rewritten by the conference committee.

Mr. WHARTON. Mr. Speaker, there seems to be a suspicion in many quarters that the present farm bill is not good legislation. So-called Christmas-tree legislation in which something has been hung on for everybody is admittedly a bad approach. Why stop with the farm vote when we could include everyone—just tax with the right hand and hand it out with the left wing and hope that everyone will be happy.

Farm legislation, as we know it, began many years ago with the broad general principle of interstate regulation and much was accomplished over the years of a beneficial nature. However, logrolling and backscratching crept in, as is frequently the case, and bad legislation has resulted.

In my locality the fluid-milk producers are in a bad way and they are being squeezed out through a process of elimination. Corporation farming is encouraged through the current cost-price squeeze and the little fellows are being forced out of business. Production controls are mentioned in some quarters, but many so-called farm experts seem more concerned with the welfare of the middleman who already collects about two-thirds of the consumer dollar. The same holds true of the fruit and poultry industries. This situation is bad and I can see nothing in this bill that will alleviate the problems of the northeastern farmer. Increased consumer costs will surely result.

I hope that Congress will be called upon to produce a better farm bill and at the present session, before adjournment.

Mr. LOVRE. Mr. Speaker, I rise in support of the conference report on H. R. 12, not because I think it is a perfect bill, but because it offers immediate help to agriculture and a start on the long-range solution by the adoption of the administration's soil-bank program.

Mr. Speaker, I cannot vote for any motion to recommit which in any way tends to lessen farm income this year. The motion under consideration does just that. It is this year that agriculture needs help. Since February 1951, agriculture has been caught in a serious price-cost squeeze—the farmers receiving less and less for what they sell and paying just as much as ever for what they buy. According to the Department of Agriculture, farm prices in mid-March were 26.5 percent below the record high reached in February 1951, while on the other hand the prices of the things the farmer must buy were only 2.7 percent below the record high mark reached in May 1952. This condition is not something new but started back in 1951 and gradually has been getting worse each year—in fact, parity dropped 19 percent during the last 2 years of the Truman administration. The time has come when this trend must not only be stopped but reversed. This cannot be done unless Congress provides the necessary legislation which will increase farm prices because it looks as though there will be no reduction in operating costs in the immediate future. Wages, taxes, profits, and all other costs are at an all-time high and it looks as though these high operating costs are with us for some time to come. This being true, there is no way that we can ease this price-cost squeeze other than by supporting higher prices for agriculture products, which the conference report on H. R. 12 is designed to do by adding $1 to $2 billion to farm income this year principally through higher price supports.

I realize, Mr. Speaker, that the reinstatement of the 90 percent mandatory price-support program is not to the liking of some people, but, on the other hand, if it provides the immediate help that agriculture needs we should not question the program unless we can offer a better program that will do the job and to date none has been offered.

Further, Mr. Speaker, the conference report provides for only a 1-year extension of the 90-percent support program, thereby giving Congress and the executive branch of the Government time to work out some other program that will give to the farmer 100 percent of parity to which he is entitled, and in the interim providing increased income for the farmer to ease the price-cost squeeze he is caught in.

Ever since coming to Congress, I have supported the 90-percent price-support program, not because it is the answer to the dilemma which agriculture finds itself in but because it bridges the gap in this transition period from war to peace when we are trying to reduce our stocks to a reasonable level and at the same time maintain a fair price to producer and consumer alike. It should be remembered, Mr. Speaker, that our farmers are not to blame for the surplus that today is depressing farm prices and costing the taxpayer roughly a million dollars a day for storage alone. It will be recalled that it was Government itself that pleaded with our farmers during the height of the war to enlarge their plants and produce more in order that we might be able not only to feed ourselves but our allies, too. Our farmers responded patriotically and provided the food and the fiber that was so necessary to win the war, but with peace, when the battlefields were turned into wheatfields, Government failed to adjust production and continued to permit production at wartime levels, thus producing the surplus which has caused the price-cost squeeze that today threatens the stability of our greatest industry, agriculture.

Mr. Speaker, I cannot follow the reasoning of those who contend that the present surplus is the direct result of the 90-percent price support program and that a reinstatement of that program will defeat the purpose of the soil bank. The surplus was not caused by the 90-percent price support program but rather by the administration of the program in not curtailing production at the proper time. At the end of the 1952 marketing year, we had on hand 562 million bushels of wheat, 5,600,000 bales of cotton, and 769 million bushels of corn. Instead of curtailing production at that time, our farmers were urged to continue to produce without any restrictions or controls whatsoever, and by the end of the 1953 marketing year, we had 902 million bushels of wheat, 9,700,000 bales of cotton, and 920 million bushels of corn, and we have been in a serious price-cost squeeze ever since.

By reinstating the 90-percent price support program with production controls for our basic commodities (wheat and corn are the only basics grown in South Dakota), we will increase farm income immediately and by adopting the administration's soil bank program, will be tackling the long range program by taking land out of production, reducing surplus, and storing the fertility in the soil for future needs. Mr. Speaker, it seems to me that both programs are needed under present circumstances—one program to give the immediate relief that agriculture needs and the other the long range program to bring production in line with demand.

During the past 3 years, steps have been taken under the 90-percent support program to curtail production. The Secretary of Agriculture has already reduced wheat acreage from 78 million acres in 1953 to 62 million acres in 1954 and to 55 million acres in 1955 and 1956, the minimum acreage under the provisions of the support program. In addition, the farmers themselves have voted quotas, which means that if they overplant their acreage allotment they are subject to stiff penalties. In addition, wheat price supports have been reduced from 90 percent of old parity, the rate for 1954 and preceding years, to 82½ percent of old parity in 1955, and 76 percent of transitional parity in 1956, and during all of this time it must be remembered that the operating expenses of the producer have remained at or close to an all-time high. Not only has our farmers' production been cut, but prices, too, and farm income, Mr. Speaker, is production times price, less cost. Industry cuts production for only one purpose; that is to maintain price. Industry never cuts production and price at the same time, and we should not expect that of agriculture, either.

There are many other provisions in the conference report worthy of mention, namely, increased supports for dairy products, mandatory supports for feed grains, retention of dual parity, a trial run on a 2-price system for wheat, $500 million authorized to supplement section 32—Public Law 320, 74th Congress—funds for the purchase of perishable commodities when necessary in order to stabilize price, and several other items, all of which are designed to bolster farm income in 1956 and to bring production in line with demand.

I cannot let this occasion pass without commenting that this body passed a farm bill on May 5, 1955, a bill which reinstated the 90-percent support program for another 3 years. It is now April 11, 1956, almost a year later, and we are just getting around to vote on the farm bill. It is well to call your attention to the timetable. May 5, 1955, H. R. 12 passed the House of Representatives and was sent to the Senate; January 9, 1956, President Eisenhower sent a special farm message to the Congress; the Senate Agriculture Committee did not report out a bill until February 10, 1956; the Senate did not start their debate on the farm bill until February 22, 1956, and did not pass the bill until March 19, 1956. On March 26, 1956, the bill went to conference and today we are voting on the conference report.

During all of this time our farmers tried to lay out their farm plans, make the necessary credit arrangements, and start operations for the 1956 crop year. They have been very severely penalized because of the failure of this Congress to take early action. Truly, the Congress is the greatest deliberative body in the world, but insofar as the farm bill is concerned, there was too much deliberation and too much inaction to assist the farmers in this most trying period. I have contended in the past that agriculture should not become a political football because it would work to the detriment of the farmer. I cannot say categorically that politics has been played with the farm bill this year, but I can say that our farmers have now made what plans they could for this year without having the slightest idea of what kind of farm program they would be operating under. To me, this is a gross injustice and if done with intent should be subjected to the most vigorous censure.

Mr. Speaker, I am definitely of the opinion that it is absolutely essential that we adopt the conference report in order to give agriculture the help it needs in 1956, as well as to start the long range program sponsored by the administration which is the provisions of the soil bank.

Mr. BENTLEY. Mr. Speaker, I have carefully read House Report No. 1986, in connection with the agricultural legislation which we in the House are considering today. I have been following the deliberations of the conferees in the past several days, and only during this past week attended several farm meetings in my State of Michigan for the purpose of getting the opinion of my farm constituents in this question.

The general consensus of opinion that I learned from my farm people was that such legislation would do them little good. The average farmer in my district derives his income chiefly from dairy and livestock products. Now there is nothing in this bill for my livestock people. As a matter of fact, it is even worse than the Senate bill which at least contained adequate prohibitions against participants in the conservation reserve violating their contracts and putting livestock on the reserve acreage. If this is done to any extent, it will greatly increase livestock production and further depress prices. The Senate bill contained a provision that such a violator would forfeit all price-support benefits. However, the conference version eliminated this feature which did provide some protection to livestock producers. Therefore, I consider this bill discriminates against our livestock farmers.

The conference report also discriminates against our dairy producers. True, it does establish the support level for manufacturing milk at between 80 and 90 percent of parity and further provides that the price of manufacturing milk and butterfat shall be supported at not less than $3.25 per hundredweight and 58.6 cents per pound, respectively. This would mean an increase in the parity equivalent for manufacturing milk from 82 to 85 percent, roughly. In dollars and cents, it would mean an approximate 2.5 percent increase to my dairy producers.

But the Senate bill established the parity price at 88 percent and also used a parity equivalent based on the 30-month period from July 1946 to December 1948. This was knocked out by the conferees. The Senate bill also made this parity increase indefinite whereas the conference version specifically limited its meager increase in dairy prices to 1 year.

I understand that section 103 of the conference version dealing with price supports for manufactured milk is acceptable to the administration. However, I regard it as discriminatory against my dairy producers and makes another reason why I cannot support the conference report.

Most of my farmers are small farmers. They are angry at seeing large farmers and large farmers in other parts of the country receiving huge payments from the Federal Government under price-support programs, sometimes extending into 6 or 7 figures. Now most of them are willing to give the soil-bank plan a fair try. But they do not want to see people making large sums of money out of the program.

The Senate bill contained language specifying that participants in the soil bank could only receive maximum payments of $25,000 under the acreage-reserve program, and $7,500 under the conservation reserve. The conference version struck both of these ceilings from the bill. I, therefore, regard this version of the agricultural bill as discriminatory not only against dairy and livestock producers, but also against small farmers in favor of large producers. This is a third reason why I am not going to support this conference version.

As far as the soil bank itself is concerned, a feature which I regard as the most desirable of the entire bill, I feel that the time is too late for it to be of any benefit to farmers this year. I know that the compromise version contains a provision that will permit farmers to participate even if he has already planted his 1956 crops. To do that, he has to plow up the crop which he has already planted. I regard such a practice as wasteful and destructive and completely inadequate. The truth of the matter is that the Congress is too late this year to help the farmer.

But the great objection to the conference version of the farm bill, Mr. Speaker, as far as I am concerned, is the proviso providing for 90 percent of parity on the basic commodities.

Michigan farmers derive less than 20 percent of their income from these so-called basic commodities. Incidentally, I recall last week at a farm meeting a farmer asked me how it is determined that a commodity is "basic." I told him that it was simply a question of politics. Now this restoration of high rigid price supports will do little to benefit our Michigan farmers. But it would hurt them in many ways: By piling up surpluses and further depressing market prices, by raising the cost of their feed grains perhaps as much as 15 percent and by continuing and increasing a system of Government controls, regimentation and interference, with which the large majority of my farmers are thoroughly disgusted and tired.

At this point, Mr. Speaker, I wish to read the text of an article which I have prepared for publication in the spring issue of the Republican State National Journal which shows why rigid supports will hurt rather than help the average Michigan farmer:

Political Farm Legislation

> In spite of the efforts made by the Democrat Party to blame the administration for the serious farm problem, the facts tell a different story.
>
> Farm surpluses are generally acknowledged today as being one of the principal causes behind the drop in farm prices. These surpluses came into being as a result of high, rigid price supports which were instituted during World War II to stimulate production and which were never removed even though markets shrunk considerably thereafter. The current drop in farm prices began in 1951 under the previous Democrat administration and under a high price support program which was continued until last year.
>
> Now, after only one year of flexible supports, the Democrats can think of no better solution than to return to high supports which are responsible for the present problems which face the farmer today.
>
> The administration soon realized that flexible supports would not alone solve the farm problem because of the overhanging surpluses that threatened to glut the market. Therefore, the soil bank plan was put forward to effect a sharp reduction in production of surplus crops and also to remove from cultivation much marginal land which came into production only because of the attraction of high supports.
>
> The Democrat-controlled Congress has deliberately delayed action on any new farm legislation, including the soil bank plan, until it was felt certain that the time was too late for any benefits to take effect this year. Further, in spite of the President's express disapproval of any legislation embodying a return to high price supports, such a maneuver was included in the compromise farm legislation, thereby inviting a presidential veto.
>
> The Democrat chairman of the Senate Agriculture Committee even admitted that unless farm legislation was passed by the Congress before the end of March, the whole soil-bank plan and indeed all farm legislation might as well be abandoned for any good it would do the farmers in 1956.
>
> Actually, I believe the average Michigan farmer would prefer to forego price supports if he could at the same time relieve himself from Government controls and regulation. Assuming that this is not possible at present, a system of flexible supports to level production and demand off together surely offers more than high supports.
>
> The Democrat bill, for instance, proposed a return to supports at 90 percent of parity on wheat and corn which account for less than 20 percent of the Michigan farmer's income. Our farm people get more than half of their income from dairy and livestock production. Now there is nothing in the Democrat farm bill for livestock or livestock products. There is an increase in the price support level for dairy products, an increase which, in the case of manufactured milk, would amount to roughly 2.5 percent. But at the same time our dairy farmers were getting this small increase in their milk prices, they would be faced with other provisions of the bill which would increase the cost of their feed grains by as much as 10 percent.
>
> I think the foregoing will show our Michigan farmers how much the Democrats know or care about their problems. This is what happens when politicians in Congress try to write farm legislation.

Mr. Speaker, I said earlier that the conference report was discriminatory against the small farmer. The whole price-support system, especially high supports, definitely discriminates against him. In this connection, I want to read the text of an editorial from the April 7 issue of the Saginaw News entitled "Taxpayers Underwrite Big Farm Operators":

> No one ever showed us a check for $1,292,472.25. But that was the size of the Government loan which one king-sized farm outfit drew on its 1954 wheat crop. That's the kind of money a big one-crop operator can pull down in a year without a dollar's worth of risk through this 90 percent of parity price guarantee that American taxpayers are underwriting.
>
> The more Congress delves into the complexities of farm economics the more these fantastic inequities keep coming to light. We'll know soon, when the House-Senate conference bill is reported out, what policy is to prevail, whether the Government will encourage the family-size farm or continue to underwrite these big corporations whose fields run to the horizons with the sky the limit on the size of their guaranteed checks.
>
> More than half of the Nation's 4,782,000 farmers get no benefit from price supports. The bulk of the money goes to the big, one-crop growers of wheat, corn, and cotton.
>
> Considering that only 130,000 of these nearly 5 million farmers have gross incomes of $25,000 or more a year, it is plain to see who is getting the lion's share at the expense of all of us.
>
> The average Government loan on wheat ran only $1,800 a farm. Yet 62 big outfits received more than $100,000 apiece from the Government on their 1954 crops. One big Louisiana rice grower picked up a price-support check totaling $486,725.77.
>
> The family size farm versus the king-size farm has been debated from all angles. The economics of the thing can be turned in most any direction. Those who would build a case for protection of family farms hasten to defend the smaller unit as a way of life which has spiritual and other healthy values centered in land ownership and independence.
>
> Business-minded Americans say big farms are a natural, desirable evolution which only prove that mass production can be brought to agriculture, that fewer and fewer people are required to produce in abundance all the food this Nation requires.
>
> In both instances, advocates touch lightly on the extent of taxpayer subsidy required to make good their cases.
>
> Family farms have been defined by a congressional committee as those yielding an annual income of less than $2,500. To fight for the preservation of this way of life strikes us as the defense of a livelihood hardly measuring up to what we could find pride in perpetuating.
>
> By today's standards, that is marginal living. To subsidize those who produce little more than enough to sustain themselves is to encourage chronic dependency.
>
> But the bigger fallacy, as we see it, is in the staggering subsidy of the big corporate farm outfits. They not only enjoy tariff protections from foreign competition; they also dare engage in huge single-crop farming because they have been guaranteed a market for every bushel or bale they produce—at a guaranteed minimum price, cash on the barrel head.
>
> This unrestricted overproduction has hurt agriculture, including the family-size farm, and it will continue as long as Congress makes price supports themselves an incentive of profit, rather than a cushion against a disastrous slump as was the original intent.

Mr. Speaker, I could go on at length but I do not believe I need to give additional reasons why this conference report on farm legislation is discriminatory against and damaging to our Michigan farmers and why I will vote against it,

Mr. ABERNETHY. Mr. Speaker, this is an important hour. Millions of farmers have their sights on our actions of today. After 3 years of continuous income decline they are looking to us for relief.

Almost 4 years ago Republicans made campaign promises of better days for American agriculture. All have been broken. This is their last chance to come forward and deliver. This is their last chance to increase agricultural income for 1956. Hereafter it will be too late. It is this or nothing.

Much has been said about the possibility of a veto. That is the President's privilege. However, it is improper to waive the threat of a veto over this body in an attempt to influence our votes.

We were sent here by our respective constituencies. To them we are responsible. We are not responsible to the President. We are not called upon to be his rubberstamps. It is our duty to vote our own convictions. After so doing if upon passage the President vetoes this measure then the responsibility for the consequences is his, not ours.

I am for the conference report. I am supporting it because it will increase farm income this year. I am supporting it because it means a better price for farm commodities now.

I am supporting it also, Mr. Speaker, because it places a floor under the national cotton allotment for the year 1956 and 1957. Cotton farmers cannot stand further acreage reductions. I am supporting it further because it will bring some relief to the small cotton farmer through the provision providing an extra 100,000 acres for allocation among cotton farmers who have been reduced under 4 acres.

I am supporting it for other reasons. It does not reflect my views in every respect. However, it is a reasonably good compromise, as is all legislation of major importance.

The conference report is the handwork of weeks and weeks, yes, months and months, of hard labor by able legislators familiar with the problems of American farmers. We should not cast away their effort and leave our farmers to the hazard of further depressing prices.

It is time that the President, Secretary Benson and most of our Republican colleagues faced up to the situation. They are leading American agriculture right back to the position they left it in 1932.

If a farmer were to have fallen asleep 25 years ago—become sort of a modern-day Rip Van Winkle—and not awakened until 1956, there is little doubt in my mind that he would experience any difficulty in ascertaining which political party is in control of the White House, if all the facts on the current price dilemma farmers find themselves in were sufficiently laid before his eyes.

History of the 1920's and the 1929 to 1932 era is poignantly repeating itself. And farmers under the callously enforced price-depressing policies of this administration, now find themselves once again staring at the bottom of the economic barrel, worried lest that turn out to be flexible, too.

Meanwhile, the giant business organizations of this Nation under the watchful guidance of Cabinet emissaries and the resulting friendly policies of this administration are reaping record-breaking profits.

Prosperity has settled its golden mantle on General Motors, who in 1955 took in net profits of more than $1 billion, and Ford Motor Co., which according to its chairman some weeks ago looked forward to netting more in 1956 than in all the 21 years previous to World War II. Prosperity has come to them and to other segments of business, but not to the farm.

And let me interject at this point that despite the political slogans of the Republican Party, these profits did not come under an economy geared to peace, as they would like us all to believe. I would remind you that about 65 percent of our budget is still geared to a wartime economy.

Speaking of the tremendous profits that have been reported in all of the leading business journals of the Nation, I think that it should be pointed out here and now that the philosophy of this administration is deeply apparent in the paradoxical action it took of lowering the excess-profits tax to big business on the one hand and lowering price supports to farmers on the other hand.

That is the epitome of the motivating philosophy behind this administration's entire domestic program. Once again the Republican Party has proven conclusively that it is not the party of the common man. It has shown little concern for the little people of our land who produce the food and fiber this Nation consumes.

Still, even though farm prices have fallen 36 percent since 1952, we hear plaintive cries of innocence from administration officials whenever someone points an accusing finger at them and their flexible price-support plan.

They rammed it through Congress over the protests of the minority party in 1954. The Republican Party forced this flexible price-support program on farmers, which last year alone cost the people who till the soil nearly one and a half billion dollars in net income, from the year before.

Still, I have read in the papers that the administration and the Republican Party hired a high-powered advertising agency to sell Mr. Benson and the sliding scale to the American people. They have used the slick merchandising techniques, the mass-selling idea—with a Hollywood trimming—because they cannot sell either the Eisenhower farm program or Mr. Benson to the farmer on the basis of fact.

I ask in all seriousness, is this responsibility in Government? Is this the responsibility that the American people have the right to expect, regardless of which political party is in control? The answer to me is very obviously, "No."

For 3 years now, this administration has deliberately and carefully carried out a campaign to convince the American people that farmers have been wards of the Government for the past 2 decades, and that flexible supports or perhaps even a full, free market for agriculture would solve the whole thing and cleanse the supposedly black soul of the farmer.

To carry out this diabolic plan they have refrained from giving the facts on the current farm situation and the entire farm picture to the people.

During the last session of Congress, Under Secretary of Agriculture True Morse told the House Agriculture Committee that his Department did not contemplate offering further legislation in substitution of or amendatory to present legislative authority. In other words, the administration had the authority it wanted. And, it must have been assumed that the authority it had was all that was needed to bring farmers "100 percent of parity at the market place," General Eisenhower's outstanding farm promise of the 1952 campaign.

Morse's attitude, in speaking for Secretary Benson, was embodied in such pie-in-the-sky statements as "the decline has been checked," "things are looking up," and "we are moving in the right direction." In face of the mounting decline, Eisenhower, Benson, and Morse declined to accept the facts. They permitted the situation to roll on and on, down and down, without attempt to check it.

Then came October. With the roof falling in Eisenhower and Benson finally confessed that things were not going well, that farm decline was serious, and that action was demanded. They promised a new program. Oddly enough their new program will not increase farm income. Actually it will, through flexing prices and other devious methods, decrease it.

But even as late as September, only a few weeks prior to the administration's admission of farm distress, the Vice President of the United States, Mr. Nixon, was closely following the technique of refraining from giving the facts on the farm situation. In what the press had billed as a major farm address at the National Plowing Contest at Wabash, Ind., on September 17, Nixon attempted to repaint the administration's usual rosy picture for agriculture.

I wish to discuss a few of the points the Vice President made in this speech, so that we may all have a clearer picture of what this administration is up to.

In the beginning of that speech, Mr. Nixon made among other points these two: First, there is no farm depression in the United States; and second, our agriculture economy is basically sound.

I submit that the Vice President, as they say in the vernacular, was "pulling the wool over the eyes" of the American people, or at least he was trying to. No one was fooled.

If you compare the cash prices of major grain crops as of last October 15, with the average prices of the same crops back in the black year of 1933—following another Republican administration—you will find the following to be true using the same parity formula basis:

Wheat, as of last October 15, was 77 percent of parity; 70 percent in 1933. Barley was 51 percent of parity in October; 58 percent in 1933. Flaxseed was 57 percent of parity in October; 81 percent in 1933. Oats was 50 percent of parity in October; 71 percent in 1933. Rye was 43 percent of parity last October; 73 percent in 1933. Corn was 69 percent of parity in October; 68 percent in 1933.

Still I recall that another administration official not long ago told farmers that they should not expect any more. He said these prices were normal and that the prices of previous administrations were those of a dream world.

Now I ask, in view of the facts just quoted does it sound as if agriculture is basically sound? Is it basically sound when net farm income since 1951 has fallen more than $4 million, to an estimated $10.6 billion this year?

Are farmers in a financially sound position, when their net incomes drop an average of 30 percent in 4 years?

It appears to me that if Mr. Nixon had lived up to the responsibilities of his high office and discharged his duties properly, he would have told the people this is more than ample warning that flexible supports are not the answer to the farm problem and that something must be done immediately to stop the price drop that is driving farm families from their homes and from their land.

The newspapers of rural America, especially in the Midwest are increasingly running big ads, announcing that this or that farmer is selling out. They've been forced to quit because of the sliding scale—the flexible price-support program—that is seemingly more sacred to this administration than are the lives of millions of American farm families.

But, Mr. Nixon, like so many of his coworkers, is more interested in continuing the campaign to keep the administration's ruinous flexible price support law on the books than he is in giving the American people the facts on what is actually happening on the farm.

To continue on with the Vice President's speech, he made this statement:

> Let's lay one mistaken theory to rest right away. The new flexible-parity law cannot by any stretch of the imagination be held responsible for the drop in prices.

My friends, let me read these facts to you and you can draw your own conclusions.

Since 1952 this administration has dropped price-support levels on farm commodities as follows: From $1.22 a bushel on barley to 94 cents a bushel; for oats from 78 cents to 61 cents; for rye from $1.42 to $1.18; for grain sorghum from $2.38 to $1.78; for flaxseed from $3.77 to $2.91; for soybeans from $2.56 to $2.04; and cottonseed from $67 a ton to $46 a ton.

That is not to mention the drop of 15 percent of parity in dairy support prices, that Agriculture Secretary Benson decreed with full approval of President Eisenhower back on April 1, 1954. That drop from 90 percent of parity to 75 percent of parity brought about a 40 percent cut in net family income of producers of manufacturing milk.

Does this sound as if it is a stretch of the imagination to blame the farm price drop on price flexing, as this official speaking for the Eisenhower administration says it is? No one forced them to lower these farm price supports. They did it under their own volition. And they did it in full knowledge, I believe, that farm prices would drop to the support level or lower, the moment they did so.

They did it with little concern for the effects it would have on the family-sized farmers of this Nation, who helped elect a Republican President in 1952 and believed him when he made the promise of parity to farmers at Kasson, Minn., Brookings, S. Dak., and Columbia, S. C., and other places during the political campaign in the fall of 1952.

That promise to agriculture, which was so prominently displayed in banner headlines across the front pages of the Nation's press I would remind you, was repudiated in the congressional session of 1954. And who has benefited from it? No one unless it be the big food processors. Certainly not the consumer and not the farmer.

Now, if I may be permitted to read two more sentences from that major farm policy speech of the Vice President I have been referring to. He was telling the audience how the Eisenhower-Benson farm program was attacking the farm problem on two fronts, and he said:

> On the production front, a new flexible-parity formula has been adopted so that farmers will not be encouraged to grow more crops already in surplus.
>
> On the consumption front, we are finding new markets for farm products.

Surely Mr. Nixon knows that the law this administration passed is nothing new. It is the same old law the 80th Congress passed back in 1948 with the built-in double flex—one through the lowering of price supports, the other through the lowering of the parity level itself. And surely the Department of Agriculture knows that contrary to Mr. Nixon's statement, farmers seeded more acreage to uncontrolled crops last year than they did the year before. And why? To try and make up for the loss in income through price flexing, that is why.

Now on the matter of boosting consumption and opening new markets, I wish the administration would clarify this point by naming a few markets they have opened up and where consumption has risen.

May I point out, since they have not, that though they lowered price supports on milk, consumption per capita of dairy products in 1952, when supports were 90 percent of parity was 688 pounds per person and during 1955 it was about 682 pounds per person, or about the same.

Exports have dropped on wheat, also on cotton.

Does this sound like the administration is solving the consumption problem?

The farmer and the American people have been sold an empty package, a package bearing the false label of prosperity to the farmer and wrapped in the shiny promise of lower food prices to the consumer.

But the package has been opened and all we have found inside is the warped philosophy of planned scarcity that this great country of ours cast aside nearly a quarter of a century ago. We cannot live up to our responsibilities to our citizens of this country under such a policy, neither can we live up to our world responsibilities.

We as the strongest bulwark of democracy in the world cannot afford to tell the farmers of our country who comprise 13 percent of the total population that less than 4 percent of the total national income is all they have coming, and that they should not ask for more.

We have no moral right to use economic sanctions to drive farmers from the land—whether it be in the trumped up name of "efficiency" or in any other name.

Relief can come only through increased income. The administration's program will not meet the emergency. The conference report will. It should have our support.

Farmers have taken upon their shoulders one of the most important jobs in this Nation or any other nation for that matter. And that is their responsibility to produce the food that you and I and 165 million other Americans eat today. This is a responsibility that lasts 365 days of each year and with each successive year that job gets bigger. They have also produced enough to enable this country to help indigent neighbor nations in this world community and through this means stop the advancement of communism. All we have to do is use it.

Farmers have lived up to their part of the bargain. They have produced food and produced it abundantly. And they have done it without any cost-plus contracts with the Government. As a matter of fact, during World War II and the Korean war they were the only major industry that did so.

Now we must live up to our responsibilities and rid American agriculture of the inflexible thorn of flexible supports and depression level prices, that the Republicans and this administration have so mercilessly pushed into its side.

We must recognize the fact that farmers are entitled to a living standard equal with the rest of the economy and enact legislation that will return to them good prices and a fair income.

I urge you to support the conference report.

Mr. BYRNES of Wisconsin. Mr. Speaker, I think we should frankly recognize this bill for what it is.

It is legislation designed not so much for the farmer as it is for politicians who want the farmer's vote. It is a conglomeration of gimmicks and devices to dump taxpayers' money into the hands of some segments of the farm population prior to election time. In no way can it be considered a solution for the serious problems which confront American agriculture today.

When this session began, the great question confronting the Nation was whether the Congress would forget politics and try to develop a program which looked to sound, long-range solutions for our agricultural problem or whether it would accept expedients offering only temporary relief lasting through the November elections. History will record, if this bill is passed in its present form, that Congress bowed to expediency at a time when statesmanship was never needed more.

The program submitted by the President offered hope for a long-range solution, encompassing a soil-bank plan which would have provided financial incentive for attacking the causes of agricultural surpluses. Congressional delays in the adoption of the soil bank rendered it almost useless for this crop year. Because of that fact, this bill has been loaded with every conceivable kind of gimmick to increase the price of this or that crop—with the Government paying the bill.

The net effect can only be to aggravate our basic problem of surplus production by encouraging the farmer to use every possible means to increase his output on the acres available to him. If this bill is enacted it will not solve the farm problem. It will aggravate it; it will increase it; it will make its eventual solution more difficult. This bill, in the long run, does a disservice to the farmer. I think he will eventually come to realize that—even though it is the hope of its sponsors to use it to win his support in the election this fall.

For example, the Wisconsin dairy farmer will take a careful look at the effect of this bill upon his operation.

It does offer him a 1-year increase in the support price for manufacturing milk. But for the extra 10 cents he would get over the present support price he may well be paying the most expensive price in his history.

If this bill becomes operative in its present form the Wisconsin dairy farmer will find he has been sacrificed on the altar of the sacrosanct basic crop farmer. Less than 1 percent of Wisconsin's production is in basic crops.

Under the bill, the Wisconsin dairy farmer remains on a flexible-support basis, while the so-called basic crops are put not only at mandatory 90-percent levels but get another boost under the dual parity provisions. He will find his feed costs increased not only by these provisions but by those which place feed grains under a high-level support program. He will watch the corporate farms receive huge checks because of the absence of a limitation on support payments. He will find that there is inadequate protection given to him against increased milk production from acres diverted to the soil bank.

In short, for a small and temporary increase in his milk-support price, he will exchange greatly increased production costs and an increase in competition from the basic crop areas. At the end of the marketing year, when his price reverts back to present levels, he may well be confronted with the same situation he faced when President Eisenhower took office—huge dairy surpluses in Government hands grinding his price down while high basic supports hold his cost of production up.

In the rush to take care of the basic crop areas, largely in the South, the Wisconsin farmer again gets the short end of the stick from a Democratic Congress. It is entirely in keeping with the Democrat record in Wisconsin, where the party orators bemoan the plight of the dairy farmer, while their cohorts in Congress rush through such legislation as the oleomargarine bill, fight the school milk and brucellosis-extension programs, and pass such discriminatory legislation as this.

It is all the more tragic in view of the fact that the dairy farmer's position has been improving while the worst part of his adjustment to peacetime market conditions has taken place. His feed costs are down, his milk prices are increasing, his income position is steadily improving. The effect of this bill upon the demand for his product, upon its production, upon inventory accumulation in Government hands, now improving, can only be adverse.

I shall vote against the bill as it is presently presented to us in the conference report.

A word, Mr. Speaker, about the motion to recommit that will be made by the Republican leader. Let it be noted that this motion is designed to help the dairy farmer as contrasted with the Democrat proposal which would do him injury.

The increase in the support level of manufacturing milk would be permanent, rather than temporary, and would fix a minimum level of support in excess of that provided under the conference report. The motion would also eliminate other provisions of the report which are harmful to the dairy farmer.

Mr. Speaker, a rollcall on the Republican motion to recommit will clearly show what Members are truly interested in the welfare of the dairy farmer. I shall vote for the motion.

CONFERENCE FARM BILL REQUIRES SECRETARY OF AGRICULTURE TO ACT ON FOOD STAMP PLAN FOR DISTRIBUTION OF SURPLUS

Mrs. SULLIVAN. Mr. Speaker, exactly 2 weeks ago, following Senate passage of the farm bill, I urged the conferees to bring some sense and some reason to the surplus food disposal program by adopting as part of the compromise bill a food stamp plan such as proposed in my bill, H. R. 5105. As I said then:

> This would assure getting some of the surplus to those in our country who are in need—many of them actualy hungry. Let us feed our own needy as well as the poor of other nations.
>
> We have over 5 million Americans on different forms of public-welfare assistance.

I added:

> Each one needs—actually needs some of this surplus food. These are people who do not now get enough to eat. Let us use this blessed surplus—this abundance—to help feed the hungry here at home as well as abroad.

Mr. Speaker, after I made those comments on the House floor 2 weeks ago, the chairman of the House Committee on Agriculture [Mr. Cooley] graciously invited me to submit some language which could perhaps be incorporated into the conference bill to carry out my proposal. As I had said, the differences between the House bill as originally passed and the Senate version of H. R. 12 were so great that the conferees could have incorporated a specific food stamp plan as part of the disposal machinery.

I know it has been the position of some of the Members who are most expert in agricultural legislation that Secretary Benson already has full authority to establish a food stamp plan under existing law. Whether or not that is so, we all know that the Secretary has taken the flat position that a food stamp plan is not desirable. He prefers the present hit-and-miss system of distribution to the needy, a system which does not have the participation of a number of States including Missouri and which is, according to testimony by those who are participating in the program a cumbersome, ineffectual, and disproportionately expensive one for the States and localities participating.

I give this background, Mr. Speaker, because I think it is very important for us to make clear in connection with this conference bill now before us just what it is we expect the Secretary of Agriculture to do about a food stamp plan. Although the bill does not contain the language I submitted for it which would have created immediately a food stamp plan as provided for in H. R. 5105, the conference bill does provide that the Secretary of Agriculture must submit to Congress within 90 days detailed programs for distribution of surplus food under a food stamp plan or similar program to needy persons in the United States. If he does not have the authority to institute such a program, the bill requires that he submit recommendations for any additional legislation which is necessary.

MUST REPORT ON NEED FOR ANY FURTHER LEGISLATION ON FOOD STAMPS

Now as I understand it, Mr. Speaker, the language of section 301 (b) does not say to the Secretary of Agriculture, "Tell us, Mr. Secretary, whether you think a food stamp plan would be a good idea." He has already told us many times that he does not like the food stamp idea—that he would rather continue the present hit-and-miss program which is not succeeding in getting this food to the people who need it. We are not asking him, then, to come back in 3 months and tell us what he has been telling us right along about a food stamp plan—that is, that he does not like it and does not want it. No; we are saying instead, "Come back in 3 months, Mr. Secretary, with a plan for the distribution of surpluses under a food stamp arrangement or similar program; and if you need more legislative authority for instituting such a program, tell us exactly how the law should be written."

It is very important, Mr. Speaker, that this distinction be made clear. The wording of the conference bill may be a little ambiguous, I do not know. I do know that the Secretary of Agriculture and his people have been so bitterly opposed to the food stamp idea—preferring to give food abroad in preference to the needy in this country—that if there is any loophole at all in this wording, I am afraid they will seize it to avoid carrying out the congressional intent on a food stamp plan.

That is why, Mr. Speaker, I feel it necessary to have this statement in the Record in connection with the conference bill. As the sponsor of the food-stamp plan, I am hopeful that the language now in the conference bill will be effective in carrying out the congressional intent of having our surplus disposal program so broadened and so improved through "a food-stamp plan or similar program" for distribution through States and local units of Government of future surplus production "to needy persons in the United States, its Territories, and possessions," as to assure not only the prevention of future surpluses but also the distribution of this food to our needy.

SECTION 301 (B) REQUIRES ACTION PROGRAMS

Title III, surplus disposal, in this bill, calling for a program of orderly liquidation of surplus stocks, requires that the Commodity Credit Corporation, as rapidly as possible consistent with its existing authority, and consistent with the price-support program, and consistent with orderly liquidation, shall dispose of all stocks of agricultural commodities held by it. That is section 301 (a).

Section 301 (b) says that the Secretary of Agriculture shall submit to Congress within 90 days detailed programs—not just suggestions or possibilities or alternatives, but detailed programs—with recommendations for any additional legislation needed to carry out such programs for the disposition of surpluses as required by section 301 (a) and for a food stamp plan or similar program for distribution through the States and local units of Government of future surplus production to needy persons. The rest of that section 301 (b) makes it clear that what Congress is asking is for action programs. The Secretary is ordered, in other words, to tell us in 3 months not what he might possibly do but what he is going to do in disposing of this surplus, including disposition under a food stamp plan or similar program for getting this food to the needy in the United States.

While I am sorry that the conferees did not take the language I submitted to establish an immediate food stamp plan with specific procedures outlined, nevertheless I am glad they accepted my plea to provide in this bill for the food-stamp idea.

Mr. REES of Kansas. Mr. Speaker, the farmers of this country, by and large, are fair minded. They want to do the right thing. They do not want the Government, or anybody to do anything for them to which they are not justly entitled. The thing that disturbs the farmers, more than anything is the fact that while industry, business, labor, and other segments are making gains and profits, the farmers are slipping back. Mind you, he does not complain that other groups are making gains. He just does not understand why he is not in position to hold his own in our economy.

It is difficult for the farmer to understand why the big steel companies, for example are expanding and making more profits than ever—even increasing the price of steel, while he is required to take lower prices for his product.

Farmers really don't want "handouts" from their Government. They do read, however, in newspapers that manufacturing companies receive favors by way of tax incentives for building equipment for the defense of our country. He feels his product, food and fiber, are also essential to the defense of our country. Neither does the farmer object to good wages. He is for it. He does feel he is entitled to somewhere a parity price for his product compared with what he is required to pay for the things he needs to buy. He also hears that steamship lines are provided with subsidies, although not designated by that name.

The farmer observes the stock market is flourishing on the New York Exchange, and higher than in the past. But not so of the livestock market.

It is a little difficult to explain that while railroad stocks are higher and utility costs are more, and stocks cost more, both guaranteed a fair profit by reason of rate charges—and to which they find no fault. They just do not feel they are receiving a fair share of the Nation's income.

According to the USDA report, since 1945 the farmer's share of the consumer's retail food dollar has declined from 55 cents in 1945 to 41 cents in 1955. There are many examples. Some time ago when wheat was selling for $2.80 per bushel, a 1 pound loaf of bread sold for 14 cents. While wheat is selling this year for $2.15 per bushel, a similar loaf sells for 18 cents.

According to a report from the Department of Agriculture, the income of farmers last year was reduced by $1 billion. The average income was reduced from $913 to $860. The income of nonfarmers was more than double this amount. Included in the farm income was consumption of farm products, use of home and other sources.

Mr. Speaker, this statement is not made to indicate in any way that the farmer is griping. Not at all. I do think the farmer has, too many times, been misunderstood. In too many cases he has been unduly criticized. He feels, and rightly so, that he should have a price for his product in the market place on a comparable basis of what he is required to pay for the things he needs to buy. Surely there should be nothing unreasonable about that.

Mr. MAHON. Mr. Speaker, under the procedure being followed by the House today, there is no way to adequately discuss the proposed new farm bill. I think it appropriate, however, to place in the Record a few observations.

One might assume from listening to the debate that about everything in the final draft of the new farm bill now before us is either awfully bad or practically perfect, depending upon the point of view of the Members who have addressed us. The truth is that neither the bill, itself, nor the substitute is all bad or all good. We are confronted with limited choices. We can vote for the bill as represented by the conference report before us; we can vote for the substitute; or we can vote against any bill at all.

The final draft of the bill represents a compromise among the conferees. Everybody knows, or should know, that if this bill becomes the law, it will not produce complete satisfaction among the farmers themselves or among the people. There will be many shortcomings and drawbacks. We are dealing with a difficult and almost insoluble problem. We just have to do the best we can under the circumstances as they exist at the moment. Under these circumstances, I am voting for the bill.

I have in mind many unanswered questions about the pending farm measure, now in final form.

What kind of a soil bank payment will there be to cotton farmers and feed grain farmers who have not been able to make a crop in recent years because of drought?

How fair and equitable will the base acreage figures be for feed grain growers? How will the allotments be determined?

What will be the soil bank position insofar as payments per acre are concerned, of cotton farmers who have had a succession of failures because of drought?

Will abnormal weather conditions be adequately taken into consideration in line with the provision on this subject which is contained in the bill?

How adequate are the provisions in regard to the disposition of farm surpluses?

What will be the division of soil bank payments between landlords and tenants?

When will there be an opportunity to extend beyond the 1-year period the 90 percent of parity support program?

These, and many other questions remain unanswered.

The soil bank plan, while theoretically very sound and attractive, presents a fertile field for friction, abuse, and dissatisfaction among farmers. The whole question is to a considerable extent a matter of administration. The success or failure of the new farm bill will depend to a very, very great extent upon how it is administered, how it is run by the Department of Agriculture. If the program is to work at all, the officials of the Department must approach the problem of administration in a spirit of good will and with a determination to find ways of making the program work rather than finding ways to make the program fail.

Again I say, it should be perfectly obvious that the measure before us today is not the final answer to the problems of agriculture. We must face up to the fact that the compromise measure was in part hastily drawn. We can already foresee inadequacies and others will develop. There are going to be a lot of heartaches and troubles ahead. We must have a sympathetic administration of the program and further efforts must be made to modify the whole farm program, the object being to help the farmer secure a more workable and effective program and a more adequate income.

Mr. GROSS. Mr. Speaker, the move that is being made here this afternoon to recommit this bill to conference is ill advised. It should be defeated and I predict it will be defeated.

That the Secretary of Agriculture could prevail upon Republican leaders in the House to offer a motion to cut price supports from 90 percent to 82½ percent on corn and other commodities while making a deal to support cotton at 86 to 87 percent, and while supporting wool and sugar at 100 percent or better, is almost beyond belief. It is my belief that the farmers of the Middle West are entitled to at least some of the consideration that is given those in Utah, the Rocky Mountain region, and the South.

I am not satisfied with every provision of the conference report, especially the possibility that wheat may come into competition with corn as a feed grain, but I am convinced that the good that can come from this legislation outweighs that which may prove unsatisfactory.

It is estimated in some quarters that the move to establish 82½ percent of parity could result in a loss of some $2 billion in gross farm income. There can be no doubt that a cut from 90 to 82½ percent of parity will result in a substantial loss. Whatever the amount it would mean that the farmer was again and deliberately being short-changed. I have no intention of being a party to any such deal.

I trust that the Senate will take immediate action to approve the conference report, and that President Eisenhower will promptly sign the bill into law.

It has been suggested by the Republican leadership in the House that Mr. Eisenhower may veto this bill if enacted. If he does so he must then assume the responsibility for no farm legislation this year.

I hope that next year Congress will give consideration to a revival of the principles of the old McNary-Haugen bill and enact permanent legislation that will assure farmers a minimum of their full costs of production, paid in the market places, and with controls upon marketings rather than acres.

The farm problem has been and still is a political football. It is time to stop offering the farmers panaceas and place this great and vital industry on a footing with all other industries.

Mr. WICKERSHAM. Mr. Speaker, during the 13 years I have been privileged to represent the agricultural area of western Oklahoma, I have kept in close touch with the needs of the farmers. I have farmed myself, and I have served 6 years on the House Agriculture Committee. I have just returned from making an extensive tour of the 23 counties in my district, the Sixth Congressional District of Oklahoma, and I would like to make a few remarks as to the needs and problems of the farmers in our western Oklahoma area.

Our farmers in western Oklahoma have serious doubt as to the value, this year, of the Benson soil-bank plan. Many of the farmers feel that grasslands should be included in this program. However, the vast majority of farmers in the area are for 90 percent of parity.

What we need in Oklahoma is a program that would provide larger allotments to insure economic farm operating units for families. Many of the farmers feel that the allotment should be on a bushel and bale basis and should be increased according to the size of the family.

Our farmers also feel that the loan basis of cotton should not be changed but should be left at ⅞-inch Middling white; that grain sorghum price supports should be as great as price supports on corn; that wheat price supports in Oklahoma should be equivalent to durum wheat price supports in the North; that price supports should be placed on mung beans, castor beans and soybeans; that the peanut allotment should be increased; and that farmers who have had their land in alfalfa a number of years should be allowed to have a cotton or wheat allotment when the alfalfa dies out and has to be plowed under.

Our western Oklahoma farmers are diversified farmers generally speaking. They feel that farmers should be allowed to plant cotton land to wheat and wheat land to cotton in instances where drought, pests, or weather conditions make it impossible to plant wheat or cotton, as the case may be, while the other crop could be planted.

We have had a serious drought in western Oklahoma and need considerable assistance in the form of loans and low-interest rates; assistance in eradicating pests such as greenbugs, bollworms, aphids, wheat lice, army worms, cut worms, web spiders, grasshoppers, and so forth; and better prices for farm commodities.

Our farmers feel that there should be an adjustment in allotments for drought-stricken areas such as western Oklahoma. They also want a better crop insurance program.

Instead of building a big dam in Egypt, the farmers feel that the administration should increase the soil conservation program and Agricultural Conservation Service practices, such as terracing, contouring, the building of ponds, the growing of green manure crops, and so forth; and should enact more upstream flood control measures similar to the Sandstone project on the Washita.

Most of the farmers I am privileged to represent feel that the spread between the producer and consumer is much too great. The price the farmer receives for his products continually decreases, while the price of everything he buys or uses increases.

In view of the fact that our small businesses in western Oklahoma are dependent upon the farm situation and farm income, many of these small businesses find themselves in need of loans. National income is always seven times that of the farm income and anything which adversely affects farm income will adversely affect small business, labor, and eventually large business.

The farmers feel that they should be entitled to make an adjustment on their income tax every 5 years and feel that the exemption for each dependent should be increased to $1,000.

There has been considerable talk about surpluses. If the administration had tried as hard to sell surplus commodities in the last 3½ years as it has in the last 3½ weeks, there would be no surplus. Furthermore, the administration has failed to give sufficient consideration to the possibility of nationwide drought. It has failed to give sufficient consideration to the possibility of an emergency such as war. In this respect, the international situation does not look very healthy on about a half dozen fronts. The administration has failed to give sufficient consideration to the possibility of increased need on the part of countries with whom we could trade surpluses for strategic materials. It has also failed to use as much of the surplus as should be used to supply the aged and needy people at home.

Before we become too critical of the surplus situation, we should reread some of the verses of the Bible wherein the country was overtaken by pestilence and suffered 7 years of drought. We should bear this in mind. The Lord has blessed us with a bountiful supply and this supply should be considered a blessing and not a curse.

The general public in western Oklahoma feels that regulation should not be promulgated from Washington, but that any program should be administered by local committees familiar with local conditions. The farmers feel that Benson has erred in prejudicing the so-called consumer public of the cities against the farmers when the truth of the matter is that the farmers are the greatest per capita consumer group. Our farmers, laborers, and businessmen in western Oklahoma feel that the buying of pork—half of which was gravy—from the big packers at 65 cents a pound—when the farmers were only given about 12 cents a pound for that pork—by Secretary Benson, was not only unjust and unfair both to the farmer and the taxpayer, but was simply ridiculous.

Most of the farmers feel that Secretary Benson should be replaced.

To make matters worse for the farmer, the administration is now making an all-out effort to increase REA rates in violation of sacred contracts and against the sound advice of the directors of the various REA co-ops, against the advice of REA co-op board members, and against the advice of Members of Congress. This will place more hardship upon the farmers.

I will vote with the Democratic leadership for this conference agreement. I will vote for it in view of the fact that it does contain the 90 percent of parity feature and even though I doubt the value of the Benson soil-bank plan. Furthermore, it is my sincere belief that the President will not veto this bill.

Mr. JOHNSON of Wisconsin. Mr. Speaker, although I am not completely satisfied with all of the provisions contained in H. R. 12, I support the Senate and House conferees and I shall vote for adoption of the conference report. In view of the muddied waters in which Congress has been forced to consider our complex agricultural problem, I believe the conferees should be commended for their efforts in drafting a compromise bill at this time.

Frankly speaking, I am amazed that the conferees were able to do as well as they did with the bill. All things considered, I am further astonished that we are even able to vote on a farm bill at this time. I am astounded because of the conditions under which the proposed bill has been formulated and debated in Congress.

I am astounded because in the course of the last 3 years a considerable volume and variety of political dust has been thrown into the eyes of farmers, consumers, the general public, and Members of Congress. During the last 3 years we have had the privilege of watching a cleverly conceived program of calculated confusion.

The first part of the confusion program was marked by an operation designed to pit consumers against farmers on the subject of Government-owned surpluses. The second phase of operation confusion was to array farmers against labor by blaming workers for declining farm income.

Secretary Benson has skillfully worked both sides of the street in order to create confusion in the minds of farmers, consumers, and the general public. I presume it was intended that some of the confusion should be transmitted by constituents to Members of Congress. I suspect some of the confusion has brushed off on us and thus made it more difficult to consider objectively the present farm bill, H. R. 12.

There is one fact about which we cannot be confused as we consider H. R. 12. This fact cannot be distorted or obscured by political dust. The fact I refer to is that net realized farm income has been declining for some time. Net realized farm income has declined at a time when the income of every other group in the economy has increased to a greater or lesser degree.

In the last 3 years alone net realized farm income has declined 20 percent—or a total of $3.3 billion. Cold statistics show—without dispute—that farmers have been financially hurt; and contrary to the opinion of some people farmers are still hurting. Present USDA forecasts indicate farm income will drop again this year.

It is this grim economic picture of farm income that provides me with my basic reason for voting for H. R. 12. As we now consider the farm bill, I cannot help but recall that 2 years ago the administration and its spokesmen in Congress rushed through—with great speed—another type of aid bill. The bill I refer to contained a provision to give some of our wealthier citizens tax relief on income derived from dividends.

Two years ago the administration took care of the coupon clippers in a hurry. It was hip, hip, and hurrah and the bill was through. The main argument for giving tax relief to the coupon clippers was that this group needed investment money to stimulate our economy. When it comes to farmers, however, the administration is both stubborn and reluctant to act with the same speed and concern. Does the administration feel that farmers do not need income or investment money? Sometimes I feel that the administration does think such is the case.

Specifically speaking, H. R. 12 contains two items of interest to dairy farmers. The first item raises the minimum level of support prices for whole milk and butterfat from the existing minimum level of 75 percent to 80 percent of parity. The maximum support level is still pegged at 90 percent.

The second item in H. R. 12 provides for supporting manufacturing milk at $3.25 per hundredweight and butterfat at $58.6 cents for the market year ending March 31, 1957. The $3.25 per hundredweight support price in H. R. 12 for manufacturing milk—3.95 percent butterfat—is 85 percent of parity as compared to the February 15, 1956, parity equivalent for manufacturing milk. The $3.25 figure is 10 cents higher than the $3.15 support price announced by Secretary Benson on February 14, 1956.

The 58.6 cents a pound support price on butterfat in H. R. 12 is 2.4 cents above the 56.2 cents figure for butterfat in cream announced on February 14, 1956, by Secretary Benson. The 58.6 cent figure works out to 82 percent of parity compared with the announced level of 78 percent on February 14.

H. R. 12, therefore, does represent some improvement on price supports for dairy products. The increased price support for manufacturing milk is for a period of 1 year, the same period as increased price supports for basic commodities.

Dairy farmers have suffered a decline in income during the last 3 years the same as other farmers. Incidentally, since April 1, 1954, dairy price supports have been flexed down to the lowest level by order of the Secretary of Agriculture.

Wisconsin farmers have been particularly hard hit in the last 3 years. National net farm income declined 20 percent in these 3 years as compared to a 30 percent decline in net farm income for Wisconsin. In 1952 total net realized farm income in Wisconsin was $526,100,000. In 1953—the first year in office of the present administration—net realized farm income in Wisconsin was $453,600,000. This represents a decline of $72.5 million over the previous year.

Wisconsin farmers wound up the year of 1954 with another drop in net income. In 1954 net realized farm income in Wisconsin was $402,700,000. The 1954 drop over 1953 farm income for Wisconsin amounted to $50.9 million.

Official USDA statistics on Wisconsin's 1955 net farm income are not available at this time. However, I have employed the same formula used by the USDA in computing its estimates. On the basis of this calculation it appears that Wisconsin's net farm income dropped another $25 million to $35 million in 1955.

The 3-year total drop in net farm income for Wisconsin ranges from $148.4 million to $158.4 million. This sum of money was not spent with our Main Street merchants because the farmers did not have it to spend.

I wonder how concerned the administration would be if 148,000 coupon clippers had each suffered a $1,000 income cut over the last 3 years. On the basis of the administration's past record, I am sure it would be very much concerned. Perhaps the administration would throw another dividend tax-relief bill in the hopper.

Aside from the income factor, the Nation's dairy farmers have been hurt in another way during the last 3 years. On January 1, 1952, the value of the Nation's dairy herds was $5.8 billion. On January 1, 1956, the value of dairy herds was $3.2 billion. This means that dairy farmers have $2.6 billion less collateral to offer when they go to banks and other lending agencies to borrow money.

Dairy farmers in Wisconsin are obviously not buying Cadillacs—and, for that matter, they have never been able to buy Cadillacs.

Earlier I mentioned that a great deal of political dust had been thrown into the eyes of consumers, farmers, and the general public on the farm problem. Some of the political dust has been blown up on the subject of agricultural surpluses.

At this point I wish to keep the record straight on the amount of dairy surpluses inherited by the present administration. On January 19, 1953—which was the last day in office for the former administration—the total value of dairy surpluses held by Commodity Credit Corporation was $34,627,000. This proves conclusively that the present administration did not inherit huge and unwieldly stocks of dairy surpluses.

Secretary Benson constantly declares in his speeches that the present agricultural surpluses are the result of programs inaugurated under laws passed by the previous administration. The former Secretary of Agriculture, Mr. Charles Brannan, operated his Department with the same laws.

Mr. Brannan did not spend as much time as Secretary Benson has in talking about surpluses. In numerous speeches—from coast to coast and border to border—Secretary Benson has plaintively talked about surpluses. Perhaps the reason that the former Secretary of Agriculture, Mr. Brannan, did not talk so much about surpluses was that the United States Department of Agriculture spent more time on marketing and disposing surpluses.

H. R. 12 contains provisions for a soil bank program—a program that the administration discovered early this year and has adopted with a fanfare of publicity. This is interesting because last year I was one of several Members of Congress introducing a soil bank bill.

Last year the soil bank bill did not appeal to the Secretary of Agriculture and the administration. Since last year the administration has had a change of heart and mind. The administration's change of mind was publicly made obvious when thousands of dollars were spent late in February by the National Republican senatorial and congressional committees for newspaper, radio, and TV advertising.

In the Ninth Wisconsin District—which I represent—approximately $1,600

was spent for newspaper ads and from $500 to $1,000 on radio advertising.

The ad in Successful Farming cost $8,000. I do not know how much the advertising blitz cost in other districts, but I imagine this ad program cost at least $250,000. This is the first time to my knowledge that a political party ever engaged in lobbying while Congress was in session.

The ads furnished more political dust over the farm problem. For example, the ads led farmers to believe that if Congress passed the soil bank bill by spring planting time hundreds of millions of dollars would be paid out to farmers. This was a deceptive appeal because no explanation was made that this would not be additional income to recoup previous declines in income. The ads did not inform farmers that the payments would only be replacement income for participating in the soil bank program.

In the 9th Wisconsin district the ads were clearly deceptive in that farmers in my district can only participate to a limited degree in the proposed soil bank program. Farmers in the 9th District of Wisconsin do not raise much in the way of basic crops; therefore they are not able to participate in the acreage reserve program.

The only place where farmers in my district can participate in the soil bank program is under the conservation reserve feature—and even that participation would be on small scale. The ad, then, was clearly political dust in the Ninth Wisconsin District—and on the basis of the limited returns sent to my office I believe farmers in my district recognized it as such.

We are told now through the medium of press conferences that the administration is opposed to H. R. 12 because it is a bad bill. Last year the administration opposed the soil-bank program. This year the same administration includes the soil bank plan in its nine-point farm program. Another item in the administration's nine-point farm program that it did not favor in the past was the gas tax refund for farmers on farm consumed gasoline.

I am beginning to wonder just how reliable the administration's judgment is on farm legislation. Is there any reason to assume that the administration's judgment is any better with respect to H. R. 12? When will the administration realize that the farm situation is critical and that it requires something more concrete and positive than newspaper ads?

I believe the farm situation is critical, and that is why I am supporting H. R. 12.

Mr. MATTHEWS. Mr. Speaker, I am going to vote for the conference report on H. R. 12, and I wish to take this opportunity to congratulate my colleagues on the Committee on Agriculture who served on the conference committee and who have worked so faithfully to give to us the chance to vote for a measure that I believe will be helpful to the farmers of America. It is needless for me to stress here the points with which all of us are so familiar. We all realize that the farmer's income has been steadily dropping and that this year the total net farmer income will probably be only $10.5 billion. We also realize the fact that the farmers cannot be expected to go it alone and must have the continuing patient concern of Government, because all other segments of the economy are organized. The farmer is faced with spiraling costs and he pays more and more for what he buys, but gets less and less for what he sells. We are familiar with the fact that this year the farmer will get only 39 cents of the consumer's dollar and that fact represents to me what is probably the most important single problem facing the farmer. That is, how can he get a fair share of the consumer's dollar?

I used to think that when farm commodities were in great abundance, you could expect the farmer not to get very much for his product and that the consumer would get a break in the market and the costs for farm commodities would be decreased. This is not true, however, and in my own district, the Eighth District of Florida, last year when our farmers could not give watermelons away for week after week, the price continued to be 5 cents a pound in the market here in Washington. That is one reason, Mr. Speaker, I have consistently voted for 90 percent price supports on the basic commodities, for section 32 funds to help livestock producers and the producers of vegetables and other perishable commodities, and for our various marketing agreements which have proved to be so helpful to our farmers. These programs, I sincerely believe, are fair also to the consumer. If I had the time, I could present a most convincing case to show that although the storage costs on our farm commodities which are in surplus represent, naturally, an expense to the taxpayer, that in the overall picture the presence of this surplus offsets a scarcity scare, decreases speculation, and, in my humble opinion, is responsible for saving the consumer many billions of dollars each year. I should like to refer again, as I did last year, to the coffee scarcity scare when the consumers in America in just a few short months had to spend approximately a billion and a half dollars more for coffee because, I think chiefly, the speculators took advantage of the scarcity scare.

I shall not discuss anymore at length the philosophy of the farm program, but I want to repeat again my appreciation for the conferees who have worked so effectively to give us this chance to help the farmers of America.

I should like to stress again that in this conference report that we are considering, we return to the 90-percent price supports on the basic crops and we permit an authorization of an annual appropriation of $500 million to supplement operations under section 32 which helps farmers who produce perishable crops and, in fact, I think in these two programs we find opportunities for aid to each type of farmer in America. I believe these programs give us the only practical opportunity that is afforded us to give the farmer a fair share of the consumer's dollar and yet, at the same time, to be fair to the consumer. I repeat again this great problem of the farmer getting a fair share of the consumer's dollar is to me the most urgent problem facing the friends of farmers today.

The Soil Bank Act is divided into two parts: the acreage-reserve program and the conservation-reserve program. The acreage-reserve program is designed to curtail production of specified commodities even below the anticipated production from allotment programs. It applies to wheat, cotton, corn, peanuts, rice, most kinds of tobacco and the feed grains—oats, rye, barley, grains, sorghums, and corn grown in noncommercial corn areas. This program is to last for only 4 crop years, including the present 1956 crop. The objective of this program is to induce farmers to reduce their acreage below their allotments or base acreages and to make no other use of the land so retired. I am particularly pleased that the small farmers, those with small acreage allotments, may have a chance to put all their allotment into the acreage reserve, while those with larger allotments will be limited to a maximum percentage of their allotment. I am particularly concerned with the plight of the small farmers of America because I believe in the Jeffersonian concept of the desirability of land ownership. I believe in preserving the family-type farm in America because it is as necessary to preserve our Republic as any other unit in this great country of ours. I am pleased that I have the honor at the present time to be a member of the Small Farm Committee, which is a Subcommittee of the House Committee on Agriculture.

I regret that the conferees struck out of the Senate amendment the provision which would have limited payments to any one producer not to exceed $25,000. I believe that the great emphasis on our farm program should be help to the small size farm. I am particularly pleased that the conference report makes special provision in case of unusual weather conditions resulting from drought, flood, hail, wind, or other natural causes. I have just returned from my Eighth District of Florida and conditions are alarmingly similar to Dust Bowl conditions in the Far West. We have been without normal rainfall for 2 years and our tobacco and other crops are in danger of total destruction. I feel that not only should these unusual weather conditions be taken into consideration in granting more favorable terms to our farmers, but that also all redtape administrative rulings should be resolved in favor of the farmer whenever there is the slightest question of a doubt. In my own district there are 6,000 flue-cured farmers whose very livelihood is dependent on flue-cured tobacco. They should be permitted the maximum of leeway in carrying out combination of allotments in order to provide for irrigation and to make it possible for some of them to cooperate and make a cash crop that is so essential to them. All of our farmers, our livestock producers, our vegetable producers, I repeat, should be granted the very maximum of consideration now in the face of drought conditions prevailing in my part of the country, as well as in other sections and also in light of the depressed farm income which is common throughout the Nation.

I am pleased that the conferees have taken out the Senate amendment which would have denied all price supports to a producer who did not participate in the acreage reserve. I think we should stress to our farmers this fact. I have always believed in voluntary compliance, but, of course, I know we all realize that there are other provisions in our agricultural laws which protect farmers who live up to their obligations as against some few who might not desire to do so.

The conservation-reserve program is the other part of the soil-bank program and is designed to take out of production of crops and put into a conservation state on a semipermanent basis certain acreages of land. This program may be participated in by all farmers. The acreage-reserve program applies only to specified commodities but the conservation program is an overall opportunity for farmers of America. This program would be for a period of not less than 3 years nor more than 10, except for forest areas where the period could run for 15 years. I regret in this program also that a provision in the Senate bill which would have limited payments in any year to any producer to not more than $7,500 was removed. I feel again that this limitation of payment is most desirable. The conservation reserve, it should be emphasized, is also a voluntary program and there is no required participation as a condition of eligibility for price support. I think this is most desirable and I want to commend the conference committee for doing this, but at the same time recognizing the particular problem that faces our livestock producers. Under the soil-bank program it is likely that millions of acres now in crops will be put into grass. Although the contract signed by the producer placing his acreage into the soil bank will prohibit the using of land for grazing except under emergency conditions and with the permission of the Secretary of Agriculture, it is most important that the Secretary of Agriculture utilizes what I consider to be adequate legal provision relating to contract violation which remain in the bill and which I think will help our livestock producers. We must be very careful in our farm program not to legislate for one segment of the farm economy and against the other. I think that we have in this bill an opportunity to vote for all segments of our agricultural economy as well as for the consumer. I think each year that the soil-bank program is in operation we should be very careful to check and double check the problems of livestock producers to see that those participating in the soil-bank program are not competing with the livestock producers as a result of the program. I promise my wholehearted concern to this program and my determination to try in every way possible to help our livestock producers solve this problem.

The participation of our farmers in the soil-bank program in both the acreage reserve portion and the conservation reserve portion will depend, of course, on a proper incentive. In the case of the acreage reserve, depending on varying conditions, a farmer will be given from $100 to $300 an acre to cut out a portion of his tobacco crop, he will be given from $48 to $60 an acre on cotton and from $50 to $70 an acre on peanuts. I think the Secretary of Agriculture will have to be as liberal as the law permits in order to provide the inducement for farmers to participate in the soil-bank program. I am pleased that the conference report will permit farmers who already have planted their crops to participate in the acreage reserve program by plowing up these crops. I want to refer again to the severe drought conditions prevailing in my district and in many parts of the country. It is entirely possible that if we proceed now with full speed ahead many of our farmers will find help in this trying period that they are facing.

The conference report in authorizing an appropriation of $500 million annually for section 32 funds proves again, I think, that we are interested in all of our farmers. Many of our people do not realize that these section 32 funds are a tremendous help to those who are interested in perishable commodities. In an address that I delivered to the House last year, I pointed out that actually up to that time more money had been spent from section 32 funds to help the producers of perishable commodities than had been spent on price support programs for the basic commodities.

Other excellent provisions of the conference report include the establishing of a commission to recommend legislation providing for increased industrial use of agricultural products, the donation to penal and correctional institutions from our surplus food supplies, the prohibition of the use of Federal irrigation, draining and flood-control projects for a period of 3 years to produce surplus crops, the authorization of a more liberal policy in the processing of donated food commodities, the establishment of a special national acreage reserve of a hundred thousand acres of cotton to help particularly our small farmers, a forestry program which I think will be particularly helpful to my section of Florida where industry is based largely on the pine tree, and other provisions that I shall not enumerate.

Full speed ahead, Mr. Speaker. Let us approve this conference report and tell the farmers of America that we have not deserted them. Time is of the essence. Let no man be guilty of a delay which will mean more misery and despair to farmers of America.

Mrs. PFOST. Mr. Speaker, we are all agreed that farm income and farm prices must be raised. The valiant work of our farm-bill conferees has given Members of this body an opportunity to put more money in the farmers' pockets—and to do it immediately.

We have a chance to place major crops back under 90-percent-of-parity price supports and to peg milk prices at a 10-cent increase per hundredweight over present levels. All in all, we can stiffen price props under 10 different farm commodities.

I do not see how any Member who has at heart the welfare of the American farmer can vote against this conference report. In fact, I do not see how any Member who has at heart the welfare of the American worker or the American businessman can vote against it. Farm prosperity is the foundation of prosperity for us all.

Mr. Speaker, the net income of the American farmer has gone down $3 billion since the Republicans came into office. It fell a cool billion dollars last year.

DAIRY LOSSES STAGGERING

The American dairy industry has lost almost a billion dollars since April 1, 1954, when Secretary of Agriculture Benson dropped dairy price supports from 90 to 75 percent of parity. Milk producers in my State of Idaho have lost $14 million since that fateful April Fool's Day. Milk producers in a single creamery in my home county—the Dairymen's Co-op Creamery of Boise Valley—have lost almost $2 million in 21 months.

On top of the loss in milk income, Idaho dairy cows have decreased in value approximately $75 a head. This means an additional loss of about $18 million to our dairy farmers—a staggering loss for one group in one small State.

SURPLUSES GO UP UNDER GOP

You have all heard the argument that reducing the support level on farm commodities, and particularly on dairy products, would reduce production. Many of us thought it would never work, and now we know it will not.

As prices dropped, farmers had to produce more to meet their obligations. Thus, lower flexible price supports have not only hit farmers in their pocketbooks, but have helped build up the surpluses about which the Republican administration constantly complains.

Nearly all of the farm surpluses have accumulated since the Republicans took office. For example, there is 61 times as much butter stored in Government warehouses today as there was in 1952. There is 11 times as much barley in storage, 3 times as much corn, 2½ times as much wheat, almost 5 times as much oats, and 3 times as many soybeans.

At the time Mr. Benson dropped dairy price supports it was forecast that lower milk prices would mean increased milk consumption. This argument has been exploded. Although milk production has increased 3 billion pounds in the last 2 years, the per capita milk consumption has gone up less than 1 percent.

IDAHO FARM PRICES SAGGING

Mr. Speaker, people on Idaho's family-size farms are literally being pressed to the wall by prices they have to take for their products today. Let me read you some of these prices compared to those our Idaho farmers were receiving in January 1953, when the Republicans took the helm in Washington:

	Unit	Inauguration (Jan. 15, 1953)	Now (Feb. 15, 1956)
Wheat	Bushel	$1.94	$1.83
Rye	do	1.70	1.20
Corn	do	1.80	1.55
Oats	do	.92	.66
Barley	do	1.34	.88
Potatoes	do	1.45	.85
Beans, dry, edible	Hundredweight	7.90	6.70
Milk	do	4.40	3.55
Hogs	do	18.80	12.60
Beef cattle	do	20.10	12.90
Veal calves	do	21.90	16.50
Milk cows	Per head	230.00	155.00
Eggs	Dozen	.490	.350

No wonder farm real estate mortgage debt is up 29 percent over last year, and the number of farm loans has increased 9 percent.

FARMERS CAUGHT IN SQUEEZE

Farmers in Idaho and elsewhere are caught in a gigantic squeeze between falling farm prices and high costs of production and family living expenses. Parity—which measures the relationship between farm prices and costs—has fallen to a 14-year low.

With average per capita farm income at $865 as against a national average for nonfarm people of $1,913, it is easy to see what is happening to farm buying power. Nearly one-third of the total farm income comes from nonfarm sources. Some member of the family has to work off the farm to keep the family on the farm. It is not suprising that a million farmers left their farms last year.

If the Republican flexible price support program had helped the consumer there might be some excuse for it. But we all know that food prices in retail stores have changed very little. And it is an unhappy fact that the farmer is getting an even smaller share of the consumer's food dollar than he was before price supports were lowered. At inauguration time in 1953, the farmer got about 47 cents out of each consumer's dollar; today he gets only 38 cents.

In many instances, there is absolutely no relationship between what the farmer gets and the consumer pays. Ten years ago when wheat was bringing $3 a bushel, bread cost approximately 13 cents a pound. Today, wheat brings $2 a bushel, yet a pound loaf of bread costs about 18 cents.

During the past year the price of live hogs has dropped 38 percent. Yet pork chops have dropped only 14 cents a pound.

If the drop in farm prices is not helping the consumer, who is it helping? Well, we know for one thing there has been a rise in the profits of many food processors. Meat packers, for example, have showed a big income gain.

WHO IS BEING SUBSIDIZED?

Twenty years of farm price supports under the Democrats, with basic crops supported at 90 to over 100 percent of parity, cost about a billion dollars. The bulk of this loss was on nonbasics.

In the 2½ years under the Republicans, with flexible, or lower, price supports in effect during part of that time, our price-support program has cost us over $1½ billion—or more than it cost during 20 Democratic years.

Everybody admits that our farm price-support program has been expensive. But it has never reached more than a fraction of the payments made to industry to enable it to reconvert after the war. A subsidy study prepared by the House Agriculture Committee, which was published in January 1954, showed that business had received almost 40 times as much in subsidies as agriculture had.

SOIL BANK IS TOO SLOW

The Eisenhower administration paid little attention to the farmer's plight until someone in the White House got a 1956 calendar and remembered this is election year. Then they trotted out the soil bank to rescue the farmer with cash payments, and they spent hundreds of thousands of dollars on newspaper ads and radio announcements to urge Congress to vote for these payments before planting time. The fact that the Republican administration turned down two soil bank bills by Democratic Congressmen last year makes many of us wonder whether the Republicans are more concerned with the harvesting of crops or the harvesting of votes.

I think all of us agree that the soil bank has merit as a long-range panacea for some of our farm ills—but the emergency is here and now.

The only new proposal the administration has made this year to help the farmer is to exempt fuel used on the farms from Federal gasoline tax. I was happy to support this bill. I cannot resist pointing out, however, that this proposal also came in a leap year—when the Republicans became strangely liberal. The administration actually opposed this same proposal a year ago.

Mr. Speaker, last session—May 3, 1955—I spoke and voted in favor of a bill to increase dairy supports and to replace flexible price supports with firm 90-percent-of-parity supports on basic commodities. As we all know, the House passed that bill, but the Senate took no action. A year has rolled by and the American farmer is in deeper trouble. His trouble is spreading to others.

THE PRESTON STORY

Mr. Speaker, one of the best arguments for passing this bill lies in what has happened in Secretary of Agriculture Benson's native town, Preston, Idaho. Secretary Benson was born a couple of miles from Preston, which is the Franklin County seat, and grew up there. He later served as county agricultural agent.

Preston is a typical southeastern Idaho community of about 3,500 people. It is surrounded by highly diversified farms which raise wheat, sugar beets, vegetables, feed, cattle, hogs, poultry, and is a dairying center. The business houses depend almost entirely upon farm trade for their existence.

Mr. Speaker, during the past 2 years 9 major businesses have failed in Preston, a department store, 2 large grocery stores, 2 hardware stores, an automobile agency selling a low-priced popular car, an electronics shop, a sweet shop, and a cafe. The city dads are so worried they have taken out the parking meters in an effort to get the farm folks to come to town and shop.

The Federal Land Bank in Preston reports they did a land office business last year—making the largest number of loans in their history, with an enormous increase in mortgages on family-sized farms.

Mr. Speaker, what is happening in Preston, Idaho, is happening in farm communities throughout the Nation. And we all know that when farm buying power goes down, business failures soar and unemployment lines form. A farm recession is like an octopus—it reaches out and drags us all in.

Again I repeat—with net farm income down $3 billion since 1952, and with small business failures up, there is not a single Member of this body who can afford to vote for less than 90 percent of parity—and it should be 100 percent.

The Preston story is like a scarecrow in the field—a warning to both the Congress and the administration.

Mr. AVERY. Mr. Speaker, like nearly every other Member of the House who represents a substantial agricultural district, I have followed the developments on H. R. 12 through this House in the 1st session of the 84th Congress, and more recently the deliberation by the other body of Congress, both in the Agriculture Committee and when it was on the floor for amendment and debate. Also through the members of the conference committee I have kept abreast of the deliberations of the House and the Senate conferees in formulating the conference report now before the House.

I do not take the position that it is by any means a perfect bill, nor that it is a complete answer to the many agricultural problems existing in northeast Kansas. I do feel, however, that it offers the best possible opportunity for improving the agricultural economy in my district, and I am going to vote for the adoption of the conference report.

On the matter of parity, my colleagues from the Middle Western States are familiar with the provisions of H. R. 9861, which I recently introduced providing for what is known as a graduated parity on the basic agricultural commodities. I firmly believe that legislation providing for graduated parity as proposed in H. R. 9861, or others similar to it, would be for the best interests of the overall agricultural economy. I also believe that such provision is economically sound and I will continue to support such legislation. I further feel that such parity provision carries more of the benefit to the individual farmer than does rigid 90-percent parity, and at the same time incorporates the advantages of flexible parity now in effect by reducing the incentive on high production. I do feel, however, that supplemental income is mandatory for agriculture in 1956, and the provisions of the conference report now before us appears to be the only alternative.

I further feel that the conference report is remiss in not taking into account the voluntary reduction of basic crops that has taken place, especially on the smaller farms. This has had the effect of lower basic allotments than would normally have occurred, and which have been further reduced in view of our recent surpluses. On the small farms the resulting allotments have become so low that it is becoming increasingly difficult to maintain a sound economic farm unit. Continuing on this basis of allotments, we are penalizing the farmers who have adopted good farming practices and favoring the operator who continued to keep every acre possible planted to a cereal crop.

On the matter of domestic parity for wheat, I am willing to present the matter to the farmers for their approval as provided in this conference report, but I seriously question that it will work to the advantage of the First District of Kansas if it is approved by referendum.

Although the $100,000 limitation placed in the bill by the Senate on the amount of a commodity credit loan available to any one operator was not realistic, at least it was a step in the right direction. I regret this deletion was made by the conference committee, as it appears evident to me the program over the years has been most favorable to the big operator at the expense of the family-size farm. In my opinion the maximum commodity credit loan should not have exceeded $50,000, and more probably $25,000 would have been a realistic limitation.

As stated before, however, I am going to vote for the passage of the bill.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. Poage], vice chairman of our great committee.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The bill as it passed the Senate contained what is known as the Chavez amendment which would increase the acreage of growers of Valencia and Virginia peanuts. The report makes no mention of it but I know that the amendment was deleted by the conferees. I have been advised as to the reasons for it. Will the gentleman please tell the House for the record the thinking of the conferees in eliminating that particular amendment?

Mr. POAGE. The conferees understood, and we do understand, that the Secretary has that power now. The general law gives him the right to add acreage any time if there is a shortage of any type of peanuts. That includes the Valencia. He has a right to increase the acreage of Valencias any time he wants to.

Mr. FERNANDEZ. There is a shortage of Valencia peanuts and Virginia peanuts at the present time. I thank the gentleman.

Mr. POAGE. Mr. Speaker, I want to try to clear up 1 or 2 misunderstandings that seem to have arisen in the course of this debate. There has been a great deal of discussion here about what we are trying to accomplish. It seems that there is considerable misunderstanding of what we are trying to accomplish by this legislation.

We are endeavoring in this bill to give some type of aid to our farmers. We are not trying in this bill primarily to reduce Government expenditures although we want to reduce Government expenditures everywhere we can. We are with this bill trying to pass a measure to help the farmers of America. You cannot help the farmers of America simply by taking some more of their land out of cultivation, even though you pay them for the loss they sustain on the land that you take out of production because that merely leaves the farmers where they were financially.

If you have nothing but the soil bank, if you have nothing in the bill except what the motion to recommit would leave in the bill, you will, it is true, have a provision in for the expenditure of $1,200 million that is the cost of the soil bank, but it will not be $1,200 million of added income to farmers. It will be $1,200 million of replacement of money that you have taken away from the farmers. So if you simply pass this motion to recommit you will burden the taxpayers with that amount of additional taxes, new and additional over and above what we have already. You may, it is true, use this money to pay the farmer for the crops he was unable to produce because of placing his land in the soil bank, but you have added nothing to farm income. The only way you can help the farmers is to add to their income. This conference report as it stands adds to their income. The motion to recommit would add nothing.

There is this misunderstanding about whom we are trying to help. The conferees want to help the farmers. As to the motion to recommit, I do not know whom it will help. It will not help the taxpayers. It will add more than a billion dollars to their burden. It alone will not help the farmers. It will spend more tax money but it will not put more money in the farmers' pockets.

Then there was the implication that this bill did nothing to reduce surpluses. Actually, for the first time in our farm history we have a bill brought before us that has an effective way of reducing the production of corn and feed grains. As the gentleman representing the minority told you, the corn farmers have not complied in the past. Why? Because it was not to their financial interest to stay within their acreage allotments. They are just like everybody else. They do the thing they consider to their own interest. Under this bill the corn farmer is going to get paid if he complies with his allotments, not only for putting his land in the soil bank but also he is assured 90 percent of parity price support on his corn in return for his acreage reduction. I think he will reduce his production because he will decide it is profitable to do so.

And what about the feed grain farmer? He has got to reduce his acreage by 15 percent in order to get anything under this bill. This feed grain farmer that we were told about who has been producing a surplus unquestionably is going to have some inducement to reduce his acreage in feed grains. This is the first time we have ever offered him any such inducement. On the other hand, if we should vote to reject this conference report and accept the motion by the gentleman from Massachusetts, we would have absolutely nothing to encourage anybody to reduce his feed grain acreage. Thus at the same time we are giving the farmers of America hope of a fair price. We are giving to the taxpayers of America hope that we will have a better balance in our production. By this bill we offer something to the farmer for reducing, and that is the way to get reduction, that is, the way we ought to get reduction is to offer your farmer something which is to his advantage to reduce, and that is what this bill does. This is what we have so often overlooked. We have said "Go on and reduce and get nothing in return." That is unfair. This bill tries to correct that.

I would like to call your attention to the fact that in the past we have always been able to secure reductions when we have been willing to give the farmer a reasonable return for making reductions, but when we have reduced our support prices we have found we did not get those reductions in production. When the present Secretary of Agriculture became Secretary there was a net profit of $13 million in the price-support account of six basic commodities. Today we have lower supports but there is a loss of more than half a billion on these same commodities. He reduced the support on dairy products, and he sustained a loss of $830 million on dairy products within the past 3 years.

In other words, the lesson of history is clear. If you want to assure that we will bring a balance of production and demand, provide for our farmers a reasonable return on what you allow them to grow, and you can get that balance. We have done it throughout the years in the past. When we ignore that fundamental law of human nature and attempt to require the farmer to reduce without giving him anything in return, we then get more, not less, production. The farmer has no recourse in the face of falling prices except to increase his volume of production or face a lower standard of living.

Mr. LOVRE. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Dakota.

Mr. LOVRE. I want to commend the gentleman and all the conferees for a job well done.

May I ask the gentleman this question? Is it not true that today, with the average hourly rate of pay for labor, you can buy more food than at any other time in the history of our country?

Mr. POAGE. That is exactly true. And it is also true that when these gentlemen talk about raising the price of bread because perchance we are trying to give the wheat farmer a livelihood they say nothing of the fact that the price of wheat has dropped approximately one-third in the last 10 years and the price of bread has gone up by just about the same figure. Surely there has

been little relation between the farmer's price and the consumer's price.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, the House knows that the gentleman from Texas [Mr. Poage] has been in the forefront of the fight for agriculture all these years. I want to say, too, that anybody who votes for the motion to recommit here today will be voting to take away $2 billion at least in gross income to the American farmer. And if they do that, let them vote their own conscience.

Mr. POAGE. They will indeed be voting to take away somewhere around $2 billion of income to the American farmer and at the same time adding the $1,200 million of additional cost to the taxpayers without any compensating return to the farmers of America. It is just bad arithmetic; it is just bad public policy to try to do that sort of thing.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. COOLEY. Mr. Speaker, I yield the remainder of my time, 4 minutes, to the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Speaker, as one who does not have a farm in his district I think I can view this proposed legislation and other farm legislation from a purely objective angle. I see 165 million Americans. I see a great Nation consisting of 48 States, north, east, south, and west, with their diverse problems, but all Americans and all interested in the national interest and in the welfare of our country and our people.

I know that the history of depressions of the past 150 years has shown that they start first when there is a depressed financial condition among our farmers and in our agricultural communities. I know that when we find our farmers depressed economically, no matter how plentiful positions may be in the factories and in the cities, it is only a matter of a year or 2 years when the reduced purchasing power of the farmers has an effect upon the worker in the factory, the result being unemployment and economic distress in the cities.

We cannot separate the farmers from the workers nor the workers from the farmers. Anyone who makes such an appeal engages in what I have termed heretofore economic bigotry, arraying American against American because of a difference of residence, so far as the sections of our country are concerned; arraying Americans against Americans because of their economic income, arraying Americans toiling on the soil against those who toil in the factory.

We have one national economy. We are not going to solve the farm problem by reducing the wages of the workers in the factory. This is an overall picture. The man who lives in the city and the man who works in the factory may not realize it, but his security of employment is linked up with the economic prosperity of our farmers and the farmer's economic prosperity is linked up with the security of position of the worker in the factory and in the city.

The decline in the farm income during the past 3 or 4 years is a grave problem not only to the farmer but to our economy as a whole. We know that during the last 3 or 4 years there has been a decline of at least $1 billion a year in the net income of our agricultural community. I know as a student of depressions in our country that that is not a healthy sign. I know it is only a matter of time when there will be a catchup in the cities. I know as a matter of national policy we have to do something to keep a dynamic agriculture. I know that the farmer buys in a protected market and sells his agricultural surpluses in an unprotected market.

I recognize and I support, as do other Members, proper protection for our industries, but proper protection for them has an effect upon our agricultural community. Speaking for myself, I recognize the fact that in this day and era, with our intense economic system and with distance eliminated in the world through the rapidity of travel, there must be some compensating considerations to our farmers in order for America to keep an active and dynamic agriculture.

This bill is not perfect, no, but under the circumstances as I see them, it is about the best bill the House conferees could produce and bring to this body. I hope the motion to recommit will be defeated and the conference report agreed to.

The SPEAKER. Under the unanimous-consent agreement of April 9, the previous question on the conference report is considered as ordered.

Mr. MARTIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Martin moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist on the following:

1. Amend section 101 by striking "90 percent" and inserting in lieu thereof "not less than 82½ percent."

2. Amend section 103 to read:

"The first sentence of subsection (c) of section 201 of the Agricultural Act of 1949, as amended, is amended to read as follows: 'The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at not less than 80 percent nor more than 90 percent of the parity price therefor using a parity equivalent for manufacturing milk based on the 30-month period July 1946 to December 1948, both inclusive'."

3. Strike section 104.

4. Strike subsection (d) of section 408.

5. Strike all of title V.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Since the motion to recommit applies to several titles and sections of the bill, is it possible under the rules of the House to get a separate vote on the various amendments that seek to strike certain matter from the bill?

The SPEAKER. A motion to recommit is not subject to division.

Mr. MARTIN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

Mr. COOLEY. Mr. Speaker, I ask for the yeas and nays on the motion to recommit.

Mr. MARTIN. Mr. Speaker, I join with the gentleman from North Carolina in that request.

The yeas and nays were ordered.

The question was taken; and there were—yeas 181, nays 238, not voting 14, as follows:

[Roll No. 23]

YEAS—181

Adair
Alger
Allen, Calif.
Allen, Ill.
Arends
Ashley
Auchincloss
Ayres
Baker
Baldwin
Bass, N. H.
Bates
Baumhart
Beamer
Becker
Bentley
Betts
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Bray
Brown, Ohio
Brownson
Broyhill
Budge
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chenoweth
Chiperfield
Church
Clevenger
Cole
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dawson, Utah
Derounian
Devereux
Dixon
Dondero
Donohue
Dorn, N. Y.
Ellsworth
Fenton
Fino
Fjare
Fogarty
Ford
Frelinghuysen
Fulton
Gavin
Gubser
Gwinn
Hale
Haley
Halleck
Hand
Harden
Harrison, Nebr.
Harvey
Hayworth
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hillings
Hinshaw
Hoffman, Ill.
Hoffman, Mich.
Holmes
Holt
Hosmer
Hyde
Jackson
James
Jenkins
Johansen
Judd
Kean
Kearney
Kearns
Keating
Kilburn
King, Pa.
Knox
Laird
Latham
Lipscomb
McConnell
McCulloch
McDonough
McGregor
McIntire
Macdonald
Mack, Ill.
Mack, Wash.
Mailliard
Martin
Mason
Meader
Merrow
Miller, Md.
Miller, N. Y.
Minshall
Morano
Mumma
Nicholson
Norblad
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Prouty
Quigley
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rhodes, Ariz.
Riehlman
Robsion, Ky.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scrivner
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Wis.
Taber
Taylor
Teague, Calif.
Thompson, Mich.
Thomson, Wyo.
Udall
Utt
Van Pelt
Van Zandt
Velde
Vorys
Vursell
Wainwright
Westland
Wharton
Widnall
Wigglesworth
Williams, N. J.
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Withrow
Wolcott
Wolverton
Yates
Young
Younger

NAYS—238

Abbitt
Abernethy
Addonizio
Albert
Alexander
Andersen, H. Carl
Andresen, August H.
Andrews
Anfuso
Ashmore
Aspinall
Avery
Bailey
Barden
Barrett
Bass, Tenn.
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Blatnik
Blitch
Boggs
Bolling
Bonner
Bowler
Boykin
Boyle
Brooks, La.
Brooks, Tex.
Brown, Ga.
Buckley
Burdick
Burleson
Burnside
Byrd
Byrne, Pa.
Cannon
Carlyle
Carnahan
Celler
Chase
Chatham
Chelf
Christopher
Chudoff
Clark
Colmer
Cooley
Coon
Cooper
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Delaney

Dempsey
Denton
Dies
Diggs
Dingell
Dodd
Dollinger
Dolliver
Donovan
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Fascell
Feighan
Fernandez
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Friedel
Garmatz
Gary
Gathings
George
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Hagen
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hays, Ohio
Healey
Hébert
Hoeven
Holifield
Holland
Holtzman
Hope
Horan
Huddleston
Hull
Ikard
Jarman
Jennings
Jensen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilday
Kilgore
King, Calif.
Kirwan
Klein
Kluczynski
Knutson
Krueger
Landrum
Lane
Lanham
Lankford
LeCompte
Lesinski
Long
Lovre
McCarthy
McCormack
McDowell
McMillan
Machrowicz
Madden
Magnuson
Mahon
Marshall
Matthews
Metcalf
Miller, Nebr.
Mills
Morgan
Morrison
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Rabaut
Rains
Rees, Kans.
Reuss
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Springer
Staggers
Steed
Sullivan
Talle
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Vanik
Vinson
Walter
Watts
Weaver
Whitten
Wickersham
Wier
Williams, Miss.
Willis
Winstead
Wright
Zablocki
Zelenko

NOT VOTING—14

Gamble
Gentry
Gordon
Grant
Johnson, Calif.
McVey
Miller, Calif.
Mollohan
Nelson
O'Hara, Minn.
Osmers
Powell
Scott
Tollefson

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Johnson of California for, with Mr. Gordon against.

Mr. Gamble for, with Mr. Tollefson against.

Mr. Osmers for, with Mr. Grant against.

Mr. Scott for, with Mr. Miller of California against.

Mr. McVey for, with Mr. Mollohan against.

Until further notice:

Mr. Gentry with Mr. O'Hara of Minnesota.

Mr. Powell with Mr. Nelson.

Mr. COUDERT changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

Mr. COOLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 237, nays 181, not voting 15, as follows:

[Roll No. 24]

YEAS—237

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Andersen, H. Carl
Andresen, August H.
Andrews
Anfuso
Ashley
Ashmore
Aspinall
Avery
Bailey
Baker
Barden
Barrett
Bass, Tenn.
Baumhart
Beamer
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Blatnik
Blitch
Boggs
Bolling
Bolton, Oliver P.
Bonner
Bow
Bowler
Boykin
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Buckley
Budge
Burdick
Burleson
Byrd
Byrne, Pa.
Cannon
Carlyle
Carnahan
Celler
Chase
Chatham
Chelf
Chenoweth
Christopher
Chudoff
Colmer
Cooley
Coon
Cooper
Cunningham
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Dempsey
Denton
Dies
Diggs
Dingell
Dollinger
Dolliver
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Evins
Feighan
Fernandez
Fisher
Flood
Flynt
Forrester
Fountain
Frazier
Garmatz
Gathings
George
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Hardy
Harris
Harrison, Nebr.
Harvey
Hays, Ark.
Hays, Ohio
Hayworth
Healey
Henderson
Hill
Hoeven
Holifield
Holland
Hope
Horan
Huddleston
Hull
Ikard
Jarman
Jenkins
Jennings
Jensen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Keogh
Kilday
Kilgore
King, Calif.
Kirwan
Klein
Kluczynski
Knutson
Krueger
Landrum
Lanham
Lankford
LeCompte
Lesinski
Long
Lovre
McCarthy
McCormack
McDowell
McMillan
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Matthews
Metcalf
Miller, Md.
Miller, Nebr.
Mills
Morgan
Morrison
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
Passman
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Quigley
Rabaut
Rains
Rees, Kans.
Reuss
Riley
Rivers
Roberts
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Schenck
Schwengel
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Simpson, Ill.
Sisk
Smith, Kans.
Smith, Miss.
Spence
Springer
Steed
Sullivan
Talle
Teague, Tex.
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Vanik
Vinson
Watts
Weaver
Whitten
Wickersham
Wier
Williams, Miss.
Willis
Wilson, Ind.
Winstead
Wright
Zablocki
Zelenko

NAYS—181

Alger
Allen, Calif.
Allen, Ill.
Arends
Auchincloss
Ayres
Baldwin
Bass, N. H.
Bates
Becker
Bentley
Betts
Boland
Bolton, Frances P.
Bosch
Brownson
Broyhill
Burnside
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chiperfield
Church
Clark
Clevenger
Cole
Corbett
Coudert
Cramer
Cretella
Crumpacker
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dawson, Utah
Delaney
Derounian
Devereux
Dixon
Dodd
Dondero
Donohue
Donovan
Dorn, N. Y.
Ellsworth
Engle
Fallon
Fascell
Fenton
Fino
Fjare
Fogarty
Forand
Ford
Frelinghuysen
Friedel
Fulton
Gary
Gavin
Gubser
Gwinn
Hagen
Hale
Haley
Halleck
Hand
Harden
Harrison, Va.
Hébert
Herlong
Heselton
Hess
Hiestand
Hillings
Hinshaw
Hoffman, Ill.
Hoffman, Mich.
Holmes
Holt
Holtzman
Hosmer
Hyde
Jackson
James
Johansen
Judd
Kean
Kearney
Kearns
Keating
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Laird
Lane
Latham
Lipscomb
McConnell
McCulloch
McDonough
McGregor
McIntire
Macdonald
Mack, Wash.
Mailliard
Martin
Mason
Meader
Merrow
Miller, N. Y.
Minshall
Morano
Mumma
Nicholson
Norblad
O'Neill
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rhodes, Ariz.
Rhodes, Pa.
Riehlman
Robeson, Va.
Robsion, Ky.
Rogers, Fla.
Rogers, Mass.
Sadlak
St. George
Saylor
Scherer
Scrivener
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Pa.
Smith, Va.
Smith, Wis.
Staggers
Taber
Taylor
Teague, Calif.
Thomas
Thompson, Mich.
Thomson, Wyo.
Udall
Utt
Van Pelt
Van Zandt
Velde
Vorys
Vursell
Wainwright
Walter
Westland
Wharton
Widnall
Wigglesworth
Williams, N. J.
Williams, N. Y.
Wilson, Calif.
Withrow
Wolcott
Wolverton
Yates
Young
Younger

NOT VOTING—15

Gamble
Gentry
Gordon
Grant
Johnson, Calif.
McVey
Miller, Calif.
Mollohan
Nelson
O'Hara, Minn.
Osmers
Powell
Richards
Scott
Tollefson

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gordon for, with Mr. Johnson of California against.

Mr. Tollefson for, with Mr. Gamble against.

Mr. Grant for, with Mr. Osmers against.

Mr. Miller of California for, with Mr. Scott against.

Mr. Powell for, with Mr. McVey against.

Until further notice:

Mr. Gentry with Mr. O'Hara of Minnesota.

Mr. Mollohan with Mr. Nelson.

Mr. SHORT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WOMEN'S PREFERENCES IN HOMES

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, no mere man, at least none of my acquaintance, has the temerity to state unequivocally that he is fully acquainted with the thought processes of woman. One of our colleagues, less timorous than most and certainly more vocal, indicates that what women think, particularly with regard to the choice of a home they wish to occupy, is "silly and useless."

Many things women are: frugal, imaginative, perceptive, sometimes stubborn, and loquacious. They are not, as a gender, silly or useless, nor are the benefits we have all enjoyed as fruits of the feminine thought processes.

I commend Housing Administrator Cole for venturing into the uncharted thought processes of women's preferences in homes, and admire his courage. This is said with no thought of levity as I sincerely believe that a conclave of 100 women, as is contemplated in the program of a Women's Housing Congress, will be of substantial benefit to all concerned.

The housing industry groups, dependent upon Government for direction and stimulation of their commodities, are, with Government, in turn dependent upon consumer choice for a healthy economy. You build for the market, or you fail. Women exercise an influence upon the housing market far beyond their numbers.

That the planned Women's Congress on Housing will be of assistance to the Government agencies concerned is buttressed by the recent statement by FHA Commissioner Norman P. Mason, who said:

> We ought to know what they (women) are thinking * * * the housewives and homemakers are a proper part of this picture.

Commissioner Mason recites the virtues of special advisory groups currently operating throughout the country who advise FHA on portions of housing programs and says:

> We will study carefully all the recommendations suggested by this group. FHA officials plan to attend all the sessions of the Women's Congress on Housing.

I accept the sagacity and, above all, the courage of Messrs. Cole and Mason in this new venture in home-consumer-choice exploration in preference to the press releases of opposition to the idea distributed by those with no experience in the housing field.

INTEREST INCOME EARNED ON GOVERNMENT OBLIGATIONS

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I am introducing today a bill which will remove from tax-exempt status, under Federal income tax law, the interest income earned on governmental obligations of which proceeds are used to finance private business enterprises.

In recent years there has been an increase in the use by governmental units of their special financial advantages in order to attract new industries and business enterprises. This practice has made it possible in some cases for private firms to obtain funds for new construction at interest rates of 2 percent instead of the market rate of approximately 4 percent. State governments, of course, may do as they wish about taxation. What is involved here is the use of a Federal tax advantage, given as an aid to governmental units for the conduct of traditional governmental functions, as a device to give special economic advantages in one area or State. Federal tax exemption on interest earned by bonds issued for industrial and business development makes it possible for State and local governments to give such special advantages to particular businesses and industries. The advantages resulting from this special tax exemption can be just as economically destructive as the imposition of discriminatory taxes.

Section 274 of H. R. 8300, 83d Congress, which passed the House in 1954, contained a provision which indirectly attempted to get at this abuse. The section was not accepted by the Senate and was not agreed to in conference. The House, however, had approved the provision which would have disallowed as a deductible item for income tax purposes rent paid for facilities provided to private businesses through the issuance of tax-exempt governmental securities.

Passage of this legislation would be in keeping with congressional responsibilities in interstate commerce. No State may apply a tariff or other trade restriction to the products of another State. The granting of special financial advantages, in effect a subsidy from exempted Federal tax revenue, does comparable damage to commerce and industry in other States.

This point was recognized and stated clearly in a recent decision of the Florida Supreme Court, in the case of State against Town of North Miami, in these words:

> The financing of private enterprise by means of public funds is entirely foreign to a proper concept of our constitutional system.

The passage of the bill would prevent unchecked and irresponsible bidding among communities for plants and business establishments. It would prevent the development of financial crises such as have developed in some areas as a result of unwise or premature establishment of specially favored businesses. Some of these communities have found themselves obligated to continue subsidies to favored industries at the expense of other taxpayers, including established industries which are not given special preferential treatment. Because of an increased need for public services—police protection, schools, roads, et cetera—resulting from the establishment of the new subsidized industry, fiscal needs of local governmental units have greatly increased without a corresponding increase in the tax base, or available revenue. In these cases essential services must be foregone, or the revenue must be raised through increasingly oppressive and regressive taxes.

This bill would affect only artificial and special inducement, resulting from the indirect use of Federal tax law, in order to attract industry or business. Sound relocation decisions based upon markets, raw materials, power, labor supply, and other economic considerations would not be affected.

Passage of this bill would help to insure economically sound relocations and expansions of business and industry, or permanent benefit to the economy of the Nation and of the localities directly involved.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. KLEIN. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have permission to sit tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZING CONSTRUCTION FOR THE MILITARY DEPARTMENTS

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9893, with Mr. Delaney in the chair.

The Clerk read the title of the bill.

Mr. VINSON. Mr. Chairman, I desire to make a brief statement. When general debate is concluded I will ask that section 101 be read for amendment, then move that the Committee rise.

Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from California [Mr. Roosevelt].

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, as we are about to continue consideration of a bill involving the national defense of our country and involving at the same time the lives of every American citizen of all backgrounds and colors, it would seem appropriate and important to comment on a most unfortunate and dastardly action which took place last night.

Nat "King" Cole, a Negro singer and pianist of renowned and outstanding talent, an American who has brought not only acclaim to himself but outstanding recognition for our country all over the world, was brutally attacked, knocked to the floor without provocation, by a small group of white men. Fortunately, Mr. Cole, who is one of my constitutents, was not seriously injured and before going to the hospital for treatment returned to the stage where he had been giving a concert before 4,000 persons in Birmingham, Ala., and was given a rousing ovation by the entire audience. The action of these true Americans, an entirely white audience, was the best possible answer to those who still adhere to violence and bodily attack in order to display their emotions. The ovation lasted for nearly 10 minutes and it is most fortunate that it was able to take place, for it contrasts well with the dignified, orderly actions of those of the Negro race in another mass action, the bus boycott in the nearby city of Montgomery, Ala.

Thus both white people and Negro people, all American citizens, displayed an example for all of us to remember, to be proud of, and to remain with us as we approach problems which arouse deep emotions and about which individuals differ strongly and sincerely.

Four men have been arrested and are held in custody to answer for their actions in the dastardly attack upon Mr. Cole. I have every confidence that local authority will deal fairly and justly with these individuals. I hope that the ovation accorded Mr. Cole may wipe the memory of this incident from his mind and may encourage him to continue to place before his fellow citizens his unmatched talents. Under any circumstances, we will add to our appreciation our admiration for his courage.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I should like to commend the chairman of the Committee on Armed Services [Mr. VINSON] and the other members of that committee in accepting and offering the amendment relating to certain new language relating to SAGE which amendment reads as follows:

> SEC. 303. Section 1 of the act of March 30, 1949 (ch. 41, 50 U. S. C. 491), is amended by the addition of the following:
>
> "The Secretary of the Air Force is authorized to procure communication services required for the semiautomatic ground environment system. No contract for such services may be for a period of more than 10 years from the date communication services are first furnished under such contract. The aggregate contingent liability of the Government under the termination provisions of all contracts authorized hereunder may not exceed a total of $222 million and no termination payment shall be final until audited and approved by the General Accounting Office which shall have access to such carrier records and accounts as it may deem necessary for the purpose. In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas. Negotiations with communication common carriers, including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949, as amended (40 U. S. C. A. 481)."

MILITARY CONSTRUCTION NEEDS IN ONE PACKAGE

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Chairman, this is a substantial package.

The grand total of all authorities for military public works recommended by the Committee on Armed Services, reaches a figure of $2,156,730,000.

It is moderate, however, in the light of the overall defense appropriation of $35 billion requested by the President in January.

Even this latter sum is a small price to pay in order to protect our national security and to assist in the defense of the free world.

Our sole reservation may be that we are not spending enough to maintain our lead in airpower, and to accelerate the development of guided missiles.

As for military public works, I am happy to note that the committee, in its own words "is aware of the great need for family housing by all of the military services." And that "It is the view of the committee that it has a direct responsibility for the provision of family housing for military personnel."

This might appear to be a trifling matter, at first glance.

How can houses defend us?

When the need is for superbombs and long-range planes and aircraft carriers and so many big items of military hardware.

In answer to this, I would emphasize the human element.

The officers and the noncommissioned ranks who devote their lives to the Armed Forces, are the very heart of our defense. We rely upon their skill, experience, and devotion to duty, for an alert, well-trained Army, Navy, Air Force, and Marine Corps. In fact, we rely upon their knowledge and advice in order to keep our Nation ahead in weapons development, and in the ability to employ them effectively when necessary.

The enemy is not only interested in our arms and equipment.

He also evaluates the morale of our professional soldiers.

Are they being compensated for the sacrifices they are making?

Do their families have the accommodations and the oportunities enjoyed by the average civilians?

When a career member of our military forces is transferred to a new duty assignment either in the United States or overseas, he oftentimes finds difficulty in securing suitable accommodations for his family convenient to his post or station.

There has been some dissatisfaction on this point.

It is good that H. R. 9893 has made a start toward the solution of this problem by authorizing the construction of 3,740 family units both here and abroad. This is a small beginning and a small part of the total military construction program—amounting to $80 million in round figures—but it is an acknowledgment of an obligation that has been neglected for too long. This consideration for family-housing needs will improve the morale of our professional soldiers, and will serve to make a career in the Armed Forces more attractive to young men who will thus be able to have their wives and children near them no matter where they may be stationed.

The amendment to the National Housing Act by Congress last year will help, but even when complemented by the construction of military housing recommended by this bill, a large deficit in accommodations will remain.

As the American Legion observed:

> The largest portion of the housing in the proposed program is to satisfy Air Force requirements. The major single need by the Air Force for such housing is at aircraft control and warning sites. These sites are, in practically all instances, located in inaccessible areas throughout the country. Normal community support facilities are either nonexistent or inadequate.

As a whole, H. R. 9893 serves to meet the needs of our military plant and facilities. Generally speaking, it may be regarded as a minimum program. While we may take exceptions to an item here or there, this legislation for national security deserves prompt and impressive support.

The Congress will retain its control under subsection (c) of section 408, requiring semiannual reports to the Armed Services Committees of the Senate and the House regarding military public works which may be urgently needed. In this manner, the committee can exercise surveillance over authority, which might otherwise be susceptible to extravagance or abuse.

It is essential to authorize the construction outlined in H. R. 9893, in order for the Armed Forces of the United States to keep their facilities up to date and ready for any emergency.

Mr. SHORT. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORD].

Mr. VINSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FORD. Mr. Chairman, there is one provision in this legislation to which I must disagree with the committee. My disagreement places me in a very unenviable position, primarily because almost universally I support the action taken by this committee under the leadership of the distinguished chairman and the distinguished minority leader.

Furthermore, in the main I believe my distinguished colleague the gentlewoman from Michigan [Miss THOMPSON] and I have agreed on most legislation. However, based on the facts as I have been able to determine them, it is my clear duty to disagree with the committee and with my colleague from Michigan.

I disagree for two reasons: First, if the action taken by the committee is sustained, it will cost the Treasury of the United States a minimum of $5,188,950 more; secondly, if the action of the committee is sustained, there will be at least a 1-year delay in the construction of an an essential jet base in the State of Michigan.

The authority for those two categorical statements is the Secretary of the Air Force. I have before me a letter addressed to me dated March 21, 1956, from

the Honorable Donald A. Quarles, Secretary of the Air Force. I will quote from this letter, in part, the pertinent portions. They are as follows:

> The design and acquisition of land at Kalkaska Air Force Base are sufficiently complete to commence the immediate construction of the SAGE project and to permit construction of the runway to begin in July 1956. In addition, this is the only site in the area that can become operational in time to meet an urgent air-defense requirement both for the air base and the SAGE project.

In other words, according to the Secretary of the Air Force, if the Air Force is not permitted to construct this base at Kalkaska, there will be a delay of at least a year. Yesterday the chairman of the Committee on Armed Services indicated in his remarks that there was an urgent need for the immediate construction of this base. If the base is not constructed, there will be a gap in our continental defenses. It seems to me it would be unwise for the Congress, under these circumstances, to take action which would delay the construction of this base at least a year.

Secondly, on the question of economy, the Secretary of the Air Force says this:

> This site can be developed and operated with less expense than any other site that has been considered within the area of requirement.

I would like to point out where the additional cost will be developed. First, I would like to say this: This problem, or this controversy, has been a long and sordid one. I would be the very first to agree that many people are to blame. There may be some committees which are to blame in this controversy, including my own committee, but when we reach a certain point we have got to wipe out the past record and do what we can to remedy the situation as economically as possible and as quickly as possible.

Last July, the Air Force, after being precluded from going to the one site that they first wanted, by action of the Committee on Armed Services; and secondly, being precluded from going to another site which they wanted, by action of the Committee on Appropriations, selected the Kalkaska site. At that time the Air Force got letters from the chairman of the four pertinent committees in the House and Senate authorizing construction at Kalkaska. I shall read these letters in chronological order.

First, on July 28, 1955, the Honorable CLARENCE CANNON, chairman of the Committee on Appropriations, said this in a letter addressed to the Honorable Harold E. Talbott.

> DEAR MR. SECRETARY: This committee has no objection to the Air Force proceeding with the immediate construction of an airbase at the so-called Kalkaska site in Michigan as requested in Mr. Garlock's letter of July 28, 1955. It should be understood that funds can be made available from the appropriation for "Military construction, Air Force," in the amount previously justified and appropriated for an airbase in the Traverse City area.
>
> Sincerely,
>
> CLARENCE CANNON,
> *Chairman.*

On July 29, 1955, Hon. CARL VINSON, chairman of the House Committee on Armed Services, wrote this letter to the Honorable Lyle S. Garlock, Assistant Secretary of the Air Force:

> DEAR MR. GARLOCK: I have your letter of July 28, 1955, in which you indicate that it is the intention of the Air Force to establish the Traverse City area base at Kalkaska, Mich.
>
> I am gratified that final selection of this base has been made, since I know of its importance to our Air Defense Command.
>
> You request that this committee give its approval for the development of the airbase at the Kalkaska site. This request is somewhat of a surprise to me, since I assume that the site selected is in the Traverse City area and this being so, this committee has no further function to perform or approval to give. The only remaining matter which would come within the cognizance of this committee would be the acquisition of the land necessary for the base, and I would expect that a project covering this land acquisition will in time be submitted to the committee.
>
> Sincerely yours,
>
> CARL VINSON,
> *Chairman.*

On August 4, 1955, Senator CARL HAYDEN, chairman of the Senate Committee on Appropriations, wrote to the Honorable Charles E. Wilson as follows:

> MY DEAR MR. SECRETARY: The Senate Appropriations Committee has this day approved reprograming requests of the Departments of the Army and Air Force for military construction items as submitted and testified to by the Departments concerned.

I omit one paragraph that is of no consequence here.

> In addition, the committee has approved the development of the Kalkaska, Mich., Air Force Base, for which funds have been previously appropriated for a similar project in this general area.
>
> Very sincerely yours,
>
> CARL HAYDEN.

Then on August 11, 1955, Senator JOHN STENNIS, chairman, Subcommittee on Real Estate and Military Construction, wrote to the Honorable Lyle S. Garlock the following:

> DEAR MR. SECRETARY: Chairman RUSSELL has referred to the Subcommittee on Real Estate and Military Construction your letter of July 28, 1955, regarding the development of a new airbase in the Traverse City, Mich., area.
>
> As you know, the authorization for this base is designated as "Traverse City area, Mich." It appeals that this authorization is broad enough to support a location at any of the sites mentioned in your letter. The Senate Armed Services Committee was not responsible for the two previous changes in the proposed location of this base and, thus, has not had an opportunity fully to evaluate the comparative merits of the proposed sites.

Then it goes on to say in effect, that "This committee approves the Kalkaska selection."

Following the receipt of those four letters from the responsible chairmen of the pertinent committees, the Air Force in good faith went ahead to initiate construction at Kalkaska.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I am wondering if the gentleman will state the purpose of the introduction of those letters which are, after all, in the nature perhaps of public official correspondence, but private letters from chairmen of committees to the Secretary of the Air Force. Are we to conclude that this means that the recipients of those letters cleared them for release here today; or what is the situation in which they are brought to the House floor?

Mr. FORD. Mr. Chairman, I will say to the distinguished gentlewoman from Illinois that these letters are included in the published hearings of the Committee on Armed Services on H. R. 8625 and H. R. 9893, beginning at page 6759.

Mrs. CHURCH. I am very glad to have the gentleman clarify that and give the page and reference number.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Georgia.

Mr. VINSON. I desire to call the Committee's attention to the fact that in the letter, which I wrote with a great deal of care, you will note nowhere that I approve the selection. There is not a line in it where I approve this particular site.

Mr. FORD. I believe the only fair assumption the Air Force could have was that with this letter and the other three they had the authority to proceed to spend funds in the Kalkaska area.

Mr. VINSON. They have authority any place within the Traverse City area that meets the requirement of the statute, but you will not find one letter in my communication where I approve this particular site. I was surprised that they communicated with me because I went under the assumption that they were following the law to put it in that area. That is all I was concerned with.

Mr. FORD. The facts are, of course, that the Kalkaska site was within the area.

Mr. VINSON. Yes.

Mr. FORD. The Air Force in good faith proceeded to invest funds in the site at Kalkaska.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Maryland.

Mr. DEVEREUX. Is it not true, however, that in a communication from the distinguished gentleman from Georgia to the Secretary of the Air Force he pointed out very definitely that whatever site was selected they would have to come back for approval by the Committee on Armed Services? Therefore they had no right, in my judgment, to expend any funds, as far as the acquisition of land was concerned, or the preparation of land in any way, without having had that prior approval.

Mr. FORD. The facts are that the site at Kalkaska requires the acquisition of no land other than that which is donated. The land that was acquired by the Air Force from the State of Michigan, the Michigan Conservation Commission, 7,100 acres, was given to the Air Force for the compensation of $1. The good citizens of the Traverse City area went out and raised public funds to the extent of $84,000 by private subscription to purchase the additional 1,000 acres which are necessary. That money has been raised. All or most of the land has been acquired. So the Air Force does not have to put out 1 penny for the acquisition of 8,100 acres in the Kalkaska area. The net result is that there did not have to be any approval of the expenditure of funds for land.

Mr. VINSON. I concur with the statement the gentleman has made. If there had been a purchase it would have had to be cleared, but having been donated it did not have to be cleared.

The gentleman stated a moment ago that he found the difference in the cost to be $5 million. When the Committee on Armed Services went into this matter a few weeks ago we heard the testimony of Mr. Ferry. This is a question I asked him:

> What is the difference in cost between the Manistee site and Kalkaska site?
>
> Mr. Ferry. About $250,000. In first cost.

I am going to put all this in the Record. I want this Committee to know all the facts. We have a good case to stand on.

He said:

> The difference is brought about by the cost of the land lines which are used to connect up the SAGE installation into our defense network. The annual charges at Kalkaska are $1,040,000, as compared with $1,500,000 a year, a saving of almost a half a million dollars a year in land-line costs.

That is the only difference in the cost, so Mr. Ferry advised the committee a few weeks ago.

When my time comes, I am going to put his testimony in the Record.

Mr. FORD. If I may go on to explain how the difference of $5,188,000 is developed, I will give the figures as submitted to me at my request by the Air Force, and I think I can rely on their accuracy. These in turn are accurate.

Mr. VINSON. Well, this is an Assistant Secretary. I assume when he was testifying before the committee he was just as accurate from the facts that he had as the officers who sent the information to the gentleman. Of course I recognize that whenever you call for figures down there in the Department you always get confused and confounded. It all depends on who makes up the figures.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. MARSHALL. I have been listening rather intently to the discussion, but I am somewhat confused. What was the intent of these letters that you quoted? Were they written for the purpose of either approving or disapproving this particular project?

Mr. FORD. The letters I have quoted were written to the Secretary of the Air Force for the purpose of clarifying his authority to go ahead and initiate construction. The Air Force had written to the respective chairmen requesting authority to proceed at Kalkaska. The letters were written in reply giving such authority and as a result of the receipt of these letters construction was initiated.

Mr. MARSHALL. But there was nothing in any of these letters that disapproved this project.

Mr. FORD. Certainly nothing that I saw in them disapproved the initiation of construction at Kalkaska.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. BECKER. I want to ask the gentleman when he can tell us what is going to be the difference in these figures.

Mr. FORD. I will do so right away.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. BENTLEY. Mr. Chairman, I think the gentleman is making an excellent statement and one in which I associate myself with him.

Mr. Chairman, like the rest of my colleagues from Michigan, I have been greatly distressed and concerned over this unfortunate controversy regarding the location of an Air Force jet interceptor base in northwestern Michigan.

My own congressional district is not in the slightest way involved over the location of this base. My only consideration, therefore, is of fixing on a final location which is best for the national defense and security of this country. My second consideration is to have this base built efficiently at least cost to the taxpayer.

I understand that controversy rages around several locations and that from a standpoint of military security, 2 or 3 would be of equal value. The dispute seems, however, to center between the so-called Kalkaska location and one near Manistee. I further understand that the Kalkaska site was already selected and that preliminary work to the extent of approximately $500,000 has already been spent here. This has included the clearing of a large amount of valuable timberland.

I also understand that the Air Force has recommended construction at Kalkaska and that annual operating costs at this location are about $460,000 less than at Manistee. From a standpoint of economy, therefore, there should be no doubt in anyone's mind where the best location lies.

Mr. Chairman, the average Michigan citizen does not care particularly where this base is to be built. He is, however, sick of this eternal bickering that has gone on in this matter for the past many months. He wants an airbase built with the best location from the standpoint of national security that is feasible and at the least possible cost that is consonant with national defense. And then he wants his Representatives in Congress to stop this quarreling and get down to other business of national importance. We have other things to do here besides deciding on the location of one airbase.

I have heard that certain part-time residents of the Kalkaska area have objected on the grounds of property damage, noise, and other inconveniences. No doubt it is alarming to have jet planes fly over your cottage at night and at low altitudes. But I wonder if our summer vacationer would rather hear the sound of Communist jets in the skies over his head. As far as I am concerned, I believe that anyone in that situation ought to say a little prayer of thanks to the good Lord that American boys are piloting those planes. I think he ought to be grateful that our own pilots are upstairs there watching over his freedom and the freedom of all of us.

Mr. Chairman, in the absence of compelling arguments and facts in favor of the Manistee site, I intend to vote for the Kalkaska location.

Mr. HOFFMAN of Michigan. Mr. Chairman, I think the gentleman is making an excellent statement too, and I think more people should hear it. I make the point of order that a quorum is not present.

Mr. VINSON. Mr. Chairman, will the distinguished gentleman from Michigan not withhold his point of no quorum? We are going to debate this considerably under the 5-minute rule tomorrow.

Mr. HOFFMAN of Michigan. This is very, very vital to Michigan.

Mr. VINSON. We are going to have a full debate on that under the five-minute rule. We are merely trying to conclude the general debate today, and I am going to ask that at least an hour under the 5-minute rule be devoted to this particular item.

Mr. HOFFMAN of Michigan. I know, but we always get cut off on that 5-minute rule.

Mr. VINSON. No, the gentleman will not be cut off. I trust the gentleman will not insist on his point of order at this time. Let us finish the debate this afternoon, and I assure him that we will have ample time to debate this question tomorrow. There are several Members who want to speak—the gentlewoman wants to speak, the gentleman from Michigan [Mr. Ford], and the gentleman from Michigan [Mr. Knox]. You, yourself, probably want to speak and I want to speak. Let us try to finish the general debate this afternoon and tomorrow we will have a full debate on this and settle it once and for all. I hope the gentleman will withdraw his point of order.

The CHAIRMAN. The Chair will count. [After counting.] A quorum is not present.

Mr. VINSON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Delaney, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes, had come to no resolution thereon.

ALGER HISS AT PRINCETON UNIVERSITY

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. Tumulty] is recognized for 10 minutes.

Mr. TUMULTY. Mr. Speaker, I address the House today because of an article appearing in the Newark Star-Ledger, on page 1, headed "Princeton Poll Backs Hiss Talk." Excerpting the article, it reads:

> Undergraduates and faculty members of traditionally conservative Princeton University are overwhelmingly in favor of permitting convicted perjurer Alger Hiss to speak here April 26, a straw poll on the campus indicated today.
>
> The former State Department official, jailed 5 years ago for perjury in his witness stand denial of passing secret documents to confessed Communist spy Whittaker Chambers, was invited to Princeton by the American Whig-Cliosophic Society, undergraduate political science and debate organization.

Mr. Speaker, I ask unanimous consent to include this article in my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. TUMULTY. The article contains criticism by Mr. Livingston T. Merchant and was voiced in a telegram which said that "Hiss' appearance would do lasting and irreparable damage to Princeton."

The article further contains various quotations from this institution on the part of various undergraduates who back the society invitation to Hiss by a 10-to-1 ratio.

For example, such comments as this on the Hiss invitation from students is typical:

"I'd like to have a look at Al Capone, too."

"He served his time, didn't he?" one student asked. "Is that not the all-American way?" another one said.

Typical faculty comment on Hiss' invitation included history professor Eric Goldman's reply:

"Undergraduates, though conservative, are eager to prove that Princeton is genuinely free."

Mr. Speaker, it seems rather strange that a university dedicated to higher learning, a university which has made a record of patriotism and contribution to our country should now have this group of "diaper Dans" invite Alger Hiss to lecture who, while convicted of perjury, is nonetheless conceded to be one of the foremost betrayers in American history. It is inconceivable that the comic book Ciceros extending the invitation should contemplate that they could invite this enemy of our country to their campus, there to honor him. The Hiss inviters in the society, if judged by their actions and comments in the Hiss matter must be so completely bereft of ability that a stuttering sword swallower, with the dagger handle caught in his throat, could talk better. A deaf mute twisting his fingers could outrepartee them. One cannot understand why they have announced the topic that Hiss will discuss, Geneva; the ghost of Yalta returning to haunt another would-be Yalta. Like Mephistopheles, reviving Forest.

Dr. Goldman tells us this, the students feel, prove Princeton is genuinely free. Free from what? Free from good sense? Free from intelligence? Free from a decent regard for the deaths of the Princeton alumni who died on the battlefields of the world to insure that Princeton would continue to train students in loyalty to our country.

If Hiss is to be a proper subject for invitation to Princeton, particularly before so-called American debating society, one wonders how this logic will dictate the selection of future guests. Perhaps there will be a step further and someone may urge a department of treachery set up in the university to be commanded by Alger Hiss himself. If Hiss were going to talk at Princeton and say anything worth while, it would seem the proper subject of his talk should be "How I Betrayed Dead Princeton Alumni Who Died Fighting for Princeton and America." It is there I concede the talk might have been something worth while for the students. But for a man whom we know to be the agent of an enemy power to be invited before an American university to promote the enemy's power and make an attack upon us calls for some explanation.

One wonders if there has not been some discrimination in the handling of the traitor Benedict Arnold. Benedict Arnold betrayed us to Britain, but I feel that if we are to be betrayed to anyone I would prefer being betrayed to Christian Britain rather than to atheistic communism.

Are we to have a posthumous LL.D. awarded to Benedict Arnold so he may get equal treatment with Mr. Hiss? Or are we to discriminate only in favor of the 20th century Arnolds and ignore the Revolution betrayer? Such is the observations prompted by the logic of the Hiss inviters.

It seems to me it is time for Princeton University to wake up and see whether or not they have permitted these Katzenjammer commissar fans to put the university in an embarrassing position.

I would hope that Dr. Dodd, the president of the university, would put these kindergarten Ciceros over his knee and there paddle their Red aspirations.

It might be argued that they are free to invite anybody they want to. In that case we are free to speak our minds on the subject, too, with the hope they would invite someone like Chairman Walter of our Committee on Un-American Activities. Why do they not invite him up to their debating society? Perhaps they could learn something.

Why is it that some universities must go out of their way to invite men who have demonstrated a total lack of regard for our Nation? It seems to me that there is a little poison ivy creeping into the Ivy League; and I would hope that the vast body of the Princeton alumni, many of whom fought for our country, many of whom are in the uniformed service of our country today, many of whom have contributed to the founding of this Nation and to its saving—I would hope that in the cloistered halls of this university that at this time my voice could be heard in a loud congressional "Boo", and a loud American hiss spelled "S-S-S-" on this occasion, and I would like to give them a great American "bird" for this absolute disregard of the proprieties in connection with this case.

Hiss has no place in any American university except as an exhibit of what not to be for any loyal American student, or as exhibit 1 in the gallery of traitors.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Speaker, I, certainly, as the Representative of the district in which Princeton University is located would, were I a member of that society, have voted against the action; I certainly hold no brief for a convicted perjurer for whom I have the utmost contempt. But I must say that it occurs to me that if we are to have the things which all of us fought for and all of us say of the Constitution of the United States and of the body of laws enacted under it, that we would subscribe to what Mr. Voltaire said some years ago: That he might never agree but that he would fight to the death for a man's right to speak. I am not sure that the Whig Society of Princeton University is having Mr. Hiss there for any purpose other than to make an exhibition of him.

Mr. TUMULTY. He is speaking on the subject of Geneva.

Mr. THOMPSON of New Jersey. I would not attend and I doubt if many people in my district would attend; but the university has every right, and the students have every right, whether their judgment is good or bad—and I think it is bad in this case—to invite anyone to address them. We can learn things that way that we certainly are not going to learn by keeping out of our universities, newspapers, and press people with whom we disagree.

Now I reiterate very carefully my personal opposition to Mr. Hiss and everything he stands for. I do think that the university, being one of our great universities, should be absolutely free to decide how it can best serve the Nation. I would not presume to be a censor of its actions.

Mr. TUMULTY. I disagree thoroughly with the gentleman. I do not agree that a university is serving this country properly when it invites a man convicted, in effect, of betraying the country, a man who has advanced the cause of the destruction of this country, down before a debating society consisting of these young men to speak on a matter in which our own country is involved, to wit, the Geneva Conference, where Mr. Hiss will carry on the Soviet line. If you are going to carry your logic to a conclusion, they might also invite men like Sepp Dietrich, the Nazi murderer of our troops at the Malmedy massacre, or the head of the Soviet secret police, on the theory, however depraved they are they have a right to appear at a private university and espouse their depravity.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to proceed for an additional 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, the university must realize that freedom involves responsibility. If the university is going to proceed on this idea of the unlimited right of the enemies of our country to be invited to places where they can do the most damage, we will not have a country for very long. I understand the gentleman's desire, representing the district in which the university is located, to defend its position. But I am not attacking the university. That university has a long and distinguished record. I am attacking the judgment of whoever is responsible for this foolish idea of inviting Hiss there. How many American lives were lost because of Hiss' actions is unknown. There is American blood on his hands, surely, as there is blood on the hands of Khrushchev, Dietrich and a lot of others. An American university is no place for these enemies of democracy to peddle their wares.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I did not hear what the gentleman said previously, but I can go along with what he has just stated. It seems to me that the gentleman's point is if there was a real successful chicken thief or sheep thief around, it would be all right to have him talk to the boys and girls in the public schools along that line.

Mr. TUMULTY. Or take a man out of the death house and have him tell how he strangled grandma, and do that before the debating society. It is foolishness. It is absolutely absurd to permit those who would destroy our country this absolute liberty. There is no such absolute liberty, however. Man has a duty to perform. You might as well have the individuals who shot up Congress come in and give us a lecture on foreign policy here in the House of Representatives, and then have the gentlemen who were shot express their views, on the theory we are all free to do as we please, say as we please regardless of consequences.

Mr. HOFFMAN of Michigan. As I understand it, the gentleman is not saying that the university has not a right to do this. The gentleman is questioning their judgment?

Mr. TUMULTY. Exactly. They have the physical freedom to commit hari kari, but the moral law prohibits that. They may do very many foolish things. I am free to talk about other people going on a diet, but it would be rather foolish for me to give a lecture on how to lose weight. Yet they are bringing down a man to lecture who has spent 3 or 4 years in the penitentiary for perjury because they could not get him on treason. They are bringing him down to this ivied hallowed tower draping him with respectability again and having him speak on Geneva and our foreign policy, something in which our country is actively engaged. If Hiss is going down there to promote the Soviet cause, and we may have to send our boys to be shot by the Soviet Union, I think that is just plain crazy.

Mr. HOFFMAN of Michigan. In view of his experience, would it not be better to have him talk on prison life, or, at least, on something about his policies that he advocated before he went to prison?

Mr. TUMULTY. I think that would be an excellent topic. At least, to me he could give some secrets that might be very interesting.

Mr. HOFFMAN of Michigan. They would be helpful.

Mr. TUMULTY. I think if he gave us a discussion on what goes on in labyrinthine mind whose twisted reasoning begets the traitor, that might be an interesting topic.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Iowa.

Mr. GROSS. I suggest, being one of the architects of the United Nations, that he lecture on the subject of the great good the United Nations has accomplished.

Mr. TUMULTY. Yes. He might tell us, in answer to the gentleman, why the United Nations did not put in its charter the recognition of God as the lawgiver.

Mr. GROSS. And why only 16 out of 60 nations furnished any troops over in Korea.

Mr. TUMULTY. Also he might tell us why Stalin killed his wife. He might have been in on that secret, too.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield further?

Mr. TUMULTY. I yield to the gentleman from New Jersey who believes these various characters have a right to lecture in our universities.

Mr. THOMPSON of New Jersey. That is precisely why I asked the gentleman to yield. Perhaps he misunderstood.

Mr. TUMULTY. Perhaps I did misunderstand.

Mr. THOMPSON of New Jersey. I said that I, as an individual, would not have invited Hiss, but I will defend the right of others to do so.

Mr. TUMULTY. Would you want the Nazi, Sepp Dietrich, to talk at Princeton?

Mr. THOMPSON of New Jersey. I do not see what harm it would do to have Dietrich talk there. I do not see what harm it does when you know what a person is. No debating society will ever be able to cloak Alger Hiss, and no American could ever cloak him with respectability. I feel that very strongly.

Mr. TUMULTY. Then, Benedict Arnold should have been returned after the Revolution to discuss his betrayal, and to lecture in the universities on the Colonies and the motherland.

Mr. THOMPSON of New Jersey. I feel equally strongly it is the right of the university, within the confines of its own judgment, whether good or bad, to invite anyone to address them.

Mr. TUMULTY. I disagree with the gentleman. The university is supposed to know something. They are supposed to be training our young men. I do not know what kind of training they are getting at Princeton these days. I assume it is good training. But, if this is an example of it, I am glad I did not go there. I am glad I went to Fordham and Seton Hall.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. TUMULTY. I am always glad to yield to the gentleman.

Mr. HOFFMAN of Michigan. If I understood the gentleman, to whom you have just yielded, I understood him as being of the opinion that what Hiss would talk about was not very good, and if that is so, why expose these people to it? Why do you not bring in somebody who has a bad cold or itch or something?

Mr. TUMULTY. I wonder if Princeton would bring in Senator McCARTHY. Do you feel that Senator McCARTHY should be brought in?

Mr. THOMPSON of New Jersey. I believe Senator McCARTHY or the gentleman from New Jersey or the distinguished gentleman from Michigan would be welcome to discuss any subject at all.

Mr. TUMULTY. I am afraid I would be out of Princeton's class. I fear I would be too heavy to handle easily.

Mr. THOMPSON of New Jersey. Oh, I think they would enjoy the gentleman very much.

Mr. TUMULTY. I would be very glad to debate the entire debating society, plus Dr. Dodds, right after a heavy lunch.

Mr. THOMPSON of New Jersey. And they may be able to conjure up a real match for you. I remember when the gentleman debated with some of them, when they were in the World Federation movement.

Mr. TUMULTY. Yes, and I was very happy to defeat them, too.

Mr. THOMPSON of New Jersey. And I respected your right to do it at that time, just as I respect your right to criticize them today.

Mr. TUMULTY. I just think the university ought to have a better sense of responsibility. Incidentally, Princeton, I understand, when the Buchman movement was in its first stages, was banned from the campus by Dr. Hibben then Princeton president. But, I doubt very much that Princeton would be willing to extend an invitation to Nazi Dietrich. I would not be willing to have him come to this shore. I would like to deal with him as he did with some of our boys. We Americans have learned one thing: we are not going to win any cold or hot war by giving the enemies of our country the velvet cloth treatment, by opening up our doors, and neither by the striped pants treatment. Let Hiss go back and examine his conscience and see if he cannot tell us some of the secrets he has in it. Hiss has not shown any penitence yet. He will be advancing the cause of atheistic communism, the cause of the worst enemy of civilization and Christianity in the history of the world, when he lectures on Geneva at Princeton. I say that he should not be permitted there. That is my judgment. If I were Dr. Dodds, I would pick him up by the scruff of the neck and throw him out personally. I would be very happy to do that. I am not arguing that Dr. Dodds need do that. I simply say that the doctor ought to act, and if the doctor does act, I think he will save Princeton a great deal of embarassment.

I think freedom has a responsibility attached to it. I cannot yell fire in this House today and get away with it. I do not think that I would want to bring an arson bug in here to give us a talk on how to set fire to the House of Representatives. I think that would be silly, ridiculous.

I think Old Nassau will be called Old Nausea, if Hiss is allowed to talk there. I say that with all due respect for the university.

Let us have some respect for those who love our country. On the other hand, it seems to me that the competition is to see who is going to sell us out first, in some quarters.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield further?

Mr. TUMULTY. I yield to the gentleman.

Mr. THOMPSON of New Jersey. I would like to say that I am certain that Princeton University has, during its wonderful history, invited many, many more people whom the gentleman would favor and who were great and wonderful citizens of the world, to speak there, than it has persons with whom he would disagree.

Mr. TUMULTY. I think Princeton University has done that. I think Princeton University is a wonderful university. I think it is being made the victim of some Katzenjammer Kids prank by this society. But Dr. Goldman, a member of their faculty, says, according to the Ledger, that the Hiss invitation proves that Princeton is "genuinely free." In other words, to be "genuinely free," we must invite traitors in to advance the Communist line. Under that logic, this House to prove it is genuinely free would have to invite in Hiss himself to tell us about Geneva. That is the logic. Of course, I know that logic and Princeton University perhaps are not very closely related, in this instance.

The SPEAKER pro tempore. The time of the gentleman from New Jersey has expired.

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, what I am driving at is this: Over in Russia they do not do things this way. There is one lesson we can learn from them. They do not parade their traitors around and honor them. I do not say that we should do what they are doing and shoot everybody who disagrees with us. I do not advocate that we should prevent an expression of an honest difference of opinion. An honest difference of opinion, such as has been evidenced in this House just now is welcome. We should welcome all opinions. But where a man has betrayed his trust in a high public position, where the evidence discloses that he has been dealing with the enemies of this Nation, and he has served a sentence for violation of the law—for him to be invited to a university and given the opportunity to talk on the foreign policy of our Government which he betrayed in order to prove that we are free, is the height of absurdity. If we follow that logic then every hate monger, every anti-Christian, every anti-Semite, would be given access to our universites; because, if you did not let them in, then it would prove that you were not free. That is completely and totally wrong thinking. There is no reason for it at all. If the university cannot control its students, in matters of this kind, if the university cannot tell a little student debating society what to do then I submit that the university must bear the criticism.

I do not intend to cast reflection on the great cultural contributions which Princeton has made to our country. But I note that our revolutionary fathers never invited Benedict Arnold to come back and take him on a lecture tour, take him to Faneuil Hall to tell them about foreign policy between the Colonies and England. I have failed to note in my readings that any of the great betrayers of history were taken around to give advice to the betrayed.

This is the first time in history when men seem to feel that they must be supine to those who have betrayed them. It seems to me that if a man is a traitor, the least we can do is to ignore him. You do not even have to imprison him. I simply say do not start taking him around on the academic circuit, because then some egghead will get up and say, "Let us give him a degree—Doctor of Betrayers," because he would not be equal to the man who was debating with him, because the man debating with him has a degree. To be full and equal give betrayer and betrayed equal treatment. Someone will want to give him a mortar board also.

I think it is all the result of the comic-book age. Too many people have been reading Dick Tracy, instead of early American history. Too many university professors have been hiding comic books behind their heavy tomes, and reading them instead. This would never happen in any other part of the world. I did not see Britain urging Burgess and McLean to come back and lecture to the House of Commons or Oxford on how they ran out on the Empire, and other foreign policy matters. I have not read that. I have not read about the Irish looking for anybody who betrayed them to come back and lecture on Irish freedom. This seems to be the only country in the world where this kind of looney business goes on. I do not know. I just get up and say that I think it is terrible.

I suppose someone will want Peron to come up here. They threw him out of the hotel. They may want him lecturing at Princeton, on the theory that he should be heard. It gets to the point, I guess, where if you do not have a criminal record you would not be allowed to lecture at all. If you have not been in jail, maybe you ought not to be heard. That is the way I would conclude.

Mr. THOMPSON of New Jersey. The gentleman is quite right when he says Princeton is Republican. It is 3 to 1 Republican. I am not trying to protect anything but my version of freedom of speech.

Mr. HOFFMAN of Michigan. Mr. Speaker, I want the words taken down. If you say these people he is describing are Republicans, that is a reflection on this side of the House. That is not right.

Mr. THOMPSON of New Jersey. I will provide the gentleman with a registry list.

Mr. HOFFMAN of Michigan. I think he ought to withdraw that charge. That is worse than anything the Republicans have ever been accused of saying about the Democratic Party. You have given us a terrible picture of those fellows up there. I think you are right about that. I do not think it is fair to the Republican Party to say they are Republicans.

[From the Newark Star-Ledger]

PRINCETON POLL BACKS HISS TALK

PRINCETON, April 10. Undergraduates and faculty members of traditionally conservative Princeton University are overwhelmingly in favor of permitting convicted perjurer Alger Hiss to speak here April 26, a straw poll on the campus indicated today.

The former State Department official, jailed five years ago for perjury in his witness stand denial of passing secret documents to confessed Communist spy Whittaker Chambers, was invited to Princeton by the American Whig-Cliosophic Society, undergraduate political science and debate organization.

Meanwhile, a high-ranking member of the United States State Department tonight urged one Princeton debating group to reconsider its plans.

Livingston T. Merchant, Assistant Secretary of State for European Affairs, said in a telegram that Hiss' appearance "would do lasting and irreparable damage to Princeton." Merchant is a Princeton alumnus, class of 1926.

Hiss, who will be making his first public address since his period of probation expired recently is scheduled to discuss last summer's Geneva Summit Conference.

Although university officials have been besieged by an undisclosed number of influential alumni protesting the Hiss appearance, undergraduates back the society by a 10-to-1 ratio.

Of 149 undergraduates questioned in the poll, 135 were in favor of Hiss' appearance and only 14 were against the scheduled speech.

The ratio of faculty members questioned in the poll was even more predominantly in favor of the Hiss appearance. Twenty faculty members were questioned, and 19 of them supported the student stand.

The poll's question—Do you think Alger Hiss should be allowed to speak on campus?—brought a small proportion of outspoken criticism against the society's invitation to Hiss, however.

DISSENTS HEARD

Several of the dissenting undergraduates said they thought the invitation to Hiss would do the university's name no good in the public eye.

"Besides, I couldn't be sure anything he said would be the truth," one dissenter added.

But the typical undergraduate response was quickly affirmative, although indicating that most of the students were curious rather than sympathetic.

Their answers ranged from "A ridiculous question—of course he should be allowed," to "I'd like to have a look at Al Capone, too."

"He served his time, didn't he?" one student asked.

"Isn't that the all-American way?" another said.

SOME CHANGE VOTE

A small number of dissenters polled admitted they thought Hiss had been convicted for Communist Party membership, and changed their minds when told he was jailed on a perjury charge.

A polling of faculty opinion showed an even heavier agreement with the invitation to Hiss.

Typical faculty comment included history professor Eric Goldman's reply:

"Undergraduates here, though conservative, are eager to prove that Princeton is genuinely free."

The Daily Princetonian, undergraduate newspaper, has withheld editorial comment until the university makes an official statement tomorrow concerning alumni reaction.

President Harold W. Dodds said Monday that the university will not interfere with the scheduled Hiss speech because "we think it unwise now to take the responsibility for the decision out of the hands of the student organization."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Morano (at the request of Mr. Seely-Brown), for the remainder of the week, on account of a death in his family.

Mr. Chenoweth, for the remainder of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Feighan, for 60 minutes, on April 12.

Mr. Tumulty, for 10 minutes, today.

Mr. Mason, for 15 minutes on Monday next, on the subject of the Supreme Court against States rights.

Mr. Boyle, for 1 hour, on Monday, April 16.

Mr. Patman, for 15 minutes, on tomorrow, to revise and extend his remarks and include therein certain extraneous matter.

Mr. Quigley, for 30 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Zelenko.

Mr. Hoffman of Michigan.

Mr. Auchincloss and include an address delivered by the gentleman from New Hampshire [Mr. Merrow].

Mr. Gwinn in two instances, in each to include extraneous matter.

Mr. Zablocki.

Mr. Davidson in two instances, in each to include extraneous matter.

Mr. Yates in two instances and to include copies of news letters.

Mr. Metcalf, the remarks he will make on H. R. 9893 and to include a letter and an editorial.

Mr. Metcalf and to include extraneous matter.

Mr. O'Hara of Illinois on the death of Peter D. Broom.

Mr. Keating (at the request of Mr. Young) and to include extraneous matter.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Thursday, April 12, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1734. A letter from the Chairman, the United States Advisory Commission on Information, transmitting the 11th Semiannual Report of the United States Advisory Commission on Information, dated March 1956, pursuant to section 603 of Public Law 402, 80th Congress (H. Doc. No. 376); to the Committee on Foreign Affairs and ordered to be printed with illustrations.

1735. A letter from the Chief Justice of the United States, transmitting the amendments to the Rules of Criminal Procedure for the United States District Courts, by direction of the Supreme Court and pursuant to the act of June 25, 1948 (ch. 645 (62 Stat. 683), as amended by the act of May 24, 1949, ch. 139, sec. 59 (63 Stat. 98), title 18, U. S. C. 3771) (H. Doc. No. 377); to the Committee on the Judiciary and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 10412. A bill to amend the act for the Protection of Walruses; to the Committee on Interior and Insular Affairs.

By Mr. BERRY:

H. R. 10413. A bill to extend for 2 years the Advisory Committee on Weather Control; to the Committee on Interstate and Foreign Commerce.

H. R. 10414. A bill to amend section 262 of the Armed Forces Reserve Act of 1952 to permit certain high-school teachers to perform their obligated period of active duty for training during summer vacation; to the Committee on Armed Services.

H. R. 10415. A bill to provide for the conveyance of certain real property of the United States to the State of South Dakota for National Guard purposes; to the Committee on Interior and Insular Affairs.

By Mr. BURLESON:

H. R. 10416. A bill to provide for certain adjustments with respect to wages paid to Mexican agricultural workers for work performed during the cotton harvest of 1955; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 10417. A bill to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States; to the Committee on the Judiciary.

H. R. 10418. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. R. 10419. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. FULTON:

H. R. 10420. A bill to establish the Federal Agency for Handicapped, to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mrs. GREEN of Oregon:

H. R. 10421. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Education and Labor.

By Mr. HERLONG:

H. R. 10422. A bill to amend section 459 of the Internal Revenue Code of 1939; to the Committee on Ways and Means.

By Mr. IKARD:

H. R. 10423. A bill to provide for the conveyance of 15 acres of land more or less within the Garza-Little Elm project to the city of Lewisville, Tex., for sewage disposal purposes; to the Committee on Public Works.

By Mr. KEARNS:

H. R. 10424. A bill to amend the Internal Revenue Code of 1954 to reduce the excise tax on television receivers capable of receiving 50 or more ultra high frequency television channels; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 10425. A bill to provide means of further securing and protecting the right to vote; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 10426. A bill to provide means of further securing and protecting the right to vote; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 10427. A bill to strengthen the civil rights statutes, and for other purposes; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 10428. A bill to strengthen the civil rights statutes, and for other purposes; to the Committee on the Judiciary.

By Mrs. KEE:

H. R. 10429. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to permit a veteran pursuing education and training thereunder to make a change of program, not otherwise authorized, if he is unable to continue the pursuit of his current program because of physical or mental disability or other compelling personal reasons; to the Committee on Veterans' Affairs.

By Mr. KRUEGER:

H. R. 10430. A bill for the purpose of constructing at the Dunseith, N. Dak., port of entry Federal facilities for the Bureau of Customs and Immigration and Naturalization Service; to the Committee on Public Works.

By Mr. McCARTHY:

H. R. 10431. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain governmental obligations and of the interest on such obligations; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 10432. A bill to amend further the Federal Civil Defense Act of 1950, as amended, to authorize the Administrator to pay travel expenses and per diem allowances to trainees in attendance at the National Civil Defense Staff College, and for other purposes; to the Committee on Armed Services.

H. R. 10433. A bill to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of New York:

H. R. 10434. A bill to provide means of further securing and protecting the right to vote; to the Committee on the Judiciary.

H. R. 10435. A bill to strengthen the civil rights statutes, and for other purposes; to the Committee on the Judiciary.

By Mr. MURRAY of Tennessee (by request):

H. R. 10436. A bill to amend the Federal Employees' Group Life Insurance Act of 1954, as amended, to provide nonoccupational group major medical expense insurance for Federal employees and their dependents and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SAYLOR:

H. R. 10437. A bill to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war; to the Committee on Veterans' Affairs.

H. R. 10438. A bill to provide that in determining annual income of a widow or child of a veteran for the purpose of establishing eligibility for pension, amounts spent in the year of death of the veteran for his burial shall be excluded from income for that year; to the Committee on Veterans' Affairs.

H. R. 10439. A bill to simplify and make more nearly uniform the laws governing the payment of compensation for service-connected disability or death, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. STAGGERS:

H. R. 10440. A bill to provide for the construction of a superhighway between Frederick, Md., and Charleston, W. Va.; to the Committee on Public Works.

By Mr. TEAGUE of Texas:

H. R. 10441. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict application to insurance which has been in effect 6 months at the time benefits are sought under such act; to the Committee on Veterans' Affairs.

H. R. 10442. A bill to amend section 504 of the Servicemen's Readjustment Act of 1944, as amended, to authorize the Administrator of Veterans' Affairs to refuse to appraise residential property which is not subject to construction supervision by qualified personnel; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 10443. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

H. R. 10444. A bill to protect the right to political participation; to the Committee on the Judiciary.

H. R. 10445. A bill to establish a Commission on Civil Rights in the executive branch of the Government; to the Committee on the Judiciary.

H. R. 10446. A bill to declare certain rights of all persons within the jurisdiction of the United States, and for the protection of such persons from lynching, and for other purposes; to the Committee on the Judiciary.

H. R. 10447. A bill to reorganize the Department of Justice for the protection of civil rights; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 10448. A bill to amend the Civil Aeronautics Act of 1938 to require the owners of civil aircraft to be financially responsible for damages arising out of the operation of such aircraft for which they are liable; to the Committee on Interstate and Foreign Commerce.

By Mr. JARMAN:

H. J. Res. 601. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Americas' New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

By Mr. BURDICK:

H. Con. Res. 229. Concurrent resolution to conduct an investigation covering attempts on the part of the United Nations to organize a world government; to the Committee on Rules.

By Mr. BUCKLEY:

H. Res. 464. Resolution authorizing a reprint of House Document No. 367, 81st Congress, 1st session, on Sacramento-San Joaquin Basin Streams, Calif.; to the Committee on House Administration.

By Mr. BURLESON:

H. Res. 465. Resolution to provide for the adjustment of the trust fund account in the Office of the Sergeant at Arms; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing Congress with respect to the passage of H. R. 8836, being an act to amend and supplement the Federal-Aid Road Act to authorize appropriation for continuing the construction of highways; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally refererd as follows:

By Mr. OLIVER P. BOLTON:

H. R. 10449. A bill for the relief of Loredana Ramaioli Kaczoroski; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 10450. A bill for the relief of Mr. Fouzi (Victor) M. Hindaly; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 10451. A bill for the relief of Kan Chen; to the Committee on the Judiciary.

By Mr. HAND:

H. R. 10452. A bill for the relief of Renee Renauld Claire; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 10453. A bill for the relief of Panorea Panos; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 10454. A bill for the relief of Rafael Portugal-Cabrera; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 10455. A bill for the relief of Boris F. Navratil; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 10456. A bill for the relief of William H. Vosburgh; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

866. By Mr. BURDICK: Petition of Sigurd Wisness and other residents of Fargo, N. Dak., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

867. By Mr. BUSH: Petition of Clinton County Central Labor Union, Lock Haven, Pa., in opposition to the enactment of H. R. 5550, United States membership in the Organization for Trade Cooperation; to the Committee on Ways and Means.

868. By Mr. GROSS: Petition of W. C. Cooper and 19 other residents of Marshalltown, Iowa, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

869. By Mr. JENKINS: Petition of 45 members of Veterans of Foreign Wars, Carroll, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

870. Also, petition of 45 members of Veterans of Foreign Wars, New Plymouth, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

871. Also, petition of 80 employees of the Ohio Boys' Industrial School, Lancaster, Ohio, who are ex-servicemen from World War I and II, and the Korean conflict, urging that favorable consideration be given to the passage of the veterans' security bill, known as H. R. 7886; to the Committee on Veterans' Affairs.

872. By Mr. LeCOMPTE: Petition of VFW post, of Centerville, Iowa, urging the adoption of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

873. Also, petition of the Veterans of Foreign Wars, Diagonal, Iowa, urging enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

874. By Mr. MARTIN: Petition of residents of Taunton, Mass., requesting separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

875. By Mr. NORBLAD: Petition of Verner J. Libell and 90 other residents of North Lincoln County, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

876. By Mr. SHORT: Petition of Mrs. Vern Werle, and other citizens of Webster County, Mo., protesting alcoholic beverage advertising on radio and television; to the Committee on Interstate and Foreign Commerce.

877. By Mr. SMITH of Wisconsin: Resolution of the Conference of Southeastern Wisconsin Taxpayer Organizations meeting in Kenosha on March 20, 1956, urging Congress not to interfere in local school financial problems, specifically in the direction of extending financial assistance for school construction or general operations; to the Committee on Education and Labor.

878. Also, resolution adopted by the Conference of Southeastern Wisconsin Taxpayer Organizations assembled in Kenosha, Wis., on March 20, 1956, urging Congress to adopt and enforce a policy against unnecessary Federal operation of business enterprises in competition with private business as outlined in S. 1003 or similar legislation; to the Committee on Government Operations.

879. Also, resolution of the Building Service Employees Local No. 168, at Kenosha, Wis., on March 27, 1956, in support of a bold, long-range program for highway construction with the cost responsibility spread equally upon the population of the country; to the Committee on Public Works.

880. By Mr. WOLCOTT: Petition of Leta Little, Smiths Creek, Mich., and 30 others for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

881. Also, petition of John B. Roth, Vassar, Mich., and 12 others for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

The Heritage of Old Age Should Not Be Despair

EXTENSION OF REMARKS
OF

HON. SIDNEY R. YATES

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter:

THE HERITAGE OF OLD AGE SHOULD NOT BE DESPAIR—NEWSLETTER NO. 179

APRIL 9, 1956.

DEAR FRIEND: The fastest growing population group in our country consists of the men and women age 65 and over. Today there are 13½ million of them. With 1,000 more joining their ranks daily, their number is expected to increase to 20 million by 1975.

For some of them the golden years are the culmination of a rich, rewarding life. They view advancing age with a dignity and charm like that of President John Quincy Adams, who was congratulated on his 81st birthday by a friend who asked: "How is John Quincy Adams today?"

"Quite well, thank you," Adams replied. "John Quincy Adams is quite well. But the house in which he lives is becoming quite dilapidated. Time and the seasons have nearly destroyed it. It is tottering on its foundations and the roof is worn quite thin. Yes, the old tenement is becoming quite uninhabitable and I fear that John Quincy Adams will have to move out of it soon. But he himself is quite well, thank you, quite well."

For most elderly people, however, advancing years bring increased burdens. A recent study by the reliable Twentieth Century Fund reveals that nearly three-fourths of those aged 65 and over either have no income of their own or earn less than $1,000 per year. But this deplorable lack of sufficient funds represents only one aspect of their difficulties. The Council of State Governments reports that they are particularly subject, as well, to unequal opportunity for employment; inferior housing; separation from family and friends; widowhood for more than half the women; inadequate medical care; lack of hospital insurance just when chronic diseases hit; hospitalization in mental institutions because of insufficient nursing homes and rehabilitation facilities; spiritual deterioration because of belief that the community is no longer interested in them. The list is long, the impact heavy.

What is the Federal Government doing to help them? Unfortunately, not very much. The Department of Health, Education, and Welfare, which is supposed to be concerned with their plight, has attacked the matter with all the ferocity and speed of a snail. Last year Secretary Oveta Culp Hobby appeared before the Appropriations Committee and admitted the Federal Government was 10 years behind in its work on behalf of older persons. Yet she requested a budget of only $65,000 to deal with the enormous task. We hoped for a more sympathetic attitude when Secretary Folsom appeared this year, but there was none. The Secretary said he wanted the same budget and to continue with the same system of using a small general staff and leaving to agencies such as the Social Security Administration, the National Institutes of Health, and the Department of Labor the responsibility for developing adequate programs to cope with the problem. This was the arrangement which brought sharp criticism by the Appropriations Committee upon the Department for its indifference to the needs of older persons, and the demand that substantial progress be made during the next year. But if the committee expects any improvements after having voted the same inadequate budget, it is indulging in wishful thinking. What is needed is a Bureau of Older Persons established within the Department of Health, Education, and Welfare, to help the States make an intensive effort in the field of aging and to coordinate their activities.

A few days ago President Eisenhower announced that he was creating a National Council on Aging whose members would be made up of representatives from each of the agencies now dealing with problems affecting older persons. What this means is that the President has now given a name and status to the present hit-or-miss, decentralized system. Apparently, the same policy of postponement, of drift without direction, is going to continue.

One feels about the President's action the same as Sir Harry Lauder's caddy must have felt after having completed 18 holes of golf with him on a bitterly cold day. The caddy had done a fine job. After paying him the regular fee, Lauder slipped something into the caddy's hand saying: "That's for a glass of hot whiskey, lad." The caddy opened his hand. There in his palm was a lump of sugar.

Almost a century ago Benjamin Disraeli wrote in one of his novels: "Let us hope that the heritage of old age is not despair." That is still our hope.

Your friend,

SIDNEY R. YATES,
Member of Congress.

Joint Disarmament and the Foreign Aid Program

EXTENSION OF REMARKS
OF

HON. ESTES KEFAUVER

OF TENNESSEE
IN THE SENATE OF THE UNITED STATES
Wednesday, April 11, 1956

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech I recently made concerning mutual reduction of 15 percent in the arms budget of the United States and the Soviet Union with part of the savings to be allocated to the joint foreign aid program administered by the United Nations.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR ESTES KEFAUVER AT JEFFERSON-JACKSON DINNER OF YOUNG DEMOCRATIC CLUBS OF MARYLAND, BALTIMORE, MARCH 10, 1956

As we meet here tonight, the representatives of the world's great powers are gathering in London to prepare for the resumption of disarmament talks which have a life-or-death significance for our Nation and for all nations.

The peace-loving peoples of the free world are looking to the United States for responsible leadership in breaking a 10-year-old deadlock on reduction of armament which must be resolved if our way of life is to survive.

I fervently pray that our country's representatives will be inspired to display true leadership when they face up to the Russians during the coming crucial meetings.

It is high time that this Nation began using the weapons of resourcefulness and imagination and initiative in dealing with the Communists.

They are weapons far more powerful than the hydrogen bomb.

They are the only diplomatic weapons with which we can persuade the Russians or maneuver them into joining us in our clearly demonstrated determination to limit the weapons of destruction which are as pressing a burden upon the Russian people as they are upon our own.

I have been a frequent critic of the Eisenhower administration because it has come forward with no plan for disarmament until a few days ago—although Secretary Dulles says that he has reason to believe that the Russians would like some relief from their great burden of armaments.

Harold Stassen is in charge of creating a disarmament plan. He has tried hard to carry out his assignment. But he cannot get the members of the Eisenhower team to agree with him. On one thing, Secretary Dulles disagrees. On another, Secretary of Defense Wilson disagrees. There are varying degrees of disagreement throughout the rest of the administration.

If we had a President other than President Eisenhower, he would have made a decision by now between the opposing forces on the team. But President Eisenhower insists that only unanimous agreements be brought to him. This is the same policy which he has applied with unhappy effect to the Joint Chiefs of Staff. The result is that despite the peace offensive of the Soviet Union, the United States is unable to start one of its own.

Our allies are growing restive because of our inaction. It is damaging our prestige in such United Nations gatherings as the forthcoming talks in London. It is eating away at our leadership of free world forces. Yet the team can make no decision and the President will not.

I said earlier that I am a frequent critic of this administration.

I have reason to be—both as a Democrat and as an American.

But I am not so partisan a critic that I will not recognize even a small modicum of inspiration when the administration finally bestirs itself into action rather than merely abiding by its familiar and melancholy waltz pattern of following while the Russians lead.

I think President Eisenhower's letter earlier this week to Russian Premier Bulganin, proposing to negotiate on reductions in the level of nuclear and conventional armaments was a step in that direction.

Like all of you, I was pleased by the Russian Premier's preliminary reaction, which was a grudging concession that the Eisenhower proposal was—and I quote—"good."

I do not think the Eisenhower proposal goes far enough. But if it has elicited this initial Soviet response, then it might provide the basis for fruitful negotiations across the conference tables in London.

Last summer, leaders of this administration went to the "summit" at Geneva full of hope and little more. They returned with nothing but bruised feelings. Their hopes were dashed by Soviet hostility and vastly superior Soviet diplomacy. As a result, we suffered a major defeat in the eyes of the world.

This time the hope must be balanced by a full quota of stern determination to persuade the Soviets that they have nothing to gain by obstructionist behavior. This time, the hope must be supported by positive programs, so skillfully conceived that for the Russians to spurn our honest offers to halt the arms race would hand them a major defeat in the eyes of the world.

But I wonder if the administration's representatives are going to London so armed to meet the Russians?

I refer you to a front page story in yesterday's New York Times, which reported that Harold Stassen was flying to London today with—and I quote—"a new set of disarmament proposals in his briefcase with a suitcase full of hope."

I don't like the comparative weight of his baggage, do you? I wish Mr. Stassen well on his mission, but I was rather disturbed when the New York Times reported a news conference held by Mr. Stassen in these terms—and again I quote:

"The accent was on his hopes, rather than on the substance of the proposals he planned to put before the United Nations Subcommittee on Disarmament when it's so far fruitless negotiations are resumed in London March 19."

Are we in for another summit disaster?

Is Mr. Stassen, who tries hard enough to wage peace, going to be forced to stuff rejected and inadequate proposals back into his briefcase because the "team" simply lacks the spark needed to create disarmament programs calculated to capture the imagination of peace-loving peoples throughout the world?

Will Mr. Stassen come home with his suitcase barren of hope because the "team" simply can't agree on a program so expertly contructed that the Russians cannot reject it without serious loss of face—particularly in the uncommitted areas of the world where they have seized the initiative from us?

My friends, if ever this Nation needed a change in leadership, the time is now. However, under our democratic processes, that change will not come before next November. But it will come!

In the meantime, November is eight months away. And eight months can be an eternity in the fast-moving world of today. The time to achieve a reduction of armaments is during the next few weeks in London.

One of my chief complaints about this administration is that it has failed to take hold of proposals previously made which offer great hope of achieving peace. I am thinking particularly of a far-sighted proposal by the late Senator Brian McMahon which should be given fresh consideration at this critical moment in history.

The administration is also duty-bound to give careful consideration to fresh programs—whatever their origin and even if they stem from Democratic sources.

The administration has long acted as if it considered the conduct of our international relations its own special preserve. This has been particulary true in the field of armament reduction. Well, it's high time it put the conduct of our foreign relations on a truly bipartisan basis—as we Democrats did.

I have a plan to propose to the Eisenhower administration which would, I believe, put a powerful brake upon the arms race—and, at the same time, help us to meet the new and insistent Soviet challenge of nonviolent expansion in the Middle and the Far East.

I offer it to the administration in a completely unpartisan spirit. Indeed, if the administration accepts this plan, and actively strives to put it into operation, it can become one of the proudest plants in the GOP campaign platform.

And if it succeeds, every Democrat will give this administration credit for a major achievement in helping to secure the peace we Democrats so earnestly desire.

The plan is simple.

I call upon President Eisenhower to instruct our representatives in London to propose that Russia join us in an immediate and mutual reduction of armament expenditures by 15 percent.

Coupled with this proposal, and to be made a binding portion of the arms reduction agreement, would be the condition that one-third of the amount saved will then be put into a pool for economic aid to underdeveloped areas.

This joint point 4 program should be administered by the United Nations in such a manner that neither the Soviet Union nor the United States could individually claim the credit for its successes or be blamed for its failures.

In this manner, the Russians will be prevented from making the sort of inroads in the underdeveloped areas which their propaganda drive is now accomplishing in the Far East.

And—who knows?—perhaps a joint endeavor of this nature, administered impartially by the United Nations and combining a reduction in the tools of war with an increase in the tools of economic self-sufficiency for a third of the world, might constitute our first real advance toward peace in 10 years.

In order to extend the greatest benefits of the program to the underdeveloped nations, the first act in its implementation should be the calling a U. N. sponsored economic conference to permit the underdeveloped nations to determine the most lasting long-term benefits from the sizable economic resources which the mutual cut in armament expenditures would provide.

If the Russians refuse to go along with these proposals, they will not only stand condemned in the eyes of the world as foes of arms reduction and peace but—more important, the peoples of the underdeveloped nations will see them stripped of their pretenses and exposed as aggressors who dangle offers of economic aid only for propaganda purposes.

If they are forced to go along with us, then they will help us to accomplish a task for which there is an urgent need in terms of humanity and which will serve our own democratic purposes by strengthening the defenses of the recipient nations against the economic chaos on which communism thrives.

I do not wish to bore you with figures, but let us examine briefly what the allocation of one-third of the savings in arms would mean to whole populations in other parts of the world whose major concern is keeping 1 day away from hunger:

Our budget for arms is roughly $35 billion. Although a sizable portion of the Soviet outlay for arms is concealed in other expenditures such as heavy industry, all available intelligence indicates that Soviet expenditures approximate our own.

Simple arithmetic shows that this plan would funnel approximately $3 billion into a fund to further freedom and prosperity among the new nations of the world who are struggling desperately to achieve self-sufficiency.

Surely this is a plan in keeping with the forward-looking traditions of the Democratic Party, the party which created the Marshall plan, NATO, and point 4.

I am the first to admit that the implementation of this program presents obvious administrative problems. But, for the love of humanity, let us not permit paper problems to stand in the way of creating a new force for good in the world.

From our purely domestic viewpoint this plan has the merit of offering a reduction in the income taxes paid by the average American. With one-third of the savings going to assist young nations in need of help, the other two-thirds could be lopped from our national budget and passed along to the taxpayer who needs relief most—the little fellow.

Importance as they are, however, it is not with reductions in income taxes that I am concerned most.

The question of peace and war is the most crucial of our times. Not only is our own safety involved but the safety of all men everywhere.

Civilization as we know it, and even life itself, may hang in the balance.

The balance has been going against us under this administration.

Let us swing that balance our way and win world opinion through concrete proposals designed to relieve international tensions, improve the economic conditions of the nations, and take the peace propaganda offensive away from the Russians.

I think the plan I have outlined constitutes one such proposal. I commend it to your attention and to the attention of this administration with a warning that time is running out and the time for action is now.

The Congress and the Constitution

EXTENSION OF REMARKS
OF

HON. WILLIAM E. JENNER

OF INDIANA
IN THE SENATE OF THE UNITED STATES
Wednesday, April 11, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address entitled "The Congress and the Constitution," which I recently made on the radio.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CONGRESS AND THE CONSTITUTION

There is one fundamental idea which underlies the structure of our governmental machinery—the unwavering distrust of a strong Executive, be he President, King, Prime Minister, or Governor. The Federal Constitution, as well as the constitutions of the 48 States, contain specific limitations on the powers of their Chief Executive, including limited succession, confirmation of executive nominations, removal of executive officials, restraints on spending, and others.

It is, of course, natural that this should be so. The colonists who tore away from England had had enough of strong executives, of autocratic kings and autocratic governors.

When independence was established, they worked to design a government in which the Executive would be under the control of the people. Their success is visible in the Constitution.

They made the Executive subject to the watchfulness and the will of Congress, subject thereby, to the will of the people. Congress was established as the eyes, ears, and the voice of the people. It performs the noblest function of government; that of making the laws. The function of the Executive is to put those laws into effect exactly as Congress wrote them. Nothing more.

Examination of the Constitution will reveal how carefully the Founding Fathers spelled out the differences between the authority of the people and those of the President. The decisions of the President are always limited by the higher tribunal of the Congress, but decisions of the Congress—within the Constitution, are final.

The Congress has the conclusive power to pass laws. The President may veto legislation, but his veto is never final. It can be overturned by a two-thirds majority of the Congress and that decision is final.

The President has the power to grant pardons and reprieves. But that power does not include pardon of impeachment which is a decision of the Congress.

The Constitution provides that the President shall be Commander in Chief of the Armed Forces of the United States, but he cannot use those Armed Forces in war, except by the action of Congress. The power to declare war is vested, exclusively, in Congress. Again we see that the decisions of policy are those of Congress—the management or administration of those decisions are the President's.

The President negotiates treaties and foreign agreements, but any treaty so concluded is worthless unless two-thirds of the Senate consents to their enactment.

The President can nominate officials and judges, but his power to appoint them depends upon the consent of the Senate.

The complete dependence of the Executive on the approval of the Congress is inherent in the fact that the Congress controls the power of the purse—the raising and spending of funds. Without money, no Executive can operate and without congressional action there is no money.

Finally, we see the intention of the Founding Fathers, to make Congress the supreme authority, in the provision for impeachment. The Congress can remove, by impeachment, any civil official or Federal judge. Why the Congress can, by impeachment, remove the President, himself. But there is no parallel authority to remove Members of Congress. No one can remove a Member of the Congress during his elected term of office. Why? Because he represents the people, and in this land, the people reign supreme over the affairs of Government.

It is for these reasons that Alexander Hamilton, in the Federalist papers, speaks eloquently of the "superior weight and influence of the legislative body in a free government." It is upon this superior weight that a free government must rest. Once the balance of influence shifts to the Executive, free government has set foot upon the road of self-destruction.

Yet, that road has already been set upon by our Nation. We are, in fact, well on our way toward its end. The Executive has become superior to the Congress in weight and influence.

As the affairs of the Nation became more numerous and life more complex, there began a trend toward increasing the scope of the Executive. Today, actually, it is the Executive, as represented by the person of the President, who wields virtually all of the power of government. The Congress has helped increase the Presidential power by a direct abdication of its functions.

We have a growing body of laws which vest tremendous powers in the hands of the President, or some Presidential appointee. I recall that in the recent farm bill before the Senate, there were over 20 instances of the delegation of congressional power to the Secretary of Agriculture, including such vital functions as the determination of how much money shall be spent under the various farm-support and soil-bank programs.

A second source of increasing Presidential power is open usurpation. Usurpation was effective because the Congress failed to exercise its powers, especially its powers to remove officers who tried to operate above the law. The recent example of a President making war in Korea without asking for congressional consent, is an example of autocratic Executive power in this country.

When such an act is committed, the Congress has a clear obligation to assert its authority. To declare war is constitutionally the power of Congress alone. Any other method of making war is, therefore, clearly unconstitutional. A President who thus violated the Constitution violated his oath of office to uphold and preserve it. Congress had the power and the duty to act. It did not act and thus another of its powers slipped into the hands of the Executive.

Why is it that Congress has allowed this state of affairs to come about and then to continue? I think the answer is rather simple. The voters, the people for whom the Congress speaks, have been indifferent. We have concentrated increasingly at election time on the Presidency. That has been the star of the whole show, with the congressional candidates all too often playing a secondary role. Yet it is the Congress that makes the laws upon which the Presidency operates.

Perhaps the increasing power of the President is largely due to the changed attitude of the people as a whole. We look now to the Federal Government for the solution of most of our problems, problems which traditionally have been met by the State and local governments, or private initiative. The President is symbolic of the Federal Government as an entity, whereas the Member of Congress represents, first of all, his constituency back home.

A continued weakening of that congressional authority will have as its inevitable result the creation of an all-powerful Executive. In other words, a system of dictatorship.

What is the answer? Because Congress is in your hands as the voting public, so is the answer. The election of a Congress, determined to protect the traditional constitutional concept of Congress and Executive, will automatically restore the balance of power.

We know, from experience, that an aroused Congress is the best defense against the encroachment of Executive power. Even in these times, when the Executive power had reach its high point, Congress, once aroused, has shown the power it can wield.

Twenty years ago a powerful Chief Executive, one who had what many considered a rubberstamp Congress, attempted to destroy the judicial authority of the United States by packing the Supreme Court. No one expected anything but consent from the Congress. Yet a small handful of determined Constitutionalists refused to accept this emasculation of the Constitution. They decided to fight out the issue on the floor of Congress. When the battle was over, a very surprised President found that he had been defeated.

We have seen more recent struggles between President and Congress. Another President took it upon himself to decide the assignment of troops to any part of the globe at his whims. The Congress again took issue and there ensued one of the great historic debates in our history. The result was a reassertion of the right to declare war only by the will of Congress.

When the Internal Security Act of 1950 was passed, it was vetoed by the President and all authority and propaganda of the executive branch of Government was mobilized to make that veto stick. But an aroused Congress, determined to protect the security of the Nation, set aside the veto. The story is the same with the Immigration and Nationality Act of 1952.

In these glorious flashes of reasserted congressional authority, we can see the potential salvation of our Republic. Only the Congress has the constitutional force to oppose Executive dictation, to force a return to limited Presidential power.

But Congress will do the job only if those who make up its membership are dedicated to that cause. Weak, compromising men, men who prefer that the Presidency have both authority and responsibility, will never be able to do that job.

The answer, therefore, lies with the Congress. Those who believe in the traditional constitutional form of government for this land must concentrate their effort on the election of a constitutional Congress. Each Member of Congress is an important link in that chain.

In the selection of candidates to run for Congress in either party, you, as the individual voter, must do everything possible to assure the nomination of candidates unequivocally dedicated to the preservation of constitutional American government.

In your district, a few hundred votes may assure victory to the side of constitutional government, whereas, millions of votes are needed in a nationwide election.

Important as the Presidency is, the restraints Congress can place upon the Chief Executive can render harmless attempts to usurp power.

So, I say to you, make certain that no one is elected in your district who does not adhere to constitutionalism, that no one is elected who believes in globalism, in one-worldism, in unlimited authority for the President. If you do your part, the victory will be ours.

Americans Will Not For Long Remain Immoral and Economically Ridiculous Too

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. GWINN. Mr. Speaker, I would like to say to the House what I said in a speech before the Freedom Club in Los Angeles, Calif., on March 22, 1956, so am repeating for the Record what I said then:

AMERICANS WILL NOT FOR LONG REMAIN IMMORAL AND ECONOMICALLY RIDICULOUS TOO

Why do we continue to tolerate the pretense that politicians in Washington have any right or power to take our private incomes and manage them better than we can for ourselves? Slavery for a long time was tolerated because it was claimed by Government to be best for the slaves. In the same way, and for the same reason, our Government now manages our corn, wheat, cotton, rice, butter, cheese, dry milk, tobacco, peanuts, etc., or one-third of our agriculture. It is a mess. Those products are losing markets, having to reduce acreage; consumption is falling and prices are unstable. Government housing at half rent, tax exempt, is an outrage on the taxpayers and just as bad on the Government tenants. Government socialized power, like TVA, and irrigation projects at taxpayers' expense everywhere are blights on the people who take the money. Our foreign aid, now up to $60 billion, or $1,500 per American family on the average, does not satisfy the Socialist governments to whom it is paid. They want it doubled. The political party or parties out of power scold us for financing the parties in power and keeping them out. Imagine how mad all Americans would be if Great Britain had spent $3 billion or $4 billion to help Harry Truman stay in power and keep the Republicans out. They've got too much sense to do that.

So, Government robbing of Peter to pay Paul weakens Peter and demoralizes Paul. It has bought us no friends.

The very idea that our Government should pretend to have the right to seize such powers

was utterly repugnant to us for 140 years. It was thought impossible because we had a contract with our Government specifically prohibiting all this. We so feared the inevitable evil tendencies of Government that we drastically limited its functions to its only legitimate sphere, namely, the protection of life and property, keeping law and order. Then to make doubly sure, we had the politicians chained to these proper and limited functions. We specified in 1789 what Congress could tax and spend. We limited the function and taxing and spending power of our cities and counties and States, too. Fortunately, we have kept and enforced those limitations, and as a result we have not gone Socialist, with few exceptions, in our cities, counties, and States. Our socialism, viz: converting private property into public or Government owned and operated property, is confined almost entirely to Washington. We breed our Socialists and Communists there.

After 25 years of infiltration, especially of one of the old parties in power, Congress is unable to repeal and wipe off the books the socialism we've already got. If we fail to somehow wipe it off the books completely we must go on. For we must be all socialized or all free. There can be no coexistence—half Socialist, half free. We can't even be one-quarter or one-tenth Socialist and remain static at that point. For obviously if we socialize corn every living thing that consumes corn must ultimately be socialized. Farmers can't buy Government owned and controlled corn and sell beef, pork, milk, and eggs in a free market. The farmers can't get enough for their products on a free market to buy Government-owned corn boosted far above the free market level. So, Government must give each buyer a subsidy so he can buy subsidized Government corn.

The burden of taxes on 40 million families is $10 billion, or an average of $250 per year on every family to pay the costs of the socialization already mentioned. Still more groups are asking to be brought under new areas of socialization. Indeed, every socialized area makes the socialization of all areas related to it inevitable. For example, you hear the people cry out under our present burden, saying, "After we pay our taxes we haven't enough left to pay for the care of our sick, our aged, the education of our children, etc."

So, Mr. Kelley, Democrat, of Pennsylvania, introduces the Kelley bill providing for Federal aid and control of education on a vast scale. It has already passed the House Committee on Education by a vote of 21 to 9. It will likely come before the whole House for action at this session.

It proposes to take by force from the taxpayers $400 million a year for each of the next 4 fiscal years, a total of $1,600 million, and redistribute that largesse to some of the States at the expense of others for classroom construction. It's all done without taxpayers' consent. They are not permitted to vote on the question. Six industrial States in the North and West, viz: New York, Pennsylvania, Ohio, Illinois, Michigan, and California will be compelled to put up 57.6 percent of the total tax moneys and get back but 35.7 percent of the benefits as grants for classroom construction in those States.

Whereas Mississippi will get eight classrooms for every one it pays for.

You may ask how can this redistribution of wealth go on and on as it has been going for so many years. Why do the people take it without a fight? The answer is that it is done by the cleverest kind of government deception and organized votes of pressure groups. The individual, unorganized voter is made to feel helpless. In order to arouse the people to write their Congressmen they are told by the government propaganda machine for example that we have a dreadful shortage of classrooms and teachers. The people are made to feel inadequate for their responsibilities; unable to meet the cost. The Federal Government must. Washington is held out as the source of money and mercy and concern for the people. Washington admits that people used to manage themselves but asserts they can't any more.

It should be obvious that no Central Government can know what the total needs for classrooms are in 57,000 separate school districts. Only each local school district can know what its needs are. If it pays for them itself all the needs will be at one figure. If some far-off giveaway Federal aid for free government is to pay for them, the needs will be at least doubled. The United States Office of Education survey of such needs got just such a result. It asked the superintendents of schools, "What are your new classroom needs, assuming, of course, that the Federal Government may pay for them or a part of them?" The answers showing the needs that came back to Washington were fantastic. The report of the Federal Government showed that there was not a single State in the Union on present tax structures that could pay for all the classrooms the professionals said were needed. Bear in mind, not a single school board or taxpayers' group or parents' group or citizens' group who are going to pay for the school buildings somehow, sometime, was consulted. The professionals scrapped a large part of our present school buildings as unfit. You should have seen the needs for new gymnasiums, auditoriums, cafeterias, and extracurricular facilities that showed up.

It was on just such shoddy, strictly professional, one-sided Government reporting that the President was asked to announce to the country that it needed 370,000 classrooms. Hardly a week went by before the Office of Education had to scale down the number by nearly half. While the Government was wrangling, the school districts were themselves building their own schools.

We have a legitimate area for Government functions. All others are illegitimate. Those illegitimate functions I hate as much as anyone.

There is just one legitimate area, and only one, where the Central Government is honorable, and indeed admirable, and, on the whole, honest. That area has to do with the defense of the people's rights and property, the maintenance of law and order, and the sacrifice having to do with national defense.

These are not legitimate functions of Government merely because the Constitution or the contract with Government says so. They are proper functions because the moral and natural law made them so, long before the Constitution. They are in the nature of things. The individual has the same rights and powers with the same limitations imposed on him by the moral and natural law. He can use force to defend himself and his property. And that's the only time he can use force on another person without his consent. He can transfer that right and power to Government as his agent. And since all rights and powers come from the Creator to the individual, he can convey no different or higher right or power to Government than he himself possesses.

Even if people should vote by a majority to give more power to Government than they themselves possess as individuals, the transfer would be no good. When Satan offered to Jesus, in the hour of His greatest temptation, the powers and privileges of the kingdoms of the world, Jesus rejected them utterly. Satan had no such power as he pretended to have to transfer to Jesus. He had simply assumed to have an immoral and illegal power over the people which he had no right to convey.

When the Government goes beyond that restricted area which is the only natural and moral area possible for Government to occupy, then without exception it becomes dishonorable, full of misrepresentation and corruption. It exploits the people to do special favors for special groups in return for their votes. It pretends to be able to manage people and their property better than they can manage for themselves. It attempts to play God in the lives of the people.

It is beginning to dawn upon us that using the force of Government to take other people's property to do good according to Government's notion of what is good is all dead wrong. The fact that the whole world is morally wrong by taking people's private property and making it Government owned emphasizes the extent of the world collapse of morals. And, of course, what is morally wrong is contrary to the laws of God. The world violates them with contempt. When Government violates the laws of God by doing what no individual can morally do, then it is just as guilty of wrong as the individual would be guilty. What we have been doing has always been regarded economically wrong. It is indeed both economically and morally wrong.

For example, a lot of our old neighbors, some of our children, fell in love with the mountains and deserts of the great West. They knew before they went West that there was no water in the deserts. They went anyway. They never dreamed of tapping every eastern family $25 for every billion dollars needed for water. Yet when they organized themselves into political groups they said to their Congressmen, "You go back there and take $25 on the average from every family in the East, or we will not reelect you to Congress." So, the Congressmen have done very well. They have already collected about $150 from each family, or about $6 billion altogether for that purpose.

As another example of the immoral and ridiculous, take a look at TVA in Tennessee. That was our first planting of a Socialist rose in a patch of weeds, otherwise called the free economy. All competition was killed off for its benefit. The rose has had to be artificially fed ever since 1922. And the feeding has cost us in recent years $190 million per year, a total of over $2 billion. That is another $50 per family Government has outrageously presumed to have the power to take from us. It sells power below cost so that 110,000 families heat their houses with electricity at your expense. TVA never can earn a surplus at such rates to build new facilities for a growing population. And Government can never raise the rates and keep the votes of the people. There will always be a shortage of power so long as TVA has to depend on Congress for its life. Industry won't move into Tennessee because they can't depend on Congress to continue to carry such a weakling. Congress can't depend on itself either in that regard. TVA doesn't pay a dime toward the national defense—it's exempt from all taxes. It has been a blight on the State of Tennessee. It has constantly fallen behind all the other 11 southeastern private power-producing States in agricultural products, in manufacturing, in retail sales, in growth of new business, in postal receipts. All this is in accordance to the Chamber of Commerce of the United States survey in 1953.

On all of our Socialist projects above described, the Government spends $10 billion annually, and loses most of it. That's $250 annually per family. And it's growing much worse. There is no restraint or reversal of the trend in sight.

Clearly the President can't stop it. When he runs for reelection this fall, he will be met by a committee at nearly every State line asking, one after the other, "How much, Mr. President, will you take from others to give to us for more power this year?" The President must say, "Well, boys, you've been getting along with about $190 million a year for a good many years. I guess we can't drop below that on this election year."

Then come the corn boys. And at the next State line the wheat boys. And the water boys; the irrigation boys.

On his way home the big city boys say, "How much, Mr. President, will you take from those awful corn boys to give us Government houses, tax exempt, at half rent? How much for Federal aid to education? How much for health and hospitalization? And how much, Mr. President, for our cousins and our uncles and our aunts abroad?" So, 1956 will turn out to be not an election year for a great statesman but the 25th anniversary of the great auction of the people's rights and their property in return for votes. The continued transformation by force of more and more private property into public ownership for the benefit of special groups is leading to our total political corruption.

Congress certainly can't stop it. Congress has tried and failed.

One day the corn boys, the stalwarts from Illinois, appeared in the House and said, "Our consciences hurt. We've got to reduce taxes. We don't dare go back home for election until we throw some group out of the public feed trough. Where shall we start. Which one shall we choose for confession of a sin and the sacrifice?" Which group of voters would you throw out if you were running for Congress on election year? It would have been a beautiful and encouraging thing if the corn boys from Indiana, Illinois, Iowa, and Nebraska had marched down to the Well of the House and sacrificed corn. But it never dawned upon them to do so. They have been feeding on billions of dollars for 17 or 18 years, so that by now they feel that they have a vested right to continue to feed on the public. Their commodity is basic. If they should quit taking subsidies from the people that might cause such a shock as to seriously affect the whole economy. No, sir; we can't have that. You know we have $8 billion worth of surplus corn, wheat, and other commodities in cribs and bins, molding and wasting away. That's $200 per family.

So, corn decided to pick on peanuts for the sacrifice. Peanuts were such a very natural selection. Few losses of Republican votes were involved. The Illinois boys led off with two days of debate. "Why," they said, "this country could get along if we never grew another peanut. They are sort of indigestible anyway."

By this time the Members from Virginia, the Carolinas, Georgia, and Texas were so furious and their wit so sharp, that they made the corn boys ashamed and they frightened all the other little groups feeding at the public trough. When the vote was taken it was 228 to 170 to keep peanuts in the trough with all the rest and forget the whole business of restoring the free economy and constitutional government.

Apples and other commodities were greatly encouraged. They said, "Why, we're basic commodities. An apple a day keeps the doctor away. We must have our subsidies too." And so it goes on and on.

We are now in somewhat the same position as that of our ancestors just prior to 1789. We, the people, must, as they did then, reassert and redefine, so that even the Supreme Court can't misinterpret, the constitutional limitations on the functions of government. The taxing and spending powers of Congress must be limited again. We must first of all correct the dreadful mistake made in 1913, called the 16th amendment, which gave unlimited power to Congress to tax and spend. We must chain the politicians, as Jefferson said, to the limitations of the Constitution so they can't break away from them.

California would be a good State to lead off now as Virginia and Massachusetts were in the beginning. Many groups are forming, like the Campaign for the 48 States, the American Coalition of Patriot Societies, For America, We the People, to support the Reed-Dirksen amendment to the Constitution. It limits Congress to a top income tax, both corporate and individual, of 25 percent. The tax would start at nothing and go no higher than 25 percent, except in case of war or national emergency. Federal estate and gift taxes would be abolished. Estates should be a special source of taxes for State and local governments, instead of being liquidated by the Federal Government.

This amendment would reduce the spending powers of Congress by about $10 billion, almost exactly what our present socialism costs. It would dry up on our books our socialism which we can't or won't repeal. It would starve out our Socialists and Communists who must continue to breed faster than we can investigate them unless we quit completely operating our own socialism on which they feed.

The proposed 23d amendment would wipe off our books at once 7 or 8 hundred illegitimate Government enterprises. They cover everything from housing, electric-power projects, irrigation, crop subsidies, down to coffee roasting, representing $50 billion, or $1,250 taken per family. This amendment is a California product, proposed 11 years ago by the American Progress Foundation, 6413 Franklin Avenue, Los Angeles, Calif. It is now being actively advocated before the State legislatures. Illinois has passed it, others will do so soon, we hope. It's a perfectly splendid idea. So good that I was especially proud to propose it to the House of Representatives. It provides: "The Government of the United States shall not engage in any business, professional, commercial, financial, or industrial enterprise except as specified in the Constitution."

There should be adopted the Byrd-Bridges amendment. It will force Congress to stay in session each year until they have balanced the budget. Congress must not spend any more than they are willing to tax the people to pay currently, except, of course, in case of war. That will stop increasing the debt and operating on borrowed money for current expenses.

The Reed-Walter amendment clarifies the Constitution and makes it possible for the States to amend the Constitution by initiating amendments themselves. The Constitution intended that they should have that power to amend.

These amendments should be presented to the State legislatures for action. When 32 of the States send identical resolutions to amend to Congress, Congress must resubmit them to the States. When ratified by 36 of the States, the amendments forthwith become a part of the Constitution.

Thus we can limit the Federal Government's power to tax and spend, just as our local political subdivisions are limited.

Then if we should elect a Socialist President, as we may, he could do no special damage in carrying off our property and violating our rights without limitations.

We should thus be able to look forward possibly to another 150 years of freedom.

The States reserved to themselves the power to amend the Constitution. They defined the powers of the Federal Government in 1789 just as they may redefine and clarify them now. We should by such amendments release again the inventive, productive, creative, even the atomic, energy which lies in the individual mind and heart alone. Government is never creative, or productive except as it protects the creative and productive powers of free men. It can only use force on mankind. We should, by these constitutional measures, take off our backs the unbearable burdens of our incredible Government that has broken out of bounds. It has illegally and immorally seized power over us. We have unwittingly permitted it to grow upon us.

We should make of ourselves a true example of freedom again in the world. It does not exist today. Thus we might hope to repeat the contribution which we made in the past against the police states of the world. Thus we could hope to reestablish peace at home and in the world.

Israel: A Brief History of Recent Arab-Israel Relations and Suggestions for a Lessening of Tensions and Restoring the Balance of Power in the Area

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. AUCHINCLOSS. Mr. Speaker, I am grateful for the privilege of inserting in the RECORD the excellent address made by our colleague, the gentleman from New Hampshire, the Honorable CHESTER E. MERROW, on Sunday evening, April 8, before the Jewish National Fund, Third Seder Celebration in Lakewood, N. J., which is in the district I have the honor to represent. It is a speech containing much wisdom and sound judgment and is a constructive contribution to the problems facing our country in the Near East.

The Third Seder Committee of the Jewish National Fund is headed by Irving L. Kantor who has done an outstanding job in administering his responsibilities. The Third Seder under his leadership has contributed more per capita to the Jewish National Fund than any other comparable community in the United States and this is certainly something to be proud of. Such an achievement does not happen by chance but is the result of outstanding leadership, devotion to duty, and the cooperation of everyone who is interested. May I point out, Mr. Speaker, that cooperation is not forthcoming unless there is respect and confidence in the leadership.

Mr. Robert J. Novins, the chairman of the United Jewish Appeal of the Toms River, N. J., community of Jewish farmers, also has contributed much in this undertaking. It is a great privilege for me to represent in the Congress these fine Americans and I am very grateful to my colleague, Congressman MERROW, in meeting with them and bringing to them the wisdom of his experience.

Mr. MERROW's address follows.

TENSION IN THE MEDITERRANEAN

The United States is much concerned with the tense situation that exists throughout the Mediterranean area. This section has always played an important role in the history of the world, and today, with the problems in North Africa, the striving for self-determination in Cyprus and the struggle by the young State of Israel to maintain its security, the Mediterranean holds the spotlight in international affairs. It is fervently hoped that satisfactory solutions to these problems may speedily be found. These issues must be resolved so that a general holocaust will not be loosed in this section of the world.

I welcome the opportunity to be here today to speak about one of the critical situations in the Mediterranean area, namely the relationship between Israel and the surrounding Arab States. Since the United States wholeheartedly backed the formation of the State of Israel in accordance with our traditions of freedom and self-determination, we are deeply interested and gravely concerned with the tension that exists in the Middle East. We are resolved that the state shall not be overrun or destroyed, and we seek a peaceful solution to the controversy existing between Israel and the Arab States.

ESTABLISHMENT OF ISRAEL

On May 15, 1948, the new State of Israel was proclaimed an independent nation—a sovereign unit in the ranks of the world powers. Israel was established by a United Nations resolution, vigorously supported by the United States. The Declaration of Independence read by David Ben-Gurion pledged that, "The State of Israel will be based on the precept of liberty, justice, and peace, taught by the Hebrew prophets." Israel is the youngest democracy, and as such, is the great hope of freedom in the Middle East.

Israel has been an energetic and valuable member of the United Nations and has contributed greatly to the development and the success of this organization. I had the privilege of serving as a delegate on the United States Delegation to the 10th General Assembly from September 20 to December 20, 1955, and can attest personally to the valuable and statesmanlike contribution of Israel to the United Nations. Therefore, it is not only the United States which is interested in the welfare of this state, but the United Nations is deeply concerned since Israel was formed under United Nations' aegis.

Faced with weighty internal problems inherent to nationhood, Israel also had to deal externally with problems of far greater moment. The tiny nation found herself wedged between the Mediterranean Sea and unfriendly Arab nations whose harassing border incursions and warlike utterances and actions compelled her to divert a large part of her resources from economic development to the defense of her frontiers. Even though this had to be done in the interest of self-preservation, there has been great economic development in the state of Israel.

On various occasions I have visited the country and have found that the progress is tremendous. It is a modern democratic state, in an area that is much in need of development and democracy. To compound the difficulty, Communist arms and technicians are being supplied to Egypt and to Syria, creating a grave menace to the national survival of the State of Israel. In view of this worsening situation, we will do well to turn our attention to a reexamination of Arab-Israeli relations and the role of the United States in the Middle East.

FIGHT FOR SURVIVAL

At the end of World War II, the centuries-old dream of the Jews for a national homeland came true. Directly after the proclamation of the State of Israel by the United Nations, the states bordering on Israel engaged in open warfare against her. The United Nations immediately began an investigation of the matter, but it was not until many bloody exchanges had occurred and nearly a year of strife had taken place that any reasonable arrangement was found to terminate the bloodshed. On February 24, 1949, an armistice agreement was signed by the interested parties and a momentary truce was instituted. But it was only a reprieve, for the hostile forays of the Arab nations have continued unabatedly from that date to the present time.

It would appear that the enemies of Israel are determined to destroy the tiny state and obliterate her from the Middle Eastern map. The Arab States have steadfastly refused to accept the new State of Israel as a reality and refuse to sit down at the peace conference table with her. This acceptance and conference should and must be forthcoming before the present difficulties can be resolved.

The United Nations has established the state and under no circumstances will we or the other powers allow Israel to be destroyed. Antagonistic groups within the bordering nations continue to boycott, infiltrate and sabotage Israel. At the present moment, Egypt, in making a bid for Arabian leadership in the Eastern Mediterranean, is attempting to use the northern frontier countries of the Baghdad Pact as its principal target.

The Baghdad Pact includes Britain, Turkey, Iran, Iraq, and Pakistan. The Baghdad powers are scheduled to meet in Tehran from April 16 to April 20. Deputy Under Secretary of State, Mr. Loy Henderson, will be an observer at this meeting. It is felt that the United States must put its weight behind this pact lest under the pressure of Saudi Arabia, Egypt, and Syria, together with the agitation of the Soviet Union, the pact may disintegrate and then the way would be paved for penetration by the Soviet Union in the Middle East. It is unfortunate that Col. Gamal Nassar, Egyptian Premier who apparently is the main instigator of the opposition to Israel, has served notice on all that the Arabs will not hesitate in using force, even though it may automatically mean war.

BORDER DISPUTES IN 1955

Last summer the Middle Eastern crisis was further aggravated by operations by the Arabs in sporadic forays across Israeli frontiers. Attacks were met with counterattacks, terminating in an interchange of accusations and flagrant truce term violations by all parties. When the United Nations truce commission's investigation was completed, the Security Council held seven meetings between March 4 and April 19, 1955. The decision of the Security Council on March 29, 1955, was a condemnation of Israel's attack on Egyptian forces. The basis of this action was that the United States and the other world powers said the attack was in the nature of a reprisal—a premeditated act. They felt that the fact that Israel's borders had been harassed for months by Egyptian raids and infiltrators was not adequate justification.

TRIPARTITE DECLARATION OF 1950

The Tripartite Declaration of 1950, entered into between the United States, Great Britain, and France, recognized "that the Arab States and Israel all need to maintain a certain level of armed forces for the purpose of assuring their internal security and their legitimate self-defense and to permit them to play their part in the defense of the area as a whole."

The declaration also stated: "The three governments take this opportunity of declaring their deep interest in and their desire to promote the establishment and maintenance of peace and stability in the area and their unalterable opposition to the use of force or threat of force between any of the states in that area. The three governments, should they find that any of these states was preparing to violate frontiers or armistice lines, would, consistently with their obligations as members of the United Nations, immediately take action, both within and outside the United Nations, to prevent such violation."

ANTI-ISRAEL BROADCASTS

By the middle of the summer, the official radio mouthpiece of the Government of Egypt, Saut el Arab, had increased its anti-Israel barrage of slander and vituperation, with such statements as the following: "We cannot always remain in a state of war with Israel. We are therefore compelled to mobilize all Arab potential to exterminate her finally. Therefore let us plant in the hearts of the younger generation a hatred of Israel."

This sort of emotional nationalistic fervor can only lead to further misunderstanding and tension, with the passions rising in an ever ascending crescendo toward war and disaster.

SECRETARY DULLES' SPEECH ON AUGUST 26, 1955

Hoping to break this deadlock which has formed in the Near East, Secretary of State John Foster Dulles on August 26 devoted a major policy speech before the Council on Foreign Relations to the problem of how this stalemate might be broken. His proposals were among the most constructive efforts brought forth to stabilize the situation. He suggested that there be compensation for the 900,000 Palestinian refugees by Israel to be financed by an international loan, participated in substantially by the United States. The Secretary stated that security could be assured "only by collective measures which commit decisive power to the deterring of aggression." Mr. Dulles stated that, "President Eisenhower has authorized me to say that, given a solution of the other related problems, he would recommend that the United States join in formal treaty engagements to prevent or thwart any effort by either side to alter by force the boundaries between Israel and its Arab neighbors. I hope that other countries would be willing to join in such a security guaranty, and that it would be sponsored by the United Nations." The Secretary of State pointed out that the existing boundary lines were established by the armistice agreements of 1949. He said that the drawing of permanent boundaries is a difficult task and that the lines fixed by the armistice agreements of 1949 were not designed to be permanent in every respect. He reaffirmed the willingness of the United States to help in reaching a solution to the boundary problem and other matters.

Israel's reaction to this was favorable, of course, but its leaders felt it was only one step toward resolving the dilemma. They pointed out that Israel had always been ready to make peace with the Arabs and offer concessions on the resettlement and compensation of refugees as part of a general peace settlement. However, they insisted that the fact of a united Arab front pledged to destroy Israel as a sovereign state left them no choice but to make Israel stronger militarily and to strengthen its ties with other areas. Israel maintained that if there had been any genuine attempts by the Arab groups to compromise or diminish their intransigent attitude, she would be open to negotiation and suggestions. But Israel could see no such change in the Arab attitude forthcoming.

In July 1955, for example, David Ben-Gurion offered to meet with Premier Gamal Nasser "or any other Egyptian statesman who is ready to meet with me in order to consider ways and means of improving relations between Israel and the Arab States." No reply was made to this, but within the month armed bands of Egyptians were making deep raids into Israeli territory, west and north of the Gaza demarcation line. It has been obvious that from the Arab point of view the war was not over—after all, only an armistice had been agreed to, they argued. It is no wonder that Israel feels that she must do all she can to balance the military strength the Arabs are acquiring from the Communists.

On February 6, 1956, several Republican Members of Congress sent a letter concerning the Israeli-Arab situation to Secretary of State John Foster Dulles. I support the views expressed in this letter and to it give my wholehearted endorsement. I quote certain parts of the letter: "Under the Tripartite Declaration of 1950, our Government recognized 'that the Arab States and Israel all need to maintain a certain level of armed forces for the purpose of assuring their internal security and their legitimate self-defense and to permit them to play their part in the defense of the area as a whole.' Because of a fear of growing imbalance of arms, the Government of Israel desires to purchase defensive arms strictly for purposes of self-defense. We have individually, and now collectively, taken the position that Israel as a firm part of the free world should be allowed to obtain in the open market such weapons as would assure her protection against aggression. What is the position of the State Department on this matter?

"We do not contend that tension in the Middle East can be finally resolved by the provision of defensive arms alone. We are convinced that immediate negotiations for the conclusion of a treaty of peace between Israel and the Arab world should be undertaken. These negotiations should be effectively implemented by our Government in association with those governments which joined in the Tripartite Declaration of 1950.

"It is vital that prompt and decisive measures be taken to end the threat of war in the Near East.

"To achieve this end the negotiation of formal treaties guaranteeing the existing frontiers of Israel and the Arab nations is essential, but essential also is a willingness to negotiate such treaties. We believe that a treaty of peace and a guaranty of existing frontiers should be offered to all interested parties in the Middle East and should be implemented promptly as to the frontiers of that nation or those nations which accept the proposed peace terms. Otherwise we continue to be faced with the refusal of some nations to enter into peace negotiations or even to recognize the existence of the State of Israel. What is the position of the State Department in this regard?

"There are two additional matters as to which we seek information from the Department: first, we do not believe that economic aid should be extended to any nation which is engaging in warlike or aggressive maneuvers against any part of the Free World. Therefore, we would like to go on record as urging our Department of State to consider most carefully further extension of economic aid, denying such aid to those countries which by their actions endanger the peace and security of free nations. What is the position of the State Department in this regard?

"Second, we agree with your August 26, 1955, statement concerning the immediate desirability of economic and technical help in resettling those Arab refugees whose continued presence in their present location delays or impedes the possibility of a total solution of the Arab-Israel problem. What progress has been made by our Government and associated nations toward the solution of this matter?

"We recognize that the continuing effort of our Government to counter the spread of world communism has many facets. Action taken anywhere may have repercussions in all parts of the world. But we do urgently feel that our constituents will be better informed by frank statements of the position of the Department of State wherever that is possible, consistent with national security. As Members of Congress, who support the aims and objectives of this administration, we are particularly anxious that our constituents be advised that the Department is taking positive steps toward the protection of free nations such as Israel and toward the dissolution of dangers which, in threatening the peace of Israel, threaten also the peace of the free world."

UNITED NATIONS ACTION IN 1956

As a further blow to the Israeli efforts to maintain a balance of power in this troubled Mediterranean area, on January 19, 1956, the United Nations Security Council unanimously voted to condemn Israel for an attack on a Syrian military post which took place on December 11, 1955. Even though Israel agreed that United Nations action must be supported, nevertheless, she felt she could not solely depend on the United Nations because the Soviet Union has a veto in the Council. From January on, therefore, the State of Israel has been pressing for more dependable and quicker means to meet the threat of aggression from the Arab States.

On the 4th of April the Security Council of the United Nations unanimously requested Dag Hammarskjold to go to the Middle East. This was done by the adoption of a United States-sponsored resolution. It is hoped that the Secretary General's mission will result in decreasing tensions in that area. Mr. Hammarskjold will endeavor to obtain better compliance with the armistice terms. His recommendations, which are to be reported to the Council within a month, are anxiously awaited.

ISRAEL STRIVING FOR SECURITY

Israeli leaders have been striving persistently for some additional guaranty for her security, especially in the form of a mutual-defense treaty with the United States and military assistance to Israel in order to remove the arms imbalance being created by Communist arms shipments to both Egypt and Syria. Israel is well aware of the long-run value of the Tri-Partite Declaration by the United States, Great Britain, and France to intervene in the event of organized aggression by either side, but, nevertheless, she does feel that at the moment of attack, arms and military materiel will be needed if she is to withstand the initial shock of the aggression for which no big power declaration can effectively act as a substitute. In other words, a security guaranty is not a substitute for defensive strength. As a supplement to arms it would be an excellent idea, but it cannot be considered an alternative solution, but rather as one piece in the whole fabric of security and defense guaranties.

I have always maintained that the Near East is an area vital to the security of the United States and that of the free world. The little State of Israel forms an important bastion of freedom and independence in that area. I feel that it would be perfectly proper and timely for the United States to supply arms to Israel in the context of that nation's legitimate self-defense and within the larger context of the security of the United States. This is possible within the framework of the mutual-security legislation, which is the basic law governing United States military assistance to friendly nations. I have been a firm supporter of this legislation since its first enactment in 1949 and I have consistently supported aid to the State of Israel under the mutual-security program.

Israel is already getting arms and assistance from France. We have taken the position that we have no objection to the shipment of arms to Israel by France and Great Britain. In view of the unwillingness of the Arab States to reach an equitable solution on the frontiers and, in view of the determination to oppose Israel as is evidenced by the attitude of intransigence, Israel should receive arms from the West to guarantee her security. Such arms are necessary in our own national interests.

The shipment of arms to Israel would, in my opinion, serve as a necessary military deterrent, the element which needs to be restored in order to maintain security in the region. Israel, it must be explained, does not insist upon a numerical superiority in arms but only an adjustment of the existing military imbalance resulting from transactions of the Communists. It is my firm conviction that a United States arms shipment would be a positive step to settle, or at least to lessen the present trying conflict, and certainly would further American and world democratic interests in sustaining and strengthening the new democracy of Israel. This is a feeling that is increasing in the United States as the situation in the Near East steadily deteriorates.

CONCLUSION

But apart from the moral and spiritual blow which this would mean to the whole free world, it is only too apparent to us that the loss of the sovereign State of Israel would be a crushing defeat to the United States, since the disappearance of this citadel of freedom would not only break the bonds of world democratic solidarity but would also open up the Near East to Soviet domination. The United States surely will not allow this to happen, and it is becoming a matter of increasing concern to every American.

I feel, as I have stated, that it is proper for us to furnish arms to Israel on the basis of the legitimate self-defense of the nation and within the larger context of the security of the United States. This situation must be settled peacefully, for if war comes it may well destroy not only Israel but may well engulf the entire world. Israel is the bastion of democracy in the Middle East. The state has been established by the United Nations and with our wholehearted support. We were the first to recognize Israel. Our influence and leadership must be used to make the existence of the State of Israel a recognized and accepted fact and we must vigorously oppose any solution to the Near East problem that would interfere with the sovereignty and security of the State of Israel.

The integrity of Israel is essential to our own security. Israel has made a valiant struggle for freedom and democracy. Israel stands foursquare against the Communists and anything that would impair the state would be of assistance to the Communists in their endeavor to firmly establish themselves in the Middle East. Stability in this area must be restored and arms are essential for self-protection. At the same time every effort must be exerted to reach a peaceful and satisfactory solution in this troubled area. If we help Israel build the necessary defensive strength to protect herself against aggression, she will be able to build in peace the model of freedom which I believe firmly will inevitably have a profound influence on the whole area of the Near East. Thus, by setting an example of peace and democracy, Israel will fulfill her historic mission.

Israel is the bulwark of democracy in an area where the Communists are using every effort to secure a foothold. This bastion of freedom is the free world's greatest hope of halting the incursion of communism in an area vital to our security.

A Bill To Amend the Civil Aeronautics Act of 1938

EXTENSION OF REMARKS

OF

HON. HERBERT ZELENKO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. ZELENKO. Mr. Speaker, today I am introducing a bill to amend the Civil Aeronautics Act of 1938 requiring that no civilian aircraft should be operated within the territorial limits of the United States, unless the owner thereof has given proof of his ability to respond in damages in such amounts as the Board shall prescribe, for the death or injury to any persons or damage to property resulting from the operation of such aircraft for which the owner thereof may be liable.

Commercial airlines adequately protect the public in this regard. However, the rise in the number of privately owned civilian aircraft with its concurrent rise in accidents have caused a problem somewhat similar, although smaller, to that involving the use and operation of automobiles.

Many thousands of our citizens have been maimed and killed, and their property destroyed in accidents involving the use of privately owned airplanes. Adequate compensation for such damage has not been forthcoming due to the fact that many private owners of such aircraft are not financially responsible. This has resulted in economic privation and permanent suffering of the victims of these accidents who have found themselves with uncollectible judgments or claims.

This bill will provide adequate protection for the public in such situations.

The Quest for Understanding

EXTENSION OF REMARKS

OF

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. YATES. Mr. Speaker, under leave to extend my remarks in the Record, I include the following newsletter:

The Quest for Understanding—Newsletter No. 178

March 19, 1956.

Dear Friend: Veteran Congressmen are like doctors in affecting a professional air of poise and self-confidence. Rarely do they seem disturbed. Even though they may be torn inwardly by doubt, fear, or anger, outwardly their attitude is one of totally unruffled composure.

Witness, for example, the ease with which Hanry Clay disposed of a hostile Congressman whom he encountered in one of the narrow corridors of the Capitol. The angry man refused to move over. "I never give way to scoundrels," he snapped as he pressed forward. Clay bowed and stepped aside. "I always do," he retorted as he continued on his way.

Members of the Appropriations Committee, handling as they do the purse strings of Government, generally possess this quality to a great degree. Long experienced in intricate problems of Government finance, they take even the most unusual and extraordinary budget request in stride. However, a hearing before our committee last week subjected us to an extremely rigorous test.

We were visited by a delegation of some of the Nation's most eminent scientists. They were asking for $28 million to complete preparations for the International Geophysical Year, the worldwide scientific exploration which will take place in 1957. They came loaded with charts, graphs, mathematical formulas and a disarmingly simple manner. But as soon as they began their presentation we knew we were going to have a rough time.

Dr. Richard Porter, one of the country's great experts on rockets, was the first witness. He discussed the proposed experiment to launch a small sphere, called the earth satellite, into outer space to revolve around the earth like the moon. Dr. Porter soon had the committee members revolving quite dizzily around him. In response to the blunt question, "How are you going to get the thing up there?" Dr. Porter replied: "We get it up there by rocket propulsion * * *. This is the fundamental equation of the rocket." Turning to the blackboard, he wrote the following:

$$\text{"}\Delta v = Vg \log \frac{m\ 1\text{"}}{m\ 2}$$

Then he proceeded to make the formula clear: "The change in velocity in any kind of rocket," he explained, "discounting gravity and the effects of air, in other words, just the effect of the rocket propulsion, is equal to the exhaust gas velocity times the logarithm of the mass at the beginning, divided by the mass at the end."

Chairman Albert Thomas, of Texas, was equal to the occasion. "That is just simple," he said—"go ahead, Doctor." The doctor went ahead. For a brief period he moved through his complicated processes, and then, as though he had had enough, he summed up: "The satellite stays up because of centrifugal force. It is projected into its orbit by a three-stage rocket weighing 22,000 pounds at takeoff. It probably will be a spherical object about 20 to 30 inches in diameter. The final object will weigh about 20 pounds. It will carry instruments for at least one experiment at a time, which will radio information back to us on earth."

Until this summary, one of the committee members had been wishing for a more simple, if less scholarly explanation, like that of the astronomer who, while observing the heavens through the huge telescope at Mount Wilson Observatory, suddenly announced: "It's going to rain." His students were impressed, and one asked, "How do you know, sir?" Still peering through the telescope, the scientist declared: "Because my corns hurt."

It was the chairman who asked the $28 million question. He wanted to know whether the enormous amounts of time and energy and the scientific brains and effort to be poured into the experiment would bring commensurate results. Dr. Porter's answer was in the affirmative. "The important thing is not knowledge," he said, "but understanding. Understanding comes from knowledge. It comes from all kinds of knowledge. By taking the bits of knowledge we will get from the programs on aurora and air glow, and the upper atmospheric rocket program which gives only spot pieces of information, and by taking the continuing information we will get from the satellite program, I very confidently predict that the greatest upsurge of new scientific understanding of our time will follow."

The committee approved the funds for the experiment. Aware of our own limitations, we did not want to impose restrictions on those who know none—who are looking toward the horizon beyond the horizon—who are looking for greater understanding.

Your friend,

Sidney R. Yates,
Member of Congress.

Civil-Rights Legislation

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. KEATING. Mr. Speaker, today I have introduced two more legislative proposals prepared in collaboration with the Department of Justice to supplement the measures introduced Monday as part of the administration's civil-rights program. The gentleman from Pennsylvania [Mr. Scott] and the gentleman from New York [Mr. Miller], who joined in proposing to establish a bipartisan Commission on Civil Rights and a Civil Rights Division of the Justice Department on Monday, are likewise sponsoring this legislation.

One of these bills is designed to, first, prevent anyone from threatening, intimidating, or coercing a voter in any election; second, authorize the Attorney General to institute civil action in such cases; and, third, eliminate the requirement that all other remedies must be exhausted before cases can reach the Federal courts. The second proposal would give the Attorney General authority to bring civil suits against civil-rights conspiracies, such as groups attempting to deprive a citizen of equal treatment. In the past, such suits could be filed only by the injured individual.

Enactment of these 2 measures and the 2 introduced Monday will be an important step forward in guaranteeing the civil rights of all citizens regardless of race, creed, color, or political affiliation. At an appropriate time during the deliberations of the Judiciary Committee next week I shall offer these four proposals in a single bill as a substitute for the omnibus measure which we are now considering.

I trust that serious and open-minded consideration will be given these proposals. If we try to bite off more than we can chew, Congress will get exactly nowhere—as in the past. On the other hand, if we follow the administration's moderate and constructive suggestions on civil rights I am confident we can reach agreement and get favorable action. Solid accomplishment is now possible. Let us not ruin the chances of success by an unrealistic approach to this serious national problem.

Hon. A. M. Artajo, Minister of Foreign Affairs of the Republic of Spain, Visits Washington

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. ZABLOCKI. Mr. Speaker, the city of Washington is playing host this week to the distinguished Minister of Foreign Affairs of the Republic of Spain, the Honorable A. M. Artajo, and to his charming wife and daughter. I join my colleagues on this occasion in expressing the hope that the distinguished foreign visitors will enjoy their stay in Washington, and that the official conferences between Foreign Minister Artajo and Secretary of State Dulles will aid in providing firm groundwork for cooperation between our two nations in coping with the menace of international communism.

I am certain that I need not recall the fact that the Republic of Spain has shown very realistic understanding of the nature and menace of communism.

Perhaps the most prominent evidence of this understanding has been the attitude of the Government of Spain toward the fate of the once-free nations of Europe which are today suffering under Communist domination. On repeated occasions, officials of the Spanish Government have declared their sympathy for the people of those captive nations, expressing their conviction that the principles of justice demand that they be freed from the bonds of Communist enslavement.

Indicative of the position taken on this issue by the Government of Spain is a statement made recently by Foreign Minister Artajo who, when asked to comment on the subject of coexistence with the Soviets, said:

> When Russia will liberate the subjugated countries, we will begin to believe in her good will of coexistence.

This was a forthright and farsighted statement, which offers an open and objective test of Soviet intentions.

Mr. Speaker, it is my sincere hope that the exchange of views taking place this week between the representatives of the Republic of Spain and of our Nation will make a constructive contribution to our efforts intended to bring about an era of just and lasting peace in the world.

There Is a Bottom in the Barrel

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. HOFFMAN of Michigan. Mr. Speaker, rich and powerful as we are, is there a logical reason why we should assume the burden of contributing to the support of the rest of the world? Endeavor through education and force—and don't forget the force—to maintain peace throughout the world?

There are other lands greater in area than the United States. Other nations with far more people. Yet some people assume that we should, and insist that we must, wherever on earth there are those who have less than we, divide with them. That whenever, wherever, nations quarrel, we should step in and, figuratively speaking, knock their heads together, insist they cease fighting. We would be as successful doing that as is the individual who ventures into a neighbor's home to settle a family argument.

Since World War I, we have given other nations more than $51 billion. If all the babies, the helpless, those who for some reason or other do not pay an income or other tax, pay their full share, you and I owe on that contribution around $300 each.

Some nations used 3 billion of the dollars we gave them to decrease their national debt. As we borrowed that $3 billion, we are paying $90 million a year interest on that $3 billion while our debt piles up.

While our national debt in 1916 was but $971,562,590, we have jumped it as of March 20, 1956, to $277,249, 684, 429. You figure how much you owe of that. I'm tired.

Now the Congress is being asked for an additional $4,858,975,000 for foreign aid for the fiscal year ending July 1, 1957.

We can ruin ourselves by imposing an ever-increasing tax burden on ourselves. We can, and eventually we will, if we continue our give-away program, destroy our prosperity, impoverish ourselves, be forced to repudiate our national debt, or find ourselves working, yes, perhaps fighting, for other nations.

There is a bottom to the barrel and, in my judgment, we have reached it.

It would be all very well to borrow money to help others or to furnish our allies munitions of war, if we could be sure that they would in time of need stand with us, oppose our enemies, fight Communism. But experience tells us that when their own interests are involved, other nations forget all about us, each does what it thinks will best preserve its own sovereignty.

Today, while we are sending aid and munitions of war to other countries, hoping to stop communism, those countries are doing business as usual with the Communist-block countries. They have been shipping more than 250 separate items, machines and machine tools, to Communist governments for the past 2 years. That is the report of a Senate committee of which John L. McClellan is chairman.

Is it not about time we quit pouring our money down a rathole, wasting our substance and munitions in other lands, where eventually they reach the Communists? There are plenty of things which need doing here at home, not the least of which is the perfecting of our own national defense.

Peter D. Vroom

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. O'HARA of Illinois. Mr. Speaker, there was waiting for me on my return from a few days in my district in Chicago a letter telling of the death of Peter D. Vroom. For half a century he was my close friend. For a number of years illness had confined him to his home, but the bonds of a long and dear friendship were kept freshly vibrant by frequent exchange of letters. I shall miss those messages from my friend who now has passed to another and a higher sphere.

Peter D. Vroom was one of the finest newspapermen that I have ever known. He was reporter on the Chicago Tribune during the colorful era of James Keeley. Oldtimers in Chicago will recall Jim Keeley as a powerful and dynamic newspaper editor. Pete Vroom was so close to Jim Keeley that when the latter left the service of the Chicago Tribune to take over the public relations of the Pullman Co., Pete Vroom went with him.

The world in which he was such a vibrant personality has gone. He was past 80 when the hand of death was laid upon him, and most if not all of his associates in the journalism of the period of his prime had preceded him to the grave. I should not want his passing to go unnoticed. He was in every sense of the word a great American, and he lived up to a great and a proud name.

I am happy that the name of Peter D. Vroom will be continued in the generation of the present by his son, also named Peter D. Vroom. Back in colonial days, in the early years of the Republic and in the developing years that followed there has always been a Peter D. Vroom. How many of that name and of that blood served as governors, as judges in the courts and in other high public offices I cannot say with exactness, but the number was large.

One of that family, whose name erroneously is spelled Broom in some published lists of the makers and signers of the Constitution of the United States, was but 35 years of age when he served with Washington, Madison, Hamilton, and the other immortals in the writing of the Constitution of our country. Maj. William Pierce, a fellow delegate to the Constitutional Convention, spells the name correctly "Vroom," in his pen sketches of his fellow delegates.

If my colleagues will turn to page 1959 of the biographical directory of the American Congress they will find that another of the family blood and name, Peter D. Vroom, was elected as a Democrat to the 26th Congress, convening on March 4, 1839. This Peter D. Vroom was electer Governor of New Jersey as a Jackson Democrat in 1829, 1830, 1831, 1833, 1834, 1835, and 1836. He was a presidential elector on the Democratic ticket of Pierce and King in 1852 and also a presidential elector on the Democratic ticket of Seymour and Blair in 1868. He at all times carried proudly the name of Peter D. Vroom. My friend whose death has brought to me a load of grief carried proudly and well in his day and generation that name. To the son, to whom is left the rich heritage of a good and famous name, is presented a challenge that I know he will meet in the spirit of his father and his forebears.

To the widow, Hope, and to the son I extend my deepest sympathy.

Hon. Jonah J. Goldstein 70 Years Young

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. DAVIDSON. Mr. Speaker, I should like to place in the Congressional Record the partial story of a great man and a useful life. Judge Jonah J. Goldstein, of the Court of General Sessions of the City of New York, is this month celebrating his 70th birthday. He is still in every way a young man and a vibrant personality. Through the years, he has dedicated himself to the service of his community and the well-being of others.

At the age of 16, he took charge of a group of youngsters from the lower East Side, accompanying them each summer to Surprise Lake Camp at Storm King on the Hudson. This institution is now known as the Eddie Cantor Camp For this service, Jonah received a little vacation himself—a free ride to and from camp, lunch, and 5 hours in the country. He was the first group boy in the Educational Alliance to serve as a group leader. The group he led was known as the Young Americans. Shortly after this, he helped to organize the Jewish Big Brother movement and served as its volunteer secretary. The Jewish Big Brother movement soon proved its value. Court records showed that 60 percent of youngsters who got into trouble and who had no big brothers, returned to the criminal courts and ended up in adult penal institutions. On the other hand, of those who did have big brothers to guide them, less than 3 percent found difficulty later on. In the course of his big brother work, Jonah acted as a lay rabbi on the high holy days, conducting religious services at the House of Refuge on Randalls Island.

As a young man, he was a resident worker at the University Settlement. A resident worker usually served at least 2 nights a week at the settlement, but Jonah did not limit himself to the 2 nights; more often he served 6 nights a week and all day Sunday.

Shortly after the infamous Becker case and the Rosenthal murder, he helped to organize the East Side Neighborhood Association for the purpose of combating vice and other evil conditions on the lower East Side. Of this association, Dr. Henry Moskowitz was chairman, Miss Lillian Wald was vice chairman, and Jonah was executive director without salary. In 1911, the late lamented Alfred E. Smith was majority leader of the Assembly of the State of New York. He took Jonah to Albany as his secretary and as clerk to the all important ways and means committee of the State legislature. While at the State capitol, Jonah helped draft a bill requiring that children, appearing in the children's court, should receive both physical and psychiatric examination before sentence. It took 3 years before this bill became law. For 2 years the State legislature passed the bill only to have it vetoed by the then governor. Upon the third try, Jonah succeeeded.

Al Smith was extremely fond of his indefatigable coworker and his affection for Jonah was returned in full measure. During this time, Al Smith was chairman of the annual fund raising affair for the Holy Name Centre for Homeless Men. Jonah assisted him. Upon Al Smith's passing, Jonah was asked to step into Al Smith's role as chairman and as director of the Holy Name Centre.

In 1920 he met Harriet B. Lowenstein, who was extremely active as a social-service worker and intimately connected with the Federation, the Joint Distribution Committee, as well as being philanthropic advisor to the late Felix M. Warburg. Harriet and Jonah were married in July of 1920. Ever since, she has been his partner, loyal and loving companion, and the inspiration for all of his many activities. Harriet was for 13 years the comptroller of Federation. When she retired, Jonah was elected a trustee at large. He now is, and for the past 15 years has been, the chairman of Federation's Council of Fraternal Organizations.

In 1929, as representatives of the Jewish Agency and the Joint Distribution Committee, Jonah and Harriet were asked, on 48 hours' notice, to go to Palestine to inaugurate a relief program and investigate the causes of interracial riots in that land.

In 1931, Mayor Walker appointed him a city magistrate. He served as chairman of the committee on reorganization of the magistrate's court, introducing such reforms as the consolidated bail bond, health examinations in the women's court before admission to bail, and the stagger system in traffic court. He was responsible for the organization of the adolescent term of the magistrate's court, over which he presided after regular hours, and he successfully fought for the removal of the criminal stigma theretofore given by the magistrate's court in all family nonsupport cases by turning them over to the newly created domestic relations court. He is the author of many articles on social service and the law, as well as the book entitled "The Family in Court," which is used as a textbook by social service students.

In 1936 Judge Otto A. Rosalsky died. In his place, Gov. Herbert Lehman appointed Jonah a judge of the Court of General Sessions. He was elected to that court in 1939 and has been serving there ever since.

In 1945 Jonah tried, but did not succeed in taking on the bigger job of mayor of the city of New York.

He was one of the organizers of the United Jewish Appeal for Greater New York, created to avoid a multiplicity of campaigns and has served as a member of the board since its inception. He was president for 5 years of the Central Bureau for Jewish Aged and Infirm. For 14 years, he was chairman of the New York Jewish Committee of the Boy Scouts of America and, for 7 years, he served as president of the Jewish Club. He is still active in support of the Harlem branch of the Young Men's Christian Association, but the major portion of his spare time after these many and varied activities is engaged in working for the organization which is closest to his heart—the Grand Street Boys' Association, of which he is now serving his 21st year as president. As a corollary and culmination to his work at Grand Street, his greatest pride is the Grand Street Boys' Foundation to which he has dedicated himself wholeheartedly.

Jonah has been one of the most useful members that our community of New York has ever had. His service has always been effective, unstinted, and given without distinction to race, creed, or national origin.

Mr. Speaker, I have given but a few of the highlights of Jonah's useful life. There are many people who played an important part therein. None, however, bore a greater influence than his dear wife Harriet, whose sacrifices and guidance in large measure made possible Jonah's many accomplishments.

Jonah J. Goldstein, 70 years young, still leading a crowded, busy, useful life, rich in experience, wise, compassionate and eager to help his fellow man—he stands as a tower of strength, whose contributions to society are, in his own words "only my way of paying back for the privilege of living in a great democracy."

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 11, 1956

Mr. GWINN. Mr. Speaker, why do we continue to tolerate an alien idea that politicians in Washington can manage our private affairs better than we can ourselves? They now manage our corn, wheat, cotton, rice, butter, cheese, dry milk, tobacco, peanuts, et cetera, or one-third of our agriculture. It is a mess. Government housing at half rent, tax-exempt, is an outrage on the taxpayers and just as bad on the Government tenants. Government socialized power, like TVA, and irrigation projects at taxpayers' expense everywhere are blights on the people who take the money. Our foreign aid, now up to $60 billion, or $1,500 per American family on the average, does not satisfy the Socialist governments to whom it is paid. They want it doubled. Our friends over there out of power scold us for financing their enemies and ours. They are nearly all mad at us. We have bought few friends. So, Government robbing of Peter to pay Paul weakens Peter and demoralizes Paul.

The very idea that our Government should ever exercise such powers was utterly repugnant to us for 140 years. It was thought impossible. We so feared the evil tendencies of government that we drastically limited its functions to its only legitimate sphere, namely, the protection of life and property, keeping law and order. Then, to make doubly sure, we had the politicians chained to these proper and limited functions—we specified in 1789 what Congress could tax and spend. We limited the functions and taxing and spending power of our cities and counties and States, too. Fortunately, we have kept and enforced those limitations and as a result we have not gone Socialist, with few exceptions, in our cities, counties, and States. Our socialism, viz: converting private property into public or government owned and operated property, is confined almost entirely to Washington. We breed our Socialists and Communists there.

After 25 years of their infiltration of one of the old parties in power, Congress is unable to repeal and wipe off the books the socialism we have already got. Unless we are able to somehow wipe it off the books completely, we must go on. For we must be all socialized or all free. There can be no coexistence—half Socialist, half free. Obviously if we socialize corn as we have for 17 years, every living thing that consumes corn must ultimately be socialized. Farmers cannot buy Government owned and controlled corn and sell beef, pork, milk, and eggs in a free market. The burden of an average of $250 per year on every family taxed to pay the $10 billion our present socialization costs makes its extension inevitable. For example, you hear people cry out under this burden and you hear them say: "After we pay our taxes we have not enough left to pay for the care of our sick, our aged, the education of our children," and so forth.

So Mr. KELLEY, Democrat, of Pennsylvania, introduces the Kelley bill providing for Federal aid and control of education on a vast scale. It has already passed the House Committee on Education by a vote of 21 to 9. It will likely come before the whole House for action at this session.

It proposes to take from the taxpayers $400 million a year for each of the next 4 fiscal years, a total of $1,600,000,000, and redistribute that largess to some of the States at the expense of others for schoolhouse construction. Six industrial States in the North and West, that is, New York, Pennsylvania, Ohio, Illinois, Michigan, and California, would be compelled to put up 57.654 percent of the total tax moneys and get back but 35.747 percent of the benefits as grants for classroom construction in those States. They will pay approximately $928 million in taxes and get back approximately $576 million for the 4-year period. Besides, they will pay additional taxes to cover the overhead cost of the United States Government doing this utterly foolish job of taking our money from us, giving only about half of it back, and giving the rest to other States. Thus the unblushing scheme for the redistribution of the wealth started in 1932 goes on.

It works in detail like this: For example, for the 4-year period New York State will be compelled to give up $299,984,000 toward the $1,600,000,000 and will get back but $128,950,640. Thus New York will lose $171,033,360 in the transaction, plus its share of the overhead costs of the operation mentioned.

The city of New York would pay $134,454,320 and get back $72,480,000 representing a loss of $61,974,320 plus the usual overhead.

Westchester County residents would pay $13,777,920 and the county would get back $7,427,560 for building schoolhouses, a loss of $6,350,360.

And as for Putnam County, the smallest county, the Federal taxes would amount to $287,040 and the county would get back $154,740 in Federal aid, or a loss of $132,300 in the 4-year period. Thus you can readily see, based on the current cost of between $33,000 and $40,000 to construct a classroom, Putnam County will pay in Federal taxes enough to build about 8 classrooms in order to get the Federal funds back to build about 4 classrooms. The Federal Government will decide where to build the other schoolrooms with Putnam County's money.

These figures were compiled by the Empire State Chamber of Commerce at Albany, N. Y. They are available for every county in New York State.

Title II of this Kelley bill would put the Commissioner of Education in the investment banking business by creating a school bond purchase revolving fund with an original appropriation of $300 million and the further authority to purchase "obligations of local educational agencies" in the aggregate principal amount of $750 million. This is on the theory that the school district credit is so bad nobody else would make the loan to them. So, under the Kelley bill, the Federal Government just robs Peter and loans the money to Paul anyway. This so-called revolving fund is to have a life of 4 years. At the end of 4 years the headaches and uncollected balances, together with any cash remaining in the fund, will be transferred to the Treasury Department for them to worry about.

But, Mr. Taxpayer, these two little practice blows of the Kelley bill are just meant to condition you for the third blow. Otherwise title III of the bill would knock you cold.

Title III proposes that the Commissioner of Education may make Federal Government advances not to exceed $6 billion to some, but not all, of the 57,000 school districts. They would be selected according to his judgment as to need and other deserving qualities. So that those States that have sweated out their bond issues to build schools will get none because they no longer need them, while those that have dragged their feet longest, waiting for the Federal Government to take over, will get their loans. What a bonanza. Six billion to play politics with. But that's not all—the Commissioner of Education is authorized under the Kelley bill to "pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired or arising under title III."

So, if these borrowing school districts continue to drag their feet and say they "can't pay," why then the Commissioner can forget the loans. What politician wants to sue voters, especially school districts, anyway?

And section 313 (b) provides that the "financial transactions of the Commissioner in making advances pursuant to this title shall be final and conclusive upon all officers of the Government."

This means that the Commissioner's acts are final. There is no appeal from his management even if he never collects a dime of the loans.

Now, all this adds up to $1,600,000,000 under title I, $750 million under title II, and $6 billion under title III, a possible total of $8,350,000,000. There are 40 million American families to pay it. That means that each American family will be taxed $207.75 on the average to provide this new form of Federal aid. Add to that $1,450 per family on the average each one pays now, and add $25 per family for each new billion dollars for new socialization to come, and you will get some notion of what we face.

Those families in New York State and the other States mentioned will get next to nothing under titles II and III because they are not so-called needy States. They can pay but cannot take. Many other States will get back a mere drip at best.

Thus, the Kelley bill, sponsored especially by the National Education Association, takes us the first big step in socializing and controlling the school system, like other areas described above are already socialized.

Below are the losses six industrial States will sustain annually under title I alone. These are normallly Republican States outrageously penalized by every Federal aid program on the books, including this proposed new one.

The overhead is not shown below because it is well-nigh impossible to estimate Government overhead costs. It runs as high as 30 percent in most Government activities. Our 2,400,000 Government employees, their offices, rents, and expenses come high.

We must add to these costs of Federal management of our schools the Federal wage rates of the Bacon-Davis Act. School districts cannot chip in and get volunteer workers, or workers of any kind if they accept Federal funds except generally unionized workers at union wages as determined by the Department of Labor. These additional costs are estimated at from 25 to 30 percent over and above what the school districts would pay without Federal intervention.

State	Pays in percent	Pays in dollars	Gets back aid dollars
California	7.620	$30,480,000	$27,545,819
Illinois	8.228	32,912,000	20,247,262
Michigan	8.711	34,844,000	17,058,887
New York	18.749	74,996,000	32,794,708
Ohio	6.734	26,936,000	20,236,416
Pennsylvania	7.612	30,448,000	25,105,737
Total	57.654	230,616,000	142,988,829

Subtracting the aid received back from what is paid out, the losses in each State are as follows:

California	$2,934,181
Illinois	12,664,738
Michigan	17,785,113
New York	42,201,292
Ohio	6,699,584
Pennsylvania	5,342,263
Total	87,627,171

Compare the losses in the 6 States with the gain in the State of Mississippi. Mississippi will pay in taxes $800,000 toward the Federal-aid program and get back $6,506,886, which is better than an 8-to-1 return.

In spite of that a committee of the Mississippi Legislature investigated and rejected some years ago the idea of Federal aid to education. Yet this proposed bill virtually forces the States to take it whether they want it or not.

There is great variation in the percentage of income which each State spends on education. There is not a single State but that can better afford its own education than can the Federal

Government with its almost bankrupt Treasury. Some States spend twice as much as others. For example, Wyoming spends 3.99 percent of its income and Massachusetts spends 1.88 percent on public education. This makes no allowance, of course, for the private and parochial schools.

The following table shows the percentage of income spent for the school year 1953–54 by each State and the rank of each State on the basis of its current expenditures for schools:

State	Percent of income spent on current expenditures	Rank
Alabama	2.92	18
Arizona	3.14	13
Arkansas	2.49	29–30
California	2.87	19
Colorado	2.76	21
Connecticut	1.90	47
Delaware	1.96	45–46
Florida	2.57	26
Georgia	2.61	25
Idaho	3.18	12
Illinois	2.04	43
Indiana	2.26	33
Iowa	3.34	7
Kansas	2.77	20
Kentucky	2.14	40
Louisiana	3.12	14
Maine	2.25	34
Maryland	2.24	35–36
Massachusetts	1.88	48
Michigan	2.19	37–38
Minnesota	3.24	10–11
Mississippi	3.00	16
Missouri	2.07	42
Montana	3.45	6
Nebraska	2.66	24
Nevada	2.16	39
New Hampshire	2.41	31
New Jersey	2.30	32
New Mexico	3.90	2
New York	2.12	41
North Carolina	3.08	15
North Dakota	3.61	4
Ohio	1.98	44
Oklahoma	3.24	10–11
Oregon	3.25	9
Pennsylvania	2.19	37–38
Rhode Island	1.96	45–46
South Carolina	3.32	8
South Dakota	3.49	5
Tennessee	2.49	29–30
Texas	2.56	27
Utah	3.75	3
Vermont	2.75	22
Virginia	2.51	28
Washington	2.74	23
West Virginia	2.97	17
Wisconsin	2.24	35–36
Wyoming	3.99	1

In some areas two-thirds of the school-age children go to private or parochial schools. They are cut out of aid entirely although the parents must pay the taxes. The Federal Government would, if let alone, flatten out all differences, religious, economic, and political, between the States. Obviously when this process which is now on is completed there will be no taxpayers to pay for our socialized areas. And there will be no private or parochial schools for the same reason. Central governments just cannot endure variety and differences between people, between States, between communities. It cannot endure differences in effort and compensation. It would flatten out everybody and make the industrious look just like the lazy and indifferent—and call the program Federal aid. It no doubt would give all pupils the same grade. There would be no reward for extra effort and skill.

Column 1 of the following table shows the percentage that each State pays of all taxes collected, for whatever purpose; column 2 shows on that basis how much each will contribute annually to the $400-million annual fund; column 3 shows how much each State will get back, according to the United States Office of Education:

State	Percent pay in	Dollars they will pay in	Dollars they will get back
Alabama	0.542	$2,172,000	$8,968,658
Arizona	.232	928,000	2,537,686
Arkansas	.226	904,000	5,313,957
California	7.620	30,480,000	27,545,819
Colorado	.897	3,588,000	3,611,322
Connecticut	1.841	7,364,000	4,782,862
Delaware	1.288	$5,152,000	$535,050
Florida	.967	3,868,000	7,623,902
Georgia	1.002	4,008,000	10,237,501
Idaho	.153	612,000	1,691,790
Illinois	8.228	32,912,000	20,247,262
Indiana	2.287	9,148,000	10,226,657
Iowa	.755	3,020,000	6,420,128
Kansas	.719	2,876,000	4,750,027
Kentucky	1.900	7,600,000	8,317,970
Louisiana	.744	3,096,000	8,090,229
Maine	.244	976,000	2,244,876
Maryland [1]	2.726	10,904,000	16,202,148
Massachusetts	2.719	10,876,000	10,573,691
Michigan	8.711	34,844,000	17,058,887
Minnesota	1.516	6,064,000	7,692,816
Mississippi	.200	800,000	6,506,886
Missouri	2.532	10,128,000	9,174,710
Montana	.167	668,000	1,594,187
Nebraska	.585	2,340,000	3,229,909
Nevada	.121	484,000	466,327
New Hampshire	.178	712,000	1,279,688
New Jersey	2.944	11,776,000	11,343,672
New Mexico	.152	608,000	2,320,790
New York	18.794	74,996,000	32,794,708
North Carolina	2.206	8,824,000	12,178,549
North Dakota	.091	364,000	1,724,325
Ohio	6.734	26,936,000	20,236,416
Oklahoma	.894	3,576,000	5,715,215
Oregon	.611	2,444,000	3,893,287
Pennsylvania	7.612	30,448,000	25,105,737
Rhode Island	.424	1,696,000	1,778,549
South Carolina	.361	1,444,000	7,005,748
South Dakota	.102	408,000	1,724,325
Tennessee	.729	2,916,000	9,174,710
Texas	3.120	12,480,000	21,982,431
Utah	.424	1,696,000	2,168,962
Vermont	.108	432,000	965,188
Virginia	1.539	6,156,000	9,207,244
Washington [1]	1.184	4,736,000	6,355,059
West Virginia	.419	1,676,000	6,747,750
Wisconsin	1.857	7,428,000	8,740,918
Wyoming	.081	324,000	780,826
Hawaii	.194	776,000	1,409,825
Possessions			422,000
Total	99.656	398,664,000	400,000,000

[1] Maryland includes District of Columbia and Puerto Rico. Washington State includes Alaska.

Such taking of private property without due process and transferring it into public or socialized property is, of course, pure socialism, according to the dictionaries.

The Kelley bill is not the administration bill, nor is it a Republican Party measure. It is the proposal of the National Education Association—a teachers' union and lobby—and of the Socialist wing of the Democrat Party.

The bill sets up no formula to guide the redistribution of $8,350,000,000. It writes a blank check. It makes a commissar out of the Commissioner of Education to "do good" with other people's money as he pleases.

This Kelley bill is the last word in a bureaucrat's prayer.

Think of the reams and reams of regulations that can be written around every step in getting this $8,350,000,000 away from the places where it is and out to the favored districts of some of the 57,000 school districts where the Commissioner thinks it should be.

Then just think of the thousands of new bureaucrats that will be needed to administer this section of the bill, to settle and cancel the claims, and do all the other things necessary to satisfy enough of the voters to keep the plan alive and going beyond the deadline of 1960 set forth in the bill. All of this is supposed to end then. But that too is only a part of the Government's deception.

For do we not know by now that a temporary measure in Congress to meet an emergency for schools or anything else becomes one of the most permanent pieces of legislation?

Mr. Eisenhower has said in a letter to me regarding Federal aid to education:

> In my own mind I am perfectly clear as to the basic principle and have more than once made public statements to the effect that I definitely oppose every unnecessary intervention of the Federal authority and the Federal Treasury in what should be local business and local responsibility. * * *
>
> I would flatly oppose any grant by the Federal Government to all States in the Union for educational purposes. Such policy would create an ambition—almost a requirement—to spend money freely under the impulse of competition with other localities in the country. It would completely decry and defeat the watchful economy that comes about through local supervision over local expenditures of local revenues.

That is the truth we all know.

Then he warns:

> In short, unless we are careful, even the great and necessary educational processes in our country will become yet another vehicle by which the believers in paternalism, if not outright socialism, will gain still additional power for the Central Government.

And to indicate that he is aware of the evils of socializing our local school systems, Mr. Eisenhower had this to say:

> If local communities do their job, then there will be no need for additional centralized revenues for nationwide subsidies of an essential local character, and we will avoid the pitfalls of extreme centralization.
>
> Very frankly, I firmly believe that the army of persons who urge greater and greater centralization of authority and greater dependence upon the Federal Treasury are really more dangerous to our form of government than any external threat that can possibly be arrayed against us.

His fear, our fear, lies in the seizure or assumption of power by government over us. We all fear, indeed we witness, the corrupting evils of government promises to do for us what we ought to do for ourselves. It weakens the capacity and the will of the people to manage their affairs for themselves. All of our great leaders have warned us against the evils of the Central Government we are now embracing. Who is so dull that he cannot understand that the Government has not a dime that it does not first take from the people? It corrupts us with our own money. It captures us and takes away our resistance by false promises of something for nothing.

All this adds up to a rule that whatever you add to the power of government you subtract from yourselves. So there is no such thing as Federal aid. For the Government to promise aid as though it has something to give apart from what it takes from the people themselves is a fraud on the people.

Of course, it is a bit natural that the professional schoolman should want the power of money from the Central Government in his hands. Some superintendents naturally want to be relieved of the slower, more hesitant, and more democratic processes, as well as the mistakes inherent in the exercise of local responsibility. He assumes that in the exercise of the people's responsibility by government, it will make no mistakes.

To maneuver the people into a willingness to put themselves under Government management and control, the Government itself controls the very thoughts of the people by its own propaganda. For example, the Government makes a survey to see if there is a classroom shortage. A Government agency, the United States Office of Education, gathers the information from school superintendents in the States, and not from the parents, taxpayers, or laymen who have no professional interest at stake. The professionals who gather, and those who provide the information for the Government are by and large already committed to Federal aid and have been for years. After they get the information all slanted the way they want it they arrange a White House conference. When the conference is over it is manipulated so that a committee of 2 is appointed, one a former chairman of the Council of Chief State School Officers and now a chief school officer of one of the States, and the other a former chief State school officer, now executive secretary of the National Council of Chief State School Officers—operating in conjunction with the National Education Association. Both are active—almost violent—crusaders for Federal aid. With some considerable difficulty with the stubborn facts growing out of the White House conference of 1,800 delegates, this National Education Association committee of 2 report what they wanted to think was a consensus of the 1,800 delegates at the conference. The Government itself picks up just the right lines and gives them the whole Government propaganda works. The delegates had no opportunity to vote and create news for their side of the case. No one knows how they would have voted. All we have is the above-described consensus report of two prejudiced persons. All the modifying, restrictive, and the downright opposition to Federal aid that was in the White House Conference is buried. Even the great widespread opposition of the professionals themselves is buried at the bottom of the confusion of paperwork. What private citizen or group of so-called free citizens would dare to controvert even the false statements of Government?

The governmental propaganda machine picks out of the consensus report what the professionals who set it up intended for it to emphasize. So all officialdom beats the drums for the Kelley bill. The power of big government smothers individual freedom of thought and resistance.

While the President called the White House Conference in the best of good faith to study the 6 fundamental problems in our educational system, only 1 of the 6, namely Federal aid, got any serious attention. The best thinking of the professionals who manipulated the conference was that there was nothing wrong with education that more money from the taxpayers would not cure.

The laymen, taxpayers, parents, businessmen, farmers, and laborers, a small minority in the conference, asked questions about improving teaching methods. What about the use of television? How about renting school buildings more scientifically built by private capital, just as all the post offices are now being rented instead of owned by the school board? They wanted to know why the inventive creative capacity of the local citizens were not more capable of meeting all their local needs than the Federal Government. They questioned whether the great teachers of unusual skill and ability might not be used through new techniques such as television to reach a greater number of pupils. Could not such teachers be helped by assistants or aids or apprentices at lower cost to free the great teachers of many chores incident to the real job of teaching? They wondered why no particular changes had been made in the teaching techniques and particularly in the number of pupils per class and the costs per pupil while in every other profession tremendous improvements have taken place increasing the number served and reducing the cost of the same. Why should teaching be static?

No answer to any of these questions came out of the conference. The professional and the governmental bureaucratic purpose is to bring down the number of pupils in the class and bring up the number of the classrooms, always at increased cost. Obviously the size of classes must be increased far beyond what has been standard for about a century in order to bring down costs. Many of our colleges are conducting classes of 100 or more. George Washington University has had classes of as high as 1,300. It must not continue to be easier for one of the biggest lobbies in Washington to lobby for taxpayers' money than it is to try to improve education and reduce the cost at the same time.

Our school buildings, highly expensive, are idle much of the time, the weekends and holidays. Their use starts at 8:30 or 9:00 a. m., ends at 4:00 p. m. When William A. Wirt started his plan at Gary, Ind., he pointed out:

> We are handling three times as many pupils and giving each pupil more hours of education than is customary in a high school and that actually the cost per pupil is around 65 percent of the normal cost.

By starting his classes at 8:00 a. m., continuing them through the day and into the evening, 12 months of the year, he was able to give far more effective education at a lower unit cost. A similar plan might be suggested as one of the possible economies.

Local communities, if left alone, with their native American genius, intelligence, necessity, and financial capacity, will find a way to solve their problems. They alone can meet their necessities. They alone know what they are.

Address of Hon. Clair Engle at Annual Convention of National Wildlife Federation

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EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 11, 1956

Mr. METCALF. Mr. Speaker, one of the biggest meetings in the conservation field is the annual convention of the National Wildlife Federation State affiliates. It is attended by delegates representing 3 million sportsmen and lay conservationists throughout the Nation.

This year's convention was held last month in New Orleans, just prior to the North American Wildlife Conference.

The keynote speaker at the 20th annual convention was our colleague, the chairman of the House Committee on Interior and Insular Affairs.

A distinguished conservationist, the Honorable CLAIR ENGLE, of California, advised members of one of the largest conservation groups to get behind an affirmative program of conservation legislation instead of concentrating on winning negative victories.

An audience of 250 heard his speech. Among them were delegates from State wildlife federations and sportsmen's leagues, together with the leaders of practically all the national conservation organizations—the Izaak Walton League of America; Wildlife Management Institute; International Association of Game, Fish, and Conservation Commissioners; The Wilderness Society; National Parks Association; National Audubon Society; The Wildlife Society; American Fisheries Society; Sport Fishing Institute; Nature Conservancy; American Forestry Association; American Nature Association; Sierra Club, and others.

I am sure my colleagues will be interested in this important and timely address, which follows:

Hon. CLAIR ENGLE. Thank you very much, Mr. Woodward, for that very complimentary introduction. I am not only flattered by that fine introduction but I am also proud and happy to be here.

I am not quite sure whether or not you are prepared for a serious discussion tonight but I am convinced that within the confines of this room there is a deeper concentration of real conservationists than you could get into a room of comparable size anywhere else in the country.

Of course, I hope that you ladies here do not mind listening to legislation for I have been informed by the toastmaster that the ladies are the real conservationists—they not only believe in it but they have to put up with their husbands who believe in it and go out hunting and fishing and leave them as widows.

I am going to talk to you tonight as a legislator who deals in conservation. Eventually, in all of these problems, we have to get down to the point where somebody writes a bill. I always say to people who talk to me about legislation that I can give them the first line, "Be it enacted by the Senate and House of Representatives," and that is where I stop and say that they can take it from there.

Many of the things you want to achieve as conservationists can only be achieved through legislation. It is important therefore that conservation-minded people be informed on legislation affecting their interests and skilled in the use of the legislative process.

I would like to start with the last session of this Congress and comment briefly on three major pieces of legislation which I know were of great importance to you. One was the mining bill. Another was the defeat of the Echo Park Dam and the third had to do with the Pittman-Robertson funds. I would like to mention each of those, not in detail, because I am sure that most of you are familiar with them, but because they teach a lesson about the problems of legislation.

With reference to the mining legislation, there are two things that I would like to say to you about that. The first is that in that legislation, for the first time, we took a step toward getting ahead of this mining-claim problem so we will not be constantly lagging behind as in the past. Over the last 5 or 6 years, the mining claims filed upon the public-land areas of this country in the national forests and on the public domain have increased from some 4,000 to over 166,000 claims. Quite obviously, if we did not do something about setting up procedures for knocking off the old and stale claims, we were going to fall constantly behind. We got started toward holding even.

The second thing that I want to mention about that legislation—and it is significant—is the kind of support that it had. I would like to read to you what the committee report said about the organizations supporting the legislation:

"The language of the bill, as reported, has been developed with the support and cooperation of both the Departments of Agriculture and Interior.

"Included in a long list of national, State, and local groups and individuals supporting this legislation are the following:

"American Mining Congress, American Federation of Labor, Independent Timber Farmers of America, American Forestry Association, Western Lumber Manufacturers, National Wildlife Federation, Sports Afield, National Lumber Manufacturers Association, National Farmers Union, Wildlife Management Institute, The Izaak Walton League of America, The National Grange, Northwest Mining Association, Northern Rocky Mountain Sportsmen's Association, Western Forest Industries Association, Western Forestry and Conservation Association, United States Chamber of Commerce, Society of American Foresters, and the American Nature Association."

This seems to me to set an example and a pattern for action for other and further successful legislation that should be followed in the future. When I get down to the next phase of this discussion, the problem still before us, I will further comment with respect to that.

I think this was the finest example of cooperative action among those interested in public land problems in the United States that I have seen in the 13 years that I have been in the Congress. This organization and all of the others that took part have a right not only to be proud of what they accomplished in getting it passed but they also can be proud of the unusual cooperation among the various users of the great public land area that they secured in getting it done.

I refer next to the defeat of the Echo Park Dam by deletion from the upper Colorado River project. This, of course, was a major victory for conservation; it did not occur because you convinced any of the sponsors of the bill that they ought to take it out of there on its merits. It occurred because they were convinced that they could not pass the legislation through the House of Representatives unless it were deleted. That bill passed the Senate Interior Committee by a vote of 11 to 1 with Echo Park in it. Then it passed the United States Senate by a vote of 58 to 23, better than 2 to 1, with Echo Park in it. But then what happened?

This is an interesting commentary as to how things are done legislatively. I walked up to one of my friends from Ohio one day and said, "Are you going to vote for the upper Colorado Basin project?" He said, "No; I cannot do it." I said, "Why can't you do it?" He said, "Because I have a stack of letters from the various conservation groups in my district and I cannot spend all of this next summer explaining to them why I voted for that bill."

It simply boiled down to this: He had no particular interest in the legislation—the project was not in his district—he was not going to gain anything by it for his district or his people; but if he voted for it he suffered a very definite detrimental effect in his area by having to go out and explain to all of the conservation groups why he did it. There were just enough people like that in the House of Representatives so that they could not pass the legislation with Echo Park in it and so it was taken out.

It is to the lasting credit, in my opinion, of those represented here and of the other conservation groups throughout the country, that after Echo Park Dam was taken out and language protecting the national parks was inserted, that these organizations withdrew their opposition.

That was clearly stated on the floor of the House the other day.

Why is it that conservation groups can show such significant power in one instance and then seem to completely spin their wheels in getting action in other instances?

The matter of the Pittman-Robertson funds is simply a lesson that we should not leave money lying around in Washington. We are lucky indeed that we got it in time and that somebody did not lay hands on it and make a distribution of it in other directions. We will not let so many years go by again, I hope, in letting that money pile up.

Now, I think that the conservation groups learned something about their strength in the preceding session of Congress. They have some solid accomplishments to talk about and in which they can certainly take real pride. This session that strength should be consolidated and put into affirmative action.

What do we have coming up in this session? We have legislation relating to funds for recreation in the national forests. Let me give you the history of that legislation going back for 6 years.

We had a Congressman from Arkansas who first introduced that legislation. That was in the 81st Congress, 6 years ago. It was called the Tackett bill and didn't pass. Then it was called the Baker bill and that bill died. Now we have a number of similar bills pending by METCALF and others. We realize the need for that legislation with 45 million recreational visits to the national forests in this land, an acceleration of 2 and 3 times since the end of the last war. We know that the budget for the Forest Service has been inadequate for recreational purposes even though it has been increased in the past several years from $611,000 to $1.6 million in the budget of 1956.

We have a Mission 66 for the Park Service and I am sure that you people are familiar with that, too, if not with all of the details, at least with the general concept and objectives of that legislation.

Why is it that conservation organizations that can defeat the Echo Park Dam legislation and cause amendment to the 1872 mining law cannot move a simple bill calling for earmarking of a percentage of funds, not to exceed $5½ million for forest revenues for recreation?

I think that it is because we have failed to realize what the legislative difficulties are.

For instance, the Appropriations Committee sits there and says, "We don't like this business of earmarking funds for we then do not have any control over them." The members on the Agricultural Committee have also said that they are opposed to doing it. In addition, recreation is hard to sell in Washington. When we were running a thirty-five to forty million-dollar military budget, people thought that they had better get some of this money into the Treasury rather than putting it in recreation. Recreation is a hard program to sell. It is hard to sell to some of these hard-fisted Congressmen who are worrying about the budget and about taxes.

We need some self-help provisions (as I call them) in this legislation. I think that we have got to do two things—first, we have to get around the opposition of the Appropriations Committee and, second, then we have to put in some self help insofar as the national forest users are concerned. If we get those two things put in the bill, then we might begin to move forward. My bill in this respect says that the money shall be earmarked but shall be appropriated each year by the Appropriations Committee. That is not quite as good as just slicing it off in a direct appropriation but it is going a half step. Our experience has been—and this legislation is drafted on the basis of similar legislation for the improving of grazing for I almost took the language right out of the statute and applied it to this situation—that if we ever get an earmarking of funds we are well on the way to getting them.

The history has been that money comes along because the earmarking acts as a mandate to the Appropriations Committee.

I think that we are going to have great difficulty in the self-help field with those provisions which would require a general license for the use of recreational areas in the national forests by all the users. That is something that is hard to administer in the first place and it is also going to get tremendous opposition, I think, from some of the sportsmen's groups.

I had a gimmick out in my area that the Forest Service will not go for but which is a good one. They issue the campfire permits and I said, "Why not charge a dollar for those?" The Forest Service said that they do not issue the permits in all of the States. I said, "So what? Forty percent of the visitations in the national forests occur in the three Western States and if we get that money in and earmark it for recreational activities, at least it will help." Those are just suggestions and there may be other ways of doing it, but in any case provision must be written which will require some user participation in the costs of recreation; that is what I call self-help.

With the Water Pollution Control Act expiring this year, we are going to have to get something done on that. The time is coming very soon when we won't have any game fish in the major streams in this country unless we stop the pollution of those streams. Mr. BLATNIK has that legislation. It is good legislation, and I feel sure that it will get through in some form before the present law expires. I am not so sure that he will get his hundred million annually for construction grants, but he will get something fairly close to it.

Now, in hurrying along I want to talk to you about another subject that will be before you and on which legislation has not as yet been drafted—that is the matter of military reservations on public lands. We have found out that military establishments are stepping out, especially in the Western States, and blocking out huge portions of our country for military uses and in some instances as special hunting preserves.

The Defense Department agencies have withdrawn lands which in total area exceed the States of Massachusetts, Maryland, New Hampshire, and Delaware combined. If the withdrawals of the Corps of Engineers are added, then the total acreage of the State of Connecticut could be added to that. If the present applications of defense agencies are approved, there will be added to the list of lands permanently withdrawn from multiple use and development an area totaling in size the States of New Jersey, Rhode Island, plus 50 Districts of Columbia. Therefore, if they keep what they now have and what they have applied for, they would have an area equivalent to a strip of land 14 miles wide from New York to San Francisco. I told them that if they couldn't hit that kind of a strip with their bombers, then I don't know how we were going to win any war.

We undertook to find out what kind of an operation we were up against with reference to these military withdrawals and here is what we learned:

We found out that a defense agency, by writing an application, simply by the stroke of the pen, can reserve various areas of lands in the western part of the United States out of the public domain area and that there is no other agency in the Government that has the power or the ability to pass upon the necessity for that military use. The Interior Department appeared before our committee and said they were in no position to weigh the question of military necessity. They said that they simply had to take the word of the Army, Navy, or Air Force for it.

In the hearings we pressed the defense agencies on multiple uses of the withdrawn areas. The Navy in particular began to concede concession after concession. In the beginning they claimed they needed the land forever and no one else could use it.

Now, what they have conceded to date is that withdrawal will not be necessary for longer than 10 years and that the reservations sought are really just for the use of airspace above the land and that grazing could continue on a 12-month basis. They would let the cattle in. If a cow gets killed they can pay for her. They will also allow special periods for spring and fall roundups, when the stockmen themselves can go in. They agree that established seasons for hunting and fishing can be observed under State laws; that game counts and related measures for game conservation can be carried out by responsible State officials in the area; that substantial mining operations can be continued; and that the area can be opened for recreation and prospecting purposes during the weekends.

The result of all this is that by this kind of investigation we have established the basis for multiple use of these defense areas even when they are taken over for defense purposes.

However, in my mind, that does not go to the real root of the problem and we are going to have to do something further. For that reason I am having legislation drafted which will do three things, and when it is drafted I am going to submit it to many of the leaders who are here at this meeting tonight.

The first thing that this legislation will provide is that when public land is taken over by an executive agency under a withdrawal and then thereafter becomes surplus, the land will be returned to the department from which it was taken so that it can again become a part of the public domain. Most people do not know that after they take over these areas and then declare them surplus, the property then goes to the General Services Administration and is put up for sale. I say that this is a fine way to break up the public land areas of this country and it can also be the basis for some high and mighty finagling with reference to taking over valuable pieces of the public land areas of our country. We are going to stop that.

Secondly, the measure will provide that no land can be withdrawn from public domain status by any department or executive agency without approval of the Congress unless the area involved is 5,000 acres or less. The purpose of that provision will be to return and restore control of the public lands to the Congress of the United States.

As a third item, this legislation will require that whenever public land areas are taken over for these special purposes, such as the Navy, Army, or for Air Force use, that publication in the Federal Register will be required to set for the other multiple uses that can be made of it, such as grazing, mining, lumbering, sports activities, recreation, and at what times and under what condition. The purpose of this provision is to require of the executive agencies, where they show a clear need in the public interest for a part of the public domain, that there be a sharing in use when such can occur consistently with the limited use for which the property is taken.

When we draft and pass that legislation I think that we will be a long way toward the settlement of some of these problems.

We are also doing something in connection with the protection of wildlife refuges. No sale or disposition of such lands should be made without the consent of Congress. We want to earmark a portion of the duck stamp funds in order to be sure that that money is used for the acquisition of additional refuges as was intended when the duck hunters supported the duck stamp tax.

Legislation has been drafted for a national wilderness preservation system. I have had an opportunity to examine the legislation in draft form and it will be introduced in one form or another. I am impressed with the importance of that because of a trip I made into the high Sierras this last fall. Even upon the very top of the Sierras there were jeep tracks. The jeep is opening up all of the areas of the public lands, national forests and otherwise, and unless some action is taken we are not going to have for very long a true wilderness area left in this country.

All of this legislation which I mentioned will operate in the same direction. The objective is the limiting of executive control over the pubic land areas of the Nation and placing the control of those areas more directly in the Congress of the United States. If we say that an area cannot be reserved for military purposes without the consent of Congress, or you say a refuge cannot be sold without consent of Congress, or that wilderness areas once established cannot be changed, abolished or reduced without the consent of Congress, then to that extent we have limited the authority and action of the executive agencies, and placed that discretion in the Congress.

Now, the problem is how far can we go in returning the control and restoring the control of the public lands to the Congress of the United States without destroying or improperly limiting executive freedom of action with reference to the administration of those lands in the public interest. We need a proper balance and in order to determine what that is we are going to have to, in the next few years, reevaluate the whole question of public land use. I am in hopes that some day we can write another piece of legislation which has been in my mind for a good long time which will set up the procedures for establishing the priorities of use of these public land areas for water conservation, recreation, lumbering, grazing, mining and whatever other uses may be made.

I have often said to my conservation friends that in my opinion they spend too much of their time in winning negative victories. I believe it is much more important to have an affirmative program that encompasses all of these things they seek to protect in negative victories. I would like to go one step further and say that I would like to see the conservationists tackle a real affirmative program such as set forth in the bills I have discussed and use your new found strength and unity in putting that affirmative program through Congress.

I would like to say to you, in connection with the 5 or 6 pieces of legislation that I have mentioned, that I hope that this great organization will undertake to follow through and help us in implementing these programs; that you will undertake to study the problems, to aid in drafting, introducing and supporting legislation which is designed to carry out those programs, and that you will continue to maintain an active and vigorous liaison with the other interested groups of all kinds. I hope that you will develop closer and more friendly relationships with the larger mining organizations, the livestock organizations, lumber organizations and water utilization groups with whom such excellent cooperation occurred last year on the multiple use mining bill.

I would like to take this occasion to again thank you for the opportunity of being here and to say to you that I am sure that we are in a position to move forward more constructively, more actively and more aggressively than we have ever done before in the field of conservation with the kind of leadership represented here and with the growing unity, strength and legislative know-how of this and other conservation organizations.

World Trade: Highway to World Peace and Prosperity

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. DAVIDSON. Mr. Speaker, I have today, with pride and high hopes, introduced a joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the United States World Trade Fair to be held at the New York City Coliseum from April 14 to April 27, 1957. The personal satisfaction and pleasure I have in offering this resolution is twofold: I am honored to take this small part in the World Trade Fair for it is a step toward better international understanding, economic advancement and good will; and because the New York Coliseum is part of a vast new development in my district on Manhattan's West Side. From the Coliseum at 58th Street, north to the Lincoln Square dramatic arts center, we are witnessing a vast rebuilding and redevelopment of a too long neglected area. As a result, the entire West Side is being revitalized. The city of New York, the State, and the Nation will benefit immeasurably.

The United States World Trade Fair will bolster and encourage the economies of our friends throughout the world.

The fair will be one of the first of important events to be held in the Coliseum, and rightly so. It will be the most comprehensive of its kind ever to be held in the United States. Foreign nations will be given an opportunity to exhibit

their products together under one roof, to offer them for sale to the buyers from all of North and South America at our principal port and the hub of our merchandising and marketing industry: New York City.

The well-being of all of us depends upon the ability of each to produce products, goods or services which others need. Without trade we wither and die.

At the close of World War II we recognized this and in an effort to restore the devastated lands we established the Truman and Marshall plans. Point 4 aid enabled millions of people throughout the world to start rebuilding. It is now as it has always been, the policy of the United States to assist others to achieve greater prosperity for themselves through freedom and trade. This is a continuing policy. The dole, the handout is no part of it. Necessity has at times required such measures, both at home and abroad, but it is a well-known fact of life that a policy based on handouts is bankrupt and debilitating; the giver does not like it; the receiver detests it and in time comes to despise the benefactor. We all know this truth.

It is the same in international life as it is in family life. The brother-in-law who needs and gets monetary assistance to overcome temporary financial difficulties does not resent the help at first. But as it goes on, if he continues to accept a weekly gift, he begins to lose self-confidence and self-respect. The giver meanwhile deplores the lack of initiative he sees. How much better it is to help him find a job so that he might earn his own way. Then the formerly dependent in-law becomes a productive, happy, and proud member of the family.

The United States World Trade Fair presents a unique opportunity. At the Coliseum businessmen of all nations will assemble in the most modern exhibition hall in the world. Each will demonstrate what he produces and offer it for sale, proving again what we all know: Every dollar earned in trade is worth hundreds in aid.

The cold war is now being waged in the economic arena. I stressed this fact last June when we considered the foreign-aid bill. Russia has for the time forsaken bluster and force. Now she resorts to guile and economic penetration.

Russia is in reality trying to play our game. Let them play, for we will triumph. By a positive, continuing program in keeping with our historic aims, we can and shall help others to help themselves and to eliminate want and fear, disease and hunger, war and poverty.

The United States World Trade Fair is a tangible demonstration of our desire to work with and help peoples in all nations, through free and competitive enterprise. World trade, the mutual exchange in an international market place of goods and services, of arts, crafts, cultural and scientific ideas and advances is the high road to world peace and world prosperity. No greater goal can be desired. This is our aim.

On the other hand, pure or preponderantly military alliances, as history has demonstrated time and again, are highly perishable.

Economic ties are ties of strength and solidarity when based upon an awareness of common goals and common hopes and will result in the creation throughout the free world of indestructible alliances, freely and openly made, desired by all and impervious to Communist threats or guile.

Let us then join together, here and with our friends abroad, to stride forward with determination, and with hope and strength, confident in the knowledge that through efforts such as this trade fair, part of a continuing, morally forceful and responsible program of international trade, we shall as partners in the free world achieve that ultimate goal: peace, prosperity, and freedom.

SENATE

THURSDAY, APRIL 12, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of grace and God of glory, Thou hast summoned the few among the many to serve in this forum of democracy when millions in awaking nations are halting between two opinions. We are keenly conscious that this is an age on ages telling, when the forces of darkness and the armies of light are locked in contest for the bodies and souls of men. Save us, we pray Thee, from panic and despair in a decisive day when the bright prospects of peace and freedom are challenged and seemingly dimmed by malignant forces of destruction. As the battle rages may we be strong and of good courage, enabled by Thy grace to live as well as to defend the truth that alone can make all men free:

"Our strength is dust and ashes, our
years a passing hour;
We pray Thee, use our weakness to
magnify Thy power."

In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 11, 1956, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary, and the Subcommittee on Public Health, Education, Welfare, and Safety of the Committee on the District of Columbia.

NOTICE OF HEARING ON BILL TO ENCOURAGE THE MAXIMUM DEVELOPMENT OF LOW-COST ELECTRIC ENERGY FROM ALL SOURCES, INCLUDING SPECIAL NUCLEAR MATERIAL

Mr. PASTORE. Mr. President, as chairman of a subcommittee of the Interstate and Foreign Commerce Committee, I desire to give notice that public hearings will be held on S. 2643 from April 17 to April 20 in committee room G–16 of the Capitol.

This bill seeks to encourage the maximum development of low-cost electric energy from all sources, including special nuclear material, through amendments to the Public Utility Holding Company Act.

Any persons who are interested in testifying are invited to do so, and should so advise the clerk of the committee.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Maurice E. Stans, of Illinois, to be Deputy Postmaster General; and

Two hundred and seventeen postmaster nominations.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED NATIONS

The Chief Clerk read the nomination of James W. Barco, of Virginia, to be deputy representative of the United States of America in the Security Council of the United Nations.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Lowell C. Pinkerton, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sudan.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CIVIL AERONAUTICS BOARD

The Chief Clerk read the nomination of James Durfee, of Wisconsin, to be a member of the Civil Aeronautics Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk read the nomination of Herman H. Druebert, to be an ensign in the Coast and Geodetic Survey.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James C. Sainsbury to be an ensign in the Coast and Geodetic Survey.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I am happy the Senate has taken prompt action on the Executive Calendar, as it has this morning, and as it consistently has done during this administration.

I was pleased to make the acquaintance of Mr. James Durfee, of Wisconsin, the nominee for the Civil Aeronautics Board, whom I met only yesterday. He impressed me as being an able and conscientious public servant, and I am glad the Senate has promptly acted to confirm his nomination, because there is no agency of Government that has more important work to do than has this fine Board.

Mr. President, I now ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore, The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, on behalf of the Democratic steering committee, I request that the Senator from North Carolina [Mr. Scott] be relieved from further service on the Committee on Interior and Insular Affairs, and that he be assigned to the Committee on Public Works, to fill an existing vacancy.

Mr. President, the assignment of the junior Senator from North Carolina [Mr. Scott] to the Public Works Committee is one in which all of us will take particular pleasure.

W. Kerr Scott is one of the newest Members of the Senate, but already he has established himself in the affections and in the esteem of his colleagues. He is forthright, hard working, diligent, attentive to his duties, and responsive to his obligations and responsibilities.

On the Public Works Committee, he will be backed by a knowledge and an experience that will be excellent for the committee, and productive of good for the Nation. He has displayed a deep interest in the subject matter of the committee's jurisdiction.

This assignment has the unanimous approval of the Senate majority steering committee, and I predict it will have the approval of all who are interested in the vital work of the Public Works Committee.

North Carolina has sent many distinguished Members to this body. Senator Scott—like his able senior colleague—walks in their tradition.

The PRESIDENT pro tempore. The question is on agreeing to the request of the Senator from Texas.

The request was agreed to.

Mr. JOHNSON of Texas. Mr. President, on behalf of the Democratic steering committee, I ask that the Senator from West Virginia [Mr. Laird] be named to the existing vacancy on the Committee on Interior and Insular Affairs.

The PRESIDENT pro tempore. The question is on agreeing to the request of the Senator from Texas.

The request was agreed to.

Mr. JOHNSON of Texas. Mr. President, the appointment of the junior Senator from West Virginia [Mr. Laird] to the Committee on Interior and Insular Affairs was approved by the Senate majority steering committee earlier today. The recommendation was based upon his past experience, and upon the qualifications he has demonstrated already, even though his service has been brief.

Mr. President, during the past few years, the majority has operated on the premise that every Senator—regardless of his seniority—should have at least one major committee. This policy has resulted in uncovering talent that otherwise would not have become readily apparent.

We have tried to combine the experience of seniority and the enthusiasm of the youthful Members. The result, I think, has been of benefit to the whole Nation.

The junior Senator from West Virginia is in this pattern. All of us who know him are confident that he will serve with distinction, and will contribute work and thought that is substantial to the committee's deliberations.

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by a convention of the southern region of the California Junior Statesmen of America at El Monte, Calif., relating to subscription television, which was referred to the Committee on Interstate and Foreign Commerce.

BOOKER T. WASHINGTON—RESOLUTION OF MICHIGAN HOUSE OF REPRESENTATIVES

Mr. POTTER. Mr. President, I ask unanimous consent to have printed in the Record House Resolution 40, adopted by the House of Representatives of the State of Michigan. The resolution was submitted by two distinguished members of the Legislature of Michigan, commemorating the birthday of Booker T. Washington.

Under the rule, the resolution was ordered to be printed in the Record, as follows:

House Resolution 40

Resolution relative to the centennial of the birth of Booker T. Washington

Whereas on April 5, 1856, just 100 years ago tomorrow, there was born to slave parents in a hut on a farm in the State of Virginia a son, then destined to lifelong drudgery in slavery, with education denied to him by law; and

Whereas when that boy, Booker T. Washington, was 9 years old he was emancipated by the triumph of Lincoln's armies and opportunity in life began to beckon the freed boy; and

Whereas that Booker T. Washington grew to be a great educator, a gifted leader of his race, then started on the great highway to fullness of life and an inspiration to those who struggle to success despite tremendous handicaps, overcoming high racial barriers with great benefit to the Nation; and

Whereas, well signalizing the 100th anniversary of that slave boy who came to lead a people and bless a Nation, the United States Congress, by unanimous action in each House, has just sent to the President the bill creating the Booker T. Washington National Monument, comprised of the old plantation where he was born; and

Whereas the State of Virginia by appropriation completed the purchase of the lands of the old home and birthplace, thus giving full recognition of worth, even though in a black skin: Now, therefore, be it

Resolved, That this House commends the unanimous recognition by the Congress of this great educator and national leader a century after his slave birth in surroundings of ignorance, and cherishes the hope that the coming century may well obliterate the racial prejudices which tend to handicap the fullest development of our people and their fullest usefulness to the Nation; and be it further

Resolved, That a copy of this resolution be sent to each House of Congress, to the secretary of state of Virginia, and to the Director of the National Park Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HRUSKA:

S. 3618. A bill for the relief of Jan Mroz; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 3619. A bill to amend the District of Columbia Public School Food Services Act; to the Committee on the District of Columbia.

By Mr. HILL (for himself, Mr. Purtell, Mr. Murray, Mr. Smith of New Jersey, Mr. Lehman, and Mr. Ives):

S. 3620. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Hill when he introduced the above bill, which appears under a separate heading.)

By Mr. JACKSON:

S. 3621. A bill to amend the Atomic Energy Act of 1954, as amended, with reference to the utilization of special nuclear material, atomic energy, and radioactive material by nonprofit eleemosynary or charitable institutions; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. Jackson when he introduced the above bill, which appear under a separate heading.)

By Mr. WELKER:

S. 3622. A bill for the relief of Mrs. Kenna Moore (nee McCarthy); to the Committee on the Judiciary.

By Mr. WELKER (for himself and Mr. Dworshak):

S. 3623. A bill for the relief of certain alien sheepherders; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 3624. A bill for the relief of Matsue Harada;

S. 3625. A bill for the relief of Po-ling Liu, his wife, Hsin-cheng Liu, and their minor child, George Yu-teh Liu;

S. 3626. A bill for the relief of Chih Yee Wu, also known as Jerry Wu; and

S. 3627. A bill for the relief of Cecelia Therese Lynch; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. Jackson):

S. 3628. A bill to authorize the Secretary of the Interior to construct, operate and maintain seven units of the Greater Wanatchee Division, Chief Joseph Project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROBERTSON:

S. 3629. A bill to amend section 24 of the Federal Reserve Act with respect to leasehold and construction loans which may be made by national banks; to the Committee on Banking and Currency.

By Mr. YOUNG:

S. 3630. A bill for the purpose of constructing at the Dunseith, N. Dak., port of entry Federal facilities for the Bureau of Customs and Immigration and Naturalization Service; to the Committee on Public Works.

By Mr. DWORSHAK:

S. 3631. A bill to amend the Mining Claims Rights Restoration Act of 1955, to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for reclamation reservoir sites, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WATKINS (by request):

S. 3632. A bill for the relief of Reas H. Nesrallah; to the Committee on the Judiciary.

By Mr. MORSE:

S. 3633. A bill for the relief of H. G. Purvis; to the Committee on the Judiciary.

(See the remarks of Mr. Morse when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 3634. A bill to authorize hospitalization and medical treatment for persons who have served as acting assistant or contract surgeons or contract dental surgeons; to the Committee on Labor and Public Welfare.

EXPANSION OF TEACHING AND RESEARCH IN EDUCATION OF MENTALLY RETARDED CHILDREN

Mr. HILL. Mr. President, on behalf of myself, the Senator from Connecticut [Mr. Purtell], the Senator from Montana [Mr. Murray], the Senator from New Jersey [Mr. Smith], and the Senators from New York [Mr. Lehman and Mr. Ives], I introduce, for appropriate reference, a bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies. I ask unanimous consent to have a statement in explanation of the bill printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the Record.

The bill (S. 3620) to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies, introduced by Mr. Hill (for himself and Mr. Purtell), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. Hill is as follows:

Explanatory Statement on Bill To Expand Teaching and Research in Education of Mentally Retarded Children

There is a great shortage of persons trained to work as teachers of the mentally retarded in both public and private day and residential schools, to supervise in State and local school systems, to serve as administrators, to conduct college and university programs for the preparation of more professional workers, and to do the basic research which is required for real progress in providing appropriate education and training of the mentally retarded.

A mentally retarded person may be defined as one who is deficient in his ability to learn, due to either organic or nonorganic causes. The range of deficiency is great, varying from very mild retardation to very severe. Unfortunately, it is not possible to indicate precisely how many retarded persons there are in the United States. Refinement of the figures is dependent upon further factfinding and more basic research in this neglected field, which constitutes an extensive health, education, and welfare problem. It is estimated that there are some 4 million mentally retarded persons, of whom about 1,500,000 are children. Estimates range from 1½ to 5 percent of the children up to 18 years, with 3 percent being the generally accepted and most nearly verified figure. Of the 1,500,000 children, only about 125,000 are in school, public and private.

Approximately 150,000 mentally retarded children and adults have been placed in institutions. The estimated cost of such institutional care is $50,000 per individual for the lifetime of the severely retarded who are institutionalized.

If all 150,000 of those in institutions were assumed to be school-age children, this would still give a total of only 275,000 currently provided for. Undoubtedly there are among those not receiving education or training many children too severely retarded to be able to profit from it. If the number of those beyond the help of educational programs is estimated at 225,000 and if this number is added to the 275,000 currently being provided for, the total is 500,000. This still leaves perhaps as many as 1 million retarded children who are not now being provided for.

It has been estimated that between 75,000 and 100,000 mentally retarded children are born each year. Even though mental retardation from genetic or hereditary causes is not increasing in proportion to the general population, there is evidence to indicate that the percentage of retardates will increase in relation to the total population. This increase is chiefly the result of improved medical techniques through which the lives of many brain-injured children are saved and the lives of others prolonged. With lower rates of infant mortality and the continuing increase in the expected life span, there will be a resultant increase in the number of retarded children for whom education and training must be provided until the hoped-for day when medical science finds ways to prevent or further alleviate mental retardation.

The schools throughout the Nation are being faced by a steadily increasing volume of urgent requests by parents that specialized attention be provided for mentally retarded children. Special legislation providing funds for the education of the mentally retarded has been enacted in a number of States, in addition to local provisions, in recent years and a number of other jurisdictions are currently considering such enactments. However, the serious nationwide shortage of supervisors of education of the mentally retarded, and the shortage of persons prepared to train teachers of the mentally retarded, indicate clearly that Federal assistance and leadership are necessary if this problem is to be met effectively and with dispatch.

One of the most pressing personnel needs is for teachers who will work directly with mentally retarded children in both public and private schools. At present there is a total of 10,000 teachers employed in such positions. This represents less than 1 percent of all public-school teachers in the country. However, to provide for 1 million retarded children would require approximately 65,000 teachers. (In actual practice there may be from 8 to 20 pupils per teacher, but this estimate is based on a ratio of 15 children to 1 teacher.) If the 10,000 teachers currently employed are subtracted from the estimated need of 65,000, there still remains a shortage of 55,000 teachers to provide education and/or training for mentally retarded children.

In this country there are approximately 141 universities, 732 liberal-arts colleges, and 192 teachers' colleges. However, in 1954 there were only 40 institutions of higher education which reported a sequence of courses on any level for the preparation of teachers of the mentally retarded, and of these only 18 institutions reported students on both the undergraduate and graduate levels. The average numbers of students specializing in mental retardation in these institutions was 17 on the undergraduate level and 15 on the graduate level. In the 2 institutions reporting the largest numbers of undergraduate students the ratio of regular faculty members to students was 2 to 60 and 1 to 55. In the 2 institutions reporting the largest numbers of graduate students the ratio was 1 faculty member to 45 students and 1 faculty member (responsible for all areas of exceptionality) to 40 students. Although no direct comparisons can be made, 1 faculty member to 15 students on the undergraduate level and 1 faculty member to 10 students on the graduate level is more nearly typical practice.

Some indication of the quantity as well as the quality of personnel available in a given area of specialization in indicated by the setting up of State certification requirements for teachers. In 1954 more than half the States did not have any such requirements for teachers of the mentally retarded. There were only 21 States which did have them. Among these 21 States requiring certification there were only 15 which also had institutions of higher education offering teacher training in mental retardation, leaving 6 States which had set up the certification requirements but which did not have teacher-training programs available within their boundaries. Among the 27 States not having special certification requirements for teachers of the mentally retarded in 1954, there were only 3 which had institutions of higher education offering special teacher-training programs in this area.

There are eight States in which no one is employed by the State Department of Education specifically for work either in the broader area of special education (which includes all types of exceptional children) or more specifically in the area of mental retardation. Among the remaining States which do employ someone in either or both of these areas, there are nine reporting vacancies at this time which cannot be filled because there are no qualified personnel available.

Support is urgently needed on the graduate level in order to provide the desired degree of specialization in mental retardation which will qualify individuals to fill supervisory and administrative positions in State programs, to fill positions as faculty members in institutions of higher education, and to engage in research on the basic problems of mental retardation. The vacancies existing in State education departments, the unfavorable ratio of faculty members to students specializing in mental retardation, and the dearth of reliable research findings in this area all serve to emphasize the need for graduate programs.

The need for support is important also at the undergraduate level. The undergraduate programs must be the major source of supply for the 55,000 teachers needed in the educational institutions throughout the country in order to provide for mentally retarded children who are able to benefit from attendance in special classes in public and private schools. In addition, the undergraduate programs must also provide the source of supply from which promising graduate students may be drawn for more advanced training. The present shortage of persons with adequate undergraduate training including a major in mental retardation makes it extremely difficult to recruit any substantial number of master's and doctoral candidates who can qualify for admission in the leading graduate schools without additional preparation.

Deep concern for all the problems of the mentally retarded is shown throughout many of the organizational units which make up the Department of Health, Education, and Welfare. Services for the mentally retarded are provided by the Social Security Administration, chiefly in the Children's Bureau with its programs of maternal and child health and of child welfare, and in the Bureau of Public Assistance; by the Public Health Service, primarily in the National Institute of Mental Health and the National Institute of Neurological Diseases and Blindness; by the Office of Vocational Rehabilitation in a wide range of services focused toward help for the handicapped in all categories; and by the Office of Education in its services to State educational agencies pertaining to educational programs for mentally retarded children and youth, in its program for research in the education of the mentally retarded, and its support of training programs for those desiring to specialize in the education of the mentally retarded.

This program is coordinated by the Departmental Committee on Exceptional Children which, through its wide representation, is aware of the many pressing needs of mentally retarded children. One vital answer to several of these needs is to be found in programs of education and training which will permit these children to achieve their own maximums of development according to their own capacities. It is the purpose of the proposed legislation to aid in training enough teachers, supervisors, administrators, and researchers to provide more and better programs of education and training for the retarded children who are now denied these benefits.

The enactment of this legislation is an important part of a program which it is firmly believed will insure substantial progress toward achieving the following objectives:

(a) Reducing the number of the mentally retarded who need and require institutional care.

(b) Reducing the degree of dependency of the mentally retarded who live at home.

(c) Makng mentally retarded dependents more nearly self-supporting.

(d) Reducing, by grouping the mentally retarded into special classes for special instruction, the disproportionate amount of time and attention which the mentally retarded inevitably require in the average classroom.

(e) Increasing the significance of life for mentally retarded children.

(f) Bringing added satisfaction to those families of which mentally retarded children are a part.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954, RELATING TO USE OF NUCLEAR MATERIAL BY NONPROFIT INSTITUTIONS

Mr. JACKSON. Mr. President, I introduce, for appropriate reference, a bill to amend the Atomic Energy Act of 1954, as amended, with reference to the utilization of special nuclear material, atomic energy, and radioactive material by nonprofit eleemosynary or charitable institutions.

This bill authorizes the Atomic Energy Commission to enter into contracts with universities and colleges and hospitals to assist financially in the construction and operation of reactors and other facilities either for training, for research and development, for the generation of usable energy, or for medical therapy.

The bill specifically permits the institutions, themselves, to use the power produced by such reactors.

Mr. President, this bill performs the necessary function of clarifying the authority of the Atomic Energy Commission to enter into contracts of this type. During the recent hearings on the peaceful uses of atomic energy members of the Commission expressed doubt that existing law gives them this authority.

I propose to take out of the realm of doubt the intention of Congress that educational institutions and hospitals should be encouraged by AEC assistance to step up the rate of training nuclear scientists and technicians. This bill amounts to a directive from Congress to the Atomic Energy Commission to proceed with such a program.

While there are many educational institutions presently participating in the Nation's atomic energy program, there are a great many more which desire to participate or to participate more fully, but find themselves financially unable to do so.

The University of Washington in my own State is a case in point. The university is about to spend at least $1 million to build an addition to the present steam powerplant for campus heating and electricity. However, this project involves conventional design, either coal or oil-fired.

The university has advised the Atomic Energy Commission that if the Commission would like to have the university construct and operate a nuclear powerplant in place of a conventional-type plant, the university is willing to forego present plans and cooperate with the Commission, providing the Commission underwrite the additional cost involved.

I have been advised by Harold E. Wessman, dean of the College of Engineering at the University of Washington, this is not the only university so situated. A number of State universities are faced with a similar need of expanding and modernizing their campus powerplants. These schools are not in the position to underwrite the additional cost of nuclear power over and above that of a conventional-type steam plant. However, with Atomic Energy Commission assistance they could build reactors that not only would provide the power they need, but also which would provide a new nuclear training facility.

I want to be sure the Commission has authority to enter into contracts of this type, since a major need of our country at this time is for many more nuclear scientists. This need recently has been dramatized by the Library of Congress manpower report prepared for the Joint Committee on Atomic Energy and by the appointment of the President's Commission on Scientific Manpower; public attention again will be focused on this need next week when Congressman Price's Subcommittee on Research and Development, of the Joint Committee on Atomic Energy, begins its hearings on the shortage of scientists.

The bill I have introduced is a step toward increasing the number and quality of our scientists, a step in developing peaceful nuclear power, and a step toward greater understanding of the atom.

I hope the Senate will respond to our nuclear needs by passage of this bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3621) to amend the Atomic Energy Act of 1954, as amended, with reference to the utilization of special nuclear material, atomic energy, and radioactive material by nonprofit eleemosynary or charitable institutions, introduced by Mr. Jackson, was received, read twice by its title, and referred to the Joint Committee on Atomic Energy.

H. G. PURVIS

Mr. MORSE. Mr. President, H. G. Purvis, a resident of my State, was formerly in the employ of a very substantial corporation doing business in the State of Oregon. Mr. Purvis performed the services of an accountant for the corporation, and in that capacity was familiar with transactions that related to the company's income-tax obligations to the Federal Government.

During the course of his employment Mr. Purvis became convinced that the corporation was not paying the Federal Government the full amount due under the internal revenue laws. He resigned

his position with the corporation, reported the alleged corporate income-tax shortages to Internal Revenue officials, and as the result of his disclosures the Bureau of Internal Revenue recovered delinquent taxes from the corporation. Mr. Purvis is convinced that the amount recovered totaled more than $1 million in taxes, penalties, and interest.

Pursuant to the provisions of the Internal Revenue Code authorizing payments by the Commissioner of Internal Revenue for information leading to the recovery of unpaid Federal taxes, Mr. Purvis filed a claim for reward in the sum of $150,000, plus 50 percent of any penalties assessed. The Bureau of Internal Revenue tendered him a check in the amount of $1,250 in full settlement of his claim. Under the circumstances, Mr. Purvis feels that the tender is grossly inadequate.

I have studied this case very thoroughly and have communicated with the Internal Revenue Service and the Joint Committee on Internal Revenue, and I am convinced that a larger amount should have been paid to Mr. Purvis for his services. The difficulty in arriving at a conclusion in this case centers around the fact that the Internal Revenue Service takes the position that the law does not permit disclosures of the amount that was actually recovered from the corporation as the result of information supplied by Mr. Purvis. However, it is quite obvious that if the Government in fact recovered a million dollars, or even half or a quarter of that amount, Mr. Purvis has not received a fair and just reward for the valuable service he has rendered to the Federal Government.

In fairness to Mr. Purvis, I feel that a committee of the Senate should check into this case very carefully. Accordingly, Mr. President, in order that we may ascertain the facts, I introduce, for appropriate reference, a bill for the relief of Mr. H. G. Purvis. If the facts are as Mr. Purvis alleges, I am sure the committee will report a bill that provides just compensation for this individual. On the other hand, if the committee concludes that Mr. Purvis' claim for a sum in excess of $1,250 cannot be justified, at least we will have the satisfaction of knowing that the Government has been fair in its dealings with him.

The principle in this case is extremely important. On the one hand, we have the policy of the Government expressed in a statute which authorizes the payment of rewards for information leading to the recovery of unpaid tax moneys. On the other hand, we have enormous risks assumed by individuals who supply information pursuant to the Federal statute. To illustrate what I mean I have only to refer to the fact that as the result of the public service performed by Mr. Purvis in this case, he has been unable to find comparable employment in his profession and has lost several years income. Unless the Government scrupulously observes rules of fair play in these cases and indulges in reasonable presumptions in favor of individuals supplying information to the Internal Revenue Service in cases of tax delinquencies, we are likely to find extreme reluctance on the part of the people who possess tax information that could be of great help to their Government.

I trust that the committee to which this bill is referred will go into this matter very thoroughly. I urge the committee's prompt and sympathetic consideration of the bill which I have just introduced.

I ask unanimous consent that the bill be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3633) for the relief of H. G. Purvis, introduced by Mr. Morse, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record as follows:

Be it enacted, etc., That (a) the Secretary of the Treasury is authorized and directed to pay to H. G. Purvis, of Portland, Oreg., the sum of $100,000. Such sum shall be in full satisfaction of his claim against the United States for compensation for information furnished by him to the Bureau of Internal Revenue (now the Internal Revenue Service), in connection with a case involving incorrect tax returns filed by a corporation in Portland, Oreg., for the years 1941 to 1947, inclusive, such information having substantially assisted the Internal Revenue Service to collect from such corporation a large sum in Federal taxes.

(b) The amount authorized to be paid by subsection (a) of this act shall be reduced by any amount heretofore paid the said H. G. Purvis for the information described in such subsection, and shall be paid out of any funds appropriated for rewarding persons who submit information concerning violations of the internal-revenue laws: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BENEFITS FOR SURVIVORS OR SERVICEMEN AND VETERANS—AMENDMENT

Mr. BEALL submitted an amendment, intended to be proposed by him, to the bill (H. R. 7089) to provide benefits for the survivors of servicemen and veterans, and for other purposes, which was referred to the Committee on Armed Services, and ordered to be printed.

AMENDMENT OF RULE XXV OF STANDING RULES OF THE SENATE—RECOMMITTAL OF RESOLUTION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that Order No. 1, Senate Resolution 17, to amend rule XXV of the Standing Rules of the Senate, be taken from the calendar and recommitted to the Committee on Rules and Administration. I have checked the matter with the distinguished minority leader.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. WILEY:

Excerpts from address delivered by him before Shrine Club of La Crosse, Wis., on April 6, 1956.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement for the information of the Senate. When we conclude action on the unfinished business, Calendar 1193, Senate Concurrent Resolution 36, requiring conference reports to be accompanied by statements signed by a majority of the managers of each House, I should like to have the Senate be on notice of the possibility of considering Calendar 1184, Senate Joint Resolution 97, to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor; Calendar 1628, Senate bill 3340, to transfer the functions of the Passport Office to a new agency of the Department of State; Calendar No. 1745, House bill 4909, relative to consolidation of the National Tax Association; and Calendar 1746, House bill 10004, making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

Calendar 1746, House bill 10004, is a very important appropriation bill. The reports on it are available for study by all Members of the Senate. Under the rule, the bill would not normally come up until next week. However, if it is the pleasure of the Senate to have the bill brought up this week, it could be scheduled for consideration on tomorrow or Saturday. I am continuing negotiations with the distinguished minority leader and with all other Senators who are interested in this appropriation bill, and I desire to have all Members of the Senate be on notice that the bill has been reported unanimously by the Appropriations Committee, and that so far as I know, there is no great controversy regarding the bill.

Let me ask the chairman of the Appropriations Committee, the distinguished senior Senator from Arizona [Mr. Hayden], whether he expects any controversy or floor fight on that supplemental appropriation bill?

Mr. HAYDEN. No; apparently everything is peaceful.

Mr. JOHNSON of Texas. I thank the Senator from Arizona.

Let me inquire whether the distinguished ranking minority member of the Appropriations Committee so understands.

Mr. BRIDGES. Yes; I believe so.

Mr. JOHNSON of Texas. Of course, we are hopeful that we shall be able to clean up the calendar.

I also include in this announcement Calendar 1747, Senate bill 3481, to amend the Foreign Service Act of 1946, as amended, and for other purposes. We should like to have that bill considered.

That concludes the measures which have been cleared up to the present time, Mr. President.

Mrs. SMITH of Maine. Mr. President, let me inquire of the Senator from Texas whether I correctly understood him to say there will be a session on Saturday.

Mr. JOHNSON of Texas. No, Mr. President: we have no such plan, and we hope to avoid a Saturday session. If it is possible for us to pass the supplemental appropriation bill on tomorrow, Friday, we should like to do that. It may be that, instead, we shall take up the bill on Monday, and thus preclude any possibility of a Saturday session, and make it possible for Senators who, during the week, have made engagements to speak on Saturday, to fulfill those engagements. I think we are away ahead of schedule, anyway.

At any rate, I am hopeful that I shall be able to work out some problems which exist on my side of the aisle, and that the distinguished minority leader [Mr. KNOWLAND] will be able to work out some problems which exist on his side of the aisle, so that we shall be able to take up the supplemental appropriation bill on Friday, and pass it on that day. If that is done, of course, we shall not have to have a Saturday session.

APPLICATION OF NORTHEAST AIRLINES FOR ROUTE TO FLORIDA

Mr. BRIDGES. Mr. President, an initial examiner's decision has just been announced in the so-called New York-Florida proceeding, which has been pending before the Civil Aeronautics Board for the past 19 months. On the day before yesterday, the distinguished majority leader of the House of Representatives, Mr. McCORMACK, of Massachusetts, made some remarks which were very pertinent to this subject, and I desire to compliment him upon them.

This morning, a meeting of the Senators, of both political parties, from the six New England States was held, and at the meeting this subject was discussed as a matter of grave concern to all of us.

In the proceeding before the Civil Aeronautics Board, the Board has the responsibility of determining which one of several scheduled airlines should be permitted to share in the lucrative route, extending north and south along the Atlantic coast, which is now occupied exclusively by two large airlines. It is conceded that the increase in traffic along this route warrants participation by a third carrier, and, in this case, as is so often true under our system of free enterprise, it clearly is in the best interest of the traveling public that a third airline be permitted to compete.

One of the soundest and most deserving applicants in this case is Northeast Airlines, the smallest of the 13 original trunklines in the Nation, but one which has given excellent service to New England for the past 23 years. Many of the original pioneer airlines have been permitted to grow with the increase in air traffic, and to extend their routes in such manner as to become profitable enterprises. Such is not the case with Northeast. This airline has been forced to struggle along with a short-haul route structure which makes profitable operation an absolute impossibility. As a matter of fact, without the help of Government subsidy, it is doubtful if Northeast Airlines could operate at all. It is a matter of grave concern to me that northern New England may be faced with the possible loss of scheduled air service. In my own State of New Hampshire, the loss of commercial air transport would strike a severe blow to the development of small diversified industry, as well as to the recreation business which is so important to our economy. Northeast Airlines has conscientiously given New Hampshire, as well as other New England States, dependable and convenient air service, even on routes which have proven to be uneconomical. We cannot afford to lose this service.

In addition to the economic liabilities imposed by these short-haul routes, Northeast is faced with the handicap of operating under the most difficult seasonal conditions of any scheduled airline. During the summer months, there is extremely heavy traffic into the recreational areas of northern New England, and Northeast has done a commendable job in meeting the demands of these peak months. In the winter, however, there is a much lower volume of vacation traffic, and the situation is complicated further by the greater frequency of adverse flying conditions. In brief, the combination of short-haul routes and seasonal fluctuations in traffic and weather conditions makes it literally impossible for Northeast to operate at a profit.

It is well known throughout the airline industry that a carrier must have the revenues of one or more long-haul routes, if it is to avoid operating at a loss. This is an economic fact of life which long has been recognized by the Civil Aeronautics Board itself.

In 1951, Northeast Airlines made application to extend its route from New York to Washington and then to three points in Florida. Northeast made this application in good faith. As an established scheduled airline of proven capabilities, it was believed that Northeast could supply the type of competitive service which is required to handle the increased traffic between New York and Florida. It was believed also that the public interest demands one-carrier service from New England to points in the South. Finally, it was believed that Northeast, with its trained organization, could engage in successful competition for this traffic; and I, for one, still think so.

Successful competition on the part of Northeast Airlines would not only remove the possibility that New England might lose the fine service which Northeast has provided for many years, but it would also mean that Northeast would be in a position to enlarge and improve that service. It most certainly is in the interest, not only of New England alone, but of the entire country, that every reasonable and legitimate effort be made to improve and stabilize air service to and from the northeast corner of the country. Insofar as I know, Northeast Airlines is the only scheduled carrier which has shown any inclination to give this type of service throughout New England.

Yet, in spite of the fact that the Civil Aeronautics Board's own Bureau of Air Operations strongly endorsed the application of Northeast Airlines, and recommended that Northeast, and Northeast alone, be chosen as the additional airline to service the New York-Florida route, the examiner in this case has recommended that Northeast's application should be denied and that the certificate should be awarded to another carrier. In effect, the examiner's recommendations in this case would make a big airline bigger, and would force Northeast Airlines into the position of being permanently subsidized by the taxpayers, at least for so long as it continues to operate.

In my judgment, such a finding is completely inconsistent with what I conceive to be the intentions of the Congress with respect to route assignments by the Civil Aeronautics Board. It shows a thorough disregard for the principles of healthy, competitive development among the public carriers and a total disregard for the needs and requirements of those of us who live in New England.

Time does not permit me to discuss in detail the recommendations in this case. It is sufficient to say, however, that I find something to challenge in practically every one of the examiner's observations. I consider his findings unsound and his recommendations untenable. I know that my views on this matter are shared by the other Senators from the New England States. It is my firm hope and belief that the Civil Aeronautics Board, which has ultimate responsibility for the final decision, will consider this case with its usual logic and commonsense, and will reverse the unsupportable findings of the examiner.

So far as we are concerned, New England is an integral part of this Nation. Sometimes we feel that we are forgotten, that we are in a remote corner of the Nation; but we are a very important part of it and we do not want to be entirely ignored by the Civil Aeronautics Board or any of its examiners. I wish publicly to protest this examiner's decision, and I know that I speak for most of New England when I do so.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. Mr. President, I should like to add my word to what the senior Senator from New England on this side of the aisle has said. This is a subject which is very close to the hearts of many of us in New England, particularly in the cities and towns outside the metropolitan area of Boston. I agree with what the Senator from New Hampshire has just stated. I believe that the decision of this examiner should be given very careful consideration by the Civil Aeronautics Board, and I hope the Board, in its final action, will reverse the decision of its examiner.

THIRTIETH ANNIVERSARY OF UNITED AIR LINES

Mr. BIBLE. Mr. President, an anniversary of great significance to the progress and growth of civil aviation was observed on April 6 when United Air Lines, the country's oldest air carrier, marked its 30th birthday, and American aviation passed another important milestone.

It is interesting to recall that my own State of Nevada played an important role in the birth of American air-carrier service. Turning back the pages of time 30 years, we find that Varney Air Lines, predecessor to United Air Lines and awarded one of first Government airmail contracts, flew the 460-mile route between Elko, Nev. and Pasco, Wash., on April 6, 1926.

It should be remembered that Rear Adm. Richard E. Byrd, of Antarctic exploration fame, and one of the Navy's early fliers, made a special survey flight before that pioneer mail run.

Thirty years ago it took a pilot 6½ hours to fly the uncharted 460 miles between Elko, Nev., and Pasco, Wash.

Today, United Air Lines flies its DC-7's from the Atlantic to the Pacific Ocean in 7½ hours. In 1959 United plans to fly jet airliners from ocean to ocean in 5 hours.

This story speaks for itself as it shows the great contribution United Air Lines has made to American civil aviation.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article, entitled, "One Man's Flight Into History," printed in the Chicago American on April 5 and commemorating the events about which I have spoken.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE MAN'S FLIGHT INTO HISTORY—OLDEST AIRLINE MARKS 30TH YEAR

Thirty years of scheduled air service were celebrated April 6 by United Air Lines as the Nation's oldest air carrier. It is also the only major airline headquartered in Chicago.

United had its origin in Varney Air Lines, founded in 1925 by a California aviation enthusiast, Walter T. Varney. As the only bidder for an airmail contract over a barren 460-mile route between Pasco, Wash., and Elko, Nev., Varney received one of the original airmail contracts.

Varney purchased 6 Swallow biplanes and hired an accountant, a traffic promoter, 4 mechanics and 4 pilots, with Leon D. Cuddeback as chief pilot. Charles T. Wrightson, the accountant, is now United's station manager at Fresno, Calif. Cuddeback, who later became a division superintendent for United, today is western area supervisor of the Bureau of Safety Investigation, Civil Aeronautics Board, at Oakland, Calif. Hal E. Nourse, one of the first traffic men for Varney, today is United's vice president for economic controls.

Aviation experts of that day said flying over the route between Pasco, Wash., and Elko, Nev., was impossible. Elko and Boise were separated by great stretches of uninhabited desert and broken volcanic hills in which an emergency landing could be little other than fatal.

From Boise north, the proposed route passed over a short stretch of level farmlands that ended abruptly in bleak badlands leading almost to the foot of the towering Blue Mountains of Oregon, snowclad and subject to severe winter blizzards. Rolling wheatfields led down the north slopes of this range for many miles before a fairly level approach was seen leading into Pasco beside the Columbia River.

NINETY MILES AN HOUR

The first scheduled flight of Varney was completed on April 6, 1926. Cuddeback took off from Pasco at 6 a. m., landed at Boise about 4 hours later, then flew on to Elko, arriving at 12:38 p. m. Averaging less than 90 miles an hour, his storm-buffeted Swallow carried 261 pounds of airmail.

Of the first day's flights, sent off with great ceremony, only 1 of 7 reached its destination. Others were down with motor trouble.

Six months after the operation was started the planes still carried meager loads that did not even approach the operating expenses.

Varney Air Lines for months thereafter staved off collapse and eventually became moderately prosperous. In October 1926, its southern terminus was extended to Salt Lake City. By 1928 Varney Air Lines had 27 employees and a fleet of 9 single-engine biplanes.

Three other pioneer lines became part of United's route structure. Pacific Air Transport began Seattle-Los Angeles operations in September 1926. Boeing Air Transport linked Chicago and San Francisco in July 1927, using 25 single-engined Boeing 40-A's. National Air Transport inaugurated airmail service between Dallas and Chicago in May 1926. It extended eastward to New York in September 1927, flying single-engined Curtis and Douglas planes.

The pioneer companies and Varney subsequently were welded together as United Air Lines, resulting in the Nation's first integrated coast-to-coast system—the main line.

FLYING TIME SLASHED

Boeing 247's, prototype of today's airliners, went in service in 1933, cutting coast-to-coast time to 19½ hours. Successive models, each improving on the other, in turn joined United's fleet—DC-3's, DC-4's, DC-6's, DC-6B's, Mainliner Convairs. DC-7's added in 1954 cut cross-country time to 7½ hours.

Delivery of 45 new planes this year and next will provide United with 220 piston-engine craft. In 1959 the first jets will start scheduled service, flying 4½ hours from Atlantic to Pacific. Jets will span west coast-Chicago route in 3½ hours, Chicago-New York run in 1½ hours.

FAILURE OF ARMY AND AIR FORCE TO DEVELOP ADEQUATE RESERVE PROGRAMS

Mrs. SMITH of Maine. Mr. President, for many years now I have been concerned over the failure of the Army and the Air Force to develop realistic and adequate Reserve programs for the security of our country. In contrast I have admired and commended the manner in which the Navy developed and administered its Reserve program. I have repeatedly at committee hearings expressed my disappointment with the Army and the Air Force on this matter and asked if they couldn't learn something from the Navy.

Recent history shows that one explanation between the encouraging record of the Navy on Reserve matters and the disappointing record of the Army and the Air Force is that during World War II the Navy kept its Reserve planning intact and worked diligently on it immediately after the end of hostilities, while the War Department, wherein the Army and Air Force were still housed, literally abandoned any planning or thinking during World War II about future Reserve plans and program and after the war for many years made only halfhearted efforts on a Reserve program.

There are indications that the Air Force is developing a Reserve program consciousness similar to that of the admirable attitude of the Navy. For that I commend the Air Force.

But according to an editorial in the April 1956 issue of the magazine Air Force, roadblocks are being thrown in the way of the Air Force and obstructionist tactics used by the Department of Defense to thwart real progress on an Air Force Reserve program that the Air Force is trying to develop.

I refer to the editorial by Edmund F. Hogan, Reserve affairs editor of the magazine Air Force, titled "Why the Reserve Has No Technicians" on page 30 of the April 1956 issue of that magazine—and I invite the very close attention of every Member of this body to it. I ask unanimous consent that it be placed in the CONGRESSIONAL RECORD at this point of my remarks.

Mr. President, the implications of this editorial are so serious that I urge that the Senate Armed Services Committee make a full inquiry into this matter and determine exactly what is the nature and character of the controversy between the Department of Defense and the Department of the Air Force with respect to this particular phase of the Air Force Reserve program.

Each side of this controversy should be heard. The American people are entitled to know what is going on. Congress, and especially the Senate Armed Services Committee, has a solemn obligation to look into anything that smacks of obstructionist tactics that hamper the development of a realistic Air Force Reserve program so vital to our national security.

There are increasing indications that the Department of Defense is reaching down pretty deep in each of the services to dictate details on service operations instead of sticking to overall policy formulation for which the Unification Act created the Department of Defense. This controversy is one of the latest indications.

I ask unanimous consent that the editorial entitled "Why the Reserve Has No Technicians," be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHY THE RESERVE HAS NO TECHNICIANS

(By Edmund F. Hogan)

As we have pointed out before (Air Force, January 1956) the establishment of an air technician program is a basic requirement for the Air Force Reserve.

Briefly, this program uses full-time civilian employees in place of the active-duty Air Force people who are now assigned to Reserve flying units. The civilian employees, however, must be members of the units in which they are employed and go on active duty with their units when mobilized.

The Air National Guard has had a similar program since 1946. The years have proved it to be an unqualified success. There is every reason to believe that this program in the Air Force Reserve would be equally successful. An air technician plan for the Reserve was developed by Continental Air Command a year ago. It is specifically designed to improve the combat-readiness of the 24 Reserve flying wings. But there are other important byproducts.

First, the technician plan would release some 9,000 active-duty Air Force officers and airmen for assignment elsewhere in the active establishment. Second, it would save about $2 million a year in salaries alone and an estimated $9 million a year in hidden costs required to support the present system.

Last June the Air Force submitted the plan to the Department of Defense, specifically to Carter L. Burgess, Assistant Secretary of Defense for Manpower and Personnel. Mr. Burgess looked it over and sent it back to the Air Force for answers to questions which had risen from a review of the plan by his staff.

On August 31, Air Force Secretary Quarles sent a memorandum to Mr. Burgess, replying to the questions he had asked. One of these concerned civil service status of the technicians. The legal land technical staffs of the Civil Service Commission agreed to the plan, but the Commission chairman wanted the endorsement of the Department of Defense. Mr. Quarles' memo urged that Department endorsement be conveyed to the Civil Service Commission as soon as possible.

That endorsement is still to come. In fact, every attempt to get Mr. Burgess to approve the plan has failed. Even the recommendation of his own top advisory group, Defense Department's Reserve Forces Policy Board, has not moved Mr. Burgess. This Board, headed by Dr. Milton G. Baker, has approved the air technician plan. Moreover, a few weeks ago Dr. Baker, in a personal appearance before Defense Secretary Wilson's Armed Forces Policy Council, specifically recommended that the air technician plan be given the green light. Still the plan remains pigeonholed.

Recently Congressman Ed Edmondson, of Oklahoma, asked Mr. Burgess to tell him why he continued to hold up the plan. Mr. Burgess replied as follows:

"The plan is currently being studied in my office both with regard to its intrinsic merits and its relationship to other important elements of the program.

"When our review is completed, a determination will be made as to whether the proposal will contribute to the effectiveness of the Reserve program."

That would indicate that Mr. Burgess has no confidence in his own Reserve Forces Policy Board, much less in the Air Force itself. It would seem that he still is not convinced that the plan "will contribute to the effectiveness of the Reserve program," despite the proved success of the same project in the Air Guard, and despite the fact that everyone else concerned has approved it. But Mr. Burgess is far too smart a man to be so illogical as that.

Why does Mr. Burgess continue to sit on the plan? For the answer to this mystery we apparently must consider a few extenuating circumstances.

Mr. Burgess happens to be directly responsible for the success or failure of the administration's National Reserve plan. This law offers young men a number of options for completing required military service. One option permits a youth to volunteer for 6 months of active-duty training, following which he has a total Reserve obligation of 7½ years.

Up to the moment, at least, the Air Force has wanted no part of this plan, on the grounds that the 6-month training cannot possibly furnish it with the highly complex skills it needs. Mr. Burgess has been almost violent in his insistence that the Air Force use the plan.

So the plot thickens. With the air-technician plan in his bottom drawer, Mr. Burgess has something the Air Force wants. If the Air Force wants the technician plan badly enough it presumably can get it, by accepting the 6-month feature of the National Reserve plan.

Mr. Burgess indicated this himself not long ago. When asked why he was holding up approval of the technician plan, Mr. Burgess replied, in effect:

"When the Air Force shows some good faith to us, we'll show good faith to them."

Now there is no connection between the air-technician plan and the 6-month training program. Each should be considered on its own merits. There is no reason why the Air Force should be required to take 6-month trainees—and jeopardize its recruiting program—in order to get civilian employees for its Ready Reserve. No reason, that is, except Mr. Burgess.

Many times in the past when the Air Force Reserve program has bogged down, it has been difficult to pinpoint those responsible. Not so in this case. The responsibility lies squarely with Carter Burgess.

We think it's high time Secretary Wilson stepped in, and stepped on his ambitious Assistant Secretary.

We hope the Air Force holds tight and refuses to make a deal in order to get air technicians, despite the obvious need for them. Once it becomes party to gangsterism, there'll be no end to it.

Congressman George Mahon of the House Appropriations Committee has promised to take a full look at the Defense Department's delaying action. We hope this will result in full support of the air-technician program.

Lacking such straight-forward action, many thousands of reservists have every reason to wonder whether they are getting more lipservice than sincere leadership in building a Ready Reserve.

COMMENDATION OF THE WORK OF THE DONOVAN EMERGENCY COMMISSION OF THE INTERNATIONAL RESCUE COMMITTEE, EXPOSING THE COMMUNIST COME-HOME CAMPAIGN

Mr. WILEY. Mr. President, I should like to convey my most earnest commendation of the splendid public service performed by the Emergency Commission of the International Rescue Committee, which investigated the Communist redefection campaign, the so-called come-home drive.

This Commission, ably headed by the distinguished former head of the Office of Strategic Services, Gen. William J. Donovan, has come up with a great many important recommendations for specific United States and allied action to counteract and defeat the treacherous efforts of the Kremlin to lure back behind the Iron Curtain refugees from communism.

I send to the desk a statement which I have prepared on this subject, and ask unanimous consent that it be printed at this point in the body of the Record, along with several of the opening pages of the Donovan Commission's report.

There being no objection, the matters were ordered to be printed in the Record, as follows:

Statement by Senator Wiley

One of my deep interests has always been in the welfare of those heroic souls who have taken their lives in their hands and fled across the barbed-wire Iron Curtain.

The heart of the American people has been stirred by innumerable stories of the incredible hardships and sacrifices experienced by liberty-loving refugees in order to escape to freedom from either Eastern Europe, North Korea, North Vietnam, Soviet China, or other Red-held areas.

THE HEROISM OF REFUGEES IN ORIGINALLY FLEEING

We may never know how many of these refugees lost their lives while attempting their escape—how many died under Communist rifle and machinegun fire at the borders, from Communist land mines, electrified wire, from tracking down by Communist police dogs, from being betrayed, or by any other means.

We do know, however, from the stories of those who have been successful in their flight, that some of the truly epic stories of human courage and ingenuity, have been written by the refugees who risked all in order to escape from the Red terror.

REDS SQUEEZING PROPAGANDA OUT OF REDEFECTIONS

Of late, however, we have noted with deep concern the infamous redefection campaign, designed to induce a flow from the West back to the East, as conducted by a tremendous variety of means. Moscow has been attempting to lure or threaten back behind the Iron Curtain as many refugees as possible.

The Reds have, of course, been trying to squeeze propaganda value out of each single case of redefection. Moreover, they have been trying to shatter the morale of the mass of refugees who do not redefect.

SPECIFIC INSIDIOUS TECHNIQUES BY SOVIETS

Exactly how are the Soviets trying to induce redefection—return to the Iron Curtain? Basically by maintaining the most complete dossiers on the refugees whom they then subject to merciless pressures tailored to fit each particular case. Specifically, the Reds utilize pamphlets, newspapers, and circulars. They have set up come-home committees asserting that all is changed, all is forgiven in the satellite countries. They have issued so-called amnesty decrees; directed personalized radio broadcasts to individual refugees and camps. They have made mysterious, anonymous phone calls to refugees. There have been unexpected visits from agents of Soviet Embassies and consulates abroad. And the Reds have used signed, personal letters from families and friends.

Moreover, as always, the Reds have used blackmail—threats of vicious reprisal against innocent relatives and friends behind the Iron Curtain. When all else has failed the Reds have not hesitated to use direct violence—to kidnap and kill, as in West Berlin.

MORE THAN 1,100 REDEFECTIONS

How successful has the "voluntary" and other redefection campaigns been? Since January 1, 1955, it is estimated that 1,158 refugees, excluding East Germans, Poles from France, and Yugoslavs, have returned behind the Iron Curtain.

But one cannot judge the effectiveness of the Red redefection campaign solely on the basis of statistics. Why? Because, as pointed out by the Donovan Commission, the redefection campaign is but a segment of the overall subtle propaganda drive of the Krushchev clique of the Kremlin.

A single well-publicized redefection can cause immense psychological harm among the innumerable refugees who do not return.

Of course, the overwhelming proportion of refugees have wisely completely resisted Communist redefection efforts thus far. They know from bitter, personal experiences what atheistic communism really means to their homelands. They never want to return until and unless their lands are genuinely free.

Nevertheless, the refugees are entitled right now to reasonable efforts on our part to protect them against the Communist redefection effort; to protect their rights and liberties in the sanctuary to which they have come.

I point out that the International Convention on Political Asylum, signed by Germany, Austria, Italy, and Greece, adequately safeguards the refugee in case of any official requests by Communist governments for visits with the refugee.

But the refugee has no legal safeguards thus far against the dangers inherent in unofficial contacts by Red Embassy officials and agents.

OVERALL ANTIREDEFECTION CAMPAIGN ESSENTIAL

But we cannot defeat the redefection campaign by any single measure. Rather, it will take comprehensive well-integrated action, designed to frustrate the comprehensive well-integrated Communist plans.

The refugees must, for example, after adequate screening, be more promptly and effectively integrated into free economies. They must not be permitted to languish endlessly in refugee camps. They must be saved from the loneliness and despair in a foreign land and foreign culture, despair which so often arises in refugee hearts.

RED EFFORTS TO LURE BACK POLES

What I am saying, of course, applies to all the refugees from behind the Iron Curtain. I cite, for example, the insidious efforts by the Communists to lure back Polish refugees. In France alone, there are 750,000 Poles, most of them prewar emigrants and their descendants.

The Communist forces have infiltrated innumerable agents among the refugee Poles, spreading false rumors, conveying offers for repatriation, putting direct and subtle pressures, conveying invitations to professors, offering scholarships to youngsters, and the like. Poles in West Germany are subjected to the same type of pressure.

And one could go on, citing the experiences of East Germans, Hungarians, Czechs, Rumanians, Bulgarians, Lithuanians, Estonians, and Latvians.

I have of course previously commented in the Congressional Record on the seriousness of the redefection efforts.

LET'S CELEBRATE POLISH CONSTITUTION DAY BY ACTION

Under these circumstances, comprehensive action by public and private authorities in the United States becomes imperative now.

I point out that in less than a month, we will celebrate another Polish Constitution Day—May 3. We will pay tribute once more to the devout, freedom-loving land of Paderewski, Kosciusko, Pulaski, Tschaikowski, Curie. What better specific way could we do so than by countering the Communist redefection campaign? Moreover, how better can we repay our overall debt to Poland, than by our intensified message to the millions of enslaved people of Poland, reaffirming our continued desire for their liberation.

That is why I, for one, have on many occasions, sponsored legislation emphasizing the United States' desire for liberation of the Polish and other peoples, and it is why I shall continue my efforts in connection with the Polish-American congress and with Americans of all ancestry who respect what Poland has meant to the world.

OPENING PAGES OF DONOVAN REPORT

There follow now the opening pages of the report of the Donovan Commission and an index of its overall contents:

"MEMBERS OF COMMISSION

"Gen. William J. Donovan, former head of O. S. S., former United States Ambassador to Thailand; partner, Donovan, Leisure, Newton & Irvine.

"Irving Brown, AFL-CIO liaison officer.

"Joseph Buttinger, author; political analyst; vice chairman, IRC.

"Leo Cherne, executive director, Research Institute of America; chairman, IRC.

"Hon. Angier Biddle Duke, former United States Ambassador to El Salvador; president, IRC.

"Claiborne Pell, vice president and director, Bell News Corp.

"Herman W. Steinkraus, president, Bridgeport Brass Co.; former president, United States Chamber of Commerce.

"William Vanden Heuvel, associated with Donovan, Leisure, Newton & Irvine.

"Richard R. Salzmann, executive secretary, vice president, IRC.

"This report is based on information gathered by the members of the Commission on a mission to Europe and on written reports submitted to them. In the course of its trip the Commission visited France, Austria, Switzerland, and Germany in February and March 1956. It examined reports on the Communist repatriation campaigns in Belgium, Sweden, Italy, Greece, Turkey, and South America. Developments in the United States were closely watched and are included as part of this report.

"Members of the Commission wish to express their deep appreciation to officials of the governments of the countries visited; officials of the United States Government; to representatives of the United Nations High Commissioner for Refugees; and to the directors of numerous private organizations for their hospitality, invaluable cooperation and support, without which this investigation would have been impossible.

"REPORT OF DONOVAN COMMISSION OF IRC ON COMMUNIST REDEFECTION CAMPAIGNS

"I. Introduction

"During recent months there have been increasing reports of Communist pressure on escapees from behind the Iron Curtain, aimed at forcing these escapees to return to Soviet and satellite countries. In Europe the campaign has been intensive—but it has by no means been confined to Europe.

"The International Rescue Committee has received mounting evidence from refugee leaders in the United States that similar pressure is being put on escapees in this country. In the course of examining the problem in the United States and Europe, a pattern emerged. It is clear that we are dealing with a large-scale, well-financed, and well-integrated Communist program with many elements of novel effectiveness.

"An Emergency Citizens Commission was therefore organized under the chairmanship of Gen. William J. Donovan to assess the problem in detail. It was the Commission's intent to study and evaluate the Communist objectives, methods, extent, and effectiveness in these campaigns.

"The results of its personal investigation are the following recommendations for counteraction which are based on the conviction that these redefection efforts are long-term, extravagantly financed, and well-coordinated with Communist agents and agencies throughout the world.

"II. Recommendations

"The following five general recommendations are submitted by the Commission:

"1. A major effort should be made to arouse the free world to the real danger posed by the Communist redefection campaigns, and to the need for more effective counter-action.

"2. It is in the interest of the United States to expand its cooperation with other nations on behalf of refugees from communism. There is an urgent need to coordinate existing programs and equalize the burdens of refugee care, especially in cooperation with such countries of first asylum as Germany, Austria, Greece, and Italy, as well as with France, Belgium, Switzerland, and other nations.

"3. First priority should be given to speeding the processing of refugee and escapee cases. The time of investigation can be shortened. Requirements that must be met by the refugee can be simplified. In these ways the cost of care and maintenance in camps, and the corrosion of morale during waiting periods, can be reduced to a minimum.

"4. Our findings show the need for a program to strengthen morale among the refugees and to provide follow-up counseling for a period of 1 year after settlement.

"5. Special measures for the care of old, ill, and incapacitated refugees who because of injury in escape, illness incurred during long months in refugee camps, death of the breadwinner of the family, and many other similar reasons, are incapable of becoming economically self-sufficient should be introduced by the United States. A special basis of admission of a limited number of such persons into the United States over and above present immigration provisions can be developed as the United States share of the solution to this hard core problem.

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CIVIL RIGHTS LEGISLATION

Mr. HENNINGS. Mr. President, I send forward a statement I have prepared which I ask to have printed in the body of the Record at this point. It relates to certain proposed legislation which has been reported from the Subcommittee on Constitutional Rights of the Committee on the Judiciary. I also ask that at the appropriate place in the statement there be printed certain correspondence from the Attorney General of the United States directed to the late Senator Harley M. Kilgore, former chairman of the Committee on the Judiciary, and letters addressed to the Attorney General by the late Senator Kilgore.

There being no objection, the statement and correspondence were ordered to be printed in the Record, as follows:

Statement by Senator Hennings

I rise to speak briefly in behalf of those thousands of our fellow American citizens who have long been deprived of their constitutional rights in many localities of our country, and to urge the earliest possible action by this Senate to give them redress of their grievance. These fellow Americans are not in this room, and the only reason that I happen to be here is that I have been called upon to represent a great many of them in their Government, just as other

Senators from other States beyond Missouri are here to represent them.

I know of no elected Member of this assembly who was chosen to come here to represent merely the fortunate, or the privileged, or the secure within his community. I know of no Senator here who was chosen to represent only the white men or only the Negroes within the State which gave him the high privilege and honor of our legislative responsibilities. As for me, I was sent here to represent as best I may an entire community, including rich and poor, young and old, people of diverse faiths, and diverse ancestries. And in particular, it seems to me, a responsibility was laid upon me to speak and to vote and to act on behalf of those people within this American Republic who are wrongfully deprived of their just rights, under our Constitution.

For a long time, now, as chairman of the Senate's Subcommittee on Constitutional Rights within our Judiciary Committee I have been working with other Senators who have my deep esteem, to formulate legislation giving the real protection of Federal law to those thousands of people who need it badly, since in some situations they get inadequate protection under statutes of their local governments. I know that there are a good many other Senators, both Republican and Democratic, who are not members of this committee, who also are working in different ways toward that same objective.

But because of my chairmanship of this Senate subcommittee I have been specially concerned with this matter, and was very happy to be able on February 9 of this year to act with my colleagues, in the prescribed legislative manner, in reporting favorably four civil rights bills for the consideration of the Senate Judiciary Committee. I regret to say that in the work of this subcommittee of yours we received no help whatever from the Attorney General of the United States. We asked for it. We asked him for his recommendations in the matter of protecting the constitutional rights of our fellow citizens now deprived of them. We asked him specifically for his views on legislation which we were considering.

The Attorney General of the United States during his 3 years of tenure has been apparently very busy in handling affairs he must have deemed of more importance than protecting the constitutional rights of American citizens. I must confess I do not know exactly what these affairs were. I certainly have seen no record of the Attorney General's activities in the newspapers, from the time he first was elevated to the rank of a Cabinet officer and placed in charge of the Department of Justice up to this very minute, which would be of any greater importance than upholding the constitutional rights of American citizens.

This Department of Justice was created by our forefathers to see that the people of this country got justice, or else I mistake its basic purpose. Therefore, I suppose, I should have been delighted several days ago to learn that the Attorney General in charge of our Department of Justice was at long last bestirring himself, and at least had recognized the existence of that problem of justice with which your subcommittee and other Senators had been wrestling, without his aid, for many months. Yet after I read on Monday the text of the proposals which he had sent to this Congress, as representing the ablest, constructive thinking of the Republican administration in the matter, I felt no elation. I will have to admit it.

I would like to call attention to the fact that the Senate Subcommittee on Constitutional Rights 2 months ago, at almost the very outset of this session, reported favorably a bill to create a Civil Rights Division in the Department of Justice. It also reported favorably a bill to protect the voting rights of all our citizens in Federal elections and primaries. It also reported favorably an antilynching bill. Beyond that the subcommittee reported favorably a bill to protect members of the Armed Forces against bodily attack. And the subcommittee has now pending before it four other measures designed to strengthen the powers of our fellow citizens of every race and color to maintain the rights which they now possess in fact, and to obtain those rights which have been denied them so long as to constitute an international scandal.

Let me repeat that—rights denied them so long as to constitute an international scandal, and a reproach to the good name of our country, and a weakness of our country in its dealings with other nations.

We now have these four measures reported out favorably, and we have others on their way. I would like to assure the Members of the Senate and those thousands of our fellow citizens too long denied the justice due them that our measures go far beyond the proposals now offered from the Department of Justice. I will speak of these proposals of the Attorney General's shortly. But before I speak of them I would like the Senate to have full knowledge of the requests which our subcommittee made of the Attorney General for assistance within the last year. Believe me, we were very solicitous of his cooperation, so that a truly bipartisan support might be given to civil-rights legislation.

At this point I insert into the record of the Congress the entire correspondence between the Senate Committee on the Judiciary, relating to the bills of the Subcommittee on Constitutional Rights, and the Department of Justice. This correspondence consists of the following:

A letter to the Justice Department dated February 8, 1955, requesting its views on S. 904—to strengthen the laws relating to convict labor, peonage, slavery, and involuntary servitude.

A letter to the Justice Department dated July 27, 1955, requesting its views on S. 903—to protect the right of every citizen to political participation.

A letter to the Justice Department dated March 22, 1955, requesting its views on S. 902—to establish a Civil Rights Division in the Department of Justice; S. 905—to amend and supplement existing civil rights statutes; S. 906—to establish a Commission on Civil Rights in the executive branch of the Government; S. 907—an omnibus bill containing the major provisions of S. 902, S. 903, S. 904, S. 905, and S. 906.

A reply from the Department of Justice dated April 19, 1955, concerning S. 904 stating that it would have no objection to the enactment of this legislation.

A reply from the Department of Justice dated September 8, 1955, concerning S. 903, stating that whether this particular measure should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no recommendation.

A reply from the Department of Justice dated September 8, 1955, concerning S. 906, stating that whether or not the measure should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no recommendation.

I would like to point out that the Department of Justice has made no response to the committee's request for its views on S. 902, S. 905, and S. 907.

DEPARTMENT OF JUSTICE, OFFICE
OF THE DEPUTY ATTORNEY GENERAL,
Washington, September 8, 1955.

Hon. HARLEY M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice concerning the bill (S. 903) to protect the right to political participation.

Section 594 of title 18 of the United States Code subjects to criminal penalties persons who interfere with the right of other persons to vote in any election held solely or in part for the purpose of electing a candidate for the office of President, Vice President, presidential elector, Member of the Senate, Member of the House of Representatives, Delegate or Commissioner from a Territory or possession. As defined in section 591 of the same title, the term "election" does not include a primary election. Section 1 of the bill would amend section 594 so as to make the section hereafter applicable to primary elections.

Section 2004 of the revised statutes, formerly set forth in section 31 of title 8 of the United States Code but now contained in section 1971 of title 42, provides that all citizens of the United States who are otherwise qualified by law to vote at any election by the people in any State, Territory, etc., shall be entitled and allowed to vote without distinction of race, color, or previous condition of servitude. Section 2 of the bill would amend this section in a number of respects. First, it would extend its scope to primary elections. Second, the phrase "previous condition of servitude" would be omitted from the enumeration of factors which are not to form the basis of discrimination and in its place the words "religion or national origin" would be substituted. Third, a new sentence would be added to the section as follows:

"The right to qualify to vote and to vote, as set forth herein, shall be deemed a right within the meaning of, and protected by, the provisions of title 18, United States Code, section 242, as amended, section 1979 of the Revised Statutes (8 U. S. C. 43), and other applicable provisions of law."

Section 242 of title 18 imposes criminal penalties upon anyone who, under color of law, willfully subjects any inhabitant of any State, Territory, or District to the deprivations of any rights protected by the Constitution or laws of the United States. Section 1979 of the Revised Statutes (now 42 U. S. C. 1983) provides for civil liability under similar circumstances.

Section 3 of the bill would provide that any persons violating the provisions of the first section shall be subject to suit by the party injured, or by his estate, in an action at law, suit in equity, or other proper proceeding for damages or preventive or declaratory or other relief. The section further would provide that the Attorney General may enforce the provisions of the act in the United States district courts, as defined therein. It would also provide that the district courts will have jurisdiction concurrently with State and Territorial courts.

Section 4 of the bill is a customary severability clause.

The purpose of this bill, as stated in its title, is "To protect the right to political participation." This purpose is a laudable one with which the Department of Justice is in full accord. Whether this particular measure should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no recommendation.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY,
ATTORNEY GENERAL,
Washington, September 8, 1955.

Hon. HARLEY M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR: This is in response to your request for the views of the Department of

Justice concerning the bill (S. 906) "to establish a Commission on Civil Rights in the Executive Branch of the Government."

As indicated in its title, the bill would establish a Commission on Civil Rights in the Executive Branch of the Government. The Commission would consist of five members appointed by the President, by and with the advice and consent of the Senate. Its duties would be "to gather timely and authoritative information concerning economic, social, legal, and other developments affecting the civil rights of individuals under the Constitution and laws of the United States; to appraise the policies, practices, and enforcement program of the Federal Government with respect to civil rights; to appraise the activities of the Federal, State, and local governments, and the activities of private individuals and groups, with a view to determining what activities adversely affect civil rights; to assist States, counties, municipalities, and private agencies in conducting studies to protect civil rights of all Americans without regard to race, color, creed, or national origin; and to recommend to the Congress, legislation necessary to safeguard and protect the civil rights of all Americans."

The measure would require the Commission to make an annual report to the President and to the Congress as to its findings and recommendations with respect to civil rights matters. Section 5 would authorize the Commission to establish advisory committees to assist it in its work, and would direct it to utilize the services, facilities and information of Government agencies and private research agencies in the performance of its functions.

The sixth section of the bill (erroneously designated as "Sec. 104") would empower the Commission to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter being studied or investigated by it. Members of the Commission would be empowered by the section to administer oaths and affirmations, and to examine witnesses and receive evidence. The attendance of witnesses and the production of evidence may be required from any place in the continental United States or any of its Territories or possessions. Subsection (b) would provide for applications by the Commission to the district courts of the United States to effect compliance with Commission subpenas.

Whether or not this measure should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no recommendation.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

FEBRUARY 8, 1955.

HON. HERBERT BROWNELL, Jr.,
The Attorney General,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: The Judiciary Committee is herewith transmitting S. 904 for your study and report thereon in triplicate.

To facilitate the work of the committee, it is urgently requested that your report be submitted within 20 days. The committee should be formally advised in writing if any delay beyond this time period is necessary.

Most sincerely yours,

HARLEY M. KILGORE,
Chairman.

MARCH 22, 1955.

Hon. HERBERT BROWNELL, Jr.,
The Attorney General,
Washington, D. C.

DEAR MR. ATTORNEY GENERAL: Attached herewith are copies of S. 902, S. 905, S. 906, and S. 907, concerning the protection of civil rights, amending and supplementing existing civil rights statutes, and establishing a Commission on Civil Rights in the executive branch of the Government.

These four bills are now pending before the Standing Subcommittee on Constitutional Rights, which intends to schedule hearings on all of the above-mentioned measures within the very near future.

Accordingly, it will be appreciated if you will submit to the committee as soon as possible individual reports on each of these measures.

With kindest regards, I am

Most sincerely yours,

HARLEY M. KILGORE,
Chairman.

JULY 27, 1955.

Hon. HERBERT BROWNELL, Jr.,
The Attorney General,
Washington, D. C.:

The Judiciary Committee is herewith transmitting S. 903 for your study and report thereon in triplicate.

To facilitate the work of the committee, it is urgently requested that your report be submitted within 20 days. The committee should be formally advised in writing if any delay beyond this time period is necessary.

Most sincerely yours,

HARLEY M. KILGORE,
Chairman.

DEPARTMENT OF JUSTICE,
OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, April 19, 1955.

Hon. HARLEY M. KILGORE,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

DEAR SENATOR: This is in response to your request for the views of the Department of Justice concerning the bill (S. 904) to strengthen the laws relating to convict labor, peonage, slavery, and involuntary servitude.

The bill would amend sections 1581, 1583, and 1584 of title 18 of the United States Code, the provisions of law which relate to peonage and involuntary servitude, so as to make criminal all attempts to commit the acts proscribed by such sections.

The proposal to amend section 1583 would also make the section applicable not only to the enticement of persons to go on board a vessel with the intent that such persons be made slaves but to similar enticement to go on board any other means of transportation.

The Department of Justice would have no objection to the enactment of this legislation.

The committee, however, may wish to consider amending the title of the bill to delete the reference to convict labor since such is not within the scope of the sections to be amended. The 13th amendment to the Constitution expressly exempts involuntary servitude "as punishment for crime whereof the party shall have been duly convicted" from the constitutional prohibitions against slavery and involuntary servitude.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

By this record Senators will see that of the four bills reported by the subcommittee on February 9 of this year, your subcommittee requested Mr. Brownell's views on two. We asked his views more than a year ago. The two bills on which we asked his views are S. 902 and S. 903. The first of these is a bill to create a special division of civil rights within his own department. The second is a bill to protect every citizen's right to full participation in the political life of this country. It is a bill to protect the right to vote. We asked Mr. Brownell's views on these measures on March 22, 1955. Up to the time the committee reported favorably the bill to create a special civil rights division in the Department of Justice, it had received from the Attorney General no reply whatever to its request for his views on the desirability of the legislation. To the subcommittee's request that he speak out on the desirability of a law to protect our fellow citizens' right to vote, Mr. Brownell did, indeed, make a brief reply. He said that this matter concerned a question of policy and therefore he preferred to make no recommendation.

A matter of policy. I would like to pause just a moment so we may consider the full implication of this curious statement. In the view of this Republican administration's Attorney General, the chief of this administration's Department of Justice, the question of whether American citizens should be protected in their right to vote was a matter of policy, as yet undetermined. It was a matter of policy, in which Mr. Brownell would prefer to make no recommendation. Mr. President, high ranking officers of this administration have declined at times to tell the Members of this Senate some of the things we have sought to learn about the manner in which they are conducting affairs of our country. Therefore, I suppose no one would tell just who in this Federal administration decided finally that it was a matter of good and sound public policy to do something or other to protect the constitutional rights of our citizens. I presume, of course, it must have been lately a subject of very earnest conversation among those persons who finally make up the administration's mind on what is good policy, or perhaps even good politics.

When I was a boy I heard it said that honesty was the best policy, and I have never doubted it. I hope you will not take it as unduly partisan of me if I remind Mr. Brownell and whoever else was concerned with this administration's recent determination of policy, that living by an oath of office is always good public policy. And I think we all remember an oath to maintain and uphold the Constitution of these United States which has been taken by members of this administration. It is high time they found it good public policy to advocate giving Federal protection to citizens denied their constitutional rights, and we welcome their decision, belated as it is, to help to do this. If they really mean it.

Since Mr. Brownell and the other members of his administration have been in office, there has been one Congress, the 83d, which was under control of their party. During that Congress, the similar committee which preceded your Subcommittee on Constitutional Rights, reported no legislation whatever in all the field of civil rights. That committee had a Republican chairman. The Republican Party had control of this Congress for 2 years, and during all that time this Attorney General, who is chief of the Nation's Department of Justice neglected to bestir himself on any occasion whatever in behalf of legislation to protect the constitutional rights of Negroes in this country, or to give them that justice which has long been denied them.

What do you really suppose is now the reason for this sudden and unexpected interest which Mr. Brownell and other gentlemen in the Republican Party's high command are taking in justice for Negroes, and the protection of their constitutional rights? Let us all hope in our hearts that the fact of 1956 being an election year has not been the reason for this tardy gesture of theirs. This national problem of obtaining justice for those thousands of Negro citizens, long denied it, is too important to our country to be made a political football, or the subject of political maneuvering.

As I look around this Senate, and think of all the Senators here who have been striving for years to bring equality of political rights to all our citizens I think we have the right to ask Mr. Brownell and the leaders of his party where they have been all this time. What have they been doing? Why have their voices been silent?

It is now more than 20 years since I introduced my first civil-rights bill in the House of Representatives. All through the years of my public life I have been speaking and working to obtain the full equalities of citizenship for all our citizens. At the same time I have been working through such organizations as the Urban League for a better understanding between American citizens of different ancestry to create a social climate throughout our Nation in which the rights of all citizens would be respected. I have done this as the representative of a border State. In my State of Missouri many of our people are linked by unforgettable ties of family and early memories to the people and history of our Southern States. Within my own family were men who fought for the Confederacy. We pay them honor, and it is right that we do. These men who fought for a lost cause were both brave and honorable. But one of the many reasons which I have to love my native State is the way in which its people are progressing toward that great ideal of human equality, under constitutional law. I could not truly represent the spirit of Missourians, both white and Negro, if I did not speak for continued progress. I am doing that now, and I have done it for years. To me, then, there are several aspects of Mr. Brownell's amazing arrival within the past few days at this Nation's Capitol with his so-called civil-rights program. In the first place, Mr. Brownell was well aware that there already was a program here which more than covered those proposals he made in his letters to the Speaker of the House of Representatives and the Vice President of the United States. He was well aware also of the nature and the functions of the Senate Judiciary Committee, and of what it was doing. May I remind Mr. Brownell that he has come before the Judiciary Committee on several occasions, and that he has sought the help of the Judiciary Committee in such things as approval of his administration's appointments of Federal judges. May I remind him also that I went to the support of his administration on several of these appointments when they were subject to serious challenge within the Senate.

If he will think it over I am sure the Attorney General will come to the same conclusion I have. He has not been entirely candid with the people of these United States in blowing all the trombones of publicity and banging all its drums for a small part of the program which he knew was already in existence here on this hill. There was something a little less than that political acumen for which the Attorney General is deservedly so highly esteemed and justly celebrated in this 11th hour unveiling but a fraction of a program already advanced by Senators whose cooperation his administration seeks so often—and I am glad to say obtains.

But if Mr. Brownell has finally had a green light given to him by whatever superior is now formulating the administration's policies he can do a great deal to help give our citizens true Federal protection in the exercise of their constitutional rights.

He can help to throw the influence of the administration into the voting on civil rights legislation already before the House and the Senate which more than covers this program he has now announced with such publicity and fanfare. If he will only do that, or if any man in this Republican administration who actually is determining its policies will only do that, we can get some action during this session of Congress.

May I comment briefly on this idea of a new commission to study and report on denial of constitutional rights.

Many months ago when a bill to create a commission was first written within the Senate Subcommittee on Constitutional Rights, we asked Mr. Brownell's suggestions on it. As the record of correspondence shows, his Deputy Attorney General, Mr. William O. Rogers, replied last September 8 that this was a matter of policy on which the Attorney General would prefer to make no recommendation. What do you suppose has now changed his mind?

There was a very eminent Commission appointed in 1946 by President Harry S. Truman to study this question and the chairman of it was no other than President Eisenhower's Secretary of Defense, Mr. Charles E. Wilson.

So you can see that it was a bipartisan Commission. If you study the roster of the illustrious citizens who were members of that Commission you will see that it included quite a few of our country's most eminent citizens.

This Commission was appointed by President Truman in 1946 and in November of 1947 brought in a report that is absolutely authoritative, reflecting a great deal of thought and sincerity. Because of that report the methods of denial of constitutional rights are already well known. So are the places where those rights are denied. So are the persons who fight to continue this debasing denial of constitutional rights. Debasing, I say, not only to those thousands of our fellow citizens whose rights are denied but degrading also to those who deny them.

I am perfectly willing to have a continuing commission of study and report, such as the Attorney General is advocating. But what this country needs right now is immediate action on what is now known, as well as further study on what may not be. Any dilatory, spurious, politically minded maneuvers which delay that action are reprehensible and unworthy of sincere public servants.

May I suggest in closing that the administration's leaders and spokesmen join sincerely in passing the legislation already pending within this Congress. Let them help in erasing as soon as we can this blot upon the freedom and dignity of American citizens, which our Nation so proudly proclaims.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

REQUIREMENT THAT STATEMENTS ACCOMPANY CONFERENCE REPORTS

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 36) requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

Mr. JOHNSON of Texas. Mr. President, I understand that the distinguished chairman of the Committee on Rules and Administration, the senior Senator from Rhode Island [Mr. GREEN] has a brief statement to make in explanation of the concurrent resolution.

Mr. GREEN. Mr. President, the concurrent resolution merely provides that all conference reports shall be accompanied by a statement signed by the majority of the managers on the part of each House. At present the House has such a rule, applicable to its own managers, but the Senate has no such rule. The concurrent resolution would provide for a single statement, to be signed by the managers on the part of both Houses. The Senator from California [Mr. KNOWLAND] and the Senator from Arizona [Mr. HAYDEN] are both cosponsors of the concurrent resolution.

I may add that practically the same resolution was twice adopted by the Senate on previous occasions. However, it failed of adoption in the House. The same reason applies for adopting it now as applied then.

The PRESIDENT pro tempore. The concurrent resolution is open to amendment. If there be no amendment to be proposed, the question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 36), requiring conference reports to be accompanied by statements signed by a majority of the managers of each House was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall accompany every report of a committee of conference a statement, in writing and signed by at least a majority of the managers on the part of each House, explaining the effect of the action agreed on by the committee.

SEC. 2. The foregoing section shall be a rule of each House, respectively, and shall supersede any other rule thereof but only to the extent that it is inconsistent with such other rule.

AMENDMENT OF FOREIGN SERVICE ACT OF 1946

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1747, Senate bill 3481.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3481) to amend the Foreign Service Act of 1946, as amended, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments.

Mr. MANSFIELD. Mr. President, the purpose of S. 3481 is to strengthen the Foreign Service of the United States in order that it may be a more effective instrument for carrying out United States foreign policy, for protecting the lives and property of American citizens, and for advancing the national security of the United States.

Hearings were held on the bill and three witnesses appeared from the State Department in behalf of the bill. It was reported unanimously by the subcommittee appointed to hear the matter, and later the bill was unanimously reported to the Senate by the Committee on Foreign Relations.

The purposes of the bill are to effect an increase in salaries of Chiefs of Missions; the addition of two classes to the Foreign Service schedule, and the adjustment of salaries; the removal of the ceiling on lateral entries into the Foreign Service; the computation of retirement benefits; the establishment of commissaries and messes; increased medical benefits for members of the Foreign Service, though still not comparable with those now being received by members of the Military Establishment; and provision for recreational facilities

where such facilities are lacking and where the posts are considered to be on a hardship basis.

I urge the passage of the bill.

The PRESIDENT pro tempore. The Secretary will state the committee amendments.

The amendments of the Committee on Foreign Relations were on page 2, between line 11 and 12, to strike out "Class 8-- 4,100 4,250 4,400 4,550 4,700 4,850 5,000 5,150 5,300." and insert "Class 8-- 4,300 4,450 4,600 4,750 4,900 5,050 5,200 5,350.' "; on page 3, line 8, after the numeral "7", to strike out "by striking out the word 'forty' and inserting in lieu thereof the words 'one hundred and sixty-five'; by deleting the period at the end of the second sentence of the aforementioned section and inserting in lieu thereof the following: "as a Foreign Service officer.'; and by adding a new sentence at the end of the second sentence of the aforementioned section which shall read as follows: 'Notwithstanding the above provisions of this section, the limitation on the maximum number of appointments authorized herein shall not be applicable in the case of any person appointed or assigned by the Secretary of State as a Foreign Service Reserve officer and who thereafter has served in a position of responsibility in such capacity for the required period prior to appointment as a Foreign Service officer.' " and insert "and by deleting the second sentence of section 517."; on page 4, after line 19, to insert:

SEC. 11. Section 902 of such act is amended to read as follows:

"SEC. 902. The Secretary may, under such regulations as he may prescribe, make an allotment of funds to any post to defray the unusual expenses incident to the operation and maintenance of official residences suitable for principal representatives of the United States at that post."

On page 5, at the beginning of line 3, to change the section number from "11" to "12"; on page 6, line 15, after the word "shall," to strike out ", insofar as practicable,"; on page 7, after line 2, to strike out:

SEC. 12. Section 941 of such act is amended by striking out "941." and inserting "941 (a)" in lieu thereof; and by adding at the end thereof a new paragraph "(b)" which shall read as follows:

"(b) In the event a dependent of a United States citizen officer or employee of the Service who is stationed abroad, incurs an illness or injury while located abroad, which requires hospitalization and which is not the result of vicious habits, intemperance, or misconduct, the Secretary may, in accordance with such regulations as he may prescribe, pay for that portion of the costs of treatment of each such illness or injury at a suitable hospital or clinic that exceeds $35.00 up to a minimum limitation of 120 days of hospitalization for each such illness or injury, except that such maximum limitation shall not apply whenever the Secretary, on the basis of professional medical advice, shall determine that such illness or injury clearly is caused by the fact that such dependent is or has been located abroad."

After line 20, to insert:

SEC. 13. Section 941 of such act is amended to read as follows:

"SEC. 941. (a) In the event an officer or employee of the Service who is a citizen of the United States incurs an illness or injury while such person is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for the cost of treatment of such illness or injury.

"(b) In the event a dependent of a United States citizen officer or employee of the Service who is stationed abroad, incurs an illness or injury while such dependent is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for that portion of the cost of treatment of each such illness or injury that exceeds $35 up to a maximum limitation of 120 days of treatment for each such illness or injury, except that such maximum limitation shall not apply whenever the Secretary, on the basis of professional medical advice, shall determine that such illness or injury clearly is caused by the fact that such dependent is or has been located abroad.

"(c) After sufficient experience in the operation of the medical protection plan authorized in subsections (a) and (b) of this section has been obtained, as determined by the Secretary, and if he considers that the benefits so authorized can be provided for as well and as cheaply in other ways, the Secretary may, under such regulations, and for such persons, locations, and conditions as he may deem appropriate, and within the limits prescribed in such subsections, contract for medical care pursuant to such arrangements, insurance, medical service, or health plans as he may deem appropriate."

On page 9, at the beginning of line 6, to change the section number from "13" to "14"; on page 10, at the beginning of line 5, to change the section number from "14" to "15"; on page 11, after line 8, to strike out:

SEC. 15. (a) Foreign Service officers presently serving in the class of career minister shall receive the salary prescribed for career ministers by section 412 of such act, as amended.

After line 12, to insert:

SEC. 16. (a) Foreign Service officers presently serving in the class of career ambassador and the class of career minister shall receive the salary prescribed for career ambassadors and for career ministers, respectively, by section 412 of such act, as amended.

On page 13, in line 4, after the letter "(f)", to strike out "The class and salary adjustments made pursuant to paragraphs (a), (b), and (c) of this section shall be made effective as of the first day of the first pay period which begins after the date of enactment of this act or on the first day of the first pay period which begins after July 1, 1956, whichever shall be later" and insert "The class and salary adjustments made pursuant to paragraphs (a), (b), and (c) of this section and the salary increases for chiefs of mission authorized by section 2 of this act shall be made effective as of the first day of the first pay period which begins after the date of enactment of this act or on the first day of the first pay period which begins after July 1, 1956, whichever shall be later."

After line 16, to insert:

SEC. 17. A new section 936 is hereby added to such act as follows:

"APPLICATION OF ANNUAL AND SICK LEAVE ACT OF 1951

"SEC. 936. The Annual and Sick Leave Act of 1951, as amended (5 U. S. C. 2061 and the following), shall apply to career ministers and Foreign Service officers, who are not serving as chiefs of mission or who are not serving in a position in the Department which requires appointment by the President, by and with the advice and consent of the Senate, and to Foreign Service Reserve officers who are commissioned as diplomatic or consular officers, or both, in accordance with section 524 of the Foreign Service Act of 1946, as amended, notwithstanding the provisions of section 202 (c) (1) (A) of the Annual and Sick Leave Act of 1951, as amended."

And, on page 14, at the beginning of line 6, to change the section number from "16" to "18"; so as to make the bill read:

Be it resolved, etc., That this act may be cited as the "Foreign Service Act Amendments of 1956."

SEC. 2. Section 411 of the Foreign Service Act of 1946, as amended, is amended by striking out the second sentence of that section and substituting in lieu thereof the following: "The per annum salaries of chiefs of mission within each class shall be as follows: Class 1, $27,500 per annum; class 2, $25,000; class 3, $22,500; and class 4, $20,000."

SEC. 3. Section 412 of such act is amended to read as follows:

"SEC. 412. There shall be 10 classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be $20,000. The per annum salary of a career minister shall be $17,500. The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

Class 1	$14,600	$15,000	$15,400	$15,800	$16,200	$16,600	$17,000
Class 2	12,600	12,900	13,200	13,500	13,800	14,100	14,400
Class 3	10,600	10,900	11,200	11,500	11,800	12,100	12,400
Class 4	9,000	9,250	9,500	9,750	10,000	10,250	10,500
Class 5	7,400	7,650	7,900	8,150	8,400	8,650	8,900
Class 6	6,100	6,300	6,500	6,700	6,900	7,100	7,300
Class 7	5,100	5,250	5,400	5,550	5,700	5,850	6,000
Class 8	4,300	4,450	4,600	4,750	4,900	5,050	5,200
	5,350."						

SEC. 4. Section 414 (a) of such act is amended by striking out the word "six" and inserting the word "eight" in lieu thereof; and by striking out the number "6" and inserting in lieu thereof the number "8".

SEC. 5. Section 516 of such act and the heading thereto is amended by striking the words "class 6" wherever they appear therein and inserting the words "class 8" in lieu thereof.

SEC. 6. Section 517 of such act and the heading thereto is amended by striking the heading thereto and substituting in lieu thereof "Admission to classes 1 to 7, inclusive"; by striking in the aforementioned section the number "8" wherever it appears therein and inserting in lieu thereof the number "8"; by striking out in the aforementioned section the number "5" wherever it appears therein and inserting in lieu thereof the number "7"; and by deleting the second sentence of section 517.

SEC. 7. Section 634 (b) of such act is amended by striking the words "classes 4 or 5", and inserting in lieu thereof the words "classes 4, 5, 6 or 7"; by striking the words "class 4" and inserting in lieu thereof the words "classes 4 or 5"; and by striking the words "class 5" and inserting in lieu thereof the words "classes 6 and 7".

SEC. 8. Section 635 of such act and the heading thereto and section 637 (a) of such act are amended by striking the number

"6" wherever it appears therein and by inserting in lieu thereof the number "8".

Sec. 9. (a) Section 821 (a) of such act is amended by striking the word "thirty" and inserting in lieu thereof the word "thirty-five".

(b) Section 821 (b) of such act is amended by striking the phrase "for the five years next preceding his retirement" and inserting in lieu thereof "for his highest five consecutive years of service".

Sec. 10. Section 871 of such act is amended by striking the word "thirty" and inserting in lieu thereof the word "thirty-five".

Sec. 11. Section 902 of such act is amended to read as follows:

"Sec. 902. The Secretary may, under such regulations as he may prescribe, make an allotment of funds to any post to defray the unusual expenses incident to the operation and maintenance of official residences suitable for principal representatives of the United States at that post."

Sec. 12. Section 921 of such act is amended to read as follows:

"Sec. 921. (a) The Secretary may, under such regulations as he may prescribe, establish and maintain Government-operated commissary and mess services at posts abroad, and he may authorize and assist in the establishment, maintenance, and operation, by officers and employees of the Service, of non-Government operated commissary and mess services, including the furnishing of space, utilities, material, stocks, supplies, equipment, or services. Reimbursement shall be made for all space, utilities, material, stocks, supplies, equipment, or services furnished to both types of facilities, and shall be deposited into miscellaneous receipts of the Treasury. However, in the discretion of the Secretary, space, utilities, or services, other than full-time services, may be furnished without reimbursement. Further, reimbursement shall not be required whenever the Secretary shall certify that substantial losses have been suffered by such commissaries or mess services as a direct result of destructive forces of nature, armed conflict, civil strife, or other causes beyond the control of the officers and employees concerned. Necessary sites, buildings, and equipment may be acquired, and construction, alterations, and repairs may be provided, for the purposes of this section, in accordance with the provisions of the Foreign Buildings Act, 1926, as amended (22 U. S. C. 292–300).

"(b) Commissary or mess services established pursuant to this section shall be made available, insofar as practicable, to officers and employees of other Government agencies and their dependents who are stationed abroad. Such commissary or mess services shall not be established in localities where another United States agency operates similar facilities unless the Secretary determines that such additional facilities are necessary. Notwithstanding the provisions of title 10, United States Code, section 1253, or other law, charges at any post abroad by a commissary or mess service of any Government agency shall be the same rate for all civilian personnel of the Government serviced thereby, and all charges for supplies furnished to such a service abroad by any Government agency shall be at the same rate as that charged by the furnishing agency to its civilian commissary or mess services. If space, utilities, or services are provided on a nonreimbursable basis to any non-Government operated facility established under the provisions of this section, profits accruing to such facility over and above prudent operating reserves, shall be deposited into miscellaneous receipts. Periodic audit of non-Government operated facilities shall be conducted in accordance with such regulations as the Secretary shall prescribe."

Sec. 13. Section 941 of such act is amended to read as follows:

"Sec. 941. (a) In the event an officer or employee of the Service who is a citizen of the United States incurs an illness or injury while such person is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for the cost of treatment of such illness or injury.

"(b) In the event a dependent of a United States citizen officer or employee of the Service who is stationed abroad, incurs an illness or injury while such dependent is located abroad, which requires hospitalization or similar treatment, and which is not the result of vicious habits, intemperance, or misconduct on his part, the Secretary may, in accordance with such regulations as he may prescribe, pay for that portion of the cost of treatment of each such illness or injury that exceeds $35 up to a maximum limitation of 120 days of treatment for each such illness or injury, except that such maximum limitation shall not apply whenever the Secretary, on the basis of professional medical advice, shall determine that such illness or injury clearly is caused by the fact that such dependent is or has been located abroad.

"(c) After sufficient experience in the operation of the medical protection plan authorized in subsections (a) and (b) of this section has been obtained, as determined by the Secretary, and if he considers that the benefits so authorized can be provided for as well and as cheaply in other ways, the Secretary may, under such regulations, and for such persons, locations, and conditions as he may deem appropriate, and within the limits prescribed in such subsections, contract for medical care pursuant to such arrangements, insurance, medical service, or health plans as he may deem appropriate."

Sec. 14. (a) Section 942 (a) of such act is amended to read as follows:

"Sec. 942. (a) In the event an officer or employee of the Service who is a citizen of the United States or his dependent incurs an illness or injury requiring hospitalization, not the result of vicious habits, intemperance or misconduct, while stationed abroad in a locality where there does not exist a suitable hospital or clinic, the Secretary may, in accordance with such regulations as he may prescribe, pay the travel expenses of such person by whatever means he shall deem appropriate and without regard to the Standardized Government Travel Regulations and section 10 of the act of March 3, 1933, as amended (68 Stat. 808, 5 U. S. C. 73b), to the nearest locality where a suitable hospital or clinic exists, and on his recovery pay for the travel expenses of his return from such hospital or clinic. If any such officer, employee, or dependent is too ill to travel unattended, the Secretary may also pay the round-trip travel expenses of an attendant or attendants.

"(b) Section 942 (b) of such act is amended by inserting the words "a physician" and a comma immediately following the phrase "the services of"; and by inserting immediately following the words "a nurse" a comma and the phrase "or other medical personnel."

Sec. 15. A new section, "Sec. 951" is hereby added to such act, together with a heading as follows:

"PART F—RECREATION FACILITIES

"Sec. 951. Whenever the Secretary shall certify that adequate recreation facilities are lacking at a post abroad and that the establishment of such facilities is necessary in the interests of morale and efficiency, he may, under such regulations as he shall prescribe, establish, maintain, and operate recreation facilities for use by officers and employees of the Service and their dependents who are stationed at such posts. Recreation facilities established pursuant to this section may be made available to officers and employees of other agencies of the Government and their dependents. The Secretary shall make such charges for the use of such recreation facilities as he deems fair and equitable. In no event shall these charges exceed the estimated cost to the Government of such recreation facilities. Any fees so collected shall be deposited into miscellaneous receipts of the Treasury. Necessary sites, buildings, and equipment may be acquired, and construction, alterations, and repairs may be provided, for the purposes of this section, in accordance with the provisions of the Foreign Buildings Act, 1926, as amended (22 U. S. C. 292–300). Notwithstanding the provisions of section 16a of the act of August 2, 1946 (5 U. S. C. 78 (a)), the Secretary may authorize any principal officer to approve the use of Government-owned vehicles located at his post for transportation of United States Government employees who are American citizens, and their dependents, to and from recreation facilities when public transportation is unsafe or is not available."

Sec. 16. (a) Foreign Service officers presently serving in the class of career ambassador and the class of career minister shall receive the salary prescribed for career ambassadors and for career ministers, respectively, by section 412 of such act, as amended.

(b) Foreign Service officers and Reserve Officers in the other classes shall be transferred to the new classes established by section 412 of such act, as amended, as follows: Officers of class 1 to the new class 1; officers of class 2 to the new class 2; officers of class 3 to the new class 3; officers of class 4 to the new classes 4 or 5 as determined by the Secretary, in accordance with the second sentence of this subsection; officers of class 5 to the new class 6; and officers of class 6 to the new class 7. In accordance with such regulations as the Secretary may prescribe there shall be transferred to the new class 4 those officers of the present class 4 who either are receiving the sixth through the eighth step rates of the present class 4 or who were eligible and were recommended for promotion by the selection board next preceding the effective date of this act. All remaining officers in the present class 4 shall be transferred to the new class 5.

(c) Each officer transferred pursuant to paragraph (b) of this section shall, under such regulations as the Secretary may prescribe, receive basic salary at that one of the rates of the class to which he is transferred which shall, as nearly as possible, correspond to the salary he is receiving at the time of transfer, except that no officer shall suffer a reduction in basic salary as a result thereof.

(d) Service in a former class shall be considered as constituting service in the new class for the purposes of determining (1) eligibility for promotion, in accordance with the provisions of section 622, and (2) liability for separation, in accordance with the provisions of section 633. Officers who are transferred to new class 7 in accordance with paragraph (b) of this section shall continue to occupy probationary status pursuant to section 635.

(e) Officers transferred in accordance with the provisions of this section shall receive credit for time served in a previous class toward class promotion in accordance with section 625.

(f) The class and salary adjustments made pursuant to paragraphs (a), (b), and (c) of this section and the salary increases for chiefs of mission authorized by section 2 of this act shall be made effective as of the first day of the first pay period which begins after the date of enactment of this act or on the first day of the first pay period which begins after July 1, 1956, whichever shall be later.

Sec. 17. A new section 936 is hereby added to such act as follows:

"APPLICATION OF ANNUAL AND SICK LEAVE ACT OF 1951

"Sec. 936. The Annual and Sick Leave Act of 1951, as amended (5 U. S. C. 2061 and the following), shall apply to career ministers and Foreign Service officers, who are not serving as chiefs of mission or who are not serving in a position in the Department which requires appointment by the President, by and with the advice and consent of the Senate, and to Foreign Service Reserve officers who are commissioned as diplomatic or consular officers, or both, in accordance with section 524 of the Foreign Service Act of 1946, as amended, notwithstanding the provisions of section 202 (c) (1) (A) of the Annual and Sick Leave Act of 1951, as amended."

Sec. 18. Notwithstanding the provisions of this act, existing rules, regulations of or applicable to the Foreign Service of the United States shall remain in effect until revoked or rescinded or until modified or superseded by regulations made in accordance with the provisions of this act, unless clearly inconsistent with the provisions of this act.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6712) to amend section 1237 of the Internal Revenue Code of 1954.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 12) to provide an improved farm program, and it was signed by the President pro tempore.

CONSOLIDATION OF THE NATIONAL TAX ASSOCIATION WITH THE TAX INSTITUTE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1745, H. R. 4909.

The PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 4909) relative to the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be inserted at this point in the Record the complete report of the committee on the bill.

There being no objection, the report (No. 1722) was ordered to be printed in the Record, as follows:

The Committee on the District of Columbia, to whom was referred the bill (H. R. 4909) relative to the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York, after full consideration, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

The amendments are as follows:

Page 1, line 5, insert the word "of" between the words "Code" and "Law."

Page 4, line 8, after the word "Association", insert the following: "or in any proceeding for the enforcement of the rights, if any, of any member of the National Tax Association."

Amend the title so as to read: "An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporation law of the State of New York."

SECTION-BY-SECTION ANALYSIS

The first section of the bill authorizes the National Tax Association, organized under the provisions of subchapter 3 of chapter 18 of the Code of Law of the District of Columbia, approved March 3, 1901, as amended, to consolidate with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York. The section further provides that the said corporations may be consolidated so as to form a single corporation under the law of the District of Columbia or under the law of any 1 of the 48 States of the United States of America.

Section 2 of the bill provides that the consolidation shall be effected by the procedure prescribed for the consolidation of foreign and domestic membership corporations by sections 51, 52, and 53 of article VII of the membership corporations law of the State of New York.

Section 3 provides that upon the adoption of an agreement for consolidation by the governing bodies of the National Tax Association and the Tax Institute, Inc., as provided by the membership corporations law of the State of New York, the agreement for consolidation shall be submitted to each member of the National Tax Association who has the right to vote for the election of the members of its governing body at a meeting called for the purpose of taking action for the adoption or rejection of such an agreement. Provision is also made for notice of the time, place, and object of said meeting, and the procedure for adopting or rejecting such agreement for consolidation by the voting members of the National Tax Association.

Section 4 of the bill provides that if the consolidated corporation is to be governed by the laws of any State other than the District, that it irrevocably appoint the Commissioners as its agent to accept service of process in any proceeding for the enforcement of any application of the National Tax Association, and it must also file an agreement that it may be served with such process.

Section 5 of the bill provides that nothing in this act contained shall be so construed as to prevent Congress from altering, amending, or repealing the same.

EXPLANATION

The National Tax Association is a nonprofit corporation, organized under the laws of the District of Columbia for the general purposes of gathering and disseminating information with respect to tax matters and matters of public finance. It is presently negotiating consolidation with the Tax Institute, Inc., a nonprofit corporation organized under the laws of the State of New York and having comparable general purposes. The two corporations anticipate that consolidation will reduce overlapping activities and will further the accomplishment of their stated purposes. During the consolidation negotiations, a question has been raised as to the authority of the National Tax Association to consolidate unless the continuing corporation is organized under the laws of the District. This bill would provide for the consolidation and would permit the continuing corporation to be organized under the laws either of the District or of any one of the States.

Mr. JOHNSON of Texas. Mr. President, it is my understanding that the bill was reported unanimously from the Committee on the District of Columbia. The purpose of the bill is to enable the National Tax Association, a nonprofit corporation, organized under the laws of the District of Columbia, for the purpose of gathering and disseminating information with respect to tax matters, to consolidate with the Tax Institute, Inc., a corporation organized under the laws of the State of New York. Negotiations looking to a consolidation are now underway. The bill provides that the corporations may be consolidated so as to form a single corporation under the laws of either the District of Columbia or of any of the States of the Union.

The PRESIDENT pro tempore. The Secretary will state the first committee amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the amendments of the committee be considered en bloc.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The amendments of the Committee on the District of Columbia are as follows:

On page 1, line 5, after the word "Code", to insert "of", and on page 4, line 11, after the word "Association", to insert "or in any proceeding for the enforcement of the rights, if any, of any member of the National Tax Association."

The PRESIDENT pro tempore. The question is on agreeing to the committee amendments en bloc.

The amendments were agreed to.

The PRESIDENT pro tempore. The bills open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York."

REORGANIZATION OF THE PASSPORT OFFICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1628, S. 3340.

The PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3340) to transfer the functions of the Passport Office to a new agency of the Department of State, to be known as the United States Passport Service to establish a passport service fund to finance the operations of the United States Passport Service, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill.

The PRESIDENT pro tempore. The bill is open to amendment.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Frear in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. The pending business is Order 1628, Senate bill 3340; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, I invite the attention of the distinguished Senator from Minnesota [Mr. Humphrey], who is the author of this proposed legislation and whose committee reported it, and I should like to have him make a statement with reference to the bill.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I appreciate the opportunity to discuss the bill. It has been reported by the Committee on Government Operations. It was prepared by the committee, in consultation with the staff, as the result of a very careful analysis of the Passport Office, the manner in which it is operating, and the problems which have beset that office over many years.

Later on in the discussion I should like to offer an amendment designed to clarify certain language of the bill. I should like to seek information from the Chair as to whether it is appropriate to offer the amendment at this time, so that the proposal may be before us, since I am sure there will be some discussion of the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. The only difficulty I can see, unless the Senator has prepared mimeographed copies of his amendment, making it available to all Senators, is that, as I understand, the bill in its present form—of course, I do not know whether the amendment would change the situation—is objected to by the State Department and by the Bureau of the Budget.

I understand also that no hearings were held by the committee and that the bill was reported as the result of a staff report. There may be a great many suggestions of merit in the bill the Senator has proposed; but it seems to me that in making an internal change within the State Department, it would at least have been well to have held hearings, in order to give the Department of State an opportunity to appear before the committee and to present what they felt were cogent reasons why the passport fee should not be increased, and why a particular organization should not be set up in the manner proposed by the bill.

The very fact that the staff now suggests that certain amendments be made in itself indicates to me that time might be saved and a more orderly procedure might be followed if the bill were recommitted to the Senator's committee. The Senator could then arrange to have the amendments submitted to the other members of the committee, and then afford the representatives of the Department of State an opportunity to appear and to present their views.

I have read the testimony which Deputy Under Secretary of State Loy Henderson gave when the matter was being discussed before the House Committee on Appropriations. Mr. Henderson raised what appeared to me to be reasons which were entitled to a respectful hearing on the part of the committee, rather than to try to perfect rather intricate legislation in this way on the floor of the Senate, in view of the fact that committee hearings were not held.

Mr. HUMPHREY. I say most respectfully to the minority leader that while no hearings were held on the bill, there were several months of staff consultations with representatives designated by the Bureau of the Budget to assist in the reorganization of the Passport Office, the General Accounting Office, the General Services Administration, and members of the committee.

Besides being sponsored by me, the bill is cosponsored by the Senator from Arkansas [Mr. McClellan], the Senator from Washington [Mr. Jackson], the Senator from Massachusetts [Mr. Kennedy], the Senator from Missouri [Mr. Symington], the Senator from Wisconsin [Mr. McCarthy], the Senator from South Dakota [Mr. Mundt], the Senator from New Hampshire [Mr. Cotton], and the Senator from Ohio [Mr. Bender].

The issues which the Department of State has raised are such issues as would naturally be raised by an agency which would like to retain the status quo; and that is about what this amounts to.

The amendment I was about to propose is merely a clarifying amendment, to take care of what appears to be an ungrounded, unfounded fear, in the light of the purpose of the bill and the explanation which was made of the bill in the committee. I refer to a feeling on the part of Mr. McLeod, of the Department of State, which is obviously carried up through channels, that the security provisions which are now a part of passport clearance would be in some way weakened by the bill. That, of course, is not true. The bill vests full authority for whatever activities may be necessary relating to passports in the Secretary of State, the Secretary, in turn, can pass on to any of his subordinates or associates the responsibility for the security clearances which relate to passports.

In order to make this intent perfectly clear, I have an amendment which I shall not offer at the moment, but shall merely mention. It provides as follows:

> The Secretary of State may from time to time make such provisions as he shall deem appropriate authorizing the performance by the Director of the Service, or by any other officer, or by any agency or employee of the Department of State of any of the functions transferred to the Service pursuant to the first section of this act.

That would give the Secretary of State full responsibility. That is where the responsibility belongs, and it is what the Hoover Commission has recommended. The Hoover Commission recommendations, however, insist that there be a clear line of authority up to the Secretary of State.

When we looked into the Passport Office we found conditions to be unbelievable. We found, for example, that passports were readily within the grasp of individuals visiting in the office. We found a lack of adequate files and a lack of adequate organization. We found an office which had not been improved substantially, in terms of administrative organization, for more than a decade. I believe, in fact, that the last increase in fees for passports occurred in the 1930's, if I am not mistaken.

The question of fees has been brought up by travel agencies. I spoke to the staff director yesterday, and have talked

with some of my colleagues about the matter. Raising the passport fee from $9 to $18, which is doubling the amount, may seem to some persons to be excessive, but I can document the fact today that it is below what it really should be. However, rather than to impose the full increase at one time, I propose to suggest as an amendment that the increase be only to $15.

I shall also propose in due time the above suggested amendment, which will make it specifically clear within the language of the bill itself that the Secretary of State shall have any and all authority to designate an official such as a security officer, to be in charge of such security provisions and protections as may be involved in the issuance of passports.

I have reason to believe there are some officials of the Department of State who think their respective little bureaus will be weakened. That is a foolish thought. What we are looking forward to is having an efficiently functioning office.

Miss Knight, the Director, is doing outstanding work to bring the Passport Office up to date by bringing the service to the people.

The whole proposal has been examined into carefully by the persons concerned with the operations of the State Department, and in particular the Passport Office.

The Office of the Comptroller General has been consulted at length about the matter. The Bureau of the Budget, to be sure, does not approve of this measure because of the departmental resistance; that is exactly the reason for the disapproval by the Bureau of the Budget. But if departments of the Government were reorganized only on the basis of how the departments felt, we would be back in about the 1860's. The attitude of the Bureau of the Budget, from my point of view, is hardly honest.

Mr. KNOWLAND. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I do not believe there is any Senator, on either side of the aisle, who has more jealously guarded the prerogatives of Congress as the legislative arm, as a coequal arm, as a coordinate, and not a subordinate, than has the minority leader.

Mr. HUMPHREY. I understand; I appreciate what the Senator from California has said.

Mr. KNOWLAND. The only point I raise, and I think it a perfectly valid one, is that no hearings have been held. Frankly, I did not know until today that there had not been hearings held, to which the Department representatives might have been called to testify.

Once there has been an opportunity afforded the Department to present its case to the committee, and to have its representatives examined and cross-examined by Members on both sides of the aisle, if they desire to do so, the bill would then come to the Senate, after the committee had had the official views of the Department. There would be a record of the hearings. The Senate then would have the benefit of the testimony, it could give whatever weight it wished to give to the testimony which was presented, and could then make its decision.

It seems to me that we are more or less reversing the field when we begin to reorganize internally a department, when apparently the heads of the Department have not had the opportunity, at least, to appear before the committee and to make what they feel are valid objections to the bill. I respectfully suggest that even though the end result might be the very same, after the members of the committee had heard the testimony, I think time probably would be saved. I should have preferred the Senator from Minnesota to have raised the point on his own motion, whether it prevailed or not from this side of the aisle, on the ground that the Secretary, or his representatives, as a matter of good legislative procedure, should have the opportunity to testify which, of course, they cannot have on the floor of either the Senate or the House.

I would feel happier if the members of the committee, on both sides of the aisle, had the opportunity to examine and cross-examine Mr. Henderson or whoever else might come from the Department to express the views of the Department, rather than merely to have Mr. Henderson read an ex parte statement, which perhaps might be in error; because, after all, the executive department makes mistakes also, and I am not claiming that Mr. Henderson or anyone else in the Department of State is infallible.

Mr. HUMPHREY. I say most respectfully to the Senator from California that the bill as reported by the committee is the result of prolonged staff study, and of innumerable complaints made about the Passport Service—complaints about which the State Department did nothing. The junior Senator from Minnesota has written to the Department again and again about the complaints. I became interested, as did the Senator from South Dakota [Mr. Mundt] and other Senators, because of innumerable complaints which were received by my office about the Passport Service. The State Department has shown no interest in the matter, except to oppose the committee's proposal.

The Committee on Government Operations has authority, under the Legislative Reorganization Act, to make post audits for the purpose of reorganization. I am proud of the work of our committee. We have saved the Government millions of dollars.

It is not an unusual performance for the Committee on Government Operations to introduce bills such as this. The committee has presented bill after bill as a result of staff studies and as a result of executive sessions of the full committee. Every member of the committee is cognizant of the reports which have been made.

The last staff memorandum on this bill which was presented to the members of the committee as a result of a staff study is about 10 pages in length. The committee has discussed the bill with representatives of the State Department, and the State Department is opposed to the bill. The State Department is opposed to the bill because the Passport Office, which is now a bureau in the Department, will be established as a special service, subject to the administrative authority of the Secretary of State. The Secretary, therefore, will have direct administrative responsibility for the Passport Office. The day the Passport Office can be looked upon as a simple, little adjunct of government is over. Thousands upon thousands of passports are issued, far beyond the wildest dreams of the most optimistic travel agency. Next year—I have forgotten the exact figures—it is expected that there will be a 15 or 20 percent increase, or even more, in the number of passports issued.

What the bill does is simple. There is not much to it, except it gives the Secretary of State direct authority to place the Passport Service in the State Department, where the office ought to be, rather than leave it locked down, as it has been locked down from time immemorial.

I may say to the Senator from California that when I visited the office I found it in a basement. I found it with facilities which were such that employees were passing out because of inability to get fresh air. I found it with windows open, and so located that a person walking by could reach in and take a passport, if he wanted to.

Mr. KNOWLAND. May I ask how long the office was in that condition?

Mr. HUMPHREY. For years. If there ever was a bipartisan mess, this was it. If there was ever need for a bipartisan revision, this was it. This office was dying on the vine. We were encouraging people to travel and go overseas, and they were waiting 5, 6, and 7 weeks for passports.

When it comes to the question of security, what kind of security was there with respect to passports, which are among the most vital documents which can be had? A person walking on the street by the office could actually reach in the window, if he had long arms, and take a passport. There were not even adequate office machines. The employees were not being treated like human beings.

Those conditions were not due to anyone's diabolical purpose. The office was forgotten. Why was it forgotten? Because it was a little unit or agency of Government. The issuance of passports is becoming a big business. It is vital to the whole program of international policy of the United States.

The bill simply does two things. It says, "Mr. Secretary, the Passport Office should be under your control within your department. What do you want to do with it?" We elevate it to a service rather than a unit, and leave it to the Secretary to put it where it will best serve the Government. Secondly, the bill establishes a revolving fund, so the accounting of funds will be simplified, and adequate flexibility provided to meet seasonal demands for passports. The office gets hundreds of checks back and forth, in connection with its activities, and is required to meet demands for service which fluctuate during the peak travel season.

Revolving funds have been established under many acts of Congress. I may say the Comptroller General's Office has cooperated very effectively with us in trying to meet these problems. Many of the objections to the original bill have been eliminated, and the bill has been rewritten and rewritten until it has met at least with the overall approval of the Comptroller General's Office.

I know what the opposition to the bill is. By the way, this is not a matter of life and death to the junior Senator from Minnesota. This is not a great policy matter. It is a matter of making the Government operate more efficiently. Where does the opposition come from? I am going to pinpoint it.

Mr. DOUGLAS. Where does the opposition come from?

Mr. HUMPHREY. From Mr. McLeod's office, which does not want to lose this unit. I am not criticizing Mr. McLeod. If the Secretary wants to put the unit back under Mr. McLeod, he has the authority to do it under the bill. The bill brings the office directly under the control of the Secretary, and does not leave it out in Mr. O'Malley's barn or pasture, to be looked at occasionally.

By the way, I want the record to be clear that I was not one who supported Miss Knight when I first came to know of her, but I have come to know her, and I know it has been her steadfast purpose to make the office efficient.

I could not imagine that this would be a controversial bill, except that there would be opposition from someone downtown whose rank might be judged by the number of employees in his pool, and who has decided that the bill must be stopped.

Mr. President, I do not believe the bill should be recommitted. It is on the floor, and I think it ought to be voted up or down.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. In addition to the purposes of the bill which the Senator has mentioned, does the bill not also double the passport fee?

Mr. HUMPHREY. The fee is raised by the bill from $9 to $18. I shall suggest an amendment increasing the fee to $15, instead of $18. I shall present facts to show the cost of processing passports has gone up 118 percent since the $9 rate was established. The same arguments which were made in 1932 when the rate was increased from $5 to $9, are being made against the increase now proposed. If a person who is planning to go overseas cannot afford to pay $15 for a passport, I should want to know whether a passport were necessary.

I recognize the fact that travel agencies oppose any increase in passport fees. Nevertheless, in the Committee on Foreign Relations without any hearings we recently doubled those fees which are retained by local and State court officials handling passport matters. The State Department on that occasion objected to the increase in fees. Yet the bill was reported by the committee and was passed by the Senate. In the same committee where the present bill originates, the Committee on Government Operations, one reorganization bill after another, of a technical nature, has been considered without hearings and reported by the committee to the Senate.

If the bill involved a great policy matter, for example, a revision of the immigration laws or the Refugee Act, I would say there should be hearings. The State Department was consulted. The Bureau of the Budget was consulted. The Bureau of the Budget opposes a revolving fund. They always oppose such funds. I have a list of the number of revolving funds Congress has authorized. I think the Congress has authorized 11 or more revolving funds, over the objection of the Bureau of the Budget.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. The only point I am raising, which I feel needs to be raised on the floor, is that in view of the circumstances, the fact that there were no hearings, and there are what appeared to me to be cogent reasons against the bill, the officials should have an opportunity to present the reasons to the committee. I wanted to inform the Senator of those circumstances and to express the hope that he might think it more orderly procedure to permit the officials of the department to testify. Then I might agree with him, if that were done, and if the bill were reported to the Senate, either with the amendments the Senator intends to offer, or with additional amendments.

I wish to say most respectfully I think the Senator's committee is one of the able and outstanding committees of the Senate. Certainly we know the committee has reported to the Senate measures of importance with relation to the reorganization of the executive branch of the Government.

I agree with what he says about the present head of the Passport Office. From all I know, I think Miss Knight is doing a fine job. I say most respectfully, regardless of how competent the professional staff of the committee may be—I do not know that they are any more competent and I do not say that they are less competent than the employees who are working 365 days a year within the Department doing this work—it seems to me the responsible heads of the executive departments of the Government at least ought to have an opportunity to give their testimony and be cross examined before the committee. That is the only point I make. Then certainly, as the sole repository of the legislative power under the Constitution, the Congress can take such action as in its judgment it thinks should be taken, regardless of the objection of the Department. But I do not believe in foreclosing the views of the Department from the committee.

Mr. HUMPHREY. I want to say to the Senator from California, first, that the bill is a result of months of study. It is not as the junior Senator from Minnesota has said, a bill which involves a great policy matter. I was asked by the chairman whether or not I would be willing to present it to the Senate. I said I would. I was interested in the matter.

When the language of the bill is understood, I think it will be seen that the State Department is suddenly and belatedly raising objections which apparently it did not feel too strongly about earlier. Only in the last few days did I hear that the State Department was concerned because it had not had an opportunity to testify. The State Department was consulted, and the Bureau of the Budget was consulted. Sometimes it is rather difficult, of course, to obtain a quorum of our colleagues for the purposes of a committee hearing. I have attended many subcommittee hearings at which I have had to hold the hearing alone or with one other member of the subcommittee.

I have discussed the bill with the other members of the committee. The memorandum from the State Department is on file before the committee.

The bill has been rewritten in the light of the objections raised by the Comptroller General, the Bureau of the Budget, and the State Department, without sacrificing our purpose in connection with the bill.

When we read the bill we find that it simply provides:

> That all functions, powers, duties, and authority of the Passport Office of the Bureau of Security and Consular Affairs, Department of State, together with those funds, liabilities, commitments, authorizations, allocations, personnel, properties, and records of the Department of State which the Secretary of State shall determine to be primarily related to, and necessary for, the exercise of such functions, powers, duties, and authority, are hereby transferred to the United States Passport Service, established pursuant to section 2 of this act.

It is to be an integrated unit, I digress to say.

I read further from the bill:

> SEC. 2. There is hereby established in the Department of State an agency to be known as the "United States Passport Service" (hereinafter referred to as the "Service") which shall be headed by a director who shall be appointed by the Secretary of State in accordance with the civil-service laws, and whose position shall be allocated to grade 18 of the General Schedule as prescribed in the Classification Act of 1949, as amended.

It was at that point I wished to have a clarification amendment included, so as to state clearly that the Secretary shall have the right to move this office to wherever he deems desirable, and to designate any other agent of the Department of State or any other agency to perform whatever functions it may be necessary to perform in order to assist this particular service—such as the functions of the Consular Service, for security clearance on passports. So there would be no difference at all in that respect, insofar as concerns the situation following enactment of the bill.

Let me say that the third section of the bill provides for establishment of a revolving fund, so as to tighten up the bookkeeping.

Section 4 provides, in part:

> SEC. 4. In accordance with the provisions of existing law—
>
> (a) the Secretary of State shall prepare and submit an annual business-type budget program for the Service;
>
> (b) there shall be installed and maintained in the Service an integrated system of accounting, including proper features of internal control, which will (1) assure adequate control over all assets and liabilities of the fund, (2) afford full disclosure with respect to the financial conditions and operations of the fund according to the accrual method of accounting, and (3) supply on the basis of accounting results the data for the annual budget of the Service with respect to the last completed fiscal year. The system of accounting shall conform to principles and standards prescribed by the Comptroller General of the United States so as to accomplish the purposes of this section, and shall be subject to such review by the Comptroller General as may be necessary to assure its conformance with the principles and standards prescribed and its effectiveness in operation.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield at this point?

The PRESIDING OFFICER (Mr. COTTON in the chair). Does the Senator from Minnesota yield to the Senator from California?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. Perhaps I should have carried the figure in my mind, but it is difficult to do so. Will the Senator from Minnesota state the proposed salary schedule under class 18?

Mr. HUMPHREY. I think it is between $14,000 and $15,000.

Mr. KNOWLAND. What is the present salary?

Mr. HUMPHREY. I believe it is somewhat below that figure, but I shall obtain that information for the Senator from California. The bill will upgrade all of them in the amount of approximately what we might call one step upward in the salary schedule.

Mr. WATKINS rose.

Mr. HUMPHREY. I yield now to the Senator from Utah, who wishes to ask some questions.

Mr. WATKINS. I noted that the Senator from Minnesota said the passport business is now big business.

Mr. HUMPHREY. Yes.

Mr. WATKINS. And I have noticed that there has been proposed a 100-percent increase in the passport fee.

I wish to call the attention of the Senator from Minnesota to the fact that literally thousands of American college students make tours abroad; and the pending bill, if enacted, would add to their difficulties in connection with making those trips.

At the moment I do not say whether the increased fee called for by the bill is a proper one; but I wish to state that it seems to me we should give ample consideration to the situation of those who are to pay the fee; and if the passport business is today big business, hearings on this subject should be held, and we should receive sufficient testimony to show whether the big increase in fees the bill calls for is necessary.

Mr. HUMPHREY. I have that information.

Mr. WATKINS. But the other Members of the Senate do not have the benefit of it, for they do not have the benefit of a hearing record, and thus they are unable to know the views of those who are to do the traveling and who are to pay the fees. Such persons have not had an opportunity to testify about the bill. I am sure that many of our colleagues would like to have an opportunity afforded to numerous persons to appear at a committee hearing and testify in regard to this subject. A number of colleges are in the custom of sending students abroad for a part of their college education, and giving them credit for the courses they take while they are abroad. Those colleges and universities never charge those students the entire amount required for the service they render the students in that conection, and I think the Senator from Minnesota recognizes that fact.

Mr. HUMPHREY. Yes; I do.

Mr. WATKINS. Enactment of the bill would handicap such colleges and universities by calling for the expenditure of considerably larger amounts of money.

Let me state to the Senator from Minnesota that I am informed that the fees presently charged bring in sufficient funds to pay the cost of the operation of this bureau.

Mr. HUMPHREY. I am sorry to disagree, but I must inform the Senator from Utah that information made available to the committee would indicate that that is not correct.

Mr. WATKINS. I was advised by a staff member, I believe, that the amount of money brought in last year by the fees, covered more than the actual cost of operation.

Mr. HUMPHREY. If one considers only the operation of the Passport Service itself, without considering the costs in connection with security and consular matters which relate to that function, that is true; but if we consider the other costs, the total is much larger than the total of the fees received.

Mr. WATKINS. Of course we have our consular offices overseas, and their operations have now been vastly expanded, although the service they render to traveling Americans is small, as compared to the other work those offices do. I have found that to be a fact from my own experience.

Mr. HUMPHREY. That is true.

Let me say that I am no Scrooge, and I wish to have the fees made as reasonable as possible. It has been my opinion—judging from my service on the Committee on Government Operations, on which I serve as just a member, with no particular title—that the desire was to have the fees charged for governmental services of an amount sufficient to compensate for or equate to some extent, at least, the costs involved in the processing of the particular documents or in the handling of the particular services. Therefore, let me say very frankly that I am not particularly concerned about a $9 increase in the fee. Whether the fee be $9 or $12 or $15 or $18, I think is a matter of detail, and can be covered by an amendment to be submitted during our consideration of the bill. Certainly the exact amount of the fee does not constitute a major stumbling block.

I believe that the real issue involved in the bill is the organization of the State Department as it relates to the Passport Service. In my opinion that is the real issue.

If the Senator from Utah wishes to submit an amendment in regard to the size of the fee—and let me say that I understand another Senator wishes to offer an amendment relating to the fee—we can vote such an amendment up or down.

Frankly, I have felt that the increase in fees called for by the bill may be a little too high, and I have so stated; and I am preparing to offer an amendment to reduce them. But that is not what the State Department was complaining about.

Mr. WATKINS. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. WATKINS. I should like to point out that the reorganization programs are supposed to result in efficiency.

Mr. HUMPHREY. That is correct.

Mr. WATKINS. Then I cannot see why we should allow what we do in connection with reorganization to result only in increasing the fees charged, and thus bring in more money for the operation of the agency concerned.

Mr. BEALL. Mr. President, I commend the Senator from Minnesota for his very fine statement on the Passport Division. In particular I commend him for his remarks with respect to Miss Knight. My experience over the years is that that office has been very efficiently operated, and I certainly believe that something of the kind proposed in the bill should be done.

Mr. HUMPHREY. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Am I correct in believing that the Senator from Minnesota has made an inspection of the Passport Office?

Mr. HUMPHREY. I would not call it a full-scale inspection. However, I have at least taken a look at it, and I have had long talks with members of the staff.

Mr. DOUGLAS. The Senator from Illinois spent an hour going through the office, and he was greatly pleased with the obvious increase in efficiency which has been effected by Miss Knight, and the very systematic way of handling applications and rendering prompt—and I think just—judgments upon them.

The Senator from Illinois wishes to join the Senator from Minnesota in saying that this service should be recognized by being accorded a greater dignity and a certain degree of greater independence, as well as by an increase in the salary of the Director. When we see a public official doing a good job under great difficulties, I think we should give proper credit. I am not impressed with the contention that because the Office has increased in efficiency it should be denied appropriations. It needs additional appropriations in order that it may have the facilities with which to function.

In this case the workload is increasing. The speed of processing applications has greatly improved, and I believe that good service should be rewarded. I am very happy to support the bill introduced by the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I shall conclude my discussion with a few brief additional observations.

The bill, as reported by the committee, conforms specifically to the recommendations of the Hoover Commission, by establishing, within the Department of State, a United States Passport Service, and by transferring from the Bureau of Security and Consular Affairs to the Secretary of State those functions which are now carried on by the Passport Office of that Bureau. The Bureau of Security and Consular Affairs was established within the Department of State under the provisions of the Immigration and Nationality Act, and the Passport Office was incorporated as a part of the Bureau pursuant to that act.

Thus the pending bill actually would remove a statutory impediment or a stricture between the Secretary and the Director of the Passport Office, by establishing a United States Passport Service as a separate unit within the Department of State. It would place the Director of the Service under the direct control of the Secretary of State. Since it would in no way alter the existing authority of the Secretatry to delegate the functions involved, and to control the Passport Service, Senate bill 3340 conforms fully to the recommendations of the Hoover Commission to which I have referred.

I note that the Hoover Commission's recommendations, in its report on General Management, which were referred to by the Deputy Under Secretary of State in his testimony before the House Committee on Appropriations on March 14, 1956, were as follows:

> 1. That each department head should receive from Congress administrative authority to organize his department and to place him in control of its administration.
>
> 2. That the department head should be given authority to determine the organization within his department.

What we are really doing in this bill is going back to the original act relating to the reorganization of the Department of State, which was enacted in either 1951 or 1952. The provisions of that act were upset or altered by the Immigration and Nationality Act provisions, which require that the Passport Office be included in the Bureau of Security and Consular Affairs.

I remind my colleagues that the original act relating to the reorganization of the State Department in accordance with the first Hoover Commission recommendations gave the Secretary the authority to place agencies in the Department within the organizational structure where they would make the most sense and promote the greatest efficiency.

Then the Congress came along with the Immigration and Nationality Act and imposed a block, a stricture, or an impediment in the way of the Secretary being able to design the use of the respective agencies in his Department. This bill would unfreeze that situation.

The bill would provide the Secretary with authority over the Passport Service. It would make the Passport Service a separate unit, and it would permit the Secretary to place the Passport Service in the Department where he deems most desirable from an efficiency and policy point of view.

The point which has been raised with respect to fees can be readily resolved. Furthermore, if the bill passes the Senate, it will be a forward step. It will have to go to the House. There is no reason why the State Department could not be heard before the House Committee on Government Operations, which has a larger staff than our committee has. It has dozens of subcommittees. It has much more time to go into specific problems in detail. The State Department could make its presentation before that committee.

The criticisms of the State Department are twofold. First, there is the belated criticism based upon the fees. Second, there is the criticism based upon the proposal to remove the Passport Office from the Bureau of Security and Consular Affairs.

I submit, Mr. President, that the Passport Office is big enough and important enough to have a separate status; and that the Secretary can designate a Bureau of Security and Consular Affairs as an auxiliary agency to the Passport Office, to perform whatever functions may be necessary in connection with the issuance of passports.

Insofar as fees are concerned, I am informed that the State Department has had under consideration, practically ever since the Immigration and Nationality Act was amended in 1952, a bill which may be presented to Congress shortly, to increase the rate for passports from $9 to $15, and to extend the time of the original passport from 2 years to 3 years, with a 2-year renewal privilege. That is what the State Department now has under consideration, and according to information developed by the staff of the committee, is about ready to present to the Congress in the form of a bill for its consideration.

What I am suggesting is that, instead of the $18 fee proposed in the bill, which I thought was rather excessive—and which is a subject I have discussed with others—we reduce the fee to $15. Second, since some question has been raised as to the Secretary's authority under the bill to make whatever adjustments may be necessary in the alinement of agencies within the State Department, I am offering what might be called an explanatory amendment, which would read as follows:

> The Secretary of State may from time to time make such provisions as he shall deem appropriate authorizing the performance by the Director of the Service, or by any other officer, or agency, or employee of the Department of State of any of the functions transferred to the Service pursuant to the first section of this act.

Mr. President, that covers any possibility of there being any difficulty whatsoever, in terms of security clearance, in our consular offices overseas.

Before I yield the floor I wish to present my amendment and ask that it be considered. The amendment would be on page 2, line 12.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 2, at the end of line 12, it is proposed to insert the following:

> The Secretary of State may from time to time make such provisions as he shall deem appropriate authorizing the performance by the Director of the Service, or by any other officer, or by any agency or employee of the Department of State of any of the functions transferred to the Service pursuant to the first section of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota.

Mr. JOHNSON of Texas. Mr. President——

The PRESIDING OFFICER. The Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, if other Senators will indulge me, I should like to make a brief statement to the Senate.

Mr. HUMPHREY. Mr. President, I thought the Senate would consider the amendment I have presented.

Mr. JOHNSON of Texas. I am sorry. I thought the Senator from Minnesota had yielded the floor.

The PRESIDING OFFICER. The Senator from Minnesota offered his amendment. After the amendment has been offered and stated, he cannot hold the floor. The Chair has recognized the Senator from Texas.

Mr. HUMPHREY. I shall not argue the point. At the time I offered the amendment, I did so with the intention of having it acted on. I did not intend to yield the floor. However, I will not argue the point.

Mr. JOHNSON of Texas. The Senator from Texas is in no hurry. He will be glad to yield to his friend from Minnesota.

Mr. HUMPHREY. No; I shall return later.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota.

THE FARM BILL

Mr. JOHNSON of Texas. Mr. President, I have a very brief statement I desire to make on another subject.

Mr. President, one of the outstanding features of the debate on legislation to improve the conditions of farming has been the constant stream of predictions that the bill will be vetoed.

Throughout the discussion, opponents of the legislation have proceeded on the assumption that they had a club in the White House closet. They are begging the President to take that club out and beat the farmers over the head with it.

I do not know whether the President will use his power and veto the bill the Congress has passed. The responsibility of the veto has been granted to him by the Constitution, and there is no one else who can presume to exercise it.

I am not going to join the ranks of the "informed"—or "uninformed"—sources who predict before the bill reaches him what the President will do. Personally, I sympathize with anyone who wakes up every morning to find out that others are telling the world what he is thinking and what he is planning.

But a discussion of the results that would flow from a veto is certainly in order.

A veto at this time would leave America's farmers completely at the mercy of

Secretary of Agriculture Ezra Taft Benson. I believe Mr. Benson to be a man of integrity and honesty of purpose, but he is also a man who has made clear his belief in factory farming and low farm income as a way of life.

A veto at this time would transfer the responsibility for low farm income from the Agriculture Department to the White House itself. This would be a Presidential stamp of approval on the conditions which have lost our farmers a minimum of $3 billion in income in the past 3 years.

A veto at this time, the majority leader believes, would cost the farmer a minimum of $2 billion in cash income this year.

A veto at this time would discourage American agriculture and speed up the drift from the farm to the city.

The senior Senator from Texas can understand the perplexity which must bedevil the President at this time.

On the one hand, he has a bill which represents the collective judgment of Congress, and which has been considered by two great committees; debated in both branches; put into final form by a distinguished conference committee representing the House and Senate; approved with the votes of members of both parties; and which has been overwhelmingly approved by the conference committee, with the votes of members of both parties.

On the other hand, he has the necessity of reversing a trend which was set in motion by his own Secretary of Agriculture 3 years ago, and which his own Secretary still apparently sincerely approves.

It is a difficult problem—to save the faith of American farmers in their government or save the face of the Secretary of Agriculture in his cabinet.

I hope the President will ignore the pleas of those who are urging him to use the club in the White House closet. The American economy cannot be sound unless there is a prosperous and healthy agriculture, and the measure which the Congress has passed is needed.

REORGANIZATION OF THE PASSPORT OFFICE

The Senate resumed the consideration of the bill (S. 3340) to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the United States Passport Service to establish a passport service fund to finance the operations of the United States Passport Service, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. WATKINS. Mr. President, I am in full accord with the statement made by the distinguished minority leader with respect to the necessity of holding hearings on the measure which is now before the Senate. There are many travelers nowadays. The number has been increasing rapidly over the years. In fact, the travel rate to Europe is increasing by leaps and bounds.

As I indicated in a colloquy with the distinguished Senator from Minnesota, many of the travelers are young college students who are taking courses prescribed for them involving travel to Europe where they study the cultures of European countries, and the countries themselves. All colleges are not self-supporting. At least, they do not obtain sufficient tuition and other fees to maintain themselves. It would be a heavy burden on these young people, and upon the schools, and would have a bad effect upon the courses which have been outlined for the students, if the fees were increased. That is one of the things which cannot be handled in this so-called reorganization measure. It goes beyond reorganization.

I think the question of fees should be studied further. Statements have been made with respect to necessary reforms to make the Passport Division more efficient. I think, in all fairness, we should have before us the communication from Mr. Loy W. Henderson, Deputy Under Secretary for Administration, with reference to the reorganization.

Mr. President, I invite attention to the statement made by the distinguished junior Senator from Minnesota with respect to the lack of diligence in following through on suggestions. In this connection I think a letter written by Mr. Henderson should be read into the RECORD. It is dated March 24, 1956. It reads as follows:

> DEAR SENATOR MCCLELLAN: Your Committee on Government Operations has been advised through established channels of the Department's position on S. 3340.
>
> As the officer of the Department responsible for management and administration generally, I want you to know that the Department appreciates the keen interest displayed by your committee and its several members during the past several months in improving the operations of the Passport Office. Indeed, the work of your committee and its staff has done a great deal to help speed up needed changes. The Department has also obtained unusually prompt assistance from several other Departments of the Government.
>
> Many of the recommendations made by your committee and by other agencies of the Government have been placed into effect. High priority has been given to provide the necessary administrative support, including adequate funding to the Passport Office, so that these combined efforts will reach optimum effectiveness. I am pleased with the conspicuously good record of performance by the several administrative units of the Department that have been called upon to assist the Passport Office. In my letter of March 16, 1956, addressed to Senator HAYDEN, a copy of which was sent to you, I advised that the additional $10,000 needed for equipment mentioned in your committee's report had been made available by reprograming funds from other areas of the Department. Similarly $37,885 was recently made available to the Passport Office to meet urgent requirements for printing additional passports.
>
> The studies that have been underway for some time on the matter of passport fees have not been completed. As soon as they are completed the Department will express its views on the level of the fees to be collected and will advise your committee prompty.

Mr. President, I regard that as a very important paragraph. This matter, involving, as it does, so many persons who have the right to travel and who are encouraged by the administration to travel, certainly should have some further study. Representatives of the Department should have an opportunity to appear.

Mr. HUMPHREY. Mr. President, will the Senator from Utah yield?

Mr. WATKINS. I should like, first, to finish the reading of the letter before I yield.

I read further from Mr. Henderson's letter:

> If the Department's budget request for the next fiscal year is approved by the Congress, adequate provision will be made for meeting any unpredictable developments in passport operations. I refer specifically to the appropriation requested for "Emergencies in the Diplomatic and Consular Service" and to the general provision for the transfer of funds from that appropriation to other appropriation accounts to meet unforeseen requirements. It is most important not only for the Passport Office but for a number of other areas of the Department that our 1957 budget provide funds that will give us necessary flexibility to meet emergent and unanticipated demands. Provision has, of course, been made in the budget for the Passport Office for all operations of that Office that can be anticipated at this time.
>
> Much remains to be done in improving the Passport Office's operations. We believe the objectives of S. 3340 to improve that Office can be accomplished in large measure under the present structure. If we find that there are serious impediments in our path we will welcome an opportunity to discuss this problem with your committee at that time.
>
> Sincerely yours,
>
> LOY W. HENDERSON,
> *Deputy Under Secretary for Administration.*

Mr. President, that is a statement of the Department's position, and I think the last paragraph indicates a view to which we should give some consideration. It would be well to have these officers before the committee so they can be questioned with respect to the plans they have underway, and whether it is necessary to have this proposed reorganization to improve the efficiency which they themselves wish to bring about and which the committee wishes to bring about.

Mr. HUMPHREY. Mr. President, will the Senator from Utah yield at that point?

Mr. WATKINS. I yield.

Mr. HUMPHREY. I am very much impressed with Mr. Henderson's letter, because what it relates is exactly what the committee has done. He tells of the improvement which the State Department made in the Passport Office, and he is kind enough to say that the reason for that is that the committee insisted that the improvement be made.

There is on the desk of every Senator a report in which there is a note as to a very substantial amount of work which was accomplished. I should like the Senator to note that on page 3 of the report it is stated:

> In compliance with the request regarding the management supervision of the program, the Bureau of the Budget arranged with Miss Knight and Chairman Young of the Civil Service Commission to have the

> Director of the Bureau of Management Services of the Civil Service Commission assigned to work with the Director of the Passport Office (1) in the development and installation of the new reorganization program, (2) in defining the functions of the newly created divisions and sections (3) in fixing responsibilities and delegations of authority, (4) in developing standards of performance and staffing patterns, and (5) in overall improvements in personnel administration and general management.

This is what finally came out of the consultation with the many bureaus of the Department in connection with the management survey, at the prodding of the committee and the committee staff. The bill carries out exactly what the management survey recommends.

In the last paragraph of Mr. Henderson's letter he says:

> Much remains to be done in improving the Passport Office's operations.

Mr. WATKINS. I read that, if the Senator will remember.

Mr. HUMPHREY. Here is what Mr. Henderson says:

> We believe the objectives of S. 3340 to improve that Office can be accomplished in large measure under the present structure.

Mr. WATKINS. Without additional legislation.

Mr. HUMPHREY. But, I may say that through several administrations, Republican and Democratic, as far back as one can point, until Congress has stepped in improvements have not been made. I can show the Senator the hearings in 1920, 1924, 1934, and 1936, and it is always the same.

What is proposed to be established by legislative enactment is a management design in an administrative organization. Basically all we are doing is to go back to the reorganization statute relating to the State Department which was passed, in 1951, as a result of the Hoover Commission recommendations. That statute gives the Secretary the authority to aline the agencies in the Department according to an administrative pattern which the Secretary may design in his own Department. That pattern was obstructed, or an impediment was placed in the way, by the Immigration and Nationality Act, which transferred the Passport Office to the Bureau of Security and Consular Affairs.

The bill merely provides that the Secretary of State shall have the power to place the Passport Office where he deems best in the Department, and to elevate the Office to one of service, rather than to have it simply in the status of a unit, and thereby give to it greater stature and position in the Department of State, commensurate with its responsibility.

Mr. WATKINS. I am not trying to argue the merits of the bill, except with respect to the increased fee provided in section 3. I point out that in a matter of this kind, which involves so many persons and regulations, and the like, it seems to me the committee could have made much better progress if it had held a hearing and let those who were interested, such as the persons I have mentioned—college personnel and the literally hundreds of thousands of persons who travel—or their representatives, come before the committee and testify. In a matter which involves such a vast number of persons, it seems to me that the much better way would have been to follow the practice which Congress has followed over the generations, namely, to hold hearings, so that persons interested could present their views.

Mr. HUMPHREY. I think that is a meritorious point.

Mr. WATKINS. Senators then could have heard the discussion and the arguments pro and con about the fees to be charged. They would have heard the discussion by the Bureau of the Budget, and would have heard the give and take between the members of the committee and the representatives of the Department. In that way they would have ascertained the views of the executive department. From the exchange of views, I think the Senate would have had a much better understanding of what is proposed.

I am arguing for that which the distinguished minority leader urged, namely, that hearings he held on the bill, so as to let the persons in the executive departments who are experts in the matter come before the committee and discuss the bill. I think that would be much better than simply to have exchanges of letters and staff studies on which to judge this legislation.

If we are coming to the point of letting staff members hold hearings, with Senators not taking the direct responsibility, we shall be making a great departure from the ordinary Senate procedure, and overall congressional procedure, as well. Such orderly procedure is what I am arguing for at this moment.

In addition to what I have already said, I call the attention of the Senate to a letter which was received from the executive vice president of the American Automobile Association.

Mr. HUMPHREY. Mr. President, will the Senator yield at this point?

Mr. WATKINS. If the Senator will permit me to pursue the matter a moment——

Mr. HUMPHREY. I merely wish to say that this material was presented to the Senator by the committee. It is not as if that had not happened.

Mr. WATKINS. I understand that, but certainly I think a mistake was made, if I may be permitted to say so, in not yielding to the suggestion made by the American Automobile Association. The next to the last paragraph of that letter reads:

> However, we must disagree with the need of recommendation 3, calling for a 100-percent increase in passport and renewal fees. There appears to be no justification for an increase at this time. It would clearly be a deterrent to foreign travel and in marked contrast of the policies of the Government to facilitate trips made by our citizens abroad.

The American Automobile Association was making a plea to the committee for the very thing which the committee denied. It may well be that the committee did not write them a letter and say their request would be denied; but the association requested a hearing.

I am certain the Department of State and the Bureau of the Budget would have liked to have been heard and to have presented their views in an orderly manner. In that way, I think the committee might have drafted a better reorganization plan than has been suggested.

Further, on the matter of reorganization, the way the system now works might very likely be the same way in which it would work if the bill were amended as the Senator has suggested. The Secretary of State under the proposed amendment could designate the identical bureau in the Department of State that now controls the passport unit to have complete control and direction of the Passport Service in the future.

Mr. HUMPHREY. There would be some difference.

Mr. WATKINS. I fail to see the difference.

Mr. HUMPHREY. Accounting methods are prescribed in the bill.

Mr. WATKINS. That is objected to by the Bureau of the Budget. Whether their reasons are sound or unsound, I do not know.

Mr. HUMPHREY. The Bureau of the Budget does not object to the accounting methods; it objects to the revolving fund. I think there will always be an objection to a revolving fund, just as, I suppose, King George III objected to July Fourth. We will always hear objections to a revolving fund.

Mr. WATKINS. I do not know the reasons which King George III might have had for objecting to July Fourth.

Mr. HUMPHREY. He expressed some objection to the Fourth of July 1776.

Mr. WATKINS. At any rate, I should like to hear the objections made by the Bureau of the Budget, and not leave it to the Senator from Minnesota to say whether they are sound or unsound. I should like to hear a discussion of the matter by the responsible officials of the departments involved.

I still believe it would be a wise move on the part of the Senate to recommit the bill and to hold hearings. Even if only 2 or 3 Senators were present at the hearing, a record could be made, and the Senate then would know what the situation really is. I came into this discussion cold. I have no personal interest in the matter.

Mr. HUMPHREY. May I ask the Senator if he came into the matter at the request of the Department of State?

Mr. WATKINS. I came into it because I was notified that hearings had not been held and that the matter was something which should be considered carefully.

I do not happen to be on the committees, but I happen to be a member of the subcommittee on immigration and have very close connections with the State Department on questions involving immigration and naturalization. It is for that reason, I assume, that my attention was called to the bill. I have made some investigations in Europe and the Near East of the Consular Service and of the way in which the Passport Service operates.

Moreover, the minority leader requested me to take a look at the bill. As a matter of fact, I understand that in the House the bill will be referred to the Committee on the Judiciary, because a request has already been made to have the bill referred to that committee. In the Senate the bill was referred to the committee of which the Senator from Minnesota is a member, and not to the Committee on the Judiciary.

Mr. HUMPHREY. The bill was not referred to the Committee on Government Operations at all; it was born in that committee. Not only was the idea of the bill conceived and given life by that committee, but the committee also reported the bill as a result of its own work.

The report indicates that in July, 1955, a study was undertaken. The Senator from Arkansas [Mr. MCCLELLAN], the chairman of the committee, at the request of the Senator from South Dakota [Mr. MUNDT], myself, and other Senators, directed the staff to make a study. The committee proceeded to work with the Civil Service Commission, the Department of State, the Bureau of the Budget, and the General Services Administration; and, as the Department of State, through Mr. Henderson, acknowledges, substantial reforms and improvements have been made. I say most charitably, kindly, and considerately that those improvements were not made until the committee moved into action.

Mr. WATKINS. Let us give the committee full credit for that. I do not criticize what the Senator and his committee have done up to that point, with respect to the investigations which have been made. I maintain that a mistake was made in not permitting a hearing to be held on the bill.

Mr. HUMPHREY. I agree that the Senator makes a point on that ground. I should be the last person to say that hearings are not generally desired. But the committee received no particular requests for hearings. The bill was under consideration for a long time. The committee report was circulated among the agencies of the Government. The Department of State did not raise any particular fuss about hearings until March 24.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I think the Senator has just indicated in the colloquy some additional information which I respectfully suggest constitutes an additional reason for what I hope will be the ultimate decision of the Senator from Minnesota himself to ask for hearings. The hearings could be limited in scope.

In the normal course of events, a bill is introduced on the floor and is then printed. Notice of the introduction of of the bill is given to all Senators. Copies of the bill can be obtained by Senators who desire them.

As the Senator stated, quite properly—and I make no criticism of the practice, because many committees follow it—in this instance, the bill originated in the Committee on Government Operations. Apparently it was reported as what might be called a clean bill or a committee bill. Therefore, while the members of the committee might have been advised, while the persons concerned in the executive department might have been advised, and while the committee might have been advised and might have had ample time in which to consider the staff study, nevertheless, so far as the average Member of the Senate was concerned, he would not have been alerted to the fact that the bill was in the hopper, so to speak, until the report of the committee was submitted with the bill. I might say to the Senator it was not until yesterday that I realized for the first time, when the report was available, that there had not been hearings on the bill. That may have been due to an inadvertence on my part. I do not say that in any criticism of the committee, because I think the report is perfectly factual and perfectly proper, but I had assumed the report had been submitted following the normal legislative procedure, that is, after hearings.

I commend the interest the Senator has taken in the passport service. I commend him and the diligence of his committee and the work he has done, but I respectfully state that, from the point of view of normal legislative functioning, to me—while we may disagree with some of the policies of the heads of the great departments of the Government of the United States, which in this instance is the State Department, while we may disagree as to the way they think their internal organization should be set up, yet they should have at least their day in court, so to speak, to present their points of view, or I prefer to say day in committee, so the two branches of the Government can be kept properly separated.

Mr. President, I do not wish to labor the point. I think the viewpoint of the Department would more properly be presented by testimony of Mr. Henderson himself, but I should like to read a brief statement from the Department, so at least the views of the Department may be available in the RECORD; and then I hope that rather than have a motion by some Senator not on the committee, the distinguished chairman of the subcommittee may at least offer to take the bill back to committee, give officials of the Department a chance to be heard and be cross examined, and then, if the bill is again reported, we shall be prepared to exercise our constitutional and legislative prerogatives.

Mr. HUMPHREY. Does the Senator now hold to this rule on every bill reported to the Senate without hearings?

Mr. KNOWLAND. No, I would not say that, because I do not think all bills require hearings, or that the departments would feel there should be hearings; but I do think it is a different case when a bill involves a matter of internal organization, when the matter of fees is involved, which is an indirect tax, or a direct tax, of a kind, on a certain number of American citizens, when certain responsibilities are placed on a department, and when officials of that department want to have their views presented.

Mr. HUMPHREY. I should like to ask one question, and I appreciate the courtesy of the Senator from California.

Mr. KNOWLAND. The Senator from Minnesota is a valued member of the Foreign Relations Committee, with whom I sit on that committee. Legislative proposals come before that committee. Sometimes there are hearings. Sometimes there are not formal hearings, in the sense of prolonged public hearings. It depends on what is proposed, and what the facts are.

Mr. HUMPHREY. Since I understand the department is considering the preparation of a bill which would do the same thing with regard to fees as does the pending bill, and as to which I understand the department will probably recommend a fee of $15 rather than $18, as contained in the bill, if that provision were stricken out would the Senator feel any more kindly or charitable with respect to the bill, since it has to go to the House?

Mr. KNOWLAND. I do not feel either unkindly or uncharitable about the Senator's proposal. If the officials had a chance to be heard, I might very well support the Senator and be in opposition to the department. It would not be the first time I would be in opposition to the department.

Mr. HUMPHREY. The Senator has been a valued ally.

Mr. KNOWLAND. I hope the Senator will see his way clear to do what I have suggested.

Mr. President, I should like to read a general statement of the Deputy Under Secretary for Administration, Loy W. Henderson, concerning Senate bill 3340:

> The Department has made a careful review of the bills recently introduced to provide for reorganizing the Passport Office. The following comments are submitted.
>
> CREATION OF THE UNITED STATES PASSPORT SERVICE
>
> The establishment of a United States Passport Service as a semiautonomous agency within the Department, which would apparently report direct to the Secretary, would place additional responsibilities upon an already over-burdened Secretary and might deprive him of the time and energy which should be available for policy problems. Creation of the Service and determination of its functions by statute would limit the discretion of the Secretary in making future decisions concerning organization of the Department. This action is in conflict with the principle stated by the first Hoover Commission as follows:
>
> "Each department head should receive from the Congress administrative authority to organize his department and to place him in control of its administration. * * * The department head should be given authority to determine the organization within his department."
>
> By making the proposed Passport Service a semiautonomous agency, it would be possible for the Service to provide its own personnel, fiscal and operating facilities. If done, this would result in duplication of services now provided by the Department.
>
> ESTABLISHMENT OF A REVOLVING FUND
>
> On a continuing basis the financial problems of the Passport Office can be resolved through regular budgetary processes. Advanced financial planning, together with a budget submission reflecting that plan, will assure adequate consideration of the needs of the Passport Office by review authorities within and outside the Department. The establishment of a revolving fund cannot be considered as a substitute for adequate planning and will not in itself insure the efficient use of funds.
>
> Because of the nature of its operations the Department of State is constantly faced with unanticipated contingencies. Fluctuations in workload are common to many parts

of the Department as well as to the Passport Office. The workload of the Passport Office can in fact be forecast with a greater degree of accuracy than is possible in many other areas. The problem of meeting workloads, which could not reasonably be anticipated, is departmentwide and the Department is at present giving consideration to ways and means by which it may be met.

The proposed revolving fund would be used to pay only direct costs. The regular appropriations of the Department would meet the indirect costs. This artificial separation of costs would pose a continuing problem to the Department and would make impossible the identifying of related costs within one account.

SEPARATE ACCOUNTING AND INTERNAL AUDIT SYSTEM

Through its regularly established administrative procedures and controls the Department can provide satisfactory accounting service to the Passport Office which will recognize the problems peculiar to that Office. Further, the internal audit of passport activities should be part of the departmentwide internal audit program since the Secretary of State continues to be responsible for them.

ONE HUNDRED PERCENT FEE INCREASE FOR ISSUANCE AND RENEWAL OF PASSPORTS

It is the policy of the executive branch, enunciated in Bureau of the Budget Circular No. A-25, dated November 5, 1953, to establish fees that will recover to the fullest extent possible the aggregate costs incurred in performing the service for which the fee is collected. This policy was reaffirmed by the President when he stated that special services benefittting individuals should be self-supporting—not profitmaking.

While available costing data does not permit precise calculations, it is apparent that the proposed increase in fees would produce a revenue in excess of that required to pay the costs of the issuance of passports. The establishment of fees at the rates proposed would result in the making of a profit on the issuance of each passport. It would in addition have a negative impact on the program to facilitate international travel. The Department has been studying this problem for some time but its studies to date are not sufficiently conclusive to permit a recommendation for a change in the current level of fees.

CONCLUSIONS

During the past several years as a result of the growing interest in travel abroad and the availability of low-priced and speedy travel facilities the activities of the Pasaport Office have greatly increased. The Department has not been unmindful of the problem posed by this increased activity. In recognition of the problem steps have been taken to modernize and mechanize the office and to equip it to handle the increased volume of business.

The Department shares the concern displayed by the Senate Committee on Government Operations and will continue the efforts of recent months to improve the effectiveness of the Passport Office to the end that the Office is properly equipped to meet the steadily increasing demands placed upon it and to assure a high standard of service to the public. The Department does not feel, however, that such improvements require the establishment of a semiautonomous agency for passport operations or the financing of such an operation through a revolving fund. Furthermore, the establishment by statute of a semi-autonomous agency within the Department of State would be contrary to the sound principles of management endorsed by the Hoover Commission and by general Government practice.

The Acting Secretary of State has authorized me to state that the Department of State is of the opinion that the passage of this bill would not be in the public interest.

In closing, I should like to submit for the record a copy of a letter from the Bureau of the Budget dated March 9, 1956, setting forth its views on the proposed legislation. The views of the Bureau of the Budget coincide in general with those of the Department.

I may say to the distinguished Senator from Minnesota that after the Secretary or those representing the Department have a chance to appear before the committee, and to be examined by it, and after an opportunity is afforded to submit other information to the committee, it may be that the committee will wish to report the bill in precisely the same form as that in which it is now before us. But I say respectfully, as only one Member of this body, that I would feel much happier, and would believe we were proceeding in the more normal fashion, if the distinguished Senator from Minnesota on his own volition would take the bill back to the committee, and would permit such persons to appear before the committee and testify, and if the committee would then report to the Senate whatever bill in its judgment would be sound under the circumstances.

Mr. HUMPHREY. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. HUMPHREY. I am in a somewhat difficult position, because, let me say first of all, this is the committee's bill. I have had the theoretical honor of presenting the bill on the floor, although now I am not so sure it is an honor, for it has become somewhat of a burden. But the committee itself decided on the bill it wished to report. So I am not disposed to take the bill back to the committee on my own volition, because the committee thought the bill was a rather good one.

Let me inquire as to the date of the comments from the Department of State.

Mr. KNOWLAND. March 14.

Mr. President, I hope the Senator from Minnesota will do what I have suggested, because, after all, if the committee itself is still of the same mind, it will be able to report the bill again in the same form. On the other hand, if it is then found that the committee desires to make an amendment in the bill, that can be done. After all, we want an improved and an efficient Passport Service, and we want any department or agency of the Government to be mindful of the recommendations of the legislative branch.

If representatives of the Department have an opportunity to testify before the committee and there present their views, and if we then do not agree with them, I would be the first to say that, under the Constitution, all legislative power resides in the Congress of the United States; and I would not feel bound to go against my best judgment, and I do not believe any other Senator would be bound to go against his best judgment, based on what is shown by the facts.

Mr. HUMPHREY. Certainly the Senator from California takes a very honorable position. But I think he will recognize, with me, that the State Department's representatives testified before the members of the committee, during the first session of this Congress, on the very matter of the reorganization of the Passport Office, which has been the subject of some consideration for a considerable period of time.

Mr. President, instead of continuing at this time, I now wish to yield to the distinguished Senator from Rhode Island [Mr. Green], who repeatedly has requested the floor.

Mr. GREEN. Mr. President, I wish to take a few moments to read some comments on the pending measure. These comments are based on a letter which I have received from the clerk of the United States District Court for the District of Rhode Island. I shall read a part of the letter, and then request that the entire letter be placed in the Record. The letter relates to the proposed revision of the law regarding applications for passports. I now read from the letter:

> As clerk of a United States district court, I am authorized to accept applications and empowered to administer oaths in connection with passport procedure. This is provided for in the United States Code, title 22, section 213. In performance of this duty we have had applicants who as enlisted personnel of the United States Navy were proceeding abroad under Navy orders. The processing of their applications under section 214 of the above-mentioned title requires us to collect the $1 fee for the execution of each application for a passport. The $9 fee for its issuance is waived under the same section, provided the applicant falls within the category above described. The point to be stressed is that it does appear an incongruous requirement wherein a fee for execution is mandatory, in view of the status of the applicant, which is that of an involuntary traveler leaving this country strictly in the performance of a duty on the business of the Government.

In the letter, reference is made to the collection of these fees, particularly as they apply to the large number of applications received from enlisted personnel, many of whom are stationed in Rhode Island, at Quonset Point. When they are sent abroad, in many instances they have to go to the clerk of this court and pay a fee of $1.

In the letter, reference is also made to a number of other regulatory requirements.

Mr. President, I now ask unanimous consent to have the entire letter printed at this point in the Record, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

United States District Court,
Office of the Clerk,
District of Rhode Island,
Providence, April 3, 1956.

Hon. Theodore Francis Green,
United States Senator,
Senate Office Building,
Washington, D. C.

Dear Senator: At the request of your administrative assistant, Mr. Edward J. Higgins, I am incorporating herein some thoughts on passport application procedure with reference to any proposed revisions of the law on that subject.

As clerk of a United States district court I am authorized to accept applications and empowered to administer oaths in connection with passport procedure. This is provided for in the United States Code, title 22, section 213. In performance of this duty we have had applicants who as enlisted personnel of the United States Navy were proceeding abroad under Navy orders. The processing of their applications under section 214 of the the above-mentioned title requires us to collect the $1 fee for the execution of each application for a passport. The $9 fee for its issuance is waived under the same section, provided the applicant falls within the category above described. The point to be stressed is that it does appear an incongruous requirement wherein a fee for execution is mandatory, in view of the status of the applicant, which is that of an involuntary traveler leaving this country strictly in the performance of a duty on the business of the Government.

In the Clerk's Manual issued by the Administrative Office of the United States Courts at section 11.03 is the sentence: "Clerks shall collect a fee of $1 for their services in connection with the execution of each passport application (22 U. S. C. 213 and 214)." This appears to be the official interpretation of sections 213 and 214 on the fee requirement.

As you can well imagine the demand of the $1 fee by a clerk is looked upon as "usurious" by an enlisted man who has been ordered to proceed abroad in the service of his country and it is with some reluctance that that fee is levied by this clerk.

There are other requirements that are regulatory in nature rather than statutory. These appear to me to be beyond the reasonable record requirements of most other Government agencies. I have specifically in mind that regulation which calls for a birth record to contain an impression seal. The director of health for the State of Rhode Island issues a certificate acknowledging the recording of the birth of an infant in this State at the time of birth. The certificate contains a printed seal which causes it to be rejected for passport purposes even though one of the notations on the reverse side of the certificate informs its holder that it can be used, among other uses, for passport purposes in establishing the nationality of the individual named. The regulation issued by the State Department to clerks of court precludes the use of such an instrument for lack of an impression seal, although all the other State Department requirements are present.

These are a few of the procedures that might bear examination in an effort to relieve some unneecssary hardship. I believe that if Congress were to make the execution fee of $1 discretionary with clerks of court in the cases outlined above, it might be a satisfactory solution to that particular problem.

Any further information or discussion on the subject of passport application procedure will be gladly supplied by me at your request.

With kindest personal regards and best wishes, I am

Sincerely,

Neale D. Murphy.

Mr. GREEN. Mr. President, I now desire to submit an amendment to the bill.

The PRESIDING OFFICER (Mr. Neuberger in the chair). The Chair is informed that another amendment is now pending. So the amendment of the distinguished Senator from Rhode Island is not in order at this time.

Mr. HUMPHREY. Mr. President, will the Senator from Rhode Island yield to me at this point?

Mr. GREEN. I yield.

Mr. HUMPHREY. Mr. President, the amendment I offered is a technical and explanatory one. I should like to call it up now. If there is not to be extended debate on the amendment, we can dispose of it now, one way or another, and then consider the amendment of the Senator from Rhode Island.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield, for the purpose of permitting action to be taken on the amendment of the Senator from Minnesota?

Mr. GREEN. Yes, Mr. President; I yield for that purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. Humphrey].

The amendment was agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Rhode Island is now in order.

Mr. GREEN. Mr. President, this amendment would appear at the end of the bill, where a new section would be added.

The PRESIDING OFFICER. If the Senator from Rhode Island will send his amendment to the desk, it will be read by the reading clerk.

Mr. GREEN. Very well, Mr. President; I now submit the amendment and send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. At the end of the bill, it is proposed to add a new section, as follows:

> Sec. 6. Section 1 of the act of June 4, 1920, as amended (22 U. S. C. 214), is amended (1) by striking out "*And provided further*" and inserting in lieu thereof "*Provided further*", and (2) by inserting before the period at the end thereof a colon and the following: "*And provided further*, That no fee shall be required hereunder by any officer or employee of the United States or any court of the United States for executing any application for a passport in the case of any member of the Armed Forces of the United States proceeding abroad in the discharge of his official duties, or any member of his immediate family."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. Green].

Mr. GREEN. Mr. President, I invite attention to the fact that this amendment applies to passports with respect to which the application is made before a Federal official or a Federal court. It does not apply to applications made in State courts.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. Green].

The amendment was agreed to.

SUPPLEMENTAL APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask the attention of the distinguished Senator from Illinois [Mr. Douglas] and the distinguished minority leader [Mr. Knowland]. I have previously discussed this subject with the senior Senator from Delaware [Mr. Williams]. I ask that Senators give attention to the unanimous-consent request which I am about to propound.

I ask unanimous consent that, upon the conclusion of action upon the unfinished business, the Senate proceed to the consideration of Calendar No. 1746, House bill 10004, notwithstanding the provisions of section 139 (a) of the Reorganization Act.

The bill to which I refer is the supplemental appropriation bill. I have talked with the distinguished senior Senator from Delaware, as well as with the distinguished minority whip [Mr. Saltonstall], who is a member of the Appropriations Committee, and the distinguished chairman of that committee, the Senator from Arizona [Mr. Hayden].

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. The majority leader discussed the subject with me. The request is agreeable to me. I have discussed it with the ranking Republican member of the Appropriations Committee, and it is agreeable to him, if the request meets with the approval of the Senator from Delaware.

Mr. JOHNSON of Texas. I have sent for the Senator from Delaware, and I note that he is now entering the Chamber.

Mr. DOUGLAS rose.

Mr. JOHNSON of Texas. I yield first to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, reserving the right to object, this is another case in which sufficient notice has not been given to the Senate before an appropriation bill is brought up for action.

The rules of the Senate are very specific on this point. I read from section 190 (f) of the General and Permanent Laws Relating to the Senate:

> No general appropriation bill shall be considered in either House unless, prior to the consideration of such bill, printed committee hearings and reports on such bill have been available for at least 3 calendar days for the Members of the House in which such bill is to be considered.

In other words, by the Reorganization Act of 1946, 3 days' notice is required after a bill is reported, before it may be considered by the Senate.

The calendar of business which I hold in my hand indicates that this bill, the second supplemental appropriation bill for 1956, was reported to the Senate on April 11, which was yesterday. So, in effect, what is being asked is that we should pass upon the second supplemental appropriation bill with only 1 day's opportunity to consider it, and really only a few minutes' opportunity for consideration, because not until I reached my desk a few moments ago did I have a copy of the second supplemental appropriation bill. Prior to that time I did not have any effective opportunity to obtain a copy.

If this were the first time unanimous consent was being requested to take up an appropriations bill out of order, one might acquiesce. But this has happened time and time again.

The Senator from Delaware [Mr. Williams] on the other side of the aisle, and the Senator from Illinois, on this side of the aisle, have tried to enforce the 3-day rule. The procedure is standard each time. We discover that the 3-days' notice has not been given. We give evidence of the fact that we intend to object. Then our good friends come to us and say, "Won't you make an exception this time? There is a pressing need." Or we are told, "There are personal considerations which make it important that this bill be considered."

The Senator from Illinois, wishing to be a cooperative colleague, and, I am afraid, probably not being able to resist the blandishments and seductions of those who are more skilled in parliamentary procedures than he, always finally yields and succumbs.

The last time the Senator from Illinois yielded to such blandishments was in March, when the Treasury and Post Office appropriation bill came up. I was assured by the distinguished Senator from Virginia that if I agreed to permit that bill to be considered, it would never happen again.

The violation of this rule is, indeed, very similar to the practice of Rip Van Winkle, who took a pledge that he would never take another drop of liquor. Then, when a glass or bottle was offered to him, he would take it and say, "But we will not count this time."

So our good friends on the Appropriations Committee always profess that "This is the last time we will ever ask for an exception to the rule." The Senator from Illinois is always placed in the position of rising futilely, make some objection, and then being surrounded by his good friends, who appeal to his sense of kindness; and he yields. But I must admit that each time this happens the steel in the Senator from Illinois increases and his backbone stiffens.

There was a reason why the 3-day provision was inserted in the rules of the Senate. The reason was to afford Members of the Senate an opportunity to examine appropriation bills and determine whether or not they approved of every item.

If the Senate is to be a deliberative body the general membership should have the opportunity, and, if they believe it proper, exercise the right, to question certain items. We have full appreciation of the ability of members of the Appropriations Committee. We appreciate the hard work which they do. We also have a full appreciation of their power. Individually I know them to be gracious and kindly men. But, if we get in their bad graces, although the ax is never threatened, sometime the ax may fall. So Senators are reluctant to challenge the Appropriations Committee. The tendency is to pass these huge appropriation bills, now totaling considerably more than $60 billion a year, as they are reported from the committee.

I may say to my friends on the other side of the aisle that in the old days they used to object to appropriation bills proposed by a Democratic administration; but I do not find most of them having the same zeal for economy now that the appropriation bills are proposed by executive agencies under the control of their party. Some of the fighting zeal for economy seems to have departed from our friends on the other side of the aisle.

From time to time, when adequate notice has been given, the membership of the Senate has been able to effect economies. I remember that the other day a point of order was raised by the distinguished senior Senator from Louisiana [Mr. ELLENDER], whose eagle eye detected the fact that there was in the appropriation bill then pending legislation which would have authorized additions to the famous "additional" Senate Office Building, to which the Senator from Louisiana and I objected. The plans seem to grow and swell with the years.

The danger of rushing appropriation bills through without adequate consideration is especially great in the case of supplemental appropriation bills or urgent deficiency appropriation bills. It is said that, "The money is needed right away, and unless it is appropriated, Government services will cease." So, in a sense, the Senate operates with a pistol at its head, held by Government departments and by the Appropriations Committee.

Mr. President, in this particular instance it is no small sum of money we are being asked to appropriate. It amounts to $859 million. However, this is not the first supplemental appropriation bill for the current fiscal year. There was another one at the end of last year, which carried more than $1,600,000,000, or to be precise, $1,656,626,000.

Adding the present supplemental amount to the preceding supplemental amount, the total is two and a half billion dollars. That is not all. There was an urgent deficiency bill also. That was not a supplemental bill; apparently it was considered a special bill which had to be rushed through. That amounted to approximately $65 million. Then there is another bill upon which the Senate will act shortly. That amounts to $13 million.

Therefore we face the fact that more than two and a half billion dollars are being asked for in supplemental and deficiency bills, which amounts were not provided for in the original budget. That raises a very important question of budgetary procedure.

As I have sat here for some years, the suspicion has dawned upon me that frequently executive departments do not ask for all the money they intend to ask for; that they scale down their demands in the original budget and then the administration claims the credit for economies effected. Word goes out to the country of how they have cut the budget. Then in the supplemental bills, which come along later, the departments get additional sums of money, but that money never enters into the computations.

I wish to point out that the budget submitted last year, upon which the administration is taking credit for economy, is two and a half billion dollars short of the amounts which it will ask us finally to appropriate. Mr. President, a great deal of the economy in January or February in one year evaporates by the time the departments get into full swing.

Therefore I am somewhat reluctant to give consent to the consideration of the bill at this time. It is quite possible that the blandishments of the chairman of the Committee on Appropriations and of the majority leader and of the minority leader may once again cause the Senator from Illinois, in his desire to be obliging, to give consent.

SCHOOL LUNCH FUND SHORTAGE

I should like to say also that along with the extraordinary sums which we are being asked to appropriate, there was one omission which struck me very markedly, and that was the failure of the supplemental budget to carry any additional funds for school lunches. The school lunch program is one of the very best ways we have of spending money, because it gives food to youngsters who need it. It builds up their vitality. It is in the truest sense of the word an investment in national resources.

Yet the school lunch program has run out of funds. In my State the program has stopped on the 7th of April. It is true that the milk program continues; but the slices of bread and the pats of butter and the carrots and potatoes and lettuce and the other vegetables, which should go with an adequate school lunch program, are no longer provided.

Mr. JOHNSON of Texas. Mr. President, the Senator from Texas has discussed the subject with the leadership on the other side of the aisle. We have fewer than a half dozen bills remaining on the calendar. We felt, since this appropriation bill was a noncontroversial bill, it could be passed this afternoon. If the Senator from Illinois has any deep feeling in the matter, and would prefer, the bill can go over until Monday. The reason we are caught up on all the bills which have been reported is that the Senator from Minnesota [Mr. HUMPHREY] was of the opinion that there was little opposition to his bill. It may have to be recommitted. If it is agreeable to the Senator from Illinois, we would like to take up the appropriation bill this afternoon.

Mr. DOUGLAS. I think it is improper time after time to violate the 3-day rule. However, the Senator from Illinois does not wish to be a "killjoy." On the other hand, I do not wish to have the rules violated so constantly.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield, I should like to say that I do not wish to debate the matter with my friend from Illinois. It is not a matter of violating any rule of the Senate, if the Senate gives its consent. The Senator from Texas is not at all anxious to take up the measure if there is any Senator who does not wish to give his consent.

I had hoped that it would meet with the approval of the Senator from Illinois, because there are several items in the bill which are quite important. However, I do not wish to be unduly persuasive with the Senator. Of course I know I could not be. If the Senator from Illinois would agree to go along with us, I would appreciate it very much. However, if he feels that he conscientiously cannot do so, very well.

Mr. DOUGLAS. May I be privileged to ask a question of the chairman of the Committee on Appropriations, the distinguished senior Senator from Arizona?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Illinois may be permitted to ask a question of the Senator from Arizona [Mr. HAYDEN] without his losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, I should like to ask this question of the distinguished chairman of the Committee on Appropriations, whose hard work on the committee we all very deeply appreciate. I should like to ask him whether he considered the question of appropriating additional funds for the school lunch program so that the children of the country may have the usual school lunches for the remainder of the year.

Mr. HAYDEN. That question comes up each year. Congress makes what is estimated to be an adequate appropriation for the school-lunch program. Then it turns out that perhaps some States administer the program carelessly, and some do not; or some schools participate in the program that were not in it originally; and so on. Then the cry is raised that there is not quite enough money. What is the situation the Senator has in mind?

Mr. DOUGLAS. Would the Senator correct me if I am wrong in my understanding? Am I correct, first, in understanding that for a number of years the appropriations have been about $83 million?

Mr. HAYDEN. That is correct.

Mr. DOUGLAS. Am I to understand further that last year the Secretary of Agriculture, in the budget which he submitted, cut the figure from $83 million to $68 million?

Mr. HAYDEN. That is correct.

Mr. DOUGLAS. Am I to understand also that by motion on the floor the school-lunch appropriation was raised by $15 million, to the former level of $83 million?

Mr. HAYDEN. The correction restoring the amount was made in the House of Representatives. It came over to the Senate in the same amount as the year before.

Mr. DOUGLAS. That was done in the House by the committee, as I understand.

Mr. HAYDEN. Yes; that is correct. It was restored in the House by the committee.

Mr. DOUGLAS. Is it not correct to say that during the past few years, although the appropriation for the school-lunch program has been pegged at $83 million, there has been a tremendous increase in the school enrollment, particularly in the lower grades; so that the same amount of money is now being used to feed a greater number of children?

Mr. HAYDEN. That is correct.

However, in addition to the amount of money appropriated in the bill under discussion, there have been very large milk donations made otherwise.

Mr. DOUGLAS. That is true with respect to milk. However, I am speaking of programs other than the milk program. Is it not true that the Secretary of Agriculture has not asked for any additional funds for the school-lunch program?

Mr. HAYDEN. That is true.

Mr. DOUGLAS. And unless he asked for it, the committee did not feel that an increased appropriation should be made?

Mr. HAYDEN. With donations of food and other things, we assumed that the allotment provided was satisfactory.

Mr. DOUGLAS. Mr. President, I should like to point out a grave error on the part of the Secretary of Agriculture. I do not blame the Appropriations Committee, but I do blame the Secretary of Agriculture for not realizing that the number of children to be fed in schools has been increasing, and for failing to request adequate appropriations. I wish to point out, also, that Mr. Benson's request for next year of $83 million, is also inadequate.

I am also puzzled by the fact that while it is said that he is in favor of devising new methods of disposing of agricultural surpluses, here at home is an obvious way of decreasing the surplus. I put the children first, but, of course, there is a secondary factor involved in providing additional outlets for farm products.

I should like to ask the Senator from Arizona this question: Would the Senator be willing to add $20½ million, which is the sum needed to continue the school-lunch program for the remainder of the present fiscal year?

Mr. HAYDEN. I should first like to be sure of the amount of money which is actually needed.

Mr. JOHNSON of Texas. Mr. President, I wonder if we could not have this discussion when the bill comes before the Senate. I have two unanimous-consent requests to make.

REORGANIZATION OF THE PASSPORT OFFICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that Order No. 1628, Senate bill 3340, providing for the reorganization of the Passport Office, be recommitted to the Committee on Government Operations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. HUMPHREY. Mr. President, I shall not object.

I have discussed the matter with the chairman of the committee [Mr. McCLELLAN], but I wish to serve notice that the State Department representatives will be asked to appear before the committee tomorrow morning, and we will be prepared to report the bill next week.

The PRESIDING OFFICER. Without objection, the request of the Senator from Texas is agreed to.

SUPPLEMENTAL APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of House bill 10004, second supplemental appropriation bill, 1956.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DOUGLAS. Mr. President, may I ask the Senator from Arizona if he will accept an additional appropriation of $10 million for the purpose which we have discussed?

Mr. HAYDEN. I shall give it very careful consideration after the bill is before the Senate.

Mr. DOUGLAS. Mr. President, the Senator from Arizona is a man of very cautious speed, but he also holds to his word. The gleam in his eye is kindly and friendly, and with faith in my heart that he will look upon my suggestion with favor, I withdraw any objection.

Mr. KNOWLAND. Mr. President, I assume the Senator from Illinois has indicated that he has some kind of an amendment which he wishes to offer providing for an additional expenditure of money, if not in astronomical figures, at least, in some substantial figures——

Mr. DOUGLAS. Ten million dollars.

Mr. KNOWLAND. Mr. President, I think the matter will be carefully considered by the Senate, but as a member of the Appropriations Committee, and as minority leader, I would not want the Senator from Illinois to be under any illusion that there is an advance commitment of $5 million, $10 million, $15 million, or any sum over and above that recommended by the committee. Possibly we can be convinced that such a sum should be included.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas that the Senate proceed to the consideration of the supplemental appropriation bill?

Mr. WILLIAMS. Mr. President, I have examined the bill and I find only one item as to which I have any serious question. That is the item on page 4, lines 11 and 12, providing for $30 million in connection with maritime activities. I have not been able to find adequate evidence to support this item. It is my understanding that if I permit the bill to come up at this time the provision will be eliminated.

Mr. JOHNSON of Texas. That is the understanding of the Senator from Texas, of the minority leader, and of the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill be considered as original text for the purpose of amendment, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Chapter I—Department of Agriculture—Agricultural Research Service—Salaries and Expenses," on page 2, line 7, after the word "Research", to strike out "$1,217,530" and insert "$2,217,580".

On page 2, at the beginning of line 8, to strike out "$1,527,780" and insert "$2,252,780", and in the same line, after the word "which", to strike out "$500,000" and insert "$725,000".

Under the subhead "Farmers' Home Administration—Salaries and Expenses," on page 3, at the beginning of line 11, to strike out "$1,350,000" and insert "$1,620,000."

Under the subhead "Commodity Credit Corporation," on page 3, line 17, after the word "to", to strike out "$30,500,000" and insert "$30,964,000".

Under the heading "Chapter II—Department of Commerce—Bureau of the Census—Salaries and Expenses," on page 3, at the beginning of line 23, to strike out "$503,000" and insert "$528,000", and in the same line, after the word "which", to strike out "$75,000" and insert "$100,000".

Under the subhead "Maritime activities," on page 4, after line 3, to strike out:

"SHIP CONSTRUCTION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction differential subsidy and national defense features, is increased from 5 to 20."

On page 4, after line 12, to insert:

"WAR SHIPPING ADMINISTRATION LIQUIDATION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946', is increased from '$5,900,000' to '$24,000,000'. Provided that the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by 58th Statutes at Large, page 758."

On page 5, after line 19, to insert:

"INDEPENDENT AGENCIES

"*Small Business Administration*

"Revolving fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $20,000,000."

On page 7, after line 17, to strike out:

"CORREGIDOR BATAAN MEMORIAL COMMISSION

"*Salaries and expenses*

"For expenses necessary to carry out the provisions of the act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), $56,000, to remain available through June 30, 1957."

Under the heading "Chapter V—Independent Offices—Civil Service Commission—Administrative Expenses, Employees' Life Insurance Fund," on page 9, line 5, after the word "to", to strike out "$100,000" and insert "$135,000".

Under the subhead "Federal Home Loan Bank Board," on page 9, line 18, after the word "to", to strike out "$3,338,800" and insert "$3,438,800".

On page 10, after line 14, to insert:

"ACQUISITION OF LAND AND BUILDING, CHICAGO, ILL.

"For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Ill., together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, $3,000,000, to be derived by transfer from the appropriation 'Sites and planning, purchase contract, and public buildings projects'."

On page 10, after line 22, to insert:

"EXPENSES, GENERAL SUPPLY FUND

"For an additional amount for 'Expenses, general supply fund,' $450,000, to be derived by transfer from the appropriation for 'Sites and planning, purchase contract, and public buildings projects'."

Under the subhead "National Science Foundation—International Geophysical Year," on page 14, after the word "Year", to strike out "$26,000,000" and insert "$28,000,000".

Under the heading "Chapter VI—Department of the Interior—Office of the Secretary—Research in the Utilization of Saline Water," on page 16, after line 16, to insert:

"OIL AND GAS DIVISION

"For an additional amount for 'Oil and Gas Division,' $35,000."

Under the subhead "Bureau of Land Management—Management of Lands and Resources," on page 16, line 23, after the word "resources", to strike out "$800,000" and insert "$1,200,000".

At the top of page 17, to insert:

"CONSTRUCTION

"For an additional amount for 'construction,' $2 million, to remain available until expended."

Under the subhead "Bureau of Indian Affairs—Education and Welfare Services," on page 17, line 7, after the figure "$1,871,000", to insert a colon and the following proviso: "*Provided*, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior without exchange of funds, 46 school buses presently on loan to the Bureau of Indian Affairs."

On page 17, after line 11, to insert:

"CONSTRUCTION

"For an additional amount for 'construction,' $240,000, to remain available until expended: *Provided*, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: *Provided further*, That not to exceed $54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable."

Under the subhead "National Park Service—Construction," on page 18, at the beginning of line 3, to strike out "For an additional amount for 'construction', $3,000,000". and insert "For an additional amount for 'construction', $360,000, to remain available until expended."

On page 18, after line 5, to insert:

"JONES POINT BRIDGE

"For expenses necessary for the construction of a bridge over the Potomac River pursuant to the provisions of the Act of August 30, 1954 (68 Stat. 963, 964), $500,000, to remain available until expended: *Provided*, That the unexpended balance of the appropriation granted under this head in the Second Supplemental Appropriation Act, 1955, is hereby merged with this appropriation."

Under the heading "Chapter VII," on page 19, after line 17, to insert:

"DEPARTMENT OF LABOR

"*Bureau of Employment Security*

"Mexican farm labor program

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', $65,000, to be derived by transfer from the appropriation 'Unemployment compensation for veterans'."

Under the heading "Department of Health, Education, and Welfare," on page 20, after line 17, to strike out:

"CONSTRUCTION OF RESEARCH FACILITIES

"For construction of a laboratory building for the biologics standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of plans, supervision, and fixed equipment, to remain available until expended, $3,190,000, together with not to exceed $310,000 of the unobligated balance of funds previously appropriated under this head."

On page 21, after line 2, to insert:

"CONSTRUCTION OF BIOLOGICS STANDARDS LABORATORY BUILDING

"For construction of a laboratory building for the biologics standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of plans, supervision, and fixed equipment, $3,190,000, together with not to exceed $310,000 to be derived by transfer from 'Construction of research facilities'."

On page 21, after line 11, to insert:

"INCREASED PAY COSTS, CAREER INCENTIVE ACT OF 1955

"For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the act of March 31, 1955 (Public Law 20), as follows:

" 'Assistance to States, general', $55,000;

" 'Communicable diseases', $55,000;

" 'Sanitary engineering activities', $70,000;

" 'Foreign quarantine service', $20,000;

" 'Retired pay of commissioned officers', $130,000;

"'The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, 84th Congress, but no appropriation shall be increased by more than $10,000 as a result of such transfers."

Under the subhead "Social Security Administration—Grants to States for Public Assistance," on page 22, line 6, after the word "assistance", to strike out "$47,000,000" and insert "$50,000,000".

On page 22, after line 10, to insert:

"NATIONAL MEDIATION BOARD

"For an additional amount for 'Salaries and expenses', $25,000, to be derived by transfer from the appropriation 'Arbitration and emergency boards', fiscal year 1956."

Under the heading "Railroad Retirement Board—Salaries and Expenses, Railroad Retirement Board (Trust Fund)," on page 22, line 19, after the word "fund", to strike out "$548,000" and insert "$888,000".

Under the heading "Chapter VIII—Public Works," on page 22, after line 22, to insert:

"TENNESSEE VALLEY AUTHORITY

"For an additional amount for 'Tennessee Valley Authority', $3,500,000, to remain available until expended."

Under the heading "Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Legal Activities," on page 24, line 14, after the word "activities", to strike out "$500,000" and insert "$550,000".

Under the subhead "Fees and Expenses of Witnesses," on page 24, line 20, after the numerals "$100,000", to insert a semicolon and "and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from '$175,000' to '$200,000'."

Under the heading "The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services—Salaries of Referees," on page 25, at the beginning of line 19, to strike out "$6,375" and insert "$8,375".

Under the heading "Chapter X," on page 26, after line 16, to insert:

"POST OFFICE DEPARTMENT

"*Operations*

"For an additional amount for 'Operations,' $16 million: *Provided*, That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed $2 million) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading 'Operations' in title II of the Treasury-Post Office Appropriation Act of 1956."

Under the heading "Chapter XI—District of Columbia—Department of Public Health," on page 27, line 19, after the word "Health," to strike out "$130,000" and insert "$150,000".

Under the heading "Chapter XII—Legislative Branch," on page 29, after line 14, to insert:

"SENATE

"For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, $22,500."

On page 29, after line 18, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"Office of the Secretary: For an additional amount for the Office of the Secretary, $2,535: *Provided*, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority the minority leaders, respectfully, at a rate not to exceed $6,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by $3,000."

On page 30, after line 2, insert:

"CONTINGENT EXPENSES OF THE SENATE

"Joint Committee on the Economic Report: For an additional amount for salaries and expenses of the Joint Committee on the Economic Report, $10,914."

On page 30, after line 6, to insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $600,000."

On page 30, after line 8, to insert:

"Stationery: For an additional amount of stationery, $2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to $12,900."

On page 30, after line 12, to insert:

"ADMINISTRATIVE PROVISIONS

"The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: '*Provided further*, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the first day and prior to the 10th day of any month, such certification may be made at any time not later than the 10th day of such month'."

Under the heading "Chapter XIII—Claims for Damages, Audited Claims, and Judgments," on page 32, line 9, after the word "in", to insert "Senate Document No. 110 and"; and in line 11, after the word "Congress," to strike out "$1,614,562" and insert "$2,367,341".

Under the heading "Chapter XIV—Increased Pay Costs," on page 33, after line 11, to insert:

"Senate:

" 'Salaries, officers and employees', $3,763,750;

"Contingent expenses of the Senate:

" 'Joint Committee on the Economic Report', $10,985;

" 'Joint Committee on Atomic Energy', $14,715;

" 'Joint Committee on Printing', for compiling, preparing, and indexing material for the biographical directory, $140;

" 'Vice President's automobile', $325;

" 'Automobile for the President pro tempore', $325;

" 'Automobiles for majority and minority leaders', $650;

" 'Reporting Senate proceedings', $10,925;

" 'Folding documents', $2,000;

" 'Inquiries and investigations', including $7,500 authorized by Public Law 295, 84th Congress, approved August 9, 1955, $67,880;

" 'Miscellaneous items', $15,130."

On page 38, after line 6, to insert:

"National Mediation Board: National Railroad Adjustment Board: 'Salaries and expenses' (decrease of $18,000 in the limitation upon the amount available for compensation and expenses of referees);".

Under the subhead "Department of Defense—Military Functions," on page 42, line 12, after the numerals "$769,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military Personnel, Marine Corps' "; in line 14, after the numerals "$27,500", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps' "; and in line 18, after the numerals "$41,400", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps' ".

Under the subhead "Department of the Navy," on page 42, in line 21, after the figures "$7,400,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps' ", and in line 24, after the figures "$2,180,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps' ".

Under the subhead "Department of the Interior," on page 46, line 19, after the word "maintenance", to strike out "$162,500" and insert "$187,500".

On page 47, line 6, after the word "expenses", to strike out "$150,000" and insert "$170,000".

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 2, after line 25, it is proposed to insert the following:

AGRICULTURAL MARKETING SERVICES

School-lunch program

For an additional amount for necessary expenses to carry out the provisions of the National School Lunch Act, $20,000,000.

Mr. DOUGLAS. Mr. President, I shall speak very briefly on the amendment. There has been approximately a 25 percent increase in school enrollment during the past few years. Yet during that period the appropriations for school lunches themselves have been kept at approximately the same figure.

In a number of the States of the Union, including my own State of Illinois, school lunches have been discontinued during the current year because of the lack of funds. In Illinois the school-lunch program was suspended on April 7.

I ask unanimous consent to have printed at this point in my remarks a letter dated March 26, 1956, from Harold A. Wolfe, director of the school-lunch program in the State of Illinois, addressed to the sponsors of the school-lunch program. The letter relates to the discontinuance of the program in Illinois.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF ILLINOIS,
SUPERINTENDENT OF
PUBLIC INSTRUCTION,
Springfield, March 26, 1956.

DEAR SPONSOR: Due to a limited apportionment of Federal funds for reimbursement for type A lunches, and a decided increase in participation, the State agency finds that these funds will be exhausted after approximately 7 operating days in the month of April. Therefore, only a percentage ratio of the type A indemnity will be paid for April's operation.

This in no way affects funds available for the special milk program which will be sufficient to assure the current indemnity rates for the balance of this school year.

Even though this situation exists and the schools will not receive indemnity for type A lunches for the balance of the school year, the Federal agency has notified us that claims must be filed in the same manner, and the same records maintained for the balance of the school year for the following reasons:

1. To assure continued distribution of Government donated food commodities for the balance of the school year.
2. To provide the State agency with the necessary records to comply with the 3 to 1 matching requirements that exist for this 1955–56 fiscal year.
3. To keep the present agreement in effect to avoid any misunderstanding for the next school year's participation.
4. To assure continued reimbursement in the special milk program for the balance of this current school year.

Therefore, the State agency takes this opportunity to impress the sponsors of the type A programs of the necessity of maintaining proper records and of filing their claim forms in the same fashion that they have previously, even though they will only receive a portion of their reimbursement for the month of April and none thereafter for this current school year.

In order to avoid any delay, we would appreciate the cooperation of each sponsor in properly preparing the remaining claim forms for this school year as outlined above.

Very truly yours,
HAROLD A. WOLFE,
Director, School Lunch Program.

Mr. DOUGLAS. Mr. President, I sincerely hope the amendment will be agreed to.

Mr. NEUBERGER. Mr. President, I support the amendment offered by the distinguished Senator from Illinois. The State of Oregon, which I have the honor, in part, to represent, happens to have had one of the largest proportionate increases in school-child population of any State in the entire Nation during the past few years. As a result, in many sections of the State, I have been informed, the school-lunch program has had to be abandoned entirely because the amount of money available per child per meal has become so small that it is virtually infinitesimal when compared with the amount which is necessary to provide adequate lunches for the children.

Therefore, it seems to me it is incumbent upon Congress to provide some auxiliary funds for the school-lunch program, and I am very much pleased that the Senator from Illinois has seen fit to offer an amendment to accomplish that purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. Douglas].

Mr. HAYDEN. Mr. President, what is the amount provided in the amendment?

Mr. DOUGLAS. The amount suggested by me is $20 million.

Mr. HAYDEN. I am certain the Senator from Illinois is aware of the fact that recently there was included in another bill a provision for an additional quantity of milk for the school-lunch program.

Mr. DOUGLAS. I am aware of that. This amount would not be for the milk program; it would be for the school-lunch program. Excellent as milk is, some additional calories are needed.

Mr. HAYDEN. A half pint of milk is provided in the program at present.

Mr. DOUGLAS. I think that is correct.

Mr. HAYDEN. The Senator wants to make certain that enough milk is made available so as to provide a half pint, as has been the practice in the past.

Mr. DOUGLAS. I am, of course, interested in milk; but I think also that carrots, lettuce, and other green vegetables are needed. So I would not like to see the school-lunch program reduced merely to a milk program. Like the Senator from Vermont [Mr. Aiken], I am for milk; but I am for milk plus.

Mr. HAYDEN. This would be a cash contribution; it could be used for any purpose.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. HOLLAND. I should like to ascertain whether any showing has been made that an additional $20 million is required to keep the school lunch program in operation for the remainder of this year. This is a supplemental appropriation bill. The appropriations made by the bill for this purpose, if any, will be expended in the remaining portion of the year, will they not?

Mr. HAYDEN. That is correct.

Mr. HOLLAND. I should like to ask if any Senator has information as to the amounts which will be needed to fill out the program for the remainder of the school year; and whether $20 million is too great a sum, a sufficient sum, or an insufficient sum for that purpose.

Mr. HAYDEN. I was about to suggest to the Senator from Illinois that not having the complete data on the subject, perhaps he might suggest half the amount he has proposed—say, $10 million. Then it could be determined in conference whether the funds could come from cash or could be provided by the Commodity Credit Corporation.

Mr. DOUGLAS. That is perfectly satisfactory to me. I merely point out that about 8 weeks still remain in the normal school term. In a great many States, school lunches have ceased completely. Unless funds shall be added to the bill, probably there will be no more school lunches this year in a large portion of the country. Therefore I hope something will be done to remedy the condition. However, I am perfectly willing to accept $10 million instead of $20 million, with the understanding that the committee of conference will look into the matter at greater length.

Mr. HAYDEN. We will certainly inquire of the Department of Agriculture as to the exact situation in each State as the Department knows the situation to be. The Department will give us the facts on which to work. As to the matter of providing funds, we can then determine whether they will come from cash or from the Commodity Credit Corporation.

Mr. ELLENDER. The funds would have to come from a direct appropriation. As the Senator knows, a few weeks ago Congress provided $10 million for the milk fund. That amount will come from Commodity Credit Corporation funds. But this particular amount must be a direct appropriation.

Mr. HAYDEN. We can ascertain all the facts in the committee of conference.

Under the circumstances, I shall be glad to accept an amendment providing for $10 million, if the Senator from Illinois will modify his amendment to that extent.

Mr. DOUGLAS. I shall be glad to modify my amendment accordingly.

The PRESIDING OFFICER. Does the Senator from Illinois modify his amendment so as to provide for $10 million instead of $20 million?

Mr. DOUGLAS. I do.

Mr. SALTONSTALL. As a member of the committee, am I not correct in my understanding that there has been no request made of Congress by the administration for this amount? The House provided nothing for this item, and the Senate Committee on Appropriations has not considered it in any way.

Mr. HAYDEN. That is correct.

Mr. SALTONSTALL. I want to see the school lunch program carried forward just as everybody else does, but, as the Senator from Florida has said, it should be carried forward in an orderly way. If it is the understanding of the chairman of the committee that the item appropriating additional $10 million will be taken to conference in order to get data concerning the program, that is satisfactory. I should like to make it clear, as one prospective conferee, that if it is found out later that the money is not needed, or that it will be provided in another supplemental appropriation bill, we shall use our best judgment as to whether the item shall stay in or out of the bill.

Mr. HAYDEN. Mr. President, all I have promised the Senate is that we shall get the facts, and we shall have $10 million to work on until we get the facts.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DOUGLAS. Let me add one fact to the pile of facts the Senator is going to accumulate, namely, that the Federal contribution to the States where the program has been carried out has been reduced from about 9 cents to 5 cents a meal. For some reason or other, the Secretary of Agriculture does not seem to look with favor on the school-lunch program. If we wait until he becomes an advocate of it, we shall wait for a long time. In the meantime children are going to be hungry. I think it is entirely proper for the Senate as a whole to legislate on the matter, and that we should not wait merely until the Secretary's recommendations are handed down. Furthermore, I want to state that in my own State of Illinois, funds for the current year have been exhausted. This is true of some other States as well.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. AIKEN. I wish to support the amendment offered by the Senator from Illinois. I do not know whether $10 million is the right amount or not. I assume the conferees will determine what the right amount is and settle on that figure. Also, if more money than is needed is appropriated, it will revert to the Federal Treasury on the first of July.

I also wish to say that it looks rather bad when a statement is made that the Federal contribution per meal has been reduced from 9 to 5 cents a pupil. I point out that during the past few years far more in the way of appropriations and commodities have been made available to school-lunch programs than were ever made available before. As I understand the reason for the reduction in the per capita allowance, it is that the people of the United States have been freed from the threat of war, and there has been a greatly increased interest in community affairs. Among community interests perhaps none has been of more benefit than the school-lunch program. The result is that there are thousands of schools participating in the lunch programs now, which, when we were engaged in war, had to be interested in other matters. There is the tremendous interest in community affairs which people can have when they are freed from the threat of war, and there result programs such as the school-lunch program. Consequently, although record appropriations have been made during the past few years for the school-lunch programs, the amounts appropriated have turned out to be inadequate, and some States are short of funds, and some communities in some States are short of funds. So I am glad to be in favor of the amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. The Senator from Vermont is a close friend of the present Secretary of Agriculture, and has been with him on many, many occasions. There is certainly no evidence

that the present Secretary is against the school-lunch program, is there?

Mr. AIKEN. None whatsoever. The Secretary of Agriculture has to cut the cloth to fit the condition. I do not think that is quite the way to say it, but there has been such a tremendous increase in the school-lunch program that, necessarily, he has had to reduce the amount available to each pupil.

I hope the Appropriations Committee, in making the appropriation for next year, will anticipate, so far as possible, what the requirements for fiscal 1957 will be, and will make adequate appropriations.

Mr. HAYDEN. The Senator can be sure that the Senator from Georgia will take the matter up. Hearings on the agricultural appropriation bill will start next week.

Mr. AIKEN. I know that will be done. For years there has not been a vote against an appropriation for the school-lunch program in either House. So far as I know, the appropriations bills have been going through both Houses without a dissenting vote. If one of us has made a mistake on the amount appropriated, the other 95 Senators have also made a mistake.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware will be stated.

The Chief Clerk. On page 4, it is proposed to strike out lines 10, 11, and 12, as follows:

OPERATING-DIFFERENTIAL SUBSIDIES

For an additional amount for "Operating-differential subsidies," $30,000,000, to remain available until expended.

Mr. WILLIAMS. Mr. President, I shall speak very briefly on the amendment. First, I wish to comment on the previous action of the Senate. The Senator from Illinois made a rather eloquent address in the Senate a few moments ago with regard to the fact that the 84th Congress is giving very little, if any, attention to reducing the appropriation bills. He gave the Senate a rather strong lecture on the need for economy; however, I cannot refrain from calling the attention of my good friend from Illinois to the fact that there is a slight inconsistency between his remarks and the action of the Senate in accepting his amendment. I call attention to the fact that the action of the Senate a few minutes ago in accepting the amendment of the Senator from Illinois, which provided for an appropriation of $10 million, was for an item as to the need for which there was not one bit of evidence, either before the Appropriations Committee or before the Senate as based upon the statement of the Senator from Illinois. That is a glaring instance of fiscal irresponsibility to which the Senator from Illinois has referred. I most respectfully recommend that my friend read his own lecture.

Mr. President, the amendment which I am offering strikes out an appropriation of $30 million for operating-differential subsidies for the merchant marine. The reason I am offering the amendment is that in the bill and the report there is no data which would support the item. I have discussed this with members of the Committee on Appropriations and understand there is agreement to accept my amendment. This amendment would reduce the appropriation by $30 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware on page 4, to strike out lines 10, 11, and 12.

Mr. HAYDEN. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 10004) was read the third time and passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Hayden, Mr. Russell, Mr. Chavez, Mr. Ellender, Mr. Bridges, Mr. Saltonstall, and Mr. Young conferees on the part of the Senate.

Mr. ELLENDER subsequently said: Mr. President, I regret very much that while the second supplemental appropriation bill was being considered by the Senate, I was called off the floor. It was my desire to invite the attention of the Senate to another appropriation of $600,000 for inquiries and investigations. It will be recalled that a total of $900,000 was added to the $1,224,000 that was provided in the regular appropriation bill, bringing the total as of that time to $2,124,000. I wish to call the Senate's attention to the fact that for 1955 the entire amount of money that was appropriated and spent for inquiries and investigations amounted to $2,059,150. With the appropriation that is carried in this second supplemental appropriation bill the sum of money that will be spent this fiscal year for inquiries and investigations will total $2,724,000.

That is almost three-quarters of a million dollars more than was spent last year. I wish to point out that the Committee on Appropriations has very little control over these appropriations, because the expenditures are made and authorized by the Senate, irrespective of what amount happens to be in the contingent fund. The fact is noted on page 21 of the report on the second supplemental appropriation bill.

It strikes me, Mr. President, that it is high time that those committees which require such huge sums for their so-called inquiries and investigations should be required to appear before the Appropriations Committee to justify and prove their case before money is made available to them.

It is my hope, Mr. President, that in the light of these huge expenditures for inquiries and investigations, a little more attention will be paid to the actual necessity for some of these appropriations, not only by the Committee on Rules and Administration, but by the committees which instigate these investigations. It is also my hope that instead of resolutions for investigation expenditures being referred only to the Committee on Rules and Administration by committees of the Senate which seek authority for these investigations, the Appropriations Committee will be permitted to have a say in the matter. I hope to propose the adoption of such a procedure in the next session of the Congress. After all, Mr. President, if the Committee on Appropriations is to fully perform its tasks, it should be permitted to pass upon the need for additional funds. It should not be required to merely rubberstamp a fait accompli.

ORDER FOR RECESS TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until Monday next, at 12 o'clock meridian.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1184, Senate Joint Resolution 97, and that it be made the unfinished business.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The Chief Clerk. A joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment heretofore proposed by the Senator from Louisiana [Mr. Ellender], to insert a new section on page 2, after line 5.

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say it is not contemplated that any further business will be transacted today. Under the order previously entered, when the Senate concludes its business today, it will recess until Monday next. It may be that on Monday the unfinished business will be set aside, but I desired to have some business pending, and for that reason I made the request which I have just made.

DISTORTED PICTURE DRAWN BY SMALL BUSINESS ADMINISTRATION'S REPORT ON SMALL BUSINESS

Mr. MORSE. Mr. President, I wish to make a brief statement regarding a distorted picture which has been drawn by the Small Business Administration's report on small business.

I am chairman of the Small Business Subcommittee of the Committee on Banking and Currency. This subcommittee is primarily concerned with legislation governing the program of the Small Business Administration. In the last session of this Congress we acted upon bills to extend and modify the Small Business Act of 1953, and during the early weeks of the present session we reported proposed legislation to expand the disaster loan activity of the Small Business Administration. As Chairman of the Small Business Subcommittee, I maintain a continuing interest in the Small Business Administration; and I feel it a duty to discuss with the Senate a recent action by that agency.

Section 215 of the Small Business Act of 1953 requires that once every 6 months the administration shall make a report upon the activities of the agency, and shall include, among other things, "such comments and recommendations as the administration may deem appropriate." I have before me the Fifth Semiannual Report made by the Small Business Administration; and if the total import were not so tragic, I would be greatly amused by the "comments" deemed "appropriate" in this fourth year of the great Eisenhower crusade.

Mr. President, this document was released on April 2, 1956, with all the fanfare of a soap salesman's announcement of a new product which will wash clothes without getting them wet. I have come to expect exaggerated claims of success from the present caretakers of the executive branch, and it seems that they will never learn the old maxim about not fooling all of the people all of the time.

Mr. President, I am not fooled by this phony advertisement; and I want to spread on the RECORD the dismal picture of how well a big-business administration functions as a small-business undertaker. I shall concentrate on five fantastic claims, supported by half-truths, appearing in the Fifth Semiannual Report of the Small Business Administration.

The principal theme of the report is stated on page 1, as follows:

> The improvement in the position of small business which took form in mid-1954—after a decline in small-business health over several years—continued through the second half of 1955.

The report attempts to support this theme by various economic indicators.

The first supporting statement is that:

> Throughout most of 1955 the trend of business failures was downward.

Let us look at the facts. Here are the statistics on business failures for the last 6 years—President's Economic Report of January 24, 1956, page 231:

1949	9,246
1950	9,162
1951	8,058
1952	7,611
1953	8,862
1954	11,086
1955	10,969

I think that anyone looking for the true significance of these figures could draw three very simple conclusions:

First. The number of business failures was dropping steadily from 1949 through 1952; in fact, the number of failures in 1952 was almost 18 percent lower than the number in 1949;

Second. The number of business failures has been rising significantly from 1952 through 1955; in fact, the number of failures in 1955 was over 44 percent higher than the number in 1952; and

Third. In no year since 1941 have there been more business failures than there were in 1954 and 1955.

Based on these facts, I think the report could have more properly stated that "Although there were 117 fewer business failures in 1955 than there were in 1954, 10,969 failures is alarmingly high. Since virtually all of these failures occur among small businesses, vigorous action is necessary to halt the rising failure rate which began in 1953."

The second supporting statement in the report is that:

> New business incorporations hit a new peak.

Mr. President, everyone knows that our economy is expanding, and that it must expand to accommodate our rising population and our enormous responsibilities in a troubled world. Thus, a realistic indicator of the expansion of our economy is not the number of "new business incorporations", but is the net increase in the number of active business firms. Here are the facts, as revealed on page 231 of the President's Economic Report of January 24, 1956:

Year:	*Net increase of operating businesses*
1949	52,000
1950	50,000
1951	58,000
1952	59,000
1953	26,000
1954	−4,000
1955	(1)

[1] Not available.

Although final figures for 1955 are not available, it appears that the increase in business firms for 1955 will be no higher than that in 1953.

Here are the tragic conclusions which must be drawn from these statistics:

First. From 1949 through 1952, the number of operating businesses was increasing at a rate commensurate with the necessary expansion of our competitive economy, and the average increase was about 55,000 for these 4 years;

Second. Beginning in 1953 the increase in the number of operating businesses declined over 50 percent; and in 1954 there was a net reduction in the number of operating businesses; and

Third. Nineteen hundred and fifty-four is the only year since 1943 in which there has been a reduction in the number of operating businesses in this country.

If the present administration had any inclination to be honest with the American people, the comment in the report should read something like this:

> The sharp drop in the increase of operating businesses experienced in 1953 and 1954 is completely inconsistent with the needs of an expanding competitive economy. While gross national product has reached unprecedented levels, the fruits of this production are becoming concentrated in the hands of fewer entrepreneurs. Consequently, the administration urges the Congress to explore this threat to the survival and growth of larger numbers of business units, and we pledge our support in finding some solution to this inconsistency in the development of our free-enterprise system.

But, Mr. President, what did the Congress receive? A false analysis of the situation, and no recommendation whatsoever.

A third comment by the administration is that:

> There was sharp improvement in small firms' earnings, both before and after taxes.

I do not know why the "before taxes" situation is stressed, when all of us know that earnings "after taxes" constitute the only meaningful measure of business success. Consequently, I shall cite the record on earnings after taxes for large businesses and small businesses, based upon data extracted from the SBA report. The bias in favor of large concerns is a computation which I have made for purpose of comparison:

United States manufacturing corporations earnings (after taxes) by asset size

[Index—1947-49=100]

Year [1]	Assets under $1 million	Assets over $1 million	Bias in favor of large concerns	Average
1947	98	143	45	22
1948	103	112	19	
1949	55	90	35	
1950	122	130	8	
1951	96	106	10	
4th quarter 1952	86	103	17	
4th quarter 1953	49	103	54	58
4th quarter 1954	59	119	60	
1st quarter 1955	68	127	59	

[1] Annually 1947–51.

Mr. President, this record of earnings over the past 9 years shows quite clearly what has happened to small-business earnings since 1953. While the bias in favor of big business averaged only 22 index points for the period 1947–52, this bias averaged almost 58 index points for the years 1953, 1954, and 1955. The bias in earnings in favor of big business has almost tripled throughout the 3 years of this big-business administration. I cannot conceive how anyone could look at

this record and could report to the Congress that "there was a sharp improvement in small firms' earnings." It is true that the small business earnings index is up, as compared with the index for 1954; but the index for 1955 is still far below the index for 1952; and the disparity between the index for small firms and the index for large firms continues to be outrageously high.

The record of earnings on stockholders' equity is equally distressing; and this leads me to the fourth comment by the Small Business Administration. The report, doing its best to paint a rosy picture for small business, contains a feeble statement that—

> Beginning in 1954 and through 1955 there was an improvement for both smaller and larger corporations.

After examining the data on page 16 of the report, I can well understand why the administration shies away from this subject. This is the data on page 16 to which I have added a column showing bias in favor of large concerns:

United States manufacturing corporations earnings (after taxes) on stockholders' equity by asset size

[Expressed in percentage]

Annual rate for year	Assets under $1 million	Assets over $1 million	Bias in favor of large concerns	Average
1947	16.3	15.5	0.8	2.8
1948	12.6	16.3	3.7	
1949	7.0	10.6	3.6	
1950	12.5	15.7	3.2	
1951	9.0	12.6	3.6	
1952	7.9	10.6	2.7	
1953	7.1	10.8	3.7	4.7
1954	5.4	10.3	4.9	
1955	6.9	12.3	5.4	

These data show that the percentage of earnings on stockholders' equity has declined 1 percent for small businesses from 1952 to 1955, but that the percentage for large business has increased 1.7 percent during the same period. Furthermore, the average bias in favor of large firms throughout the period 1947–52 was only 2.8 percent, whereas this bias has averaged 4.7 percent over the years 1953, 1954, and 1955. Why does not the administration admit this sorry record and try to do something about it? No good can come from concealing the truth—even when the truth hurts. It is becoming apparent that the farmers of this Nation are awakening to the truth of the Eisenhower-Benson farm philosophy; and the truth of the Eisenhower-Humphrey-Weeks business philosophy is gradually emerging in spite of the reams of camouflaging propaganda emanating from the executive agencies.

Mr. President, the fifth comment which I wish to discuss in detail concerns the net sales of manufacturing corporations. The SBA report states that—

> Net sales of smaller manufacturing corporations, those with assets under $1 million, continued their recovery during 1955.

With big business sales at such high levels, something had to trickle down to the little fellow. The following statistics are based upon data extracted from page 14 of the report; and I have added a column to show bias in favor of large concerns.

I ask unanimous consent to have the table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States manufacturing corporations net sales by asset size

[Index—1947-49=100]

Year [1]	Assets under $1 million	Assets over $1 million	Bias in favor of large concerns	Average
1947	94	100	6	15
1948	105	107	2	
1949	97	100	3	
1950	104	120	16	
1951	115	140	25	
4th quarter 1952	115	150	35	
4th quarter 1953	97	146	49	49
4th quarter 1954	103	150	47	
3d quarter 1955	108	158	50	

[1] Annually 1947–51.

Mr. MORSE. These statistics show that the sales of small businesses were slightly better in 1955 than in 1953 and 1954; but small business sales for 1955 are still far below their sales for 1951 and 1952. The true significance of these statistics could be stated as follows:

> The big business bias in the indices of net sales of United States manufacturing corporations has increased alarmingly in recent years. This bias averaged only 15 index points through the years 1947–52, but has jumped to an average of 49 index points for the years 1953, 1954, and 1955. The trend to sales dominance by large firms is consistent with increases in earnings and return on investment which have also characterized big business activity since 1953.

Mr. President, that would be a true story of the big business crusade—or as it is more properly described, the small business funeral march. I could go on at greater length, in rebuttal of the Small Business Administration's claims of success in the fields of financial assistance, Government procurement, production and management assistance, and other activities of the Small Business Administration. But the proof of the pudding is in the eating, and the distressed condition of the small business community is ample proof of the ineffectiveness of the present administration in dealing with small business problems. The record of the last 3 years shows what is bound to happen when a tomcat is expected to look after the goldfish while the family is away from home. When the family returns, there will be no goldfish. And if the policies of the present administration are continued, small businesses can expect to be crushed or swallowed whole by the fat cats of the business world.

Let us hope that the next report of the Small Business Administration will show some awareness of the true situation, and that it will contain some recommendations for dealing with the situation.

Mr. President, I ask unanimous consent to have published at this point in my remarks an article by Ralph Hendershot, financial editor of the New York World-Telegram and Sun, on April 7, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SMALL BUSINESS—BARNES APPLAUDS GAIN IN SALES OF NEW ISSUES BUT FAILS TO REVEAL WHOLE STORY

(By Ralph Hendershot)

In his report to President Eisenhower, Wendell B. Barnes, administrator of the Small Business Administration, appeared to take a great deal of satisfaction from the increase in the amount of new capital raised for companies under his observation in 1955. This total, he said, amounted to $269 million, as compared with $195 million the year before.

Mr. Barnes called 1955 a banner year and observed that "this indicates that new opportunities which have not existed since 1929 have been opened for common stock financing for small companies. This is due to the lessened attractiveness of well-established issues to many investors because of the high levels of the market and the opportunities for capital gains in smaller issues."

This department would like to be as pleased over the 1955 results of security flotations for small companies as Mr. Barnes. But it can't enthuse over market conditions which make it necessary for these small concerns to pay 25 percent or more for their money. Nor can it get excited over the fact that only a small percentage of the enterprises needing long-term capital, even at such high costs, are able to get it.

WHERE FAULT LIES

The fault, of course, does not lie with Mr. Barnes, although we suspect he is but a casual observer in this phase of small company operations. Rather, the basic reason why small companies fare so badly at the new capital feed bunks in Wall Street is that leaders in the investment banking field give such concerns little or no attention.

Small companies and the firms which seek to raise capital for them are the orphans of Wall Street. They are shunned by the better underwriting houses as though they had the plague. This is true no matter how worthy the proposed financing may be. Even the soundest of the little companies seeking financial aid are sent to the other side of the railroad tracks where, if they are lucky, they may get the funds they require.

COULD HELP SITUATION

Wall Street is geared for big business, and the big houses can hardly be expected to bother too much with the smaller concerns. Such financing would cost them money. But the leaders in the field should be sufficiently interested in small corporations to see to it that provisions are made for their accommodations.

It is a big assignment to be sure but it is a highly important one. Our big companies were small once but the majority of them got their start when income taxes were either small or nonexistent. As a result they were able to grow by plowing earnings back into their properties. Those days are gone and our small concerns today have little hope for growth unless they get a lift with long-term capital from the investing public.

We would have been better pleased with Mr. Barnes' report if he had put basic conditions in the new capital field on the line for the President.

Mr. MORSE. While on the subject of recommendations, it seems quite appropriate to remind the Senate of a very significant bill now pending in the Finance Committee. This bill, S. 3129, was introduced by the chairman of the Banking and Currency Committee, the Senator from Arkansas [Mr. FULBRIGHT]. I was pleased to join the Senator from

Arkansas in this bill, as were several other Senators interested in the problems of small businesses. In addition to the Senator from Arkansas and me, the cosponsors include Senators Sparkman, Capehart, Humphrey, Wiley, Kennedy, Smathers, Beall, Lehman, and Douglas. We are all convinced that this bill gets to the very heart of the difficulties plaguing small businesses.

This Nation has grown strong through the efforts and initiative of thousands of private producers, competing honorably under laws which reward the enterprise of free men. But when these laws become so biased, in their application to business units, that the growth of large units is enhanced and the growth or survival of small units is threatened, then I say that the free economy we have known is in grave danger. I have heard many people bemoan the size of the Federal Government and speak of the "dead hand of bureaucracy," meaning Government bureaucracy. While such a warning deserves our attention, I am far more disturbed at the prospect of big business bureaucracy and the dead hand it lays upon the brow of small business.

Tax relief is a direct answer to this threat, and I believe that S. 3129 proposes a reasonable redistribution of the corporate tax burden, without reducing the overall Federal revenue. At this point in my remarks I ask to have printed a summary of the needs for and the effects of S. 3129, and I commend it to the thoughtful consideration of all Members of the Senate.

There being no objection, the summary was oredered to be printed in the Record, as follows:

Equitable Readjustment of Tax Burden for Small Business Without Revenue Loss

Sponsored by Senators Fulbright, Sparkman, Capehart, Humphrey, Kennedy, Beall, Duff, Morse, Smathers, Lehman, Douglas, and Wiley.

Present law provides normal tax rate of 30 percent, surtax rate of 22 percent. The first $25,000 is exempt from surtax.

The amendment reduces the normal corporation tax rate to 22 percent, and increases the surtax to 31 percent. The 31 percent rate would apply to income over $25,000.

Effect on revenue: Increase by $20 million a year.

Effect on corporations: See table. Examples: Corporations with incomes $5,000 and less, save $400, 26.7 percent; $15,000, save $1,200, 26.7 percent; $25,000, save $2000, 26.7 percent; smaller savings on incomes up to $225,000; slight increase on incomes above $225,000.

Number affected: Latent figures (1952 income tax returns) show out of 672,071 active corporations only 13,194 earned over $250,000. This proposal would reduce taxes for 98 percent of all corporations, with no revenue loss.

NEED

Three sources of small business capital: Equity, loans, and retained earnings. Expense of raising equity of $300,000 in securities market; 20 to 30 percent. Large corporation financing may be fraction of 1 percent; 40 to 50 times as expensive to small corporations. Loans: 6 percent or higher for small, 3½ or 4 percent for large.

Small corporations are, therefore, more dependent on retained earnings, yet earn less per dollar of sales. (Second quarter of 1955 corporations with assets under $250,000 earned 1.1 cents per dollar of sales; corporations $100 million and over 7.4 cents per dollar). Smaller corporations also losing out in volume of sales, increased only 3 percent 1954–55, as against 19 percent for large corporations. Large corporation greatly exceeds small in ratios of profit on investment. (Second quarter of 1955: 5.3 percent for small, 13.5 percent for large.)

Number of new firms declines: Annual increase of new firms 55,000, 1948 to 1952; only 28,300 from 1954 to 1955.

Business failures: Increasing, exclusively small businesses. In 1945, 809; 1953, 8,862; 1954, 11,086; 1955, 10,969.

Mergers also increasing. Dexter M. Keezer, vice president, McGraw-Hill Publishing Co.: "Maintaining this rate (present corporate tax rate) means that you are going to have larger corporate units at the expense of smaller units, a matter of great social, political and economic significance.".

Effect of a normal tax rate of 22 percent and a surtax rate of 31 percent

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 31 percent)	Change	
			Amount	Percent
$5,000	$1,500	$1,100	−$400	−26.7
$10,000	3,000	2,200	−800	−26.7
$15,000	4,500	3,300	−1,200	−26.7
$20,000	6,000	4,400	−1,600	−26.7
$25,000	7,500	5,500	−2,000	−26.7
$50,000	20,500	18,750	−1,750	−8.5
$100,000	46,500	45,250	−1,250	−2.7
$225,000	111,500	111,500	(1)	(1)
$500,000	254,500	257,250	+2,750	+1.1
$1,000,000	514,500	522,250	+7,750	+1.5
$10,000,000	5,194,500	5,292,250	+97,750	+1.9
$100,000,000	51,994,500	52,992,250	+997,750	+1.9

[1] No change.

Mr. MORSE. Mr. President, in closing my remarks on this subject, I wish to say, as chairman of the Subcommittee on Small Business of the Committee on Banking and Currency, and as a member of the Select Committee on Small Business of the Senate, that I intend to continue to maintain a vigilant watch over the representations and misrepresentations of the present administration as to the economic condition in which American small business finds itself.

On the basis of hearings before my subcommittee, and on the basis of the record which has been made by small business witnesses who have come from across the country to testify before us, I am convinced that on many of the main streets of America today there is already a deep recession among small-business men. Many businessmen today on the main streets of America are carrying a large percentage of the consumers of their respective communities on the cuff. More than $40 billion of consumer credit is now on the books of the businessmen of the country, with more than $12 billion of it on wheels on the highways of America in unpaid-for cars. Compare the more than $40 billion of consumer credit today with the figure of $7 billion as recently as 1939. In the light of such comparison, I say that it is a great disservice on the part of this administration to the people of the country to mislead them by the kind of soap salesmanship to be found in the pages of the report recently released by the Small Business Administration.

So far as the Senator from Oregon is concerned, this is a vital issue which the American people ought to face between now and November if they wish to maintain a healthy economy, to the advantage of small business as well as large business.

Mr. FULBRIGHT. Mr. President, first I should like to congratulate the Senator from Oregon [Mr. Morse] on his analysis of the report of the Small Business Administration. He is a true friend of small business—or, rather, I should say, of a free democratic economy. He has done a great job as chairman of the Small Business Subcommittee. I should also like to express my agreement with his thesis that the present administration is biased in favor of big business and is attempting to cover up this bias with a publicity campaign which seeks to relate the prosperity of all segments of the economy to that which is indisputably being enjoyed by big business.

I have read the press release of the Small Business Administration and note that its opening line is as follows:

> A steady improvement in the position of small business, as smaller firms continued to share in the overall national prosperity, was noted by Wendell B. Barnes, Administrator of the Small Business Administration.

The Senator has already analyzed this report and shown this statement to be false, and I shall not repeat his analysis.

However, there is one aspect of the economy which is so bad that even the public-relations people in the administration could not ignore it. The SBA handout and the report itself both say that—

> Small businesses complain of inability to obtain steel, steel scrap, aluminum, copper, nickel, lead, newsprint, plate glass, and other materials.
>
> They complain also of higher prices, such as for steel scrap, which they are unable to absorb. They point out that the historical allotment system used by suppliers discriminates against small firms because they are unable to obtain greater allotments and, if they are new users, sometimes are not able to get supplies at all. Shortages, bottlenecks, and price increases which are characteristic of a boom economy belie the threat of recession, despite the sag in some individual sectors which may occur, like that in the automotive field.

As the Senator knows, the President's economic report and other statements of the administration have spoken in glowing terms about alleged price stability. It is a very simple matter to determine that this price stability has been at the expense of the small businesses and the farmers of this country.

These statements gloss over a serious situation which has been developing and which threatens the ability of small businesses to compete and ultimately threatens the level of consumer prices and the stability of the dollar. This factor is the constant increase in materials prices. As the Senator knows, there are very few small-business producers of basic materials. On the contrary, most small businesses are purchasers of materials which they fabricate or process, or they are wholesalers and retailers.

I have a table which shows industrial whole price indexes, with 1947–49 as 100, for various commodities for the year 1952, for January 1955, and February 1956. I should like to insert into the Record a few of these indexes.

I ask unanimous consent that the entire table be inserted in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

		1952	January 1955	December 1955	February 1956
	All commodities other than farm products and food	113.2	115.0	119.7	120.5
07	Rubber and rubber products	134.0	146.0	151.0	147.1
07-11-02	No. 1 ribbed smoked sheets of natural rubber	191.9	161.5	233.5	185.1
07-21-01	Passenger tires	130.4	144.3	152.7	152.7
07-21-11	Truck and bus tires	136.1	140.8	158.1	158.1
08-1	Lumber	120.5	120.0	126.4	128.2
08-14-01	Red oak flooring	112.0	116.6	133.8	133.8
09	Pulp paper and allied products	119.6	116.3	123.6	125.4
09-1	Woodpulp	111.5	110.0	114.2	116.8
09-52	Paper bags and shipping sacks	114.9	106.2	119.3	120.7
10	Metals and metal products	123.0	130.1	143.9	145.0
10-1	Iron and steel	124.7	135.8	147.2	148.8
10-12	Iron and steel scrap	114.2	94.5	126.4	121.8
10-13	Semifinished steel products	131.2	158.7	170.3	170.6
10-14	Finished steel products	127.2	144.6	154.8	157.1
10-2	Nonferrous metals	123.5	127.9	155.8	157.2
10-22-01	Aluminum ingot	122.0	142.6	153.3	153.3
10-22-06	Copper ingot	116.5	142.6	204.4	204.4
10-25	Nonferrous mill shapes	125.3	136.5	159.1	161.2
10-26	Wire and cable	122.9	124.3	156.0	159.4
10-5	Plumbing equipment	117.4	118.7	133.1	133.1
10-7	Fabricated structural metal products	115.1	117.8	128.0	128.8
11	Machinery and motive products	121.5	125.8	133.0	133.5
11-1	Agricultural machinery and equipment	121.6	121.5	126.5	126.8
11-2	Construction machinery and equipment	125.4	133.2	143.1	143.5
11-3	Metalworking machinery and equipment	128.5	135.1	148.5	151.1
11-4	General purpose machinery and equipment	122.6	128.6	141.5	141.7
13	Nonmetallic minerals, structural	113.6	122.0	125.4	127.2
13-1	Flat glass	114.3	123.9	131.1	131.1
13-22	Cement		129.9	132.3	138.5
13-4	Structural clay products	122.0	135.8	144.6	145.6

Mr. FULBRIGHT. Mr. President, I also have noticed in newspapers recent statements of profits of some of the companies which are producers of these materials:

Company	Net income	
	1954	1955
Kennecott Copper	$77,906,288	$125,516,291
Anaconda Co.	26,653,085	65,256,306
Phelps Dodge	41,249,391	72,319,224
Aluminum Company of America	46,471,470	87,600,808
Kaiser Aluminum & Chemical	14,015,715	28,565,377
Reynolds Metals Co.	20,280,908	34,306,521
Goodrich Tire	38,815,737	46,662,127
United States Steel	195,417,611	370,197,625
Bethlehem Steel	132,837,154	180,191,708

My purpose in pointing out these facts is to show what small businesses, as well as the consumers of this country, are to be faced with. If prices of basic materials continue to rise to sustain the high profits of 1955, then 1 of 2 things will happen—either the small-business man will be squeezed by his inability to raise the price of his products, or the rise will be passed on to consumers and the general consumer index will also rise. To date, the administration has been able to claim stability in the overall price index only because farmers and small-business men are receiving an unfair portion of the national product.

THE MIDDLE EAST SITUATION

Mr. MORSE. Mr. President, I had planned to discuss the Middle East situation this afternoon, but time will not permit. Therefore, I ask unanimous consent that there be printed in the Record at this point the statement which I had planned to make on the Middle East situation.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Morse

It is reported in the press that the other day Secretary of State Dulles told congressional leaders to be prepared to give the administration authority to use American troops in the Middle East. This presages a new Korea on the other side of the world.

Two months ago, in an advertisement in the New York Times of February 5, the Committee To Save the Middle East From Communism declared:

"The fact is that Russia is turning [the Arabs] into North Koreans. Biblical Gaza will become the new 38th parallel. * * *

"Must we wait until it becomes imperative to send American GIs to fight again in distant lands—to protect America's vital interests in the strategic Middle East?"

Why are America's interests in the Middle East so vital?

Louis Bromfield, until his tragic death last month the chairman of the Committee To Save the Middle East From Communism, explained it in his last public statement, made to a press conference in New York on February 13:

"The Middle East contains more than half the world's known oil reserves. Without this oil, Europe could not survive. If we lose access to these deposits, our own industrial life will be seriously affected. * * * The Middle East is of crucial strategic importance for other reasons than oil. It is the gateway to Africa with its vital strategic resources and millions of people. It is the backdoor to Asia. Russia's entrenchment astride the Suez Canal would constitute a far greater blow to our national security than the loss of Formosa or the Philippines.

"This dangerous situation has developed behind a successful Communist smokescreen which keeps us believing that this is still merely an Arab-Israeli squabble. The fact is that this has become an East-West conflict—or to put it plainly, a Russian-American conflict."

Mr. Bromfield explained:

"The Russians are past masters of the art of infiltration and the fast grab. Only a few months have passed since Colonel Nasser announced that he would limit to 30 the number of Soviet technicians admitted to Egypt to train Egyptian forces in the use of the modern weapons ostensibly sold to Egypt by the Communist bloc. The Associated Press reported from Cairo several weeks ago that there were already 150. We have reliable and undisputed information that the actual number is close to 3,000 select Russian, Czech, Polish, and East German officers posing as technicians.

"In addition to substantial numbers of jet bombers and fighters and other heavy military equipment, Russian submarines supposedly sold to Egypt are going to enter the Mediterranean. Nasser says these are for the purpose of defending Egypt against Israel's fleet. * * * The truth is that they form a constant threat to the American Sixth Fleet in the Mediterranean. Egypt has never had submarine sailors. These craft will be manned and officered by Russians, just as the whole Egyptian military machine will be directed by the technicians.

"The same mistakes that resulted in the loss of China and most of the Far East to communism are being committed again. Unless we substitute a new bold policy, we will lose the Middle East too."

Although this warning was issued nearly 2 months ago, the most recent utterance by Secretary Dulles on this subject was a defense of Egypt's military dictator, Col. Gamal Abdel Nasser, as a "patriotic nationalist."

And yet this is what Dictator Nasser's Radio Cairo has been trumpeting to his Arab listeners 2 months:

October 11, 1955: "The United States, O Arabs, does not want to offer aid which is not backed by influence. She does not want to loan funds without interest in some form of colonization. * * * Russia on her part, seizes the golden opportunity and begins to express support and get closer, and indeed to offer economic aid, financial or technical, without America's excessive demands. * * * Russia is fully ready to offer aid without desiring to buy consciences, freedoms, or homelands. * * * The United States shuns us, lets us down and prevents aid from reaching us."

And quoting the daily, Al Akhbar, October 14, 1955: "* * * Justice and logic require that we now defend and not attack Russia, and that we now attack and not defend Britain and America, which have shown falsehood, deceit, fallacy and ill will."

And only 3 days ago, the New York Times quoted an Egyptian Minister of State (who could speak only with the Dictator's approval) in another violent attack on "imperialist America" and a spirited defense on "democratic Moscow."

Mr. Bromfield's statement went on to say:

"We call on the State Department to inaugurate a bold and decisive policy in the Middle East. If Nasser really fears a possible Israeli attack upon Egypt's sovereignty, let us guarantee the integrity of Egypt's border against any attack. But, let us not permit him to use this as a pretext to give Russian imperialism a foothold in an area that it has wanted but failed to penetrate since czarist times.

"The other aspect of our mistaken Middle East policy is our attitude toward the strongest military power in the Middle East next to Turkey—the Republic of Israel. To deny arms to Israel for defense against Russian weapons and officers is like denying arms to Formosa, South Korea or Vietnam."

Weeks after this warning was made, the situation had deteriorated still more, and so had our State Department policy. In another advertisement in the New York Times February 29, the Committee To Save the Middle East From Communism declared:

"The one hope of saving the Middle East from communism—and the blood not only of

Arab and Israeli but of American soldiers too—rests in the man who appointed Dulles to the office he now holds. * * * [the handling of] this explosive situation can no longer be delegated to Secretary Dulles and his assistants * * * who have so completely and so conspicuously failed in the eyes of the entire world."

Another month has passed and still the President has done nothing that could possibly hold back the march toward another Korea. His statements have served only to encourage Nasser to provocative acts while the Communists perfect his military machine.

But it may still not be too late. A clear statement by this country that we will back up the only democratic state in the Middle East, not only with a mutual defense treaty but with sufficient defensive weapons to handle the new Russian MIGs and bombers, will suffice to remove all chances of attack by the Arabs against Israel. Russia will not make any overt attack herself; she will act only through stooges, of whom Nasser has become one. But Nasser will not strike at Israel unless he feels he can knock it out quickly. If Israel has, or is likely to have, sufficient strength to stand off a knockout blow at Tel Aviv or Haifa by the fast Ilyushin bombers Russia gave Nasser, Nasser will not strike.

It does not take much. A handful of fast jet fighters, a few jet bombers, some defensive guns and tanks, to bolster up the only dependable ally we have in the area—is that too high a price to pay to spare the blood and lives not only of Israelis and Arabs but of American boys as well?

The Committee To Save the Middle East From Communism reiterates its query of February 5:

"That's why we ask: American arms now, or American armies later? Which will it be?"

DEPARTMENT OF AGRICULTURE'S ANIMAL DISEASE LABORATORY ON PLUM ISLAND, N. Y.

Mr. THYE. Mr. President, I have received a report from the Department of Agriculture which discloses some of the research accomplishments of the Department's animal disease laboratory on Plum Island, N. Y. I was instrumental in obtaining authorization to create this research laboratory. Much has been accomplished in the field of research.

I ask unanimous consent that there be printed in the body of the Record at this point, as a part of my remarks, a statement on what is being accomplished at the research laboratory conducted by the Department of Agriculture on Plum Island.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Thye

Frequently we fail to recognize the valuable contributions research has made both to the betterment of our living and to the protection of the health and welfare of the American people. It is needless, I know, to point out to my colleagues the many specific achievements that have been made through research, but I am prompted today to mention one particular research project which has recently come to my attention again in connection with a report issued by the Department of Agriculture. The report deals with the progress made on foot-and-mouth disease research in the United States.

The Department reports that "Scientists of the United States Department of Agriculture's Animal Disease Laboratory on Plum Island, N. Y., report success in growing the virus of foot-and-mouth disease in cultures of swine or bovine kidney cells."

The Department further states that this accomplishment is the result of work by Drs. H. L. Bachrach, W. R. Hess, and J. J. Callis, of the Plum Island laboratory staff, and through this research, the Department states that the door is now open to use of practical tissue-culture techniques in (1) diagnosis of the disease and identification of the type of virus present, (2) determination of concentrations of the viruses and antibodies produced in animals, and (3) large-scale production of the virus for fundamental studies and vaccine investigations."

Scientists at the Plum Island laboratory foresee that the application of this new method will allow research to proceed at an accelerated rate so as to achieve eventual control of the disease at an earlier date.

I have long had an interest in this problem, and I am particularly gratified at the recently announced results of research for the reason that it was under the provisions of an enacted bill I introduced in the 80th Congress whereby the Secretary of Agriculture was authorized and directed to conduct research on foot-and-mouth disease and other diseases of animals. Subsequently, the Animal Disease Laboratory on Plum Island of New York was established.

I want to take this opportunity of especially commending and congratulating Drs. Bachrach, Hess, and Callis, who have been primarily responsible for the recent achievement, and I wish to express my commendation of the entire Laboratory staff for their diligent efforts. At the same time, I should like also to say that indeed all of the research activities of the Department of Agriculture, including animal and poultry husbandry research and dairy husbandry research, are deserving of the highest praise and commendation by the American people for the many contributions which have been made to agriculture and to the general welfare of the Nation as a whole.

ORGANIZATION OF AMERICAN STATES

Mr. SMATHERS. Mr. President, the learned historian, Arnold Toynbee, has said that history will characterize our epoch not for the immense technological strides which have been made, not as the atomic age, but rather as the period when man for the first time reached across boundaries of race, religion, and nationality, to help his fellow men, for the good of all mankind. If Dr. Toynbee is correct, then the Organization of American States, whose development we will commemorate on April 14, will occupy a place of honor in history. The growth of pan-Americanism, viewed in historical perspective, will surely be considered by posterity as one of the notable achievements of our era.

Pessimism, born of the failure of the League of Nations and nourished by the frustrations of the United Nations, has been corroding our faith in international organizations for maintaining peace. The Organization of American States stands alone, but firm, as proof of the effectiveness of international cooperation. It stands as a beacon light in the dark, inspiring optimism when doubts assail us. It is fitting that we pause each year to reexamine the evolution of that institution, and by so doing, to rekindle our hope that the noble principles motivating it will spread to other parts of the world.

The Organization of American States was not easily arrived at or built over night. A good many obstacles had to be surmounted: fears had to be assuaged, prejudices eradicated, and self-interests repressed before the 21 nations that make up the membership could work together in their collective interest. As far back as 1826 the great South American liberator, Simon Bolivar, conceived of the idea of a union of the democracies of the Western Hemisphere. In those days the newly independent nations were menaced by the Holy Alliance of Austria, Russia, and Prussia; it was Bolivar's idea that by union, the young states could protect themselves against any threat. The rought draft prepared by Bolivar for the conference he called in Panama contains these prophetic words:

> This Congress seems destined to form the vastest league, the most extraordinary and the strongest which has ever appeared on earth. * * * No one of (the nations) will be weak in respect to any other; no one will be stronger. A perfect equilibrium would be established in this truly new order of things. The strength of all would come to the aid of any one which might suffer from the aggression of a foreign enemy.

The Panama Conference, as you know, was a dismal failure. Owing to factional opposition in the United States Congress, there was much delay in appointing the American delegates to the gathering. One of two that were finally appointed died on the way to Panama, and the other arrived too late. The politicians in Buenos Aires, jealous of the leading part played by Colombia, declined the invitation. Paraguay, then a principal state, also remained aloof. When the Conference met, only Mexico, Central America, Colombia, and Peru had delegates present. Under the circumstances, Bolivar's magnificent dream of a union of the American nations in the interest of peace, protection, and general advancement, went up in smoke. But it did establish a definite precedent for future inter-American meetings.

Later in the century other attempts were made to get joint action. One gathering in Peru in 1847, with delegates from New Granada, Ecuador, Bolivia, and Chile in attendance, was directed against the United States who was at war with Mexico. The avowed aim of the Conference was confederation for the purpose of preserving independence, territorial integrity, and sovereignty. No permanent results came from the meeting, or from other conferences of small groups of Latin American states held later in the century.

In the meantime, some of the South American nations themselves fell into battle with each other. In the 1860's the population of Paraguay was decimated in a war against an alliance consisting of Argentina, Brazil, and Uruguay. In 1879, Chile went to war against Peru and Bolivia, and claimed the victor's spoils, which included Peru's nitrate-rich provinces of Tacna and Arica and Bolivia's seacoast. The Chaco War between Paraguay and Bolivia that began in 1932 killed about 60,000 Bolivans and a good many Paraguayans; continental animosities sharpened when Chile actively supported Boliva, and Argentina threw its aid to Paraguay.

In spite of the bitterness generated from these flareups, certain unifying forces were at work. The revolutionary struggles by the American States against Spain and England left in their wake powerful sentiments shared by all the people of the New World. They held themselves to be different from those in the Old World, a new race on a new continent. They believed that Europe was old, corrupt, torn by wars, governed by tyranny, pessimistic, and declining. On the other hand, they believed that America was the opposite, young and vigorous and destined to fulfill mankind's utopian dream.

From these basic convictions, a mass of related sentiments derived. It was held that democratic republican government is the best form of government, all others being inclined to tyranny; that States are equal, irrespective of size and power; that being equal, no State has a right to intervene in the affairs of another; that disputes between States could be settled peacefully by substituting the rule of law for that of force; that cooperation would replace competition. So deep seated were these convictions, that they withstood the turbulent years of reorganization and intermittent warfare.

While sometimes lost in the clash of fraternal battle, Bolivar's vision of a family of American nations never completely died. In 1889, a first major step was taken to make the dream a reality. In that year, at an invitation from the United States to meet in Washington to discuss commercial matters, 18 of the then 19 American Republics responded favorably. This was the first of the series of international conferences of American nations. The delegates to that first feeble effort at cooperation on a hemispheric basis did not realize the precedent they were establishing. One contemporary United States newspaper, reflecting the prevailing opinion, even declared that "the Pan American Conference is pronounced a failure by those most concerned." Today, with the advantage of hindsight, we commemorate the 66th anniversary of that conference as the modest beginning of the mighty union we now have.

But not all was clear sailing for the inter-American ship after the first Pan American Conference. In the first decades of the 20th century the United States pursued a course that was bitterly unpopular in Latin America. This policy consisted of unilateral intervention of United States Armed Forces in other American nations to protect United States lives and property, or to prevent real or imagined threats of European intervention; the practice of dollar diplomacy, whereby the United States sought to control the finances of certain of the Caribbean countries; and the decision on the part of the United States to apply the Monroe Doctrine without consulting the other American States. Under the circumstances, it is not surprising that progress toward unity was not achieved.

All of us know the happy consequences which resulted when the United States signed the treaty of Montevideo in 1933 pledging nonintervention. With the shift to the good neighbor policy, the whole concept of pan-Americanism had a rebirth. After that, in rapid succession, the sister republics laid the foundations for hemispheric solidarity. When war clouds began to darken the horizon in Europe, the nations of America gathered in Buenos Aires and agreed upon a procedure for consultation in emergencies. Actual outbreak of World War II put the machinery of consultation into effect. During the war, the American nations worked in close cooperation. After the war the 21 republics formalized their system of mutual defense and peaceful settlement of disputes by the Rio and Bogotá pacts.

Today the Organization of American States is a far cry from the timid excursion into inter-American cooperation of 66 years ago. It comes very close to realizing Bolivar's dream of the New World united in defense of the noble principles of freedom and independence.

But today the threat to our institutions comes not only from physical attack, as Bolivar feared from the hands of the Holy Alliance. Instead, every country in the Western Hemisphere is under constant insidious assault. The current enemy, international communism, has created a new dimension in international warfare. Communism attacks at the very moral fibers of a nation. It has developed a modern Trojan horse technique of boring from within, of first spreading dissatisfaction and fear and suspicion, and then presenting itself as the savior.

In Latin America, this precise moment in history is auspicious for the Communist scheme. The people have awakened from their apathy and resignation. They are seething with discontent for their lot, and no longer accept gnawing hunger and disease as their portion. Twelve of the 20 Latin American countries have annual per capita incomes of less than $200 a year, while only in Venezuela does it exceed $400. The life expectancy of a man in Mexico is only 38 years, which is about average for our sister republics. Literacy, too, reflects the low standard of living: 41 percent in Venezuela, 57 percent in the Dominican Republic, 10 percent in Haiti, to mention a few. The Communist defection of Guatemala, however short lived, should serve as a warning that it can happen here. The removal through revolution of Communists from influential posts in Guatemala has done nothing to relieve the conditions that fostered the rise of those Communists in the first place.

All the mutual defense pacts and pledges of solidarity will not halt the war of ideas the Communists are waging. I do not mean by this statement to belittle the effectiveness of the inter-American system. Its continuous and upward growth in the face of difficulties, culminating in the fine Organization of American States which exists today, is an island in the turbulent sea of international relations. I do mean, however, that we must not stop working to make it even more effective. We must not be so satisfied with our handiwork to date that we permit our thinking to ossify. We must keep it fluid so that we are prepared to meet every new challenge in this dynamic and changing world.

Since it is presently unlikely that the Soviet Union will launch physical warfare upon one or more of our sister republics, we must be prepared to combat a different type of assault. The Latin Americans need help to raise the living standards of their people quickly, before they turn in desperation to the false promises held out to them by the Communists. Our full hearted cooperation with Latin America in the economic field is as essential to the preservation of American institutions as is our military and political cooperation.

Yet our showing to date has been meager, indeed. Of the $37 billion total grants and credits in the postwar decade, Latin America received about $1 billion, or approximately 2.5 percent. Our sister republics received only 1 percent of United States grant-aid in the same period. I have noticed that various prominent Latin Americans, among them the Argentine and the Colombian Ambassadors, and the Chilean delegate to the United Nations, have been critical of this tendency to overlook Latin America for critical regions elsewhere. They have coined the name El Continente Olvidado—the forgotten continent—which in this age of slogans certainly well describes the current situation. If we are to meet the threat posed by Communist infiltration and other totalitarian evils, we must take bold, original measures. We must keep our powder dry, yes, but we must keep working at Pan-Americanism with constancy and wholehearted faith.

It is my fervent hope and prayer that the unity of purpose of the sister republics of the Western Hemisphere will be increased and strengthened, and that the nations of the New World, through sincere efforts at cooperation, will march steadily toward the fulfillment of Bolivar's vision of a prosperous and free continent, at peace with the world.

RECESS TO MONDAY

The **PRESIDING OFFICER.** What is the pleasure of the Senate?

Mr. SMATHERS. Mr. President, it is my intention to move that the Senate take a recess until Monday. Before doing so, I wish to ask the Senator from Michigan, who is the acting minority leader, if he knows of any other business to come before the Senate from his side of the aisle.

Mr. POTTER. It is my understanding that there are no other Senators on this side of the aisle who desire to speak at this time; and that it was intended that the Senate should stand in recess until Monday after the distinguished Senator from Florida had completed his speech.

Mr. SMATHERS. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until Monday next, at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 58 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, April 16, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 12 (legislative day of April 9, 1956):

United Nations

James W. Barco, of Virginia, to be deputy representative of the United States of America in the Security Council of the United Nations.

Diplomatic and Foreign Service

Lowell C. Pinkerton, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Sudan.

Civil Aeronautics Board

James Durfee, of Wisconsin, to be a member of the Civil Aeronautics Board for the remainder of the term expiring December 31, 1960.

Coast and Geodetic Survey

The following-named persons for permanent appointment to the grade indicated, subject to qualifications provided by law:

To be ensigns

Herman H. Druebert
James C. Sainsbury

HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

The House met at 12 o'clock noon.

The Reverend Joseph F. Thorning, D. D., honorary professor in the University of Santo Domingo, offered the following prayer:

Heavenly Father, author of light and of love, let the brightness of Thy countenance shine radiantly upon the Speaker of this House and upon all the Members of the United States Congress together with their fellow legislators throughout the Western Hemisphere.

Grant a special blessing to the President of the United States of America and to all who counsel him.

Pour out Thy divine graces most abundantly upon that type of exalted Christian leadership in the American Republics that promotes spiritual understanding and an enrichment of those religious values of the Old and the New Testament which help to make all good citizens conscious of their brotherhood under God.

Guide us, dear Saviour, in the ways of righteousness and fairness toward our neighbors in Latin America and in Canada.

We thank Thee, Almighty God, for the presence in our Capital of the talented devout son of the noble nation that brought Christianity to this new world.

Enlighten our minds, we beseech Thee, and fortify our wills that we may enthrone principle over expediency, combining love of country with devotion to mankind.

We implore these divine graces in the name of our most Holy Redeemer, the Christ Jesus of the Andes, who is the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12) entitled "An act to amend the Agricultural Act of 1949, as amended, with respect to price supports for basic commodities and milk; and for other purposes."

The message also announced that the Vice President has appointed Mr. Johnston of South Carolina and Mr. Carlson members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–11.

The message also announced that the Vice President has appointed the Senator from Minnesota, Mr. Thye, a member of the Board of Visitors to the United States Air Force Academy vice the Senator from Maine, Mrs. Smith.

ELECTION TO STANDING COMMITTEE

Mr. MARTIN. Mr. Speaker, I offer a resolution (H. Res. 466) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That Walter Norblad, of Oregon, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Merchant Marine and Fisheries.

The resolution was agreed to, and a motion to reconsider was laid on the table.

AMENDING SECTION 1237 OF THE INTERNAL REVENUE CODE

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 6712, an act to amend section 1237 of the Internal Revenue Code of 1954, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> Page 1, line 7, after "business" insert "and only in the case of property described in the last sentence of subsection (b) (3)."
>
> Page 1, strike out lines 10 and 11 and insert:
>
> "(a) In subparagraph (A) strike out 'water or sewer facilities' and insert 'water, sewer, or drainage facilities'."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill H. R. 6712.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, it will be recalled that the House-passed version of H. R. 6712 amended section 1237 of the Internal Revenue Code of 1954. That section provided special rules for the taxation of gain from the sale of real property to the extent that a taxpayer is not to be considered as holding property primarily for sale to customers in the ordinary course of business solely because he subdivided the tract, subject to certain conditions. Under the 1954 code, section 1237, was limited to real property in the hands of a taxpayer other than a corporation.

H. R. 6712 as passed by the House would extend the scope of the section to include corporations if no shareholder directly or indirectly holds real property for sale to customers in the ordinary course of trade or business.

The second section of the House-passed version of the bill would allow certain property to come within the scope of section 1237 even though the taxpayer had made certain improvements on the property. The bill would provide that the taxpayer could install other public utilities on the subdivided property as well as those listed in the present paragraph (3) (A) of section 1237 without losing the benefit of the section.

The Senate in its consideration of H. R. 6712 adopted two amendments to the bill.

The first of these amendments would extend the treatment to corporations only if the corporation is holding property originally acquired through foreclosure of a lien thereon, or a limited amount of adjacent property. This would include a corporation to which was transferred the foreclosure bid in exchange for all of its stock and other consideration or a corporation was itself the creditor.

The second amendment adopted by the Senate amends the reference to "other public utilities" and substitutes the term "drainage facilities." This Senate amendment narrows the scope of the House-passed version of H. R. 6712 by limiting the types of improvements that the taxpayer may make and remain within the scope of section 1237.

Mr. Speaker, I ask that the House agree to the Senate amendments which I have just described.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill H. R. 6712.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 6712, introduced by my distinguished colleague on the Committee on Ways and Means [Mr. Boggs], was passed by the House on August 1, 1955. The bill amends section 1237 of the Internal Revenue Code of 1954 relating to real property subdivided for sale.

Under this bill the capital-gains treatment generally granted by section 1237 is extended to certain corporations and other taxpayers who may not qualify under the present section. The bill also allows taxpayers under certain circumstances to make public-utility improvements on the property that is within the scope of this section.

In the form passed by the Senate on March 26, 1956, the bill contains two amendments, which are acceptable. One amendment would permit corporations to qualify only if the corporation is holding property originally acquired through foreclosure of a lien thereon. This would include a corporation to which was transferred the foreclosure bid in exchange for all of its stock and other consideration, or a corporation was itself the creditor. The second amendment removes a reference in the House-passed bill to "other public utilities" and substitutes "drainage facilities." This amendment narrows the scope of the House bill by limiting the types of improvements that the taxpayer may make and remain within the scope of the section in question.

PAN-AMERICAN DAY

The SPEAKER. Pursuant to a resolution providing that the House of Representatives designate Thursday, April 12, 1956, as the date to celebrate Pan-American Day, on which day appropriate remarks on the occasion may occur, the Chair recognizes the gentleman from Arkansas [Mr. Hays].

Mr. HAYS of Arkansas. Mr. Speaker, I offer a resolution (H. Res. 467), which I send to the desk and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> Whereas April 14, 1956, will mark the 66th anniversary of the founding of the Pan American Union, now the Secretariat of the Organization of American States; and
>
> Whereas the House of Representatives, ever since the founding of the Pan American Union, has encouraged and fostered the development of inter-American cooperation and solidarity in the mutual best interests and aspirations of the peoples of this hemisphere; and
>
> Whereas continued inter-American cooperation and solidarity are essential to the peace and security of this hemisphere and of the free world; and
>
> Whereas the legislatures of the 21 American Republics have traditionally observed April 14 as Pan-American Day: Therefore, be it
>
> *Resolved*, That the House of Representatives extend its most cordial greetings to the legislative bodies of each of the other American Republics in honor of Pan-American Day and in recognition of the importance of inter-American cooperation and solidarity to the peace and security of this hemisphere and of the free world.
>
> Copies of the present resolution shall be distributed through appropriate channels to the legislatures of the other American Republics and to the Secretary General of the Organization of American States.

Mr. HAYS of Arkansas. Mr. Speaker, I am very happy to call to the attention of the House the 66th anniversary of the founding of the Pan American Union. It is a fitting tribute to the common interests and working harmony of the 21 member American Republics that they are able to celebrate this long and fruitful association in an atmosphere of close friendship and good fellowship. This organization stands as a remarkable symbol to the world that many millions of people have been able to establish an instrument for achieving peace and cooperation through the years when warfare and belligerence have been the general rule. Pan-American Day serves to remind us of the unique union of the nations in the Western Hemisphere in what is now officially called the Organization of American States.

The Organization of American States dates back to the First International Conference of American States in Washington in 1889–90 and is founded upon the charter signed at the Ninth International Conference of American States on April 30, 1948. The Pan American Union was created as the permanent central organ and General Secretariat on April 14, 1890, and it is this date we honor today. Since the time of its creation, this organization has provided a means for many interchanges between the United States and our sister Republics in economic, social, juridical, and cultural fields. So also has it been the vehicle for achieving regional solidarity, strengthening collaboration, and defending the sovereignty, territorial integrity, and independence of the member nations, now under the regional agency provisions of the United Nations.

In 1933 President Franklin D. Roosevelt said in his inaugural address:

> In the field of world policy, I would dedicate this Nation to the policy of the good neighbor—the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors.

This was the origin of the good-neighbor policy which has done so much to strengthen the friendly relations between the peoples of this hemisphere through the inter-American system.

This year on April 14, representatives of the 21 American Republics will gather in the Pan American Union to pay tribute to one of our countrymen who was one of the chief architects of this great inter-American system, the late Secretary of State Cordell Hull. On that day a bust of this illustrious American will be unveiled in the Pan American Union. In his lifetime, Cordell Hull worked mightily for the cause of world peace. "Father of the United Nations," his labors earned him the Nobel Peace Prize, but among the peoples of this hemisphere his memory will be particularly cherished for his effective work in making the good-neighbor policy a reality.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I am glad to yield to the distinguished gentleman from Louisiana.

Mr. BOGGS. I would like to call the attention of the gentleman and the Members of this body to the creation of the Cordell Hull Foundation, with which the gentleman is familiar. The Cordell Hull Foundation is sponsored by International House of the city of New Orleans. It has for its purpose the promotion of the ideals and principles of the great Tennessean, Cordell Hull. We are honored in having the Governor of Tennessee, Governor Clement, as president of the Cordell Hull Foundation. One of the principal purposes of the foundation is the promotion of scholarships, for students from the 21 Latin American Republics.

Mr. HAYS of Arkansas. I am glad to have the gentleman from Louisiana [Mr. Boggs] develop that fact, because, as he so well knows, these young people are carrying back to their countries a reflection of American friendship, and, of course, will contribute greatly to the cause of peace and American unity.

Mr. Speaker, we in the United States may well be proud of the fact that our neighbors have looked to us as the example in patterning their national constitutions and their forms of government. The very creation of the Organization of American States indicates the eager willingness of these young republics to submerge their differences in background and culture in order to obtain the blessings of freedom and dignity, made so infinitely desirable by the experience of the United States. The progress so far made by the American Republics in seeking ways to ground their independence and liberty upon solid foundations has been very gratifying and represents the patient efforts of the farsighted American statesmen who have provided able leadership for their peoples. They have all contributed much to the success of the inter-American system we honor today.

It is the fervent hope of all Americans that the Organization of American States may continue to serve as a model to the world of the deep feelings of understanding and cooperation that are possible of achievement when nations agree to work together in peace.

Mr. SEELY-BROWN. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. In connection with the remarks the gentleman is making I ask unanimous consent, Mr. Speaker, that my colleague from Connecticut [Mr. Morano] may extend his remarks in the Record immediately following the remarks of the gentleman from Arkansas.

Mr. HAYS of Arkansas. May I modify the gentleman's request to this extent: Mr. Speaker, I ask unanimous consent that first my colleague from Illinois [Mr. Gordon], who is chairman of the Subcommittee on Inter-American Affairs, be permitted to extend his remarks immediately following mine, those to be followed by the remarks of the gentleman from Connecticut and then that all Members may be privileged to extend their remarks on this subject.

Mr. LeCOMPTE. Mr. Speaker, if the gentleman will yield, I have here remarks of the gentleman from Pennsylvania [Mr. Fulton] on the subject of Pan American Day and I was going to ask permission for his remarks to be inserted at this point in the RECORD. I have no remarks of my own to insert.

Mr. HAYS of Arkansas. That is included in my request that all Members may extend their remarks, and further that all Members may have 5 legislative days within which to extend their remarks in the RECORD on this subject matter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, for the past 12 years, through the cooperation of our Chaplains, Father Joseph F. Thorning has offered the prayer in this body on Pan-American Day.

This is appropriate because the Reverend Dr. Joseph F. Thorning has been described on the floor of this House as "the padre of the Americas." He is a professor of the world-famous University of Santo Domingo, Ciudad Trujillo, in the Dominican Republic. This university, founded in 1538, is the oldest institution of higher learning in the Western Hemisphere. It is a teaching center for philosophy, literature, law, medicine, surgery, dentistry, engineering, fine arts, the natural sciences, the social sciences, and other important subjects.

The rector of the University of Santo Domingo, Dr. Pedro Troncoso Sanchez, is one of the most eminent educators in the world. He has served his country with distinction in many parts of the free world. In the work of the university he has been given every possible facility by His Excellency, Generalissimo Rafael Leonidas Trujillo Molina, LL. D., guiding genius of the Dominican Republic.

It must be gratifying to these noble leaders in education and in public life to know that Father Joseph F. Thorning, honorary professor in the celebrated University of Santa Domingo and a doctor of divinity in the Catholic University of Chile, Santiago de Chile, has offered the invocation in the United States Capitol on every official celebration of Pan-American Day since the inception of this session dedicated to the cause of inter-American friendship.

In his beautiful and appropriate prayer Father Thorning noted the presence at this time in the United States of the Minister of Foreign Affairs of Spain, Señor Don Alberto Martin Artajo.

Between the people of the United States and the people of Spain there has been a most cordial and friendly feeling throughout the decades. I sincerely hope that Señor Artajo's visit to the United States will be a most happy and pleasant one, as well as one that will be productive of results consistent with the national interest of both countries.

Since 1930, when Pan-American Day was first officially proclaimed to be April the 14th, the spirit of interhemispheric cooperation and friendship has been growing and refurbishing the best of the aims and ideals of the many cultures of the Americas. In fact, the regional organization—known as the Organization of American States—stands as a model today of international cooperation for the rest of the world to study and emulate.

Only a century ago Simón Bolívar, the Latin American leader whose name is identified with early dreams of for inter-American unity, made the prophetic declaration that in the freedom of America lies the hope of the world. In order to further his ideas on continental cooperation and the similar projects of other contemporary American leaders, a congress was convened in Panama in 1826. This congress proved to be premature, but it did succeed in arousing the peoples of North and South America to the possibilities which could eventuate from a pan-American organization based on mutual interests and desires. Several other conferences were convened in South America during the 19th century, but not until the Washington Conference of 1889–90 did a truly hemispheric meeting take place. This was the first pan-American conference and since that time the vision and faith of many people of the Americas have continued to help this system of inter-American cooperation fulfill the highest aims of freedom, independence, and peace.

The International American Conference in Washington of 1889 launched a regional system on its course which, in the short span of 65 years, has made the common goals for hemispheric solidarity a reality. Today the Organization of American States amply demonstrates that the sharing of the responsiblity for the preservation of freedom can result in a reconciliation of divergent opinions and different backgrounds that may serve as a bulwark of security and cooperation. The joint endeavors of the Latin American countries and of the United States in the pan-American field have encountered many obstacles and difficulties throughout the years. Nevertheless all these governments and nations have shared the same common purposes, and in an atmosphere of good neighborliness these countries have been counseling together on mutual problems and reaching decisions and agreements that are redounding to the benefit of all.

The devotion to the ideal of freedom and the belief in the dignity of man are ingrained in the cultures of both groups, and the highest hope for we of the Americas on this Pan-American Day is that the past successes in reciprocal exchanges and mutually benefiting schemes of interhemispheric cooperation will further encourage respect for each others' ideas, convictions, and cultures.

Mr. GORDON. Mr. Speaker, as chairman of the Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee, it is my great pleasure to join with my colleagues in celebration of the 66th birthday of the modern pan-American movement, which has done so much to create a feeling of mutual trust and friendship among the 335 million people of the United States and of the 20 Republics of Latin America.

Officially, it is the 66th anniversary of the founding of the Pan American Union, which is now known as the Organization of American States. The record of this great, hemispheric organization in maintaining the peace and contributing to the economic prosperity and well-being of all of us has been a brilliant one. It has influenced almost every aspect of our lives, and yet a great part of its work is accomplished in a spirit of quiet harmony incompatible with wide or spectacular publicity. For this reason, it may not be amiss to remind ourselves on this occasion of some of the major recent contributions which the OAS has made to a better life for all the people of the Americas, from the Canadian border to the Straits of Magellan.

For example, the Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro in December 1948, has been applied on four occasions when the peace of our hemisphere has been threatened by internal disputes: twice in controversies between Nicaragua and Costa Rica; in the Caribbean in 1950; and in the Guatemalan situation in 1954.

These controversies have provided the more spectacular examples of the work of the OAS. But meanwhile it has carried on a broad program of activities in less controversial fields, contributing immeasurably to the long-range welfare of all the people of the Americas. These include projects to improve housing, education, agriculture, health, travel facilities, and child welfare, to mention only a few.

In 1950 the OAS began a new program of technical cooperation, under which technicians from several Latin-American republics have been able to study new techniques in farming, teaching, nursing, and housing. Meanwhile, the organization has also devoted a major effort to wiping out illiteracy and expanding free education in the Americas.

Such work is a monument to the spirit of cooperation and mutual assistance which has long been hallmarks of our inter-American system, while providing at the same time an example and an inspiration to other governments and peoples throughout the world. It is positive, demonstrable proof of our historic contention that free nations can live as neighbors in an atmosphere of mutual respect and cooperation, without oppression of the weak by the strong, the prosperous by the less prosperous.

In particular, it should serve as a source of hope—a light in the darkness—for the oppressed peoples of the Iron Curtain countries who have been forced to sacrifice their liberties under the oppression of Soviet communism.

It is, indeed, an honor and a privilege for us all to salute this great organization on Pan-American Day and to tender our respects to the governments and people of the Latin-American republics who have joined their vision and statesmanship with that of our own country to make it possible.

CORDELL HULL: APOSTLE OF PAN-AMERICANISM

Mr. COOPER. Mr. Speaker, day after tomorrow, on Saturday, April 14, a memorable ceremony will be held here at Washington in the Aztec Garden of the Pan American Union. The occasion will be the official celebration of Pan-American Day. The celebration, which is always an important inter-American event, will have added importance this year because one of its principal events will be the unveiling of a bust of Cordell Hull.

The Ambassadors from the American Republics who form the Council of the Organization of American States voted last year to erect this monument to Secretary Hull in recognition of his long dedication to the cause of hemisphere solidarity and his magnificent accomplishment in that regard. It is most fitting that this monument should stand in the grounds of the Pan American Union which he loved. It is likewise fitting for us to recall today in this body of which he was long an honored member how often and how eloquently Cordell Hull spoke in behalf of the cooperation among the American peoples as an element essential to the freedom and peace of the world. Forty-eight years ago, in 1908, his maiden speech in the House of Representatives of the United States Congress advocated freer flow of trade as a means toward global peace. He saw the regional cooperation of the American Republics as a pattern for all nations. He never deviated from his conviction that the inter-American maintenance of freedom, peace, and justice through voluntary cooperation is for this hemisphere a tower of strength and for the rest of the world a beacon and an example.

Seventeen years ago, in 1939, he spoke of the importance of every individual citizen in furthering our national and bipartisan policy of the good neighbor.

> The relations among our nations must not rest merely on contacts between diplomat and diplomat, political leader and political leader, or even between businessman and businessman—

He said—

> They must rest also on contacts between teacher and teacher, between student and student, upon the confluence of streams of thought as well as upon more formalized governmental action and constructive business activity.

The bronze bust of Cordell Hull in the Department of State bears President Roosevelt's phrase characterizing him as "the father of the United Nations." The Medal for Merit with an Oak Leaf Cluster presented to Cordell Hull by President Truman cited him for "exceptionally meritorious conduct" in strengthening the forces against aggression and preparing the way for world peace. The proclamation issued by President Eisenhower 1 year ago on the sad occasion of Cordell Hull's death and directing a nationwide tribute of mourning and honor to his memory attested "his integrity of purpose, his high sense of obligation, and his long and fruitful labors in the cause of peace."

Here in these Halls which witnessed so great a part of his service to his country and to the free world, I consider it a privilege to pay this small tribute to Cordell Hull today. And in doing so I wish to express what I am sure is the sense of gratitude of this august body as a whole for the great tribute which will be paid his memory on April 14 at the Pan American Union—a tribute which would have been particularly gratifying to him, since it comes from representatives of the other nations of America in recognition of his services to this hemisphere and to mankind as a public-spirited citizen of the United States and of the world.

Mr. MORANO. Mr. Speaker, I wish to pay tribute to the spirit and motive embodied in Pan-American Day which will be observed throughout the Americas on April 14.

At a time in our history when the peace and territorial security of nations is in constant jeopardy, it is comforting to know that the solidarity of the Western Hemisphere is unshakable.

The House of Representatives has long worked toward the goal of ever-increasing inter-American cooperation and friendship. Mutual understanding and a basic bond have led to a union which is normally strong, faithfully dedicated to increased standards of living, economic stability, and the maintenance of peace.

It is fitting that on this special day we take official cognizance of our neighbors and friends to the south, and affirm our desire for continuing cooperation in our common cause.

I am happy to extend cordial greetings to all of the American Republics on the occasion of Pan-American Day.

Mr. DODD. Mr. Speaker, today's celebration of Pan-American Day is an appropriate occasion on which to direct our attention to the Organization of American States—one of the world's most seasoned and experienced regional organizations, an organization for the mutual defense of the 21 American Republics of this hemisphere, an organization engaged in the development of their cultural and economic resources, and one firmly dedicated to the maintenance of peace in the New World.

One of the distinguishing features of the Organization of American States is the equality of responsibility which is evidenced in its deliberations. Every one of the 21 Republics, regardless of its size or the present state of its economic and political development, is equal to every one of the other American Republics. That is a singular achievement—there is no veto, and in this hemisphere there are no satellites. The further development of broader democratic institutions and of greater respect for the rights of the individual—which are goals of the people of this hemisphere—can best be achieved through the unity of purpose which is exemplified by the Organization of American States.

During recent months, the people of the United States along with the other peoples of the Americas have watched with interest the political developments occurring within one of their sister Republics. After a number of years of growing oppression during which they lost many of their cherished rights, these people have arisen to reestablish themselves in their rightful place within the inter-American system. At the same time, they are engaged in rescuing their economy from the low state to which it has fallen through misguided and corrupt direction over the years. In their evident determination to rebuild their nation on progressive democratic principles and to work in a spirit of friendly cooperation with their neighbors in this hemisphere, these people can be assured that we stand ready to give them the moral and economic support they may need in this tremendous task. With our own background and tradition, the people of the United States are proud to welcome this virile and energetic people back into the ranks of the really free nations of the world and to wish them Godspeed in their efforts toward the more effective development of their immense natural resources for the benefit of themselves and their neighobrs.

We can, today, take note with gratification of the latest step which the Government of the Republic of Argentina has taken to identify itself more solidly with its sister Republics. A few days ago the provisional Government of Argentina deposited with the Pan American Union its instrument of ratification of the Bogotá Charter. This instrument, conceived and agreed to at Bogotá in 1948 by the Foreign Ministers of the American Republics, is the basic charter of the inter-American system. With the ratification of Argentina, the roll is now complete—all the 21 Republics have now ratified the charter.

The new Argentine Government has also made known recently its awareness of the threat of international communism, when it became the 20th of the American Republics to ratify the Caracas Declaration of 1954. The Caracas Declaration recognizes that if international communism should get control of the political institutions of any American State it would be a danger to the peace of the entire hemisphere and call for joint action. Only one of the American Republics—Mexico—has not yet ratified this Caracas Declaration.

Let there be no misunderstanding however. The interest of the people of the United States is not limited to any single nation or group of nations in the hemisphere. The United States hopes to make a real and useful contribution to the efforts of all of our sister Republics to build stronger national economies and to raise the standards of living of their people. In doing so we serve our own national interest. Our contribution toward the economic development of the hemisphere is being made through programs designed to strengthen and increase inter-American trade, to spread more widely within the hemisphere our common store of technical knowledge and experience, to encourage our private investors to enter those areas where they are welcomed, and to intensify the activity of the Export-Import Bank in loans for economic development. In all of this, we act in a way consistent with our basic philosophy that private enterprise and initiative can do far more than governments can to build strong economies and better living standards.

Mrs. FRANCES P. BOLTON. Mr. Speaker, on Saturday we are privileged once again to celebrate Pan-American Day. It is an appropriate occasion on which to call particular attention to the common goals of the 21 republics of this hemisphere. It is the day on which we give expression to the good will, mutual respect, and understanding which unites us with our southern neighbors.

Likewise it is a day on which we appropriately bring to the attention of our own people an evaluation of the recent progress made in inter-American relations. They are indicative of the spirit and achievements of the countries of the Western Hemisphere.

The past year has seen notable progress being made in strengthening and making more effective the Organization of American States. This regional organization has come to occupy a unique position in the world today. In the Organization of American States the 21 American Republics meet as equals to discuss their problems and find mutually satisfactory solutions. So effective have they been in this undertaking that the OAS has come to be the most solid international organization of free people on earth.

In the Inter-American Treaty of Reciprocal Assistance the peoples of this hemisphere have an effective instrument for the maintenance of peace in this hemisphere. This treaty, which was the outcome of the meeting of foreign ministers in 1947, not only binds the Americans together against aggression from abroad but also provides machinery for the settlement of disputes between two or more of the American Republics. Unfortunately such disputes do arise. But how fortunate it is—and what an example to the rest of the world—that we in our 21 republics have devised the means of resolving them. It is well that we take note today that now all of the 21 republics have ratified the Bogota Charter, the basic document of the inter-American system. Only a few days ago the new provisional government of Argentina deposited with the OAS its instrument of ratification, thereby making ratification hemispherewide.

So effective has the machinery of the Organization of American States become that this active cooperation of the American Republics has served as a working model for other areas. The structure of the United Nations itself benefited from the experience which had been gained by the Americas in the development of the OAS.

In the economic field, as in the political field, we can derive satisfaction from the closer ties which have developed among the American Republics in recent years. Latin America is now experiencing a phenomenal growth and development. The strength and resources of its nations have not been wasted in war. Their past achievement is largely intact to support further advancement. Our Government and our private industry are aiding in this further development by providing stable markets for Latin America's exports, by capital investments, by developmental loans, and by the exchange of technical know-how.

On this 66th anniversary of Pan-American Day we join with our Latin-American friends to give fitting recognition to the strength and the importance of the inter-American system through which we work for our common security and our common welfare. For the best interests of all of the Americas I sincerely hope that through mutually sharing of the responsibilities and the benefits of closer cooperation and friendship among all of the sister American Republics we can build an even better life for all of the peoples of this hemisphere.

THE POLICY OF FRIENDSHIP

Mr. MERROW. Mr. Speaker, the United States has always taken pride and satisfaction in its relations with the other Republics of this hemisphere. It is a national pride, which both our great political parties and all our national administrations justly share.

Thomas Jefferson, who was our first Secretary of State, expressed this when he said, regarding Latin America:

> We have the same object, the success of representative government. Nor are we acting for ourselves alone, but for the whole human race.

Secretary John Foster Dulles expressed it in another way on Pan-American Day last year, saying:

> This great inter-American system, which was first a vision and a dream and then an experience of faith, has become in our own time the most solid international organization of free peoples on earth—beneficial to all mankind.

At the International American Conference at Washington in 1889, from the sessions of which our present mighty Organization of American States has derived, Secretary of State James G. Blaine defined the hemisphere of the American peoples as a policy of "friendship and not force."

Secretary Elihu Root, at the Third International Conference of American States at Rio de Janeiro in 1906, called on the American peoples to show the world that liberty is the twin sister of justice and peace.

> Let us unite—

He urged—

> in creating and maintaining and making effective an all-American public opinion whose power shall influence international wrong, bring us ever nearer to the perfection of ordered liberty.

A generation ago, in 1925, Secretary Charles Evans Hughes reaffirmed this tenacious belief of the global impact of our inter-American system of partnership. He emphasized the fact that hemisphere cooperation, while based on the primary and mutual interest among the American Republics in a special relationship, does not isolate our peoples from the rest of the world. On the contrary, he said, our hemisphere cooperation "in itself constitutes a most important contribution to world peace."

One dozen years ago, on Pan-American Day in 1944, Cordell Hull, who is being so fittingly commemorated at the Pan American Union this week, made the following characteristic statement:

> As the years have gone on, the true principles underlying inter-American unity have been made more specific as one inter-American conference has followed another. In the years between the World Wars the trust and confidence between the American nations grew ever stronger, while elsewhere the growth of ambitions of conquest by force brought division and fear. It is the common pride of the American Republics and the good fortune of all mankind that the torch of international cooperation has burned at its brightest in the affairs of this hemisphere precisely at a time when it was being blacked out elsewhere. It is natural that the history of an international association which has endured longer than any other should provide encouraging guidance for the future.

The view that the American family of nations affords a practical example of international relationships for the family of man is in truth so well established as to be looked on as a matter of fact. Our Congress in both its Houses, and without regard to political party lines, has long proved itself to be of this mind. From our beginnings as a nation to the present day, our Chiefs of State—again Thomas Jefferson, John Quincy Adams, Abraham Lincoln, Herbert Hoover, Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower—have voiced this same belief in the kindling, the inspiring power of the inter-American achievement. At every period of our history our leaders have voiced the same view, well expressed. We find it as long ago as 1826 in President Adams' prophetic confidence in the opportunities through inter-American cooperation to "promote the prevalence in future ages of peace on earth and good will to man." We find it as recently as 1956 in President Eisenhower's statement that—

> In our hemisphere, the inter-American system has continued showing its vitality in maintaining peace and collective outlook on world problems.

Our cherished inter-American relationship of the good neighbor, the good partner, is the unshakable foundation of hemisphere solidarity. It is the most effective guaranty of the increasing progress, the continuing independence, and the sustaining freedom of our 21 Republics. It has been said, and justly said, that inter-American neighborliness and partnership are not only established policies of all our Governments but states of mind of all our peoples. While we have made traditional the excellent practice of publicly proclaiming this fact anew every year on Pan-American Day, the important thing is that this state of mind shall guide our actions on each of the 365 days of the year.

Mr. CARNAHAN. Mr. Speaker, April 14, 1890, was an historic day, for it marked the inauguration of the great hemispheric association of free peoples which is today called the Organization of American States.

It is fitting that we should pay special tribute today to that organization, and to the 335 million Americans whom it represents. These peoples, diverse as to racial origins, languages, and cultures, are joined together by the common bond of their devotion to liberty, democracy, and the proud free enterprise institutions of the western world.

From the Canadian border to Cape Horn, we live in a community of 21 American Republics which, to quote our Secretary of State, "avoids on the one hand the snares and delusions of alien

domination and on the other the pitfalls af narrow nationalism."

The unity of spirit and purpose has not been easily won, and perhaps too many people in our own country are inclined to take it for granted. In fact, it represents the end product of over a century of slow and often painful progress starting with the first Congress of Panama convoked by the great American patriot and liberator, Simon Bolivar in 1826.

The governments and peoples of the United States and the 20 Latin American Republics have traveled a long road indeed since Bolivar's day, marked as it was by the struggles of infant nations to gain their freedom from colonialism and secure a firm economic foothold in what was then largely a virgin wilderness.

How different a spectacle today. Along the coasts of Central and South America, on the pampas of Argentina, and in the jungles of Brazil, great modern cities have arisen. Fleets of ships and airplanes carry the commerce of the Americas from one nation to another in this hemisphere, and around the rest of the world. Indeed, in the case of Brazil an entire era of progress, as it developed in the United States—the western push of the railroads—may be bypassed and made unnecessary by the rapid expansion there of commercial aviation.

Meanwhile our sister republics are increasing their population at the remarkable rate of 2½ percent a year. The population of Latin America has doubled since 1915, and is expected to reach 500 million by the end of the century—just 44 years away. Meanwhile, in a single generation, these people have attained an economic development which the older industrialized nations took 150 years to achieve.

It is with a sense of justifiable pride that we pause to reflect this Pan-American Day on the contribution which the people of the United States have been privileged to make in the economic and technical development of this vast area, while at the same time we contemplate with appreciation and respect the many benefits which have accrued to our country from our association with the peoples of Latin America.

Out of our association in the council of the Organization of American States, our treaties of mutual defense and reciprocal assistance, our trade and our cultural contacts, has developed an ever-growing sense of partnership and common purpose.

I am sure that in the years to come the people of the United States will bend their best efforts to support and strengthen this relationship, in the interests not alone of the people of the western hemisphere but the entire free world, to whom the inter-American system has become a symbol of the cooperation and mutual respect which it is possible to develop in a community of free and independent nations.

Mr. RICHARDS. Mr. Speaker, April 14 will mark the 66th anniversary of the inter-American system which governs the relations between the 21 American Republics of this hemisphere. On April 14, 1890, the Pan American Union was formed, and now, 66 years later, we can look back with pride at the increasing friendship and increasing trade and cultural relations which have taken place between the United States and our sister Republics of the south. This could not have been achieved were it not for the combined efforts in our mutual interests of the Latin American Republics and ourselves through the instrumentality of this great international organization, the Pan American Union, which now serves as the secretariat to the Organization of American States.

One of the functions of the inter-American system which is seldom mentioned is the mutual defense arrangement which exists for the defense of the hemisphere. Along with other regional defense systems, the inter-American system, exemplified by and through the American States, constitutes an important bulwark of defense and security for the United States and the free world.

It is well for us on this day to greet our fellow legislative bodies in Latin America and to reassure the peoples of the 20 Latin American Republics of the friendship which our people hold for them.

This is also a fitting occasion for us to take stock of the ways and means by which we can increase the mutual understanding and friendship between us so that we may stand together as pillars of a strong free world which is constantly being menaced by a ruthless international communism. This will require not only mutual understanding but mutual effort and mutual sacrifices as well. May the inter-American system flourish and grow in strength, understanding, prosperity, and free world solidarity.

THE EXPANSION OF PAN-AMERICANISM

Mr. WILLIAMS of New Jersey. Mr. Speaker, it was Simon Bolivar who was the principal author of the idea of inter-American cooperation, which we celebrate today. At the Congress of Panama in 1832, he urged the 21 American Republics to unite and to establish a system of pan-Americanism based on the ideals of peace, freedom, and justice.

Bolivar's hopes were fulfilled at the first Inter-American Congress, held in Washington in 1890; for at this gathering of American nations the first concrete step toward the establishment of our inter-American system was taken with the formation of the International Union of American Republics. This association, based on the principles of equality of all members and mutual cooperation for the welfare and security of the hemisphere, provided a firm foundation for the growing Pan American structure.

Successive inter-American conferences strengthened the bonds that united the republics. The system became mature as the American nations continued to share responsibility for the promotion of peace and security and the development of economic, social, and cultural endeavors. Finally, at the Ninth Inter-American Conference, held at Bogata in 1948, the Community of American Nations became a permanent structure with the formation of the Organization of American States. This organization solidified the initial purposes and principles of inter-Americanism which had been developing since 1890.

Today, on the anniversary of pan-Americanism, the American Republics appropriately and proudly celebrate the progress made by their community. In the short span of 66 years, they have succeeded in maintaining peace and security on the continents; they have raised the health and living standards of the American states; they have cooperated in the development of resources, industry, and trade for their mutual benefit; they have, collectively, made the Americas better lands in which to live. With such a record of accomplishments, they look forward to still greater inter-American cooperation in the future.

Mr. FULTON. Mr. Speaker, as we are all aware, President Eisenhower has issued a proclamation designating April 14 as Pan-American Day, and the period April 8–14 as Pan-American Week. It has become customary for the President to set aside such a period each year, during which we pay special tribute to the inter-American system of friendship and mutual cooperation which has served the peoples of the Western Hemisphere so well since it was first formalized 66 years ago with the establishment of the Pan American Union—now the Organization of American States—which has its permanent seat in Washington and of which the United States and the 20 Latin American republics are members.

It is customary also in connection with this annual occasion for the people of the United States, individually and through their Government, to salute the 175 million people of the Latin American republics who over the years have contributed so much to the enrichment of our culture, the maintenance of our economic prosperity and the safeguarding of the security of the hemisphere.

We American people are realizing a genuine comprehension of the importance of our mutual association in this hemisphere. The average United States citizen hears much about the difficulties and the dangers which beset our relations with other parts of the world, but we hear too little about the dynamic progress and manifold opportunities of our neighbors of the new world.

In part this may be attributed to the old adage that good news does not make headlines as often as bad. I hope we Americans will never take for granted the friendship of our sister nations in this hemisphere, and focus our attention solely on critical problems elsewhere.

The members of our Foreign Affairs Committee and Foreign Relations Committee who are responsible under the President's leadership for the conduct of our foreign policy, and the millions of our private citizens who have business contacts in Latin America, are clearly conscious of the importance of Latin America to the defense of the hemisphere, and to the economic well-being of our good country.

This is evident in the tone of President Eisenhower's Pan-American Day proclamation, which is an eloquent statement of the interdependence of all American republics in maintaining the peace and the freedom of the Western Hemisphere, and of the importance of maintaining our traditional friendship with our sister nations in Latin America.

Among private or governmental people whose work brings them into contact with Latin America there is no need to underscore the importance of this great area to the United States, nor is it necessary to list the reasons for our growing interdependence. The facts are too self-evident. They know that the population of Latin America is growing at the rate of about 2.5 percent a year, and at that rate may hit 500 million by the end of the century, just 44 years from now. They read the trade figures, which show that Latin America accounts for 22 percent of our total exports, and 32 percent of our total imports, and that 35 percent of all United States direct foreign investment is there or approximately $6,256,000,000.

They know also that the Communist nations do not underestimate the importance either of the area or its people. Far from attempting to conceal their interest, the Soviets have stated frankly and publicly that they hope to develop closer economic, cultural, and political ties with the Latin America republics.

These are some of the considerations that we should all bear in mind while we celebrate this Pan-American Day. It is not only an occasion for festivities and rejoicing. It is an opportunity to pause and think seriously of the breadth and the depth of inter-American interdependence. For each American, in North America and South America, to ask himself what he can contribute personally to the solidarity of the free peoples of our wonderful Western Hemisphere, really the new world.

Mr. SIKES. Mr. Speaker, Saturday, April 14, 1956, marks the 66th anniversary of the founding of the Pan American Union. This oldest international association in the world has grown into what we now know as the Organization of American States. On this date we pause each year to contemplate the handiwork that built this union, and I think we may be pardoned for our pride. That such a union of 21 independent, sovereign nations of many races, and diverse cultures and languages, should have been conceived of in the first place is remarkable indeed. That it has endured and grown stronger over the years in spite of occasional conflicts between its member states and the world shaking effect of 2 major world wars is truly extraordinary. I take this opportunity to congratulate the other republics of the inter-American family on another year of earnest work toward perfecting our mutual alliance. The existence of the organization should be an inspiration to the world that where good will and patience reign; international understanding and cooperation are possible.

All of us know, however, that the success of an international organization in promoting peace and prosperity depends, in the main, on the public support it enjoys. No matter how fine a building it occupies or how devoted are its employees, an international organization of sovereign states can do no more than reflect public opinion. We in Florida feel, perhaps, a particular concern for the progress and well-being of the OAS. Florida's historical and cultural ties with her Latin American neighbors have deep roots. Even the name of our great State reflects its Spanish heritage.

For this reason, Florida has made great efforts to promote inter-American relations on the level of individual citizens. The University of Florida, for instance, has become one of the major centers for studying all aspects of Latin America—political, economic, historical, geographical, and cultural. A new and novel project for getting the American people—both north and south of the Rio Grande—better acquainted is presently taking shape on Biscayne Bay in Miami. We are building an Inter-American Cultural and Trade Center, 1,800 acres of beautiful fairgrounds to house industrial and handicraft exhibits of the 21 sister republics. We hope it will become a meeting ground for exporters and importers throughout the hemisphere. We hope, too, that the fine products on display will help the many people who visit Florida each year to get some idea of the wonderful people we call our neighbors.

On this threshold of the 67th year of the existence of the union of Pan-American republics, it is fitting that we recall Bolivar's prophetic statement:

> Freedom of the Americas is the hope of the universe.

For it is only by our working diligently and harmoniously together that our beloved freedoms can be secured. Let us, then, rededicate ourselves today to the lofty principles and high ideals embodied in the Organization of American States as we wish it a "Happy Birthday" and Godspeed in the year to come.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

SELECT COMMITTEE TO INVESTIGATE PROBLEMS RELATING TO THE DETROIT AREA AIRPORTS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I am today introducing a House resolution for the purpose of creating a select committee of three Members of the House of Representatives to conduct a full and complete investigation relating to the problems of the Detroit area airports, both civilian and military.

The resolution calls for recommendations by the committee as to which airport should be utilized to the utmost for civilian purposes and for proper military relocation. It also calls for complete hearings and the subpenaing of any witnesses, records, documents, and other evidence as necessary.

As you see, the resolution is not intended to prove a point, but simply to find out all the facts relating to the many contradictory statements about the situation involving the subject airports. In order to project a practical resolution of this vexing problem, it is essential that all of the facts be known.

As we know, the airlines exert a tremendous influence upon Congress. I have received a rumor that no action will be taken on this resolution. If this is true, it will be obvious to the public that the airlines are getting the same preferential treatment that the railroads received many years ago.

My intention is not to force anyone into a position that is improper, but to bring about a solution by which the public will be properly served.

The text of the resolution is as follows:

> *Resolved*, That there is hereby created a select committee to be composed of 3 Members of the House of Representatives to be appointed by the Speaker, 1 of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.
>
> The committee is authorized and directed to conduct a full and complete investigation and study of (1) whether the Detroit-Wayne Major Airport should be developed and utilized as the major civil air terminal serving the Detroit area, (2) whether the scheduled air carriers now using the Willow Run Airport should transfer their operations to the Detroit-Wayne Major Airport, (3) whether the Willow Run Airport should continue to be operated under civil ownership as a joint civil and military airport, (4) whether Air Force Reserve fighter squadrons should be relocated from Selridge Air Force Base and established on the Willow Run Airport, (5) whether the naval air station should be relocated from Grosse Ile and established on the Willow Run Airport, (6) whether the Air National Guard squadrons now stationed at Detroit-Wayne Major Airport should be transferred to the Willow Run Airport, and (7) whether a master plan of all the airports in the Detroit metropolitan area can and should be established in order to most effectively utilize their facilities.
>
> The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.
>
> For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

BATAAN DAY COMMEMORATION DINNER

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House and to include a Bataan Day message from President Dwight D. Eisenhower to President Ramon Magsaysay and also message from President Ramon Magsaysay to President Dwight D. Eisenhower.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, it was my privilege to be present the other evening at the Bataan Day commemoration dinner at the Mayflower Hotel given by Gen. Carlos P. Romulo and the Philippine Association. It was a pleasure to see in attendance a large number of Senators, Congressmen, Cabinet members, Justices of the Supreme Court, the high echelon of the State Department, our Armed Forces, leading businessmen and industrialists, with their ladies, all of them gathered together to honor the American and Filipino soldiers who put up that magnificent display of courage and heroism in Bataan.

It was a splendidly arranged dinner worthy of the historic occasion for which it was held. Two addresses were delivered, one by the host and the other by the guest of honor, our own Speaker SAM RAYBURN, who was at the same time conferred the highest decoration in the gift of the Government of the Philippines. These two addresses and the citation were inserted in the RECORD by our distinguished colleague, the Representative of Massachusetts, Congressman MCCORMACK, April 10, 1956.

I wish to comment on General Romulo's speech because I believe it is a good example of how to talk to the American people. It was a forceful and vigorous one because it highlighted what we should do in the Philippines that we are not now doing, but it was done in such a graceful, friendly way that no one can take exception to any part of it. There were no threats, no attempts at intimidation, no straining for political effect, no oratorical lamentations over our supposed failures. But it was clear and emphatic in its statement of facts of what our Filipino friends feel and want, as subtle as it was gentle, as diplomatic as it was effective. It was sober and restrained, with a dignity that cannot help but command respect and admiration.

I underscore General Romulo's speech, its tone and its style, because too often some of our foreign friends seem to think that to impress us they must either talk tough or adopt theatrical attitudes of disenchantment at what they magnify as our neglect of friends. They do not know or they choose to ignore that the American people cannot be intimidated and that an appeal to our inherent sense of fairness goes a long way with us because it is always our endeavor to be reasonable and just. The standing ovation given General Romulo showed that he achieved the result he wanted to get. His speech was really an invitation to each of us in Congress to indulge in a searching national introspection.

Two messages were read during the evening that revealed statesmanship of the highest order. I include the message of President Eisenhower to President Magsaysay and the latter's reply:

BATAAN DAY MESSAGE FROM PRESIDENT DWIGHT D. EISENHOWER

President RAMON MAGSAYSAY:

I send greetings, on behalf of the people of the United States, to our friends in the Philippines on this day of memories and dedication. It is fitting that Bataan Day should be the chosen time to commemorate Philippine-American friendship for it reminds us of the unity that was ours in times of stress and trial.

The ensuing 14 years have brought ever-increasing understanding and cooperation. This year you will mark the 10th anniversary of the independence of your nation. We can be justly proud of the example of international brotherhood which we, together, have provided during the past decade.

Our hearts should be filled with gratitude toward those brave men whom we remember on this day—not only for their service in war, but for the legacy of courage and inspiration which they left for us to follow in time of peace.

DWIGHT EISENHOWER.

APRIL 9, 1956.

BATAAN DAY MESSAGE FROM PRESIDENT RAMON MAGSAYSAY

President DWIGHT D. EISENHOWER:

I am grateful to you for your message commemorating Bataan Day and I wish to reciprocate your cordial greetings. Our two peoples are united by an imperishable bond that was forged in Bataan by the courage and heroism of our soldiers.

We have fought together in war and are cooperating with each other in peace to uphold freedom and democracy. Ours is a friendship based on mutual respect and being on such a firm basis it is an enduring one.

It is my hope that our close collaboration in working for the peace and security of the free world will continue to demonstrate that whatever inevitable temporary and superficial differences we may have from time to time, they are no barrier to the mutuality of our responsibility to serve the best interests of our respective countries and our common dedication to fight for the democratic ideal.

As we commemorate a historic event which signalizes a spiritual victory over a military defeat I wish to reiterate my people's faith in the righteousness and invincibility of the cause of freedom and human dignity to which we are dedicated.

RAMON MAGSAYSAY.

APRIL 9, 1956.

THE EXORBITANT PRICE OF SCRAP STEEL

Mr. BEAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BEAMER. Mr. Speaker, I wish to call the attention of the House and the entire country to a condition that has arisen and that is persisting in reference to the prices of steel and iron scrap. It happens that in the fifth district of Indiana which I have the privilege to represent we have some semi-integrated steel plants which have found it necessary to purchase most of their supply of material for smelting purposes from people who are charging exorbitant prices for scrap steel.

This exorbitant increase in the price of scrap steel results from the large exportation of this scrap to other countries. In fact, since 1953 it has multiplied nearly 15 times. I hope that the Department of Commerce and other interested agencies will investigate this serious situation.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BEAMER. I yield to the gentleman from Massachusetts.

Mr. MCCORMACK. I agree with the gentleman. I am very much interested in this subject and had inserted in the RECORD the other day a compilation showing the tremendous increase in the amount of scrap metal being sent abroad. The gentleman says it has increased more than 15 times in a period of 2 years, from a little over 300,000 tons to over 5 million tons. The gentleman addresses the House on a very important subject.

Mr. BEAMER. I thank the gentleman from Massachusetts.

ALGER HISS AT PRINCETON UNIVERSITY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, you will find, beginning on page 6162 of yesterday's RECORD, the gentleman from New Jersey [Mr. TUMULTY] expressed some criticism of the judgment of officials of Princeton University because they had agreed to permit a Mr. Hiss to address the student body. Unfortunately, as I understood, I agreed with the gentleman because I thought he was only criticizing their judgment.

Thinking over his argument and the principle involved last night, and this morning I am convinced that something more than a question of policy is involved.

I want to go one step further than we did yesterday and go along with the idea that it is improper for any institution of learning to bring in a speaker, especially one who is known throughout the Nation and who has heretofore publicly been engaged in an effort to overthrow our Government by force and violence who has been convicted of deliberately intentionally giving false testimony to speak before and advise a student or any other group as to the foreign policy we should follow on a matter where he has heretofore served the interest of an enemy country. I think we might just as well bring in an embezzler who was seeking a position in a bank to explain banking procedure. It is my purpose to withdraw any thought or expression of opinion that you were right in only questioning their judgment. I think we should have gone further and asserted that no one who was an advocate of a policy or program the adoption of which would mean the end of our form of government has the right to express such views publicly.

PRINCETON UNIVERSITY

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, in answer to my distinguished colleague, the gentleman from Michigan [Mr. Hoffman], may I say that I agree quite thoroughly with him. I spoke extemporaneously yesterday, and I thought I made myself clear. I said I thought that Dr. Dodds, the president of Princeton University, should take Mr. Hiss and throw him out by the scruff of the neck. I do not concede that educators have the right to permit the universities under their control to be used by the enemies of our country to advance their cause. I assume an educator is supposed to teach his students, and I assume when students do something wrong, whether they are children of 6 or children of 18, the educator would and should reprove them. I said I thought Dr. Dodd, president of Princeton, should put the "children" involved—because that is what they are—over his knee and paddle their Red aspirations thoroughly. So, I agree with the gentleman, and thank him for his interest as he is a distinguished American.

Students having such a disregard for college and country should be disciplined by the faculty—if the faculty is doing its duty to the students and their parents.

AUTHORIZING CONSTRUCTION FOR THE MILITARY DEPARTMENTS

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9893, with Mr. Delaney in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Ford].

Mr. FORD. Mr. Chairman, at the time I was speaking yesterday, I pointed out that if the action of the committee stands as it is, the construction of this vitally important jet base in the State of Michigan will be delayed 1 year, and, secondly, an additional cost of a minimum of $5,188,950 will be involved.

At this time I should like to point out again that the statement as to delay is predicated on a letter I received from the Secretary of the Air Force on March 21, 1956. I quoted the pertinent portions of the letter in my remarks yesterday.

At this point I should like to turn specifically to the cost factor. The testimony before the House Committee on Armed Services indicates first that if the Air Force is required to change the site from what is known as the Kalkaska site, which is here [indicating on chart] to the Manistee site, which is here, the loss in dollars will be a minimum of $350,000 and probably closer to $500,000. The reason for that wasteful expenditure is precisely this. The Air Force last August got concurrence from the respective committees of the House and Senate for the initiation of construction at the so-called Kalkaska site. The Air Force in good faith went ahead with that construction. They have done design work on the runways. They have made definite plans. They have signed contracts. There is no doubt that they have spent at least $350,000 and probably closer to $500,000, which amount of money will be totally wasted if the base is changed from Kalkaska to Manistee.

Secondly, this base is a very important part of our national-defense picture. It is tied in with what we call the SAGE system; that is, semiautomatic ground environment program. It is a 10-year lease between the Air Force and Western Electric and constituent companies of the A. T. & T. When you figure the cost on the SAGE system, you have to figure what the operational cost will be over a 10-year period. There will be a minimum annual excessive cost if the site is at Manistee over Kalkaska of $270,000.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Ford] has expired.

Mr. VINSON. Mr. Chairman, I yield the gentleman 5 minutes additional.

Mr. FORD. There is a very distinct possibility that the annual excessive cost could go up to $460,000. So, if you take $270,000 times 10, it is an excess cost $2,700,000. Or, if you use the figure $460,000 and multiply it by 10, it comes to $4,600,000.

I am sure that many Members wonder why there is a differential on an annual basis. The reason is very simple. The SAGE system ties into certain basic vital trunklines that the telephone company has throughout the country. It so happens that at the present time the Michigan Bell Telephone Co. has a major trunkline which runs more or less up through the Cadillac area, northward into Michigan. The SAGE system communication lines are tied into that trunkline. The facts and figures indicate that from this trunkline which runs up like this [indicating on chart] the Kalkaska site is approximately 24 miles closer to the trunkline than the Manistee site would be. It is purely a mathematical problem, measuring the distance from each site to the trunkline. If you take the rate which is identical for each site and multiply it by the distance, you arrive at the figure. As I indicated, the 10-year differential between the two sites in dollars will be a minimum of $2,700,000 and potentially it could be $4,600,000.

Those facts and figures can be substantiated by the Air Force. I have asked them to check and doublecheck with the people who will do the construction, and there is no question in my mind that they are accurate.

The third factor that involves this $5 million excessive cost is this: In the letter from Secretary of the Air Force Quarles on March 21, after I asked him as to the comparative cost figures for initial construction, he indicated that the Kalkaska site initial construction cost would be $938,950 cheaper than the Manistee site.

When you add it all up, the picture is precisely this: If we move from Kalkaska to Manistee we throw away at least $350,000 and possibly $500,000. If we move from Kalkaska to Manistee we charge ourselves, the Federal Government, at least $2,700,000 more and possibly $4,600,000 more over a 10-year period. If we move from Kalkaska to Manistee we find that in the latest figures submitted by the Air Force there is a differential in cost of construction of almost $1 million. When you take the cost and the delay, it seems to me that the position of the committee was in error.

I intend to offer an amendment to restore the language the way the Air Force proposed. I would certainly hope that the members of this committee would support this amendment. It has been a very unfortunate situation that has developed over a period of about 2½ years. I dislike very greatly getting into this problem, but when you see the facts and figures I feel that you cannot help but take the course of action I have taken.

There is one point I should like to bring out. It has been stated, and I think it is accurate, that the former Secretary of the Air Force promised the gentlewoman from Michigan [Miss Thompson] that this base would be constructed in her district. It was originally proposed that the base be in what was called the Long Lake area, which is somewhere around here as indicated on this map. That was vetoed because it was felt it would be too close to a very famous music camp. Then the Air Force proposed that it be built in what we call the Benzie site. The Committee on Armed Services through one of its subcommittees vetoed that site.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman is not accurate when he says the Committee on Armed Services vetoed the Benzie site. What the Committee on Armed Services did after our own investigation was determine that it should not be located within 15 miles of the music center.

Mr. FORD. The gentleman from Georgia is very correct. The net effect, however, is that the Benzie site was vetoed. When the Benzie site was removed as a possible site, the Air Force then went down to what we call the Cadillac site. The Benzie site and the Cadillac site are both within Miss Thompson's district. The district line runs right here. Here is the 11th District and here is the 9th District.

In December of 1954 or in January of 1955 the gentlewoman from Michigan [Miss Thompson], according to her testimony in these hearings, contacted the chairman of the Committee on Appropriations and other members of the Committee on Appropriations indicating her objection to the Cadillac site. Our committee, the Subcommittee on Military Appropriations, at the request of the gentlewoman from Michigan [Miss Thompson] undertook a thorough investigation of the cost and the selection of this site. The committee requested from the Air Force all the factual data we could accumulate. That factual data was submitted to our committee, and our committee felt, after looking at the information, that we as a committee could not approve the construction of this site. In effect we agreed with the gentlewoman from Michigan [Miss Thompson].

The Air Force then had two alternatives left. They could go to the Kalkaska site, or they could go to the Manistee site. The Air Force then decided on their own that they would select the Kalkaska site. They were not directed by Mr. Vinson's committee, nor were they directed by Mr. Cannon's committee, nor by the subcommittee under the gentleman from Texas [Mr. Mahon].

The Air Force selected this site out of these two alternatives. Then they got permission to go ahead, and they did invest this money to get construction started. They have a contract for 7,100 acres of State-owned land in this area. The State conservation commission approved the contract. They have it on a $1-a-year lease. Actually, they have to clear considerable fine timberland. They went ahead and cleared one-third of it when this committee action was taken about 3 weeks ago.

I might say one further thing. The gentlewoman from Michigan [Miss Thompson] was promised that this base would be in her district. On this chart you see the dividing line between the gentlewoman's district and the district of the gentleman from Michigan [Mr. Knox]. This base is 1 mile from Miss Thompson's district, and Traverse City is a sizable community in her district. I would say with complete assurance that probably 90 percent of the economic benefits and impact would accrue in the following way. Here you see a town of 1,250 people, and here is a community with 16,900 people. The answer is that most of the economic benefit will accrue that way.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. GROSS. The fact of the matter is that even if she were assured that this air base would be in her district, it might just as well be 100 miles away as 1 mile away. The fact remains that according to your proposal, it will not be located in her district; is that not correct?

Mr. FORD. Technically, you are correct, but I do not think we can justify the expenditure of $5 million extra and the delay of 1 year because a base is geographically situated 1 mile across a congressional district line.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I am delighted to yield.

Mr. VINSON. Does the distinguished gentleman from Michigan not think that it comes with poor grace for him to be discussing the matter of delay?

Mr. FORD. I am very glad that the gentleman raises that question.

Mr. VINSON. If I may finish my question—in the first instance, the Air Force put it at Cadillac and the gentleman and his committee delayed it until this present day.

Mr. FORD. I am pleased the gentleman from Georgia raised that question because our committee was not asked to take any action on this problem until the distinguished gentlewoman from Michigan requested such action. She is a highly respected Member of this body and when she made the charges, which she did, it was incumbent upon a responsible committee of this body to look at the facts. We did that, and after getting the facts from the responsible authorities in the Air Force, we agreed with the gentlewoman from Michigan [Miss Thompson].

Mr. VINSON. May I say in view of that statement, let us not talk about delay because the committee which refused to appropriate the money delayed it and it is still delayed. As a matter of fact, it may be that after a while it may be decided that the security of the country does not require any base up there at all. But, for the time being, let us forget about delay because I do not think it comes with good grace for our good friend to be talking about delay.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SHORT. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. Knox].

Mr. KNOX. Mr. Chairman, it is with some regret that I find myself constrained today to take the well of this House in the name of the people of this Nation, and also in the cause of national security, but I feel constrained to do so because this recommendation of the Committee on Armed Services will cause the taxpayers of this Nation to forfeit a half-million dollars that has already been spent on a site that was selected by the Air Force. As Mr. Ford has said, it had the approval of the four committees which have jurisdiction over such facts.

Mr. Chairman, in the very able remarks by my distinguished and esteemed chairman of the Committee on Armed Services on Tuesday on the pending legislation, the gentleman from Georgia [Mr. Vinson] very properly pointed out to the Members of this body the vital character of this base in the Traverse City area. The distinguished chairman discussed with the Members the fact that approximately 150 miles of vital industrial area will be left unguarded until such time as the base in this area is completed. His very able remarks bear repeating at this time. I quote from the distinguished gentleman's remarks of Tuesday:

> Today there is a gap in our defense line across the northern part of the United States and this gap will be filled by the airbase which will be built in what has been called the Traverse City area.
>
> Wurtsmith Air Force Base is about 75 miles south and east of the Traverse City area and Kinross Air Force Base is about the same distance north of the Traverse City area. This means that there is a gap of something in the order of 150 miles which is today not adequately protected.

That is the end of the quotation from my distinguished friend's remarks of Tuesday.

Now, Mr. Chairman, I support the concern expressed by the chairman of the Committee on Armed Services on this project.

On January 18, 1955, I wrote Hon. Carl Vinson, chairman of the Committee on Armed Services, the following letter:

> As the Representative of the 11th Congressional District of Michigan, I have been called upon to request of your committee, an appointment for a delegation from Traverse City, Grand Traverse County, and the city of Kalkaska, Kalkaska County, for the purpose of conveying to the Armed Services Committee their position on the location of the proposed jet airbase which was authorized by Congress on July 27, 1954.
>
> Both groups are interested in giving the committee all of the factual information they have, and which they believe to be in the best interest as far as the jet base is concerned.
>
> It is my hope that you will look kindly upon this request and inform me at your earliest convenience of the date set for the Traverse City and Kalkaska delegations to meet with you.

The distinguished gentleman from Georgia, chairman of the Committee on Armed Services, replied to me immediately, and I should like to quote from that letter which the chairman sent to my office.

I quote from Mr. Vinson's letter as follows:

> The committee has been faced in the past on several occasions with the same problem which exists here, that is, the selection by one of the departments of a site for a military installation only to have the site selected unsatisfactory to people in the immediate or adjoining areas.
>
> It has been the experience of the committee that unless there are obvious and compelling reasons for reconsideration of the site selected, and these reasons should, in the last analysis relate directly to our defense, no useful purpose is served by engaging in action which can well be construed as substituting the judgment of the committee for the qualified people in the military departments.

It is my judgment that the defense posture of the United States and our military greatness may in large part be attributable to the efforts and wisdom of the distinguished chairman of the House Armed Services Committee. I believe his counsel merits great attention by the Members of the House.

Therefore I believe it is essential that the base in the Traverse City area be completed with the utmost expedition at the location to be selected by the Department of the Air Force based on considerations of military suitability and economy. These objectives can only be realized by continuing the base at Kalkaska.

Mr. Chairman, when the military construction bill is read for amendment I shall join with my colleague from Michigan [Mr. Ford] in offering an amendment to section 301 of H. R. 9893, to provide for the continuation of construction already begun on a jet interceptor base at Kalkaska, Mich., rather than to start all over again at a new location with a jet base at a site to be selected at Manistee, Mich. Not to continue the base at Kalkaska will mean a 1 year's delay in the completion of a jet base so vital and urgent to our northern defense perimeter by the Department of the Air Force.

At this point, Mr. Chairman, I call to your attention an article appearing in the Washington Post of April 6 entitled "A Wonder of the World Takes Form in the Arctic." This article brings to the attention of our country the 3,000-mile radar defense system known as DEW line. If this new radar system is going to accomplish its purpose, then it is most essential that we have the necessary jet interceptor bases along the northern perimeter of the United States to receive the alert from the radar to intercept the enemy before he can strike with his devastating bombs on the industrial centers of the United States, which are the nerve centers of the production of weapons and material for our security.

The Kalkaska base site is one of the overall vital installations in this system according to the Department of the Air Force.

We once again go back to the distinguished chairman of the Armed Services Committee which he well documented in his statement on Tuesday, that there is this gap and that unless it is filled we will be vulnerable as far as any enemy may be concerned.

Our amendment to continue the base at Kalkaska will save the American taxpayers millions of dollars in construction and maintenance costs. So, as an aside, the savings will benefit the same taxpayers who in a few days will be called upon to make their final tax accounting for the year 1955.

Our amendment to continue the base at Kalkaska will be in accord with the expert strategical and military judgment of the Department of the Air Force and will be in accord with the House and Senate Committees on the Armed Services and the Committee on Appropriations, which have previously specifically and expressly approved the location of the jet base in the Kalkaska area. The amendment that will be offered to retain the jet base at Kalkaska has the support of the Department of the Air Force because of urgent defense considerations. It has the support of Senator Potter of Michigan and a large majority of the members of the Michigan delegation in the Congress.

Senator Potter gave a release and I am going to read the release that Senator Potter issued to the press on Monday, March 12, in which the Senator said:

> There is but one paramount consideration in the construction of this base and that is our effort in furthering the defense of our entire country. Such a base should not be located or relocated for any reasons of local interests. An air base is a matter of national concern. My position has always been, and still is, what is in the best interests of our national defense—

And he continued on.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I want to associate myself with the remarks of the gentleman from Michigan. I served as a member of the Subcommittee on Appropriations that handled the hearings on this base in northern Michigan. I was interested personally in a base in my district, this identical base, but after going over the facts with the Air Force I came to the conclusion, reluctantly I may say, and I am not so sure that the Air Force was right, that they should have put it in my district, but nevertheless we have reached the point now where the Kalkaska site should be maintained. The very fact that the Michigan Department of Conservation has already leased some seven or eight thousand acres to the Federal Government for this site, the clearing of the site is under way at the present time, the fact that it will cost more to have the base located in Manistee than it will at Kalkaska, is something that this Congress ought to take into consideration, and that includes not only the original cost, but the accruing annual costs which are a factor here. It seems to me that this body in its wisdom ought to restore the Kalkaska site because it is the logical site from the national defense point of view. I do not think we ought to delay this airbase 1 year longer.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Georgia.

Mr. VINSON. In reply to the statement of the distinguished gentleman, I read from the record the testimony of Mr. Ferry of the Department of Defense. I asked this question:

> From the military standpoint are they equal?
>
> Mr. Ferry. Yes, sir.

Mr. CEDERBERG. I believe that from a military standpoint that may be true; however, there are economic factors involved here as far as costs are concerned that some are not familiar with.

Mr. VINSON. I will put in a telegram I received this morning from some telephone people up in that section which assures me that we need not be disturbed by any excessive charges on account of the operation regardless of the site chosen. The telegram says:

> In the opinion of the Michigan Independent Telephone Association, the telephone section of the Michigan Public Utility Commission and our office, we assure the Congress and the Air Force of approximately the same operational costs of the SAGE device at Manistee as at Kalkaska.

Mr. CEDERBERG. May I ask the distinguished chairman of the Committee on Armed Services a question? I would not dispute those figures, although I understand the Air Force has figures that do not quite bear that out. In view of the fact that the State Department of Conservation has already leased some seven or eight thousand acres, should that not be taken into consideration?

Mr. VINSON. May I call attention to the fact that it was developed in the committee, by witnesses who testified, that litigation is now in process on account of this land being made available. Is that the fact? I ask the distinguished gentleman, is that not the fact?

Mr. KNOX. Mr. Chairman, I will be very happy to answer that question. There is no litigation as far as the 8,000 acres of land is concerned. The Conservation Department has leased 8,000 acres of State-owned lands at a cost to the Federal Government of $1 a year for a 99-year term lease. Now, the rest of the property, which is privately owned, is being purchased by a group of citizens who have put up their own dollars in order to acquire the property to be deeded in title to the Federal Government for airport purposes. Now, there has been some $19,000 of that money expended at this time, Mr. Chairman, and I believe further proceedings have ceased since the action of the committee.

Mr. VINSON. It is true, is it not, that we accorded you, as we do all Members, the privilege of testifying, and you heard the witnesses testify that litigation was taking place now by citizens of that community involving either taxes or use of money in connection with the establishment of this base?

Mr. KNOX. I believe, Mr. Chairman, you have reference to what we in Michigan know as the swamp tax fund. The State of Michigan pays back to the school districts of each district in the State of Michigan 10 cents an acre for all of those lands that are held by the State of Michigan in title, which they can use for school and township purposes. Now, I understand that Mr. Comfort of St. Louis, Mo., has gone into the courts and is endeavoring to get an injunction to restrain the county from releasing those funds that were dedicated for school purposes and compel the State to pay them. Now, that is a matter of local concern; that is not any concern of the Congress at all.

Mr. CEDERBERG. Mr. Chairman, if the gentleman will yield further, I want to state very definitely that my district is not involved in this in any manner. And, I am sure that the chairman will agree with me in this, that the location of airbases, when you come to decide whether you are going to put an airbase in a given location, is an area proposition and not pinpointed. It is not whether a military base could not be built here or there or anywhere. In fact, is it not a fact that the Air Force has stated that there will be a 1-year delay if there is a change of location in this area?

Mr. VINSON. Mr. Chairman, will the gentleman yield further?

Mr. KNOX. I yield.

Mr. VINSON. I agree with you that we designate an area, the Traverse City area, and following that out, it ultimately was decided it would be Cadillac, and the gentleman's committee said, "No, we are not going to let you place it at Cadillac; you must go somewhere else" Now, is that not a fact?

Mr. CEDERBERG. Let me say this. I was not on the subcommittee at that time. I had left the subcommittee when that decision had been made. But, just let me say this: Originally the Traverse City area was decided upon. Kalkaska is closer to the Traverse City area than any other location. Is that not correct, Mr. Chairman?

Mr. VINSON. That may be, but this other site is in the same area, too, and Cadillac was in the same area, and your committee was the one that said, "No, we are not going to let it go to Cadillac," and that is in the area. Now, I do say, and I repeat, with all deference to my

good friend from Michigan, it does not come with good grace for any of you to talk about delay.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Michigan.

Mr. FORD. It also should be pointed out, however, that the first delay in this controversy resulted from action taken by the subcommittee of the Committee on Armed Services when they drew a 15-mile circle around the Interlochen Music Camp. That decision by the committee then forced the Air Force to go to Cadillac.

Mr. VINSON. Then, when we drew a limitation of 15 miles, then you stepped into the picture and said, "Now, the Air Force has made a further survey, and we are not going to let you go down to Cadillac." So, it may not be becoming to me to talk about delay, but I think certainly is not becoming to you to talk about it.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(Mr. KNOX (at the request of Mr. Vinson and Mr. Short) was permitted to proceed for 10 additional minutes.)

Mr. FORD. Mr. Chairman, will the gentleman yield further?

Mr. KNOX. I yield.

Mr. FORD. To conclude my comment, we all admit that this action by the committee will result in a year's delay. There does not seem to be any doubt about that. So, I am willing to assume some responsibility for the delay, and I presume that the members of the Armed Services Committee will likewise assume some responsibility. The delay that came about through our Committee on Appropriation resulted from a request of the gentlewoman from Michigan to Mr. Cannon and Mr. Mahon to investigate the selection at Cadillac. At her request the committee did go into the matter. We did not get into it until we were specifically asked to do so. We did not initiate the inquiry.

Mr. SHORT. Mr. Chairman, will the gentleman yield at that point?

Mr. KNOX. I am glad to yield to the gentleman.

Mr. SHORT. Mr. Chairman, I had resolved to say not one word before the House on this matter because of the awful mess we are in. The grave mistake was made after I, as chairman of the Committee on Armed Services, named Mr. Shafer, Mr. Rivers, and Mr. Wickersham as a subcommittee and sent our counsel, Mr. Blandford, to Michigan to inspect these sites. That subcommittee reported to the full committee. The full committee on their recommendation and after a personal inspection by the Secretary of the Air Force, decided to send it to Cadillac. When the matter came to the Committee on Appropriations the Subcommittee on Appropriations arrogated to themselves by an unlawful transgression upon the jurisdiction of a standing legislative committee of this House the power to say, "No, we will not vote funds to send this to Cadillac."

We could have avoided this nasty fight and bitterness if the will of the Committee on Armed Services after they had explored the matter and after the decision had been made by the Secretary of the Air Force, had been carried out. We have reached the point where I do not care how the House votes on the matter, but I wanted to get just a little dime's worth in the Record in order that truth might be known.

Mr. KNOX. Mr. Chairman, the question of delay, of course, is a very important one as far as I am concerned. The fact that the airbase is located in my district was not my doing. It was the doing of the Air Force and had been approved by these committees. I hold in my hand affidavits from people in the area who have expanded their business, who have contracted for new dwellings, new facilities, amounting to $462,685. These people acted in good faith. The Air Force informed them that the airbase was going to be constructed there. They also informed the Corps of Engineers that they should proceed with the acquisition of the privately owned land. Everything went along in accord with the best interests of the Air Force.

Mr. Chairman, if this committee recommendation should prevail, you are going to break faith with the people who took Congress at their word as of 1 year ago and approved this jet interceptor base in the Kalkaska area. These people have no method of recovery. They will have to take their loss. There is one man contracted for $150,000 in order to get necessary facilities in there which would go along with the needs as far as the Air Force is concerned.

I think it is very vital that this question be settled once and for all so that we should not cause a 1-year's delay, plus the fact that we would be wasting half a million dollars that the Air Force has already spent at the Kalkaska site; also the fact that the Air Force has said that it will cost from $270,000 to $500,000 more annually to operate at the Manistee site than it will at the Kalkaska site where they are now located.

Mr. Chairman, I should like to bring to your attention a statement in the hearings before the Committee on Armed Services. The gentleman from Oklahoma [Mr. Wickersham], a member of the committee, speaking to Mr. Ferry said:

> If you desire to expand in the future can you expand at one base as easily as you can at the other?
>
> Mr. Ferry. No, sir. We can expand more readily at the Kalkaska site than at the Manistee site because of soil conditions. We run into a rather difficult peak situation. It would be difficult to extend our runways.

Those are not my words, those are the words of the military experts. I do not believe that they should be ignored. We are rapidly developing new weapons coming in with our new-type planes that have been known to fly close to 1,000 miles an hour. You know that when they come to put these planes on the bases they must extend present runways. It is impossible for them to operate off the same runways we are operating from today, where our planes are flying only 450 to 600 miles an hour.

The amendment that will be offered is supported by the people of the community of Kalkaska and Traverse City, Mich., because of their patriotic awareness of the vital part that such a base would play in the Nation's defense against an enemy attack. The people of Kalkaska are virtually unanimous in their view that if the Air Force wants Kalkaska, Kalkaska wants the Air Force.

I have here a letter that I should like to read to the Members. This is addressed to Merle C. Lutz, president of the Kalkaska Air Base Committee, Inc.:

> Dear Sir: Last summer I was only able to spend about 2 weeks up at Torch Lake. For 3 days out of those 2 weeks, I carried a petition around opposing the airbase. As I talked to the various types of people up there, that is renters, owners, and permanent residents, I became aware of the fact that there were two sides to the story. However, I am of the opinion now that there are three sides to the story: The permanent residents', those of us who are summer resorters', and the Air Force. As I talked about the airbase with different people, I became less sold on my side of the story. I felt like an aristocrat robbing the less fortunate of their right to make a living. This was the argument used by the residents. They said that the airbase would bring business to them. I don't believe that this would be the case, because from my experience with the Armed Forces I have found that they don't use too many civilians.
>
> I have now had a chance to look at the situation objectively, and I feel that we, as citizens of the United States, have an obligation to our country. That obligation is to back our Armed Forces. I have two brothers who have served, and I have many friends who have, and are now in the service. I have talked with them and heard of their experiences. I think that it is the least we, who do not have to spend 2 or 3 years out of our lives (important years, I might add) in this type of service can do.
>
> The men who will be stationed at this base are of the highest caliber. They are risking their lives so that the Midwest area will be safe from enemy attack. With this in mind, I have come to the conclusion that we need this base, and if the Air Force thinks that the Kalkaska site is the best, then let them put it there. The only thing we as resorters and permanent residents can do is make them welcome and ignore the few who may, on occasion, misbehave.
>
> I do not know on what side of this issue you and your committee stand, but I have put a great deal of thought into this situation, and I feel that I must take this position.

This letter is signed by J. L. Anderson.

Here is a young lady who on request circulated a petition to oppose the airbase at Kalkaska but now she has a completely different view of the Air Force and has withdrawn all of her objections to the Air Force being located at Kalkaska.

After testifying before the House Committee on Armed Services in the support of the Kalkaska site, the Air Force representatives informed the committee that the Kalkaska area was desirable from an operational and community support viewpoint meeting every criteria of the Air Force. They stated that Kalkaska represented the cheapest site for construction of any of those that could be considered. They also referred to the substantial work that already had been done at Kalkaska. They have described the project as being urgent and of the utmost importance. These representatives stated to the committee that one of the reasons for the Air Force support of the Kalkaska site over any other site was the fact that Kalkaska had the most to offer in terms of community support—with respect to housing, schools, churches, and social centers close to their base, which is one of the factors in the selection of such a thing. That committee was informed by the Department of the Air Force that the development of the base at Kalkaska in terms of original construction costs would be $200,000 less than the cheapest Manistee site, and that furthermore there would be annual savings in maintenance costs of $250,000 to $500,000 by locating the base at Kalkaska as compared with the Manistee site. With respect to cost, the Air Force representative also informed the committee, which I have stated before, that the Federal Government has already invested approximately $500,000 in the project at Kalkaska. They also went into the question of delay of 1 year. I certainly do not have any forewarning, nor do I believe any Member of the Congress has, that the enemy is going to withhold striking at this Nation for 1 year until we have an Air Force base constructed in this vital spot so far as the protection of the United States is concerned.

I also want to say I do not believe I could conscientiously go along with the proposition of once again putting the needle into the taxpayer's arm and giving him another injection saying we are just going to toss away $500,000 of your money and move it from that particular site over to another site and then say once again we are going to put the needle in and take out some more blood in the form of $270,000 to $500,000 for every year and then on as long as that base is in existence.

Mr. Chairman, I cannot believe that we have that kind of money in the United States of America to willfully waste when we have the documents from the Air Force as to the amount of money that they have spent and the amount of additional money it is going to take in order to construct this base at Manistee plus the fact that you cannot expand at Manistee—according to the Air Force, and these are not my words but the words of the Air Force officials—they are not able to expand in that area.

Mr. Chairman, it has been said on the floor that the State of Michigan made available to the Air Force on a 99 year lease base approximately 8,000 acres of State-owned lands and has already cut a large part of the timber located on that land. I am informed that if the Congress sustains the action of the Committee on Armed Services and provides for the transfer of this jet base from Kalkaska to Manistee that the State Conservation Commission which has full control and jurisdiction over the property in the State of Michigan, and which also takes in this area in Manistee, will be prone not to make additional land available for the base.

Mr. SHORT. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. KNOX. In connection with the essentiality of this jet interceptor base to our national security, the executive committee of the American Legion, Department of Michigan, at a meeting held in Detroit on March 18, 1956, adopted a resolution expressing the views of their great patriotic organization that the base should be retained at Kalkaska. This resolution is on the subject of air-defense site, and it reads:

> RESOLUTION
>
> Whereas the air-defense program of the United States, and in particular the defense of the Great Lakes area, including Michigan, may be seriously impaired by a controversy involving the location of an airbase in Michigan; and
>
> Whereas if permitted to become a political issue, rather than standing exclusively as a problem in national security, we of this area may lose a vital segment of our northern defense line: Therefore be it
>
> *Resolved by the executive committee of the American Legion, Department of Michigan, in spring meeting assembled in Detroit, Mich., this 18th day of March 1956,* That the Department of Defense and particularly the Department of the Air Force should be the determining agencies as to the location of this important air-defense site based on its strategic mission and the economic formulas within which our military organization must operate; and be it further
>
> *Resolved,* That the American Legion, Department of Michigan, does through this instrument call to the attention of each member of Michigan's congressional delegation the need for a united front in aiding the Department of the Air Force to locate as expeditiously and as economically as possible the needed air-defense base in northern Michigan that will meet the specifications and requirements of the Air Force.
>
> (Approved by the National Security Commission, March 17, 1956.)
>
> Unanimously adopted by the executive committee of the American Legion, Department of Michigan, at a meeting held in Detroit, Mich., March 18, 1956.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. Devereux].

Mr. DEVEREUX. Mr. Chairman, this question comes up about the location, whether we go to Manistee or let the base remain in Kalkaska. There have been many statements made on the floor of the House with respect to the delay, costs, and so on. I might say that the committee is not in a particularly good position to talk about costs. All the facts and figures are in the hands of the Air Force. But one particular point I would like to address myself to is the question of the continuing cost, as far as SAGE is concerned. Apparently they did not think of that when they recommended the base at Benzie, which would be just as far removed from this cross-State telephone cable as the proposed base at Manistee.

On the question of responsibility for delays, I think, too, the Air Force must shoulder a very definite responsibility. They knew the thinking of the committee, the Congress, and despite the number of assurances given to Miss Thompson, they deliberately located the base outside of that particular congressional district. Many of us have talked about the question of national concern. I might say I was the member of the committee who moved that the base be relocated from Kalkaska to Manistee. The reason I made that motion was simply this, and I think it is a matter of national concern, too: If the executive department can make certain commitments to a Member of the legislative branch, as apparently they did—and nobody has refuted it yet—then they are placing the Member in such position as to seriously embarrass him.

If we allow this sort of thing to go on we then permit the executive branch of the Government to exercise authority which they have no right to exercise; in other words, they can go to any one of us and have us stick our necks out, have us go forth and say the Department's going to do such and such in an area. The individual Member would naturally publicize that and without any aye, yes, or no, or justification the Department would say they had changed their mind and were going to locate this particular base some other place.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman from Georgia.

Mr. VINSON. It is a matter of record, is it not, that the former Secretary of the Air Force stated to the gentlewoman from Michigan [Miss Thompson], that this base would be located in her district?

Mr. DEVEREUX. That was certainly my understanding; and the testimony that we have before us from the gentlewoman from Michigan bears that out. As I have said, nobody yet has refuted it.

Mr. VINSON. The gentleman from Maryland has stated, I believe, that he offered the motion to make this change in designated sites.

Mr. DEVEREUX. That is correct.

Mr. VINSON. Another question: Is it not a fact that when that motion was made the roll was called and 21 members of the Committee on the Armed Services voted to make the change?

Mr. DEVEREUX. That is correct. Mr. Chairman, I think this is something extremely vital.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DEVEREUX. I yield.

Mr. GROSS. I think the gentleman is making the most important statement that has been made in this debate on the subject of the authority or lack of authority of the Air Force to change the location of bases at its whim and caprice.

Mr. DEVEREUX. I thank the gentleman from Iowa. It is certainly true that to allow this to go on would make it possible for the executive branch to put any Member in a most embarrassing position if they were, so to speak, to pull the rug out from under him. To carry this a little further, suppose the executive branch found 1, 2, or 3 Members of this body who did not go along with them, did not believe in some of their proposals; it would be a very very simple matter to put that Member of this body in a position so that they could go out and embarrass him politically to the extent that they could get rid of him. I do not suggest that that factor is present in this case, but I do suggest the possibility, and I do direct to your attention the fact that we should be on guard against such a move.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I have heard a good deal of debate to the effect that this kind of installation is of benefit to the local community. I have a jet air base in my district near Pittsburgh. It is anything but a benefit; as a matter of fact the people of the area wish they would take it some place else. We would like to have the jet Air Force base removed from the immediate Pittsburgh area. I ask it for the people of my district, and I ask it on behalf of the people of the city of Pittsburgh and of the county commission.

Mr. DEVEREUX. I can appreciate the gentleman's statement as far as benefits are concerned. I must say, however, that I believe the Kalkaska location will be just as beneficial to the 9th Congressional District as it will be to the 11th, and without all the headaches and noise.

Mr. FULTON. May I comment on that?

Mr. DEVEREUX. Certainly.

Mr. FULTON. When these new jets are taking off, when they are maneuvering, when they swoop low and come in low over chimney tops, when they stand and rev up beginning before the crack of dawn, it has depressed property values around our airport. Likewise, it interferes with civilian and commercial aviation. Our air base in the Pittsburgh area should be considered solely on the basis of national security and the conditions existing in our community.

Mr. DEVEREUX. The question of delay and the action of the Armed Services Committee suggests allowing a gap to exist in the defenses of our country. That I cannot subscribe to despite the fact there have been letters read supporting that position. If any delay exists I think that much of it must be ascribed immediately to the Air Force.

Knowing what the situation was, they have never yet justified not having located at Manistee, which was one of the sites being considered. From a military point of view we have had testimony to the effect that both sites are equally suitable. So my question is, Under such conditions and with such a background why did the Air Force then not locate at Manistee rather than at Kalkaska?

If they went ahead with their plans and so on I would suggest they have made an error, though they were technically within the law, I grant that, but they were in error in policy in not having located at Manistee.

Mr. VINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from West Virginia [Mr. Bailey].

Mr. BAILEY. Mr. Chairman, I feel that I would be remiss in my duty as a citizen of the State of West Virginia and as one of the State's Representatives in the Congress of the United States, if I failed at this time to register a vigorous protest against the pending legislation. I speak not only for myself but I speak the sentiments of the entire West Virginia delegation.

Some 2 years ago when we were considering a military construction bill, I had projects proposed for West Virginia. I was told at that time if I did not press those projects there would be something included in the next proposal. I find, Mr. Chairman, considering this particular bill, H. R. 9893, and the committee report accompanying it, that once more West Virginia is being treated not only as a stepchild, as I said 2 years ago, but now we are down to the category of a foster child and soon we will be just a ward of the Government.

Mr. BYRD. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from the Sixth District of West Virginia.

Mr. BYRD. Mr. Chairman, I wish to compliment my colleague, the gentleman who represents the Third District of West Virginia, on his forthright and timely remarks. He has been trying for a long time to have recognition given toward West Virginia as a State which has many advantages to offer in regard to certain types of military installations. I, too, have been disturbed and concerned at not finding anything listed in this bill for West Virginia. My State, of all the 48 States, is the 1 State that has apparently been omitted, and I know that this cannot be a matter of oversight. The citizens of my State have made their share of the contributions to our national welfare in time of peace, and they have made their share of the sacrifices in time of war. They rightfully expect to receive a just proportion of the appropriations for military installations, but they have been disappointed. It is common knowledge that the economy of West Virginia has been seriously impaired by the closing down of coal mines throughout the past 3 or 4 years. Inasmuch as we have heard it said that a chain is only as strong as its weakest link, is it not important to the economy of the body politic that every segment of that economy be healthy and stable? Is it not important to the economy of the whole Nation that the economy of a single State like West Virginia be lifted out of the doldrums? I should think that this would be imperative, not only from the standpoint of the economic welfare of the country but also from the standpoint of our country's defense. I, therefore, add my protest to that of my distinguished colleague, and I hope that our protests will be heard by those whose responsibility it is to give consideration to the location of military installations, and consideration to the authorization of expenditures for military projects. West Virginians do not ask for mercy. We only ask to be given justice.

Mr. BAILEY. I thank the gentleman.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Georgia.

Mr. VINSON. May I state to the Committee, to the distinguished gentlemen from West Virginia, and to the country at large, that there is an item in this bill for West Virginia. It is a classified item, it is one of the most classified in all of the classified items referred to in the bill, and it involves immediately an expenditure of about $1,500,000, and will ultimately cost $20 million. I cannot discuss any more about it. West Virginia has not a single military installation in it until this bill becomes law.

Mr. BAILEY. I want to thank the distinguished chairman of the Committee on Armed Services.

Mr. Chairman, I would like to leave one further thought. Back in World War I the Government came into West Virginia and invested $134 million in an armor plate plant at Charleston. It was operated during World War I. It was operated partially for a couple of years during World War II. It is now in mothballs and is costing the Government nearly $1 million a year in maintenance. They came in in World War II and built an ammonia plant in the city of Morgantown, and that today is rented out to private capital and the Government is getting about a quarter of a million dollars a year rent. It is time we were getting plants for jobs for our people.

We authorized some $3 billion for military installations at home and abroad, only 2 years ago. Now we propose another $2 billion and not a single cent is allocated for West Virginia. In view of the statement of Chairman Vinson that our State is to have an installation out of the present authorization I shall withhold an amendment I have to ask approval of one of the projects rejected by the committee 2 years ago.

Mr. VINSON. Mr. Chairman, I yield the remainder of the time to the gentleman from Michigan [Mr. Hoffman].

Mr. HOFFMAN of Michigan. Mr. Chairman, being an advocate of economy, I expected, and fully, to go along with my colleague from the Fifth Congressional District of Michigan [Mr. Ford]. I understood from the statement that he made that we, by adopting his amendment, would save something like, oh, over $400,000 a year on the telephone service. Now I find—at least, my figures show or my information is—that that is not correct.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. If you give me another minute, I will yield for a question.

Mr. FORD. If I had the time I would be very glad to.

Mr. HOFFMAN of Michigan. I yield.

Mr. FORD. On that question, I have in my hand a communication from the Secretary of the Air Force which reads as follows:

> The Kaleva Telephone Co. has offered to relinquish without cost that portion of their franchise area as directly affects the SAGE land line rental at the Manistee location. This offer would not reduce the difference to any sizable degree inasmuch as the difference in cost is based upon a requirement to install additional communication facilities and the distances involved.

Mr. HOFFMAN of Michigan. I think you read that yesterday, did you not?

Mr. FORD. I do not believe I did yesterday.

Mr. HOFFMAN of Michigan. I think so.

Mr. FORD. I made the statement without referring to the specific location.

Mr. HOFFMAN of Michigan. All right. Anyway, we all know how and where you get your figures, and I know the gentleman would not intentionally mislead me, and I know he did not. He may be right, but I just do not accept those figures. It is a little bit like a lawsuit I tried once. We had a fellow on the witness stand and we tried to get him to tell the fair market price of junk. The lawyers tried, but we could not get an answer. The question related to the fair market price of junk. We could not get anything out of him. Finally Judge Sessions, later a Federal judge at Grand Rapids, tried for an answer. And all anyone got out of that gentleman, all we got out of him when we asked him to give us the fair market price of junk was, "Do you want to buy, do you want to sell?" Now, there you are. You get all sorts of figures at different times from different sources. The gentleman gets his figures from the Air Force. I get mine from the hearings and from the Committee on Armed Services.

I listened to my friend from Grand Rapids. I admire him, because he is able, industrious, and always endeavoring to do a better and better job. I have great admiration for my colleague from the Upper Peninsula, the gentleman from Michigan [Mr. Knox]. He served 16 years in the Legislature of Michigan. He was speaker for 6 years. He is an astute politician, and I know of no one in Michigan that I would rather have support me in the coming election in Michigan in the Fourth Congressional District. But here is a lady in distress because of the action of the Secretary of the Air Force. There is merit in her claim. I know where I will have to go. I will just have to do it, notwithstanding my personal desire to vote with my other colleagues from Michigan. The Air Force and the gentlemen have outmaneuvered her. There is no question about that. They are adroit. They are capable. They are experienced. They are good at this political game. And that is all right. I have no complaint, but I think the northern peninsula of Michigan has enough up there just now. It has no need for political patronage for the 11th District, nor will anything be saved or the security of the Nation be advanced by building the base at Kalkaska. I go along with the general, the gentleman from Maryland, General Devereaux, who just preceded me a minute ago. I think there will not be a gap in our national defense if the base goes where the armed services said it should, to Manistee. That location is less than 80 miles from Kalkaska. After all, the Armed Services Committee represents all of our national-defense organizations, not just the Air Force. The judgment of that committee and of those upon whom it relied I rather accept than the reported statement of the Air Force.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. KNOX. To my esteemed colleague from Michigan, I might say to him that I have not tried to outmaneuver anyone at all.

Mr. HOFFMAN of Michigan. Well, I think you have been negligent if you have not, if you thought the base should remain at Kalkaska. There is nothing wrong in outmaneuvering somebody. That is what the armed services try to do all the time, and it is only because of their success that we won and maintain our freedom.

Mr. KNOX. I agree with you. In this particular case they have endeavored to outmaneuver the Air Force, which caused great injury to the people I represent, who pledged themselves to bring community support to that base which is sorely needed in any Air Force base selected throughout this country.

Mr. HOFFMAN of Michigan. That is all right. You have done very well for them, and I know they will be lucky to be able to keep you. Look what you have done for them. You have an airport—a jet base—over here at the Soo [pointing to the map], just a little bit southeast, a whale of a big one. I have been up there. I have seen it. It is a fine one.

They have an airport over here in the other district, the district represented by the gentleman from Michigan [Mr. Bennett]. He is another good man. They will keep him here if they are wise. Frank Hook is running against him.

Then they have this one at Marquette. Then they have one which is not marked on this chart, up here. They have a field there that I think is 2 cr 3 miles long and about a mile and a half wide. However, there are no buildings there. They put that up there during the war to defend Mr. Knox's locks, or more accurately, the Nation's locks.

Then, over and above everything else, if my information is correct, the gentleman from Michigan [Mr. Knox] has up there the best trout-fishing stream that there is in the world. And they moved another big plant up there. The gentleman from Michigan [Mr. Knox] is a real go-getter.

What is the sense of putting all up there in one spot where all can be destroyed in one raid when they do not need them all up there? Will you accept the judgment of the Committee on the Armed Services instead of the judgment of the Air Force spokesman?

I will say to the gentleman, I sympathize with you; my heart goes out to you. I hope you tell those bureaucrats at the powerplant at the Soo, at St. Marys, the next time I come up there to fish on that river, instead of sending their patrol boat out to drive me off, that they give me permission to fish there as does the Coast Guard the plant employees. They let the people who live there at the Soo and the gentleman himself fish up there. All he has to do is to go over there and they recognize him, at least they should, and they say to him—at least they should because he is their good and faithful servant—"Here is your rod, here is the boat, there is the motor, and we will send somebody along to fish with you." Me, I have to sneak in around the edge and when they catch me, I have to call Washington and get somebody to rescue me.

I go along with the General from Maryland who served with much distinction with the Marines. Here they promised to put this base in the Sixth District of Michigan. Of course, that should not stand in the way of our national defense, if that was involved; but it is not. It is just a question of who gets the pie. I should like to see it located in the district Miss Thompson represents, because we all admire her and we know the value of her services here. And located there it will cost no more to be as efficient as elsewhere. Moreover, the executive department should be made aware of the fact that they should give us an honest, sound opinion in the first instance and cannot without reason disregard a solemn promise.

What do you think about it? You are not going to turn down a woman Member who asks for something like that which has been promised to her or a Member when the keeping of the commitment will serve the interests of the country, are you, just because we have on the other side the gentleman from Michigan? I know my friend, Mr. Ford, the gentleman from the Fifth District. He is a great economist. He in effect says you are going to pour this money down a rathole if you vote with the armed services. I do not think so. That is not according to the testimony we get here. But if it is true—if it is true, there are a lot of ratholes we are pouring money down and if tax dollars are to go down a rathole I would rather have one of my own selection and one in Michigan than 3 or 4 thousand miles away. The committee says the amendment will not save anything, will not weaken our defense, I will go along.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SHORT. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. Fulton].

Mr. FULTON. Mr. Chairman, I should like to say this to those Members of the House who refer to these jet Air Force bases as benefits. In my district south of Pittsburgh we have one of the largest jet Air Force bases in the world. These jet plane installations near large industrial and residential areas are not unmixed blessings because of crowding air lanes and excessive noise from takeoffs and tuning up planes.

I formally ask the Committee on Armed Services, through the chairman and the distinguished ranking minority member, the gentleman from Missouri [Mr. Short] as well as all of the members of the Committee on Armed Services, and the Department of Defense, to make a survey to find the best strategic location for the jet airbase at the Greater Pittsburgh Airport. The present Air Force base is causing unavoidable trouble on the matter of air traffic, noise, and danger, and has caused real concern in our district.

I ask that attention be given to this serious problem that has been studied by the Allegheny County Aeronautics Commission, as well as by the Board of Commissioners of Allegheny County and civic groups, each of whom want action for relocation. The Air Force jet base to protect our area should be located where it should be for defense and strategically, not just because it may be in my own or any congressional district.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. Mr. Chairman, as a member of the Committee on Armed Services, in the absence of anyone else speaking on this matter, we should be delighted to have the base in Oklahoma.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Texas.

Mr. DIES. Mr. Chairman, I think there is enough noise in Oklahoma now. Let us send it to the quiet State of Texas.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Florida.

Mr. MATTHEWS. I should like to say to the gentleman I surely would like to have the Committee on Armed Services consider that base for the Eighth District of Florida. We have many communities that would be delighted to have the base.

Mr. FULTON. No Federal installations should be located by the Department of Defense except for strategic purposes, and for efficiency and economy.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Maryland.

Mr. DEVEREUX. I am glad the gentleman brought up the question about the feeling of the people in the different communities. The testimony before our committee indicated that there was opposition from a group of people from Kalkaska as to locating the base there, whereas the people from Manistee who appeared before our committee were in favor. I know some people will say that the groups that appeared before us in opposition to the Kalkaska site were not representative, but there is no question about the fact that there was a definite feeling among some people who had an interest in Kalkaska that they did not want it, whereas at Manistee the people who appeared before us did want it.

Mr. FULTON. May I close by saying that these Air Force bases that use these modern jets that start revving up around 4 or 5 in the morning and go right through from time to time to midnight, should be placed farther away from the great industrial and residential centers than they are now. I wish the Committee on Armed Services would take that into consideration. Especially these jet and missile bases should be located away from residential centers and a survey made as to how close to the centers of defense areas, these new-type speedier planes, and guided missile installations, should be built for best defense. I cannot see how the boundaries of a congressional district get mixed into the decisions on these vital strategic matters, and they should not be any factor where the security of an area, or of the whole American people is involved.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Nevada [Mr. Young].

Mr. YOUNG. Mr. Chairman, on page 13 of the pending legislation there is contained an item of some $8,304,000 for the purpose of expanding the naval auxiliary air station at Fallon, Nev.

I might say in a prefatory manner that there is no lack of unity in Nevada's delegation in the House of Representatives with regard to this project. Last week, after much deliberation, I came out in favor of it. But I think there are certain circumstances surrounding the selection of this area that warrant the attention of the members of the committee.

My remarks might be entitled "The Expansion of the Fallon Naval Auxiliary Air Station," or "Why Did the Air Force Change Its Mind"? or "What Will Happen With Regard to 1,800,000 Acres of Contaminated Land in Southern Nevada"?

Last year in August the Navy filed an application for some 2,846,000 acres in northwestern Nevada for the purpose of establishing two gunnery ranges, one 23 by 50 miles and the other 30 by 50 miles in size. In the 1957 budget there was contained an additional request for some 300,000 acres, bringing the total to about 3,100,000. When the final area is selected, I am sure this amount will be reduced to a minimum, considerably below this total.

Considerable opposition arose among my constitutents following this announcement. In contrast to West Virginia, Nevada has some 14 installations varying in size from 3 acres to about 3 million acres. About 10 percent of our land area is now either held by the military or included in applications which are now pending. Sometimes there is almost a sardonic twist in Nevada's motto, which is "All for our country."

There was some difficulty in getting information in regard to this application last fall. However, I do want to commend the Navy for its cooperation since the beginning of this year.

I think most people who considered the desirability of this installation approached the problem with three questions in mind: First, is there a need for this installation? Second, was the area selected in fact the best area in which to locate these two gunnery ranges? Third, if the answers to those two questions are in the affirmative, what can be done to lessen the impact upon the local nonmilitary use?

I think the Navy has convincingly proved it has a need for this area. They are flying at the present time only 34.5 percent of the necessary sorties on the west coast. However, when considering this need, I could not help reflecting occasionally on a statement I overheard a few months ago in an elevator in the House Office Building. A passenger asked one of the riders, a military colonel, how things were. The colonel responded, "Fine; we have crises we not even used yet."

I feel, though, on balance, that the Navy did demonstrate convincing need for this area.

Another question presented was this: Is the area being sought in northwestern Nevada of 3,100,000 acres in fact the best area? One of the most persistent inquiries that was heard in my State was this: Why cannot the Air Force or the Navy Air Force use jointly with the Air Force some 3,300,000 acres that have already been withdrawn in the southern part of the State? The Air Force, in response to a Navy inquiry in 1953 and again in 1955, stated categorically there was no possibility of any joint use. The Department of Defense and the Air Force before the Committee on Interior and Insular Affairs in January again reiterated that statement. It was with some surprise that on March 1 we received word from the Air Force that slightly in excess of 1 million acres would be made available for joint use by other agencies. Mr. Chairman, it was quite a bit in excess of 1 million acres. As a matter of fact, the total released for joint use was approximately 2,200,000 acres. This, of course, was somewhat embarrassing to the Navy, which was then forced to reexamine the plans made with regard to acquisitions which they were seeking in northern Nevada. Had the Air Force, when the Navy previously requested joint use of the southern Nevada range, indicated such use was possible, perhaps, the Navy would not have been justified in spending some $11 million at Fallon and currently carrying out a program of about $5 million to improve the facilities at the Fallon Airbase. But, acting on the assurance of the Air Force that joint use was not possible in southern Nevada, the Navy then proceeded to expand the facilities at Fallon. If they were now to move to southern Nevada, there would be a waste of about $15 million and delay in obtaining the ranges necessary to carry out their air-to-air gunnery training. So for this reason I feel, then, that the acquisition in northern Nevada should be supported. What will happen to the land that has been released by the Air Force of some 2,200,000 acres? Fortunately, the Atomic Energy Commission apparently desires to take over some 341,000 acres and is considering an additional 240,000 acres. There would then be 1,800,000 acres remaining for joint use by other services. Why cannot this be turned back to the Department of the Interior or to the General Services Administration and used for mining, grazing, or recreation? The reason it cannot be turned back is simply this: It has been contaminated by unexploded ordnance. There are approximately 1,800,000 acres in southern Nevada which are not suited for farming nor for mining, nor is it safe for recreational use or hunting. It would cost about $18 million to decontaminate this land and again make it suitable for use for nonmilitary purposes. I would like to suggest to the Committee on Armed Services that they very carefully scrutinize requests that have been submitted by other branches of the armed services to make sure that there is no possibility of using the 1,800,000 acres which is now contaminated in southern Nevada.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. ENGLE. Would the gentleman indicate why the Navy cannot fly its airplanes for gunnery practice over this 1 million acres of land or in excess of 1 million acres of land which is contaminated? As I understand it, they do not want the surface anyway, but they just want the air space there to fly around in. Why can they not go down to the other area at Las Vegas and have their gunnery practice and use this contaminated area?

Mr. YOUNG. It is contended by the Navy that there are plans currently under consideration by the Atomic Energy Commission for the establishment of a joint ballistics range in that vicinity for the next 2 years according to the information received by us, and they will fly some 50 to 70 missions or sorties each year, requiring the use of that range for about 10 days out of each month. Because of this the Navy claims that it is not usable so far as their purposes are concerned.

Mr. SHORT. Will the gentleman yield?

Mr. YOUNG. I yield.

Mr. SHORT. I think the answer to the question of the gentleman from California [Mr. ENGLE] is that the Navy base is too far removed from the area to make a round trip by jet plane, to the training area and perform the training mission over the area.

Mr. ENGLE. That is what I understood to be the reason, but I figured out how long it would take them to go down there in a modern jet, and it seemed to me it would take about 4 minutes.

Mr. YOUNG. The Navy is also seeking to get 800,000 acres within the gentleman's district. I am sure the gentleman does not desire them in his district. Perhaps the Navy would do well to investigate the 1,800,000 acres now lying contaminated in southern Nevada.

I would like to discuss one more aspect of this problem. The Navy has requested a standard withdrawal order with regard to the millions of acres they are seeking in northern Nevada. Many of the sportsmen, nonmilitary users, miners, and sportsmen are reluctant to see a standard withdrawal order given the Navy. Even if they acquiesce in the Navy's request for the land, they would like to see inserted in the withdrawal order, which will be written by the Secretary of Interior, certain safeguards and provisos which will assure to them the fact that they will have an opportunity to use this area along with the military service.

I would like to include at this point certain suggested provisos and comments of the Navy thereon. I will recommend that provisos such as these be included in any withdrawal order issued by the Department of the Interior, affecting this land:

The following general statement is considered as an essential part of the answers to questions 4, 5, and 6 which follow and it must be considered along with all answers which pertain to other uses of the areas in question insofar as time is concerned. In seeking the use of these areas to reduce its training deficit the Navy has computed the capacities of these proposed ranges as:

Black Rock (30 by 50 nautical miles): 18,600 annual sorties.

Sahwave (23 by 50 nautical miles): 16,000 annual sorties.

These capacities were not computed on full year-round naval use but on partial use, time-wise, to accommodate the various interests desiring to use them. For the two areas, computations were:

Black Rock: Estimated utilization 180 week days. Not used about 1 month in the spring and 1 month in the fall for cattle roundups. Not used at other times during the year for stock inspection, provision of salt, etc.

Sahwave: Estimated utilization 143 week days. Not used during January, February, and March during sheep grazing. Not used 1 month in the spring and 1 month in the fall for cattle roundups. Not used at other times for stock inspection, provision of salt, etc.

Bearing on questions 5 and 6 is the Navy's previously stated position that land withdrawals should be standard by public-land order with certain exceptions hereinafter indicated and that the requirements of all local interests and the Navy be determined locally, and detailed arrangements worked out locally.

4. Question. Would there be any objection to the conduct of geologic exploration activities on the area withdrawn if it did not interfere with training activities of the base?

Answer. No objection as long as the exploration is conducted during the time when the range is being used for sheep grazing and cattle roundup.

5. Question. In the event that the Navy's request for withdrawal is approved, the following provisos for withdrawal orders have been suggested with respect to grazing, taking wildlife, water, timber harvesting, materials, etc. Would such provisos be objected to by the Navy? If so, why? If included, would they interfere with the training objectives of the Navy?

Answer. Subject to comments made above, the Department of the Navy prefers that withdrawal be accomplished by a standard withdrawal order as stated in answer 41 previously submitted.

GRAZING

Question. Grazing use of the lands shall be administered by the Bureau of Land Management under the provisions of the act of June 28, 1934 (48 Stat. 1267), as amended by the act of June 29, 1936 (49 Stat. 1976; 43 U. S. C. 315, et seq.), at such times and in such manner as may be agreed upon by the Bureau of Land Management and the Department of the Navy.

Answer. The Department of the Navy has no objection.

Question. The lands shall continue under the administration of the Bureau of Land Management for grazing purposes except for such times as their exclusive use is required for the purpose for which they are reserved by this order.

Answer. The Department of the Navy has no objection provided the agreement mentioned in the question above is included in this question.

Question. Grazing use of the withdrawn lands shall be administered by the Bureau of Land Management. Such use shall be permitted at the discretion of the official of the Bureau of Land Management in charge, during the period from ----------------- to ----------------- of each year, during which season no use of the lands for bombing or gunnery shall be permitted; provided that the Navy officer in charge may authorize grazing use earlier or later in all or part of the withdrawn lands if such use will not interfere with military use of the lands.

Answer. The Department of the Navy has no objection provided minimum time required, as stated above, will not be decreased. It is not planned to use these ranges for bombing purposes.

TAKING WILDLIFE

Question. The taking of all species of wildlife upon the withdrawn lands shall be strictly in accordance with the game laws of the State of Nevada, and the Department of the Navy shall take appropriate measures to assure the continual enforcement of such laws.

Answer. The Department of the Navy concurs that the taking of all species of wildlife should be in accordance with the laws of Nevada, but will not undertake to assure the continual enforcement of such laws as far as nonmilitary personnel are concerned, but will issue appropriate directives to its personnel.

Question. Except for training purposes or the security of the military project and its personnel, the use of firearms for any purpose is prohibited on the withdrawn lands and all of the lands shall be closed to the taking of wildlife.

Answer. The Department of the Navy concurs as a preferable alternate to the question above.

WATER

Question. The withdrawal made by this order shall not extend to any nonnavigable waters in or upon the lands. Any such waters not heretofore appropriated shall continue subject to such appropriation, including appropriation by the Department of the Navy, as may be authorized by applicable law.

Answer. The Department of the Navy does not contemplate development of water resources within the ranges. The position of the Department of the Navy was stated by the general counsel of the Navy in his statement of January 28.

TIMBER HARVESTING

Question. The timber resources on the lands shall be subject to management and disposal by the Bureau of Land Management pursuant to applicable law.

Answer. The Department of the Navy has no objection provided harvesting does not conflict with operational requirements.

MATERIALS

Question. The mineral materials in or on the lands shall be subject to disposal by the Department of the Interior pursuant to the act of July 31, 1947 (61 Stat. 681) as amended by the act of July 23, 1955 (69 Stat. 367; 30 U. S. C. 601, et seq.) under such reasonable restrictions as may be required by the use of the lands for military purposes, and as may be agreed upon by the Department of the Interior and the Department of the Navy.

Answer. The Department of the Navy has no objection, provided the mining of mineral materials does not conflict with operations requirements.

ALL INCLUSIVE

Question. The Bureau of Land Management may issue leases or permits for the surface use of such lands and conduct sales of timber or other materials thereon, under applicable laws, and otherwise administer the lands, provided that all documents authorizing the use of or access to the lands shall provide that every person occupying the lands under authority thereof shall vacate them during the periods of firing or other conflicting use by the Army, without compensation for loss of use of the lands or for damages caused by Army use.

Answer. The Department of the Navy concurs except to change the word "Army" to Navy and provide that the administration of the lands is subject to the same provision as that applying to documents.

6. Question. The following have been suggested as provisos to be inserted in a withdrawal order with respect to management and harvest of game in the area being sought. Would these provisos be objected to by the Navy? If so, why? If included, would they interfere with the training objectives of the Navy? If not acceptable in present form, would you suggest amendments which would make them acceptable?

(a) Provision should be made for an open hunting season of 6 weeks starting about October 1.

(b) A provision for approximately a 2 weeks' hunting season on antelope and sage hen.

(c) Permission for wardens to conduct periodic inspections of the areas, including wildlife surveys, in cooperation with the Navy.

(d) No special privileges to military personnel in connection with hunting and fishing.

(e) Fish and game laws of the State to be adhered to at all times, including regulations set up by the commission.

(f) Operations for predator control shall be provided by mutual agreement.

(g) Other mutual problems shall be arranged in cooperation with the Navy.

Answer. The Department of the Navy concurs in questions (a), (b), and (c), provided the restrictions would not decrease the time that ranges would be available, and subject to the Navy desire that a standard withdrawal order be issued.

(d), (e), (f), and (g): The Department of the Navy has no objection.

I think from the investigation which has been conducted under the very able leadership of the gentleman from California [Mr. ENGLE] in the Committee on Interior and Insular Affairs of this House, a number of important conclusions can be drawn and observations made.

First, the fact that approximately 2½ million acres have been released by the Air Force since the committee hearings began early in January justifies the suspicion that perhaps more land was being held than was actually needed. Land has been released since the commencement of the January hearings at the rate of 25,000 acres per day, over 1,000 acres per hour, or almost 17 acres per minute.

Secondly, this astonishing rate of release might suggest that the method of review by the armed services and Department of Defense of its military holdings has not been adequate or effective.

The CHAIRMAN. The time of the gentleman from Nevada [Mr. YOUNG] has again expired.

Mr. SHORT. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, I reluctantly take this time, but I feel it is necessary to cool the air and probably get some of the facts before you in these last moments.

I want to say definitely that as far as I am concerned, and I am sure I speak for my colleagues [Mr. FORD and Mr. BENTLEY] who have also spoken on this matter that we have no personal considerations in this affair whatsoever. There are none as far as I am concerned. However, we have facts here that I think we ought to consider. I notice my good friend the gentleman from Maryland [Mr. DEVEREUX] when he made his remarks, said:

> If we change the present location from Kalkaska to Manistee.

I think the general was right when he said "Present location," for to all intents and purposes the present location is at Kalkaska. I am interested in nothing but the facts. The State Department of Conservation in Michigan has already leased approximately 8,000 acres to the Air Force. They have made contracts for clearing the land. As a matter of fact, the land is in the process of clearance at the present time. There have been very definite statements made that any change in this location will delay the operational date of the base by 1 year. That is a factor that I think this House should take into consideration.

Secondly, there are disputes as to whether or not there will be any additional cost. The Air Force has stated that the cost will be between $270,000 and $500,000 per year more to operate the base at Manistee over Kalkaska. Those are facts that I think this body ought to take into consideration. Personalities should mean absolutely nothing. As a matter of fact, I have several constituents who have cottages at Torch Lake. They write me and say they do not want the base at Kalkaska. I write them back and say I am sorry but as far as I am concerned I think that Kalkaska is the logical place for it. I will read what I wrote to one of my constituents:

> While I appreciate your personal interest in this matter due to the location of your summer home at Torch Lake, my personal opinion from having diligently studied all of the facts is that the base should be located in Kalkaska County for economic as well as tactical reasons.

I think the tactical reason is the 1 year's delay in this very vital important network of our Air Force. The President has just sent a request for half a billion dollars more for our continental defense and I do not see how this body can intelligently suggest that we ought to take this base from Kalkaska, and put it over at Manistee in view of the fact that to do so would mean 1 year's delay in making it operational. That is my own opinion and the very fact that there are dollars involved here from the United States Treasury is something that we as responsible Members of this body ought to take into consideration.

Mrs. CHURCH. Mr. Chairman, will be gentleman yield?

Mr. CEDERBERG. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I am tremendously impressed with the earnestness of the gentleman, but there is a practical matter in which I am very much interested; namely, the variation in the estimate of cost. I am wondering if those estimating cannot get any closer to an estimate than the difference between $200,000 and $500,000. That is a very loose estimate, and therefore in my mind is subject to great question.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SHORT. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. FORD. Mr. Chairman, if the gentleman will yield.

Mr. CEDERBERG. I yield.

Mr. FORD. In response to the inquiry by the gentlewoman from Illinois, I have before me data prepared for the Air Force by the company that probably will provide these facilities. They indicate that the Manistee site in question is simply farther away from the main trunkline. If you use 383 circuits the cost differential per year is $270,000. If you use 683 circuits the cost differential per year is $390,000.

Mrs. CHURCH. I appreciate that, but I hope the gentleman will let me make the suggestion that it seems very remarkable that business people cannot come any closer than the difference between $200,000 and $500,000. Such a guess cannot be effective in influencing the decision of thoughtful Members.

Mr. FORD. I can give the gentlewoman the answer to that. The Air Force and Western Electric felt they had to have 613 circuits between the main trunkline and the base at either site or at any site. On subsequent analysis, however, they decided they could reduce it from 616 circuits to 383. That is why there is a variation of between $270,000 and $460,000 per year.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SHORT. Mr. Chairman, I yield the remainder of my time to the gentleman from Michigan [Mr. KNOX].

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I want to say in view of the costs involved, whether it be $270,000 or $460,000, that one of the important facts we overlook, I think, is the 1-year delay in making this base operational. I think that is very important.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities and equipment, for the following projects:

Inside the United States

Technical Services Facilities

(Ordnance Corps)

Aberdeen Proving Ground, Maryland: Training and storage facilities, $147,000.

Jet propulsion laboratory (California Institute of Technology), California: Research and development facility, $143,000.

Pueblo Ordnance Depot, Colorado: Maintenance facility, $2,142,000.

Seneca Ordnance Depot, New York: Utilities, $88,000.

Umatilla Ordnance Depot, Oregon: Storage facilities, $258,000.

Redstone Arsenal, Alabama: Maintenance facilities, training facilities, and utilities, $5,259,000.

White Sands Proving Ground, New Mexico: Utilities, $693,000.

(Quartermaster Corps)

Atlanta General Depot, Georgia: Operational facilities and maintenance facilities, $832,000.

Columbia Quartermaster Center, South Carolina: Administrative facility, $98,000.

Fort Worth General Depot, Texas: Operational facilities, maintenance facilities, land acquisition, and utilities, $1,285,000.

New Cumberland General Depot, Pa.: Maintenance facilities, $631,000.

Sharpe General Depot, Calif.: Maintenance facilities, $655,000.

(Chemical Corps)

Army Chemical Center, Md.: Troop housing, community facility, and operational facility, $889,000.

Camp Detrick, Md.: Storage facilities and utilities, $913,000.

Dugway Proving Ground, Utah: Research and development facilities and utilities, $867,000.

(Signal Corps)

Fort Huachuca, Ariz.: Troop housing, maintenance facilities, storage facilities, administrative facility, and utilities, $6,856,000.

(Corps of Engineers)

Fort Belvoir, Va.: Storage facility, training facility, operational facilities, maintenance facilities, research and development facilities, and utilities, $492,000.

(Transportation Corps)

Fort Eustis, Va.: Operational facility, maintenance facility, and utilities, $1,231,000.

(Medical Corps)

Walter Reed Army Medical Center, District of Columbia: Research and development facility and community facility, $4,209,000.

Field Forces Facilities

(First Army Area)

Fort Devens (Camp Wellfleet), Mass.: Land acquisition, $302,000.

Fort Dix, N. J.: Training facility, $54,000.

Oswego, N. Y.: Training facilities and land acquisition, $583,000.

Fort Totten, N. Y.: Troop Housing, storage facilities, and utilities $1,212,000.

(Second Army Area)

Fort Knox, Ky.: Maintenance facilities, and community facilities, $1,698,000.

Fort George G. Meade, Md.: Operational facilities, maintenance facilities, medical facility, troop housing, and utilities, $5,885,000.

South Park Military Reservation, Pa.: Administrative facility, storage facilities, and utilities, $190,000.

(Third Army Area)

Fort Benning, Ga.: Administrative facilities, maintenance facilities, communications facilities, and community facilities, $422,000.

Fort Bragg, N. C.: Administrative facilities, operational facility, and utilities, $645,000.

Charlotte Armed Forces Induction Station, N. C.: Administrative facility, $302,000.

Fort McClellan, Ala.: Troop housing, training facility, and community facility, $397,000.

Fort Rucker, Ala.: Operational facilities, maintenance facilities, training facilities, storage facilities, administrative facilities, trailer site facilities, land acquisition, and utilities, $7,300,000.

(Fourth Army Area)

Fort Bliss, Tex.: Training facilities, maintenance facilities, administrative facilities, troop housing, community facilities, and utilities, $5,301,000.

Fort Hood, Tex.: Community facilities, maintenance facilities, and storage facilities, $2,457,000.

Fort Sill, Okla.: Training facilities, $4,173,000.

(Fifth Army Area)

Fort Carson, Colo.: Storage facilities, administrative facilities, troop housing, training facilities, and land acquisition, $3,253,000.

Fort Benjamin Harrison, Ind.: Troop housing, $140,000.

Fort Leavenworth, Kans.: Communications facilities and troop housing, $1,092,000.

Fort Riley, Kans.: Administrative facilities, community facilities, troop housing, and utilities, $1,519,000.

St. Louis Support Center, Mo.: Administrative facility, $3,346,000.

(Sixth Army Area)

Fort Lewis, Wash.: Community facilities, training facilities, maintenance facilities, family housing, and utilities, $3,022,000.

Fort Ord, Calif.: Maintenance facility and community facility, $223,000.

United States Disciplinary Barracks, Calif.: Community facility, $197,000.

Yuma Test Station, Ariz.: Troop housing, research and development facility, and storage facility, $1,520,000.

(Military District of Washington)

Fort McNair, D. C.: Academic facilities, $4,111,000.

(Armed Forces special weapons project)

Various installations: Utilities, $478,000.

(Tactical site support facilities)

Various locations: Administrative facilities, maintenance facilities, storage facilities, and land acquisition, $8,506,000.

Outside the United States

(Alaskan Area)

Ladd Air Force Base: Troop housing and maintenance facilities, $1,688,000.

Fort Richardson: Storage facilities, $2,333,000.

Whittier: Storage facilities and training facilities, $2,849,000.

Wildwood Station (Kenai): Storage facility, $352,000.

(Far East Command Area)

Okinawa: Storage facilities, operational facilities, and maintenance facilities, medical facilities, and utilities, $540,000.

(Pacific Command Area)

Aliamanu Military Reservation, Hawaii: Land acquisition, $143,000.

Helemano, Hawaii: Community facility, land acquisition and utilities, $136,000.

Schofield Barracks, Hawaii: Family housing and land acquisition, $2,668,000.

(Caribbean Command Area)

Panama Canal Zone: Sewage disposal system for Army, Navy, and Air Force facilities, $1,060,000.

(United States Army, Europe)

Various locations: Operational facilities, maintenance facilities, community facilities, storage facilities, training facilities, administrative facilities, medical facilities, troop housing, and utilities, $17,994,000.

SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in a total amount of $188,783,000.

SEC. 103. (a) Public Law 161, 84th Congress, is amended with respect to Fort Jay, N. Y., under the heading "Continental United States" and subheadings "Field Forces Facities (First Army Area)" in section 101, by striking out "$731,000" and inserting in place thereof "$1,081,000," and in clause (1) of section 502, by striking out "$224,927,000" and "$533,904,000" and inserting in place thereof "$225,277,000" and "$534,254,000," respectively.

(b) So much of section 401 of Public Law 534, 83d Congress, as reads "Adak Station, Alaska: Operational Facilities (including troop housing), $70,000" is amended to read "Adak Station, Alaska: Operational facilities (including troop housing), $180,000" and clause (4) of section 502 thereof, is amended by striking the figure "$462,600" and inserting in place thereof "$572,600."

SEC. 104. The Secretary of the Army shall make all necessary studies, by contract or otherwise, to determine an appropriate site for the relocation of the San Jacinto Ordnance Depot, Texas; such studies to be completed by January 31, 1957. Expenditure of $25,000 out of appropriations available to the Department of the Army is authorized for such studies.

TITLE II

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

Inside the United States

Shipyard Facilities

Naval shipyard, Boston, Mass.: Replacement of pier, and plans and specifications for drydock facilities, $7,332,000.

Naval shipyard, Charleston, S. C.: Dredging equipment, $148,000.

Naval minecraft base, Charleston, S. C.: Operational facilities, personnel facilities, training facilities, maintenance facilities, storage facilities, community facilities, security facilities, and utilities, $7,902,000.

Naval shipyard, Long Beach, Calif.: Facilities for remedying effects of ground subsidence and waterfront facilities, $5,984,000.

Navy underwater sound laboratory, New London, Conn.: Research and development facilities and land acquisition, $340,000.

Harbor defense base, Norfolk, Va.: Personnel facilities, $300,000.

Naval shipyard, Norfolk, Va.: Utilities and land acquisition, $244,000.

Navy mine defense laboratory, Panama City, Fla.: Medical facilities, $84,000.

Naval shipyard, San Francisco, Calif.: Plans and specifications for drydock facilities, $1,300,000.

Naval industrial reserve shipyard, Tampa, Fla.: Land acquisition, $200,000.

Fleet Base Facilities

Naval station, Key West, Fla.: Utilities, $927,000.

Naval station, Long Beach, Calif.: Waterfront facilities, $2,256,000.

Naval station, New Orleans, La.: Utilities, $226,000.

Naval station, Newport, R. I.: Waterfront facilities, personnel facilities, community facilities and utilities, $11,672,000.

Naval station, Norfolk, Va.: Personnel facilities, $2,844,000.

Naval station, Orange, Tex.: Flood-protection facilities, including land acquisition, $265,000.

Aviation Facilities

(Naval air training stations)

Naval Auxiliary landing field, Alice-Orange Grove, Tex.: Airfield pavements, $2,242,000.

Naval auxiliary air station, Chase Field, Tex.: Personnel facilities, operational facilities, community facilities, station and aircraft maintenance facilities, and utilities, $2,247,000.

Naval air station, Glynco, Ga.: Airfield pavements, personnel facilities, aircraft maintenance facilities, training facilities, fuel pipeline and storage facilities, and land acquisition, $4,003,000.

Naval auxiliary air station, Kingsville, Tex.: Personnel facilities, training facilities, aircraft maintenance facilities, community facilities, and utilities, $2,610,000.

Naval air station, Memphis, Tenn.: Fuel storage facilities, and aircraft maintenance facilities, $511,000.

Naval auxiliary air station, Meridian, Miss.: Site preparation, utilities, plans and specifications for jet aircraft training facilities, and land acquisition, $8,231,000.

Naval air station, Pensacola, Fla.: Community facilities and plans and specifications for waterfront facilities, $347,000.

Naval auxiliary air station, Whiting Field, Fla.: Land acquisition, $13,000.

(Fleet support air stations)

Naval air station, Alameda, Calif.: Aircraft maintenance facilities, $2,675,000.

Naval air station, Atlantic City, N. J.: Navigational aids and land acquisition, $421,000.

Naval auxiliary air station, Brown Field, Calif.: Personnel facilities and utilities, $778,000.

Naval air station, Brunswick, Maine: Personnel facilities, airfield pavements, station maintenance facilities, community facilities, and storage facilities, $3.738.000.

Naval air station, Cecil Field, Fla.: Aircraft maintenance facilities, personnel facilities, storage facilities, operational facilities, training facilities, community facilities, and utilities, $4,052,000.

Naval air station, Chincoteague, Va.: Aircraft maintenance facilities, $170,000.

Naval auxiliary air station, Edenton, N. C.: Aircraft and station maintenance facilities, airfield pavements, fuel dispensing facilities, operational facilities, administrative facilities, personnel facilities, communications facilities, community facilities, and utilities, $13,926,000.

Naval auxiliary air station, El Centro, Calif.: Aircraft maintenance facilities, and land acquisition including not to exceed $660,000 to be paid to Imperial County, Calif., to partially defray the county's cost in relocating the Niland-Blythe Road, $831,000.

Naval auxiliary air station, Fallon, Nev.: Training facilities, aircraft maintenance facilities, community facilities, and land acquisition, $8,304,000.

Naval air facility, Harvey Point, N. C.: Airfield pavements, waterfront facilities, fuel storage and dispensing facilities, navigational aids, aircraft, and station maintenance facilities, utilities, and land acquisition, $6 million.

Naval air station, Jacksonville, Fla.: Navigational aids, operational facilities, and land acquisition, $2,380,000.

Naval air station, Key West, Fla.: Aircraft maintenance facilities, $170,000.

Naval air station, Lemoore, Calif.: Plans and specifications for development of master jet aircraft facilities, and land acquisition, $10,089,000.

Naval air station, Miramar, Calif.: Personnel facilities, operational facilities, training facilities, ordnance facilities, land acquisition, and obstruction removal for flight clearance, $8,835,000.

Naval air station, Moffett Field, Calif.: Land acquisition, $89,000.

Naval air station, Norfolk, Va.: Aircraft maintenance facilities, $170,000.

Naval air station, North Island, San Diego, Calif.: Airfield pavements, ordnance and ammunition storage facilities, aircraft maintenance facilities, waterfront facilities, operational facilities, navigational aids, and land acquisition, $13,072,000.

Naval air station Oceana, Va.: Aircraft maintenance facilities, personnel facilities, operational facilities, community facilities, training facilities, ordnance facilities, open storage facilities, security facilities, utilities, and relocation of Coast Guard facilities, $5,286,000.

Naval air station, Quonset Point, R. I.: Aircraft maintenance facilities, and navigational aids, $2,753,000.

Naval auxiliary air station, Sanford, Fla.: Aircraft maintenance facilities, airfield pavements, personnel facilities, and utilities, $6,926,000.

Naval air station, Whidbey Island, Wash.: Utilities, $149,000.

(Marine Corps air stations)

Marine Corps auxiliary air station, Beaufort, S. C.: Aircraft and station maintenance facilities, administrative facilities, medical facilities, personnel facilities, training facilities, operational facilities, covered and cold storage facilities, community facilities, fuel dispensing facilities, and utilities, $17,384,000.

Marine Corps air station, Cherry Point, N. C.: Aircraft maintenance facilities, $170,000.

Marine Corps air station, El Toro, Calif.: Aircraft maintenance facilities, administrative facilities, airfield pavements, storage facilities, ammunition storage facilities, medical facilities, training facilities, personnel facilities, operational facilities, and utilities, $6,863,000.

Marine Corps auxiliary air station, Mojave, Calif.: Aircraft maintenance facilities, airfield pavements, personnel facilities, training facilities, community facilities, fuel storage and dispensing facilities, land acquisition, and utilities, $12,556,000.

(Special purpose air stations)

Naval air facility, John H. Towers Field, Annapolis, Md.: Land acquisition, and plans for specifications for aviation facilities, $4 million.

Naval air development center, Johnsville, Pa.: Plans and specifications for research and development facilities, $693,000.

Naval air station, Lakehurst, N. J.: Research and development facilities and equipment maintenance facilities, $6,438,000.

Naval air station, Patuxent River, Md.: Aircraft maintenance facilities and research and development facilities, $475,000.

Naval air missile test center, Point Mugu, Calif.: Waterfront facilities, fuel dispensing facilities, aircraft maintenance facilities, and community facilities, $1,682,000.

Naval air turbine test station, Trenton, N. J.: Research and development facilities, $128,000.

Supply Facilities

Naval supply depot, Clearfield, Utah: Utilities, $149,000.

Naval supply depot, Newport, R. I.: Storage facilities, $390,000.

Naval supply center, Oakland, Calif.: Utilities, $50,000.

Naval supply depot, Seattle, Wash.: Replacement of seawall, $199,000.

Marine Corps Facilities

Marine Corps supply center, Albany, Ga.: Storage facilities, personnel facilities, maintenance facilities, community facilities, and utilities, $1,742,000.

Marine Corps supply center, Barstow, Calif.: Operational facilities, maintenance facilities, personnel facilities, administrative facilities, and community facilities, $3,436,000.

Marine Corps base, Camp Lejeune, N. C.: Personnel facilities, administrative facilities, training facilities, community facilities, medical facilities, storage facilities, and utilities, $5,092,000.

Marine Corps recruit depot, Parris Island, S. C.: Personnel facilities, administrative facilities, storage facilities, training facilities, community facilities, and utilities, $4,266,000.

Marine Corps base, Camp Pendleton, Calif.: Utilities, boat basin facilities, and land acquisition, $3,429,000.

Marine Corps cold weather battalion, Bridgeport, Calif.: Utilities $294,000.

Marine Corps training center, Twentynine Palms, Calif.: Community facilities and land acquisition, $1,165,000.

Marine Corps supply forwarding annex, Portsmouth, Va.: Security facilities, $91,000.

Marine Corps schools, Quantico, Va.: Training facilities, ammunition storage and ordnance facilities, community facilities, and utilities, $2,178,000.

Marine Corps recruit depot, San Diego, Calif.: Personnel facilities and community facilities, $1,679,000.

Ordnance Facilities

Naval ammunition depot, Bangor, Wash.: Ordnance facilities, $1,100,000.

Naval ammunition depot, Charleston, S. C.: Ordnance facilities, $404,000.

Naval ordnance test station, China Lake, Calif.: Research and development facilities, aircraft maintenance facilities, airfield pavements and fuel storage and dispensing facilities, $6,028,000.

Naval ammunition depot, Earle, N. J.: Ordnance facilities, $600,000.

Naval ammunition depot, Fallbrook, Calif.: Ammunition storage and ordnance facilities, $1,584,000.

Naval ammunition depot, Hingham, Mass.: Ammunition storage and ordnance facilities, $993,000.

Naval ammunition and net depot, Seal Beach, Calif.: Ordnance facilities, $2,176,000.

Naval mine depot, Yorktown, Va.: Ammunition storage and ordnance facilities and utilities, $3,480,000.

Service School Facilities

Naval Academy, Annapolis, Md.: Earthwork and land acquisition, $7,469,000.

Naval training center, Brainbridge, Md.: Personnel facilities, training facilities, and utilities, $6,569,000.

Naval receiving station, Brooklyn, N. Y.: Personnel facilities, $97,000.

Naval amphibious base, Coronado, Calif.: Training facilities, personnel facilities, and utilities, $5,660,000.

Fleet air defense training center, Dam Neck, Va.: Personnel facilities, $237,000.

Naval training center, Great Lakes, Ill.: Personnel facilities, and training facilities, $8,413,000.

Medical Facilities

Naval hospital, Great Lakes, Ill.: Medical facilities, $12,730,000.

Naval hospital, Portsmouth, N. H.: Hospital elevator, $57,000.

Communications Facilities

Naval radio station, Cheltenham, Md.: Communications facilities, personnel facilities, and utilities, $2,489,000.

Naval radio station, Maine: Utilities and land acquisition, $2,450,000.

Naval communication station, San Francisco, Calif.: Communications facilities, and personnel facilities, $2,029,000.

Naval communication station, Seattle, Wash.: Communications facilities, $45,000.

Naval radio station, Winter Harbor, Maine: Communications facilities, $83,000.

Office of Naval Research Facilities

Naval research laboratory, District of Columbia: Plans and specifications for research and development facilities, $1,300,000.

Yards and Docks Facilities

Public-works center, Norfolk, Va.: Utilities and land acquisition, $443,000.

Naval construction battalion center, Port Hueneme, Calif.: Replacement of wharf, and storage facilities, $2,581,000.

Outside the United States

Shipyard Facilities

Naval ship repair facility, Subic Bay, Philippine Islands: Waterfront facilities, $1,637,000.

Naval base, Subic Bay, Philippine Islands: Utilities at Olongapo, flood control and drainage facilities and community facilities, $9,378,000.

Fleet Base Facilities

Naval station, Adak, Alaska: Operational facilities, and laundry and dry cleaning facilities, $2,351,000.

Naval station, Guantanamo Bay, Cuba: Utilities, $680,000.

Aviation Facilities

Naval air station, Atsugi, Japan: Airfield pavements, aircraft maintenance facilities, fuel storage facilities, personnel facilities, and utilities, $1,961,000.

Naval air station, Barber's Point, Oahu, Territory of Hawaii: Personnel facilities and aircraft maintenance facilities, $870,000.

Naval air station, Cubi Point, Philippine Islands: Personnel facilities, $1,264,000.

Naval air station, Guantanamo Bay, Cuba: Aircraft maintenance facilities, personnel facilities, communications facilities, family housing, community facilities, and utilities, $4,572,000.

Naval air station, Iwakuni, Japan; Aircraft maintenance facilities, airfield pavements, dredging, navigational aids, and fuel-storage facilities, $1,704,000.

Marine Corps air station, Kaneohe Bay, Oahu, Territory of Hawaii: Aircraft maintenance facilities, airfield pavements, and operational facilities, $1,045,000.

Naval air facility, Port Lyautey, French Morocco: Aircraft maintenance facilities, and family housing, $1,401,000.

Naval station, Roosevelt Roads, Puerto Rico: Aircraft maintenance facilities, airfied pavements, fuel storage facilities, ordnance facilities, personnel facilities, medical facilities, and utilities, $4,470,000.

Naval air station, Sangley Point, Philippine Islands: Airfield pavements, breakwater, and personnel facilities, $3,811,000.

Supply Facilities

Naval station, Adak, Alaska: Replacement of fuel storage facilities, $5,000,000.

Naval station, Argentia, Newfoundland: Fuel storage facilities, $1,599,000.

Naval supply depot, Subic Bay, Philippine Islands: Covered and cold storage facilities, administrative facilities, operational facilities, maintenance facilities, waterfront facilities, and utilities, $11,598,000.

Ordnance Facilities

Naval ammunition depot, Oahu, T. H.: Ordnance facilities, $971,000.

Naval ordnance facility, Port Lyautey, French Morocco: Ordnance facilities, $245,000.

Naval ordnance facility, Yokosuka, Japan: Ordnance facilities, $241,000.

Communications Facilities

Naval communication unit, Futema, Okinawa: Communications facilities, $75,000.

Naval communication station, Guam, Mariana Islands: Communication facilities, $222,000.

Naval communication facility, Philippine Islands: Communications facilities, and land acquisition, $4,320,000.

Yards and Docks Facilities

Fifteenth naval district, Canal Zone: Utilities, $2,210,000.

SEC. 202. The Secretary of the Navy is authorized to obtain, by contract such engineering, location, and site planning studies as may be necessary to enable him to determine the feasibility and advisability of establishing, continuing, or relocating the following facilities: Naval air station, Norfolk, Va. (bombing targets); Naval air facility, John H. Towers Field, Annapolis, Md.; Naval magazine, Port Chicago, Calif. Expenditures not to exceed $100,000 for such studies may be made out of the appropriation "Military Construction, Navy." The Secretary of the Navy shall report to the Committees on Armed Services of the Senate and House of Representatives the conclusions of these studies together with such recommendations as he shall consider appropriate.

SEC. 203. The Secretary of the Navy may establish or develop classified naval installations and facilities by constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $42,997,000.

SEC. 204. Public Law 155, 82d Congress, as amended, is amended as follows:

(a) In section 201, as amended, strike out so much thereof under the heading "Continental United States" and subheading "Supply Facilities" as reads as follows:

"Harpswell Neck Fuel Facility, Portland, Maine, area: Aviation gasoline and jet fuel bulk storage; $2,766,500"; and insert in place thereof the following:

"Harpswell Neck Fuel Facility, Portland, Maine, area: Aviation gascline and jet fuel bulk storage and land acquisition, $2,766,500."

(b) In section 201, under the heading "Outside Continental United States" and subheading "Communication Facilities", strike out so much thereof as read as follows:

"Naval communication station, Philippine Islands: Consolidated communication facilities; $2,694,500"; and insert in place thereof the following:

"Naval communication station, Philippine Islands: Consolidated communications, facilities, and land acquisition, $2,694,500."

SEC. 205. Public Law 534, 83d Congress is amended as follows:

(a) In section 201, under the heading "Continental United States" and subheading "Aviation Facilities", change the amount for "Naval air missile test center (San Nicolas Island), Point Mugu, Calif.", from "$1,132,000" to "$1,816,000."

(b) In section 201, under the heading "Continental United States" and subheading "Ordnance Facilities," change the amount for "Naval ammunition depot, Hawthorne, Nev." from "$308,000" to "$538,000."

(c) In section 502, clause (2), change the amount for public works authorized by title II for inside continental United States from "$102,042,000" to "$102,956,000"; and total amount from "$201,893,000" to "$202,807,000."

SEC. 206. Public Law 161, 84th Congress, is amended as follows:

(a) In section 201, under the heading "Continental United States" and subheading "Shipyard Facilities," change the amount for "Naval electronics laboratory, San Diego, Calif.", from "$143,000" to "$162,000."

(b) In section 201, under the heading "Continental United States" and subheading "Fleet Base Facilities," change the amount for "Navy Department, District of Columbia", from "$81,000" to "$114,000."

(c) In section 201, under the heading "Continental United States" and subheading "Aviation Facilities," change the amount for "naval auxiliary air station, El Centro, Calif." from "$366,000" to "$450,000"; strike out so much thereof as reads as follows:

"Naval air station, Norfolk, Va.: Aircraft maintenance facilities, training facilities, communication facilities, operational facilities, $4,660,000"; and insert in place thereof the following:

"Naval air station, Norfolk, Va.: Aircraft maintenance facilities, training facilities, communication facilities, operational facilities, and land acquisition, $4,660,000."

(d) In section 201, under the heading "Outside Continental United States" and subheading "Ordnance Facilities," strike out so much thereof as reads as follows:

"Naval ammunition depot, Oahu, T. H.: Testing facilities, and railroad facilities and barricades, $1,132,000"; and insert in place thereof the following:

"Naval ammunition depot, Oahu, T. H.: Testing facilities, railroad facilities and barricades, and land acquisition, $1,132,000."

(e) In section 502, clause (2), change the amount for public works authorized by title II for inside continental United States from "$299,690,600" to "$299,826,600"; and the total amount from "$564,224,300" to "$564,360,300."

TITLE III

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities and equipment, for the following projects:

Inside the United States

Air Defense Command

Buckingham Air Force Base, Fort Myers, Fla.: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, and utilities and ground improvement, $13,168,000.

Duluth Municipal Airport, Duluth, Minn.: Operational and training facilities, maintenance facilities, supply facilities, and land acquistion, $863,000.

Ent Air Force Base, Colorado Springs, Colo.: Housing and community facilities, $342,000.

Ethan Allen Air Force Base, Winooski, Vt.: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $4,211,000.

Geiger Field, Spokane, Wash.: Operational and training facilities, maintenance facilities, and housing and community facilities, and family housing, $2,827,000.

Glasgow Air Force Base, Glasgow, Mont.: Operational and training facilities, maintenance facilities, utilities and group improvements, land acquisition and family housing, $2,470,000.

Grand Forks Air Force Base, Grand Forks, N. Dak.: Operational and training facilities, and maintenance facilities, $1,999,000.

Grandview Air Force Base, Kansas City, Mo.: Operational and training facilities, maintenance facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $1,673,000.

Greater Pittsburgh Airport, Corapolis, Pa.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, and land acquisition, $1,087,000.

Hamilton Air Force Base, San Rafael, Calif.: Operational and training facilities, maintenance facilities, utilities and ground improvements, and land acquisition, $2,966,000.

K. I. Sawyer Municipal Airport, Marquette, Mich.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $5,051,000.

Manistee Air Force Base, Manistee, Mich.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, and utilities and ground improvements, $2,906,000.

Kinross Air Force Base, Sault Sainte Marie, Mich.: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $2,156,000.

Klamath Falls Municipal Airport, Klamath Falls, Oreg.: Operational and training facilities, maintenance facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $1,130,000.

McChord Air Force Base, Tacoma, Wash.: Operational and training facilities, maintenance facilities, and land acquisition, $1,514,000.

McGhee-Tyson Airport, Knoxville, Tenn.: Operational and training facilities, maintenance facilities, administrative facilities, housing and community facilities, and land acquisition, $2,054,000.

Major Field, Greenville, Tex.: Operational and training facilities, and land acquisition, $440,000: *Provided, however,* That none of the funds here authorized for appropriation shall be expended until the field has been recaptured by the United States.

Minneapolis-Saint Paul International Airport, Minneapolis, Minn.: Operational and training facilities, and maintenance facilities, $3,015,000.

Minot Air Force Base, Minot, N. Dak.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $21,215,000.

Newcastle County Airport, Wilmington, Del.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $6,184,000.

Niagara Falls Municipal Airport, Niagara Falls, N. Y.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, and land acquisition, $3,030,000.

Otis Air Force Base, Falmouth, Mass.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, land acquisition and family housing, $11,577,000.

Oxnard Air Force Base, Camarillo, Calif.: Operational and training facilities, maintenance facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $2,292,000.

Paine Air Force Base, Everett, Wash.: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $4,127,000.

Greater Portland, Oreg., area: Operational and training facilities, maintenance facilities, supply facilities, utilities and ground improvements, and land acquisition, $13,508,000.

Presque Isle Air Force Base, Presque Isle, Maine: Operational and training facilities, maintenance facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $8,057,000.

Richard Bong Air Force Base, Kansasville, Wis.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, and utilities and ground improvements, $6,801,000.

Selfridge Air Force Base, Mount Clemens, Mich.: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $2,494,000.

Sioux City Municipal Airport, Sioux City, Iowa: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $2,288,000.

Stewart Air Force Base, Newburgh, N. Y.: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $1,802,000.

Suffolk County Air Force Base, Westhampton Beach, N. Y.: Operational and training facilities, maintenance facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $5,441,000.

Truax Field, Madison, Wis.: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $2,874,000.

Wurtsmith Air Force Base, Oscoda, Mich.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, utilities and ground improvements, land acquisition and family housing, $3,278,000.

Youngstown Municipal Airport, Youngstown, Ohio: Operational and training facilities, maintenance facilities, utilities and ground improvements, and land acquisition, $2,255,000.

Yuma County Airport, Yuma, Ariz.: Operational and training facilities, maintenance facilities, administrative facilities, housing and community facilities, and land acquisition, $3,545,000.

Various locations: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $37,760,000.

Air Materiel Command

Brookley Air Force Base, Mobile, Ala.: Housing and community facilities, and land acquisition, $1,541,000.

Griffiss Air Force Base, Rome, N. Y.: Operational and training facilities, maintenance facilities, research, development and test facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $17,966,000.

Hill Air Force Base, Ogden, Utah: Maintenance facilities, housing and community facilities, utilities and ground improvements and land acquisition, $1,339,000.

Kelly Air Force Base, San Antonio, Tex.: Operational and training facilities, maintenance facilities, and utilities and ground improvements, $1,570,000.

Marietta Air Force Station, Marietta, Pa.: Supply facilities, $52,000.

McClellan Air Force Base, Sacramento, Calif.: Administrative facilities, housing and community facilities, and land acquisition, $1,424,000.

Mukilteo Fuel Storage Station, Mukilteo, Wash.: Land acquisition, $4,000.

Norton Air Force Base, San Bernardino, Calif.: Operational and training facilities, and housing and community facilities, $1,572,000.

Olmsted Air Force Base, Middletown, Pa.: Maintenance facilities, administrative facilities, and utilities and ground improvements, $3,983,000.

Robins Air Force Base, Macon, Ga.: Operational and training facilities, housing and community facilities, and utilities and ground improvements, $5,478,000.

Searsport Fuel Storage Station, Searsport, Maine: Supply facilities, $473,000.

Tacoma Fuel Storage Station, Tacoma, Wash.: Supply facilities, $129,000.

Tinker Air Force Base, Oklahoma City, Okla.: Operational and training facilities, and housing and community facilities, $3,498,000.

Wilkins Air Force Station, Shelby, Ohio: Family housing, $89,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Operational and training facilities, maintenance facilities, research, development and test facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $17,138,000.

Various locations: Administrative facilities, housing and community facilities, and utilities and ground improvements, $444,000.

Air Proving Ground Command

Eglin Air Force Base, Valparaiso, Fla.: Operational and training facilities, maintenance facilities, research, development and test facilities, hospital and medical facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $21,094,000.

Air Training Command

Bryan Air Force Base, Bryan, Tex.: Housing and community facilities, and land acquisition, $1,288,000.

Craig Air Force Base, Selma, Ala.: Operational and training facilities, and land acquisition, $18,000.

Edward Gary Air Force Base, San Marcos, Tex.: Maintenance facilities, $783,000.

Ellington Air Force Base, Houston Tex.: Land acquisition, $63,000.

Francis E. Warren Air Force Base, Cheyenne, Wyo.: Housing and community facilities, and utilities and ground improvements, $1,654,000.

Goodfellow Air Force Base, San Angelo, Tex.: Operational and training facilities, supply facilities, utilities and ground improvements, and land acquisition, $8,804,000.

James Connally Air Force Base, Waco, Tex.: Operational and training facilities, and land acquisition, $4,687,000.

Keesler Air Force Base, Biloxi, Miss.: Land acquisition, $34,000.

Lackland Air Force Base, San Antonio, Tex.: Hospital and medical facilities, $3,440,000.

Laredo Air Force Base, Laredo, Tex.: Utilities and ground improvements, and land acquisition, $225,000.

Laughlin Air Force Base, Del Rio, Tex.: Operational and training facilities, and housing and community facilities $212,000.

Lowry Air Force Base, Denver, Colo.: Land acquisition, $1,587,000.

Luke Air Force Base, Phoenix, Ariz.: Operational and training facilities, maintenance facilities, and land acquisition, $2,902,000.

Mather Air Force Base, Sacramento, Calif.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $21,650,000.

McConnell Air Force Base, Wichita, Kans.: Land acquisition, $396,000.

Moody Air Force Base, Valdosta, Ga.: Operational and training facilities, and maintenance facilities, $1,848,000.

Nellis Air Force Base, Las Vegas, Nev.: Operational and training facilities, and land acquisition, $3,456,000.

Parks Air Force Base, Pleasanton, Calif.: Utilities and ground improvements, $111,000.

Perrin Air Force Base, Sherman, Tex.: Operational and training facilities, and land acquisition, $2,260,000.

Randolph Air Force Base, San Antonio, Tex.: Land acquisition, $133,000.

Reese Air Force Base, Lubbock, Tex.: Operational and training facilities, and land acquisition, $4,164,000.

Scott Air Force Base, Belleville, Ill.: Operational and training facilities, supply facilities, and land acquisition, $3,296,000.

Sheppard Air Force Base, Wichita Falls, Tex.: Hospital and medical facilities, and housing and community facilities, $6,842,000.

Stead Air Force Base, Reno, Nev.: Supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $2,221,000.

Tyndall Air Force Base, Panama City, Fla.: Operational and training facilities, and maintenance facilities, $716,000.

Vance Air Force Base, Enid, Okla.: Operational and training facilities, and land acquisition, $977,000.

Webb Air Force Base, Big Spring, Tex.: Operational and training facilities, $90,000.

Williams Air Force Base, Chandler, Ariz.: Operational and training facilities, maintenance facilities, and land acquisition, $6,347,000.

Air University

Maxwell Air Force Base, Montgomery, Ala.: Operational and training facilities, and housing and community facilities, $215,000.

Continental Air Command

Beale Air Force Base, Marysville, Calif.: Operational and training facilities, supply facilities, and utilities and ground improvements, $9,563,000.

Brooks Air Force Base, San Antonio, Tex.: Operational and training facilities, and maintenance facilities, $237,000.

Dobbins Air Force Base, Marietta, Ga.: Housing and community facilities, $345,000.

Mitchel Air Force Base, Hempstead, N. Y.: Utilities and ground improvements, $205,000.

Headquarters Command

Bolling Air Force Base, Washington, D. C.: Utilities and ground improvements, $8,000.

Military Air Transport Command

Andrews Air Force Base, Camp Springs, Md.: Operational and training facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $7,335,000.

Charleston Air Force Base, Charleston, S. C.: Operational and training facilities, and utilities and ground improvements, $868,000.

Dover Air Force Base, Dover, Del.: Operational and training facilities, supply facilities, administration facilities, housing and community facilities, and utilities and ground improvements, $3,195,000.

McGuire Air Force Base, Wrightstown, N. J.: Operational and training facilities, supply facilities, hospital and medical facilities, administrative facilities, and housing and community facilities, $2,169,000.

Palm Beach Air Force Base, Palm Beach, Fla.: Operational and training facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $1,545,000.

Vint Hill Farm Station, Warrenton, Va.: Operational and training facilities, $768,000.

Research and Development Command

Canal Air Force Plant No. 62, Hartford, Conn.: Research, development, and test facilities, and utilities and ground improvements, $22,445,000.

Edwards Air Force Base, Muroc, Calif.: Research, development, and test facilities, and housing and community facilities, $5,488,000.

Holloman Air Force Base, Alamagordo, N. Mex.: Operational and training facilities, maintenance facilities, research, development, and test facilities, and housing and community facilities, $7,877,000.

Indian Springs Air Force Base, Indian Springs, Nev.: Housing and community facilities, and utilities and ground improvements and family housing, $961,000.

Kirtland Air Force Base, Albuquerque, N. Mex.: Operational and training facilities, maintenance facilities, and research, development, and test facilities, $5,481,000.

Laredo Test Site, Laredo, Tex.: Research, development, and test facilities, and land acquisitions, $1,219,000.

Laurence G. Hanscom Field, Bedford, Mass.: Operational and training facilities, maintenance facilities, research, development and test facilities, housing and community facilities, utilities, and ground improvements, and land acquisition, $6,939,000.

National reactor test station, Idaho Falls, Idaho: Operational and training facilities, research, development and test facilities, and utilities and ground improvements, $11,415,000.

Patrick Air Force Base, Cocoa, Fla.: Operational and training facilities, research, development and test facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $15,169,000.

Sacramento Peak Observatory, Sacramento Peak, N. Mex.: Family housing $153,000.

Strategic Air Command

Abilene Air Force Base, Abilene, Tex.: Operational and training facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $1,043,000.

Altus Air Force Base, Altus, Okla.: Housing and community facilities, and utilities and ground improvements, $1,003,000.

Barksdale Air Force Base, Shreveport, La.: Operational and training facilities, maintenance facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $2,117,000.

Bergstrom Air Force Base, Austin, Tex.: Operational and training facilities, supply facilities, housing and community facilities, and land acquisition, $531,000.

Biggs Air Force Base, El Paso, Tex.: Operational and training facilities, and housing and community facilities, $922,000.

Campbell Air Force Base, Hopkinsville, Ky.: Operational and training facilities, and utilities and ground improvments, $479,000.

Carswell Air Force Base, Fort Worth, Tex.: Operational and training facilities, and maintenance facilities, $2,438,000.

Castle Air Force Base, Merced, Calif.: Operational and training facilities, maintenance facilities, hospital and medical facilities, and housing and community facilities, $2,179,000.

Clinton-Sherman Air Force Base, Clinton, Okla.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $7,004,000.

Columbus Air Force Base, Columbus, Miss.: Operational and training facilities, supply facilities, housing and community facilities, and land acquisition, $1,654,000.

Davis-Monthan Air Force Base, Tucson, Ariz.: Operational and training facilities, and land acquisition, $503,000.

Dow Air Force Base, Bangor, Maine: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, and utilities and ground improvements, $7,665,000.

Ellsworth Air Force Base, Rapid City, S. Dak.: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $943,000.

Fairchild Air Force Base, Spokane, Wash.: Operational and training facilities, maintenance facilities, housing and community facilities, and utilities and ground improvements, $4,457,000.

Forbes Air Force Base, Topeka, Kans.: Operational and training facilities, and housing and community facilities, $1,271,000.

Gray Air Force Base, Killeen, Tex.: Operational and training facilities, $23,000.

Greenville Air Force Base, Greenville, Miss.: Operational and training facilities, maintenance facilities, supply facilities, and land acquisition, $2,483,000.

Homestead Air Force Base, Homestead, Fla.: Operational and training facilities, hospital and medical facilities, housing and community facilities, utilities, and ground improvements, and land acquisition, $1,694,000.

Hunter Air Force Base, Savannah, Ga.: Operational and training facilities, utilities and ground improvements, and land acquisition, $1,131,000.

Lake Charles Air Force Base, Lake Charles, La.: Operational and training facilities, housing and community facilities, and utilities and ground improvements, $1,552,000.

Lincoln Air Force Base, Lincoln, Nebr.: Operational and training facilities, maintenance facilities, housing and community facilities, and utilities and ground improvements, $4,685,000.

Little Rock Air Force Base, Little Rock, Ark.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, and land acquisition, $1,528,000.

Lockbourne Air Force Base, Columbus, Ohio: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $4,952,000.

Loring Air Force Base, Limestone, Maine: Operational and training facilities, maintenance facilities, supply facilities, and housing and community facilities, $2,522,000.

MacDill Air Force Base, Tampa, Fla.: Operational and training facilities, maintenance facilities, and housing and community facilities, $3,262,000.

Malstrom Air Force Base, Great Falls, Mont.: Operational and training facilities, maintenance facilities, and housing and community facilities, $1,236,000.

March Air Force Base, Riverside, Calif.: Operational and training facilities, maintenance facilities, housing and community facilities, and land acquisition, $5,156,000.

Mountain Home Air Force Base, Mountain Home, Idaho: Operational and training facilities, maintenance facilities, housing and community facilities, and utilities and ground improvements, $2,064,000.

Offutt Air Force Base, Omaha, Nebr.: Operational and training facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition and family housing, $5,697,000.

Pinecastle Air Force Base, Orlando, Fla.: Housing and community facilities, utilities and ground improvements, and land acquisition, $786,000.

Plattsburg Air Force Base, Plattsburg, N. Y.: Housing and community facilities, $1,491,000.

Portsmouth Air Force Base, Portsmouth, N. H.: Operational and training facilities, and housing and community facilities, $661,000.

Smoky Hill Air Force Base, Salina, Kans.: Operational and training facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $3,882,000.

Travis Air Force Base, Fairfield, Calif.: Operational and training facilities, maintenance facilities, and utilities and ground improvements, $923,000.

Turner Air Force Base, Albany, Ga.: Operational and training facilities, housing and community facilities, and land acquisition, $781,000.

Walker Air Force Base, Roswell, N. Mex.: Operational and training facilities, supply facilities, and housing and community facilities, $2,791,000.

Westover Air Force Base, Chicopee Falls, Mass.: Operational and training facilities, maintenance facilities, supply facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $9,315,000.

Whiteman Air Force Base, Knobnoster, Mo.: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $815,000.

Tactical Air Command

Ardmore Air Force Base, Ardmore, Okla.: Maintenance facilities, supply facilities, and land acquisition, $330,000.

Blytheville Air Force Base, Blytheville, Ark.: Operational and training facilities and maintenance facilities, $933,000.

Bunker Hill Air Force Base, Peru, Ind.: Operational and training facilities, maintenance facilities, housing and community facilities and removal of hazard, $2,169,000.

Clovis Air Force Base, Clovis, N. Mex.: Operational and training facilities, maintenance facilities, housing and community facilities, and relocation of structure, $4,505,000.

Donaldson Air Force Base, Greenville, S. C.: Operational and training facilities, $2,428,000.

England Air Force Base, Alexandria, La.: Operational and training facilities, maintenance facilities, administrative facilities, and housing and community facilities, $2,919,000.

Foster Air Force Base, Victoria, Tex.: Operational and training facilities, maintenance facilities, and utilities and ground improvements, $952,000.

George Air Force Base, Victorville, Calif.: Operational and training facilities, maintenance facilities, supply facilities, and housing and community facilities, $3,144,000.

Langley Air Force Base, Hampton, Va.: Operational and training facilities, and land acquisition, $2,613,000.

Larson Air Force Base, Moses Lake, Wash.: Operational and training facilities, housing and community facilities, utilities and ground improvements, and land acquisition, $1,111,000.

Myrtle Beach Municipal Airport, Myrtle Beach, S. C.: Operational and training facilities, maintenance facilities, hospital and medical facilities, and housing and community facilities, $1,665,000.

Pope Air Force Base, Fort Bragg, N. C.: Operational and training facilities, maintenance facilities, and land acquisition, $1,106,000.

Sewart Air Force Base, Smyrna, Tenn.: Operational and training facilities, maintenance facilities, utilities and ground improvements, and land acquisition, $1,583,000.

Seymour Johnson Air Force Base, Goldsboro, N. C.: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, and housing and community facilities, $6,637,000.

Shaw Air Force Base, Sumter, S. C.: Operational and training facilities, maintenance facilities, and housing and community facilities, $3,805,000.

Wendover Air Force Base, Wendover, Utah: Operational and training facilities, $67,000.

Special Facilities

Various locations: Research, development and test facilities, administrative facilities, and land acquisition, $1,240,000.

Aircraft Control and Warning System

Various locations: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, housing, and community facilities, utilities and ground improvements, and land acquisition and family housing, $80,942,000.

Outside the United States

Alaskan Air Command

Eielson Air Force Base: Operational and training facilities, maintenance facilities, and family housing, $14,984,000.

Elmendorf Air Force Base: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, and utilities and ground improvements, $5,444,000.

Galena Airfield: Operational and training facilities and supply facilities, $1,772,000.

King Salmon Airport: Operational and training facilities, $289,000.

Ladd Air Force Base: Operational and training facilities, supply facilities, and utilities and ground improvements, $7,055,000.

Various locations: Operational and training facilities, $6,628,000.

Far East Air Forces

Hickam Air Force Base, Honolulu, Hawaii: Operational and training facilities, $991,000.

Johnston Island Air Force Base, Johnston Island: Operational and training facilities and housing and community facilities, $724,000.

Various locations: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, utilities and ground improvements, land acquisition, and family housing, $25,969,000.

Military Air Transport Service

Various locations: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, and utilities and ground improvements, $55,859,000.

Northeast Air Command

Various locations: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, housing and community facilities, utilities and ground improvements, and family housing, $70,250,000.

Strategic Air Command

Andersen Air Force Base, Guam: Operational and training facilities, maintenance facilities, supply facilities, housing and community facilities, utilites and ground improvements, and family housing, $23,980,000.

Harmon Air Force Base, Guam: Land acquisition, $14,000.

Northwest Air Force Base, Guam: Operational and training facilities and maintenance facilities, $229,000.

Ramey Air Force Base, Puerto Rico: Operational and training facilities, maintenance facilities, and land acquisition, $1,523,000.

United States Air Forces in Europe

Various locations: Operational and training facilities, maintenance facilities, supply facilities, hospital and medical facilities, administrative facilities, housing and community facilities, utilities and ground improvements, and erection of prefabricated structures, $97,123,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, in the total amount of $163 million.

SEC. 303. Section 1 of the act of March 30, 1949 (ch. 41, 50 U. S. C. 491), is amended by the addition of the following:

"The Secretary of the Air Force is authorized to procure communication services required for the Semiautomatic Ground Environment System. No contract for such services may be for a period of more than 10 years from the date communication services are first furnished under such contract. The aggregate contingent liability of the Government under the termination provisions of all contracts authorized hereunder may not exceed a total of $222 million, and no termination payment shall be final until audited and approved by the General Accounting Office which shall have access to such carrier records and accounts as it may deem necessary for the purpose. In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas. Negotiations with communication common carriers, including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949, as amended (40 U. S. C. A. sec. 481)."

SEC. 304. (a) Public Law 161, 84th Congress, is amended, under the heading "Continental United States" in section 301, as follows:

Under the subheading "Air Defense Command"—

(1) with respect to Buckingham Weapons Center, Fort Myers, Fla., strike out "$11,577,000" and insert in place thereof "$15,462,000."

(2) with respect to Duluth Municipal Airport, Duluth, Minn., strike out "$1,200,000" and insert in place thereof "$1,623,000."

(3) with respect to Grand Forks site, North Dakota, strike out "$5,822,000" and insert in place thereof "$7,709,000."

(4) with respect to Greater Milwaukee area, Wisconsin, airbase to be known as "Richard Bong Air Force Base", strike out "$16,608,000" and insert in place thereof "$23,859,000."

(5) with respect to Greater Pittsburgh Airport, Coraopolis, Pa., strike out "$404,000" and insert in place thereof "$525,000."

(6) with respect to Hamilton Air Force Base, San Rafael, Calif., strike out "$1,501,000" and insert in place thereof "$2,229,000."

(7) with respect to Klamath Falls Municipal Airport, Klamath Falls, Oreg., strike out "$2,042,000" and insert in place thereof "$2,656,000."

(8) with respect to McGhee-Tyson Airport, Knoxville, Tenn., strike out "$582,000" and insert in place thereof "$817,000."

(9) with respect to Minot site, North Dakota, strike out "$5,339,000" and insert in place thereof "$6,603,000."

(10) with respect to Niagara Falls Municipal Airport, Niagara Falls, N. Y., strike out "$1,748,000" and insert in place thereof "$2,575,000."

(11) with respect to Paine Air Force Base, Everett, Wash., strike out "$1,039,000" and insert in place thereof "$1,199,000."

Under the subheading "Air Materiel Command"—with respect to Searsport Air Force Tank Farm, Searsport, Maine, strike out "$133,000" and insert in place thereof "$329,000."

Under the subheading "Air Training Command"—

(1) with respect to Ellington Air Force Base, Houston, Tex., strike out "$2,816,000" and insert in place thereof "$3,438,000."

(2) with respect to Greenville Air Force Base, Greenville, Miss., strike out "$349,000" and insert in place thereof "$500,000."

(3) with respect to Luke Air Force Base, Phoenix, Ariz., strike out "$1,557,000" and insert in place thereof "$1,923,000."

(4) with respect to Nellis Air Force Base, Las Vegas, Nev., strike out "$1,153,000" and insert in place thereof "$1,837,000."

(5) with respect to Perrin Air Force Base, Sherman, Tex., strike out "$956,000" and insert in place thereof "$1,210,000."

(6) with respect to Randolph Air Force Base, San Antonio, Tex., strike out "$549,000" and insert in place thereof "$730,000."

(7) with respect to Scott Air Force Base, Belleville, Ill., strike out "$1,247,000" and insert in place thereof "$1,862,000."

(8) with respect to Tyndall Air Force Base, Panama City, Fla., strike out "$478,000" and insert in place thereof "$534,000."

(9) with respect to Vance Air Force Base, Enid, Okla., strike out "$871,000" and insert in place thereof "$1,181,000."

(10) with respect to Williams Air Force Base, Chandler, Ariz., strike out "$1,045,000" and insert in place thereof "$1,215,000."

Under the subheading "Air University"—With respect to Maxwell Air Force Base, Montgomery, Ala., strike out "$2,661,000" and insert in place thereof "$3,031,000."

Under the subheading "Continental Air Command"—

(1) with respect to Brooks Air Force Base, San Antonio, Tex., strike out "$590,000" and insert in place thereof "$697,000."

(2) with respect to Dobbins Air Force Base, Marietta, Ga., strike out "$758,000" and insert in place thereof "$859,000."

Under the subheading "Military Air Transport Service"—With respect to Charleston Air Force Base, Charleston, S. C., strike out "$4,032,000" and insert in place thereof "$5,306,000."

Under the subheading "Research and Development Command"—

(1) with respect to Edwards Air Force Base, Muroc, Calif., strike out "$12,429,000" and insert in place thereof "$13,299,000."

(2) with respect to Hartford Research Facility, Hartford, Conn., strike out "$22,375,000" and insert in place thereof "$25,780,000."

(3) with respect to Holloman Air Force Base, Alamogordo, N. Mex., strike out "$4,965,000" and insert in place thereof "$5,637,000."

Under the subheading "Strategic Air Command"—

(1) with respect to Abilene Air Force Base, Abilene, Tex., strike out "$4,214,000" and insert in place thereof "$4,656,000."

(2) with respect to Ellsworth Air Force Base, Rapid City, S. Dak., strike out "$12,380,000" and insert in place thereof "$15,186,000".

(3) with respect to Forbes Air Force Base, Topeka, Kans., strike out "$4,753,000" and insert in place thereof "$5,885,000."

(4) with respect to Great Falls Air Force Base, Great Falls, Mont., strike out "$5,435,000" and insert in place thereof "$6,713,000."

(5) with respect to Hunter Air Force Base, Savannah, Ga., strike out "$4,115,000" and insert in place thereof "$4,951,000."

(6) with respect to Pinecastle Air Force Base, Orlando, Fla., strike out "$4,118,000" and insert in place thereof "$5,559,000."

Under the subheading "Tactical Air Command"—With respect to Larson Air Force Base, Moses Lake, Wash., strike out "$3,574,000" and insert in place thereof "$4,724,000."

Under the subheading "Aircraft Control and Warning System"—With respect to "Various locations" strike out "$100,382,000" and insert in place thereof "$120,382,000."

(b) Public Law 161, 84th Congress, is amended, under the heading "Outside Continental United States" in section 301, as follows:

(1) With respect to Kenai Airfield under the subheading "Alaskan Air Command" strike out "$356,000" and insert in place thereof "$2,247,000."

(c) Public Law 161, 84th Congress, as amended, is amended by striking out in clause (3) of section 502 the amounts "$743,989,000", "$530,563,000" and "$1,279,902,000" and inserting in place thereof "$800,913,000", "$532,454,000" and "$1,338,717,000", respectively.

(d) Public Law 534, 83d Congress, is amended, under the heading "Continental United States" in section 301, as follows: Under the subheading "Air Defense Command" with respect to Klamath Falls Airport, Klamath Falls, Oreg., strike out "$4,133,000" and insert in place thereof "$5,077,000."

(e) Public Law 534, 83d Congress, as amended, is amended by striking out in clause (3) of section 502 the amounts "$405,176,000" and "$415,005,000" and inserting in place thereof "$406,120,000" and "$415,949,000", respectively.

TITLE IV

General Provisions

Sec. 401. The Secretary of each military department may proceed to establish or develop installations and facilities under this act without regard to sections 1136, 3648, and 3734 of the Revised Statutes, as amended. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to provide family housing includes authority to acquire such land as the Secretary concerned determines, with the approval of the Secretary of Defense, to be necessary in connection with that housing. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

Sec. 402. There are authorized to be appropriated such sums as may be necessary for the purposes of this act, but appropriations for public works projects authorized by titles I, II, and III shall not exceed—

(1) for title I: Inside the United States, $86,016,000; outside the United States $29,763,000; section 102, $188,783,000; or a total of $304,562,000;

(2) for title II: Inside the United States, $296,572,000; outside the United States, $61,625,000; section 203, $42,997,000, or a total of $401,194,000; and

(3) for title III: Inside the United States, $661,446,000; outside the United States, $312,834,000; section 302, $163 million; or a total of $1,137,280,000.

Sec. 403. Any of the amounts named in title I, II, or III of this act may, in the discretion of the Secretary concerned, be increased by 5 percent for projects inside the United States and by 10 percent for projects outside the United States. However, the total cost of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

Sec. 404. Whenever—

(1) the President determines that compliance with section 4 (c) of the Armed Services Procurement Act of 1947 (41 U. S. C. 153 (c)) for contracts made under this act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this act; and

(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

Sec. 405. Contracts made by the United States under this act shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with the Armed Services Procurement Act of 1947 (41 U. S. C. 153 et seq.).

Sec. 406. The Secretaries of the military departments may acquire land, and interests in land, not exceeding $5,000 in cost (exclusive of administrative costs and deficiency judgment awards), which the Secretary concerned determines to be urgently required in the interests of national defense. The authority under this section may not, however, be used to acquire more than one parcel of land unless the parcels are noncontiguous or, if contiguous, do not exceed $5,000 in total cost.

Sec. 407. The Secretaries of the military departments may, with the approval of the Secretary of Defense, acquire, construct, rehabilitate, or install permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, to restore or replace facilities damaged or destroyed in a total amount not to exceed $30 million.

Sec. 408. (a) Under such regulations as may be prescribed by the Secretary of Defense, the Secretaries of the military departments may expend out of appropriations available for military construction such amounts as may be required for the establishment and development of military installations and facilities by acquiring, constructing (except family quarters), converting, rehabilitating, or installing permanent or temporary public works determined to be urgently required, including site preparation, appurtenances, utilities, and equipment, for projects not otherwise authorized by law when the cost of the project is in excess of $25,000 but not in excess of $200,000, subject to the following limitations:

(1) No such project, the cost of which is in excess of $50,000, shall be authorized unless approved in advance by the Secretary of Defense.

(2) No such project, the cost of which is in excess of $25,000 shall be authorized unless approved in advance by the Secretary of the military department concerned.

(3) Not more than one allotment may be made for any project authorized under this section.

(4) The cost of conversion of existing structures to family quarters may not exceed $50,000 in any fiscal year at any single facility.

(b) The Secretaries of the military departments may expend out of appropriations available for maintenance and operation amounts necessary to accomplish a project which, except for the fact that its cost does not exceed $25,000, would otherwise be authorized to be accomplished under subsection (a).

(c) The Secretary of Defense shall report in detail semiannually to the Armed Services Committees of the Senate and the House of Representatives with respect to the exercise of the authorities granted by this section.

(d) Section 26 of the act of August 2, 1946 (60 Stat. 853, 856; 34 U. S. C. 559), is repealed.

Sec. 409. (a) The Secretary of Defense, acting through the Secretary of a military department, may provide family housing for the Chairman of the Joint Chiefs of Staff and certain commissioned officers and enlisted personnel attached to his staff by the construction or rehabilitation of five sets of family housing, and emergency communication facilities, without regard to the second proviso of section 3 of the act of June 12, 1948 (62 Stat. 375, 379), or section 3 of the act of June 16, 1948 (62 Stat. 459, 462).

(b) Appropriations not to exceed $300,000 available to the military departments for military construction may be utilized for the purposes of this section without regard to the limitations on the cost of family housing otherwise prescribed by law.

Sec. 410. As of July 1, 1957, all authorizations for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in acts enacted before July 15, 1952, and not superseded or otherwise modified by a later authorization are repealed, except—

(1) authorizations for public works and for appropriations therefor that are set forth in those acts in the titles that contain the general provisions;

(2) authorizations for public works projects as to which appropriated funds have been obligated in whole or in part before July 1, 1957, and authorizations for appropriations therefor;

(3) the authorization for the rental guaranty for family housing in the amount of $100 million that is contained in section 302 of Public Law 534, Eighty-second Congress; and

(4) the authorizations for public works and the appropriation of funds that are contained in the National Defense Facilities Act of 1950, as amended (50 U. S. C. 881 and the following).

Sec. 411. (a) The first paragraph of section 407 of the act of September 1, 1954 (68 Stat. 1119), as amended, is further amended to read as follows:

"In addition to family housing and community facilities otherwise authorized to be constructed or acquired by the Department of Defense, the Secretary of Defense is authorized, subject to the approval of the Director of the Bureau of the Budget, to construct, or acquire by lease or otherwise, family housing for occupancy as public quarters, and community facilities, in foreign countries through housing and community facilities projects which utilize foreign currencies to a value not to exceed $250 million acquired pursuant to the provisions of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454) or through other commodity transactions of the Commodity Credit Corporation."

(b) There are authorized to be appropriated to the Secretaries of the military departments such amounts other than foreign currencies as are necessary for the construction, or acquisition by lease or otherwise, of family housing and community facilities projects in foreign countries that are authorized by section 407 of the act of September 1, 1954 (68 Stat. 1119), as amended, but the amount so appropriated for any such project may not be more than 25 percent of the total cost of that project.

Sec. 412. Section 515 of the act of July 15, 1955 (69 Stat. 324, 352) is amended to read as follows:

"Sec. 515. During the fiscal years 1956, 1957, and 1958 the Secretaries of the Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near military tactical installations for assignments as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense or his designee that there is a lack of adequate housing facilities at or near such military tactical installations. Such housing facilities shall be leased on a family or individual unit basis and not more than 3,000 of such units may be so leased at any one time. Expenditures for the rental for such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed $150 a month for any such unit."

Sec. 413. The net floor area limitations prescribed by section 3 of the act of June 12, 1948 (5 U. S. C. 626p) do not apply to 47 units of the housing authorized to be constructed at the United States Air Force Academy by the act of April 1, 1954 (68 Stat. 47). The net floor area limitations for those 47 units are as follows: 5,000 square feet for 1 unit for the superintendent; 3,000 square feet for each 2 units for deans; and 1,750 square feet for each of 44 units for department heads.

Sec. 414. Section 3 of the National Defense Facilities Act of 1950, as amended (50 U. S. C. 882), is further amended by striking out clause (a) and inserting in place thereof the following:

"(a) acquire by purchase, lease, or transfer, construct, expand, rehabilitate, convert and equip such facilities as he shall determine to be necessary to effectuate the purposes of this act, except that expenditures for the leasing of property for such purposes may be made from appropriations otherwise available for the payment of rentals and without regard to the monetary limitation otherwise imposed by this section;".

Sec. 415. To the extent that housing is to be constructed at a military installation under title IV of the Housing Amendments of 1955 (69 Stat. 635, 646), any outstanding authority under the act of September 1, 1954 (68 Stat. 1119), the act of July 15, 1955 (69 Stat. 324), and this act to provide housing at that installation may be exercised at other military installations of the department concerned.

Sec. 416. The Secretaries of the military departments are authorized to contract for the storage, handling, and distribution of liquid fuels for periods not exceeding 5 years, with option to renew for additional periods not exceeding 5 years, for a total not to exceed 20 years. This authority is limited to facilities which conform to the criteria prescribed by the Secretary of Defense for protection, including dispersal, and also are included in a program approved by the Secretary of Defense for the protection of petroleum facilities. Such contracts may provide that the Government at the expiration or termination thereof shall have the option to purchase the facility under contract without regard to sections 1136, 3648, and 3734 or the Revised Statutes, as amended, and prior to approval of title to the underlying land by the Attorney General: *Provided further*, That the Secretaries of the military departments shall report to the Armed Services Committees of the Senate and the House of Representatives with respect to the names of the contractors and the terms of the contracts, the reports to be furnished at times and in such form as may be agreed upon between the Secretaries of the military departments and the Committees on Armed Services.

Sec. 417. In the design of the family housing and other repetitive-type buildings in the Continental United States authorized by this act, the military departments shall, to the extent deemed practicable, use the principle of modular design in order that the facility may be built by conventional construction, on site fabrication or factory fabrication, whichever the successful bidder may elect.

Sec. 418. Notwithstanding the provisions of any other law, no contract shall be entered into by the United States for the construction of family housing units by or for the use of military or civilian personnel of any of the military services of the Department of Defense unless such housing has been justified to the Armed Services Committees of the Senate and House of Representatives.

Sec. 419. Section 404 of the Housing Amendments of 1955 is amended to read as follows:

"Sec. 404. Whenever the Secretary of Defense or his designee deem it necessary for the purposes of this title, he may acquire by purchase, donation, or other means of transfer (but not by condemnation), any land or (with the approval of the Federal Housing Commissioner) any housing financed with mortgages insured under the provisions of title VIII of the National Housing Act as in effect prior to the enactment of the Housing Amendments of 1955. The purchase price of any such housing shall not exceed the actual cost (as that term is defined in section 227 (c) of the National Housing Act with respect to new construction) of the housing as determined by the Commissioner less depreciation thereon at a rate of 2 percent per annum, less the amount of accumulated unexpended reserves for replacement, and less the principal amount and accrued interest under any mortgage or other indebtedness outstanding thereon and assumed by the Government. Property acquired under this section may be occupied, used, and improved for the purposes of this section prior to the approval of title by the Attorney General, as required by section 355 of the Revised Statutes, as amended. The authority so to acquire housing may be exercised by acquiring the capital stock of a corporation owning and operating housing financed with mortgages insured under the provisions of title III of the National Housing Act as in effect prior to the enactment of the Housing Amendments of 1955, but without deduction for such reserves for replacement as are held by the corporation at the time of the transfer of the capital stock to the Government."

Mr. VINSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the Record at this point and be open to amendment at any point in the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Vinson: On page 8, strike all of section 104 and on line 25, change "Sec. 105" so as to read "Sec. 104".

Mr. VINSON. Mr. Chairman, in explanation of the amendment just offered, may I say that section 104 designated certain camps as permanent installations. In view of a communication received on March 21 from the Secretary of the Army designating, in his capacity as Secretary of the Army, the identical camps as permanent, I, therefore, desire to strike from the bill section 104.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Vinson].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I ask unanimous consent to insert at this point in the Record the letter received from the Secretary of the Army.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

(The letter referred to follows:)

March 21, 1956.

Hon. Carl Vinson,
Chairman, Committee on Armed Services, House of Representatives.

Dear Mr. Chairman: This letter will confirm my personal conference with you this morning.

You will recall that General Taylor and I, in January of this year, discussed with you Army plans for a review of Army installations. At that time I agreed that the Army would be prepared to inform you by April 15 of those posts within the continental United States which it felt justified as designating permanent installations.

I am pleased to be able to inform you that the Army studies on this subject have been completed. After a careful review of the recommendations of the Army staff, I am today designating Camp Gordon, Ga., Camp Stewart, Ga., Fort Jackson, S. C., Camp Chaffee, Ark., and Fort Leonard Wood, Mo., as permanent Army installations. My decision with respect to these five stations is based entirely upon military requirements and long-range estimates pertaining to the strength of the Army. I am confident that you and the members of your committee will support my decision in this respect.

The designation of the five stations mentioned in the preceding paragraph represents a maximum estimate as to future requirements for Army Forces in the United States under planned worldwide deployments. I do not anticipate that any extension of permanent Army establishments, including the five stations in question, can be justified within the foreseeable future.

Sincerely yours,

Wilber M. Brucker,
Secretary of the Army.

Mr. VINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Vinson: On page 29, following line 21, insert the following language:

"Majors Field, Greenville, Tex.: Operational and training facilities, and land acquisition, $440,000: *Provided, however*, That none of the funds here authorized for appropriation shall be expended until the field has been recaptured by the United States."

Mr. VINSON. Mr. Chairman, the purpose of this amendment is to have the Air Force recapture a field at this designated point in Texas. After it has been recaptured and the title to the field is back in the Government, then we authorize an expenditure of $440,000 for improvement of the base.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time because during the early part of general debate I asked the gentleman from Georgia a question concerning the Grandview Air Force Base, which I prefer to call the Truman Airport at Kansas City. The gentleman from Georgia at that time said he would have some information later. My question is, How much has been expended on this Truman Airport at Kansas City up to this time?

Mr. VINSON. Knowing the interest of the distinguished gentleman from Iowa in a great many of these things, and knowing he would propound some inquiry along this line, here are the facts: The total amount of construction authorized for this installation for the fiscal year 1955 is $3,402,000.

Mr. GROSS. That is the airbase?

Mr. VINSON. Total amount of funds applied to this authorization through fiscal year 1955 is $15,600,000. The fiscal year 1956 military construction program contains line items in the amount of $3,402,000. I knew the gentleman was going to ask for that information, so I am happy to give it to him.

Mr. GROSS. That is the deal that started out at $9 million, then went to $13 million, and now is going to come to what?—$19 million or something like that before they get through with it?

Mr. VINSON. Well, I will give you the whole history if you want it.

Mr. GROSS. No; I do not want the whole history. But, would you mind answering this question? Have they gotten rid of the septic tanks out there?

Mr. VINSON. I am sorry. I do not know. But I will ask my committee to designate the gentleman from Missouri [Mr. Short], or someone else, to go down and find out.

Mr. GROSS. Another question I would like to ask the gentleman is this: Has the Continental Air Command been moved down there yet?

Mr. VINSON. No, it has not.

Mr. GROSS. And never will be, will it?

Mr. VINSON. I doubt it.

Mr. GROSS. And we were sold this bill of goods on the premise that the Continental Air Command would be moved to Grandview?

Mr. VINSON. This is a very important base to that great section of the country. I think all of this information should place the gentleman in a very receptive mood so that he will take the viewpoint of the Committee on Armed Services on this bill.

Mr. GROSS. I have fought this deal for a long time, but I think I know when I am licked, so I am not going to offer an amendment to the Grandview appropriation. Now I see a provision in this bill for a $300,000 appropriation to build a housing setup for the Chairman of the Joint Chiefs of Staff. I wonder if the gentleman would explain that.

Mr. VINSON. With pleasure. In the last authorization bill that same item appeared, but when it reached the Senate it was deleted and we could not place it back in conference. So, again this year we bring it before the Committee for its consideration. Now, the plan is this: There is no permanent residence for the Chairman of the Joint Chiefs of Staff. It is proposed to construct on what is known as the Naval Observatory site up on Massachusetts Avenue two or three buildings for him and his assistants which will cost in the neighborhood of $300,000. This includes a very important communications center. The Chairman of the Joint Chiefs of Staff must have some of his officers with him all the time, and it is highly important that facilities be made available to his close personnel who must carry out his orders promptly.

Mr. GROSS. Does the gentleman not think he is going overboard with a $300,000 appropriation for this purpose?

Mr. VINSON. Of course, it does not mean just one building; it means several houses up there will cost that much. Those and the important communications facility.

Mr. GROSS. Even if you divide 5 into $300,000, you have some pretty expensive buildings going up there to house the Chairman of the Joint Chiefs of Staff and the people that attend him.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. VINSON. Mr. Chairman, if the gentleman will yield further, there are 59 officers in this area that have homes provided by the Congress and maintained. Now, the Chairman of the Joint Chiefs of Staff has no permanent domicile fixed by the Congress.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. SHORT. In further answer, we all know that the Commandant of the Marine Corps has a very fine residence here in Washington, as well as the Chief of Naval Operations. These buildings provided for in this authorization will be erected on ground already owned by the Government. Not only will the money be spent on the homes, but a rather extensive communications system will be set up. And, if we should ever have another Pearl Harbor, we would not want the Chairman of the Joint Chiefs of Staff, the most powerful military man not only in our own Nation but perhaps in the world, to be without adequate quarters.

Mr. GROSS. I do not think we would like to see the Vice President of the United States wiped out in a bombing raid, either, but we do not provide him with a $300,000 home.

Mr. SHORT. They should have done it a long time ago.

Mr. GROSS. I do not agree with the gentleman. In my opinion, there are plenty of houses available, for instance, at Fort McNair. What is wrong with those houses?

Mr. SHORT. Well, those houses are already occupied. They have a shortage.

Mr. GROSS. Then, let us move somebody out.

Mr. SHORT. Certainly we should have a respectable, decent home for the Chairman of the Joint Chiefs of Staff that is commensurate with his dignity and importance in the management of affairs of the most powerful nation on earth.

Mr. GROSS. The question is, Should we pay out money at the rate of $300,000 for a house?

Mr. SHORT. This $300,000 is not for a house. It is for houses and an intercommunication system.

Mr. GROSS. I think the gentleman well knows that the bulk of the $300,000 will go into a house.

Mr. SHORT. It should.

Mr. GROSS. For one person, the Chairman of the Joint Chiefs of Staff?

Mr. SHORT. It should.

Mr. GROSS. That is for 1 house, to house 1 man and his family. I do not agree with that at all. I think you are going far overboard. You are going to build something here that will come close to being goldplated. I do not think we are in a position in this country today to finance that sort of thing.

Mr. SHORT. Today $300,000 does not build too fine a house in Washington.

Mr. GROSS. The gentleman from Missouri says that $300,000 does not build a good house?

Mr. SHORT. It is the same as an item we approved last year.

Mr. GROSS. I will say to the gentleman that I intend to offer an amendment to strike it out. It probably will not succeed.

Mr. SHORT. I do not think it will.

Mr. GROSS. I am certainly going to try to stop it. I do not seem to have much luck on items of that kind, but I shall try.

I should like to ask the chairman of the committee this question. Do I understand that there is $800 million in this bill for overseas bases?

Mr. VINSON. The total amount for the Army overseas is $29,763,000; for the Navy, $61,625,000; for the Air Force, $312,834,000. About $400 million of the $2 billion represent authorizations outside of the United States.

Mr. GROSS. In other words, approximately half a billion dollars will go for installations outside the United States?

Mr. VINSON. For various things.

Mr. GROSS. The gentleman cannot tell us where those bases are? I suppose that is classified.

Mr. VINSON. I may say that they are all over the world. If the gentleman will examine the report, the report will give him as much information as to where they are located as it is possible to divulge publicly.

Mr. GROSS. Can the gentleman tell us whether there is any money in this bill to expand or to build airbases in Iceland?

Mr. VINSON. It is not listed.

Mr. SHORT. If the gentleman will allow, the gentleman will get a complete list of these projects if he will turn to the report at pages 42 and 43.

Mr. GROSS. I am very much interested in the proposed expenditure for overseas purposes.

Mr. SHORT. We all are.

Mr. GROSS. Because we are learning that many of these nations are going neutral on us. I wonder what is going to happen to the installations for which we are making expenditures if these nations become neutrals at a time when we are going to need them most. I wonder how much of this money ought to be expended on overseas bases.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. I do not think the gentleman need worry about this item as much as some of the others, because they cannot transfer this house to Russia or any other nation. It is going to be in this country.

Mr. GROSS. I was not talking about that $300,000 house; I was talking about the military installations in foreign countries upon which we have already expended billions of dollars and upon which it is now proposed to spend another half billion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Vinson].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer an amendment. I desire to state to the Committee that this is what is known as the SAGE amendment which was printed in the Record.

The Clerk read as follows:

> Amendment offered by Mr. Vinson: On page 51, strike all of section 303 and insert in lieu thereof the following new section 303:
>
> "Sec. 303. Section 1 of the act of March 30, 1949 (ch. 41, 50 U. S. C. 491), is amended by the addition of the following:
>
> "'The Secretary of the Air Force is authorized to procure communication services required for the Semiautomatic Ground Environment System. No contract for such services may be for a period of more than 10 years from the date communication services are first furnished under such contract. The aggregate contingent liability of the Government under the termination provisions of all contracts authorized hereunder may not exceed a total of $222 million, and no termination payment shall be final until audited and approved by the General Accounting Office, which shall have access to such carrier records and accounts as it may deem necessary for the purpose. In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas. Negotiations with communication common carriers including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949, as amended (40 U. S. C. A., sec. 481)'."

Mr. VINSON. Mr. Chairman, this amendment was discussed during the presentation of the rule and also when I addressed the Committee during general debate. The amendment was placed in the Congressional Record on last Tuesday. I understand that it is in thorough accord with the viewpoints of all the gentlemen who have interested themselves with the Committee on Armed Services on this matter.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. BROWN of Ohio. Does this amendment apply to the matter of SAGE that was discussed on the floor during general debate, at which time the gentleman paid a very kindly tribute to the gentleman from Massachusetts [Mr. McCormack] and myself?

Mr. VINSON. It does, and I am going to do so again.

Mr. BROWN of Ohio. I intended to show my wife that kindly reference in the Congressional Record and I could not find it in the Record. I just wondered if the gentleman would be willing to reinsert it in the Record so that Mrs. Brown and Mrs. McCormack could know that Mr. McCormack and I were doing something that was of benefit to our country.

Mr. VINSON. I am going to do that right now.

Mr. BROWN of Ohio. And will the gentleman permit it to remain in the Record? I would appreciate having that comment again.

Mr. VINSON. Recognizing the fact that I have to be before the Rules Committee in a few days, I will be sure to have it in the Record.

Mr. BROWN of Ohio. We are waiting for the gentleman's appearance before the Rules Committee.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. In the rapid reading by the Clerk of the amendment, I was not able to catch all of the last phrase about appearance before State and Federal regulatory bodies.

Mr. VINSON. We are following the law as it is today.

Mr. SCRIVNER. Would the gentleman mind stating briefly what this section 201 is about? I am not familiar with it myself.

Mr. VINSON. The amendment reads in part as follows:

> In procuring such services, the Secretary of the Air Force shall utilize to the fullest extent the facilities and capabilities of communication common carriers, including cooperatives, within their respective service areas. Negotiations with communication common carriers, including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949.

The basic act reads:

> *Provided*, That contracts for public utility services may be made for periods not exceeding 10 years; and
>
> (4) with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies;
>
> *Provided*, That the Secretary of Defense may from time to time, and unless the President shall otherwise direct, exempt the National Military Establishment from action taken or which may be taken by the Administrator under clauses (1), (2), (3), and (4) above whenever he determines such exemption to be in the best interests of national security.

Mr. SCRIVNER. I thank the gentleman.

Mr. VINSON. Mr. Chairman, I have a very well prepared statement giving some detail about this amendment, and it is as follows:

I wish to draw the particular attention of the House to the last sentence of the amendment which I have just offered. That sentence reads as follows:

> Negotiations with communication common carriers, including cooperatives, and representation in proceedings involving such carriers before Federal and State regulatory bodies where such negotiations or proceedings involve contracts authorized by this paragraph shall be in accordance with the provisions of section 201 of the act of June 30, 1949, as amended (40 USCA, sec. 481).

The law which I have cited gives the Administrator of General Services Administration authority to represent agencies of the Government, including the Defense Department, in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies.

So far the authority granted is entirely clear. However, the language in the law immediately following that which I have just quoted permits the Secretary of Defense, on his own initiative, to exempt the Department of Defense from the exercise of the authority granted to the Administrator of General Services. That means that when the Secretary has exempted himself, the General Services is excluded from any of the activities which are the subject of the law which I quoted.

The only thing which can prevent the Secretary of Defense from exempting himself is for the President to "otherwise direct." If the President otherwise directs, then the General Services steps in the picture and performs all of the functions which are described in the law.

The authority given the General Services Administration is an important authority and it was granted to that agency by the Congress with the thought that the General Services Administration should maintain a proper surveillance of the utility contracts entered into by the United States. I believe this was a wise provision of law.

I am aware that former President Truman took proper and strong action to prevent any exemption by the Department of Defense under section 201 (a), which was to the effect that General Services Administration should participate actively in these utility contracts. However, President Eisenhower revoked former President Truman's letter so that today the Secretary of Defense is free to exempt himself, and, therefore, General Services Administration has no voice in these matters.

If the Secretary of Defense does exempt himself, it simply means that the Department of Defense is in the position of being both the contracting party and the representative of the Federal Government.

I might say that it is the intention of the committee to closely follow and watch any rates charged for communication services in any contracts made under the provisions of this section and, particularly so, if the Secretary of Defense should exempt the Defense Department from any jurisdiction by the Administrator of General Services, and if the President does not direct otherwise. The committee is cooperating as effectively as possible with the Defense Department, but recognizes that this field is a very delicate one, in which the interest of the Federal Government should be adequately and thoroughly protected.

I sincerely trust that the Secretary of Defense will not exempt the Department of Defense. The effect of that would be to eliminate the General Services Administration from any consideration of these very important matters. If the Secretary seeks to exempt himself, I sincerely trust that President Eisenhower will, in accordance with the law and the intent of the law, "direct otherwise" and thereby bring the General Services Administration into the picture.

I believe that the House and the country owe a debt of gratitude to the gentleman from Massachusetts [Mr. McCormack], the gentleman from Ohio [Mr. Brown], and the gentleman from

Virginia, Judge Smith, and to the House Armed Services Committee for the devoted manner in which we both have studied and pursued all of the phases relating to the SAGE system. It is through their combined efforts that the estimated annual cost of communication services for SAGE, after it is in full operation, have been cut from $240 million a year to $157 million a year. This is a savings of $83 million per year, or a savings of $830 million over the 10-year period.

I repeat, in my judgment the House and the country owe a debt of gratitude to our distinguished colleague, to the distinguished gentleman from Massachusetts [Mr. McCormack], and I wish to so state publicly.

Again, I want to take this opportunity publicly to express my appreciation and I am sure the thanks of the Congress and the country at large for the deep interest that the distinguished gentleman from Massachusetts [Mr. McCormack], the distinguished gentleman from Ohio [Mr. Brown], the distinguished gentleman from Viriginia [Mr. Smith], and the entire 37 members of the Committee on Armed Services have shown and the part they have played in bringing about a reduction from $240 million in annual charges down to $157 million or a saving of some $83 million a year. As this is a 10-year contract, the scrutiny by these gentlemen and others will bring about a saving of $830 million. I think all who played any part in this are entitled to the thanks of the Congress and the country for that saving. I think this bears the repetition I have given it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Vinson].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. Vinson: On page 59, lines 3 and 4, strike "$292,572,000" and insert "$296,572,000"; and on line 5, strike "$397,194,000" and insert "$401,194,000."

Mr. VINSON. Mr. Chairman, this amendment is a technical amendment merely correcting certain figures in the bill. The bill is loaded down with figures of all sorts and, of course, they must be made accurate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Vinson].

The amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a little earlier in the day the gentleman from Maryland [Mr. Devereux] made some very effective remarks during which he said in substance that the Department of Defense at times places Members of the Congress in a very bad position by some of the things that are done. The delegation from the State of Massachusetts can well subscribe to that fact. We have in Massachusetts the Murphy Army General Hospital. The Members are well acquainted with that hospital because the Department of Defense for the last 2 fiscal years have been trying to close it. But the House of Representatives very wisely and very kindly and very generously followed the request and the recommendation of the united Massachusetts delegation in this body and put in the appropriation bill the necessary money to keep the Murphy Army General Hospital open during the last fiscal year, and the present fiscal year. We received assurances that if the appropriations necessary were put into the bill that the hospital would be kept open during the fiscal year for which funds were appropriated. They kept that promise in the last fiscal year. For the present fiscal year, money has been appropriated to keep it open until June 30, 1956. But, we are faced with a rather unpleasant situation where the Department of Defense has utilized some of the space in the Murphy Army General Hospital for Air Force activities, and while that is inconsistent with the understanding which we thought existed, nevertheless, it was not a sufficient occupation of space to destroy completely the effectiveness of the hospital as such.

We now find that they are going to move the Army engineers in there, and that plans are under way to do so, and that this is being done administratively. Now if that is done before June 30, and before we have an opportunity to pass upon the Defense Department appropriation bill, at least as one member of the Massachusetts delegation, I shall consider that such action is inconsistent with the expressed or implied promises made to the Massachusetts delegation.

Mr. NORRELL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will be glad to yield to the gentleman from Arkansas, because the Arkansas delegation is in a similar situation.

Mr. NORRELL. I would like to say that the entire delegation from Arkansas goes along with you on your Massachusetts hospital, as well as that great Army and Navy hospital in Arkansas. Those two hospitals ought not to be closed, and I hope that the Armed Services will see to it that as far as they are concerned they are not closed, and I am sure the Appropriations Committee will do likewise.

Mr. McCORMACK. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It seems incredible to me that this hospital should be closed at this time. When we hear that civilian defense is asking for more beds and more hospitals, when all of our hospitals in Massachusetts are so crowded that we cannot get people in, then to close it when the East is so inflamed, it seems to me incredible. I do not understand it. My own feeling is that many of the people who have suggested closing it will regret it. What on earth will we do if we suddenly have a lot of wounded people, or if we have an epidemic? I have tried to get people into civilian hospitals and could not do it, and in two instances they died. I speak with great feeling.

Mr. McCORMACK. May I ask the gentlewoman if the statement I just made, that the Massachusetts delegation understood, either expressly or by implication, that if the Congress put in the necessary appropriation to keep the hospital open for this fiscal year, they would do so during the fiscal year?

Mrs. ROGERS of Massachusetts. Yes. That was my very definite understanding. One reason they did not have more patients at the Army hospital is because they have been shipping them out everywhere where they should not go. There are a great many women who expect to have their babies there. I do not know where they can go if they cannot go to this hospital.

Mr. McCORMACK. So, we are faced with this situation, that administratively they are moving in there other activities for nonhospital purposes. I have no controversy with the Army engineers, because they have to go where they are told to go, but if they go in the hospital, then the hospital is destroyed for hospital purposes. If the money is carried in the next appropriation bill to keep it open, they will say "Why, the hospital is closed."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. McCormack was granted 5 additional minutes.)

Mr. McCORMACK. It is closed. May I make one further observation? Several weeks ago we passed a bill unanimously to provide additional medical services for dependents of men in the service. We wisely did so. Men who are in the service in all parts of the world, serving their country, must know their dependents are taken care of. The gentleman from Georgia [Mr. Vinson] handled that bill, and it was a very, very fine bill, and it was passed unanimously. Naturally, that bill will require additional hospitalization.

I wrote the Secretary of the Army calling his attention to that fact in relation to Murphy General Hospital, and I suggest that my friend from Arkansas [Mr. Norrell] keep that bill in mind also in relation to the hospital in Arkansas.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GAVIN. I listened with a great deal of interest to what the gentleman has had to say about the Murphy General Hospital and I concur in everything the gentleman has stated. As a member of the subcommittee of the Armed Services Committee, several years ago we spent several days visiting Murphy General Hospital. There has been an attempt made to close that hospital for the past several years. I agree with what you have to say about the hospital. Murphy General Hospital is a very important segment of the hospital program in the Boston area. It is a facility that is greatly needed throughout that section of the country. It is utilized and necessary. What the objective is to close the hospital I cannot understand, but several years ago we conducted a very thorough investigation of the Murphy General Hospital and the committee determined

it was essential to the hospital program in the entire Boston area. I assure the gentleman that I will be only too pleased to cooperate in any way I can to see that the Murphy General Hospital remains in operation. It is doing a great and needed work and it is essential that it should be continued. It would be in my opinion a serious mistake to close this institution. This matter should be pursued futher to see that this hospital remains in operation.

Mr. McCORMACK. I appreciate the remarks of the gentleman from Pennsylvania.

May I say the Army Engineer Headquarters should be in Boston. The hospital is out in Waltham, and it will cost four or five hundred thousand dollars for the Army engineers to go in there. There is a new Federal lease-purchase building proposed for Boston, and it is intended that the Army engineers will occupy at least 100,000 square feet of space in there, if a certificate of deed comes from the Defense Department. The Army Engineer Headquarters belongs properly in Boston.

Mr. PHILBIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. PHILBIN. I want to associate myself completely with the most appropriate remarks made by the majority leader. Repeatedly, year after year, we have been assured by the Defense Department that the Murphy General Hospital would remain open to serve our armed services personnel and their dependents. There is a real, urgent need for it. If it is to be deactivated, as is now proposed, and steps are already under way to that end—the equipment is being moved; patients are refused admission; personnel is being reassigned, then we will be without a general Army hospital in Massachusetts for the first time in a great many years.

In these circumstances, it will be necessary for those requiring medical treatment to which they are entitled as members of the armed services in an Army general hospital, to travel all the way to Phoenixville, Pa., to secure it.

I think this situation is something that requires our careful, immediate attention. I would like to commend the able majority leader for setting forth the facts and the urgency so clearly, succinctly, and forcefully. I assure him of my complete cooperation and hope his and our combined efforts to clear and settle this question will be successful at a very early date.

Mr. McCORMACK. I appreciate the gentleman's remarks.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JOHANSEN. Do I understand the distinguished majority leader to say that the hospital is still operating but that currently military installations are being put in the same building?

Mr. McCORMACK. Yes.

Mr. JOHANSEN. I am most interested in that because at the time of the closing of the Percy Jones Hospital in Battle Creek, my distinguished predecessor, Mr. Shafer, sought to secure the transfer to Percy Jones of the Armed Services Medical Program Agency with the understanding that a military plant or hospital would be maintained in that Government-owned installation. At that time he was told by the Defense Department that it was impossible to have a military installation in the same property as a hospital because it would deny to that hospital the protection of the Geneva Convention. At that time my distinguished predecessor responded to that argument that it was completely farcical and fantastic. I want to know whether that argument is still relied on by the Defense Department.

Mr. McCORMACK. In reply to the gentleman's statement I may say that there was a distinct understanding that this hospital would be operated during this fiscal year. Plans are now under way to occupy a great majority of the space there so there will be no hospital and then when we make an effort to get appropriations for next year they will make the argument that there is no hospital there.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCormack] be allowed to proceed for 1 additional minute.

Mr. CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I would like to remind the House that some years ago when the Murphy General Hospital was closed at great expense, a few months afterwards war was declared and it had to be reopened at great expense. I am very suspicious and superstitious that they should want to close this hospital with the situation as difficult and precarious as it is today regarding a world conflagration.

Mr. McCORMACK. All I ask is that they agree to keep this hospital open the balance of this year until Congress has an opportunity of determining whether or not there should be appropriations made to keep it open during the next fiscal year.

My remarks apply also to the Arkansas Hospital. I think good faith requires them to keep the expressed or implied promise they have given to the Massachusetts delegation.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. VINSON. Mr. Chairman, has the amendment been voted on?

The CHAIRMAN. Not yet.

Mr. VINSON. I ask for a vote on the Vinson amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Vinson].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. Vinson: On page 57, strike all of lines 6 through 9 and on line 10 following the word "Congress," insert the words "as amended,"; and on lines 12 and 13, strike the figures "$458,563,000" and "$1,207,902,000" and insert in lieu thereof "$530,563,000" and "$1,279,902,000".

Mr. VINSON. Mr. Chairman, this is a reduction of $72 million in the bill due to the fact that that item was taken from this bill and put in another bill which has already passed the House and Senate and has been signed by the President. The $72 million, therefore, should come out of the pending bill.

Mr. METCALF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I join in the remarks made by the distinguished gentleman from Georgia, chairman of the Committee on Armed Services, about the saving as a result of the alertness of the gentleman from Massachusetts [Mr. McCormack], in connection with these SAGE contracts. I include as a part of my remarks the following editorial taken from the Boston Sunday Post of April 8, 1956:

McCormack's Scrutiny of SAGE Contracts Results in Projected $830 Million Saving

(By John Kelso)

Washington, April 7.—House Majority leader John W. McCormack, of Boston, has made a projected saving of $830 million for the American taxpayers.

This whopping pre-April 15 saving resulted from the close scrutiny McCormack gave the contracts setting up the multibillion-dollar program known as SAGE—semi-automatic ground environment.

SAGE will complement DEW—distant early warning line—to form a protective radar screen in the atomic age around the United States.

When plans for SAGE first hit Capitol Hill one figure in them called for an annual 10-year expenditure of $240 million.

This has since been pruned to $157 million—a saving of $83 million a year, or $830 million for 10 years.

McCormack stood virtually alone in Congress in his determination to get a much closer look at the costs involved in SAGE.

His fight has also meant that Congress first must authorize the project before any funds can be appropriated for it. It was planned originally to push SAGE through by means of a budget item.

Legislation which would authorize SAGE will reach the House floor this coming Thursday. There is a distinct possibility, it was said, that further cuts in the program will be made after this open debate.

The exact item on which the $83 million annual cut was made, acording to a transcript of a hearing, involved the yearly payments of the Government for the use of telephone lines essential to the continental defense project.

Mr. Chairman, as a result of the publicity that the distinguished majority leader gave to this last fall, the rural telephone companies throughout the United States were aware of their part in this SAGE organization. Some of them wrote to me. I have taken the floor and come down to the well of the House twice to discuss this matter with Members of the House and members of this committee. As a result of the publicity initiated by the majority leader, the rural telephone companies were aware of the part they were going to play in this vast SAGE organization.

When I presented the matter to the committee, the chairman of the Committee on the Armed Services, and the members of that committee, gave me a very courteous and attentive hearing and wrote into this bill and into the report language which I believe protects to the utmost the interest of the rural telephone companies. However, after the hearing before the committee and after the courtesy that was shown and after the distinguished gentleman from Georgia directed the Armed Forces to permit the rural telephone companies to participate in SAGE, a representative of the rural telephone companies had a conference with a representative of the Air Force. That was an unsatisfactory conference because the Air Force said: "Well, you, the rural telephone companies, are represented by the Bell System, or you are represented by the independent telephone companies."

As a result of that, the head of the National Rural Electric Cooperative Association, who was representing the rural telephone companies, said:

> Our people do not feel they are getting a fair shake in this matter. They want some representation in the SAGE project other than that of the Bell companies and the United States Independent Telephone Association.

Since then, however, the Bell companies have by letter to Mr. Riggs Shepperd, president, National Telephone Cooperative Association, said:

> I have been asked by this company—

American Telephone & Telegraph Co.—

> to inform you that it would be happy to have a representative of your organization as one of its members—

Of the Industry Committee.

After I received a copy of this letter yesterday I called the Air Force and they said they would be happy also to have a representative of the Rural Telephone Association on the Industry Committee. So I feel as a result of the activities of the Armed Services Committee and its distinguished chairman, and as a result of the publicity that the distinguished majority leader gave this matter last year, the interests of the rural telephone companies are now adequately and amply protected.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. METCALF. I yield to the gentleman from Georgia.

Mr. VINSON. I want to thank the gentleman for the contribution he has made, for it was he who brought to the attention of the House and the committee the importance of including the local telephones and the co-ops in this SAGE program.

Mr. METCALF. And the gentleman from Georgia deserves and merits the thanks of the rural telephone companies everywhere for his contribution.

(The letter to Mr. Sheppard is as follows:)

APRIL 10, 1956.

Mr. RIGGS SHEPPARD,
President, National Telephone Cooperative Association, South West Texas Telephone Cooperative, Inc., Hondo, Tex.

DEAR RIGGS: I had expected to hear from you before this time with regard to the selection of a representative of the National Telephone Cooperative Association for the Industry Coordinating Committee for SAGE. As we discussed on April 3, following Mr. Thiessen's request to Mr. Todd, of the Mountain States Telephone & Telegraph Co. that your association be represented, this committee asked me to inform you that it would be happy to have a representative of your organization as one of its members assuming he has the necessary security clearance.

The industry committee, as I mentioned to you, includes representatives from the Lincoln Laboratories, Bell Laboratories, the Air Defense Engineering Service, Western Electric, manufacturers of independent telephone equipment, USITA, and Rural Electrification Administration as well as representatives of the operations and engineering department of A. T. & T. The committee's primary responsibility is to consider industry proposals and coordinate the provision of telephone facilities and equipment for the various SAGE sites. Their activities relate principally to the technical considerations involved in the installation and maintenance of the telephone and signaling equipment required.

As explained to you the committee has no responsibility for the location of SAGE sites and only comes into the picture after a site has been established by the Air Defense Command and the orders have been issued by the ADC for the provision of the facilities required. It was my impression after we had discussed the committee's responsibility that you would like to check further with some of your members and officials and would let me know your desires.

As I indicated in our telephone conversation, we will be very happy to assist your association in any way practical in obtaining security clearance for your representative if it is decided that you would like to have someone on the Industry Committee.

We also discussed the possibility of furnishing you with site location information, facility requirements, etc., as soon as such advice is received from the Air Defense Command and it is determined that the location is in the operating area of one of your members. As you probably know, for the convenience of the Air Force, this information is generally furnished through the Long Lines Military Communications Office of this company to the associated companies who in turn notify the independent companies or cooperatives involved. I find that in addition our Long Lines people can readily furnish direct to you the information relating to your members if you will kindly give me a list of them.

It would be helpful to have your decision regarding the selection of a committee member as soon as possible. In the meantime if there are any questions in connection with the SAGE project as it affects your telephone cooperative association or any of its members or if I can help in any other way, please do not hesitate to call me.

Your very truly,

L. L. MOODY.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Georgia [Mr. VINSON].

The committee amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

> Committee amendment offered by Mr. VINSON: On page 68, line 1, strike out "(a)" and strike out all of subsection (b) which appears on line 8 through line 12.

Mr. VINSON. Mr. Chairman, the effect of the amendment is this: Under the Capehart law the life of the military housing mortgage is 25 years. The Committee on Armed Services reduced it to 20 years. We abandoned the position we had previously taken, and we are restoring it back to 25 years.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. On page 68, section 418, there is this language:

> Notwithstanding the provisions of any other law, no contract shall be entered into by the United States for the construction of family housing units by or for the use of military or civilian personnel of any of the military services of the Department of Defense unless such housing has been justified to the Armed Services Committees of the Senate and House of Representatives.

I wonder why that language.

Mr. VINSON. I will tell you why. Under the Capehart amendment it is provided for the construction of 100,000 units for the armed services. The Armed Services Committee felt that they should know and have knowledge of what construction is going on for the armed personnel. Now, we will have Wherry houses, we have private-enterprise houses, and we have Capehart houses, and we want to be sure that there are not going to be too many houses and that they will not be put in places where they are not warranted or justified. The other day the Air Force asked for over 30,000 units, and we had to break that down. Here it is broken down. We took up each one of these items at each installation, and we found out how many Wherry houses there were, how many private-enterprise houses there were, and how many other houses, to see whether or not they were justified in building Capehart houses.

Mr. GROSS. Have there been serious abuses?

Mr. VINSON. Well, it just started. It is just going into effect. It just started, and we want to put our finger on it.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the distinguished Speaker.

Mr. RAYBURN. I know that recently the Army, the Air Force, and so forth have recommended the building of 50,000 units at various places. A great many of them were to be at places where there are Wherry houses. Now, I want to ask the gentleman if he and his committee are going to keep their hands on this thing so that when there are Wherry houses, with the Government making a 90 percent guaranty on the loan, whether or not his committee and those working with him are going to see to it that where these Wherry houses are built and are sufficient that their value is not going to be destroyed by building other houses by the Army, the Navy, or the Air Force.

Mr. VINSON. I will say to the distinguished gentleman from Texas, the honorable Speaker of the House, that is the very purpose of section 418. Were it not for that section, the Congress would have no control over it at all, because strictly speaking today they can build 100,000 units without coming before the committee. But, we had an understanding that they must clear these things even before this bill goes into law. Therefore, the Air Force appeared before the committee the other day and asked for several thousand units, and we made them break it down to where Wherry houses are to be built, where private enterprise houses are to be built, and that is the purpose of it. We will watch it very closely. If the House passes this bill in the language it is in, you can rest assured that the distinguished gentleman from Missouri [Mr. SHORT], the distinguished gentleman from South Carolina [Mr. RIVERS], and myself, and others who constitute the subcommittee will look into this closely. We will be satisfied that there is an absolute bona fide need before we approve any one of them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. VINSON].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

> Committee amendment: On page 15, line 21, insert:
>
> "Naval air facility, John H. Towers Field, Annapolis, Md.: Land acquisition, and plans for specifications for aviation facilities, $4,000,000."

The committee amendment was agreed to.

Mr. VINSON. Mr. Chairman, I desire to state that those are all the committee amendments. I offer a suggestion to the distinguished gentleman from Michigan [Mr. FORD], that he offer his amendment at this time.

Mr. FORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FORD: On page 29, line 3, strike the words "Manistee Air Force Base, Manistee, Mich.," and insert in lieu thereof the words, "Kalkaska Air Force Base, Kalkaska, Mich."

Mr. VINSON. Mr. Chairman, I should like to see if it is possible to reach an agreement on time on this amendment. I am very anxious that the gentlewoman from Michigan [Miss THOMPSON] be permitted to address the Committee for at least 20 minutes. The gentleman from Michigan [Mr. FORD] is recognized now for 5 minutes. I should like 5 minutes myself, and I believe the gentleman from Michigan [Mr. KNOX] would like 5 minutes.

Mr. HOFFMAN of Michigan. If the gentleman is offering a unanimous-consent request, reserving the right to object, I very much desire to have 3 minutes in order to apologize to the gentleman from Michigan [Mr. KNOX].

Mr. VINSON. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendents thereto close in 45 minutes with the understanding that the gentlewoman from Michigan [Miss THOMPSON] will have at least 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. FORD] is recognized for 5 minutes on his amendment.

Mr. FORD. Mr. Chairman, this amendment puts the airbase back where the Air Force has been constructing an airbase for the past 7 or 8 months. The question legitimately is asked, Why did the Air Force initiate construction at that base? The Air Force did it in good faith because on July 28, 1955, the chairman of the House Committee on Appropriations by letter approved construction at Kalkaska. The Air Force initiated construction in August of last year at the Kalkaska site because on July 29, 1955, the Honorable CARL VINSON, chairman of the House Committee on Armed Services, in a letter to the Assistant Secretary of the Air Force, said:

> I am gratified that final selection of this base has been made, since I know of its importance to our Air Defense Command.

The Air Force initiated construction last August because on August 11 the 1955, Senator HAYDEN, chairman of the Senate Committee on Appropriations, in a similar letter said:

> In addition, the committee has approved the development of Kalkaska, Mich., Air Force Base.

The Air Force initiated construction last August because on August 11, the chairman of the Senate Committee on Military Construction, the Real Estate Subcommittee, in a letter to the Air Force told them to go ahead.

The Air Force in good faith initiated this construction in August of 1955, spending taxpayers' money to get the job done. Now we find that they in effect are told they must change to another site.

If the Manistee site is selected, we will find this will be the result: In the first place, the Air Force will waste at least $500,000 of funds which in good faith they have spent on the Kalkaska site. In addition, there will be an increased cost at Manistee on an annual basis for a 10-year period of $3,900,000. That is the additional cost of SAGE at Manistee over Kalkaska.

In addition, if the Air Force cannot construct its base at Kalkaska and has to do it at Manistee, there will be $938,000 in additional initial construction cost. In other words, you are going to find, if this amendment is not agreed to, that at least $5 million more will be spent on the Manistee site than would be spent on the Kalkaska site.

Furthermore, we have another problem. The people of Traverse City, Mich., a community of 18,000, after getting word that the Air Force would proceed and authority was given by the responsible chairmen of the various committees, went out and raised on their own $84,000 to buy land for the Air Force. That land is in the process of being procured.

I am told that the community of Manistee, the alternative site, has refused to offer any funds for the procurement of land, and that that will put an additional $134,000 burden on the Federal Treasury.

How can we in good faith, after these people in this community have gone out and raised $84,000, tell them, "No, we are changing the base"? I cannot understand that.

Thirdly, the Michigan State Conservation Commission agreed to make 7,100 acres of State-owned timberland available to the Air Force to build this airbase at Kalkaska. A contract was signed. They started to cut the land. Now this committee says they cannot proceed.

The State Conservation Commission has said, and I have in my hand a newspaper article concerning it, that they will not sign a contract with the Air Force for any other locality. If you move the airbase to the Manistee site, the Air Force has to procure 5,400 acres from the State Conservation Commission, and they say they will not authorize it. I do not blame them, because we have broken faith with them already, if this amendment is not agreed to. They cannot have any faith in our judgment if we are going to sign a contract and then the Air Force is told they cannot carry out its responsibilities. I am reliably informed they will not make any other contract with the Air Force for State-owned land.

In conclusion, let me say just this: On the basis of dollars, on the basis of time, on the basis of good faith with the State Conservation Commission, and the people of Traverse City, in my humble judgment we ought to agree to this amendment permitting the Air Force to continue construction at a site where they have been building since August of 1955.

The CHAIRMAN. The Chair recognizes the gentlewoman from Michigan [Miss THOMPSON] for 20 minutes.

Miss THOMPSON of Michigan. Mr. Chairman, I appreciate the privilege of speaking before the House on a subject that has become very controversial in my district, and which I sincerely hope may be resolved by this great body. I am not here to ask for anything that is unfair, or that is not right.

On February 10, 1954, I received a letter from the Secretary of the Air Force, Harold E. Talbott, stating that a jet air base would be located in the Ninth Congressional District, in the Traverse City area. Not knowing the probable pros and cons in relation to a jet airbase, I was very happy and expressed my approval. Of course, it never occurred to me to influence the Secretary in the exact choice of the site. That was his business, and to have it within my district was enough for me.

The Air Force engineers first explored the possibility of placing the base in the Long Lake area, Grand Traverse County, but immediately Dr. Joseph E. Maddy, owner and operator of the National Music Camp, and some others, protested against that site because of its nearness to that institution—a distance of about 10 miles. At this point, I want to call your attention to the fact that the Air Force withdrew from the Long Lake site because of its proximity to an established resort area.

After the Secretary received the above objections, he ordered the Air Force engineers to recommend another site. They then proposed the Benzie County site in Homestead Township. Immediately Dr. Maddy objected to that site stating that it would also be objectionable to the music camp.

Representative Paul Shafer, of Michigan; Victor Wickersham, of Oklahoma; and Mendel Rivers, of South Carolina, all members of the House Armed Services Committee, sustained his objections.

When the Homestead site was ruled out by the Shafer subcommittee, the Secretary had to select another site. He designated Cadillac on December 2, 1954. At this point, the Secretary became very angry because I had accused him of not being honest with me. From then on he refused to answer my daily telephone calls over a period of 5 days. I then wrote him a letter and waited 10 days for a reply. None came. My colleagues will appreciate my position at that time. Six months after the selection of the Benzie site was made public, the Secretary abruptly switched sites with no explanation to me. During those 6 months he repeatedly assured me that the base would be built in Benzie County. On his advice, I relayed this information to my constituents. To say the least, I was subjected to embarrassment and a feeling that pressures, unknown to me, had been brought to bear on Secretary Talbott.

I then saw Secretary Wilson and as a result, Secretary Talbott called me. He suggested that I should go ahead and do whatever I thought would be best. I went to Congressman Mahon and he suggested that I should state my case before him and Chairman Vinson. I did so to them and in the presence of Secretary Talbott, General Hipps of the Air Force, and committee counsel. The Secretary neither confirmed nor denied the statements which I made to him in repeating his earlier conversations with me and his promises.

In July 1955, the House Appropriations Committee ruled out Cadillac.

The next step was for the Secretary to designate Kalkaska or Manistee, even though the Kalkaska site had been rejected as early as June 1954 because of the need for development of a highway to Traverse City upon which it would be dependent for community support. Secretary Talbott chose Kalkaska, out of my district, and refused to survey the Manistee site until ordered to do so by the chairman of the Subcommittee on Military Construction of the Appropriations Committee, Hon. George Mahon. Within a few days, the President accepted Secretary Talbott's resignation because of alleged irregularities in office. When the new Secretary Donald A. Quarles, took over, he stated to me that he had no reason to rescind Secretary Talbott's decision. This reply was to my plea to Quarles in favor of a site in the ninth district.

The 11th District—Kalkaska—has a population of 227,810, considerably less than the Ninth District, which has 275,109 people. In spite of that difference, the 11th District already has a jet air base at Kinross, and has been awarded an International Pulpwood mill at the Sault. The Ninth District has no Federal installations.

The Manistee site, which has been designated by the House Armed Services Committee for development, has many advantages. Located in the north-central portion of Manistee County, it is almost equidistant from four cities, namely, Manistee, Frankfort, Traverse City, and Cadillac. In the center of a square served by these four communities, the site can draw on their joint community support. The cultural, educational, recreational, hospital, and retail facilities of all four will be available to personnel of the proposed interceptor base. In addition, the nearby villages of Kaleva, Copemish, Brethren, Bear Lake, Onekama, Benzonia, Beulah, Honor, Mesick, and Wellston willingly offer community support. The townspeople of these cities and villages have officially expressed a welcome to the Air Force and pledged their cooperation in making the existence of airmen at the base as comfortable and enjoyable as possible. Organized conservation groups, agricultural groups, and business people in Manistee County have publicly promised support. There is no foreseeable objection to be raised by groups or individuals to the location of the base in Manistee County, as have been at other sites.

From a transportation standpoint, the Manistee site has excellent facilities. Four motor freight lines and two railroads coming into the area would provide the Air Force with maximum freight service. One of these railroads and two bus lines provide passenger service. Capital Airlines, based nearby at Traverse City, now furnishes air connection to any point in the world. The cities of Manistee and Frankfort have developed harbors on Lake Michigan which could economically be the terminals for fuel pipelines from the base, using Great Lakes tankers. Passengers may embark from either Frankfort or Ludington by way of ferry to Wisconsin ports. Five paved roads provide a network linking the communities in the area for automobile travel. In summary, all phases of transportation are available to a degree not found anywhere else in northwestern Michigan.

From the communications angle, Manistee is the only site which has offered the free use of telephone facilities to the Air Force. The Kaleva Telephone Co. has agreed, in writing, to make available its franchise for SAGE installations at no cost.

The House should give great weight to the statements of the Air Force, made before the House Armed Services Committee as late as March 7, 1956, to the effect that any and all of the sites that have been surveyed in the Traverse City area are acceptable from the standpoint of national defense. All of the Manistee sites can serve the defense perimeter established by the Air Defense Command in northern Michigan. I desire to call my colleagues' attention to the fact that the one and only requirement of the Air Force was that a jet base be built in the vicinity of Traverse City. The Manistee site is approximately 30 miles from Traverse City, and meets all operational requirements.

When I came to Congress in 1951 I did not know a single Member of the Congress of the United States. I went into the House dining room one morning and the only person there was my good friend and colleague, the Honorable Paul Shafer. I would like to read a letter which I have, written by Mr. Shafer before he died. It is dated August 12, 1954, and is addressed to the Honorable Harold E. Talbott, Secretary of the Air Force, the Pentagon, Washington, D. C.:

> Dear Mr. Secretary: I am taking the liberty of commenting further with reference to the jet interceptor base to be located in the Traverse City area, Mich.
>
> Let me say first of all, that I am sorry, Mr. Secretary, that differences developed between us and that our tempers caused our discussion to become rather heated.
>
> I am most anxious to see this problem resolved in the best interests of our defense program and to the satisfaction of the greatest number of interested persons possible.
>
> Naturally I cannot alter the decision of the Armed Services Committee, and have no desire to do so, but perhaps a compromise solution is possible.
>
> My sole interest throughout has been that of protecting the National Music Camp at Interlochen. For that reason I have avoided suggesting any specific alternate site.
>
> However, it is my hope that a solution is possible which will still locate the base within the Ninth Congressional District. I believe this is possible, since I know you have surveyed and considered at least one other such site.
>
> If it is possible to locate a site within the Ninth District which meets your requirements and conforms to the committee recommendations, I will be entirely satisfied.
>
> I sincerely trust that you and I will see eye to eye on any future matters which may require our joint consideration.
>
> Cordially,
>
> Paul Shafer.

Mr. Shafer wrote this letter on August 12, 1954. He died on August 17, 1954.

Mr. Chairman, in view of this situation, I respectfully urge the House to confirm action taken by the House Armed Services Committee, and direct that the Air Force build the proposed base at the Manistee site, which is obviously the most desirable from a noise, safety, construction, and operational viewpoint.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentlewoman yield?

Miss THOMPSON of Michigan. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I was tremendously impressed with the statement of the very able and splendid gentlewoman from Michigan, Judge Thompson, and as I listened I felt I could not do anything else but vote to have the site in her district as a matter of simple justice and I should know if I did not do so that I would have no protection in the future from promises by one of the services that an installation would go into my district. It seems to me that as a matter of honor and fair play the site should be placed in the district of the gentlewoman from Michigan. It would be very unfair not to do so and I am very sure that Secretary Quarles if he understood the situation would agree with that.

I have a very fine airfield in my own district. I have found Secretary Quarles extremely fair and very helpful and always cooperative when he understands a situation. It seems to me clearly that justice is on her side, and I believe that she will be successful and that the Congress will support her.

Mr. DONDERO. Mr. Chairman, will the gentlewoman yield?

Miss THOMPSON of Michigan. I yield to the gentleman from Michigan.

Mr. DONDERO. What was the vote in the Armed Services Committee to designate the Manistee site?

Mr. VINSON. Mr. Chairman, will the gentlewoman yield?

Miss THOMPSON of Michigan. I yield to the gentleman from Georgia.

Mr. VINSON. Here is what the record shows, and this is from the minutes of the committee. It is permissible to use this.

The committee considered the item for Kalkaska Air Force Base, Kalkaska, Mich. It was moved and seconded that this air defense base be relocated at Manistee, Mich., rather than at Kalkaska. A rollcall vote on this motion was as follows:

> Yeas—Mr. Vinson, Mr. Short, Mr. Cole, Mr. Johnson, Mr. Gavin, Mr. Hébert, Mr. Van Zandt, Mr. Price, Mr. Cunningham, Mr. Fisher, Mr. Bates, Mr. Hess, Mr. Nelson, Mr. Doyle, Mr. Devereux, Mr. O'Konski, Mr. Miller, Mr. Bray, Mr. Bennett, Mr. Wilson and Mr. Huddleston.

Twenty-one Members voted to locate the site as in the bill.

Those voting in the negative are as follows:

> Mr. Durham (proxy), Mr. Rivers (proxy), Mr. Winstead, Mr. Hardy, and Mr. Green (proxy).
>
> Present, Mr. Wickersham.

Twenty-one Members voted to change the site based upon the testimony that there is no military difference between them. What happened? I asked Mr. Forry this question:

> From a military standpoint, they are equal?
>
> Mr. Forry. Yes, sir.

When he stated that from a military standpoint they were equal, then as one member of that committee I wanted to cast my vote to help right a wrong that had been done an honorable Member of this House.

Mr. WALTER. Mr. Chairman, will the gentlewoman yield?

Miss THOMPSON of Michigan. I yield to the gentleman from Pennsylvania.

Mr. WALTER. As I understand it, the proposed site is in the center of a locality in which there are a number of cities and towns?

Miss THOMPSON of Michigan. Yes.

Mr. WALTER. Would that not obviate the necessity of constructing the usual facilities that must be constructed when a new base is erected anywhere?

Miss THOMPSON of Michigan. I would think so.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Knox].

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the able gentleman from Michigan.

Mr. BENTLEY. We have heard some information about the amount of money that has already been invested in the Kalkaska site by the Air Force, about a half million dollars. I wonder if the gentleman can tell us what this investment consists of?

Mr. KNOX. To my distinguished colleague, I will say that the investment is mostly in plant, engineering, and surveys that have been made by the Air Force with a view to getting the base under construction in July of this year as authorized by the Congress and as so urgently demanded by our national security.

Mr. BENTLEY. Has there been any actual physical work done on that Kalkaska site?

Mr. KNOX. Yes, by the Department of Conservation of the State of Michigan who have given a 99-year lease. The timber was taken to such an extent that the conservation department people now feel they will have to continue the cutting of this timber in order that they can do some replanting.

Mr. BENTLEY. How much timber has been cut approximately?

Mr. KNOX. I cannot say in acreage, but better than one-third of the cutting operations have been completed.

Mr. BENTLEY. Right up to this moment?

Mr. KNOX. Right up to this moment, that is correct.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the distinguished gentleman from Michigan.

Mr. CEDERBERG. We have heard the statement that the military aspects of both sites are the same. The Kalkaska site is in the Senate bill, the military location is all the same, the State has granted leases to 8,000 acres of land; we have spent a half million dollars. I cannot understand why we should change the location.

Mr. KNOX. I thank the gentleman for his contribution. However, I would point out that the military aspects are not the same in that the Manistee site, according to Air Force testimony, cannot be as readily expanded as can the Kalkaska site.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. KNOX. I yield to the gentleman from Georgia, the distinguished chairman of the Armed Services Committee.

Mr. VINSON. The gentleman asks, "In view of the fact this military installation is the same, why are you making the change?" I will tell you the reason why. Twenty-one Members voted to make the change. As I said a moment ago, we wanted to do right by a Member of this House who had been the victim of unfortunate circumstances. That is the reason. And I base my vote entirely upon that ground.

Mr. KNOX. I may say, Mr. Chairman, in all fairness, that I am carrying no torch for the former Secretary of the Air Force.

Mr. VINSON. Let me say this: I know this situation from the very beginning, and I want to say again the only way that this House can do justice to the gentlewoman from Michigan is to vote down the amendment that has been proposed by your colleague.

Mr. KNOX. Mr. Chairman, I should make it clear that I served notice on the House membership in this past week that I was going to offer an amendment to the bill.

The gentleman from Michigan [Mr. Ford] has offered the same amendment that I was to offer, and therefore I am supporting his amendment. The main reason I am supporting the amendment is in the cause of national security and the need for keeping faith with the patriotic citizens in the Traverse City area of Michigan.

Mr. Chairman, I want to go back to my point that a defense gap is left today in our northern defense perimeter for the security of the metropolitan areas of Michigan, Illinois, Indiana, and Ohio. I would repeat, as I stated before on the floor of this chamber, that the 1-year delay, in my estimation, could create circumstances leading to another Pearl Harbor. The Communist menace is such that we can ill afford complacency with respect to any gaps in our defenses. I believe it is time that we recognize the fact that we leave to the Air Force matters involving of judgment that is peculiarly in the competence of military experts. In building air bases abroad it is the Air Force that selects sites in all foreign countries. We do not dictate to them where they shall build that foreign base, on what section of ground, in what country, or any other matter. We give the Air Force that prerogative. They are the military experts, and I for one today am not going to substitute my judgment for that of the military experts. We have an Air Force today that we expect to be in complete command of the skies. Why? Just so that we will never have a catastrophe in this country that would be equal to some of those in foreign countries. I am quite disturbed over the entire situation, and I do hope that the membership will support the Ford amendment when it comes time to vote on its passage.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. Devereux].

Mr. DEVEREUX. Mr. Chairman, I probably will not take the 5 minutes. I do not believe it is necessary, since we have had a great deal of discussion about this whole proposition. I must simply reiterate my position on it, that we cannot allow the Executive to take such action as it did in the case of the gentlewoman from Michigan. If they can do that we certainly are not keeping faith with the gentlewoman from Michigan or the Congress. The Air Force made a commitment and promised that this jet base would be located in her district. I think they should have gone through with it. And, if we allow ourselves to be placed in a position like this, we will be derelict in our duty insofar as the overall picture of our Government is concerned.

Now, I would like to quote just one little paragraph from a release from the chief of the Michigan Conservation Department, forestry division, dated March 10, 1956.

> No material damage has been caused by timber-cutting operations which started on the site (Kalkaska) 2 weeks ago.
>
> A swath of jackpine was being cut to clear space for a runway at the rate of 40 cords per day. However, the Department immediately sent out word to successful bidders to hold up any cutting of red pine. The jackpine already cut was mostly mature timber and ready to be cut anyway. The cutting "might even improve the area from a game standpoint," he said.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman.

Mr. KNOX. Mr. Chairman, I should like to say this, that as far as the site is concerned, if it were within my power certainly I would be willing to dedicate that part of Kalkaska County to the Ninth Congressional District of Michigan, if it would help any. I am concerned about one factor only and that is the national security of my country.

Mr. DEVEREAUX. I think it has been demonstrated that the Committee on Armed Services also is concerned with the national security of our country. We considered this whole proposition at some length and came to the conclusion, by a vote of 21 to 5, that this is the proper thing to do. National security does not rest necessarily upon the location of a jet base at one place or another. There are other considerations to be kept in mind. I think the support of a Member of this House is also a matter of national security; the question whether we are going to carry out our traditional legislative responsibility or whether we are going to abdicate our responsibility and allow an executive department to dictate however they will.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DEVEREUX. I yield to the gentleman.

Mr. FORD. On March 16, 1956, the Michigan State Conservation Commission said this:

> The State Conservation Commission declared itself today as unanimously and emphatically opposed to any shift of the proposed Northern Lower Peninsula Jet Air Base from Kalkaska to Manistee area.

Here is what several members were quoted as saying when this matter was brought up. Commissioner Lawrence J. Gotschall of Baldwin, Mich., said:

> I went for it once but I wouldn't go for it again.

Other members of the Commission chimed in and said, "Good, good, good."

Mr. DEVEREUX. It seems to me that is simply an expression of pressure on the House of Representatives as to the action they shall take.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. Devereux] has expired. The Chair recognizes the gentleman from Michigan [Mr. Hoffman] for 3 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, my purpose is to most humbly and sincerely apologize to my good friend and colleague from northern Michigan [Mr. Knox]. He has taken time to express disapproval of what I said earlier. I never questioned his ability, his patriotism, his effectiveness, his sincerity, nor his desire that the security of our Nation be advanced or protected. That was not my purpose. I am very sorry if he took offense when I said that he went out fishing. I hoped that his constituents had a high enough opinion of his value to them and to the district to take him fishing. They should. I never knew that it was a fault to be a fisherman. St. Mark tells us that both Simon and Andrew, his brother, were fishers in the Sea of Galilee and Jesus said that if they would come after Him, He would make them fishers of men. The only thing wrong with the fishermen of today is that they are inclined a little bit to exaggerate, or so it has been said. But I noticed here today that others than fishermen followed along the same line of exaggeration.

Figures do not mean a thing today. It all depends on the source from which the figures are derived. When you talk about security, what nonsense that is. Look at this chart. Here is Kalkaska [indicating on the map]. Now it is proposed to move the base over here to Manistee—about 75 miles. If you listen to my colleague from the northern peninsula, you would think that the whole Nation was going to be threatened because the base was going to be moved a few miles southwest.

This talk about timber being wasted is all nonsense. Does timber become valueless when it is cut? Certainly not.

There is no question of national defense here today. Nor is there an economy issue unless we accept without question the figures of the Air Force—I will accept the record made by the committee and its report and recommendation. The question is as was indicated by the gentleman from Maryland, General Devereux, and by the gentleman from Georgia [Mr. Vinson]. When an executive department makes a promise as to what will be done and then just arbitrarily changes its mind without good cause, are we going to let it switch us back and forth? It is the Supreme Court that kicks us around most of the time. Now, again an executive department is trying it. When, if ever, will we assert ourselves and take over our functions, express our will and say to these people to whom we give jobs and authority through our appropriations and legislation that they must keep their word as given to us? That is the issue here and it is the only real substantial one.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. Vinson] to close debate on the pending amendment.

Mr. VINSON. Mr. Chairman, the gentlewoman from Michigan has been the victim of an unfortunate series of circumstances beyond our control. The way to right that is to vote down this amendment. I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Ford].

The question was taken; and on a division (demanded by Mr. Ford) there were—ayes 52, noes 85.

Mr. FORD. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Gross: On page 62, strike out lines 11 through 24.

Mr. GROSS. Mr. Chairman, this amendment would strike out lines 11 through 24, the provision in the bill which would provide for a $300,000 housing setup for the Chairman of the Joint Chiefs of Staff.

The section apparently provides for 5 housing units, 1 for the Chairman of the Joint Chiefs of Staff and 4 other structures. This seems to me to be a pretty plush expenditure for the Chairman of the Joint Chiefs of Staff. If the expenditure were divided evenly among five structures it would be $60,000 for each structure, but I do not think anyone in this Chamber believes that the noncommissioned officers who will be stationed there are going to have a $60,000 house to live in. We have no detailed information from the committee concerning this expenditure. The report does not break it down as to how much the Chairman of the Joint Chiefs of Staff is going to get for his housing, so it is reasonable to assume that the bulk of the expenditure will go for a mansion for the Chairman of the Joint Chiefs of Staff.

Mr. Chairman, it seems to me we could very well house the Chairman of the Joint Chiefs of Staff at Fort Meyer. There are some pretty good buildings there, or down at Fort McNair. There are some good building units there. They are nicely located. I would not mind living in one of those houses between the Anacostia and the Potomac. I see no reason why simply because a mistake was made in providing houses for other members of the Joint Chiefs of Staff that we have to go overboard and spend $300,000 on this kind of enterprise. I do not know what the reason was which made the other body refuse to approve the appropriation that was in this bill last year for this purpose, but I have an idea, however, that the reason was that it would be throwing money away pretty fast.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I will be glad to yield to the chairman if he can shed some light on this expenditure.

Mr. VINSON. In connection with the action of the other body, later as the body gathered information about this, they were willing to bring in a separate bill to cover it. But I suggested to let it ride for the year so that it would be brought in this year as it is now. Of course, you can say that a $300,000 house is a very expensive house—and it is a very expensive house. But, this is being built in accordance with the dignity and responsibility and high office of the Joint Chiefs of Staff. There will not be just one house, there will be a series of homes, and this is necessary. I want this country, the greatest Nation in the world, to house its officials in the proper kind of dwelling. I do not want it to be said

that the Joint Chiefs of Staff, the right-hand advisers of the Congress on military matters as well as of the President, has to live in some hothouse or some rented house. The Government ought to provide it. Of course, $300,000 is a considerable amount of money for a house. The gentleman from Iowa does not have that kind of a home and neither do I, nor do other Members of the Congress, but the Chairman of the Joint Chiefs of Staff is under the obligation of entertaining officials. His dwelling must be a place of dignity. It must be an imposing home, and in addition to that there are 3 or 4 other houses for his aides to live in. The gentleman should look at it in the light that this is almost a public building, you might say.

Mr. GROSS. Let me say to the gentleman that this goes beyond just satisfying the dignity of an officer in the United States Army. It seems to me that with this kind of legislation, we are establishing some kind of military royalty in this country.

Mr. VINSON. We are doing nothing of the kind. Let us have a vote on the gentleman's amendment.

Mr. GROSS. I am perfectly willing for the Members to vote on my amendment, but I must say that I will have no part in building this $300,000 home for officers of the United States Army when we have plenty of military housing now available in this area in which the Chairman of the Joint Chiefs of Staff or any other military officer can live in dignity and comfort.

Mr. VINSON. Of course, may I point out to my distinguished friend that this provision of $300,000 would not be before us if it provided for a dwelling place for just one individual. This is a series of houses. There will probably be 4 or 5 houses which will be built on Government-owned land.

Mr. GROSS. What is it proposed to spend on the house for the Chairman of the Joint Chiefs of Staff? The gentleman must know that.

Mr. VINSON. The entire thing cannot exceed $300,000.

Mr. GROSS. But what is proposed to be spent on this one house?

Mr. VINSON. I regret that I do not have the breakdown on that, but the entire group of houses will not exceed $300,000.

Mr. GROSS. I understand that perfectly, but I would like to know what you are going to spend on this plush establishment. I am willing to bet that before you get through, you will spend a half to two-thirds of the $300,000 on a home for the Chairman of the Joint Chiefs of Staff. I am saying to you that the taxpayers of the United States do not have that kind of money.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I sincerely trust that as the facts have been developed that the Committee will vote this amendment down. I want to make this statement. This request comes directly from the other end of the avenue. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 34, noes 54.

Mr. GROSS. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. O'Hara of Illinois: On page 58, immediately after line 20, insert:
>
> "Sec. 402. (a) In the case of the construction of any tactical installation and facilities performed before or after the date of enactment of this act in a portion of a park located in a municipality, which portion is leased for such purpose, or is being used under a license or other arrangement, for a nominal consideration, the Secretary of the military department having jurisdiction over such installation shall pay a reasonable rental (as determined by impartial appraisal, or as agreed to by the local agency having jurisdiction over such park) for the use of such portion, without regard to any provision of such lease, license, or arrangement, specifying a nominal consideration for such use.
>
> "(b) In the case of the construction of any tactical installation and facilities performed before or after the date of enactment of this act in a portion of a park located in a municipality, the Secretary of the military department having responsibility for such construction shall perform such construction, or in the case of construction performed before the date of enactment of this act shall modify such construction, so as to make such installation consistent with the continued use of such park as a park and recreational area, through landscaping, alteration of buildings or construction of buildings, planting or replanting of trees and shrubs, and otherwise improving the area surrounding such construction. The Secretary concerned is also authorized in any such case (1) to reimburse the local agency having jurisdiction over such park, from sums appropriated therefor, for the cost to such agency of providing additions to the park, or of providing additional park and recreational facilities elsewhere, comparable to the portion of the park on which the construction has been performed, or (2) to provide such additions, or additional park and recreational facilities, directly from sums appropriated therefor."
>
> And renumber the following sections accordingly.

Mr. O'HARA of Illinois. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. O'HARA of Illinois. Mr. Chairman, at the outset I wish to state that in the event the Committee on Armed Services does not approve of this amendment and the chairman of that great committee makes a clarifying and satisfactory statement I shall not press further this amendment.

Mr. VINSON. Is the gentleman predicting defeat for his amendment?

Mr. O'HARA of Illinois. I would prefer to talk about that after I have presented the case of the people of the district I have the honor to represent and the distinguished chairman has given his assurance, as I believe he will, that there is within the committee the power and the will to accomplish what is sought in my amendment.

Nevertheless, I have felt this was a matter that should be brought to the attention of the House. The situation is not peculiar to Chicago. Something of the sort obtains in many of the large cities of the country. There are many Members who have an interest in the subject springing from the concern of their constituents.

In our program of tactical installations, which those responsible for our national security believe necessary, we are selecting sites in the hearts of our cities. These installations are attended with deposits of explosives of high power, and there is definitely a certain degree of danger.

Whether these installations will be outmoded within the next year or two no one knows. From the progress we are making it is presumed they may be. Also we have heard the great chairman of the Committee on Appropriations from this well state that in the event of a war none of these installations would be effective, that the decisive blow would have been struck within a matter of hours or a day. I concede that we in prudence and in good commonsense can take no chance, but we are in a field where there is little historic background and everything is more or less experimental and, we hope, temporary.

Let me say that in the Second Congressional District of Illinois everyone wishes to make every sacrifice necessary for our national defense, but we do not wish steps to be taken that are not necessary and that destroy the recreational facilities that have been built at great expense to the taxpayers of our community. This does not mean that if necessity and well-considered judgment command, we will not willingly make every sacrifice.

The site for this installation which is regarded as necessary by the Department of Defense—and I am not criticizing the judgment of men who have training and experience as well as a great responsibility—is on one of the spots of greatest scenic attraction in Jackson Park. I am told the site could have been located as far south as 97th Street. To condemn private property entails a large expenditure of money; I think they figure something like $1,200,000, whereas by having a site in Jackson Park the cost would be almost nothing.

Whether the site could or could not have been located elsewhere—and I do not presume to pass upon that question—is not moot, as the site already has been taken over. What I am concerned in now is that there should be money available for some recompense to the people, perhaps in the development of other park recreational facilities to replace those taken over, and in any event to dress up and maintain in the most presentable manner possible the landscape surrounding the installation. There should be provision, too, for the removal of the installation when no longer needed and the restoration of the land to its former condition.

I repeat, I think provision should be made to recompense these park districts in some way by establishing somewhere else in the parks recreational facilities to take the place of those taken over by the Government. There also should be an appropriation to beautify these sites and to see that everything is done to keep from spoiling the beauty of the parks.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am very happy to yield.

Mr. VINSON. I may state to the gentleman and for the benefit of the committee that 81 Nike sites have been constructed in parks in cities all over the United States, and the people have received many dollars for every one they have contributed as their share of the defense. That is the record right here.

Now may I say one thing further; of course the gentleman's amendment goes far beyond Jackson Park, but in Jackson Park I find that we paid $85,000 for trees that were cut down. We usually take 6 acres, but at Jackson Park we took only 2 acres. I was very happy to give the distinguished gentleman from Illinois a hearing before the committee. We tried to work out the situation. I sympathize with him, but to go along with him I cannot. I hope that we may work out something satisfactory to him in a hearing before the committee.

Mr. O'HARA of Illinois. I thank the chairman of the Committee on Armed Services for his words of cooperation and for his courtesy at all times in trying to understand our problem. Here is what concerns me, and I have discussed this with the chairman. Later on an appropriation may be proposed to cover certain restoration of these park districts and I wanted to be sure there was sufficient authorization in this bill for an appropriation should it be proposed and should it become necessary. On that the chairman has assured me. While he does not see any authorization in the bill as it now stands, he thinks money can be obtained for that purpose from some fund now available. He would know more about where he can get the money than I would.

Mr. VINSON. The gentleman can tell his people in Chicago that we will be more than delighted to give the gentleman a hearing, at which he may give minute details with reference to Jackson Park or a general policy in reference to all of these 78 sites over the country. We would consider a bill if he will introduce one, or if the facts warrant it I will introduce it myself.

Mr. O'HARA of Illinois. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. WILSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Committee on Armed Services, I am much concerned over the argument and criticism of our missile program, particularly the partisan attacks in the other body and elsewhere concerning research design of missiles and the size of the appropriations for missile production.

Our Armed Services Committee, here in the House of Representatives, is working harmoniously for the common good of our country. This may be a "do nothing" Congress as some claim, but the Armed Services is a "do plenty" committee. We have turned out to date under our Democratic committee leadership, 39 legislative projects this year alone in support of the Eisenhower administration's defense program. I wish to compliment my committee associates in both parties and our distinguished chairman and minority leader the gentleman from Missouri [Mr. Short] for the harmonious, nonpartisan way in which so much has been accomplished in this field.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. WILSON of California. I yield to the gentleman from Georgia.

Mr. VINSON. I think the distinguished gentleman from California anticipated what was running through my mind. I want to call the attention of the Members of the House to the fact that notwithstanding the letter that appeared in the paper a few days ago about various bills, of those 5 bills referred to, 3 of them have already passed the House. We have been in session hardly 90 days, yet we have passed over 40 bills reported by the Committee on Armed Services involving an authorization of around $4 billion. There is no committee in the House that has kept this floor as busy as has the Armed Services Committee. We have been here so often that sometimes I think we will wear out our welcome.

Mr. WILSON of California. I might say that we are always under the whiplash of the chairman of our committee.

I do not pose as an expert on guided missiles, or ballistic missiles, but as a member of the Armed Services Committee I believe I have about as much general information on the program as any Member of either body of Congress. San Diego, which I represent, might well be called the missile production capital of the world. Therefore, I possess some insight into the missile situation and some firsthand knowledge about missiles as weapons in our armament. Criticism, I assert, is both misdirected and unwarranted.

In this missile controversy, our military chiefs are in an untenable position. They cannot defend our current situation, since to defend would be to reveal basic information of value to our enemies.

I can say, however, that more Army expenditure is going into the procurement of missiles than into all other conventional weapons combined.

As for Army public works, $305 million in this bill is authorized for construction. Nearly half, or 47 percent, is earmarked for missile installations.

The real tragedy in our missile program was our foolishness at the end of World War II, in allowing Russia to hire any of the German rocket and missile scientists.

Therefore, when an investigation of the missile situation is started in the other body, as anticipated, the inquiry should begin with Pennemunde and the day the German missile production center was captured.

One of the most vociferous critics of our present defense preparedness was himself an active participant and director in the first stages of our missile program.

What were the facts?

In 1946, we brought in 35 scientists but Russia took a few more than we did. We selected about 270 for our needs and a year later increased this selection to 1,000. Ultimately, we brought over about 800, but Russia took a few more than we did.

However, between 1947 and 1950, we were more concerned with cutting down our military strength from the 70 air wings authorized by the 80th Congress to 48 air wings. That was August in 1949 when one of the contemporary missile critics was Secretary of the Air Force.

And 48 wings we had when we were faced in June of 1950 with war in Korea. We were tragically unprepared.

Likewise, it was this period of time when we allowed basic research on missiles to wither and almost die. Only the foresight of a few scientists and aircraft manufacturers kept us from losing two priceless years of development.

We had no missile or rocket program worth mentioning in 1949, or 1947 for that matter. Up to 1950, nothing was authorized for missile production, then $26 million was appropriated.

Missile production during the fiscal years of 1951–52 amounted to an expenditure of $189 million. Under the first 2 fiscal years of the Eisenhower administration, the outlay grew to $799 million. For the 2 years ending this coming June, we will spend $1,550 million.

Is that a record of weakness in preparedness, or a record of factual military accomplishment?

Furthermore, I am at liberty to report that facilities for actual production of the intercontinental ballistics missile, the ultimate weapon, so-called, are under way.

In San Diego today, we are humming with missile production because Eisenhower raised the missile program from class 2 priority to class 1 early in 1953.

We can speed up the spending on the missile program, but we cannot speed up the brainwork; trying to force-feed scientific research is like trying to speed up the blossoming of a delicate bud. All talent that can be spared from other essential programs is now concentrated on the perfection of missiles. I say this without qualification.

I must repeat, however, what a pity, what a national shame it was, that we did not take all of the Pennemunde scientists when we had the opportunity back in 1946 and 1947.

In spite of our folly, I am confident we are still leading the world in the race for missile supremacy, and I am proud of the accomplishment of the Eisenhower administration in this regard.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WILSON of California. I yield to the gentleman from Missouri.

Mr. SHORT. Mr. Chairman, I wish to congratulate the gentleman from California [Mr. Wilson] on the very splendid and timely statements he has made. He is one of the most faithful, hard-working, and earnest members of our Committee on Armed Services.

Mr. WILSON of California. I thank the gentleman from Missouri.

Mr. SMITH of Wisconsin. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there is a question in connection with the military construction bill which we are considering that is important to many of my constituents. I have asked for this time to secure an opinion from the very able chairman of the committee handling this bill as to the liability of the Federal Government for school bonds which cover part of the property to be acquired for the erection of a jet interceptor base.

Plans are under way to purchase or condemn a considerable number of acres at a village called Kansasville, which is in Racine and Kenosha Counties. At the present time the State and local school officials are concerned about school bonds affecting the property to be acquired.

The State superintendent of schools in a letter to me has stated there is no Federal law which would relieve outstanding bonded indebtedness for a local school district where the Federal Government acquired property for a Federal building.

To me this presents an inequitable situation in view of the possibility that the burden of the bonds would be shifted from Government-owned property to the remaining property owners in the school district. In view of that situation I would ask the chairman if that question has ever been raised in committee.

Mr. VINSON. That question never has been raised. I should not like to give an opinion on it. That is a legal question. That is, where there are bonds of a certain character on certain property and the Government acquires the property, the question raised by the gentleman is, Do those bonds continue to follow even though the ownership is in the Federal Government?

Mr. SMITH of Wisconsin. That is right, sir.

Mr. VINSON. That is a very important question, but I am frank that I would rather not risk an opinion on it, because there are so many able lawyers present, such as my colleague, the gentleman from Virginia [Mr. Hardy]. If he were not here perhaps I might venture an opinion.

I will say to the gentleman that we shall try to get some information on the question and advise the gentleman.

Mr. SMITH of Wisconsin. If the gentleman has no objection, I should like to submit a statement on the situation so that I may assure my people that the Committee on Armed Services is doing all it possibly can to settle the question satisfactorily to my constituents.

Mr. VINSON. We shall make inquiry not only of the Department of Defense but of the Attorney General.

Mr. SMITH of Wisconsin. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, there is entirely too much fat and blubber in this bill for me to accept it, and if there is not going to be a rollcall vote, I want the Record to show that I am opposed.

There is $4 million in this bill for what appears to be the start of a naval air academy at Annapolis despite all the air training facilities presently being operated by the Navy Department. No one seems to know how many more millions will be expended upon this project. It is this duplication and waste to which I strenuously object.

It is my understanding that there is nearly a half billion dollars for construction and expansion of new and already established bases in foreign countries upon which billions have already been expended. How much further is it proposed to go with this construction in foreign countries which give little evidence of having any real desire to defend themselves? The record shows that despite all of our spending, more and more of our bases and installations are being jeopardized as more and more countries move into the orbit of neutralism.

Then there is the provision in this bill to provide $300,000 for the construction of a facility to house the Chairman of the Joint Chiefs of Staff. Have we lost our minds? Have we lost all regard for the ability of the taxpayers to pay the bills? It is beyond belief that we should authorize the construction of a mansion for just one officer in the Military Establishment that will cost any substantial part of $300,000. And yet that is what is proposed and what you will approve if you vote for this bill.

I have consistently voted for the adequate defense of this country, but here is a bill that calls for the spending of more than $2 billion for construction purposes alone. As far as I am able to determine, this huge spending provides for not a single weapon as such. This burden is becoming intolerable. There are thousands of citizens in the Third District of Iowa who, because of the farm depression and its effect upon business, will pay little or no Federal income taxes this year. I am convinced that wise use of facilities already available, both in this country and abroad, could have resulted in a substantial reduction in this spending. It is for the reasons I have stated and others that I must oppose passage of this bill.

Mr. VINSON. Mr. Chairman, I will say to the gentlemen that I intend to ask for a rollcall vote when the question is put on final passage.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Delaney, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9893) to authorize certain construction at military establishments, and for other purposes, pursuant to House Resolution 444, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

Mr. VINSON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 377, nays 3, answered "present" 1, not voting 52, as follows:

[Roll No. 25]

YEAS—377

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Alger
Allen, Calif.
Allen, Ill.
Andresen, August H.
Andrews
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Barden
Barrett
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Beamer
Becker
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bosch
Bow
Bowler
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Brownson
Broyhill
Budge
Burdick
Burleson
Burnside
Bush
Byrd
Byrne, Pa.
Byrnes, Wis.
Cannon
Carlyle
Carnahan
Carrigg
Cederberg
Celler
Chase
Chelf
Chiperfield
Chudoff
Church
Clark
Clevenger
Cole
Colmer
Coon
Cooper
Corbett
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mo.
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Deane
Delaney
Dempsey
Denton
Derounian
Devereux
Dies
Diggs
Dingell
Dixon
Dollinger
Dolliver
Dondero
Donohue
Dorn, N. Y.
Dorn, S. C.
Dowdy
Durham
Edmondson
Elliott
Ellsworth
Engle
Evins
Fallon
Fascell
Feighan
Fenton
Fernandez
Fino
Fisher
Fjare
Flood
Flynt
Fogarty
Forand
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Garmatz
Gary
Gathings
Gavin
Gentry
George
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gubser
Hagen
Halleck
Hand
Harden
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Hayworth
Healey
Hébert
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hillings
Hoeven
Hoffman, Mich.
Holifield
Holland
Holmes
Holt
Holtzman
Hope
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jackson
Jarman
Jenkins
Jennings
Jensen
Johansen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Judd
Karsten
Kean
Kearney
Kearns
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Kilburn
Kilday

Kilgore
King, Calif.
Kirwan
Kluczynski
Knox
Knutson
Krueger
Laird
Landrum
Lane
Lanham
Lankford
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McConnell
McCormack
McCulloch
McDonough
McDowell
McGregor
McMillan
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Magnuson
Mahon
Mailliard
Martin
Mason
Matthews
Merrow
Metcalf
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Morrison
Moss
Moulder
Mumma
Murray, Ill.
Murray, Tenn.
Natcher
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Ostertag
Passman
Patman
Patterson
Pelly
Perkins
Pfost
Philbin
Phillips
Pilcher
Pillion
Poage
Poff
Polk
Preston
Price
Priest
Prouty
Quigley
Rabaut
Radwan
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Robsion, Ky.
Rodino
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Short
Shuford
Sieminski
Sikes
Siler
Simpson, Ill.
Simpson, Pa.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Staggers
Steed
Sullivan
Taber
Talle
Taylor
Teague, Calif.
Thomas
Thompson, La.
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Tollefson
Trimble
Tuck
Tumulty
Udall
Utt
Vanik
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Vursell
Wainwright
Walter
Watts
Weaver
Westland
Wharton
Whitten
Wickersham
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. J.
Williams, N. Y.
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Withrow
Wolcott
Wolverton
Wright
Yates
Young
Younger
Zablocki

NAYS—3

Andersen, H. Carl
Gross
Marshall

ANSWERED "PRESENT"—1

Scrivner

NOT VOTING—52

Anfuso
Blitch
Boykin
Buckley
Canfield
Chatham
Chenoweth
Christopher
Cooley
Coudert
Curtis, Mass.
Dague
Davidson
Dawson, Utah
Dodd
Donovan
Doyle
Eberharter
Gamble
Gordon
Grant
Gwinn
Hale
Haley
Hinshaw
Hoffman, Ill.
James
Johnson, Calif.
Keogh
King, Pa.
Klein
McIntire
McVey
Madden
Meader
Miller, Calif.
Minshall
Mollohan
Morano
Morgan
Multer
Nelson
O'Hara, Minn.
Osmers
Powell
Riehlman
Rogers, Colo.
Scott
Sheppard
Springer
Teague, Tex.
Zelenko

So the bill was passed.

The Clerk announced the following pairs:

Mr. Christopher with Mr. Canfield.
Mr. Keogh with Mr. Minshall.
Mr. Klein with Mr. Morano.
Mr. Anfuso with Mr. Coudert.
Mr. Buckley with Mr. Dague.
Mr. Gordon with Mr. Scott.
Mr. Davidson with Mr. James.
Mr. Haley with Mr. Springer.
Mr. Madden with Mr. Riehlman.
Mr Dodd with Mr. Osmers.
Mr. Multer with Mr. McVey.
Mr. Boykin with Mr. Curtis of Massachusetts.
Mr. Powell with Mr. Hoffman of Illinois.
Mr. Grant with Mr. Johnson of California.
Mr. Zelenko with Mr. McIntire.
Mr. Miller of California with Mr. Chenoweth.
Mr. Doyle with Mr. O'Hara of Minnesota.
Mr. Mollohan with Mr. Meader.
Mr. Eberharter with Mr. King of Pennsylvania.
Mr. Chatham with Mr. Gamble.
Mr. Sheppard with Mr. Gwinn.
Mr. Morgan with Mr. Nelson.
Mr. Donovan with Mr. Dawson of Utah.
Mr. Rogers of Colorado with Mr. Hale.
Mr. Teague of Texas with Mr. Hinshaw.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ESTABLISHING AN EDUCATIONAL ASSISTANCE PROGRAM FOR CHILDREN OF SERVICEMEN

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 470, Rept. No. 1996), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9824) to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Veterans' Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

UNITED STATES v. ALDO LORENZO ICARDI

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

APRIL 12, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: From the District Court of the United States for the District of Columbia, I have received a subpena duces tecum, directed to me as Clerk of the House of Representatives, to appear before said court as a witness in the case of the *United States* v. *Aldo Lorenzo Icardi* (No. 821–55), and to bring with me certain and sundry papers therein described in the files of the House of Representatives.

The rules and practice of the House of Representatives indicates that the Clerk may not, either voluntarily or in obedience to a subpena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Very truly yours,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDO LORENZO ICARDI, NO. CR. 821–55

TO RALPH R. ROBERTS, Clerk, United States House of Representatives, Capitol, Washington, D. C.:

You are hereby commanded to appear in the United States District Court for the District of Columbia at Third and Constitution Avenue NW., in the city of Washington on the fourth floor, courtroom 8, 16th day of April 1956 at 10 o'clock a. m. to testify in the case of *United States* v. *Aldo Lorenzo Icardi* and bring with you certified copies of the documents described on the attached list.

This subpena is issued upon application of the United States.

April 11, 1956.

MARVIN B. SEGAL,
Attorney for the United States, Department of Justice.
HARRY HULL, *Clerk*,
By LAWRENCE PROCTOR,
Deputy Clerk.

[Attached list]

Certified copies of:

(1) House Resolution 2, 84th Congress.

(2) Extract of the Journal of the House of Representatives showing the establishment of the Armed Services Committee of the 83d Congress and the membership thereof during the months of January, February, March of 1953.

(3) Minutes of the Committee on Armed Services dated January 27, 1953.

(4) Report of the Special Subcommittee of the Committee on Armed Services of House of Representatives under the authority of House Resolution 125 (83d Cong., 1st sess.), printed for use of the Committee on Armed Services.

(5) Rules of the Committee on Armed Services, House of Representatives, 83d Congress, 1st session.

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 471) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas in the case of the United States of America against Aldo Lorenzo Icardi (criminal case No. 821–55), pending in the United States District Court for the District of Columbia, a subpena duces tecum was issued by the said court and addressed to Ralph R. Roberts, Clerk of the House of Representatives, directing him to appear as a witness before the said court on the 16th day of April 1956, at 10 a. m. and to bring with him certain and sundry papers in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such order thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That Ralph R. Roberts, Clerk of the House, be authorized to appear at the place and before the court named in the subpena duces tecum before-mentioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the Clerk of the House; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House and take copies of any documents or papers and the Clerk is authorized to supply certified copies of such documents and papers in possession or control of said Clerk that the court has found to be material and relevant, except minutes and transcripts of executive sessions, and any evidence of witnesses in respect thereto which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed or the same shall not be removed from their place of file or custody under said Clerk; and be it further

Resolved, A copy of these resolutions be transmitted to the said court as a respectful answer to the subpena aforementioned.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CIVIL AERONAUTICS ACT OF 1938

Mr. O'NEILL, from the Committee on Rules, reported the following privileged resolution (H. Res. 472, Rept. No. 1997), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. After the reading of the first section of such bill it shall be in order to move to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill H. R. 319 as reported to the House by the Committee on the Judiciary and all points of order against such amendment are hereby waived. At the conclusion of the consideration of the bill S. 2972 the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

SPECIAL ORDER EXTENDED

Mr. MASON. Mr. Speaker, on Monday next I have a special order for 15 minutes. Because of the general interest in it on the part of my southern colleagues, I ask unanimous consent that the 15 minutes be extended to 30 minutes, not in order for me to speak longer but for some of the others who may desire to be heard.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader if he might tell us about the program for next week.

Mr. McCORMACK. I will be very glad to accede to my friend's request.

On Monday there will be the call of the Consent Calendar. There will also be two suspensions: H. R. 9424, prior notification corporate mergers, and House Resolution 370, continue United States policy regarding injustices in the world.

I am also informed that there is a conference report, submitted by the gentleman from South Carolina [Mr. RICHARDS], on S. 1287, the so-called annuities bill.

Tuesday is Private Calendar day, but there are no bills on the Private Calendar.

Mr. Speaker, I ask unanimous consent that the call of the Private Calendar on Tuesday be dispensed with.

Mr. MARTIN. Mr. Speaker, reserving the right to object—and, of course, I shall not object—I should like to ask relative to the proposed suspension of the rules for the consideration of the bill H. R. 9424. May I ask what bill is that?

Mr. CELLER. Mr. Speaker, will the gentleman yield to me?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. CELLER. That is a bill that requires notice to be given to the Department of Justice and the Federal Trade Commission before there can be consummation of the merger of any two corporations where the resulting combined assets would be more than $10 million flowing from the merger. The bill has the approval of the White House. The White House recommended such legislation.

Mr. MARTIN. I appreciate that, and I am for the bill. But several members of the Committee on Rules have advised me that it would not be discreet to bring it up on Monday next.

Mr. McCORMACK. For Tuesday, Wednesday, Thursday, and Friday I have programmed the following bills:

S. 1188, examination of national banks.

S. 1736, qualifications of national bank directors.

H. R. 9285, to extend authority; the direct purchase bill.

This bill is on the program for this week:

H. R. 5299, authorizing the Virgin Islands National Park.

The following bills may be brought up if they are reported and rules for their consideration are granted:

H. R. 10387, to authorize appropriations for the Atomic Energy Commission on certain projects.

H. R. 8836, the highway construction bill.

I make the usual reservations, that any further program will be announced later, and conference reports may be brought up at any time.

Mr. POAGE. If the gentleman will yield, I wonder what has happened to the scheduling of the watershed bill.

Mr. McCORMACK. That bill could not be reached this week, anyway. I will bring it up just as soon as I possibly can.

Mr. POAGE. Are we to understand it is going to be put off, or are we going to bring it up any time soon?

Mr. McCORMACK. It will be brought up in the near future, but not next week.

Mr. POAGE. Will the gentleman explain why it will not be brought up next week?

Mr. McCORMACK. We have this other legislation.

Mr. POAGE. Yes; but this was scheduled before the others.

Mr. McCORMACK. No. Every one of these bills I have scheduled for next week preceded the watershed bill, with the exception of the Atomic Energy Commission authorization and the road bill.

Mr. POAGE. That is right, and they have not even been reported out.

Mr. McCORMACK. I said that any further program will be announced. If those bills are not reported out and we dispose of the other bills, then the bill to which the gentleman refers is in order for my announcing it to the House.

Mr. ARENDS. Does the gentleman intend to ask unanimous consent to adjourn over until Monday, after the completion of the next bill on the program for today?

Mr. McCORMACK. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week and the following week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF GI HOME LOAN PROGRAM

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I am, today, introducing legislation which is extremely important to the overall economy of our great country. It is an extension of the GI home-loan program for World War II veterans.

This legislation amends section 500 of the Servicemen's Readjustment Act of 1944 to provide an additional period for World War II veterans to obtain guaranteed loans. It will provide the disabled veteran with an opportunity to exercise his right of purchasing a home under this law for a period of an additional 3 years from the present termination date which is July 25, 1957. It further provides a 1-month extension of eligibility for each 2 full months of service for those who served actively after September 15, 1940, and before July 26, 1947.

An abrupt termination of the GI home-loan program such as is now provided in the law would have an unhealthy and inflationary effect upon the entire Nation's economy. It would be almost certain to create a heavy housing demand which would result in highly inflated prices. It would be humanly impossible to obtain materials, equipment, manpower, or financing to build the homes that would be required if the expiration date is not extended.

However, a simple extension of the program is not the answer. Therefore, this bill provides for an orderly termination of the program over a period of 3 years. This would soften the shock of an abrupt end, spread out the demand for new housing over the period of several years, allow the veteran who has served his country more time to exercise his rights, and still answer those who state that if the plan is extended for 1 or 2 years, that extension would go on ad infinitum.

I want to make it clear that I firmly believe that the veterans' program must expire within a reasonable period, but it would be unfair to our Nation's veterans and our entire population to permit such an abrupt termination. I think this is a practical solution to a difficult problem and I urge the support of veterans groups and all others for this bill.

The need is borne out by the fact that 11,224,089 World War II veterans have not yet reached the state of financial stability which would permit them to purchase a home of their own.

NUMBER OF VETERANS WHO HAVE USED THEIR GI RIGHTS

As of February 1956 there were 22,226,000 veterans in civilian life; 15,385,000 World War II; 4,469,000 with Korean service. Of whom 849,000 also had World War II service leaving only 3,620,000 with Korean service only. Of this number, 4,353,310 had received guaranteed home loans, 292,399 of whom were Korean veterans. And the total amount of loans guaranteed reached $32,955,000,000, of which Korean veterans loans were valued at $2,765,000,000; and World War II veterans had loans for an amount of $30,190,000,000.

The overall figures on home loans are misleading. Although 26 percent of the eligible veterans have used their home-loan entitlement, the distribution has varied widely in different areas of the country. For example, for the 10 years ending in 1954, only 11.5 percent of the veterans in the Chicago metropolitan area had received home loans, compared with 56 percent in Wichita, Kans.

The following table I is a table showing for 75 metropolitan areas, the total number of home loans closed in the 10-year period 1944–54, and the percent of home loans to the veteran population in those areas.

TABLE I.—*VA guaranteed home loans in 75 metropolitan areas, 1944–54*

Standard metropolitan area	Estimated veteran population October 1953 (World War II and Korea) [1]	Total number of home loans closed, 1944 through December 1954 [2]	Percent of home loans to VA population
Akron, Ohio	55,030	14,967	27.2
Albany, N. Y	62,780	15,180	24.2
Albuquerque, N. Mex	20,900	9,535	45.6
Allentown, Pa	50,100	10,688	21.3
Atlanta, Ga	81,780	31,853	38.9
Augusta, Ga	20,000	6,853	34.3
Austin, Tex	20,540	5,439	26.5
Baltimore, Md	157,490	52,398	33.3
Baton Rouge, La	19,700	6,732	34.2
Beaumont-Port Arthur, Tex	24,310	6,896	28.4
Birmingham, Ala	63,510	17,987	28.2
Boston, Mass	349,280	119,339	34.2
Bridgeport, Conn	62,900	13,302	21.1
Buffalo, N. Y	127,730	42,990	33.7
Charlotte, N. C	22,230	7,732	34.8
Chicago, Ill	677,830	77,738	11.5
Cincinnati, Ohio	102,160	15,725	15.4
Cleveland, Ohio	179,920	38,451	21.4
Columbus, Ohio	60,960	11,274	18.5
Corpus Christi, Tex	21,400	8,644	40.4
Dallas, Tex	83,760	32,433	38.7
Dayton, Ohio	52,270	12,406	23.7
Denver, Colo	76,430	26,912	35.2
Detroit, Mich	367,770	99,101	26.9
El Paso, Tex	23,020	6,024	26.2
Flint, Mich	33,780	6,338	18.8
Fort Worth, Tex	45,800	15,075	32.9
Fresno, Calif	32,340	7,544	23.3
Grand Rapids, Mich	33,820	5,559	16.4
Hartford, Conn	65,500	15,242	23.3
Houston, Tex	111,800	53,284	47.6
Indianapolis, Ind	68,500	13,960	20.4
Jacksonville, Fla	37,440	16,490	44.0
Kansas City, Kans. and Mo	102,570	32,818	32.0
Knoxville, Tenn	40,290	6,670	16.6
Los Angeles, Calif	547,700	217,948	39.8
Louisville, Ky	68,070	14,443	21.2
Memphis, Tenn	55,400	25,165	45.4
Miami, Fla	67,660	31,336	46.3
Milwaukee, Wis	100,640	17,005	16.9
Minneapolis-St. Paul, Minn	144,880	48,197	33.3
Mobile, Ala	23,800	4,255	17.9
Nashville, Tenn	37,920	14,829	39.1
New Orleans, La	79,320	17,062	21.5
New York, N. Y. and N. J	1,556,650	342,080	21.8
Norfolk, Va	49,570	9,472	19.1
Oklahoma City, Okla	44,800	32,374	72.3
Omaha, Nebr	42,200	10,742	25.5
Orlando, Fla	13,400	3,821	28.5
Philadelphia, Pa	443,630	141,553	31.9
Phoenix, Ariz	37,000	8,379	22.6
Pittsburgh, Pa	292,930	50,749	17.3
Portland, Oreg	85,190	13,576	15.9
Providence, R. I	90,730	14,682	16.2
Richmond, Va	38,700	13,700	35.4
Rochester, N. Y	56,000	22,395	40.0
Sacramento, Calif	38,350	16,197	42.2
St. Louis, Mo	188,780	32,006	17.0
Salt Lake City, Utah	35,010	8,670	24.8
San Antonio, Tex	55,880	21,038	37.6
San Bernardino, Calif	34,000	13,969	41.0
San Diego, Calif	72,330	20,450	28.3
San Francisco, Calif	288,450	102,696	35.6
San Jose, Calif	40,000	21,013	52.5
Seattle, Wash	85,830	33,360	38.9
Spokane, Wash	22,530	7,274	32.3
Springfield, Mass	57,600	18,650	32.4
Stockton, Calif	22,750	6,059	26.6
Syracuse, N. Y	40,300	16,217	40.2
Tacoma, Wash	33,220	14,400	43.4
Tampa-St. Petersburg, Fla	46,890	10,465	22.3
Toledo, Ohio	49,200	10,647	21.6
Washington, D. C	196,070	53,078	27.1
Wichita, Kans	32,900	18,447	56.0
Youngstown, Ohio	67,390	13,744	20.4
75 metropolitan area			
Total	8,639,350	2,355,637	27.3
United States total	17,005,000	3,607,101	21.2

[1] The veteran population estimates by counties are based on the 1950 census adjusted to prevailing conditions in the second half of 1953. Some of the estimates may appear conservative due to difficulty to appraise fully migratory trends in fast expanding areas.

[2] As of the end of 1954, most of the VA home loans closed were for World War II veterans. The share of Korean veterans was nominal but it was increasing steadily in relative importance. While less than 4 percent of the cumulative total of home loans closed through 1954 were for Korean veterans, such loans accounted for about a quarter of all home loans guaranteed in 1954 alone.

Sources: Loan Guaranty Section and Reports and Statistics Service of the Veterans' Administration.

As this table clearly indicates, there are still many areas of the country where veterans have, as yet, not had full opportunity to exercise their home loan guaranty benefits:

TABLE II.—*Veteran participation in VA loan program in metropolitan and nonmetropolitan counties (cumulative as of end of December 1955)*

	Number of counties	Estimated veteran population December 1955	Total number loans made	Loans made as percent of veteran population guaranteed loans		Estimated number of veterans who have not used entitlement
				Home loans	Direct loans	
All United States counties	3,074	18,894,000	4,623,716	22.5	0.4	14,270,300
Metropolitan counties [1]	282	11,761,500	3,519,257	28.3	.1	8,242,200
Nonmetropolitan counties, medium size [2]	148	1,281,000	288,908	20.9	.6	992,100
Nonmetropolitan counties, small [3]	2,644	5,851,500	815,551	11.0	1.1	5,036,000
Small nonmetropolitan counties which are wholly eligible, by veteran population size groups:						
5,000 and over	45	371,200	47,256	10.8	1.3	323,900
2,500 to 5,000	284	1,199,400	142,721	9.1	1.5	1,056,700
1,000 to 2,500	950	1,930,300	201,711	6.9	1.4	1,728,600
Under 1,000	1,018	750,900	63,827	4.4	1.5	687,000

[1] Metropolitan counties, as classified by Bureau of Census.

[2] Nonmetropolitan counties where 1950 population of largest city was between 25,000 and 50,000.

[3] Nonmetropolitan counties where 1950 population of largest city was less than 25,000.

As table II shows, they have been more prone to exercise their rights in metropolitan areas, and the larger ones at that, than in open country outside the metropolitan areas or in the smaller towns. For example, 28.3 percent of those living in the larger cities have used their rights, whereas only 11 percent of those living in the smaller metropolitan counties have done so, and less than 10 percent of those living in counties with less than 5,000 population. This clearly indicates that whether or not the veteran has exercised his right depends on the availability of housing under GI terms; because financing under GI terms has not been so readily available in the smaller towns, the veterans in those towns have been denied a full opportunity to exercise the privileges which the Congress granted them. To close out the program before they had received fuller opportunity to exercise these rights would not only be a denial of their rights, but would be distinctly unfair treatment as compared with veterans who happened to be living in the larger cities. This would be particularly unfortunate at a time when VHMCP and the direct-loan VA program appear to be offering a remedy, in part, to this inequity.

Moreover, many of the veterans who have obtained home loans still have remaining substantial portions of their entitlement; at least 90 percent of all veterans, particularly, those receiving their home-loan guarantees before August 1954, have some entitlement left. As a matter of fact, 2 out 3 vets who have used their entitlement have from $3,500 to $5,500 left of the $7,500 entitlement available to them.

TABLE III.—*Percent of entitlement used and remaining for VA home loans (cumulative through August 1954)*

Number of loans:

Total	3,703,000
Home	3,420,000

Amount of entitlement used	Percent	Entitlement remaining
Up to $2,000	18	$5,500 or more.
$2,000 to $4,000	48	$5,500 to $3,500.
$4,000 to $6,000	22	$3,500 to $1,500.
$6,000 to $7,500	12	$1,500 or less.

Probably most of the loans closed since August 1954, have been for the full entitlement or nearly so.

HOW MANY VETS ARE LIKELY TO USE THEIR GI BILL IN THE FUTURE?

No specifics are available on this outside of the Bradley study figures.

However, we can make some estimates based on age of the veteran population. The typical home-buying veteran, according to a survey made last year by the VA, was 32 years old.

As of December 31, 1955, there were 2,218,000 veterans under 29 years of age in the veteran population; and an additional 5,062 were between 30 and 34 years of age, giving a total in the home-buying age range of over 7½ million veterans.

The VA has prepared additional data which show by age groups the number of veterans who have not exercised their veterans' benefits. See table IV following:

TABLE IV.—*Use of GI home loan guaranty by vets with World War II service*

[Numbers in thousands]

Age	Total	Have used entitlement		Have not used entitlement	
		Number	Percent	Number	Percent
25 years and under	65	7	10.7	58	89.3
26 to 29	1,688	408	21.6	1,480	78.4
30 to 34	4,765	1,322	27.8	3,443	72.2
35 to 39	3,902	1,187	30.4	2,715	69.6
40 to 44	2,066	533	25.8	1,533	74.2
45 and over	1,862	325	17.5	1,537	82.5
All	14,548	3,782	26.0	10,766	74.0
Median age 35.7 years		35.6		35.7	

On the basis of the figures in table IV, it is evident that there is a very large number of veterans, over 5 million in the home-buying age group—under 35—who have not yet used their entitlements and will lose them under terms of the current law.

This fact is emphasized by the large number of this group under 29 years of age—1,538,000—who are well below the average home-buying age and who, in many cases, have not yet arrived in their personal lives at the state where they are ready to be homeowners.

TABLE V.—*Median age of World War II vets who have used their entitlement for home loans by year of loan origination*

Year of loan origination	Total of all ages	Median age end of year loan made
	Thousands	
1944–45	20	29.3
1946	389	29.0
1947	506	29.4
1948	329	30.0
1949	252	30.3
1950	469	30.5
1951	439	31.1
1952	292	31.4
1953	278	32.0
1954	332	32.7
1955	476	33.6

OLDER VETS ARE NOW USING THEIR ENTITLEMENT

Moreover, as table V shows, the median shows, the median age of the vet using his entitlement has steadily risen. In 1946 the typical vet who received his entitlement was 29 years old; each year the age has risen, and by 1955 the typical vet who received a VA guaranteed home loan was 33.6 years of age. This indicates the likelihood that a large number of those in the 30–35-year age group who have not yet made use of their entitlement would probably do so if the opportunity were available through extension of the benefits beyond the current cutoff date. Thus, in the earlier days of the program its major value was to the veterans just approaching 30, who had already reached the family status where home ownership became desirable. In more recent years, maximum usage has been evident by somewhat older veterans who have taken somewhat longer—perhaps because of educational requirements—to make their permanent living arrangements.

Assuming that 400,000 veterans exercise their rights between now and July 25, 1957, this leaves a total of 4.6 million still potentially in the market.

Apply further the rule of thumb that 1 out of 4 veterans will exercise their rights—more than 1 in 4 in the under 35-age group—but this group does include some who have already made relatively permanent arrangements. On this basis, it is assumed that if the benefits are extended for 3 years, that over a million more veterans will take advantage of their GI rights to purchase a home if the program is extended to 1960.

The statistics clearly indicate that in recent years the program has had even more importance for veterans and for the home-building economy than in earlier years, that it has gradually come to be one of the really significant props for our economy.

TABLE VI.—*Total private housing starts and starts under VA as percent of private starts*

Year	Total private starts	VA starts	Number of home loans closed		
			Total	New	Existing
	Thousands	*Percent*	*Thousands*	*Thousands*	*Thousands*
1951	892.2	14.6	447.3	286.4	122.8
1952	939.1	13.2	306.4	192.2	109.4
1953	932.8	14.7	322.0	202.8	115.2
1954	1,077.3	25.5	410.7	243.1	164.1
1955	1,190.2	30.0	649.4	387.6	255.5

As the table VI shows, year by year since 1951, the program has been of more and more use to veterans. One in every 7 homes started in 1951 was under the VA program; close to 1 in 3 last year was GI. The total number of home loans closed mounted steadily in those years, from 447,373 in 1951 to 649,412 in 1955. At the same time, an increasing proportion of these were for new homes, increasing from 286,432 to 387,647 in 1955. The 1955 totals of home loans closed, both new and existing were at all-time highs for the program.

These are scarcely the characteristic features of a program on its way to expiration. They reflect a program which has been of increasing use to the veteran, never more than in the past year, and one which will probably continue to be of value to him unless the stopper is pulled. As a matter of fact, if abruptly terminated, the program will terminate at the height of its usefulness to the veterans in our population.

In the opening months of 1956, this pace, though down somewhat, has continued, with the volume of starts and home loans closed all continuing at very high levels indeed.

THE ECONOMIC ARGUMENT

Entirely apart from the hardship on the individual veterans who, for valid personal reasons, may have been prevented from exercising—prior to June 1957—the housing opportunities open to millions of other veterans, the cessation of the program on that date will have far reaching economic impact.

The years from 1955 through 1960 are the so-called soft years in the housing market. They are the years when the low birth rates of the 1930's will show up in a lower net family formation, certainly below the 1950–55 level. The impact on housing demand from this negative factor will, undoubtedly, be a factor until the war and post-war baby crop starts forming their own families in the 1960's at which time a surge in new family formation can be expected.

In the years right after the war, net household—nonfarm—formation rose to 1.5 million; in 1950, it was 1.6 million, but by 1955, it had fallen to about 850,000, and will continue at that level or slightly lower for the rest of the decade.

To remove the added stimulus that can be given by the continuing availability of GI benefits at this time will have a more severe effect on the home building economy than it will have in the years after 1960, and then it might have had in the earlier years of great housing shortage and consequent high demand.

To eliminate the GI program at this period is to restrict housing aids at the very time when liberal terms are most needed.

The overall housing economy in the last few years has been greatly influenced by the availability of the GI programs. Housing started under the VA program has, in recent years, been an increasingly larger part of the total as the table shows:

TABLE VII

Year	New private starts	VA starts	VA as percent of total
	Thousands		
1950	1,150.7	[1]	[1]
1951	892.2	148.7	14.6
1952	939.1	141.3	13.2
1953	932.8	156.6	14.7
1954	1,077.3	307.0	25.5
1955	1,190.2	392.8	30.0

[1] Not available.

These figures clearly indicate the uptrend in the relationship of VA starts to total new home building. That relationship is more significant now than at any time in the past, and any abrupt shift—such as will be occasioned if the law is allowed to terminate on June 25, 1957—will have a very serious impact on the home building as well as the overall national economy.

At 392,800 units, 1955's new GI housing accounted for over $4 billion of our national product, provided over 400,000 man-years of employment on site—at least an equivalent amount of offsite employment.

A careful review of the situation indicates that at the very least the consequences of allowing the law to terminate, as scheduled next year, will mean a severe disruption of home building in many areas of the country, as well as an inevitably sharp cutback in total housing production and employment.

VA PROGRAM HAS BEEN BENEFICIAL IN HELPING TO PROVIDE A VOLUME OF MIDDLE INCOME HOUSING

Despite a continuing increase in sales price, the typical VA house has still been priced somewhat under the conventionally financed home. In 1954, the average veteran paid $11,640 for his home compared with a Bureau of Labor Statistics average for all homes of $12,300. Since the Bureau of Labor Statistics figures include the VA, it is obvious that the VA program has held the overall average down, and the average for houses financed outside the VA and FHA programs would be even higher than $12,300. In 1955, the typical VA house sold at $12,476, compared with $13,700 reported for all houses by the Bureau of Labor Statistics.

Thus, elimination of the program moves in precisely the opposite direction from the trends of housing legislation in recent years. Its elimination will make even more difficult the task of providing good private housing for lower and middle income families, and will mean a step backward in the achievement of the goal of providing good housing opportunities for all Americans.

Nonveterans, too, have profited as a result of the VA loan guaranty program. Millions have been provided with an opportunity to purchase homes that would otherwise not have been available had this program not been in existence. It has enabled the builders to produce a home at a price commensurate with the family income. This was accomplished largely because of the builders' ability to purchase large quantities of materials and to develop mass production techniques in building. This mass building program has provided financial stability for the building tradesman, kept him steadily employed at the highest income levels he has ever experienced, therefore enabling him and the other millions of middle-income families to purchase numbers of homes never before possible in the history of the country.

IMPACT OF AN ARBITRARY CUT-OFF DATE

Although it has been known for some time that the law was scheduled to terminate in mid-1957, it is clear that the full impact of this onrushing date has not been anticipated by individual builders and suppliers in the industry. Few, for example, realize that its effects will begin to be felt in the early fall of 1956, since the July 25, 1957, cut-off date applies to the guaranty, not the housing start. Thus, if the termination date stands, it will be an abrupt shock for the private home building industry, one which will create a substantial amount of dislocation, and eventually of severe economic difficulties for many builders and suppliers and related industry groups, their millions of employees, and the veterans and nonveterans alike, since it comes at a time when homes started under the VA program amount to from 25 to 30 percent of the total.

It will also mean an enormous jam-up in most VA offices in the late months of 1956 and early months of 1957, as it becomes known more generally that the GI program is about to expire. It is scarcely necessary to point out the unfavorable consequences such logjam would have on the smoothness of operation not only in the offices, but in the home building economy.

Also, earlier figures have indicated that wide range of difference in the use of the GI program. This points to the additional fact that those areas in which GI home loans have been an important part of the construction economy will feel the impact of termination even more than other areas where it has not yet played an important part. For example, in some of the areas of rapid growth, such as the west coast and southwestern areas, the GI program has, in recent years, accounted for close to 40 or 50 percent of all new home building. The impact on the economy of these localities will, undoubtedly, be severe.

Cities such as Miami, Los Angeles, San Francisco, Dallas, Houston, and so forth, have all suffered from the impact of the recent change in mid-1955 on FHA and VA maturities and downpayments. It is not difficult to understand how much more direct and devastating an effect elimination of the entire VA program for World War II vets will have in these and similar communities all over the land.

FHA CANNOT TAKE OVER THE VA WORKLOAD

The argument is sometimes made that much of the potential VA volume after the cutoff date will go to FHA. FHA volume of new units in applications is now running about two-thirds of the VA total in appraisal requests for new homes. FHA certainly does not have the staff or office facilities in most areas of the country to take on overnight a 150-percent increase in their workload. To add such

a staggering addition will mean swamping the offices as well as inevitably months of confusion in recruiting and training new personnel, even assuming that the FHA is given timely authority to expand its services, receives the necessary congressional appropriations, and can hire qualified personnel.

CONTINGENT LIABILITY EXPOSURE OF UNITED STATES TREASURY

It is sometimes argued that the contingent liability being assumed by the Federal Government under the GI program imposes an excessive burden on the Government fiscal status.

A 3-year extension, during which time volume will probably taper off—as indicated by the increasing age of World War II veterans—would impose little or no additonal liability on the Federal Government.

Payoffs on GI loans during 1955 amounted to about $2 billion. They are sure to increase in the years ahead, inasmuch as the mortgage schedule in effect makes for gradually increasing amounts of the monthly payment to go into mortgage reduction rather than interest with each year on the mortgage's life.

On the assumption that the level of new loans made will ease off in the next 3 years—in the event of an extension—to about 300,000 per year, then the level of new contingent liability arising out of these loans will be close to the level of payoffs on earlier mortgages, meaning no increase in total contingent liability.

VETERANS HAVE BEEN GOOD CREDIT RISKS

The VA loan guaranty program has not been a burden on the taxpayer.

By and large, veterans have made an astoundingly good record on their GI home loans. By January 31, 1956, the millionth veteran had repaid his GI loan in full; 809,511 of the repaid loans for a total of $4.6 billion, were GI home loans.

In the 10-year life—through December 1955—of the program, VA has had to pay claims on only 24,168 of the 4,353,000 loans made. It has paid out $66.3 million on these but has recovered to date $47.3 million, leaving a net loss—subject to still further recovery—of $18.6 million. Its loss on these loans has amounted to only 0.06 percent of the total amount of over $32 billion GI loans. Moreover, by the end of 1955, less than 1 percent—0.97 percent—of all loans outstanding were in default, a percentage which has declined year by year under the program; and of the 33,346 loans in default, only one-tenth of those were in serious trouble; on most of the rest of the loans in default status, it was anticipated that the defaults would be cured before they ran into serious trouble. That less than one-tenth of 1 percent of the outstanding VA loans are in serious default is truly a remarkable tribute to the stability of the GI program and the typical American veteran.

PRINCETON UNIVERSITY

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, the Associated Press carries the following story:

> The student newspaper at Princeton University said today that cancellation of a campus talk by Alger Hiss would mean that Princeton "can be browbeaten by outside pressure groups."

Apparently this is an admission that the invitation to Mr. Hiss is an inside job. What the students forget is that Hiss represents an outside pressure group, Soviet Russia. I might say to the professors at Princeton, "You ought to go back to kindergarten to teach the students to think a little better."

WASTE OF TAXPAYERS' MONEY

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, I noted with interest that one of my colleagues on the other side of the aisle—a member in good standing of the political party that has for so long now made a big thing of preaching economy in Government—yesterday commended Housing Administrator Cole for having the courage to plan and schedule the forthcoming Women's Congress on Housing.

I, too, want to make note of Mr. Cole's courage in this instance. I think Mr. Cole is a most courageous man. It takes an awful lot of intestinal fortitude to publicly squander the taxpayers money in such a flagrant manner as Mr. Cole is doing. And speaking of courage, I wish to congratulate my Republican colleague for being so daring as to publicly defend Mr. Cole's waste of our tax dollars—and to do this even in an election year. I deeply regret that my admiration for my colleague's courage cannot, however, extend to his sense of fairness or accuracy. In his remarks yesterday the gentleman indicated that I indicated "that what women think, particularly with regard to the choice of a home they wish to occupy is 'silly and useless.'" Nothing could be further from the truth. Anyone who will do me the courtesy of reviewing each and everyone of my pronouncements on Mr. Cole's "Housing Contest" will quickly and surely see how completely out of context my colleague has quoted me.

My use of the words "silly and useless" were never directed at Mr. Cole's recognition that the women of America were the best possible experts on the subject of what should be in a house. I denounced—and still do—as "silly and useless" Mr. Cole's need to gather this information from the ladies and, even more important, the wasteful method by which he proposes to do it. I question the need for Mr. Cole to gather this information; first, because the Government agency he heads does not build homes—it insures mortgages and supervises local authorities in the construction of public housing units; second, because Mr. Cole already has on hand enough information on What People Want When They Buy a House to publish—less than 4 months ago—a whole book on the subject.

However, if Mr. Cole feels compelled to learn all over again what people want when they buy a house, I submit that he should obtain all his information by standard business methods which would cost the taxpayers far less than his "Housing Contest."

Surely my Republican colleague remembers a few years back when Mr. Harlow H. Curtice was head of the Buick division of General Motors and each year the automobile owners of America received a questionnaire in which they could check off—with or without comment—the features they would like to have incorporated in their next car. Seeing what has since happened to both Buick sales and to Mr. Curtice, I suggested to Mr. Cole that he too might adopt this proven approach of General Motors as a substitute for his silly, useless, and expensive contest gimmick. This truly might be one instance where what is good for General Motors is good for the United States.

JONQUILS FROM THE STATE OF WASHINGTON

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to express my gratitude and appreciation to the gentleman from the great and beautiful State of Washington [Mr. TOLLEFSON] and to his very thoughtful constituent for the very beautiful daffodils or jonquils, which they have provided for us in the restaurants and other rooms of the Capitol. They brought sunshine and cheer to us, and I enjoy them so much. This is only one of the many courteous and kind things my colleague, Mr. TOLLEFSON, has done for the Congress.

TENNESSEE VALLEY AUTHORITY

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Speaker, the newspapers this morning informed us that President Eisenhower, in signing the upper Colorado River bill, remarked:

> This bill represents what I believe in—treating a whole river valley as a unit, as a whole thing.

As one who has long supported this country's oldest and most outstanding example of comprehensive, basinwide resource development—the Tennessee

Valley Authority—I want to express my gratification that the President has finally come to the realization he expressed yesterday.

If the President really believes this—and I have no reason to doubt it—then this is great news for the TVA and those who support it.

The principles of comprehensive, unified river development, first expressed over 50 years ago by President Theodore Roosevelt, were written into the TVA Act 23 years ago and have been faithfully followed ever since. Now that President Eisenhower has reaffirmed these principles and stated his belief in them I am hopeful that the TVA can look forward to more deserving treatment at the hands of the Eisenhower administration.

Those of us who support TVA and also voted for the upper Colorado—and there were many of us—are in favor of comprehensive river-valley development wherever it is feasible. We agree with President Eisenhower that a whole river valley ought to be treated as a unit. We are now ready for him to take the next step and act as responsibly toward the Tennessee Valley Authority as he has toward the upper Colorado.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the bill H. R. 9052.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SPECIAL ORDER VACATED

Mr. BAILEY. Mr. Speaker, due to the lateness of the hour, I ask unanimous consent that the special order granted to me today be vacated and that the same privilege be extended to me at the conclusion of the legislative business on Tuesday next.

The SPEAKER. Is there objection?

There was no objection.

RESEARCH AND DEVELOPMENT PROGRAM FOR THE COAL INDUSTRY OF THE UNITED STATES

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 400) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Interior and Insular Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete study on the possibilities of a research and development program for the coal industry of the United States. In particular, the committee or subcommittee shall seek to determine—

(1) whether or not there is a possibility of developing under existing law, a cooperative research venture in which the Federal Government, interested and affected State governments, as well as industry, labor organizations and private corporations might participate; and ascertain what part the agencies might play in a research and development program and in what fields Federal or State governments might best cooperate;

(2) whether or not there is a possibility that an effective research program for coal might be developed in the same magnitude, and on the same general organizational basis, as those which have been and are now currently conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and similar groups;

(3) and investigate fields of research into which such a program might delve in order to accomplish the best and most expeditious results for an economic revival of the bituminous coal industry. Such fields of research should cover the general categories of coal production, coal transportation, coal distribution (market studies, and so forth), coal utilization in conventional forms, development of new and expanded uses of coal, including gasification, chemical production and a general appraisal of all coal technology;

(4) what progress has heretofore been made in the production of synthetic liquid fuel in the overall energy program and what advances in our present knowledge and skills with respect to the production of synthetic liquid fuel may be reasonably anticipated in the future; and

(5) whether the public interest would be served by the construction of a plant for the conversion of coal into a synthetic fuel to permit more rapid development of techniques for the production of synthetic liquid fuels, since it is inevitable that the exhaustion or conservation of other fuels will require synthesis fuels to assume major importance in supplying the energy requirements of the Nation in time of war and peace.

Economic projections of future industrial requirements are in general accord that, so far as the energy supply is concerned, greater dependency must be placed on coal which has the largest reserve of any of our known fuel sources. Paradoxically, the Federal Government is appropriating billions of dollars for research and development projects in the field of new energy sources, but little or no consideration is given to a study of the possibilities for wider utilization of coal.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether the House is in session, has recessed, or has adjourned and to hold such hearings as it deems necessary.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 1, line 3, strike out "and directed".

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 10, strike out all of line 10, down to and including line 18.

The committee amendment was agreed to.

Mr. FENTON. Mr. Speaker, I offer an amendment.

The SPEAKER. Does the gentleman from Virginia yield?

Mr. SMITH of Virginia. I do not yield, Mr. Speaker.

Mr. FENTON. Will the gentleman yield for a question?

Mr. SMITH of Virginia. Mr. Speaker, I yield for my friend to make a statement. I have no knowledge of his proposed amendment. It has never been submitted to me. I do not know what it is all about.

Mr. FENTON. I am sorry. It is just a clarifying amendment to strike out one word "bituminous."

Mr. SMITH of Virginia. If the gentleman will let me have it for a few minutes, as soon as I get through with my remarks, I will be glad to look it over.

Mr. FENTON. It just strikes out the word "bituminous."

Mr. SMITH of Virginia. Mr. Speaker, I yield for the gentleman's amendment.

The SPEAKER. The Chair would think it would be wiser for the gentleman from Virginia to offer the amendment; otherwise he might lose the floor.

Mr. SMITH of Virginia. I thank the Chair for calling my attention to the parliamentary situation. I would not want to lose the floor.

Mr. Speaker, at the request of the gentleman from Pennsylvania, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Smith of Virginia: On page 2, line 13, after the word "the" strike out the word "bituminous".

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania.

Mr. FENTON. Mr. Speaker, I am sure that the word bituminous, was inserted through error. The preamble of the resolution calls for a study of the coal industry, and nowhere throughout the whole resolution except at that one point does the word "bituminous" appear. I spoke to the author of the resolution. He has agreed to the amendment.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. For what purpose does the gentleman want time?

Mr. FULTON.. I just want to place myself on record as being in favor of the resolution and hoping that it passes.

Mr. SMITH of Virginia. Mr. Speaker, this is a resolution providing for an investigation of the coal industry with respect to research that might be conducted that would lead to further uses of that valuable national resource. It has been felt for some time by the coal industry that comprehensive research might well develop many uses for coal that are not now known that would be of great assistance to the industry. The matter was very ably presented to the Rules Committee and it was the unanimous opinion of that committee that the resolution was desirable and the committee recommended it.

The amendment to strike out the word "bituminous" is simply in order to make it plain that this resolution is to foster research in all types of coal, bituminous as well as anthracite. That was the purpose of the author of the resolution, and that is the sole purpose of the amendment.

Mr. Speaker, I ask for a vote on the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. SMITH of Virginia. Mr. Speaker, the gentleman from Pennsylvania [Mr. Van Zandt] asked me to yield him a minute so he could get away. I do not see him on the floor.

Mr. ELLSWORTH. Mr. Speaker, the gentleman from Pennsylvania [Mr. Van Zandt] has requested that I insert his remarks in the Record.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. For what purpose?

Mr. BAILEY. I wish to comment on the bill.

Mr. SMITH of Virginia. I will yield to the gentleman in due course.

Mr. Speaker, I yield such time as he may desire to the gentleman from Virginia [Mr. Jennings].

Mr. JENNINGS. Mr. Speaker, I am in full agreement with the purposes of House Resolution 400, which would authorize a study leading to the establishment of a research and development program for the coal industry. I wish to commend my colleague [Mr. Saylor] for introducing this resolution, and the House Rules Committee for reporting it to the floor for action. This is a worthy undertaking, one that will mean much to the coal-producing areas of the Nation. It has my full support.

We are all aware that the coal industry is vital to the welfare of our Nation. However, in recent months this important, basic industry has suffered a declining market and unemployment has resulted. This resolution will aid the industry, which has made considerable recovery in recent weeks, to continue these strides. It will help to assure that the industry remains strong and able to provide the huge quantities of coal needed in our Nation's economic life.

My own State of Virginia is a large producer of bituminous coal, and this production is concentrated in my congressional district. The economy in certain of my southwest Virginia counties is based on coal, which has played a steadily important role in the economy since the first trainload was hauled from the area 70 years ago. Coal is Virginia's most valuable mineral asset, accounting for considerably more sales than all other minerals lumped together.

I strongly contend that the future of the Nation's and Virginia's coal would be strengthened by the adoption of this resolution. It will authorize a study leading to the establishment of a cooperative research and development program. The need for such research in the general categories of production, transportation, distribution — market studies—coal utilization in conventional forms, development of new and expanded uses of coal, including gasification, and a general appraisal of all coal technology, is generally recognized. This resolution is the first step in getting such a broad program of research started.

The distant outlook for coal cannot be forecast with any degree of accuracy. However, I believe that without a doubt the Nation can expect an enormous increase in the consumption of its energy resources during the next 20 years. It seems to me that coal will continue to play an important, major role as a source of this energy.

I urge adoption of this resolution as a means of getting under way the necessary research and development of our coal industry, so that we will be ready as the need continues to grow. Technological advances, I am sure, can operate in many ways to brighten coal's future. The program envisioned in this resolution will hasten these technological advances.

WEST VIRGINIA NEEDS A FEDERAL COAL RESEARCH PROGRAM

Mr. MOLLOHAN. Mr. Speaker, the resolution before us today I believe to be one of the most important proposals to come before us in this session. Our industrial civilization is in constant search of new sources of energy and additional supplies of raw materials. These are the very life blood of the technology which supports our Nation.

In recent years, we have been greatly preoccupied with the development of atomic energy. This new source of power has fired the imagination of all of us. We have spent and are spending untold billions to harness the energy of the atom. It is money well spent, but in our enthusiasm, I believe, we have lost perspective and failed to realize the enormous possibilities of chemical fuels—particularly coal. Our fabulous coal resources, if exploited fully and intelligently, can provide an abundance of low-cost power and thousands of products as yet undreamed of.

The promise of atomic energy is an exciting one. However, there are many difficult problems in its exploitation, some of which are unlikely to yield to early solution. For example, the massive shielding now needed for protection from radioactivity rules out the application of atomic power in small powerplants such as are needed for automobiles, trucks, farm tractors, and so forth. No promise of solution is in sight.

An even more serious problem exists in the disposal of atomic wastes. Presently, they are being dropped in deep excavations, then embedded in concrete and the site then fenced off as a dangerous radioactive area. It has been suggested that these wastes be placed in rockets and shot off into space.

It is generally conceded that even with the solution of many of these problems, atomic power will still be more expensive than power generated by chemical fuels in areas where chemical fuels are abundant. In our country, fabulous reserves of coal are distributed through 23 of the 48 States. These reserves are estimated, at the present rate of extraction, to be sufficient to serve the needs of several generations.

As a fuel, coal has been most effectively used in the generation of electric power. A ton of coal today produces three times as much electric power as it did a generation ago—the result of painstaking and intelligent research.

However, energy is but one of a multitude of products available from coal. It is perhaps the most versatile raw material on earth. The aspirin tablet you take for a headache, the rayon cord in the tires on your automobile, the dye which colors the clothes you wear, and hundreds of other products you use, are coal derivatives. The door of this treasure house has barely been cracked. It can be opened wide through research.

Some aspects of coal development and research cannot be delayed. Each year our demands for petroleum products climb—and over the years our dependence on foreign sources has steadily increased. At the present time we procure about 10 percent of our petroleum from foreign nations. The bitter experiences of World War II with shocking tanker losses by enemy submarines demonstrated the folly of dependence on petroleum supplies from abroad which must be shipped by sea.

There is no need for this heavy leaning on petroleum supplies from overseas. Research already completed demonstrates the feasibility of converting coal into petroleum products.

Some processes using coal already approach costs which are competitive with fuels refined from crude oil. Additional research can bring this price down even further. In view of steadily rising costs of petroleum exploration, it is not inconceivable that eventually coal can provide liquid fuels at lower prices than crude oil.

The general welfare and our national security will benefit immeasurably from a coal research program to extend its uses and reduce production costs.

The research program must also have a conservation objective. While our coal reserves are enormous, they are not inexhaustible. Research is needed to constantly increase the rate of recovery in mining operations and to devise economic methods for extracting coal from deep and narrow seams. Research must be applied more intensively to achieve maximum use of the energy in coal.

H. Res. 400 calls for coal research on a scale comparable to that now being applied to fissionable materials and atomic energy. I believe that this proposed program will be immensely rewarding and will achieve results at a far more rapid rate than current research programs on atomic energy. The demands of our technological economy and civilization on our natural resources are growing at a fantastic rate. Let us now undertake a research program in coal, our most valuable resource, and prepare not only for current demands, but for the needs of generations to come.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. Ellsworth].

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Van Zandt] may insert his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I want to commend my colleague, the gentleman from Pennsylvania [Mr. Saylor] for his initiative in bringing to the floor House Resolution 400, which, if approved, will authorize a complete study by the House Committee on Interior and Insular Affairs on the possibilities of a research and development program for the coal industry of the United States.

As the gentleman from Pennsylvania knows, the Nation's supply of bituminous coal is adequate to meet the needs of our people for hundreds of years to come, but the question is, How can it be used to the best advantage from an economic, industrial, and social standpoint?

Already much research is under way in the coal industry, and it is my opinion that House Resolution 400 and the study it authorizes will not only open up new fields of research and development but will also coordinate the present program and the results obtained to date.

Like the gentleman from Pennsylvania [Mr. SAYLOR], I represent a district located in the heart of the bituminous coalfields of Pennsylvania, where coal is a basic industry.

Suffering from unemployment over a period of years because of the inroads made by substitute fuels, we welcome this effort to further explore the potential usages of the great deposits of coal that are part of the great resources of this Nation.

In studying House Resolution 400, I find that it is primarily for research and development, and while my suggestion may be foreign to the intent of this resolution, I hope that the study will reveal, among other things, the glaring inequities that exist in regard to freight rates and other preferential treatment enjoyed by competitive fuels which have destroyed numerous markets of the coal industry in this country.

If the coal industry of this country is treated fairly by the Federal Government, and if new usages are found for coal, there is no doubt in my mind that the coal industry again will take its rightful place as a basic industry of the United States, and a pillar, both in the field of national defense and in the economy of our Nation.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I heartily approve of the objectives expressed in Representative SAYLOR's resolution, House Resolution 400. I regret that it was cleared for House action with the words "and directed" stricken from the measure. The aims of a coal research and development program are so important to our economy that we should permit no opportunity for delay in beginning the study. The future for the coal industry has brightened since the low ebb of 1954 and its present improved position is due to the favorable climate provided by the present administration. I would like to draw the House's attention to the problem faced by the coal producers through the loss of markets in the dieselization of the railroads and the shift to gas and oil for household purposes—a loss which amounted to about 35 percent of the market. It is gratifying to report that much of this loss is being set aside by increased demand of the steel and utility industries. The most important gain, though, has been made in the export market which has increased threefold since 1954. In fact, exports this year are likely to total some 50 million tons.

The future of coal is so important to our economy that I feel the House should authorize the study provided for in Representative SAYLOR's measure. Yet, I am bound to say, I do not believe the Congress should be content with an Interior and Insular Affairs Committee study, as valuable as it may be. The Congress should authorize a broader search for new uses for coal and its byproducts and for new markets. I am of the opinion this can best be done by the Secretary of the Interior and have introduced a joint resolution directing such a study be made. The joint resolution would also authorize the funds necessary to pursuit of the research program. I have included in my joint resolution a provision for a study of methods of preventing the deterioration of the physical plants of idle coal mines—plants idled for the lack of markets. It is important to maintain our coal-producing facilities as a ready reserve in the event of a national emergency.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I want to take this opportunity to thank the distinguished gentleman from Virginia [Mr. SMITH] Chairman of the Rules Committee, for granting a rule on this resolution and bringing it before the House at this time. I personally know that this action is appreciated by all the Members from coal-producing areas. I would also like to take this opportunity to thank the distinguished Majority Leader [Mr. MCCORMACK] for having this resolution called up at this time so that the House Interior and Insular Affairs Committee can begin to work on this great problem.

Regardless of the section of the country which an individual Member may represent, it is unlikely that he will find any objectionable provisions in House Resolution 400. True, the objectives of this resolution are applicable to an industry that is currently producing in only 26 of our States; yet every area and every community of this Nation will become progressively more dependent upon the productive capacity of this industry as the years go by.

If my colleagues from States far removed from the Nation's coal districts are inclined to question this assertion, let me make it clear that I am not necessarily implying that at some time in the future you will be getting coal shipped right into your home areas. It is of course understood that every person in the Nation uses coal in some form or another—whether it is in clothing that comes from coal chemicals, or in plastics, medicines, and the thousand and one other items whose origin is in bituminous coal. Even if somehow we were able to distinguish between whether these products came from a coal or a petroleum base, there is no escaping the fact that the steel and steel products in your home, automobile, and other everyday facilities were produced through the use of bituminous coal. Without coal, there would be no steel. The steel industry consumes a ton of bituminous coal for every ton of steel that comes from its mills.

When I say that the coal industry will become a progressively more important part of your life in the years to come, I refer to other considerations which Congress cannot overlook and which Congress should not delay in resolving. We are all aware of the fact that the country's reserves of oil and natural gas make up only a very small proportion of the total energy resources in nature's storehouse. Together, they account for somewhat less than 2 percent of the reserves of traditional fuels. Solid fuel reserves, on the other hand, are so abundant that the 1⅓ trillion tons of mineable coal remaining amounts to perhaps 90 percent of the overall total. Oil shale accounts for most of the remainder.

Our great petroleum and natural gas industries are doing a remarkable job in uncovering new reserve pockets of these valuable fuels. The fact remains, however, that the United States and the world are consuming more and more petroleum and natural gas, and fuel experts do not hesitate to remind the general public that stocks are being depleted at an enormous rate. The need for supplementing domestic oil and gas supplies is always spotlighted as the reason for importing great quantities of these products. The quantity of imports and the types of fuels that are admitted into this country are a constant source of controversy right here among us, so that issue is one with which we are all familiar.

What happens as our supplies of petroleum and natural gas begin to fall below demand? The answer has been provided by engineers within the Government, the petroleum and natural-gas industries, and the coal industry. We will get our liquid and gaseous fuels from oil shale and coal by synthesis. I believe that the following two paragraphs from the report of the President's Materials Policy Commission of 1952 explain very emphatically what I mean when I say that the constituency of every one of our 435 Members will be dependent to a greater extent upon coal at some time not too far away. Let me quote these paragraphs:

> At some point beyond 1975, however, more serious problems are likely to arise when natural gas supplies will eventually have shrunk to the point that the general uses in gas-producing areas and special uses in all areas are forced to shift to substitute fuels. Costly dislocations may result in the economy of the Southwest, heavy capital costs of conversion will be forced upon nearby and distant customers, and the extensive transportation, distribution, and utilization systems may be rendered useless.
>
> The impact could be reduced if it becomes economic to manufacture gas for at least some of these gas customers, presumably from coal, which could then be distributed through portions of existing transmission and distribution lines, though large segments of such lines would probably be no longer used.

The same analysis may eventually be applied in the case of oil and oil products. Even before it is necessary to begin shipping synthetic fuel substitutes into areas in which oil and natural gas are native resources, gas and oil by synthesis will have to supplement supplies in other parts of the country; otherwise, you would find shortages right in your own backyards, and I am sure that conservation laws within the individual producing States are going to prevent the exportation of materials needed in your home communities.

In addition to this economic implication, coal must be ready at all times—as long as ruthless international aggressors are on the prowl—to take over a greater part of the energy load at a moment's notice. If an emergency develops, the military machine will make such tremendous demands upon the petroleum industry, in particular, that great quantities of coal will have to be diverted as replacement fuel; in addition, coal's own markets will call for vastly increased supplies. Coal, then, is of vital importance to the national economy and the national security.

For the further elucidation of the Members of the House, I should like to offer a quotation from the White House Report on Energy Supply and Resources Policy. This report was issued in Februray 1955, after an exhaustive survey which included meetings and discussions with representatives of all the fuel industries as well as disinterested economists representing government and other segments of our economy:

> 7. Research and development program for coal: We recognize that coal is a great national asset and endorse a cooperative study to determine what research and development could be undertaken. The coal industry and both Federal and State Governments should participate in this study and its cost.

Mr. Speaker, the necessity for keeping the coal industry in a vigorous condition and for assuring that it will reach points, where and when needed, is now an accepted economic principle. House Resolution 400, which I introduced and is now being considered, covers not only the production, transportation, and distribution phases, but also includes utilization and other ramifications affecting the industry, its labor forces, and—in effect—the public welfare.

House Resolution 400 proposes only that a study of the possibilities for a research and development program for the United States coal industry be authorized and directed. After the Committee on Interior and Insular Affairs has had an opportunity to carry out such a study, the House will of course be presented with whatever recommendations may evolve and will thus be able to decide upon the feasibility of these proposals. No commitment of any kind is contained or implied in House Resolution 400, other than the actual study described therein.

I trust, therefore, that this resolution will receive the unanimous approval of the House of Representatives at this time.

Thank you, Mr. Speaker.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, I am very happy to support the Saylor resolution. This resolution calls for a study of the coal industry. The study would deal with the production, transportation, and distribution of coal, as well as its utilization.

The information gained by this study would not be the sensational type that occasionally comes out of Congress, but it would be a report which would be of great value, not only to the coal miners and coal companies but to our entire national economy. All too little attention has been paid to the coal industry, by our Government. This is not intended as criticism of our present administration any more than of the past administration. For many years the coal industry has been a neglected stepchild of each administration. No protection was given to the coal industry from the importation of residual fuel oil from South America. Billions of dollars have been spent to subsidize hydroelectric powerplants which have at times been constructed in the midst of coalfields. In spite of all this, coal is essential to the economic and industrial life of America in an increasing degree. Today production of coal is steadily increasing. Practically all of the hydroelectric power in the Midwest has already been developed. The needs and demands for power by industry is increasing at a rapid rate and in the foreseeable future this power can only be obtained from coal. The entire chemical industry is becoming more and more dependent upon coal and research in the use of coal may well discover many new uses. The gas and oil reserves of the United States are being depleted at a rapid rate and at the present time constitute less than 2 percent of our total fuel reserves. On the other hand, 92 percent of our fuel reserve consists of coal. Only approximately 3 percent of our entire coal supply has as yet been mined and there is in the United States at this time more than a thousand billion tons of minable coal. There is another possible development which our country is in no way preparing to meet. If for some reason the oil from South America and the Near East should be denied us, the rationing of oil and gas becomes immediately necessary, and our coal reserves take on even greater significance. The coal industry should be maintained in a manner which would permit it to expand quickly in an emergency, not only for heat and power but as the best product to be used in the manufacture of synthetic gasoline.

While there is abundant coal in our country, mines have deteriorated and for years we have not been training young men to be coal miners. This entire situation should be brought to the attention of all concerned as soon as possible.

The investigation called for in the Saylor resolution should place before all America the present and future use of coal. There are in southwestern Indiana, especially in the Seventh District which I represent, great economic possibilities. This area suffered economically when coal production decreased.

Seven of the eleven counties in my district have great coal resources. This entire area has the capabilities of enormous industrial development and has, as I previously stated, an almost unlimited supply of coal—coal especially valuable for the production of power. We already have great power production in that area and it can be increased to an almost unlimited extent at a reasonable price. This area also has ample water supply, excellent transportation facilities, both by rail and road, and greatest of all there is a surplus of labor of proven stability and efficiency.

I believe that America has before it a period of great industrial expansion, and I believe that a substantial part of that industrial expansion is going to center in the areas where there is ready access to coal, for coal means power, and America's future economy is a power economy. Those areas which have been forgotten in our economic development are going to become of increasing importance. The adoption of this resolution is a step in the proper direction.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Speaker, I strongly urge the passage of this resolution and feel that this investigation will be most helpful to the coal industry.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Speaker, I appreciate very much the courtesy of the chairman of the Rules Committee in permitting me to offer my amendment to House Resolution 400 in addition to the amendments offered by the Rules Committee.

As stated before, it was an apparent oversight to use the word "bituminous" on page 2, line 13, since it was the only place in the whole resolution in which it appeared.

I am sure that the House Committee on Interior and Insular Affairs will do a fine job in their investigation and studies on the possibilities of a research and development program for the coal industry of the United States which, of course, means bituminous, anthracite, lignite, and all types of coal.

The anthracite coal industry has indeed been in very dire straits for a great many years.

Our unemployment has been such that the anthracite area of Pennsylvania has been designated as a distressed labor area for quite a number of years.

With our vast coal reserves throughout the United States it is imperative, in my opinion, that a study be made such as contemplated in House Resolution 400.

I want to congratulate our colleague the gentleman from Pennsylvania [Mr. SAYLOR] for introducing the resolution and concur wholeheartedly with him.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, I rise in support of the resolution.

Our industrial development has reached a stage at which almost all future improvements will depend on detailed and complete research programs. In the past we have taken our good fortunes, in the form of almost unlimited natural resources, for granted, making little effort to develop sound industrial research programs. These great natural resources have enabled us to attain an outstanding position in world economy, even though a minimum of research was carried on by governmental agencies.

That policy, or rather lack of any research policy, was changed during wartime and a number of major research projects were initiated. The atomic age was initiated by the expenditure of billions of dollars in public funds for the most daring and courageous research program in the history of the world. We continue to pour hundreds and millions of dollars annually into research on industrial use of atomic energy, but we have dismally failed to continue our other industrial research programs. We have all but given away such outstanding projects as our synthetic-rubber-research plants, our coal-to-oil research programs, and other major projects which were established in the time of need. The Louisiana, Missouri, coal-to-oil research plant was able to produce gasoline with a cost of only 2 cents above the standard commercial production cost of gasoline, yet this plant was all but given away and has been dismantled. There is every reason to believe that had the research project been continued, the process developed would have been able to successfully compete with current prices and remain a ready substitute for gasoline as our oil reserves become depleted. This new use of coal would have been a real boon to the coal industry and at the same time the increase of reserves for future production of gasoline, which is essential at all times. Such projects should not be limited to our war effort, and research into industrial uses of a major source of power such as coal is fully justified in both peace and war.

House Resolution 400, introduced by the Honorable JOHN P. SAYLOR, proposes an industrial research program designed to study the byproducts of coal and develop new uses such as the production of oil and gasoline from this fuel which has proven to be the best source of power our country has. Our fossil fuels, which have served as the major source of power for our great industrial development, may be utilized to a much greater extent than they have in the past. It is time to apply at least a portion of our national income to research programs for a more complete utilization of coal and its products. Our coal resources, while best developed in the eastern mountains, are available in almost unlimited quantities in every geographical region of the country. We should not stand by in the fond hope that our atomic research will make this new source of power available for all industrial needs but, rather, look at it as a source of energy for future generations and plan for more intensive and intelligent use of established resources such as coal.

Our known recoverable coal reserves are sufficient to maintain the current rate of production for several hundred years. On the other hand, known reserves of oil and natural gas, chief energy fuels that can be used as a substitute for coal, are sufficient to maintain the current rate of production for only 25 years. Considerable study has been made on the production of oil from coal and oil shale. In fact, this Congress authorized the expenditure of $89,600,000 on such a reserve program from 1944 to 1955, inclusive. This work was discontinued during the past 2 years, even though the progress was such that many of the scientists working on the program felt that it should have been considered successful, and, at the worst, was on the threshold of a successful completion.

Almost two-thirds of our electric power is produced from coal and less than one-third by hydroelectric installations. Oil and gas play a minor role in the production of electric power. During the 35 years from 1920 to 1954, hydroelectric power production increased fivefold while steam-generated electricity increased twelvefold. This ratio has undoubtedly continued the trend toward dependency on steam-generated electricity during the last 2 years which have seen the greatest increase in the production of steam-generated electricity of any 2-year period in our history with no major new installations for hydroelectric production being either completed or under construction.

In the face of this future shortage of oil and gas fuels and the current policy limiting the development of hydroelectric power, it is a must that we give more attention to coal and its uses.

Mr. SMITH of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, coming from the Nation's largest coal-producing State, the State of West Virginia, and realizing the bad situation surrounding the coal industry at the present time, I want to be recorded as being in hearty accord with the intent and objective of this resolution. Knowing, too, that the anthracite coal industry is in difficulties, I can also go along with the amendment that was added to the resolution making it broad enough so that it will cover all of the different categories of coal.

I want to express my appreciation to the gentleman from Pennsylvania [Mr. SAYLOR] for his efforts, also to the gentleman from California who sponsored the resolution, to the Rules Committee for making it possible for it to be considered on the floor today and to the leadership for permitting it to be brought up at this time.

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, I rise in support of the pending resolution to authorize a study leading to the establishment of a research and development program for the coal industry.

Mr. Speaker, in each Congress since the 81st I have introduced a resolution calling for a broad study of the coal industry. The resolution before us is not as all inclusive as mine was, but it, nevertheless, is a good, big step in the right direction, and it is entitled to the support of the entire membership of the House.

The resolution gives the Committee on Interior and Insular Affairs the necessary authority to "conduct a full and complete study on the possibilities of a research and development program for the coal industry of the United States."

For a long time now, the distress, the unemployment, the hunger, and the misery in America's coalfields have called for an investigation. Not only that, the conditions that exist in America's coalfields call for such remedial and helpful legislation as the Congress may consider and pass.

I have been disappointed that the Congress has failed to consider and pass remedial legislation. The Members here present know that I have urged it to do so. It would be in keeping with the history and practice of American Government that our Government show the distressed coalfields some special consideration. You ask what can be done? Here is what the Federal could do. It could favor the distressed areas with building programs, such as improvements of the rivers of the areas involved. Housing programs could be geared to favor such areas. The unsuitable, and oftentimes unfit, school buildings of the distressed areas could be rebuilt. Needed highways could be built. There are many approaches to the problem. The Government could, as an official policy, encourage industries to locate their expanded plants in such areas.

Mr. Speaker, our Government is pursuing a feeble policy with respect to rebuilding the economy of our coalfields. We are wonderfully blessed with coal. We have enough to do a thousand years. It is a potential source of liquid fuels for the future. The resolution before us should be passed. Then, we should go on to do much more to relieve the unemployment of the coalfields.

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Speaker, I would just like to say that there is not a lump of coal mined in South Carolina, but we are very much in favor of this resolution in the national interest of this country.

Mr. SMITH of Virginia. Mr. Speaker, if there are no further requests for time, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight Friday to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

FURTHER PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in announcing the program a little earlier, I overlooked mentioning the fact that Tuesday is primary day in New Jersey, and if there are any rollcalls on that day, they will go over until Wednesday. I have conferred on this matter with the distinguished gentleman from Massachusetts [Mr. MARTIN]. While I doubt there will be any rollcalls on Monday, if there are, we have agreed that they go over until Wednesday, also.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent, on behalf of the gentleman from New York [Mr. CELLER], that the Committee on the Judiciary may sit all of next week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDER TRANSFERRED

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent that my special order for today be vacated and be rescheduled for Monday.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PETITIONS TO FORCE CONSIDERATION OF H. R. 11 TO HELP HOMETOWN MERCHANTS AND OTHER SMALL AND INDEPENDENT BUSINESSES

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, the gentleman from New York has made much of the point that the discharge petition was filed for the consideration of H. R. 11 after a date for hearings had been announced. Incidentally, a Member told me today he had just signed and his number was 173. We lack 45 more names to make the needed 218.

The fact is, there is no necessary relationship between the discharge petition and his announcement to hold hearings on the bill. I am sure it was announced by me that a discharge petition would be filed before the gentleman from New York [Mr. CELLER] called hearings on this bill for the latter part of April, too late to be effective this session.

The gentleman's main point is that the discharge petition is unnecessary.

I suggest that the discharge petition will still be necessary after the committee of which he is chairman, has held hearings.

Necessary for what? The gentleman from New York has not indicated for what purpose the discharge petition is unnecessary. If our purpose is merely to let small-business people come in and repeat what they have already said many many times to the Judiciary Committee and to a number of other committees of Congress on this issue, then I would agree that the discharge petition is unnecessary. But this is an extremely grave matter to small business people. They will not be content just to come in to speak their piece. Small business wants the bill passed. Many of us here in the House want the bill passed; and I suggest that if it is passed the discharge petition, with 218 names on it, will be necessary.

NO NEW ISSUES INVOLVED

If this were a new issue, or if the language of the bill were new, that would be a horse of another color. The fact is that the precise issue presented by H. R. 11 has been the subject of almost continuous hearings, study, and debate in the Congress over the past 8 years. Before that the precise issue was the subject of hearings and debate in 1935 and 1936, when we finally passed the Robinson-Patman Act. And before that, the precise issue was the subject of hearings and debate in 1914 when the original Clayton Act was passed. Before that, the Supreme Court thrashed the issue over in several famous antitrust cases during the first decade of this century. I dare say that there is no other single business problem which has been so much debated and so fully understood.

NEW HEARINGS UNNECESSARY

Beginning with hearings and debates of 1935 and 1936, the gentleman from New York has had his fingers continuously on this problem; he has in fact played a big role in all of these debates. During the past 8 years, the Committee on the Judiciary has, on several occasions, held hearings on the precise issue presented by H. R. 11. As late as May of last year, the Antimonopoly Subcommittee of the Committee on the Judiciary, which subcommittee is chaired by the distinguished gentleman from New York, heard the arguments and pleas of all of the small business organizations on the precise issue presented by H. R. 11, and H. R. 11 itself. The subcommittee also heard the principal spokesmen in opposition to H. R. 11. Surely the distinguished chairman of the Judiciary Committee knows the temper of his committee on this issue. He is as intimately acquainted with the 42-year history of this legislation as any man alive. I should think that by now that he even knows the temper of his own mind and knows how he stands on the issue.

PRICE DISCRIMINATION MUST BE PREVENTED

What is the issue? It is quite simple. It is the practice of price discrimination. This is a practice by which big business abuses its power—its sheer size—to take unfair advantage and to destroy small business. Big suppliers destroy small suppliers. Big buyers get unearned advantages in the prices they pay, and these advantages add to their ability to squeeze out smaller buyers. Since all business firms are both buyers and sellers, unchecked discriminations in price give big business a double unfair advantage over small business. Small businesses are destroyed without respect to their efficiency—as several hundred small business firms now are being destroyed in each week of the month that rolls by.

COMPARE WITH CHAIRMAN CELLER'S BILL

Now the distinguished gentleman from New York is the author of an antimerger law. I believe that he now has a bill pending for strengthening the procedures for enforcing that law. His antimerger law does not prohibit all mergers. But it does prohibit mergers where, and I quote:

> The effect may be substantially to lessen competition or tend to create a monopoly.

Now would it not be absurd if we tacked another qualifying amendment onto this law which says that it is all right for big corporations to merge with the effect of substantially lessening competition and creating a monopoly if the corporations merge in good faith?

Yet that is precisely the absurdity which has been attached to the antiprice discrimination law. It was attached to the law by a majority opinion of the Supreme Court in the Standard Oil of Indiana case in 1951.

H. R. 11 removes that absurdity. It uses precisely the same language that appears in the antimerger law. It says simply this: Good faith is no excuse for violating the antiprice discrimination law where the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly.

NINETEEN FORTY-NINE EFFORT TO NULLIFY ACT

In 1949 some of the opponents of the Robinson-Patman Act undertook to nullify the act as to its real purpose—which purpose was to give small-business protection against the abuse of big-business power. Senator CAPEHART headed a subcommittee which held extensive hearings, and S. 1008 was the result.

On the Senate floor it was pointed out that the good-faith defense in S. 1008 would nullify the Robinson-Patman Act as an instrument for protecting small business. It would have, as reported to the Senate, made good faith an excuse for price discriminations even though the discriminations substantially lessened competition and tended to create a monopoly. The bill was amended on the floor of the Senate, by what was known as the Kefauver amendment. That amendment allowed the good-faith proviso of the bill to stand, but added to it the following proviso:

> Except where the effect will be to substantially lessen competition or tend to create a monopoly.

In September 1949, the House Committee on the Judiciary held hearings on S. 1008. It took out the safeguarding Kefauver amendment and substituted some ineffective language. On the floor of the House the gentleman from Louisiana [Mr. WILLIS], and the gentleman from Colorado [Mr. CARROLL] pointed out that the committee's language would restore good faith as an excuse for abusing power to the extent of substantially lessening competition and tending to create a monopoly. The gentleman from Colorado [Mr. CARROLL] offered a substitute amendment which I believe is the same language which is in H. R. 11 today. That Carroll amendment was fully debated on the floor of the House. The distinguished gentleman from New York then opposed it, but the House adopted it.

CHAIRMAN CELLER HAS RECORD AGAINST H. R. 11

There was then a conference with the Senate and the distinguished gentleman from New York headed up the House conferees. The conferees reported the bill, neither the Carroll or Kefauver amendments, but substituted language which would tend to nullify the law. Many of us felt that the conference report was outside the limits set by the House and the Senate bills and the parliamentary question was raised in the Senate on this point. The President of the Senate however ruled in favor of the conference report, saying that he thought that the conference language was within the general spirit of the language of both the Senate and House bills. S. 1008 passed but fortunately President Truman vetoed it.

NINETEEN FIFTY-ONE STANDARD OIL CASE

Then in the Standard Oil of Indiana opinion in 1951, the Supreme Court did precisely what the opponents of the Robinson-Patman Act had been trying to do. It ruled that the discriminatory practices carried on in good faith are exempt from the law even though these practices substantially lessen competition and create a monopoly. Further than that, the Court made a partial construction of the phrase "good faith." The Court declared that one supplier is justified in discriminating to meet another supplier's price, if the second supplier's price is a lawful one. In other words, the ruling was that one competitor's obeying the law justifies another competitor's breaking the law. I hardly think that the distinguished Chairman of the Committee on the Judiciary needs give this proposition very deep study to find that such a construction of law nullifies the law.

Following the Supreme Court's decision in Standard Oil of Indiana, there was a rash of bills introduced to do what was called to confirm this decision, and cement it into law. Naturally the opponents of the anti-price-discrimination laws had great fears and apprehensions that the Court would rather promptly have an opportunity to catch its error, and that it would reverse the Standard Oil of Indiana opinion. There was a bill in the Senate for this purpose, S. 719, and a companion bill was introduced in the House by the gentleman from Pennsylvania [Mr. WALTER] H. R. 2820. At that time the Committee on the Judiciary considered this issue and a subcommittee of that committee held hearings on S. 719 and a companion bill H. R. 2820. The committee did not report the bills; and as time has proved, it was unnecessary to cement the Standard Oil of Indiana opinion into law. It is now cemented into law, and as a result every week that passes several hundred small businesses are destroyed.

NUMEROUS HEARINGS ON QUESTION INVOLVED

Here are a few of the hearings which have been held in recent years on the precise issue presented by H. R. 11:

In January and February 1949, the Senate Interstate and Foreign Commerce Committee held hearings on S. 236, the main issue being the same as that presented by H. R. 11 today.

In June 1949, a subcommittee of the House Judiciary Committee held hearings on S. 1008, the principal issue being precisely the same presented by H. R. 11 today.

In June 1949 the full Committee on the Judiciary held hearings on S. 1008.

In June and July 1949 the House Small Business Committee held extensive hearing on S. 1008.

In July 1951 the Senate Small Business Committee held hearings on S. 719; the main issue being precisely the same as presented by H. R. 11 today.

In July and September 1951, the House Judiciary Committee held hearings on S. 719 and a companion bill H. R. 2820, the main issue again being the same issue presented by H. R. 11 today.

In May, June, and September, 1955, the Antitrust Subcommittee of the Senate Judiciary Committee held extensive hearings on several monopoly problems, including extensive hearings on the same issue presented by H. R. 11 today. Representatives of all the small business associations testified on this issue, and opponents of the Robinson-Patman Act testified.

In May 1955 the Antimonopoly Subcommittee of the House Judiciary Committee held hearings at which representatives of all the small-business associations testified on the issue presented by H. R. 11 today; and the principal big-business spokesmen on this issue also testified.

In November 1955, the House Small Business Committee held hearings at which representatives of all the small business associations, as well as labor and farm organizations, testified on the same issue presented by H. R. 11 today. The big business spokesmen also testified.

Surely there has been enough testifying on this very simple issue: Should the law allow big business to abuse its power to the extent of substantially lessening competition and creating monopoly, or should small business have some protection against this deadly abuse of power?

GOOD FAITH DEFENSE

When the Robinson-Patman Act was being debated, the principal issue was the same "good faith" defense. The "good faith" defense had nullified the old Clayton Act. The principal purpose of the Robinson-Patman Act was to put a severe limitation on this defense and remove the loophole in the old Clayton Act.

The distinguished gentleman from New York opposed the Robinson-Patman Act. He led the fight against it. The bill did pass the House by a vote of 290 to 16. Prior to that there was a long history of the good faith defense under the original Clayton Act.

In 1914 Congress set about to pass a bill which would curb price discrimination and give small business somewhat a fairer chance to survive. Section 2 of the old Clayton Act was however amended to include the good faith defense. The result was, as you know, precisely the same situation we are in today. During the 1920's we had an unprecedented prosperity of big business, while small businesses were being destroyed by the tens of thousands.

A. & P. TEA CO. OPPOSES BILL H. R. 11

In terms of numbers, by far the greatest losses were among independent retailers and wholesalers. Tens of thousands of independent local merchants were destroyed for the benefit of a few big chains, and the greatest beneficiary of this monopoly practice was the Great A. & P. Tea Co. The hearings and investigations of our committee revealed unjustified discriminations made in the favor of A. & P. of such monstrous scope, that within a few more years there would have been no independent grocers left in this country.

It was a habit of many political orators in the 1920 decade to praise farmers and small businesses as the backbone of America. But farmers enjoyed a severe depression; and small business was well on the way to extinction; while only big business prospered.

In the first quarter of this year big business profits and stock-market prices have been at an all-time high. Small business failures on the other hand have been the greatest for any period since before World War II.

We are back where we were in the 1920's.

The issue is quite simple. I suggest it does not require any further hearings and consideration for Members to make up their minds. It is simply a question of which side we are on. Are we so much on the side of big business that we want big business to have the deadly advantage of a monopolistic practice, in addition to all the other advantages which big business enjoys? Or are we sufficiently on the side of small business, and the consumer, and our ideals of political freedom, that we will give small business some chance to survive and help maintain a competitive system of private business?

UNITED STATES ADVISORY COMMISSION ON INFORMATION

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 60 minutes.

Mr. FEIGHAN. Mr. Speaker, the United States Advisory Commission on Information, established by the United States Information and Educational Exchange Act of 1948, yesterday submitted its seventh semiannual report. The law requires this Commission to transmit to Congress such semiannual reports concerning the policies and programs carried on under authority of the act, including appraisals when feasible, as to the effectiveness of the several programs, and such recommendations as it deems necessary.

This Advisory Commission is made up of five public-spirited citizens who serve without pay and represent a cross section of professional and business experience in the communications field. The members are appointed by the President with the advice and consent of the Senate. Dr. Mark May, director of the Institute of Human Relations, Yale University, is Chairman. The other members of the Commission are Edwin D. Canham, editor of the Christian Science Monitor; Siegurd S. Larmon, president of Young & Rubicam, Inc.; Judge Justin Miller, of Pacific Palisades, Calif.; and Philip D. Reed, chairman of the board of directors of General Electric Co. I have had the opportunity to observe the work of the Advisory Commission firsthand and have come to know its able Chairman, Dr. May, and other members of the Commission. These men have carried on this most important work at great personal sacrifice to themselves. As professional men and experts in this field, they know the importance of an adequate United States international information program, the importance to our national security, and to the winning of a just and lasting peace. The members of the Advisory Commission are to be commended for the fine contributions they have made in strengthening the security of the United States and increasing the prospects of peace.

The Advisory Commission's report is divided into three principal parts. The first part addresses itself to an appraisal of the need for, and the work of the United States Information Agency. The second part is addressed to recommendations to the Director and actions taken on them. The third part of the report is devoted to recommendations to the Congress.

In part 1 an examination is made of the present challenge presented by the latest propaganda offensive of the Kremlin. It points out that events of 1955 have made it clear that the case of communism versus freedom will be tried in the court of world opinion. The Russian leaders have publicly stated that while their ultimate goal of world conquest remains unchanged, greater emphasis is to be placed upon the use of peaceful means for attaining their goal rather than acts of armed aggression which have become the international trademark of communism. It points out that Communist propaganda will now be presented with a smile and that a smiling Communist leader is a far more formidable opponent than a scowling one. The report emphasizes that the Kremlin leaders will continue to present their case in the so-called "spirit of Geneva" which, ever since the summit meeting, has been overworked as a Soviet propaganda theme. The Russians will try to delude people all over the world into believing that the "spirit of Geneva" is the harbinger of a stable peace. It is certain that the devious zigzag which has characterized Communist maneuvers in the past will continue on and will only be adjusted to fit the Communist goal for world conquest.

I would like to quote a part of this report which I believe sums up one of the greatest problems confronting us and other nations of the free world:

> Our military defenses, strong as they are, our economic aid to others, much as it is needed; our diplomacy, clever as it may be, are not in themselves enough to assure our national security. The effectiveness of our defenses, economic aid, and diplomacy depend to a large extent on how our acts and words are understood—the meaning they have to others.

All of this means the task that lies ahead for the United States Information Agency is a heavier one, and a far more difficult mission than it has ever before undertaken. To win the contest against Communist propaganda, the United States will be required to prepare and present its side of the case with the greatest possible skill and courage. We will be required to take positive and constructive steps to maintain free world alliances, to demonstrate to the so-called neutral nations, that it is impossible to dance with the Russian bear without losing one's national sovereignty and independence of action and at the same time, maintain the confidence of those hundreds of millions of people behind the Communist Iron Curtains who have had faith in us and in the cause of human freedom.

The advisory commission has made a number of recommendations to the director of the United States Information Agency and to the Congress as steps that should be taken in order to strengthen programs now being carried out by the United States Information Agency and to lay the foundation from which it will be possible to launch a winning program in what has so often been called the battle for the minds of men. The first recommendation to Congress is as follows:

> That the 84th Congress, 2d session, appoint a Joint House-Senate Committee on International Information.

The Advisory Commission has advanced the following arguments in support of this recommendation:

> For the past 3 years this Commission has believed that the appointment of such a committee would be instrumental in strengthening the work of the United States Government in this field. We would not ask the Congress to add another committee to the almost overwhelming number that now exists, were it not for the inescapable fact that the importance of information in international affairs, and for our own national security, is rapidly increasing. One sign of this is the fact that more and more Members of Congress are concerning themselves with the overseas work of our Government by making trips to the field.

For some time I have advocated that Congress establish such a joint committee. I have been aware that the Advisory Commission has made this same recommendation in three previous reports to Congress. As a member of the former Select Committee To Investigate Communist Aggression, 83d Congress, I became convinced, after a most intensive study of the international conspiracy of communism, that the importance of our international information programs justified the creation of such a joint committee. More recently and in recognition of the serious threat posed by the latest Russian propaganda offensive, I have become convinced that such a committee is an absolute necessity. During the last session of Congress, I introduced House Joint Resolution 433, which provides for the establishment of a Joint Committee on United States International Information Programs.

I am encouraged to note that this latest report of the Advisory Commission recommends that Congress take favorable action on my resolution—House Joint Resolution 433—during the present session.

House Joint Resolution 433 sets forth the purposes and duties of the joint committee which I have proposed. The purposes, very briefly, are as follows:

First. To conduct public hearings on and cause studies to be made concerning the extent and effectiveness of all United States international information programs. It is important for us to know whether or not the extent of current programs is sufficient to meet the worldwide challenge being made by the master propagandists of the Kremlin. It is important for Congress to determine, so far as feasible, the effectiveness of current programs in carrying out the mission which is set forth in Public Law 402, 80th Congress.

Second. To cause studies to be made of the techniques, special characteristics, and the various types of Communist propaganda. It is absolutely necessary for us to know in as much detail as possible what the Communist propaganda campaign is in every country of the world, just as it is important for us to identify the techniques and the special characteristics of their work. This basic information is necessary in order that we will be able to adequately and fairly judge the extent and effectiveness of our present international information programs. In addition, it is important that the American people be told about the tricks, the zigs and zags, and all other features of Communist propaganda, not only that which reaches our shores but also that which seeks to cause other people of the world to hate the American people. At the present time this important function is not given full time or regular attention by any committee of the Congress.

Third. To inquire into the extent to which scientific research and development in the field of mass communication has progressed in the United States and the degree to which such scientific advances are used in our international information programs. It is a well-known fact that the Russians are working overtime on new types and facilities of mass communications in the hope that they will develop devices which, for all practical purposes, will make all the people of the world a captive audience. The Russians attach as much, if not more, importance to progress in the field of mass communications as they do to the development of an intercontinental guided missile. The United States must not be allowed to lag in any way in either scientific research or development in the field of mass communications. This committee would make certain, by methods of inquiry and consultation, that we do not fall behind and that our information programs are making maximum use of all the scientific advances in the field of mass communications. No committee of Congress is at this time concerned with these very important questions.

Fourth. To provide a continuous, cooperative relationship between Congress and the information programs through regular discussions and conferences with the executives and policymakers of such programs. Members of Congress have individually made substantial contributions to the work of our information agencies. Many other Members, I know, feel that Congress can make an ever-increasing contribution to this important work. I am certain that the executives in charge of our information programs would welcome the opportunity for regular consultation and exchange of views with a joint committee of Congress which takes the time to study and understand the grave problems which they must face up to and which must be quickly resolved.

I also believe Congress can and should develop a better public understanding of both the need for, as well as the objectives of our international information programs. The tremendous advancement of science in the last 50 years has, for practical purposes, so reduced the size of this earth that the vast expanse of the past is gone. Long and tedious journeys of the past have been reduced to but hours of luxury travel. Communications which once took many months are now carried out in a matter of seconds. Science has made possible communications on a mass scale which at times defy the imagination. It is no longer a luxury to have an adequate international information program. It is an absolute necessity. That is the kind of world we are living in.

Fifth. It is a well established fact that in any undertaking or program which seeks to accomplish anything worthwhile, errors and mistakes are likely to occur. This is a fact which is immediately recognized by anyone who has attempted to do anything at all worthwhile. It is only reasonable to expect that in a public undertaking as important as the mission assigned to our international information programs, that some mistakes are bound to occur. I say this because such undertakings and programs of necessity are required to pioneer into fields of activity which are new or untried by American free enterprise. I believe that if our information programs are worth the investment we make in them, they are certain to make some errors. But what is important is that Congress and the executives of our international information programs know when an error or mistake has been made and move rapidly to correct it. Moreover, we must make allowances for an honest difference of opinion on what may be the best course for us to follow in a given situation. In some instances involving important issues, the answer as to which should be the proper course to follow may not be determined until a course of action is well under way and the practical results begin to appear. I am sure that my colleagues will agree that the more important the issue, very often this makes more difficult the decision as to the course of action to be taken, and consequently any error that occurs in these circumstances is almost always a grave one. A joint committee of the Congress would, in my opinion, serve the purpose of catching mistakes at an early date so that corrective action can be taken as well as making unnecessary public attack upon the work of any of our information programs as a means of bringing about corrective action. Perhaps more important in this connection is that a joint committee, working with the executives in charge of our information programs, will minimize the probability of errors and mistakes in the conduct of our information programs.

And finally I should like to point out that President Eisenhower, in a meeting with the leaders of Congress during December 1955, called for a vastly expanded effort in our international information programs in order to meet the latest propaganda challenge being made by the Kremlin conspiracy. President Eisenhower, in calling for added support from Congress for this program, received the assurance of our distinguished Speaker, Sam Rayburn, that Congress would not be found wanting in facing up to this grave problem. Speaker Rayburn, following their conference at the White House, publicly stated that Congress should strengthen our foreign information program and he pointed out that in this field—"I think we have been lagging. We have been defeated all over the world in propaganda."

Our foresighted majority leader, John McCormack, has, on innumerable occasions, pointed out the need to expose the evil conspiracy of communism and to present to all the people of the world the truth concerning the United States hopes and aspirations for all the people of the world, together with our willingness to make every sacrifice to attain that great goal of peace and freedom.

The very able chairman of the House Foreign Affairs Committee [Mr. Richards] has also called for an expanded effort on the part of our international information programs in order to meet the duplicitous worldwide challenge of communism. All of us know the great dedication that Mr. Richards has brought to the work of our Foreign Affairs Committee, and the great contribution he has made by his careful analysis of and objective approach to those grave dangers which confront our American way of life. I cannot help but express at this time my regret that this able and dedicated leader is retiring from Congress and that in future sessions, we will not be able to count upon his always profound and sage advice.

All of these leaders have made it abundantly clear that our own national security demands that we face up to the worldwide challenge to human freedom now being made by the Russian leaders in the Kremlin. It is most fitting, therefore, that we, as Members of Congress, should respond to the call for assistance made by President Eisenhower, and the urging of our congressional leaders for an expanded and vastly strengthened international information program.

I want to pay tribute to the fine work which has already been accomplished in the information field by the chairman [Mr. Rooney] and members of the subcommittee on appropriations. Members of Congress are aware that despite the many other important tasks assigned to that subcommittee, the chairman and its members have made noteworthy contributions to the development of sound and more effective international information programs.

I am very encouraged that a distinguished Member of the other House yesterday introduced in the Senate a resolution identical to House Joint Resolution 433. I hope that a goodly number of other Senators will have the opportunity to study the purposes of this resolution and will join in support of its introduction. I feel certain that those Members who have long been interested in the development of a sound and winning international information program, will see the merit as well as the urgent need for Congress to take favorable action on that resolution.

I hope that every Member of this House will take the time to read this very significant and timely report which was made to Congress yesterday. It carries a message which bears upon the security and well-being of the American people and the hopes of all mankind for a peace with justice for all. I am hopeful that Congress will see fit to increase our participation in the important work carried on through our information programs. One way we can do that is by putting into affect the recommendations to Congress made by the Advisory Commission on Information, which Congress itself set up to make certain that the purposes and spirit of Public Law 402, 80th Congress, were carried out. I hope that before this session of Congress ends, authorizing legislation will have passed for the establishment of a joint committee on international information programs along the lines set forth in House Joint Resolution 433.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to the distinguished gentleman from Illinois, who has made a remarkable contribution to the improvement of our international information programs by his advocacy of a project which all of us have come to know as the Classics of Democracy.

Mr. O'HARA of Illinois. What the gentleman is interested in, as I take it, is winning the battle for the minds and hearts of men the world over?

Mr. FEIGHAN. Yes, indeed. I firmly believe that the great opportunity is ours for the taking, to win a just and lasting peace, and to prevent world war III. To do this it is my conviction that we must engage in positive and imaginative and practical programs calculated to win the minds and hearts of men the world over.

Mr. O'HARA of Illinois. The gentleman realizes, and I believe the distinguished Committee of which Dr. May is Chairman, that at the present time we seem to be losing in that battle. I am convinced that we will certainly lose that

battle unless we attach to our international information programs the importance that I believe they deserve. We have got to make certain that the executives in charge of those programs are provided with the wherewithall to carry on a winning program.

But, as I understand it, there is no similarity between the resolution offered by the distinguished gentleman from Ohio [Mr. Feighan] and the resolution offered in the Senate by the gentleman from Montana to create a joint committee to overlook the work of the CIA.

Mr. FEIGHAN. The gentleman is correct. The resolution which I have proposed has nothing to do with the work of our intelligence agencies. Moreover, it has nothing to do with the work carried on by our established security agencies. This resolution addresses itself exclusively to the work carried on by our international information programs. I should like to make another point clear. The joint committee which I have proposed is not in any sense to be considered a watchdog committee. The joint committee which I have proposed has a much more important mission, and that is why I have taken the time today to spell out in my opening remarks the purposes of the joint committee.

Mr. O'HARA of Illinois. I thought it was well that the gentleman should make that very clear. This is merely to study and to augment and aid the work of the Congress, the work we are already doing in that field?

Mr. FEIGHAN. Yes. My colleague from Illinois is absolutely correct in stressing the positive aspects of the work which the joint committee which I have proposed will carry on.

Mr. O'HARA of Illinois. I was very much interested in reading in that remarkable report by Dr. May's Commission that the recommendation was made that the 84th Congress adopt a resolution providing for a joint committee in this field.

Mr. FEIGHAN. Yes. I was most encouraged to see that the Commission for the fourth time has made this same recommendation to Congress. In my judgment, this latest action by the Advisory Commission emphasizes the importance of this recommendation which they first made as far back as February 1953. I hope that Members of Congress will take into account the persistent effort made by the United States Advisory Commission on Information in support of the creation of a joint committee of Congress on international information programs.

Mr. O'HARA of Illinois. I was also interested in reading the recognition given to the work, of which I am a humble part, the greater part belonging to the great citizens of Chicago who started it, that provide for translation into inexpensive editions of the Classics of American Democracy, to be distributed all over the world.

Mr. FEIGHAN. I believe that the Advisory Commission is to be complimented on bringing added public attention to the work of the distinguished gentleman from Illinois [Mr. O'Hara] by making very favorable and specific reference to the Classics of American Democracy in its report to Congress yesterday.

Mr. O'HARA of Illinois. When the idea of a project for Classics of Democracy was presented to editors, educators, labor leaders, capitalists, leaders in all our activities, the verdict was unanimous that such a work should be undertaken.

It was surprising to me when I first went into it to find that even the Federalists papers had been translated, and that inadequately, into only 1 or 2 languages. Following the interest shown by the leaders of America who responded to the questionnaire the United States Information Agency organized a pilot project to test out the idea of conveying in approximately 10 foreign languages, the basic political and social concepts which form the foundation of American life. For example, the Federalists were translated into Italian. Within several weeks some 40,000 or 50,000 copies of that translated version were sold to the Italian public who welcomed literature of this type because it was most inspiring to them as well as comforting to them in meeting many of the problems which they must face each day.

I mention that as only one small phase of what the distinguished gentleman from Ohio contemplates in his resolution; that is, that in all these fields where we can get to the minds and hearts of men we want to do it; and, of course, in the doing of that efficiently and promptly there should be it seems to me as proposed by the gentleman from Ohio the guiding and the advising of a joint committee of this Congress.

Mr. FEIGHAN. I think the joint committee which I have proposed would be of inestimable value in helping the executives in charge of our international information programs in carrying out many projects similar to that proposed by our colleague from Illinois [Mr. O'Hara].

Incidentally, I want to tell the Members of the House that the distinguished gentleman from Illinois was the one who started this idea of translation of the Classics of Democracy into many languages of the world for distribution at a very cheap price, certainly in an edition within the financial reach of working people throughout the world. I am confident that projects such as this are an excellent means by which we can convey to the people of the world a true picture of our political institutions, our social system, our customs, ideals, economy, and aspirations.

Mr. O'HARA of Illinois. Mr. Speaker, I want to commend the gentleman from Ohio for the diligence he has shown in pursuing his objectives in this, and I certainly hope that his resolution is adopted by the other body and that within the course of the next month or six weeks this joint committee can be created and be in operation during the present session. I say this because it is my conviction that we will lose the fight against the intensified worldwide Russian Communist propaganda program if we delay any longer in having Congress accept a full and responsible role in the development of our international information programs.

Mr. FEIGHAN. I think the creation of the joint committee which I have proposed will go a long way in helping us to win that fight. I have said on many occasions in the past that the struggle between the forces of human freedom and those of Communist slavery is the most dangerous fight that has ever faced mankind in the history of the world. The outcome of this struggle may very well determine the destiny of all mankind for hundreds and hundreds of years. It is time for Congress to accord adequate recognition to our international information programs because the people responsible for running those programs occupy the front lines in the struggle for the minds and hearts of men. If that front line is broken, we are almost certain to be plunged into a devastating world war III. If that line is held successfully, it can avert World War III, and bring us to an era of peace, prosperity, and freedom.

I urge you, my colleagues, to read and give your most careful attention to the proposal which I have made for the creation of a Joint Committee on United States International Information Programs.

ISRAEL AND THE MIDDLE EAST

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. Curtis] is recognized for 5 minutes.

Mr. CURTIS of Massachusetts. Mr. Speaker, the political problems of Israel are closely related to the physical aspect of the country and to the type of civilization which has so recently been developed there. A visit there is, therefore, of unusual importance in affording an insight into the problems of the area.

Two recent visits have given me an opportunity to see the setting in which the problems of Israel arise, and to form certain judgments about them.

The most vivid impression following such a visit was that here had arisen a modern democracy with a bustling type of machine-age life similar to what one might find in an American community. This remarkable development had taken place in a short period of time, and stood out the more because of the less developed aspect of some of the other areas in that corner of the world.

The next most vivid impression was of the courage and determination of the people who had built up this land, and were taming the deserts and the rocky hillsides, much as American frontiersmen had developed our own country. This courage and initiative is evident in the faces and bearing of the people. They carry themselves proudly as become a people who are making such rapid strides.

A third impression is that here is a small country where intensive efforts are needed to make the land productive, where every acre is important, and where the frontiers are always but a short distance away.

It follows that frontier incidents and border disputes, which might be of minor consequence to a large nation, affect the very vitals of this much smaller nation.

It follows also that such a country is vulnerable to sudden attack, that the lines must be held right at the frontiers, and that defensive arms and measures are of unusual importance.

Difficult conditions now confront Israel as the result of a recent war with her neighbors, terminated only by an uneasy armistice. The country faces blockade of its land communications on all sides. War in the area is threatened, and that is now upsetting the whole world.

Our own Government has authoritatively stated that the continued existence of Israel is a basic tenet of American policy. That policy of course implies much more than existence. It means existence in an atmosphere of peace and friendliness with opportunity for prosperous trade and all the rights which other nations enjoy.

If that be American policy, the time has come for us to reassure ourselves that we are taking the best and wisest steps to implement that policy and to aid in bringing about peace in the area.

Secretary of State Dulles in his speech of last August 26 stated that the United States would participate in an international loan to enable Israel to pay compensation to refugees, and also to make possible irrigation and water development projects, and would be willing under certain conditions to join in collective security measures for the area.

But it seems now that more is needed. I was impressed by the remarks of Senator Duff of Pennsylvania at a dinner held by the conference of American Jewish organizations in Washington on January 18, 1956. He stated that now was the time for decisive action in the Near East, and urged that the free world "should guarantee the existing borders between the disputants," and should "offset arms to Egypt by arms to Israel—not to encourage an arms race but to maintain a proper balance between them."

Since then there have been many similar expressions in editorials and articles. The opinion has been expressed that present American policy has not been effective, and only the other day a leading New York newspaper called for a "bold, new policy."

I agree with that, and, speaking only as an individual, urge the following action:

First. The United States should sell defensive arms to Israel in order to maintain the balance of arms in the area and to offset the recent flow of arms from Iron Curtain countries to Egypt. Even if help from the outside could be expected in case of aggression against Israel, arms would still be necessary to ward off immediate attack and until effective help could arrive.

Second. The United States should furnish no arms to Israel's neighbors so long as they refuse to negotiate in good faith for peace.

Third. The leading nations of the free world should offer a security pact to Israel which would be open also to her neighbors; and if this cannot be arranged, then the United States should make such an offer. The Tripartite Declaration of 1950 is only a declaration, and should be backed up by a more definite commitment, which only a pact or treaty can provide.

Fourth. In view of the fact that the Tripartite Declaration contemplates the possible use of force, congressional authorization should be sought by the request for passage of a Formosa-type of declaration, giving advance authority for military measures in a defined area and under defined conditions, if later found necessary.

Finally, the policies announced by Secretary Dulles in his speech of August 26 last, referred to above, should be implemented and vigorously carried forward.

This is the type of bold, new policy which will bring the greatest benefit both to the United States and to the Middle East area. It is also clearly in the interest of the Western World to aid and preserve this western-oriented democracy and outpost of the free world. This policy will sustain and preserve a nation with which the United States has had mutual friendship since its birth as a nation, and in whose development the United States and her citizens have played such an important part.

This is a dynamic program which will answer the charge that our policy has been indecisive, and which will go far to assure peace in the Middle East.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Rogers of Colorado (at the request of Mr. Aspinall), for April 12 and 13, on account of official business.

Mr. Canfield for April 12 and 13, on account of official business (member, Board of Visitors to Air Force Academy).

Mr. Jackson for 10 days commencing Monday, April 16, on account of official business (Los Angeles, Calif., hearings of House Committee on Un-American Activities).

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Sadlak, for 15 minutes, on May 3.

Mr. Curtis of Massachusetts, for 5 minutes, today.

Mr. Roosevelt, for 45 minutes, on Monday next.

Mr. Bailey, for 1 hour on Wednesday next, vacating special order for Tuesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Zelenko.

Mr. Radwan.

Mr. Miller of Nebraska.

Mrs. Kee.

Mr. Bailey and include a news dispatch from Nagoya, Japan.

Mr. Long and to include related material.

Mr. Boggs and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $240.

Mr. Harris and to include a speech.

Mr. Ellsworth and to include a letter.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 12. An act to provide an improved farm program.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 12. An act to provide an improved farm program; and

H. R. 8107. An act to amend the Armed Forces Reserve Act of 1952, as amended.

ADJOURNMENT

Mr. METCALF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 28 minutes p. m.) the House, pursuant to its previous order, adjourned until Monday, April 16, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1736. A communication from the President of the United States, relative to urging that legislation be enacted such as is outlined in a letter by the Secretary of Defense, reviewing the serious nature of the personnel situation in the Armed Forces. It also outlines the major legislative proposals which the administration has presented to the Congress as a means of improving military career incentives (H. Doc. No. 378); to the Committee on Armed Services and ordered to be printed.

1737. A letter from the Comptroller General of the United States, transmitting a report on our examination of the United States assistance program for Egypt which the International Cooperation Administration of the Department of State and the predecessor agencies have conducted, pursuant to the Mutual Security Act of 1954 (68 Stat. 832) and pertinent prior legislation; to the Committee on Government Operations.

1738. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation entitled "a bill to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes"; to the Committee on Interior and Insular Affairs.

1739. A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "a bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a 1-count indictment"; to the Committee on the Judiciary.

1740. A letter from the President, Export-Import Bank of Washington, transmitting the semiannual report of the Export-Import Bank of Washington covering the period July through December, 1955, pursuant to section 9 of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

1741. A communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1957 for the Small Business Administration involving a net increase of $19,600,000, and proposed revisions in 1957 programs of the Department of Defense "Civil functions" (H. Doc. No. 379); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7850. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Little Wood River reclamation project, Idaho; without amendment (Rept. No. 1994). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9511. A bill to authorize the county of Custer, State of Montana, to convey certain lands to the United States; without amendment (Rept. No. 1995). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 470. Resolution for consideration of H. R. 9824, a bill to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war; without amendment (Rept. No. 1996). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 472. Resolution for consideration of S. 2972, an act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes; without amendment (Rept. No. 1997). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. H. R. 9052. A bill to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports; with amendment (Rept. No. 1993). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 10457. A bill to amend the Social Security Act with respect to the matching formulas for old-age assistance, aid to the blind, and aid to the permanently and totally disabled; to the Committee on Ways and Means.

H. R. 10458. A bill to provide for the prevention of the erosion of the banks of the Bayou Barataria; to the Committee on Public Works.

By Mr. CELLER:

H. R. 10459. A bill to improve the United States Code by enacting into law title 26 entitled "Internal Revenue"; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 10460. A bill to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, and for other purposes; to the Committee on Banking and Currency.

By Mr. DENTON:

H. R. 10461. A bill creating the City of Cannelton Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., and for other purposes; to the Committee on Public Works.

By Mr. FASCELL:

H. R. 10462. A bill to establish an additional judicial district within the State of Florida; to the Committee on the Judiciary.

H. R. 10463. A bill to provide for a term of court of the fifth circuit court of appeals to be held at Miami, Fla., in the southern district of Florida; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 10464. A bill to amend the Social Security Act to remove existing limitations on the total amounts which may be made available to Puerto Rico and the Virgin Islands under the public-assistance programs in that act; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 10465. A bill to relieve certain veterans from liability for repayment of amounts erroneously paid to them while members of the Armed Forces; to the Committee on the Judiciary.

By Mr. SAYLOR:

H. R. 10466. A bill to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H. R. 10467. A bill to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.; to the Committee on Interior and Insular Affairs.

By Mr. WILSON of Indiana:

H. R. 10468. A bill creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boone County, Ky., and for other purposes; to the Committee on Public Works.

By Mr. FASCELL:

H. R. 10469. A bill to amend section 500 of the Servicemen's Readjustment Act of 1944 to provide an additional period for World War II veterans to obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. FULTON:

H. R. 10470. A bill to provide for the issuance of a special series of postage stamps in commemoration of the 200th anniversary of the founding of the city of Pittsburgh, Pa.; to the Committee on Post Office and Civil Service.

By Mr. GARY:

H. R. 10471. A bill to amend section 1391 of title 28, United States Code, relating to venue generally; to the Committee on the Judiciary.

By Mr. GRAY:

H. R. 10472. A bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and otherwise, and for other purposes; to the Committee on Banking and Currency.

By Mr. JENNINGS:

H. R. 10473. A bill to amend the Internal Revenue Code of 1954 to provide that the benefits of section 1231 shall be available with respect to livestock held for any purpose by a taxpayer for 6 months or more; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 10474. A bill to amend the Civil Service Retirement Act of May 29, 1930, to provide immediate annuities to widows without dependent children of employees who die in the service; to the Committee on Post Office and Civil Service.

By Mr. REES of Kansas:

H. R. 10475. A bill to establish a Veterans Preference Employees Appeals Office, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REES of Kansas (by request):

H. R. 10476. A bill to amend the Internal Revenue Code of 1954, to provide a soil exhaustion allowance for land used in farming; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H. R. 10477. A bill to prohibit the payment of pension to persons confined in penal institutions for periods longer than 61 days; to the Committee on Veterans' Affairs.

H. R. 10478. A bill to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of Texas:

H. R. 10479. A bill to authorize the Administrator of General Services to convey certain land to the county of Galveston, Tex.; to the Committee on Government Operations.

By Mr. THOMSON of Wyoming:

H. R. 10480. A bill to amend section 6 of the act of August 13, 1953, relating to the amendment of farm units on Federal reclamation projects; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H. J. Res. 602. Joint resolution to provide for a medal to be struck and presented to each surviving veteran of the War Between the States; to the Committee on Banking and Currency.

By Mr. COOPER:

H. Con. Res. 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means; to the Committee on House Administration.

By Mr. PRICE:

H. Con. Res. 231. Concurrent resolution to provide that the United States delegation in the United Nations request free elections in the Slovak nations; to the Committee on Foreign Affairs.

By Mr. COOPER:

H. Res. 468. Resolution authorizing the Committee on Ways and Means to employ one additional employee; to the Committee on House Administration.

By Mr. LESINSKI:

H. Res. 469. Resolution creating a select committee to conduct an investigation and study of the various means of utilizing the civil and military airports in the Detroit, Mich., area; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the General Assembly of the State of Rhode Island, urging arms for Israel due to threat of Arab aggression with Communist arms; to the Committee on Foreign Affairs.

By Mr. KEARNEY: Memorial of the Legislature of the State of New York, memorializing the Congress of the United States to enact such legislation as may be necessary for the removal of certain Federal restrictions on the raising of crops for the feeding of livestock; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 10481. A bill for the relief of Magoji and Eiju Nakashima; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 10482. A bill for the relief of Biagio Vertuccio; to the Committee on the Judiciary.

By Mr. BATES:

H. R. 10483. A bill for the relief of Aloisia and Margarete Herzog; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 10484. A bill for the relief of Myrrine and Fitzgerald Christie; to the Committee on the Judiciary.

By Mr. CORBETT:

H. R. 10485. A bill for the relief of Kan Chen; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 10486. A bill for the relief of Theodore Triantafillopoulos; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 10487. A bill for the relief of Mrs. James B. Daunais; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10488. A bill for the relief of Simeon Krammer also known as Sidney Krammer; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 10489. A bill to provide for the conveyance of certain mineral rights to Mrs. James T. Worley, Andrews, Tex.; to the Committee on Interior and Insular Affairs.

H. R. 10490. A bill to provide for the conveyance of certain mineral rights to Mr. John W. Cadenhead of Meadow, Tex.; to the Committee on Interior and Insular Affairs.

H. R. 10491. A bill to provide for the conveyance of certain mineral rights to Mathew G. Mathews, Denver City, Tex.; to the Committee on Interior and Insular Affairs.

H. R. 10492. A bill to provide for the conveyance of certain mineral rights to Mrs. Lillian Beal Williams, Tokio, Tex.; to the Committee on Interior and Insular Affairs.

H. R. 10493. A bill to provide for the conveyance of certain mineral rights to Marvin B. King, Bledsoe, Tex.; to the Committee on Interior and Insular Affairs.

H. R. 10494. A bill to provide for the conveyance of certain mineral rights to the descendants of James H. Haney, Bledsoe, Tex.; to the Committee on Interior and Insular Affairs.

By Mr. MAILLIARD:

H. R. 10495. A bill for the relief of Dennis Da Costa; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 10496. A bill for the relief of Gertrud Kreen; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 10497. A bill for the relief of Franca Van Landingham; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 10498. A bill for the relief of Tsuruichi and Hatsu Shibata; to the Committee on the Judiciary.

H. R. 10499. A bill for the relief of Raul Banuelos-Felix; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

882. By Mr. BOW: Petition of George C. Tyler and others of Tuscarawas County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

883. By Mrs. GRIFFITHS: Petition of all organized groups of Ukrainian women in metropolitan Detroit in cooperation with branches of the Ukrainian Congress Committee of Detroit and the Federation of American Ukrainians of Michigan, urging the enactment of legislation to institute appropriate action in the United Nations, with the object of firm defense of millions of political prisoners in U. S. S. R., tortured, in overt violation of the Charter of the United Nations; to the Committee on Foreign Affairs.

884. By Mr. HAYS of Arkansas: Petition of Mr. and Mrs. R. B. Cash, Little Rock, Ark., and others urging favorable consideration of H. R. 4264 which grants a pension of $100 per month to all honorably discharged veterans of World War I who are 60 years of age and which authorizes the Administrator of Veterans' Affairs to prescribe regulations to carry out these provisions; to the Committee on Veterans' Affairs.

885. By Mrs. KEE: Petition of P. C. Brown, Renick, W. Va., and 40 other residents of Greenbrier County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

886 By Mr. KING of California: Petition of the Angel City Branch No. 24, National Association of Letter Carriers, containing the signatures of approximately 3,000 Los Angeles letter carriers opposing coordination of civil service retirement with the old age and survivors' insurance (social security) as embodied in the Reed bill, H. R. 9090, and the Carlson bill, S. 3041, and favoring liberalization of civil service retirement as contained in the Morrison bill, H. R. 8812, and the Johnston bill, S. 2875; to the Committee on Ways and Means.

887. By Mr. LeCOMPTE: Petition of VFW post, Sully, Iowa, urging the enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

888. Also, petition of VFW post, Hedrick, Iowa, urging the enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

889. By Mr. MARTIN: Petition of residents of Massachusetts requesting separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

890. By Mr. RABAUT: Petition of Donald P. Ryde, Grosse Pointe Park, Mich., and other residents of Detroit, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

891. By Mr. SHORT: Petition of J. W. Wasson and other citizens of Jasper County protesting the passage of H. R. 9075 in its present form; to the Committee on Ways and Means.

892. By Mr. SILER: Petition of Mrs. Rebecca J. Williams and 1,173 other residents of Ohio, Tennessee, Virginia, California, Illinois, Indiana, New York, and Egypt urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

893. By Mr. VORYS: Petition of 44 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

894. Also, petition of 90 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

895. Also, petition of 45 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

896. By Mr. WOLCOTT: Petition of Henry B. Williams, of Anchorville, Mich., and 44 others, urging enactment of legislation providing for a separate and liberal pension program for veterans of World War II, their widows and orphans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Address by Hon. Alexander Wiley, of Wisconsin, Before La Crosse, Wis., Shrine Club

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, April 12, 1956

Mr. WILEY. Mr. President, it was my privilege recently to deliver an address before the Shrine Club of La Crosse, Wis. I ask unanimous consent to have printed in the RECORD certain excerpts from that address.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES 10-POINT PROGRAM FOR WISCONSIN DEVELOPMENT

(Excerpts of address by Hon. ALEXANDER WILEY, Republican, of Wisconsin, at Shrine Club, La Crosse, Wis., April 6, 1956)

COMPETITIVE RACE WILL BE INTENSIFYING IN 48 STATES

These days, we hear a great deal about competitive coexistence between the United States and the Soviet Union.

I need not comment in detail to you, the members of the Shrine (who know the great patriotic record of our own Shrine organization), how significant is this coexistence race. We of this country must make sure in this jet-atomic age that we stay ahead in the race for national survival. We must make sure that we are well prepared—on the home and foreign fronts—against any danger that may arise.

PATRIOTIC RECORD OF THE SHRINE

The Shrine, as we all know, is the playground of Masonry.

But the Shrine has its serious moments too. And throughout all Shrine activity, there runs the undertone and overtone of patriotic service, of promoting civic welfare and human betterment whether it be on behalf of crippled children or any other worthy cause.

And, of course, there is no cause more worthy, more essential than national survival—the greatest single obligations of this Republic—which is the great beacon to mankind.

THE RACE AMONG THE 48 STATES

I would like to point out, however, to my brother Shriners, that there is another type of competitive race—over and above our race with the Soviet Union. It occurs right in our own country. It is the race among the 48 States for progress and prosperity.

Every day, new developments are occurring in this competitive race. Factories move from one State to another. Companies start new plants or subsidiaries in one State or another.

We of the Badger State are anxious to keep our State to the fore. We want to move up—not to fall back—in the competitive race.

We want more contracts for Wisconsin, more and steadier jobs, fuller pay envelopes, more jingling tunes in the cash registers, more tourist income, more farm sales.

To achieve this, we'll require action, planning, teamwork, cooperation.

WE ARE INTERESTED IN QUALITY

Of course, we are definitely not trying to get the largest population, we are not trying to attract any type of plant, just for the sake of piling up big statistics of new business.

We are interested in quality. We want the best type of industry in Wisconsin. We want our own existing population to enjoy ever higher income. We don't want to sacrifice living standards but rather to raise them.

For these purposes, I am in continuous contact with the officials of our State government, with our governor, our State planning commission, and with other State officials.

I would like to spell out now a 10-point program for making sure that Wisconsin keeps moving forward in 1956 and in the years to come.

This is by no means a complete list, but it will indicate to you the sort of things which must be done.

CAPITALIZE ON MISSISSIPPI AND THE LAKES

1. Further use the great natural arteries available to us. That means the mighty Mississippi. It means the Great Lakes.

It means roads along the Mississippi and river traffic on the Mississippi, roads alongside the lakes and commerce on the lakes.

We must capitalize on these assets to the fullest. We must get all the possible traffic we can out of them—out of barge traffic and along the lakes, out of deepwater traffic.

2. For full lake benefits, we must secure the prompt deepening of the Great Lakes connecting channels. This means we must make all possible speed in securing congressional approval of the initial $5 million (out of the overall $110 million authorized) to deepen and improve the Great Lakes connecting channels west of Lake Erie.

EXPAND CREDIT FOR SMALL BUSINESS

3. Utilize the splendid facility of the Wisconsin Credit Development Corp. This is the organization designed at Madison, by our State officials with the cooperation of our State's banking profession, to provide needed capital wherever necessary, and otherwise unavailable, so as to expand industry or bring in new industry.

4. Further develop our Wisconsin highway system, which is so vital to our tourist industry, as well as to inexpensive transportation of our farm and business products.

Under Federal aid, the highway legislation now before the House, Wisconsin will get an estimated $345 million in the coming 13-year period for road improvement.

5. Strengthen Wisconsin aviation—meaning improve our airport system, our navigational aids. Facilitate the work of North Central Airlines, Northwest Airlines, and other fine airline companies serving our State. Expand the number of our pilots and civilian planes, as may be necessary.

MORE CONTRACTS FOR BADGERS

6. Bring in more Federal contracts wherever possible to utilize the skills and abilities of Wisconsin industry and workers for defense purposes.

7. Utilize Wisconsin camp facilities—like Camp McCoy—to the fullest. This has been my constant aim in Washington.

WISCONSIN WANTS FAIR-PRICED NATURAL GAS

8. Increase the amount of the fuel at good prices available to our citizens.

Right now, there are, as you know, numerous applications pending before the Federal Power Commission for bringing in more natural gas pipelines to Wisconsin. I, for one, want every additional cubic foot of natural gas we can get and use—for our homes, offices, stores, and factories. And I want it at good, competitive prices.

Thanks to President Eisenhower's wise veto of the Harris-Fulbright bill, we can feel reasonably assured that we are going to get fuel at a fair price. Had that bill not been vetoed, Wisconsin would have paid through the nose to the gas monopoly.

Fuel is a mighty important factor that is considered when a company weighs moving a plant to a particular State. We don't want Wisconsin companies moving to the South or anywhere else, so as to get cheaper fuel, subsidized by the Federal Government.

We want adequate fuel and/or fair private enterprise prices, for our State.

9. Keep Wisconsin ahead in scientific research, both through our great private laboratory teams, as well as through the marvelous research conducted by the University of Wisconsin and other splendid educational institutions.

This is a scientific age, and the State with scientific and technical know-how will forge ahead of other States which lag in scientific development.

KEEP WISCONSIN INDUSTRIAL PEACE

10. Last but not least, let's keep Wisconsin as a model of cooperation between labor and management, industry and agriculture, farm and city.

As we look elsewhere, we see first right now, as you know, the South is paying a bitter price because of racial tension.

Here in our own State, let's make sure of cooperation between all groups. Let's try to avoid the type of industrial warfare which crippled the great Westinghouse Corp. for 156 days, the kind of heated labor-management bickering which causes losses to all, particularly the public, as a whole.

These then, are but 10 points in our "Forward, Wisconsin" program. You and I can and will add many more points as we seek to assure rising and lasting prosperity for the Badger State.

Trade Mission to Japan

EXTENSION OF REMARKS

OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. BAILEY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I desire to call the attention of my colleagues to certain practices being used by the Department of Commerce. I refer specifically to their sending representatives of the Commerce Department on a trade mission to Japan.

In this connection, I would like to read a dispatch from Nagoya, Japan, under date of March 29:

> Japanese businessmen asked the visiting United States trade mission to use its influence to prevent any increase in American tariff or other restrictions against Japanese pottery, plywood, and sewing machines. The mission in turn said, "There is plenty of room to increase American imports of these products." The mission is headed by Mr. Eugene Braderman, United States Department of Commerce.

I am today writing the Department of Commerce demanding to know what is the purpose of this mission, who appointed them, why American businessmen who must compete with foreign imports are not officially notified by the Department of Commerce when such trade missions were sent abroad, and the purpose for which they are being sent.

This, Mr. Speaker, is just another instance of the "high-handed" bureaucratic methods being used by some of our executive departments.

Dateline Washington

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. BOGGS. Mr. Speaker, my Louisiana colleagues and I have the pleasure of participating regularly in a filmed television program, Dateline Washington, presented every other week as a public service to our constituencies by station WDSU-TV of New Orleans.

This is a half hour, unrehearsed discussion program, produced and moderated by Miss Ann Corrick, Washington correspondent for WDSU. It alternates weekly with a local program, Dateline New Orleans, in which WDSU-TV presents local personalities in discussions of civic and other matters of interest to the citizens of the New Orleans area.

Dateline Washington concentrates on national and international issues which affect—directly or indirectly—the lives of all Americans, with particular emphasis on matters under consideration in Congress.

We invite as our guest a personality expert in his field, and devote the half hour program to an informal discussion and exchange of ideas. In this way, we are able to present to the people of south Louisiana all sides of an issue, so they may form their own opinions on the vital issues of our times.

In the past 2 years, on this program, we have presented the up-to-date facts on such vital issues as the peacetime uses of atomic energy; the state of our national defenses; the problems and needs of American education; the development of the Salk antipolio vaccine program; the operation of our foreign policy; the extent of narcotic addiction and its causes, and timely reviews of the ever-changing political situation. Dateline

Washington has presented interviews with such topnotch authorities as U. N. Ambassador Henry Cabot Lodge; Administrator Theodore Streibert, of the United States Information Agency; Maj. Gen. Samuel Sturgis, Chief of the Army Engineers; Selective Service Director Lewis Hershey; Treasury Secretary Humphrey; Sir Roger Makins, the British Ambassador; House Speaker Rayburn; CBS Overseas Correspondent Howard K. Smith; and, of course, many of our able and informed Democratic and Republican Members of House and Senate. In order to present an unbiased picture of the political situation, we have had as our guests both Leonard Hall, Republican National Committee chairman, and Paul Butler, Democratic National Committee chairman. Many of these programs have made front-page news throughout the country.

In recognition of the consistently factual, timely, and public interest offerings of the Dateline Washington series over the last 2 years, the Sylvania television award panel last November awarded Dateline Washington and WDSU-TV a special citation for local public service.

In consonance with the high standards maintained by this program, on Sunday, April 8, Dateline Washington presented a guest and topic of such importance and inspiration that I herewith submit the transcript of this discussion so others may benefit from its content.

Our guest was Maj. Gen. Melvin Maas, former Member of the House from Minnesota, whose brilliant career with the United States Marine Corps was cut short a few years ago when he lost his eyesight. General Maas' account of his work as Chairman of the President's Committee on Employment of the Physically Handicapped should give heart and hope to other disabled persons who have every right to work and live with the dignity we in this country accord to all our citizens.

The discussion with General Maas follows:

Miss Corrick. Good afternoon. This is WDSU's Washington correspondent, Ann Corrick.

Thirty million American citizens are physically disabled in one way or another. Most are completely helpless. But an estimated 2 million disabled persons, if they knew how, or if they had the proper training, could be gainfully and usefully employed. Congress recognized this possibility in 1945, and, 2 years later, established the President's Committee on Employment of the Physically Handicapped. Through the efforts of this Committee many thousands of disabled persons each year are restored to gainful employment. Dateline Washington's guest today is the Chairman of the President's Committee, retired Marine Corps Maj. Gen. Melvin J. Maas. He fully understands the problems of disabled persons, for, in 1951, 1 year before he retired from the Marines, General Maas was overtaken with total blindness. Although this dropped the curtain on three separate careers, for General Maas it opened up a new and rewarding challenge for his tremendous and unselfish energies. He became Chairman of the President's Committee on Employment of the Physically Handicapped in 1954.

Last year he was elected national commander of the Disabled American Veterans.

General Maas' first career was in business back in his native State of Minnesota, where he organized his own insurance firm. He spent 16 years in Congress as a Republican Member of the House from Minnesota, from 1927 to 1943. However, during that period he took time out to pursue another, overlapping career in the Marine Corps, where he specialized in marine aviation. He served as a private in World War I; as the youngest Marine Corps colonel in uniform in World War II, and he put on his uniform again in the Korean war to help revise the entire Reserve program.

The general made many friends while he was here in Congress, and here with us today are two who served with him—New Orleans Congressman F. Edward Hébert, chairman of the House Armed Services Investigating Committee, and Hale Boggs, member of the House Ways and Means Committee.

Now, the general has been decorated many times for his services, and among his medals is the Carnegie Silver Medal for heroism, and there is quite a story behind that medal. It is legend, especially here on Capitol Hill, because the battlefield on which that medal was earned was the House of Representatives. It was in 1933, was it not, General——

General Maas. No; 1932.

Miss Corrick. That a man appeared in the House gallery with a loaded revolver and he threatened to shoot up the Congressmen. What did you do?

General Maas. Ann, you mentioned an incident that has always been embarrassing to me, getting this Carnegie medal for it. I think I will reveal to you now the truth of what actually happened that day.

Miss Corrick. I wish you would.

General Maas. This nut in Congress—I mean the one up in the gallery—was waving this gun around. I did not see him to begin with. We were having a teller vote and I was one of the tellers. All of a sudden there was a great deal of confusion and everybody left suddenly.

Then Fiorello La Guardia grabbed me by the arm and said, "Come on, Mel, let's get him," and with that he pointed up in the gallery. That is the first time I saw this bird waving this pistol around.

To get to him, you had to run up the aisle, out some swinging doors, around the halls and up some marble steps.

Just as we got to the door, La Guardia went on out and I took one last look over there and I saw that this bird put his foot up on the rail. I was sure he was going to jump, and probably break a leg, so I had nothing more heroic in mind that running over and jumping on the guy when he was down—but when I got under him, the darn fool had not jumped. Here I was standing looking up at him, and he spotted me and waved the gun at me, and he said, "Will you give me 20 minutes to make a speech?"

Give him 20 minutes, I would have given him the shirt off my back. I said, "Yes, yes, yes, but it is against the rules to speak with a gun in the House. Give me the gun and you can make your speech."

He said, "I will give it to you," and with that he cocked it. It looked like a .75 millimeter cannon about that time.

The newspapers commented afterward how remarkable it was that I disarmed him with a smile. It was not a smile—it was a darn silly grin.

Congressman Hébert. What would have happened if he had not thrown you the gun?

General Maas. Instead of running for Congress as I used to, I think I would have run from Congress.

Suddenly he changed his mind and did drop the gun to me. As soon as he dropped the gun, the cops all jumped out from behind the seats and grabbed him.

Congressman Boggs. Mel, that is quite an interesting and very great career you have had. Why don't you tell us a little bit about the work you are doing now.

General Maas. Well, Hale, I am actually in the most rewarding work that I have ever done. I do not mean financially because all of us on the President's Committee serve without any compensation of any sort. However, I am receiving more compensation in the way of gratification, feeling that I am making a contribution, more so than I have ever felt by doing anything else.

The work of the President's Committee is educational and informational. We are not a Government agency. We have a small Federal staff, but the Committee is made up of about 300 organizations representing the heart of America. All of the great labor unions are members, all of the great employer groups like the Association of Manufacturers, and the United States Chamber of Commerce, are members, all of the veterans' groups, the Federation of Women's Clubs, the medical profession, social workers, and just dedicated men and women.

What we are doing is trying to educate employers and the labor unions and the general public as to the employability of handicapped men and women.

There are so many people who think that just because some of us have a personal physical inconvenience we cannot work. This is not true at all. We have to overcome centuries of prejudice and intolerance and discrimination against men and women who have a physical handicap.

It is tremendously heartwarming to see the growing increase in interest and awareness and desire to help in this campaign.

Congressman Hébert. The work which you are doing with this Committee is very interesting and, of course, very constructive; but what is your feeling about a program which would educate people to prevent the accidents which cause disability?

General Maas. Eddie, of course that is one of the disgraces in this country. However, the vast majority of those for whom we have to find jobs, strangely enough, are not handicapped by way of industrial accidents. Of course, these accidents are deplorable, but the vast majority of these handicapped people have become so handicapped by reason of illness and disease.

Congressman Hébert. That is exactly what I was hoping you were going to say, Mel. I think the work of the President's Committee is quite creditable and laudable and you are indeed doing a splendid job with respect to rehabilitating these people.

I think the big problem is, however—and I would like your comment on this—is educating through research and prevention. As I put it the other day in New Orleans when I was down there to dedicate the Lighthouse for the Blind, we all run to the man who has a white stick in his hand, but our greatest efforts should be given to preventing him from getting the white stick.

General Maas. Of course, that is true, and we are tremendously interested in these research programs and their development. If the proper job is done in preventive campaigns—the biggest single number that we have are cardiac cases—if we can lick them at the beginning, then you would not have any need for the President's Committee on Employment of the Physically Handicapped.

Congressman Hébert. What suggestions do you have? What program do you have for prevention?

General Maas. I believe a great deal more intensified research must be done. Once you know how to prevent a disease or cure it, then the matter becomes routine. But the greatest mass of people who are physically handicapped are continuing—actually it is about 275,000 a year added to these rolls of the seriously physically handicapped. We need more research.

Congressman Boggs. It seems to me in your work you have two basic problems: One is to convince an employer that a handicapped person can be a satisfactory employee, and the other, it would seem to me, would be the psychological problem with the handicapped person himself to convince him that he is still a useful member of society and can perform gainful employment of some kind or another.

How do you approach those two separate problems, the individual problem and then the employer problem?

General Maas. You have identified them. They are the big problems. There is a third one, too, and that is educating those who are nonhandicapped workers to accepting a handicapped worker beside them.

Today there is considerable resistance among workers who just do not want handicapped workers working near them for fear that the handicapped person will cause an accident that will involve the nonhandicapped. Just to dispose of that, we have checked all of the records, and as far as we could determine throughout the country, we have yet to find one single case where a handicapped worker has involved a fellow worker, so the nonhandicapped do not have to worry about that.

The problem of educating the employer is our major problem, of course. The other problem is a social one, getting the handicapped to find out that there is such a thing as opportunity for rehabilitation; that they can be given vocational training so that they can become self-supporting. Some work is being done along those lines, but what the Congress has charged our Committee with is primarily in the field of educating employers and labor unions, because there are problems involving labor contracts in this matter—educating them as to the desirability of giving the handicapped an opportunity to work and then convincing them that a well-trained, properly placed handicapped worker is not only as good as the average but, in most cases, they become superior. Being trained in a specialty, they become very expert in that specialty. The handicapped man or woman who is given a job is grateful for it, for one thing, and there is much less tendency to switch jobs.

Miss Corrick. In what fields of endeavor are the handicapped people finding places today?

General Maas. Actually, everywhere. There isn't any kind of a job today in this country that is not being performed by some kind of a handicapped person.

Miss Corrick. Mostly in industry?

General Maas. I would say the preponderance of the absorption of the physically handicapped has been so far in industry. In fact, we are quite concerned at the failure of the professions to accept them. I am thinking particularly now of the blind. With the critical teacher shortage in this country, there are hundreds of blind men and women who are qualified educationally and by temperament to teach—and yet through prejudice they cannot get jobs as teachers. Yet, there are many very fine blind teachers, not only in the colleges but in the secondary schools and even in the primary schools.

Congressman Hébert. I think the figures show in this country today there are some 314,000 blind people. In referring to the blind, Mel—and I know you are not sensitive about your affliction at all, and I think you and I both know that—I think it would be most interesting and most informative and certainly most inspirational if you would take a moment to tell us exactly what your reaction was when you went blind. I knew you and served with you when you had good eyesight, and I have known you for the years that you have been blind. It intrigued me as I am sure it intrigued those of the audience who watched you light that cigar just now; and what you told us before the program about the book you're writing called "How to Eat Soup With a Fork." To me, it is an inspiration. Just what did you do after you went blind and how did you rehabilitate yourself?

General Maas. I was in the hospital at the time it happened for an entirely different thing. I had developed violent stomach pains which turned out to be an ulcer, and it was while I was being treated for the ulcer that my eyesight failed. Failed in one eye within a week and in the left eye within a couple of months, but it failed quite rapidly.

When the doctors gave me the verdict that I was going to be blind and it was going to be permanent blindness, actually for the first couple of days I wanted to die. I conceived of myself as just a blind, helpless old man. About the second morning I was lying in bed in a cold sweat. I could still see. I got up and went into the bathroom, took my shower, shaved, and dressed, keeping my eyes closed the entire time, and I suddenly realized that it was not going to be as bad as I thought. I could do normal things.

Then actually, Eddie, from then on, I was so busy that I never had time to think of it again. I was handling liaison with the Congress at the time and handling this Reserve legislation that we had up and they were sending people out from the Pentagon to see me, and you Congressmen were calling me and sending your secretaries up, so I had them put in a telephone next to my bed, and from then on I continued to carry on on the telephone 8 or 9 hours a day. Then I was sent to rehabilitation. I think learning about rehabilitation very early, before I was totally blind, was a tremendous lift. I learned that I could go to Hines, Ill.——

Congressman Hébert. I would like for you to develop that point just a bit because I think that must be one of the secrets of this whole program—your own rehabilitation and how you apply it to other people in your work today.

General Maas. When I learned that I was going to be able to be trained to get about pretty much normally, and that I would learn to substitute a cane for eyesight for traveling, that I was going to learn typing so that I could communicate written messages to other people, and I would learn Braille, it was a tremendous lift to me.

When I got to the rehabilitation center I found how practical all of these solutions were—in fact, they had a slogan to the effect that when you finished this course you could do anything that you did before except drive a car. I made suckers out of them on that, because I drove a car.

Congressman Hébert. A lot of people are driving now who think they can see.

General Maas. In fact, it was a whole new challenge to me.

You mentioned how I lit a cigar. I was getting quite frustrated. You know, being an old Congressman, I have to smoke my cigars. I was so frustrated that I was about to quit smoking. I took a match and just drove it up into the bottom of the cigar and struck it. It lit, but I had to laugh at myself because I had to smoke the wood. Then I got to experimenting and found that by holding a match underneath I could make it work every time.

In developing those things like dialing a telephone, I learned that if I put a little adhesive tape on the fifth dial of the telephone, then I could count very fast because I had four places to count from. I will bet you that I can dial a telephone faster than you can or anybody else with eyesight, because I do not have to waste time looking at the numbers.

Congressman Hébert. With my eyesight, I cannot dial a phone at all, as you well know. I am in the same position.

The reason I had a personal interest in asking you about these things was that I hope when the day comes when I am in the same position, I will have the courage to be as brave as you.

General Maas. Eddie, it isn't that. You have great vitality and you will carry on.

I found, in fact, that I am able to travel more extensively now than when I had good eyesight. Last year, I traveled 150,000 miles and I do all of my traveling alone.

Congressman Hébert. You went to New Orleans alone last year to make the November 11th address.

General Maas. I have no difficulty getting around. With radio and the wonderful "talking books" that Congress provides for the blind, I am doing more reading now and better reading than I did when I had sight.

For instance, I get the Reader's Digest each month on these "talking books."

Congressman Hébert. Is that a Braille book?

General Maas. No, a "talking book" consists of long-playing records. They have marvelous voices. They get the best actors and actresses and radio personalities, and they read books. Right now, I am reading The Robe on "talking books." The Government, through the Library of Congress, will furnish any of these "talking books" to a blind person. They do not have to be a veteran. They will also furnish the recording machine for playing these records. They lend it to them for life and then these long-playing records are put in fiber cases and they are mailed to the blind person, the regular catalog, without cost. When the blind person has read the book, he gives it back to the Post Office Department and the books are mailed back to the Library of Congress. It is like a circulating library.

Congressman Hébert. Exactly what is the procedure for receiving those "talking books," Mel? I think that is most interesting to blind people. Of course, they can write to their Congressmen, I know, but let us tell them how to get the books themselves.

General Maas. All they have to do is get a doctor's certificate that they are totally blind or unable to read. With just that certificate they can write to the Library of Congress or, in fact, they can get the information through their local library in most cases. Otherwise, they can write directly to the Library of Congress, Washington 25, D. C.

Congressman Boggs. What do you do at these meetings you attend all of the time?

General Maas. Talk about the problems of hiring the handicapped and cite to them cases of employers who have hired the handicapped and what good employees they are. The most enthusiastic supporters of this program are the employers who have hired some handicapped people. They are good workers and they are not troublemakers. They have fewer accidents and their safety record is high. Their absenteeism is perhaps even a little less than the average worker.

Congressman Boggs. I am certain that you must have the figures, but it seems to me that there must be a tremendous gap in the situation where you have a handicapped person who can earn a gainful living or a handicapped person who is dependent either upon his family or the State or the Government in some capacity. What is the difference?

General Maas. I am awfully glad you asked that, because it is quite dramatic.

The average throughout the Nation—and this will vary in different States and different cities—for maintaining a person on welfare is about $1,500 a year. That goes on forever as long as you are maintaining that person. The average cost for rehabilitation, however, is about $600, and that is a one-shot expenditure. So take a $1,500 welfare person, give him rehabilitation and get him on the job, and you have not only saved the $1,500 but you have started receiving taxes from such an individual because these rehabilitated persons, both men and women who are on the job, very soon become themselves taxpayers.

Last year alone the men and women who became rehabilitated and were placed on jobs in the aggregate earned $115 million and paid somewhere between $9 million to $15 million in taxes. Whereas, the year before they had been costing the country nearly $50 million.

Congressman BOGGS. That is remarkable.

Congressman HÉBERT. Mel, in your program to educate people, it has been called to my attention that you hold annual essay contests. I have here the list of youngsters in Louisiana who won this year's contests:

First place: Sally Bett Grace, 304 South Holly Street, Hammond, La.; Southeastern High School.

Second place: Caroline Gayle Morgan, route 4, Joor Road, Baton Rouge, La., Central High.

Third place: Marie Massimini, 2130 Jena Street, New Orleans, Fortier Senior High.

Fourth place: Urline Andoni, 8335 Birch Street, New Orleans, Redemptorist High.

Fifth place: A tie by Juanita Matherne, 1508 Riviera Drive, New Orleans, Holy Angels Academy, and Charles Barry Hillebrandt, 1920 Second Street, Lake Charles, La., Lake Charles High School.

What were those essays?

General MAAS. It is a wonderful program, EDDIE. We sponsor nationally—and, incidentally, the DAV, which Ann mentioned, of which I am national commander, has put up the money for the essay winners. The first prize is $1,000, and they pay the expenses of the five winners to Washington to have their prizes presented to them at our annual meeting. It is a wonderful project because these youngsters write on some phase of the handicapped. We set the subject each year. Of course, it is the first time they have thought much about it, and they take it home and discuss it with their parents. Well, it is the first time that most of the parents have even thought about the problem or knew that there was such a problem. It also gives these kids a lot more confidence in knowing that if anything should happen to them, they can be taken care of. They have now learned that life will not be a blank for them. They have learned that the blind, the crippled, the amputees, can lead a perfectly normal life. As each generation comes along, they are learning more and more about it. They are going to be the employers and the employees of the future, so we feel that it is a most wonderful project.

Congressman BOGGS. Mel, is there some coordination in your work with the other programs like the program for retarded children, and that sort of thing?

General MAAS. We are not in the mental deficiency side of it, because we are chartered only for the physically handicapped.

I think that will come along in time. We are paving the way.

As we open up opportunities for the physically handicapped and educate the country to the acceptance of the physically handicapped, we feel it will open the path for the rehabilitated and retarded person.

Congressman BOGGS. In conjunction with the rehabilitation of the physically handicapped, the Lousiana State Unemployment Service has a special division for the employment of the physically handicapped.

Congressman HÉBERT. I think they all do.

General MAAS. Every State now does; in fact, in every local employment office there will be a specialist on the problems of placing the handicapped.

Congressman HÉBERT. In New Orleans, they go one step further, Hale, and I am sure you are familiar with this. I think they call it the Good Will Industries.

Stella Hanlon is the head of it down there.

Congressman BOGGS. They have that in all the States?

General MAAS. That is international.

Congressman BOGGS. And then they give the physically handicapped employment and very gainful employment.

Congressman HÉBERT. That is a fine thing; it is operated everywhere. That is a private operation.

Miss CORRICK. The general was honored recently by the Good Will Industries.

General MAAS. Yes, I was very proud to receive their international achievement award.

Congressman HÉBERT. That is another deserved honor.

Miss CORRICK. General, in your travels, you go overseas quite frequently, and I wondered if you could tell us what countries overseas are doing for their handicapped people.

General MAAS. There are some programs, but they are nowhere near what we do. We are beginning to stimulate them and it is giving them quite a lift and quite a challenge.

I have been particularly interested in Asian and African countries where traditionally nothing was ever done for handicapped people. They were ashamed of handicapped people, and yet they have great numbers of them because of malnutrition, disease, and illness. Our program is giving them a tremendous lift.

Incidentally, an entirely new and different concept of America has been brought to their attention which is quite the contrary to the concept they were getting from Communist propaganda.

I attended these international conferences on rehabilitation of the World Veterans Federation. We now have 30 nations in it. I talked with delegates from Thailand, Ceylon, Pakistan, Indonesia, India, Nigeria, Israel, and Egypt, and they are tremendously impressed with what we are doing for our handicapped. When they learn that these great volunteer teams like the President's Committee and Governors' committee take the cripples, as they call them, and give them medical restoration, vocational rehabilitation, and then actually get them jobs—to them, that is almost unbelievable. It is having a tremendous impact upon them.

I have had so many of them tell me, "Well, General, if your people think so much of the dignity of the individual that you take your cripples and restore them so that they can have dignity, then we believe that you are decent people and the Communists have been lying to us. The Communists have said that you are nothing but money-mad dollar-grabbing people. But those kinds of people do not worry about the dignity of individuals. So, if they have been lying to us about that, maybe they are lying to us about a lot of other things." So you see this program is having a very wonderful impact on the rest of the world.

Miss CORRICK. In helping to combat Communist propaganda against us?

General MAAS. Yes.

The one thing that these Asians and Africans want after centuries of suppression and colonization is not the Communist thinking of just more money and better clothing and more housing.

Miss CORRICK. I am awfully sorry, General Maas, but the clock is running out on us, and we must stop.

Thank you so much for being here on Dateline Washington, General Melvin Maas, with Congressmen Hale Boggs and F. Edward Hébert.

This is Ann Corrick.

Inter-American Solidarity

EXTENSION OF REMARKS

OF

HON. EDMUND P. RADWAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. RADWAN. Mr. Speaker, in celebrating this Pan American Day, we are celebrating the 66th anniversary of that day in 1890 when the American Republics united to form an association now known as the Organization of American States—an organization which constitutes the oldest international association of the world. In commemorating this event symbolic in the history of the Western Hemisphere—and indeed the whole world—Americans throughout the 21 American Republics may well take pride in the significance and importance of their continuous efforts in achieving the inter-American solidarity which exists today. For this deep-seated solidarity has many roots and has survived many difficulties.

Even before the end of the colonial period, during the last quarter of the 18th and first quarter of the 19th centuries, certain concepts were evolving throughout the Western Hemisphere which have provided a unique framework for the special relationship characteristic of inter-American relations from 1826 through modern times. This unique framework was compounded, first, from a feeling of distinctness from the Europeans, Asians, Africans, and others; second, from a heritage common to all peoples who have shared in chiseling out of a formidable wilderness a new way of life built upon courage, self-reliance, and determination; and, finally, from the mutual respect and understanding common to peoples who have freed themselves from colonial domination.

The history of inter-American relations which began in the early 19th century, falls essentially into three eras. The first, 1810–95, was highlighted by the evolvement in 1823 of the Monroe Doctrine—a doctrine designed primarily to protect the Western Hemisphere from European interference. However, during this period each of the Republics was concerned with its internal affairs. In the United States attention was concentrated during the middle of the century on its Civil War and subsequently upon the mighty western movement. In Latin America in the early part of the 19th century, upheaval was rampant. Until 1825 when the last of the Republics had freed themselves from European political domination, waves of revolution swept from the Isthmus of Panama to the Straits of Magellan. Following that great convulsion, the nations of the new free world were still concerned that European powers would return and reconquer their hard-won lands. To offset such a threat, Simon Bolivar, the great liberator of northern Latin America, convened a congress in Panama in 1826 to discuss measures for hemispheric defense. And out of this congress, came

a treaty of perpetual union, league and confederation. The treaty related to means for common defense, peaceful settlement of disputes and the maintenance of the territorial integrity of the members of the confederation—a theme which in essence has permeated all subsequent conferences. However, the hopes envisioned in the purpose of that significant congress and its subsequent treaty were not quickly realized. As in the United States, the new Republics were busy with their internal affairs, and the period from 1826 was punctuated with civil wars and intrahemispheric clashes. Nonetheless, still faced with the possibility of reconquest by Spain, the various Republics continued to meet from time to time to consider defense measures, the peaceful settlement of disputes, cooperation in commerce and navigation, and, later, questions of law and the control of contagious diseases. Thus, the dream of inter-American cooperation was far from lost.

The second major era in inter-American relations began in 1889 when the United States invited the American Republics to the first International Conference of American States here in Washington. This conference—the first of the series of modern conferences—was called to consider peaceful means of settling disputes and means of improving commercial relations among the American countries. From this conference came a multilateral treaty for the arbitration of disputes and the establishment of that momentous "International Union of American Republics" which we commemorate today. This International union was not a political Union, but, rather, a commercial one. A permanent bureau which constituted its secretariat was located in Washington. In 1910 this bureau was renamed the Pan American Union, and its terms of reference were expanded in keeping with the broadened scope of the cooperative plans of the International Union which as the years passed had moved into the realm of economic, social, and cultural affairs as well as the purely commercial. All of these factors contributed to and were indicative of closer understanding and hemispheric solidarity.

However, the real high tide of inter-American relations was during the period 1933–1956, which constitutes the third era of these relations. Before this time, though there had been a steady development in the direction of inter-American solidarity along cultural and economic lines, there had been political difficulties which at times had been serious enough to threaten the International Union. But with the shift of position by the United States at the Montevideo Conference in 1933 concerning the question of intervention and with the conclusion there of a convention on the rights and duties of states more in accord with the views of the Latin American states than had been our stand in the past, the good-neighbor policy was launched. In the subsequent period from 1933 to 1946 numerous conferences were held, each resulting in stronger declarations of solidarity than before. With the outbreak of World War II all but one of the Latin American nations contributed its full cooperation to the war effort. The Chapultepec Conference held in 1945 provided for continued joint defense of all the states of the hemisphere in case of aggression against any one of them, for steps to strengthen the inter-American system by increasing the authority of the Pan American Union, and for the establishment of an Inter-American Economic and Social Council. But the meetings in 1947 and 1948 not only put the cooperation which had existed during the war years on a permanent basis, but also reaffirmed the principles of inter-American solidarity which had been developing over the entire century. At the conference in Brazil in 1947, the American states adopted the Inter-American Treaty of Reciprocal Assistance which provided for permanent collective self-defense in the event of an armed attack or threat against the peace and security of any one of the signatories, from within or from outside the hemisphere. At the Conference in Colombia in 1948, they adopted the Bogotá pact which consolidated and coordinated the many earlier agreements on arbitration and other peaceful means for settling disputes among member states. It was also at this conference that the Inter-American system was given its new name—the Organization of American States. The new charter, in addition to tightening the administrative organization, reaffirmed the Organization's concern with cultural, social, and intellectual matters. The Organization of American States has already effectively proved its strength in times of crisis as exemplified by its swift action and dramatic success in connection with various controversies and threatening situations which have arisen since 1948.

But aside from the happy example to the world of a group of 21 nations living side by side, not always agreeing, but still managing to work out our differences within the framework of an effective inter-American system, the influence of this remarkable system reaches far beyond the confines of its hemispheric borders in still other ways. It was upon the insistence of the Latin American countries that adequate provision was included in the United Nations Charter for the continued existence and operation of the regional organization system upon which so much emphasis has been placed in recent years. In fact, the Inter-American Treaty of Reciprocal Assistance was the first regional agreement signed under the provision of article 51 of the United Nations Charter. Moreover, it was upon this regional agreement that the North Atlantic Treaty Organization itself was later modeled.

In the area of technical assistance and economic cooperation, the inter-American system has also proved of particular significance. For the United States sponsored program of extensive cultural and technical interchange with Latin American countries under the aegis of the good-neighbor policy in effect served as a proving ground for the many successful technical-assistance programs which have since been launched throughout the world.

The impressive spectacle of 21 independent and individualistic Republics quietly, steadily, and persistently working together in an atmosphere of dignity and harmony for the cause of peace and democracy, has always been a source of pride in the Western Hemisphere and a source of admiration in hemispheres other than our own. But today, with the threat of communism as great if not greater throughout the world than it has ever been in the past, we dare not rest on our laurels. We must, at every level of our international relations—the political, the economic, the cultural, and the social—rededicate ourselves to the service of that solidarity on which our splendid inter-American system stands, and in so doing rededicate ourselves to the service of the cause of world peace and progress.

Free Government Behind the Iron Curtain

EXTENSION OF REMARKS

OF

HON. HERBERT ZELENKO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. ZELENKO. Mr. Speaker, today I recorded a speech for Radio Liberation, a democratic, anti-Communist radio station broadcasting to the peoples of the Soviet Union in 17 languages.

I gave my talk on the occasion of the 50th anniversary of Russia's first parliament, the State Duma. I took that opportunity to point out that now more than ever Russia needs a freely elected government, a government which will heed the needs and aspirations of the people. Only such a government can respect the dignity of the individual, the right to dissent without fear of punishment, and the right to worship as one pleases. My listeners behind the Iron Curtain were told that not being a military man, I did not understand fully all the implications of an open inspection of one another's military installations, but as a legislator I know for sure that an open inspection of each other's election procedures by all the nations of the world would be the best guaranty for peace and freedom in the world.

We in this country, of course, do not fear the examination of our election procedures. As a matter of fact, we encourage the world to follow them. I believe the Soviet Union and the Iron Curtain countries would be more apt to accept an open inspection of their military installations than of their voting procedures, for such an inspection would shake to the very foundations the fundamental principles of a totalitarian Communist government. However, if they would consent to it, I am sure that by the next election we would have free governments behind the Iron Curtain truly representing the people.

Peacetime Application of Atomic Power

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mrs. KEE. Mr. Speaker, the current news about the experimental gas turbine test automobile now on a cross-country tour comes at a time when Members of Congress are concerned with another type of industrial development in which the Federal Government has become deeply involved. Apparently the new car is still so much in the research stage that it is impossible to predict what the ultimate results will be. What is important is that further scientific and research developments may lead to an actual revolution in the automotive industry, so far as the propelling force is concerned.

This turbine power engine in the automobile now on tour has been developed by the Chrysler Corp. without assistance from the Federal Government. It is an example of what can be accomplished under free enterprise through the courage of investors and the creative genius of America's technicians. How much longer will be required to put this kind of motorcar on a practical operating basis is not known. The Chrysler Corp. no doubt has earmarked a special fund for this project, which will continue to be carried out on a schedule based on practicability and on budgetary considerations. Management knows how much can and should be spent in this work.

Now let us look at the other industrial development to which I have referred: the peacetime application of atomic power. As everyone realizes, the Federal Government went into the business of putting the atom to use for defense purposes. With the realization that fissionable materials might be utilized in a number of ways other than for destruction, the Government began a research program to learn just what could be expected of the atom in a peacetime economy.

A great deal has been learned and a great many billions of dollars have been expended since the Federal Government undertook this program. We have, in fact, reached a point where the whole effort now needs to be reappraised. Through research, it has been determined that electrical power can be generated by using the atom as a fuel. That revelation is a welcome one. We are all enthusiastic at the possibilities opened through development of reactors which can be used to produce light and heat and power in contributing to a better life for all of us.

My question, Mr. Speaker, is this: Now that the way for atomic-produced electric power has been opened, how much more of the taxpayers' money should be expended in this field? It is estimated that reactors now in the process of construction will be able to create electric power at perhaps 10 times the price of what it would cost to do the same job through the use of coal. Our experts are convinced that this cost will be progressively reduced as more is learned about the atom and how to handle it. I do not think that anyone would challenge this conjecture. It is entirely possible that at some time in the future electricity from atomic plants will be competitive—pricewise—with that which comes from steam plants using coal. Perhaps America's public-utilities industry will be able to accomplish this reduction in price through their own research and development programs. In any case, I believe that it is time for the Federal Government to stop going to the Treasury so that such a program can be expedited.

Let us have another look at the Chrysler research car. That car is a creation of private industry. If the Government were to invest several billion dollars to bring about the consummation of the work envisioned in this developmental program, I am confident that the gas turbine automobile could be on the showrooms floors throughout the country within a very short time. Similarly, if the Government continues to invest more Federal funds in the reactor program, America is certain to get a good supply of atomic generated electricity much quicker than if the electric utilities were forced to run on their own resources. I therefore suggest that Congress hesitate before approving of any further expenditures by the Atomic Energy Commission in this direction. The electric power company in my district of West Virginia has done all that can be asked of it without resorting to Federal contributions. When demand for greater supply of electricity has arisen, the Appalachian Electric Power Co. has increased its capacity. It will continue to do so in the future.

We in the Fifth Congressional District are making every effort possible to attract more industry. Our vast coal reserves, which are the power behind electric power, are one of the inviting features of the area.

If the public utilities want to invest more of their earnings in the atomic energy program, the people of West Virginia are certainly not going to oppose the plan. We object, however, when the Government insists upon contributing to a project which actually will create unemployment. I have come to the conclusion that it is time for private industry to withdraw the hand that is accepting—under the garb of free enterprise—these Federal handouts in the so-called participating projects. It is at least obligatory upon the Congress to object to the Atomic Energy Commission's continued use of public funds for this purpose.

I call your attention to a letter which presumably went to the entire membership of the House from Mr. Tom Pickett, executive vice president of the National Coal Association. Mr. Pickett, who distinguished himself in the House of Representatives as a Congressman from Texas, gave this brief explanation of the coal industry's position with respect to the commercial development of atomic generated power:

> The Government should conduct basic and applied research;
>
> Government sponsorship of the development phases of a power generation program is justified on the grounds that it may provide economically feasible nuclear power for underdeveloped or power-short nations;
>
> There is no urgency for the domestic development of atomic-generated power—an adequate supply of coal reserves guarantees a continued adequate supply of low-cost electric power;
>
> Government subsidies should not extend beyond the development stages, and the amount of such subsidies be made public information.

It appears to me that Mr. Pickett has gone just as far as he possibly could in accepting the proposals for Government experimentation in the commercial application of nuclear power. It may be, in fact, that the Atomic Energy Commission is allowed too much latitude, especially in the light of its ambitious attempts to push the electric power program beyond the bounds of reason.

In the latter part of November of last year, President John L. Lewis of the United Mine Workers of America, appeared before a Senate subcommittee and expressed this opinion regarding peacetime application of atomic power:

> Atomic power, if, as, and when it comes, and if, as, and when we can survive its arrival, will only be able to produce energy for a very small percentage of our economic and industry requirements. As a matter of fact, I think it is a safe assumption that the amount of dollars that is being put in and will be put into the development of atomic energy is much more than atomic energy will ever render American industry. Because by the time they encompass all of the problems and make atomic power relatively efficient and learn how to coexist with atomic power—which has not yet been done—then some genius is going to harness the sun or harness the tides, or perform some other modern miracle that will render atomic power obsolete.
>
> In the meantime, we have to keep warm and keep our economy functioning. So we will do it with coal. The coal industry for the first time for a long time is facing a clear road ahead. Modern mines, well designed, well managed, well financed with commercial outlets and credit are offering, today, as attractive opportunity for American investment as can be offered within the limitation of our economy.

Congress must take these views into consideration before giving the Atomic Energy Commission a free hand to invest taxpayers' money in what should be a commercial business enterprise. By contributing most of the construction and agreeing to provide the fuels for operation of atomic plants, the Atomic Energy Commission is in fact taking away traditional coal markets, whether or not these markets are within close proximity of coal-producing areas. Despite the encouraging increase in coal production for last year over 1954, we still have a very great number of unemployed miners in West Virginia. Some of them have not had employment for a long time, and their families have had to depend upon surplus food and upon other such items which they are willing to accept only because they have been deprived of an opportunity to earn their own subsistence. Government and private fuel experts have promised that consumption of bituminous coal in the United States by 1975 will be approximately twice that of the present time. Although output per man-day has been

increasing steadily, it will still require a large force of skilled technicians to extract the coal necessary to meet rising demands; it is, therefore, illogical for us to permit the Government to follow policies that would discourage our mining families from remaining in the coal-producing areas. Our families have established their homes within working distance of the mines and they are quite naturally opposed to any Federal program that calls for using Government subsidies to drive them out of their jobs.

What also must be taken into account is that it is unfair for taxpayers to assume so much of the financial risk in this whole undertaking. If the Federal Government completes the research, builds the reactors, underwrites the risks involved, and provides other subsidies, then turns over everything—plants and know-how—to private companies, how can such transactions be conducted in the name of free enterprise?

Mr. Speaker, I ask that Members of Congress keep these facts in mind when they read more about the gas turbine automobile engine. As a creation of private enterprise, it will be produced if it is proven to be feasible and practicable; if not, the conventional motors will remain in our cars until some newer development comes about. If the electric utilities, through their own finances and ingenuity, are able to provide electricity from the atom at rates lower than those of coal-fired steam plants, America will welcome this progress. Until that day arrives, however, it is incumbent upon the electric power companies to use traditional fuels.

The Overton-Red River Waterway

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. LONG. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a clipping from the Alexandria Daily Town Talk Times:

> HARDIN AGREES WITH REPRESENTATIVE LONG ON CANAL STUDY
>
> SHREVEPORT, LA.—Maj. Gen. John R. Hardin agreed with Representative GEORGE S. LONG Tuesday in suggesting a new survey of the proposed Overton-Red River Waterway.
>
> General Hardin, Lower Mississippi Valley Division engineer of the United States Army Corps of Engineers, told members of the Red River Valley Association a reevaluation of the economics of the waterway would be necessary before it can be built.
>
> "Great changes in the economy of the region to be served by the Overton-Red River Waterway and increased construction costs have made it necessary," Gen. Hardin said.
>
> LONG NOT OPPOSED
>
> Earlier, Representative LONG, an opponent of the canal project as now planned, told delegates from 4 States he was not opposed to the project in principle. But he said he wanted a new survey before giving it his full backing.
>
> General Hardin further elaborated by saying, "When the initial report was made recommending the waterway, an economic study of costs and benefits, prepared in 1944, was a most important part of the supporting data. A comparison of costs and benefits arrived at 12 years ago must be reexamined before we can say that what was a good investment for our country then is still good in 1956.
>
> "We are required, as a matter of long-standing policy, to demonstrate to the Chief of Engineers, the Bureau of the Budget, and the congressional committees that the project is sound before construction funds are requested," the general said.
>
> BENEFITS VERSUS COSTS
>
> "The economic analysis is a weighing of benefits against costs and comparing it to business studies for plant expansion or enlargement of sales territory," General Hardin said.
>
> The study involves a survey of current potential transportation savings, drainage benefits, up-to-date detailed construction cost estimates, and a determination of the costs of relocating bridges, gas lines, power and telephone lines, roads, real estate costs for rights-of-way, and spoil-disposal areas.
>
> On the profit side of the ledger is a commerce analysis. He said that a study is being made of existing commerce that might reasonably be expected to move into or out of the area by water.
>
> Despite General Hardin's suggestion not to get too hasty in building was ignored by the meeting of the association.
>
> EXTENSION SOUGHT
>
> Ending its second day of work, the association called for a speedier release of an engineer's report on a proposal to extend the inland canal from Shreveport to Texarkana and Jefferson, Tex.
>
> The Members also passed a resolution requesting a speedup on a final status report by the United States Corps of Engineers detailing the possibilities of the long-sought Overton-Red River canal project.
>
> Fred Webb of Shreveport was elected president of the association.

EXCERPTS FROM A SPEECH DELIVERED BY HON. GEORGE S. LONG, OF LOUISIANA, AT THE ANNUAL MEETING OF THE RED RIVER VALLEY ASSOCIATION, SHREVEPORT, LA., APRIL 2, 1956

> Mr. Webb, members of the Red River Valley Association, my colleagues in Congress, and honored guests, I am sure that I can safely speak for every member of the Red River Valley congressional delegation when I say that we Members of Congress look forward with great anticipation to this time in the spring when we have high hopes to be invited to the Red River Valley Association's annual meeting. It is indeed a high point in our life. So, Roy, let me insist that no meetings be held unless we are asked to attend.
>
> Almost every one of our friends here today can be classified as expert on flood control and related subjects and we are bound by a desire toward a common goal—that is, protection from one of mankind's most relentless enemies—uncontrolled water. However, I believe the time is now when we can at long last, look down the road and see a glimmer of light shining on this protection. I believe the Congress, the Chief Executive, the Bureau of the Budget, and all other official agencies, and the heads of whatever party might happen to be in majority, has come to the conclusion that we can no longer afford to ignore the need for protection against floods. It is just this simple—floods are much too expensive to tolerate. I am sure that the members of Appropriations Committees who have ever visited the mighty Mississippi when it was bank full and rampaging; who have ever visited the Arkansas, the Red, and the other rivers in this great Southwest of ours in times of spring floods, cannot fail to be impressed with the absolute necessity for sufficient funds to protect this fertile valley which is indeed the breadbasket of America.
>
> Now, my friends, much has been printed in the newspapers in recent weeks about the stand I have taken in connection with the Overton-Red River Lateral Waterway. I want to assure the assembled guests, the Corps of Engineers, and the Red River Valley Association that I have never made the statement that I am opposed to this project, or any other project which might bring industry and progress to our section. What I have said is this: I am opposed to this or any other project which cannot stand the light of day upon it; I am opposed to any proposal which will damage beyond estimate the many in order to benefit the few.
>
> I have asked the Corps of Engineers to furnish me with certain information which, to date, they have not done. The data being used to justify the Overton-Red River Lateral Canal was put together in 1946, according to my information, not by the Corps of Engineers, but by another agency hired to do the work. Times have changed since 1946 and it could well be that reexamination will show a different picture altogether. So let me say in conclusion, my friends, that I want to endorse this project; by the same token I want the committees to have access to the data and evidence used in their survey. I want the findings presented to the newspapers and TV and radio in order that the people can be informed. I want a detailed estimate of what it will cost local interest and I want the cost-to-benefit ratio well discussed and justified. Then my friends of the Red River Valley Association and of the Corps of Engineers, you will find GEORGE LONG in your corner. Thank you.

The Oregon Corrupt Practices Law

EXTENSION OF REMARKS

OF

HON. HARRIS ELLSWORTH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. ELLSWORTH. Mr. Speaker, in the RECORD for Monday, April 9, there appeared in the Senate proceedings a letter published in an Oregon newspaper signed by the State chairman of the Democratic Party. The same letter was apparently submitted to many Oregon newspapers and printed in several of them. I saw the letter in the Portland (Oregon) Journal. It is a political effort but contained so many untruths that I thought it should be answered. The Oregon Journal very kindly printed nearly all of the letter I wrote in reply. Under leave to extend my remarks in the RECORD and include a letter I present the full text of my letter to the Journal which was printed in part in its The People Speak column April 3:

> MARCH 23, 1956.
>
> To the EDITOR, OREGON JOURNAL,
> *Portland, Oreg.*
>
> DEAR SIR: A letter to the editor which was printed in the Oregon Journal Sunday, March 18, 1956, signed by Howard Morgan, chairman of the Democratic Party of Oregon, impelis me to call your attention to a paragraph of the Oregon corrupt practice law. It read as follows:
>
> "260.370. Political criminal libel; penalty: (1) No letter, circular, poster, bill, publication or placard shall contain any false

statement or charges reflecting on any candidate's character, morality, or integrity. The author and every person printing or knowingly assisting in the circulation of the matter described in this section shall be guilty of political criminal libel; (2) violation of this section is punishable, upon conviction, by imprisonment in the penitentiary for not more than 3 years."

The Morgan letter certainly contains false statements reflecting on my character and integrity, and I am a candidate.

The Morgan letter says: "Representatives NORBLAD, COON, and ELLSWORTH have spent the last 3 years parroting the private power line that the Federal Government has stopped building power dams."

No such statement has been made by any of us.

The Morgan letter says: "The record demonstrates that these men have dragged their feet on every authorization or appropriation bill for Federal dams in the Northwest."

That is totally an untruth. I introduced and secured passage by the House of the bills to authorize the Cougar and Green Peter Dams and the Talent irrigation project as Federal multiple-purpose projects, including power. I have vigorously supported all such authorization bills. I have battled consistently for appropriations for these projects for 10 years and am doing so this year. Written records easily available prove this statement.

The Morgan letter says: "They offered no help to Senators MORSE and NEUBERGER and Representative GREEN in last year's successful Democratic fight for three new starts on Federal dams in the Northwest."

That is an untruth. I appeared before the House Appropriations Committee strongly urging appropriations for those dams. The Democrat Members of Congress made similar testimony some 2 weeks later:

The Morgan letter says: "They tried to deauthorize every Federal power project so the private power companies, after endless delays, can try to get authorization for gravy-train partnership deals."

This is likewise a falsehood. There has been no attempt to deauthorize Federal projects by Oregon Republicans.

Those printed statements are clearly "false statements or charges reflecting" on my "character, morality, or integrity"—to use the language of the law quoted above.

It was obviously the intention of the Oregon Legislature in passing that law to protect the public against untruthful statements and to protect candidates against such character assassination as contained in the Morgan letter quoted here.

Apparently, our opposition will, in desperation, continue to make such attacks. This seems to be the New Look in Oregon politics. I hope you, and the other editors and publishers in Oregon will give most careful attention to all political material offered for publication to the end that the spirit as well as the letter of the Oregon law is not again violated.

Sincerely yours,

HARRIS ELLSWORTH.

Development Little River Basin, Ark.-Okla.

EXTENSION OF REMARKS

OF

HON. OREN HARRIS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. HARRIS. Mr. Speaker, along with other Members of Congress, I was invited to speak to the annual meeting of the Red River Valley Association in Shreveport, La., Monday, April 2, 1956. It was my privilege to speak to the delegates of the association that afternoon.

The Little River and its tributaries in Arkansas and Oklahoma are a tributary of the Red River, which traverses several States, including Texas, Oklahoma, Arkansas and Louisiana. The development of the Little River Basin for flood control and water conservation is a part of the comprehensive Red River program.

There is a lot of interest in the development of this watershed and since the major part of the program would be in my district, I spoke to the association on this problem. Because of its importance and the interest of the people throughout the area, I presented a plan which I believe should be a basis to compromise the differences and get this development under way. As a matter of public information and because of its importance, I include the speech I made at that time in the RECORD:

ADDRESS BY HON. OREN HARRIS BEFORE RED RIVER VALLEY ASSOCIATION ON APRIL 2, 1956

Mr. Chairman, members of the Red River Valley Association, distinguished guests of the Corps of Engineers, and friends, it is good to be back with you for this annual occasion. I consider it a signal honor and privilege to have the opportunity of this visit and to participate in this program. I appreciate the courtesy of your kind invitation.

This second session of the 84th Congress is about half over. These few days of respite give us an opportunity to reorganize and reinforce our vigor and vitality, which we hope will be conducive to more formidable results toward the best interest of our Nation. We are hopeful that out of the maze of activity, we will experience the best possible decisions for the betterment of the American people.

I want to commend this association for your efforts and continued progress toward the development of the Red River Basin. I know it appears sometimes that progress in this development is slow. It is sometimes discouraging but through the patience, understanding and determination of your officers and members, and with the drive of your able and forceful executive vice president and manager, Roy Matthias, you have achieved some very fine results.

It has been my pleasure to work with and cooperate with you and the people throughout the Red River Basin on those programs so necessary and imperative.

To be sure there are differences here and there which are only natural and to be expected in an area as big as Red River and which traverses some 4 or 5 States. The end result is the more important, however, as it always provides benefits and protection that bring advantages and economic opportunities to the people. We have worked together before the committees of the Congress in authorizing these important projects and obtaining appropriations for their development.

I have been an ardent supporter of the programs for flood control and to develop our rivers and streams, and in the conservation of our water resources throughout my years of service in the Congress of the United States. It means so very much to the protection and economic opportunities of our people and thus strength to our Nation. I have personally observed what it has meant to the localities and the areas affected by such development.

Permit me to say that we have the finest support in these justified and worthwhile projects of our Corps of Engineers. I am glad to see such a good representation of the corps here today. I want to commend them for the fine service they are performing for our country and to express my appreciation for the cooperation I always find them willing to give when at all possible.

We are deeply appreciative of the fact that we have been well received and had fine support and understanding from our congressional committees on this program for the development of the Red River Basin. The Public Works Committee and Appropriations Committee have both been quite considerate of our problem. Some of the major projects have been completed, as you know, such as, Bodcaw, Texarkana Dam and Ferrell's Bridge, which is now under way, and there are many others.

There are others to be developed. The major and most important ones necessary to the comprehensive Red River program are those in the Little River Basin, a major tributary of the Red River. The major part of this proposed development is in my district. In view of the circumstances and the importance of controlling and utilizing the waters of the Little River Basin, I feel it is appropriate for me to discuss it on this occasion.

In the first place, I want to make it very clear that I am not an engineer and do not claim any capabilities as an engineer. We maintain a Corps of Engineers for engineering data and information.

I also wish to say that I do not claim to know all the answers or to be in the position of determining myself what should or should not be done. It requires joint effort on so huge a task.

My mail has been exceedingly heavy, indicating the tremendous importance of this program. A lot of people, good people, with good intentions have contacted me about it. I am always glad to have such expressions of interest.

Also, let me say that I fully recognize the differences of opinion that prevail over the method of this proposed development. I am fully aware of the intense interest that exists and to the extent that many are apparently alarmed.

I cannot help but feel that some of the tension which exists is the result of some misunderstanding, some misinformation, and some fears of sophistry which in my opinion are not present, together with some prejudices in the minds of a few well-meaning citizens to the extent this has almost become an obsession.

I wish that I was capable of presenting the facts on which calm judgment would be exercised and just decisions made. I think I know most of the people affected and I know them well enough that they want to do what is right and best for all concerned.

I am going to undertake then to present this in a way, based on the knowledge and facts that I have, which I hope will be understood and considered accordingly. I want it perfectly understood that neither I, nor do I believe anyone else would want to do any injustice to anyone, or any area.

I have been quite familiar with this problem since its inception. I, therefore, believe I know something about the facts and the problems involved.

Let me give you something of the background of this matter for information. The Corps of Engineers reported some years ago a program for the comprehensive development of the Red River Basin below Denison necessary to protect the lives and property of the people throughout the basin and its tributaries, including the Little River in Arkansas and Oklahoma.

In 1945, we experienced the biggest and most devasting flood in recorded history of the valley. As a result, the Congress authorized a number of projects in the Flood Control Act of 1946. Millwood Dam in my

area was one of those major projects. The major part of this program being in my district, imposes terrific responsibility on me as your Congressman, which I am glad to assume, I feel it my duty to do the best I can for my people.

It was authorized as a flood-control project only. There were no provisions made for conservation or water supply. In fact, there was no request for it at that time. I supported the authorization of the project, along with others then, and do not recall any serious objection being offered. This was in 1946.

In 1950, there was a budget request of $150,000 for planning funds of the project. The Appropriations Committee of the House approved the planning funds and it was included in the bill reported by the committee.

At this stage, opposition to the project as authorized began to show, and an amendment on the floor of the House was offered to strike the planning funds. It was defeated.

The bill went to the Senate and the opposition had become more forceful and came to a head before the Senate Committee. The opposition was based on a desire for the development of upstream reservoirs and a reduced facility in the vicinity of Millwood.

As a result of the controversy, the Senate Appropriations Committee provided an additional $200,000 and directed the Corps of Engineers to make a further study as to the economic feasibility and justification of developing a number of upstream projects.

Remember, this happened in 1950, and no further progress has been or can be made until the report of the Engineers which was authorized at that time is filed with the Congress. The Congress has not yet had the benefit of the report from this additional study and now 6 years have elapsed.

In 1954, this question unfortunately was injected into a political campaign in my district. When you inject politics into one of these type problems, so often nobody wins and everybody loses.

I thought I saw what would be necessary if we were ever to be able to work out a solution.

I endeavored to obtain engineering data and information from our Corps of Engineers to be used as a basis for a decision which I believed to be best. Therefore, I took a definite position on the courthouse front at DeQueen, in Sevier County, and outlined a program that I would support, should it be economically feasible, as determined by the Engineers.

I stated publicly then and unequivocally that I would support the development of upstream dams with modification or reduction of Millwood making it a much smaller project. I had been advised by the Division Engineers Office that it might be possible and that such a program, if it could be worked out, would reduce the Millwood project by some 25 or more percent of its original authorized capacity. This was 2 years ago.

I have not changed my position since that announcement, as I have had no further information that any other plan would be more feasible, justified, or acceptable.

A year ago, the Red River Valley Association included a request to the Appropriations Committee, $250,000 for planning of the presently authorized Millwood project. There was no budget request before us. I appeared with your group representing this association and opposed the request to the committee for planning funds at that time. I did so on the basis that the Congress had previously provided for and directed the Engineers to make the survey of the upstream projects and report. I urged the committees then of both the House and the Senate to join me in requesting the Engineers to get their report in to the Congress.

Last September, the district engineers and the southwest division in Dallas submitted technical data and information to the Chief of Engineers' Office in Washington, with certain recommendations. This information will be on the basis of the final report. Some seem to think that the information and data filed, together with the recommendation of the field engineer is the final decision. This is not necessarily true at all.

Under established procedure, it is yet to be considered by the Board of Rivers and Harbors, composed of top officers in the Corps of Army Engineers. It is then submitted to the governors of the States affected for comment and the Federal agencies.

The Chief of Engineers will consider all of this information as he makes his decision, which will be final and which decision will be included in his report filed with the Congress.

Now, as to the present status. The division engineer has announced the submission of their data and information, together with their suggestions to the Board of Rivers and Harbors in Washington. The announcement explains the recommendations of the district engineer. In addition, it invites attention that there may be further consideration given to the justification of including (1) Lukfata in Oklahoma, and (2) water supply at Millwood. It invites interested parties to present views on these two questions along with the other suggestions in the report. Comments are to be received by the Board of Rivers and Harbors by April 17.

Following this public notice, the Board has issued a notice of public hearing to be held in Washington on April 25. All who are interested or may be affected by the plan of improvement to be considered are invited to appear.

Now, as to the question of what should be done in the best interest of all who may be affected. I should like to give you what I honestly believe would be in the best interest and call on all parties today to consider it with reason, calm, sound judgment, and on a practical and realistic basis.

It is a compromise proposal which I submit as a basis of agreement and as a joint and united effort.

In considering this compromise proposal I wish to remind you that there are two proposed methods for the development of the Little River Basin. (1) Millwood Dam and Reservoir as authorized in 1946, which would require the taking over by the Government a huge reservoir area of 107,000 acres of land, and (2) the construction of some six upstream reservoirs with a greatly reduced Millwood in capacity and acreage requirement.

In presenting this proposal for your consideration, let me ask you to keep in mind three basic facts. These three basic facts from my information cannot be denied or refuted. They are the basis for determining the method of properly and adequately controlling the waters of the Little River Basin to better serve the interest of all the people.

The first basic fact we must keep in mind is that the waters of the Little River Basin will inevitably and ultimately have to be controlled as a part of the comprehensive flood-control program of the Red River Basin. This is recognized by most everyone familiar with this problem. It is an accepted fact.

To meet this problem and to provide adequate flood protection, water conservation and water supply I think the public would be better served by providing for the construction of upstream reservoirs to be supplemented with a reduced facility at Millwood.

Therefore, I think the upstream reservoirs should be authorized and constructed as a basic part of this program. I think all six of the proposed dams in the upstream areas should be included as a comprehensive program in the upper reaches of the Little River Valley. This would include Lukfata Dam in Oklahoma, about which there seems to be some close economic question.

I think there should be as much flood-control protection in these six upstream reservoirs as they can provide.

I think each of these upstream dams should have as much water supply as the reservoirs can provide for the use and benefit of any possible development in the areas affected. For this water supply the upstream reservoirs would have first call on the water that could be impounded in them for this use.

Many people have asked me in letters and through other contacts to support the construction of upstream dams. This is a part of my proposal which I believe should influence people in this area to accept this compromise plan and join me in getting it under way. To give assurances for the upstream dams and supply of water I would be favorable to specific provisions in the act as a safeguard, similar to the language contained in the authorization of Denison some years ago.

If the people of Oklahoma and in my area in western Arkansas affected want these benefits and heavens knows they need them, I will lend my wholehearted support to obtain them, just as I said I would 2 years ago.

The second basic fact which must be considered is that to economically justify and provide adequate flood protection it will be necessary to have modification of the presently authorized Millwood project. This is a fact confirmed in every report or statement of the Engineers.

Some people have been led to believe and sincerely feel that it would be sufficient to satisfy the program by the development of these six upstream projects and thus make it unnecessary to have any facility at Millwood.

I am informed by the people who know, that is, the Corps of Engineers, that in the first place it is not possible to provide sufficient flood protection by these several smaller projects, and in the second place, unless there is a modified facility at Millwood, the Government could not justify the expenditure of the funds necessary for the construction of the upstream projects.

I am informed that in addition to the flood protection that can be provided by upstream projects, there should be a facility at Millwood sufficient to provide maximum flood protection of 1,666,000 acre feet. This would be a reduction in capacity of that facility by a little more than 25 percent from the original proposal.

With the construction of such a facility to provide this minimum requirement, some are fearful that it would adversely affect present highways, railroads, and some existing industry. I want to here and now allay any such fears.

Highway 71 would remain where it is. It would be raised slightly in varying amounts for a distance of 5.5 miles, I am advised.

The G. N. & A. Railroad from Nashville to Ashdown would not be relocated. It would be raised by varying amounts for a distance of about 14 miles. The service it provides would not be impaired or affected, in any way.

Neither would the Missouri Pacific Railroad or the Kansas City Southern Railroad be affected at all.

The town of Okay would not be affected because it is located above the reservoir area.

The Okay Cement Plant would not be endangered or affected. It would be adequately protected by a levee more than 8,000 feet long.

The town of Mineral Springs and the town of Horatio would not be adversely affected or ever be threatened in any way with floodwaters.

Another thing, some of our Oklahoma friends are fearful that some of their lands will be submerged by a Millwood facility.

With a modified Millwood, not 1 foot of land in Oklahoma would be flooded with even a maximum flood.

This is not my word as a layman, but it is assurances from the Engineers who know what the facts are.

Therefore, if anyone has any such fears on these questions let them pass from your minds.

Now, then, another important question is, how much area would be affected?

Under the original proposal which was authorized in 1946, 107,000 acres of land would have been subject to floods. That amount of property would for all practical purposes have been useless except for flood protection.

Therefore, the third basic fact is that with a modified Millwood complementing the upstream dams, the 5 year flood line would include an area of approximately 63,500 acres of land. This acreage would be required whether the project would be an open, so-called dry dam, or a closed, so-called wet reservoir.

This land would become useless for all practical purposes other than flood control. A small percentage of it could perhaps be usable for pasture purposes. This is a reduction of some 40 percent of the acreage involved as originally contemplated in the authorized project.

Nevertheless, this sixty-odd thousand acres of land would be necessary to the project as a necessary part of the overall program, regardless of whether it would be an open or closed dam.

Should, in addition, a water supply be included in Millwood for utilization in the area, it would require an additional estimated 7,300 acres of land, or less, depending upon the amount of water supply.

Therefore, whether there would be an available supply of water for municipal, industrial, and other purposes, or it would be a dry dam used only for flood protection involving only some 7,000 acres of land.

I think these are facts that ought to be understood by everyone in the consideration of this question.

Another fact, which is apparently misunderstood, if my mail is any indication, is that of the acreage which would be affected by the project, either wet or dry, only about 10 percent are cultivatable lands. A few acres, about 1,000 in fact, of this cultivatable land affected are located in Howard County. Only 2,000 acres or less in Sevier County and some 3,000 in Little River County. The rest of it is wooded lands, with a goodly portion of timber already cut out.

I repeat that this will be the effect, whether the project would be open or closed.

Another question which has been so highly exaggerated and misunderstood according to my mail, is the effect it would have on continuous timber harvesting operations. Some have been led to believe, and honestly feel, that there are enormous amounts of timberlands involved with the issue.

As it is in the case of the acreage, it would only amount to some 7,300 acres, or less, dependent on the amount of water supply. No one could seriously contend that this relatively small acreage could have any great effect on any large timber operation.

I am assured by the Engineers that there is plenty of water for all the storage supply that can be provided by the upstream dams and an amount in Millwood depending on the acreage of storage supply available. Therefore, even if water supply were to be included in the Millwood Reservoir, it would not deprive the upstream projects of 1 gallon of water.

Thus, the entire issue hinges on a difference of only 5,000 to 10,000 acres of land involved, dependent upon the amount of water supply and most of this would be cut-over timbered lands.

This to me, when all the facts are recognized, should not be of sufficient consequence to cause such grave concern or a proper and just settlement to fail.

Therefore, it is my intention to go before the Board of Rivers and Harbors, on the 25th of April, in support of a program based on these facts for the construction of all six upstream reservoirs for such flood protection and water supply as they will provide; as necessary to complement them, I will support and recommend a modified Millwood Dam with flood protection of 1,500,000 acre-feet capacity.

This is 166,000 acre-feet less than suggested by the district engineer, which would be converted to and to provide for a water supply for municipal, agricultural and industrial purposes in the area.

If this were to be accepted, no additional acres of land would be involved by the water supply storage. The same number of acres of land would be required with this proposal as if it were to be a dry or open dam suggested in the data and information of the Division Engineer.

In my opinion, this would not materially affect, if at all, flood protection. In fact, it would provide over 600,000 acre-feet more of flood capacity than the original Millwood proposal would have provided.

If this recommendation is unacceptable to the Engineers, as an alternate plan, I will suggest that the additional acres necessary of some 5,000 to 10,000 acres be included to provide such water supply depending upon the amount engineeringly feasible.

If, as has been established, this would not affect the highway, the railroads, the cement company, or these communities adversely, and would not deprive any of the upstream reservoirs of any part of their water supply, and thus not interfere with any opportunity for the development of industry, and would not involve but a few additional acres of land, if any, that would in no way impair or affect timber or mill operations, there could be no legitimate objection to this approach to the problem.

Again, I call on all of those throughout the area affected, to seriously consider this approach as a practical and realistic method of determining this question.

If we could have unity and united effort, we could get this to the Congress and authorized this year. If not, it will be most difficult and perhaps impossible to get it in this year's omnibus authorization.

If this or some similar approach is not accepted the alternative will be tragic to our area. We may very well be faced with a problem which would be beyond our reach.

As I have already said, Millwood Dam is presently authorized for flood control protection only. If we fail to reach some acceptable compromise there will inevitably be a budget request for this presently authorized project.

The Engineers, the Government and the Congress, no doubt would conclude that since we have not reached an agreement the presently authorized project at Millwood should be constructed. Certainly the Red River Valley Association will be urging it. Should a budget be submitted to the Congress to initiate its construction it would very likely be accepted regardless of our efforts. This is so, because as I have said, as a basic fact, the waters of the Little River Basin will inevitably be controlled.

Should this happen we would never be able to get any of the upstream reservoirs. We would in fact be barred forever of making them economically feasible.

Should this happen there would be no water supply in the Millwood Reservoir. The people throughout all of the area would be forever barred of any water supply so badly needed and necessary if we are to have any future development.

Therefore, you can see why I plead for some acceptable compromise in order that we will not lose the greatest economic opportunity ever afforded for the future of this area.

The only objection in my opinion that could be seriously entertained against this solution would be on the question of pollution. I cannot conceive of anyone advocating that this river be used as a sewer disposal. If so, they might as well change their thinking.

This river has been one of the finest streams for recreation in the country. The people are not going to permit it to be so destroyed. Our State and the Conservation Department of Arkansas, in my opinion, would never permit.

In fact, industry throughout the country is fast coming to a full realization that polluting the streams must come to a halt and other methods of disposal adopted. There is urgency now for legislation to prevent pollution, both in the States and in the National Congress. This is a policy the country might as well in my judgment get ready for. I hope it will so be understood at the outset in this particular instance.

I earnestly solicit serious consideration of the members of the Red River Valley Association and of all those who may be affected throughout the area of this position which I take, and these recommendations; which I believe would do justice to all concerned.

There is no area anywhere in greater need of economic opportunities and development than the area affected by this watershed in Oklahoma and Arkansas. There has never been a water project developed anywhere that did not bring opportunities for economic development to it. I want to see some of these advantages brought to our part of the country, and I am thoroughly convinced that if the people throughout the area would join together with me in this development, it would enhance our economy manyfold. It is our chance, let us take advantage of it.

Analysis of Farm Bill

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 12, 1956

Mr. MILLER of Nebraska. Mr. Speaker, the agriculture bill of 1956 represents the combined judgment of 10 top men on the Senate and House Agriculture Committees. They worked many days and nights diligently and carefully in order to produce a bill that would be acceptable to the administration. It is very difficult to write an agriculture bill that will fit all parts of our agriculture economy in the 48 States. There were conflicting ideas that had to be compromised.

I believe the bill the conferees brought to the House was brought by men who lifted themselves above prejudices and partisan politics. They tried to write a bill that would serve agriculture, but they naturally did not please all sections of agriculture. Indeed, the three great farm organizations do not see eye to eye on the question of accepting or rejecting the bill. I have listened carefully to the debate; I have read the bill, and I am of the opinion that there is more good in the bill than there is bad. There are some things that I would have liked to have taken out of the bill—there are some things that I would have kept in the bill. It seems to be the best measure we can get.

I voted against recommitting the farm bill because the only provisions that would increase the farm income for 1956 would have been stricken from the bill had it been recommitted.

The President, in his message to Conress on January 9, 1956, set up a 9-point program and urged prompt action in order to increase the farmer's income this year. The soil bank would have placed about $1.2 billion in the pocket of the farmer. It is too late for the soil bank to take effect in 1956. It seemed to me that the only way to carry out the President's wishes to raise the income of the farmer this year would be by keeping parity prices up for 1 more year. Without this provision there would have been a reduction in the parity prices as well as in the acreage. You cannot help the farmer by taking land out of production, and at the same time reducing the prices he receives.

I feel there is more good in the bill than bad. The soil bank, which will go into effect next year, is designed to pay the farmer for taking land out of production. The present bill contains a domestic parity plan for wheat. This must be voted on in 1957 and carry, by two-thirds vote of the wheat farmers, in order to become effective. The bill carries a dual, modern price system for 1 year. This is designed to raise farm income until the soil bank can become effective. It contains a provision for $500 million to process surplus crops and get them into channels of relief both in this country and in foreign countries. It contains a provision for a commission to study the proposition of converting surplus crops into industrial alcohol. It contains a provision to prohibit production of supported commodities on Government-owned land.

I am convinced that the buying power of the farmer is essential to the men and women in labor, industry, and business in all communities. Farmers find themselves in a price-squeeze situation which in many towns has severely affected all business.

Farm income was estimated in 1955 to be about $10.8 billion. That is down 9 percent from 1954. In 1954 farm income was less than it was in 1953. The 1953 income was less than in 1952. The President said in his January 9 message, "Farm prices and incomes are depressing; unless corrected, these economic reverses are a direct threat to all of our people." I believe this bill as enacted, with the dual modern parity system, will bring income to the farmer this year. Dual parity and 90-percent parity will be the only means for a year to assure the farmer additional income. This is the only way you can carry out the President's desire to raise the income of the farmer, because the soil bank, which would have cost $1.2 billion, cannot become effective this year. The 90-percent parity will cost less than the soil bank.

If the farmer approves the domestic parity plan for wheat by his vote in 1957, it will not cost the Government one thin dime. I think it is a good provision. There are some consumers who claim it will increase the cost of bread and flour, but the evidence shows that from 1948 to 1955 wheat prices declined 31 percent, while the price of bread went up 28 percent.

Under the present farm bill, wool and sugar are supported at about 100 percent parity; cotton, tobacco, and peanuts at about 90 percent parity. The only crops not being supported at near 90 percent parity would be corn and wheat.

When the soil-bank provisions become effective, there ought to be a reevaluation and a restudy of the parity situation.

I repeat, you cannot help the farmer by taking land out of production or by reducing the parity price he receives. I trust the President will consider this when he decides the question of signing or vetoing the bill. I trust his advisers will point out that the soil bank cannot become effective this year, and that if he really wishes to keep the income of the farmer in balance, then the dual-parity and the 90-percent-parity provisions in the bill will be in existence this year. They are only for 1 year's duration.

There are some provisions in the bill that I do not particularly like; but when you consider that 10 earnest, sincere men worked many days on the compromise, you must conclude that there is more good in the bill than harm. It cannot please everyone. Each Member of Congress has a duty to perform to his district, State, and Nation. I have followed the dictates of my conscience. I hope the advisers to the President will weigh carefully the pros and cons of the bill, particularly in the light of the President's message of January 9 this year.

SENATE

MONDAY, APRIL 16, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Charles Duell Kean, D. D., rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty and most merciful God, who art the Sovereign Lord of men and nations, in whose hand the rise and fall of empires are but as grains of sand, yet who carest in infinite love for all Thy children;

We pray Thee for the Senate of these United States assembled in Thy presence, that Thou wilt bless its Members in the performance of their duties, and that Thou wilt prosper their undertakings as these can be related to Thy divine providence.

Give to the several Members of the Senate, we pray Thee, O Lord, wisdom, courage, and consecration; overcome their fears, support them when they are tormented by anxiety; enlighten them when they are perplexed and uncertain; strengthen them when they are under pressure; and comfort them when they face misunderstanding.

Relate their deliberations and counsels, O Lord, to the welfare of this Nation and the physical, moral, and spiritual health of all its people; use their endeavors to bring peace and harmony in all the length and breadth of this land; and make their achievements serve Thy sovereign purpose through contributing to the wider peace of the world.

All this we pray in the name and for the sake of Jesus Christ, our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., April 16, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 12, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Kibbe, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 9893) to authorize certain construction at military installations, and for other purposes, was read twice by its title and referred to the Committee on Armed Services.

LEAVE OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. GEORGE was excused from attendance on the sessions of the Senate until a week from today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business and take action on the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. BUTLER, from the Committee on the Judiciary:

George Cochran Doub, of Maryland, to be an Assistant Attorney General, vice Warren E. Burger, resigning.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POST OFFICE DEPARTMENT

The Chief Clerk read the nomination of Maurice E. Stans, of Illinois, to be Deputy Postmaster General.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of postmasters be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations of postmasters will be considered en bloc, and, without objection, they are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Cooperation With Mexico in Control and Eradication of Foot-and-Mouth Disease

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of February 1956 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report on Overobligations of Appropriations

A letter from the Acting Secretary of Agriculture, reporting, pursuant to law, on the overobligation of two appropriation allotments; to the Committee on Appropriations.

Candidates Selected for 1956 NROTC Program

A letter from the Chief of Naval Personnel, Department of the Navy, transmitting, pursuant to law, a list of principal and alternate candidates selected for the 1956 regular NROTC program (with accompanying papers); to the Committee on Armed Services.

Amendment of Central Intelligence Agency Act of 1949, as Amended

A letter from the Director, Central Intelligence Agency, Washington, D. C., transmitting a draft of proposed legislation to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes (with accompanying papers); to the Committee on Armed Services.

Report on Operations Under Small Business Act of 1953

A letter from the Attorney General, transmitting, pursuant to law, his report of operations under the Small Business Act of 1953, as amended, dated April 13, 1956 (with an accompanying report); to the Committee on Banking and Currency.

Report of Export-Import Bank of Washington

A letter from the President, Export-Import Bank of Washington, Washington, D. C., transmitting, pursuant to law, a report of that bank, for the period July–December 1955 (with an accompanying report); to the Committee on Banking and Currency.

Report of Federal Deposit Insurance Corporation

A letter from the Chairman, Federal Deposit Insurance Corporation, Washington, D. C., transmitting, pursuant to law, a report of that Corporation, for the year ended December 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

Audit Report on United States Assistance Program for Egypt

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the United States assistance program for Egypt, International Cooperation Administration, Department of State, dated June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

Report on Crooked River Project, Oregon

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report on the Crooked River project, Oregon (with accompanying papers); to the Committee on Interior and Insular Affairs.

Addition of Certain Federally Owned Land To Lassen Volcanic National Park, Calif.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Amendment of United States Code, Relating To Confinement in Certain Institutions in Connection With the Grant of Probation

A letter from the Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a 1-count indictment (with an accompanying paper); to the Committee on the Judiciary.

Admission of Displaced Persons—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Karl Yu from a report transmitted to the Senate on July 18, 1955, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 1

"Joint resolution relative to Armed Forces bombing and artillery ranges

"Whereas extensive areas of land and water within the State of California have been designated as bombing and artillery ranges and training areas for the Armed Forces; and

"Whereas use of land as a bombing area and artillery range precludes its use for other purposes; and

"Whereas many citizens believe that the Armed Forces do not have a program of maximum integrated land use in effect relating to areas which have been, or may be, designated as bombing and artillery ranges; and

"Whereas in order to insure the continued growth of California and prosperity of its residents it is mandatory that, in view of the limited areas of land within the State and the needs of future land development, further military use of such land be kept at a minimum: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully requests the Congress of the United States to require that all Armed Forces requests for additional bombing and artillery ranges be accompanied by proof that all areas presently under their control suitable for use as bombing and artillery ranges are being utilized to their fullest extent; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Four joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 2

"Joint resolution relative to providing increased benefits for survivors of military personnel

"Whereas action is now pending in the United States Senate on H. R. 7089, the Hardy bill, which provides for substantially increased benefits for survivors of military personnel; and

"Whereas in view of the reduced purchasing power of the dollar it is imperative that the benefits payable to survivors of military personnel be increased so that these people will not become a burden upon the communities in which they live; and

"Whereas although the cost of living has greatly increased in the past few years and, in line with such increase, most employees have received substantial raises in pay, nothing yet has been done to increase the meager benefits now payable to survivors of military personnel: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact H. R. 7089; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 3

"Joint resolution relative to continuance of increased grants-in-aid for old-age security and aid-to-the-blind benefits

"Whereas the California Legislature at the 1952 second extraordinary session increased the old-age security and aid-to-the-blind benefits to California recipients by the maximum amount of $5 per month by passing on to them the increase in Federal grants-in-aid; and

"Whereas this increase was made contingent upon the continuation of the increased grants-in-aid by the Federal Government; and

"Whereas the increase in the Federal grants-in-aid will expire unless Congress enacts legislation at the current session continuing the increase; and

"Whereas the Governor of California, the Honorable Goodwin Knight, has requested the Senators and Representatives in Congress from California to support Federal legislation continuing the increased grants-in-aid; and

"Whereas at the 1955 session of the legislature senate bill No. 398 was enacted and signed by the Governor providing that if an additional $5 per month increase in grants-in-aid for old-age security and blind aid is provided by Congress such increase would be immediately passed on to old-age security and blind-aid recipients in this State; and

"Whereas high living costs and the maintenance of a reasonably adequate and fair old-age security and aid-to-the-blind program in California warrant the continuation of the present $5 increase as well as the authorization of an additional $5 increase; and

"Whereas legislation is pending in the Congress of the United States which would accomplish these two objectives for the recipients of old-age security and aid to the blind: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the legislature respectfully requests that the Congress of the United States enact legislation at this session continuing the increased grants-in-aid passed in 1952 and give careful consideration to an additional $5 increase, and that support be given such legislation by the Senators and Representatives in Congress from California; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 7

"Joint resolution relative to permitting recipients of aid to the aged to earn $50 per month in addition to such aid

"Whereas in 1950 the Congress of the United States amended the social-security law to provide that the first $50 per month of income earned by a blind person shall be disregarded in computing aid to such person, thereby allowing a blind person to earn this amount in addition to his aid; and

"Whereas legislation is presently before the Congress of the United States which would extend this same benefit to recipients of aid to the aged; and

"Whereas it is the belief of the Legislature of the State of California that there is an abundance of odd jobs and temporary employment in this State that could be capably filled by aged persons; and

"Whereas the present public-assistance program discourages these aged persons from seeking such employment by requiring that any and all earnings be deducted from their aid: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact such legislation as is necessary to permit recipients of aid to the aged to earn $50 a month, which amount shall not be taken into consideration in computing aid to such recipients; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 13

"Joint resolution relative to Federal disability payments for aged and needy veterans

"Whereas there are in this country today thousands of aged and disabled needy war veterans who are unemployable and who have little or no income on which to live; and

"Whereas the laws enacted by Congress to assist such veterans are being defeated by arbitrary and unjust interpretations given them by the Veterans' Administration; and

"Whereas it is particularly deplorable and discriminatory that the Veterans' Administration has ruled that a 65-year-old veteran, suffering from the disabilities and ailments that come with old age, remains employable if he can eke out a few dollars here and there by part-time work to supplement an otherwise inadequate income, and on that ground denies disability payments to such veterans; and

"Whereas the rise in the cost of living that has occurred since the scale for veterans' payments was established some years ago has also resulted in hardships on those who are aged and disabled; and

"Whereas the American Legion is solidly behind a program to correct these inequities by raising the monthly benefits for disabled veterans to bring them more in line with today's increased living costs, by raising the limitation on the annual income which a veteran may receive and still remain eligible for disability benefits, and by amending the present law to include the automatic presumption that a veteran at the age of 65 becomes unemployable due to advancing years and physical infirmities and thus entitled to security benefits provided he can meet the income limitation and other requirements; and

"Whereas there is now pending in Congress the War Veterans Security bill, H. R. 7886, which embodies these provisions and will give some much needed help to these veterans who are now old and infirm, but who in their younger days answered their country's call: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact into law H. R. 7886; and be it further

"*Resolved*, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Three joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 1

"Joint resolution relative to the proposed Washoe project

"Whereas there is presently pending before the Congress legislation to authorize the construction of the Washoe project, which project involves the waters of the Truckee and Carson Rivers, and which project originates in California, with some of its principal features located in California; and

"Whereas most of the benefits of this project, as planned by the United States Bureau of Reclamation, accrue to the State of Nevada, and the legislation before Congress contains no provisions to protect the State of California with respect to the potential future development of the areas in this State which may possibly necessitate the use of waters involved in this project; and

"Whereas the State Engineer of California has recommended at hearings before congressional committees (1) that storage and water supply for the Washoe project be based on stream runoff in the Truckee and Carson River basins as impaired by present and future use of water in the areas of origin in California, (2) that the amount of water to be available to the Washoe project be defined in an interstate compact and the project operated in conformance therewith, and (3) that the Washoe project provide a dependable water supply to lands in the Carson Valley in California as well as to lands in the same valley in Nevada, but such recommendations have not been adopted in pending legislation; and

"Whereas the Legislature of the State of California believes that the storage and distribution of waters which affect the interests of two or more States should be accomplished in conformity with the desires of the States involved and in pursuance of this policy has created a commission to cooperate with a similar commission from the State of Nevada in formulating an interstate compact relative to the distribution and use of the waters of, among others, the Truckee and Carson Rivers; and

"Whereas the interstate compact now under negotiation between the commissions of the State of California and the State of Nevada will determine the amount of water that can reasonably be made available for future development in the areas of origin in California; and

"Whereas it is not contemplated or believed that the provisions of such compact will have a detrimental effect upon the operation of the proposed Washoe project or that the negotiation of such compact should be cause for delay of authorization of the project by the Congress if appropriate safeguards are included therein; and

"Whereas amendments have been proposed to S. 497, 84th Congress, first session, one of the congressional bills to authorize the construction of the Washoe project, to provide protection for the future development in the areas of origin in California and to provide that the operation of the Washoe project shall be in conformance with any interstate compact formulated and approved, covering the distribution and use of the waters of the Truckee and Carson Rivers; and

"Whereas there is precedent for the inclusion in statutes authorizing Federal reclamation projects of a provision subjecting project operation to requirements of State law, as exemplified by the statute authorizing the Santa Maria project (68 Stat. 1190); and

"Whereas it is not the intention of the Legislature of the State of California in adopting this resolution to voice opposition to the authorization of the proposed Washoe project, which project the legislature firmly believes is a desirable and necessary development, but rather only to urge that provision be made in the legislation authorizing such project to protect the future development of the areas in California involved in this project: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation authorizing the construction of the Washoe project with appropriate statutory provisions to (a) afford water users in Alpine County, Calif., the opportunity to contract for project water made available by the Watasheamu Reservoir before that water is made available for the development of any new land in Nevada, with the right of such Alpine County water users to exchange the water so secured for existing rights to the natural flow or stored water of the West Carson River; (b) provide that the use of the waters of the Little Truckee River solely for the generation of electric power by the Washoe project shall be subject to appropriation in the future for beneficial consumptive uses within the Little Truckee River watershed in California to the same extent that such waters may be presently available for appropriation in the State of California, unless and until an interstate compact is formulated and approved, covering the distribution and use of the waters of the Truckee and Carson Rivers; and (c) provide that the dam at the Stampede site shall be so constructed as to permit its ultimate enlargement to a height at which the reservoir behind it will have a capacity of approximately 175,000 acre-feet; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Senate Joint Resolution 2

"Joint resolution relative to compliance with State water laws

"Whereas under the California State water resources law of 1945, as amended, the State water resources board was authorized and directed to prepare a comprehensive and coordinated plan for the full development of California water resources, for which purpose said board has expended nearly $4 million to date; and

"Whereas such comprehensive plan, known as the California water plan, pursuant to the direction of said board, is under formulation by the division of water resources and is approaching completion, and a preview thereof has been published; and

"Whereas in recent decisions of the Supreme Court of the United States construing the Federal Power Act, it has been held that licenses of the Federal Power Commission may construct and operate hydroelectric projects without compliance with State laws relating to the development and use of water; and

"Whereas application and extension of the precedents established in said cases might result in Federal domination of the use and development of the water resources of the States; and

"Whereas such precedents constitute an impediment to the continued exercise of the traditional rights of the States to control and develop their water resources in the public interest; and

"Whereas it appears that remedial legislation by the Congress is necessary in order to protect and preserve such traditional rights of the States: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to promptly enact Federal legislation to require all Federal agencies and their licensees to comply with State laws relating to the development and use of water.

"*Resolved*, That the secretary of the senate is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 5

"Joint resolution relative to national minerals policy

"Whereas the Western Governors Mineral Policies Conference was called by Gov. Goodwin J. Knight, of California, in Sacramento, Calif., on November 7 and 8 1955, after consultation by Governor Knight with Gov. Charles H. Russell, of Nevada, who is chairman of the Western Governors Advisory Council; and

"Whereas this conference and the subsequent meetings of the Western Governors Mining Advisory Council produced the following recommendations for the development of a national minerals policy:

" 'MINERAL ECONOMICS—RECOMMENDATIONS ON MINERAL COMMODITIES

" '*1. Gold*

" 'The council calls attention to the following conditions in regard to gold:

" '1. The absolute and arbitrary control exercised by the United States Treasury over the production, disposition, and holding of domestic gold is in direct violation of the rights of personal liberty, personal security, and personal ownership of private property.

" '2. The Government has usurped the right of individuals to sell newly mined gold to industry and to the arts, and has denied individuals the right to own, buy, or sell this commodity in a free market.

" '3. The sale of gold from our Federal gold reserve for other than monetary use annually exceeds the total domestic gold production and is dissipating the United States monetary reserves.

" '4. By making itself the sole buyer of newly mined gold in processed form and by fixing its arbitrary and low price, the United States Government imposes such hardships on the domestic gold producer that 95 percent of the primary gold mines have been forced to close operations.

" 'The council recommends that:

" '1. Congress be urged to enact legislation to discontinue the sale of Government-owned gold from the monetary reserve to private industry and to restore to the people of the United States the right freely to buy, possess, sell, and otherwise treat gold. Such legislation is now pending in the Congress, but references to gold therein should be amended so as to not limit the measure to newly mined gold.

" '2. The respective State legislatures be requested to urge the Congress to support such legislation.

" '*2. Silver*

" 'The council recommends that:

" '1. The existing policy, whereby newly mined domestic silver may be tendered to the Treasury Department for coinage purposes, be continued.

" '2. Senate bill 1427, "A bill to repeal certain legislation relating to the purchase of silver and for other purposes," be rejected by the Congress.

" '3. As longer range objectives, the council further recommends that:

" '(a) The sale of Government-owned silver by the Treasury Department at less than its coinage value of $1.2929 per troy ounce be prohibited; and

" '(b) The seigniorage retained by the Treasury Department be progressively reduced in recognition of the steadily mounting cost of producing silver.

" '(4) The council highly commends the governors and the legislators of the Western States for the vigorous support which they have given to the silver mining industry, and we respectfully call to their attention the fact that their continued support is urgently needed.

" '*3. Lead and zinc*

" 'The council recommends that:

" '1. An excise tax of 2 cents per pound be established on imports of zinc and lead to take effect whenever the price of zinc falls below 14 cents, East St. Louis, and the price of lead to 16 cents, New York.

" '2. The present stockpiling of lead and zinc should be continued until such an excise tax is put into effect.

" '*4. Copper*

" 'The council recommends that:

" 'The present excise tax on imported copper be maintained.

" '*5. Molybdenum*

" 'The council recommends that:

" 'The national stockpile program on molybdenum concentrates be continued until maximum emergency defense requirements are met.

" '*6. Fluorspar*

" 'The council recommends that:

" 'The fluorspare industry be afforded tariff protection and/or restriction of fluorspar imports sufficient to permit its survival.

" '*7. Uranium—Vanadium*

" 'The council strongly urges that:

" 'The Atomic Energy Commission make a prompt public declaration regarding the continuation and extension of its uranium-purchase program. Upon the announcement of its proposed program the domestic industry at large should be provided an opportunity to appraise and evaluate said proposed program and to submit further recommendations before its final adoption. Meantime, so long as the Government retains control of the purchase and use of uranium, the council looks to the Atomic Energy Commission to maintain an adequate purchase program and to prepare plans for an orderly transition from the current monopolies to the period when industrial requirements predominate.

" 'The council strongly urges that more access and mine-to-market roads be planned and completed with all possible speed.

" 'The council favors the continued curtailment by the Atomic Energy Commission of its exploration drilling program and urges that funds hitherto allocated for that purpose be made available to the Defense Mineral Exploration Administration.

" 'The council further recommends that:

" 'The security program be reexamined in order that maximum information be made available to the industry for effective future planning.

" 'The Atomic Energy Commission should arrange to facilitate and plan continuity of studies of problems of the industry related to the marketing of uranium ores, in particular: (a) penalties now being imposed for high lime content; (b) the disposition of other metals produced in association with uranium including vanadium, copper, et cetera, and (c) the feasibility of establishing fixed uniform prices for uranium concentrates. These studies should enlist the personnel and experience of the Atomic Energy Commission, appropriate State and Federal agencies as well as private research organizations and the producing industry.

" 'The council urges that:

" 'In all future raw material purchase programs that the domestic uranium industry be given paramount consideration.

" '*8. Rare earths and thorium*

" 'The council recommends that:

" '1. The Atomic Energy Commission should establish a price and buying schedule for thorium similar to that for uranium, since it has complete control of both these fissionable materials.

" '2. A tariff be placed on foreign monazite, bastnasite, and rare earth compounds which is sufficiently high to permit domestic producers to survive. A tariff of 10 cents per pound on contained rare earths metals is suggested.

" '3. Until Nos. 1 and 2 above are effective the Federal Government should make new contracts to purchase monazite and bastnasite concentrates in sufficient quantities and at a price which will maintain an adequate mobilization base for the industry.

" '*9. Quicksilver*

" 'The council calls attention to the fact the market for mercury is assured by GSA purchases until December 31, 1957, but it has no knowledge of any definite demand which could assure the continuation of the domestic industry much beyond that date.

" 'The council recommends:

" '1. The establishment of a tariff equivalent in protection and at the same percentage of the selling price as at the time the present tariff was established (1922).

" '2. If this is not possible, there should be established a plan of distributing the tariff paid by foreign producers to domestic producers in accordance with their production with the tariff adjusted from 25 cents per pound to 35 cents per pound.

" '3. In the absence of 1 or 2 above then the General Services Administration purchase program should be continued until the present appropriation is expended.

" '*10. Tungsten*

" 'The council recommends that:

" '1. An adequate tariff be established to enable the domestic tungsten mining industry to stand on its own feet and compete with the low-cost foreign producers.

" '2. If it is impossible to obtain such a tariff, then an adequate tariff on imported tungsten ore should be established, the proceeds of which must be distributed to the producers of domestic tungsten produced and sold within the United States, in proportion to their production.

" '3. A purchase program for a reasonable period be established providing for reduced Government purchases at lower than current floor prices, based on the grade and impurities of the concentrates purchased, and with gradually reducing amounts and prices to enable complete withdrawal of the United States Government from the program by the end of that period.

" '4. Until 1, or 2, and 3 above are put into effect, the principles and purpose, as expressed in H. R. 6373 (84th Cong.), be reaffirmed as desirable objectives to provide a continuing and prosperous tungsten mining industry in order that an adequate mobilization base might be maintained.

" 'The council suggests:

" 'That the Department of Defense be advised that it is no longer necessary to "design around" tungsten. It should be used wherever and whenever it is best suited to the defense problem in hand.

" '*11. Chrome*

" 'The council recommends that:

" 'In order to prevent the domestic chrome industry from being shut down in the fall of 1956 and in order that the industry might continue as a mobilization base for possible emergency, that:

" '1. A tariff be established of 5 cents per pound on contained chromium metal in imported chromite ore;

" '2. If it is impossible to obtain such a tariff, then a tariff equal to five-eighths cent per pound on contained chromium metal in imported chromite ore should be established. The proceeds of this tariff must be distributed to the producers of chromite produced and sold within the United States in proportion to their production. Then the chrome industry could continue into the foreseeable future as a strong, healthy industry, capable of expansion and able to act as a mobilization base in time of national emergency;

" '3. Until such a long term program as outlined under 1 or 2, is adopted and put into effect, the General Services Administration purchase program should be continued on its present basis.

" '*12. Manganese*

" 'The council recommends that:

" '1. A tariff be established of 5 cents per pound of contained manganese in imported foreign ores;

" '2. If the stipulation in paragraph 1 is impossible, then a tariff equivalent to one-half cent per pound of contained manganese be imposed, the proceeds being distributed to domestic producers on the basis of each domestic producer's unit production produced and sold;

" '3. The limitation of 10,000 tons on the carlot program be eliminated until the provisions of either paragraph 1 or 2 are adopted;

" '4. If the recommendations in paragraphs 1 and 2 are impossible, then a program similar to the present carlot program should be put into effect over a long term of years.

" 'The council suggests that;

" 'Every effort be made to obtain a treatment plant at either the Deming, N. Mex., or the Wenden, Ariz., depot to beneficiate stockpile ores to usable grade.

" '*13. Antimony*

" 'In order to reactivate domestic antimony production the council recommends that:

" '1. Minimum tariff rates be established.

" '(a) On antimony ore and concentrates at not less than 15 cents per pound of contained antimony; and

" '(b) On antimony smelter products at not less than 30 cents per pound of contained antimony.

" '2. If it is not possible to obtain such tariffs then a tariff of 6 cents per pound on contained antimony metal in imported antimony metal, ores or concentrates should be established. The proceeds of this tariff must be distributed to the producers of primary antimony, produced and sold within the United States, in proportion to their production.

" '*14. Asbestos*

" 'The council recommends that:

" '1. Unused funds now earmarked for the purchase of No. 3 fiber be made available to purchase additional No. 1 and No. 2 high grade fiber, thereby making usable all of the funds allocated to the G. S. A. Globe warehouse. The purchase of No. 3 should be continued on the present ratio of 3 tons of No. 3 purchased to each ton of No. 1 or No. 2 (approximately $1 million remains in the No. 3 fund to supply funds for the above change in the program).

" '2. Fiber of national stockpile quality now in the Globe warehouse be transferred to the national stockpile and the Globe warehouse be credited accordingly;

" '3. The life of the asbestos program be extended. This can be done by making available to Arizona asbestos producers part of the funds allocated to the national stockpile and changing the present Globe warehouse program as in No. 1 above;

" '4. The inspection of fiber for transfer to the national stockpile be done by G. S. A. classifiers now inspecting Globe warehouse fiber;

" '5. Fiber of national stockpile quality and sold to the national stockpile to be checked in at the Globe warehouse and paid for as now being done through San Francisco office of G. S. A.;

" '6. The present standards of quality be retained.

" '*15. Coal*

" 'The council recommends that:

" 'The governors give equal consideration to all of the available energy resources—uranium, coal, oil, gas, oil shale and water—before deciding which is to be used as the source of generating power in any given area.

" '*16. Aggregates—Clay—Talc*

" 'The council recommends that:

" 'The congressional committees on interstate and foreign commerce be urged to investigate the encroachment by the I. C. C. regulations on many minerals and mineral aggregate in intrastate commerce.

" 'Lands and Water

" 'The council considers the objective of the general mining laws to be the discovery and development of the mineral resources of the public domain by private enterprise. To effect this objective the laws invite citizens to prospect for minerals and upon discovery to locate valid mining claims. The mining laws also provide for protection of valid claims and the possessory rights thereunder prior to patent, and for transfer of legal title to private ownership by patent. History has proven the soundness of this system, and the council reaffirms its confidence in it.

" 'The council holds that public lands are not the property of the Government of the United States or of any of its agencies but instead are lands held in trust for the people of the United States, and are destined for their eventual use under the principles of free enterprise. Vast areas of the West have in prospect many present and future uses, but they are most likely to find best use as a source of the national mineral wealth.

" 'The continued inroads upon the use of this land which are made by Federal withdrawal of the land from mineral entry, or by acquisition by various agencies of the Federal Government, have long been adverse to the economy of the West. Such inroads have been tremendously augmented in recent years by military acquisition of huge areas in the Western States. This has served to curtail seriously the productivity of private enterprise within the State, and to reduce State and Federal income, as well as the supply of materials for the defense of the country. Under present laws, no Federal-land State has the power effectively to resist such inroads.

" 'For those cogent reasons the council recommends that:

" '1. As to Federal land withdrawals:

" '(a) The western governors urge an immediate congressional investigation of Federal lands now withdrawn from mineral entry and other beneficial uses, whether withdrawn for military or other purposes, and of western lands otherwise acquired by the various agencies of the Federal Government; that among other things such investigation determine the necessity for and the authenticity of the withdrawal, whether the land is still serving the purpose for which it was withdrawn or acquired and whether portions of it or the whole of it may be returned to the public domain or to private owners (with priority right for repurchase given to original owners); and that such investigation determine whether the various agencies and military units cannot combine their activities as to the use of such lands rather than making separate use thereof, in order to give such land the highest possible usefulness.

"'(b) Congress be urged by the governors to explore the possibility of Federal legislation requiring the cooperation and approval of any State for any Federal withdrawal or acquisition within its boundaries.

"'(c) The western governors request Congress to enact legislation to provide that in all further Federal-land withdrawals, for military use or otherwise:

"'(1) Public hearings be held on the proposed withdrawals.

"'(2) These hearings be held in at least one community within or near the area proposed for withdrawal.

"'(3) Notice of these hearings be published in the Federal Register and in a newspaper having maximum circulation in affected areas, at least 90 days in advance of the hearings.

"'(4) These hearings shall seek to determine the relative beneficial use of the land involved, and whether excessive acreages are being proposed for withdrawal.

"'2. As to the Oil and Gas Leasing Act:

"'The western governors opposed any further amendment of the Oil and Gas Leasing Act, approved February 25, 1920 (41 Stat. 437, 30 U. S. C. A. 181, et seq.), or any other legislative proposals which would add any further classes of lessees or any minerals or mineral deposits to those now named in said act.

"'3. As to Mineral Leasing Act:

"'The western governors urge the Department of Interior to reappraise the maximum acreage limitations presently existing on the leasing of Federal mineral lands withdrawn from location and increase the acreage to meet the requirements of modern mining and refining needs. Illustrative of such need is phosphate.

"'It is the considered opinion of the council that no further restriction should be placed upon the noncompetitive lease rules and regulations and that such regulations should be so administered as to encourage the investment of venture capital.

"'4. As to restrictive Federal legislation:

"'(*a*) The western governors oppose any and all legislation in the Congress that promotes further control and withdrawal of Federal lands from the public domain.

"'(*b*) The governors urge the Congress of the United States to return to the first principles laid down by our Founding Fathers, that the Federal lands of the United States are for the benefit of the citizens and should be sold and disposed of to the citizens as rapidly as is practically possible, so that those lands may be made the subject of private ownership by our citizenry and the subject of taxation for the support of local and State governments.

"'(*c*) The western governors advocate the annulment of the rules and regulations promulgated by the many departments of Government withdrawing and otherwise prohibiting possession of public lands by the citizens of this Nation, so that the citizens may again be free to take up the land under the original laws relating to mining or agricultural classification and carry that land through to patent without interference by a multitude of governmental agencies.

"'5. As to geophysical exploration:

"'The governors urge Congress to give prompt consideration of constructive changes in the discovery provisions of the General Mining Laws so as to afford a reasonable period of protection to those who in good faith seek a mineral discovery where the object of exploration is a deep or hidden deposit and discovery can only be made following prolonged use of expensive equipment and modern scientific methods of prospecting.

"'6. As to "in lieu" lands:

"'The western governors recommend to Congress a thorough study of the need for legislation serving to permit the public land States to make "in lieu" selection from mineral lands, for the mineral lands lost to the State because of the preemption of numbered school sections before the State's right to such sections was determined by survey.

"'7. As to State mining laws:

"'The western governors investigate the desirability of making more uniform the laws of the various States governing location and annual assessment work, and other mineral land matters within their jurisdiction.

"'Taxes

"'The council holds that the continuance of a healthy and prosperous mining industry and the contributions it can and should make to the public revenue, to employment, to national security, and to the general welfare, depends upon continuing production from now operating mines and the continuing discovery and development of new deposits. Essential to this is the hope for profits commensurate with the difficulties, the effort, and the risks of losses involved. The inherent risks in mining cannot be avoided, and taxes should not be imposed in nature or amounts as will kill incentives for incurring these risks and will result in loss of Government revenues and harm to the domestic economy.

"'The council recommends:

"'1. As to depletion:

"'(a) Full and adequate allowance for percentage as well as cost depletion should be provided for all minerals on a fair and equitable basis, not less favorable than present rates. We particularly note the necessity of such allowances in the development of so-called oil shales in the Western States.

"'(b) Depletion should be recognized as an allowance to stockholders in determining the taxability of dividends they receive as well as being allowed to the corporation in determining its taxable income.

"'2. As to exploration costs:

"'Cost of exploration, as well as development, should be allowed as a deduction without the limitations imposed by present law.

"'3. As to depreciation:

"'The provisions for more reasonable depreciation contained in present law should be retained without fundamental changes. No amount should be considered as recovered by depreciation deductions which has not effectively reduced the taxpayer's income subject to tax.

"'4. As to operating loss:

"'The more equitable allowance of net operating losses provided by present law should be maintained.

"'5. As to research expenditures:

"'The allowance under present law as a deduction of expenditures on research and experimentation should be preserved.

"'6. As to double taxation of corporate earnings:

"'The small step recently taken to minimize double taxation of corporate earnings should be enlarged.

"'7. As to new mines:

"'New mines should be exempted from income taxes for 3 years after commercial production begins.

"'8. As to capital gains:

"'A further reduction of the rate on net long-term capital gains would be economically beneficial to the mining industry and, on the basis of past experience, would increase net revenue collected.

"'9. As to severance taxes:

"'In State taxation, no particular tax nor the combined Federal, State and local taxes should be such as to discourage the exploration and development or production of minerals. Severance taxes or taxes based on or measured by gross output should be avoided.

"'Research

"'The council recommends to the governors serious consideration of the following discussed facts and conditions affecting industry research.

"'Research is the very foundation upon which growth of the mineral industries must depend. For the future health of the mineral industries and of the entire national economy, there should be vigorous research activity supported directly by private industry as well as by State and Federal agencies, each working in the sphere for which it is best fitted; and

"'With respect to privately supported industrial research, economic factors should be such as to give maximum encouragement to industrial expenditures for research. This viewpoint is embodied in a recommendation on taxes, shared in by the research committee; and

"'Since many research projects involve financial commitments over a long period of years, the lack of a clearly stated national mineral policy, has limited industry's willingness to undertake such long-term projects. It follows that the adoption of such a national policy, to which all these recommendations are devoted, will do much to encourage industrial research.

"'With respect to State and Federal research, the council recommends the following:

"'1. Establish at Federal level, and at State level where desirable, permanent minerals research advisory boards. These boards should consider and recommend initiation of research programs which, in their opinion, are particularly needed.

"'2. Encourage Federal and State mineral research programs at appropriate State agencies, universities, and nonprofit research foundations.

"'3. Expand or establish in each of the mining States a clearinghouse or library of pertinent technical information and records dealing with all phases of the mineral industries.

"'The mineral industries of many of the Western States, particularly the small-mine operators, need some form of central clearinghouse for pertinent technical information which would be readily available in suitable form.

"'4. Continue support of existing long-range research in Federal and State agencies.

"'Geological and topographic mapping should be accelerated as an essential part of this long-range program.

"'Public Information

"'When and if the governors approve the recommendations the council recommends that the western governors authorize the Western Governors Mining Advisory Council to undertake the following public relations activities to attain the widest possible public understanding of the policies adopted by them as a result of the Western Governors Mineral Policies Conference:

"'1. Distribute to all related and interested organizations the recommendations on national mineral policy affecting the mining industry as adopted by the governors as a result of this conference.

"'2. Distribute basic information related to the recommendations necessary to promote the broadest possible public reception and understanding.

"'3. Continue to distribute such additional information as should subsequently develop relating to those recommendations.

"'4. Obtain the full cooperation of all organizations and agencies, private and public, whose interests are related directly or indirectly to the mining industry.'

"Whereas these recommendations constitute a basic national minerals policy designed to strengthen the mining industry and the national security: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the legislature recommend to the executive and legislative branches of the United States the consideration of the national minerals policy formulated by the Western Governors Mineral Policies Conference and the effectuation of such recommendations; and be it further

"*Resolved,* That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Assembly Joint Resolution 6

"Joint resolution relative to petitioning the Federal Maritime Board for allocation of shipbuilding and ship repair

"Whereas the maintenance of a nucleus of skilled workers and shipbuilding facilities on the west coast is considered by national military leaders to be vital to national defense; and

"Whereas in recognition of the importance of maintaining the ability of west coast shipyards to respond immediately to a national emergency, west coast shipyards receive a 6-percent differential in bidding against eastern yards on Government merchant-ship construction, with the thought that thereby at least a minimum of experienced workers would be available immediately in a crisis; and

"Whereas the importance of maintaining the west coast shipbuilding industry, at least at a minimal level, is not merely a matter of regional interest but it is in the interest of national security; and

"Whereas bids on proposal OSC–11 T4 and T5 tankers have recently been opened and Pacific coast companies have submitted a bid on the T4's only 85,000 higher than the Ingalls' bid (and $203,900 higher on the T5's); and

"Whereas although this construction does not fall under the 6-percent limitation, it does involve public funds and consideration should be given to the desperate need for shipyard work on this Pacific coast; and

"Whereas whatever the efforts have been of our congressional delegation in Washington, the fact remains that we have not seen shipbuilding or ship repair work brought to this Pacific coast and the entire industry is imperiled by this dangerous situation we now face: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly),* That the members of this legislature do hereby respectfully petition the Federal Maritime Board to allocate some portion of this tanker work to the Pacific coast; and be it further

"*Resolved,* That each Senator and Representative from California in Congress is requested to vigorously campaign for the assignment of a substantial portion of shipbuilding and ship repair to the San Francisco Bay area and to other shipyards in California, wherever located; and be it further

"*Resolved,* That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to each member of the Federal Maritime Commission, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 9

"Joint resolution relative to Federal legislation respecting the tunafish industry

"Whereas the fishing industry, which constitutes an important element of the economy of the United States, is in dire need of legislation to establish a national program for the stabilization of the industry; and

"Whereas there have been a number of measures introduced at the present session of Congress, among them being S. 3339, H. R. 9552, H. R. 9607, House Resolution 377, House Resolution 378, and Senate Resolution 186; and

"Whereas these measures contain various provisions to assist the fishing industry by establishing a top-level policymaking United States Fisheries Commission, creating a Fisheries Stabilization Corporation empowered to make loans to fishermen and fixing quotas on the importation of fish, shellfish, and their products; and

"Whereas the legislature has been informed that representatives of the fishing industry in California, New England and the Gulf States are in agreement that such remedial legislation is greatly needed; and

"Whereas it is particularly urgent that a quota formula for imports be enacted to prevent the threatened ruin of the southern California tuna industry by the American market being taken over by cheaper Japanese imports: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly),* That the Legislature of the State of California respectfully memoralizes the Congress of the United States to enact legislation protecting the country's fishing industry by establishing a policymaking United States Fisheries Commission, creating a Fisheries Stabilization Corporation empowered to make loans to fishermen, and fixing quotas on imports of fish, shellfish, and the products thereof; and be it further

"*Resolved,* That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"Assembly Joint Resolution 2

"Joint resolution relative to prohibiting minors, unaccompanied by a parent or guardian, from crossing the United States-Mexico border without a permit for such purposes

"Whereas there is pending in Congress action on two particular bills concerning the crossing of the United States-Mexico border by unescorted minors; and

"Whereas either H. R. 5108, introduced by Representative WILSON of California, or House Joint Resolution 168, introduced by Representative HOSMER of California, would require that a minor be accompanied by a parent of guardian before he could cross the border into Mexico; also H. R. 5108 would allow unescorted minors to cross the border if they had a proper permit issued by the United States Attorney General, and House Joint Resolution 168 would allow such minors to cross the border if it is demonstrated to the satisfaction of the appropriate immigration officers that the purpose of crossing the border is legitimate and not for the purpose of obtaining narcotic drugs; and

"Whereas under existing laws there is no restriction on minors who cross the border and many of such minors are entering Mexico for one paramount reason, to get free access to narcotic drugs; and

"Whereas the alarming increase in the use of narcotics by the youth of our country seriously threatens to undermine the foundation of our citizenry, the youngster of today—the voter of tomorrow; and

"Whereas many of our youths who could otherwise lead a constructive life are being consigned by the use of narcotics to a living death; and

"Whereas these bills, which would ban border crossings by unescorted minors, are deserving of full congressional support, and passage of either of them would be a tremendous stride in correcting this evil: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly),* That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact either H. R. 5108 or H. J. Res. 168 or in the alternative to enact such legislation as is necessary to close the border between the United States and the Republic of Mexico until corrective action is taken by the citizens of Mexico to prevent the simple and easy acquisition of narcotics and their derivatives; and be it further

"*Resolved,* That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of State, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Senate Joint Resolution 6

"Joint resolution commending the Boy Scouts of America and supporting the 1957 Boy Scout Jamboree at Valley Forge

"Whereas the Boy Scouts of America, one of the greatest character-building institutions in the world, is holding its Fourth National Jamboree, at Valley Forge Park, Pennsylvania, July 12 to 18, 1957; and

"Whereas based upon the experience of the three prior national jamborees held under the auspices of the Boy Scouts of America it has been proven that there are innumerable benefits to the boyhood of America through such national jamborees, such as:

"1. An unforgettable scouting experience for approximately 50,000 American boys;

"2. An opportunity to see some of the wonderful country in which we live, and visit historic shrines located at Valley Forge and at Washington, D. C., and in places en route and returning from the jamboree;

"3. A practical method of teaching Americanism, good citizenship, and leadership training;

"4. A realistic opportunity to teach Boy Scouts the value of the Scout Law—A Scout is Thrifty, and encourage him to earn his own way to the jamboree; and

"5. For an unrivaled opportunity to accelerate the whole character-building program of the Boy Scouts of America: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly),* That the Legislature of the State of California, in full recognition of the success of the Boy Scouts of America, earnestly requests the Congress of the United States, State legislatures, State executive officers, boards of supervisors, city councils, and other governmental bodies and officers to give the fullest support and endorsement to the Boy Scouts of America and the Fourth National Jamboree to be held at Valley Forge Park, Pennsylvania, July 12 to 18, 1957; and be it further

"*Resolved,* That the secretary of the senate be hereby directed to transmit copies of this resolution to each Senator and Representatives from California in the Congress of the

United States, to the County Supervisors Association of California, to the League of California Cities."

Five joint resolutions of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 3

"Joint resolution relative to flood control on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, Russian, Smith, and Van Duzen Rivers

"Whereas the most devastating floods on record struck the lands of the northern coastal area of this State which lie along the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, Russian, Smith, and Van Duzen Rivers during December of 1955; and

"Whereas many communities were completely demolished by these flood waters which caused immense property damage and indescribable human suffering that is difficult to comprehend even after visual inspection; and

"Whereas adequate flood-control measures could have completely saved this area from these losses; and

"Whereas the Corps of Engineers of the United States Army has been authorized to make a comprehensive survey for flood control on the Eel River and a preliminary examination and survey with respect to Redwood Creek but no money has been appropriated therefor; and

"Whereas there is a like need for appropriate authorization and appropriation for flood-control examination and survey on the Mad, the South Fork of the Eel River, the Klamath, Mattole, Russian, Smith, and Van Duzen Rivers: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly), That the* Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take immediate steps to provide adequate safeguards against any recurrence of the devastating floods along the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, Russian, Smith, and Van Duzen Rivers, including the appropriation of funds for the already authorized surveys and examinations on the Eel River and Redwood Creek and authorization of surveys on the Mad River, South Fork of Eel River, the Klamath, Mattole, Russian, Smith, and Van Duzen Rivers and necessary appropriation therefor; and be it further

"*Resolved*, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Senate Joint Resolution 4

"Joint resolution relative to the prevention of flood conditions in the Napa Valley

"Whereas during the year 1955 extensive loss of life and property occurred as the result of flood waters in California; and

"Whereas if proper measures are not taken to control streams and rivers floods may be expected at any time in the future with resultant losses; and

"Whereas it is in the mutual interest of this State and Nation to prevent the depredations of flood waters as they affect the people and property of this country; and

"Whereas in order to prevent recurring flood conditions extensive planning and construction is called for both to prevent floods and control and utilize the vast power that is unleashed upon such occasions: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the United States Army Engineers and Department of Public Works, State of California, are hereby requested to take the necessary measures to prevent future floods in the Napa Valley and city of Napa area; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, the United States Army Engineers, the governor of California, and to the Department of Public Works, State of California."

"Senate Joint Resolution 7

"Joint resolution relating to the construction of a dam on the San Luis Rey River

"Whereas the city of Carlsbad and the surrounding territory depends upon water from the San Luis Rey River, in the area known as Mission Basin, which is located between Bonsall Narrows and the Pacific Ocean; and

"Whereas the water supply for the city of Oceanside is also located in this same area; and

"Whereas the experience of this area has been that following prolonged periods of drought periods of extreme floods may be expected, and since a severe drought has existed in this area for approximately the last 10 years, it appears almost certain that a period of destructive floods can be expected which will cause extensive damage to persons and property located in this basin, and will also endanger the water supply of both the cities of Carlsbad and Oceanside; and

"Whereas studies by the Carlsbad Mutual Water Co. and the Division of Water Resources of the State of California indicate that a favorable site exists at Bonsall Narrows, on the San Luis Rey River, for a dam which would control these destructive flood waters, and would also permit these waters to be conserved for future use by way of controlled release into the Mission Basin: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Congress of the United States, the Army Corps of Engineers, the State water resources board, and the State of California Department of Public Works are hereby respectfully requested to consider and take all necessary steps to provide for the necessary studies for a dam on the San Luis Rey River, and immediate construction of the dam if it is found to be feasible; and be it further

"*Resolved*, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, the Army Corps of Engineers, to the Honorable Goodwin J. Knight, Governor of California, the State water resources board, and to the Honorable Frank B. Durkee, director of the Department of Public Works of the State of California."

"Assembly Joint Resolution 8

"Joint resolution relative to the prevention of floods in the Napa Valley area

"Whereas the people of the Napa Valley area were recently subjected to one of the worst floods in the history of California; and

"Whereas unless proper measures are taken to control and direct the heavy rains which may occur during any year losses of private and public property will again result; and

"Whereas flood-control dams and other measures taken for the protection of residents of this area in addition to alleviating the flood problem would also become a source of water or power if a scarcity of one or both should occur; and

"Whereas there is a need for immediate action in order that comprehensive studies may be made in order to ascertain the most favorable method and means of flood control so that, in turn, construction may be initiated at the earliest possible time: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the United States Army Engineers and Department of Public Works, State of California, are hereby requested to consider and take action regarding flood-control measures in Napa Valley and the city of Napa; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Governor of California and to the Department of Public Works, State of California."

"Assembly Joint Resolution 11

"Joint resolution relative to flood-control project authorization by the United States Congress

"Whereas the recent disastrous floods made even more imperative than ever the immediate construction of flood-control works in the area between Chico Landing and Red Bluff; and

"Whereas House Document 272, 84th Congress, 2d session, sets forth the protection necessary for this area; and

"Whereas immediate authorization by the Congress of the United States for the Chico Landing to Red Bluff project has been recommended by the Division of Water Resources in its publication Floods of December 1955 in California; and

"Whereas State water resources board has recommended that this project be authorized; and

"Whereas bill No. H. R. 9595, introduced in the 2d session of the 84th Congress, would authorize the construction of these necessary flood-control works: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Congress of the United States is respectfully memorialized to take immediate steps for the authorization of the Chico Landing to Red Bluff project by favorable consideration of H. R. 9595; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"Assembly Concurrent Resolution 42

"Concurrent resolution relative to the observance of Pan-American Week

"Whereas on April 14, 1890, the First International Conference of American States met in Washington, D. C., and adopted a resolution which resulted in the creation of the organization known as the Pan American Union; and

"Whereas the aims of the Pan American Union, known today as the Organization of American States, have been and continue to be the defense and mutual benefit of the 21 American Republics comprising the members of this organization; and

"Whereas the need for confidence and strength resulting from the affiliation of peoples with common ideals continues to be of the greatest importance in this age in which we live; and

"Whereas the Organization of American States has ably shown for 66 years that friendship and understanding together with a mutual desire for peace can forge a powerful unit of defense and in addition can lead to amicable and just settlements in all areas of dispute; and

"Whereas Dwight D. Eisenhower, President of the United States, has proclaimed Saturday, April 14, 1956, as Pan American Day and urges the people of this Nation on that day and throughout the period of April 8 through April 14, 1956, to give expression to their cordial good will toward the peoples of the other American Republics and of their intention to maintain the principles of freedom and equality fundamental to all: Now, therefore, be it

"*Resolved by the Assembly of the State of California (the Senate thereof concurring)*, That the people of California are hereby requested to observe Pan American Day and Pan American Week in the spirit outlined by the President of the United States; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit a copy of this resolution to the President and Vice President of the United States."

A report of the Joint House and Senate Committee on Insurance Investigation of the General Assembly of the State of Kentucky; to the Committee on Banking and Currency.

A resolution adopted by the Chamber of Commerce, Honolulu, T. H., favoring the enactment of legislation to amend the Hawaiian Organic Act so as to provide for reapportionment of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Republican Club of Castro Valley, Calif., favoring the enactment of the Dirksen amendment, in the nature of a substitute, for the Bricker amendment to the Constitution, relating to the treatymaking power; ordered to lie on the table.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. MANSFIELD. Mr. President, various individuals in Montana have written to me relative to a certain legislative proposal in which they are interested, namely, the Langer bill (S. 923) to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes. At their request I ask unanimous consent that their petition, and the names signed thereto, may be appropriately referred, and printed in the Record at this point as a part of my remarks.

There being no objection, the petitions were received, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the Record, with the signatures attached, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

Mary Downs, Iola M. Dunn, Mrs. Frank Ravnik, Mrs. Frank Lamb, John W. Fredrick, Vera M. Fredrick, Mrs. A. P. Lundbacg, Mrs. I. W. Martinson, Mrs. Merritt F. Maddux, Mrs. John Romell, Mrs. Arnold Iverson, William R. Schneider, Arnold L. Iverson, Dorothy J. Kindrick, Frances E. Baker, all of Helena, Mont.

E. H. Tucker, Bozeman, Mont.; Helen J. Roemer, Harold Kenison, Alma Kenison, W. J. Harper, Beulah Rood, Jerry Rood, Doris Altimus, Helen Potts, Cora Busby, Livingston, Mont.; Jeannette Busby, Bozeman, Mont.; Carl W. Rose, Virginia Rose, Rebecca Watt, P. A. Watt, Helen D. Ferris, J. J. Case, Mrs. J. F. Johnson, Livingston, Mont.; C. W. Rose, Clyde Park, Mont.; Howard E. Harper, Mary Belle Harper, Hilda Harper, Elva Skillman, C. T. Skillman, Livingston, Mont.; Harold A. Rose, Clyde Park, Mont.; Mrs. Mabel Raab, Mrs. Carrie Bray, Mrs. Fanny E. Niles, Livingston, Mont.

Lauretta King, Majorie Nielsen, J. W. Griffin, Olive Powell, Mrs. Earl Wyman, Earl Wyman, C. V. Henderson, Mrs. J. C. Neely, Mrs. A. T. Ault, R. Blarnsworth, M. D., Melvin F. Kurtz, C. W. Eybert, C. O. Nystrom, Mrs. C. W. Egbert, Mrs. G. E. Surface, G E. Surface, Mrs. Emmett Carter, Joseph Jomseson, W. O. Kurtz, Mrs. D. A. Julson, Mrs. Dewey Brown, Mrs. Lucile Fry, Lydia Ehman, Dewey Brown, Eileen Allaway, Genvie McHenry, Lorna Kellison, David A. Julson, Mrs. M. E. Smith, Frank D. King, Mrs. W. O. Kurtz, Robert Alloway, Mr. W. L. Parker, L. W. Taft, E. Ehman, Mrs. W. L. Parker, William J. McHenry, Homer L. Morrison, Mrs. L. W. Taft, all of Bozeman, Mont.

Ernest P. Schaak, Mrs. Ernest Schaak, Elva M. Spes, Mrs. Bessie Surdal, Mrs. G. W. Lutes; Mr. K. Boucher, Thomas M. Sipes, Howard C. Lund, Mrs. Elmer Hadland, Elmer Hadland, Mrs. Dorris Taggart, Ferna Allen, Alfred Surdahl, Andrew Roedel, Paul E. Limerick, Mrs. Charles J. Hoffman, C. J. Hoffman, Mrs. Andrew Roedel, Mrs. Grace Adkin, Miss Beth Thomas, Mrs. Della M. Butts, all of Bozeman, Mont.; Mrs. Bill Black, Gateway, Mont.

Mrs. E. H. Tucker, Bozeman, Mont.; Mrs. Carrie Groom, Mrs. Josie Hanson, Carolina Albertson, Mrs. Jessie M. Peterson, Mrs. Gladys Fallang, Gale S. Wick, Mrs. Gale Wick, Evelyn Schereshy, Mrs. Onie Davis, Mr. Onie Davis, Mrs. Palmer Lomeland, Mrs. Harry McComb, Rudolph Fallang, Palmer Lomeland, Big Timber, Mont.

Mrs. H. G. Handford, Mildred H. Grawe, Mabel Felix, Rosetta M. Voelker, Bessie Chrisinger, Clara E. Olson, Mrs. Bessie Eichelberger, Mrs. Anna Marie Ziss, Carolyn C. Patterson, Vesta A. Perry, Rudah C. Enger, Mildred H. Carpenter, Alma Larson, Mrs. W. H. Rieman, Mabel O'Neil, Bertha W. Schnaidt, Caroline Walchli, Margaret F. Clifford, Gwladys E. Kramer, Mrs. Dean King, Mrs. E. B. Noble, Mrs. Amelia Withrow, Mrs. Frieda E. O'Neil, Mrs. C. W. Short, Mrs. Richard C. Mattson, Kalispell, Mont.

Rev. C. F. Crowe, Bernie Heare, Mrs. Bernie Heare, Mrs. Collene Pedersen, Mrs. Peter Backema, Mrs. George Rawl, Mr. and Mrs. N. G. Hudson, Mrs. Al Eidet, T. B. Foreman, Mrs. Gertrude Wahl, Mrs. Andrew Pressman, Mrs. F. Kampschior, Marion L. Cox, R. M. Mart, Glendive, Mont.; Marjorie Hoffmeyer, Billings, Mont.; G. B. Cox, Glendive, Mont.; Floyd Uglow, Savage, Mont.; Don Arnhart, Mrs. Roy Glasscock, Roy Glasscock, Mrs. E. C. Andrews, E. C. Andrews, Hugh R. Atwood, Mrs. Floyd Ewing, F. T. Ewing, Mrs. Tom Henderson, S. J. Daniel, Mrs. S. J. Daniel, Mrs. Ray Lowe, all of Glendive, Mont.

Mrs. Eva Sahn, Miss Jeanette Leland, Mrs. Einar Dahl, Miss Marion Leland, Glendive, Mont.; Mrs. Charles Barnaby, Wibaux, Mont.; Mr. and Mrs. George Finkbein, Mr. and Mrs. O. F. Roberts, Mrs. David Wold, Mrs. Pearl G. Eckes, Mr. and Mrs. Bill Bacon, Mrs. Grace Lanktree, Pete Tady, Lorene I. Tady, Mrs. R. H. Johnson, Mrs. Ada Wilson, Mrs. E. H. Rigley, Arthur Kitchen, Glendive, Mont.; Mr. and Mrs. Leon Anderson, Lindsay, Mont.; Mr. and Mrs. Leo Finkbiner, Albert L. Aker, Glendive, Mont.; Mr. and Mrs. Charles Green, Mildred, Mont.; Stella A. Eckes, Claude Robinson, Luella Robinson, Mrs. S. D. Blackwell, Glendive, Mont.

O. D. Harris, Mary Ridenour, Mrs. B. E. Horstman, Shelby F. Snell, Bessie M. Snell, Louise M. Storey, Alvena, Lyford, C. Wayne Mahugh, Dora W. Mahugh, Kalispell, Mont.; Allon R. Clark, Phyllis L. Clark, Creston, Mont.; Leslie A. Gunderson, Audrey V. Gunderson, Mrs. L. E. Fry, Iola M. Ruegsegger, Mrs. Caleb Jackson, Mrs. Ora Miller, Mrs. E. H. Beller, Kalispell, Mont.; Miss Florence Green, Mrs. Chas. De Voe, Somers, Mont.; Mrs. Ida Davis, Mrs. R. W. Carr, Irma P. Wagener, Mrs. A. Lyford, Augusta M. Rhodes, Mrs. L. E. Fry, Chester M. Mahugh, Clyde Williams, Eunice Chapin, Elizabeth Wilson, Mr. and Mrs. Pete Hoffman, Don Pack, Milo W. Naylor, Kalispell, Mont.; Marjory Pack, Marion, Mont.; Mrs. Eva Dygert, Mr. and Mrs. L. E. Clayton, Ronnie Pack, Evelyn Naylor, Cletys M. Peterson, Thomas H. Shelton, Columbia Falls, Mont.

Grace Powell, Kalispell, Mont.; Mrs. Stanley Nees, Poplar, Mont.; Mrs. Lizzie Stubbs, Mr. and Mrs. Leonard Marshall, Mrs. Robert Haven, Mrs. Carrie Claridge, Lulu Barnard, Esther Ober, Mrs. Roy Verity, Mrs. Fern Adams, Mrs. T. W. Wagner, Lois Magar, E. R. Haven, Tom Wagner, W. Dan Adams, Mrs. Andy Christianson, Keith M. Snodgrass, Anna E. Dale, Marie W. Lawrence, J. O. Lawrence, Mrs. Keith Snodgrass, Kalispell, Mont.; Gertrude Chubb, Columbia Falls, Mont.; J. O. Shew, Mrs. Maude D. Shew, Mavis Shew, Kalispell, Mont.

Mrs. L. E. Mapig, Mrs. N. E. Gray, Elizabeth Nicholson, Mrs. Verne Lien, Mrs. Harry Viegut, Erma S. Bensington, Loree Williams, Sally Kennedy, Alice Deck, Lewis L. Bennington, Irvin W. Hirning, W. O. Hirning, Mrs. Lee Trowbridge, Lee Trowbridge, Missoula, Mont.; J. J. Hirning, Mrs. John Hirning, Lolo, Mont.; L. E. Magsic, Mrs. Mary E. Watt, Missoula, Mont.

C. J. Gustafson, Mrs. F. W. Buck, Mrs. Geo. C. Johnson, W. W. Wetzel, Mrs. Roy Young, Maxine Dollens, Judy Carter, Roy T. Young, Mattie Needham, May Ellen Henk, Mrs. Jim Ranger, Pearl W. Mack, Cora L. Millard, A. C. Millard, E. A. Ludwig, Mrs. J. D. Ruddy, Mrs. H. C. Koch, Benita Mahugh, Jim Johnston, Mrs. H. A. McDonald, Daniel Aaron Bradshaw, Signe Franzen, Ella Schloss, Gertrude D. Farth, Sallie B. Hollenay, Isabella W. Murphy, J. D. Holly, Mary A. Giles, Charlotte N. Wright, Ida J. Gertison, Kenneth F. Johnson, John A. Schloss, Mrs. John Holm, John Holm, Glendive, Mont.

Elizabeth Dunn, Harriet Jeffries, Albert Woods, Marjorie Birky, Mrs. Chas. W. Short, Mrs. Lizzie Dunham, Mrs. Julia Knudson, Mrs. M. R. Wood, Mrs. Christine Buch, Mildred D. Boline, Mrs. Paul Birky, Mrs. H. Madsen, Kalispell, Mont.

Mrs. F. S. P. Foss, Mrs. D. J. Healy, D. J. Healy, Glendive, Mont.; Father Patrick J. Ryan, assistant at Sacred Heart Church; Rt. Rev. Msgr. J. A. Pettit, pastor of Sacred Heart Church; Elizabeth Yundoglialo, Mrs. Edward Holzworth, Mrs. Mark Scarff, Glendive, Mont.; Vanda Kneis, Mrs. Ray Lowe, WCTU president, Bloomfield, Mont.

Allen F. Potter, Bertha I. Maher, Helen Hedman, Pat Doyle, Clarence R. Nelson, Mrs. R. R. Hark, Lanora C. Wallace, Roy Wallace, Bertha Stephenson, Ira M. Olaon, Mrs. D. L. Sherman, Elmer Wellhouse, Mrs. Angeline Adams, John F. Reagan, Irene M. Reagan, Mrs. Robert Hunter, Mrs. Orville Walters, Mrs. Henry E. Lee, Mrs. Ed Hedman, Mrs. O. Williamson, Mrs. R. R. Haake, Mrs. Myrtle Bowdish, Mrs. Harold Hawley, Mrs. Jeani Patton, Mrs. M. E. Woods, Mrs. C. R. Nelson, Bertha L. Peterson, Mrs. H. H. Maher, Mrs.

Alfred Walters, Mrs. W. E. Forcum, Olivia Forcum, Bertha B. Larter, all of Whitefish, Mont.

RESOLUTION OF UNITED NATIONS ASSOCIATION OF LOS ANGELES, CALIF.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the United Nations Association, of Los Angeles, Calif., relating to the promotion of peace in the Near East by the United Nations.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION UNANIMOUSLY APPROVED BY THE MEMBERS PRESENT AT THE MARCH MEMBERSHIP MEETING OF THE AMERICAN ASSOCIATION FOR THE UNITED NATIONS, LOS ANGELES CHAPTER

To President DWIGHT D. EISENHOWER:

Whereas the present local political tensions in the Near East endanger the peace of the entire world; and

Whereas the Arab countries believe that the United Nations is better able to deal with Near East problems and resolve these tensions; and

Whereas our Government helped in founding the United Nations for the purpose of promoting peace and has used the United Nations as an important instrument of our foreign policy: Now, therefore, be it

Resolved, That we urge President Eisenhower to use the agencies of the United Nations to the fullest extent in his efforts to bring peace to the Near East.

Submitted on behalf of the Los Angeles Chapter, American Association for the United Nations.

CHARLES MACKINTOSH,
President.

MARCH 1956.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—LETTER AND PETITION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Josephine C. Wheat, of Hollis, N. Y., transmitting a petition signed by sundry citizens of the States of Pennsylvania and New York, relating to the prohibition of alcoholic beverage advertising in interstate commerce.

There being no objection, the letter and petition, without the signatures attached, were ordered to be printed in the RECORD, as follows:

HOLLIS, N. Y., *April 6, 1956.*

DEAR SENATOR: These 50 names also ask that the Civil Aeronautics Board requesting the Board to forbid alcohol service in the air.

We are shocked to hear that alcohol is allowed on the planes.

No wonder so much loss of life by plane.

Yours for the cause.

JOSEPHINE C. WHEAT.

PETITION

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

(Signed by Mrs. A. E. Buckner and 49 other citizens of Pennsylvania and New York.)

THE ADMINISTRATION OF GENERALISSIMO TRUJILLO—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by friends, associates, and colleagues of Dr. Jesus de Galindez, relating the the administration of Generalissimo Trujillo in the Dominican Republic.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

On March 12, 1956, Dr. Jesus de Galindez, valiant and effective fighter against all dictatorships whether Communist or neo-Fascist, vanished under circumstances which make it overwhelmingly certain that he was abducted and probably murdered. Dr. de Galindez had left written records, including his doctoral dissertation, the Era of Trujillo, exposing Generalissimo Trujillo's tyranny in the Dominican Republic. He had received numerous threats because of his activity in bringing to light Trujillo's crimes. Clearly his disappearance fits into the long series of crimes of violence, including murder, committed in this country and in Cuba against opponents of the generalissimo's regime: Therefore be it

Resolved, That we friends, associates, and colleagues of Dr. Jesus de Galindez, sorely stricken by his probable murder, petition:

1. That all police enforcement agencies, Federal, State, municipal, and international vigilantly prosecute investigation for the apprehension and punishment of the perpetrators of this crime;

2. That the press seek out and publish every development in this case and in related matters pertaining to the safety of political opponents of dictators;

3. That public and private support be enlisted for publication and distribution of Dr. de Galindez' writings, especially his thesis, The Era of Trujillo;

4. That Secretary of State John Foster Dulles and Republican and Democratic leaders in Congress be urged to initiate measures for the greater security of democratic political exiles here in the United States and in other member nations of the Organization of American States.

THE HOXSEY CANCER TREATMENT—LETTER AND TELEGRAM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter and telegram sent me by Dr. Gerald B. Winrod, of Wichita, Kans., relating to the Hoxsey cancer treatment.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

DEFENDERS OF THE CHRISTIAN FAITH,
Wichita, Kans., April 3, 1956.
Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: A local representative of the Associated Press called me a few minutes ago to say that the Food and Drug Administration is issuing Wednesday of this week a formal public warning against the Hoxsey cancer treatment and lists among sponsors of the treatment Gerald B. Winrod.

He told me that the Washington office of the Associated Press requested a comment.

Thereupon I issued the following statement:

"The Hoxsey cancer treatment is precious to my heart because it saved my life as a boy at the age of 9 by removing a malignant growth near the jugular vein from which I have carried a scar for almost a half century. The treatment was in those days administered by the father of the present Dr. Harry M. Hoxsey."

With every good wish,
Faithfully yours,
GERALD B. WINROD.

WICHITA, KANS., *April 4, 1956.*
Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

There is a reason why I would appreciate having you give consideration to inserting my letter sent yesterday in the RECORD. Thanks and regards.

WINROD.

WAR VETERANS SECURITY ACT OF 1956—LETTER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Charles Hartman Post, 134, American Legion, Stanley, N. Dak., signed by Ralph Hamre, post adjutant, embodying a telegram adopted by that post, favoring the enactment of House bill 7886, the so-called War Veterans Security Act of 1956.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN LEGION,
CHARLES HARTMAN POST, No. 134,
Stanley, N. Dak., April 13, 1956.
Senator BILL LANGER,
Washington, D. C.

DEAR SIR: Enclosed for your information is a copy of the resolution passed at our last Legion meeting urging passage of H. R. 7886:

"RESOLUTION

"Whereas there is now pending in Congress H. R. 7886, commonly known as the War Veterans Security Act of 1956; and

"Whereas the passage of this bill will eliminate the confusion, redtape, and cost of administration of the present law and regulations by the Veterans' Administration as it pertains to World War I veterans who have reached their 65th birthday; and

"Whereas this bill now before the Congress would grant pensions to veterans over 65 years of age who are unemployable and meet income and service requirements; and

"Whereas as far as equity, justice, and previous Government policy regarding veterans of other wars are concerned, it must be remembered that World War I veterans were given no consideration when separated from service and faced two depressions at a time when they were attempting to establish themselves in civilian life; and

"Whereas the plight of many of these World War I veterans today is very serious, and the passage of this act would guarantee to them the security that they preserved for their Nation in time of war; and

"Whereas the passage of this legislation would entail no financial burden upon the increased economy of this Nation and would render justice to those veterans who are in dire need: Now, therefore, be it

"*Resolved by the Charles Hartmann Post, No. 134, of Stanley, N. Dak., of the North Dakota Department of the American Legion, meeting at Stanley, N. Dak., this 2d day of April 1956,* That we vigorously support the passage of H. R. 7886; be it further

"*Resolved*, That copies of this resolution be forwarded to North Dakota's congressional delegation and members of the House Veterans' Affairs Committee in Congress."

Sincerely yours,
RALPH HAMRE,
Post Adjutant.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

S. 2424. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam (Rept. No. 1728).

By Mr. CHAVEZ, from the Committee on Public Works, with an amendment:

S. 2712. A bill to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash. (Rept. No. 1729).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 2091. A bill authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill. (Rept. No. 1730); and

S. 2092. A bill transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth Military Reservation in Kansas and Platte County, Mo., and authorizing its removal (Rept. No. 1731).

By Mr. McCLELLAN, from the Committee on the Judiciary:

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress; without amendment (Rept. No. 1733).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 146. A bill for the relief of Isabel Tre (Rept. No. 1739);

S. 1364. A bill for the relief of Elli Yorgiyadis (Rept. No. 1740);

S. 1885. A bill for the relief of Mario Farabullini and Alla Farabullini, his wife (Rept. No. 1741);

S. 2085. A bill for the relief of Giuseppe Culcasi (Rept. No. 1742);

S. 2244. A bill for the relief of Maria Novak (Rept. No. 1743);

S. 2563. A bill for the relief of Cecile Angele Chaffoo (Rept. No. 1744);

H. R. 1099. A bill for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung (Rept. No. 1745);

H. R. 1179. A bill for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon (Rept. No. 1746);

H. R. 2796. A bill for the relief of Mrs. Khatoun Malkey Samuel (Rept. No. 1747);

H. R. 2948. A bill for the relief of Guglielmo Joseph Perrella (Rept. No. 1748);

H. R. 3276. A bill for the relief of George E. Bergos (formerly Athanasios Kritselis) (Rept. No. 1749);

H. R. 4466. A bill for the relief of Lois O. Jennings (Rept. No. 1750); and

H. R. 4588. A bill for the relief of Antonio Penna (Rept. No. 1751).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 586. A bill for the relief of Giuseppe Laddomada, Antonietta Laddomada, and children, Concetta and Paolo Laddomada (Rept. No. 1752);

S. 1013. A bill for the relief of Melecio Acosta-Morales (Rept. No. 1753); and

S. 1101. A bill for the relief of Martino Palmeri (Rept. No. 1754).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens (Rept. No. 1755).

By Mr. DANIEL, from the Committee on the Judiciary, with amendments:

S. 3025. A bill to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended (Rept. No. 1735).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, without amendment:

H. R. 3152. An act for the relief of Waymon H. Massey (Rept. No. 1736).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson (Rept. No. 1737).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes (Rept. No. 1756).

By Mr. SPARKMAN, from the Committee on Banking and Currency, with an amendment:

S. 2854. A bill to amend the National Housing Act, as amended (Rept. No. 1757).

By Mr. SPARKMAN, from the Committee on Banking and Currency, with amendments:

S. 2855. A bill to provide authority to stockpile temporary housing for disaster relief, and for other purposes (Rept. No. 1758); and

S. 2859. A bill to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes (Rept. No. 1759).

INCREASE AND REVISIONS IN GENERAL AUTHORIZATION FOR SMALL FLOOD-CONTROL PROJECTS—REPORT OF A COMMITTEE (S. REPT. NO. 1732)

Mr. CHAVEZ. Mr. President, from the Committee on Public Works, I report favorably, without amendment, the bill (S. 3272) to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948, as amended.

Last fall and early this year various sections of our country, particularly the northeastern and western areas, were subject to unprecedented and disastrous floods. Many lives were lost and damages totaling almost $1 billion were sustained. Large cities were inundated, communities were paralyzed, major industries were shut down, in some cases for several months, and all activities were at a standstill.

Existing laws permit repair of existing flood-control structures and highways and emergency restoration of essential public utilities and cleanup work after such floods. Such laws also provide for construction of small flood-control projects not specifically authorized by Congress, with a limitation of allotment of $150,000 for any single project at a locality and total of $3 million for such work during any 1 fiscal year.

There exists the urgent need for expanding and broadening the present authority for construction of emergency flood-control projects to care for flood problems in many localities and to prevent widespread damage and suffering caused by these severe floods, without the delay necessitated by surveys and investigations, and their specific authorization by the Congress under regularly established procedures.

These recent floods in the New England, New York, and Pennsylvania areas, in my own State of New Mexico, particularly at Albuquerque, and in California, Oregon, and Nevada, have caused tremendous damages, and these areas are still subject to recurring floods and consequent heavy losses.

S. 3273 would amend section 205 of the Flood Control Act of 1948, as amended, to provide for construction of projects, with an estimated cost of $500,000 for any single project and a limitation of $15 million for allotment for any 1 fiscal year for such projects. This increased authorization will take care of the increase in price levels that have taken place in the last few years and broaden and expand the present law to permit flood protection at critical locations that cannot now be covered.

The committee held extensive hearings on this bill. There was no opposition whatever to it. The committee reports it unanimously and believes it thoroughly warranted and desirable. It is hoped that the measure will be enacted into law at an early date to relieve the flood hazard that now exists at many localities in our Nation.

The ACTING PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report favorably, an original joint resolution, granting the status of permanent residence to certain aliens, and I submit a report (No. 1738) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the joint resolution will be placed on the calendar.

The joint resolution (S. J. Res. 163) granting the status of permanent residence to certain aliens was read twice by its title and placed on the calendar.

PRELIMINARY REPORT ENTITLED "ADMINISTRATION OF THE FEDERAL EMPLOYEES' SECURITY PROGRAM"—REPORT OF A COMMITTEE (S. REPT. NO. 1760)

Mr. JOHNSTON of South Carolina. Mr. President, from the Committee on Post Office and Civil Service, pursuant to Senate Resolution 20, I submit a preliminary report of that committee's Subcommittee To Investigate the Administration of the Federal Security Program. I ask that the report be printed.

This is the first of at least two reports which will be made pursuant to Senate Resolution 20 and Senate Resolution 154. This first preliminary report was adopted unanimously by the full Senate committee at its meeting last week.

The ACTING PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from South Carolina.

WELFARE AND PENSION FUNDS—REPORT OF A COMMITTEE—SUPPLEMENTAL VIEWS AND STATEMENT (S. REPT. NO. 1734)

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to speak for not to exceed 5 minutes on the report of the Subcommittee on Welfare and Pension Funds of the Committee on Labor and Public Welfare.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. DOUGLAS. Mr. President, from the Committee on Labor and Public Welfare, I submit the final report of the investigation of employee welfare plans and pension funds conducted by its Subcommittee on Welfare and Pension Funds pursuant to Senate Resolution 225 of the 83d Congress, as amended, and Senate Resolution 40 of the 84th Congress, as amended, together with the supplemental views of the Senator from Colorado [Mr. Allott] and a statement by the Senator from West Virginia [Mr. Neely].

In submitting this report to the Senate in compliance with the above resolutions, may I point out that the members of the Committee on Labor and Public Welfare other than those who have served on the subcommittee have not found it possible to review and consider the subcommittee report within the time limits fixed by the resolutions, as amended, but transmit it to the Senate for the preliminary consideration of the Congress and the public while reserving judgment on the recommendations made by the subcommittee.

I also wish to thank the members of the staff, headed by Mr. Paul J. Cotter, as counsel, who worked with great ability and faithfulness in the preparation of this report.

I also wish to thank my colleagues, including my colleagues from the other side of the aisle, the Senator from New York [Mr. Ives] and the Senator from Colorado [Mr. Allott].

The Subcommittee on Welfare and Pension Funds, whose authority expired on April 15, has been conducting studies and investigations in the welfare and pension fund field since May 1954, first under the chairmanship of the Senator from New York [Mr. Ives], and, beginning in February 1955, under the leadership and direction of the Senator from Illinois [Mr. Douglas]. Committee membership since the latter date has included, besides the Senator from Illinois [Mr. Douglas] and the Senator from New York [Mr. Ives], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], and the Senator from Colorado [Mr. Allott].

Legislation is being drafted to embody the recommendations of the subcommittee and will be shortly introduced, and it is hoped that it may be passed at this session of Congress.

The subcommittee also released the printed record of its hearings held in July, November, and December 1955.

Interim reports were filed in January and July 1955 with the subcommittee's initial findings. The final report comprises over 360 pages based, as the committee notes, on its studies of hundreds of individual welfare and pension plans. In this last report the subcommittee has submitted summaries of welfare and pension plans in a number of major industries and more detailed reports of the weaknesses and abuses in the welfare and pension plan operations of particular insurance companies, unions, and employers.

In its final report the subcommittee recommended the enactment of a Federal Registration, Reporting, and Disclosure Act to be effective for 3 years. Under the proposals advanced in the report, the Federal agency administering the act would, prior to its termination, and based upon 2 years' experience, make a comprehensive report to the Congress, outlining its findings, its evaluation of the act, and its recommendations with respect to the continuance, simplification, or modification of the legislation.

The recommendations call for registration by all types of employee welfare and pension plans covering 25 or more employees. Annual reports, based upon an audit and covering the complete financial operations, would be filed with a Federal agency by all plans including 100 or more employees, and also by plans which, though they have less than 100 employees, are operated or administered on some common basis with other plans and which in the aggregate include 100 or more employees. Pension plans would file a summary statement of investments, broken down by type of security and property, with the aggregate cost or present value, whichever is lower. Investments by a pension plan in securities or property of interested parties, investments of more than 5 percent of the fund in any one security or property, or investment of more than 10 percent of the fund in the securities or obligations of any one issuer, would be listed in detail.

Disclosure of the information in the annual report would be required by having copies available at the principal office of the plan and the public document room of the administrative agency, and by furnishing all the beneficiaries with information from the report in prescribed summary form by personal delivery or mail. The administrative agency would be given discretion to require reporting and disclosure by any plan covering between 25 and 100 employees if deemed necessary to accomplish the objectives of the act.

The subcommittee reported it had no strong feeling as to what executive agency should administer the act. After considering the various possibilities, it indicated that for the present it favored the Securities and Exchange Commission because of its organizational setup and its established success in the administration of disclosure type statutes.

Recommendations of the subcommittee also provide for an advisory council of 13 members to assist the Federal agency. Members of this council would include representatives of insurance, 1, banking, 1, and management, 2, to be appointed by the administering agency; labor representatives, 3, to be appointed by the Secretary of Labor; public members, 3, to be appointed by the President; and the Secretary of Health, Education, and Welfare, the Secretary of Labor, and the Commissioner of Internal Revenue as ex officio members.

Federal jurisdiction for requiring enforcement of the act would be based upon the taxing authority, the general welfare provisions, and the interstate character of the many elements connected with such plans.

The report pointed out that over 75 million persons are now covered in some measure by employee welfare and pension programs, with annual contributions being made to them of over $6.8 billion, and that there are between $20 and $25 billion in pension reserves at the present time. It was pointed out that private employee welfare and pension programs have grown to such proportions in this country and involve the use of such large tax-exempt funds as to place upon the Government a grave responsibility for their sound operation and the protection of the equities of the beneficiaries and the public interest.

The report stated that—

> While the great majority of welfare and pension programs are being responsibly and honestly administered, the rights and equities of the beneficiaries in many instances are being dangerously ignored. In other cases, the funds of the programs are being dissipated and at times become the hunting ground for the unscrupulous.

It was also observed that—

> The lack of standards and the inadequacies of State and Federal laws have permitted employee welfare and pension programs to operate in such manner as to give rise to many abuses, problems, weaknesses, and unsound practices which could jeopardize the operation of this system and give insufficient protection to the rights and equities of the employee-beneficiaries.

A major problem, it was stated, is one "of assuring the immediate and long-range stability of private pension and welfare programs * * in order that they may better withstand the contingencies against which they were established. The breakdown of any significant part of either the pension or the welfare programs could, and undoubtedly would, amount to a major setback to our economy."

We do not propose Federal regulation. Regulation is left to the States. However, we do propose disclosure of essential information to a responsible Federal agency, believing that disclosure will be a preventive of most possible abuses in the future.

According to the report, the subcommittee felt that the proposed act is a moderate and sound approach, definitely necessary in the light of the evidence received, but still leaving room for action on the part of the respective States.

The subcommittee recommended criminal penalties for willful failure to comply with, or violation of, the provisions of the act or the regulations promulgated thereunder, for a false statement or misrepresentation of a material fact, and for the unlawful and willful theft, abstraction, conversion, or embezzlement of the funds or property of any plan.

The subcommittee emphasized that it did not want to leave the impression that there is something wrong with every welfare and pension plan as "that is not the case." The report said:

> Perhaps too little has been said of the many sound practices found in the great majority of these plans and of the conscientious and ingenious efforts on the part of industry, labor, insurance and banking to bring benefits to scores of millions of employees at low cost.

The subcommittee observed however, that it "is convinced that without some legislative direction the abuses, problems and weaknesses which do exist will not be self-correcting."

The report took note of the fact that labor had "condemned dishonesty, created committees on ethical practices established codes of ethics for the operation of employee welfare and pension plans, and recommended legislation toward that end." The subcommittee expressed the belief that such efforts would have a salutary effect but did not feel that the objectives would be quickly achieved by voluntary methods alone. The report further pointed out that representatives of labor had been involved in some of the worst abuses found to exist and, in some cases, had been found unprepared for the responsibilities of trusteeship under these programs.

Also taken up in the report was the fact that the insurance industry, while opposing Federal control or supervision, had not even set up a code of ethical practices to condemn the unscrupulous. The report concluded that—

> Many of the worst abuses found in welfare-plan operations involve certain insurance practices. These abuses include high commissions, excessive administrative fees, high insurance company retentions, unequal treatment of the policyholders, activities of unscrupulous brokers and agents, including embezzlement of premiums, sometimes in collusion with union officials or management—mostly the result of inadequate control and nondisclosure to the interested parties.

Management, too, came in for its share of criticism, the report pointing out that it, management, "shares the responsibility for many of the serious problems and abuses" found, and that "management, as well as labor, has at times been unreasonable and unsound in positions taken with respect to benefit programs." Employers, it was stated, "in too many cases have abdicated their responsibilities under jointly managed plans."

With reference to the banking industry, the report observed that banks, while recognized as competently managing pension investments under corporate trusts, do not have the responsibility for actuarial soundness, often have too little control over proper investments, but still sell the features of this type of pension plan without assuming all of the responsibilities necessarily inherent in a complete pension plan.

According to the report, by far the largest percentage of employees included in health and welfare programs are covered in unilateral employer administered plans. In including this type of plan in those which should report and disclose detailed information, the report stated—

> Since Congress has stated and the courts have held that employer contributions toward welfare and pension benefits are in the nature of compensation to employees, it must be concluded that whether the funds for such programs are contributed by the employers, the employees, or both, the employees have a right to know the financial details of such plans as well as to have their interest in such plans protected.

In support of its position, the subcommittee cited the Internal Revenue Code, the Defense Production Act of 1950, and court decisions which treated costs of and contributions to welfare and pension plans as part of employee compensation.

The Senator from Colorado [Mr. Allott] filed supplemental views to the report, and the Senator from West Virginia [Mr. Neely], who, because of other duties, had been unable to take an active part in preparation of the report, reserved judgment on the recommendations.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Colorado.

Mr. ALLOTT. The distinguished Senator from Illinois has just referred to what I think is a fine piece of work, which has just been completed by the subcommittee on Welfare and Pension Funds of the Committee on Labor and Public Welfare.

I think I would be a little remiss if I did not comment on the fine work which has been done by the chairman and by the other members of that subcommittee.

While there are slight differences with respect to a few conclusions in the report as it is submitted, the subcommittee has approached the work and developed the report in a spirit of complete nonpartisanship, which the distinguished Senator from Illinois has been very careful to nurture and maintain throughout all the months of arduous work. I wish to pay tribute to him, as well as to the other members of the subcommittee, for the fine work they have done in this field, which I believe will result in shedding light upon a problem which has needed light for a long time. I believe that this effort will eventually lead to good Federal legislation covering this subject.

Mr. DOUGLAS. I thank the Senator from Colorado for his overgenerous remarks. No one could have been more cooperative than he was during the investigation. He worked extremely hard. I think he attended almost every hearing. He went into the details of the report with great care, and it was a pleasure to work with him. I think the country owes him a great debt.

The work was begun under the chairmanship of the Senator from New York [Mr. Ives]. Initially the staff was engaged by him, and the preliminary report was the result of work conducted by the subcommittee prior to that time. We benefited greatly from the counsel and advice of the distinguished Senator from New York.

I think this is a very happy occasion on which members of both parties can cooperate in good faith in solving a very perplexing problem. It has been a very fine experience for me. Again I wish to thank the Senator from Colorado.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from New York.

Mr. LEHMAN. Mr. President, I do not have the good fortune of being a member of the subcommittee so ably headed by the distinguished Senator from Illinois——

The ACTING PRESIDENT pro tempore. The time of the Senator from Illinois has expired.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to proceed for an additional 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LEHMAN. As I said, I do not have the good fortune of being a member of the subcommittee so ably headed by the distinguished Senator from Illinois. However, I am a member of the Committee on Labor and Public Welfare, and I have had an opportunity to observe the great skill and devotion to duty and the energy and industry which the Senator and his colleagues on the subcommittee have brought to bear on this very important subject. The work which has been done by the subcommittee will make a great contribution to the welfare of our country. I congratulate the distinguished Senator from Illinois and other members of the subcommittee on the work they have so well performed.

Mr. DOUGLAS. I thank the Senator very much.

I submit the report and ask that it be printed.

The ACTING PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Illinois.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCOTT:

S. 3635. A bill to readjust size and weight limitations on fourth-class (parcel post) mail; to the Committee on Post Office and Civil Service.

(See remarks of Mr. Scott when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Iowa:

S. 3636. A bill to encourage the discovery, development, and production of manganese-bearing ores and concentrates in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McNAMARA:

S. 3637. A bill to establish an advisory board to assist the commission created by the joint resolution of December 20, 1944, in considering a site and design for a National Memorial Stadium in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. McNamara when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of New Jersey (for himself and Mr. MUNDT):

S. 3638. A bill to promote the foreign policy of the United States by amending the United States Information and Education Exchange Act of 1948 (Public Law 402, 80th Cong.); to the Committee on Foreign Relations.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 3639. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Labor and Public Welfare.

S. 3640. A bill to provide for payment by the Secretary of the Treasury of the unpaid balance due on defaulted joint stock land bank bonds under the supervision and direction of the Farm Credit Administration; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3641. A bill to amend the Interstate Commerce Act in order to permit common carriers subject to such act to provide reduced rate transportation to individuals 65 years of age or older; to the Committee on Interstate and Foreign Commerce.

By Mr. CASE of New Jersey:

S. 3642. A bill to transfer to the government of the District of Columbia the Public Employment Service for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 3643. A bill to provide for the control of destructive aphids; to the Committee on Agriculture and Forestry.

By Mr. DUFF:

S. 3644. A bill to provide for the issuance of a special postage stamp in honor of the teaching profession on the occasion of the 100th anniversary of the National Education Association; to the Committee on Post Office and Civil Service.

By Mr. WILEY:

S. 3645. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

The following concurrent resolution was submitted and referred, as indicated:

By Mr. DOUGLAS (for himself and Mr. HILL):

S. Con. Res. 74. Concurrent resolution to designate May 30, 1956, as a day on which to pay respects to the four surviving veterans of the Civil War; to the Committee on the Judiciary.

(See concurrent resolution printed in full when presented by Mr. DOUGLAS, which appears under a separate heading.)

STANDING COMMITTEE ON VETERANS' AFFAIRS, AND LIMITING SERVICE OF SENATORS ON CERTAIN COMMITTEES

Mr. DWORSHAK submitted the following resolution (S. Res. 237), which was referred to the Committee on Rules and Administration:

Resolved, That, commencing with the 85th Congress, rule XXV of the Standing Rules of the Senate (relating to standing committees) is amended by—

(1) striking out subparagraphs 10 through 13 in paragraph (h) of section 1;

(2) striking out subparagraphs 16 through 19 in paragraph (l) of section 1;

(3) inserting in section 1 after paragraph (o) the following new paragraph:

"(p) Committee on Veterans' Affairs, to consist of nine Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

"1. Veterans' measures, generally.

"2. Pensions of all wars of the United States, general and special.

"3. Life insurance issued by the Government on account of service in the Armed Forces.

"4. Compensation of veterans.

"5. Vocational rehabilitation and education of veterans.

"6. Veterans' hospitals, medical care, and treatment of veterans.

"7. Soldiers' and sailors' civil relief.

"8. Readjustment of servicemen to civil life.";

(4) striking out section 4 and inserting in lieu thereof the following:

"(4) Each Senator shall serve on two standing committees and no more; except that not to exceed 19 Senators of the majority party, and not to exceed 7 Senators of the minority party, who are members of the Committee on the District of Columbia, the Committee on Government Operations, the Committee on Post Office and Civil Service, or the Committee on Veterans' Affairs may serve on 3 standing committees and no more."

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT 1734, RELATING TO WELFARE AND PENSION FUNDS

Mr. DOUGLAS submitted the following resolution (S. Res. 238), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed 3,500 additional copies of Senate Report 1734, a report on welfare and pension funds, for the use of the Senate Committee on Labor and Public Welfare.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "JUVENILE DELINQUENCY AMONG THE INDIANS"

Mr. LANGER. Mr. President, I submit, for appropriate reference, a resolution to print for the use of the Judiciary Committee additional copies of the subcommittee report on Juvenile Delinquency Among the Indians."

Many requests have come to the subcommittee for copies of its report on Juvenile Delinquency Among the Indians. In a large number of cases the inquiries for these reports came from Senators from Indian States. The subcommittee supply of this report—S. Rept. 1483—has been exhausted for some time. I feel that considering the interest in this Senate document, especially from Senators from States having Indian populations, that it should receive favorable consideration.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 239) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the report No. 1483, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

SIZE AND WEIGHT LIMITATIONS ON FOURTH-CLASS (PARCEL-POST) MAIL

Mr. SCOTT. Mr. President, I introduce, for appropriate reference, a bill to establish uniformity of parcel-post size and weight at 65 pounds and 100 inches, length and girth combined.

I hesitated for some time before deciding to take this action, because the Railway Express workers in my State were told that a reduction in parcel-post service was a guarantee of prosperity for the express agency, and that, conversely, any move toward restoring parcel-post standards to those which prevailed before 1952 would hurt Railway Express.

However, the figures prepared by the Railway Express Agency and filed with the Interstate Commerce Commission do not show any discernible relationship between Railway Express volume and parcel-post volume. I would like to include those figures, together with the Post Office Department's figures on parcel-post volume, in the RECORD at this point so that my colleagues may see the facts for themselves.

	Total	Railway express shipments		Number of parcel post packages
		Carload	Less than carload	
1951	78,546,366	12,746	78,533,620	1,046,944,222
1952	93,158,470	14,160	93,144,319	1,046,575,603
1953	86,871,382	14,456	86,856,926	1,042,750,517
1954	76,247,001	11,973	76,235,028	994,750,517
1955	83,474,754	(1)	(1)	948,220,164

[1] Breakdown not available.

NOTE.—The less than carload lot shipments are the only ones which could conceivably compare with parcel post.

On the other hand, both the farm and urban people in North Carolina have been hurt by the size and weight limitations enacted in 1951. The Post Office Department states that parcel-post rates are 10 percent higher than they would have had to be had the 1951 limitations not been enacted. The added expense and the inconvenience of the present law is a continuing harassment to the small merchant and the city dweller.

The farmer has not only this extra cost but the constant danger of enactment of uniform size and weight limits which will seriously hamper his operations. The bushel of seed corn, for example, could, with the sack it is shipped in, weigh from 62 to 63 pounds.

I think our citizens are entitled to uniform size and weight limitations in the parcel-post service and it is important that they be set at figures which will meet the farmers' needs.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3635) to readjust size and weight limitations on fourth-class (parcel post) mail, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

ADVISORY BOARD ON NATIONAL MEMORIAL STADIUM

Mr. McNAMARA. Mr. President, I introduce, for appropriate reference, a bill to establish an advisory board to assist in considering a site and design for a national memorial stadium in the District of Columbia. This board, representatives of which would be selected from sports, civic, and other organizations, would work closely with the commission on a national stadium which was authorized by Congress in 1944.

I think it is high time that the intent of Congress in 1944 be carried out. Our National Capital needs such a stadium, not only as a memorial to the heroic dead of both World Wars and the Korean hostilities, but as a living memorial for the use of sports groups nationally and locally. As Washington is the Capital of the Nation, this stadium could be the national capital of sports, to encourage recreation and participation, and as a solid weapon against juvenile delinquency.

The selection of representatives to this advisory board from leading national organizations would truly make the purposes of the stadium national in scope.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3637) to establish an advisory board to assist the Commission created by the joint resolution of December 20, 1944, in considering a site and design for a National Memorial Stadium in the District of Columbia, and for other purposes, introduced by Mr. MCNAMARA, was received, read twice by its title, and referred to the Committee on the District of Columbia.

AMENDMENT OF UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948, RELATING TO PROMOTION OF THE FOREIGN POLICY

Mr. SMITH of New Jersey. Mr. President, on behalf of myself, and the senior Senator from South Dakota [Mr. MUNDT] I introduce, for appropriate reference, a bill amending the United States Information and Educational Exchange Act of 1948. This bill is a consolidation of S. 2410, which I introduced on behalf of myself, Mr. FULBRIGHT, and Mr. MUNDT on July 5, 1955, and S. 631 which Senator MUNDT and I introduced on January 21, 1955. S. 631 was also a proposal to amend the United States Information and Educational Exchange Act of 1948.

The bill which we are introducing today is almost identical with the March 7, 1956, committee print of the House Foreign Affairs Committee.

Mr. President, I want to make it clear that we are introducing this bill at the request of the administration in order that the proposals contained therein may receive the consideration of the Foreign Relations Committee this week. It is my understanding that certain changes will be suggested by the staff of the Foreign Relations Committee. Although we are in general agreement with the purposes of this bill, we reserve the right to offer amendments to it in committee, or to question provisions which we feel need further explanation.

In general, this bill has two purposes: First, it contains provisions designed to make more effective our educational exchange program with other nations.

Second, it provides for a new career program for the personnel of the United States Information Agency along the lines of the Foreign Service career program of the State Department.

In introducing this measure today, we wish to state that we are acting in cooperation with the State Department, the United States Information Agency, and the chairman of the Foreign Relations Subcommittee on State Department Organization and Public Affairs, the junior Senator from Montana [Mr. MANSFIELD].

Mr. President, I ask unanimous consent that the bill be printed in the body of the RECORD at this point in my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3638) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.), introduced by Mr. SMITH of New Jersey (for himself and Mr. MUNDT), was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) so much of section 2 of the United States Information and Educational Exchange Act of 1948 as precedes paragraph (1) thereof is amended to read as follows:

"SEC. 2. The Congress hereby declares that the objectives of this act are to enable the Government of the United States of America to increase in other countries respect for and confidence in the United States, its purposes, its democratic practices, culture, and society, to increase mutual understanding, respect, and confidence between the people of the United States and the peoples of other countries, and to broaden the areas of cooperation between them in the educational exchange, cultural, and information fields. Among other means in achieving these objectives, the Secretary of State is authorized to establish—."

(b) Paragraph (2) of section 2 of such act is amended to read as follows:

"(2) an educational exchange service to cooperate with other nations in—

"(a) the interchange of knowledge, skills, information, and experiences;

"(b) the interchange of technical and other services;

"(c) the interchange of developments in the field of education, the arts, sciences, and professions; and

"(d) the development of projects of interest and value to the United States and the other countries involved through diffusion of knowledge."

SEC. 2. (a) The heading of title II of such act is amended to read as follows:

"TITLE II—INTERCHANGE OF KNOWLEDGE, SKILLS, AND EXPERIENCE

(b) Section 201 of such act is amended to read as follows:

"Persons

"SEC. 201. (a) As a means of insuring interchange on a cooperative basis of leaders and potential leaders between the United States and other countries, the Secretary is authorized to provide for and otherwise facilitate programs for the exchange of (1) students and trainees; (2) teachers, fellows, and lecturers; (3) professors and research scholars; (4) specialists in any of the arts, sciences, trades, or professions; and (5) leaders of thought and opinion at the national, State, or local level. Such exchanges shall be for the purpose of long- or short-term study or practical training, teaching, lecturing, or research, and observation, consultation, or other experience or activity which may be essential to the successful operation of the programs and which will not deprive American citizens or aliens lawfully admitted for permanent residence of opportunities for gainful employment or professional training. The Secretary is also authorized to bring foreign nationals to the United States to interpret and present the art and culture of cooperating countries. The Secretary may also provide for the attendance of nationals of one cooperating country at selected institutions of learning or places of study in another cooperating country when he determines that urgent foreign relations objectives would be served thereby. The Secretary shall, wherever possible in connection with these programs, utilize the services of existing reputable agencies which are successfully engaged in such activity.

"(b) The Secretary may provide for orientation courses and other appropriate services and materials in the case of persons coming to the United States from other countries and going to other countries from the United States under provisions of this act or for other purposes which the Secretary determines to be in furtherance of the objectives of this act.

"(c) When any country fails or refuses to cooperate in the program provided herein the Secretary shall terminate or limit such program, with respect to such country, to the extent he deems to be advisable in the interests of the United States.

"(d) The foreign-exchange visitors provided for in this section shall be admitted as nonimmigrants under section 101 (a) (15) of the Immigration and Nationality Act for such time and under such conditions as may be prescribed by regulations promulgated by the Secretary of State and the Attorney General. Exchange visitors so admitted shall not be eligible for a change of status under the provisions of section 248 of the Immigration and Nationality Act, nor for adjustment of status under provisions of section 245 of that act. An exchange visitor who fails to maintain nonimmigrant status and exchange visitor classification or who fails to depart from the United States on the termination of such status or classification, shall, upon warrant of the Attorney General, be taken into custody and promptly deported pursuant to sections 241, 242, and 243 of the Immigration and Nationality Act. Exchange visitors who engage in activities of a political nature detrimental to the interests of the United States, or in activities not consistent with security of the United States shall be considered to have failed to maintain exchange visitor classification. Deportation proceedings under this section shall be summary and the findings of the Attorney General as to matters of fact shall be conclusive. Exchange visitors shall not be eligible for suspension of deportation under section 244 of the Immigration and Nationality Act. No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa or for a nonimmigrant visa under section 101 (a) (15) (H) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least 2 years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such 2-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status or, who, having such status, obtain an extension of stay thereunder, subsequent to the date of the enactment hereof."

Sec. 3. Section 202 of such act is amended to read as follows:

"Books and materials

"Sec. 202. The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including Government publications, and for the preparation, publication, distribution, translation, and interchange of such writings and other cultural and educational materials, including visual and auditory materials of all kinds."

Sec. 4. Section 601 of such act is amended by inserting after the words "*Provided, however*," the following: "That the Commission on Educational Exchange shall recommend policies and programs to further cultural relations with participating countries by means of exchange of persons and other means, and shall recommend criteria for the selection of persons for participation in exchange programs under this act: *And provided further*," .

Sec. 5. (a) Section 602 (a) of such act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That no office under a State university, land-grant college, or other similar educational institution shall be deemed to be a compensated Federal or State office for the purposes of this subsection."

(b) Section 602 (c) of such act is amended by striking out the words "and public service" and inserting in lieu thereof the words "public service, professional, business, agriculture, and labor."

(c) Section 602 (h) of such act is amended to read as follows:

"(h) The Department is authorized to provide the necessary professional, technical, secretarial, and clerical assistance for the Commissions."

Sec. 6. Section 603 of such act is amended by sriking out the words "a semiannual" and substituting the words "an annual" therefor.

Sec. 7. Title VI of such act is amended by adding at the end thereof a new section as follows:

"Sec. 604. The Secretary is authorized to establish in any country in which a program under this act is in effect an advisory commission which may be composed of citizens of such country or citizens of the United States, or both. It shall be the function of any commission so established to advise the Secretary with respect to matters concerning the administration of such program. The Secretary is also authorized, wherever practicable, to utilize in the administration of exchange programs under this act the services of any binational commission established under authority of any other law providing similar exchange programs. Appropriations made to carry out the purposes of this act shall be available to the Secretary for payment of the expenses of any commission established or utilized pursuant to this section."

Sec. 8. (a) Section 801 (6) of such act is amended to read as follows:

"(6) to create, with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this act; and from time to time to hold meetings of representatives of United States cultural and educational institutions and other organizations interested in programs under this act for the purpose of making reports on, and obtaining comments and suggestions with respect to, such programs. Such persons will not be considered as persons 'employed or assigned to duties by the Government' within the meaning of the act. No such member of an advisory committee or representative of any such institution or organization shall be allowed any salary or other compensation for services, but he may be paid his actual transportation expenses and per diem in lieu of subsistence and other expenses at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U. S. C. 73 b–2) while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions."

(b) Section 801 of such act is further amended by striking out "and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon, and by adding at the end of the section the following new paragraphs:

"(7) to engage the services of experts and consultants, or organizations thereof, as authorized by section 15 of the act of August 2, 1946 (U. S. C., title 5, sec. 55a), and individuals so engaged may be compensated at rates not in excess of $50 per day and, while away from their homes or regular places of business, may be paid travel expenses, including per diem allowances in lieu of subsistence at the rates provided for in the Standardized Government Travel Regulations."

Sec. 9. Section 802 of such act is amended—

(1) by inserting "(a)" after "Sec. 802.";

(2) by inserting "contracts of insurance, guaranty, and indemnity, and" after "including" in paragraph (2);

(3) by striking "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and by adding after paragraph (4) the following new paragraphs:

"(5) to pay emergency medical expenses and expenses of travel incurred by reason of illness; and

"(6) to pay the travel expenses, including a per diem allowance in lieu of subsistence, of alien employees and their dependents when such employees are authorized to travel in connection with appointment, change of duty, or separation."; and

(4) by adding at the end thereof the following new subsection:

"(b) The Department and any Government agency conducting any nonmilitary exchange of persons program or any program of furnishing technical information and assistance are authorized to pay, in the case of foreign nationals participating in such program, amounts necessary to meet United States income taxes where, except for participation in such program, the liability for such tax would not have been incurred."

Sec. 10. The first sentence of section 902 of such act is amended to read as follows: "If any other Government or any international organization shall express the desire to provide funds, property, or services to be used by this Government, in whole or in part, for the expenses of any specific part of the program undertaken pursuant to this act, the Secretary is authorized, when he finds it in the public interest, to accept such funds, property, or services."

Sec. 11. Section 1008 of such act is amended by inserting before the period at the end thereof a comma and the following: "except that the report concerning activities under the educational exchange programs authorized by this act shall be submitted annually on or before the 31st day of December of each year to apply to activities conducted during the previous fiscal year."

Sec. 12. The United States Information and Educational Exchange Act of 1948 is further amended by adding the following new sections at the end thereof:

"Payment of certain claims

"Sec. 1012. For the purpose of promoting and maintaining friendly relations abroad by the prompt settlement of meritorious claims arising in a foreign country, the Secretary of State and the Director of the United States Information Agency, and such other officers as they may designate for such purposes, and under such regulations as they may prescribe, are hereby authorized to consider, ascertain, adjust, determine, and make payments, where accepted by the claimants in full satisfaction and in final settlement, of claims on account of damage to or loss or destruction of public or private property both real and personal or on account of personal injury or death, including claims respecting personal property bailed to the Government and claims for damages incident to the use and occupancy of real property, whether under a lease, express or implied, or otherwise, whenever caused by any instrumentality, officer, agent or employee of the Department or Agency, incident to the performance of any official functions for the United States, when the amount of such claim does not exceed $5,000: *Provided*, That in cases where the amount exceeds $2,500 but does not exceed $5,000, payment shall be made only after approval by the Secretary or Director.

"The Secretary or Director may certify to Congress any meritorious claim or portion thereof which is in excess of $5,000 as may be deemed to be just and reasonable for payment out of appropriations that may be made by Congress therefor.

"No claim shall be considered unless presented within 1 year after the claim arose, except for good cause shown that the claim could not have been presented within that period of time.

"Every claim settled under the authority of this act shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

"United States Information Officers

"Sec. 1013. (a) In accordance with regulations prescribed by him and after suitable examination, the Director of the United States Information Agency may appoint persons to be known as United States Information Officers. Such officers shall be appointed, promoted, and retained on the basis of merit and fitness and may be separated only in accordance with law. Except for the limitations of time contained in sections 522 and 527 of the Foreign Service Act of 1946, as amended, all provisions of law not inconsistent herewith which are applicable to Foreign Service Reserve officers shall be applicable to United States information officers, and the Director shall be guided by the policies and principles prescribed in those sections. The Director shall establish such examining and selection boards or panels as may be necessary for use in the appointment, promotion, and separation of United States Information Officers.

"(b) Any United States Information Officer may be separated by the Director for unsatisfactory performance of duties, but only after a review of his case by, and opportunity for a hearing before, an impartial advisory board appointed by the Director. The Director shall also provide for the periodic appraisal of such officers and, in accordance with regulations prescribed by him, may separate those who are consistently ranked below a minimum level prescribed for their class.

"(c) The Director may establish an independent retirement and disability system for the benefit of United States Information Officers based on the provisions of the Foreign Service Act of 1946, as heretofore or hereafter amended. Any officer separated pursuant to subsection (b) hereof shall be entitled to the payments or retirement benefits prescribed in sections 634 or 637 of that act, as appropriate.

"United States Information Service

"Sec. 1014. The agency established by section 1 of Reorganization Plan No. 8 of 1953, shall hereafter be known as the 'United States Information Service,' and all references in such reorganization plan or in any statute, regulation, agreement, or other legal instrument to the 'United States Information Agency' shall be construed to refer to the 'United States Information Service.' Nothing in this section shall be construed to alter or affect in any way the functions, authorities, or responsibilities of the agency."

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended, which would extend by 3 years the deadline for the GI home loan program for World War II veterans.

Unless legislation of this nature is enacted, the entire GI home loan program will, for all intents and purposes come to en end by the end of this year, even though the actual termination date is July 25, 1957.

No further commitments will be made, however, by the Veterans' Administration, beyond the end of this year, according to Thomas J. Sweeney, director of the VA's loan guaranty service.

I present a brief statement prepared by me, stressing the importance of at least a 3-year extension of the deadline. I ask unanimous consent that it be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3639) amending section 500 of the Servicemen's Readjustment Act of 1944, as amended, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

I am introducing this bill for a great many purposes:

1. To assure justice for the millions of veterans who have not as yet availed themselves of this fine opportunity to own a home of their own.

It is estimated that 11¼ million World War II veterans have not utilized their GI home-loan privilege. In most instances, they simply have not reached the financial state where they feel they would be in a position to purchase and maintain a home of their own.

Only 26 percent of all eligible United States veterans have used their entitlement. But this percentage varies from city to city and from State to State. In Milwaukee, for example, less than 17 percent of the veterans have used their privilege—17,000 out of more than 100,000 veterans in Wisconsin's largest city.

2. My second reason for introducing this bill is because I believe in the principle of home ownership in our country.

To my way of thinking, there are few things finer than to give a man and his family genuine roots—to give them an opportunity to call a piece of ground and a building on it their own—an opportunity to beautify it, improve it, and to contribute to the community in which they reside.

We are all aware that some folks will continue to like apartment dwelling, for a variety of reasons. But I feel that the rising percentage of Americans who own their own homes is one of the soundest single factors on the national scene.

Of course, we don't want people to go in financially over their heads. We don't want them to take on financial liabilities which they cannot meet. But we do believe that a sound home construction program is essential for the moral and spiritual values of the American people—wholly aside from the material advantages.

3. My third reason for doing so is to provide a continued stimulus to the great American construction industry.

One million two hundred thousand homes will be built this year. I am anxious that this level be maintained and, indeed, increased.

There are thoee who think that we have reached our peak of home construction. I believe to the contrary. I believe that millions of Americans who are now in old and often obsolete homes will want new homes, and that millions who do not own their own homes will want to buy homes—new or old.

Moreover, there are literally millions of homes which must be improved throughout our country.

If the construction industry falters, the entire American economy will feel the effects. If the construction industry continues to roll in high gear, it will pump economic health into every community of our land.

I have been in continuous contact with the Wisconsin Home Builders Association, with realtor groups through my State, and throughout the rest of the Nation, and I know how important a role all of the home industry plays in the life of America at its grassroots.

I should like to point out that the VA loan guarantee program has not been a burden on the taxpayer. More than a million veterans have already repaid their GI loans in full. In the 10-year life of the program, there has been almost an absolute minimum of defaults on home loans. Losses to the VA have amounted to 0.06 percent of the total amount of over $32 billion in GI loans.

At the end of 1955, less than 1 percent of all outstanding loans were in default.

From time to time, various shortcomings have been found in the loan program. No program this large could possibly be infallible. But, in each instance where shortcomings have been found, after proper analysis and investigation, steps have always been taken to remedy such shortcomings.

I hope, therefore, that this extension legislation will now be promptly enacted in the public interest.

We only have a few months remaining in this second session of the Congress. If we do nothing, the program will lapse for all intents and purposes at the end of this year.

AMENDMENT OF UNITED STATES CODE, RELATING TO FRAUD BY WIRE, RADIO, OR TELEVISION

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to permit prosecution of perpetrators of fraud who circumvent present laws by operating from outside the borders of the United States in either Canada or Mexico.

This proposed legislation has wisely been suggested in letters to the Vice President and the Speaker of the House of Representatives.

The Attorney General has specifically recommended that title 18 of the United States Code be amended by adding a new section, 1343, so as to proscribe the use of foreign communication for purposes of fraud to the present law, which merely covers the use of interstate wire, radio, or television.

In the House of Representatives on April 9, Representative KENNETH KEATING announced introduction of a bill for this purpose. Mr. KEATING acted, however, to increase the proposed penalty for this interstate or foreign crime from $1,000 to $10,000. The Attorney General had proposed the figure of $1,000, since that is now the figure in the law which is the penalty for fraud involving the use of mail.

To my way of thinking, Representative KEATING has raised a sound point in urging that these swindlers be hit by a penalty of $10,000, rather than the lower figure of $1,000.

Until such time, however, as the existing law is amended (so as to assure complete uniformity between the penalty for mail fraud and the penalty for fraud conducted through other means), I believe that the Attorney General's version should be the one which should be introduced and considered.

I am hoping, however, that the Senate and House Judiciary Committees will simultaneously take action to make the law uniform and hard-hitting by increasing penalties for all mail and wire frauds.

I ask unanimous consent that the bill, together with a release which the Attorney General sent out at the beginning of this month, emphasizing the importance of this proposed legislation, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and release will be printed in the RECORD.

The bill (S. 3645) to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television, introduced by Mr. WILEY, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 1343 of title 18, United States Code is amended to read as follows:

"Sec. 1343. Fraud by wire, radio, or television: Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined not more than $1,000 or imprisoned not more than 5 years, or both.

The release presented by Mr. Wiley is as follows:

Release From Department of Justice

Attorney General Herbert Brownell, Jr., today asked Congress for legislation to permit prosecution of fraudulent stock promoters who circumvent present law by operating from Canada and Mexico.

The request was made in identical letters to the Vice President and the House Speaker. The text of the letters and of a proposed bill follow:

"Section 18 (a) of the Communications Act Amendments, 1952 (66 Stat. 711, 722) amended title 18 of the United States Code by adding a new section 1343 as follows:

"'Whoever, having devised or intending to devise any scheme, or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of interstate wire, radio, or television communication, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined not more than $1,000 or imprisoned not more than 5 years, or both.'

"Last year a case arose in which it was alleged that the subject in the execution of a scheme to defraud used the telephone, calling from a point in Mexico to Los Angeles, Calif. Because of the limitation in the statute to frauds involving "interstate" wire, radio, or television communication it was concluded that the telephone call from Mexico, being not an interstate communication but rather a foreign communication, was not covered by the section.

"This case demonstrates the need for amending the statute so that it will reach not only interstate communications but foreign communications as well. If so amended, the statute will cover, for example, telephone calls from Canada made by fraudulent stock promoters to victims residing in the United States. Furthermore, the amendment would remove any doubt as to the applicability of the statute to a communication between a State and a Territory or between a State and the District of Columbia.

"A draft of a bill to accomplish the suggested amendment is enclosed for your consideration and appropriate action.

"The Bureau of the Budget has advised that there is no objection to the submission of this recommendation."

DESIGNATION OF MAY 30, 1956, AS A DAY TO PAY RESPECTS TO FOUR SURVIVING VETERANS OF CIVIL WAR

Mr. DOUGLAS. Mr. President, on behalf of myself and the eminent senior Senator from Alabama [Mr. Hill], I submit for appropriate reference, a concurrent resolution which calls attention to the fact that four surviving veterans of the Civil War are alive today. Three of them are members of the former Confederate Army and one of the Union Army. All of them are over 100 years of age and represent the final remnant of the millions of Americans who, almost a century ago, served in these great armies out of a deep sense of duty and conviction of the rightness of their causes.

All of them have outlived the struggles and the issues which divided this great Nation, and have lived to enjoy the blessings of unity and peace. These men are William A. Lundy, of Laurel Hill, Fla., formerly of the Army of the Confederacy; John Salling, of Slant, Va., formerly of the Army of the Confederacy; Walter W. Williams, of Franklin, Tex., formerly of the Army of the Confederacy; and Albert Woolson, of Duluth, Minn., formerly of the Union Army.

We ask that the Congress of the United States designate May 30, 1956, as the day on which one Nation, indivisible, and with liberty and justice for all, shall pay its grateful respects to these four men in recognition of the blessings of the unity and domestic tranquillity.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 74) was referred to the Committee on the Judiciary, as follows:

Whereas there are as of this day 4 surviving veterans of the Civil War, 3 from the Army of the Confederacy, and 1 from the Union Army; and

Whereas these Americans, each over 100 years of age, represent the final remnant of the millions of Americans who, almost a century ago, served in these great armies out of a deep sense of duty and conviction of the rightness of their causes; and

Whereas these men have outlived the struggles and the issues which divided this great Nation, and have lived to enjoy the blessings of unity and peace; and

Whereas William A. Lundy, of Laurel Hill, Fla., formerly of the Army of the Confederacy; John Salling, of Slant, Va., formerly of the Army of the Confederacy; Walter W. Williams, of Franklin, Tex., formerly of the Army of the Confederacy; and Albert Woolson, of Duluth, Minn., formerly of the Union Army, being the 4 surviving participants of the Civil War: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States of America does designate the day of May 30, 1956, as one during which one Nation, indivisible, and with liberty and justice for all, shall pay its grateful respects to William A. Lundy, John Salling, Walter W. Williams, and Albert Woolson, in recognition of the blessings of unity and domestic tranquillity: And be it further

Resolved, That the Secretary of the Senate is instructed to transmit a copy of this resolution to each of the said surviving veterans referred to in this resolution.

DEFINITION AND CONTROL OF HOLDING COMPANIES—AMENDMENT

Mr. DOUGLAS. Mr. President, on behalf of myself, the Senator from Oregon [Mr. Morse], the Senator from Mississippi [Mr. Stennis], the Senator from New York [Mr. Lehman], the Senator from Maine [Mr. Payne], the Senator from North Carolina [Mr. Ervin], and the Senator from Wyoming [Mr. O'Mahoney], I wish to give notice that we have made a slight technical change in the amendment submitted by us to the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests. The amendment is identified as "4–9–56–A." The purpose of the change in the amendment is to eliminate what may be a loophole in the bill. We ask that the amendment in its new form be substituted for the text of the previous amendment, and be printed.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

SALE AND DISTRIBUTION OF AUTOMOBILES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of March 28, 1956,

The names of the Senator from Wyoming [Mr. Barrett], the Senator from Maryland [Mr. Beall], the Senator from Ohio [Mr. Bender], the Senator from Kansas [Mr. Carlson], the Senator from Vermont [Mr. Flanders], the Senator from Nebraska [Mr. Hruska], the Senator from Nevada [Mr. Malone], the Senator from Montana [Mr. Mansfield], the Senator from Pennsylvania [Mr. Martin], the Senator from Utah [Mr. Watkins], the Senator from Idaho [Mr. Welker], and the Senator from North Dakota [Mr. Young] were added as additional cosponsors of the bill (S. 3543) to protect the public in the operation, and in performance under warranties on, delicate, complicated, sensitive, or inherently dangerous machinery, mechanisms, or apparatus sold in interstate commerce, introduced by Mr. Bennett (for himself and Mr. Payne) on March 28, 1956.

JOINT COMMITTEE ON SCIENTIFIC RESEARCH—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Pursuant to the order of the Senate of April 9, 1956,

The names of the Senator from Wyoming [Mr. Barrett], the Senator from Utah [Mr. Bennett], the Senator from Maryland [Mr. Butler], the Senator from Kansas [Mr. Carlson], the junior Senator from Pennsylvania [Mr. Duff], the Senator from New York [Mr. Ives], the Senator from Montana [Mr. Mansfield], the senior Senator from Pennsylvania [Mr. Martin], the Senator from Iowa [Mr. Martin], the Senator from West Virginia [Mr. Neely], the Senator from North Carolina [Mr. Scott], the Senator from New Jersey [Mr. Smith], the Senator from Alabama [Mr. Sparkman], the Senator from Mississippi [Mr. Stennis], and the junior Senator from North Dakota [Mr. Young], were added as additional cosponsors of the joint resolution (S. J. Res. 159) to establish a Joint Committee on Scientific Research, introduced by Mr. Thye (for himself and Mr. Langer) on April 9, 1956.

JOINT COMMITTEE ON UNITED STATES INTERNATIONAL INFORMATION PROGRAMS—EXTENSION OF TIME FOR JOINT RESOLUTION TO REMAIN AT DESK FOR ADDITIONAL COSPONSORS

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Minnesota [Mr. Humphrey], I ask unanimous consent that the joint resolution (S. J. Res. 161) to establish a joint congressional committee, to be known as the Joint Committee on United States International Information Programs, be held at the desk until April 24 for the purpose of cosponsorship by other Senators.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORTS ON NIAGARA RIVER, BLACK ROCK CHANNEL AND TONAWANDA HARBOR, AND BUFFALO HARBOR, N. Y. (S. DOC. NO. 113)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report, dated December 8, 1955, from the Chief of Engineers, Department of the Army, together with accompanying papers and illustrations, on a review of reports on Niagara River, N. Y.; Black Rock Channel and Tonawanda Harbor, N. Y.; and Buffalo Harbor, N. Y., requested by a resolution of the Committee on Public Works of June 5, 1951. I ask unanimous consent that the reports be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. KUCHEL:

Address delivered by him at the Rodger Young Auditorium in Los Angeles on the subject American Doctrine for American Progress.

EIGHTH ANNIVERSARY OF THE INDEPENDENCE OF THE REPUBLIC OF ISRAEL

Mr. LEHMAN. Mr. President, today is celebrated as the eighth independence day of our sister republic, Israel. On this occasion, all freedom-loving men, everywhere, and certainly all Americans, have reason to take note of and to rejoice in the fact that Israel continues, as it has in the past, to defy the buffets of adversity to which it has been subjected from the moment of its rebirth.

Never—not since those heroic days of 1948, when the collective might of the Arab world, seeking to thwart the will of the United Nations, was focused and concentrated on the extinction of the vastly outnumbered defenders of the tiny state—not since those days has Israel faced greater dangers and difficulties than it does today.

But just as Israel survived the onslaughts directed against its creation in 1948, and has survived the hazards, both economic and political, which have loomed up since then, so will Israel, I am confident, survive the dangers that are gathered today.

There is a rope of faith to which all who wish for Israel's welfare may cling in these dark days. That faith is a faith in freedom, which is stronger than tyranny; in democracy, which is stronger than totalitarianism; and in moral law, which is stronger than jungle law.

These are but words, but in these words there is a truth which has shone through all recorded history. All free men, and all who love freedom, will stand with Israel now, in her present danger.

The Soviets will not be permitted to succeed in their design of using the Arab States as cats paws to stir up conflict and war and destruction in this part of the world. And those elements of the Arab leadership who dream of Jeddah, and plan to achieve their own ambitions at the expense of the small democratic State of Israel, will not prevail. The conscience of mankind, which I believe to be stronger than the atom bomb itself, will not let this happen.

Israel will survive and prosper. She will observe her ninth independence day, and many, many more after that. Israel will survive, thrive, and prosper, and men of all nations will be glad of the fact.

Today, the urgent need is for defensive arms for Israel, so that she may be strong enough to deter aggression, and thus to prevent it. But as we scan the horizon of the future, we look for the time to come for Israel, as for our own country, when swords will be beaten into plowshares and the threat of war will be no more.

I am sure that peace will come. The Arab peoples will see the folly of their hates and prejudices. This I firmly believe. This I predict on the basis of my faith in mankind.

Mr. SMITH of New Jersey. Mr. President, today marks the eighth anniversary of the independence of Israel. On this day of celebration I am happy to join with millions of other Americans in expressing my sincere hope that the people of Israel will have many more years of freedom and independence, and that this small, new nation may have a great future in the family of nations.

Mr. CASE of New Jersey. Mr. President, it is a pleasure to extend greetings to the nation of Israel on the occasion of the eighth anniversary of its founding. We in New Jersey have always had a warm feeling toward this young nation; journalists have frequently compared the size of Israel with that of our tiny State.

But, more significantly, we have been proud—as Jews and as gentiles—of the vigor and progress of this nation. With a population only a third that of New Jersey, she has managed to establish a government in the democratic tradition. And, by the tireless work of her pioneers, she has proceeded to build a fine economy. In addition to setting a model for other nations of the Middle East, Israel has been a humanitarian refuge for those fleeing from the Nazi tyranny.

It has been interesting to me that even though surrounded by many nations whose intentions have been far from friendly, Israel has been able to improve its own standard of living, increase literacy, health facilities, sanitation and education, and even stimulate culture. The contribution of the Israeli people to art and music are well known in this country.

It is most regrettable that what should be a happy occasion—a birthday of a young nation—should find it in the midst of great tension and uncertainty. These are difficult times, for the Israeli people perhaps more than any other, but I do know that Israel is here to stay. Our country and the other great nations of the world who were present at the birth of the new nation will not stand by and see it go under. I am sure that Israel will live to celebrate many more birthdays—happier ones, I am sure.

Mr. President, with further reference to this anniversary, I ask unanimous consent that there be printed in the Record a statement prepared by the senior Senator from New York [Mr. Ives].

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Ives

April 16 marks the eighth anniversary of the independence of Israel. As one who was active in the establishment of the State of Israel, I am proud to salute her gallant people and her great achievements on this important occasion.

It is appropriate on this occasion to reemphasize the strong bonds of kinship which underlie the relationship between the United States and Israel. Their destinies are inexorably bound together, for they arise from the same ideals and principles and the abiding faith in the dignity of man, upon which nations are firmly built.

As the acknowledged leader of the free nations of the world the United States must point the way to the establishment of peaceful conditions in the Middle East through the encouragement of a settlement between Israel and her Arab neighbors.

More than any other nation, the United States was responsible for the creation of Israel. Whether by providing arms or by a mutual security pact or by any other effective means, we must now recognize and accept that responsibility. We must not let Israel down.

UNITED STATES FOREIGN POLICY

Mr. MANSFIELD. Mr. President, it is generally agreed that there is a need for a review and reappraisal of the foreign policy of the United States. On occasion I have addressed the Senate on foreign policy, as have other Members of the Senate; and I am sure that in the months to come we shall have considerably more discussion of the world situation. It is my thought that out of such debate and review will come new ideas to fill the vacuum so as to stop the dangerous drift which has settled over foreign policy.

It is with this thought in mind that I recommend to all my colleagues in the Senate a series of searching articles on United States foreign policy which appeared in the New York Times during the past week. This paper has, in undertaking this series, performed an outstanding public service.

The correspondents of the New York Times have obtained the views of foreign and American officials and other competent observers on the strong and weak points of United States foreign policy and their suggestions for its improvement. The findings of this study were presented in a series of regional reports on Europe, the Middle East, foreign aid in Asia, southwest and southeast Asia, the Far East, Latin America, and a concluding survey.

This is the finest survey of the present world situation, as it affects America, that has come to my attention. The

Times' correspondents approach the regional situations with objectivity, reporting the strong points in our foreign policy, as well as pointing out areas where we are weak, and making appropriate recommendations.

Mr. President, I ask unanimous consent that this series of articles be printed in the body of the CONGRESSIONAL RECORD so that all may have an opportunity to study this survey in its entirety.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of April 8, 1956]

Europe Finds United States Policy Too Rigid, Survey Shows—Tendency To Blame Dulles in Tactical Lag Disclosed—Stress on Economic Warfare Suggested as a Remedy

(By Harold Callender)

(First of a series)

PARIS, April 7.—Europeans are convinced that American foreign policy has lost much of the vision, resourcefulness, and flexibility that distinguished it from 1947 onward, when the United States departed from its traditions by accepting far-reaching commitments to check Soviet imperialism.

Many believe the far-sighted, imaginative bipartisan policy then developed in Washington probably saved Western Europe, the region of primary American concern. A far greater number, an overwhelming majority of informed observers, contend that this policy—a work of genius in its beginnings—has failed to move and evolve with the times.

That this view is held with something not far from unanimity by these Europeans best qualified to judge seems confirmed by a survey made in Western Europe's capitals by correspondents of the New York Times.

The survey was designed to elicit what competent observers, official and nonofficial, really believe in contradistinction to what may be said officially or publicly. It reflects rather what diplomats and others say when off duty.

The makers of United States foreign policy are widely suspected of failing fully to recognize that Stalin is dead, that the strategy or at least the tactics of Moscow have changed, that war probably is less imminent than in 1950, and that western policy (without neglecting security) requires corresponding readaptation.

If Moscow seems to maneuver faster and more adroitly than the West and to excel in propaganda by talking peace while the West emphasizes armaments, if the free world has been slow to react appropriately to Soviet proffers of economic aid as a means of penetration of uncommitted regions, the blame is placed largely upon what is called the rigidity and lack of imagination of current United States policy. Many interpret this policy as sustaining a static situation in most parts of the world, including Germany.

As one diplomat expressed it, "We have built a hedge about ourselves in the Atlantic alliance with no thought of what we should do when the hedge was completed."

This military solidarity has not been supplemented by a corresponding economic solidarity. The dominant partner in the alliance, the United States, is accused of pursuing in the economic field the nationalistic isolation that it has abandoned in the political field.

Half its economic aid to its allies must be delivered in American ships, even to nations having surplus shipping. The escape clause in American tariff legislation is a threat that if these allies manage to earn more dollars by exports to replace aid, they may find the tariff rising to prevent this form of self-help.

Washington leaders are accused of a tendency to speak and act independently of their allies, and to pay too much attention to domestic politics in shaping foreign policy while paying too little attention to European needs, views, and sensibilities.

They are accused of overindulgence in diplomacy by speeches and press conferences, which often display conflicting views within the administration that bewilder allies with whom the United States is committed to cooperate. Yet it appears to Europeans that when these public debates produce a given policy, Washington assumes the discussion is over and that it only remains for its allies to accept the United States decision even if they have not been consulted.

There is little tendency to criticize President Eisenhower. There is a virtually universal disposition to blame Secretary of State Dulles for taking too rigid positions; for speaking too often, too extemporaneously and without due regard for the ideas and interests of the other allies; for confusing his own reflections or impulses with settled Western policy.

When such criticisms of the policies and methods of the United States are made in Europe, the criterion by which they are judged is that established by the United States itself when it accepted what may be called a community of power in the form of the North Atlantic alliance.

TWO UNITED STATES ACTIONS PRAISED

What Europeans consider the merits and defects of United States policy are yardsticks giving approximate measurements of the adherence to or the deviations from the doctrine of Western unity adopted by the United States early in the cold war. This doctrine crystallized in two acts of high statesmanship that Europeans never cease to praise: the Marshall plan of economic aid and the North Atlantic alliance extending a United States guaranty of security over Western Europe.

The fairly sudden and involuntary acquisition of the predominant power by the United States was accompanied by a decline of European power. The United States sought to correct this accident of history by restoring to Europe some of its former strength and independence—not as an act of pure generosity but because the United States, as powerful as it was, needed allies.

It could not risk the loss to the Soviet Union of the vast industrial resources of Western Europe. So it agreed to pool and dilute to some extent its own power with the smaller but vital power of Western Europe to create a balance of power on a worldwide scale.

This principle was difficult to apply. The United States bears about 80 percent of the cost of Atlantic defense and its officials do not always live up to the necessary diplomatic fiction that the alliance is one of equals. The Nation most noted for its advertising skill is not used to understating its power or its virtues. The bright labels pasted on every piece of Marshall plan machinery to show its origin were understandable, but hardly conformed to the need to use American wealth and power in an unobtrusive manner, if the alliance were to work well.

A similar overindulgence in publicity was seen by Europeans in Mr. Dulles' statement that he had brought the United States, and with it the Western World, to the brink of war—a place where Europe certainly did not care to go. The earlier talk in Washington of massive retaliation seemed another way of moving to the same brink without the prior approval of the allies of the United States.

Such Washington tendencies to forget that the United States has allies are regarded as having taken extreme forms in Asia. In refusing to recognize the regime that effectively rules China, the United States has created a complete breach with its European allies, all of whom consider this a hopelessly unrealistic policy dictated mainly by domestic political pressure. This policy, too, seemed to entail moving to the brink of war when Washington appeared ready to risk a conflict over the Chinese offshore islands and Taiwan (Formosa). This was an example of the rigidity of which Europeans complain.

KENNAN ADVICE UNHEEDED

Much of this rigidity is attributed to what Europeans call a moralistic and semireligious coloring given to United States policy largely by Mr. Dulles, contrary to the advice of George F. Kennan, former head of policy planning in the State Department. A similar propensity to preach is seen in the propaganda on the American way of life, which Europeans believe is neither attainable nor necessarily desired by other nations, which have their own ways of life but can be loyal allies for all that.

This way of life is associated by Europeans with the unique form of capitalism in the United States. It seems to have disproved Socialist doctrines as regards North America and to have prevented any extensive American understanding of the important Socialist movements in Europe, which were responses to a very different brand of capitalism.

In the United States, which enjoys a semisocialized private capitalism, creeping socialism is widely abhorred as close to communism. In Europe, where socialization had to be done by the state, the resulting mixed economies reveal extensive creeping by socialism. For good or ill, this is a part of European life, and many consider socialism one of the best safeguards against communism.

This view is little understood by United States policymakers, or so Europeans believe. The socialistic British Labor Party suspects that Washington would do what it could to prevent that party again governing Britain.

The principal force working against United States policy is Soviet imperialism operating through Communist groups. Some European economists believe the test will come if the Soviet economy can offer to the Russians a few years hence standards of living above those of Western Europe.

The race, therefore, is regarded as one between Soviet and European productivity. This view lends weight to the contention that United States policy should concentrate in the economic field.

The disunity of Western Europe, handicapping its productivity, is, therefore, considered by many to be another obstacle to United States policy, which has sought to strengthen Europe by uniting it.

In resisting this union in the form of a single tariffless market, British governments have been motivated by concern for their links with the Commonwealth. They have also been influenced by the conviction that what Britons call the Anglo-American alliance entitles Britain to a rating above the continental nations of the wider Atlantic alliance.

BRITISH PRIDE HURT

Britain's pride was wounded when the United States lumped her with lesser nations as a recipient of Marshall aid. The British tend to believe they could use more skillfully the vast power that has fallen to the United States. They claim a special position in relations with the United States.

The French think this special position already exists to their disadvantage. They suspect that Washington and London get together behind their backs. The French complain of American anticolonialism, which they say injects a disruptive ideological element into the Atlantic alliance. But the Greeks, who are in the same alliance, wish that United States anticolonialism would

result in pressure on Britain for self-government in Cyprus.

The French sense of frustration in both North Africa and Europe, expressed mainly in indictments of United States policy, led to the recent statements by Premier Guy Mollet urging a more positive United States attitude toward the Soviet Union. By this he meant chiefly a more favorable response to his idea of trying to escape from the Geneva deadlock by giving priority to negoations for reduction of armaments.

BONN OUTWARDLY CONTENT

This was criticized as coming close to the policy of the Soviet Union, which sought to put security agreements ahead of German unity. The West Germans want nothing put ahead of German unity.

West Germany officially appears a more contented ally. The Germans consider their Federal Republic was created by the United States—which, however, errs in apparently considering it more than just a provisional state pending an all-German state. Yet Germans believe the United States is the only power that may 1 day persuade Moscow to accept this all-German state. Privately, many Germans agree with the widespread European view that United States policy is too static, especially as regards Germany.

In Spain, too, many look to the United States to help them toward a new kind of state, one that would succeed the Franco regime. They complain that Washington pays too exclusive attention to the powers that be and not enough to the masses of the people, who may prefer and eventually obtain a different regime.

This seems to be a plea for United States interference in the internal affairs of a European State. Elsewhere in Europe the belief prevails that there has been too much of such interference. Thus there are numerous crosscurrents and still much nationalism in Europe, so that the United States could scarcely please everybody, whatever its policy.

RECOMMENDED REMEDIES

From the remarkably similar criticisms of the United States foreign policy noted by correspondents of the New York Times in the capitals of Western Europe there emerge suggestions for improvement. Each of the criticisms cited above is at the same time a recommended remedy. In addition, many critics replied to the question: How could United States policy be improved? There was no great diversity of replies except in emphasis.

While the general lines of policy laid down in the late 1940's are sound, there have been faults, delays, and confusion in their application. Strategy is good but tactics defective. There was wide agreement, often expressed in the same terms, that the United States, without abandoning the instruments of security, should now direct its attention more to a kind of economic warfare in which the Soviet Union is considered to have taken the initiative.

Just as the United States shifted its emphasis from Marshall plan aid to defense aid after 1950, it should now shift back again to economic aid, this time not mainly in Europe but in the so-called uncommitted areas where Soviet influence penetrates.

To do this effectively some suggest that perhaps Washington needs an independent agency for foreign aid, as was recommended by Paul G. Hoffman, former Economic Cooperation Administrator, so that this function will not get tangled up between the State Department and the Treasury. At any rate, policy should be clearer and more vigorous, in the view of European critics.

The almost universal emphasis placed on economic policy was equally by that on the need for greater flexibility in foreign policy generally. For this some suggested a return to secret diplomacy would be necessary, since publicly taken positions tend to become nonnegotiable.

Greater assurance of continuity of policy—of policies not subject to change with the election returns—was urged, especially in Britain, where this continuity has been largely achieved. The suggestion was that the world ought to be sure that there would be as much American thinking about foreign policy in 1957 as in 1947, when major decisions were boldly taken. The impression is that lately the United States has become the prisoner of cold war slogans, and that the professional diplomats should have more independence in shaping policy.

It was suggested that the United States would do well not to expect gratitude from allies and other aided countries. Although aid is seen as including a substantial admixture of generosity, it is regarded as being granted primarily in the interests of the United States, as Congress specified. Advanced European nations dislike aid. They would prefer to get dollars through trade if the United States would lower some of its bars. To remind them that they are aided injures their dignity, especially since they believe the need for aid is partly a result of United States protectionist policies.

The late President Roosevelt said the purpose of lend lease was to remove the dollar sign from the relations of the United States and Britain, and later with other countries. For that sign is the mark of the predominant United States power, which many Europeans and Americans believe will be the more effective if used without being flaunted before those who, having lost power, may naturally be slightly envious.

In the Atlantic alliance, that power has been somewhat diluted and disguised. In the North Atlantic Council, Foreign Ministers of small nations speak as freely as those of great powers, and wisdom is not necessarily in exact proportion to power or wealth.

In this council, originally for defense but now for political discussion also, the United States has occasionally taken its allies into its confidence regarding its foreign policy. The council has discussed policies not only in Europe but in the Middle and Far East. It is thus a community of power and of intelligence. Some Europeans believe the most important cure for the United States foreign policy errors cited in this article would be more frequent and more thorough consultation in this council on policy in all parts of the world.

[From the New York Times of April 9, 1956]

Precise United States Policy Asked in Mideast—Survey of Area Finds Middle Course Too Often Taken for Indecisiveness

(By Sam Pope Brewer)

(Second of a series)

BEIRUT, LEBANON, April 8.—Any American who travels in these times has to get used to being taken to task over United States foreign policy.

The bases of criticism vary with different areas and even inside an area critics do not agree on what the faults are or how they should be remedied. Still there are certain criticisms and suggestions that recur more often than others.

The traveling Americans, for their part, tend to feel that much of the trouble arises from the lack of any firm and definite policy rather than from the existence of a mistaken one.

In the Arab world and the rest of the Middle East, from Gibraltar to India and from the Black Sea down to the Sudan, the United States has unquestionably lost heavily in prestige and friendship in the last few years. In the Arab countries, at least, that trend is continuing.

The reasons given by critics vary but the best simple generalization might be summed up as "too much and too little." The United States has aided nationalist aspirations and fought colonialism enough to annoy and harm its British and French allies and not enough to win the solid friendship of local nationalists.

TECHNICAL AID WELCOMED

The Americans have given generously and yet have hesitated enough, made enough conditions, and refused enough requests to irritate those who are receiving the gifts and loans.

The phase of United States policy that has won the most favorable comments and made the most friends has been the technical and educational aid that is being so widely given.

Against that, the most criticized factor in United States policy is unquestionably its support of Israel. The Arab world looks on the United States as the principal force in the creation and protection of Israel as a state. When one sees how bitterly the Arabs feel about that, the most surprising point is that there is still so much friendliness for the United States.

Balanced Arab opinion does not hold now that it is possible to do away with Israel. But it does reproach the United States for what the Arabs believe to be a consistently strong bias in favor of Israel as against her Moslem neighbors.

The Israelis on their side feel the United States could assure their survival in peace by arming them heavily.

If the United States gave in on that point, there would be extreme alarm on the Arab side and an immediate rush to the Soviet bloc for arms that have been offered and that have been bought on a small scale.

The Israelis approve economic-aid policies and the plan advanced by Eric Johnston, President Eisenhower's representative, for rational development of Jordan Valley waterpower and irrigation resources.

They think the United States should arm them and keep arms from the Arab countries. They believe the United States puts too much faith in the ability of the United Nations to prevent a major war in the Middle East.

As an improvement on present policies, they urge heavy defensive armament for Israel and the use of all possible pressures to impose a settlement of Israel's frontiers that would involve recognition of Israel's existence as a state.

The Arabs oppose such a settlement, because they feel their whole position rests on the fact they have never consented to the establishment of a foreign state in an area inhabited by Arabs. Recognition of Israel, they believe, would weaken their claim to the area involved.

Special reports from correspondents of the New York Times in North Africa indicate that there, too, the United States has failed in an effort to be moderate, though not entirely neutral.

Nationalists think the Americans have made too little effort to back up their ideals of independence and self-determination for all.

The French think their American allies have betrayed them by encouraging nationalist aspirations. That is why feeling rose so high that a mob of infuriated Frenchmen wrecked the United States Consulate and Information Service library in Tunis early in March.

The nationalists in Morocco and Tunisia are less critical of the United States than are the French. But one qualified American observer remarked that "even the nationalists are a little cynical about us because they feel they cannot count on us against the French."

In Egypt, the Israeli question is the pivot of the attitude toward the United States. The Egyptians are elated with the success of their revolution. They believe Premier Gamal Abdel Nasser outmaneuvered the

United States when he obtained arms from Czechoslovakia.

Now they would be satisfied with no lesser change in United States policy than complete abandonment of Israel and full support of Premier Nasser's new Egypt in her aspirations to dominate the Arab world.

ALTERNATIVE IS LACKING

In common with other Arabs, they talk vaguely about the United States refusal to "face realities," but they produce no workable alternative to present American policy.

The Baghdad Pact provides an example of the vacillation that has brought criticism of the United States from all sides.

United States refusal to join has irritated and alarmed the member countries, organized for defense against Soviet aggression. The members, Britain, Iraq, Iran, Pakistan, and Turkey, feel that the success or failure of the alliance depends on the active membership or absence of the United States, which first suggested it.

Foes of the pact include the Soviet bloc and "neutralist" countries, with Egypt leading the chorus of criticism. They resent United States moral support of this pact, even though it has not gone beyond lip service.

One senior United States diplomat commented bitterly recently that it was impossible to know where the United States stood as long as it refused to join the pact, although the State Department periodically proclaimed its support of the alliance.

A result is that the United States incurs the ill will of both opposed camps.

The Turks, too, have criticisms of United States policy, but they do not hinge on the Israeli question.

Turkey's objections are connected chiefly with financial questions. They accuse the United States of trying to shape everybody into the American mold. That criticism is heard elsewhere and Americans living abroad generally concede there is some justice in it.

The Turks are in financial difficulties and feel that the United States has been too reluctant to bail them out and unduly critical of some of the conduct that has landed them in that position.

In all these countries, another criticism frequently heard is that the United States focuses all its attention on the fight against communism and opposes even commercial relations with the Soviet Union and its satellites.

They believe the United States exaggerates the Red menace and they suspect mercenary motives behind the objections to their trade with the Soviet bloc.

The forces with which United States policy has to deal in the Arab world, Turkey, Iran, and the rest of the Middle East are multiple. Communism is not the most conspicuous.

Nationalism is the most notable force and in these countries has become virtually synonymous with anti-Western sentiment. For hundreds of years most of this area was ruled by the Turks. When World War I ended Turkish rule (even before that in some areas) the Turks were replaced by British, French, or Italian overlords.

Now that they are sovereign countries, the Arab States intend to exercise their rights. The United States as an ally of Britain and France is suspect in the present period of struggle.

One Arab jurist said recently to this correspondent:

"After generations of being taught that the Western Powers were their oppressors, the common people of our countries cannot be convinced that those same powers have suddenly become their friends and protectors."

PERIL IN COOPERATION

The Communists manipulate those nationalist forces. Sometimes the Reds pose as having nationalist aims themselves. Sometimes they convince the nationalists that "after all we have the same enemies—the Western imperialists—and party names do not matter."

Communism as an open political force is not dangerous in most of these countries. The danger lies in the fact that the nationalists think they can cooperate with the Communists as long as it suits them and then drop them. The nationalists overlook the damage done meanwhile.

In Syria, for example, there appears to be strong Communist influence though the party as such does not amount to much. There is one Communist member of Parliament, Khaled Bagdash, but the greatest danger again lies not in him but in some of the young officers and officials who believe Communist agitation and Communist aid from abroad are useful weapons against the Western Powers and who do not realize the danger of falling into the Communists' grip.

In the Arab countries, simple hostility to Israel and fear of her supposed ambitions for expansion may also be classed as a specific force working against the United States. Until after World War II Americans were known in these countries only as benefactors. They had neither colonies nor mandates. They did provide schools and colleges, encourage the Arab political revival and send aid when there were disasters.

That vast fund of goodwill is not exhausted but it is depleted by the struggle over Israel and because of United States inability to abandon its French and British allies to please the Arab nationalists.

In north Africa, the effort to steer a middle course brings the United States up against another force—the reaction of French colonials to the alleged American encouragement of the Arab forces that are fighting a guerrilla war with the French.

The nationalists remember that the United States, especially in the Franklin D. Roosevest administrations, encouraged aspirations to independence. They are not getting the support they would like from Washington but they do not look on Americans as enemies.

FRENCH COLONIALS BITTER

Embattled French colonial officials and settlers also remember United States encouragement of such movements and they are bitter about it.

Their view was expressed by Pierre Vignau, a French landowner and member of the Algerian Assembly, who said to a correspondent of the Times:

"The question now is whether the United States intends to change its policy regarding north Africa and the Middle East. If the United States means to continue and reinforce the defense of the West, it must not only be on the side of France in her efforts to restore security in Algeria but must also undertake a concerted action designed to help bring Tunisia and Morocco back into the European-Africa bloc. Such a bloc is indispensable to western defense and desirable also in the interests of native populations for independence has put Morocco and Tunisia on the road to anarchy."

Each group offers simple and impractical solutions to its complaints about United States policy. The Arabs want Israel dropped. The Israelis want unqualified support against the Arab States. The nationalists want aid in the fight for independence. The French want help in suppressing rebellious natives.

All want money in loans and grants and all object to the policy that requires a check on what is done with the money after they get it.

The United States obviously would not gain by plunging recklessly onto one side or the other in each controversy, or by ladling out money without knowing what was being done with it.

There do stand out in the opinions from various countries certain calls for policy changes that seem to occur to many persons of different groups.

DEFINITE POLICY URGED

The basic one is a plea to decide on some definite policy, whatever it may be. In most cases, this means a demand for a policy backing up the speaker's particular group.

In the instances mentioned above, it is clear the United States cannot well drop its moderate position and back one side fully. But the so-called middle-of-the-road position too often looks like indecision.

The call is for a clear-cut policy. It would still not please the partisan groups but they would have fewer false hopes.

On less general lines, there are clear indications that money put into education facilities, libraries, and technical aid is well spent. There are different views about the efficiency of existing operations in that field but there is no doubt about the demand among Middle Eastern peoples for the facilities provided.

That effectiveness is presumably why the United States Information Service library in any city is normally the first target of hoodlums whenever political disturbances start. The Communists invariably seize the chance to steer violence into channels that suit their purpose, and the American library is almost invariably their first objective.

The library in Amman, Jordan, for instance, has been wrecked twice. However, a high Jordanian Government official, when asked what he thought was the most useful work the United States carried on in this area replied: "Education and books." He then drew a handful of United States magazines and pamphlets from his desk drawer.

Several observers think policies on loans and grants might be reviewed.

The Soviet Union has been making much headway directly and through satellites in providing underdeveloped countries with things they want, whether arey are arms, industrial equipment, or other material. They give no gifts but make business deals on terms that amount to the same thing without calling for acknowledgment of that fact. Payment may be in surplus products the aid recipients could not sell elsewhere or in weak currencies and spread over a long period.

The Soviet does not moralize about whether a country should have the arms it seeks or whether it needs the type of factory it wants.

A result is that each deal creates much goodwill at relatively low cost. Carefully supervised American loans and gifts, however lavish they may be, tend to leave the recipients with the feeling of the tramp who is required to sing a hymn to get a free cup of coffee.

[From the New York Times of April 9, 1956]

AFRICAN ISSUES LOOMING

(By Leonard Ingalls)

JOHANNESBURG, SOUTH AFRICA, April 8.—In Africa south of the Sahara, the foreign policy of the United States is not particularly strong or well defined beyond the fundamental attitude of good neighborliness. The chief aim is to keep Africa alined with the West.

Very soon, however, the United States probably will be forced to take a more vigorous stand in a number of developing situations. These include both white and African nationalism, the emergence into independence of such places as the Gold Coast, the spread of communism, and the new interest the Soviet Union is taking in the difficulties African Negroes are having in rising above a position of extreme underprivilege and the continuation of colonial rule.

Of all the problems troubling this part of the continent, nationalism is perhaps the most serious. It is the basis of sub-Sahara Africa's greatest conflict. On one hand are

whites striving to maintain their identity and position as rulers. On the other are Negroes clamoring for political, economic, and social recognition, and in some places, such as Uganda, for outright control of their homelands.

The force of Negro nationalism throughout the continent is not yet great because the majority of Africans are primitive and illiterate. In South Africa the picture is further complicated by the intense rivalry for national predominance between the white descendants of English and Dutch settlers. Meanwhile, in the Central African Federation, and Kenya and Tanganyika, efforts are being made to establish multiracial nationalism through governments in which all races are represented.

Thus far in this complex and sometimes baffling situation United States policy has been one of almost complete noninterference and at most gentle suggestion. State Department representatives here, in the absence of a precise African policy from Washington, act as observers and do what they can to stimulate trade and further the prestige of the United States. Their activities, however, and the whole impact of United States operations in sub-Sahara Africa are severely restricted by a shortage of funds.

American financial aid in sub-Sahara Africa, an area desperately in need of money for such things as education and communications, has been small compared with direct Government grants elsewhere. The tightly limited opportunities for Africans to study and travel in the United States at Government expense have caused some resentment among Negroes.

Present United States African policy seems to have offended no one in official positions. However, African leaders frequently ask why the United States does not help them more in the United Nations in their struggle for human rights.

Africa's dilemma arising from conflicting racial aspirations also creates a dilemma for the United States. Should it, for example, ignore the plight of the Negro in South Africa and antagonize Africans all over the continent, or should it denounce apartheid (racial segregation) and risk losing South Africa as a strategic and commercial partner?

The most effective policy for the United States in Africa, observers here believe, appears to be one that would provide tangible support and encouragement to sincere efforts at multiracial governments and societies, with emphasis on equality of opportunity. Assistance to independent Negro states to enable them to achieve stable governments and sound economies, it is believed, also would be in harmony with such a policy.

[From the New York Times of April 10, 1956]

ASIA SURVEY FINDS NEED OF MORE AID—SOME SEE CUT IN UNITED STATES LIVING STANDARD TO PROVIDE HELP

(By A. M. Rosenthal)

(Third of a series)

COLOMBO, CEYLON, April 9.—The great challenge, and the great opportunity, facing United States foreign policy is communism's eager pursuit of nationalist movements all over the world.

The challenge springs from the fact that the Russians have grasped the enormous emotional and political drive behind what Asians like to call the age of nationalism.

Not long ago, at one of those earnest diplomatic garden parties that make up a good deal of New Delhi's official social life, an Indian Foreign Office man was talking about a favorite topic—where the United States goes wrong.

"You don't seem to be able to realize that countries see the world in different ways, that problems unimportant to you are primary to us," he said.

"That's why you are finding yourself losing out to the Russians on this colonialism business," he continued. "They have the wit to see that nationalism is the force of this decade. Intellectually you see it, too, certainly. But you expect the impossible. You expect Algerians, for instance, to take a world view, not the Algerian view."

The United States is no longer counted a sure friend of nationalist movements.

This is a bitter thought for the United States, remembering that freedom was given to the Philippines, and help to India and Indonesia. It is made more bitter by the fear that the Western age of colonialism is being replaced by Soviet political and military conquests.

But there is no point in giving argument for argument. It is enough that Asians have lost trust.

The national elections in Ceylon, which resulted in a crushing defeat of the openly pro-Western Government, were fought on domestic rather than international issues. But certainly they showed that being identified with the West has nc great political asset to an Asian politician. And they showed, too, that the West's policies had not struck a real spark in the minds of the Ceylonese.

This is a problem made infinitely more acute by the fact that the Russians, with no political commitments to the colonial powers, can and do eagerly push themselves forward as friends of nationalism everywhere.

The opportunity springs from the challenge. It is the opinion of many Asians and some important United States officials in this area that the United States, in its concern for physical and military security, is letting the political battle go by default. They believes too that Americans do not realize that good will toward the United States is ebbing. But they believe that the plain threat that the Communists will be able to identify themselves with nationalism may prod the United States into restating its own traditional friendship for independence movements.

Among some Americans here there is a belief that the best step the United States could take now would be a straight and unequivocal statement of its intention to see that every land capable of self-government attains it.

For the sake of political effect, it might help the United States to bring up the issue itself at the United Nations. It certainly would help if a declaration were made formally by the President of the United States.

This reporter has not heard that last suggestion put in as many words by Indian or United States officials. But there have been many comments that the time has come for clarification of United States policy. Putting that hope together with the fact that President Eisenhower's personal prestige is high here, it is obvious that a Presidential declaration would have more force than any other kind.

ALL CANNOT BE PLEASED

It is the opinion of most westerners in India that for the time being at least the United States cannot evolve a foreign policy that will make New Delhi or all other Asian capitals entirely happy. The reason is in the basic difference in attitude toward the Communist philosophy and toward the danger of that philosophy.

India and other Asian countries are ready to believe the danger of military aggression has passed. As far as the United States is concerned, military containment and preparedness will have to remain the skeletal structure of United States foreign policy. That means something the Indians will never like—military pacts in which their neighbors are armed.

It has to be recognized—and this comes from a number of Asians—that the United States cannot satisfy all Asians' wishes.

But, especially in connection with nationalism, Asians say that Americans must also recognize that they need not keep all their allies happy all the time.

The United States would have to pay a price for meeting the Soviet challenge on nationalism head on—the anger of some United States allies.

But the history of the last 10 years has proved that sooner or later the United States has had to take public stands that its Western allies did not like, and that too often—Cyprus, for instance—those stands were taken too late for maximum political effect. Put another way, opinion in this part of the world is that the time has come for the United States to lead the parade instead of running after the Soviet Union.

The nationalist question cannot, of course, be considered without taking the free world's military security into account. But if the last decade has shown anything—consider Suez, Cyprus, Indochina, and North Africa—it is that military security depends on political security and that democratic countries cannot hold down military bases surrounded by hostile populations.

This is not a suggestion for abandoning military security but for reconsidering the essentials for military security. To give just one example, there are United States military men in Saigon who believed that the presence of the French expeditionary corps in South Vietnam was such a political liability that it amounted to a threat to military security.

And it is being asked whether the British naval base on Cyprus is more secure now than it would have been if the British had given up sovereignty and signed a long-term lease-treaty with the willing Greeks.

ECONOMICS AN ESSENTIAL

Some American officials in Asia might disagree with the emphasis on pushing to the front on the colonialism issue. But few would disagree that economics becomes every day a more essential part of our foreign policy. One obvious reason, of course, is that the Russians have entered the picture—in Egypt, India, Syria, Indonesia, Afghanistan, Burma, the Sudan, and Yemen.

But just as important is the fact that the newly independent countries are aware more sharply than ever before of the gap between them and the developed countries. That gap is growing because Western industrialization is outpacing the painful development efforts of Asia and the Middle East.

Sooner or later in a discussion of foreign policy, the talk boils down to this: The United States will have to spend still more money and share still more of its wealth with Asia.

What is more, there is a belief among Americans in Asia that the time may be coming when the United States will have to cut down its continually rising standard of living to meet Soviet competition and to help underdeveloped countries get ahead. Indian businessmen say the United States is pricing itself out of the market.

An example among many: The Tata Iron & Steel Co., part of the biggest industrial-commercial enterprise in India, was negotiating with the United States Export-Import Bank for a loan to double its steel producing plant. The negotiations fell through because under a loan, say the Tata spokesmen, the concern would have been obliged to buy all its equipment in the United States and prices were too high, when measured against the high interest rate demanded by the bank.

One of the problems the United States must face in Asia is a drift toward nationalization of economies. Nearly everyone believes it would be unwise and impossible to try to pressure India, for instance, away from socialism.

But among Americans there is the opinion that, without interfering with Asian lands bent on some form of socialism, there is a great deal Washington can do to promote the spirit and philosophy of enlightened private enterprise.

AID TO PRIVATE INDUSTRY

One American businessman said in New Delhi recently that since the United States was willing to give hundreds of millions of dollars to governments, it should be willing to give private Asian industry a hand by making low-interest-rate loans. He mentioned the Tata episode as a case in point.

The Tata organization is now negotiating with the International Bank for Reconstruction and Development for a loan. That means the Indian Government would have to stand behind the loan and would have a stronger voice in Tata affairs.

The point this businessman and others made was that where opportunities presented themselves to help reliable private enterprises in Asia, the United States should take them.

High United States prices and interest rates take on political importance because the Soviet Union will make sacrifices to supply goods at prices underdeveloped countries can afford.

There is a feeling among westerners that sometime soon the people of the United States may have to learn the painful lesson that continuously rising wages and profits may wreck their country's ability to compete with the Soviet Union in the economic struggle for Asia. Already India is buying most of her cement from Communist countries. Multiply this by a hundred products and the political consequences need no underlining.

The job of strengthening the economic foundations of underdeveloped countries was started by the United States a decade ago. Still the insistence of western and Asian officials is that more and more money must be appropriated because on this now hangs the future of Asia. Not only more money is needed but more imagination and more planning.

CONFERENCE SUGGESTED

So far, planning and spending have been on a national basis and sometimes without clear goals in mind. There are United States officials here who believe that one of the things the United States could do would be to call a technical-level conference to work intensively to map out Asia's needs, resources, foreign-aid requirements, and attainable objectives. There is a good chance the United States would find itself ahead of the Asian countries in the desire for regional planning, but there is nothing wrong with leading the field.

India needs more money, large quantities of it. If the United States was willing to lend India the money—$1 billion, at the least—it could assure that her own democratic way to a mixture of socialism plus private enterprise had stood the test when compared with Communist China's totalitarian economy.

It is in the interest of the United States to help noncommitted countries, but there is no reason why it should be ashamed of making a special economic effort for its allies—Pakistan, for instance. The recent meeting of the Southeast Asia Treaty Organization at Karachi expressed some fond hopes about emphasizing the economic aspects of the alliance. But beyond appointing one economist the conference did nothing about it. Here, too, is a field for United States imaginativeness.

The problem of Afghanistan is one of the most difficult the United States faces. For one thing, the Soviet loan of $100 million faces Washington with a decision as to whether to be drawn into the endless, sapping process of trying to outbid the Soviet on loans. That is just what leaders of this area think Washington did in the case of the Aswan high dam in Egypt, and the action did not enhance the reputation of the United States.

But the bigger problem the United States faces in Afghanistan is the same one it must deal with in many countries in Latin America, the Middle East, and Asia. That is whether United States funds are to be used to bolster dictatorial governments just because they happen to be in power.

There is no easy answer to this. The Russians certainly have no compunctions about supporting any government in power so long as it suits their purpose. But whether that approach and that philosophy in the long run suit the objectives of freedom is questioned by many Asian friends of the United States.

Assuredly the United States cannot change the governments of the world to suit itself. But it would be in keeping with United States traditions to make it clear through Presidential statements that Washington is not ready to build up dictatorships of the right in its fight against dictatorships of the left.

The world struggle is as much as anything a struggle for minds and attitudes. And there is something the United States could do that would not cost astronomical sums, would pay off handsomely and would be welcomed by most Americans who have spent any time in the area. That would be to step up scholarships for foreign students to study and live in the United States and for Americans to study abroad. This correspondent has met many Asians who have lived in the United States and virtually every one has returned with more understanding and sympathy toward United States goals.

Many Asians feel that knowledge of their lands is almost nonexistent in the United States. An increasing number of Americans living in Asia could do much to remedy that.

It might help prevent incidents like the one involving the Member of the United States Congress interviewed at the Karachi Airport, who was asked what Americans thought about Pakistan.

"Think about it?" he asked. "My boy, they never even heard of it."

[From the New York Times of April 11, 1956]

United States Needs To Emphasize Peace, Survey in Southeast Asia Shows

(By Robert Alden)

(Fourth of a series)

Singapore, April 10.—The tides of change are running strong in southeast Asia. The newly sovereign states just emerged from cast-off colonial shells are in danger of being swept away in the shifting groundswells.

The most important currents that tug at the nations of southeast Asia and shape their thinking are nationalism, hatred of war and a feeling of pride that Asia and the Asian people are now taking a deserved place of importance in the world.

In the last several months, this correspondent has talked with 50 or more persons here in southeast Asia with regard to the effectiveness of United States foreign policy in southeast Asia.

Some of these persons were American State Department personnel, others foreign government leaders. Some were newspapermen, local and foreign.

There was a virtual unanimity of opinion that these main forces at work in Asia must be fully appreciated if the United States is to shape an effective foreign policy for the area.

After years of living under the rule of strangers and seeing their wealth exploited by those strangers, the people here are choosing their own leaders and trying to run their own countries.

There are poverty, illiteracy, and disease in these countries. They need help to overcome these burdens. But they do not want that help if it is going to rob them of their hard-won independence.

The hatred of war is a dominant force in shaping the thinking of these countries. All have experienced war. Burma, Indonesia, Malaya, Laos, and South Vietnam are even now plagued by internal strife.

For these people, war means burned-out villages, sudden death, and the fear of sudden death. They want an end to it.

Linked with their nationalism and hatred of war is a feeling of pride in Asia itself. The dark-skinned and yellow-skinned peoples are coming into their own.

These peoples find unity in a feeling that their culture is older than the white man's, in a common past experience and common present problems. Thus any achievement in any country of Asia develops now a shared pride of achievement.

What can the United States do to harness these main forces now at work in southeast Asia so that these countries will not become the dupes of communism?

PRINCIPAL SUGGESTIONS

The general opinion was that, in spite of its global commitments, the United States, recognizing that colonialism is dead, must denounce it in clear terms.

As Secretary of State Dulles did during his visit to Indonesia, the fact should be emphasized that the United States once suffered under colonial rule itself; that it threw off that rule by force of arms and that, because it has shared their experiences, it understands the problems of the newly sovereign states.

The opinion was that the United States should support the principle that the people should have the right to choose who should govern them.

Such a stand, it was felt, is in the democratic tradition of the United States, and the Asian people should be helped to understand that this is the traditional United States position.

It is felt in diplomatic circles here that Mr. Dulles cannot uphold the principles of the United States Declaration of Independence in Indonesia while the United States Ambassador to France, C. Douglas Dillon, speaks of United States support for the French in north Africa.

The day after Mr. Dillon spoke in Paris his remarks were printed in the Communist Indonesian press parallel to those of Mr. Dulles. The Communist press considered the remarks as proof that Secretary Dulles was lying and that here was fresh evidence that the United States traditionally supported—and supported with arms—the colonial powers.

EMPHASIS ON PEACE URGED

The comment of a missionary's son who has spent all of his life in Asia represents a fair cross-section of opinion. He said:

"Putting aside the traditional American position with regard to independence and to colonialism, do we really think that in the long run the French, with all the arms at their disposal, will be able to wipe out nationalist feeling in north Africa any more than they were able to do it in Indochina or the Dutch were able to do it in Indonesia?"

He went on to say:

"If there is one lesson we should have learned in Asia, if we hadn't already learned it during the American Revolution, it's that you don't stop popular movements by killing people. You only provide martyrs and that means that there will be even more devoted followers of the cause of the revolution.

"The United States should not lose out to communism by backing unworthy causes that are already lost."

As a second point, emphasis should be put on the United States love of peace, its desire to disarm, and President Eisenhower's "open-sky" plan for mutual aerial inspection of atomic arsenals. The feeling was that an end should be made to the continual United States talk about its armed might, its military alliances and its atomic striking power.

While diplomats in this area probably more keenly than most realize the need for such military strength, they also feel that it does great harm to publicize United States strength. It lends credence to the Communist propaganda line that the United States is bent on destroying peace in the area.

American aid is badly needed here, but it was felt the United States must not give the impression that it is trying to buy the goodwill of the Asians.

NEED FOR VIEW OF GOOD WILL

It was agreed that men of good will and ability are worth more than hundreds of millions blindly poured into the area in the hope that somehow the countries of Asia will resist communism.

There was complete agreement among those interviewed that the United States overseas-aid program must be streamlined and improved. Redtape must be cut away so that neded supplies, equipment, and men can be put at the disposal of countries quickly and efficiently.

In this connection, one idea that had been put forward met with wide approval. It was suggested that to accomplish the program the United States must call on the technical and manpower resources of American industry on a patriotic basis.

In most instances, the United States is not putting its best foot forward in recipient countries.

The proposal, therefore, is that personnel should be borrowed from large industry, with industry agreeing to lend some of its good employees to the Government for a year or two at a time to help the Asian countries and thus, in turn, help win the "cold war" for the United States.

In that way, the southeast Asian countries would have the advantage of utilizing the full abilities of good American technicians. The recommendations of the people in the field should then be trusted so that much of the Washington redtape, which now often holds up projects for a year or more, could be eliminated.

There was virtual unanimity of opinion also that the United States should stress more its own cultural and intellectual achievements. In this way, a greater appeal would be made to the students of southeast Asia, who are the potential leaders of the area.

More of these students should be sent to the United States to study, not for a few months or a year but for a full 4-year college course. It has been found that the United States is well able to "sell" itself to such visitors.

LESS TALK OF REDS ASKED

Another point that was made frequently, particularly by Asians, was that the United States should cut down sharply on the talk about communism. The United States has already made it clear that communism is a dangerous and evil system.

The feeling is that harping on communism gives Asians an impression that the United States is a narrowminded and undemocratic nation.

Sympathetic Asian officials maintain that, instead of concentrating its fire on communism, the United States should now give more emphasis to its own positive accomplishments, its rising standard of living for working people and the high health and education standards for its children.

In connection with this matter of continual emphasis on communism, one Asia newspaper editor said:

"It seems to us that the United States will not take any stand in world affairs—including the matter of colonialism—without first relating the subject to communism and mentioning the matter of communism. We get fed up with America's one-track mind."

Despite these suggestions as to redirection of United States foreign policy, there is agreement that the present policy has achieved some results in Asia.

Much of the United States effort has stressed the essential evil of communism and the trap that communism sets for unwary people. The United States has had some success in propagating this idea and many Asians have learned to recognize and detest communism.

But communism is not yet a bad word in Asia. A villager in Indonesia, just as a villager in Thailand, might very well go out and vote for a Communist in an election if the Communist promised him things that he desired.

However, probably the most important achievement of United States foreign policy has been the propping up of newly sovereign states. These states were thus able to withstand the internal pressure of communism and the external threat of aggression.

DANGER SEEN IN ALLIANCE

If it were not for United States aid, South Vietnam would almost certainly have collapsed, as might Laos and Cambodia. Aid to Indonesia in the early days of independence helped that republic to survive.

The United States has also succeeded in shaping a military alliance whose purpose is physical containment of communism and thus serves as a deterrent to war.

However, Asians in neutral countries are not kindly disposed toward the Southeast Asia Treaty Organization. They are afraid it might cause rather than prevent a war.

Among those countries sensitive to foreign interference, the fact that there are only 3 Asian members as compared to 5 non-Asian participants is a glaring weakness of the pact. That imbalance leads credence to the Communist position that the alliance represents an outside threat to the peace of Asia.

The members are the United States, Britain, France, Australia, New Zealand, Thailand, Pakistan and the Philippines. The agreement covers their territories and in addition those of Cambodia, Laos and South Vietnam.

Many persons interviewed compared what the United States had accomplished by its foreign policy with what the Communists had accomplished.

It is apparent that the Communists have concentrated on trying to channel the main currents in Asia to their advantage. Thus they talk continually of their desire for peace. Conversely they try to link the United States with the word "war." In this repect, United States saberrattling has helped them.

Colonialism is continually denounced by the Communists and every effort is made to link the United States with colonialism. Mr. Dulles' statement on Goa gave the Communists good material with which to work. From it New Delhi inferred that the United States upheld Portuguese colonialism in India.

PAN-ASIANISM EMPHASIZED

Both the Russians and the Chinese have been laboring hard on the Pan-Asia idea. Nikita S. Khrushchev, the Soviet Communist Party's First Secretary, told the Burmese flatly: "We Russians are Asians."

Chou En-lai, Red China's Premier and Foreign Minister, took a leading role in last year's Asian-African Conference.

During his tour through south and southeast Asia, however, Mr. Dulles appeared to gain a better grasp of the situation and now seems ready to modify United States policy, at least in some measure. Some elements of the problems, however, appear to resist easy solution.

Among these is the fact that the neutral countries of southeast Asia are wary of the United States close relationships with President Syngman Rhee of South Korea and President Chiang Kai-shek of Nationalist China.

It is not that they object to the anti-Communist programs of those leaders but the fact that both avowedly would like to start a war to reunify their countries. Close American support of these leaders links the United States with a threat to touch off a third world war.

Conflict of interest within the United States has also snarled American foreign policy in Asia. Thus Burma made the point that she would not accept technical assistance from the United States unless she were allowed to pay for such assistance. She could pay only with her surplus rice crop. Washington was perfectly willing to give free technical assistance but it could not accept rice because the United States had its own rice surplus.

It was not until the Soviet Union sent technicians in exchange for Burmese rice that the United States became alarmed to the point where it would take some Burmese rice in exchange for assistance.

The United States foreign policy program needs flexibility, in the eyes of those familiar with the Asian scene. Required is a flexibility that will allow the United States to give as much economic aid as possible to a neutral Burma or an Indonesia, where it appears it will do some good, and a flexibility that will allow it to cut off military aid to Cambodia, where military aid appears wasted.

[From the New York Times of April 12, 1956]

United States Said To Lack Tact in Far East—Survey in Region Shows Most Allies Feel They Are Cast in Junior Partner Role—Talk of War Deplored—Clarified American Attitude Toward Taiwan's Defense Evidently Is Desired

(By Robert Trumbull)

(Fifth of a series)

Tokyo, April 11.—Among America's best friends in Asia, Washington's apparent disregard of Asian nationalist motivations is one of the principal complaints against United States foreign policy affecting the area.

There seems to be a feeling in most of the countries of this region that Washington, instead of soliciting local opinion and tailoring policy accordingly, is inclined "to tell 'em, not ask 'em."

Where United States foreign policy has accommodated itself to this rising nationalism, it has succeeded. Where it has not done so, it has failed.

There is no basic difference in principle with the United States or its announced aims among the four countries of Northeast Asia—Japan, Korea, Nationalist China, and the Philippines. All are opposed to communism, as is the United States. All practice democracy, in varying degrees. All are seeking to raise the living standards of their people and appreciate the help the United States is giving them to do so.

POINTS MADE BY CRITICS

In these four countries, friendly critics of Washington policy as now practiced list these points of criticism, in addition to the failure of United States officials to take Asians fully into their confidence.

Too much accent on military strength and not enough on the economic and social advancement of the area.

Too much talk of war and not enough of peace.

An unclear attitude, or a failure to make it clear, just how far the United States would go in defense of Taiwan (Formosa) and its western approaches.

Last, but none the less important, what is construed as a lack of tact in administering aid programs.

A COMMON DENOMINATOR

All four countries have in common one characteristic that helps explain their sensitivity to any slight to their pride: All have been freed of foreign domination in recent years.

Korea and Taiwan were Japanese colonies till the end of World War II. The Philippine Islands were separated from United States rule only in 1946. And Japan, though never a colony, emerged 4 years ago from a brief but nonetheless humiliating military occupation by the United States.

Compared with the problems in other Asian countries, such as India, the obstructions facing United States foreign policy in the East Asian group are relatively minor. But conversations with local officials and competent foreign observers here, and the reports from correspondents of the New York Times in the other capitals, indicate that fundmental weaknesses in the American approach elsewhere may be highlighted by the apparent failures in this most friendly area of all.

In all four countries, the strength of United States policy seems to lie in its inflexible determination to support the free nations of Asia in opposition to Communist expansionism. The four friendly governments frankly recognize their dependence upon the United States for military support to maintain their democratic integrity.

The effect of some policies of the United States is to make its allies feel like junior partners. Their sense of nationalism cries out for equality in consultations. Sometimes, as the following country-by-country analysis may show, local attitudes may call for some forebearance and understanding in Washington if the Asian sense of propriety is to be appeased.

OPINIONS OF THE JAPANESE

The Japanese feel that the Americans still think of Japan, perhaps unconsciously, in terms of the occupation and of the Korean war—in other words, as a base for American military excursions elsewhere. The use of United States troops stationed in Japan for the Southeast Asia Treaty Organization demonstration in far-off Bangkok furthered this impression.

There has been too much public emphasis by the Americans on the buildup of Japan's own defense forces, and too little on the strengthening of Japan's economy. Officially, Washington's policy today is to avoid pushing Japanese military expansion at the expense of economic and political stability. But the United States has not yet succeeded in making this clear to the Japanese public.

The Japanese people, 4 years ago after the San Francisco peace treaty came into effect, still don't feel independent, and it galls them.

The security arrangements between the United States and Japan appear to the Japanese to have been forced upon their Government as a price of the treaty. They recognize their inability to defend themselves without United States help, but they would like the present agreement, under which United States forces are stationed here, to be superseded by a new defense pact in which Japan could have a sense of equal partnership instead of dependence.

What many Americans forget is that the present pact neither obligates the United States to defend Japan, nor Japan to come to the assistance of the United States. It merely gives the United States the use of Japanese bases to preserve peace and stability in the Pacific.

The free world's strictures on trade with Communist China, to which Japan adheres, are an embarrassment to the Tokyo Government in the fact of local business interests. Japan would like the embargoes reduced at least to the levels governing Western trade with the Soviet Union.

More irritating than that, however, is a feeling that Washington may at any time make an important decision relative to Communist China, one of utmost concern to Japan. Without consulting Tokyo or even informing the Japanese Government in advance. For some reason, hard to pin down but obviously traceable to developments in the past, Japanese leaders lack this confidence in Washington.

PATIENCE NEEDED IN KOREA

The South Koreans also feel some sensitivity in what they conceive to be their subordinate role to United States officials. The situation in Korea, a country that plunged almost overnight from 35 years of colonial rule into devastating war, no doubt calls for patience and understanding on both sides.

In its simplest terms, the Korean policy under President Syngman Rhee is for the sternest possible military attitude against the Communists, who control the country north of the 38th parallel, and for a policy toward Japan that carries caution to the point of suspicion.

Aside from these two questions, the comments of Korean officials on United States policy in East Asia tended to criticize the tact with which it is administered in Korea, but not its substance.

TAIPEI FINDS UNCERTAINTY

As viewed from Taipei, United States policy on the China question appears to be marked by confusion and uncertainty. Continual exploitation of the China problem in domestic American politics has produced an impression of complete indecision, which in turn has led to a feeling of frustration among our Nationalist Chinese allies.

What is Washington's long-range policy on the whole China question? Will the United States defend the offshore islands? Is the United States really trying to make Taiwan self-sustaining economically or is it merely maintaining the island as a military base against mainland China?

All our allies—and many Americans—would like to know the answers to these questions.

Informed Filipinos, looking at Asia's problems from offshore and yet from the viewpoint of an Asian people long influenced by Western thought, agree with Japanese critics that the United States places too much emphasis on the military phase of the world ideological struggle. This is from a country that is one of the three Asian partners in the Southeast Asia Treaty Organization.

The Filipinos want to see Taiwan and Japan defended against communism, for those islands are on the flanks of the Philippines. But, in the opinion of astute observers in Manila, the United States does so much talking about the military protection extended by Americans that the Filipinos feel a sense of inferiority.

SLOGAN GALLS FILIPINOS

"And let's forget about the slogan 'Show Window of Democracy,'" a Philippine Government official says, "We are a democracy all right, but when Americans call us a show window other Asians think we are just puppets."

In none of the East Asian countries is communism the principal opposing force to be considered in formulating United States policy, except as the military power and growing prestige of Communist China among other Asians constitute an influence counter to that of the United States. This is indeed a major factor, or should be, in guiding the American approach to Asians.

A survey in this area leads to the conclusion that issues stemming from nationalism are the basic conditioners of Asian thinking.

Defense of the region's integrity against aggressive communism is one factor. But no less important to the healthy development of a free Asia are economic and social improvement, as Secretary of State Dulles said on his most recent visit here.

Underlying all these considerations must be a genuine solicitude for national consciousness. United States popularity suffers because of the feeling of junior partnership that permeates the East Asian free nations today.

[From the New York Times of April 13, 1956]

LATIN NATIONALISM CHALLENGES POLICY OF UNITED STATES, SURVEY INDICATES

(By Tad Szulc)

(Sixth of a series)

RIO DE JANEIRO, April 12.—There are signs of restlessness in the huge land mass that is South America. As it does elsewhere, the United States faces there a challenge to its leadership and foreign policy.

The challenge stems from a rising nationalism that is sweeping the continent from the Panama Canal to the bleakness of Tierra del Fuego. It takes various forms and seeks various expressions in accordance with the needs and conditions of each republic. On the whole, it is a new type of nationalism, finding its roots in the dynamism of the immense development of South America in recent decades, and particularly since the end of World War II.

It is not an exaggeration to say that a social and economic revolution is under way on this continent.

As the most powerful force now in being here, nationalism can be directed into channels useful to the South American countries themselves and can further strengthen the inter-American system and democracy in the hemisphere.

COMMUNISTS AWAIT CHANCE

But if allowed to take the wrong course, it could spill over into extremisms of left or right and the general harm that could ensue would be beyond estimation. Communism, its influence already growing noticeably in some parts of the continent, stands ready to take advantage of any such turn of events.

The challenge thus facing United States foreign policy in South America is to come to terms with the formidable new force of nationalism so it can be used for the common benefit.

Yet in the opinion of thoughtful South Americans and of many United States diplomats stationed in the region the problem does not often receive the urgent attention it deserves.

In their considered view, the United States lacks so far a coherent long-range policy tailored to meet the new situation. In this view, the present policy, too often based on improvisations, falls short of meeting the challenge.

A dramatic New Look policy, it is felt, requires a readjustment of political as well as economic relationships between the United States and its South American neighbors.

The two form part of an overall policy approach, of course, and any adjustments in the economic field are bound to have political repercussions. Of this the Soviet Union is keenly aware, as seen in Moscow's recent overtures for greater trade with Latin America and for possible technical aid.

These overtures are not likely to turn Latin America into an area of Soviet influence in the foreseeable future, but they have had political echoes the United States would be wise not to underestimate.

COLONIALISM MAJOR ISSUE

This is how United States problems of foreign policy in South America break down:

In the political field, South Americans no longer want to be taken for granted. They

resent being looked upon by Washington as an automatic majority in the United Nations and insist that more attention be given to their views in world affairs. This, they say, should mean more consultations with their diplomats in New York and Washington and more personal attention to the continent as a whole.

Though the consultations process has been improved lately, South Americans take offense at the fact that in 4 years Secretary Dulles has visited South America only once despite his extensive globetrotting.

One area of global policy where South Americans are growing particularly restless is the question of colonialism. Though their natural sympathy lies mainly with the colonial peoples, they often vote in the United Nations with the so-called colonial powers because of United States pressure. But there have been deep breaks in this front in recent votes in New York.

In terms of the East-West conflict, Washington has been successful in welding the continent into a solid anti-Communist bloc. South American traditions and the influence of the Roman Catholic Church have been helpful in this endeavor. But at the same time there is a growing feeling that United States policy is negative insofar as it concentrates on anticommunism and has little else to offer.

What looms as the most important and yet most difficult aspect of political relations is the question of democracy versus dictatorship in Latin America as a whole.

In a speech in New Orleans last October, Henry F. Holland, Assistant Secretary of State for Inter-American Affairs, stated United States policy objectives in the hemisphere as follows:

"Consistent with our inter-American treaties and the principle of nonintervention, we shall try always to help those who work to perfect political institutions based on spiritual and moral principles, institutions that stand for personal freedom, and the sanctity of every man and woman."

However, liberal friends of the United States in South America contend that Washington has not lived up to this principle entirely. They deplore what they call the tacit support given by the United States to the existing dictatorships in Latin America—as well as to that of Juan D. Peron in Argentina before his ouster last September.

They contend the United States has been doing more than maintaining correct relations with these dictatorial regimes. This, they say, does not harmonize with the United States tradition of supporting democracy everywhere. It is, incidentally, also a strong argument for the Communists in those countries where they do not work along with the dictator, as was the case in Argentina at different times.

Local liberals are often dismayed when the United States seemingly goes out of its way to pat a dictatorial regime on the back. The award of the Legion of Merit to Venezuela's President Marcos Perez Jiminez is a case in point.

One experienced United States diplomat commented in this connection that relationships should be maintained with existing governments, such as they may be, but without appearing to endorse dictatorships.

It is evidently a difficult political undertaking and one that has plagued the Department of State for many years. But in the face of growing Communist infiltration in South America some form of solution is urgent if the liberals and the still uncommitted masses are to be kept on the side of democracy.

What is seen by many as a great failing of United States policy is that it is not employing its immense influence to encourage democracy and democratic processes in South America before communism and other extremisms make further inroads.

With political ferment in South America stemming from the growing social and economic pressures that follow the continent's development, extremisms are on the rise and some think it may soon become too late to check them altogether.

Thus in the political field, the United States must take care to maintain good relations with South America on the level of both world and domestic policies.

South Americans are beginning to have second thoughts about their relationship with the "colossus of the north." While nothing has happened so far to alter the basic policy orientations here and the reservoir of good will toward the United States is still brimful, it is imperative to maintain these orientations and good will in the face of changing conditions.

JUNIOR STATUS DISLIKED

South Americans who complain that they are treated as junior partners in political relations offer the same grievance about economic treatment from the United States.

Though their claim that they are kept down as suppliers of raw materials and obligatory consumers of United States finished goods is exaggerated, there is a powerful feeling among South Americans that they are not receiving the share of United States aid they deem necessary for orderly and rapid development.

They are bitter that the economic aid channeled to South America since the end of World War II is insignificant in comparison with what the United States has been spending elsewhere. This hurts nationalistic feelings here and the complaint is widely heard that Latin America's importance is not sufficiently recognized by the United States.

The contention is that, with pressing economic and social problems in this region, the United States should be as concerned over what is happening in its own backyard as it is elsewhere. This viewpoint, on both the economic and political level, finds considerable private support among veteran United States diplomats in this area. There is also resentment that too many promises have been left unfulfilled. South Americans would prefer less talk and more deeds.

A remark often repeated here half jestingly is that South America needs a bad Communist situation to attract United States attention. More seriously, the quick economic aid given Guatemala after the overthrow of her pro-Communist regime in 1954 is adduced as proof that there might be something to the remark.

South Americans—governments and private persons alike—also take exception to the basic philosophy of the Eisenhower administration toward aid to Latin America.

This philosophy is that the bulk of the aid should take the form of investments by private United States capital, with the Washington Government providing funds, usually as loans, only where private capital is unavailable and to create investment conditions.

But the South American problem is that where money is most needed is for such unprofitable yet fundamental projects as railroads, ports, highways, and dams, for which private investments are not forthcoming. Though the Export-Import Bank, a United States Government agency, has liberalized greatly its lending policies in Latin America in the last 2 years, it is felt that even these loans hardly scratch the surface of this continent's pressing development needs. This also holds true of the International Bank for Reconstruction and Development, which also has recently expanded its operations in this region.

The current United States approach also has a side effect of attracting European competition to South America. Whereas loans from the Export-Import Bank usually finance United States equipment and technicians, European equipment is coming here at an increasing rate as European financial syndicates makes easy-term loans available to find export markets for their heavy products.

By far the brightest phase of United States aid here has been the point 4 program.

Working with limited funds, the program has done marvels in helping in basic economic and social projects in the American Republics. It also has generated much vitally needed good will for the United States. Policy specialists feel that a considerable expansion of this program would be an essential part of any "new look" hemisphere policy.

Thus the big problem facing Washington policymakers in South America is how to work out an adjustment to the enlightened nationalism that is rising here. That nationalism is backed by the power of 100 million awakening people and their immense natural resources. It is clamoring for recognition.

[From the New York Times of April 13, 1956]

LATIN-AMERICAN ISSUES

(By Paul P. Kennedy)

MEXICO CITY, April 12.—United States foreign policy for the Latin-American area north of Colombia is basically the same as that applying to the south, but there are differences of emphasis because of the region's geographic and historic position.

Policy in this region, which includes Panama, the five Central American Republics and Mexico is aimed more pronouncedly at the two objectives of establishing a solid community of interests and combating Communist encroachment.

In many respects, particularly in technical and educational assistance, the implementation of United States policy in this region generally has been highly successful. In other respects, particularly the economic field, the United States appears to be losing ground.

Aside from advances in technical and educational assistance, the most rewarding United States operation in this region is an increasing willingness to listen to the troubles of the seven nations and sincere attempts to do something about them.

This means an alacrity not only to iron out differences within the framework of the inter-American system but also to furnish material assistance where it is proved to be wanted and needed.

The weaknesses of foreign policy involve many factors, some of them beyond the control of policy planners. This is particularly true in the matter of price stabilization of commodities and the sale of United States surpluses abroad. The fluctuations in the prices of this region's basic export commodities can and usually do leave a residue of sourness toward the United States that goes far toward neutralizing the good will accumulated by those policies that have proved successful.

GROWING NATIONALISM

Growing nationalism, especially in Panama, Guatemala, and Mexico, is being generated largely because of the region's proximity to the United States and the latter's vast influence over the entire area. Essentially this growth points to a lack of that community of interests that is one of the basic objectives of United States policy.

Responsible Latin Americans of this region who are nominally friendly to the United States feel there are a number of ways to improve the potential of United States policy.

To begin with, they say, Washington, could strive for greater understanding and sympathy for Latin-American problems, not from the North American point of view but from the Latin point of view. In this connection it is felt that Europe, which is not remotely so involved in this region's welfare as is the

United States, has a far greater understanding of the area's problems.

Another area in which it is felt United States policy could be improved is the abandonment of what is viewed as an increasing tendency to trade financial and technical assistance for political advantage in the inter-American system. This is felt to be diametrically opposed to the original concept of the assistance program.

Many responsible observers, North American as well at Latin American, are convinced some of the United States policy planners see a moral lapse in any country that accepts assistance but disagrees with any of Washington's views on American affairs.

[From the New York Times of April 13, 1956]

Methods Irk Canada

(By Raymond Daniell)

Ottawa, April 12.—With the broad over-all aims of United States foreign policy, most Canadians, official and unofficial, are in complete sympathy. Indeed these aims are almost identical. However, the application of these policies often occasions surprise and sometimes suspicion.

Responsible officials here are wary of criticizing the action of their big neighbor and partner in defense. However, among some of them and among Western diplomats and students of foreign affairs there is a growing feeling that all is not so rosy for the West and the free world as it has been painted recently in Washington.

It is feared that Washington has been lacking in bold, daring leadership and that the policy of containing the Soviet Union has become too rigid and inflexible and that too great a reliance has been placed on military alliances without accompanying political understanding. The feeling is strong that to meet the new Soviet challenge in the Middle East and Far East new "policies and methods" must be evolved, although there is little agreement on what form they should take.

Canadians would like to see greater coordination of policy between the United States and its allies on such matters as the Middle East crisis, more emphasis on economic cooperation and less stress and reliance on military alliances.

Canadians feel that there is no future for Chiang Kai-shek. They see no possibility of his returning to the mainland short of a general war. They would be happier if the United States were not so firmly committed to him. The idea of the ultimate evolution of two Chinas is received with skepticism.

Lester B. Pearson, Secretary of State for External Affairs, frequently has dissociated Canada from any commitments in the Far East other than as a member of the United Nations. He also has said that while the future of Taiwan (Formosa) remains to be settled, he regards Matsu and Quemoy as part of mainland China.

In most quarters here, it is felt that the United States would be wise to adopt a similar view. Mr. Pearson also has said often that sooner or later the West must recognize the reality of Communist control of China.

Canadians are inclined to dislike the boastfulness and bombast with which policy is sometimes enunciated in the United States. They feel also that military leaders are inclined too much to make policy statements. Secretary of State Dulles comes in for a good deal of editorial criticism for talking too much.

The chief problem for the United States in dealing with Canada is to avoid offending national sensibilities. Since the war Canada has grown in stature. Sometimes it is felt here that the United States is inclined to act as if Canada were an appendage of the United States that need be neither considered nor consulted—just told.

There is no Communist movement in Canada worthy of the name and, in fact, socialism is on the wane.

[From the New York Times of April 15, 1956]

United States Aides Mainly Reject Foreign Policy Criticisms—However, Consensus in Washington Seems To Accept Need for Reevaluation of Nation's Cold War Strategy

(By James Reston)

(Final of a series)

Washington, April 14.—Uncle Sam, policeman, banker, and babysitter to the world, is defensive and a little resentful about all the recent overseas criticism of his foreign policy.

As the old gentleman sees it, here he is with the Communists at the back door, a house full of complaining relatives, politicians yawping all over the place, the dishes piled high in the kitchen sink—and instead of appreciating his efforts, everybody criticizes him and nobody loves him.

That is the official attitude, and well-informed observers here are more sympathetic than their fellow grumblers in other capitals. They agree with most of the criticisms reported in this series of articles by correspondents of the New York Times, but they think these criticisms must be evaluated against this background:

This is a time of extraordinary change. The strategy of the cold war, the location of the struggle, even the nature of power itself are all in transition.

British power has declined beyond all Washington's calculations.

The same with French power, only worse.

German and Japanese power, which contained the expansion of communism in Central Europe and Asia for most of this century, has collapsed.

Since 1947, 2,800,000,000 people—half the population of the world—have changed their form of government. Most of them have achieved independence for the first time, and are struggling with misery and clamoring to be heard.

The post-Stalin rulers of the Soviet Union, allied to the might of Communist China, have changed their methods and the arena of the "cold war." Their tactics of wooing the Socialists in Europe and exploiting the anti-Western, anti-Israel sentiments of the Middle East and South Asia are much more cunning than Stalin's.

The United States, engaged in a national election campaign, with underdeveloped areas of its own to worry about, is the only nation in the free world with power equal to the power of the Communists. And it is administered by a party that has a long tradition of opposing the collective security, low tariff and foreign aid policies it is now supporting.

CRITICISMS HEARD IN CAPITAL

Against this background, what is the reaction of well-informed men in and out of the Government in Washington to the major criticisms reported in this series? This reporter has discussed them with 18 of the most experienced diplomats and officials in the capital. What follows are the major criticisms and a summary of their observations:

Criticism No. 1: The United States has been slow and ineffective in reacting to the smiling subversion of the Communists, and has placed too much emphasis on military solutions and not enough emphasis on political, economic and social solutions to present world problems.

Officials here reject this criticism. As a matter of fact, it should be said at the outset that the official line here is to reject almost all adverse criticism as ill-informed and unfair.

This reporter has not found a single official who has read all the articles. The Secretary of State would make no comment about them, and the officials who discussed them did so on the condition that they were talking for background and could not be quoted.

However, the official line is this:

The military balance has not changed. The Soviet Union retains its objectives of world conquest and its capacity to attempt that conquest by force of arms. Therefore, someone has to maintain the military balance and oppose the drift in the free world to mental and military disarmament.

From July 1, 1945, to June 30, 1955, the United States net expenditures for foreign military and economic aid totaled $51,300 million. It gross expenditures in the current fiscal year, ending June 30, 1956, will be $4,200 million for the same purpose, making a total of $55,500 million for the 11-year period.

The United States has maintained a high level of military expenditures for a permanent Military Establishment, based on conscription, without which nobody would have the freedom or energy today to criticize Washington.

ARMED FORCE EMPHASIZED

These expenditures since the Eisenhower administration came to power were: fiscal 1954, $40,300,000,000; fiscal 1955, $35,500,000,000; fiscal 1956 (estimated), $34,600,000,000; fiscal 1957 (estimated), $35,900,000,000.

The United States has emphasized military defense, because this is the primary deterrent to an attempt by the Communists to achieve their aims by force of arms. Maybe it has overemphasized this side of the cold war in the light of changing circumstances, but it has done so because of the natural tendency in free societies to let down whenever fear of imminent war declines.

At the same time, despite opposition in the Republican Party to foreign economic aid, the Eisenhower administration has made the following expenditures for foreign economic aid:

Fiscal 1954: $1,300,000,000 (military, $3,600,000,000); fiscal 1955: $2,000,000,000 (military, $2,300,000,000); fiscal 1956 (estimated), $1,700,000,000 (military $2,500,000,000); fiscal 1957 (estimated), $1,800,000,000 (military $2,500,000,000).

Moreover, officials here emphasize that by his atoms-for-peace plan and his insistence on dramatizing the peaceful rather than the military aspects of the atom, the President has produced the most imaginative nonmilitary international plan since the Marshall plan, and has been the first American politician to announce publicly that foreign aid has to be placed on a more or less permanent basis.

This, then, is the answer of the officials. The reaction of the non-Government observers to all this is that the administration was right in backing these programs, but that it was imprudent to emphasize them as much as it did.

MAJOR STRATEGIC DEFEAT

The result of this emphasis, these officials feel, was to damage the cause of the United States in Asian eyes by raising fears of war. They feel this worked greatly to the advantage of the Communists in the so-called uncommitted parts of the world; and that it was unfair to the peaceful objectives and great economic sacrifices of the American people.

Beyond this, many non-Government observers here believe that President Eisenhower, more than anybody else in the world, was responsible at the Big Four meeting in Geneva for encouraging the wishful thinking about the Communists his administration now deplores.

Almost all agree that he enjoyed a great personal success at Geneva but suffered a major strategic defeat. For it was there that the Communists really dramatized their policy and propaganda for peaceful coexistence, and got the pictures of President Eisenhower and Premier Nikolai A. Bulganin that

they scattered all over the world with General Eisenhower's public statement that he believed the Russians were as sincerely devoted to peace as anybody else.

Indeed, the fact that the Eisenhower administration is now turning around and trying to emphasize the economic, political, and social aspects of the world struggle is taken as concrete evidence that the previous emphasis on massive retaliation with atomic weapons was unwise.

Veteran diplomats here are constantly saying that history is full of evidence of policies that were good at one time and in one place but not so good or worse at another time and another place. They point to the North Atlantic Treaty as a vital military deterrent, which did much to create stability in Europe.

But they contend that Mr. Dulles' insistence on extending this same policy to the alliances involving Turkey, Iran, and Pakistan did not change the military balance in this area. These diplomats contend it resulted in infuriating the Indians, the Egyptians and finally the Russians, who leapfrogged over it into the new Moscow policy of economic and political penetration in the Middle East.

Criticism No. 2: The United States foreign economic policy has not kept pace with its policy of military solidarity, and the United States, meanwhile, has been urging upon its allies trade and political-union policies it is not prepared to adopt itself.

On this one there is little difference in Washington between Government and non-Government opinion. The Eisenhower administration is not happy about its policies on trade, ship subsidies or customs, or at least some members of it are not. The President, for example, favors a more liberal trade and aid policy.

One Cabinet member said to this reporter: "We don't have one foreign economic policy; we have 49 different foreign economic policies, some of them administered by one department and some by another. The whole thing needs to be pulled together."

He added that this should be done very slowly and carefully. His point was that the United States was probably approaching the fiercest competition from the Soviet Union, West Germany, Britain, and Japan since before World War I, and that it had to be extremely careful that it did not give away its weapons in this field.

As to the political-union pressure on the allies out of Washington, everybody here agrees that this is a good idea for Europe but out of the question, politically, here. Good idea but bad politics, Washington says. And, of course, that is what London and Paris say, too.

Criticism No. 3: The United States has been the prisoner of its own domestic political slogans in the presidential election campaign of 1952 and of the cold war slogans of liberation and massive retaliation thereafter.

It is generally admitted here, at least by observers outside the Government, that this is a valid criticism. The Republicans had been out of power for 20 years. They concentrated in the 1952 campaign, as all political parties do, on the weakness of the opposition. The best target in that opposition was that China had been taken over by the Communists during President Harry S. Truman's last term, and the Republicans set out to exploit this historic development.

In the process, they contended that this loss was the Democrats' fault, that the liberal New Deal, being oriented to the left, was soft on communism, that this was proved by Washington's half-way war in Korea, and by its policy of bridling Chiang Kai-shek, and its policy of "containment." This last was portrayed as a policy of acquiescing to the vast wartime gains of the Soviet Union.

Probably none of this was as potent in the 1952 election as the popularity of General Eisenhower, the fierce antipathy among the people to the bloodshed in Korea and the general public boredom with a party that had been in power for a generation.

WARLIKE TALK CONTINUED

Nevertheless, the combination of all these factors broke the Roosevelt coalition of the Deep South and the minority groups in the large urban areas of the North. So the Republicans carried on the aggressive talk after they got into office, while at the same time cutting their economic commitments.

Thus, they unleashed General Chiang, threatened massive retaliation, and warned the French that if Paris did not accept the European Defense Community as a means to the political union of Europe, Washington would undertake an "agonizing reappraisal" about its whole policy of alliance with Western Europe.

At no time, however, did this administration ever have the courage of its propaganda. It soon leashed President Chiang when the consequences of unleashing him became apparent. It aquiesced in the partition of Indochina. It swallowed France's rejection of EDC, and when it took a hard look at the consequences of trying to "liberate" territories taken over by the armies of the Soviet Union and Communist China, it withdrew in a torrent of aggrieved rhetoric.

Nevertheless, it hung on to its cold war slogans about Communist China, put pro-Chiang figures in key positions in the State Department (Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs, for example) and placated the bloc embracing Mr. Robertson and Senator William F. Knowland, Republican, of California; Senator Styles Bridges, Republican, of New Hampshire, and Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff. These four leaders opposed any change in the legal status of China.

Thus the administration found itself frozen between its allies who wanted to recognize Communist China and its political opposition within the Republican Party, which wanted an aggressive policy toward Peiping. This compromise pleased nobody—not President Chiang or the Taiwan bloc in the party, or the Chinese Communists, or the Asian neutrals.

Criticism No. 4: The leaders of the free world coalition in Washington have no effective plan for waging the more subtle second phase of the cold war. They are inflexible and inexperienced moralizers who preach against the old pragmatic diplomacy of the past but have nothing practical to put in its place.

Again the Government officials reject and resent this criticism but the non-Government observers think there is a lot to it. The view of the Government officials is that the United States is between the acts in the great world drama, and that the critics should wait until the United States, which is a democracy that must move by persuasion and congressional consent, gets the stage properties in order for the next act.

It is true that after years of experimenting with planning boards at the State Department level, and at the Cabinet level, psychological warfare experts, cold war strategists in the White House, and the National Security Council, the United States still operates largely on a temporary basis, one crisis at a time.

UNITED STATES MUDDLING THROUGH

Washington put pressure on the British to get out of Suez without insisting on a quid pro quo. It was enamored first with King Farouk, and then with Farouk's two dictator successors, Gen. Mohammed Naguib and Premier Gamal Abdel Nasser. It took credit for settling the Suez situation, which is now creating havoc with the whole Western coalition.

It risked the defection of India to placate Nationalist China and Pakistan, and by getting itself involved everywhere on a mediator basis, found itself in trouble with the Arabs and the Israelis, the French and the Algerians, the Portuguese and the Indians (over Goa), the British and the Greeks, and the Turks (over Cyprus), and the Dutch and the Indonesians (over New Guinea).

Thus, say Mr. Dulles' critics, the United States has merely replaced London's "muddling through" with Washington's "muddling through," and has sought to please everybody and ended by pleasing nobody.

Much of this is laid to the Secretary of State. The general feeling here is that the President leaves almost everything to him unless it is an issue of peace or war, and that Mr. Dulles has a weakness for trying to please the side he is talking to at the moment, and a fatal flaw of talking and moralizing too much the rest of the time.

One diplomat, who is friendly to the Secretary of State, put it this way:

"It is obviously impossible for Mr. Dulles to please everybody or to follow a consistent policy in situations all over the world which are contradictory. If he would only proceed in a hardheaded way, and with a series of clear priorities, to do precisely what he thought was in the best interests of the United States, he would get along better.

"He wouldn't be liked for that, but in the end, he would be respected, for the selfish pursuit of a nation's interests is a reality everybody with any experience understands."

In summary, the general feeling here is that there is a need in Washington for a reevaluation of the United States cold war policies, and particularly its tactics and public attitudes. There has been a loss of confidence in American leadership. This much is widely felt here, but all knowledgeable observers go back to the big point:

In short, to be policeman, banker, and babysitter to a restless and changing world when the coalescing force of fear has been largely removed, is a tough assignment.

[From the New York Times of April 15, 1956]

The United States and Its Critics

During the past week this newspaper completed a survey by its correspondents of the impacts and impressions made by American foreign policy on free public opinion in five continents. The survey registered so much, and such diverse, criticism as to suggest a certain failure by this Nation, which prides itself on its advertising genius, to sell its own policy or to meet Soviet competition in this field.

Some of the criticism seems to us to be justified and well worth heeding. Some of it derives from emotion, ideology, or self-interest, but mere refutation does not solve the problem. All of it should be made subject to further analysis, deliberation and consultation with our friends and allies to correct faults, to devise remedies and thereby to strengthen free world unity.

Two central facts emerge. One is that the United States, because of its wealth and power, must assume primary responsibility for the destiny of the free world. The other is that, barring only occasional suspicions to the contrary, the United States is not being accused of any selfish ambitions for conquest or self-aggrandizement. On the contrary, our contributions to economic rehabilitation and military security are freely acknowledged, even if without gratitude in some cases or full realization of the contrast between our policy and the predatory policy of the Soviets.

Taking these central facts into account, the most common criticism boils down to this—that in contrast to the bold and even revolutionary policies represented by the Marshall plan and the North Atlantic alliance, which saved Western Europe, our policy has become too static, too rigid, and even too timid to solve the world's pressing problems. Some of this criticism may sound strange to American ears, considering President Eisenhower's efforts at Geneva, his bold atoms-for-peace, open sky, and other disarmament proposals, and his pressure for an expanded, continuous, and more flexible foreign-aid program.

But the criticism is not directed against the aims of our policy, nor even its strategy, but rather, against our tactics. Here we are being criticized both for doing too much and for doing too little. In the eyes of Europe, especially its leftist elements, and even more in the eyes of neutralist Asia, we concern ourselves too much with the Communist menace, now said to be reduced by Stalin's death, and concentrate too much on military security to the point of saber rattling. Europe still values its alliances with us, but neutralist Asia fails to realize that only the protective umbrella of these alliances permits it to be neutral with impunity.

On the other hand, we are being criticized for not doing enough by refusing to take sides in quarrels between our friends and allies, which disappoints both sides; by failing to give adequate support to anticolonial nationalism and also to colonial powers seeking to suppress rebellion, which makes both sides mistrust us; above all, by failing to share both our power and our wealth even more freely than heretofore. Much of this criticism is obviously contradictory and cancels itself. Some of it goes beyond practical possibilities. If this survey makes some of our critics realize this, it will have served both us and them.

All this, however, still leaves room for improvement. We firmly believe that we are more realistic about the Communist menace than our critics, and we shall continue to maintain and develop our military power and our alliances to deter Communist aggression. But it is still a good maxim to speak softly when carrying a big stick, and to do that will prevent the Soviets from exploiting unwise remarks for the benefit of their "peace offensive." We will also have to develop new and more comprehensive programs not only for foreign aid but also for foreign trade, investment, and development to meet the Soviet economic offensive without impairing the interests or offending the sensibilities of other nations.

Such programs can be developed only in consultation and cooperation with the rest of the free world. But the initiative will have to come from the United States, and this fact confronts us with a task worthy of the best brains we can command.

VETO OF THE FARM BILL

Mr. AIKEN. Mr. President, President Eisenhower has again demonstrated the courage of his convictions in vetoing H. R. 12, the so-called farm bill.

It was with keen disappointment that the President felt impelled to veto a bill containing the soil-bank provisions which he himself had recommended. However, in deciding whether to approve or disapprove proposed legislation, all provisions of a bill must be taken into account, not just its good features. In the case of H. R. 12, the President found that the bad features of the bill outweighed the good, and he made his decision accordingly.

The fact that there may be no general farm legislation this year, as predicted by the majority leadership in the event of a veto, does not mean there will be no marked improvement in the farm situation. The Agricultural Act of 1954 is on the statute books, and has recently taken full effect. Under this and other existing legislation, it will be possible to do administratively many things to make conditions better. The President has already indicated what some of these steps will be.

Had the soil-bank provisions not been encumbered by other provisions which many of us consider to be unsound and actually income-reducing, and had the bill been enacted early enough, it could conceivably have made 1956 a record year for agricultural income. However, we may still look forward optimistically to a good year—a far better year than 1955. Producers of livestock, dairy and poultry products, feed grains, and basic commodities will all benefit by the programs which the President and the Secretary of Agriculture have already approved. Markets should be recovered and expanded for some commodities.

Above all else, the farm people may be assured that their administration is constantly on the alert for means to enhance the general level of farm income.

Like President Eisenhower, many of us still hope that Congress will decide to approve a sound soil-bank program not encumbered by barnacles of either defeatism or fear.

Whether this eventuates or not, however, we have reached the point from which the American farmer, under the inspiring leadership of a great President and his Secretary of Agriculture, may look to the future with greater confidence.

FARM INCOME AND SUBSIDIES

Mr. ALLOTT. Mr. President, on this occasion it seems to me only appropriate that we consider some of the fundamental things the farmers themselves are thinking about. One of the fine publications in the western section of the Nation is Western Farm Life, which has just conducted a poll in regard to Government subsidies, limit payments, livestock shows, and farm income. I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an editorial showing the results of the poll.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WFL's ACROSS THE FENCE—A SURVEY OF FARM AND RANCH OPINION IN THE INTERMOUNTAIN REGION

Government subsidies: Do you believe agriculture would be better off going it alone in a free market with no Government regulations and no Government payments in the form of subsidies?

	Percent
Yes	56.8
No	37.6
No comment	5.6

Limit payments: Would you favor stopping all Government payments to farmers and ranchers who have a net income from all sources of more than $5,000?

	Percent
Yes	71.7
No	24.6
No comment	3.7

Livestock shows: Do you think the major livestock shows which are held around the country are a benefit to the livestock industry?

	Percent
Yes	77.4
No	16
No comment	6.6

Farm income: Do you think your farm or ranch income will be more, or less, or remain the same in 1956, compared with 1955?

	Percent
More	14.2
Less	47.1
Same	38.9
No comment	4.8

Over 50 percent of the farmers and ranchers of the West, who took the time to answer a recent Western Farm Life survey, believe agriculture would be much better off going it alone in a free market with no Government regulations and no Government payments in the form of subsidies.

An Idaho farmer says the methods used by our lawmakers and the Department of Agriculture are not doing the farmers and ranchers any good, but keep getting us into more difficulties in every attempt.

An operator from Montana thinks subsidies and regulations should go. He believes there would be more competition and the inefficient operator would be forced to quit. And, better still, city farmers would be forced to quit because they would no longer be guaranteed a price for their commodities.

A Nevada producer says it might be tough on some for a short time, but as soon as the markets reached their levels everyone would be better off.

With labor and industry organized to protect their interests, the family-type farm cannot survive without subsidies, is the opinion of a farmer from Wyoming.

A Nebraskan thinks that we should not only keep our present subsidies but increase supports to 90–100 percent.

Nearly three fourths of western farmers and ranchers can't understand why the Government should pay subsidies to anyone with a net income of over $5,000.

A Wyoming farmer says the big operators are running the little fellow out of business as it is without paying him subsidies. A New Mexico lady said she couldn't see why business and professional men, who own farms or ranches, should be paid farm subsidies when their net income is already well above the average farmer.

An Idaho producer can't see any reason for holding down farmers when $5,000 is just a starter in many businesses. A Colorado farmer wants to continue large subsidies as long as other industries receive large Government payments.

A large majority of western farmers and ranchers believe the major livestock shows around the country are a benefit to the livestock industry. A Utah rancher says the shows encourage better breeding which in turn brings better prices to stockmen. An Arizona breeder says the shows give other people an idea of what better breeding can do for livestock.

A Colorado rancher doesn't think much of the shows because no commercial grades are shown and therefore shows do no good for the great bulk of the cattle industry. A Montana cowman says that in his opinion this is an altogether different industry than raising cattle for slaughter.

Most westerners feel their income will remain the same or be less in the coming year. A Utah farmer said besides the cost-price squeeze he is faced with a water shortage. A Nevada farmer says his income will be the same if costs remain the same. And a Colorado farmer says if his income doesn't go up it will be the first time in 7 years.

ORDER FOR RECESS TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until Wednesday next at noon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO REPORT INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Appropriations may be authorized to file its report on House bill 9390, the Interior Department appropriation bill, notwithstanding the fact that the Senate may not be in session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

VETO OF THE FARM BILL (H. DOC. NO. 380)

Mr. JOHNSON of Texas. Mr. President, I hold in my hand a veto message which is now being read in the House of Representatives, whereby the President returns without his approval H. R. 12, designated as the "Agricultural Act of 1956."

Mr. President, the veto of the farm bill can be described only as a crushing blow to the hopes and the legitimate desires of American agriculture.

Mr. KERR. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. KERR. Will the Senator yield in order that I may suggest the absence of a quorum?

Mr. JOHNSON of Texas. Mr. President, my statement will be very brief, and at its close I shall be glad to yield for that purpose.

Mr. President, the President has now drawn a line which puts his administration without any ifs, ands, or buts on the side of those who believe that low farm prices are the answer to the agricultural problems of the day. Farmers are now—by the President's own decision today—completely at the mercy of Ezra Taft Benson.

In return for depriving the farmers of more than $2 billion in income this year, the President holds forth a bone. He says Secretary Benson will set price supports on the basics at 82½ percent of parity and increase the supports on milk and butter.

Mr. President, what is significant is that, after 3 years of falling farm income and after the Congress has debated the bill for weeks, yes, even months, the administration is finally going to use administrative powers it has had all along to help the farmers. And while it accuses us in the Congress of passing a farm bill which it says is inconsistent, how does it propose to help the farmers? It proposes to help them by raising price-support levels. The only difference is that the administration's price-support levels are not quite so high as are the price-support levels set by the Congress.

Mr. President, I do not believe our farmers will find that their very real and pressing needs are met by this compromise of principle. In effect, it is merely a rigid price support set at a level too low to be useful.

The President offers to abandon the principle of flexibility if Congress will abandon the principle of adequate farm income. This cannot be considered a justified compromise in any honorable sense of the word.

In the course of his statement, the President requests Congress to pass a straight soil-bank bill as soon as possible. This is a strange request to be making at this late date.

The President himself—by deciding to set rigid price supports at 82½ percent of parity—has already conceded that it is not enough to solve our agricultural problems. If he truly wants—or truly has wanted—the soil bank, he has had ample authority to institute one all along.

All he had to do under existing law is to request funds and go ahead.

I deeply regret the action the President has taken. It is not responsive to the needs of agriculture, but it is obvious that this administration does not want to meet these needs.

By his veto, the President has created a stalemate. I have talked to prominent Members of the Senate who are deeply involved in agricultural legislation.

They are not receptive to the prospects of another long, frustrating effort to compromise what cannot apparently be compromised.

Congress is seeking to raise farm income to adequate levels. The administration is seeking to keep farm income down. There can be no answer until one or the other is changed.

Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, while the message itself has been read in the House, or is to be read—I assume it is now being read—in view of the statements made by the distinguished majority leader, I ask unanimous consent that there may appear in the RECORD at this point—because the veto message is not long—the message of the President of the United States.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The veto message is as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12, designated as the Agricultural Act of 1956.

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive 9-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grass roots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low price—low-income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued. Any forward looking, sound program to meet the needs of farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The soil-bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The soil bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) The return to a wartime rigid 90 percent of parity supports for the basic commodities; (2) dual parity for wheat, corn, cotton, and peanuts; (3) mandatory price supports for feed grains; (4) multiple price plans for wheat and rice. The effect of these provisions would be to increase the amount of Government control and further add to our price-depressing surpluses.

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at wartime 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels, due to wartime inflation and the insatiable markets associated with war. Neither did 90-percent supports prevent prices from falling as postwar surplus stocks began to accumulate.

Price supports at wartime 90 percent on the 6 designated basic crops did encourage production of these crops relative to others. At the same time, consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 to an allotment of 62 and then to the present 55 million acres. Cotton was cut from 25 to 20 and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price-support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90-percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90-percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected by volume and costs as well as by price. The 90-percent-of-parity approach focuses on support price alone.

To return now to wartime 90-percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded, as must be done. More surplus would accumulate—and surpluses are price depressing. Regimentation by ever-stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities. If parity prices for wheat, corn, cotton and peanuts are to be higher, then parity prices of the other products must be lower.

To whatever degree prices would be further artifically raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market.

Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

4. The multiple-price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90-percent price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the Nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act of 1954. Neither that act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact a good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly the failure to enact a soil bank before planting time this year makes such administrative efforts imperative.

Consequently we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture and the administration is moving immediately on four major fronts:

1. In 1956 price supports on five of the basic crops—wheat, corn, cotton, rice, and peanuts—will be set at a level of at least 82½ percent of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price support flexibility, the administration intends to set minimum support levels that will result in a national average of wheat at $2 a bushel, corn at $1.50 a bushel, rice at $4.50 per hundred pounds.

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82½ percent of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to $3.25 per hundred pounds. The support price of butter fat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over $400 million for that purpose for the year beginning July 1.

These actions, the administration will take immediately.

I now request Congress to pass a straight soil bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound soil bank act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the legislative and executive branches of the Federal Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 16, 1956*.

Mr. KNOWLAND. Mr. President, I do not think anyone in this country believes the President of the United States desires to keep farm income down. There apparently is, as is the case with most public questions, an honest difference of opinion as to how the agricultural problem can best be met. But certainly, President Eisenhower and Secretary Benson have a desire to have an American agriculture that is participating in the national economy along with all other segments of the national economy.

The President feels that the piling up of the huge surpluses which have amounted to more than $9 billion have been detrimental to a sound American agriculture. Great efforts have been made, and successfully so, to eliminate many of these surpluses, and such efforts will continue to be made by the administration, and, I hope, with the full support of the Congress of the United States. Only time will tell which procedure would be best for the Nation. I have a deep conviction that President Eisenhower has as vital an interest in American agriculture, and in seeing to it that the farmers receive a greater share of the national income, as has any Member of this body on either side of the aisle.

Mr. ELLENDER. Mr. President, I deeply regret the action taken by the President in vetoing the farm bill. Heretofore, Secretary of Agriculture Benson has been blamed for the present depressed plight of our agriculture, but now the farmers of the country will blame the President. They have no other alternative; the choice was the President's. He has chosen to let our farm population dangle at the end of Secretary Benson's flexible noose.

As was pointed out by the majority leader, the President has found it necessary to repudiate the flexible price-support principle and has fixed, or will fix, administratively, rigid price supports on all basics at 82½ percent of parity, with the exception, of course, of tobacco, which will remain at 90 percent.

Mr. President, I am sure that President Eisenhower was not fully acquainted with the contents of the bill. It may be he was too busily engaged in playing golf at Augusta to give our bill the study and consideration it obviously deserved; and it is my personal opinion that he had little or nothing to do with the writing of this veto message. The veto message expresses in almost identical words the position heretofore taken by Secretary Benson. The idea of the President stating in his veto message that 90-percent price supports would increase production. The idea of the President blaming Congress for being slow in enacting a farm bill. Mr. President, the

inferences are both unconscionable. All acres for the basic crops this year have already been either allocated or planted.

The Committee on Agriculture and Forestry held extensive grass-roots hearings for nearly 2 months last fall. We went to the farmers of this country. We took their views, and from those views we hammered out a farm bill which was reported to the Senate on February 10. Of course, the Senate was unable to act upon this report immediately. Why? Because a "recess" for Lincoln Day speeches had to be taken.

The Senate passed a farm bill on March 19. All during the Easter recess, the Senate-House conference committee worked to iron out our differences. We came into agreement on April 6. On April 11 the House and Senate both passed a conference bill and sent it to the President.

Now, he has vetoed it. Now, he blames the Congress for delay. He shall not evade the responsibility for his premeditated action by seeking to place the blame on Congress. If there was any delay, Mr. President, it was the delay of Secretary Benson to recognize the economic plight of our farmers. It was his consistent effort to raise farm income with rosy words, broad generalities, and partisan politics, instead of taking action.

As I have stated, the Committee on Agriculture and Forestry began hearings last October, in order to be able to present a bill to Congress in January. As chairman of the committee, I invited the Secretary of Agriculture to send some of his experts to the hearings. He took advantage of the invitation and sent two men. The basis of the President's message to Congress on January 9 was those hearings. If they had not been held, the President would not have conceived the soil-bank idea. As a matter of fact, his Department of Agriculture was opposed to a soil bank as recently as July 7, 1955.

I am not here to blame anyone for delay; but, as every Senator knows, I, as the chairman of the committee, set a goal of February 15 as the date on which to introduce an omnibus farm bill in the Senate; I expected and hoped to have it enacted before March. I did not have in mind then that the usual Lincoln birthday holidays would take place. Because of them the Senate was delayed for from 10 to 12 days.

The Senate Committee on Agriculture and Forestry and also the House Committee on Agriculture worked hard and diligently on the bill all during the Easter recess. It was a complicated measure; our chore was not an easy or pleasant one, but we worked at it nevertheless. I regret, I repeat, that the President did not sign the bill we agreed upon. It was a good bill; I am sorry that the President relied upon his Secretary of Agriculture's judgment instead of asking a few dirt farmers for their thoughts.

So far as price supports are concerned, as I pointed out on the floor of the Senate only a few days ago, the inclusion of 90 percent of parity price supports was the only provision in the bill which offered immediate income relief to the farmers of the Nation. Yet the President has vetoed this bill, he has cast aside 90 percent of parity in favor of 82½ percent of parity. How can the Secretary of Agriculture, who has already set the price support for wheat at 76 percent of parity, now raise the support level to 82½ percent? Such action is simply beyond my comprehension. If it is his prerogative to do so now, then the Secretary could have set the support price at 89 percent, 87 percent, or even 90 percent a long time ago, why has he waited until now to think about raising farm income, Mr. President? I simply cannot understand his proposed action except to assume that it is a calculated effort to forestall the inevitable political upheaval which will take place among the farmers of the Nation because of the action taken by the President—by his decision to toss the farmers a crumb instead of giving them their due. The President and Mr. Benson are obviously attempting to buy the good will of our farmers by offering them now, at this late date, 82½ percent of parity. This proposal, Mr. President, is a political sop and I think our farmers will realize what it is.

If the Secretary can now, by some administrative sleight of hand, raise support prices, raise farm income, then he could have done so a year ago. Think of the small farmers he could have assisted if he had chosen to do so.

The President's veto message states there are other serious defects in the bill, such as certain provisions in the section dealing with the dairy industry.

Mr. President, the provision to which he refers merely would have done by legislation what the President says he expects to do administratively in regard to the price of manufactured milk, namely, to raise the support price to $3.25 a hundredweight. That was all the bill provided. There were no other provisions in the bill which affected the administration of the milk program; the sole provision was that which set the price support for manufactured milk during 1956 at $3.25 a hundredweight, and fixed the support for butterfat at 58.6 cents per pound.

Here we have a pure anomaly—one typical of this entire veto message—in that the President has criticized the legislative provision affecting the dairy industry, while administratively he intends to do what Congress proposed to do in the bill.

The veto message criticizes the price support which would have been afforded the growers of small grains. I predict that with the 70-percent price support, which the President has heretofore ordered to be administratively fixed for small grains, the Treasury will lose many more millions of dollars than would have been the case if the bill had been signed—if our small-grain provision had been enacted. It is true that in the bill the price support for small grains was raised; but in order to have been able to obtain high price supports, it would have been necessary for the growers of the small grains to cut back their base acreage by 15 percent. They would have had to restrict their planting to 85 percent of their base acres in order to make themselves eligible for price supports. But today the door is wide open. The producers of the small grains can grow all they desire, but the support price will be at 70 percent of parity. They get 70 percent on 100 percent or more of their base acreage instead of 85 percent on 85 percent of their base acreage.

I repeat, I cannot understand the President's position on this bill. I am confident he did not know what the bill contained. He was told, I presume, by Mr. Benson last Saturday that it was a bad bill. I am wondering why it was that the President did not seek advice from some of the Members of Congress of his own party, who worked hard and diligently on the bill; but he seems to have shunned them.

The President criticizes the two-price systems for wheat and rice which the conference bill contained. In order for the two-price wheat program to have become effective, a two-thirds affirmative vote of the wheat-producing farmers would have been required. There was nothing mandatory in the two-price plan for wheat. The choice would have been up to the farmers. The President has denied them that choice. I feel confident, as I stated during debate on that provision, that it probably would have been a long time before the two-price wheat program would have become effective, for the simple reason—and I am certain the President must not have been advised of this—that the program, if it had gone into effect, would have meant continued curtailment of acreage. Acreage would have been controlled, notwithstanding the fact that there was a two-price system in effect. Some advocates of a two-price system for wheat have fostered the plan as a means of planting all the acres they might desire to plant; but the bill as we sent it to the President did not provide for that unlimited planting.

The two-price system for rice was to have gone into effect automatically, but only on a trial basis. It was a plan which I personally discussed with members of the administration. They said that although they could not support it openly, nevertheless they thought, since there was so much talk about two-price plans for basic commodities, that rice was a good commodity with which to start the system. It was an effective method of giving the two-price-plan theory a trial run, so to speak.

The President suggests that Congress should enact a soil-bank program without delay. As chairman of the Committee on Agriculture and Forestry, it is my belief that the President now has ample authority to proceed with some kind of soil-bank program under existing law. So far as I am concerned, I am willing to assist him in that respect all I can. However, there can be no justification for the President seeking passage of a soil-bank bill this year. The President said on April 4 that a soil bank could not become effective this year, even if one were provided in the bill which was subsequently passed, because of the lateness of the year. It is my belief that we can wait until next year for a soil bank.

I am very hopeful that there will be a change in the administration by that time, and that we shall then be able to take the matter up on an effective basis. It is entirely possible that next year the occupant of the White House may be more sympathetic to an effective way of assisting the farmers of the Nation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I should like to ask one question, if the Senator will yield to me. Are all the things which the President says he and Secretary Benson are now going to do responsive to some suddenly discovered powers, or have they had such powers for the past 3 years and 3 months—powers which, if they had been put into operation, would have helped the farmer and have stopped the decline in farm income, which has been in excess of 20 percent under the present administration during the past 3 years and 3 months? Are they newly discovered powers, or are they old powers?

Mr. ELLENDER. The powers must have been available for quite some time, since they require no new legislation. They have been available for at least 2 years, since the passage of the 1954 act. What prompts their mention at this time, I shall leave to the Senator to judge. As I indicated a while ago, the price support for wheat was announced months ago as 76 percent of parity. Now, with all the surpluses we have on hand, the price is going to be raised to 82½ percent. I think it might require a little investigation to find out how the laws which are now on the statute books can be so manipulated. I myself would like to find out how it is possible to increases the support level of wheat from 76 percent to 82½ percent, when wheat is coming out of our ears and the storage facilities are strained. That is under the same law under which the support price was fixed at 76 percent.

Mr. MANSFIELD. If the Senator will yield further, I want to say to him that the Senator has a point there. I hope that, as chairman of the Committee on Agriculture and Forestry, he will look into this particular matter and find out why nothing has been done for 3 years and 3 months by this administration to assist the farmers.

Mr. ELLENDER. I am going to try to get Mr. Benson, within the next 48 hours, if possible, to find out how he can do so, and if he can, why he did not help our farmers a year ago, by raising their income instead of relying upon a barrage of rosy predictions and partisan attacks to do the job.

I would also like to ascertain how he manages to square his theory of flexible price supports, which the President cited as one of the compelling reasons for his veto, with the fixing by administrative action of rigid 82½ percent price supports. Certainly the principle involved is the same, whether support prices are fixed at 82½ or 90 percent of parity. The only difference is in degree—and thus, in the amount of increase in income our farmers will receive next year.

Mr. KERR. Mr. President, from his ivory tower at the Augusta Country Club, where he has been completely insulated from the voice of the people, the President has again acted on the advice of little men who made his decision for him, and has vetoed the farm bill passed by the Congress. With complete disregard of the economic depression and threatened bankruptcy of millions of farm families, he has crucified them on the cross erected by Benson, Aiken, True D. Morse, and others.

The bill which Congress passed, Mr. President, provided the only available way to increase the income of the average farmer this year. It would have increased farm income $3 billion in 1956 above the pitiful low of 1955. When men talk about the degree to which farm income has decreased, they should advise themselves of reality. They should disregard the myths being foisted upon the American people by the Department of Agriculture. The reality is that the take-home pay of the farm families of our country is down 40 percent in 3 years.

A few days ago in Oklahoma, Mr. President, representatives of the Federal Reserve bank district of which Oklahoma is a part participated in a panel discussion before a convention of Oklahoma bankers. The headline in a great metropolitan Oklahoma newspaper read: "Bankers Find Farm Income Drastically Reduced." I think it is marvelous that the bankers of that convention, after deterioration had been progressively in operation for over 3 years, finally found it. God grant that someday the President of the United States will find it, Mr. President.

The report of the panel of economists from the Federal Reserve district headquarters was to the effect that the average annual income of farm families in Oklahoma in 1955 was $1,200, a decrease of $1,000 a farm family in 3 years. That is the reality of the degree to which farm income has decreased, Mr. President. By Eisenhower's veto, he has imposed on American farmers an economic penalty which will result in still further declines this year. At the same time, all costs of business operations, including farm costs, are still rising, and national prosperity, other than for farmers, is at an all-time high.

The farm bill as passed by Congress would have increased farm income in Oklahoma at least $75 million this year over last year. The veto of the President will drive it down below the level of last year. So, Mr. President, by the act of the President of the United States, he has imposed on Oklahoma farmers an economic penalty of a minimum of $100 million for this year.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. KERR. I yield to the distinguished Senator from Georgia.

Mr. RUSSELL. The figures given by the distinguished Senator from Oklahoma are, in my opinion, conservative as to the difference it would make in the income of the farmers of the country had the President signed the farm bill. Most significant to me is the effect the action of the President will have on the independent farmer who operates the family sized farm. He was the type of farmer I think most of the Members of this body were undertaking to preserve and save in passing the bill, so that farm income for such farmers could be stimulated and be brought back to somewhere near where it was at the time this administration assumed power in January 1953.

It occurs to me, Mr. President, one of the most tragic days the farmers of the Nation have ever known was the day President Eisenhower changed his farm advisers. He had some good advisers during the political campaign of 1952. He stated that the Republican Party was committed to 90 percent support prices for all the basics and that the party would make good on that pledge. In another speech in Minnesota he even indicated he would seek to get 100 percent of parity for the basic commodities. Somewhere along the line, after the election, the President changed his farm advisers, and brought gloom, despair, and, indeed, actual suffering into many farm homes. We should not forget there are more than 1½ million farm families in the United States—not farmers, but farm families—whose gross cash income is less than $1,000 a year, who would have benefited by the bill. It would have enabled those people to hold up their heads and to be thankful they were American citizens.

Mr. President, I wish we might be able to ascertain the exact date when the President changed his farm advisers. Under the existing order of things, it will not be long until we shall be compelled, if we have any respect for the independent family-size farm operator, to build a memorial to him, because if present conditions continue he will soon be extinct. So I wish we could ascertain the exact date—in order that we might carve it on such a memorial—when the President changed his farm advisers from those who guided him during the campaign to those whose advice has resulted in the present change in the farm policy under this administration.

I thank the Senator from Oklahoma for yielding to me.

Mr. KERR. Mr. President, I thank the Senator from Georgia for his remarks. I would make one correction in what he said. He stated that the total farm income of 1 million farm families averaged less than $1,000 a year.

Mr. RUSSELL. A million and a half farm families, Mr. President. We received evidence of the truth of the statement just this morning, in the Appropriations Committee, where a representative of the Department of Agriculture testified.

Mr. KERR. I thank the Senator from Georgia.

Let me say that I remember that on the floor of the Senate, 2 years ago, the distinguished Senator quoted from a report of the Census Bureau, according to which at that time the average cash income of one-fourth of the American farm families did not exceed $1,000 a year. I ask the distinguished Senator from Georgia if it is not a known fact that last year the income of American farm families was substantially lower than it was in the year to which that report of the Census Bureau applied.

Mr. RUSSELL. Unquestionably it was lower, and this year it will be much lower.

Mr. KERR. I thank the Senator from Georgia.

Mr. RUSSELL. Not only will it be lower, but there will be a larger number who will have been brought within the lower bracket.

Mr. KERR. The Senator from Georgia is eminently correct, and that development is a direct result of the policy of the present administration.

Mr. President, I wish we could learn when the President changed his farm advisers.

While we are having the benefit of eminent medical counsel in giving the people information about the physical health of the President, I should like to have eminent medical counsel find out, if they could, whether the President was mentally aware of what happened at the time when he changed his farm advisers. I do not know on what date that occurred; but I do know that April 16, 1956, will go down in history as the darkest day American agriculture has known during my lifetime; and when the obituaries of the present administration are written, let the record show that it was on that date that the economic crime of 1956 was committed—and committed by the hand of President Eisenhower himself.

Mr. President, it was in line with the policy of President Eisenhower's administration and his Department of Agriculture, that True D. Morse said, when speaking for Mr. Benson, "The marginal farmer must be eliminated." How successful the administration has been in doing that, Mr. President! The farmers know it, and they also know that this administration has been more successful in creating marginal farmers than it has been in eliminating marginal farmers.

Mr. ERVIN. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield to the senior Senator from North Carolina.

Mr. ERVIN. The Senator from Oklahoma stated that this economic crime was committed by the hand of the President himself. I should like to ask the distinguished Senator this question: While it was done by the hand of the President, are not the words of the veto message the words of his Secretary of Agriculture?

Mr. KERR. They are. I say to my good friend, the Senator from North Carolina, that a little later I had intended to say something in that regard. However, I shall say it now: The Bible refers to the hand of Esau but the voice of Jacob. I wish to say that, this time, it was the hand of Jacob, but the voice of Esau. And with reference to the policy of this administration, it was declared on the floor of the Senate by the senior Senator from Vermont [Mr. AIKEN], when the farm bill was before the Senate—as appears in the CONGRESSIONAL RECORD for February 24, 1956, at page 3319:

> The soil-bank proposal as written would permit some small marginal farms to be taken out of production altogether, and the owners of such farms would be enabled to take other jobs which would pay them enough so that they could make a better living, and at the same time be sure of some income from the marginal lands from which they have been trying to make a livelihood.

Mr. President, the veto is in line with the announced and steadfast policy of this administration to eliminate the marginal farmers, to plow them under, for they have been here long enough.

Mr. President, there are those who say that Mr. Eisenhower has given up any hope of getting any farm votes, and wants to eliminate as many of them as he possibly can between now and the election in November. I wish to say, Mr. President, that he is eliminating them as productive units in our farm economy; but he is going to get the shock of his life when he receives the returns from their voting, next November.

A while ago the distinguished Senator from Louisiana [Mr. ELLENDER] said he feared the President had vetoed the bill without knowing what was in it. I wish to say that I am convinced that the President vetoed the bill without knowing what was in either the bill or in the veto message. I would challenge him to hold a press conference and let the representatives of the press ask him what was in the bill and what was in his veto message. If that were done, I do not have the slightest fear that he would be able to give a comprehensive answer to either question.

Mr. President, I read these words in the second paragraph of the veto message:

> A sound, constructive 9-point program to this end was submitted on January 9, with an urgent request for action.

He was talking about the so-called farm program which he submitted to the Congress.

Then he said:

> It was a program that came from the grassroots.

The grassroots of what, Mr. President? The grassroots of what golf course? I wonder if that is where the President's farm message came from. Certainly it did not come from the grassroots of the farm families of the Nation.

I wish to say that that statement in the veto message is an insult to the House and the Senate and to the Agricultural Committees of both bodies and to every Member of the Congress who voted for the conference report on the farm bill. It is an insult to the 15 distinguished Republican Senators who voted for the conference report. I wish to say that any one of them knows more about the grassroots sentiments among the farm families of this country in regard to farm matters than either Mr. Eisenhower or any of the persons in the top echelons of his Department of Agriculture will ever learn. Furthermore, I wish to state that each of the 48 Members of the House who voted for the conference report on the farm bill knows more about the sentiments of the grassroots farmers of this country than the President could ever even conceive of.

Mr. President, I desire to state that the shock which would come to the President, great man that he is, if he were really to receive the information about the grassroots sentiment in this country in regard to his farm policies, would be so terrific that I would even be uneasy about the health of the senior Republican member of our Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN].

If the scintillating brilliance of the truth with respect to the sentiment at the grassroots should ever penetrate the insulated walls of the White House, as presently occupied, the shock would be so terrific that the citizenship of this District would think that an atomic bomb had landed there and exploded. The President is allergic to sentiment from the grassroots, unfamiliar with it, and uninterested about it. He says in his veto message:

> The problem is price-depressing surpluses.

Undoubtedly there is some degree of fact in that statement.

> Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued.

Yet by his veto of the farm bill he has increased that problem. He did not diminish it. The farm bill as passed had within it provisions whereby that surplus could be curtailed and future production limited. As the distinguished Senator from Louisiana so ably said:

> the veto of this bill will not reduce the production of farm products in this country. It will increase it.

The President complains about the price support for feed grains and grain sorghums. The provision of the bill relating to them was the only effective approach ever made by the Government of the United States to bring about an equitable reduction of acreage planted to feed grains and grain sorghums.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. YOUNG. I thoroughly agree with the Senator from Oklahoma that this is the best provision of the entire bill, from three standpoints: first, from the standpoint of bettering the actual cash price of feed grains; second, from the standpoint of reducing surpluses; and third, from the standpoint of making the soil-bank program work. We might add a fourth. This program would do more for the small farmer than any other provision in the bill. In order for a farmer to get the 85-percent supports for small grains he would have to put 15 percent of his small grains acreage under the soil bank. We would get more acreage in the soil bank under this part of the bill than under all the other provisions together.

Mr. KERR. The Senator is eminently correct. What a tragedy it is that that information would come as such a shock to the President of the United States, if he were ever permitted to learn the truth of what the great Senator from North Dakota has just said.

On the third page of the President's veto message I find this language:

> We now have sound and forward-looking legislation in the Agricultural Act of 1954.

Nearly everything else in the message disputes that statement. The action of the Congress disputed that statement.

Every farm family in America knows that that statement is false. The President, by his announcement as to what the Secretary of Agriculture was going to do, conclusively proved that that statement was false.

At the same time he vetoes the act of 1956 he promises to spurn the act of 1954. In the very same message in which he refers to the act of 1954 as "sound and forward-looking legislation," he sets forth in detail the means whereby he expects to ignore it, override it, and spurn it. Thus even a child would know that his statement about the act of 1954 is not sincere.

It has been proved false by experience, and that proof is pointed up and verified by what the President himself says as to what he and the Secretary of Agriculture intend to do in 1956, which does not conform to the act which he himself says is sound.

There is this to be said: The President acted with dispatch. If being on the golf course in Augusta, Ga., enables him to handle big questions as expeditiously as he handled this one, he ought to spend the rest of his term there.

Members of our Committee on Agriculture and Forestry worked for more than a year on the bill. They began intensive hearings last October, which lasted for months. They started extensive sessions when the Congress convened, which sessions lasted for weeks. The Congress debated and worked on the bill for months, and hammered out on the anvil of hearings, through the voice of the people, information from the grassroots, and debate in the committee and in the Senate, not a perfect bill, but a great bill. The President of the United States vetoed it in 15 minutes.

Distinguished Republican Governors from States in the agricultural area called and requested an audience. I understand from the press that they were at the White House this very morning. The President told them to come to the White House and he would talk to them about whether or not he would veto the bill. Yes, it had already been vetoed for days. Benson carried the veto message to Georgia. The press told us that the Secretary went down there to talk about it with the President. He went down there to give the President the veto message.

I see from the press that 15 distinguished Republican Senators petitioned the President to sign the bill. His reaction was about like that of a justice of the peace in Oklahoma in the early days. He had a case before him. The attorney for the plaintiff presented his argument. Then the attorney for the defendant rose and started to make his argument. The judge said, "Go right ahead and make your argument. Speak as long as you like, and say anything you wish to say; document it as you will. When you finish, you will find my decision in this top drawer, but I must leave now to attend to other matters."

The President is too busy recovering from one vacation and getting ready for another to listen to 15 Republican Senators or 4 Republican governors petitioning him with pleas from the grassroots.

No longer can any outraged American say that Eisenhower is not to blame for the farm policy of this administration, for the acts of Secretary Benson, and for the veto of this bill. Mr. Benson has a great many skirts. I shall not assert what shape they are in, but Ike can no longer hide behind them. The mask of hypocrisy has been stripped, and now he must stand forth in the full glitter of the shining truth that he is the implementor and architect of this farm policy. The nails that have been driven into the farmer's hands, the cross upon which he is being crucified, may have been furnished by Benson, but the hammer that drove those nails into the farmer's hands was wielded by the hand of Eisenhower. The hand that placed the crown of thorns upon the farmer's head was the hand of Eisenhower.

It would be tragic indeed, Mr. President, if the action of the President was the result of a conviction that he is against fixed price supports. However, he cannot even have that refuge for his action. In his recommendation for the Dixon-Yates contract, he proved that he was not against fixed price supports, or against 100 percent of parity. By his direction, the Atomic Energy Commission wrote the contract with the Southern Power group by which they were guaranteed 125 percent of parity for 25 years.

The Federal Reserve Bank recently again increased the discount rate on commercial paper, with the result that interest rates will again go up in every financial transaction in the commercial marts of this Nation.

Therefore, President Eisenhower is not against fixed price supports, and he is not against 100 percent of parity, as a general principle. He is against them only as applied to the American farmer.

I believe the most tragic domestic act of this administration was this ill-conceived, unwarranted, unjustified, and penalizing veto by the President of the United States.

Mr. LANGER. Mr. President, this is a tragic day. Within a few weeks Republicans from all corners of this country the Republicans will meet in the State so ably represented by the Senator who is the acting minority leader at the moment, the Senator from California [Mr. Kuchel] and draw up a platform. They will send that platform all over the Nation, and appeal for votes for the Republican Party.

Mr. President, only the greatest optimist, I may say to my distinguished friend the acting minority leader, would believe a single plank in that platform. A man who will deceive you once will deceive you again. The Republican Party set up a platform in 1952, and the man it nominated for President of the United States, running on that platform, went to Kasson, Minn., and said, "I am for 90 percent of parity, and it should be 100 percent." Then on October 4, 1952, he came to the Field House of our State college at Fargo, N. Dak., and repeated that he was for 90 percent and that it should be 100 percent, and the farmers there believed him. Then he went to South Dakota and Iowa, and day after day repeated that he was for 90 percent of parity, and that it should be 100 percent. Who will believe the Republican candidate? At the first opportunity the President has to make his word good, he reneges. What does anyone suppose the people will say to him, if a candidate makes such promises and does not keep them?

Why, Mr. President, only a short time ago the Vice President, Mr. Nixon, who had run with Eisenhower on that same platform, and was familiar with the promises made by the President of the United States when he was a candidate, cast the vote that broke the tie in the Senate against a 90 percent of parity provision in the farm bill.

Mr. President, the farmers are not as dumb as the leaders of the Republican Party think they are. Within a few days after Mr. Nixon cast his vote as Vice President, I received word that a big sign had been erected in North Dakota, and on it was printed, "He lied to us."

I do not have the least doubt that in the next campaign the Democrats will have signs erected in the farming States which will enunciate that same doctrine, and which will say, "He lied to us." It is a tragic day when the people of the United States cannot rely upon the word of the President or of the Vice President of this great Nation.

Therefore I say to the distinguished acting minority leader, "I do not care what you put in your platform. You can promise everything from the bottom of the earth to the top of the moon. Those farmers who have been lied to once are going to look askance at future promises made to the farmers of this great Nation."

I am happy in the fact that as the representative of the Abraham Lincoln-Theodore Roosevelt-Bob La Follette-George Norris-Republican Party, I have time and time again enunciated the doctrine of those great men on the floor of the Senate. Can anyone imagine any one of those great men, running on a platform and going all through the farming area and making a definite promise, saying to the voters, "Vote for me if you want 90 percent of parity, because that is what I stand for," and can anyone imagine having the candidate for Vice President of the United States follow in his wake echoing that promise, and then at the first opportunity either one of them had, breaking that promise made to the farmers of this country?

For the third time I want to tell the acting minority leader, the Senator from California [Mr. Kuchel], my distinguished friend, "You can have a committee from now until the day of your convention drawing up platforms and putting in paragraphs that may appeal to certain groups of voters in this country. They will not believe you, no matter what you put in your platform."

I had accepted an invitation to attend tomorrow night the dinner given by the Republican Party, which will be addressed by the Chief Executive of this great Nation. Mr. President, I would be ashamed to go there. The farmers of my State would be ashamed to have their senior Senator attend that banquet.

I wish to compliment the Republican members of the Committee on Agriculture and Forestry, particularly my distinguished colleague from North Dakota [Mr. Young]. He fought very hard to make the Republican Party carry out its promises. Certainly, the veto of the President of the United States cannot be held against my distinguished colleague. He fought on the floor of the Senate and he fought in committee. He fought openly, and he even antagonized the Secretary of Agriculture in his fight for the farmers of the State of North Dakota and for all the farmers of this great Nation.

Mr. President, some of my Republican colleagues who voted for the bill which the President has vetoed kept faith with the promises made by the leader of the Republican Party, temporarily.

In conclusion, Mr. President, I simply wish to state once more that I believe a campaign promise made by a President or a Vice President during their campaign should be kept.

On that note, Mr. President, I close these remarks.

Mr. KUCHEL. Mr. President, first of all, I wish personally to welcome to the Senate the present Presiding Officer [Mr. Wofford in the chair]. I hope that during the time the present Presiding Officer remains a Member of the Senate he will derive the same enjoyment from his service here that I have experienced in growing degree during the past 3 years.

I wish to say, Mr. President, that the type of utterances heard on the floor today, in my judgment, are a little bit lower, a little bit uglier, than those to which I have been accustomed to listen in my days here. We are governed in the Senate by rules, some of which are a little loose, and I suppose some of which are ambiguous. Some, in my view are wrong. But they govern us. There are some regulations with respect to the quality of one's utterances, and, I think, implicit in the rules of the Senate is some injunction that one ought to debate free of rancor or bitterness, and upon a reasonably decent plane.

Of course, Mr. President, there is one precedent which was established a year or so ago when a majority of the Senate saw fit to censure a Member for some utterances he had made off the Senate floor. But, apparently, Mr. President, there are some things a Senator can do with complete impunity in the Senate of the United States. He can, it will be observed, revile the President of this free country, if he wants to, and, apparently, no rule is broken by his doing so. A Senator can obtain the floor and can besmirch and vilify and condemn the President of the United States because he goes to church. A Senator can use the rostrum, as has been done, to assert that the President is physically incapable of discharging the duties of his public office. A Senator can, apparently, under the rules, vent as much spleen as he desires against the Chief Executive of this country.

Mr. President, I thought some of the comments this morning on the presidential veto of the farm bill were almost frenetic, and certainly were fantastic.

I hurriedly wrote down one of the phrases of my good friend, the majority leader. The present national administration, so says the Senator from Texas, believes that low farm prices are the answer to the farmers' problems. That statement is so patently wrong as hardly to require denial. I think my good friend from Texas was a little bit overly inclined politically when he made that statement.

At any rate, I do not think anyone can question the fact that Dwight Eisenhower vetoed the farm bill because he decided that to do so was in the best interests of the country; and I do not think anyone can accuse him of trying to obtain the farm vote by the action which he took today.

My friend from North Dakota made some comments just a few moments ago, and indicated that the platform which will be written this year by the Republican Party will not be believed by the American farmer or by the American people generally. I do not know how many people read the Congressional Record any more, and I sometimes wonder if Senators are needlessly taking the time of the Senate in making comments in the Senate.

But let the Record show that in 1948, the Democratic national platform promised the people of the United States flexible price-support legislation for basic farm commodities. That was a solemn promise to the people of the United States. It so happened that in 1948 the Republican platform made exactly the same compact with the American people. President Truman was reelected, and, to his everlasting credit, in 1949, he asked the Congress of the United States which was in control of the party to which he belonged to fulfill the commitment which the Democratic Party had made to the people of the Nation. It did not do it. It refused to do it. Four years later, Dwight Eisenhower asked a Republican Congress to adopt flexible price-support legislation, and it did.

Who on the floor is responsible in great measure for the fact that 2 years ago we adopted flexible price-support legislation? Mr. President, he is a great American. He is a member of the Democratic Party, and he was Secretary of Agriculture during the administration of President Truman. I respect Clinton Anderson, of New Mexico, Mr. President, for standing up and treating American agricultural legislation as an American and in urging the Congress to do that which he had urged and which his chief had urged when the Senator from New Mexico was a member of the Cabinet. He helped lead the successful bipartisan fight for flexible price-support legislation 2 years ago, and the successful bipartisan fight against rigid price support this year in the Senate.

Mr. President, farm legislation is not going to be too much of a partisan issue in the coming campaign. When the other day we had an opportunity to vote for or against the conference report on the farm bill, most Republicans voted against it and a number of my brethren on the other side of the aisle voted against it. I think some of them will speak on the floor a little later on this afternoon. But let the record show, Mr. President, that it was a bipartisan Senate majority 2 years ago which adopted flexible price support legislation, and when the attempt was made in all its nakedness in this session to have the Senate approve 90 percent of parity, a bipartisan majority turned that down too.

Mr. President, I become a little tired of hearing some of my brethren call the President of the United States all kinds of terrible names. But, as I say, Mr. President, apparently that can be done in this great and august body. Senators can remain immune from any type of censure or stricture or admonitory taps on the back of the hand so long as they confine their epithets to the President of our country.

Mr. President, I ask unanimous consent that an excellent editorial appearing in the Washington Post and Times Herald this morning, entitled "What Kind of Veto?" be printed in the Record at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

What Kind of Veto?

President Eisenhower's decision on the farm bill is extremely difficult because Congress seems to have left him only a choice of evils. If he should sign the bill, he would again write into law principles which he and a very large portion of the people (farmers, consumers, and economists alike) believe to be unsound. If he should veto the bill, it is said that he would deny the farmer any additional relief this year from what is admittedly a serious economic plight. No wonder the President is deeply perturbed by this dilemma. There is, however, another way of approaching the problem.

We think the country will not be satisfied by acquiescence in either of the two abovementioned extremes. Despite the sharp division over support prices at 90 percent of parity, the country wants farm legislation. Specifically, it wants the soil bank embodied in the present bill. This is evident from the widespread support given the soil bank in both political parties and the almost complete absence of opposition, although there are many differing views as to its effectiveness in reducing farm production. If the President vetoes the bill, therefore, we do not think he should accept the assumption that no other farm legislation will be passed this year.

This newspaper has already expressed the view that a veto is desirable. But the veto need not be merely negative. The administration has extensive authority to alter price supports within the 75 to 90 percent formula now on the books. The President could raise basic support levels for this year only without upsetting the principle of flexibility, and he could make such action contingent upon the passage of a new soil bank bill by Congress. A simple bill for that purpose could be enacted within a week if Congress made the effort. The result would be constructive relief of the farmer's plight instead of mere political warfare to win votes.

To our way of thinking, such a compromise would be preferable either to the signing of a basically unsound bill or to a veto that would merely toss the problem into the lap of the next Congress. Additional aid to agriculture is urgent now. The President can return this unacceptable bill to Congress along with a powerful plea for enactment of the soil bank to which there is virtually no opposition. If the administration shows its willingness to meet Congress half way, we cannot believe that Congress would turn a cold shoulder to the only farm measure that has a chance of approval.

Mr. SCOTT. Mr. President, the President has seen fit to veto a bill with reference to which we have met constantly in committee since last August, hearing farmers and groups representing farmers. Yet the President sees fit to help farmers in foreign lands to the extent of $4,859,000,975, and denying our American farmers about $2 billion.

DECLINE OF DRINKING AND DELINQUENCY AMONG NORTH DAKOTA INDIANS AS A RESULT OF A NEW INDUSTRY

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the Record an editorial entitled "Drinking and Delinquency Decline Among North Dakota Indians as Result of New Industry," published in the Lewistown (Mont.) Daily News of March 21, 1956.

I take great pride in calling attention to the role being played by the Bulova jewel bearing plant at Rolla, N. Dak., in curbing delinquency. Various hearings held throughout the country by the Subcommittee on Juvenile Delinquency have shown the beneficial effects of industry in depressed areas through better living conditions with, consequently, less delinquency. I might point out that Senate bill 2663, on which hearings are being held by the subcommittee headed by the senior Senator from Illinois [Mr. Douglas], provides for the relief of depressed areas through industry, and the Senator from Illinois has agreed with the Senators from Montana and North Dakota to include Indian reservations within the purpose of the act. If the results as shown in North Dakota are any indication, then initiating industry in depressed areas throughout the country should cause a great improvement in living conditions, and it necessarily follows that there will be less juvenile delinquency.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Drinking and Delinquency Decline Among North Dakota Indians as Result of New Industry

Drinking among Indians and delinquency among their children has been a much discussed subject in Montana.

Not that these problems are exclusively Indian—they're not, as everyone knows they also much concern whites, everywhere in the Nation as well as in Montana.

This editorial discusses drinking among Indians, and delinquency among their children, because of the remarkable progress that has been made in lessening these problems at the Turtle Mountain Reservation near Rolla, N. Dak., since the establishment there a few years ago of a jewel bearing plant by Bulova.

The company had been asked to come in to provide employment for idle Indians.

The Lewistown Daily News has taken a great interest in this plant because of the fine precedent it has established.

It has proven that Indians are able and faithful workers once they are given the chance. It has demonstrated that certain types of industry may be established, with much success, on or adjoining Indian reservations. It reveals that this means can be used effectively in enabling Indians to become useful, prosperous, and self-supporting citizens even though living on reservations where there had previously been little opportunity.

Now there are two new and equally pleasing revelations as a result of the Rolla plant. Drinking among Indians has tapered off considerably, and delinquency among Indian children has decreased about 60 percent.

The authority for this startling statement is Clarence Johnson, sheriff of Rolette County, where the Turtle Mountain Reservation is located.

Since a letter he wrote on the subject is so revealing, and offers so much hope for the Indians if similar developments can be secured on or adjoining Montana reservations, the Daily News reprints the entire letter as follows:

Rolla, N. Dak., *February 3, 1956.*

Mrs. Stanley Saugstad,
Minot, N. Dak.

Dear Mrs. Saugstad: The juvenile delinquency on the Turtle Mountain Indian Reservation among the Indian people has decreased about 60 percent in the past 2 years. I have figures to this effect. I think the reason for these figures is the employment in the jewel bearing plant, which is located here in Rolla, N. Dak.

When John B. Hart, who is an attorney in Rolla and also executive secretary of the North Dakota Indian Affairs Commission, began working to get a factory of some sort for these people to work in, he had to make several trips to Washington, D. C., in order to get something built for them. After much work on his part, the jewel bearing plant was built in Rolla and it has proven to be the most wonderful thing that has ever happened to the Indian people in this area. The first year there were only about 60 people employed in the plant, but a year later an addition was built. I talked to Mr. Anderson, superintendent of the plant, and he states that they now have 136 employees, nearly all Indians. They expect to employ more soon. The starting salary now is $1 per hour. It is a busy little factory; everyone comes to work at 8 a. m. Some bring their lunches with them and others eat at the local cafes. They also have some bus service and others drive their own cars to work.

We have about 5,000 Indians living on the Turtle Mountain Indian Reservation. Before the jewel plant started, we had all sorts of trouble. Things were unorganized and nearly all the Indian families were on some type of welfare help—either through grants from the Indian agency at Belcourt or through the county welfare program. This was all being done to keep them in existence, but the homelife among the people was getting to be a critical situation. There was nothing to keep the family together and because there was no work in the immediate area, the husband or wife could leave the home at any time. No one had any responsibilities in providing necessities for the home. Many homes were broken up this way, therefore it caused hardships to the children and quite naturally, it did not help the juvenile delinquency problem.

I have personally visited the homes of these people, both before and after their employment at the jewel bearing plant. I find that the homes are now more stable because of self-support and hard work. Although the salaries are not large, planning in the home is fairly good. They manage with what they get. For instance, the families take their children to a show once or twice a week and possibly to some other social gathering once or twice weekly as well. A certain amount of security has now come into the homes. I absolutely think there is less drinking among those who are employed, because they have their jobs to think of and they know they have to get up early to get to them. If, as in most cases, the wife works, the husband has to gather wood and take care of the household while his wife is away for the day. This works out fine. Before, the children were left alone a good deal of the time. Much drinking and dancing was carried on in the homes until all hours of the night. The younger people saw all this and naturally followed the same routine, and as a result they would be constantly missing school.

I have noticed that since the plant was opened, the homes are in better condition and the people have better furnishings in their homes. This all has a lot to do with juvenile delinquency in as far as the parents now have taken back the responsibility of their families, which in my estimation, was their biggest problem to begin with.

The Indian people have received too freely from the different welfare agencies, and for this reason they have lost their sense of responsibility. I fully realize that the welfare agencies are doing a fine job in helping those who are in need of their services. But the point is this, when families are receiving assistance, a case worker is sent to their homes to survey their needs, to arrange for any medical program that might be necessary for different members of their families and in short, to solve all their problems for them. In these cases, they no longer have to think for themselves and that is why I feel that they had lost their sense of responsibility.

After these people become employed in places such as the jewel bearing plant, they have the satisfaction of earning their own money and they learn to manage with what they have. Therefore, they take over the responsibility for their families and create more secure homes. This has proven very helpful in controlling juvenile delinquency in this area.

I have been here over 3 years and have experienced what I am writing. Thank you.

Yours very sincerely,

Clarence Johnson,
Sheriff of Rolette County, Rolla, N. Dak.

There is reason for real encouragement from Sheriff Johnson's observations.

A better opportunity and life for Indians, a better break for their children.

Bulova deserves credit for its taking a chance and pioneering in bringing industry to the Indians.

The Indians on the Turtle Mountain reservation have proven overwhelmingly what they can and will do when they have the chance.

So here is an achievement—a guide as to what can be done on other reservations.

Carl Beck, of Indian Service, is working hard and efficiently on trying to secure other industries for Indian reservations.

He, and the program, deserve the support of all of us in Montana, and particularly in the communities near Indian reservations.

Indians and whites alike will benefit greatly from continued development along this line.

NOMINATION OF GEORGE COCHRAN DOUB TO BE ASSISTANT ATTORNEY GENERAL OF THE UNITED STATES

Mr. BUTLER. Mr. President, I am honored to report that the Committee on the Judiciary this morning, by a unanimous vote, recommended the confirmation of the nomination of my good friend and fellow Marylander, George Cochran Doub, to be Assistant Attorney General of the United States in charge of the Civil Division of the Department of Justice.

I have known Mr. Doub for many years. We attended the same law school, from which we were graduated in 1926.

Before his nomination to be an Assistant Attorney General, Mr. Doub

served as United States Attorney for the District of Maryland. His work in that position was of such a nature that he immediately came to the attention of the Attorney General, who asked him to head the Civil Division of the Department of Justice, following the appointment of former Assistant Attorney General Burger as a judge of the United States Circuit Court of Appeals for the District of Columbia Circuit.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5265) to exempt certain additional foreign travel from the tax on the transportation of persons; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cooper, Mr. Mills, Mr. Gregory, Mr. Reed of New York, and Mr. Jenkins were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Frazier, Mr. Tuck, and Mr. Hillings were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7247) to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cooper, Mr. Mills, Mr. Gregory, Mr. Reed of New York, and Mr. Jenkins were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cannon, Mr. Kirwan, Mr. Whitten, Mr. Preston, Mr. Rabaut, Mr. Taber, Mr. Wigglesworth, Mr. Jensen, and Mr. Clevenger were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 6712) to amend section 1237 of the Internal Revenue Code of 1954, and it was signed by the Acting President pro tempore.

MORALS AND ETHICS SURROUNDING LEGISLATIVE AND POLITICAL ACTIVITIES OF CONGRESS

Mr. GOLDWATER. Mr. President, I am reluctant to impose upon the business of the Senate at this time to discuss a matter which may be somewhat discomforting to some Members of this body, particularly those on the other side of the aisle.

In the present atmosphere of concern over the morals and ethics surrounding both the legislative and political activities of the Congress, however, I believe it is imperative that the American people be told the whole truth about the motives which govern the statements and actions of those individuals in public life who carry the responsibility for providing inspiration and leadership in our governmental affairs.

It was my hope that men of integrity more clearly and closely connected with the incidents which I propose to discuss would come forward willingly to expose and condemn the abominable hoax which was perpetrated upon, and enthusiastically accepted by, the high command of the Democrat National Committee at the expense of the honor and dignity of the United States Senate.

Yet, to this hour, no voice has been raised in either explanation or apology. Not one person even remotely associated with this scurrilous effacement of political integrity has experienced a sufficient stirring of conscience to clear the record before his party and his country.

For this reason, I am presuming upon the time and patience of my colleagues to tell for others more properly qualified a story of deception which they will not tell for themselves.

Mr. President, the Senate is currently pursuing an investigation into improper pressures and influences upon Members of Congress. I am privileged to serve on the special committee which has been established to conduct this study. Perhaps, as a result of our efforts, new legislation will be devised to correct certain inequities in our election laws and to strengthen the safeguards against arrogant pressure tactics employed by those few individuals and groups who would create or defeat legislation according to the pattern of their own self-interest.

Notwithstanding the effects of our investigation, the principal question at issue is one of political courage and, as I said in a statement at the time of my appointment to the special committee, we cannot legislate courage. So it is particularly appropriate, I think, that we turn our attentions now to this most recent violation of ethical conduct on the part of the Democrat National Committee.

Let me reiterate my reluctance to present the grave charges which are founded upon this episode. I know that many of my colleagues across the aisle—indeed, many Democrats throughout the country—are as repulsed as I am by such shocking evidences of political opportunism.

If we are to maintain the essential vigilance that is required for the strength and security of our political and governmental institutions, however, we cannot permit the ardor of personal loyalties to obscure our higher regard for truth and decency and the rights and freedoms of the citizens of our country.

The Members of the Senate, Mr. President, are disturbed over charges of bribery. They have rightly elected to bare their official souls in order to plug every loophole through which unscrupulous pressures might gain entrance to the legislative councils of America.

It is only reasonable, therefore, that they should be mightily concerned by activities of the National Committee of one of our two great political parties which not only come within the definition of bribery, but also involve an effort to defame the duly-established processes of the Senate.

I refer, of course, to the case of the United States against Paul Hughes, which was described in the opening statement of the prosecuting attorney as "one of the most fantastic schemes to make money in the annals of political intrigue."

The role of the Democrat National Committee in this sordid conspiracy—and specifically the part played by Mr. Clayton Fritchey, deputy chairman of the Committee and editor of the Democratic Digest—is so malicious and unscrupulous as to make even the most hardened and biased Democrat partisan blush with shame. Indeed, the fact that the righteous indignation of sincere and principled Democrats has not compelled them to protect their party's reputation from the vile implications of this offense is, to me, almost as astonishing as the incident itself.

Here was a case, Mr. President, which resulted in the defendant, Paul Hughes, being acquitted on two counts of perjury. The jury deadlocked on four other counts. Mr. Hughes is an admitted liar.

The jury which freed him apparently felt that the testimony given under oath by several witnesses was of such a conflicting nature that they did not know whom to believe. There can be no other conclusion as a result of the trial testimony and the verdict.

The facts of the Hughes case, mysterious and complex though they are, undoubtedly are familiar to most of the Members of this body. A detailed recitation of them is not essential to the present discussion. They are, in truth, only descriptive images which simplify our comprehension of the subtle pattern of political treachery which engulfed the frenzied opportunism of Mr. Hughes.

Any examination of Deputy Democrat National Chairman Fritchey's clandestine dealings with Hughes must be weighed against the background of the official publication of the Democrat National Committee, which, at Fritchey's command, speaks to the American people in words purported to be Democrat gospel.

It is ironic that such a monumental blunder should be exposed to the light of public scrutiny in an election year during which our citizens will be particularly perceptive of evidences of political integrity. By their actions at the polls in November, as I am sure the Senators well know, they will express their conclusions as to which party they believe is best equipped—intellectually, philosophically, and morally—to provide the best Government for the United States.

They will be interested in the form and direction of persuasions employed by the candidates of both parties. Still more will they be impressed by the words and arguments which carry the force of truth and proof.

I am wondering how they will regard the uninhibited participation of Mr. Fritchey in the Hughes deception. Will this preacher of the new Democrat dogma cast a creditable reflection of character upon the candidates of his party?

I think not, Mr. President, and that is the reason I believe my colleagues across the aisle should heed the warnings of this episode with due alarm and precaution—just as they will undoubtedly be heeded by resentful citizens at the polls on election day.

No layman can properly evaluate the personality of Paul Hughes. Certainly, his unbounded imagination combined conveniently with his pathological addiction to lying to pave a broad highway for the achievement of his monetary aspirations.

The ambivalent routing of his prevarications leaves little doubt that the object of his labors was financial reward, and that he was burdened by no restraints of conscience in the pursuit of this goal. Having been rejected in the self-assumed role of an Air Force investigator desiring to give assistance to a committee of the Senate, he recast himself—with almost casual ease—in the character of a disgruntled employee of that same Senate committee who, for a price, of course, stood ready to tell all about the scandalous operations of that committee.

Naturally, when Hughes offered his services to the spewers of political venom in the Democrat National Committee, he struck the kind of pay dirt for which he had been groping. There was, at the beginning, an understandable skepticism concerning his qualifications; but the fanatic desire of Mr. Clayton Fritchey to realize the potential of this secret informer, this spy from the ranks of a Senate committee whose very purpose and existence he abhorred, quickly overrode any valid objections to Hughes or his "information."

Even when Hughes himself retracted a portion of his earlier biography, Fritchey refused to loosen his grasp on his new-found scheme to blacken the character of a United States Senator, a committee of the Senate and, ultimately, the Republican Party.

Fritchey provided Hughes with every convenience for the unfolding of his fabric of lies. Hughes, caught in the whirlpool of his demented ambitions and suddenly reaping the financial harvest of his mental images, continued to cough up his astounding allegations.

Perhaps the Senators were not taken in by such tales as that of the arsenal buried in the basement of their own office building, awaiting only the signal for an armed uprising in the corridors of the Senate. Perhaps, on the other hand, Mr. Fritchey honestly was. At the very least, the possibility was too real for him to abandon such fiction.

In addition to being paid by Deputy Democrat National Chairman Fritchey, liar Hughes was loaned a typewriter, property of the Democrat National Committee, and a dictating machine on which he recorded his phoney exposés. He was also, through the courtesy of Mr. Fritchey, given free access to the facilities of the Democrat National Committee.

During the time that Fritchey was listening wide-eyed—and believing with cash-backed astonishment—to the lies being peddled by Hughes, he was, in the pages of the Democratic Digest, pleading for truth and purity in political campaigns. He also reprinted, with obvious pride, a letter from Adlai Stevenson, in the June 1954 issue, which praised the publication for its "carefully documented information and its insight into current affairs."

We can be justified, I believe, in assuming that Candidate Stevenson may want to take another look at Editor Fritchey's outpourings as a result of the revelations of the Hughes trial. In fact, I suggest that "Candidate Anybody" on the Democrat ticket would do well, in view of the activities of the Democrat National Committee in this liefest, to view with face-saving apprehension the political contortions of this curiously motivated organization.

In all, Mr. Fritchey handed over $2,300 to Hughes, and his friend Joseph L. Rauh, Jr., of ADA left-wing fame, tossed an additional $8,500 in the till to keep Hughes' imagination well oiled so that the supply of scandalous memoranda would not dry up.

That Hughes also came under the sponsorship of the Americans for Democratic Action in the course of his sinister dealings with the Democrat National Committee was apparently a logical consequence of Clayton Fritchey's insatiable yearning to smear, by the foulest devices, the Republican Party. The fact that he pursued this ambition at the expense of the reputation of his own party and the United States Senate was obviously of no concern to him.

The ADA's Mr. Rauh, however, was not entirely satisfied with Fritchey's exploitation of liar Hughes. Rauh sought, in addition, to assist Hughes' recollections to the extent of directing him to produce "evidence" to accompany his revelations. This "evidence," of course, was created from the same brand of fiction that guided Hughes' whole effort.

One does not need a crystal ball to realize that, while the activities of both Rauh and Fritchey with respect to Hughes were essentially the same, Rauh's ideological compass did not point in the direction of the Democrat National Committee. The goal of Mr. Rauh, and the goal of ADA, is the total revamping of the American system of free enterprise. Fritchey and his fellow apostles at the Democrat National Committee are ostensibly concerned only with the election of Democrats to places of leadership within our existing governmental structure.

Of course, as I have already indicated, Fritchey was so dedicated to his responsibilities in the Hughes affair that he was willing to join forces with Mr. Rauh, no doubt in the delusion that he could have his cake and eat it, too. Such was not the case.

We find, instead, that Deputy Democrat National Chairman Fritchey was not only an enthusiastic dupe as far as Paul Hughes was concerned, but that he also danced with naive grace to the music of the ADA and Joseph L. Rauh, Jr.

I wonder, Mr. President, how my Democrat friends in this body, and Democrat faithful throughout the country, feel about the quality of Mr. Fritchey's efforts in their behalf. I am sure they know that, notwithstanding the "individual" nature of his project with Mr. Hughes, he has placed an albatross around the neck of their party which no amount of hedging or whitewash can remove. The facts are here and they add up to as disgraceful a breach of political morals as this Nation has ever witnessed.

It has been suggested that what Mr. Fritchey and his contemporaries really need is fewer Americans for Democratic Action and many more Democrats for American Action.

In the clamor of this election year, I devoutly hope, for the sake of our country, that Mr. Fritchey and his immediate superior, Mr. Paul Butler, will harken to this advice. It would be a major step toward answering the unshakable challenge created by the Democratic National Committee's guidance of liar Hughes.

In his trial testimony, Fritchey repeatedly described the vigorous activity at the Democrat National Committee which accompanied the Hughes narrations. Stenographers, researchers, and secret messengers supplied from the committee staff, and acting on priority orders, participated in the project. Yet, Fritchey avowed that it was not a committee project, but rather his own "individual" effort.

Fritchey also told the jury that all the Democrat Party had was a deficit. Still, he was able to tap his own till, he tells us, and that of several committee employees, for sums ranging up to $800, to further his private project.

This arms-length attitude of a stiff-necked virtue in keeping the project entirely unofficial, led the defense attorney at the trial to conclude:

> In other words, in effect, Clayton Fritchey, the individual, kept such information from Clayton Fritchey, the deputy chairman of the Democratic Committee, in effect?

To this query, the Government prosecutor appropriately commented:

> That is a pretty hard question to answer.

The disgusting moral tone of the project and the corrupt principles which actuated Fritchey to cast his lot with Hughes were revealed in open court.

The defense attorney asked Mr. Fritchey concerning his encounter with Hughes:

> When you arranged to meet him, you had information which would lead you to believe that he was closely associated with Senator McCarthy and that you might be able to have a spy in the Senator's camp, right?"

Mr. Fritchey answered:

> Yes.

The defense counsel continued:

> And that didn't disturb you any, did it, that you should have a spy in the Senator's camp?"

Mr. Fritchey said:

> Well, I would say that if this had resulted in his being able to prove the charges that he was making and to demonstrate to the public that a senior official of the Government was corrupting the Government, I would have considered it a signal public service.

Defense counsel asked:

> In other words, the means would justify the end?

Mr. Fritchey replied:

> Correct.

Now, Mr. President, that answer by Mr. Fritchey points up vividly the whole paradox of this affair. We find the tacitly self-righteous Deputy Democrat National Chairman actively condoning the use of spies, subterfuge, and secret informers which, out of the other side of his mouth, he condemned as a part of the so-called "terrible tactics" of the Senator whom he sought to crucify.

We should remember, too, that the loudest anti-McCarthy criticism by the likes of Mr. Fritchey and Mr. Rauh followed the line: "We approve of his objectives, but we don't like his methods." In other words, the tactics ascribed to Senator McCarthy by his left-wing antagonists did not justify the patriotic aims of Senator McCarthy; but, when employed by these shining knights of the Democrat National Committee and the ADA, in a morally deceptive affair of political chicanery, they constituted, in Mr. Fritchey's own words, "a signal public service."

I would remind the Senators, also, of the analogy given by the junior Senator from Wisconsin in answer to the critics of his "methods" in ferreting out Communists. He said—and we all remember it—"You can't go skunk-hunting in a high silk hat."

How much more noble and truthful it would have been for Fritchey and Rauh—second to none among the "McCarthy haters"—to have applied a similar admission to the object of their detestable assaults. Surely, being on the opposite side of the political and ideological fence from Senator McCarthy, they hold no less contempt for him than he evidences for the cause which they—unwittingly, of course—support.

Continuing with the Defense Counsel's cross examination of Deputy Democrat National Chairman Fritchey, we find this question:

> Do you recall whether Hughes at any time expressed any opinions which caused you seriously to doubt his ethics or morality?

Mr. Fritchey replied:

> No, not one single thing, no.

No comment of mine upon this answer could speak as eloquently or decisively as the following excerpt from a December 1953 memorandum from Hughes to Fritchey which was an exhibit, and part of the evidence, in the trial:

> Phone taps can be utilized (against McCarthy) * * * Don't discount the tremendous value in just bargaining power of recorded phone discussions.

The memorandum continued:

> A program of this type, although not nice, can result in harm to no one except (McCarthy) * * * As mentioned earlier, being nice, too ethical, or squeamish, will accomplish less than nothing, where McCarthy is concerned. McCarthy has stated many times, "Ethics went out the window with button shoes." So therefore I don't see the necessity for us to send a boy to do a man's work. If both Federal and civil law-enforcement agencies use the same unethical procedures to bring to justice criminals, are we not justified in using similar methods to expose (McCarthy) * * *? It is most easy to prove and document (McCarthy's guilt) by relaxing somewhat on ethics. This is probably what I'm best suited for.

There, Mr. President, in one brief quotation, is revealed the shocking issue in this discussion: Paul Hughes, admittedly a liar and self-professed expert on unethical procedures, received payment from an official of the Democrat National Committee to supply that official with false and defamatory information concerning a duly elected Member of the United States Senate in the performance of his official and patriotic duties.

At another point in the trial the Defense Counsel asked Mr. Fritchey:

> Did you ever attempt to check with anybody, Mr. Fritchey, on the authenticity of any of the material that was given you?

To this Fritchey replied:

> No; I don't think * * * Not beyond our own scrutiny of it.

At another time during the trial Mr. Fritchey said that he had taken some of the material Hughes gave him to a notary and made an affidavit that he had received it from Hughes "before a certain date."

The defense counsel asked in this regard:

> Now, you said that you had taken certain of these transcriptions and those typed things to a notary so as to indicate that you had received them before a certain date, right?

Mr. Fritchey:

> Correct.

Defense attorney:

> Did you ever suggest taking Hughes along so he could swear that they were true before the same notary?

Mr. Fritchey:

> No.

It is, indeed, a sordid tale. Clayton Fritchey is the Deputy Chairman of the Democrat National Committee. He is the editor of the Democratic Digest, which is sold on newsstands and sent through the mails to subscribers. He is the Democrat National Committee's principal "seeker after the truth."

Yet, Mr. President, the facts of the Hughes case prove beyond any reasonable doubt that Clayton Fritchey is either a blind fool or one of the most unscrupulous and unethical political beavers in the history of our country. He may be all of one or all of the other, or he may be a little bit of both. In any case, he is certainly a questionable pacesetter for loyal Democrats of principle and integrity.

In summing up the case to the jury the defense counsel, Mr. Erdmann, had this to say about Mr. Fritchey:

> The first man or major witness that I want to discuss, although he was called somewhat late in the proceeding, is Clayton Fritchey because, as the defendant contends and we urge, Clayton Fritchey was in at the beginning.

The Hughes case, then, clearly and unquestionably, involves an attempt to discredit a committee of the United States Senate—not to discredit it legitimately, but, rather, to do it with a mountain of scandalous and fabricated information and with the sponsorship of sworn enemies of congressional efforts to expose the Communist conspiracy.

We have here a secret informer being paid for double-crossing his alleged employer. In this, I see bribery in its most flagrant form.

We have here under-the-table payments in cash for the most absurd batch of lies ever concocted.

We have here a working arrangement between the Democrat National Committee and the leader of the leftwing Americans for Democratic Action.

Are not my Democrat colleagues in the Senate concerned about this deplorable episode? Is Mr. Fritchey really the kind of man my friends on the other side of the aisle wish to have superintending the activities of their national political organization and conducting its public relations? Does the Democrat candidate for President in 1956, whoever he may be, wish to come before the American people and ask their confidence with this monstrous deception hovering above his head?

Perhaps Mr. Paul Butler, the quite vocal chairman of the Democrat National Committee has not had the time to read the trial testimony that is available to him. Certainly, to this hour, he has attempted no explanations or apologies for the actions of Clayton Fritchey, his deputy. Perhaps Mr. Butler has not even availed himself of the opportunity of reading the press comments on this fiasco. His silence implies either shame or ignorance. If he is not aware of what has been going on in the ranks of his committee staff, or if he is not concerned about the consequences of the Hughes hoax, he is surely laying the political integrity of a great political organization on the block of public censure.

It would seem on the surface to be an unnecessary gesture to call to the attention of the Democrat national chairman this case of the secret informer and his financial mentor and guiding angel, Mr. Fritchey.

It is the job of the Democrat Party to police its own house. It owes that much to the American people and to its faithful partisans throughout the country.

Perhaps, on the other hand, Mr. President, Mr. Butler's silence is of greater shame than we suspect. Perhaps Mr. Fritchey's influence inside the councils of the Democrat Party weighs more heavily upon Democrat policy than has yet been admitted publicly.

After all, Mr. Butler himself has never shown any aversion to the application of highhanded political tactics. This was clearly demonstrated by his brazen suggestion that legislation, however discriminatory, should be pushed in the Congress to aid in the election of Democrat Senators and Representatives in areas where appropriations for the expenditure of Federal funds on public projects would endear the proponents of such measures to the voters of the affected States. In other words, like Mr. Fritchey, Mr. Butler seems to regard the function of Congress as purely a political one. He mentions, for instance, that the Niagara bill is of "tremendous importance to the reelection of Senator Lehman," and that the $500 million Federal plan for Hells Canyon should be passed, since it will be "a vital factor in the reelection of Senator Morse and Representative Edith Green."

Mr. President, it could be that I have misjudged Chairman Butler, but in view of the proven tendencies of his understudy, Mr. Fritchey, I find this comparative speculation worthy of the closest scrutiny by the American people.

What I should like to leave with the Senate, in concluding this discussion, Mr. President, is this question: Does the "cops and robbers" technique of Deputy Chairman Fritchey constitute the Democrat National Committee's answer to its search for issues in the coming campaign? If it does, then I suggest that the choice before the American voters in this election year will be distinctly one of political courage and integrity. Indeed, Chairman Butler and his committee need look no further for an issue for their campaign. Mr. Fritchey has provided a classic one, and, by his silence, Mr. Butler has endorsed it.

It will be interesting to observe how my Democrat colleagues respond to this challenge, which, though inspired by their own national committee, will be hurled at them by an aroused citizenry during the coming months.

I hope, Mr. President, that the perpetrators of this intrigue will find their punishment in the wrath of men of character and integrity within the Democrat Party.

It is disturbing, however, even to a Republican, to consider that such punishment might overflow its banks and swamp the service of those Members on the other side of the aisle who are themselves innocent of this blight upon the record of their party.

Mr. President, I yield the floor.

Mr. McCARTHY subsequently said: Mr. President, I should like to take about 30 seconds to thank the very able Senator from Arizona [Mr. Goldwater] for the comments he has made today regarding the Hughes case.

I wish he had gone a bit further and had discussed the part the Washington Post took in this case. The Washington Post, which has been criticizing the methods of McCarthy, took part in this payment and took part in this conspiracy—Wiggins, Friendly, and Murrey Marder. I think Marder was less responsible than were Wiggins and Friendly. Wiggins certainly took a major part in the conspiracy. And up to this time they have not apologized. They have not admitted their part in the conspiracy, even though it has been proven in court that they took a major part in it—one of the most irresponsible acts on the part of a newspaper that I have seen.

I again thank the very able Senator from Arizona for his discussion of this case.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Arizona.

Mr. GOLDWATER. I wish the Senator from Wisconsin had been in the Chamber when I had the floor and was making my short speech. I wish to tell the Senator from Wisconsin that I have heard—in fact, I have read—something of the implication of the various newspapers in this dastardly plot with Mr. Fritchey and Mr. Rauh. I did not feel I knew enough about it, from the evidence I was able to see, to speak competently on the floor about it. I suggest, therefore, that if the case can be further developed, certainly it would be enlightening to the people of America to have the Senator from Wisconsin discuss the newspaper angle. I wish I had felt competent enough to do it, but I did not desire to explore in that area—an area about which I knew so little.

Mr. McCARTHY. I hope the Attorney General's office will go into that case and procure indictments of those engaged in the conspiracy. If the Senator or I had been guilty of what these men did, we would have been indicted long since. I think there is a very definite duty on the part of the Attorney General to act as I have suggested.

VETO OF THE FARM BILL

Mr. HOLLAND. Mr. President, the veto message of the President of the United States on the farm bill, which I strongly approve, presumably brings an end to one of the hardest legislative fights, in which the greatest difference of opinion was manifested, in connection with any issue which has been decided by the Congress in recent years.

In order that the Record may clearly reflect how keen was this difference, both in committee and elsewhere, I wish to recite a few facts at this time.

The Senate Committee on Agriculture and Forestry consists of 15 members, 8 of us being Democrats and 7 Republicans. On the issue which became perhaps the dominant issue as the bill was considered, the issue of the restoration of the 90 percent rigid price supports, the committee divided 8 to 7. Not only was that division in the committee as close as it could possibly be, but the members of the committee on both sides of the table were as evenly divided as it was possible for them to be and still leave an 8-to-7 vote on this particular issue. As to the Republican members of the committee, sitting on the opposite side of the table from myself, they were divided 4 against the restoration of rigid price supports and 3 in favor of restoration. As to the Democratic members of that committee, we were divided 5 to 3, that is, 5 for the restoration of rigid high level price supports and 3 against that issue.

Not only was that close division found in our committee, but likewise, in the conference committee, the representatives from the Senate were divided on this issue as evenly as they could be, that is, 3 to 2.

I invite attention to these facts at this time preliminary to saying that I was present much of the time at all stages of the debate in the field, in the committee, and in the conference committee, as this measure was heard and determined. I wish to say for the record that I do not believe any member of the committee, or of the conference committee, changed his mind in the slightest upon this particular issue, and upon most other vital farm issues, throughout nearly a year of discussion. Apparently the conviction of the Members was very deep.

So far as I am concerned, I am perfectly willing to accord to Senators who did not feel as I do, the depth of conviction and the soundness of conscience which I hope they will accord to me. The difference of opinion was very real. The depth of conviction was very great. There was not a single change of position in this important field during the course of the hearings, the debate, and the conference.

I have made these statements preliminary to the making of another which it seems to me hardly needs to be made, and that is that I think those members of our committee and those Members of the Senate and House who attributed to the President of the United States a smaller degree of conviction and a lesser degree of courage than they themselves had were wrong from the beginning. They should have known from the beginning, and particularly in these closing weeks, that the attitude of the President would be exactly as he has stated it in his veto message. Any other conclusion than that would leave us in the position of claiming for ourselves some exalted height of conscientious determination and conviction which we were not willing to accord as being present in the mind and heart of the President of the United States. From the very beginning

it has seemed to me, we would necessarily stand on unsound ground if we assumed that the President by reason of the force of pressure, would change what he had long shown to be his very deep conviction and would approve the bill.

The nonpartisan or bipartisan nature of the support of the bill showed up throughout the debates, both in the committee and in the conference, and was reflected by the votes upon the floor of the Senate. I wish the record now to show that upon the final vote on the conference report 10 Members of the Senate on this side of the aisle showed their continuing disapproval of the measure. I have searched in the press in vain for any indication that more than four Members of the Senate on this side of the aisle failed to approve the conference report.

The records of the Senate show very clearly that four Members of the Senate who are Democrats voted against the conference report, namely, the senior Senator from Mississippi [Mr. Eastland], the senior Senator from Florida, the junior Senator from Massachusetts [Mr. Kennedy] and the junior Senator from Wyoming [Mr. O'Mahoney]. But the records show with equal clarity that 4 Members of the Senate who sit on this side of the aisle, and who, I think, are as sound Democrats as any we have, paired in such a way as to show their continuing and unalterable opposition to the conference report, those 4 being the junior Senator from New Mexico [Mr. Anderson], the senior Senator from Rhode Island [Mr. Green], the junior Senator from Rhode Island [Mr. Pastore] and the junior Senator from Virginia [Mr. Robertson].

Unfortunately two Members of the Senate who sit on this side of the aisle could not be present for the final vote. One was recovering from surgery in Bethesda, and the other was absent in the course of his campaign for reelection. Those two Senators, namely, the senior Senator from Virginia [Mr. Byrd] and my own distinguished colleague, the junior Senator from Florida [Mr. Smathers], saw to it that their position of opposition to the conference report was shown on the Record of the Senate where all might see it, not only that day, as did those who heard the sound of the yeas and nays, but throughout the history of this Nation.

In addition to those 10 on this side of the aisle who clearly showed their continuing opposition to this measure, there were 3 other Members of the Senate on this side of the aisle who, for reasons sufficient to themselves—and I honor those reasons—felt, when the conference report was submitted, good as it was in part, and bad as it was in part, that they preferred, in weight, the good values, and therefore voted for the conference report. The same three Members of the Senate, who sit on this side of the aisle, by repeated votes during the course of the debate and the development of this measure, had shown their opposition to rigid price supports, and to many of the other objectionable features of the bill. The three Senators to whom I refer are the senior Senator from Arizona [Mr. Hayden], the junior Senator from Delaware [Mr. Frear], and the junior Senator from Mississippi [Mr. Stennis]. I wish that fact to show upon the Record because, notwithstanding all the talk of politics which has entered into the consideration of this measure since the conference report reached the floor—and I think there are abundant evidences to justify the charge of politics, at least since that time—I want it to be clear from the Record that there were men who, for one reason or another, satisfactory to themselves, felt that it was their duty to vote, in soundness of conscience and in depth of conviction, in favor of the conference report, although they had voted against certain provisions which were contained in it during the debate when those individual issues were presented.

I return to the position I took a while ago, and say again that, with all the depth of conviction and soundness of conscience that were shown during the debate, and with the unwillingness of any member of the committee—divided, as it was, 8 to 7, and divided as evenly as it could be on both sides of the table—to change his position upon these critical issues, I think those who jumped to the conclusion that the President of the United States, when the bill reached him, would display a poorer conscience and a weaker conviction than they themselves had evidenced were bound to be disappointed. I believe that anyone who has thought for weeks that the President of the United States would do anything else than he has done was leaning on the weakest kind of a reed, and based his opinion largely on wishful thinking.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to my distinguished friend from Louisiana.

Mr. LONG. The Senator no doubt has had occasion to recall the statement the President made in Brookings, S. Dak., when he referred expressly to a pledge to maintain 90 percent of parity support for the basic commodities. The Senator from Florida never made such a statement, but I am sure he will agree that any man who makes that kind of pledge should keep his promise.

Mr. HOLLAND. In the first place, I was not present at Brookings. In the second place, I was not following with great interest the statements made by the then candidate of the Republican Party, because I was not supporting him. Furthermore, I have heard from many sources that the statement which the present President of the United States made at that time differed in some detail from the statement which has been mentioned by the Senator from Louisiana. I repeat, I was not present, and what I say is based on hearsay, but my understanding was that the present President and the then candidate of the Republican Party said his party was committed to the temporary 90-percent price support that was then provided in the law on the statute books, and that he wanted to make it clear that he would stand by that commitment until the provision expired.

However, I certainly do not wish to argue the point with the Senator from Louisiana, because neither he nor I was present on the occasion when the statement was made. Fine lawyer that the Senator from Louisiana is, he realizes that we would be on unsound ground to argue the matter. Besides that, I do not believe that either of us is interested either in besmirching the character of our President or in upholding his every statement, because his statements will have to stand on the record.

Mr. LONG. If the Senator will yield further, I should like to say that the statements the present President of the United States made, when he was campaigning in Kasson, Minn., and also in Columbia, S. C., showed that those statements left no doubt, as I am sure the Senator from Florida will agree, that the candidate would support the 90 percent of parity program. That being the case, some of us were certainly entitled to rely upon a statement made on at least three occasions by the candidate. Perhaps we should not believe what a man says while he is a candidate. However, certainly some of us had reason to hope that he would keep his promise.

Mr. HOLLAND. I would neither defend nor decry the position taken by the President of the United States. I certainly was not present when he made either one of the statements to which the Senator has referred. However, I call the attention of my good friend to the fact that there are areas in this Nation which have not supported rigid price supports and have strongly favored flexible supports, but they nevertheless strongly supported the President. Therefore there could not have been much understanding on their part that that was the candidate's position.

However, I go back to what I said—and I think it will hold up, and that it cannot be broken down—that the men who were claiming for themselves the right to stand by their convictions—and not a member of the Committee on Agriculture and Forestry changed his position on this important issue—were standing on unsound ground when they assumed that the President of the United States would follow any different course than he followed today, since repeatedly, in the course of the last year, he had stated his conviction that high rigid price supports had contributed very greatly to the building up of farm surpluses and to the disastrous condition in which agriculture finds itself. Certainly I have not heard anything even remotely indicating that he was sliding from that conviction.

I believe that my friend from Louisiana and other Senators—and I have the highest respect for them—who felt that the President of the United States, despite his conviction and the dictates of his conscience, would do other than what he did today, were standing on shifting sand. I say that because the President had repeatedly stated that he was going to stand up to his conviction, in spite of various efforts in different parts of the Nation, by men who wanted high rigid price supports, who threatened political reprisal if the President failed to support them. One of them, as I recall, the President of the National Farmers Union, went so far as to deliver to the press, before it was received by the President of the United States, a very insulting and derogatory telegram, which, if anything had been needed to sustain the President of the United States in the firmness of his conviction, would have served to do so.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HOLLAND. I should like first to continue my comments on this point and to yield further to the Senator from Louisiana.

Mr. LONG. I wonder whether the Senator believes that some of us stood on unsound ground when we thought the President would sign the natural gas bill, which he vetoed, even though he said it was a good bill.

Mr. HOLLAND. I do not know too much about that, or as much as some of my distinguished friends know about it, particularly those Senators who are lucky enough to have natural gas deposits in their States. I should also like very much to have it appear in the RECORD that I do not put forth as much gas on the floor of the Senate, but I am afraid that I could not truthfully say that. [Laughter.]

Let me say on that issue that a great diversion came up which created in some minds, though not in mine, the fear that perhaps there was general corruption, so to speak, behind the efforts of some of those who were urging the passage of the natural gas bill. I voted with the distinguished Senator from Louisiana for its passage.

Mr. McCARTHY. Mr. President, will the Senator yield so that I may suggest the absence of a quorum? While I disagree with much he has said, I believe he is making a very important speech, and I believe more Senators should hear it. Therefore, I should like to suggest the absence of a quorum.

Mr. HOLLAND. I appreciate the willingness of the distinguished Senator from Wisconsin to extend that courtesy to me. However, I would rather proceed with my rather brief remarks. Then the Senator from Wisconsin, on his own time, may be heard and I shall be very glad to suggest the absence of a quorum for him after I have concluded my remarks, if he wishes me to do so.

Mr. President, so much for what has happened up to now in this matter. I said on the floor of the Senate, when the conference report was being passed upon by the Senate, that I thought Senators and Members of the House were overlooking a very real point in the whole issue, and that was the position of the general public throughout the Nation.

I remember placing in the RECORD an analysis of the opinions of country editors throughout the United States, taken from the trade journal which serves that group of very fine people. I remember that that analysis showed, even in the areas where the sentiment for rigid price support was high, that, as a rule, the country editors were shaking their heads and saying that there is not any soundness in continuing that provision which creates overproduction and oversupply and the unremitting buildup of agricultural surpluses.

I have said several times on the floor of the Senate that, so far as the press in my State, the agricultural organizations in my State, and the general public in my State are concerned, I feel that the tremendous majority is strongly against the restoration of rigid price supports, and that there can be no question as to their position in that regard. I have stated in appearances I have made on the floor—and I am afraid I made too many appearances on the floor on this bill—that the Farm Bureau Federation of my State, which is the only organization with a general membership of farmers, throughout the State, the citrus industry organizations, such as the Florida Citrus Exchange and the Florida Citrus Mutual, the vegetable organizations of Florida, particularly the Florida Fruit and Vegetable Association, and the State Cattlemen's Association had repeatedly gone on record in such a way that no one could question or misunderstand how they stood on this important issue. They do not want high price supports reinstated, and, in fact, many of them are against all price supports.

I have always held that reasonable price supports for storable basics, not calculated to create and maintain surpluses, are necessary at this time when we are moving out of the war period. But, unfortunately, Mr. President, many good people, farmers, throughout the Nation, have learned to rely so heavily upon the weak stick of high price supports that they are unwilling or unable to plan for themselves and to produce in such a way as not to oversupply the market.

Of course, no one in Florida knew until today what the President's decision was going to be, but in order that there may be some showing on the RECORD that the people of that State, which produces $600 million worth of agricultural products each year, have rather strong convictions on this subject, as represented by newspapers in the centers of agricultural production and as represented, as I have already stated, in farm organizations which I have mentioned. I wish to place in the RECORD some editorials which have come to my attention, which were published the latter part of last week and reflect the attitude of Florida people, I think, correctly.

The first is an editorial from the Tampa Daily Times which I ask unanimous consent to have printed in the RECORD in toto as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IKE, DON'T HESITATE; VETO THE FARM BILL

President Eisenhower should veto the farm bill.

All of the talk about getting no farm legislation this session unless he allows the monstrosity passed yesterday to become law is far-down, low-grade politics designed to put Mr. Eisenhower on the spot in this election year.

But the truth of the matter is that if he blocks this legislation by a veto and it is not overridden he will have left just what he wants because the present farm law which his administration fought for so bitterly and won two years ago would continue in force.

Congressional action on this new, definitely costly and destructive farm bill has been the worst kind of presidential year politics. There has been far more evidence of designing the measure for farm votes than for farmers.

The vicious determination to continue rigid price supports if not vetoed by the President will mean the piling up of more farm surpluses instead of bringing relief. It is a complete contradiction of the theory behind the soil bank idea which was approved in the same measure. The purpose of the soil bank obviously is to help restrict production, yet 90 percent of parity guarantees will defeat that objective.

President Eisenhower should take his cue on whether to veto the bill from the results of Tuesday's primary voting in Illinois. The President's evident strength downstate where he outran Stevenson 2 to 1 shows no real revolt among farmers against the administration.

The mock concern of the Democrats and some of the farm State Republican Senators and House members for the plight of the farmers shows they are not being realistic because the farmers themselves have been disproving the assertions that they are against the administration.

The President should not weaken at this last minute in his previous resolve to fight rigid prices. He knows the consequences of rigid supports. His failure to veto would indicate he had yielded to political pressure and would mean he was deserting the public interest hoping to catch a few more votes.

A courageous stand will bring him far more respect.

Mr. HOLLAND. Mr. President, I quote two small paragraphs of the editorial, and I assure the Members of the Senate that they are representative of the sense and meaning of the editorial. The first is as follows:

> Congressional action on this new, definitely costly and destructive farm bill has been the worst kind of presidential year politics. There has been far more evidence of designing the measure for farm votes than for farmers.

Then the closing paragraphs:

> The President should not weaken at this last minute in his previous resolve to fight rigid prices. He knows the consequences of rigid supports. His failure to veto would indicate he had yielded to political pressure and would mean he was deserting the public interest hoping to catch a few more votes.
>
> A courageous stand will bring him far more respect.

The next editorial is from the Tampa Morning Tribune, a morning newspaper published in that area of my State which is the greatest citrus producing section, one of the greatest small-vegetable producing sections, and the greatest cattle producing section. It is an editorial entitled "Integrity Versus Political Pork." I ask unanimous consent that this editorial, published on April 13, 1956, be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INTEGRITY VERSUS POLITICAL PORK

It is hard to figure how Congress could pass a more thoroughly bad piece of legislation, or one loaded with more pure political pork, than the election-year farm bill it has just sent to the White House.

If a measure ever merited a Presidential veto, this one is it.

Those Democrats and the farm State Republicans who approved it may try to say with a straight face that it will provide long-run help for the farmer. Actually it

is clearly fashioned to use him as a political football.

Supporters of the bill realized the President wants the so-called soil-bank plan which is authorized in the legislation. That plan is designed to reduce the present farm surplus. But the congressional majority coupled it with a provision restoring flat 90 percent price supports, the discredited system which brought on more production than the free market could absorb and so accounted for the present surplus. The bill thus is a self-contradiction, an antisurplus measure that would inevitably encourage the production of more price-depressing surplus commodities.

Mr. Eisenhower has frequently spoken out sharply against the rigid parity system. But Democratic strategists consider they have him backed into a corner this time.

If he lets the legislation slide through, they figure to go to the hustings as the party that demonstrated its concern for the welfare of the farmer. If he vetoes the bill on the ground it violates the principles for which he stands, they plan to make the farm bill the main issue of the campaign.

The political dilemma confronting the President is obvious. We may be sure a good deal of pressure will be applied by members of his own party in the farm belt as he mulls over the question the next few days at Augusta. They will argue he must sign the bill if threatened GOP congressional candidates in the farm areas are to be helped and strategic States in the Midwest are to be carried in order to win the Presidency in November.

But the price these fellow Republicans and many Democrats are asking him to pay is far too high. For his signature on the farm bill would mean a bowing to political expediency. It would blemish the integrity of his administration. It would throw into sharp reverse the long-range plan he and Secretary of Agriculture Benson have prepared for reducing farm surplus.

Certainly, Mr. Eisenhower has made it clear that he is a leader capable of rising above political pressure. His recent veto of the natural-gas bill was only one of many such demonstrations.

May he rise above the pressure this time and accompany a veto of the farm bill with a frank and full statement that the upholding of integrity and sound economic principles is far more important than the fate of farm-belt politicians. That course of action may lose the votes of some already disgruntled farmers, but it will kill a bad bill and win the respect, confidence, and support of the country as a whole.

Mr. HOLLAND. Mr. President, I quote a part of the editorial, as follows:

> May he—

Meaning the President—

> May he rise above the pressure this time and accompany a veto of the farm bill with a frank and full statement that the upholding of integrity and sound economic principles is far more important than the fate of farm-belt politicians. That course of action may lose the votes of some already disgruntled farmers, but it will kill a bad bill and win the respect, confidence, and support of the country as a whole.

Mr. President, the next editorial is peculiarly interesting, because it was published in the Miami Daily News, a newspaper identified with former Gov. James M. Cox, of Ohio, at one time the Democratic candidate for President. I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOP REAL LOSER OVER FARM BILL

The repudiation of the Eisenhower farm policies, not only by the opposition in Congress, but by many Republicans as well, would normally be taken as a political setback for the President.

In the case of President Eisenhower, it seems to be different, however. People generally appear to place him above party politics and the blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

This is a political phenomenon which enrages the Democratic politicians, yet it is one of the realities in this election. We don't presume to know what the President will do about the farm bill, but whether he signs or vetoes it the congressional candidates will be the ones mostly affected.

If the President vetoes the new farm legislation on the ground it restores rigid high price supports for basic crops, Republican candidates in the farm belt will feel the effects of his action. If he signs it on the theory it is better than a return to the present price support law under which farm income has declined a billion dollars in a year, then Democratic candidates will claim credit for reversing administration policy.

In any case, the Democrats who framed the hodge-podge measure passed by both Houses of Congress yesterday, and the Republicans who voted for it, have little reason for pride. As passed, the 1956 farm bill is an undisguised political measure hopefully designed to garner votes, with little regard for the welfare of the Nation as a whole. In the parlance of the day it's strictly for the birds.

Mr. HOLLAND. I read from the editorial two excerpts which I think may cause some searching of souls here, Mr. President, since they come from the source I have mentioned.

> As passed, the 1956 farm bill is an undisguised political measure hopefully designed to garner votes, with little regard for the welfare of the Nation as a whole. In the parlance of the day, it's strictly for the birds.

Earlier in the editorial there are these words:

> The blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

Mr. President, I hope Senators will reread that part of the editorial very carefully, because I so firmly believe it to be true, particularly when we have a veto message which invites Congress speedily to consider and report a bill setting up the soil bank and perhaps other commendable features, so that it may be promptly passed. I think the general public, if Congress fails to follow that course, will come indisputably to the conclusion that most of the Members of the Congress were interested in votes rather than in farm support.

I again quote the portion of the editorial which I just read:

> The blame for an unworkable farm measure, or none at all if the President vetoes it, will mostly rest with Congress.

Mr. President, the next editorial is from the Miami Herald of April 13, 1956, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FARM BILL CONFOUNDS FARM CONFUSION

The political analysts are hard at it interpreting the farm bill which Congress passed over expressed Executive displeasure.

The President most likely will veto the measure, although Democrats and Farm Belt Republicans say that there is no way open to him—electionwise—but to sign it.

If the President vetoes the measure the session will probably end without any farm-relief legislation.

That would not be all to the bad. Congress enacts a lot of bills that would better serve the country if tossed into the wastebasket before they got to the discussion stage.

The farm bill is an amorphous creation. It seethes with confusion.

Actually, it does nothing to stabilize the agricultural industry.

Rather, it has incorporated some provisions previously tried, which in themselves are largely responsible for the problems which this new bill purports to solve.

The President said before Congress passed the measure it was not a good bill. It isn't.

Mr. HOLLAND. Mr. President, I read a few paragraphs from the editorial:

> The farm bill is an amorphous creation. It seethes with confusion.

Mr. President, I hope Senators will look up the meaning of the word "amorphous." I looked it up and was delighted to find what it means.

I read further from the editorial:

> Actually, it does nothing to stabilize the agricultural industry.
>
> Rather it has incorporated some provisions, previously tried, which in themselves are largely responsible for the problems which this new bill purports to solve.
>
> The President said before Congress passed the measure it was not a good bill. It isn't.

Mr. President, the last of the editorials which I ask to have incorporated in the RECORD is from the Orlando Sentinel of April 11, 1956. I ask unanimous consent that the short editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PARAGRAPHS

Secretary Benson will have no truck with the thing called a farm bill which the politically minded House and Senate have passed. And we're glad to see that Senator HOLLAND would not sign the conference committee report either. It would only add to the farmers' problems.

Mr. HOLLAND. Mr. President, there cannot be the slightest doubt that Congress has it within its power now to have submitted to it quickly from committee and to pass a bill which will create a soil bank. Is there need for a soil bank? I think there is very great need for it. I heard a statement made on this floor within the hour to the effect that all the planting had been accomplished in connection with all the basic commodities. I think that statement was thoughtlessly made, because everyone knows it is not completely correct as to the wheat industry. Anyone can plant up to 15 acres of wheat anywhere that wheat can be produced in this Nation and not be under the provisions of the present allotment program. So there will be an unbridled invitation for the planting of wheat, and there would have been if the bill had been passed as it was. It seems to me there is a need for soil bank diversion of wheat, and there would be if the soil bank provision were separately considered and passed by the Congress.

Likewise, in the case of corn there is plenty of its acreage and mostly in the commercial areas that has not yet been planted. There is plenty of time to make good use of the soil bank in the case of corn if Congress has the will to do so.

Congress again is challenged. Shall we not live up to our opportunity to create a soil bank?

Mr. President, I have been reading in newspapers within the past few days about the terrific destruction accomplished in the Wheat Belt, in six States, Colorado, Kansas, Oklahoma, Texas, New Mexico, and Nebraska, by the recent dust storms. The amount of wheat which has been blown out of the ground is stupendous. I do not suppose anyone knows the exact amount. It certainly must total many hundreds of thousands of acres, and, probably, from what I have read, 2 or 3 million acres. There is a need, right now, for the soil bank.

There are other situations, none, I am glad to say, so acute as that which I have just mentioned, which likewise call for the use of the soil bank to reduce production and to give useful employment for many acres in such a way as will enable farmers to get their land out of production and claim the beneficent effects of the soil bank.

Mr. President, we are about to conclude, so far as Congress is concerned, unless someone should be so unwise as to call up the Presidential veto and to attempt to override it in either House of Congress. I think there is no advocate of this monstrous bill in its present form who would be so unwise as to do that. If so, I think the result would be eye-opening, because I believe it would show a majority of both Houses clearly holding up the hands of those who now realize, and who have realized for a long while, that the provisions of the bill simply are not sound, and would not stablize the agricultural industry of the Nation, but instead would create greater surpluses and greater difficulties, and would add to the dependency of our people upon the Government.

Mr. President, I cannot too strongly urge that in the whole field of agricultural legislation one of the points we must always keep in mind is that the farm areas where there have been high rigid price supports, first in the war years, then in the year that followed, are the areas in which too many farmers have shown continuing inability to plan for themselves, continuing unwillingness to work out their own problems, and continuing failure to cut their production to fit consumption needs.

Throughout the Nation, many other agricultural industries which are being called upon to plan for themselves and to produce wisely, are prosperous and are doing well. Not only do they not want help, but they have seen the baneful effects of the too-great assistance which has been given in other places, and they do not want to subject themselves to the effects of the overuse of high support prices, as they see those effects developing, and unfortunately as such effects have already been greatly overdeveloped in some parts of our Nation.

Mr. President, I yield the floor.

CONFUSION SURROUNDING THE ADMINISTRATION'S SO-CALLED PARTNERSHIP POWER PROGRAM

Mr. NEUBERGER. Mr. President, so much confusion and misinformation circulates around the present administration's so-called partnership power program that citizens directly affected are hard put to understand the full meaning of its implications. In my home State of Oregon, the efforts on behalf of partnership have been directed toward needed multiple-purpose projects which are already authorized by Congress for construction as units in the Federal system.

I have attempted to clarify this aspect of the drive for partnership in a recent letter replying to an editorial published in the Eugene Register-Guard of April 8, 1956. I ask unanimous consent to have printed in the Record my reply to the editorial which appeared April 8, 1956, and the text of the editorial at issue.

There being no objection, the editorial and letter were ordered to be printed in the Record, as follows:

[From the Eugene (Oreg.) Register-Guard of April 8, 1956]

Senators Block Eugene Water and Electric Board From Cougar

There have been many people who have asked in recent weeks about the chances of the Eugene Water and Electric Board gaining approval for partnership participation in Cougar Dam on the South Fork of the McKenzie.

It is a good question. Ray Boals, superintendent for Eugene Water and Electric Board, says that work currently being done on the project by the Army engineers will not prevent the local utility from participating in the project later on. But the chances of partnership authorization getting through this session of Congress are indeed slim. A bill for partnership by Representative Harris Ellsworth was approved in subcommittee but has been held from the full committee by the subcommittee chairman, James Davis, Democrat of Georgia. Even if the bill reached the floor of the House and passed it would never pass the Senate because it would be blocked by Oregon's Senators, as it was once before by Senator Morse after passing the House.

They believe it will wreck Federal power development in the Northwest and cut off the region from cheap hydroelectric power which they say is vital to attract industry.

In the case of aluminum and a few other industries this might be the case. But to contend that it would stop industrial development generally is pure poppycock. (To belabor this point, it hasn't stopped industrial development in California where private steam generation handles most of the power load.)

Our Senators want all-Federal development within the Bonneville system. But with the needs that are foreseen in the next 10 to 15 years, it is not realistic to believe that Congress will appropriate all the funds necessary to do the job.

Private capital, and capital from municipal utilities such as Eugene Water and Electric Board, is needed to take up the slack. Vital flood control dams are traditionally a Federal cost and it takes some doing to get appropriations for these.

So again, we must ask, what's wrong with the idea of partnership development of some of these projects? Is it an unfair use of a natural resource? We don't see how. Falling water is used to generate electricity to meet the needs of the population. If Eugene Water and Electric Board developed the power facilities at Cougar it would provide power for this area that would not have to be taken from the Bonneville system. Either way we get the power for the Northwest region. But with partnership development we get it now or in the near future when we will need it. In fact, it is our opinion that if we wait for all-Federal development we shall never meet our requirements, whether there is a Democratic or Republican administration. In the past 20 years the Federal Government has put about $2 billion into the Bonnevile system. Can we logically expect about $8 billion in the next 10 to 15 years? That is the estimated need to meet our requirements.

Opponents of partnership argue that private and municipal firms desiring to develop electric power would be taking all the profit from multi-purpose projects. This is a flimsy argument. When the Government builds the power features of a dam, the sale of the power over 50 years pays back the cost of the power part of the structure. It does not pay back the cost of the flood control features.

Under partnership, at Cougar for instance, Eugene Water and Electric Board would pay the costs of the propect allocated to power. It would be constructed under specifications acceptable to the Government and the Government would own all of the project except the powerhouse and the generators. Eugene Water and Electric Board would have the right to use the power for 50 years under a Federal Power Commission license. The Government would pay for the costs allocated to flood control and construct the project with Eugene Water and Electric Board and Federal funds.

At Cougar and at Green Peter-White Bridge on the Santiam the Government would be saved the expenditure of an estimated $40 million on power allocations, a sum that could well be applied to Libby or a numb[illegible] other Federal projects so urgently needed.

If our Senators desire to aid development of the Northwest, they should get off their all-Federal power high-horse and take the lead on partnership development, particularly on some of the smaller multi-purpose projects. Their argument for all-Federal development is a political pipe dream and they know it.

United States Senate,
Committee on
Interior and Insular Affairs,
April 11, 1956.

To the Editor of the Eugene Register-Guard:

Your recent editorial asked why Senator Morse and I are blocking partnership construction of Cougar Dam. For your information, Cougar Dam is presently authorized and construction is underway as a Federal project. The law must be changed for it to become a partnership proposition. Why, I ask, are McKay, Ellsworth, Coon, and Norblad blocking Federal construction of Cougar which has already started? Why are the Republicans generally opposed to continuing the Federal program that has been so successful?

When Cougar Dam's powerplant is integrated into the Bonneville Power System, the Eugene Water and Electric Board will share—along with other public and private utilities of the region—in the new power supply. Contrast this with what happens under a partnership in which the Eugene Water and Electric Board would own all the power. How would the power consumers of the Springfield Utility Board, Lane County Electric Co-op, Blachly-Lane County Co-op, and Pacific Power & Light Co. fare under a partnership which gave all the power to Eugene?

The Eugene customers, like those elsewhere, should receive a fair share of the Cougar power, and that's what they will get when Cougar is completed as a Federal project. I do not agree with your belief that customers of the Eugene Water and Electric Board have a greater right to Cougar power than those who reside outside the city limits. I think the power should be shared equitably, and this can best be accomplished with Cougar Dam as a Federal project.

Your editorial headline: "Senators Block Eugene Water and Electric Board from Cougar," can only have been motivated by political partisanship. Let's look at the record. The President's budget for 1956 requested $100,000 for Cougar Dam planning. The House, of which Mr. Ellsworth is a Member, approved the $100,000. Following this less-than-desirable action, Senator Morse and I urgently requested the Senate Appropriations Committee to increase the funds so construction on Cougar could be started, and the day advanced when Eugene and other Bonneville customers could share in the Cougar power supply. The Senate approved an increase to $500,000 and work on Cougar has begun. Perhaps it is only during election years that words can be twisted so that work toward starting a project can mean that it is being blocked.

With great political fanfare, President Eisenhower recently signed the bill authorizing $785 million worth of Federal power projects in the upper Colorado Basin. The same Oregon Republicans, who plead so fervently for partnership in our region, were quite enthusiastic about Federal projects in the upper Colorado. Why are they blocking Federal projects in Oregon? Is the answer to be found in the fact that no private utilities would have the poor Colorado power sites, whereas the fine hydroelectric sites in Oregon's Columbia Basin are desired by so-called local interests?

The Federal-power program has brought the Northwest the cheapest electricity in the United States, as well as irrigation, navigation, and flood-control benefits. It is remarkable that every partnership proposal represents a retreat from these comprehensive values. Why do our Republican Congressmen lament that they cannot secure more funds for Federal development in the Northwest, when they themselves have helped push through $785 million worth of development for the upper Colorado?

It is true that Senator Morse and I voted for the upper Colorado program, but we also are fighting hard for Federal projects in our own region. We would never be so hypocritical as to favor $785 million worth of upper Colorado Federal construction, while lamenting lugubriously that Congress would refuse further Federal funds in our own area. That, however, is the record of the Oregon Republicans—a record which some Oregon daily newspapers, ironically, find quite commendable.

Sincerely,

Richard L. Neuberger,
United States Senator.

CONSTRUCTION BY IDAHO POWER CO. OF DAM IN HELLS CANYON STRETCH OF SNAKE RIVER

Mr. NEUBERGER. Mr. President, only a few months ago the supporters of the Idaho Power Co., seeking to block construction of a high Federal dam in Hells Canyon, claimed that the water rights of irrigators which were established by State law would be impaired if a Federal project spanned the canyons of the Snake. These spokesmen for the company represented the Federal Government as some kind of a predator, crouched to override the water laws of the upstream States.

How quickly the leopard can change its spots.

The Idaho Power Co. has proceeded with the construction of a dam in the Hells Canyon stretch of the Snake River in defiance of the laws of the State of Oregon. It now contends that its license received from the Federal Power Commission places it above the jurisdiction of the State, that permission of the State of Oregon is not necessary when the company appropriates a water resource of the State after receiving a Federal license.

What has happened to those stanch defenders of States rights who, before the Federal licenses were granted to the Idaho Power Co. for the dams in Hells Canyon, pictured the high Federal dam as a form of piracy threatening the farmers' water rights? Their silence is proof of the falseness of their claims.

The legislation to authorize the construction of a Federal dam at Hells Canyon specifically subordinated the operation of its power facilities to the water rights of upstream irrigators. The laws of the States were to govern in this respect.

The contrast between the respect for State law which would have been provided under the Federal construction of a dam in Hells Canyon and the defiance of State law which has resulted from licensing of Idaho Power Co. projects is pointedly discussed in an editorial from an outstanding Oregon newspaper.

I ask unanimous consent to have printed in the Record the editorial entitled "Is This Case Different?" published in the East Oregonian, of Pendleton, Oreg., of April 6, 1956.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the East Oregonian of April 6, 1956]

Is This Case Different?

When Douglas McKay was governor of Oregon he said to a luncheon meeting in Walla Walla, "You know, I find that I have to remind Len Jordan that the State of Oregon has quite an interest, too, in the Snake River." It was at a meeting of the Columbia Basin Interagency Committee at which Idaho's Governor Jordan was present. Mr. McKay was speaking, of course, of Mr. Jordan's oft repeated statement that the State of Idaho must protect its rights to Snake River water by opposing Hells Canyon Dam. Mr. Jordan did not concede that Oregon might have some interest in Snake River waters that flowed between the borders of Idaho and Oregon.

In recent days the attorney general of the State of Oregon has decided that the Idaho Power Co. should have asked permission of the State of Oregon to construct Brownlee Dam on the Snake River. He has started proceedings to force the company to seek that permission. Idaho Power Co. has said that the only permission it considers necessary is that granted by the Federal Power Commission. The company so thoroughly believes it that it undertook construction of a bridge over the Snake without asking permission of the Corps of Engineers.

When Idaho's Governor Jordan was doing everything possible to prevent the construction of Hells Canyon Dam he and his followers warned that the high dam would encroach upon State rights. Now that Idaho Power Co. flaunts the rights of the State of Oregon, those same people in the State of Idaho are strangely silent.

In the State of Oregon some of the stoutest defenders of State rights see in the attorney general's action a political motivation. The same citizens see in a different light the move of Portland General Electric Co. to build a dam on the Deschutes River that has been opposed by the State hydroelectric commission.

Apparently, it is all a matter of whose ox is being gored.

Our hope is that we never shall see the day that Oregon's attorney general will not guard the rights of the State in the use of any and all waters in which the State has an interest.

The Lewiston (Idaho) Morning Tribune has some interesting comments on the State of Oregon versus Idaho Power Co. case:

"The supporters of the 3 dams the Idaho Power Co. hopes to build as a substitute for a high Hells Canyon Dam have devoted several million words in recent years to the threat of Federal encroachment upon State rights. The theme had infinite variations. Every effort to reassure the public, particularly in southern Idaho, that a Federal high dam would operate in compliance with State law was drowned in the flood of 'man your floodgates' oratory. The Federal Government was pictured as the fearsome ogre which would crush all State rights in its sweep toward domination of the region. The Idaho Power Co., by contrast, was pictured as a local interest under full supervision and control by State agencies and dedicated unswervingly to preservation of State rights.

"The question arises, of course, as to why the Idaho Power Co. currently is paying such devoted attention to the wierdly reasoned decision of a Federal agency, the FPC, and so little attention to the protests of the Oregon attorney general. The answer, of course, is that the FPC opinion is favorable to Idaho Power's objectives, and the Oregon attorney general's protests are unfavorable to those objectives.

"The rest is campaign oratory, as most of it has been throughout the Hells Canyon battle. The crusade for State's rights' does not happen to have much bearing at the moment upon Idaho Power's plans. Therefore, it can be ignored for the time being while construction of Brownlee goes ahead at full speed.

"There is nothing particularly alarming about this situation. Idaho Power's approach seems to be realistic and logical. Its objectives have been clear enough to anyone who cared to see them. It is proceeding toward those objectives according to plan.

"The disturbing thing has always been the uncritical acceptance by thousands of people of the image of Idaho Power as the stalwart champion of State's rights and protector of the people from their own Federal Government.

"The slight disagreement between the Oregon attorney general and Idaho Power would be mainly useful if it persuaded some of these people to make a belated reexamination of some of the campaign oratory."

DUPLICITY OF ADMINISTRATION'S ACTIVITIES IN FIELD OF WATER RESOURCE DEVELOPMENT

Mr. NEUBERGER. Mr. President, the duplicity of the present administration's activities in the field of water-resource development is reflected in many recent developments. The claims of the administration spokesman that there is not sufficient money in the Treasury for

Hells Canyon Dam is contradicted by approval of the $750 million Upper Colorado storage project. The administration contends that the magnificent Columbia River basin dam sites can be developed only by private power company partners, but at the same time gives its full backing to wholly Federal construction on the Colorado. What is the reason for this Jekyll-and-Hyde philosophy in a field of vital concern to our national welfare? Are powerful pressures at work which require one pattern for development of one river system, and a completely different approach to another?

The method by which word and action often differ in the present administration's power policy is discussed in a recent column by the distinguished journalist, Thomas L. Stokes. I ask unanimous consent to have printed in the RECORD the article written by Mr. Stokes, which was published in the Washington Evening Star of April 12, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WORD AND ACTION SOMETIMES DIFFER—EISENHOWER O. K. OF COLORADO RIVER BILL VIEWED AS RUNNING COUNTER TO POLICY

(By Thomas L. Stokes)

It's easy to understand how our people can be fooled about what goes on here. Often there's a difference in what is said about policy and what is actually done.

An example is what President Eisenhower said at Augusta, Ga., when he signed into law the bill recently passed by Congress for the mammoth upper Colorado River storage project to be developed by the Federal Government.

"This," he said, "represents something I believe in." It follows his idea, he explained, of "treating river valleys as a whole thing—it goes from top to bottom—it recognizes that one thing is certainly true—water is getting to be one of our most valuable resources."

Such an aim first was expressed half a centry ago by President Theodore Roosevelt. He told Congress in his first message of the need for great storage works to equalize the flow of streams which, he said, were too big to be undertaken by private interests, as is the case with the Colorado River project. In a later message to Congress, Theodore Roosevelt advocated integrated public development of our river systems for navigation, flood control, reclamation, and production of electric power.

It was not until many years later that his vision began to come true in great public projects—Boulder Canyon Dam in Nevada during the Hoover administration, later renamed Hoover Dam, and, in the Roosevelt and Truman administrations, a whole bevy of giant projects—TVA in the South, Bonneville in Oregon, Grand Coulee in Washington, Shasta in California, Hungry Horse in Montana, and so on.

But, if President Eisenhower believes in treating river valleys as a whole thing, he either has not told the responsible officials in his administration or they have not followed his instructions. For, until the upper Colorado, in which special factors are involved, the administration's policy had been contrary to treating river valleys as a whole thing. That's why conservationists have so bitterly attacked the administration policy.

In letter or spirit the principle now espoused by the President has been violated in numerous instances. Perhaps the most graphic illustration is in the case of another great river system like the Colorado—the Columbia, which spans our Pacific Northwest. Both Bonneville and Grand Coulee Dams are on it. When built in the Franklin D. Roosevelt administration they were envisaged as part of a series to develop the Columbia system from top to bottom. A grand plan for unified and integrated development of the Columbia Basin was completed by the Army Engineer Corps in 1950 after Bonneville and Grand Coulee were built.

But the Eisenhower administration has scrapped this in the so-called "partnership" of Federal Government with private utilities proclaimed by President Eisenhower in his 1952 campaign speech at Seattle and faithfully executed by Secretary of the Interior Douglas McKay.

This violation of "treating river valleys as a whole thing began at Hells Canyon on the Snake River, a Columbia tributary, along the Oregon-Idaho border. The Army engineers had recommended a high dam there to be built by the Federal Government to utilize the full potential of the river and fit Hells Canyon most effectively into the Columbia River plan. But Secretary McKay stopped this. He withdrew an application for a license for Federal development submitted by the Interior Department in the Truman administration to the Federal Power Commission to carry out the Army engineer plan. That opened the way for a private power company, Idaho Power, to put in its bid to build, instead, three small dams, which subsequently was granted by the FPC. This would mean piecemeal development that would throw the whole Army engineer plan askew.

Though this was represented as "partnership" with a local power company, that came to be a joke around here. For Idaho Power stock is owned mostly in the East, and stockholders were, in fact, holding their annual meeting at Augusta, Maine, the day that Secretary McKay opened the way for them to cut in on Hells Canyon by withdrawing the application for a license to carry out the Army engineer plan. In turn, this discarding of the Army engineer plan at Hells Canyon led to other private utility companies coming forward with plans for small "partnership" dams at other points in the Columbia system. That, if carried through, would prevent the building of larger dams called for by the Army engineers. It can only be stopped through a suit now pending in the courts brought by the Hells Canyon Association to invalidate the license of the Idaho Power Co. or by Congress acting on bills which have been bottled up.

Thus far the utilities have been successful in fighting the public development of the Columbia as projected by the Army engineers and are making a mockery out of the Eisenhower theory of "treating river valleys as a whole thing." In the case of the upper Colorado, the utilities were not interested, as this is not to be utilized for power on the same scope and does not offer the rich profits of the Columbia and so they were content to let the Government develop it.

THE VETO OF THE FARM BILL

Mr. EASTLAND. Mr. President, for the reasons so well outlined in the President's message, a veto was the only course open to him on the farm bill. Enactment of the bill would have resulted in further piling up of surpluses, restricting markets, and bringing about more restrictive controls.

In 1957 the cotton industry will be faced with further acreage reductions to the overall tune of 8.9 percent, as the reductions would affect each State, according to a table which I ask unanimous consent to have printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

States	1956 allotment	1957 allotment	Acreage reduction for 1957	Percentage reduction from 1956 to 1957
Alabama	1,025,141	905,503	119,638	11.7
Arizona	343,640	328,995	14,645	4.3
Arkansas	1,424,511	1,271,412	153,099	10.7
California	782,405	738,294	44,111	5.6
Florida	36,974	34,111	2,863	7.7
Georgia	903,221	805,369	97,852	10.8
Illinois	3,110	3,110	0	....
Kansas	29	29	0	....
Kentucky	7,799	6,841	958	12.3
Louisiana	610,891	543,435	67,456	11.0
Maryland	25	25	0	....
Mississippi	1,646,562	1,458,671	187,891	11.4
Missouri	378,055	341,192	36,863	9.8
Nevada	2,324	2,324	0	....
New Mexico	179,378	167,373	12,005	6.7
North Carolina	483,932	428,152	55,780	11.5
Oklahoma	845,616	755,397	90,219	10.7
South Carolina	726,193	649,484	76,709	10.6
Tennessee	563,491	510,836	52,655	9.3
Texas	7,410,893	6,877,025	533,868	7.2
Virginia	17,114	14,956	2,158	12.6
Total	17,391,304	15,841,584	1,549,720	8.9

Mr. EASTLAND. Mr. President, as for cotton, the most depressing problem facing cotton farmers and the cotton industry was the need for regaining and maintaining our traditional and historic export markets.

This could be done only by meeting the price competition of foreign-produced cotton and foreign synthetics in the foreign markets. Cotton producer organizations from one end of the Cotton Belt to the other clearly recognized that fact last fall, and agreed that if the Secretary of Agriculture would exercise the authority vested in him by Congress to make United States cotton competitive, pricewise, in the export market, the cotton producers would make their contribution toward the solution of the overall problem by accepting a moderately lower support price, thereby improving cotton's competitive position with synthetics in the domestic market.

The cotton growers' organizations agreed to accept price reductions of from 3 to 3½ cents a pound in order to make cotton competitive with rayon. Under the 82½ percent of parity, which was announced today in the President's veto message, cotton prices will be reduced only about 2½ cents a pound. That is a rough estimate, which is very close to being correct.

So far as cotton is concerned, the main thing wrong with H. R. 12 was that it would have provided a return to a rigid system of price supports, thereby holding a price umbrella over domestic synthetic fiber production, which would have made impossible an improvement in the position of cotton in competition with rayon in the domestic market, and would have seriously impaired our chances for obtaining the kind of export program for cotton which would have been really adequate in effectively meeting foreign price competition from foreign-produced cotton and synthetics.

It was for this reason, which dealt with the very heart of cotton's most serious problem, that I felt compelled to vote against the conference report. That is not to say that there were not a number of provisions in H. R. 12 which were constructive and urgently needed, so far as cotton is concerned.

Mr. President, what is necessary is to establish a minimum acreage allotment for cotton for the years 1957 and 1958. Otherwise, there will be an additional reduction in the acreage allotment for 1957 of 8.9 percent, as I have said, and a further acreage reduction in 1958 of, roughly, 6 percent. Mississippi would take an acreage reduction of, roughly, 8 percent. Acreage reductions are destructive of the industry, tend to pull down farm income, and, if continued, there will be no way whereby a cotton farm can be operated at a profit.

Furthermore, in the South there are millions of small farmers who plant 4 acres of cotton or less. They must be provided for by appropriate legislation.

Third, H. R. 12 contained a provision which would clear up the question as to whether the President had the authority to deal with the problem of textile imports by negotiation with the individual countries from which such imports emanate.

Fourth, the bill contained a provision to rectify a very serious injustice which is being worked upon the producers of extra long staple cotton.

Fifth, the bill contained provisions for the soil bank, which would have made possible further voluntary reductions in production, without the loss of net income to farmers.

Mr. President, I therefore feel that the most constructive course we could now pursue would be to delete from H. R. 12 the specific provisions to which the President has objected so seriously, and return to him the remainder of the bill without further delay.

It would be a simple matter for the Congress to follow this course, and place upon the President's desk a farm bill which he could sign before the end of this week.

I urge my colleagues to take such action as is necessary to bring this about.

CENTRAL INTELLIGENCE AGENCY—DOCUMENTS FURNISHED BY SENATOR McCARTHY

Mr. McCARTHY. Mr. President, I wish to give the Senate some information.

A few days ago when the Senate was considering the CIA joint resolution I stated that if the resolution were passed I would turn over to the proposed new joint committee some 50 or more documents having to do with everything from incompetence to communism in the CIA. The resolution failed, and the joint committee was not established.

The question arose as to whether the information should go to the Armed Services Committee, headed by the Senator from Georgia [Mr. RUSSELL], to the Permanent Investigating Subcommittee of the Committee on Government Operations, headed by the Senator from Arkansas [Mr. McCLELLAN], or to the Internal Security Subcommittee of the Committee on the Judiciary. I felt that the Internal Security Subcommittee had the most complete jurisdiction of the subject, so I have turned over the documents, as of today, to the subcommittee of the Senator from Mississippi [Mr. EASTLAND], not because I preferred that subcommittee to the other committee but because I thought that it had unquestionable jurisdiction on the subject.

I know they will have difficulty getting the witnesses from the CIA. They refused to appear before our committee. However, I hope that we will test on the Senate floor the right of the Internal Security Subcommittee to get the necessary information. For that reason I have turned over all the pertinent material to the Eastland committee.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. What is the pending business?

The PRESIDING OFFICER. The pending business is the unfinished business, which is Senate Joint Resolution 97. The pending question is on agreeing to the amendment heretofore proposed by the Senator from Louisiana [Mr. ELLENDER].

Mr. MANSFIELD. I thank the Chair.

Mr. President, this joint resolution authorizes an increase in the ceiling on the authorized United States contribution to the Food and Agriculture Organization from $2 million a year to $3 million a year. It also authorizes an increase in the ceiling on the authorized contribution to the International Labor Organization from $1,750,000 a year to $3 million a year.

The joint resolution was reported unanimously by the Committee on Foreign Relations on July 27 of last year. It was considered briefly in the Senate July 30, but no action was taken in the adjournment rush.

When Congress reconvened in January, the Committee on Foreign Relations again considered the matter in the light of developments in the intervening months. After discussion with Assistant Secretary of State Francis O. Wilcox and Assistant Secretary of Labor J. Ernest Wilkins, and after further consideration, the committee saw no reason to change the position which it had taken last July—namely, that the resolution is a meritorious one and should be passed.

Indeed, Mr. President, passage of the resolution is daily becoming more urgent, particularly so far as the ILO is concerned. Let me review the situation briefly for the Senate.

At a meeting in March of this year, the ILO governing body adopted a budget for the calandar year 1957 amounting to a net of $7.6 million. The vote, by the way, was 28 to 10, with the United States voting "No." This budget will be presented to the ILO Conference in June for final approval; but in view of the almost three to one vote in the governing body, there is little reason to anticipate contrary action by the Conference.

On the basis of 25 percent, which is the current rate of assessment of the United States in the ILO this budget will call for a United States contribution of $1.9 million. The net contribution can be reduced to $1.8 million by taking advantage of an expected credit accruing from earlier years; but, even so, our assessment will be $50,000 above the existing statutory ceiling.

Thus, it is clear that the United States will be confronted with an assessment which it cannot pay unless Congress raises the ceiling. Although this budget is for 1957, and we would not actually be in default until that time, our influence at the June conference would obviously be at a low ebb if we went there with the whole world knowing that we would be unable to meet our obligations. An organization does not pay much attention to the thoughts of a member who is avowedly about to refuse to pay his dues.

As a matter of fact, Mr. President, our delinquency might turn out to be even greater than the figure of $50,000 which I mentioned. That figure was based on a calculation of our assessment at the rate of 25 percent. That rate has been in effect since 1951, and there has been growing pressure within the ILO to revise all assessments to bring them more into line with the United Nations scale, under which the United States pays 33.3 percent. I do not think that the ILO would undertake such a drastic revision in one step, but I do think we have to anticipate some increase in the percentage of our assessment.

The question has been raised as to whether we should continue to participate at all in the ILO; or, if we do continue to participate, whether we should increase our contributions. To state the question another way, we have three possible courses of action:

First. We can withdraw entirely from the ILO. For reasons which I shall elaborate on a little later, this would not be a wise course for us to take, but it would at least have the merits of being forthright and unequivocal.

Second. We can defeat this bill and continue in the ILO under our present legislation. This, I think, is probably the worst thing we could do. We would be half in, half out, delinquent in our assessments, utterly without influence, and in general offering an altogether sorry spectacle for a Nation which is supposed to be in a position of world leadership.

Third. We can pass this measure and continue to participate in the ILO on a vigorous, wholehearted, full-membership basis. This seems to me to be clearly the wisest course for us to take. If we are going to belong to an organization as important as the ILO, we ought to belong to it all the way—we ought to work in it and try to get our ideas adopted by it. We ought to take a seat up in front, and not one by the door, where we can walk out every time something does not go to suit us or where the other members can throw us out for nonpayment of dues.

The ILO is unique among international organizations in that its delegates represent private groups, as well as governments. Each member of the ILO has two government delegates, plus one delegate representing employers, and one representing workers. The organization was established in 1919 to promote the voluntary cooperation of nations in improving working and living conditions. The United States has been a member since 1934.

The principal impetus for United States withdrawal from the ILO at this time comes from Mr. William McGrath, who was the American employer delegate in 1954 and 1955. In his public statements, Mr. McGrath has voiced numerous complaints about the ILO; but so far as I can determine, all of them come under three main headings:

First, a great many foolish proposals are advanced in the ILO. While Mr. McGrath evidently differs with a good many persons, even in his own country, as to what is foolish and what is not, I think we can all agree that there are some foolish proposals advanced in the ILO. Well, Mr. President, there are some foolish proposals advanced in every organization—even in the Congress of the United States; but I never heard of an individual's refusing to serve in Congress because of that fact. The truth is that most of the foolish proposals in the ILO meet the same fate as those in Congress: They are buried, and never are adopted.

The few which may be adopted can be farmful to the United States only to the extent that we ourselves are foolish enough to put them into effect. This fact destroys the validity of Mr. McGrath's second major complaint, which is that the ILO is an international lawmaking body bent upon legislating socialism into existence throughout the world. This can only be described as plain nonsense. The ILO has no power whatsoever over any sovereign country on the face of the world. The ILO can only act through recommendations, which do not have to be followed, or through conventions, which do not have to be ratified, and which, of course, are not binding unless they are ratified.

Finally, Mr. McGrath complains that the employer and worker delegates from the Soviet Union and other Communist countries are, in fact, merely additional government delegates, and do not represent free employers and free workers. This is a valid point, and I disagree with Mr. McGrath only as to the conclusion to be drawn from it. He thinks we ought to get out of the ILO. I think we ought to stay in it, and fight harder than ever to show up this Communist fiction for what it is.

Incidentally, Mr. President, I may say that at the present time there is within the International Labor Ogranization a subcommittee looking into the matter of so-called employer representation on the part of the Communist states which happen to be members of the Organization.

I am not alone in believing that we should remain in the ILO. The executive council of the AFL–CIO thinks so. It recently said:

> We regard the ILO as a vital forum through which to promote the cause of freedom and democracy in the world. We take this opportunity to officially reiterate our full and unqualified support of the ILO and of United States membership and active participation therein.
>
> We urge the Congress of the United States to enact Senate Joint Resolution 97.

The Catholic Church thinks so. I quote from an editorial of March 16, 1956, issue of the New World, official Catholic paper of the archdiocese of Chicago and the diocese of Joliet:

> The Holy See has been one of the ILO's strongest supporters from the very beginning of the Organization. In November 1954, the Holy Father enthusiastically welcomed the members of the ILO governing body in a special audience at the Vatican and, echoing the sentiments of his predecessor, vigorously endorsed the important work that they are doing for the cause of social justice. * * *
>
> Moreover, as recently as January of this year, a French Jesuit, Father Joblin, was appointed to the staff of the ILO with the advice and consent of the Holy See. * * * The fact that Father Joblin's appointment was made long after the problem of Communist representation in the ILO became a public issue is an obvious indication that the Holy See is not in favor of scuttling the Organization merely because of the fact that Russia and some of her satellites are included in its membership.

Further, Mr. President, as recently as April 4, less than 2 weeks ago, the economic subcommittee of the Catholic Association for International Peace found that American withdrawal from the ILO "would play directly into the hands of the Communists."

Finally, Mr. President, the Chamber of Commerce and the National Association of Manufacturers—the two groups who nominate our employer delegate—have decided to continue their participation this year. Although they are not without some misgivings about the matter, they have rejected Mr. McGrath's proposal for immediate withdrawal from the ILO.

Mr. President, let me say just a word about the paragraph of the joint resolution relating to the Food and Agriculture Organization. I think there would be general agreement that this agency has done one of the best jobs of any of the UN specialized agencies. It certainly has one of the most important jobs—namely, that of keeping food production up with population increases in underdeveloped countries.

The FAO Conference last fall voted a budget of $6.6 million for 1956 and of $6.8 million for 1957. The vote, incidentally, was 24 to 23, with the United States voting "No." After taking account of small miscellaneous income, the amount of these budgets which will have to be met by assessments is $6.5 million in 1956 and $6.7 million in 1957. The United States assessment for each of these years is 31.5 percent. These assessments can be met within the existing ceiling by taking advantage of a credit which has accrued to the United States in the FAO Working Capital Fund.

It is apparent, however, that the United States is operating on a very thin margin, that our 1958 assessment will breach our ceiling, that the ceiling would therefore have to be raised next year in any event, and that in the meantime our whole position in the FAO will be strengthened by timely action to raise the ceiling now.

Mr. President, the amounts of money involved here are not large. The total increase provided for by this resolution to be spread over a period of years is less than half of one one-thousandth of the unexpended balances of appropriations for military assistance. The amounts involved here appear even more trifling when considered in relation to the damage our international position would suffer if we were to fail to play our full part in both the ILO and FAO.

I invite the attention of Senators to the fact that the Senate Foreign Relations Committee unanimously reported the joint resolution. I know I express the hope of the chairman and of other members of the committee when I urge the Senate to pass the joint resolution.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the distinguished minority leader.

Mr. KNOWLAND. Let me say to the Senator that I intend to support the joint resolution, either with or without some of the amendments which have been suggested, depending upon the discussion which may follow.

However, I think it is only fair to say that in the Committee on Foreign Relations there was the feeling that both the FOA and the ILO had a part to play, despite the objections, and perhaps some of the legitimate criticisms which have been raised. The viewpoint of the American Federation of Labor and the CIO as to their usefulness was pointed out. While the representatives of the United States Chamber of Commerce had some questions, they felt, as I understood, that perhaps the ILO should be continued for another year or so, and

that perhaps further studies should be made by the Congress as to its value.

While the representatives of the National Association of Manufacturers were perhaps not so enthusiastic, I think it may be said that many of them felt that the organization should not be terminated without further investigation, and that perhaps it was too early to terminate it. For that reason I do not believe it should be terminated at this time.

However, I think it is only fair to say that there was considerable discussion in the Foreign Relations Committee apropos of the question of the percentages which the United States might properly contribute to these agencies and to the overall situation.

At one time we were contributing considerably more than 33⅓ percent for the total United Nations operation until, at the instigation of the late Senator Vandenberg and other members of the Committee on Foreign Relations at the time, and also members of the Appropriations Committee, a limitation of 33⅓ percent, as I recall, was established.

In the discussions before the Committee on Foreign Relations—I know it has been true in the Appropriations Committee—it has been pointed out that this figure was not necessarily intended to be a permanent level, and that it might properly be 30 percent or 25 percent. I do not know just what the amount might properly be. However, it seems to me that there are other nations which are not carrying their fair share of the load, and there are some which, for various reasons, have not been able to pay their assessments. At least we have been doing that, within the limitations established.

I hope the Department of State will bear in mind that there may very well arise—and properly so—in the Congress a feeling that 33⅓ percent for support of the independent agencies and the United Nations itself is too much, and that the figure should perhaps move toward 25 percent, rather than upward, or rather than necessarily remaining stationary.

I thought that the discussion today should at least point out the fact that that particular topic was the subject of considerable discussion in our committee.

Mr. MANSFIELD. Mr. President, what the distinguished minority leader has just said is true. He has given us a very good, though very brief, résumé of the discussions which took place in the committee relative to this particular subject. I can corroborate every statement he has made.

Of course, we are all in accord with his idea that at the first favorable opportunity we should do what we can to reduce our contributions, if we can do so legitimately and within reason, and not be wedded to a figure of 33⅓ percent, or a higher figure.

Mr. ELLENDER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Chair will advise the Senator from Louisiana that an amendment offered by him is already pending before the Senate.

Mr. ELLENDER. That is the amendment I have just sent to the desk.

The PRESIDING OFFICER. Possibly it is the same amendment.

Mr. ELLENDER. It is the same amendment.

The PRESIDING OFFICER. The Chair is advised that the amendment has been pending since July of last year. Without objection, the clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, after line 5, it is proposed to insert the following:

> SEC. 2. Notwithstanding any other provision of law, the ratio of (a) the contributions made hereafter by the United States in any year to defray the expenses of the Food and Agriculture Organization of the United Nations, or of the International Labor Organization, to (b) the total contributions made by all nations in such year for such purpose shall not exceed the ratio of (1) the contributions made by the United States for such purpose in the year in which this section is enacted to (2) the total contributions made by all nations for such purpose in that year.

Mr. ELLENDER. Mr. President, I wish to call the attention of the Senate to the fact that for the past few years the Committee on Appropriations has been carefully examining these contributions in an effort to make them uniform, if possible, and to not further increase the amounts percentagewise. That is now being done with respect to the various international organizations.

It will be recalled that when the United Nations was first organized, the contribution made by the United States amounted to almost 40 percent of the entire amount required to operate that organization. Over the years the amount has been decreased percentagewise, to where it is now 33⅓ percent of the total.

Great Britain is, as of now, contributing 8.55 percent. The U. S. S. R. is contributing 15.28 percent. France is contributing 6.23 percent.

I ask unanimous consent to place in the RECORD at this point tables showing the contributions being made by all members of the United Nations.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 2.—*United Nations: Scale of assessments*

Member countries	Calendar year 1954		Calendar year 1955		Calendar year 1956	
	Percent	Assessment	Percent	Assessment	Percent	Assessment
Afghanistan	0.08	33,040	0.08	31,712	0.06	28,998
Argentina	1.40	578,200	1.32	523,248	1.28	618,624
Australia	1.75	722,750	1.80	713,520	1.80	869,940
Belgium	1.38	569,940	1.38	547,032	1.38	666,954
Bolivia	.06	21,780	.05	19,820	.05	24,165
Brazil	1.40	578,200	1.32	523,248	1.20	579,960
Burma	.13	53,690	.13	51,532	.11	53,163
Byelorussian S. S. R.	.50	206,500	.53	210,092	.53	256,149
Canada	3.30	1,362,900	3.63	1,438,932	3.63	1,754,379
Chile	.33	136,290	.30	118,920	.33	159,489
China	5.62	2,321,060	5.62	2,227,768	5.62	2,716,146
Colombia	.41	169,330	.41	162,524	.41	198,153
Costa Rica	.04	16,520	.04	15,856	.04	19,332
Cuba	.34	140,420	.30	118,920	.30	144,990
Czechoslovakia	1.05	433,650	.94	372,616	.92	444,636
Denmark	.78	322,140	.74	293,336	.72	347,976
Dominican Republic	.05	20,650	.05	19,820	.05	24,165
Ecuador	.04	16,520	.04	15,856	.05	24,165
Egypt	.47	194,110	.40	158,560	.40	193,320
El Salvador	.06	24,780	.06	23,784	.06	28,998
Ethiopia	.10	41,300	.12	47,568	.12	57,996
France	5.75	2,374,750	5.90	2,338,760	6.23	3,010,959
Greece	0.21	86,730	0.21	83,244	0.22	106,326
Guatemala	.07	28,910	.07	27,748	.07	33,831
Haiti	.04	16,520	.04	15,856	.04	19,332
Honduras	.04	16,520	.04	15,856	.04	19,332
Iceland	.04	16,520	.04	15,856	.04	19,332
India	3.40	1,404,200	3.30	1,308,120	3.25	1,570,725
Indonesia	.60	247,800	.56	221,984	.56	270,648
Iran	.28	115,640	.25	99,100	.30	144,990
Iraq	.12	49,560	.11	43,604	.13	62,829
Israel	.17	70,210	.17	67,388	.17	82,161
Lebanon	.05	20,650	.05	19,820	.05	24,165
Liberia	.04	16,520	.04	15,856	.04	19,332
Luxembourg	.06	24,780	.06	23,784	.06	28,998
Mexico	.75	309,750	.80	317,120	.77	372,141
Netherlands	1.25	516,250	1.25	495,500	1.25	604,125
New Zealand	.48	198,240	.48	190,272	.48	231,984
Nicaragua	.04	16,520	.04	15,856	.04	19,332
Norway	.50	206,500	.50	198,200	.54	260,982
Pakistan	.75	309,750	.67	265,588	.60	289,980
Panama	.05	20,650	.05	19,820	.05	24,165
Paraguay	.04	16,520	.04	15,856	.04	19,332
Peru	.18	74,340	.18	71,352	.16	77,328
Philippines	0.45	185,850	0.45	178,380	0.45	217,485
Poland	1.73	714.490	1.73	685,772	1.70	821,610
Saudi Arabia	.07	28,910	.07	27,748	.07	33,831
Sweden	1.65	681,450	1.59	630,276	1.59	768,447
Syria	.08	33,040	.08	31,712	.08	38,664
Thailand	.18	74,340	.18	71,352	.18	86,994
Turkey	.65	268,450	.65	257,660	.69	333,477
Ukrainian S. S. R.	1.88	776,440	2.00	792,800	2.02	976,266
Union of South Africa	.78	322,140	.78	309,192	.78	376,974
United Kingdom	9.80	4,047,400	8.85	3,508,140	8.55	4,132,215
United States	33.33	13,765,290	33.33	13,212,012	33.33	16,108,389
Uruguay	.18	74,340	.18	71,352	.18	86,994
U. S. S. R.	14.15	5,843,950	15.08	5,977,712	15.28	7,384,824
Venezuela	.39	161,070	.44	174,416	.47	227,151
Yemen	.04	16,520	.04	15,856	.04	19,332
Yugoslavia	.44	181,720	.44	174,416	.40	193,320
Total	100.00	[1]41,300,000	100.00	[1]39,640,000	100.00	[2]48,330,000

[1] 60 members.

[2] 76 members. New members admitted in December 1955; assessments not yet determined: Austria, Albania, Bulgaria, Cambodia, Ceylon, Finland, Hungary, Ireland, Italy, Jordan, Laos, Libya, Nepal, Portugal, Rumania, Spain.

TABLE 3.—*Food and Agriculture Organization: Scale of assessments*

Member countries	Calendar year 1954		Calendar year 1955		Calendar year 1956	
	Percent	Assessment	Percent	Assessment	Percent	Assessment
Afghanistan	0.16	$9,481	0.12	$7,068	0.08	$5,168
Argentina	1.83	108,437	1.60	94,240	1.63	105,298
Australia	2.00	118,510	2.06	121,334	2.29	147,934
Austria	.38	22,517	.55	32,395	.49	31,654
Belgium	1.78	105,474	1.76	103,664	1.75	113,050
Bolivia	.06	3,555	.08	4,712	.06	3,876
Brazil	1.52	90,067	1.71	100,719	1.52	98,192
Burma	.16	9,481	.15	8,835	.14	9,044
Cambodia	.05	2,963	.05	2,945	.04	2,584
Canada	4.76	282,054	5.69	335,141	4.61	297,806
Ceylon	.13	7,703	.20	11,780	.15	9,690
Chile	.31	18,369	.41	24,149	.42	27,132
Colombia	.40	23,702	.65	38,285	.52	33,592
Costa Rica	.05	2,963	.05	2,945	.04	2,584
Cuba	.46	27,257	.50	29,450	.38	24,548
Denmark	1.08	63,995	.91	53,599	.91	58,786
Dominican Republic	.05	2,963	.07	4,123	.06	3,876
Ecuador	.05	2,963	.06	3,534	.06	3,876
Egypt	.55	32,590	.60	35,340	.51	32,946
El Salvador	.05	2,963	.08	4,712	.08	5,168
Ethiopia	.15	8,888	.13	7,657	.15	9,690
Finland	.43	25,480	.56	32,984	.52	33,592
France	6.70	397,008	7.49	441,161	7.91	510,986
Germany	4.73	280,276	5.66	333,374	5.85	377,910
Greece	.27	15,999	.38	22,382	.28	18,088
Guatemala	.08	4,740	.10	5,890	.09	5,814
Haiti	.05	2,963	.05	2,945	.04	2,584
Honduras	.05	2,963	.05	2,945	.04	2,584
Iceland	.05	2,963	.05	2,945	.04	2,584
India	5.18	306,941	4.55	267,995	4.13	266,798
Indonesia	.52	30,813	.83	48,887	.71	45,866
Iran	------	------	.34	20,026	.38	24,548
Iraq	.12	7,111	.12	7,068	.16	10,336
Ireland	.40	23,702	.27	15,903	.27	17,442
Israel	.13	7,703	.19	11,191	.22	14,212
Italy	3.19	189,023	2.99	176,111	2.88	186,048
Japan	2.25	133,324	2.79	164,331	2.73	176,358
Jordan	.05	2,963	.05	2,945	.04	2,584
Korea	0.09	$5,333	0.16	$9,424	0.11	$7,106
Laos	.05	2,963	.05	2,945	.04	2,584
Lebanon	.05	2,963	.05	2,945	.06	3,876
Liberia	.05	2,963	.05	2,945	.04	2,584
Libya	------	------	.05	2,945	.04	2,584
Luxembourg	.06	3,555	.07	4,123	.08	5,168
Mexico	.81	47,996	1.14	67,146	.98	63,308
Nepal	.10	5,925	.08	4,712	.04	2,584
Netherlands	1.70	100,733	1.26	74,214	1.59	102,714
New Zeland	.65	38,516	.58	34,162	.61	39,406
Nicaragua	.05	2,963	.05	2,945	.04	2,584
Norway	.66	39,108	.65	38,285	.69	44,574
Pakistan	.98	58,070	1.15	67,735	.76	49,096
Panama	.05	2,963	.06	3,534	.06	3,876
Paraguay	.05	2,963	.05	2,945	.04	2,584
Peru	------	------	.21	12,369	.20	12,920
Philippines	.22	13,036	.74	43,586	.57	36,822
Portugal	.65	38,516	.37	21,793	.34	21,964
Saudi Arabia	.06	3,555	.09	5,301	.09	5,814
Spain	1.37	81,179	1.62	95,418	1.59	102,714
Sweden	2.11	125,028	1.97	116,033	2.02	130,492
Switzerland	1.56	92,438	1.54	90,706	1.60	103,360
Syria	.10	5,925	.10	5,890	.10	6,460
Thailand	.17	10,073	.30	17,670	.23	14,858
Tunisia	------	------	------	------	.06	3,876
Turkey	.66	39,108	.79	46,531	.88	56,848
Union of South Africa	.95	56,292	.77	45,353	.99	63,954
United Kingdom	15.03	890,603	10.49	617,861	10.87	702,202
United States of America	30.00	1,777,650	30.00	1,767,000	31.50	2,034,900
Uruguay	.25	14,814	.23	13,547	.23	14,858
Venezuela	.45	26,665	.57	33,573	.60	38,760
Vietnam	.23	13,629	.21	12,369	.22	14,212
Yemen	------	------	.05	2,945	.04	2,584
Yugoslavia	.66	39,108	.60	35,340	.51	32,946
Total	100.00	[1] 5,925,500	100.00	[2] 5,890,000	100.00	[3] 6,460,000

[1] 67 members.

[2] 71 members.

[3] 72 members.

Mr. ELLENDER. Mr. President, if the joint resolution we are now considering is passed, we will automatically have abandoned the proposition that many of us have advanced in the past, to decrease the amounts of our contributions percentagewise, or at least, to hold them at present levels. The total amount of the contribution that is now assessed against the United States for the Food and Agriculture Organization of the United Nations is $2 million. Percentagewise we are now furnishing 31.5 percent. If we increase the amount to $3 million, as is being asked in the joint resolution, it is entirely possible that the amount of the contribution percentagewise will be much greater than the overall limitation on contributions of 33⅓ percent, the goal toward which we have been aiming for several years.

If with our contribution of $2 million, we have now reached the percentagewise level of 31½ percent, then with $3 million the percentage may well climb to 37 or 38 percent of the total.

Therefore the suggestion I would make is that instead of fixing the amount at so many millions of dollars for the Food and Agriculture Organization and the International Labor Organization, we limit, percentagewise, the amounts to be contributed. The amount, as I have indicated, that we are contributing to the Food and Agriculture Organization is 31½ percent. With respect to ILO, we are now contributing 25 percent. The limitation that is now on the statute books is $1,750,000. If we raise the amount to $3 million, it is entirely possible that our contribution will be in excess of the overall limitation on U. N. contributions of 33⅓ percent which is certainly an ample burden for us to bear.

I do not wish to withdraw from any of these organizations. However, I do believe that our contributions should be within reason, and that if increased expenditures are necessary, that other nations should contribute a pro rata share of those increases.

With respect to all these organizations, our contribution is far in excess of that of any other country in the world.

For example, the contribution we are making to the Organization of American States is in the neighborhood of 66 percent of the total budget. In the United Nations, in connection with the technical aid program, we have been contributing as much as 65 percent for that program. That is entirely aside from any amount that we contribute directly to the various nations of the world through our own technical aid and mutual assistance programs.

As was stated by my distinguished friend, the Senator from California [Mr. KNOWLAND], instead of increasing the amounts percentagewise, it strikes me that we should let them stand where they are or fix a ceiling of, at the maximum, 33⅓ percent.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. MANSFIELD. The distinguished Senator from Louisiana has made what I believe to be a very meritorious and worthwhile suggestion. I have discussed the matter with the distinguished minority leader and with the Senator from New Jersey [Mr. SMITH], both of whom are members of the Committee on Foreign Relations, and they have proposed the possibility of offering an amendment from the committee which would read as follows:

> SEC. 2. Notwithstanding the provisions of section 1 of this act, the payments by the United States to the Food and Agriculture Organization and to the International Labor Organization shall not exceed 33⅓ percent of the total assessed budgets of those organizations.

That does not mean that that percentage should be reached automatically, but it does set a ceiling. Of course, it would be the intent of the Committee on Foreign Relations, and especially of the Committee on Appropriations, of which the Senator from Louisiana is a member, as well as of Congress as a whole, to make certain that our requirements be held down to the most reasonable minimum.

Mr. ELLENDER. The Senator concedes that if we should put a limitation of $3 million instead of the $2 million in the joint resolution, it would be entirely possible that the amount we might contribute to the Food and Agriculture Organization would be in excess of 33⅓ percent.

Mr. MANSFIELD. The Senator is correct.

Mr. ELLENDER. The same would be true with respect to the International Labor Organization.

Mr. MANSFIELD. That is correct.

Mr. ELLENDER. As a matter of fact it is probable that such would be the situation if we raised the contribution from $1,750,000 to $3 million.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KNOWLAND. I believe the Senator's point is a good one. If we had a dollar limitation alone, it might

have—depending on what the size of the budget was—the tendency to do what the Senator suggests. I think the amendment which the Senator from Montana has suggested would at least keep the figures from getting out of line with the other percentages.

I thoroughly agree with the Senator—I do not know whether he was in the Chamber when I spoke on this subject earlier today—that we must make a close study of the situation to determine if we cannot get the percentages to move downward, instead of upward. At least the amendment would tend to keep them in conformity with the efforts which Congress has heretofore made, to keep the top limitation at 33⅓ percent.

Mr. ELLENDER. The purpose of the amendment I offered is to fix the percentagewise contribution at its present level. However, I realize that it may be a little difficult to do that. Instead of using dollar figures, the Senator would limit the amount percentagewise to make the amount not over 33⅓ percent, the ceiling which we have been trying to apply with respect to other organizations. Is that correct?

Mr. KNOWLAND. I would say that that would be correct. However, I am inclined to believe—and I would also wish to check the matter with our staff—that unless we add a dollar amount, the problem would not be solved, because there is already a dollar restriction in effect. Therefore, it seems to me that the suggestion of the Senator from Montana, to let the dollar figure stand but to provide also that in no event shall the amount exceed 33⅓ percent, would take care of the situation at both ends.

Mr. ELLENDER. Mr. President, as I stated earlier, the Senate should not abandon the idea of not increasing the amounts, percentagewise, of our contributions to these agencies; on the contrary, we should adopt those limitations. In the past 4 or 5 year the Senate Appropriations Committee has been able to considerably reduce the amounts we have been contributing to various international organizations, and particularly with reference to the specialized agencies of United Nations. If the amendment which I have proposed should be adopted, it would mean that the amount could be increased—that is, if the agency budget were increased—but, percentagewise, our contributions would remain fixed at the present levels. With respect to the International Labor Organization, it would remain at 25 percent, and with respect to the Food and Agriculture Organization, it would remain at 31½ percent, if my amendment should be adopted.

Mr. President, I hesitate to take a backward step, but rather than passing a bill under which it may be possible to go above the 33⅓ percent which has been our goal, I would much prefer that the measure be amended as suggested by the distinguished Senator from Montana, to limit the amount percentagewise, so that in no event can either of those organizations obtain a larger contribution for this Nation than 33⅓ percent of the total agency budget.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield to me for the purpose of submitting an amendment and asking that it be read?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. In view of the fact that the amendment offered by the Senator from Louisiana is pending, it might be well if the Senator would temporarily withdraw his amendment. The amendment offered by the Senator from Montana, which would be placed at the end of the joint resolution, would fix the maximum at 33⅓ percent.

Mr. ELLENDER. As the Senator knows, I am a fair compromiser. I should like to see my amendment adopted, of course, but, with so many apparently against it, I shall withdraw it with the understanding that a limitation will be imposed, as was suggested by the distinguished Senator from Montana, so that the amounts to be contributed cannot exceed 33⅓ percent of the budgets.

Mr. KNOWLAND. I think the language is very clear, because it is proposed to add section 2, reading as follows:

> Notwithstanding the provisions of section 1 of this act, the payments by the United States to the Food and Agricultural Organization and to the International Labor Organization will not exceed 33⅓ percent of the total assessed budgets of those organizations.

Mr. ELLENDER. With the understanding that the amendment will be offered and adopted, I shall withdraw my amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana is withdrawn. The Senator from Montana has an amendment at the desk, which the clerk will state.

The LEGISLATIVE CLERK. At the end of the joint resolution, it is proposed to add the following new section:

> SEC. 2. Notwithstanding the provisions of section 1 of this act, the payments by the United States to the Food and Agricultural Organization and to the International Labor Organization shall not exceed 33½ percent of the total assessed budgets of those organizations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana.

Mr. LEHMAN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. LEHMAN. I think the amendment is a wise one, but I wish to be certain as to what is proposed.

Mr. MANSFIELD. We are now proposing to fix a percentage ceiling, a question which has been discussed among the members of the committee. We think it is quite agreeable and is probably the best compromise which can be reached at this time.

It means, of course, that, if necessary, in the case of the ILO the amount could be raised from approximately 25 percent to as much as 33⅓ percent. As I recall, the amount contributed for FAO is now approximately 31.5 percent. I think it should be satisfactory to all concerned.

Mr. LEHMAN. As I understand, if in the event of the allocation to this country of its share the expenditure for ILO were raised to 33⅓ percent, which is provided for by the amendment of the Senator from Montana, there would be sufficient money——

Mr. MANSFIELD. There would be more than sufficient money so far as the dollar amount is concerned, but that would be a matter for the Committee on Appropriations to decide, based on the facts made available to them as to how much would or would not be appropriated to these subsidiary organizations.

Mr. LEHMAN. The reason why I press the question is because in the statement submitted by the Department of State, explaining the reasons for the proposed legislation in great detail, I find the last paragraph reads as follows:

> If the present ceiling of $1,750,000 remains, the United States will have little or no flexibility for negotiation, particularly as regards the assessment scale when this issue is considered by the governing body in November. The Department of State and the Department of Labor believe that the United States would be in a better position to obtain a reasonable solution on this issue, and on other financial and substantive issues, if this Government were not forced to take a completely negative stand on these matters. The proposed increase in the statutory ceiling to $3 million would provide the flexibility which is required.

I have never been a delegate to the meetings of the ILO or the FAO, but I have been a delegate to the World Health Organization. The same question arose in 1951 or 1952. We wanted it to have a certain amount of flexibility and the arrangement which was made was in the interest of this country. But there was no limitation.

Mr. MANSFIELD. The proposal has been discussed, has been agreed on, and has been considered as containing much in the way of merit.

Mr. LEHMAN. I thank the Senator from Montana.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MANSFIELD].

The amendment was agreed to.

Mr. BRICKER. Mr. President, I wish to call up my amendment and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 2, line 5, to change the period to a comma, and insert the following: "and by inserting before the semicolon at the end of such subsection a colon and the following: '*Provided, however,* That no sums in excess of $1,750,000 shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956, if during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement were permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization'."

Mr. BRICKER. Mr. President, in support of the amendment, I ask unanimous consent to have printed at the end of my remarks an article entitled "How Useful Is the ILO?" written by George Sokolsky, and published in the Washington Post and Times Herald of January 5, 1956. The article points out the need for the amendment.

There being no objection, the article was ordered to be printed in the RECORD.

(See exhibit A.)

Mr. BRICKER. Mr. President, I am fearful of the amendment which has just been offered by the Senator from Montana, because it is an open invitation to increase our contribution to the amount set forth as the maximum. I feel quite assured that that is what ultimately would happen. Furthermore, I am supported in this position by the American delegations to both the FAO and ILO. They voted against the increases which are here provided for.

Senate Joint Resolution 97 would:

First. Increase the ceiling on United States annual contributions to the Food and Agriculture Organization from $2 million to $3 million; and

Second. Increase the ceiling on United States annual contributions to the International Labor Organization from $1,750,000 to $3,000,000.

I do not oppose the recommended increase in the statutory ceiling on contributions to the FAO. To the best of my knowledge and belief, FAO has done a good job. Our participation in that U. N. agency is relatively noncontroversial. FAO assessments on the United States for the calendar year 1956 may exceed the existing ceiling figure.

I may say, in connection with the Food and Agricultural Organization, that much has been done by private organizations throughout the country, by voluntary contribution, to promote the building up of productivity in the various countries of the world where there is great need for food and agricultural production.

Entirely different considerations arise with respect to the ceiling on contributions to the International Labor Organization. First, continued participation by the United States in ILO is a highly controversial issue. And, secondly, the committee report indicates that the ILO ceiling will not be pierced until the calendar year 1957. Accordingly, I believe that the Senate should amend Senate Joint Resolution 97 by striking out subsection (b) concerned with United States contributions to the ILO.

I am advised that no public hearings were held by the committee in regard to the increased appropriations. There are very important organizations in the country which are entitled to have and ought to have a voice. They should be heard, and a record ought to be made. It is my understanding that conferences were held in executive session between the committee and representatives of the State Department and, perhaps, of the Department of Labor, in regard to the increased contribution, all of which will be paid by the taxpayers of the United States.

If the pending resolution is limited to the Food and Agriculture Organization, the Senate Foreign Relations Committee can then make a full investigation of the International Labor Organization. No hearings have been held on Senate Joint Resolution 97. It is an original joint resolution reported favorably from the committee at the request of the State, Agriculture, and Labor Departments.

Why should we authorize the spending of more money for the International Labor Organization when public hearings on the question have not been held, when the need for increased funds will not arise before the calendar year 1957, and when United States participation in the ILO is a matter of growing public concern? The Senate should amend Senate Joint Resolution 97 by striking therefrom subsection (b), page 2, lines 1 through 5.

If Senate Joint Resolution 97 is not so amended, the Senate must face this question: Why should the International Labor Organization be rewarded for an intolerable act of Communist appeasement? I refer to the action of the ILO Conference in 1955 which seated employer and employee representatives from Communist countries and granted them voting privileges. If the ceiling on United States contributions to the ILO is raised, the following condition should be imposed:

> *Provided, however,* That no sums in excess of $1,750,000 shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956, if during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement were permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization.

Each member of ILO is represented by four delegates. Under the ILO constitution, 2 delegates represent government; 1 delegate represents employees; and 1 delegate represents the employers of his country. Under this tripartite arrangement the nongovernment delegates must be free of government dictation; that is, they must be truly representative of free, voluntary associations of employers and employees.

The United States employer delegate is nominated by the National Association of Manufacturers and by the United States Chamber of Commerce. The United States employee delegate is nominated by the AFL–CIO. The two Government delegates are nominated by the Secretary of Labor.

At the ILO Conference in Geneva in 1955, so-called employer and employee representatives from Communist countries were seated and granted voting privileges. The United States Government and employee delegates protested this action but bowed to the will of the majority. In contrast to this rather feeble protest, the United States employer delegate, Mr. W. L. McGrath, of Cincinnati, Ohio, refused to sit with so-called employer representatives from Communist Russia and its satellites. Had he done so, he would have declared, in effect, that employer associations in Communist countries are free and voluntary associations; that their representatives have just as much right to participate in ILO deliberations as employer delegates from the free nations of the world. In other words, Mr. McGrath stood on principle. He refused to act out a lie. The question now is: Will Congress support his stand? I hope so.

Why should the Senate reward the ILO by raising the statutory ceiling on United States contributions from $1,750,000 a year to $3 million a year? I shall not vote for this increase unless its effectiveness is conditioned on the ILO unseating so-called employer and employee representatives from Communist countries. In addition, I hope Congress will take a new look at the ILO technical assistance program and at all other U. N. technical assistance programs in which Communist "experts" are financed—directly or indirectly, in whole or in part—with the dollars of American taxpayers.

It is perfectly proper for President Eisenhower to sit at the conference table with Bulganin or for Secretary Dulles to meet with Molotov. No matter how much we despise the fact, the fact is that Bulganin and Molotov represent the Government of Communist Russia. Moreover, except for the slim hope of revolution in Russia, the only alternative to war is patient negotiation with the rulers of the Kremlin. I believe that both President Eisenhower and Secretary Dulles should be commended for their efforts along this line.

Although heads of government must maintain diplomatic intercourse, this does not mean that the great organizations of American business and labor must stultify themselves by having their representatives treat so-called employer and employee representatives from Communist Russia as coequals. These phony delegates from Communist Russia do not resemble free employers or free employees any more than Outer Mongolia resembles a sovereign nation.

We have been told that the United States must continue to be a member of the ILO no matter how that Organization handles the Communist issue. We have been told that this must be done in the interest of universality. So far as I can tell, universality in internationalist lingo usually means that honorable men and free nations should abandon their principles for the privilege of associating in the same club with Communists, atheists, and barbarians. That is what the argument for universality in the International Labor Organization really means.

The National Association of Manufacturers and the United States Chamber of Commerce have voted for employer participation in the International Labor Organization for 1 more year. According to my information, the United States employer delegate will not sit in committees in Geneva with Communist agents masquerading as representatives of free employers. Both the NAM and the chamber have asked the President to appoint a commission to study the question of further participation by the United States in ILO. The concern of

American business organizations is reflected in the following resolution adopted by the United States Chamber of Commerce on January 28, 1956:

> Whereas the Chamber of Commerce of the United States reaffirms its belief in the fundamental objectives of the original constitution of the International Labor Organization which were:
>
> "Universal and lasting peace can be established only if it is based upon social justice.
>
> "Conditions of labor exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperiled."
>
> Whereas since 1934 we have cooperated and participated in the efforts of the International Labor Organization to effectuate these principles;
>
> Whereas our participation has convinced us that the International Labor Organization is not accomplishing these objectives, but instead has shown that—
>
> 1. The activities of the International Labor Organization have gone far afield from the original concept of the achievement of social justice within the field of labor-management relations;
>
> 2. There has been undue interference with the internal affairs of nations, beyond the proper scope of international agreement;
>
> 3. The International Labor Organization is being used as a propaganda forum for statism and socialism;
>
> 4. The technical-assistance program has been subverted to the distribution of statist and Socialist ideologies and propaganda;
>
> 5. The tripartite system of representation by Government, employer and worker delegates is a failure;
>
> 6. The entry of the Soviet Union and its satellites into the International Labor Organization has made a mockery of free and independent employer and worker representation;
>
> 7. By and large the staff of the International Labor Organization is nonobjective and dangerously devoted to the accomplishment of statist and Socialist ideologies;
>
> 8. The proper functions of the International Labor Organization are now or could be performed by various other agencies now in existence;
>
> Therefore, the Chamber of Commerce of the United States is convinced that continued support of the International Labor Organization by the taxpayers and by the Government of the United States should be questioned seriously at this time, and recommends—
>
> 1. That the executive department should reexamine the activities of the International Labor Organization;
>
> 2. That there should be an immediate and thorough congressional investigation of the activities and structure of the International Labor Organization, to determine whether the United States should continue its support of and participation in this organization;
>
> 3. That, pending such investigation and subsequent decision, the United States should not increase its financial support or participation; and
>
> 4. Pending this investigation and decision at the request of representatives of the United States Government, the Chamber of Commerce of the United States will again participate in the nomination of employer delegations to the International Labor Organization for the year 1956.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Ohio yield to the Senator from California?

Mr. BRICKER. I yield.

Mr. KNOWLAND. I think the Senator is making a very important and very powerful argument. I wish to explore with him precisely the meaning of his amendment. As I understand the viewpoint of the Senator and of the organizations to which he has referred, it is that presumably the ILO was to consist of certain delegates representing governments as governments, certain delegates representing employers as employers, entirely independent of governments, and certain delegates representing labor movements which were free labor movements, independent of either employers or governments. Is that the concept the Senator has of what ILO should be and what he believes was the original intent?

Mr. BRICKER. The Senator from California, the distinguished minority leader, is exactly right. That was the original concept of the International Labor Organization when we joined it and in its early days. Much could be accomplished if it were actually organized in that way; but last year, over the protest of the American delegation, and I think the delegation as a whole, the representatives of labor, of industry, and of government in Russia were seated, with four votes, just as the United States had. That means Soviet Russia has four times as many votes on one side as we have, because they all vote as a unit. They do not represent free employers, because there is no such thing in Russia as free employers.

Mr. KNOWLAND. Or free labor.

Mr. BRICKER. And they do not represent free labor, because there is no such thing in Russia as freedom of labor, as we understand it, and as the original concept of the International Labor Organization contemplated.

Mr. KNOWLAND. That is what I understood the Senator's point to be. Now I am trying to find out for the RECORD the meaning of the Senator's amendment, if the Senator does not object to this interruption.

Mr. BRICKER. No.

Mr. KNOWLAND. The amendment reads as follows:

> *Provided, however,* That no sums in excess of $1,750,000—

I may say parenthetically that is the limit now in effect.

Mr. BRICKER. That is right.

Mr. KNOWLAND. The amendment continues:

> shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956—

So this would not apply until the subsequent year.

Mr. BRICKER. That is correct, and it is not needed in 1956, anyway.

Mr. KNOWLAND. I continue to read from the amendment:

> , if during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement were permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization.

What I am trying to do is get the Senator's intent. It would still be possible for the representatives of Government to be seated, but only so long as they were not masquerading as delegates purporting to represent free employees, free labor, or free employers, neither one of which exists in the Soviet Union or under the Communist union. Am I correct?

Mr. BRICKER. The Senator is correct in that interpretation. In other words, the amendment would hold the appropriations for the years ahead to what they are at the present time, without increasing them—the vote now being completely unbalanced in favor of the Soviet philosophy—until the things asked for could be accomplished, and until there could be a hearing by the Foreign Relations Committee of the Senate in regard to this very important field, so that there might be a reappraisal of our position, and representatives from industry and labor might be questioned by the committee. That could be done in the next year, and no harm would be caused, because the ceiling would not be pierced until 1957.

Furthermore, I suggest that the executive department completely reexamine its position, so that the United States delegates and free employees and free employers may know exactly where it stands with regard to the International Labor Organization. At the present time it is working on treaties and executive agreements to be entered into, many of which are opposed to our concept of free employers and free employees and the private enterprise system of our people and Government; and many of which tend toward the socialization of the country, which many of us fear at this time, under the leadership of the radicals, Socialists, Communists, and the totalitarians who now dominate, in voting power, the philosophy and the actions of the International Labor Organization.

Mr. KNOWLAND. In effect, the message which might go out behind the Iron Curtain might very well be that what we were doing was looking after the interests of a real free labor movement behind the Iron Curtain, and whenever they had that opportunity they would be able to be represented in the International Labor Organization. Is that the Senator's point?

Mr. BRICKER. The Senator is exactly correct. If we were to increase the amount, it would be a source of encouragement to Soviet Russia, because it would dominate the activities. It would have a single voice in four votes, and we would be at a disadvantage.

Mr. KNOWLAND. Mr. President, will the Senator from Ohio yield again at this point?

Mr. BRICKER. I am happy to yield.

Mr. KNOWLAND. If the Senator from Ohio has the answer to the question I have in mind, I shall be glad to have him state it. Let us consider one of the countries—there are several of them—in which, although there is not a totalitarian dictatorship, in the sense that such a dictatorship exists in the Soviet Union, nevertheless, any semblance of a free labor movement or of free employers, for that matter, has been completely eliminated, although the government is freely elected by the people, even though they may be under a Socialist system, as we understand it, under which there is a large degree of government ownership. In such a case, of course, there would still be a free labor movement, presumably.

Mr. BRICKER. Yes; to a degree, although not to the degree in which it exists in the United States.

Mr. KNOWLAND. Of course. Nevertheless, to that extent they would be independent.

Mr. BRICKER. Yes; and they could objectively approach their responsibilities.

Mr. KNOWLAND. That is correct. I presume that in such instances the railroads, the mines, and so forth, would be government owned and government operated, but certain businesses would be privately owned. In the case of such a country, what has been the custom in the ILO? Does such a country have in the ILO one representative from the state-owned industries and another representative from the privately owned industries?

Mr. BRICKER. I do not know. It may be that that information is in the possession of the Foreign Relations Committee. I judge that the staff of the committee would have the information.

In my opinion such a country's two delegates would represent its government, and there would not be an additional delegate to represent the free employers, for in case there were a delegate representing the free employers, the country would have in the ILO three representatives, instead of two. At least, if the original plan of the ILO were followed in that case, that would be the situation.

Mr. President, American labor leaders seem to favor continued participation in ILO, notwithstanding ILO recognition of Communist agents as representatives of free associations of employees behind the Iron Curtain. I do not understand such a position. Consistently, and to their great credit, leaders of American labor unions have fought the Communist-dominated World Federation of Trade Unions—WFTU—and have joined with free trade unionists abroad to create the International Confederation of Free Trade Unions.

For American labor, the question of continued United States' participation in the ILO presents this issue: Shall representatives of free American labor deal on a basis of equality with phony employee representatives from Communist Russia and her satellites? When a Member of Congress suggested to Mr. George Meany that he get all maritime unions, including Harry Bridges' longshoreman's union, together on industry problems, Meany declared that the AFL-CIO have no intention of sitting down "with Commies and gangsters"—Seafarers' Log, February 17, 1956.

That is the issue in connection with the International Labor Organization at this very moment, Mr. President.

Delegates representing the Government of the United States also protested the seating of so-called employer and employee representatives from Communist countries. For example, Mr. Warren Burger, then Assistant Attorney General of the United States, said at the 1954 ILO Conference:

> Every step which the majority report asks you to take toward accepting employer's or worker's delegates who are completely controlled by a government is a step towards changing the essential nature of the ILO. It is precisely because the United States Government does not want this to happen that we raise our voice today in warning.

Gov. Arthur B. Langlie, of Washington, said:

> We are confronted with a bloc of 7 Iron Curtain countries, 7 countries who do not know the meaning of freedom—7 countries whose 28 ILO representatives function as 1. There is ample evidence to show that the delegates sent to this peaceful forum from these countries do not conform with the spirit of this organization.
>
> It is plainly ridiculous to speak of "worker's" representatives or "employer's" representatives from these countries.

In other words, the official position of representatives of the United States Government at the 1954 conference was that Communist "employer" and "worker" delegates are mere mouthpieces of government, and are, therefore, ineligible under the ILO constitution to vote in ILO meetings. The ILO has not finally ruled on the eligibility of Communist "employer" and "worker" delegates to participate in the work of the Organization. That is one more reason why the Senate of the United States should not now raise the ceiling on appropriations to the ILO.

If United States labor, business, and Government delegates to the ILO do not stand firm on this Communist issue, they will approve by their deeds the following statement from Trud, published by the Central Headquarters of the Soviet Trade Union Organization:

> In the course of recent years, hundreds of workers' delegations and people of different political or religious convictions have visited the Soviet Union. All are agreed in finding that there is full freedom of association in the U. S. S. R. The Soviet unions are the center of organization for millions of workers and employees, constituted on a basis of freely acquired consent. They reflect the inflexible will of the workers of our country to build up the splendid organization of Communist society. They protect the interests of the workers and the employees and seek to improve their living and working conditions. The administration of social insurance, to which the Soviet Government subscribes millions of rubles, is in their hands. In the Socialist countries, where the power lies in the hands of the people, there are and could be no breaches of trade union rights or liberties; antilabor or antidemocratic laws, such as the infamous Taft-Hartley Act, laid down by the reactionary bosses of the International Confederation of Free Trade Unions, cannot exist.

In conclusion, Mr. President, I strongly urge the Senate to take one of the following courses of action:

First. Keep the statutory ceiling for the ILO at its present figure, pending hearings on the advisability of raising the ceiling and on the desirability of continued United States participation; or

Second. Make any increase in the statutory ceiling contingent on ILO rejection of Communist agents as bona fide employer and worker delegates. This is the effect of the amendment to Senate Joint Resolution 97 which I proposed on January 12, 1956.

Mr. President, I think my amendment should be willingly accepted by the Foreign Relations Committee. The committee members know as well as I do that we are completely out of sympathy with the position taken by the Communist governments of the world in regard to employer-employee relationships. As a matter of fact, in the Communist countries there are no such relationships; all such relationships are completely eliminated, and all employee groups are dictated to by the governments controlling those countries at the time. So it would stultify the position of free business and free labor in the United States, as well as the position of our Government itself, if our representatives to the ILO were to sit around the conference table with representatives of the Communist countries, for the consideration of the very important matters connected with employer-labor relationships. At such a conference our delegates would be greatly out-numbered and out-voted by the delegates representing the Communist governments, just as our representatives to the ILO now are out-numbered and out-voted in connection with the positions the Soviet and Communist governments take, whereas we should be able to oppose them effectively.

Mr. President, the way for the United States to take affirmative steps in the best interests of free labor and free business is for us to say that we are not going to increase by 1 cent the United States' contribution to the International Labor Organization, for which we are now paying more than our share, until the Foreign Relations Committee of the Senate hold a public hearing on this subject, so that, first, the American people will be able to know what the issues are; and, second, until the representatives of those tyrannical governments are excluded from the consideration of the rights and relationships of free workers and free business in the world.

[From the Washington Post and Times Herald of January 5, 1956]

These Days

(By George Sokolsky)

HOW USEFUL IS THE ILO?

> The United States has become a member of a large number of international organizations in addition to the United Nations. Most of these organizations come quite expensive because the United States quota usually runs to about one-third of the budget. It is difficult to assess the value of all these international efforts; some are useful, others are only continuous.
>
> The International Labor Organization is one of the least useful and effective. Because of the increase of government-owned enterprises throughout the world, the nature of employment has changed in many countries to such a degree that slavery has been restored. The ILO was established during a capitalistic era; much of the world is now socialistic.
>
> As the American employer representative, W. L. McGrath, of Cincinnati, says in his report:
>
> "At annual ILO conferences Communist orators, outnumbering ours in the ratio of 32 to 4, will tell the representatives of 69 nations about the decadence of the free-enterprise system, the superiority of the Communist system, the exploitation of the workingman by the American capitalists, and our greed and desire for war. These speeches will be reprinted by the ILO and circulated all over the world. One cannot imagine a better ready-made vehicle for the promotion of Communist indoctrination. Do we want to continue to finance this Communist operation?"
>
> To many careless readers throughout the world, such publication by an international body will give the impression that the material is not Russian propaganda, but is the conclusion reached and assented to by the body.
>
> McGrath objected to seating the Russian employer delegates. As all industry in Soviet Russia is owned by the Government, who are these employers? How, in a country which forbids private ownership of an industry, can there be an employer?
>
> This may not be an exciting argument, except that the reason for the existence of the ILO is to have government, employers, and labor-union heads meet together to lay down certain policies concerning labor and working conditions on a universal basis. That this cannot be accomplished with the varieties of standards of living in the various countries is obvious from the small accomplishments of the ILO, but the excuse that is being given for its continued existence is that it is useful to have such a cooperative body.
>
> In fact, the Marxian aim of Soviet Russia is to abolish the private ownership of enterprise throughout the world so that employers will not be permitted anywhere. Why then does such a country hold membership in an international organization which recognizes the right of an employer to exist, to hire labor and to bargain with a free labor union?
>
> McGrath says:
>
> "If we are simply to accept the present situation in the ILO, the end result is, to my mind, inevitable. The Communists, with 8 nations to our 1, and 32 votes to our 4, will remain firmly entrenched and will progressively dominate the ILO. It will become merely an international forum for the dissemination of Communist propaganda, financed to at least 25 percent by the taxpayers of the United States. In fact, at its next session, our Congress will be asked to raise the ceiling for the United States contribution to the ILO from $1,750,000 a year to $3 million a year."

Mr. MANSFIELD. Mr. President, I dislike very much to disagree with my good friend, the distinguished Senator from Ohio; and I dislike it the more because there is a good deal of truth and merit in what he says. However, I invite his attention to the fact that financially the ILO is operated on a calendar-year basis. Its appropriations are effective on the first of January each year.

It is true, as the distinguished Senator from Ohio has said, that there have been no public hearings on the pending joint resolution; but, as I recall—and I should like to be corrected if I am mistaken—the reason why there were no public hearings is that there were no requests on the part of anyone to come before the committee at that time.

I point out to the senior Senator from Ohio that the administration sent to the committee representatives of the State and Labor Departments, and that those representatives were quite urgent in their request to us that we report the joint resolution favorably. It was reported unanimously from the Foreign Relations Committee.

The Senator from Ohio has mentioned something about our being outvoted. I do not believe that is exactly true, because while there are eight Communist countries in the ILO, they have, as I understand, 32 votes out of a total of 284 votes. I think we ought to recognize the fact that we are in a pretty tough scrap with communism and with the Soviet Union.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BRICKER. How many votes has the United States?

Mr. MANSFIELD. Four, as I understand.

It is my feeling that we should remain in an organization of this sort and not get out, because if we were to show our pique, if we were to refuse the necessary funds, and refuse to cooperate with other freedom-minded members of the organization, I feel that the end result would be the creation of a vacuum into which the Soviet Union and its satellites would move. I think we ought to recognize the fact that, while it is true that so-called employee and employer delegates are fictions so far as the Soviet Union is concerned, nevertheless, at the present time the ILO does have a committee looking into this particular subject and trying to find out what can be done to bring about a clear declaration regarding the Soviet Union and its captive states, so that this myth or fiction of so-called employer and employee delegates can be done away with.

I think the Senator from Ohio made a sound suggestion when he said that the President should create a commission to study the question of further participation by the United States in the ILO, based upon the arguments advanced. It is my hope that the joint resolution will be passed without the amendment of the Senator from Ohio, that the President will appoint a commission, and that we can go along, in the interest of harmony in this country between labor, management, and Government, because I understand that the National Association of Manufacturers and the United States Chamber of Commerce have nominated their delegate for this year. It seems to me that what we should do is to fight out the issue in this particular Organization, and not back out and allow the Soviet Union and its captive states to come in. So I sincerely hope that, even though there is a great deal of merit in what the distinguished senior Senator from Ohio has said in offering his amendment, the joint resolution will be approved as it is, and that we shall proceed to work out some of the details later.

Inasmuch as the Government is in the process of appointing its delegates; inasmuch as the AFL-CIO is participating; and inasmuch as employers have appointed their delegate, let us go ahead and give this program a chance. Let us try to do what we can by fighting within the Organization, instead of trying to withdraw and allowing the Soviet Union and its satellites to take over.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. KNOWLAND. As I understand the amendment of the Senator from Ohio—and I must say that during the course of the discussion today I have somewhat changed my views with respect to it, in the light of the statement of the Senator from Ohio—he is not proposing that the United States withdraw from the organization. So I do not believe that point is at issue. Certainly he is not proposing that we withdraw at this time. While some people on the outside had suggested that possibility at one time, and while it may still be suggested by our former representatives in the ILO, that is not the issue before the Senate today.

We have adopted an amendment which increases the amounts for the Food and Agricultural Organization up to the maximum of 33⅓ percent. By that amendment, as I view the legislative picture, we have contingently increased the ILO amount up to 33⅓ percent.

The contingency or proviso in the amendment of the distinguished Senator from Ohio is that that not be done until two things have happened—first, until the Senate and the executive branch of the Government shall have had an opportunity to review the situation growing out of the action by the ILO in obviously going counter to what had been the original intent, of having representatives of free labor, free employers, and the Government, rather than to have the Government unilaterally voting for all three when, in fact, free labor and free employers are nonexistent.

Secondly, after the executive branch and the Congress shall have had an opportunity to study the problem, our representatives will still be on hand, as the Senator from Montana points out, to carry on the battle, to see if the problem cannot be solved within the ILO itself.

If that can be done, the Congress of the United States will certainly be in a position next January to act. The contingency will be removed, because if the ILO solves the problem, the amendment of the Senator from Ohio will not apply. If, on the other hand, despite nonaction by the ILO, hearings bring out the desirability of continuing in the Organization on the basis of a contribution of 33⅓ percent, at that point the Senate and the House could, in effect, strike out the proviso.

I must say, in all fairness both to the Senate and to the distinguished Senator from Montana, that I do not purport, as minority leader, to speak for the administration in this connection. I agree with the Senator that the administration made it very clear before the committee that it thought the amount should be increased; and the Senator is quite properly carrying out the mandate of the Committee on Foreign Relations.

However, on my own responsibility, let me say that I think the arguments which have been made by the Senator from Ohio are very persuasive. I believe that a question of moral principle is involved. I believe that at some point we shall have to draw the line and say that we cannot continue to have the Soviet

Government, in effect, making a dead letter of what has been the intent and the normal practice, of having free labor and free industry represented.

As a result of the discussion today, I have personally come to the conclusion that I will support the amendment of the Senator from Ohio to the pending joint resolution.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I should like to answer the distinguished minority leader first before I yield to the Senator from New York. I can well understand the reasons for the consideration given by the Senator from California to the suggestions of the Senator from Ohio. It is true, of course, that the so-called employee and employer delegates representing the Soviet Union in the ILO are phonies and myths, and that it is all a fiction, and does not stand up. However, I would like to point out to the Senate that the issue of the Soviet Union employer and worker representation in the ILO became acute at the ILO Conference in 1954. At that time, the United States Government, employer, and worker delegates all supported challenges that had been filed to the Soviet employer and worker delegates on the grounds that they were in fact representatives of the Soviet Government and not of free employers and free workers. Nonetheless, the Soviet were seated.

Subsequently, in March 1955, the ILO governing body appointed a committee, headed by Lord Arnold D. McNair, former president of the International Court of Justice, to study the question of the freedom of employer and worker organizations in each of the ILO member countries. That committee made a voluminous report shortly before the March 1956 meeting of the governing body. Because of the shortness of time, the governing body decided to postpone full discussion of the problem until its November 1956 meeting. In the meantime, however, the governing body is proposing that the ILO Conference in June discuss the question, not with the purpose of taking formal decisions, but in order to give the governing body the benefit of the delegates' views.

The problem is by no means so simple as it might appear. There is reason to hope that in time it can be worked out to our satisfaction, but the approach embodied in this amendment will certainly not contribute to such a solution.

I should like respectfully to suggest to the Senate that at this time the amendment be rejected, and that the joint resolution be passed as it is. In the meantime, we should follow the suggestion of the Senator from Ohio that the President set up a commission, that the Committee on Foreign Relation consider the matter and hold public hearings—which I must insist again have not been requested up to this time—and that the ILO itself, through a subcommittee, keep looking into this question, so that there may be demolished the myth of Soviet employer and employee representation. Of course, there are other things to be considered also.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. I should like to say to the Senator from Montana that his arguments would be quite persuasive if the Senator from Ohio or any other Senator had suggested that either the United States withdraw at this time under those circumstances, or indeed if an amendment had been offered which would cut the amounts which the United States is now contributing to ILO. But that is not the situation which confronts us. In either case the Senator's arguments would be persuasive under the present circumstances, and such an amendment could properly be rejected by the Senate.

However, the situation confronting us—and what I say now is in addition to the statement made earlier—is that for the first time the Senate is being asked affirmatively to put what may be termed its stamp of endorsement upon the changed condition in the ILO, and to indicate what might be considered to be full approval of the action which has been taken.

It seems to me that there is an entirely different situation confronting us in view of the event which took place a year or so ago. As the Senator has pointed out, a committee has been appointed, which is to make its report in March of this year, and the matter is to be considered presumably in June and perhaps in November, or whenever the organization next meets. Therefore it seems to me that under those circumstances—and I admit this is true in the present situation, as it is in the case of many other issues which come before the Senate—there is ample room for an honest difference of opinion on this subject. No one can speak dogmatically on it and insist that his solution is the proper one. However, it seems to me, in view of the facts which have been presented—the outline by the Senator from Ohio, and the fact that it is not being proposed that we withdraw from the organization, or that we so much as cut a single penny from our contribution—that there is certainly great concern felt, not only among the employers of our country but also among our labor organizations as well. Although our labor organizations feel very strongly that we should not withdraw from ILO, I do not believe any inference should be left that the American Federation of Labor—if I know that organization and Mr. Meany, or even the CIO organization, or any other labor organization—believes that the method of letting the Soviet Government or any other Communist government represent both its employers and its employees is the right approach to the situation. On the contrary, they would be very adamant in opposing such an approach.

Therefore, it seems to me that, under the circumstances, the Senate would be justified in accepting the amendment of the Senator from Ohio. It is for those reasons—and I must say that it has been brought out by discussion here today, and I am not speaking as a party leader, but only on my own responsibility—that I feel there are strong reasons to support the amendment offered by the Senator from Ohio.

Mr. MANSFIELD. As the Senator from California has said, there are two sides to every question, and there is room for an honest difference of opinion.

However, I feel that if we pass the joint resolution as is, what we will be doing will be to back up the employer and employee delegates representing our country. Certainly there is no reason why the situation should be regarded as being as dangerous as some people think it is. If the commission the Senator from Ohio has suggested is appointed, if the committee appointed by ILO itself looks into the matter, and if perhaps also the Committee on Foreign Relations looks into it—especially if the committee were to hold public hearings and look into the matter—plus the constant watchdog attitude of the Committee on Appropriations, I think we would probably be in a better position next year to find out how this matter is coming out and what would be the best way to fight against some things we do not like at this time.

However, as I say, and as the minority leader says, it is purely a matter of opinion.

Mr. LEHMAN. I rise to support the position taken by the distinguished Senator from Montana [Mr. Mansfield]. It seems to me we ought to pass the joint resolution as it reads in its amended form, although I sympathize with the suggestion made by the Senator from Ohio that the matter be studied and investigated by the administration, by the Committee on Foreign Relations, and by the ILO itself. Certainly no harm would come from passing the joint resolution as it reads in amended form. There will be ample opportunity to take action next year if it is considered desirable, as necessary to do so.

I wish to point out that nothing dangerous has developed in connection with this entire situation. I wish to read from a statement submitted by the Department of State, which explains the joint resolution and states the reason for the support of the joint resolution by the Department of State. It reads as follows:

> Since 1950, there have been significant developments in the ILO program which have increased the costs of the Organization. Four ILO operational field offices have been established on a regional basis to permit more effective assistance to governments in meeting problems in such fields as manpower utilization, industrial safety, administration of labor standards, social security, etc. In addition, the ILO has been instrumental in exposing violations of basic rights of labor, particularly in Iron Curtain countries, and in promoting and strengthening democratic institutions among workers. Jointly with the United Nations, the ILO has carried on a worldwide investigation of the use of forced labor for purposes of political coercion or for the fulfillment of the economic plans of a State. This investigation has done much to dispel the Soviet fiction of the "workers' paradise" in the minds of those whom the Soviets are most anxious to influence. In regard to freedom of association, the ILO has brought to public attention specific, documented cases of governmental control or domination of worker organizations in a number of countries for political purposes. At the same time, careful screening procedures are employed to weed out allegations which are propagandistic, malicious and unsubstantiated.

It seems to me, Mr. President, that what the ILO has accomplished along the lines of breaking down and refuting false statements and false propaganda is highly important. I think we would be making a serious mistake if we should undertake to give the impression that we are seeking to take unilateral action. The voting strength of the Soviet bloc in ILO, I believe, represents numerically one-seventh or one-eighth of the voting strength of the non-Communist countries having membership in the ILO. I consider the ILO highly important and effective. This organization has done much to break down the myths and the false propaganda employed by the Communists regarding the position of labor in Communist countries and in refuting the claim that they represent democratic principles. We all know that such a claim is completely untrue. I think the work of ILO is tremendously important and we must not handicap it.

I do not believe the resolution as it now stands, with the amendment proposed by the Senator from Montana, would in any way jeopardize the rights of this country which are already recognized by the representatives who have been selected to sit as members of the United States delegation in the ILO. I hope the resolution as amended by the Senator from Montana will be agreed to.

Mr. BRICKER. Mr. President, I should like to say, further, that if there has been anything accomplished in breaking down, as the Senator from New York has said, the myth of Soviet imperialism and the lack of freedom of labor and business in communistic countries, it has been done without their participation, because up to this time they have not been members at all of the Organization. So that any work that has been done has been done on the part of the other nations before the Soviet Republic was represented.

The Senator from New York says that the Organization has only one-eighth of the voting power of the other nations represented; but when we add to that the fact that there are totalitarian countries which do not agree with us with respect to the right of labor and business to be free and to bargain collectively, and the like, I might point out the fact that the Soviet countries have eight times as many votes in this Organization as has the United States. Furthermore, if we increase the appropriation, what the Senate will be doing is saying to representatives who have voted against us that we are going to increase the amount, willy-nilly, and, in fact, it will weaken our position when we come to confer with employer and employee delegations. It will weaken the hands of the United States representatives in carrying out the plan and purpose of maybe getting rid of the captive representatives who will vote against us on every possible occasion. It will further nullify the effectiveness of the ILO in calling to the attention of the world the default in the Soviet system of imperialistic control and domination of the rights of labor in those countries and the complete servility of their people.

Mr. President, I have searched the records to find out what justification there is for the increase. There was no testimony, so far as I know, concerning it. There is certainly nothing in the report to justify it except the vote of the ILO Council itself asking that the United States increase its appropriation. It may be that since Soviet Russia and her satellites are in the Organization, they want their share of clerks and stenographers, their share of propagandists in the ILO, so that they may multiply their influence and say to the United States and other countries and to the Organization itself, "We are in now, and we are entitled to an appropriation proportionate to the number of employees of the Organization who are sympathetic to our philosophy and who will agree with us when our representatives vote."

I do not know what the justification is, except that they voted for it against the vote of the representatives of the United States Government, United States business, and United States labor.

So, Mr. President, I think my amendment should be agreed to. There should be a full record of what justification there may be for it, and then let our representatives try to work out, with the strength of the position of the Senate behind them, the proper place for Russian labor and Russian business in the councils of the ILO.

Mr. KNOWLAND. Mr. President, will the distinguished acting majority leader permit me to ask a question?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. The hour is getting late, and I think the Senator may have given some consideration to a recess, under the previous order. I have understood, from previous conversation with the Senator, that he did not intend to ask for a vote this evening on the question, and that, according to the earlier announcement by the distinguished majority leader, the senior Senator from Texas [Mr. Johnson], when the Senate concluded its labors today, it would go over until Wednesday. So I was wondering, in order that Senators may be on notice, whether we might have a yea-and-nay vote ordered, the vote to be taken when the Senate assembles on Wednesday.

Mr. President, I ask unanimous consent that the yeas and nays may be ordered on the pending amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the yeas and nays are ordered.

Mr. SMITH of New Jersey. Mr. President, it has been my purpose to make a statement supporting the position of the Senator from Montana on the joint resolution. When the Senate agreed to the amendment which was stimulated by the suggestion of the Senator from Louisiana [Mr. Ellender], most of the argument I had intended to make has been taken care of.

The matter which the Senator from Ohio brings up is of great interest to me, and I sympathize with the sentiments he has so ably expressed, but I wish to make the Record clear on this point.

In my judgment, the ILO has done one of the most important international jobs since we began work of this kind. It antedates the United Nations, as the Senator from Ohio knows. I have discussed it with the Labor Department representatives, including the Secretary of Labor, and it is perfectly clear that if we take any steps which may sabotage this work entirely, we may destroy one of the best instruments we have for international understanding.

Although one can understand the natural reaction of many people who say that we should refuse to participate with Soviet bloc countries in organizations such as the ILO, I feel strongly that it would be a mistake for us to act on such an impulse. At this time, with the Russians shifting the emphasis in their tactics in the cold war, it is particularly important that we do not quit the field and give them the battle by default.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. BRICKER. I may suggest to the Senator that that was not the import of my amendment at all.

Mr. SMITH of New Jersey. I understand. However, I want to make it clear that I do not believe we should do anything which would in any way jeopardize the position of the ILO.

I wish also to make this point: It has been said that we are outvoted in the ILO by the Communists. Eight Soviet bloc countries are members of the ILO, and they have 4 votes apiece, or a total of 32 votes. The United States also has 4 votes—2 for our Government delegates and 1 each for our employer and worker delegates. But besides the Soviet bloc and the United States, there are 62 other members of the ILO, also with 4 votes each. Of the 284 votes in the ILO, the Soviet bloc has 32, and the free world has 252.

I have had the responsibility of being a delegate to the United Nations. The very question which the Senator from Ohio has raised today comes up all the time with regard to United Nations votes. We are in a very difficult position there, with our limited vote in the Assembly. The United States has only one vote in the Assembly. But the vast majority of the members have been loyal to the United States leadership in opposing the attempts made by the Soviet bloc to outvote us. Therefore, I have such faith in the justice of our cause as to be confident that by strong and vigorous leadership we can continue to win an overwhelming majority of the 252 non-Communist votes in the ILO.

It has also been said that the ILO is a forum for the propagation of communism. Every single day I was in attendance at the U. N. Assembly the Communists had propaganda efforts under way. Of course, the Communists attempt to use the ILO as a propaganda sounding board, just as they attempt to use every other international organization. But so far, in the ILO, they have had little success. The fact is that far from being a forum for the propagation of communism, the ILO is a forum for the exposure of communism.

Through its careful, meticulously factual studies of forced labor, the ILO has shown up the Soviet bloc as one big concentration camp, instead of as the workers' paradise that Moscow propagandists try to picture.

At the moment, we are on top of the situation. Through its participation in the United Nations Expanded Technical Assistance Program, and through its regular activities, as well, the ILO has made a real contribution to increasing worker productivity and improving managerial skill not only in Western Europe but also in the underdeveloped countries.

This, it seems to me, is one of the most valuable services which the ILO performs, and one which redounds markedly to the interest of the United States. It is the kind of positive approach which can be extremely effective over a period of years and will help the labor situation in the United States. It is one of the reasons why our big labor organizations have been so strongly in support of the continuation of the ILO.

I regret that I was unable personally to attend as a delegate, when the Secretary of Labor asked me some time ago.

The senior Senator from New York [Mr. Ives] attended last year. I regret that he is not present today to relate his experience, but he has said that he was convinced of the value of the Organization and that nothing should be done to undermine its effectiveness. I am not certain that the amendment of the Senator from Ohio would result in undermining the effectiveness of the Organization, but we should think the matter through very carefully to see whether we should not give a vote of confidence to our colleagues in the ILO, and the nations supporting our point of view, and not try to tie them down by some mandate from Congress at a time when we have heretofore, in a general way, accepted our share of what the whole group decided would be the budget for the year.

I am simply suggesting this because it seems to me that if there is any implication that we do not trust our colleagues, we may lose some of the support we have had so effectively right up to this time. I believe, as the Senator from Montana [Mr. Mansfield] has said—and I support his position—that it would be wise for us this year to create a new ceiling.

The resolution will not increase the amount in one big jump; it will simply place a new ceiling on the amount and will give our representatives in the ILO, and our representatives in the United Nations, who are supporting the ILO representatives, the flexibility and ability to negotiate for the kind of budget which will be decided upon for the coming years.

All the proposal really amounts to is the giving of our representatives the freedom to work with those who have worked with us before, without saying to them, "We are imposing this mandate upon you because you are not behaving yourselves. This is all you can do."

Thus, I feel it would be wise to support the proposal which has been made, by the Senator from Montana [Mr. Mansfield], especially since the ceilings have been set percentagewise. A maximum of 33⅓ percent is all that we can possibly contribute; but at the same time we will be saying to our representatives, "We shall trust you to handle the matter."

So I shall support the position of the Senator from Montana in his able presentation of the case for the committee. I say at the same time to the Senator from Ohio that I think I agree with the criticisms he has made about what is going on. Nevertheless, I think we are on top of the situation; and when we are on top of it, I do not believe we should tell our partners that we do not trust them to play the game as they have played it heretofore.

FIRST ANNIVERSARY OF ANNOUNCEMENT OF PROVED EFFICACY OF SALK VACCINE

Mr. HILL. Mr. President, I know that the entire Congress and all the people of the United States are very much interested in the degree to which we may be achieving success in wiping out poliomyelitis in this country.

Last week marked the first anniversary of the announcement of the proved efficacy of the Salk vaccine. On this anniversary Mr. Basil O'Connor, president of the National Foundation for Infantile Paralysis, to whose valiant and successful work in this field all of us owe so much, issued a report addressed to all physicians in the United States.

That report sums up the gratifying opinion of the Foundation that paralytic polio in the United States can be cut in half in 1956 and practically eliminated in 1957. It carefully analyzes the situation with respect to our current knowledge of the production and utilization of Salk vaccine and concludes that the problem of preventing paralytic polio is no longer a problem of medical science but simply one of logistics. This being so, Mr. Basil O'Connor explains in his brief but careful and analytic report how and when we can achieve the goal of wiping out paralytic polio if all concerned with achieving this objective put forth carefully coordinated efforts in the remaining months of this year.

I believe Mr. Basil O'Connor's report is of tremendous importance to all of us, and I ask unanimous consent that it be set forth at this point in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report to Physicians—Can Paralytic Polio Be Prevented in 1957?

(Statement by Basil O'Connor, president, the National Foundation for Infantile Paralysis)

Paralytic polio in the United States can be cut in half in the epidemic period in 1956 and can be reduced to a negligible amount in 1957 if there is a coordinated effort during the remaining months of 1956 by all concerned: the public, the public health services, the doctors, and the manufacturers. It may be properly assumed that such coordination can be had.

The primary interest of the National Foundation for Infantile Paralysis is to wipe out paralytic polio. Everyone joins in that wish. If it is possible to accomplish that result, all people would unquestionably be willing to do their part to bring it about. Any suggestion or plan as to how that end may be reached ought to be carefully examined and receive full consideration.

The program needed to accomplish the desired result can be divided into two time periods—from now through July 10, 1956, called the first period—and from July 10, 1956 through December 31, 1956, called the second period.

The manufacturers of Salk vaccine estimate that between March 1, 1956 and December 31, 1956, they will produce 203 million cubic centimeters of vaccine. It is estimated that 92 million of these 203 million cubic centimeters will be produced between March 1, 1956 and July 10, 1956, and 111 million cubic centimeters between July 10, 1956 and December 31, 1956.

The manufacturers have had 1 year's experience in producing vaccine. One has a right to use their estimates of production for purposes of calculation. Using their estimates, the problem of preventing paralytic polio becomes one of logistics and not one of medical science.

To reduce paralytic polio in 1957 to a negligible amount, an effort should first be made to immunize those groups which have the highest incidence rate of paralytic polio. Eighty percent of our paralytic polio is in the 0 to 19 age group and pregnant women. The first period of the plan should be devoted to immunizing these groups.

In the age group 0 to 19 inclusive there are 61 million individuals.

In the pregnant women group there are 4 million women.

These two groups make a total of 65 million individuals.

In these two groups we have 80 percent of our paralytic polio.

Assuming an 80-percent acceptance of the vaccine this would mean that 52 million of the 65 million in these 2 groups would receive the vaccine. On a 90 percent effective basis this would likewise mean preventing at least 50 percent of all paralytic polio that might otherwise occur in the epidemic season of 1956. Immunizing such a large number in the groups having the highest incidence rate of paralytic polio should have the effect of reducing paralytic polio in the nonvaccinated.

The present estimates of the manufacturers making Salk vaccine indicate that between now and July 10, 1956, there will be enough vaccine to give 2 shots to the 52 million available individuals in these 2 groups. This would require a total of 104 million cubic centimeters of vaccine.

Between April 12, 1955, and March 1, 1956, 42 million cubic centimeters of vaccine were released for use. This vaccine has either been used or is available for use within these two groups.

The manufacturers estimate that between March 1, 1956, and June 25, 1956, they will produce 92 million cubic centimeters of vaccine. The estimated monthly rate of this production is as follows:

	Cubic centimeters
March	12, 811, 272
April	19, 242, 626
May	18, 930, 790
June	40, 821, 240
Total	91, 805, 928

The 42 million cubic centimeters of vaccine actually released between April 12, 1955, and March 1, 1956, and the estimated production of 92 million cubic centimeters between March 1, 1956, and June 25, 1956, total 134 million cubic centimeters of vaccine available between April 12, 1955, and July 10, 1956, or enough to give 67 million people 2 shots of vaccine. This is 15 million more people than those considered available for vaccine in the 0 to 19 group and pregnant women group, which total 52 million. This indicates a safety margin of 30 million cubic centimeters, over and above the number of

cubic centimeters required for 2 shots for the available in 0 to 19 and pregnant women groups.

It seems proper to conclude that by July 10, 1956, there will have been manufactured and released for use adequate vaccine to give 2 shots to all available in the 2 groups referred to and thus reduce by at least one-half the incidence of paralytic polio in the epidemic period of 1956.

Of the 42 million cubic centimeters of vaccine already released, probably 20 million have been used to give 10 million individuals in these 2 groups 2 shots each, leaving 22 million cubic centimeters which have been used or are available for use to give 1 shot to 22 million of the 52 million in these 2 groups, leaving 20 million in this group who have not received any shots. These 20 million could be given 1 shot from the March and April production totaling 32 million cubic centimeters, leaving 12 million cubic centimeters which could be used as second shots for those in the 22 million group who had received 1 shot. This would leave 30 million yet to receive a second shot and these could be taken care of by the May production of 19 million cubic centimeters and the production of the first 2 weeks in June which totals 18 million cubic centimeters. There would still remain an excess of 30 million cubic centimeters from the production to June 25 after giving the 52 million availables in both groups 2 shots of vaccine.

With reference to the second period, July 10, 1956 to December 31, 1956, the manufacturers estimate they will produce 111 million cubic centimeters of vaccine. The estimated monthly rate of this production is as follows:

	Cubic centimeters
July	17, 500, 000
August	18, 040, 000
September	18, 220, 000
October	19, 000, 000
November	19, 000, 000
December	19, 000, 000
Total	110, 760, 000

If we add to the total estimated production for the last 6 months of 1956, namely 111 million cubic centimeters, the 30 million cubic centimeters not used in the period ending July 10, 1956, there is an estimated 141 million cubic centimeters available for use during the period July 10, 1956, and December 31, 1956. This would be adequate to give the third shot to the 52 million in the two groups referred to herein and two shots to approximately 45 million additional persons—or a total of at least 2 shots to 97 million individuals out of a total of 167 million in this country—or 80 percent of the population aged 0–45. Less than 2 percent of all paralytic polio is in the age groups over 45.

The job is a big one logistically, but it can be done if all those interested cooperate fully. In an effort of such public health significance we can assume—

1. That the manufacturers will make every effort to live up to their production estimates;

2. That the United States Public Health Service through the National Institutes of Health will be ready to release promptly for public use all properly manufactured vaccine presented to it;

3. That parents of children in the 0 to 19 group will have the vaccine given to their children when and as it becomes available and not wait until June when its administration to such a large group will present insuperable practical difficulties;

4. That local public health officials and doctors will let the public know promptly when vaccine is available; and

5. That doctors will not hold in reserve vaccine for second shots, but will give one shot to as many individuals as possible in the two groups referred to, relying on the second shot to be available before June 30, 1956.

There is every reason to expect that such cooperation will be gladly given in view of the importance of the result to be obtained.

To give 97 million people at least 2 shots of Salk vaccine before December 31, 1956, is not an impossibility but the logistics of such an operation must be worked out by the Public Health officials and the medical society in each State on the basis of an emergency health program.

The intelligent use in 1956 of the vaccine estimated to be available during that year would indicate that cases of paralytic polio in the United States in the year 1957 should be very few.

JOINT COMMITTEE ON ARRANGEMENTS FOR INAUGURATION OF PRESIDENT-ELECT

The PRESIDING OFFICER (Mr. Scott in the chair). The Chair has been requested by the Vice President to announce the appointment by him of the Senator from Rhode Island [Mr. Green], the Senator from Alabama [Mr. Sparkman], and the Senator from New Hampshire [Mr. Bridges] as members on the part of the Senate of the Joint Committee on Arrangements for the Inauguration of the President-elect of the United States on January 21, 1957, authorized by Senate Concurrent Resolution 64 of the 84th Congress.

RECESS TO WEDNESDAY

Mr. MANSFIELD. Mr. President, under the order previously entered, I move that the Senate now stand in recess until Wednesday next, at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 58 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Wednesday, April 18, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 16 (legislative day of April 9, 1956):

Federal Maritime Board

Clarence G. Morse, of California, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1960. (Reappointment.)

Mississippi River Commission

Harry L. Bolen, of Illinois, to be a member of the Mississippi River Commission, vice Egbert Alfred Smith, deceased.

In the Coast Guard

The following-named persons to be captains in the United States Coast Guard:

William L. Maloney
Ralph R. Curry
Arthur L. Dickert
Clifford R. Maclean
Henry F. Stolfi
George P. Kenney
Leonard T. Jones
Searcy J. Lowrey
Samuel L. Denty
George W. Dick
Charles B. Arrington
Charles E. Brush
Robert T. Alexander
Edward A. Eve, Jr.
Eric A. Anderson
Marion Amos
William D. Shields
Chester L. Harding
Richard E. Morell
Aden C. Unger
Victor F. Tydlacka
George I. Holt
Simon R. Sands, Jr.
Donald M. Morrison
Philip A. Ovenden
Christopher C. Knapp
Joseph E. Madacey
James B. Rucker
Henry U. Scholl
Rufus E. Mroczkowski
Oscar C. B. Wev
Harold B. Roberts
Ned W. Sprow
William I. Swanston
William E. Creedon
Henry A. Meyer
Preston B. Mavor
Quentin M. Greeley
Charles P. Murphy
Richard C. Foutter

The following named persons to be commanders in the United States Coast Guard:

Edwin B. Ing
Donald V. Reardon
Toralv A. Berg
Winslow H. Buxton
Lewis L. Whittemore
Arthur R. Hoglund
Harry C. Gifford
Edmund B. Redington
Robert W. Goehring
Wesley W. Wood
Felix S. DeSoboll
John H. Phinney
William A. McFaull
William E. Pratt
Harry L. Morgan
George S. Beck
Lee O. Moyer
Vitus G. Niebergall
John H. Cleary
Alfred W. Medcalf
John D. McCubbin
Earl C. Young
Elmer J. Bodenlos
John H. Holm
Joseph E. Mallett
Lawrence D. Connor
Ross P. Bullard
Isaac R. Boothby
Archibald H. McComb, Jr.
James B. McCarty, Jr.
Leonard E. Penso
Orvan R. Smeder
Thomas P. McMaster
Paul E. Savonis
George C. Steinman
John W. Anderson
Ernest S. Rasmussen
Victor Pfeiffer
Arthur M. Vrooman
Bertram J. Tuckey
Leonard C. Walen
William L. Morrison
George J. Monteverdi
James M. Caulk
George M. Russell
William T. Coyle
Edwin W. Wickham
David W. Sinclair
Adam A. Klein
Edward E. Dickey
Robert R. Russell
John P. Fox
Edward W. Kirkpatrick
Carl A. Anderson
Ellery H. Capen
Vincent H. Casey
Charles E. Masters, Jr.
Emilio G. Oliotti
Karl A. Bergman
James C. Campbell
William J. Willman
James N. Schrader
Harry F. Frazer
Benjamin Malloch
William J. Tracy
Viggo A. Madsen
Lester W. Raynes
Glenn W. Ellis
Charles C. Phillips
Francis J. Swan
George E. Ross
Martin Spain
George E. Holland
Warner K. Thompson, Jr.
Thomas McCusker
Maurice D. Melanphy
Martin J. Dean
William R. Riedel
Mark L. Hocking
Clement B. Cozad
James H. McDowell
Fred M. Cronan
John R. Silliman
Louis B. Kendall
John A. Fagan
Harold O. Rasmussen
Jesse E. Eastman
Gorman W. Larsen
Sylvius Pellegrini
Robert B. Scott
Charles P. McFaull
Ralph M. West
Clifford A. Anderson
Robert Murdoch
Arthur E. Wilcox
Curtis A. Alexander
Charles E. Sharp
Gilbert Hinchcliffe
George A. Butler
William C. Mahoney
John D. Hill
Julius Schuler
Lynn Parker
Louis A. Grundler
Julian J. Shingler
Ellie D. Baker
Byron I. Reynolds
Francis B. Ford
Robert J. Ernst
Robert Flockhart
Edwin J. Lautermilch
Bertrand J. Henesey
Claude G. Winstead
Thomas G. Byrne
Leslie G. Haverland
George W. Nantau
Robert H. Burtt
Peter Snyder
Gustav E. Johansen
Theodore LeBlanc
Elvin C. Hawley
Emery H. Joyce
Casimer J. Bernas
William Barkalow
Douglas R. Shambeau
William D. Brimner
James L. Thompson
Paul H. Browne
Daniel C. Dickert
John H. Wildhack
Frank McLaughlin
Donald G. Elliott
Lloyd R. Morrison
Cyril L. Heyliger
Frank F. Elliott
Paul Olson
Charles H. Freericks
Newton W. Winberg
Kenneth H. Hellweg
Herbert J. Kelly
William S. Vaughn
George W. Stedman, Jr.
Joseph Mazzotta
Jonas T. Hagglove
Lionel H. DeSanty
Ashton H. Barnes
Thomas N. Kelley
Arthur M. Davison
William R. Sayer
Joseph J. McClelland
Raymond G. Miller
John P. Latimer
Robert E. Hammond
Clyde R. Burton
Ottis T. Estes, Jr.
James F. Bills
Edwin C. Crosby
Ira H. McMullan
William C. Foster
James W. Paine
James A. Cornish
William K. Earle
Edward H. Houghtaling
William D. Strauch, Jr.
Robert F. Barber

The following-named persons to be lieutenant commanders in the United States Coast Guard:

George H. Lawrence
Robert E. Emerson
Hersey C. Forehand, Jr.
Sherman K. Frick
Marcus H. McGarity
John E. Day
Fletcher W. Brown, Jr.
Charles W. Scharff
Charles M. Shepard III
Francis D. Heyward
Arthur C. Hoene, Jr.
Edward F. Cotter
Paul F. Foye
Raymond J. Perry
Ephraim P. Rivard
James V. DeBergh
Thomas F. Dunham, Jr.
Francis J. Malloy
James W. Booze
Ernest R. Challender
James W. Conway
Claude W. Bailey
Andrew P. Hopewell
George W. McClure
Charles L. Turner
Stewart R. Graham
James F. Phair
Robert A. Copeland, Jr.
Walter C. Bolton
Kenneth M. Bilderback
Clinton J. Maguire
Roger B. Clark
George W. Walker
Bruce W. Clark
Sidney K. Broussard
Louis J. Glatz
Frank D. Hilditch
Arthur M. Watson
Arthur H. Sheppard
Raymond W. Siegel
Harry A. Solberg
Robert O. Bracken
John W. Hume
Herbert Krause
Errol H. Seegers
Forrest H. Willoughby
Robert D. Burkheimer
Jack E. Forrester
Lewis R. Davison
John H. Hawley
Carol L. Mason
Franklin A. Colburn
Robert S. Wilson
Charles E. MacDowell
Elmer P. Mathison
Warren C. Mitchell
Henry A. Campbell, Jr.
Armand J. Bush
Lester A. Levine
John J. Omeara
Glenn O. Thompson
Arthur F. Heffelfinger
Eugene F. Walsh
Lloyd E. Franke
Samuel E. Taylor
Richard C. Wilkie
George A. Philbrick
George J. Bodie
Henry W. Stinson, Jr.
Earl E. Broussard
John P. Fitzgerald
Emerson Hayes, Jr.
John Wilfred McCurdy
William Kesler, Jr.
William P. Williams
Edward A. Richardson
Warren F. Stevenson
Peter E. Gibney
Lewis R. Lavalley
James P. VanEtten
Joseph R. Steele
Edward M. F. Kirchner
Mitchell A. Perry
Garth H. Read
William E. Dennis
Robert J. Loforte
Owen W. Siler
Arthur Hancock
Richard A. Pasciuti
William S. Allan, Jr.
Robert B. Moore
Wallace C. Dahlgren
Harry H. Carter
Bernard E. Kolkhorst
Donald M. Reed
George W. Sohm
Carl L. Parrott
Frederick J. Hancox
Robert A. Adams
William M. Benkert
Robert A. Schulz
Warren E. Rast
Curtis J. Kelly
Austin F. Hubbard
Ward R. Emigh
William J. Zinck
Richard E. Hoover
William N. Banks
Keith Low
Daniel J. Scalabrini
Edward R. Tharp
Wilfred N. Derby, Jr.
Alden E. Lewis
Robert T. Norris
Frank B. Carter
Frank M. Fisher, Jr.
Rufus S. Drury
John J. Doherty
David L. Davies, Jr.
Donald A. Caswell
Donald J. P. Evans
Lewis F. Lovell
David C. Kierbow
Lloyd M. Logan
Albert S. Frevola
Edwin J. Brummeler
Nathan L. Fendig
Edwin S. Radford
Andrew J. Grogard
Clyde J. Miller
Alfred J. Unger
John M. Nagy
Jason S. Kobler
William H. E. Schroeder
Robert E. Foley
James D. Doyle
James E. Fleming
David R. Permar
Harry G. Kosky
Neale O. Westfall
Edward P. Sawyer
Henry E. Steel
Francis J. Mann
Norman L. Miley

The following-named persons to be lieutenants in the United States Coast Guard:

Orville C. Hinnen
Byron M. Wineke
Adam Stanzak
Paul A. Berg
Olaf T. Sturdy
Thomas B. Prather
James G. Cowart
Ronald S. Krueger
Harry S. Raleigh
Leo J. A. King
Henry J. Pfeiffer
Thomas C. Pennock
Hugh E. McCullough
Alvin J. Boxwell
Francis Twarog
Willard E. Carlson
Hugh J. LeBlanc
Thurston L. Willis
Bernard B. Wood
David T. Haislip
Stanley L. Waitzfelder
Harold D. Muth
Samuel W. Branin
Jack E. Stewart
James C. Boteler
Richard L. Huxtable
John Vukic
Norman P. Weinert
James A. Emery
Owen B. Smith
Paul L. Anderson
William C. Carber
Rubin E. Young, Jr.
Fred J. Michalson
Richard C. Green
James B. Reynolds
Wesley J. Quamme
William C. Akers
Philip S. Bell
Donald D. Davison
Ivan C. McLean
Edward G. Taylor
Franklin F. Bohik
Louis E. Price
Jerry Komorech
John W. Cherry
Vincent J. Wernig
James C. Norman
Franklin J. Miller
Russell W. Lentner
Harold A. French
William H. Yates
Sam Pisicchio
Robert D. Parkhurst
Otto F. Unsinn
Walter O. Henry
Verne D. Finks
William L. Aitkenhead
Charles F. Baker
James P. Stewart
James H. Swint
Shirl J. Stephany
George F. Rodgers
Leslie D. High
George H. P. Bursley
Frank E. Parker
Leland C. Batdorf
William F. Tighe, Jr.
Bruce H. Edwards
Roy K. Angell
Robert C. Krulish
William J. Kirkley
Edward E. Chambers
Robert W. Johnson
Charles Scot Marple
Wilfred F. Raes
Albert H. Clough
Randolph Ross, Jr.
Robert W. Smith
David E. Perkins
Robertson P. O. Dinsmore
Alfred J. Tatman
Malcolm E. Clark
Richard M. Underwood, Jr.
Charles M. Mayes
Dan Rayacich
David P. Bates, Jr.
Rudolph E. Lenczyk
William L. Faulkenberry
Donald C. Davis
John H. Bruce
James H. MacDonald
Donald R. Vaughn
Thomas W. Powers
Archibald B. How
Herbert H. Sharpe, Jr.
Michael B. Lemly
Glenn M. Loboudger
John E. V. Murray
Vincent A. Bogucki
Robert A. Lee
Lloyd W. Goddu, Jr.
Donald J. McCann
Edward D. Cassidy
John B. Hayes
Robert L. Davis, Jr.
Glenn R. Taylor
Walter F. Guy
Warren S. Petterson
Harold E. DeLong
William C. Wallace
Henry G. Cassel
Raymond M. Miller
Hardy M. Willis
Fred E. Wilson
Clarence G. Porter
Leroy Flatt
Charles R. Howell
Robert E. Bracken
William A. Mayberry
Rollin T. Young
Cornelius G. Farley
Francis L. Brittan
Philip A. Hogue
Eugene Carlson, Jr.
Paul Richard Happel
Edric S. Bates
John William Yager
Thomas W. Wolfe
Gerard J. Perron
Elliot S. Shafer
Robert E. Ogin
Samuel R. Early
Nelson W. Allen
Roger J. Dahlby
Charles A. Haley
Everett B. Kopp
Edward P. Boyle
William M. Barney
William C. Behan
Edward F. Oliver
William L. Russon, Jr.
Edwin Lee Knowles
Robert E. Wolfard
Michael J. Holland
John F. Mundy, Jr.
Frank E. McLean
Roland P. Amateis, Jr.
Roy M. Wimer
Robert F. Hornbeck
Robert H. Scarborough
Roland J. Frappier
Edward J. Geissler
Thomas L. Wakefield
John H. Hedetniemi
William C. Jefferies
John C. Parker
Edward G. Ware
Dale J. Henderson
Frederick C. Thomas
Kenneth B. Hofstra
Edward O. Wille
Robert H. Sabin
John F. O'Connell
Emmett G. McCarthy
Robert H. Werthman
Leonard M. Unterein
Edgar W. Dorr
Joseph C. Fox, Jr.
Nathaniel F. Main
Vincent J. Mitchell
Richard T. Houlette
Andrew S. Skucy
Thomas C. Duncan, Jr.
Adam S. Zabinski
William J. Brasier
Edwin Allen Schmidt
Arthur G. Taylor
Richard S. Wohlgemuth
Walter E. Johnson
Ross Lynn Moore
Harry A. Davenport III
John D. Crowley
Virgil W. Rinehart
Robert E. Dolliver
Robert S. Hall
Robert W. Durfey
Robert J. Bosnak
William P. Butler, Jr.
Luigi Coluccielio
Robert F. Goebel
Edward L. Hauff
Robert A. Duin
Alfred Prunski
James B. Brook
William H. Fitzgerald, Jr.
James R. Hope
Herbert E. Lindemann
Philippe C. Gaucher
George Schmidt
Stuart S. Beckwith
Carl S. Mathews
Wayne E. Caldwell
Samuel M. Moore III
Stuart T. Scharfenstein
Bernie E. Thompson
Harry F. Gregg
Howard W. Pagel
Robert E. Walsh
Clarence R. Hallberg
Darrel W. Starr
John K. Byerlein
Joseph C. Dorsky
Thomas T. Wetmore III
Norman P. Ensrud
James T. Clune
Charles B. Hathaway
Donald M. Chapman
Leroy Reinburg, Jr.
Walter C. Ochman
Maxwell S. Charleston
Paul W. Tifft, Jr.
William R. Weadon
Henry J. Burness
Raymond C. Hertica

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

Anthony A. Alloggio
Paul T. Anderson
Warren D. Andrews
Darrell L. Babcock
Kenneth E. Barrett
Laurence O. Bates
Murray W. Boggs, Jr.
Paul H. Breed
Dan H. Briganti
Roger A. Britt
William B. Clark
Dan A. Colussy, Jr.
James H. Conrad
Edmund L. Cope
Charles L. Crane, Jr.
Calvin E. Crouch
Richard P. Cueroni
Edwin H. Daniels
Ted O. DeYoung
Richard A. Donnelly.
Vaughan W. Driggers
James R. Erwin
George Everett
Edward C. Farmer, Jr.
Rolland A. Faucher
Henry C. Fisher
Jerome V. Flanagan
Thomas J. Flood
Galloway B. Foster
Walter D. Fox
Frank A. Frauenfelder
Donald D. Garnett
Gregory C. Gaski
James E. Grabb
George K. Greiner, Jr.
Donald Grim
Ralph C. Hill
Donald C. Hintze
Roger A. Holmes
David G. Howland
Bernard A. Hoyland
Robert E. Iden
James C. Irwin
James A. Kearney
Joseph M. Kelly
Marinus F. Keyzer
William L. King
Walter W. Kohl, Jr.
William E. Lehr, Jr.
Charles W. Linn
Herbert G. Lipsett
Richard V. Littlefield
Roger L. Madson
Max S. Maire
Graeme Mann
William D. Markle, Jr.
Charles W. Matherly
Charles E. Mathieu
Charles F. Merritt
Roger W. Mowell
Edward Nelson, Jr.
Harry J. Oldford, Jr.
Hal F. Olson
Walter E. Paulsen
Harris A. Pledger, Jr.
William P. Reilly
Dean A. Ridyard
Arthur P. Roberts
Ernest E. Rowland, Jr.
William Russell
Keith B Schumacher
Thomas M. Sing
Donald W. Smith
William E. Smith
Arthur Solvang
Nathaniel C. Spadaform
Frederic C. Sponholz, Jr.
Charles G. Stadlander
Raymond L. Stevens
Albert C. Stirling
David E. Stryffeler
Norman A. Toon
Eugene F. Trainor
Alfred H. Walter
Robert E. L. West
Lloyd O. Westphal
Theodore J. Wojnar
Glenn F. Young
David T. Zurzuski, Jr.

The following-named persons to be ensigns in the United States Coast Guard:

Michael Abarbanell
Ernest Charles Allen
Gilbert Lawrence Aumon
John Donat Basque
Don Stewart Bellis
Neal Hugh Bernard Benjamin
Robert Allan Biller
Richard Andrew Blackford
Lawrence Francis Bond
Robert Loring Bristol
William Jasper Brogdon, Jr.
Gilbert Edward Brown, Jr.
John Lavelle Callahan
Donald Thompson Campbell
Joseph Canzoneri
Norman Edgar Cutts
John Edward DeCarteret
Alan Charles Dempsey
William Manlove Devlin

John Richard Ehrmann
Charles Wesley Faircloth
William Murray Flanders
Donald Lee Frantz
Bruce Stephen Gathy
Robert Gillespie
Wesley Goodwin
James Arthur Granger
Basil Davis Harrington
Roger Putnam Hartgen
Lynn Neal Hein
Paul Dana Henneberry
William Gardner Hicks
Arthur Klaus Hounslea
Floyd Dore Hunter
Vernon Costen Jones
Kirk Robert Kellogg
Robert Joseph Ketchel
Bruce James Kichline
Laurence Crawford Kindbom
Thomas Wightman Kirkpatrick
Ronald Charles Kollmeyer
Richard Jay Kyte
Norman Burleigh Lynch
John Neil MacDonald
Ernest George Marsh
Robert Emmett McKew
James Irving McLeaish
Robert Garland McMahan
LeRoy Clifford Melberg, Jr.
William Firman Merlin
William Bryan Mohin
Charles Edward Moorhead, Jr.
Parker Dennis Morris
George Robert Oberholtzer
Richard Duane Olsen
Lawrence Joseph O'Pezio
Kennard Miller Palfrey, Jr.
David Clyatt Pendergrass, Jr.
Robert Ira Plattus
Donald LeRoy Prince
Edward Joseph Quinn
George Leith Rettie
James Edward Rivard, Jr.
Barry Christie Roberts
William Fitch Roland
James Joseph Rooney III
Richard Ignatius Rybacki
Richard Eugene Sardeson
Thomas Patrick Schaefer
Benjamin Keith Schaeffer
Brinton Roger Shannon
Clifton Raymond Smith
Joseph Francis Smith
Bruce Lee Solomon
John Gerard Stanley
Earl Lorain Sullivan, Jr.
David Arthur Sumi
Arnold Swagerty
Donald Melvin Taub
Paul Thomas Thevenin
Robert Richard Tutt
George Francis Viveiros, Jr.
Arthur Henry Wagner
James Weiskittel
Walter William White
Raymond Earl Womack
Joseph Henry Wubbold III

CONFIRMATIONS

Executive nominations confirmed by the Senate April 16 (legislative day of April 9), 1956:

Post Office Department

Maurice E. Stans, of Illinois, to be Deputy Postmaster General.

Postmasters

ALABAMA

Ignatious E. Self, Decatur.
Lee J. Ledbetter, Troy.

ARKANSAS

Teddy E. Miller, McCrory.

CALIFORNIA

Raymond E. Balch, Angwin.
Alan H. Miller, Belmont.
Elmo Nicoll, Ben Lomond.
Esther M. Dauer, Biola.
William B. Evans, Bridgeport.
Jule M. Ashworth, Calistoga.
Chester G. Umberham, El Modeno.
Walter J. Wieger, Grass Valley.
Etta A. Y. Wilbanks, Lebec.
Olsen O. Wheeler, Loma Linda.
Doris L. Johnson, Madison.
James W. Bristow, Mentone.
Thelma E. Jacobs, Parker Dam.
Dick A. Willey, Pollock Pines.
Juanita A. Lombardi, Rockaway Beach.
Russell K. Bates, San Bernardino.
Lowell B. Chapman, San Pedro.
Charles E. Louk, Sierra Madre.
Alfred H. Willhoit, Templeton.
Mary Eleanor Lennie, Thousand Palms.
Axel A. Granstrom, Weed.
Robert L. Reifel, Willows.

COLORADO

Foster A. Rose, Elizabeth.
William L. Robbins, Grover.
Earl K. Downing, Littleton.
Robert A. Clark, Mead.
Ira G. Cook, Milliken.

CONNECTICUT

Leroy M. Beaujon, Canaan.
Milford L. Carson, Enfield.
Frank A. Lattanzi, New Haven.
Wesley J. Gilbert, New Preston.
Joseph P. LeVasseur, Rocky Hill.
George A. Lamb, Sharon.
Norma K. Schaefer, Weatogue.

FLORIDA

Alfred R. Dickey, Auburndale.
Ray L. Mercer, Bunnell.
Sidney Pennington Smith, Everglades.
James R. Harris, Plant City.

GEORGIA

Scott Walters, Sr., East Point.
James Harold Carlyle, Jr., Norcross.

ILLINOIS

Samuel W. Goers, Altamont.
James Haney, Arthur.
Clyde C. Norton, Cordova.
Robert W. Miller, Du Quoin.
Merle L. Miller, Fairview.
Patricia Ann Higar, German Valley.
Harvey Ellet Calame, Godfrey.
Karl Max Hoover, Lovington.
Paul O. Davis, Mason.
John R. Simpson, Park Ridge.
Milo L. Pearson, Pleasant Hill.
George Harlin Sloan, Rankin.
Paul J. Michael, Somonauk.
Frank P. Campbell, Techny.
Delbert R. Britt, Ullin.

INDIANA

Marcus O. Lane, English.

IOWA

Robert E. Shultz, Allison.
Louis E. Pfaff, Aurelia.
George L. Beeler, Bellevue.
George E. Jenison, Belmond.
Herbert G. Martin, Clermont.
Maurice M. Neal, Dexter.
Hollis E. Scott, Elkhart.
Charles E. Powers, Exira.
Charles H. Worsley, Farnhamville.
Alexander W. Mihm, Fort Atkinson.
Russell H. Oviatt, Goldfield.
Emory A. Smith, Lakota.
Donald Lyle Youngers, Le Claire.
John N. Moore, Leon.
Clark M. Sexton, Oakville.
Joseph A. Nowatzke, Panama.
Clifton Lee Schmidt, Rockford.
Doris N. Hatheway, Sabula.
Eugene M. Clark, Stockport.

KANSAS

Charles E. Brown, Glasco.
Helen G. Lacy, Humboldt.
Henry Michel, Lakin.
Elery N. Stevens, Lane.
Mabelle E. Mettling, Lewis.
Arline D. Wright, Maple Hill.
Lowell E. Sohm, Otis.
John M. Hampton, Parker.
Harold B. Vernon, Simpson.
Glen G. Shook, Virgil.

LOUISIANA

Laurence M. Carmadelle, Barataria.
Effie E. Bickham, Blanchard.
John N. F. Martin, Kenner.
Michael J. Byrne, Marrero.
Homer M. Delacroix, Jr., Plaquemine.
Carey O. Fairbanks, Sicily Island.
Homer B. Roark, West Monroe.

MAINE

Wilbur F. Moulton, Limerick.
Richmond S. Hooper, York.

MARYLAND

Gertrude E. Grabis, Byrans Road.
James F. Wallace, Jr., Easton.
Edgar Marine Belt, Hampstead.
William C. Coakley, Havre de Grace.
Samuel Ahmuty, Jr., Odenton.

MASSACHUSETTS

Norma G. Scothorne, Accord.
Beatrice M. O'Brien, Ballard, Vale.
Albert Foster, East Freetown.
Merle L. Hunt, Hudson.
Jean T. Nelson, Ocean Bluff.
John Wesley Warren, Sheffield.

MICHIGAN

Earl M. Halsey, Almont.
Jeannette J. Reider, Big Bay.
Harold W. Bobb, Genesee.
Clarence L. Meredith, Hudson.
Russell J. Strazzulla, Newport.
George P. Donner, Jr., Spring Lake.
Earl L. Gray, Williamsburg.

MISSISSIPPI

James A. Fellows, McComb.
Ethelyn B. Weldy, McLain.
Herman Alexander Smith, Ripley.

MISSOURI

Linne O. Stemmons, Avilla.
Winston H. Watt, Bosworth.
Lessie H. Bray, Clarksdale.
Harry F. Rickhoff, New Florence.
Delvan M. Mahurin, Novinger.

NEBRASKA

Wayne A. Shaneyfelt, Aurora.
Jack K. Pugh, Bradshaw.
Lloyd E. Scheer, Cook.
Eugene L. Tarr, Gothenburg.
Wilmer R. McConnell, Imperial.
Lawrence L. Valentine, McCool Junction.
Elmer E. Kasper, Prague.

NEVADA

Frank M. Compston, Jr., Yerington.

NEW HAMPSHIRE

Lauretta L. Sumner, Grasmere.
Carrie S. McDonald, Harrisville.

NEW JERSEY

Elmer Stanton Holmes, Jr., Avalon.
Moses N. Strader, Newton.
Elizabeth K. Simpson, Saddle River.
Holloway W. Case, Sussex.

NEW MEXICO

Edward M. Berardinelli, Santa Fe.

NEW YORK

Howard E. Guinnip, Angelica.
Viola M. Comstock, Sodus Point.

OHIO

Helen E. Smith, Adelphi.
Richard J. Gamble, Alliance.
Earl A. Smith, Berlin Center.
John Clifton Richards, Delaware.
Robert E. Trout, Edison.
Nicholas W. Smith, Elyria.
Mary E. Ayres, Goshen.

Roland M. Dorr, Kensington.
Oliver Wolcott, Kent.
Robert J. House, Killbuck.
Ernest L. McConnell, Kirkersville.
John W. Meadows, Lucasville.
Arthur R. Miller, Madison.
Bernard W. Iffland, Metamora.
Glenn W. Duffy, Morristown.
Samuel H. Wolf, New Paris.
Albert F. Warnecke, Ottoville.
Murry N. Johnson, Pataskala.
Margaret L. Hess, Petersburg.
John F. Crawford, Sardinia.
Virgil O. Hutchison, Smithville.
William O. Ochsner, Strongville.
Richard A. Campbell, Sylvania.
William Paul Wilcoxon, Uhrichsville.
Edward J. Oswald, Unionport.
Seth W. Huntley, Vinton.
Harold D. Brenneman, Warsaw.
Clark Wickensimer, Washington Court House.
Everett J. Pearson, West Milton.

OREGON

Clarence A. Christianson, Cornelius.
Lyle B. Dannen, Halsey.
Myrtle E. Gibbs, Long Creek.
Ruth E. McLeod, Maupin.
Wayne E. Dexter, Scappoose.

PENNSYLVANIA

Francis E. Redding, McSherrystown.
Wilbur M. Hall, Montgomery.

SOUTH CAROLINA

Nellie E. Hodge, Alcolu.
John W. Stevenson, Carlisle.
Sara M. Campbell, Clio.
John M. Harrelson, Drayton.
Joseph W. Milling, Jr., Ridgeway.
B. George Price III, Walterboro.

TENNESSEE

Cordie L. Majors, Ramer.

VERMONT

Perley C. Brainerd, Bradford.
Roy H. Jarvis, Grafton.
Ralph S. Nealy, Jericho.
Kenneth H. Neill, Johnson.
Ballou L. Towne, Morrisville.
Alice P. Waterman, North Thetford.

VIRGINIA

Merrel M. Nash, Jr., Bayside.
Mary G. Arnold, Bishop.
Emerson N. Lamb, Blue Ridge.
Radford C. Montgomery, Buchanan.
Ivan L. Potts, Colonial Heights.
Daniel Jackson Kilby, Culpeper.
Ray W. Redd, Draper.
Thomas E. Caldwell, Fincastle.
Allen S. Treyvett, Glenallen.
Harry H. Kimberly, Jr., Hampton.
John H. Norris, Jr., Kinsale.
Robert H. Sipe, McGaheysville.
Elna T. Gooding, Oakton.
Fred M. Mullins, Pound.
Irving L. Wood, Ridgeway.
Nancy E. Wood, Rock Castle.
Francis A. Holdren, Vinton.

WISCONSIN

Jean E. Herschleb, Arlington.
Helen G. Klus, Armstrong Creek.
Glenn W. Meyer, Birnamwood.
Martin N. Ross, Cambria.
John A. Wimme, Nelsonville.
George W. Gessert, Plymouth.

WYOMING

Emilene A. Weisenberger, Bairoil.
Virginia C. Bennion, Cokeville.
Priscilla Butwell, Frontier.
Dale E. Howery, LaGrange.
Harry L. Estes, Thermopolis.

HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

The House met at 12 o'clock noon.

The Reverend Myron C. Cole, D. D., First Christian Church, Portland, Oreg., offered the following prayer:

Almighty God, in whom we live and move and have our being, grant Thy divine benediction upon us. As the builders of a great nation, we have inherited that which is truth, beauty, and goodness; therefore, impel us ever forward with the motives upon which our Nation was founded and that which will make America great.

Our Heavenly Father, forgive us where we err. Let us not indulge in pious phrases, but let us be ever bound together in the search for the truth which makes men free and we will give Thee the honor and the glory.

We pray for the leaders of our Nation. Bestow upon them honor, integrity, and all that which is of Thy nature and will bring Thy will upon the earth.

Through Jesus Christ our Lord. Amen

The Journal of the proceedings of Thursday, April 12, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 6, 1956:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 1082. An act for the relief of Golda I. Stegner;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 6461. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 4539, Revised Laws of Hawaii, 1945, section 1 (b), Act 12, Sessions Laws of Hawaii, 1951, and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, T. H.;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices;

H. R. 8100. An act to authorize the loan of two submarines to the Government of Brazil; and

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.

On April 9, 1956:

H. R. 1892. An act for the relief of Dr. Lu Ho Tung and his wife, Ching-hai (nee Tsao) Tung.

On April 10, 1956:

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1495. An act for the relief of Joseph J. Porter;

H. R. 1667. An act for the relief of Lieselotte Boehme; and

H. R. 4039. An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 3481. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes; and

S. Con. Res. 36. Concurrent resolution requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4909. An act relative to the consolidation of the National Tax Association, a corporation, organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hayden, Mr. Russell, Mr. Chavez, Mr. Ellender, Mr. Bridges, Mr. Saltonstall, and Mr. Young to be the conferees on the part of the Senate.

SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. Cannon, Kirwan, Whitten, Preston, Rabaut, Taber, Wigglesworth, Jensen, and Clevenger.

THE ADJUDICATION OF CERTAIN CLAIMS OF FEDERAL EMPLOYEES

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Frazier, Tuck, and Hillings.

THE STATE OF ISRAEL

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am privileged today to extend congratulations to the Israeli people upon the occasion of the eighth anniversary of the establishment of the State of Israel as a free and independent nation.

Events in the intervening years have proved that the friendship between Israel and the United States has been one of the vital partnerships in the free world. On this historic day we are reminded of the fact that in a brief span of 8 years the State of Israel has made tremendous social, political, and cultural gains and is today recognized as a bulwark of democracy, and has proved to be our faithful and loyal ally in the Middle East.

The astounding progress made in this relatively short period of time has electrified the world, as it was achieved in the face of an uphill fight against what appeared to be insurmountable obstacles. The people of Israel have conclusively demonstrated their devotion to a cause demanding rigid austerity and great sacrifices.

The Government of Israel must continue to have the encouragement and help of our country. I have always derived great satisfaction in supporting legislation extending assistance to the valiant people of this young nation.

We are all aware of the fact that there is presently an alarming situation in the Middle East which affects not only the security of the United States but the peace and tranquillity of the entire free world. The security of the State of Israel and the stability of the Middle East are vital to the defense of the free world against Communist aggression and are consequently American interests of the highest priority.

I am convinced that we must take immediate preventive action to overcome the threats of war in that vital region of the world. The first and most essential step would be to permit Israel to purchase defensive arms in this country to counterbalance the delivery of Soviet arms to Egypt.

This administration should immediately consider entering into a mutual security pact with Israel and should institute a complete and immediate investigation of all aspects of our Middle East policy with a view to resisting Communist imperialism in that vital area of the world.

LOSSES FOR SALE

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, the other day one of my constituents mailed me a copy of a communication to stockholders from the chairman of the board of Botany Mills, seeking proxies for approval of a recapitalization plan for the company. Upon obtaining the necessary number of proxies, Botany's management proposed to acquire a profit-making, taxpaying company. It was anticipated that Botany's losses could then be deducted from the other company's profits so that neither would pay any taxes.

> Our most important asset—

Said the chairman of Botany Mills in his request for proxies—

> is our Federal tax loss carry forward of over $13 million.

The loser in this operation is the United States Treasury and the taxpayers of the Nation.

The foregoing is no isolated example of smart management or sharp lawyers taking advantage of a hitherto undisclosed loophole in the tax law. For a decade and a half, deals of this kind have been in progress. And the practice goes on. A perfectly legitimate section of the tax law designed to permit the losses of 1 year to offset the profits of preceding and succeeding years, is being perverted by speculators who have seized upon the merger device to offset the gains of one corporation with the losses of another.

The result is that the Government loses money, or the legitimate burdens of one group of taxpayers are shifted to other taxpayers already shouldering their fair share. Another consequence is that the merger movement is accelerated beyond reasonable needs. This often results in the closing of mills, creation of unemployment, demoralization of whole communities. In addition, this unwholesome practice is laying the foundation for further disrespect for the tax law. It adds to the growing feeling that our high tax rates are but a sham designed to spring the trap on the unwary and those whose taxes are withheld at the source, but to allow the well-informed schemer a loophole through which he can escape.

Lest you think that the example I cited is an isolated one, I refer you to almost any issue of the Wall Street Journal. Here are some advertisements that appeared last Monday:

> Three hundred thousand tax loss carryover for sale or merger.
>
> For sale or merger: Long-established truck and trailer parts company—good expansion potential—tax loss.

The composer of an advertisement the week before must have had his tongue in his cheek as he wrote that he would sell his large tax loss at a sacrifice:

> For sale: Finest fancy grocery and liquor business. Large tax loss carryover. Sacrifice for quick sale.

The opening paragraph of an article in a commercial journal recently had this to say:

> Prior to the passage of the 1954 Internal Revenue Code, businessmen and their lawyers in seeking to acquire corporate ventures were often confronted with the anomalous situation that the purchase price of a business increased in inverse proportion to its success in operation, i. e., the greater the operating losses the higher the asking price. The answer to this financial paradox quite obviously is found in the tax benefits afforded the purchaser by the loss carryover provisions of the then existing revenue laws.

Let us briefly look at the law which makes possible this deviation from normalcy. The Congress long ago recognized that there was a problem to be dealt with. For more than 15 years, the law has permitted the Commissioner of Internal Revenue to disallow any deduction, credit, or other allowance where the principal purpose of the acquisition of another corporation is the evasion or avoidance of Federal income tax. The originators of this provision thought they had licked a rapidly growing practice for avoiding wartime income and excess-profits taxes. The trouble was, however, that the courts would not agree with the Commissioner as to when the principal purpose of the acquisition was the evasion or avoidance of taxes. In the 1954 revision of the Internal Revenue Code, further steps in the tightening-up process were taken. The new law established a prima facie presumption that the principal purpose is tax evasion or avoidance where the consideration paid in acquiring a corporation or its property is substantially disproportionate to the tax basis of the property acquired plus the tax value of other benefits, such as loss carryovers. The law also denied the carryover if all of the three following factors exist: First, if 50 percent or more of a corporation's stock changes ownership during a period of 2 years; and, second, such change occurs as a result of a purchase or redemption of stock; and, third, the corporation does not continue to carry on a trade or business substantially the same as before the stock-ownership change.

That the new law does not go far enough is amply evidenced by what I have just said and quoted. If any further proof is needed, let me cite the opening words of an address before the eighth annual Federal tax conference of the University of Chicago Law School:

> Despite the sustained efforts of the Treasury Department and the Congress to prevent the use of loss corporations for tax avoidance, corporations with large operating loss carryovers continue to be sold at a premium.

It is my conviction that the Treasury and the tax-writing committees of the Congress are still not prepared to go far enough to protect the rights of the taxpayers of the Nation. Those of us who like to see independent small businesses preserved and who fear the steady rise in mergers and consolidations, look with concern on these mergers and consolidations which are inspired by the operation of the tax law. We are concerned, too, with the effect on the spirit of enterprise itself. It is, indeed, unwholesome when a company which has a bad year or two, instead of trying to work out its own problem and get back on to the black side of the ledger, turns instead to an effort to make a good deal at the expense of the Government just by selling out or merging with someone in search of a tax situation.

It is my firm conviction that income taxes should apply to all who have income. No corporation should be permitted to avoid its fair share by selling to, or buying out, another corporation just because it has a tax loss. Fair taxation involves paying taxes on profits earned by corporations; it abhors their ability to escape the payment of taxes by manipulation of capital structure. I call on the Treasury Department and the tax-writing committees of this Congress to draft a tax law which will preserve the legitimate deduction of losses by corporations which have suffered them, but will at the same time prevent tax-inspired mergers which must offend the conscience of any right-thinking man. Congress should make it impossible for any corporation to boast that our operating loss is our most important asset.

A BILLION-DOLLAR DANGER

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma.

There was no objection.

Mr. EDMONDSON. Mr. Speaker, one of the Nation's most important crops, which had a total value in 1955 of $1,230,895,000, is under attack today by a small Mediterranean invader which threatens the destruction of America's alfalfa production.

I am speaking of a little insect no larger than the head of a pin, which is known as the spotted alfalfa aphid. First reported in 1954, when it is suspected the aphid was brought in as an unwelcome hitch-hiker on an American bomber flying from the Mediterranean area, the aphid caused a loss in the first year to alfalfa growers of $4 million in New Mexico, one-half million in Arizona, and one-third million dollars in California.

Apparently the condition was abated somewhat in 1955, but early reports this year from throughout the country indicate that the aphid has spread to the following States: California, Nevada, Arizona, Utah, Idaho, Texas, Oklahoma, Missouri, Kansas, Arkansas, Nebraska, and Louisiana.

In my own State of Oklahoma, where I met last week with State and Federal agricultural officials, alfalfa growers and feed dealers, an entomologist of the Oklahoma A. and M. College informed us that the loss in Oklahoma alone could easily reach $16 million this year, if drastic control measures are not started at once.

The tragic part of it is that the infestation is heaviest in drought hit areas, where many farmers are financially unable to pay the bill for control measures, which involve repeated spraying by airplane at heavy cost per acre.

Unless all farmers in an infested area join in control measures, spraying by a portion of the farmers is of little value because the aphid reproduces at a phenomenal rate and a crop completely cleared in 1 week may be completely reinfested by a neighboring field 8 or 10 days later.

In order to meet this danger, which experts tell us could threaten the alfalfa production of the Nation in a short time, the entire Oklahoma delegation in the House and the Senate today will introduce an emergency control bill. This bill will authorize expenditure of $15 million for control measures between now and June 30, and such additional sums as may be necessary in the new fiscal year. It also provides for $5 million to be expended on a crash-research program as to control method.

Several members of the House Agriculture Committee are joining in sponsorship of this legislation, and we earnestly hope it will receive early favorable consideration in this Congress.

WOODROW WILSON CENTENNIAL CELEBRATION

Mr. HARRISON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARRISON of Virginia. Mr. Speaker, I take this opportunity to invite the Members of the House to participate, on Saturday, April 28, in a motor pilgrimage to Staunton, Va., the birthplace of Woodrow Wilson.

As a feature of the observance of the 100th anniversary of Mr. Wilson's birth, the Woodrow Wilson Centennial Celebration Commission, which is a bipartisan Federal agency, will join next week in a program recalling the achievements and ideals of this great Christian statesman and educator.

On the 28th, which is the anniversary of the adoption of the League of Nations Covenant, Assistant Secretary of State Walter S. Robertson, as the personal representative of President Eisenhower, will speak on Today's Significance of the Ideals and Achievements of Woodrow Wilson.

Members of the House who desire to take the pleasant drive to Staunton, in the valley of Virginia, on that day, will be guests of the Federal and Virginia Commissions at luncheon.

The motorcade will form at 8:45 a. m. in front of the gates of Arlington National Cemetery, at the terminus of the avenue leading from the Virginia end of the Memorial Bridge.

Members of the House planning to participate should make their intentions known to Mr. Edward K. Moss, of the Woodrow Wilson Centennial Celebration Commission, Sterling 3-6969.

I should like to read the program for Wilson Week in Staunton, as follows:

STAUNTON WEEK CALENDAR APRIL 22-29

SUNDAY, APRIL 22

11: Morning worship, First Presbyterian Church, Rev. Graham G. Lacy, minister, Central Presbyterian Church, Washington, D. C.

4:30 Interdenominational hymn festival, First Presbyterian Church. Choirs of area participating.

TUESDAY, APRIL 24

9-5: Tour of homes and gardens.[1] Auspices Augusta Garden Club in cooperation with Historic Garden Week, Garden Club of Virginia. Block tickets include lunch, 12 to 2. Feature attraction: Fashion Parade of a Century, 1856-1956, home of Mrs. W. J. Perry, Jr.

7:30: Trifaith panel, King Auditorium, Mary Baldwin College. Speakers: Father George B. Ford, Corpus Christi Church, New York City; Rabbi Louis L. Mann, Chicago Sinai Congregation; Rev. Ralph W. Sockman, Christ Church, New York City.

WEDNESDAY, APRIL 25

9-5: Tour of homes and gardens.[1] (Same program as Tuesday.)

3:30-9: Spring flower show.[1] Theme: "We Honor Woodrow Wilson." Auspices Federated Garden Clubs of Staunton, Garden Center, Gypsy Hill Park.

THURSDAY, APRIL 26

9-5: Open house, Woodrow Wilson birthplace.

10-9: Spring flower show[1] (same program as Wednesday).

10:30-4: Woodrow Wilson Institute. Chairman, Virginius Dabney, editor, Richmond Times-Dispatch. Music, Mary Baldwin College Choir.

10:30: Morning speakers: Harold W. Dodds, president of Princeton University; T. J. Wertenbaker, professor emeritus, Princeton University; Sir Leslie Munro, New Zealand Ambassador.

12:30: Intermission: luncheon for out-of-town guests. Exhibit: Woodrow Wilson documents. Memorabilia of 1856.

2:30: Afternoon speakers: Arthur Krock, New York Times; Robert C. Clothier, president emeritus, Rutgers University.

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[1] Charge for admission.

FRIDAY, APRIL 27

10-9: Spring flower show[1] (same program as Wednesday).

SATURDAY, APRIL 28

Joint centennial event: United States Woodrow Wilson Centennial Celebration Commission–Virginia Woodrow Wilson Centennial Commission.

9-2: Open house, Woodrow Wilson Birthplace.

2: Festival parade.

3:30: Commemorative ceremony, 37th anniversary of the adoption of the League of Nations Covenant. Speaker: Walter S. Robertson, Assistant Secretary of State.

8: Music for Young American Concert. National Symphony Orchestra, Howard Mitchell, conductor. College choral festival, auspices Virginia Federation of Music Clubs.

10: Festival ball.[1] Staunton Military Academy. Orchestra: V. M. I. Commanders.

SUNDAY, APRIL 29

11: Commemorative service, First Presbyterian Church, Rev. D. Elton Trueblood, Earlham College.

OMNIBUS FLOOD CONTROL BILL

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DAVIS of Tennessee. Mr. Speaker, the Subcommittee on Flood Control of the Committee on Public Works will begin hearings on Tuesday, May 1, on projects eligible for consideration for inclusion in an omnibus flood-control bill. The hearings will start each morning at 10 o'clock and be held in room 1302, New House Office Building. The schedule for the first week in May is as follows:

May 1: Chevreuil Bayou, La., House Document No. 347; Lake Chautauqua and Chadakoin River, N. Y., Senate Document No. 103.

May 2: Eau Galle River, Wis., Senate Document No. 52; Mississippi River at Winona, Minn., House Document No. 324; Saline River, Ill., House Document No. 316.

May 3: Tombigbee River, Miss, and Ala., House Document No. 167; Milk River, Glasgow, Mont., Senate Document No. 70; Bad River, Wis., House Document No. 165.

May 4: Purgatoire River, Colo., House Document No. 325; Weber Basin, Utah, House Document No. 158.

There will be additional hearings on May 7, 8, 9, 14, 15, and 16 and the schedule of projects to be considered on those dates will be announced later. Members interested in presenting witnesses with respect to any eligible projects are asked to communicate with the chief clerk of the Committee on Public Works to facilitate the development of hearing schedules.

It is my suggestion that local interests desiring to appear on any project arrange with their Member of Congress to have one spokesman present their testimony in order to conserve the committee's time. If desired, others will be permitted to submit prepared statements for the record.

NEW BARGAINING AGENT REQUESTED

Mr. DAVIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, an Associated Press news story in the Atlanta Constitution of Saturday, April 14, states that 1,500 employees of Hayes Aircraft Corp., in Birmingham, Ala., will ask the National Labor Relations Board for an election to replace the United Automobile Workers as their bargaining agent.

These aircraft workers are angered at the AFL-CIO because of its continued attempts to break down segregation in the South.

This action on the part of these Birmingham UAW members is not just an isolated instance. Resentment has been growing in many sections of the South for sometime because of the attitude of Meany, Reuther and the heads of some other union leaders on the question of segregation.

When I was at home during the Easter recess, a copy of a letter was given to me which had been written to President Walter Reuther of the UAW and signed by approximately 1,200 employees of General Motors Corp., in Atlanta, protesting the action of the UAW in using funds contributed by UAW members to assist the National Association for the Advancement of Colored People in attacking segregation. The letter to Mr. Reuther signed by these UAW members is as follows:

> To Walter Reuther, President, Congress of Industrial Organizations, Washington, D. C.
>
> From Members, Congress of Industrial Organizations.
>
> The following resolutions have been signed by members of locals, CIO, whose names are affixed hereto:
>
> Whereas funds collected in the form of dues by the CIO are intended solely for the necessary operating expenses of the CIO or for other purposes closely connected with the welfare of the organization and its members; and
>
> Whereas the question of segregation of white and Negro pupils in the public schools of the several States is a political and social issue having no direct connection with the welfare of union labor; and
>
> Whereas the membership of the CIO includes many individuals who are strenuously opposed to the mixing of the two races in the public schools; and
>
> Whereas the public press has reported that large amounts of funds from the treasury of the CIO have been diverted to the support of the National Association for the Advancement of Colored People for the purpose of forcing the mixing of the two races in the public schools:
>
> Therefore, we, the undersigned members of locals, CIO, do hereby strenuously protest the reported diversion of these funds for a purpose having no connection with the welfare of the union labor; and
>
> Further, we declare our position as being strongly opposed to any further diversion of the national funds of CIO to the NAACP or any other organization taking part in the controversy that has arisen over segregation in the public schools of the several States.

The action which has been taken on this subject by the heads of some unions has been taken without regard to the wishes of the rank-and-file members.

In Memphis, Tenn., recently union members vigorously resented remarks of the national representative of their union on the subject of segregation, and told this representative in no uncertain language that they would tolerate no dictation from the national headquarters on this subject.

A number of steelworkers in Atlanta recently protested vigorously the action of some of the leaders in the Steelworkers Union national headquarters, and threatened to withdraw from the Atlanta local if attacks on segregation were continued by the national officers.

The article in Saturday's Atlanta Constitution is as follows:

> WORKERS QUIT UAW, SET UP DIXIE UNION
>
> BIRMINGHAM, ALA., April 13.—A group of aircraft workers, accusing national union leaders of attempting to break down southern tradition, plans to challenge the powerful United Automobile Workers (AFL-CIO) with an independent southern union.
>
> Spokesmen for the newly formed Southern Aircraft Workers, Inc., said they will ask for a National Labor Relations Board election in an effort to replace the UAW as bargaining representative of Hayes Aircraft Corp.'s 5,800 workers in Birmingham.
>
> The group claims at least 1,500 signed memberships at Hayes, and says it is getting more at the rate of 50 a day. The UAW lists 3,000 members at the plant.
>
> A number of southern union members have protested statements by AFL-CIO President George Meany and Vice President Walter Reuther which they consider attacks on the southern tradition of racial segregation. Reuther is president of the United Automobile Workers.
>
> This, however, was believed the first, or among the very first, definite move toward a labor secession movement in the South over the bitter racial controversy.
>
> Organizers said the independent union will not be segregated though it will be based "upon southern traditions."
>
> "We firmly believe in the protection of the colored worker," said a spokesman, "but we do not believe in Walter Reuther's left-wing integration.
>
> "Equal opportunity but not social equality will be a principle of the new union," he added.
>
> Members of the group insisted the segregation question wasn't the only reason for their rebellion but was "the straw that broke the camel's back."
>
> One of its leaders said workers became dissatisfield with the UAW-CIO last year while a new contract was being negotiated. They strongly objected to a special $20 assessment by the UAW to build a $26-million strike fund for the automobile workers.
>
> Althought the aircraft workers paid the assessment they could not have drawn on the fund had they decided on a walkout.
>
> Leaders plan to call a meeting of southern aircraft worker members in about 10 days to approve a constitution and elect officers. Incorporation papers already have been filed.
>
> The UAW contract with Hayes Aircraft runs until April 30, 1957, but an attorney said this would not prevent an NLRB election from being called. He said the new group would become the bargaining agent of Hayes employees immediately if it won.

EXEMPTING FOREIGN TRAVEL FROM TRANSPORTATION TAX

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the

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[1] Charge for admission.

Speaker's table the bill (H. R. 5265) to exempt certain additional foreign travel from the tax on transportation of persons, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOPER, MILLS, GREGORY, REED of New York, and JENKINS.

AMENDING INTERNAL REVENUE CODE OF 1954

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7247) to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOPER, MILLS, GREGORY, REED of New York, and JENKINS.

SALUTE TO ISRAEL

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I rise today to pay my respects to the Republic of Israel on the historic occasion of its eighth anniversary. Particularly on behalf of the people of the First Congressional District of Washington State and with all American citizens generally I extend best wishes to the Israeli people.

At times, Mr. Speaker, because of international pressures and the delicate political world situation, the citizens of Israel may question our motives and the extent of United States support, but I hope any such disappointments will in no way obscure from them the warm interest and friendship of the American people. Governmental omission or commission does not dim or deter the desire of the United States to support and secure the permanent military and economic survival of Israel as established by the United Nations.

The problems which more than a century and a half ago beset our own Republic in its infancy lend special significance to the observance of Israel's eighth anniversary. Also this is so because of the importance of the contribution to our culture and economic development by so many American citizens of Jewish blood. This gives Israel and the United States a close tie of interest. Finally let me say, the determination of the United States to prevent Soviet aggression and the spread of international communistic revolution, unites our two freedom loving peoples in a common bond. In this spirit America salutes Israel on this 16 day of April 1956. So it is on this historic observance for and from my constituents I express lasting friendship, support and good will.

APPROVE BILLS REGARDING CREDIT BANKS AND ASSOCIATIONS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, today I received a resolution from the group directors' conference of the New York State Production Credit Associations expressing approval of a number of bills which have been introduced regarding credit banks and associations. The resolution was adopted at a meeting held in Syracuse, N. Y., on April 3, 1956. In view of the fact that these bills received the unanimous approval of the directors, who represent 17,500 New York State farmers, I am presenting this resolution for the careful consideration of all Members.

The resolution follows:

APRIL 10, 1956.

Hon. KENNETH B. KEATING,
House Office Building,
Washington, D. C.

DEAR SIR: The directors of all of the production credit associations of New York State, meeting in conference in Syracuse, N. Y., on April 3, 1956, considered and unanimously approved the following resolution as presented by the committee consisting of Homer Shepard, of Cazenovia; Harold Giles, of Union Springs; Glenn Widger, of Ellicottville, and James H. Park, of Batavia:

"*Be it resolved*, That the directors herein assembled in conference representing all of the 15 production credit associations in New York State with total membership of 17,500 New York State farmers unanimously support legislative bills as proposed by the Federal Farm Credit Board known as H. R. 10285, H. R. 10286, H. R. 10315, and S. 3564; be it further

"*Resolved*, That James H. Park, secretary-treasurer of Farmers Production Credit Association of Western New York, be directed to mail copies of this resolution to Representative COOLEY, chairman of House Committee on Agriculture; Representative HOPE, of Kansas; Representative POAGE, of Texas; Senator ELLENDER, chairman of Senate Committee on Agriculture and Forestry; all Congressmen and Senators from New York State; George Hill, secretary-treasurer, Jefferson City Production Credit Association; and others directed by the committee."

We would appreciate your favorable consideration and support.

Very truly yours,

JAMES H. PARK,
Farmers Production Credit Association of Western New York.

ILLINOIS MOTHER OF THE YEAR

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include a telegram and a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, as you well know, the Members of Congress and those in the executive branch are so busy, in this atomic and jet age, with all its tensions and problems, with our Nation's economy expanding at rapid pace, that we often fail to take the time to look back to the grassroots of our country to realize the influence and power of the spiritual and moral force of millions of humble people, whose lives and deeds go unheralded and unsung—yet, who are without doubt making the greatest contribution to the spiritual, moral, and material force of the Nation.

America, the greatest Nation in the world, rests upon, and has drawn its towering strength from millions of American homes. Millions of women in these American homes wield the first and most tremendous influence in instilling into the child the spiritual values, which have long been recognized as the most powerful strength, collectively, of the American people.

The teachings and direction of the women in the early formative years of the children, and associating them in the Sunday schools and churches, starts them on the right road for the future—all of whom continue to contribute and permeate the fabric of American life and American Government, from its base to the summit of the Government—the Presidency of the United States.

Mr. Speaker, I have been moved to make the above statements, and to take this time of the House today, because there has come to me a gripping story that so well illustrates the thought which, in my humble way, I am trying to present—a story I believe will be of interest to the Members of Congress—a story of womanhood at its best—a story of an humble woman born and reared in my congressional district.

The subject of this story is Mrs. Addie Crouse Carroll, 78, of Greenwich, Ill., twice widowed, mother and stepmother of 13 children, who has been given the honor of Illinois Mother of the Year, 1956.

Mrs. Carroll was selected by the American Mothers' Committee. She has honored her county, State, and Nation, and I want the pages of the CONGRESSIONAL RECORD to carry this story, officially, to every congressional district in the Nation.

Governor William G. Stratton presented Mrs. Carroll a citation at fitting ceremonies on Sunday afternoon, April 15, at the Carrie T. Burritt Hall, Greenville College, Greenville, Ill. Sponsors were the president of the college, Dr. H. J. Long, Mayor Paul E. Zebb, and various groups and organizations of the committee.

Mrs. Carroll will go to New York for the selection of National Mother of the Year, May 7 to 10. Mothers from all 48 States will be contestants for the National Mother of the Year award.

For a more detailed story of the rich and fruitful life of this honored citizen, I am inserting with my remarks a very interesting and factual story written by Mrs. Carroll's neighbor, the local editor

of the Greenville Advocate, Greenville, Ill., on March 19, 1956:

GREENVILLE WOMAN IS NAMED ILLINOIS MOTHER OF THE YEAR FOR 1956—MRS. ADDIE CARROLL TO BE CONSIDERED FOR UNITED STATES TITLE—WIDOW OF METHODIST MINISTER HAS LIVED HERE SINCE 1933

Orchids to Mrs. Addie Crouse Carroll, of Greenville.

Signal honor, well deserved, came to a Greenville woman Thursday, when Mrs. Addie Crouse Carroll, 79, a resident of Greenville for the past 23 years, was named 1956 Illinois Mother of the Year, at Springfield, as briefly noted in the Advocate that day.

Mrs. Carroll, widow of the late Rev. E. T. Carroll, a Methodist minister, resides in a modest, comfortable home at 415 South Elm Street, that is when she isn't doing practical nursing or taking care of new-born babies and their mothers, or doing a baby sitting chore. Mrs. Carroll is the mother of 8 children and the stepmother of 5, but so far as the Carroll family is concerned there were no "steps" nor "halves", they were all one big family. And a big family it was, too. For many years there were 15 living in the Illinois Methodist parsonages as the Rev. Mr. Carroll was transferred from church to church. The number included the Rev. and Mrs. Carroll, their 12 children and Rev. Carroll's mother.

Ten of the Carroll children have collegiate training and 5 have degrees. The oldest son, Frank, is a retired major general of the Air Force. Eleven children are living and married and there are 21 grandchildren and 15 great grandchildren.

The children are:

Frank, a retired major general in the Air Force, Boulder, Colo.

Ben, publisher of the Reporter-Dispatch, White Plains, N. Y.

Paul, advertising manager for the American Brakeshoe Co., New York.

Stanley, Tulsa, Okla., in the aircraft industry.

Robert, Worthington, Ohio, in the aircraft industry.

Donald, farmer near Kent.

Mrs. Ella Pinkenbinder, Stockton, former teacher.

Mrs. Leona Kendall, Coral Hills, Md., former teacher.

Mrs. Gladys Warren, Decatur, former teacher and now senior visitor for the Illinois Public Aid Commission.

Mrs. May Metcalf, Scarsdale, N. Y.

Mrs. Helen Finch, Cape Girardeau, Mo., former secretary.

A son, Vincent, who died in 1948, was a Greenville businessman.

Mrs. Carroll will be presented a plaque in recognition of being chosen mother of the year sometime in April with Gov. William G. Stratton coming to Greenville to make the presentation.

She was chosen by an Illinois committee consisting of the presidents of the Illinois Federation of Women's Clubs and Women's Christian Temperance Union, Federation of Home Bureaus, the American Legion auxiliaries, and the Christian Women's Association.

She was nominated for the Illinois title by members of the Atlas Sunday School class which she teaches at the First Methodist Church of this city.

Largely through the efforts of Mrs. Nina B. Bruns, home adviser of Bond County, and Mrs. Roy Finley, and members of the Atlas Sunday School class, was the activity started which resulted in the naming of Mrs. Carroll, Illinois mother of the year.

Mrs. Carroll will be considered now by the American Mothers Committee for the nationwide title.

Addie Belle, daughter of Benjamin and Mary Crouse, was born near Ingraham in Clay County, February 13, 1877, the fifth of nine children. She calls her people "not outstanding—just pioneer, hardworking, honest, God-fearing people. I'm proud of them."

Her first husband, Samuel O. Kepley, was a rural schoolmaster and her teacher whom she married in 1897. She was 20. He entered the ministry and served his first pastorate at Hagarstown, with a yearly salary of $300.

When her husband died 6 years later in January 1903 while en route to New Mexico for the benefit of his health, she had 3 children. The proceeds of an insurance policy bought a 50-acre farm which she operated with the aid of her father and brothers. Six weeks after the father died one of the little daughters died.

She married the Reverend E. T. Carroll, pastor of the Methodist church at Grayville, a widower with five children, on Thanksgiving Day in 1906. Five more children were born to them.

"We had to make sacrifices but the children did too," said Mrs. Carroll, recalling how the children were encouraged to complete college education.

The Carrolls came to Greenville in the fall of 1918 and the Reverend Mr. Carroll served the Greenville church 4 years, being sent from Greenville to Salem in 1922.

When the Reverend Mr. Carroll died at his last pastorate in Kinmundy on November 17, 1933, Mrs. Carroll returned to their own house in Greenville later that month, and took up practical nursing to support her family, which then consisted of 2 sons, 1 in high school and 1 in the grades.

Last month Mrs. Carroll was honored at a community dinner in Greenville at which nine of her children were present.

Present were many of the children she had cared for as newborn babies and their parents.

For her service to the community she was given a high-fidelity record player and a This Is Your Life booklet containing pictures of many of "her babies."

I am also including the following telegram of congratulations to Mrs. Carroll from Senator EVERETT DIRKSEN, of Illinois:

APRIL 13, 1956.

MRS. ADDIE CROUSE CARROLL,
Greenville, Ill.

MY DEAR MRS. CARROLL: I know of no higher honor and no richer award that can come to any woman than to be selected as Mother of the Year for a great State like Illinois. Several things impress me about the selection. The first is that there are so many wonderful mothers who have done so much for family, community, and country, and therefore to be selected as Mother of the Year for the State carries with it high distinction. It is a reward that must be deserved as I have learned in other years and so I congratulate you most sincerely and salute you for your contribution to the well being of family life, community life, and the needs of a free country.

With warm personal wishes,

Senator EVERETT MCKINLEY DIRKSEN.

DISPOSAL OF SURPLUS FOODS

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, we should be informed on what the United States Department of Agriculture is doing in the disposing of surplus foods.

They are working at the job, and the first 9 months of this fiscal year—July through March—a 65-percent increase in the distribution of surplus foods is recorded by the United States Department of Agriculture as announced on April 12, 1956. These donations of food are made to recipients in this country as well as abroad. The programs are conducted by the Agricultural Marketing Service.

Eligible recipients in this country received 42.9 percent more in the 9 months' period than they did the previous year. Gains were made in all categories of recipients. Schools, a 25.4 percent increase; donations to needy persons, 89.3 percent increase.

Eleven million schoolchildren, 1,300,000 needy persons in charitable institutions, and 2,920,000 needy persons in family units received surplus food.

Foods are being distributed to needy persons in 74 foreign countries through 19 private United States welfare agencies. A total during the 9 months of 840,300,000 pounds of food was distributed overseas, an 84-percent increase over the same period a year ago.

PRIVATE ENTERPRISE: ADAMS CORPORATION, A LIVING EXAMPLE

Mr. SMITH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, the blessings which have flowed to the American people as a result of the private enterprise system cannot be fully appraised. We do know that from the beginning of our greation Nation men and women, because they have been free, have put their minds and efforts to work in creating an economy that has not been matched in the history of mankind.

In my own congressional district at Beloit, Wis., there is a small but vigorous company named the Adams Corp. The ingenuity, foresight, and ability of the men behind that company has brought to the American economy a product which is rather new but yet is one that today reaches all parts of the world. I refer specifically to a variety of products packed in small cellophane bags called Adams Korn Kurls, Adams Caramel Corn, and Adams Cheese Wafers. On Friday last week in the House dining room, the Members of this great body had an opportunity to sample these products through the courtesy of Mr. Allan W. Adams, president of the corporation.

Mr. Speaker, the products of this young company is as I have indicated above, going to all parts of the world, Europe, Asia, Africa, and South America. These are tasty tidbits that our young men and women in the Armed Forces serving abroad are able to purchase in the commissaries and canteens.

It is with some pride that in the cheese wafers this firm is using dehydrated Wisconsin natural Cheddar cheese and it is thereby helping to reduce the surplus of Cheddar cheese which is produced so extensively in our great State.

Mr. Speaker, the people of this country, I am sure, are proud of the men and women who are identified with private business and private industry today. They are the ones who make the jobs which provide employment for more than 65 million people without any help from the Federal Government. These same men and women are responsible for the high standards of living we enjoy and for the unlimited opportunity of every citizen in this Republic.

EXEMPTION FROM INCOME TAX OF CERTAIN DIVIDENDS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, on March 6, 1956, I introduced H. R. 9765, to protect farmers and other persons who are required to treat patronage dividends as income for Federal income tax purposes by providing for the collection of income tax at source on such dividends and to provide tax equity.

At the time of introducing this bill I stated:

> Finally, I would say this: There has been considerable talk about corporations paying a withholding type of tax on dividends they declare, to their stockholders. Estimates have been made indicating that in this area also there has been a loss of legal revenue to the Federal Government. This principle seems to have bearing on this present situation. With that in mind, I am preparing a bill to accomplish this further purpose and, if it seems in order that its subject matter is sufficiently similar to that set forth in this bill, I would agree to join the two bills together.

Accordingly, today I have introduced a bill to provide for the collection of income tax at source on dividends.

Here now are two bills which will raise additional revenue by closing two loopholes in our tax administration and collection. Closing loopholes not only produces more revenue but it also creates a healthier attitude of the public toward the taxes they are required to pay. Nothing undermines the public attitude toward tax payment as much as preferential treatment to one group of citizens over another.

INCOME TAX REDUCTION FOR INSTITUTIONAL CARE OF MENTALLY RETARDED CHILDREN

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill which will allow amounts paid for the institutional care and training of mentally retarded children of a taxpayer to be deducted for Federal income tax purposes.

The problem of mental retardation is indeed national in scope. The problem is vast and its magnitude is only now commencing to make an impression upon public-minded citizens and professional leaders. We are gradually recognizing the fact that mentally retarded children can be helped.

Mental retardation has no boundaries. It may strike, and does strike, families regardless of economic or fiscal status, race, or color. It is staggering to realize the frequency of occurrence and the number of people directly involved. The National Association for Retarded Children estimates that 300 of the children born every day in the United States are destined to be mentally retarded. Mental retardation is beyond question the most extensive of the crippling conditions which affect our Nation's children. For each 100,000 persons in our population, an estimated 200 are blind, 300 are permanently crippled by polio, 350 by cerebral palsy and 700 by rheumatic heart conditions and 3,000 individuals are mentally retarded. Estimates reveal that 3 percent of our total population or approximately 4,800,000 United States citizens are retarded to some substantial handicapped degree.

These figures readily show the immensity of one of this country's most extensive health, education, and welfare problems, and I might add, probably the most neglected.

Statistics are not available to show exactly the number of retarded persons there are but on the basis of the most authoritative studies thus far, estimates show that one out of every thousand of our total population is so severely retarded as to require hourly supervision. Four in every thousand persons are capable of being trained to self-care and social adaptability. Twenty-five in every thousand can, with proper schooling, vocational and social guidance, perform useful and productive jobs in our national economy. I call attention to the fact that in each of these three categories, schooling that is specialized so as to provide the social, vocational and self-care training is most vital to the welfare of these handicapped children.

I should also like to mention that the increasing birthrate in our country, together with the longer life span of the severely retarded adds to the numbers of persons for whom provisions of all types of care and schooling is required. In our country in which we are dedicated to providing equal opportunity for all, a climate must be made available in which the individual regardless of mental or physical limitations, can realize the full development of his capabilities.

The problem of adequate schooling of the proper nature for the mentally retarded children of this country is something that is only currently and slowly gaining national attention and momentum. Public institutions provide for the care and training of some 153,000 mentally retarded and epileptics in 1953 according to the United States Public Health Service. There is no adequate statistic available to show the number of mentally retarded children in specialized private schooling facilities. However, it is estimated that the United States Public Health Service found that in 1950–51 approximately $127 million was spent in operating 91 public institutions for the mentally retarded children while the National Association for Retarded Children estimates that perhaps $150 million a year is spent for the retardation in both public and private institutions.

The immediate problem with which I am greatly concerned today is the amount of money expended by parents of mentally retarded children in their care and training in institutions and schools. The economic inroads on family incomes cannot be accurately assessed, but they, nevertheless, are real and disrupting to any family so involved. Such expenses, depending upon the institution or school, may range from several hundred dollars to several thousand dollars per year and such costs may be occasioned in both public institutions as well as private schools. From the time parents suspect something may be wrong with their child; that is, their child is not developing at a normal rate, to final acceptance of the condition, the parents have expended large sums of money and depleted their financial resources in search of competent diagnosis, counsel, and treatment. The toil upon the finances and mental health of the parents is frequently so severe as to permanently disrupt family relations. Such obstacles to family companionship and unity may affect even and often do, the normal children in the family and the experience of being the parent of a mentally retarded child is sometimes so disturbing that even religious faith is taxed. It is quite important that we not only recognize the problems that confront such parents, but that we give as much encouragement as we can to them in meeting these problems. After all, it is the parents who through love and other fine emotions keep the number of retarded children on the public assistance rolls as low as it is.

It is true that in this country there is indeed a lack of adequate training and teaching facilities, both public and private. In the great State of Missouri, this lack of adequate facilities has been superbly illustrated by a series of articles written by Mr. Morton Mintz which appeared last July and August in the St. Louis Globe-Democrat. For the information of my colleagues in the Congress of the United States and for the interested public, I am inserting these articles for printing in the Record.

The gentleman from Rhode Island, Congressman Fogarty, has been most helpful in the initiation of a new program for the mentally retarded children of this country. As you know, in the consideration of the bill—H. R. 9720—making appropriations for the Department of Health, Education, and Welfare, moneys are provided for medical research, a new education program, and items of maternal and child health for the mentally retarded.

The gentleman from Massachusetts, Congressman Boland, pointed out on March 5, that the immensity of the mental retardation problem is beginning to drawn upon the people of the country and with the dawning is the growing desires of our people to help solve or at least alleviate the courageous burden families are carrying. He further indicated the problem was too big and too severe for individuals or even groups to master and that the responsibility rests upon the Government to shoulder the bulk of the program.

It is my feeling and firm belief that parents who are able and willing to pay for schooling, care, and training of their children, should do so. Such care and training is directly in the nature of a medical expense in the broad sense and in this connection the existing provisions in the Internal Revenue Code of 1954 are not sufficiently broad that a taxpayer may deduct for income tax purposes his expenses for the school care of a mentally retarded dependent.

As pointed out earlier, many of the retarded children in such schools require hourly attention and are unable to provide themselves with even the simplest of their requirements. Others with adequate schooling and care and training can be made marginally independent. In both extremes, medical counseling and treatment is of vital importance in alleviation and mitigation of the condition.

Section 213 of the Internal Revenue Code presently allows a deduction of certain medical care expenses of the taxpayer and these are defined to mean amounts paid for diagnosis, care, mitigation, treatment, and prevention of disease. Amounts expended for such care and training designed to alleviate mental or physically handicapped are also deductible. However, amounts paid for care in a specialized school for the handicapped are not specifically included as allowable deductions for income tax purposes. I feel such expenditures for institutional care and training of a mentally retarded child should be classified as permissible deductions for Federal income tax purposes and I submit that the bill which I have introduced today will encourage, lend support, and give some measure of relief to those parents who are able to participate by the extension of schooling to their mentally retarded offspring. This bill is but a small, though important, step in the path of advancement now being made in the field of mental retardation.

EIGHTH ANNIVERSARY OF THE FOUNDING OF ISRAEL

Mr. KEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KEAN. Mr. Speaker, today marks the eighth anniversary of the founding of the gallant little nation of Israel.

We in the United States have looked with sympathy on its aspirations. We have admired its achievements.

But today war clouds hover over Israel and its valiant sons and daughters. Many of its neighbors are looking upon Israel with hostile eyes. Some say the spur for that hostility comes from outside of the Middle East.

But no matter where the truth lies, all of the nations of the world and their leaders must be made to realize unequivocally that Israel is here to stay.

There can be no compromise on that score and as Secretary of State John Foster Dulles so clearly stated just a few weeks ago:

> The preservation of Israel is a basic tenet of American foreign policy.

I stand foursquare for that stated policy.

Peaceful cooperation is the best answer for the troubled Middle East and for all the world. Through it improved conditions of life can be achieved by both Arab and Jew.

I have confidence that that good sense of the peoples of the Middle East will in the long run bring about this cooperation for the good of all—and for the maintenance of peace in that troubled corner of the world.

It is fervently hoped that one result of Secretary General Dag Hammarskjold's present visit to the Middle East will be the creation of the atmosphere necessary for the development of this peaceful cooperation.

In the meantime, I salute Israel's birthday and wish it well with the firm conviction this gallant nation will live on forever as an important member in the world family of nations.

TRAINING OF MARINES

Mrs. ROGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, although I do not desire at this time or at any time to prejudge any action involving our military services, I have been thinking a great deal of the tragedy which occurred in the training of our marines at Parris Island last week. It is not my purpose to condemn, nor is it my purpose to justify the tragedy which occurred, but it is my purpose to try, if I may, to show the importance of exercising great caution in regard to this whole situation.

Six young men died last week at the United States Marine training camp at Parris Island. It cannot be said they died because the training was too rigorous. It cannot be said they died because of a failure in judgment. It cannot be said they died because of the system employed. It might be said that probably their tragic deaths are due almost wholly to accident. Now there is no argument about the fact that accidents generally happen because of the failure to act or because of incorrect action or because of a fault.

The finest military organization in the world today is the United States Marine Corps. Their tremendous accomplishments in time of war, their heroism, their courage, their driving force represent a mountain of evidence as to the greatness of their quality. An examination of history will disclose that never on the field of human conflict has the ability, the courage and the power of the United States Marine Corps ever been equaled.

This eminent record of achievement has not come about easily. It is the result of the terrific attention to training of each individual Marine, a training to defend himself as well as to win out in any conflict with an enemy, a training to handle himself completely, individually, or in a group, a training to make each marine completely dependent upon himself, a training with others in the form of a team. Because of this training and the great accomplishments of the Marines for the United States of America, and for the cause of freedom, there is an esprit de corps in the United States Marine Corps unequaled in the entire world.

The training is rigorous. It is tough. It is demanding. It is strenuous. It requires full employment of a young man's mental and physical qualities. The one thing that we must not forget is that because of this training when a marine is facing his enemy, he has the advantage. The marine has a better chance to survive than does his enemy because he is the better trained. Only survivors win wars. The men who die pay for them, but they do not win them.

In our thinking about this tragedy at Parris Island, let us not lose our focus upon the objective, and that is to train these young men so that they might live when they are face to face with the enemy. In our other military forces, we train pilots and men to operate all kinds of machines of war. In the training of these men deaths occur due to accidents. Because of these accidents, however, the training of the men who follow is always just a little better. So it is and will be in the Marine Corps because of these tragic deaths at Parris Island. Let us make sure, let us be certain the young men who follow in training in the Marine Corps will be better trained.

It is easy to say, "Oh, this training is too difficult." It certainly sounds difficult to the average person sitting comfortably before his television in his comfortable living room. But it is not too difficult when the rigors of modern warfare are considered. In this connection, no training is too difficult. The training of our men must be on such a basis that it will prepare them to have the advantage over the enemy in time of war. Upon this their lives depend.

This morning, it was my pleasure to have breakfast with a wonderfully fine group of boys and girls from Groton, Mass., a part of my district. As we were together, I could not refrain from thinking about the future of these fine boys sitting to my right and to my left in the breakfast room. In this regard I want to emphasize that if any of these fine young men had to go into combat in the defense of their country I would want them to go with the best possible training and the best equipment our country could give them. In this way, I believe they not only would be of great service to their country but they would be able to defend themselves and to prevail against their enemies.

In conclusion, I should like to emphasize again that I hope the Congress and the people of America will bear in mind that our country, the United States of America, requests and demands a very high level of ability, knowledge, courage, and forceful determination from the men who wear the uniform of the United States Marine Corps. As a Nation, we expect them to do the impossible and the United States Marine Corps has never let this Nation down, for they have done the impossible time after time after time.

My plea today then is a plea of caution. Let us not be too hasty to form unwarranted conclusions. At the same time I extend to the families and loved ones of these young men my heartfelt sympathy and assure them these boys have contributed greatly to the efficiency and the quality that we respect so highly in the United States Marine Corps. Let us hold fast to the great qualities of the Marine Corps. Let us bring more and more wisdom into the training of our young men. Let us provide them with the knowledge, the ability, the assurance, together with the faith in themselves and their military service. Do not destroy that which has been nobly constructed out of the fury and fire of victory. May men continue to be proud—proud they are marines.

AGRICULTURAL ACT OF 1956—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 380)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 12, designated as the Agricultural Act of 1956.

It is with intense disappointment and regret that I must take this action. I assure you my decision has been reached only after thorough consideration and searching my mind and my conscience. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems. This bill does not meet their needs.

I am disappointed at the long delays which this legislation encountered. My first special request in this session of the Congress was for prompt remedial farm legislation. A sound, constructive nine-point program to this end was submitted on January 9, with an urgent request for action. It was a program that came from the grassroots. Suggestions and criticisms from large numbers of farm people, in every type of agriculture, from every section of the country, were analyzed and used. It offered no magic panacea because, we can all agree, there is none. It did strike directly at the root of the low-price low-income problem.

The problem is price-depressing surpluses. Excess stocks of certain farm commodities have mounted to market-destroying, price-depressing size as a result of wartime price incentives too long continued. Any forward-looking, sound program to meet the needs of farm people must remove the burden of these accumulations. They are depressing net farm income by many hundreds of millions of dollars a year.

H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people.

The bill is self-defeating. The soil-bank proposal has been incorporated. This would be constructive, had it not been encumbered by contradictory provisions. The soil bank would provide an income incentive to farmers to reduce production temporarily so that surplus stocks might be reduced. Other provisions of this bill, however, would result in an equal or greater incentive to increase production and accumulate more surplus.

Among the provisions which make this bill unacceptable are: (1) the return to wartime rigid 90 percent of parity supports for the basic commodities; (2) dual parity for wheat, corn, cotton, and peanuts; (3) mandatory price supports for feed grains; (4) multiple-price plans for wheat and rice. The effect of these provisions would be to increase the amount of Government control and further add to our price-depressing surpluses.

Specific objections relative to each of these provisions may be summarized as follows:

1. Price supports at wartime 90 percent of parity on basic crops were in effect in each year from 1944 through 1954. They were not responsible for the high commodity prices and high farm income of wartime and the immediate postwar years. Prices were then above support levels due to wartime inflation and the insatiable markets associated with war. Neither did 90 percent supports prevent prices from falling as postwar surplus stocks began to accumulate.

Price supports at wartime 90 percent on the 6 designated basic crops did encourage production of these crops relative to others. At the same time consumption was discouraged and the use of substitutes was stimulated. Market outlets shrank, and surplus accumulations mounted. Acreage controls had to be invoked, thereby rationing the right to produce. Wheat acreage was reduced from 79 to an allotment of 62 and then to the present 55 million acres. Cotton was cut from 25 to 20 and then on down to the present 17 million acres. These drastic reductions, forced by the application of the price-support law, penalized many farmers directly by resulting in shrunken volume and uneconomic farming operations. In addition, acreage diverted from the basic crops shifted surplus problems into many other crops and livestock. Now almost every farmer is adversely affected, regardless of what crops or livestock he raises.

If wartime rigid 90 percent supports were the answer to the problem of our farm families, there would now be no problem.

Farm incomes have declined in every year except one between 1947 and 1954, and in all these years 90 percent supports were in effect.

Farmers are not interested in price alone. What they really want for their families is more net income, which is affected by volume and costs as well as by price. The 90 percent of parity approach focuses on support price alone.

To return now to wartime 90 percent supports would be wrong. Production would be stimulated. Markets would be further destroyed, instead of expanded as must be done. More surplus would accumulate—and surpluses are price depressing. Regimentation by ever stricter production controls would be the end result.

It is inconceivable that we should ask farm families to go deeper into this self-defeating round of cause and effect.

2. The provision for dual parity would result in a permanent double standard of parity for determining price supports. Four crops would receive preferential treatment out of 160 products for which parity prices are figured. There is no justification in logic or in equity for such preferential treatment.

Particularly is this true because, under the working of the modernized parity formula enacted by the Congress, increasing the parity prices of some commodities automatically lowers the parity prices of all other commodities. If parity prices for wheat, corn, cotton, and peanuts are to be higher, then parity prices of the other products must be lower.

To whatever degree prices would be further artificially raised there would be a corresponding stimulus to production, more controls on farmers, reduced consumption, increased accumulations, and lower prices in the market. Such a device for parity manipulations could destroy the parity concept itself. It places a potent weapon in the hands of opponents of all price supports for farmers. We have no right to place the welfare of our farm families in such jeopardy.

3. The provision for mandatory supports on the feed grains would create more problems for farmers. The market for feed grains would shrink as livestock production would come to depend more on forage and less on grain. The flow of feed grains into Government stocks would increase and production controls would necessarily be intensified. Price relationships between feed, livestock and livestock products would be distorted. Producers of feeder cattle, feeder lambs, and feeder pigs would be faced with downward pressure on prices. An imbalance would develop between feed crops and livestock products, with all its adverse consequences.

4. The multiple-price plans for wheat and rice would have adverse effects upon producers of other crops, upon our relations with friendly foreign nations, and upon our consumers.

There are other serious defects in the bill such as certain provisions found in the section dealing with the dairy industry. Still other features are administratively bad and would require the hiring of thousands of additional inspectors and enforcers.

I recognize that the restoration by H. R. 12 of wartime mandatory 90 percent price supports applies only to 1956 crops. This, in combination with other objectionable features of the bill, would put us back on the old road which has proved so harmful to farmers.

Bad as some provisions of this bill are, I would have signed it if in total it could be interpreted as sound and good for farmers and the Nation.

After the most careful analysis I conclude that the bill is contradictory and self-defeating even as an emergency relief measure and it would lead to such serious consequences in additional surpluses and production controls as to further threaten the income and the welfare of our farm people.

Because the good features of the bill are combined with so much that would be detrimental to farmers' welfare, to sign it would be to retreat rather than advance toward a brighter future for our farm families.

We now have sound and forward-looking legislation in the Agricultural Act of 1954. Neither that act, nor any other, can become fully effective so long as it is smothered under the vast surpluses that have accumulated. We imperatively need remedial legislation to remove this burden and enable the fundamentally sound program provided in the act of 1954 to become workable. Such remedial measures were proposed in my message of January 9.

I am keenly mindful that the failure of the Congress to enact a good new farm bill can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately. Particularly, the failure to enact a Soil Bank before planting time this year makes such administrative efforts imperative.

Consequently, we are going to take prompt and decisive administrative action to improve farm income now. I have conferred with the Secretary of Agriculture and the administration is moving immediately on four major fronts:

1. In 1956, price supports on five of the basic crops—wheat, corn, cotton, rice and peanuts—will be set at a level of at least 82½ percent of parity. Tobacco will be supported as voted in the referendum in accordance with existing law.

Within this range of price support flexibility, the administration intends to set minimum support levels that will result in a national average of:

Wheat at $2 a bushel.

Corn at $1.50 a bushel.

Rice at $4.50 per hundred pounds.

A separate support for corn not under acreage control in the commercial corn area will be announced at an early date.

Price supports on cotton and peanuts have not yet been announced but will be at least 82½ percent of parity.

The Secretary of Agriculture will announce shortly the details of the new cotton export sales program.

2. For this year the support price of manufacturing milk will be increased to $3.25 per hundred pounds. The support price of butterfat will be increased to 58.6 cents a pound.

3. We will use Department of Agriculture funds, where assistance will be constructive, to strengthen the prices of perishable farm commodities. We will have well over $400 million for that purpose for the year beginning July 1.

These actions the administration will take immediately.

I now request Congress to pass a straight soil-bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound Soil Bank Act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

This combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families.

Here is a challenge for both the legislative and executive branches of the Federal Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 16, 1956.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and without objection the bill and message will be ordered printed.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the further consideration of the message be postponed until Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMENDING THE FEDERAL PROPERTY ACT OF 1949

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLFUL DESTRUCTION OF AIRCRAFT OR MOTOR VEHICLES

The Clerk called the bill (H. R. 319) to punish the malicious destruction of aircraft and attempts to destroy aircraft.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL MOTTO

The Clerk read the resolution (H. J. Res. 396) to establish a national motto of the United States.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the national motto of the United States is hereby declared to be "In God we trust."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF LAND TO MUSKOGEE, OKLA.

The Clerk called the bill (H. R. 7679) to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is authorized and directed to convey by quitclaim deed to the city of Muskogee, Okla., all the right, title, and interest of the United States in and to a tract of land containing approximately nine acres located north of the existing Veterans' Administration hospital reservation situate in Muskogee County, State of Oklahoma, likewise being a portion of certain lands conveyed to the United States by the city of Muskogee by warranty deed dated March 17, 1945, recorded in the office of the clerk of Muskogee County on June 23, 1945, in book 839, pages 432 to 434, the exact courses and distances of the perimeter of which shall be determined and approved by the Administrator of Veterans' Affairs. The city of Muskogee shall pay the cost of surveys as may be required by the Administrator of Veterans' Affairs in determining the required legal description.

SEC. 2. There shall be reserved to the United States all minerals, including oil and gas, in the lands authorized for conveyance by section 1, and the deed of conveyance shall continue such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

SEC. 3. The deed of conveyance shall provide that the tract of land authorized to be conveyed by section 1 of this act shall be used by the city of Muskogee, Okla., for such purposes as will not, in the judgment of the Administrator of Veterans' Affairs or his designate, interfere with the care and treatment of patients in the Veterans' Administration Hospital, Muskogee, Okla., and that if such provision is violated, title to the tract shall revert to the United States.

With the following committee amendment:

Page 1, line 7, strike out "nine" and insert "eight and sixteen one-hundredths."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TRANSFERRED TO ROSEBURG, OREG.

The Clerk called the bill (H. R. 8123) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Roseburg, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subject to section 2 of this act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Roseburg, Oreg., all of the right, title, and interest of the United States in and to a tract of land containing 125 acres, more or less, situated in the Veterans' Administration hospital reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs.

SEC. 2. The conveyance authorized by this act (1) shall provide that the tract of land so conveyed shall be used for park purposes, and shall be available for recreational use by the patients of the Veterans' Administration Hospital, Roseburg, Oreg., under the same conditions as it may be made available to the public, so long as the property is used for the purpose conveyed, and if it shall ever cease to be used for such park purposes the title to such property shall revert to the United States, which shall have immediate right of reentry thereon, (2) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (3) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

With the following committee amendments:

Page 1, line 4, strike out "Veterans' Affairs" and insert "General Services."

Page 2, line 16, strike out "Veterans' Affairs" and insert "General Services."

The committee amendments were agreed to.

Mr. ELLSWORTH. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLSWORTH: On page 1, line 7, after the word "and", strike out "twenty-five" and insert "sixty-three."

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Michigan.

Mr. FORD. Is it true that the amount originally included in the bill and the amount in this bill was donated to the Federal Government by the city of Roseburg?

Mr. ELLSWORTH. Yes, that is correct. The city of Roseburg in 1932 donated to the Federal Government 413.7 acres of land. The Veterans' Administration now find that they have no further use for the total of 163 acres of land which the city of Roseburg is ready and willing to make into a park, and the bill requires that the land, when transferred to the city, be used for that purpose.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Oreg."

A motion to reconsider was laid on the table.

LAND TRANSFER TO BONHAM, TEX.

The Clerk called the bill (H. R. 8490) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

LAND TRANSFER TO THE CITY OF BILOXI, MISS.

The Clerk called the bill (H. R. 8674) to provide for the return of certain property to the city of Biloxi, Miss.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I should like to ask the author of the bill or the chairman of the committee this question. This land, as I understand it, was originally donated to the Federal Government by the city of Biloxi; is that correct?

Mr. COLMER. Mr. Speaker, may I say to the distinguished gentleman that that is correct, with the exception of 3 or 4 acres. In other words, the bill authorizes the conveyance of 144 acres, 139 of which were conveyed by the city to the Veterans' Administration.

Mr. FORD. The net result is that the Federal Government is transferring back a small portion of the total which was originally donated by the city of Biloxi?

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. That is true. The Federal Government paid something for a part of this land but the land is to be used for a park in connection with the hospital. Certainly the hospital will gain something from that. Most of the land was donated by the city of Biloxi to the Veterans' Administration.

Mr. COLMER. Mr. Speaker, I thank my friend the chairman of the committee. One hundred and thirty-nine acres were donated outright, out of the total of 144.

Mr. FORD. I assume that in this deed any of the ordinary rights under which the Government protects itself would be included?

Mr. COLMER. I assume so.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this act, the Administrator of Veterans' Affairs shall reconvey to the city of Biloxi, Miss., all right, title, and interest of the United States in and to a tract of land containing 144 acres, more or less, which constitutes a portion of land heretofore given to the United States by the city of Biloxi, and is located in the Veterans' Administration reservation in that city. The exact legal description of the land to be conveyed shall be determined by the Administrator.

SEC. 2. The deed of conveyance authorized under the provisions of this act may contain such terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

With the following committee amendments:

On page 1, line 4, strike out "reconvey" and insert "convey".

On page 1, line 7, after the word "less", insert "one hundred thirty-nine acres of".

On page 1, line 7, strike out "constitutes" and insert "constitute".

On page 1, line 11, strike the period, insert a comma, and the following, "and in the event a survey is required in order to make such determination, the city of Biloxi shall bear the expense thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TITLE III OF SERVICEMEN'S READJUSTMENT ACT

The Clerk called the bill (H. R. 9260) to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this is in a way a very laudable bill and one which in all probability would pass by almost a unanimous vote in the House. However, it is opposed by the Veterans' Administration. It is a complicated bill dealing with the loan title of the GI bill of rights. It is one that in my opinion every Member of the House should be fully informed upon before it is passed and should have an opportunity to express himself on it and probably there should be a record vote. For those reasons, Mr. Speaker, I believe it is not a proper bill to be considered on the Consent Calendar, and therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXPEDITING PROCESSING DIRECT LOAN APPLICATIONS

The Clerk called the bill (H. R. 9263) to amend title III of the Servicemen's Readjustment Act to remove certain impediments to the processing of applications for Veterans' Administration direct loans, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

UNIFORM LAW GOVERNING PAYMENT OF COMPENSATION FOR SERVICE-CONNECTED DISABILITY OR DEATH

The Clerk called the bill (H. R. 10046) to simplify and make more nearly uniform the laws governing the payment of compensation for service-connected disability or death, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KEATING. Reserving the right to object, and I do not think I will object, will the gentleman from Texas explain what this bill does?

Mr. TEAGUE of Texas. Mr. Speaker, this bill seeks to place in one law all the laws now on the statute books providing for payment on service-connected disabilities or for the compensation of veterans and their dependents. The bill is the result of an extensive study by the staff of the committee and representatives of the Veterans' Administration. It would not increase any rate of compensation nor would it decrease any rate of compensation. The four major veterans' organizations all approve the bill. The Veterans' Administration, the Bureau of the Budget, and the General Accounting Office all indicate their approval. There will be no additional cost involved and, perhaps, there will be some saving.

Mr. KEATING. Mr. Speaker, it seems to me this is a very constructive measure because this will enable veterans' organizations or individual Members of the Congress to look in one place to find out what law controls as to compensation for service-connected disability or death. I commend the committee for reporting this bill. I think it is a fine measure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

TITLE I—SHORT TITLE AND STATEMENT OF POLICY

Short Title

SEC. 101. This act may be cited as the "Veterans Compensation Act of 1955."

Statement of Policy

SEC. 102. It is the intent of the Congress in enacting this legislation (a) to simplify and make more nearly uniform the extensive body of existing legislation authorizing and governing the payment of compensation for service-connected disability or death to persons who served in the military, naval, or air service of the United States during a period of war or armed conflict or during peacetime service, and to their surviving widows, children, and dependent parents; (b) to incorporate in one act, insofar as practicable, the provisions of law relating to compensation and the ancillary benefits of financial assistance for specially adapted housing and automobiles to certain disabled veterans; and (d) to repeal those provisions of law relating to such benefits which are obsolete, executed, or in conflict with the provisions of this act.

TITLE II—DEFINITIONS

SEC. 201. For the purposes of this act—

(a) The term "Administrator" means the Administrator of Veterans' Affairs;

(b) The term "military, naval, or air service" means service in the United States Army, Navy, Air Force, Marine Corps, or Coast Guard (on or after January 28, 1915), including the Reserve components thereof.

(c) The term "veteran" means a person who served in the active military, naval, or air service and who was separated therefrom under conditions other than dishonorable, or who died during such service.

(d) The term "period of war" means any of the following periods:

(1) Spanish-American War, including the Philippine Insurrection and the Boxer Rebellion: April 21, 1898, through July 4, 1902. If the veteran was serving with the United States military forces engaged in the hostilities in the Moro Province, the foregoing period shall be extended through July 15, 1903;

(2) World War I: April 6, 1917, through November 11, 1918. Where there was service after November 11, 1918, which comenced on or before that date, the war period shall be extended through July 1, 1921. If the veteran was serving with the United States military forces in Russia, the foregoing period ending November 11, 1918, shall be extended through April 1, 1920. Service prior to July 2, 1921, in a reenlistment on or after November 12, 1918, and prior to July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918 shall be considered World War I service;

(3) World War II: December 7, 1941, through December 31, 1946. Where there was service after December 31, 1946, which commenced on or before that date, the war period shall be extended through July 25, 1947;

(4) Korean conflict: June 27, 1950, through January 31, 1955.

(5) The period beginning with any future declaration of war by the Congress and terminating on a date fixed by Presidential proclamation or concurrent resolution of the Congress.

(e) The term "widow" means a woman—

(1) who was married to the deceased veteran prior to the expiration of ten years subsequent to his separation from the period of service during which the injury or disease, on account of which claim is being filed, was incurred or aggravated, or

(2) who was married to the deceased veteran for ten or more years prior to the date of his death;

and who lived with him continuously from the date of marriage to the date of his death, except where there was a separation which was due to the misconduct of or procured by the veteran without the fault of the woman, and who has not remarried;

(f) The term "child" means a person who is unmarried, and—

(1) who is under the age of eighteen years, or

(2) who, prior to reaching the age of eighteen years, becomes or has become permanently incapable of self-support by reason of mental or physical defect, or

(3) who, after reaching the age of 18 years and until completion of education or training (but not after reaching the age of 21 years), is or may hereafter be pursuing a course of instruction at a school, college, academy, seminary, technical institute, or university, particularly designated by him and approved by the Administrator, which shall have agreed to report to the Administrator the termination of attendance of such child, and if any such institution of learning fails to make such report promptly the approval shall be withdrawn

and who is a legitimate child; a child legally adopted; a stepchild if a member of the veteran's household; or an illegitimate child but as to the father, only if acknowledged in writing, signed by him, or if he has been judicially ordered or decreed to contribute to the child's support or has been, prior to his death, judicially decreed to be the putative father of such child, or if he is otherwise shown by evidence satisfactory to the Administrator to be the putative father of such child;

(g) (1) The term "parent" means a father, mother, father through adoption, mother through adoption, and persons who have stood in loco parentis to a veteran at any time prior to entry into active service, for a period of not less than 1 year. Not more than 1 father and 1 mother shall be recognized in any case, and preference shall be given to such father and mother who actually exercised parental relationship at the time of, or most nearly prior to, the date of entry into active service by the veteran.

(2) The dependency of a parent, which may arise either prior or subsequent to the death of the veteran, shall be determined in accordance with regulations prescribed by the Administrator: *Provided*, That the dependency of a parent shall not be denied solely because of remarriage: *Provided further*, That the dependency of a parent shall not be denied in any case where the monthly income for a mother or father, not living together, does not exceed $105, or where the monthly income for a mother and father, living together, does not exceed $175, plus, in either case, $45, for each additional member of the family whom the father or mother is under moral or legal obligation to support, as determined by the Administrator. In determining monthly income, any payments by the United States Government because of disability or death under laws administered by the Veterans' Administration shall not be considered.

(h) The term "chronic disease" includes—

Anemia, primary
Arteriosclerosis
Arthritis
Atrophy, progressive muscular
Brain hemorrhage
Brain thrombosis
Bronchiectasis
Calculi of the kidney, bladder, or gallbladder
Cardiovascular-renal disease, including hypertension
Cirrhosis of the liver
Coccidioidomycosis
Diabetes mellitus
Encephalitis lethargica residuals
Endocarditis
Endocrinopathies
Epilepsies
Hodgkin's disease
Leprosy
Leukemia
Myasthenia gravis
Myelitis
Myocarditis
Nephritis
Other organic diseases of the nervous system
Osteitis deformans (Paget's disease)
Osteomalacia
Palsy, bulbar
Paralysis agitans
Psychoses
Purpura idiopathic, hemorrhage
Raynaud's disease
Sarcoidosis
Scleroderma
Sclerosis, amyotrophic lateral
Sclerosis, multiple
Syringomyelia
Thromboangiitis obliterans (Buerger's disease)
Tuberculosis, active

Tumors, malignant, or of the brain or spinal cord or peripheral nerves

Ulcers, peptic (gastric or duodenal)

and such other chronic diseases as the Administrator may add to this list;

(l) The term "tropical disease" includes—

Amebiasis
Blackwater fever
Cholera
Dracontiasis
Dysentery
Filiariasis
Leishmaniasis, including kala-azar
Leprosy
Loiasis
Malaria
Onchocerciasis
Oroya fever
Pinta
Plague
Schistosomiasis
Yaws
Yellow fever

and such other tropical diseases as the Administrator may add to this list.

TITLE III—COMPENSATION FOR SERVICE-CONNECTED DISABILITY OR DEATH

Part I—Wartime disability compensation

Basic Entitlement

Sec. 301. For disability resulting from personal injury suffered or disease contracted in line of duty, or for aggravation of a preexisting injury suffered or disease contracted in line of duty, in the active military, naval, or air service, during a period of war, the United States will pay to any veteran thus disabled and who was discharged under conditions other than dishonorable from the period of service in which said injury or disease was incurred, or preexisting injury or disease was aggravated, compensation as hereinafter provided in this part, but no compensation shall be paid if the disability is the result of the veteran's own willful misconduct.

Provisional Acceptance

Sec. 302. Any person, who, on or after April 6, 1917, and prior to November 12, 1918, (a) applied for enlistment or enrollment in the active military, naval, or air service and was provisionally accepted and directed or ordered to report to a place for final acceptance into such service, or (b) was drafted for military, naval, or air service and after reporting pursuant to the call of his local draft board and prior to rejection, or (c) after being called into the Federal service as a member of the National Guard but before being enrolled for the Federal service, suffered an injury or contracted a disease in line of duty and not the result of his own misconduct, will be considered to have incurred such disability in the active military, naval, or air service. Such person and his dependents will be entitled to compensation provided by this title for veterans of World War I and their dependents.

Presumptions

Sec. 303. For the purposes of section 301 hereof, every veteran shall be taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, infirmities, or disorders noted at the time of the examination, acceptance, and enrollment, or where clear and unmistakable evidence demonstrates that the injury or disease existed prior to acceptance and enrollment and was not aggravated by such service.

Sec. 304. For the purposes of section 301 hereof, and subject to the provisions of section 305 hereof, in the case of any veteran who served for 90 days or more during a period of war—

(a) a chronic disease becoming manifest to a degree of 10 percentum or more within 1 year from the date of separation from such service;

(b) a tropical disease, and the resultant disorders or disease originating because of therapy, administered in connection with such diseases, or as a preventative thereof, becoming manifest to a degree of 10 percentum or more within 1 year from the date of separation from such service, or at a time when standard or accepted treatises indicate that the incubation period thereof commenced during such service;

(c) active tuberculous disease developing a 10 percent degree of disability or more within 3 years from the date of separation from such service;

(d) multiple sclerosis developing a 10 percentum degree of disability or more within 2 years from the date of separation from such service;

shall be considered to have been incurred in or aggravated by such service, notwithstanding there is no record of evidence of such disease during the period of service.

Sec. 305. (a) Where there is affirmative evidence to the contrary, or evidence to establish that an intercurrent injury or disease which is a recognized cause of any of the diseases within the purview of section 304 hereof, has been suffered between the date of separation from service and the onset of any of such diseases, or the disability is due to the veteran's own misconduct, service connection pursuant to section 304 hereof will not be in order.

(b) Nothing in section 304 or subsection (a) of this section shall be construed to prevent the granting of service connection for any disease or disorder otherwise shown by sound judgment to have been incurred in or aggravated by active military, naval, or air service.

Rates

Sec. 306. For the purposes of section 301 of this act—

(a) if and while the disability is rated 10 percentum the monthly compensation shall be $17;

(b) if and while the disability is rated 20 percentum the monthly compensation shall be $33;

(c) if and while the disability is rated 30 percentum the monthly compensation shall be $50;

(d) if and while the disability is rated 40 percentum the monthly compensation shall be $66;

(e) if and while the disability is rated 50 percentum the monthly compensation shall be $91;

(f) if and while the disability is rated 60 percentum the monthly compensation shall be $109;

(g) if and while the disability is rated 70 percentum the monthly compensation shall be $127;

(h) if and while the disability is rated 80 percentum the monthly compensation shall be $145;

(i) if and while the disability is rated 90 percentum the monthly compensation shall be $163;

(j) if and while the disability is rated as total the monthly compensation shall be $181;

(k) if the veteran, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of a creative organ, or one foot, or one hand, or blindness of one eye, having only light perception, the rate of compensation therefor shall be $47 per month independent of any other compensation provided in subsections (a) through (j) of this section; and in the event of anatomical loss or loss of use of a creative organ, or one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subsections (l) through (n) of this section, the rate of compensation shall be increased by $47 per month for each such loss or loss of use, but in no event to exceed $420 per month;

(l) if the veteran, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly compensation shall be $279;

(m) if the veteran, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly compensation shall be $329;

(n) if the veteran, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly compensation shall be $371;

(o) if the veteran, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of subsections (l) through (n) of section 306, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly compensation shall be $420;

(p) in the event the veteran's service-incurred disabilities exceeded the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $420; and

(q) if the veteran is shown to have had a service-incurred disability resulting from an active tuberculous disease, which disease in the judgment of the Administrator has reached a condition of complete arrest, the monthly compensation shall be not less than $67.

Sec. 307. (a) Any veteran entitled to compensation at the rates provided in section 306 of this Act, and whose disability is rated not less than 50 percentum, shall be entitled to additional compensation for dependents in the following monthly amounts:

(1) If and while rated totally disabled and—

(a) has a wife but no child living, $21;

(b) has a wife and one child living, $35;

(c) has a wife and two children living, $45.50;

(d) has a wife and three or more children living, $56;

(e) has no wife but one child living, $14;

(f) has no wife but two children living, $24.50;

(g) has no wife but three or more children living, $35; and

(h) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $17.50 for each parent so dependent.

(2) If and while rated partially disabled, but not less than 50 percentum, in an amount having the same ratio to the amount specified in subsection (1) hereof as the degree of his disability bears to total disability.

(b) The additional compensation for a dependent or dependents provided by this section shall not be payable to any veteran during any period he is in receipt of an increased rate of subsistence allowance or education and training allowance on account of a dependent or dependents under any other law administered by the Veterans' Administration.

The veteran may elect to receive whichever is the greater.

Part II—Wartime death compensation

Basic Entitlement

Sec. 311. The surviving widow, child or children, and dependent parent or parents of any veteran who died as the result of injury

or disease incurred in or aggravated by active military, naval, or air service in line of duty during a period of war, shall be entitled to receive compensation at the monthly rates specified in section 312.

Rates

Sec. 312. The monthly rates of death compensation shall be as follows:

(a) Widow but no child, $87;

(b) Widow with one child, $121 (with $29 for each additional child);

(c) No widow but one child, $67;

(d) No widow but two children, $94 (equally divided);

(e) No widow but three children, $122 (equally divided) (with $23 for each additional child, total amount to be equally divided);

(f) Dependent mother or father, $75;

(g) Dependent mother and father, $40 each.

Part III—Peacetime disability compensation

Basic Entitlement

Sec. 321. For disability resulting from personal injury suffered or disease contracted in line of duty, or for aggravation of a preexisting injury suffered or disease contracted in line of duty in the active military, naval, or air service during other than a period of war, the United States will pay to any veteran thus disabled and who was discharged under conditions other than dishonorable from the period of service in which said injury or disease was incurred, or preexisting injury or disease was aggravated, compensation as hereinafter provided in this part, but no compensation shall be paid if the disability is the result of the veteran's own willful misconduct.

Provisional Acceptance

Sec. 322. Any person who, on or after August 27, 1940, and prior to January 1, 1947, or during the Korean conflict period (a) applied for enlistment or enrollment in the active military, naval, or air service and was provisionally accepted and directed or ordered to report to a place for final acceptance into such service, (b) was selected for military, naval, or air service and after reporting pursuant to the call of his local draft board and prior to rejection, or (c) after being called into the Federal service as a member of the National Guard but before being enrolled for the Federal service, suffered an injury or contracted a disease in line of duty and not the result of his own misconduct, will be considered to have incurred such disability in the active military, naval, or air service. Such person and his dependents will be entitled to compensation provided by this title for veterans of service during other than a period of war and their dependents. If the disability was incurred on or after December 7, 1941, and prior to January 1, 1947, or during the Korean conflict period, the applicable rates of compensation provided by parts I and II hereof shall be payable.

Presumptions

Sec. 323. For the purposes of section 321 hereof, every person employed in the active military, naval, or air service for 6 months or more shall be taken to have been in sound condition when examined, accepted, and enrolled for service, except as to defects, infirmities, or disorders noted at the time of the examination, acceptance, and enrollment, or where evidence or medical judgment is such as to warrant a finding that the disease or injury existed prior to acceptance and enrollment.

Sec. 324. (a) For the purposes of section 321, and subject to the provisions of subsections (b) and (c) of this section, any veteran who served for 6 months or more and contracts a tropical disease or a resultant disorder or disease originating because of therapy administered in connection with a tropical disease, or as a preventative thereof, shall be deemed to have incurred such disability in the active military, naval, or air service when it is shown to exist within 1 year after separation from active service, or at a time when standard and accepted treatises indicate that the incubation period thereof commenced during active service.

(b) Service connection shall not be granted pursuant to subsection (a), in any case where the disease or disorder is shown by clear and unmistakable evidence to have had its inception prior or subsequent to active service.

(c) Nothing in this section shall be construed to prevent the granting of service connection for any disease or disorder otherwise shown by sound judgment to have been incurred in or aggravated by active service.

Rates

Sec. 325. For the purposes of section 321 of this act, the compensation payable for the disability shall be equal to 80 percentum of the compensation now or hereafter payable for such disability under section 306 of this act, adjusted upward or downward to the nearest dollar.

Sec. 326. Any veteran entitled to compensation at the rates provided in section 325 of this act, and whose disability is rated not less than 50 percentum, shall be entitled to additional monthly compensation for dependents equal to 80 percentum of the additional compensation for dependents provided in section 307, and subject to the limitations thereof.

Sec. 327. Any veteran otherwise entitled to compensation under the provisions of this part shall be entitled to receive the rate of compensation provided in sections 306 and 307 of this act, if the disability of such veteran resulted from an injury or disease received in line of duty (1) as a direct result of armed conflict, (2) while engaged in extrahazardous service, including such service under conditions simulating war, or (3) on or after January 1, 1947, and prior to July 26, 1947.

Part IV—Peacetime death compensation

Basic Entitlement

Sec. 331. The surviving widow, child or children, and dependent parent or parents of any veteran who died as the result of injury or disease incurred in or aggravated by active military, naval, or air service, in line of duty, during other than a period of war, shall be entitled to receive compensation as hereinafter provided in this part.

Rates

Sec. 332. For the purposes of section 331 of this act, the death compensation payable shall be equal to 80 percentum of the compensation now of hereafter payable under section 312 of this act.

Sec. 333. The dependents of any deceased veteran otherwise entitled to compensation under the provisions of this part shall be entitled to receive the rate of compensation provided in section 312 of this act, if the death of such veteran resulted from an injury or disease received in line of duty (1) as a direct result of armed conflict, (2) while engaged in extrahazardous service, including such service under conditions simulating war, or (3) on or after January 1, 1947, and prior to July 26, 1947, or (4) while the United States was engaged in any war prior to April 21, 1898.

Part V—General compensation provisions

Persons Heretofore Having a Compensable Status

Sec. 341. The death and disability benefits of title III of this act shall, notwithstanding the service requirements of said title, be granted to persons heretofore recognized by law as having a compensable status, including persons whose claims are based on war or peacetime service rendered prior to April 21, 1898.

Philippine Army and Philippine Scouts

Sec. 342. (a) For the purposes of this title, service in the organized military forces of the Government of the Commonwealth of the Philippines, while such forces were in the service of the Armed Forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941, and prior to July 1, 1946, shall be deemed to be active military, naval, or air service: *Provided*, That payments of disability or death compensation based upon such service shall be paid at the rate of 1 Philippine peso for each dollar authorized to be paid under this title.

(b) Payments of disability or death compensation based upon service in the Philippine Scouts, under the provisions of section 14 of the Armed Forces Voluntary Recruitment Act of 1945 (59 Stat. 543), as amended (10 U. S. C. 637), shall be paid at the rate of 1 Philippine peso for each dollar authorized to be paid under this title.

Provisions for Filing Claims

Sec. 343. A specific claim for benefits under this title must be filed with the Veterans' Administration, on a form prescribed by the Administrator, by a claimant who is not already on the compensation or pension rolls of the Veterans' Administration.

Certain Bars To Benefits

Sec. 344. (a) The discharge or dismissal by reason of the sentence of a general court-martial of any person from the military, naval, or air service, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under this act: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under this act.

(b) The discharge or dismissal of any person from the military, naval, or air service on the grounds that he was guilty of mutiny, treason, spying, or any offense involving moral turpitude, or willful and persistent misconduct of which he was found guilty by a court-martial, or that he was an alien, or a deserter, shall bar all rights to any compensation under this title: *Provided*, That this subsection shall not apply to an alien who volunteered or who was drafted into or who served in the Army, Navy, or Marine Corps of the United States on or after April 6, 1917, and prior to July 2, 1921, who was discharged subsequent to November 11, 1918, or who was not discharged from the service on or prior to November 11, 1918, on his own application or solicitation, by reason of his being an alien, and whose service was honest and faithful: *Provided further*, That in case any person has been discharged or dismissed from the military, naval, or air service as a result of a court-martial trial, and it is thereafter established to the satisfaction of the Administrator that at the time of the commission of the offense resulting in such court-martial trial and discharge such person was insane, such person shall be entitled to compensation under title III hereof: *Provided further*, That discharge or dismissal or finding of guilt for any of the offenses specified in this subsection shall not affect the payment of compensation for disabilities incurred in or aggravated by service in any prior or subsequent enlistment: *And provided further*, That no compensation shall be payable for death inflicted as a lawful punishment for crime or military offense, except when inflicted by the enemy.

(c) Any person shown by evidence satisfactory to the Administrator to be guilty of mutiny, treason, sabotage, or rendering assistance to an enemy of the United States or of its allies shall forfeit all accrued or future benefits under this Act: *Provided*, That the Administrator, in his discretion, may apportion and pay any part of such benefits to the dependents of such person not exceeding the amount to which each dependent would be entitled if such person were dead.

Line of Duty and Misconduct

SEC. 345. An injury or disease incurred during military, naval, or air service will be deemed to have been incurred in line of duty and not the result of the veteran's own misconduct when the person on whose account benefits are claimed was, at the time the injury was suffered or disease contracted, in active military, naval, or air service, whether on active duty or on authorized leave, unless such injury or disease was the result of his own willful misconduct: *Provided*, That venereal disease shall not be presumed to be due to willful misconduct if the person in service complies with the regulations of the appropriate service department requiring him to report and receive treatment for such disease: *Provided further*, That the requirement for line of duty will not be met if it appears that at the time the injury was suffered or disease contracted the person on whose account benefits are claimed (1) was avoiding duty by deserting the service, or by absenting himself without leave materially interfering with the performance of military duties; or (2) was confined under sentence of court-martial or civil court: *Provided, however*, That disease, injury, or death incurred without willful misconduct on the part of the service person shall be deemed to have been incurred in line of duty if the sentence of the court-martial did not involved an unremitted dishonorable discharge or if the offense for which convicted by civil court did not involve a felony as defined under the laws of the jurisdiction where the service person was convicted by such civil court.

Aggravation

SEC. 346. A preexisting injury or disease will be considered to have been aggravated by active military, naval, or air service, where there is an increase in disability during active service, unless there is a specific finding that the increase in disability is due to the natural progress of the disease.

Consideration To Be Accorded Time, Place, and Circumstances of Service

SEC. 347. (a) The Administrator is authorized and directed to include in the regulations pertaining to service-connection of disabilities, additional provisions in effect requiring that in each case where a veteran is seeking service-connection for any disability due consideration shall be given to the places, types, and circumstances of his service as shown by his service record, the official history of each organization in which he served, his medical records, and all pertinent medical and lay evidence.

(b) In the case of any veteran who engaged in combat with the enemy in active service with a military, naval, or air organization of the United States during a period of war, campaign, or expedition, the Administrator is authorized and directed to accept as sufficient proof of service connection of any disease or injury alleged to have been incurred in or aggravated by such service satisfactory lay or other evidence of service incurrence or aggravation of such injury or disease, if consistent with the circumstances, conditions, or hardships of such service, notwithstanding the fact that there is no official record of such incurrence or aggravation in such service, and, to that end, shall resolve every reasonable doubt in favor of the veteran. Service connection of such injury or disease may be rebutted by clear and convincing evidence to the contrary. The reasons for granting or denying service connection in each case shall be recorded in full.

Authority for Schedule for Rating Disabilities

SEC. 348. The Administrator is authorized and directed to adopt and apply a schedule of ratings of reductions in earning capacity from specific injuries or combination of injuries. The ratings shall be based, as far as practicable, upon the average impairments of earning capacity resulting from such injuries in civil occupations. The schedule shall be constructed so as to provide ten grades of disability and no more, upon which payments of compensation shall be based, namely, 10 percentum, 20 percentum, 30 percentum, 40 percentum, 50 percentum, 60 percentum, 70 percentum, 80 percentum, 90 percentum, and total, 100 percentum. The Administrator shall from time to time readjust this schedule of ratings in accordance with experience.

Minimum Rating for Arrested Tuberculosis

SEC. 349. Any veteran shown to have active tuberculosis which is compensable under this title, who in the judgment of the Administrator has reached a condition of complete arrest, shall be rated as totally disabled for a period of 2 years following such date of arrest, as 50 percentum disabled for an additional period of 4 years, and 30 percentum for a further 5 years. Following far advanced active lesions the permanent rating shall be 30 percentum, and following moderately advanced lesions, the permanent rating, after 11 years, shall be 20 percentum, provided there is continued disability, dyspnea on exertion, impairment of health, and so forth; otherwise the rating shall be zero percentum. The total disability rating herein provided for the 2 years following a complete rest may be reduced to 50 percentum for failure to follow prescribed treatment or to submit to examination when requested. This section shall not be construed as requiring a reduction of compensation authorized under any other provision of this title.

Combination of Certain Ratings

SEC. 350. The Administrator is authorized and directed to provide for the combination of ratings and to pay compensation at the rates prescribed in part I of this title to those veterans who served during a period of war and during any other time, who have suffered disability in line of duty in each period of service.

Permanent Ratings

SEC. 351. A rating of total disability which has been made for compensation purposes under laws administered by the Veterans' Administration and which has been continuously in force for 20 or more years shall not be reduced thereafter, except upon a showing that such rating was based on fraud.

Effective Dates of Awards

SEC. 352. The effective date of an award of compensation under this title shall be fixed in accordance with the facts found, except that—

(a) subject to the provisions of subsections (a) (1), (2), and (3) hereof, no award of disability or death compensation shall be effective prior to the date of the veteran's separation from service, date of the veteran's death, date of happening of the contingency upon which disability or death compensation is allowed, or the date of receipt of application therefor, whichever is the later date—

(1) disability compensation shall be payable from the date of discharge of the veteran if claim therefor is filed within 1 year from discharge;

(2) death compensation shall be payable as of the day following the date of death of the veteran if claim therefor is filed within 1 year after the death of the veteran;

(3) where a report or a finding of death of any person in the active military, naval, or air service has been made by the Secretary of the Department concerned, the effective date of an award of death compensation shall be the day following the date fixed by the Secretary as the date of death in such report or finding: *Provided*, That claim be filed prior to 1 year after report or finding of death is made: *And provided further*, That death compensation shall not be payable to any dependent for any period for which such dependent has received, or is entitled to receive, an allowance, allotment, or service pay of the deceased;

(b) in the event the claimant's application is not complete at the time of original submission, the Veterans' Administration will notify the claimant of the evidence necessary to complete the application, and if such evidence is not received within 1 year from the date of request therefor, compensation may not be paid by virtue of that application; and

(c) where a claim has been finally disallowed, a subsequent claim on the same factual basis, if supported by new and material evidence, shall have the attributes of a new claim, notwithstanding the provisions of paragraph II, part II, of Veterans Regulation No. 2 (a).

SEC. 353. (a) The effective date of an award of increased compensation under this title shall be fixed in accordance with the facts found, except that no award of increased compensation may be effective for any period prior to the date of receipt of the evidence showing entitlement thereto.

(b) For the purposes of this section, an award of increased compensation shall mean any award of compensation, amending, reopening, or supplementing a previous award, authorizing any payments not theretofore authorized to the particular individual involved.

SEC. 354. The effective date of reduction or discontinuance of compensation under this title shall be fixed in accordance with the facts found, except that—

(a) where disability or death compensation has been awarded, and a reduction or discontinuance is thereafter effected as to rates, such reduction or discontinuance shall be effective the last day of the month in which the reduction or discontinuance is approved;

(b) reductions or discontinuances because of the death of a disabled person receiving compensation shall be effective as of the date of death;

(c) discontinuance of compensation because of remarriage or death of a widow shall be effective the date next preceding the date of her remarriage, or upon the date of her death;

(d) discontinuance or reduction of compensation to or because of a child reaching the age of 18 years, or being married, or dying, shall be effective the date next preceding the 18th birthday or next preceding the date of marriage or upon the date of death;

(e) where there is fraud shown to have been committed by the person receiving compensation, or with his or her knowledge, the effective date of discontinuance shall be as of the effective date of the award to such person; and

(f) discontinuance of compensation because of the receipt of active service or retirement pay shall be effective as of the date next preceding the date of commencement of such pay.

Election of Benefits

SEC. 355. Any person who is receiving pay pursuant to any provision of law relating to the retirement of persons in the regular military, naval, or air service, or pursuant to any provision of law relating to the retirement for disability of persons in other than the regular military, naval, or air service, and who would be eligible to receive compensation under this title if he were not receiving such retired pay shall be entitled to receive such compensation upon the filing by such person

with the department by which such retired pay is paid of a waiver of so much of his retired pay and allowances as is equal in amount to such compensation. To prevent duplication of payments, the department with which any such waiver is filed shall notify the Veterans' Administration of the receipt of such waiver, the amount waived, and the effective date of the reduction in retired pay.

Concurrent Payment of Benefits

SEC. 356. (a) Except to the extent that retirement pay is waived under other laws, compensation under this title, based on the claimant's own service, shall not be payable concurrently with pension, or retirement pay, based on his own service. The receipt of compensation under this title by a widow, child, or parent on account of the death of any person, or receipt by any person of compensation under this title on account of his own service, shall not bar the payment of compensation under this title on account of the death or disability of any other person.

(b) Compensation under this title on account of his own service shall not be paid while the person is in receipt of active service pay.

Renouncement of Benefits

SEC. 357. Any person entitled to compensation under this title may renounce his right thereto. The application renouncing the right shall be in writing over the person's signature and, upon filing of such application, payment of such benefits and the right thereto shall be terminated and he shall be denied any and all rights thereto from date of receipt of such application by the Veterans' Administration. The renouncement provided for herein shall not preclude the person from filing a new application for compensation at a future date but such application shall have the attributes of an original application and no payment will be made for any period prior to the date thereof.

Disappearance

SEC. 358. Where an incompetent veteran receiving compensation under this title disappears, the Administrator, in his discretion, may pay to the dependents of such veteran the applicable amount of compensation provided by section 312 or 332 of this act for the dependents of such veterans: *Provided*, That in no event shall payments under this section in any claim exceed the amount of compensation payable at the time of disappearance.

Accrued Benefits

SEC. 359. (a) Compensation authorized under this title, to which a person was entitled prior to the date of his death, and not paid during his lifetime, and due and unpaid for a period not to exceed 1 year prior to the death under existing ratings or decisions, or those based on evidence in the file at date of death, shall, upon the death of such person, be paid as hereinafter set forth:

(1) Upon the death of a person receiving an apportioned share of the veteran's compensation, all or any part of such unpaid amount, to the veteran or to any other dependent or dependents as may be determined by the Administrator;

(2) Upon the death of a veteran, to the surviving spouse; or if there be no surviving spouse, to the child or children, dependent mother or father in the order named;

(3) Upon the death of a widow, to the veteran's child or children;

(4) Upon the death of a child, to the surviving child or children of the veteran, entitled to death compensation;

(5) In all other cases, only so much of the unpaid compensation may be paid as may be necessary to reimburse a person who bore the expense of last sickness and burial: *Provided*, That no part of any of the accrued compensation shall be used to reimburse any political subdivision of the United States for expense incurred in the last sickness or burial of such person; and

(6) Payment of the benefits authorized by this section will not be made unless claim therefor be received in the Veterans' Administration within 1 year from the date of death of the beneficiary, and such claim is perfected by the submission of the necessary evidence within 1 year from the date of the request therefor by the Veterans' Administration. A claim for compensation by an apportionee, widow, child, or dependent parent shall be deemed to include claim for any accrued benefits.

(b) A check received by a payee in payment of compensation shall, in the event of the death of the payee on or after the last day of the period covered by such check and unless negotiated by the payee or the duly appointed representative of his estate, be returned to the Veterans' Administration and canceled. The amount represented by any check returned and canceled pursuant to the foregoing or any amount recovered by reason of improper negotiation of any such check shall constitute accrued benefits payable pursuant to the provisions of subsection 359 (a) of this act: *Provided*, That the 1-year limitations of subsection 359 (a) shall not apply: *And provided further*, That any amount not so paid shall be paid upon settlement by the General Accounting Office to the estate of the deceased payee, if such estate will not escheat.

TITLE IV—SPECIALLY ADAPTED HOUSING FOR DISABLED VETERANS

SEC. 401. The Administrator is authorized, under such regulations as he may prescribe, to assist any veteran, who is entitled to compensation under title III of this act, based on service on or after April 21, 1898, for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude locomotion without the aid of braces, crutches, canes, or a wheel chair, in acquiring a suitable housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, and necessary land therefor. The regulations of the Administrator shall include, but not be limited to, provisions requiring findings that (a) it is medically feasible for such veteran to reside in the proposed housing unit and in the proposed locality; (b) the proposed housing unit bears a proper relation to the veteran's present and anticipated income and expenses; and (c) the nature and condition of the proposed housing unit are such as to be suitable to the veteran's needs for dwelling purposes.

SEC. 402. The assistance authorized by section 401 shall be limited in the case of any veteran to 1 housing unit and necessary land therefor, and shall be afforded under 1 of the following plans, at the option of the veteran, but shall not exceed $10,000 in any one case—

(a) where the veteran elects to construct a housing unit on land to be acquired by him, the Administrator shall pay not to exceed 50 percentum of the total cost to the veteran of (1) the housing unit and (2) the necessary land upon which it is to be situated;

(b) where the veteran elects to construct a housing unit on land acquired by him prior to application for assistance under this title, the Administrator shall pay not to exceed the smaller of the following sums: (1) 50 percentum of the total cost to the veteran of the housing unit and the land necessary for such housing unit, or (2) 50 percentum of the cost to the veteran of the housing unit plus the full amount of the unpaid balance, if any, of the cost to the veteran of the land necessary for such housing unit;

(c) where the veteran elects to remodel a dwelling, which is not adapted to the requirements of his disability, acquired by him prior to application for assistance under this title, the Administrator shall pay not to exceed the total of (1) 50 percentum of the cost to the veteran of such remodeling, plus (2) the smaller of the following sums: (A) 50 percentum of the cost to the veteran of such dwelling and the necessary land upon which it is situated, or (B) the full amount of the unpaid balance, if any, of the cost to the it is situated, or (B) the full amount of the unpaid balance, if any, of the cost to the veteran of such dwelling and the necessary land upon which it is situated; and

(d) where the veteran has acquired a suitable housing unit, the Administrator shall pay not to exceed the smaller of the following sums: (1) 50 percentum of the cost to the veteran of such housing unit and the necessary land upon which it is situated, or (2) the full amount of the unpaid balance, if any, of the cost to the veteran of such housing unit and the necessary land upon which it is situated.

SEC. 403. The Administrator is authorized to furnish to veterans eligible for assistance under this title, without cost to the veterans, model plans and specifications of suitable housing units.

SEC. 404. Any veteran who accepts the benefits of this title shall not by reason thereof be denied the benefits of title III of the Servicemen's Readjustment Act of 1944, as amended.

SEC. 405. The Government of the United States shall have no liability in connection with any housing unit, or necessary land therefor, acquired under the provisions of this title.

SEC. 406. The assistance authorized by this title shall not be available to any veteran who has received financial assistance under part IX of Veterans Regulation No. 1 (a).

SEC. 407. Any amounts heretofore appropriated for the Veterans' Administration for payments authorized by part IX of Veterans Regulation No. 1 (a) are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary therefor.

TITLE V—AUTOMOBILES FOR DISABLED VETERANS

SEC. 501. Subject to the conditions hereinafter set forth in this title, the Administrator is authorized and directed, under such regulations as he shall prescribe, to provide or assist in providing an automobile or other conveyance by paying not to exceed $1,600 on the purchase price, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran who is entitled to compensation under title III of this act for any of the following due to disability incurred in or aggravated by active military, naval, or air service during the period of World War II or the Korean conflict period:

(a) Loss or permanent loss of use of one or both feet;

(b) Loss or permanent loss of use of one or both hands;

(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

SEC. 502. No payment shall be made under this title for the repair, maintenance, or replacement of any such automobile or other conveyance and no veteran shall be given an automobile or other conveyance until it is established to the satisfaction of the Administrator that such veteran will be able to operate such automobile or other conveyance in a manner consistent with his own safety and the safety of others and will be licensed to operate such automobile or other conveyance by the State of his residence or other proper licensing authority: *Provided*, That a veteran who served who cannot qualify to operate a vehicle shall nevertheless be entitled to the payment of not to exceed $1,600 on the purchase price of an automobile or other conveyance, as provided in section 501, to be operated for him by another person, provided such veteran meets the other eligibility requirements set forth in this title.

Sec. 503. The furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of $1,600, or the amount of $1,600, if the total purchase price is in excess of $1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

Sec. 504. No veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this title and no veteran who has received or who hereafter receives an automobile or other conveyance under (a) the provisions of the paragraph under the heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, as extended, (b) the act of September 21, 1950 (64 Stat. 894), or (c) the act of October 20, 1951 (65 Stat. 574), shall be entitled to receive an automobile or other conveyance under the provisions of this title.

Sec. 505. The benefits provided in this title shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after October 20, 1951, or within 3 years after the date of the veteran's discharge or release from active service if the veteran is not discharged or released until on or after October 20, 1951.

Sec. 506. (a) Any amounts heretofore appropriated for the Veterans' Administration under the heading "Automobiles and other conveyances for disabled veterans" are hereby made available for expenditures necessary to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary therefor.

(b) Notwithstanding the repeal by section 802 of this act of any laws relating to automobiles or other conveyances for disabled veterans, any amount heretofore appropriated for the purposes of such acts, and which have been obligated but not expended, shall remain available until expended.

TITLE VI—PENALTIES AND FORFEITURES

Sec. 601. Whoever, in any claim for benefits under this act, makes any sworn statement of a material fact knowing it to be false, shall be guilty of perjury and shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

Sec. 602. If any person entitled to payment of compensation under title III of this act, whose right to payment thereunder ceases upon the happening of any contingency, thereafter fraudulently accepts any such payment, he shall be punished by a fine of not more than $2,000 or by imprisonment for not more than 1 year, or both.

Sec. 603. Whoever shall obtain or receive any money, check, or compensation under this act, without being entitled to the same, and with intent to defraud the United States or any beneficiary of the United States, shall be punished by a fine of not more than $2,000, or by imprisonment for not more than 1 year, or both.

Sec. 604. Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in any way procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper, or writing purporting to be such, concerning any claim for benefits under this act, shall forfeit all rights, claims, and benefits under this act, and benefits (other than contracts of insurance) under any other law administered by the Veterans' Administration, and, in addition to any and all other penalties imposed by law, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than $1,000 or imprisonment for not more than 1 year, or both.

Sec. 605. When disability compensation based upon service-connected disability has been forfeited by a veteran, under section 504 of the World War Veterans' Act, 1924 (43 Stat. 1312), as amended (38 U. S. C. 555), section 15 of the act of March 20, 1933 (48 Stat. 11; 38 U. S. C. 715), or section 604 of this act compensation payable except for the forfeiture, from and after the date of suspension of payments to the veteran, shall be paid to his wife, child, or children, and/or dependent parents, such payments not to exceed the amount payable in case such veteran had died from such service-connected disability: *Provided*, That no compensation shall be paid to any dependent who has participated in the fraud for which the forfeiture was imposed.

TITLE VII—ADMINISTRATIVE PROVISIONS

Sec. 701. The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this act, and necessary to carry out its purposes.

Sec. 702. The Administrator is authorized in carrying out the provisions of this act to delegate authority to render decisions to such person or persons as he may find necessary. Within the limitations of such delegations, any decisions rendered by such person or persons shall have the same force and effect as though rendered by the Administrator.

Sec. 703. There shall be no recovery of payments made under this act from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

TITLE VIII—AMENDMENTS AND REPEALS

Amendments

Sec. 801. (a) Paragraph II, part IV, Veterans Regulation No. 1 (a), is hereby amended by deleting the language "a pension under part I or part II of Veterans Regulation No. 1 (a)" and inserting in lieu thereof the language "compensation under the Veterans Compensation Act of 1955."

(b) Subparagraphs I (c) and (d), part III, Veterans Regulation No. 1 (a), as amended, are hereby amended by deleting "part I" in each subparagraph and inserting in lieu thereof "paragraph I, Veterans Regulation No. 10, as amended."

(c) Section 212 (b) of the act of June 30, 1932 (47 Stat. 406), as amended (5 U. S. C. 59a), is hereby amended by deleting the language "during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part I, paragraph I." and inserting in lieu thereof the language "during a period of war as defined in section 201 of the Veterans Compensation Act of 1955."

(d) Section 31 of the act of March 28, 1934 (48 Stat. 526; 38 U. S. C. 501a), is hereby amended by deleting the language "of Public Law No. 78, and of this title" and inserting in lieu thereof the language "and of title III of the Veterans Compensation Act of 1955."

(e) Section 2 of the act of August 12, 1935 (49 Stat. 609; 38 U. S. C. 556a), is hereby amended by deleting the language "the War Risk Insurance Act, as amended, the World War Veterans' Act, 1924, as amended, the Emergency Officers' Retirement Act, as amended, the World War Adjusted Compensation Act, as amended, the pension laws in effect prior to March 20, 1933, Public Law No. 2, 73d Congress, as amended, Public Law No. 484, 73d Congress, or under any act or acts amendatory of such acts," and inserting in lieu thereof the language "any laws now or hereafter administered by the Veterans' Administration."

(f) The second paragraph of section 9 of the act of October 17, 1940 (54 Stat. 1196; 38 U. S. C. 555a), is hereby amended by inserting immediately after "Public Law No. 2, 73d Congress" the language "or section 604 of the Veterans Compensation Act of 1955."

(g) Section 12 of the act of October 17, 1940 (54 Stat. 1197; 38 U. S. C. 501a–1), is hereby amended by substituting a comma for the period following "March 23, 1934" and inserting the language "as now or hereafter amended."

(h) The act of December 28, 1950 (64 Stat. 1121), as amended (38 U. S. C. 701a), is is hereby amended by deleting the language "part I, Veterans Regulation No. 1 (a), as amended" and inserting in lieu thereof the language "part I of title II of the Veterans' Compensation Act of 1955."

(i) Section 15 of the act of March 20, 1933 (38 U. S. C. 715), is amended by inserting before the words "and, in addition", the words "and under the Veterans' Compensation Act of 1955."

Repeals

Sec. 802. The following provisions of law are hereby repealed:

(1) In the Revised Statutes, as amended: Sections 4692 (38 U. S. C. 151); 4693 (38 U. S. C. 152); 4694 (38 U. S. C. 155); 4695 (38 U. S. C. 153); 4696 (38 U. S. C. 154); 4697 (38 U. S. C. 155a); 4698 (38 U. S. C. 156); 4698½ (38 U. S. C. 58); 4699 (38 U. S. C. 177); 4702 (38 U. S. C. 191); 4703 (38 U. S. C. 193); 4705 (38 U. S. C. 198); 4706 (38 U. S. C. 200); 4707 (38 U. S. C. 203, 204); 4712 (38 U. S. C. 21); 4713 (38 U. S. C. 95); 4722 (38 U. S. C. 23); 4728 (38 U. S. C. 221); 4729 (38 U. S. C. 223); 4735 (38 U. S. C. 201); and 4776 (38 U. S. C. 74).

(2) Act of June 18, 1874 (18 Stat. 78; 38 U. S. C. 157).

(3) Act of February 28, 1877 (19 Stat. 264; 38 U. S. C. 164).

(4) Act of March 3, 1877 (19 Stat. 403; 38 U. S. C. 222).

(5) Act of June 17, 1878 (20 Stat. 144; 38 U. S. C. 159).

(6) Act of June 18, 1878 (20 Stat. 166; 38 U. S. C. 153).

(7) Act of January 25, 1879 (20 Stat. 265; 38 U. S. C. 91).

(8) Section 2 of the act of March 3, 1879 (20 Stat. 470; 38 U. S. C. 92, 93).

(9) Act of March 3, 1879 (20 Stat. 484; 38 U. S. C. 159).

(10) The proviso to the first sentence of section 3 of the act of June 21, 1879 (21 Stat. 30; 38 U. S. C. 58).

(11) Act of June 16, 1880 (21 Stat. 281; 38 U. S. C. 158).

(12) Act of March 3, 1883 (22 Stat. 453; 38 U. S. C. 165, 169, 179).

(13) Act of March 3, 1885 (23 Stat. 437).

(14) The second proviso to the third paragraph of the act of March 3, 1885 (23 Stat. 362; 38 U. S. C. 24).

(15) Act of March 19, 1886 (24 Stat. 5; 38 U. S. C. 195, 196).

(16) Act of August 4, 1886 (24 Stat. 220; 38 U. S. C. 166).

(17) The second proviso to the second paragraph of the act of June 7, 1888 (25 Stat. 173; 38 U. S. C. 94).

(18) Act of August 27, 1888 (25 Stat. 449; 38 U. S. C. 171, 173).

(19) Act of February 12, 1889 (25 Stat. 659; 38 U. S. C. 163).

(20) Act of March 4, 1890 (26 Stat. 16; 38 U. S. C. 174).

(21) Section 1 of the act of June 27, 1890 (26 Stat. 182; 38 U. S. C. 203).

(22) Act of July 14, 1892 (27 Stat. 149; 38 U. S. C. 175).

(23) The last two provisos of the third paragraph of the act of March 2, 1895 (28 Stat. 704; 38 U. S. C. 176).

(24) Act of January 15, 1903 (32 Stat. 773; 38 U. S. C. 172).

(25) Act of March 2, 1903 (32 Stat. 944; 38 U. S. C. 162, 167).

(26) Act of April 8, 1904 (33 Stat. 163; 38 U. S. C. 160).

(27) The third proviso of the second paragraph of the act of March 4, 1907 (34 Stat. 1406; 38 U. S. C. 178).

(28) The last sentence, sixth paragraph under the heading "Bureau of Supplies and Accounts", of the act of March 3, 1915 (38 Stat. 940), as amended (38 U. S. C. 179).

(29) Section 313 of the act of October 6, 1917 (40 Stat. 408), as amended (38 U. S. C. 502).

(30) Sections 3 and 5 of the act of May 1, 1920 (41 Stat. 586, 587; 38 U. S. C. 168, 312, 314).

(31) Section 3 of the act of June 5, 1920 (41 Stat. 982; 38 U. S. C. 161, 168).

(32) Section 3 of the act of September 1, 1922 (42 Stat. 835; 38 U. S. C. 354).

(33) In the World War Veterans Act, 1924 (act of June 7, 1924; 43 Stat. 607): Sections 200, as amended (38 U. S. C. 471); 201, as amended (38 U. S. C. 472); 202, as amended (38 U. S. C. 473–480, 482–491); 203, as amended (38 U. S. C. 492); 204 (38 U. S. C. 493); 205 (38 U. S. C. 494); 207 (38 U. S. C. 496); 210, as amended (38 U. S. C. 499); 211 (38 U. S. C. 500); 212, as amended (38 U. S. C. 422); 213 (38 U. S. C. 501); and 214, as added by section 21, act of July 3, 1930 (46 Stat. 1000), as amended (38 U. S. C. 501b).

(34) Act of May 5, 1926 (44 Stat. 396; 38 U. S. C. 168b).

(35) Section 1 of the act of February 11, 1927 (44 Stat. 1085; 38 U. S. C. 168a).

(36) Act of April 27, 1928 (45 Stat. 466; 38 U. S. C. 232).

(37) Sections 1 and 2 of the act of July 2, 1930 (46 Stat. 847; 38 U. S. C. 238, 238 (a)).

(38) In the act of March 20, 1933 (48 Stat. 8): Subsections 1 (a) and 1 (c) (38 U. S. C. 701); 1 (g), as added by section 1 of the Act of June 19, 1948 (62 Stat. 500), as amended (38 U. S. C. 701); sections 2, 3, and 4 (38 U. S. C. 702–704); and 38 (U. S. C. 719).

(39) In the Veterans Regulations, as amended (38 U. S. C. ch. 12A)—

(a) parts I, II, VI, IX, and paragraph I of part IV of Veterans Regulation No. 1 (a);

(b) subparagraph III (a) of part I, and part III of Veterans Regulation No. 2 (a);

(c) Veterans Regulation No. 3 (a);

(d) Veterans Regulation No. 4;

(e) paragraphs VIII, XII, XV, and XVIII of Veterans Regulation No. 10; and

(f) Veterans Regulation No. 12.

(40) The first, third, and fourth paragraphs of section 20 of the Independent Offices Appropriation Act, 1934 (48 Stat. 309), as amended (38 U. S. C. 722).

(41) Section 4 of the act of March 27, 1934 (48 Stat. 508).

(42) Sections 26, 27, and 34 of the Independent Offices Appropriation Act, 1935 (48 Stat. 524, 526; 38 U. S. C. 473a, 471a, 723).

(43) Section 2 of the act of August 26, 1935 (49 Stat 869; 38 U. S. C. 724).

(44) Act of June 24, 1936 (49 Stat. 1910; 38 U. S. C. 703a).

(45) Section 400 of the act of June 29, 1936 (49 Stat. 2034; 38 U. S. C. 472a).

(46) Sections 3 and 8 of the act of August 16, 1937 (50 Stat. 660, 662; 38 U. S. C. 472b, 472e).

(47) Act of June 28, 1938 (52 Stat. 1214; 38 U. S. C. 35).

(48) Act of July 19, 1939 (53 Stat. 1067), as amended (38 U. S. C. 703b, 703c).

(49) Section 5 of the act of July 19, 1939 (53 Stat. 1070), as amended (38 U. S. C. 472b).

(50) Act of June 6, 1940 (54 Stat. 237).

(51) Sections 6 and 8 and the first paragraph of section 9 of the act of October 17, 1940 (54 Stat. 1196; 38 U. S. C. 473, 703b, note, 555a).

(52) Section 1 of the act of July 30, 1941 (55 Stat. 608; 38 U. S. C. 725).

(53) Section 1 of the act of August 21, 1941 (55 Stat. 665; 38 U. S. C. 357b).

(54) Sections 2 and 3 of the act of December 19, 1941 (55 Stat. 844).

(55) Act of December 20, 1941 (55 Stat. 847; 38 U. S. C. 726).

(56) Section 10 of the act of July 11, 1942 (56 Stat. 659; 38 U. S. C. 472b–1).

(57) Act of July 30, 1942 (56 Stat. 731).

(58) Sections 14 and 17 of the act of July 13, 1943 (57 Stat. 558, 560), as amended (38 U. S. C. 731, 732).

(59) Section 1 of the act of May 27, 1944 (58 Stat. 229; 38 U. S. C. 471a–1).

(60) Act of September 7, 1944 (58 Stat. 728; 38 U. S. C. 733).

(61) Act of December 7, 1944 (58 Stat. 797; 38 U. S. C. 471a–2).

(62) Act of June 27, 1946 (60 Stat. 319; 38 U. S. C. 736–738).

(63) Section 2 of the act of August 8, 1946 (60 Stat. 910; 38 U. S. C. 471a–3).

(64) The paragraph following the heading "Veterans' Administration" in section 101, title I, First Supplemental Appropriation Act, 1947 (60 Stat. 915; 38 U. S. C. 252).

(65) The second paragraph following the heading "Veterans' Administration" in section 1 of the Emergency Appropriation Act, 1948 (61 Stat. 244; 38 U. S. C. 252, note).

(66) The second paragraph following the heading "Veterans' Administration," in section 101 of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1035; 38 U. S. C. 252, note).

(67) Act of July 2, 1948 (62 Stat. 1219; 38 U. S. C. 740–743).

(68) Act of August 1, 1949 (63 Stat. 484; 38 U. S. C. 744).

(69) Sections 1 and 2 of the act of October 10, 1949 (63 Stat. 731, 732; 38 U. S. C. 722, 740, 741).

(70) The paragraph following the heading "Veterans' Administration" in section 101 of the Third Deficiency Appropriation Act, 1949 (63 Stat. 744; 38 U. S. C. 252, note).

(71) Act of October 29, 1949 (63 Stat. 1026; 38 U. S. C. 471a–4, 471a–4 note).

(72) Act of September 21, 1950 (64 Stat. 894; 38 U. S. C. 252).

(73) Act of October 20, 1951 (65 Stat. 574; 38 U. S. C. 252a–252e, 252a note.)

(74 Section 1 of the act of May 23, 1952 (66 Stat. 90; 38 U .S. C. 4a–5).

(75) Subsections (B) through (E) of section 1 and sections 3 through 6 of the act of June 30, 1952 (66 Stat. 295, 296; 38 U. S. C., ch. 12A, 473, 473 note, 478, 480).

(76) Section 2 of the act of June 30, 1954 (Public Law 463, 83d Cong., 68 Stat. 360).

(77) The act of August 26, 1954 (68 Stat. 915; 38 U. S. C. 748, 749).

TITLE IX—SAVINGS PROVISIONS AND EFFECTIVE DATE

Savings Provisions

Sec. 901. A claim for compensation which is pending in the Veterans' Administration on the effective date of this act, shall be adjudicated under the laws in effect on the day preceding the effective date of this act with respect to the period prior to that date and, except as provided in subsection 902 (b), under this act thereafter. If a disallowance is required under such laws but entitlement is shown under this act, the pending claim shall be considered a claim under this act. A claim for assistance in acquiring specially adapted housing or an automobile or other conveyance which is pending in the Veterans' Administration on the effective date of this act shall be considered a claim for such assistance under this act.

Sec. 902. (a) Any person who is receiving compensation on the day prior to the effective date of this act at a rate equal to or less than that to which he would be entitled under the provisions of this act shall, except where there was fraud, clear and unmistakable error as to conclusions of fact or law, or misrepresentation of material facts, be paid compensation under this act beginning with the effective date of this act.

(b) Any person who is receiving compensation on the day prior to the effective date of this act under the laws in effect on that day and who is not entitled to compensation under this act, or who is entitled to compensation at a higher rate under such laws than that to which he would be entitled under this act, shall, except where there was fraud, clear and unmistakable error as to conclusion of fact or law, or misrepresentation of material facts, continue to be paid the rate of compensation payable on the day prior to the effective date of this act, so long as the conditions warranting such payment under those laws continue. In the event there is a change in such conditions, the entitlement thereafter of such person to compensation will be determined, except as to service connection, without regard to the laws repealed by section 802 of this act. The provisions of this subsection shall apply to those claims within the purview of section 901 of this act in which it is determined on or after the effective date of this act that compensation is payable for the day prior to the effective date of this act.

Sec. 903. A claim for disability compensation filed on or after the effective date of this act and within 1 year from the date of the veteran's separation during the year immediately preceding such effective date from active military, naval, or air service, or a claim for death compensation filed on or after the effective date of this act and within 1 year from the date of the veteran's death occurring in the year immediately preceding such effective date will be adjudicated under title III of this act and the laws in effect on the day preceding such effective date. If entitlement is established, compensation will be paid under such laws for the appropriate period prior to the effective date of this act and under this act thereafter.

Sec. 904. All offenses committed and all penalties or forfeiture incurred under the laws repealed by section 802 of this act may be prosecuted and punished in the same manner and with the same effect as if said repeal had not been made and any person who forfeited rights to benefits under any such laws shall not be entitled to any benefits under this act.

Effective Date

Sec. 905. This act shall take effect on the 1st day of the 13th calendar month following the date of enactment.

With the following committee amendments:

On page 1, line 7, strike out "1955" and insert "1956."

On page 2, line 11, strike out "(d)" and insert "(c)."

On page 47, line 13, strike out "1955" and insert "1956."

On page 47, line 25, strike out "1955" and insert "1956."

On page 48, line 5, strike out "1955" and insert "1956."

On page 48, line 22, strike out "1955" and insert "1956."

On page 49, line 8, strike out "1955" and insert "1956."

On page 49, line 12, strike out "1955" and insert "1956."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SALE OF CERTAIN LANDS TO PALM SPRINGS UNIFIED SCHOOL DISTRICT

The Clerk called the bill (H. R. 6084) to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, with the consent of the tribal council of the Agua Caliente Band of Mission Indians, the Secretary of the Interior is authorized and directed to sell to the Palm Springs Unified School District of the State of California, in consideration of the payment by such school district of an amount agreed to by such tribal council, the Secretary of the Interior, and such school district all of the right, title, and interest of the United States and of the Agua Caliente Band of Mission Indians in and to that tract of land containing 10 acres, and more particularly described as follows: Southwest quarter northeast quarter southeast quarter, section 14, township 4 south, range 4 east, San Bernardino base and meridian.

Sec. 2. The proceeds of such sale shall be deposited in the Treasury of the United States to the credit of the Agua Caliente Band of Mission Indians.

With the following committee amendment:

Page 2, line 7, strike the word "Indians." and insert in lieu thereof the words "Indians, and such proceeds, when distributed to individual members of said band, shall not be subject to Federal income tax."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 406 OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

The Clerk called the bill (H. R. 7732) to amend section 406 of the Federal Food, Drug, and Cosmetic Act (Public Law 717, 75th Cong.), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 406 of the Federal Food, Drug, and Cosmetic Act (Public Law 717, 75th Cong.) (52 Stat. 1049), as amended, be, and the same is hereby amended by adding after subsection (b) of section 406 a new subsection as follows:

"Sec. 406. (c) The Secretary shall promulgate regulations providing for the lifting of coal tar color for use in the coloring of the outside of oranges meeting the standards of maturity and grade of the United States of America and the respective States where used and which are safe in the manner in which used and suitable for such use, and for the certification of batches of such color, with or without diluents which are not unsafe in the manner in which used.

"The coal tar color designated as FD & C Red No. 32 shall be included in the above category and shall continue to be listed until a color or colors which is or are more acceptable on the basis of standards set up by the Secretary may be listed and made available for use."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That paragraph (c) of section 402 of the Federal Food, Drug, and Cosmetic Act, as amended, is amended by inserting immediately before the period at the end thereof a colon and the following: '*Provided further*, That this paragraph shall not apply to oranges meeting minimum maturity standards established by or under the laws of the States in which the oranges were grown and not intended for processing (other than oranges designated by the trade as "packing house elimination"), the skins of which have been colored at any time prior to March 1, 1959, with the coal-tar color certified prior to the enactment of this proviso as FD&C Red 32, or certified after such enactment as External D&C Red 14 in accordance with 21 Code of Federal Regulations, part 9: *And provided further*, That the preceding proviso shall have no further effect if prior to March 1, 1959, another coal-tar color suitable for coloring oranges is listed under section 406'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 402 (c) of the Federal Food, Drug, and Cosmetic Act, with respect to the coloring of oranges."

A motion to reconsider was laid on the table.

CONVEYANCE OF A PORTION OF FORMER PRISONER OF WAR CAMP NEAR DOUGLAS, CONVERSE COUNTY, WYO., TO THE STATE OF WYOMING

The Clerk called the bill (H. R. 8404) to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed, upon certification to him by the Secretary of Defense and the Governor of Wyoming that the property described in section 2 of this act is needed for the training or support of the National Guard of Wyoming, to convey the property to the State of Wyoming, by quitclaim deed, without monetary consideration therefor, upon such terms and conditions as the Administrator determines to be necessary to properly protest the interests of the United States: *Provided, however*, That such deed of conveyance by express term shall—

(a) reserve to the United States all mineral rights including gas and oil;

(b) reserve to the United States right of exclusive use without charge therefor of such property together with any improvements thereon during any period of national emergency; and

(c) specify that said property shall be used for the training of the National Guard or for other military purposes, and in the event of nonuse for such purpose, shall, in its then existing condition together with any improvements thereon, at the option of the United States as determined and exercised by the Secretary of Defense, revert to the United States.

Sec. 2. The real property to be conveyed to the State of Wyoming is described as follows:

All the northeast quarter of the southeast quarter of section 7, township 32 north, range 71 west, except seventy-four one-hundredths acre in the southwest corner of said northeast quarter of the southeast quarter of section 7, such excepted portion being more particularly described as follows: Beginning at a point on the west line of said northeast quarter of the southeast quarter of section 7, bearing north 60 degrees 53 minutes east a distance of 1,504.2 feet; thence south 29 degrees 10 minutes east on present fence line a distance of 124 feet; thence south no degrees 21 minutes east on present fence line to the south boundary of the northeast quarter of the southeast quarter of section 7; thence south 89 degrees 28 minutes west on present fence line a distance of 58.33 feet to a point on the west line of the northeast quarter of the southeast quarter of section 7; thence north no degrees 28 minutes west on said west line of the northeast quarter of the southeast quarter of said section 7, a distance of 590 feet to the point of beginning; and containing in all thirty-nine and twenty-six one-hundredths acres, more or less, subject to aneasement granted to the town of Douglas, Converse County, Wyoming, for a pipeline for transportation of water, together with the right of ingress and egress, said pipeline running parallel with and distant 27 feet west of the centerline of the LePrele County Road.

Sec. 3. The cost of any surveys necessary as an incident of the conveyance authorized herein shall be borne by the State of Wyoming.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PUBLIC HEALTH SERVICE ACT

The Clerk called the bill (S. 2587) to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 216 of the Public Health Service Act (42 U. S. C. 217) is amended to read as follows:

"USE OF SERVICE IN TIME OF WAR OR EMERGENCY

"Sec. 16. In time of war, or of emergency proclaimed by the President, he may utilize the Service to such extent and in such manner as shall in his judgment promote the public interest. In time of war, or of emergency involving the national defense proclaimed by the President, he may by Executive order declare the commissioned corps of the Service to be a military service. Upon such declaration, and during the period of such war or such emergency or such part thereof as the President shall prescribe, the commissioned corps (a) shall constitute a branch of the land and naval forces of the United States, (b) shall, to the extent prescribed by regulations of the President, be subject to the Uniform Code of Military Justice, and (c) shall continue to operate as part of the Service except to the extent

that the President may direct as Commander in Chief."

Sec. 2. (a) Section 213 of the Public Health Service Act (42 U. S. C. 214) is amended to read as follows:

"Sec. 213. An allowance of $250 for uniforms and equipment is authorized to be paid to each commissioned officer of the Service on active duty when required by directive of the Surgeon General to wear a uniform, if at such time the officer is receiving the pay of the junior assistant, assistant, or senior assistant grade; except that no officer who has received such an allowance from the Service shall at any time thereafter be entitled to any further allowance."

(b) Section 707 of the Act of July 1, 1944 (58 Stat. 713), so renumbered by section 5 of the Act of August 13, 1946 (60 Stat. 1049; 42 U. S. C. 214, note), is repealed.

Sec. 3. (a) Section 201 (a) (1) of the Public Health Service Act (42 U. S. C. 209 (a) (1)) is amended by striking out the words "subsection (b)" and inserting in lieu thereof "subsections (b) and (e)."

(b) Section 207 of such act (42 U. S. C. 209) is amended by redesignating subsections (e), (f), (g), and (h) as subsections (f), (g), (h), and (i) respectively and by adding immediately following section (d) a new subsection (e) as follows:

"(e) (1) A former officer of the Regular Corps may, if application for appointment is made within 2 years after the date of the termination of his prior commission in the Regular Corps, be reappointed to the Regular Corps without examination, except as the Surgeon General may otherwise prescribe, and without regard to the numerical limitations of subsection (b).

"(2) Reappointments pursuant to this subsection may be made to the permanent grade held by the former officer at the time of the termination of his prior commission, or to the next higher grade if such officer meets the eligibility requirements prescribed by regulation for original appointment to such higher grade. For purposes of pay, promotion, and seniority in grade, such reappointed officer shall receive the credits for service to which he would be entitled if such appointment were an original appointment, but in no event less than the credits he held at the time his prior commission was terminated, except that if such officer is reappointed to the next higher grade he shall receive no credit for seniority in grade.

"(3) No former officer shall be reappointed pursuant to this subsection unless he shall meet such standards as the Secretary may prescribe."

(c) (1) Section 207 (a) (2) of such act (42 U. S. C. 209 (a) (2)) is amended by striking out "a period of not more than 5 years" and inserting in lieu thereof "an indefinite period."

(2) The enactment of paragraph (1) of this subsection shall not affect the term of the commission of any officer in the Reserve Corps in effect on the date of such enactment unless such officer consents in writing to the extension of his commission for an indefinite period, in which event his commission shall be so extended without the necessity of a new appointment.

Sec. 4. (a) Section 210 (d) (2) of the Public Health Service Act (42 U. S. C. 211 (a) (2)) is amended by striking out "pay period and for purposes of."

Sec. 5. (a) The first sentence of section 211 (a) of the Public Health Service Act (42 U. S. C. 212 (a)) is amended by striking out "active commissioned service" and inserting in lieu thereof "active commissioned or noncommissioned service."

(b) Section 211 (b) (1) of such act (42 U. S. C. 212 (b) (1)) is amended by striking out "active commissioned service, including any such service in the Army, Navy, or Coast Guard" and inserting in lieu thereof "active commissioned or noncommissioned service in the Service including any active commissioned service in the Armed Forces."

(c) Section 211 (c) of such act (42 U. S. C. 212 (c)) is amended to read as follows:

"(c) A commissioned officer who has been retired under the provisions of this section may, (1) if an officer of the Regular Corps, be involuntarily recalled to active duty during such times as the Corps may constitute a branch of the land and naval forces of the United States, and (2) if an officer of either the Regular Corps or the Reserve Corps, be recalled to active duty at any time with his consent."

(d) The proviso of the paragraph headed "Retired Pay of Commissioned Officers," in chapter 296, 67 Statutes at Large 245, which appears at page 254 (42 U. S. C. 212b) and which reads as follows: "*Provided*, That hereafter a commissioned officer of the Public Health Service who has been retired may be recalled to active duty, other than in time of war, with his consent," is repealed.

(e) Section 706 of the act of July 1, 1944 (58 Stat. 713), so renumbered by section 5 of the act of August 13, 1946 (60 Stat. 1049), as amended (42 U. S. C. 230), is repealed.

Sec. 6. (a) Section 218 (a) of the Public Health Service Act (42 U. S. C. 218a (a)) is amended (1) by striking out the words "in the Regular Corps," and (2) by striking out the words "any educational institution" and inserting in lieu thereof the words "any Federal or non-Federal educational institution or training program."

(b) Section 218 (b) of such act (42 U. S. C. 218a (b)) is amended to read as follows:

"(b) Any officer whose tuition and fees are paid pursuant to subsection (a) while attending an educational institution or training program for a period in excess of 30 days shall be obligated to reimburse the Service for such tuition and fees if thereafter he voluntarily leaves the service within whichever of the following periods of active service is the greater: (1) 6 months, or (2) twice the period of such attendance but in no event more than 2 years. Such subsequent period of service shall commence upon the cessation of such attendance and of any for other continuous period of training duty for which no tuition and fees are paid by the service and which is part of the officer's prescribed formal training program, whether such further training is at a service facility or otherwise. The Surgeon General may waive, in whole or in part, any reimbursement which may be required by this subsection upon a determination that such reimbursement would be inequitable or would not be in the public interest."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING AND DIRECTING EXCHANGES OF SALES OF PUBLIC LANDS WITHIN OR ADJACENT TO DISTRICT OF PUNA, T. H.

The Clerk called the bill (H. R. 7891) to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, T. H., for the relief of persons whose lands were destroyed by volcanic activity.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Public Lands of the Territory of Hawaii is authorized and directed to exchange public lands within or adjacent to the district of Puna, county of Hawaii, T. H., for lands destroyed by volcanic activity occurring during March and April 1955. The Territory may not convey lands exceeding 40 acres in area or $5,000 in value. For the purposes of the exchange the destroyed lands are to be appraised at the market value just prior to the time of destruction, but the value of improvements such as crops and buildings shall be excluded therefrom.

Sec. 2. After the limits of exchange have been exhausted the Commissioner is authorized to sell to those who have been unable to replace all the lands destroyed public lands not exceeding 80 acres in area, or the area of destroyed land, whichever is less, deducting therefrom the area conveyed by the Territory by exchange as provided in section 1. Such a sale shall be made without public auction, drawing or lot or the approval of the board of public lands.

Sec. 3. If the lessor of any destroyed lands should fail to exchange or purchase lands to replace his destroyed lands, his lessee may purchase under the provisions of this act public lands not exceeding 80 acres in area or the area of destroyed land leased by him, whichever is less.

Sec. 4. In order to come within the provisions of this act, persons must file applications showing the area and approximate value of lands, owned or leased by them, which were destroyed by volcanic activity, within 2 years of the date of approval of this act.

Sec. 5. Except as changed herein, all applicable provisions of the Organic Act of Hawaii remain in force.

Sec. 6. This act shall take effect on and after the date of its approval.

With the following committee amendments:

Page 1, line 6, following the word "lands" insert the words "within the county of Hawaii."

Page 2, line 7, following the word "lands" insert the words "within or adjacent to the district of Puna, county of Hawaii, T. H."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORMER PRISONER OF WAR CAMP NEAR DOUGLAS, CONVERSE COUNTY, WYO.

By unanimous consent, the proceedings whereby the bill (H. R. 8404) to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes, was passed, were vacated.

The Clerk called the bill (H. R. 8404) to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes.

The **SPEAKER**. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed, upon certification to him by the Secretary of Defense and the Governor of Wyoming that the property described in section 2 of this act is needed for the training or support of the National Guard of Wyoming, to convey the property to the State of Wyoming, by quitclaim deed, without monetary consideration therefor, upon such terms and conditions as the Administrator determines to be necessary to properly protect the interests of the United States: *Provided, however,* That such deed of conveyance by express term shall—

(a) reserve to the United States all mineral rights including gas and oil;

(b) reserve to the United States right of exclusive use without charge therefor of such property together with any improvements thereon during any period of national emergency; and

(c) specify that said property shall be used for the training of the National Guard or for other military purposes, and in the event of nonuse for such purpose, shall, in its then existing condition together with any improvements thereon, at the option of the United States as determined and exercised by the Secretary of Defense, revert to the United States.

Sec. 2. The real property to be conveyed to the State of Wyoming is described as follows:

All the northeast quarter of the southeast quarter of section 7, township 32 north, range 71 west, except seventy-four one-hundredths acre in the southwest corner of said northeast quarter of the southeast quarter of section 7, such excepted portion being more particularly described as follows: Beginning at a point on the west line of said northeast quarter of the southeast quarter of section 7, bearing north 60 degrees, 53 minutes east a distance of 1,504.2 feet; thence south 29 degrees 10 minutes east on present fence line a distance of 124 feet; thence south no degrees 21 minutes east on present fence line to the south boundary of the northeast quarter of the southeast quarter of section 7; thence south 89 degrees 28 minutes west on present fence line a distance of 58.33 feet to a point on the west line of the northeast quarter of the southeast quarter of section 7; thence north no degrees 28 minutes west on said west line of the northeast quarter of the southeast quarter of said section 7, a distance of 590 feet to the point of beginning; and containing in all thirty-nine and twenty-six one-hundreds acres, more or less, subject to an easement granted to the town of Douglas, Converse County, Wyo., for a pipeline for transportation of water, together with the right of ingress and egress, said pipeline running parallel with and distant 27 feet west of the centerline of the LaPrele County Road.

Sec. 3. The cost of any surveys necessary as an incident of the conveyance authorized shall be borne by the State of Wyoming.

Mr. BROOKS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Brooks of Texas: On page 2, line 1, strike out the word "protest" and insert "protect."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RATIFYING AND CONFIRMING ACT 249 OF THE SESSION LAWS OF HAWAII

The Clerk called the bill (H. R. 7426) to ratify and confirm Act 249 of the Session Laws of Hawaii, 1955, as amended, and to authorize the issuance of certain highway revenue bonds by the Territory of Hawaii.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Territory of Hawaii, any provision of the Hawaiian Organic Act or any other act of Congress to the contrary notwithstanding, is authorized and empowered to issue highway revenue bonds in a sum not to exceed $50 million payable from funds derived from highway vehicle fuel taxes, for the purpose of providing for the construction and maintenance of highways in the Territory. The issuance of such revenue bonds shall not constiute the incurrence of an indebtedness within the meaning of the Hawaiian Organic Act, and shall not require the approval of the President of the United States.

Sec. 2. All bonds issued under authority of section 1 shall be issued pursuant to legislation enacted by the legislature of the Territory which shall provide (1) that, so long as any of the bonds are outstanding, highway vehicle fuel taxes shall be levied and collected in amounts at least sufficient, to provide for the payment of the principal of the bonds and the interest thereon, as such principal and interest become due (except that interest due upon any such bonds during the first year after their date of issuance may be paid from the proceeds of sale of the bonds), and that Federal aid funds may also be used for payments of the principal of the bonds and interest thereon; (2) that the superintendent of public works of the Territory, or any officer or agency succeeding to his powers and duties in respect to highways, shall have the power to issue and sell the bonds and to expend the proceeds and provide for the repayment thereof, in accordance with standards and pursuant to provisions which shall be set forth in such legislation; and (3) that the office of the superintendent of public works, or an office or agency succeeding to the powers and duties of that office in respect of highways, shall be continued in existence and shall retain the powers and duties set forth in such legislation, so long as any of the bonds are outstanding.

Sec. 3. As used in this act, the term "highway vehicle fuel taxes" means taxes in respect of the fuel used on, or to be used on the highways, but in the event the legislation providing for such tax levies the same in respect of other fuel and does not provide for the segregation of the taxes in respect of the fuel used on, or to be used on the highways, then the term "highway vehicle fuel taxes" includes as well all such taxes in respect to fuel as are commingled with the taxes in respect of the fuel used, or to be used on the highways.

Sec. 4. Act 249 of the Session Laws of Hawaii, 1955, is hereby amended to the extent of inserting section 5961 therein set forth the public law number as may be assigned to this bill upon its enactment.

Sec. 5. Act 249 of the Session Laws of Hawaii, 1955, as amended by section 4 above is hereby approved and ratified.

With the following committee amendments:

Page 1, lines 8 and 9, strike the words "and maintenance."

Page 2, lines 8 and 9, strike the words "sufficient, to" and insert the words "sufficient to."

Page 2, line 13, change the comma to a semicolon and strike the words "and that Federal-aid funds may also be used for payments of the principal of the bonds and interest thereon."

Page 3, line 3, strike all of section 3 and insert the following new sections 3 and 4:

"Sec. 3. Nothing in this act shall be deemed to prevent the application of Federal-aid highway funds to aid in the retirement of said bonds, to the extent now or hereafter permitted by the acts of Congress relating to the use of such funds.

"Sec. 4. As used in this act, the term "highway vehicle fuel taxes" means taxes in respect to the fuel for operating a motor vehicle or motor vehicles upon the highways, as defined and imposed by the laws of the Territory of Hawaii, but in the event the legislation providing for such tax levies the same in respect to other fuel and does not provide for the segregation of the taxes in respect to the fuel for operating a motor vehicle or motor vehicles upon the highways, then the term "highway vehicle fuel taxes" includes as well all such taxes in respect to fuel as are commingled with the taxes in respect to the fuel for operating a motor vehicle or motor vehicles upon the highways."

Page 3, line 13, Renumber "Sec. 4." to read "Sec. 5."

Page 3, line 14, Following the word "inserting" insert the word "in."

Page 3, line 17, Renumber "Sec. 5." to read "Sec. 6."

Page 3, line 18, strike the numeral "4" and insert the numeral "5."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING RESERVOIR ABOVE THE MONTICELLO DAM IN CALIFORNIA AS LAKE BERRYESSA

The Clerk called the bill (H. R. 7858) to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to substitute a similar Senate bill (S. 2755).

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill, S. 2755, as follows:

Be it enacted, etc., That the reservoir located above the Monticello Dam in Napa County, Calif., shall hereafter be known as Lake Berryessa, and any law, regulation, document, or record of the United States in which such reservoir is designated or referred to shall be held to refer to such reservoir under and by the name of Lake Berryessa.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 7858, was laid on the table.

PUBLIC IMPROVEMENT BONDS FOR SCHOOLS IN HONOLULU AND THE COUNTY OF HAWAII

The Clerk called the bill (H. R. 9768) relating to general obligation bonds of the Territory of Hawaii amending Public Laws 640 and 643 of the 83d Congress (68 Stat. 782, ch. 889 and 68 Stat. 785, ch. 892), and ratifying certain provisions of Act 273, Session Laws of Hawaii, 1955, which authorizes issuance of public improvement bonds for schools in the city and county of Honolulu and the county of Hawaii.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law 640 of the 83d Congress, approved August 24, 1954 (68 Stat. 782, ch. 889), is hereby amended by deleting the proviso from the

first sentence thereof and inserting in lieu thereof the following: "*Provided, however,* That the total indebtedness of such Territory shall not exceed $95 million or the amount of total indebtedness authorized by the Hawaiian Organic Act, whichever is the higher."

Sec. 2. Section 2 of Public Law 643 of the 83d Congress, approved August 24, 1954 (68 Stat. 785, ch. 892) is hereby amended to read as follows:

"Sec. 2. During the years 1954 to 1959, inclusive, the Territory of Hawaii is authorized to issue, any provision of the Hawaiian Organic Act or any other act of Congress to the contrary notwithstanding, public improvement bonds in such amounts as will not cause the total indebtedness of such Territory to exceed $95 million or the amount of total indebtedness authorized by the Hawaiian Organic Act, whichever is the higher.

"In applying the Territory's debt limitation, whether prescribed by this or other specific act of Congress or by the Hawaiian Organic Act, the computation of the amount to which the total indebtedness of the Territory may be extended at any time shall include all general obligation bonds, whether for public improvements or for other purposes for which general obligation bonds are or may be authorized to be issued by the Congress: *Provided,* That during the year 1960 and thereafter if the Territory's debt limitation prescribed by the Hawaiian Organic Act shall be less than $95 million there shall be added to the Territory's debt limitation so prescribed by the Hawaiian Organic Act such amount as represents the outstanding indebtedness incurred for the purposes authorized by Public Law 640, 83d Congress, as amended, but such addition shall not cause the total indebtedness of the Territory to exceed $95 million.

"Nothing herein shall be deemed to preclude the issuance of bonds after 1959 under Public Law 640 of the 83d Congress, as amended, in accordance with the authorization therein set forth."

Sec. 3. Section 5, subsections (a) to (e), inclusive, and section 6 subsections (a) to (e), inclusive, of Act 273 of the Session Laws of Hawaii, 1955, being an act relating to public improvements and for other purposes, are hereby ratified and confirmed, subject to the provisions of section 2 of Public Law 643, 83d Congress, as amended. The bonds so authorized, when issued in accordance with the provisions of section 2 of Public Law 643, 83d Congress, as amended, shall be valid notwithstanding any other provision of law as to debt limitations.

All bonds issued pursuant to this section shall be serial bonds payable in substantially equal annual installments, with the first such installment maturing not later than 5 years from the date of issue and the last such installment maturing not later than 30 years from such date.

Such bonds may be issued without the approval of the President of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO AUTHORIZE THE CITY AND COUNTY OF HONOLULU TO ISSUE GENERAL OBLIGATION BONDS

The Clerk called the bill (H. R. 9769) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any provision of the Hawaiian Organic Act, or any law of the Territory of Hawaii, or any Act of the Congress to the contrary notwithstanding, Acts 145, 199, 210, and 223 of the Session Laws of Hawaii, 1955, authorizing the issuance of general obligation bonds by the city and county of Honolulu, Territory of Hawaii, are hereby ratified and confirmed, subject to the provisions of this act, such authorization to be over and above any limitations on the amount of the bonded debt of the city and county of Honolulu and on the amount of the debt which may be incurred by said city and county in any one year imposed by the Hawaiian Organic Act, and such authorization shall also be in addition to all other issues authorized by the Congress: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of said acts of said Territory by the legislature thereof, from time to time, to provide for changes in the improvements authorized by said acts.

Sec. 2. Any provision of the Hawaiian Organic Act or any other act of Congress to the contrary notwithstanding, the Territory of Hawaii may authorize the city and county of Honolulu to issue general obligation bonds for public improvements in an amount not exceeding $14 million, in any single calendar year: *Provided,* That the total indebtedness of said city and county shall not exceed $70 million, at any one time: *Provided further,* That any indebtedness incurred pursuant to specific authorization of the Congress, including indebtedness incurred pursuant to section 1 hereof, shall be included in computing such total indebtedness.

Sec. 3. The bonds issued under authority of this act may be serial bonds payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

With the following committee amendments:

Page 2, line 15, strike out "$14,000,000," and insert "2 percentum of the assessed valuation of the real estate or $14,000,000, whichever is the greater";

Page 2, line 19, strike "$70,000,000" and insert "10 percentum of the assessed valuation of the real estate of $70,000,000, whichever is the greater."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNUITIES UNDER THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

Mr. RICHARDS. Mr. Speaker, I call up the conference report on the bill (S. 1287) to make certain increases in the annuities of the annuitants under the Foreign Service retirement and disability system; and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1869)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the annuity of an annuitant under the Foreign Service retirement and disability system pursuant to the Act of May 24, 1924 (43 Stat. 140), as amended, or the Foreign Service Act of 1946 (60 Stat. 999), as amended, shall be increased the first day of the second month following enactment of this Act in accordance with the following rules:

"If the annuitant was formerly a participant in the system, the annuity to which he is entitled shall be increased $324, provided he retired before July 1, 1949.

"Sec. 2. In the case of an officer who retired before July 1, 1949, and elected a reduced annuity at time of retirement, and who availed himself of the restoration clause in section 821 (b) of the Foreign Service Act of 1946, as amended, such officer shall be entitled to receive the increase provided by the first section of this Act.

"Sec. 3. If the annuitant is receiving an annuity on the effective date of this Act as the survivor of a former participant in the system who retired before July 1, 1949, the annuity shall be increased in the amount of $324 or in such larger amount as may be necessary to make the total annuity equal to $1,200; except that in no event shall such annuity be increased by any amount in excess of $324 if such increase would result in a total annuity greater than the annuity which such survivor would have been entitled to receive (as determined by the Secretary of State, taking into consideration any generally applicable pay increases but not any in-class increases or possible additional years of service) immediately prior to the effective date of this Act is such former participant had retired on November 13, 1950 (the date specified in Public Law 348, Eighty-second Congress).

"Sec. 4. If the wife of a Foreign Service officer who retired prior to July 1, 1949, becomes an annuitant subsequent to the effective date of this Act, as a result of the election made by the officer at time of retirement, such widow's annuity shall be increased in the amount of $324.

"Sec. 5. In any case where a participant under the Foreign Service retirement and disability system died before August 29, 1954, leaving a widow who is not entitled to receive an annuity under the system; the Secretary of State is authorized and directed to grant such widow an annuity of not to exceed $1,200 per annum, if he finds that such widow (whether remarried or not) is in actual need and without other adequate means of support.

"Sec. 6. In no case shall an annuity increased under this Act exceed the maximum annuity payable under section 821 (a) or (b) of the Foreign Service Act of 1946, as amended.

"Sec. 7. No annuity currently payable to any annuitant under the Foreign Service retirement and disability system shall be reduced as a result of the provisions of this Act."

And the House agree to the same.

Jas. P. Richards,
Armistead I. Selden, Jr.,
John M. Vorys,
Alvin M. Bentley,
Managers on the Part of the House.

John Sparkman,
Mike Mansfield,
William F. Knowland,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical, and necessary conforming changes, the differences between the House amendment and the substitute amendment are noted below:

ADJUSTMENT FOR WIDOW ANNUITANTS

Section 3 takes care of seven widows whose husbands retired from the Foreign Service before July 1, 1949. Five of them will receive $324 plus such additional amount as is necessary to give them an annuity of $1,200. The conferees agreed upon the language in this section as a device that would provide a measure of relief for windows now getting a small annuity and permit them to receive a maximum of $1,200. It was not the intention of the conferees, however, to make an adjustment that would give to these widows a higher annuity than that received by a widow whose husband remained in service long enough to benefit by the several pay increases received by Foreign Service officers that would be reflected in his annuity. Only two widows are covered by this provision. One will receive $329 instead of $324, the other will receive only the $324.

The language of this section is a substitute for the House language which would have permitted the Secretary of State to make loans or grants to enable these seven widows to receive up to $1,200 per year.

POSSIBLE BENEFITS TO WIDOWS NOT NOW ELIGIBLE

Section 5 is a substitute for the House language to take care of those widows who are not now eligible to receive an annuity. The conferees deleted any reference to loans or grants to assist them and substituted a provision for an annuity. Under the language agreed upon no widow covered by this section may receive more than $1,200 per year. As in the House amendment, the Secretary of State must find that a widow must be in actual need and without other adequate means of support. It is not expected that intensive inquiries of a social casework nature will be required in order to make any determination. Estimates supplied the committee when this section was under consideration indicate that about six widows may benefit from this provision.

Jas. P. Richards,
Armistead I. Selden, Jr.,
John M. Vorys,
Alvin M. Bentley,
Managers on the Part of the House.

Mr. BENTLEY. Mr. Speaker, this conference report is to accompany S. 1287, a bill to make certain increases in the annuities of annuitants under the foreign service retirement and disability system.

On January 13, 1955, I introduced H. R. 2097 for the same purpose. This bill was reported out by the Foreign Affairs Committee on July 26 and passed the House on August 1 with amendments. The proceedings were then vacated and S. 1287, with the amended text of H. R. 2097, was passed in lieu thereof.

The conference committee agreed to a substitute for both the Senate bill and the House amendment as contained in its report of March 12, 1956. I will explain the differences later on after giving a brief résumé of the bill itself.

The basic purpose of this legislation is to adjust the annuities of foreign service officers who retired prior to July 1, 1949, and the widows of such officers. Not more than 250 officers and widows are affected thereby and they receive an approximate annual increase of $324.

It should be pointed out that, under the Foreign Service Act of 1946, foreign services officers who retire at the present time have their annuities computed on the higher salaries that are paid as a result of various salary increases over the last 10 years. Such increases have not been available to those who retired prior to 1946 or shortly thereafter.

The figure of $324 which was not contained in the original language of the bill was adopted as an amendment in committee since it paralleled the increase granted by Congress in 1952 to those civil service employees receiving low annuities. The committee felt that this across-the-board increase would be easier to justify to the Congress than would other increases based on percentages and which, in some cases, resulted in disproportionate raises of annuities.

On the basis of about 250 officers and widows receiving an annual increase of $324, this legislation would result in an initial annual cost of about $81,000. However, because of the advanced age of most of the beneficiaries, this annual cost would decrease very rapidly and should not extend much beyond a 20-year period.

I want to emphasize that even this small sum represents no cost to the Government since payments would be made from the foreign service retirement and disability fund. As of June 30, 1955, the fund contained an amount in excess of $16.5 million.

Now as to the action in conference. This consisted of amendments to sections 3 and 5 which relate to a handful of widows, 7 of whom are presently receiving annuities, and a few others who are now not eligible for annuities. In respect to the first category, their annuities are increased to an extent which will permit them to receive up to $1,200 per year and the second group, numbering about half a dozen needy widows, will receive an annuity not to exceed that amount.

In brief, Mr. Speaker, what we have tried to do here is to pass legislation which would give modest increases, at no cost to the Government, to certain foreign service officers and their widows. These are, without exception, persons who devoted many years of faithful service to the Government, often under extreme conditions of hardship. They are people who have been retired for at least 7 years and whose annuities are definitely inferior to those of their younger colleagues. They are persons who, for the most part, find it difficult to live even modestly on their present annuity scales. And, finally, they are, also for the most part, persons in the later years of their lives. In the 3 years that I have been trying to get this legislation through the Congress, several of them have passed away.

I feel sure that the House will approve the adoption of this conference report on the basis of the facts as I have stated them.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

CONTINUING THE POLICY OF THE UNITED STATES CONCERNING CERTAIN INTERNATIONAL INJUSTICES IN THE WORLD

Mr. RICHARDS. Mr. Speaker, I move to suspend the rules and pass the resolution (H. Res. 370) as amended.

The Clerk read the resolution, as follows:

> Whereas, in the world today, grave injustices to many peoples and countries still remain uncorrected; and
>
> Whereas the United States Government and the American people must not, by any sanction or seeming accession, help to perpetuate these wrongs; and
>
> Whereas the present oppressive divisions of the German, Korean, and Vietnamese people constitute unjust and oppressive denials of the desire of these people for, and their inalienable right to, reunification of these respective countries under terms and conditions which guarantee political freedom, self-determination, and independence; and
>
> Whereas the exclusion of Japan, the Republic of Korea, and the Repubuic of Vietnam by the Soviet Union from membership in the United Nations constitutes an arbitrary and inequitable act contrary to the best interests of Japan, the Republic of Korea, and the Republic of Vietnam as well as the United Nations in view of the fact that Japan, the Republic of Korea, and the Republic of Vietnam are fully qualified for membership therein; and
>
> Whereas millions of people still exist in bondage under Soviet and Chinese Communist tyranny; and
>
> Whereas such conditions threaten the achievement of international peace and security toward which the policy of this Government and the entire free world is directed; and
>
> Whereas this Government has a duty to keep these injustices in the forefront of human consciousness; and
>
> Whereas this Government seeks to maintain the pressure of world opinion to right these vast wrongs in the interest both of justice and a secure peace: Therefore be it
>
> *Resolved*, That it is the sense of the House of Representatives that it shall continue to be the policy of the United States Government to exercise its leadership and moral strength to bring about the reunification of the peoples of Germany, Korea, and Vietnam under conditions which guarantee political freedom, self-determination, and independence.
>
> Sec. 2. It is further the sense of the House of Representatives that it shall continue to be the policy of the United States Government to exercise its leadership and moral strength to bring about the entrance of Japan, the Republic of Korea, and the Republic of Vietnam into the United Nations.
>
> Sec. 3. It is further the sense of the House of Representatives that it shall continue to be the policy of the United States Government to exercise its leadership and moral strength in support of the peaceful achievement of freedom and independence by the peoples now under Soviet and Chinese Communist bondage.

The SPEAKER. Is a second demanded?

Mr. BENTLEY. Mr. Speaker, I am not opposed to the bill, but in order to have a hearing I demand a second.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The SPEAKER. The gentleman from South Carolina [Mr. Richards] will be recognized for 20 minutes and the gentleman from Michigan [Mr. Bentley] for 20 minutes.

The gentleman from South Carolina is recognized.

Mr. RICHARDS. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I wholeheartedly support House Resolution 370, which expresses the sense of the House that it should be the policy of the United States to exert its effort respecting certain grave international injustices which exist in the world.

House Resolution 370 expresses the sense of Congress on three things:

First, it states the policy of the United States Government to exercise its leadership and moral strength to bring about reunification of the peoples of Germany, Korea, and Vietnam;

Second, it affirms the policy of the United States Government to bring Japan, the Republic of Korea, and the Republic of Vietnam into the United Nations; and

Third, it emphasizes the policy of the United States Government to exercise its leadership and moral strength in support of peaceful achievement of freedom and independence by peoples now under Soviet and Communist bondage.

At present the German people remain divided. So are the Korean people. And the same is true of the Vietnamese. These divisions are unnatural and contrary to the best interests of these peoples. However, we all want the right kind of reunification to take place—a fair and just reunification, and not one under Communist domination. Thus, section 1 of the resolution expresses the sense of this House that our Government shall continue its policy of exercising leadership, both material and spiritual, in helping bring about the reunification of these peoples. But this is to be accomplished, in the language of the resolution, "under conditions which guarantee political freedom, self-determination, and independence."

The next injustice covered by the resolution concerns the Soviet Union's arbitrary exclusion from membership in the United Nations of Japan, the Republic of Korea, and the Republic of Vietnam. The Soviet Union has been consistent in its abuse of the veto power in order to keep these three countries out of the United Nations. In all, the Soviet Union has exercised the veto power 7 times with respect to these 3 countries. The resolution in section 2 expresses the sense of the House that United States policy shall be continued to bring about the entrance of these three countries into the United Nations.

The resolution in its last section expresses the sense of the House that United States policy shall continue to support the peaceful achievement of freedom and independence by the peoples now under Soviet and Chinese Communist enslavement. This House has on many occasions expressed its sentiment with respect to continuing in the hearts and minds of these enslaved peoples their hope for ultimate freedom and independence. We must continue to nurture this hope in every possible way through expressions by the executive branch, through expressions by the Congress, and through public expressions.

This resolution deserves the full support of every Member of this House. It is a resolution, in the truest sense, in the American tradition of fairness and justice. It will give notice that we in the United States are essentially a moral and spiritual people and that we cannot sit idly by while serious international injustices continue.

May our leadership play a significant part in bringing about the end of such injustices for the good of mankind.

This resolution is very ably authored by the gentleman from Michigan [Mr. Bentley], to whom I now yield the floor, reserving the balance of my time.

Mr. BENTLEY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I find myself in the very pleasant although perhaps somewhat unique position of being down here in the well today urging the House to pass foreign-policy legislation which I think will support the administration at the present time.

Mr. Speaker, House Resolution 370, which I introduced on January 12 and which was unanimously reported by the Foreign Affairs Committee on March 13, is designed to lend the support of the House of Representatives to President Eisenhower and the administraiton in certain respects of this Government's foreign policy. As the State Department said:

> The Department is in complete agreement with the premises from which the resolution proceeds, and with the aims expressed in its operative paragraphs. These are indeed the policies of the United States Government, in the formulation and implementation of which the Department of State has been largely concerned. Adoption of the resolution would support the Department in its firm intention to promote these policies by all practicable means.

In his state of the Union message on January 5, President Eisenhower made the following remarks which form the basis for House Resolution 370:

> In all things, change is the inexorable law of life. In much of the world the ferment of change is working strongly; but grave injustices are still uncorrected. We must not, by any sanction of ours, help to perpetuate these wrongs. I have particularly in mind the oppressive division of the German people, the bondage of millions elsewhere, and the exclusion of Japan from United Nations membership.
>
> We shall keep these injustices in the forefront of human consciousness and seek to maintain the pressure of world opinion to right these vast wrongs in the interest both of justice and secure peace.

I should now like to discuss the three specific international injustices to which House Resolution 370 refers. First of all, the "oppressive divisions of the German, Korean, and Vietnamese people."

The President's message only referred to the division of the German people. The House will recall that when the four heads of government from the United States, the United Kingdom, France, and the Soviet Union met at Geneva last summer, there was an expression of agreement that Germany should be reunified by means of free elections. This was put in the form of a directive to the foreign ministers for the October meeting at Geneva and at that time we, the British, and the French, put forth specific plans which would provide for the reunification of Germany in a framework of European security and by means of free elections in both West and East Germany.

Of course, Mr. Speaker, the House will also recall that the Soviets refused to provide for free elections in East Germany since they feared that their East German satellite government would be overthrown. It is the Soviet Union, therefore, that is directly standing in the way of a unified Germany today. However, the pressure of world opinion may yet force a change in the Soviet resistance. If we focus and continue to focus public attention on this question, as the President did and as House Resolution 370 does, the Soviets may eventually be unwilling to shoulder the responsibility for continuing to keep Germany divided.

The language of House Resolution 370 also points to the division of the Korean and Vietnamese people which, in my opinion, is no less a grave international injustice than in the case of Germany. The United Nations itself has consistently supported the objective of a unified Korea. In 1947 this Government proposed the holding of free elections throughout Korea under U. N. supervision, a proposal which was then adopted by the General Assembly and which has been endorsed repeatedly. However, the Communists have rejected this idea, very likely for the same reason as in Germany. Again it must be our stated policy to focus world public opinion on this grave injustice. At the recent 10th General Assembly, a United States resolution was adpoted in reaffirmation to these objectives and Soviet opposition thereto was overwhelmingly defeated. In Korea, no less than in Germany, we must continue to show the principles for which we stand and how they are being prevented and thwarted by Soviet obstructionism and Communist reluctance to see their satellite regimes take their own chances in a free election.

The present division of the Vietnamese people was effected through the 1954 Geneva conference to which the United States was not a party. The House will recall that the accords reached at that time envisioned the eventual reunification of Vietnam through free and secret elections conducted throughout that country. It has become plainly evident, However, that in Vietnam, as in Germany and Korea, the Communists have no intention of permitting free elections in that part of the country which they control. Again it must be shown that we stand for the right of peoples everywhere to a free choice of their own political institutions, just as it must be shown that in each case it is the Communists who continue to deny that right of free choice. I hope that the passage of House Resolution 370 will serve to reemphasize this fact before the eyes of the world.

The second international wrong covered under this resolution is the exclusion by the Soviet Union from membership in the United Nations of Japan, the Republic of Korea, and the Republic of Vietnam. This is of course, through the use, or the misuse, of the veto power. The President's remarks only referred to Japan and the original language of the resolution was drafted accordingly. However, the committee felt that South Korea and South Vietnam are equally qualified for membership in the U. N. and that their exclusion by Soviet vetoes was no less of an arbitrary injustice than in the case of Japan.

The House will recall that the Soviet Union vetoed the admission of South Korea in April of 1949 and December of 1955. The admission of Vietnam in September of 1952 and December of 1955 and the admission of Japan in September of 1952 and twice in December of 1955. This Government has, of course, fully espoused and endorsed the admission of these three countries to United Nation's membership and the attention of the world should again be directed to the fact that they are being blocked only through Soviet intransigence. This is yet another objective of House Resolution 370.

The third injustice mentioned in this resolution the continued existence of millions of people under Communist bondage is one which has many times been brought to the attention of the House and of the Congress. Yet I believe its reemphasis is important at this time. This Government has repeatedly condemned the suppression of human rights and political freedoms among peoples who were formerly free and independent. It raised the matter with the Soviet Union last summer at Geneva and again in October at the Foreign Minister's Conference. No satisfaction was gained but the anxiety and concern reflected in the Soviet reaction gave ground for much speculation concerning the true conditions among the captive peoples.

Mr. Speaker, the House will recall that, when President Eisenhower sent a message of encouragement to the captive peoples last Christmas, Mr. Khrushchev protested violently against what he termed "internal interference" in the affairs of the satellite states. The House will recall that Mr. Hagerty in reply issued the statement that the peaceful liberation of the captive peoples is and remains a goal of United States foreign policy.

In the midst of the developments, both political and ideological, which are taking place today within the Soviet Union, developments whose effects could conceivably be felt among the captive peoples, it is important that we again reassure them that our hope and belief in their peaceful liberation and political freedom remains constant and unchanging. In view of what has occurred in the past, it is also important to remind them that this Government will make no agreement which would in the slightest degree tend to confirm their present temporary state of captivity and slavery. The fact that we consider this captivity as one of the great international wrongs existing in the world today was clearly stated by the President last January 5 and deserves to be repeated by the House today. It is so important, Mr. Speaker and my colleagues, to convince these people of our hope and concern for their freedom that we cannot repeat these sentiments too often.

In retrospect, therefore, the adoption of House Resolution 370 today by the House will signify the following:

That we recognize that there are in this modern world grave injustices to many peoples and many countries which still remain uncorrected. That we are convinced that the United States Government and the American people, whose Representatives we are, must not, by any sanction of seeming accession, help to perpetuate these wrongs.

It will mean that we believe that the present oppressive divisions of the German, Korean and Vietnamese people constitute unjust and oppressive denials of the desire of these people for, and their inalienable right to, reunification of these respective countries under terms and conditions which guarantee political freedom, self-determination and independence for all. Free election, for example, should be a prerequisite.

It will mean that we believe that the exclusion of Japan, the Republic of Korea, and the Republic of Vietnam by the Soviet Union from membership in the United Nations constitutes an arbitrary and inequitable act which is contrary to the best interests of these three countries as well as the United Nations itself. The three countries mentioned here are fully qualified for membership in the United Nations and I believe they are not only more qualified than countries such as Communist Poland and Communist Czechoslovakia, for example, but I believe they are better qualified for membership than is the Soviet Union itself.

It will mean that we recognize the fact that there are millions of people throughout the world who still exist in bondage under Soviet and Chinese Communist tyranny. It will mean that we believe that such conditions as all of the foregoing threaten the achievement of international peace and security toward which the policy of this Government and the entire free world is directed. It will mean that we believe that this Government has a duty to keep these injustices in the forefront of human consciousness. And it will mean that we support this Government in seeking to maintain the pressure of world opinion to right these vast wrongs in the interest both of justice and a secure peace.

Therefore, Mr. Speaker, I urge it to be the sense of the House of Representatives that it shall continue to be the policy of the United States Government to exercise its leadership and moral strength in the righting of these international wrongs and injustices that still exist in the world today.

In closing, I would like to express my thanks to the distinguished chairman of my committee, the gentleman from South Carolina, whom we shall sorely miss here after this year, as well as to the leadership on both sides, for their kindness and cooperation in permitting me to bring this resolution to the floor of the House today. I have sometimes heard it expressed that in matters dealing with foreign policy, the House of Representatives tends to find itself overlooked or by-passed. I think that the passage of this resolution today will show that the House is also aware of its responsibility in this important field and that it is in support of President Eisenhower in his announced intention to keep these wrongs before the conscience of world opinion and to seek to ally the pressure of world opinion to right these wrongs. I urge, Mr. Speaker, the adoption of House Resolution 370.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor of the bill) the rules were suspended and the bill was passed.

The title was amended so as to read: "To continue the policy of the United States concerning the reunification of certain peoples, the admission of Japan, Korea, and Vietnam into the United Nations, and regarding Communist enslavement."

AMENDING THE CLAYTON ACT

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9424) to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers.

The Clerk read as follows:

Be it enacted, etc., That sections 7 and 15 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 731 and 736, as amended, 15 U. S. C. 18 and 25) are amended as follows:

SECTION 1. That section 7 of said act is amended by striking the first, second, and third paragraphs, and inserting in lieu thereof the following new paragraphs:

"No corporation shall acquire, direct or indirectly, the whole or any part of the stock or other share capital and no corporation subject to the jurisdiction of the Federal Trade Commission and no bank, banking association, or trust company shall acquire, directly or indirectly, the whole or any part of the assets of one or more corporations engaged in commerce, where in any line of commerce in any section of the

country the effect of such acquisition of such stock or assets, or the use of such stock by the voting or granting of proxies or otherwise, may be substantially to lessen competition, or to tend to create a monopoly.

"No corporation subject to the provisions of this act shall acquire, directly or indirectly, the whole or any part of the stock, other share capital or assets of one or more corporations engaged in commerce, where the combined capital, surplus, and undivided profits of the acquiring and the acquired corporations are in excess of $10 million until 90 days after delivery to the Commission or Board vested with jurisdiction under the first paragraph of section 11 of this act and to the Attorney General of notice of the proposed acquisition. Such notice shall set forth the names and addresses, nature of business, products or services sold or distributed, total assets, net sales, and trading areas of both the acquiring and the acquired corporations. The parties shall furnish within 30 days after request therefor, such additional relevant information as may be required by the Commission or Board vested with jurisdiction under section 11 of this act or by the Attorney General. Any corporation willfully failing to give the notice or to furnish the required information shall be subject to a penalty of not less than $5,000 or more than $50,000, which may be recovered in a civil action brought by the Attorney General. Failure by the Federal Trade Commission, the Attorney General or other appropriate agency to interpose objection to such acquisition within the 90-day period shall not bar the institution at any time of any action or proceeding with respect to such acquisition under any provision of law. The Commission or Board vested with jurisdiction under section 11 of this act, after consultation with and upon approval of the Attorney General, may establish procedures for the waiver of all or part of the waiting requirement in appropriate cases.

"The preceding paragraph shall not apply to corporations purchasing stock solely for investment when the stock acquired or held does not exceed 5 per centum of the outstanding stock or other share capital of the corporation in which the investment is made; nor to the acquisition by one corporation of the assets of any other corporation if such assets do not equal more than the sum of $5 million or more than 5 percent of the capital, surplus, and undivided profits of either the acquired or the acquiring corporation, whichever is less. The term 'assets' as used in this paragraph shall not include stock in trade sold or held for sale by a corporation in the ordinary course of its business.

"Except for the provisions of the two preceding paragraphs this section shall not apply to corporations purchasing stock solely for investment and not using the same by voting or otherwise to bring about, or in attempting to bring about, the substantial lessening of competition. Nor shall anything contained in this section prevent a corporation engaged in commerce from causing the formation of subsidiary corporations for the actual carrying on of their immediate lawful business, or the natural and legitimate branches or extensions thereof, or from owning and holding all or a part of the stock of such subsidiary corporations, when the effect of such formation is not to substantially lessen competition."

SEC. 2. That section 15 of said act is amended by inserting after the first paragraph thereof the following paragraph:

"Whenever the Federal Trade Commission has reason to believe—

"(1) that any corporation subject to its jurisdiction is acquiring or has acquired stock or assets of another corporation in violation of the provisions of section 7 of this act; and

"(2) that the enjoining of such acquisition or the maintenance of the status quo after acquisition pending the issuance of a complaint or the completion of proceedings pursuant to a complaint by the Commission under this section and until such complaint is dismissed by the Commission or set aside by the court on review, would be to the interest of the public,

the Commission, by any of its attorneys designated by it for such purpose, may bring suit in a district court of the United States to prevent and restrain violation of section 7 of this act or to require maintenance of the status quo. Any such suit may be brought in any district in which the acquiring or the acquired corporation resides or transacts business. Upon proper showing, a temporary injunction or restraining order shall be granted without bond. In any case where injunction or restraining order is granted under this paragraph, the Federal Trade Commission shall proceed as soon as may be to the issuance of the complaint and to the hearing and determination of the case."

The SPEAKER. Is a second demanded?

Mr. KEATING. Mr. Speaker, I demand a second.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill would amend the Clayton Act by requiring prior notification of certain corporate mergers, and by authorizing the Federal Trade Commission to seek a preliminary court injunction restraining the consummation of mergers pending final Commission action.

We have all observed the alarming rate at which corporate mergers have been taking place recently. In the year just ended, for example, the number of mergers set a 25-year record and proceeded at a rate four times that of 1949. What is more, since 1951 over 3,000 independent concerns have disappeared through merger activity, which has played a most important part in hastening the reduction of competition in many areas and promoting a growing concentration of economic power.

Members will recall that the Congress in December 1950 enacted the Celler-Kefauver Antimerger Act, to amend the Clayton Act and to strengthen the provisions of the antitrust laws governing mergers. Five years' experience in administering the Antimerger Act has demonstrated the basic need for the present legislation, which is strongly supported by the President, the Department of Justice, and the Federal Trade Commission. The President had this to say in his economic report submitted to the Congress in January 1956:

> Nevertheless, mergers have become more numerous of late and an eye, at once vigilant and discriminating, must be kept on such developments. Many mergers have a solid economic justification and serve the general interest by increasing competition; others have neutral effects; while still others place obstacles in the path of effective competition. Over the years Americans have wisely viewed excessive business concentration, or any other undue concentration of economic power, with uneasiness. To serve the basic American desire for an economy in which business opportunities are increasing and in which economic control is widely diffused, it is desirable to strengthen our antitrust laws and provide larger appropriations for their enforcement.
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> Toward this end, the following revisions of antitrust legislation are recommended. First, all firms of significant size that are engaging in interstate commerce and plan to merge should be required to give advance notice of the proposed merger to the antitrust agencies, and to supply the information needed to assess its probable impact on competition.

That is exactly what we do in this bill. We require that where there is a proposed merger of two or more companies in an unregulated industry and the combined capital structure of the companies is $10 million or more, then notice must be given 90 days prior to the merger's consummation to the Department of Justice and the Federal Trade Commission. When the merger involves companies in a regulated industry, notice must be given to the appropriate Federal commission and the Attorney General. Air carriers proposing to merge, for example, would notify the Civil Aeronautics Board and the Attorney General. If the merger involves railroads, notice must be given to the Interstate Commerce Commission and the Attorney General.

There is a provision for a 90-day waiting period. In other words, the Department of Justice, the Federal Trade Commission, and the regulatory agencies would have 90 days to consider the proposed merger.

There is a civil penalty ranging from $5,000 to $50,000 in the event that corporations seeking to merge willfully fail to give due notice in pursuance of the act, to the Federal Trade Commission, the Department of Justice, or the appropriate regulatory body.

What is behind the President's recommendation in addition to what I have indicated? Many of these mergers occur in secret which means that the Department of Justice and the Federal Trade Commission are unable to get any information about them. And in other instances these agencies have to rely on trade journals, newspaper clippings, financial periodicals to get information as to a proposed merger. This haphazard method is very unsatisfactory. Also it places a most difficult burden upon the Department of Justice and Federal Trade Commission.

This bill would require corporations that propose to merge to give appropriate notice to the Department of Justice and the Federal Trade Commission. It may be noted that even if the Department of Justice or the Federal Trade Commission does not take legal action within 90 days, they are not barred from proceeding thereafter in the event the merger constitutes a violation of the antitrust laws.

In addition, the bill grants to the Federal Trade Commission power to seek a preliminary court injunction against any proposed merger. The Department of Justice has that right now; in fact, the Federal Trade Commission has the right to proceed by way of preliminary injunction in a certain limited field under section 13 of the Federal Trade Commission Act. We expand that field now so that in the event of a proposed merger, the Federal Trade Commission can step in and endeavor to prevent a merger.

Why do we ask that? Because in many instances the Federal Trade Commission is presented with a merger which is a fait accompli. In many instances the acquired corporation is swallowed up and its identity is lost. This makes it impossible thereafter for the Commission to unscramble the eggs. Under the bill the Federal Trade Commission will be armed with sufficient authority to prevent the merger from taking place until there has been a determination of its legality.

In light of the fact that the President, the Federal Trade Commission, and the Department of Justice have asked for the bill—there has only been inconsequential opposition to it—I do, indeed, hope that we suspend the rules and pass H. R. 9424.

ORDER OF BUSINESS ON WEDNESDAY NEXT

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. McCORMACK. Mr. Speaker, I desire to announce to the House that the first order of business on Wednesday next will be the consideration of, and the vote on, the veto message of the President in relation to the farm bill.

Mr. KEATING. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, I urge the passage of H. R. 9424.

This bill would amend section 7 of the Clayton Act to require corporations proposing to merge to notify the Attorney General and the Federal Trade Commission 90 days in advance of the transaction. Within 30 days after the notice is given, the companies would have to furnish the enforcement agencies such additional information as may be needed to assess the merger's probable impact on competition. These provisions apply only to mergers where the combined assets of the merging companies exceed $10 million. Willful failure to submit the notification or furnish the required information would subject the offender to a civil penalty of from $5,000 to $50,000.

This bill would also amend section 15 of the Clayton Act to provide the Federal Trade Commission with authority to seek a preliminary court injunction to restrain completion of a merger until adjudication of its legality.

Mr. Speaker, the need for this legislation has been emphasized in recent years by the almost alarming tendency toward the merging of corporations in this country. Our American traditions of fair play and protection of the small-business man demand that we scrutinize such developments carefully. As President Eisenhower stated in his Economic Report of January 24, 1956, we must be "at once vigilant and discriminating" in our approach to the problem of mergers today.

I fully recognize that many mergers are entirely feasible and desirable from the viewpoint of the good of the national economy, since they may tend to increase competition. On the other hand, it is equally obvious that vicious monopolistic tactics, which may tend to lessen competition, are inherent in some mergers.

The bill we are considering today provides the Government with a means of effectively judging how to tiptoe along that tightrope line which must be drawn between a corporate consolidation which is good for the economy and one which has harmful effects. It is my feeling that this measure, H. R. 9424, gives the Government the vigilant, yet discriminating means of alleviating the traditional uneasiness with which Americans view excessive business concentration. To that end we must strengthen our antitrust laws and provide more adequately for their enforcement.

The idea of requiring notice of proposed corporate action which might infringe upon legislative policy is not a new one. Both the Securities Act of 1933 and the Securities Exchange Act of 1934 contain comparable provisions. Under these laws a registration statement relating to the issuance of a new security must be filed with the Securities Exchange Commission 20 days before its effective date and the Commission has the power to issue a stop order within that period. Similar proceedings are also practiced with respect to the publication of railway rates.

Five years of experience in the administering of the provisions of the antimerger law of 1950 have demonstrated the need for some sort of legislation to provide for premerger notification. At present the necessity for advance study of mergers is met in a most inefficient manner which imposes needless burdens on the Department of Justice and Federal Trade Commission. Under existing statutes, staffs of these agencies must scan a wide variety of periodicals, trade journals, and other publications to learn of proposed or pending consolidations. Such procedures are made doubly unsatisfactory by the fact that many mergers may be consummated without adequate or timely notice in the press and because the agencies involved have to compile economic data concerning the contemplated merger in order to determine whether a full-scale economic investigation should be undertaken.

The measure before us today would correct this situation. At the same time it will not constitute a hardship on the companies involved since the data needed by the agencies can be supplied by those involved without undue difficulty.

There is also the additional consideration that premerger notification will benefit the business community itself. A number of lawyers representing merging companies have stated that disruption of business plans is lessened by Department action before merger consummation. Furthermore, with this requirement incorporated in the statute, the company which tries to obey the law and seeks advance clearance from the Federal Trade Commission and Justice Department will no longer have to stand by and watch its competitor, who chooses to remain silent, carry out a merger. In many of these cases, those who would circumvent the law rely on the natural indisposition of the enforcement agency to unscramble the commingled assets, and in the meantime pile up huge profits.

There has been some complaint about the inequity in enforcement authority of section 15 of the Clayton Act, which now exists between the FTC and Justice Department. Since the Commission has concurrent responsibility with the Attorney General to enforce that act, it should follow that the Commission has the same authority to invoke injunctions to prevent and restrain violators. In fact, the Commission right now even lacks the authority which private parties have to petition a Federal district court to enjoin the consummation of what may be an illegal merger causing irreparable injury.

Logic and the demands of sound policy dictate that this serious loophole in the Antimerger Act be closed, as this bill provides. Passage of H. R. 9424 will give the FTC coexistent authority to invoke the injunctive powers of a district court upon an appropriate show of necessity.

Mr. Speaker, it is important to bear in mind that not all mergers are covered by the notification and reporting requirements of the present bill. To avoid any burden upon small-business consolidations, advance notification is required only where the combined capital structure of the merging corporations exceeds $10 million. This figure will probably cover most mergers that have a significant economic effect and at the same time will relieve from the notification requirements a large number of transactions which have no particular significance from an antitrust standpoint.

The measure under consideration is supported in principle by the President, the Attorney General, and the Federal Trade Commission. It is similar to a number of bills introduced by other Members including myself. Its passage will relieve the Department of Justice and the Federal Trade Commission of cumbersome and unnecessary burdens and at the same time apportion enforcement authority more equitably.

The Clayton Act has come to be regarded as one of the bulwarks of our free economy. Its provisions represent a mighty weapon in our arsenal to prevent this country from going down the road toward socialism. In order to bring the Clayton Act up to date and alter it to meet the challenges of present-day business practices, while at the same time preserving our proud heritage of free opportunity and enterprise, we should act swiftly and favorably on H. R. 9424.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield.

Mr. VORYS. I am wondering whether there would be danger here, if you had to have a premerger filing, of a sort of raid by minority stockholders such as we have seen at times, where sort of nuisance attacks are made on the whole business. Has the committee considered that possibility?

Mr. KEATING. The committee did discuss that, among other things in considering this bill, and considered it very fully. I point out to the gentleman that there is a 90-day period which elapses between the time when the notice is given and the merger is to be consummated. Some business concerns raised the point that that might cause a delay and might give an opportunity for minority elements or other disgruntled elements to raise some such question.

There has been put in the bill a provision which permits the Attorney General and the Federal Trade Commission to set up a system of waiving the 90-day requirement so that in the case of a merger of not too great consequence which is not going to have an adverse effect in their judgment on restraint of trade they would be able to waive that period and allow the merger to go through right away. I do not think that the fear which the gentleman has voiced is likely to be serious in this bill.

Mr. VORYS. If the gentleman will yield further, I am sure he will agree with me that there is nothing necessarily evil in the attempts of minority stockholders or others to investigate and prevent a merger if it injures them.

Mr. KEATING. I entirely agree with the gentleman.

Mr. VORYS. It strikes me that it might be possible to make it difficult to prevent some sort of mental or other form of restraint until it can be determined what the purpose is of the one who is using the technicalities to attempt to defeat a merger when it is obvious that his purpose is for revenue only.

Mr. KEATING. I think that should be taken care of by the enforcement agencies who ought to be in a position to appraise the merits of his position and allow the merger to go through if the objections are totally lacking in merit.

Mr. CELLER. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

IN SUPPORT OF THE CELLER ANTIMERGER BILL, H. R. 9424

Mr. PATMAN. Mr. Speaker, I am strongly in support of H. R. 9424 which would amend the antimerger law. Specifically, the bill amends section 7 of the Clayton Act, as previously amended. The distinguished chairman of the Committee on the Judiciary is to be congratulated for introducing this bill and giving us an opportunity to consider it. It should be passed promptly.

I think I could not illustrate my longstanding sympathy and support of the provisions of this bill better than to point out that almost 10 months ago, on June 9 of last year, I introduced a somewhat more comprehensive bill on the same subject. This is H. R. 6748, which I believe was a forerunner of the several bills to improve the antimerger law, which have been introduced in this Congress.

H. R. 9424 WILL NOT EXCUSE MERGERS MADE IN GOOD FAITH

Section 7 of the Clayton Act, as amended, prohibits the acquisition of the stock or assets of 1 corporation by another corporation, under 1 crucial circumstance. This circumstance is—and I quote the statute—"where the effect may be substantially to lessen competition or tend to create a monopoly."

That seems to me to be a modest and reasonable check on a monopolistic activity. I am highly gratified, therefore, that this single test of the law, which makes corporate mergers illegal if the effect may be substantially to lessen competition and tend to create a monopoly, is not to be saddled with an added good-faith defense which would make it legal for corporations to go ahead and merge in good faith, even though the effect of the merger is to substantially lessen competition or create a monopoly. If the Government's hands were to be tied so that it could neither prevent a merger nor bring about the dissolution of a merger which creates monopoly by reason of the fact that the merger was consummated in good faith, we would, of course, have an absurd law, and an extremely ineffective instrument for preventing monopoly.

Another section of the Clayton Act which deals with an equally important—and perhaps more important—monopolistic practice has indeed been saddled with this very absurdity. I refer, of course, to section 2 of the Clayton antitrust law, as amended by the Robinson-Patman Act. This section of the law contains the prohibition against discriminating in price.

The original prohibition on this monopolistic practice was drafted in the Clayton antitrust bill of 1914, but before that bill passed it was amended to contain a proviso which justified price discriminations made in good faith to meet competition. Twenty-two years of practical experience with that law provided a superabundance of proof that the good-faith defense rendered the law a practical nullity. Consequently, in 1936, when we amended the price-discrimination law by passage of the Robinson-Patman Act, it was intended to make a sharp contraction of the good-faith loophole, and to rewrite the good-faith defense so as to put it on a reasonable and workable basis.

In a closely divided opinion in the Standard Oil of Indiana case, however, the Supreme Court, in 1951, put the good-faith defense back into the law on price discrimination about as it was before the Robinson-Patman Act was passed. The majority opinion of the Court went even further and defined one business circumstance in which good faith would always prevail, and in doing so the Court made one of the most intriguing pronouncements of all times. The nub of the Court's pronouncement is that one seller's obeying the law completely justifies his competitors in breaking the law.

I do not think I need elaborate on the practical effects of this decision. I only point out that over the years past there appears to have been an extreme reluctance on the part of the Committee on the Judiciary to recommend removal of the "good faith" absurdity from the law on price discrimination.

In point of fact, the Committee on the Judiciary has had before it, since the opening of the last session of this Congress, a bill which would modify the "good faith" absurdity to this extent: It would adopt precisely the same language which describes an illegal merger and make this same language describe an illegal price discrimination. This language is set out in H. R. 11. It would make a price discrimination illegal where the effect of the discrimination "may be substantially to lessen competition or tend to create a monopoly."

Under H. R. 11, there would be no further qualification in the law as to good faith, or bad faith, or any other kind of faith with which the discriminatory practice is carried on. I hope that before this session of Congress ends we will have an opportunity to consider H. R. 11 and then vote on the question whether price discriminations should be justified by good faith even when they substantially lessen competition or tend to create a monopoly.

The need for improving the antimerger law, is I think, obvious. The country is witnessing a great wave of corporate mergers which if not checked will soon lead us to a definitive state of monopoly capitalism. I should like to point out, however, that the failure of the present merger law has not been due entirely to the inadequacy of the present law nor would the best antimerger law conceivably solve the basic problems underlying the merger movement.

THE FAILURE HAS BEEN IN ENFORCEMENT

The utter failure which the antimerger law has met with to date, is in no way a measure of the inadequacy of the law. The failure has been in enforcement. The great wave of corporate mergers and consolidations which has been taking place during the past 3 years, and continuing now, has elicited from the Department of Justice and the Federal Trade Commission not even a wholehearted pretense at enforcing the law. No matter how much the law might be improved therefore, the practical effect will be inconsequential so long as the enforcement agencies refuse to enforce it.

No antimerger law would get at the root causes of the present wave of mergers, even if the enforcement agencies were devoted and skillful in their assigned tasks. These causes lie in the realm of finance, and it is absurd to think that the Federal Government can adopt a set of economic policies, then hold back the tide of inevitable consequences of those policies by passing an antitrust law.

TAX POLICIES ARE PRINCIPAL CAUSE OF MERGERS

The principal impetus for the merger movement is coming from the fact that today the lion's share of the investment funds are being channeled to the giant industrial corporations. These corporations have been given the function of investment bankers. This has resulted, for the most part, from the 1953 and 1954 changes in the tax laws which shifted the income shares to favor big corporations and high-income families. The administration sponsored these changes on the theory that they would stimulate investment in new productive capacity. The effect has been to stimulate the big corporations to an orgy of buying up previously existing capacity.

The effect has also been, conversely, to create a necessity for many small firms to sell out. The tax changes, particularly removal of the excess-profits tax, which were supposed to stimulate investment in new capacity have also provided the monopoly industries with an incentive for raising prices and taking more profits. Faced with a continuous inflation in big business prices and profits, the administration has maintained the overall buying power of the dollar by bringing about rapid deflation in the more competitive segments of the economy—namely, the small business and farm segments. This has left less savings among small investors, and has left small business even more capital starved than before.

More than that, the administration's technique for combating inflation is principally that of contracting the money supply, by Federal Reserve actions to contract commercial bank credit. And unfortunately it is principally the commercial banks that small business must depend upon, both for operating funds and long-term capital.

We are now being swept along a current which, if not checked, will end with a few giant corporations owning all of the wealth of the country. The economic bust for which we are rapidly heading will not check this trend. When the wave of bankruptcies starts, it will be the smaller businesses that go bankrupt, and the concentration of productive wealth into the hands of the corporate giants will continue.

CORRECTIONS NEEDED IN TAXES AND FINANCE

If we are serious about checking the merger movement, as well as other movements which are concentrating business, then I think we must do two things.

First, we must make substantial changes in the corporate tax rates. Specifically, I would recommend reducing the normal tax rate from the present 30 percent to a rate of not more than 22 percent. Then to retain present levels of revenue, I would recommend that the surtax be moderately graduated throughout the whole size range of corporate incomes, so that progressively larger incomes will be subject to progressively higher tax rates. In short, I am recommending an end to the insane tax policy which takes the same percentage of the income of a corporation receiving an income of, say a million dollars, as one receiving $2 billion—or one which is 2,000 times as big. I have introduced a bill, H. R. 9067 which incorporates these recommendations, and I hope that we will have an opportunity to consider and pass that bill during this session.

In addition, there are several less important, but quite direct incentives to merger built into our present law. These too should be corrected.

The second thing we must do to check the amalgamation of wealth into the giant corporations is to help create an organization which will make accessible to small- and medium-sized firms a larger share of the funds which are available for long-term-business investment. The country does not now have such an organization, either private or public. The problem is not to create more money; the problem is to create a market place, as it were, where funds which are available for investment will come together with the small- and medium-size businesses seeking such funds.

These two things would, I think, solve most of the merger problem, as well as some of the deeper problems of which mergers are only a symptom.

ANTIMERGER LAW NEEDS IMPROVEMENT

Even if all of the incentives to merger are removed from our tax laws however, and even if the follies of our other economic policies are correct, we would of course still need an antimerger law. We would still have the old problem of some mergers being generated from on substantial cause except that competition will be lessened and corporate profits enhanced.

For this purpose, the law should be improved.

MERGERS ARE NOT REPORTED

Perhaps the simplest and clearest way of showing why H. R. 9424 is needed is first to outline the enforcement procedures now being followed, and then explain how I believe these procedures would be amended by the bill.

Section 7 of the Clayton Act, as amended, makes it illegal for one corporation to acquire the stock or assets of another corporation where the effect is a substantial lessening of competition or a tendency to monopoly. There is, however, no requirement that merging corporations make the merger known to the enforcement agencies, either before a merger is consummated or after a merger is consummated. There is moreover, no penalty for making an illegal merger, except possibly the losses which may be incurred in disposing of assets, should there later be an order of divestiture. But as I shall show in a moment, there will be situations where the purpose of an illegal merger can be fully accomplished even should there later be an order of divestiture.

The Federal Trade Commission and the Department of Justice have concurrent jurisdiction. The Federal Trade Commission has no power to stop a merger before it takes place. The Department of Justice has injunctive power, but this is effective only where the Department learns of a proposed merger in sufficient time, and is able to gather sufficient market information to show the probable effects of the merger, before the merger is consummated.

Let us consider then what the major procedural steps are in the Federal Trade Commission.

First, the FTC has to ascertain that a merger has taken place. For this purpose it has a staff of several people engaged full time in screening newspapers, trade journals, such commercial references as Moody's Industrial Manual, and other sources of public information, just making up lists of the names of companies which are reported to have merged.

DELAYING AND WITHHOLDING INFORMATION

The second step is, then, to gather up enough information about the companies and the products involved to make a preliminary determination as to whether the merger is an inconsequential matter, or whether a thorough investigation should be made. This involves finding a mailing address for the companies in question and sending them a brief questionnaire. Where the merger has already taken place, the companies in question are of course in no hurry to answer the questionnaire; nor are they particularly desirous to answer it fully. Collecting these questionnaires also involves a great loss of time as well as Government expense which should be unnecessary.

Third, in the case of mergers which look as though they may run counter to the law, on the basis of abbreviated information, there is the problem of making a more complete investigation. This involves collecting information as to the companies' production or operations, the markets in which they operate, the proportion of the market affected, the patents that might be involved, and a variety of other matters. Here again a major part, and a vital part of the information must come from the companies themselves. And here again the companies are in no hurry to supply the information; and they are under no compulsion to supply the information in a form which is most revealing on the question whether competition will be adversely affected. On the contrary, they have every incentive to delay and evade. Certainly they have no incentive to gather or organize original data which they are in the best position to supply, and which perhaps only they can supply. In other words, the merger has already taken place, and the companies in question are certainly not anxious to help build a case against themselves.

PROLONGING THE LITIGATION

Next, there is the problem of litigation. Here again companies which have already merged have good reason to delay and drag out the proceedings, and these proceedings are lengthy at best.

Look, for example, at the first case brought under the new law. The Pillsbury mergers took place in June of 1951. After a year of investigation, the Federal Trade Commission issued a complaint, in June of 1952. Shortly thereafter hearings started before an FTC hearing examiner, and these hearings are still going on. In other words, the mergers took place almost 5 years ago, litigation has been going on for 4 years, and the end of the litigation is nowhere in sight.

I do not, of course, want to argue the merits of the Pillsbury case; and I do not want to say anything which could be taken as an expression of my attitude on the merits of that case. I simply make this point: If the presumption on which the FTC brought that case is correct, then the public interest has been injured—competition has been lessened. Is it not absurd then, that the public should be denied the benefits of competition for almost 5 years, when the issue could have been settled before the mergers took place?

Certainly this experience indicates that merger litigations can be kept going almost indefinitely. And it should be obvious that when large corporations are

involved in these litigations, where tens or hundreds of millions of dollars of sales are at stake, the simple expedient is to put a small legal staff on the payroll and treat the matter as a more or less permanent cost of doing business.

In any event, the longer the matter is delayed the less likely it is that the Federal Trade Commission will issue a dissolution order, and the less likely it is that the courts will sustain a dissolution order. As we know, antitrust issues quickly become moot in the eyes of the courts. As a practical matter, the courts are not willing to try to undo things which have occurred in what they regard as the remote past.

Allow me to sum up my points so far: Present procedures are unnecessarily costly to the Government, which fact dilutes the effectiveness of the enforcement dollar; these procedures result in protracted delays while the public interest suffers; they yield less complete and satisfactory market facts on which to base finding and dissolution decrees; and they result in untimely decrees which are unlikely to be sustained, assuming that under present procedures effective dissolution decrees can be drawn. This brings me to the next problem.

COMPETITION CANNOT BE RE-CREATED

Actually our courts and our enforcement agencies have had little experience in trying to draw dissolution orders. As yet they have had no experience in trying to draw an order under the Celler-Kefauver antimerger law. As for that matter, there have been relatively few dissolution decrees under the Sherman Act during the 65 years that law has been on the books. But experience under the Sherman Act has demonstrated that it is about as difficult to unscramble the assets of a corporation as it is to unscramble an egg. In addition to this difficulty, however, there is a vital weakness in the law which attempts to undo mergers rather than to prevent mergers. The law is not concerned with assets as such. Its purpose is to maintain competition. Yet the remedy in the law deals in fact with assets, and not with attaining the purpose of the law. In short, the law contains powers for ordering the divestiture of assets but there are no powers for re-creating competition or even recreating a competitor. There are no powers for saying to whom the assets shall be sold or for what purpose they shall be used. Let me illustrate with two cases in which the Federal Trade Commission is now involved.

It is generally agreed that Pillsbury's purpose in acquiring the Ballard Co. was to acquire a readymade market for its flour in the southeastern United States. Ballard had an established market in this section, its brand name enjoyed wide consumer acceptance, and Ballard's sales organization had long enjoyed the confidence and good will of the wholesale and retail merchants. Ballard's principal assets, insofar as Pillsbury was concerned, were its sales organization and the consumer acceptance which its brand name enjoyed.

Of course, Pillsbury might have used other methods to attain volume sales in the Southeastern States. It might have reduced its prices, for the benefit of consumers, or put on advertising campaigns, or done a variety of legitimate things to try to take business away from Ballard. This would have been competition, which is what we want to maintain.

ASSETS ARE FREQUENTLY NOT TRANSFERABLE

Now let us assume that the FTC ultimately tries to write an order requiring Pillsbury to divest itself of Ballard.

One fact is, I am told, that Pillsbury has now added its own brand name along with Ballard's brand name on the cartons in which its flour is sold. Pillsbury's name has now acquired the popularity and the consumer acceptance which formerly attached to Ballard's trade name.

A second fact is, I am also told, that Ballard's salesmen and other personnel are now absorbed into the Pillsbury organization.

How then can an order be written which will take away the consumer acceptance which Pillsbury's brand name has now acquired and invest that consumer acceptance in a competitor. And how can an order be written which would, contrary to our constitutional limitations on involuntary servitude, transfer Ballard's old salesmen to some new competitor? In short, what are the assets which the Government could order Pillsbury to divest itself of that would restore a competitor?

Now consider the Farm Journal-Country Gentlemen-Better Farming merger. Here we had two competing magazines where we now have one magazine. The magazines themselves have been merged into a single publication. The new publication has an identity and character of its own, and there is now a single subscription list. This merger took place more than 9 months ago, and we can expect many months more to pass before litigation is completed and a decision is rendered. I would assume that after a year's time, certainly, even the advertising contracts will have expired and new contracts will have been entered into. Furthermore, there is the same problem of people—writers, editors, makeup people, and so forth—as we have in the Pillsbury matter.

What then are the assets that could be unscrambled? There may or may not be some printing equipment which could be sold for printing operations of one kind or another. I am told that there is no printing equipment and the acquired magazines hired their printing done. But in any event, I can conceive of no order of divestiture which would create two magazines where there is now one.

H. R. 9424 REQUIRES ADVANCE NOTICE OF MERGER

As I understand the main features of H. R. 9424, they would go a long way toward overcoming the procedural difficulties I have described. First of all, the bill would require certain corporations otherwise subject to the provisions of the act to notify the enforcement authorities of their proposed merger 90 days prior to the date on which the merger could be consummated. Those corporations which will be required to file such advance notification are those whose combined capital, surplus, and undivided profits are in excess of $10 million.

Personally I would prefer the limitation of my bill on this subject, which would require advance notice where the combined capital, surplus, and undivided profits are in excess of $1 million. I think this more inclusive standard would be better and would not put an undue burden on business firms. It is manifest however that, as a rule, it is the mergers of larger corporations that are more likely to bring about a substantial lessening of competition, and I shall be content to see if the standard set forth in H. R. 9424 will accomplish substantially all that is needed on this point. As I understand this provision, it is to serve merely as an aid to the enforcement authorities in learning properly about proposed mergers, and this provision in no way changes the standard set forth in the present law as to what constitutes an illegal merger.

I hope that it is understood and clearly understood, that by adopting $10 million or more of combined assets as a requirement for advance notification, the courts and the enforcement agencies will in no way take this to mean that mergers of lesser corporations are not fully subject to all of the other provisions and limitations of the bill. In plain words, insofar as I am concerned, the congressional intent in passing this bill—if it does pass—is clearly not that mergers of lesser corporations are unimportant; on the contrary, it is my understanding that mergers of lesser corporations may well result in a substantial lessening of competition or a tendency to create monopoly, in which case such mergers will violate the prohibitions of the bill.

MERGING CORPORATIONS MUST SUPPLY PERTINENT INFORMATION

A second major feature of the bill is that it would require corporations proposing to merge to furnish such additional and relevant information as the enforcement agencies may require, within 30 days after the request for such information is made. This is to be, as I understand it, the kind of information which the enforcement agencies will need in order to appraise the competitive effects of the proposed merger, and thus to reach a decision before the merger is made whether or not the merger will contravene the statute.

Unfortunately the bill appears to contain no provisions for compelling the submission of such information, except that the enforcement agency may seek an injunction in a Federal district court on the ground that the required information has not been furnished.

Here again I prefer the provisions of the bill I introduced, which provisions are of such a nature to serve as an estoppel against the merger until such time as the requested information is furnished.

The provision of H. R. 9424 on this point appears however to be a considerable improvement over present law, and I shall be content to see how it works out in practice.

ENFORCEMENT AGENCIES MAY SEEK INJUNCTIONS

Under the present law the Attorney General may seek an injunction in a Federal court to restrain and prevent the consummation of a proposed merger. The bill would give such authority also to the Federal Trade Commission, as well as to the Federal Reserve Board with reference to mergers of financial institutions under its peculiar jurisdiction.

Here again I would prefer the provision of the bill I introduced. That provision is of such a nature that the institution of litigation by an enforcement agency would itself serve as an injunction against consummation of the merger, until such time as the litigation is completed. In my view moreover, a provision of this kind would be highly preferable to the provision of H. R. 9424. It is no easy matter to persuade the Federal courts to grant injunctions; and to do so places upon the enforcement agencies, prematurely, substantially the same burden as proving a violation of the statute. The provisions of H. R. 9424 make a substantial improvement over present law however, and I am for the bill.

THE LAW WOULD APPLY TO BANKS

Finally, H. R. 9424 will make one important substantive change in law, in that the scope of the law will be widened to cover banking institutions. Bank mergers were of course subject to the original section 7 of the Clayton Act which prohibited the acquisition of one corporation's stock by that of another. But the amendment to the act of 1950 which runs against acquisitions of assets as well as acquisitions of stock was not written to cover banks. This improvement offered by H. R. 9424 is badly needed and long overdue. I am for it.

I have not presumed of course to try to give a definitive interpretation of H. R. 9424. Such explanation and definitive interpretation must come from the distinguished chairman of the Committee on the Judiciary, who is author of the bill. I have tried only to describe the gist of the bill, as I understand it. I recognize that the bill contains a number of limitations and refinements which I have not touched upon. These appear to me however to be reasonable and adequate. I am for the bill.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related statements and material.

The SPEAKER. Is there objection to the request of the gentleman from Texas.

There was no objection.

Mr. KEATING. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Speaker, the principle of premerger notification is sound. It is not a threat to any segment of our business economy. On the contrary, I firmly believe that prior notice of a contemplated merger is in the public interest. If there is a fault in our antimonopoly laws it lies in their failure to "nip monopoly in the bud." Just as grievous is the failure over the past 15 years to provide the Department of Justice and the Federal Trade Commission with adequate enforcement funds. The importance of the Celler premerger notification measure lies in the fact that the history of American business indicates the place to halt monopoly is at the merger level.

In considering a prior notice provision for our antimonopoly laws, I think that we should keep in mind just what it is we set out to do. The basis of the American economic system is the belief in free private competition. Our goal is an economy that places its chief reliance on individual initiative and decision. As a people we have from time to time permitted the Government to step in and limit the area in which individual economic decision can operate. But in the main we strive to maintain the freedom of the individual to decide for himself.

The American dream, in economic terms, pictures a way of life in which individuals are free to enter business ventures of their own choice and workers are at liberty to shift from job to job as they see fit. We have tried to translate this dream into a system that says, in essence, that the distribution of workers and capital is best determined by the consumer's desires. The prime mover in all this is, of course, price competition.

Monopolies have generally come about through the human tendency to combine in order to place restraints on competition. Combinations may have had other motives at their beginning, but as they have grown bigger they have sought to take advantage of their power and drive their rivals from the marketplace. Bitter experience has taught us that the danger of monopoly lies in this kind of bigness. Experience has also shown us that bigness in itself is not necessarily an evil. What is it then we fear? It is the bigness that begets the lust for power. When that lust takes hold, every goal of our free private competitive system is threatened.

I do not overlook the fact that we live in an age of bigness. It is big government, big labor unions, big farms, big business. Whether it is big government or big business we ought to be wary of the potential danger, for bigness is close to monopoly wherever it is found. Western Europe is a living witness to the results of monopoly power—whether it be in government or in business cartels. Industrialists and economists agree that America has the world's highest standard of living largely because we have avoided the depressing results of monopoly.

Our interest in mergers stems from the ever growing threat of monopolistic control in our economy. I am well aware that mergers per se are not necessarily bad, but I am even more aware of their latent danger where the motive is part and parcel of the lust for power.

The Democrat Party politicians and the members of the ADA now engaged in hot primary fights and a skillful propaganda game are accusing the Republican Party of being the tool of big business at the expense of the little man. The cold facts of history give the lie to this kind of talk. The antitrust laws were born under a Republican administration. The first big drive against the trusts and monopolies was under a Republican President, "Teddy" Roosevelt. When did these giant monopolies get so big? Just since 1953? Of course not. The Democrat Party had 20 years to do something about them. It did nothing. In fact all it did by way of controls and regulations was to make it financially impossible for the little man to compete against the giant industries.

I mentioned a moment ago that failure to provide adequate enforcement funds to the FTC and the Department of Justice for the past 15 or more years has been a primary factor in the recent merger move. The Democrat Party had control of these funds over most of these years.

What the Celler premerger notification bill sets out to do is to halt mergers where the prime motive is the desire for monopoly. I am in accord with this aim. But I do not believe the Celler bill goes far enough. It charts a course that is worthy, but one that is totally unrealistic in view of the magnitude of current mergers.

The Celler bill ought to reach farther down the scale and include corporations with a combined capital, surplus, and undivided profit of $5 million or more. I think, too, the Celler bill fails in not requiring a premerger notification from the corporation engaged in commerce which contemplates the acquistion of intrastate concerns.

The Celler amendments to the Clayton Act are most remiss in the penalty provisions. I believe that any corporation willfully failing to give notice or to furnish the required premerger information should be subject to a penalty of not less than $5,000 or more than $500,000. The provisions controlling the acquisition of stock solely for investment should also be changed to a sum more in keeping with the magnitude of the merger danger. I would have the Celler bill changed at this point and place the asset exemption at $500,000.

I have included these proposed changes in a bill, H. R. 9968, which was duly introduced by me. I am enough of a realist to know that my bill is not likely to be before the Members this session. But the threat of monopoly in the present mad race to merge is so great, that I believe a bill as inadequate as the one now under consideration is better than no action by this Congress.

Mr. CELLER. Mr. Speaker, I have no further requests for time.

Mr. KEATING. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. ALBERT). The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SOVIET SEAMEN'S REDEFECTION CALLS FOR POSITIVE ACTION BY UNITED STATES

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may

extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, the redefection to the Soviet Union on April 8 of five Soviet seamen who had previously elected to stay in this country dramatizes the problem facing this country in fulfilling the hopes of refugees from Communist countries. The recent study by the Donovan Commission of the International Rescue Committee, which I referred to in the RECORD of March 29, 1956, pointed out that more than 1,000 such persons have returned to their countries of origin in a recent 13-month period. The most recent redefections will be of inestimable propaganda value to the Communists but perhaps also of some value to us in underlining the deficiencies in our handling of such people. Gen. William J. Donovan, the former OSS Chief, announced yesterday the formation of a national committee to combat redefection campaigns. I commend this enterprise.

It should be recognized that governmental and private agencies which encourage defections by Communist citizens assume the risk that redefection may take place later on, and they should therefore recognize their obligation to exert every effort consistent with a free society to avoid such redefections. American agencies, however laudable their intentions, should not manufacture propaganda for the Communists by unwittingly setting the stage for redefections and failing to prevent them.

The number of Federal agencies involved in the reception and resettlement of refugees from communism is considerable, ranging from the President's special escapee program to the International Cooperation Administration, the Department of State, and the Immigration and Naturalization Service. Doubtless, too, our Central Intelligence Agency plays a considerable role in such matters. As the Donovan Commission of the International Rescue Committee pointed out, the Health, Education, and Welfare Department could also play an important part in assisting refugees to become more quickly adjusted to life in our country.

A successful program of receiving and holding the allegiance of such refugees clearly requires the sound coordination of many agencies. In addition to governmental bodies, private religious and nationality welfare groups also make a very important contribution. Yet, when the five Soviet sailors left for the Soviet Union on April 8, the United States Immigration officials held a brief hearing at which the only counsel available to the redefectors was supplied by the Soviet Embassy. The private agency which had shared in assisting the seamen in this country, was, apparently, given short shrift by the immigration officials. Neither the State Department nor the Justice Department have added any light to the question of why the redefections took place. If this matter was conducted in accordance with a coordinated Federal policy, surely that policy could be better explained to the American public than has been done to date.

On the other hand, if the redefection of the Soviet seamen represents a failure of United States policy, as it clearly seems to do on the evidence available at this time, the Federal agencies which might have helped to avoid this deplorable incident should reconsider their conduct in the matter. If the Central Intelligence Agency, for example, shared in the responsibility for integrating these unfortunate refugees into American life, then this surely illustrates the need for a check on that Agency in addition to the Presidential one.

Perhaps this unfortunate incident reflects not only mismanagement by the administration but also is indicative of the somewhat callous attitudes toward refugees which animates some of our laws in this area. The rigid health and job requirements for entrance into this country under the Displaced Persons Act of 1948 and the Refugee Relief Act of 1953 have disillusioned most of the 220,000 fugitives from Eastern Europe who still live in squalid camps on the edge of the Iron Curtain, thereby blunting the substantial accomplishments of these laws. Congress should not remain indifferent to the fate of these remaining victims of Communist tyranny. The Refugee Relief Act should not be allowed to expire without compensatory immigration opportunities being provided for these special cases. Unless this is done and done quickly, can we reasonably expect that the rate of Communist propaganda victories, such as the redefection of these five Soviet seamen, will decrease rather than increase?

I include as part of my remarks the text of two letters which I have just received from Msgr. Edward E. Swanstrom, the executive director of the National Catholic Welfare Conference, and Roland Elliott, director of the immigration services of Church World Service, Inc., of the National Council of Churches of Christ in the United States of America.

NATIONAL CATHOLIC WELFARE CONFERENCE,
April 9, 1956.

DEAR CONGRESSMAN THOMPSON: It was very kind and thoughtful of you to send me sufficient copies of your remarks of March 28 on the redefection problem for distribution to the members of our refugee relief committee. I am sure they will be just as interested in what you had to say as I was. You are to be highly congratulated for taking this further opportunity to point up the problem.

It is unfortunate that the Refugee Relief Act program has not brought the relief to refugees that was expected of it, and we are naturally very hopeful that by amendment for its extension, Congress will give us a further opportunity to make better use of it. I am going to have your remarks reviewed by our committee, and I will see that any comments they have to make will be forwarded to you shortly.

I wish to assure you again of our very deep appreciation of your great interest and cooperation in our attempts to help resolve some of the problems with which the poor refugees are still struggling.

With every best wish, I am,
Sincerely yours,
(Rt. Rev. Msgr.) EDWARD E. SWANSTROM,
Executive Director.

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST IN THE U. S. A.,
CHURCH WORLD SERVICE, INC.,
April 13, 1956.

DEAR CONGRESSMAN THOMPSON: Your letter to Monsignor Swanstrom acknowledging our joint agency letter of February 16, 1956, to the President is deeply appreciated by us in Church World Service.

Your remarks, in my judgment, based on our intimate experience with escapees and refugees in recent years, are most pertinent and urgently important. Our experience last week with five redefecting Russian sailors is but one case in point which demonstrates the urgency of our strengthening our policies and procedure to deal more adequately with this problem.

At the moment, it would seem that budget pressures are endangering the work of the United States escapee program; I hope you can look into this.

With high regard, I am,
Cordially yours,
ROLAND ELLIOTT,
Director, Immigration Services.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BENTLEY. Mr. Speaker, at the request of the chairman of the Committee on Foreign Affairs, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the conference report on the bill, S. 1287, and also on House Resolution 370 at the appropriate place in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FEIGHAN. Mr. Speaker, I supported House Resolution 370, introduced by our distinguished colleague the gentleman from Michigan [Mr. BENTLEY]. The able chairman of the House Foreign Affairs Committee has given a most explicit explanation of the purposes of House Resolution 370. He has pointed out that the purpose of this resolution is to make clear the policy of the United States with respect to Germany, Korea, and Vietnam, and the basic policy of our Government toward all people who are today denied human freedom and the right to national independence.

Germany, Korea, and Vietnam all stand as victims of a crude experiment in Russian surgery. Each of these nations has been divided by Russian military action and Communist aggression. Germany was divided during the twilight sleep of the West when the Russians were posing as our allies and when it was believed that a defeated enemy could only be controlled by four-power occupation. The Western Powers many years back recognized that the German people had demonstrated a fine capacity for democratic self-government and that there was no further reason to maintain occupation forces in that country. But the cunning Russians who seek neither a democratic Germany nor a representative government in Germany, have continued to occupy a part of Germany and have even set up a stooge government in the part of Germany they occupy for the purpose of carrying out subversive and other illegal activities against free Germany. Thus the Russian Communists alone are responsible for an unnatural and unjust division of the German people.

In Korea we find practically the same set of circumstances applying as those which brought about the division of Germany. The Russians were granted military jurisdiction of Korea north of the 38th parallel until such time as a treaty of peace was arranged with Japan and stability established in the Far East.

Moscow used this advantage granted by the West in order to launch a war of aggression against free Korea and in particular, against its former allies, the United States, Great Britain, and France. The Communist war of aggression in Korea brought great suffering and hardship to the Korean people. We Americans will never forget that thousands of our youth died a hero's death in the defense of freedom on the cold battlefields of Korea. It is with sadness that we recall to memory the fact that a precarious truce which was arranged in 1953 still recognizes the cruel handiwork of the Russian Communists which continues the division of the Korean nation.

In Vietnam the agents of Moscow got control of the national independence movement which opposed French colonial rule and ultimately brought about a state of war. The same Russian agents were supplied with arms, ammunition, tanks, and soldiers by the Communist Chinese, and their Russian bosses. This same unholy trio brought about a Geneva Conference in which the French Government ceded part of Vietnam to Communist occupation. In the southern part of Vietnam, which remained in French hands, there has lately arisen a great and patriotic leader of the people who is completely dedicated to democratic principles and to government of the people, by the people, and for the people. This new leader, President Diem, is dedicated to the goal of a free, independent, and united Vietnam.

The people of Germany, the people of Korea, and the people of Vietnam seek the common goals of political freedom, self-determination and independence. It is in this spirit that they seek reunification of their homelands now divided by the tyranny of Russian surgery.

I agree with the distinguished gentleman from Michigan [Mr. Bentley] that the people of Germany, Korea, Vietnam, and Japan should, and of right ought to be represented in the councils of the United Nations. The Russian efforts to deny the German people, the Korean people, the Vietnamese people, and the Japanese people this right deserves the condemnation of all mankind.

This resolution reaffirms the long-standing policy of the United States Government in support of all people who seek freedom and independence from Russian and Chinese Communist bondage. The now famous McCormack resolution, which Congress passed unanimously last year, stated, in unmistakable terms, the rights of all people and nations to freedom, self-determination, and independence. House resolution 370 gives specific application to the principles of the McCormack resolution to the people of Germany, Korea, and Vietnam. These are time-honored principles in support of which the people of the United States have shed their blood here at home and on foreign battlefields, and our unwavering support of which have brought us the approbation and prayerful thanks of people everywhere in the world.

The distinguished chairman of the House Foreign Affairs Committee, the gentleman from South Carolina [Mr. Richards], has summarized the compelling purposes of this resolution by stating that we must continue to nurture in the hearts and minds of the enslaved peoples their hopes for freedom and independence and that this can best be done through expressions of the executive branch, through expressions of Congress, and through public expressions. Our colleague the gentleman from Michigan [Mr. Bentley] points out that passage of this resolution has served notice on the world, at a time when a massive effort is being made to bury the long and cruel record of Communist crimes against humanity, that we continue to recognize that there are in this modern world grave injustices which remain uncorrected. He emphasizes that we, as a Nation and people, must avoid any action which will tend to perpetuate these wrongs and must engage in undertakings which give promise of correcting the inhumanities and grave injustices which now bar the way to a just and lasting peace.

AMENDMENT TO REFUGEE RELIEF ACT OF 1953

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, I have today introduced a bill to amend the Refugee Relief Act of 1953. Liberalization of the act, and of the program established by it, has been sought by interested civic and political leaders for some time. The current Refugee Relief Program is due to expire at the end of this year. It will be terminated with approximately 40,000 of the visas earmarked by Congress for issuance to refugees, unused and unusable.

Thus, it appears necessary to lengthen the life of the program and to facilitate its administration.

In my bill, I have provided for the extension of the Refugee Relief Program until December 31, 1960. Visas not allocated on the termination date of the current law, December 31, 1956, are to be reallocated on a proportional basis to any prospective entrants covered in the original act.

The current law provides for the issuance of 205,000 refugee visas. I feel that this number is unnecessarily small and fails to tap the true potentialities of the United States as a haven for victims of oppression and natural calamity. Thus, the bill I have introduced provides an additional 15,000 visas for allocation under the program.

One of the great problems in the current law is that entrance is denied to victims of tuberculosis. In the United States, this disease is no longer the scourge it is elsewhere. It can, and has, been treated. Yet, because of the bar against its victims, numerous refugee families, in dire need of resettlement, refuse admission rather than leave behind a relative who has been found to have tuberculosis. My bill provides for the admisson of 1,000 such sufferers, providing that they are members of a family group being admitted under the act and will not endanger the public health or become public charges.

It has been currently estimated that from 6 to 9 months are required to process each alien applying for admission under the act. Such a delay brings hardship to the refugees waiting to come to this land, and to the persons in the United States who are sponsoring them. Thus, I have suggested several administrative changes to eliminate the complicated and time-consuming procedures now operative. I have provided that the Secretary of State and the Attorney General may waive the passports and other travel documents now required under the act. People who have escaped from tyranny often have no such papers and scant means of obtaining them. Furthermore, even if such documents are obtainable, months often elapse in the process of getting them. Hence, administrative waiver in certain deserving cases certainly seems necessary.

Another provision which hampers administration of the act also is changed by my bill. Under the present law, a visa cannot be issued a prospective refugee unless he can provide documentary evidence of his activities for 2 years prior to his application. Obviously, many Iron Curtain escapees and disaster victims cannot comply with this requirement. Consequently, these persons are forced to wait out the 2 years in refugee camps in order to provide themselves with the necessary documentation. It seems only just to eliminate this restrictive requirement.

Other changes are needed. Under the current program, refugee applicants must be sponsored by individual citizens. This means that the numerous voluntary agencies, which operated so well under the provisions of the Displaced Persons Act, are now prevented from sponsoring refugees. These agencies have the means and the know-how to sponsor and provide for resettlement of aliens. Barring agency activity tends to cut down the number of aliens entering under the program. Thus, on the basis of fairness, and of sound administration, my bill provides that accredited voluntary agencies can give sponsorship to refugees admittable under the act.

My bill provides for a major change in the administration of the Refugee Relief Act. At the present time, the program is directed by the Administrator of the Bureau of Security and Consular Affairs of the State Department. This official has numerous governmental responsibilities, with which the Refugee Relief Program must compete for time and attention. Yet administration of this vital activity is a complicated job, requiring the full efforts of a skilled Administrator. Therefore, it appears to me to be necessary to have the President appoint an administrator for the refugee relief program, whose sole responsibility would be getting the victims of oppression and calamity into this Nation as simply and speedily as possible.

My entire bill has this end in view. I urge early congressional passage on this basis.

THE LATE COMPTON I. WHITE

Mrs. PFOST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, both the country and my State of Idaho lost a dedicated and industrious public servant in the death earlier this month of Compton I. White. "Comp," as he was known to all, held for 16 years the congressional seat I now hold—and few Members of Congress have ever done a better job for the people back home.

"Comp" White's name was synonymous with service while he was in the Congress. No Member was ever more responsive to the needs of the people he represented, and no Member ever worked with more vigor and persuasion for the things he believed would develop his State. He was a veritable juggernaut of force and persistence when he wanted something. He literally camped in the office of a Government official until he got some injustice straightened out or some problem cleared.

Compton White was born in Baton Rouge, La., in 1877, and spent his boyhood there. When he was 13 his family moved to Clark Fork which is in Bonner County, in the Idaho panhandle. He pioneered with his father in reclaiming a farm from logged-off land, and in operating a sawmill business.

His family sent him off to business college in Chicago, and then to Gonzaga University in Spokane. He was in the railway service for a while as telegrapher, trainman, and conductor, but his love for the land brought him back to Clark Fork where he engaged in agricultural, lumbering, and mining activities.

Throughout his life, "Comp" White was devoted to the development of the West. He was a fervent advocate of the free coinage of silver, and served as chairman of the Coinage, Weights, and Measures Committee. His other committee assignments also gave him an opportunity to best serve the section of the country he loved so deeply—he held membership on the Indian Affairs, Irrigation and Reclamation, Mines and Mining, and Public Lands Committees.

"Comp" White was a colorful and effective Member of Congress. He wrote a record of accomplishment which those of us who follow him will find it difficult to equal. He will be long remembered in both Idaho and Washington.

THE SUPREME COURT VERSUS STATES' RIGHTS

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Illinois [Mr. Mason] is recognized for 30 minutes.

Mr. MASON. Mr. Speaker, I have 30 minutes, but my statement will only take 15 minutes. The other 15 minutes I hope will be taken by reaction from my statement. As you Members all know, I am not a lawyer, and therefore my statement, while it is on the Supreme Court with reference to States' rights, will not be expressed in legal language. It will be expressed in layman's language.

Most of you Members know that I do not take the floor on any question outside of my own field. I have done it once before in 20 years in this House, and that was back in 1937 when the Supreme Court packing plan was brought before the House, and I just could not resist at that time. I feel the same today, and that is the reason I am taking this time, calling attention to the recent Supreme Court decisions and their effect upon States' rights.

Mr. Speaker, over a long period of time the Supreme Court has ruled that when Congress enacts legislation on any subject, Federal jurisdiction over that subject becomes exclusive; thereafter the States are deprived of power to enact or enforce similar laws, even if those laws are not in conflict with the Federal law.

During the past 20 years a New Deal Congress has legislated "all over the waterfront." Congress has stretched the Interstate Commerce Clause and the welfare clause of the Constitution to the point where they now embrace all the ills and the needs of mankind—and a New Deal-appointed Supreme Court has upheld such legislation. Under this program it is only a question of time before all power and all sovereignty residing in the States to enact and enforce laws will be taken over by the Federal Government.

THE STATE OF PENNSYLVANIA v. STEVE NELSON

Mr. Speaker, a case in point is the recent decision of the United States Supreme Court upholding a decision of the Supreme Court of Pennsylvania in the Steve Nelson case—a Communist convicted and sentenced under the sedition law of Pennsylvania. The Supreme Court of Pennsylvania reversed the decision of the lower court in the case, on the ground that the Smith Sedition Act passed by Congress preempted the field of sedition, and deprived the State of Pennsylvania of all jurisdiction in that field. The United States Supreme Court upheld the decision of the Supreme Court of Pennsylvania on substantially the same grounds.

Both the Supreme Court of Pennsylvania and the United States Supreme Court in rendering their decisions completely overlooked or deliberately ignored the clear intent of Congress as expressed plainly and specifically in a clause of the Smith Sedition Act which states:

> Nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof.

Mr. Speaker, this clause clearly states that the passage of the Smith Act did not and should not take away from the States the responsibility and jurisdiction over sedition under the laws of the various States, as long as there is no conflict with the Federal judiciary. In their dissenting opinion Justices Reed, Burton, and Minton pointed out that this clause clearly stated the intent of Congress, and could not be ignored. They stated also that there was no conflict in the Steve Nelson case with the Federal law nor with the Federal judiciary.

Congress now must pass legislation that will in effect veto or nullify the Supreme Court decision in this case, and state again in language that cannot be misunderstood—even by a New Deal-appointed Court—what the congressional intent is in this matter. Congress has had to act at least a dozen times in the last 10 years to correct decisions of the Supreme Court, where the Court clearly ignored the intent of the Congress. The natural-gas decision is one example.

SEGREGATION IN THE PUBLIC SCHOOLS

Mr. Speaker, in the decision of the Court on segregation in the public schools, the Court overruled a 60-year-old decision of the Supreme Court giving approval to "separate but equal" facilities and services for white and colored in the public schools. The Court also overruled other recent decisions that approved the same formula, a formula under which the Negroes of the South have made steady and peaceful progress for more than half a century. Today's Court has now established a new formula—integration of races in the public schools.

The decision of the United States Supreme Court in this case was presented in the form of a thesis, a thesis supported mostly by citations from college professors, sociologists, and psychologists, but not supported by citations from eminent lawyers or by previous Court decisions. The Court did not say that "separate but equal school facilities" was bad law. What the Court did say in effect was that "separate but equal schools" was bad sociology and bad psychology.

The Court rendered its decision without any implementing legislation being passed by the Congress. In fact, the Court entirely disregarded or overlooked legislation passed by Congress setting up the school lunch program, wherein Congress specifically acknowledged and accepted "separate but equal schools" for colored children. In that legislation Congress stated that in dispensing school lunch aid in States that maintained separate but equal schools for white and colored pupils, the school lunch aid should be distributed equitably as between the separate schools.

Under the 10th amendment to the Constitution, control over the public schools was specifically reserved to the States. Under the 14th amendment no State could discriminate between colored and white pupils with reference to school facilities. Therefore, it is the function and the responsibility of the States to provide schools, to regulate them, and to have full control over them; the only requirement being that the schools shall provide equal educational opportunities for the pupils, whether colored or white.

Mr. Speaker, under the Constitution, the United States Supreme Court is the final arbiter as to the meaning of the Constitution, and also whether legislation passed by Congress is constitutional or not. Any and all decisions of the Court become the law of the land. The Court's decisions are to all intent and purposes as much a part of the Constitution as if they had been written into that document in the first place.

For today's Court, therefore, to overrule a previous decision of the Court is the same, in effect, as if the Court amended the Constitution itself—which the Court has no power to do. If the Court has the power to overrule or change at will a previous decision of the Court, then it becomes, willy-nilly, a Court of whims and caprices, with its decisions made on the basis of political, social, or ideological theories, not based upon the provisions of the Constitution and the law.

DR. HARRY SLOCHOWER *V.* BROOKLYN CITY COLLEGE

Mr. Speaker, now comes the United States Supreme Court decision in the case of Dr. Harry Slochower against Brooklyn City College, New York City. Dr. Slochower was fired by the college authorities because he invoked the fifth amendment and refused to answer the questions of the Senate Internal Security Committee concerning his previous Communist affiliations. By a 5-to-4 decision the Court ruled that Dr. Slochower had been fired illegally because in his case "the due process of law" had not been strictly followed.

The college acted legally and properly under a provision of the New York City charter that provides for the automatic discharge of any city employee who under questioning by an official investigating committee invokes the fifth amendment. This Supreme Court decision—so the four dissenting Justices claim—"interferes with the right of New York City to protect its local government institutions from the influences of officials who do not meet the required standards for employment."

Mr. Speaker, where is the usurpation of States' rights by the United States Supreme Court going to end? It is only a question of time before the States will be deprived of all power and sovereignty in the enactment of laws for the protection of health, of welfare, of education, of labor, and so forth.

H. R. 3, by Congressman Howard Smith, of Virginia, goes to the heart of this matter. If passed it would be a long way toward stopping this rapidly increasing usurpation of States' rights by means of United States Supreme Court decisions.

Mr. Speaker, Congressman Smith's bill, H. R. 3, should be passed without further delay.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield.

Mr. DAVIS of Georgia. I want to commend the distinguished gentleman from Illinois upon the statement which he has just made to the House. I concur fully with the gentleman's support of H. R. 3. He has made a very clear and lucid statement regarding the pattern which the Supreme Court has set up in the last 20 years to establish a judicial dictatorship. I began to point this out in speeches on the floor of the House in 1949. The record of the Supreme Court in the past two decades is replete with factual evidence which demonstrates the Court's intention to change the Constitution whenever it desires, through judicial decisions, in utter disregard of the procedure required by law to amend that instrument.

In the course of those years the Court has abolished the right of political parties to set their own rules for membership. It has declared that the right to protect transfers of real estate by restrictive clauses in deeds is a violation of the Constitution. It overruled the construction of the Constitution, as the gentleman pointed out, that had been sustained for nearly 70 years when it arbitrarily declared that segregated schools violated the 14th amendment. In these cases and in other cases decided in the last 20 years the Court has overruled many more longstanding cases, and in so doing has undertaken to change the meaning of the Constitution as effectively as if it had been duly amended according to the method provided in the instrument itself.

In a step-by-step process, the Supreme Court has usurped the functions of the legislative branch of Government. It is apparent that the ultimate intention of the Supreme Court is to abolish every vestige of States' rights and replace those rights with a central bureaucracy in Washington.

Two recent decisions by the political Justices on this bench provide additional proof, if any is needed, that the Supreme Court is driving this country closer to a complete judicial dictatorship.

As the gentleman from Illinois pointed out, on Monday, April 9, 1956, the Supreme Court ruled that a college in New York could not discharge an employee because he invoked the fifth amendment when questioned about the Communist Party. In this case, Dr. Harry Slochower refused to state before the Senate Internal Security Subcommittee, in a 1952 investigation, whether he had or had not been a Communist in 1940 and 1941. His employer, Brooklyn College, took the only reasonable course and discharged him. Now the Supreme Court has denied the right of an educational institution to determine upon what grounds an employee may be discharged. With a total lack of legal precedent, the Supreme Court has undertaken to further extend its control of local educational institutions.

Colleges, like other employers, may reasonably conclude that failure to furnish appropriate information at an official inquiry is grounds for disqualifying a person for a position of public trust.

Furthermore, such employment is not a right. It is a privilege. In the first place, the State may make known membership in an organization dedicated to overthrow of the Government by force a ground for disqualifying a school teacher. If, in the determination of this policy, a school official refuses to cooperate to the extent that necessary information may be obtained, then this in itself is grounds for dismissal.

The important question here is unmistakably one of unlawful encroachment on States' rights, and not of protecting the individual rights of citizens as the Court, in its customary smokescreen manner, would have us believe.

Either through apathy, indifference, or lack of essential knowledge, many people in the remaining 47 States will meekly accept this ruling as the unquestioned law of the land. The mere fact that this decision has no personal effect on them will cause many people to regard it as of no importance.

To adopt either of these attitudes would only invite still further encroachment on States' rights in cases affecting other States and in matters of personal concern to them.

When the Supreme Court invades the reserved rights of the separate States; when the Supreme Court acts in a manner wholly disregarding the 10th amendment of the Constitution; this invasion should be met with a solid wall of resistance by the people in all of the 48 States. For, while in one instance the justices may unlawfully encroach upon the rights of only a single State, unless challenged in their abortive assumption of excessive power, it can be reasonably concluded that the Court, whenever it sees fit to do so, will also trample upon the rights of the remaining 47 States.

The Supreme Court took still another slice of the reserved powers of the States in the so-called Steve Nelson case.

In this case, the Federal Supreme Court reversed a Pennsylvania court conviction of a known Communist, supposedly on the basis that the intent of Congress at the time it passed the Smith Act was that the Federal Government should occupy the whole field against subversion, and preempt State laws on the subject.

This is a palpable and dangerous extension of congressional statute. There is no such congressional mandate present in the Smith Act. In fact, there is nothing which so much as suggests that the Federal Government intended to occupy the entire field.

The 10th amendment reserves to the States, or to the people, all powers not granted to the Federal Government. The creator, which in this case is the several States, gave to the creature, which is the Federal Government, certain powers. Extension of these powers would indicate that the creature has become larger than the creator which, of course, it cannot do.

For the Supreme Court to invalidate the sedition laws of the State of Pennsylvania, when it is obvious that it was never the intent of Congress that the Federal law should pre-empt the State law, is a brazen and irresponsible attack on the sovereignty of all of the States.

It points up in no uncertain terms that this Supreme Court has dedicated itself to the complete destruction of the States.

It states, in language too obvious to be denied, that the ultimate intention of the Supreme Court is to erase the State boundaries and create in their place a type of superbureaucratic State with Washington as the focal point.

If the integrity of our constitutional form of Government is to survive, then the sovereignty of our separate States must be maintained.

No act outside of the law, which would destroy the lines that separate the States, must be recognized. For, if we do recognize such lawless acts, we can fully expect additional usurpation of States' sovereignty until eventually the States will be powerless to administer their own affairs.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Georgia.

Mr. LANHAM. I, too, want to commend the gentleman from Illinois for his most scholarly statement. He said he was not a lawyer, but after listening to this address no one would believe it. As a matter of fact I can state that he is a better lawyer than many who are now members of the Supreme Court. I just wish we had some lawyers like him on our Supreme Court.

Mr. LANDRUM. Mr. Speaker, if the gentleman will yield, what the gentleman from Georgia means to say is he wishes we had some lawyers on the Court.

Mr. LANHAM. Some lawyers; that is exactly right. By the way, I wonder how many of you know that there are absolutely no requirements, no qualifications, other than age, in the law or the Constitution for members of the Supreme Court. The President of the United States has to be a native-born American, but the same provision does not apply to members of the Supreme Court.

Now we have seen come to pass just exactly what was predicted years ago by our Founding Fathers, and if the gentleman will permit I would like to read into the Record just a few brief statements, the first by George Washington, the Father of Our Country, when he warned us as follows:

> It is important, likewise, that the habits of thinking in a free country should inspire caution in those entrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of Government, a real despotism. * * * If, in the opinion of the people, the distribution or modification of constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates.

And Jefferson, in speaking of the Supreme Court, had this to say:

> The legislative and executive branches may sometimes err, but elections and independent people will bring them to rights.
>
> The judiciary branch is the instrument which, working like gravity, without intermission, is the one which may some day press us into tyranny.
>
> The great object of my fear is the Federal judiciary. That body, like gravity, ever acting, with noiseless foot, and unalarming advance, gaining ground step by step, and holding what it gains, is engulfing insidiously the special governments into the jaws of that which feeds them.
>
> It is a very dangerous doctrine to consider the judges as the ultimate arbiters of all constitutional questions. It is one which would place us under the despotism of an oligarchy. * * * The Constitution has erected no such single tribunal, knowing that to whatever hands confided, with the corruptions of time and party, its members would become despots.

Mr. MASON. May I say before I yield further that my only purpose in taking time today was to try to strike a little spark that would spread into a prairie fire if the legal-minded Members of this body would only carry on and keep this before the people, because they do not know what is being done to them by the Supreme Court decisions.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, I was surprised to learn that the gentleman was not a lawyer, because having observed his forensic ability here over a number of years, I just assumed that he was. He is a better lawyer than many of us who are licensed to practice. I do want to make 1 or 2 comments on the statement that the gentleman has just made because he referred to a bill of which I am the author, H. R. 3, to correct a decision of the Supreme Court of the United States in the Steve Nelson and other cases. I am glad to announce at this moment that I have been advised the Judiciary Committee will proceed to conclude hearings on the bill this coming Friday. I do hope that the House will have that bill before it in a reasonable time so that we may explore the situation much further.

The gentleman referred to the segregation case. The bill which I have before the Judiciary Committee has no relationship to the segregation case. The passage of that bill would have no effect on it whatsoever. I do not think it has any effect upon the New York school teacher case either. But I would like for the Members of the House to understand that all the bill, H. R. 3, does is the Congress says to the Supreme Court that we do not intend to affect any State law unless the Congress says so. It is just about that in plain terms, it is just that simple.

I introduced the bill, H. R. 3, in another form in the last Congress and under another number immediately after the decision in the Steve Nelson case. I did not draft the bill to correct merely the Steve Nelson case. That is just one phase of a very broad situation, a situation where the Supreme Court has assumed out of a clear sky to say what the Congress intended when the Congress has not said it. If anything is to be done upon this subject, I think it is very important that we have a general law which will simply say that when Congress means to do away with State laws the Congress shall say so. If your bill is going to correct one Supreme Court decision at a time, we are just neglecting our constitutional duty and we are placing just a shin plaster on a broken leg.

I do hope that the House will realize the situation and if we pass any law at all, let us pass a general law. If you are not willing to stand up and be counted on a general law to correct this situation which we all know is wrong, then let us fight the thing out. I would rather have nothing than a bill which merely corrects decision by decision of the Supreme Court.

Mr. MASON. I agree entirely with the gentleman.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from South Carolina.

Mr. RIVERS. I want to congratulate the gentleman for bringing to the House very classically his feeling about the Supreme Court. His observation is a very fine example of what a sensible layman thinks of that outfit now occupying the black robes of the Supreme Court. They are not any more lawyers than the man in the moon. State by State they are abolishing States. The latest were the States of Pennsylvania and New York. The gentleman says that no lawyers agree with them. Not a single self-respecting lawyer in this country has written an opinion justifying the segregation decision. The American Bar Association has an outstanding offer now to any lawyer who can justify that decision, and there are no takers.

Mr. Speaker, something has got to be done to stop that Supreme Court. They are a greater threat to this Union than the entire confines of Soviet Russia. If some way is not found to stop them, God help us.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I join in commending the distinguished gentleman from Illinois, not only for the brilliance and logic of his presentation, but also for having the courage to make it. I agree with the gentleman completely, of course, with reference to H. R. 3, and I trust that the Congress will pass that legislation prior to adjournment.

I have always considered strict adherence to the constitutional limitations imposed upon the Federal establishment and the rigid protection of the reserved rights of the States to be our strongest bulwarks against despotism. It is alarming, indeed, to find that an irresponsible Supreme Court is eating these bulwarks away as fast as they can.

If the States do not use legal constitutional right of interposition against these illegal attempts by the Supreme Court to amend the Constitution, and if Congress does not act to protect the rights of the States when they are assaulted in such decisions as in the Nelson case, then I predict that even this generation will live to see the day when individual human liberty and freedom will become nothing more than a sacred memory.

Mr. MASON. I thank the gentleman.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield

Mr. MASON. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. Mr. Speaker, I want to add my commendations to those of the other gentlemen who have spoken for the splendid presentation made by my good friend, the distinguished gentleman from Illinois, Mr. Mason. All thinking Americans everywhere, who really love this county, in every single one of the 48 States of the American Union should be grateful for the remarks you made in this House here today.

Mr. MASON. I thank the gentleman.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Alabama.

Mr. ANDREWS. Mr. Speaker, I want to commend the gentleman for the fine statement he has made. About 10 days ago one of the most distinguished lawyers in America, a former president of the American Bar Association, appeared before our committee and made the statement that 98 percent of the good lawyers of America had no respect for the legal ability of the present members of the Supreme Court. This is a sad situation in this country, when the leaders of the bar feel that way toward the present members of the Court.

Mr. MASON. I thank the gentleman.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield.

Mr. MASON. I yield to the gentleman from Georgia.

Mr. FORRESTER. Mr. Speaker, I just want to say to the gentleman that he has made a wonderful contribution to our form of government here today. I certainly join with him in the hope that the position he is taking is going to spread like wildfire all over our great country while there is yet time. I am sure that the gentleman knows that our Supreme Court some time ago made the statement that there were no restraints whatsoever upon them except those that they imposed upon themselves. Now, I know that the gentleman disputes that, and so do I, because we have a Constitution, and that Court is bound by the Constitution the same as you and I. Now, I might also say to the gentleman that 1 or 2 years ago there was a bill introduced and passed in the Senate which came over to our Committee on the Judiciary, and I say to the distinguished gentleman that, if I never do anything else whatsoever during the time that I am in Congress, I will always thank God that I was permitted to be here and to read that bill and to lead the fight to kill it, because that bill provided that the Supreme Court would have appellate jurisdiction on all constitutional questions of both law and fact, period.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Mason] may proceed for 10 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FORRESTER. Mr. Speaker, pursuing this matter further, I want to say to the gentleman that thank God our present Constitution provides that the Supreme Court shall have appellate jurisdiction on all constitutional questions, both law and fact, subject to such exceptions and regulations as this Congress might make. What I am saying to the gentleman is that a year or two ago there was a bill which would have deprived this Congress of the power to make any exceptions or any regulations. We have that power now and it is time for the Members of Congress to rise up and exercise that power under the duty and responsibility that they owe to the people of the United States. I thank God that the gentleman is in the vanguard. I appreciate that.

Mr. MASON. I thank the gentleman.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Mississippi.

Mr. COLMER. Mr. Speaker, I should like to add, for whatever it is worth, my little contribution to what has already been said about the splendid statement made by the gentleman from Illinois, a gentleman whose actions in this House I have long watched with much approbation.

What I wanted to say to the gentleman is this, that it is most refreshing to see that the gentleman, from one of our so-called Northern States, has so much in common with so many from the so-called Southern States here today.

Mr. MASON. May I interject this comment, that the last decision in the Pennsylvania case and the decision in the New York case and the one in the natural-gas case affect the whole country, not merely the South. It is only that one case that seems to apply to the South more than the North.

Mr. COLMER. The gentleman has stated what I was trying to lead up to. The constitutional provision providing a tripartite division of the functions of Government is not something that only the South believes in. It is something upon which this great and glorious Republic was built, and on which it has thrived and prospered. The point I am trying to make is that it is so encouraging to see a stalwart American such as the gentleman from Illinois [Mr. Mason] rise here and expound the views that some of us from my section of the country perhaps expound too much, if that be possible. Perhaps, sometimes, there are those who think that we, from my section, feel that we have a monopoly in the field of maintaining State sovereignty.

I agree with the gentleman in his references to the bill which has been under discussion here briefly, H. R. 3, by the very distinguished and outstanding statesman of this Congress, the gentleman from Virginia [Mr. Smith]. I introduced a similar bill, but it is his bill and I am not trying to take any credit for that. But that bill does not affect the South any more than it affects Illinois, New York, or any other State. It attempts to raise the "halt" sign—the "stop, look, and listen" sign for the Supreme Court to see. This Congress, if it believes in what we talk about so much, in a division of the powers of Government and in the sovereignty of the several States, had better do something about it and just quit this lip service.

Mr. Speaker, I want to thank my good friend and stalwart colleague, a great American, for the contribution he has made here today.

Mr. MASON. I thank the gentleman.

THE STATE OF ISRAEL EIGHTH ANNIVERARY OF INDEPENDENCE

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Illinois [Mr. Boyle] is recognized for 1 hour.

Mr. BOYLE. Mr. Speaker, today the people of Israel celebrate the eighth anniversary of their independence. On this occasion, I want to extend best wishes to this new nation and to her energetic people and leaders. I want to commend them for the remarkable achievements and progress in the establishment of a strong and democratic state in an area—the Middle East—which has been and remains to be of vital importance to the free world. It is satisfying indeed to reflect that the United States and her citizens have contributed moral support as well as material support to the young Republic of Israel to enable her to achieve a certain degree of the economic stability that is so vital for a healthy democracy. Today after 8 years of hard work, the people of Israel continue in their endeavors to prove that their new nation is worthy of its membership in the international community of free nations.

The history of the Jewish people has been a continuous struggle for freedom, peace, and security. It has been a history of oppression and persecution—most recently, by totalitarian dictatorships. Now in the 20th century, after many long years of suffering, they have once again acquired freedom and have been able to fulfill their hopes and cherished dreams in the establishment of a Jewish homeland.

But as the Jewish people seem to have fulfilled their dreams we find that the Communists, experts and past masters of creating tournaments of hate in every area offering an opportunity for maximum disorder, not only offer arms, but economic aid as well, in an effort to establish themselves in the Middle East. So another threat has been added to the existence of a Jewish homeland.

Since 1948, when the Jews won their independence on the battlefield, many cultural, social, and economic feats have been accomplished by the new republic of the Middle East. The dreams of yesterday have become the realities of today. The displaced Jews of Europe have been absorbed and amalgamated in the new state. They have been provided with jobs in an expanding economy. They have been given the opportunity to make a new life for themselves and

their families. They have been given a different outlook on life which holds more encouraging prospects for the future.

In its short period of existence, the Republic of Israel has made notable progress in industry and agriculture. Since 1948, population has increased from 650,000 to 1,789,000. Her industrial output has increased each year—1955 output 12 percent above 1954, with 76 new industries established in first 9 months of 1955. It has been successful in providing new farmlands for its increasing population. New crops such as cotton and peanuts helped raise farm production by more than one-third last year. By their ingenuity, the Jews have succeeded in changing barren lands into productive food-raising centers. The transportation system which plays such an important part in the economy of a nation has also been improved. A 48-mile railroad was completed last year, connecting the Negev with Jerusalem and the port of Haifa. All of these programs are to the credit of this new democracy and give testimony to the fact that the people of Israel are dynamic and progressive. Their nation, with the highest living standard in the Middle East, is worthy of being called a true modern democratic state, and entitled to its place in the family of nations under international law.

My remarks thus far have been directed toward the accomplishments and the successes that Israel, with her limited resources, has achieved during her short existence. But what does the future hold for this determined nation? What are the problems she will have to face and overcome in order to prosper? Unfortunately, they are many, and some are most complex.

Probably the most difficult problem of Israel today is the problem of defending its borders. Although the Israelis won the war for their independence in 1948 and signed an armistice agreement with the Arabs, the fighting has not stopped. The Israelis live in the constant fear that the Arabs will provoke further hostilities which will only lead to more unnecessary bloodshed. Since 1948, there have been several border incidents which make this fear even more real. The recent purchase of arms by the Arabs from the Communist bloc has added to the danger. Is it any wonder the leaders of a newly created state, if they are rational, should take cognizance of these facts and attempt to arm their own homeland—a homeland which has taken so many trying years to achieve? Therefore, in an effort to defend their borders, the officials of the Israeli Government requested permission from the United States to buy certain defensive arms. It has been over 3 months now, since this request was first made, and the State Department has yet to give either a "Yes" or "No" answer. While our State Department takes the request under advisement the Communists are active and the Soviet Union, studying closely all the varying interests in every Near East country, continues in its policy of creating unrest and tensions in the area by playing one faction against the other. Long have they been expert in appraising and evaluating conditions which readily admit of creating a maximum of disorder. The Communists have applied a new tactic in their efforts to further international communism and dominate the world. This time they offer not only arms, but economic aid as well, in an effort to establish themselves in the Middle East. While the Communists are making these moves and furthering their own cause, the State Department has yet to create or put into practice any countering plans to keep the Middle East in the Western camp. If something is not done soon, the consequences will be grim at best. Time is of the utmost importance—at this very moment and hour it is working to the advantage of the Communists and the disadvantage of the West. The loss of the Middle East with all of its vast resources and strategic location, if it should ever come, will have a tremendous effect. If it is to avoid disaster, the West must counter the moves of the Soviet Union.

In February 1956, testifying before the Senate Foreign Relations Committee on conditions in the Middle East, Secretary of State Dulles stated that Israel could not win an arms race with the Arabs. The Secretary of State based this statement on the fact that Israel is small in both size and in population and that the Arabs, numbering some 40 millions, have access to large stocks of armaments from the Communist-bloc nations. What this line of reasoning overlooks is that determination, skills, and weapons are more important in modern war than mere numbers. Israel itself demonstrated this when it fought for and won its independence in 1948. It seems to me that one sure way to bring about war in the Middle East is to let the Arabs get so far ahead of Israel in armaments, that they would be tempted by the thought of an easy victory. Our Secretary of State should immediately grant to the State of Israel the $50 million worth of armaments which she needs for her vital defense.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from New York.

Mr. CELLER. If the admonitions of our Secretary of State are cogent then we have no right to offer any aid whatsoever to the small nation presided over by Chiang Kai-shek on Formosa, because the population of Formosa is a minuscule in comparison to that of Red China on the mainland.

Mr. BOYLE. I thank my distinguished chairman of the Judiciary Committee for that very pointed analogous observation.

A second problem confronting Israel today is that posed by the Arab refugees. This is one of the main factors of contention between the Israelis and her Arab neighbors. The Arabs have charged that Israel displaced 900,000 Arabs and that she has refused to either invite them back or to pay a just compensation for the loss of their land. The Republic of Israel has shown good faith in this matter by offering to discuss the problem with the Arabs, but thus far, the Israeli proposal has fallen on deaf ears. The Arab States continue not to recognize the independent State of Israel—which was created by the United Nations—and continue to refuse to enter into any discussions which might resolve the factors of contentions on both sides. If these discussions could be approached with sincerity by both parties, they could lead to an easing of the growing tensions and bring about stability to an area that is vital to the free world.

Third, too long have some irresponsible Arab leaders themed and oversold the nonsensical stated objective of extirpating the Jewish State. This insidious aim is impossible of accomplishment but having fanned the fires of hatred for political and selfish reasons they now find themselves enmeshed in its conflagration and they are in fact its very prisoners.

Lastly, the State of Israel is confronted with the problem of expanding her economy in the fields of industry and agriculture. Israel has accomplished feats that might almost be called miraculous. This success is due primarily to her dynamic and resourceful people. Their aim is to establish their nation on a firm footing so that it might support its own economy, and they are willing to make sacrifices to accomplish this goal.

In the past Israel has suffered from the Arab boycott and blockade, which has forced her to use too much of her foreign exchange income by trading elsewhere. Because of the boycott, furthermore, firms operating in the Arab States hesitate to do business with Israel. Despite these obstacles, however, Israel is beginning to overcome her economic problems. Although she has made great progress, much is still to be done. Of her current foreign exchange requirements, Israel earns only about two-fifths. There is thus a need to utilize her resources more fully and to develop her industries.

All of these tasks will take time, but the courageous people of Israel have the drive and determination and intensity of purpose that is needed. They will, I am sure, succeed in their aim to make the new Republic of Israel a self-supporting nation, free and secure, and in so doing they will assist in the development of the resources of the entire region and make it prosperous and proof against Communist infiltration.

In closing I would like to include the following telegrams received today from some of the Jewish leaders of my community:

CHICAGO, ILL., *April 15, 1956.*

Congressman CHARLES A. BOYLE,

Washington, D. C.:

As president of organization Machne Israel, which is in close affinity to the religious institutions and schools in the Holy Land auspices of his eminence, Chief Rabbi Meracham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

MACHNE ISREAL,
1535 West Touhy Avenue.
Rabbi S. HECHT,
Director.

CHICAGO, ILL., *April 15, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of congregation Kehilas Jacob Beth Shmuel, which is in close affinity to the religious institutions and school in the Holy Land auspices of his eminence Chief Rabbi Menachan Schneersohn head of Lubavitcher Chasidic movement which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer, in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institution in the Holy Land.

CONGREGATION KEHILAS JACOB
BETH SHMUEL,
3701 West Devon.
Rabbi JOSEPH KAGAN,
SAMUEL T. COHEN, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Shaarei Tfilo Anshei Maariv which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institution in the Holy Land.

CONGREGATION SHAAREI TFILO
ANSHEI MAARIV,
1234 West Devon Avenue.
Rabbi B. ROSENTHAL,
ISIDORE TAITZ, *President.*

CHICAGO, ILL., *April 15, 1956.*

Congressman CHARLES A. BOYLE:

As rabbi and president of Congregation Beth David, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of His Eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION BETH DAVID,
4900 North Bernard.
Rabbi LAZAR MEISELS.
SIDNEY GENZ, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Anshei Motele, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION ANSHEI MOTELE,
6520 North California Avenue.
Rabbi L. KAPLAN,
JACOB KOHN, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Yisroel which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic Movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION OF YISROEL,
4610 North Kedzie Avenue,
Rabbi D. LIEBERMAN,
LOUIS BELL, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of congregation Beth Jacob of Albany Park, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of His Eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institution in the Holy Land.

CONGREGATION BETH JACOB OF
ALBANY PARK,
4920 North Kimball Avenue.
Rabbi HASKELL LEHRFIELD.
BEN STIEBEL, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Anshei Lubavitch, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April. 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGRESSMAN AMSHEI LUBAVITCH,
7424 North Paulina Street.
Rabbi S. HECHT,
JACOB KARZ, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Agudas Chabad, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION AGUDAS CHABAD,
5021 North Winthrop Avenue.
Rabbi HAROLD SHUSTERMAN,
MAX MARCUS, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of congregation Beth Hamidroch Keser Mariv Anshei Luknik, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of His Eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Habidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION BETH HAMIDROSH KESER
MARIV ANSHEI LUKNIK,
6418 North Greenview Avenue.
Rabbi ZEV WEIN,
M. MOSHEL, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman CHARLES A. BOYLE,
Washington, D. C.:

As rabbi and president of Congregation Lev Semach, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION LEV SEMACH,
5555 North Bernard.
Rabbi H. TWERSKY.
SAM FISHMAN, *President.*

Mr. CELLER. Mr. Speaker, will the gentleman yield further?

Mr. BOYLE. I yield to the gentleman from New York.

Mr. CELLER. Mr. Speaker, today is the eighth anniversary of the founding of the infant State of Israel. Israel represents 8 years of heroic acts, 8 years of unremitting efforts, 8 years of unique achievements amidst triumphs, frustrations, hopes, and deferred hopes fulfilled. And all this has been accompanied by a wondrous courage on the part of her people, a wondrous faith and a great determination, a determination as firm as the rock you hold in your hands. But, of course, Israel, a land of history has now had history gathered back under it for permanent abode.

Not all is good in Israel and not all is bad. To each obverse there is a reverse. But if tremendous faith and hard work and courage are the criteria, then the metal that eventually will emerge from the mold will be brighter than Israel's own Mediterranean Sea.

I have been there, and I have seen much of Israel. The Israelis had a shortage of food, yet they fed more. They had little of clothes, yet they clothed more. They fretted how they could house everyone, yet they opened the door to more, and those portals have never been closed to the driven Jew theretofore cast about throughout the nations for centuries like dried leaves before the chilly autumn's blasts. It is a story, indeed, that tugs at one's heart and only the heartless can remain indifferent and only the selfish can refuse to look with kindly eye.

I was at a farm over there and I saw wondrous potatoes being grown. I said to the farmer, "With what do you mix your soil that you can get those potatoes which rival our own Idaho and Maine potatoes?" His answer was simple. His answer was "brains, that is what we mix our soil with." And because of the use of ingenuity and resourcefulness the Israelis have done much in that short space of 8 years.

They have even developed an Atomic Energy Commission. They have developed new processes for developing and utilizing solar energy. They extract energy from the sun and are manipulating with that energy small engines. I could go on and tell you of the vast resourcefulness and the technological know-how of these people.

But, unfortunately, they are surrounded by bellicose and extremely hostile neighbors. The frontiers are everywhere. Look out, you are told, that hill is in Syria. Do not go near it. Be careful that you do not cross the Mandelbaum gate between Jerusalem and Jordan. But, that gate is merely a railroad gate. At Acre I was told, "Be careful. This path leads to Lebanon. We do not travel that path at dusk. It is too close to the frontier of Syria, and it is dangerous to get too close. You may be sniped at by hostile Arabs." And, we now hear of the terrible plight of the Israelis as the result of the letting loose into Israel of the so-called commando squads, the suicide squads of the Arabs.

And I read to you from a press dispatch. It is called Death in Schoolhouse:

> In a small schoolhouse in Shafrir, a group of teen-aged boys were standing stiffly erect, reading their evening prayers. Out of the darkness, three figures crept silently onto the schoolhouse porch. One of them edged forward and kicked open the schoolhouse door. As it swung back, he raked the schoolroom with a burst of automatic fire. Three of the boys and their instructor were killed.

And many, many more of these lads, these innocent lads at prayer, have been wounded. This has been going on night after night in Israel, but the Israelis have shown wondrous restraint, a restraint that has elicited from United States Ambassador Edward B. Lawson, words of praise.

He said he was amazed at "Israel's patience and restraint in the face of continuing terror and night marauder squads." He said he hoped that the world appreciated Israel's behavior in this crisis.

Israel has asked for arms from the United States, but the United States, through a benighted policy, or in accordance with a benighted and shortsighted inequitable policy emanating from the White House and the State Department denies Israel's rights to purchase arms, although arms are being supplied to all the neighbors of Israel.

Even the United States has sent to Saudi Arabia, which has refused to enter into peace negotiations with Israel, tanks, the most modern tanks, and England and Czechoslovakia have supplied the most modern arms, including jet planes and Centurion tanks to Egypt and Iran and Iraq, which have refused to even enter into armistice agreements with Israel, much less peace negotiations. All of these Arab nations are well armed as the result of their purchases of arms from many countries in Europe, including Sweden and, now I am informed, Japan. Yet, Israel has its application for arms vetoed by the President. He said it would be an arms race if the United States supplied arms to Israel, but it would not be an arms race if Britain and France supplied arms. I cannot understand that upside-down logic if logic it is at all. It is just a lot of "malarkey" to say that there is no arms race if Britain and France supply arms to Egypt, but to Israel it is an arms race if the United States supplies arms. Well, this is a rather unusual arms race, if all the contestants sprint around the track at top speed save Israel. Israel is held down by shackles on her ankles at the very start of the race, when the President and Secretary of State Dulles with unhappy irony say that the United Nations will take care of you, dear little Israel. Until the United Nations could act, Israel would be destroyed. The United Nations debating society would take God knows how many days until it could come to any kind of conclusion, and I do not want to speculate as to what that conclusion may be. But, remember also, in the United Nations Russia has the veto power, and Russia is supplying these arms to Egypt.

So there is no recourse, so far as the cessation of Israel's travail is concerned, in the United Nations. It would be a hopeless application. When Israel is told, "Well, you should wait and maybe something will be done," it reminds me of a story of a pauper who lamented to his rabbi that his wife was sick and his children hungry. The rabbi said, "Go home, God will help you." That is what the rabbi assured him. The pauper said, "Thank you, rabbi. I am sure God will help, but until he does, will you lend me 5 rubles?"

That is what Israel wants, until help can come. Give her the arms so she can defend herself. She does not want United States Marines in close proximity to her land. She does not want foreign troops on her soil to fight her battle. She wants no foreign blood to be shed on her land. She wants herself to fight and she can fight if she is given the wherewithal, if she is given the arms to do so.

David Ben-Gurion, the very doughty Prime Minister of Israel, said in a news dispatch this morning that Egypt was planning to "slaughter" Israel and he called on the security forces to continue to deliver "two blows for one." He went on to say:

> A heavy responsibility toward the history of humanity has been assumed by powers that are supplying aggressive arms to the Egyptian dictator and also by those powers that deny defensive arms to Israel.

He meant thereby the United States. Also he said:

> The conscience of the great powers failed when the Nazi dictator sent to slaughter 6 million Jews of Europe. Will that conscience fail again now that this Egyptian dictator and his allies are planning to do the same thing to Israel in her own land?

You must remember, there is an old saying that on the plains of hesitation lie the countless bones of millions. It is because we hesitated when Hitler first showed his teeth and when Mussolini first showed signs of aggression and then invaded Ethiopia; when Hitler took over the Ruhr land and the iron and steel industries, that the results were tragic. Are we going to hesitate again in the case of this new dictator who is arising in Africa, whose ambition is to control the entire Near East and the Middle East if not the Far East? I remind the President and I remind Mr. Dulles of recent history when freedom bowed in fear before ruthlessness.

However, Colonel Nasser's successes to date are, we are told, merely the first act in the drama of glory which is to come. The Cairo press envisions an Egyptian empire surpassing the realm of the Pharaohs and the conquests of Mehemid Ali.

Yes, he is very ambitious. In the meanwhile, what are we doing in the face of that ambition and the marauding and rapine and plunder inspired by Nasser? I would say that our foreign policy vis-a-vis Egypt and Israel lacks forthrightness, lacks courage and is replete with hesitation. We seem to be frightened. We are constantly hesitant. Our failure to act may have most tragic consequences following in its train.

Dulles seems to be incapable of any firm decision. The price of drift is enormously dangerous. We are now told, in a recent dispatch, that the Sudan has made application for the purchase of arms from Czechoslovakia or Russia. That means that not only in Egypt but in the Sudan, adjacent to important British and French possessions, there will be Communist arms, because I can assure you that Czechoslovakia will send those arms into the Sudan. And in the meanwhile our Secretary of State does not know what to do. I think Fletcher Knebel had it right when he said the following:

> The Eisenhower team says it will fight aggression in the Middle East. However, there will be a slight pause while Secretary Dulles flips a coin to find out which side we are on.

I think that hits it right on the head. I do not think he knows himself what side he is on. I know what side he should be on. He should be on the side of democracy. Israel is the only democracy in the Near East and whereever that flame of democracy burns, we should do our utmost to nurture that flame of democracy, otherwise, it will be blotted out by Nasser and his gang. Yes, Mr. Dulles thinks that all evil including the Russian evil in the Middle East can be stopped by his lofty preachings and all the ballyhoo about moral precepts. All he does is hope for the best, or vaguely appeal to the United Nations. How long will the President dodge his responsibility in this regard and arm Israel? When will they cease taking refuge in mere words of ridiculous optimism and bland generality? Maybe if the President played a little less golf and paid a little more attention to the serious functions of his office—and I say that advisedly—it is not an offhand statement on my part—and if Mr. Dulles sifted the situation most cautiously and with prudence and with an eye to humanity, maybe we would get some forthright action and arms would be sent to Israel presently in the most desperate plight.

Mr. Speaker, I want to thank the gentleman from Illinois [Mr. BOYLE] for giving me this opportunity, and for his foresight in getting an hour's time to discuss the question of Israel, particularly on the 8th anniversary of the founding of the first democracy in the Middle East—the free State of Israel.

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHLEY] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ASHLEY. Mr. Speaker, I want to join in the remarks of my friend and colleague, the distinguished Member from Illinois. Neither his sound and constructive remarks nor his eloquence can come as a surprise to those of us who have listened to him on past occasions.

On this eighth anniversary of the independence of Israel, it seems to me that it is a time for us, as a Nation, to refrain from the usual congratulatory platitudes and, instead, to reaffirm the fundamental principles upon which our friendship and support for the democratic State of Israel is based.

Eight short years ago, Israel came into existence through action taken by the United Nations, and with the concurrence of the United States, Great Britain, France, and the Soviet Union.

The nature of our friendship and the principle upon which it was established was reiterated in 1950 when the United States, with Great Britain and France, issued the tripartite agreement which, among other things, declared it to be the policy of the signatory nations to act either within the United Nations or jointly against agression in the Middle East. This agreement also spelled out the policy of maintaining a balance of armaments as between Israel and her Arab neighbors.

With this friendship and support, the prospects for Israel 6 years ago were bright indeed, but in the short span of less than a decade, the positions of both Israel and the United States in the Middle East have disintegrated beyond recognition. Our policy of impartial friendship toward the Arab nations and Israel has been reciprocated by growing suspicion, cynicism, and animosity. When we are willing to face facts, we will realize that we are being damned in some quarters and scoffed at in others for our lack of resolution, our loss of political courage, and our compromise of principle.

One development in the United States attitude toward the strife-torn Middle East is the State Department's current move to downgrade the tripartite agreement of 1950—in which these powers promised to take action within and without the United Nations to keep peace in Palestine. As short a time as 6 weeks ago, there followed from the Eisenhower-Eden conferences in Washington the general, if somewhat ambiguous, affirmation of the tripartite agreement, and only 2 weeks ago, President Eisenhower was emphasizing the importance and possibilities of that pact. But today, it is conspicuous only by its omission from practically all diplomatic conversation. The closest we have come was the recent statement on behalf of the President that "the United States is likewise determined to support and assist any nation which might be subjected to such aggression."

I sincerely question the scuttling of the tripartite agreement, because I believe it was based upon principle. All of us are aware that circumstances have altered radically in the Middle East since that agreement was signed, and that additional methods must be explored to prevent aggression in light of the changed circumstances.

In light of the emergence of the Soviet Union's influence in the Middle East, it is difficult to explain the all-out effort of the administration to handle the Israeli-Arab situation exclusively through the United Nations—where Russia holds the veto power as a member of the Security Council. While all of us share the hope that a solution may be found through the United Nations, there still remains the question of the character of United States leadership in coping with Mideast tensions and the nature of our policy in this area.

These are questions which at present lack any kind of definition. We seem resolved to avoid unpleasantness at any cost, even the abdication of principle upon which our leadership has been based. We are not willing to sell arms to Israel; yet, we make it plain that we have no objection to our allies doing so. So today, we find Saudi Arabia armed with Soviet jets, American tanks, and British artillery pieces. To offset this increasing military advantage, Israel must turn to France, of all nations, for needed defensive air strength. If this is the basis of our "impartial friendship," can we expect anything other than loss of face and rebuff throughout the Mideast and throughout the world?

The time has come to speak plainly and to again return to the kind of principle for which the United States has long been respected. The problems ahead of us are complex and difficult, but they will find no solution by our failure to meet them forthrightly and honestly. It is time that our policy in the Middle East be made known not only to the nations involved in that area, but to the American people as well.

Until we do this, felicitations to the gallant State of Israel upon her eighth anniversary of independence will be hollow indeed.

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I am most happy to have this opportunity to join with my distinguished colleague from California in expressing by sincerest friendship and encouragement to the people of Israel on this 8th anniversary of their independence. The gallant State of Israel can be everlastingly proud of its achievements, as they recall their desperate bid for independence and international recognition 8 years ago. Born out of the utmost adversity, the Israeli nation has grown and strengthened itself during these short 8 years in a manner which has astounded the world and heartened all believers in democratic institutions.

It is particularly appropriate at this moment for the friends of the Israeli people to signify their desire to see them continue their inspiring struggle to create a thriving democratic nation in an area replete with deterrents to such an enterprise. In addition to the natural drawbacks of their desert land and their unavoidably inflated rate of immigration, the Israeli people must contend along their entire frontiers with hostile Arab neighbors. In their economic relations with other countries they are severely handicapped by the boycotts and restrictions of the Arab bloc, which sits astride the Suez Canal. Under such conditions the determination of the Israeli people to demonstrate to all the world the permanence of their magnificent accomplishments has remained unwavering.

I wish to pay tribute to this determination, as well as to the economic and political accomplishments which it has fostered. My views on the imperative need for the United States to prevent any aggressor from destroying Israel are clearly on record. The balance of military capabilities between the Arab bloc and Israel should not be permitted to tip in favor of a restless and ambitious set of military leaders. It is encouraging to see our President go on record to put more teeth into the tripartite policy of Britain, France, and the United States to prevent any aggression in the Middle Eastern area from succeeding. It is also important that we are working through the United Nations to the same purpose. It is the hope of all freedom-loving people that no aggression will ever be attempted. It is my personal hope and desire that the State of Israel will continue to prosper in the next 8 years of its independence in a fashion far superior to the past time of troubles, and I look forward to tributes being paid to this intrepid and inspiring nation on its Independence Day for as long as this House continues to meet.

Mr. BOYLE. Mr. Speaker, I yield to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I appreciate greatly the opportunity of following the two distinguished addresses which have been made here today congratulating the State of Israel on its eighth anniversary of freedom and independence. It would seem to me that it is quite significant that the first gentleman who spoke, the gentleman from Illinois, represents one of the great districts in the Middle West, coming as he does from the great city of Chicago, and that the gentleman who has just preceded me represents a district from one of the greatest cities in the world, New York City, on the east coast of our country, and I have the privilege of representing a district from the west coast in the city of Los Angeles. It seems fitting, indeed, that Israel should know that her support comes from every part of our great country and it is most important, I believe, in these days when she faces such trials and tribulations that everyone who has the opportunity to do so should send her not only best wishes but should send her the knowledge of our determination to stand behind her and not to let her down in her most difficult hour. We should not forget—we Americans—that we were the first nation to grant recognition to the newest of all democratic nations, the State of Israel. It would seem to me a great shame that, as the gentleman from New York [Mr. CELLER] has so eloquently stated, our policy today before the world is one of confusion; is one which is worse than confusion, because it gives help and encouragement to the enemies of democracy. How can we who joined with France and Great Britain in the tripartite agreement of 1950 say to our allies "It is all right for you to go ahead and give arms to the State of Israel but we will not do it." It is an open secret that the reason we have given for such a mistaken policy is that we are afraid that any action on our part might bring Russia into the picture in the Middle East. How dense and how stupid can we be? Russia is already in the Middle East. It is her technicians, it is the arms of her satellites who are today causing all of the disturbance that in a word we fear a third world war might start.

In this country we have voted billions of dollars under the principle that if one remains strong enough we defer aggressive military action by our enemies, and yet when it comes to the state of Israel we have turned around and done exactly the opposite. Here we hope perhaps reasonableness and sweetness and a fair sense of justice will be enough to deter aggression against the tiny state of Israel. We know better than that, and it is time we began to practice what we preach. I believe with all my heart that if those who will look at the broad picture will only begin to realize it, Russia is in the Middle East because she wants to take advantage of the tremendous hatred on the part of the Arabs against the democratic institutions of that little but brave and wonderful state; that she wants to go further than that and she wants to wipe out all of the American Air Force bases in North Africa, within Arab countries, which are today the great protection that we in America have against any aggressive attitude on the part of the Russian authorities. This is a bigger question than just Israel itself. It comes down to the long last hope to avert war and to establish peace. But under the leadership of the present administration there has been seemingly no consciousness of what has already taken place and what can take place if we do not quickly determine to stand by the State of Israel and let the whole world know it, so that there can be no question that any act of aggression will result in instantaneous action on our part.

How discouraging our present policy must be to those people who have to suffer indignities and terrors, which the gentleman from New York [Mr. CELLER] so brilliantly described. How discouraging it must be to be told that America may move if Congress can be summoned quickly enough to pass the necessary legislation. How her people must feel who know that it takes 8 minutes to fly from Cairo to the cities of Israel—8 minutes to drop a bomb that will wipe out almost all vestige of a civilization which has been built up by the sweat and by the courage and by the sacrifices of the men and women of Israel. Those 8 minutes will not wait. Those 8 minutes that might destroy all the hopes of democracy in the area where democracy must grow if eventually we are to have a buffer against the despotism of that great giant to the north.

So I say that in this time when we give happy birthday greetings to the State of Israel we give it with the hope that our country may soon come forward with the same kind of encouragement which came to us as a tiny nation and that when that encouragement comes that we will be able to give the signal to the whole world that we are working at last toward a permanent and lasting peace throughout the world under a system of liberty and freedom for all men everywhere.

I congratulate the gentleman from Illinois for what he has said, and I hope that his words and those of others who will speak today will have effect in our country and will convey a sense not only of our gratitude for what has been done so bravely by the people of Israel, but may also carry to them the determination of many of us that Israel shall not fall, and that we shall do our part to sustain her in the years to come.

Mr. BOYLE. Mr. Speaker, one of my colleagues, the gentleman from Illinois [Mr. O'HARA], has asked that his remarks be incorporated in the RECORD at this point. I therefore request that this may be done.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am aghast at the outrages that are being perpetrated on the State of Israel, 8 years old today, and the good men and women of that land, who are striving with vision, determination and unsurpassed bravery to build a fortress of democracy in that troubled area in the pattern of our own great democracy. Israel's cause is our cause. If we permit Israel, sorely beset by ruthless enemies, to fall we will not be guiltless of responsibility for one of the catastrophic tragedies of history. In Israel is a government, like our own, that respects the dignity of man and the divine purpose in the creation of man. It stands in its zone of influence for the things for which we in our zone stand. Any blow struck at Israel is a blow struck at us.

I am glad that my distinguished colleague from Illinois [Mr. BOYLE] has obtained this time on the birthday of Israel in order that we here in the House of Representatives of the Congress of the United States can make our position as Israel's friend so crystal-clear and so militantly positive that all the world must take notice, and especially that part of the world now in conspiracy to wipe Israel from the face of the world. Let the enemies of Israel know once and for all that the United States stands determinedly between Israel and the execution of that diabolic conspiracy.

Mr. Speaker, I wish at this point to read four telegrams that were handed me as I left my office to come to this Chamber. The wording in all the telegrams is the same, the signatures only being different, but the message is so potent and commanding that it will stand being read four times. I wish that message to sink well into the minds of my colleagues. The oftener it is read the better.

MESSAGE FROM FOUR RABBIS

Here are the telegrams that pinpoint the dangers Israel is in, the diabolical lengths to which her enemies will go, and the need of firm and prompt action by the United States.

Congressman BARRATT O'HARA:

As rabbi and president of Congregation Amschod, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION AMSCHOD,
814 East 51st Street.
Rabbi MALVIN RUSH,
HAROLD ORLINSKI, *President.*

CHICAGO, ILL., *April 16, 1956.*

Congressman BARRATT O'HARA,
Washington, D. C.:

As Rabbi and president of Congregation B'Nei Bezalel, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION B'NEI BEZALEL,
7549 South Phillips Avenue.
Rabbi EFRAIM PROMBAUN.

CHICAGO, ILL., *April 13, 1965.*

Congressman BARRATT O'HARA,
Washington, D. C.:

As rabbi and president of Congregation Beth Yosef, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

CONGREGATION BETH YOSEF,
1508 East 70th Street.
Rabbi ZELIG STARR.
ISIDORE KORETZKY, *President,*

CHICAGO, ILL., *April 16, 1956.*
Congressman BARRATT O'HARA,
Washington, D. C.:

As rabbi and president of Torah Synagogue, which is in close affinity to the religious institutions and schools in the Holy Land, auspices of his eminence, Chief Rabbi Menacham Schneersohn, head of Lubavitcher Hasidic movement, which has its center in the United States of America, we register our horror at brutal slaying of our young brothers at prayer in Habad Village, Israel, April 11. We demand our Government take immediate steps to prevent repetition and safeguard life and property of our sacred institutions in the Holy Land.

TORAH SYNAGOGUE,
2357 East 75th Street.
Rabbi M. LITOFF.
H. ROSENSON, *President.*

EIGHT YEARS OLD TODAY

It was 8 years ago that the tiny State of Israel was proclaimed a new nation among the world's powers. Since then, it has been struggling for survival and development against tremendous odds, working amidst a swirl of pressures from the conflicting great powers on the one hand and a growing Arab nationalism on the other. The fact that the Israeli nation, however, has progressed in spite of these obstacles, modernizing and developing, makes us all very proud. We warmly congratulate the Israeli people on this triumphant record produced against such great odds.

In view of these achievements, it is heartbreaking that Israel finds herself today at the vortex of a crisis that threatens to embroil the entire world in war. Let us review briefly the events that have placed her in this position. First, the British, who had formerly had the task of holding the lid on the Middle East, underwent a steady dimunition of their power.

By virtue of the fact that the United States was the only nation in the West that had the requisite strength to take over this task of preserving our common interests, we Americans found ourselves abruptly projected into the role of leader in the Middle East as in other areas. Almost immediately, the United States realized that peace in the area could be built only on a stable balance of power. However, the tensions produced by the political fragmentation and internal instabilities made this difficult indeed to realize. The center of unrest within the area—that is, as distinguished from the threat of communism and the Soviet Union—was the situation that developed with the creation of the State of Israel.

ARABS WAR ON ISREAL

The Arabs met the Israelis with war. In 1949 Egypt, and eventually the States of Jordan, Lebanon, and Syria, signed U. N.-sponsored armistices with Israel. Peace, however, was not forthcoming with the truce, and the anti-Israeli campaign of the Arabs was increasingly more belligerent and destructive. In the absence of an effective peace settlement, the United States, Great Britain, and France signed a tripartite resolution in 1950 in which it was acknowledged that the Arab States and Israel needed to maintain a certain level of armed forces for internal security, legitimate self-defense, and a participation in the defense of the area as a whole. In point 3 of this tripartite declaration the three Governments further stated the following terms: "should they"—the United States, France, and Britain—"find that any of these states was preparing to violate frontiers or armistice lines, they would, consistently with their obligations as members of the United Nations, immediately take action, both within and outside the United Nations, to prevent such violation." This resolution, however, which was intended to prevent the type of situation which has recently developed, never had teeth put into it, and it has been gradually fading into the background. It seems to me that the United States has failed in the Middle East, that its actions have actually had the effect of encouraging the Arabs to believe that they can start a new war with Israel without fear of effective interference. In calling for peace by negotiation under U. N. auspices yet failing to make a resort to arms unprofitable by announcing our determination to give the tripartite declaration teeth, we lead the Arabs—and the Soviets—to think we will not act until too late.

The British have made the tripartite declaration fundamental to their Middle Eastern policy, as we all agreed to do, and are apparently prepared to back it up. According to recent news dispatches they are now beginning to fear that inadequate United States support of that declaration has served to undermine the whole Western position. In the meantime, the Soviet Union has been encouraged by our indecisive stand and doubtless anticipates a war from which she can profit in her usual way.

WAR TO AVOID BIG WAR

It seems to me that if we are to avoid the big war we must avoid or limit small ones. In these days of crisis diplomacy when world powers must make mature and sure decisions practically on the spur of the moment, there must be agreement on basic foreign policy objectives operating within an area and our leadership must be firm. In the area of the Middle East, especially in regard to Israel, the United States must accept the responsibilities incurred from our original advocacy for the creation of a new nation-state.

Today, as never before, the United States must support the Israeli nation and people in their moment of greatest trial. It is no time for weak gestures and tongue-in-both-cheeks conversation. We are on Israel's side and all the world should know it.

Mr. BOYLE. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of inserting their remarks on this subject at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CURTIS of Massachusetts. Mr. Speaker, the anniversary of the founding of the new democratic, freedom-loving State of Israel in the land of Palestine is a notable event for the world, and for America where so many of her citizens look to Israel as their spiritual homeland.

The joy with which such an event should be celebrated is, however, tinged with sadness by the dark shadows which now overhang the Middle East. We know, however, that America is taking effective steps to help dispel those shadows; and we are confident that Israel will have the glorious future so richly deserved because of the fortitude, sacrifice, and patriotism of her people.

Two recent visits to Israel have enabled me to witness in person the remarkable developments in this land. Here the people are taming the deserts and the rocky hillsides much as American frontiersmen developed our own country.

Those visits enabled me also to see the physical aspect of the country and to appreciate the value to this small republic of every acre of land within its borders; to appreciate that frontier disputes which might be of relatively small consequence to larger nations are of the utmost consequence to this smaller nation; to realize the difficulties of defense in a land where in meeting hostile attack, there can be no retreat from the frontiers.

For these reasons, I have publicly urged that Israel be granted defensive arms, that the United States participate with other nations in a security pact covering that region, and that America be prepared to stand back of its policy of opposition to aggression in that area by granting advance authority for the use of force, if found necessary, by means of a Formosa-type declaration.

America wishes Israel well on this her day of anniversary, and hopes that Israel may yet receive that priceless gift, which has indeed become a word of greeting in that hospitable land—shalom, peace.

Mr. ANFUSO. Mr. Speaker, Israel's eighth anniversary as an independent and sovereign state comes at a crucial time. During the past year the situation in the Middle East has deteriorated badly, so that the area has been kept in a constant state of tension and its peoples know no peace. It all began when Egypt concluded an agreement with the Soviet bloc some 7 or 8 months ago to obtain the newest and most modern arms from the Communist countries. Since then the entire region has been in turmoil.

The military balance of this strategic area, which is so vital to our defense structure against any possible onslaught from communism in the future, has been upset by Egypt's action in giving Soviet Russia a foothold in the Middle East. For all practical purposes, Russia has made important inroads into the area and will not be easily or quickly dislodged. Egypt and its opportunistic leaders will have to bear the full blame and responsibility for this deed, for which the free world may some day have to pay a big price.

The continuing grave crisis in the Middle East threatens the existence of Israel and, in fact, the peace and security of the free world. It is now exactly 8 years since that historic day, May 14, 1948, when Israel was established as an independent state. During these 8 years the people and the Government of the United States have given Israel material and moral support and have helped that little country to build a free and democratic society and way of life which is very much like ours. Close ties of friendship have been cemented between the two countries, so that today there is not the least doubt in anyone's mind that Israel is one of our best and most sincere allies in that part of the world.

In the present crucial situation, we cannot ignore Israel's plight, nor can we afford to stand aloof when its very existence is being threatened by an aggressive neighbor who opened the door of the Middle East to Communist Russia. The Arab leaders maintain that they desire peace in the Middle East, yet they refuse to enter into peace negotiations with Israel. Their lip service and uncompromising attitude is only encouraging Soviet Russia to exploit every opportunity for further intrusion into the area—an intrusion from which the Arab people will be the first to suffer.

On several occasions during the past few months I have urged the United States Government to adopt a firmer policy in the Middle East and to end the policy of appeasement of the Arabs. The more we appease the Arabs, the less support we get from them. The more material aid we give to Egypt, to Saudi Arabia and to Syria, the less respect they seem to have for us.

This firmer stand on our part should be expressed in another way, that is, to make available to Israel the necessary arms for legitimate self-defense in the event of aggression from her Arab neighbors. It does not make sense when we provide arms to Iraq and Saudi Arabia, but we refuse to sell arms to Israel. This is not impartiality, but it constitutes a very definite and partial pro-Arab attitude. This is not the traditional American policy in that area and is not what the American people want.

On the occasion of Israel's eighth anniversary of its independence, we in the United States take note of this event with great pride because of the important role played by our country in the creation of the State of Israel and in helping it achieve a more solid economic foundation during these 8 years. We have found in Israel a devoted ally to the cause of freedom. We wish for the people of Israel that the year ahead may be a year of peace, security, and happiness.

I extend my sincerest greetings to the government and people of Israel and pray that their efforts to attain genuine peace may be realized in the very near future, so that they may continue to build up their ancient homeland. I also send my greetings to the Jews of America who deserve much praise for their continued help to Israel, for their moral and material support which is in itself a glorious chapter in the annals of humanitarianism.

Mr. ADDONIZIO. Mr. Speaker, it is a source of real pleasure to join with my colleagues to the State of Israel as it observes its eighth anniversary of statehood.

It is most fitting that at this time we extend our hand in a symbolic gesture of everlasting friendship to the gallant people of Israel. We have watched with pride as the State of Israel has labored arduously to develop into a strong and free nation, and we have thrilled at its magnificent progress during its brief existence. We are saddened today at the troubles which have come upon the Israeli people. They are a people in jeopardy, a nation exposed to the gravest peril. Their cause is our cause—the universal cause of freedom and justice.

Our course is clear. We must act with dispatch and with energy. We must support Israel for the sake of peace and decency among nations. Let us approach this problem on the high plane of prudent statesmanship and far-sighted diplomacy and muster all the energies within us to resolve this dispute honorably and wisely.

More than just a small, independent nation is involved in this Middle Eastern crisis. To be sure America has a strong sense of moral compulsion to safeguard Israel. We have watched hopefully while that young independent nation grew and prospered since her declaration of independence in 1948. But our interests extend to far broader dimensions than the borders of Israel. Our own national interest is involved in this crisis.

It is vital that we act decisively to end the threat of war in the Near East. The American people will not tolerate anything so immoral as the sacrifice of Israel to Communist infiltration of the Near East.

As we send our warmest greetings to the State of Israel on this eighth anniversay, may she be heartened and encouraged by the knowledge that the sympathy and support of the American people are with her in this hour of grave danger to her continued existence as a free and valiant nation.

Mr. FOGARTY. Mr. Speaker, I appreciate having this opportunity to extend to the people of Israel my most sincere congratulations on the anniversary of the founding of their country. Eight years ago today, the State of Israel came into being—the final culmination of centuries of earnest hope and prayer.

The world will long remember the valiant struggle for freedom which led to their declaration of independence when the new State of Israel was established just 8 years ago. It is not necessary for me to go into the history of the political struggle of the Jews in Palestine to establish their new homeland. That has already been done by other speakers here in the House of Representatives today. It is, however, well to recall that in accordance with the decision of the United Nations in November 1947, the territory that was mandated was to be divided into a Jewish and an Arab State. This mandate ended in 1948 and the youngest democracy in the world, the State of Israel then declared its independence.

The progress made by this new democratic country since that date has indeed been phenomenal. The new nation can well be proud of the courage it has displayed in hewing to the line laid down for it by its founding fathers. We, too, have a right to share in that pride by virtue of the contribution we in the United States, Jews and Christians alike, have made to insure the successful launching of the Israeli ship of state. We must, however, in justice continue our efforts to guarantee that Israel, the one country in the Middle East that has proven itself steadfast in the fight for democracy, shall not fall before the critical onslaught with which she is presently faced. For such to happen would be an international tragedy.

It was with this thought in mind that on December 27 of 1955 I wrote to the President of the United States as follows:

> The furnishing of large quantities of Communist arms to Egypt has created a grave crisis in the Middle East and threatens not only the very existence of the State of Israel but poses a distinct threat to world peace.
>
> The situation appears to be worsening with each passing day. The free world cannot afford to let Israel, the single bastion of democracy in the Near East, become another Korea. It cannot afford to allow the Communists to gain a foothold in the Middle East. The United States must take direct and positive action to counteract the gravity of the pending situation and prevent the conflagration of large-scale war in that area.
>
> I strongly urge (1) that the United States take immediate steps to maintain the balance of power in the Middle East by furnishing the necessary arms to Israel for self-defense and (2) that the United States offer to enter into mutual-security pacts with both Israel and the Arab States, guaranteeing the borders of those countries.

Since the date of my letter to the President, the threat to Israel has increased and the tension and possibility of armed warfare greatly aggravated. I am convinced that this Soviet action poses a distinct threat, not only to Israel, but to our own national interest as well. I believe that it is in the best interests of the United States that immediate action be taken by this country to maintain the balance of power in the Middle East. Our entire heritage and tradition tells us that we must stand with the free nations of the world.

We must not turn our backs on the people of Israel who so desperately need our help.

Mr. DOLLINGER. Mr. Speaker, today the people of Israel are observing their eighth anniversary as a free and independent nation. I am happy to salute her and it is gratifying to know that millions of my fellow Americans send their best wishes and greetings to the new state on this occasion.

Israel has concluded 8 years of extreme hardship, struggle against overwhelming odds, enmity and aggression by her neighbors. Although she has not been permitted to enjoy peace, for which she has begged, she has managed to hold her own. She has made tremendous strides in building her economy, reclaiming lands, developing her agricultural program, and expanding her industries in spite of the fact that she has had to deflect a major portion of her assets, resources, and manpower to the building of her defenses against enemy neighbors who have sworn her defeat and extinction.

We cannot use the word celebrate in connection with Israel's eighth anniversary for she is now in her darkest hour. The threat of war was never more ominous; her enemies are mightily armed. The small State of Israel stands alone and, in view of the military might of her aggressors, defenseless. So, in this time of crisis, Israel needs more than our expressions of friendship; she needs our help, she needs our prayers.

At this point, when the moral isolation of Israel has been very largely achieved, it will be of great comfort to her citizens to know that they have the good wishes of encouragement and the prayers of so many Americans. The Israelis have a right to a homeland; Americans recognize their right to have peace in their homeland. This is our opportunity to let her know of our confidence in her prowess as a state, in the courage and ideals of her citizens, and our conviction that Israel is here to stay. It is going to stay. The American people, who helped create Israel, who were the first to recognize her, and who hold warm feelings of friendship for her, are going to see to it that she stays.

Mr. REUSS. Mr. Speaker, a new country is being built today in the heart of the most ancient cradle of civilization. Israel is a pioneer land. Looking back into our own history, we are proud that our country offered a haven to the persecuted and an opportunity for those seeking a better life. Now, in the mid-20th century, it is Israel which is a citadel of hope and opportunity for the oppressed and the ill-advantaged. More than that, Israel, like our own country, is a bastion of the democratic heritage. There is no question in my mind but that Israel's devotion to political freedom has been the cornerstone of all her progress in her 8 years of independence, for it has inspired the support of her own people, and of people all over the world, for the great material advances of less than a decade. It is this same dedication to freedom which makes Israel such a stanch ally of the United States today. In these days of tension, the American people will never lose sight of this basic fact.

Mr. RHODES of Pennsylvania. Mr. Speaker, in these grim days of tension in the Middle East, it is most fitting to mark the eighth anniversary of the founding of the independent State of Israel and to hail the advancements which the people of this democratic outpost in the strategically important area have made in these 8 short years.

Israel today stands as a model of enlightened progress in the spirit of free democratic government. The evil forces of world communism are attempting to destroy this symbol of democracy by incitement of the racial and nationalistic prejudices of its neighbors. Israel has stood firm for freedom and resisted the blandishments of the Communists. It has also fiercely resisted harassing border raids from its hostile neighboring countries and has reaffirmed its intention of maintaining at all costs its freedom and territorial integrity won in bitter conflict only a few short years ago.

The United States played an important role in the founding and recognition of Israel as an independent nation. Under the Tripartite Declaration of 1950, our Nation recognized the importance of military preparedness among both the Arab States and Israel, in the defense of their own nations against aggression. Military assistance has been given to the anti-Communist nations of the Middle East in the past. But the threat posed to the continued independence of Israel by the recent shipment of arms from Communist Czechoslovakia to the Egyptian Government raises a serious new problem which must be met by the United States in a positive and decisive manner. We must face this immediate crisis by making available supplies and weapons for the defense of Israel by its embattled citizens.

Our Nation has a significant opportunity to demonstrate to the world its determination to assist free peoples in the defense of their homeland, while at the same time offering to all the downtrodden peoples of the Middle East a positive alternative to the Communist efforts to sacrifice them in another move for world conquest.

We must renew our efforts to erase the age-old marks of poverty, misery, sickness, and economic exploitation which still haunt these peoples and nations. We must convince them that the bright new tomorrow which they seek does not lie down the road toward war against Israel, with the blind and forlorn hopes of economic reward and plunder. Instead, we must make every possible effort to channel their fierce nationalism and desire for economic abundance along the road toward the constructive realization of these goals, through self-help, technical assistance, and economic rebuilding programs.

In this way we can reveal the true intent of the calculated Soviet power manuever in the Middle East in all of its cold-blooded deceit and cynical promises and win a smashing victory for the free world in its struggle against Communist imperialism.

Israel, the people of the United States commend you for your valor and high resolve in the name of freedom. We salute you for your significant accomplishments in these past 8 years. We pledge ourselves to strengthen your people in our common struggle and to make every effort to assist in the preservation of your hard-won freedom and independence.

Mrs. GREEN of Oregon. Mr. Speaker, I rise to join in the tribute that Members of this House are paying today to the gallant nation of Israel on her 8th anniversary. It would be a far happier occasion if, in paying our tribute, we could see, for the people of Israel, a time of peace and mutually beneficial relations with neighboring nations as they begin this, the 9th year of their existence as a nation. But we can see no such prospect. Surrounded by hostile nations dedicated to her destruction, this small but brave nation has endured in the past several weeks some of the worst depredations of her short but war-torn existence. Lawless and brutal gangs have invaded even the quiet of children at prayer to wipe out young lives in this terrible contest.

Yet we can and should, I think speak some words of hope to this gallant nation today. We too were once a small and struggling people, threatened in our early years by hostile powers that coveted our land. We have good reason to stand as a loyal friend to others who are working, as we worked to become strong and to secure to their children the blessings of peace and abundance. Many of us have watched, with great concern, in the past several years, the increase of tension and violence in the Middle East and the growing threat of war. We have urged our own leaders to take firm and vigorous action to forestall the terrible prospect of war. In recent days, we have finally seen signs that this administration is awakening to the danger that looms there and is stirring from its lethargy to do what should have been long since done. So I think that we can say today, with some assurance, to our friends in Israel that we will not stand idly by and watch their destruction. Like them, we are determined that there shall be peace in the Middle East. We are determined that no nation shall be destroyed by the aggression of her neighbors. We are determined to shoulder responsibility and to do our share in building, where now there is violence and distrust, relations of peace and mutual help, to the end that Israel and her neighbors may some day share in the kind of peaceful interchange that will mean stability and prosperity and a happier future for all the people of the Middle East.

That, I think, is the best pledge we can make to the people of Israel on their 8th anniversary. I, for one, am ready to work wholeheartedly to redeem that pledge. As the people of Israel celebrate this day, our hearts should go out to them, in compassion, for the trials they are now suffering. Our purpose should be firm to do everything in our power to bring their trials to a speedy end and everything in our power to help them and their neighbors to build a better and happier future.

Mr. MULTER. Mr. Speaker, April 16, 1956, marks the anniversary of the independence of the State of Israel. Eight years ago a new nation arose from the depths of despair and oppression to walk vigorously in a new light of hope, fulfilling a dream of 2,000 years. If we could persuade some individuals in this country to forget for a moment the envy, hate, and animosity indiscriminately hurled against the young nation of Israel, if we could remind them how similar are the struggles and sufferings undergone by Israel to those experienced by our Founding Fathers when they fled religious oppression and persecution to establish a peaceful haven in this country, if we could remember how much we appreciated the sympathies and help of some European countries in the struggle

to secure our independence, we would all then be better disposed toward Israel. We would understand that she has only one desire—and that is to live peaceably alongside her hostile neighbors. Because there is this striking similarity in the history of our people and that of the Israeli nation, the American people have deeply sympathized with the cause of Israel and have given liberally to help her in every possible way.

Nevertheless, against this tangible and most generous proof given by a majority of the American public in support of the righteousness of Israel's aspirations, there stands the ill will of a few who nest themselves behind the shield of a Government agency, the Department of State. These do everything to promote hostility rather than peace. They have encouraged Arab belligerency over Israel's protests; they have rejected Israel's request for equal treatment—in short, they have done their best to provoke another war. Our Secretary of State has proved himself insensitive and insensible to the facts and moralities of the area.

How can they ignore the fact that at the very time that the representative of the United Nations was pleading in Cairo for peace, Egyptian murderers shot down in cold blood children at prayer in Israel?

Can we in good faith claim that the best interests of the United States are served by the few in the Department of State whose actions result in encouraging feuding among nations? Why should they be so anxious to appease the Arabs at the expense of Israel? If we agree to extend military assistance to one, we should in fairness grant the same to the other. Are we to have more faith in the Arabs than in Israel? Has not this young state clearly demonstrated how seriously and efficiently she has been working and progressing during the past 8 years?

Israel's record is proof of her aim for peaceful existence to carry on her programs of agricultural and industrial improvement. In her struggle Israel aspires to become again the promised land for thousands and thousands of refugees, so that all people can say, with the Prophet Ezekiel:

> This land that was untilled is become as a garden of pleasure, and the cities that were abandoned and desolate and destroyed are peopled and fenced.

Israel has become the most progressive and energetic state in the Middle East. In the last 8 years more than 400 new agricultural settlements have been created in a small area, compared to less than 300 in the 70 years prior to Israel's coming into existence. Every type of industry has bloomed; transportation and housing have flourished—but beyond this material success, Israel is today the symbol of courage and expectation for all humanity who secretly hope and pray that in this chosen land, the people of the earth, if God touches their hearts and enlightens their minds, might finally reach a mutual understanding and establish the foundation of a new era of everlasting peace for the entire world.

In rejoicing over the recurrence of the birth of Israel, we also voice the prayer that the relations between the United States and Israel will be strengthened and more closely bound.

We pray that the benighted officials in our executive department will open their eyes and their hearts and that they will lend the might and power of our great country, material and spiritual, to establishing true peace in the world.

Mr. PRICE. Mr. Speaker, today one of the most ancient lands observes its status as the youngest of free nations.

Israel observes its eighth anniversary on this April 16, 1956, its indepenedence threatened by unfriendly neighbors. In this hour of trial I believe the great majority of American join me in the devout prayer that this new democracy will prevail.

Eight years ago the United States was the first to recognize the new nation of Israel. On this anniversary I am happy to see other Members of Congress joining me in an expression of reassurance to Israel that its people still have our friendship and support.

The threat to Israel's survival is a threat to all free nations, and the increasing tension in the Middle East is a threat to world peace. I share the disappointment of the people of Israel over our State Department's delay on Israel's urgent plea for defensive arms.

Mr. SCOTT. Mr. Speaker, under leave granted, I would like to insert the following statement in the Record on the occasion of the eighth anniversary of the State of Israel:

I am happy to join in extending my heartfelt congratulations to Israel on the eighth anniversary of its proclamation as a state. Americans everywhere can be proud of their contribution to this achievement.

As we look back upon the events since May 14, 1948, when Israel again achieved statehood after an exile of over 2,000 years, we find a remarkable record of progress and accomplishment. Here is a country which has given shelter to hundreds of thousands of homeless people, most of whom were victims of the war, and provided them with a chance to live productive lives. On the eastern shores of the Mediterranean, the State of Israel was built, a great new outpost of Western democracy, on a foundation of freedom and liberty.

Israel is an example of democracy in action whose accomplishments for human welfare and civilization in 8 years rivals anything done in countries ruled by dictators. Israel has made this progress without paying the totalitarian price of slave labor and ruthless pressure.

The people of Israel have come from all parts of the world, speaking many languages and representing many cultures. Like the immigrants who came to this country, they have joined in a common endeavor, learned to speak a common language and helped to build a common civilization. This is in miniature a repetition of the great American experiment in creating a civilization out of a wilderness with men and women whose common heritage is their humanity. And, indeed, many Americans have recognized in the people of Israel a spirit that closely resembles that of our pioneers a century ago.

Today Israel is threatened as never before by the forces of dictatorship and oppression. Yet it has maintained the rights and liberties of its people despite the danger of invasion and has constantly sought and worked for peace. At the same time, it has realistically been compelled to provide for its defense against the growing arsenal in Arab lands.

The United States has done much to foster and encourage the development of Israel, and the people of Israel have repeatedly demonstrated their appreciation. Our country has made a firm commitment to preserve the integrity of the State of Israel, and I am sure that we have every intention of standing by that commitment. Many of us in Congress, however, are convinced that one of the steps we must take without delay is to restore the military balance in the Middle East. We can do this by allowing Israel to purchase the defensive weapons she must have to discourage would-be aggressors.

The fact that Moscow has shipped modern weapons to Egypt and other Arab States in quantity makes it imperative that our country take the lead in helping Israel to defend itself. The press has reported that France, Italy, Canada, and other nations are ready to help this fellow democracy with jet fighter planes and other arms for defense, but I should like to see my country demonstrate its willingness to go further than others in releasing arms to a beleaguered ally. All the world looks to us for the example to follow, and we dare not yield our responsibility to any other nation.

I recognize, of course, that defensive arms to Israel are not a solution to the problem of achieving peace in the Middle East, but their deterrent effect can avert war and give us time to work for peace, time in which tensions may be relaxed and reason prevail. Let no one be deceived into thinking that this is an isolated conflict between the Arabs and Israel. It cannot be localized. Our civilization is so constituted that the problems of the Middle East reflect the worldwide conflict of ideas between the East and the West, and whatever happens between Israel and her neighbors will inevitably affect the lives of all Americans.

As Israel enters the ninth year of its existence, we hope and pray that a beginning shall be made toward the establishment of peace, not only in that troubled area, but for all people all over the world. With firmness and resolution we can defeat the Communist threat of war and bring about the initial steps to a lasting peace. On this anniversary we can bring to the people of Israel an assurance that they do not stand alone in their gallant fight to create a nation of free people under God and that we stand with them against the enemies of democracy.

Mr. DAVIDSON. Mr. Speaker, it is a privilege to join with my distinguished colleagues and say a word with regard to the observation of the eighth anniversary of the State of Israel. I am unable to say "happy birthday" for this is not a happy day for the little democracy which is surrounded on all sides by hostile, aggressive, and threatening neighbors.

I wonder how long the State of Israel will have to stand on guard. I wonder for what period of time she will have to continue to spend practically all of her substance on armament and a military establishment. This is the state which cheerfully burdened itself with a program of immigration for distressed and homeless people and sought to work out an economy amidst most inhospitable surroundings. From a harsh, cruel, and unyielding desert of sand, Israel's people have brought forth a citrus industry. They have worked the farms so that now her people are self-sufficient insofar as vegetables are concerned.

Israel has worked and has accomplished much to educate and give medical ministrations to the people of the Middle East. She has given dignity and self-respect to people who have heretofore despaired of any further whatsoever. All the while she has had to stand guard. Farming, with a rifle ready at hand. Teaching children with a lookout on the hill. Nursing the sick with an armed guard on the roof of the hospital.

Israel has endeavored and succeeded in making a great humanitarian contribution to a benighted and backward part of the world. She is entitled to a happier birthday than the one she celebrates today.

I wish merely to say, Mr. Speaker, that if Israel's requests for defensive arms are granted by this country, Israel will have a happy birthday because war will be averted. There will be no conflagration in the Middle East with the fearsome possibility of its spreading throughout the world. Stability will take the place of impending chaos. There will be no need for foreign intervention. And I must here repeat, Israel is not asking that the United States send its soldiers to fight her battle. Israel wants to defend itself, or better yet; ward off and avert Nasser's threatened aggression.

President Eisenhower and Secretary Dulles, you, gentlemen, can make this a happy birthday for Israel, and at the same time, you can serve the cause of world peace, democracy, and fair play. As Winston Churchill has recently put it, you can discharge an obligation which this country owes to the democracy of Israel as a matter of honor.

Mr. RODINO. Mr. Speaker, this is a historic day for the people of Israel, for it was 8 years ago that the dynamic democracy now known as the State of Israel was established. Once merely a dream and an idea in the minds and hearts of many who now call it their homeland it is now a reality. The courage and the fortitude displayed by these people in their great struggle brought about this gallant little nation which is now a matter of history. Their spirit of freedom and their desire for peace, their determination to live as a truly democratic nation among the family of free nations, is worthy of their great heritage.

Today, as I have done before, I salute the State of Israel and its proud people. Theirs is a record of achievement and accomplishment during 8 short years of existence.

But today this bulwark of democracy in the Middle East is threatened. It is threatened by the shadow of international communism which has been reaching out over the Middle East fomenting hostilities and creating tensions. We know that this is a threat not alone to the security and peace of Israel—the Middle East—but to the whole free world. For pulling the strings behind the whole Arab-Israeli conflict are the Soviet agents who by their offer of arms and economic aid to the Arabs seek to establish themselves in the Middle East.

We must not permit this nation to fall at the hands of the Communist conspirators. The United States should take immediate steps to maintain the balance of power in the Middle East by providing Israel with defensive arms. We must in justice to the name of democracy, in the interest of world peace and freedom, help to preserve the integrity of Israel as a nation. The people of Israel look to us—as the champions of democracy—we cannot and must not turn our backs on them. Let us help to maintain this fortress of freedom.

Mr. FRIEDEL. Mr. Speaker, it is a privilege for me to extend my most heartfelt and sincere felicitations to the gallant people of Israel on this the occasion of the eighth anniversary of the State of Israel as a free and independent nation.

The tremendous social, political, and cultural accomplishments that have transpired in Israel since its independence was declared in 1948 are an inspiration to every democratic form of government in the world as an example of what free men can do under the flag of democracy.

Today the State of Israel stands as the bulwark of democracy in the Middle East.

Yet, in the face of all these accomplishments, this tiny democracy is confronted with an alarming situation which affects not only the peace and tranquillity of the Middle East, but the peace and tranquillity of the entire free world. This crisis in the Middle East has been brought about by the steadfast refusal of the Arab States to recognize Israel as a democracy, recently aided and abetted by the creeping shadow of international communism.

We cannot permit this nation to fail at the hands of the Communist conspirators. We in the West are faced with the necessity of taking decisive steps to prevent an all-out war in this area. This can be done quickly and effectively if the Arab countries can only be made to realize that Israel herself is interested only in peace. If the Arab leaders can be convinced of this, and be persuaded to make peace with Israel, the economic, spiritual, and social benefits reaped by all the countries in the areas will be overwhelming.

Mr. KLEIN. Mr. Speaker, I am privileged today to add my sentiments to those of my distinguished colleagues in the House and Senate in congratulations to the State of Israel upon the occasion of the eighth anniversary of its establishment as a free, independent, and sovereign state.

This is a singularly happy occasion that shines out like a star of hope in a dark-clouded sky. In a world beset by confusion, aggressions, and subversions, in a world where the democratic ideal is so often under attack, it is an exhilarating satisfaction to call attention to one new nation that has from the beginning manifested its adherence to the ideas and ideals of a democratic society.

It is also gratifying to know that this new nation has exhibited a generosity of national spirit that has solved a problem of homelessness for hundreds of thousands of people to whom it opened its doors in welcome. The great humanitarian service that Israel has rendered in converting desperate people from the category of "refugees" to that of upright, free citizens will always shine as a bright page in the history of our times.

In saluting the State of Israel and extending to it our good wishes, I cannot help but draw parallels with the early history of our own country, the United States of America. We, too, started as a new young Republic after the embroilment of war, with a devotion to independence and democracy and in need of understanding and friendship. It is heartening to know that the social and spiritual concepts that marked the birth of the United States have their parallels in the State of Israel.

I hope that the views expressed by Members of both Houses will give notice to the world at large of American friendship and support for the State of Israel. Those with aggressive designs on the security and independence of Israel might do well to read the record of the United States Congress and reconcile themselves to the bonds of friendship and mutual regard that link the people of the United States of America and the people of the State of Israel.

This occasion, however, must not be noted without regard for the threats of an actual aggression that hover like a calamitous cloud over the State of Israel. The cry of the victims reaches out to us and calls upon us to reassert vigorously our national policy to prevent aggression and to warn and, if need be, punish aggressors.

The security of the State of Israel is vital to the stability of the entire area of the Middle East and this in turn is basic to America's own defense and the defense of the free world. This calls for an administrative policy of action rather than of inaction; and of direct, friendly, and timely intervention rather than by a nod to our allies. It calls for prompt and sympathetic action as to the defense needs of the State of Israel, out of the same considerations that justify our provision for our own defense needs and for those of the Western World.

It calls for an ample and timely counterweight to the armaments furnished by the Communist and satellite governments.

Above all, it calls for a clear unambiguous assertion on the highest level that the United States is committed to the proposition that peace is indivisible

and that peace and the safeguards of peace for the State of Israel are basic in our national policy.

NEGOTIATED CONSENT DECREES IN ANTITRUST CASES

The SPEAKER pro tempore (Mr. Evins). Under the previous order of the House, the gentleman from California [Mr. Roosevelt] is recognized for 45 minutes.

Mr. ROOSEVELT. Mr. Speaker, acting on the basis of complaints of small-business men, Subcommittee No. 5 of the House Small Business Committee, of which I am chairman and the Honorable Tom Steed, Democrat, of Oklahoma, and the Honorable Timothy P. Sheehan, Republican, of Illinois, are members, held hearings on March 28 and 29, 1956, on the effect on small business of consent decree procedures in Government antitrust actions against large corporate defendants.

In the preparation for and during these hearings I had the opportunity to study the antitrust consent decree negotiated between the Government as plaintiff and the American Telephone & Telegraph Co. and the Western Electric Co. as defendants, which was entered into by the Attorney General on January 23, 1956.

I am convinced that this consent decree represents the lowest point in modern times in the disposition of major antitrust litigation.

The A. T. & T. consent decree cannot be reconciled with the purpose of the Government in filing the original action. It cannot be reconciled with present facts. It cannot be reconciled with Judge Barnes' position in other major antitrust litigations. It cannot be reconciled with any known philosophy of antitrust enforcement.

The only conclusion possible from the facts is that A. T. & T. has been given favored and special treatment by the present administration and Attorney General Brownell.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. CELLER. I take it that it is the gentleman's point that in the decree there should have been divestiture and Western Electric should have been separated and truncated from American Telephone & Telegraph Co.

Mr. ROOSEVELT. The distinguished chairman of the Judiciary Committee is absolutely correct. I am going to cover that in full and it will be noted that in the testimony before the subcommittee, Judge Barnes admitted that the original purposes for which the suit was filed were completely forgotten.

Mr. CELLER. As for myself I embrace the gentleman's point of view in that regard.

Mr. ROOSEVELT. I thank the gentleman and appreciate his statement very much.

Because the implications of this decree go far beyond the jurisdiction of the House Small Business Committee, I feel it is my duty to report all the facts within my knowledge to the Congress and to recommend that a thorough and complete investigation be made, not only as to the reasons why A. T. & T. received favored and special treatment in the consent judgment, but also the extent to which special privileges have been afforded A. T. & T. by other Government agencies to enhance its monopoly power and monopoly profits.

While the operations of A. T. & T. are subject to public utility regulation, those of its wholly owned subsidiary, Western Electric, are meant to be in the area of our free enterprise economy. The Government's complaint against A. T. & T. and Western Electric was to put an end to Western Electric's illegal monopoly existing under the protection of the monopoly at A. T. & T. as a public utility. The Government's complaint was preceded by a very long, careful investigation by the Federal Communications Commission of the problems generated by this monopoly which resulted in a comprehensive report, containing findings and recommendations in great detail.

The complaint filed in 1949 charged that Western Electric manufactures and supplies more than 90 percent of all telephones, telephone apparatus and equipment sold in the United States. It also charged that A. T. & T. required its operating companies as well as its Long Line Department to buy substantially all of its equipment from Western Electric. The significance of this is indicated by the fact that A. T. & T. owns and operates more than 98 percent of the long distance telephone facilities in the United States, and owns and controls operating companies which furnish approximately 85 percent of the country's local telephone service.

To remedy the almost complete lack of competition in the manufacture, distribution and sale of telephone equipment, the complaint sought a separation of Western Electric from A. T. & T. and a dissolution of Western Electric into three competing, manufacturing concerns. Relief of this kind was the principal reason the case was brought. This relief was essential to thwart the monopoly and to protect the public.

The Assistant Attorney General in charge of the Antitrust Division, Judge Barnes, admits all of these facts. He states that A. T. & T. has "practically a 100-percent monopoly" on the facilities used in the rendition of long distance service in the United States.

He admits that A. T. & T. owns and controls operating telephone companies which furnish approximately 85 percent of all local telephone service in the United States.

He admits that Western Electric manufactures and sells between eighty to ninety percent of all telephones, telephone apparatus, and equipment sold in the United States.

He admits that A. T. & T. requires its operating companies, as well as its long-lines department, to buy virtually all of their telephone equipment from Western Electric.

He admits that as a part of an alleged conspiracy between A. T. & T. and Western Electric to monopolize the telephonic industry that they bought up or otherwise eliminated competitive manufacturers of telephones, telephone apparatus, and equipment. Judge Barnes states that this "is a matter of record."

Finally, Judge Barnes admits that in filing the complaint "the purpose certainly was to restore competition. The charge was that it"—Western Electric—"should be broken up."

Judge Barnes nevertheless testified that the original purpose of the suit to separate A. T. & T. and Western Electric had to be abandoned because there was insufficient evidence. In the face of his own admissions as to the facts involved, this excuse defies creditability.

Certain there can be no question that the facts stated to be true by Judge Barnes are more than sufficient to prove the prima facie case that Western Electric is a monopoly of formidable proportions and as such is illegal under the antitrust laws of the United States.

What then does the consent decree do to break up this monopoly as charged in the original complaint filed in 1949 and as stated by Judge Barnes in the hearings before our subcommittee on March 29, 1956? The answer is that the consent decree is worse than nothing. For the consent decree solidifies and gives Government sanction to the very monopoly which the complaint was designed to break up, and makes impossible the bringing of any further action by future administrations.

What justification can there be for such a shocking consent decree against the public interest and against all known philosophies of antitrust enforcement?

The feebleness of the explanation given by the Department of Justice serves only to emphasize the conclusion that the administration has granted A. T. & T. favored and special treatment.

Mr. Speaker, I ask unanimous consent to extend at this point in the Record an article by John Harriman appearing in the Boston Daily Globe April 2, 1956.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The article is as follows:

> Last week Antitrust Chief Stanley Barnes announced an action by the Department of Justice against the American Radiator and Standard Sanitary Co. and Mullins Manufacturing Corp.
>
> This is the sixth major antitrust action, of which Mr. Barnes spoke early in the week before the House Small Business Committee. (Another said to be cooking on back of the fire is General Motors.) So far these suits are in the style of trust busting initiated under the present administration.
>
> ### FASHION NOWADAYS TO NEGOTIATE
>
> Nowadays it is the fashion in these actions not to go to trial. What happens is that the Department of Justice works up its case, and then sits down with the defendant and talks things over. In most cases a meeting of the minds is arrived at, and the defendant consents to certain demands in the Government's case. These consents are then incorporated in a decree, and all is settled amicably.
>
> This, of course, makes for good feeling all around, and provides a nice show of newspaper headlines of the sort which in an election year never hurt anybody.
>
> But there are those who look at these consent decrees, and utter a mild horse laugh. This, they say, is trust busting a la mode,

> with the ice cream going to the Government and the pie to the offending company.
>
> In short, say the skeptics, this isn't really trust busting at all, but the giving of what amounts in effect to immunity from further prosecution to companies at a very small cost to them.
>
> For instance, no other administration, it is being pointed out, will now bring an antitrust action against the Bell System, which has just submitted to one of Mr. Barnes' consent decrees. And Bell, it is argued, may be very satisfied to have put itself in this position by yielding to Mr. Barnes on points which were relatively minor.
>
> BELL MADE PATENTS AVAILABLE TO ALL
>
> Originally the Government's suit sought to force Bell to divest itself of Western Electric, its manufacturing subsidiary. But in the consent decree entered, there were mighty compromises.
>
> Western Electric was left with Bell, which was only required to drop certain activities which in toto are estimated to account for not much more than 1 percent of the parent company's gross revenues.
>
> All the Government really won was that Bell should make its patents available to all. And this, say some, is of no great importance, as Bell is the main customer for the products made under these patents, and Bell will presumably buy only from its own subsidiary.
>
> It was these facts which cause the major victory claimed by the Department of Justice in this case, to look to the penetrating eyes of Business Week like "little more than a slap on the wrist."
>
> It will be interesting to see the nature of the Government's suit against General Motors, it comes off. We hear that it will be concerned not with that company's position in the whole automobile field—just in its activities in supplying 80 percent of the bus market.

Mr. ROOSEVELT. Mr. Speaker, one of the two major points made by the Department of Justice in attempting to justify the consent decree is that the cost of Western Electric equipment sold to A. T. & T. is subject to public utility regulation and that such regulation is made easier by the decree. Why is this purported to be so? Because, according to the Department of Justice, the consent decree provides that Western Electric must—and I quote and emphasize—"maintain cost accounting methods that conform with such accounting practices as may be generally accepted, taking into account the magnitude and the complexity of the operations involved." This provision is useless and meaningless. I asked Judge Barnes what changes it would make in Western Electric's accounting methods. He replied "We do not necessarily know that it will make any." Further, it is obvious that this provision is so broad, vague, and ambiguous that no court could ever hold Western Electric in contempt for violation.

But even more important, the purpose of the antitrust laws and the duty of the Attorney General is to restore competition in those fields of our free enterprise economy where it does not exist. The fact that A. T. & T. is subject to public utility regulation gives no immunity to Western Electric from the antitrust laws. In the Government's antitrust case against the Pullman Co., the court ordered the separation of Pullman's unregulated monopoly in the manufacture and sale of sleeping cars from its monopoly of sleeping cars service, the latter being subject to Federal regulation. Since the court did break up the Pullman monopoly, what conceivable reasons could lead Judge Barnes to believe that the court could not similarly break up the A. T. & T.–Western Electric monopoly?

The Attorney General through Judge Barnes does not dispute the fact that there is a monopoly in the manufacture and sale of telephonic equipment, materials, and apparatus, that this monopoly is not protected by public utility legislation and is subject to the full force of our antitrust laws. The consent decree, however, allows Western Electric to remain a monopoly. This is a betrayal of the most basic principles of our antitrust laws which Attorney General Brownell has sworn to uphold. This betrayal cannot be justified. It must be censured.

The second point made by the Attorney General in his attempt to justify the decree is that a measure of patent relief has been granted in the electronics field. The suit was not brought for this purpose. The suit was brought to restore competition in the manufacture and sale of telephonic equipment and all the patent relief in the world cannot restore competition as long as Western Electric is left with some 80 to 90 percent control of the market and as long as A. T. & T. will purchase its equipment only from Western Electric.

But even so, the patent relief contained in the consent decree is completely imaginary. Judge Barnes states that the decree requires royalty free licensing to all applicants on some 8,600 existing patents of A. T. & T. But in the same breath he was forced to admit that A. T. & T. under the decree could still make a charge to licensees for "know-how" and that this could be virtually the same as the royalty charge. Judge Barnes was read a statement made by Dr. Vannevar A. Bush, a director of A. T. & T., in which he pointed out "that the royalty rate charged by A. T. & T. for its patents subject to the decree had been based upon the know-how that went with the patents." Judge Barnes then admitted that the charge for know-how and technical information which can still be made under the consent decree could be as much as the former royalty.

Secondly, the decree accomplishes very little in requiring the licensing of the patents involved, since the Bell System Co. has had a licensing policy since 1949 to license anyone for any purpose.

Thirdly, with respect to the alleged 8,600 patents involved in the consent decree, RCA has the unrestricted right to sublicense, retain royalties, and sue for infringement on a substantial number of these patents—the exact ones being unknown to the Department of Justice. The consent decree does not affect these rights of RCA.

Fourthly, a substantial number of the patents involved in the consent decree have expired.

Finally, a substantial number of the patents involved in the consent decree are not sufficient to enable the licensee to manufacture and sell FM and TV commercial broadcast transmitters or receivers without an RCA package license. In brief, Judge Barnes admits that many of the licenses allegedly made available to others by the consent decree are worthless because, and I quote Judge Barnes' testimony, "in the RCA pool there are patents over and beyond A. T. & T. or Bell Laboratories patents which may well be necessary before you can get into an open-handed, free, and easy production of electronic devices."

Mr. Brownell stated in his press release accompanying the signing of the A. T. & T. consent decree that—

> The patent relief obtained in this decree is a long stride forward in the efforts of the Department of Justice to destroy the divisions of patent rights * * * in electronics. The decree makes available to any citizen all inventions and know-how of the Bell System.

But Judge Barnes testified before the subcommittee:

> I would certainly agree with you, sir, that the entire field of electronic patented articles cannot be freed to universal competition until and unless something is done in the RCA case.

The key to patent relief in electronics is, therefore, in the pending RCA case, and not in the A. T. & T. consent decree.

What then is left of the consent decree? I submit there is nothing—except an urgent need for a complete explanation from Mr. Brownell as to why he and several of his subordinates abdicated their responsibilities and lent themselves to the preservation of the A. T. & T.-Western Electric monopoly.

In this connection an attorney in the Antitrust Division of the Department of Justice, familiar with the case, recently stated that Mr. Brownell, himself, established the policy that a consent decree was to be negotiated with A. T. & T. and Western Electric without separating the two. Instructions to this effect were made known by Mr. Brownell's office to the members of the Antitrust Division. This official has stated that the Antitrust Division was put into a straitjacket in negotiating the decree by virtue of these instructions.

What is more, the consent decree was signed and negotiated by the first assistant to Judge Barnes, who has a reputation, both within and without the Department, for his softness toward antitrust enforcement and solicitude for big business. I believe it can be established that he was placed in the Antitrust Division at the request of highly placed, big business officials close to the administration. Was there secret connivance between him and Mr. Brownell? It has been reported that these two met in private to determine policy as to the consent decree at the very time Judge Barnes was absent from the city.

True, some attorneys in the Antitrust Division realized that the proposed consent decree would in effect give Government sanction to Western Electric's monopoly and prevent further prosecution. They recommended that the lesser evil would be to dismiss the suit entirely, but were overruled.

Relevant in this regard is the testimony of Judge Barnes before our Subcommittee of the House Small Business Committee on March 29, 1956. The judge stated that high Government officials insisted that A. T. & T. and Western Electric could not be separated and Western Electric split up because, and again I quote directly from Judge Barnes:

> You have got a situation where you have got research half way between manufacture and operations, and so tied up, according to certain allegations, that from a practical standpoint they have to be together. Now, I am not buying that. I am just saying that is an argument which has been expressed, and very violently expressed, by people in high places in the Government.

Whether Judge Barnes, himself, bought this argument is immaterial since the decree gave A. T. & T. precisely what these people in high places in the Government wanted. The decree also gave A. T. & T. what it wanted. As reported in the February 6, 1956, issue of Newsweek:

> How much was A. T. & T. harmed by its consent judgment? Nothing really hurts, A. T. & T. President C. F. Craig implied, so long as the whole team—Bell Telephone Laboratories, Western Electric, and the Bell System—remain intact, instead of being split up as the Government originally demanded.

The question remains unanswered. Who were the people in high places in the Government who violently expressed the argument that A. T. & T. and Western Electric could not be separated? And if Judge Barnes did not buy their argument, why did the Department of Justice still accede to their request.

Let us open Pandora's box and see who are some of the people in high places in the Government who would have had the greatest governmental interest—and the greatest private interest—in the A. T. & T. consent decree. Here is the rollcall of the officials or directors of A. T. & T. or its subsidiary companies who have held policymaking and influential positions in the United States Government under the present administration:

Cole A. Armstrong, Office of Defense Mobilization.

Donald R. Belcher, first assistant, Director of the Bureau of the Budget.

Harold M. Botkin, Office of Defense Mobilization.

Robert Burgess, Director of the Census.

Albert J. Carey, Office of Defense Mobilization.

A. B. Clark, National Security Agency.

Victor E. Cooley, Deputy Administrator, Office of Defense Mobilization.

Stanley Damkroeger, Department of Commerce.

William Means Day, Department of the Army.

John M. Ferry, Special Assistant to the Under Secretary of the Air Force.

G. D. Garner, Office of the Assistant Secretary of Defense (Supply and Logistics).

Frederick J. Given, Office of the Secretary of Defense.

R. Karl Honaman, Office of the Secretary of Defense and the Department of Commerce.

George Ireland, Department of Commerce.

Dr. Marvin J. Kelly, Department of the Air Force and the National Bureau of Standards.

George A. Landry, Office of Defense Mobilization.

George B. Larkin, Office of the Assistant Secretaary of Defense (Supply and Logistics).

Walter A. MacNair, Department of the Army.

George C. McConnaughey, Chairman, Federal Communications Commission.

William H. Martin, Director of Research and Development, Department of the Army, and prior to that appointment Deputy Assistant Secretary of Defense.

Stewart E. Miller, Department of the Air Force.

Arthur W. Page, Cabinet Committee on Transportation Policy and Organization.

Charles W. Potter, Office of Defense Mobilization.

Donald A. Quarles, Secretary of the Air Force.

Robert T. Stevens, Secretary of the Army.

Joseph D. Stockton, Office of Defense Mobilization.

William A. Vanstory, Department of Commerce.

Charles E. Wampler, Office of Defense Mobilization.

Benjamin F. Young, Office of the Director, Office of Defense Mobilization.

This list, while not complete, is nevertheless illustrative of the force and influence that A. T. & T. can exert upon Government policy and Government actions. Indeed, there appears to be no area of Government whose activity affects A. T. & T. where an A. T. & T. official is not in a position of influence or control.

This infiltration of A. T. & T. officials throughout the top levels of the administration, whether accomplished with the best or the worst of motives, represents a real threat and danger to our democratic processes.

A. T. & T. officials in Government have been in a position, for instance, to control or influence Government policy in relation to the SAGE project. But thanks to the vigilance of our distinguished majority leader, the Honorable John McCormack, to the vigilance of our distinguished chairman of the Committee on Armed Services, the Honorable Carl Vinson, and the distinguished gentleman from Ohio, the Honorable Clarence Brown, the American people were saved the sum of $830 million which otherwise would have improperly gone to the A. T. & T. monopoly.

And thanks to my distinguished colleague from Montana, the Honorable Lee Metcalf, provisions have been made so that rural electric cooperatives will not be excluded by the A. T. & T. from participating in the Government work to be done in connection with the SAGE project.

I can only say with the deepest regret that the full implications of the A. T. & T. consent decree, entered into by Mr. Brownell, were not similarly recognized and action taken by the Congress before it became a fait accompli. However, the A. T. & T. consent decree does raise a warning for the future which, I believe, cannot be ignored. I, therefore, respectfully recommend to the House that a thoroughgoing investigation be made of the influence of A. T. & T. upon Government and in particular upon the Department of Defense, the Department of the Air Force, the Office of Defense Mobilization, the Federal Communications Commission, and the Department of Justice.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. BURDICK. In this situation it is not a question that we do not have enough laws on the statute books to cope with the situation. The trouble lies in the fact that we do not use the laws we have. Is that not right?

Mr. ROOSEVELT. I completely agree with the distinguished gentleman, and I point out that if the original purposes for which this suit was filed had been adhered to there would have been no such case as can now be made. I do not think it is a question of needing new legislation. I think it is a real and not an imaginary enforcement of the antitrust laws.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the distinguished majority leader.

Mr. McCORMACK. I want to express my appreciation to the gentleman from California, Mr. Roosevelt, for the generous references he made to me in his very able speech. I also want to congratulate my friend from California for the tremendous work he has done in connection with this important matter and in the powerful address he has just made, conveying to the House and to the country very important information which all adds up toward the one powerful message of big business control of our country through this administration and also discrimination against small and independent businessmen.

The gentleman from California is chairman of a subcommittee of the Special Committee on Small Business. The special committee itself has done outstanding work. The subcommittee of which the gentleman from California is chairman has also done outstanding work and I extend my hearty congratulations to him and the other members of his subcommittee.

Mr. ROOSEVELT. I am very grateful to the distinguished majority leader.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Tennessee.

Mr. EVINS. Mr. Speaker, I have listened to the statement of the gentleman with a great deal of interest and I join with my friend from Massachusetts, the distinguished majority leader, in extending congratulations to the distinguished gentleman from California for bringing this matter to the attention of the House. The gentleman has said that some of the scope of the matter is beyond the jurisdiction of our committee, but certainly it is not beyond the jurisdiction, as the gentleman has pointed out, to censure this procedure; and I commend the gentleman for it.

It would seem to me that the lengthy list of the men whose names he has called, former employees or people closely associated with the American Telephone & Telegraph Co., is indicative of the influence which they exert in this administration and of the great power which no doubt has been exercised in the bringing about of this consent decree.

It would also seem to me that, while the present administration is opposed to 90 percent of parity for the farmers, it is in favor of 90 percent plus in the form of monopoly for the A. T. & T.

Mr. ROOSEVELT. I thank my distinguished colleagues of the Small Business Committee.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. MADDEN. I want to join in commending the gentleman from California for the outstanding statement he has just made in bringing the A. T. & T. case to the attention of the country and also its relation to this present administration.

Only 2 weeks ago the Armed Services Committee appeared before the Rules Committee on a piece of legislation that would protect small industry and small business as far as their applications for procurement and contracts through the Defense Department were concerned. The most astounding revelation that Chairman VINSON of the Armed Services Committee brought out before the Rules Committee was that approximately 94 percent of the procurement and the contracts that have been given by the Secretary of Defense went through without competitive bids being asked for by the head of the Defense Department. If the Defense Department under former President Truman defied the law and procurement regulations in this way, the newspapers would be demanding his impeachment.

The fact is that 94 percent of approximately three billion and some odd hundred million dollars worth of contracts was released by negotiation without any competitive bids being called for on the part of the Secretary of Defense.

The legislation that passed this House will, we hope, in future give small industrial competitors as against General Motors an opportunity to participate in some of the defense contracts and procurement purchases in the future. I do hope this new law will help small business to be recognized by the Secretary of Defense as competitors against big business and particularly General Motors.

I again want to commend the gentleman from California for the outstanding contributions he has made for the benefit of American taxpayers in his remarks to the House this afternoon.

Mr. ROOSEVELT. I thank the gentleman from Indiana very much. I would reemphasize again, sir, that if we are going to survive as a democracy we must have competition, not only competition which allows small business to exist, but in this particular instance I would be perfectly happy if they would let a few big people compete in order to get some of these large contracts.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I know the gentleman will agree with me that it is much better for our country and our national economy if we have more companies rather that less companies.

Mr. ROOSEVELT. Exactly. That is the only way we can stop an economic dictatorship and I think the gentleman will agree with me that economic dictatorship is, unfortunately, the forerunner of political dictatorship, and that is what we must fight with all our might.

THE CASE OF SPENCER WELSH

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. QUIGLEY] is recognized for 20 minutes.

Mr. QUIGLEY. Mr. Speaker, one of the more eloquent and most effective declarations of fundamental American principles was made, in my opinion, by President Eisenhower on the night of November 23, 1953. On that date he was addressing a dinner, at which he received an award, conducted by the B'nai B'rith Antidefamation League, at the Mayflower Hotel, here in Washington. The President's remarks on that occasion were carried to millions of Americans by radio and television.

Speaking very informally, Mr. Eisenhower pointed out that our pride in being Americans was a spiritual rather than a material thing. Then he went on to say, according to the text reproduced in the New York Times of November 24, 1953:

> We are proud first of all because from the beginning of this Nation a man can walk upright, no matter who he is, or who she is. He can walk upright and meet his friend or his enemy, and he does not fear that because that enemy may be in a position of great power that he can suddenly be thrown in jail to rot there without charges and with no recourse of justice.
>
> We have the Habeas Corpus Act and we respect it.
>
> I was raised in a little town of which most of you have never heard. But in the West it's a famous place. It's called Abilene, Kans. We had as our marshal for a long time a man named Wild Bill Hickock. If you don't know about him, read your westerns more.
>
> Now that town had a code, and I was raised as a boy to prize that code. It was: Meet anyone face to face with whom you disagree. You could not sneak up on him from behind, do any damage to him without suffering the penalty of an outraged citizenry. If you met him face to face and took the same risk he did, you could get away with almost anything, as long as the bullet was in front.
>
> And today, although none of you have the great fortune, I think, of being from Abilene, Kans., you live, after all, by that same code in your ideals and in the respect you give to certain qualities.
>
> In this country, if someone dislikes you or accuses you, he must come up in front. He cannot hide behind the shadows, he cannot assassinate you or your character from behind without suffering the penalties an outraged citizenry would inflict.

These remarks by the President were universally well received. The people accepted this declaration as a muchly needed expression of the philosophy of Mr. Eisenhower and as ground rules for the conduct of his administration.

Earlier this year, however, my attention was invited to a situation where President Eisenhower's subordinates—the Foreign Claims Settlement Commission—were doing great violence to the "code of Abilene." As a consequence, on February 28 I addressed the following letter to the President:

> THE PRESIDENT,
> *The White House.*
>
> DEAR MR. PRESIDENT: The purpose of this letter is to bring to your attention the situation in which one Spencer Welsh now finds himself. Mr. Welsh is a young veteran who resides in York County, Pa., not too many miles from your home in Gettysburg, and, as such, he is one of my constituents. I hasten to add this latter fact does not in itself justify this letter, but it does explain how I became aware of Mr. Welsh's present predicament. However, the frightful implications of things destructive to fundamental American concepts inherent in this young man's case, in my opinion, more than justify this appeal to you as President of the United States.
>
> Very briefly Mr. Welsh's situation is this: In March of 1950, at the age of 17, he enlisted in the United States Army. Eventually he reached Korea and landed in a Communist prison camp. He remained in Communist prison camps for 34 months before he was released under the Korean truce prisoner exchange agreement. Following his release, he was honorably discharged. In addition, Mr. Welsh received the Good Conduct Medal, and at present he receives Veterans' Administration compensation for a 10-percent disability. Beyond this, Mr. Welsh applied for and received approval by the Veterans' Administration for a GI loan. Accordingly, it would seem that the United States Army and the Veterans' Administration considered Mr. Welsh a good soldier and a deserving veteran, and until very recently he was considered to be both by all of his friends and neighbors. However, this was before the Foreign Claims Settlement Commission was heard from. This Commission recently ruled that Mr. Welsh is not entitled to the prisoner of war compensation payable to ex-POW's under Public Law 615, because he had not proven to the Commission's satisfaction that during the course of his imprisonment in Korea he had not collaborated with the enemy.
>
> Mr. President, I think you will agree that no more serious charge than collaborating with the enemy could possibly be made against any American citizen. I know further that you will agree that when such a serious charge is made the accused should be given every conceivable right to defend himself in a fair hearing after having been advised as to the true basis of the charge against him and that, most important of all, the accused should be given the right to confront and cross-examine his accusers. I regret to advise you that the Foreign Claims Settlement Commission, in the case of Mr. Welsh, saw fit to observe none of these fundamental American precepts of fair play and justice. Charges made against Mr. Welsh by the Commission were couched in the vaguest and most general terms without any specifics as to the time and place of his alleged collaboration. To this date, Mr. Welsh does not know whether in the Foreign Claims Settlement Commission's files he has one or many accusers and, while he was given what the Commission called a hearing in which he was represented by counsel, this hearing made a mockery of the traditions of American justice. At the hearing no one appeared to testify against Mr. Welsh; and the entire burden of proving his innocence was upon Mr. Welsh.
>
> In reviewing the manner in which this case was handled, I want to make it crystal clear that I am, in no way, passing on the guilt or innocence of Mr. Welsh. It seems to me if I were to do that without hearing all the evidence I would be guilty of the same shoddy un-American conduct as the Commission itself.

> If Mr. Welsh's situation were the only case of its kind, I think it would demand your personal attention. However, I regret to further inform you that I have been advised that there are at least 250 other exprisoners of war whose cases have been handled in a similar manner by the Foreign Claims Settlement Commission.
>
> Mr. President, I know I do not have to point out to you that what is involved here is a flagrant violation of one of the things that makes this country really great. What that something is has been expressed in many ways, but seldom more eloquently than you yourself expressed it in your famous speech about the Code of Abilene. I am sorely afraid that the members of the Foreign Claims Settlement Commission never heard of that code, let alone of Abilene. On the basis of their conduct in this case, I am not certain that they even heard of Kansas and, if they heard of America, I'm afraid that its true meaning and real purpose managed to escape them completely.
>
> It is my present plan to support legislation in the Congress which would abolish the kangaroo-court proceedings now being pursued by the Foreign Claims Settlement Commission. I further understand that the appropriate committee of the United States Senate contemplates holding public hearings on the manner in which the Commision has administered the act. However, it appears to me that this is a situation which should not and need not require legislative action. Since the members of the Commission were appointed by you, this should be a matter which could be corrected once and for all if you did nothing more than indicate to the Commission members your great displeasure that they are administering the law in a manner which violates sacred fundamental American principles. Such action on your part, I am certain, would guarantee to these American combat veterans the rights for which they fought and, if it didn't, I am confident you would not hesitate to replace the present members of the Commission with Americans who give more than lip service to our American ideals.
>
> Sincerely,
>
> JAMES M. QUIGLEY,
> *Member of Congress.*

It took the White House 5 weeks to answer that letter. Why it took so long I will never know; perhaps a lack of courage, perhaps a lack of convictions. When the answer finally did come I found out it was both. And when the answer finally did come it came, not from the President, but from Gerald D. Morgan, his special counsel.

Mr. Morgan wrote:

> The President asked me to look into the matter you wrote about under date of February 28, and to reply to your letter.
>
> The administration was from the beginning opposed to the provision contained in the bill that became Public Law 615 requiring the Foreign Claims Settlement Commission to pass upon the serious charge of collaboration in connection with its consideration of a claim for prisoner of war compensation. It is still opposed to having the Foreign Claims Settlement Commission, in the absence of a final determination by the armed service concerned, pass upon such a serious matter, and hopes that the Congress will see fit to amend the law.
>
> With respect to the claim of Mr. Spencer Welsh, the chairman of the Commission has advised me that no finding of collaboration was in fact made, and that no inference of such a finding is to be drawn from the Commission's decision in his case.

Let us examine these White House weasel words; let us contrast them with the big, bold language of the code of Abilene.

Mr. Morgan says:

> The administration was from the beginning opposed to the provision contained in the bill that became Public Law 615 requiring the Foreign Claims Settlement Commission to pass upon the serious charge of collaboration in connection with its consideration of a claim for prisoner of war compensation.

The administration was opposed, we are told; but what odd opposition. Insofar as I have been able to find out, the record shows that no such opposition was ever made known to Congress. In the 83d Congress, the President did submit a reorganization message to the Congress changing the name of the War Claims Commission to the Foreign Claims Settlement Commission. In that message he recommended that legislation be adopted extending compensation to Korean POW's, just as it had been granted to POW's of World War II.

The House passed a bill which went to the Senate, where it was accepted by the Judiciary Committee and the Senate without amendment. It was signed into law by the President. The 83d Congress was controlled by the President's own party. Now I recognize that the 83d Congress gave the President a great deal less than wholehearted support and cooperation, but I do not believe we can blame the 83d Congress for failure to read the President's mind. It would seem to have been the easiest matter in the world for the President, or one of his assistants, to have picked up a telephone, to have communicated with some of the able Republican leaders, and to have had that provision removed. He could have vetoed the bill and requested new legislation. He did none of these things. Yet, Mr. Morgan tells us now that "the administration was from the beginning opposed to the provision."

Mr. Morgan, presumably speaking for the President, goes on to inform me that the administration is still opposed to this provision and "hopes that the Congress will see fit to amend the law."

If this is the attitude of the administration, I have found nothing in the record to show that Congress has been so advised. This Congress has been in existence since January 5, 1955—a matter of 15 months and 2 weeks. I find no communication from the President or anyone else in the administration expressing opposition to this provision of Public Law 615, 83d Congress, and asking that it be eliminated.

In both these matters, I can be in error. If I am, I hope that the documents may be produced to show that my search of the record has not been complete.

In Mr. Morgan's final paragraph he informs me that the Commission made no finding that Mr. Spencer Welsh had been a collaborator, and further that no such inference is intended.

This was further clarified when a member of my staff discussed this case, by telephone, with Mr. Andrew T. McGuire, Foreign Claims Settlement Commission counsel. News dispatches appearing in the York (Pa.) Gazette and Daily indicate that Mr. McGuire made much the same comment to that paper's Washington correspondent.

Mr. McGuire pointed out that while a finding of collaboration made a claimant ineligible, there were two other reasons for denying claims. These were failure to prove that a prisoner was mistreated, or underfed.

Mr. McGuire further explained that the Commission did not specify why claimants were denied compensation in order to avoid tainting a veteran with suspicion of collaboration.

I felt then that my efforts had not been completely in vain, that something had been accomplished. Mr. Welsh could once more face his friends and neighbors, secure in the knowledge that his government was not branding him as a collaborator.

An indication of how this clean bill—no matter how difficult it was to pry it loose—was received is contained in a letter I have received from Eugene H. Stauffer, who was until last week, commander, West York Memorial Post, No. 8951, Veterans of Foreign Wars. The VFW, it might be noted, first approached me to ask that I intercede in behalf of Mr. Welsh. In his letter, Commander Stauffer said in part:

> I want to commend you on your very fine efforts and services in bringing to the attention of the President of the United States the case of Spencer Welsh and the injustice done to him by denying him his POW bonus. Although the injustice has been by no means corrected as yet, and I know you have not relinquished your efforts to have them corrected, the fact that the President's reply to your letter stated that the Foreign Claims Settlement Commission Chairman said and I quote "no finding of collaboration was in fact made and that no inference of such finding is to be drawn from the commissioner's decision in this case," does remove a stigma that would have been placed over Comrade Welsh's head for the rest of his life and would have been a question as to his loyalty to the United States Government. This in itself is a partial victory as I said before when I conferred with you in the presence of Comrade Welsh that this stigma was one of the reasons for objecting to this injustice. However I am by no means satisfied that the injustice done to Comrade Welsh has been corrected by these statements. From your past efforts and interest shown in this case, I am cognizant that you will continue through other means to correct it.

Unfortunately, Mr. Speaker, the "partial victory" which Commander Stauffer hailed has been short lived. Last Tuesday evening Whitney Gillilland, chairman, Foreign Claims Settlement Commission, addressed a meeting of joint veterans' organizations in Council Bluffs, Iowa. According to the text of his remarks, as released to the press, he said, in part:

> Now it will be noted that anyone who might have been guilty of outright disloyalty, that is, voluntarily, knowingly and without duress, collaborating with the enemy, would in any event be excluded by either the provisions (1) concerning food and mistreatment or (2) those precluding payment to anyone who voluntarily, knowingly and without duress at any time or in any manner served such hostile forces. Therefore, it never became necessary to pass on the issue of collaboration and no claim was rejected

on that ground. Therefore, no inference is to be drawn that any particular individual denied benefits was disloyal.

On the other hand, it will have been apparent that any collaborators would be included among those claimants denied for the two mentioned grounds and that the total number of collaborators could in no event have exceeded the total number of claims denied on those two grounds.

Despite the pious claim that Foreign Claims Settlement Commission did not wish to taint the character of any claimant; and although technically these veterans are not charged with being collaborators, what Mr. Gillilland is saying is that every one turned down was a collaborator.

When President Eisenhower made his "Abilene code" speech I was under the impression he was talking off the cuff but from the heart. But when the chips are down the President hides behind the shadow of a White House aide and Foreign Claims Settlement Commission's chairman hides behind the shadows of legal technicalities and bureaucratic doubletalk. Everybody has something to hide behind except the veteran. The veteran who went out to fight to defend his Government and the Code and is now rewarded for that effort by having that Government assassinate his character from behind.

I have seen their victim and I can assure "Wild Ike" Eisenhower and his partner "Jingles" Gillilland that the bullet was not in the front.

I hope, Mr. Speaker, that the Congress will have the courage to act where others have faltered, that we will step into the breach and enact legislation which will grant Mr. Welsh and all the others in his circumstances—men who braved enemy gunfire and suffered the rigors of Communist prison camps—the chance to have their day in court; the opportunity to meet their accusers, face to face, in accord with the Code of Abilene.

THE FARM BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 10 minutes.

Mr. LAIRD. Mr. Speaker, speaking for the six Republican Wisconsin Members of Congress, Messrs. SMITH, BYRNES, DAVIS, WITHROW, VAN PELT, and myself, I wish to commend President Eisenhower for his veto message which was read this morning to the House of Representatives. The Wisconsin farmers whom we represent will be ever indebted to President Eisenhower for his action in promptly vetoing H. R. 12.

The farm bill as it was placed on the President's desk by this Democrat Congress would have meant loss of income to the Wisconsin farmers of over $12 million and would have materially aggravated the cost-price squeeze. In 1955, Wisconsin farmers paid $130 million for feed used but not produced on their farms. Under the vetoed farm bill, Wisconsin farmers' costs would have been increased by 20 percent to at least $156 million because of the increase in feed grains support levels required by the legislation. Wisconsin farmers, under the terms of H. R. 12, would have received $14 million by the increase which was granted in the farm bill in the manufacturing milk support price. This entire increase of $14 million would have been wiped out and plowed under by the $26 million increase in their feed bills.

The President in vetoing the farm bill and directing the Secretary of Agriculture to increase the support price of manufacturing milk to $3.25 per hundred pounds and the support price of butter fat to 58.6 cents a pound, has truly befriended the Wisconsin farmer.

Mr. Speaker, under unanimous consent, the text of the letter to President Eisenhower from six Wisconsin Republican Representatives, urging his veto of H. R. 12, the farm bill, is included at this point in the RECORD:

TEXT OF LETTER TO PRESIDENT EISENHOWER FROM SIX WISCONSIN REPUBLICAN REPRESENTATIVES URGING HIS VETO OF H. R. 12, THE FARM BILL

APRIL 15, 1956.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: We feel it our duty as Representatives from a State which derives over half of its cash farm receipts from dairy products, to point out to you the dangers to the dairy farmer inherent in H. R. 12, the farm bill now on your desk.

H. R. 12 was written for the basic crop farmer, particularly the commercial producers of peanuts, rice, cotton, tobacco, corn and wheat. It is loaded with all manner of devices to increase, through Government payments, the prices of these products. While we have no quarrel with these farmers, we must protest when legislation discriminates to heavily in their favor to the detriment of the majority of other farmers in the Nation, particularly the dairy farmer.

There is little need for us to elaborate on the importance of the dairy and livestock industries to American agriculture. Next to receipts from cattle and calves (a good share of which is derived as a byproduct of dairying) the single largest source of cash receipts for American farmers is dairy products. Farmers receive almost as much cash from dairy products as from cotton, tobacco, rice and peanuts combined. Cash income from the closely-allied dairy and beef industries is almost $2 billion more annually than from all of the basic crops together.

In States like Wisconsin, the relative importance of dairying and livestock is even more striking. In our State, 50 percent of the farmer's cash receipts is derived from dairy products. Seventy-two percent of our farm cash receipts come from three sources—dairy products, cattle, and poultry. Eighty-seven percent of our farm income is derived from livestock and its products. In contrast, only 2½ percent of our farm cash income comes from basic crops.

You can, we believe, understand our concern over a bill which will prove temporarily beneficial only to those farmers producing less than a quarter of our cash crops nationwide and only at the expense of major elements of American agriculture, particularly the dairy industry. A bill which sacrifices the dairy farmer on the altar of the basic crop farmer should be summarily rejected.

The harmful effect upon the dairy farmer of H. R. 12's bias in favor of the basic crop farmer may be summarized as follows:

1. The bill raises the general support level of basic crops, and feed grains, by 15 to 20 percent while providing only a temporary 2½ percent increase in the support level of milk.

There can be no logic, or fairness, in a national farm program which so discriminates against a major segment of our farm population. If increases in the support level are necessary, they should be uniform. Crops which represent income to some farmers represent costs to others. A dairy farmer's net income is based not only on his milk check but upon his feed bill as well.

It should be understood that, for the first time, feed grains are required to be supported at a fixed support price level pegged to the basic commodities. This raises the price of feed in excess of 20 percent.

The discrimination in support levels will cost the Wisconsin dairy farmer, for example, $12 million in 1956. The estimated $14 million Wisconsin farmers will receive from the raise in their milk support price will be wiped out and plowed under by a $26 million increase in their feed bill. In 1955, Wisconsin farmers paid $130 million for feed used but not produced on their farms. Under H. R. 12, this bill will be increased 20 percent to at least $156 million because of the increase in feed grain support levels the legislation requires.

The impact of this $1 million a month loss upon Wisconsin producers of milk, poultry, beef and hogs will be disastrous.

2. The bill requires the support of certain basic crops at the higher of two methods of computing parity. Manufacturing milk, on the other hand, would be supported, in future marketing years, under a formula which leads to a constantly decreasing minimum support price.

The dual parity provision for basic crops, in effect, throws out the parity theory in an effort to get the highest possible support price for these favored crops. The bill, on the other hand, approves, after the current marketing year, a formula producing a constantly reduced support price for manufacturing milk. At that time, manufacturing milk supports would be calculated under a formula which leads to a constantly lower parity equivalent because of the growing disparity between the price of fluid and manufacturing milk. In our State, 80 percent of our milk production goes into manufactured dairy products, and the combination of increasing basic crop support prices and constantly decreasing manufacturing milk prices would be economically disastrous. Our efforts to stabilize the parity equivalent for manufacturing milk, by providing a representative rather than a moving base period, were fought and defeated in the House by the Democratic leadership.

3. The bill provides no protection to the dairy farmer from the production of milk by basic crop farmers on land under acreage allotment, and worse, adds immeasurably to this problem by failing to provide adequate protection on land put in the soil bank.

Twenty yearse ago, a distinguished Wisconsin Representative, now Judge Gerald Boileau, pointed out the need for dealing with the problem created by acres taken out of production of basic crops under acreage allotments, converted to feed production, either of grains or roughage, and then utilized to produce milk. This problem has never been dealt with by Congress and it is not dealt with in H. R. 12. Wisconsin farmers are able and willing to compete with farmers in other areas of the country on a freely competitive basis but they cannot do so if other farmers are being paid out of the Treasury for withholding acres from the production of certain crops while being at liberty to use those acres for the production of livestock and milk.

H. R. 12 not only fails to deal with this problem; it compounds it by creating a new diverted acreage problem. It provides no real safeguards against the use of soil-bank acreage for milk and livestock production. The conference report itself states that the conference committee struck from the bill "a provision desired chiefly by livestock producers as a protection against a farmer placing land into the soil bank, receiving his payment therefor, and then using the land for grazing purposes."

The dairyland is composed of farmers who devote their lives to providing the Nation with pure, wholesome milk. It constantly strives to keep its production in line with demand. Milk production will surge, and depress prices everywhere, as long as farmers outside the dairy area are subsidized by the Government to go into the dairy business.

These, Mr. President, are the principal reasons why we fought and voted against H. R. 12. It will be injurious to the farmers we represent and to the dairy and livestock industries which form the backbone of American agriculture. These same reasons, we are confident, will lead you to the conclusion that H. R. 12 would prove a disservice to agriculture and the Nation at large. We urge your prompt veto of the bill.

Congress can still pass sound farm legislation if it forgets politics and buckles down to it. We suggest, therefore, that you not only veto H. R. 12 but that you urge the Congress to pass forthwith legislation which will provide a sound, long-range solution to the farm problem, dealing equitably with all segments of agriculture.

H. R. 12, if amended by the motion to recommit which we supported in the House, forms the basis for such legislation. It would embody the far-seeing proposals you made to Congress early in this session. It would remove the bulk of the objection we raise in this letter on behalf of the dairy farmer.

That motion to recommit, you will recall, would have:

(1) Removed the discriminations in favor of basic crop farmers and detrimental to dairy and livestock farmers by eliminating mandatory 90 percent supports for basic crops and striking out the dual parity provision.

(2) Lowered basic feed costs by eliminating mandatory price supports for feed grains.

(3) Provide a sound and permanent formula for computing the parity equivalent of manufacturing milk. It would have provided an immediate price support increase for manufacturing milk, prevented the drop which can take place next April and assured the dairy farmer of stability of price.

We can have sound farm legislation this year. It can best be obtained by a veto of H. R. 12 and a plea by you to Congress to assume its responsibilities for the welfare of all American farmers.

Respectfully yours,
GLENN R. DAVIS,
Member of Congress, Second District, Wisconsin.
GARDNER R. WITHROW,
Third District, Wisconsin.
LAWRENCE H. SMITH,
First District, Wisconsin.
JOHN W. BYRNES,
Member of Congress, Eighth District, Wisconsin.
MELVIN R. LAIRD,
Member of Congress, Seventh District, Wisconsin.
WILLIAM K. VAN PELT,
Member of Congress, Sixth District, Wisconsin.

THE STATE OF ISRAEL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, it is my desire today to add my voice to the voice of my distinguished colleagues, the gentlemen from California [Mr. ROOSEVELT], the gentleman from New York [Mr. CELLER], and my good friend from the State of Illinois [Mr. BOYLE], in congratulating the infant State of Israel on its eighth birthday. As you know, Mr. Speaker, we in this country and we in this Congress had a great deal to do not only with the formation of the State of Israel but with the wonderful growth which the people of Israel have enjoyed since the formation of that state. It was my late father, Congressman John Dingell of Michigan, who introduced one of the first pieces of legislation which was aimed at aiding the infant State of Israel during its time of trouble after our great former President, Harry Truman, extended to that state the recognition which made its present existence possible.

Today Israel is 8 years old. An article recognizing its eighth birthday yesterday in one of the Washington papers appeared in the same section which had to do with the obituaries of certain of our prominent citizens. It is my hope that we in this Congress and this country will not permit those two facts to have any significance.

Israel today is faced by 40 million hostile Arabs. Israel has a population in its own country of slightly in excess of a million, odds of 40 to 1. Each day Israel's enemies grow stronger. They are getting arms which are furnished to them by Communist Russia, an enemy not only of our own country but an enemy of the freedom of all countries throughout the world.

Mr. Speaker, one fact which I think many people overlook in their appraisal of the present Middle Eastern situation is that Israel, being the size of the State of Massachusetts, some 8,000 square miles, is so small that it could be overrun before the United States could send aid to help Israel against an aggressor. Our foreign policy overlooks the fact today that before the U. N., which has been supervising the attempts of the world to solve the problems of the Middle East, could arrive on the scene to determine who is the aggressor, Israel probably would not only have been overrun but its people would have been exterminated under a pogram of the type that has shamed Russia for so many years. The administration has consistently delayed the delivery of arms to Israel or any consideration of the subject. Yet during this time substantial amounts of arms have flowed to the Arab nations and in one instance 18 tanks were delivered to Saudi Arabia. It is interesting to note that not only does Saudi Arabia ally itself with Egypt, but that its troops are being led by Egyptian army officers and that its whole economy is infiltrated by the Egyptians with economic advisers, much in the same manner, as a matter of fact, as the Russians infiltrate an area when they send their economic advisers in to guide and to control the destiny of a country. We seem to overlook in this country the series of incidents which have been provoked by the Arabs during the recent weeks. On some of these occasions, Israel has acted in the only way that a country dare act. They have retaliated strongly, and they have retaliated as a deterrent to protect themselves against further depredations. Now, the Arabs want war, Mr. Speaker. Nassar himself said that the Arab world will not rest until—and I am quoting from Mr. Nassar now—"until the Israel cancer has been cut from the Arab heart." Everyone knows that that is the same man that endorsed the candidacy of Mr. Eisenhower for President.

Now, Israel asks for only one thing, that we furnish her with the arms that she requires to protect herself in time of trouble. She has asked us for arms. There are many in this Congress, myself included, who advocate that Israel not only receive these arms but that she be accorded the protection which the United States could give her by including her in a defensive alliance, in NATO or in SEATO or in any alliance or organization which would offer the security she so desperately needs. Yet, nothing has been done.

Mr. Speaker, there is something that this Congress should take very serious cognizance of. While the administration has been vacillating and doing nothing, Mr. Dulles and Mr. Eisenhower have come out and told the Congress that we, the Congress, are expected to come forward and to approve the sending of troops into this area, after the administration, through its present policy of muddle and delay, has arrived at a situation where the peace of the world is endangered and where the peace of the Middle East is probably reaching its last days. We, according to the White House, may expect, in this Congress, after this policy of muddle and delay, to send American troops to fight in an area where that fighting would not be necessary had arms been sent in time so that Israel could have been sufficiently strong to defend herself.

Now, I want our people to know about this because we are, in this Congress, being asked to ratify a muddled administration policy and are being asked to place our stamp of approval on that policy. We are being asked to send American troops into an area where there is no necessity for them being there if we had acted vigorously in the time in which we should act. Now, this country can do much yet to head off the war that is impending. We read in the intelligence reports that Egypt will probably have assimilated its arms from the Soviet bloc by late summer. By that time there are a large number of people, who know much about the area, who expect that Israel will be attacked by Egypt. There have been a large number of people who are well familiar with the area who have told us that Egypt could and possible would attack the Israelis as early as 2 weeks hence. These things our people must know.

Now, Mr. Speaker, I again call to the attention of the administration the fact that a large number of Members of this House and a large number of Members of the other body are on record at this time as favoring furnishing military aid to Israel and to furnish that aid at an early date. I hope that the administration will take that counsel, and I hope that the administration will see to it that Israel gets the arms which she needs, so that our sister democracy's next celebration of its independence day will be in sufficient strength that Israel and her friends will know that it will continue to exist as we and the free world so strongly hope.

ANNIVERSARY OF THE CREATION OF THE STATE OF ISRAEL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes, to revise and extend my remarks, and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on this eighth anniversary of the rebirth of Israel, I am happy to join in saluting that gallant little nation. Americans naturally and traditionally have had a special regard for a nation that has fought for and won its independence, but this is an occasion for special pride and rejoicing. For in the face of mammoth physical odds and the ruthless hostility of her neighbors, Israel has made tremendous progress in the short space of 8 years, and has vindicated the democratic ideal in an area where feudalism and corrupt dictatorship have flourished.

A year ago I stood on the floor of the House and recounted some of Israel's achievements. I am proud to be able to say that during the last 12 months Israel has continued that forward march, an eloquent tribute to the courage and spirit of her people. They bring to mind our own hardy pioneers who overcame the obstacles of nature and man to carve out the great Nation America is today. The people of Israel, with their indomitable spirit, have likewise built a new nation in the face of even greater natural hazards and man-made obstacles. They have converted a desert into a nation of thriving industry and agricultural settlements.

Israel has won for her people a standard of living which is today the highest in the Middle East. Over 75 new industries alone were established last year. Israel has built additional rail facilities and increased the size of its merchant marine fleet. This progress, remarkable as it is, is even more impressive when we consider that Israel has been compelled to divert a good part of its resources and manpower from peaceful civilian pursuits in order to defend herself against the constant threat of attack. How much further could Israel have advanced if her Arab neighbors had accepted Israel's repeated pleas for peace.

But this story of Israel's material progress is only a part of the story. It neglects the human side. It does not tell how Israel in the 8 years of its existence has opened wide its doors to over 800,000 immigrants, most of whom were refugees from Nazi and Soviet concentration camps. It does not tell the story of how Israel has given life new meaning for these immigrants where once they faced only a hopeless future. It does not tell the story of the magnificent scientific, educational, and medical achievements of the young state, and it does not tell the story of her democracy in an area surrounded by feudal dictators more interested in preserving their own power than in the welfare of their impoverished subjects.

Israel today has a government that in spirit and ideal is very much like our own. Her people enjoy a free press, free speech, and a freely elected representative government, with Moslem, Christian, and Jewish officials. In the 8 years which have passed since its independence, Israel has proved itself to be the most stable and representative government in the Middle East.

Israel's eighth birthday is, indeed, an occasion for pride and joy for Americans, because the United States played such a significant role in its establishment, in the development of its economy, and in making it the strong state which it is today. Former President Harry S. Truman, in the name of the United States, 8 years ago, promptly recognized the new nation and welcomed it into the family of nations; and in the years since, this country, I am proud to say, has included Israel in its economic assistance program. And Israel has amply justified America's confidence and support by her steadfast defense of freedom and her determination to fight for the democratic way of life.

But our joy on this occasion, great as it is, is nevertheless tempered because Israel today is in the hour of its greatest peril. It faces a threat even greater than any since it declared its independence. Then five Arab armies marched on Israel but the Israelis repelled the invaders and threw them back. Today, however, they face a militarily stronger foe, a foe armed and trained by the Kremlin. Israel looks to the nations of the free world for needed assistance to halt this threat of Arab-Soviet aggression to its own borders and, indeed, to the peace of the world.

Just a little over 2 months ago I joined with many Members of this body in urging our Government to make defensive arms available to Israel to deter this threat of war in the Middle East. At that time we said:

> While we are opposed to an arms race in the Near East, we believe that the military capability for safeguarding Israel's national existence must be maintained. We believe that the danger of war will be seriously increased if the Arab nations attain a military preponderance capable of use for aggression because of the Communist initiative.

Unfortunately events since that time have made this statement even truer today. The continuing flow of Communist arms to the Arab States has encouraged Premier Nasser of Egypt to undertake a series of military incursions into Israel, and to intensify his campaign against the West by stirring up trouble for France in north Africa and by playing a sinister part in Glubb Pasha's ouster from Jordan.

I realize, of course, Mr. Speaker, that an arms race will not bring peace to the Middle East. But we are not suggesting such an arms race and that is not the issue. A recent New York Times editorial defined the issue so simply that I think it well to refer to it at this time. The editorial said:

> We say we will not furnish arms to Israel because we do not want to see an arms race. This merely confuses the issue. How have we kept the peace in the world against Russia since the war except by arming ourselves and our allies to the point where the Russians do not dare to start a war? It is not an arms race to let Israel acquire fighter planes for defense against the Ilyushin bombers the Czechs have sold to Egypt? There may well be war in the Middle East if one side gets much stronger than the other.

If we were to furnish defensive arms to Israel, we would be doing no more than what we have done elsewhere in the world in order to deter the Soviet aggressor. In Korea, in Greece, in Formosa, in Southeast Asia, and in many other parts of the world we proved our readiness to take the lead in the defense of freedom. Now it is Israel that is being threatened by the Cairo-Kremlin axis which seeks to overrun the entire Middle East, and we must meet that challenge by permitting Israel to get the weapons she needs to defend herself. It is time for action and deeds, not words.

I recognize, of course, that we need the friendship of the Arab States. I realize, too, how important Middle East oil is to our own security and how important it is to keep that oil out of Russian hands. But I submit that our Middle East policy today—if it can be called a policy—is bringing about the very result which we are seeking to avoid. Each day we see further evidence that, while we pursue a policy of drift and improvisation, the Middle East is being gradually turned over to the Communist sphere of influence. We saw only too well how drift and appeasement failed before World War II. They will not work now. The dictator, whether he be Russian, Nazi, or the feudal despot, respects only courage and principle backed by determination. We can win the respect of the Kremlin-Cairo axis only if we show our resolve to prevent Israel's destruction, and we can show that determination by giving Israel the necessary arms to defend herself.

The administration policy—or lack of policy—has served only to embolden the Arab States. We all know of the flagrant discrimination which Saudi Arabia and the other Arab States have practiced against Americans of the Jewish faith. They have denied visas to Americans because they happen to be Jews. They have instituted boycotts against American business firms which are owned in part by Americans of the Jewish faith. They have now gone so far as to dictate to us which American soldiers we should send to our airbase at Dharan by requiring us not to send American soldiers of the Jewish faith.

How can this country expect to win the respect of the Arab States when we submit to such degrading demands? What we need today is a policy which is based on moral principles rather than expediency.

We do well to recall the words of a great Democrat whose hundredth anniversary of his birth we celebrate this year—Woodrow Wilson. In 1911 the Russian Government was practicing an offensive discrimination against Americans of the Jewish faith, and Wilson demanded that we resist it, saying:

> Russia cannot respect us when she sees us * * * preferring our interests to our rights. * * * An intolerable situation will be remedied just as soon as Russia is convinced that for us it is indeed intolerable.

These eloquent words are worth remembering today. They point the moral for our problem in the Middle East. It is only when we assert our rights and principles that the Arab States will really respect us. Then and only then will we be able to win a friendship based on respect. Then and only then can we help to build peace in this area and make a contribution in the finest tradition of American diplomacy.

Mr. Speaker, I include in my remarks an editorial, "Storm in the Middle East," appearing in the New York Times of April 10, 1956:

STORM IN THE MIDDLE EAST

As the Secretary General of the United Nations hastens eastward on his peace mission into the face of the gathering storm, the war clouds are rolling up again around Israel's embattled borders. The latest outbursts, involving the death of at least 75 persons, are the most serious in several months. A special session of the Israeli Parliament has been called. There is no doubt that the situation is dangerous.

Border clashes between Egyptian and Israeli troops last week led to the shelling of Gaza, and this in turn led to the penetration of Israel by Arab "commando" raiders. Cease-fires have been arranged only to be broken. Tension is high. Each side, as usual, accuses the other of starting the affray, and each side is committed to a policy of retaliation. The Premier of Israel said Sunday there would be no reprisal for 48 hours, pending certain assurances from Egypt; if the raids—whether from Egypt or Jordan or both—are not curbed by the Arab Governments involved in conformity with the cease-fire, there is no telling what will happen.

What is of paramount importance in the present crisis, similar to and yet different from the many crises that have preceded it, is that the shooting, the border-crossing, the murders be halted. These border incidents have in them the potentiality of blowing the Middle East sky high; and the first duty incumbent upon Cairo, upon Tel Aviv, upon Amman, is to call them off. They can and must be stopped. If they are, the deep-seated quarrel between Israel and the Arabs will be no nearer a solution; but it will be further from the ultimate folly, the anarchy of war.

Peace in the eastern Mediterranean will not be easy to come by, but it is still not too late for effective action. It is still not too late for the United States to allow the sale of defensive arms to Israel; it is still not too late for us to join the Baghdad Pact that we ourselves inspired; it is still not too late for us to make it clear that we are prepared to implement the tripartite agreement by intervening with force if necessary to forestall an aggressive war in the Middle East, which would be the best guaranty that it would not become necessary.

In his statement yesterday that the United States would observe its commitments under this and other agreements to oppose any aggression within constitutional means, the President moved in the direction of a more forceful enunciation of American policy; and the meeting of congressional leaders with Secretary Dulles today is designed to strengthen it still further. We believe the President should ask for specific congressional endorsement of the use of troops in the Middle East in view of the fact that he once before felt obliged to ask similar congressional approval in respect to the Far East. Up to the present, the American position has been too nebulous, vague, and uncertain to afford the vigorous leadership required in this critical juncture in Middle Eastern and in world affairs.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Scherer (at the request of Mr. Brown of Ohio), from April 16 through April 20, on account of official committee business.

Mr. Van Zandt (at the request of Mr. Martin), for Monday, April 16, and Tuesday, April 17, on account of death of his mother.

Mr. Scott (at the request of Mr. Saylor), for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. Sikes, for 30 minutes, on Monday next.

Mr. Price, for 15 minutes, on Thursday.

Mr. Powell, for 30 minutes, on April 17, and for 1 hour, on Wednesday, April 18.

Mr. Celler, for 1 hour, today.

Mr. Laird, today, for 10 minutes.

Mr. Dingell, for 15 minutes, today.

Mr. Poage, for 30 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Rooney, with regard to Pan-American Day.

Mr. Seely-Brown and to include extraneous matter.

Mr. Bentley and to include extraneous matter.

Mr. Keating in two instances and to include extraneous matter.

Mr. McGregor and to include the partial result of a poll recently taken.

Mr. Kearns (at the request of Mr. Arends) and to include an article.

Mrs. Frances P. Bolton and to include extraneous matter.

Mr. Heselton and to include extraneous material.

Mr. Ostertag and to include extraneous matter.

Mr. Fulton (at the request of Mr. Martin).

Mr. McDonough.

Mr. Wigglesworth.

Mr. Feighan.

Mr. Philbin in two instances.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3481. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes; to the Committee on Foreign Affairs.

S. Con. Res. 36. Concurrent resolution requiring conference reports to be accompanied by statements signed by a majority of the managers of each House; to the Committee on Rules.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 17, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1742. A letter from the Acting Secretary of Agriculture, relative to reporting that there have been no significant developments to report for the month of February relating to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

1743. A letter from the Acting Secretary of Agriculture, transmitting a report of overobligation of two allotments, pursuant to section 3679, Revised Statutes, as amended by section 1211 of the General Appropriation Act, 1951, and administrative regulations promulgated thereunder by the Department of Agriculture and procedures of the former Production and Marketing Administration; to the Committee on Appropriations.

1744. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation entitled "A bill to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes"; to the Committee on Armed Services.

1745. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the District of Columbia Unemployment Compensation Act so as to extend the coverage of such act to employees of the municipal government of the District of Columbia employed in District of Columbia institutions located in Maryland and Virginia"; to the Committee on the District of Columbia.

1746. A letter from the Secretary of State transmitting a copy of a special resolution concerning the late Honorable Chauncey W. Reed adopted by the Council of the Intergovernmental Committee for European Migration at its meeting on February 20, 1956; to the Committee on the Judiciary.

1747. A letter from the Secretary of the Interior, transmitting a report on the Little Wood River project, Idaho, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 381); to the Committee on Interior and Insular Affairs, and ordered to be printed, with illustrations.

1748. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case to Karl Yu, A-8870546, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this service; to the Committee on the Judiciary.

1749. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Crop Insurance Corporation, Department of Agriculture for the fiscal year ended June 30, 1955, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 382); to the Committee on Government Operations and ordered to be printed.

1750. A letter from the Attorney General, transmitting the second report of the Attorney General of the United States, pursuant to section 207 (a) of the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House on April 12, 1956, the following resolutions were reported on April 13, 1956:

Mr. BOLLING: Committee on Rules. House Resolution 473. Resolution providing for the consideration of House Joint Resolution 501, a joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization; without amendment (Rept. No. 1999). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 474. Resolution for consideration of H. R. 10387. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; without amendment (Rept. No. 2000). Referred to the House Calendar.

[*Submitted April 16, 1956*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3897. A bill to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof; with amendment (Rept. No. 2001). Referred to the Committee of the whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 10500. A bill to require the Secretary of the Army to make certain payments to the counties of Dinwiddie, Nottoway, Brunswick, and Lunenburg, Va., from the proceeds of sales of timber located on lands within Camp Pickett, Va.; to the Committee on Armed Services.

H. R. 10501. A bill to require the Secretary of the Army to make certain payments to the county of Mecklenburg, Va., from the proceeds of sales of timber located on that portion of the land within the John H. Kerr Reservoir, Va. and N. C., situated in the State of Virginia; to the Committee on Armed Services.

By Mr. ALBERT:

H. R. 10502. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. ASHLEY:

H. R. 10503. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. BARTLETT:

H. R. 10504. A bill to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands; to the Committee on Interior and Insular Affairs.

H. R. 10505. A bill to authorize the conveyance of homestead allotments to Indians or Eskimos in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BELCHER:

H. R. 10506. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. BRAY:

H. R. 10507. A bill to prohibit the importation of certain agricultural commodities which are in surplus supply; to the Committee on Agriculture.

By Mr. CRAMER:

H. R. 10508. A bill to amend title 28 of the United States Code, so as to provide for the appointment of one additional district judge for the southern district of Florida; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 10509. A bill to provide for the collection of income tax at source on dividends; to the Committee on Ways and Means.

H. R. 10510. A bill to allow amounts paid for the institutional care and training of a mentally retarded child of a taxpayer to be deducted for Federal income tax purposes; to the Committee on Ways and Means.

By Mr. DINGELL:

H. R. 10511. A bill to amend the Refugee Relief Act of 1953 to redefine the term "refugee", to admit (subject to adequate safeguards) certain aliens afflicted with tuberculosis, to provide for agency assurances, to eliminate readmission requirements, and for other purposes; to the Commitee on the Judiciary.

By Mr. EDMONDSON:

H. R. 10512. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. HARRISON of Nebraska:

H. R. 10513. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. HOEVEN:

H. R. 10514. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture.

By Mr. JARMAN:

H. R. 10515. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. JONAS:

H. R. 10516. A bill to provide that the Blue Ridge Parkway shall be toll free; to the Committee on Interior and Insular Affairs.

By Mr. KARSTEN:

H. R. 10517. A bill to clarify the jurisdiction of the Tax Court in abnormality relief cases arising under the World War II Excess Profits Tax Act; to the Committee on Ways and Means.

By Mr. KEARNEY:

H. R. 10518. A bill to amend section 6 of Public, No. 2, 73d Congress, to establish a priority for combat and overseas war veterans in obtaining hospitalization from the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. KLEIN:

H. R. 10519. A bill to amend section 304 (d) of the Federal Food, Drug, and Cosmetic Act, with respect to the disposition of certain imported articles which have been seized and condemned; to the Committee on Interstate and Foreign Commerce.

By Mr. LONG:

H. R. 10520. A bill to designate the Veterans' Administration hospital at Seattle, Wash., as the George E. Flood Memorial Hospital; to the Committee on Veterans' Affairs.

By Mr. MILLS:

H. R. 10521. A bill to amend section 172 (f) of the Internal Revenue Code of 1954, relating to the net operating loss deduction in case of taxable years beginning in 1953 and ending in 1954; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H. R. 10522. A bill to allow certain persons to deduct for income-tax purposes amounts paid for meals and lodging and travel when employed away from home for temporary periods; to the Committee on Ways and Means.

By Mr. MURRAY of Tennessee:

H. R. 10523. A bill to confirm the appointment and compensation of the chief legal officer of the Post Office Department to the method of appointment and rate of compensation provided for comparable positions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Minnesota:

H. R. 10524. A bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PELLY:

H. R. 10525. A bill to amend the Internal Revenue Code of 1954 to place a maximum limitation on the 3-percent tax on the transportation of property; to the Committee on Ways and Means.

H. R. 10526. A bill to provide for the disposition of certain property of the United States heretofore conveyed to the Housing Authority of the city of Seattle, Wash.; to the Committee on Banking and Currency.

By Mr. POLK:

H. R. 10527. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture.

By Mr. PRESTON:

H. R. 10528. A bill to amend section 13 of the Surplus Property Act of 1944 to clarify the authority of the Administrator of Civil Aeronautics thereunder, and for other purposes; to the Committee on Government Operations.

By Mr. PRIEST:

H. R. 10529. A bill to amend the Communications Act of 1934 with respect to the use of broadcasting stations by Presidential, Vice Presidential, and congressional candidates; to the Committee on Interstate and Foreign Commerce.

By Mr. RAINS:

H. R. 10530. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. O'HARA of Illinois:

H. R. 10531. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. ADDONIZIO:

H. R. 10532. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. BARRETT:

H. R. 10533. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. ASHLEY:

H. R. 10534. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. DIXON:

H. R. 10535. A bill to include the present area of Zion National Monument within Zion National Park, in the State of Utah, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RHODES of Arizona:

H. R. 10536. A bill to prohibit discrimination on account of sex in the payment of wages by employers having employees engaged in commerce or in the production of goods for commerce, and to provide procedures for assisting employees in collecting wages lost by reason of any such discrimination; to the Committee on Education and Labor.

H. R. 10537. A bill to encourage the discovery, development, and production of nonferrous chrysotile asbestos in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10538. A bill to amend the Federal Employees' Compensation Act, approved September 7, 1916, as amended, by providing for reimbursement of expenditures from the employees' compensation fund by Federal employing agencies, and for other purposes; to the Committee on Education and Labor.

H. R. 10539. A bill to adjust the limitations imposed on veterans outpatient dental care; to the Committee on Veterans' Affairs.

By Mr. SHUFORD:

H. R. 10540. A bill to provide that the Blue Ridge Parkway shall be toll free; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H. R. 10541. A bill to provide pension for widows and children of veterans of World War II and of the Korean conflict on the same basis as pension is provided for widows and children of veterans of World War I; to the Committee on Veterans' Affairs.

H. R. 10542. A bill to liberalize certain criteria for determining eligibility of widows for benefits; to the Committee on Veterans' Affairs.

By Mr. STEED:

H. R. 10543. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

H. R. 10544. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMAS:

H. R. 10545. A bill to provide for the modification of the Houston Ship Channel, Tex.; to the Committee on Public Works.

By Mr. THOMPSON of Louisiana:

H. R. 10546. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. WESTLAND:

H. R. 10547. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG:

H. R. 10548. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. YOUNGER:

H. R. 10549. A bill to amend the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. FERNÓS-ISERN:

H. J. Res. 603. Joint resolution transferring to the Commonwealth of Puerto Rico certain archives and records in possession of the National Archives; to the Committee on Post Office and Civil Service.

By Mr. RICHARDS:

H. Con. Res. 232. Concurrent resolution extending greetings to the American National Red Cross on the occasion of its 75th anniversary; to the Committee on Foreign Affairs.

By Mr. EBERHARTER:

H. Res. 475. Resolution of inquiry regarding settlement of tax claim in case against American Distilling Co.; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Armed Forces bombing and artillery ranges; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to commending the Boy Scouts of America and supporting the 1957 Boy Scout Jamboree at Valley Forge; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the proposed Washoe project; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to flood control on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, Russian, Smith, and Van Duzen Rivers; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 10550. A bill for the relief of Ernesto Losco; to the Committee on the Judiciary.

By Mr. BALDWIN:

H. R. 10551. A bill for the relief of Santiago S. Nazareta; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 10552. A bill for the relief of Miss Adria Del Rosario; to the Committee on the Judiciary.

H. R. 10553. A bill for the relief of Miss Emilia M. Romero; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 10554. A bill for the relief of Geronimo Navarrete-Rivera; to the Committee of the Judiciary.

H. R. 10555. A bill for the relief of Jose Mariscal Avina; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 10556. A bill for the relief of Husam Amin Darwazh; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 10557. A bill for the relief of Herman Skiber; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 10558. A bill for the relief of Marian Anthony Rotnicki; to the Committee on the Judiciary.

By Mr. THOMPSON of Louisiana:

H. R. 10559. For the relief of Henry G. Chalkley, et al.; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

897. By Mr. BURDICK: Petition of Helmer Twito and other North Dakotans urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

898. By Mr. BUSH: Petition of 45 residents of Williamsport and Lycoming County, Pa., urging the enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

899. By Mr. HAYS of Arkansas: Petition of Mr. and Mrs. John Zulpo, Bigelow, Ark., and others urging a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

900. Also, petition of J. Orville Cheney, secretary, Arkansas State Racing Commission, expressing the opposition of the commission to H. R. 8781 and S. 3043, which would reduce to $5,000 the maximum amount of deduction allowable to individuals in the recomputation of taxable income in a trade or business carried on for 5 consecutive taxable years in the case of any taxable year beginning after December 31, 1956; to the Committee on Ways and Means.

901. By Mr. HINSHAW: Petition of approximately 160 citizens of Pasadena and southern California urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

902. By Mr. LECOMPTE: Petition of American Legion Auxiliary of Osceola, Iowa, urging enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

903. By Mr. SMITH of Wisconsin: Resolution of naturalized American citizens of Greek origin and descent, of Beloit, Wis., urging Congress to carefully study the present Cyprus situation and to take immediate action to promote the interest of freedom and justice, thereby to avoid the unrest and bloodshed now rampant and to bring both to Cyprus and to Greece itself, America's traditional and historic friend, the peace, freedom and tranquillity which they deserve; to the Committee on Foreign Affairs.

904. By Mr. WOLCOTT: Petition of Iova D. Alexander, Centerline, Mich., and 45 others for separate pension program for World War I Veterans and their widows and orphans; to the Committee on Veterans' Affairs.

905. By the SPEAKER: Petition of the Clerk, the California Junior Statesmen of America, Southern Region, Santa Barbara, Calif., petitioning consideration of their

resolution with reference to requesting that they be placed on record as opposing the adoption of any system of subscription television for the home; to the Committee on Interstate and Foreign Commerce.

906. Also, petition of Clifford Grail, Cincinnati, Ohio, stating certain grievances against the executive and legislative branches of the Government, and the Governor of Ohio, etc.; to the Committee on the Judiciary.

907. Also, petition of the president, Chamber of Commerce of Honolulu, Honolulu, T. H., requesting that the Hawaiian Organic Act be amended so as to provide for reapportionment of the Legislature of the Territory of Hawaii substantially upon the basis set forth in the proposed Hawaii State Constitution ratified by the voters of the Territory of Hawaii in 1950; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

American Doctrine for American Progress

EXTENSION OF REMARKS

OF

HON. THOMAS H. KUCHEL

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, April 16, 1956

Mr. KUCHEL. Mr. President, on Tuesday, April 10, I had the pleasure of speaking in Los Angeles at the Rodger Young Auditorium, and I ask unanimous consent to have printed in the RECORD the remarks which I made at that time.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN DOCTRINE FOR AMERICAN PROGRESS

I cannot tell you how grateful I am to meet with all of you today. I am proud to be introduced by a distinguished American, Mr. Manchester Boddy, lifelong Democrat, and former publisher of a great daily newspaper in Los Angeles.

This is not a personal meeting. It represents, rather, a typical American opportunity for all of us—regardless of political party—to voice our agreement on some fundamentals by which we hope our Federal Government will be guided in the future, and through which we pray the cause of American freedom will be strengthened and the cause of a just and enduring peace in the world will be advanced.

We believe in the freedom of man. We are devoted to the American constitutional system whose goal is to preserve our free American society, and to guarantee to each citizen in our Nation the right to live his own life and do as he wishes with those opportunities which may present themselves to him. The civil rights written into our Constitution belong to each of us, and belong, also to our Nation. We decline to be pushed around as citizens or as a people. In the spirit of the Declaration of Independence, we intend to pursue happiness, to enjoy life as we may, all under the liberty which our Republic was founded to maintain.

Ours has been a magnificent history. I think we rather convincingly demonstrated in 1776 that Americans intend to be citizens and not subjects. That was the year, you know, when we first rejected colonialism and laid down the precept that Americans believe in the self-determination of peoples. And ever since the rebellious American colonists wrote a Constitution, and conceived the free society of the Republic of the United States, we have overcome the dangers which new situations have placed before us. Each succeeding American generation has preserved American freedom, and has resolutely clung to the same self-evident truths which the patriots laid down at Philadelphia 170 years ago.

All in all, ours has been a history of progress, and we mean, under the providence of God, to continue that progress in the years and generations which lie ahead.

We are now well embarked into a new era on the globe. Unhappily, the struggle for freedom must continue. Almost entirely from the Red ideology of communism stems the current danger to freedom which our generation must overcome. This is the era of the atom and of thermonuclear energy. Men have discovered the secrets of unbelieveable physical power. It is available, on both sides of the Iron Curtain, for either evil or for good. It can annihilate the whole world and all its peoples, or it can be the source of a truly amazing new age of happiness. It can turn wheels, supply power, and wondrously contribute to man's health. One of our great challenges is to assure the use of it in the cause of peace and not in the cause of war.

It is in that background that we can assess our lot in 1956. Our country is at peace. The Korean war ended a little less than 3 years ago. We can be grateful that no American casualty lists are being published. And a very great man, a very humble man, is leading our Government in a dedicated search for the achievement of peace with justice among all nations.

There are many sorely troubled areas around the globe. The insidious policies of Communist Russia in the Middle East are an appalling and heavy factor in the strife and bloodshed in that unhappy area. Russia's aim is to become a power in the Middle East. A conflict of arms between the Israelis and the Arabs poses a most tragic danger to the cause of freedom everywhere. Positive steps must be taken to avert it.

The travail on Cyprus seriously disconcerts all of us. Greece and Turkey, as well as Great Britain, are all our friends, and are all implacable foes of communism. Now, to find them embroiled in a bitter conflict is almost unthinkable.

The Middle East and Cyprus, indeed each sector of the world, must have the closest attention of our Government. Through the United Nations, and also through arrangements with our free friends, which have been made and which are being made, all our actions are designed to bring about a just and enduring peace among all nations.

I sincerely believe that war was averted a year ago in the Far East by the bold leadership of our President, in which Congress, controlled by one political party, and the executive branch by another, stood firmly together in approving an official American policy—the Formosa resolution—which made unmistakably clear our firm and inflexible decision that Free China shall not be overrun by communism. I mention this here because I hope, and I believe, that politics must still stop at the water's edge. And I hope, and I believe, that almost all the people of the United States are knit closely together in their desire to maintain a foreign policy free from partisanship—or from extremes—designed solely for our own people's security in a world of peace and justice.

Those are my views, and I feel assured that they are yours as well. Extremes and extremists, either left or right, must be avoided, as they are being avoided, in all our foreign policy decisions, and, for that matter, in our domestic decisions as well.

Every facet of our foreign policy must be determined on the basis of our own American self-interest, albeit an enlightened self-interest. We are a peaceful nation. We are a free nation. We intend, as Americans, not as partisans, to determine a course that is best for us, as Americans, to pursue. It is to our own interests to promote peace in the world and comradeship among free peoples. That is what we are doing, that is what we propose to do.

That is what this Nation was doing when President Eisenhower last year voiced his electrifying proposal for "open sky" reciprocal air inspection for both Communist territory and the free world. Just a few days ago at the meeting of the United Nations Subcommittee on Disarmament at London, and for the first time, the Soviet apparently announced some tentative acceptance of the Presidential plan. Their deeds, rather than their words will, however, still be the measure of their sincerity.

"What we are trying to do here," said a Western representative at the London Conference, "is to establish some common ground with the Russians. * * * In this nuclear age, if you can devise a sure guard against surprise attack, there will be no attack. And if there is no attack, there will be no war."

In the last 2 years, substantial progress has been made in our mutual-security agreements. Over the violent protests of Mr. Molotov and Russia, our Government led the way in granting sovereignty to the Federal German Republic and approved—with our fellow members—her entrance into the North Atlantic Treaty Organization—a real achievement. How the Russians hate it and fear it.

Austria's sovereignty has been restored, not, it is true, as an active ally of the West, but certainly not a partner of Moscow. I feel reasonably assured that Austria's spirit and prayers are entirely with the free nations and entirely against the Communist nations. And on the other side of the world in Southeast Asia, the multilateral mutual security pact continues to furnish the means for friendly cooperation and for agreement to stand firm against aggression.

So, I repeat, our generation continues making progress in determining and overcoming those modern dangers to the cause of our freedom. There are some deadly serious questions remaining with which we must deal, and deal firmly. But the basic hazards of Communist aggression and intrigue is not one for the people of the United States alone. They are the concern of all free peoples, and it will be in concert with them that we shall continue to oppose the Communist ideology.

Meanwhile, the whole world now knows of the fantastic changes in the Communist line. Almost deified in his lifetime, Stalin now is reviled by the Kremlin as a sadist and a wanton murderer. I suppose we will have to wait some time before understanding the full implications of this abrupt change in Soviet philosophy.

There is one part in the Communist line here in California, which remains steadfast. I am proud to tell you that the Communist newspapers in California say a lot of terrible things about me. They are asking our people to defeat me. I can't tell you how glad I am that this is true. A man is known by the company he keeps. I never have kept company with communism and the Communist press in the past, and I promise all the people of my State I will not keep company with them in the future. We, all of us, Democrats, Republicans, and Independents, are agreed on our uncompromising objection to this godless creed. We shall together oppose communism and all those who fraternize with it.

I am not a witch hunter. I have voted in the Senate for the strongest kind of laws to stamp out all kinds of subversion. And subversion is being stamped out in this country, in my judgment. Our Federal Department of Justice and our Federal Bureau of Investigation are working steadfastly toward that end.

All I can say is that I shall continue, so long as I remain in the United States Senate, to vote for an enlightened foreign policy which is in the best interests of the American people and which promotes the cause of a just peace among all nations. My vote will be free of political concern and partisan concern.

Closely alined with America's international relations is the question of the defense of our people. How have I cast my vote in the Senate on this important question? How have I discharged this obligation to my 13 million fellow Californians? I have done it by voting consistently in favor of the recommendations of President Eisenhower. Preeminently qualified himself in this important field, he has advising him a group of the foremost military men in our country. Chief among them is Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff and a veteran of more than 40 years of military experience. Here is what he said last year:

"I feel as of today that we are better prepared to meet any emergency than we ever have been during my service in the Armed Forces.

"In fact the United States forces we plan to maintain are the most powerful, individually by service and collectively as a team, that our Nation has ever undertaken to maintain during a period when we were not actually engaged in a shooting war. These forces are fully adequate to perform all essential tasks in the initial stages of a shooting war, global or otherwise, and they constitute an ample base which will permit a rapid and orderly buildup when and if that should become necessary."

Ten days ago, in Washington, I asked Admiral Radford if his opinion was the same today. He replied that it is, with the continuing understandable proviso that world conditions do not materially change for the worse.

Here at home we have much to be thankful for. We enjoy the highest level of economy in all our history. More people are employed in California and in the Nation than ever before. Part of the responsibility of a United States Senator is to work to continue that kind of healthy, dynamic economy. I promise each of you I shall do just that.

These last 3 years I have introduced legislation, now the law, to construct irrigation projects, dams, storage reservoirs, and good flood-control works to improve the lot of our people. But they'll do more than that. They'll also provide jobs for our people.

The care of our disabled American veterans is a just responsibility of the Nation. America can never fully discharge it. I have interested myself in the welfare of our former servicemen. I am glad to tell you that I successfully urged the Senate to approve my request for an $8 million hospital at Long Beach for our paraplegic veterans. And for northern California the Senate agreed to approve a new 1,000-bed neuropsychiatric hospital for veterans of our wars. These two new institutions will soon be a reality.

I am a coauthor of pending legislation to permit veterans to reinstate their GI insurance. This is of particular interest to Californians, with our country's second largest veterans' population. I shall work for early action on this in the Senate.

There continues to be the most urgent need for Federal legislation providing for the construction of a modern, efficient interstate highway system in America. Last year more people were killed on our highways than died in the entire Korean war. We need this legislation not only to deal with this monstrous problem, but also because of the military and defense needs of our Nation. I promise the people of my State to continue to work diligently for the passage of this long overdue and vital legislation.

Our tuna-fishing industry has suffered woeful deterioration by reason of what I believe to be unfair competition through unlimited and spiraling importation of foreign tuna. I do not quarrel with trade between nations. Indeed, I have enthusiastically supported reciprocal trade legislation. But that very legislation provides for peril points to protect our domestic economy. It should be crystal clear that the peril point has long since been reached and passed as respects the American—the Californian—who makes his living farming the sea. I have cosponsored legislation to assist that industry in the Congress, and I have very much hope that we can receive legislative and Executive approval of it.

I had the honor to be chairman of a Senate subcommittee which wrote the Federal lease-purchase legislation. With appropriate safeguards to protect the public interest, this law permits the Federal Government to use its rental monies to buy necessary public buildings on a time-payment plan. A new customhouse for Los Angeles is in the mill under this legislation. A $40 million Federal building for San Francisco is about ready for bids. Many other of our communities will be the recipients of new Federal structures built by private enterprise which thus will provide new avenues of employment.

Under this legislation, the Government will pay to construction employees the prevailing wages which obtain in the area of construction. This is a sound principle in my judgment. Thus, construction for Uncle Sam will not depress the market in those towns where Uncle Sam becomes a property owner. The theory of paying prevailing wages on public construction in each area of the country ought to apply, in my view, to all Federal undertakings.

Our President has said that there must be no second-class citizenship in America. You and I agree. And I here repeat what I said earlier in our State: I believe that we have made more solid progress these last 3 years in honoring the Biblical tenets of the brotherhood of man than in any comparable period since Abraham Lincoln's day.

Many other problems confront us in this year's election. I shall discuss them in detail in the days ahead. If California can unite, as I believe it will, on its hopes and aspirations for herself, our country, and the goal of a just peace in the world, we will contribute markedly toward their attainment in the city of Washington.

My father once said that one's success in life is attained in great part, by the help of his friends. That is also true of principles. In the coming months, I shall wage a vigorous and an intensive campaign, and I shall do it on the basis of principles you and I share. But I will need the help of friends like you. I thank you for coming here today. I will keep your faith.

Conference Report (Farm Bill) No Help to the Farmer

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. McGREGOR. Mr. Speaker, in December 1955, I submitted a questionnaire to the people of the 17th District. The newspapers, through the courtesy of their owners and editors, in our district carried this questionnaire, giving approximately everyone an opportunity to sign their name, their occupation, and their views. Many items were covered but I especially want to call your attention to the results of the voting on one particular subject—the farm program. I submit those results for your consideration:

THE FARM PROGRAM: WHICH PLAN DO YOU FAVOR?

(a) 100-percent price support with acreage control:

Total replies: 0.7 percent yes, 99.3 percent no.

Farmers voted: 23 percent yes, 77 percent no.

(b) Flexible price support with acreage control:

Total replies: 37 percent yes, 63 percent no.

Farmers voted: 17 percent yes, 83 percent no.

(c) Elimination of all price supports and acreage controls:

Total replies: 54 percent yes, 46 percent no.

Farmers voted: 63 percent yes, 37 percent no.

On April 11 the House Conferees on Agriculture submitted to us, and asked for our approval, a bill which is not fair, a bill that would hurt the majority of the farmers and give preferential treatment to a few. The bill would increase cost to dairy, poultry, and livestock farmers. It would help hold down prices on feeder cattle, lambs, and hogs, and without question it would tend to dry up markets for the very farmers for whom help is needed. I voted "no" on the recent conference farm bill, H. R. 12, for the following reasons:

It would put the American farmers more under Federal control and domination.

It would keep the farmers from growing wheat that is necessary for them to feed and use as seed on their own farm.

It would prevent all farmers from voting on a wheat referendum and crop control.

It would continue to permit a sky-the-limit program for loans and payments.

This conference report, as passed, is a one-crop big-farmer bill, helping only the Far West and South and would definitely be detrimental to the rotation farmers, which are so essential to our economy. Very little financial assistance is given to the small-acreage farmer. The Campbell Farming Corp., of Hardin, Mont., received $430,691. The Chandler Co., Saragosa, Tex., received $814,041. One king-size farm drew $1,292,475.25 on his 1954 wheat crop. Thirty-seven loans, Mr. Speaker, exceed $200,000. The records clearly show that the big one-crop farm operators of the South and West are able to get bigger by Uncle Sam underwriting most of the expenses while the small farmers of our State and area are paying the bill.

We want the equitable treatment and freedom, Mr. Speaker, that many of us fought for; which certainly is not contained in the conference report for the farm bill, H. R. 12.

Finland's Ambassador Visits Connecticut

EXTENSION OF REMARKS

OF

HON. HORACE SEELY-BROWN, JR.

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. SEELY-BROWN. Mr. Speaker, on March 31, 1956, the people of my district were honored by a visit from the Honorable Johan A. Nykopp, Envoy Extraordinary and Ambassador Plenipotentiary from the Republic of Finland to the United States of America and the United States of Mexico.

This visit was arranged by the junior Senator from Connecticut, the Honorable William A. Purtell, in the interest of the National Finnish-American Marathon Committee, but unfortunately it was not possible for Senator Purtell to be present on the occasion of Ambassador Nykopp's visit.

Upon the Ambassador's arrival from Washington, a small reception in his honor took place at my home in Pomfret, where he also had an opportunity to be interviewed by members of the press.

The national chairman of the Finnish-American Marathon Committee, Otto L. Pussinen, is a constituent of mine, and one whose friendship I have long valued. He and his committee conducted the successful project for sponsoring and financing the visit to this country of two athletes from Finland, Eino Oksanen and Antti Viskari, who are to participate in the 30th annual Boston Marathon on April 19, 1956.

These young men have been living in my district since their arrival from Finland several weeks ago, and they have been doing their training for the Boston marathon on the roads in and around Plainfield.

A reception in their honor, attended by more than 1,000 citizens of my district, most of them of Finnish birth or ancestry, as well as by visitors from Massachusetts and elsewhere, took place on Saturday evening, March 31, in the town hall at Plainfield, at which time it was my privilege to introduce Ambassador Nykopp.

Ambassador Nykopp extended a greeting to the athletes from Finland, and from those who had gathered to honor them. After his return to Washington, the Ambassador made some interesting comments about his visit to Connecticut, which I am pleased, under unanimous consent to extend my remarks, to insert at this point in the Record:

The marathon-benefit night at Plainfield town hall, March 31, 1956, offered me the possibility to learn about the splendid activities of the Finnish-American Athletic Club. For the past 4 years the marathon committee of the club has been raising funds to bring Finland's best marathon runners to compete against the world's foremost athletes in the annual Boston marathon.

The fund has not only made participation possible but also the opportunity for the Finnish sportsmen to arrive early before the competition, to get used to the conditions. The work of the committee, headed by Mr. Otto L. Pussinen, proves how strongly the sport spirit lives among the people of Connecticut.

In this connection I extend my sincere thanks to Senator William A. Purtell and Congressman Horace Seely-Brown, who have warmly supported this good activity of Americans of Finnish origin.

In 1954 the Finnish runner Veikko Karvonen won the marathon, and I am sure that the Finnish participants this year, Eino Oksanen and Antti Viskari, will do their best to defend the Finnish marathon traditions.

At Washington, D. C., April 5, 1956.

Johan A. Nykopp,
Ambassador of Finland.

Flood Control

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. PHILBIN. Mr. Speaker, pursuant to many previous appeals which our delegation flood committee and other members have made to the House Appropriations Committee respecting the flood-relief program for Massachusetts and the Northeast, we hereby respectfully again urge that the House Appropriations Committee take early action to expedite approval of various specific and general remedial and protective projects now under consideration.

Recent severe snowfalls in our area have increased our deep concern. The periodic recurrence of flood disasters requires expeditious action to set up comprehensive and appropriate flood protection.

As we have pointed out, delay in acting upon feasible measures proposed will merely serve to increase the risk of future damaging floods and thus constitute great peril to many communities already sorely beset by the heavy floods of last year.

We respectfully urge that the Appropriations Committee, in the exercise of its wise discretion, after considering the evidence, establish its own standards as to what may constitute adequate funds to inaugurate planning, construction, and general flood protection work on a basis of efficiency, speed, and generosity.

We further urge that the hearings be expedited as much as possible in order that suitable legislation may be reported to the House at an early date for consideration and action in order to accelerate the progress of vital projects in the area.

The pertinent recommendations follow:

The Massachusetts congressional delegation presents the following recommendations with reference to pending legislation and respectfully urges the adoption of the following program:

1. For construction, operation, and maintenance appropriations:

	Budgeted item, 1957 fiscal year	Recommended
Adams	$1,976,000	$1,976,000
Barre Falls	1,150,000	1,150,000
Birch Hill (maintenance and operation)	13,000	13,000
Buffumville	1,200,000	1,200,000
East Brimfield	340,000	840,000
Hodges Village	360,000	360,000
Knightsville (operation and maintenance)	16,000	16,000
North Adams	2,000,000	2,000,000
Tully (operation and maintenance)	13,000	13,000
Worcester diversion	840,000	840,000

2. For engineering and planning:

	Budgeted item, 1957 fiscal year	Recommended
Westville (authorized)	None	[1] $100,000
West Hill (authorized)	None	[2] 100,000
Littleville (State concurrence given)	None	[3] 100,000

[1] State concurrence given.
[2] Subject to State concurrence.
[3] Subject to authorization.

3. For the Army engineers snagging and stream clearance fund and section 212 projects for general operations in all Massachusetts river basins:

	Budgeted item, 1957 fiscal year	Recommendation
Snagging and clearing	$500,000	[1] $5,000,000
Sec. 212	1,000,000	[1] 5,000,000

[1] Subject to completion of current engineering studies.

Snagging and clearing projects, up to $100,000, are authorized by section 208 of the Flood Control Act of 1954. This section permits stream clearance, up to $100,000 on any one stream, without specific congressional authorization.

Section 212 projects are authorized by section 212 of the Flood Control Act of 1950. This section permits small flood prevention projects, up to $150,000, without specific congressional authorization. The project must be complete within itself, be economically justified and not be in an area intended to be protected by a larger flood-control project.

Snagging and clearing and section 212 funds would supplement Operation Noah rehabilitation measures already undertaken by the Engineers in the flood-disaster areas of Massachusetts by providing permanent flood-prevention works in the following basins:

Connecticut, Thames, Blackstone, Merrimac, Charles, Neponset, Housatonic, Hoosic, Ipswitch, Mystic, Little, and other streams and waterways in the State where the Army engineers deem protective measures to be necessary.[1]

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[1] Merrimac Basin: $90,000 for removal of sandbar in the Merrimac at its mouth near Newburyport (request of Mr. Bates): $500,000 for local flood-prevention projects (request of Mrs. Rogers of Massachusetts and Mr. Lane).

Charles River Basin: Stream clearance of the Charles River near Newton (request of Mr. Curtis of Massachusetts).

4. On the following navigation and beach erosion projects, your committee recommends:

	Budgeted item, 1957 fiscal year	Recommended
Fall River Harbor	$500,000	$1,000,000
Mystic River	1,500,000	1,500,000
Town River	302,000	302,000
Fore River (Weymouth)	500,000	500,000
Revere Beach shore protection	75,000	75,000

And we also urge upon the Appropriations Committee early favorable action on pending requests for appropriations for all other navigation and beach erosion projects in our State.

5. The delegation urges immediate consideration of H. R. 7870, introduced by Mr. McCormack, and companion bills, approved in principle by Secretary of the Army Brucker, and designed to give the Engineers authority to complete urgently necessary projects costing up to $500,000 without further specific congressional authorization.

6. We favor the principle of disaster insurance and urge the Congress to continue its consideration of and report upon pending measures in this field so that action may be taken during this session.

7. For the various recommendations of the New England Governors' Conference, and the New England Council, we once again bespeak every possible consideration by the Appropriations Committee.

8. Thirty thousand dollars for survey of the Neponset and Charles Rivers (request of Mr. Curtis of Massachusetts).

Let's Stick to the Facts

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. KEATING. Mr. Speaker, when a man is elected to the post of governor of a State, the electorate expects him to hold the interests of his State above all else. We in New York State have a strange situation in this regard.

Governor Harriman stated early this week about the President's veto of the farm bill, that the veto marked a black day for the New York dairy farmer.

Actually, the facts of the matter point to a directly opposite conclusion. I am shocked that the governor of a great State like New York should make these intemperate remarks about an important segment of his State's population without looking into the facts of the matter and with complete disregard for the welfare of the farmers of his own State.

The figures illustrate plainly that the cost-price squeeze on New York farmers would have been greatly aggravated had the crazy-quilt farm bill passed by this Congress been signed by the President. Under the terms of that bill, the dairy farmers of my State would have paid $32 million in increased feed costs to get approximately $2,650,000 in increased income from higher price supports on dairy products. If you subtract the $2,650,000 increased income from the threatened loss of $32 million, it is clear that the New York State farmer would be on the short end of the stick to the tune of nearly $30 million. Obviously, the President has done a great service to the farmers of my State by vetoing this bill.

The President has provided for increasing the income to New York farmers by the same $2,650,000 as in the vetoed bill by directing the Secretary of Agriculture to increase the support price on dairy products. But he has not saddled on them these added costs.

The facts of the matter are plain. The President has not only acted in the best interests of the whole country in vetoing the bill, but in particular his action has saved the farmers of my State a great deal of money.

Eighth Anniversary of the Independence of Israel

EXTENSION OF REMARKS

OF

HON. ALVIN M. BENTLEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. BENTLEY. Mr. Speaker, under leave to revise and extend my remarks in the Congressional Record, I wish to insert the following letter which I wrote on April 9 to Mr. DeVere Kostoff, chairman of the Committee for the Celebration of Israel Independence Day in Saginaw, Mich., in connection with the eighth anniversary of the independence of Israel which was observed there last Thursday, April 12:

Congress of the United States,
House of Representatives,
Washington, D. C., April 9, 1956.

Mr. DeVere Kostoff,
Chairman, Independence Day Committee, Temple B'nai Israel, Saginaw, Mich.

Dear Mr. Kostoff: I take pleasure in replying to your letter of April 5 in connection with the celebration of Israel Independence Day by the Saginaw Jewish community.

I have had occasion in the past to express to my Jewish friends in Saginaw my own feelings with respect to the question of Israel. It is, therefore, a real pleasure to reaffirm my own feelings which are to the effect that all freedom-loving people in this country and throughout the world should rejoice at this passage of another milestone in Israel's brief history of independence. I am confident that our own Government strongly shares this feeling and is making every effort to bring peace and security to the Middle East so that Israel may turn her efforts from defense to peaceful ends.

The continued free existence of Israel is a "must" in any consideration of the problems of this part of the world. Any negotiations with the opposing sides must accept this fact as a foregone conclusion—it should not be a subject for international discussion. If our position in this matter is made sufficiently clear to the Arab leaders, I hope that other differences can be ironed out providing that both sides are prepared to make honorable concessions for the sake of mutual peace.

The national security of this country would be imperiled were Israel to be defeated and overrun by her enemies. I am confident that the administration realizes this. I promise you that my own work on the House Foreign Affairs Committee will be guided along these lines.

With congratulations and best wishes to all in attendance, I remain

Sincerely yours,

Alvin M. Bentley,
Member of Congress.

Billion-Dollar Prescription

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mrs. FRANCES P. BOLTON. Mr. Speaker, recently Senator Margaret Chase Smith introduced a bill to provide additional funds for medical research, medical research facilities, and assistance to medical education. There appears in the current Saturday Review a short article giving a succinct, clear statement covering the situation as it now is and the grave need of assistance that exists. Trusting the House membership will take the trouble to read it, I am inserting it as part of my remarks:

BILLION-DOLLAR PRESCRIPTION

(By Margaret Chase Smith)

We human beings act strangely. With the exception of our moral and spiritual values, the obviously most important thing to us is life—our own life and the lives of our dear ones and our friends. Yet we don't act that way. We pay little attention to our health. We take our health for granted. We don't get concerned about it until we have lost part of it. And sometimes that is too late.

Here in America last year we spent $10 billion for cocktails and other spiritous liquors. We spent $5 billion for tobacco. We spent $264 million for chewing gum. But when I advocated on the floor of the United States Senate that we spend an extra $200 million a year for the next 5 years on the better care of our health, some people were shocked.

"How could you possibly spend that much money?" these people have asked. "Why $200 million a year for 5 years is $1 billion." Indeed it is. One billion. Forty-nine billion less than our drinking bill during those same 5 years. Twenty-four billion less than our smoking bill. More than $250 million less than our bill for chewing gum.

Having made that comparison, I ask my questioners a question:

"Is $1 billion really a huge sum to spend to help protect and perhaps prolong 165 million American lives?"

I think most people will agree that it is not. And here is my prescription:

1. For medical research, spend $500 million.
2. For medical research facilities, spend $150 million.
3. For assistance to medical education, spend $350 million.

I believe that my prescription is unique in one very important respect. It is long-range medicine—something that we in this country have never attempted before.

As I am not a doctor, or even a nurse, I may be suspected of snap diagnosis. This, however, is not the case. I have been concerned with medical research for a long time. I do want to acknowledge, though, that my thinking was crystallized by an editorial in a great Maine neswpaper, the Bangor Daily News. The title the editorial writer chose was "How About $1 Billion for Health?"

The most thorough study to date of the impact of illness upon our national economy was made in a 6-month-long investigation by the House Interstate and Foreign Commerce Committee in 1953 and 1954. I have leaned heavily upon my readings of those hearings in reaching my own conclusions. More recently, criticism of inadequate Federal support for medical research has come from the distinguished reports of the Hoover Commission. In these reports there is a recurrent plea for a 5-year program. I am frank to state that the arguments of the Commission have had a great influence upon me. But the detailed dosage that follows is my own formula.

1. MEDICAL RESEARCH

At present the research and training programs of the National Institutes of Health have a current budget of approximately $100 million a year. I would double this budget, making it $200 million a year, an added 5-year cost of $500 million.

Perhaps I should explain, for the benefit of those who are not so close to Government as I am, that the National Institutes of Health together make up the foremost research agency of the United States Department of Health, Education, and Welfare. They have extensive laboratories of their own, probably the finest laboratories in the world, certainly the best Government laboratories anywhere. But two-thirds of their funds are spent in support of research and training in non-Federal medical institutions. In this extramural research and training each Institute (there are seven: cancer, heart, mental health, arthritis, and metabolic diseases, neurological diseases, and blindness, dental, and microbiological) is aided by a National Advisory Council. Council members are citizens outstanding in medical science, education, and public affairs. They review all applications for grants, and make recommendations on these to the Surgeon General, who in his turn requests appropriations from Congress.

Historically the councils have been hampered by our system of annual appropriations. Frequently they have not been able to attract the most qualified men to short-term jobs. And many research projects have been turned down because their continuance over the necessary span of time could not be guaranteed.

The more fundamental research becomes—and all the experts agree that it is fundamental (sometimes called "pure") research we need above all else—the less predictable is the time involved. Testimony before the House Appropriations Committee early in 1956 reminded us, for instance, that 33 years passed between (a) the time that the pancreas was found to contain the secret of diabetes and (b) the time when the secret was identified as insulin. Would anyone today begrudge the money spent in hunting down that elusive chemical, which, when finally discovered, saved millions of lives?

By making $500 million more available to the National Institutes of Health, I do not claim to solve the problem of basic research. But I do feel that the Institutes would be given a degree of flexibility in supporting long-range studies. It seems pertinent to note, at this point, that long-range investigation means most in the little understood metabolic diseases which have their worst crippling effects in our growing proportion of older citizens.

2. MEDICAL RESEARCH FACILITIES

Early this year Senators LISTER HILL and STYLES BRIDGES introduced a bill to provide $90 million over the next three years to match construction grants for medical research facilities in medical schools, hospitals, and private foundations in all parts of the country. The Senate passed the bill unanimously and the measure is now before the House. Under my 5-year prescription I would extend this 3-year proposal to cover 5 years at the same annual rate of $30 million; a total of $150 million.

3. MEDICAL EDUCATION ASSISTANCE

Senator HILL also introduced, together with a dozen other Senators, another bill to provide $250 million to match grants for construction of medical-school buildings. This bill has been strongly endorsed by the American Medical Association and almost unanimously by medical school deans. I would increase this appropriation by $20 million a year—from $50 million to $70 million—for a 5-year total of $350 million. That total approximates two estimates made by the National Fund for Medical Education (of which Herbert Hoover is honorary president) regarding the needs of the Nation's medical schools.

My billion-dollar prescription is now complete.

I admit that $1 billion may appear to be a large amount for taxpayers to carry in addition to the burden they carry at present. But I call your attention to the fact that the American people unhesitantly footed a 1954 bill of $1,700,000,000 for research on military weapons alone. This is eight-and-one-half times the annual rate I propose for medical research expansion. May I point out that our national defense and our national security are no stronger than our national health, on which our Federal Government's research spending is less than 1 percent of the national budget?

Compare the current $100 million research and training budget of the National Institutes of Health with the $90 million appropriated at the last session of Congress for research activities in the Department of Agriculture. Add to this $90 million the sum of $250 million which is paid out to farmers for soil conservation. I do not want to imply that I am not heartily in favor of greatly expanded agricultural research. I know, of course, that much of such research benefits us in our studies of the diseases of man. And I have always supported farm-research activities. But I think it is about time this country brought research on human lives up to the level of research on animals and plants.

I referred earlier to the House Interstate and Foreign Commerce Committee hearings on the impact of disease on the national economy. The committee found that four diseases alone—heart, cancer, tuberculosis, and arthritis—have resulted in an annual loss of 370 million man-days of work and that the annual cost to the Nation from all illnesses is roughly equivalent to the total income-tax revenue, or $30 billion a year. Alongside that enormous loss, my proposed expenditure of $200 million a year would seem a very modest investment.

Would it be a sound investment for a banker?

Over the last decade alone medical research has added 5 full years to the life expectancy of the average American. We all know something of the wonders of penicillin, streptomycin, isoniazid, cortisone, and a host of other battlers against disease. These miraculous products of medical research, along with new surgical techniques and blood plasma, have brought about these percentage reductions in the death rates of some of the major killers and cripplers:

	Percent
Influenza	77
Appendicitis	69
Acute rheumatic fever	66
Syphilis	56
Tuberculosis	50
Pneumonia	50
Kidney diseases	43

Now let us translate this into economic terms. The National Office of Vital Statistics reported that in 1954 approximately 350,000 Americans under the age of 65 died of cancer and heart disease alone. This is greater than the total of Americans who lost their lives in the Armed Forces during the Second World War and the Korean war together. Remember that those wars lasted not 1 year but approximately 7 years.

Those 350,000 deaths of 1954 occurred, as I have stated, among people under 65, people in their productive years who otherwise would have been at work, earning money, producing goods and services, and consuming as well. Moreover, these people would have been paying taxes which would have gone, in part, to pay for research which would have helped to preserve their own and other lives.

In an earlier year—the year 1951—a study of federally aided rehabilitation revealed that 8,000 people who were returned to work had been on public assistance prior to rehabilitation, at a cost of $5,700,000 annually. The cost of their rehabilitation was $4 million. These people are now employed. Instead of being tax-consumers they are taxpayers.

When we consider that chronic diseases account for 88 percent of the disability of the approximately 2 million physically handicapped people in the United States, we can see that the economic benefits to be derived from medical research on disabling diseases would be vast. The research would more than pay for itself.

I have been asked whether my billion dollar prescription for our national health amounts to socialized medicine. I have publicly and privately stated for many, many years that I am opposed to socialized medicine. The 5-year program that I propose would have no aspects of socialized medicine. It is in keeping with recommendations and endorsements made by the Hoover Commission, the American Medical Association, medical-school deans, and such outstanding doctors as Paul Dudley White, the eminent heart specialist who treated President Eisenhower.

Perhaps because he is the heart doctor of the President, Dr. White's own words have a great dramatic and impressive meaning to the American people on the need for expansion of medical research. Dr. White has pointed out that current heart research is severely limited because of lack of money. Testifying before a Senate committee, as a member of the advisory council of the National Heart Institute, Dr. White said he had been forced to use his own money for research because there were not sufficient Government funds.

His was only one of a tremendous backlog of worthy projects, running into millions of dollars, for which the advisory councils have no money. As long as this backlog exists qualified people are being denied the opportunity to save life.

If one of the Armed Forces can build up a 25-year supply of hamburgers, and if another can spend hundreds of millions of dollars on a fighter plane that could not fly, I say we can afford to appropriate funds to give our children and our children's children the best in medicine.

People of the 15th District Express Their Views on Major Issues

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. McDONOUGH. Mr. Speaker, I recently requested the people of my district to share their opinions with me on several of the vital and important issues

under consideration by Congress. The response and interest in this questionnaire which was sent to all sections of the 15th District and to people in all types of business and professions as well as to wage earners, housewives, and those on retirement was an amazing indication of the personal interest the people of the 15th District have in these major issues.

The great response to my questionnaire was an example of government of the people, by the people, and for the people, and convinced me that the people back home are seriously thinking and want to participate in the affairs of good government by expressing their opinions on these vital issues.

It was very encouraging to me to have this widespread opinion from the people of my district on these vital issues. In many cases I not only received the answers to the questions submitted, but additional opinions on many other subjects.

The satisfaction and gratification that I have received from the replies to my questionnaire is that the replies of the majority have confirmed my opinion and belief on these issues, and in the case of rigid or flexible farm supports, I voted as the majority indicated for flexible farm price supports.

The following are the results of the replies I received on my questionnaire:

[Percent]

	Yes	No
1. Do you favor a greater reduction in foreign aid?	79.0	21.0
2. Will the consolidation of the CIO-AFL be of greater benefit to the average wage earner?	27.5	72.5
3. Should our public school system be left free from Federal aid?	74.1	25.9
4. Should taxes be reduced with a high public debt and unbalanced budget?	24.1	75.9
5. Do you favor rigid or flexible farm price supports?		
Rigid?	10.8	------
Flexible?	89.2	------
6. Should the unlimited power of the Federal Government to levy taxes be restricted by a constitutional amendment?	71.5	28.5
7. Do you believe that wire tapping should be made legal?	49.5	50.5
8. Should secret recordings of jury deliberations be outlawed?	75.8	24.2

Mr. Speaker, I am confident that the above review of my questionnaire will be of great interest to the Members of the House of Representatives.

Outpost of Freedom

EXTENSION OF REMARKS

OF

HON. HAROLD C. OSTERTAG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. OSTERTAG. Mr. Speaker, on this 8th anniversary of the establishment of Israel as a state, I wish to join with my colleagues in saluting the brave and beleaguered nation that stands as an outpost of freedom on the eastern shore of the Mediterranean.

Israel's history has been turbulent and harsh, but it has also been studded with inspiring accomplishments. With calm courage, indomitable will and prodigious industry, she has established herself firmly, against the hostile designs both of man and of nature.

While the future holds vast problems for her—both economic and military—Israel has proved that her spirit and morale are equal to the challenge. As a nation which experienced similar hardships and struggles in another century, we in the United States have every reason to feel the strongest bonds of sympathy with the Israelis, and to rejoice in each passing birthday.

It is a source of satisfaction and reassurance that the statesmen of the West, both within and outside the United Nations, are today bringing all the arts of diplomacy to bear on the problem of maintaining the geographical integrity of Israel and of her neighbors, as we are pledged to do.

While the intermittent hostilities along Israel's borders have created a high degree of tension in the Middle East, Israel, on her eighth birthday, has every reason to be proud of her past and confident of her future.

Pan-American Day

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. ROONEY. Mr. Speaker, Pan-American Day, the day before yesterday, should have reminded us of the reasons that bring together the various American Republics and cause them on this historic day to celebrate their solidarity and the common interests that bind them together.

One hundred and thirty years ago, Simon Bolivar gave impetus to the idea of pan-Americanism at the Congress of Panama. It was chiefly through his efforts, at this Congress, that the blueprint for inter-American cooperation was drawn.

Bolivar's dream became a reality at the first Inter-American Conference, held in Washington, in 1890; for it was at this assemblage of American States that the cornerstone of pan-Americanism was laid with the establishment of the Pan American Union.

Later Inter-American Conferences provided a firm foundation for the growth and expansion of hemispheric cooperation, and at Bogota in 1948, the Ninth Inter-American Conference gave permanent structure and authority to the already proven system of pan-Americanism by establishing the Organization of American States.

Each successive conference contributed positive achievements to the structure. As the system grew the American Republics have shown their ability to work together to promote peace and security; they have agreed that international law and good faith should govern their future relations; and they have provided for cooperative action for economic, social, and cultural development.

It was appropriate that on the 66th anniversary of the establishment of the Pan American Union that the American Republics should express their confidence that this inter-American system, which is based on the equality of all American States and has promoted fellowship and mutual cooperation amongst its members for so many years, shall continue to progress and to contribute to hemispheric welfare and security in the future.

America Salutes Israel Celebration

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. KEATING. Mr. Speaker, on Sunday, April 29, a mammoth America Salutes Israel Celebration is being staged at Yankee Stadium. With Judge Samuel S. Leibowitz as general chairman, the following national organizations are sponsoring this event: Farband Labor Zionist Order, B'nai Zion Order, American Trade Union Council for Labor Israel, and United States Committee for Sports in Israel.

A program of speeches, plus musical and sports events is planned. A highlight of the afternoon will be a soccer match between the Israeli Oympic team and the American League All-Stars.

Mr. Speaker, this commendable occasion will serve as an eloquent testimonial to the determination of the United States to maintain Israel's place in the free world as a sovereign and democratic state.

Under leave to extend my remarks, I am including a message I have prepared for the occasion:

> It is with a great deal of deep personal satisfaction that I join in the America Salutes Israel Celebration. An anniversary is always a great occasion, but the eighth anniversary of Israel's independence is an especially significant milestone.
>
> It is a milestone which attests to the determination, the will to survive, the courage of the people of this bastion of democracy. It is a milestone which has particular significance to all Americans. For democracy in Israel is, like democracy in the United States, a divine incentive—the inescapable logic of her whole destiny.
>
> This stake—the survival of a fellow democracy—forms the indissoluble bond, the moral bridge which is far more durable than that which might unite us with any other people.
>
> America's ties with Israel are also spiritual, personal, human, and humanitarian. And as long as our Western civilization endures, the priceless heritage of the religion which was cradled in Jerusalem will bind us to her destiny.
>
> The new nation of Israel numbers among its citizens immigrants from every modern community of the free world. Its roots are as nearly universal as those of any existing community of free men. A little of America and all the rest of the countries of the world are there and each segment merged into the whole there endures a mutual bond of understanding and affection.

Most Americans are pioneers at heart. Compared with the rest of the world, our national history is comparatively short, and most of our heritage glorifies the bold contest with nature and adversity we have been witnessing in Israel these last 8 years. Living Americans have in their memories the satisfaction of seeing wilderness change to benevolent living space, of watching homes and buildings and cities grow where nothing stood before, and of seeing deserts flower and hardy new generations rise up to populate an empty land.

These things are close to us and dear to us. We understand the problems and disappointments of Israel as other nations, much further removed from the atmosphere of the frontier, will never understand.

We applaud on this day Israel's miraculous achievements during 8 years of troubled existence. Everywhere there is progress. Everywhere the functions of government are performed with efficiency and skill. Law and order rule supreme within the borders. The humanitarian impulse and a willingness to build together a state based on justice, equality, and peace are the order of the day. This is Israel, 1956. That these conditions exist bodes well for a successful future.

We pray to God on this significant occasion for the continued progress of Israel's spiritual adventure to secure the permanent freedom of her ancient home. We pray to God that she will be able to continue to live a life consecrated to the universal vision of fraternity and peace. If Israel will continue to serve this ideal, the new era of her freedom will be worthy of the inheritance of those who have gone before.

Our hearts go out today to those many miles away who strive so sturdily and courageously for the survival of the Holy Land. We thank God for successes so far and pray for continued prosperity.

Eighth Anniversary of Israel Independence

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. FULTON. Mr. Speaker, the people of Israel are to be congratulated on this eighth anniversary of their independence. The road has been rough and rocky and even at times discouraging, but Israel is making great progress with a united people, and is known as one of the strongest friends of the United States among the democratic nations.

We people with friends and relatives in Israel wish to encourage them with a friendly pat on the back at this time, and reassure them that United States Secretary of State Dulles has stated repeatedly that the existence of the State of Israel is one of the basic premises of United States foreign policy.

We hope that in this period of tension, that the threats to Israel's survival will disappear, and that both sides may be able with United Nations assistance to work out agreements by which each may live in peace for the economic progress and development of the Middle East, in which both the United States and Israel can be such key factors.

Our warm regards go to you at this significant anniversary time, and with our hearty congratulations to the people of Israel on their courage and devotion to the cause of freedom.

Greek Independence

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein my own remarks, in part, delivered at the 135th anniversary celebration of Greek Independence Day at Fitchburg, Mass., on March 25, 1956.

This memorable event was arranged and very ably conducted by the Greek Orthodox Community at Fitchburg and was attended by the distinguished mayor of the city, Hon. Hedley Bray; the prominent and capable Greek-American leader and businessman, Mr. Charles Kotsilibas Davis; the beloved pastor of the church, Rev. John Michalides, who gave the invocation; and a large number of representative citizens of the community and city.

I was most graciously introduced on the inspiring occasion by the able radio announcer and commentator, Chris M. Nikitas, of station WEIM, which carried my address on its facilities:

REMARKS IN PART OF HON. PHILIP J. PHILBIN, OF MASSACHUSETTS, AT 135TH ANNIVERSARY CELEBRATION OF GREEK INDEPENDENCE AT FITCHBURG, MARCH 25, 1956

"The forcible removal, exile, and imprisonment of Archbishop Makarios, a great spiritual leader and prelate, who exemplifies the political ideals as well as the profound religious beliefs of millions of honest, law-abiding, democratic-minded people, is shocking to the conscience of the free world," said Congressman PHILBIN at the 135th anniversary celebration of Greek Independence held at Fitchburg last night.

"This outrage parallels the cases of Cardinal Mindszenty and Archbishop Stepinac, who were so shamefully persecuted by Red Communists. It is almost beyond belief that such ruthless persecution could occur in the free world," he said.

"It is most deplorable that our Government should have been linked to this disgraceful incident in any way, but recent events demonstrate that in the minds of many people overseas," he asserted, "we are sharing the blame with the perpetrators of this dastardly act, and other abuses of colonialism."

"The charge that communism is responsible for Cyprus is ridiculous. The Greeks have fought communism with great vigor and success. Cyprus is the product of a brave people's aspirations for self-government," said PHILBIN.

"It is not enough for our Government to express sympathetic concern. If we would promote peace and collective security in the Middle East, we should move vigorously to secure the release of Archbishop Makarios, and to urge that the Cyprus question be considered on a basis of decency and fairness, and that no further violence and brutality be visited upon religious leaders and others who are seeking by legitimate means to secure the historic right of self-determination for which many nations have struggled and sacrificed.

"I have urged the State Department not only to use its good offices, but to do everything in its power to bring about the release of Archbishop Makarios and a peaceful solution to the Cyprus problem, and also to strive for collective security so urgently needed in the Middle East," PHILBIN declared.

PHILBIN hailed the Greek people in this country for their "loyal citizenship and their eagerness to serve the Nation in war and peace." "You may well be proud of your fine contributions," he said.

"Greek Independence Day brings vividly to mind," PHILBIN continued, "the tireless and unselfish devotion of the Greek people to the cause of liberty and recalls the great debt which democracy and civilization owe to Greece for its imperishable benefits to every field of our way of life throughout the ages."

Tracing world history, the Clinton congressman said: "Take the Greeks out of history and there would be no civilization. Classic Greek culture developed and gave to the world the philosophy, the ethics, the science, the art and literature, the medicine, the astronomy, the mathematics, the principles of government and politics, and spiritual values that form an indispensable foundation stone of our modern society. You must ever be proud of this heritage of grandeur. The American people will ever be grateful for it."

President Eisenhower and Agricultural Legislation

EXTENSION OF REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. HESELTON. Mr. Speaker, the American people need no assurance from anyone of the complete honesty, integrity, and devotion to the public interest of President Eisenhower.

He has demonstrated again those qualities in his courageous and unanswerable message accompanying his veto of H. R. 12.

During recent days, he has been confronted with a tremendously difficult problem. Neither he nor anyone else doubted the complete sincerity of many who supported H. R. 12. The fact that most of those Members of Congress have not joined in the specious and shallow criticism today of his action is convincing proof that they recognize his candid approach to this important problem, just as he recognizes their conscientiousness in reaching their decisions.

Any fair-minded person who will read the veto message must concede not only the President's grasp of this perplexing problem but his determination to act, so far as he can, in the best interests of those engaged in agriculture and of this Nation as a whole.

One paragraph states concisely the basic defect of H. R. 12, which was recognized by Republicans and Democrats alike when the conference report on it was before this House last Wednesday. Before quoting this paragraph from the message, I commend to all those interested a reading of portions of the RECORD of April 11, from page 6110 to page 6158,

and, particularly, the short, excellent statement of the gentleman from Rhode Island [Mr. FOGARTY] at page 6143. Certainly he expressed concisely and forcibly the overwhelming opinion of the farmers and consumers of New England and of the entire Northeast when he said: "Farmers do not want this bill; consumers can only be against it." There is every reason to believe that an increasing number of farmers elsewhere and the great body of American consumers will share emphatically that point of view as the President's veto message becomes more widely read and understood.

The paragraph to which I have referred is as follows:

> H. R. 12 would not correct this situation. It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good news for farmers and fair to all our people.

It is depressing and regrettable that a few, who should know better, have indulged in personalities and have resorted to shabby tactics in commenting upon the President's message this afternoon.

But quite apart from these trivial, self-seeking, and defensive comments by certain persons who were primarily responsible for the monstrosity which was presented to Congress and the President, the challenge is now quite specific and inescapable. In the hope that a reading of the RECORD will assist in spreading actual information as to the President's message, I want to quote the three concluding paragraphs, which were as follows:

> I now request Congress to pass a straight soil bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound soil bank act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.
>
> This combined program of administrative action and legislation enactment will begin now to improve the income and welfare of all our farm families.
>
> Here is a challenge for both the legislative and executive branches of the Federal Government.

The President demonstrated that the executive branch of the Federal Government recognizes both the problem and the challenge confronting it. There is an equal responsibility now resting upon the Congress, and both the farmers and the consumers have every right to insist upon the prompt legislative action recommended by the President.

The Small-Business Man

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. KEARNS. Mr. Speaker and distinguished colleagues, I would like to remind the Congress that I represent an important congressional district in which there are numerous small-business concerns. As we all know, the small-business man is the backbone of the American industrial system of free enterprise. It is the small-business man that is the very core of our economic life today—the man upon whom we have depended during the past century to elevate our Nation to a position where we now stand foremost among the earth's free republics.

Today, Mr. Speaker, quite understandably the small-business men of America are strongly concerned about their participation in the atomic-energy program on a prime contract level in the present race to develop peaceful uses of atomic energy. One of the very first spokesmen for small business to focus congressional attention on current problems of the small-business man was Mr. K. W. Van Eman, vice president of the Skinner Engine Co., of Erie, Pa.

Significantly, the Skinner Engine Co. has rendered outstanding service to our Nation since 1868 and is the builder of the world's largest marine uniflow engines. This great small-business enterprise has made outstanding contributions to the military and industrial life of our Nation now for more than 88 years.

In his testimony before the Joint Committee on Atomic Energy on March 5, Mr. Van Eman made crystal clear the need for immediate action by Congress and the Atomic Energy Commission to move forward with all possible speed toward the application of nuclear power for merchant marine surface vessels. With all the emphasis at his command, Mr. Van Eman also urged the Congress to assist small business in realining our program for atomic power plants and insisted that small business be permitted to join the parade of progress in the development of peaceful uses of man's most destructive force.

However, Mr. Speaker, during the course of his testimony Mr. Van Eman also issued an important warning to the Congress, and his admonition should not go unheeded.

Listen to his sage advice which I quote:

> (1) The arrival of nuclear power is making obsolete not a minor industry but a very large industry in the United States today.
>
> (2) The use of nuclear power will mean the rebuilding of our merchant fleet due to technological changes, age, and obsolescence.
>
> (3) Small business in the maritime and powerplant industry will die on the vine because of lack of help and assistance to realine our program for atomic powerplants and join in the progress parade of the atomic field. In other words, as we see it, we are in the living or dying era so to speak, and will perish unless the doors are open to us.

Referring to the strategic vessels on our Great Lakes, Mr. Van Eman also pointed out that: "207 larger vessels on the Great Lakes are over 35 years of age. It has been the custom and accepted practice in the maritime industry since its inception to engage in prototype development. Herein lies the key to small business participation in the field of atomic development along commercial lines."

Much to the point, Mr. Van Eman further warned the Congress of the Soviet atomic race and quoted Mr. Kurchatov who heads the Soviet atomic development. He pointed out that an atomic-powered ice breaker is scheduled to be built before 1960 that is designed so that it would be refueled only once every 2 or 3 years.

In conclusion, Mr. Speaker, let me say that I was gratified to learn that our distinguished colleague from Connecticut, the Honorable JAMES T. PATTERSON, a member of the Joint Committee on Atomic Energy and the House Armed Services Committee, has also focused public attention on the problems now confronting small business in the current atomic energy peacetime program. I have read with great interest the article written by Congressman PATTERSON that appears in the current issue of the authoritative Washington Atomic Energy Report. So significant is this article by Congressman PATTERSON that I wish to here include it in the CONGRESSIONAL RECORD:

THE SMALL-BUSINESS MAN AND THE PEACETIME ATOMIC ENERGY PROGRAM

(By JAMES T. PATTERSON, Representative in Congress from Connecticut and member of the Joint Atomic Energy Committee; written expressly for Washington Atomic Energy Report)

Arising from the new and glorious age in which man is transforming the most destructive force of nature into the most powerful source of energy for peaceful uses, is the problem of wider participation of American small-business men in the atomic energy program. Day by day, small-business men of America are intensifying their demands that our Government permit them to enter the current race to develop peaceful uses of the atom. We in Government cannot ignore these demands; for it was the small-business men who struggled unceasingly to elevate America to its present and unprecedented sphere of greatness.

As Representative of a congressional district that is largely industrial—and one in which small-business concerns abound—I am strongly concerned with the welfare of small business. Their economic welfare determines the livelihood of thousands upon thousands of residents of the Naugatuck Valley of Connecticut that I have represented in Congress for almost 10 years. Of equal concern to me, of course, is the welfare of our entire Nation.

Participation of small business in developing peaceful uses of atomic energy gives rise to two fundamental questions: (1) Shall we liberalize present security policies of the Atomic Energy Commission, to facilitate the participation of small business, or (2) shall we continue to rely upon a comparatively small number of companies to carry on the peacetime program?

Concerning the question of liberalizing present security policies of the AEC, it is noteworthy that during World War II when a "crash" program was needed to develop atomic weapons, there was imperative need for top secrecy and utilization of a limited number of individuals to participate in the "Manhattan Project." Also, there was need to call upon our largest industries, for they were at the time better prepared to participate in such a "crash" program. However, the situation is somewhat different today with respect to peaceful uses of the atom.

For example, there is no longer any secrecy about the fundamentals of atomic energy. The basic theory was in fact known as early as 1906 when Albert Einstein wrote his celebrated theory: $E=MC^2$. Today the average high school student knows that controlled fission from a properly sized mass of uranium will produce almost incredible heat and energy. In fact, numerous books have been written for high-school students since 1945 that explain in detail the fundamentals of atomic energy and reactors.

Top secrecy must be maintained with regard to the further development of atomic weapons. But in the field of peaceful uses of the atom, such secrecy is no longer necessary. It is my conviction that only through participation of small business in developing peaceful uses of the atom can the manifold applications of the atom be ultimately realized. To me it is obvious that the manifold peaceful applications of atomic energy cannot be enjoyed in their greatest extent so long as we continue to rely upon a comparatively small number of companies to carry forward the program of development. Further, in my opinion, many small-business concerns will be doomed if they are denied participation in developing peaceful uses of the atom. This feeling is shared by many small-business men.

Consequently, I believe that we must reexamine our policies and set a goal that will provide for early participation of small-business men in the program for development of peaceful uses of the atom.

A Just and Lasting Peace

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 16, 1956

Mr. FEIGHAN. Mr. Speaker, under leave previously granted, I insert in the RECORD an address I made on Easter Sunday, April 1, over Radio Station WHK, in Cleveland, on a just and lasting peace:

A JUST AND LASTING PEACE

Today is Easter Sunday. For the whole Christian world, this means that Christ, the King, has arisen. This is a period of prayerful rejoicing. It is a time when all good Christians take renewed hope for a better future for all mankind.

This year the Jewish Passover comes at the same time as the Christian Easter Holy Week. For the Jews, the season of the Passover is a time of thanksgiving for relief from the persecution of King Pharaoh. For them it is a time to remember the plagues which struck Pharaoh for his cruel persecution of the Jews. It is a time when all Jews renew their faith in the fatherhood of God and the brotherhood of man.

I believe, therefore, this to be an excellent occasion for us to take an inventory and to examine the prospects for a better future for all mankind.

Most of the people of the world yearn for an era of genuine peace. The Christian-Judean world strives for a just and lasting peace, and that is a peace built upon immutable moral principles. Other religions of the world such as the Moslems, the Buddahists, and the Hindu, seek a similar goal.

On the other hand, the leaders of world communism continue their cruel warfare against all civilization. These same leaders proclaim the doctrine that if needs be, three-quarters of all mankind must perish in order that communism may prevail throughout the world.

Against this background, I am going to explore the prospects for a just and lasting peace. Last summer, all the world witnessed what became known as the meeting at the summit. There President Eisenhower, the leaders of France and Great Britain, and the rulers of Soviet Russia met in what was described as an effort to reduce world tensions.

At Geneva hundreds of pictures were taken of the Russian rulers with President Eisenhower and other leaders of the free world. These pictures emphasized positions and postures of warm friendship. At the climax point of this so-called meeting at the summit President Eisenhower announced to the world his belief that the Russian Communists were as sincere in their desire for peace as were the leaders of the free world.

From these events which were explained over and over again to all the people of the free world, there developed a great uplift in the hopes of the American people for that era of peace to which they so ardently aspired. There was talk about a spirit of Geneva which carried with it great promises of things to come. When the Geneva Conference at the so-called summit ended, people of the free world heaved a sigh of relief. There appeared to be an almost immediate relaxation among the nations which had found it necessary to rearm, to maintain large standing armies, and to build alliances in order to hold back the tidal wave of communism.

Upon his return to Great Britain, Prime Minister Anthony Eden announced at the London Airport that the cold war was over and that a new era for all the people of the world had been ushered in. He assured the British people of peace in our time.

Upon his return to France, Minister Pinay assured the French people that the danger of war had passed and that world tensions, many of which beset the French Empire, would soon settle down. The new spirit of Geneva held out for the French people hopes which they had not enjoyed since the days between the great wars.

Here in the United States, great optimism was expressed in the belief that the Russian Communists were prepared to amend their ways and to begin acting like responsible members of civilization. Here and there a note of caution was raised that we had best await the carrying into effect of the Geneva spirit by concrete deeds rather than the platitudes of promises which had been generated at the luncheons and the press conferences attending the meetings at Geneva.

It was but a few days after the breakup of the Geneva Conference that word leaked out from Russian-occupied East Germany to the effect that Communist Party boss Khrushchev, en route from Geneva to Moscow, had made it known to the Communist elite that there was no change whatever in fundamental Communist doctrine or policy. To some, this news was shocking because Khrushchev had been one of those who took part in the Geneva Conference. Still others brushed aside this startling news, charging it off to those elements of society who are unwilling to try to find a modus vivendi with the Communist rulers.

Shortly thereafter, the Foreign Ministers of the United States, Great Britain, France, and the Soviet Union met at the historic summit of Geneva to work out the details of the spirit of Geneva in order that the dangerous tensions which gripped the world could be eliminated and the way opened to a just and lasting peace. It was soon discovered, however, that when the conferences moved from pleasant lunches and press conferences to the business of agreeing to specific methods for removing world tensions, the spirit of Geneva burst like a toy balloon in the hands of a mischievous child. The Russian Communists made it crystal clear that what they meant by the spirit of Geneva was that the West should accept their program of peaceful coexistence—their program of peaceful coexistence being nothing short of complete surrender on the part of the free world.

Thus the Communist leaders demonstrated their complete insincerity in their claims to support a program for relaxation of world tensions and for a just world peace.

Only a few months later on, the world was shocked when Communist Party boss Khrushchev and his traveling companion, Bulganin, both of whom had been the spokesmen for the Russian rulers at Geneva, engaged in a provocative propaganda campaign against the United States, Great Britain, and France.

This was done on the occasion of their visits to India, Burma, and Afghanistan. These same rulers branded the American people as imperialists and exploiters as well as warmongers.

But still the propaganda drums of the Kremlin beat out the dirge of peaceful coexistence. The protestations of the Kremlin leaders for peace and good will become louder with each successive attack they make against the sincerity and integrity of all the leaders of the free world.

In February of this year the 20th socalled congress meeting of the Communist Party was held in Moscow. At this meeting the official policy of the world Communist movement was set forth as well as the tactics to be employed in carrying out those policies. The decisions taken at that meeting serve as instructions to members of the Communist movement everywhere in the world.

The key policy speech was given by Communist Party boss Khrushchev, and I just want to quote one small part of Khrushchev's 6-hour speech because it clearly explains the true Communist intention toward the goal of a just and lasting peace:

"Intensify our efforts in Communist education of the masses and in eliminating the survival of capitalism in the minds of men, make fuller and more active use, to this end, of all the ideological media—propaganda, agitation, the press, radio, cultural and educational organizations and institutions, science, literature, and art."

In addition, instructions were given that steps of subversion and violence were to be increased in those nations which offered the greatest resistance to Communist takeover. Thus the leaders in the Kremlin single out the United States as a specific victim of their new tactics to conquer the world for communism.

You and I can see from this summary of basic events which have taken place within the past 9 months that the Christian-Judean world is still a long way off from its goal of a just and lasting peace. It is becoming increasingly clear that the hope of all mankind which reached an almost unprecedented pinnacle in response to the proclamation of the spirit of Geneva, have been dashed upon the dangerous rocks of false promises.

It may be a bit too early to measure the full damage done to the hopes of all mankind for a just and lasting peace as a consequence of the meetings which took place at Geneva between President Eisenhower and other leaders of the West and the Russian rulers, but it is not too late for the free world to learn some valuable lessons from the broken spirit of Geneva.

In my judgment, the first lesson we must relearn is that basic Communist doctrine holds that peace in the world is only possible when all the world is under Communist rule. The Communist leaders have made it clear that they have not changed in the least this basic doctrine. Communist Party Boss Khrushchev stated that there is no more chance for change in the basic Communist doctrine than there is in developing a shrimp that can whistle.

The Communists will shift their tactics at any time in order to confuse and mislead their intended victims. Stalin once said that it is sometimes necessary to take 1 step back in order to take 2 steps forward. This is a typical example of the Russian strategy that was employed at the so-called conferences at Geneva.

The just and lasting peace which the Christian and Judean world so earnestly yearns and strives for, cannot be won by the simple utterances of high sounding phrases or by platitudinous promises sealed by a toast accompanied by the clinking of glasses filled with martini cocktails. That just and lasting peace can be won and maintained only by the acceptance of those moral principles which support civilized mankind everywhere in the world.

In the true spirit of Eastertide, we must find renewed hope for a better future for all mankind. Our faith in God demands that we never lose courage in the face of difficulties. On this Easter Sunday, man's apirits must be raised up and dedicated to the emancipation of all those nations which today still suffer the degradation of enslavement and tyranny by the Russian Communists.

With a firm faith in the Fatherhood of God and the brotherhood of man, we will somehow find our way through to that golden era of a universal, just and lasting peace.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 17, 1956

The House met at 12 o'clock noon.

Rev. Malcolm E. Nygren, minister, First Presbyterian Church, Champaign, Ill., offered the following prayer:

Bless our country, O Lord.

Protect it, we pray, not only from the strength of its enemies, but from the weakness of those who love it.

Guide us as we bear the dangerous responsibility of being free men. Deliver us from the temptation to degrade the freedom to do what we think right into the freedom to do as we please.

Help us to build in our country a future that is worthy of its past. Grant us Thy guidance for difficult decisions, Thy strength in times that call for courage, Thy hope when our hopes fail; that we may serve Thy will as free men ought. Amen.

The Journal of the proceedings of yesterday was read and approved.

POLISH PORK

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, upon occasion nearly all of us like ham sandwiches, but sandwiches made out of Red, spelled with a capital "R," ham coming from communistic satellite of Poland are unpalatable and leave a bitter taste in the mouth.

The majority, that is Democrat, leadership in the Congress, House and Senate, can by a very simple amendment stop the competition of Red Poland's pork with American pork products now in surplus.

With one simple amendment, the majority—Democrat—party in Congress can help not only the American farmer but the American taxpayer by making unnecessary the purchase of 20 million pounds of American surplus pork.

Without such an amendment, the administration and the Department of Agriculture are powerless to stop the flood of Polish pork into the United States of America.

In 1954, Poland pork products arriving in this country amounted to 20,305,000 pounds, valued at $17,483,000.

In 1955, the imports were 24,864,000; the value $19,173,000.

Theoretically, Poland was to use the proceeds of these sales to buy American agricultural surpluses.

In 1954, Poland bought $4,000 worth; in 1955, $700,000.

What did Poland buy with all these other millions and where did she spend these United States dollars? Your guess is as good as mine.

I hope immediate relief from this flood of Red pork is forthcoming. Were Poland free, as it once was, and we hope and pray it will again be, the situation we face would be different.

The Democrats—now in the majority—have the votes to do it, if they but have the desire and will to do so.

SMALL BUSINESS AND THE CORPORATE TAX BURDEN

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, the need for tax relief by the small business concerns of this country admittedly is not a new subject. For years we have recognized the need of these enterprises for additional funds with which to expand operations, to modernize plant and equipment, to develop new products and markets and for other legitimate business purposes. The Congress has long supported the thesis that a Federal agency was necessary to fill the gap for intermediate and long-term loans to small business which could not be supplied by private financial institutions. The volume of small business loans made by the RFC and the SBA has been clearly indicative of the need by small firms for this additional financing.

Despite the recognized need for such credit, Mr. Speaker, it does not get at the root of the financial problems of small business. The demand of small business concerns for longer-term credit is almost entirely the result of an oppressive tax burden. We must give these firms the lawful right to retain a greater portion of their earnings. If this is done, there will be a tremendous strengthening of competitive position of small business. This course of action will enable small business to make a greater contribution to the defense effort and will place our peacetime economy on a more firm foundation.

Tax benefits did accrue to small firms during the 83d Congress when we had an extensive revision of the Internal Revenue Code. Small firms have benefitted from changes in methods of computing depreciation, dividends received credit, partnership filings, handling of research and experimental expenditures, net operating loss deductions and other provisions. The Small Business Committee of the 83d Congress earnestly supported all of these revisions.

In its final report to the 83d Congress—House Report 2683—however, the Small Business Committee stated that current tax rates had acted as a major deterrent to an improved competitive status for small-business enterprises, and I quote from a portion of that report—pages 59–60:

> This committee is of the opinion that current tax rates have acted as a major deterrent to an improved competitive status for small-business enterprises. As mentioned earlier, many small concerns have been unable to retain sufficient earnings after taxes to finance necessary expansion through additoins to working capital and fixed assets. Lack of capital has, therefore, placed undue emphasis on longer-term borrowing which in itself has been difficult to obtain. It is felt that a healthier climate for small business might be achieved through further relief fom the tax burden.
>
> Many beneficial changes have resulted from congressional action on H. R. 8300 which produced revisions in the Internal Revenue Code of both a substantive and procedural nature. Financial benefits have also accrued to small concerns through reduction in personal income tax rates and in excise and sales taxes. Many small corporations also benefited by the expiration of the excess-profits tax. The committee believes, nevertheless, that a continuing study must be conducted to determine how more effective relief may be achieved, with particular attention paid to the possibility of higher exemptions or reduced income-tax rates for small firms.

I should like to point out to my colleagues that these statements were made after a careful examination of the financial problems of small concerns, through subcommittee hearings, consultation with individual small-business men and staff studies.

As we all know the corporate tax consists of a normal tax of 30 percent and a surtax of 22 percent on that part of a corporation's income in excess of $25,000 and that an extension has been passed which carries these tax rates through March 31, 1957. It is quite obvious that such high rates cannot long continue to be absorbed by small corporations in the lower income groups. We are now talking about some 80 percent of the corporate tax returns filed for 1952 which were on net income of $25,000 and less. But, it is almost as obvious for the 13.6 percent of corporations earning from $25,000 to $100,000.

Mr. Speaker, can anyone tell me that when the Federal Government takes almost a third of your $25,000 that what remains is enough to permit the purchase of even two machines, the addition of a wing to the present factory structure or the introduction of a new product into the market? It is absurd to expect a small concern to improve its competitive position through the use of retained earnings when 30 percent of its income is taken away, if it is a poor year, and when 52 percent of its income is taken, if it has had a reasonably profitable year.

Our subcommittee in the 83d Congress learned that a small firm has difficulty compensating for loss years which frequently occur during the early years after organization of the company. Similarly after having established a place for itself in our competitive system, it is unable to improve on its growth. For a small firm to stand still is to lose the competitive battle and eventually to give up entirely.

I wish to cite from our subcommittee's tax report of 1953 a good illustration of the difficulty encountered by a small firm in its effort to grow. This company's growth was demonstrated by an increase in sales of from $35,700 in 1946 to $896,500 in 1952. During this time there were 2 loss years but in the last year taxable earnings amounted to $66,600. Now if a major portion of those earnings had been allowed to remain with the company for reinvestment we would have had no complaint. But, of course, this did not happen. The Federal Government took $39,000, leaving a little over $27,000. In fact, we were told that for 7 years of operation the company had taxable earnings of some $241,000, of which the Federal Government took almost $111,000. Certainly no one can deny that this company was being penalized for its efficient management and that its incentive to further growth under these circumstances would be reduced or destroyed.

Mr. Speaker, we need this kind of a company in our economy. Give them a chance to compete on equal terms with firms which became large during earlier years when tax rates were lower. Otherwise, the big will get bigger and the small will get smaller or disappear altogether.

H. R. 9851 will answer the greater problem of incorporated small businesses, namely, the opportunity to grow and expand through earnings.

POLISH HAMS

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I want to point out to the gentleman from Kansas who made such an eloquent plea on the subject of the importation of Polish hams and said that the Democrats could stop it if they had the desire to do so, that it is not necessary for the Congress to take any action at all. There is adequate legislation on the books, and the administration can stop the thing in 5 minutes, if they so desire. So I would like to pass the buck back to the gentleman from Kansas. If there is any blame involved, the blame lies with the administration, and not with the Congress.

AMENDING UNITED STATES HOUSING ACT OF 1937

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, I have today introduced a bill to amend the United States Housing Act of 1937 to authorize the admission of single persons to federally assisted low rent housing projects.

I want to bring this to the attention of my colleagues in the conviction that the considerations that led to the passage of the Housing Act itself and their undoubted concern for the welfare of aged people who are single or who have lost a husband or wife will persuade them to support this measure.

It is a subject that is of profound concern to me and that justifies the concern of all of us.

The aged widows and widowers and other single people who have reached an advanced age are an integral part of the American people. Their well-being should be and is important to us; indeed, elementary considerations of human sympathy and a decent respect for the difficulties and trials of old-age justify prompt action in their behalf.

With the rise in the general age level of the American people, the group of elderly men and women is growing and their condition is knocking at our consciences. We must not fail them. We must at the very least make adequate provision for such aged, single people to be able to live in the public housing that take the place of the slum buildings from which, in many cases, they have had to remove.

To require them to take up quarters in a completely new neighborhood alien to their past memories and personal histories is to add still another burden to the many heavy burdens of old age. To impose upon them drastic alternatives requiring, in many cases, that they live with a member of their family is to complicate their lives and the lives of their family still further.

It appears to me only fitting and proper that the Congress of the United States as representative of all of the people, not just of the young or middle-aged and not just of those with families, should give due consideration to the plight of these single elderly men and women.

My bill makes the required provision for them. I hope it will be acted upon promptly and favorably and I appeal for the support of all the Congressmen of both parties for this essential relief.

HERB PLEWS

Mr. METCALF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. METCALF. Mr. Speaker, I would like to be out in Griffith Stadium this afternoon for the opening game of the American League season.

One of the reasons is that I would like to see a Montana boy in action again. He is Herb Plews, one of the few Montanans ever to make the major leagues.

Herb, a second baseman from East Helena, recently came to the Senators from Denver, where he batted .302 last year.

Herb went to grade school in East Helena, high school in Helena. He attended the University of Illinois, where he captained the baseball team his senior year.

As a neighbor, I saw Herb play sandlot and American League junior baseball. His joining the Washington Baseball Club has made Senator fans all over western Montana. They will follow the team with interest this year.

I am proud of Herb. The people of the Helena area are proud of him. His will be a bright future.

I am sure my colleagues will be interested in this information about Herb Plews from the press-radio-TV guide of the Washington Nationals:

> Plews, Herbert E.: Born June 14, 1928, at Helena, Mont.; 5 feet 11 inches; 165 pounds; bats left and throws right; wears glasses. Herbie's a pesky, spray-type hitter, patterned on the lines of Nelson Fox and Billy Goodman. He's a good playmaker around second base but plays third base well also. A hustler who never walks when he can run, he came to the Nats from the Yankee organization in a seven-player trade last winter.

Year	Club	BA
1950	Quincy	.295
1951-52	In military service	------
1953	Binghamton	.215
1953	Norfolk	.304
1954	Birmingham	.29[illegible]
1955	Denver	.302

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances and to include therewith extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. KEATING. Mr. Speaker, reserving the right to object, may I inquire at this point as to the program for today?

Mr. McCORMACK. I am very glad my friend, the gentleman from New York, makes that inquiry. There will be no legislative business today. I am glad that the gentleman has given me this opportunity to advise the Members of that fact.

Mr. KEATING. I thank the gentleman. The information is very illuminating.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RECRUITMENT OF YOUNG MEN FOR OUR FOREIGN SERVICE

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. O'BRIEN] is recognized for 60 minutes.

Mr. O'BRIEN of New York. Mr. Speaker, I am grateful to you and to the House for the opportunity to speak today. It might sound paradoxical to say I have waited 8 years to make these remarks in this particular place because I have made them in a hundred places throughout the country before college students, veterans' organizations, businessmen, women's organizations and many other groups. All of them embraced at least the germ of what I propose. All of us know that we are now engaged in a new form of the cold war. It has been called an economic war. All of us know that to fight this particular phase of the cold war requires what a distinguished gentleman has called an agonizing reappraisal.

Yesterday I heard three great reporters just returned from Asia, where they visited Japan, India, Pakistan, and other places, stating coldly and factually that we are losing the cold war in Asia.

The other day I read an item in a Washington paper which stated that American industry is sending more talent scouts than ever before to colleges and universities this year in a scramble for the most valuable of raw materials, eager, educated young men and women. One company alone, the Bell Telephone System, expects to interview 13,000 students on 300 campuses, and to employ 3,200 of them at salaries of between $350 and $400 a month. The United States Steel has 56 men touring the campuses looking for 1,000 graduates. General Motors is seeking 2,800. General Electric expects to put on 1,000, or 20 percent more than last year.

I suppose on those campuses there are some rather lonely figures representing the State Department of the United States Government, but I am very sure that they are in the minority and I am very sure that they are not and cannot bring into this great economic war the eager, intelligent young men and women that we so desperately need.

It has been suggested from time to time in Washington and elsewhere that we should create in this country a sort of West Point for diplomacy. It is a pleasant idea, revived every 2 or 3 years, but nothing ever happens. Even if tomorrow the go-ahead signal was given for such a college, it would take from 10 to 15 years to bring into our Foreign Service the full weight of the knowledge acquired by those students.

I wonder if anyone here or elsewhere would say that we can afford to wait 12 or 15 years in this economic war.

I suggest that the United States Government reach out, as does private industry, to the campuses of our Nation, recruiting several thousand young men and women and then giving them on-the-job training. I do not propose that we send those young people to the various continents as handout boys, as just additional hands to give away of our sustenance. I suggest that we send them out as economic troops, as young people who not only can make sure that our way of life and our way of thinking is taught to the people of those countries, but also can look for opportunities for the investment of private capital from our country in those other countries.

I think this is a job not for Congress alone but for the Congress, the President, the State Department, and the American people. It may be asked why, if I am so interested in this, I have not introduced a bill. The reason is quite simple. I do not believe that a bill introduced by an individual Member of this House who is not a member of a powerful committee, who has not great seniority, would get very far. I think the time has arrived in the current of world affairs when we should cast partisanship entirely aside and forge the weapons we need in this economic cold war. Then we could proceed to fashion them from the material we have at hand.

It would seem very absurd to all of us if the Russians tomorrow were to challenge, say, the New York Yankees, whom I understand are helping open the season here today, to a world series. We would say that such a series would be duck soup for us, that we could beat the Russians handily. It should be equally absurd for the Russians to challenge us to an economic war. They are challenging us at the point of what should be our greatest strength, and yet observers who have just come back from these far-off places tell us that at least in the opening round of the economic war we are losing, losing in many places.

I have often felt that the young people of our country, and there are many of them in Washington at this time of the year, have felt consciously or subconsciously that there is a silken curtain between them and opportunity to serve their country in foreign fields unless that opportunity is accompanied by the obligation to carry a rifle into those places. When my son was in college I was intrigued when I heard him and his young friends talk about what they were going to do when they received their diplomas. Some were planning to be lawyers, some doctors or businessmen, some newspapermen, but in all those conversations upon which I eavesdropped, I never heard one of those young men suggest that he wanted to go into the Foreign Service of the United States.

I know there are many people who will say that the young people do not want to go into the State Department because you get kicked around too much there, you are accused of disloyalty, and so forth. I do not think that is true. I think the reason the young people do not aim for those particular jobs is they feel they are reserved for certain people in our society, that you must have money, social background, or political pull, that it is much easier to become a scientist or a doctor than it is to become a representative of the Government of the United States in the foreign field.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. Gladly.

Mr. BOW. I should like to say to the gentleman I appreciate what he is talking about, the Foreign Service. Recently I have been receiving letters from my congressional district from students asking me about the Foreign Service. The principal of one of the high schools asked me if I would speak to the high-school group on the Foreign Service.

I checked with the State Department and found that they have several people who are willing to and do go out to address high schools and colleges to explain the Foreign Service to them and try to get recruits from all over the country.

I suggest this to the gentleman at this point so that other Members who have similar requests may know that the State Department is interested in the recruiting of young men all over the country and are willing to speak to groups of them.

Mr. O'BRIEN of New York. I thank the gentleman. If my remarks can in any way be interpreted as a criticism of the State Department, I regret it. I do believe that the State Department is doing exactly what the gentleman says, but it is doing it in a very limited way, because we ourselves by law have limited opportunities in the Foreign Service. We do not hesitate, if the cold war takes a hot turn, to build bigger and better bombs; we do not hesitate to invest tens of millions of dollars in new battleships we hope will never have to fire a gun in anger.

I suggest that the economic war, in the final long race between the free world and the Communist world, is just as important as the other phases of the cold war. The State Department—and I shall point out later why I believe so—would, in my opinion, welcome it if the Congress and the President jointly would say: We are going to create a division of economic cooperation in the State Department; we are going to recruit that division from our colleges and from the ranks of discharged servicemen, and we are going to send them out to speak for Main Street and Cripple Creek in the United States.

We have all had the experience when we lose a battle in a war of hearing people in our community say reluctantly: We lost that battle. Why do we say "We"? Because our sons or our neighbors' sons were in the ranks or even commanded troops. But when we lose a diplomatic battle we do not say "We." We say "They." We disassociate ourselves as a people from those who represent us in foreign affairs, unconsciously, perhaps, but we do it.

That is why I say that not only do we need the intelligence and the zeal of our young people but we also need Main Street in our Foreign Service so that we will support it just as zealously as we do our troops in combat.

I have great admiration for the State Department but I think it is being forced to function under outdated rules, pre-atomic-age rules, and, in my opinion, the time has come when we must take our Foreign Service out of the drawing room and send it into the market place where American genius has always triumphed.

I cannot help thinking of a memorandum I sent 3 years ago on this subject to a friend of mine in the White House. I hoped it would come to the attention of the President. I said that it was possible under our system for a young man from Kansas or elsewhere to aspire to be and become the top general in our Army, and it was possible for him also to aspire to be and become President of the United States, but that, perhaps, with the difficulties in the way, it was just as well for that young man if he did not aspire to the Foreign Service or to become an ambassador.

I know that a plan of this kind costs money, but I know also that every year we vote 35 or 40 billion here for national defense. I know that in the very near future we are going to have a rather heated discussion here about foreign aid, a proposed $4,900,000,000 appropriation in that field. I say to you that what we should do in the foreign field diplomatically and economically is a national-defense problem and is in a sense a foreign-aid problem. In my opinion, we would be just as much justified in using some of these funds for this division in the economic war as we are in using them for a battleship that we hope we will not have to use or for aid to a foreign country. If we embark upon this plan we should make very clear that we do not want a division limited to Phi Beta Kappas, although I admire Phi Beta Kappas, never having reached that particular goal myself.

I think we have a new form of diplomacy in the world today, a diplomacy which involves more than the knowledge of a dozen languages or more than the graceful art of dangling a teacup precisely. I think there are places throughout this world where we could use a rough, tough halfback from the University of Michigan, for example. I think we have in our young people the greatest missionaries anywhere in the world. I would like to see them go out and take on this issue of nationalism, for example. That, as we know, has been most difficult to handle, because nationalism in and of itself is not bad. We are a great Nation today because we believed firmly in nationalism. But, nationalism is being perverted in this cold war. It is being used as a tool for evil purposes, and by the Communists. I think some of our young people could spread very well indeed the idea, the conviction, that we are not interested in this country in colonialism. I think they could spread before the peoples of those countries, and talk their languages while they are doing it, that our own country has backed away at every step from colonialism.

Mr. Speaker, I do not say that this should be done all at once. I know the difficulties involved. I know that it is a plan that will require the best efforts of the best minds in our Government, but I do feel that we should not wait too long. Perhaps this year we should attempt a pilot plan. Let us get out to those campuses or to the places where our young men are discharged from the services and enroll, recruit, perhaps 500 of them this year. Give them this on-the-job training and send them out, and then we will have an opportunity to see if the plan will really work. I think it is an opportunity for a real demontration of bipartisanship in connection with foreign policy.

You might ask if I have ever talked about this with anyone in the State Department. The answer is "Yes"; not with the Secretary of State, but about 3 years ago I happened to be at an affair which was attended by a very able diplomat, a very able member of our State Department. His name was John Peurifoy. We know that he met a tragic end not too long ago. I had the temerity to ask John Peurifoy where he went to school. He told me that he had an appointment to West Point and that after a year he became ill. He had a lung infection or something of that sort. He could not go back to West Point when he left the hospital, and he obtained a job as assistant manager of a diner in Queens County, New York City. He came to Washington as a laborer in the Botanical Garden. Finally he obtained a job as clerk in the State Department and went on to a record of which we are all proud. John Peurifoy was the kind of man that I have in mind as I speak today. We know what he did for us in Greece, in Guatemala, and what he was doing for us at the time of his death in Thailand. And I think one reason he was so successful was that he spoke the language of the people of this country; and if you speak the language of the people of this country, of Main Street, you will be surprised at how readily that language is accepted by the people of Main Street anywhere in the world.

Mr. Speaker, I believe that we have in our country among our fine young people 10,000 potential John Peurifoys. Nine thousand or more of them will become doctors or lawyers or businessmen. They will listen to the Bell Telephone Co., General Electric Co., or General Motors. They will not think of a place in the Foreign Service because they believe it is closed to them. I say we should reach out for them and enlist them in the most important undertaking before our country today. I think we should send salesmen for Americanism into every corner of the earth. I think we would, at far less cost than other courses, bring a successful end to the economic cold war.

NINTH ANNUAL RAVENSWOOD BANQUET

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Speaker, I wish to invite the Members of this distinguished body to come to West Virginia, in the heart of the beautiful Ohio River Valley, to attend the ninth annual Ravenswood $5 banquet.

In 1948, the Ravenswood townspeople decided that they would raise some money for the local schools by having a banquet. They formed the Ravenswood School Improvement Association and asked the president of West Virginia University to be the first speaker. They also decided that their banquet would be different. They would get all the food and all the work donated, and then turn around and require everyone—cooks, waiters, school officials, and even the honored guests—to pay $5 for his meal. West Virginia University's president came, spoke, and paid his $5. Financially the banquet was successful and the Ravenswood group decided to make it an annual affair. Since that spring in 1948 there have been seven other banquets. Each has increased in size. Each has brought in more money for the Ravenswood schools. Some of the speakers at this banquet have been a Governor of West Virginia; Senator Alben W. Barkley, of Kentucky; and the industrialist, Henry J. Kaiser. By the way, Ravenswood is the site of the Kaiser aluminum sheet and ore reduction plants now being built at a cost of $216 million.

This year, America's greatest electrical engineer, Phillip Sporn, president of the American Gas & Electric Co., is the speaker at the banquet, which will be held at the Ravenswood High School gymnasium on April 23. A former Member of the House, Jennings Randolph, of West Virginia, will be the toastmaster.

There are five reasons that I would like you to accompany me to Ravenswood for this ninth annual banquet:

First, we need your $5.

Secondly, your distinguished presence will contribute to the success of the affair.

Thirdly, you should come to West Virginia to see how the people in this Eden of America do things and, consequently, will be in a better position to help your own more backward district.

Fourthly, you will be doing yourself a great disfavor if you miss the unmatchable cooking of the ladies of Ravenswood, and

Finally, we need your $5.

GENERAL GRUENTHER'S RETIREMENT

Mr. DODD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. DODD. Mr. Speaker, the announcement from the White House that General Gruenther is retiring at the end of 1956 came as a great shock, I am sure, to most Members of Congress, and particularly to those Members who have had an opportunity to know him.

Only 3 weeks ago, General Gruenther was in Washington and appeared before congressional committees urging a continuation of the foreign aid program.

According to the White House announcement, General Gruenther is retiring at 57 years of age in good health with an accumulation of wisdom and experience as an officer of the United States Army, and as Supreme Commander of NATO for personal reasons.

It is my belief that every Member of Congress who has had an opportunity to know General Gruenther rates him as a first-class intellect in our military establishment. The United States has a great investment in General Gruenther. It educated him, trained him, and sustained him throughout his entire life. At the height of his career, in the full flower of his vigor, and with a vast accumulation of knowledge, it is announced that he is retiring, and no better excuse is offered than that of personal reasons.

Mr. Speaker, I believe that the people of the United States are entitled to know exactly why General Gruenther is retiring, and I think General Gruenther owes the people of the United States a more adequate explanation than has been made.

I am gravely concerned about the welfare of our Nation if our top generals are to leave us in this way at a most critical time in our history. I cannot believe that the General himself would walk out without the most compelling reasons for doing so.

At 57 years of age, I think it is not too much to expect that an officer who has attained the rank of full general should be expected to continue to give his services to his country if his health is good.

I believe that General Gruenther is truly an outstanding man. I have great admiration for him. I am deeply distressed over his departure from active duty, at a time when there is such a dearth of greatness and leadership in the free world.

We should know why he is leaving us.

THE PRESIDENT'S VETO OF THE FARM BILL

The SPEAKER pro tempore (Mr. THORNBERRY). Under previous order of the House, the gentleman from Texas [Mr. POAGE] is recognized for 30 minutes.

Mr. POAGE. Mr. Speaker, when President Eisenhower sent his message of veto of H. R. 12 to the House on yesterday, he wrecked the hopes of literally hundreds of thousands of American farm families. For practical purposes he took the shoes off millions of farm children throughout this Nation. He blasted the fond hopes of hundreds of thousands of farm wives that they might have paper on their walls or covers on their floors. He laid the Nation open to the possibility of the repetition of the debacle of 1929.

The President's veto of the farm bill came as a cruel blow to the men and women who are dependent on the production of food and fiber for their livelihood.

For 5 years, many of the farmers of the West and particularly of the Southwest have battled searing drought. This spring their prospects are the darkest since that country was placed in cultivation.

For an equal period of time, the farmers of the eastern seaboard have had to contend with recurrent hurricanes. Each year their losses mount.

Farmers realize that their Government is not responsible for the weather, but they have rather naturally hoped their Government would be a little more, not less, interested in their welfare at a time when nature seems to have forsaken them.

The period of economic readjustment after a great war, is always difficult. It is not less difficult for farmers than it is for industry, but our Government has at all times recognized the problems of industrial readjustment. At the close of World War II we paid our industries $41 billion in round figures, for losses on contracts which were never completed because the need no longer existed. A few years later, when the Korean war broke out, we had to pay many of these same industries to reconvert to war work. Right now, in the year of 1956 we are extending to them more than $800 million, per year in the way of accelerated tax write-offs. I am not criticizing. I think we should deal fairly with industry but I have heard some of the very beneficiaries of this costly arrangement speak very sneeringly of our efforts to give farmers a comparable reconversion program.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Does not the gentleman, who certainly is one of the best-informed members of the Committee on Agriculture as well as a conferee on H. R. 12, agree that the biggest issue so far as the farm problem is concerned is the question of farm income and the question of farm income this year?

Mr. POAGE. That is it exactly.

Mr. ALBERT. The question of the disposition of surpluses, while it is an important question, is not as important immediately as the question of raising farm income.

Mr. POAGE. Of course not.

Mr. ALBERT. Is it not a fact that the soil bank, which, through the acreage-reserve program, will eat up a part of the allotted acreage, is actually an income-depressing device in that you take out of production a part of the allotted crops, rather than an income-increasing device?

Mr. POAGE. It will indeed. I hope to elaborate on that and to show to everyone who is interested that the soil bank alone when operated without combination with some other program will actually reduce the income of the entire United States by exactly the amount that is spent on the soil bank, which is estimated to be $1,200,000,000.

Here let me take just a moment to review the events which led up to our overgenerous farm production of recent years. Actually when World War II broke out, we had a full generation of first class but unused research and scientific knowledge neatly catalogued and filed. All during the twenties and thirties farm income had been so low that farmers had not been able to apply the practices they knew were desirable. We were farming as well as we could afford, not as well as we knew how. Crop yields were not much higher in 1940 than they were in 1920.

Then came the war. The world needed food and fiber. Prices shot up. So did our patriotic fervor. Farmers were urged to produce as a patriotic duty. "Food will win the war and write the peace." Farmers believed this. They went to work determined to do their full part.

The same war gave a tremendous impetus to the production of nitrates for explosives. Shortly, those new cheaper nitrates were showing up as fertilizers. Farmers poured them into the soil. Production zoomed. Farmers, short of help, invested in all kinds of new machinery, till the investment per worker in American agriculture is today $14,389, compared with an investment of only $13,000 per worker in industry.

Of course, industry tooled up also but when the war ended, the Government never looked back. It paid the bill for reconversion.

When the war came labor demanded and received higher wages, a longer work week and greatly enlarged fringe benefits. When the war ended labor found that our economy did not need the production of a 48-hour week. The hours were cut back, but not the take-home pay. Again, I am not complaining or criticizing. I think labor should receive generous treatment. I only ask, how can the farmer exist if he is not treated somewhat comparably with labor and industry?

Has the farmer received too much? The President seems to think so. Actually the per capita income of farm people from all sources stands at only $865 per year as against a national average for nonfarm people of $1,913 per year, and nearly one-third of that meager income attributed to farmers was earned from nonfarm sources. In other words, a great many farmers are able to stay on the farm only because they or some member of their family works off the farm.

Of course, the misfortunes of the farmer should not be used as an excuse to impose on the consumer. So, maybe we should see just how the consumer has fared under 90-percent supports and how he is doing today. The consumer is paying a constantly decreasing share of his—or her—food dollar to the farmer—38 cents today as against 53 cents in 1946. Yet during that time, gross national production has increased by 50 percent, wages are up 60 percent, and corporate profits are up 74 percent. And still the American public is able to buy more food in exchange for less hours of labor than any people at any time in history.

In most of those cases where there is complaint about retail prices it might be well to look before we condemn the farmer as the culprit. Within the last few days, I have had a number of wires calling on me to oppose this farm bill on the theory that it would raise the price of wheat and would therefore "place a tax on bread." This is an ingenious argument. It looks sound on its face. I fear the President has accepted it. Let us look at the facts.

Ten years ago wheat was selling for $3 per bushel in the United States. Bread sold for an average of 13.0 cents per pound. Today wheat is bringing about $2 per bushel and bread is selling for an average of about 18 cents per pound. No farm program caused that rise. During the past year the price of hogs has dropped 38 percent. The retail price of pork has dropped only 14 percent during the same time. The shirt I am wearing cost, I believe, $4.95. Twenty years ago it would have cost no more than $1.50. At today's price of cotton it contains about 25 cents worth of cotton. The farmers' 90-percent support could hardly account for the 300-percent increase in the price.

But I believe the need of the farmer is too clear to need further argument.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to express my appreciation for the splendid analysis which the gentleman is making of the farm situation today, and to ask him this question: Can the gentleman, as a member of the Committee on Agriculture, tell me what magical new qualities and provisions have been added to the soil bank in the last few months which makes it acceptable, when about 9 months ago the Secretary of Agriculture was informing the Congress that the same proposal would not work?

Mr. POAGE. I doubt that anything significant has been added during the last months, at least up until last night. I see 2 gentlemen on the floor, 1 on the Democratic side, 1 on the Republican side, who introduced soil-bank legislation more than a year ago, I believe it was a year ago last January; was it not?

Mr. H. CARL ANDERSEN. Two years ago.

Mr. POAGE. Two years ago. I have here with me today a copy of letters from the Department of Agriculture written less than 9 months ago condemning this soil bank, in which the Secretary advises the Committee on Agriculture that he then considered it too expensive and unworkable.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The hearings before my Subcommittee on Appropriations for Agriculture will show that on January 28, 1954, Mr. Benson in direct answer to a question I asked with reference to what was wrong with the general principle of establishing such a soil bank informed us that in his opinion it was unworkable. He said there were many things wrong with the principles of such a program.

Mr. POAGE. Yes; and yet he was for it in January 1956.

The gentleman from Oklahoma asked me what has happened recently; I will tell him what happened. Last night I listened to the President's speech over the radio, that campaign speech he delivered last night, and I will tell you what happened then. It was not in the veto message that he sent up here yesterday, but last night he proposed to place the farmers further in debt and that we should go into 1957 and take 50 percent of the funds he proposed to pay to farmers for soil-bank compliance in 1957 and to pay them out before the election in 1956. Maybe that is the answer to the gentleman's question; maybe that is what has happened in recent days, in recent hours to make the soil bank more acceptable to some individuals than it was heretofore.

Mr. KING of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. KING of Pennsylvania. I was just wondering if in view of what the gentleman has just said about the soil bank that he will personally support the President's suggestion that following the veto vote tomorrow we promptly enact the soil bank.

Mr. POAGE. I expect we will go along with a soil bank. I served on the committee, as the gentleman from Pennsylvania did, that wrote H. R. 12; but I voted for it and I do not believe the gentleman from Pennsylvania did.

I served on the conference committee and worked out the bill that we brought to the Congress. We had in it a soil bank which I believe, as I stated to the gentleman from Oklahoma [Mr. Albert], would help make any support program work more efficiently and more easily.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield at that point?

Mr. POAGE. Surely.

Mr. H. CARL ANDERSEN. There is one point that I believe the President was not aware of and that is that when the conferees agreed to the 85 percent protection under feed grains at the very same time that the individual farmer took advantage of that he would have had to put 15 percent of his normal feed grain acreage into the acreage reserve portion of the soil bank, and that in itself would have brought many millions of acres under the soil bank feature.

Mr. POAGE. Of course. The gentleman from Minnesota is so right.

Mr. H. CARL ANDERSEN. I think the gentleman will agree with me that the conference report as agreed to by the House and the Senate had in it a very fine and effective soil-bank provision.

Mr. POAGE. I think it was excellent and I am hopeful that we may yet enact equally good legislation.

Mr. KING of Pennsylvania. Mr. Speaker, will the gentleman yield once more?

Mr. POAGE. I yield to the gentleman with pleasure.

Mr. KING of Pennsylvania. Assuming we do with your generous support enact the soil bank and put a billion dollars into the hands of the farmers, what do you think they are going to do with it with respect to productive operations this year?

Mr. POAGE. What are they going to do with the billion dollars?

Mr. KING of Pennsylvania. Are they going to use the billion dollars in the production of more surpluses, or are they going to salt it away?

Mr. POAGE. They will probably use most of it to pay their debts, if I know farmers.

Mr. KING of Pennsylvania. The farmers are not the segment of our society which has the debts, you know.

Mr. POAGE. The gentleman may have his ideas about that, and the gentleman is a very substantial farmer, I understand, but I am talking about the kind of farmers who owe debts. Down my way that is most farmers.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Is it not a fact that the mortgage debt of the farm population in the United States has increased at least a billion dollars in each year for the past 3 years?

Mr. POAGE. I think that is substantially correct.

Mr. DAVIS of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. That statement on its face does not mean too much, unless you also tell us the difference in the assets of the farmers in the course of that same period of time. But what I really wanted to ask the gentleman about, in defending the action on H. R. 12, is as to why the conferees saw fit to take out the only important protection for the dairy farmers of the northern part of this country. That was the protection against the use of diverted acres for the production of cheap feed for dairying in other parts of the country.

Mr. POAGE. I do not know just what the gentleman refers to, but I presume he means the cross compliance.

Mr. DAVIS of Wisconsin. That is part of it. There is no protection at all, of course, against farmers taking their land out of the acreage allotments and putting them into forage and pasture that could be used to produce other crops, mainly dairy products that would strictly compete against Wisconsin.

Mr. POAGE. Apparently this illustrates one of the reasons why the President vetoed the bill. Apparently certain Members as well as those in the executive department have not read the bill. It does provide specifically a 150-percent penalty for those who use any part of the land placed in the soil bank for any kind of crop, grazing, or otherwise.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. SIMPSON of Illinois. I would like to inform the House that today I have introduced a bill along the lines of the President's soil-bank suggestion and I have lifted the language out of the conference report exactly.

Mr. POAGE. I am glad the gentleman has read the conference report.

Mr. KING of Pennsylvania. Just one more question with respect to the worth of the farmers. Is it not true, regardless of the mortgage debt, that the net wealth after all indebtedness of the farmers today is the highest in history and higher than any other class of our society of equal size?

Mr. POAGE. The answer to the second part of the question is "No." Possibly in the first part of his statement the gentleman is correct because we have, whether I should say "enjoyed" or "suf-

fered" I do not know, but we have experienced a considerable degree of inflation particularly in the field of real estate. That inflation is reflected in the book value of our farm assets, but it has added absolutely nothing to the living income of the farmer. It has put no clothes on his children, it has put no rugs on his floors, and it has put no gasoline in his car.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I think the gentleman from Wisconsin [Mr. Davis] was referring to the provision which was taken out of the conference report providing that the support payments would still be made even if the soil-bank contract was violated.

What I wanted to address my question to is this: We in Wisconsin have a State in which we have a feed deficit, feed that is not produced on the farms. Our dairy farmers purchase this feed and the dairying and livestock consists of about 82 percent of our farm cash income. Our Wisconsin farmers purchased for their farms about $130 million worth of feed last year. The provisions of the conference report would have raised the feed cost in excess of 20 percent of $26 million. The provisions of the bill as far as supports are concerned merely raised the income of our farmers by $14 million, leaving us a deficit as far as cash income to our farmers in Wisconsin are concerned of $20 million. It seems to me we should not be put in the position wherein by legislation we hurt one segment of agriculture to the benefit of another. I think that is the main objection of the gentleman from Wisconsin. It was my objection to the bill as it finally passed.

Mr. POAGE. I will be happy to discuss the question of feed prices in just a moment. I would like to suggest in passing in regard to the dairy situation that the largest investment that I as an individual have is in a dairy. I myself have been supporting a dairy, and I say "supporting" because probably I could not have done if it I had not had this job for a number of years. I certainly do not want to injure the dairy industry. Actually, those of us on the conference, following the practice of a good many of us on the Committee on Agriculture, relied upon our Members from the strictly dairy areas. I think it will be admitted by the gentleman from Wisconsin that his colleague across the river in Minnesota [Mr. August H. Andresen], who has served on our committee more years than any other Member, is rather conversant with the dairy situation. The gentleman from Minnesota [Mr. August H. Andresen] signed the conference report and supported it and voted for it, and I felt that as one from the cotton area I was in reasonably good company as far as the dairymen were concerned when I followed the lead of my distinguished Republican colleague from Minnesota on matters of dairying. And, with all the great deference I have for the knowledge that the gentleman from Wisconsin has of the dairy situation, I felt that when there are arguments between the people in the dairy area, as there obviously are, and when the gentleman proposed to me a group of questions relating to local situations in Wisconsin and Minnesota that I should not be condemned when I look to the knowledge of my distinguished colleague from Minnesota who has served so long on our committee.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I thank the gentleman for yielding to me. We in Minnesota, of course, recognize our colleague, Congressman August H. Andresen, as having complete knowledge of the dairy problems. I would like to call the attention of my good friend and colleague from Wisconsin, whom I have had the pleasure of serving with on a subcommittee, to the fact that the last issue of Wallace's Farmer, in Iowa, carried a rather interesting article pointing out that because of the uncertainty of grain prices and because of the uncertainty of livestock prices that there was a great demand for dairy cows in the State of Iowa, and in parts of Minnesota, I might add. It would appear to me that the gentleman from Minnesota might take cognizance of that. Since they have the feed, they very likely have the livestock industry, particularly the dairy industry, in that particular area. Furthermore, I would like to point out that nationwide no segment of our agricultural prosperity gains when you pull down the economy of any other segment of our argricultural economy.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 30 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas.

There was no objection.

Mr. LAIRD. Mr. Speaker, will the gentleman yield further?

Mr. POAGE. I yield for a question.

Mr. LAIRD. I thank the gentleman for yielding again. I wish to comment on the statement of the gentleman from Minnesota, whom I have served with on the Subcommittee on Agriculture Appropriations and for whom I have a great deal of respect. I commend him on his statement, because that is the reason we in Wisconsin could not go along with the bill. H. R. 12 did bring down cash-farm income in our State, and we do not feel that you can adversely affect one section of agriculture without having an adverse effect upon all agriculture. That is the reason that we could not go along with the bill. Now, a person that represents a State with a feed deficit is in a much different position than our distinguished and beloved colleague from Minnesota [Mr. August H. Andresen] because figures as far as Minnesota is concerned are somewhat different than they are in Wisconsin.

Certainly we in Wisconsin could not support any type of legislation that would result to the detriment of one section of agriculture as it did to Wisconsin agriculture.

Mr. MARSHALL. Mr. Speaker, if my friend would yield to me, I was going to ask if he had observed any great movement of cows from Wisconsin to the State of Iowa?

Mr. LAIRD. Mr. Speaker. That is the reason we were very much interested in having tight grazing safeguards written into the soil bank proposal. We do not feel it is right to establish supports for some sections of the country at a high level without also putting certain controls on the use of land taken from production. We were most interested in having the agriculture support program tied in with the soil bank so that we would not be threatened with that diverted acreage problem.

Mr. POAGE. Having discussed the dairy question, now let us turn to the veto message. What has the President vetoed? He has vetoed the only present hope of a higher income for American farmers this year.

True, he says that he wants a soil bank and he suggests that a soil bank alone would in some unexplained manner add to farm income. How would it increase farm income? The President does not tell us. The truth is, while the soil bank will, if intelligently administered, make any price support program work more effectively, it only proposes to directly reimburse the farmer for the net income he is expected to lose as a result of his participation. Suppose you have 100 acres of allotted cropland eligible to go into the acreage reserve. Suppose your average net income from that land has been $25 per acre. Suppose you put 20 acres into the soil bank. For this you would expect to get 20 times $25 which would be $500. Presumably this would equal but not exceed the profit you could have otherwise made by growing and selling a crop from this land. Where is your new or additional income? Of course, it isn't there. The soil bank does not add to farm income per se.

But it does greatly reduce national income. In the first place it is expected to cost $1,200,000,000 of tax money in 1 year. That is more than twice as much as the whole 90-percent support program on all six of the basic commodities has cost for the past 23 years. See Mr. Benson's own statement in the January 31 analysis of program results published by the Commodity Credit Corporation. But it is not the expenditure of this vast sum which disturbs me as much as the fact that it will actually reduce gross farm income by at least as much as the expenditures for the soil bank.

Again think of the 100-acre farmer who puts 20 acres in the acreage reserve. Had he grown a cotton or corn crop on those 20 acres he would have expected to gross $50 per acre—$1,000 in all. Regardless of his net, if any, this $1,000 is going to be spent in the community. It is going to pay for labor, for fertilizer, for machinery, for gasoline. It is going to turn the wheels of commerce, but under the soil bank alone there is not going to be $1,000. There is only going to be $500. The total money produced and spent into the economic blood stream is going to be cut exactly in half. Certainly, the farmer as an individual is going to have the same net on the acres he had before, but the community is not going to have but 50 percent as much gross.

The farmer clearly needs an increased net. He does not get it under the President's proposal. The community—and in the final analysis the Nation—needs to continue the gross at least where it is. The President would reduce this gross.

In addition, the President's proposal would reduce the income from every acre of basic crops the farmer produces. Here is a table showing just what the present law offers the producer of each of our basic commodities. It first shows the farmers' returns under the present law as administered prior to the veto message.

It then shows what the farmer would receive under the farm bill the President has vetoed, H. R. 12. Then is shown the payments the President offers in his veto message. It then shows just how much farmers are going to lose by the President's plan as compared with the farm bill we passed:

Analysis of the estimated effects in 1956 of the administration's preveto announced farm support program, of H. R. 12, passed by the Congress and vetoed, and of the President's veto message prices

[Percentage of parity support level is shown beside dollar figures in (1), (2), (3)]

	Unit of quantity	Preveto announced program under present law (1)	H. R. 12 (2)	Postveto announced in veto message (3)	Estimated 1956 crop values under preveto program (4)	Estimated crop values H. R. 12 (5)	Estimated 1956 crop values under postveto program (6)
Basic crops:					*Millions*	*Millions*	*Millions*
Cotton	Pound	$0.2623 (75)	$0.3181 (90)	$0.2885 (82½)	$1,923	$2,332	$2,115
Wheat	Bushel	1.81 (76)	2.27 (90)	2.00 (84)	1,698	2,129	1,876
Corn (commercial)	do	1.40 (81)	1.65 (90)	1.50 (86)	2,396	3,350	2,566
Rice	Hundredweight	4.04 (75)	4.90 [1](90)	4.50 (83)	216	230	230
Peanuts	Pound	.91 (80)	.123 (90)	.107 (82½)	147	198	172
Feed grains:							
Oats	Bushel	.59 (70)	.72 (85)	.59 (70)	930	1,050	930
Barley	do	.93 (70)	1.13 (85)	.93 (70)	364	409	364
Rye	do	1.16 (70)	1.41 (85)	1.16 (70)	34	38	34
Grain sorghum	Hundredweight	1.80 (70)	2.18 (85)	1.80 (70)	419	471	419
Noncommercial area corn	Bushel	1.05 [2](75)	1.40 [3](85)	1.125 [4](75)	728	890	780
Dairy industry:							
Butterfat		.562 (78)	.586 (81)	.586 (81)	(5)	(5)	(5)
Manufacturing		3.15 (82)	3.25 (84)	3.25 (84)	(5)	(5)	(5)
Total					8,854	11,097	9,486

[1] 90 percent for United States and Cuba, lower for export.

[2] 75 percent of commercial corn support.

[3] 85 percent of commercial area corn support.

[4] 75 percent of commercial area corn support.

[5] Figures on milk production not available.

On these calculations, not including figures on butter and manufacturing milk, H. R. 12 gives the farmer $2,243,000,000 more, in terms of the crop values in 1956, than the administration supports announced prior to the veto. H. R. 12 gives the farmer $1,611,000,000 more than the crop value to be reflected in prices announced by the President in his veto message.

The President's action yesterday will, if it is allowed to stand, cost cotton farmers exactly $15 per bale, or a net loss of $217 million. It will lessen the value of the corn crop of the commercial corn area by $784 million. It will cost the growers of corn in the noncommercial corn area 35 cents per bushel or around $110 million, and the growers of other feed grains from 38 cents per 100 pounds of grain sorghum, to 13 cents per bushel on oats, 20 cents per bushel on barley and 23 cents per bushel on rye. These grains will suffer a total loss of about $221 million. Wheat will lose $253 million, plus the opportunity to increase the volume of export wheat.

The above computations are on the basis of 1955 production except in the case of corn the 43-million-acre allotment for 1956 is used in computing the estimated crop value under the administration's pre- and post-veto programs, and the 51-million-acre allotment which would have been provided for corn in H. R. 12 is used in computing income under the bill passed by Congress and vetoed. In the case of cotton and peanuts for which no definite programs have been announced, support levels of 75 percent for cotton and 80 percent for peanuts are supplied for the purpose of computing the preveto programs and 82½ percent is used for both crops in the postveto figures, since the President said the 1956 supports would not be less than 82½ percent. In the case of feed grains, including corn in the noncommercial area the income estimate assumes that one-half of the 15 percent acreage reduction loss to farmers would have been recovered under H. R. 12 through soil bank payments. In the absence of any estimates of soil bank participation through H. R. 12, these computations assume participation in the acreage reserve only where such would have been required as a condition for higher level price supports.

However, the requirement of a 15-percent reduction of acreage of both noncommercial corn and of other feed grains contained in the bill as passed is not contained in the President's plan. Apparently he would go back to the old program of planting feed without limit and then piously wonder why the Government had to take so much corn into the loan. The President offers corn growers in the commercial area 86 percent of parity supports with no effective controls on production.

Mr. Speaker, a fourth-grade child could tell General Eisenhower that if you have no production controls on feed grains—and practically none on corn, and the President proposes no new controls—that we will, of course, grow too much feed; and a fifth-grade child could tell him that if we grow too much feed, that we are going to have too many hogs and cattle. Cheap feed makes cheap livestock. I have been in the cattle business, at least in a very small way, all my life, and I never made a dollar on cattle when everybody's feed was cheap. I do not believe many other growers have, either. In fact, one important and practical thing this bill contains for livestock growers is a limit on the overwhelming flood of cheap feed which has been destroying our markets in recent years. We had no 10-cent hogs until we had cheap corn. The bill the Congress passed required a reduction in both corn and feed grains—a thing that Mr. Eisenhower's low 70-percent supports had not heretofore been able to accomplish. Remember, feed grains have long been supported at only 70 percent of parity, but their production has increased phenomenally.

While I am speaking of the failure of low support prices to control the production of feed grains, I wonder if we might not right here examine the utter fallacy of the President's whole charge and the charge of so many uniformed writers and commentators that high rigid support prices built up our present surpluses and account for most of our losses on our previous support programs. Doubtless most people who have never studied the question believe that, including the President. It sounds reasonable. Why would a farmer plant more if he knew that the price was going down? That is a good question and it deserves a fair answer. I will tell you why.

Farmers are just like other people. They do the best they can to care for their loved ones just as city people do. Suppose you were a cotton farmer. Not, necessarily, one of the smallest but suppose you grew 10 bales. Last year, the price of cotton was 31 cents—nearly $160 per bale. For this 10 bales you got roughly $1,600 gross. Suppose you learned that next year the price of cotton would be only half as much, or $80 per bale. The President assumes you would cut your production of cotton. Of course, he assumes you would go into some more profitable line of farming. That would be fine but for two things—in the first place, the price of all crops is depressed. There are no profitable alternatives. And in the second place, as a cottongrower you doubtless live in a one-crop country. There is no other cash crop available to you. You cannot grow oranges. If you are a wheat farmer you cannot grow asparagus. No, my friends, these six basic crops are called basic because they are, each in its own area, so basic to the economy of the area in which produced. Peanuts, rice, and tobacco are small in total value but they are of tremendous importance to the man who lives in their area of production. They are each, indeed, basic to those who must depend on them for a living. So as a cottongrower you simply cannot shift. Your only recourse, if you are to maintain the living standard of your family, is to grow more, not less, cotton.

This is exactly what the farmer will do. We grew our largest cotton crop when we had 52 percent of parity supports. According to General Eisenhower we should have been importing cotton that year.

It is the failure to understand this simple economic fact which has caused so many people to be so critical of our 90-percent supports. It has been and is this misunderstanding which has caused so many people to make the mistake the President has made and to charge that what they call high rigid supports have caused the accumulation of vast surpluses at great loss to the Government.

Of course, 90-percent supports are not high. They are only nine-tenths of a fair price. Would our labor unions settle for nine-tenths of a fair wage? Would the Bell Telephone Co. take a rate which gave them only nine-tenths of a fair return?

They are not rigid, because parity itself is a changing figure. It comes down whenever farmers' costs come down and it can never go up until after farmers' costs have gone up.

But let us look at the record. I again quote the January 31, 1956, statement of the Commodity Credit Corporation. It shows that as of that date our total losses on all 6 of the basic commodities was only $522,433,922. This, incidentally, compares with a net profit on these 6 commodities of over $13 million the day General Eisenhower became President. On that same date we had lost just about $120 million on milk and milk products. As of last January our losses on milk and milk products alone stood at $958,606,000—and supports on milk have been flexible every day since the program began.

Two things stand out—the great bulk of all losses has been sustained under the present administration, which has constantly insisted that it was going to lose money—insisted so strenuously that it had to lose money to make good its own claim—and second, the great bulk of the losses have been sustained in supporting commodities which have been on a flexible basis. Why should we condemn the program which has lost the least money and embrace the one which has proven itself to be the greatest loser? That is exactly what the President asks us to do.

Let us now look a moment at the veto message itself. The President expresses his bitter disappointment at the long delays "which this legislation encountered." Actually, this conference report was passed by both Houses just 3 months and 2 days from the date the President made public his first rough outline of his wishes. I submit this is almost record time for any major legislation. It could not have been achieved had this House not last year foreseen the necessity for relief for our farmers. Just 2 weeks more than a year ago we passed H. R. 12.

That was not an election year. We were merely trying to do what we knew should be done for the farmer. We had no help at that time from the White House. Not even a kind word. General Eisenhower was not then interested in a soil bank or any other farm program. In fact, our committee submitted 2 soil-bank bills—one by a Democrat and an identical one by a Republican to Mr. Eisenhower's Department of Agriculture. We asked for comments and recommendations. We submitted the bills on January 17, 1955. It was not until July 27, 1955, that we got a reply. The reply was that a soil bank was too expensive. The administration did not then support it.

On October 31, 1955, our chairman, Hon. HAROLD D. COOLEY, wired Mr. Eisenhower's Secretary of Agriculture and offered to call the Agriculture Committee of the House to consider any suggestions the administration cared to submit. Mr. COOLEY explained that he did this in the interest of time. On November 9, 1955, the Secretary replied that he had no suggestions to offer and that he would have none until in January. He sarcastically added that perhaps our committee would want to ask Mr. Walter Reuther for a farm plan.

Mr. Speaker, I ask unanimous consent to include copies of the above-mentioned exchange of messages at the end of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Thus the record is clear proof that for a full year this House has sought to come to grips with this farm program but that it was not until the 9th day of this year that we were given the vaguest outline of the President's wishes and it was the 27th day of February before our committee received a completed bill from the Department. Where, Mr. Speaker, where Mr. President, has been the delay?

I realize that I have already spoken at length. I can only ask my friends to bear with me very briefly while I refer to the ugly phase of the veto message. We could forgive the failure of a great general to understand the economies of a cotton farm, but when it is implied, as it is implied by this message, and as it has been stated by so many of the administration stalwarts, that the Congress passed a political bill hoping for a veto, I must resent the implication.

With many others, Republicans as well as Democrats, I worked long and hard on this bill. I have never seen a conference committee work harder. We brought to our respective Houses a bill which I sincerely believe will help our farmers and will help stabilize our whole economy. Evidently many of our Republican colleagues thought so last week when 48 Republican Members of this House and 15 Republican Members of the other House voted for this bill. I assume that those men all voted for this bill because they believed it to be a good bill. I assume that those men voted for what they thought was in the best interests of their people, just as I did. Conditions have not changed during the last 6 days. Unless those men now believe that General Eisenhower knows farm conditions better than they themselves do there can be no reason for them to now change their votes. If they will but recognize as I do, that they know agriculture better than does the general, then they will vote with us tomorrow and we will together override this veto and move on to a better day on the American farm.

The Congress passed a bill remarkably free of any partisan politics. We gave the President the soil bank he has so recently embraced, and we gave him the same support program we had heretofore given to President Roosevelt and to President Truman. No one cried "foul" when we sent similar bills to former Presidents. There has been no change in the congressional determination to assure all producers who accept acreage restrictions of 90-percent support. Why should we now be suddenly charged with partisan politics? I do not believe that charge is fair. I do not believe this veto message is sound. I have an idea that the President's inability to clearly analyze the alleged defects of this bill prompted the use of more generalities in his message, and the unfounded charge of "politics" by his political spokesmen. I do not believe that the 48 thoughtful Republican Representatives who less than 1 week ago voted for this bill will allow someone else, anyone else, to cast their vote for them this week. I believe we can and should override the veto.

OCTOBER 31, 1955.

HON. EZRA TAFT BENSON,
The Secretary of Agriculture
Washington, D. C.:

Press reports indicate that you have definite recommendations to make which will tend to improve the deplorable situation in which the farmers of America now find themselves. Press reports further indicate that President Eisenhower will make constructive recommendations to Congress when it convenes in January. If either you or President Eisenhower have recommendations to make which may even tend to improve or check the downward trend of farm income, I shall appreciate your advising me. The House of Representatives, by appropriate resolution in the last session of Congress, authorized me to call meetings of the House Committee on Agriculture at any time and authorized our committee "to sit and act during the present Congress at such times and places within or outside of the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to make such inspections or investigations * * * as it deems necessary." As chairman of the House Committee on Agriculture, I here and now advise you that I deem it necessary to hold meetings of the committee for the purpose of receiving, considering, and acting upon any and all recommendations which either you or President Eisenhower may desire to make and to have considered by the House Committee on Agriculture.

If either you or President Eisenhower have recommendations to make to Congress which you believe, if adopted, will tend to improve the tragic situation in which American agriculture now finds itself, and if you believe that legislation is needed, you should not wait. You should act now and be prepared to present legislation to Congress when it convenes in January. Unless you request a hearing before our committee, I shall assume that neither you nor President Eisenhower have recommendations to make and that the administration does not believe that new legislation is now needed. The farmers of America can no longer live on promises. If, after the many months you have been in office, you have new and constructive recommendations to make, I am certain that the members of the House Committee on Agriculture will be glad to meet at any time and place that will suit your convenience, and to consider such legislation as may be recommended. If additional authority is either necessary or desirable, I regret that you did not advise us before the first session of the 84th Congress adjourned. The farmers of America are ready, willing, and anxious to cooperate in any program which may tend to improve the pitiful plight in which they now find themselves. The problems of agriculture are paramount. Delayed action may prove to be disastrous to the entire economy of our country. As you know, Congress cannot act upon such recommendations as you may have to make until our committee has approved such recommendations. The situation is desperate. We should act without delay.

HAROLD D. COOLEY,
Member of Congress.

NOVEMBER 9, 1955.

Reurtel October 31 you have correctly interpreted press report indicating this administration will make definite recommendations aimed at strengthening and improving present agricultural legislation. These recommendations are now in the process of preparation. I would anticipate they will be presented to Congress by President in traditional message form next January. The specific suggestions would, I assume, then be referred to the agricultural committees of the Senate and House and to some other interested committees in the usual way. Meanwhile, I would be happy to receive from you any new suggestions which you may have for alleviating the farm price-cost squeeze. Perhaps Mr. Walter Reuther, whose appearance before your committee drew such high praise from you earlier this year could be helpful in suggesting means of checking the advancing cost of goods and services farmers must buy. As you know, it is this factor of inflexible high operating expense that is largely responsible for the economic difficulties faced by farmers.

In your telegram you expressed regret you were not advised earlier that additional legislation "is either necessary or desirable." Your committee files will show that I urged you to hold hearings on a number of bills carrying Department of Agriculture endorsement. For example, not once but twice I implored you to schedule hearings on badly needed legislation which would have exempted from marketing quota penalties farmers who produced wheat exclusively for use on the farm where grown. As you know, hundreds of legal actions are now pending against individual farmers throughout the country whose only crime was that they grew wheat to feed to their own livestock on their own farm. Since you have released the contents of your telegram to the press I am taking the liberty of doing the same.

EZRA TAFT BENSON.

THE STRATEGIC AIR COMMAND

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 45 minutes.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, the military security of the United States is today, as always, a matter of paramount and overriding concern to the American people.

In 1956, however, there is a new dimension to that concern.

Atomic Energy Commissioner Murray defined the new dimension clearly as early as 1953, when he bluntly stated:

> There can no longer be any doubt that mankind now has in its grasp the power to destroy the human race.

The awe-inspiring potential of atomic weapons in today's world was expressed on January 25 by Air Secretary Donald Quarles when he listed as the number one offensive force of this country "a Strategic Air Command capable of delivering on an aggressor, in 1 week, 1,000 times as much explosive force as hit Germany in all of World War II."

Mr. Speaker, many of us have had the opportunity, in the years following World War II, to see at first hand the terrible destruction of German industry and economy which was inflicted during the war years, in large part by aerial bombardment.

It is difficult to contemplate an explosive force 1,000 times as great as the terrible power which reduced mighty Berlin to rubble and leveled sprawling Frankfurt.

It is almost as difficult to picture the aerial armada necessary to do this thousandfold job of destruction, and to do in 1 week many times the damage which required years of terrible sacrifice and effort in World War II.

When the mind succeeds in grasping these awful pictures, we then have some comprehension of Commissioner Murray's fearful assessment of our present atomic power.

At the same time, we should also have an immediate and compelling respect for the arm of American military power which today carries the major responsibility for delivery of this awesome force—the Strategic Air Command.

What is the Strategic Air Command?

Who is the man who leads it, and what do we know about him and his concept of SAC responsibility?

What is the principal job of the American general in the nuclear age, as defined by SAC's commander?

What are the most dependable aerial weapons of SAC today, and their likely replacements?

What are our major problems in maintaining air supremacy in the nuclear age?

Do we need the expensive foreign bases which appear at strange parts of the world today?

How does United States airpower compare with Soviet airpower in 1956?

These are a few of the questions which come to mind, as one takes a careful look at the principal offensive striking power of the Air Force today. Schoolboys know the answers to some of these questions, and some of them can already discuss the relative merits of F–94's and F–89's, or B–36's, and B–47's.

Among the American people at large, however, there is a great and continuing curiosity concerning the Strategic Air Command—its men, its mission, and its future.

A great motion picture was made on this subject not long ago, and millions of Americans lined up at the theaters of our country to learn more about the force known as SAC.

Recently, a well-known radio and television personality, Arthur Godfrey, described in a program an important magazine article on the subject of the Strategic Air Command, which appeared in Air Force magazine for April 1956.

There followed a great flood of requests to Air Force Association, publishers of this magazine, for copies of this article, one of the most authoritative reports ever written on the subject of SAC. The American people wanted to know more about the command which held in its grasp the awful force of atomic war—which a great British statesman had described as the best peace insurance in the world today.

The Air Force magazine article is authoritative because it is written in very large part by the men who know SAC best—the men who fly the planes and man the guns of the Strategic Air Command.

For example, there is an enlightening section on the Bomber's Role in Diplomacy, by Maj. Gen. James C. Selser, Jr., deputy commander of the 8th Air Force in SAC.

There is an eye-opening discussion of How SAC Tackles Its Security Problem, by Brig. Gen. David Wade, SAC inspector general.

Col. David C. Schilling has written about the fighters of 1956 and the future, and as a Harmon Trophy winner he writes as an authority.

The importance of aerial reconnaissance has been pictured vividly by Brig. Gen. Hewitt T. Wheless, commander of the 801st Air Division.

Concluding the great series of articles, which include a number of other discussions by leading air experts, is a penetrating summary by the Commander in Chief of SAC, Gen. Curtis E. LeMay, entitled "SAC's Readiness Is Our Peace Insurance Policy."

The entire series is of such compelling public interest today, and of such great importance in a full understanding of our military picture, that I welcome this opportunity to read it into the RECORD of this Congress:

SAC: MEN WITH A MISSION

(By Ed Mack Miller)

Shortly after 1900, Maj. Gen. Leonard Wood, United States Army, then commander of the Department of the East, was asked by

a reporter if "Airplanes such as are now in operation could be used in direct attack?"

"Hardly," General Wood replied, "for the airplane, wonderful as it is, has simply reached a point as yet where it is able to travel with a minimum burden, at a comparatively low elevation, and for a comparatively brief space of time. It has not yet essayed to carry more than 2 persons, the mental and physical activities of at least 1 of whom are constantly engrossed in the task of manipulation and control. The airplane of today must have certain definite conditions to insure a successful start and successful alighting. As a factor in warfare, the airplane has not yet demonstrated its utility."

"Someday," the good general added, however, "the airplane is likely to become a device that will have to be reckoned with."

General Wood was indeed more perceptive than another general who, years later, while testifying before the Morrow Board in 1925, said, "I see no reason why the range of a military airplane should ever exceed 3 days' march for the infantry."

Fortunately, there were men of vision in the early years of the century who clearly foresaw the tremendous impact strategic aviation would have on the history of the world—Douhet, the Italian strategist; Count Caproni di Taliedo, builder of the Caproni bombers of World War I, who said, "No resistance is possible against the domain of the air"; and America's Brig. Gen. Billy Mitchell, who told the Congress: "Remember, gentlemen, that national defense in the next war will be measured primarily by airpower."

And nothing thus far has weakened the reply that Mitchell made to the House committee chairman who asked: "Do you mean to say that aircraft will dominate all arms of defense?"

Mitchell's answer: "I mean that aircraft can go straight to their destination, no matter where they may be. Nothing known at present can stop them."

The dropping of the atomic bomb by a B–29 on Hiroshima offered undebatable proof of the capabilities of the strategic air arm, and in so doing vindicated the foresight of its proponents.

This devastating strike brought about the first capitulation of a major enemy homeland without full-scale invasion by ground troops, thus saving the lives of thousands of Allied soldiers, who were even then on the Japanese doorstep, poised for the traditional invasion.

Strategic bombing as a tactic of war came to fruition in the World War II. One of the pioneers of the new type of warfare was Gen. Carl A. Spaatz, later to become first Chief of Staff of the United States Air Force. General Spaatz commanded the Eighth Air Force during its formative days as a strategic bombing unit. He later became commanding general of the United States Army Air Forces in Europe, heading the combined Eighth and Fifteenth Air Forces. This was in 1944, when Lt. Gen. James H. Doolittle, who earlier had headed the North African Strategic Air Forces, was commander of the Eighth Air Force.

After the huge and powerful air forces of the United States had helped whip Hitler, General Spaatz took over command of United States Strategic Air Forces in the Pacific, and from his headquarters on Guam oversaw the final devastating aerial assault on the Japanese homeland.

Here one of his top commanders, as head of the 20th Air Force and later Spaatz's chief of staff, was the man who now heads the United States Air Forces Strategic Air Command.

Curtis E. LeMay, a native of Columbus, Ohio, and a graduate of Ohio State University with an engineering degree, received his pilot's wings in October 1929. Before becoming our top B–29 commander he had served under Spaatz in Europe. He commanded the 305th Bomb Group, one of the First United States Air Force's bombardment units to enter European combat, and pioneered numerous strategic bombing tactics, including the straight-in bomb run and formation pattern bombing.

He initiated the lead crew system whereby all planes on strike were guided by one crew and developed a new bomber combat formation which cut combat losses throughout World War II. General LeMay led the 1943 shuttle mission of Flying Fortresses from England to Regensberg, Germany, and in August of 1944 was given the 20th Bomber Command, where he used techniques developed over Europe to increase the number of B–29 raids in the China-Burma-India theater. Other Pacific area assignments followed, including command of the Marianna-based 20th Air Force, and General Spaatz's chief of staff until September 1945.

After the war he served as Deputy Chief of Air Staff for research and development. From October 1947 to October 1948 he commanded United States Air Forces in Europe, where he began the Berlin airlift, after which he returned to the United States, taking over the Strategic Air Command in October of 1948.

LeMay, the man, is a dedicated airman who thoroughly learned the lessons taught by General Mitchell, Arnold, and Spaatz. A matter-of-fact person who does not easily tolerate small talk or small ideas; he dislikes speeches and publicity. His life is in the Air Force and SAC.

Although those men close to LeMay say that too much fiction has already been fabricated about the SAC Commander in Chief's cigar-in-jaw toughness (they say he is a pretty regular fellow who has the sense to know that in his world-guarding job he must be without feelings or sentiment or fear), they admit that in fulfilling his mission, Curtis LeMay has had to be as hard as the job that faced him in building the world's greatest aerial deterrent force, the Strategic Air Command.

"At our bases," he has said, "There is a certain urgency in our operations. That is because the training in this command must simulate combat conditions as accurately as possible. The continuing job of all of us, whether airman or officer, is to use the resources we are provided to give the Nation full value in combat capability. Our Nation's air strength always must be kept great enough to maintain peace by discouraging global war—or in the event of a war, strong enough to discharge its mission effectively.

"In the event of war, the long-range bomber and the nuclear weapon enable us to carry to an enemy's heartland the greatest destructive power the world has ever known. The airplane can reach over and beyond the masses of manpower the Communist world has mobilized behind the Iron Curtain.

"It is the only means by which we can bring our full power to bear directly against his muscle and heart. As long as we maintain superior air strength, we will probably never have to use it."

When SAC was activated in March of 1946 at Bolling Air Force Base, Washington, D. C., its first commander was Gen. George C. Kenney. Then SAC had only three jet planes—Lockheed P–80s. Its total manpower was about 37,000 persons. It had a total of 600 planes, of which 250 were obsolescent bombers. Under its command were 18 active bases.

Now, 10 years later—10 years in which the growth of SAC's power has unquestionably been the prime deterrent to Soviet aggression—the Strategic Air Command can list some proud accomplishments. It now has more than five times the number of personnel it had 10 years ago (and its critical problems today are centered in long-term retention of the best). It also has five times the number of planes it had then—and most of them are jets, ranging from nuclear-bomb-carrying fighters to the world-spanning B–52. SAC now has more than 30 bases in the United States and more than 10 overseas operating bases, and is ready to go at any time—when, as the men of SAC say, "the whistle blows."

General LeMay wants the world to know his boys are good but like every other sensible citizen, he doesn't want a showdown if a showdown can be averted.

The world of SAC is controlled from Offutt Air Force Base at Omaha, Nebr., where General LeMay keeps C–97 command transports in constant readiness for quick inspection trips to any part of his farflung domain.

That domain includes 3 major subordinate commands and 3 air divisions: The 2d, 8th, and 15th Air Forces in the continental United States; the 3d Air Division on Guam; the 5th Air Division in north Africa; and the 7th Air Division in the United Kingdom.

The 51 wings in the command train constantly, with an atmosphere of wartime urgency governing all their actions. Through a vast system of global communications, SAC measures its efficiency in its ability to get in touch with a single plane flying anywhere in the world.

And if it takes longer than 20 minutes to contact him, there may be a little hell to pay.

For Commander LeMay must figure that if he can't reach all of his outfit, wherever they may be, in that length of time it may be too late.

When SAC was organized 10 years ago, global capability became its primary objective, and the combined brains of American scientists, industrialists, fliers, and statesmen pushed toward it from several directions.

The first was foreign bases. As SAC moved its big planes across the oceans in the years following 1946 and found bases close to the periphery of Soviet territory from which they could operate, its dynamic character began to take shape.

The second way took a leaf from Norse mythology. The eldest son of Woden, king of the Norse gods, was Thor, a strong, brave, and kind warrior who wore iron gloves (like the one on the SAC crest) and a belt of strength around his waist. His chariot wheels made thunder as he rode through the sky, and in his strong right hand he held the strongest weapon of all—his magic hammer, which would return when thrown.

SAC's second answer then, to the problem of deterring an enemy who lived across the world, was a mighty bomber, the B–56. It could carry enough fuel so, like Thor's hammer, it could do its work of combat and still fly back to its master.

They called the B–36 the peacemaker because it was the big deterrent in America's peace policy in the years after 1947. It helped build a belt of strength around the globe and, like Thor's chariot, its sound of thunder made the men who might have toppled the world into a bath of blood think twice.

The B–36, with its 6 conventional and 4 jet engines, a range of 10,000 miles, an altitude capability of above 40,000 feet, and, at reduced range, a bomb capacity of 40 tons, became a high-flying symbol of security. The B–36 will be replaced in the SAC program over the next several years by the newer all-jet B–52.

And, although it may have never dropped a bomb in anger, no one will be the sadder, for it will have accomplished its mission perfectly—as a world-spanning peacemaker, flying its beat in protection of the rights of freemen.

The third method developed to assure that SAC crews could bomb anywhere in the world and still return to home base was aerial refueling of medium bombers.

Of course, none of these advances were made without much trial and more error.

But, in the face of a driving necessity for a boomerang bomber force, the men of SAC have done much since 1946.

The global-mobility aspect posed many headaches, because to move an entire combat unit, complete with everything from spare engines to spark plugs—and do it on an hour's notice—is no mean trick. But constant planning and training have given a pattern to the operation so that now SAC bosses can almost time the entire business with a stopwatch, even to the point of prescribing that the equipment be set up on arrival within a specified number of hours.

Planes and equipment are maintained in a constant state of readiness. Essential unit equipment—the minimum immediately required for short-term operation at a forward base—is packaged and ready to go at any time.

Flyaway kits, or aluminum bins on casters, are packed with critical aircraft spares for quick hoisting into bomb bays and movement to forward areas. These kits always accompany combat aircraft on foreign rotations and will support a wing for 30 days of operation.

In addition, personnel are always ready. All medical inoculations are kept up-to-date. Those whose jobs require special tools, such as radio and radar technicians, have their own flyaway kits packed and ready to go at all times.

When the order comes, an entire wing—planes, crews, maintenance parts, and records, as well as support planes and personnel—is soon in the air, moving quickly to forward bases. Only a few items and a few people are left. Large and heavy types of maintenance equipment which combat aircraft cannot carry are handled either by SAC's own cargo airlift capability in C–124's or by MATS plants which also move critical personnel who can't be taken in the combat planes.

General LeMay says, "Moving an entire combat wing is comparable to picking up one of our major domestic airlines, moving it across an ocean, and putting it back in operation all within a matter of hours. This is now accomplished as a routine training deployment."

Since actual experience is the most realistic form of training, each SAC combat wing conducts annual maneuvers as a unit at an advance base. This training outside the United States is usually for a 3-month period, and SAC crewmen quickly become familiar with the geography, customs, and operating conditions in different parts of the world.

SAC mobility is continually demonstrated as wings deploy from United States fields to advance bases in foreign lands as part of normal training, often crossing each other's path of flight as the armadas switch bases. Jets and prop-driven aircraft take part in the mass flights across the oceans of the world, and fighter aircraft, such as the F–84G, cover almost the same distances on their nonstop missions.

General LeMay and his commanders have tried to think of every angle in the "quick-haul, bomb-drop business." And they have found the best way to train is to consider every day M-day and every hour Zero-hour.

With the B–50 already long since retired and the B–36 playing out its last years of service, the SAC arsenal is moving into the pure jet field rapidly.

The workhorse of LeMay's command now is, of course, the B–47 stratojet, that beautiful, sweptwing, tall-country tiger that has been such a good airplane that its crew chiefs say it's like maintaining a B–29 without engines. Powered by six General Electric J–47 turbojet engines, the B–47 is in the 600-miles-per-hour class and has established several impressive times and distance records. Its range with inflight refueling is restricted only by the endurance of the crew. Larger than the heavy bombers of World War II—its wings span 116 feet and its fuselage measures 106 feet and 8 inches—the B–47 is manned by a crew of 3. All SAC medium bombardment and reconnaissance wings are now equipped with B–47's.

SAC's Big Bertha is the B–52 Stratofortress. The jet-propelled B–52 possesses the greatest combat potential ever built into a United States Air Force heavy bomber. Designed to cruise at over 600 miles per hour for 6,000 miles without refueling (it can, however, refuel in the air, too), it weighs as much as 120 automobiles. It is big, with wings long enough to span the width of a football field—plus 25 feet. It is powerful, with 8 Pratt & Whitney J–57 jet engines producing the power of 30 diesel locomotives. And is is so fast that few jet fighters can match it at altitude.

Designed to meet exacting requirements of Strategic Air Command's long-range operations, this newest heavy weight is being delivered to SAC as rapidly as the ships are produced, which is not nearly rapidly enough. The first of the B–52's was delivered in June 1955.

Ultimately to replace the Republic F–84F fighters will be the F–101A Voodoo, developed by the Air Force in conjunction with McDonnell Aircraft Corp., and designed to meet SAC requirements for a long-range strategic fighter. The most powerful United States aircraft of its type, the Voodoo is supersonic and can be refueled in flight. It is capable of carrying nuclear weapons.

Coming along as a replacement for the workhorse Boeing KC–97 tanker is an advanced version of the Boeing 707 jet tanker-transport now in production for SAC. The Air Force has designated its first jet tanker plane the KC–135 Stratotanker. The KC–135 will be used to refuel both the B–52 and the B–47, adding greatly to the strike potential of the sleek bombers.

A 707 prototype already has demonstrated its ability to refuel the B–52 at high speeds and altitude, which means that the fast jet bombers won't have to drop to low altitude and low airspeed to refuel, as is the case with the KC–97 flying gas station. In flight tests conducted by Boeing the aircraft has frequently cruised at altitudes higher than 42,000 feet and at speeds greater than 500 miles per hour.

The big baby in the hauling department remains the Douglas C–124 Globemaster II, largest production transport in the Air Force. It is used by SAC to perform a variety of long-range cargo missions all over the world. The heavy-duty carriers are capable of speeds around 250 miles per hour and have a range of up to 4,000 miles. They make up the strategic support squadrons which give global logistic back-up to SAC combat elements.

The improvement of aircraft types will, of course, make SAC less dependent on foreign bases when newer and bigger planes, truly intercontinental bombers like the B–52, become available in really adequate numbers.

This is not to say that SAC should give up any of its advance bases. Although die-hard isolationists shout that it is the logical thing to do, commonsense dictates that fighting a war from United States bases with medium bombers should be the last resort.

SAC is in the hauling business, and a short haul is always more efficient than a long one. The turn-around time is doubled or more, and so, in a given period of time, less destructive force is placed on the targets.

Another advantage in substantial numbers of foreign bases is that, in addition to complicating his problem of effective action against the United States, it gives the free nations greater flexibility in that they know that the Communist is going to be able to get a relatively much smaller portion of bases—so that we, therefore, have many more to operate out of, which gives us many different approaches to the target area.

The problem of defense posed to the Soviets, then, is tremendous. They know that jet bombers can come from all directions, so they have the problem of moving their fighter force, and setting up their static defenses, their missiles, and their flak so that they can defend themselves efficiently. Obviously, they would be spread quite thin if the United States has a vast number of advanced bases. Of course, there is little intelligence available on the enemy defensive force. It is known that they have good fighters in abundance, and that their force is improving rapidly in quantity and quality. Their radar may be good, too—but, as General Mitchell said: "You cannot stop a determined bombing attack once it has started." You can punish it severely, however, and attrition is another SAC headache.

The men of SAC are the best bomb droppers in the world. Their test missions are deadly serious. On the ground, every bomb run is accurately charted with electronic devices by a radar bomb-scoring detachment so that accuracy can be proved—and improved. Planes from SAC bases are in the air each day, each night, week after week—roaring along at better than 600 miles per hour as crews go through all the procedures they would use on an actual bombing mission in war.

Weather makes little difference. In actual combat, planes and crews would fly their missions regardless of weather conditions. So SAC continues its missions in rain, fog, snow, windstorms, and clouded visibility, day and night, for with radar bombing equipment, it is not necessary to see the target to bomb with accuracy—and war might occur in any weather.

Flying at altitudes of 8 miles or higher, each bomber heads in on an American city. Then an observer presses a bomb-release button. Another target is theoretically destroyed and a SAC crew has carried out a bombing mission realistically similar to one it might someday have to fly against an enemy. For the crews, this is routine.

Each year industrial targets in almost every American city with a population of more than 25,000 are theoretically destroyed by SAC planes. San Francisco alone has been the target for 495 attacks during 1 month.

Once each year, top bomb teams are tested in the annual bombing and navigation competition, a tense week-long duel which crews have dubbed the "SAC World Series."

The main concern of bombing and navigation training—and the annual meet—has been to step up accuracy. Every year has seen an increase in overall accuracy until today SAC planes can bomb with precision well within the limits of their weapons from high altitudes.

The competitions have generated a great deal of interest, have aided in development of new techniques, and have served as proving grounds for planes, men, and equipment.

The coming-of-age of the B–47 is a good example. Up to 1955, piston-engine planes like the B–36, had taken most of the honors. Some critics or skeptics doubted that a high-speed jet could match the accuracy of the big, more stable platform.

But their case was smashed in 1955 as medium bomber crews from B–47 wings swept the competition. Their victories formed a definite cleavage separating the jet-bombing age from the World War II era. With giant B–52 long-range jet bombers now coming into the command, the world can expect strategic air to rely on jets completely in the near future.

In 1952, Strategic Air Command also inaugurated the annual SAC reconnaissance and navigation competition as a means of promoting competitive spirit and determining the capabilities of reconnaissance wings and crews.

Every reconnaissance wing is represented in the yearly 6-day meet. Each crew runs day and night celestial navigation missions, radar target photography, aerial target and photoflash photography.

At present Strategic Air Command uses the RB–36, the RB–47, and RF–84F's as its reconnaissance planes. The first two are stripped-down versions of bombers with the same numerical designation, while the latter is a reconnaissance counterpart of the F–84 fighter.

The combat crews in SAC are about the best in the business. The average officer on a select or lead crew is 33 years old, and the average airman, 27. SAC has a fairly unique system in the selection of leaders. Crews are rated as "select," "lead," or "combat-ready." Select and lead crews have demonstrated a capability higher than their colleagues, and represent the cream of the force. Naturally, they draw the most difficult and the most important targets.

To become a select crew, a flight team must meet certain standards in training. When it does, everybody on the crew gets a spot promotion, everybody goes up one rank. They hold that spot promotion just so long as they retain their efficiency. If performance drops below the standard, they immediately go on probation, and within a matter of 3 or 4 months they are given rigid tests in all phases. If they do not measure up to select crew standards, everyone loses his promotion.

Lead crews actually are usually as good as the select crews. However, there are only so many promotions, and SAC can't promote everybody. If a select crew falls below the standard, then a lead crew will move up to replace it, and assume the new designation of select crew.

The combat-ready crews, which make up the majority of the force are usually not far below the bombing capability of the two top categories. All can bomb well within the limits of the weapons they are using.

Select, lead, or combat ready, they're the finest airmen in the world.

Recently Mr. Rex Madeira, sales manager of the Spartan School of Aeronautics, in Tulsa, Okla., told this writer: "The Strategic Air Command constantly amazes me. It has one of the best systems of business practices I have ever seen inside or outside the military."

The compliment had its base in fact. When Curtis LeMay took over SAC, he appointed a committee of officers to investigate the business methods of major United States civilian businesses. From each he took the best practices he could find and shaped them to fit SAC's operation.

The command's management improvement program is considered a model of its type, as is the famed SAC rating system, which is so thorough that IBM cards are kept on every man in the command. Every individual performance shows up for what it is.

Management boards give instant visual checks on the in-commission status of SAC's arsenal of aircraft, and if the readiness graph dips below the acceptable combat potential line, things really start buzzing until the trouble is remedied.

Another objective of the management program is the education of workers, supervisors, and executives in sound operating principles. This is accomplished by seminars, base management indoctrination courses at every installation, NCO Academies, commanders' financial management courses, and other special training.

SAC fully exploits industrial methods in work measurement, production-control systems, human relations research, and the best thinking of the universities in assisting it in many ways.

Top management officers consistently apply modern techniques to command problems. Command representatives attend meetings of the Society for the Advancement of Management and other professional groups to assure that no new development is overlooked.

The problems of the Strategic Air Command are, of course, many and complex. Its biggest headache is the continuing loss of trained manpower to industry—this is the weakest link in an otherwise strong chain. There are community relations problems always nagging at the commanders. The jet noise problem is always a thorny one, and the increasing speeds of SAC planes has brought on burdensome high-altitude traffic-control problems in weather. On any one of a hundred fronts, running a global hauling business is no picnic; but then the hard core of men of SAC are no ordinary men, either.

Neither is working for Curtis LeMay & Co. an easy job. The grumblers and the goldbricks in SAC are soon sharpened up. But that is not to say that the good soldiers do not grouse. They do, many of them. Some would like to get out of SAC, they say. It's too hard on their families, their being away so much. The pay isn't commensurate with the danger of flying fast jet bombers and fighters. "It'd sure be nice to just have to put in 40 hours a week and then settle down to a little golf and gardening" is a phrase some SAC men have been heard to mumble. In fact, you always get the worst from a SAC airman first. Then slowly, the good comes out. And pretty soon you are getting the business that is known as being "SAC-indoctrinated." You find out that these men, under their curtain of callousness, are pretty proud of everything about the job SAC does.

Looking into SAC's future, the next step in the natural progression of our weapon spectrum would be fully intercontinental-type bombers, completely independent of air refueling or forward bases. Following the intercontinental bomber SAC will probably gradually phase into missiles, but only when the intercontinental ballistic missile can meet the accuracy, yield, and reliability of the long-range nuclear bomber.

But along with the development of the ICBM, bomber leaders warn that the intercontinental bomber development must not be relaxed—until it is certain that the ICBM can do as good or better a job. These experts are worried that present preoccupation with pushbutton warfare might delude many people into letting our present force in being deteriorate before an adequate substitute is tested, poised, and ready. This, they say, could be a serious threat to our continent and the free world.

Not that SAC is in any way opposed to a crash program for the development of the ICBM. It is a strong supporter of such a program. SAC men say with emphatic sincerity, that they'll be only too glad to get an instrument that will help do the job without their getting shot at. And who can fight that kind of reasoning?

Just as long as we continue our development program so that the SAC arsenal can fly faster, higher, can carry bigger bombs than Soviet aircraft, there will be peace. Even if the day comes when the Soviet force and the United States force are equal in capability—providing that the United States force is continually modernized and dispersed, SAC will still be an effective deterrent, and seems to be the best if not only means of preventing war.

This, of course, involves the "force in being" concept, the concept whereby men and machines are poised and ready to go at any time. It is entirely possible that from now throughout the course of civilization it may be necessary to maintain a deterrent force on this status. No one likes to live that way—no one likes to pay the bill, but it will be a necessity unless some means of guaranteeing a lasting peace other than the deterrent force is hit upon.

That is why it is said of SAC that its greatest victory will come if war never occurs between the two great powers in the world today—Communist Russia and the United States of America.

SAC's ACHILLES HEEL

(By John G. Norris)

PINECASTLE AIR FORCE BASE, FLA.—Dawn is breaking as your B–47 leaves the runway. As the airplane levels off upstairs, you get out of your parachute harness, hook on an oxygen bottle, and crawl to the bombardier-navigator's post in the nose.

First Lt. Glenn F. Morgan, Jr., gestures at the radar scope. The instrument is the main element of the airplane's K-system—the magic black box that makes it possible to bomb individual buildings accurately from above 40,000 feet through darkness or clouds. Both of you fasten your oxygen masks so that you can talk on the intercom.

The 32-year-old bombardier-navigator-radar operator—misnamed an "observer"—explains that the B–47 is turning to start its visual bombing run. From the preflight briefings, you know that this 7½-hour training mission simulates an actual nuclear attack on an enemy target thousands of miles across the world.

That includes flying a precision point-to-point course back and forth over the Southeastern States, navigating by the stars; a rendezvous with a tanker plane for inflight refueling; actual visual bomb drops of 500-pound conventional bombs to make sure the release mechanism works; and—the climax—the radar bomb run on the main target.

At lunch the day before Col. Mike McCoy introduced you to the bomber crew. He told you that it cost the Government $616,000 to qualify one B–47 pilot. You believe it.

Capt. Edward J. Albers, 34, the copilot, saw extensive World War II service, like Morgan. Both were recalled when the Korean war broke out. The aircraft commander, Capt. John W. Rosenbalm, 27, had served in the Air Force continuously since becoming an air cadet after the war. A typical B–47 crew has an average age just over 30, each is married and has a child.

You wonder what keeps the three top-flight men—still Reservists without assurance of an Air Force career—on the job. Then you recall what General LeMay had said about his dedicated people.

Rosenbalm asks if you'd like to fly the airplane and gingerly you take Albers' seat. The bomber handles like your Buick. Then comes the approach to the target. Not Moscow, but Charlotte, N. C., where there is a radar bomb-scoring squadron, able to tell just where the B–47's load would land.

Morgan starts his bomb run, eyes glued to the radar scope. Countless hours of study of aerial photographs, he hopes, will enable him to pick out the obscure target through the clouds.

Morgan's major problem is target identification. His target is unidentifiable on the scope; so he aims for some oil tanks a known distance away. He sets the "black box" for such "offset" bombing and adjusts for wind, speed, altitude, etc. The electronic brain should do the rest.

But the "black box" fails. Only one of the many instruments goes out—the true-speed indicator—but it is enough. Morgan squeezes past you and checks his equipment. Finally he fixes it. But it is too late. The mission is an "abort."

Some green airman mechanic had failed to adjust a set-screw properly and an overworked sergeant-supervisor had missed it. So the combined skills and efforts of the men who built the plane and base, planned the mission, readied the plane for flight, and then flew it well, all came to naught.

You begin to appreciate what had been stressed so strongly during the briefings here and at SAC Headquarters in Omaha—the grave shortage of skilled mechanics and the exceptionally high turnover of newly trained technicians. Too many B–47s are temporarily out of operation each day because of mechanical difficulties. Too many training missions cannot be completed satisfactorily because something goes wrong in the air.

What was it General LeMay had said?

"The situation is critical and is our chief worry today. We still can carry out our mission, but at a high cost in efficiency and effort."

Already, the manpower problem has seriously lowered the combat readiness of the Air Force's long-range nuclear striking arm. It represents an ominous weakness in the Nation's defenses today. For if one small but vital element of SAC's vast, complex, fighting machine breaks down, the end result could be catastrophic.

For the most part, SAC combat crews today still are experienced and fully qualified to do their job. But the experience and skill level among SAC maintenance crews is low. Ninety-one percent of all SAC enlisted airmen have been in the command less than 4 years. One day, a wing at one base had nearly a third of its B–47's out of service due to K-system maintenance because of a lack of skilled technicians.

This is terribly costly both in dollars and in efficiency. SAC represents a tremendous investment—$8 billion worth of planes, bases, and other property alone. It costs $1 billion a year to operate, plus several additional billions for new planes and bases. The Nation has $724 million invested in each B–47 air division—counting trained personnel, planes, bases, and equipment.

During the last fiscal year, 1,900 SAC officers and 35,800 airmen left the service. SAC figures it had $777 million invested in them. That represents the cost of replacing them in their various specialties, including recruiting, training, paying, and supporting new people to bring them to the proper skill levels to do their jobs.

Foreseeing this loss, the Air Force last year had to start pumping in new people to replace them. The Air Training Command provided SAC with 12,000 basic airmen at a cost of nearly $20 million, 12,600 apprentice mechanics at a cost of $31.5 million, and 4,500 technicians, returned to schools for advanced training at a cost of $24 million.

In addition, SAC itself had to conduct on-the-job training to upgrade 67,000 airmen to fill the vacant specialties. SAC estimates that this cost $52 million, because scarce supervisors and skilled technicians had to be pulled away from their regular work to train them, and the trainees were unproductive during this period.

The initial cost last year to start replacing the 35,800 sergeants and airmen who left the service during that period, therefore, totaled an additional $127 million.

But the money aspect is relatively unimportant, as a detailed comparison of four B–47 wings shows. It was made to determine the precise effect of inadequately trained ground crews on the operational capability of combat units. All four were combat ready and 100 percent manned.

Two of the wings were SAC's best-staffed units, being 85 percent effectively manned in the airmen technical skills. The other two were at the bottom, from a ground-crew standpoint, being only 66 percent effectively manned in hard-core skills.

The poorest-manned units were able to keep their B–47's in the air only 80 percent of the time they were supposed to. They completed 87 percent of their training missions, only 75 percent of them satisfactorily.

On the other hand, the two best-manned units flew 99 percent of their prescribed flying hours, completed 98 percent of their training minimums, and 91 percent of these were acceptable to LeMay's rigid standards.

It cost the two poorest-manned wings $468 per flying hour to operate, and the two best $415.

But the real payoff came in the vital quarterly Unit Simulated Combat Mission. The two poorest-manned wings were 20 percent less effective in this big test of combat capability than the two units with the best ground crews.

"In other words," said a SAC officer, "under wartime conditions, scratch 20 percent of the targets assigned to the two wings with the less-skilled ground crews."

Why is the Air Force so pressed by the lack of a relatively small number of technicians? Take the black box, for example. In the first place, it takes a man with a fairly high IQ to be accepted for the K-system basic-training school. Yet the Air Force has to take all sorts. It takes about 2 years of school and on-the-job training to advance such a man from apprentice to mechanic rating. During their fourth year, after advanced schooling, some gain the skill for upgrading to technician level and promotion to staff sergeant. By the end of the 4-year enlistment the Air Force will have spent $22,500 on such a mechanic in training, pay, and allowances. It will have received 18 months' productive service from him and given him 2½ years of highly marketable training.

If he reenlists, it costs the Government $20,500 only for his pay and other maintenance for the next 4 years and SAC gets full value received—92 percent of his time in productive effort.

But only 20 percent of the black-box men are signing up for a second enlistment.

Why do they leave?

An airman first class says he wants to go back to college when his 4-year enlistment expires.

An airman second class says he plans to marry and get an engineering degree under the GI bill.

Service newspapers are full of ads reading, "Leaving the service? See us."

Turnover in other key aircraft maintenance fields is as critical as among men servicing the black boxes. Lt. Col. Edwin J. Caudill, 813th Air Division personnel director, is concerned about his mechanics. His questionnaires show that 121 of 306 plane mechanics are eligible for discharge in June and July and only 16 say they will reenlist.

Pinecastle AFB has only 60 percent of its authorized instrument maintenance men. By mid-April, this will drop to 50 percent. Of an authorized 14 men to maintain its IBM machines, a vital factor in mission planning, only 10 are assigned and but 3 of these are "effectives." Only 1 out of the 4 comptometer repairmen allowed is "on board."

The Air Force makes a strong effort to sell airmen on reenlisting. All airmen are interviewed on their future plans. Armed with full data about the cost of living, wage scales, etc., in the airman's hometown, the interviewing officer stresses the advantages of an Air Force career.

Fifty to sixty percent of those who leave say they are going into industry. Some have a job already lined up. Ten percent declare they are quitting for "family reasons," and the rest say they are going back to school.

All the evidence indicates these factors are pulling airmen back into civilian life just as they become most valuable to SAC:

Competition from industry.

The GI education bill.

Housing shortages at most bases.

Periodic movement of servicemen, interfering with family life.

General dislike of military service.

The generally low esteem and prestige accorded an enlisted career by the American public.

SAC has a broad plan of action designed to cope with the problem. Some proposals require congressional or top Pentagon action.

One phase calls for less complicated, easier to maintain equipment. "We can get geniuses to design them but can't have an Air Force of geniuses to service them," said a SAC officer.

Another proposal is to let the Air Force raise its recruiting standards. Department of Defense regulations now force it to take a proportionate share of lower I. Q. men. SAC says many of the men it receives are untrainable.

Other recommendations are aimed at making life in SAC more attractive. Last year's pay raise and increase in reenlistment allowance helped, boosting the SAC reenlistment rate from 26 to 35 percent.

But the trouble is that the percentage varies widely in various specialties. Sixty percent of SAC cooks are signing up for another term when their enlistments expire, while only 10 percent of the Command's skilled radarmen are reenlisting.

"By civilian standards we are overpaying some people and underpaying others," said a SAC personnel officer. "Surveys show that the wage scale for cooks on the outside is $1.80 an hour or less, while an electronics supervisor gets $2.60 per hour.

"But the top pay of an Air Force cook and an Air Force electronics supervisor, both master sergeants, is the same—$2.35 an hour based on a 40-hour week. We have 239 job specialties and only 7 pay grades."

The plan, not yet in final form, would apply to officers as well as airmen. Personnel officers stressed that SAC aircraft commanders make only $500 to $700 a month, while a commercial airline pilot makes from $15,000 to $20,000 a year—more than SAC's top generals.

Other proposals urged to improve career attractiveness include:

More family and military housing.

Medical care for all dependents.

Expansion of commissaries and PX's and cancellation of the present restrictions on the goods they can carry and prices charged.

Amendment of the GI Educational Act, so that men who remain in service can go to school in off-duty hours at Government expense.

Correction of a present situation that is causing much bitterness among many airmen. Officers receive a subsistence allowance on a monthly basis, enlisted men on a daily basis. When individuals or units leave their permanent base on temporary duty at schools or other stations—and this is frequent in SAC—the airmen lose their allowance and the officers don't.

Additional allowance to ease rough spots, such as extension of quarters allowances for airmen with dependents, per diem payments while on maneuvers, and raising rental and subsistence allowances in high-cost-of-living areas.

Much has been done during recent years to make life more attractive to servicemen and to boost reenlistment rates. Congress has raised pay and allowances. The Defense Department and Air Force Headquarters have taken other action. General LeMay has established hobby shops, designed new and more livable barracks, set up SAC flying clubs, and dependents' assistance programs, and taken many other morale-building moves.

All these things help. But SAC needs assistance to solve its critical manpower problem. It must have sympathetic and prompt attention to its proposals by top-level Pentagon officials and Congress. And public understanding and support.

For too much rides on SAC's combat readiness in the world today to let correctible weaknesses continue. Survival is everyone's business.

The Bomber's Role in Diplomacy

(By Maj. Gen. James C. Selser, Jr., Deputy Commander, Eighth Air Force, SAC)

The Strategic Air Command's role as a deterrent to aggression is so well established today that it is easy to forget that the interrelationship of airpower and diplomacy is a relatively new concept. SAC bombers first became an instrument of international diplomacy when 6 Boeing B–29's of the 43d Bombardment Group, 8th Air Force, flew a secret mission to the American Zone in Germany in November 1946.

For centuries naval forces have been considered as the primary military arm of our foreign policy. One of the first, and certainly the most colorful, illustrations of the use of a military force as an instrument of diplomacy occurred when President Theodore Roosevelt sent a fleet of 16 battleships on a cruise around the world. Although the maneuver was termed a practice cruise, it was generally associated with the administration's Japanese policy. Roosevelt later concluded that sending the fleet around the world was the most important service that I rendered to peace. The Navy became Roosevelt's big stick.

However, the atomic age ushered in a new era in international diplomacy through airpower. The then-exclusive ability of SAC to deliver atomic attacks of the Hiroshima-Nagasaki variety placed it in a position to challenge the Navy's traditional role as the strong arm of the State Department. When two American C–47's were shot down over Yugoslavia in August 1946, the Army Air Forces through the Assistant Secretary of War for Air, W. Stuart Symington, sought approval for an around-the-world flight of B–29's as a demonstration of American airpower. Secretary Symington wanted his planes to be recognized as an instrument of international policymaking. This project was disapproved by the State Department, but a flight of six B–29's to Germany was approved. As commander of the 43d Bomb Group, I had the good fortune to lead the Superforts to Europe.

On November 8, 1946, only 5 days before X-day, the 43d Bombardment Group was alerted to prepare for a special mission to an unknown destination. Eight B–29's, including 2 spares, and 2 Douglas C–54 Skymasters were to be prepared for the mission. The instructions required that the B–29's carry enough equipment and spare parts to operate independently for 30 days.

Requisitioning the necessary supplies proved to be the major problem. The B–29's were of the latest series and had fuel shutoff valves unlike any of their predecessors. Neither the aircraft nor the special values were being manufactured at that time, and as a result, we had to cannibalize other aircraft of the same type at Davis-Monthan Field, Ariz. In addition, the propeller governors were being modified at Oklahoma City Air Depot, and only eight governors were ready in time for the mission.

Our first destination, Morrison Field, West Palm Beach, Fla., was not disclosed to all members of the flight until the general briefing was held—only 4 hours before takeoff. Even then rigid security restrictions limited the briefing. However, the role of the combat crews as a "show team" was stressed.

At 2 o'clock on November 13, 1946, seven of our B–29's left Davis-Monthan at 1-minute intervals. One takeoff was delayed an hour and thirty minutes when a prop governor needed changing. Average time for the flight to Morrison Field was 7 hours and 3 minutes. The complete flight was made at 15,000 feet, and the weather on this first leg of the mission was excellent.

On arrival at Morrison Field, I was told by Strategic Air Command Headquarters that the flight across the Atlantic was to be so scheduled that not more than two B–29's would be at Langens Field (now Lajes Air Base), Azores, at any one time. As a result we had to devise a system whereby each group of two aircraft arriving at Lagens would relay its departure plans to Morrison Field so that the succeeding group could plan its flight accordingly. A failure of communications between Morrison Field and Lagens resulted in considerable delay in scheduling succeeding groups. The two spare B–29's were directed to stand by at Morrison until we had arrived at our ultimate destination—Frankfurt, Germany.

Inadequate communications also made weather forecasting over the Atlantic extremely uncertain. In addition, all forecasts in the Azores were at least 6 hours old and accurate weather information beyond Orly Field, Paris, France, was not available.

After we left the Azores, all designated alternate airfields in Europe and North Africa were reported to be below established weather minimums. Thus, we were forced to land at our planned destination, Rhein-Main Airfield, Frankfurt, Germany, even though the ceiling of 200 feet and half-mile visibility presented serious problems. Approach control and tower personnel at Rhein-Main, who were not familiar with the approach speeds and landing patterns for B–29s, further complicated the situation. Therefore, we had to assist them in directing all subsequent approaches and landings.

On arrival in Frankfurt, the Superforts were quickly prepared for possible immediate combat. Operational missions conducted in Europe were carefully planned and briefed. These included flights along the borders of Soviet-occupied territory, display of the aircraft and crews at the capitals of free European countries, and surveys of suitable airdromes for compilation of data to be used by succeeding SAC organizations.

After approximately 12 days in Europe, we departed on November 29 and returned to Davis-Monthan.

To properly evaluate the diplomatic import of this mission, one must remember that this token force represented the only atomic striking power in the world. The international situation at that time was particularly tense, and the base of Western allied power had not yet been laid. The spirit of allied cooperation had not yet been supplanted by a realistic appraisal of Russia's imperialistic goals; Soviet domination of all Eastern Europe was not yet an accomplished fact; and the effects of almost complete demobilization in the United States were still apparent.

The intractible attitude of the Soviet representatives at high-level conferences in 1946 had increased international tension. Relations already strained were stretched almost to the breaking point when two Army Air Transport Service C–47 aircraft were shot down over Yugoslavia in August 1946. The second of these incidents resulted in the death of five Americans.

The feeling was widespread in America that Russia and her satellites were taking advantage of United States military weakness.

In view of then-existing world conditions, our unprecedented flight of even a small group of B–29's to Europe was a significant event. Although the flight itself could not have been interpreted as a threat to Russia, the implications were obvious to thoughtful observers. Our B–29 was widely recognized as the aircraft capable of delivering the atomic bomb. Furthermore, the appearance of B–29's in Europe was certain to cause speculation about the possibility of stationing the superfortresses there permanently.

Although not publicized at that time, we conducted a survey of European airfields to determine which might be suited to B–29 operations. It seems probable that the Soviet Union anticipated the complete withdrawal of United States forces from Western Europe, leaving a vacuum which the Soviets hoped to fill. This flight could be regarded as symbolic of the growing sentiment in the United States against creating such a vacuum.

It is a matter of record that Mr. Molotov adopted a more amenable attitude during the course of the meetings of the Council of Foreign Ministers, held in New York City in November 1946.

This mission firmly convinced us that SAC units should deploy periodically to overseas bases for tactical training. This practice soon became an integral part of SAC's training program. Entire wings of B–36's and B–47's, present-day workhorses of the Strategic Air Command, now rotate periodically to overseas bases for intensified operations under simulated wartime conditions. Capable of delivering any air weapons in the nuclear arsenal, the aircraft, their crews, support personnel and equipment are maintained in a constant state of readiness. Along with new developments in aircraft and weapons have come refinements in operational techniques, crew training, maintenance, and supply. SAC bombers deploy in a matter of hours with sufficient spare parts and supplies to operate under sustained wartime conditions for at least 30 days. SAC's global capability has certainly been a major factor in the formulation of American foreign policy.

How SAC Tackles Its Security Problem

(By Brig. Gen. David Wade, inspector general, SAC)

It was still raining when the bus stopped at the corner. A man got off and ran for the shelter of the drugstore doorway. Across the street a young kid was unlocking the pumps at a filling station. Next door the windows of a cafe were a yellow glow in the early morning darkness.

The man shoved a newspaper-wrapped package under his raincoat to keep it dry and ran across the street to the cafe. It was warm inside and there were smells of hot coffee, ham and eggs. He stamped water from his shoes and moved toward a booth at the end of the room.

They were waiting for him. "Mike the Wrench" and Jack. Mike grinned, "Look at the white overalls. You a painter looking for a job?"

"What else?" He sat down. "You guys all set? Anyone suspicious?"

"Naw," Mike said, "we're old hands, Neal. I'll have a wrench on one of those bombers before they know we're around."

"How about the lieutenant?" Jack asked.

"He's all set. Reports to the wing this afternoon with bona fide orders. Almost bona fide, anyway. Sergeant Thomas reported into headquarters squadron last last." Neal stood up. "Everybody straight? O. K., see you guys around. Be careful, move slow and stay out of jail."

It was light outside and the rain had stopped when Neal left the cafe. He carried his raincoat over one arm, the package half hidden under it.

Neal watched the other painters carefully. So far so good. He was on the base, temporarily hired to help with a rush paint job in the communications building. He wondered if they had noticed he was a little clumsy with the brush. Probably don't care, he thought. It's just another 8 hours to them, and I'm a temporary flunky helping out. He glanced at his watch—nearly noon.

It was 12:30 when the alert sirens cut loose. The painters had gone to lunch and Neal was alone in the new wing of the building. Through a window he could see men running. From within the communication center he heard steel bang on steel as safes were closed and locked. He grinned. What a lousy time for the base to go on alert. Chow time. Meals half finished. Skeleton forces on duty. Everyone out of position and off guard.

He walked quickly through the passageway joining the wing to the main building. Only a few people were around during the noon hour. "What's up, Sarge?" he asked the first man he saw.

"It's a sabotage alert. Condition Red." Airman Third Class Rawlings was important with his knowledge. "They caught a guy monkeying with a plane down the line. Guess there's a penetration team on base."

"What do we do? I mean, can I keep on working?"

"Well."

"I'm supposed to check equipment for scaling paint and rust. O. K. if I go ahead?"

"Yeah, guess so. Sergeant Ramsey isn't here now, but he'll be back in a few minutes. You been here all morning. We're supposed to check everybody, you know, in an alert, but you been here, so sure go ahead."

"Thanks." Neal moved away quickly. He wouldn't be there when Sergeant Ramsey came back.

The provost marshal wasted no words into the phone. "Hello, Fox One? Got two guys here. A1c. Michael J. Rodski, AF 15677231, and M. Sgt. Neal B. Turnbull, AF 35972843. Know 'em?"

He listened a moment, let out what passed for an affirmative grunt, and turned to Mike and Neal. "O. K. Your command post identifies you as legitimate penetration team members. You're free to go." He looked at Mike. "I've heard of you, Rodski. You say you can lay a wrench on any SAC plane, huh? We nailed you quick enough, didn't we?"

"That crew chief was tough, Major. Didn't buy my story, and when I tried to get away, that sonuvagun tackled me right on the concrete. Skinned my knees and tore my coveralls."

The major glared at Neal. "Didn't you do enough damage in the comm center? Were you going to try to blow up the whole base? You had enough simulated explosive devices in that package to do it."

"No, just the ammo area if I could get in. How'd you get me so quick after I left the center?"

"Sergeant Ramsey got there in time to see you leave and when the kid told him you'd poked around through the building he called us and then Installations to check you. You checked out phony. Ramsey and my boys found your three devices in time, we figure, to disarm them, but Ramsey was still mad about you getting loose in there. Understand he threatened the kid with night duty for the rest of his life."

The major reached for his cap. He felt pretty good. Two penetrators caught, two more to go, and his boys were closing in on one right now. A mysterious lieutenant had been spotted in wing ops. "One of my cars will give you a lift into town." He smiled for the first time, "Catch you guys on my base again and I'll put you under the guardhouse."

In room 305 in the Hotel Royal downtown Neal sat by a telephone. He was now in charge of the team's command post, Fox One, and he or Mike would have to stay by the phone until the rest of the team were caught.

Eight months before, M. Sgt. Neal Turnbull had little interest in penetration teams, except for the trouble they caused when they got on his base in Texas. Then every man on the base became a policeman-in-fact, suspicious of every stranger, watchful for the slightest thing out of order. When a penetration team was on the loose, base security was everybody's business.

Now he was winding up his last job as a penetrator. He had visited nearly a dozen Strategic Air Command bases, including two overseas, punching as many holes as he could in SAC's security defenses. He'd be glad to get back to regular duty.

Back in 1949, when Neal Turnbull was a MATS flight engineer, flying out of Washington, the Strategic Air Command was only 3 years old. Even then it was beginning to worry about the security of its combat forces.

Before 1949 the SAC air policeman worked at time-honored provost functions, gave little if any concern to the protection of the combat force. But, as international pressures built up, the security problem grew.

The policing concept began to cover protection of the whole land area of each SAC base, patrolling the entire perimeter, and stationing point guards at each aircraft. SAC needed 7,800 men to do the job, and $2.7 million worth of fences, towers, lights, and patrol roads.

The program grew slowly until the Korean war in 1950. Enlistees and experienced Reserves were suddenly made available—and Sergeant Turnbull was transferred to a B-29 outfit in the Far East.

A security officer recruiting program got under way in 1951 and at Fort Carson, Colo., young airmen were trained in the rudiments of security and airbase defense in a new SAC security school.

A security intelligence program, giving SAC commanders subversive intelligence, was begun to aid in developing local security plans and to indicate the overall subversive problem. A basic manual, kept current through quarterly supplements, furnished information relative to the worldwide security situation.

In mid-1953 the vulnerability testing program began. This idea, which later turned Sergeant Turnbull into a skilled "enemy" agent, became one of the greatest single factors in strengthening SAC security. Tests conducted by the Office of Special Investigations and by teams of carefully picked SAC men began measuring the adequacy of the Command's developing security program. Tests were aimed at showing how bad, not how good, the internal defenses were. Combat organizations on the bases were rated and their scores compared.

The penetration teams hit hard, using every means available to throw base defenses off guard. They forged orders and passes, climbed over and under fences, stole base vehicles, posed as milkmen and Coca-Cola salesmen, as air policemen on duty and aircraft company tech reps—anything and any way to get on base and get to a sensitive area to simulate attempted sabotage.

At one western base a pickup truck drove slowly across the flight line after the base alert had sounded. In the middle of a long line of aircraft the truck sputtered to a stop. The driver poked around under the hood a few minutes, then asked a nearby crew chief where the nearest phone was. For an hour and a half the truck, theoretically loaded with explosives, stood unmolested among millions of dollars' worth of airplanes.

On another base a team member posed as a security courier. He walked into base communications, said he was grounded for several hours due to engine trouble, and would the sergeant be so kind as to put his briefcase of classified documents in the vault for safekeeping? The briefcase, the vault, and the sergeant were, theoretically, scattered all over the landscape a few hours later.

Here's another gimmick used successfully at several bases. An officer and a civilian represent themselves as technicians from Air Materiel Command—probably with a faked operational TWX (teletype message). Once on the line they sabotage every aircraft they can. At each they leave a 10-inch roll of white paper, symbols of explosive devices an enemy agent might plant.

Another test team posed as a surveying party and surveyed its way across the outer fence, the runways, and eventually found its way into the aircraft parking ramp.

But it is harder going now to fool SAC men. At Bergstrom AFB, Tex., four agents approached a flight-line gate. Three were admitted but the air policeman on duty stopped the fourth for further check. He looked too old for an airman first class. All four were caught.

Sometimes a team will make a bad mistake. At Lake Charles Air Force Base, La., a member of a penetration team from Lockbourne Air Force Base, Ohio, discovered that the only apparent difference between flight-line passes was the base name. The team mutilated their Lockbourne passes to look like Lake Charles. One by one they attempted to enter the flight-line area. Each was promptly arrested. The Lockbourne pass was pink, the Lake Charles pass, gray. The reconnoitering team member was colorblind.

One moonlight night at Carswell Air Force Base, Tex., a test team leader tried to get on the base by swimming across bordering Lake Worth. As he neared the dark shoreline a shot and a ricocheting rifle bullet changed his mind and he made the trip back in near record time.

And at MacDill Air Force Base, Fla., a "saboteur" spotted a sentry dog and his handler. He swarmed back over the fence so quickly he ripped his hand on the barbed wire. Actually he got away that night, but the air police figured he would have the hand treated at the base hospital. They nabbed him when he came in.

Two years of such attacks, as often as six times a year at each station, have brought about a noticeable improvement in individual base security systems. Every successful sabotage attempt has resulted in immediate steps to plug a loophole and alter the system.

In addition, an attack by a penetration team is part of every unit simulated combat mission carried out by a combat wing. These teams, usually 1 officer and 4 airmen, are hand-picked for their ingenuity and special abilities. They are thoroughly briefed on the installation and the community, and are armed with rosters of key personnel. However, a team gets no information which could not be obtained by an enemy agent.

Fifteen days before a unit simulated combat mission the team arrives in the area, but confines its activities to espionage. Five days before the mission the team leader, per regulation, phones the base commander that his team is in position. He gives the base commander the code name and telephone number of the team's command post, which is manned as long as any team member is at large. This is to eliminate the possibility of an enemy agent posing as a team member.

Strategic Air Command plays this game in earnest. Air policemen, if negligent, can be reduced in grade. And no wing commander likes to explain why his organization's security has been penetrated.

In 1954 SAC faced another problem bearing directly on its security program. A personnel shortage was developing while the command was still building up. Career men like Sergeant Turnbull were staying in, but thousands of younger men pulled in for the Korean crisis were returning to civilian life.

As a result, SAC's original plan—to protect the entire land area of a base—had to be reduced to minimum patrol requirements. The bulk of security forces were drawn around combat aircraft and other essential supporting facilities. Seventy percent of the air police force was assigned exclusively to security functions.

Even this concentration of forces left much to be desired. Something else was needed to increase the effectiveness of the man on the guard post. Sentry dogs seemed to be the answer.

Tests conducted at Barksdale Air Force Base, La., confirmed previous successful experiences with sentry dogs in overseas operations, and during 1955 the sentry dog began to appear on stateside SAC bases. Each trained dog more than doubled the effectiveness of his sentry-handler. By the end of 1955, 350 dogs were on duty. That number continues to grow, to the discomfort of SAC's penetration teams.

The dogs give a tremendous psychological boost to the AP patrolling a lonely post, but their most valuable contribution is their keen sense of smell. Primary task of these teams is to detect an intruder and sound the alarm, and then to apprehend the trespasser.

Once the alarm is sounded, the security control center dispatches an alert force to the trouble spot. If there is evidence of a sabotage attempt, all squadrons are alerted to "Condition Red." Thousands of eyes suddenly become suspicious of every man. The general order for every officer and airman is seize, search, and secure.

Should an attack in force be indicated, the sabotage alert immediately becomes an air base defense activity, and a defense in depth is established around vital elements of the combat striking force. Meanwhile combat operations sections have readied the crews and aircraft for possible action.

This is the goal of Strategic Air Command's security system, a base kept secure and standing ready to perform its primary mission.

The maintenance of wartime security in a peacetime era is a new idea, but it is one in which SAC strongly believes. And SAC men learned long ago that the command holds each of them responsible for its security.

M. Sgt. Neal B.Turnbull, penetrator, learned this the hard way. In a small town near a Southern base he found a technical sergeant one night propped on a bar stool and happily downing his bourbon and brandy. It looked like easy information and Turnbull, neatly dressed in a flannel suit, struck up conversation, bought the sergeant a drink, and tactfully guided the talk into more informative channels. In his report of the incident Turnbull stated that finally the sergeant stood up and said, "Buddy, you've asked just one question too many about my base and business and I'm going to punch you in the nose!" Turnbull's report concludes, "which he proceeded to do."

The World's Weather—How SAC Finds Out About It

(By Col. Frederick J. Cole, commander, First Weather Group)

The age of weather forecasting began when man first appeared on earth. He found a world already shaped by weather—blackened by fire, frozen by giant ice flows, eroded by rain and flood. Lightning flashed above, powerful storms swept across the earth, and there were long periods of alternating heat and cold. Man was quick to understand that weather was an ever-present force that he had to reckon with in his daily life.

But until the age of flight, man was not greatly concerned with predicting weather's vagaries. His was a local problem of rain, snow, or sunshine. His only interest in a storm several hundred miles away was how much that storm might later affect his own locality.

Then came the airplane.

In 50-odd years aviation has developed at such a fantastic rate that today Air Force weathermen working in support of the Strategic Air Command are charged with forecasting worldwide weather. The jet aircraft of SAC, flying at 600 miles per hour 8 to 10 miles above the earth, span oceans and continents in a matter of hours in routine operations. Obviously this type of flying involves extensive weather support.

Since 1951 the First Weather Group has been assigned the task of furnishing weather support to SAC's global operations. Before then weather forecasting had been done on a regional basis, and the primary job of a forecasting center was to provide weather data about its particular area of responsibility. When the Air Weather Service was reorganized under MATS in 1951, a functional concept of forecasting was adopted. This meant that a specific weather unit—the First Weather Group in the case of SAC—was charged with supporting all operations of a specific function. Detachments from the First Weather Group were assigned to SAC bases in the United States and overseas. Similar groups were assigned to support the other Air Force commands. From SAC's point of view, the changeover was a great improvement, for it allowed specialized support for SAC's specialized purposes.

The requirements of the Strategic Air Command present the most interesting and challenging assignment any weatherman ever had. Sixteen percent of SAC's aircraft are in the air day and night the year around. They fly long hours and many miles over flight paths of infinite variety. Every 3½ minutes around the clock one of these jet bombers meets a tanker plane for a refueling rendezvous, as often over the trackless waste of an ocean as over land. Wherever they go, on this or the far side of the world, the SAC planes and crews must have accurate and detailed information about the weather along their flight paths. Since a mission may be ordered to any place, at any time, weather information must be immediately available when needed.

In order to meet these stringent requirements, weather personnel have to work closely with operational units, providing weather support at the level at which missions are planned and carried out. As a result, about 75 percent of all missions flown by a wing are directly supported by the base weather station. There is a close tie-in between the operations section of the bomb wing and the station, and the weather detachment commander and the wing weather officers are key people. When a wing deploys overseas for short periods of temporary duty or for 90-day rotations, wing weather officers go along and, through overseas facilities, provide the essential weather service. This arrangement assures a continuity of reliable weather support at home base as well as overseas.

Contrary to the popular belief, the weatherman's job is not over when the air crews take off on a mission. As the mission goes on (many last more than 24 hours) the weather is carefully watched for any changes that might affect the safety of flight. Under marginal conditions, when certain bases might be closed in by bad weather before the mission ends, the weather at all possible alternate bases is constantly checked by operations and weather personnel. This information is checked against a "how-goes-it" analysis of the mission in progress and how much fuel is left in case an alternate base must be used. If a change in weather dictates a change in mission plans, the information is already at hand to eliminate weather hazards.

A weather analysis of SAC's aircraft accident rate during the past 5 years (see chart) shows that while the total number of accidents has continued downward during the period, the number of accidents involving weather has followed an erratic pattern. For the most part, however, this erratic behavior reflects flight limitations of aircraft. For example, an accident resulted when an F–84F lost power while in a cloud because the supercooled water in the atmosphere had a contracting effect on the rotating shroud of the jet turbine. To weathermen the most significant figures in this chart are the "Number of Accidents Involving a Determined Weather Deficiency." The man who decides whether or not to charge an accident against a weather deficiency is the Director of Flight Safety Research at Norton Air Force Base, Calif. Any such deficiency must be corrected or eliminated immediately.

As control of an operation moves upward, so does responsibility for weather support. When more than one wing or division is involved in the planning and execution of an operation, direct control generally is exercised by one of SAC's three numbered air forces. If more than one air force is involved, SAC headquarters generally assumes direct control.

In a like manner responsibility for weather support is changed from a base weather station to a forecast center at a numbered air force and, finally, to the Offutt Weather Central at SAC headquarters. Forecast centers have a partial hemispheric capability, while the Offutt Central's forecast capability covers the entire hemisphere.

With its hemispheric capability, Offutt Weather Central carries as high as 25 percent of the weather support load of each base by making the forecast for any mission or any part of a mission beyond the capability of the base weather stations. The chart showing the forecast load of the Offutt Weather Central shows an increase from 450 forecasts in a 6-month period in 1952 to 1,450 forecasts during the last 6 months of 1955, reflecting the rate at which SAC operations have increased since 1952.

The weatherman's basic tools—maps and charts recording current national and hemispheric weather data—are supplied daily to SAC weather stations by the facsimile network originating at the National Weather Analysis Center at Suitland, Md. The center and its network support nearly all military and civilian weather organizations in the United States. Reception of the basic charts from a central source allows SAC weathermen to concentrate their efforts on the specialized charts and forecasts required by their chief customers—the combat crews and the men who plan their missions.

Forecasting for flights from stateside bases to North Africa, England, Greenland, Alaska, or Pacific bases is routine for SAC stations. The major problem in this kind of forecasting is much the same as it always has been: lack of sufficient weather data because there just are not enough weather stations in the empty expanses of the oceans. In addition, since the planes on many of these missions may be hours apart, SAC weathermen and combat crews have developed a technique whereby enroute weather data accumulated by one flight is quickly appraised and included in forecasts for following flights. The professional ability of SAC crews to translate the weather they meet into accurate in-flight reports increases the accuracy of subsequent forecasts.

However, these in-flight reports are often not as detailed as weathermen would like, and there are hopes that sometime in the future aircraft will carry lightweight, digital recorders which will automatically log enroute data.

Studies of the jet stream and its effects on aircraft operations in 1954 showed the value of such airborne weather observing platforms. With the cooperation of Pan American World Airways and Mr. S. Serebreny, Pan AM's technical supervisor of meteorology, two specially instrumented B–36s were flown from Japan to Maine along the course of the jet stream. One aircraft was intentionally flown in the jet stream while the other followed a winding course along its axis. Information gathered on this and many other flights has made it possible to capitalize on the benefits of the jet stream and to minimize its disadvantages.

In a similar manner, through Mr. H. Harrison, United Air Lines; Mr. J. George, Eastern Air Lines; Mr. C. N. Touart, Air Force Cambridge Research Center; and Dr. R. Fletcher, Air Weather Service, SAC pursues a continuous and aggressive flight research program designed to improve forecasting capabilities.

With more and more emphasis on jet operations, today's forecaster is confronted by problems that arise because modern aircraft operate at tremendous heights and speeds in a medium that man still has much to learn about. The cruise-climb profile of jet aircraft—the flight path that gives a jet its best range and efficiency—requires planes to operate at altitudes that were only dreamed about 10 years ago and demands weather forecasts once called impossible to make. The weatherman's chief concern is lack of sufficient data.

Most of the available upper air weather data is centered around the 500-millibar or 20,000-foot level. Altitudewise this fails to satisfy even the lower limits of normal cruise-climb profiles. However, from a weather analyst's point of view, it furnishes a common upper level which, when correlated with surface conditions, gives a three-dimensional picture of the atmosphere. Within certain limitations, the analyst has learned to build his weather picture up and down from the 20,000-foot level. In building upward he was soon confronted with the fact that his constructed picture did not conform with high-altitude conditions flight crews reported. This was particularly true in the tropopause area separating the lower and upper atmospheres.

The tropopause is extremely unstable as a transition zone between two atmospheres and their respective weathers. The tropopause may fall nearly as low as 30,000 feet behind a weather front, or it may ride upward to 50,000 feet over violent thunderstorms in the lower atmosphere. Such varied effects of one atmosphere upon the other at altitudes where it is difficult to obtain accurate weather data taxes the ability of SAC's forecasters—for these are the altitudes at which planes of the command must operate.

That SAC's men continue to fly round-the-clock missions through these comparatively unexplored regions high above the earth is evidence of the efficiency of the command's weather support.

The vastness of the weatherman's laboratory makes his fund of knowledge seem terribly small. Still, the job must be done, the forecasts made. In doing the job, impossible as it once seemed, SAC's forecasters of the world's weather learn a little more every day about the atmosphere. What they learn today makes tomorrow's forecast more accurate and adds that much more to the effectiveness of the Strategic Air Command.

Clancy Lowers the Boom

(By Col. E. D. Reynolds, commander, 4050th Air Refueling Wing, SAC)

The Irish couldn't be prouder of their Clancys than the Strategic Air Command is of a select group of men who answer to the same name—although, really, their names run from Adams to Zegdrowski. It was inevitable that the boom operator of a SAC tanker would be dubbed "Clancy" after the character of the same name. When the Clancy of the song wanted to straighten things out, he really lowered the boom. For peace in our time, "Clancy" of the Strategic Air Command's tankers daily lowers a giant-sized 48-foot aluminum tube. Lying prone on a sponge rubber mat in the tail of a KC–97 aerial tanker, Clancy guides his boom into the gas-filler nozzle of SAC's B–47 and B–52 bombers, as well as the strategic F–84 fighters. As the jet fuel flows into the receiver plane's tank at hundreds of gallons per minute, it is obvious that Clancy is doing his part in providing the "seven league boots" for SAC's nuclear striking force.

Let's listen in on the radio for a minute and see what happens when "Clancy lowers the boom." This is a routine training exercise, held daily to insure that our strategic bomber forces can take off from a base in the United States and fly nonstop to any spot in the world and return.

Esquire Fifty-six is the tanker and he's in his orbit area waiting for business.

"Pigtail Ninety-nine, this is Esquire Fifty-six—do you read?"

"Reading you five square. Fifty-six. Revised ETA [estimated time of arrival] for rendezvous is fifty past the hour."

"Navigator to aircraft commander. I've been listening in and I have him on the scope at one six zero miles."

"O. K., old boy, take over."

"P–T Ninety-nine, I have you at range one six zero."

"Roger, Fifty-six."

(A little aircraft commander-navigator conversation is usually necessary about this time to make sure that all headings are correct.)

"P–T Ninety-nine, you're now one two zero—correct 10° left."

"Roger, Fifty-six—10° left."

"P–T Ninety-nine, range one hundred—what will be your descent range for formating speed?"

"Fifty-six, descent range thirty-seven, formating speed one ninety-five knots indicated."

"Ninety-nine, range six zero—correct three left."

"AC, Ninety-nine is at six zero—start your turn left to two four zero and depart orbit at completion of turn."

"O. K., Nav, turning left to two four zero."

"Ninety-nine range three zero—take course two four zero."

"Roger, Fifty-six."

At 12 miles the tanker stabilizes at 195 knots indicated—the navigator continues to direct the receiver up to a 1-mile range and then clears "Clancy to lower the boom"—after that it's "Contact Tanker" and "Contact Receiver."

No sweat. All in a day's work.

This tanker crew had a sense of humor, too. For in large letters painted on the ruddevators (combination rudders and elevators) of Clancy's boom was "All credit cards accepted." (Credit card or no credit card, you can always get gas if you say "LeMay sent me.")

What used to be a stunt has now been developed into an exact science. During 1955 the forces of the Strategic Air Command accomplished an average of 1 aerial refueling every 3½ minutes throughout the entire year. This was done in all kinds of weather, both day and night, in summer and in winter. Single airplanes and mass formations were all refueled on schedule. That's not a stunt.

Aerial refueling, which has brought the entire world within the range of SAC's atom-bomb-carrying airplanes, was first tried more than 20 years ago, but became a practical, everyday technique within the last 5.

Basically, aerial refueling was a military development. It was first done successfully over San Diego in June 1923 by two young lieutenants—Lt. Lowell H. Smith, and Lt. John P. Richter—who used a makeshift hose and a funnel rig to transfer a mere 25 gallons of gasoline from one airplane to another. Six years later, young officers exploited the refueling idea by setting an endurance record of 150 hours, 40 minutes, and 15 seconds in the Question Mark, a Fokker trimotor. During World War II three of the officers on this historymaking aerial refueling flight gained international fame. These three enterprising pilots were Maj. Carl (Tooey) Spaatz, Capt. Ira Eaker, and Lt. Elwood Quesada.

After World War II, SAC began working on its refueling technique, using B–50 bombers and a modified refueling system developed by the British. The British gravity flow system proved too slow, so United States technicians added pressure to it, making it possible to pump over 500 gallons of fuel per minute. The boom replaced the earlier hose, and it brought "Clancy" into the picture."

The old expression, "There's nothing new under the sun," certainly doesn't hold true in this aerial filling station business. As fighters and bombers fly faster and higher, we in the refueling business are hard-pressed to give them a load of fuel in mid-air and let them continue on the mission with just as little interference as possible. Just a few years ago we were dangling a rubber hose out the rear end of a modified B–29, sometimes taking up to an hour and one-half to offload comparatively few gallons of fuel by the gravity feed method. Today we've got a jet prototype tanker, the KC–135, which can refuel our planes at speeds above 500 miles an hour and at altitudes in excess of 35,000 feet. SAC's aerial refueling is something like an advertising slogan used by a roadside hamburger stand on the Houston-San Antonio road. The sign says: "He didn't invent the hamburger, but he did perfect it." SAC didn't invent aerial refueling, but it certainly perfected the technique.

On March 2, 1949, an 8th Air Force B–50 Superfortress, Lucky Lady II, piloted by Capt. James Gallagher, touched down on the runway at Carswell Air Force Base, Fort Worth, Tex., completing man's first nonstop flight around the world.

The B–50 left Carswell shortly after noon on February 26, 1949, and returned to its base 94 hours and 1 minute later after a flight of 23,450 miles at an average speed of 249 miles per hour. It had been refueled four times by KC–29 tankers from bases in the Azores, Saudi Arabia, the Philippines, and Hawaii. This mission was a big factor in establishing new refueling procedures and improving all equipment. Other missions flown in the Arctic tested the operating capability of the hose equipment. Units equipped with this system were sent to all parts of the world for further testing.

Using this equipment many types of formation refuelings were attempted, but not with the mass results desired. The success of this type of air refueling depended upon the tanker aircraft commander's skill in formation flying. To train tanker aircraft commanders was requiring more flying time than is now allotted to train an entire tanker crew. Realizing the limitations of the adapted British hose equipment, SAC headquarters called on Boeing Airplane Co.

In 1950, the B–29, later designated the KB–29P, was equipped with the Boeing flying boom.

The boom system gave us a much faster rate of fuel flow and more flexibility in selecting favorable weather and altitudes. With a telescoping boom that could be flown up, down, or to either side, the positive position of the tanker and receiver aircraft could vary to some degree. This system reduced by half the time required to train a tanker pilot.

Some major malfunctions had to be corrected later as Strategic Air Command crews and maintenance personnel became better acquainted with the system.

Besides improving refueling, the flying boom provided an added dividend that wasn't in the book. Recently an F–84 had a flameout while being refueled. Attempts at an air start proved unsuccessful, so the enterprising tanker crew towed the fighter pilot past his home base where he was turned loose and glided in for a dead-stick landing.

Until March of 1951, our only tankers were modified World War II bombers, but Boeing's KC–97A Stratofreighter tanker, which successfully refueled a B–47 jet bomber in flight on March 15, 1951, proved a major factor in making full-scale air refueling feasible. Although KB–29's would continue to be used for some time, aerial refueling had come of age and the tanker was no longer a mutation—it was an aircraft type in its own right, as much so as a fighter, a bomber, or a transport.

General LeMay, although long an exponent of the truly international bomber, recognized that such an aircraft would not be available in the immediate future. So he turned his efforts to the development of our capability to conduct intercontinental bombing through refueling. This meant that the tanker would have to become an integral part of the bomber's mission and all uncertainty would have to be eliminated from the technique. We could not afford to base our strategy solely on a network of foreign bases over which we could not definitely be assured of positive control. Neither could we base our strategy on an operational procedure that was not foolproof.

Therefore, in early 1952, it was realized that the tanker procurement program, both for aircraft and crews, must be increased. Such a high priority was placed on this program that bombardment crews training at Randolph Air Force Base for participation in the Korean conflict were withdrawn and replaced by a higher priority program—the transitioning to the KC–97.

The KC–97 extended the range of the B–47 by one-third to one-half. Between 1952 and early 1954, however, when tanker squadrons began to become combat ready, most B–47 aerial refuelings were merely token offloads in comparison to those of today. It was not until the latter part of 1954 that we began planning missions whose success depended entirely upon a successful air refueling. By the end of that year, tactics had been developed whereby large flights of B–47's could be refueled in formation, dependent, however, upon daylight flying and relatively clear weather.

During this time, many records were being established. A transoceanic mass jet flight completed by 58 F–84 Thunderjets of the 31st Fighter-Escort Wing further demonstrated the place of aerial refueling in modern military aviation.

In October of 1952, 75 F–84's of the 27th Fighter-Escort Wing completed the longest known over-water flight by single-engine jet fighters from Midway to Japan. The first flight, led by Col. John Blakeslee, refueled in air and covered 2,575 miles.

In January 1955, SAC Headquarters concluded that the aerial refueling problem during daylight hours and good weather was practically solved. Missions could be planned doubling the range of the B–47. However, to increase the range still further and to guarantee proper timing, training missions calling for mass night refueling and poor visibility conditions were necessary. Tanker crews in the 15th and Second Air Forces had been experimenting with certain tactics to enable formations of tankers to refuel formations of bombers at night with visibility down to 1 mile. These tactics were tested between March 1955 and August 1955, when they were placed in the tactical doctrine and became standard operating procedure for all of the Strategic Air Command.

Since August 1955, enormous strides have been made. Today it is common to schedule a B–47 to fly three times its maximum capable range by scheduling two or more air refuelings en route. Strategic Air Command air crews now are averaging 2,880 contacts a week—one aerial refueling every 3½ minutes around the clock.

Our present high degree of skill in the art of aerial refueling is the result of painstaking staff work and countless hours and days of experimenting. The number of actual hookups are numbered in the six figures.

Last year SAC introduced a new concept in tanker organization. Two 8th Air Force bases—Westover Air Force Base, Mass., and Dow Air Force Base, Maine—became the homes of air refueling wings, completely independent of SAC bomber wings. These wings were given a geographical area of responsibility. Instead of refueling the aircraft of one tactical organization, these wings now are responsible for all refueling within their area.

This was done for several reasons. Tanker squadrons are often called upon for support missions on TDY (temporary duty) movements, beyond their bomber wing commitments. By establishing a refueling wing, the problem of refueling at home while a squadron is absent on TDY has been solved since the rest of the wing remains in place. Furthermore, the consolidation of tanker units is more efficient because all personnel have only one job—air refueling.

The current production models of the KC–97G serve not only as tankers, but also as personnel and cargo transports. As SAC converted to jet bombers, the need for a jet tanker became evident. Experiments in air refueling between two B–47's proved the feasibility of a jet tanker. The Boeing Airplane Co. was again given the job. The Air Force has now standardized and placed into production an advanced tanker version of the Boeing model 707 jet prototype, to be known as the KC–135. These will be available in quantity in the near future.

The KC–97G carries its fuel for transfer in 15 tanks located on the upper and lower decks of the double lobe fuselage and in 2 wing tanks. The 7 tanks on the main deck are stacked 2 high along the left side of the airplane. This arrangement is an improvement over the KC–97E and F models which carried the transferable fuel in four large tanks installed in the upper deck only. With the new configuration, ample room remains in the upper deck for transporting cargo or personnel without removing the tanks. This greatly increases the mobility of the Strategic Air Command tanker fleet.

The result of all of this is a professional tanker force, with flexibility as its keynote and reliability its stock in trade. Its one mission in life is the accomplishment of the bombing mission, because the tanker has a bombing mission as surely as the bomber. The pilots of our tanker force are proud of their mission, and they're prouder still of their contribution to the security of our Nation.

Veteran of the Dry-Run War

(By Brig. Gen. Edwin B. Broadhurst, commander, 57th Air Division, SAC)

The story of the B–36 begins in 1941, several months before Pearl Harbor. One must think back about the world situation at that time to realize what prompted the building of the B–36. In Europe, Hitler's armies were moving into the free territories at a frightening rate. Britain, fighting against overwhelming odds, seemed near defeat.

The situation faced the United States with an awesome prospect—having to contend with the Nazi war machine almost singlehandedly. Without European allies, the United States would have been left without any airbases from which to launch an attack against a European battlefield.

If the worst came, as appeared probable, America would need to be able to wage aerial war from the North American Continent. At first this requirement seemed insurmountable. But the prospect of an airplane that could take off from available bases and hit the Axis was too valuable an idea for us to lay aside without exploring every possibility. And so it happened that 8 months before Pearl Harbor the Army Air Corps set up requirements for the bomber which would change the concept of war.

Specifically, the Army Air Corps was asking American engineers for a bomber that could carry a 10,000-pound bomb load to a target 5,000 miles away, and return, nonstop; haul 72,000 pounds of bombs at reduced range; travel 300 to 400 miles per hour; and take off and land on a 5,000-foot runway.

Design competition for this first intercontinental bomber began on April 11, 1941. In October of the same year Consolidated Aircraft Corp. submitted a proposal to "develop and construct 2 experimental long-range, high-altitude bombardment airplanes," with 6 pusher-type engines, which the company believed would meet all specifications.

In meeting these design specifications, and knowing the role the airplane was to play as a tactical bomber in a strategic fleet, the designers came up with the largest airplane ever built. The planning and design, however, were to offer one of the major objectives of aircraft design—maximum growth potential. This potential and versatility insured the planners that the aircraft could be modified and improved as newer and larger weapons were produced for aerial delivery.

As our European and Pacific campaigns progressed, the production of other aircraft was necessarily emphasized. These aircraft were using overseas bases which permitted short-range attacks against the enemy, a type of operation made possible because the enemy had chosen to concentrate on developing and producing fighters for close support rather than bombers for strategic uses.

World War II came to a climactic ending in August 1945, when a B–29 of our aerial fleet dropped a new weapon on Japan. To most of us, "atomic bomb" was a new term. We had to be told again and again about the destruction of Hiroshima and Nagasaki before we could really comprehend the bomb's significance.

The atomic bomb changed the concept of aerial warfare. American leaders, accepting this fact, realized that in its initial phase any future war would be limited to the delivery of massive destruction to the heartland of participating nations. The initial blow might come without warning, and the size of the initial wave could well determine a nation's future existence.

The United States Air Force, then, had to develop a powerful strategic force in being, able to deliver such massive retaliation that any aggressor nation would hesitate to launch an attack against our homeland. Part of the fleet had to be able to launch additional sizable strikes from our North American bases. The B–36 gave us this capability. The concept was adopted as our national policy, and the B–36 was brought into SAC to serve as the backbone of this new force.

What started with the nucleus of planners and designers in 1941 was to become the key to American defense in a new era of atomic warfare. At the war's end, engineering manpower was shifted to the B–36 program, and on August 8, 1946, the XB–36 roared into the air on its maiden flight.

With the initial reaction to the new concepts of atomic aerial warfare behind, history now provides air planners with the factual story of how the B–36 has enabled us to live for 10 years free from aggression.

Early estimates of the airplane's capabilities have been conservative. As more powerful engines and better equipment became available, Convair incorporated improvements in the early models. One modification, first flown in 1949, was equipped with 4 jet engines as well as 6 piston engines, almost doubling the amount of power of the aircraft. With these improvements, we now had an aircraft capable of gross weight takeoffs in excess of 400,000 pounds. We had an aircraft that could defend itself with its 16 20-millimeter cannons—more firepower than any other known bomber. In its final modified form, the huge bomber dropped 84,000 pounds of bombs, climbed above 45,000 feet, flew more than 400 miles per hour, and, in general, proved to the world that the United States had a "big stick" for defense.

Another very important development was the conversion of the bomber to a high-priority reconnaissance aircraft, designated as the RB–36. In addition to bombs, the

RB-36 carried the large cameras and other special equipment needed for long-range, high-altitude reconnaissance. In the forward bomb bay, for example, were 14 different cameras, including one with a 42-inch focal length lens, capable of mapping a strip of land 30 miles wide and 3,000 miles long. This was probably the largest photographic set-up ever designed for an airplane.

Delivery of the final B-36 meant that all 10 of SAC's B-36 wings—from Maine to California and from Washington to Puerto Rico—were fully equipped, and the Sunday punch of SAC had been realized.

When the B-36 was accepted, it not only met the basic requirements but could be adapted to newer and larger weapons. These modifications—increased engine power and greater gas-carrying capacities—gave us an air weapon that could meet a variety of requirements for conducting strategic aerial warfare. We could now carry any of the entire family of atomic and thermonuclear weapons to strategic portions of the globe. We had a plane that could carry larger and more effective photographic equipment to survey possible enemy targets. We had a tough, reliable aircraft that sustained the convictions of the leaders who placed a major responsibility for global airpower on its broad wings, and the crew that manned her.

All during the 10-year period since the end of World War II, weapon advancement was constantly under way. Scientific and industrial know-how produced new and larger weapons. Again, the big bomber proved to have been a wise selection because the B-36 was the only aircraft that could carry the thermonuclear weapon within her bomb bays. Never before in the short history of airpower has an air force possessed a machine that was so adaptable to rapidly changing weapons systems and engine developments.

The manner in which SAC crews have used the B-36 to carry out the assignment of preserving the peace is worth examining.

In 1953, for example, the 92d Bombardment Wing, based at Fairchild AFB, Wash., took part in a mission called Operation Big Stick, which took the wing to the Pacific area on a 30-day exercise. The B-36's, in this instance, were poised at a strategic time during international tension, and in a manner which could leave no doubt that this country intended to use every method available to preserve world peace. By flying nonstop from the United States to bases in Japan and the Far East, our airmen showed unfriendly nations that this fleet of bombers could have easily flown to any enemy targets and have landed at these same bases. The 92d Bombardment Wing received an outstanding unit citation for its part in the maneuver.

This maneuver was not the only occasion on which the peacemaker fleet was deployed to the right place at the right time. The Stragetic Air Command is continually rotating tactical units to strategic locations for operational training, which gives us an upper hand for delivering a lethal blow in the event world hostilities become a reality. Today a portion of the B-36 fleet may be in the Arctic; tomorrow, the Pacific; and next week, in the Atlantic Ocean area. These forward elements as well as the remaining fleet at home bases are ever ready to accomplish the missions assigned to them.

SAC training programs include a varied array of competitions between tactical units within the command. The best known of these is the annual SAC bombing and navigation competition. During this "World Series" crack crews are flying and "bombing" against each other on a point by point system, in a contest where precision teamwork alone can bring forth a winner. High performance standards of SAC crews are maintained through these competitions, which also are valuable in showing what the aircraft can or cannot do.

The flexibility of the B-36 and the essential role assigned under emergency war plan, places stringent requirements on her crews in order to keep SAC fully prepared. Many hours of flying time are involved in addition to the continual training before an officer fulfills the extensive requirements for an aircraft commander, pilot, navigator, or radar operator. Each crew member must be intimately familiar with the airplane, including more than 30 miles of wiring, an anti-icing system that could heat 120 5-room houses, engines that deliver the power output equal to 9 locomotives, the 68,000 different shop-made parts, and enough vacuum tubes to build about 100 television sets.

Military planners are confident that the B-36 can absorb battle damage and still continue the mission to which it has been assigned. Thousands of hours of trial and operation have given proof of the B-36's ruggedness. In July 1955, an RB-36 from Fairchild's 99th Bombardment Wing lost its rudder in a low-altitude, high-speed flyover near Denver, Colo. Expert handling plus the airplane's natural stability enabled this B-36 to fly more than 200 miles and land without mishap. Loss of the rudder necessitated the use of only ailerons and elevators to control the huge airplane, and yet it was possible to maintain a long flight and set the hundreds of tons down safely.

The sturdy aircraft got another test when bad weather forced a B-36 to land in an open plowed field in England. With a few minor repairs, the bomber was towed to the runway and made a normal takeoff.

Today, the Peacemaker is programed for retirement from its role in the SAC fleet. In its place, Boeing's B-52, powered by eight jet engines, with greater speed and increased altitude, is gradually replacing the B-36. The flexibility of this new bomber will continue to give the United States Air Force, and the Strategic Air Command, an air carrier that can keep pace with munition advancements and changes in strategic requirements.

The B-36 has cast a shadow on aggression for nearly a decade now; yet, never has a B-36 dropped a bomb in anger. Its poised might has been deterrent enough to help preserve peace. The history and life of this fabulous airplane have been long and successful. From the drawing board in April of 1941, through its production, tests, modifications, and remodifications, it has combined talents, forces, and power with America's striking arm—the Strategic Air Command—to provide and maintain peace for the United States and the free world. From its conception to its birth, from its birth through its improvements at present, and from the present into the near future, the B-36 has given, and still gives, a sound basis for the free world to hope for continued peace through strength.

Breaking in the Stratojet

(By Col. Michael N. W. McCoy, commander, 321st Bomb Wing, SAC)

This story begins in January 1950 at Goose Bay, Labrador, where I was SAC project officer for a cold-weather air-to-air refueling test.

One Saturday I received a message to report to Omaha the next day. After scheduling an aircraft, I began to wonder what kind of trouble I was in now.

My interview at SAC headquarters was short and to the point. I was advised that I had been placed on the school list, but I was too old to go to school, and would I rather go to school than be the commander of the 306th Bombardment Group, which was to be the first B-47 outfit in the Air Force.

I thought at the time that it was a stupid question. However, in the years that followed I often thought my answer was equally stupid, which was, "When do I report?" The reply was, "Day before yesterday."

I had been in SAC long enough to know that things move fast, but this was a little faster than I was used to. However, I reported to MacDill Air Force Base, near Tampa, Fla., in a few days, fully expecting to see the ramp littered with B-47's. After getting settled and being briefed on the situation, I found that the B-47 program was far from being ready, at least as far as SAC was concerned. We were to face many, many months of ground training, schools of all sorts in various places in the United States, such as Ellington AFB, Mather AFB, and Wichita, Kans., before we were to even set foot in a B-47. In the meantime, we kept ourselves busy training B-29 and B-50 students and organizing a Strategic Evaluation Squadron.

There were many conferences held to determine the support equipment and personnel necessary, plus all of the intangibles concerning the B-47 that were unknown at the time.

We found that many of the items available in the B-29 and B-50 programs could still be used, but you just can't tow a B-47 with an ordinary tow bar. It must have wheels and be telescopic so you carry it with you. An ordinary power ground generator wasn't good enough—it had to put out three different kinds of electricity. All of those things had to be taken into consideration.

It wasn't until April 1951 that I was able to go to the factory school and learn what made this airplane tick. While there I discovered that SAC had a good chance of receiving its first B-47 in a few months.

SAC Headquarters gave me a priority on personnel and supplies. I started out to recruit the best talent I could find. I called on each of SAC's numbered Air Force headquarters. At Headquarters Fifteenth Air Force, March AFB, Calif., I struck pay dirt. It seems as though all the pilots who had been trained to be radar operators, navigators, and bombardiers—we called them the four-headed monsters—had been graduated at Mather AFB and for some strange reason had been unable to get out of California.

I was able to pick up about 30 of the most experienced pilots in SAC, and to this day I dodge Gen. "Rosie" O'Donnell when I see him coming, because he thinks I'm an outright thief.

At the same time training command was attempting to start a school at Wichita and was training instructors. We were fortunate enough to get myself and Col. Don Hillman, my deputy, and five other pilots into the transition checkout phase, which was much like the blind leading the blind. Nobody knew too much about the aircraft in those days.

We finally got the big word that our first plane would be ready to pick up on October 24, 1951. Major Prieve and I went to the Wichita factory and picked up the first SAC B-47, number 008. I don't think there has ever been a ferry flight so well monitored by higher headquarters. No one wanted us to break anything. At MacDill, there was a welcoming committee headed by Maj. Gen. Frank A. Armstrong, Jr., our division commander, lined up on the ramp ready to greet the new aircraft. We landed without incident and turned off the end of the runway, shutting down the four outboard engines just like the book said.

In those days the General Electric J-47-11 engines had the habit of continuing to smoke after being shut down. The young lad driving the follow-me jeep tried to do something about the smoking engine. He jumped out of his vehicle, grabbed the fire extinguisher and sprayed the engines with foam. We were worried about the damage to the hot engines, so we shut down the other two. Fortunately, the fire extinguisher was almost

empty, and no damage was done. The welcoming committee was waiting about a mile away, and some 40 minutes later we were greeted as we were towed in. Not a very auspicious beginning.

We had heard a lot about this aircraft from Mr. J. E. Schaefer, a Boeing vice president and manager of the Wichita division, and Mr. N. D. Showalter, chief engineer at the Wichita division, who know their flying machines and who are also excellent salesmen. Some things we believed and some we were doubtful about at first. However, we were able to fly this plane for 13 straight days without any maintenance, which is the sort of performance that melts doubt away. Colonel Hillman and I finally checked out 7 instructors, and we proceeded to train the 306th Bomb Wing. We personally checked everybody, both day and night.

There were amusing experiences, and some not so amusing.

We had set up a runway control radio vehicle, in order to better supervise flying, requiring a supervisory officer on the radio vehicle at all times. In case something unusual went wrong this supervisory controller could read it out of the book and advise the pilot. We believe that this procedure prevented at least 3 accidents and in 1 case possibly saved 3 lives.

Our first accident occurred when a student mismanaged his fuel system, and the airplane had six engines flame out on the downwind leg. I was in the runway-control vehicle at the time, and was talking to Captain Williamson, the instructor in the back seat. There wasn't much he could do as the fuel controls were in the front seat, but he made an attempt to get it on the runway. While he was on his base leg, I noticed the nose start to rise, and told him to land straight ahead. Whether he heard me or not, his judgment told him he wasn't going to make it. He did roll out and landed straight ahead—in 5 feet of water. Everyone got out of the aircraft safely.

Another incident occurred with this same instructor when he was first getting started. He had been sent to the factory to ferry an aircraft. On the way he had shut down No. 5 engine. When he came in for a landing there was a considerable crosswind, which kept him busy. To top it all off, when he pulled the throttles back he missed No. 6 throttle and found himself going down the runway with his No. 6 engine at 80-percent power and a crosswind that didn't help. Capt. J. D. Brashear was in the radio-control vehicle and immediately diagnosed the trouble. Brashear called: "Cut No. 6, Willie." And Willie did, just in time to keep from going off the end of the runway. Experiences like this kept life interesting in those days.

We experimented with the B-47 by scheduling cross-country missions, while training crews, to find out some of the problems we would encounter in bad weather and turbulence.

I remember one night particularly. I was checking out Lt. Col. Benny Klose and his operations officer Lt. Col. Charles Joyce, when we hit a particularly rough thunderstorm. Both students were in the advanced stage of training, and I was riding in the nose. We hit this thunderhead at night, and the plane began to buffet. I could hear both pilots on the interphone trying to decide whether we were buffeting from a stall or high-speed buffet. I was having a hard time staying in my seat, so I called back and said: "One of you get out of the seat. I am going to get in one of the pilot's seats"—and we all met in the aisle.

Things went along pretty well until July 1952. By this time we had received our observers, and they were flying with their crews. Then on July 2, 1952, we began to get the grim taste of trouble.

One of our squadron commanders, Lt. Col. Howard Weeks, took off with a crew for a normal training mission and crashed from about 17,000 feet, just south of the base. We never did definitely determine what happened, but we suspected the canopy had come off in flight and injured the two pilots. That same month, about 3 weeks later, we had another one go in at Marianna, Fla., from 35,000 feet. In each case there were 4 people on board and in each case 4 fatalities. After this last accident, all B-47's were grounded until we could determine what caused these two accidents. During the inspection, we found considerable trouble with our fuel cells, and it was decided to replace all fuel cells due to the excessive number of leaks. After this was done, we started flying the aircraft again.

In January 1953, we ran a service test called Project Sky-Try on our B-47's. We considered it the best service test ever run on any aircraft in the length of time allowed. The operations order from SAC said: "Beginning 22 January 1953, a simulated combat operation, maximum effort, will be flown each 3 days for a 30-day period, utilizing only the 15 assigned aircraft and crews of the 367th Bomb Squadron." We designed missions that would cover all phases of operation, including single and double air refueling missions, night and day bombing and everything that the B-47 was designed to do. A high priority was assigned to this squadron for personnel and supplies. A big staff, military and civilian, was set up to monitor the test and keep records on the results.

We scheduled and flew 150 missions during this period without one ground abort, every aircraft taking off as scheduled. We flew 1,300 hours in 22 days in this one squadron, and in the meantime, the other two squadrons in the wing continued their normal flying. We turned in stacks of incident reports and some necessary unsatisfactory reports. We compiled consumption data on supply requirements and maintenance hours versus flying hours.

For many months, we had been querying Air Materiel Command and the Boeing people about what would happen if we had our tip tanks full and they failed first to feed and then to release. They just hadn't got around to testing this, and during one of our night missions we finally had an aircraft with full tip tanks that wouldn't feed. The pilot came back over the field to talk about it and I told him to go out to the salvo area and drop them. One dropped and the other stayed on, and he found himself facing a night landing with no tank on one side and a full one on the other. He made a skillful landing, which was uneventful until he was down to 40 knots and the outrigger tire on the heavy side blew out. The aircraft came to rest on the runway without damage.

It wasn't 10 minutes later that another aircraft called in with the same trouble. He received the same instructions, but neither tank would come off, and he made his landing with two full tip tanks without incident and with no damage. I informed the authorities that the tests had been completed and we knew we could land with any configuration of tip tanks.

Overall the things we learned in Project Sky-Try advanced our B-47 know-how considerably.

The next event worthy of note was when we took two B-47's to England in April 1953. This was the first time the Stratojet had been overseas, and it created considerable interest in the United Kingdom. Both aircraft, one piloted by myself and one by Lieutenant Colonel Klose, broke the existing transatlantic speed record.

We wanted to survey the European area for our forthcoming wing rotation, and discovered many things that would have to be improved or changed to accommodate the B-47, the most outstanding being radio aids.

For example, we learned right away that the low-frequency type homer or range station was clearly inadequate. I was homing in on the Fairford low-frequency station and let down through an overcast. I broke out at about 2,000 feet and saw a beautiful runway appear straight ahead. I considered the letdown a success and proceeded to land. However, I was on the wrong field, some 9 miles beyond my destination. My station passage had been unreliable.

We also found that the runways in the United Kingdom had to be repaired due to roughness.

Upon our return to MacDill from England speed records again went tumbling. Everywhere you went in those days you almost automatically set new speed marks.

We began to prepare the wing for rotation to the United Kingdom.

This would be the first of many B-47 wing rotations, and it was being watched with keen interest by higher authorities. It turned out to be the finest rotation of any wing in SAC up to that time. It went off with the least amount of trouble and the least amount of time, and clearly demonstrated to the top air echelons that SAC had something really hot.

Although our British base was not completed, we were able to operate with good efficiency for the full 90 days of our programed rotation. But success never comes cost-free—it was while on this foreign duty that we had our third fatal accident. The aircraft had been sent to another base for a training exercise and the pilot stalled out of a steep turn to the final approach, and went in.

Our 90-day rotation matured the wing into a well-knit outfit. The refueling squadron, tactical squadrons, and maintenance squadrons were still speaking to each other and were ready to go any place any time. From then on, it was a matter of refining our training, perfecting our bombing, air refueling, navigation, and all the things that go with continually being ready.

We had nicknamed the B-47 "Droopy" because it looked like a wet hen sitting on the ramp. We hear a lot about push-button warfare, but the push button that will push "Droopy" out of the picture is a long way off.

This is only the first installment of the SAC B-47 story. The story is still being written in the skies all over the world.

SAC's Newest Recruit: The Stratojet

(By Brig. Gen. William E. Eubank, Jr., commander, 93d Heavy Bomb Wing, SAC)

The base is Castle Air Force Base, Calif., the wing is the 93d Bombardment Wing, and the airplane is the big one, the Boeing B-52 Stratofortress. These are the three elements that go to make up the first combat-ready B-52 unit in SAC. Let me tell you about all three.

Although the Castle story may not be exactly typical, it is certainly symbolic of the rapid growth and expansion of SAC's combat potential. It is the story of a combat wing which in mid-1949 was a typical B-29 unit. In 1950 it had become a powerful B-50 outfit with many times the striking power it had possessed a year before. From 1950 until 1954 it was one of several veteran B-50 combat wings.

In 1954 the 93d Bomb Wing joined the rapidly growing B-47 medium bomber force, with striking power, flexibility, and versatility many times greater than it ever possessed before.

During the 20 months that the wing operated B-47's (June 1954 to January 1956) it flew 24,439 hours without an accident.

In mid-1955 the wing became the first B-52 heavy bombardment unit in the Strategic Air Command.

Thus, in 6 years, from mid-1949 to mid-1955, the 93d Bombardment Wing had developed from the B-29, with its limited striking power and potential, to the most deadly nuclear striking weapon known in the world today. Throughout this 6-year period of transition and growth from one stage to another in the Strategic Air Command plan, the 93d was maintained as a combat-ready unit, prepared at all times to carry out a war mission if directed.

Although it may seem elementary, the first question to be answered is "Where is Castle Air Force Base anyway?"

Believe it or not, that's the question most frequently asked. Castle Air Force Base is near Merced, Calif., in the middle of the San Joaquin Valley. Translated into Air Force language, it is about two-thirds of the way from March Air Force Base to Hamilton Air Force Base—just far enough from San Francisco that the wives can't go shopping every week—just every other week.

The base is named for Brig. Gen. Frederick W. Castle, whom many Eighth Air Force veterans will remember as a heroic combat division commander who was awarded the Congressional Medal of Honor posthumously for valor in action over Germany in World War II. Merced Army Air Field, as it was known in World War II, trained 13,000 cadets in BT-13 aircraft from 1941–45.

Castle is a single-wing base of the 15th Air Force. Besides being the home of the 93d Bombardment Wing, it also houses the 2d Strategic Support Squadron and the 4017th Combat Crew Training Squadron. This latter squadron, an integral part of the 93d Wing, trains all combat crews for SAC B–52 wings.

As SAC began picking up the pieces of what was left after the World War II demobilization, the 93d Bomb Group, as it was then called, was assigned to Castle in May 1947. It was equipped with B–29 aircraft and crews, and comparatively speaking, was considered one of the strongest of the Strategic Air Command combat organizations of that time.

In January 1951 the group was designated the 93d Bombardment Wing in the new terminology of the Strategic Air Command organizational plan. From 1947 until the present, the 93d has been led by some of the most famous Strategic Air Command officers, among them Maj. Gen. Robert H. Terrill, Brig. Gen. David Wade, and Brig. Gen. Richard H. Carmichael.

Several years ago, when the B–52 program was still in the planning stages at higher levels, it was decided to convert the 93d into SAC's first B–52 wing. At the same time it was decided that the wing would train all crews for succeeding B–52 combat wings.

To accomplish this it was planned to organize the 4017th Combat Crew Training Squadron, and attach it to the 93d Bombardment Wing for this purpose.

We occasionally hear the question: "Why hasn't this training responsibility been assigned to the Air Training Command, as it was with the B–47 program?" Here is the answer—to make B–52 aircraft available within Strategic Air Command at the earliest possible date it was advisable for the command to handle the training for its own crews.

Thus, the total number of aircraft available within SAC for combat purposes includes those B–52's used for crew training.

In other words, it was not necessary to decrease the SAC inventory of combat aircraft to support the training function. Many Strategic Air Command personnel will remember that this same procedure was used in the B–36 training program at Carswell Air Force Base, Tex., using a unit also designated 4017th Combat Crew Training Squadron.

The 4017th Combat Crew Training Squadron is an operations and training squadron only and has no unit aircraft. The aircraft belong to the three bombardment squadrons of the 93d and are maintained by these units. Training sorties are furnished to the 4017th Combat Crew Training Squadron to fulfill the training requirements of that unit.

Extensive construction work to support B–52 operations began at Castle in March 1954, and all major construction has been completed. To those who knew Castle Air Force Base in World War II, the operating portion, such as the ramp, taxiways, and runways, are no longer distinguishable. They've been swallowed up in one or another of the several modernization programs.

Even to those who may have known Castle in the B–29 and B–50 days, many of the old features are hardly recognizable. The main runway has been strengthened and considerably lengthened, as well as widened. It was also necessary to strengthen and widen the taxiways and the warm-up aprons at each end of this runway.

The entire main parking ramp has been completely overlaid with 16 inches of concrete. And there are many new buildings, such as the king-size maintenance hangar, base operations, technical training building, crash station, wing headquarters, new squadron engineering buildings, and the aircraft and engine buildings.

At present the only major construction still in progress in the operating area is the project for postflight and periodic inspection docks. These docks simplify the maintenance problem to a remarkable degree in that the aircraft can be nosed into the dock itself and all major components and accessories are completely available for maintenance purposes.

A remarkable fact is that at no time has construction handicapped day-to-day operations to the extent that the conversion program slowed down.

The conversion of the 93d Bomb Wing into the first combat-ready B–52 wing actually involved two conversion programs.

The 93d began converting from B–50's into B–47's in March 1954, and while the B–47 switch was still in progress wing planning agencies were paving the way for the next conversion to the B–52.

The 93d became combat-ready in B–47's in record time, in the fall of 1954. Many projects relating directly to the B–52 were already in progress at that time, and in June 1955 the aircraft began to arrive at Castle. By then the 4017th Combat Crew Training Squadron was ready to begin retraining the 93d's crews.

Instructor crew personnel of the 4017th Combat Crew Training Squadron had received their B–52 checkout training at Edwards Air Force Base in early 1955 while the Air Force Flight Test Center was conducting phase VI evaluation tests on the new bomber. The overall programing plan included the requirement for 4017th Combat Crew Training Squadron instructor personnel to receive their preliminary training at Edwards Air Force Base, Calif., and in so doing support the needs of the Flight Test Center for flight personnel to handle testing operations. Wing maintenance personnel, more than 200 in all, also supported the testing phase at Edwards and in the process gained invaluable B–52 maintenance training.

With such background for key flight instructor and maintenance people, the 93d was fully ready for the influx of B–52 aircraft when it began.

Extensive training operations started immediately on the arrival of the first new bomber, and continued on schedule until all 93d combat crews had completed their conversion training.

Today the mission of the 93d is to maintain a state of combat readiness at all times to handle its mission in the Strategic Air Command emergency war plan, and also to support the 4017th Combat Crew Training Squadron in the training of combat crews for succeeding B–52 combat wings.

Today the B–52 is no longer a strange sight in the western part of the country. Nor is it unfamiliar to CAA control personnel, or to fighter-interceptor units of the Western Air Defense Force.

The new bomber looks and performs like its older but smaller brother, the B–47, and is just as much a pilot's airplane.

There are many who say the B–52 is easier to fly than a B–47, but whether it is or not is inconsequential—both aircraft are equally well liked by SAC pilots.

Naturally the B–52 has better performance than the B–47. It is a later aircraft. Although they look alike, there are many radical differences in the systems of these two planes. Beyond their size, the most obvious difference is the side-by-side pilot configuration in the B–52 as compared to the tandem seating arrangement in the B–47. Experience on the B–47 had indicated that side-by-side seating would improve crew coordination and afford more space.

Another innovation introduced in the B–52 is the use of high-pressure "bleed air" from the engines as a source of power. Extensive studies conducted by Boeing indicated that such a system would be lighter than other systems designed to do the same job. Although many developmental problems were encountered in perfecting this new system, it has been highly successful in the operation of the B–52.

Such standard accessories as engine starters, hydraulic power packs, alternator packs, and anti-icing system all use—as the primary source of power—high-pressure "bleed air" from the engines themselves. In the engine-starting system, for example, a small jet-type engine on a cart must be used as a source of high-pressure air to start 2 of the 8 jet engines. Once 2 of the engines have been started, the "bleed air" from the internal source can then be used to start the remaining engines.

Whereas the B–47 has all boost-operated control surfaces, the B–52 was designed with manually controlled elevator, rudders, and ailerons to introduce a greater reliability factor. The only power-operated control surfaces are the spoilers on the upper surface of each wing. These work in conjunction with the ailerons to provide greater lateral control.

Instead of the familiar bicycle gear on the B–47, the B–52 has a quadricycle gear which retracts forward and aft into the fuselage, with two outrigger gears retracting into the wings.

Another innovation of the jet age is the crosswind steering capability of the B–52. Crosswind positioning of all four main gears is standard equipment on the B–52. It is controlled from a single knob in the cockpit. This feature eliminates all of the critical factors inherent in crosswind landings in all previous types of aircraft. Any experienced pilot will agree that this is a major advance in aircraft design from a flying safety standpoint.

The B–52 carries a crew of 6 as compared to the B–47's 3-man team. This includes two pilots, radar observer, navigator, radioman, and tail gunner. The pilots and the radio operator occupy the upper flight deck compartment; the observers, the lower flight deck; and the gunner rides in "solitary" in the tail.

Eight years were spent in development of the B–52. The prototype was first flown in April 1952, and by that date more than 3 million engineering hours had been spent on the design.

The first production model was ready on August 5, 1954, and cost in the neighborhood of $12 million. Today, with the tooling completed and the production line in business, the price of each unit has decreased considerably.

The B–52's eight Pratt & Whitney J–57 engines, the most powerful in mass production today, produce a thrust approaching the equivalent of 100,000 horsepower.

The B–52 gives America the first jet intercontinental capability in history. It can fly a bomb load to targets on the other side of the world and return, at altitudes above 50,000 feet. Its wingspan and length are

both greater than the width of a football field, and the top of its rudder towers almost five stories above the ground. It cruises at more than 600 miles per hour, yet its landing speed compares favorably with conventional airplanes of like size.

Forward crew positions are equipped with the latest type of ejection seat. The crew member has only to pull the "go" handle to find himself floating in space.

Under normal conditions the cabin pressure can be maintained at less than 10,000 feet pressure altitude, even at the most extreme heights.

When the first production model of the B–52 left Boeing's Seattle factory, Gen. Nathan F. Twining, the Air Force Chief of Staff, compared it with the long-rifle of frontier days, which he called "the great weapon of the day" that "kept the savage red men from killing our people."

As General Twining has stated so well, the B–52 is truly the long-rifle of our Armed Forces today. Never before in history has so much striking power been concentrated in one weapon.

The B–52 represents a big investment in money, but if it buys the peace with honor, we all desire, it is well worth the cost. The B–52 force is the safest investment I know of today for this Nation and the American people.

The Birth of a Bomber

(By Col. Donald E. Hillman)

The first B–52 wing is now equipped and operational. SAC's combat capability has received a significant boost. The combat crews are happy with it—the airplane has lived up to its advance notices. It's exciting to see this powerful and beautiful, 200-ton weapon take the air. But it was a long time getting here.

The general requirements for an intercontinental bomber were established in 1941. The Convair B–36 and Northrop B–35 Flying Wing were developed from these requirements. As defensive techniques improved, it became evident that an intercontinental bomber must have more range, speed, and altitude performance than either the B–36 or B–35 offered. In January 1946, the Air Force released a new set of heavy bomber requirements and invited the aircraft industry to submit proposals. There were two items of particular significance at that time. First, the need for higher performance forced these new standards before either the B–36 or B–35 had flown. Second, the new performance standards appeared possible because of enthusiastic reports on turboprop engine developments.

In June 1946, Boeing was awarded a development contract to include a full-scale mockup. The competition airplane of 1946 bore little resemblance to the B–52 of today. It had a conventional wing planform with a span of 221 feet, was to be powered by 6 Wright T–35 turboprop engines (each rated at 5,500 horsepower), had an initial design gross weight of 400,000 pounds, mounted 5 turrets containing 12 20-millimeter cannons, and had a crew of 10.

Although this design was good enough to win the competition, it fell far short of desired range objectives for a number of reasons—the lack of satisfactory propeller-engine combination, the weight of the armament system, and too large a bomb bay. Numerous configurations were examined during the summer of 1946, but none looked good until a new and more powerful Wright engine was promised. The design was then changed to a smaller, more efficient 4-engine airplane, even though additional equipment had been incorporated; the crew had been increased to 11, and the bomb-carrying capability increased considerably. The engines were still too high in specific fuel consumption and the airplane also fell short in the critical area of range.

The Air Force finally decided that the only way to get the needed range was to design a special-purpose airplane, its only mission the strategic delivery of a nuclear bomb. This allowed reductions in armament, bomb-bay size, and number of crew. It was even planned to drop part of the landing gear after take-off. This was the first design to approach intercontinental range. Late in 1947 the contract called for a new full-scale mockup, plus numerous cockpit mockups with tandem pilot seating chosen.

New strategic requirements demanded that the B–52 be capable of deep penetration into enemy territory. Although its speed was now much faster than that spelled out in the 1946 design requirements, it was still relatively slow. About this time air-to-air refueling made it possible to design an even smaller airplane with substantially higher speeds. A new Boeing contract included the construction of a mockup and 2 prototype airplanes powered by 4 T–35–W–3 turbines, each producing 8,900 equivalent shaft horsepower and driving 19-foot dual rotation propellers. There was to be a crew of seven with a manned tail turret.

Continued engine-propeller difficulties were brought to light in the summer of 1948. Obviously, an extended turboprop development program was necessary before such a design would be practical for strategic operation. Studies were made involving temporary substitution of J–40's.

The B–52 picture was muddled and quite black.

A strike at Boeing slowed mockup work and completely stopped prototype airplane construction. Prototype engine and propeller deliveries appeared to be at least 4 years away.

Then, on October 21, 1948, Boeing engineers Ed Wells, George Schairer, Maynard Penell, Art Carlsen, and Vaughn Blumenthal arrived at Wright Field to confer on their XB–52 turboprop airplane.

AMC welcomed them with a request for a preliminary study of an entirely new airplane to be powered by a new high pressure-ratio turbojet engine—the XJ–57 proposed by Pratt & Whitney.

The Boeing representatives retired to a Dayton hotel room and went to work.

They worked night and day, Friday, Saturday, and Sunday, October 22–24, 1948. On Monday morning they submitted a 33-page report and a hand-carved model of their proposed configuration. It embodied 35° wing sweepback, 8 XJ–57 P–1 turbojet engines slung in pairs on 4 pylons under the wing, additional fuel, 1 tail turret, and elimination of certain equipment called for in prior designs. Within a relatively short time work started on a new mockup and two experimental airplanes. More detailed engineering resulted in an airplane virtually identical to the model that came out of a weekend of hectic work in a Dayton hotel room.

Major changes from that first model have been relatively few. As a result of wind tunnel tests and XB–47 flight data, the slats were removed from the wing, and spoilers and small ailerons were added. A quadricycle gear gave enough lateral stabilization so that the outrigger need only serve as tip protection gear. In 1951 the Air Force decided to change the cockpit to side-by-side seating. The gross weight was increased to gain more range and take advantage of predicted engine improvements.

Research and preliminary design on the B–52 airplane took 34 months. This is longer than would normally be expected. However, the time was well spent because the present configuration represents a far more advanced design than appeared possible earlier.

Experimental design to production go-ahead took 28 months. Extremely satisfactory B–47 flight test reports made this possible since the two airplanes are quite similar in configuration except for size. B–52 production approval was granted before the first flight of a prototype airplane. Another 40 months was added before the Air Force accepted the first flight test article.

The XB–52 airplane was moved out of the factory in November 1951. Engine and system ground tests were complete in January of 1952. Taxi tests were finished near the middle of March 1952, but the airplane had to be returned to the factory for incorporation of equipment not previously available. When the YB–52 left the factory in March 1952 most of the modifications had been completed. The airplane first flew on April 15, 1952.

Col. Pat Fleming

(The first crash of a B–52 in February took the life of Col. Patrick J. Fleming, one of the most dedicated of SAC's dedicated airmen. His good friend, Beirne Lay, Jr., the well-known screen writer, wrote this tribute to him and sent it to us. Fleming, Lay told us, was an airman who sought and found complete mastery of his trade. He was a pro. All this is in the record. What will not appear in the record, unless I set it down here, are the events of three Sunday mornings.—THE EDITOR.)

The bare facts of the official record in war and peacetime of Col. Pat Fleming, deputy commander of the 93d Bombardment Wing, Castle Air Force Base, Calif., who met his death in the first crash of a B–52, add up to a portrait of a dedicated professional perfectionist.

A naval aviator and fighter ace in the Pacific before transferring to the Air Force after World War II, a test pilot, and finally a specialist in the B–47 and the B–52, he couldn't bear the thought that there was any airplane around that he hadn't flown. So he flew them all.

After 7 years of marriage, Pat had never found time for his honeymoon with Neville until General LeMay was persuaded to lend him to Paramount Pictures for 2 weeks as a tech adviser on Strategic Air Command, while the script was being prepared in 1954. Pat and Neville arrived in balmy Hollywood on a Sunday morning, looking forward to a rest by comparison with Pat's Air Force grind. He needed a rest. He was thin and gray with fatigue. He hadn't had a day's leave since the end of the war. The phone rang. It was Washington. They wanted him to hustle on up to Seattle for consultations on the first air refueling tests with the new Boeing jet tanker. Pat hadn't even unpacked his bag.

He shoved off at once, borrowing a B–26 from nearby March Air Force Base, and flew himself to Seattle, arriving half-frozen and still more tired. The heaters had quit on him and he'd had to remain at high altitude because of stiff headwinds lower down. He switched immediately from his B–26 to a B–47 and took off at dusk to rendezvous with the jet tanker, flying until after midnight and completing 23 refueling contacts. Then he climbed back into his B–26, without sleep, and flew back to Los Angeles. He walked into my office at Paramount.

"What are you doing here?" I asked. I hadn't expected him back for 2 or 3 days.

"It's Monday morning, isn't it?" he said. "I'm supposed to be working for Paramount."

A year later, on a Sunday morning, Pat and Neville pulled into my driveway with their three little girls and the family car piled high with vacation gear. They were on their way to Laguna Beach for 2 weeks' leave. Two weeks later, I arrived at Castle AFB at the tail end of a 15-day tour of active duty in my Reserve assignment with SAC. Pat was the first guy I ran into. It developed that he just couldn't stay away from those B–52s. After a few days at the beach, he cut his vacation short. He'd been flying 5 nights in a row, checking on the new crews in training. Each sortie meant a 7- or 8-hour mission, beginning with stations at 0300. I went on one of these missions the next morning with Pat. It was a rugged 7½ hours at altitude. Once a week would be often enough to suit most pilots just fine. At one point on the flight, I crumpled an empty cigarette package and, seeing no container handy, tossed it on the flight deck. Pat was on the interphone immediately.

"Put it in your knee pocket," he said. "The crew chief on this aircraft's got enough to do." But the rebuke didn't sting. He was so right. And it was typical of him. But what I remember best about that flight was the way Pat was all over that airplane, knowing every man's job cold. Each crew member was a sharp, picked veteran of the B–47 program, but Pat's probing eyes and questions kept them sweating. "What do you do if you lose electrical power?" he'd ask. The man had better know the answer.

And then there was a Sunday morning in February. Pat had been one of the four listed as missing since the explosion of a B–52. When they found him his 'chute was missing, apparently burned off, after he remained in the cockpit too long, applying emergency procedures, helping the others get out. My friend on the phone added a tragic footnote. Pat was scheduled to leave in less than 2 weeks for a desk job at SAC headquarters as director of requirements. He had already compiled hundreds of hours of B–52-pilot time, flying far in excess of the normal requirement of his job. But instead of easing off during those final 2 weeks, he was squeezing in every possible hour in the air. He wanted, when he reached that desk in Omaha, to speak from the vantage point of his own, inner conception of a real "pro."

SAC's Little Fighters and How They Grew

(By Col. David C. Schilling, inspector general, 7th Air Division, SAC)

Looking back to 1946, when the Strategic Air Command got all of its fighter support from a few leftover World War II propeller jobs, we fighter pilots feel much like the atomic artillery officers with their memories of 75-millimeter pack howitzers carried by mules.

Except for one thing, perhaps, the fighter as an arm of SAC might have gone the way of the pack mule. That factor was the rapid development of fighter-type aircraft which, in 10 years, has brought the fighter to its present-day long-range strategic capability and has greatly added to the complexity and importance of its mission as an air weapon.

When SAC was organized in 1946, and given a global responsibility for strategic air operations, our North American F–51 and Republic F–47 fighter planes were assigned the mission for which they had been designed—fighter escort. There was little else they could do, but in succeeding years the mission of SAC's fighter commands has grown in importance with each delivery of a new, improved fighter plane.

These changes began in 1948 with the replacement of our F–51's and F–47's with a long-range propeller-driven fighter, the North American F–82 Twin Mustang and the Lockheed F–80 Shooting Star—SAC's first jet fighter. The F–80, however, was limited in range.

A year later the command's first long-range jet fighter, the Republic F–84E, was delivered. Its range was further extended by the delivery of the G model, which had an aerial refueling capability.

Our fighter wings now are equipped with the sweptback F–84F, which greatly increased performance capabilities while retaining range characteristics of earlier models.

As a direct result of fighter development, the primary mission of strategic fighter wings today is the delivery of nuclear weapons in support of the strategic offensive. Secondary missions of the versatile jet fighters are several, including air defense responsibilities, use of conventional weapons, and an escort function when required.

Fighter wings, equipped with nuclear weapons, are in themselves powerful striking forces which may be strategically used independently of bomber forces or in areas where bomber forces are not committed. Their power is such that it would take more than 10,000 B–17's loaded with conventional weapons to equal the destructive force of a nuclear attack which could be delivered by one SAC fighter.

With the advent of the nuclear weapon, and its later adaptation to fighter use, probably the most important aids to development of fighter capability was the development of the aerial refueling technique.

Increased integral range, plus an in-flight refueling capability, gave fighters the mobility they needed to cross oceans in hours rathers than days; to deploy from one side of the globe to the other, just as bomber wings deployed.

The importance of the mobility factor can be realized if we remember that in 1946 our 56th Fighter Group—the command's only fighter wing—was equipped with 21 worn-out F–47's and 10 borrowed F–51's. Yet World War II tactics would have had to be employed if ever an emergency sent these aircraft into action in support of bomber operations. This was a period before jets were integrated in the United States Air Force, and unfortunately it was an era when the United States was awash with "demobilization consciousness."

Two years later, however, the picture had changed. The Czechoslovakia coup, the Berlin blockade, and other Communist moves in Western Europe once more focused attention on America's air arm as the only weapon in the hands of the free world that could match the strength of the huge Red Army.

Before our jet fighters could effectively support SAC bombers in their global missions, a way had to be found to get them quickly from the ZI to either Europe or the Far East. Otherwise, the advantage of speed would be lost in a lot of overnight stops. The answer, of course, was air refueling, whereby fighters could leave the United States and in 12 hours or less be located on overseas bases in Europe. But before the perfection of air refueling for fighters and the 12-hour Atlantic flight, a lot of groundwork had to be covered. From 1948 through the Korean war years, SAC pioneered the nonstop ocean hops, which in 1956 have come to be accepted as routine.

The first of these pioneer flights was Fox Able One, flown in July of 1948 by a flight of our 56th Fighter Group F–80s from Selfridge AFB, Mich., to the United States Zone in Germany. This flight was not a nonstop trip, but it had its problems. Although the F–80s were to land at Goose Bay, BW–1, Greenland, Keflavik, Iceland, and Stornoway, Scotland, on the transatlantic hop, earlier surveys had shown that there were no facilities whatsoever east of Bangor, Maine, and west of Stornoway, Scotland, for support of jet aircraft.

This severe lack of facilities meant that refueling filter carts along with other parts and equipment had to be carried along, and due to the exigencies of the Berlin airlift, we were limited to 1 C–54 and 1 C–47 for transport. Faced with this airlift shortage, we had to use great care in selection of spare parts, ground power, and ground handling equipment, a job that was accomplished to perfection by Capt. Frank Kilbbe.

Execution of Fox Able One from Selfridge Air Force Base, Mich., to Furstenfeldbruck, Germany, took 12 days, including a 6-day delay at Goose Bay and overnight stops at BW–1, Keflavik, Stornoway, and RAF Station Odham in England.

We remained at Furstenfeldbruck for 2 weeks of flight training in Germany and then flew back to Selfridge Air Force Base, making the same stops as going over. On the deployment over and back we had Navy weather surface vessels and B–17 rescue aircraft patrolling our route.

Fox Able One was the United States Air Force's first mass overwater deployment of fighter aircraft, and it was strictly a SAC show. The ferry route, along with rescue and communications procedures we established on the flight, are still SOP for other commands deploying jet fighters to Europe, and back to the ZI. They are still the guide for the ferrying of jets as replacements for our units in Europe and as unit equipment to the air forces of the NATO countries.

Further use of Fox Able One reports and procedures was made by SAC in 1949 when 15 F–80's were flown to Europe. In 1950, the 27th Strategic Fighter Wing flew one-hundred-and-seventy-odd F–84's over the same route without losing an aircraft.

These deployments across the Atlantic Ocean, although much faster than the old method of transporting fighters by aircraft carrier or disassembled in crates, were still much too slow to fit into SAC's global mobility plans. What we needed was a jet fighter aircraft with air refueling capability.

Republic gave us the F–84 in 1951 and we were in the air-refueling business. SAC units started receiving them in September of that year and our 31st Strategic Fighter Wing was among the first units to get them. However, plans for overwater deployments had to be sidetracked because it took us the rest of 1951 and the early part of 1952 to get the bugs out of the air-refueling system.

While we were working with Republic technical representatives at Turner Air Force Base, Ga., on the F–84G air-refueling system, we were extremely fortunate in getting one of the world's foremost authorities on fighter navigation assigned to the wing. The man was Col. Charles F. Blair, United States Air Force Reserve, a captain for Pan American Airways who had flown an F–51 Mustang from Norway to Alaska in 1951, using his new navigation system. (At the 1952 AFA Convention, Colonel Blair received an AFA Citation of Honor for this flight.—The editors). He found an attentive audience at every one of his lectures in the 31st SFW briefing room.

Charlie had a completely new approach to celestial navigation which employed precomputed running two-star fixes instead of the old, cumbersome three-star fixes. Using this system, only two new pieces of equipment were necessary—an automatic pilot and a suitable sextant. Lear, Inc., came through with the auto pilot and the Kollsman Instrument Co. with a hand-held version of the periscopic sextant developed by them for the B–47.

We modified six F–84G's and accomplished a considerable amount of celestial navigation training during the time we were perfecting the air-refueling system. When we had mastered both, we started planning a nonstop flight from Georgia to French Morocco. Our plans were to utilize air refueling over Bermuda, between Bermuda and the Azores, over the Azores and then straight into a SAC base in French Morocco.

About mid-June of 1952 we were ready and approached General LeMay for permission. His reply was that the Strategic Air Command had some plans for long overwater fighter deployments and that he would let us know when he was ready to give us the green light to proceed.

Three days later he did.

I was at Maxwell Air Force Base, Ala., attending a special orientation course when my deputy, Col. Dingy Dunham, called saying a message had been received from SAC headquarters which necessitated my immediate return to Turner. I knew Dingy well enough to know that something "hot" had been received, so I headed south for Albany as soon as I grabbed my toothbrush.

The message flashed to Turner from Omaha was for the 31st Strategic Fighter Wing to execute "Fox Peter One"—the deployment of 60 F–84G's and all support equipment and personnel from Turner to Misawa, Japan.

Eight days after receiving the initial flash, 60 aircraft, 1,000 men and 380,000 pounds of equipment were on the way—a far cry from our initial "Fox Able One" deployment in 1948.

The "Fox Peter One" route directed by the SAC operations order called for a practice refueling hookup over Wink, Tex., and then into Travis Air Force Base, Calif., for final staging before going across the Pacific.

From Travis, we were directed to fly the 2,142 miles to Hickam Air Force Base, Hawaii, utilizing air refueling at a point some 600 nautical miles west of the California coast For safety, emergency tankers were stationed 600 miles east of Hawaii. From Hawaii to Japan, we were directed to island-hop by way of Midway, Wake, Eniwetok, Guam, and Iwo Jima into Japan.

It is a matter of history that things got a little more than somewhat fouled up on the practice air refueling leg over Wink, Tex., and this required quick modification of the original plan. We saw the causes of our difficulties, remedied them, and it is also a matter of history that our final plan is now SOP for mass air refueling of fighters throughout SAC and the United States Air Force in general.

In contrast to Fox Able One, where we had 1 C–54 and 1 C–47 as support aircraft, we were given 4 MATS C–74 support planes which enabled us to carry sufficient spare parts and ground handling equipment, plus enough ground personnel to preposition this material along our route.

After rounding up all the strays from our Wink, Tex., adventure and getting them safely into Travis, we were ready to start across the Pacific. There are some incidents of the Fox Peter One deployment which should be mentioned.

On July 6, the 307th Squadron roared down the long runway at Travis and headed west. Maj. Bob Keen commanded the 370th, but he flew as my deputy that day. The squadron encountered no trouble effecting a rendezvous with our tankers as planned, but I didn't get to Hawaii on that first flight.

The tanker I was assigned to had made the mistake of coming out with an oversize nozzle on the boom. The first attempted contact sheared the pins in the slipway toggles and resulted in a disconnect which prevented the taking on of any fuel. There was no alternative but to do a quick 180 and head back to Travis. Major Keen led the squadron safely into Hickam.

On July 7, the 308th Squadron, commanded by Maj. Jerreld Vivian, took off for Hawaii and I tagged along with them. Again, I had refueling difficulties and did not receive as much fuel as the boom operator said he had delivered. This forced me to tap the emergency tanker east of Hawaii.

Lt. Col. Chuck Lenfest led the 309th Squadron into Hickam on July 8, and the wing had completed the most dangerous leg without a serious incident.

After a day of rest, we were ready to resume our westward flight. We flew to Midway, a distance of 1,141 miles, without incident, allowing a 20-minute interval between squadrons.

Midway is a reserve for gooney birds, and there were literally thousands of them on the island. This caused us great concern as we feared our jets would inhale the birds and damage our engines. When we left Midway on the morning of July 11, we all left safely, but only after clobbering many goonies. High scorer in the wing was Capt. Hank Mierdierck, who fried 4 or 5 when he took off. Nobody would come near old Hank when he landed at Wake because he smelled like burned gooney bird meat and feathers.

Our ground personnel really got a workout on Wake Island. Due to limited parking and refueling facilities, we flew out of Midway with a 2-hour interval between squadrons. The first squadron landed at Wake had to refuel and take off before the second squadron could land, and this squadron had to refuel and be in the air before the third squadron could land. From Wake we made a short hop of 536 miles to Eniwetok.

Somewhere between Midway and Wake, pilots of the 307th Squadron experienced a nerve-racking minute. One of the boys lost his main tank boost pump and had a flameout when he switched to his auxiliary tank. He glided from 32,000 feet down below 20,000 before he got his fire lit and climbed back to join his greatly relieved buddies.

On July 13, we were ready to depart Eniwetok and our JATO takeoffs furnished a picturesque scene. Everybody fired their two JATO bottles and got off with no sweat, except me. I forgot my JATO arming switch and had to stagger off without the added thrust. After reaching the desired airspeed while rolling down the runway, I hit the switch and nothing happened. The imprint of the toggle switch was still on my left index finger when we landed at Guam 3½ hours later. A fortunate up-current of air at the end of the runway got my Thunderjet in the air, and I had to skim over the water for several minutes before I built up enough airspeed to start a climbing turn and head for Guam.

When everybody arrived at Guam, we found a very tired group of ground-support personnel. Since they had left Hickam 3 days before, there was little chance to sleep other than in a bucket seat when being moved from one stop to the next.

We departed Guam on July 15 for Iwo Jima and just after the first aircraft of the 308th Squadron landed, one of my finest officers, Lt. Col. Elmer Da Rosa, crashed and was killed. He was about 3,000 feet over the center of the island when he pitched slightly upward, then down, rolled over on his back and went straight in.

We sailed into Japan the next day, landing at Yokota Air Force Base, to successfully complete the first mass deployment of an entire fighter wing utilizing air refueling. We proved that fighters based in the ZI could be in a battle zone in a very short time.

After 1 day of rest, the 31st SFW went on a standard air defense alert and also began to get our guns and sights in shape for the FEAF gunnery meet. Ten days later, our boys won the meet by a wide margin and had a celebration that almost equalled the party we pitched to celebrate the end of Fox Peter One.

Some 90 days later, the 27th SFW from Bergstrom Air Force Base, Tex., replaced the 31st at Misawa. This outfit executed a magnificent flight of four legs from Bergstrom to Travis to Hickam to Midway and direct to Japan. There were no delays, no losses, and the mission was accomplished as planned and briefed. We were happy to see that SAC's planning and briefing for the flight utilized all the recommendations and experience gained by the 31st SFW, who recommended that such a four-leg route be flown on future deployments.

The value of Fox Peter One to the United States Air Force was indicated in the fall of 1952 when Air Force Secretary Harold G. Talbott presented the Outstanding Unit award to the 31st SFW for the successful deployment. This was a new award and we were the first wing in USAF to get it.

Fox Peter One, the flight of the 31st SFW to Japan, and Fox Peter Two, the 27th SFW deployment, established beyond doubt the global mobility of SAC fighters.

Before leaving Fox Peter One, it should be pointed out that the deployment was not an attempt for a speed record. General LeMay directed that we get the 31st SFW to Japan as soon as possible, but further directed that the movement be commensurate with good flying safety practices.

Again in 1953, the 31st SFW was tapped to perform another nonstop over-water deployment utilizing air refueling. We were part of a two-phase deployment called "Operation Longstride." The order directed us to send 8 F–84G's from our base in Georgia to French Morocco—a distance of 4,470 miles. Meanwhile, our sister wing at Turner, the 508th SFW, was to deploy 20 fighters nonstop to England.

Our route was direct to Bermuda, the Azores, and into a SAC base at French Morocco with air refueling over Bermuda, between Bermuda and the Azores, and over the Azores. The 508th was to refuel near Boston, Goose Bay, and Keflavik, Iceland. The flights were to be accomplished simultaneously. Our eight Thunderjets landed in Morocco without incident after a flight of 10 hours, 20 minutes, and 21 seconds—21 seconds later than our briefed flight plan. The 508th had two refueling aborts over Iceland, but both pilots landed safely at Keflavik and joined their group in England the next day. This group flew 4,485 miles in less than 12 hours.

Air refueling for this nonstop hop was a serious business, but it had one advantage. What would have been a monotonous 10 hours of nothing but watching some 500 miles of ocean and clouds pass under our planes every hour was brightened by the business of transferring fuel to our thirsty tanks. The three air refuelings certainly squeezed the boredom out of the flight.

Along with the ability to refuel SAC's fighters in the air, I'd say that Charlie Blair's new approach to celestial navigation was an immense contribution toward attaining the global mobility SAC's fighters enjoy today. We of the 31st SFW encountered no navigation problems in Fox Peter One and Operation Longstride, nor do I think any fighter pilot properly trained in his method will run into trouble.

SAC now regards deployment of fighters and bombers to all parts of the free world as routine training maneuvers. In a matter of hours, the B–47's and F–84's can pop up in England, North Africa, Japan, and other points in the Pacific.

No longer do we have to depend on aircraft carriers and other slow surface ships to transport our planes.

Addition of the new McDonnell F–101 Voodoo to the SAC fighter inventory will give us a greatly increased fighter potential—so great that security precludes further mention.

Looking back on the growth of fighter capability in SAC since 1946, we can view an amazing 10 years of development. From the World War II F–47 Thunderbolt and F–51 Mustangs, we graduated into the F–80 Shooting Star, then the F–84E and later the F–84G with its air refueling capability and atomic delivery capability. After the F–84G, we got the sweptwing F–84F, and now the F–101 Voodoo is coming up.

Looking back, we can also observe that the Strategic Air Command, whose main mission is to conduct intercontinental strategic bombing missions, has taken the lead in the development of the fighter potential as an effective weapon in modern strategy.

The Eyes of the Strategists

(By Brig. Gen. Hewitt T. Wheless, commander, 801st Air Division, SAC)

Reconnaissance is as old as warfare, which is to say, probably, as old as the human race. Joshua, the great Hebrew commander, once took a beating at Ai, because he was misled by the reports of his scouts. They told him it wasn't necessary to send his whole army against the place, as it was poorly defended.

He took their word for it, and his small force was ignominiously defeated, much to Joshua's humiliation and distress. The Hessians at Trenton failed to observe the movements of George Washington, who crossed the Delaware and captured the lot of them. In the numerous Indian wars which accompanied the opening of this country to civilization, pioneer Indian scouts like Daniel Boone and Kit Carson played a leading role.

With the coming of global "total" warfare, a new type of reconnaissance is called for. In modern war, only a small part of the conflict is waged by the men who slug it out in the front lines. It is now possible, with long-range aircraft and nuclear weapons, to strike at the enemy's homeland, to wreck his means of production, to cripple his transportation, to break his morale, and to render a mighty military establishment impotent for lack of weapons to carry on the fight. To do this successfully, we need to know what and where are the vital targets. And this, in brief, is the function we know as strategic reconnaissance.

Strategic reconnaissance, then, is the examination and survey of territory, on a broad scale, to gain advantage in war. It is distinguished from tactical reconnaissance, which deals principally with support of the front-line armies, by two factors—the range at which it is carried on, and the use to which the information is to be put once it is obtained. It is concerned with missions beyond the front lines—with securing information which will make possible a long-range plan of attack, which will inflict the greatest amount of damage on the enemy, in the places where it will hurt him the most.

There's not a whale of a lot of glory to the reconnaissance mission, but it's a highly important job—one which demands resourcefulness, accuracy of detail, technical skill, and devotion to duty.

There are other elements involved in strategic reconnaissance besides the primary one of collecting target information. There is the important function of bomb damage assessment—reporting on the degree of success achieved by a bombing mission. That is something everyone, from the President of the United States to John Doe's office boy, will want to know, when and if it again becomes necessary to use our weapons against any enemy: Was the target hit? Was it destroyed? Will we have to go back and hit it again? Strategic reconnaissance must provide the answers.

How does strategic reconnaissance operate? Obviously, it must be carried on in the air. Only from the air is it possible to make the observations needed to provide detailed information of broad scope; only through the air, in time of war at least, can an observer approach the target on which information is wanted. Therefore, we find strategic reconnaissance conducted by the 2d, 8th, and 15th Air Forces, using the newest and best of the Air Force's long-range aircraft, and under the direction of the Strategic Air Command.

Obviously, too, strategic reconnaissance must involve photography. The human memory cannot absorb and retain the quantity of detail that is required; nor would the human tongue be able to adequately report it. Therefore, we find our Air Force planes equipped with specially designed cameras, capable of producing accurate pictures from high altitudes.

Aerial photography began a little more than a hundred years ago when Aimé Laussedat, a French engineering officer, in 1849 took photographs with cameras supported by a string of kites. Laussedat also was first to advance the idea, ridiculed at first, of using photographs in making topographic maps—the basis on which the whole important science of photogrammetry (measurement from photographs) has been built.

Another Frenchman, Nadar, explored the possibility of using aerial photos to make planimetric maps; and he took the first aerial photographs for military purposes. In 1859, the kingdom of Sardinia was at war with Austria, with France giving active aid to Sardinia. Nadar, whose real name was Gaspard Félix Tournachon, in the service of the Sardinian Army, photographed the Austrian position at Salferino from a tent in the basket of a balloon.

Balloons were fine for peacetime aerial photography during the last half of the 19th century, and in 1893 an American named Adams patented a method of making maps from such photos. Kites and skyrockets were also used experimentally. Long before the airplane, men had envisioned training teams of eagles to carry them into the sky; and some fanciful souls dreamed up the idea of an automatic camera, to be taken up by a properly trained bird. One man did, in fact, rig up a tiny camera to be attached to a carrier pigeon, with a mechanism to make exposures at regular intervals, the location to be calculated from the speed of the bird.

All these ideas were more remarkable for their ingenuity than for any practical results. They are mentioned here to show that man had set his mind to the problem of taking pictures from the air, and that he was not going to rest until he had done it.

The invention of the airplane coincided with a rapid advance in camera and film techniques to provide a solution to the problem. About 1900 Capt. Theodor Scheimpflug developed the multilens camera, which afforded more coverage at one time. Wilbur Wright made the first known photos from a plane at Centocelle, Italy, on April 24, 1909. Four years later, Capt. Cesare Tardivo, an Italian, presented a map of the city of Bengasi, constructed from aerial photographs, at a meeting of the International Society of Photogrammetry in Vienna.

The value of aerial photography for military purposes was demonstrated in World War I. The German Army had already taken notice of its possibilities, and a Scheimpflug Kammerer eight-lens camera, mounted on the basket of a balloon, was used in their maneuvers of 1911.

Ground cameras held in the slip stream of open cockpits took the first reconnaissance shots. The next step was fastening the cameras to the side of the fuselage. Sturdier cameras and more satisfactory mounts had to be developed. Experiments were carried out at various focal lengths. By the end of the war vertical cameras mounted in the bottom of the fuselage were in use.

The trimetrogon process, first suggested in 1941 by Col. Merle E. Parks, is now in general use in the United States Air Force. It involves three single-lens cameras, one mounted vertically, the other two mounted obliquely at an angle of 60°, one to the right, the other to the left. This arrangement permits complete recording of a strip of terrain from one horizon to the other in a single operation, and has proven particularly desirable in charting photography.

At the beginning of World War II the need for more strategic information was immediately apparent. Less than one-tenth of the earth's surface had been charted. Bombing missions were going out with inadequate information on their targets, and even without the navigational aids needed to find their way in and out of hostile territory.

As the war spread and the probability increased that the United States would become involved, the importance of a trained and equipped aerial photography organization became vital. The new organization, which was to develop into the Second Air Force, had its beginning in February 1940, when it was activated as the First Photographic Squadron, with six flights, each in a different section of the country.

By June 1941 the squadron had become the First Photographic Group, and the flights became squadrons. Later other squadrons were added, another group—the 11th Photo Group—was organized, and the two groups combined as the 311th Photo Wing, mapping and charting. This was the organization which became successively the 311th Reconnaissance Wing, the 311th Air Division, and eventually the Second Air Force.

There is no room here for a detailed account of the numerous missions flown, the hazards encountered, the difficulties overcome, and the results accomplished by these reconnaissance men during the World War II.

However, it became increasingly obvious that the expanded geographic scope of aerial warfare had established a real need for a stepped-up strategic reconnaissance capability. This led to the creation, in 1947, of the first strategic reconnaissance unit, commanded by the late Brig. Gen. P. T. Cullen. Simultaneously, a program was set up to develop the aerial cameras and accessories that would support the mission of the new command. As part of the program, more B–29's were modified as reconnaissance aircraft, and close liaison was maintained with the Research and Development Branch of Wright-Patterson Air Force Base to work on high-altitude photography equipment, and with the aircraft industry in the development of aircraft for suitable camera platforms. This coordination resulted in the first aircraft that was truly a strategic reconnaissance type when it left the assembly line—the Boeing RB–50.

The RB–50 was the first aircraft suitable for high-altitude, long-range, reconnaissance missions. Even this aircraft, however, quickly began its losing fight with obsolescence and was supplemented with a wing of North American RB–45's, the first multijet-type aircraft capable of performing strategic reconnaissance missions, although they were classed as "mediums" because of limited range. Even the RB–50's were not technically designated as long-range strategic reconnaissance aircraft, and it was not until the Convair RB–36 came along that units of long-range reconnaissance were phased into the strategic picture. During the same period, 1951–52, the six-jet Boeing RB–47 was accepted as a medium reconnaissance aircraft.

In-flight refueling converted the RB–47's, in effect, from medium to long-range reconnaissance aircraft. At present, SAC has five reconnaissance wings.

During this decade of security through global airpower, one of the most difficult tasks was that of balancing the development of the air platform with the reconnaissance tools which give the platform its reason for being. The photographic industry, aware of strategic reconnaissance problems, began to increase the capabilities of our cameras, optics, sensitized materials, and processing equipment. Due to the need for meeting immediate requirements, the majority of this equipment was not new but merely modified.

Strategic reconnaissance has made tremendous strides since the introduction of the RB–29 into the program, but the never-ending search continues for even more effective reconnaissance weapons systems. Current developments reflect the wish to adapt standard aircraft for reconnaissance missions. An example is the use of a "capsule" which, in a minimum of man-hours, can convert a B–52 into a reconnaissance aircraft. The capsule contains all the equipment necessary to perform a reconnaissance mission, thereby creating a dual-purpose aircraft at low cost.

No story of strategic reconnaissance would be complete without mentioning the role of the reconnaissance technical squadrons. Their job is to process the vast amount of film taken by the reconnaissance crews, and, in addition, interpret the photos and disseminate the information to the using agency. At present, with their automatic equipment, these units can quickly deliver the reconnaissance photos and intelligence to those dependent upon the information for the success of their mission.

The future of aerial reconnaissance envisages a time when remote-controlled aircraft will perform reconnaissance deep into enemy territory with cameras corrected for drift, yaw, and pitch; when automatic devices to compute exposure and shutter speeds at extremely high, as well as low, altitudes will become available; when blur caused by high speeds in relation to target being photographed, will be eliminated; when excellent night photography at great heights will become possible; when scenes will be automatically flashed electronically to a control room where commanders can make immediate decisions for bomber crews either awaiting takeoff, or even for crews already en route. This could be the ultimate in reconnaissance. In the meantime, many interim problems will have to be solved in order to maintain the reconnaissance arm of the Strategic Air Command as one of the vital elements of the United States Air Force.

SAC's Readiness Is Our Peace Insurance Policy

(By Gen. Curtis E. LeMay, commander in chief, SAC)

For centuries it has been the job of the general to win wars. In the nuclear air age his job must be to prevent wars. There is good reason to believe that the military solution to the problem is relatively simple—superior long-range nuclear airpower and adequate defensive airpower in being, combat ready on a continuing basis. This airpower must be strong enough to win, beyond the shadow of a doubt, the decision in any global nuclear war. Without this kind of force in being we cannot expect to keep the peace. This is perhaps the most significant military fact of today.

Therefore, all training, all operations, in the Strategic Air Command add up to one simple purpose—readiness for combat on an instant's warning, anywhere in the world. If we are not ready—in terms of trained men, modern equipment, and effective organization—then SAC is wasting its time.

Military power, in any form, has always been a matter of men, and for the foreseeable future it will continue to be. The day of the pilotless long-range bomber and the guided missile is coming. As they become available they will augment the manned force and, very slowly, may even replace it.

But in SAC we can take no comfort in the prospects of being combat ready 5 years from now, or 1 year from now, or even tomorrow. Our prime interest is in readiness today, this instant. To do so we need men of the highest caliber, trained to the peak of perfection, armed with sufficient quantities of the best equipment the Nation can supply them.

Among the almost 200,000 personnel of the command, motivations naturally vary greatly from person to person, yet there is one attribute that is common to almost all SAC people. This is the satisfaction they derive from knowing that the force they have helped to build, and which they maintain in a state of constant readiness, is vital to the security of the free world. They know that they are making a contribution toward the achievement of lasting peace. These people represent the finest in the military tradition—these who choose service to their country above all other considerations.

Building the Strategic Air Command to its present high state of readiness was essentially a matter of bringing the men and the aircraft together and exercising them constantly on combat training missions, which duplicate actual war requirements. Realistic training is our greatest continuing need, and many hundreds of hours of study are required to master today's highly complicated air equipments.

Consider, for example, the fact that 3 men in a B–47 bomber do substantially the same jobs that 11 men did in the World War II B–29. Their training has to be broader and more technical, and the demands on each man are greater. Not only must everyone achieve high standards of proficiency in his own job—he is often cross trained to the other jobs as well.

Ever since the Strategic Air Command was activated, it has been necessary to work on the assumption that a war might start at any time. It is a fact that hours—even minutes—might spell the difference between victory and defeat. Therefore, there has always been a certain urgency to our operations. It is essential to be ready to go—not next week, nor tomorrow, but today—now, if the need arises.

It is our responsibility to know how well the combat crewmen of SAC can do their jobs. In determining this we have had to ask—and answer—three questions. We would like to give you both questions and answers, for they bear on our conclusions.

First, can SAC combat crewmen, flying from bases here and overseas, find their targets with certainty? The answer is an unqualified "Yes." On celestial navigation alone, our crews can fly to within 15 miles of any spot on earth, and from there move on their targets with precision by means of radar navigation.

Second, when they arrive over their targets, can they destroy them? Again, the answer is an unqualified "Yes." By means of carefully scored bombing runs, each of these crews has proved its ability on hundreds of occasions. I should like to point out that their targets are not cities—they are often specific corners of buildings within military target areas. By a combination of radar and radio, we can tell with what degree of accuracy any given crew is bombing.

Third, having destroyed their targets, will these crews get back?. Again, the answer is "Yes." In World War II, using mass formations of bombers, subject to massed attack, our percentage of losses was less than 2 percent. With many hundreds of jet bombers utilizing optimum tactics, in small formations or on single-plane penetrations, the odds are equally in favor of our bombers.

Today we have a combat-ready force in being—and I think there is good reason to hope it may never have to be used. The strength it poses to any potential enemy as of now is so great it is very probable that he will not risk its blows. There is no profit in aggression if it bring on self-destruction. Therefore, we may well regard the Strategic Air Command as peace insurance, and the premiums we must pay to keep it more modern than the strategic air force of any nation are not high. If we never have to use the power we have built into SAC it will have justified its cost many times over.

We must face squarely the fact that the United States no longer enjoys a monopoly on long-range nuclear airpower. It was inevitable, of course, that the Communists would build this most potent type of force as quickly as they could. The fact they now have such a force, however, in no way detracts from the deterrent power of our own. It is not likely that any major attack could be made on the United States without the aggressor nation suffering disaster. As long as a potential aggressor is convinced of this, I do not think we have to worry about a major war. Our main job is to keep him convinced.

We are not a belligerent people. We prefer to devote our inventive natures and our industrial capacity to providing better lives for ourselves and for others. In the past this inclination has been mistaken for weakness, and as a result, we have been drawn into two World Wars in a single generation.

I would not say to you that SAC is the ultimate of military tools. Today, it is our best and most formidable military expression, and for the foreseeable future it appears clear that the long-range bomber and the nuclear bomb will be required in sufficient numbers, and of superior quality, as a national insurance policy. We must keep it that way, at the same time pushing forward our research and development programs on advanced type aircraft and guided missiles to guarantee future leadership in the air.

The airman knows the futility of war and his job today is to help prevent war from happening. We can and must insure our security by our continuing efforts toward a peaceful solution to world problems, backed up with the type of military strength our potential enemies fear most. In such an atmosphere, with that strength behind our position of moral leadership in the world, we can look to the future with confidence.

Mr. Speaker, to my way of thinking the most important words in General LeMay's summary are these:

> We must face squarely that the United States no longer enjoys a monopoly on long-range nuclear airpower.

In recent months, there has been more and more evidence of a Soviet buildup in this field, and the President's recent request for an additional half billion dollars, of which roughly half is scheduled, to step up our B–52 production, is certainly recognition of this truth.

We cannot afford to lag behind the Communist world in this critical area.

In the words of LeMay:

> We may well regard the Strategic Air Command as peace insurance, and the premiums we must pay to keep it more modern than the strategic air force of any nation are not high. If we never have to use the power we have built into SAC, it will have justified its cost many times over.

Knowing that the power of atomic and nuclear war is "the power to destroy the human race," can there be any question of the fact that tax dollars spent to assure and guarantee American superiority in this vital field are dollars well spent?

There will be no time for "muddling through" in atomic war.

The nation that has "too little, too late" will probably not exist to bemoan its false economy.

Nor does this imply, as many falsely assume, that we should forget about all other branches of our Armed Forces and concentrate all military funds in a gigantic additional buildup of SAC.

For one thing, the American Air Force is a balanced and integrated fighting machine, with important missions assigned to the Tactical Air Command and the Air Defense Command, which also have critical roles in the defense of our country. The Air Reserve and the Air National Guard are major components of America's air readiness, and provide a trained and ready pool of fighting manpower.

And, in the words of Maj. Gen. William E. Hall:

> No responsible Air Force spokesman has ever implied that foot soldiers or sailors have become obsolete. When the peak of the atomic exchange has been passed, the surface forces that can exercise and exploit control of land and sea will begin to play an important part in the combat.

It is in this initial exchange of atomic and nuclear weapons however—in the terrible event it should come to pass—

that the role of the Strategic Air Command assumes its enormous and critical proportions.

You do not have to visit more than one SAC base to become aware, at once of the sense of responsibility, and of urgency which the men of SAC share today.

It is present in the penetrating look of the security officer, in the measured words of the base commander, in the hurried step and crisp efficiency of the maintenance crews.

It is a sense of responsibility, and a sense of urgency, which we in the Congress, and the American people, must fully share at this hour.

We must keep our peace insurance fully paid up, and provide the best protection available for our homes and our freedom.

A very great measure of that insurance, and that protection, can be found in the Strategic Air Command.

Americans today, and in the future, will owe a great debt to the men of that command.

DRASTIC ACTION OF FEDERAL RESERVE BOARD ARBITRARILY INCREASING INTEREST RATES

The Speaker pro tempore. Under previous order of the House, the gentleman from Texas [Mr. Patman] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, last Thursday the Board of Governors of the Federal Reserve System gave its approval to a very severe interest rate increase. The rediscount rate, which is the anchor of the whole structure of interest rates, was raised from 2½ percent to 2¾ percent for 10 Federal Reserve banks and to 3 percent for 2 other banks. I would like to comment on the results we may expect from this action.

First of all, let me say that I do not doubt the sincerity of the Federal Reserve. They must have been greatly alarmed by the recent industrial price rises and the impending steel price increases. They must also have been disturbed by the sharp increase in the demand for credit to finance inventory and speculation in expectation of the steel price rise.

Mr. Speaker, I am afraid that the Federal Reserve action, which was very severe, will not prevent a steel price rise nor will it get at the inventory speculators. It will make borrowing more costly and in the process increase the interest earnings of the commercial banks by several hundred million dollars.

It will not get at the main culprits, the big corporations who, nourished on fat defense contracts, quick tax write-offs, and free of excess-profits taxes, are raising prices and profits and sparking a vast investment boom.

Let us see what it will do.

First, there are the millions of farmers in the depression-ridden agricultural sector of our economy. This credit squeeze will mean two things to them. First, their loans will cost them more.

Second, if the local bank is overloaned and needs reserves, it will hesitate to sell its Government securities because they are way down in price and will entail a heavy capital loss. So our farmers stand a good chance of having their loans called or not renewed.

Next let us consider the millions of small-business men. What will the credit tightening mean to them? The Small Business Administration recently issued its fifth semiannual report, covering the 6 months ending December 31, 1955. Mr. Wendell Barnes stated at the opening of this report that—

> Many small firms complain also of the tightening of bank credit.

And again:

> Small firms report that they continue to face a problem of finding equity capital financing.

This situation prevailed prior to the recent severe interest-rate increase. Consequently we may reasonably conclude that the position of small firms with respect to their financing needs has been worsened as a result of this Federal Reserve action.

Mr. Speaker, on page 14 of Mr. Barnes fifth semiannual report, he states:

> Another serious disadvantage of smaller corporations is lack of adequate assets to finance properly their receivables and inventories.

Thus the curbing of credit for financing inventories and receivables will result in an even greater disadvantage for smaller corporations than existed last year.

Small firms are handicapped by a shortage of equity or venture capital.

How will the Federal Reserve action affect the ability of small business to obtain equity or venture capital?

Mr. Harold B. Dorsey, author of the column Economic View, which appears in the Washington Post and Times Herald writes—April 16, 1956—that—

> In the current effort to curb inflationary tendencies by making credit less readily available to business * * * one of the indirect results is to make less money available for investments.

This results, as Mr. Dorsey points out, from the fact that the enforced liquidation of bond holdings drives their prices down and as yields rise investors will tend to put their money into bonds and top quality preferred stocks in preference to lower yielding consumer stocks.

So the net effect is to reduce the supply of venture capital and to channel more and more savings into triple A bonds.

I insert Mr. Dorsey's article at this point in my remarks:

[From the Washington Post and Times Herald of April 16, 1956]

Economic View

(By Harold B. Dorsey)

SEVERAL FACTORS TIGHTEN MONEY SUPPLY

The behavior of the stock market last week points up the fact that the forces influencing stock prices should be divided into two major categories: (1) those that determine earnings and earnings prospects—unit volume of business activity, prices, costs, profit margins, and the like, and (2) those forces which influence the capitalization of earnings in terms of market price—confidence and money supply, primarily. This last item seems to be of outstanding significance at the moment.

It must be remembered that part of the stock price increase that has taken place in the last couple of years can be explained by rising earnings, but another important part of the stock price improvement has been the result of a higher capitalization of earnings—a higher price-times-earnings ratio, in the Wall Street lingo. It probably is more than a coincidence that sharp increases in money supply in the summer of 1953 and again in the summer of 1954 (resulting from a reduction in bank reserve requirements) was accompanied by a rising trend of price earnings ratios from the latter part of 1953 through most of 1954, in spite of the fact that earnings were trending downward through much of that period. Of course, there are other factors that influence the price earnings ratios, but the availability of investment money must be an element worth considering.

Especially is this aspect of the situation worthy of consideration at the moment because, as discussed in last week's article, credit policies are currently in the direction of keeping the supply of money and credit tight in relation to the economy's need for money and credit. The Federal Reserve Board's action Thursday again increasing the rediscount rate serves to underscore this direction in the monetary authorities' policy.

The supply of money available for common stock investment is far from being a static quantity. This kind of capital tends to flow toward the segments of the economy where it is needed most and where it promises to be most profitably employed. That is why money supply tends to have an effect on price earnings ratios, and that is why the money situation carries a very practical significance today.

In the current effort to curb inflationary tendencies by making credit less readily available to business for overexpanding inventories and capital expenditures, one of the indirect results is to make less money available for investments. This evidences itself in several different ways.

First, the banks have been selling their investments to obtain funds to lend to their regular customers. After all, the primary function of a commercial bank is to lend money, and investments are secondary. As nonbank investors buy the securities sold by the banks, they have less money to invest in something else.

Second, the very fact that business borrowings are rising means that more money is needed in business operations. Therefore, businesses that might temporarily place their surplus funds in investments will tend to liquidate such investments at a time like the present so that they may reemploy the funds in their regular operations.

Third, since it is becoming increasingly difficult to borrow money from the banks, business tries to obtain its funds in the new capital market, thereby increasing the total of securities.

Fourth, there is a secondary effect as the liquidation of bond investments drives down the prices of such securities and thereby makes them more attractive relative to other types of investment. For example, some of the marketable Government issues would now seem to be more attractive than savings bonds and deposits in savings banks. If the yields on marketable Government and corporate bonds and good quality preferred stocks become even more attractive, some investors may tend to put their money into such issues in preference to lower yielding common stocks.

The weakness in the stock market last week was probably reflecting the effects of the credit tightening process along the foregoing lines. The strength of these effects, and

potential effects, are impossible to measure. After all, stock price behavior is the net result of a blending of many forces and the money supply factor is only one of these. As such, it is operating on the negative side; other things being equal, it tends to result in a lower price earnings ratio.

However, the condition does not mean that there must be a sharply lower price earnings ratio. The whole purpose of the restraining credit policy is to try to eliminate those excesses in the economy that are contributing to the inflationary pressure. The purpose is not to cause a period of deflation and a bearish stock market, even though there may be a desire to curb a bullish stock market that would contribute to the inflation psychology.

Aside from the foregoing direct effects of tighter credit policies on security prices and price earnings ratios, we will have to look out for the effects on business activity and other earnings determinants. Up to the moment, we have not seen any serious signs that tighter credit, by itself, is responsible for curbing purchases of goods and services, or causing a reduction in the rate of forward commitments. But, one of the purposes of the tighter credit policy is to reduce the extent of anticipatory buying, especially during the second quarter when the incentive to buy before prices and costs rise further promises to continue rather strong. Just how excessive such purchases may be between now and the midyear, in spite of tight credit, is difficult to predict. An excessive degree of such buying in the next couple of months would probably be offset by correspondingly lower purchases in the third quarter. Even so, there still seem to be some rather strong reasons for anticipating that fourth quarter activity will be in a recovery phase.

Mr. Speaker, the probable impact of the latest Federal Reserve action was well summed up by Mr. Herbert Koshetz in his column The Merchant's Point of View, which appeared in the New York Times Sunday, April 15, 1956.

He stated:

Capital Moves Confuse

The businessman here is finding it difficult to understand certain moves in Washington. On Thursday, the Federal Reserve Board announced an increase in the discount rate. The move stemmed from an effort to shrink business loans and if it accomplishes this, there will probably be some slowing of plant expansion and order taking. The theory behind the move is that if the cost of money rises—banks having to pay more for their money from the Federal Reserve will pass the increase along to borrowers—the rate of inventory accumulation and of speculation in one form or another will be slowed.

It was explained that the move on the part of the Federal Reserve Board was psychological rather than punitive. An increase in interest charges on outstanding loans, while amounting to many millions of dollars, is not in itself a deterrent. But, as is usual in instances where basic costs of doing business go up, the small-business man will feel the effects more keenly than the large companies.

Small enterprises, working as they do on limited capital, must rely on bank credit, loans on receivables, and chattels to get ahead or just to keep going. When money tightens, as it has just now, the little fellow finds it harder and harder to increase bank lines of credit, and he is often forced to pay exorbitant interest for necessary funds. It appears possible, therefore, that the higher rates for money will be reflected in an increase in bankruptcies and business liquidations, mostly at the expense of the smaller operator.

Mr. Speaker, even prior to the interest-rate increase by the Federal Reserve, the rate of small business bankruptcies had risen above the 1954 and 1955 level. So this Federal Reserve action will aggravate the rising trend in the rate of small-business failures.

We have seen that the position of the farmers and the small-business men, two groups which have notably not shared in the big business boom, will be worsened as a result of the Federal Reserve credit action.

Now let us consider the effect of the Federal Reserve action on the economy as a whole. Despite the industrial price increases and the expansion of plant and equipment investment which are characteristics of the big business boom, there are a number of sags in industrial sectors of the economy which belie the threat of a runaway boom and may even presage the makings of a recession.

I am referring first of all to the automotive and the housing industries. Activity in both these sectors has been declining. In both industries the availability of credit and credit terms influence demand considerably.

Let us examine the housing situation. The tightening of the money market in 1955 prior to the Federal Reserve's latest move resulted in a marked decline in housing starts. Here are the quarterly averages of privately financed new housing starts:

Seasonally adjusted annual rates

1955:	
1st quarter	1,384,000
2d quarter	1,361,000
3d quarter	1,281,000
4th quarter	1,200,000
1956: 1st quarter	1,170,000

It is evident that there has been a steady and uninterrupted decline in the annual rate of new housing starts since early 1955. Compared with March of last year, the annual rate of private starts, seasonally adjusted, was down by 17 percent this March. Further tightening of the money market will undoubtedly cause new starts to fall some more.

The latest figures on unemployment reveal 100,000 unemployed in Michigan, the automobile center of the Nation. Dealers sales of new cars in March were up about 4 percent from February, but were 18 percent less than a year ago. Moreover, the February to March increase was considerably smaller than the rise over the same months in the past 3 years.

Dealers inventories in March were reduced slightly to 870,000 cars. This was equivalent to 41 days of sales at the March rate. Further credit tightening is bound to have a depressing effect on automobile sales. A decline in sales will lead to a rise in inventories and may necessitate further cuts in production.

In addition to the evident sagging in the housing and automotive industry there are signs of a weakening of demand in the leather, textiles, and apparel industries and in electrical machinery reflected in cutbacks in television.

Production worker employment and average weekly hours in textiles, apparel, and leather have been declining for the past 4 months.

In March both employment and hours declined more than seasonally in these industries.

Compared with March last year the average workweek in all manufacturing was down by three-tenths of an hour. More than half of the major industries were working fewer hours. The sharpest drop was in the automotive industry.

Mr. Speaker, the evidence of slackening demand in the housing, automobile, textiles, apparel, leather, and the electrical machinery industries raises a serious question in my mind as to the wisdom of the Federal Reserve's severe interest rate action. I am reminded of the situation in the spring of 1953 when the Board was similarly alarmed by inventory accumulation and impending price rises in basic industrial commodities. In a post mortem analysis of the situation the chairman of the Board conceded they had made a miscalculation.

I well remember the spring of 1953. For I was among a handful who protested the interest-boosting and credit tightening actions in the early months of 1953. Then we were called the advocates of inflation. I am happy to report that I am not alone today in questioning the Federal Reserve's restrictive credit action. The Washington Post, which is not usually in accord with my views on monetary and credit policies, does, however, raise a question about the wisdom of the Reserve Board's policy. I should like to conclude my remarks by inserting the editorial, Inflation or Not? which appeared in the Washington Post, Sunday, April 15, 1956:

Inflation or Not?

The sum of the available evidence suggests that we have passed the point of greatest inflationary danger—that we passed it successfully as a result of the wise policy of mild restraint which the Federal Reserve System and other Government agencies adopted last year. Yet the Federal Reserve has raised the discount rate again because it believes that inflationary forces once more are active. The increase in the discount rate charged member banks is from 2½ percent to 2¾ percent in some areas and from 2½ percent to 3 percent in others. A move from 2½ to 3 percent is not an insignificant increase. Coupled with the Reserve Board's recent policy of reducing its holdings of Government securities, the change in the discount rate adds up to a fairly tight policy.

It would be very foolish to say dogmatically that the Federal Reserve has made a serious mistake. Last year there were some respectable economists who believed that the board tightened credit too much, but the record is overwhelmingly against those critics. The bank's policy has been vindicated by events. Now, however, it is at least necessary to raise a question about the wisdom of the Reserve Board's policy.

Every few days, it is true, the financial pages have been reporting speeches by businessmen and bankers warning against inflation. In a boom period like the present it is never easy to avoid the Scylla of inflation on the one hand or the Charybdis of deflation on the other. Some rise in industrial prices in recent months has caused serious problems, although the value of the dollar has not deteriorated. Since President Eisenhower's decision to run again and the official forecast of greatly expanded business spending for plant and equipment, there has been more optimism but there have been new fears of inflation.

It must be said in the Reserve Board's behalf that the promised increase in the price of steel is highly disturbing, that stock prices are high, that many basic industries are working at capacity and already have raised or are preparing to raise prices, that business loans have spurted up and that there is a marked upsurge of confidence. All these factors influenced the Federal Reserve in its decision to tighten the reins. But we think the New York Journal of Commerce was right last Wednesday when it said that inflation talk should not be regarded seriously, although the price level may move up further this spring.

What do other statistics show? A most important fact is that Federal, State, and local expenditures now, for the first time since 1952, are less than receipts, so they are exerting a somewhat deflationary pressure. In addition, farm prices are still soft, consumer goods prices are off slightly, and consumer credit outstanding is down from last year's alltime high. There has been a drop in auto and housing construction. For at least 3 or 4 months the economy has been on a plateau, with the Federal Reserve Board's own index of industrial production stable since September.

With the economy as strong as it now seems to be, no alarming damage could be done by the Reserve's action, and it could be reversed if clear proof is adduced that money is too tight. The important thing now is for the Board not to become inflexible or overimpressed by the gloomy prophets of inflation. The chief trouble with an increase in the interest rate at the present time is that it probably affects adversely the auto and housing industries more than any others, and it probably does not much discourage businessmen who are accumulating inventories at too fast a pace.

I cannot understand why the Federal Reserve Board did not increase reserve requirements of banks if they desired to take some action to curtail credit. Such action would have diminished credit, but would not have arbitrarily raised interest rates.

The Board took the action that required higher interest rates. It was not necessary to deal with any dangers of inflation in that way. In fact, higher interest is itself inflationary. Higher interest unbalances all budgets immediately from the Federal Government, including States, counties, cities, and political subdivisions. It also unbalances the budgets of corporations, partnerships, individuals, and all family units. It is a cruel approach to a problem that can be met in a more satisfactory way.

PUBLIC HEALTH SCHOOLS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, problems of public health and medical care are pressing inexorably upon the Congress and the country. They must be tackled by the Congress.

While probably no higher standards of general health, medical skill and hospital facilities and related services, exist anywhere in the world—in fact, we are daily assured that ours are the highest—mounting costs of medical and hospital services have become a matter of grave concern and heavy burden to the American people.

As the situation develops, it is apparent that vigorous, drastic action must be taken to encourage and sustain in the private, voluntary plans which seek to provide some more adequate answer for the ordinary individual and his family for worrisome medical and hospital problems.

I have been greatly concerned about these problems ever since I came to Congress and more so in recent time, because it seems to me that it is absolutely imperative for the Congress to take bold, sweeping action as promptly as we can to insure that our fellow citizens of every station, and particularly the working people of the Nation, shall be enabled to provide the kind and extent of these services which they may require for personal well-being without onerous and excessive drain upon their financial resources.

A vital portion, indeed, of the overall health and medical program is presented by the proposed Emergency Health Training Act of 1956 as set forth in H. R. 8859 and S. 1859, which are measures to firm up and step up the supply of qualified public health specialists and to expand the facilities for training and developing this class of personnel so indispensable to a modern, well-rounded public-health system.

The objectives of these bills strike me as being particularly meritorious and praiseworthy because they aim directly at the solution of one of the great problems we have in this field, namely, providing sufficient men and women possessed of the training, skill, experience and ability fittingly to cope with the great responsibility which devolves upon our public-health instrumentalities.

Briefly stated, these bills would make available $1 million a year for the next 5 years toward the cost of instruction in the 10 schools of public health throughout the Nation, and also certain monetary allowances on a per capita basis for students enrolled in these schools.

In addition to financial support of the cost of instruction, $1 million a year for 5 years would be provided toward the cost of construction and equipment in public-health schools on a 50 percent matching basis.

Moreover, a fund of $250,000 would be allocated for direct scholarship aid to qualified, regularly admitted, graduate students in the 10 schools of public health, and the act itself would be administered by the United States Public Health Service Surgeon General with advice and recommendations from the National Advisory Health Council.

Dr. John C. Snyder, M. D., dean of the Harvard School of Public Health, and a distinguished expert in this field, has taken an active and significant interest in fostering the objectives of these measures, and I am indebted to him for valuable information and data which he has furnished to me relative to the proposed program.

Dr. Snyder is of the view that these measures are not only justified, but absolutely necessary if we are to protect the health of our fellow citizens, our communities, and the Nation itself, and successfully to pursue the urgent tasks of preventing disease, accidents, and keeping people well and, of course, he would also add caring for and healing the sick and afflicted.

Dr. Snyder states, for example, that—

> Preventive medicine and public-health promotion constitute a medical specialty for which specialized postgraduate training is required.

Pointing to the fact that there is a serious shortage of postgraduate-trained public-health personnel in this country, that the only source of these exceptionally qualified skilled men and women is the 10 accredited schools of public health in the country, that each school in its enrollment draws students from all parts of the Nation and that its graduates serve in key health posts throughout the country and abroad, he declares that these 10 schools at the present time are inadequately financed and housed and their total output is only about one-fifth of the number that should be trained each year to meet the Nation's civilian health needs, not even considering our broader military health needs at home and abroad.

I find myself in complete agreement with Dr. Snyder's views and conclusions that if the potential of these health schools is to be realized in any truly effective degree, some way must be found to give them additional long-range financing in order to stabilize basic operations, add physical facilities, and increase enrollment.

Dr. Snyder also stresses the necessity of recruiting public health students and assisting them in financing their public health education. He states that:

> Most public health students have already graduated from a basic professional school, or have done postgraduate work in some branch of science and cannot afford to sacrifice opportunities to earn while at the same time paying for further education in public health. Most public health students are mature people (average age is 34) with families to support, other financial obligations, and limited future income prospects.

There can be no doubt that as Dr. Snyder says that our schools of public health are unique in that only 10 schools serve the entire Nation. Clearly, there is a definite shortage of trained public health workers and that means a shortage in numerous professions, not only physicians, but sanitarians, nurses, engineers, dentists, veterinarians, nutritionists, health educators, nonmedical administrators, laboratory workers, statisticians, and others who comprise the class of highly skilled specialists who fall into this particular category.

I am also informed that the average tuition in these public health schools is $500 per year, whereas it costs about $4,100 per year to provide this type of advanced training.

I am further advised that the deans of all 10 schools of public health favor direct Federal grants and the Hoover Task Force analysis recommended support of graduate public health education in the national interest.

Of greatest interest to Members of Congress who are always eager to promote economy and efficiency in the Government as well as to advance the general welfare of the Nation is the statement of Dr. Snyder of the very high percentage of public health graduates who engage in governmental health work. These figures are so revealing and impressive that I am constrained to set them forth in my remarks because they point up the need and emphasize the urgency in my opinion of early congressional action in support of this most essential phase of our national health program.

Sixty-seven and four-tenths percent of the Harvard School are engaged in full-time governmental health work; 62.5 percent of California; 84 percent of Johns Hopkins; 70 percent of North Carolina; 88.5 percent of Michigan; presumably, as I understand it, also a high percentage of the graduates of the other public health schools are now giving full-time services in the important governmental field of health work.

In conclusion, may I not respectfully suggest to my colleagues on the committee and of the House to give immediate and sober consideration to the proposals looking toward the national health benefit which I urge so strongly upon you today. Let us not temporize with or further delay the enactment of these measures. Let them be brought to the floor of the House for early debate, so that the House membership can work its will upon them and make such changes and amendments as may appear agreeable and place the seal of approval upon the principles of these measures, which are so very essential at this time if we are to move forward with the march of human progress and betterment in the Nation and fully discharge our profound responsibility to guard and try to improve the health of the American people and set even higher standards that will be a guide and boon for the world as well.

I desire to thank and commend Dr. Snyder and his group for the vigor, ability, and public spirit they have demonstrated in advocating and pressing this most worthy cause. Let us all get behind it.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Edmondson, for 45 minutes today.

Mr. Patman, for 30 minutes today, to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Lane and to include extraneous matter.

Mr. Teague of Texas (at the request of Mr. Albert) and to include extraneous matter.

Mr. Boyle.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 36 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 18, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1751. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the Watershed Protection and Flood Prevention Act"; to the Committee on Agriculture.

1752. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 3238 of title 18, United States Code"; to the Committee on the Judiciary.

1753. A letter from the Acting Attorney General, transmitting the annual report of the activities of the Department of Justice for the fiscal year ended June 30, 1955; to the Committee on the Judiciary.

1754. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize funds for the improvement by the Secretary of Commerce of the Pentagon road network and that portion of the Henry G. Shirley Memorial Highway in Arlington County, Va., and to provide for the transfer of such highways to the Commonwealth of Virginia"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS of Louisiana: Committee on Armed Services. S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard and Esler Field, La., to the State of Louisiana, and for other purposes; without amendment (Rept. No. 2002). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 5268. A bill to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States; with amendment (Rept. No. 2003). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 8290. A bill to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes; with amendment (Rept. No. 2004). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 8693. A bill to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses; without amendment (Rept. No. 2005). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 8922. A bill to provide for the relief of certain members of the uniformed services; without amendment (Rept. No. 2006). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAILLIARD:

H. R. 10560. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. SHELLEY:

H. R. 10561. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. ALLEN of California:

H. R. 10562. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. WILSON of California:

H. R. 10563. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. HOSMER:

H. R. 10564. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H. R. 10565. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. GUBSER:

H. R. 10566. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. SISK:

H. R. 10567. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. FORD:

H. R. 10568. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. HALE:

H. R. 10569. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. MAGNUSON:

H. R. 10570. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. RAY:

H. R. 10571. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. SEELY-BROWN:

H. R. 10572. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability;

to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNGER:

H. R. 10573. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. ALEXANDER:

H. R. 10574. A bill to provide that the Blue Ridge Parkway shall be toll free; to the Committee on Interior and Insular Affairs.

By Mr. BERRY:

H. R. 10575. A bill to provide for the establishment of a uraniferous lignite buying program for uranium-bearing lignites; to the Joint Committee on Atomic Energy.

By Mr. BROYHILL (by request):

H. R. 10576. A bill to exempt from the tax on club dues amounts paid with respect to any nonprofit neighborhood swimming pool; to the Committee on Ways and Means.

By Mr. FALLON:

H. R. 10577. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GREGORY:

H. R. 10578. A bill to amend the Railroad Retirement Tax Act; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 10579. A bill to provide for an additional Assistant Attorney General; to establish a bipartisan Commission on Civil Rights in the executive branch of the Government; to provide means of further securing and protecting the right to vote; to strengthen the Civil Rights Statutes, and for other purposes; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10580. A bill to amend the United States Housing Act of 1937 to authorize the admission of single persons to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

By Mr. MILLS:

H. R. 10581. A bill to amend part III of Veterans Regulation No. 1 (a) to liberalize the basis for, and increase the monthly rates of, disability pension awards; to the Committee on Veterans' Affairs.

By Mr. ROGERS of Texas:

H. R. 10582. A bill to provide for national cemeteries in the State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H. R. 10583. A bill to prohibit certain unfair practices with respect to the cancellation of franchises held by automobile dealers; to the Committee on Interstate and Foreign Commerce.

By Mr. SIMPSON of Illinois:

H. R. 10584. A bill to establish a soil bank; to the Committee on Agriculture.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States relative to transmitting a copy of the Report of the Joint Committee on Insurance Investigation; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 10585. A bill for the relief of Felipe Tovar; to the Committee on the Judiciary.

By Mr. CRUMPACKER:

H. R. 10586. A bill for the relief of Dr. Ether Kwang-Tzu Yang and his wife, Heather Ah-Nam Hsu Yang; to the Committee on the Judiciary.

By Mr. DOWDY:

H. R. 10587. A bill for the relief of Charlie Gardener Ford; to the Committee on the Judiciary.

By Mr. FLYNT:

H. R. 10588. A bill for the relief of John E. King; to the Committee on the Judiciary.

By Mrs. GRIFFITHS:

H. R. 10589. A bill for the relief of Pierre Marcas; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 10590. A bill for the relief of Kuo Hsien La, also known as Catherine Li; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 10591. A bill for the relief of Eskil K. Hassel; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

908. By Mr. BOW: Petition of H. Smutts and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

909. Also, petition of R. A. Hickman and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

910. Also, petition of B. M. Ayers and others of Stark and Mahoning Counties, Ohio, for a a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

911. Also, petition of J. R. Gillespie and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

912. By Mr. BUSH: Petition of Local Union No. 812, International Brotherhood of Electrical Workers, Williamsport, Pa., protesting the continuance of the 20-percent amusement tax imposed upon the entertainment industry and urging its repeal; to the Committee on Ways and Means.

913. By Mr. CRUMPACKER: Petition of Mishawaka Post No. 360, Veterans of Foreign Wars, Mishawaka, Ind., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

914. Also, petition of Thomas D. Jordan, of Granger, Ind., and 44 other residents of St. Joseph County, Ind., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

915. By Mr. HARDY: Resolution of the Portsmouth Retail Merchants Association, Inc., of Portsmouth, Va., in support of H. R. 9566; to the Committee on Post Office and Civil Service.

916. By Mr. HAYS of Arkansas: Petition of Virgil J. Gibbs, Conway, Ark., and others urging a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

917. By Mr. LeCOMPTE. Petition of VFW Post 775 of Ottumwa, Iowa, urging the enactment of a separate and liberal pension program for the veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

918. By Mr. RABAUT: Petition of J. A. Schiappacasse, and other residents of Detroit, Mich., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

919. By the SPEAKER: Petition of J. I. Murphy, Sr., Garland, Ark., relative to the proposed construction of so-called Barkman Creek-McKinney Bayou drainage project; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Lee De Forest

EXTENSION OF REMARKS
OF
HON. CHARLES A. BOYLE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1956

Mr. BOYLE. Mr. Speaker, 50 years ago today the "Father of Radio," Mr. Lee De Forest, invented the vacuum tube. His inventions helped make radio and TV possible, and he has won recognition as a leader in the field of electronic communication. Other inventions of his assisted in the development of the wireless telegraph in America. In the fields of wireless telegraphy, radio telephone, wire telephone, sound-on-film talking pictures, high-speed facsimile and picture transmission, and television, he has some 300 patented inventions to his credit. "Radiotherapy" for physicians is another of his accomplishments; the two-electrode—radio—tube which can be used as radio detector, radio and telephone amplifier, and as oscillator in "feed-back" or regeneration circuit, was developed by Mr. De Forest. The invention of "noiseless recording" positive prints in talking pictures, "glow-light" recording of sound on films, and so forth, are other of Mr. De Forest's many contributions. Broadcasts by radio of the voice of Caruso in 1910 and the first broadcast of radio news in 1916 are among his accomplishments. Time does not permit detailing the countless awards and honors which have attested his contribution to our society.

My district and I are very proud of the fact that the office of the American Television Co., with which Mr. De Forest is so closely associated, is located in the 12th Congressional District of Illinois. Mr. De Forest is today being honored by the Radio Pioneers of America, and from the floor of the House I also wish to salute him. The inventions and other work that he has done have helped make ours the great Nation that it is.

Retention of Section 638 in Department of Defense Appropriations, 1957

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following statement made by me before the Subcommittee on Defense, House Appropriations Committee, April 16, favoring retention of section 638 in Department of Defense appropriations, 1957:

> Mr. Chairman, if the Government were as careful in screening every small item of procurement contracts awarded to private industry as it is in determining the threat to private industry and the waste of taxpayers money involved in the employment of a civilian cobbler at X air base, what a wonderful world this would be.
>
> The stated issue is that of alleged Government competition with private business. The general policy of this administration is that the Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels.
>
> To date a total of 56 facilities have been recommended for discontinuance by the Department of Defense. These would result in the displacement of 540 civilian workers.
>
> The controversial projects number 7, covering 264 civilian personnel.
>
> On the face of it there seems to be much ado about little.
>
> It is the hidden trend that disturbs me. A little here and a little there gradually adds up to the practice of private industry taking over Government itself.
>
> If that philosophy were carried all the way, we might just as well turn the Armed Forces over to private management, although how they could make a profit out of public service is hard to conceive at the moment.
>
> I do not go along with the deification of private enterprise to the point where all public problems—including those involving national defense—are subordinated to it.
>
> I reiterate that, although the facilities they want to discontinue are small in number and may appear to be unimportant, the precedent that may be established on this minor scale by its proponents will lead to further encroachments on the role of our defense services that would make them dependent upon mercenary interests.
>
> We in Massachusetts are not only worried by the fact that they are trying to ease out the work done at the ropewalk and in the chain shop at the Boston Naval Shipyard to private interests, but by the fact that this subtle slide-away policy—unless arrested at the very start—will lead to the closing down of the Watertown Arsenal and the Murphy Army Hospital.
>
> Even career officers in the Armed Forces appear to be knuckling under to pressure exerted by their civilian superiors in the Department of Defense to rubber-stamp policies against their professional judgment.
>
> At the hearings conducted by the subcommittee early this year, the secretary of the Cordage Institute, in answer to a question regarding the 125-year-old ropewalk at the Boston Naval Shipyard, testified: "Yes; it has a fine record in terms of improved productivity and in terms of economy. It has a fine staff of skilled workers. It has been regarded all these years as an integral part of the Navy."
>
> The question of integration is also important.
>
> Experience has proved the wisdom of maintaining key bases and installations, and as self-sufficient as they can be, even during peacetime.
>
> To be implemented by private industry only during emergencies.
>
> The military have special responsibilities. For this they must maintain bases on which the smallest function or convenience has a present use and is in readiness for expansion to meet emergency needs.
>
> We cannot afford to break up this integration.
>
> If this attempt to transfer certain work over to private enterprise gains headway, the logical result would be for the military to discontinue the practice of supplying uniforms for Armed Forces personnel. Instead, they would be given an allowance to purchase uniforms from merchants on the outside.
>
> Under section 638 of Public Law 157 which must be retained so that Congress will have knowledge in advance of any plans by the Defense Department to discontinue facilities, or to transfer them to private enterprise, there is some dissatisfaction concerning the cooperation we are supposed to get from the Defense Department. Evasive tactics show through.
>
> The Defense Department must justify such disposals or transfers of work that, for a period of 3 years or more, has been performed by civilian personnel of the Department. This must be done 90 days in advance of such proposals. Disapproval by either committee of the Senate or the House shall prevent such disposal or transfer.
>
> The ropewalk and the chain shop at the Boston Naval Shipyard are representatives of similar facilities throughout our Defense Establishment that are scheduled for a gradual sellout to private industry.
>
> This trend is dangerous to our national security and is unfair to the loyal workers whose skills will be missing in the event of an emergency.
>
> I join with other Members of Congress in opposing any proposed transfer or disposal of time-tested defense functions.
>
> The profit motive must not be permitted to take over the operation of the largest Department of the Federal Government whose responsibility is to protect our Nation and its people from potential enemies.
>
> The opening wedge must be closed at once.

Nickel Problem: "Almost Completely Insolvable," Weeks

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 17, 1956

Mr. McCORMACK. Mr. Speaker, on several occasions lately I have called the attention of this body to the black market situation which has developed with respect to nickel for manufacturing purposes in the United States.

I am placing in the RECORD an amazing letter which the Secretary of Commerce has written to Mr. Willard F. Rockwell, chairman of the board of the Rockwell Spring & Axle Co. Mr. Rockwell's company is one of the large users of nickel for plating purposes and he informs me that his company, last year, spent $750,000 for nickel in the gray market and this year spent $780,000 in the first quarter since sufficient 64½-cent nickel is available only to his company through black and gray market sources at some 300 percent of market price.

In response to Mr. Rockwell's complaint, the Secretary of Commerce on April 7 wrote to him and stated:

> This in a general way seems to me to be the story and, as aforesaid, if you find yourself in Washington, we'll be glad to go through it with you to the *n*th degree and give you all of our thinking about a problem which is very difficult and, as I presently see it, almost completely insolvable.

This is an amazing statement in view of the fact that studies by the Secretary's own Department indicate that there have been diversions of defense-rated nickel and that his Department is studying as to what enforcement measures are necessary. Amazing also is the fact that the Department of Commerce has responsibility to check the books of the producers and allocators of nickel to see that there is equitable distribution of this important commodity. It is also amazing that many business concerns are paying unconscionable high prices for black market nickel which seems to be abundant at such prices. It is also amazing to me that the Department of Commerce which has the responsibility to aid and foster industry is standing back contending that the nickel situation is insolvable at a time when businesses large and small are closing down, laying off employees or otherwise curtailing their activities because of inability to obtain nickel.

To my knowledge the Secretary of Commerce has not denied that he is one of the individuals responsible for solving this problem, nor has he recommended legislation which may be necessary to establish necessary controls.

The above-mentioned letter follows:

> THE SECRETARY OF COMMERCE,
> *Washington, April 7, 1956.*
>
> Mr. WILLARD F. ROCKWELL,
> *Chairman of the Board,*
> *Rockwell Spring & Axle Co.,*
> *Pittsburgh, Pa.*
>
> DEAR MR. ROCKWELL: I have just been through a long and exhaustive study of the nickel question this morning (Saturday, April 7) and if you would care to come down sometime in the near future, we'll see that you have the complete story and understand just how things seem to shape up. I think, however, that I must tell you that I'm afraid you'll be disappointed in the net result.
>
> Generally speaking, the forecasted 1956 supply of nickel for the civilian economy is short—even short of what it was on an average for the 3 years preceding Korea—and if certain use developments take place in the defense area the situation may be even worse.
>
> Currently, the civilian economy is paying three prices for available nickel—the so-called market price of 65 cents approximately, the price ranging from $1 to $1.35 for Government set-aside supplies, and say $2.50 to $3 for approximately 10 percent of the civilian supply. Most of this latter grouping is composed of nickel-bearing scrap alloys and foreign production—France, Japan, etc.
>
> We find no evidence of importance of any misappropriation of defense-rated nickel

supplies. Our procedures for following defense-rated orders adequately confirm this view, although despite this fact we are planning some procedural changes which should give us even closer supervision.

The end of it all is that there just is not enough nickel available to take care of defense requirements and the civilian economy (the stockpile take will be substantially decreased this year). The controls which you urge will not get anybody any more nickel and the undoubted result of such controls would probably bring into operation use determinations and specifically might very well result in the complete elimination of the use of nickel for decorative purposes.

There is some further increase of nickel supply in sight for 1957. What effect it will have on civilian availability will largely depend on the military requirements at that time.

This in a general way seems to me to be the story and, as aforesaid, if you find yourself in Washington, we'll be glad to go through it with you to the *nth* degree and give you all of our thinking about a problem which is very difficult and, as I presently see it, almost completely insolvable.

Most sincerely yours,

SINCLAIR WEEKS.

Veterans of Foreign Wars Honor Hon. Victor Wickersham, of Oklahoma

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 17, 1956

Mr. TEAGUE of Texas. Mr. Speaker, as chairman of the House Committee on Veterans' Affairs, I am pleased to inform the House that Mr. Rutherford Day, chairman, Loyalty Day Committee, Department of the District of Columbia, Veterans of Foreign Wars of the United States, Washington, D. C., announced today that my colleague Congressman VICTOR WICKERSHAM, Democrat, of Oklahoma, has been unanimously selected from a group of all outstanding leaders, including Senators and Congressmen, to receive the annual Loyalty Day award given by the Veterans of Foreign Wars of the District of Columbia.

Mr. Day stated that this award is made annually to a figure of national prominence who works in the District of Columbia and that this is the first time that the award has been made to a Member of Congress, either on the Senate or House side. The award consists of a plaque, with the following inscription:

> To VICTOR WICKERSHAM for exhibiting those qualities in private and public life which make for a greater America.

In advising Congressman WICKERSHAM of his selection to receive the annual Loyalty Day award on May 1, Mr. Day stated:

> It is the unanimous opinion of the committee, which opinion is concurred in by the Department of the District of Columbia, that no finer a man could be found to whom the award might be made. By Congressman WICKERSHAM's sincere application to duty and to the interests of his congressional district, as well as to those of the Nation, and with a solid record of achievement in committee and other work, he has proven to be the type of man who is the basic strength of our great United States of America.

SENATE

WEDNESDAY, APRIL 18, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend John Prescott Robertson, minister, First Congregational Church, Braintree, Mass., offered the following prayer:

Almighty God, who speakest to Thy creation in the glory of the dawn and in the holy hush of eventide, speak to us now as we pause in prayer at noonday to invoke Thy guidance and Thy divine blessing.

Problems face us here, in committee rooms and in our offices, that try the limits of our wisdom; tasks abound that summon up the full measure of our strength; demands galore call for patience and endurance of the highest order. Amidst these stark realities we rejoice in our responsibilities and our opportunities for Thou, O God, changeless and eternal, art the sole source of peace and righteousness.

Wilt Thou be graciously pleased to look upon us now with Thy most holy favor and Thy fatherly benediction. So may we ever realize that while we are toilers in time we are likewise builders for eternity. Through Christ our Lord. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

> UNITED STATES SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D. C., April 18, 1956.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate, I appoint Hon. EARLE C. CLEMENTS, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.
>
> WALTER F. GEORGE,
> *President pro tempore.*

Mr. CLEMENTS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 16, 1956, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Under authority of the order of the Senate of April 16, 1956,

Mr. HAYDEN, from the Committee on Appropriations, on April 17, 1956, reported favorably, with amendments, the bill (H. R. 9390) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1957, and for other purposes, which report was ordered to be printed, and the bill placed on the calendar.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 6084. An act to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District;

H. R. 7426. An act to ratify and confirm Act 249 of the Session Laws of Hawaii, 1955, as amended, and to authorize the issuance of certain highway revenue bonds by the Territory of Hawaii;

H. R. 7679. An act to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.;

H. R. 7732. An act to amend section 402 (c) of the Federal Food, Drug, and Cosmetic Act, with respect to the coloring of oranges;

H. R. 7891. An act to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, T. H., for the relief of persons whose lands were destroyed by volcanic activity;

H. R. 8123. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Oreg.;

H. R. 8404. An act to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes;

H. R. 8674. An act to provide for the return of certain property to the city of Biloxi, Miss.;

H. R. 9424. An act to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers;

H. R. 9768. An act relating to general obligation bonds of the Territory of Hawaii amending Public Laws 640 and 643 of the 83d Congress (68 Stat. 782, ch. 889 and 68 Stat. 785, ch. 892), and ratifying certain provisions of Act 273, Session Laws of Hawaii, 1955, which authorizes issuance of public improvement bonds for schools in the city and county of Honolulu and the county of Hawaii;

H. R. 9769. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds;

H. R. 10046. An act to simplify and make more nearly uniform the laws governing the payment of compensation for service-connected disability or death, and for other purposes; and

H. J. Res. 396. Joint resolution to establish a national motto of the United States.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and a joint resolution were severally read twice by their titles and referred as indicated:

H. R. 6084. An act to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District;

H. R. 7426. An act to ratify and confirm Act 249 of the Session Laws of Hawaii, 1955, as amended, and to authorize the issuance of certain highway revenue bonds by the Territory of Hawaii;

H. R. 7891. An act to authorize and direct the exchanges and sales of public lands within or adjacent to the district of Puna, county of Hawaii, T. H., for the relief of persons whose lands were destroyed by volcanic activity;

H. R. 9768. An act relating to general obligation bonds of the Territory of Hawaii amending Public Laws 640 and 643 of the 83d Congress (68 Stat. 782, ch. 889 and 68 Stat. 785, ch. 892), and ratifying certain provisions of Act 273, Session Laws of Hawaii, 1955, which authorizes issuance of public improvement bonds for schools in the city and county of Honolulu and the county of Hawaii; and

H. R. 9769. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue general obligation bonds; to the Committee on Interior and Insular Affairs.

H. R. 7679. An act to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla.;

H. R. 7732. An act to amend section 402 (c) of the Federal Food, Drug, and Cosmetic Act, with respect to the coloring of oranges;

H. R. 8123. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Roseburg, Oreg.; and

H. R. 8674. An act to provide for the return of certain property to the city of Biloxi, Miss.; to the Committee on Labor and Public Welfare.

H. R. 8404. An act to provide for the conveyance of a portion of the former prisoner of war camp, near Douglas, Converse County, Wyo., to the State of Wyoming, and for other purposes; to the Committee on Government Operations.

H. R. 9424. An act to amend the Clayton Act, as amended, by requiring prior notification of corporate mergers; and

H. J. Res. 396. Joint resolution to establish a national motto of the United States; to the Committee on the Judiciary.

H. R. 10046. An act to simplify and make more nearly uniform the laws governing the payment of compensation for service-connected disability or death, and for other purposes; to the Committee on Finance.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 18, 1956, he presented to the President of the United States the following enrolled bills:

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on the District of Columbia was authorized to meet during the session of the Senate today.

Mr. O'MAHONEY. Mr. President, the subcommittee of the Committee on the Judiciary, which began its hearing this morning on the proposed judicial appointment of Mr. William B. Herlands to the District Court, Southern District of New York, was unable to finish its hearing this morning. I therefore ask unanimous consent that the subcommittee may continue its hearing this afternoon.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

On request of Mr. PASTORE, and by unanimous consent, the Subcommittee of the Committee on Interstate and Foreign Commerce having under consideration Senate bill 2643, to promote the common defense and the general welfare of the people of the United States by encouraging maximum development of low-cost electric energy from all sources of power, including atomic energy, coal, oil, natural gas, and water, and for other purposes, was authorized to meet this afternoon, during the session of the Senate.

On request of Mr. FULBRIGHT, and by unanimous consent, the Subcommittee on Housing of the Banking and Currency Committee was authorized to sit tomorrow afternoon while the Senate is in session.

Mr. HUMPHREY. Mr. President, when the Senator from Arkansas is in attendance at that subcommittee meeting, will he be willing to look into the matter of the interest rates on housing?

Mr. FULBRIGHT. Yes.

Mr. HUMPHREY. I shall be delighted if the Senator from Arkansas will do so.

COMMITTEE SERVICE

On motion of Mr. JOHNSON of Texas, and by unanimous consent, it was

> *Ordered*, That the Senator from South Carolina [Mr. WOFFORD] be assigned to service on the Committee on Government Operations, the Committee on Interstate and Foreign Commerce, and the Committee on Public Works.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a limitation of 2 minutes on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR CALL OF THE CALENDAR ON THURSDAY—LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have a brief announcement I should like to make for the information of the Senate, and I call the attention of the minority leader to the request I am about to make. I request unanimous consent that on Thursday, immediately following the completion of morning business, there be a call of the unobjected-to-measures on the calendar, and that the call begin at the point where the last calendar call ended.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I should like to have all Members of the Senate on notice that calendar No. 1780, H. R. 9390, the Interior Department appropriation bill, will be taken up on next Monday, April 23. That bill is ready to be considered now, but in view of the provision of the Reorganization Act requiring that appropriation bills lie over for 3 days, the bill could not be brought up until the end of the week. In order that every Senator may have ample time to study it, it is the plan of the leadership to schedule it for April 23. It is my understanding that this is a noncontroversial bill and that it provides for a total appropriation of $433,851,400, which is $1,290,900 less than was requested by the Budget Bureau.

I might also mention, for the information of the Senate, that last year the Interior Department appropriation bill was reported to the Senate on May 2 and was passed on May 5. As of this time, the Senate has completed action on 4 appropriation bills this year, 3 of which have become public laws—the Treasury-Post Office appropriation bill for 1957, the urgent deficiency, and the additional Labor appropriation for 1956. The Second Supplemental Appropriation Act for 1956 will soon be out of conference, and I am sure will be finally completed at an early date.

Last year at this time the Senate had acted upon 3 appropriation bills, only 1 of which had become a public law; so it is clear that we are substantially ahead of schedule this year. I know that the Appropriations Committees of both Houses are moving forward on their heavy workload expeditiously and vigorously. I am confident that final action on all appropriation bills will be completed well ahead of schedule this year.

I should like to give notice that following the morning business it is planned to take up the following measures:

Calendar No. 1749, S. 2424, to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam;

Calendar No. 1750, S. 2712, a bill to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.;

Calendar No. 1751, S. 2091, authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.;

Calendar No. 1752, S. 2092, transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth Military Reservation in Kansas and Platte County, Mo., and authorizing its removal;

Calendar No. 1753, S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948;

Calendar No. 1776, H. R. 9428, to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes;

Calendar No. 1777, S. 2854, to amend the National Housing Act, as amended;

Calendar No. 1778, S. 2855, to provide authority to stockpile temporary housing for disaster relief, and for other purposes; and

Calendar No. 1779, S. 2859, to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes.

As I have previously announced, on Thursday there will be a call of measures on the calendar to which there is no objection, so that we can clear the calendar of private bills which are ready to be considered.

I also wish to announce that the three treaties on the Executive Calendar will be considered on Thursday, immediately following the morning business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Amendment of Watershed Protection and Flood Prevention Act

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Watershed Protection and Flood Prevention Act (with accompanying papers); to the Committee on Agriculture and Forestry.

Audit Report on Government Services, Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Government Services, Inc., for the year ended December 31, 1955 (with an accompanying report); to the Committee on Government Operations.

Amendment of Section 3238 of Title 18, United States Code

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 3238 of title 18, United States Code (with an accompanying paper); to the Committee on the Judiciary.

Report of Attorney General

A letter from the Acting Attorney General, transmitting, pursuant to law, the report of the Attorney General for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on the Judiciary.

Granting of Applications for Permanent Residence Filed by Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

Suspension of Employment of Civilian Personnel

A letter from the Attorney General, transmitting a draft of proposed legislation to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

The petition of Henry H. Ettinger, of New York, N. Y., praying for the enactment of legislation to provide old-age assistance to honorably discharged veterans of World War I, and so forth; to the Committee on Armed Services.

By Mr. SALTONSTALL (for himself and Mr. Kennedy):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Post Office and Civil Service:

"Resolutions memorializing Congress to enact certain legislation

"*Resolved*, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact such legislation as may be necessary for establishing proper flood-control measures in the Commonwealth of Massachusetts; reducing the age at which women may receive benefits under the Social Security Act from 65 to 62; reducing the age at which widows may receive such benefits from 65 to 62; reducing the eligibility age of persons entitled to old-age assistance to 60 years; providing for a study of the number of Veterans' Administration general medical and general surgical hospital beds within the Commonwealth of Massachusetts, with a view to increasing such facilities; providing that paid-up policies of insurance be issued to such veterans of World War I who have paid into the Treasury of the United States premiums in excess of the amount of the face value of such term policies and that thereafter all premiums thereon shall be waived; providing for two deliveries of mail daily by the post office department; providing that a pension of not less than $100 be paid monthly to citizens who are over the age of 65 and have retired; providing that no concession be granted on the import of textiles from foreign countries; granting loans to private and public utilities so that they may place all cables and lines underground as a precautionary measure against the effect of storms and hurricanes; establishing a system of disaster insurance to protect against loss or damage of homes and industries caused by flood, hurricane, or other disaster; providing for the construction of Federal housing projects in the west, south and north end sections of the city of Boston; providing for the establishment of a national health insurance plan; repealing the Immigration and Nationality Act of 1952, commonly known as the McCarran-Walter Act, and enacting an immigration act in which there shall be no quota system based on national origins; granting aid in the form of arms to the government of Israel; preventing racial discrimination and to see that such laws are enforced, particularly in certain Southern States; establishing a program of Federal grants to States or political subdivisions thereof as an aid to education, whereby the reimbursement or payment of a specific sum be made to each student being provided with formal education; incorporating the Franco-American War Veterans; and pertaining to the repeal of a treaty relative to the prosecution of members of the Armed Forces of the United States serving in foreign countries for alleged violations of the law of such countries; and be it further

"*Resolved*, That the Congress of the United States take such action as may be necessary to ensure that the Postmaster General issue a postage stamp in memory of the late Herman Melville, author of Moby Dick, the classic American novel of the sea and the whaling industry, and a postage stamp commemorating the 150th anniversary of the founding of the American Board of Commissioners for Foreign Missions; and be it further

"*Resolved*, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress and to each Member thereof from this Commonwealth."

LETTER AND RESOLUTION OF LIMA, OHIO, TRAFFIC CLUB

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Record a letter from the Lima Traffic Club, of Lima, Ohio, signed by Eugene A. Jackson, secretary, transmitting a resolution adopted by that club, relating to amendment of the Administrative Procedures Act.

There being no objection, the letter and resolution were ordered to be printed in the Record, as follows:

Lima Traffic Club,
Lima, Ohio, April 6, 1956.

Hon. William Langer,
Judiciary Committee,
United States Senate,
Washington, D. C.

Dear Senator Langer: The Lima Traffic Club, Lima, Ohio, has adopted the enclosed resolution which is submitted for your favorable consideration.

Most respectfully,
Eugene A. Jackson,
Secretary.

Whereas the Lima Traffic Club, composed of more than 195 representatives of shippers, railroads, motor, air, and water carriers, by its board of governors in regular session at Lima, Ohio, on March 21, 1956, has considered the provisions of bills H. R. 6114 and S. 2541, covering a proposed "Administrative Code," now pending before the Congress and which are designed to make drastic changes in the laws governing administrative agency procedures; and

Whereas there is no public demand for changes in the present Administrative Procedures Act as concerns administrative processes under said act, as is amply supported by the fact that such changes were not approved by six members of the special Hoover Committee, including the Attorney General, who stated: "We did not vote for these recommendations (Nos. 29 to 48) because of their possible consequences and possible increase in expenditures of the Government"; and

Whereas it is the considered judgment of the officers and members of the board of governors of this organization that the provisions of these bills would do injury to the general public by way of increased cost in handling and retarded disposition of matters before administrative agencies and, at the same time, destroy practices and procedures developed over a long period of time; and

Whereas among the many changes proposed by these bills are provisions which would make unlawful practice by qualified persons, other than attorneys-at-law, before administrative agencies and also void existing authority, for instance, of the Interstate Commerce Commission to regulate practice before it; and

Whereas under existing authority the Interstate Commerce Commission, for example, permits employees of shippers to appear for their own concerns and has fixed standards of education and experience for those appearing in a representative capacity, who must offer proof by test of their qualifications; and

Whereas the traffic and transportation profession is highly specialized where legal training, as the term is used in legal circles, is not a requisite to practice before certain administrative agencies who treat, in particular, traffic and transportation matters, but may be of assistance to said agencies only when combined with and used in conjunction with knowledge of traffic and transportation gained by practical experience in the field. In this connection Attorney General Brownell said, in effect, "It follows that those who make a specialty of such work are entitled to greater weight than is accorded to a nonspecialized person," and to require confinement of practice before such administrative agencies to attorneys-at-law would be not only unwise, but also inefficient, more costly, discriminatory and unreasonable; and

Whereas the Lima Traffic Club and other similar organizations have sponsored education in the field of traffic and transportation for many years and interest therein is great with result that a number of institutions of higher learning now offer a major in traffic and transportation and show a growing enrollment therein, all of which would be seriously retarded, if not destroyed, by the enactment of these bills and thereby do injury to both students and their employers; and

Whereas it is clear the provisions of these bills would hamper administration by agencies, created by the Congress to function in its behalf, and require substitution of judicial processes for legislative functions; and

Whereas the interest of the public in matters considered by administrative agencies far outweighs that of any special class and any legislation which would require such agencies to permit only certain persons to practice before them, regardless of qualifications and by changing procedures developed by experience for efficient handling, is to be condemned as detrimental to the general welfare: Therefore be it

Resolved, That the Lima Traffic Club records its opposition to bills H. R. 6114 and S. 2541 as being unsound and contrary to the public interest and they should not be enacted; be it further

Resolved, That copies of this resolution be sent to the President of the United States, the members of the Senate and House Judiciary Committees, the Senators and Representatives in Congress from the area represented by this organization and to members of the Interstate Commerce Commission.

Adopted March 21, 1956.

Lima Traffic Club,
Lima, Ohio,
Harry Shriner,
President.
J. D. Stapleton,
Vice President.
A. W. Morton,
Treasurer.
E. A. Jackson,
Secretary.
D. C. O'Connor,
C. M. Creighton,
Harold H. Balk,
Members, Board of Governors.

RESOLUTION OF NORTH DAKOTA STATE WATER CONSERVATION COMMISSION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Record, a resolution adopted by the North Dakota State Water Conservation Commission, favoring the enactment of Senate bill 863, the Water Rights Settlement Act of 1956.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Whereas it has been the settled rule of law for nearly a century that water rights in Midwestern and Western States are determined by State law, and not otherwise; and

Whereas it has also been the established rule that control and jurisdiction over the waters of streams and rivers have been vested in the several States subject to whatever control the Federal Government has found necessary to exercise in the case of navigable waters in its regulation of navigation under the commerce clause of the United States Constitution; and

Whereas section 210 of the constitution of North Dakota provides that "all flowing streams and natural water courses shall forever remain the property of the State for mining, irrigation, and manufacturing purposes," and section 61–0101 of the North Dakota Revised Code, as amended, provides that "all waters within the limits of the State belong to the public and are subject to appropriation for beneficial use," and

Whereas the decision of the Supreme Court of the United States in the recent Pelton case, which virtually divested the State of Oregon of complete jurisdiction over the waters of the Deschutes River, a nonnavigable stream therein, threatens to jeopardize and impair the control of States in granting and adjudicating rights to the beneficial use of the waters of their streams: Now, therefore, be it

Resolved by the North Dakota State Water Conservation Commission, in meeting regularly assembled this 9th day of March 1956, That Congress be, and is hereby urged, to definitely and unambiguously recognize the right and jurisdiction of the several States in and to the waters of streams and natural watercourses therein by speedily enacting into law Senate bill 863 proposed by Senator Barrett, of Wyoming, and thereby settle for all time, and beyond question, that the control, use, distribution, and appropriation of the waters of streams and rivers is vested in the States, and not otherwise; and be it further

Resolved, That copies of this resolution be sent to Senator Barrett and to our Senators and Representatives in Congress.

PREDICAMENT OF THE INDIANS—RESOLUTION OF CASS COUNTY (MINN.) WELFARE BOARD

Mr. HUMPHREY. Mr. President, I have frequently directed the Senate's attention to the serious predicament faced by our American Indians, particularly those in my own State of Minnesota. In some cases the situation during the past winter became critical. For that reason, I have been watching the resolutions from Minnesota county welfare agencies with particular attention. One such resolution has just arrived from the Cass County Welfare Board of Walker, Minn., and I ask unanimous consent that the resolution be printed in the Record and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

On December 9, 1955, a meeting was held with regard to Indians. There were four counties represented at this meeting; namely, Beltrami, Cass, Mahnomen, and Becker. Several areas of the Indian problem were discussed.

1. It appeared that the most immediate problem for the care of Indians was financial, and in discussing this problem several areas were discovered in variance.

(a) There appears to be a variation in the methods of reimbursement. It was discovered that Becker County had been, up until January 1, 1955, reimbursed 100 percent for Indian costs where the other counties had not been.

(b) Employment opportunities in all four counties was limited with respect to hiring Indian labor.

(c) Very indefinite policies were discovered as it pertained to the medical care for Indians. Since July 1, Indian Service medical care is under the supervision or administered by the United States Public Health Service and seems to be confined to medical needs which might occur on tribal lands. University hospital care or other related services would not be provided by the United States Public Health Service.

2. There were several items on which the four counties agreed that were represented at this meeting.

(a) It was mutually agreed the Indians are yet the responsibility of the Federal Government, and if they withdraw this responsibility it then becomes the responsibility of the State of Minnesota. Not any of the counties in which the Indians reside could assume the full responsibility for their support.

(b) The financial responsibility of the State or Federal Government to the counties involved should be on not less than 100-percent reimbursement basis.

(c) This reimbursement should be for all money expended for the care of Indians.

(d) All Indians to be eligible for reimbursement when they are found to be in need and aid is provided for them.

(e) The State of Minnesota should take the initiative to explore all avenues for the permanent solution to the Indian problem with the cooperation of all counties involved.

(f) That this report be presented to Mr. Morris Hursh, commissioner of the Department of Public Welfare of the State of Minnesota.

3. The recommendations made for financing are to meet the current situation. They are not intended as a solution to the Indian problem and for this reason some are made toward long-term planning.

(a) The continuation and expansion of the relocation project which is Federal and asking that closer cooperation with the welfare department be utilized.

(b) Studies made for permanent employment opportunities be made available in all reservation counties for Indians.

(c) That an honest effort be made in the settlement of Indian claims, an honest determination if they do have a claim, and that the Indian be informed of his status with this regard once and for all.

4. Summary: What has been submitted by the group is not in itself an all-inclusive report. It merely represents the thinking of the four counties, mainly of immediate needs. It was recognized the Indian problem cannot be solved by one agency alone. It will require the leadership of the State department of public welfare, together with the other State agencies who are concerned with the financial, educational, health, social, and moral factors for the well being and improvement of this minority group within our State. No single agency can meet this

problem but it is by a long-range program with Federal and State funds and the support of all agencies involved you make great strides in improving the Indian's lot.

RESOLUTION OF ST. PAUL CHAPTER, DISABLED AMERICAN VETERANS

Mr. HUMPHREY. Mr. President, recently the St. Paul Chapter of the Disabled American Veterans adopted a resolution urging the Veterans' Administration to convert the Veterans' Administration Annex at Fort Snelling into a domiciling and nursing hospital. I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION PREPARED IN ACCORDANCE WITH ACTION TAKEN BY ST. PAUL CHAPTER, DAV, AT REGULAR MEETING ON MARCH 13, 1956

Whereas the Veterans' Administration is planning to evacuate the Veterans' Administration Annex at Fort Snelling; and

Whereas the Veterans' Administration now has no domiciliary facility in this area to care for such terminal cases as heart, cancer, arthritis, or other lingering diseases; and

Whereas it is believed that Fort Snelling Annex can be converted into domiciliary and nursing hospital at nominal cost: Now, therefore, be it

Resolved, That St. Paul Chapter, Disabled American Veterans, does earnestly endorse and support the resolution of Minneapolis Chapter, Disabled American Veterans, to urge the Veterans' Administration to accomplish such conversion in order that the many disabled veterans in this area, who are in dire need of such domiciliary care, and are now forced to rely on charity for such care that charity provides may receive the care and treatment that they are rightfully entitled to; be it further

Resolved, That copies of this resolution be sent to Minnesota Senators and congressional Representatives with an urgent request that they lend their support to the effort to establish such domiciliary and nursing hospital at Fort Snelling Annex.

JOHN F. KALLAND, PDC,
Chairman.
A. M. HERRIGES, PDC.
LAWRENCE J. FOLEY, PCC.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, with an amendment:

S. 3338. A bill relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects (Rept. No. 1764).

By Mr. GOLDWATER, from the Committee on Interior and Insular Affairs, with amendments:

S. 2822. A bill to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District Numbered 8, Mohave County, Ariz. (Rept. No. 1762).

By Mr. SPARKMAN, from the Committee on Banking and Currency, with an amendment:

S. 3515. A bill to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces (Rept. No. 1777).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 924. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services performed after August 31, 1931, and not heretofore paid in accordance with existing law (Rept. No. 1767); and

H. R. 6078. An act for the relief of Alison MacBride (Rept. No. 1783).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 2854. An act to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of government, and conspiracy to advocate overthrow of government (Rept. No. 1768).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

S. 2408. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Clatsop, Oreg., as a national monument (Rept. No. 1776).

By Mr. LONG, from the Committee on Interior and Insular Affairs, without amendment:

S. 2306. A bill to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal property (Rept. No. 1770);

S. 2512. A bill to amend the act of August 27, 1954, so as to provide for the erection of appropriate markers in national cemeteries to honor the memory of certain members of the Armed Forces who died or were killed while serving in such forces (Rept. No. 1784);

S. 3254. A bill to authorize the county of Custer, State of Montana, to convey certain lands to the United States (Rept. No. 1771);

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla. (Rept. No. 1772);

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service (Rept. No. 1773); and

S. J. Res. 71. Joint resolution to commend the foundation known as the Memorial to the American Indian Foundation for its project to establish a permanent memorial in honor of the North American Indians (Rept. No. 1769).

By Mr. LONG, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1053. A bill to amend the act authorizing the Secretary of the Interior to lease certain lands in the State of Montana to the Phillips County Post of the American Legion, in order to authorize the renewal of such lease (Rept. No. 1773);

S. 2144. A bill authorizing the Secretary of the Interior to convey by quitclaim deed certain real property of the United States to the Fairview Cemetery Association, Incorporated (Rept. No. 1775); and

H. R. 1774. An act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes (Rept. No. 1785).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2517. A bill to amend subsection 3 (a) of the act approved August 8, 1947, to authorize the sale of timber within the Tongass National Forest, Alaska (Rept. No. 1778);

H. R. 6162. A bill to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii (Rept. No. 1779); and

H. R. 7058. A bill to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges (Rept. No. 1780).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 4047. A bill relating to the establishment of public recreation facilities in Alaska, and for other purposes (Rept. No. 1781).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 4781. A bill to authorize the Territory of Alaska to incur indebtedness, and for other purposes (Rept. No. 1782).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Res. 239. Resolution to print for the use of the Judiciary Committee additional copies of the subcommittee report on Juvenile Delinquency Among the Indians.

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 238. Resolution authorizing the printing of additional copies of Senate Report No. 1734 on welfare and pensions funds.

By Mr. McNAMARA, from the Committee on the District of Columbia, without amendment:

H. R. 8957. A bill to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia (Rept. No. 1786).

REVISION OF CIVIL SERVICE RETIREMENT ACT

Mr. JOHNSTON of South Carolina. Mr. President, from the Committee on Post Office and Civil Service, I report favorably, with an amendment, the bill (S. 2875) to revise the Civil Service Retirement Act, and I submit a report (No. 1787) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar.

Mr. JOHNSTON of South Carolina. Mr. President, there have been so many requests for copies of this report that I ask unanimous consent that 5,000 copies of the report on the retirement bill be furnished the Committee on Post Office and Civil Service. Because of the unprecedented demand for this information the committee feels that this request is necessary.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION, RELATING TO ACQUISITION OF PROPERTIES

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report, favorably, an original bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, and I submit a report (No. 1763) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3673) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, was read twice by its title, and placed on the calendar.

CITATION OF MARY KNOWLES FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report favorably an original resolution certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles, and I submit a report (No. 1765) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 240) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Mary Knowles, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Mary Knowles may be proceeded against in the manner and form provided by law.

CITATION OF HERMAN LIVERIGHT FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report, favorably, an original resolution certifying the report of the Senate Committee on the Judiciary concerning Herman Liveright, and I submit a report (No. 1766) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 241) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Herman Liveright, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Herman Liveright may be proceeded against in the manner and form provided by law.

MARY MARGARET O'HARA

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 242), which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary Margaret O'Hara, widow of Robert E. O'Hara, an employee of the Senate at the time of his death, a sum equal to 11 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RENA V. PELLEGRINI

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 243), which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Rena V. Pellegrini, widow of Frank Pellegrini, an employee of the Senate at the time of his death, a sum equal to 11½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RUTH M. HAEFNER

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 244), which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ruth M. Haefner, daughter of Florence R. McKeever, an employee of the Senate at the time of her death, a sum equal to 1 year's compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF REVISED EDITION OF DOCUMENT ENTITLED "ELECTION LAW GUIDEBOOK" AS A SENATE DOCUMENT

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 245), which was placed on the calendar, as follows:

Resolved, That the revised edition of Senate Document No. 97 of the 82d Congress, entitled "Election Law Guidebook" be printed as a Senate document.

PRINTING OF ANNUAL REPORT OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 246), which was placed on the calendar, as follows:

Resolved, That the 58th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1955, be printed, with an illustration, as a Senate document.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3646. A bill to prevent racketeering, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. CURTIS:

S. 3647. A bill for the relief of the village of Wauneta, Nebr.; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 3648. A bill to amend title II of the Housing Amendments of 1955 (relating to public facility loans) to authorize additional financial assistance in connection with public projects made necessary by certain activities related to the national defense; to the Committee on Banking and Currency.

By Mr. CHAVEZ (for himself, Mr. ANDERSON, Mr. ERVIN, and Mr. SCOTT):

S. 3649. A bill to require that hunting and fishing on military reservations, when permitted, shall be in full compliance with the game and fish laws of the State or Territory wherein such military reservations are located; to the Committee on Armed Services.

(See the remarks of Mr. CHAVEZ when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE:

S. 3650. A bill for the relief of the town of Freeport, Maine; to the Committee on the Judiciary.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND (for himself, Mr. ANDERSON, Mr. EASTLAND, Mr. AIKEN, and Mr. MARTIN of Iowa):

S. 3651. A bill to provide for the protection and conservation of national soil, water, and forest resources, and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HOLLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. BENDER:

S. 3652. A bill to provide for the extension of rural mail delivery service; and

S. 3653. A bill to authorize and direct the Postmaster General to conduct an investigation and survey to determine the number of residences not now receiving direct-to-home mail service and to recommend methods and means of providing such rural mail delivery service; to the Committee on Post Office and Civil Service.

By Mr. BENDER (for himself, Mr. BARRETT, Mr. BEALL, Mr. BUSH, Mr. CAPEHART, Mr. COTTON, Mr. DIRKSEN, Mr. EASTLAND, Mr. LANGER, Mr. LONG, Mr. MCCARTHY, Mr. MAGNUSON, Mr. MANSFIELD, Mr. POTTER, Mr. SCOTT, Mr. SMATHERS, Mr. THYE, Mr. WILEY, and Mr. YOUNG):

S. 3654. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. McCLELLAN:

S. 3655. A bill to amend section 172 (f) of the Internal Revenue Code of 1954, relating to the net operating loss deduction in the case of taxable years beginning in 1953 and ending in 1954; to the Committee on Finance.

By Mr. HRUSKA:

S. 3656. A bill to provide for the acquisition of sites and the construction of buildings for a training school and for sector headquarters for the Immigration Border Patrol, and for other purposes; to the Committee on Public Works.

By Mr. CURTIS (for himself and Mr. HRUSKA):

S. 3657. A bill for the relief of Nelson Shu-Yung Chuang; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 3658. A bill to amend the act of May 11, 1938 (52 Stat. 347) so as to authorize, by agreement, the subsurface storage of oil or gas in restricted Indian lands, tribal or allotted; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON (for himself, Mr. Thye, Mr. Holland, and Mr. Aiken):

S. 3659. A bill to provide for the liquidation of Commodity Credit Corporation's surplus stocks of agricultural commodities, to amend the Agricultural Trade Development and Assistance Act of 1954, and to authorize the Secretary of Agriculture to appoint an agricultural surplus disposal administrator; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Anderson when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 3660. A bill for the relief of Panagiota Paganis; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself and Mr. Douglas):

S. 3661. A bill to establish an acreage allotment for 1956 for corn in the commercial corn-producing area of 51 million acres; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Humphrey when he introduced the above bill, which appear under a separate heading.)

By Mr. KUCHEL (for himself and Mr. Knowland):

S. 3662. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn unit, American River division, Central Valley project, California, under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. NEELY (by request):

S. 3663. A bill to exempt from taxation certain property of the Columbia Historical Society in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CARLSON:

S. 3664. A bill to conform the appointment and compensation of the chief legal officer of the Post Office Department to the method of appointment and rate of compensation provided for comparable positions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LONG:

S. 3665. A bill to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands; to the Committee on Interior and Insular Affairs.

By Mr. BUTLER:

S. 3666. A bill for the relief of Emmanuel Englessos; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 3667. A bill to provide medical care for certain persons engaged on board a vessel in the care, preservation, or navigation of such vessel; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLENDER (by request):

S. 3668. A bill to provide further protection against the dissemination of diseases of livestock or poultry, and for other purposes; and

S. 3669. A bill to amend the Commodity Credit Corporation Charter Act; to the Committee on Agriculture and Forestry.

By Mr. YOUNG:

S. 3670. A bill to amend the Civil Service Retirement Act of May 29, 1930, so as to permit certain officers and employees of State and county agricultural stabilization and conservation committees to elect to come within the purview of the Civil Service Retirement Act of May 29, 1930; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Young when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS (for himself, Mr. Eastland, Mr. Hill, Mr. George, Mr. Johnston of South Carolina, Mr. Sparkman, and Mr. Wofford):

S. 3671. A bill to prescribe minimum acreage allotments for cotton; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Stennis when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART (for himself and Mr. Frear):

S. 3672. A bill to amend the Internal Revenue Code of 1954 and to encourage small business concerns to engage in foreign trade; to the Committee on Finance.

(See the remarks of Mr. Capehart when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 3673. A bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; placed on calendar.

(See the remarks of Mr. Anderson when he reported the above bill, from the Joint Committee on Atomic Energy, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3674. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; to the Committee on Interstate and Foreign Commerce.

By Mr. AIKEN (for himself, Mr. Allott, Mr. Anderson, Mr. Barrett, Mr. Beall, Mr. Bender, Mr. Bennett, Mr. Bricker, Mr. Bridges, Mr. Bush, Mr. Butler, Mr. Capehart, Mr. Carlson, Mr. Case of New Jersey, Mr. Case of South Dakota, Mr. Cotton, Mr. Curtis, Mr. Dirksen, Mr. Duff, Mr. Eastland, Mr. Flanders, Mr. Goldwater, Mr. Hickenlooper, Mr. Holland, Mr. Hruska, Mr. Ives, Mr. Jenner, Mr. Kennedy, Mr. Knowland, Mr. Kuchel, Mr. Martin of Iowa, Mr. Martin of Pennsylvania, Mr. Millikin, Mr. Mundt, Mr. Payne, Mr. Potter, Mr. Purtell, Mr. Saltonstall, Mr. Schoeppel, Mrs. Smith of Maine, Mr. Smith of New Jersey, Mr. Thye, Mr. Watkins, Mr. Wiley, and Mr. Young):

S. 3675. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. Eastland (for himself, Mr. Stennis, and Mr. Johnston of South Carolina):

S. 3676. A bill relating to cotton acreage allotments and limitations on imports; to the Committee on Agriculture and Forestry.

By Mr. MAGNUSON:

S. 3677. A bill to amend the Civil Aeronautics Act of 1938, as amended, by adding thereto new provisions relating to civil aviation medicine; to the Committee on Interstate and Foreign Commerce.

By Mr. DIRKSEN:

S. 3678. A bill to provide for the appointment of an additional circuit judge for the seventh circuit, and for the appointment of additional district judges for the northern district of Illinois; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3679. A bill to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Johnston of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 3680. A bill to provide a minimum 53 million acreage allotment for corn; to the Committee on Agriculture and Forestry.

By Mr. JOHNSTON of South Carolina:

S. 3681. A bill to modify certain restrictions with respect to holding more than one office under the United States; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Johnston of South Carolina when he introduced the above bill, which appear under a separate heading.)

By Mr. NEUBERGER:

S. J. Res. 164. Joint resolution to provide for the establishment of a Commission To Study Election Finances and Related Aspects of Elections to Federal Offices; to the Committee on Rules and Administration.

(See the remarks of Mr. Neuberger when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

The following resolutions were reported and placed on the Calendar:

By Mr. EASTLAND, from the Committee on the Judiciary:

S. Res. 240. Citing Mary Knowles for contempt of the Senate; and

S. Res. 241. Citing Herman Liveright for contempt of the Senate.

(See the remarks of Mr. Eastland when he reported the above resolutions, which appear under the heading "Reports of Committees.")

By Mr. GREEN, from the Committee on Rules and Administration:

S. Res. 242. To pay a gratuity to Mary Margaret O'Hara;

S. Res. 243. To pay a gratuity to Rena V. Pellegrini;

S. Res. 244. To pay a gratuity to Ruth M. Haefner;

S. Res. 245. To provide for the printing of the revised edition of document entitled "Election Law Guidebook" as a Senate document; and

S. Res. 246. To provide for the printing of the annual report of the National Society, Daughters of the American Revolution.

(See resolutions printed in full under the heading "Reports of Committees.")

PREVENTION OF RACKETEERING

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to prevent racketeering, and for other purposes. I ask unanimous consent that a statement, together with a memorandum, prepared by me, may be printed in the Record.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement and memorandum will be printed in the Record.

The bill (S. 3646) to prevent racketeering, and for other purposes, introduced by Mr. Langer, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement and memorandum presented by Mr. Langer are as follows:

Statement by Senator Langer

I strongly favor and shall advocate amendments to the Hobbs Act for I believe them essential to the free economy of our people. While I shall always champion all laws restricting force, violence, robbery, and extortion, I shall with equal vigor oppose any unusual rule, unintended and undesirable judicial construction of those laws in situations where they were never meant to apply. The amendments which I favor will carefully preserve all of the drastic criminal penalties to be invoked against persons guilty of robbery or extortion induced by force, violence, or the threats thereof, but will at the same time eliminate the present danger of the Hobbs Act being used as a weapon to destroy the traditional activities or organized labor. The obvious implications of recent judicial decisions construing and applying the provisions of the Hobbs Act are frightening in their possibilities. I deem it essential to guarantee against the possibility, nay, probability, that the economic interests in power in our Government at any one time may avail themselves of the court interpretations of the law as a means of resisting the efforts of the trade labor movement to obtain improved wages, hours, or working conditions. The amendments which I advocate are requisite to a balancing of the inequities which exist between the right of employers to run their businesses free from union interferences and the right of unions to better the wages, hours, and working conditions of their members.

I have always understood that in providing severe penalties for robbery and extortion the Hobbs Act sought to represent those engaged in blackmail and racketeering for their own personal benefit or for the benefit of those acting in concert with them. The legislative history of the act certainly bears me out in this understanding. But by the recent judicial interpretation of the act by the United States Supreme Court in the case of *U. S.* v. *Green* (No. 54 of March 26, 1956), it now appears that a labor leader may be successfully prosecuted under the act even when it clearly appears that he seeks no personal benefit whatsoever. In the Green case, it was successfully contended that the Hobbs Act was violated when the object of the undertaking consisted only in seeking "money, in the form of wages to be paid for imposed, unwanted, superfluous, and fictitious services of laborers commonly known as swampers * * *." I have always understood that it is traditional and legitimate for labor leaders to seek the employment of union members and that it is not even illegal for them to do so under the threat and compulsion of a strike. If personal benefit is not an essential element of the crime of robbery or extortion under the Hobbs Act then it seems to me that leaders of organized labor will be forced to discontinue their efforts to seek employment and improve wages, hours, and working conditions for their members for fear that if someone of the group makes a threat of some kind during the course of the effort or if there is any element of violence whatsoever, those labor leaders will be subjected to imprisonment for 20 years for their activities on behalf of their members. I am convinced that the absence of an amendment requiring that personal benefit or gain be sought by the undertaking will necessarily result in a prosecution of the legitimate activities of trade labor leaders.

Nor is the Green case the only judicial example of the unjust and unintended application of the Hobbs Act. In the case of *U. S.* v. *Kemble* (198 F. 2d 889), the conviction of a labor leader was affirmed where all he sought was to induce the employment of a trucking concern of a competent union helper to do the unloading of said truck, during the course of which he uttered a threat to the driver of the truck and some unknown person let air out of the tires of the truck. During the prosecution of the case the Government conceded that Kemble was not interested in protection money from the trucking concern and took the position, which was concurred in by the majority of the United States Court of Appeals, that even though the purposes of Kemble were to secure work for the members of his union, he would still be guilty under the Hobbs Act if his demand was accompanied by any violence or threats.

I find myself in accord with the dissenting opinions of Judges McLaughlin and Staley in the Kemble case. Judge McLaughlin pointed out that the prosecution arose from a reputable union's genuine attempt to organize a trucking corporation, and that the position of Kemble was to procure work for capable union men, whereas the Hobbs Act was directed at blackmail and racketeering. He further observed that if violence occurs in connection with union activities otherwise legitimate, such violence should be left to State supervision.

In a separate dissenting opinion, Judge Staley observed that if the majority opinion were sound law, a union and its officers and members who strike in violation of a no-strike clause or who engage in any strike or picketing for any unlawful purpose, criminal or otherwise, can be indicted, prosecuted, and convicted under the Hobbs Act simply because the strike constitutes the use of force to obtain the property of another.

The foregoing are but a few of the many reasons why it is unjust to extend the scope of the Hobbs Act to activities of union representatives when they are not seeking any personal advantage or gain whatsoever but instead, are merely attempting to better the conditions of their members. Under the interpretation of the law by the courts, legal and legitimate labor activities may become violations of the Hobbs Act through the simple threat of a strike or by the inadvertent and careless threat of some union person. I am convinced that the seeking of personal benefit or gain is essential as an amendment to the act in order to eliminate this problem.

I can conceive of even greater injustices to organized labor under the court interpretations of the act. As written, the act refers to robbery or extortion induced by the means of "wrongful use of actual or threatened * * * fear." The courts have construed fear to mean that it is sufficient for the purposes of the law that an employer be in fear of economic losses to his business resulting from the activity of labor organizations. The courts have even held that the fear need not be actually done or threatened. It is sufficient that an employer be aware of strikes of other employers and even in other industries which might in turn happen in his case should he not accede to the wishes of a union. When this factor is coupled with the reasoning of the United States Supreme Court in the Green case to the effect that extortion may consist of the imposition of unwanted, superfluous, and fictitious services, it is easy to see how practically every union which bargains for a contract with every employer is necessarily violating the provisions of the Hobbs Act. For example, a union which is bargaining with an employer may propose that its individuals be employed to do a particular job whereas only one performed that job in the past. Perhaps the union may feel that the work is too heavy for one person or that it is too dangerous for one person to perform. But whatever the reason may be, the fact remains that the additional employee would be unwanted by the employer and perhaps, in the opinion of the employer, superfluous. That being the case, and as the employer must necessarily fear an economic loss to his business if the union strikes in furtherance of its demands, it also follows that those union officials making the demands and acting on behalf of their members may very well serve 20 years in a Federal penitentiary for their efforts.

I do not by any means intend this statement as an exhaustive analysis of my reasons, for supporting amendments to the Hobbs Act. There are numerous other reasons and arguments supporting my position and these are intended only to highlight what I consider to be the two strongest reasons in support of amendments.

Memorandum in Support of Proposed Amendment to the Anti-Racketeering Act (Hobbs Act)

The legislative history of title 18, United States Code, section 1951, properly known as the Hobbs Act, demonstrates conclusively that the act was intended by Congress to curtail and render more difficult the activities of predatory criminal gangs of the Kelly and Dillinger types. That legislative history further shows that it was never the intent of Congress that the act should be used to hamper, interfere with, or restrain in any way legitimate activities of labor unions, and their officers and agents directed toward lawful, legitimate union activities. Notwithstanding such legislative history and congressional intent, union officers and members have been indicted, prosecuted and convicted under the Hobbs Act for activities which had always been considered as lawful and in furtherance of legitimate union aims and objectives. An example of the misinterpretation of the purposes of this act is the case of *United States* v. *Kemble* (198 F. 2d 889), in which one Aaron Kemble, a business agent for Teamsters Local No. 676 of Camden, N. J., was indicted, prosecuted and convicted under said act, because, in the exercise of his duties as business agent, he sought to induce the employment by a trucking firm of a union helper to do the unloading of a truck, and in so doing uttered a threat to the driver, and at the same time someone let air out of his tires. In this prosecution, the Government conceded that no inference could be drawn that either the union or Kemble was interested in protection money from the trucking concern, but took the position, which was adopted by the majority of the court, that even though the purposes of Kemble were to secure work for members of his union, he would still be guilty, under the Hobbs Act, if the demand was accompanied by any violence or threats. In a dissenting opinion in the Kemble case, Judge McLaughlin pointed out that the prosecution arose from a reputable union's genuine attempt to organize a trucking corporation, and that the sole purpose of Kemble was to procure work for capable union men, whereas the Hobbs Act was directed at blackmail and racketeering. He further held that if violence occurs in connection with union activities, such violence or other misconduct should be left to State supervision. In a separate dissenting opinion, issued in the same case, Judge Staley pointed out that if the majority opinion was sound, a union and its officers and members, who struck in violation of a no-strike clause or who were engaged in a strike and picketing for any unlawful purpose, could be indicted, prosecuted and convicted under the Hobbs Act because any strike constitutes the use of force to obtain property of another.

Such a construction of the Hobbs Act as was made by the majority of the court in the Kemble case encourages indictments and prosecutions of union officers, engaged in the pursuit in what have long been considered as legitimate union objectives. If such prosecutions and indictments are unchecked, it could well result in officers and members of labor unions being reluctant to engage in any strikes or picketing where interstate commerce is involved, because of the possibility that the purpose thereof may be declared to be unlawful and because violence might ensue as tempers flared.

The International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, deplores the interpretation of the Hobbs Act which has been made by our courts in cases such as the Kemble case and calls upon Congress to amend the Hobbs Act so as to remove any possibility that officers or members may be indicted, prosecuted or convicted under said act for activities directed at what have traditionally been considered as lawful and legitimate union objectives. To this end the proposed draft, which is attached, is submitted.

HUNTING, FISHING, AND TRAPPING ON MILITARY RESERVATIONS

Mr. CHAVEZ. Mr. President, I introduce, for appropriate reference, a bill to govern hunting, fishing, and trapping on areas under Federal jurisdiction. The bill is aimed particularly at military lands.

This bill was drafted in consultation with the game and fish commissioners and game and fish wardens of the States. It is an improvement over a bill on the same matter which I introduced previously.

The major difference in this bill and the earlier one is that it provides for enforcement of the game, fish, and trapping laws of the States. Specifically, the bill will provide that on Federal lands the fish, game, and trapping laws of the particular State shall apply.

The Senate understands that the game and fish laws of the States are conservation measures. We will apply those regulations to all Federal land where hunting, fishing or trapping is allowed.

The first bill which I introduced on this matter was Senate bill 2777, was referred to the Senate Committee on Interior and Insular Affairs. I hope the committee will take no action on Senate bill 2777, but will consider this new bill as a substitute and will proceed to hearings promptly.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3649) to require that hunting and fishing on military reservations, when permitted, shall be in full compliance with the game and fish laws of the State or Territory wherein such military reservations are located, introduced by Mr. Chavez (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Armed Services.

TOWN OF FREEPORT, MAINE

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a bill to authorize payment of $2,500 to the town of Freeport, Maine, by the Federal Government in full satisfaction of the claims of the town of Freeport for Federal compensation for hurricane damage.

During the hurricanes of 1954 a bridge was washed out in the town of Freeport. Under emergency State legislation and Public Law 875 of the 81st Congress the State and Federal Governments would each have borne half of the cost of replacement. The cost of restoration of the washed-out bridge was determined to be $8,000, so the State of Maine would have paid $4,000. However, the bridge in question served only a single resident beyond the washout.

After discussion with appropriate officials, the town of Freeport decided to attempt to reduce the sum of $8,000 by purchasing the property served by the washed-out bridge and then reselling it with a stipulation that the bridge would not be replaced. The town proceeded to purchase the land for $10,000 and then sold it, under an agreement with the buyer that he would not require reconstruction of the bridge, for $5,000. The net deficit then was $5,000, or $3,000 less than the cost of replacement of the bridge.

The State of Maine adopted a liberal construction of its disaster-relief laws and reimbursed the town for half the cost of this transaction. The town then submitted an application for Federal reimbursement through the manager of the Civil Defense Disaster Office. This official felt that the claim should be paid, but it was disapproved by the officer in charge of the Maine task force of the Federal Civil Defense Administration, and this disapproval was affirmed by Federal civil-defense headquarters. The manager of the Civil Defense Disaster Office stated in a letter to the officer in charge of the Maine task force as follows:

> Naturally with this being a roads and bridge project with both State and Federal participation, it was felt that as long as it was agreeable with the State highway commission it would be acceptable with the FCDA.

While the Federal Civil Defense Administration is probably technically correct in its interpretation of the Federal Disaster Act, it would appear that the effect is to penalize the town of Freeport, Maine, for making a commendable effort to reduce disaster losses. Therefore, it is believed that in this instance the relief of a private bill to authorize reimbursement of the town is clearly warranted.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3650) for the relief of the town of Freeport, Maine, introduced by Mr. Payne, was received, read twice by its title, and referred to the Committee on the Judiciary.

PROTECTION AND CONSERVATION OF NATIONAL SOIL, WATER, AND FOREST RESOURCES

Mr. HOLLAND. Mr. President, on behalf of myself, the Senator from New Mexico [Mr. Anderson], and the Senator from Mississippi [Mr. Eastland], I introduce, for appropriate reference, a soil-bank bill in the precise form in which that program was incorporated in the bill recently passed by the Senate.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3651) to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes, introduced by Mr. Holland (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. HOLLAND subsequently said: Mr. President, at the conclusion of my remarks earlier today relative to the soil-bank bill, which I introduced for myself, the Senator from New Mexico [Mr. Anderson] and the Senator from Mississippi [Mr. Eastland], and later cosponsored, I believe, by some distinguished Senators from the other side of the aisle, I should like to have printed in the Record an editorial bearing on the soil bank which appeared in today's New York Herald Tribune. I make that unanimous-consent request.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> SAVING THE SOIL BANK
>
> Democratic Party leadership would be well advised to have second thoughts before concluding that they have sure-fire election ammunition in President Eisenhower's veto of the farm bill. The President uncompromisingly rejected a hypocritical piece of legislation, but he was not content to rest there. By immediately requesting that the soil bank, the one constructive part of the bill, be enacted independently, the President has returned the responsibility where it belongs.
>
> More important, it shows that the chief concern of the administration is the plight of the American farmers. The soil-bank program would add $1.2 billion to farm income in return for withdrawing excess acreage from cultivation for conservation purposes. It would thus directly attack the accumulation of gigantic surpluses, which are the basic cause of the farmers' troubles. By a special provision, farmers could benefit substantially from the soil bank this year, even though spring planting has already started in many parts of the country.
>
> The farm bill is effectively dead. What are the chances of congressional approval of the soil bank alone? There had been definite warnings that if Mr. Eisenhower exercised his veto, he would get no farm legislation whatsoever, soil bank or anything else. The influential Democratic Senator Allen J. Ellender, of Louisiana, put it bluntly 10 days ago: "I don't believe there will be any farm bill this year if this one is vetoed." The idea apparently will be to denounce the President as the farmers' enemy because he refused to approve a bill which even its supporters would hardly maintain was worthy of either the farmers or the country. Such ideas often boomerang. So far the farm reaction to the President's courageous act has been a good deal less negative than his opponents hoped.
>
> Questions of political advantage aside, the problems of American agriculture are still no nearer a national solution. The soil bank, the most positive approach, is once again before Congress. Senators and Representatives have made their political hay; they have gone on record as they saw fit; they have the campaign issues they think they need. There is still time for them to make a genuine contribution toward remedying the Nation's No. 1 economic malady.

LIQUIDATION OF COMMODITY CREDIT CORPORATION'S SURPLUS STOCK OF AGRICULTURAL COMMODITIES, ETC.

Mr. ANDERSON. Mr. President, in behalf of myself, the Senator from Minnesota [Mr. Thye], the Senator from Florida [Mr. Holland], and the Senator from Vermont [Mr. Aiken], I introduce, for appropriate reference, a bill to provide for the liquidation of Commodity Credit Corporation surplus stocks of agricultural commodities, to amend the Agricultural Trade Development and Assistance Act of 1954, and to authorize the Secretary of Agriculture to appoint an agricultural surplus administrator. I desire to point out that provision for

these three items was contained in the farm bill as it passed the Senate, and in the bill I am now introducing the language which was adopted by the Senate is not changed.

I believe the bill strikes at the problem of the disposal of surpluses, and I hope it will be considered by the Senate.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3659) to provide for the liquidation of Commodity Credit Corporation's surplus stock of agricultural commodities, to amend the Agricultural Trade and Development and Assistance Act of 1954, and to authorize the Secretary of Agriculture to appoint an agricultural surplus disposal administrator, introduced by Mr. Anderson (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

CORN ACREAGE ALLOTMENTS

Mr. HUMPHREY. Mr. President, on behalf of myself and the Senator from Illinois [Mr. Douglas], I introduce, for appropriate reference, a bill to establish the 1956 corn-acreage allotment at not less than 51 million acres—the amount approved by the Congress in the farm bill vetoed by the President.

Without this legislation, apparently, corn growers will be faced with a 43-million-acre allotment originally ordered by the Secretary of Agriculture.

The Secretary knows as well as anyone else that the 43-million-acre allotment will not be complied with. This extreme cutback was ordered, in my opinion, as a deliberate part of efforts to wreck the corn program and create a protest from farmers to take off allotments entirely.

The Secretary and other officials of the Department have already indicated by their testimony before our committees, their willingness to accept a higher level, and have expressed a willingness to accept up to 56 million acres on the basis of originally announced support levels.

Actually, there is no reason why the Secretary cannot himself change this allotment to the 51 million acres, which would permit almost exactly the same individual farm allotments in the commercial corn area as provided last year. Of course, the only reason why he will not change the allotment is that he will not change it; he is just stubborn about it. If he can arbitrarily change support levels after once announcing them, as the President has asked him to do, the Secretary can change the allotment under his discretionary authority to reach a realistic total offering greater chance of compliance.

Fifty-one million acres will not produce as much corn as unlimited production which the Secretary was willing to accept.

The Department appears determined to break down this program instead of make it work.

The $1.50 support level announced by the President is meaningless if it is based upon such a small allotment no corngrower will comply with it.

In fact, the administration now indicates it may support all corn at from $1.21 to $1.28 regardless of compliance with any allotments, showing they do not expect the 43 million allotment to mean anything.

Such a move rewards farmers who have failed to comply instead of those who have cooperated in keeping production down.

Instead of opening the floodgates to all the corn that can be produced at lower prices, I ask adoption of a 51-million-acre allotment upon which farmers could at least be assured the meager $1.50 support level this administration is willing to grudgingly give.

Any other course is directly inconsistent and unprincipled. The administration cannot cry about surpluses out of one side of its mouth, then out of the other side of its mouth say that corn shall be completely uncontrolled. The 51-million-acre allotment I have proposed will bring greater compliance, and mean less corn produced that the unrealistic 43-million-acre allotment which nobody will observe.

While I intend to comment at greater length today on the farm-bill veto, I wanted first to move at once to correct this gross inequity and injustice brought about by that veto, on an inconsistent and unprincipled basis.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3661) to establish an acreage allotment for 1956 for corn in the commercial corn-producing area of 51 million acres, introduced by Mr. Humphrey (for himself and Mr. Douglas), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

CONSTRUCTION OF AUBURN UNIT, AMERICAN RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. KUCHEL. Mr. President, on behalf of myself and my colleague the senior Senator from California [Mr. Knowland], I introduce, for appropriate reference, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn unit, American River Division, Central Valley project, California, under Federal reclamation laws.

The bill, if enacted would authorize a multiple-purpose dam on the American River near Auburn, Calif., as a unit of the Central Valley project.

It would also provide 900,000 acre-feet of storage, making available a new supply of irrigation and domestic water for a rapidly growing section of California. This area includes Sacramento, Placer, El Dorado and part of Sutter Counties.

Moreover, the dam will be situated at a point on the American River which will not interfere with the preservation of the site of the discovery of gold. This site is near Coloma, in El Dorado County, and is a shrine for the loyal sons and daughters of California.

The proposed project is based on a study by the Water Resources Board of the State of California. It will be included in the California State water plan, which is now under preparation. Introduction of its bill will permit the Bureau of Reclamation to proceed with making a report on the project, which is much desired by the State of California.

In addition to water storage, the project will include a 180,000-kilowatt powerplant. I have been advised that the total cost of the project will be between seventy and one hundred million dollars.

The area to be served is both agricultural and industrial. A large part of the pear crop of California is grown there.

The project would be operated in conjunction with the Folsom Dam unit of the Central Valley project as one of the means by which the capital city of my State, Sacramento, and other communities may have adequate protection from the hazard of floods such as those which recently visited California with grievous results.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3662) to authorize the Secretary of the Interior to construct, operate, and maintain the Auburn unit, American River Division, Central Valley project, California, under Federal reclamation laws, introduced by Mr. Kuchel (for himself and Mr. Knowland), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT TO CERTAIN OFFICERS AND EMPLOYEES OF STATE AND COUNTY COMMITTEES

Mr. YOUNG. Mr. President, I introduce, for appropriate reference, a bill to amend the Civil Service Retirement Act of May 29, 1930, so as to permit certain officers and employees of State and county agricultural stabilization and conservation committees to elect to come within the purview of the Civil Service Retirement Act of May 29, 1930.

Mr. President, the purpose of this bill is to extend some of the benefits of civil service to employees of State and county agricultural stabilization committees. It would permit these employees to participate on a voluntary basis in the retirement benefits of the Civil Service Retirement Act of 1930.

This bill also provides that any person who has served for at least 2 years as an employee of a State or county ASC committee and who is separated from such service shall acquire, upon passing a noncompetitive examination, a classified civil-service status. This would permit such an employee to transfer to a position in classified civil service within 1 year following the date of his separation from service with the ASC committee. This provision, Mr. President, is substantially the same as that relating to legislative employees of the United States Senate.

Mr. President, I have long felt that these Government employees are entitled to at least a portion of the benefits other Government employees enjoy under civil service. This bill would in no way affect the hiring of people to fill the positions with these committees. It would merely give them retirement benefits plus the right to civil-service status upon leaving the employ of these committees.

I ask unanimous consent that the bill may be printed in the Record at this point, as a part of my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3670) to amend the Civil Service Retirement Act of May 29, 1930, so as to permit certain officers and employees of State and county agricultural stabilization and conservation committees to elect to come within the purview of the Civil Service Retirement Act of May 29, 1930, introduced by Mr. Young, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record as follows:

Be it enacted, etc., That section 3 (a) of such act, as amended, is amended by adding at the end thereof the following new paragraph:

"This act shall also apply to all regular employees of State and county committees established pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended: *Provided*, That this act shall not apply to any such employee until he gives notice in writing to the officer by whom his salary is paid of his desire to come within the purview of this act. In the case of an employee in the service of such a committee on the date of enactment of this paragraph, such notice of desire must be given within the calendar year 1956. In the case of an employee of such a committee who enters the service after the date of enactment of this paragraph, such notice of desire to come within the purview of this act must be given within 6 months after the date of entrance in the service."

Sec. 2. The first paragraph of section 5 of such act, as amended, is amended by inserting, after the words "Pan American Sanitary Bureau," the following: "or as an employee of a State or county committee established under section 8 (b) of the Soil Conservation and Domestic Allotment Act."

Sec. 3. Any person who shall have served for at least 2 years as an employee of a State or county committee established under section 8 (b) of the Soil Conservation and Domestic Allotment Act, and who is separated from such service, shall acquire upon passing such suitable noncompetitive examination as the Civil Service Commission may prescribe, a classified civil service status for transfer, within 1 year following the date of such separation, to a position in the classified civil service.

MINIMUM ACREAGE ALLOTMENTS FOR COTTON

Mr. STENNIS. Mr. President, the veto of the farm bill by the President leaves us without new legislation so badly needed to assist our farm people. Our farmers are still faced with the most serious problem of our times. They are faced with competition and declining markets, depressed prices, and increased cost of production. The fact that the President has vetoed the farm bill does not eliminate or solve our farm problem.

In the case of cotton, we are now faced with a reduction in price and a reduction in acreage. Our farmers cannot possibly make ends meet under a program which reduces both volume and price. I believe that we should take a constructive approach to this situation and put together a new bill. From the standpoint of the welfare of our farmers, it is extremely important that legislation be enacted to give some relief to their pressing need.

It is already too late to get the soil bank enacted in time to give any relief to the spring planted crops. The planting of cotton and other crops is already well under way and our farmers cannot be expected to take the risk of losing an entire crop based solely on the hope that the soil bank will be forthcoming and provisions included which would give relief for the 1956 crop. I think that this measure should be given further consideration looking to the fall planted crops and crops for 1957.

Among the many needs for farm legislation at this session is the need for preventing further acreage reductions.

Cotton farmers have been forced to reduce their cotton acreage from 27 million acres in 1953 to an allotment of 21,379,358 acres in 1954, to 18,113,208 acres in 1955, to 17,391,304 in 1956. This represents a total reduction of 37 percent since 1953. Because of unusual weather conditions and other favorable factors our cotton farmers in 1955 made a bumper crop and did not feel the full impact of the almost 3.3 million acres reduction in 1955. This reduction, combined with the 700,000 reduction in 1956, will come with crushing effect upon our local economy. Even more serious is the scheduled reduction in acres for 1957, amounting to over 1,500,000 acres with possibly even greater reduction in 1958. Since 1953, our cotton acreage has been reduced by 10.5 million acres and brings us to a point where neither the farmer nor the cotton industry can absorb further reduction in acreage.

Cotton acreage in Mississippi has been reduced over 40 percent in the last 3 years and faces an additional reduction of 11.4 percent in 1957. Reductions in many of our counties and on individual farms have been even greater.

Reduction in acreage in Mississippi

Year	Planted acreage	
	Acreage	Percentage reduction
1953	2,671,000	
1954	1,980,000	26
1955	1,703,000	36
1956	[1] 1,600,000	40.1
1957	[1] 1,395,000	47.8

[1] Estimated, based on 2-year average underplanting.

If this situation is not corrected by the amendment to hold cotton acreage at the 1956 level, the farm program originally designed to assist the small- and medium-size farm will work to the disadvantage of the very people the program was originally designed to help.

I am also particularly interested in the small-farm provison which provides for 100,000 acres for 1957 and 100,000 acres for 1958 for assistance to the small farm of 4 cotton acres or less. I continue to receive reports that thousands of our small farmers are being forced to abandon their farms and seek employment elsewhere. Of course, we recognize some shifts in farm population are desirable, but there is a question in my mind how fast we can make these shifts and maintain a proper balance. The reduced acreage allotment has seriously reduced the income of all farmers, but has inflicted a greater toll on the small farmer. The large farmers have been successful in making tremendous strides to increase efficiency, reduce costs, and increase yields which have enabled them to absorb some of the loss of acreage. However, the small farm units, because of inadequate credit and other limitations, have not made this rapid progress and are again placed in a most unfavorable situation.

The amendment designed to hold the cotton acreage allotment at the 1956 level for 1957 and 1958, and the amendment providing 100,000 additional acres over and above the national allotment for the farmer who has 4 cotton acres or less have been thoroughly justified and approved by the Senate. They were accepted by the conference committee and were a part of the farm bill vetoed by the President. These provisions are sound and desirable.

On behalf of myself, my colleague, the senior Senator from Mississippi [Mr. Eastland], the senior Senator from Alabama [Mr. Hill], the Senator from Georgia [Mr. George], the Senators from South Carolina [Mr. Johnston and Mr. Wofford], the junior Senator from Alabama [Mr. Sparkman], and the Senator from Arkansas [Mr. Fulbright], I reintroduce, for appropriate reference, the acreage bill today, and I urge the Senate Agriculture Committee to include these measures in an overall farm bill or act on them as a separate measure at the earliest possible date.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3671) to prescribe minimum acreage allotments for cotton, introduced by Mr. Stennis (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO ENCOURAGE SMALL-BUSINESS CONCERNS TO ENGAGE IN FOREIGN TRADE

Mr. CAPEHART. Mr. President, on behalf of myself and the Senator from Delaware [Mr. Frear], I introduce, for appropriate reference, a bill to amend what is known as the Western Hemisphere Trade Corporation Act, or section 921 of the 1942 General Revenue Act.

Mr. President, I will have much more to say about this bill when the Senate Finance Committee considers the bill, and I hope that such action by the committee can be scheduled in the near future.

At this time, I merely want to explain that all this bill will do is give the smaller manufacturers in the United States the same opportunities on the export markets of the Western Hemisphere which have been enjoyed only by the largest of our manufacturing concerns.

This bill will put in legislative words the intent which was obvious in the Senate Finance Committee's report on the original amendment to the General Revenue Act.

That report said, in part, and I quote:

> American companies trading in foreign countries within the Western Hemisphere are placed at a considerable competitive disadvantage with foreign corporations under the tax rates provided by the bill. To alleviate this competitive inequality, the committee bill relieves such corporations from surtax liability.

As I said previously, Mr. President, there is much more to be detailed about this bill in committee, and I am prepared, along with my cosponsor, to present sufficient material to the committee to convince the Members of this Senate that administration of this act in the past several years, due to the loose construction of the act, has denied the smaller manufacturer that equality of competition on the export market which the committee intended, while the largest manufacturers had that equality of competition.

There is admitted discrepancy of privilege and benefit as a result of administrative interpretations on this act, and I am certain in that the Senate never intended that the smaller manufacturer be burdened and the largest manufacturer be relieved in its effort to give United States businessmen equal opportunity with Foreign manufacturers on Western Hemisphere markets.

I ask unanimous consent that the bill may be printed in the Record as a part of my remarks.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3672) to amend the Internal Revenue Code of 1954 and to encourage small business concerns to engage in foreign trade, introduced by Mr. Capehart (for himself and Mr. Frear), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the Record as follows:

Be it enacted, etc., That section 921 of the Internal Revenue Code of 1954 (P. L. 591, 83d Cong.), is amended to read as follows:

"§ 921. Definition of Western Hemisphere trade corporations.

"For purposes of this subtitle, the term 'Western Hemisphere trade corporation' means a domestic corporation all of whose business (other than incidental purchases) is done in any country or countries in North, Central, or South America, or in the West Indies, and which satisfied the following conditions:

"(1) if 95 percent or more of the gross income of such domestic corporation for the 1-year period immediately preceding the close of the taxable year (or for such part of such period during which the corporation was in existence) was derived from sources without the United States; the sources of gross income shall in general be determined in accordance with the provisions of Section 862, provided, however, that for the purposes of this section, where personal property is manufactured within the United States and sold, either by the manufacturer or by a wholly owned subsidiary of the manufacturer, for use or consumption in and actually shipped in due course to a Western Hemisphere country, the seller's income from such transactions shall be treated as derived entirely from sources other than sources within the United States; and

"(2) if 90 percent or more of its gross income for such period or such part thereof was derived from the active conduct of a trade or business.

For any taxable year beginning prior to January 1, 1954, the determination as to whether any corporation meets the requirements of section 109 of the Internal Revenue Code of 1939 shall be made as if this section had not been enacted and without inferences drawn from the fact that this section is not expressly made applicable with respect to taxable years beginning prior to January 1, 1954."

HOLDING OF MAIL FOR TEMPORARY PERIODS IN CERTAIN CASES

Mr. JOHNSTON of South Carolina. Mr. President, I introduce for appropriate reference, a bill to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases. The Postmaster General has requested that this bill be introduced.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3679) to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases, introduced by Mr. Johnston of South Carolina, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

MODIFICATION OF CERTAIN RESTRICTIONS WITH RESPECT TO HOLDING MORE THAN ONE OFFICE UNDER THE UNITED STATES

Mr. JOHNSTON of South Carolina. Mr. President, I introduce a bill to modify certain restrictions with respect to holding more than one office under the United States, and ask that it be referred to the appropriate committee. The bill does nothing but give to enlisted men what we gave last year to officers. Through oversight the enlisted men were left out.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3681) to modify certain restrictions with respect to holding more than one office under the United States, introduced by Mr. Johnston of South Carolina, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

COMMISSION TO STUDY ELECTIONS FINANCES AND RELATED ASPECTS OF ELECTIONS TO FEDERAL OFFICES

Mr. NEUBERGER. Mr. President, I am about to introduce a joint resolution and I ask unanimous consent that I may speak on it, in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon? The Chair hears none, and the Senator may proceed.

Mr. NEUBERGER. Mr. President, when the Select Committee for Contribution Investigation filed its report on April 7 on the famous episode of the attempted $2,500 natural gas bill contribution to the junior Senator from South Dakota [Mr. Case], it marked completion of the first stage of the Senate's program for action on the issue of money in politics, which that episode brought to the forefront of public attention. Another committee investigation and a modernized elections bill are two steps of that program now before the Senate. I wish to discuss today another proposal which I believe is urgently needed in order to assure really effective progress in this field—namely the creation of an independent citizens' commission on election finances, completely divorced from Government and politics.

I first made this suggestion in the Senate on March 9, about 6 weeks ago. Today, Mr. President, I submit it in the form of a joint resolution, which I now send to the desk, with the request that it may be printed at this point in the Record as a part of my remarks, and appropriately referred.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the Record.

The joint resolution (S. J. Res. 164) to provide for the establishment of a Commission To Study Election Finances and Related Aspects of Elections to Federal Offices, introduced by Mr. Neuberger, was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the Record as follows:

Resolved, etc.—

DECLARATION OF POLICY

Section 1. Congress finds that the manner in which the costs of election campaigns and other political processes are financed has important significance for democratic government.

In order for the Federal Government to function, under the Constitution, in response to the interests of the majority of the electorate, the choice among candidates for Federal elective office should not be obscured by the effects of disproportionate campaign expenditures. The rising cost of access to the most compelling media of public information increases this threat to an informed and considered choice by the electorate among such candidates.

Popular confidence in democratic government requires the assurance that the public actions of holders of or candidates for Federal elective office reflect only their own free judgment of the public interest, wholly unaffected by any need for concern about the financing of election campaigns.

ESTABLISHMENT AND FUNCTIONS OF THE COMMISSION

Sec. 2. (a) There is hereby authorized to be established a Commission on Election Finances and Related Matters (hereinafter referred to as "the Commission").

(b) The Commission shall conduct a thorough, impartial, and continuing study and investigation of the following:

(1) The actual costs of modern campaigns for nomination and election to Federal elective offices (including any such campaigns

which may occur during the period of operations of the Commission);

(2) Current practices with respect to the financing of such campaign costs, of lobbying costs, and of other political activities;

(3) The relationship, if any, between the amount of campaign expenditures made in behalf of different candidates and their success at the polls;

(4) The relationship, if any, between sources of political financing, lobbying activities, and the public policies espoused and supported by holders of and candidates for Federal elective offices;

(5) Reforms which have been or may be proposed for the purpose of assuring the financing of the Nation's political processes by means consistent with the objectives of section 1 hereof.

ORGANIZATION OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of a Chairman and 14 members, to be appointed by the Chief Justice of the United States.

(b) The Chairman and members of the Commission shall be citizens of the United States (1) who, by reason of demonstrated interest in good government, or training, or experience, are well qualified to carry out in an impartial manner the duties of the Commission, and (2) who neither actively occupy nor are candidates for a public office or position and who are not actively engaged in partisan politics.

(c) The Commission shall establish rules for its procedure.

(d) Any vacancy in the Commission shall not affect its powers, and shall be filled by the Commission pursuant to rules adopted by the Commission for such purpose.

(e) The Chairman and members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel subsistence and other necessary expenses incurred by them in the performance of such duties.

STAFF OF COMMISSION

SEC. 4. (1) The Commission shall have power to appoint and fix the compensation of the personnel it deems necessary for a thorough and comprehensive study, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(2) The Commission may procure, without regard to the civil-service laws and the Classification Act of 1949, as amended, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(3) The Commission is authorized without regard to any other provision of law to reimburse employees, experts, and consultants for travel, subsistence, and other necessary expenses incurred by them in the performance of their official duties and to make reasonable advances to such persons for such purposes.

EXPENSES OF THE COMMISSION

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee including not less than three members thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee may deem advisable. Subject to rules of the Commission adopted under section 3 hereof, subpenas may be issued under the signature of the Chairman of the Commission, or the chairman of any subcommittee with the approval of a majority of the members of such subcommittee and may be served by any person designated by such chairman. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission may authorize the Chairman to make the expenditures herein authorized and such other expenditures as the Commission may deem advisable. When the Commission ceases its activities it shall submit to the Appropriations Committee of the Senate and the House of Representatives a statement of its fiscal transactions properly audited by the Comptroller General of the United States.

(c) The Commission is authorized to secure from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this joint resolution; and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission, upon request made by the Chairman of the Commission.

REPORTS

SEC. 8. The Commission may submit interim reports to the Congress at such time or times as it deems advisable, and shall submit its final report to the Congress not later than December 31, 1957, at which time the Commission shall cease to exist. The final report of the Commission may propose such legislative enactments as in its judgment are necessary to carry out its recommendations.

Mr. NEUBERGER. Mr. President, I shall explain why I believe the establishment of such an independent commission is needed if we are to get to the bottom of the real problems of election financing.

So far as information available to the public is concerned, the financing of our expensive biennial election campaigns may well be called the dark continent of American politics. The crude antics of Mr. Patman and Mr. Neff in connection with the natural gas bill on behalf of Mr. Keck, of the Superior Oil Co., have given the public a glimpse into one particular jungle; and now the public demands the kind of thorough exploration which is long overdue.

In this speech I have no intention of reciting the history of the $2,500 episode. But the Senate and the country are indebted to the distinguished chairman [Mr. GEORGE] and the other members of the select committee for their investigation of that episode; and I want to cite some of the findings in their report which startlingly illustrate the kind of operations which so thoroughly obscure the true picture of political finance in our country.

TWO THOUSAND FIVE HUNDRED DOLLAR CASE SHOWS NEED FOR ANSWERS ABOUT CAMPAIGN FUNDS

First, the average citizen, who has made a personal sacrifice in the cause of democratic self-government when he gives $5, or $10, or even $1, to the campaign of a candidate of his choice, is probably startled and, no doubt, discouraged at the sums involved. The select committee finds that Mr. Keck, the president of Superior Oil Co. of California, turned over to one of the company's employees, Mr. Patman, for political purposes an average of $5,000 to $6,000 a year. The committee finds that "a sum approaching $50,000 has been distributed in political contributions by Elmer Patman"; and that in 1955 he received either $8,500 or $9,500 from Mr. Keck. It is significant for those who have confidence in our reporting laws in this respect that, according to the committee report—

> Keck was unable to establish the exact amount. It was testified that this discrepancy was caused by the fact that neither Patman nor Keck maintained any records, and Patman, under the arrangement, accounted to Keck orally when he happened to see him.

Who today can tell the public whether this is an isolated instance or whether it is typical of the manner in which money gets into politics? The channeling of sums of the magnitude of this oilman's $50,000 into election campaign funds is of central significance for our political system. Yet, except for what the oil companies must regard as a deplorable accident, it would never have come to light.

Second, the committee's finding in this instance illustrate graphically the difficulty of knowing the source of funds such as those offered by Mr. Neff all over the West Central States. True, people might learn that Mr. Neff was interested in the natural gas bill. According to the committee—

> Mr. Neff, in a space of 4 months, covered 5 States and sought out the attitude of 10 United States Senators concerning a single piece of legislation. A sum totaling $10,000 was at least considered and spoken of by Mr. Neff as contributions, and $5,000 of this was actually contributed.

But who, today, can tell the public with assurance on whose behalf men such as Mr. Neff offer their contributions? Where does the money for such large contributions really come from? The committee asks in its report:

> Was the $2,500 contribution to Senator CASE's campaign fund made by the Superior Oil Company of California?

And in reply, it can only report:

> The testimony is that this money and in fact all of the $7,500 which Mr. Patman gave to Mr. Neff in this situation was the personal money of Mr. Keck and was not that of Superior Oil. The committee, however, had no opportunity to audit the record of Superior Oil and is entirely dependent upon the statements made in the record concerning this point.

Third, perhaps it is relatively easy for Mr. Keck to obtain adequate compensation from the Superior Oil Co., so as to permit $5,000 campaign contributions to be made, legally, by him, rather than illegally by the company. Equally significant, however, is the glimpse which this case study affords the public of the use of company personnel, on company time, for political purposes. The select committee reports:

> The circumstances here have raised the question of whether there was a political contribution by a corporation, in a sense different from that discussed above. The select committee has considered this. The Superior Oil Company of California paid all of the salary and expenses of Mr. Patman and bargained for all of his time. This same corporation paid Mr. Neff's fees and expenses. To the extent that Mr. Patman and Mr. Neff devoted their time to the dispensing of Mr. Keck's funds for political campaigns, was the Superior Oil Company of California making a political contribution? The select committee does not believe that this constituted a political contribution and was not proscribed by the law governing elections and political activities nor was in any other sense illegal.

The Superior Oil Company of California paid two employees to spend their time traveling around and dispensing the political largess of the president of the company. This may not be illegal. But, Mr. President, of more immediate importance is this question: Who would even know about it, under our present system, if it had not been for the deplorable accident of disclosure in this particular instance?

WHAT IS ROLE OF MONEY IN THE POLITICAL ENVIRONMENT TODAY?

In its summation, the select committee properly characterizes the methods which Mr. Keck chose to exercise his legal privilege of making political contributions as "a case of irresponsibility run riot." In the course of this riot of irresponsibility, Mr. Neff had tried to make to the children of the United States attorney for Nebraska, money gifts, which that gentlemen returned. The committee reported that the United States attorney's conduct "is not reproachable and that he was merely a victim of an environment created by Mr. Neff."

Mr. President, this is a telling phrase. Beyond the question of lobbying, beyond any isolated instance of attempted corrupt influence on legislation, there is the pervasive question of the environment in which our political processes must operate. What does the increasing expense of every election, which must be financed from campaign contributions, do to that environment? How do the sky-rocketing election costs give money a role in the political environment which makes operations such as Mr. Neff's possible? These are the fundamental facts which the public is entitled to know, and which it demands to know. Who, today, can give the public these facts?

Mr. President, the truth is that, today, nobody knows how much money it costs to carry out one of our biennial national elections. These elections are the decisive events of our democratic system of self-government—the many local decisions, all over the country, by which we review and determine the direction of our national affairs and policies. Information and public debate of opposing points of view are the essence of such a system. But the expense of bringing this information and debate to the public is multiplying year by year. Today, there is a premium on access to the most expensive medium of them all—television. And no one today knows the facts about the effects of these unprecedented election costs, the need for raising campaign funds to meet them, and the accompanying inequalities between parties and candidates.

FACTS ABOUT ELECTION COSTS ARE NOWHERE AVAILABLE

Mr. President, I have tried hard to find some reliable data on campaign spending, and in my search I have found that other efforts have been made to collect such data. For example, on December 1, 1952, the New York Times published a State-by-State survey of expenditures in the 1952 election campaigns, so far as they could be determined from the records available to the Times' correspondents. The Times came up with the report that "at least $32,155,251 had been spent by political organizations, independent groups and candidates," and that in at least a dozen States, campaign spending exceeded $1 million. But the Times added:

> This was a rock-bottom figure. * * * The figure the survey shows is by no means the total that was spent. That total probably never will be ascertained.

Another example has been the efforts of the impartial Congressional Quarterly to report campaign expenditures after each national election. In its issue of April 15, 1955, the Congressional Quarterly stated $13,700,000 as the ascertainable cost of electing the 84th Congress; but, like the New York Times, the Congressional Quarterly pointed out that this sum bore little relation to reality, and stated:

> This, at least, is the sum of spending reported to Congress. * * * As much or more spending, most observers agree, was not reported or reported only to State authorities.

Similarly, widely recognized political scientists, such as Prof. Louise Overacker, of Wellesley College and Prof. Hugh A. Bone, of the University of Washington—who served on the staff of the Senate committee investigating expenditures in the 1940 election—have for years studied campaign spending. Yet their findings, based on publicly available data, have necessarily been fragmentary; and reference to their reports does not give us any clearer picture of the actual totals of campaign spending than the one we obtain from the newspapers.

This universal lack of information on election finances is inevitable under our present system, and it reduces us to guesses which may be more or less informed. Thus, recent estimates I have seen that the 1956 elections will cost over $100 million, cannot be described as extravagant. But when it takes sums of that magnitude every 2 or 4 years to conduct our democratic system, it is time to take a good look at what modern election costs are doing to our ideas of popular self-government, based on the principle of 1 person, 1 vote.

THOROUGH INVESTIGATION OF FACTS ESSENTIAL FIRST STEP TOWARD REFORM

Mr. President, I submit that the first step toward effective action to modernize our system of election financing must be a thorough exploration of the present system. Many valuable improvements in the corrupt practices laws are proposed in bills now before the Senate. I have introduced some additional proposals myself. But we cannot legislate intelligently in ignorance of the facts, and at the present time the facts about election financing are no more available to Congress than they are to the public. That is why I make my proposal for an independent citizens' study commission, empowered to get the facts, as an essential first step toward reform.

A look at the joint resolution I have introduced will show that it makes a very simple proposal. The proposed Commission on Election Finances and Related Matters would be composed of 15 private citizens of demonstrated qualifications for the task. My joint resolution specifies that they shall be persons who "neither actively occupy nor are candidates for a public office or position and who are not actively engaged in partisan politics."

The Commission would be instructed to investigate the following:

First. The actual costs of modern campaigns for nomination and election to Federal elective offices, including any such campaigns which may occur during the period of operations of the Commission.

Second. Current practices with respect to the financing of such campaign costs, of lobbying costs, and of other political activities.

Third. The relationship, if any, between the amount of campaign expenditures made in behalf of different candidates and their success at the polls.

Fourth. The relationship, if any, between sources of political financing, lobbying activities, and the public policies espoused and supported by holders of and candidates for Federal elective office.

Fifth. Reforms which have been or may be proposed for the purpose of assuring the financing of the Nation's political processes.

The Commission would have authority and staff adequate to carry out such an investigation.

The only aspect of my proposal which may require a brief explanation is the method of selection of the members of the Commission. Under my resolution, the chairman and the initial membership of the Commission would be chosen by the Chief Justice of the United States.

SELECTION BY CHIEF JUSTICE WOULD ASSURE INSULATION FROM POLITICS

Mr. President, I am as concerned as anyone—perhaps more than some persons—to maintain the separation of our highest judicial tribunal from the ordinary processes of Government and politics. Accordingly, I hesitated for some time before proposing this method of selecting the Commission. But I consider it imperative that a commission to study the financing of our elections and related political processes be itself as far removed as possible from elections and politics. Not only must it not include persons who are present or prospective beneficiaries of campaign contributions, its members should not be the appointees of men in politics, who have such a personal stake in the matter of campaign contributions—from President Eisenhower on down. I sought in vain for some alternative method of selection; but, finally, I concluded that precisely because the Commission would be so removed from politics, it would not be inappropriate, in this exceptional case, to have the appointments made by the Chief Justice.

The Chief Justice would act only once. He would select only the initial members and the chairman, who, I think, might be a distinguished retired jurist or a person of similarly self-evident impartiality and competence. After these initial selections, the Commission would itself have the power to fill any subsequent vacancies which might occur; it would adopt its own rules of procedure and, of course, select its own staff. Thus, I believe that my proposal would not be an undue imposition on the Chief Justice, while it would go further than any other method I can imagine toward assuring the public of the complete political independence of the Commission and its work.

I repeat, Mr. President, as I stated in the Senate on March 9, that insulation from the elective process is the sine qua non of an effective investigation of election spending, in which the public will have real confidence. The establishment of a citizens' commission was approved in an editorial in the New York Times of March 10, 1956; and on March 13, the Winston-Salem Journal editorially endorsed my recommendation. I ask unanimous consent to have my statement of March 9 and these editorials printed in the Congressional Record at the end of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, the statement and editorials may be printed in the Record, as requested.

(See exhibit 1.)

NO CONFLICT WITH SPECIAL SENATE COMMITTEE

Mr. NEUBERGER. In conclusion, Mr. President, I want to point out that the establishment of a Special Commission on Election Finances would in no way be inconsistent with the work of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions, under the chairmanship of the distinguished senior Senator from Arkansas. This is a committee of eight outstanding Members of the Senate, and I was particularly impressed with the statement of its distinguished chairman in undertaking the assignment. However, having been set up in direct response to the "$2,500 episode" and other events surrounding the passage of the natural-gas bill, and to the President's allusions in vetoing that bill, this special committee of the Senate will of necessity be particularly concerned with lobbying and with the relationship of campaign contributions to legislation. In other words, it may be expected that the special committee will have a major task in studying, on the general plane, the same issues as were raised by the specific investigation and report of the $2,500 incident by the select committee. The chairman of the special committee has already called for any evidence of wrongdoing. But lobbying and instances of wrongdoing and of possible corrupt practices as such would not necessarily be an important target of the independent citizens' commission. On the other hand, the Commission could undertake the essential task of making a detailed and continuing factual survey, State by State, of the costs of election campaigns and the manner in which they are actually financed—a procedure which cannot be expected of a Senate committee. Thus, Mr. President, if there is any overlapping of functions, it would be slight.

Let me summarize the reasons why an independent Commission on Election Finances is necessary:

First. Increasing costs have made the role of money in elections a serious threat to our democratic processes.

Second. Nobody today knows or can find out how much is spent in election campaigns, how it is spent, where the money really comes from, and why it is contributed. The public is entitled to these facts.

Third. The Congress also needs to have these facts. We cannot know whether or not we are legislating intelligently in this field until this "dark continent" of American politics is explored and mapped.

Fourth. An independent commission could devote its full time and attention to this single, important problem until the job is done.

Fifth. A commission with this single assignment, if established now, could operate through the entire 1956 campaign and make a thorough, factual case study of this year's elections throughout the country, which are certain to be the most expensive in the history of our Nation.

Sixth. For obvious reasons, a really penetrating study of our present system of election spending and campaign contributions should be undertaken by persons whose selection and whose own personal interests are as thoroughly insulated from this system as possible. A commission composed and selected in the manner I propose would clearly have this study as its single, undivided objective. Its work would be assured of the public support and confidence which is essential to success in this vital undertaking.

For these reasons, Mr. President, I introduce my joint resolution and hope that it may win an early hearing in the Rules Committee and in the Senate.

EXHIBIT 1

[From the Congressional Record of March 9, 1956]

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES, ETC.

Mr. Neuberger. Mr. President, ever since the Senate decided to set up a special 8-man committee to inquire into the broad problems of lobbying, of campaign expenditures, and their relationship, I have had serious misgivings about my vote in favor of the resolution creating the committee. I say this without any reflection on any of the Members who were appointed to the special committee, because they are outstanding Senators. I would have had the same misgivings no matter which Senators might serve on such a committee.

Now, after listening to the thoughtful and even-tempered explanation by the junior Senator from Tennessee [Mr. Gore] of developments which have occurred since the appointment of the special committee, and the cogent remarks of the junior Senator from Missouri [Mr. Hennings], I have concluded that I made a mistake when I voted for the resolution to turn over these crucial issues to a special committee of the Senate. A new Member must learn by experience, and there was not much time for thorough reflection before the vote. I believe now that the Senate should not have bypassed its regular standing committees in dealing with the aspects of these problems which fall within their normal legislative functions and responsibilities.

Furthermore, Mr. President, it is my firm conviction that the people of this country demand a thorough and impartial study of the whole matter of our methods of financing political campaigns and their relationship to lobbying—a matter which, because of recent events, is now getting the public attention it has long deserved. Already there have been heard suggestions that the Senate cannot investigate itself, any more than any other agency of government can investigate itself. In all candor, people wonder how Senators who were elected with substantial campaign funds raised by large, private contributions can inquire into other Senators' campaign exchequers. That question applies to all here, the junior Senator from Oregon included.

Speaking only for myself, Mr. President, I personally am ready to turn over to an outside commission, nonpartisan and broadly representative in character this entire problem for a thorough airing and for a study of constructive alternatives to our present approach to political finances. As I have had occasion to say before, in the Senate and elsewhere, this question of political campaign financing is rapidly becoming the central problem of our democratic processes, increasingly so every year as the cost of modern methods of campaigning skyrocket.

Such a commission, Mr. President, should include members from many walks of life—after all, every American is intimately affected by the actions and decisions of his representatives in Congress, whether he be a businessman or a workingman, a teacher, a farmer, a writer, or a scientist. It might include some eminent political scientists; and I suggest that it be headed by a retired jurist whose ability and nonpartisanship were beyond question.

I would turn over to such a commission, Mr. President, the function of finding out the facts about our present methods of political financing, and about the related aspects of lobbying. I would give such a commission the authority, the personnel, and the money to enable it to make the proper inquiry, and to stay with it during the present election year so as to accumulate a meaningful body of information about the problem. There are many precedents for the use of special commissions to make thorough studies of specific areas of public concern, and I believe a special commission, removed from the political arena, is needed to restore the confidence of the American people that they are, in fact, being told the full truth about their processes of government and politics.

At the same time, Mr. President, I would leave to the regular, standing committees of Congress the responsibility for acting now on pending legislative proposals for constructive and long-overdue steps to improve the situation with respect to campaign financing—steps which can and should be taken before the political campaigns of this presidential election year. These standing committees and the Congress can act constructively on legislative reforms without getting bogged down in controversy which will inevitably accompany efforts at senatorial investigation of this problem.

[From the New York Times of March 10, 1956]

GET ON WITH THE INQUIRY

When the special bipartisan Senate Committee To Investigate Campaign Expenditures and Lobbying Activities was set up 2 weeks ago, Majority Leader Lyndon B. Johnson observed that it "would go to the hard core

of our form of constitutional government—the confidence of the people in our institutions."

Although Senator Johnson, as well as the Republicans, had, in our opinion, been far too slow in seeing the need for a full-scale inquiry, he did hit the nail on the head with this comment. The proposed investigation is necessary and important, particularly for the reason he gave, particularly because this is an election year.

What happened? An 8-man committee was appointed, consisting of 4 Democrats and 4 Republicans, and from that day to this they haven't been able to organize because neither side is willing to allow the other to be put in a position of control. The logical choice for chairman of the committee was Senator Gore, who had earlier pressed for a full-scale investigation. However, he would have become a chairman without a chair if the ranking Republican Senator Bridges, could have had his way. Apparently Mr. Bridges, a politician's politician if there ever was one, doesn't want to give the Democrats free rein in an election year to poke around in the dynamite-laden field of lobbies and campaign contributions. We wonder why the GOP is now reportedly willing to accept Senator McClellan as chairman but not Senator Gore.

The idea of a bipartisan committee is theoretically sound for the task at hand, allowing neither party to gain undue advantage over the other in what could be a sensational investigation. But if bipartisanship in this area should prove beyond the capacity of human nature, there would be other ways in which the same end could be accomplished. Senator Gore (and others) originally proposed an inquiry by one of the standing subcommittees of the Senate. That would necessarily involve party control, but it would also involve party responsibility; and if the inquiry took an unfairly partisan direction it could lose its effectiveness and in fact would probably backfire on the majority.

Another and better method came yesterday from Senator Neuberger, who suggested establishment of a citizens' commission to look into the whole matter, headed perhaps by "a retired jurist of unquestioned nonpartisanship and ability." We think that is a good solution, certainly preferable to continuance of the present impasse or to agreement on a bipartisan inquiry so hamstrung as to be ineffective.

[From the Winston-Salem Journal of March 13, 1956]

ANOTHER SUPERFICIAL INQUIRY?

At long last the Senate's special committee to investigate lobbying and campaign contributions has picked a chairman and adoped rules. It is now quite apparent that the lawmakers who do not want a truly searching inquiry have won out.

The choice for chairman, Senator McClellan, was reluctant to take on what he called a "most disagreeable and difficult task." He made it plain that he is a compromise selection. The four Republican members of the committee simply would not accept Senator Gore without tying his hands with impossible restrictions.

The Senate did not want this investigation in the first place. It hoped to confine its job to looking into pressures surrounding the natural gas bill. But the special, four-man committee which undertook that limited investigation quickly found that the field was vast in scope: that it was very difficult to stick to its limited agenda.

To Senator Bridges and his three Republican colleagues, Senator Gore was a possibly dangerous man. They openly warned against "a runaway" committee. No such problem is posed by Senator McClellan, the Arkansas Democrat who made a name for himself in the McCarthy-Army hearings. He is a strong party man, a conservative fairly close to the GOP position.

As historians have noted, Congress has investigated lobbying seven times since 1854—and produced one law, in 1946. And the weaknesses of that law have produced the reasons for the current investigation.

Can we expect any real results this time around? It would take a real optimist to think so. First, it's election year. Secondly, the investigation will touch on sore spots perilously close to every Congressman—sore spots that could be exploited even though the lawmakers try to bend over backwards to resist monied influences. And finally, the fact that it took three weeks for the committee even to organize itself, after bitter backstage feuding between supposedly "bipartisan" members, is a sad augury of things to come.

Next time around we might give serious thought to Senator Neuberger's suggestion for a way out of the impasse. He has proposed creation of a special nonpartisan, citizens' commission to do the job—in view of "suggestions that the Senate cannot investigate itself" with complete candor.

Such a commission, he suggests, is needed to restore public confidence—to assure the people they are "being told the full truth about their process of government and politics."

This idea has merit. It does not remove the desirability for the present committee to conduct a full investigation and propose sweeping changes in existing laws. But no one should be greatly surprised if the McClellan committee follows the path of its ineffectual predecessors.

CONTINUATION OF AUTHORITY FOR REGULATION OF EXPORTS—AMENDMENTS

Mr. McCLELLAN submitted amendments, intended to be proposed by him, to the bill (S. 3238) to provide for continuation of authority for regulation of exports, and for other purposes, which were referred to the Committee on Banking and Currency, and ordered to be printed.

EXEMPTION FROM TAX IMPOSED FOR TRANSPORTATION OF PERSONS OF AMOUNTS NOT EXCEEDING 60 CENTS—AMENDMENTS

Mr. MAGNUSON submitted amendments, intended to be proposed by him, to the bill (H. R. 7634) to provide that amounts which do not exceed 60 cents shall be exempt from the tax imposed upon amounts paid for the transportation of persons, which were referred to the Committee on Finance and ordered to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. HAYDEN submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9390) making appropriations for the Department of the Interior and Related Agencies for the fiscal year ending June 30, 1957, the following amendments, namely:

Page 11 in lines 1 through 4 strike out the following: "and the preparation of plans and specifications for a building or buildings to meet the special needs of the Geological Survey in the metropolitan area of Washington, D. C.," and insert "and for the Geological Survey or the General Services Administration to acquire a site and to prepare plans and specifications for a building or buildings to meet the special needs of the Geological Survey in the metropolitan area of Washington, District of Columbia, without regard to Revised Statutes, page 3709, as amended (41 U. S. C. 5), and section 302 (c) of the act of June 30, 1949, as amended (41 U. S. C. 252 (c))."

Page 15, line 16, after "$15,250,000", insert ", of which not to exceed $250,000 shall be available for the construction of additional school facilities at Grand Canyon National Park, Ariz."

Page 16, line 15, after "(69 Stat. 242)", insert ": *Provided*, That all receipts from the operation of the McKinley Park Hotel in Mount McKinley National Park, Alaska, may be applied to, or offset against, costs of managing, operating, and maintaining the hotel and related facilities, and any receipts or other revenues in excess of such costs shall be deposited at least annually into the Treasury of the United States as miscellaneous receipts."

Page 39, line 25, after "(66 Stat. 781)", insert ": *Provided further*, That the employment of not more than one person by contract or otherwise, pursuant to the third sentence of section 2 (c) of the act of June 6, 1924, as amended by the act of July 19, 1952 (66 Stat. 783), may be extended for an additional year."

Mr. HAYDEN also submitted amendments, intended to be proposed by him, to House bill 9390, making appropriations for the Department of the Interior and related agencies for the year ending June 30, 1957, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notice.)

AMENDMENT OF SERVICEMEN'S READJUSTMENT ACT OF 1944, AS AMENDED—CHANGE OF REFERENCE

Mr. FLANDERS. Mr. President, on behalf of the Chairman of the Committee on Finance, the Senator from Virginia [Mr. Byrd], I ask unanimous consent that the Committee on Finance be discharged from further consideration of the bill (S. 3602) amending section 500 of the Servicemen's Readjustment Act of 1944, as amended, and that the bill be referred to the appropriate committee, which I understand from the Parliamentarian, to be the Committee on Labor and Public Welfare.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INVESTIGATION OF EFFECT OF IMPORTATION OF TEXTILES ON DOMESTIC INDUSTRY — ADDITIONAL COSPONSORS OF RESOLUTION

Under authority of the order of the Senate of April 11, 1956,

The names of the Senator from Vermont [Mr. Aiken], the Senator from Wyoming (Mr. Barrett], the Senator from Maryland [Mr. Beall], the Senator from Ohio [Mr. Bricker], the Senator from Pennsylvania [Mr. Duff], the Senator from North Carolina [Mr. Ervin], the Senator from Alabama [Mr. Hill], the Senator from New York [Mr. Ives], the Senator from North Dakota [Mr. Langer], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], and the Senator from New Jersey [Mr. Smith] were added as additional cosponsors of the resolution (S. Res. 236) directing the Tariff Commission to investigate whether imports of textiles or textile products are affecting injuriously the domestic industry, submitted by Mr. Payne (for himself and other Senators) on April 11, 1956.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. ANDERSON:

Address entitled "Can We Halt the Race for Atomic Arms?" delivered by him at the sixth annual conference on high energy nuclear physics, at Rochester, N. Y., on April 6, 1956.

Address entitled "Some Aspects of Law in the Atomic Age," delivered by him at the northeastern regional meeting of the American Bar Association, at Hartford, Conn., on April 16, 1956.

By Mr. HUMPHREY:

Address delivered by him before Conference of Organizations on the United Nations, at Washington, D. C., on February 27, 1956.

By Mr. EASTLAND:

Address delivered by Senator Anderson at the annual meeting of the Western Cotton Shippers Association, in El Paso, Tex., on April 12, 1956.

NOTICE OF HEARING ON SENATE JOINT RESOLUTION 23, PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES RELATIVE TO TAXES ON INCOMES, INHERITANCES, AND GIFTS

Mr. LANGER. Mr. President, on behalf of the Subcommittee on Constitutional Amendments of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, April 24, 1956, at 10 a. m., in room 424, Senate Office Building, on Senate Joint Resolution 23, proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. Such persons should contact the subcommittee counsel at the earliest possible date in order to arrange an appearance. The subcommittee consists of the Senator from Tennessee [Mr. Kefauver], the Senator from Missouri [Mr. Hennings], the Senator from Illinois [Mr. Dirksen], and myself. The chairman of the subcommittee has designated me to preside over these hearings.

CONFISCATION OF GERMAN PROPERTY

Mr. LANGER. Mr. President, on February 1, in a speech on the Senate floor dealing with confiscation of German property, I said I had written a letter to Mr. John J. McCloy, and that as soon as I received his reply I would put it in the Record. I ask unanimous consent to have printed in the body of the Record the letter I received from Mr. McCloy, the letter written to Mr. Finucane by Mr. McCloy, and an article which appeared in the Chicago Tribune, dealing with the same subject.

There being no objection, the letters and article were ordered to be printed in the Record, as follows:

New York, N. Y., *March 27, 1956.*

Hon. William Langer,
United States Senate,
Washington, D. C.

My Dear Senator Langer: I have just had an opportunity to read your letter to me dated February 13. The letter came after I had left for a somewhat extended tour of the Middle East, from which I have very recently returned. I have also read with interest your references to me contained in the speech that you made to the Senate on February 1, which references are contained on page 1795 of the Congressional Record which you were good enough to send to me.

Unfortunately, I do not have ready access to many of the records which were made at the time of the meeting to which you refer. My personal records are scattered about and so I would have to reply to you at the present time purely from memory. My recollection of the meeting in Mr. Hull's office to which you refer is, however, very vivid. I also recall very well the paper which was initialed by Mr. Roosevelt and Mr. Churchill and the manner in which it was presented to the group by Mr. Morgenthau.

This paper set out the general principles under which Germany was to be administered after the expected victory was accomplished. There had been considerable discussion regarding the principles of our policy respecting defeated Germany. The discussions took place in the War Department, the State Department and, to some extent, in the Treasury Department. If my recollection serves me right, the War Department was the first one to initiate any draft directives on this subject as it was presumably their responsibility to administer defeated Germany. However, the State Department proceeded to draw up some principles under which Germany was to be governed and the Treasury Department did likewise. Both of these proposals shocked Mr. Stimson, the proposal of Mr. Hull only a little less than that of Mr. Morgenthau. For Mr. Stimson's reaction to the Hull and the Morgenthau proposals and my part in it all I would refer you to Mr. Stimson's book entitled "On Active Service in Peace and War." If you will refer to page 568 of this book you will there find a discussion of the so-called Morgenthau plan. It is an entirely accurate account so far as I can now recall.

Mr. Morgenthau had apparently pressed upon Mr. Roosevelt and Mr. Churchill at Quebec an endorsement of his views as to how conquered Germany should be administered. On his return to Washington he brought with him the initialed memorandum which you referred to in your speech. He laid it before Mr. Hull and Mr. Stimson in the former's office in the State Department. I was present in Mr. Hull's office when the document was presented. I have no record to confirm it but I believe I recall that Mr. White was also present at this meeting. I say this because Mr. White was usually present at meetings which Mr. Morgenthau attended dealing with the administration of Germany. The initialled agreement between Mr. Roosevelt and Mr. Churchill is set forth in full at the bottom of page 576 and the top of page 577 of Mr. Stimson's book. I saw the original and it conformed to the copy in the Stimson book.

I took part in the drafting of all the memorandums which Mr. Stimson submitted to his colleagues in protest to the so-called Morgenthau plan, as well as to the original Hull plan.

As you will see from the initialed agreement as it is set forth on pages 576–7 of Mr. Stimson's book, there is no reference made to the confiscation of German assets throughout the world. Though I think the original initialed memorandum has disappeared, there is no doubt that the reproduction of it in Mr. Stimson's book is complete and accurate. I believe that a number of photostatic copies still remain in existence.

I believe the foregoing gives you the essential data that you are seeking in regard to the initialed agreement and to Mr. Stimson's and my connection with it. The record, I think, is quite clear that Mr. Stimson and I, from the beginning, were in strong disagreement with the so-called Morgenthau plan, particularly as it was reflected in the agreement between Mr. Roosevelt and Mr. Churchill which was initialed in Quebec; but it contained no reference to German assets throughout the world. If there is any further information that you seek and I am in a position to supply it, I shall be glad to do so.

Sincerely,

John J. McCloy.

New York, N. Y., *March 27, 1956.*

Mr. James Finucane,
Executive Secretary, Committee for the Return of Confiscated German and Japanese Property, Washington, D. C.

Dear Mr. Finucane: I have your letters of February 6 and 24 in regard to the statements made by Senator Langer on the floor of the Senate in regard to the initialed agreement of Mr. Roosevelt and Mr. Churchill respecting the policies to be applied to Germany in the postwar period. I received a letter from Senator Langer asking me to state what I know of this memorandum and I have replied in the form attached.

As you will see from my reply to Senator Langer, the initialed document which was presented to the meeting in Mr. Hull's office was as set out in Mr. Stimson's book. I think Mr. Morgenthau had the original copy with him and displayed it to us. He also had some photostatic copies. The agreement, as he presented it to us, had nothing to say about the confiscation of German assets throughout the world, nor did I ever hear it suggested that Mr. Roosevelt or Mr. Churchill advocated such a policy. Subsequently, I heard that some attempt was made to find the original initialed copy but it could not be located. I always had a feeling that someone in the White House—not Mr. Roosevelt—had destroyed it after all the criticism of the policy had appeared in the newspapers. I am certain the original was initialed in the handwriting of Mr. Roosevelt and Mr. Churchill, both of whose handwriting I was familiar with. There were also several photostatic copies about. The text of the initialed statement was just as it appeared in Mr. Stimson's book—no more, no less.

Sincerely,

John J. McCloy.

[From the Chicago Tribune]

Langer Seeks Facts Behind Harsh Policy—Agreement Drawn at Quebec

(By Walter Trohan)

Washington, March 30.—The original Quebec memorandum, initialed by President Roosevelt and Prime Minister Churchill, of Britain, which defined postwar policy toward Germany, has disappeared.

The disappearance of the document was reported today in letters to Senator Langer, Republican, of North Dakota, and James Finucane, executive secretary of the Committee for Return of Confiscated German and Japanese Property, from John J. McCloy, former assistant war Secretary and former High Commissioner to Germany. The Quebec Conference was held in September 1944.

Langer had demanded the original initialed document to determine whether the harsh peace policy against Germany had originated at the Churchill-Roosevelt level. The strong peace policy against postwar Germany has been attributed in large measure to the late Harry Dexter White, Treasury aid, who died mysteriously while his Communist associations were under investigation.

FBI WARNINGS IGNORED

The Federal Bureau of Investigation had warned the White House on White's Communist associations. Former President Truman ignored the warnings and named him United States executive director of the International Monetary Fund. White is credited with having given American occupation money printing plates to Russia. Use of the plates by the Russians to turn out money in occupied Germany cost American taxpayers an estimated $250 million.

McCloy denied that the original document contained any reference to confiscation of German property throughout the world. He intimated that the document was destroyed in the White House by persons apparently anxious to hide the fact that Roosevelt had not called for confiscation and other harsh measures imposed on Germany.

Langer interpreted McCloy's letter as fixing responsibility for confiscation of German property at Federal echelons lower than Roosevelt or his successor, Harry S. Truman. McCloy said he was certain that White was aware of the exact language of the Quebec memorandum, which embraced only part of the Morgenthau harsh peace plan.

SUSPECTED DESTRUCTION

"I heard that some attempt was made to find the original initialed copy, but it could not be located," McCloy wrote the committee on return of confiscated property. "I always had a feeling that someone in the White House, not Mr. Roosevelt, had destroyed it after all the criticisms of the policy [the Morgenthau plan] had appeared in the newspapers."

Proponents and defenders of the confiscation policy insisted that it originated with Roosevelt and Churchill. Critics of the policy insisted that the policy originated at middle- or upper-level bureaucracy without Presidential knowledge or approval. In a speech read to the Senate last February 1, Langer demanded that the original document be produced to settle the clouded question.

"The [Quebec] agreement as he [Treasury Secretary Morgenthau] presented it to us had nothing to say about the confiscation of German assets throughout the world, nor did I ever hear it suggested that Mr. Roosevelt or Mr. Churchill advocated such a policy," McCloy wrote the committee.

SAYS HE RECALLS MEMO

In his letter to Langer, McCloy reiterated his insistence the original document, which he said he recalled very well, included the initials of Roosevelt and Churchill.

"The paper set out the general principles under which Germany was to be administered after the expected victory was accomplished. There had been considerable discussion regarding the principles of our policy respecting defeated Germany.

"The discussions took place in the War Department, the State Department and, to some extent, in the Treasury Department. If my recollection serves me right, the War Department was the first one to initiate any draft directives on the subject as it was presumably their responsibility to administer defeated Germany.

"WHITE USUALLY PRESENT

"However, the State Department proceeded to draw up some principles under which Germany was to be governed and the Treasury Department did likewise. Both of these principles shocked Mr. Stimson (War Secretary Henry Stimson), the proposal of Mr. Hull (State Secretary Cordell Hull) only a little less than that of Mr. Morgenthau."

McCloy recalled that Roosevelt brought the original Quebec document to Washington and laid it before Hull and Stimson. McCloy said:

"I have no record to confirm it, but I believe I recall Mr. White was also present at this meeting. I say this because Mr. White was usually present at meetings which Mr. Morgenthau attended dealing with the administration in Germany."

McCloy said he and Stimson were in strong disagreement with the Morgenthau plan particularly as it was reflected in the Quebec agreement. But he insisted the agreement did not authorize confiscation of German property.

COLLECTIVE POLITICAL ACTION—ADDRESS BY W. P. KENNEDY

Mr. LANGER. Mr. President, a few days ago, on March 28, at Bismarck, N. Dak., a very interesting address dealing with the subject of collective political action, was delivered by W. P. Kennedy, president of the Brotherhood of Railroad Trainmen. I ask unanimous consent that the address be printed in the Record as a part of my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Collective Political Action

Mr. Chairman and friends, North Dakota holds a warm and enchanted place in my heart. It was on the Dakota division of the Great Northern Railroad where I obtained my first job as a railroad brakeman in 1909. I worked in and out of Grand Forks to Fargo, Devil's Lake, and Neche.

It was in North Dakota where I joined the Brotherhood of Railroad Trainmen and began the career in the collective efforts with my fellow trainmen. I shall always remember that beginning which started me in brotherhood activities more than 46 years ago.

I served as a brakeman on the Oriental Limited, that famous passenger train, the first trip the locomotive was equipped with an electric headlight.

That brilliant, shining electric beam seemed to have lighted a new pathway across the State, for it was not long after its first rays pierced the darkness of the Dakota nights until farmers began their first successful venture into the political limelight of the Nation and of the world.

You may be sure that it was a pleasure for me to accept the invitation to be with you on this momentous occasion. Happy as I am to be here today there is the full realization of the grave importance of your convention—especially the convention of this year, a most important political year—for the people of North Dakota and for the Nation, and it could also be very important for the people of the world.

FARMERS DISCONTENT

While this is my first visit to a convention of the league, it is not my first knowledge of the great good you have accomplished throughout the years in keeping the cooperative endeavors alive and active for the advancement of the people economically, socially, and politically.

As a brakeman years ago switching grain cars to and from the elevators along the Great Northern tracks, I often heard the grumbling discontent of the farmers, as they vainly tried to get justice in the grading and docking of the wheat, barley, flax, and oats they were selling to the big grain companies of that day. There never seemed to be any first grade grain grown in North Dakota—the high grades of the grain did not seem to develop until they reached the markets of the Twin Cities, Chicago, and the East.

I also learned of the excessive gouging of the big insurance companies on the rates and settlements on hail and crop insurances. Then, too, there were the banks with the high interest rate, often coupled with added premiums to make borrowing of money all the more difficult for the struggling farmers.

COLLECTIVE POLITICAL ACTION

It was most encouraging to note that the aroused and embittered farmers met the challenges of unfair grading and docking of grain with the resultant low prices, the unreasonable insurance charges and the excessive interest rates, by organizing, building, and fighting for the Non-Partisan League.

In the League those fighting stalwart pioneers develop facility for independent political action. It was a bitter struggle in the slow and difficult climb to the success of obtaining a majority in the legislature and placing friends in other public offices.

Those early organizers in the League virtually faced the furies of hell in their efforts to reach the farmers out on the prairies. The leaders of the political party in control at the time fought like demons against any encroachment on their political domain—the newspapers, the banks, the insurance companies, the railroads, and the grain brokers were all aligned together as a solid phalanx against those determined farmers.

Although activity in the Brotherhood work took me away from my original employment on the railroad in North Dakota, I have always kept in close contact with the work here. With great interest I have watched the League grow in importance and influence. Some of my close contacts have been Elric and Agnes Geelan, of Enderlin, along with Arthur Ford and Bill Dolan, of Bismarck, our vice president. These fine people have been helpful in keeping me supplied with details of your good work throughout the years.

LABOR SUPPORTS THE LEAGUE

The league officers and members have always had the support of the workers in labor unions in the cities and on the railroads of North Dakota. For the first time in the State it was clearly demonstrated that the industrial and political enemies of the farmers were also the enemies of the union workers. Strange as it may seem to be, that situation has not changed materially during the intervening years. Our enemies are still the enemies of the farmers, who want and are willing to fight for justice.

Some of the farmers who battled for justice 40 years ago still recount the difficulties faced in attempting to get redress for their grievances from the politicians in control of the State government. I can imagine that there are many of you here today who have had similar difficulties with the more modern type of controlled politician elected when the farmers failed to vote collectively for the interests of the people.

POLITICAL PRAIRIE FIRE

Recently I read the book "Political Prairie Fire" by Robert Morlan and "Farmers Political Action in North Dakota" by Congressman Usher L. Burdick. They were good and interesting reading. They served as sort of detailed refreshers of many things I had general knowledge of at the time of the occurrences. It might be a good thing, if all persons interested in preserving our freedoms and our economic, social, and political gains, would review the events of those trying days, when league organizers were denied the use of public meeting places, and were even run out of the counties, were tarred and feathered, and were jailed, often held without bond. They were not only mistreated, beaten and slandered, but were often denied the constitutional guarantees. Yes, that all took place in America—in North Dakota and in Minnesota—on many occasions. The big business interests and their political stooges did not like the idea of farmers organizing. It was abhorrent to think of farmers taking collective political action, or making any other collective efforts in their own behalf. In recalling the eventful days of the early organiaztion of the league I shall always remember and revere the names of George S. Loftus, Arthur C. Townley, Lynn J. Frazier, Edwin F. Ladd, and Magnus Johnson for the part they took in that great move for political freedom.

Oh, yes, there are many thousands of others who stood faithfully and solidly with those sturdy leaders as they bore the brunt of the fierce onslaughts. Each and every one who stood loyally with the collective effort deserves high praise for their noble deeds.

The battle they fought is not over—it never will be over. They began the collective effort to work and fight together for the common good of the people. That was a battle for security, for social equality and for political freedom. You and I must carry it along and do our part—our children and their children must do likewise, if we are to keep this State, this Nation and the world as places where human beings can live and prosper as God intended it to be.

The history of the Nonpartisan League shows conclusively that it has earned its right to existence, for the great good accomplished throughout the many years. It has been and is today of great economic value to the people of North Dakota—I mean all of the people—the workers in industry, in the shops, mills, mines, factories, stores, on the railroads, and the housekeepers, as well as the farmers out on the prairies.

NAME CALLING

The league provides common grounds on which we can all meet to discuss our economic and political problems in the interests of the majority of the people.

When we meet and act collectively to solve our mutual problems we may expect to be called all sorts of names by those whose self-interests are in conflict with the public good.

It can be recalled that in the early days the political stooges called the organizers of the league Socialists and termed the league's objectives as being socialistic. That name-calling did not stop those who dared to fight for the right—it seemed to spur them on to greater and more determined efforts.

Name-calling must not stop you in 1956 or in any future campaign. Always remember that for centuries past the stooges of the oppressors have name-called with what seemed to be the most unpopular, vile and scare names at the time. It is almost unbelievable but some persons are still using the scare names of socialists, socialistic and socialism in an attempt to frighten people away from ideals, issues and actions that are to the best interests of all.

The present national administration in Washington is no exception in its efforts to destroy the public gains made in flood control, conservation, recreation, irrigation and public power. In the Northwest we have good examples of what length the administration will go to in order to serve their friendly interests—who always seem to be those who made large and impressive campaign contributions. First and most outstanding in the Northwest is the Hells Canyon project for public power, flood control, conservation, irrigation and recreation, and, second, is the persistent efforts to give away the public natural resources in the grazing land, timber, minerals and oil, much of which has already been allotted in national parks and national preserves. And there's that Dixon-Yates smelly deal in an attempt to throttle the greatest and most successful public development, the Tennessee Valley Authority.

I thought they reached a new low in name-calling not so long ago when the President was asked what he thought of the Tennessee Valley Authority. According to press reports he termed that great beneficial achievement as "Creeping socialism."

TVA BRINGS NEW LIFE

The TVA has created a new order of fruitful life in the Tennessee River Valley which stands out as one of the great public accomplishments of modern civilization. Its abundant resources have made formerly barren and flooded areas prosper alike. Thousands upon thousands of farm and workers' homes have electric light and power that would not have had them without that great public improvement.

None of the private corporations offered to finance such developments on a scale large enough to serve multiple purposes of flood control, power conservation, and recreation. It remained a job for the people through the Federal Government. The Federal expenditures for TVA are being repaid ahead of schedule. The powerful utility corporations in that territory opposed and are still fighting TVA despite the fact that TVA has brought them more prosperous times than they ever knew before.

I say to you, TVA is not socialism, creeping, crawling or any other kind. It is just plain good comon sense for the people to do for themselves that which cannot be done so well by others. There must be more public developments similar to TVA in all places where there is need of flood control, power and irrigation. The progress made in the Columbia River Valley must be continued. The Hells Canyon project should be revived and completed as a public project in the interests of the people. The Missouri and other river basins should be developed where disastrous floods will be unknown.

FLOODS CAN BE PREVENTED

The disastrous floods such as that which did so much damage in Yuba City, Calif., and other places can be prevented, if the national administration will quit its little dam foolishness and start building large multiple purpose dams, to serve and to save the people from flood disasters and power shortages. So that there may be no misunderstanding, I was referring to the good accomplished by TVA and not IVA.

I am sure the record will show conclusively that the farmers, the business people in farm communities and the workers have benefited alike in the statewide program adopted as a result of the activities of the non-partisan league. The State hail insurance, the State bank of North Dakota, the State mill and elevator, the State workmen's compensation bureau, and the State guarantee of bank deposits were all pioneering efforts in an attempt to serve the people in methods and ways in which the corporations had failed miserably. Many of those primary efforts have been adopted nationally and are now important assurances in our economy.

If the people of the United States were given an opportunity to express themselves on the matter of guarantee of bank deposits, the vote would be overwhelmingly in the affirmative—yet, it has not been so very long ago that great improvement in stabilizing our banks was termed socalistic. The same thing was true in the State's establishment of grain grades and requirements of testing grains. So, I repeat, we must be prepared now and in the future, against any and all sorts of name calling; this election year will be no exception, and especially so should you decide to support candidates other than those sponsored by the political stooges of the powerful corporations.

The farm organizations have made great progress in their cooperative efforts since the formation of the nonpartisan league. The Farmers Union deserves great credit for its farsightedness in taking over the equity cooperative exchange when the big corporations were beating it down. Through the unceasing labors of M. W. Thatcher that splendid effort was saved in the organization of the successful Union Grain Terminal Association of St. Paul with its far flung operations in the northwest.

The Farmers Union, the Grange, and the Farm Bureau all have important parts in keeping alive and building the spirit of cooperation among the agricultural producers of our time.

DECLINING FARM PRICES

I know you are greatly concerned over the decline in farm income during the past few years. It should be the concern of all who believe in a continued prosperous America. The records of the Department of Agriculture in Washington show that the realized net income of farm operators in North Dakota declined from $222.5 million in 1951 to $134.6 million in 1954, a 39-percent decline. This decline is largely due to the fall in cash receipts in farm marketings, which were $563.8 million in 1951 and only $465.2 million in 1954 in the State.

The decline in farm income is a very real problem affecting farmers in all States. In 1951 the Nation's farmers realized net income of $14.8 billion. The Department of Agriculture has just reported the realized net income for 1955 was only $10.8 billion. A billion-dollar loss for each of the 4 years.

A recent Department of Agriculture statement says that farmers retained as net income in 1955 only 32½ percent of their realized gross income, and further states that except for 1932, that was the smallest percentage on record. The few figures just quoted are sufficient to show the danger signals in the economic pathway ahead.

What is being done to avert disaster? Not very much—nothing substantial—except in this, an important political campaign year, they are getting a little worried about the attitude of the farmers. Farmers have votes in election years—something had to be done quickly and effectively—change the parity payments in line with the previous campaign promises? No, that is out of date. The immediate remedy was to follow the pattern set by the State Department, employ a prominent public-relations firm, build a perfectly bright shining halo of favorable publicity around the Secretary of Agriculture; let the farmers and all others see the Secretary in the light of a saviour of the farmers' economic ills. The second phase of the publicity consists of trying to lay the blame for depressed farm prices on others.

BENSON WRONG AGAIN

It appears to be a plan on Secretary Benson's part to make farmers believe that increases in prices of materials and equipment they buy is hurting them more than decline in the price of farm products they sell. Its purpose is to antagonize the farmer against the worker, thereby to divert the farmer's attention from the declining prices of farm products.

It is not my intention today to pass final judgment on the extent the administration has fulfilled or failed to fulfill its preelection promises. Ordinarily an officer of a labor union stays within his own field and does not make speeches on agricultural problems.

My remarks here today are not intended as an exception to that rule. However, I do believe it quite appropriate to state the facts with regard to the unfair and unjustified insinuations of Secretary Benson, in his attempt to lay blame on the workers for his failure to act promptly, wisely, and prudently in the matter of declining farm produce prices. As an American and an officer of a labor organization, I believe it is out of place for any Government official to attempt to create discord between farmers and industrial workers on no more basis than Secretary Benson has shown to date. I must point out to you that the logic of the Secretary's position is that wage increases are wrong, that the farmer is in a worsening position because of past wage increases, and the only way the farmer can be helped is by recalling wage increases and instituting a great program of wage and consumer commodity price reductions. The chief purpose of such a program appears to be that of focusing everyone's attention on the wage policies of labor unions as the primary factor in the farmer's declining income situation. The attempt of Secretary Benson to drive a wedge between the farmers and organized labor is not a new thing. We have had recurring attempts to plant seeds of distrust and antagonism between the farmers and the industrial workers.

REAL ISSUE IS FARM PRICES

It can be recalled that in a similar condition existing in the 1920's, farm produce prices were down; workers wages were used as the scapegoat of that time. A great crusade of wage cutting developed. Unemployed and low-wage workers were not good customers for farm produce. The produce prices fell lower and lower, and farm mortgage foreclosures increased so fast that the situation became a national disgrace. The situation became so tense in some States that the county sheriffs didn't dare to make any further farm mortgage foreclosure sales. Does the Secretary of Agriculture hope to bring back a similar situation as a result of his great campaign of publicity—to blame workers' wages for the low farm produce prices?

Although I have no intention of recommending any definite farm policy, I am convinced that far more constructive things can be done than trying to make organized labor the scapegoat in this serious situation. The lesson revealed by statistics is clear; there was only a slight increase in the expenses of producing farm income between 1951 and 1955; while there was more than $4 billion decrease in the gross income received by farmers from the sale of farm products. Really, I believe it to be more sensible to bolster the prices received by the farmers than to place blame on the farmers' expenses which in 1955 were practically at the same level as in 1951.

INTERDEPENDENCE OF FARMERS-WORKERS

Secretary Benson and his cohorts in the Administration, appear to overlook or disregard the interdependence between farmers and industrial workers. There was nothing more characteristic of the late President Franklin D. Roosevelt than his oft-repeated insistence in and out of Presidential campaigns, in messages to the Congress, in his writings and in informal conversations on the basic interdependence between agriculture and industry; between farmers and industrial workers.

I have always considered that the late President and his administrations constituted a valuable educational force that advanced real understanding by the farmers of the urban industrial worker and the industrial worker of the farmer. It was during his administration that price-support programs for agricultural products were first adopted, and farming was taken out of those risky year-by-year ventures without any assurances whatsoever. It was also in that era the industrial workers were encouraged to organize in unions with objectives, among others, of increasing income of both industrial workers, and because of their increased purchasing power, the income of the farmers.

We are all well aware of the favorable results. It did not hurt the economy of the Nation for the farmer and the industrial worker to be prosperous. That more than anything else has guided our Nation into our greatest overall economic prosperity. Shall we follow the pattern of the twenties—take the solution offered by Secretary Benson, reduce the wages of industrial workers in a vain and foolish effort to help farmers out of the present difficulties—or shall we progressively move forward to solutions that will work and will restore farm incomes? The first essentials are those of maintaining purchasing power of those who need and use the farm products and keep farm produce prices at parities necessary to maintain prosperous conditions, on the farms of America, and that includes the farms of North Dakota.

I have interestingly watched Senator William Langer and Congressman Usher Burdick in their efforts in the Congress to obtain fair and reasonable consideration of the farm produce price conditions. May I take this occasion to point out that the labor unions have supported legislation desired by agricultural interests for the direct benefit of the farmers. In recent years we have found some of the farmer organizations lined up with the enemies of labor unions in supporting legislation which would destroy some of the long-established activities of the unions in their pursuits to adequately serve the workers in industry.

MUTUAL UNDERSTANDING NECESSARY

We need a return to the mutual understanding that existed in the time of the late President Roosevelt. We must have a positive program to restore the health of agriculture. The downward spiral of farm income must be stopped. We know from our experiences in the twenties that we need not act out of consideration for the farmers alone, because our welfare, and the welfare of the Nation, are inseparably tied to the welfare of the farmers. Historically we know that depressed agriculture brings depression in the entire community. We can see the sickening emphasis on the farmers worsening position in the latest figures on per capita income as between agricultural and nonagricultural.

We are sorry that the Secretary of Agriculture has failed to see or to heed the danger signals. Now on the eve of an important national election they come forward with some effort. Are we again to witness "too little, too late"?

CONSUMER COSTS AND FARM PRICES

Senator Langer made a good move when he tried to secure an investigation of the price spread between what the farmer gets for food products and what the consumer has to pay. The administration has never given a satisfactory answer for its opposition to such an investigation. You on the farms and we of the urban centers should know what such an investigation would reveal.

The whole sum and substance of what to do and how to do it best, hinges largely, if not entirely, upon why you are meeting in this convention of the nonpartisan league. It is now as it was 40 years ago when George Loftus, Arthur Townley and their associates discovered that the only redress possible for justice was in collective political action by the citizens in the rural and urban communities. This is 1956, 40 years after their discovery, and their bold, but determined efforts to take political action collectively, for the common good of all. The old-guard politicians will not like what you do in this convention for the good of the people of North Dakota; they didn't like it 40 years ago. There will be combinations, and alinements of the old guard with their newest additions in their efforts to keep control of the State government and of the destinies of the people. We cannot falter or fail now in our collective political efforts. We must go forward. A step backward could mean terrific losses, hard to regain.

This is 1956, a year of political destiny. You can make it one—for the people of this great State. May God grant you the wisdom to do so.

EIGHTY-FIVE AMERICAN YEARS—BOOK WRITTEN BY HENRY CARL LUCKEY, FORMER MEMBER OF CONGRESS

Mr. CURTIS. Mr. President, Mr. Henry Carl Luckey served Nebraska as a Representative in Congress in the 74th and 75th Congresses. Although Mr. Luckey was born in 1868, he still possesses remarkable vigor and insight and capabilities.

Former Representative Luckey has recently published a book entitled "Eighty-Five American Years." This book is filled with history of interest not only to Nebraskans but to all Americans. There is running through Mr. Luckey's book a profound belief in and devotion to the American traditional system. Some very interesting political matters are related. I am sure that many will find, as I found, that Mr. Luckey's book is worthwhile reading.

THE SOIL BANK PROGRAM—EDITORIAL FROM THE PORTLAND EVENING EXPRESS

Mr. PAYNE. Mr. President, last Saturday the Portland Evening Express, of Portland, Maine, printed an editorial setting forth the merits of the soil-bank program. The editorial particularly referred to the contribution a soil-bank program would make to the conservation of wildlife, timber, and water resources. Quoting from the National Wildlife Federation, the editorial states:

> The stage can be set for a well-rounded program of soil, water, forest, and wildlife conservation with benefits that would accrue to the general public as well as to the farmer under the soil-bank plan.

Because all of us are in general agreement as to the worth of such a soil-bank program, it is my hope that we can still enact within the very near future a soil-bank program which will prove to be of substantial benefit to the agricultural community and to the entire Nation.

Mr. President, I ask unanimous consent that the text of the editorial entitled "The Soil Bank," which I have cited above, be printed in the body of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> One of the merits of the soil-bank proposal made by President Eisenhower and Secretary Benson has received scant attention in the debates, such as they were, and in the press. It has generally been the thought that taking land out of cultivation would

decrease production, as it would; but there is something else that is good in the plan.

The National Wildlife Federation declares that the soil-bank program could become the greatest boon to farm game restoration ever devised by the Government. Previous Federal payments to farmers for conservation practices have been rather narrowly restricted to erosion control and soil management phases. In some instances, wildlife, timber, and water resources have been neglected or even abused under subsidization by the Federal Government with agricultural conservation payments. Under the new proposal, says the Federation, "the stage can be set for a well-rounded program of soil, water, forest, and wildlife conservation with benefits that would accrue to the general public as well as to the farmer under the soil-bank plan."

That seems to make sense. There might come many areas that eventually would become forested, and many of them might provide the windbreaks that could promote not only more beauty and comfort for the farm family, but might even lessen the danger of dust storms. It ought to be recalled that President Roosevelt early in his administration suggested a vast tree-planting program out on the flat plains, a program to be paid for out of Federal funds which in those days were by some considered inexhaustible. His proposal was treated with derision, but it had no trifling amount of commonsense behind it. Though in a smaller way, the soil-bank plan could prove a boon in almost every way to the farmer, and even while it defends against the piling up of additional surpluses.

The New York Times, Friday, quoted sources close to the White House as predicting that President Eisenhower will veto the farm bill which the Congress, playing politics in an election year, crammed through, and will go directly to the people via radio and television next Thursday to explain why he had to veto the bill.

If those sources are correct, the soil-bank section of the measure will suffer veto as well as the features that the President and Secretary Benson deplore, for it is impossible to pick and choose out of an entire act of Congress. That is inescapable. That being so, the National Wildlife Federation and the general public can but feel aggrieved at a Congress which has yielded to politics what it owed to the Nation.

CONDITION OF THE BUDGET

Mr. CAPEHART. Mr. President, I ask unanimous consent that a press release I have prepared about the condition of the budget be printed in the Record as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Senator Homer E. Capehart today called to the attention of the Senate figures bearing out his prediction that the administration probably will balance the budget and show a surplus for this fiscal year.

The Senator based his remarks on information contained in a memorandum released today by the Joint Committee on the Economic Report—a memorandum prepared by the committee staff from information contained in the publication Economic Indicators for April.

Senator Capehart quoted the following two paragraphs from the memorandum:

"1. Reports through mid-April indicate that the Federal budget will show an administrative surplus of about $2 billion and a cash surplus of perhaps $4 billion for this fiscal year ending June 30, 1956. These committee staff estimates represent increases in receipts of about $3 billion over estimates in the January budget, which were reaffirmed in February by the Secretary of the Treasury. Expenditures may be about $1 billion higher (due mainly to handling CCC payments inside the budget rather than by sale of notes to commercial banks).

"2. For the fiscal year 1957, the surplus will probably be larger than estimated in the January budget unless: (a) business conditions deteriorate, or (b) legislation increases expenditures significantly more than estimated."

"These figures bear out what I have been anticipating and predicting for some time," Senator Capehart said. "This, of course, is a healthy sign and reflects the institution of improved administrative procedures which have made possible a balanced budget and a surplus in our Government finances for the first time in many years.

"I congratulate those responsible and express the sincere hope that the picture in 1957 and in the years ahead will be even brighter," Senator Capehart said.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business, for action on the nomination on the Executive Calendar.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nomination on the Executive Calendar will be stated.

DEPARTMENT OF JUSTICE

The Chief Clerk read the nomination of George Cochran Doub, of Maryland, to be an Assistant Attorney General.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE NEGRO'S DECLARATION OF INTENTION

Mr. CARLSON. Mr. President, Rev. J. W. Hayes, president of the Missionary Baptist State Convention of Kansas, and pastor of the Calvary Baptist Church, of Wichita, Kans., forwarded to me an article written on April 3, 1956, by Rev. Dr. J. H. Jackson, president of the National Baptist Convention, and pastor of the Olivet Baptist Church, Chicago, Ill. The article is entitled "The Negro's Declaration of Intention."

Dr. Jackson prepared this article after conferring with Negro citizens from all walks of life in all parts of the country. After getting the views of these people, together with his own impressions, he wrote this statement.

Inasmuch as Dr. Jackson is one of the outstanding leaders of the Negro race, I ask unanimous consent that the article be printed in the Record as a part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

DECLARATION

1. At all times, we intend to support the Federal Constitution, to obey the laws of the land, to avoid contempt of courts, and to respect the judgments and decrees of the Supreme Court of the United States of America, and to always abide by the same.

2. Whatever is said or done against the United States of America by enemies, foreign or domestic; we will ever oppose with all of our heart, mind, body, soul, and strength.

3. We intend to continue to teach our children that this Nation is a great free republic of law and order, with a system of government of the people, by the people, and for the people. And any person who disobeys the laws of the land and teaches others to do so, is a declared enemy of this Nation, and is working for its overthrow; and hence, does not deserve the right of free participation in the Nation's life, and is unworthy of the security that the country gives, and is subject to the penalties of the law. We shall also teach our children that this Nation under God, was founded in the spirit of justice, freedom, and due regard for moral law, and cannot survive without remaining true to its foundation principles.

4. We intend to participate in the total cultural life of the Nation, both for personal growth and development, and for the further progress of the country itself.

5. We intend always, to cherish and to give thanks for those natural endowments and special gifts that have made our race great; and pledge all of our talents and resources in the building of a better social order and a more democratic world.

6. In spite of the doctrine of the segregationist, we shall always believe that the basic quality of real distinction is character, not color; and the stature of a person is determined by the power of his mind, the purity of his heart, and the highest possible dedication of his life.

7. We intend to crusade against all the evils in our society that are designed to poison creative human relationships, and to crush the constructive growth of human personality, and to fight against the false doctrine which claims that some men are by origin, birth, and nature, superior to others.

8. While we shall recognize a need for the patience that accompanies growth, we intend at all times to reject that doctrine of gradualism which implies that the established laws of the land should be gradually applied, and gradually obeyed, in order to respect the unjust traditions of men, and to give free reign and honor to destructive prejudices.

9. We intend to take every legal step to employ every constructive measure, and to cooperate with every group of loyal Americans in the struggle to preserve all of the Nation's ideals, and to overcome every economic, political, and cultural stumbling block that hinders the further progress of this great republic.

10. With love for our Nation, good will toward all, utter devotion to the Federal Constitution, and undying faith in God; we intend to continue our struggle for the complete victory of freedom on every front, and the preservation of the soul of the Nation whatever the cost. And if we are slain by the forces of oppression before our high purpose is achieved, we pray that we shall sleep under the shadows of the flag that we love, and our sacred dust shall be a silent testimony and a lasting memorial to our eternal quest for justice, peace, and good will.

LOWELL MASON'S GRACE

Mr. CARLSON. Mr. President, for 20 years, Lowell Mason, a member of the Federal Trade Commission, has given an annual luncheon on the opening day of the baseball season. Yesterday, at the luncheon, there were in attendance members of the courts, members of the executive branch of the Government, Members of the United States Senate, and Members of the House of Representatives. At the luncheon, Lowell Mason said what I think is a very beautiful grace, and I ask unanimous consent that it be printed in the Record as a part of these remarks.

There being no objection, the grace was ordered to be printed in the Record, as follows:

LOWELL MASON'S GRACE

Our Father, Who shall say that those who make and those who administer our laws may serve without Thy help.

And who shall say they may receive it, except they be simple, gentle and humble, becoming as little children.

For no nation can be truly great whose servants do not have something childlike in their lives.

We must renew our youth with simple joys that re-create the jaded mind and revive the burdened soul.

This, we seek to do, here at this table where the armaments of life are absent.

Grant us this day the saving touch of friendship, for in times of conflict, friendship is the quality that keeps open the lines of communication. May this happy noontime help to refill the reservoirs of our spirit, give us courage greater than our fears and strength more adequate to our tasks.

Bless and guide our President and all who direct and lead our Nation that it may carry out Thy purpose. Amen.

THE LONG-RANGE APPROACH TO MEDICAL LEARNING

Mr. NEUBERGER. Mr. President, the health of our people is the most important resource belong to the United States. Unless men, women, and children are protected from the ravages of disease, our entire Nation is poor indeed. Few Members of Congress have been more conscientious and diligent in advocating a sound research and medical program to safeguard the health of Americans than the distinguished senior Senator from Maine [Mrs. Smith].

In the April 21, 1956, issue of the Saturday Review, Senator Smith has written a cogent and effective article proposing that $1 billion be spent to improve our knowledge of disease and in the means of preventing it. I doubt if anyone could read her impressive argument without being convinced by it.

So that all Members of the Senate may be enlightened by the excellent article written by the senior Senator from Maine, I ask unanimous consent that the article by the Honorable Margaret Chase Smith, entitled "Billion-Dollar Prescription", from the April 21 issue of the Saturday Review, be reprinted at this point in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

We human beings act strangely. With the exception of our moral and spiritual values, the obviously most important thing to us is life, our own life and the lives of our dear ones and our friends. Yet we don't act that way. We pay little attention to our health. We take our health for granted. We don't get concerned about it until we have lost part of it. And sometimes that is too late.

Here in America last year we spent $10 billion for cocktails and other spirituous liquors. We spent $5 billion for tobacco. We spent $264 million for chewing gum. But when I advocated on the floor of the United States Senate that we spend an extra $200 million a year for the next 5 years on the better care of our health, some people were shocked.

"How could you possibly spend that much money?" these people have asked. "Why $200 million a year for 5 years is $1 billion!" Indeed it is. One billion. Forty-nine billions less than our drinking bill during those same 5 years. Twenty-four billions less than our smoking bill. More than $250 million less than our bill for chewing gum.

Having made that comparison, I ask my questioners a question:

"Is $1 billion really a huge sum to spend to help protect and perhaps prolong 165 million American lives?"

I think most people will agree that it is not. And here is my prescription:

1. For medical research, spend $500 million.

2. For medical research facilities, spend $150 million.

3. For assistance to medical education, spend $350 million.

I believe that my prescription is unique in one very important respect. It is long-range medicine, something that we in this country have never attempted before.

As I am not a doctor, or even a nurse, I may be suspected of snap diagnosis. This, however, is not the case. I have been concerned with medical research for a long time. I do want to acknowledge, though, that my thinking was crystallized by an editorial in a great Maine newspaper, the Bangor Daily News. The title the editorial writer chose was "How About $1 Billion for Health?"

The most thorough study to date of the impact of illness upon our national economy was made in a 6-month-long investigation by the House Interstate and Foreign Commerce Committee in 1953 and 1954. I have leaned heavily upon my readings of those hearings in reaching my own conclusions. More recently, criticism of inadequate Federal support for medical research has come from the distinguished reports of the Hoover Commission. In these reports there is a recurrent plea for a 5-year program. I am frank to state that the arguments of the Commission have had a great influence upon me. But the detailed dosage that follows is my own formula.

1. MEDICAL RESEARCH

At present the research and training programs of the National Institutes of Health have a current budget of approximately $100 million a year. I would double this budget, making it $200 million a year, an added 5-year cost of $500 million.

Perhaps I should explain, for the benefit of those who are not so close to Government as I am, that the National Institutes of Health together make up the foremost research agency of the United States Department of Health, Education, and Welfare. They have extensive laboratories of their own, probably the finest laboratories in the world, certainly the best Government laboratories anywhere. But two-thirds of their funds are spent in support of research and training in non-Federal medical institutions. In this extramural research and training each institute (there are seven—cancer, heart, mental health, arthritis and metabolic diseases, neurological diseases and blindness, dental, and microbiological) is aided by a National Advisory Council. Council members are citizens outstanding in medical science, education, and public affairs. They review all applications for grants and make recommendations on these to the Surgeon General, who in his turn requests appropriations from Congress.

Historically, the Councils have been hampered by our system of annual appropriations. Frequently they have not been able to attract the most qualified men to short-term jobs. And many research projects have been turned down because their continuance over the necessary span of time could not be guaranteed.

The more fundamental research becomes—and all the experts agree that it is fundamental (sometimes called pure) research we need above all else—the less predictable is the time involved. Testimony before the House Appropriations Committee early in 1956 reminded us, for instance, that 33 years passed between (a) the time that the pancreas was found to contain the secret of diabetes and (b) the time when the secret was identified as insulin. Would anyone today begrudge the money spent in hunting down that elusive chemical which, when finally discovered, saved millions of lives?

By making $500 million more available to the National Institutes of Health, I do not claim to solve the problem of basic research. But I do feel that the Institutes would be given a degree of flexibility in supporting long-range studies. It seems pertinent to note at this point that long-range investigation means most in the little-understood metabolic diseases which have their worst crippling effects in our growing proportion of older citizens.

2. MEDICAL RESEARCH FACILITIES

Early this year Senators Lister Hill and Styles Bridges introduced a bill to provide $90 million over the next 3 years to match construction grants for medical research facilities in medical schools, hospitals, and private foundations in all parts of the country. The Senate passed the bill unanimously, and the measure is now before the House. Under my 5-year prescription, I would extend this 3-year proposal to cover 5 years at the same annual rate of $30 million—a total of $150 million.

3. MEDICAL EDUCATION AND ASSISTANCE

Senator Hill also introduced, together with a dozen other Senators, another bill to provide $250 million to match grants for construction of medical-school buildings. This bill has been strongly endorsed by the American Medical Association and almost unanimously by medical school deans. I would increase this appropriation by $20 million a year—from $50 million to $70 million—for a 5-year total of $350 million. That total approximates two estimates made by the National Fund for Medical Education (of which Herbert Hoover is honorary president) regarding the needs of the Nation's medical schools.

My billion-dollar prescription is now complete.

I admit that $1 billion may appear to be a large amount for taxpayers to carry in addition to the burden they carry at present. But I call your attention to the fact that the American people unhesitantly footed a 1954 bill of $1,700,000,000 for research on military weapons alone. This is eight-and-one-half times the annual rate I propose for medical research expansion. May I point out that our national defense and our national security are no stronger than our national health, on which our Federal Government's research spending is less than 1 percent of the national budget?

Compare the current $100 million research and training budget of the National Institutes of Health with the $90 million appropriated at the last session of Congress for research activities in the Department of Agriculture. Add to this $90 million the sum of $250 million which is paid out to farmers for soil conservation. I do not want to imply that I am not heartily in favor of greatly expanded agricultural research. I know, of course, that much of such research benefits us in our studies of the diseases of man. And I have always supported farm-research activities. But I think it is about time this country brought research on human lives up to the level of research on animals and plants.

I referred earlier to the House Interstate and Foreign Commerce Committee hearings on the impact of disease on the national economy. The committee found that four diseases alone—heart, cancer, tuberculosis, and arthritis—have resulted in an annual loss of 370 million man-days of work and that the annual cost to the Nation from all illnesses is roughly equivalent to the total income-tax revenue, or $30 billion a year. Alongside that enormous loss, my proposed expenditures of $200 million a year would seem a very modest investment.

Would it be a sound investment for a banker?

Over the last decade alone medical research has added 5 full years to the life expectancy of the average American. We all know something of the wonders of penicillin, streptomycin, isoniazid, cortisone, and a host of other battlers against disease. These miraculous products of medical research, along with new surgical techniques and blood plasma, have brought about these percentage reductions in the death rates of some of the major killers and cripplers:

	Percent
Influenza	77
Appendicitis	69
Acute rheumatic fever	66
Syphilis	56
Tuberculosis	50
Pneumonia	50
Kidney diseases	43

Now let us translate this into economic terms. The National Office of Vital Statistics reported that in 1954 approximately 350,000 Americans under the age of 65 died of cancer and heart disease alone. This is greater than the total of Americans who lost their lives in the Armed Forces during the Second World War and the Korean war together. Remember that those wars last not 1 year but approximately 7 years.

Those 350,000 deaths of 1954 occurred, as I have stated, among people under 65, people in their productive years who otherwise would have been at work, earning money, producing goods and services, and consuming as well. Moreover, these people would have been paying taxes which would have gone, in part, to pay for research which would have helped to preserve their own and other lives.

In an earlier year—the year 1951—a study of federally aided rehabilitation revealed that 8,000 people who were returned to work had been on public assistance prior to rehabilitation, at a cost of $5,700,000 annually. The cost of their rehabilitation was $4 million. These people are now employed. Instead of being tax-consumers they are taxpayers.

When we consider that chronic diseases account for 88 percent of the disability of the approximately 2 million physically handicapped people in the United States, we can see that the economic benefits to be derived from medical research on disabling diseases would be vast. The research would more than pay for itself.

I have been asked whether my billion dollar prescription for our national health amounts to socialized medicine. I have publicly and privately stated for many, many years that I am opposed to socialized medicine. The 5-year program that I propose would have no aspects of socialized medicine. It is in keeping with recommendations and endorsements made by the Hoover Commission, the American Medical Association, medical-school deans, and such outstanding doctors as Paul Dudley White, the eminent heart specialist who treated President Eisenhower.

Perhaps because he is the heart doctor of the President, Dr. White's own words have a great dramatic and impressive meaning to the American people on the need for expansion of medical research. Dr. White has pointed out that current heart research is severely limited because of lack of money. Testifying before a Senate committee, as a member of the advisory council of the National Heart Institute, Dr. White said he had been forced to use his own money for research because there were not sufficient Government funds.

His was only one of a tremendous backlog of worthy projects, running into millions of dollars, for which the advisory councils have no money. As long as this backlog exists qualified people are being denied the opportunity to save life.

If one of the Armed Forces can build up a 25-year supply of hamburgers, and if another can spend hundreds of millions of dollars on a fighter plane that could not fly, I say we can afford to appropriate funds to give our children and our children's children the best in medicine.

STUDY OF 19TH SOVIET PARTY CONFERENCE

Mr. HUMPHREY. Mr. President, several months before Stalin died, the Research Institute of America, Inc., made an extensive study of the 19th Soviet Party Congress. My colleagues may remember that I brought this study to the attention of the Senate, as well as to the attention of the Committee on Foreign Relations. This study caused considerable comment in the Congress and around the country. The same Institute, under the executive direction of Mr. Leo Cherne, has recently completed another such study entitled "Toughest Challenge Yet in New Soviet Strategy." This study, like its predecessor, is an instructive analysis of the new challenge facing us. The fact that it is frightening as well, makes it all the more imperative that we take it seriously.

I would certainly welcome the comments of the State Department upon the analysis which has been made by the Research Institute of America. I regret to say that the Department did not give us a response to a similar analysis and study which I presented in the Senate about a year and a half ago. I can think of no subject matter which is more important than the one to which I refer.

Furthermore, the Research Institute of America is an accredited, respected, acknowledged, competent research establishment in the field of foreign affairs. The study which I bring to the attention of my colleagues is one which I think will bear their closest examination. I, therefore, ask unanimous consent that this study, as it appeared in a special report to the members of the Research Institute of America, Inc., be inserted in the RECORD at this point in my remarks.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

TOUGHEST CHALLENGE YET IN NEW SOVIET STRATEGY

(EDITOR'S NOTE.—These are the hard facts: economic and military strength of the Moscow-directed one-third of the globe is rising steadily. The new Soviet leaders' domestic and foreign policies are far more subtle and shrewd than those of Stalin. Most important, the new Soviet policies have been astonishingly successful. It adds up to this: right now, we and our allies are losing the battle against world communism.)

For a bird's eye view of how Soviet strategy threatens United States supply of key raw materials today, take a look at the map on pages 6 and 7 of this report. Then, ask yourself these questions:

How did this happen? Which events are really responsible for this state of affairs? Do we know what the Soviet Union plans to do in the coming months? Is there still time to thwart the Kremlin's plans? How can the West prevent the present military stalemate from becoming a checkmate?

Here are the conclusions of the Research Institute's experts who, with Harry Schwartz, the New York Times specialist on Russia, have been closely following developments behind the Iron Curtain—the shifting events which culminated in the new policy statements proclaimed at the 20th Communist Party Congress in Moscow this February.

The Soviet leadership

When Stalin ruled the Soviet empire with an iron fist, Khrushchev and Bulganin helped execute his policies—and his opponents. When the aging Stalin conducted Soviet foreign policy in full battle dress, Khrushchev and Bulganin were among his toughest lieutenants. But Stalin's rigidities during his last years resulted in strong anti-Communist countermoves by the West. So, in order to weaken Western resistance to the Communist advance, the new Soviet leaders have gone back to the more flexible—and effective—policies that Stalin himself used in the 1930's, while pretending to repudiate Stalin's policies and actually destroying his place in Soviet mythology.

Chalking up Communist gains in India, Indonesia, Afghanistan, and elsewhere, the new Soviet leaders have also largely resolved the domestic problem of Stalin's succession, and they have done so without wrecking the Stalinist system and without an excess of bloodshed and purges. Only one of the original contenders for Stalin's throne, Beria, had to be shot, and only two, Malenkov and Molotov, had to be humiliated publicly.

Although a muted struggle for power in the Soviet hierarchy must continue until all possible opposition to a single dictator has been silenced, for all practical purposes Nikita S. Khrushchev—First Secretary of the Communist Party—is Stalin's successor today.

Despite the talk in Moscow about "collective leadership," the fact is that Khrushchev controls the reins of power. He alone in the Soviet Union today stands above criticism and need not acknowledge past mistakes (all errors can now be blamed on

Stalin and Beria, who are safely dead), even though at least one colossal Khrushchev boner—the enormous program to plow and plant 75 million acres of grain in arid parts of Siberia—proved to be an expensive folly last year.

Khrushchev, like Stalin in the early days, is busy accruing personal prestige and downgrading possible opponents while putting his own followers into positions of power. He does not yet have the enormous prestige that Stalin enjoyed after he led Russia to victory against Hitler. Khrushchev may not have the time to win a comparable position of absolute supremacy—he is over 60, Stalin was well under 50 when control slipped from Lenin's dying hands. Khrushchev, unlike Stalin, has to listen to—even if not heed—the members of his "team" before making decisions. But Khrushchev has the tremendous advantage of Stalin's experience and can therefore avoid the foreign policy blunders of his predecessor while working for absolute dictatorial control.

Khrushchev—unlike Stalin—must take notice of the interests of key groups who control great power levers in the state, particularly the army. The unprecedented elevation of Marshal Zhukov to the top dozen of Soviet rulers is the most vivid proof. Stalin was far too aware of the possibility of a military coup d'etat to give such stature to a military man. Today, the promotion of Zhukov to a high-party post assures solid military support of the regime; also, some of Zhukov's immense popularity, won in wartime, now rubs off on the ruling clique. But Zhukov's promotion puts him too close to the throne for Khrushchev's comfort—if anything goes wrong.

Khrushchev—limited dictator

To sum up: Khrushchev rules Russia today, but only with the advice and consent of his immediate colleagues in the Presidium of the Central Committee of the Communist Party. The members of this body give every evidence of understanding that an out-and-out battle among them could destroy the whole Soviet power position as well as endanger their own lives. There are still rivalries and disagreements, but these are now being subordinated to the task of increasing worldwide Communist power.

Should Khrushchev die, should Soviet foreign policy be forced to suffer a major setback, the quiescent struggle for Stalin's mantle could flare up again, as it did in the spring of 1953. But for the time being, there is stability—a tremendous asset to the Soviet state.

Within Russia: less unrest

One of the great assets of the West after World War II was the restlessness and resentment of the stanchest anti-Communists of all: the people of Russia who live under the boot of totalitarianism. A Western policy of strength kept alive the spark of freedom in the Russian people. That spark may now be going out because of the inertia of the West. Should it expire, the West will have lost its army of allies who live on the enemy's home ground.

Why has this happened? First, at Geneva last summer, whatever the intent of the Western leaders, the impression was given to the whole world, including the people behind the Iron Curtain, that we actually believed in the possibility that the Russian leaders wanted to coexist with us. The people most discouraged by the spurious spirit of Geneva were the anti-Communists behind the Russian curtain.

Second, Stalin's successors have realized that accumulated pressure under a sewer cover can blow the lid sky high. To lessen the pressure under their regime, they have gone part of the way toward meeting some of the basic grievances of the Russian people.

The new leaders have sharply increased peasants' incomes by raising prices paid for farm produce, including grain, livestock products, potatoes, etc. They have increased the supply of food and consumer goods for the population, going so far even as to buy large quantities of meat and butter abroad to make up for deficient home production. They have given greater priority to housing construction. And they have cut the average workweek down to 46 hours, with further reduction promised.

They have curbed the power of the secret police and executed some of the highest police leaders. They have loosened the shackles on the intellectuals so that writers can write somewhat more freely and scientists can communicate more easily with foreign scientists.

They have promised a number of major additional concessions in the next year or two: the end of tuition fees in high schools and colleges, higher pay for the lowest paid workers, higher pensions for the millions of aged pensioners whose government payments now are so completely inadequate that even men and women of 75 and 80 must work to avoid starvation.

The upper ranks of the Soviet bureaucracy have been given a device to permit them to pass on their superior status to their children. This is the system of boarding schools—Soviet Etons and Harrows—which Khrushchev announced will be set up to train the Soviet leaders of tomorrow.

An effort is being made to heal the deep wounds left by Stalin's purges of the 1930's. Many of the victims are to be rehabilitated, and where such rehabilitation is posthumous, suitable recompense will presumably be made to the victims' surviving families. The sickening adulation of Stalin and the most obvious falsification of history are to be ended; at least, that is the promise.

All this adds up to a considerable revolution for a period of 3 years. It has not been accomplished without cost, including a substantial inflationary pressure which is causing Khrushchev great concern. The economic concessions—which still leave the Soviet standard of living and the degree of freedom in the Soviet Union far from satisfactory to its own people—have probably strengthened the regime at home on balance, but they raise the question of whether the population will not demand more. The problem will be particularly acute in the next few years when the Soviet leaders expect to be able to reduce high prices only slowly. A great deal depends on what the West will do to increase the internal pressures against the Red regime. Strong opposition to Soviet moves in Asia and the Middle East would help to reactivate a spirit of resistance inside the Iron Curtain.

Red military strength

Stalin's successors have essentially ended American nuclear monopoly and created what is for all practical purposes a military stalemate. In the past 3 years they have produced powerful hydrogen bombs, and long-distance jet bombers capable of delivering such bombs to American cities. They hint, and possibly not without some justification, that they are ahead of the United States in developing long-range guided and ballistic missiles. These are historic accomplishments. They have fundamentally changed the world balance of power as against what it was when Stalin died in March 1953. In these accomplishments lies much of the explanation for the Soviet leaders' present genuine confidence.

Red diplomacy ascending

Stalin's successors have made deep inroads among the neutral nations of the world. Khrushchev and Bulganin's trip to India, Burma, and Afghanistan raised Soviet prestige greatly in those countries. The swap of Czechoslovakia arms for Egyptian cotton, plus the all-out Kremlin support for the Arab nations in their dispute with Israel, have greatly heightened Soviet influence throughout the strategic and oil-rich Middle East. Pakistan, a key link to the free world chain of alliances in Asia, has been softened up by trade offers from Russia and sweet words from Communist China. Marshal Tito's regime in Yugoslavia, once clearly an ally of the free world because of Stalin's excommunication of Tito, has been nudged out of the Western camp closer to the Soviet bloc. The result of these and similar measures has been that the prestige of the West, particularly the United States, has plummeted in many parts of the world while Moscow's and Peiping's influence has soared.

It is clear even from the brief recital above that we now face a much more dangerous and wily foe than we did in Stalin's last years. His successors, on his passing, took a penetrating look at the legacy he had left. They identified the weak spots in their positions at home and abroad, and took drastic action to revise their policy accordingly. All this has resulted in a new chapter of modern history to which Western policy has not adequately adjusted itself.

THE COMMUNIST PLANS FOR THE FUTURE

At the 20th Communist Party Congress in Moscow in February 1956, Khrushchev and company unveiled their plans for exploiting the new world situation for their own benefit. The long-range Communist strategy is now based on the following premises:

No major nuclear war is likely for the foreseeable future. This is the meaning of Khrushchev's new dictum that there is no "fatal inevitability" of war. Russia intends to keep militarily strong, and its leaders do not exclude the possibility of little wars which might grow into big ones. Soviet leaders now base their plans on the assumption that a military stalemate exists between them and the free world, and that therefore, other weapons—political and economic in the main—must be relied on to attain their goals.

Soviet progress to date

The economic power of the Soviet bloc will grow very rapidly during the foreseeable future, increasing the Communist potential for victory. This rapid growth is already exerting a tremendous magnetic effect upon the underdeveloped countries now searching for quick roads to industrialization. Communist influence will grow in the underdeveloped countries if the Communist nations can show the ability to increase production, raise standards of living, health, and education, and to modernize formerly backward areas. You should know that particular importance is being attached to North Korea where, with great cooperation from other Communist countries, Moscow is trying to create a showplace of economic recovery intended to contrast with inflation-ridden South Korea. Should the plan succeed, it could exercise tremendous influence over all Asia.

The Communist confidence in their ability to grow rapidly in the future is largely based on the beanstalking of the Soviet economy in the past 10 years. Perhaps the most dramatic evidence—though not entirely pertinent to the future—is the record of the Soviet production increase between 1945 and 1955 as shown below:

Commodity	Unit	1945	1955
Coal	Million metric tons.	149.3	390.1
Petroleum	do	19.4	70.7
Electricity	Billion kilowatt-hours.	43.2	170.2
Pig iron	Million metric tons.	8.9	33.3
Steel	do	12.3	45.2
Cotton cloth	Billion meters	1.6	5.9
Leather shoes	Million pairs	64.5	297.4

The expansion shown in this table cannot be sustained since it was the result of very special conditions. It was easier to rebuild war damaged plants after 1945 than it is to build new ones from scratch. The Russians moved billions of dollars worth of machinery and raw materials from Eastern Europe and Manchuria to their own factories. The level of productivity in the early postwar years was so low that it was comparatively easy to raise it rapidly. Yet, even after allowance has been made for such special factors, it is clear that an impressive job of industrial reconstruction and expansion was accomplished in Russia this past decade.

New Russian economic goals

The Soviet leadership fully realizes that their country has tremendous reserves of untapped raw materials, particularly in the area beyond the Urals. In the past few years they have found extensive deposits of iron ore, coal, petroleum, bauxite, rare metals, uranium, and the like. The great rivers of Siberia have an enormous electric power potential. All these vast resources are scheduled to be exploited in the years immediately ahead. The final goal is not only to outproduce the United States but also to turn out more steel, coal, electricity, and the like, per capita, than this country.

Of course, these ambitious goals are set in comparison with present United States output figures. They ignore the further expansion which will inevitably occur in this country. However, even in these terms, the advances which Soviet leaders are seeking are impressive (same units as above):

United States 1955 actual	Commodity	Soviet Russia		
		1955 actual	1960 goal	1965 probable goal [1]
448	Coal	390.1	593	700
332	Petroleum	70.7	135	200
623	Electricity	170.2	320	600
70.9	Pig iron	33.3	53	70
106	Steel	45.2	68.3	90

[1] Research Institute estimates based on Soviet statements.

The essential point of this table is that by 1965 Soviet leaders hope to come very close to the output levels now prevailing in the United States. This means that unless we can maintain an equal rate of expansion the gap between the two economies will have been narrowed significantly within these next 10 years.

Moreover, since the great bulk of Soviet production goes for capital equipment and arms—not for passenger cars and other consumer durable goods—they expect to surpass the United States in machinery output earlier than 1965. So far as armaments go, of course, the maintenance of a high level of preparedness will be far less burdensome on the Soviet economy when and if it produces seventy to ninety million tons of steel, than is true now.

Of course there is no certainty that the Soviet leaders will reach the indicated goals by 1960 and 1965. They are counting on a substantial increase in productivity through the widespread introduction of automation, and on an ability to continue giving heavy industry a higher priority than consumer goods. The odds are that rapid Soviet economic growth will continue.

The Soviet leaders' perspectives go beyond their own country to the Communist bloc as a whole—a bloc which now embraces over one-third of mankind. For the longer pull, Moscow hopes that Communist China will become one of the world's great economic powers. Already the addition to Communist power provided by Eastern Europe and Communist Asia is not negligible, and the Communists intend it shall grow as the following table shows (same units as above):

United States, Britain, France, West Germany 1955 actual	Commodity	Total Soviet bloc 1955 actual[1]	Total Soviet bloc 1960 goal [1]
862.5	Coal	830	1,255
336	Petroleum	85	163
823	Electricity	240	425
160.2	Steel	60	91

[1] Research Institute estimates.

Soviet strategy against the West

The Communist leaders believe that the phenomenal economic progress of the free world, particularly the United States, is nearing its end, and a major capitalist depression is in the offing. Khrushchev ended his analysis of the current state of world capitalism with the declaration that "capitalism is steadily moving towards new economic and social upheavals." If the difficulties they hope for come, the Soviet Union and its allies will know full well how to take advantage of the economic, social, and political disorganization they would produce.

It does not matter that Soviet hopes for a full-scale depression are doomed to disappointment—at least as far as the United States is concerned. Several of the economies of Western Europe continue to show a slower rate of economic progress; even more significant is the fact that they are far more vulnerable to the possibility of recession than is the United States. And Russia is no longer betting blindly on the inevitability of an economic collapse in the West.

Soviet leaders now regret Stalin's earlier adventures—such as the Korean war—which forced the West to rearm. This rearmament, they have now come to believe, is the main reason why the depression has not come about. In part, the Soviet campaign for disarmament now is motivated by the belief that any substantial decline of Western arms production could really mean a collapse of Western economies; at the same time they argue publicly that for them a decline in arms would be helpful in freeing resources for developing their economy.

The result of this caution is that Communist theorists have decided that world capitalism—meaning the United States and Western Europe—has a fatal weakness aside from the possibility of a full-scale depression. This is the United States and Western dependence on imported raw materials from Asia, Africa, and South America. A writer in Pravda recently pointed out that well over half of all the free world's reserves of such vital resources as oil, iron ore, manganese, chrome, tin, diamonds, cobalt, copper, bauxite, uranium, lithium, graphite, natural rubber, and other major raw materials is to be found in the underdeveloped countries. In the Communist view, any tactic which tends to cut the United States and Western Europe off from these raw materials sources strikes at the real foundations of Western strength. Also, the narrower the raw material base available to the Western World the narrower the market for the West's manufactured products and the more intense the rivalries of western countries for the available sources and markets. It is from this reasoning that the current, and so far effective, Communist propaganda and aid campaign has proceeded in the underdeveloped countries.

On the basis of all these factors, Communist leaders now believe that, by using a varied series of tactics, they can conquer world capitalism without exposing themselves unduly to the risk of an all-out nuclear war. With greatly expanded resources at their disposal, the Communists now are ready to play for the long pull as they have never done before, taking temporary disadvantages in stride if that be necessary. Economic, psychological, and political warfare—all closely coordinated—will be stepped up. The objective will be to wreck all western political and military alliances, weaken or destroy political and economic links among free nations, incite wars or near-wars wherever possible, and create Communist or Communist-dominated governments wherever possible.

The targets and pattern of this intensified Communist onslaught on the sources of our strategic raw materials throughout the world are dramatically illustrated in the map which you will find in the centerfold (pp. 6 and 7) of this report.

The new economic war

Economic weapons to be used against us include:

Communist offers of greatly increased trade to countries which drop the embargo on strategic exports to the Communist bloc.

Offers of Soviet aid in industrialization—in the form of technicians, know-how, and capital goods in return for domestic agricultural and raw material surpluses. Available, too, will be Communist loans on easy terms with long repayment periods and interest at 2 percent or less. Atomic energy will spearhead this aspect of the Soviet offensive. Reactors, uranium, and atomic know-how will be offered to every underdeveloped country that will play ball with Moscow. Egypt and Yugoslavia have already accepted such offers.

No country is going to get Soviet aid as charity. Along with the technicians will come the ready crew of agents, spies, and propagandists. Every gift grant will be tied to Soviet strategy. The difference is that the strings on Soviet aid are unobtrusive while the reasons for United States aid are ventilated in the Halls of Congress, in the columns of the press, and in the redtaped chambers of bureaucracy. Moreover, we often don't get legitimate credit for our aid, while local Communists in recipient countries make sure that every incoming Soviet brick sounds like a housing development.

Offers of stable markets in Communist areas at prices guaranteed for long terms to countries having particularly valuable raw materials. This tactic will be particularly attractive to underdeveloped countries now enjoying the high prices of the present boom period, but fearful of a possible bust around the corner.

Where politically desirable, and taking the other extreme, the Communists will be ready to dump other key commodities at prices well below comparable western levels. Cost of production will be ignored in such dumping where the political prize is important enough.

Disorganization of some international markets which is likely to result from American disposal of some agricultural surpluses—cotton almost immediately—will be used by the Communists to cement economic bonds with countries hurt by the American program. The Communist maneuvers with respect to Egyptian cotton and Burmese rice already illustrate these possibilities.

In all this, remember the great Communist advantage: the state has a free hand in disposing of its resources. Neither the necessity of making a profit nor the domestic needs of the people hamper the Kremlin's ability to engage in freewheeling economic warfare. In the past, the Soviet Union promised much, delivered little. But now we can expect fewer token deliveries, fewer empty promises. Instead, there will be genuine offers of long-term aid—with completion of delivery contingent on the continuation of a favorable attitude toward the Soviet Union, thus tying long-term apron strings to the U. S. S. R. Moscow puts such high priority on the political gains it expects to win from these tactics, that it will make delivery even at great cost. But Soviet resources are not

limitless, and the magnitude of what the Communists can do in this direction will grow only as their domestic production increases. Any sharp setback in their domestic economies—such as a major crop failure—would necessarily affect this campaign. But for the time being the outlook is for an indefinite and rapid expansion of this kind of economic warfare—starting, to be sure, from a very low present level of foreign trade and assistance.

The new political war

At the 20th party congress, Khrushchev acknowledged that: "there may be different roads to socialism. Rather than all countries being bound by the Soviet pattern, Moscow now calls for Communist united fronts with all leftists, Socialists, and the like all over the world."

This is not a new line, as some suppose, but the reactivation of one of Lenin's early policies. It was also used effectively by the Stalin regime during the "popular front" period of the late 1930's. For the most part, however, under Stalin even the slightest deviation from his line was denounced and severely punished. Notably, the powerful Socialist parties of Western Europe were denounced as Fascists, agents of the capitalists, etc., and where the Communists seized power in Eastern Europe, Socialists were among the first victims murdered or imprisoned. The result has been that this past decade the Socialist parties of West Europe, except in Italy, have been among the most important anti-Communist bulwarks.

Now Khrushchev has changed the line and is wooing the Socialists, inviting their leaders to Moscow, and loudly asserting that the important thing is the unity of all workers' parties. The immediate chief target is France, where the goal is the formation of a Communist-Socialist government which would take France out of NATO. But ultimately the campaign could have repercussions all over the world, from Japan to England, the Soviets hope, with leftist Socialists and Communists working together in far stronger force than the Communists could attain alone.

Some top Socialist leaders in Europe have already indicated they will not allow the wool to be pulled over their eyes. But there is less understanding of the true nature of communism among the leaders of the new Asian countries, such as India, Burma, and Indonesia, who are primarily socialistic in their orientation. Communist assurances that how a nation becomes Socialist is unimportant can be a potent force in bringing those countries closer to the Soviet Union. Addressing the British workers, the Soviet leaders take the position that past hostility to the Laborites was Beria's crime, and say in effect that Russia wants nothing more than a Labor Britain.

It should be noted that on this issue, the Soviet leaders have pretended to take a leaf from Tito's book. Actually, the policy is Lenin's but Khrushchev knows that countries like India prefer to think it's Tito's, hence this expedient camouflage—made possible by the fact that Tito has been urging such proposals for a year or more.

The new psychological war

The desegregation crisis in the Southern States has given the world Communist movement a giant propaganda handle which it has latched on to with its customary resourcefulness. Every new tension between Negroes and whites in the South is being publicized among the majority of the world's people who are colored. Needless to say, the extraordinary progress made by the Negro in the United States over the last 90 years and particularly in the most recent past, is virtually unknown among the nations being beset by Soviet propaganda. The result has already been a greater and greater hostility to the United States. To a lesser but still significant extent the similar struggle in South Africa is serving the Communist cause. And because the United States is a major buyer of South African uranium, diamonds, and other minerals, this country will be blamed more and more for not exerting economic pressure against the rulers of South Africa. The South African problem is a particularly potent propaganda weapon in India, because Indian natives of South Africa are among the victims of South Africa's policies.

SOVIET PROBLEMS AND WEAKNESSES

The picture painted above is not an encouraging one, but it is offset to some extent by the difficulties faced by the Communist leaders.

1. Soviet agriculture is still very sick. Khrushchev has staked his prestige on being able to just about double Soviet food production by 1960 through his virgin lands wheat program, his corn-hog program and other measures. Most of his program failed last year, but an extraordinarily good harvest in the Ukraine saved the day. He is now gambling that weather in Siberia will permit his virgin lands program to begin producing results this year. Another repetition of last year's drought there, plus a poorer harvest in the Ukraine, could shake even his position. But there is no foreseeable danger of widespread starvation. The Soviet Union has enough bread; what its people want are more meat and dairy products for a better quality diet.

2. Khrushchev's ambitious industrialization program for the next 5 years, plus his aid commitments to China, Eastern Europe, and such countries as India, are likely to strain the Soviet economy greatly. A tremendous capital-construction program must be carried out in the now unpopulated wastes of Siberia to achieve the production goals. Khrushchev is counting on major productivity gains, but he may soon find he cannot do all the things his program calls for and that he will have to cut back on some elements of his economic plans. Traditionally in such a situation the Communists have cut down consumer goods and investment in agriculture. But to do so again would raise serious problems of popular morale as well as throw more fuel on fires of domestic inflation. The pledge to raise low wage rates and low pensions will have to be fulfilled soon and will add appreciably to the gap between consumer demand and available goods.

3. The entire system of wages and salaries must be revised in order to raise work norms and to increase the pressure on workers and executives to do a good job. But any such wholesale revision in the wage and salary structure inevitably means stepping on many toes. Kaganovich has already said the changes must be made slowly, a sure tip-off of the Soviet leaders' fears on the matter.

4. The Chinese Communists have recently socialized their industry and trade and collectivized their agriculture with a speed that is without parallel, and so far with only relatively minor resistance. But as the full implications of this socialization are felt by the people affected, resistance may rise sharply. Peiping's demands on its people are sharpening as industrialization and its capital requirements are speeded up. There could be internal difficulties in China which would cause Peiping to turn to Moscow for more help—appeals that might well come at a time when Moscow's own resources are strained. As the Chinese hear about Soviet offers of assistance all over the world, some of them at least must wonder why there isn't more generous aid for China.

5. One weakness, not to be discounted, is the Kremlin's adherence to Communist dogma. For instance, after the 20th party congress, Khrushchev announced his intention of proceeding with the abolition of personal farm plots, even though these have proved to be much more productive per acre than the collective farms.

Here, realism is being ditched for dogma, a step which must be chalked up as a weakness of the system.

THE CHALLENGES TO THE UNITED STATES

On balance, it's difficult to be encouraging about the foreseeable future, even when the weaknesses of the Communist world are taken into account. However, the free world's great assets of wealth and freedom are still as important as ever. If they have recently been less effective than in the past, it is because our policy has not used our assets as ruthlessly, cleverly, and with the same willingness to sacrifice as the Communists have used theirs. To a large extent, the outcome will depend on the kind of policy Washington and its allies formulate in response to a whole range of sharpened challenges from the Kremlin.

1. Who will win the educational race? The Russians expect to overtake our economic superiority by producing more engineers, technicians, and scientists. This manpower challenge is already near the point of crisis. With a current shortage of engineers, we find fewer high schools teaching mathematics, physics, and so forth, so that fewer graduates are eligible for scientific study in the colleges. The vicious cycle finds fewer teachers available because the qualified men have found it more profitable to spend their time in industry.

The Russians, on the other hand, are concentrating their state-controlled educational system on producing technicians, to the neglect of other studies. The importance of their lead is sometimes exaggerated. Too many Russian technicians spend their time at paper work, and thus largely waste their training. Also, Russian technicians tend to overspecialize, thus making themselves obsolete when retooling and conversion are required. Nevertheless, Russian gains in the training of technicians make our own deficiencies seem appalling. In the immediate future, American businessmen will be asked by Washington to reverse the tide by releasing some of their best brains to instruct a new generation of scientists and technicians.

2. Who will win the economic race? We must resist the temptation to scoff at Russian hopes that their production will ever outstrip ours. There are clear warnings, both in the past and in the present:

The Russian hopes for a collapse of the United States economy are doomed to be disappointed. And yet, even a series of recessions, slowing down our growth, could be an invaluable aid to the Soviets during these next 10 years. The extent to which Communist plans have been realized in recent years definitely means that they can count on further sharp advances.

It may never become necessary for the Russians to fully match United States economic strength. The moment of historic peril will actually come much sooner: if and when the Russian workers' standard of living can be raised above that of the French and Italian working class. Our task really is to prevent even that much of a narrowing of the gap between the West and the Soviets.

Historically, the main challenge may well be whether or not we can continue to expand our own economy and those of our Western allies, maintain the well-being of business, provide new jobs for a growing population, increase investments for new industries and raise purchasing power to absorb more consumer goods.

3. Foreign trade and investment. We are already engaged in competition for trade ties with other countries. Foreign aid giveaways are not a sufficient answer to this challenge. Postwar gifts aimed at emergency stabilization did their job in preventing Communist capture of depressed and disillusioned countries. But for the long

haul, the pattern will have to be "trade not aid."

Here the challenge is who can offer the best terms, who can absorb more of the products that the underdeveloped countries want to sell—the state economy of Russia or the free economy of the West?

The Russians are free to use their maneuverability as a world weapon. Part of our problem is that domestic investment may well be more profitable and involve less risk during the critical years than investment in the underdeveloped areas. Look for increased Washington action along the lines of point 4 to meet the challenge of Russian bids. Also expect some increased Government regulation aimed at restraining American businessmen from competing with the economic interests of countries we are wooing, especially in the Middle East and Asia. Current legal requirements like the Buy-American Act and provisions for shipping foreign-aid goods in American bottoms may go by the board. In general, disparities between private business practices and the policies of the State Department will come in for a strong scrutiny—and this will be true regardless of which political party is in power.

4. Can Russia choke us off from vital raw materials? Clearer recognition of this Soviet policy (as pictured on the map in the center fold of this report) will bring a variety of responses from the United States. More attention will be given to stockpiling and to the development of substitute materials. But the main test will continue to be whether Americans are sufficiently adept at the international game to keep our lifelines open in the face of a 5-fold pincer action by the Russians:

Guerrilla warfare, as in the jungles of Malaya, whose tin and rubber we need.

Bribery, with gold or guns, as in the Middle East where oil is the prize.

Support of nationalist aspirations, as in North Africa, whose territory provides important military bases or impinges on commercial lanes for the West.

Endorsement of territorial claims—for example, to Kashmir and Goa, in the case of India which is the source of most of our manganese.

Political penetration through neutralism or popular front governments—techniques that have been cultivated in France, Italy, Indonesia, Ceylon, etc.

5. The need for domestic unity. The Russians are not abandoning any of their old weapons merely because they have devised new ones. They will continue to use the fifth column tactics of espionage and infiltration into Government agencies, unions, political parties, church groups, fraternal organizations, etc. The popular front tactic that proved so successful in the thirties has been dusted off again. Inside the United States, the Communists will seek every opportunity to enlarge and exploit new internal tensions like those in the South over integration. Part of the new challenge is whether or not our domestic disputes can be resolved quickly and with a minimum of violence.

6. Who will win the psychological war? The Kremlin's effort now is to identify Russians as blood-brothers of the Asians. They are utilizing history effectively—identifying the West with colonialism; reminding Asians that Russia only recently emerged from the status of an underdeveloped nation herself; stressing the United States exclusion of immigration under the McCarran Act, etc. These are keyed to immediate pressures felt by the Asians.

We have valid and persuasive answers. And yet, we have labored under a real handicap, and continue to do so. Washington's psychological warfare has emphasized appeals that are valued in our culture—freedom, respect for the individual, self-government, competition. All of these have—or will some day have—appeal. But we must adapt to the fact that the ambitions and needs of the people we are appealing to today are more basic and urgent. They are of necessity material. And, conditioned by centuries of authoritarian regimes, most of these underdeveloped nations cannot yet be expected to respond to the ideological appeal of Western democracies over the authoritarian call of the Russians. Ignorance abroad is a major Soviet asset, which they compound with their propaganda. As an illustration, India's first public opinion poll in West Bengal showed 31 percent thinking the United States was "willfully preparing for war" and only 2 percent thinking the Soviet was preparing.

7. Is time on the Kremlin's side? The Russians have reason to believe that the longer the current situation lasts, the more tempted people in many countries will be to accommodate themselves to a pattern that favors the Soviet. This trend has already started in Asia. Cambodia has broken her ties with the United States on the assumption that Red China's star is ascending. Great Britain has written off Formosa on the assumption that Chiang Kai-shek can't win. Even Pakistan, which the United States has helped at the price of increased Indian hostility, is interested in deals with Russia. Trade paves the way to political accommodation. Unless we can counter this trend, the danger is that our allies will drift into neutralism, and the neutrals will drift into a pro-Soviet orientation.

Washington and the free world are not without resources to oppose these challenges successfully. We're still far out front as an economic power; we have no designs on the well-being of other nations; we do not seek to impose our ideology on Asians.

These assets have not yet been brought to bear effectively in the war of resistance to Communist domination. Internal political considerations, party and regional interests, particular industry needs, have so far prevented a consistent national policy. Whether we can close ranks and intensify our resistance on a more organized basis is the fundamental challenge of our time, it is now clear.

8. Can the United States take the lead? The basis for a potentially powerful counteroffensive is sketched out in Bertram D. Wolfe's Six Keys to the Soviet System, published this month. Wolfe points out that we, not the Communists, are today the advocates of agrarian reform. We, not they, are the advocates of a genuine peace, with disarmament under full safeguards and controls. We, not they, are the champions of the rights and freedom of the worker—freedom to move, to change jobs, to organize, to assemble, to elect and control his own officials, to strike. It is we, not they, who support the most powerful loyalty in the modern world—nationalism—and who are the advocates of self-determination. "In short," says Wolfe, "the main weapons that the Bolsheviks thought they could use in the early days against the rest of the world—nationalism, labor rights, agrarian reform, abolition of poverty, an economy of abundance, anti-imperialism—are now in our hands."

It is up to us to use them.

LEASING OF INDIAN LANDS

Mr. GOLDWATER. Mr. President, last year Congress in its wisdom passed legislation allowing the Indian tribes of my State and other States to engage in 25-year leases. After nearly a year the regulations governing the issuing of these leases have been formulated by the Interior Department and tomorrow will appear in the Federal Register, and shortly thereafter will be available to all people who are interested. This step opens a broad new vista for the Indian, whose lands formerly have been restricted to his own use—a use which in many cases could not be utilized by the Indian. Now when the land is leased to another Indian or to a white man it will produce revenue for the tribal fund. Congress, in its constant efforts to make better the lives of our Indian brothers, can well feel proud of this accomplishment, and I know that as the years roll by and the lease moneys roll into the coffers of the Indian funds, the Indians, too, will thank us for our action of last year.

I ask unanimous consent that there be printed in the Record at this point an article published in the Arizona Republic of Sunday, April 15, 1956.

There being no objection, the article was ordered to be printed in the Record, as follows:

Twenty-five-Year Leases Put Indians in Spot To Bid for Capital—Millions Possible in State

(By Gig Kneeland)

Vast free-enterprise developments on the Nation's 53 million acres of Indian lands are forecast as the result of new leasing regulations just announced by the Federal Government.

Agricultural and recreational improvements in Arizona alone could amount to many millions of dollars, it is believed.

Frederick M. Haverland, director of the Phoenix area Indian Office which supervises all reservations in Arizona, Utah, and Nevada except the Navaho, said first development under the long-term leasing law might be on the Colorado River Reservation near Parker.

Haverland's office is the Government's directing agency for some 8,700,000 acres of reservation lands in this State.

The huge Navaho Reservation, mostly in Arizona, but including parts of New Mexico and Utah, is under jurisdiction of the Gallup, N. Mex., area office.

The new leasing regulations, which put into effect an act of Congress approved last August, provide that some Indian lands may be leased for up to 25 years, with provision for a 25-year renewal.

The lease term-limit had been 5 years.

In all cases, approval of the tribal governments is required.

Under the new regulations, the long-term leases are available for business, recreational, and agricultural development.

Haverland said this could result in placing some 60,000 acres of river-bottom land under cultivation in the Colorado River Indian Reservation near Parker.

He also said it could mean the construction of lodges, boat landings, and other recreational facilities along the river, with the Indians getting the benefit of this long-range development.

Haverland said also that it could mean construction of feeder pens, and other developments on this State's reservation lands.

The Fort Apache Reservation, with headquarters at Whiteriver, already has developed some of its recreational areas as a tribal enterprise. The new regulations will permit the tribe to offer the long-term leases to non-Indians.

It also makes possible venture money in construction of motels and lodges on the San Carlos Apache Reservation.

Secretary of Interior Douglas McKay, in announcing the new regulations, said that the former 5-year limitation on leases had retarded development of the reservation areas.

"For many years," he said, "there has been little or no interest in leasing Indian lands for business, recreational, or other purposes that involved substantial investments which could be amortized only over a comparatively long period.

"As a result many Indian land owners have been deprived of valuable rental income from properties that are well situated for long-term leasing."

Duration of nonagricultural leases will be determined in each case by the money invested and the requirements for amortization, but agricultural leases are for 10 years except in special cases where the Interior Department may approve those up to 25 years.

THE VICIOUS PHYSICAL ATTACK ON VICTOR RIESEL

Mr. GOLDWATER. Mr. President, a courageous man lies in a hospital in New York, not knowing this day whether tomorrow will bring darkness or light. Pain is his reward for courage. But courage has many rewards, and while the moment of pain and doubt may be his medallion of bravery, the gratitude and admiration of millions of people will be his permanent recognition. I refer to Victor Riesel, whose fearless attempts to call to the attention of the public the racketeering practices of certain labor unions resulted in his being subjected to an attack with acid.

Mr. President, this attack represents a challenge to the new labor merger. Will this style of reprisal be allowed to go unchallenged and to continue within the framework of the unions, or will the leaders of that movement pay heed to the dangers which are incident to such attacks?

The American people have been awakened by this event. They rightfully ask the leaders of labor to place a check on the irresponsibility that allowed this attack to happen.

If the union leaders are not diligent in their duties in this respect, it can but bring disfavor on their other efforts. I am hopeful that investigation will bring to light those responsibile for the attack on Mr. Riesel.

Mr. President, I ask unanimous consent that there be printed in the Record at this point in my remarks several newspaper editorials concerning the attack on Mr. Riesel, and several articles which have been written by Mr. Riesel's staff, in carrying on the courageous work he started.

There being no objection, the editorials and articles were ordered to be printed in the Record, as follows:

[From the New York Daily News]

Get This Rat

The cowardly acid-throwing attack early yesterday morning on labor columnist Victor Riesel occurred about 2 hours after he had broadcast a radio discussion of labor racketeering on Long Island.

Riesel also has been working with United States Attorney Paul W. Williams in his probe into rackets in various industries.

These circumstances of course do not prove that the acid-throwing was procured or inspired by some labor leader(s) who didn't like what Riesel was dishing.

The circumstances of the attack do indicate that it will be to the vital public-relations interest of every labor leader hereabout to cooperate to the hilt with the police, the FBI, the Manhattan and Federal prosecutors, and every other law-enforcement agency concerned in tracking down the guilty thug—and whoever sent him.

[From the New York Times]

Street Attack

The cowardly and vicious acid-throwing attack yesterday on Victor Riesel a well-known commentator on labor affairs, should bring the complacent citizens of this metropolis up with a start. An outrage like this, perpetrated on the street in the very heart of the city, is gangsterism that cannot and will not be tolerated.

The thug who sidled up to Mr. Riesel and doused his face with a chemical that may cost him his sight was committing an assault not only on a law-abiding citizen but also on the free press of this city and on free labor as well. We do not know what the actual motive was for this barbaric act; but it will certainly be widely interpreted as reprisal both for what Mr. Riesel has said and written about racketeering in certain labor unions and for whatever assistance he gave or was about to give to the United States attorney in the current grand jury investigation into labor rackets. A broadcast he had made just prior to the attack dealt with racketeering in a notorious Long Island building construction union.

The search for the criminal who made the attack and for the person or persons who were behind him must be pursued with tireless diligence by the law enforcement agencies concerned. It must also have the wholehearted support of every honest labor union official; for in the last analysis the greatest damage done by an incident like this is to the good name of labor and to the cause of decent unionism.

[From the New York Herald Tribune of April 6, 1956]

Outrage by the Underworld

The dastardly attack on Victor Riesel was a horrible thing. A civilized community composed overwhelmingly of decent, law-abiding citizens has been outraged. For what has happened here? Mr. Riesel, a newspaper columnist with a distinguished record of fighting crooks and criminals in the labor movement, was the victim of a bottle of acid flung in his face. He had just participated in a radio program which dealt forthrightly with the Union of Operating Engineers, the outfit that has been directed by such time-serving extortionists as Joey Fay and Bill DeKoning, Sr. He had been cooperating with the Federal investigation of racketeering in the garment, trucking and food industries.

It is barely possible, of course, that the acid assault which may well leave Mr. Riesel blind for life had nothing to do with such matters. But we don't believe it. United States Attorney Paul W. Williams says this was "an out-and-out threat and a black effort to intimidate witnesses." It is, then, a parallel to the recent unsuccessful attempt to exterminate Louis Saperstein, the key figure in a big union welfare-fund racket who was giving District Attorney Frank S. Hogan valuable assistance. In short, this is the voice of the underworld serving notice that the racket octopus does not wish to be disturbed in its profitable and parasitical attentions to trade unionism.

As every newspaper reader must be aware, the local air has been thick with charges and counter-charges, court actions, prosecutors' warnings and investigations, all having to do with the central subject of power politics and a considerable degree of criminal infringement on the integrity of organized labor. One way or another there must be a housecleaning—from without or within, or both. The waterfront has long been a prime example of criminal infestation, and now, as District Attorney Hogan has already pointed out, the underworld is making a determined effort to seize control of the Joint Council of Teamsters and thereby take the trucking industry as a hunting ground for tribute to the rackets.

The Riesel outrage, as we see it, states the challenge to law and order in the most direct terms. Mr. Riesel has the sympathy of everyone; the perpetrator of this shocking crime must be brought to justice. But, even more important, this deed is a challenge to all New York which demands to be acted upon with all possible force of legal and moral indignation. Let it be understood that this community will not tolerate rule by racketeers.

Inside Labor

(By Victor Riesel)

(Editor's Note.—This column is being written by Victor Riesel's staff after a dramatic bedside conference almost immediately after the injured columnist recovered from heavy sedation administered to ease the pain of the acid burns on his face and eyes.)

Victor Riesel, face scarred by acid burns, eyes puffed and painful, awoke from a merciful drugged sleep only an hour ago. His first coherent conversation was with his two staff members who have been at his bedside from the moment they were first notified of the sneak attack which may cost Riesel his sight.

The measure of this brave newspaperman is in the words he first spoke. "How are Bill Wilkens and Pete Batalias (the two leaders of the reform group fighting against labor czar Bill DeKoning of the Operating Engineers Union)—are they O. K.? Did anything happen to them? Tell them to take care."

His first thought, in his first moment of rational consciousness, was for the safety of these two working Joes whose fight for decency he supported so brilliantly in his columns for the past year.

His next words were the measure of a newsman's newsman. "Don't stop the column now. We'll discuss it each day when I'm awake. Then you two write it. Don't stop it and don't use guest columns. I can't see now, but I can still talk."

Typed or dictated, the exposures of corruption and indecency will go on. Previous columns by Riesel have been called in by several law enforcement agencies. They are being read carefully to see what Riesel may have written to provoke the acid attack. For there is general agreement now that his hard-hitting exposés were coming too close to home for comfort for certain elements.

At least three law enforcement agencies have called for all of the columns written by Victor Riesel in the last year. Their experts are poring over the many exposures contained in them—paying particular attention to situations and names pinpointed in the past 6 months.

A spokesman for one of these law groups told Riesel's staff that "We are pretty much convinced that the attack had to stem from something relatively recent that the column exposed." This same official pointed out that if the assault related to something written longer back it would have happened sooner. In addition to the columns, the texts of Riesel's recent broadcasts, in which he swung heavily at racketeering, in general, and racketeering inside labor, in particular, were also under close scrutiny for possible clues.

There is no question in the minds either of Riesel's staff members or the many law enforcement officials to whom they have spoken that the brutal attack is linked to some phase of labor racketeering laid bare by Riesel. Most of these officials have also ruled out speculation that the attack was the work of some "crank" or "amateur" working on his own.

They point out that Riesel and his escorts were carefully followed from the scene of the broadcast to the site of the actual attack. His car was carefully noted. The assailant was spotted at the precise point where the car was parked. And the acid tosser had been briefed to recognize Riesel on sight.

The preparation of the acid was a professional job, too. Most amateurs use lye or some lye solution. More often than not they toss it from the original can. This solution was highly concentrated sulfuric acid carefully carried in a special jar with a wide, open mouth. That the acid was tossed directly into Riesel's eyes in a practiced upward motion is also the mark of the "pro," they added.

Many of the columns under close scrutiny discuss mob activities with national ramifications. Others deal with lush underworld operations centered primarily in the New York area. All involve men with long police records or with associates who are known criminals.

Nor are the law agencies overlooking some of the hard-hitting columns that exposed recent Communist directives to its cadres across the country. Or the exposures of the cooperation between pro-Soviet agents and underworld representatives on the New York waterfront.

One Federal official told Riesel's staff that everyone found to be involved in any way with the activities exposed by Riesel or connected with persons involved will be carefully investigated and/or questioned. Special attention will be paid to "alibis" for the time of the attack on Riesel.

Among the columns under scrutiny, this official indicated, are those dealing with the garment and trucking rackets, waterfront and narcotics rackets, Communist activities, CP-mob tieups, perishable food industry extortion, sale of charters, sale of members of one union hood to another for a fee and terrorization of small-business men whose employees are primarily Puerto Rican.

Somewhere in these fighting columns, they believe, lies the significant clue to those behind the attack on Riesel. Who are they? Only time, wide publicity, and effective police work will tell.

Inside Labor

(By Victor Riesel)

(Editor's Note.—This column was written by Victor Riesel's staff after a bedside conference with the stricken columnist in St. Clare's Hospital.)

Skilled investigators busily checking recent columns by Victor Riesel in a search for leads to the assailant who hurled sulfuric acid into his face admitted to his staff Sunday that "we were amazed at his courage in tackling some of the situations he uncovered and appalled at the number of persons or groups who might have real desire to put him out of business."

One prober added that they were convinced that the attack, aside from attempting to halt Riesel's exposures, was aimed at so horrifying and terrifying potential witnesses before the newly empaneled grand juries digging into rackets, that the prosecutors would be unable to win convictions and might not even be able to get enough evidence for indictments.

A veteran law officer told Riesel's staff that "a beating might have scared off a few. A shooting might have scared some. But the effect of such attacks would have worn off before too long and some witnesses would still come forth. But the horror of acid in the eyes has such a permanent frightening effect that the probes may collapse."

In a column that appeared just three days before the attack, Riesel had pinpointed the nature of extortion devices in many fields, including the garment industry. He mentioned one of the devices used when an employer balked at payoffs was to sprinkle valuable shipments of clothes with acid. Grimly enough the acid throwers in the garment field specialized in the use of sulfuric acid, the same kind used in the attempt to blind Riesel.

The day after that column appeared there was widespread reaction among the men deep in garment center crime circles. An intimate of an ex-con, described as the common denominator in a score of rackets, was overheard cursing Riesel.

He is quoted as heatedly shouting to a group around him, "Did you see what that ______ Riesel is trying to do to the garment center?"

But the easy-money boys in the garment and trucking fields are not the only ones who had cause to hate and fear Riesel.

Only last week, for the first time anywhere, Riesel exposed the shakedown techniques of racket unions in New York which concentrate on small businesses in the New York City and Long Island areas. Riesel disclosed:

"The biggest shot in the arm to smaller hoods has been the influx of non-English-speaking Puerto Ricans into big eastern cities. These poor workers rarely know what is happening because of language difficulties and because they're understandably frightened of the new land and its processes.

"They are literally bought and sold.

"The boss is forced by local unions, many of them phony, to pay dues and initiation fees for the Puerto Ricans. This money is taken out of their wages. No meetings are called. No union really exists. The boys pocket most of the money just because they happen to own a charter."

A rundown of at least 10 of such racket unions described by Riesel reveals that many of their officials have long police records for crimes ranging from larceny to assault to bookmaking to narcotics raps to attempted murder. Many of them are punks who got their sleazy start in the older gangs that infested the food and garment industries and specialized, among other thingr, in hurling acid on dresses, meats, and other commodities if not persons.

With the stakes that high, with the principals involved born and steeped in the crudest techniques of violence, many anticrime experts have told Riesel's staff that they believe the fiendish attack on him might well have originated in this area. Especially since the boys, emboldened by the size of the take in this area, were discussing seriously the establishment of branch offices with their comrades in crime in other large cities with heavy populations of non-English-speaking workers.

Why the concentration on Riesel's columns? Obviously because the authorities are convinced the attack stems from the mobs. Proof of this is seen in the fact that Manhattan's District Attorney Hogan assigned the case to his rackets bureau instead of one of the other departments in his office.

Inside Labor

(By Victor Riesel)

(Editor's Note.—This column is being written by Victor Riesel's staff after a conference at his bedside in St. Clare's Hospital.)

We have just left Vic Riesel's bedside. He is in excellent spirits. He joked with us. He had a million ideas about the column. His outlook and his courage are tremendous.

But we're glad he had the patches over his eyes, for we'd rather he couldn't see us sitting there next to him with tears streaming down our cheeks.

We cried at the bravery he is displaying. We cried because he was concerned about our morale and was cheering us up.

And we cried, for, even as he talked, we sat hypnotized by the horrible acid burns that cover his face—the face which, under normal circumstances at this time of the day, he'd be stroking with his electric razor. For Vic Riesel is always on the go and invariably he races for the office in the morning without stopping to shave.

And each day, just about the time we sat with him, he plugs in his battered razor and gives himself the "once-over" while we kick around the column for the day.

Vic's face is a mass of ugly burns and red welts. His forehead is covered. Both sides of his face are burned. His lips are seared and talking is tough for him. Even the side of his nose and the inner parts of his nostrils are etched with the acid splashed across his face.

Even yet he is in pain. We know that. But some casual observer would never guess it, for not a word of complaint passes his lips.

Vic is still very concerned about the safety of Pete Batalias and Bill Wilkens, the leaders of the fight against William DeKoning, Jr., of the Operating Engineers Union. He urged us to make sure that they and their families are protected.

What he didn't know—and we didn't tell him for fear it would upset him too much—was that these two ex-GI's, now in Chicago for the union's convention, were again threatened on Monday and warned to "stay away from Riesel and the other papers, if you want to leave town alive."

Another threat warned them to "pack your bags and get out of town quick. You had a family when you left home. Get out of here fast if you want one when you get back."

If we had told him of these latest threats against these two brave boys we would not have been able to restrain him from at least getting on the phone to contact the authorities and demand immediate action.

For, sick as he is, uncertain as his future sight is at the moment, Vic is full of fight.

In less than 10 minutes of talk he outlined a series of columns he thought we ought to do in the week ahead. He was able to toss at us, with amazing accuracy, the essence of a raft of memos we had compiled about the situations he wanted us to handle in the columns.

We've been with him a long time but even we were just amazed at his vitality in the face of pain and his eagnerness to get back into the swing of things again—to pick up where he left off before the sneak attack on him.

We hesitated to ask him how he felt. We were frankly afraid to raise the delicate question of whether he was in pain. Characteristically, he solved the problem for us. He began to tell us how it felt.

"When this punk first threw the acid on me," he said, "I thought he had tossed a glass of water at me. There was no immediate sensation except wetness. It took perhaps 2 or 3 minutes for me to realize, when the stinging sensations began that it might have been acid.

"Even then the full horror of it didn't quite sink in for perhaps another minute or two. And then it hit me like a ton of bricks. I guess I conked out although I was conscious. I knew what was happening around me. I heard myself talking and knew I was talking but if you ask me now what I said, I couldn't tell you for sure. They tell me I made certain statements. Maybe so. But I don't remember them. I was in a numbed shock. All I could think of was my eyes.

"I think I called out Evelyn's name (his wife) and the kids' names. I'm not sure. I do know that I was thinking to myself 'what will happen to them if I do go blind?' and then everything is a real blur until early Friday morning.

"Now I lie here and thank God that at least so far I can see faces and recognize them. Maybe that means I'll keep my sight. I don't know. I like to think so. I'd be kidding you and myself if I said that the prospect doesn't frighten me. But whether I see fully again—or at all—I'll go back to the column, and if they think they had cause to blind me before now, they'll have a dozen more reasons to kill me when I get back to the column."

When he finished, we left—still crying. This much we knew—Inside Labor always covered the biggest labor stories of the day. And we're doing just that now, for the biggest labor story of the day is that brave little guy, racked with pain on his hospital bed—Vic Riesel.

Announcement

The Hall Syndicate and the New York Mirror are offering a $10,000 reward for information leading to the arrest and conviction of the acid throwing assailant who attacked labor columnist Victor Riesel early this morning (April 5).

The announcement was made by Charles B. McCabe, publisher of the Mirror, and Robert M. Hall, president of the Hall Syndicate, which distributes Riesel's column.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DESIGNATION OF LOCK AND DAM NO. 17 ON THE BLACK WARRIOR RIVER, ALA., AS THE JOHN HOLLIS BANKHEAD LOCK AND DAM

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1749, Senate bill 2424.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2424) to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill.

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to designate lock and dam No. 17 on the Black Warrior River, Alabama, as the John Hollis Bankhead lock and dam, in honor of our late beloved colleague, Senator Bankhead.

The site of lock and dam No. 17 is on the Black Warrior River 379 miles upstream from Mobile, Ala. It was authorized in 1907, and opened to traffic in 1915. The lock has a double lift, the total lift being 72 feet.

It is fitting and proper that this lock and dam bear the name of John Hollis Bankhead lock and dam in honor of the great statesman from Alabama who so ably served his State and the Nation in the United States Senate from 1931 to 1946.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in honor of the late Senator John Hollis Bankhead, and in recognition of his outstanding service in securing the improvement of the Black Warrior River, Ala., lock and dam No. 17 on such river shall hereafter be known and designated as the John Hollis Bankhead lock and dam, and shall be dedicated to his memory as a monument to his distinguished public service. Any law, regulation, document, or record of the United States in which such lock and dam is designated or referred to as lock and dam No. 17 shall be held and considered to refer to such lock and dam under and by the name of the John Hollis Bankhead lock and dam.

TOLLS ON THE MANETTE BRIDGE IN BREMERTON, WASH.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1750, Senate bill 2712.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2712) to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment on page 2, line 20, after the word "the", to strike out "Manette Bridge" and insert "bridges", so as to make the bill read:

Be it enacted, etc., That, notwithstanding any provision to the contrary contained in the act entitled "An act granting the consent of Congress to W. E. Buell, of Seattle, Wash., to construct a bridge across Port Washington Narrows within the city of Bremerton in the State of Washington," approved June 14, 1926 (44 Stat. 744), authority is hereby granted to the Washington Toll Bridge Authority as an agency of the State of Washington to fix and charge tolls over the bridge constructed pursuant to such act (hereinafter referred to as the "Manette Bridge").

Sec. 2. The rates of the tolls authorized by the first section of this act shall be so adjusted that the amounts collected from the tolls on the Manette Bridge together with the amounts collected from the tolls imposed on not more than one additional bridge hereafter to be constructed by such Authority adjacent to the Manette Bridge and across Port Washington Narrows from within the city of Bremerton, Wash., will provide (a) a fund sufficient to pay the cost of the maintenance and operation of both such bridges, and (b) a sinking fund sufficient to amortize the cost of reconstructing and improving the Manette Bridge and of constructing such additional bridge and the approaches thereto, including interest and financing costs, within a period of not more than 30 years after the date such reconstruction, or construction and improvement is commenced, whichever first occurs. After there has been collected from such tolls an amount sufficient to provide such funds, the bridges shall be maintained and operated free of tolls.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I desire to have printed in the Record immediately preceding the passage of the bill the statement of purpose of the proposed legislation.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The purpose of S. 2712 is to authorize the Washington Toll Bridge Authority, as an agency of the State of Washington, to fix and charge tolls on the existing Manette Bridge across Port Washington Narrows at Bremerton, Wash., notwithstanding any provision to the contrary contained in the act of June 14, 1926 (44 Stat. 744). Tolls would be collected on the Manette Bridge, and not more than one additional bridge hereafter to be constructed by such authority adjacent to the Manette Bridge, to provide a fund sufficient to pay the cost of the maintenance and operation of both such bridges, and provide a sinking fund sufficient to amortize the cost of reconstructing and improving the Manette Bridge and of constructing such additional bridge and the approaches thereto, including interest and financing costs, within a period of not more than 30 years after such reconstruction or construction and improvement is commenced. After amortization, both bridges would be maintained and operated free of tolls.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECONSTRUCTION, ETC., OF MISSISSIPPI RIVER BRIDGE AT OR NEAR ROCK ISLAND, ILL.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1751, Senate bill 2091.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Chief Clerk. A bill (S. 2091) authorizing reconstruction, enlargement, and extension of a bridge across the Mississippi River at or near Rock Island, Ill.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments on page 2, line 15, after the word "bridge", to insert a colon and "*Provided*, That such approaches shall include only those necessary portions of streets, avenues, and boulevards which are directly connected with the bridge, or which are located immediately adjacent thereto, and whose principal use is to provide access to the bridge"; and on page 3, at the beginning of line 17, to insert "free of tolls", so as to make the bill read:

Be it enacted, etc., That the first section of the act entitled "An act authorizing the city of Rock Island, Ill., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Ill., and to a place at or near the city of Davenport, Iowa," approved March 18, 1938, is amended by inserting "(a)" immediately after "That" and by adding at the end thereof the following new subsection:

"(b) The city of Rock Island, Ill., or any State or political subdivision thereof which may have acquired the bridge constructed pursuant to the subsection (a) of this section, is hereby authorized, subject to the prior approval of the plans by the Chief of Engineers and the Secretary of the Army, to reconstruct and enlarge such bridge and to reconstruct, enlarge, and extend the approaches to such bridge, including, but not limiting the generality of the foregoing, the altering, widening, laying out, opening, or constructing of any streets, avenues, or boulevards within or without any municipality deemed necessary by said city, or any State, public agency, or political subdivision that may take over or acquire said bridge in order to provide adequate traffic regulations and approach or approaches to the said bridge: *Provided*, That such approaches shall include only those necessary portions of streets, avenues, and boulevards which are directly connected with the bridge, or which are located immediately adjacent thereto, and whose principal use is to provide access to the bridge."

Sec. 2. Section 2 of such act of March 18, 1938, is amended by inserting "(including reconstructing, enlarging, and extending such bridge and its approaches)" after "and its approaches."

Sec. 3. Section 4 of such act of March 18, 1938, is amended to read as follows:

"Sec. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches (including the reasonable cost of reconstructing, enlarging, and extending such bridge and its approaches) under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 30 years from the completion of the reconstruction, enlargement, and extension of such bridge and its approaches as provided in subsection (b) of the first section of this act. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls in accordance with such arrangement as may be agreed upon by the city of Rock Island, Ill., or its assigns, and the State highway departments or other appropriate agencies of the States of Iowa and Illinois. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; the expenditures for reconstructing, enlarging, and extending the same; and all of the daily tolls collected shall be available for the information of all persons interested."

The amendments were agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the Record at this point a statement of the purpose of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The purpose of S. 2091 is to amend the act approved March 18, 1938 (52 Stat. 110), which authorized the city of Rock Island, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, by authorizing the reconstruction, enlargement, and extension of said bridge and its approaches, including the altering, widening, laying out, opening, or construction of streets to provide adequate approaches to the bridge; to provide for adjustment or tolls to cover the cost of such reconstruction work within a period of not to exceed 30 years from the date of its completion; and upon amortization of the proposed improvements to maintain and operate the bridge free of tolls.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE BETWEEN FORT LEAVENWORTH MILITARY RESERVATION IN KANSAS AND PLATTE COUNTY, MO.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1752, Senate bill 2092.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2092) transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth Military Reservation in Kansas, and Platte County, Mo., and authorizing its removal.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments on page 2, line 6, after the word "bridge", to strike out "if and when" and insert "as"; and in line 9, after the word "the", where it appears the second time, to insert "Government-owned", so as to make the bill read:

Be it enacted, etc., That the Attorney General is hereby authorized and directed to transfer back to the jurisdiction of the Department of the Army the bridge across the Missouri River at Fort Leavenworth, Kans., connecting the military reservation with the lands belonging to the Department of Justice in Platte County, Mo.

Sec. 2. The provisions in the Second Deficiency Act of 1924 (43 Stat. 687) requiring that said bridge shall be open to use by the public under such rules and regulations as may be prescribed by the Attorney General is hereby repealed.

Sec. 3. The Department of the Army is authorized to remove the said bridge as it constitutes an unreasonable obstruction to navigation and such appropriation is hereby authorized as may be necessary for its removal and the relocation of the Government-owned utilities now carried by said bridge serving the lands belonging to the Department of Justice in Platte County, Mo.

The amendments were agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the Record at this point a statement of the purpose of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The purpose of this bill is to authorize the Attorney General of the United States to transfer back to the Department of the Army jurisdiction over the existing bridge across the Missouri River at Fort Leavenworth, Kans., which connects the military reservation with lands of the Department of Justice; repeal a proviso of the Second Deficiency Act of 1924 (43 Stat. 687), requiring the bridge to be open to public use; and to authorize the Secretary of the Army to remove said bridge and relocate Government-owned utilities now carried by the bridge, including authorization of appropriation of necessary funds for such work.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REVISIONS IN THE GENERAL AUTHORIZATION FOR SMALL FLOOD CONTROL PROJECTS IN FLOOD CONTROL ACT OF 1948

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1753, Senate bill 3272.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Chief Clerk. A bill (S. 3272) to increase and make certain revisions in the general authorizations for small flood control projects in the Flood Control Act of 1948.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the Record at this point a statement of the purpose of the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The purpose of this bill is to authorize the Secretary of the Army to allot not to exceed $15 million in any 1 fiscal year for construction of flood-control projects not specifically authorized by law, when in the opinion of the Chief of Engineers such work is warranted. Such allotment would be subject to the following conditions: (1) That not more than $500,000 shall be allotted to a single project during any one fiscal year, (2) that the provisions of local cooperation of section 3 of the 1936 Flood Control Act, as amended, shall apply, (3) that State and local concurrence shall be obtained for each project prior to commencing construction, and (4) that the work shall be complete in itself and shall not commit the United States to additional improvements. The Secretary would be required to report to the Senate and House Committees on Public Works on any project costing over $150,000, 30 days before starting construction.

Mr. BUSH. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. BUSH. Mr. President, I ask unanimous consent that at this point in the Record there be inserted the testimony of General Fleming, New England Chief, Corps of Engineers, United States Army, because of its educational value in connection with the bill.

Mr. JOHNSON of Texas. Mr. President, I have no objection to the Senator's request, and I appreciate his observation.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Senator **Bush**. General, I think rather than run through this, we should submit this to the Chief of Engineers' office, General Itschner, and let them supply this information. This has to be carefully worked out. He can supply the answers to this list of questions when he comes down next Thursday. Wouldn't that save time?

General **Fleming**. I think so.

Senator **Bush**. General, I have no questions to ask you. You are of course familiar with the situation up there, much more so than anybody I could think of. So if you would care to express yourself in your own way as to your views on this measure, you may do so.

General **Fleming**. I would like to start off, Senator, by saying that I am here solely to discuss the specific problem as concerns New England. Representatives of the Chief of Engineers, my superiors, General Itschner and others, will testify as far as the Chief of Engineers is concerned on the national aspects of this proposed bill. So my comments will be entirely on the situation as involves my area in New England.

My comments also, as I make them, will be colored by the fact as I see the problem in New England. I plead guilty to the fact that I do not know what the situation is in the rest of the country. But unfortunately, however, I am overly familiar with the flood situation and the particular critical problem which faces the New England States at this particular time. Therefore as I give my story I probably cannot but help be colored a little bit by my intimacy with that particular problem.

I think we have a situation in New England which, when the flood control legislation was passed by the Congress, throughout the years, was never contemplated. On public works projects the procedure imposed by Congress has included a very thorough engineering analysis which, in addition to figuring out the feasible thing from an engineering standpoint, also went into hydrological factors, economic factors, and things like that, in attempt to forecast what might happen. You needed that forecast in order to design protective works.

The situation we now have in New England is that nature has done most of that preliminary work for us. The floods in August were about 3 to 3½ or 4 times the previous maximum floods of record. There are scars in the valleys of New England now, particularly in the Farmington River in Connecticut, the Naugatuck River in Connecticut, the Blackstone, which flows through Massachusetts and Rhode Island, the Thames River Basin which originates in Massachusetts and flows into Connecticut, and in certain tributaries of the Connecticut River in Massachusetts, largely the Westfield and Chicopee, there are scars which the floodwaters have carved on the landscape. We have there visible and ready to read the engineering factors which could be obtained only after very laborious computations in the past.

The Congress has rightfully prescribed a procedure for public works projects, whereby a survey report is directed, a report is rendered to the committee which authorizes us to make the report, through the Bureau of the Budget and then is considered by the committee and finally authorized by both Houses of Congress, I think in my own opinion that that administrative detail and routine was prescribed by the Congress to insure that no hasty, ill-advised work was done. In order to have that insurance it imposed a time delay, in the process of getting a project written up in acceptable form and then the time necessary to have it considered by the entire Congress. The point I am trying to make is that nature in New England in this last flood has actually shown us in many cases what should be done.

I think that we are now up against a situation where we are fighting time. As a result of the work under Public Law 875, and I received very liberal instructions in interpreting that law, we have done on various streams in New England work which in normal times we would have done under a permanent flood-control project. These were such things as channel clearance and actually increasing capacities at various places where bridges had gone out. We couldn't leave the wrecked bridge and rubble in, so we widened the channel and improved the hydraulic characteristics. In doing that we have taken the material that we have excavated out of the streams and piled it at the nearest place we could. We have piled it along the stream banks in what are actually embryo dikes. They are a start toward permanent dikes. We did this very hurriedly. We were not able to make detailed analyses of the soil mechanics of the earth we put into those dikes. We weren't always able, even under the most liberal interpretation of Public Law 875, to convert those things into permanent works. The result is that now in several of the communities in New England, we have these embryo dikes which have not been faced on the outside with riprap or stone. In many cases they aren't tied back into high ground because of the existence of a road at a different grade from the top of the dike. We had no authority to change any elevations in roads, nor do we have any authority if the road has to stay in the same place, to construct a permanent stop log structure which could be used as a block through that gap.

A typical project, typical situation, which we have right now is, for example, the city of Torrington, Conn. Even after the expedited program of authorized flood-control projects is constructed, Torrington will still be vulnerable because it is upstream from the only presently authorized project on the Naugatuck River. Torrington now has these dikes, embryo dikes—I would like to emphasize that—it has had certain channels cleared and widened, it has had bends enlarged where bridges formerly constricted the stream, and various things of that sort. If we have a recurrence in Torrington, not of the high water of last August, but of, say, water which would approximate the flows of the previous flood of record of 1948 in the Naugatuck Valley, or the storm which we had in October following the August storm which was almost 30 percent greater than the previous flood of record, we would lose a large part of the temporary work which has already been done because it does not have the strength built into it to withstand ordinary high water.

The States are participating in this program, or are prepared to participate in it. The State of Massachusetts has an appropriation, I believe, of $5 million for flood-control work, and you might say, drainage work inside of communities affected by the last flood, which they are going to use to expand any efforts the Federal Government makes. Connecticut has already made available, with a smaller problem due only to the smaller size of Connecticut compared to Massachusetts, the sum of $1 million.

Rhode Island has appropriated similar sums. I don't know exactly how much it now has available, for State participation in this. The city of Torrington, if I may go back to use that illustration, has already bonded itself to the tune of about $450,000 just so it can buy properties, buy rights-of-way and things like that, to give us the right to go in and make these temporary improvements.

I don't think anywhere in New England is there a lack of local participation. There is right now a delay being encountered because the local authorities in the three States affected by the floods don't know what the Federal Government is going to do. Due to the time lag in getting a project through the study phase and through the authorization phase, it will be some time before we can tell them what the Federal Government is planning to do.

Senator **Bush**. Is it not true that the action that this bill would permit are among the uncertain factors, too?

General **Fleming**. Yes, sir.

Senator **Bush**. Incidentally, and parenthetical to your remarks, have you any estimate as to how much of the $15 million annually authorized under S. 3272 might be needed in New England immediately?

General **Fleming**. Yes, sir. We figure that, assuming the bill passes, assuming the appropriation is made, we estimate—this may be a liberal estimate again because I am optimistic in this thing—we estimate that there would be about eight projects in the category that we could complete in fiscal year 1957.

In other words, between the first of July of this year and June 30 of 1957, there are about 8 of these projects which would cost somewhere around the neighborhood of $3.2 million.

Senator **Bush**. An average of about $400,000 per project?

General **Fleming**. Yes, sir.

Senator **Bush**. Go ahead. I didn't want to break your train of thought.

General **Fleming**. With the States having the money appropriated and available, they are up against the situation of not knowing what the Federal Government will do in the future.

Under the present procedure, which imposes this time of authorization, it is going to be some time, frankly, in my opinion, before we can tell them what authorized projects there are going to be. I think that they are vulnerable. The States are desperately anxious to get started. We have done some work which, with every day that passes, will bring us closer to the next high-water period. With every day that passes that work is going to be vulnerable and we are apt to lose it for the lack of some additional measures which we weren't able to do under Public Law 875.

The procedure, of course, sir, imposed by the Congress, now has under section 212 of the flood control law the authority for the Chief of Engineers to authorize—not to authorize projects, but Congress delegated to him the power to approve projects where the total cost is about $150,000 and the money can be spent in 1 fiscal year. I believe that last year about $800,000 was appropriated for that for the country as a whole.

Senator **Bush**. There is a limit there.

General **Fleming**. There is a limit of $150,000 for each project.

Senator **Bush**. And there is an overall limit?

General **Fleming**. There is an overall limit. It is the appropriations which they make each year. Last year it was in the neighborhood of $800,000.

The problem in New England, sir, is this: The projects we have, the work we did under Public Law 785, in various communities is so extensive that where I said there were 8 that could be done—averaging about $400,000, depending on the limit Congress puts on it—if the limit were held at $150,000 there are probably only 3 that could be done. Unless, which Congress wouldn't permit, we could pyramid one on top of the other. That would be a subterfuge and I don't believe it should be done.

Senator **Bush**. So you are faced with a real limitation, then, unless something is done right away in the way of legislation to permit you to go ahead.

General **Fleming**. Yes, sir. I think there is a very great potential danger of losing a lot of work which has already been done. These nine places that I am talking about are locations where flood threat would not be decreased by the construction of any now authorized flood-control work, because they are located upstream from reservoirs.

Senator Bush. Is it possible for you to give us the names of the nine locations that you do have in mind? Have you them in mind so you can give them for the record now?

General Fleming. Yes, sir. I would like to submit that for the record later.

Senator Bush. We will be glad to have that.

General Fleming. I can give you 2 or 4 illustrations now. Torrington, Conn. is obviously one situation. New Hartford, Conn., and another is the extension of the presently authorized project through Woonsocket, R. I. There is one up around the town of Palmer in Massachusetts.

(The information referred to is as follows:)

"The nine locations previously referred to are as follows: Naugatuck, Conn.; Seymour, Conn.; Derby, Conn.; Union City, Conn.; West Branch, Naugatuck River, Conn.; East Branch, Naugatuck River, Conn.; Torrington, Conn.; New Hartford, Conn.; and Ware, Mass.

Senator Bush. Wouldn't a lot of work going on in the Naugatuck River, below Waterbury, where those temporary dikes are just thrown up, would they be eligible for work under this bill?

General Fleming. I would hope that they would be, sir.

Senator Bush. Permanent work?

General Fleming. Yes, sir. Because the Thomaston Dam in the Naugatuck Valley controls roughly about 31 percent of the basin. If we had had—leaving the August flood out of consideration and just talking about the October flood in the Naugatuck Valley—even had Thomaston Reservoir been operating in the October flood, there still would have been some very serious damage in the towns of Naugatuck and Ansonia.

We have thrown up these temporary dikes in those two communities. Additional protection is going to be required in Ansonia and Naugatuck in addition to the protection of Thomaston Reservoir.

For example, I have the figures here. At the city of Naugatuck in October the flow, assuming the Thomaston Dam had been built, would have been 22,500 second-feet. It actually reached about 35,000 second-feet. So the effect of Thomaston, downriver as far as Naugatuck, really knocks off about one-third of October flood. The previous flood at Naugatuck was 28,500 second-feet in 1948. The point I make is that even with the recurrence of the October flood, and Thomaston Reservoir having been built, Naugatuck would still get almost as much water as it got in the previous flood or record in 1948. So I think at Naugatuck and Ansonia both, additional protection will eventually be required. Some work has already been done at both of those places under Public Law 875 which could be converted into a permanent improvement.

Senator Bush. That is what I had in mind. General, is that all that you have to observe this morning?

General Fleming. Yes, sir. I will answer any questions that you have.

Senator Bush. The committee thanks you for coming down here to testify. As I have said many times before, New England certainly owes you a very great debt of gratitude for your constant and faithful interest in our problems during the past year. We don't know sometimes what we would have done without you.

General Fleming. Thank you, sir.

Mr. KUCHEL. Mr. President, I ask unanimous consent that a statement which I have prepared with reference to Senate bill 3272 be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF SENATOR KUCHEL

The bill S. 3272, providing general authorization for small flood-control projects, will plug a serious hole in the system of administrative and legislative dikes by which the Congress and the Federal Government have attempted to protect the people of the United States, their land, homes, livestock, transportation, and utility systems, and other possessions against the rampages of nature.

I am happy to join as cosponsor of this measure because tragic happenings in my own State of California, in New England, in the Middle Atlantic region, and other sections of the country have demonstrated an urgent need for a law which will make it possible in building flood-prevention works to keep pace with the growth of our Nation and the development of various areas where in past years heavy rains and snowmelt could run harmlessly to the sea without endangering life and property.

All of us on this committee are gravely concerned about the importance of pressing forward as rapidly as finances, manpower, and planning allow with the comprehensive system of flood-control projects which have been authorized at previous sessions of Congress. We also are thoroughly aware that the presently authorized works will not extend protection to all communities and sections which are entitled to the benefits of such projects. At the same time, we realize that the amount of imagination and foresight will enable either Congress or the administrative agencies of the Government, particularly the Army Corps of Engineers, to anticipate conditions which may make additional projects both desirable and economically feasible.

During recent history, it has been customary for Congress every few years to hold long hearings and draft a bulky omnibus bill authorizing a number of projects which it is intended will be built over a period of following years. Those projects are approved on the strength of evidence about the threat of danger to different areas measured by a yardstick of possible loss in terms of life and dollars which is applied against the estimated cost of protective works.

The writing and enactment of such a bill is laborious and a time-consuming process. Inevitably many proposed projects are left on the shelf because time did not permit consideration of the need and the merit.

The omnibus bills, such as those of 1936, 1944, 1946, 1950, and 1954, were designed to provide protection against conditions as they existed at those particular times. They did not—because they could not—take into consideration the possible expansion of cities in stream valleys, the development of farms in lands made possible of cultivation by irrigation and reclamation projects, the construction of new highways and relocation of old ones over more direct routes, and the vagaries of weather which every so often seems to be following a pattern different than in the past.

The capital investments which the Congress in the past 20 years has authorized—which exceed $3,500 million not including the vast lower Mississippi program—have paid big dividends and justified the expenditure. Yet, the growth and development of our Nation has proceeded faster than it is possible for Congress to authorize, and the Federal Government to obtain money with which to build, additional projects that are sorely needed.

The reason why legislation such as S. 3272 is warranted can be illustrated by references to conditions in my own State of California. The ambitious flood-control program for Los Angeles County has had to be modified and revised repeatedly because of the way population has jumped and suburban areas have come into being. The completion of the great Central Valley project has opened up vast acreages which formerly could not be cultivated because of insufficient or unstable water supplies. As people have spread into the foothills of the mountains of southern California and onto the lands in the Central Valley they have occupied tracts of land which are susceptible to flooding whenever extraordinary rains and thaws occur. In many instances the threat to these more recently settled places comes from small streams and isolated canyons which are not parts of any major river systems or in a recognized drainage basin.

If the Army engineers in the past have had the authority to plan, engineer, and build projects of the sort contemplated in S. 3272 very probably there already would be in existence a number of small projects—dikes, retarding dams, and debris basins—which would safeguard these newly created residential communities and lately developed farming areas against just such unforeseen and uncontrollable natural catastrophes as occurred in California during the past winter.

This bill is sound. It would give flexibility to the continuing effort to protect the people of our Nation against floods. The discretionary authority we provide to construct without the necessity of getting specific authorization projects costing not over $500,000, and which are complete entities in themselves will enable the Army engineers to initiate works as new demands arise.

Any chances that this power would be misused to launch work which might lead to continuing expenditures and that the bill would provide a foot-in-the-door approach toward big commitments to make future appropriations are offset by the limitations that projects costing between $150,000 and $500,000 must be reviewed and approved by the Public Works Committees of Congress and by the ceiling of $15 million on the outlay in any fiscal year. The requirements of local participation, involving substantial contributions by the people who would benefit, insure that no boondoggles could be undertaken.

During the past 3 years major floods have occurred in 18 different States. In a number of the affected areas no flood-control projects ever were authorized, presumably because the possible threat was not considered grave enough to warrant including authorization in one of the omnibus bills that have been enacted in the past two decades or the proposed projects were deemed too small for serious consideration. Experience has shown, however, that those affected areas cannot be ignored, and when disaster strikes once it easily can hit again. The Army engineers under our legislation could swing into action to provide future protection against a repetition of heavy damage in such sections of our Nation.

This legislation would be a logical supplement to present statutes and in all probability a moneysaving step in the long run. Congress has authorized the Army engineers, the Federal Civil Defense Administration, and other agencies to engage in emergency rescue and rehabilitation work, and it has provided Federal credit through the Small Business Administration for rebuilding homes and farms and businesses. It seems only good sense to give the Army engineers this kind of discretionary power to build small projects which could avert disasters and thus minimize the need for spending Federal funds to fight floods and get people back on their feet.

This legislation would apply the time-tested principle that an ounce of prevention is worth a pound of cure.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3272) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 205 of the Flood Control Act of 1948 is amended to read as follows:

"Sec. 205. (a) The Secretary of the Army is hereby authorized to allot, from any appropriations heretofore or hereafter made for flood control, not to exceed $15 million for any 1 fiscal year for the construction of flood control projects not specifically authorized by law when, in the opinion of the Chief of Engineers, such work is warranted, subject to the following conditions:

"(1) Not more than $500,000 shall be alloted for this purpose for any single project for expenditure during any 1 fiscal year;

"(2) The provisions of local cooperation specified in section 3 of the Flood Control Act of June 22, 1936, as amended, shall apply;

"(3) Concurrence shall be obtained from the affected State or political subdivision, or both, prior to the commencement of construction of each proposed project; and

"(4) The work shall be complete in itself and shall not commit the United States to any additional improvement to insure its successful operation except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports.

"(b) (1) Before work is initiated under this section on any flood control project or other flood protective measure which the Secretary of the Army estimates will cost in excess of $150,000 for any 1 fiscal year, he shall submit to the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives a report outlining the proposed plan of protection together with an analysis of the justification therefor. The report shall be delivered to both committees on the same day and while each House is in session. No work shall be initiated on any project or other measure with respect to which such a report is made until the expiration of the first period of 30 calendar days of continuous session of the Congress, following the date on which the report is transmitted to the committees.

"(2) For purposes of paragraph (1)—

"(A) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(B) in the computation of the 30-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain."

AMENDMENT OF NATIONAL HOUSING ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1777, Senate bill 2854.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2854) to amend the National Housing Act, as amended.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment after line 5, to strike out:

Sec. 2. Section 217 of said act, as amended, is hereby amended by striking out "$4,000,000,000" and inserting in lieu thereof "$4,060,000,000."

So as to make the bill read:

Be it enacted, etc., That section 203 (h) of the National Housing Act, as amended, is hereby amended by striking out "$7,000" and inserting in lieu thereof "$12,000."

Mr. KNOWLAND. Mr. President, I should like to have a brief explanation of the bill before it is acted upon.

Mr. JOHNSON of Texas. Mr. President, this bill would amend section 203 (h) of the National Housing Act, as amended, which authorizes the FHA to insure a mortgage for an individual whose home, regardless of whether he owned or rented, was damaged or destroyed by disaster. Under present law, the FHA can insure such a mortgage up to 100 percent of the appraised value of the property and up to $7,000. This bill would increase the dollar limit from $7,000 to $12,000.

Mr. BUSH. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. BUSH. Mr. President, I should like to say that the floods of last year show that $7,000 was completely unrealistic. There is no objection to the figure of $12,000.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORITY TO STOCKPILE TEMPORARY HOUSING FOR DISASTER RELIEF

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1778, Senate bill 2855.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2855) to provide authority to stockpile temporary housing for disaster relief, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That the Public Housing Commissioner is hereby authorized to enter into contracts on a standby or emergency basis, without regard to the provisions of section 3709 of the Revised Statutes, for emergency production and delivery of housing and equipment in the event of a major disaster as defined in section 2 (a) of the act of September 30, 1950 (64 Stat. 1109), as amended. Such housing and equipment may be made available to local public agencies, the American Red Cross, or other nonprofit relief organizations, without charge, to provide shelter for victims of any such disaster. The Commissioner is also authorized and directed to prepare procedures for emergency mobilization of local services and property to provide emergency shelter including the preparation of sites for emergency dwellings.

Sec. 2. Nothwithstanding the provisions of any other law except provisions enacted hereafter which refer specifically to this act, the Commissioner is authorized to use for the purposes of this act not to exceed $5 million of funds made available by section 20 of the United States Housing Act of 1937, as amended. All receipts of the Public Housing Administration under this act and any reimbursements to the Administration pursuant to the provisions of the act of September 30, 1950 (64 Stat. 1109), as amended, shall be applied to repayment of the note or notes of the Public Housing Administration executed and delivered in connection with funds obtained pursuant to said section 20, and the Secretary of the Treasury shall credit as a payment upon such note or notes an amount equal to the amount certified by the Commissioner as having been expended under this act and which the Administration has not repaid out of such receipts or reimbursements.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, is there any estimate of the cost involved? Does the bill contemplate assembling housing, tents—or what?

Mr. JOHNSON of Texas. Mr. President, my understanding is that it authorizes not to exceed $5 million.

Mr. President, I ask unanimous consent that a statement of the purpose of the bill be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

This bill, as amended, (1) provides authority for the Commissioner of the Public Housing Administration to enter into contracts on a standby or emergency basis for emergency production and delivery of housing and equipment into a location declared by the President to be a major disaster area, and (2) authorizes the Commissioner to use $5 million of funds which he can borrow from the Treasury under section 20 of the United States Housing Act of 1937 (which makes loan funds available for low-rent public housing) with which to purchase the emergency housing and equipment.

Annually, in one form or another, the Nation is subjected to the violent forces of nature which cause millions of dollars of damage to property and untold misery, exposure, and death to many of the Nation's families. During 1955 alone, the United States suffered two of the worst flood disasters recorded in our history. From time to time the Congress, taking into consideration the needs of the victims of these disasters, immediately following the devastation, has enacted legislation to provide funds and other assistance for these victims.

In numerous instances, however, the assistance provided does not reach the victim at the time the need is the greatest. This is especially true of housing. Existing law authorizes the various Federal housing agencies to provide temporary or emergency housing in disaster areas. However, the difficulties of locating and preparing sites and locating, moving, and erecting housing in the disaster areas are very time consuming.

The bill, as amended, is designed to provide a flexible plan under which housing can be made available to disaster victims as early as possible after the need occurs. The agency contemplates that under the authority granted by this bill, contracts could be entered into on a standby or emergency basis for emergency production and delivery of approximately 2,000 movable housing units, consisting of 1-, 2-, and 3-bedroom trailers, which would be available for occupancy in the disaster area within a minimum period of time after the President declares the area to be a disaster area.

The bill authorizes the Commissioner of the Public Housing Administration to use up to $5 million of funds now available for the low-rent public housing program. The Public Housing Administration would be required to repay the Treasury from receipts under the bill, if any, and reimbursements received pursuant to the provisions of the disaster assistance act (Public Law 875, 81st Cong., approved September 30, 1950). The Secretary of the Treasury is authorized to forgive the difference between such receipts and reimbursements, and the amount expended by the Public Housing Administration for the purpose of this bill.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize the Commissioner of Public Housing to enter into contracts on a standby or emergency basis for housing to provide shelter for disaster victims, and for other purposes."

RENT-FREE ACCOMMODATIONS IN LOW-RENT HOUSING PROJECTS FOR DISASTER VICTIMS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1779, Senate bill 2859.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2859) to provide rent-free accommodations in low-rent housing projects for disaster victims.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That title II of the act of June 28, 1940 (54 Stat. 676), as amended, is hereby amended by striking the last sentence of section 204 thereof and substituting the following therefor: "During the period when the President determines that in any locality there is an acute need for housing to assure the availability of dwellings for persons engaged in national defense activities or for victims of a major disaster (as defined in sec. 2 (a) of the act of September 30, 1950 (64 Stat. 1109), as amended), dwellings in a low-rent project developed, assisted, or operated in said locality pursuant to the United States Housing Act of 1937, as amended, which are devoted to the purposes of providing housing for such persons or victims shall not be subject to any of the eligibility or preference provisions of the United States Housing Act of 1937, as amended, and during such period such projects shall be deemed projects of a low-rent character for the purpose of any of the applicable provisions of the said act: *Provided*, That the Authority shall not require any public housing agency to obtain any advance guaranty of rent or determination as to the rent-paying ability of a disaster victim as a condition of admission to such a project."

Sec. 2. The Commissioner of the Public Housing Administration is authorized, notwithstanding the provisions of any other law, to contract with public housing agencies for advance payment or reimbursement for the furnishing of housing to victims of a major disaster as defined in section 2 (a) of the act of September 30, 1950 (64 Stat 1109), as amended, including the furnishing of such housing free of charge to needy disaster victims during the period covered by the determination of the President under section 204 of the act of June 28, 1940 (54 Stat. 676).

Sec. 3. Notwithstanding the provisions of any other law except provisions enacted hereafter which refer specifically to this act, the Commissioner is authorized to use for the purpose of this act not to exceed $500,000 of funds made available by section 20 of the United States Housing Act of 1937, as amended. Any reimbursements to the Public Housing Administration pursuant to the provisions of the act of September 30, 1950 (64 Stat. 1109), as amended, shall be applied to repayment of the note or notes of the Administration executed and delivered in connection with funds obtained pursuant to the said section 20, and the Secretary of the Treasury shall credit as a payment upon such note or notes an amount equal to the amount certified by the Commissioner as having been expended under this act and which the Administration has not repaid out of such reimbursements.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the Record at this point a statement with reference to the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

This bill amends title II of the act of June 28, 1940 (54 Stat. 676), as amended, to permit victims of a major disaster, as declared by the President, as well as persons engaged in national-defense activities, to be considered for accommodations in low-rent public housing projects without respect to (a) any of the eligibility or preference provisions of the United States Housing Act of 1937, as amended, and (b) any advance guaranty of rent or determination as to the rent-paying ability of a disaster victim as a condition of admission to such project.

The bill further authorizes the Public Housing Administration to enter into contracts with local agencies for advance payment or reimbursement for low-rent housing furnished to disaster victims. An expenditure not to exceed $500,000 from funds made available to the agency for low-rent public housing is authorized for this purpose. Such housing may be furnished rent-free to disaster victims during the disaster period as determined by the President.

Under the present eligibility or preference provisions of the United States Housing Act of 1937, disaster victims may be precluded from obtaining shelter in low-rent housing projects, even though vacancies may exist in such projects. This bill suspends the eligibility or preference provisions of that act in order that low-rent housing projects may be occupied by disaster victims.

In addition, a disaster victim would be permitted to occupy a low-rent housing unit without any advance guaranty of rent or determination as to his rent-paying ability as a condition of admission to such project.

The bill would also permit the Federal Government to bear the expense of the emergency shelter furnished to needy victims of disaster in such low-rent housing projects. To meet the expense of providing rent-free accommodations, the Commissioner of PHA is authorized to use up to $500,000 of the funds now available for the low-rent public housing program. The Public Housing Administrator would be required to repay the Treasury from receipts under the bill, if any, and reimbursements received pursuant to the provisions of the disaster assistance act (Public Law 875, 81st Cong., approved September 30, 1950). The Secretary of the Treasury is authorized to forgive the difference between such receipts and reimbursements, and the amount expended by PHA for the purpose of this bill.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SUSPENSION OF CERTAIN LAWS RELATIVE TO COUNSEL EMPLOYED BY SPECIAL COMMITTEE OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1754, Senate Joint Resolution 160.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title for the information of the Senate.

The Chief Clerk. A joint resolution (S. J. Res. 160) to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the chairman of the committee, the Senator from Arkansas, to make a brief explanation of the bill.

Mr. McCLELLAN. Mr. President, under Senate Resolution 219 a special committee was created by this body to investigate lobbying, campaign contributions, and other related activities. The committee, appointed under that resolution, will expire on January 31 next; and in undertaking to select a chief counsel for the committee, one who is competent to fill that responsibility, we were confronted with the problem of the conflict of interest statute which would prohibit the attorney who accepted this employment from handling any matters against the Federal Government within 2 years after his employment.

The purpose of the joint resolution is to provide for the temporary employment of counsel. This assignment will be temporary. This is not a position which will be permanent; it is not a position in which one would seek permanent employment. Because the position will be temporary, in order to obtain the quality of counsel which the committee thinks it should have to meet its heavy responsibilities, the committee is asking that, with reference to the appointment of the chief counsel of the special committee, the conflict of interest statute be suspended.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 160) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That service or employment of the person first duly appointed as counsel for the special committee of the Senate established by Senate Resolution 219, 84th Congress, 2d session, agreed to February 22, 1956, shall not constitute service or employment subjecting such person to the provisions of section 281, 283, or 284 of title 18, United States Code, or to the provisions of any other law of the United States imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceding, or matter involving the United States.

PROCUREMENT OF MEDICAL AND DENTAL OFFICERS OF THE ARMY, NAVY, AIR FORCE, AND PUBLIC HEALTH SERVICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1776, H. R. 9428.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (H. R. 9428) to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments.

Mr. RUSSELL. Mr. President, the bill undertakes to deal with one of the most serious problems affecting the armed services of the country today. The purpose of the bill, known as the Medical and Dental Officer Career Incentive Act, is to reverse the alarming rate of losses among career medical and dental officers of the Armed Forces, and to attempt to induce a greater number of these officers to volunteer for a military career.

The question might be raised—and it is one which is worthy of consideration—why medical and dental officers should be singled out of all the various categories of officers in the armed services for substantially increased compensation. There is a very simple answer to the question. We have called to the colors approximately 3 million young Americans. Every Member of Congress has a direct responsibility to make certain that they and their dependents are afforded medical care; and such a measure as this is absolutely necessary in order to meet the problem of securing adequate medical and dental aid for the men in the armed services and their dependents.

It so happens that the medical and dental officers, more than any other military group, are affected by conditions in the civilian medical and dental economy. This country does not have military medical schools. For their source of graduates in medicine and dentistry, therefore, the military services are dependent on the limited output of our civilian medical schools. Moreover, the practice of medicine and dentistry is basically no different in military life than it is in civilian life, with the result that it is no great problem for a medical officer to resign and make the transition to civilian practice.

The increased pay for career officers under the bill, which ranges from about $50 to $200 a month, attempts to make the military compensation more competitive with that of civilian doctors and dentists of similar experience, and thereby to attract the minimum number of officers needed for the career medical and dental corps of the armed services.

In the past 2 fiscal years, the military services have lost about 25 percent of their regular medical personnel, the number being about 1,000 medical officers. Of this number, 808 resigned from the service, and the remainder were lost because of death or retirement. During the period while we were losing 808 medical officers, only 350 new officers were taken into the regular corps; and experience indicates that a large portion of this number will resign their commissions after completing their obligated service.

In the Army during the past 2 fiscal years, of those eligible to resign, the following percentages of career medical officers have resigned: 75 percent of the captains, 66 percent of the majors, 24 percent of the lieutenant colonels, and even 2 percent of the colonels.

Senators are familiar with the necessity which drove Congress to enact a draft bill for medical officers. Since the enactment of that bill in 1950, the Department of Defense has depended on the doctor-draft legislation for two-thirds of its medical officers. Of about 10,000 medical officers on duty in the Department of Defense at present, only about 3,300 are career personnel. The pool of older physicians not otherwise liable under the regular Draft Act will be substantially exhausted by the time the doctor draft act expires on July 1, 1957. We are, therefore, driven to the enactment of legislation of this nature in order to increase the size of the career medical corps.

The Department of Defense has expressed the hope that as a result of the incentives provided in the bill, the size of the Medical Corps will be increased from one-third to two-thirds of the total requirement. It is certainly noteworthy that if an additional 3,000 career officers could be procured on a career basis as a result of the bill, the Department of Defense could avoid the drafting of 12,000 doctors over the next years.

The Department of Defense has conducted an extensive study to determine the reasons why the military services are failing to attract medical officers into the career branch of the medical-dental corps. It was the Department's finding that the principal reason was the disparity between military compensation and the compensation received by civilian physicians having comparable experience. The committee was advised that the average civilian physician who has completed 10 years of practice receives a net income, after office expenses, of approximately $16,500 a year. The average medical officer who is out of medical school 10 years, probably will be a major or a lieutenant commander. His total compensation, including all allowances and the special pay of $100 a month, is $8,640 a year.

The compensation of medical officers in the armed services also compares unfavorably with that of the civilians employed in the Federal civil service and the Veterans' Administration. A physician having 10 years of civilian practice is eligible for a civil-service appointment in grade GS–15 with an annual compensation of $12,690. In the case of the Veterans' Administration, the beginning salaries may be even higher, if the physician is a board-certified specialist.

The committee in its study of the problem realized that other factors are involved in the lack of interest in a military career, such as frequent reassignments, inadequate housing, or a general dislike for military life.

The Department of Defense assured the committee that every possible administrative action was being taken to meet these complaints.

It might be noted with regard to the assignment problem that the average medical officer can expect to be reassigned about twice as often as career officers in other fields. This condition exists because of the tremendous turnover resulting from the doctor draft, which requires only 2 years of service, and from the resignation rate of officers from the medical services. Most of the regular medical officers can expect reassignment every 2 years, and it is not at all unusual for them to be reassigned once every year.

There are also certain inherent responsibilities which may make the military medical services comparatively unattractive as a medical career. The military services, in order to provide medical service for about 3 million members, maintain throughout the world a total of about 2,000 medical units. Many of these stations are in remote and undesirable locations. We must bear in mind that one-third of all United States military personnel are stationed either overseas or on the seas. Medical care for almost 400,000 dependents overseas can be provided only by military doctors. The duty assignments and the long working hours involved in serving in many of these locations make a military career as a medical officer unattractive when compared with that of a civilian physician. It might also be noted that medical officers stationed overseas, in addition to their other duties, have the obligation of caring for many civilian employees of the United States Government who are assigned to those areas.

The experience of the departments with respect to procurement and retention of dental officers is similar to that regarding medical officers.

MAJOR FEATURES

Mr. President, in order to accomplish its purpose, H. R. 9428 contains three distinct features:

First, it authorizes for medical and dental officers a 1-year increase in constructive service for permanent promotion seniority purposes. This service is increased from 4 to 5 years for physicians who have completed internships, and from 3 to 4 years for dentists. This increase would serve to recognize the required period which the physicians and dentists must spend in professional training after leaving undergradute school.

Second, this same medical educational period up to 5 years would be credited for pay longevity purposes—5 years for the medical officers who completed internships and 4 years for dental officers. This provision will place them on the same longevity basis as their line officer contemporaries who entered military service at the same time as physicians entered medical school. The average increase under this provision is about $50 per month, with a maximum of $85 per month. The additional annual cost of the pay credit will be $9,577,000.

The last feature of this bill authorizes an increase in the special pay of physicians and dentists based on length of active service as a medical or dental officer. At the present time all medical and dental officers receive special pay of $100 per month. Under this bill, medical and dental officers with less than 2 years of active service will continue to receive the $100 per month. Those with between 2 and 6 years of active service will receive $150 per month in special pay; those with between 6 and 10 years, $200 per month; and those with more than 10 years, $250 per month. The purpose of these graduated increases is to make the military compensation more competitive with that of civilian physicians of similar experience and to provide a greater inducement to remain on active duty. We hope it will provide the inducement which will cause medical and dental officers to remain on active duty and make a career of the armed services.

The committee amended the bill so as to place the first increase at the end of 2 years, rather than after 3 years of active duty. The term of service under the doctor draft law is 2 years, and more than 90 percent of those entering under that law leave the service as their 2-year period expires. It appeared that a greater number might remain if the first increase were offered at the end of the obligated period. The additional estimated cost of this provision is $9,878,200. The total cost of this bill for the first fiscal year following enactment is expected to be $19,455,200.

Mr. President, the Department of Defense and the committees of Congress which are charged with the primary responsibility of recommending legislation which will assure medical and dental aid to the men in the armed services have exhausted every available recourse in an effort to provide an adequate number of doctors and dentists for the armed services. We have resorted to the draft, and it now appears that the pool available from the draft is about to be exhausted.

I only wish we had some other means than that provided by this bill, but no other course apparently is available to us than to increase the compensation, as an incentive for doctors and dentists to make a career of the Armed Forces.

We cannot fail in our responsibility to those whom we have called into the service, many of them against their will, to see that they have adequate medical and dental treatment.

I hope the Senate will pass the bill unanimously.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I should like to add a few words to what the chairman of the committee has said. He and I have considered this subject for a considerable number of years. The previous bill which was passed was an incentive bill. That bill has not succeeded in holding doctors and dentists in the Armed Forces. This is an additional incentive bill, which we hope will be successful in causing doctors and dentists to make a career of the service and provide needed medical attention for the boys of America who are now serving and who will be called upon to serve in the Armed Forces.

I commend the chairman of the committee for what he has said. I agree with him heartily. The bill was unanimously reported by the committee. We believe it is the only step which can be taken.

Mr. RUSSELL. I thank the distinguished ranking minority member of the committee for his statement.

The PRESIDING OFFICER (Mr. Humphrey in the chair). The question is on agreeing to the committee amendment on page 1, line 9.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 1, line 9, after the word "make", to strike out "original"; on page 3, line 4, after the word "the", to strike out "enactment" and insert "effective date"; in line 6, after the word "the", to insert "effective"; at the beginning of line 18, to insert "effective"; in the same line, after the word "date", to strike out "of enactment"; on page 4, line 14, after the word "the", to strike out "enactment" and insert "effective date"; on page 5, line 23, after the word "such", to insert "medical"; on page 6, after line 5, to strike out "and the service credit authorized by this clause shall not be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law" and insert "and, notwithstanding any other provision of law, the service credit authorized by this clause shall not—

"(A) be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law;

"(B) increase the retired or retirement pay of a person who became entitled to such pay prior to May 1, 1956; or

"(C) increase the retired pay of a person who becomes entitled to such pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1087), on or after May 1, 1956, but who does not perform active duty after May 1, 1956."

After line 21, to strike out:

Sec. 3. Any medical officer of the Regular Corps of the Public Health Service who—

And, in lieu thereof, to insert:

Sec. 3. Title II of the Public Health Service Act (act of July 1, 1944, 58 Stat. 683), as amended, is further amended by adding at the end thereof the following new section:

"PROMOTION CREDIT—ASSISTANT GRADE

"Sec. 220. Any medical officer of the Regular Corps of the Public Health Service who—

On page 7, at the beginning of line 6, to strike out "(1)" and insert "(1) (A)"; at the beginning of line 11, to strike out "(2)" and insert "(2)"; in line 20, after the word "such", to strike out "date." and insert "date." "; after line 23, to strike out:

(1) By repealing so much of sections 211 (e) (1) and 311 (d) (3) as relates to officers of the Medical Corps and Dental Corps of the Navy.

And, in lieu thereof, to insert:

(1) By inserting in the first sentence of paragraph (1) of section 211 (e) and in the first sentence of paragraph (3) of section 311 (d), after the words "a staff corps", the words "other than the Medical and Dental Corps", and deleting in those sentences the words "if of other than the Medical Corps, and in the preceding calendar year if of the Medical Corps."

On page 8, line 18, after the numeral "5", to insert "(a)"; in line 25, after the word "completed", to strike out "three" and insert "two"; on page 9, line 3, after the word "those", to insert "veterinary"; in line 7, after the word "least", to strike out "three" and insert "two"; after line 19, to insert:

(b) Section 203 (b) of such act is further amended by striking out the following words in the third proviso: "of $100 per month as is."

After line 22, to insert:

Sec. 6. Any person who, on the day before the effective date of this act, has not completed 18 years of service creditable in the computation of active duty pay in the uniformed service of which he is a member and who, as a result of the enactment of this act, is upon the effective date of this act credited with more than 17 years of such service shall, notwithstanding any other provision of law, be allowed 12 months from the effective date of this act within which to make the election provided for in section 3 (a) of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 502).

And, on page 10, at the beginning of line 9, to change the section number from "6" to "7."

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 9428) was read the third time, and passed.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. Bricker].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Is it not a fact that the yeas and nays on the pending amendment have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

ANNUITIES UNDER FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM—CONFERENCE REPORT

Mr. SPARKMAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. Humphrey in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of April 16, 1956, p. 6371, Congressional Record.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. SPARKMAN. Mr. President, I have a very brief statement to make on the report.

Late last session the Senate passed Senate bill 1287, which made certain increases in the annuities of annuitants under the Foreign Service retirement system. Subsequently the House of Representatives amended the bill. Prior to adjournment it was impossible to reconcile the differences between the House and the Senate versions of Senate bill 1287.

A conference has now been held; and the question before the Senate is on agreeing to the conference report.

The House and Senate versions of Senate bill 1287 differed in two respects.

In the first place, the Senate version provided for a graduated system of increases to be given to the annuitants under the system. The House version gave annuitants an across-the-board, cost-of-living increase in their annuities in an amount not to exceed $324 a year.

The Senate conferees accepted the House version, which provides for a flat across-the-board increase in annuities for annuitants who retired prior to July 1, 1949. This increase in annuities will give Foreign Service officers the same increase in annuities which was given to civil-service employees in 1952.

The second difference between the House version of Senate bill 1287 and the Senate version related to a House provision which would have authorized the Secretary of State to make loans or grants to certain categories of widows of retired Foreign Service officers. The Senate conferees felt that this provision would establish a bad precedent and might get the Secretary of State into the loan business.

As a result of the conference, changes were made in Senate bill 1287, and these changes will make it possible for a limited class of needy widows of Foreign Service officers to receive annuities of up to $1,200 a year.

The Senate conferees are satisfied that the conference report on Senate bill 1287 represents a reasonable compromise between provisions of the House version of the bill and the Senate version. I hope the conference report will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

THE VETO OF THE FARM BILL

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER (Mr. Laird in the chair). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I shall address myself to the subject of the President's veto of the farm bill.

American farmers are rightfully indignant and deeply shocked by the unwise action of our President in vetoing the urgently needed farm bill.

They have had a chance now to read the President's veto message, and to hear his personal explanation.

I submit they are still shocked. They have every right to be.

If anything, the President's radio and television message of explanation compounded the inconsistencies and inaccuracies of his veto message.

Farmers, as fellow citizens, have a right to expect their President not to mislead them, not to distort the facts.

The glib assumptions of the President's message and his political appeal supporting it have not been upheld in the record of debate on this floor; they are not upheld by the official facts and figures of the Department of Agriculture; they are not warranted by the actual experience of farmers themselves under our farm programs.

It is an amazing sight to see a President of the United States go before the American people on television and insist he will not tolerate any "politics" on farm issues, when he knows better. If he does not, it is only a greater reflection upon him and upon those around him.

If ever there has been partisan politics injected into a farm policy decision, it has been done so by President Eisenhower's own administration.

The White House, Secretary Benson, and spokesmen for Republican farm policy on this floor have consistently and continually refused to work with a Democratic Congress in a true bipartisan sense to develop constructive farm legislation.

Instead, they have come to us and said, in effect, "This is our program—take it or leave it. If you have any ideas of your own to improve it, we will toss the whole thing out the window."

And that is just what they have now done.

The farm bill sent to the White House was worked out by the Democratic leadership with effective bipartisan cooperation on our appropriate committees and supported by farm State representatives of both parties on the floor of the Senate and the House.

Forty-eight Republican Members of the House from the great farming areas of the Nation voted for it.

Fifteen Republican Senators representing key farm States supported it.

Five out of the seven Republican Members of the Senate Committee on Agriculture voted for the conference bill sent to the President for approval.

I submit, Mr. President, that that is bipartisanship at the congressional level on the part of those most responsible for farm legislation. Yet the President turned it down because it was not the "party line" that he and his prime minister Sherman Adams, and his Republican Party leaders had laid down.

If the President now tries to publicly wash his hands of partisanship in this farm fight, what does he have to say about the great advertising campaign of the Senate and House Republican campaign committees in support of the "Eisenhower-Republican farm program?"

That was the advertising campaign under which farmers were to send in a coupon and get the Eisenhower program.

If the President now tries to project himself into the role of a man standing firmly on principle, worried about surpluses, what does he have to say about his own Secretary of Agriculture wheeling and dealing for Senate votes by offering concessions of increased acreage allotments and higher prices in a brazen attempt to influence Senators to help him save face, whatever the loss to America's farmers and American taxpayers.

There could be no more misleading propaganda perpetrated upon the American people than the President's attempt to lay on the Democrats in the Congress the blame for "delay" on effective action to halt the farm recession.

How many times, Mr. President, have we heard that there was great delay? Yet, the President received the bill on Wednesday, after it was passed by the Senate, but it was not until Monday that any final action by the President was taken.

Where was his concern for a soil bank on September 30, last fall, when his own executive department Bureau of the Budget concurred in the Department of Agriculture's report opposing soil bank legislation which I had introduced a year ago?

The President rejected a soil-bank proposal which was almost identical to the one passed by both Houses.

Mr. LONG. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LONG. That is a point which seems to have escaped the attention of some people. If the President wants to lay blame for delay, he should accept blame for delaying the matter for 3 years, because for the first 3 years of the present administration the President and his administration opposed the soil bank concept.

Mr. HUMPHREY. The Senator is correct. He opposed specific legislative proposals. There were 2 or 3 such proposals in the Senate and half a dozen or more in the House. I shall show in this address that the President's own administration could have had a soil bank under existing law if he had wanted to, and can still have.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. In that connection, I should like to call the Senator's attention to something which occurred in the House yesterday, and which is covered at page 6422 of the RECORD, dealing with the same subject. I was just reading the debate.

A very fine Representative from Minnesota, with whom I served in the House and whom I know quite well, the Honorable H. CARL ANDERSEN, who is a member of the Republican Party, said this in talking about the soil bank. First, I shall read what Representative POAGE of Texas said:

> Mr. POAGE. I have here with me today a copy of letters from the Department of Agriculture written less than 9 months ago condemning this soil bank, in which the Secretary advises the Committee on Agriculture that he then considered it too expensive and unworkable.

Mr. HUMPHREY. Would the Senator be interested to know that we were talking about $500 million and the President wanted a billion and a quarter dollars?

Mr. SPARKMAN. Let me read what Representative H. CARL ANDERSEN said:

> Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?
>
> Mr. POAGE. I yield to the gentlemn from Minnesota.
>
> Mr. H. CARL ANDERSEN. The hearings before my Subcommittee on Appropriations for Agriculture will show that on January 28, 1954, Mr. Benson in direct answer to a question I asked with reference to what was wrong with the general principle of establishing such a soil bank informed us that in his opinion it was unworkable. He said there were many things wrong with the principles of such a program.

Mr. HUMPHREY. I wish to thank the Senator from Alabama and, also, the Representative from Minnesota.

Mr. President, where was the President's concern over delay in getting started when his own Secretary of Agriculture came before our Senate Committee on Agriculture and Forestry on January 12 of this year and admitted they had not yet worked out detailed suggestions or recommendations on the workings of a soil bank, but were just then rushing to get them prepared?

Where was his concern over delay when the Senate deferred action after the Senate Committee reported its bill February 10, to allow a 10-day period for Republican orators to tour the country making Lincoln Day fund-raising speeches for the Republican Party?

I am not objecting to that. That is done under a gentlemen's understanding, and it is entirely appropriate. But it always seems that when there is a delay the President finds it convenient to lay the blame on the Democratic side.

Where was his concern over the economic plight of farmers when his Secretary of Agriculture established new low support levels for 1956 crops—levels the President now offers grudgingly to partially raise in return for depriving farmers of the fair price levels Congress determined they were entitled to?

If the Eisenhower administration finds justification and authority now to voluntarily increase farm price-support levels to some degree after veto of the farm bill which would have provided far more effective farm income protection, why did not the same justification and authority exist when Secretary Benson earlier established the lower support levels?

Mr. President, I think that is a fair question. The President is establishing new support levels—he announced it in his veto message and on the radio and on the television—on the basis of the law of 1954. That law, Mr. President, was in effect in January, February, March, and April of this year. It has not been changed.

How does it happen that wheat was 76 percent of parity before the veto and has gone up to 84 percent of parity after the veto?

Mr. President, the law laid down eight criteria for the Secretary to use in deciding on support levels. He is obligated to use them. If he does not, he must make a public explanation.

I should like to know what has happened in the past 2 weeks in connection with the surplus of wheat and the production of wheat which allowed the President administratively to raise support levels. The only thing that has happened is the approach of an election.

I say, here and now, that the President and the Secretary of Agriculture have an obligation under the law, which I shall read subsequently, to announce why they made these decisions.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. I wondered if it had occurred to the Senator from Minnesota that the idea behind raising the support level was that an election is in prospect? We are now seeing some indication of the many things which could have been done during the past 3 years to help the farmers, and which the administration has deliberately refrained from doing. In other words, it is possible that many things which the administration is proceeding to do now, could have been done during the past 3 years in order to increase farm income by more than a billlion dollars a year.

Mr. HUMPHREY. The Senator from Louisiana has put his finger on the most important factor in the debate and squabble on farm legislation. It is now obvious to every farmer that the administration has been crudely, rudely, and in a Scrooge-like manner, denying to farmers reasonable prices for their products. We now have evidence, by way of the veto message, that any time the President wants to raise the support levels, he can do so. So it can only be that he purposely, and with design, forced prices down. Now, with Mr. Eisenhower's willful action, administratively, under the same law, the price support level is raised—or, more correctly, not lowered as much as they originally planned—as a means of throwing a sop to the farmers' well-being, thinking that they will forget the many months of depressed prices they have had to suffer.

What has been the change in the economic facts involved in the conflicting decisions other than the belated election year recognition of farm protests against the administration's gross neglect of agriculture? President Eisenhower says, "We now have sound, forward looking legislation in the Agricultural Act of 1954." Yet it was under that Act that Secretary Benson fixed the support levels originally announced for 1956. It must be assumed that Secretary Benson used the criteria established in the act in arriving at the announced price support levels. Whatever discretionary authority the President or the Secretary now has to make adjustments related to economic conditions in agriculture, he also had before. Whatever information the administration officials now have about depressed conditions in agriculture they had available then—if they had cared to consider that vital fact.

Does the President now say that the Secretary of Agriculture grossly misjudged the factors involved in setting the lower support levels under the flexible support theory? Is the President saying to the people of America and to Congress, via his veto message, his radio

program, and his television program, that Ezra Taft Benson not only is a poor Secretary of Agriculture, but that he does not even know arithmetic?

The support levels announced by Secretary Benson were announced under the President's authority. It is Mr. Eisenhower's farm program, not poor Benson's. It is Mr. Eisenhower who is responsible. Is Mr. Eisenhower saying to the farmer that he did not know what was in the Agricultural Act of 1954? Is he saying to the farmer that even if he had known what was in the Act of 1954, he thought the farmers ought to suffer a little more? Is that why he cut the support levels down? Is that why he pulled down the support level for wheat? Is that why it was cut down for corn? I want some explanation from this "principled administration."

Is the President of the United States saying that the flexible support theory should not be quite so flexible in an election year? Is that what he is saying? Is he saying that a little of the flex ought to be taken out every time a presidential election comes around? Or is he saying, "We are going to dip into the Commodity Credit Corporation to pay the Republican campaign expenses"? That is what he was saying in the veto message.

I was of the opinion that Congress wrote the law. I was of the opinion that once a law was in operation, a law such as the act of 1954, there had to be some continuity to it. But no. By one simple twist of the dial, by a television script, by a veto message, farm prices are raised overnight in Washington, administratively, from the White House—and under the same old law.

Mr. President, I say this is not "principled" action. I say that, at best, it shows one of two things: Either the Department of Agriculture or the President did not know what was being done before last week; therefore, they have now come around to admitting their grievous errors of judgment at the cost of hundreds of millions of dollars to the American farmers and the American economy. Or they are merely playing politics by changing the support levels overnight, in order to ease the blow of an unjustified veto.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. Will the distinguished Senator from Minnesota inform the junior Senator from Tennessee whether the old price support levels, the price support levels previously announced by Secretary Benson, are in conformity with the formulas and the requirements of the 1954 act; or whether the new, recently announced, politically announced, price support levels are in conformity with the bill?

Mr. HUMPHREY. Rather than to pose as a judge in that matter, let me say that if the new announced support levels are supported by the criteria in the 1954 act, then, indeed, the levels of last week were not supported by the criteria. If that is the case, then we ought to get a new Department of Agriculture, starting with the Secretary; and it might be well, also, to get someone new at the top, through a change in the White House, namely, a new President; because if the President can be that wrong, and if his Secretary of Agriculture can be that wrong, then this is too expensive an administration, because its actions have cost the farmers hundreds of millions of dollars.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. GORE. Would it be reasonable to deduce from these circumstances that one of the inequities of the flexible-price-support program is that it is subject to political manipulation?

Mr. HUMPHREY. How right the Senator from Tennessee is. The program seems to become much more firm in its flexibility in about April, May, and June of a presidential election year. One of the real reasons for a mandatory price-support program is that it does not make any difference whether a farmer votes or not; he is under a price-support level provided by the law passed by Congress. It does not make any difference whether he is a Republican or a Democrat; he gets the price-support level provided by the law passed by Congress.

I charge on the floor now that the administration is openly playing politics with the price-support program of 1954.

Mr. GORE. That being true, would the Senator not think the farmers could more safely rely upon the price-support levels determined by Congress, as contained in the law, than to leave their fate to the political manipulations of the party bosses in an election year?

Mr. HUMPHREY. The Senator from Tennessee is absolutely correct. Again I may say that his perception is equal to his good judgment, and both are superlative.

Mr. President, some of the press critics of effective farm legislation so jubilant over the President's veto need to do a little soul searching before they jump to such hasty conclusions as they have as to who is standing on principle and who is not, who is being consistent and who is not, who is doing what is really best for our economy and who is not.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. Is the Senator from Minnesota aware of the fact that the Wall Street Journal has endorsed the President's action in this matter?

Mr. HUMPHREY. I have not been fully aware of that fact, but I may say I am not surprised. I would rather have expected it, since many of the announcements of the administration on agriculture have come from that great newspaper.

Mr. KERR. In view of the fact that Benson and the Wall Street Journal have agreed on what the farm policy ought to be, and that the President has come out with such a program, does the Senator not feel that perhaps he should evaluate his position, and see if he would be justified in taking a position inconsistent with the one they take?

Mr. HUMPHREY. I think that is a valuable suggestion for the President. I may say if the President would evaluate anything he has done, it would be helpful to the American people.

Mr. KERR. I agree with the Senator, but in view of the fact that the Wall Street Journal has endorsed his position so completely, is it not possible that the Senator from Minnesota and the Senator from Oklahoma, who have been so positive in their condemnation of the President, might reevaluate the opinion of the Secretary of Agriculture and the Wall Street Journal?

Mr. HUMPHREY. I think the Senator has a point. I gather his point is that after hearing from the Wall Street Journal's "experts" in the field of agriculture, we might want to reevaluate our own criticisms of the President's action?

Mr. KERR. Yes.

Mr. HUMPHREY. One of the reasons why the President and the Wall Street Journal were interested in the farm bill was that the bill had the words "soil bank" in it. Immediately there was a great reaction in the administration. They said, "A bank! A bank! It must be good." Immediately financial publications, such as Barron's Weekly, the Wall Street Journal, the New York Journal of Commerce, said, "A bank!" The word "soil" did not mean too much, but the word "bank" set up a whole chain reaction. The President, along with Benson, his great Secretary of Agriculture, and the Secretary of the Treasury, George Humphrey, who, by the way, is not related to me biologically or politically, saw the word "bank" in the bill, and said, "It must be good." The Federal Reserve banks have been constantly fooling around with the discount rate; and that is what the administration has been doing with the price supports.

Mr. KERR. If the Senator will yield, I should like to point out that they are related on the basis of an inverse ratio, interest rates going up, and price supports going down.

Mr. HUMPHREY. That is true. Price supports for financial institutions have gone up, and price supports for farmers have gone down. Do not think the administration is not for price supports. It depends on who would be affected by them. We do not want to be unkind to them. They are really for price supports.

Mr. KERR. And for Dixon-Yates.

Mr. HUMPHREY. For Dixon-Yates.

Mr. KERR. And high interest rates.

Mr. HUMPHREY. High interest rates; discount rates; and for price supports, but not for farmers.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. LONG. I suppose the Senator noticed over the past weekend, while the President was considering vetoing the farm bill, that his administration increased the rediscount interest rates by one-half of one percent. Did he not?

Mr. HUMPHREY. The administration did that; and they did not have to have any hearings on it; there was no delay.

Mr. LONG. Before the day was over, the Chase National Bank also raised its interest rates to keep them in line with those of the Federal Reserve Board.

Mr. HUMPHREY. It is always cooperating with the administration.

Mr. LONG. I am sure that by Monday every bank of any consequence had raised the interest rates which will be charged farmers and other individuals, including interest rates charged the Federal Government for interest on the Government's own debt.

Mr. HUMPHREY. They will cooperate to the last digit and the last nickel on increased interest rates they can get from everyone.

Mr. LONG. One of these days I hope to compute how much the increases in the interest rates by the administration have cost the farmers and the general consumers of the Nation. I would assume the figure to be somewhere between \$1½ billion and \$2 billion. Someone should take a look at the cost of the increased interest rates the administration has imposed on the people, without consultation with Congress or anyone else, but to help out those who lend money, at the expense of the Government and most of the people who have borrowed money.

Mr. HUMPHREY. But the Senator will admit that the administration has been efficient and there has been no delay in fulfilling its obligation to provide price supports. It did not make clear, price supports on what. The first act of the administration in 1953 was to raise interest rates for agriculture.

Mr. LONG. Over the weekend the administration did not see anything wrong in increasing the interest rates charged to those who borrow money, by one-half of one percent, while at the same time it killed the bill to benefit the farmers.

Mr. HUMPHREY. These are matters which have been discussed before the Committee on Finance. At least, they have been discussed after the fact. I regret the Senator's advice was not sought beforehand, but the administration likes to move rapidly.

Mr. LONG. Banks got an increase in their price supports at the same time farmers got a decrease in their price supports.

Mr. HUMPHREY. That is a perfectly consistent action on the part of the administration.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield to the Senator from Alabama.

Mr. SPARKMAN. I am not sure there is any relation to the question of parity, but I wonder if the increase in interest rates which was put into effect over the weekend, while the President was deciding to veto price supports for farmers, was a 90-percent support price, or was it approaching 100 percent?

Mr. HUMPHREY. I take it the administration is approaching the great goal of 100 percent in the market place. It is the market, but not the livestock market. It is the stock market, the blue-chip market.

Mr. BARKLEY. Mr. President, I was going to ask the Senator from Minnesota which market place he was referring to, but now he has answered the question I intended to ask him.

Mr. HUMPHREY. I thank the Senator. I am sure the distinguished Senator from Kentucky, who has been so much a part of the struggle to obtain equality for agriculture, will agree with me that generally, when a Republican President is in the White House and when the Republican Party is feeling its strength, there are two obvious economic facts in American life: low agricultural prices and high New York stock-market prices—or, at least, for a while; sometimes they decline, as occurred in 1932.

Mr. GORE. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER (Mr. LAIRD in the Chair). Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. HUMPHREY. I yield.

Mr. GORE. The result of the first interest-rate manipulation was to reduce from three to two the number of bedrooms in a house a veteran could purchase with a given payment. The junior Senator from Tennessee would like to know how many bedrooms there are in the house a veteran can buy now with the same amount of money.

Mr. HUMPHREY. I am not sure what the decrease will be in the number of bedrooms; but I suggest that such a veteran will be rather crowded in living in the few bedrooms he will have left, because the walls are tightening in on him as a result of the last little "deal" to which the Senator from Louisiana referred.

Furthermore, I recall the report made by the Senator from Alabama [Mr. SPARKMAN] in regard to what I believe was a \$14,000 home. The action of the administration resulted in reducing the size of such a home by one bedroom. In short, the administration said, "If you have a large family, you will have to crowd up a little bit."

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Let me suggest that in that process, still another room has been removed from the house such a person could afford, because in the last year the average price of homes in the United States rose \$1,400, and the price is still rising.

Mr. HUMPHREY. And if that continues, some folk will have to sleep in the parks.

Mr. BARKLEY. Perhaps that is one of the considerations back of the proposal to prevent further increases in the population of the United States—because there would be no place for them to sleep.

Mr. HUMPHREY. Certainly that is a very helpful comment in connection with this discussion.

Mr. CAPEHART. Mr. President, will the Senator from Minnesota yield to a Senator on this side of the aisle?

Mr. HUMPHREY. Yes; for I wish to be fair to Senators on that side of the aisle.

However, Mr. President, before yielding to the Senator from Indiana, I should like to give the Senator from Indiana several little tidbits on which he will be able to chew for a while.

Mr. CAPEHART. Mr. President, since the Senator from Minnesota is trying to straighten out his understanding of this matter, I shall be glad to throw a little more light on it.

Mr. HUMPHREY. I am delighted to have the Senator from Indiana do so.

Mr. CAPEHART. I wish to help keep the record straight. Let me point out that in the 3½ years since Mr. Eisenhower has been President of the United States, there has not been an increase in the cost of living. In other words, what the people buy today costs no more than it would have cost 3 years ago.

Mr. HUMPHREY. Let me interrupt the Senator from Indiana at that point. I think the statement he has made is a fair one, but I think a word of explanation in that connection might be helpful. As the prices of processed and manufactured goods have risen and as interest rates have risen—and they have—and as the carrying charges which farmers have to pay have risen and as the wages of other groups of the population have risen, the prices of farm commodities have gone down. So the administration has been able to keep some sort of economic balance, by having the prices of some things go up, and the prices of others go down. Of course, that development unbalances the situation of some folk, although it makes a fairly good statistical picture.

Mr. CAPEHART. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. The Senator from Minnesota also said that when the Republicans are in power, farm prices go down and New York Stock Market prices go up.

Let me say that during my lifetime there have been three Democratic Presidents—Wilson, Roosevelt, and Truman. All three of them involved the United States in war. Therefore, let me ask the Senator from Minnesota this question: Is it just as honest to say that when we have a Democratic President, we are involved in war, as it is to say that when we have a Republican President, farm prices are low and New York Stock Market prices are high? Is one statement as honest as the other?

Mr. HUMPHREY. The Senator from Indiana has asked me the question, and I would reply by saying "No." [Laughter.] That is a simple and an honest answer.

I have always been interested in the knowledge of history that my Republican friends have. They have a wonderful way of being able to ignore any chapters of history that are slightly distasteful to them. For instance, they ignore the existence of such a person as Hitler. In the minds of our Republican friends, such a person never existed. Likewise, so far as my Republican friends are concerned, Pearl Harbor never happened—or, if it did, it was only another Republican parade with firecrackers. Similarly, in the minds of my Repulican friends, there never were such persons as Tojo or Stalin.

Such a point of view on the part of my Republican friends indicates to me that

if one is able to close his mind to certain chapters of history, he can live a rather blissful, peaceful life.

Mr. KERR. Mr. President, will the Senator from Minnesota yield to me, to permit me to ask two questions?

Mr. HUMPHREY. Certainly.

Mr. KERR. The Senator from Indiana called attention to the fact that the cost of living has been about the same for the past 3 years. Is it not a definite and accepted fact that the American farmer is the goat of that situation?

Mr. HUMPHREY. The Senator from Oklahoma is correct.

Mr. KERR. Is it not also a fact that the American farmer has had to suffer the depressing influence of reduced agricultural prices, and that the prices of agricultural commodities have been reduced in order to absorb the increase which has occurred in the prices of all commodities except those produced on the farms?

Mr. HUMPHREY. The Senator from Oklahoma is absolutely correct; and the statement he has made is supported by all the statistical data which comes from the Government.

Mr. KERR. Now let me refer to 100 percent of parity in the market place, insofar as the farmer is concerned. Is it not a fact that the one time during the past three decades when the farmer had full parity in the market place for his products was during the administration of Herbert Hoover?

Mr. HUMPHREY. Will the Senator please repeat his question? The suggestion he makes in it is a rather shocking one.

Mr. KERR. Is it not a fact that the only time in the past three decades when the farmer has had full parity in the market place—that is to say, the full benefit of the law of supply and demand, and also as regards the operations of the speculators and the full evil effect of such operations—was during the administration of Herbert Hoover?

Mr. HUMPHREY. I think he came as close to reaching that objective as any man I know of.

Mr. KERR. Is it not a fact that no effort was made to prevent the prices of farm products from finding whatever level the operation of the law of supply and demand and the operations of the speculators would drive them to?

Mr. HUMPHREY. Yes, except I wish to point out that in order to keep the record straight, we should say that in 1930 and 1931 the old Federal Farm Board engaged in some activities which were too little and too late—which is another chapter in the book of the Republican doxology.

Mr. KERR. Was that the Board which advocated helping the wheat farmer by placing a bonus on the price of flour?

Mr. HUMPHREY. Is seems to me that something of that sort was involved.

Mr. KERR. Just as Secretary Benson has tried to help the livestock producers by giving a bonus to the packers.

Mr. HUMPHREY. Yes. There seems to be a strange similarity and affinity there.

Mr. BARKLEY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. BARKLEY. I recall that the Farm Board was created and that \$500 million was appropriated by Congress for the operations of the Board. But the \$500 million and the farmers all went down the drain together as a result.

Mr. HUMPHREY. That is what we call a great engineering feat—ditching the dam and draining the country in one fell swoop.

Mr. LONG. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield.

Mr. LONG. Inasmuch as the statement has been made that the cost of living today is about the same as it has been during the past 3 years, it might be well to point out that, as the Senator from Minnesota has said, in that process some persons have done better and some persons have done worse. For example, the corporations with assets of more than \$100 million have seen their profits increase by 27 percent. Those are the figures of the Eisenhower administration. Those with assets of \$250,000 or less have seen their profits reduced by 39 percent, while the farmer has seen his income reduced by \$4 billion. The persons who collect interest on money have seen their incomes increased by approximately \$2 billion. So the cost of living is the same. It has only been shifted. Those in the upper brackets are making more and those in the lower brackets are making less. At least, some people can be happy. The economy is balanced. Some are getting more and some are getting less.

Mr. HUMPHREY. I thank the Senator. He is always on the job when it comes to economic analysis. I know of no Senator who has contributed more to an objective, accurate appraisal of these figures than has the Senator from Louisiana. I accept his figures. I am sure they are supported by the reports of the Senator's own Committee on Small Business.

Mr. KERR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KERR. In order that the statement of our distinguished colleague from Louisiana may be understood, the decrease of \$4 billion which the farmer has suffered is a decrease in his take-home pay, his take-home income, or net.

Mr. HUMPHREY. That is correct. It is a \$4 billion net decrease.

Mr. KERR. That is, according to the Department of Agriculture.

Mr. HUMPHREY. Yes.

Mr. KERR. A few days ago a panel of economists from the Reserve board headquarters in the district of which Oklahoma is a part conducted a panel discussion in a bankers' convention in Oklahoma. They announced that the average farm income in Oklahoma for 1955 was \$1,200 per family, which represented a decrease of \$1,000 per family in 3 years. That demonstrates that actually the take-home pay of the average farm family during the past 3 years has been reduced nearly one-half.

Mr. HUMPHREY. I thank the Senator for that observation. I am sure the Senator would be interested in knowing that the college of agriculture at Ames, Iowa, in a recent study in Iowa, demonstrated that last year there was a 50-percent reduction in cash income of Iowa farmers. In Minnesota we have seen a very substantial reduction in income of farmers, and a rise in indebtedness.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. The senior Senator from Oklahoma made the statement a few moments ago that the Department of Agriculture had undertaken to support the price of hogs by a bonus to the packers. If that be true, what kind of products would the Senator from Minnesota or the senior Senator from Oklahoma say the Department of Agriculture actually bought?

Mr. HUMPHREY. I shall make one comment, and then I shall yield to the Senator from Oklahoma.

The study which we placed in the CONGRESSIONAL RECORD, which was a review of statistical evidence relating to purchases by the Department of finished pork products from packers, revealed that every time the Department of Agriculture bought pork products, the price of pork went up and the price of hogs went down. That is shown by the records of the Department of Agriculture. That was true in every instance, with 1 or 2 exceptions. I think there were two times when the purchase program resulted in an increase in the return to the producer of hogs.

I now yield to the Senator from Oklahoma.

Mr. KERR. Mr. President, I remind the distinguished Senator from Minnesota that he must give the Department of Agriculture full credit. It has boosted the price of canned pork gravy to the packer more than 10 percent as a result of this operation.

Today the Department of Agriculture, after having bought more than \$100 million worth of pork products, including a very substantial amount of canned pork gravy, has succeeded in lifting the price of the delectable, desirable, incomparable product of pork gravy to the point where it is paying nearly 70 cents a pound. When the program started, it was at the pitifully low price of about 62 cents.

As the distinguished junior Senator from Oklahoma [Mr. MONRONEY] once said, the Department was proving that, although the man who raised the hog and kept him for 7 months received only 10 cents a pound, the packer, for keeping him about 30 minutes, was getting a differential of more than 50 cents a pound. As the distinguished junior Senator from Oklahoma said, the hog could have stayed at the Waldorf-Astoria for an equal length of time for less.

Mr. HUMPHREY. I thank the Senator from Tennessee and the Senator from Oklahoma for their very delightful and enlightening contribution on the subject of political gravy. That is apparently what has been the result, when we consider the President's veto in the light of some of the recent actions with respect to the farm-price-support level.

If we consider the veto message line by line, we find it filled with inconsistencies. The President professes worry about accumulating more surpluses of feed grains, then vetoes the first action this Congress has ever taken to cut back production of feed grains.

I wish to be charitable to the President. I am sure he did not know that there was something in the bill which would have cut back the production of feed grains. The bill would have made a mandatory reduction of 15 percent in the acreage of feed grains. That would not have resulted in the production of more feed grains, but less feed grains. However, for what the farmer did produce, he would receive a fair and reasonable price.

So, if the President wishes to reconsider the veto message—I do not know whether there is precedent for it—if he will look into the feed-grain section of the bill as passed by Congress, he will find that for the first time in the history of the Congress a measure was enacted by Congress to cut back the production of feed grains. Yet the President went on the radio and television and told the people that the bill would expand the production of feed grains. I am sure he meant it. I am sure he thought it would. I am sure Benson never told him to the contrary. Sherman Adams undoubtedly did not know about it, because he does not produce enough feed grains to enable him to know about it. I am sure no one told the President about it, or he would not have misled the American people. I do not say that the President purposely or intentionally misleads the people. I simply say that he did not know what was in the bill. If he did know, he would be guilty of a purposeful deception of the American people. However, I do not think he would do so.

It is time someone really challenged the fiction this administration is peddling as fact about all the depressed farm prices being the result of surpluses.

It is not Government-owned surpluses that depress prices; it is how the Government handles those surpluses.

How can commodities in the Government's hands depress the cash markets below support levels if the law requires, as it does, that the Government shall not sell those commodities at less than the full support price plus 5 percent and carrying charges?

I will tell Senators how it happens. It happens only because the administration uses every loophole to avoid that law, and to dump products on the market in direct competition with the producer at cutrate competition.

Before the President does much more talking about surpluses, I ask once again for him to tell this Congress just what really is surplus and what is not. His own Secretary was unable to do so, and his own Office of Defense Mobilization was unable to do so.

What a strange situation confronts us. Here we are in Congress, asked to spend billions to correct a situation of surpluses, and yet this administration has never, to my knowledge, informed either the Congress or its committees where it draws the line between what is surplus and what is normal safe reserves for the protection of the Nation's interest.

If the Government regards everything that passes through its hands in the Commodity Credit Corporation as surplus then it is hopelessly confused.

For this administration, by embarking on policies of bringing farm prices down on the one hand while supposedly trying to keep them up through loan programs on the other, has driven more and more commodities into its own hands and taken over more and more of the normal marketing functions of private producers and private traders.

The result of this Department's bungling administration has been less free trade and less free markets, not more.

The Government itself has cornered the market, and has steered it downward, instead of upward. Its actions have devalued its own commodity holdings and expanded losses to the taxpayers, as well as expanding loss to farmers.

I would like to ask one simple question: Does anyone think that if any one smart private trader in this country had control of as great a proportion of our farm commodities as the Department of Agriculture has, he could not influence the market upward or downward?

Imagine, Mr. President, a trader in a particular commodity getting literally a corner on the market. Does any Senator believe that such a trader would not force prices up, instead of down? Of course he would. Yet our Government, which has these great quantities of commodities, says it will not use them to build a better price structure. Instead, Mr. President, it will use them to depress the price structure.

I say on the floor of the Senate, as a Member of the Senate and on my responsibility as a Senator of the United States, that anyone who goes to the Chicago Board of Trade or to the Minneapolis Grain Exchange and speaks to the men in those exchanges, who are actually in the market, will be told by them that the present administration has done more to usurp the powers of a normal free trade in the grain market than has any other administration in our history. They will make clear that our Department of Agriculture has purposely and intentionally depressed prices. I have submitted for the RECORD in months past, letters, telegrams, and other communications from boards of trade and from important exporters and traders in the field of agricultural commodities which show that to be the fact.

We have far lower farm prices than economically necessary under existing conditions simply because the Department of Agriculture has refused to "freeze" its holdings to force prices up to support levels.

We have more commodities going through the Government's hands and being labeled "surplus" because of just such mismanagement.

Unless farmers call a halt to it in November, it is now obvious that we are in for more mismanagement and more low prices despite anything Congress tries to do about it.

Farmers needed the bill sent to the White House by this Congress. Our country needed it.

As I said earlier in my remarks, more than 40 Republican Members of the House of Representatives and 15 Republican Members of the Senate joined with the Democrats in Congress in getting that bill to the President. Those are men who live in farm areas. They are men who understand farm problems. They worked hard and conscientiously to bring about good legislation.

Conscientious men worked long and hard to develop that bill to meet acute problems in our economy. It is a dangerous disservice to intimate, as some have mistakenly done, that it was a mere gesture deliberately developed to force a Presidential veto.

I do not know a supporter of that bill who did not urge that it be signed into law.

In fact, I thought the bill would be signed. I could not conceive the President of the United States vetoing it, when, at the most, there was only a 1-year extension of what he thought were high support levels, and when at the same time he was getting almost everything else he had asked for, and particularly when the 1954 act was not being basically repealed or amended. Nevertheless, the President vetoed the bill.

It was Republican opponents of the bill who urged its veto, not Democratic supporters.

I can hardly conceive of our Republican colleagues on the other side of the aisle cooperating so readily in obtaining this veto if, as some have tried to say, it was Democratic strategy to get a veto.

Certainly, I am convinced a veto will be politically beneficial to the Democratic Party. Because it emphasizes more than our words could do the underlying philosophy of this administration against effective aid for agriculture.

But there could be no better test of putting farm welfare above political advantage than the serious effort made by a Democratic Congress to enact an effective, workable farm bill in a election year, so the Republican President would not have to campaign for reelection in quite as bad an economic climate in our rural areas.

We put the well-being of our farmers above our politics. We put the country's interest first. Seldom has there been such solid nonpartisan cooperation in the great Midwest farm areas. Yet our guidance is spurned. Our efforts are rejected. And our intelligence—and the intelligence of farmers—is insulted by the President's explanation of his actions.

Apparently, this veto was felt required, whatever the cost in human suffering to our farm population, to perpetuate the myth that "Republicans can do no wrong." They had hewed to a party line based on preconceived notions, and refused to face the facts that now confront them proving they have been wrong.

My deepest regret, of course, is for our farmers themselves.

My next deepest regret is for Republican members of the Senate and House from farm areas, who have been betrayed by the leaders of their own party, and have had exposed for all their constituents to see how little consideration the President gives to the views of his own party's representatives from the great rural States most vitally hit by this action.

Even governors of rural States pleaded with the President to sign the bill. No one said it was a perfect bill. No one said that every part of the bill was the last word in legislative perfection. No piece of legislation is perfect. However, at least the bill approached the goal and the objective of a sounder agricultural economy than we have today.

The crowning climax has been the President's suggestion of an advance payment to farmers this year—Mr. President, I ask Senators to listen to this particularly—the crowning climax has been the President's suggestion of an advance payment to farmers this year if they will agree to participate in a soil bank next year. I have never heard of such a reckless proposal relating to the public Treasury. It is a proposal to advance payments to farmers for doing something next year. What if they do not follow through next year, after they get their advanced payment this year? Are we to have district attorneys and marshals running willy-nilly over the countryside prosecuting farmers?

It is nothing more than a brazenly ridiculous election-year-bribe attempt that farmers will resent as insulting.

I think I know our Midwest farmers. Farmers will not like being denied decent prices for what they produce in one breath, and then being promised a charity check for doing nothing in the next breath, in the apparent hope they can be bribed into silence instead of fighting for equity and justice.

No one wants improved farm legislation this year, as quickly as possible, any more than I do. I include myself in the majority of the Senate who want action as quickly as possible.

But the President knows—or should know—that he has killed the best Congress can offer this year.

When this bill was before the Senate, Senator after Senator offered amendment after amendment trying desperately to obtain further improvement for farmers in his particular State. Those men represent farm people. That is what we have legislatures for. We have a representative Government, not a rubber stamp Government.

According to the President's action, we do not even need to be here to represent our people. I suggest that we know a little more about the intimate and detailed needs of our farm economy in our respective areas than some adviser in the White House. There are more advisers at the White House than there have ever been there before, although they are not so good as some have been in the past. The quantity has gone up, but the quality has gone down. Advisers are not always as closely identified with the needs of the people as those who have worked with the people year after year and who are privileged to serve the people as elected officials.

The offering of the many amendments to the farm bill was no idle gesture; it was a sincere effort to take care of the economic problems of the people by representatives who were elected to serve them.

It was not only Democrats who offered such amendments. Republicans offered as many as Democrats did, reflecting their own conviction that farmers of their respective areas needed something better than this administration had to offer.

One of the objections offered by the President to signing the farm bill, for example, was its two-price plans for wheat and rice. It was a Republican Senator, stanch supporter of the President, who in good faith offered the amendment to add a two-price plan for wheat to protect the farmers of his State. And I am sure some of my colleagues on the opposite side of the aisle, if they are not now too embarrassed to tell the truth, could tell us that certain spokesmen for the White House gave them the "green light" to vote for that amendment, assuring them the White House had no objection. Of course, another spokesman for the White House was busy assuring opponents of the amendment at the same time that the White House agreed with them. In other words, the White House was working both sides of the street, and apparently from both sides of the White House. That was only one of the many tragic inconsistencies of the White House on this entire farm policy action.

The members of the press corps know that what I have said is true. They know that one representative of the White House contacted Members of Congress urging them to vote for the two-price plan, saying that the plan was agreeable to the administration.

But the White House knows well that any new attempt to bring soil bank legislation before this Congress would only result in renewed attempts by Members of Congress—by Republicans as well as Democrats—to amend it further to include provisions they feel necessary to take care of the needs of their farmer constituents. When it was all over, we would be right back where we started from.

The new White House appeal for separate soil bank action is merely a hollow political gesture, an unfair political gesture.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. The Senator realizes that if a bill providing for a soil bank were brought before the Congress today—and I hope we can divorce it from what the Senator thinks is a wholly political gesture—and if, as a result of the very solid conviction the Senator from Florida [Mr. HOLLAND], I, and other Senators, have on the subject, we could pass such a soil bank bill, the benefits of such a program would be made available to the farmers.

Mr. HUMPHREY. I believe in the soil-bank program. I am talking about the hue and cry that it can be done only by new legislation, and I ask the distinguished Senator from New Mexico to bear with me a few moments, and I think he will see the merit of my position.

Mr. President, if this administration feels as strongly about the need for a soil-bank program for production adjustment, why has it not put one into effect long ago?

Why did it not accept the proposal we had before it last year?

Why did it not submit budget requests for carrying out such a program under existing authorization?

I will challenge this administration to say it has no authority now to carry out the very same soil-bank program, merely by asking for necessary appropriations and perhaps expanding the appropriation authority.

Why has it deceived farmers and the American people into thinking it could not do a thing without a new act?

Everyone in the Department of Agriculture knows better. The Department of Agriculture's general counsel knows they have general authority for such a program—even specific direction for it. The Secretary of Agriculture knows it, even if the President does not.

Furthermore, Mr. President, they know they have been talking about it within the past 3 days. They know there have been meetings in the Department, and they found that authority. Yet the Secretary of Agriculture does not seem to be able to act. One of the purposes of a soil-bank bill, the sort of bill which we may adopt, is not to rely upon the discretion of the Secretary, but to furnish congressional guidelines as to how it should be done.

The Secretary apparently wants merely to be able to lay blame on the Congress for not giving him a soil bank act, so he can have an excuse on which to hereafter blame all his troubles.

The public is entitled to know these facts. It is wrong for the President of the United States to mislead the people about this soil bank situation.

I respectfully challenge the press to look up the law for itself, if the President or the Secretary of Agriculture will not tell us about it.

Read the Soil Conservation and Domestic Allotment Act, as amended—the law now in full force and effect.

Sections 1 to 6 have been on the statute books since April 27, 1935.

They give the Secretary of Agriculture sweeping powers to carry out intensive conservation efforts, including specific provisions for "changes in use of land."

The third point of the introductory section 1 says:

> (3) To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he (the Secretary) may deem necessary, for the purposes of this act.

Section 6 authorizes to be appropriated for the purposes of this act "such sums as Congress may from time to time determine to be necessary." Not even a limitation. Yet has Secretary Benson or President Eisenhower ever asked for such appropriations?

But if that is not broad enough authority—and competent counsel indicates it is—let us read further in this same act, through sections 7 and 8.

Section 7 (a) says:

> It is hereby declared to be the policy of this act also to secure, and the purposes of this act shall also include—
>
> (1) preservation and improvement of soil fertility;
>
> (2) promotion of the economic use and conservation of land;
>
> (3) diminution of exploitation and wasteful and unscientific use of national soil resources;

and, after a fourth point on protection of rivers and harbors against the results of soil erosion, adds:

> (5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio.

Section 8 (a) of the act makes clear this authority exists in force until the end of this year.

Section 8 (b) says:

> Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, or the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); of (5) any combination of the above.

That is the law on the books. That law was there last year. It was there when this administration was supposedly desperately struggling to find a way to help the farmers. It was there when the President's message was sent to Congress. It is still on the books.

In layman's language, what does that law provide? It specifically authorizes payments to farmers for changes in land use, so as to avoid the exploitation or wasteful use of land resources for production unneeded for domestic consumption. That is what the soil-bank program will do. That is its whole purpose.

Note, however, that the language is permissive, not mandatory. I say that anyone who reads the language of the Conservation Act and the Domestic Allotment Act, with amendments up to date, going back to as early as 1935, will find in them all the authority which is necessary for effective soil conservation or a soil conservation reserve program.

When my own soil bank bill was introduced, my purpose was to direct the Secretary to carry out such a program, in view of his failure to take such action on his own initiative. If the Secretary wanted such a program, if the President wanted such a program, why was it not included in this year's budget under authority which now exists? Why was it made into a political football?

The veto now makes the answers rather obvious. The administration was more interested in having something to propose with which to counter what Congress might develop than it was in getting a real program started.

To be sure, the existing authorization covers only this year. It would have been a simple matter to extend it, if the administration had asked for it. It has been extended numerous times before, and will likely be extended in any event this year, in order to assure the continuation of our regular agricultural program, now carried on under the act.

The act also includes a limitation of $500 million for any one year for the sections 7 and 8 provisions; but it would be far simpler for the President and the Secretary to start an immediate program at the beginning of the year, under the existing authority, than it would be merely to ask Congress to double that amount in order to obtain the necessary funds which now appear to be required to do a creditable job.

In view of this existing authority, the President's dramatic appeal for "action" on the soil bank has a hollow ring. Why does not the administration simply ask for a supplemental appropriation, together with a request to expand the authority it now has? Is the administration afraid to do that, because it would mean admitting publicly that it has had such authority all along, and could have started the program January 1, instead of using the program as a mere political device to talk about? It is time the President answered a few of these questions. If he is too busy, or if he is away, let the Secretary of Agriculture answer them.

All the huckstering the administration's spokesmen can do will not change the simple fact that President Eisenhower, by his own decision—regardless of who may have guided it—has taken almost a $2 billion slice out of farm income for this year.

Despite the belated gestures of the President in offering to give back pennies for the dollars he is taking away from the farmers, the fact remains that America's farmers will get about $2,416 million less this year than would have been conservatively anticipated under the measure which the President vetoed.

This figure is not an idle guess. It is the considered judgment of competent economists who have been working on these estimates for me ever since the President vetoed the bill. It is my intention to substantiate that figure with tabulations from which it was compiled.

Mr. President, I ask unanimous consent to have printed at this point in the Record tabulations and statistical charts which will furnish the background for my statement that the veto has cost the American farmers not less than $2,416 million on estimated production of this year's crops, according to the Department of Agriculture's own estimates.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. Reserving the right to object, and, of course, I shall not object, would the distinguished Senator from Minnesota indicate to the Senate, so that we might know what reliance may be placed upon the charts, whether the statistics were compiled by the Bureau of Labor Statistics, by the Treasury Department, or by the Department of Agriculture?

Mr. HUMPHREY. No; they were not; they are tables which were developed by three members of my own staff and myself, together with representatives of the National Farmers Union, and by economists who have helped me.

One of those whose assistance I received formerly worked in the Department of Agriculture. My own administrative assistant worked for many years in the Department of Agriculture.

Mr. KNOWLAND. I wish to thank the Senator from Minnesota. When Senators examine the tables in the Record, they will know what the background of them is.

Mr. HUMPHREY. The tables reveal simple arithmetic. The Department of Agriculture has estimated the crop production for the coming year. The Department of Agriculture knew what the price support levels would have been under the Senate-House bill. The Department of Agriculture knew what the price support levels were prior to the President's veto message. The Department of Agriculture knows what the price support levels will be as announced in the President's veto message. All that is necessary is to put them down: First, the price support levels under the 1954 act, before Eisenhower gave them a little political jump; the price support levels under the conference report; the production estimates, which can be arrived at by taking the amount per pound or per bushel and multiplying it by the number of bushels or pounds under the 1954 flexible price support schedule, which was prevailing until Mr. Eisenhower spoke on television and radio Monday night. Place those figures alongside those which were provided in the bill, and we will come fairly close to the estimates.

There are other factors involved which are explained in the tables.

Mr. President, I again ask unanimous consent to have printed at this point in the Record 13 tables comparing the farm income-improving provisions of H. R. 12, the Agricultural Act of 1956, which the President vetoed, with the same provisions of both the pre- and post-veto Eisenhower programs—the programs which the President originally sent to Congress—and the makeshift program he is now offering in his veto message.

The Eisenhower preveto program was computed on the basis of the announcements of Secretary of Agriculture Benson and the recommendations in President Eisenhower's 1956 message on agriculture. The postveto Eisenhower program is the program announced by the President at the time he vetoed H. R. 12. The source of the figures and the bases of calculations are shown in appropriate footnotes.

There being no objection, the tables were ordered to be printed in the Record, as follows:

TABLE I.—*Summary table of increased farm income improving provisions and added value of CCC stocks of H. R. 12 (Agricultural Act of 1956) compared with Eisenhower proposals*

[Millions of dollars]

Provision	Reference table	Net farm income provided by H. R. 12 more than by Eisenhower programs	
		Veto announcements	Original proposals
Milk supports	II	0	$108
Conservation reserve	III	$700	510
Wheat provisions	IV	239	175
Cotton provisions	V	230	275
Peanuts	VI	12	17
Corn (commercial area)	VII	768	248
Corn (noncommercial)	VIII	127	146
Grain sorghum	IX	38	38
Oats	X	116	116
Barley	XI	32	32
Rye	XII	4	4
Hogs, cattle	XIII	150	150
Total		2,416	1,819

TABLE II.—*Income from sale of milk in 1956–57*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price per hundredweight	$3.25	$3.25	[1] $3.15
Farm marketings (billion pounds)	108	108	108
Gross income from milk sales (million dollars)	[2] $3,510	[2] $3,510	[2] $3,402
Less than H. R. 12 (million dollars)	0	0	$108

[1] Amended by Secretary of Agriculture.

[2] Understates value of total sales since all milk is valued at manufacturing milk price, whereas about ½ goes into fluid retail sales. However, the latter are usually governed by State or Federal milk marketing orders or regulations with formulas basing fluid milk prices on manufacturing milk market averages.

TABLE III.—*Increased income from conservation reserve*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Authorized appropriations (millions of dollars)	$450	0	$350
Estimated cut in production (percent) [1]	3	0	2
Estimated surplus at 1955 support prices (percent) [2]	2	0	2
Additional cut in supply (percent)	1	0	0
Price raising effect (percent)	[3] 6	0	0
Production index (percent) [4]	97	0	98
Price index (percent) [5]	106	0	100
Gross income index (percent) [6]	103	0	98
Farm gross income (millions of dollars) [1]	$8,446	$8,196	$8,036
Reserve payments (millions of dollars)	$450	0	$350
Total gross (millions of dollars)	$8,896	$8,196	$8,386
Less than H. R. 12 (millions of dollars)	0	$700	$510

[1] Of crops not under acreage reserve.

[2] Estimate used by Secretary of Agriculture Benson in speech at Moorhead-Fargo as 1953 surplus at 1955 prices. A cut of production of this magnitude would not raise prices above deplorably low support prices; the only effect would be to stop flow of commodities to CCC. Only production cuts above this 2 percent would raise farm price above the support level.

[3] Based upon research results of Drs. Karl Fox and Willard W. Cochrane, professors of agricultural economics at Iowa State College and University of Minnesota College of Agriculture, respectively.

[4] Production without program equals 100.

[5] Price without program equals 100.

[6] Gross income without program equals 100.

TABLE IV.—*Wheat*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Parity price, per bushel	[1] $2.51	[2] $2.38	[2] $2.38
Support percentage	90	84	76
Support price, per bushel	$2.26	[3] $2	$1.81
CCC sales price percentage	[4] 105	105	[4] 100
Market price, per bushel	[4] $2.39	$2	[4] $1.81
1955 production (million bushels)	938	....	938
Cut by acreage reserve (million bushels)	[5] 322	0	[6] 417
1956 production (million bushels)	616	938	521
Gross income from wheat (million dollars)	$1,472	$1,876	$943
Operating expense (million dollars)	[4] $982	[3] $1,250	$628
Net income (million dollars)	$490	$626	$315
Reserve payments (million dollars)	$375	0	$375
Total net income from wheatland (million dollars)	$865	$626	$690
Less than H. R. 12	....	$239	$175

[1] Old parity.

[2] Transitional parity.

[3] Announced.

[4] Both H. R. 12 and Eisenhower original proposal would pay wheat farmers approximately $375 million not to grow wheat. This would cut annual production below annual market needs and thus require market to buy CCC stocks. Under the circumstances the CCC sale price sets the market price. Eisenhower initially recommended sales at market but backed down on that after thunderstorm of protests and substituted 100 percent of support price. Existing law, continued in force by H. R. 12 sets 105 percent of support as CCC minimum sale price.

[5] $2.26 times 50 percent (estimated payment per bushel cut) equals $1.13; $375 million divided by $1.13 equals 322 million bushels.

[6] $1.81 time 50 percent equals $0.91; $375 million plus 91 equals 417 million bushels.

TABLE V.—*Cotton*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal [1]
Parity price official grade, per pound	[2] $0.352	$0.348	[3] $0.348
Adjustments for ⅞-inch Middling, per pound	[4] $0.02	$0.02	[4] 0
Parity price, average grade, per pound	[4] $0.372	$0.368	[4] $0.348
Support percentage	90	82½	81
Support price, average grade, per pound	$0.337	$0.304	$0.282
CCC sales price percentage	[5] 105	105	[5] 100
Market price, average grade, per pound	[5] $0.354	$0.304	[5] $0.282
1956 production with acreage reserve (million bales)	13.2	13.2	13.2
Cut in production by acreage reserve (million bales)	[6] 3.6	0	[7] 4.3
1956 production (million bales)	9.6	13.2	8.9
Gross income from cotton sales (million dollars)	$1,795	$2,006	$1,254
Operating expenses (million dollars)	$1,196	$1,337	$930
Net income from sales (million dollars)	$599	$669	$324
Acreage reserve payment (million dollars)	$300	0	$300
Total net income (million dollars)	$899	$669	$624
Less than H. R. 12 (million dollars)	0	$230	$275

[1] Offers and askings included in the "Dear George" (Aiken letter signed by Secretary Benson).

[2] Old parity.

[3] Modernized parity.

[4] Existing law, continued in force by H. R. 12, specifies that ⅞-inch Middling shall be the official grade for parity price and support purposes; this adds 2 cents per pound. Eisenhower recommended that repeal of this provision.

[5] Acreage reserve cut in production would require market to buy at CCC sales prices. Existing law, continued in force by H. R. 12, set this at not less than 105 percent support. With the market partially dependent on CCC, the CCC sales price would set market price.

[6] 0.337 times 500 equals $168.50; $168.50 divided by 2 equals $84.15; $300 million divided by $84.25 equals 36 million bales.

[7] 282 times 500 equals $141; 141 divided by 2 equals $70.50; $300 million divided by $70.50 equals 4.3 million bales.

TABLE VI.—*Peanuts*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Parity price, per pound	[1] $0.14	[2] $0.13	[2] $0.13
Support percentage	90	82½	75
Support price	$0.126	$0.107	$0.098
1955 production (million pounds)	1,610	1,610	1,010
Cut by acreage reserve (million pounds)	[3] 111	0	0
1956 production (million pounds)	1,500	1,610	1,610
Gross income from peanuts (million dollars)	$189	$172	$157
Operating expenses (million dollars)	$126	$114	$104
Net income (million dollars)	$63	$58	$53
Acreage reserve payment (million dollars)	$7	0	0
Total net income (million dollars)	$70	$58	$53
Decrease below H. R. 12 (million dollars)	0	$12	$17

[1] Old parity.

[2] Transitional parity.

[3] 126 divided by 2 equals 0.063; $7 million divided by .063 equals 111 million pounds.

TABLE VII.—*Corn (commercial-corn area)*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Parity price	[1] $1.82	[2] $1.73	[2] $1.73
Support percentage	90	81	81
Support price	$1.64	$1.50	$1.40
CCC sales price percentage	105	100	100
Market price	[3] $1.72	$1.40	[4] $1.40
1955 production (million bushels)	2,400	2,400	2,400
Cut by acreage reserve (million bushels)	350	0	430
1956 production (million bushels)	2,050	[5] 1,800	1,970
Gross income from corn (million dollars)	$3,506	$2,700	$2,758
Operating expenses (million dollars)	$2,338	$2,000	$1,838
Net income from sales (million dollars)	$1,168	$700	$920
Acreage reserve payment (million dollars)	$1,300	0	$300
Total net income (million dollars)	$1,468	$700	$1,220
Less than H. R. 12 (million dollars)	----------	$768	$248

[1] Old parity.
[2] Transitional parity.
[3] Acreage reserve would cut production sufficiently that market would have to draw on CCC stocks at 105 percent of support sales price.
[4] Acreage reserve would cut production sufficiently that market would have to draw on CCC stocks at 100 percent of support sales price.
[5] Production estimate based on 43 million acre allotment announced by Secretary compared with 51 million acre allotment included in H. R. 12.

TABLE VIII.—*Corn in noncommercial areas*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Parity price, per bushel	$1.82	$1.73	$1.73
Support percentage	[1] 76.5	[2] 60.7	60.7
Support price, per bushel	[1] $1.40	[3] $1.12	$1.05
Market price	[4] $1.64	[3] $1.12	$1.05
1955 production (millions of bushels)	785	785	785
Cut by H. R. 12 (millions of bushels)	[5] 118	0	0
1956 production (millions of bushels)	667	785	785
Gross income from corn (millions of dollars)	$1,084	$879	$824
Operating expenses (millions of dollars)	$722	$586	$550
Net income from corn sales (millions of dollars)	$362	$293	$274
Acreage reserve payments (millions of dollars)	$58	0	0
Total net income from corn land (millions of dollars)	$420	$293	$274
Less than H. R. 12	----------	127	146

[1] 85 percent of 90 percent of old parity price of corn.
[2] 75 percent of 81 percent of transitional parity price of corn.
[3] 75 percent of $1.50 announced in veto mesage.
[4] Owing to operation of acreage reserve for commercial corn and other feed grains, noncommercial areas would become deficit areas and need to import corn thus raising local market price to at least equal the commercial area price.
[5] 15 percent cut in acres required by law.

TABLE IX.—*Grain sorghum*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price, per hundredweight	[1] $2.18	$1.80	[2] $1.80
Market price	[3] $2.30	$1.80	$1.80
1955 production (million bushels)	233	233	233
Cut by H. R. 12 (million bushels)	[4] 47	0	0
1956 production (million bushels)	186	233	233
Gross from grain sorghum (million dollars)	$428	$419	$419
Operating expenses (million dollars)	$286	$280	$280
Net income from sales (million dollars)	$142	$139	$139
Acreage reserve payments (million dollars)	$35	0	0
Total net income (million dollars)	$177	$139	$139
Less than H. R. 12 (million dollars)	0	$38	$38

[1] 85 percent of modernized parity.
[2] Announced by Secretary of Agriculture Benson.
[3] With 15-percent cuts in feed grain production, feed grain prices will rise to competitive relation with corn.
[4] Estimated 20 percent cut from 1955 acreage.

TABLE X.—*Oats*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price, per bushel	[1] $0.72	[2] $0.59	[2] $0.59
Market price, per bushel	[3] $0.80	$0.59	$0.59
1955 production (million bushels)	1,576	1,576	1,576
Cut required by H. R. 12 (million bushels)	[4] 236	0	0
1956 production (million bushels)	1,340	1,576	1,576
Gross from oats (million dollars)	$1,072	$930	$930
Operating expenses (million dollars)	$714	$620	$620
Net income from sales (million dollars)	$358	$310	$310
Acreage reserve payments (million dollars)	$58	0	0
Total net income	$416	$310	$310
Less than H. R. 12	0	116	116

[1] 85 percent of modernized parity.
[2] Announced by Secretary of Agriculture Benson.
[3] Owing to cut in feed grain production market prices would be competitive with corn at 90 percent of parity
[4] 15 percent cut in acreage.

TABLE XI.—*Barley*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price, per bushel	[1] $1.13	[2] $0.93	[2] $0.93
Market price, per bushel	[3] $1.24	$0.93	$0.93
1955 production, million bushels	391	391	391
Cut required by H. R. 12, million bushels	[4] 59	0	0
1956 production, million bushels	332	391	391
Gross from barley, million dollars	$412	$364	$364
Operating expenses, million dollars	$288	$242	$242
Net income from sales, million dollars	$124	$122	$122
Acreage reserve payment, million dollars	$30	0	0
Total net income, million dollars	$154	$122	$122
Less than H. R. 12, million dollars	0	$32	$32

[1] 85 percent of modernized parity.
[2] Announced by Secretary of Agriculture.
[3] Competitive with corn level in view of acreage cuts in feed grains.
[4] 15-percent cut in acreage.

TABLE XII.—*Rye*

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Support price, per bushel	[1] $1.41	[2] $1.16	[2] $1.16
Market price, per bushel	[3] $1.50	$1.16	$1.16
1955 production, million bushels	29	29	29
Cut required by H. R. 12, million bushels	[4] 4	0	0
1956 production, million bushels	25	29	29
Gross from rye, million dollars	$38	$34	$34
Operating expenses, million dollars	$13	$11	$11
Net from sales, million dollars	$25	$23	$23
Acreage reserve payment, million dollars	$2	0	0
Total net income, million dollars	$27	$23	$23
Less than H. R. 12, million dollars	$0	$4	$4

[1] 85 percent of modernized parity.
[2] Announced by Secretary of Agriculture Benson.
[3] Competitive market with wheat and corn whose acreage is deeply cut by acreage reserve.
[4] 15-percent cut required by H. R. 12.

TABLE XIII.—*Hogs, cattle, and other perishables*[1]

	H. R. 12 Agricultural Act of 1956	Eisenhower program	
		Veto announcement	Original proposal
Added sec. 32 funds (million dollars)	$500	0	0
Farmers share (percent)[1]	30	30	30
Increased hog and cattle, gross (million dollars)	$150	0	0
Less than H. R. 12 (million dollars)	0	$150	$150

[1] This table relates only to the direct price support purchases of meat products from the $500 million increase provided by H. R. 12 in appropriation for sec. 32 funds. It takes no account of the income improving effect upon livestock producers of a reduction in supply and increase in price of feed grains.

Mr. HUMPHREY. Mr. President, I cannot help digressing to say that it somewhat amuses me when I recall that the administration prides itself on its businesslike efficiency. The administration really has made considerable political capital from its alleged businesslike efficiency. This would lead one to believe that when the administration prepares statistics, when it makes analyses of economic matters, it comes up with prompt answers which are efficient and accurate.

Yet, I must say again that I would like to have an explanation from the Secretary of Agriculture and the President of the new economic factors which they have found between last Friday, when the Department closed its doors for the weekend, or since last Saturday, if the Department worked on Saturday, and Monday, when the President issued his veto message; because the price of one commodity after another was lifted overnight under support levels by the sheer announcement of the President, who says he believes in a free economy, in the law of supply and demand; who says he is efficient and that his administration is efficient.

I repeat: Either the Secretary of Agriculture did not know what he was doing last week, and therefore should be dismissed this week; or, if the Secretary knew what he was doing last week, and had honest answers, under the 1954 Act and the criteria established therein, to questions relating to the establishment of price support levels, there is only one other explanation, namely, that the President must have picked figures out of the air to justify his veto, and to pump money back into the economy quickly, without any legislative power or directive.

Furthermore, the advance-payment idea is one of the most unusual programs of which I have ever heard. It is a program of advance payments for something that has not even, as yet, been agreed to by the farmers who will participate.

Mr. President, I wish to say, in reply to the Senator from California, the able minority leader, that the sources of the figures are to be found, for example, in the reports of the Agricultural Marketing Service, or the Commodity Credit Corporation, or the indexes reports received by the Congress; and also, for example, based on results of research by Dr. Karl Fox and Dr. Willard W. Cochrane, professors of agricultural economics at Iowa State College and University of Minnesota College of Agriculture, respectively.

Mr. President, I have completed my remarks, with the exception of yielding for the purpose of questions.

I now yield to the Senator from Alabama.

Mr. SPARKMAN. I desired to ask the Senator a question based on the President's veto message, which reads, in part:

> Farmers are not interested in price alone. What they really want for their families is more net income.

In his veto message and in his speech following the message the President recommended that Congress enact quickly a soil-bank program, nothing else.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. Let me ask the Senator this question. As a matter of fact, does the soil-bank program, standing alone, increase net income? Rather, does it not depress the income?

Mr. HUMPHREY. At best, it is replacement income.

Mr. SPARKMAN. At best.

Mr. HUMPHREY. At best, it is replacement income.

Mr. SPARKMAN. But even for it to be replacement income, we must assume the farmer will get out of participation in the program as much as he would have gotten out of tilling the same number of acres. Is that correct?

Mr. HUMPHREY. There is one other factor, namely, that if the soil-bank program could be widely enough adopted, and sufficient acreage could be cut back at one time so that the amount of land in production could be limited, it would have the indirect effect of lifting prices.

Mr. SPARKMAN. But the program has to be projected one crop ahead, in order to accomplish that purpose. Is that not correct?

Mr. HUMPHREY. That is true.

Mr. SPARKMAN. In other words, the immediate result is not to increase net income. Is not that a strong argument in favor of many of the other provisions which were carried in the bill the President vetoed?

Mr. HUMPHREY. I say "Yes." The Senator from Florida and the Senator from New Mexico, who are now present, both advanced arguments for the compulsory type of soil bank, namely, that if farmers were to partake of the benefits, they would have to participate in the soil-bank proposal. I say to them that the administration did not want a compulsory program. It wanted a voluntary program. It said the incentive payments would be big enough to get farmers to come into the program. So the Anderson-Holland proposal was not accepted in committee. It was accepted on the floor, after Senators heard debate about it.

Mr. SPARKMAN. But it was modified in conference.

Mr. HUMPHREY. I may have been misguided, although I think not; but as an individual and as one Senator, I submit that one reason why I voted for higher supports, with soil-bank provisions, was that the benefit payments for soil-bank participation were to be at 50 percent of the support level. When support levels are decreased, the total payments are decreased. If there were to be a soil bank program on a voluntary principle—and it is highly debatable whether that is desirable, but that is what the administration wished—with incentives or benefits, then the benefits would have to be increased, and the only way the benefits could be increased, under the administration's own proposal, would be to get the prices up. I say that theory and the logic behind it can lead to but one conclusion, namely, that there was a bit of hypocrisy involved, because if lower price supports are going to be received, lower benefits are going to be received, and if benefits of soil-bank participation are lowered, participation will be lowered.

Mr. SPARKMAN. And net income will be lowered.

Mr. HUMPHREY. If one were really for the Anderson-Holland proposal, then he ought to be for higher supports to encourage soil-bank participation, because that is the only way it would work.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I have been following with interest and appreciation the remarks of the distinguished Senator from Minnesota. I want to bring him good news and cheerful news in at least one respect, namely, that the soil bank bill today introduced by the Senator from Florida for himself, the Senator from New Mexico, and the Senator from Mississippi, does contain the compulsory features. I understand some Senators on the other side of the aisle have joined us, whom we are happy to have associated with us. The Senator from Florida is glad to hear that the Senator from Minnesota now favors that feature.

Mr. HUMPHREY. I said I thought it had considerable merit, and I am prone to support it if the administration can be kept from recommending it, which I say because I have found the administration's recommendations to be completely unreliable. If the Senator can present it on his own, perhaps he will get my support.

Mr. HOLLAND. I am sorry the Senator says only that he is coming to the point where he is almost persuaded. I hope before long he will be completely persuaded and will join us. I want to assure him there is a place on the team for him. We shall need his help in pulling the wagon. We shall welcome his signature on the bill, if he desires to join in sponsoring it.

Mr. HUMPHREY. I thank the Senator. The proposal reminds me—not this particular proposal, but as it is related to the total farm program—of one who was invited to participate in a canoe trip, but then was told, "We are short of canoes, but we have peanut shucks." We cannot sail in what the Senator suggests. It is a tidbit of the total program.

As one who has learned the hard way that one does not always get what he wants, or should get, or needs, perhaps we shall have to do the best we can to satisfy the immediate needs of the farmers, the very limited needs, not all of them. If the President is really so anxious—and I gather there is a frenzy of activity in the White House and they can hardly wait to get out of town—if they really want to do something, there is already a law on the books to authorize them to start a soil-bank program.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I wish to go further and commend the distinguished Senator for having himself introduced a soil-bank bill last year, but I regret to say there were no compulsory features in the bill. I hope he will reconsider his position and join us in supporting the compulsory features. I think the distinguished Senator last year recognized what others of us have recognized this year, that the preferred way to approach the problem, big as it was, which involved $1,200,000,000 a year, was to ask for authorization from Congress for this particular effort.

I call the Senator's attention to the fact that we have actually a chance to pass on a budget in acting on appropriations. The Senate Appropriations Subcommittee on Agriculture, of which I happen to be a member, is now sitting. If the Senator has a program for a $1,200,000,000 program which he would like to add to the budget, that avenue is open to him. It was open to him last year. I think the Senator was showing his good sense when he approached the matter last year by offering an authorization bill. I am sorry the bill was not considered or approved then, with any changes that may have been made, including the feature of compulsion, as to which I hope the Senator will join us.

The point I bring to the Senator's attention is that this administration has submitted to the Congress, as every administration must under the law, a budget showing what amount is expected to be spent under the legislation which is now on the books, to which the distinguished Senator has referred, and that we have from year to year—including last year, and also including this year, by means of action already taken at the other end of the Capitol—approved those budgets rather closely. It seems to me that the distinguished Senator from Minnesota and all the others of us must realize that before entering into a program involving additional expenditures—expenditures six times as large as the normal expenditures for the program which now is on the statute books—it was wise and it was good government for the administration to seek legislative approval, and that it would have been regarded as almost utter folly for this administration or the preceding one or any other administration to seek to proceed with such a program without obtaining legislative approval of it, particularly when so many of the features of the program were additions to existing law—as, for instance, the features of the acreage reserve program in the soil bank, which involves making payments by way of inducement.

Upon a careful reading of the bill now on the statute books, I have not been able to find in it any provisions which would have justified action on the part of executive officers, without prior approval by the Congress, in paying out more than the product involved was worth, in order to get farmers to agree to abandon production for 1 year on their particular land; and I think the distinguished Senator from Minnesota will agree with me that there are in the measure which Congress passed, in the case of the soil-bank program, features which not only greatly transcend in amount, but also greatly transcend in their details and in respect to some of the objectives sought to be carried out, those embraced in the present law. Does not the Senator from Minnesota agree with those statements?

Mr. HUMPHREY. Not fully, I say most kindly.

First, I wish to say that under the Soil Conservation and Domestic Allotment Act, as amended, there is authority to engage in a much larger soil conservation program than the one the administration is engaging in at the present time. I believe that under sections 7 and 8 of that act there is a $5 million authorization. So the administration could have requested an expanded authorization. The smart lawyers in the executive departments should know what the present authorization is. The departments have large staffs of so-called experts who should be familiar with those details.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me at this point?

The PRESIDING OFFICER (Mr. Scott in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I ask the Senator from Florida to wait a moment, please.

Furthermore, Mr. President, let me say that insofar as the soil-conservation program is concerned, if I am not mistaken the Appropriations Committee from time to time, at the request of the Department of Agriculture—and after holding hearings for the purpose, and obtaining testimony from the Department of Agriculture—has included in the appropriation bills, even though such provisions may have amounted to legislative language, all kinds of directions regarding the use of funds. Let me say most respectfully to the Senator from Florida that if the Secretary of Agriculture believes that this matter is so urgent and that time is wasting—and let me point out that we shall not be able to report such a bill in several days—at least at long last the Department of Agriculture knows a little about soil conservation and the soil-bank program. Apparently the Department did not know anything about them on January 12, because I have read from the testimony given before our committee, where both the Secretary of Agriculture and the Under Secretary of Agriculture said they were unprepared with the details of such a program. But now they are prepared with the details; and I say that many of those details can be worked out under existing law. I say, further, that the Department of Agriculture is considering the matter right now.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield to me at this point?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I agree with the Senator from Minnesota that the Department of Agriculture has within it some able men. But I am not willing to admit that the Department has any abler men than the Senator from Minnesota or the Senator from New Mexico [Mr. Anderson] or many other Members of this body. I call the attention of the Senator from Minnesota to the fact that last year, when he thought some provision should be made for this program, he did not request that such a provision be handled by the Appropriations Committee—and I think he was wise in taking that position—and he did not offer on the floor of the Senate an amendment to achieve soil-bank legislation by way of indirection—and I think he was wise in that decision.

Mr. HUMPHREY. But let me say I supported other appropriations.

Mr. HOLLAND. And the Senator from Minnesota had not attempted to proceed by indirection in this instance.

Inasmuch as I should now be in attendance at the committee session, I must make my remarks rather brief; but I wish to say that I believe the approach adopted by the Senator from Minnesota, in proposing specific legislation, was the wise and the only proper one, in view of the large size of the program and the fact that it called for a departure from existing programs. I would not agree that by means of setting up a committee and later by means of action taken at the suggestion of the Appropriations Committee, a program involving $1,200,000,000 and covering many details which certainly are not covered by existing law, should have been initiated.

I think the best way the Senator from Minnesota can accomplish his purpose is for him to jump right in with the Senator from New Mexico [Mr. Anderson], the Senator from Mississippi [Mr. Eastland], and the Senator from Florida, and other Senators who now are supporting proposed soil-bank legislation by itself, and to help to have it passed by the Congress speedily and sent to the President for his signature. So I extend the warmest possible invitation to my friend, the Senator from Minnesota, to join in that effort.

Mr. HUMPHREY. Mr. President, I realize the warmth of the invitation, and I thank the Senator from Florida.

Mr. President, I conclude my remarks by saying that, first, I introduced the soil-bank bill because I felt that it was essential to have permanent, mandatory legislation on that subject.

I am frank to say that as a Member of the Senate I myself did not fully appreciate the significance of all the language in the act of 1935, as amended, as regards conservation and what we term the Soil Conservation and Domestic Allotment Act. I do not profess to be a lawyer or an expert on agricultural law; but I say that the Department of Agriculture is simply loaded with such lawyers and experts, who supposedly know what is in the law.

Furthermore, Mr. President, my argument is that at first this administration was opopsed to a soil bank, but suddenly the administration got a passion for it, when it felt the soil bank was popular. And now the administration has a super-passion for the soil bank, when it thinks it can cause trouble for others by taking that position.

I repeat, that under the existing act of 1935, as amended, there already is authority for the administration's soil-bank proposal, or at least authority for many phases of it. Under existing law, the administration could have doubled the payments proposed to be made to farmers for taking crops out of production. Specific language on that point is to be found in the existing law. But the administration, which had complained about the soil bank when it was proposed by others, did not even know that under existing law there was already authority for the establishment of a soil bank. Furthermore, when others proposed the creation of a soil bank, by means of appropriate legislation, the administration said, "No," and said that a soil bank would be too expensive. At that time the administration thought it would cost $400 million to establish a soil bank, and at that time the administration thought a soil bank would be too expensive.

Now the administration says that $1,200,000,000 is needed for a soil bank, and that such a soil bank will not be too expensive. Instead of being too expensive, Mr. President, the administration now wants $1,200,000,000 made available at once for a soil bank. In fact, Mr. President, the administration wants to get a soil-bank program into operation so quickly that it is willing to send out checks for payments in connection with the soil bank before anyone agrees to participate in the soil bank. That would be exactly like having an insurance company make payments on an accident insurance policy before the policy was taken out, or before an accident occurred. An insurance company which attempted to operate on that basis would not be in business very long, Mr. President. I have never heard of so ridiculous a proposal.

This administration is supposed to have financial and fiscal responsibility; but this proposal by it is the epitome of irresponsibility. This administration says it has "bold, new programs;" but it did not even know what was included in the old program, much less in the new one. The administration is like the man on the flying trapeze: It flies through the air with the greatest of ease, and then purloins someone else's proposals.

In 1954 the administration made use of surplus set-asides, even though previously it had objected to them; when they were called for in a bill which previously was before the Congress, the administraiton opposed them bitterly. In short, when anyone else advocated them, the administration branded the attempt as "economic opportunism."

Mr. President, I am sick and tired of such attitudes on the part of the President and the Secretary of Agriculture. I am sick and tired of having statistics misused by the President and his Secretary of Agriculture. I say they did not understand what was in the farm bill the President vetoed; and they have not been willing to work with the Congress on an effective program. Instead, they balk and drag their feet and refuse and become stubborn. Today we find that the very proposals which they proclaim as the salvation of the economy are the same as proposals which 5 months ago they denounced—the very proposals with respect to which they had no details to offer as late as the middle of January 1956. This is politics at its best—or worst. Look at it either way. At best, it is shabby politics. The farmers will see through it. They will ask questions. The wheat farmers are going to ask, "Why was the price support level 76 percent of parity in the first 2 weeks of April, but 84 percent afterward?" Why did the dairy farmer receive less for his milk just a few days ago than he will receive in line with the President's announcement in the veto message?

Perhaps we have done some good in the Senate by this fight. Perhaps, at long last, we have aroused the President to a realization that he made some commitments in his campaign in 1952. Perhaps, at long last, we have aroused Mr. Benson to understand that there is trouble in rural America. Perhaps, at long last, he realizes that a price of $3.15 a hundred for milk is unfair. Perhaps, at long last, he will understand that $1.81 for wheat under price supports is unfair. Perhaps he will realize that he cannot play footloose and fancy free in the Senate, "wheeling and dealing" on corn, cotton, and other crops.

Consider the announcement of the President of $1.50 a bushel for corn in commercial areas, with an acreage allotment of 43 million acres. If the President does not know that that is unworkable, someone should inform him. According to the testimony, with 49 million allotted acres of corn, there was very limited compliance with the program, and very limited participation.

Fifty-one million acres was the recommendation of many of the administration's own statisticians. Now they are to have an acreage allotment of 43 million acres, with a price of $1.50 a bushel in the commercial corn area, with the remainder at a price ranging from about $1.25 to $1.28. This Senator, who comes from a State which produces a great abundance of agricultural commodities, makes the statement at this time that the price of corn in the Midwest will be from $1.25 to $1.28. The farmer will find out about the price. The program advanced by the administration is not only unworkable; it is uneconomic and unjustifiable.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations.

The message informed the Senate that, pursuant to the provisions of Senate Concurrent Resolution 64, 84th Congress, the Speaker of the House of Representatives appointed himself, Mr. McCormack, of Massachusetts, and Mr. Martin, of Massachusetts, as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 21st day of January 1957, on the part of the House.

The message announced that the House of Representatives having proceeded to reconsider the bill (H. R. 12) to provide an improved farm program, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, and it was resolved that the said bill do not pass, two-thirds of the House of Representatives not agreeing to pass the same.

REVIEW OF FOREIGN POLICY—IV—A CONSTRUCTIVE POLICY IN THE MIDDLE EAST

Mr. MANSFIELD. Mr. President, last January I began a series of discussions in the Senate on various aspects of the international situation. I have since outlined the issues, as I understand the issues, which confront us in southeast Asia and in the north African crisis.

When I began these discussions last January, I stated:

> If the national interest requires us to rise above political considerations in matters of foreign policy, it also requires us to undertake a vigorous review of that policy. It requires us to make an unremitting search for facts and ideas which may guide us in dealing with difficulties abroad.

It is in that spirit that I address the Senate.

The need for constant Senate review of policy is nowhere more clearly evident today than in connection with the Middle East. There is universal recognition of the real and imminent danger of war in that part of the world. Skirmishes are taking place along the borders of Israel, Egypt, Jordan, and Syria, and even air duels have been fought.

The President and the Secretary of State have repeatedly made clear the deep concern of the United States over these trends toward all-out conflict. Additional marines and a division of destroyers have been sent to the Mediterranean, and elements of the United States 6th Fleet are even now patrolling off Israeli and Arab ports.

I do not question either the concern or the actions of the executive branch in this matter. What disturbs me, however, is that they relate to a situation the significance of which is little understood in this country. Yet the need for public understanding is very great. It is even more; it is absolutely essential, if there is to be public acceptance and support of policies which will serve the totality of American interests in the Middle East.

When we speak of the Middle East, we are speaking of one of the decisive political regions of the world. It ranks among the great crossroads of the earth, providing passage by land, sea, and air between Europe, Asia, and Africa. Today the Middle East is emerging from a sweeping political transition. At the close of World War I, the region was transferred from Turkish authority into the hands of Great Britain and France. In turn, European political control, weakened by World War II, has now virtually disappeared. Where that control has not been withdrawn willingly, it has been forced out by the rising tides of militant nationalism and popular unrest.

France has gone completely from the area. British power remains at Cyprus in the eastern Mediterranean. The British also maintain a tenuous foothold in Aden, at the base of the Arabian Peninsula, and in a group of small sheikdoms along the Persian Gulf.

In place of European domination in the Middle East, there have emerged a number of independent states. These include the Jewish homeland of Israel and the Arab countries of Lebanon, Syria, Egypt, Jordan, Iraq, Yemen, and Saudi Arabia. On the political spectrum, the new states range from western-type democracy to absolute monarchy.

There is great wealth for a few in the Middle East. For the many, however, life is a grim struggle against natural and manmade elements for the barest subsistence. The wealth comes from inequitable economic systems. It also comes from petroleum; much of the region floats on a sea of foil containing perhaps two-thirds of the world's resources in this vital source of power. The Western companies drill it and pay enormous royalties for the privilege, only a trickle of which filters down to the impoverished people.

Mr. President, a far-reaching political transition in a setting of this kind can hardly take place without shock and dislocation. The lid of external restraint cannot be removed from over 40 million diverse people without a dangerous boiling over of the ambitions, the angers, the fears, and the rivalries which the lid has long held submerged.

It is not surprising, then, that the threat of full-scale conflict between Israel and the Arab States hangs over the Middle East. It is not surprising that a bitter antiwesternism seethes through much of the region. It is not surprising that obscure rivalries pulsate beneath the apparent unity of the Arab States as they vie with one another for leadership. It is not surprising that the restless millions throughout the area can be led to strike out first in one direction and then in another in their blind and incomprehending fury against the burden of poverty and exploitation which they have carried for so long.

We cannot stop these churning forces in the Middle East. But what this country does or does not do will have a profound impact on the situation in the Middle East. Our policies will either ease or intensify the present tensions. Our policies will either contribute to the impending explosion or act to prevent it.

It seems to me, however, that before we do anything we need to have clearly in mind what our interests are in that area. Only on that basis can we hope to build an intelligible and acceptable policy, a constructive policy for the American people to pursue.

Our direct economic interests in the Middle East are substantial. American business holds petroleum concessions of great potential value in that area. Americans have invested more than a billion dollars in these undertakings. The air and sea routes which pass through the region are also of considerable importance to our commerce.

In the event of war, access to these routes and even to land passages in the Middle East would be of great significance. It is conceivable, too, that our airbase concession at Dharan in Saudi Arabia might also be useful in wartime. We should bear in mind, however, that the utility of that base is already sharply restricted by the Government of Saudi Arabia and there is no assurance that the concession which expires shortly will be continued.

The United States also has a human interest in the Middle Eastern people. It has been expressed in our contribution to the U. N. relief program for the Arab refugees. It has been expressed in assistance of various kinds to the Arab States and to Israel totaling half a billion dollars.

The human interest of the United States in the Middle East extends to both Arabs and Israelis. In the case of the Arabs it goes back many decades to the work of religious and educational foundations which have long been active in the region. These early influences still permeate the policies of this country.

With respect to the Israelis, our concern is of more recent origin, but it is nonetheless important. This country supported the re-creation of a Jewish homeland in the Middle East. We were the first to recognize the new State of Israel in 1948.

On April 16, only a few days ago, Israel celebrated its eighth anniversary as a free and democratic nation.

It has sometimes been said that we have favored in our policies Arab over Jew, or Jew over Arab. We may well have differentiated at times between governments which we believed were working toward peace or against peace in the Middle East, and I hope that we shall continue to do so. That differentiation should not apply, however, to the common people of the Middle East; they are all—Arab and Jew alike—caught up in the same gathering web of tragedy.

We have not become so callous to the brutality of this era of history that we are indifferent to the threatened religious war in the Middle East. We will not acquiesce, nor will decent mankind acquiesce, in the senseless slaughter of thousands of innocent people whether they be Jews or Arabs.

If I may sum up, then, our interests in the Middle East are of considerable extent and importance. They are not in themselves, however, sufficient to explain the deep concern of the United States in this region. They do not begin to measure the full scope of the importance of the Middle East to this country.

There are other interests, derivative interests, but nonetheless real and vital interests. For years now, the United States has been closely linked with other nations in the North Atlantic Treaty Organization. Far from being a burden as some have contended, these ties have kept the cost of the national defense of the United States within the bounds of the possible. I go further. In my opinion these ties have forestalled the outbreak of world war III.

During the last year, however, the cement of the North Atlantic Treaty Organization has steadily crumbled. NATO has shown signs of decline. It may well be that it is disintegrating faster than the threat which brought it into being is subsiding. That such is the case is clearly evident in the recent request of Iceland that we withdraw our forces from the island. It is evident in the recent withdrawal of all of France's NATO divisions from Europe to North Africa. It is evident in the growing antagonism between Greece and Turkey. It is evident in the inability to find a satisfactory solution to the Cyprus question. It is evident in the testimony of Admiral Radford before the Foreign Affairs Committee a few days ago, and it is evident in the testimony of General Bradley before the Symington committee. I wonder if it is evident downtown, though, when the President, at a press conference a few weeks ago, stated that in his opinion NATO was in the best shape ever, or words to that effect.

Let me make it clear, Mr. President, that I am not suggesting by these observations that NATO or any commitment or policy of this country should be clothed in an inflexibility which admits of no alteration. We must always be prepared to make changes to meet changing circumstances. What disturbs me, however, is the erosion of NATO. The organization has not changed very much outwardly, but I believe it has nevertheless changed in the sense that it has lost its spirit, its drive, and its leadership.

If that is already the case, then what further damage will be done to the organization by the crisis in the Middle East? Could this pillar of peace hold together in the event of a war, even a local war, in that area? What would be the effect of such a war on the unresolved problems of the eastern wing of NATO, on Greece, Turkey, and Britain?

And what would be the impact of violence and chaos in the Middle East on the Western European members? Only recently recovered from World War II, they would face the loss of petroleum sources in the Middle East on which their present economic stability heavily depends. Would they not be catapulted into a serious rivalry among themselves which would make a mockery of European unity? It is not without significance in this connection that recent Russian trade overtures to Western Europe have contained hints of growing sources of petroleum for export in the Soviet bloc.

Mr. President, I do not wish to labor the point. I believe it is clear what a conflict in the Middle East would do to NATO. It would tear it apart.

Nor would the difficulties end at that point. Old and new forms of totalitarianism would stalk the ruins of war in the Middle East. They would look beyond the Arab world. Opening before the eyes of would-be conquerors would be the vast Moslem community which extends from the Atlantic coast of North Africa through central and southern Asia as far as Indonesia and the southern Philippines in the Pacific, a community of 800 million people. Could we stand by idly in these circumstances? Could others?

The problem which confronts us in the Middle East, then, is greater than the saving of American oil concessions, routes of passage, or air bases, however important any or all of these may be. It is greater than human sympathy for Arabs or Jews, however deeply and sincerely we may feel that sympathy. The real dimension of the problem in the last analysis is the preservation of the foundations of world peace with all that implies for us and other nations in a nuclear age.

The simple fact appears to be that we cannot afford to permit a major conflict to take place in the Middle East. The Western European nations cannot afford it. In the last analysis, it is even possible that the Russians cannot afford it.

It is one thing for them to play the ancient game of arms-traffic diplomacy, when the danger of self-entrapment is remote. It is another when the game threatens to touch off fires beyond control, fires which may spread and fuse into a worldwide conflagration from which the Soviet Union along with others will find no escape.

That moment may be fast approaching. The time to curb the fires may be soon or never. I do not know what course the Russian will now take. One can only hope that they will see the danger, as others have seen it, in the

political merchandising of armaments in the Middle East. It is to be hoped that, in view of their statement released yesterday, they too see this danger and its implication for them.

Regardless of what the Russians do or do not do, however, it seems to me that it is essential for this country to have a clear understanding of where we ourselves are headed in the Middle East. It is essential that we have a constructive policy which will enable us to get there.

Neither a clear understanding nor a constructive policy is possible without an answer to a fundamental question. I cannot answer it. Other Senators cannot answer it. The Congress cannot answer it. The American people individually cannot answer it. Only the President, on behalf of all the people, can answer it.

The question is basic. It is simply this: Is the preservation of peace in the Middle East of vital importance to the interests of the United States?

I have tried to indicate some of the factors which must go into the answer. Others have done the same. The President alone, however, is in the position to lead in this matter. He alone can weigh all the factors.

Because this question has yet to be answered, clearly and unequivocally, our policies have faltered in the Middle East. We have dabbled in Cyprus while seeking to placate all sides. We have gingerly touched the edges of the Baghdad Pact. We have preached generalities on peace to Arab and Israeli while the war clouds have gathered. We have come close to a servile appeasement of arrogance in at least one instance in our desire to preserve peace. We have called on the United Nations for action but have not defined what we mean by action.

Time is running short to alter the dangerous and futile indecision which has plagued our Middle Eastern policies. I believe the trend toward war in the Middle East can still be halted. It can be halted only if there is a clear understanding of what must be done to preserve peace in that region, and only if there is the courage and the leadership to do it.

Mr. FULBRIGHT. Mr. President, is the Senator from Montana willing to yield for a question, or would he prefer not to be interrupted?

Mr. MANSFIELD. I shall be glad to yield.

Mr. FULBRIGHT. I do not want to interrupt the Senator's train of thought; but in his last observations he seemed to be very much disturbed about the situation in the Middle East. However, it is my impression that the Secretary of State believes that conditions are much better in the Middle East than they were 2 years ago, and he so stated to the Committee on Foreign Relations a short time ago. There seems to be some difference of opinion as to whether conditions now are serious.

Mr. MANSFIELD. I recall the instance brought to mind by the distinguished Senator from Arkansas; but I suggest that perhaps a lot of water has gone over the dam in the past month or so, and that conditions in the Middle East may have changed for the worse.

Mr. FULBRIGHT. Does the Senator think conditions have changed so much for the worse, or was the Secretary's statement that matters have improved greatly in that area in the past year a sound judgment?

Mr. MANSFIELD. The Senator from Arkansas knows my position. I have not agreed with the Secretary of State that world conditions were looking rosier. As a matter of fact, it has been my long-held opinion that in the last year conditions have become steadily worse, not only in the Middle East, but all over the world, as well.

Mr. FULBRIGHT. The Senator said, on page 9 of his statement:

> We have gingerly touched the edges of the Baghdad pact.

It was my understanding that the Secretary of State was one of the prime movers in the origin of the Baghdad Pact. Is not that correct?

Mr. MANSFIELD. That was my understanding, too.

Mr. FULBRIGHT. We have done a great deal more than to touch it gingerly; we have really promoted it, although we have not joined it. Is that not correct?

Mr. MANSFIELD. That is correct.

Mr. FULBRIGHT. In that connection, is it not a very serious matter that dominating our whole policy in the Middle East and in southeast Asia has been the emphasis upon military assistance, beginning with the Pakistan assistance, and continuing through the SEATO organization and the Baghdad Pact?

I should like to ask the Senator if he does not believe the present administration is placing entirely too much emphasis upon purely military affairs, and too little on political and economic considerations in that area.

Mr. MANSFIELD. I have felt for a long time that the policy of containment—a Democratic policy in its origin—has perhaps outlived its usefulness, and has become a sort of diplomatic Maginot Line. However, that policy has been followed, and its strength is based upon the defensive military aspect.

In the creation, under the Baghdad Pact, of the so-called northern tier of nations, we find Turkey, Iraq, Iran, Pakistan, and Britain allied together; and we find the United States, one of the countries most responsible for the pact, staying outside and showing no indication of joining. So far as I am concerned, I believe the United States should not join the Baghdad Pact, although I note, according to the press, that Under Secretary of State Loy Henderson, who is at present in either Baghdad or Teheran—I forget which—while representing the United States at a Baghdad pact meeting, assured the members of the pact that this country was willing to give additional economic assistance, but indicated that the United States is not interested, at this time, at least, in joining the pact itself. Secretary Henderson is, incidentally, one of our best diplomats and is an expert on middle eastern affairs. Secretary Dulles is to be commended for making good use of the services of this outstanding man.

Mr. FULBRIGHT. I shall not delay the Senator further, except to congratulate and encourage him upon this kind of discussion, which is a part of the series he has carried on.

I interpreted his remarks of a moment ago as a plea to the President to exert some leadership in the formulation of a policy in the area of the Middle East. I certainly wish to encourage the Senator from Montana in his efforts to do that.

Under our system of government, it is virtually impossible for the Senate to initiate foreign policy. We have neither the machinery nor the access to the information which comes daily from all over the world; but we are interested in foreign policy. I think the Senator is performing a valuable service in urging the administration to consider seriously the situation in the Middle East and to develop policies which have some greater relationship to the realities in that area, rather than to try to deceive us into believing that everything is rosy, that the Russian policy is collapsing, and that we are about to prevail in all the areas of the Middle East.

Mr. MANSFIELD. I appreciate what the Senator from Arkansas has said. I look upon him as one of the great statesmen of our time. Certainly he is a keen student of international affairs, not only in the Middle East, but in other parts of the world, as well.

The purpose of my speech today, as has been the purpose of the previous three speeches, is to point out the difficulties, but at the same time to try to be constructive, so that in the field of foreign policy the administration and Congress together can seek ways and means to overcome the tremendous difficulties which confront this country and the rest of the free world at present.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the distinguished minority leader.

Mr. KNOWLAND. The distinguished junior Senator from Montana is a valued member of the Committee on Foreign Relations. I was delighted when he was added to the committee in recent years. He has performed useful service on the committee. The Senator approaches problems of foreign policy with fairness, and he has made a very fine contribution to our foreign policy. He has visited the Far East, and was one of the representatives of the United States, together with the distinguished senior Senator from New Jersey [Mr. SMITH], during the negotiation of one of the pacts.

But I would not want the record to stand as it does with respect to a statement which was made by the Senator, and I believe the question should be raised. On page 9 of his statement, the Senator from Montana said:

> The question is basic. It is simply this: Is the preservation of peace in the Middle East of vital importance to the interests of the United States?

As the Senator will recall, that statement deals with a question which only the President of the United States can answer. I believe it has been answered by the President. I believe the leadership in both Houses of Congress, the chairman of the Committee on Foreign Relations, the ranking minority member of that committee, and the Committee on Foreign Relations as a whole, have been informed of developments in the area of the world called the Middle East.

I think the policies which the Government of the United States has followed have basically been aimed at preserving the peace of the world not only in the Middle East, but in other sections of the globe as well.

I may say to the distinguished Senator that, as one of the charter members of the United Nations, I think the Government of the United States took a very constructive stand and assumed leadership in the adoption by the Security Council of the resolution, which was at first objected to by the representatives of the Soviet Union, which provided for the visit of Mr. Hammarskjold to the Middle East. He is now there. Consultations have been going on. I do not believe the Secretary of State has ever argued, at least he has never done so in my presence, either in a public meeting or a private meeting, that there were not difficulties in that area of the world, or that there were not tensions or dangers there.

I think the policies our Government has followed, in operating through the United Nations, a charter member of which we, as well as other powers, happen to be, in urging that organization to use its good offices as well as the good offices of the Government of the United States, have been good policies. Certainly the implication should not be left that that matter has not had very close attention, and that the Government of the United States, exercising its foreign policy through the President and the Secretary of State, has not been mindful of the problems which confront the peace of the world, as well as of the countries which may be immediately involved.

I may say it is one thing to raise the issues, and I think they should be raised; it is quite another thing to find the ideal solution of the problem. As the Senator has quite properly pointed out, the countries in that area of the world were for a long time under the domination of one power or another. There is a restlessness all over the world. In my judgment, colonialism is dead, and I do not believe a policy based on colonialism can, in the long run, be a success. I believe that has been demonstrated in the Far East. I think it will be demonstrated in North Africa.

But I wish to say to the Senator that I do not believe, and I do not think the Senator from Montana believes, that we have a right unilaterally to go into the Middle East and impose our will on the countries of that area, and attempt to lay down a dictum which would require other nations to conform to our views on what might be the thinking at the moment, either in the Government of the United States, or among 1 or 2 other powers.

Mr. MANSFIELD. I can find very little fault with what the distinguished minority leader has just said. I believe he is raising questions which perhaps he would not suggest if he listened to my speech to its conclusion.

I wish to have it clearly understood that, so far as I am concerned, I am not discussing foreign policy because of any political intent. I believe in giving credit where credit is due, and I shall certainly see that that is done; but at the same time I believe certain issues should be raised, certain difficulties should be pointed out. If possible, we may, together, be able to offer some suggestions. I shall do what I can to help the administration in the field of foreign policy, and I know that is the attitude of the Democratic Party as well.

We recognize the dangers inherent in a biased foreign policy. We recognize that in this particular field we are in it together, win or lose, and we hope to act accordingly. If I may continue with my speech, I think the answers to the questions raised by the distinguished minority leader will become evident.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. FULBRIGHT. With regard to developing a foreign policy, I have made it quite clear heretofore that I think this administration goes much too far in its reliance on purely military means to contain the expansion of Russia, or, to put it in another way, to prevent the outbreak of war in the area we have been discussing.

The Pakistan arms agreement did not have to be brought before the Senate, but we were advised of it. At that time I stated my views on the floor of the Senate. I still feel the same way about our foreign aid programs. When the administration is asking for $4,900 million for military hardware or direct military support, it is a great mistake; there is a mistaken reliance on force.

I think the purpose of a discussion, insofar as we can perform any service, is at least to give voice to our views. If officials of the administration do not care to give heed to those views, that is their business. But I still think the Senator's discussion and our questions are realistic. They are not political in motivation. They are intended, so far as I am concerned, to persuade the administration to give a little more attention to the nonmilitary aspects of our foreign policy, specifically economic assistance, and, also specifically, cultural activities in this field, which I think would be much more likely to influence the political management and political relations of the Middle East with the West, ourselves and our Western allies, than would purely military aid. We have tried military measures, and in my opinion, they have failed. As a matter of fact, this administration, some 2 or 3 years ago, offered aid to Pakistan in creating the Northern Tier. Now it is a failure, and we run to the United Nations and ask their help. I approve of that. But we contributed to that condition. I think the situation is the outgrowth of historical activities. We have failed to meet the situation with the proper methods.

Mr. MANSFIELD. We have failed, up to now, to come up with the right policy. I do not have the answer, but I hope that, with our collective thinking, we may give the administration some suggestions which will help them, in the interest of peace in that area of the world.

Mr. FULBRIGHT. The Senator has expressed my view much better than I could present it. The point I am trying to make is that there are other methods than purely military measures to be considered, and I hope some attention will be given to them. I cannot overlook the fact that for the first time since it was started, budget requests for the exchange program have been cut. That is an example of failure of those shaping our foreign policy to realize other aspects of our relations.

At the same time, the administration is proposing enormous increases in purely military assistance. That is the point I am trying to make. It is not done from any political motivation. I do not think the administration should be so sensitive to every criticism in Congress as being motivated by political considerations.

Mr. MANSFIELD. Of course, as the Senator knows, increasing military expenditures is the easiest way to get things done, but it is not necessarily the best way.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. SPARKMAN. I apologize for taking more of the Senator's time, but I shall leave the floor, and may not have an opportunity to make the statement I have in mind.

I wish to compliment and commend the able Senator from Montana for his very scholarly discussion of the most vexing problem engaging his attention. His is a very fine presentation. I have read the Senator's speech in its entirety.

I may be getting a little ahead of the Senator in the presentation of his address, but there is one matter he touches upon which perhaps may not have received the attention of the public generally which it should have received in the present trouble conditions in the Middle East.

We hear over the radio today, for instance, and we read in the newspapers, that prospects for peace are looking better in the Near East; but they are looking better for one reason, namely, that Russia has come forward with a proposal. For the first time now—certainly in recent years—Russia is to be recognized as one of the great powers or forces in the Middle East. Heretofore those powers have been England, France, and the United States, primarily.

For years Russia has been trying to get into the Middle East. Of course, for many, many years Russia has been trying to reach a warm-water port. Now she has moved right in, without effort. In fact, the Middle East is virtually being given to her. I feel that that is due very largely to our not having had, many months ago, a definite, firm policy in regard to the Middle East. So we have defaulted; by our neglect we have more or less created a vacuum, when we knew that Russia would move in, as she does everywhere else, where a vacuum is created. We created a vacuum, and now Russia has a foothold in that area; in my opinion she is there to stay.

I hope the Senator from Montana will comment on that situation. In his

speech he refers to our failure to contain Russia. I do not wish to interject politics into this discussion; but I cannot help remembering that in the 1952 campaign we were severely criticized regarding the policy of containment, and our opponents said that was not sufficient, and that they were going to liberate. However, they have not liberated; they have not even contained.

We see the same sort of policy followed in Indochina. When the Geneva Conference was held, we took no part in it. In that way we were helping create a vacuum, and today the Communists have moved in. Not only are they there, but they are recognized. The northern part of Vietnam belongs to them—all as a result of the Geneva Conference.

Now what has happened in the Middle East? England has lost a great deal of her prestige and power there, as has France; and the United States simply sits back and says nothing that would give the world notice that we had a firm policy on which we would stand. In other words, we helped create the vacuum, and now Russia has moved in; and in my opinion she is there to stay. All the talk has been about arms and whether boundaries would be changed and whether the arms imbalance would be cured, and there has been talk about the arms race and about war and about similar things. But during all that time Russia was very expertly working her way in, without any trouble whatever.

Today I read in the newspapers and I hear on the radio that peace in the Middle East looks more possible because we have agreed, or it is expected we shall agree, to go along with Russia in her proposal to maintain peace in the Middle East. So, instead of our being the great peace stabilizer there, Russia is the one. She is where she has wanted to be for so long, and it did not cost her anything at all to get there.

I hope the Senator from Montana will discuss that matter, because I value very highly his extremely valuable views regarding all such matters and problems.

Mr. MANSFIELD. I thank the Senator from Alabama. I have to agree with him that the Soviet Union is in the Middle East, and in my opinion is in both the Middle East and in Africa to stay. I think we have overlooked the importance of the Bandung Conference of April 1955, and the fusing together of the Arab, Asian, and African nations, and the fact that since that time in the United Nations the Asian-African bloc has constantly become stronger. That is the decisive factor in some instances.

We know that since the Czech arms were sold to Egypt, there has been further Soviet and satellite penetration of Africa. Only the other day there came out a story that Russian technical assistance and Czech arms would go into the Sudan. We know that a week or so ago, Soviet Union made an offer of technical assistance to Libya, but Libya turned it down. Why? According to what I can learn from reading the newspapers, because we offered Libya $5 million more than we already were giving her. I do not think that is the way to meet the Russian threat. I think we should spend our dollars wisely, and should spend less dollars, not more. We should generate something in the way of ideas and understanding, and we should proceed on that basis to work with the people of other countries. In that way we should develop a policy on the basis of which we shall be accepted by other peoples—instead of making gifts for which we expect gratitude.

Mr. President, these things are facts, and we must recognize them. I say to the Senator from Alabama, that in my opinion the Soviet Union is in the Middle East and is in Africa, and is in both places to stay, and that will have to be recognized as a factor in those areas in the years to come, as well as at the present time.

Mr. President, peace in the Middle East has two facets. On the one hand, there can be no durable peace unless the tensions which threaten are relaxed and ultimately dissolved. In this connection, a stable and lasting peace will require a genuine political settlement, not merely a truce, between the Arab States and Israel. It will require the correction of ancient social and economic inequities in the Middle Eastern states. It will require the development of responsible government where presently there is little or none. It will require the determined use of modern skills and technical knowledge in an effort to turn empty deserts into fruitful, healthy lands—as Iraq, a member of the Baghdad pact, is now doing—which can sustain the millions of Middle Eastern peoples. It will require a growing unity among the states of the Middle East, a unity aimed at constructive mutual ends, rather than at political manipulation and domination.

Mr. LEHMAN. Mr. President, will the Senator from Montana yield to me?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Montana yield to the Senator from New York?

Mr. MANSFIELD. I yield.

Mr. LEHMAN. I have listened with very great interest to the remarks of the distinguished Senator from Montana. He is rendering a splendid service in bringing some of the truth of this situation to the attention of the Members of the Senate. The Senator from Montana is also rendering a great service to the American people by making this information available to them.

It seems to me that the Senator from Montana has, in the last statements he has made, placed his finger on an extremely important factor in the entire situation. He has said that:

> A stable and lasting peace will require a genuine political settlement, not merely a truce, between the Arab States and Israel.

I am very glad indeed that at long last the United Nations has intervened in the Middle East situation. But all of us know that the terms of reference given the United Nations are very limited, indeed. I do not believe there is a possibility that the United Nations alone will be able to secure the kind of lasting peace which I know the Senator from Montana contemplates, and which in my opinion is the only thing that will have effective value in this strife-stricken area.

Mr. MANSFIELD. Let me say to the Senator from New York that I agree with him that some of the duties we push on to the United Nations are really beyond its control and responsibility. I would remind the Senator from New York that the United Nations was created to come into existence and operation once peace was achieved, following the Second World War. However, during all these years there has been no peace. Consequently, we place certain responsibilities on the shoulders of the United Nations, and expect it at times to do the impossible.

I am delighted that the distinguished Senator from New York has brought out the fact that the United Nations by itself cannot do what many persons seem to expect it to do. As a matter of fact, I think that down through the years the United Nations has exceeded all expectations, in view of the difficulties under which it as an organization has had to labor.

Mr. LEHMAN. Mr. President, as I have said, I am very glad indeed that the United Nations has intervened. I am sure—and I am confident that the Senator from Montana will agree—that although a truce is a means of gaining time, a truce is by no means a solution of the situation. It is merely a palliative of probably short duration.

It seems to me that, Russia having stepped into the vacuum which we have created through our inaction, she will be able to block any farflung political settlement in the United Nations which, in her opinion, would weaken her position and her power of creating and fomenting trouble in this torn part of the world.

So it does not seem to me that the United Nations alone can accomplish the task that must be done. We seem to be placing all our hope in the United Nations. It does not appear to me that there is any likelihood or possibility of the United Nations bringing about a lasting peace, such as that contemplated by the Senator from Montana, and which is strongly in my mind as the only real and permanent settlement of this question.

Mr. MANSFIELD. I wish it were possible through the United Nations.

Mr. LEHMAN. The United Nations certainly cannot cure the situation which will cause trouble so long as Russia is in the Far East, and so long as the Arab States declare their hatred against Israel and their implacable determination to wipe out the little democracy and drive its inhabitants into the sea. The many troubled relationships between the Arab States and Israel, must be solved as promptly as possible. I believe that our good offices, and the very definite and vigorous stand our country could take if it were willing to do so, represent the only hope we have for a lasting settlement and lasting peace.

Mr. MANSFIELD. The Senator from New York is correct when he states that the United Nations cannot be expected to solve the problem of peace in the Middle East. But it is doing a good job. We hope it can do better. But we should not expect too much of the United Nations at this time.

Mr. President, I have mentioned the fact that unity is required in the states of the Middle East, a unity aimed at constructive mutual ends rather than political manipulation and domination.

These changes may seem impossible to achieve. Yet in time they must be achieved. Unless they are, there will be no peace in the Middle East except one imposed from outside the region. Mr. President, I have not pointed out anything new in citing those long-range problems of stability in the Middle East. They are well-known and they have been widely discussed. Many of our past policies have consisted of a groping for ways to assist in dealing with them.

As I have noted, however, peace in the Middle East has not 1 but 2 parts. It consists of these long-range problems, but it also has an immediate aspect. The immediate aspect is to provide a margin of time, an opportunity to deal with the long-range problems. It is precisely this margin of time, this chance, which is threatened by the present crisis between Israel and Egypt. Even if this crisis should pass, there are likely to be others, unless further steps are taken to forestall them.

In these circumstances, it seems to me that a constructive policy for the Middle East must proceed on two levels. It requires a willingness on our part to cooperate with others in dealing with the long-range problems of peace in the Middle East. It also requires us to make unmistakably clear, however, our determination to join with others in doing what may be necessary to maintain a lid on the tensions which threaten the peace of the region and the world, until they can be eased and dissolved.

If the problem of peace in the Middle East is viewed in the framework of these two principles—joint action to ease the tensions from within, and joint action to restrain them from without—then I believe we have a basis on which to maintain a constructive policy in the Middle East.

Before considering the positive aspects of such a policy, I should like to discuss certain negatives. There are elements in our present policy which have no place in a constructive policy and the sooner they are eliminated, the better the chances will be to preserve peace.

First, a constructive policy in the Middle East, Mr. President, cannot be built on an eagerness to please everyone. That has been tried, and it has failed miserably. We have ended by pleasing no one. The way to peace in the Middle East, no less than elsewhere, is a hard one, and we shall do well to concentrate on what must be done rather than on who likes or dislikes what is done.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. The Senator from Montana, in a characteristically delicate way, has, I think, put his finger on one of the many weaknesses in our foreign policy, namely, the desire to please everyone. Is it not true that Mr. Dulles, on the one hand, seemed to support Portugal in its claims to the permanent possession of Goa? Then, when the opposition of India was aroused, he went to India and tried to smooth down that country.

On the one hand he gave encouragement to Pakistan, and then, to please India, made certain general statements there.

He went to Indonesia and implied help to the Indonesians in their conflicts with the Dutch over western New Guinea. Then, to placate the Dutch, he implied that he did not mean it.

In north Africa, in order to support the French, he threw cold water upon the spirit of nationalism and then implied at the same time that he was against colonialism.

In Cyprus he indicated first that we were with the Greeks, and then with the British, but he did not wish to estrange the Turks. He is for Israel, but sells arms to Saudi Arabia.

So may it not be said that in our foreign policy Mr. Dulles and the State Department have been furiously in earnest on all sides of every question?

Mr. MANSFIELD. The Senator from Illinois has gone into some detail in emphasizing that point. However, I think we ought to recognize that it is an impossibility to be a popular Secretary of State. We know that no Democrat could be a popular Secretary of State any more than any Republican could.

It so happens that, in the light of the times in which we live, problems are many and difficulties are great. However, I think we have gone down the middle of the road.

Mr. DOUGLAS. Have we gone down the middle of the road, or have we wobbled from one side to the other like a drunken sailor trying to negotiate a path in the darkness of the night?

Mr. MANSFIELD. One can go down the middle of the road and wobble from side to side at the same time.

Mr. DOUGLAS. Have we weaved or have we not staggered and spent most of our time going sideways?

Mr. MANSFIELD. I prefer the use of the term "weave," because the word "stagger" implies something which I am sure the Senator from Illinois does not have in mind.

However, let me say that in the case of Goa, for example, it will be recalled that the Portuguese Foreign Secretary came over here at that time on an official visit. I assume that one of the things which were discussed was the renewal of the American lease in the Azores, which expires in September. It may be—and this is all assumption—that the Portuguese Foreign Minister said, "Mr. Secretary, this lease is coming up in September, covering Lagens and certain other fields in the Azores. We are very agreeable to the idea. How about saying a nice word about us in Goa?"

I think Mr. Dulles probably was in a position from which he could not extricate himself in one way or the other.

What he did, I think—and this is all assumption—was to get together with his staff, perhaps, and draft a fine document. He has a good legal mind, and he is quick with words. What he brought forth was a document which said, in effect, that we recognize the fact that Goa has been a province of Portugal for more than 400 years. Perhaps Mr. Dulles thought that would get him out of his predicament, because he was not saying that he favored the retention of Goa by Portugal.

As soon as the news hit India, it created quite a furor which has not subsided since but has, as a matter of record, been further accentuated by the visit of Khrushchev and Bulganin.

This cause celebre is something which the Indians, who are very conscious of their newly won freedom and their aspirations, have not lost sight of since.

However, I should like again to call to the attention of the Senator that it was not many months later before the Russian team of Bulganin and Khrushchev began to do in another part of the world what Mr. Dulles had done vis-a-vis Goa. Khrushchev and Bulganin said to the Indians that Goa should belong to India. They went to Afghanistan and said that Pushtoonistan should belong to Afghanistan. Then they went back to India and said that Kashmir should belong to India, not to Pakistan. Therefore, what we have is a game going on on both sides. The only difference is that whereas we go down the middle of the road, the Russians go in either direction, depending on whatever suits them.

They are as flexible—and we hear that word a great deal today—as can be. They have no Congress to answer to, no committees to appear before, and they have no electorate to which they must report.

Therefore, we must recognize the fact that, regardless of what administration is in power the ways of a Secretary of State are extremely difficult in this day and age.

Mr. DOUGLAS. Of course, we Democrats realize that. As a matter of fact, we have observed much greater tolerance and much greater friendliness to Mr. Dulles than our Republican friends observed toward Mr. Acheson.

Mr. MANSFIELD. There is no question about that. That is to the credit of the Democratic Party, because it indicates we are a party of responsible people.

Mr. DOUGLAS. That is true. I should like to say also that in my judgment Mr. Dulles would be a better Secretary of State if he did not talk quite so much, and if he did not give so many interviews. Every time he opens his mouth, he seems he put his foot into it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am glad to yield to the distinguished Senator from Florida.

Mr. HOLLAND. Mr. President, I was interested in what the Senator said about Goa—that Goa had been settled by the Portuguese more than 400 years ago, and had been constantly occupied by Portugal since that time. I desire to suggest to the distinguished Senator from Montana that the oldest settlement in the continental United States, St. Augustine, in the State of Florida, was settled not quite 400 years ago, but we are hopeful of celebrating—that is, if the Indians have not taken us back by that time—

our 400th anniversary in 1965. I wish the Record to show that we in the State of Florida—and we hope all of the people of the United States—will continue to look forward to 1965 in the belief that the occupancy of that fine area for all this time has given us some right to stay there.

Mr. MANSFIELD. I appreciate what the distinguished Senator from Florida has just said. However, I remind the Senator that the first claim to St. Augustine, I believe, was made by Spain. I wonder what the reaction would be if Spain were to resurrect that claim of 400 years ago and try to reclaim St. Augustine as a part of its overseas empire.

Mr. HOLLAND. I did not know that Spain had any overseas empire now.

Mr. MANSFIELD. She could under this assumption, reacquire the old one.

Mr. HOLLAND. If she did, I believe we would have to hold that we have rights, which may not be quite 400 years old, and that we paid Spain what we thought Florida was worth in 1821. We did not obtain our rights from Spain by conquest, but by purchase.

Therefore, I believe the argument would really have to go back to the Indians of 400 years ago. I prefer to believe that anyone who takes history seriously at all would not contend that we had not, by the development which has taken place and all the other things which have occurred since then, built good title to that very interesting and, we believe, lovable part of the earth, St. Augustine.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. Mr. President, I want to do complete justice to the Secretary of State. Let the Record show that I am certain he will not give St. Augustine back to the Indians.

Mr. HOLLAND. If the Senator from Montana will yield to me, I merely wish to say that, knowing the closeness of the relations between the distinguished Senator from Illinois and the Secretary of State, I am highly relieved to have that good news. I know that we can rely upon it.

Mr. MANSFIELD. I have said that a constructive foreign policy cannot be built on an eagerness to please everyone, and that by doing so we usually end up by pleasing no one. I am not suggesting that our policy can or should ignore the human interest of the people of this country in the peoples of the Middle East. That factor is a part of our interest in the region and it must have a place in our policy. But it is a part, not the totality. I have enough faith in the good sense of all our citizens to believe that they will understand that concept, if it is clear that we mean to take the steps necessary to keep the peace in the Middle East.

Second, a constructive policy in the Middle East, Mr. President, cannot be maintained unless it is clear that this country does not intend to permit the annihilation of Israel. Conversely, it must also be clear that we shall not support Israeli expansion at the expense of the Arab States.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am glad to yield to the Senator from New York.

Mr. LEHMAN. It seems to me that if we cut away all the underbrush, the last paragraph which has been read by the distinguished Senator from Montana really is the crux of the whole situation. I wish to quote it, because it is highly important in the consideration of this very complex question. It reads as follows:

> A constructive policy in the Middle East, Mr. President, cannot be maintained unless it is clear that this country does not intend to permit the annihilation of Israel. Conversely, it must also be clear that we shall not support Israeli expansion at the expense of the Arab States.

I wish to ask the Senator from Montana whether to his knowledge our Government—and the responsibility is that of our Government—has taken any steps whatever to give assurance that it does not intend to permit the annihilation of Israel or to support Israeli expansion at the expense of the Arab States. I know of none. I know that some very beautiful words have been uttered by our Secretary of State. However, I know of no assurance that is effective or controlling, or that has been convincing to anyone, that affirmative steps will be taken to prevent the annihilation of Israel and, conversely, the expansion of Israel at the expense of its hostile neighbors.

Mr. MANSFIELD. I may say to my good friend from New York that the Tripartite Declaration of 1950 would indicate to me that there is an interest in seeing to it that preparations are not made for an aggressive attack. The only difficulty is how to define the expression "preparing to violate frontiers," and so forth.

I was assured, although not as fully as I should like to be, by the White House statement on the Middle East policy, which to me was a reiteration in great part of the Tripartite Declaration of 1950, and also the reference to the use of constitutional measures in case it was necessary to engage in hostilities.

It is true that the declarations have not been strong enough, I will say to the distinguished Senator from New York.

At the same time, declarations have been made, and there have been a number of meetings with congressional groups, with the idea in mind of keeping them informed, and that shows that the State Department at least is aware of the difficulties and the dangers in the powder keg atmosphere of the Middle East.

Mr. LEHMAN. I am glad to know that our Government has kept the Committee on Foreign Relations informed. I have the greatest admiration for the members of the Committee on Foreign Relations.

It does not seem to me, however, that any steps have been taken to correct the imbalance in military power which has taken place in the Middle East, since the agreement was reached between Soviet-controlled Czechoslovakia, and Egypt to send to the Middle East large supplies of arms. This growing imbalance has been permitted to go on, and has not been counterbalanced in any way by our Government. In other words, our Government has sanctioned the building up of a great superiority in power which is destroying the balance of military power which had existed for many years in the Middle East. That imbalance is bound to continue to be a vital and terrifying threat to the people of Israel.

I know of no steps whatsoever that our Government has taken to remedy the imbalance in power which has already taken place or to prevent even a further increase in it.

Mr. MANSFIELD. I do not think we have faced up courageously to that question. We have approached it too indirectly. We have told the French that we have no opposition whatever; that as a matter of fact, we would approve their shipping of 12 jet planes to Israel. We have even told Canada, according to the press, that we would not be opposed to selling 30 or 40 jet planes to Israel. That, I think, is indicating an interest indirectly. That is not the proper way to do it. Either we are going to maintain the balance, or we are not; and when we approach the subject in that way, we are losing out on both sides, and not achieving anything, in the long run, so far as respect, prestige, and leadership are concerned.

Mr. LEHMAN. I, of course, am not speaking from personal knowledge with regard to the shipment of arms to Israel. I am depending on reports of reputable and responsible newspapers and also on reports which have been made to me by members of the Foreign Relations Committee.

It seems to me to be a perfectly unbelievable thing that we say to our allies, whose interests should be identical with our own as ours should be identical with theirs, "Go ahead, boys. We will wink at your sending arms to the Middle East, but we are not willing to say publicly that we approve of the sending of arms."

I cannot understand how a great Nation such as ours, which has been built on high morals, which I hope will always be maintained, can take such a position.

Mr. MANSFIELD. Such a roundabout policy on the basis described by the Senator from New York does this country no credit in the long run.

Mr. DOUGLAS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. Is it not true that so far from checking the growing power of the anti-Israel bloc, we have actually increased the power of that bloc by the sale of tanks by our Government to Saudi Arabia? However it may be explained away, the fact remains that those tanks were sold by our Government. The sale was discovered, and, because of objections of some Members of the Senate, led by the Senator from Minnesota [Mr. Humphrey], the export was temporarily suspended. But after 2 days the Department allowed them to go through. But whatever the justification, namely, that we felt we had to continue to hold the airbase in Saudi Arabia and we felt bound by previous agreements, certainly the practical effect of our own direct efforts has been to increase the military power of the Arabian bloc. Is that not correct?

Mr. MANSFIELD. I cannot answer that question, but I see my friend, the Senator from Minnesota is present. He has followed that question more closely than have I. The information I have gathered from statements of the Secretary of State before the committee indicates that arms were shipped to both sides, the total being somewhere in the vicinity of $90 million worth, of which something like $30 million worth was shipped to Israel and the balance to Arab States.

Am I correct?

Mr. HUMPHREY. I do not have the exact figures. From Mr. Hoover, Under Secretary of State, we have information as to the quality of arms, as well as the nature of them, such as tanks, heavy guns, light guns, and so forth. As to whether we have sold arms to Israel within the past year——

Mr. MANSFIELD. This is over a 5-year period.

Mr. HUMPHREY. We have sold some; I think, much more to the Arab countries than to Israel. But it is fair to say that other countries have been selling right along to both sides.

The Senator may recall in reference to the French planes which at the time the Under Secretary, Mr. Hoover, appeared—his first appearance was after the Saudi-Arabian tank matter—he indicated that there was no official decision on the part of our Government relating to the then alleged sale of the planes by the Government of France. I recall that, because I was trying to pin it down as to whether the news story was accurate, whether it was based upon rumor or upon facts, and the Under Secretary indicated that the Department did not have any information as to that. Yet, 2 days later, it was confirmed in the press.

It is that sort of thing which does not please me. I cannot help but believe that the State Department did know, through one of its consular officials or its Ambassador or through some of its diplomatic channels, that this negotiation was going on.

Mr. MANSFIELD. If we did not know it we should have known it.

Mr. HUMPHREY. Yes; and particularly in view of the Tripartite Agreement.

This roundabout way, as the Senator has termed it, of giving concurrence in and tacit support for the sale of arms to either the Arabian States or to Israel, on the part of our Government is at best a very faulty and, at times, could be a very dangerous policy. It does not make us any friends. It makes us look as if we were not a world leader, but a bystander. No other nation has so much at stake in the Middle East as has America. It is at the crux of the whole issue of world peace at the present time. I am really alarmed.

I have talked with some of the more responsible members of the State Department about it, and the answer I got in reference to our refusal openly to sell to Israel at their request—and the sum involved was only $15 million—is that if we sold, then maybe the Soviet Union would sell.

What kind of nonsense is that? The Soviet Union is selling. It controls Czechoslovakia as surely as General Motors controls Delco batteries. I think we are deluding ourselves.

Mr. DOUGLAS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. Does the Senator from Montana remember the aphorism of Sir Henry Wotton, who was not only a very fine English poet of the 17th century, but was also a diplomat, who defined a diplomat as "an honorable man sent abroad to lie for the good of his country"?

Mr. MANSFIELD. That is an old and a well-known saying. I do not know how true it is today, but I am quite certain that during the period of diplomatic history beginning with the Venetians it was a time-honored tradition.

Mr. DOUGLAS. Does the Senator from Montana feel that that definition has been completely invalidated by recent developments?

Mr. MANSFIELD. No.

Mr. DOUGLAS. Does the Senator from Montana feel that, if not untruths, at least statements of less than the truth have been given to the American public?

Mr. MANSFIELD. I do not believe any deliberate untruths have been given.

Mr. DOUGLAS. The Senator from Illinois did not make such a charge.

Mr. MANSFIELD. I think words have been used which have created the wrong impressions. I think wrong interpretations have been given covering certain sets of factors. But I have enough faith and confidence in the American people and in the press of the Nation to believe that the information will seep through, and that the American people perhaps know a good deal more about the actual facts of life as they exist in the world than the accounts which are issued through the various propaganda organs in Government agencies.

Mr. DOUGLAS. The Senator from Montana is a very optimistic man.

Mr. MANSFIELD. No. So far as the field of foreign affairs is concerned, and its relation to the press, I think, by and large, the American press has done an excellent job in disseminating information from various parts of the world.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LEHMAN. I wonder whether the Senator from Montana recalls a press conference which the President held some two or three weeks ago, at which he was asked about the shipment of arms to Israel purely for its own defense. He said, No, he did not believe there would be any additional arms shipped at the present time. He did not justify that decision in any way on the ground that the arms might conceivably be a threat to Egypt or to the other Arab countries, but merely on the ground that a country as small as Israel could not absorb more arms. I wonder whether the Senator from Montana recalls that statement made by the President in a press conference.

Mr. MANSFIELD. I do not recall that particular statement; but on the basis of all the information I have, it appears to me that Israel would have no trouble at all, in view of all the circumstances, in absorbing that amount of arms at this time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. I merely wish to point out from my own observation or point of view that it seems to me the possibility of American open involvement in this area upon any responsibility for arms strength would be very much limited and eased if we could restore the balance of military power. The more the area gets out of balance militarily, the greater the element of danger is to the United States, first of all in terms of our own leadership in the world, or our role of responsibility; secondly, in terms of the use of American manpower, which we hope and pray will never be necessary.

I think it is fair to say that the Israeli Government has never asked for American manpower. I think that fact ought to be clearly pointed out. Certainly no Arab State has asked for American manpower.

What the Israeli Government has asked for is the weapons with which to defend themselves. I think it is very important to note that of all the countries with which we have worked in foreign policy, a great many of them have never been willing to raise their own defense forces. I shall not embarrass anyone by going down the list, but I ask Senators in their own meditations to think of all the countries in which the United States has placed military equipment, economic aid, and all other forms of assistance, only to find, time after time, that those countries have never been able or willing—I should prefer to say "able"—to train forces to defend themselves. That is perfectly true in the Asian areas and in other areas, as well.

But Israel is a country which is willing to pay for its weapons. It has 50,000 trained troops, some of the best troops in the world, and two hundred and some thousand others which they can put into uniform over night, or within 24 hours. It is a country which is willing to defend its own borders; it is willing to agree to a nonaggression pact; it is willing to accept a truce; it is willing to sit down and negotiate; it is willing, possibly, to do anything which anyone would be willing to do to bring peace to the area.

It is willing to stand its own ground without asking for one American soldier, or even one American military training mission.

It seems somewhat foolhardy to deny to a country like that the tools with which to maintain the balance of power, provided firm commitments of nonaggression are obtained.

I think our Government's obligation, under the Tripartite Agreement, as Winston Churchill said 2 days ago, is a matter of honor. In the Tripartite Agreement of 1950, we pledged ourselves to make certain that those borders remained inviolate until such time as there could be a settlement of any boundary disputes. The United States, Great Britain, and France agreed that those borders should remain inviolate until a peaceful settlement was made.

Until that matter can be settled peacefully, the least that ought to be done, it seems to me, is to sell to a willing, democratic nation, a free nation, a nation of freedom-loving people, the tools with which to take care of themselves. I think that is the objective of our foreign policy.

I submit that if that shall not be done, and Israel should be overrun, then, because of the indirect political commitments of this country, the United States will be directly involved. I hope and pray that that will not happen.

I want the American people to know that one of the best ways of preventing the United States from becoming involved in hostilities is to let other countries have the means with which to defend themselves. We will then be in the position of saying there shall be no aggression; that there will be peaceful settlement, economic growth and political stability, rather than hostilities.

Mr. MANSFIELD. Is not that what the Soviet Union does with its satellites and other countries in which it is interested? The Soviet looks out for itself, while letting the other countries carry out what is, in effect, Russian policy.

Mr. DOUGLAS. Mr. President, I congratulate the Senator from Montana upon his able speech. I am coming to him, really, for help. As the Senator may know, in times past I have supported proposals for foreign military and economic aid, because I have believed they were both a part of the defense of the United States. I did so under a Democratic administration, and I have done so under a Republican administration.

Incidentally, every time I supported foreign aid, as requested by the Republican administration, when I have gone back to my own State of Illinois, I have found myself publicly and bitterly attacked by the Illinois Republicans. So I have taken such action to support the administration at considerable risk to myself. There is a certain irony in the matter; namely, that when one supports the Republican administration, then all the smudge-pots of the Republican Party are turned loose upon him. The Republican administration does not thank him; on the contrary, they try to defeat him and join in the assault.

I have, however, been trying to make up my mind about what I shall do this year. I have been studying the testimony given by Secretary Dulles before the Committee on Foreign Relations on February 24 of this year. I hold a copy of those hearings in my hand. I find that the Senator from Montana was present at that meeting, as he generally is at such meetings. I should like to ask him if the impression which he received from the testimony is the same as the impression which I have gained from a reading of the transcript of the testimony.

Secretary Dulles implied that Russia was weak internally in certain vital respects—agriculturally, in the field of consumers' goods, and so on. The implication which I drew was that Russia was diminishing in strength. Is the Senator from Illinois correct in that assumption?

Mr. MANSFIELD. Yes.

Mr. DOUGLAS. Secretary Dulles, stated, at page 22 of the hearings, that he had confidence that the policies espoused by Chancellor Adenauer would continue to prevail in Germany.

Mr. MANSFIELD. Yes; the Secretary said that.

Mr. DOUGLAS. The Secretary implied that we need not worry about the French situation.

Mr. MANSFIELD. Yes; I believe he said that. He mentioned something about the permanent French civil service, as I recall his testimony.

Mr. DOUGLAS. He implied that we need not be worried about the conditions in Jordan.

Mr. MANSFIELD. I assume that is so; I do not recall.

Mr. DOUGLAS. Then, almost immediately afterward, Colonel Glubb was ousted from Jordan.

Mr. MANSFIELD. Yes; within a month or so.

Mr. DOUGLAS. Secretary Dulles implied, in response to a question asked by the junior Senator from Alabama [Mr. SPARKMAN], that the fears of the Israeli that they might be exterminated were unfounded.

Mr. MANSFIELD. Yes; that is correct. In general, the Secretary said things were not too bad; they could be worse.

Mr. DOUGLAS. And, at page 59 of the hearings, the Secretary implied that the forces of liberalization were setting in within the Soviet Union.

Mr. MANSFIELD. Yes; I observe, by reading the RECORD, that that statement is correct.

Mr. DOUGLAS. Was not the general impression given by him was that the strength of the United States and the free world had increased during the past year, and that the strength of the Soviet Union had diminished, and that there was not much to worry about?

Mr. MANSFIELD. Yes.

Mr. DOUGLAS. That is what I gathered from the newspapers, and it is what I gather from studying in detail a transcript of the testimony.

Is it not also true that at just about the same time Secretary Dulles was testifying everything was going well, he also proposed a bill asking for $4,900,000,000 for foreign aid, or about twice the amount asked in previous years?

Mr. MANSFIELD. No. That is a little different. The figure is correct, but I think at a meeting of the leaders on December 13, Mr. Dulles did tell the leaders he was going to ask for about $100 million more this year; but Secretary of Defense Wilson did not tell the leaders the Defense Department was going to ask for $2 billion more for defense assistance. That is where the figure of $2 billion comes from. The total is $4.9 billion.

Mr. DOUGLAS. Which is almost twice the amount requested last year.

Mr. MANSFIELD. And it does not fit in with the rosy picture painted.

Mr. DOUGLAS. Whom is the Senator from Illinois to believe? If he believes the Secretary of State in his testimony, he will have to vote against foreign aid, because, quite obviously, if things are improving, we do not need twice as much money.

Mr. MANSFIELD. I would suggest that the Senator from Illinois do his best to fuse contrasting and contradictory testimony and then do what he believes in.

Mr. DOUGLAS. And what is that?

Mr. MANSFIELD. That the Senator make up his own mind.

Mr. DOUGLAS. I must judge by the testimony of persons who are supposed to know. I had always thought the Secretary of State was the official spokesman for this Government on foreign affairs. On the one hand, he says things are improving. On the other hand, he asks us to vote almost twice as much money as we voted last year. Am I to believe Secretary Dulles on the 24th of February, and vote for a big cut in foreign aid, or am I to believe him on some other day, when he comes up to Congress and asks for a doubling of foreign aid? Which statement am I to believe, or whom am I to believe, or is Secretary Dulles not one, but many persons?

Mr. MANSFIELD. I suggest that the Senator from Illinois really has hold of a complex problem, but I am quite certain the Senator from Illinois will, as he does in all matters, come to the right conclusion, and vote accordingly.

Mr. DOUGLAS. The Secretary of State and the administration have those of us on the Democratic side who want to help them over a barrel. On the one hand, if we do not vote for $4.9 billion, they will say we are not cooperating with them. On the other hand, if we vote for $4.9 billion, we know we are going to be attacked by the Republican Party for wasting money in efforts which are not needed, in view of the world situation. Secretary Dulles' testimony of February 24 will then be thrown back at us. I suggest that if our Republican friends want cooperation from those of us on this side of the aisle, they should tell us what the actual facts are. While I have been very sympathetic to foreign aid in the past, I shall want to know the truth before I shall vote for the $4.9 billion. If there are any members of the State Department in the gallery, as I assume there are, let them carry that message back. Some of us are being "fed up" with being used as pawns in this matter, and having our good faith and desire to cooperate abused. We do not relish being treated as simpletons and being alternately gulled and reviled.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield to the Senator from Minnesota.

Mr. HUMPHREY. First of all, I wish to say the Senator from Illinois has expressed the sentiments which I have heard expressed in the cloakroom and elsewhere. I see heads being nodded in assent. I am sure the Senator particularly well recalls the difficulty we had last year, with respect to the foreign-aid bill, in getting accurate information with respect to so-called unobligated funds. In fact, the Senator may recall that on the very day we were voting on the foreign-aid bill, the amount of the funds which were still unexpended were changing by the hour. I recall the Senator received cabled information from one of our commanders overseas—I believe it was General Gruenther—as to funds which were still unobligated or unexpended, which had not been reported to us by the State Department or Defense Department.

Mr. MANSFIELD. I recall that very well. One billion two hundred million dolars was not reported, because, as I remember, the Defense Department officials told us they would have a carry-over of only $100 million. When we got through, it turned out to be $1,300,000,000. And in the last 5 hours of the last day of the last fiscal year, the Defense Establishment reserved $614 million, which could just as easily be unreserved the next day, the first day of the new fiscal year.

Oh, yes, this aid program can stand a lot of probing, and I am delighted that the Chairman of the Committee on Foreign Relations has seen fit to bring before us, during the last several weeks, a proposal to carry on a thorough investigation of the entire foreign-aid program, so we shall know where we are going, what our objectives are, and just how useful this kind of program really is.

Mr. HUMPHREY. Is it not fair to suggest that one of the aspects of the foreign-aid program which needs to be laid bare to the Senate is the budgeting, the accounting, the disbursing, and the expenditures, because it is in that field that we have always received so little information and so much inaccurate information—the amount of carry-over, unexpended balances, and what is in the so-called pipeline of movement of supplies and equipment from the previous year's appropriation?

I do not think Congress can be expected to legislate on such matters unless all the necessary information is in its possession. I think one other point which the Senator from Illinois may have raised, and which I did not immediately detect, is the fact that last year and the year before we were told the foreign aid bill would be reduced, and that next year it would be reduced further, that the next year it would go down some more, and it was hoped that we would get out of this business. In fact, that was said last year. What happened this year was that the unexpended balances which had been carried over from previous years and the previous administration had been sorely depleted. It is like the fellow who inherited some money. He finally got around to spending his inheritance. One day he had to go to work.

Mr. DOUGLAS. Does the Senator mean the administration is now working on the Senate?

Mr. HUMPHREY. The administration is asking for money—not to give more foreign aid. We are not going to give more foreign aid; we are only going to keep up what we are now doing. But the administration has to ask for more money because it spent that which was in the cash register, and which the administration inherited. Sooner or later we will have to take stock. If we have not been misled, we also have not been properly informed.

Also, with respect to the so-called long-term aid program which has been publicized so much, I call attention to the fact that there is provided only $100 million in the whole bill. When one reads of the President's proposal, he would think the President had a great, new, imaginative program, of worldwide impact and effect. There is provided in the foreign aid bill a total of only $100 million of long-term economic aid, unless I am sorely misinformed.

Mr. DOUGLAS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DOUGLAS. The Senator from Illinois is groping for the truth, and he finds himself greatly mystified by the conflicting policies of this administration. The Senator from Illinois is going to put the welfare of the country first, but he is quite certain, whatever he does, the Republican Party will choose some phase of the testimony with which to defeat and revile any Democrat who takes any stand on any issue. If we believe the Secretary of State, then we shall be accused of not cooperating with the President. If we believe the President, we shall be accused of ignoring the advice of the Secretary of State. So they have us coming and going. I only hope the American people realize the kind of shell game that is being played.

Mr. MANSFIELD. I hope we can help them realize it.

Mr. DOUGLAS. Perhaps what we Democrats should do is to refuse to vote and let the administration see if they can carry their measures with only Republican votes. In self-respect that is perhaps what we should do.

Mr. LEHMAN. Mr. President, will the Senator from Montana yield further to me?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Montana yield to the Senator from New York?

Mr. MANSFIELD. I yield.

Mr. LEHMAN. I wish to say that I think the Senator from Illinois has given a very fair, clear, and persuasive analysis of this situation and of what the Republican Party will seek to do.

However, I am not very much in doubt personally about my position in this matter. I think I know what I shall do, and I have no hesitation in stating it now. I do not believe for a moment in the optimistic and rosy reports, which have come to us from the State Department, in regard to the world situation. I think the situation, instead of improving has deteriorated. I believe that today we are in as great danger as we have ever been in since the end of the Second World War.

Mr. President, because I do not believe those optimistic and rosy reports, I shall vote for a larger appropriation this year, compared to the appropriations in recent years, because I think an increased appropriation is absolutely necessary. However, I wish to know more regarding the division that will be made of the funds. I want authoritative information. I am not by any means certain that most of the increase in the appropriation should be made available for military aid. Instead, it seems to me that increased amounts should be made available for economic, technical, and social aid, so as to improve living conditions in the countries we seek to help, and thus keep them from coming under the influence of the Soviet Union.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. I believe that the analysis made by the Senator from New York is an appropriate one, and represents good, sound judgment.

I desire to emphasize that the open military budget, this year, of the Soviets—their military budget available to all the world to see, and not including any hidden figures—indicates that for this year the military expenditures by the Soviet Union will be increased 12 percent. Therefore, I believe it incumbent upon us to weigh that fact at all times as we consider our defenses and our foreign-aid program.

The smiles of Mr. Bulganin and Mr. Khrushchev are backed up by cold steel; and the little black suitcase they carry does not have campaign contributions in it. Instead, that little suitcase is but a reminder of the military strength of the Soviet Union—which makes their smile all the more threatening and diabolical.

Mr. MANSFIELD. Mr. President, to continue with my remarks. I come to my third point, as follows:

Third. A constructive policy in the Middle East cannot be maintained if it is concentrated on the protection of our economic interests in the Middle East to the virtual exclusion of all others. Earlier in my remarks, I addressed myself to the importance of these interests. They are of the greatest importance, and I believe we should make every reasonable effort to retain and even enlarge them. We are not likely to be successful in this effort, however, if their retention becomes a be-all and an end-all. If our foreign policy speaks with the full voice of the people of the United States, that will not be the case. It will be clear to any who may have thought otherwise, that whatever the importance of these American economic interests, it is not such that we will make a craven sacrifice of other peoples' interests, of our own total interests, and of world peace.

Fourth. A constructive policy in the Middle East, Mr. President, cannot be maintained by seeking to buy peace or good will in that region. As I have already noted, economic development is a key factor in developing conditions of stability. We have assisted in this process in the middle eastern states in the past, and we should continue willingly to assist.

There can be no economic development, however, if violence stalks the region. Economic development cannot take place unless there exists on the part of the people directly involved a desire to turn from destructive to constructive objectives. We cannot instill that desire. If it is there, we can help; and we should help if help is sought. But there can be no bargaining, no bribery, no trading of a TVA Jordan River development or an Aswan Dam in Egypt, for example, in the expectation that in this fashion we shall please possible aggressors. A policy based on an appeasement of that kind is more likely to feed the flames of destructive ambition, rather than to quell them.

Fifth. A constructive policy in the Middle East, Mr. President, cannot be maintained without a clearer evaluation on the part of the executive branch than so far evident, of the changed tactics of the Soviet Union and the implications of the changes for ourselves and other free nations. In the Middle East, as elsewhere, our policies have been built largely on a base of the milliitary containment of possible military aggression by the Soviet Union. The Baghdad Pact, which links the United Kingdom, Pakistan, Turkey, Iraq, and Iran, is part of the defensive pattern which evolved from these policies. So, too, is the Balkan Pact of Greece, Turkey, and Yugoslavia. We have supported both of these pacts. We have aided the members individually to build both their economic and their defensive strength.

The policy of emphasis on military containment was correct, in my opinion, 8 years ago, 5 years ago, 3 years ago. Military containment is still essential today; but the question we must answer with logic, rather than with slogans, is whether the emphasis on military factors in total policy for the Middle East should be the same today as it was 3, 5, or 8 years ago. Frankly, I do not know. I wonder whether the executive branch knows.

Certainly, it is idle to ignore the fact that the Communists have jumped the wall of containment in the Middle East, not with military power, but with a powerful diplomatic, economic, and cultural offensive which has driven all the way from Syria to the Sudan. It is just as idle to suggest that the sole answer to these new tactics is necessarily a response in kind on our part. From the point of view of constructive policy we need first to have a perceptive understanding and evaluation of these new Soviet policies; and if adjustments in our present approach are indicated, the executive branch should make that clear to the American people.

Sixth. A constructive policy, Mr. President, cannot be built on an absolute reliance on the United Nations to maintain peace in the Middle East. The United Nations has already made a major contribution. Even now, the Secretary-General of the organization is in the Middle East attempting to conciliate the contending forces. His mission has the endorsement of the great powers, the Soviet Union and the United States included.

It may well be that if the great powers continue to agree, all that needs to be done can be done through the United Nations. We ought not to place impossible burdens on that organization, however, and then be dismayed when it cannot carry them. We ought not to forget that the United Nations is powerless, except as a voice of world opinion, in the event there is disagreement among the great powers.

It seems to me a matter of elementary prudence that while we hope for the agreement and cooperation of the Soviet Union and others in keeping the peace of the Middle East through the United Nations, we prepare ourselves for disagreement and noncooperation. We may well face a situation which will require action in accord with the charter of the United Nations, to be sure, but outside the United Nations.

I should like to turn now from the negative to the positive aspects of a constructive policy in the Middle East. It seems to me that if we are to have such a policy it must be built around these elements.

First. We should have a clear pledge by the President of the United States that this Nation shall join with all others willing to cooperate in preventing any changes by force in the present boundary demarcations between Israel and the surrounding Arab States. This pledge should not prejudge a final settlement of this question.

Second. We should begin now, in cooperation with others, to plan the measures which may be necessary to prevent a major outbreak of violence in the Middle East or to stop one if it should occur. The Tripartite Declaration of 1950, in my opinion, is inadequate to meet the needs of the present situation. Dangerous and difficult measures may be required to keep the peace and the sacrifices entailed should be shared on the widest possible scale.

Until evidence of unwillingness to accept the responsibilities for maintaining peace in the Middle Eastern situation is unmistakably clear, no nation should be excluded from participating in carrying out those responsibilities. The logical site for considering this question is in the United Nations. If necessary, however, the President should be prepared to meet in a Big 4 Conference with the Soviet Union, France, and the United Kingdom, or in a Seven-Nation Conference which would also include India, Turkey, and Pakistan, to consider measures necessary to prevent an outbreak of war in the Middle East.

Third. We should call at once a conference of the Western European nations which depend on middle-eastern petroleum, and the oil-producing nations of this hemisphere. If the peace is to be kept in that area, measures may have to be taken which will shut off, at least temporarily, Western Europe's major source of petroleum. The immediate problem is to find alternatives not only to the oil but to the income which the production and processing of oil represents to certain Western European countries.

In a similar vein, the American people need to have a clearer understanding of the part which American oil production in the Middle East has played in the situation there. The press is full of reports as to how royalties paid in advance have been used in political manipulations to finance preparations for war, and in other dubious ways. We need the facts in this situation, and Congress has the power to get them if necessary.

We also have an obligation to the investors in those American enterprises in the Middle East. Measures of policy which may have to be taken could entail heavy sacrifices on their part, and the United States Government should be prepared to ease these sacrifices.

Fourth. We should reexamine now our need for bases and alinements in the Middle East, in the light of shifting Soviet tactics and the progress in weapons development. We should consider abandoning those which may no longer be essential or which can be retained only on dishonorable terms.

Fifth. We should develop a new concept of aid programs in the Middle East. It should be aid after, not before, it is clear that any given nation means to turn from the path of war to the path of peace, and we ought not hesitate to shut off aid entirely if it is evident that war is the objective of any state in that region. Nor should fear of what the Soviets may do or not do in this matter cause us to swerve from a determination to supply aid in this pattern. Least of all can we have aid policies based on a craven submission to blackmail in the mistaken belief that it will buy peace.

Sixth. We should recognize, in the Cyprus situation, that the present crisis in the Middle East requires the presence of British military power on the island. We can do so without prejudicing the claims—and the rights—of the Cypriotes to self-determination.

I believe this country's friendship and behavior over the past decade toward Greece, Turkey, and Britain gives us the right to enjoin restraint on them in the Cyprus question. Even more, our common dedication to NATO requires that we do so.

The positive measures which I have been discussing, Mr. President, contain only the outlines and suggestions of a constructive policy. They concern largely the pressure from without which is necessary to hold in check the tensions in the Middle East. There is still the whole range of questions which must be dealt with to ease the tensions from within. I believe, however, that whatever influence this country can exert on those long-range problems will be more usefully and effectively felt once our own position is made clear.

Mr. President, let me say in closing that I do not underestimate the fearful responsibilities which fall to the President in the Middle Eastern crisis. Under our system of Government, they can fall nowhere else, not even in the National Security Council, not in the Senate, and not in the Congress. The President can come to the legislative branch for reassurance, if he feels that he requires it, as he did in the case of Formosa.

In the end, however, the responsibility for the execution of our foreign policy is his. He cannot share that responsibility of his office without doing violence to the Constitution, and without jeopardizing the safety of the Nation. The Senate can advise—and ultimately its consent is essential—but it is for the President to act. If he acts with clarity, with firmness, within the framework of total interests of the United States, we shall have a constructive policy for peace in the Middle East. It will be a policy that shall not lack for support from the American people.

Mr. President, I yield the floor.

THE CITATION OF WENDELL H. FURRY FOR CONTEMPT OF CONGRESS

During the delivery of Mr. Mansfield's speech,

Mr. McCARTHY. Mr. President, will the Senator from Montana yield to me so that I may make an unusual request? I have just left a hearing of the Permanent Subcommittee on Investigations, and the chairman has asked me to return immediately so that a quorum may be maintained.

Mr. MANSFIELD. I will yield to the Senator for a question.

Mr. McCARTHY. The chairman of the subcommittee has asked me to return immediately so that a quorum may be maintained. I have a three-page explanation to make with regard to my refusal to testify in a contempt case. I very much dislike to make this request of the Senator from Montana, but I would very much appreciate the Senator's yielding to me.

Mr. MANSFIELD. Mr. President, I have been giving up my time all afternoon. Therefore I am perfectly willing to yield to the Senator from Wisconsin to make his remarks, provided I do not lose the floor and that the interruption appear in the Record at the conclusion of my speech.

The PRESIDING OFFICER. Without objection it is so ordered, and the Senator from Wisconsin may proceed.

Mr. McCARTHY. Mr. President, we are again confronted with a situation where an irresponsible judge is obstructing efforts by the Senate to investigate and expose Communists. On August 11, 1954, the Senate unanimously cited Mr. Wendell H. Furry for contempt of Congress for his refusal to testify before the Permanent Subcommittee on Investigations concerning his former Communist associates. Yet it will be impossible to get a conviction because the case is to be heard by Judge Bailey Aldrich, a demonstrably incompetent and irresponsible judge, whose past conduct proves that he will not rule fairly and objectively in a Communist case.

I say to my friend, the able Senator from Montana [Mr. Mansfield], who has been kind enough to yield to me so that I may make this statement, that I rise to explain why I will refuse to testify in this case. It is something that I must explain to the Senate. I will refuse to testify unless the Senate asks me to do so.

As the chairman of the subcommittee before which Furry committed contempt of Congress, I have been requested by the Justice Department to testify in the Furry case. While I would be very glad to testify if the case were going to be heard by an unbiased judge, I am advising the Justice Department that I will not testify unless Judge Aldrich withdraws from the case. I will not, if I can help it, be a party to the miscarriage of justice that is bound to occur in Judge Aldrich's court in any case involving communism.

Let me be very clear, Mr. President, as to reasons why Judge Aldrich is unqualified to hear this case. Last fall, an almost identical case was heard before Judge Aldrich's court, the case of U. S. against Leon J. Kamin. Kamin, like Furry, had been unanimously cited by the Senate for contempt of Congress for refusing to divulge the names of his former Communist associates. But thanks to Judge Aldrich's completely irresponsible conduct, and his almost incredible rulings, Kamin was acquitted.

To begin with, Judge Aldrich refused to let a jury hear the case. A jury had been impaneled, but Aldrich used as an excuse for discharging the jury the fact that I had been applauded in the corridors of the courthouse as I was coming to testify. Then, after he had arbitrarily given himself complete control of the case, Aldrich made a number of ridiculous rulings that assured Kamin's acquittal. His decisive and most absurd ruling was that a subcommittee which had been authorized to investigate "the operation of Government activities at all levels with a view to determining its economy and efficiency" had exceeded its jurisdiction when it investigated communism in defense plants that were supplied with Government funds and which were under the security supervision of Government security officers.

I thought at the time that these extraordinary rulings could be explained only by the fact that Judge Aldrich was prejudiced. Several months later these suspicions were confirmed when I learned that Judge Aldrich had refused to sign a non-Communist oath several weeks before the Kamin trial. He refused to sign an affidavit saying, No. 1, "I am not a member of the Communist Party," and No. 2, "I am not now, nor have I ever been, nor shall I ever knowingly become a member of any organization that believes in, or advocates, the overthrow by force of our American form of government." Judge Aldrich finally signed this affidavit only after heavy pressure had been exerted on him by Massachusetts government officials.

Clearly this rebellious attitude against signing a non-Communist oath indicated prejudice on Judge Aldrich's part in cases involving Communists. Yet he failed to disqualify himself on grounds of bias, as any responsible judge would have done in a Communist case.

Mr. President, in the Furry matter we have an almost identical case. It is therefore a foregone conclusion that Judge Aldrich will acquit Furry just as he acquitted Kamin. Under the circumstances, it would be an utter waste of time for me or any other Senator to testify. If there were any chance of getting a fair hearing of the case, it would be a different matter. But in Judge Aldrich's kangaroo court, the Government has not the slightest hope of obtaining a conviction. Not only that: Judge Aldrich, in the Kamin case, insulted the Senate by refusing to uphold its contempt citation; we should not give Aldrich the opportunity to insult the Senate again. We should not invite a repetition of that shameful spectacle.

Let me say, Mr. President, that the United States attorney in Boston, Mr. Anthony Julian, and his assistant, Mr. John M. Harrington, Jr., have done a splendid job in preparing the Kamin and Furry cases. It would be unfortunate if their hard work should come to naught because of the willful irresponsibility of Judge Aldrich.

The correct thing for Judge Aldrich to do is withdraw from this case and permit it to be heard by another judge. I hope he does so. I hope that Judge Aldrich realizes that his conduct in the Kamin case was a disgrace to the whole Federal judiciary, and that the public's confidence in the judiciary will be further shaken if he fails to withdraw from the Furry case.

Mr. President, let me make it very clear to the Senate that while I think it would be a grave mistake for me to appear in Judge Aldrich's court to testify, when we know that there cannot be a conviction in a Communist case, if the Senate feels that I, as chairman of the subcommittee, and after it has voted contempt in the case, should go to the court and make this useless gesture, I shall accede to the Senate's request.

May I say to the able Senator from Montana that I greatly appreciate his yielding time for me to make these comments so that I can return to the investigating subcommittee. I hope I can return the favor at some time.

Mr. MANSFIELD. The Senator may have that opportunity.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The chief clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have sent to the desk a proposed unanimous consent agreement, which is submitted on behalf of myself and the distinguished minority leader [Mr. Knowland]. I ask that the proposed agreement be stated.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be stated.

The legislative clerk read as follows:

Ordered, That effective on Thursday, April 19, 1956, after the conclusion of routine morning business, the call of the legislative calendar, and the treaties on the Executive Calendar, during the further consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefor, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said joint resolution shall be received.

Ordered further, That on the question of the final passage of the said joint resolution, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders or either of them, may, from the time under their control on the passage of the joint resolution, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement proposed by the Senator from Texas [Mr. Johnson]? The Chair hears none, and it is so ordered.

ORDER FOR RECESS TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until 11 a. m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELIEF FROM FLOOD DISASTERS

Mr. BUSH. Mr. President, I am deeply grateful to my colleagues in the Senate for their action today in unanimously approving four of my bills arising from the flood disasters which afflicted my own State of Connecticut and other States in the Northeast during 1955.

Three of the bills should help speed the task of relief and rehabilitation should we have the misfortune to suffer a repetition of disaster. These bills would: First, authorize an increase in FHA mortgage insurance for 100 percent guaranteed disaster loans for repair or replacement of homes from $7,000 to $12,000; second, provide for rent-free accommodations in certain federally aided housing for needy disaster victims; and, third, permit stockpiling of temporary housing for disaster relief.

The fourth, most important of all, is S. 3272, to expedite the construction of small flood-control works for the protection of our communities. This bill, when finally enacted, will enable the Army engineers to break through the bottleneck of time which has been the most serious obstruction to speedy action for permanent flood protection.

It is my hope that the House of Representatives will act promptly on all of these measures. Together with bills previously approved by the Senate, they are an important part of our over-all program to provide the people the protection against the ravages of floods for which the need was so tragically demonstrated in 1955.

THE VETO OF THE FARM BILL

Mr. JOHNSTON of South Carolina. Mr. President, I have read with great alarm President Eisenhower's farm bill veto message. With equal alarm and bitter disappointment, that I am sure is shared by the farmers of America, I listened to his nationwide broadcast on this matter.

As a member of the Senate Agriculture Committee that held extensive hearings with farmers on farm problems all over America last year, as one who helped draft the Senate Agriculture Committee's version of a farm bill, as a member of the conference committee that drafted the final measure agreed upon by both Houses of Congress which President Eisenhower vetoed, and as the senior Senator from a State that is chiefly agricultural and whose agrarian population is principally made up of small farmers, depending greatly upon the agricultural policy of government, I feel dutybound to take the President of the United States to task for his veto, his reasoning behind his veto, his report to the people on his action, and his request for soil-bank legislation.

President Eisenhower said in his television message to the people that he was not a politician and that his veto was based upon what is best for the farmers and what is best for the entire Nation.

His implication was that we in Congress played politics in writing the farm bill. That is political slander. I am afraid Mr. Eisenhower is too much of a general to understand that we in Congress represent and work for the interests of a diversity of people from various sections of the Nation that grow a vast variety of agricultural commodities. Certainly there were many amendments offered by many Senators to the farm bill. Many were adopted and many were voted down. In committee we gave and took legislation, always in the best possible interest of the people of this Nation as a whole.

If any Senator or Representative wanted to play politics with farm legislation he would certainly choose an easier way to do it than to spend months in the field listening to the problems of the farmers from the farmers, and then more months attempting to forge out a bill reflecting the needs of the farmers, as we in the Congress did.

On the contrary, in speaking of politics and farmers, I am wondering if Mr. Eisenhower has ever listened to farmers and if he has once looked into the farm bill he vetoed and figured out what he has deprived the farmers of in dollars and cents by his action.

The fact is that by vetoing the farm bill, President Eisenhower has literally taken $2,334,000,000 out of the farmers' pockets. His veto will cost farmers $2,334,000,000 in reduced income. He did not tell the people this the other night. No. He did not tell the people that by vetoing 90 percent of parity he had reduced farmers' cash income by $490 million on basic commodities alone, and $144 million in grain feeds, and $1,700,000,000 in conservation and soil bank payments that would have functioned with rigid controls and 90 percent of parity backing up the farmer in his participation of that program.

President Eisenhower did not tell the people that cotton under the 90 percent of parity bill passed by Congress would bring the farmers $1,717,000,000, but that under the program President Eisenhower will manage, the farmer will only net $1,558,000,000, realizing a loss of $159 million. Broken down simply, it means that the President's principle of less income for the farmer is best for the farmers and that neither the farmers nor Congress know anything about agricultural problems. This veto of Mr. Eisenhower's is costing farmers a loss of approximately $9 per acre of cotton they grow; $10 per acre of rice; $9 per acre of peanuts; $4 per acre of wheat; and $2 per acre of commercial corn.

Under the bill passed by Congress, corn farmers would have received $957 million. But because of the President's veto, they will receive 84 percent of parity, or $870 million, realizing a loss of $87 million. Wheat, under the congressional 90 percent of parity, would bring $1,768,000,000, but, as a result of President Eisenhower's veto, will bring the farmers only $1,558,000,000, realizing a loss of $210 million. On peanuts, the farmers would have received $162 million, but because of the President's veto they will get only $144 million, realizing a loss of $18 million. As for rice, the story is the same. Under the bill passed by Congress farmers would have received $200 million, but because of President Eisenhower they will get only $184 million, realizing a loss of $16 million. These figures can be verified by the Legislative Research and Reference Division of the Library of Congress.

I ask unanimous consent to have printed in the Record at this point a table prepared by the Legislative Research and Reference Division of the Library of Congress.

There being no objection, the table was ordered to be printed in the Record, as follows:

Support prices and indicated value of marketings for 1956

[Based upon average yield from acreage allotments (cotton) and intentions to plant (parity as of Mar. 15, 1956)]

[Millions of dollars]

Commodity	Indicated marketings		90 percent of the higher parity provided by Congress	Value to farmer	President proposes resulting from veto	Value to farmer	Total loss in basic commodity income to farmers resulting from veto
	Unit	Quantity					
Cotton	Million bales	10.8	0.3180	1,717	(0.2885)	1,558	159
Wheat	Million bushels	779	2.27	1,768	2.00	1,558	210
Corn	do	580	1.65	957	1.50	870	87
Rice	Thousand hundredweight	40,876	4.90	200	4.50	184	16
Peanuts	Million pounds	1,350	.12	162	.107	144	18
Total				4,804		4,314	490
Feed grain losses resulting from veto							144
Total loss in grains and basic commodities resulting from veto							634
Loss in soil bank and conservation payments resulting from veto							1,700
Grand total veto loss to farmers							2,334

Mr. JOHNSTON of South Carolina. Mr. President, on and on the difference goes and up and up mounts the loss in income to farmers. Surely the President does not think the farmers of America will swallow his story claiming that he has done what is best for the farmers. He said 90 percent of parity was best for the farmers in 1952. He should have traveled with the Senate Agriculture Committee last fall if he wanted to know something about farm problems. He speaks of grass-roots movements in his veto message. He is probably an authority on grass roots; but I am inclined to believe that the only grass roots on which he is an authority are on the golf greens. What he should know is something about the farmers' cost of living versus the farmers' shrinking income. If he had wanted really to help the farmers he would have approved the bill, which would have given the farmers more than $2¼ billion.

He has completely broken his word and faith with the farmers of the Nation. I am not calling him a political liar. If he were not the President of the United States, I do not know how far I would go. In Columbia, S. C., in his campaign speech, he promised the people he would back 90 percent of parity without any "ifs, ands, or buts." Since then he said he meant 90 percent of parity in the marketplace. This is not what he promised, and to keep the record straight I will quote now exactly what he said in Columbia, S. C., on October 1, 1952, when he was seeking the farmers' vote:

> For example, I believe wholeheartedly and without any "ifs" or "buts" in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Candidate Eisenhower did not say he favored a program. He did not say he favored 90 percent of parity in the marketplace. He did not say he favored some sort of a program, and certainly he made no mention of sliding parity. He specifically said he favored the "present program" of 90-percent price supports, and the "present program" at that time was the same 90-percent support program Congress passed last week, and which President Eisenhower said was a major cause of his veto. He talks of principles and people. What kind of principle is it that makes a man say he is for the farmers, promise them continuation of a program, and then after election kills the bill that would do what he had promised, and reduces the farmers' income by more than $2 billion? He has confused principles with military tactics, for certainly no man would do such a thing except for expediency to win a point or to win a battle. And in this case the point is covering up his own failures with confusion.

This does not sound like the same man that vetoed the 90 percent of parity farm bill in the White House does it? Well, its the very same Ike who promised a lot of other things. I must say, either the man in the White House has purposely for political reasons misguided the people or he does not even know what he reads that others write for him.

Robert Montgomery is a good movie actor, but is a very poor adviser on farm problems.

The President wants the soil-bank program, but he does not want 90 percent of parity. Well, he might as well know now that one will not work without the other. The farmer has got to have protection in the form of income for what he does grow before he can ever justify retiring his acreage out of production. It stands to reason that the less a man makes per acre of soil the more he will be inclined to plant, and the less he will retire into the soil bank.

To understand this problem, let us look at what happened with sliding parity prices and acreages. Mr. Eisenhower claims, as one of his reasons for the veto, that 90 percent of parity induces production and mounts surpluses. He does not know what he is talking about.

On every hand where sliding parity supports were applied to commodities—and the parity dropped as it always does in sliding programs—production skyrocketed. Proof of this is shown in the following figures regarding 10 commodities from 1952 to 1955:

Crop	Support level, percent down	Production, percent up
Oats	22	30
Sorghum grain	24	173
Soybeans	20	20
Milk	17	9
Barley	23	71
Flaxseed	23	42
Rye	17	75
Rice	8	2
Corn	1	8

Again, all we have to do is look at the 1954–55 figures on some of these same commodities to see that President Eisenhower does not know what he is talking about when he says by replacing 90 percent of parity with sliding low parity that production will be cut.

Mr. President, I ask unanimous consent that a table which I have before me may be printed at this point in the Record as a part of my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

Crop	Support level, percent down	Production, percent up
Corn	3	7
Oats	5	9
Sorghum grain	15	11
Soybeans	10	13
Milk	15	3
Barley	15	4
Flaxseed	5	4
Rye	15	21

Mr. JOHNSTON of South Carolina. Mr. President, to the contrary, the production records under 90 percent of parity, when it was in operation, show a distinct stability in production.

One point I would like to make here in particular is the moral obligation the Congress and anyone who is President owes to the farmers.

At the outset of World War II, we were faced with the need for tremendous expansion on all fronts, including trained manpower, more industry output, and more food than ever before in our history.

All sorts of programs were instituted by the Government to train people for defense jobs and inducements were handed out to get manpower to shift around the country as the need arose. Necessary gigantic expansion of industry was induced by governmental offers of Government-financed factories, tax concessions, conversion payments, cost-plus contracts, all effectively guaranteeing profits and eliminating risks. After the war, the Government gave industry reconversion subsidies and sold whole factories for a few cents on the dollar value. In short, industries' so-called wartime surplus capacity was practically a cost-free net gain on many fronts financed by the taxpayers.

All together, aside from hidden dollars not accounted for, the Government gave outright to industry for its reconversion between 40 and 50 billion dollars, but not so with the farmers.

On the other hand, farmers, who had expanded their output to meet wartime requirements, had been induced solely by appeals to their patriotism and the possibilities of improved income. No financing and subsidies were offered to farmers. Agriculture output rose 32 percent per man over 1935–39 levels. Farmers of our Nation produced more food than ever before in our history.

The only thing the farmer received was a promise to provide 90 percent price supports to aid him in adjusting back to normal times.

As to a great many of these commodities, the Government made money. On cotton, for instance, the Government, up to the first of this year, made a net profit of $258 million.

But we have never really returned to normal times, and will not for years to come. Now, the President has broken his word—that is a nice way of saying it—his promise, and his faith with the farmers. He has forgotten people and principles. He is totally infected with the disease of the Republican Party that has plagued the little people of this country since the first Republican drew breath.

Another thing is the ridiculous proposal of the President to get Congress to pass a soil-bank program by itself with no high supports to protect the farmers' income while they are retiring some of their soil into the soil-bank or conservation program.

Take cotton, for instance. The national average acre of cotton brings the farmer around $110 under the 90 percent of parity bill we passed in Congress.

Under the program by the President, this same acre of cotton with 82½ percent of parity will bring the farmer only $101.75. The President, under his plan, wants the farmers to place some of their cotton acreage under the soil-bank program. For this, President Eisenhower will pay him a certain percentage of the existing parity value of the cotton. Estimates from the Department of Agriculture indicate that Mr. Benson will pay the farmers 50 percent of the parity value of each acre of cotton placed into the soil-bank program. This would mean a farmer would be entitled to get about $50.87 per acre of cotton, placed into the soil bank.

But, as the President announced, he will only give the farmer one-half of this amount in 1956 and the other half in 1957. This means that for each acre of cotton put out of commission into the soil bank that President Eisenhower will give the participating farmer about $25.44.

In effect, what the President is saying is this: Ninety percent of parity which would bring the farmers $110 per acre of cotton in 1956 is bad for the farmers and their sagging economy. Let me help you out. You put that $110 crop into my bank and I will give you $25.44 and you will not have to even work for it.

There are many small farmers in my State who plant less than 4 acres of cotton.

I have just ascertained by telephone that there are in South Carolina approximately 18,630 farmers who have under 4 acres of cotton planted.

What President Eisenhower is asking them to do is to exchange a 4-acre cotton crop—under 90 percent of parity worth $440—for 4 acres of nothing worth $91.76. This sounds like some kind of Russian agricultural roulette game which will result in sure-fire suicide for our small farmers. To me or to anyone else who understands the farmers and their needs, it certainly does not sound like a bank, free enterprise, good government, or good business.

The farmers' income a few years ago was $17,200,000,000. Now it is less than $10 billion this means he has lost over $7 billion in income.

Every year income has been reduced approximately 38 percent. During the same time, I find that the things which the farmer has had to buy have skyrocketed in price; they have gone up approximately 60 percent.

This points out the ridiculous nature of the President's proposals for a soil bank without 90 percent of parity to back it up. In effect, he is saying "I know you need help, so, to replace your lost $7 billion, I offer you a $500 million soil-bank program. But before you can get this," he tells the farmer, "you must cut your income further by reducing the crops you grow."

No, it does not make sense—at least, to me. I do not think it makes sense to the farmers of the Nation.

Mr. President, I have in my hand an excellent editorial entitled "The Farmer's Dilemma, and printed in The State, a newspaper published in Columbia, S. C., on April 17, 1956. The editorial points up most clearly some of the problems which the farmers are facing at this time. It is refreshing to see a large daily newspaper take the fair approach to the problem, as The State has done. I take the opportunity to commend this newspaper for its factual representation.

I may say further, Mr. President, that the Columbia State was one of the newspapers which was very fair to General Eisenhower when he campaigned in 1952.

I ask unanimous consent that the editorial be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Farmer's Dilemma

The businessman cannot see why the Government should subsidize the farmer and leave him to shift for himself. The farmer is sometimes pictured as living in the lap of luxury, being paid with public funds not to produce or to fill in his losses.

We believe we have mentioned the fact that farmers in this vicinity now say that it is almost impossible to give away a milk cow, the prices being lower than they were in the depths of the depression. We also heard one ex-farmer say he had lost $50,000 feeding hogs.

Now come two simultaneous magazine articles giving the farmer's point of view. Both are from the Middle West.

Gov. Fred Hall, of Kansas, who comes in contact with many farmers in his travels over the State and in his office, points out in the American magazine that farm income in the United States has dropped 9 percent in the last 3 years, and much more in the Southwest, due to droughts and falling cattle prices, with the consequence that many small livestock farmers, including large numbers in southeastern Kansas, have taken outside jobs to feed their families while waiting for a break to better times. Some, however, have sold their farms.

He points out, as was done in our columns some time ago, the large original investment necessary to set up farming. He cites one farmer in eastern Kansas whose 160-acre farm is worth $25,000 with $15,000 tied up in machinery. From this $40,000 investment and a 48-hour workweek he earned a net of $4,500 in 1947, his best year, but only $2,500 in 1955, for a 10-year average of $3,000, or about $60 a week. His housing would cost $1,000 a year in town and he saves probably $500 in food bills from his garden and chickens. But they do not come up to the interest he loses by having his money invested in a farm. At 4 percent it would bring him $1,600 a year without work. His brother, with no investment nor business ulcers, makes more than $100 a week in 40 hours as a carpenter. A former schoolmate makes $90 a week driving an oil truck.

He goes on to point out that we no longer live in a completely free economy. Nearly every segment of the industrial population benefits directly or indirectly from heavy Government spending and has been since early 1940, when the Nation went on an artificial wartime economy which has continued through the cold war. Uncle Sam is pouring out billions to industry for defense purposes, only a small trickle of which sifts down to the farmer. Farmers, he says, will continue to insist on direct Federal aid so long as industry is subsidized. He quotes a State representative who operates a 300-acre farm as saying farmers would be willing to go back to a free enterprise if the rest of the country would, but can't be the only free enterprisers in a controlled economy.

Many Western wheat farmers, he says, would like to have a two-price system, raising all they could without restrictions, guaranteed a good price for the portion needed for normal American consumption and granted the right to store the surplus on their own farms as a hedge against future poor crops or for sale at whatever prices they could get on foreign or domestic markets.

Many also say they need Federal loans to help them buy more land, machinery, and fertilizers if they are ever to get out of their low returns to decent income levels.

An even more discouraging picture is painted by a farm housewife from near Columbia, Mo., Winifred Bryan Horner, in the Saturday Evening Post for April 14. She says that while farm income has dropped 38 percent since 1947, nonfarm income has gone up 68 percent.

Her husband, an agricultural college graduate, built up a sizable operation. But in 1951 things began getting tough till they were trying to figure out a budget on an income of minus $2,000 a year. Her husband got a job outside, first in air conditioning, "the mechanical approach" to the weather, as Mrs. Horner wittily remarks, and then as a meteorologist, "the scientific approach," still unable to escape the weather. He works 40 hours a week on his job and 40 on the farm. This, we figure, leaves 88 hours a week, or 12.5 hours a day for sleep, eating, recreation and the rest of it.

With expenses increasing, the water problem critical, income decreasing, indebtedness mounting, Mrs. Horner wonders, as her title puts it, "How Long Can We Stay on the Farm?"

Apparently, the same general situation prevails throughout the land. We can't run all farmers out of business and still eat and wear the same kinds of clothes. The farm problem concerns everyone.

PROTECTION AND CONSERVATION OF NATIONAL SOIL, WATER, AND FOREST RESOURCES—THE SOIL BANK PLAN

Mr. AIKEN. Mr. President, on behalf of 44 of my colleagues and myself, I have today introduced a bill providing for the soil bank plan which was referred to by the President in his veto message and his address to the Nation on the 16th of this month. I regret that I did not have an opportunity to communicate with all the Members of the Senate to ascertain whether they desired to be cosponsors of the bill; I simply spoke with all Senators whom I had time to meet, and there were 44 of them.

The bill is, in effect, title II of the bill which was vetoed by the President, together with the perfecting amendments and the prepayment provisions recommended by the President.

Congress already is deeply aware of the significance of the proposed legislation, the urgency of its enactment, and the need for action now, with the least possible legislative maneuvering and hearings.

Inasmuch as the subject has already had months of intensive congressional study and has already received the support of a large majority of the Members of Congress only a short time ago, there can now be no valid reason for delaying its passage any longer.

The bill could have been enacted at the end of February or early in March, so that it would have been fully effective in implementing farm income, reducing farm surpluses to proper size, and bringing farm production into line with requirements this year. However, that was not done. The bill was delayed, and cannot be fully effective, of course, in this crop year.

Nevertheless, the combining of the soil bank provisions of the bill with the prepayment feature, which has now been included in the bill, will permit prompt payments to be made to the farmers this crop year—the year 1956 has been retained in the bill—and there is no doubt that if the bill can be passed promptly, substantial assistance will accrue to the farmers this year.

Therefore, we who are endorsing the measure join with the President in urging that no further delay be permitted.

As I have said, a great many of my colleagues have joined in introducing the measure. It is evidence of our earnest conviction that swift action is imperative, and is indicative of our sincere desire to cooperate fully with the President in producing immediately an instrument which will attack at the roots the problem of agricultural surpluses.

I believe I can say on behalf of every Senator who has joined in sponsoring the bill that it is our hope, and it will be our combined effort to make certain, that action will be taken by the committee and by Congress as quickly as possible. The bill has already been thoroughly considered and has been approved by a great majority of the Members of Congress; so it should be possible, without any delay, to send to the President a workable, sound soil-bank and forestry program.

It is likewise my hope that, since the proposed legislation has had such thorough consideration and study, there will be no substantial tendency on the part of Senators generally to amend the bill. Such efforts could result in additional unfortunate, harmful delays to the measures. I presume that such efforts would be futile, since most of the amendments which might be proposed have already been considered and rejected either by Congress or by the President himself.

I remind the Senate that the soil-bank provision was not in serious controversy. We can have the bill on the President's desk within a week if we wish to do so. If we want to delay it, I suppose there are those who are in a position to impede it further. But the bill can be on the President's desk within a week if we wish to act promptly. If we do, the farmers of the Nation will receive substantial benefits from it this year.

The farmers need help now. The President has already signified his willingness and his desire to approve the soil-bank measure. In these circumstances, I find no reason why Congress should withhold immediate favorable action; and such action, I think, and I feel certain a large majority of the Senate agree with me, must be forthcoming.

Mr. President, with the introduction of the bill, an opportunity is afforded to place promptly on the President's desk a sound, workable soil-bank program.

If there is delay in action on the bill, I hope those responsible for the delay will be willing to accept full responsibility for holding down the income of the farmers of the country this year.

Mr. MARTIN of Iowa. Mr. President, I am very pleased to cosponser the bill described by the Senator from Vermont [Mr. AIKEN], and also a bill introduced today by the Senator from Florida [Mr. HOLLAND], which are designed to create a soil bank for the farmers of America. I have a particular interest in these proposals. It was almost exactly 2 years ago that I introduced a bill in the House of Representatives calling for the establishment of a soil fertility bank. My bill was introduced on April 15, 1954. A few days later, on the 7th of May, I appeared as a witness before the House Committee on Agriculture. During those hearings I characterized the soil bank in these words:

> I believe this approach to the problems of adjusting farm production to effective demand holds much promise. Certainly it is far better to store fertility in the soil than to produce crops beyond market need.

I believed in the principles of the soil bank in 1954. Today, 2 years later, I still believe in these principles. The soil bank plan that would be created under the provisions of the bills I have cosponsored today holds much promise for the future welfare and benefit of the American farmer. But we cannot wish the soil bank into existence. We must take legislative action.

I am certain the overwhelming majority of my colleagues realize the problems that face agriculture today. We have heard speech after speech, outlining the situation and defining the extent of the agricultural problem. Now it is time for us to act. Now it is time to substitute the helping hand for the worried tongue. Now it is time to demonstrate to the farmer that our concern for his welfare, so often the subject of our Senate speeches, is also the object of our specific legislative action.

I sincerely hope these bills will not become mired in the quicksand of partisan considerations. Most of us realize the farmer has a problem. Most of us believe the soil bank will go a long way toward solving that problem. Let us now put those two considerations together and put our legislative shoulders to the wheel. The farmers deserve this help.

RECESS TO 11 O'CLOCK A. M. TOMORROW

Mr. JOHNSTON of South Carolina. Mr. President, pursuant to the order previously entered, I now move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, April 19, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 18 (legislative day of April 9), 1956.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. George Henry Decker, O15950, Army of the United States (major general, U. S. Army), in the rank of general.

IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be captains

Abagis, Kenneth M., O71433.
Abele, Louis E., O59231.
Abt, Frederick T., O70244.
Adams, Charles M., O59126.
Adams, Earl R., Jr., O58288.
Adams, Pritchard G., Jr., O60248.
Adkins, Virgil S., Jr., O59987.
Allen, Boyde W., Jr., O59203.
Allen, Robert A., O59986.
Alloway, Curtis H., O59772.
Alter, George M., O58290.
Alvarez, Theodore P., O60787.
Anderegg, Harold R., O59281.
Anders, Curtis L., O59302.
Andreen, Robert B., O59149.
Ankley, William J., O65259.
Appel, Edward J., O60846.
Armour, Thomas M., O65281.
Armstrong, Andrew J., O61102.
Armstrong, Frank H., O60273.
Arnette, John Q., O59418.
Bailey, Horace E., O65230.
Ballou, DeForrest, 3d, O58299.
Balmer, Jesmond D., Jr., O59219.
Bamford, Thomas F., O59166.
Barclay, Kenneth K., O65285.
Barlow, Raymon C., Jr., O59287.
Barnes, Metullus A., Jr., O58302.

Barry, Clarence D., O58303.
Baskin, Ronald R., O70264.
Battreall, Raymond R., Jr., O59108.
Baumann, Lewis R., O62806.
Bayard, Louis P., O59097.
Becker, Henry C., Jr., O63389.
Bell, Cleo O., O65190.
Bell, Clyde B., Jr., O59227.
Bender, John A., O59317.
Bercaw, Woodson W., Jr., O59077.
Berens, Robert J., O58306.
Bernard, Carl F., O69589.
Bernhard, Alexander H., O63419.
Bertholf, Cheney L., Jr., O65202.
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Birrell, John H., O59147.
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Blake, Thomas B., O58311.
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Bolen, Charles M., Jr., O63417.
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Bracey, Spencer M., O58317.
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Bunch, James E., O58325.
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Campbell, James G., Jr., O58330.
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Jones, George M. D., O58456.
Jones, Ogden S., Jr., O59237.
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King, Lemuel G., O58465.
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Kurtz, Maurice K., Jr., O59107.
Lamar, Kirby, O59257.
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Lamp, Russell J., O59115.
Lampros, James L., O59283.
Landis, Charles M., O65193.
Landre, Lowell H., O66035.
Landseadel, Robert J., Jr., O65496.
Lansing, Ernest J., O63113.
LaPorte, Arthur E., Jr., O58472.
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Larson, Gale L., O65185.
Larson, Lyle R., O65218.
Lauber, Robert W., O58475.
Lauer, Jerry B., O59164.
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Lee, Charles B., O59305.
Legg, Elbert E., O58477.
LeGro, William E., Jr., O67837.
Lehner, Charles R., Jr., O59241.
Leister, James W., O65738.
Leneten, Charles C., Jr., O63114.
Lentini, Anthony R., O58479.
LeTellier, Carroll N., O60118.
Lewis, Addison L., O65216.
Lewis, Malcolm K., O59234.
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Lewis, Samuel A., O65191.
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Livingston, Leon R., Jr., O58487.
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Long, Homer S., Jr., O59158.
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Lynch, Robert O., O59346.
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Marley, John T., O59314.
Marshall, Francis R., O58496.
Martin, Stuart F., O59368.
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Maurer, John A., O59225.
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McArdle, John F., O59135.
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McCarthy, James L., O58502.
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McGarey, Richard V., O58508.
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McIntosh, James F., O65210.
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McIntyre, Kenneth E., O59087.
Mears, Joe G., O66052.
Medsger, Gerald W., O57080.
Meek, Carroll S., O59274.
Meiner, Sinclair L., O58513.
Mesick, Robert A., O60610.
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Moon, Virgil C., O61132.
Moore, James T., O58522.
Moore, Merl M., Jr., O58523.
Moore, William T., O59120.
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Moreau, Donald W., O69752.
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Morgan, Rex S., O59496.
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Morris, David O'N., O69753.
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Norcom, Henry C., O70455.
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Parr, Bertram L., O69766.
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Royal, Everett C., O58584.
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Sanders, Robert C., O59272.
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Twitchell, Blaine E., O606161.
Tyler, John E., O70540.
Tyson, William P., Jr., O71423.
Underwood, Arthur R., Jr., O59370.
Unger, Guinn E., O58641.
Van Hook, James McN., O59768.
Van Meter, Jack D., O65182.
Van Patten, Allen E., O65261.
Van Sant, Jesse F., O65280.
Vargovick, William S., O59285.
Vaughn, James B., O65181.
Vincent, Caleb R., O60813.
Vollmer, John P., O59284.
Waddell, Jack L., O66114.
Wagner, Richard H., O59122.
Walker, Albert L., O58644.
Wallace, Bruce E., O65610.
Walsh, John J., Jr., O70549.
Walters, Edwin S., O58646.
Walton, John M., O58647.
Walz, Charles, O59216.
Warlick, William F., Jr., O65213.
Warnke, John J., Jr., O58649.
Watling, Edward T., O59506.
Watson, Henry, Jr., O71892.
Weber, Robert J., O65208.
Wellborn, Charles G., Jr., O65273.
Wesolowski, Stanley, O58655.
West, William F., O58656.
Wheelock, Alton R , O59334.
Whelan, Raymond A., O69829.
Whichard, William A., O65212.
Whistler, Donald E., O59204.
Whitlock, Thomas D., O65195.
Wightman, John D., O59381.
Wilkins, Frank E., O63408.
Williams, Alton G., O60251.
Williams, Edwin J., Jr., O58660.
Williams, Murray W., O59197.
Williamson, Dan H., Jr., O59173.
Williamson, William G., O60010.
Wilmot, Fred W., O59770.
Wilson, Floyd M., O58663.
Wilson, Francis B., O65737.
Winn, Charles C., O58664.
Wise, William A., 2d, O60855.
Withers, Langhorne P., O68062.
Wolak, Francis A., O59086.
Womble, Phelps R., O66647.
Woolshlager, Richard J., O58667.
Wren, John J., O58669.
Wright, Billy R., O69838.
Wright, George, O58670.
Wright, William M., O70574.
Wyruchowski, Edward P., Jr., O65241.
Yacker, Everett J., O59153.
Yadon, James C., O58671.
Yeats, Joseph J., Jr., O59151.
Yellman, Edward K., O59364.
Yepsen, John H., O59267.
Younger, Ralph K., O58673.
Youngren, Arthur W., O65279.
Zartner, Bertram L., O67889.
Zollicoffer, Marion B., O65184.
Zumwalt, Charles B., O58679.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be first lieutenants

Abbott, Walter H., O68852.
Ackerman, Arthur H., O68413.
Adams, David G., O68853.
Adams, Harold E., O68854.
Adamson, George W., O68855.
Ades, LeRoy P., O68414.
Agather, Frederic G., O68415.
Aguilar, William P., O68856.
Ain, Milton, O68858.
Ainslie, Robert E., O69844.
Albert, Robert J., O68416.
Alch, Wayne F., O68417.
Alexander, Robert L., O68418.
Allebach, Victor L., O70130.
Allen, Stanley C., O72809.
Alston, Lonnie N., O68860.
Ambrose, Thomas J., O71753.
Ames, William I., Jr., O68861.
Anderson, Benjamin H., Jr., O70160.
Anderson, James C., O68863.
Anderson, Thurman E., O69847.
Andre, Nick J., O68864.
Andrews, Edward P., O68419.
Andrews, Wilson P., O72813.
Angstadt, John P., O68420.
Appleton, James L., Jr., O68421.
Arduna, Arthur A., O68422.
Armstrong, Raymond L., O68867.
Arnhym, Rolfe G., O68423.
Ash, Philip L., Jr., O68868.
Atkinson, Ellis O., Jr., O68869.
Atwell, Billy J., O68870.
Atwood, John B., O68871.
Atwood, Thomas W. W., O68872.
Auer, Charles H., O68873.
Avveduti, Paul R., O68874.
Ayers, Robert E., O68424.
Ayers, Theodore F., O68875.
Bacey, Algirdas S., O71756.
Bailey, Ruslan B., O68212.
Baker, Russell A., Jr., O68425.
Balistreri, Leo A., O68876.
Ball, Duard D., O68213.
Bambery, James R., O68426.
Banks, Douglas T., O68877.
Barcelo, Antonio R., O68878.
Barnes, Vernon, Jr., O68881.
Barnet, Lionel, O68284.
Barnett, Walter L., O68214.
Barrentine, Charles D., O68883.
Barrett, Robert E., O68884.
Bartlett, Robert G., O68427.
Barton, Robert E., O68428.
Basic, Nick J., O72817.
Battey, Edward, 3d, O68215.
Bauer, Harold E., Jr., O68429.
Baughman, Larry J., O71442.
Bauman, William F., O68430.
Baynard, Richard A., O71641.
Beall, George F., O68887.
Bean, John F., O68888.
Beardsley, William M., O68889.
Becker, Donald H., O68431.
Beers, John R., O70164.
Bell, Robert R., O68890.
Bell, William R., O68432.
Bellows, Robert E., O69856.
Bennett, Lloyd P., O68891.
Bennett, William L., O68892.
Bentley, Ernest E., Jr., O68893.
Benz, Richard A., O68433.
Berkey, Ronald R., O71443.
Berzinec, William E., O68894.
Best, David A., O68434.
Bickmore, Jesse O., Jr., O68897.
Bidstrup, Graham P., O68435.
Biggerstaff, Allan C., O68436.
Bigham, Jim C., O68898.
Billy, Myron D., O68900.
Birchler, Norman W., O68437.
Bishop, Edward L. P., O68438.
Black, William T., O68904.
Blackledge, David W., O68905.
Blalock, Charlie L., O72821.
Blanton, Clay E., O71447.
Blastos, Constantine J., O68439.
Blauvelt, Richard B., O68906.
Bledsoe, Roy A., Jr., O69594.
Bleecker, James F., O68440.
Blocher, Ashley S., O68907.
Blottie, Donald L., O70131.
Blum, Robert W., O68441.
Boggs, Joseph C., O72823.
Boggs, William L., O73291.
Bohlin, Harry J., O68909.
Bolch, Adrian D., Jr., O68910.
Bonnett, Thomas J., O68911.
Boone, Louis C., Jr., O68442.
Boring, Landin F., O68913.
Born, Keith L., O68443.
Boucher, Leo P., Jr., O68914.

Bowen, James E., 3d, O68444.
Bowers, James M., O68219.
Bowers, Richard E., O68915.
Boxell, Robert A., O68445.
Boyle, Daniel E., O68916.
Boyle, Richard D., O68446.
Brain, Tom H., O68447.
Breckenridge, Robert C., O68448.
Brewbaker, Chalmers L., O68450.
Brewer, Curtis A., O68451.
Brewster, Harold R., O70168.
Brewster, Lawrence C., O68917.
Bricker, James W., O68918.
Bringham, John L. B., O68452.
Brinsko, John A., O68453.
Brock, Mervin E., O68919.
Brogan, Thomas W., O68920.
Brooker, Clarence B., Jr., O68221.
Brookshire, Grail L., O70133.
Brophy, Jeremiah J., O68454.
Brosious, George D., O68455.
Brotman, Robert, O68921.
Brown, Arthur E., Jr., O68456.
Brown, Charles W., O69869.
Brown, Donald S., O68457.
Brown, Elmer A., O69870.
Brown, Gerald W., O71766.
Brown, Thomas D., O68458.
Bruce, Miles E., O68924.
Bumbaugh, James W., O68926.
Bunting, Wilber J., O68927.
Burdeau, Edward K., O68459.
Burdeshaw, William B., O68460.
Burkhardt, William A., O68461.
Burkland, James M., O68462.
Burr, Richard A., O69873.
Butler, Don A., O72833.
Butler, Phillip C., O68929.
Butler, Robert E., O68463.
Byrnes, Vincent F., Jr., O68931.
Byrom, Robert, O68222.
Cahill, Philip J., O68792.
Caldwell, James K., O68932.
Callahan, Bernard L. J., O68934.
Callis, Bennie E., O72410.
Campbell, George S., O68935.
Campbell, James G., O68936.
Canedy, Charles E., O68937.
Canham, Thomas R., O68464.
Cannon, Lee B., Jr., O68223.
Canonico, John N., Jr., O68938.
Cantrell, Waniford A., O68939.
Carbonetti, James A., O68940.
Carr, Gordon W., O68941.
Carr, John C., O68942.
Carrillo, Armando E., O68944.
Carter, Robert A., O68465.
Carter, Sidney W., O68466.
Caruso, John P., O68945.
Cash, William McK., O68946.
Cassidy, Thomas K., O68947.
Cates, Arthur J., O68467.
Catudal, Joseph U., O70080.
Ceglowski, John P., O68468.
Chabot, Don W., O73063.
Chaffin, Jimmie M., O68948.
Chafin, Leonard D., O68811.
Chambers, Earl L., O68469.
Charlton, James S., O68812.
Cheves, Charles J., Jr., O68470.
Childs, John O., O70174.
Ching, Harry L. F., O68949.
Chojnowski, Milton A., O68471.
Chomko, Gene N., O68813.
Christian, James A., O68950.
Christman, Daniel P., O68472.
Churchill, Johnny J., O68334.
Cipriani, Lawrence J., O68951.
Clark, David R., O68952.
Clark, Gene E., O68954.
Clarke, William T., O68955.
Clift, Milton L., O68956.
Cochran, Reubin W., O68474.
Coffey, Vernon C., Jr., O71463.
Cole, William A., O68475.
Coleman, George E., Jr., O68957.
Coleman, James P., O69884.
Collier, Alvis W., O68958.
Collins, Ashby F., O68959.
Collinsworth, Coy M., O68226.
Colonna, Gary S., O68476.
Colson, Alfred B., Jr., O69887.
Colson, James B., Jr., O68960.
Colvin, William R., O68477.
Comer, Ralph L., O68961.
Conder, Raymond C., Jr., O68478.
Connell, Charles R., 3d, O68962.
Conover, Nelson P., O70082.
Conway, Edward S., O68964.
Conzelman, Peter S., O68479.
Cook, Robert C., Jr., O69888.
Cooper, John H., O68480.
Cooper, John O., 3d., O68481.
Cordill, Richard W., O68482.
Corprew, Gerald W., O68483.
Cottingham, John B., Jr., O68966.
Coughlin, Charles L., O69889.
Cousland, Walter C., O68484.
Coverdale, Craig G., O68485.
Cox, Edwin, O68967.
Cragun, Benjamin M., O68968.
Craig, Robert B., O71775.
Craighead, Doyle T., O69890.
Craver, Roger H., O72330.
Creighton, Neal, O68486.
Crerar, John H., 2d, O68487.
Crevoiserat, Laurence W., O68488.
Crim, William T., O68489.
Cristan, Anthony F., O68969.
Crosby, Robert L., O68490.
Cross, George M., O68970.
Crouch, Roby E., Jr., O68971.
Crowell, William B., O68972.
Crown, Ray H., O70083.
Curran, Gordon A., O68491.
Currie, James A., O68492.
Currier, Eugene R., O68493.
Daggett, Robert W., O73312.
Daggit, Edward A., O68494.
Dahl, Bruce E., O69895.
Daly, Robert F., O68495.
Dammicci, Anthony E., O68973.
Dancause, Philip T., O68974.
Daniels, Tolbert A., Jr., O68975.
Daniels, Walter C., O68976.
Dare, James T., O68496.
Davis, Dale E., O68497.
Davis, Donald F., O68498.
Davis, Edward E., O73315.
Davis, Edwin G., O71477.
Davis, Lauren S., O68499.
Davis, Richard R., O68500.
Davis, Robley W., Jr., O68978.
Davis, Thomas C., O68501.
Davis, Willys E., O68815.
Davisson, Henry L., Jr., O68502.
Dawson, Earl N., Jr., O68979.
Dawson, Kenneth E., Jr., O68503.
Dawson, Wallace H., 3d, O71779.
Day, Robert G., O68504.
Dean, Frank M. S., O70084.
Delahanty, Raymond A., Jr., O68981.
Delbridge, Norman G., Jr., O68505.
Del Santo, Michael J., O68982.
DeLuca, Anthony P., O68506.
Demand, Erhart E., Jr., O68507.
Dennis, Donald A., O68508.
Denton, Walter M., O70180.
Derrick, George E., O68985.
de Silva, Ernest B., Jr., O68983.
Dewberry, Dale, O68229.
Dick, Harvey M., O68230.
Dickey, Eugene C., Jr., O69903.
Dickson, Lee C., O68986.
Dierdorff, H. Beecher, Jr., O68509.
Dimtsios, George J., O68510.
Dinges, Edward A., O68511.
DiSimone, Frank B., O71341.
Dodge, Griffin N., O68987.
Dolan, Robert W., O68988.
Dombrowski, Anthony J., O68989.
Donahue, James G., O68512.
Donnal, John A., O68990.
Donnell, Henry K., O73319.
Doran, Fred R., O71780.
Doty, Benjamin E., O68991.
Dowling, Drew, O68513.
Doyle, Francis J., O68514.
Dozier, Ollin K., O68515.
Dresner, Gerald E., O68516.
Duffy, James P., Jr., O68994.
Duffy, Thomas A., O68995.
Duisterhof, Gordon J., O68996.
Dukkony, Stephen J., O68997.
Duncan, Ross E., O68998.
Dunlap, Rufus T., Jr., O68999.
Dunn, Charles H., O72860.
Dunnuck, Donald W., O68517.
Durham, Richard L., O68518.
Dyer, James M., O69001.
Ealer, George L., O69002.
Earl, George L., O68817.
Earle, Thomas B., Jr., O69003.
Eastham, Frederick L., O69004.
Eaton, Prescott, O70089.
Eckhart, John W., 3d, O71487.
Eckles, Donald R., O68233.
Edward, Charles E. H., O68519.
Edwards, Jerry S., O73323.
Edwards, William H., O69909.
Egbert, George L., Jr., O68520.
Ehlers, O. Kirk, O68521.
Eineigl, Raymond J., O68522.
Elder, Robert L., Jr., O69005.
Elliott, Harry L., O69007.
Elliott, James W., O69008.
Ellis, Greeley H., Jr., O68523.
Ellman, Roger P., O68524.
Elmore, Louis N., Jr., O69010.
Endler, James R., O68525.
Eskew, Thomas F., O69014.
Esser, Henry J., Jr., O69015.
Etheridge, James R., O70182.
Eubanks, James A., O68526.
Evans, Ira K., Jr., O72862.
Evans, James L., O68234.
Evers, John H., O69016.
Fargason, William H., Jr., O69919.
Farlow, Wilbur M., O69017.
Farrar, Robert G., O69018.
Faust, Elden Q., Jr., O68527.
Fellke, Glenn T., O69019.
Felock, Ray D., O69020.
Fell, Richard W., O69021.
Fellabaum, John N., O69022.
Felton, Robert G., O69023.
Ferguson, William P., O68343.
Fernandez, Robert N., O68528.
Ferrara, Leonard S., O69025.
Fewell, Oscar C., Jr., O68235.
Fiala, Charles J., O68529.
Fifer, William A., O69026.
Fike, Edward C., O68344.
Filaseta, Bart M., O68530.
Fischer, Richard F., O68531.
Fisher, Samuel H., Jr., O68532.
Fitch, John B., O68533.
Fitchett, Horace B., O69027.
Fitzsimmons, Eugene L., O68534.
Flaherty, William J., O69028.
Flake, Jackson L., Jr., O70136.
Flanagan, John S., O69029.
Flather, Richard W., O68535.
Fiertzheim, Henry A., Jr., O68536.
Floyd, Paul E., O68537.
Fluitt, John L., O69032.
Ford, Richard L., O69922.
Forrest, Ernest E., Jr., O71495.
Foster, Andrew J., Jr., O71789.
Fowler, Roy, O68538.
Fox, Joseph H., O68237.
Franklin, James D., O70091.
Franseen, Leonard R., O69033.
Frazer, Bruce W., O69034.
Freimark, Gaillard A., O68539.
French, Rodney M., O68540.
Frenier, Julius A., O72872.
Friedersdorff, Louis C., Jr., O68541.
Friesen, Herbert E., O68542.
Froede, Carl R., O69036.
Fukumoto, George M., O69037.
Fuller, Elbert E., Jr., O68543.
Fuqua, Donald G., O68544.
Gabel, James M., O70092.
Galta, Ronald J., O69038.
Garcia, John L., O69927.
Garrett, Samuel J., O69040.
Gassaway, Kenton C., O69931.
Gaumond, Robert J., O71791.
Geringer, Robert F., O69932.
Gibbons, William C., O69041.
Giedeman, Louis A., Jr., O69042.
Gil, Osvaldo L., O70093.

Gillis, John B., O69043.
Gilmartin, Frederick G., Jr., O68545.
Ginsburg, Howard D., O69044.
Gioiosa, Thomas E., O69045.
Glasgow, Robert E., O68546.
Glauner, Frederick W., O68547.
Godas, David M., O69048.
Godwin, William C., O69049.
Goetsch, Elmer A., O68241.
Goetz, Jerald L., O68548.
Gorvad, Peter L., O69051.
Graham, Harl G., O68549.
Grant, Samuel J., Jr., O68243.
Gray, Ralph S., O69052.
Greeley, Leonard J., O68550.
Green, Richard D., O69053.
Greenberg, Joseph, O69054.
Greenquist, James C., O68244.
Greer, Ralph S., O68551.
Gregg, John M., O69055.
Gregory, Clark S., Jr., O69056.
Greyhosky, August, O69057.
Greynolds, William A., O69058.
Griswold, Donald E., O69059.
Gruen, Robert W., O69060.
Grum, Allen F., O68552.
Gunnett, Robert E., O70094.
Haas, George A., Jr., O68553.
Hall, Hugh J., Jr., O68554.
Hall, John C., O68555.
Hallock, Richard G., O69062.
Halterman, Harry W., Jr., O68556.
Hamby, Dolph F., O68245.
Hamilla, Donald J., O68557.
Hammond, Carl L., O68558.
Hanel, Kenneth G., O69063.
Hardy, Alvis S., O69064.
Hardy, Bruce B., O68559.
Hare, Edward B., O68246.
Harrick, Stephen R., O69065.
Harris, James H., O68560.
Harris, Wesley L., O69066.
Harris, William H., O68561.
Harsant, James A., O68248.
Haskell, John H. F., Jr., O68562.
Hassebroek, DeWayne J., O69067.
Hawks, Thomas E., O69068.
Hawik, Robert C., O69069.
Hayes, Alva W., O69070.
Hayes, Jack O., O68563.
Hayward, Barton M., O68819.
Hazlett, Howard, 3d, O68564.
Heath, Bobby R., O72894.
Heiberg, Elvin R., 3d, O68565.
Heilig, Frank T., O69073.
Heitzke, Kenneth S., O68566.
Henderson, Walter, O68567.
Hendricks, Arthur D., O72896.
Hendricks, James Y., O69074.
Herman, John L., O69075.
Herndon, Phillip H., O69076.
Hickey, Ralph E., O68568.
Higgins, James W., O71803.
Higgins, Wiley T., Jr., O69078.
Hight, Adolph A., O69948.
Hilley, William W., O68569.
Hillsman, Dan A., O69080.
Hino, Peter J., O69081.
Hodges, Albert P., O68250.
Hoerning, Richard E., O69083.
Hoffman, Thomas, O68570.
Hogan, John E., O68571.
Hogg, James W., O68572.
Holcombe, Thomas W., O68573.
Holdcroft, George T., O69085.
Holden, Bobby G., O69086.
Holley, James P., O69087.
Holliday, Donald W., O69088.
Holman, Carson E. R., O68574.
Holtz, Dennis C., O69090.
Horner, David DuB., O68575.
Horton, William D., Jr., O68576.
Horwedel, Alan T., O68577.
Houk, William H., O69091.
Houy, Edward W., Jr., O69092.
Hove, James G., O68578.
Hovis, Warren A., Jr., O69093.
Howard, Newman A., Jr., O69094.
Howe, Roderick R., O69095.
Hoyle, Frank E., O72902.
Hoyt, Francis R., O68579.
Hrecz, Joseph, O69952.
Hubbard, William S., O69096.
Hudson, Charles F., Jr., O68363.
Hudson, Paul C., O69097.
Hughes, Bernard C., O68580.
Hughes, Charles M., O72492.
Hughes, John W., O68581.
Hull, Clark R., O69098.
Hungerford, Franklin McD., O71810.
Hurd, Philip S., O71525.
Hurless, Bernard F., Jr., O68582.
Hutchenson, Dwight R., O69099.
Hutchinson, Cary B., Jr., O68583.
Hutson, Arthur C., Jr., O69100.
Iacobucci, Frank A., O68584.
Ice, Ronald E., O69101.
Ideman, James M., O68252.
Ingram, Thomas A., O69102.
Irons, Martin H., O69104.
Iverson, Harold E., O69105.
Jackson, Franklin R., O69107.
Jackson, James L., O68585.
Jackson, Wilfred A., O69108.
Jacquez, Oscar S., O70100.
James, Stanley L., O69109.
Jamieson, John F., O68586.
Jenes, Theodore G., Jr., O70138.
Jennings, Robert H., O69111.
Jewell, William M., Jr., O68587.
Johns, Jack E., O68588.
Johnson, Harold R., Jr., O68364.
Johnson, Robert H., O70102.
Johnson, Roland H., O69113.
Jolley, Alvin L., O71683.
Jones, Franklin R., Jr., O69116.
Jones, Herbert H., O69117.
Jones, Robert P., O69958.
Jones, Thomas H., Sr., O68589.
Jones, William D., O68590.
Joyce, Robert M., O68591.
Joyce, Thomas F., Jr., O68365.
Juve, Eugene H., O69119.
Kahl, Keith G., O68592.
Kallelis, James S., O69120.
Kallman, Michael E., O68593.
Kamakahi, Ronald D., O69121.
Kaplan, Robert L., O68594.
Kaufman, Louis A., O68595.
Kay, Joe E., O69123.
Kelley, Kent C., O69124.
Kelley, William B., O69125.
Kenyon, Robert B., O69126.
Kenzie, Ross B., O68596.
Ketzler, Kenneth LeR., O69127.
Kiefer, Charles A., O69129.
Kimball, Douglas S., O68597.
Kincaid, Frank C., Jr., O68598.
King, William W., O70201.
Kinne, Milton J., Jr., O71819.
Kinnie, Irvin G., Jr., O68599.
Kitchin, Herbert A., O69131.
Kloke, John G., O70139.
Kmiotek, George V., O69132.
Knoebel, Frederick W., O68257.
Knox, James R., O68600.
Koch, Ralph A., Jr., O68601.
Kofoed, Everett F., O69964.
Koontz, William E., O71538.
Koval, Emil D., O69134.
Kramer, John C., O68823.
Kratsch, Charles H., O69966.
Kretzer, Alonzo S., O69135.
Kuhn, Robert J., O70140.
Kurtz, Francis S., O69136.
Kvernes, Roger W., O69137.
LaBrash, Francis G., O68602.
Lacquement, Hubert W., O68603.
Ladd, Earl M., Jr., O68825.
Lafiam, Robert J., O68604.
Lammie, James L., O68605.
Lamport, Bert J., Jr., O69144.
Land, Joe E., Jr., O68258.
Landry, Clifford J., O68606.
Lane, James C., Jr., O69146.
LaNoue, Carol L., O71823.
Larason, Charles E., O68370.
Larson, Richard A., O69147.
Larson, Walter R., O69148.
Laskiewicz, Henry, O69149.
Laucirica, Xavier A., Jr., O69150.
Lauer, Robert D., O69151.
Laundry, Melburn E., O68607.
Law, Donald C., O69152.
Lawrence, Herbert L., O69153.
Lawrence, Richard D., O68608.
Lawrence, William J., O70104.
Lawson, Lary F. O., O70205.
Laybourn, William E., O69154.
Leaf, Edwin B., Jr., O69155.
Leander, Richard C., O69156.
Lee, Lynn L., O73364.
Lee, Wallace A., O69157.
Leedy, George F., O69158.
Leisinger, Richard W., O69159.
Lenard, Stanley, O69161.
Leonard, Richard E., O68609.
Lesinski, Raymond J., O68610.
Leuppert, Fred W., O68262.
Lindgren, Gordon F., O69166.
Lindholm, Allen T., O68611.
Linka, James E., O68612.
Liveoak, Felix L., Jr., O68613.
Loedding, James A., O68614.
Logan, Francis S., O72921.
Lohrli, G. Gerald, O68615.
Lowman, Charles J., Jr., O68616.
Lowry, Montecue J., O68617.
Luby, Victor, O68618.
Luck, Leland P., O68619.
Lutz, Charles W., O69169.
Lynch, Gordon P., O72923.
Lynch, Homer M., O69170.
MacLennan, Robert G., O69187.
Macomber, Michael D., O68263.
Mactagone, Serafin G., O69188.
Maddux, Franklin W., O69189.
Maehr, Robert B., O68620.
Magnuson, Robert N., O69190.
Maher, John P., O68621.
Mahoney, Francis X., O70106.
Mallet, Henri-Gerard, O71831.
Malone, Dandridge M., O71832.
Mamoyac, Robert B., O69191.
Manfre, Louis E., O68622.
Mangels, Robert L., O68623.
Mann, Kenneth L., O68380.
Manning, James A., O69193.
Manning, Monroe L., O69194.
Manning, William J. H., Jr., O69195.
Maranville, Robert L., O68264.
Marotta, Francis X., O69977.
Marshall, James L., Jr., O69197.
Martch, Henry B., Jr., O69198.
Martin, Donald R., O68624.
Martin, Haywood H., Jr., O69199.
Martin, John F., O68625.
Martin, Robert N., O68626.
Massey, Joseph O., Jr., O69979.
Mast, Stanley I., O68266.
Masters, Barrie P., O72759.
Matson, Howard R., O68627.
Matthews, Charles C., Jr., O68827.
Mayer, Adolph E., O68628.
Mayhew, Charles H., 3d, O69201.
McBee, Michael A., O69173.
McBee, Willie H., O70107.
McCarthy, Richard J., O70108.
McClaren, Sherwood W., 3d, O70109.
McClelland, Thomas M., O71700.
McCluskey, James F., O68629.
McCormack, Robert F., 3d, O69174.
McCoy, Don S., O69176.
McDaniel, Theodore L., Jr., O68267.
McDonald, John R., O68630.
McDougal, H. A., O69177.
McElmoyl, Frank B., Jr., O69178.
McGee, Robert L., O69180.
McGovern, Joseph F., O68631.
McGraw, Russell M., O69181.
McGregor, Rob R., O68632.
McGregor, Thomas, O68633.
McGuffin, Robert F., O70212.
McGurl, Peter W., O71940.
McIntosh, John H., O72936.
McIntyre, Graham W., O68634.
McKay, Jack G., O69182.
McKenna, Thomas P., O68635.
McKenzie, Colin W., Jr., O72939.
McKenzie, Moran A., O69985.
McKie, Robert G., O69183.
McLain, James L., O69184.
McLennan, Stuart G., Jr., O68636.

McLeod, John S., O69185.
McNeese, Luna V., Jr., O68268.
McNutt, Donald L., O68637.
McReynolds, J. Carroll, O68269.
McSorley, Lester F., O71559.
Meadows, Benjamin T., O72942.
Meadows, Thomas R., O69202.
Meanor, John E., O68270.
Medbury, Paul R., O69203.
Meek, James W., O69204.
Meggison, Robert H., O69205.
Meglen, John D., O68638.
Meinert, Maurice E., Jr., O69206.
Meister, Eugene C., O69207.
Meloy, Guy S., 3d, O68639.
Menzies, Neil A., O69210.
Merrigan, Jack A., O68640.
Merritt, Allen S., O68641.
Merritt, Jack N., O71396.
Metcalfe, Robert W., O69211.
Metzcher, Edward C., O68642.
Meyer, Donald L., O68643.
Meyer, Richard M., O69212.
Michel, Charles P., O69214.
Michener, Richard E., O69215.
Mihas, Leo B., O69217.
Mikle, Franklin O., O69218.
Miley, James F., O68644.
Miller, David H., O69219.
Miller, Leon M., O69220.
Miller, Richard A., O68645.
Miller, Thomas A., Jr., O70112.
Miotke, William A., O68646.
Mitchell, Alphonso, O70143.
Mizell, Dan J., O70214.
Mleko, Frank A., O68647.
Moffitt, John S., O69222.
Mollichelli, Edward V., O72626.
Monclova, Irving, O69223.
Montgomery, Robert S., 3d, O70144.
Moody, Theodore R., O68387.
Moore, Gordon E., O70145.
Moore, James B., O69224.
Moore, Jere N., Jr., O69225.
Moore, Patrick J., O69226.
Moore, Pierce M., O69227.
Moore, Richard E., O69228.
Moore, Robert L., O72420.
Moore, Robert O., O69229.
Moore, Wilbur A., Jr., O69230.
Moretti, Francis C., O69231.
Morris, George A., Jr., O69232.
Morris, Ralph C., O69234.
Morrison, Clyde L., O69235.
Morrison, Patton N., O68648.
Morsey, James A., O69236.
Morton, Jack E., O68649.
Moses, William C., O69994.
Mott, Carl M., Jr., O69995.
Motycka, David L., O68650.
Mullins, Robert R., O69238.
Mullins, Thomas E., O70441.
Murrell, Maxwell R., O68651.
Myrah, Halvor H., Jr., O68652.
Neal, Charles O., O68653.
Neilson, Clifford C., O68654.
Nemec, James G., O69239.
Nerone, Francis A., O68655.
Nesbitt, Hugh D., O69240.
Nesbitt, Thomas E., O68656.
Neu, Dick D., O68657.
Neuberger, Jack A., O68658.
New, Guy E., O68276.
Newman, Francisco B., Jr., O69241.
Newton, Walter H., O69242.
Nickell, Morton C., O69244.
Nicks, Jerry W., O68659.
Nields, Charles A., Jr., O69246.
Noah, Max W., O68660.
Noeding, John P., O68834.
Nolin, Edmond R., O70004.
Noll, Wallace W., O68661.
Noll, William S., O69247.
Nordgren, Courtland C., Jr., O68662.
Nugent, Thomas J., O68663.
Nutter, Robert H., O68664.
Oates, James H., O69248.
Oblinger, John B., Jr., O68665.
O'Brien, Jack E., O69249.
Ochs, Charles C., O69250.
O'Connell, Leo A., O69251.
O'Connor, Edward C., O72955.
O'Connor, Mortimer L., O68666.
Odiorne, David W., Jr., O69252.
O'Donohue, John D., O72956.
Ogg, Robert D., O68278.
O'Hair, Edgar A., Jr., O68667.
Olmsted, James H., O69254.
Olsen, Lamoin A., O70006.
Olson, Joseph C., O68279.
Ondina, Jorge H., O69255.
O'Quinn, James J., O69256.
Otis, Glenn K., O68668.
Outland, Robert R., O69257.
Overstreet, Charles W., O68280.
Owens, Bidwell A., O68281.
Owens, Warren R., O69259.
Padilla, Manuel, O69261.
Panageas, Dan P., O70007.
Pardee, G. Winfield, O69262.
Park, William H., O69263.
Parker, Hassel L., O73385.
Parker, Walter E., O68669.
Patton, William W., Jr., O73183.
Paulekas, Alfred E., O68670.
Pauley, Francis L., O69264.
Pavey, Albert E., Jr., O69265.
Pearce, Richard H., O69266.
Peckham, Herbert D., O68671.
Pehota, Edward E., O69267.
Perlow, Joseph P., O68672.
Peterson, Thorwald R., O68673.
Phair, John M., O69268.
Philbrick, Donald F., O72774.
Phillips, Harry LeR., Jr., O68836.
Phillips, John C., O68674.
Pies, Donald A., O70016.
Pigg, Jimmy L., O68675.
Pistenma, David A., O68676.
Pneuman, Frederick C., O69271.
Pollard, Louis M., Jr., O69273.
Ponder, Arno L., Jr., O71590.
Porter, Clair E., O72968.
Portteus, Willard L., Jr., O70114.
Potash, Charles, O69274.
Potter, Edwin J., O69275.
Pratt, Joseph B., O71952.
Pratt, Theodore W., O68283.
Price, Tommy E., O70115.
Prillaman, John P., O69280.
Prime, Charles W., O68677.
Proletti, Raymond A., O69281.
Puffer, William B., O69282.
Pulsifer, Donald W., O69283.
Pulsipher, Elwin D., O69284.
Pulver, Elmer W., O72972.
Purcell, Henry, 3d, O68678.
Quinn, Paul D., O69285.
Rainey, David M., O70116.
Ralls, Dan H., O70023.
Ramsay, Donald A., O68679.
Ranney, Frederick J., O71859.
Rathburn, Vinton L., O72779.
Rathjen, Arthur H., O69288.
Rathnau, Donald P., O70024.
Rawlings, Charles R., O70026.
Rawlinson, William E., Jr., O68680.
Ray, William D., O69289.
Rears, Joseph T., O68681.
Redditt, Robert H., O68396.
Reed, Adrian P., O68682.
Reed, Edwin, Jr., O68683.
Reinbold, John A., O69292.
Renner, William D., O68684.
Rew, Leland C., Jr., O68685.
Reynolds, Frederick P., 3d, O68686.
Rhiddlehoover, Bruce H., O69293.
Rhyne, Hal B., O68687.
Rice, David K., O68688.
Rice, Harrold E., O73389.
Richard, Donald W., O69294.
Rickard, Daniel S., O68689.
Riede, James R., O69295.
Riefler, Richard B., O69296.
Rieth, Kenneth L., O69297.
Rife, Byard W., O69298.
Riggs, Harold B., O72975.
Riley, Clemens A., O72976.
Riley, Frank J., O70027.
Riley, Otto N., Jr., O68690.
Riley, Walter G., Jr., O70227.
Rinehart, Jack L., O68287.
Rittgers, Forest S., Jr., O69299.
Ritz, James H., Jr., O70117.
Rivera, Roberto, O70028.
Roberts, Vaughn G., O69301.
Robinson, Edgar B., Jr., O72978.
Robinson, James B., Jr., O70029.
Roderick, Roger L., O68691.
Rodgers, Sterling McG., O69305.
Rogers, Alfred R., O69307.
Rogers, Ellietson D., O68692.
Rogers, Robert F., O68693.
Rogers, Robert F., O70030.
Rollinger, Jack R., O69308.
Romedy, Cornelius S., Jr., O69309.
Rose, Robert D., O68694.
Rosen, Leslie M., O69310.
Ross, James K., O69311.
Roy, John O., O70119.
Rudser, John L., O69312.
Rumbough, David H., O68695.
Rumph, Horry L., O69313.
Rush, Early J., 3d, O68696.
Rush, Robert L., O68697.
Russell, Cledie B., O70149.
Sachs, Arthur, O71864.
Samuelson, Dennis L., O69318.
Sanders, Drexel E., O71595.
Sanders, Ralph L., Jr., O68698.
Sandy, Roger D., O69319.
Sarbacher, Harold J., O68699.
Satchell, Max E., O68700.
Satterfield, James R., O68288.
Schaenzer, John E., O68839.
Schlom, John S., O70033.
Schmidt, Donald R., O68701.
Schmidt, Herbert R., O68702.
Schmidt, Theodore H., O69321.
Schmidt, Walter H., Jr., O68703.
Schnarr, Charles A., O72984.
Schoening, George W., O71718.
Schoonover, Jack E., O69322.
Schotanus, Merle W., O69323.
Schriever, Byron N., O68291.
Schroeder, Robert L., O68704.
Schuver, Rudy P., O68289.
Schwalje, Donald D., O69327.
Schwartz, Jules J., O69325.
Schweitzer, Glenn E., O68705.
Scoblick, John J. P., Jr., O68706.
Scofield, Robert E., O68707.
Scott, Frank T., O70121.
Scoville, Roger C., O69328.
Searls, Billie E., O69329.
Seegmueller, Gene A., O68708.
Segal, Robert, O68709.
Seigle, John W., O68710.
Selavka, Carl, O69330.
Semerjian, Sarkis, O68711.
Senich, Donald, O69331.
Serven, Harold M., Jr., O70035.
Seto, Sam C., Jr., O69332.
Shaw, Donald E., O68712.
Shaw, Joseph N., O69334.
Sheard, Joe H., O68713.
Shedden, Eckols L., O70036.
Sherman, William G., O71869.
Sholar, Michael B., O69335.
Shortridge, Douglass R., O69336.
Sibley, James S., O68714.
Siebert, Frederick J., O68715.
Sievers, Ralph H., Jr., O69337.
Sifford, William F., Jr., O68716.
Simko, Andrew M., O68717.
Simmons, Marvin E., O69338.
Simons, Frank D., O69339.
Simpson, Claude S., Jr., O69340.
Singleton, Russell K., Jr., O69341.
Skidmore, Lowell H., O68718.
Slater, James J., O69342.
Slusar, Peter, O69344.
Smartt, Richard W., O69347.
Smith, Bailey B., 3d, O68293.
Smith, Bill J., O70039.
Smith, Clyde O., Jr., O69348.
Smith, David C., O68719.
Smith, Donald E., O68294.
Smith, Donald H., O69349.
Smith, Donald L., O69350.
Smith, Edgar H., Jr., O68720.
Smith, Fred L., O68721.
Smith, James D., O68295.

Smith, Julian H., O69351.
Smith, Loyce N., O69352.
Smith, Perry A., O70042.
Smith, Raymond C., O69353.
Smith, Robert LaF., O68722.
Smith, Rodney H., O68723.
Smith, Vernard J., O68296.
Smith, William F., O71963.
Smythe, John D., O68724.
Snead, William K., O68725.
Snyder, Francis, O68726.
Soja, Eugene R., O68727.
Solomon, Robert B., O72990.
Sorenson, Darwin H., O68297.
Sorrels, Charles V., O70122.
Soukup, John P., O69354.
Spears, Gilbert, Jr., O69355.
Speir, Montgomery T., O68728.
Spotts, Rodney W., O69357.
Stallings, Joseph L., O69358.
Stanberry, Billy M., O71876.
Stanford, Thomas L., Jr., O68405.
Stanley, George F., O68298.
Starke, John B., O69359.
Stein, Henry J., Jr., O69360.
Stelter, James A., O69362.
Stembridge, William A., O69363.
Stepanek, Walter F., O68729.
Stern, Jack M., O71607.
Sterzik, Wilfred L., O69364.
Stevens, Richard W., O68844.
Stevenson, Leroy P., O69366.
Stewart, David T., O72992.
Stewart, John R., O69367.
Stewart, Karl R., O68730.
Stieffel, Ray H., Jr., O73410.
Stinson, William C., Jr., O68731.
Stone, Hardy R., 3d, O69368.
Stoneburner, John F., O68732.
Stotser, Don M., O69370.
Stoudemire, Harry B., O69371.
Stoutamire, David F., Jr., O68300.
Stretcher, Baxter R., O70152.
Stuart, James R., Jr., O68733.
Sullivan, Roland R., O68734.
Sullivan, Roy L., 2d, O68735.
Suplizio, Paul E., O68736.
Sutton, Thomas R., O68407.
Sutton, William J., 3d, O68737.
Swain, Carroll B., O68302.
Swank, David, O69374.
Swanson, Carl O., Jr., O68303.
Swanson, James R., O69375.
Sweeney, Kenneth J., O68738.
Sydnor, Elliott P., Jr., O72656.
Takahashi, Lawrence M., O69376.
Talley, Clarence E., Jr., O68739.
Talley, John D., Jr., O70050.
Tant, Benjamin E., Jr., O68740.
Tanzer, John B., O68741.
Tapley, Curtis T., O69377.
Tate, Penfield W., 2d, O69378.
Taylor, Cedric DeV., O69379.
Taylor, Thomas T., O69380.
Tchon, Richard J., O68742.
Teller, Floyd E., O69381.
Temp, John R., O68743.
Terry, Robert S., O69382.
Thomas, Donald R., O69383.
Thomas, Hiram J., O68304.
Thomas, Robert J., O68744.
Thomas, Samuel M., Jr., O68745.
Thompson, Fred K., O68746.
Thompson, Harry L., O68305.
Thompson, Horace E., O69384.
Thompson, Howard B., O68747.
Thompson, Kenneth R., O69385.
Thompson, Richard W., O71733.
Thompson, William J., O69386.
Thurman, Maxwell R., O70125.
Tighe, Charles J., O68748.
Tilley, Victor M., O69387.
Tolbert, James R., O69388.
Toman, John, O68749.
Tomlingson, Paul D., O68750.
Tompkins, Hiram K., O68751.
Touchstone, Stanford M., O68752.
Tower, John B., O71615.
Tuck, William A., O69389.
Tullar, Thomas A., O69390.
Tullos, Kenneth W., O68307.

Tumperi, John R. E., O68753.
Turner, James McV., Jr., O70240.
Tutek, Henry G., O70053.
van den Berg, Egerton K., O68754.
Vander Meer, Richard G., O68755.
Van Deusen, Frederick F., O68756.
Vawter, Raymond M., O68308.
Ventrella, Rocco F., Jr., O68757.
Vernon, Graham D., O68758.
Vet, Maarten, O68759.
Viereck, Ennis A., Jr., O68760.
Vilas, John R., O69394.
Volker, Gilbert A., O68761.
Volpe, Joseph J., O68762.
Vose, Paul C., O68763.
Wade, James P., Jr., O68764.
Waldrop, Max L., O69397.
Walker, Daniel E., O68765.
Walker, James H., O69398.
Walker, James T., Jr., O68309.
Walker, William E., O68766.
Wallace, Festus E., O71887.
Wallingford, Ralph E., O70060.
Walls, Glenn E., O68409.
Walsh, Eugene R., O69399.
Walters, Monty W., O68767.
Ward, Edward W., O73004.
Wardlaw, Worth L., Jr., O68768.
Warner, Paul B., O73058.
Warren, James R., O71890.
Waslewski, Richard F., O69403.
Waters, Douglas G., O68769.
Waters, George D., O68770.
Watkins, William W., Jr., O73422.
Watson, James M., O69405.
Watson, Woody B., O69406.
Watts, Allen H., Jr., O70241.
Weall, Robert H., O69408.
Wearn, Robert M., Jr., O69409.
Weatherly, Norman F., O70061.
Webb, Jimmy R., O69410.
Weidenthal, Carlton P., O69412.
Weihmiller, William W., O68771.
Wells, Arthur D., O68772.
Wells, David T., O68773.
Wells, William T., O69413.
Welsh, Robert W., O69414.
West, Charles R., O68847.
Westbrook, Thomas J., O69415.
Wettlaufer, Andrew C., O69416.
Whalen, Dennis D., O68774.
Whann, John T., O69417.
Whitaker, Malvern R., O71299.
White, Robert N., Jr., O68775.
Whitesel, Thomas K., Jr., O69421.
Whittington, Richard H., O69422.
Whittington, Wesley E., O69423.
Wieland, Kay L., O69424.
Wielga, Stanley V., Jr., O68776.
Wilcox, Robert L., Jr., O70066.
Wilkins, Eugene E., O69425.
Wilkins, Julian A., O69426.
Williams, Franklin A., O69427.
Williams, George F., O68777.
Williams, Grady W., O68848.
Williams, Howard M., O70158.
Williams, John H., O70242.
Williams, Ronald E., O68314.
Williams, Thomas E., O68778.
Williamson, Richard E., O69428.
Williamson, William E., O69429.
Willis, Richard S., O69430.
Wills, John T., O69431.
Wilson, Alvin T., Jr., O69432.
Wilson, Charles C., Jr., O69433.
Wilson, Dennis F., O69434.
Wilson, Donald L., O68779.
Wilson, Dwight L., O70067.
Wilson, Francis V., O69435.
Wilson, Gene F., O71746.
Wilson, Gerald F., O69436.
Wilson, Jack D., O68780.
Wilson, Joel F., O69437.
Wilson, Joseph C., O68781.
Wilson, Robert E., O71307.
Winegar, Lucien T., O72666.
Wise, John E., O68782.
Wolfe, Oren, O70069.
Wollenberg, William F., O69439.
Worthy, Clifford, Jr., O68783.
Wright, Robert W., O69442.
Wubbena, William L., Jr., O68784.
Yetter, Greyson T., O68317.
Yoder, Charles D., O68318.
Young, Clyde A., Jr., O70070.
Young, George D., O73433.
Young, John H., Jr., O68785.
Young, John W., O69443.
Young, Richard A., O68786.
Young, Roy J., O70129.
Youngker, Joe L., O68320.
Yuengel, William W., O68787.
Yunker, Sylvester J., O71900.
Zargan, Robert T., O68788.
Zembsch, Robert J., O69446.
Zimmer, Leon S., O68789.
Zimmerman, William K., O70073.
Zipp, Charles W., O68790.
Zoeckler, William R., O73015.

To be first lieutenants, Medical Service Corps

Austin, Lloyd K., O69852.
Bomberger, Robert W., Jr., O71904.
Brandt, Clarke M., O70132.
Bullock, Howard R., O73023.
Campbell, William J., O73089.
Fowler, Harland W., Jr., O73031.
Ginsberg, David M., O71922.
Heath, Jack F., O73036.
Hoggan, Malcolm D., O73037.
Johnson, Wirt, VanM., O73040.
Kellel, Frank, Jr., O72393.
Mateer, Charles A., O69200.
Mhyre, Noel L., O69213.
Riggs, Albert C., Jr., O71956.
Rigney, Max E., O71957.
Rocke, Donald C., O69304.
Rodriguez, James G., O69306.
Ruslewicz, Lawrence L., O69316.
Schwartz, Charles R., O69324.
Thomas, Tommy, O70051.
Walker, James F., O70058.
Yoran, Darwin E., O68319.

To be first lieutenants, Women's Army Corps

DeLozier, Dorothy M., L455.
Fisher, Audrey A., L476.
McCarney, Alice M., L484.
Mykleby, Phyllis R., L471.
Oliver, Williemae M., L479.
Russell, Marilyn J., L461.
Schmerling, Doris M., L473.
Smith, Ann B., L474.

The following-named officers for promotion in the Regular Army of the United States under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended. All officers are subject to physical examination required by law.

To be first lieutenants, Army Nurse Corps

Dyson, Barbara J., N2597.
Evans, Mary L., N2639.
Gipson, Marguerite L., N2596.
Henschen, Retha M., N2683.
LeBlanc, Eunice M., N2593.
Light, Lucile M., N2667.
Lothian, Elizabeth E., N2594.
May, Eleanore G., N2599.
McCarthy, Rosemary T., N2622.
Osborne, Rose M., N2684.
Paradis, Madeleine V., N2600.

To be first lieutenants, Army Medical Specialist Corps

Accountius, Patricia L., R10158.
Anthony, Frances J., R10160.
Damsbo, Ann M., M10158.
Estrada, Betty A., R10159.
Galt, Elizabeth A., M10149.
Gregory, Rita T., M10162.
McVay, Mary R., J79.
O'Brien, Elizabeth A., J80.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be lieutenant colonels

Aboosh, Norman D., O32171.
Ackert, Thomas W., O32005.

Adams, William L., Jr., O43651.
Albert, George E., O32279.
Albert, Jack F., O32097.
Albert, Joseph L., O40344.
Allen, Arthur W., Jr., O22034.
Allen, Ben E., O32103.
Allen, Raymond W., Jr., O21810.
Alley, John A., Jr., O52203.
Allwine, Franklin N., O43661.
Ambron, Tyrus R., O32215.
Anderson, Leland E., O52216.
Angster, Robert C., O32124.
Archer, Norman R., O38968.
Armstrong, Edward B., O32267.
Arnold, Bryan C., O20801.
Arnold, Thomas St. J., O32040.
Arthur, Frank M., O32290.
Attaway, Elmer J., O40321.
Auerbach, Alvin B., O20547.
Austin, Wallace, O32191.
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Bary, Robert S., O32296.
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Beattie, Fountain F., Jr., O52265.
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Donald, Herbert P., O52223.
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Parker, Howard C., O32108.
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Price, David B., O43842.
Price, William H., Jr., O21903.
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Sharp, Hobert W., O43678.
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Showalter, Wilbur E., O21794.
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Simon, Lincoln A., O21961.
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Sinclair, Lachlan M., O32369.
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Taylor, Livingston N., Jr., O21853.
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Ulans, Roman I., O52302.
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Walker, Joel T., O22007.
Walker, John W., O22011.
Wallace, Kenneth W., O32338.
Wallace, Lee, O32065.
Wallace, Milton I., O21467.
Wallach, Marshall, O21977.
Waller, Marvin E., O40294.
Wardner, Wallace C., O52212.
Ware, Lawrence R., O52317.
Warren, Shields, Jr., O22103.
Watt, John, O21901.
Way, David W., O32341.
Weaver, Maynard B., O32120.
Webster, Montgomery L., O21751.
Weigand, Jack L., O32315.
Weisemann, Heinz, O21956.
Wells, Walter J., O21736.
Wendorf, Hulen D., O21919.
Wendt, Walter W., O32190.
West, William W., 3d, O21922.
Whipple, John L., O43714.
White, Howard S., O32041.
Whitehead, Arthur K., O43612.
Wickboldt, Walter C., O22047.
Wicker, Karl J., O32033.
Wikoff, William H., O32301.
Wilcox, Leslie R., O32251.
Wild, Herman B., O40333.
Willey, Wilford L., O38961.
Williams, Frank von P., O40334.
Williams, Gardner A., O40301.
Williams, George W., O32077.
Williams, Robert C., O40352.
Williams, Robert C., Jr., O22091.
Williams, Robert M., O21801.
Williams, Walter H., O38967.
Wills, Lloyd E., O32060.
Wilson, Franklin L., O32350.
Wilson, Harold G., O32370.
Wilson, Jasper J., O21829.
Wilson, Lawrence M., O38978.
Wilson, Paul F., O38971.
Wilson, Weldon W., O32054.
Wilson, Woodrow W., O21755.
Winegar, Walter L., O21764.
Winton, George P. Jr., O21819.
Wisdom, Wiley B., Jr., O21985.
Witte, Carl G., O32303.
Witter, Vincent M., O32172.
Wohlfeil, Carl H., O21907.
Wolfe, Richard D., O21743.
Wolfson, Jack D., O40307.
Wood, Benjamin F., O32001.
Wood, Oliver E., O21998.
Woodrow, Charles E., O32011.
Wright, Frederick S., Jr., O21328.
Wyatt, William L., O32310.
Yarnall, Kenneth L., O21864.
Young, Robert W., O31891.
Yow, John W., O32361.
Zeoli, Richard F., O32345.
Zitzer, Frederick, O21444.

To be lieutenant colonels, chaplains

Ames, Kenneth L., O30864.
Anderson, Wilber K., O43126.
Chapdelaine, Albert J., O51956.
Heuer, Herman H., O30895.
Hundley, Maury, Jr., O26424.
Jungfer, Richard W., Jr., O25850.
Kendall, Rex S., O43123.
Knight, Lonnie W., O30885.
Lock, Gregory J., O51957.
Marsh, Arthur H., O26441.
Murphy, Charles J., O30879.
Rhea, John I., O43117.
Schliesser, Luther G. H., O40099.
Sparks, John W., O30900.

To be lieutenant colonels, Women's Army Corps

Elliott, Robin, L64.
Lyons, Catherine J., L73.
Miller, Edna R., L38.
Ochoa, Lois W., L63.
Rutledge, Elizabeth A., L59.

To be lieutenant colonels, Medical Corps

Bauer, Albert J., O25639.
Bauer, Frank L., O26430.
Beckjord, Philip R., O31051.
Bell, James A., O26452.
Bell, Robert F., O63470.
Bernucci, Robert J., O63148.
Blair, Joseph R., O52007.
Bogosian, Armen, O62895.
Brackett, Morris E., O25162.
Brennan, John J., O31150.
Brown, William J., O24315.
Buchanan, Arren C., Jr., O63709.
Campbell, Donald, O31122.
Cavendar, Savino W., O31005.
Christianson, Charles S., O56824.
Collins, William A., Jr., O58178.
Cooch, Joseph W., O63707.
Cressler, John C., O25157.
Dailey, Jeremiah A., O58242.
Dein, Harry L., O58752.
Dunnington, William G., O61059.
Eaker, Alan B., O43146.
Edwards, Walton M., O24377.
Evans, Jon P., O52010.
Finch, Charles S., Jr., O61169.
Flinter, Marcus H., O61168.
Francis, Donald J., O59423.
Giesecke, Carl G., O63469.
Goldstein, Joseph D., O62894.
Gonzalez-Rodriguez, Juan, O58014.
Gronbeck, Christian, Jr., O26470.
Harris, John F., O58751.
Hoeffler, Hugh B., O51983.
Hoffman, Charles W., Jr., O58243.
Hollingsworth, Charles E., O58075.
Hornisher, Charles J., O26461.
Hume, Wayne S., O59422.
Jennings, Hal B., Jr., O26995.
Jesurun, Harold M., O26439.
Kiehl, Paul V., O26397.
King, Everett G., O61170.
Lanard, Francis W., O25155.
Lane, Thomas H., O51992.
Lull, George F., Jr., O31114.
MacMillan, Karl D., O63822.
Maret, Raymond, O63666.
Markowitz, Isidor, O59511.
McNerney, Jules J., O26453.
Meyer, Jules O., O60014.
Miller, Sidney, O60015.
Montgomery, Albert E., O57698.
Moore, Bernard J., O58685.
Moring, John B., O25424.
Mulholland, Richard F., O31124.
Neeseman, Arthur C., O57816.
Neiman, Watson E., O31072.
Noel, Philip J., Jr., O25164.
Opsahl, Harold E., O61057.
Orr, Kenneth D., O31042.
Perlmutter, Nick, O60731.
Pfeffer, John F., O26468.
Pickhardt, Woodrow L., O39497.
Plum, John B., O61929.
Psaki, Raoul C., Jr., O26467.
Ransom, Charles H., O25841.
Ratcliffe, Harold E., O56840.
Rogers, Frank B., O26466.
Rogers, James T., O58074.
Roque, Francisco T., O63704.
Sandifer, Samuel H., O25158.
Schrader, Paul J., O62897.
Scoles, Peter S., O63705.
Smith, Max L., O38853.
Sprinz, Helmuth, O30919.

Stalk, Theodore, O63208.
Steele, Lowell R., O25167.
Steer, Arthur, O57815.
Stein, William, O63775.
Stokes, Robert C., O57887.
Sumner, John W., Jr., O31133.
Tackett, Orville H., O58683.
Tegtmeyer, Charles E., O63706.
Tenery, John H., O43172.
Thalmann, William G., Jr., O24303.
Throm, Urban L., 2d, O26465.
Tillotson, James K., O52001.
Timmerman, Frederick W., O63210.
Travis, LeRoy O., O24368.
Twineham, Walter C., O24635.
Vaughan, Sanford M., O60732.
Vita, Frank J., O59664.
Vogel, Edward H., Jr., O24321.
Wallace, John K., 2d, O31131.
Weeks, Bertram A., O26368.
Whiteley, Edward J., O24627.
Wilson, William J., Jr., O57701.
Ziperman, H. Haskell, O63149.
Zuelzer, Wilhelm A., O60730.

To be lieutenant colonels, Dental Corps

Boudreaux, Raymond E., O23344.
Brown, Pearson W., O23610.
Chase, Edward D., O30936.
Chipps, James E., O22743.
Garner, James R., O30933.
Hazard, David C., O24335.
Lister, Franklin S., O22747.
Madden, Raymond H., O30950.
Montgomery, Lee E., O30958.
Moser, Ernest H., O30960.
Ogle, Merle W., O22261.
Powers, Walter J., O24369.
Ramage, Chester K., O23348.
Snyder, Harry G., O33854.
Tornstrom, Clifford H., O43138.
Walsh, Robert L., O23677.

To be lieutenant colonels, Veterinary Corps

Christensen, Nels F., O40100.
Crawford, James P., O30906.
Gollehon, Charles W., O30918.
Hasson, David S., O22884.
Sibert, Herbert F., O30922.

To be lieutenant colonels, Medical Service Corps

Adams, Harry J., O43191.
Andersen, Herman S., O31265.
Anderson, Edward J., Jr., O31256.
Antley, Hampton L., O31107.
Austin, Paul F., O43213.
Baker, Thomas E., O31244.
Blythe, Vernon E., O40133.
Brandt, Jerome N., O31245.
Burns, John E., O31205.
Clary, John J., O31103.
Correll, Walter D., O40122.
Covey, William T., O31100.
Cummings, Harold L., O31194.
Curtis, George B., O31129.
Czaja, Rudolph P., O31267.
Darling, James O., O31271.
Davis, Chester H., O31182.
Egger, Floyd C., O52065.
Foster, Ivan M., O31215.
Freeman, Richard R., O56189.
Grove, Lee A., O56187.
Gruver, George A., O31207.
Hack, Vincent I., O43206.
Hampton, Wade F., O43190.
Hitchings, Donald L., O52081.
Homs, Jose M., O31249.
Houser, Jack, O31263.
Ingram, James L., O31201.
Irving, Glenn C., O43197.
James, Willard W., O31167.
Johnston, George W., O31184.
Jones, Gordon A., O31090.
Kegerreis, John B., O31242.
La Fors, Claud D., O21704.
LeMoon, Ralph G., O31264.
Lewis, Converse R., Jr., O43203.
McAlpine, Arthur R., O56188.
McCaslin, Kermit J., O31096.
McIntyre, Edward J., O31152.
Molyneaux, Harold G., O56193.
Montague, Ernest K., O56890.
Moore, Arlice J., O31154.
Mudgett, Louis E., O31069.
Nedds, Ivan L., O31268.
Nibbelink, Arlon B., O31246.
Nicolary, Carl W., O31226.
Oettinger, Vernon S., O31262.
Peake, Ben F., O31168.
Peterson, Emmett L., O31138.
Ransom, John P., O31140.
Rawlins, William A., O31258.
Roerig, Richard N., O43160.
Rustigian, Barj A., O31068.
Shealey, Percy R., O31164.
Sheridan, John W., O43156.
Smith, Mario E., O56924.
Stack, Andrew J., O31126.
Steed, Oliver H., O43177.
Strode, Alfred C., O40129.
Sweet, Fred W., Jr., O31266.
Taro, Alfred L., O56882.
Tatch, David, O31116.
Taylor, Victor B., O40130.
Vire, Howard F., O56923.
Wiley, Irving B., O31132.
Wilkin, Wendell R., O52080.
Wright, Elwood M., O31192.
Yates, Virgil T., O52069.

To be majors

Aaron, Harold R., O26207.
Abernathy, William C., O37308.
Adams, Dwight L., O36323.
Adams, Harold D., O37281.
Adie, John R., O47634.
Agers, Robert D., O40905.
Albright, Charles R., O36502.
Aleveras, James A., O25835.
Alexander, George L., O26021.
Alfano, Charles F., O25640.
Ancker, Jack P., O37217.
Anders, Charles T., O36679.
Anderson, Edward G., Jr., O36391.
Anderson, Gordon V., O47345.
Anderson, John V., O36984.
Anderson, Jonathan W., Jr., O25820.
Anderson, Ralph C., O54269.
Anderson, Ralph W., O36305.
Antonioli, Virginio L., O25663.
Aquilina, Raymond F., O36782.
Archer, Theodore W., O48383.
Ardery, Edward R., O25503.
Armstrong, John W., O25686.
Arn, Robert M., O48366.
Arnold, William E., Jr., O36388.
Arthur, Robert E., O40968.
Ash, Laurence W., O54165.
Askey, Robert F., O47707.
Atkinson, Quintus C., O26317.
Aurit, Samuel, O47925.
Austin, George A., Jr., O25420.
Avery, Philip S., O36241.
Baatz, David C., O41048.
Baber, Ben L., O25567.
Baden, Robert E., O25671.
Baen, Spencer R., O27005.
Balcer, Charles I., O36519.
Baldwin, Clarke T., Jr., O26037.
Baltes, Paul A., O39285.
Bammer, Wyndham H., O36903.
Barber, Henry A., 3d, O25568.
Barber, Robert K., O36728.
Barickman, Robert J., O25932.
Barkovich, Anthony, O54530.
Barner, John H., O36700.
Barnhart, Frank H., Jr., O36516.
Barraclough, Donald F., O36996.
Barrett, Laurence O., O36652.
Barrett, Robert F., Jr., O37161.
Barrios, Willie W. J., O36748.
Bass, Roy H., Jr., O39311.
Bates, James M., O36565.
Batson, Richard T., O25434.
Baughman, Claude G., O37173.
Beach, John B., O25978.
Beem, Samuel M., O54685.
Beightler, Robert S., Jr., O25642.
Bell, Benjamin C., O48708.
Bell, John C., O25937.
Bellino, Joe O., Jr., O41047.
Bennett, Edward E., O25463.
Bennett, Ralph O., O36860.
Benson, Charles E., O26263.
Benson, Joseph W., O25601.
Berenzweig, Marvin J., O25811.
Berger, Casper, O41052.
Berte, Samuel C., O48711.
Bertram, Roger A., O25508.
Betts, George, O26204.
Betts, James A., O25891.
Bibby, William L., O26276.
Bielecki, Edward J., O25465.
Bisset, David A., Jr., O47274.
Bixby, Willis W., O36104.
Black, Garland C., Jr., O26106.
Black, Joseph E., O39268.
Blackwell, John L., O36378.
Blair, John D., 3d, O37272.
Blake, Robert T., O25837.
Blakely, Larry A., O36426.
Blanchett, Leo M., Jr., O25585.
Blatt, Raymond C., Jr., O26186.
Bliss, Arthur McC., O36852.
Bloecker, Victor, Jr., O41058.
Blount, LeVerne E., O25939.
Blum, Charles K., O36898.
Blume, Robert F., O37024.
Boatner, Mark M., 3d, O26248.
Bockoven, Frederic T., O37354.
Bogan, Lucian D., Jr., O25810.
Boller, Quellen D., O26050.
Bolling, Alexander R., Jr., O26066.
Bond, John B., O26077.
Botts, Luther B., O36752.
Bowden, Henry C., Jr., O47536.
Boyd, William H., O37205.
Boyea, Gerald E., O37258.
Boyer, Richard J., O37202.
Boyle, Harry F., O39258.
Boyle, Joseph F., O26347.
Brabson, William H., Jr., O26069.
Brady, John S., O26064.
Brandt, Roland A., O25901.
Branson, Roy E., O37149.
Branton, Harold M., O37345.
Bray, Edward, O48259.
Breitenbach, Frank P., O26365.
Bressler, Howard E., O40967.
Brier, John K., O26185.
Brigham, Robert L., O37326.
Bright, Charles W., O37159.
Brill, Heber C., O26162.
Brindley, Arthur F., O36504.
Brinson, Arthur, O47740.
Briscoe, William T., O54688.
Britt, Robert C., O54425.
Brooks, Waldo W., Jr., O54679.
Brown, George H., O48840.
Brown, Luther E., O27054.
Brown, Percy D., Jr., O37255.
Brown, Stephen O., O26105.
Bryant, Harold F., O36886.
Bryant, Robert E., O54484.
Buchanan, Earl W., O36352.
Buchanan, Russell B., Jr., O37291.
Buell, Kenneth E., O25772.
Buelow, Wallace R., O36319.
Bugg, George G., O26175.
Bullard, Robert L., 3d, O25774.
Burdett, Allen M., Jr., O26048.
Burgasser, Francis X., O37061.
Burlin, Robert B., O25484.
Burr, Charles H., Jr., O25758.
Burr, Edward, 2d, O26009.
Burrows, Robert E., Jr., O25918.
Burt, William A., O36940.
Buth, William H., O54312.
Butler, Farley P., Sr., O39321.
Butler, James W., O54157.
Butler, John L., O40980.
Butterfield, John L., O26194.
Buyers, John F., O25862.
Buzalski, Ernest A., O25906.
Byrne, Robert G., O36854.
Byrnes, Laurence G., O54163.
Bzdek, Beverly M., O39269.
Cabassa, Jaime L., O48569.
Cain, James W., O26208.
Calnan, William M., O26120.
Calvert, Ross H., Jr., O47933.
Camp, Eugene C., O37072.
Campbell, George T., Jr., O26084.
Campbell, Robert H., O26074.
Canning, Austin J., Jr., O26277.

Cantlay, George G., Jr., O25979.
Caple, Dayton F., O49054.
Carberry, Edmund J., O25565.
Carey, Robert E., O47519.
Carroll, Benjamin L., O37321.
Carter, Hamlet R., Jr., O26134.
Carter, William C., O54761.
Carter, William C., Jr., O37290.
Casey, Edgar L., O36324.
Cawthra, James H., O36981.
Challen, Henry G., O40902.
Chance, Francis A., Jr., O36784.
Changaris, James S., O25819.
Chapin, Neil McK., O55006.
Chase, David M., O26212.
Chase, James E., O47642.
Chaufty, Joseph V., O25969.
Chesebro, John S., O47284.
Chessnoe, Michael, O48968.
Chmar, Paul, O37640.
Christy, James V., O25909.
Churchwell, Alvin McL., O41055.
Clark, Howard L., O40928.
Clark, Lyman H., O37019.
Clark, Robert W., O26032.
Clark, William K., O41001.
Cleary, Edward R., O26304.
Cleary, Louis X., O54965.
Cleveland, Robert E., O36664.
Clifford, Richard W., O36761.
Cline, Charles L., O36543.
Clyde, Gordon F., O47271.
Coady, Gerald G., O54223.
Cobb, James J., O25629.
Cobb, John H., Jr., O26233.
Cobey, Earl J., O54909.
Cochran, Collins L., O40964.
Cochran, John H., Jr., O54787.
Cochran, John H., Jr., O26115.
Coffman, Howard B., Jr., O25941.
Cole, Caleb A., O26171.
Cole, Charles B., Jr., O39304.
Collins, John W., 3d., O26079.
Conard, David B., O25885.
Conarty, Roger L., O26067.
Conmy, Joseph B., Jr., O25645.
Connolly, George I., Jr., O36666.
Conway, Lewis W., O37021.
Cook, Robert M., O25690.
Cook, Walter H., Jr., O25466.
Cool, William C., O54108.
Coonly, William J., Jr., O36724.
Cosgrove, Gerard V., O25683.
Cover, William W., O26287.
Cox, Charles T., O36699.
Cox, Emmett W., Jr., O37200.
Crane, Hal P., Jr., O54794.
Creighton, James R., O36498.
Croonquist, Arvid P., Jr., O25639.
Crowe, Robert E., O47605.
Cullinane, Daniel B., Jr., O26145.
Cumbie, Walter P., O54718.
Cunningham, Donald H., O36799
Cunningham, Hubert S., O39303.
Cunningham, Robert K., O37120.
Curry, James A., Jr., O54865.
Curtin, Paul J., O26361.
Curtis, Elbert R., O36547.
Curtis, Wesley J., O25792.
Dadisman, Chester E., O36497.
Daems, Leonard R., Jr., O47270.
Dakin, Myron H., O25733.
Daley, Edward J., O36418.
Danforth, Robert D., O26081.
Darden, James R., O26142.
Davenport, Robert J., O26089.
Davidson, Paul W., O54119.
Davidson, Shirley, O37122.
Davis, Claiborne W., Jr., O37001.
Davis, Mike B., O26188.
Davis, Paul A., Jr., O36837.
Davis, Paul W., O36375.
Davis, Robert LeV., O25661.
Davis, Young J., O47572.
Deadwyler, William H., Jr., O36298.
Deaver, John Q., O54765.
DeBow, Duane L., O40970.
DeBrocke, William P., O25986.
deCamp, John T., Jr., O26040.
Deekle, William C., Jr., O26310.
DeGiovanni, Joseph I., O36366.

Dehner, Vernon E., O37147.
Del Zoppo, Roger A., O39243.
Dennison, Robert C., Jr., O49010.
Des Jarlais, Robert W., O47377.
Dettmar, Henry G., O37117.
Dickinson, Charles W., O26033.
Dickson, Jean H., O36606.
Dingwall, Allan G., Jr., O37249.
Dirkes, Francis J., O25887.
Doerfler, Eugene A., O37211.
Dollard, Edmund J., O47369.
Donahue, Franklyn W., O41071.
Donahue, Patrick H., O34885.
Donaldson, Thomas Q., O25480.
Donnelly, Ross I., O36533.
Donovan, Charles W., O36500.
Doran, Edward A., O25782.
Dornacker, Charles H., O36370.
Dowell, Richard W., O39225.
Dozier, William T., O48008.
Drinkard, Harry V., O40838.
Drum, Vernon B., O39318.
Duffy, Jack W., O37349.
Duke, Robert C., O36697.
Duke, Thomas A., Jr., O37062.
Dunn, James E., O36137.
Dunstan, Henry V., O40953.
Dunwoody, Harold H., O26197.
Durbon, Roy C., O37219.
Duvall, Clifford P., O39270.
Dwan, Robert D., O26052.
Dworak, John L., O25757.
Dyke, Harold H., Jr., O53334.
Dysinger, William C., O54976.
Eager, George, Jr., O36766.
Earnest, Clyde T., O25923.
Eastham, Warren C., O37025.
Ebrey, Henry J., Jr., O25627.
Eddy, George G., Jr., O54991.
Edrington, Bethell, O26329.
Eisler, Walter J., O36919.
Ellingsworth, James B., Jr., O47793.
Elliott, Howard D., O25445.
Elliott, Mayo J., O26179.
Erdman, George W., O37350.
Ernst, Russell W., O37256.
Erskine, Jasper N., O36768.
Evans, Edward J., O37374.
Ewald, William, O36949.
Falck, William D., O25893.
Farley, Clare F., O25915.
Farnsworth, Frank A., O37216.
Faust, Edmond L., Jr., O25450.
Ferrell, Robert M., O53808.
Field, Kenneth S., O36932.
Files, Vernon, O37086.
Finlayson, Harold C., O41028.
Finney, Perry S., Jr., O48263.
Fischgrund, Harold S., O37183.
Fishback, Jesse LeR., O25858.
Fiss, Robert E., O25511.
Flanagan, John J., O47734.
Flatley, Thomas W., O25638.
Fleury, Vernon G., O48249.
Flint, Robert P., O40921.
Fox, George F., O36234.
Fox, Ogden R., O47943.
Fraleigh, Charles S., Jr., O36862.
Francisco, Louis S., O26280.
Frank, Fred J., O54078.
Frankenstein, Leonard S., O54172.
Franklin, Victor A., O25658.
Fraser, Bruce H., O37276.
Frauenheim, Walter G., Jr., O48978.
Frazier, Frank W., O37085.
Frederick, Floyd, O36243.
Fredericks, Edgar J., O26302.
Fredericks, John L., O47721.
Freer, Arthur L., O25451.
Freestone, James E., O36937.
French, Jack S., O48380.
Fritz, William H., O25620.
Fromme, Robert J., O39246.
Fry, Ernest M., O48666.
Fuller, Ellis LeR., O37366.
Fuller, Hiram G., O25936.
Fulmer, John M., O47846.
Fulton, William B., O25385.
Gardner, Ralph V., O39236.
Garten, Melvin, O48990.
Gean, Kirby A., O25588.

Geaney, Edward J., Jr., O26328.
Geelan, William R., O40963.
Gehring, Frederick R., O36462.
Gibbons, Murray F., Jr., O54398.
Gibson, James McK., O48730.
Giffin, Stewart S., Jr., O26342.
Gilbert, Harold N., Jr., O37307.
Gilbert, Stanley K., O47926.
Giles, Warren A., O37874.
Gingrich, Harold W., O26076.
Glasgow, William M., Jr., O25905.
Glendening, James K., O26176.
Glick, John R., O48877.
Glickson, Solomon P., O54079.
Glisson, Roy, Jr., O37078.
Glotzbach, Edgar N., O27011.
Goggans, Robert, O49051.
Gohmert, Roland L., Jr., O35402.
Goldenthal, Mitchel, O25482.
Goodlett, John G., Jr., O54600.
Goodman, Glenn W., O54171.
Goodman, Jess L., O47795.
Gordy, Stephen E., O26125.
Gorman, Vincent J., O41019.
Gossett, Henry M., O38941.
Gottliebsen, Richard E., O48309.
Gould, George H., O55058.
Grace, Arthur B., Jr., O25498.
Grady, Ronan C., Jr., O25985.
Gray, Thomas E., O47851.
Green, George E., O40983.
Greene, James F., Jr., O25900.
Greenlief, Dale R., O36476.
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Hoffman, Ralph W., O36786.
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Yount, Harold W., O54875.
Zellefrow, Albert E., O40982.
Zuckerbrot, Irving, O36901.

To be majors, Chaplains

Hutchins, Gordon, Jr., O31291.

To be majors, Women's Army Corps

Bouton, Irma V., L195.
Brister, Jane G., L289.
Grant, Patricia E., L181.
Gray, Dorothy, L159.
Holsington, Elizabeth P., L164.
Martin, Ethel M., L182.
Mashidlausky, Agnes A., L171.
Metzger, Hope, L174.
Price, Lenore M., L177.
Robinson, Delia D., L278.
Root, Barbara E., L162.
Trulock, Sue B., L188.
Yoniack, Frances M., L157.

To be majors, Medical Corps

Allerton, William S., O59713.
Anderson, Clarence LeR., O61069.
Archer, Francis C., O66607.
Arnett, Norman L., O62928.
Arrington, Clifton W., O58032.
Austin, James A., O65571.
Badgley, Theodore McB., O62975.
Beck, Marcus R., O60043.
Beckwith, Richard R., O62953.
Beisel, William R., O59560.
Bellas, Joseph J., Jr., O65675.
Berke, Irving, O62918.
Berrey, Bedford H., O65949.
Biehusen, Frederick C., O58038.
Bindeman, William W., O58713.
Bitner, Leland M., O59570.
Blemly, Nelson, R., O62969.
Bolliger, Eugene F., O59717.
Bottiglieri, Nicholas G., O67791.
Boysen, Alexander M., O59612.
Brackebusch, Carl O., O59561.
Briggs, Gordon W., O62940.
Briske, John P., O62931.
Brittis, Anthony L., O60042.
Brody, Arnold J., O58099.
Brosius, Otto C., O59645.
Brune, Warren H., O66613.
Buchanan, David P., O59563.
Buescher, Edward L., O60050.
Butterworth, Charles E., Jr., O59617.
Canham, John E., O62925.
Canney, Philip C., O65573.
Carlton, Donald C., O67903.
Carstensen, Harold G., O60061.
Carter, Willis H., O58097.
Cavin, Elwyn, O62917.
Cenac, Mark T., O63220.
Champlin, Gerald A., O60046.
Chandler, Bruce F., O59613.
Chandler, Eugene F., O63672.
Chase, Robert A., O59719.
Child, Proctor L., O67905.
Cole, Norman J., O58028.
Collins, Warren J., O59564.
Conroy, Joseph V., Jr., O59707.
Conroy, William J., O59614.
Cook, Edgar L., O63167.
Crepps, William F., O59629.
Crow, John B., O59623.
Curtis, Hugh P., O58048.
Daniel, Crowell T., Jr., O59693.
Daniels, Roswell G., O60058.
Davis, Albert J., Jr., O59556.
Dillon, Robert F., O62943.
Downs, Charles R., O62970.
Draheim, John H., O60034.
Fisher, George W., O67569.
Forrester, Ralph H., O63165.
Froemming, William E., O64930.
Gaffney, John J., O65998.
Gamble, Robert D., O59694.
Garner, Robert C., O58733.
Garrett, Richard H., O62945.
Gibbs, James J., O62934.
Gibson, John R., O63454.
Gilpatrick, Cleston W., O59649.
Glew, Donald H., Jr., O59550.
Glock, Robert F., O62936.
Gonder, Maurice J., O62948.
Goplerud, Clifford P., O59700.
Gordon, John N., O59695.
Graybill, Leon D., O59567.
Green, Richard E., O62935.
Gregory, Lloyd J., Jr., O58100.
Griffin, Herschel E., O65676.
Hackett, Louis J., Jr., O66622.
Hall, Robert J., O59628.
Hall, Robert McC., O64929.
Hall, William H., O60133.
Hamilton, George B., O60143.
Hammill, James F., O59543.
Hannon, Joseph L., O59553.
Hansen, Herman R., O67926.
Hansen, James E., O62926.
Harman, Louis E., Jr., O62916.
Harrison, Ira B., O59603.
Hausman, William, O58273.
Hawe, Donald W., O70194.
Hedberg, Charles L., O59566.
Hood, Robert F., O62949.
Howie, Donald L., O60756.
Hoyt, Jay C., O59445.
Hume, Vincent H. S., O62921.
Hurd, Harry F., O59587.
Innes, Robert C., O68016.
Irvin, Robert W., Jr., O59555.
Isham, William H., O59610.
Jackson, Lawrence M., Jr., O59443.
Jahnke, Edward J., Jr., O59591.
Jeans, Park C., Jr., O59600.
Jeffords, Francis W., O57910.
Jensen, Robert T., O60761.
Jesseman, Winston C., O60060.
Johnson, Arnold W., Jr., O62920.
Johnson, David E., O63164.
Jones, Robert C., O62941.
Keim, Robert R., Jr., O62937.
Kelly, Thomas D., O65420.
Kempe, Ludwig G., O67586.
King, Robert J., O62973.
King, Samuel V., O65421.
Latteri, Joseph A., O61949.
Lauderdale, James M., O59552.
Lawson, John D., O65533.
Leddy, Donald V., O63721.
Leslie, William T., O69524.
Lienhard, Wendell F., Jr., O62933.
Lincoln, Arthur F., O60033.
Lindig, Edwin, Jr., O58776.
Lineback, Carl M., O66037.
Livingstone, Bruce L., O62944.
Lynch, Charles L., O57911.
Lyon, Donald R., O59634.
Mason, Roscoe E., O59618.
Masters, Joseph H., O62968.
McFaddin, James G., O65418.
McGonagle, Laurence C., O62938.
McGuire, John M., O65575.
Meriwether, William A., O65572.
Meyerdierks, John J., O58039.
Moncrief, John A., O59697.
Moore, Charles A., O59584.
Moore, Walter H., Jr., O67597.
Moser, Robert H., O59597.
Munger, Richard S., O67599.
Murphree, Harold C., O68389.
Nelson, Thomas G., O64933.
Newman, Stanley, O62965.
Nicholas, Theodore H., O58771.
O'Dell, Edward T., O57960.
Owens, Kenneth N., O59586.
Painter, John H., O59551.
Palmer, Paul W., O60097.
Parmenter, Robert E., O62960.
Passmore, Jack W., O60144.
Peisel, Francis J., O59621.
Phelps, Harvey W., O64935.
Phippen, William G., O59581.
Piper, Clinton A., O64934.
Pitts, Forrest W., O59747.
Pixley, Charles C., O57841.
Porter, Warren E., O58046.
Price, Douglas B., O62930.
Quinn, Robert H., O67605.
Reisner, John E., O62952.
Richert, Joel H., O60145.
Rigney, Francis J., O62923.
Rink, Richard A., O64927.
Rosenberger, Eugene A., O62951.
Roth, Joel L., O60139.
Rubini, Milton E., O62974.
Ruth, Charles J., O59646.
Schillhammer, William R., Jr., O63453.
Schmidt, Robert B., O62966.
Schwab, Gerald J., O62961.
Serfas, Lee S., O61184.
Sharp, John H., O59619.
Sherman, Jacques L., Jr., O59541.
Sherman, Robert L., O60062.
Sherwood, Robert W., O63476.
Sholk, Alvin, O59630.
Simenson, Robert A., O58101.
Singer, Ralph C., O66638.
Skeehan, Raymond A., Jr., O67959.
Smith, Dermott A. P., O65532.
Smith, Vernon M., O62964.
Stallones, Reuel A., O62929.
Steinborg, Robert J., O59635.
Stowens, Daniel, O65570.
Stutzman, Leon, O58266.
Terrill, Arthur A., O59594.
Teschan, Paul E., O59604.
Throne, Elias M., O62956.
Tiffany, William J., Jr., O65417.
Tomsovic, Edward J., O58217.
Tormey, David M., O59609.
Van Avery, Jasper L., Jr., O59703.
Vander Ploeg, Darl E., O62963.
Walsh, Richard A., O61187.
Ward, Richard A., O60070.
Wells, Charles H., O70126.
Westfall, Charles H. P., O62971.
White, David C., O60763.
Wikler, Irving, O67883.
Williams, Fred C., O57906.
Winn, Dean F., Jr., O57959.
Woodard, George S., Jr., O62924.
Woodward, Kent T., O58230.
Wright, William H., O59580.
Yourish, Norman B., O59764.

To be majors, Dental Corps

Bolbat, Walter J., O60735.
DiMatteo, Albert J., O60099.
Konze, Charlie F., O59448.
Rau, Martin H., O59447.
Rowan, Robert J., O61063.
Schreiber, Leonard K., O60734.
Stiesmeyer, Edward H., O60741.
Watkins, John A., Jr., O56259.

To be majors, Veterinary Corps

Chadwick, Ralph D., O31280.
Failing, Frank W., O31296.
Gleiser, Chester A., O31289.
Klett, Wilbert M., O62047.
Vacura, Gordon W., O31309.

To be majors, Medical Service Corps

Adams, Edward S., O56230.
Bates, Elvis E., O37577.
Blakeslee, Theodore E., O56970.
Brown, Charles T., O37506.

Burleson, Derwood E., O37566.
Chitwood, Douglas C., O56248.
Clark, Jack K., O37524.
Crosby, Leonard A., Jr., O49967.
DeVine, Joseph R., O37520.
DuMond, Paul A., O37607.
Evans, Robert D., O37568.
Fink, James L., O37604.
Gottry, Samuel M., O37544.
Graber, Charles D., O37555.
Graham, Harrold E., O37531.
Gwin, Jack W., O37598.
Hazelrigs, James A., O39345.
Holloman, Chester C., O41159.
Holt, John H., O37814.
Hoover, Thomas H., O37565.
Hrdlicka, Otto G., O37512.
Hughes, Robert L., Jr., O37591.
Julian, Russell E., O37590.
Kadrovach, Dan G., O37613.
Keating, Edward J., O37611.
Kerwin, Bernard F., O37567.
Kilmer, Joseph M., O37498.
Kistler, Grover C., O49958.
Klodniski, Stanley F., O56946.
Knickerbocker, Max E., O41151.
Knoblock, Edward C., O41158.
Kropp, Arthur J., O37561.
Lapiana, Joseph A., O56952.
Leary, John J., O56235.
Luehrs, William C., O37521.
Mathis, John E., O56251.
Munson, Jack W., O39349.
Newbold, William M., O37538.
Nichols, Maurice W., O37532.
Normington, Joseph M., O41157.
Parker, Elliott G., O37540.
Peters, George M., O37533.
Piercy, Clarence H., Jr., O37603.
Reich, Norman, O37516.
Rivas, Ernest G., O37543.
Ryan, Francis J., O56957.
Scarpitta, Anthony, O37519.
Schmahmann, Lionel H., O37583.
Shedivetz, Clayton L., O37514.
Shepler, Lloyd B., O37445.
Smiley, Frank H., O37582.
Smith, Charles R., O37608.
Smith, Robert L., O39350.
Specht, Murval F., O37558.
Spika, Howard J., O37593.
Stacey, Richard M., O41153.
Stock, William E., Jr., O37595.
Strobel, Edward M., O37584.
Thompson, Elmer L., O37513.
Torgerson, Fernando G., O37523.
Valentine, Robert G., O37585.
Walsh, Glen M., O41156.
Waters, John F., 2d, O37605.
Wells, Floyd B., O37575.
Whitaker, Harry T., O37539.
White, William F., O37597.
Williams, Alonzo R., O41140.
Wisser, Nathan R., O37522.
Wood, Norman E., Jr., O37596.
Wrigley, John H., O41161.

The following-named officers for promotion in the Regular Army of the United States under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended. All officers are subject to physical examination required by law.

To be lieutenant colonels, Army Nurse Corps

Blochberger, Irene C., N145.
Breitung, Elizabeth L., N1902.
Claussen, Esther, N2217.
Clifford, Louise M., N2114.
Cuppy, Mary K., N141.
Fitzgerald, Eileen, N575.
Hanna, Elizabeth T., N2026.
Harper, Margaret, N147.
Houston, Eva D., N1950.
Lessley, Georgia E., N1869.
Mettie, Elizabeth E., N156.
Pollard, Bertha E., N566.
Reeve, Agatha M., N120.
Sar, Cecelia M., N1876.
Schaupp, Miriam C., N144.
Shutt, Edith L., N112.
Snowden, Hazel I., N1895.
Tobin, Nora M., N1872.

To be majors, Army Nurse Corps

Barrett, Ruth, N1884.
Benninger, Marion L., N1885.
Crain, Joy B., N1954.
Cullen, Mary B., N2367.
Eddins, Grace T., N2373.
Garrard, Delzena E., N1890.
Goodman, Thelma B., N1957.
Holland, Alice E., N2048.
Houston, Emma F., N1960.
Jennings, Catherine T., N2125.
Jensen, Wanda, N2123.
Kornfeind, Helen A., N105.
Lassiter, Janie L., N2041.
Mallette, Bernadette M. J., N1893.
Miller, Alberta J., N2132.
Oswald, Marie A., N2047.
Peck, Loucelle E., N2049.
Ross, Margaret C., N2129.
Steadman, Winnie, N1961.
Uftring, Celestia H., N2042.
Zirkle, Winifred R., N2370.

To be majors, Army Medical Specialist Corps

Andersland, Louise S., J61.
Boger, Martha M., M10062.
Buck, Kathryn V., R10130.
Davies, Elizabeth J., M10102.
Ehlers, Christine D., M10036.
Hobson, Edith M., R10042.
Ladd, Margaret P., M10115.
Lydon, Josephine C., R10123.
Marshall, Eleanor M., M10040.
Strain, Ruth G., R10070.
Summers, Evelyn G., R10122.
Swartz, Dorothy L., R10008.
Tremback, Helen, R10073.

The following-named officers for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grades specified:

To be captain

Ivan, Gabriel A., O25865.

To be first lieutenants

Coy, Malcolm L., O70313.
Horton, Dan H., O69951.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), Public Law 625, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress, and Public Law 294, 84th Congress:

To be captain

Wakefield, Walter W., DC, O1186763.

To be first lieutenants

Baze, Wallace R., DC, O985332.
Bond, William R., Jr., DC, O2274489.
Canfield, Margaret E., ANC, N900487.
Capper, Robert S., MC, O1941999.
Chapin, Viola M., ANC, N799606.
Dolinski, Eleanor, ANC, N805636.
DuVal, Charles H., DC, O4055774.
Edmonson, George B., MSC, O4007125.
Edwards, Ian K., MC, O2267482.
Fisk, Mary L., AMSC, R2657.
Kishpaugh, Barbara F., ANC, N794839.
Mahoney, Bettijane, ANC, N901384.
Monahan, James L., DC, O938692.
Morgan, Betty F., ANC, N804710.
Murphy, Michael J., MC.
Rita, Mary, ANC, N773684.
Stearns, Barbara J., AMSC, M20004.
Taft, Hunter G., Jr., MSC, O957540.

To be second lieutenant

Giffin, Joan L., WAC, L1010768.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Beard, Hallard W.
Butler, Donald E., O1321150.
Creveling, Robert L.
Cummins, Leo H.
Dalbey, Charles G., O2275604.
Duncan, Theodore G. W.
Johannessen, John M., O2275423.
Kriebel, Richard H., O2275416.
Kwedar, Edward W.
Lazarus, Herbert R.
Mueller, Robert L.
Schultz, Thomas L., O2275457.
Scloscia, Eugene A.
St. Louis, Joseph A., Jr., O2275402.

The following-named persons for appointment in the Dental Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), upon receipt of doctor of dental surgery degree:

Andrew, Dale H., O2211141.
Bird, William C., O2275905.
Fuller, Walter W., O2277419.
Karr, James H., O2276574.
Poprik, Michael, Jr., O2276966.
Prince, Jack P., O2275893.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Barnette, Bobby L.
Ficks, Filmore L., O4003776.
Gerasimon, Gerald G.
Luthultz, Gene H., O4030922.
McCool, James M., O4010589.
Olchovik, Stanley, O4010670.
Taylor, Richard F., O4031018.
Werner, Stanley A.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Barnes, Frederick.
Bradby, Harold N., Jr.
Corbett, Richard L., O4053035.
Coruthers, John M., Jr.
Denny, Davis M., Jr.
Donner, William O., Jr.
Fitzekam, Gordon L.
Hensley, William R., O4036566.
Johnson, Marion, Jr., O4048936.
Lamont, William, Jr.
Lanier, Jack D.
McPheeters, Leander B., Jr.
Metcalf, Jack A., O4048958.
Pistorius, Joseph H., Jr.
Plough, Ronald C.
Spinelli, Michael A., O4059373.
Terry, Robert L.
Thompson, Jackson D.
Walker, William C.
Worrell, Armond J.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1956, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Dacus, Lester H.
German, Norton I.
Muzzio, Robert J.
Pyles, Thomas E.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1956, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Abbott, Jerry M.
Aceto, Vincent R.
Adams, George B.
Adams, Jack L.
Adkins, John E.
Agnew, Jack S.
Aicken, Larry B.
Aldrich, David F.
Alexander, William E.
Allman, John W., Jr.
Amoneno, Ernest G.
Amos, Julian E.

Andersen, William A.
Anderson, Douglas F.
Anderson, Valjean C.
Angelo, Joseph S.
Archer, James H.
Ariotti, Mario G.
Armfield, Samuel L., III
Arnecke, Charles O., Jr.
Arnim, Cecil H., Jr.
Arnold, John M.
Ashworth, Don C.
Atkinson, Don R.
Axtell, Ralph R.
Baker, A. J.
Balboni, Louis A.
Balcerzak, Marion J.
Bales, Garry L.
Bannister, Edwin J.
Barber, Robert G.
Barker, Harold S., Jr.
Baxter, Arthur S., Jr.
Beavens, Arthur M.
Beck, Edmund S.
Bedard, Ronald L.
Bedford, Robert E.
Bell, Lawrence A.
Bell, Ronald K.
Bender, Robert
Bennett, James D.
Berkley, John L.
Berman, Myron B.
Bird, Max R.
Birdsong, Edward M., Jr.
Birkenholz, Richard M.
Blagg, Thomas E.
Blair, David A.
Blair, Jerral D.
Blaker, William J.
Blanton, Albert B., Jr.
Blecharczyk, Stephen S.
Boerner, Dennis H.
Boiani, Peter J.
Boldon, David L.
Boles, Bennie C.
Bonner, Benjamin J., III
Bonnett, William B.
Borland, Paul C., Jr.
Botts, Robert H.
Bourne, William G.
Boyd, James W., II
Braddock, David R.
Braithwaite, Garlan D.
Bramlett, Mead R.
Brashears, Bobby F.
Briggs, Joel L.
Britt, Henry M.
Bromley, Barton W., Jr.
Bronson, Russell A.
Brookhart, Edgar W.
Brooks, Thomas W.
Brown, Charles H.
Brown, Roy A.
Broyles, Alvin K., Jr.
Bryant, James W.
Brylla, Charles W.
Buccola, Victor A.
Buchanan, James R.
Burg, James H.
Burgess, Robert B., Jr.
Burns, Edwin A.
Burset, Miguel A.
Buswell, Arthur T.
Byrd, Hale H.
Byrne, Robert J.
Calderwood, Earl H.
Calhoun, Creighton L., Jr.
Calvert, Jack F.
Campbell, Donald A.
Camper, Kenyon L.
Cann, Donald C.
Carlsen, Gary H.
Carrasquillo, Humberto R.
Carter, Donald D.
Carter, Robert H., Jr.
Carter, Thomas E.
Carter, Woodward C., II
Charles, George H., Jr.
Chesley, Arthur P.
Codd, Nicholas J., Jr.
Coffee, Edwin F., Jr.
Coffman, Ronald L.
Cogswell, Richard J.
Coleman, Willis H.
Colson, John T.
Concilio, Richard V.
Cook, Richard A.
Cosimini, Gino N.
Cover, John P.
Cox, Randall S.
Craver, Douglas M.
Crawford, Cecil M.
Crewse, Leonard L.
Croft, John A.
Crosby, James C.
Crowe, James L.
Crowe, John M., Jr.
Cruff, Ronald A.
Cunningham, Clarence
Custard, Norman L.
Dal Corobbo, Bruno V.
Danehy, Franklyn T.
Daniell, Joseph A., Jr.
Dann, Herbert I., Jr.
Daugherty, John M., Jr.
deCamp, William S.
DeLorme, Wayne F.
Del Vecchio, John, Jr.
Demetropoulos, Andrew J.
Dempsey, John M. L.
DeThorne, Raymond J.
Detjens, John, III
Dinsmore, Wiley
Ditman, William D.
DiValentino, Leo E.
Dixon, Robert C.
Doke, Marshall J., Jr.
Donaldson, Thomas W.
Dove, Hoy D., Jr.
Dow, Richard A.
Dowling, Donald J.
Doyle, Charles T.
Draper, Ronald F.
Dross, David D.
Drury, Dan L.
Dubin, Leonard
DuBose, Perryman F.
DuBrule, Paul A., Jr.
Dudley, Gerald O.
Dunn, James E.
Dvorak, Philip J., O4017546
Eagle, John R.
Eastwood, Clifford A., Jr.
Eaton, Melville L.
Eccles, Spencer F.
Eckert, William N.
Edsall, Richard H.
Edwards, Eugene T.
Ellis, Don C.
Enloe, James A.
Ethridge, Wayne H.
Evans, Bobl R.
Evans, Gary B.
Farley, Andrew N.
Fee, Gordon G.
Fennell, George R., Jr.
Filler, Merl C., Jr.
Finehout, Robert E.
Finley, Jerry D.
Fisher, Anthony B.
Fisher, Robert L.
Fitzmorris, Lawrence B.
Florence, David L.
Floyd, Jerry M.
Foard, John B., III
Ford, Wilbur E., Jr.
Fraley, Harold J.
Frazier, James H.
Freeman, Charles G.
Freisem, Robert D.
Galligan, Robert A.
Garrett, Doyle B.
Garrett, Richard E.
Garside, Robert E.
Georges, Peter J.
Gibb, Robert B.
Gibbons, James H.
Giles, George E.
Gillie, Gerald R.
Gilmore, Joseph R.
Gilpatrick, Volney T., Jr.
Givhan, Walter H.
Glasker, Samuel J.
Glover, Richard R.
Godding, Donald R.
Gonzalez, Richard E., Jr.
Gooch, Robert G.
Gordon, Harold J.
Gordon, John V.
Gordon, Kenneth F.
Gothard, Donald L.
Gowell, Earle R., Jr.
Greene, Earl M.
Griffith, Franklin D.
Griminger, Charles O.
Grinnell, Leroy A.
Gross, Donald
Gross, Thomas R.
Groves, Billie R.
Guilfoyle, Francis M.
Habermann, Larry M.
Harbuck, Edwin C.
Hardin, James A.
Harding, Trewitt D.
Harmon, Marsden A.
Harris, Bruce R.
Harris, Kenneth A.
Harwig, Donald H.
Harwood, Michael S.
Hatch, Vernon L.
Haynes, Jesse L., Jr.
Hearn, Jerry L.
Heckman, Richard T.
Heggen, Larry E.
Hemminger, Girard L.
Hersey, Frederic T.
Hickerson, Arville L.
Hilgeman, Charles E., Jr.
Hilton, Jimmie L.
Hinkleman, Robert S.
Hinspeter, William L.
Hodges, Charles E.
Hodges, Harold E.
Hoffman, Jack E.
Hohmann, Jere W.
Hokansson, Nils C. I.
Holder, Bobby W.
Holland, Harold B.
Hollenbeck, Elmer W
Hollister, Myron P.
Hood, William P., Jr.
Hooker, Richard D.
Hopkins, Woodard B., Jr.
Hopp, Keith R.
Horn, Will H.
Horrigan, Lawrence B., Jr.
Horton, Floyd W.
Houlis, Harry S.
Houston, Joseph B., Jr.
Howerton, William B.
Hudson, Alfred H.
Hudspeth, Thomas J.
Huff, Donald W.
Humphrey, Jerry H.
Hunt, Byron W.
Hunt, J. Howard
Hutson, Leonard E.
Hutton, John D.
Imschweiler, David R.
Ingram, Duane C.
Ippolito, Charles P.
Irvin, Charles L.
Israel, Glenn A.
Jackson, George F., Jr.
Jakuc, Henry S.
James, William N.
Jarvies, Richard C.
Jefferson, Walter, Jr.
Jenkinson, Harlan H.
Jensen, Lynn R.
Jessup, William R.
Jetta, Norman W.
Johnson, William J.
Jones, Carleton H., Jr.
Jones, Teddy R.
Jordan, Arthur B., III
Jovan, George A.
Judd, Roger C.
Kalbaugh, Gary A.
Karlin, Philip J.
Katz, Charles M.
Kaufman, Richard C.
Keliher, John G.
Kelly, James O.
Kelly, Thomas A.
Kennedy, Irvin D.
Keppeler, John P., II
Kernan, Redmond F., III
Kilpe, Gunars
Kimpton, John E.
Kinder, Norman W.
King, John R.
Kirkmire, Nicholas J.
Kitchen, Kenneth S.
Kite, John C.
Klein, Rudolph F., III
Knapper, Aubrey L.
Kohlhoff, Karl F.
Kramer, Bryce R.
Kraus, John H.
Kripowicz, John P., Jr.
Krome, Alan
Kronenberger, Lawrence
Kronmiller, Lowell K., Jr.
Kuluz, Peter J.
Lackey, Lyman A., Jr.
Ladd, John P.
Lafayette, William P.
Lake, Howard K., Jr.
Landry, Bernard A.
Lane, Robert L.
Lang, George P.
Latturner, George J.
Laughbon, Richard W.
Law, Laurence J.
Lawhorn, Douglas A.
Lawrenson, Bruce E.
Leckinger, Paul A.
Lecocke, Frank J.
Lee, Ray H.
Lehner, William J., Jr.
Leonard, Ronald K.
Leoniak, John J.
Lester, Robert J.
Lindanger, Earl L.
Lingaitis, Francis V.
Littlejohn, Thomas W.
Lockridge, Robert W., Jr.
Lockwood, Willard E.
Logan, Rodney W.
Losik, Robert C.
Lowe, Jack W.
Lowe, Thomas L., Jr.
Lundberg, Ronald J.
Lunn, John G.
Lunsford, Earl M.
Lyons, Calvin G.
Maass, Charles G.
Maguire, James E.
Malsbary, James S.
Manhart, Richard A.
Mann, Robert L.
Mapes, Steven E.
Maphis, Samuel W.
Marguccio, Robert G.
Marinelli, Gino A.
Marquis, Donald A.
Marsh, Elgin R., Jr.
Marshall, John P.
Martin, Samuel
Marx, Thomas J.
Mason, John
Mason, Richard O., Jr.
Massey, Oran A.
Matthews, Kenneth F., Jr.
McCain, Arthur W., Jr.
McCarthy, John J.
McCarty, Douglas W.
McClain, Robert C.
McClain, Terrence W.
McCoy, Charles E., Jr.
McCready, David J.
McCreery, John L.
McCullough, James A.
McCurry, Spencer L., Jr.
McDowell, Robert C.
McFadden, James D.
McGinley, Frank L.
McGowan, Paul A.
McGraw, Van C.
McGregor, Donald V.
McKee, William S.
McKinney, Collin J., Jr.
McKinney, Horatio W.
McKown, Richard J.
McLaughlin, Charles H.
McLaughlin, James J.
McLeod, David S.
McMillan, Robert B.
McSpadden, Gilbert R., Jr.
Merchant, Frederic L., Jr.
Meyer, Allan E.
Meyers, Stewart E., Jr.
Mikuta, Joel J.
Milliron, Joseph F.
Mills, Lawrence L.
Mitcham, William G.
Mock, Thomas D.
Monahan, Edward J.
Morehead, Robert N.
Morey, William S.
Morris, Joseph L.
Mosure, Thomas F.
Mouring, Barron W.
Moxley, William M., Jr.
Munro, Robert D.
Murphy, Clifton M.
Murphy, George S., Jr.
Nelson, Marlin G.
Netterblad, John W.
Nichols, William B.
Nicholson, Donald E.
Nicoll, Carl R.
Nobriga, Gordon H.
Nock, Carleton C.
Norbo, Gary J.
Novotny, Richard A.
Nowick, Henry W.
O'Brien, Robert M.
O'Bryant, James E.
Oeck, Emil A.
O'Keefe, Timothy J., Jr., O4051990
Onley, John H.
O'Rourke, Lewis C.
O'Rourke, Peter J., Jr.
Osa, Nelson
O'Shaughnessy, Thomas E., Jr.
Owens, John H.
Padden, Edmund J., Jr.
Padgett, David H., Jr.
Painter, Charles F.
Pape, Richard J.
Parham, Byron A. P.
Parks, Donald
Parsons, Walter H., III
Patton, Edwin P., Jr.
Pearson, John R.
Pearson, Stanley R.
Pellegrinon, Ronald G.
Perryman, James D., Jr.
Perryman, William E.
Phillips, William F., Jr.
Pitman, Kenneth M.
Pitre, George L., Jr.
Polhemus, Richard E.
Pothin, Paul F.
Powell, Richard E.
Powers, Max L.
Pugmire, Robert M., Jr.
Raines, Fred B.
Rainey, Ellis C., Jr.
Ramey, Hubert D.
Ranger, David W.
Raudebaugh, James D.
Ray, Robert L.
Reason, Robert L.
Reed, Donald L.
Reedy, Henry J.
Reeves, Stanley J.
Reicker, Frederick A.
Rein, Richard H.
Rhoads, David E.
Rhodes, Chester J.
Rhone, Jimmy S.
Riggs, Joseph A., Jr.
Rivera-Sola, Fernando
Roberts, Charles W.
Robinson, Thonius, Jr.
Rod, Ronald F.
Roddy, Robert E.
Rogers, Richard S., Jr.
Romanski, James F.
Rose, Jerald L.
Rose, Walter N.
Ross, Charles A.
Roughley, David
Roush, William W.
Roy, Charles D.
Rubin, Franklin D.
Rush, Karl C.
Rusk, Edward E.
Russell, James F.
Ryan, Edmond M.
Sanches, Manuel L.
Santiesteban, Humberto T.
Santoro, David A.
Sawey, William J.
Schaubhut, Norman J.
Schessler, Donald R.
Schlee, Gerald J.
Schmidt, John L.
Schneider, Robert S.
Schofield, David G.
Schoonmaker, Paul D.
Schober, Frank J., Jr.
Schuler, James D.
Schwab, Bernard A., III
Sechrest, Noah S., Jr.
Seiser, William R.
Selch, Glenn C.
Senko, John M.
Sherby, Thomas A.
Sherrill, Ernest K.
Sherrill, Lawrence W., Jr.
Shoemaker, James P.
Shore, Lawrence B.
Short, Earl D., Jr.
Shuck, David L.
Shumate, John W.
Shumway, Dean L.
Sides, Jerry M.
Sigler, Jackson L., Jr.
Sikkenga, Donald P.
Simon, Frederic P.
Simpson, Charles E., Jr.
Sims, Paul D.
Sinagra, Robert L.
Sitkin, Charles P.
Skoronski, Frank M.
Smedley, Jimmy C.
Smith, Raymond G.
Smith, Raymond W.
Smith, William F.
Snowden, Edgar, IV
Snyder, Harold B., Jr.
Snyder, Ronald E.
Snyder, William H., III
Speth, Gerald L.
Squires, Myron E.
Staiger, Charles W.
Stark, Robert L.
Stern, Allan R.

Stevens, Philip J.
Stevenson, Frederick N., Jr.
Stewart, Charles F., Jr.
Stewart, James A.
Stiles, Ronald E.
Stillions, Eugene L., Jr.
St. Jacques, Ernest O.
Stokes, Theodore K.
Stokes, William M., III
Stone, Frank R., Jr.
Stork, Richard C.
Storms, Peter F.
Storrs, Norman B.
Stotser, George R.
Streisand, Sheldon J.
Stringer, Paul G.
Strohmayer, Alfred R.
Strong, Daniel M.
Stuart, James R.
Stuart, John C., Jr.
Sturgeon, James M.
Sultenfuss, Gerard E.
Swann, John H.
Swenson, Arthur G.
Swift, John B.
Swoboda, Edward J.
Tapp, Richard L.
Tarby, Stephen K.
Tatum, James M.
Taurke, Erwin A.
Taylor, Henry S., III
Taylor, Perry R., Jr.
Taylor, Richard C.
Taylor, William H.
Thacker, Goebel R.
Theroux, Gilbert L.
Thompson, Ronald A.
Tieken, Richard V.
Tippett, Laurence A.
Todd, Ronald D.
Tompkins, Raymond E.
Toner, Richard B.
Torres, Marco, Jr.
Townsend, Merton L.
Treece, Ausby J.
Tripp, Joseph W.
Trounday, Roger S.
Turk, Roy M.
Turley, James R.
Tyler, Warren C.
Vanbebber, Herman J.
Van Cleave, Henry D., Jr.
Van Poucke, Marcel L., Jr.
Vetterling, John M.
Victory, Antony M.
Von Urff, Charles A.
Wahl, Don D.
Wakefield, Donald Y.
Walker, George J.
Walker, Jimmy F.
Walker, Peter H.
Walls, William H.
Warlick, Joseph R., Jr.
Watke, Frederic W.
Watts, Ronald L.
Weber, Wayne G.
Weinkauf, Donald E.
Werning, John B.
Wheatley, Robert R., III
White, Jack A.
Whitmer, Henry J.
Wiersema, Kenneth E.
Wilber, Donald E., 04058431
Wiljanen, Walter A.
Wilkerson, Arlie J.
Williams, Donald G.
Williams, Richard L.
Williford, Donald E.
Wilson, Robert W.
Wittekind, Wilfred H.
Wojtal, Robert J.
Wojtas, Jerry R.
Wolfe, Robert A.
Wolfe, William M.
Woodle, Kenneth J.
Woodmansee, Wayne E.
Woods, Robert D.
Yoho, Robert O.
Young, Charles D.
Young, Daniel K., Jr.
Zabransky, Ronald
Zanuck, Richard D.
Zekanis, Henry A.
Zickel, Raymond E., Jr.
Zoubandis, James

CONFIRMATION

Executive nomination confirmed by the Senate, April 18 (legislative day of April 9), 1956:

DEPARTMENT OF JUSTICE

George Cochran Doub, of Maryland, to be an Assistant Attorney General.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 18, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the source of the true, the splendor of the beautiful, and the strength of the good, we are again coming unto Thee through the old and familiar way of prayer, compelled by our needs and constrained by Thy love.

Grant that we may have a faith that is humble and courageous as we seek to minister and mediate unto all mankind the blessings of peace and prosperity.

Inspire us to give ourselves earnestly and eagerly to the leading of Thy spirit and may we make a more daring trial of the moral and spiritual resources which Thou hast placed at our disposal.

Fill us daily with a fervent desire and a strong determination to build a social order in which justice and righteousness, good will and brotherhood shall reign supremely.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

JOINT COMMITTEE TO MAKE NECESSARY ARRANGEMENTS FOR INAUGURATION OF PRESIDENT-ELECT AND VICE PRESIDENT-ELECT

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 64, 84th Congress, the Chair appoints as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 21st day of January 1957, the following Members on the part of the House: Mr. RAYBURN, Mr. MCCORMACK, and Mr. MARTIN.

CALL OF THE HOUSE

Mr. JOHNSON of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 26]

Ashley
Boykin
Dawson, Ill.
Donovan
Eberharter
Engle
Gamble
Gary
Green, Pa.
Haley
Healey
Hoffman, Ill.
Holtzman
Hosmer
Jackson
Johnson, Calif.
Kilday
Mollohan
Morgan
O'Hara, Minn.
Patman
Powell
Scherer
Tollefson
Velde
Williams, N. Y.
Wolcott

The SPEAKER. On this rollcall 406 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON PUBLIC WORKS

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may sit in executive session during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

AGRICULTURAL ACT OF 1956

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on the bill H. R. 12, an act to provide an improved farm program.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, I yield myself 30 minutes.

Mr. Speaker, I doubt very much if it is possible for me to say anything about H. R. 12 which has not already been said, but I do feel justified in making some observations about this very controversial measure. I introduced H. R. 12 on January 5, 1955. Our committee conducted long hearings. Our committee room was open to all who wanted to be heard. The bill was reported to the House with nonpartisan or bipartisan support and, after a very long and hard fight, the bill passed this House and was sent on to the Senate. There it remained until the beginning of this year.

Members of Congress are being criticized, and very severely criticized, because of what is called a great delay in the passage of farm legislation. I do not think I need to defend the House Committee on Agriculture nor need I defend the membership of this House. I need only to put the facts in the RECORD, and the facts are that our committee and this House early last year recognized the seriousness of the farm situation and sought to do something about it. Yes, some of us are being accused of playing politics. I think all the Members of this House know me well enough to know, and they certainly know my distinguished colleague the gentleman from Kansas [Mr. HOPE] well enough to know, that neither one of us has ever at any time been willing to play politics with the problems of the farmers of America. Partisan politics has been kept out of the deliberations of our committee. I repeat here that in the 22 years I have served on the committee, we have had only one partisan vote, and that was in the spring of 1949.

This conference report does not represent only the labors and views of members of my party. I said here the other day and I repeat that I do not know how it would be possible for 10 devoted Members of Congress to work more diligently and more faithfully on a piece of legislation than did the House and Senate conferees on H. R. 12. This conference report is not the handiwork of Democrats. It was not signed only by members of my party. Of the 4 very distinguished statesmen of the Republican Party who sat day in and day out and way into the night, through the Easter holiday, 3 of the 4 signed this report. That should be convincing evidence to everyone that there is no partisan politics involved in this measure. Why should anyone be so absurd as to suggest that any of us are prompted by partisan politics? I have believed through the years and I still believe that the problems of agriculture are paramount to all other problems, even to the problems of peace; because until we can solve the paradox of plenty here in this Nation of ours and hunger in other lands, we cannot hope to live in a very peaceful world.

I have seen this week some great demonstrations of really true, sturdy statesmanship on this floor. I have seen men who have heretofore entertained views that they did not express here until last Wednesday. They were prompted by the purest emotions and impulses in the hearts of statesmen. And I am talking about Republican statesmen, who had the nerve, the honesty, and the integrity to come into the well of the House and say, "I have studied this problem, I have talked with my farmers at home, and I and I alone have been authorized to represent them in the House of Representatives"—one after the other. Can you tell me that men like the distinguished gentleman from Iowa [Mr. JENSEN] and his colleagues, are not good Republicans? They are good Republicans if there are any on this earth. Can you tell me that Mr. BELCHER, our beloved colleague, who has labored long and hard on our committee, is playing politics because he voted for this measure which he knows provides the only hope to help the farmers of America in their present plight and predicament?

I could go on and name many Republicans who supported this bill not because of partisan politics but because they believed in it. I indulge the hope that they believe in it now.

Unfortunately, and I think it is unfortunate, I believe that the great man in the White House has been too well protected and insulated. I honestly do not believe that he has been well advised concerning the provisions of this bill. A reading of his veto message would indicate that he actually does not even now understand the provisions of this bill.

What does the bill do? What did all of us want to do? All of us wanted to do something to help the farmers of America. This veto will take out of the pockets of farmers more than $3 billion that we were trying to put into their pockets.

The soil-bank provision does not increase farm income. It only replaces farm income. But one thing it definitely does, it definitely decreases farm purchasing power to exactly the same extent that the soil-bank fund is used.

I say that to appeal to the men from the industrial area. That soil bank will cut off $1,200,000,000 of the purchasing power of the farmer and he will buy that much less fertilizer, insecticides, farm machinery, and other things that are needed on the farm. So why should we bring here a bill restricted only to the soil bank? The price-support provisions of this bill would put into the farmer's pocket approximately $1,300,000,000, yes, income and purchasing power, and would not increase the surplus we now have in storage.

I hate to complain about the President's message. He says that this bill is full of contradictions. The fact is his message is full of inconsistencies. He seems to lose sight of the fact that before the producers of basic commodities are eligible to receive the 90-percent price support provided in the bill they must of necessity comply with the orders of Mr. Ezra Benson himself and reduce their acreage in keeping with his mandate. It is not a subsidy, it is not a handout.

Here we are, knowing as we sit here that farm income is going down and down and down, and that the impact is being felt in every industrial center in this country. Yes, in the country stores and out on the highways and the byways, you can see what has happened. We are inevitably going into another depression unless we can do something to check and change this tragic downward trend in farm income and purchasing power.

Now—what are we supposed to do about it? I voted here the other day, honestly believing as I do today, that this is a good bill. I frankly admitted that it was somewhat of a legislative monstrosity when it came out of the other body and was referred to conference. But, we took the bill apart. We carved it to pieces section by section and word by word and we rewrote the bill in conference. We presented it here to the House with bipartisan support. The President complains about surplus disposal. By vetoing this bill, he prevented the enactment of 14 provisions which would have strengthened his arm in disposing of these surplus commodities or preventing their accumulation. We sought to give him $500 million additional for section 32 operations and the power to pay the ocean freight to send surplus commodities to hungry people wherever they are in the world.

At this point, Mr. Speaker, I will not take the time to read but will insert for the RECORD a more detailed analysis of the President's veto message and the effects of his veto.

COMMENTS ON THE PRESIDENT'S VETO MESSAGE

First. The nine-point program referred to by the President in his message consisted largely of generalities and the blocking out of areas of the agricultural problem for study by Congress. No specific legislation was sent up to implement the program and it was not until February 28 that the Committee on Agriculture received specific legislative proposals embodying the recommendations of the President and the Secretary of Agriculture. The legislation was not then submitted voluntarily but was made available only after a direct committee request on the Secretary for such a bill.

Second. It is difficult to understand how H. R. 12 would encourage more surpluses than the program endorsed by the President. No change is made or proposed in the basic legislation under which production is now regulated and will continue to be regulated whether H. R. 12 becomes law or not. The basic tools for adjusting production to demand and preventing surpluses are the provisions of the Agricultural Act of 1938, as amended. These would be fully as operative under the provisions of H. R. 12 as they will be under any other type of program. In fact, they would be more effective at a higher level of support because it has been clearly demonstrated that there is greater compliance with marketing quotas and acreage allotments at high support levels than at lower levels.

Even more important, however, is the fact that by vetoing H. R. 12, the President has deprived the Secretary of Agriculture of at least 14 new provisions of law to assist in dealing with the surplus problem—provisions providing authority which the Secretary does not now have and which he will not be able to exercise in the absence of new legislation. Following is a list of the new authority to prevent surpluses or to help dispose of them contained in H. R. 12 as approved by the House and Senate:

(a) Corn: In order to be eligible for price supports, corn producers would be required to reduce their acreage of crop-producing land by 15 percent.

(b) Feed grains: H. R. 12 offers, for the first time, some solution to the rapidly deteriorating feed-grain situation that is hurting not only grain producers but livestock producers as well. Under the provisions of H. R. 12 feed-grain producers would be eligible for price supports only if they curtailed their acreage of feed grains at least 15 percent below their previous 3-year average. Under the Secretary's program feed-grain producers receive supports on all the grain they want to produce, without any limitation whatever on their acreage.

(c) To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized in the bill to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the States and the Federal Government to donate food commodities to certain penal institutions.

(d) To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and the amount which can be used under title II of Public Law 480 is increased from $300 million to $500 million.

(e) The domestic parity plan for wheat would solve a number of the problems relating to overproduction and surpluses of that commodity. It would encourage the producers voluntarily to limit their production to a quantity more properly adjusted to current needs. It would put world trade in American wheat on a sound economic basis for the first time in many years by making it possible to offer that wheat for sale on the world market, at the world price, without Government subsidy.

(f) Use of wheat as feed on the farm where grown would be facilitated by the wheat program in H. R. 12 by permitting any farmer, anywhere to grow all the wheat he wants to grow, without penalty, for use on his own farm for feed or food.

(g) Rice: The rice two-price plan would substantially improve the position of United States rice in the world market. Like the wheat program in the bill, it would make possible the sale of United States rice on the world market, at world prices, without any Government subsidy whatever.

(h) H. R. 12 would attack the surplus problem affecting long staple cotton by placing extra long staple cotton within the quota now set up for all cotton longer than 1⅛ inches.

(i) Solution of our surplus problem, particularly in textiles, would be substantially assisted by new authority given the President in H. R. 12 to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

(j) H. R. 12 authorizes appropriation of an additional $500 million annually to section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

(k) The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

(l) H. R. 12 authorizes and directs the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

(m) To make more effective our present production control laws, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

(n) In order to further encourage the underplanting of acreage allotments, the bill authorizes a producer, for the first time, to plant only part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This would eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there were other directives in the bill designed also to substantially improve the surplus situation. The Secretary of Agriculture was directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He was directed to report to Congress within 90 days on this important matter. He was directed to make a similar study and report on the matter of establishing strategic stockpiles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He was directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long staple cotton specifically.

Third. The soil bank would not increase farm income—this year or any other. Because farmers would receive at the most only their anticipated net income from acres placed in the acreage reserve, their gross income would be substantially curtailed by participation in the soil bank. This would be reflected in sales of fertilizer, farm machinery, gasoline, and other supplies to farmers.

Fourth. The President refers to the problem created by the diversion into other crops of acreage removed from basic-commodity production by allotment programs. He has vetoed the bill which sought to do something about this serious problem by authorizing a program for feed grains and a more effective program for corn, but he has made no suggestion as to what he now proposes to do about this problem.

Fifth. The President says production would be stimulated by the support levels provided in H. R. 12. With the control programs in effect on all basic crops, it is difficult to follow his reasoning at this point. Production of the basic crops is regulated by acreage allotments—not by price levels. In this connection I must reiterate that H. R. 12 offers, for the first time, a program for actually reducing the production of feed grains—which is rapidly becoming one of our serious agricultural problems. In the absence of H. R. 12 there is no such program for feed grains and production will run rampant and uncontrolled.

Sixth. The President devotes four paragraphs to a condemnation of dual parity and says that its establishment in H. R. 12 could "destroy the parity concept itself". Strangely enough, dual parity has been in effect since enactment of the Agricultural Act of 1949 without destroying the parity concept. Modernized parity was recognized when it was adopted as inequitable to the basic commodities and requiring such a sharp drop in support prices as to be economically impossible. Dual parity was, therefore, provided in the Agricultural Act of 1949 and has been in operation every year since then except 1955.

Seventh. In condemning the provisions for feed grains in H. R. 12, the President says that these provisions would result in a shrinking market for feed grains—presumably because these grains would be supported at a somewhat higher price. It is difficult to follow the President's reasoning in this respect since the statistics of the Department of Agriculture show exactly to the contrary—that consumption of feed grains is at least as high and usually higher, when the price is higher. The reason for this is that the price of livestock is closely related to the price of feed and when livestock prices follow feed prices upward, livestock producers are more prosperous and can afford to buy more and better feed.

The following figures show the relationship I am talking about: In 1951 feed grains were 25 percent higher than they were in 1955, yet Department of Agriculture records show that livestock producers fed slightly more feed per animal unit in 1951 than they did in 1955. The same principle is exemplified in 1953. Then, feed grains were about 13 percent higher than 1955, yet consumption of feed was substantially above that estimated for 1955.

The price of livestock in those years also showed the relationship between feed grains and livestock. In 1951, with feed prices 25 percent above last year, hogs brought an average price for the year of $20 and beef cattle brought an average price of $28.70. Compare this with the livestock prices in 1955 with lower feed grain prices—the level of prices which the Secretary of Agriculture apparently finds desirable. In 1955—on an unweighted basis—hogs brought an average of $15.50, and cattle only $15.80.

Admittedly there is very little in H. R. 12 of direct benefit to livestock producers, but the vetoing of H. R. 12 and the carrying out of the kind of a program outlined by the President in his message will be one of the most serious blows the livestock industry has suffered for a long time. Every livestock producer knows that when feed prices are low and feed is in surplus livestock is plentiful and prices are cheap. With their heavy capital investment, it is far better for livestock producers to pay a reasonably high price for their feed with the assurance that they will receive a correspondingly higher price for their animals. The feed grain program espoused by the President, of low level supports on unlimited production, is the worst possible news the livestock industry could hear. By increasing the support level on feed grains and at the same time requiring a 15 percent reduction in acreage, H. R. 12 would go a long way toward solving not only the feed grain problem but the financial difficulties of livestock producers.

Eighth. After devoting four paragraphs to the evils of dual parity, the President dismissed, in less than three lines of his message, the programs for rice and wheat which would put both those commodities on a sound world price basis and which have been worked out most carefully by the producers of those commodities after years of study. The rice industry has formally and almost unanimously requested the kind of program provided in H. R. 12. An important segment of the wheat industry has requested the wheat program and all wheat producers would have an opportunity to vote on it with a two-thirds majority required to put it into effect. Yet, the President says that neither rice growers nor the wheat farmers are to have this opportunity they have asked for.

Ninth. The President finds "certain provisions found in the section dealing with the dairy industry" objectionable, but he has approved supports for manufacturing milk and butterfat at precisely the levels estimated by H. R. 12. Apparently it makes a substantial difference whether prices are established by act of Congress or by action of the executive branch of the Government.

Tenth. The price level announced by the President for wheat is only 3 cents per bushel above the March 15 price and amounts to about 83.7 percent of parity.

Eleventh. The price level announced for corn is about 30 cents above the March 15 price and equivalent to about 86.2 percent of parity.

Twelfth. The price level announced for rice is only 4 cents above the March 15 price and equivalent to about 82.7 percent of parity.

Thirteenth. A separate support program for corn "not under acreage control" to be announced at an early date would hardly seem to be the kind of action to substantially discourage production of corn or greatly reduce the surplus problem. By contrast H. R. 12 has a realistic program for corn outside the commercial area.

There is too much good in the bill for the President to have vetoed it. But, he did veto it. I am not going to be too optimistic about overriding his veto. I know that he was exercising his constitutional rights and responsibilities. He had a perfect right to do what he did. Every Member of the House of Representatives has a perfect right to do what he did last Wednesday and we have the perfect right today to exercise freely our own judgment. But, it would seem to me, it would be very, very difficult for

a man who represents farmers or consumers or the industrial centers to go back home and say, "I voted against the bill that would intensify and would increase the purchasing power of agriculture so that the farmers of the Nation could purchase the things that industry produces."

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I am glad to yield to the gentleman.

Mr. McCORMACK. Did the administration make any major farm legislation recommendations last year?

Mr. COOLEY. I am glad my friend mentions that.

Mr. McCORMACK. Furthermore, will the gentleman give the history of the soil bank and what the attitude of the administration was last year.

Mr. COOLEY. Yes, I will. I appreciate the suggestion.

Before this Congress adjourned last session, I asked the Secretary of Agriculture and his associates if they had any more recommendations to make, and if any more legislation was needed. The answer was "No," but the farm situation continued to deteriorate.

Mr. Benson returned from Europe. The newspaper reporters met him at the airport and he gave out a statement to the effect, "Yes, we have some programs we are working on and the details will soon be around." Later, he flew out to Denver, and after a conference with the President, he came back. Again, he was met by the newsmen and he said, "Yes, we have a program." On October 31, I wired him and called attention to the fact that the House of Representatives by an appropriate resolution had authorized me to call our committee together at any time and at any place, and I was ready, willing, and anxious to call the committee together to receive such recommendations as he might desire to make. I told him then that time was important. We could have worked through October and November, but we received no recommendations.

When he replied to my telegram he said that the recommendations of the administration would come up in traditional fashion and would be presented to the Congress in January. January 9 arrived. The President sent up his agricultural message, but we received no executive communication from Mr. Benson transmitting a bill for our committee to consider. So we waited.

The Senate had started hearings. We did our work last session. We had other hearings this session. But when the President's message came with a nine-point program, there was not a new thought or a new suggestion in any 1 of the 9 points. All of them had been considered many times by Members of Congress and by the appropriate committees of Congress.

When Mr. Benson, when he was freed from his appearances before the Senate committee, we asked him to come before our committee, and—after some delay—he appeared on February 21. But, even then, he had no bill. I said "Mr. Secretary, where is your bill?" He looked at his associates there with him, and they had no bill.

In the meantime two bills had been introduced. Neither of them contained his recommendations in full. So I asked him, "Will you please bring to this committee next Monday, the 27th, a bill embracing all of the recommendations you have to make?"

So late on the 27th of February—7 weeks to the day after the President's message—the Secretary finally sent up a bill. On the 28th of February I wrote him a letter, after having conferred with the 37-man Agriculture Committee, and extended an invitation to him to come before our committee to discuss his bill. His reply was to the effect that because of his heavy schedule it would be impossible for him to appear before our committee for 2 weeks.

Two weeks we waited. What else could we do? We had heard the testimony of all the farm leaders and all the farmers and all of the other people who wanted to be heard. So finally, at the end of the third week, almost 3 weeks later, I wrote him another letter, and he then indicated that he was ready to come before the committee, but at that very moment the bill was ready to go to conference. Then I was faced with the proposition, should I delay the conference in order to hear Mr. Benson or should we proceed with the conference and let him submit his recommendations in writing. I decided to do the latter.

I want to comment on this conference; I have been in many conferences but I have never attended any conference like this. We extended to Mr. Benson and all of his associates an opportunity to give us the full benefit of their views and their technical advice and assistance in drafting as good a bill as we could draft. We did not have a single meeting that was not attended by officials of the Department of Agriculture. We had from 7 to 9 people there—the legal branch and the administrative branch—and they participated in our discussion. If there ever has been an open conference that was it. After every meeting the public was fully advised about the progress that had been made. I do not like the idea of having Members of Congress blamed for delaying unduly this very important measure.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. The gentleman has not, I believe, discussed the history of this soil bank. Is it not a fact that a year ago this last February two bills were introduced in our committee, one by a Republican and one by a Democrat embracing a soil bank very similar to that the President now supports? That you as chairman of our committee asked the Secretary for suggestions in regard to those bills, and in July of last year he said the bills were unworkable?

Mr. COOLEY. That is right; the gentleman is entirely correct. I do not believe the farmers of this country have any doubt about the origin of the plan. The original bills were introduced by the gentleman from Minnesota [Mr. H. Carl Andersen] on the Republican side and Fred Marshall, another distinguished Member of Congress, on the Democratic side.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. H. CARL ANDERSEN. The gentleman from Minnesota [Mr. Marshall] and I personally introduced this bill for a soil bank on February 2, 1954. A week prior to that Mr. Benson, as will be evidenced by our hearings, informed us that in his opinion the general principle was unworkable.

Mr. COOLEY. At the gentleman's request, I sent that bill, along with Fred Marshall's bill, to the Department for an official report. They kept the two bills from February until July 27, and on July 27, after a committee in the Department had studied the proposition, they wrote me a letter rejecting the bill, and said this:

> The Department recommends against the enactment of this bill.

And the letter goes on with a long report telling me why the soil-bank bill could not be made to work.

But between July and January the soil-bank idea—which was born when Mr. Andersen and Mr. Marshall introduced their bills—the soil-bank idea grew in popularity and became on January 9 the administration's farm program.

I said to begin with, and I want to repeat right now, that I believe the President now has all the authority he needs to deal with all of the problems of the soil of America. All he needs is money. I challenged the Department representatives in the committee room and I said:

> Mr. Benson, tell me what authority you want and need that you do not now have.

He looked at his associates, and at his attorney, and we had no answer.

He has broad and comprehensive authority to deal with all the problems of the soil. I would like to read them to you but time will not permit me to do so, so I will insert in the Record at this point the relevant parts of sections 1, 7 (a) and 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended:

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

An act to provide for the protection of land resources against soil erosion, and for other purposes

Be it enacted, etc., That it is hereby recognized that the wastage of soil and moisture resources on farm, grazing, and forest lands of the Nation, resulting from soil erosion, is a menace to the national welfare and that it is hereby declared to be the policy of Congress to provide permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands and relieve unemployment, and the Secretary of Agriculture, from now on, shall coordinate and direct all activities with relation to soil erosion and in order to effectuate this policy is hereby authorized, from time to time—

(1) To conduct surveys, investigations, and research relating to the character of soil erosion and the preventive measures needed, to publish the results of any such surveys, investigations, or research, to disseminate information concerning such methods, and to

> conduct demonstrational projects in areas subject to erosion by wind or water;
>
> (2) To carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land;
>
> (3) To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he may deem necessary, for the purposes of this act; and
>
> (4) To acquire lands, or rights or interests therein, by purchase, gift, condemnation, or otherwise, whenever necessary for the purposes of this act. (16 U. S. C. 590a.)
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> AGRICULTURAL CONSERVATION POLICY AND ENUMERATION OF PURPOSES
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> SEC. 7. (a) It is hereby declared to be the policy of this act also to secure, and the purposes of this act shall also include, (1) preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) diminution of exploitation and wasteful and unscientific use of national soil resources; (4) the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of waters and water courses and in aid of flood control; and (5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio. The powers conferred under sections 7 to 14 inclusive, of this act shall be used to assist voluntary action calculated to effectuate the purposes specified in this section. Such powers shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities.
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> BASIS FOR PAYMENTS AND GRANTS OF AID; LOCAL, COUNTY, AND STATE COMMITTEES; CONSERVATION MATERIALS AND SERVICES
>
> (b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent runoff, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the services of local and State committees selected as hereinafter provided. The Secretary shall designate local administrative areas as units for administration of programs under this section. No such local area shall include more than one county or parts of different counties. * * * The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of the respective committees, and to the administration, through such committees, of such programs. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-building crops and practices.
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> Notwithstanding any other provision of law, in making available conservation materials consisting of seeds, seed inoculants, fertilizers, liming and other soil-conditioning materials, trees, or plants, or in making available soil-conserving or soil-building services, to agricultural producers under this subsection, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or covering soil-conserving or soil-building services, furnished to producers, or who render services to the Secretary in delivering to producers approved conservation materials, for the carrying out, by the producers, of soil-building or soil-conserving practices approved by the Secretary. The price at which purchase orders for any conservation materials or services are filled may be limited to a fair price fixed in accordance with regulations prescribed by the Secretary.
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> Appropriations are hereby authorized for the purchase in advance of the program year for which the appropriation is made of seeds, fertilizers, lime, trees, or any other farming materials or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary in programs under this act; for the reimbursement of any Federal, State, or local government agency for fertilizers, seeds, lime, trees, or other farming materials, or any soil-terracing services, furnished by such agency; and for the payment of all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof (16 U. S. C. 590h (b)).

There is the broad authority. We have had a soil bank, I know, since 1934. In 1934 we spent $637 million on a soil bank.

Under the authority of these provisions of law, the Department of Agriculture has carried out numerous programs of similar nature to the present soil-bank proposal. One of these was described by the Secretary to the House Agricultural Committee in the following words in March 1955:

> Acreage allotment payments under the agricultural conservation program. These so-called class I or acreage allotment payments, under section 8 (b) of the act of February 29, 1936, the Soil Conservation and Domestic Allotment Act, as amended, were aimed at maintaining farm production in balance with demand. This was carried out by the establishment of individual farm acreage allotments of soil-depleting crops representing proportionate shares of national production goals. The acreage allotment payments compensated farmers, in part, for making their proportionate acreage adjustments. This item excludes the so-called class II payments for conservation practices which are shown on the statement under the function headed "Programs Primarily for Conservation of Resources." The cost of these acreage allotment payments, which were made in the period 1937 through 1944, amounted to $2,354.8 million.

Year after year this Congress, with votes on both sides of the aisle, has given to Mr. Benson tens of millions of dollars more than he has asked us to give him. He asked for $175 million for the ACP program and we gave him $250 million. All of a sudden he comes up and he wants $1,200,000,000. I am willing for him to have that. But I want the record to show that Congress has not only given Mr. Benson more money than he has requested for soil conservation programs but that he has not used all we did give him. In the past 4 years he has failed to use more than $100 million of the funds Congress has appropriated for this important purpose.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is it not a fact that a few years ago he was here with the recommendation and making an effort to cut down the very program from $250 million to $150 million?

Mr. COOLEY. Yes, the gentleman is correct; but the Congress refused to do that because we have appreciated the value of the soil program.

I remember when I first came to Congress the great speech made by that distinguished statesman, Mr. Fred Vinson, the beloved Kentuckian. He talked about the value of the topsoil of America. We have year after year spent millions of dollars and I am willing now for Mr. Benson to improve the soil, to have a soil bank, but I am not inclined to go into the committee room and to write a bill to duplicate authority he now has. He does not have authority to make 10-

year contracts. There may be a few minor things that we need to do. But the basic law is there and I challenge any lawyer in this House to read the law and tell me that my statement is inaccurate.

Let us face up to the situation. Perhaps I am not going to persuade anybody to change his mind. But let us think about our own responsibilities. The President has exercised his responsibility. Every Member of this House was elected from a great congressional district and each of us must share and bear our own responsibility. We are facing a tragic situation in the constant decline of farm income.

The President recognized that, the President said that, and I want to quote one thing and then I think I will stop. In his message to Congress on January 9, he made a statement, and these are very significant words because Mr. Benson has never used them but once and that was in the city of Paris. He never made a speech like this here. Here is what Mr. Eisenhower said:

> Today's surpluses consist of commodities produced in a volume imperatively needed in wartime.

That we know to be the truth. Why are we so greatly disturbed that we have a surplus here which has been accumulated because of programs we had in operation at a time when the men of America were on the ramparts of freedom throughout this world and bleeding and dying in behalf of the institutions of freedom.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. Inasmuch as we are going to have an extended debate, I wonder if the gentleman is reserving any time for this side?

Mr. COOLEY. I conferred with the former chairman and ranking minority member of our committee and he indicated he would like to have some time. If the gentleman from Massachusetts desires to speak, of course, I shall yield him time.

Mr. MARTIN. The gentleman from Indiana [Mr. HALLECK] would like to have some time today.

Mr. COOLEY. I will be as generous as circumstances permit.

Mr. MARTIN. That is an old story. How much time is the gentleman going to give us?

Mr. COOLEY. How much time does the gentleman from Indiana want?

Mr. HALLECK. At least 10 minutes.

Mr. MARTIN. We might take the other 20 minutes, too.

Mr. COOLEY. I cannot be that generous. I will give the gentleman 10 minutes and then see where we stand. I will yield him 10 minutes after the gentleman from Texas [Mr. POAGE] speaks.

Mr. POAGE. Mr. Speaker, certain questions have arisen in connection with this veto on which there seem to be considerable misunderstanding. In the first place, I think there is a complete misunderstanding on the part of the President as well as on the part of others as to just how we affect the production of agricultural commodities by price. The President seems to indicate that all of our troubles from an agricultural standpoint have come from what he calls "high, rigid" price supports. I think the fallacy of the President's position is perfectly clear. He simply does not understand just how a farmer must operate. The President says "Why would a farmer plant more if he knew the price were going down?" I think that is a fair question, and I think it deserves a fair answer. Farmers are just like other people. They do the best they can for their loved ones, just as city people do. Suppose you were a cotton farmer or a wheat farmer. Last year the price of cotton was 31 cents a pound or $160 a bale. Suppose you grew 10 bales of cotton. You would have a gross of $1,600 from your farm. Suppose you learned in some manner that the price next year was going to be just half that or $30 a bale. What would be your reaction? The President assumes that you would immediately cut your cotton production. Of course, he assumes you would go into something more profitable, and that would be fine except for two things. In the first place, the price of all crops is depressed. There is no profitable alternative you can go into. In the second place, as a cotton grower, you doubtless live in a one-crop area. So does the wheat grower, and so does the tobacco grower; so do all of those who grow these basic commodities. That is the reason we call them basic commodities, because they are basic to the community in which they are grown. The man who grows peanuts, although it does not amount to a great deal in the total of the Nation, is dependent upon that peanut crop, and to him peanuts are just as basic as the corn crop or the wheat crop or the cotton crop. So it is with the producers of all of these commodities. They are each basic where grown, and there is no opportunity for the farmer to turn to something else. His only recourse, to maintain the living standards of himself and family, is to grow more, not less, cotton or wheat. And, that is exactly what the farmers will do. It is what they have always done. We grew our largest cotton crop when we had a price support of 52 percent of parity.

According to General Eisenhower, we should have been importing cotton that year, but we grew over 19 million bales at 52 percent of parity. It is the failure to understand this simple economic fact which has caused so many of our people to be critical of 90 percent supports. It has been a misunderstanding that has caused so many people to make the mistake the President has made and to charge that the so-called high rigid supports have caused an accumulation of vast surpluses at a great loss to the Nation. Of course, 90 percent supports are not high and they are not rigid. They are only nine-tenths of a fair price. Would a labor union take nine-tenths of a fair wage? Would the Bell Telephone Co. accept a rate that returned only nine-tenths of a fair return? These support prices are not rigid because they are tied to parity and parity itself goes up and down; up, only if the farmer's costs have increased and down any time the farmer's costs come down.

But let us look at the record; I shall quote to you from Secretary Benson's own record, his printed record of January 31, 1956. That shows that on that date our total losses on all 6 of the basic commodities were only $522 million. This incidentally compares with a net profit on those 6 commodities of over $13 million the day General Eisenhower took office. Up until that same day we had lost about $120 million on milk and milk products in about 20 years. But as of last January our losses on milk and milk products alone stood at $958 million and the support on milk and milk products has been flexible every day of that time.

That is not a loss on high, rigid supports. That is a billion-dollar loss on a flexible commodity, more than $800 million of it occurring under President Eisenhower.

I want to take the few remaining moments that I have to call attention to what I think is an extremely important matter, in regard to the provision of this bill that the President vetoed. I refer to the control of production of feed grains. For the first time in history this Congress has given the country a bill that automatically provides for a reduction in the production of feed and feed grains. That bill, which he criticizes, has in it in plain language a provision—and it is the first time we have had it—that, in order to get supports, the growers of corn and of feed grains all over the United States must make a reduction in their production, and we offered to pay enough to encourage such a reduction.

Surely, corn has had acreage allotments for years, but never has it been subject to the marketing quotas imposed on cotton and wheat, and never has corn production been effectively controlled. In this bill we have said that if you are going to get 90 percent supports you have got to take a certain percentage of your land out and put it into the soil bank. We have said to the grain-sorghum man in Texas and in Kansas and in the Southwest area, if you are going to get the supports that we offer, you have got to reduce your acreage by 15 percent. But the President has vetoed that provision and comes back and proposes to pay those people a support price of 86 percent on corn with no effective control. He has also vetoed the requirement that the grower of feed grains must cut his acreage. He has reduced the income of the grain grower but he has, at the same time, greatly increased the flood of cheap feed which is about to drown us.

How are you going to save the great livestock industry? You cannot do it by simply going out and knocking calves in the head and chloroforming little pigs. I know and you know that we did not have 10-cent pork when we had high-priced feed grains. You have never had cheap pork, you have never had cheap beef when you had a fair price for feed. Cheap feed always brings cheap hogs.

Cheap feed brings cheap cattle. The only way you are going to help the livestock industry and raise it out of the doldrums in which it now flounders is to give us some kind of restrictions on the ever-increasing production of feed. And yet the President vetoes the only hope that this Nation has ever had to restrict in any way, in any orderly manner, our production of feed.

We came in here with a carefully worked out bill, one that kept the relationship between corn and the other feed grains fair and equitable; a bill which we had worked out in cooperation with the Department of Agriculture, because we did not just sit there in conference and draw figures out of the air. In that conference committee we had the experts from the Department of Agriculture with us to see that we kept the proper ratios between corn and other grains. We provided that the acreages of these feed crops must be reduced. That is the only way you are going to solve this great problem of too much corn, this problem of too many hogs, this problem of too much lard, of too cheap pork, and help the bankrupt farmer in Iowa and the cowman in New Mexico.

We offered you and we offer you today an opportunity to put shoes on the children throughout that great area of the United States. We offer you an opportunity to put carpets on the floors of the homes throughout the great breadbasket of America. Are you over here on my left going to say that you are so carried away with the agricultural knowledge of a great general, who never farmed a day in his life, that you are going to substitute his judgment for the judgment that you yourselves passed here just 1 week ago today? I assume that you acted in good faith and in good conscience then. I assume that you were correct when you told your constituents, 45 of you told your constituents, that you believed that you were passing a good bill for them then. Let us see how you vote today.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. Halleck].

Mr. HALLECK. Mr. Speaker, I certainly want to thank my colleague from North Carolina. Some of us had thought originally that, as he said at the outset, possibly about everything possible had been said on this matter, and there was some idea that possibly he would state the majority position and we would let it go at that. But since that route was not followed, then I think some of the things that have been said need to be clarified.

First of all, let me say this, and there is no one here to deny it: We have in Dwight D. Eisenhower a President of the United States who is respected and admired certainly as much if not more than any President in my time.

There is another thing that ought to be understood on both sides of the aisle, because I have heard many protestations since he took office that the right-hand, Democratic, side of the aisle supports the President better than we support him on our Republican side of the aisle. We are about to find out about that. So I am not at all sorry about this vote coming along on this issue or that there has been some debate.

Actually, as to any suggestion that the President does not know what is in this bill or the action that he took on the veto, I say to you people I have sat in conferences with him and he does know. I know what I am talking about, and I must say some of the rest of you do not know what you are talking about in that regard.

I have been here nearly 22 years. I will say again for President Eisenhower that he has shown more respect for constitutional processes, yes, more respect for legislative prerogatives and responsibilities, than any President we have had for a long time. We have seen evidences of that time and time again.

I listened as always with interest to the gentleman from North Carolina, and I must say if I ever heard him make a defensive speech that was it. He is trying to explain away the delay.. It would seem as I listened to him that he waits upon the administration to write the legislation but then after the administration makes suggestions, why, such suggestions are not to be heeded or followed in connection with the legislation. I do not believe you can blow hot and cold on that.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I will yield if the gentleman will give me a few more minutes.

Mr. COOLEY. I have only a minute, but I would like to make one statement.

The SPEAKER. Whether the gentleman from Indiana yields is in his hands, not in the hands of someone else. That is his business.

Mr. COOLEY. Even up to this hour Mr. Benson has not asked for the $1,200-000,000 that he wants.

Mr. HALLECK. I assume from that the gentleman means the appropriation?

Mr. COOLEY. That is right.

Mr. HALLECK. I disagree with the gentleman from North Carolina as to the statutory authority now existing in the law. I think that legislation is needed. May I say this. If you are the fathers of the soil bank plan, why did you disavow it Why do you not get busy and bring out a soil bank plan which we know will be legal and right. The country is going to watch to see what you do about that part of the program in which we are all so interested. As a matter of fact, the Republican 80th Congress did not get much help from downtown, but we wrote a farm bill, a tax bill, and the Taft-Hartley bill. We accepted our responsibility as legislators. We went ahead and wrote what we felt we should write. You passed a bobtailed farm bill last summer with 90 percent supports in it and the milk program and the brucellosis program. If you wanted a soil bank then, why did you not put it in your bill? If you wanted a two-price system on wheat, why did you not put it in the bill? If you wanted supports, why did you not put them in the bill? If you wanted dual parity, why did you not put it in the bill? It took you a long time to find out, apparently, what you wanted. Actually, that bill reposed in the other body all last fall. The President's proposal came here in January 9th. That was the nine point program. You knew then what the administration wanted, and you cannot explain the fact that more than 3 months elapsed from January 9 until the President got the bill on his desk. I know—I saw it quoted in the paper—my very dear friend, the gentleman from Texas [Mr. Poage] who is now so concerned about the farmer getting some money this summer—he was the one, if he was quoted correctly, who wanted to see to it that none of the money went to the farmers before November. I do not accuse anyone of playing politics, but I must say at times it looks to me as though there has been some pretty rank delay. Now, then, I do not know whether I understood the gentleman from North Carolina correctly or not, but if I did, I must say I have never been shocked by any statement as I was just a few moments ago when he said that the farm program is paramount to the program of peace and the problem of peace. I just do not believe that. I think the farmers of this country want this Nation kept at peace. I do not think they want their price problems solved by getting into another war. Certainly, this farm problem has been building up and all of us have been trying to do something about it. Certainly, we ought to do something about it. When you came in with this conference report, we pointed out to you that there were things in it which were completely unacceptable and which were objectionable, and we devised a motion to recommit not to take out all of the things that were objectionable, but to get them down to a bare minimum. You were told that if you did not vote for that motion to recommit, the bill would be vetoed. Then what did you do? You chose to charge headlong into a situation which you knew could not prevail. I predict right here and now that there will be a majority of Representatives who will vote to sustain the President's veto here in just a few minutes. May I say to my friends who voted for the conference report that at that time I said in debate that if the motion to recommit did not prevail, you would go back to existing law which was 75 percent, and wheat would be supported at $1.73 and likewise corn would be supported at a lesser figure. Now with reference to this matter of voting to sustain the veto. What happened? The President has moved administratively, if we had not abdicated our responsibility and authority in that regard. So the President has said that the support price on wheat will be $2 and that the support price on corn will be $1.50 and on rice $4.50. Tobacco will be supported as it is presently, and milk will be $3.25 a hundredweight and butterfat 58.6 cents. So now you have that part of it—the very thing we tried to do to clean up the bill when we had the motion to recommit. But, as I say, you would not pay any attention to our efforts then.

The President has moved administratively to improve the farm condition, and it is improving. I sold my corn the other day for $1.30. I should have held on to it. I sold my soybeans for $2.23, and they hit $2.86. That is away above parity. Hogs came back to $16. We will work this thing out if you will just help.

Now, certainly for anyone who voted for the conference report there is no inconsistency in voting to sustain the veto today. I have here the editorial comment from daily papers in my own State of Indiana. All of them call this bill a monstrosity or something worse. The United Press took a poll of farmers in Indiana. Overwhelmingly they said the President ought to veto the bill.

I have a clipping from the newswire, quoting Governor Lausche, of Ohio:

> Gov. Frank J. Lausche says it would have been shameful for President Eisenhower to have signed the farm bill.

Further:

> The President would have compromised everything noble he has stood for all of his life if he had signed the bill, which was a bad bill—

The Democratic Governor said in an interview.

> Lausche said if the President had signed the bill "he would have put himself in the role of just another common politician."
>
> The Governor said that "the legislators in Congress put everything they could in that bill to get a few votes."
>
> Lausche said that if he had been faced with the issue of signing the bill, "I would have vetoed it quicker than the President did."

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. No. If the gentleman differs with his Governor, and that is entirely possible, perhaps the gentleman from North Carolina will give him some time, but I cannot yield.

Now, here we are. The question is, Are we going to stand by what we believe is right? I know that there are Members here whose standing with me has always been high however they voted, and it always will be high. Personally, I do not charge any single Member with any lack of courage or any playing of politics. I think there can be honest differences of opinion about what is best for the country, and I respect those differences. But I know from talking with the greatest farm leaders in the country and by conversations I have had with the dirt farmers who realize we have to make some adjustments in the transition from war to peace—I know that this bill as it went to the President was not good for the farmers, and if it was not good for the farmers it could not be good for the country, and the veto should be sustained overwhelmingly.

Mr. COOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Springer].

Mr. SPRINGER. Mr. Speaker, I am sure that everyone who has had anything to do with agriculture in the House knows that I have been a strong supporter of the soil bank plan for more than 3 years. I was a supporter of this measure long before the Department of Agriculture had ever given it any consideration.

Melvin Gehlbach of Lincoln, Ill., a constituent of mine, was the originator of the soil bank plan. Members of the House Committee on Agriculture will recall that Mr. Gehlbach was the first person ever to testify before that committee about the soil bank. That testimony was first rendered in June of 1953 before the subcommittee which was having grassroots hearings at Bloomington, Ill. Ever since that day, the soil bank has been growing in the estimation of the thinkers on agriculture in this body. Eight months later, early in 1954, two bills—one by Mr. Marshall and another by Mr. H. Carl Andersen, both of Minnesota—were introduced in the House. I supported both of those bills.

I supported the present bill under consideration when it was before the House on a conference report, a week ago. I supported this legislation because I believed that the soil bank plan was the heart of that bill. The soil bank is the only plan or suggestion in the 6 years I have been in this Congress which I felt would have a real impact on agricultural surpluses in the country. This plan is an incentive method to the farmer of reducing acreage. Reduction in acreage is the only solution I can see whereby we can get a reduction in overall supply.

For the last hour I have been hearing a great deal of discussion on both sides of this bill. It seems to me too much of what has been said is essentially destructive. In these 2 minutes, I hope I can lend something constructive to this discussion.

I do not believe there is a colleague sitting in this House now who believes that the President's veto will be overridden. I voted for the bill on last Wednesday. To be consistent, I shall vote for the bill today. However, I do believe now we should begin to think where we are when this vote is finished.

The soil-bank plan is supported by 9 out of each 10 Members on both sides of the aisle. This part of the farm bill has almost unanimous support. We should begin immediately to take the heart of the present bill, the soil-bank plan, and pass it as separate legislation.

I am not interested in credit. I will be perfectly willing to yield credit to anyone in either party who will help get this needed legislation passed.

I was somewhat disappointed when my colleague, the chairman of this great committee, a few minutes ago said he believed the Secretary of Agriculture had all of the authority he needed to put a soil-bank plan into operation. I believe I am somewhat familiar with most of the legislation on farm problems. In my opinion, no country lawyer after reading all of the legislation having to do with this problem would render a decision that the Secretary of Agriculture has the authority to put into effect the kind of a soil bank which is contained in the bill under discussion. The Secretary must have the additional legislation contained in this bill or similar legislation in order to get the soil bank started.

Therefore, I hope that partisan feelings will not enter too much into further consideration of this important problem. It is true it is too late to implement the soil-bank plan in 1956. However, unless we pass such a plan this year, we cannot have it ready in time to be of assistance in 1957. This surplus problem will be with us unless we put into operation this or similar legislation. And, Mr. Chairman, I hope you will use all of your influences with the great Committee on Agriculture to get out a bill covering the soil-bank plan only on which this House can vote in 1956. I am sure you know as well as I do that such a plan would pass this House overwhelmingly.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. Abernethy].

Mr. ABERNETHY. Mr. Speaker, my distinguished colleague from Indiana [Mr. Halleck] made a few points in his speech to which I think some reply ought to be made.

He stated that the Democrats claim credit for giving the President better support than the Republicans do. I might say that on this issue Democrats have given the President better support than have Republicans, more especially if you gauge the support by our effort to help the President carry out his galloping campaign promises of 4 years ago.

In 1952, Candidate Eisenhower outbid the Democrats for the farm vote when he promised farmers 100 percent of parity. The 90-percent bid he made at Brookings, S. Dak., turned out to be not good enough for him. He upped it to 100 percent and took the farm issue right out of the campaign.

Here at least we have gone as far as we could to help the President carry out his campaign promises and at the same time stand by our own, but our good friend the gentleman from Indiana [Mr. Halleck], along with most of his Republican colleagues, have done just to the contrary. They have ignored and forgotten those promises. Unfortunately, so has the President.

The gentleman from Indiana [Mr. Halleck] indicated that the 80th Republican Congress did not get much help from the White House and the downtown departments. Well, they were not entitled to much. With Democrats not being responsible in the least for the results, the Republican 80th Congress wrote a record that immediately helped Republicans out of office at the next election. They committed suicide. Had Democrats downtown joined in, the coroner's verdict, instead of being "suicide," would have read "Murder at the hands of Democrats."

Our distinguished friend from Indiana also defended the President in his criticism of the Congress for failing to do legislatively what he, the President, is now doing administratively. Well, of all things. The President is a grown man; so is the gentleman from Indiana. Had it been possible to do these things administratively, why did he and Benson announce last early winter that they would have a new farm program ready for this session of the Congress? Why do they fuss about all of the so-called delay? Why didn't Mr. Eisenhower, who seemingly can do no wrong, make no mistakes and commit no error—why didn't he then and there take the administrative action? Why did he send a farm message to us on January 9? What has he and Secretary Benson been waiting on all this time?

He referred also to a statement issued by Governor Lausche, of Ohio, in which Lausche supports the veto. He said Mr. Lausche is a Democrat. I do not know; I have never seen Mr. Lausche. I have heard of him, and the statement which is accredited to him is not the first Republican utterance the Governor is said to have made. May I also point out that the distinguished gentleman from Indiana very carefully avoided making reference to three distinguished Republican governors from Iowa, South Dakota, and Kansas, respectively, who made a flying night ride to Washington and appealed to the President to sign the bill. They thought it was all right. And they thought enough of it to come to Washington so as to make a personal appeal in support of it. If we are to measure the correctness and merits of the bill by governors who have crossed party lines, the score is 3 to 1 in favor of the bill.

One other point. The gentleman indicated that he should have held his corn. He certainly should have. And measured by the action announced in the President's veto message, he might have done well to have held it until just before election. The President may have had the urge, acting administratively, to give corn supports another raise. It would have vote appeal, you know.

In the veto message the President announced several increases in price supports—wheat, corn, rice, manufacturing milk, and butter.

Could it be that the administration is playing a little politics? Could it be that the raises, coming after the support prices were already announced, constitute just a little political bait for the November election? I am making no charges. But it is exceeding strange that Mr. Eisenhower and Mr. Benson waited until this late date to raise these support prices. The timing seems to be unusually coincidental with the unpopular veto.

This administration had announced the support price on wheat at $1.81 per bushel, or 76 percent of parity. That was for this year, 1956; but when he sent the veto he sent along with it another bid for the wheat vote, or was it a bid? I just cannot help but feel that they became alarmed over their first announced support price of 76 percent of parity on wheat and decided the results might be fatal. Seeing the difficulty confronting them, they announced a new support price for wheat—$2 per bushel, or almost 84 percent of parity, a raise of 8 percent.

Could it be that the administration was concerned about the vote in the Wheat Belt? Why did they not stick by their guns, by their first announced support price of 76 percent of parity? Could it be that this was to temper the disappointment that would come to wheat farmers for knocking them out of 90 percent of parity and also burying the two-price program for which they and the National Grange have fought so long?

The administration had also previously set the price support on corn at 81 percent of parity. For 1956 corn. When the veto mesage came over, they tinkered with corn supports, too. I will not say absolutely they were playing politics with the Corn Belt, but it is rather strange they would fix the price, as they did some time ago, on 1956 corn at 81 percent of parity and then on vetoing the farm bill announce that corn support was going to be raised to 86.2 percent of parity. Why was this announcement tied in with the veto message? Could it be because the Republican Governor of Iowa had told Eisenhower what the political consequences would be if he vetoed the farm bill and failed to up the price support on corn? You know Iowa is a corn State. And you know there is talk of a political upheaval out there among the corn farmers. Why did not Eisenhower and Benson fix the price support on corn at 86.2 percent of parity in the beginning? Now I am not saying all of this is political, however, it looks mighty, mighty suspicious. But, of course, we are told Ike would not think of playing politics, oh, no, not at all. He is much too big for that.

Could it be that the administration after it had set the price support for 1956 on manufacturing milk became concerned about the political situation in the Dairy Belt? I am not making the charge, just throwing out the inquiry. Eisenhower and Benson had set the 1956 price support on manufacturing milk at 82 percent of parity, but when the veto message came over they raised it to 84 percent of parity. They had set the 1956 price support for butter at 78 percent of parity but when the veto message was sent over they announced that it would be raised to 81 percent of parity.

I just do not understand this sort of administrative action. Furthermore, the timing of the raises makes me rather suspicious. We all know that wheat, corn, manufacturing milk and butterfat are the substantial farm products of the Midwest and upper Midwest. We also know that some political primaries have just been held out there and that they indicate an upheaval among farmers against the administration's program. We also know that these farmers are unhappy with the original levels at which the administration set the price supports. We also know that many midwestern Republican Senators and Representatives voted for the farm bill and urged the President to sign it. We also know that 3 Republican governors from the Midwest flew into Washington and made a similar appeal to the President. Now, I ask in all seriousness, how does it happen that the increases in price supports for this particular section of the country are simultaneously announced along with and as a part of the veto message. Never before have I heard of support prices being announced by way of a veto message. They usually come directly from the office of the Secretary of Agriculture.

Is all of this political? Be your own judge.

There were two notable exceptions to this sudden increase in price supports—cotton and peanuts. Where are they grown? They are grown down in the deep South, where there are very few Republicans, thank goodness. They did nothing for cotton. Cotton farmers were written off. They did nothing for peanuts. The peanut farmers were written off. But they did not write off the Wheat Belt, they gave them a raise. They did not write off the Corn Belt, they gave them a raise. They did not write off the Dairy Belt, they gave them a raise. And although Mr. Benson had sent a letter to a Member of the other body—in an effort, I must say, to persuade Cotton Belt Senators to support his policies in which he indicated to them he would support cotton at about 87 percent of parity, yesterday he announced the support price for cotton at only 82½ percent of parity. But this is in keeping with Republican failures to go through with their promises.

Also, it is very strange indeed that this administration has waited until such a late date—later than ever before—to announce the price support on cotton. Could it be that this was intended to put a squeeze on Senators and Representatives from the deep South?

Action of the administration is a bold, barefaced discrimination against cotton. They fix price supports on wheat, corn, manufacturing milk and butter. Then when the heat is on they raise the support levels. They withhold the announcement of price support on cotton but indicate that it may be around 87 percent. Then after the fight is over they beat us over the head with the lowest support of all—82½ percent. Such discrimination I have never seen.

And for the poor lowly peanut, another crop of the deep South, they have made no announcement at all.

I just wonder what cotton and peanuts would be supported at if they were produced in the Midwest, the center of the farm revolt.

We will let the people look at the record and determine for themselves who is playing politics and where it is being played. You may think you can appease farmers of the Midwest with this slight increase in support prices. Come November you will get the verdict. It will then be the turn of my Republican friends to weep.

The discrimination of which this administration is guilty against southern cotton and peanut farmers will be felt in every Southern farm home. It will be difficult for us to bear. Already the southern cotton farmer is living in a depression. His acreage has been cut back and back and back. Now his price is to be cut and the cut is even deeper than that administered to other major commodities such as wheat, corn and milk.

But southerners have lived through other discriminations practiced against them by the Republican Party. We will make it through this, too. The going will be tough but we will make it.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COOLEY. Mr. Speaker, I yield one-half minute to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, perhaps I should say this about the great golfing Governor of Ohio who reputedly shoots a lower score than the President and who has through his opposition to adequate financing tried to ruin the school system of Ohio and who in his tenure as Governor has permitted Ohio's highways to deteriorate until they are among the worst in the Nation. Knowing him as I do, perhaps I should say in my opinion, he would have kicked the farmers of the Nation in the teeth before he teed off on the first hole; he wouldn't have waited to have a conference in the golf shop on the ninth hole.

Mr. COOLEY. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, I did not intend to say anything further but the gentleman from Indiana made some reference to certain observations of mine and I did not desire to interrupt him at that time. I want to make perfectly clear what I said a moment ago when I stated that the problems of agriculture were paramount to the problem of peace. I meant by that, and I thought everyone understood, that we are living in a very hungry world. We are complaining here in this country about the problem of plenty. Regardless of what party is directing the destinies of this Nation, we must learn something about the art of distribution. We cannot hope to live long at peace in a world that is as hungry as are many parts of the world in which we live.

I want to conclude on this price support matter by saying that it seems to me the differences now involved are more or less inconsequential in view of the magnitude of the problem with which we are dealing. The fact remains that all of this talk about price supports has been going on for the last 3 years. Even now for last year's crop 3 of the 6 basic commodities are supported at 90 percent of parity.

With reference to sugar—and there is not a pound of sugar produced in North Carolina or in my district—it is being supported by this administration at more than 98 percent of parity. Wool is being supported at 106 percent of parity. Both of these commodities are raised in Utah, Colorado, and other places out there. I am not saying that Mr. Benson's views are governed or influenced by geography, but the fact is that sugar is used in the households of America and it does not have to be supported at 98 percent of parity, yet it is. He has not advocated lowering the sugar support price. He can lower it overnight just by administrative order.

So when we sum up all this talk about price supports, it seems to me that he has not been practicing what he has been preaching for the last 3 years.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The question was taken; and there were—yeas 202, nays 211, not voting 20, as follows:

[Roll No. 27]

YEAS—202

Abbitt
Abernethy
Addonizio
Albert
Alexander
Andersen,
  H. Carl
Andrews
Anfuso
Ashmore
Aspinall
Avery
Barden
Barrett
Bass, Tenn.
Belcher
Bell
Bennett, Fla.
Berry
Blitch
Boggs
Bolling
Bonner
Bowler
Brooks, La.
Brooks, Tex.
Brown, Ga.
Buckley
Burdick
Burleson
Byrd
Byrne, Pa.
Cannon
Carlyle
Carnahan
Celler
Chatham
Chelf
Christopher
Chudoff
Colmer
Cooley
Cooper
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Dempsey
Denton
Dies
Diggs
Dingell
Dollinger
Dolliver
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Evins
Feighan
Fisher
Flood
Flynt
Forrester
Fountain
Frazier
Garmatz
Gathings
George
Gordon
Granahan
Grant
Gray
Green, Oreg.
Gregory
Griffiths
Gross
Hardy
Harris
Hays, Ark.
Hays, Ohio
Hayworth
Hoeven
Holifield
Holland
Hope
Huddleston
Hull
Ikard
Jarman
Jennings
Jensen
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Keogh
Kilgore
King, Calif.
Kirwan
Klein
Kluczynski
Knutson
Krueger
Landrum
Lanham
Lankford
LeCompte
Lesinski
Long
Lovre
McCarthy
McCormack
McDowell
McMillan
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Matthews
Metcalf
Miller, Calif.
Mills
Morrison
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Hara, Ill.
O'Konski
O'Neill
Passman
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Rabaut
Rains
Reuss
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Simpson, Ill.
Sisk
Smith, Kans.
Smith, Miss.
Spence
Springer
Steed
Sullivan
Talle
Teague, Tex.
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Vinson
Watts
Weaver
Whitten
Wickersham
Wier
Williams, Miss.
Willis
Winstead
Wright
Zablocki
Zelenko

NAYS—211

Adair
Alger
Allen, Calif.
Allen, Ill.
Andresen,
  August H.
Arends
Ashley
Auchincloss
Ayres
Bailey
Baker
Baldwin
Bass, N. H.
Bates
Baumhart
Beamer
Becker
Bennett, Mich.
Bentley
Betts
Boland
Bolton,
  Frances P.
Bolton,
  Oliver P.
Bosch
Bow
Boyle
Bray
Brown, Ohio
Brownson
Broyhill
Budge
Burnside
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chase
Chenoweth
Chiperfield
Church
Clark
Clevenger
Cole
Coon
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dawson, Utah
Delaney
Derounian
Devereux
Dixon
Dodd
Dondero
Donohue
Dorn, N. Y.
Ellsworth
Engle
Fallon
Fascell
Fenton
Fernandez
Fino
Fjare
Fogarty
Forand
Ford
Frelinghuysen
Friedel
Fulton
Gary
Gavin
Gubser
Gwinn
Hagen
Hale
Halleck
Hand
Harden
Harrison, Nebr.
Harrison, Va.
Harvey
Hébert
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hillings
Hinshaw
Hoffman, Mich.
Holmes
Holt
Holtzman
Horan
Hyde
James
Jenkins
Johansen
Jonas
Judd
Kean
Kearney
Kearns
Keating
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Laird
Lane
Latham
Lipscomb
McConnell
McCulloch
McDonough
McGregor
McIntire
McVey
Macdonald
Mack, Wash.
Mailliard
Martin
Mason
Meader
Merrow
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Minshall
Morano
Mumma
Nelson
Nicholson
Norblad
O'Brien, N. Y.
Osmers
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Powell
Prouty
Quigley
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Rhodes, Ariz.
Riehlman
Robeson, Va.
Robsion, Ky.
Rogers, Fla.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Pa.
Smith, Va.
Smith, Wis.
Staggers
Taber
Taylor
Teague, Calif.
Thomas
Thompson,
  Mich.
Thomson, Wyo.
Tollefson
Udall
Utt
Vanik
Van Pelt
Van Zandt
Velde
Vorys
Vursell
Wainwright
Westland
Wharton
Widnall
Wigglesworth
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Withrow
Wolverton
Yates
Young
Younger

NOT VOTING—20

Blatnik
Boykin
Donovan
Gamble
Gentry
Green, Pa.
Haley
Healey
Hoffman, Ill.
Hosmer
Jackson
Johnson, Calif.
Kilday
Mollohan
Morgan
O'Hara, Minn.
Scherer
Walter
Williams, N. Y.
Wolcott

So (two-thirds not having voted in the affirmative) the bill was rejected, and the veto message and bill referred to the Committee on Agriculture.

The Clerk announced the following pairs:

On this vote:

Mr. Healey and Mr. Green of Pennsylvania for, with Mr. Donovan against.

Mr. Morgan and Mr. Boykin for, with Mr. Walter against.

Until further notice:

Mr. Mollohan with Mr. O'Hara of Minnesota.

Mr. Kilday with Mr. Scherer.

Mr. Haley with Mr. Williams of New York.

Mr. Blatnik with Mr. Hosmers.

Mr. Gentry with Mr. Jackson.

The results of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

Mr. MARTIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN. I would like to inquire if the gentleman from New Jersey, Mr. OSMERS, is recorded as answering to his name. I understand his name was called and he answered on the first call.

The SPEAKER. The gentleman is not recorded.

Mr. MARTIN. He was here on the first roll call and thinking his name was recorded he left. I understand the Chair cannot do anything about it.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent that I be recorded as voting "No."

The SPEAKER. Did the gentleman vote?

Mr. OSMERS. Yes, sir. I voted "Nay."

The SPEAKER. The gentleman was present and listening and voted "Nay" when his name was called?

Mr. OSMERS. Yes, sir.

The SPEAKER. The gentleman will be recorded as voting "Nay."

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, the House has voted to sustain the veto of the President, thereby reducing the income of the farmers of America by more than $2 billion in this year, 1956.

It is easy to understand how some Members may have been misled in believing that it will be possible to enact legislation which will supplant or be substituted for the relief which was carried in H. R. 12, but unfortunately that is not the case.

As was so clearly pointed out by our chairman, the distinguished gentleman from North Carolina, the Honorable Harold D. Cooley, any money made available through a soil bank program is not new income for the farmer; it would merely replace a portion of that income taken away from and which will be denied to the farmers of America through the veto of the farm bill by President Eisenhower.

As I stated at the time of the veto, President Eisenhower has evidenced his willingness to assume the criticism that has been directed at Secretary of Agriculture Benson, and to accept the responsibility for reducing the income of the farmers of the United States by not less than $2 billion this year.

Likewise, the President's announcement of price supports on some of the basic commodities at not less than 82½ percent of parity will not have the effect of reducing production and will not have one iota of effect on reducing surpluses, but will only have the effect of reducing the income of farmers. This reduction of income to the farmers will likewise be felt throughout the economy of the entire Nation.

With all of this talk about integrity, principles and people, and if you please honesty, it reminds me of the "Honest John" character who was always going about bragging about his honesty and his principles in the hope that it would direct attention from his questionable reputation and his everyday activities.

With all of his platitudes about his concern for the farmers of America, President Eisenhower has never explained, to my satisfaction, how he squares his actions throughout the last 3 years with his pre-election statement made at Brookings, S. Dak., when he said:

> The Republican Party is pledged to the sustaining of the 90 percent price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100-percent parity, with the guarantee in the price supports of 90.

I have time and time again called attention to the promise made to members of our House Committee on Agriculture by Secretary Benson that politics would have no part in the administration of the ASC program, yet he has stubbornly and consistently refused to demand that the program in Missouri be administered honestly, fairly, and legally. He has condoned the rewriting of regulations to permit the payment of salaries to office managers who had been fired by farmer-elected county committees who have been stripped of any authority which they may have had for administering the programs at the county level.

While he concurred in the report of the Department of Agriculture which disapproved of the soil-bank program which was proposed more than a year ago, on the grounds that it was unworkable and that the estimated cost of $490 million annually was prohibitive, he now recommends a program that would admittedly cost more than a billion dollars to be distributed on an arbitrary basis, and in advance of proof of compliance. And still there are some who will contend that the President and his Secretary of Agriculture are not playing politics with the farm vote.

The arbitrary actions of the Secretary of Agriculture were further pointed up this week, when on April 17, he arbitrarily announced that the support price on the 1956 cotton crop would be 82½ percent of parity. I guess he thinks the cotton farmers of America should be most grateful to him for not setting the price at 75 percent of parity, and admittedly he could have done this. And of course the President will tell the voters in the cotton section this fall that he was good to them by asuring them support prices of 82½ percent of parity, rather than the 75 percent minimum which the collapsible price-support system would have permitted. But he may have a hard time explaining why he did not set the support at 90 percent of parity which he could just as easily have done. And do not forget this, my friends, the level of price support will not have one bit of effect on the production of cotton this year. The only effect will be on the income of the farmers who grow this crop.

And I wonder how the Secretary of Agriculture will explain his proposed deal offered in the Senate when the farm bill was up for consideration there. It is a well known fact that he was willing to guarantee price supports of no less than 87½ percent if the Senate would give him a flexible price-support bill. There is no question but what he was able to get some votes on this promise, but his promise of 87½ percent price supports for cotton in 1956 will amount to as much as the President's promise of 90 percent price supports made to the farmers of America back in the fall of 1952.

And, I wonder how the Secretary of Agriculture will try to explain his actions in waiting so long to announce the price supports for cotton in this year, 1956. He waited until a large portion of the crop was planted in the South; some has even been planted in the northernmost sections of the Cotton Belt; and plans had been completed for all planting before April 17 when this announcement was made, almost 2 months later than the announcement is ordinarily made. Will the Secretary of Agriculture have the audacity to say that politics did not enter into that announcement?

February 21, was the date that the announcement was made in 1952. In 1953 this announcement was made on February 26; March 3, 1954; and it was as early as February 23, that the announcement was made last year. Yet, during this election year the Secretary appears to have held this uncertainty over the heads of the Members of Congress as a whip to get his particular version of the farm bill passed. By his proposed "deal" he has admitted that he has the power to manipulate and to arbitarily fix the support prices, not only on cotton, but on all other basic commodities. With one stroke of the pen he has seen fit to knock $15 a bale from the price of cotton, which translated into the 14 million bale crop of this past year is well over $200 million. If he is still in the saddle I shudder to think what will happen to the cotton farmers in 1957.

SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Finance and Commerce of the Committee on Interstate and Foreign Commerce may sit today during general debate.

The SPEAKER. Is there objection?

There was no objection.

AUTHORIZING APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 474) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10387) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the vice chairman and ranking House minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. Allen]. And at this time I yield myself such time as I may require.

Mr. Speaker, as indicated by the reading of the resolution, this resolution makes in order the bill H. R. 10387.

This resolution came out of the Joint Committee on Atomic Energy unanimously and the rule was reported unanimously by the Committee on Rules. It makes the resolution in order. It is an open rule. Debate is limited to 1

hour. The bill made in order, H. R. 10387, has to do with construction by the Atomic Energy Commission.

I have no requests for time on this side.

Mr. ALLEN of Illinois. Mr. Speaker, I have no requests for time on this side, and no objection to the resolution.

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10387) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10387, with Mr. Thompson of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from North Carolina [Mr. Durham] will be recognized for 30 minutes, and the gentleman from New York [Mr. Cole] for 30 minutes.

The gentleman from North Carolina is recognized.

Mr. DURHAM. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise to speak in behalf of H. R. 10387, an original bill unanimously reported out by the Joint Committee on Atomic Energy which authorizes the appropriation of $295,495,000 for the Atomic Energy Commission to be used for construction or expansion of existing facilities or acquisition or condemnation of any real property.

As you may recall, last year was the first time that the Atomic Energy Commission was required to seek such authorization. When the original Atomic Energy Act of 1946 was revised in late 1954, a new provision of law was included requiring the Atomic Energy Commission to seek authorization for moneys to be utilized for construction or acquisition purposes. This provision is identified as section 261 of Public Law 703 and reads as follows:

> Sec. 261. Appropriation: There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

The first part of this section grants general authorization for the appropriation of money needed by the Atomic Energy Commission for operating purposes. The latter portion of the above cited section, however, specifically provides that each year authority must be sought for any moneys to be used for construction or acquisition purposes.

The initial authority last year—which became Public Law 141—established the format and general limitations upon the expenditure of such money. H. R. 10387, now before us, follows the identical pattern.

Section 101 contains a list of the projects identified by numbers. This section is broken down into general categories which relate to major programs being carried on by the Commission. It is further subdivided for purposes of setting specific limitations under which the various projects may be started when the deviation is at variance from the estimate originally prepared by the Atomic Energy Commission.

In section 102 these deviations are detailed.

Section 103 authorizes the Atomic Energy Commission to use funds currently or otherwise available to it for such purposes for advance planning, construction, design, and architectural services it deems necessary but which are not otherwise authorized by law.

Section 104 of the bill authorizes the appropriations of funds necessary to restore or replace plants or facilities destroyed or otherwise seriously damaged. In addition the Commission is authorized to use such funds as may be currently or otherwise available to it under these emergency conditions.

Section 105 of the bill authorizes the Commission to utilize not only the moneys authorized to be appropriated in section 101 of this bill but also any other funds which may be currently available to it for accomplishing the purposes of this bill.

Section 106 authorizes the Commission under certain specific procedures to substitute within the limits of money authorized by this bill a new project, the estimate for which is not contained in this bill.

The Joint Committee on Atomic Energy, through its Subcommittee on Legislation, has held detailed hearings on the projects identified in this bill and is satisfied that these items are essential to the national defense and to the furtherance of the civilian application of atomic energy.

Inasmuch as the gentleman from California who is chairman of the subcommittee which held the hearings on this matter is completely familiar with the details of these projects, I would therefore ask him to give a more detailed discussion of the bill and answer such questions as the Members may desire to ask.

Mr. DURHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. Holifield].

Mr. HOLIFIELD. Mr. Chairman, we have before us today H. R. 10387, a bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

This bill was reported out by the Joint Committee on Atomic Energy in conformance with its statutory responsibility under section 261 of Public Law 703.

The Committee, through its duly appointed Subcommittee on Legislation, heard testimony from the Atomic Energy Commission in defense of each of the individual items set forth in this bill, the total of which amounts to $295,495,000.

You will note that this bill authorizes the appropriation of moneys to be used for construction and acquisition purposes only. The AEC request for operating expenses for fiscal year 1957 is now before the House Appropriations Committee for consideration. It is therefore a matter of some urgency that this bill, H. R. 10387, receive early floor action in order that both the Commission's operating budget and construction budget requests be considered by the House Appropriations Committee simultaneously.

The bill as reported out carried language under section 102 which strictly defines the latitude the agency has in expending this money. This is identical in every respect with the provisions of the similar bill reported out for the first time last year and which became Public Law 141.

The Committee is familiar with the programs for which this money is intended to be spent and based on its knowledge thereof concurs in such expenditures. It is the Committee's judgment that these programs are essential to the national defense and to the rapid exploitation of atomic energy for peaceful uses.

Perhaps a brief general description of what the AEC proposes to use the money for which this bill authorizes would be in order. Out of the overall $295,495,000, to be authorized, $113 million is to be used for the construction of new and urgently needed facilities to further reactor development. Aside from the weapons program, this is probably the most important responsibility the Commission has. It therefore proposes to continue at the present high rate the devlopment of specialized reactors for both military and peacetime uses. For example, research in nuclear propulsion of aircraft has advanced to the point where the Commission is in urgent need of new and more extensive facilities at its Arco testing station for the advanced testing of nuclear propulsion systems for aircraft. It will be unnecessary to acquire any more land for this construction program.

The next general category is authorization for $70.6 million to be utilized for the construction and additions to existing weapons fabricating facilities. This construction is urgently needed to meet not only the increasing rate at which weapons are being manufactured, but also to permit the production of new types of weapons as they are proven in.

The next largest item is $57 million which the Commission plans to expend for improvements to existing fissionable material production facilities. The committee deems this to be a proper expenditure since for a relatively small sum of money as related to the value of the existing facilities, the efficiency and production rate can be enhanced rapidly and significantly. These improvements in efficiency and production can be brought about sooner and at less cost than would be the case if the Commission undertook to construct completely new facilities.

The Commission plans to expend $28.6 million for construction purposes to further its physical research program. Into this category falls the construction of newer particle accelerators, a highly important research tool essential to more profound studies of the nature and behavior of the atom.

Three million two hundred and thirty-five thousand dollars will be expended in the Commission's raw materials program. Of this amount, $400,000 is for the construction of a new central analytical laboratory which will analyze the uranium ore bought by the Commission. This is an essential function to assure the proper payment for the uranium content of the ore. The balance in an amount of $2,800,000, is for the construction of approximately 200 miles of new access roads and improvements on 106 miles of old roads in the Colorado Plateau area. These roads are necessary for the continued development of highly productive mines which have been located at distances from main highways. This program of construction of access roads has been in effect for several years and is handled in behalf of the Commission by the United States Bureau of Public Roads.

Four hundred thousand dollars will be expended for miscellaneous small construction items necessary to the futherance of the AEC's program on medicine and biology.

Five hundred and fifty-four thousand dollars will be expended for community construction projects. This item consists of two projects: $359,000 to develop a new residential site at Los Alamos Laboratory where employees of that important research center may acquire home sites and construct their own homes; the other project is $195,000 for the construction of new elementary school rooms. These rooms will be added to existing school buildings at Los Alamos.

One million one hundred and seventeen thousand dollars, carried under the administrative construction program consist of $600,000 to convert barracks at the Sandia Base in New Mexico into office space, and $517,000 to renovate a building for the AEC's technical information service at Oak Ridge.

Finally, $21 million is carried as a miscellaneous construction fund. This money is generally divided among the various AEC operations offices. This amount of money is for miscellaneous small improvements, additions, and unanticipated small construction projects which might occur during the fiscal year.

You will note that, as in the past, the joint committee and its authorized subcommittee considered this bill primarily from a programatic basis. Although H. R. 10387 indicates specific sums of money, the final determination will, of course, be made by the Appropriations Committees of both Houses. What we of the joint committee propose by means of this bill is to indicate that after a thorough review of the Commission's plan for the coming fiscal year, these items and these estimates of money appear to be reasonable and it is our considered opinion that the facilities are essential to a continuation of the Commission's program, both for national defense purposes and for peaceful applications.

Mr. WICKERSHAM. Mr. Chairman, will the gentlemen yield?

Mr. HOLIFIELD. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. Mr. Chairman, I should like to compliment the gentleman from California on his statement.

Mr. COLE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the report accompanying this bill and the statements just submitted to the House by the two distinguished gentlemen, members of the joint committee, the gentleman from North Carolina [Mr. DURHAM] and the gentleman from California [Mr. HOLIFIELD], very thoroughly cover the provisions of the bill with respect to its details, and I have no desire to be repetitious. I do think it might be of interest, however, to point out that the amount contained in this bill in comparison with a similar bill of last year is but slightly higher. That is occasioned principally I think by reason of a very sizable item in connection with the development of an airplane propelled by nuclear energy. So that for all practical purposes, the construction authorization, the plant construction and acquisition for the fiscal year 1957 is substantially the same as it was in 1956.

The question might be raised why it is, after a period of a decade of continuous expansion of the atomic-energy program, that we must expect each year that there will be further expansions in construction of various types of plants. It is inevitable in this program, I think, that as we learn more and more about the nonmilitary uses of atomic energy, we must expect a transition of construction requirements to occur by reason of the demand and the need for nonmilitary installations.

The amount contained in this bill for weapons, purely and exclusively weapons production is very, very slight, as the weapons production has continued apace. In recent years due to the very marked expansion of 3 or 4 years ago, of course, it was necessary to acquire additional land and build storage sites to accommodate the new weapons. But for the purpose of weapons production expansion there is little if any money in this program.

A large segment of the authorization in this bill is for the production of special nuclear materials. That does not necessarily mean that the special nuclear materials have for their purpose inclusion in the production or fabrication of weapons, because the same material that goes into a weapon may also be used to fuel an atomic furnace, an atomic reactor. Another large segment of the bill is for the development of reactors which have no military significance, no weapons significance whatever. So as we look to the future I think we should prepare to expect that as the years go along the Atomic Energy Commission will require additional funds for plant construction and plant expansion, but we can anticipate that the greater emphasis from here on out will be placed on meeting the needs to satisfy the nonmilitary program of the Atomic Energy Commission rather than the military program.

Mr. Chairman, I have no further requests for time.

Mr. DURHAM. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated to the Atomic Energy Commission the sum of $295,495,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

(a) Special nuclear materials:

1. Project 57-a-1, additional feed-materials plant, $22,200,000.

2. Project 57-a-2, improvements to reactor instrumentation, Hanford, Wash., $8 million.

3. Project 57-a-3, improved high level waste handling system, Savannah River, $5 million.

4. Project 57-a-4, reactor facility safety improvements, Hanford, Wash., $5 million.

5. Project 57-a-5, additional waste disposal system, Hanford, Wash., $5 million.

6. Project 57-a-6, charging and discharging system, Hanford, Wash., $3,450,000.

7. Project 57-a-7, modifications to existing production facilities for increased efficiency and safety, Hanford, Wash., $3 million.

8. Project 57-a-8, chemical processing facility, St. Louis, Mo., $1,600,000.

9. Project 57-a-9, barrier plant automation, Oak Ridge, Tenn., $1,400,000.

10. Project 57-a-10, reactor temperature test installation, Hanford, Wash., $900,000.

11. Project 57-a-11, improvements to reactor cooling water effluent system, Hanford, Wash., $550,000.

12. Project 57-a-12, fuel element heat-treating plant, Pernald, Ohio, $500,000.

13. Project 57-a-13, renovation of service plant, Oak Ridge, Tenn., $450,000.

(b) Atomic weapons:

1. Project 57-b-1, area 5 expansion $20,900,000.

2. Project 57-b-2, weapons assembly plant, $15 million.

3. Project 57-b-3, weapons production and development plant, $15 million.

4. Project 57-b-4, weapons development and engineering facilities, Livermore, Calif., $10 million.

5. Project 57-b-5, storage site modifications, $2 million.

(c) Reactor development:

1. Project 57-c-1, aircraft nuclear propulsion ground test plant, area No. 2, Idaho, $55 million.

2. Project 57-c-2, research and development test plant, $15,900,000.

3. Project 57-c-3, modifications and expansion of aircraft nuclear propulsion ground test facilities, area No. 1, Idaho, $15 million.

4. Project 57-c-4, small submarine reactor test facility, $10 million.

5. Project 57-c-5, expended core handling and service plant, National Reactor Testing Station, $4,750,000.

6. Project 57-c-6, food irradiation facility, $3 million.

7. Project 57-c-7, project Sherwood plant, $2 million.

8. Project 57-C-8, Argonne low power reactor facility, $1,225,000.

9. Project 57-C-9, materials testing reactor hot cell extension, National Reactor Testing Station, $310,000.

(d) Physical research:

1. Project 57-d-1, high energy accelerator, $15 million.

2. Project 57-d-2, bevatron research plant, University of California Radiation Laboratory, $1,084,000.

3. Project 57-d-3, 48-inch heavy particle cyclotron, Oak Ridge National Laboratory, $459,000.

4. Project 57-d-4, conversion of accelerator design building, University of California Radiation Laboratory, $300,000.

(e) Raw materials:

1. Project 57-e-1, analytical laboratory addition, Grand Junction, Colo., $362,000.

(f) Atomic weapons:

1. Project 57-f-1, metallurgy laboratory, Livermore, Calif., $2,270,000.

2. Project 57-f-2, base construction, Pacific proving ground, $1,569,000.

3. Project 57-f-3, high explosive and weaponizing plant, Livermore, Calif., $1,100,000.

4. Project 57-f-4, installation of 115 kilovolt tie line, Los Alamos, N. Mex., $1 million.

5. Project 57-f-5, base construction, Nevada test site, $543,000.

6. Project 57-f-6, manufacturing support plant, Kansas City, Mo., $444,000.

7. Project 57-f-7, warehouse, Sandia, $308,000.

8. Project 57-f-8, mechanical shop additions, Livermore, Calif., $300,000.

9. Project 57-f-9, programing building, Livermore, Calif., $180,000.

(g) Reactor development:

1. Project 57-g-1, addition to electrical power system, National Reactor Testing Station, $3,800,000.

2. Project 57-g-2, chemistry cave for radioactive materials, Argonne National Laboratory, $800,000.

3. Project 57-g-3, transient housing, Argonne National Laboratory, $533,000.

4. Project 57-g-4, materials testing reactor maintenance shop, National Reactor Testing Station, $235,000.

(h) Physical research:

1. Project 57-h-1, permanent research buildings, Oak Ridge National Laboratory, $5,780,000.

2. Project 57-h-2, physics building, Brookhaven National Laboratory, $2,140,000.

3. Project 57-h-3, engineering building, Brookhaven National Laboratory, $1,879,000.

4. Project 57-h-4, engineering service building, University of California Radiation Laboratory, $1,080,000.

5. Project 57-h-5, cosmotron target area, Brookhaven National Laboratory, $350,000.

6. Project 57-h-6, 18-inch cyclotron building, Brookhaven National Laboratory, $300,000.

7. Project 57-h-7, addition to heavy ion accelerator building, University of California Radiation Laboratory, $200,000.

(i) Biology and medicine:

1. Project 57-i-1, reclamation plant and hot laundry, Brookhaven National Laboratory, $400,000.

(j) Community:

1. Project 57-j-1, real-estate development program, Los Alamos, New Mexico, $359,000.

2. Project 57-j-2, elementary-school classrooms, Los Alamos, New Mexico, $195,000.

(k) Administrative:

1. Project 57-k-1, conversion of barracks for Albuquerque Operations Office headquarters, Sandia Base, Albuquerque, N. Mex., $600,000.

2. Project 57-k-2, renovation of building for technical information services, Oak Ridge, Tenn., $517,000.

(l) Raw materials:

1. Project 57-L-1, off-site access roads, $2,873,000.

(m) Reactor development:

1. Project 57-m-1, purchase of Bettis Field property, $400,000.

(n) General plant projects: $21 million.

LIMITATIONS

SEC. 102. (a) The Commission is authorized to start any project set forth in subsections 101 (a) through 101 (d) only if the currently estimated cost of that project does not exceed by more than 25 percent the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (e) through 101 (k) only if the currently estimated cost of that project does not exceed by more than 10 percent the estimated cost set forth for that project.

(c) The Commission is authorized to start the project set forth in subsection 101 (L) and (m) only if the currently estimated cost of the project does not exceed the estimated cost set forth for that project.

(d) The Commission is authorized to start a project under subsection 101 (n) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

3. The total cost of all projects undertaken under subsection 101 (n) shall not exceed the estimated cost set forth in that subsection by more than 10 percent.

SEC. 103. There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. Funds authorized to be appropriated or otherwise made available by this act may be used to start any other new project for which an estimate was not included in this act if it be a substitute for a project authorized in subsections 101 (a), 101 (b), or 101 (f), and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the project is essential to the common defense and security; and

(b) the new project is required by changes in weapon characteristics or weapon logistic operations;

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

Mr. DURHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DURHAM: On page 1, line 3, strike out "That there" and insert "SEC. 101. There".

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. ALBERT, having assumed the chair, Mr. THOMPSON of Texas, the Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 10387) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, pursuant to House Resolution 474, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that Members may have 5 legislative days to extend their remarks on the bill H. R. 10387.

The SPEAKER pro tempore [Mr. ALBERT]. Without objection, it is so ordered.

There was no objection.

EXAMINATION OF NATIONAL BANKS

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 429) providing for the consideration of S. 1188, a bill to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks. After general debate which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. BOLLING. I yield.

Mr. PATMAN. I opposed this bill in the committee and I expect to oppose it on the floor, if I can get time from the committee chairman. I would like to have at least 10 minutes. I think surely that is a reasonable and modest request. Unless I can get that time, I would like the gentleman to yield me time on the rule.

Mr. BOLLING. The gentleman will be glad to yield the gentleman time on the rule, but I had understood the gentleman from Kentucky was prepared to yield the gentleman 10 minutes.

Mr. PATMAN. If the gentleman from Kentucky will do that, it will be all right.

Mr. SPENCE. I will yield the gentlemen 10 minutes, if other members of the committee do not need the time.

Mr. PATMAN. The gentleman from Kentucky says "if." Will the gentleman from Missouri yield me 5 minutes?

Mr. BOLLING. If the gentleman will permit me, I would like to complete my statement first.

Mr. Speaker, House Resolution 429 makes in order consideration of the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks.

The resolution provides for an open rule and 1 hour of general debate on the bill.

S. 1188 makes three changes in the present Federal law governing the examinations of national banks by the Comptroller of the Currency.

The first would permit the Comptroller to waive 1 of the 2 examinations required each year, but this waiver could not be exercised more often than once every 2 years. It is not proposed to waive one examination in all cases, but to adjust examination schedules to permit the examining staff to make more thorough examinations in banks that appear to require greater supervision.

The second change would permit the Comptroller to assess all national banks for examination services on a yearly basis regardless of whether 1 or 2 examinations are made. The assessments will continue to be based on the assets of the banks, but would be billed in installments.

The third change provides that the charges for the examinations of the trust departments of national and district banks shall be based on the cost of making the examinations rather than the amount of trust assets under administration since there is no standardization of practice in respect to carrying the value of trust assets.

The Comptroller of the Currency and the Chairman of the Federal Deposit Insurance Corporation are in favor of these changes in the present law.

Mr. ALLEN of Illinois. Mr. Speaker, it is my understanding that the Committee on Rules reported out unanimously not only House Resolution 429 but two other rules, House Resolutions 430 and 431.

Mr. Speaker, I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

TO AMEND SECTION 5146 OF THE REVISED STATUTES, RELATING TO QUALIFICATIONS OF DIRECTORS OF NATIONAL BANKING ASSOCIATION3

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 430 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. Allen]. At this time I yield myself such time as I may require.

Mr. Speaker, House Resolution 430 makes in order consideration of the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations. The resolution provides for an open rule and 1 hour of general debate on the bill.

Present law requires that at least three-fourths of the directors of national banking associations must have resided in the State, Territory, or district in which the associations are located, or within 50 miles of the offices for at least 1 year immediately preceding their election as directors, and three-fourths of the directors must continue to maintain such residence during their terms in office.

S. 1736 would reduce the number of directors subject to the residence requirements from three-fourths to two-thirds. The number of directors of a national bank may not be less than 5 nor more than 25. Therefore, on most bank boards only 1 director position would be affected and on no board would more than 2 be affected.

The other change would increase the 50-mile residence limitation to 100 miles.

Federal law in these respects is more restrictive than that of many of the States and this bill will give national banks a wider range of selection of their directors.

The Comptroller of the Currency and the Chairman of the Federal Deposit Insurance Corporation are in favor of this legislation.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield.

Mr. PATMAN. Unless I can get time from the chairman of the committee, I would like to have some time on the rule.

Mr. SPENCE. I will give the gentleman 10 minutes on each bill.

Mr. PATMAN. That is very satisfactory.

Mr. ALLEN of Illinois. Mr. Speaker, it is my understanding that the Committee on Banking and Currency reported this bill unanimously. I reserve the balance of my time.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. PATMAN. It was not reported unanimously. I opposed the bill and I expect to oppose it here.

Mr. ALLEN of Illinois. Is the gentleman the only one opposing the bill?

Mr. PATMAN. No. I understand there are others who will oppose it.

Mr. ALLEN of Illinois. I am glad the gentleman corrected me.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Albert). The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

TO AMEND SECTION 14 (b) OF THE FEDERAL RESERVE ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 431 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9285) to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Bolling] is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. Allen].

Mr. Speaker, House Resolution 431 makes in order consideration of the bill, H. R. 9285. House Resolution 431 provides for an open rule and 1 hour of general debate on the bill.

H. R. 9285 will extend until June 30, 1958, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amount not to exceed $5 billion outstanding at any one time.

This direct borrowing authority permits the Treasury to carry smaller cash balances than it would otherwise feel obliged to maintain in order to meet its day to day needs. It is useful in minimizing the disturbing effects on the economy of short-run peaks in the Treasury cash receipts and disbursements, particularly around the time of quarterly income tax payments. It is also a safeguard that could be used in the event of any sudden nationwide emergency requiring heavy cash payments from the Treasury before securities could be sold.

The proposed extension is given for 2 years only as the Banking and Currency Committee feels that such a power should be brought before the Congress for periodic review.

Mr. ALLEN of Illinois. Mr. Speaker, I know of no objection to the rule and have no requests for time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

VIRGIN ISLANDS NATIONAL PARK

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the House Resolution 442, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5299) to authorize the establishment of the Virgin Islands National Park, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, the resolution provides for an open rule and 1 hour of debate on the bill.

The proposed park would be located on a portion of St. John and St. Thomas Islands, in the Virgin Islands, and would cover 9,500 acres. Mr. Laurence S. Rockefeller has already acquired over 5,000 acres for donation to the Government for the park, and the remainder of the park area would be acquired with funds to be donated. It is estimated that an initial investment of $120,000 by the Government would be needed and approximately $60,000 would be required annually for operation and maintenance.

The Virgin Islands Legislature adopted a resolution expressing its approval of the establishment of the park, stating in the resolution that the park would stimulate tourist trade and preserve historic sites and plant life.

I urge the adoption of House Resolution 442 so the House may proceed to the consideration of H. R. 5299.

Mr. ALLEN of Illinois. Mr. Speaker, I know of no one opposed to the rule, although it is my understanding there is some opposition to the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXAMINATION OF NATIONAL BANKS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1188, with Mr. Preston in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. Spence] will be recognized for 30 minutes and the gentleman from Iowa [Mr. Talle] for 30 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a Senate bill that was passed by the Senate, as I understand it, without objection and without very much debate. It was referred to the Committee on Banking and Currency of the House. The Comptroller of the Currency and the Federal Deposit Insurance Corporation asked that it be considered. We heard the Comptroller of the Currency and the Chairman of the Board of the Federal Deposit Insurance Corporation and the American Bankers Association, all of whom were in favor of the bill. We considered the bill very carefully.

Mr. Chairman, it seems to me that the bill should not be viewed with alarm. It merely provides that the law in regard to the examination of banks, which calls for 4 examinations every 2 years, shall be so amended that the Comptroller of the Currency may waive one of these examinations. The argument was put forth that some of the banks were in such condition that it is not necessary to examine them 4 times every 2 years and, therefore, it would give the examining body greater opportunity to discharge its duties more satisfactorily and that body would have time to apply its energies to matters where they were most needed. I cannot see anything fundamentally wrong, or anything to cause us any alarm.

The bill provides also that the banks will pay for the 4 examinations every 2 years whether they are made or not. So there will be no pressure to waive an examination in order to save the cost of the examination fee.

The bill also changes the method of determining the charge for examination of trust departments. Heretofore the examinations were charged for on the basis of assets. Under this bill the banks will pay the actual cost of the examinations.

Mr. Chairman, the changes, it seems to me, are not so fundamental or material that they should excite any alarm. As a matter of fact, I thought the bill would be placed on the Consent Calendar and be passed without much debate.

This is not my bill, but I feel that when the administration, whether it is my administration or an administration of a political party to which I do not belong, presents a matter, I should bring it before the Congress immediately for consideration. I ask for your consideration of this bill. I can see no harm in it. The people who are most vitally interested in the administration of the matter want it. The Comptroller of the Currency and the Federal Deposit Insurance Corporation as well as the American Bankers Association are all in favor of it.

Mr. TALLE. Mr. Chairman, the distinguished chairman of the Committee on Banking and Currency, the gentleman from Kentucky [Mr. Spence], has correctly stated the facts relating to this legislation. I most assuredly agree with him that this is a simple bill. There is nothing in it that could be considered earthshaking. It might well have been put on the Consent Calendar, except for the fact that in committee a request was made that a rule be asked for, and that was done.

May I, Mr. Chairman, emphasize one point that is important in this bill. The Comptroller of the Currency has found that it is not easy to develop and to keep an efficient corps of examiners. In view of the fact that this bill proposes that over a 2-year period there may be 3 examinations of some banks instead of 4, the Comptroller will have some latitude and he will be able to make better use of his work force. That is a telling argument and a very strong one in support of the bill.

Mr. Chairman, I see no reason for my taking more time. I do, however, reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Patman].

LOOKS INNOCENT BUT VERY DANGEROUS

Mr. PATMAN. Mr. Chairman, this bill seems to contain a very innocent proposal, something that you would normally not object to at all. I can see some serious objections to it myself.

No. 1: Under present law the banks are examined 4 times every 2 years. They must pay for those examinations. Under this proposal the Comptroller of the Currency may, in his discretion, reduce that number of certain banks to 3 every 2 years; in other words, it will be making first- and second-class banks out of the banks of the country. How will the bankers in your home town feel when the banks there are examined 4 times and the banks in the adjoining town, through a favor of the Comptroller of the Currency, are only examined 3 times, or 1 less? Some people will probably say, "Why? Does that mean that our bank is under suspicion? Why should our bank be a second-class bank? Why should we not have a first-class bank like the other town?" The truth is we should not change this law; we should keep it like it is and keep all the banks on the same plane. Now, if you allow the Comptroller of the Currency to favor certain banks, that is a great advantage to these banks. What kind of supervision will the Congress have over them? The Congress will have no supervision over them. Congress will not even know the favors that are being granted.

NO AUDIT

May I invite your attention to this fact? And I especially ask the chairman of the committee to listen to this. The Comptroller of the Currency is not audited by the General Accounting Office or by the Comptroller General. Now, if the office of the Comptroller of the Currency was audited and investigated by the Comptroller General, then you would have a good argument for this bill, maybe. In the event of abuses, they would be pointed out by the Comptroller General. But the office of the Comptroller of the Currency is not audited by the General Accounting Office. Therefore it will be all in secret and any favors could be granted secretly; no supervision, no way to find it it out; exempt from the Comptroller General, exempt from the General Accounting Office. Secret deals could be made. I am not saying they will be made. I have confidence in the present Comptroller of the Currency. I think he is a fine, honest, honorable man. I do not anticipate anything wrong being done or attempted to be done by him. It is not that. It is the possibility.

One of the basic things first agreed upon in the writing of our Constitution was that this shall be a government of laws and not a government of men. That was when the Articles of Confederation had failed and they had to write a new Constitution. And in writing that new Constitution they agreed upon certain basic principles. One of the first of those was that this shall be a government of laws and not a government of men.

Now here you are changing that. Here you have a good law that applies to all banks alike, all of them first-class banks; none of them second-class banks. You are changing that law and giving a man the power—a man-made law—to make the law and the rules and the regulations. You are getting away from that basic principle that this shall be a government of laws and not a government of men.

So it is wrong. This bill should not pass. There is no reason for it except to discriminate against certain banks and allow gross favoritism to others. You hear it said every day that if there has ever been a time when there should be close supervision of banks it is now. Instead of having fewer examinations, we should have more examinations. Let me tell you the reason for my statement. The Federal Deposit Insurance Corporation Act is one of the finest laws ever passed. It helped the banks, it helped the depositors, it helped the entire country. We were all for it. At first we had an assessment larger than now which the banks paid. The object of that small assessment was to accumulate a fund sufficient to represent a good reserve, a reserve sufficient to justify insurance of all the deposits in all the banks in the country. After we established that assessment, the banks commenced to complain about it, saying that it was too much. In 1934 we had a fund in FDIC equal to $2.02 per $100 of liability which seems awfully small, $2.02 for each $100 of insurance liability. The banks complained about the assessments until we started to reduce it, and now it is only $1.41 for each $100 of liability. That seems pretty small. And if you include all deposits it comes to only 77 cents for each $100 of the banks deposit liability.

Who is behind the FDIC? The other day a special train came to Washington. Each one of the delegates had a big badge and when he came in contact with a Member of Congress he would say, "Repeal all these socialistic laws. Repeal every law under which the Government is in business. We want the Government to get out of business. We do not want the Government supporting any business. We are against that. Repeal them all. It is socialism."

Understand, I am for the FDIC. I think it is a great thing. I would not change it if it were within my power. I might make the assessment a little bit larger for awhile to build up a sufficient reserve, or it is possible I would conclude the present reserve is sufficient. But it is a wonderful thing. And what I am saying is not in criticism of it but in answer to these people who are always saying, "Repeal these socialistic laws." If you applied their standard of socialism to the FDIC, it would be one of the most socialistic laws upon our statute books because the Government is absolutely supporting it, backing it.

I asked each witness, Mr. Martin, Chairman of the Federal Reserve; Mr. Gidney, and the rest of them, "What is behind the guarantee of bank deposits?"

"The Government of the United States."

That is what is behind it. That little 77 cents or the $1.41 does not amount to anything. It is the Government behind it. So if you are going to repeal socialistic laws, according to the standards that are given to us of the Government's supporting some business, this law would be the first to be repealed. But nobody wants it repealed. I do not even claim it is socialistic. My statement is to warn certain people not to use the charge too loosely.

This is not a time to let your guard down, this is a time to put your guard up. This is not a time to have fewer examinations, this is a time to have all examinations required by law and maybe more.

We do not want the same thing to happen that happened in this country one time in 1932 and 1933. Contrary to reports that all banks did not close, every bank in the United States closed its doors March 3, 1933. Every bank in America was closed.

There were over 30,000 banks at that time, and a lot of them did not open. A lot of them were consolidated and merged. Today we have only 14,000 banks, that is all; 14,000 banks. We ought to have a lot more than that. I know good communities that ought to have a bank that do not have a bank. Now is not the time to let our guard down, now is the time to hold it up. Now is not the time to say that we do not need as many examinations, now is the time to say we need them all. Let us keep our eyes on these banks, not that they are dishonest, for they are not. The banks have done a wonderful job. I am for our capitalistic system, which is the finest and greatest system on earth. I am also for the private banking system which is allowed to operate at a satisfactory profit.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. McVey], a member of the committee.

Mr. McVEY. Mr. Chairman, I arise to the support of S. 1188, a bill relating to the examination of national banks. S. 1188 is being introduced at the request of the Treasury Department. It has also been approved by the Board of Directors of the Federal Reserve System and the Federal Deposit Insurance Corporation. The present method of examining national banks is sometimes a waste of effort and an unnecessary expense on the part of national banks, since regulations provide that all national banks will be examined twice each year.

S. 1188 will make 3 important changes regarding the examination of national banks. The first change would permit the Comptroller, in his discretion, to waive 1 of the 2 examinations required each year, but this waiving of 1 examination could not be done more often than once every 2 years. If an examination is waived by the Comptroller, the result will be 3 examinations in a 2-year period instead of the present 4 examinations. Such an arrangement enables the Comptroller to use his examining personnel to a greater advantage. One difficulty in the present arrangement rests with the fact that a national bank in sound condition, which has been favored with the best of management personnel over a period of years, may be subjected to a second examination soon after the first one has been completed. This second examination is a waste of time and money on the part of the Federal Government.

A second change would permit the Comptroller to assess all national banks for examination services on a yearly basis regardless of whether 1 or 2 examinations are made. These assessments will be based upon the assets of banks, and such institutions will be billed on an installment basis. At the present time assessments are made payable by the banks at the conclusion of an examination. It is to the advantage of the Comptroller to have the receipt of these funds spread over the year and payable on the installment basis. It is felt that in this way he will be in best position to meet the cost of examinations and other expenses as they occur.

The third change would permit the Comptroller to assess national banks for the cost of an examination for a fee adequate to cover the actual cost thereof. The present law provides that the expense of examining trust deposits shall be assessed against the banks examined in proportion to the total assets. There appears to be no standardization of the practice of banks in respect to carrying the value of the trust assets, and this situation has made the present method of assessing institutions impractical. Under the proposed legislation, the fee would be based upon the actual cost to the Comptroller's Office of making the trust examination.

Since S. 1188 has been approved by the Treasury Department, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, it would seem that in the light of its merits and the approval of these agencies it should receive the support of the House of Representatives.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, S. 1188 was introduced at the request of the Treasury Department. It has passed the Senate and was reported from the House Banking and Currency Committee almost unanimously. It would amend certain provisions of the present law—Revised Statutes 5240, title 12 United States Code, page 881. Under that statute the Comptroller of the Currency is required to examine every national bank at least twice in each calendar year. Examination, of course, may be made oftener if considered necessary.

S. 1188 would provide elasticity to the present requirement by permitting the Comptroller, in his discretion, to waive one such examination in justified cases. However, examinations may not be waived with respect to a particular bank more frequently than once during any 2-year period. Thus, the minimum number of examinations during a 2-year period would be 3 rather than 4 as under the present law.

The experience gained by the Comptroller's Office over a long period of years clearly proves that two examinations is a desirable schedule for a large proportion of national banks. Nevertheless, it is apparent that the present statutory requirement is unnecessarily rigid and not conducive to the best utilization of the time and efforts of the bank examiners. It is not proposed to waive one examination in all possible cases, but rather to adjust examination schedules so as to obtain the maximum benefit from the examination work performed. A large portion of national banks would continue to be examined twice a year.

However, in the case of many adequately capitalized banks with sound asset structures and a long record of capable management of proven ability, it would be safe to omit 1 of the 4 examinations over a 2-year period. The time thus saved would permit the Comptroller's examining staff to be utilized to better advantage by making more thorough examinations generally and devoting additional time to those banks considered to require a somewhat greater than normal degree of supervision.

A change would also be made in the manner of fixing the date on which to have the assessment to cover the expense of the bank examinations. At the present time, the expense of examination of a national bank is assessed by the Comptroller upon the bank examined in proportion to its assets or resources at the date of examination. This bill would give the Comptroller discretion to make the assessment on any date he may select. In all probability, the assessments would be levied on a quarterly or semiannual basis. The annual rate of assessments would be the same for all national banks. However, banks which are examined more than twice in 1 year would also bear the expense of the special examinations in addition to their regular assessment.

The method of assessing the additional fee required for the examination of trust departments of national banks would be put on a more workable basis. The present law provides that the expense of examining trust departments shall be assessed against the banks examined in proportion to the total assets, and the total bonds or notes outstanding under corporate bond or note issues for which the banks are acting as trustees. Since there is no standardization of practice in respect to carrying the value of trust assets, this provision has proved to be impractical.

Under the proposed legislation, the fee would be based upon the actual cost to the Comptroller's Office of making the trust examination. Included in this cost would be a reasonable amount attributable to overhead expenses of the Comptroller's Office.

S. 1188 has been endorsed by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the bankers of this country speaking through their professional organization, the American Bankers Association. I believe the enactment of this measure is necessary to increase the efficiency and effectiveness of the national bank examination program and I therefore, urge a favorable vote upon it.

Mr. TALLE. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. Pelly].

Mr. PELLY. Mr. Chairman, I have always thought that when a Member is voting on a measure in which they might have an interest or some special interest, they should declare it in some way so that it might be a matter of public record. I do not know whether this particular measure will come to a record vote, but if it does, I want to state I happen to be on the boards of directors of two banks, and if there was a record vote, I would vote "present." I have never voted on any measure in which I had a special interest, either for or against, but I have always voted "present." I want to make the record clear in this case that I will not take a position on this legislation due to the fact that I have a modest interest in two small banking institutions, being on their board of directors.

Mr. TALLE. Mr. Chairman, I have no further requests for time. I reserve the remainder of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. O'Hara].

Mr. O'HARA of Illinois. Mr. Chairman, since I have been a member of the Banking and Currency Committee it has been my practice to consult the judgment of the bankers of Chicago, from which city I come, on all pending legislation concerning the regulation of banks and other matters in which those responsible for the proper conduct of banking are interested. I have felt that this is a practice in prudence since it is conceivable that the thinking of bankers in one community might not be similar to the thinking of bankers in other communities because of local customs and conditions.

When S. 1188 and S. 1736 came before our committee 2 questions arose in my mind. First, there was the question as to whether the bankers in Chicago favored the extension from a 50-mile to a 100-mile limitation of the distance of a director's residence from the location of the bank, as provided for in S. 1736. At the public hearings before our committee it was stated that the demand for this change largely came from cities in the East. There was no testimony as to the attitude of the bankers in the city from which I come.

Secondly, and more important, was the question of reducing for one classification of banks the number of national bank examinations from 4 to 3 every 2 years while in another classification of banks the inspections would continue to be 4 times in every 2 years. Under the proposal in S. 1188 an estimated 25 percent of the national banks would be examined 4 times in every 2 years and some 75 percent of the banks would be examined only 3 times every 2 years. This raised a question in my mind whether this apparent discrimination could operate to the unjustified disadvantage in the public mind of the banks in the 25 percent category.

So I wrote to all the Chicago banks for an expression of their opinion. I stated that it might be that my concern was baseless but nevertheless I thought I should bring the question to the attention of the bankers in my home city and fortify my position with the recommendations emanating from their wide experience. I did state in my letter that Mr. Gibbs Lyons, President of the National Bank Division of the American Bankers Association, had appeared before our committee in support of both measures.

All of the replies that I received being favorable to both S. 1188 and S. 1736, I gave my support to the action of the Banking and Currency Committee in reporting the bills out.

I am including in my remarks letters from the executives of banks in Chicago, neighborhood banks as well as large banks in the Loop. If there were any danger from what on the surface had appeared to me as a possible discrimination I think it a certainty the bankers who are closest to the situation in the neighborhoods as well as in the downtown area would have discerned it. All who replied to my letter are agreed that beneficial results would attend the passage of these measures and that there would be no unfavorable repercussions.

It must be borne in mind that under existing law when it is believed necessary examinations in addition to those prescribed may be ordered. This is a sufficient safeguard of banking security and stability in unusual situations. I can see no harm in reducing the number of compulsory examinations when experience has found that they are unnecessary. The letters from the Chicago bankers seem to answer the question of a possible discrimination operating to the disadvantage in the public mind of the banks more frequently investigated.

I am making this report to my colleagues of my correspondence with the bankers of my home city to show how conscientiously not only I but all the members of the Banking and Currency Committee proceeded in our consideration of this proposed legislation. I shall vote for both bills today, as I did in the committee, and I recommend their enactment into law.

Mr. Chairman, I have letters from the presidents of 17 or 18 of the larger and smaller banks in Chicago, all approving this legislation. I ask unanimous consent to revise and extend my remarks and include these letters.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. O'HARA of Illinois. The letters from the Chicago bankers follow:

Dear Congressman O'Hara: Upon returning to my desk I find your letter of February 16 which was acknowledged in my absence. I would favor the enactment of both S. 1188 and S. 1736. While I recognize your point about potential discrimination if S. 1188 should become law, I doubt very much that it would work to the disadvantage of the bank that had the full four examinations. Except perhaps in the smaller communities, the public at large is not even aware that an examination is taking place. In addition, the likelihood that the public at large would know that the law had been changed to permit 3 instead of 4 examinations every 2 years, is very remote.

It is encouraging to us in banking to have a Congressman give such careful study to legislative proposals having to do with our business.

With personal regards, I am,

Sincerely yours,

H. J. Livingston,
President, the First National Bank of Chicago.

Dear Mr. O'Hara: I am pleased to give you our thoughts on this pending legislation.

Senate bill 1181, pertaining to examination of national banks, is one which does not directly affect us as a State bank. However, it is our understanding that most banks are in favor of the American Bankers Association support of this bill. We concur in this position.

Senate bill 1736, extending a director's residence from within 50 to within 100 miles of the location of the bank, we believe is not objectionable and think you are justified in voting in favor of it.

Thank you for giving us the opportunity to express our thoughts on this legislation. We believe this is a fine policy to pursue.

Sincerely yours,

Kenneth V. Zwiener,
President, Harris Trust and Savings Bank.

Dear Sir: In the absence of our chairman of the board, Mr. Lawrence F. Stern, I am very pleased to respond to your letter of February 6, 1956, wherein you invite our comments on legislation for bills S. 1188 and S. 1736. The subjects contained in these two bills have been made a matter of discussion by the management of this bank. We believe that the passing of these bills will operate in the public interest. In the first instance, the Controller of Currency may exercise discretion and concentrate his examinations in areas which in his judgment require an added degree of supervision. Then, also, the provision to extend the limitations on the distance of a director's residence from the location of the bank is fully justified by the modern developments in the transportation industry.

We are very pleased to add our support in favor of passing this legislation.

Cordially yours,

E. W. Stevens,
Comptroller, American National Bank & Trust Co.

Dear Sir: Mr. Birdsall is away from the bank temporarily so it is my pleasure to reply to your letter of February 6. I know that Mr. Birdsall would appreciate, as I do, the opportunity to express views on pending legislation before the report of your committee is made.

As a member of the American Bankers Association, our views are expressed through them for the most part. However, we do not see any unfavorable public reaction arising from a greater number of examinations in one bank as against another because it is unlikely that a bank's customers are aware of the timing of examinations. We have always welcomed frequent examination of our bank, but we are sympathetic to the problems of the Comptroller of the Currency and we are happy to abide by the spirit of the proposed legislation.

With respect to an increase in the distance of the resident of an out-of-State director, we feel that the legislation is merited in view of the decentralization of industry and the increased speed of communication that has been achieved in the last 20 years. Undoubtedly, the problem is more acute in the larger cities of the East than it is here in the Midwest. However, the present 50-mile limit for out-of-State directors could very easily deprive Chicago banks of the services as director of very able men residing in nearby areas of either Indiana or Wisconsin.

Yours very truly,

Frederic A. Curtis,
Comptroller, Continental Illinois National Bank.

Dear Mr. O'Hara: When I was on an extended business trip your letter of February 7 seeking my views on S. 1188 and S. 1736 reached my desk. I feel the objectives of both bills are in the public interest, and accordingly endorse them.

Cordially,

J. Vincent O'Neill,
President and Chairman of the Board, Mercantile National Bank of Chicago.

Dear Mr. O'Hara: In the absence of our president, Mr. Samuel F. Hillman, I am relying to your very kind letter of February 7, 1956. We are honored that you have taken the time to communicate with us as to our position on S. 1188 and S. 1736 and we wish to compliment you for your sincere efforts to get the viewpoint on these bills from members of the bank fraternity.

We have given the question of the provision of S. 1188 due consideration and we feel that it meets with our complete approval. It has been our experience with the Office of the Comptroller of the Currency that he has consistently adopted a fair and impartial program for all national banks and we are certain that those banks which will be examined 4 times within each 2-year period will not feel any discrimination but realize that the necessity for such examination exists.

We feel that the provision providing for some banks to be examined only 3 times within a 2-year period will be of great help to the examining staff. We ourselves prefer for our own satisfaction and the protection of our customers as complete an examination as possible and we recently had the feeling that some examinations were unnecessarily brief and incomplete because of a large backlog of examinations required to be made by the examining staff in the current year. For these reasons we lend our support to this bill.

We are also in agreement with S. 1736. We have felt that the move from the large cities to suburban areas has a tendency to eliminate the selection of competent bank directors since many whom we might take under consideration have their residence beyond the 50-mile limit now provided by the law. In addition, even banks as small as ours, do business beyond our city limits and we might want to attract as a member of our directorate, a businessman living in some surrounding community who banks with us.

We therefore commend to you both of these bills and once more wish to thank you for your very kind consideration in polling our view on these matters.

Sincerely yours,

Seymour Berman,
Executive Vice President, Peoples National Bank of Chicago.

Dear Congressman: Regarding bills S. 1736 and S. 1188 now being discussed by the House Banking and Currency Committee, it is my judgment that they both have merit and are entitled to your favorable consideration.

With reference to the increasing latitude being granted the supervisory department of bank examinations, I am not apprehensive that there may be discrimination alleged by banks that may be subject to more frequent examinations. This could be a constructive factor where management of banks having an inclination to step out of bounds of good banking will be restrained from further speculative tendencies. The classification of assets reflected in the report of examinations should always be an indicator to banks as to what they may expect in the way of visits from the Department.

With reference to the bill regarding qualified directors, I see no objection to increasing the distance from which they may be drawn.

Sincerely yours,

Clarence A. Beutel,
President, the South East National Bank of Chicago.

Dear Mr. O'Hara: Mr. Arthur T. Leonard has requested that I express to you his appreciation for your considerate communication of February 6 pertaining to Senate bills 1188 and 1736.

It is our considered judgment that the discretionary authority vested in the Comptroller of the Currency under S. 1188, whereunder one examination might be waived during a 2-year period, would not operate to an unjustified disadvantage to certain national banking associations. Inasmuch as all national banks will uniformly bear the expense of 2 examinations each year, although only 1 examination may be made, and the need of the Comptroller's examiners for a sufficiency of time to conduct a thorough examination, it is our opinion that the discretionary authority is both constructive and desirable.

With respect to S. 1736, it is our opinion that the decentralization of many large industries from metropolitan centers has necessitated capable and qualified bank directors to transfer their residences to localities beyond the 50-mile area embraced in section 5146 of the Revised Statutes. Accordingly, it is our opinion that Senate bill 1736 embraces progressive legislation.

We are grateful for the opportunity provided by you to express our views on these two important matters.

Sincerely yours,

Leslie McMahon,
Vice President, City National Bank of Chicago.

Dear Congressman O'Hara: Thank you very much for writing me under date of February 7 with respect to the upcoming bills affecting banking. I am strongly in favor of both bills being passed. First, with respect to the number of examinations made yearly, the bank examiners are indeed in a better position than anyone to know what banks should be examined 1, 2, or 3 times yearly. Second, I think it would stimulate bankers to better banking to keep in the least examined class. Also, I do not think that the number of examinations is pertinent to the public for they never know whether we have 1, 2, 3 or more examinations a year. Therefore, it is my suggestion that you support this bill.

With respect to S. 1736, I would see no objection to extending the 50-mile limit to 100 miles. In this day of rapid transportation, distance is not too important, and I think some of the men who would be good material for directors have residence over 50 miles away.

Please be assured of my appreciation of your writing me in this connection.

Very truly yours,

Roswell O. Byerrum,
President, University National Bank.

My Dear Mr. O'Hara: This will acknowledge your letter of February 6 addressed to our chairman, John C. Wright, which has been referred to me for reply.

We would urge you to vote for S. 1188 reducing the number of national bank examinations from 4 to 3 in every 2 years. We do not believe the public would be mindful of the fact that some banks would be examined more frequently.

We are also in favor of S. 1736 extending the permissible distance of a director's residence from the location of his bank. We believe this tends to recognize the improved transportation facilities resulting from the growth of residential areas surrounding our metropolitan centers.

We appreciate your interest in writing us regarding these bills.

Sincerely yours,

Harold Meidell,
President, The LaSalle National Bank.

My Dear Mr. O'Hara: I am pleased to reply to your letter of February 6, addressed to Frank C. Rathje at the Chicago City Bank & Trust Co.

Mr. Rathje is on a world cruise and his associates at the other bank thought that I should answer your letter because S. 1188 is a matter that national banks are particularly concerned with.

I am sure if Mr. Rathje were here, he would advise you that bankers generally favor this bill simply because it is so difficult for the Comptroller to hire enough competent men. He should be given some leeway in the number of examinations. I am also quite sure Mr. Rathje would feel as we do that it is unlikely that the public would ever know how many times any given bank is examined during any 1 year. Since in some years every bank will be examined twice, I doubt that the customers would be aware of any difference.

We have heard very little about extending the distance of the directors' residence from 50 miles to 100 miles from the location of the bank. In talking with Gaylord A. Freeman, Jr., vice president of the First National Bank of Chicago, he expressed the opinion that the Chicago bankers would probably be in favor of this change.

We are grateful for your interest in calling this matter to Mr. Rathje's attention, but we are sorry he is unable to answer your letter personally.

Yours truly,

Harry A. Fischer,
President, the Mutual National Bank of Chicago.

Dear Barratt: Was glad to hear from you under date of February 6, with reference to Senate bills S. 1188 and S. 1736.

From your letter I can see that you have given quite a bit of thought to both these bills, especially with reference to S. 1188 with respect to the apparent discrimination that could operate to the unjustified disadvantage in the public mind of the banks in the 25-percent category. I believe that under the law it is always possible for the Comptroller to examine the bank as many times as he sees fit, if in his judgment conditions so warrant, and if the public were alert, seeing examiners around, I can well imagine that it might operate to the disadvantage of the bank. However, from a personal standpoint, I do not believe this has too much effect, and if a bank is conducted along the lines subject to criticism by the Comptroller, there are certain penalties which must be suffered. Personally, I am in favor of S. 1188 and feel that in reducing the number of inspections from 4 to 3 every 2 years, it would permit the examiners to be even more thorough than they are now in the scope of their examinations.

In connection with S. 1736, I believe this is worthy of consideration also, and would certainly approve of the substitution of the words as set forth in the amendment to section 5146.

Kindest personal regards.

Sincerely yours.

George R. Boyles,
President, Merchant's National Bank in Chicago.

Dear Congressman O'Hara: I hope that you will be able to vote for Senate bill 1188, and it is not of great importance if it is amended to require the Comptroller to make examinations 3 times in each 2 years. If the Comptroller is given discretion, I doubt if there are many hardships that arise out of his discrimination.

Section 2455 now provides that the Comptroller of the Currency shall examine every member bank at least twice in each calendar year and oftener if considered necessary. It appears that the Comptroller should not be prohibited from examining a bank if he thought it necessary to do so for the protection of the depositors.

Senate bill 1736 should be approved since we are having more and more directors living at a greater distance than 50 miles from the banks.

Sincerely yours,

Joseph R. Frey,
President, Lake Shore National Bank.

Dear Congressman: I am in receipt of your letter of February 7 in which you have enclosed copies of S. 1188 and S. 1736 being proposed legislation relating to the examination of national banks and to the qualifications of directors, and distance of residence from the location of national banks.

I think both proposals are constructive and join in their endorsement with the committee of the American Bankers Association represented by Mr. Lyons, president of the national-bank division of that association.

Answering your specific question in the second paragraph of your letter, "Could this apparent discrimination operate to the unjustified disadvantage in the public mind of the banks in the 25-percent category?" I would say no. Certainly no more than those banks which can presently be placed on the so-called special lists of examiners. Categorically, the one way to avoid extra examinations is to run a good bank, and I think the proposed legislation is sound.

Your courtesy in writing me is greatly appreciated, and I am glad to see you lending your constructive interest.

With all good wishes, I am,

Very truly yours,

D. H. Reimers,
President, The Live Stock National Bank of Chicago.

Dear Congressman: You are very kind in making available drafts of measures before the House Committee on Banking and Currency and, specifically, S. 1736. I am familiar with the intent thereof, and I appreciate very much indeed your letter soliciting my views thereon.

With respect to S. 1188, it is my judgment that this will be a very salutary thing for the banking industry. I do not feel that banks which will be examined 4 times within 2 years will be subjected to any unjustified disadvantage in the public mind. I should like to see passage of this legislation.

As to S. 1736, the extension from 50 to 100 mile limitation on the distance of a director's residence from the location of the bank is not a burning question with Chicago banks or bankers. I would be totally indifferent to the fate of this legislation.

Thanking you for affording me the opportunity of expressing my views, and with kind personal regards, I am

Cordially yours,

Peter I. Bukowski,
President, The Cosmopolitan National Bank of Chicago.

My Dear Congressman: Just returned to my desk and found your letter of February 7. It is good to have a Congressman that works with his constituents.

I think the bill on examinations is good. The reason I feel that it is, is that management in all banks are not alike. Many banks need more examinations in order to make corrections and do away with manipulations, if there are any. I think the Department is the best judge of how banks are managed and in some banks if the examiners never come in they would still run a good bank, while others have to be continually prodded to get away from reckless loaning and the practices that are not sound.

The change on bill S. 1736 limiting the number of miles the majority of the directors can live to the location of the bank, I think is good. Personally, I don't see any difference between 50 and 100 miles as long as the request for three-fourths of the directors live within the 50 or 100 mile radius, they can then have their executive meetings more frequently and once a month that distance is not too far for the majority of directors, who in most instances are executives who can take the time to attend these meetings.

Thanks again for your thoughtfulness in writing the bankers and with best wishes, I am,

Cordially yours,

Wm. V. McKinzie,
President, the Steel City National Bank.

Dear Mr. O'Hara: Your letter of February 7, 1956, with regard to Senate bill No. 1188 has been received, and I am happy to have the opportunity to express my opinion as to the desirability of empowering the Comptroller of the Currency to waive one bank examination in each 2-year period as proposed in this bill.

As a State bank examiner in Illinois 25 and more years ago, I found that some bankers disliked to have their customers know that an examination was in progress and were very sensitive on the matter of frequency of examinations. This, of course, was prior to the great depression and at a

> time when bank deposits were not federally insured. The insurance of deposits has done much to establish and maintain confidence in our banking system and about the only question ever raised today is as to whether or not a bank is a member of the Federal Deposit Insurance Corporation. Moreover, rigid supervision by State and Federal banking authorities following the depression, supplemented by examinations made on behalf of the Federal Deposit Insurance Corporation in the case of State nonmember banks, and the insistence of bank supervising authorities generally that periodic examinations be made by or in behalf of the boards of directors of all banks, have caused the public to become more accustomed to bank examiners and they are recognized as everyday citizens with a job to do and are the kind of people that we are happy to introduce to our customers during the course of an examination.
>
> The fact that two examinations are made of our bank each year by national bank examiners and that an examination by certified public accountants in behalf of our board of directors may be made between the national examiners' visits, does not arouse any curiosity or apprehension on the part of our depositors.
>
> In the final analysis, the examination of banks today can be looked upon as an almost continuous process and I do not believe that the waiving of 1 examination in each 2-year period by the Comptroller of the Currency would focus attention on those banks, which, for one reason or another, did not secure the benefit of the waiver.
>
> With regard to the second question in your letter, concerning my reaction to Senate bill 1736 which proposes to extend the limit on the distance of a director's residence from the location of the bank to 100 miles (from the present limit of 50 miles), I feel that this change, at the present time, would benefit banks in metropolitan areas on the east coast more than banks in other sections of our country. However, decentralization of population in areas such as Chicago is continuing at such a fast pace that I feel it will not be too long before the provisions of this bill will be helpful in Chicago and other centers of population throughout the country.
>
> I urge your support of both measures.
>
> Very truly yours,
>
> Paul R. Wilkinson,
> *President, National Bank of Hyde Park.*

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Multer].

Mr. MULTER. Mr. Chairman, the distinguished gentleman from Texas [Mr. Patman] has indicated some of the pitfalls that this bill presents. I would like to indicate why I think the bill should be recommitted or, if not recommitted, certainly amended.

We have a very unusual situation presented here. The Comptroller of the Currency came before our committee as did the Chairman of the FDIC and recommended the approval of this bill. Because of prior experience under similar circumstances, I asked the Chairman of the Federal Deposit Insurance Corporation whether or not this matter had ever been considered by his Board. I refer now to the Board of the Federal Deposit Insurance Corporation. As you know that Board consists of 3 persons, 2 members, one of whom is the Chairman, and the Comptroller of the Currency. Under the law, not more than two members may be of the same party.

For some years now under this administration the Board of the Federal Deposit Insurance Corporation has consisted of the Comptroller of the Currency, an appointee of this administration; the Chairman, Mr. Earl Cook, a Republican appointed by this administration; and Mr. Maple T. Harl, a Democrat.

There should be no politics involved in this and I hope there is not. I had learned previously that matters that had been referred to our committee on the letterhead of the Federal Deposit Insurance Corporation bearing the signature of the Chairman, purporting to be the action of the Corporation and its Board were in fact not the action of the Board but the action of the Chairman acting alone and without having consulted the other members of the Board and without having consulted the Democratic member of the Board.

When these two gentlemen, the Comptroller of the Currency and the Chairman of this Board, were before our committee, I asked the Chairman of the Board while he was testifying and while the Comptroller of the Currency was present, whether this recommendation which he was making was his personal recommendation or that of the Corporation.

He replied that it was that of the Corporation. I then asked him if this had been considered by his Board at a Board meeting.

He answered that it had not been formally considered, and there had been no Board action as such, but that he had informally discussed it with the members of the Board.

I then wrote a letter to Mr. Harl, the other member of the Board. I have a copy of that letter before me. It is dated January 26, 1956—after our hearings had closed, unfortunately.

I quote from my letter:

> I inquired specifically of Chairman Cook whether or not the recommendation was his personal recommendation or that of the Corporation. Mr. Cook responded that it was the expression of the Corporation. I then asked him whether or not the matter had been discussed in any Board meetings of the Federal Deposit Insurance Corporation, and he said it had not been formally discussed at Board meetings, but it had been informally discussed among the Board.
>
> Will you please advise me as to what the facts are with reference to this bill, and any discussions thereof with you formally or informally and, at the same time, whether your views are in accord or contrary to those of Mr. Cook.

I received this significant reply from Mr. Harl dated February 20, 1956:

> Replying to your recent letter in which you very thoughtfully enclosed Senate bill 1188 and asked for comments regarding same, please be advised that to the best of my knowledge the board of directors of this corporation has never taken a position regarding its merits. Likewise I have never discussed this proposed legislation with any of the other members of the board of directors.
>
> It is my personal opinion, however, as a result of several years of experience in the supervisory field, that the better the supervision the better the bank; furthermore, vigilance is the price of bank stability and solvency.

I say to this Committee that under these circumstances this bill should be recommitted or be voted down; it should not be passed. Whether or not it will eventually be adopted I do not know, but I say until those men are called before our committee and explain this discrepancy in the operation of the Federal Deposit Insurance Corporation we should not take action on this bill.

This has been the law now I believe since 1913. There is no immediacy about it; there is no economy involved here. The testimony before our committee is that there is no economy involved here.

Let us review this matter in its entirety.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

> *Be it enacted, etc.,* That the first paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 481), is amended by deleting the first sentence thereof and substituting therefor the following sentences: "The Comptroller of the Currency, with the approval of the Secretary of the Treasury, shall appoint examiners who shall examine every national bank twice in each calendar year, but the Comptroller, in the exercise of his discretion, may waive one such examination or cause such examinations to be made more frequently if considered necessary. The waiver of one such examination as above provided shall not be exercised more frequently than once during each 2-year period beginning January 1, 1955."; and by deleting from the second sentence thereof the following: ", or of any other members bank,".

With the following committee amendment:

> Page 2, line 4, strike out "each 2-year period beginning January 1, 1955" and insert "any 2-year period."

Mr. PATMAN. Mr. Chairman, I rise in opposition to the committee amendment and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, I did not have time a while ago to develop what I wanted to.

Mr. SPENCE. Mr. Chairman, I object to the extension of time.

The CHAIRMAN. The gentleman's objection comes too late.

Mr. PATMAN. Mr. Chairman, I cannot understand why the chairman of the Committee on Banking and Currency does not want all the light on this he can get.

Mr. SPENCE. I will tell the gentleman if he wants to know.

NO DEBT—NO MONEY

Mr. PATMAN. I am not yielding to the gentleman now. I might yield later.

Mr. Chairman, the capitalistic system is a fine system. It is the greatest system on earth. I believe in it, although it is the debt system. In order for people to have money under the capitalistic system they must go in debt. No debts, no money. Many people argue about the national debt and about paying it off. If you paid off any substantial part of the national debt you would have the most devastating depression we have ever experienced in our history. You must

have debt under the capitalistic system in order to have money. Therefore, the banks perform a very fine, constructive service in creating debt, and I am for that.

I am for the private banking system privately operated. We want to keep it that way. We want to keep a system that is profitable, one that enables them to make money. If they do not make money, they will not be able to stay in business or serve the public well. Therefore, I believe in a profitable private banking system. That is all right. But the point that bothers me in this particular bill is the possibility of favoritism.

The favoritism that I am afraid of is making first- and second-class banks. I do not believe we should leave that power to anyone, particularly a person who is not supervised or audited. And, the Comptroller of the Currency is not under the General Accounting Office. The books, papers, records, policies, and administrative actions of the Comptroller of the Currency are not supervised by the Comptroller General. Therefore, we should not leave this power to a person to act in his own discretion, according to his own will, his likes or dislikes. It is too much power. It is a government of men and not a government of laws. Now, you take, for instance, in the last few months we have had a lot to say about the banking system; it was about trivial matters like this that do not amount to much, here at a time when our Government bonds are going down to 92. They are right now 92. They should not be allowed to sink below par. For 10 years and longer there was a policy in this country that the Open Market Committee would support Government bonds below par. That was a good policy. It saved everybody. It protected everybody who owned bonds. There was no objection to it except from a few banks in this country, and they kept working on it until they finally got that line broken, and Government bonds commenced to go down. They went down in 1953, and then they went up. Some banks bought them low and sold them high and made a profit over the preceding year on the sale of Government securities in 1954 over 1953 of 966 percent. Did you hear that? They made a profit in 1 year by pushing the bonds down, buying them low, and holding them until they went up and selling them. They made $275 million, a few banks did, and they made a profit of 966 percent over the preceding year. The same thing is taking place now. Bonds are being forced down. They will get into sound hands when they reach the bottom, but I do not know when they will reach the bottom. The people in charge, our money masters, know and the people connected with them know. You and I do not know. But they will buy them at the right time. They will hold them until they go up. Then they wil make 966 percent again.

It is the same old racket over and over and over. Now, instead of having fewer examinations it is time when we should have more examinations. And, remember this, that when this bill becomes law, you will find out that your bank is a second-class bank, because it is required to submit to 4 examinations every 2 years, and the big banks of your State only have to submit to 3 examinations every 2 years. Therefore, the big banks are first-class banks and your bank is a second-class' bank. You will probably be asked the reason why. Of course, if we vote for this bill, we will have to say we are responsible for it; we take full responsibility, because we were told by certain people that it is a good thing for the country to allow the Comptroller of the Currency that power, and we granted him that power. Well, it is going to be a sad day for many of us when the banks in the First Congressional District of Texas that I have the honor to represent call me up and say, "Why is it that our banks are second-class banks and the banks in Dallas and Houston are first-class banks?" and when the banks down in Georgia call the distinguished gentleman, Representative Brown, who is a member of this committee, one of the finest Members we have here, a great man, and say "Why is it that our banks down here in this country district are second-class banks? Why do you not make them first-class banks?" Only the Atlanta banks are first-class banks.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Georgia. I know the gentleman would have a good explanation.

Mr. BROWN of Georgia. My reply to that would be that I was the author of the bill that required the FDIC to make examinations of national banks last year. We passed that amendment.

Mr. PATMAN. I hope that satisfies the gentleman's banks, because I certainly do not want him to get into trouble. I want him to stay here as a Member of Congress. He is a fine Member of Congress. I hope they will not hold this against him. I know that the opposition against him would not be substantial anyway. But what is going to happen down in Kentucky when they begin to call up from Chairman Spence's district and say, "What is the matter? Our banks are second-class banks. The banks in Louisville and other places are first-class banks. Why don't you keep our banks first-class? Why do we have to be in a second-class category while the banks in the big cities are first-class?"

That is the kind of thing that is hard to explain. But the chairman is good at explaining things and he will be able to explain it.

And over in Arkansas they will be calling up and asking, "Why is it that only the Little Rock banks are first-class?" Or in Tennessee, "Why is it that only the banks in Memphis and Nashville and Knoxville are first-class banks while other banks are second-class banks?"

Mr. SPENCE. Mr. Chairman, will the gentleman yield to me?

Mr. PATMAN. I am glad to yield to the gentleman.

Mr. SPENCE. The Comptroller of the Currency can have additional examinations and charge them to the bank. So it does not change his power at all.

Mr. PATMAN. The gentleman is referring to additional examinations?

Mr. SPENCE. Yes.

Mr. PATMAN. But they are still in the same class.

Mr. SPENCE. These would be additional examinations. This is merely a waiver.

Mr. PATMAN. The gentleman is making my argument. Keep them all in the same class. Keep them all first-class. Then if there are additional examinations required, as the chairman has suggested, they can be made. That is all right. That is well and good. Then we will not have second-class banks and first-class banks. Let us keep them all first-class banks. If you want to change it to 3 examinations every 2 years for all banks with the privilege of making—and they have it and they would have it anyway—of making additional examinations, that is all right if it is justified and I will not oppose it. But here you are giving the Comptroller the power to favor certain banks. And we know which ones he will favor, the big banks, because they can make a better case. But the big banks will be the first-class banks and the little banks will be the second-class banks. Let us keep them all on the same plane, 4 examinations every 2 years for all banks. And if they need additional examinations you can have them. Or if you can make a case for 3 examinations every 2 years, let us have it. I would be for it. But then all banks will be first-class banks. Then if you need additional examinations, you can get them, too. This bill should be recommitted. It should be defeated.

Mr. MULTER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, when I had the floor during general debate, the distinguished gentleman from Georgia [Mr. Brown], asked me to yield, but my time had expired. I am prepared now to yield to him if he desires to have me do so.

Mr. BROWN of Georgia. The gentleman wanted this bill recommitted to the committee. Just what reason does he have for recommitting it, just because he wanted another witness to testify?

Mr. MULTER. So that we could bring before us the members of the Board, of the Federal Deposit Insurance Corporation, and have the Chairman explain to us why he said that he had discussed this matter with the members of the Board, when another member of the Board has put in writing the statement that this bill was never discussed with him formally or informally, and to get his opinion of it on the Record, that this is not a good bill. I think it is important for the committee to get the opinion of the member who was not consulted and who should have been.

Mr. BROWN of Georgia. The FDIC was summoned to appear and the Chairman did appear. All of the Board did not appear. If the gentleman wanted anybody else to appear, all he had to do was notify the chairman. Sending the bill back to the committee will not change anything. We had all the evidence. Nobody appeared against the bill.

Mr. MULTER. Our distinguished chairman very properly addressed his communication to the Chairman of the FDIC. He came before us. He misrepresented the fact to the committee, saying that he was talking for the Corporation when he was talking for himself. Since that time the other member of the Board has advised me in writing that he was never consulted about this bill. The Chairman of the FDIC owes our committee an explanation as to why this difference of opinion, as to whether this is his personal opinion or that of his Corporation.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. SPENCE. I think it is too late to ask for an explanation now. It should have been asked for while we were hearing the bill.

The Chairman of the Board came up, after the chairman of this committee had written to him, and testified. You certainly cannot attack evidence of that kind at this late date. If you did, there would be no orderly procedure in the House. Any time somebody could get up and say some man who might have been there was not there and was not consulted. The time to have made that charge was when we were holding hearings on the bill. No such charge was made then. The other member of the Board did not make any charge. It was not proper for him to make the charge to an individual. He ought to have made the charge to the committee that he was not invited to come. We never heard from him. He is a good friend of mine, too, and I think he would not have hesitated to tell me.

Mr. MULTER. The answer to my distinguished chairman, and I hate to differ with him, is that this is the kind of investigation our Committee on Banking and Currency is charged with making. When wrongdoing occurs in any agency the legislation concerning which comes within the jurisdiction of our committee, I say it is the duty of our committee to conduct a full and thorough investigation of the matter, no matter where the complaint comes from. When a respected Government official will put in writing the fact that important legislation was not discussed with him, and the Chairman of his Board says it was, that is enough reason for us to inquire fully into the matter.

I charge that it was reprehensible conduct on the part of the Chairman of the FDIC to misrepresent the facts to us. Responsibility for such misconduct also falls on the Comptroller of the Currency, who silently sat by when the misstatement of fact was made. He, too, knew that the Chairman of FDIC had no right to pretend to be talking for that Corporation at that time. He also knows that that was not the first time the Chairman of FDIC misspoke himself.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Multer: On page 1, line 9, strike out lines 9 and 10 on page 1 and lines 1 to 7 on page 2 and insert in lieu thereof the words "three times in every 2 years."

Mr. MULTER. Mr. Chairman, this amendment would make one class of banks as against what may be first- and second-class banks if the bill is passed as reported.

The distinguished gentleman from Texas [Mr. Patman] did not dream up this expression "first-class banks." If you will read the hearings you will find the person who first used that expression with reference to these banks was the Comptroller of the Currency in trying to describe what he was trying to do by this bill.

Under the law as it exists now, they are required to make 4 examinations in 2 years. If they said, "Let us make this 3 examinations in 2 years," as the distinguished gentleman from Texas says, he has no objection to that, and I think that might be all right. But when the Comptroller of the Currency says, "I am going to continue to charge the banks for 4 examinations every 2 years, but if you give me this bill I will have the right to waive 1 examination in every 2 years as I see fit, and still continue to make the complete charge for 4 examinations," there is not only discrimination by his classifying them as first- and second-class banks but he is also making the bank that gets only 3 examinations pay for 4 examinations every 2 years. One group will pay for 4 examinations and get only 3 examinations. To one group he says, "You are not as good a bank as the bank next door. We cannot waive an examination for you because you are not as good or as strong as the other bank." That is the vice in the bill now before us.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Texas.

Mr. PATMAN. I stated I would favor three if justification were shown, but, of course, justification has not been shown for three examinations of all banks. Therefore, I hope the gentleman will not insist upon his amendment. Let us do what he has said before should be done—recommit the bill. Then, we can have hearings before the Committee on Banking and Currency. If they can show a justification for three examinations a year, and keep all banks as first-class banks, I will favor it. But, I want the justification to be shown. As it is now, it shows the opposite.

Mr. MULTER. There is not any doubt but that the gentleman is right in saying that no justification has been shown. I spent considerable time in the hearings trying to get the Deputy Comptroller and the Comptroller and the Chairman of the FDIC to tell us what standard he will use in order to determine when he will waive an examination. We know what standards he uses when he decides to have an additional examination—he has reason to believe something is wrong in the practice of the bank; the bank may be unsound or it may be making bad loans. He uses indicia such as that in his scheme of standards to decide whether to make an additional examination. What standards will he use to determine when he will waive examinations? Now, there is page after page after page of hearings, but we could get nothing from any of these distinguished gentlemen who should know this subject, and know what they are doing, particularly, with reference to the examination of banks. We could not get a word from them to indicate what standards they would use. Under this bill they will arbitrarily say to bank No. 1 in city A, "You are all right—three examinations." To the bank next door they will say: "You are no good. We are going to give you four examinations."

That is the vice of this bill as it comes to us. If you want to pass the bill at all, then let us put all of these banks on the same plane. Let us keep them on the same plane and let us give them the same rights. If you only want 3 examinations in 2 years, give all of them 3 examinations. The right, of course, will still continue in the law permitting the Comptroller or the FDIC or the Federal Reserve Board or the State superintendent of banks, if he has the authority to go in, to conduct an additional examination when they want it. But let us not say: Every bank gets 4 examinations every 2 years except, when for some unknown reason and without any standards the Comptroller of the Currency says to his favorite or his friend, "You get only three." I hope you will adopt the amendment.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, throughout the years the national banks have been examined 4 times every 2 years—that is in the law. Those who are charged with that duty believe that it will continue to be necessary to examine a large proportion of these banks twice a year. That is the way this bill was drawn. If that is their opinion and if that is their experience that 4 examinations are usually necessary and we only authorize 3 examinations, then there will be a great number of extra examinations, and if each one of those examinations is a reproach to the bank—if each extra examination will make people believe a certain bank is not as stable and as sound as the banks that have not had that examination, then this is the best amendment in the world to create a distinction between banks—a distinction which is not created by the bill as introduced, which is the result of the experience of those who have charge of this matter.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Multer].

The amendment was rejected.

The Clerk read as follows:

> Sec. 2. The third paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 482), is amended by deleting the second sentence thereof and substituting therefor the following: "The expense of the examinations herein provided for shall be assessed by the Comptroller of the Currency upon national banks in proportion to their assets or resources. The assessments may be made more frequently than annually at the discretion of the Comptroller of the Currency. The annual rate of such assessment shall be the same for all national banks, except that banks examined more frequently than twice in 1 calendar year shall, in addition, be assessed the expense of these additional examinations."

TWO CLASSES OF BANKS

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to remind the Members that if they succeed in amending this law so that first-class banks will be examined only 3 times a year and second-class banks will be examined 4 times a year, assessments will be the same. There is no difference in the money that will be provided or the assessments. It is strictly a question of allowing one person, according to his likes or dislikes, his good reasons or no reasons, to grant a special favor, or to indulge in favoritism between banks. I am not claiming that the present Comptroller of the Currency will do that. I am sure he does not have that in mind, but I can see in a case like Covington, Ky., for instance, the town represented by the distinguished chairman of this committee, a great statesman and a great chairman of the committee, if he succeeds in getting this bill passed and it becomes law, the banker at Covington will call him up and say "Why don't you get us classified 1–A, just as good as a dairy out here in the country, or like the Cincinnati banks?" The Cincinnati banks and the Louisville banks are first-class. They will say "Why can't ours be first-class?"

The chairman will be powerless to do that, because the Comptroller of the Currency is not going to be pressured into doing something. He acts according to his own good judgment.

This is a dangerous bill. It does not save anybody a penny. It does not save the Government any money. It does not save the banks any money. It does only one thing, it permits one person who has no supervision of any kind whatsoever to grant favoritism between banks, and make first-class banks out of big banks and second-class banks out of the smaller ones.

Mr. TALLE. Mr. Chairman, I rise in opposition to the pro forma amendment.

This matter of examination of national banks goes back to 1863. At that time it was agreed that some banks might need more examinations than two per year. So, if favoritism arises out of the number of examinations, the practice dates back to the origin of the National Bank Act because the provision was made then for special examinations. If there are classes of banks, they are classes which are made by the banks themselves because of the manner in which they manage their operations.

Years ago, a distinguished public servant who was Comptroller of the Currency or Deputy Comptroller for as long as 30 years wrote a book called "The Romance and Tragedy of Banking." Anyone who reads that book will find that the principal reason for the failure of banks is poor management. Human beings are not endowed with equal managerial talents. I doubt that those who oppose this bill would be able by law to guarantee the same class of management in every one of our banks. If they could do that, then there would be some point to the opposition argument. This bill does not establish any classification of banks whatever. What it does do is to conserve the time of the work force, the corps of examiners, so that they can be employed profitably where they should be employed, in the examination of some banks that need further examination because the management is less good than in other banks.

The pro forma amendment was withdrawn.

The Clerk read as follows:

> Sec. 3. The seventh paragraph of section 5240 of the Revised Statutes, as amended (12 U. S. C. 482) is deleted and there is substituted therefor the following: "In addition to the expense of examination to be assessed by the Comptroller of the Currency as heretofore provided, all national banks exercising fiduciary powers and all banks or trust companies in the District of Columbia exercising fiduciary powers shall be assessed by the Comptroller of the Currency for the examination of their fiduciary activities a fee adequate to cover the expense thereof."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Preston, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks, pursuant to House Resolution 429, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I am.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

> Mr. Patman moves to recommit the bill S. 1188 to the Committee on Banking and Currency.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. Patman) there were—ayes 3, noes 15.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

COMMITTEE ON APPROPRIATIONS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOW. Mr. Speaker, I reserve all points of order on the bill.

QUALIFICATIONS OF DIRECTORS OF NATIONAL BANKING ASSOCIATIONS

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1736, with Mr. Preston in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. Spence] will be recognized for 30 minutes and the gentleman from Iowa [Mr. Talle] for 30 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may desire.

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. SPENCE. Although this bill comes with a unanimous report from the Committee, I anticipate that there may be opposition to its passage. It has but one purpose, and that is to enlarge the territory of the residences from which directors of national banks may be drawn.

Under existing law 75 percent of the directors must live within the State or within 50 miles of the bank. The other 25 percent may live anywhere.

This bill would reduce the number of directors from three-fourths to two-thirds who must live within a prescribed distance of the bank and increase that distance from 50 to 100 miles. Under this provision banking associations might frequently be able to obtain directors who are desirable whom they otherwise could not obtain. A bank's reputation largely depends upon the character of its directors. A fine directorate gives strength and character to the bank. It is essential that banks should have directors in whom the people have confidence. Great advances in transportation and improvements in our roads have changed the character of the residence of our people. The great mansions of the rich men of generations ago have now gone into decay as these men establish their homes in the suburbs and at more distant places. It is not unusual in this age for one to live 60 or 70 miles or more from his business.

The bill was passed by the Senate without objection and without much debate. The Comptroller of the Currency wants this provision enacted in the law. The Federal Reserve is in favor of it. The American Bankers Association wants it and the banks want it. The bill is asked for by those who have had experience, and we feel that it may give strength to the banks and confidence to the patrons.

I think it is desirable to pass the bill.

Mr. TALLE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill, like the preceding bill which was just passed by the House, is a good one. It is simple; nothing earth-shaking about it. The distinguished chairman of the Committee on Banking and Currency, the gentleman from Kentucky [Mr. Spence] has stated the case correctly and well. It is an attempt to be realistic. A lot of improvement in communication and transportation has occurred since the National Bank Act was written near the middle of the last century. This bill is realistic in its outlook, and it will make for stronger bank boards of directors.

Mr. Chairman, there is great variation among the States as to residence requirements for directors of State bank boards. There are 18 States that do not have any residence requirements at all.

I think, Mr. Chairman, there is no point in my taking further time, and I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Patman].

LOOPHOLE IN BANK ANTIHOLDING COMPANY ACT

Mr. PATMAN. Mr. Chairman, this bill is another innocent-appearing bill. When the distinguished chairman of our committee devoted so much time and effort to an antiholding company bill, I was working with him 100 percent. I thought he was right, and he was right. He did a wonderful service in getting the Committee on Banking and Currency to pass an antiholding company bill which was an antiabsentee ownership of banks. That is what it was, antiabsentee ownership. And, believing in local ownership as much as possible, I was one of his principal supporters; in fact, I had introduced a bill, in years gone by, myself. It is a fine bill. All right. That bill passed the House by a good vote. It went to the Senate, and it will soon be out of the Senate, I hope.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. SPENCE. I just wanted to thank the gentleman for the kind sentiment he expressed about me in regard to the antiholding company bill. That is the first time he has been right today, I think.

Mr. PATMAN. Well, I have been right a lot of times, and the gentleman is wrong as well as right a lot of times. This is the second time the gentleman has been wrong today. This holding company bill will be out pretty soon. Think about how ridiculous we are if we put a loophole in the law before it passes. This will be a loophole in the antiholding company bill big enough for a Cadillac car to go through. It will not destroy the antiholding company bill, but it will be a big loophole in it. It is going in the opposite direction. In the antiholding company bill we are saying we are for local ownership; we are against absentee ownership of banks. This bill says a director can live as far away as 100 miles. What does that mean? That means a person can live halfway between Philadelphia and New York and be a director of New York banks and Philadelphia banks and all the important cities on the eastern coast. Instead of this being for local ownership as against absentee ownership, it is in the direction of absentee ownership. It is going in the opposite direction.

Now, I will admit this is not an earth-shaking bill, as the gentleman from Iowa mentioned a while ago; it is not, and I shall not insist on any rollcall on it or make any point of no quorum. It is not a question that is so great as that. But, it seems to me just a little bit ridiculous for us to be taking up questions like this, making loopholes in laws before they are actually enacted into law, and so small in comparison to the big problems that are before us today that are not receiving any consideration at all.

MAJOR PROBLEMS

You take, for instance, the veterans are now being forced to take a 10 percent discount on many of their mortgages that are guaranteed 100 percent by the United States Government. If there ever was a shame and a disgrace, that is one, yet we will take up our time on bills like this and not say a word about these money sharks forcing the veterans to take a 10 percent discount on mortgages guaranteed by the United States Government; just as good as United States Government bonds; going on all the time, every day. We are not turning our hands on it. Another thing: Government bonds are going down. They will soon be down to 90. Why, that is terrible. And yet here we are taking up our time on things like this and paying no attention to the other at all, letting it go. We can support those Government bonds. This Congress can require the proper authorities to do it and it would not cost the Government one penny. It would not cost anybody a penny. We could keep them at 100 percent and keep our economy sound. Yet we do not do it; we do not pay any attention to it. That is not a problem we are concerned about. We take up our time with bills like this.

Another thing: Interest rates are being arbitrarily raised. If there was ever a scandal on earth, there was one the other day. That was the unnecessary increase in interest rates. It was said that it was needed on account of the danger of inflation. Where are the dangers of inflation? They are not on the farm, not among the small-business men, not among the home builders of America. There is no inflation there. Where is it? But let us assume for the sake of argument that there are dangers of inflation. Why do we have to raise interest rates in order to deal with them? They can raise reserve requirements of banks and do exactly the same thing. But that would not raise interest rates. Why do they not do that? That poses a serious question for Congress to answer. Why should we take up our time on little things like this that do not amount to a thing in the world in the overall economy of the country and let major things like that go on?

Down in Texas we used to have a bank robbery now and then. Of course, any bank robbery is bad, but when people ride in on horseback in the middle of the day and go in and rob a bank and get away with it, the people in other towns criticize them—the local residents and businessmen—and say, "Why in the world did you let them get by with it, come in there and rob your bank in broad daylight?"

ROB US IN BROAD DAYLIGHT

But that is what we are permitting them to do here. As Members of Congress we are letting them rob us in broad daylight. We are letting them rob the veterans of 10 percent of their guaranteed mortgages. We are letting them arbitrarily raise interest rates. We are letting them force Government Bonds to go down to 90. And here we are doing nothing about it. We are just letting them rob us in broad daylight and doing nothing about it.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. The gentleman from Texas is a great student of money matters. I was wondering if he was going to make any comment on the raising of the discount rate by the Federal Reserve.

Mr. PATMAN. Yes, sir. I put a statement on that in the Record yesterday. I hope the gentleman will read it. That was cruel, absolutely unnecessary. Anyone who understands the problem at all knows that. Why should they raise interest rates? What excuse can they give? Inflation. Where is it? As I said a while ago, it is not on the farm, it is not among the small-business men; they are going broke. It is not among the home builders. Where is the inflation? That is the excuse they give. All right; let us say again, for the sake of argument, that their apprehensions and fears are justified. They do not have to raise interest rates to meet that threat of inflation. They can get the same results without raising interest rates by increasing the reserve requirements of banks.

What I deplore is the fact that we take up our time on bills like this when there are real earth-shaking problems, I will say to the gentleman, before our eyes here in broad daylight that we do not touch, say nothing about, and to which we give no consideration.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, I rise in support of S. 1736. This bill was introduced at the request of the Treasury Department to amend the residence requirement for directors of national banking associations. The present law—Revised Statute, section

5146; title 12, United States Code, section 72—requires that at least three-fourths of the directors must have resided in the State, Territory, or district in which the association is located, or within 50 miles of the association's office, for at least 1 year immediately preceding their election as directors. Furthermore, three-fourths of the directors must continue to maintain such residence during their term in office.

The present law would be changed in two respects by S. 1736. The number of directors subject to the residence requirement would be reduced from three-fourths to two-thirds and the 50-mile limitation would be increased to a 100-mile limitation. Consequently, under this bill at least two-thirds of the directors would be required to maintain a residence within the State or within 100 miles of the bank's office.

The purpose of these amendments is to give national banks a wider range in the selection of their directors. The shareholders of national banks are desirous of electing strong boards of directors and, in some instances, the present law has proven unduly restrictive. The new 100-mile limitation gives recognition to the advances in transportation that have occurred since the 50-mile limitation was adopted in 1921. Today a director residing 100 miles from the bank would be as available to discharge his duties as would a director who resided 50 miles away at the time of enactment of the present law.

I have heard of no objections to the amendments and I believe that these minor changes will be beneficial to the national banking system.

Mr. TALLE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, under the law, boards of directors of national banks must consist of not less than 5 members nor more than 25, so this proposed change in the residence requirement is genuinely minor; but it does mean something to some banks. If we will take into account the changes that have taken place here in the Washington area within the last 15 or 20 years and consider how much farther away from the Capital Members live now than formerly, we can visualize very easily why we should not restrict a bank director from living as far away from the bank as say 100 miles. This bill is realistic and should be passed.

I have no further requests for time, Mr. Chairman.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 5146 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 12, sec. 72), is amended by deleting therefrom the words "three-fourths," "fifty" and "fifty-mile," and substituting therefor the words "two-thirds," "one hundred" and "one-hundred-mile," respectively.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Preston, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1736) to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations, pursuant to House Resolution 430, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight tonight to file the 15th intermediate report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RESOLUTION ON GATT

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. Bailey] is recognized for 60 minutes.

Mr. BAILEY. Mr. Speaker, I have introduced a resolution that provides for an investigation and study by the Committee on Ways and Means of certain aspects of the General Agreement on Tariffs and Trade—GATT—and its relation to the proposed new Organization for Trade Cooperation—OTC.

At this time, Mr. Speaker, I ask unanimous consent to insert in the Record House Resolution 459.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The resolution is as follows:

House Resolution 459

Resolved, That the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of:

(1) The legislative authority for negotiations of the General Agreement on Tariffs and Trade (GATT), signed for the United States by the Department of State on October 30, 1947, in Geneva, Switzerland;

(2) The source of authority for each of the 35 articles of the same agreement (GATT), to determine—

(a) whether the Trade Agreements Act of 1934, as amended and extended, was the sole authority for the negotiation of each article, and if so

(i) what doctrine of delegation of powers from the legislative to the executive was relied upon to justify negotiation of the so-called trade rules or the substantive provisions of the agreement; while if not

(ii) what other legislative or nonlegislative sources of authority were invoked to justify negotiation of each article authority for which was not found in the Trade Agreements Act of 1934, as amended and extended;

(3) The power of self-amendment contained in article XXX of said agreement (GATT), in order to determine the extent to which the contracting parties thereof may themselves, independently of any restrictions on the powers of the proposed Organization for Trade Cooperation, amend the existing agreement toward the enlargement of its scope and jurisdiction without further reference to Congress;

(4) What barriers, if any, would approval of the articles of the proposed Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce in view of—

(a) the renunciation of import quotas under article XI of the General Agreement on Tariffs and Trade (GATT), which would be administered by said Organization;

(b) the power of self-amendment conferred upon the contracting parties of the General Agreements on Tariffs and Trade (GATT) under article XXX, referred to in paragraph (3) hereof;

(c) the practice of the contracting parties of the said general agreement to agree to the binding of tariff rates at specified levels and the freezing of items on the free list;

(5) The status of the General Agreement on Tariffs and Trade should the Organization for Trade Cooperation be established, to determine the extent to which the said general agreement could be carried out independently of any reservations attached to membership in the Organization for Trade Cooperation by any member; and the extent to which any such reservations must be compensated by concessions to other member nations and the extent to which the necessary waivers by other members permitting such reservations might be merely temporary and subject to withdrawal;

(6) The extent to which the provisions of the General Agreement on Tariffs and Trade operate toward the binding of a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties, by action of a preceding Congress or by action of the President in exercising the powers delegated to him in the Trade Agreements Act of 1934, as amended and extended, or otherwise;

(7) The extent to which the provisions of the General Agreement on Tariffs and Trade are in conflict with the provisions of sections 6 and 7 of the Trade Agreements Extension Act of 1951 (that is, the so-called escape clause); with section 8 of the same act (that is, amendment to section 22 of the Agricultural Adjustment Act); with the provisions of section 7 of the Trade Agreements Extension Act of 1955 (that is, the so-called national security provision); the American selling price and other valuation provisions of the Tariff Act of 1930; the Anti-Dumping Act; the Buy American Act; the cargo preference law (that is, the 50–50 preference for American merchant shipping); the mixing regulations of the Rubber Act of 1948; with export subsidies, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States Government toward the enforcement of these statutes;

(8) The source of the presumed or assumed power of the contracting parties of the General Agreement on Tariffs and Trade under which they have acted to grant a waiver to the United States to continue in effect import quotas on various agricultural products established under section 22 of the Agricultural Adjustment Act, including an examination of the doctrine of delegation of power by which the said contracting parties became possessed of sufficient authority to come into a position of granting such a waiver;

(9) The meaning of the stated objectives and purposes of the General Agreement on Tariffs and Trade insofar as they may conflict, upon implementation, with the constitutional authority of Congress to regulate

foreign commerce and to establish and adjust tariff rates; and the extent to which the Organization for Trade Cooperation, if established, would operate to carry into effect such objectives and purposes.

(10) The extent to which approval by the Congress of United States membership in the Organization for Trade Cooperation would ratify the General Agreement on Tariffs and Trade (GATT) and thus nullify the congressional caveat adopted in various Trade Agreements Extension Acts.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), as soon as practicable during the present Congress, the results of its investigation and study, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such records, documents, and papers, to administer oaths, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or by any member designated by such chairman, and may be served by any person designated by such chairman or member.

Mr. BAILEY. Mr. Speaker, the need for such a study became apparent during the hearings conducted by the Committee on Ways and Means during March on H. R. 5550, which is the bill that calls for United States membership in the OTC.

The question naturally arose what kind of an organization we are being asked to get into. This question could not be answered either by looking at the bill, H. R. 5550, nor by reading the articles of agreement of the Organization for Trade Cooperation.

The bill itself proposed nothing more than membership in the OTC and something about appropriations to pay a part of its expenses. Obviously that told us nothing or very little of what we needed to know. The articles of agreement on the OTC, to be sure, gave more details, but only enough to leave a gaping hole in the information that is needed.

Obviously if the United States is about to enter another international organization we who are asked to approve the step owe it to ourselves and to the people we represent to know what will be the powers of that organization and just where Congress itself will stand if we do become a member.

The resolution accordingly asks for an investigation of the legislative authority under which the State Department negotiated the General Agreement on Tariffs and Trade in 1947, since that is what the OTC would administer. It asks further that the legislative authority for negotiation of each of the 35 articles of the general agreement—GATT—be ascertained.

This information is essential for any member who seeks to vote intelligently on H. R. 5550, for two reasons:

First. The source of authority for negotiation of the general agreement—GATT—is under dispute. The State Department itself has been inconsistent in explaining the source of its authority.

In one instance—that is, before the Senate Finance Committee in 1949—it said that the President's authority did not rest solely on the Trade Agreements Act but that the President had some undefined general authority to make international trade agreements. Fifteen of the 35 articles of the general agreement—GATT—were attributed to this general authority and the remainder to the authority contained in the Trade Agreements Act.

In other instances the State Department has held that the Trade Agreements Act itself delegated ample authority to the President to enable the State Department, acting for the President, to negotiate GATT, including the substantive provisions, such as the one against the establishment and maintenance of import quotas. This was the position the Department took before the Senate Finance Committee in 1955 and before the Ways and Means Committee in 1956.

Which is the correct interpretation, if, indeed, either one of the two explanations is correct?

Many of us, on the contrary, believe that the State Department greatly exceeded its authority when it negotiated the General Agreement in Geneva 8 years ago. We believe that the State Department representatives ran wild and paid little attention to the source of their authority. They began to explain only after they were challenged by Congress. Their first explanation, already mentioned, was that more than the Trade Agreements Act was drawn upon, namely, the general authority of the President to conduct foreign affairs.

This turned out later to be too vague an explanation and not a satisfactory source of power, particularly since a Supreme Court decision on the inherent authority of the President, and the State Department shifted to the more recent position, which, to repeat, was that the Trade Agreements Act itself gave the President adequate authority. The American Bar Association, among others, does not agree with such an interpretation. It says that the OTC would be unconstitutional.

What are Members of Congress to think of such varying interpretations of the power delegated to the President?

Such questions should be answered before we are asked to vote on the OTC.

This brings us to reason No. 2 why the legislative authority to negotiate GATT should be studied thoroughly before Congress is asked to approve the OTC:

Second. Approval of the OTC would also represent approval of the general agreement, for the simple reason that the OTC would administer GATT and would be set up to give full effect to the purposes and objectives of GATT. This is set forth clearly in articles 1 and 3 of the agreement on the Organization for Trade Cooperation—OTC.

This is very important. If Congress is to approve GATT, even if only by the back door, we should know what kind of a house we are entering.

But this is not in accordance with the State Department design. If we took a good look at GATT we might not want to go into the house by either the back or the front door. That is why the State Department devised this roundabout way of getting congressional approval of GATT. It was afraid to submit GATT itself for approval.

Many of these objections came to light in the hearings before the Ways and Means Committee and that committee tried hard to meet the objections.

I am sorry to say that the amendments adopted by the committee, no matter how well-intentioned—and I believe that they were designed honestly to meet the most serious objections—nevertheless do not hit the spot. The fact is that they could not overcome the objections so long as GATT itself was not before the committee for approval or disapproval.

Paragraph 3 of the resolution calls for an investigation of the power of self-amendment contained in article XXX of GATT. There is very good reason for looking into that, as I hope you will see. That power, that is, GATT's power of self-amendment, has been exercised in the past; and in no case, let me emphasize, in no case have such amendments come to Congress for acceptance or rejection. And right here let me point out, let me make it clear beyond doubt, that nothing contained in the Ways and Means Committee amendments to the OTC bill would modify or restrict this power of GATT to amend itself.

It does no good, it does not go to the heart of the matter, to throw a halter on the OTC or to hobble its range here and there by amendments. The central reservoir of power lies in GATT, regardless of its source, and amendments to the OTC do not reach it. GATT can amend itself. Remember that. GATT can amend itself, and the OTC could not stop it. Should it do so, the OTC, once established, would simply administer the GATT in its amended form.

The committee amendments of the OTC bill do little or nothing to keep GATT itself in bounds; and we are well aware how free GATT has been in setting itself up as the supreme arbiter over our tariff and trade policies. Considering how far and how fast the State Department has moved with GATT never approved by Congress, we can only guess what notions it would put into effect if Congress approved the OTC and thus assured GATT that the reins guiding it had been relinquished into its own hands.

The ink of the President's signature approving OTC would hardly be dry before the State Department would begin to reinforce its already systematic method of ignoring Congress in matters of tariffs and trade. Congress would no longer have any hold over the regulation of our foreign commerce; only a shadow, a theory would remain, but nothing in reality. The so-called right to legislate left to us in this field would have no more substance than a cobweb; and that is exactly what would be spun around our authority and responsibility very soon after approval of the OTC.

These are some of the questions that the resolution seeks light on. These are some of the problems that loom before us in considering the OTC. There are more, many more, and still more would

soon come to light, particularly in dealing with the farm problem, if OTC were accepted. The question of disposal of farm surpluses runs squarely into our commitments under GATT. The question of establishing import quotas on farm products and keeping them in effect is also tangled up in GATT. Shall we confirm the powers of GATT without knowing what they are?

I say first let us find out how far down the river the State Department has already carried us before we extend another accession of power, much less virtually a blank check, such as OTC approval would amount to. As far as I am concerned the Department has not earned our confidence in this field. It has grabbed for power and then when challenged has turned around and claimed this power as a matter of right. Now it asks for still more power. I cannot consent to it.

This all calls for close examination. That is the purpose of the resolution. Let us stand firm in our purpose to get more information. If we fail to get the facts, we should, in the interest of our economic security and the safety of the Republic, defeat this un-American proposal.

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Speaker, I am in hearty accord with the resolution calling on the Committee on Ways and Means to conduct a full investigation and study of various aspects of the General Agreement on Tariffs and Trade, usually referred to as GATT.

The purpose of this resolution is not to call into question the competence, industry, or integrity of the Committee on Ways and Means for which I have the highest regard.

It is for the purpose of calling the attention of the House to the shortcomings of H. R. 5550 which is the bill on which the Committee on Ways and Means held hearings during the month just past and which proposes membership of the United States in the Organization for Trade Cooperation—OTC.

H. R. 5550 as introduced was a very simple bill and very short. It was amended in committee in what was no doubt an attempt to overcome some of the serious defects of the original bill as revealed in the hearings.

Unfortunately the amendments also fall short of curing the shortcomings of the bill.

For this there is a very good reason.

The bill, H. R. 5550, did not call for an examination of the long and complex and highly controversial articles of the General Agreement on Tariffs and Trade; and the committee therefore was without benefit of having before it the substance of the very thing it was asked to act upon. The difficulty of reaching a conclusive judgment on the OTC under such circumstances is not difficult to understand.

What was before the committee was a proposal for membership of the United States in an international organization. That was about all there was to it. And that is what this House will no doubt soon have before it. The question will ostensibly be, "Do we wish to join an international organization that will administer and carry out the provisions of an international agreement?"

If this sounds odd, the blame must fall on H. R. 5550.

The question is indeed made to appear quite simple. Every member should be able to make up his mind whether he wishes the United States to take out membership in an organization dedicated to the implementation of an international agreement.

It would in fact be quite simple, unless a member should make so bold as to ask, "What's in this agreement that we are asked to vote for?"

The answer to that would also seem to be simple. Congress is not being asked to vote on an agreement. It is asked simply to give its O. K. to membership in an organization that would administer and carry out a certain agreement, namely, the General Agreement on Tariffs and Trade (GATT). It is asked to vote only on the organizational features and not the substance; but in so doing would in reality be passing on the substance as well.

Unfortunately for the success of such a maneuver, some of us want to know what is in the agreement before we decide whether we want the United States to join an international body set up specifically to carry out that agreement. We do not relish giving our consent without knowing what it is that we are consenting to.

It is true that in the public hearings on H. R. 5550 many references were made to the General Agreement on Tariffs and Trade, but the committee was under no obligation to inquire into it in detail. The hearings developed a great diversity of opinion on the meaning of the OTC in its relation to GATT. For example, the American Bar Association, among others, strongly opposed H. R. 5550 on the grounds that it would be unconstitutional. Other witnesses, on the other hand, said there could be no question about its constitutionality.

The hearing probably raised more questions than it settled; and the committee adopted a number of amendments that were apparently designed to meet at least some of the objections of the opponents; but as I have said previously these amendments could not reach the heart of the matter because the Ways and Means Committee obviously could not amend the General Agreement on Tariffs and Trade, as distinguished from restrictions on our membership in the OTC itself. Nor was the committee in a position to lay down limitations to the conditions under which the United States participates in GATT as a contracting party. It could not do this, first, because the GATT was not before the committee; and, secondly, because GATT provides its own mechanism for its amendment and the Congress of the United States does not figure in that mechanism.

In other words, the Ways and Means Committee was all but acting in a vacuum, so far as doing anything to guide our participation in GATT was concerned. This was unfortunate if not deliberate because the Congress has not had an opportunity to vote approval or disapproval of GATT. This looked like a good opportunity but GATT was not brought before the Congress in H. R. 5550.

On the other hand, while the committee was thus helpless toward GATT, it was nevertheless in a position to give GATT a green light. This was the case because of the nature of the carefully designed wording of the bill. Without authorizing Congress to examine GATT, the bill, if passed, would nevertheless represent congressional approval of GATT.

This follows from the logic of the case. If we approve membership in an international organization that is set up specifically to administer and carry out a named agreement, only by tortured logic could it be held that we did not approve of the contents of the agreement. Such a course would be completely irrational and cannot be accepted as the intent of Congress.

The fact is that approval of the OTC would everywhere be construed, and properly so, as ratification of the GATT. And this would be accomplished without Congress necessarily knowing what GATT is.

That is why GATT itself should be brought before Congress; and that is what the present resolution proposes. It would give the Ways and Means Committee an opportunity to inquire, first, into the intended or probable relationship between OTC and GATT; second, into the position of Congress alongside of an approved GATT, in view of the extensive authority exercised by GATT over our tariff and trade policies; third, into the probable loss of its constitutional power to regulate foreign commerce by Congress under such circumstances and the gravitation of this authority into the hands of OTC-GATT; and fourth, into many other questions that were left dangling because of the limitations on the hearings on the OTC.

There is so much hidden in the operation of GATT, so much controversy over the powers it exercises and so much concern over its replacement of Congress as the regulator of our foreign commerce that it needs a thorough going over before we go ahead with the OTC. One of the greatest elements of danger in endorsing GATT, as we would be doing if we approved the OTC, lies in the weapon of coercion that this would place in the hands of the Executive by which a dissenting Congress could be driven into line.

Those who argue that the State Department could not coerce the Congress through the instrumentality of an international trade agreement have evidently not followed closely what has already been done under GATT. Import quotas, for example, have been renounced, except under circumstances that have only limited application to the United States.

This renunciation has given the executive a powerful weapon that can be used effectively to thwart any effort in Congress to pass contrary legislation. It would be said, as it has been said already, that Congress in legislating contrary to a trade agreement would violate our international commitments and thus defame and besmirch the good name of Uncle Sam before the world. Moreover, our friends, the free nations of the world, would be dismayed and discouraged and would become embittered over what would appear to be the irresponsibility and instability of Congress.

Such arguments, made possible only because the State Department had gone beyond its power in binding the United States to a given course of action in tariff and trade matters, could intimidate Congress in a manner that would not be possible if the State Department were prevented from venturing out of bounds in the first place.

Only by studying the various aspects of the powers delegated to the President in the Trade Agreements Act, the manner in which these powers were used by the State Department in negotiating the General Agreement on Tariffs and Trade, the interrelation between the proposed OTC and GATT, can Congress hope to deal properly with the question of whether the United States should become a member of the OTC.

I strongly urge adoption of the resolution.

Mr. Speaker, I yield to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Speaker, I wish to add my voice to that of the other Members who have preceded me in endorsing the resolution calling for a study and investigation of GATT before we are asked to vote on OTC membership as provided in H. R. 5550.

Mr. Speaker, my State, too, would be affected by our membership in the OTC. Maine has a textile industry that faces destructive import competition. It has paper mills, shoe factories, plants that make spring clothespins, sardine fisheries and canneries. It supplies lobsters and potatoes far beyond its own borders.

These are all products that experience import competition. The regulation of such competition so that these industries and their workers may carry on their operations with reasonable profits and scales of pay is of the utmost importance to them. Tariff and trade legislation affects them directly and substantially. My interest in such legislation therefore needs no further justification.

My interest in the resolution arises from its search for more information. The Ways and Means Committee held hearings on the OTC. I testified before the committee and no doubt the hearings produced much important evidence. But like many others, I do doubt whether because of the limitations on the hearings, they produced the kind of information that we need most in order to vote properly on H. R. 5550.

The defect of the hearings lay in the fact that they were addressed to the OTC and not to the core of the whole question that we must really decide, namely, the scope, the powers, the meaning and the status of GATT; but more particularly the relation of OTC-GATT to Congress, should OTC be adopted.

How far would approval of the OTC by Congress be interpreted as representing simultaneous approval of GATT? How far would approval of the OTC represent confirmation by Congress of GATT actions during the past 8 years?

How familiar is Congress with the General Agreement on Tariffs and Trade—GATT? How familiar are the Members of this body with the origin of GATT; its makeup, its trade rules, its manner of operation, its purposes and objectives, its assertion or assumption of jurisdiction over trade and tariff questions and its manner of amending itself? This could be an embarrassing question.

Since the State Department has never been under obligation to report to Congress on GATT operations and since the articles of agreement have never been submitted to Congress, it would not be surprising if the membership of this House were a little on the deficient side in their knowledge of this very important subject.

GATT has held 10 annual sessions. It has built up a somewhat voluminous record of decisions and a yet larger one on interpretations and protocols. Its tentacles of power have been extended into many areas and nooks that may not have been contemplated at the outset.

The OTC would give the members of GATT an assembly. This indicates the direction of GATT ambitions, for while the OTC is described as little more than an administrative agency to carry out the provisions of GATT, the creation of an assembly must contemplate rulemaking or amendment and modification of the present agreement. Assemblies are not usually set up as compliance machinery.

None of this is set forth in H. R. 5550, which is a very short bill.

There is so much at stake here, so much that needs to be brought out into the open and so much that needs interpretation that it seems odd that GATT was not submitted to the Ways and Means Committee for full examination along with the OTC itself. Failing this, the call for hearings on H. R. 5550 should have included an inquiry into the many highly significant questions about GATT that must have occurred to many Members since the negotiation of that agreement.

What powers did Congress really intend to place in the hands of the President when it passed the Trade Agreements Act and subsequently extended it? Does Congress now agree that the Department has wisely used these powers?

Or better yet, would Congress agree, if it knew all the facts, many facts that are not now before it, that the State Department has stayed within the grant of power contained in the Trade Agreements Acts?

It might be asked whether it is the fault of Congress itself that it knows so little about GATT. There may be some room for entertaining such a possibility. If so, that is all the more reason why we should now remedy any such failure. Keep in mind that Congress receives no reports on GATT and that the President was under no mandate to keep Congress informed.

That, however, is water under the bridge and in no sense would excuse any further complacency toward our responsibility in this field, expressly fixed by the Constitution. We are now at a most crucial point in the history of this delegation of power. Either Congress shoulders its responsibility and is true to its duty or it forfeits its authority and lets down its constituency, that is, the electorate and the citizens it represents.

Mr. Speaker, I am not blaming the Ways and Means Committee. I think if it had it to do over again it would call a hearing on GATT. Nor am I blaming Congress for knowing so little about GATT, for in doing so I would also be blaming myself. I do, however, feel that from here on we would fall far short of our responsibility if we did not make up for the lack of information on GATT from which we suffer.

There is no question in my mind that we would be committing an unpardonable omission, in fact an evasion of duty, if we undertook to act on OTC without first informing ourselves on some of the questions that I have raised. These questions need answering and we cannot be indifferent to them. There are other questions that need answering before we vote on this issue. Many of them have been raised by other speakers on the resolution. I join with them in their concern and ask that the resolution be adopted.

Mr. BAILEY. I thank the gentleman from Maine.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Speaker, the glass industry and the ceramic tile industry in the district which I have the privilege to represent—both employees and management—have expressed themselves in regard to the proposed organization for trade cooperation. These people are deeply concerned because they find themselves in increasing competition with cheap foreign imports.

For this reason, I would like to add my voice to those who are in favor of the complete study of GATT before final action is taken on the proposed Organization for Trade Cooperation.

OTC, as that organization is called, has been billed as a powerless organization which would not affect the authority of Congress over the control of foreign commerce.

Nothing could be more misleading. OTC would be an international assembly whose power would be defined by two documents which give it its jurisdiction. One of these is the OTC agreement, and the other is GATT.

GATT is a solemn agreement which has been entered into by the United States and 34 other nations. Its provisions are concerned with defining the policies which its members will follow in the conduct of international trade.

If Congress authorizes the executive department to commit the United States to membership in OTC, its action can have only one meaning. This would be

that Congress is willing to give up part of the sovereign power of the United States to determine for itself what policies it will follow in the realm of international trade.

Let me explain how this could be the only meaning of congressional approval of OTC.

First, each of OTC's members, including the United States, would previously have signed GATT.

Second, GATT, as I have said, is nothing more and nothing less than an elaborate set of substantive rules which its members agree will govern their foreign commerce.

Third, OTC would administer those rules. In so doing it would have the power to hear complaints brought by one member against another for violating GATT's rules. It would also have the power to require the accused member, the United States, for example, to consult with it regarding the complaint. Then it would have the power to make a decision or a ruling on the merits of the complaint as the majority of its executive committee or its assembly see the matter. Finally, OTC would have the power to authorize its members to impose sanctions against the accused member if the member did not comply with OTC's ruling or decision on the complaint.

Fourth, the provisions of GATT, which—as I have said—are the rules that OTC enforces, can be changed by a two-thirds majority vote of GATT's members. Since the United States has only one vote in GATT, new obligations could be imposed on it against its will.

Fifth, as a matter of fact, the United States is now technically in violation of GATT's rules. Many of our laws are in conflict with GATT. We have been given permission to continue this conflict between our laws and GATT only in respect to those laws which Congress passed prior to October 1947. Domestic legislation passed since that time—like the escape clause and the national defense amendment in H. R. 1—is not covered by this permission.

Sixth, once we are in OTC any member can bring a complaint against us for not bringing the laws I have just referred to into conformity with GATT. As I have explained, OTC can hear the complaint and if it wants to can authorize other member nations to impose economic sanctions against us.

Seventh, GATT has a provision which describes when it will become finally effective. At that time the permission I referred to a few moments ago to deviate from GATT's rules so far as laws on our books as of October 1947 will come to an end. Many time-honored provisions of our tariff and customs laws which have been on our statute books since long before 1947 are contrary to GATT's rules. They would have to be changed or we would be in violation of our GATT obligations and subject to complaints and penalties under the OTC machinery.

Although the Ways and Means Committee amended H. R. 5550 to specify that the United States will not be obliged to pass any specific laws to conform to GATT if we join OTC, this really will not help much. The State Department claims full authority under the trade-agreements law to enter into GATT. If Congress bows to the State Department's wish in H. R. 5550, a simple proclamation could change our laws when pressure from GATT's members against our nonconformance with GATT becomes too great.

Among these laws which are threatened by our membership in GATT are the following:

First. American selling-price value provision for coal-tar chemicals.

Second. Existing customs valuation provisions of the Tariff Act.

Third. Antidumping law.

Fourth. Countervailing-duty law.

Fifth. The escape clause in United States trade-agreements legislation.

Sixth. Right to use import quotas.

Seventh. Right to use internal taxes on imports.

Eighth. Right to use mixing regulations which specify use of domestically produced raw materials.

Ninth. Right to correct customs classifications by judicial process without compensation to foreign countries.

Mr. Speaker, I am alarmed about an international arrangement which could have such far-reaching effects on the policies of the United States Congress and our future control over those policies.

I am even more alarmed about the way in which the real significance of OTC and GATT have been concealed by the State Department. OTC and GATT are one of the most far-reaching grabs of authority which the executive department of our Government has ever attempted to carry out. There is precious little understanding at the moment on the part of the Members of Congress of the implications of the OTC bill. The study called for by the resolution is badly needed if the Congress is to pay any attention to its responsibilities under the Constitution for the regulation of foreign commerce.

Mr. BAILEY. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Speaker, I have many misgivings in regard to H. R. 5550. This measure would authorize the United States to become a member in the Organization for Trade Cooperation—OTC. This is an international organization composed of 35 contracting countries to the General Agreement on Tariffs and Trade.

Mr. Speaker, when we get into a discussion of all the ramifications of GATT and OTC, we run into a Pandora box of complications and contradictions. Even if it be granted that there is any merit to the proposal, there are so many unresolved issues involved that we cannot escape the fact that this legislation is untimely.

Let us take a brief look at just 1 or 2 phases of this thing. GATT is an executive agreement, entered into by our Government in 1947, under authority—or alleged authority—of the Trade Agreements Act of 1934. That action has never been considered by the Congress. Nor has its validity been determined by the courts. I am informed a considerable amount of litigation has resulted and certain legal aspects, including questions of constitutionality, remain unresolved. The American Bar Association is reported to doubt the constitutionality of OTC.

When OTC was created, it was proclaimed "to further the achievement and objectives set forth in GATT." Then, in 1955 that objective was amended to include the objectives of "raising standards of living, insuring full employment, promoting the progressive development of the economies of all the contracting parties."

Now those objectives are in themselves fine for individual countries to seek. But should our country become tied to global objectives, which those are? Should we, by becoming a member of OTC, undertake to insure full employment, not only in this country but likewise in all the other countries which become members of OTC?

We have never adopted that sort of a policy for our own country. Indeed when it was proposed at the end of the war back in 1946 that the Government virtually guarantee full employment in the United States, the legislation, endorsed as I recall by Henry Wallace, was soundly repudiated by the Congress. It was felt by the Congress that such a philosophy ran counter to the principle of free enterprise and as being too expensive to talk about.

Should we endorse a principle which would apply on an international basis that has been repudiated by the Congress as applied to our own country alone? While the two situations are not identical there is an analogy that must be recognized. This is just one of the facets of this thing that needs study and clarification before permanent legislation is enacted.

Mr. Speaker, when we get into the field of international trade, somewhere along the line the Congress must draw the line in respect to delegation of the powers and responsibilities assigned to it by the Constitution. We must be careful about frittering away the people's interests by giving tremendous powers to people who are not responsible to the American people, or even to the American Government. Let us approach this subject with care and caution.

It will be recalled that when the Trade Agreements Act was enacted it was intended primarily for the benefit of the United States, its economy and people. It was so stated in the act. But by a nibbling process, our own domestic interests seem to become secondary. I cannot find in the original act the authority for GATT and OTC. Their legitimacy remain in doubt.

The hearings held on H. R. 5550 suggest a multitude of questions on this subject going to both the propriety and legality of these various activities and proposals. I repeat, Mr. Speaker, the time is not ripe for this legislation. It becomes more and more obvious that we should devote our energies to the clearing up of the more outstanding questions which bear on H. R. 5550 before the House passes on this bill. The House Ways and Means Committee should be charged specifically to make a full review of these important problems.

I am pleased to join the able gentleman from West Virginia [Mr. Bailey] in calling for a fuller investigation of this subject.

Mr. BAILEY. I thank the gentleman from Texas.

Mr. Speaker, I yield to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, first of all I want to thank the gentleman from West Virginia for yielding to me and commend him for the unrelenting fight that he has made on behalf of the people of this country in this regard.

Mr. Speaker, now pending in this Congress is a bill, H. R. 5550, which would authorize our membership in the Organization for Trade Cooperation. Hearings before the House Ways and Means Committee have touched on many problems connected with this legislation. A review of the testimony before the committee quickly reveals that the issues involved are very complex. Despite this complexity, many have come to recognize the dangers inherent in the legislation.

One of the involved issues which H. R. 5550 throws open before this House is the conflict in the mechanisms and goals of the legislation and our domestic farm policy. In this instance the peril embodied by the Organization for Trade Cooperation and the accord which it would administer, the General Agreement on Tariffs and Trade, is very immediate and obvious. In fact, the Department of State which has already taken part in the so-called GATT accord for the past 9 years on what the Department has called a temporary or provisional basis, has laid this Nation's farm policy bare to the inroads of foreign influence.

As I see it, our farm policy should seek to afford the American farmer a fair, proportionate share of our national income. It should seek to enable him to obtain a standard of living comparable to the high national average which this Nation alone has achieved among the nations of the world. In so doing the Nation recognizes that this is a fair and just portion which the farmer can expect in return for the difficult labors in his fields.

We also strive to provide a workable farm program because the Nation recognizes that the prices of farm products must be stabilized for the good of the country as a whole. Economists point to the catastrophic drop in farm prices during the great depression in this country when they search for the reasons for our difficult recovery from that economic crisis. They also indicate that our farm population has served us admirably during the two world wars by a rapid increase in farm production. Unfortunately for the farmer, his activity is not the kind which adjust easily to the needs of a changing market. Our farm program has sought to secure for the farmers a fair share of our postwar prosperity in the face of these vagaries over which each of our farmers as an individual can have little control.

I hardly think that many will dispute the fact that our farm program is vital for our national well-being. How then do we safeguard the rights of our farmers?

A part of this program is the payment of subsidies to farmers. These subsidies often give rise to domestic farm prices considerably above world market prices. As a result, our domestic farm prices are constantly in danger of being undercut by cheaper imports. To meet this problem we have had to impose import quotas on certain farm products. Among products protected in this manner are wheat, cotton, butter, cheese, dried milk, peanuts, almonds and filberts. In addition, imports beyond a certain level of products such as potatoes, wool, and tobacco are subject to extra tariff charges.

There is an unmistakable conflict with these import quotas which protect our farm program and certain GATT provisions. Article XI of the GATT provides that—

> No * * * quotas * * * shall be instituted or maintained by any contracting party on the importation of any product of * * * any other contracting party.

A conditioning clause in the GATT to this provision provides exceptions to this rule in GATT's article XI, section 2, and permits quotas on agricultural products provided domestic production is controlled and provided that such quotas will not reduce the share of the market normally held by imports. This would only tend to exempt some of our products such as wheat and tobacco from the GATT prohibition on import quotas. However, the question of whether or not the quotas fairly represent the share of the market normally held by imports is still open to question. It is highly significant that in cases of dispute, the question must be referred to the OTC, should OTC come into effect.

Our domestic production of butter, cheese, dried milk, rye, oats, barley, and linseed oil is not controlled. Therefore, the exception does not apply and under GATT rules we are not permitted to impose import quotas on these products.

Let me remind you at this point that the supporters of GATT and OTC have steadfastly maintained that these bodies have no power to influence our domestic legislation. In the event of conflicts, they say that domestic law is supreme or that Congress can act to declare them supreme. In this connection they point with pride to the waiver which has been granted to this Nation by GATT which permits us to maintain our existing quotas on farm products in the face of GATT prohibitions.

This is clearly a specious argument. It is obvious to me that if we must go to an international organization or conference arrangement to apply for a waiver, this action in itself implies that the organization in question has the power to grant or refuse. The action which granted the waiver in this instance, it seems to me, was a clear indication of authority.

Moreover, we made certain promises to obtain this waiver. The State Department promised that we would remove the existing quotas as soon as possible. I am sure that the primary producing countries that have been trying to export to this country will see that pressure is applied on us to carry out this promise. In any case we must report progress made to remove the quotas once a year and if the quotas remain in effect, we must explain why and outline the steps we have taken to remove them.

I am at a loss to resolve these considerations with section 22 of the Agricultural Act which gives the President freedom to impose import fees within certain specified limits when he finds that imports threaten our farm program. Section 22 also provides that no international agreement entered into by the United States may be applied in a manner inconsistent with the requirements of section 22.

I think that we must finally injure our national integrity if we keep subscribing to international accords and then constantly provide for their nonobservance in domestic legislation. We are attempting to balance on a razor's edge if we pursue such a policy and rely on the actions of an international body in which we have only 1 vote in 35 to enable us to maintain our precarious balance.

Many hope that we will gradually be able to solve the problem of our farm surpluses by exporting some of these. Here GATT opposes us again. It asks its members to renounce the use of subsidies which encourage the export of primary products. Here GATT also requires consultation and implies that it will decide on apportioning equitable shares of the world market to member nations.

These are merely a few of the ways in which GATT has intruded on our domestic scene. It is startling to find that GATT has been allowed to do so through no conscious policy on the part of the Congress. In these matters, the State Department has assumed the initiative under some rather tenuous authority.

Though the House Ways and Means Committee has struggled with the problems brought up before it, we still lack a clear-cut answer to many problems. The cause lies not with any fault of the committee but rather it springs from the confusion sown by the supporters of H. R. 5550 who state that a consideration of GATT is not a proper study for the committee when it reviews H. R. 5550.

On the contrary, there is a crying need to investigate the connection between congressional action on the OTC and what this implies as to the opinion of Congress on GATT. We must also have an accurate appraisal of what our membership in the OTC presages for our domestic legislation. I believe a need for such a review is made clear by my outline of present conflicts between GATT and our domestic farm policy.

I therefore support the resolution that calls for a study and report by the Ways and Means Committee on the GATT and its meaning in the light of the OTC.

Mr. BAILEY. Mr. Speaker, will the gentleman yield to me?

Mr. GROSS. I am glad to yield to the gentleman from West Virginia.

Mr. BAILEY. I wonder what the gentleman thinks will be the reaction of the American people when they find out that they, and even the Department of Agriculture, if they wanted to impose an import quota or set up a subsidy, would have to go to Geneva and ask permission of 34 contracting nations to the General Agreement on Tariffs and Trades before they could set up that subsidy or impose that quota?

Mr. GROSS. I am afraid they would think the Congress had failed miserably in its duty to them.

Mr. BAILEY. I agree with the gentleman heartily.

Mr. BAILEY. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. Dorn].

Mr. DORN of South Carolina. Mr. Speaker, I understand that this House is to be presented with another bill which deals with the foreign trade of this Nation. Foreign trade has become increasingly important in the modern world. Within our generation, totalitarian powers, both Communist and Fascist, have shown how well they recognize the strategic importance of international commerce.

Not so many years ago, Nazi Germany demonstrated how ruthless economic methods can be applied to upset completely the theoretical foundations of so-called free trade. In an utterly cynical fashion, the Nazis manipulated bilateral agreements and exchange controls to suit their purposes of economic domination. They introduced practices which required whole new textbooks for adequate explanation. By skillful application of their ruthless methods, they held scores of unwary nations at their mercy.

These same nations unwittingly aided the Nazis in completing their preparations for war. The commercial relations between Nazi Germany and the nations with which it traded became anything but free. Moreover, the Nazis used their trade missions to spy on their trading partners.

In their anxiety to export at any price, all too many fell into the traps set by the totalitarian states. Rather than pay for the goods they imported with convertible currencies or valued goods and services, the totalitarian states allowed their trading partners to run up credit balances, weighted their balance of payments accounts with blocked accounts or flooded their markets with unessential goods.

We are all too apt to feel that this chapter in commercial policy belongs to history. Yet the methods employed in this period are still with us. True, there is no evidence that they are being employed in the Western World for those goals which the Nazis sought to achieve. Nevertheless, they still radically distort the old theoretical notions of free trade which are still put forward in many a text on international economics, in fervent disregard of today's economic realities.

There are still many free nations in this world who find themselves compelled to utilize unorthodox trade restrictions and systems of preferences. It is well known that in so doing they seek to prop up artificially their strategic economic positions and protect the standard of living of their people.

Into this scene, those who espouse free-trade doctrines have interjected a proposal for a world organization whose aim is to remove trade restrictions. This House is soon to be confronted by a bill which would authorize United States membership in this new international agency which is to be called the Organization for Trade Cooperation. The bill in question, of course, is H. R. 5550.

So far about 35 nations have subscribed tentatively to the OTC. Many of the candidates for membership are nations who have found it necessary to maintain trade restrictions to which I referred earlier. Many of the nations employing such restrictions hope to remove these in time in an orderly manner.

But there are others who seek to maintain these restrictions in order to encourage economic growth.

The OTC Charter and GATT, the instrument which it would implement, both provide for exceptions to provisions which prohibit the maintenance of trade restrictions such as import quotas and exchange controls, and other discriminatory trade practices.

It is hardly likely that our Nation will pursue policies which will qualify us to make use of such exceptions. On the other hand, certain nations within the western community have shown signs of consciously promoting such conditions so that they may qualify for the exceptions to the prohibitions by the OTC and GATT. Thus, they seek to force economic development. We are aware that the United States has favored the orderly development of national economies. However, I doubt whether we favor methods which would achieve economic development at all costs. There is evidence in the OTC Charter and the GATT documents that the establishment of the OTC would regularize such behavior.

So much for a dangerous feature of the OTC-GATT arrangement within our own sphere of influence. Though this is serious enough, there is much more cause for concern when we look toward the East.

It should be noted at this point that Communist Czechoslovakia is to be a member of the OTC. True, Czechoslovakia is only one nation among the satellite group. The Soviet Union has made no move to join the OTC though it expressed some interest in its forerunner, the ITO. Nevertheless, it is sufficient for Soviet purposes to have Czechoslovakia present as an observer among the 35 member nations.

It is well to keep in mind the recent appearance of Czechoslovakia on the international commercial scene. Let us remember that it was an action by Czechoslovakia which touched off the heightened tensions in the Middle East. It did so by shipping arms to Egypt.

Here it is well to ask whether we should enter an organization with this Communist nation after its recent transgression. Certainly there is a moral question involved. It should be asked how we can act in concert with a nation which has recenty undertaken an action in international trade running directly counter to our interests and the interests of world peace and security.

Even more portentous are the possible future consequences which Czechoslovakian membership in the OTC could have. Czechoslovakia will be able to sit in on negotiating sessions which heretofore under GATT have been closed to many interested parties in the United States. The hearings before the House Ways and Means Committee on H. R. 5550 have raised serious apprehensions over how our OTC membership—and our participation in GATT—affects our congressional responsibility to regulate our tariffs and foreign commerce. In view of some of the trade practices of some GATT member nations and in view of the threat posed by the membership of Czechoslovakia, it is vital that we have more exact information.

In recent months it has become painfully clear that the Communists intend to make greater use of international trade as a weapon in the cold war. This makes even more necessary the retention of our freedom of action in foreign trade matters. How much will our membership in the OTC infringe upon this freedom of action?

The House Ways and Means Committee has turned up a substantial amount of evidence that the powers of this Congress over foreign trade has been hobbled by GATT and may suffer a decided eclipse with the passage of H. R. 5550. However, since the committee's immediate aim was not concerned with this problem, I feel that a more searching inquiry on this subject is necessary before the House can act to authorize membership in the OTC.

Mr. BAILEY. I thank the gentleman from South Carolina.

Mr. BAILEY. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. Saylor].

Mr. SAYLOR. Mr. Speaker, I take this opportunity to associate myself with the distinguished gentleman from West Virginia and the other Members on both sides of the aisle that have joined him in what I sincerely believe is an effort in behalf of the American people. This is a fight which should be near and dear to the heart of every American, because what the gentleman from West Virginia is endeavoring to do is defend this country against our actual enemy. I know that while sometimes we are disheartened at the response we get, in the long run those that come after us will be thankful that there have been such leaders as the gentleman from West Virginia.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from West Virginia.

Mr. BAILEY. I have spent 10 years in this fight. It has been time donated willingly. I believe the very foundations of the Republic are involved in this matter. The Congress cannot surrender its constitutional rights to regulate our commerce, tariff, and trade.

Mr. SAYLOR. I agree heartily with the gentleman. I sincerely believe that what is involved in this matter is that it is up to Congress to determine whether the Founding Fathers actually meant that Congress should handle these matters, or whether the present Members of Congress are not willing to face up to their responsibility in this modern day and age but instead are willing to delegate their constitutional rights to some other group.

The thing I think the gentleman from West Virginia should be congratulated for is that he has pointed out that he is not against trade—he is not against foreign trade—he is against the Congress abdicating to another agency of Government its given rights.

Mr. BAILEY. I thank the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, for the past several years I have appeared before the Ways and Means Committee and have spoken on the floor of the House in opposition to such proposals as H. R. 5550. I object to this bill and to any and every project which I consider to be in violation of the Constitution of the United States.

I appreciate that the Ways and Means Committee did adopt certain amendments to the original bill in a conscientious and sincere effort to make it as palatable as possible. Unfortunately, the amendments do not change the basic concept of the bill in any way. So far as I am able to ascertain, the activities of the General Agreements on Tariffs and Trade organization would remain unchanged, except that there would now be an international bureaucratic agency—that is, the Organization for Trade Cooperation—set up to devote full time to empire building and to devising ways of controlling foreign trade without the consent of Congress.

To me, GATT must go if America's international commerce is to be administered by the duly delegated legislative branch of our Government. To extend the assumed powers of the State Department and non-American delegates in the making of trade agreements for this Nation would be nothing short of tyrannical if it were to be arranged without consent that can come only through a constitutional amendment.

Let us examine for a moment what would happen if Congress were to give ear to the demands of the international groups behind H. R. 5550. The OTC would sit in Geneva, armed with an assembly, an executive committee, and a secretariat with the power to call international trade conferences of GATT members. The work of members of this group—responsive to no voters in the United States—would of a certainty be devoted to methods of expanding foreign trade without any thought whatsoever of the consequences to American industry and labor. State Department spokesmen who have testified in favor of H. R. 5550 have made it clear that their objective is to lower America's tariff barriers. Their intention is to strengthen diplomatic ties, not to enter into the field of foreign trade with the idea of helping this country improve economically.

What chance would any industry, any group of workers, or any farmers in this country stand to make themselves heard in Geneva under such circumstances? If trade concessions are to be made for the purpose of providing assistance to other countries, then those deals should be made in the name of international aid—not under the label of good business.

Through H. R. 5550, the State Department expects Congress to hand over to it the exercise of controls vested in this legislative body by the Constitution. Once cloaked with this authority the Department would immediately toss it into an international pool, as indicated by the record which the Department has made in postwar years. The transfer of power over tariffs and trade has already been carried so far by the State Department that—unless Congress checkmates the trend—our national policy on foreign trade will become bound to the whims of so-called diplomats wearing the colors of several score foreign insignia.

The blunderings of the State Department, as already exhibited since its usurpation of authority in the field of foreign commerce, should in themselves be sufficient warning to place Congress on guard against any further surrender of power. Who among us is willing to report to his constituents that he has participated in a movement to permit foreign traders to make the laws of our land in respect to what and how much we are going to export and import?

My own congressional district has suffered so much from the unwise tariff policies thrust upon this Nation by the State Department theorists that we have actually been placed at a disadvantage from which it will be a long time until we can recover. As an example, consider the case of foreign residual oil. Until this administration recognized the threat to our national economy and security contained in a policy which permitted unrestricted imports of residual oil to enter our markets, millions of tons of bituminous coal from western Pennsylvania were refused a market outlet. The situation has eased in the past year, but there is still ample room for further improvement.

Now look back to the coal which would have been mined and sold had it not been for the unfair competition of foreign residual oil. Month after month, year after year, more and more of our miners were relegated to the ranks of the unemployed. Railroaders, too, lost countless paychecks as a consequence of these inequitable policies, and the impact was felt throughout our coal and transportation centers. Hundreds of young boys and girls completing their high school courses were deprived of an opportunity to obtain a higher education. Some of them are still hopeful that their fathers will be able to catch up on back bills and eventually make it possible for them to enter college, but many found the situation at home so hopeless that they were forced to give up forever any idea of pursuing their scholastic training. These are among the unlisted tolls of an unrealistic foreign trade policy. Add to them the heartaches occasioned by the knowledge that many little children were undernourished through no fault of their parents and you will understand why I—for one—am receiving hundreds of communications objecting to the proposals contained in H. R. 5550.

Our coal and railroad workers are not the only groups who have had a practical lesson in the evils of uncontrolled foreign trade. The glass industry constitutes an important segment of the economy in my congressional district. Our families who depend upon the glass industry for a living have seen firsthand what can happen to an industry and to a community when the products of cheap labor in alien lands are admitted into this country without proper application of tariff provisions. The same situation is applicable in the case of pottery workers, machine tool manufacturers, and in any category of workers exposed to the effects of an unrealistic trade program. Our farmers would be placed in a most untenable position if H. R. 5550 were enacted. They now have some protection through the tariffs and quotas implicit in section 22 of the Agricultural Act, but—given the right to dispose of tariffs and quotas—the State Department and its foreign collaborators could quickly bring about the flooding of our food markets with the products of coolie wages, thus depriving our own great agricultural family from any opportunity of enjoying increased levels of income.

Mr. Speaker, in emphasizing my opposition to H. R. 5550, I should like to state at this time that I am in complete agreement with the resolution introduced by my friend, the gentleman from West Virginia [Mr. Bailey], calling for a thorough investigation of our membership in GATT. I feel that this inquiry should take place. Meanwhile, the proper course for the House to take at this time would be to recommit H. R. 5550 when it is called up, and await the outcome of the GATT investigation.

Thank you, Mr. Speaker.

Mr. BAILEY. Mr. Speaker, at this time I ask unanimous consent to include in the Record in support of this resolution the remarks of the gentleman from California [Mr. Phillips].

The SPEAKER pro tempore [Mr. Roosevelt]. Without objection, it is so ordered.

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I rise in support of the resolution authorizing the Committee on Ways and Means to make a complete investigation of certain background information necessary for a better understanding of the meaning of United States membership in the Organization for Trade Cooperation as proposed in H. R. 5550.

I support the resolution because I feel that Congress has not gained sufficient understanding of the General Agreement on Tariffs and Trade, and its operations and ramifications, to give it the approval that immediate passage of the OTC bill would provide.

In my district, and in my State, there are a number of industries vitally affected by import competition. The welfare of tens of thousands of workers is at stake, and their future is bound up with the tariff and trade legislation we pass here.

Sometimes we feel it does not matter very much whether we pass or do not pass this bill or that bill. I assure you that it matters a great deal what we do in tariff legislation. Those engaged in industrial, or farming and fishing operations back home hold us responsible for what we do here and I am sure they want to keep a system under which they as constituents, and we as their elected representatives, can exercise control over what is done to them, or for them, by Congress.

Many of us are aware that the whole question of who is to control our foreign trade and tariff policies is at stake in H. R. 5550. I have seen denials of this, but they either come to nothing, or are based on an acceptance of the controls already exercised by GATT over our foreign trade and tariff policies. It may be said the approval of the OTC would not add to the powers of GATT; that may be true. Therefore, we are asked, what is wrong with approving United States membership in the OTC?

The point at issue is not that OTC would add to the existing powers of either the President or GATT over the regulation of our foreign commerce. The question is whether by passing H. R. 5550 Congress will put its stamp of approval on its own divestment of authority and responsibility.

The State Department, drawing on power delegated in the Trade Agreements Act, has already delivered much of the previous congressional power over to GATT. Many of us have objected strenuously to such freehanded disposal of congressional control and certainly we do not wish today to do anything, either to confirm or encourage it. Approval of OTC now would confirm the objectionable past action of the State Department in this field and would encourage GATT to go even further in the future.

This is the first opportunity that Congress has had to express its opinion on what has appeared to many of us as the siphoning away of our constitutional obligations, and lodging them in an international organization where the voice of Congress does not penetrate.

GATT has never been before us. We have not been able to come to grips with it. We therefore could not register our sentiment.

It will be said that we could have done so when the Trade Agreements Act was up for renewal, from time to time. On those occasions there were other considerations and to avoid creating the impression that extension of the Trade Agreements Act meant approval of GATT, Congress, as is well known, successively adopted a caveat or caution saying that our action was not to be construed as approving or disapproving GATT.

GATT is not before us now; but we are confronted with a situation in which approval of something else that is before us, namely, the OTC, would also confirm GATT. It would confirm and approve all that the State Department has done in negotiating GATT and extending its own powers, and those of GATT, by operating through GATT as a member and disposing of many agenda items that bear directly on matters that fall properly into the zone of congressional control.

Therefore, while GATT is not officially before us, we are confronted with the meaning of GATT, with the history of GATT, including its inception, the character of its operations, the trend of its decisions, and much else of substantial significance. We should not let this opportunity, perhaps the only one that we will have, slip by without examining GATT.

The Congress should not be asked to take a step as crucial as that proposed in H. R. 5550—one that would settle a highly controversial issue of nearly 10 years' standing—without examining the background and weighing the consequences of our action, with full access to all the GATT documents, including its numerous protocols and interpretations.

I would feel that we were voting in the dark, and were being asked to vote in the dark, unless GATT is brought officially before us. That is why I endorse the resolution.

Consider for a moment what the situation might be if Russia should ask to be admitted to GATT, and therefore the OTC. This possibility is not the figment of a feverish imagination.

Russia knocked at the door of UNESCO and was admitted in April 1954. She knocked at the door of the ILO and was admitted. In 1955 she expressed an interest in joining the ITO—the International Trade Organization—unaware that the ITO never came into being or confusing it with GATT or the proposed OTC.

Clearly the question of Russian membership is one that must not be ignored. Who knows what it would mean?

In the Trade Agreements Extension Act of 1951 Russia and all Communist-dominated countries were excluded from enjoyment of the concessions—tariff reductions—that we had given to other countries and which would have been extended automatically to Russia and other Communist countries under the most-favored-nation clause.

Could Russia, by coming into GATT, circumvent this congressional mandate? It is a nice question. The State Department and not Congress decides for the United States whether we will support the application for membership in GATT by a given country. We—that is the United States—supported the membership of Japan in GATT and Japan came in although 14 countries, among them some of the leading trading nations, refused to extend their concessions to that country.

Please note that it was the State Department and not Congress that determined our support of the Japanese application to join GATT. Should Russia apply for membership, the State Department and not Congress would decide for the United States whether we would support the application.

Should Russia come in, I ask again, what would happen to section 5 of the Trade Agreements Extension Act of 1951, which directed the President to withdraw all our trade agreements concessions from Russia and other Communist-controlled countries? Would her admission upset this law, which was put into effect by the President? You may recall that in 1951 the President quickly complied with the mandate from Congress to withdraw our trade-agreements concessions from Communist countries, with one exception. That exception was Czechoslovakia. We had to apply to GATT for permission to drop that country from our most-favored-nation list. Why? It was because Czechoslovakia was a member of GATT; and GATT itself lays down the procedure to be followed in the withdrawal of concessions. As it turned out GATT supported our position but we had no assurance it would do so.

The upshot is that membership in GATT bestows privileges and obligations, about which Congress is not consulted. We may pass a law but GATT decides whether it will be carried out.

If Russia did come into GATT she could cause embarrassment to the State Department, and to the Congress. As a member of GATT and OTC she could challenge many of our commercial practices. The whole system of waivers and exceptions would be made to order for her genius at tying an organization into knots.

I raise these questions, not because I have the answers, but to show how little we know of the probable effects of approval of H. R. 5550. It seems to me imperative that we study GATT thoroughly before we give it our approval by a casual process of voting for OTC membership. I believe it would be a profound mistake if we proceed without this necessary information. The resolution would give us the needed opportunity. I strongly urge its adoption.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to include the comments of the distinguished gentleman from Ohio [Mr. Hays] at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, I agree wholeheartedly with the resolution on a GATT–OTC study by the Ways and Means Committee. I was not one of those who testified before the committee a few weeks ago when it held hearings on H. R. 5550; but it was not from lack of interest and deep concern.

Because I come from an area that has long been in the forefront of import competition, particularly in the case of pottery and glassware, I have had occasion to keep in touch with the developments in our international excursions in tariff and trade matters. While I am not an expert in the field, I do not hesitate to say that no member of this body should be asked to vote for United States membership in the OTC, as provided in H. R. 5550, without more information to go on than that contained in the proposal itself and in the Agreement on the Organization for Trade Cooperation, signed in March 1955 in Geneva, Switzerland.

The hearings before the Ways and Means Committee were confined to these documents. The General Agreement on Tariffs and Trade, the very agreement that this legislation is all about and without which the OTC would be wholly meaningless, was not sent in by the President for ratification or even for examination in connection with the OTC. The reason is very clear. The State Department did not care to have Congress examine into the GATT record.

There is not the slightest doubt in my mind that a full exposure of the usurpations of power by GATT, not only abetted, but in some instances promoted by, our own Department of State, would lead not only to a rejection of OTC membership by Congress but to a restraint on GATT itself. That explains why GATT was not sent over.

The State Department in coming before Congress with its own negotiated OTC is trying to execute a clever end run. It well knows and has good reason to know that Congress would not approve GATT if the general agreement that forms the basis of GATT were transmitted to Congress for scrutiny. Therefore, the Department sought a way of getting approval of GATT from Congress by indirection and without exposing the ill-favored and illegitimate whatever-it-is to Congress at all.

That is why we have H. R. 5550. It makes no mention of GATT. It only calls for membership in the OTC.

I say the maneuver is a fraud, a deception.

Approval of the OTC would be an approval of GATT for the simple reason that the OTC would undertake to carry out the provisions of GATT. We would not be so stupid as to approve an agency that would administer an agreement and seek to give it effect if we did not approve of the agreement itself.

Why then, in the name of honest procedure, was the general agreement not sent to Congress for examination in a public hearing? We are asked to put our stamp of approval on an agreement without knowing what is in it. How contemptuous can an executive department become in its treatment of Congress?

The agreement has been in effect since January 1, 1943. It has been a storm center of controversy since it was signed in Geneva. Its assumed powers have been sharply challenged on many occasions. Many who have kept watch on its operations have protested its encroachment on the powers of Congress. There has never been a satisfactory explanation of its source of power; no lines of demarcation and no specifications of its jurisdiction have ever been issued. It is a jungle of world economic planning and of uninhibited ambitions.

GATT has been operating as a going concern without approval by Congress. In 1949 the State Department said that authority for negotiation of GATT was not fully dependent upon the Trade Agreements Act. Nearly half of its 35 articles, the Department said, looked to the general authority of the President to conduct foreign affairs, for their justification. Later this position was abandoned. Now the Department claims that the Trade Agreements Act itself provided ample authority for State Department negotiation of GATT.

Was the Department right in 1949 or is it right in its later interpretation, or was it perhaps wrong on both occasions?

With the GATT agreement in hand, unratified as it was, the State Department was in a position to twist the arm of Congress and thus smother all opposition. The Department could and did make agreements that snatched the power of Congress right out of its hands. Congressional protests were answered by pointing to the delicate international situation.

"Don't rock the boat. Don't offend our friends. Don't disappoint them. Don't drive them into the hands of Russia."

With cautions of this kind the Department could intimidate Congress. It is a species of coercion, bordering even on blackmail.

We all know or should know that in 1951 Congress directed the President to cut off all trade agreement concessions from Russia and other Communist-controlled countries. In carrying out the mandate the President, however, ran into a snag. Czechoslovakia was both a Communist-controlled country as well as a member of GATT. The President notified Russia and all the other Communist countries that our trade-agreement concessions would be withdrawn; but in the case of Czechoslovakia even the President's own hands were tied.

They were tied by the fact that since Czechoslovakia was a member of GATT we could not withdraw our concessions from that country without first obtaining the "O. K." of GATT—unless, of course, we elected to withdraw from GATT entirely. This we were not likely to do since GATT was largely a creature of our own State Department.

But not only did the President find his own hands tied by an agreement that was made in his own name but he was unable to carry out the mandate of Congress.

The question is how, when, and in what manner did the Congress ever empower the State Department, directly or indirectly to enter into an international agreement that could be used effectively to block the execution of an act of Congress?

This is not the only example. At the ninth session of GATT in Geneva in 1954–55 the United States was granted a waiver permitting us to maintain in effect temporarily our import quotas on certain agricultural products. These import quotas on wheat, raw cotton, peanuts, dairy products, and some grains were established under section 22 of the Agricultural Adjustment Act.

They were found to be in violation of the GATT ban on import quotas. Yet these quotas were imposed in accordance with procedures established to carry out section 22, just mentioned.

Once more the question arises how GATT obtained the power to review the implementation of an act of Congress carried out under the constitutional authority to regulate foreign commerce? Again, how, when, and by whom did GATT become vested with such power?

These questions and others like them have been asked before. They have remained without answer; at least, they have not been answered under circumstances that would permit a congressional response. GATT has been kept at more than arm's length from Congress. Many of us have waited a long time for the opportunity of an accounting.

We want to review the stewardship of the State Department over the powers delegated to the executive in the Trade Agreements Act. Many questions remain without a satisfactory answer.

If the State Department claims that the Trade Agreements Act gave the executive all these powers to do what has been done under GATT we want a citation of chapter and verse. I do not think we ever extended such power. I do not believe that Congress ever had in mind placing a weapon in the hands of the State Department that the Department could use to bar Congress from exercising its constitutional authority by throwing roadblocks of international moral commitments across its path.

If Congress did do so, and the State Department can establish it to our satisfaction, we want to know that too.

Whatever the situation, this end play by the State Department has been going on long enough, too long in fact. Now is both the time and the occasion for a review.

One would think that the State Department itself would come forward in view of the controversy stirred up by GATT operations, and offer its record for review; but no. Instead of that we are treated to the same kind of evasion and contemptible tactics that have been characteristic of the Department in this field in the past 10 years. Mark my words, if the Department continues in its stiffnecked attitude it will end before long with complete deprivation of the delegated authority entrusted to it.

Congress should not even think of passing on OTC membership without an accounting by the State Department—and a detailed one—on GATT and its operations and on the Department's stewardship. Naturally I support the resolution and give notice right now to the State Department that its tactics have fooled no one who has had occasion to observe the GATT operations over a period of years.

Mr. BAILEY. Mr. Speaker, finally I ask unanimous consent to include at this point in the RECORD the comments of the distinguished gentleman from California [Mr. UTT].

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. UTT. Mr. Speaker, H. R. 5550, which would authorize United States membership in the Organization for Trade Cooperation, was recently reported out by the Ways and Means Committee. It presents this Congress with a very complex proposal. I see no precedent for the plan as it has been presented. This very simply worded bill, H. R. 5550, would commit the United States to a complex series of obligations.

If this Congress approves OTC, then it also acts affirmatively on the General Agreement on Tariffs and Trade or GATT. It is true that we were led into GATT by the State Department in 1947 and have been bound by its decisions ever since. Yet, from the point of view of normal legislative processes, this has occurred by most unorthodox methods. Congress has never been asked to approve or disapprove GATT until now, in this roundabout way. As a result the agreement itself was not sent to Congress for review.

The Congress has constantly been reassured that it need not concern itself with GATT. There is something indi-

rect in this. The Department of State asks Congress not to concern itself with substantive rules and regulations embodied by GATT but instead asks that Congress pass on this Nation's membership in an organization (i. e., the OTC) which would administer GATT.

The spotlight should therefore really be on GATT. Frankly, I am at a loss to characterize it briefly. It defies a brief description. It has sometimes been called an accord. We know it largely as a conference arrangement which has exercised far-reaching influence on the tariff and trade policy of the United States. In reaching decisions on its actions, it has made little reference to any organ of the Government of the United States. This Congress has certainly not been consulted by GATT on its actions. Indeed, as I have indicated, the Congress is constantly advised not to concern itself about GATT. In the press of the legislation coming before this Congress, there has been a compulsion to sidestep the issues which surround GATT. But now we can no longer sidestep the question without neglecting our duty. We have to look at GATT carefully if we are to know what we are asked to approve.

In the hearings before the House Ways and Means Committee, the supporters of H. R. 5550 presented us with a host of glittering generalities. These were generally unsupported by the documents in question or the facts of United States participation in international trade. For example, on March 1 the Secretary of State disposed of the substantive questions surrounding H. R. 5550 by stating:

> We found that American participation in GATT was serving the national interest of the United States by strengthening economic ties with our partners and allies.

Nowhere in the presentation of the Department of State before the House Ways and Means Committee was there a factual study in support of these generalizations. Evidently the Department regarded it neither necessary nor desirable to supply Congress with fuller information.

In the brief recitation of the functions of the OTC, the Department of State listed "Administering the General Agreement on Tariffs and Trade." With this phrase, the Department of State disposed of GATT in connection with H. R. 5550.

Judging from the weight of supporting material given in testimony before the House Ways and Means Committee, the preponderance seems to be definitely on the side of the opponents to H. R. 5550. This fact has given rise to uneasiness about OTC membership in Congress. This uneasiness led the Ways and Means Committee itself to amend H. R. 5550 in an attempt to overcome the objections.

Another issue which the Department of State skirted in cavalier fashion is our influence within the club that would be set up by the members of GATT–OTC. We actually account for a little over 20 percent of the club's trade. The United States has been asked to cover 20 percent of the operating expenses of this club. I presume it was easy for the GATT negotiators to agree on a weighted share for the United States when it came to levying charges on members.

But what happened when it came to handing out votes? The United States is to have only one vote in 35. Thus, when it comes to decision-making, we are accorded a voice no more powerful than that of the smallest member of the OTC.

Our influence in the International Monetary Fund and the World Bank is based on a more realistic assessment of our importance in the sphere of international commerce and finance. In these bodies we account for nearly a third of the available vote. Thus the strength of our voice is roughly proportionate to our capital contribution to the fund and the bank.

I need not stress the fact that our interests are protected along similar lines in the United Nations through our standing membership in the Security Council and our veto power there.

Naturally the supporters of H. R. 5550 claim that the OTC is not comparable to the United Nations, the IMF or the World Bank. They find that the OTC is purely administrative. As I implied in the beginning of my remarks, I for one am not convinced by the generalizations of H. R. 5550 supporters.

Cognizant of these and other problems connected with H. R. 5550, the members of the House Ways and Means Committee, as already stated, reported out the bill with six amendments. The amendments reflect uneasiness caused by the manner in which the OTC was presented to the committee and the way in which it was supported before the committee. But, I am afraid the amendments have not removed the disturbing questions connected with H. R. 5550.

I believe that the American electorate would have this Congress take the initiative to investigate thoroughly matters which affect their vital interest. No one can question the importance of legislation affecting our foreign trade and tariff legislation for every inhabitant of this nation. Mere disclaimers or amendments to H. R. 5550, though they reflect concern over this Congressional responsibility, do not overcome the objections to H. R. 5550.

The heart of the issue is that in approving the OTC we would also be approving GATT which has not been brought before Congress; and that amendments to the OTC do not extend to GATT itself. We would be ratifying GATT as it is without having a look at it. Because of this circumstance I agree with the resolution presented here and urge its adoption.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HALE. I thank the gentleman for allowing me to participate in this discussion and to say I think the gentleman has rendered a service in bringing this matter to the attention of the House.

Mr. BAILEY. May I say to the distinguished gentleman from Maine, I appreciate having his assistance and cooperation in this matter. My thanks also go to others of my colleagues who have participated in this panel discussion.

Mr. Speaker, I yield to the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Speaker, since the gentleman has yielded to me, I want to thank him again for the splendid address he is making on behalf of the people of the entire country. The gentleman's State and the State of Pennsylvania have already felt what some of the other States are going to experience under this GATT and OTC, if it is adopted.

Mr. BAILEY. I thank the gentleman from South Carolina.

Mr. FOGARTY. Mr. Speaker, I have long had strong misgivings about the General Agreement on Tariffs and Trade and have for that reason voted against extension of the Trade Agreements Act itself.

It is not a question of being against the expansion of trade. I can appreciate as much as anyone the value of foreign trade. That is not the same as saying that we should expand trade regardless of the consequences, regardless of what increased imports would do to our own industries. In my State we have textile manufacturing, including lacemaking; costume jewelry, cutlery, toys, pens and pencils, scientific apparatus and other manufacturing industries that face unfair competition from low-wage countries.

In my opinion the best way to expand trade is to regulate its flow so that it will not do more damage than good. We buy more abroad when our own industry is in a prosperous condition and we buy less if our industry is weakened and depressed. Imports from low-wage countries, as we all know, can help weaken and depress our industries unless the conditions of importation are properly regulated.

It is not my purpose, however, to dwell on the question of freer trade or protection. There is more at stake in H. R. 5550, the OTC bill, than this question. That is why I support the resolution that calls for investigation and study of the General Agreement on Tariffs and Trade—GATT—particularly that part of it that relates to the exercise of power over our tariff and trade policies.

I make no secret of it: I want Congress to keep and to exercise the power granted to it by the Constitution to regulate our foreign commerce. This is not only a power; it is a responsibility that we owe our constituents, the people who have a right to look to us for carrying out our constitutional functions. We have no right to shift this power to an international trade organization.

Now, I know that it is said that Congress would lose none of its authority in this field if we should join the Organization for Trade Cooperation. I do not agree. It is a disclaimer that cannot be substantiated by the facts and represents little more than an effort to lull Congress into complacency.

If the OTC were to exercise no power, if it would not push Congress farther to one side, why would the State Department suggest that we become a member? There is no point in joining an international organization for the sake of joining. If the OTC would be as weak and helpless as its proponents contend, it would be a useless society for the waste of the taxpayer's money.

Judging from the past, the OTC is not intended as a club to serve as a rendezvous for international socialites. The State Department has a record of power accumulation under GATT that throws an entirely different light on the OTC.

Starting with the Trade Agreements Act and carrying through GATT, that Department has spun a thread of delegated power into a web of international authority so interwoven and complicated that Congress can hardly take a step today toward the regulation of foreign commerce, be it a tariff question, a matter of import quotas, or disposal of farm surpluses, without getting entangled in some provisions of GATT. And what GATT means nobody knows.

There are many opinions; but there is no authority except GATT itself. And what GATT was last year or the year before is not what GATT is today, and what GATT is today is not what it may be next year.

For one thing, most countries, or groups of countries of similar economic position, have accommodated themselves in GATT with an assortment of exceptions. This process in turn is so overlaid with cross-hatched waivers, compensatory claims, rights of withdrawal, preference systems, and retaliatory privileges that only a mathematician trained in calculus could find his way through the maze.

I repeat I support the resolution of my colleagues for a close scrutiny of the general agreement—GATT—and this new OTC proposal that would wed us permanently to GATT. At the same time I must record my strong doubt that a study of GATT will tell us very much. I am afraid we could study it for 6 months and come away more confused about it than now.

Nevertheless I go along with the idea that we ought at least to try to penetrate the mysteries of the Geneva document before we give it our sanction. An affirmative vote on the OTC would be exactly that. We have never had an opportunity in Congress to vote on GATT. We are not being given that opportunity now.

It is not difficult to understand why the State Department did not send GATT to Congress along with the OTC. If by obtaining approval of the OTC it could automatically by the same step get ratification of GATT, why ruin the chances by exposing GATT itself to public view?

There is something about GATT that is not generally known. It has more than once amended itself since its first appearance on October 30, 1947. This is not surprising. It was born of the ITO (International Trade Organization) and the ITO died on the operating table of the House Foreign Affairs Committee in 1950. It never came out of the ether. Since the ITO was to absorb GATT but never came into being, GATT needed some going over.

Thus, while it is not surprising that the GATT amended itself, the fact that it has the power of self-amendment is not only very significant, it is crucial to an understanding of H. R. 5550. For one thing, it leaves Congress to one side. Yet some of the amendments to GATT, past, present, or future, may be of the greatest interest and concern to industries, farmers, and workers in this country—all of them represented in Congress and looking to Congress to speak for them in such matters.

By "leaving Congress to one side," I mean such amendments of GATT by GATT are not submitted to Congress for approval.

This power of self-amendment is significant for another reason. No doubt it troubled the Ways and Means Committee because I cannot believe that that great committee could abet the stripping away of its own power and responsibility by substituting GATT in Geneva for itself. The committee therefore sought to plug the hole. It adopted an amendment saying that only Congress can authorize amendments on behalf of the United States to the Agreement on the Organization for Trade Cooperation.

Unfortunately an amendment to the OTC is something quite different from an amendment to GATT itself. Nothing in the OTC amendment can bind GATT nor does such amendment require that amendments to GATT itself can be accepted for the United States only by Congress. They are and have been offered and adopted by GATT members acting together in Geneva. OTC would not change that regardless of the Ways and Means Committee amendment.

In another amendment the committee provides that adoption of the OTC neither repeals nor "modifies by implication or otherwise any existing legislation of the United States."

If read carefully this simply means that the act of passing H. R. 5550 will not of itself repeal or modify any existing legislation. That is not the same as saying that the representative of the United States may not agree to provisions that call for modification or repeal of any of our existing laws. Nor is it the same as saying that by adopting this amendment Congress thereby cancels agreements already made by the State Department calling for modification or repeal of existing legislation. Nor, finally, will it restore laws that have already been altered by way of implementing provisions in GATT that conflicted with domestic law.

Evidently the amendments, which I understand were all approved by the State Department, were drawn too hastily in view of the very complicated situation that has grown up. They fall far short of accomplishing their apparent purpose. It is doubtful that amendments to the OTC bill itself could in any case, prevent self-amendment by GATT.

I concur certainly that the whole matter needs much more study.

Whether any study can straighten out this barbwire entanglement is doubtful, but I am convinced that we should not proceed without the investigation called for in the resolution. Therefore, I urge its adoption.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Doyle, for 5 days, on official business as a member of the House Un-American Activities Committee, now holding hearings in Los Angeles, under Public Law 601.

Mr. Green (at the request of Mr. Kelley of Pennsylvania), for the balance of the week, on account of illness.

Mr. Healey (at the request of Mr. Keogh), for today and the balance of the week, on account of death in the family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Tumulty and to include a speech by the Honorable James C. Murray, of Illinois.

Mr. Patterson and to include extraneous matter.

Mr. Jensen and to include a letter.

Mr. Arends and to include an editorial and other matter.

Mr. Pelly.

Mrs. Frances P. Bolton and to include extraneous matter.

Mr. Chudoff.

Mr. Heselton and to include extraneous matter.

Mr. Hillings in two instances and include extraneous matter.

Mr. Rhodes of Pennsylvania.

Mr. Wickersham.

Mr. Henderson (at the request of Mr. Cole) in two instances and to include tabulations of figures.

Mr. Powell in three instances and to include extraneous matter.

Mr. Sisk.

Mr. Patman to revise and extend remarks he made today in Committee of the Whole and to include extraneous matter.

Mr. Gubser (at the request of Mr. Hyde).

Mr. Saylor.

Mr. Hoffman of Michigan.

Mr. Priest.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954.

ADJOURNMENT

Mr. DORN of South Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, Thursday, April 19, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1755. A letter from the Comptroller General of the United States, transmitting a report on the audit of Government Services, Inc., for the year ended December 31, 1955, made pursuant to the request of the Corporation; to the Committee on Government Operations.

1756. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "a bill to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security"; to the Committee on Post Office and Civil Service.

1757. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1758. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1759. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1760. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1761. A letter from the Commisioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1762. A letter from the Secretary of the Treasury, transmitting the annual report of the Secretary of the Treasury on the state of the finances of the Federal Government for the fiscal year ended June 30, 1955 (H. Doc. No. 243); to the Committee on Ways and Means and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOPER: Committee on Ways and Means. H. R. 5550. A bill to amend the Tariff Act of 1930 with respect to the administration of the General Agreement on Tariffs and Trade; with amendments (Rept. No. 2007). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona; without amendment (Rept. No. 2008). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8385. A bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes; with amendment (Rept. No. 2009). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9358. A bill to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance; with amendment (Rept. No. 2010). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 10251. A bill to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.; with amendment (Rept. No. 2011). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 10441. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act; without amendment (Rept. No. 2012). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. Fifteenth intermediate report of the Committee on Government Operations pertaining to a food and clothing report (Rept. No. 2013). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Illinois:

H. R. 10592. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. H. CARL ANDERSEN:

H. R. 10593. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. AUGUST H. ANDRESEN:

H. R. 10594. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. ARENDS:

H. R. 10595. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. BELCHER:

H. R. 10596. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. BERRY:

H. R. 10597. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. DAGUE:

H. R. 10598. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. DIXON:

H. R. 10599. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HARRISON of Nebraska:

H. R. 10600. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HARVEY:

H. R. 10601. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HILL:

H. R. 10602. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HOEVEN:

H. R. 10603. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HOPE:

H. R. 10604. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HORAN:

H. R. 10605. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. LOVRE:

H. R. 10606. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. McINTIRE:

H. R. 10607. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. SPRINGER:

H. R. 10608. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. VURSELL:

H. R. 10609. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. WEAVER:

H. R. 10610. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. WILLIAMS of New York:

H. R. 10611. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. LAIRD:

H. R. 10612. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. MASON:

H. R. 10613. A bill to reduce the individual income tax by 10 percent; to the Committee on Ways and Means.

By Mr. ASPINALL:

H. R. 10614. A bill to preserve permanently as a national park, an area of national significance in Colorado and Utah, such park to be known as the Dinosaur National Park, which shall supersede the Dinosaur National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOGGS:

H. R. 10615. A bill to amend the Internal Revenue Code of 1954 to provide that moving expenses paid by an employer for a new employee shall not be included in the gross income of the employee; to the Committee on Ways and Means.

By Mr. BROOKS of Louisiana:

H. R. 10616. A bill to provide for the organization of the National Guard Bureau, and for other purposes; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 10617. A bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a 1-cent indictment; to the Committee on the Judiciary.

By Mr. EBERHARTER:

H. R. 10618. A bill to provide a temporary extension of certain special provisions relating to State plans for aid to the blind; to the Committee on Ways and Means.

By Mr. FASCELL:

H. R. 10619. A bill—

DECLARATION OF PURPOSE AND POLICY

To reaffirm the national public policy and the purpose of Congress in the laws against unlawful restraints and monopolies, commonly designated "antitrust" laws, which, among other things prohibit price discrimination; to aid in intelligent, fair, and effective administration and enforcement thereof; and to strengthen the Robinson-Patman Anti-Price Discrimination Act and the protection which it affords to independent business, the Congress hereby reaffirms that the purpose of the antitrust laws in prohibiting price discriminations is to secure equality of opportunity of all persons to compete in trade or business and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 10620. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Education and Labor.

By Mr. GARMATZ:

H. R. 10621. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KEAN:

H. R. 10622. A bill to amend section 2011 (c) of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. KING of Pennsylvania:

H. R. 10623. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; to the Committee on Agriculture.

By Mr. KLEIN:

H. R. 10624. A bill relating to intercorporate relations between the General Public Utilities Corp., a corporation organized and operating in the United States, and the Manila Electric Co.; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of California:

H. R. 10625. A bill to authorize the exchange of certain lands in fee between the United States of America and the State of California; to the Committee on Armed Services.

H. R. 10626. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. O'BRIEN of New York:

H. R. 10627. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 10628. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; to the Committee on the Judiciary.

H. R. 10629. A bill to amend the Davis-Bacon Act, and for other purposes; to the Committee on Education and Labor.

H. R. 10630. A bill relating to the District Court of Guam; to the Committee on Interior and Insular Affairs.

H. R. 10631. A bill to provide Federal assistance for the construction of school facilities in Guam; to the Committee on Interior and Insular Affairs.

By Mr. PATTERSON:

H. R. 10632. A bill to authorize the construction of flood-protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

By Mr. RADWAN (by request):

H. R. 10633. A bill to amend the Railroad Retirement Act of 1937 to provide that certain employees who terminate their railroad employment shall be entitled to a refund of the railroad retirement taxes which they have paid; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H. R. 10634. A bill to provide for the formulation of a plan for control of the property of the Menominee Indian Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H. R. 10635. A bill to preserve permanently as a national park, an area of national significance in Colorado and Utah, such park to be known as the Dinosaur National Park, which shall supersede the Dinosaur National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCUDDER:

H. R. 10636. A bill authorizing the construction of a project on the Eel River for local flood protection at Sandy Prairie in the vicinity of Fortuna, Humboldt County, Calif.; to the Committee on Public Works.

By Mr. SMITH of Mississippi:

H. R. 10637. A bill to amend certain provisions of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. TRIMBLE:

H. R. 10638. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. WICKERSHAM:

H. R. 10639. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

H. R. 10640. A bill to permit articles imported from foreign countries for the purpose of exhibition at the America's New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes; to the Committee on Ways and Means.

H. R. 10641. A bill to extend and amend laws relating to the provision and improvement of housing and the conservation and development of urban communities, and for other purposes; to the Committee on Banking and Currency.

By Mr. WILLIAMS of New York:

H. R. 10642. A bill to amend title 18 of the United States Code to exempt certain retired officers of the Armed Forces from the operation of section 216 thereof; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 10643. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. Res. 476. Resolution to pay certain expenses incurred by the Committee on the Judiciary; to the Committee on House Administration.

By Mr. DAVIDSON:

H. J. Res. 604. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the United States World Trade Fair to be held in New York City, N. Y., from April 14, to April 27, 1957; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the house of representatives, Commonwealth of Massachusetts, memorializing Congress to appropriate money for the repair of the dam at Massasoit Lake, better known as Watershops Pond, in the city of Springfield; to the Committee on Appropriations.

Also, resolutions of the general court of the Commonwealth memorializing Congress to enact certain legislation; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to appropriate money for the repair of the dam at Massasoit Lake, better known as Watershops Pond in the city of Springfield; to the Committee on Appropriations.

Also, a memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact certain legislation establishing proper flood control measures in the Commonwealth of Massachusetts; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H. R. 10644. A bill for the relief of Hylin Golding; to the Committee on the Judiciary.

By Mr. DIGGS:

H. R. 10645. A bill for the relief of Mr. and Mrs. Sai Ip Chan; to the Committee on the Judiciary.

By Mr. DODD:

H. R. 10646. A bill to authorize the advance on the retired list of 1st Lt. Nicholas Mainiero, United States Marine Corps Reserve (retired), to the grade of captain; to the Committee on Armed Services.

By Mr. JOHNSON of California:

H. R. 10647. A bill for the relief of Mrs. Sen Lai Wong and her daughter, Yu Kiang Wong; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10648. A bill for the relief of Thomas Haggerty; to the Committee on the Judiciary.

By Mr. LECOMPTE:

H. R. 10649. A bill for the relief of Mrs. Myrtle Reveley; to the Committee on the Judiciary.

By Mr. MARSHALL:

H. R. 10650. A bill for the relief of Lillian Cummings; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 10651. A bill to authorize the advance on the retired list of 1st Lt. Nicholas Mainiero, United States Marine Corps Reserve (retired), to the grade of captain; to the Committee on Armed Services.

By Mr. PELLY:

H. R. 10652. A bill for the relief of Harry F. Lindall; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10653. A bill for the relief of Mrs. Chu Buoy Ngow Lee; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 605. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

920. By Mr. CEDERBERG: Petition of Mrs. Amanda Olson, Big Rapids, Mich., and 104 others expressing their appreciation to the Ways and Means Committee for extending alcoholic beverage taxes; to the Committee on Ways and Means.

921. By Mr. HORAN: Petition of Ensign John R. Monaghan Post 51 and 150, Veterans of Spokane, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

922. By Mr. JENKINS: Petition of 45 veterans of Ironton, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

923. Also, petition of 45 members of Veterans of Foreign Wars, Basil, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

924. Also, petition of 79 members of Veterans of Foreign Wars, Wellston, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

925. Also, petition of 31 veterans of Baltimore, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

926. By Mr. MILLER of California: Petition of citizens of the Eighth Congressional District of California urging passage of H. R. 4627, a bill to prohibit interstate advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

927. By Mr. NORBLAD: Petition of Erick Lund and 17 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

928. By Mr. SILER: Petition of Mrs. George Paine and 117 other residents of Clarion and Shippenville, Pa., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

929. By Mr. WOLCOTT: Petition of LeRoy W. Lewis, Vassar, Mich. and 300 others for separate pension program for World War I veterans, their widows and orphans and urging its immediate enactment; to the Committee on Veterans' Affairs.

930. By the SPEAKER: Petition of the president, Federation of Economic Organizations, Marunouchi, Tokyo, relative to the discrimination against the sale of Japanese textiles; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Can We Halt the Race for Atomic Arms?

EXTENSION OF REMARKS

OF

HON. CLINTON P. ANDERSON

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Wednesday, April 18, 1956

Mr. ANDERSON. Mr. President, on April 6 I delivered at the sixth annual conference on high energy nuclear physics, in Rochester, N. Y., an address entitled "Can We Halt the Race for Atomic Arms?" I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CAN WE HALT THE RACE FOR ATOMIC ARMS?

(Address of Hon. CLINTON P. ANDERSON, of New Mexico)

A New England author reminded us many years ago that trouble is like hot weather: It sours milk and sweetens apples.

The power of the atom has its twin aspects: it can blow whole cities to bits; yet it might bind this frightened world together.

Somewhere between the blast of Hiroshima and the hoped-for dawn of such a milennium of perpetual peace lies the no-man's land we now so timidly explore—a narrow strip of neutral territory between the barbed-wire entanglements of the world's great armed camps. In it labor the men of science and religion and politics, the possessors of faith and hope, who believe that destruction need not be the destiny of our day and civilization, who know that it is possible to be secure as well by the majesty of what we do as by the might of what we have, and who trust that the intelligence which enables us to split the atom for a bomb will in time teach us to use the split atom for the advancement of man and the glory of his God.

My academic training gives me no right to speak at a meeting called to discuss problems of high energy physics. My purpose this evening is to ask if there is a role that you men of science may play in proposing an affirmative answer to the question: Can we halt the race for atomic arms?

Day by day in the Congress of the United States we are alerted to that question. It colors the debate on the size of our military establishment. It increases as our agricultural storehouses fill and overflow. It influences the volume of our foreign aid. It throws into sharp controversy the relative value of guided missiles and jet aircraft. It builds a nuclear Navy and equips an atomic Army. We know all about Nike batteries; we watch ground-to-air, air-to-ground and air-to-air encounters. But we find no peace.

And yet, through all our thinking runs the belief that the true significance and greater ultimate effect of atomic energy for the human race will come, not from its destructive capabilities but from its contributions to the betterment of man's lot upon this earth. The weapons of mass destruction are impressive, but so would be the fruits of peace. The difficulty has been that the power to destroy comes before and grows faster than the power to build.

Has that not been the story of mankind? Are not the destructive uses of power the simplest and those most likely first to occur when a new source is discovered?

Certainly man's first experience with chemical and electronic energy as released in an ordinary fire told him of its destructive character. When forests spanned this continent from the Atlantic to the Pacific, our ancestors saw fires originate in lightning, which itself was a source of terror and disaster, and then saw the flames reach up to topple the mightiest trees. They ran for their lives from the fire, and the wild animals of the field and forest ran with them. It took generations to learn how to tame the elemental force of fire, to bend it to their own purposes in the cooking of food, the refining of ores and the casting of metals. Likewise, even though our atomic age had its origin in the New Mexico desert, when a new ray, brighter than the New Mexico sun, lit up the landscape, even though the toll of human life that followed in Japan shocked the sensibilities of the warring world, we look forward to a new age of power and plenty with new servants to do man's work and to raise the standard of living throughout the world.

There is in this new atomic power one additional hopeful element. It took our aboriginal ancestors generation upon generation to learn to tame the energy of fire, but we in this great scientific era have a right to believe the acceleration which we see on all sides today in the growth of technology may be matched, at least to some extent, by an acceleration in the rate at which men of different national origins may learn to meet together in a common need to bring under control and put to beneficial use the immense forces of atomic energy.

This has been a harsh chapter in the history of our world. This new power which promises so much has thus far increased some of our problems and, if we look only at the surface, has made more difficult the eventual arrival of worldwide peace and the utilization throughout the earth of nuclear power.

The conviction is growing that disarmament, the sense in which it was proposed and may have been possible from 1945 to 1948, has now become impossible. There was once a day when a rigid system of inspection could have prevented the growth of dangerous stockpiles of fissionable materials for military use, but in the last decade the sizes of stockpiles held by the principal atomic powers have presumably grown large enough that substantional amounts could be secreted before any inspection system begins, and would be adequate for a devastating attack if one of the powers so chose. But wholly apart from this question of secreting materials before initiating inspection, it might be recognized that even if that did not occur and a rigid inspection system and control of materials were imposed, then still in the event of war, the facilities which have grown up for peacetime uses of atomic energy are of such productive capacity that it would not be long after the outbreak of war that adequate materials would have been produced for full scale atomic devastation.

Moreover, we should not restrict ourselves merely to consideration of hazards implicit in wars of annihilation with atomic weapons. In technology applied to military ends, novelty is ever a prime goal. Thus there is the probability that a war between major powers will lead to types of destruction of a nature and scope not yet conceived, much less demonstrated.

Modern war makes certain for all participants their near annihilation and makes military conquest utterly illogical and absurd. The great powers of today thus find themselves in a sort of uneasy stalemate. Each is concerned with maintaining heavy retaliatory forces to insure that the other dare not risk the gamble of military conquest; but in turn dares not risk it on his own save as a result of monstrous blunder.

While much time will pass before we work our way out of our current military stalemate, certainly it is a hazardous stalemate which no one likes, and it may have merit only if we use the time it provides to take advantage of the evident value of peaceful collaboration on projects of common concern. Says the editor of the Bulletin of Atomic Scientists, "Atomic deadlock can have positive value only if man uses the breathing spell it provides to develop a permanent foundation for peace without terror."

On the one hand we may strive to use this period for creating mutual respect for, and consent to use, the machinery of an expanded and strengthened United Nations to mediate international disputes, and to diminish tensions arising from international rivalries. On the other hand, we may move toward direct collaboration on technical projects for which the high level of modern technology makes such cooperation unusually productive and beneficial to all concerned.

Here I would like to mention several projects which seem especially appropriate for joint developments in world laboratories. But before doing so, let us look at some road blocks in that path.

Restrictions on free travel and free exchange of information have become increasingly irksome in recent years. These restrictions have fallen heavily on many scientists, on people in the arts, on businessmen, sometimes on religious leaders or other people whose interests and pursuits are not confined by national borders. The justification of these restrictions is the implicit argument that somehow they increase the national security and well-being of the Nation that applies them. But today with the rapid approach of the time when any country which launches atomic warfare can create untold damage at will, we need to examine whether we can remove many of our restrictions on free travel and exchange of information. We need to encourage, by whatever means we can, the spirit of international cooperation and openness which will minimize the chances of a misunderstanding—an accidental spark that would lead to disaster.

One step we can take in this direction is to remove our present restrictions on transmission of nonsecret scientific information between nations. The United States has helped to foster such restrictions but their contribution to our security is open to question. We know that such measures foster fear and suspicion rather than cooperation and understanding. They decrease the rate of gain of knowledge which is at the maximum only when free communication exists. Physical truths cannot be protected by such policies. They are everywhere the same—equally measurable in any laboratory.

We can break down barriers in communications still further by encouraging an expansion in our present system of exchange of teachers and students between nations. Most of our American universities do not have visiting professors from other lands on their facilities but would be happy to have them. Many of our own scientists go abroad to study and teach in foreign institutions. They come back with new ideas, a fresher outlook on their own problems which cannot help but be of benefit to science as a whole. An increase in opportunities for exchange of faculty and students between our great institutions of learning would be an important integrating factor in our pursuit of knowledge. We have plenty of disintegrating influences; we need men and women who are concerned with mutual problems and prepared to dedicate themselves to their solution.

The importance of the international meetings of the kind being held here in Rochester cannot be overemphasized. Information exchanged between participants will hasten the day when science will understand the secrets of the nucleus and of fundamental particles, and move man another step forward in his understanding of the universe about him.

A further measure we might well undertake now to promote a spirit of international cooperation would be the establishment of a world passport, which would be granted annually to a select list of nominess from all over the world. Such a passport would permit its holder to travel freely in lands of all member nations. A list of nominees for this honor would be prepared by a committee of participating nations, and the honor would be conferred only on those who received a unanimous vote of approval from all member nations. The list might include, for example, Nobel prize winners, outstanding artists, leaders in religion, in government, in science, in education, and in business. It could become a highly coveted award all over the world—a suitable mark of distinction for our public servants in every walk of life. Above all, it could promote a degree of mutual trust and understanding that might in the end help to halt the race for atomic arms and forestall a war that nobody wants.

A world in which restrictions on communication and on the travel of individuals has been minimized is one in which the combined intellectual and technical powers of many nations can be brought to bear in unison on common problems. We are aware of many problems which can be and should be attacked by an international effort. Even under the imperfect conditions of international communication which exist today, significant projects are under way and important beginnings have been made on others.

There is the superb example of regional cooperation illustrated by Cern, set up by the European Organization for Nuclear Research. Here men of many nations gather together for a joint assault on the experimental and theoretical problems of nuclear physics. There is likewise the inspiring scope of the International Geophysical Year. When it opens, a great network of observatories will embrace the entire earth. Chains of weather stations strung out on three meridian lines from the Arctic to the Antarctic will chart the circulation of the atmosphere during the intense period of activity spanned by the International Geophysical Year. All of the modern instruments of meteorology and geophysics will be mobilized in a global accumulation of data which should provide the basis for years of analysis, speculation, and debate. The final reduction to conclusive findings will mark a new step in man's understanding of his global home.

There is the World Health Organization which through its many laboratories and agencies is waging successful war against the diseases of mankind, and is promoting in the less fortunate areas of the world new understanding of medical care for infants, for the aged and for the handicapped.

In the atoms for peace program, there are more than 25 bilateral agreements between the United States and countries less advanced in nuclear technology.

There is a multitude of activities supported by UNESCO: its educational training centers, its support of travel for scientific and cultural reasons, its contribution to the European Organization for Nuclear Research mentioned above, the creation of the International Computation Center at Rome, the conferences in arid zone research, and the many less noticed activities of the Field Science Cooperation offices. The UNESCO 1954 participation in the U. N. technical assistance programs amounted to 56 projects in 36 countries.

These are but some of the most evident international cooperative efforts bringing the benefits of modern science and technology to peoples around the world.

We have reviewed briefly both the positive and the negative steps toward increased collaboration among scientists of different nations, as they have developed in recent years. Now let us glance at a few fields in which joint efforts may prove especially beneficial.

As a prime example of a project which involves a subject that clearly has no relevance to national boundaries, we may think of climate control or world-wide weather modification. Recent advances in meteorology suggest that efforts in this direction may produce useful results sometime in the future.

Yet evidently the control of amounts of precipitation, directions of winds and like matters, are not properly planned by a single national power or even by 2 or 3 in regional collaboration. For instance, I believe that much of the weather of the United States is made along the coast of Alaska, in the Gulf of Mexico, or out in the Far Pacific, and my country has little or no control of the sea areas involved. Any regional effects on climate will have, perhaps, attenuated effects on climatic conditions in most distant areas. Moreover, such information as we now have strongly implies that the most effective weather control requires coordinated efforts over vast areas of the earth's surface, and the broader the cooperation, the greater might be the results.

Another example on a large scale which inevitably crosses national boundaries is the project to send a rocket into outer space. Purely from a geographical viewpoint, efforts to send missiles and ultimately passengers to the moon and the nearby planets are of worldwide interest. While the intensely nationalist feelings characterizing international relations on our planet at the present time suggest that we may even see, as a result of interplanetary travel, an extension of the competitive colonialism which the last century saw for the backward areas of this planet, the prospect of seeing different sections of Mars staked out by different national governments of this earth seems on the face of it ludicrous. Are we trying to play God and develop a new planet in our own image and likeness? A much more rational and probably more productive basis for the exploration and development of other worlds would be under an organization which properly reflects the common interests of all the peoples of this earth in such development. The Man in the Moon belongs to the children of every country, is a part of their dream world, and if reached by space ship, might better remain the property of all.

Returning now, however, from the fanciful and the future to the more immediate problems of initial efforts to get a space ship away from the earth, we recognize hazards of a rather severe sort which may arise as a result of the erroneous function of a space missile intended for the moon but which instead, through defective mechanism or planning, lands on the territory of another nation. If such a nation were at that time in an advanced state of tension in anticipation of a possible attack, this simple error might touch off the spark of world conflict.

Which brings me to the competitive race to develop an intercontinental ballistic missile. We in the American Congress have already learned that it would be a drain on all our budgets if that race should set a pattern in the whole field of space conquest. Russia and this country are working at high speed toward the attainment of an intercontinental ballistic missile, called by many "the ultimate weapon." Yet if the missile were to be attained almost simultaneously and prove to be as accurate as now forecast, if indeed it could carry atomic warheads with a striking power of several kilotons and place them within the area of a small circle, then no city in the world is safe, no jet interceptor can police the skies and no highway can promise egress from the affected area. In that day the people of the earth would banish the weapon as poison gas was outlawed in World War II, but only after the expenditure of fantastic sums of money, materials, and scientific skills.

Might it not be better to examine the chance to use space conquest as another project for an international laboratory? If we will never use this weapon once we achieve it, might it not be set aside as one segment of worldwide competition that could be surrendered to the effort to halt the race for a full arsenal of atomic arms in every land? Or must everyone carry his own six-shooter constantly strapped to his belt?

A third area might be research on the problem of controlling thermonuclear reactions in such a way as to produce useful power. Those of you in this audience know far better than I the great amount of energy which may be released in the fusion of the lightest elements to form helium. The great abundance of heavy hydrogen or deuterium the great quantities of this valuable isotope which are contained in the world's oceans, leads to a staggering picture of power availability to lift the yoke of labor from men's shoulders throughout all the world.

It has been estimated that the amount of heavy hydrogen in the oceans is sufficient to meet world power needs at 1,000 times the present consumption and for the next million years.

There seems to me to be no other field of technology today in which there is a more evident need for pooling all of the imagination and ingenuity which the world's scientists can bring together. The riches for mankind which must flow from the solution of these problems are without parallel. The history of science dramatizes again and again that problems of special difficulty are most usually solved by the cross-fertilization of ideas from diverse sources. The effort of any one country to develop controlled thermonuclear reactors in a unilateral manner under the secrecy required by an attitude of competitive nationalism must certainly have the effect of retarding the progress of such a country in this vital field.

As many of you have been saying again and again, science cannot flourish under secrecy. The essence of the scientific process is the exchange of ideas—the comparison of procedures and the development of new ideas and techniques in an active atmosphere of collaboration in which many people may contribute small parts of the solution to produce a whole far greater than the sum of the parts. No one can yet say that the immense problems associated with development of controlled thermonuclear power will be capable of solution. What we can say, certainly, is that if their solution is available to man, then it will be most readily available and perhaps only available in an atmosphere of vigorous collaboration built upon the genius of many people from many lands. It would seem that the enlightened self-interest of all technologically advanced nations would best be served by their contributing heavily to the creation of a joint world laboratory in which the solution of these problems is sought jointly by scientists from many nations.

Some secrecy-minded individuals may object that the technology associated with each of these fields I have mentioned has possible military applications. This claim is perfectly true; however, it does not necessarily follow that the security of different nations will be furthered by developing these fields under the military security system which our competitive nationalism has imposed upon science in recent years. In fact, it may be just because of the possible military applications from these new technologies that we shall wish to develop them jointly with all principal powers participating in world laboratories created for the purpose. Perhaps we can learn an important lesson from our experiences in the development of atomic energy. The unilateral development of the field of nuclear technology has created the following dilemma. Assuming the universal desire of all peoples to achieve some sort of workable disarmament, we have nevertheless in the development of nuclear technology greatly accentuated both the need for, and the difficulty of attaining disarmament. Whereas modern atomic weapons raise the destructive potential of war to a new level, the suitability of atomic weapons for concealment and surprise use has at this advanced stage in the competition made disarmament by mutual inspection very difficult, if not impossible.

This experience in the field of nuclear technology suggests that similar potentialities exist in as yet undeveloped technologies. Research into the killing diseases of man with the objective of eliminating these diseases may bring us instead new ideas as to how we may visit death on opposing populations by new species of bacteria. Or we may find a new type of rust that will destroy his feed grains, or a virus that will kill his livestock. Successful travel in outer space will suggest new, more effective and even less detectable means of attack on other nations. Unilateral success in the field of climate control will suggest important new schemes for military action against the unfriendly powers. Project Sherwood for the development of controlled thermonuclear reactors provides the greatest promise on the horizon today of immense, cheap power sources. Yet in the event of success for this project, it takes no advanced military technician to realize that such power sources would have great applications in the engines of war. Thus we are led to feel that in every area in which the scientific method has enabled the intelligence of man to gain new mastery over nature, we face the possibility of an added complication in future disarmament efforts.

It is to that problem that I have directed these words. If the great powers find themselves in an atomic stalemate today—and I think they do—it is a carryover of patterns of national security which modern science has rendered obsolete. The military techniques which might emerge from the new areas of technology that I have been discussing can make the stalemate no worse. Already it is at a level in which any major power can precipitate almost total destruction upon an adversary (and in return upon itself) if it should make so tragic an error in judgment. Yet there is the danger that if these new areas of technology are developed in secret, some nation which at some future time is led by reckless rulers, may feel that it has gained so great a lead in some field of science that it may dare to launch an attack for world conquest. While this error in judgment will almost certainly be answered by mutual annihilation approaching totality, every effort must be bent while still we have the chance to prevent such dreadful miscalculations from occurring. Scientists, it seems to me, might suggest to the statesmen that modern technology could make the greatest contribution to the security of great powers if statesmen would move as far as possible from the secret competitive development of technologies under which we have largely operated in recent years. The scientists might urge, indeed, that the race for atomic arms could best be halted by having new fields of science developed jointly by all nations.

The responsibility for carrying forward the proposals here made for cooperative studies of weather modification and for world laboratories of science, must be placed with some international organization. A natural agency for this purpose is the United Nations. Such responsibility, such new avenues for accomplishing good, will strengthen and expand the capacity of the United Nations for reaching its goal of creating a world at peace.

The procedure for implementing ideas of this nature must fit the pattern of life in each land, and therefore what we will first need will be suggestions as to possible courses of action. I hope they will be forthcoming. For my part, I intend to discuss the question with my colleagues in the United States Senate.

I hope that the United States citizens in this audience, and elsewhere, will give me their recommendations. I hope that those of you from other countries will raise the question with your associates back home, and possibly lead to official proposals from your governments to the U. N. on how best to proceed.

If we do succeed, then no nation can make the fatal error of assuming that it has an overwhelming technical lead over a possible adversary. The recent Geneva Atoms-for-Peace Conference illustrated how similar the achievements were in different nations even though each had pursued its program of research and development in careful secrecy. Such similarity of development will no doubt be the case in the future in arms as well as peaceful atoms.

My own experience at Geneva persuades me that many nations know a lot about the atom. When India's Dr. Bhabha opened the pie of thermonuclear power, the blackbirds from 4 and 20 lands began to sing! What was secret at breakfast was table talk at lunch. Nations rushed to hold press conferences and attend activities. Isn't it possible that there might be a similar pattern in weapons, and that no one nation holds all the cards?

Something new seems to be needed in this disarmament business. The nations make little headway in finding grounds for agreement on reducing the size of armies or destroying parts of atomic stockpiles. Very well; why not try to think constructively about disarmaments in potential weapons, in "ultimate weapons." The problems here are simpler because no one nation has so strong a vested interest in the new field that it will be contributing much more than valuable scientific help. It would be a new try at disarmament, this "disarming the future," and it would lack some of the defects of proposals for present disarmament.

This is not a suggestion that all nations pool their efforts in the field of present atomic technology, nor a hint that the testing of atomic weapons be stopped by any of the great powers, and surely not a proposal that Oak Ridge, Hanford, Livermore and Los Alamos be levelled to the ground. It springs rather from the feeling that the new technologies may displace the old, and that a war-weary world might achieve in time a form of disarmament by obsolescence.

If and when that day should dawn, each new technology would no longer be a source of dread power to be somehow kept from destroying us in the convulsion of global war. Rather it would become what men of science have always intended—a means for opening up a new dimension in human life for defining a greater destiny for the forward course of the human spirit.

You men of science labor in that vineyard. May God add strength to your endeavors.

Dissolution of Cominform Means Nothing

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. HILLINGS. Mr. Speaker, Russia's announcement that the Cominform has been dissolved actually means very little. The Communist information bureau which was established in Warsaw 9 years ago actually has been inactive since 1949.

The significant point to keep in mind is that abolishing the Cominform has not changed in any way the complete and total loyalty of the Communist Parties in various countries throughout the world to the Soviet Union. The Red organizations in other countries blindly follow every twist and turn of the Soviet line and owe their first loyalty to Russia. The men in the Kremlin despite their change in tactics have not given up their hopes of world domination.

Recent events as well as observations made on my trip to the Soviet Union and five satellite countries last fall convince me that we are entering into one of the most dangerous and demanding periods in world history. It was much easier to keep our guard up when the Russian-led Communist movement was engaging in aggression and obvious subversion to destroy human freedom. The snarling Red tiger is often less dangerous than the smiling Red tiger.

It is imperative that we keep in mind that the Communist conspiracy continues to follow the Soviet objectives in all political problems and aids and abets Russian intelligence services throughout the world.

We must now recognize that the new Russian approach will be much more palatable to nations in the West, including our own, than previous Soviet policy. We must now prepare ourselves to accept a greater responsibility than ever in leading the free world in this more relaxed and at the same time more dangerous Russian approach. We must accept this new challenge by the Communists to compete with us more readily in diplomatic and economic fields.

Independence of Israel

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. POWELL. Mr. Speaker, on April 16, 1956, by the Jewish calendar, Israel was 8 years old and its people can well take pride in that fact. I wish to extend my sincere felicitations to the people of Israel, President Ben-Gurion, and His Excellency Abba Eban, Ambassador of Israel, upon the occasion of the celebration of Independence Day.

The Republic of Israel emerged fully clothed with the problems and realities of political statehood on May 14, 1948. During these short years of independence the two main preoccupations of Israel have been economic development of the country and the establishment by diplomatic and military means of the security of the country within the boundaries set by the armistice agreement.

The State of Israel is a product of an ancient dream, of suffering, courage, faith, and sacrifice of a people striving to create a new democracy and to live in peace. There are few historic parallels for the present resurgence of faith in democratic values witnessed in Israel. Israel's faith is everywhere in evidence in the energy of its manifold activities and in a rapidly accumulating array of solid achievements along social, economic, political, and spiritual lines. The triumph of the human spirit in Israel over seemingly endless and overwhelming obstacles is a constant beacon light of faith to all men.

Because Israel is small and poor in natural resources it faces towering economic problems. The economy of Israel is still in the process of building healthy foundations for a normal existence. The economic policy of the government is characterized by the encouragement of healthy economic enterprise in all its beneficial forms. In economic matters Israel has steered a middle and nondoctrinaire course between the totalitarian economics of the slave states and the typical laissez faire of the 19th century. It is developing an indigenous blend of free enterprise and free government suited to its own particular problems.

The Middle East is the crossroads of the Old World, the bridge between Europe, Asia, and Africa, straddling global air and sea routes, the Dardenelles and the Suez Canal. Within the Middle East the State of Israel is clearly the heartland of the crossroads. The present masters of the Kremlin, following the lead of past military conquerors, covet this position. The deeply disputatious question of peace with the Arab States leaves the political future clouded. Yet within Israel there is energy and optimism, for here at last a dream of centuries for a homeland has become a political reality.

The avowed aim of the United States is to promote the political and economic stability of the entire region of the Middle East with a course of action based on neither favoritism nor on prejudice, but on the principle of safeguarding the best interests of the United States and the free world. The United States has given increasing attention to ways of reducing tension along the troubled frontiers of the Middle East. The most serious threat of this continued strife, from the free-world point of view, is the danger it presents to the Middle East as a whole. Seeking new directions for further Communist exploitation, the masters of the Kremlin already are looking upon the troubled waters of Palestine as a good spot for launching their next dangerous activities.

If our worldwide position is to be secure, we must recognize the potentialities of Israel as an outpost for western civilization. The whole Arab world is in a state of underdevelopment and extreme poverty. Its populations are restive and if practical solution to the miseries of millions of people do not come, Communists will certainly make the most of their opportunity.

If we in the Western World ignore the Middle East and its unsolved human problems, we shall not only have failed a large section of humanity, but we shall have mortally weakened our own defenses of the West and its message of freedom. We can strike no more effective blow in defense of our way of life on a global basis than to do everything possible to make Israel a strong bastion of freedom in the Middle East and through it to reach the rest of the region in the true spirit of our freedom. And, further, we must cooperate in all wholesome economic endeavors of the entire Middle East.

Letter to the President

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. JENSEN. Mr. Speaker, on last Monday forenoon, April 16, about 2 hours before I learned the President had vetoed the farm bill, I delivered to him by special messenger, the following letter:

Congress of the United States,
House of Representatives,
Washington, D. C., April 16, 1956.
The President,
The White House,
Washington, D. C.

Dear Mr. President: I am quite certain you will remember all that took place during the fall of 1952, when at your request, the writer was called to Denver, Colo., to debate the 90 percent of parity question vs. flexible parity with a member of the American Farm Bureau Federation in your presence. I need not remind you of your decision and of the outcome of that debate, but will only say it was most gratifying to a great majority of our farmers, and was reflected in the election of 1952. Hence, as a humble Representative of the American people, I feel dutybound to again speak out on this subject which is of such great importance to every American, as well as to our farmers.

I sincerely hope you will sign the farm bill because:

1. The farmer's dollar is now worth only 80 cents at the counter, which our American economy cannot long endure.
2. The 90 percent of parity provision would immediately raise farmer income, hence their purchasing power and in turn would benefit industries and labor, now and over the long pull.
3. When the American farmer dollar buys 100 cents worth at the counter, he buys over twice as many dollars' worth of processed and manufactured goods on an average than do other Americans per capita.
4. Most everyone favors the soil bank provision, for obvious reasons.
5. The bill embodies about 90 percent of your own nine point farm program, both in principle and purpose.
6. The American people are today spending on an average of less than 24 percent of their income for food, which is less than at any time in our history, except when a number of foods were subsidized during World War II. We must weigh a slight price increase in finished goods against millions of jobs now in jeopardy.
7. When the threat of lower prices of raw products is eliminated, then the thousands of processors and manufacturers of raw products will know they can safely purchase a year's supply of their raw products needs (amounting to billions of dollars annually) without financial loss if the parity provisions now in the bill are maintained. For the past 3 years they have been buying from hand to mouth, either from the producer or from the Government surpluses, due to the threat of lower. raw product prices under the flexible parity proposal, which is the primary cause for the piling up of surpluses in Government warehouses and grain bins, instead of being purchased and stored by private processors and manufacturers, as should be, and will be if the parity support provisions in the farm bill are made law by your signature.

Therefore, I plead with you to sign the farm bill.

Respectfully,
Ben F. Jensen.

Now, Mr. Speaker, may I say that I yield to no man in the high regard and respect I hold for our great President, but I, too, have a duty to perform and a conscience to satisfy and live with by voting my honest convictions on every question which comes before Congress, including this veto message. For these reasons and for the reasons set out in my letter of April 16 to the President, I cannot find it in my heart to sustain the President's veto of the farm bill.

Hon. James C. Murray's Address at the Annual Dinner of the Ancient Order of Hibernians, Held at the Mayflower Hotel on March 17, 1956

EXTENSION OF REMARKS
OF
HON. T. JAMES TUMULTY
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. TUMULTY. Mr. Speaker, it gives me great pleasure to insert in the Record the stirring address of the Honorable James C. Murray, of Illinois, delivered at the annual dinner of the Ancient Order of Hibernians on March 17 at the Mayflower Hotel.

The dinner of the Ancient Order of Hibernians is one of the finest in the country. Congressman Murray held the audience spellbound with his eloquence. His speech was a personal triumph and a tribute to the district which sent him to Congress and which he so ably represents. Realizing the speech with its scholarship and its message would be enjoyed by others, I am taking the liberty of inserting it in the Record. The speech follows:

When I received your kind invitation to speak at your outstanding St. Patrick's Day dinner, I made up my mind to be completely objective. Since an Irishman can be objective about everything except Ireland, I attempted to avoid as my topic our Emerald Isle. I thought that I might talk about our own country. When I started my address as follows—From the rock-bound coast of Maine—I had to stop because I became instantly aware of the fact that Maine was a founder of my own family and of a great Irish king.

I knew that I could not talk about Scotland because I am certain I would get into an argument with my Scotch constituents when they learned that Scotland comes from the word "Scotia"—as Ireland was originally called—which was settled, in part, by St. Columba.

To avoid controversy, I skipped over England, although I paused briefly enough to observe that the only extant manuscript of the earliest English epic Beowulf was written in Gaelic lettering. If I were to talk upon France, I would have to dwell on St. Columbanus' monasteries at Luxeuil—and in Italy, at Bobbio, which were the principal centers of the reconversion in education made by Irish monks of a Europe lapsed in barbarism. If I were to dwell on Switzerland, or for that matter, in any country up to the Ukrainian, I would find evidence of Irish teachers and missionaries.

Being thus frustrated in my attempts to find something to speak about other than Ireland, I decided to make my oration an objective speech about the Irish from the Celtic viewpoint. One of the gifts that St. Patrick secured for our race prior to his death was the promise that no son of Erin would experience the horrors preceding the destruction of the world. It would seem from this prophecy that some time prior to the end of the world, the last Irishman would have passed away.

If an historian at that time were to attempt to write the history of the Irish and were to predicate his history upon the Irish as pictured by present-day columnists, radio announcers, and other such organs of public information, I am afraid we would have a very misconstrued picture of ourselves.

I sometimes wonder whether or not the picture painted of the Irish by present-day organs of propaganda is one founded on jealousy, or aimed at the destruction of the things that an Irishman stands for. Since our basic virtue is spiritual rather than material, I am convinced the reason is the latter.

Oftentimes I wonder whether we ourselves, in our attempts to enjoy God's world, realize what we stand for. For the purpose of setting the record straight, if not to advise you of your birthright, and the obligations it entails, I would like to relate our Irish inheritance.

Biblical scholars tell us that we sprang from 1 of the 10 lost sons of Jacob. I don't know whether this is correct, but I do recall a song my grandfather used to sing which indicated that the Irish made the passover from Egypt to Israel with Moses. It goes like this: "It must have been the Irish that swam the River Nile because only an Irishman would fight a crocodile."

Anthropologists relate that we came from the stone-age hunters and fishermen which might be the basis for our stone throwing and tall tale telling ability. Bronze-age scholars related that our ancestors' gold and copper gave Ireland a preeminent position in early commercial and artistic world.

Regardless of what the early pages of history might have disclosed of an Irishman, we know the principal reason for our existence finds its source in our Apostle—St. Patrick. It is the love of God in every Irishman instilled by our Apostle and nurtured by our martyrs that is the divine spring from which flows the greatness of our race. From this divine fountain flows the love of individual liberty which has dedicated Irish everywhere to its cause. From it springs our saints, our missionaries, clergy, teachers, patriots and mothers.

Our birthright has proven to be the most formidable armor against every attack—against godliness or individual liberty—regardless of its form. Greater than the atom, our heritage is an indestructible eternity.

That which makes us Irish has been subject to every conceivable assault since its inspiration. Cromwell attempted to destroy it by military might but succeeded only in fostering it. Others attempted to suppress it by legislation but merely nurtured it. Today we face the most subtle attack ever hurled at our birthright. It is not hurled only at us as Irishmen—but as children of God. It is the assault of Satan's stepson who chose as his birthplace and growth the one place on the face of the earth not visited by our missionaries and patriots—Red Russia.

Its subtleness is most dangerous because it attempts to undermine our spiritualness by appealing to our worldliness. Our vices are encouraged, our virtues discouraged. Our humor stressed, our compassion depressed. Our intemperance glamorized, our estheticness criticized. Our vanity appeased, our meekness derided. Our pride fostered, our humility starved. Our earthliness praised, our love of God taunted.

To those of you who might feel that we as Irishmen have not the strength or wherewithal to meet this latest and greatest assault made against that which an Irishman stands for, I would like to recall some of the contributions that our ancestors, fathers, brothers, and even sons and daughters made to the liberty under God represented by our own great country.

Historians approximate that one-third of Washington's army were of Irish descent, so you see we were here a great many years prior to any "potato famine." The only reason that there are not more of our wives in the DAR is because we were too busy building railroads and developing our country to keep track of our ancestors.

The founder of our Navy was an Irishman, as you all know. The early builder of the present-day Democratic Party—Andrew Jackson—was an Irishman.

As a matter of fact, one of the Congressmen wrote me that St. Patrick must have been a Democrat.

The greatest award given by this country for individual contribution to its cause is the Congressional Medal of Honor. It is an award presented for acts of bravery actually performed and not inspired in the mind of a competent press agent. The very creation of the Medal of Honor was inspired by deeds of an Irishman in the Civil War—Maj. Gen. Phillip Karney.

The first deed for which a Congressional Medal of Honor was awarded was a deed performed by a native Irishman during Indian warfare in the settling of the West—the name of that distinguished son of Erin was Col. Bernard J. D. Irwin, an M. D.

Over two-thirds of the Congressional Medal of Honor winners who were born on foreign soil were born in Ireland—this despite the fact that Ireland is comparatively a small country.

In recent years the deeds of our brothers, sons, and daughters in behalf of our country occupy as prominent a place in our history as did the deeds of their forebears. The first American bombardier to sink a Japanese ship in World War II was an Irishman. The first American to kill a Jap in World War II was an Irish-American. The first American flier to bag five airplanes in World War II was an American of Irish descent by the name of Edward O'Hara.

The first American to be eulogized by the President for bravery in World War II was an American of Irish extraction. The first American Coastguardsman to catch a spy, had Erin's blood flowing in his veins. And the first American to make himself a human torpedo was another of our kinfolk.

Although our War Department does not classify data on the basis of nationality, the Irish War Veterans, United States of America, have estimated that during World War II, 3½ million persons of Irish or part-Irish descent served in our Armed Forces.

I did not intend to bring any message to you, but if there is any message contained in this address, it is merely to urge you to be more Irish—for being more Irish—you will be more American. And being better Americans, you will have successfully borne the obligations required of your emerald inheritance.

Tabulation of Public Opinion Poll

EXTENSION OF REMARKS

OF

HON. JOHN E. HENDERSON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. HENDERSON. Mr. Speaker, in February of this year I prepared a questionnaire of public opinion on many issues and questions of national importance for circulation in the 15th Congressional District of Ohio, which I have the honor to represent. When I undertook the task, it was my desire to obtain a random sample of opinion which might demonstrate local feelings on these issues and questions. A total of 4,435 of the questionnaires were returned to me by April 1 and were tabulated.

The 15th Congressional District of Ohio is in many ways typical of America. Its interests are diverse. It has farms, large and small. There are located there many factories engaged in the production of a multitude of products. The area is a storehouse of natural resources. The people are thinking people, vitally interested in the affairs of the day. Since the people of these seven counties have such diversified interests, it is my feeling that the answers are those of typical Americans, free from the extremes of sectionalism and provincialism. I regard their answers as a source of valuable guidance on various issues as they are considered. Others in the Congress may also share my great interest in the results of this poll.

The tabulation is as follows:

	Total vote	Number favoring	Percentage favoring
1. Do you support the Bricker amendment to void treaties insofar as they would abridge the sovereignty of the United States?	3,692	2,916	79
2. Do you favor lowering the legal voting age from 21 to 18?	4,340	1,657	38.2
3. Do you favor a constitutional amendment which would prevent the Federal Government from spending more than it receives in revenues during peacetime?	4,237	3,132	73.9
4. Are you in agreement with the present foreign policy of the United States?	3,540	1,880	53.1
5. Do you favor the admission of Communist China to the United Nations?	4,222	340	8
6. Do you favor continuation of technical assistance to underdeveloped nations?	2,973	1,988	66.9
7. Do you favor continuation of military assistance to friendly nations?	3,875	2,847	73.5
8. If answers to questions 6 and 7 are "yes", where do you think aid should be concentrated?			
Increase (1,307—60.5 percent) or decrease (851—39.5 percent) aid to Asia.			
Increase (638—30.8 percent) or decrease (1,438—69.2 percent) aid to Europe.			
9. Should we continue the United States Information Agency which furnishes information about our Nation and its policies to other countries?	3,994	2,295	57.5
10. Do you favor the creation of an Academy of Foreign Service by our Government to train future diplomats?	3,797	2,341	61.6
11. Do you favor Federal aid to education for the construction of public school buildings to be supported by additional tax measures?	4,225	2,090	49.5
12. Do you favor Federal aid to assist in the payment of teachers' salaries and administrative costs of local schools to be supported by additional tax measures?	4,187	1,580	37.7
13. Do you favor increased Federel aid for new highways financed by increased taxes (on gasoline, tires, etc.) for highway users?	4,229	2,377	56.2
14. Do you believe the minimum wage laws should be extended to fields of employment not now covered?	3,986	2,474	62.1
15. Do you favor the administration's health reinsurance proposal whereby the Federal Government would encourage expansion of private health insurance by assuming exceptional risks?	3,891	1,542	39.6
16. Do you support increasing present old age and survivorship benefits under the Social Security Act?	4,255	3,022	71
17. Do you favor the reduction from age 65 to 62 for women to receive benefits under the social security law?	4,314	3,132	72.6
18. Do you favor the construction of additional public housing units?	3,889	1,307	33.6
19. Which farm program do you favor:			
(a) Price support program based on 90 percent parity with acreage restrictions		617	16.7
(b) Price support program based on flexible parity with acreage restrictions		1,276	34.6
(c) No Federal price supports and no crop controls		1,796	48.7
20. Do you support the elimination of Federal taxes on gasoline consumed by farmers in the operation of farm machinery?	4,215	2,495	59.2
21. Do you agree that we must abolish farm surpluses before the reduction in farm prices can be solved?	3,833	2,736	71.4
22. Do you support the President's proposal for a soil bank to transfer acreage from farm production to soil-improvement crops as a means to reduce surplus production?	3,909	2,647	67.7
23. Do you agree with the President's recommendation that family-size farms should receive greater consideration in crop price support payments than large commercial farms?	4,103	3,642	88.8
24. Do you favor legislation to remove acreage restrictions on wheat which is grown and used for feed or seed on a particular farm?	3,915	3,110	79.6
25. Do you favor increased postal rates on first-class mail as a means to decrease the deficit under which the Post Office Department has operated?	4,155	2,237	53.8
26. Do you favor statehood for Hawaii and Alaska?	3,359	2,904	86.4
Alaska only, 212 (6.3 percent); Hawaii only, 122 (3.6 percent).			
27. Do you favor a policy of lower tariffs even though it results in increased competition with domestic industry?	3,946	930	23.6
28. Do you favor a reduction in Federal income taxes without first balancing the budget and decreasing the national debt?	4,114	870	21.1
29. Do you favor a basic pension for all World War I veterans?	3,963	2,198	55.5
30. Is the Eisenhower administration doing a good job?	3,738	3,246	86.8

The Farm Bill

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. ARENDS. Mr. Speaker, under leave to revise and extend my remarks, I am inserting in the RECORD an editorial which appeared in the Chicago Daily Tribune of April 18, 1956.

It precisely and concisely states the situation with respect to the farm bill. It points out how once again the Democrat Party has made the farm problem a political football at the expense of the farmers.

I am also inserting the statement I released to the press on the veto message:

[From the Chicago Daily Tribune of April 18, 1956]

THE FARM ISSUE REDEFINED

When the Democrats in Congress cooked up their vote buying monstrosity in place of the workable farm program that the President submitted early in January, they must have thought they were dealing with another Dewey. They expected that if Mr. Eisenhower did veto their bill, he would thereafter sit quietly while they told the farmers about all of the wealth that would have been poured on them if it had not been for a callous Republican President.

The Democrats miscalculated. In his speech to the Nation, explaining why he had to veto the farm bill, President Eisenhower demonstrated that the moral courage that prompted the veto is fighting courage as well. He brought forth a sound alternative program, salvaging what he could from Democratic sabotage and delay.

Now the burden of action has been shifted to the Democratic majority in Congress. If its members do not enact the President's recommendations, it is they who must accept responsibility for failure to provide relief for American farmers.

Mr. Eisenhower said he would call a special session of Congress to meet after the national conventions if an acceptable farm program is not enacted before that time. The proposals he put forward Monday evening have been thoroughly discussed. They were, in fact, embodied in the farm bill he vetoed, but were rendered unworkable by the discredited high price-support plan that the Democrats tacked onto that bill.

Twice on Monday, in his veto message and again in his address to the citizens, President Eisenhower exposed the fraud of the high price supports that the Democrats seek to perpetuate. They are the source of the unmanageable surpluses that are depressing farm prices and driving American agriculture toward socialism.

His soil-bank plan was designed to reduce these surpluses and still support farm income by paying farmers to rest and improve acres that are not needed for present production. Because the Democrats paltered so long with the farm bill in Congress, the time has passed when that plan can be put in effect this year, even though the vetoed bill provided for it.

The President proposed that he be authorized, nevertheless, to pay 50 percent of the soil-bank benefits to any farmer who signed to observe land conservation practices next year. These payments could be made any time after July 1, and as Mr. Eisenhower pointed out, would enable farmers to buy the seed, trees, fertilizers, and new machinery they might need to start preparing their land for soil-bank use.

All that is required is that Congress pass the soil-bank bill, unencumbered by the nostrums that evoked the veto on Monday. If the Democrats fail to do this, it is they who must answer to the farmers for the callous disregard that candidates Stevenson and Kefauver have been piping about.

This is by no means the best possible farm program. It will defer for a full year the job of cutting farm surpluses. But it is the best that can be achieved at this time after the Democrats have played politics with the problem for more than 3 months.

STATEMENT OF HON LESLIE C. ARENDS, REPUBLICAN WHIP, 17TH DISTRICT OF ILLINOIS, ON FARM BILL VETO RECORD

It is obvious from the President's veto and his message that he is thinking solely in terms of what is best for the welfare of our farmers and the country as a whole.

The bill sent the President by the Democrat-controlled Congress, after long, costly delay, is purely a political measure, not a cure to the farm problem but a political narcotic to try to fool the farmers.

President Eisenhower recognized it as such. He will not play politics with the welfare of agriculture. Once again by vetoing this bill President Eisenhower demonstrated his statesmanlike greatness. I am sure his action has the overwhelming approval of the majority of our farmers.

If an attempt should be made to override the veto, I am sure it will fail. I, for one, will vote against any motion to override.

It is now the duty and the responsibility of the Congress to act immediately on the soil-bank proposal. As the President points out this can be done in a few days, if the Democrat leadership will permit, and stop all this political maneuvering.

War-Risk Insurance for Aircraft

EXTENSION OF REMARKS

OF

HON. J. PERCY PRIEST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. PRIEST. Mr. Speaker, I have today introduced a bill to extend for 5 years the authority of the Department of Commerce to provide war-risk insurance for aircraft.

The usual commercial insurance policy does not cover aircraft against war risk in the event of outbreak of hostilities. Air carriers are, therefore, reluctant to permit their aircraft to venture into potential danger areas.

Lack of adequate insurance protection would jeopardize mobilization of the country's air-transport facilities in case of an emergency. For these reasons, in 1951 the Congress enacted title XIII of the Civil Aeronautics Act to authorize the Department of Commerce to issue binders insuring United States aircraft against war risk in the event of an outbreak of hostilities. This authority will expire on June 14, 1956. The Department has informed me that, if legislation extending this authority for 5 years is approved, binder fees will more than cover expenses chargeable to the war-risk-insurance fund under peacetime operations. If the program should go into operation in time of war, it is anticipated that premiums would keep the insurance fund self-sustaining.

Enactment of the legislation therefore would insure our civil air fleet against loss from war risks with little likelihood of any need for significant appropriations to the war-risk-insurance fund. The Department of Commerce urges early enactment of this legislation to keep the civil air fleet covered by war-risk insurance without danger of lapse.

Farm Legislation

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. PELLY. Mr. Speaker, rigid farm price supports in the 1956 farm bill vetoed by President Eisenhower would have kept the farmers' incomes high in an election year, it is true, but it encouraged costly overproduction for increased storage at the expense of all the people. As usual, the President did the right thing.

After all, the domestic parity plan for wheat alone would have cost consumers in increased grocery bills almost $350 million. All food products containing wheat would have gone up in price. Bread would have gone up about 2 cents a loaf. Also, under the two-price plan for rice, its retail price would have increased at least 2 cents a pound. Low income city families would be doubly subsidizing the farmer.

The results of rigid supports have been high food prices plus high taxes for payments and cost of loans and cost of storage of surpluses.

The farmer, like any other group, has a right to expect protection from all-out distress, but farmers should not expect their Government to return to a barren program which created and was responsible for the basic trouble.

It seems to me, Mr. Speaker, the administration's soil-bank plan would cut surpluses and yet boost farm income. The delay in enacting this program into law in time for this year's planting is not the administration's fault. But the President's suggestion of advance payments to the farmers to alleviate their distress should help to overcome part of the effects of the delay of this Democrat-controlled Congress.

The farm bill as voted by Congress as President Eisenhower said was a bad bill for all the people of the country. In the interests of my constituents and consumers generally, that is why I voted against it.

By the same reasoning, I am voting to sustain the President's veto.

But I will vote to help the farmer because that is what the soil-bank plan will do, but not by adding the cost to the consumer's food bill.

I urge immediate action on the soil-bank plan recommended by the President to reduce surpluses and prevent distress prices.

Syria Celebrates Evacuation Day

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. POWELL. Mr. Speaker, I wish to salute the people of Syria, His Excellency Shukri al-Quwwatli, President of the Republic of Syria, and His Excellency Dr. Farid Zeineddine, the Ambassador of Syria, on the occasion of the celebration of the 10th anniversary of Evacuation Day, April 17, 1956.

Before 1920 the Republic of Syria in its present boundaries had no separate history of its own. Despite centuries of subjugation to the Ottoman Empire, Syria, like other Arab countries, played a notable part in the shaping of modern Arab history. From the middle of the 19th century to the second decade of the 20th century—the period of the "Arab awakening" and the struggle against the Ottomans—Syria played a leading role in determining the aims and objects of the rise of nationalism in the Arab world.

Syrian proclamation of independence on March 18, 1920, announced to the whole world her determination to remain a free and independent country. This act, although short-lived, marked the climax of the Arab national movement and the farthest point of success reached in the partial realization of Arab national aims. The strangling of Syria's first period of independence was engendered by the conflicting interests of the so-called big powers of the era. High hopes of the period of independence dimmed and the fight against the twofold foreign domination of the Arab countries initiated a struggle which is continued today in some parts of the Arab world.

Syrian history from 1920 to 1946 is that of a desperate and bitter national struggle. The changes in the international scene influenced the crisis in Syria. Making full use of the special circumstances of the Second World War, Syria succeeded in obtaining recognition of her complete independence and in achieving the evacuation of all foreign troops from the country. The increased pressure of the Syrian nationalists forced the mandate authorities to restore constitutional life to the country. In July 1943 elections were held and Syria's second nationalist regime was established. His Excellency Shukri al-Quwwatli became President of the Republic of Syria. During the period of this regime evacuation took place—one of the outstanding events in Syria's history after the achievement of independence. Force was met with force and the Army of the mandate power was expelled from the country. The death knell of imperialism in Syria was tolled when finally on April 17, 1946, the United Nations approved by a large majority of votes the evacuation of all foreign troops from Syria.

Other Syrian successes in this period included her participation in the field of international politics. The Syrian Government in 1945 joined the Allied cause. Following this, Syria was invited to participate in the San Francisco conference where she signed the charter of the United Nations as one of the first members of the organization, achieving thereby the status of a free and fully sovereign state.

Syria has made notable contributions to culture and civilization. In the course of many centuries, Arab Syria has produced eminent poets, men of letters, jurists, historians, scientists, and journalists who made great contributions to world culture. Syria has also transmitted to the West the philosophy and sciences of the ancient world, serving thereby as a bridge over which the cultures of the ancient Greeks, Persians, Romans, and Indians passed to Europe and America.

Syrians today are eager to keep step with the progress of modern civilization. Education is being fostered, books are being translated, and the ancient heritage of Arabic culture is being recovered. Syria's institutions of higher learning, for example Syrian University and the Arab Academy of Damascus, proceed along western patterns. Through these and other channels the learning of the West is being translated, digested, and introduced to the country. Valuable research projects and studies are being conducted on a scale that promises well for the cultural future of Syria.

The Syrian struggle for liberty served as a symbol to other oppressed peoples in the world. In the words of today's Syrian leaders:

> The people of Syria are content and gratified that their struggle for political independence has been accompanied by a parallel fight for the liberation of the country from feudal and reactionary forces and for the achievement of a social, economic, and cultural revival which, it is hoped, will ultimately bring great good to all Arabs, will strengthen the people's social consciousness and will secure for the country the benefits of a true democratic rule, based on the great principle of government by the people and for the interest of the people.

Some Aspects of Law in the Atomic Age

EXTENSION OF REMARKS
OF
HON. CLINTON P. ANDERSON
OF NEW MEXICO
IN THE SENATE OF THE UNITED STATES
Wednesday, April 18, 1956

Mr. ANDERSON. Mr. President, on April 16, the northeastern regional meeting of the American Bar Association asked me to discuss some aspects of law in the atomic age.

I ask unanimous consent that the text of that address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOME ASPECTS OF LAW IN THE ATOMIC AGE

(Address of Hon. CLINTON P. ANDERSON, of New Mexico)

I appreciate the opportunity to talk this morning to you members of the bar. It is hardly a unique experience for me as a layman to address a group of lawyers. Well over one-half of the Members of the United States Senate are members of the legal profession and I find occasion to talk with and to them at times. My task this morning, however, does present a novel opportunity, for I plan to discuss with you some of the problems which as lawyers you will face in the atomic age. I will be pleased if at the conclusion of my remarks you are convinced that a man cannot live for a lifetime as a business man, farmer, and public official without absorbing portions of the learned advice of his counsel.

Until the passage of the Atomic Energy Act of 1954, the interest of the organized bar in the development of the Nation's atomic energy program was almost nonexistent. With a few notable exceptions the legal profession gave scant attention to this most important matter, and the contributions which lawyers customarily make to public affairs here lagged behind that which accompanied other current developments. That atomic energy prior to 1954 had a limited impact upon the law is understandable in the light of the conditions of the predominantly Government-financed operations which then existed. Only the patent bar to a limited extent and the lawyers for the Atomic Energy Commission and its principal contractors had a real professional interest in the subject.

This is not the situation today. The 1954 act opened the door to private initiative and set the framework for the development of a complex atomic energy industry. Lawyers can no longer remain detached or aloof, and it is not surprising to find the bar now playing an interested and substantial role in the growth of the country's program for the peaceful uses of atomic energy. Thus, the American Bar Association now has a special committee on atomic energy, and at its last annual meeting received some one-half dozen papers dealing with atomic-energy matters. The organized bar associations of the cities of New York and Chicago have have active committees on atomic energy law. The Federal Bar Association last fall conducted a 2-day briefing session in Washington on atomic energy, attended to capacity by lawyers from all sections of the country. Leading law schools now conduct seminars on legal problems in atomic energy. The Bar Journals and Law Reviews contain an increasing number of articles on the subject. The current issue of Duke University's Law and Contemporary Problems is devoted entirely to legal problems in the development of atomic power. I have been informed that a forthcoming issue of the Texas Law Journal will also be devoted entirely to the subject.

Various approaches have been taken toward the subject of atomic energy and its legal problems. One extreme has been that atomic energy has brought about a strange "brave new world" with an entirely different set of problems than exist in any other field, and given rise to a separate body of atomic energy law capable of being understood only by an esoteric group of specialists. The other extreme is that atomic energy problems are no different from any others and can be dealt with accordingly under traditional patterns.

I prefer a middle course which recognizes pragmatically that there are some unique aspects present, but also recognizes the feasibility of applying and adapting traditional doctrine to these new situations. Thus, we may hope to approach the peaceful uses of atomic energy in the pattern of normal private enterprise, recognizing that there will be unique aspects in this field which give rise to an active role by the Government.

The uniqueness of atomic energy lies in its nature and in its sources in uranium and thorium metals. Here is a new natural resource of substantial proportions, capable of destruction in devastating proportions, but capable also of achieving the more abundant life for all mankind.

For reasons of national defense, the development of this resource became a national monopoly for bomb-production purposes. Federal ownership of fissionable material (or special nuclear material as it is now known) has been continued under the Atomic Energy Acts of 1946 and 1954 because of security and other considerations. Legally, therefore, we are dealing with a resource which is Government property. And I can assure you that the accountability for this material even transcends that to which normal Government-issued property is subject.

Seriously though, we are dealing with more problems than that of Government property in the narrow sense. We are dealing with a Government-owned, contractor-operated industry of very large proportions. We are also dealing with a parallel-growing, privately financed industry which will operate under Government regulation. At the present time we are in a transition stage with the Government acting as a proprietor, promoter, and regulator.

The legal problems of atomic energy stem from these Government roles. I want to emphasize this morning the newer problems under the Atomic Energy Act of 1954, particularly in the privately financed development of atomic energy.

However, I would stress that a very substantial part of the atomic industry is still Government financed. The big money is still being expended here. From a legal standpoint, there are a number of unique problems in this neglected field of the law. We have a new institution called a "Government Prime Contractor" whose operations are a sort of hybrid between private industry and direct Government operations. We have rather unique types of contractual arrangements with these prime contractors and subcontractors that do not fit standard forms. But more of that some other time.

Of primary concern to the lawyer is the fact that privately financed atomic energy activity is a regulated business—necessarily so because of two principal characteristics: first, the potential hazard to public health and safety which is involved, and, second, the presence of a paramount concern for the interests of the common defense and security. The Atomic Energy Act of 1954 provides the broad outline of a plan for the control of essential materials and facilities. In general, the control scheme adopted has two main features: (1) A system of licensing which permits a review of proposed activities and the imposition of such conditions as may be deemed necessary, and (2) continuing supervision of a licensee through the conditions and terms included in the license, through rules and regulations, through inspections, and through reports.

Under the broad statutory power which it has over materials and facilities, the Atomic Energy Commission has issued a series of regulations and standards dealing with the detailed health, safety, and security aspects of the atomic energy business and with the rules of practice and procedure for those who seek Commission action or who are subjected to Commission orders. Students of constitutional and administrative law are familiar with the legislative technique of delegating to an administrative agency the authority to prescribe the standards of a uniform regulatory scheme, when the field requires special knowledge, or the hand of an expert, but leaving that flexibility which is necessary or desirable.

There is nothing unique in this application of the general rules and principles of administrative law in the field of atomic energy. However, the atomic energy lawyer must be familiar, not only with the statute and the rules and regulations, but must also acquire, for complete understanding, knowledge of the technical implications which are involved. This, in turn, may require the acquisition of a new and somewhat strange vocabulary.

Another field of interest to the lawyer is that associated with international trade in atomic energy goods and services. American industry, with the lead given by the Manhattan project in the war years and by the Government's research and development program since then, should enjoy a competitive advantage in the world's atomic market place. This is particularly true with respect to the manufacturers of reactors, reactor components, high-level radiation sources, control devices, and instruments of all sorts. It is also true of architect-engineers and others who may be employed to perform consulting services for foreign countries or their nationals.

Here the lawyer will need more than an acquaintance with the rules of international trade generally. To serve his client well, he will need in addition a knowledge and understanding of the United States program for cooperative assistance with the free world in atomic energy matters. Among other things, this will involve knowledge of the bilateral agreements for cooperation which we have with other nations, the substance of their provisions, and the limitations which are imposed in the interest of the common defense and security. It will require an understanding of the important matter of supplying fuel for foreign reactors, the allocations which have been made, the policy and procedures which are applicable, and the type of private international arrangements permitted. Comprehension of these matters cannot be acquired through the traditional sources of law but must be derived through a selective use of nonlegal materials.

Particularly apt for discussion in the city of Hartford and of special interest to me as an insurance man are the problems of legal liability and insurance.

The basic device used in the production of atomic energy—a nuclear reactor—is potentially a dangerous instrument. The major hazard involved is not heat or blast, as commonly assumed, but radiation emanating from the highly radioactive fission products accumulated within the reactor as waste during periods of operation. These fission products are more toxic than any substance heretofore known, and more insidious. They can neither be seen nor felt. Exposure beyond tolerable limits may bring no sensual reaction, and it could be some time before the effects of exposure become apparent.

A major reactor accident could result in the release of large quantities of these fission products into the atmosphere, contaminating a wide geographic area.

Widely publicized statements describing the theoretical effects of a major reactor incident in graphic terms have contributed greatly to the fears and doubts of the public and of potential members of the atomic energy industry. It must be carefully noted that these statements are designed primarily to plead the cause of care and caution in atomic energy activities. Proper perspective must be given to the theoretical data presented and the conclusions reached. At the present time it seems reasonably certain that inherently safe reactors can be designed and constructed. Engineering data assures the essential integrity of containment, or the placing of reactors in protective, gas-tight envelopes. Constant and extensive research in reactor safety and radiation protection has provided a basis for increased understanding of the problems involved and for the development of standards and health-safety regulations. The published operating history of 25 reactors in the United States over a period in excess of 12 years shows no accidents involving radiation injury sufficiently serious to cause lost time of personnel during 606,686 operating hours and 17,799,000 man-hours.

Nevertheless, in spite of this remarkable safety record, the catastrophic incident remains a possibility. Regardless of design, location, or isolation, there is no such thing as an absolutely safe nuclear reactor—just as there is no such thing as an absolutely safe chemical plant or ore refinery. There is always present a finite possibility of the occurrence of an event, or series of events, the result of which would be the release of unsafe quantities of radioactive material to the surrounding area. What is frightening about this possibility, however remote it may be, is that the potential damage—the maximum conceivable damage—which can be caused by such an accident is far greater than that which can result from other industrial accidents.

Questions of legal liability and insurance thus are of immediate and significant interest to the growing atomic energy industry and its lawyers. The latter also foresee that it is inevitable that nuclear accidents will give rise to unique legal problems involving statutes of limitation, workmen's compensation procedures, techniques of proof and the introduction of evidence, the conflict of laws, Federal-State relations, and other conceivable technical questions.

The rules of legal liability are a matter of concern not only to the future owner and operator of a reactor but also to the manufacturer and supplier of component parts and to the architect-engineer who may be responsible for the design of a reactor and the supervision of its construction.

The owner and operator is faced with the possibility of being held liable for damages caused by a reactor accident without regard to the question of negligence because of the alleged ultrahazardous activity involved. The manufacturer of reactor parts and equipment, cognizant of Justice Cardozo's famous opinion in *MacPherson* v. *Buick Co.*, and faced with a likely application of the doctrine of strict liability, must assess his potential liability in terms of every project for which he has manufactured and supplied parts and equipment. Under recent cases, the same appears true of the architect or design engineer.

The only way in which all segments of the industry can protect themselves, in the absence of prohibitive indemnity clauses in commercial contracts, is through insurance. The availability of such insurance in adequate amounts remains a major problem in the effort to develop a private atomic energy industry, and is held by many to be a serious deterrent to large-scale nuclear enterprises.

Under the 1946 act, the atomic-energy program was financed almost wholly from public funds. Accordingly, the Government assumed directly all risk of loss under its general policy of self-insurance on Government property and through indemnity provisions in contracts covering third-party liability. As a result, the private insurors of the country had only a limited knowledge of the hazards involved in atomic-energy activities, no real basis upon which to evaluate those hazards, and no need to develop and make available private coverage in the field.

It is a great credit to the insurance industry that it has recognized a public responsibility in the premises and has indicated, in the short time that has been available, its readiness to provide liability insurance covering nuclear activities in unprecedented amounts. I have no hesitation in saying that the work of the insurance study group has been one of the most encouraging indications of the willingness of private enterprise to be self-sufficient in atomic-energy affairs.

However, in spite of the $65 million, third-party-liability coverage which the private insurors have indicated they will offer, the atomic-energy industry—almost unanimously—has indicated a reluctance to proceed without assurance that they will be financially protected to the full extent of their potential liability. This may be beyond the combined capacity of the insurance industry. This poses a very serious problem. The unwillingness of the industry to get on with the job without open-ended coverage is a serious and immediate threat to the public interest in the rapid development of the peaceful uses of atomic energy and raises a question concerning participation by the Federal Government in the insurance problem and in the reactor program generally.

No one is very happy over the prospect of the Government entering the atomic-energy insurance field. Yet the Government does have a basic responsibility to do everything possible to develop an atomic-energy industry as rapidly as possible and, at the same time, to make certain that in the course of such development a risk of unprecedented loss is not thrust upon the public without adequate provision for relief. It would seem, therefore, that if the reluctance of the atomic-energy industry is well-founded, this Nation may face this alternative: either some form of Government assistance must be provided in the insurance field, or the Congress may decide to proceed with Government-financed reactors under normal-indemnity provisions covering third-party liability in order to keep the program rolling. That problem now faces the Atomic Energy Commission and the Congress, and insofar as it is the burden of the Joint Committee on Atomic Energy, we intend to determine our policy as promptly as we can.

Several bills have been intrcduced in the present session of the Congress in an attempt to meet the problem, and recently the joint committe held an executive seminar to hear the views of both the atomic energy industry and the insurers. This proved to be a very valuable experience, and the committee is considering holding open hearings on the insurance problem in the near future.

I should point out at this point that the recent survey made by a committee of distinguished public citizens, known as the McKinney Panel on the Impact of Peaceful Uses of Atomic Energy, concluded that the time had not arrived to consider the need for a Federal atomic insurance program covering peaceful uses. Rather, the panel suggested that the efforts of private insurance companies to deal with the problem should be encouraged, and expressed the opinion that at least 2 and possibly 3 years remain in which to conduct research and accumulate knowledge and experience before any substantial private activity would be delayed or stopped because of the inability to obtain adequate insurance. The panel concluded that a Federal atomic insurance program constituted a threat to private atomic enterprise, not a benefit. It is, the report states, "a last resort not yet called for and one which may not be needed." I would hope that the forthcoming hearings will thoroughly explore the entire field of insurance and test the soundness of the panel's conclusions.

In addition to questions of liability and insurance, the nature of the hazards connected with atomic energy work suggest the possibility of other legal problems.

Consider the question of the statutes of limitation which require the commencement of an action for damages within a prescribed number of years after the cause of action occurs. In most jurisdictions, the period of limitation begins to run from the date of the alleged wrong—in the case of radiation injury, from the date of exposure. But, as I have pointed out, the insidious nature of radiation is such that the fact of overexposure and its effects may not be manifest for many years. By that time, the statutory period may have expired and the cause of action barred. This seems to me a legal problem which will require careful thought in the interest of preserving the rightful claims of the general public. Some modification of the statutes is indicated in order to extend the period of limitations in actions for damages caused by radiation, or to recognize that actions involving radiation injuries present a special case of public policy which outweighs the general desirability of requiring that lawsuits be brought to trial with a minimum of delay.

Similar problems are presented in the field of workmen's compensation in connection with the general requirement that notice of a compensable injury be given the employer within a short time after its occurrence and that claims for compensation be made within a limited period after the injury or disability becomes apparent. It seems certain that a reconsideration of local workmen's compensation laws by State legislatures will be necessary unless the atomic energy worker is to be severely penalized. Indeed, many of the legislatures and industrial commissions now have the problem under consideration.

I have previously referred to the wide geographic area which quite possibly could be affected in the event of a major nuclear accident. This may include at least two adjacent States. In such case, there will be a problem in what lawyers call the conflict of laws: What law will govern in the event of a so-called "interstate tort"—the law of the State where the radioactivity was released or the jurisdiction where the exposure took place? It is obvious that legal imagination and boldness will be required in solving unusual questions such as this.

Let me give you a few legal brain twisters:

1. How do you prove or disprove negligence in the atomic-energy industry if the operations are shrouded in secrecy?

2. If radiation damage appears, how do you prove which of several possible radiations caused the damage?

3. If radiation damage appears after a long period of time and you can prove where the damage came from, how do you collect if the organization responsible is not longer in business?

4. If radiation causes damage to the genes in a parent, to whom does the right of action belong—the parent or the deformed child?

5. If it takes an Einstein to understand the theory of relativity, how can a jury decide whether a reactor is run negligently or carefully.

In this brief time, I have tried to outline for you what I believe to be some of the legal problems which will exist in the transition period of the atomic age. That some of the problems will be unusual or unique is apparent, and their solution will require legal pioneering of a high order. This, however, is a common experience attending the growth of any new industry, particularly when it widely affects the activities and conduct of the general public and is dependent upon continuing technological advance. In addition to the unusual problems, there will be the everyday, run-of-the-mill questions of adaptation to these circumstances. This will require high standards of craftsmanship. The history of the legal profession has been a dynamic one, and I am confident that the lawyers of the Nation are capable of meeting any challenge which may be presented by this new scientific and industrial force—the energy of the atom.

Fresno County, Calif., Celebrates Its Centennial and 100 Years of Progress

EXTENSION OF REMARKS
OF
HON. B. F. SISK
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. SISK. Mr. Speaker, I am honored to rise on the floor of this House today as the Representative whose district includes Fresno County, Calif., to call the attention of the Members to a most significant event in the history of that county.

Tomorrow will mark the 100th anniversary of the enactment on April 19, 1856 by the Legislature of the State of California of an act creating Fresno County. All this week the people of the county are celebrating this event and are pausing to pay tribute to the pioneers whose vision and courage, hard work and sacrifice, have contributed to the county's foremost position in our country. I am most happy to add my word to theirs and to ask that the Members join with me in marking this hundredth anniversary and recognizing its importance to the San Joaquin Valley, the State of California, and the Nation.

The people of Fresno County are rightly proud that their industry, vision, and hard work have carved an agricultural empire out of semi-desert and have won for the county for at least the past seven years an official classification as the richest county of the Nation in value of agricultural production.

Land that once was arid and nonproductive today nurtures the roots of farm crops valued at more than $300 million annually and forms the foundation for the steel and concrete and homes of 15 thriving, growing cities. The bounty of this 5,985 square miles of area comes from its fertile farm lands, its beautiful and valuable forests and its mineral-producing formations.

The key that opened the door to this phenomenal growth was water—water in the hands of farmers willing to couple their toil with a farsighted realization of the possibilities for making Fresno County a modern Garden of Eden.

From a sparsely cultivated, dry farming economy, with limited cattle and sheep raising, these farmers have successfully progressed through one-crop dependency on grapes and raisins to today's versatile production of some 86 different species of field, horticultural and seed crops. The 1954 total crop value represents an increase of almost 10 times the value of crops raised in the county in 1935, while acreage planted has increased from 450,000 to 1,329,210 in 1954.

In addition to its agricultural production, Fresno County is noted for its beautiful forests which provide both valuable timber and recreation for thousands of people, including visitors from all parts of the world who enjoy with us the scenic grandeur of the Sierra Nevada and its great national parks.

Concentrated in the county's western area is some $116 million in annual production of minerals such as natural gas, petroleum, and quicksilver, while the mountains to the east are mined for tungsten, gold, silver, and other minerals.

Its great attraction of climate and location have resulted in a constantly increasing industrial growth for Fresno County. Twenty years ago there were only 4,000 manufacturing employees in the county, while in 1954, 14,600 workers in industrial plants earned more than $94 million.

Fresno City, seat of the county, is the trading center and metropolis for the entire central section of the San Joaquin Valley, and is growing by leaps and bounds. A recent census disclosed more than 200,000 persons in this metropolitan area.

From its small beginnings as a sleepy frontier community a hundred years ago, Fresno County has achieved miracles of development and it can confidently look forward to equal miracles of progress in the future, which I know all of us want to see directed toward greater happiness, stability and finer achievements for all of the people of this great county. Tomorrow I am flying out to join with the people of my county in their centennial celebration and from the expressions of many of the Members here, I know that I can take with me the congratulations and best wishes of this House to the people of Fresno County.

Civil-Rights Legislation

EXTENSION OF REMARKS
OF
HON. EARL CHUDOFF
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. CHUDOFF. Mr. Speaker, a program of civil-rights legislation can and must be enacted in this session of Congress.

There is nothing before this Congress more vital to our national conscience and to our international self-respect than assuring all citizens of this great Nation freedom and security in the exercise of their constitutional civil and human rights.

We all know that the suppression of and infringement on those rights is still a threat. We cannot expect to continue to lead a strong free world successfully as long as our enemies can exploit this as a defect in our national character.

Our forefathers had the courage to recognize and declare the equality of men before God and the law. Can we do less than enforce this equality?

Mr. Speaker, we cannot, we must not, let down the people of the world now. We must not fail to do what we know is right, just, and necessary. We must wipe out every vestige of the suppression of the civil rights of millions of our fellow countrymen.

On April 9 the Attorney General sent to the Congress a so-called civil-rights program of the present administration. Unfortunately, this is a weak and inadequate program. Evidently strong leadership in this vital field does not grow on the golfing greens of Georgia.

The administration's program does not go nearly as far toward the protection of civil rights as do bills introduced by myself and by other Members of Congress. I am sure the administration's program does not go as far as Congress is ready to go right now.

Mr. Speaker, the great interests of the Nation and of the free world require that we in Congress take the lead and enact a good civil-rights program immediately. We must put an end to lynching; we must strengthen our election laws and abolish the poll tax; we must guarantee to all citizens full protection and enforcement of each and every constitutional right; we must wipe out discrimination in interstate travel. A vigorous commission with authority to study all types of economic, social, legal, and other developments affecting civil rights and with a duty to present its findings to the President, to Congress, and to the country must be established. A regular joint committee of Congress should be set up with the protection of civil rights as its main concern. The civil-rights activities of the Justice Department must be strengthened and made effective.

These measures will be a definite step in the right direction. They will do much to redeem our national conscience and to restore our place in the minds and hearts of oppressed and hopeful people everywhere.

The Farm Bill

EXTENSION OF REMARKS
OF
HON. JOHN E. HENDERSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. HENDERSON. Mr. Speaker, last week we debated one of the most important legislative proposals to come before the House in this session of Congress. The omnibus farm bill which was presented at that time was a genuine disappointment to me in view of the urgency with which I regard the problems of American agriculture today. It was my hope that the conference committee would present to the House a bill embodying the far-reaching and constructive recommendations which the President and his administration formulated in a sincere effort to assist the American farmer. My strongest disappointment sprang from the insistence that rigid price supports be reinstated on basic crops even for the 1-year period provided in the bill.

The appalling consequences of the rigid price support plan are felt by every farmer in the Nation today who is experiencing lower prices for his commodities because of the fantastic surpluses which have been created through 10 years of rigid price supports. I have opposed the further extension of rigid price supports in the past and my opposition has not diminished. I believe that any thinking individual who is sincere in his concern for American farm prices must conclude that we must abolish these surpluses and with them the rigid price support program which has fostered and stimulated them.

It is my belief that American agriculture must continue to be based upon the production of the small family farmer. While rigid price supports have offered only inconsequential direct benefits to this type of farm operation, the program has greatly benefited the large commercial type farm. This has stimulated these large commercial operators to grow more and more of the crops already in surplus. The result has been the piling up of more surpluses which have, in turn, depressed market prices and created a serious economic hardship for the small farmer in southeastern Ohio and throughout this country.

Last week when this bill came to a vote in the House, I hoped that it could be returned to the conference committee to remove the objectionable and somewhat contradictory provisions it contained. I favored the motion to recommit the bill for the purpose of removing those provisions. That motion failed. Returning to the conference report, I recognized the value of placing the soil bank proposal in operation this year so that American farmers could have its benefits without delay.

The bill also contained a provision whereby farmers might exercise greater freedom from acreage restrictions with respect to wheat grown and used on their farms. This provision is of particular importance to hundreds of small farmers in my congressional district who have experienced difficulty under past restrictions.

My bill, H. R. 4570, would allow farmers freedom from such controls and, although a similar measure has been passed by the Senate, there seems little or no likelihood that the House Committee on Agriculture will take affirmative action this year on my proposal and similar bills introduced by a number of my colleagues.

With these provisions in mind, I reluctantly supported the conference report when it was brought to a vote on the floor of the House a week ago. Admittedly, it was a difficult decision. The balance seemed nearly even.

Assuredly, it was a difficult decision for President Eisenhower when the bill came to his desk for study. He weighed those same factors in the balance and, based upon his information, the bad outweighed the good. Furthermore, he has shown a determination to fight this thing through. He has indicated that the forces of his administration will be employed in wresting a workable farm bill from a reluctant Democrat majority in the Congress.

The President's veto of this bill and his reasons for the action he has taken are, in my opinion, cogent and sound. They are based upon a concern for the problems of the American farmer which transcends any immediate partisan gain which his approval of the bill might have obtained. I support his action.

In his veto message, the President has urged the Congress to enact legislation authorizing the establishment of the soil bank proposal. In this I heartily concur and wish to express my conviction that the Congress, if it is motivated by an honest concern for the American farmer, will act quickly on this measure. There are no acceptable reasons, in my opinion, why this cannot be done and done now without any more verbiage. Political intransigence will be understood by our people when they evaluate any failure of the Congress to enact the soil bank legislation. Election year politics is no substitute for positive and constructive action by the Congress this year.

I recognize that the soil bank proposal may not, in itself, bring great direct benefits to many small farmers. Its benefits, however, will be appreciable and real when we consider that this program will reduce the surpluses and cause a general rise in the price of farm commodities. The decline in farm income is our problem today. Since the soil bank proposal will contribute to the solution of this problem, its benefits will be felt by all farmers in the prices they receive for basic crops. We must meet this challenge by formulating our solutions directly and honestly.

I wish to urge that the Congress enact a soil bank proposal bill immediately.

Watsonville (Calif.) Register-Pajaronian Wins Sigma Delta Chi Public Service Award

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. GUBSER. Mr. Speaker, the Sigma Delta Chi Professional Journalistic Fraternity yesterday announced that its 1956 award for public service in journalism would go to the Watsonville Register-Pajaronian which is published in Watsonville in the 10th Congressional District of California.

Only twice before in the history of the award has this honor, one of the very highest in American journalism, been bestowed upon a newspaper not published in a metropolitan city. Never before has it been awarded to a newspaper in the West. Neither has it ever been given to a more deserving recipient.

Under the leadership of its editor, Mr. Frank Fletcher Orr, the Register-Pajaronian has long been the conscience of its community. A rare combination of aggressive and meticulous reporting, imaginative editing, and judicious editorial comment have made this newspaper an outstanding example of sound, constructive American journalism with a reputation which far exceeds its immediate circulation area. I know that the community of Watsonville daily enjoys the expressed respect and admiration of great metropolitan newspapers of much larger circulation.

Mr. Speaker, the community of Watsonville is no different from hundreds of cities of comparable size throughout the length and breadth of the United States. Its newspaper, the Register-Pajaronian, faces similar problems with similar resources as do scores of newspapers of comparable circulation from coast to coast. What makes it outstanding, and what now has won for it the coveted honor of the Sigma Delta Chi award, is the intelligent approach, the refusal to compromise with truth, the fearless determination to learn and report all the facts, and let the chips fall where they may.

This week, when the American Society of Newspaper Editors will hold its meeting here in Washington, much will be said about Freedom of the Press. We all know that there are many forces working consciously or inadvertently to restrict this freedom. May I suggest that in the United States of America, freedom of the press will never be in danger so long as courageous, intelligent editors with capable staffs are doing their jobs the way Frank F. Orr and the staff of the Register-Pajaronian have been and are doing theirs in Watsonville, Calif.

The late great William Allen White proved to all America with his Emporia (Kans.) Gazette that a small-town newspaper can, through sheer enterprise and excellence, gain influence far beyond the confines of its own small circulation area. As the Representative of the 10th Congressional District of California, I am intensely proud that the Watsonville Register-Pajaronian is gaining national recognition for taking the same approach.

The Need for the Housing Congress

EXTENSION OF REMARKS

OF

HON. FRANCES P. BOLTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mrs. FRANCES P. BOLTON. Mr. Speaker, there seems to be an effort in progress to make political capital of the fact that a group of women will gather in Washington next week to exercise the important force of public opinion about consumer preferences in homes.

Mr. Albert M. Cole, Administrator of the Housing and Home Finance Agency, recently asked the women of the United States to tell him what type of home they as homemakers would like to live in. From some 3,000 replies, he chose about 100 that seemed to show the keenest interest, the most insight into this problem and the most fruitful ideas. With some regard to geographical location, 100 women were invited to attend the Housing Conference that will meet in the Nation's Capital on April 23, 24, and 25.

It is an example of truly representative government that the Housing and Home Finance Agency should draw upon the collective knowledge and wishes of women in the home to help the Agency in its necessary functions. Mr. Cole's Agency has, among other functions, supervision of the Federal Housing Administration. The statutes and regulations governing the FHA require that in the insurance of mortgages in its regular and most often used programs it should consider the economic soundness of the dwelling with relation to the housing market. Homes that do not meet modern standards and tastes are not economically sound. Who can be more helpful than a panel of 100 women who have demonstrated their interest in this matter, and who represent all segments of our diversified Nation?

As a Member of Congress who has sponsored and supported housing legislation in the past several years, I object to those who say it is silly and useless to ask for this very pertinent information from homemakers. I would remind those who question the need for women's opinions that the latest figures available to me show that women hold 40 percent of the titles of America's 30 million homes and that they pay 40 percent of all property taxes. It is generally agreed by those who have made studies of home buying habits of the American people that women are in the main the final arbiters about whether a home should be purchased and—once bought—what should go into it.

It has been contended also that the recent publication of a book entitled "What People Want When They Buy a House," makes this Housing Congress unnecessary. In checking the facts I learn that although this volume was published last year, it was based upon a sample survey made 6 years ago. The Agency tells me that there was no money available to provide for the publication of the book in the time intervening. The book, I am informed, is an excellent study, but reflects none of the modern developments in housing, nor does it give the woman's point of view which is so important to sound home building.

Those who have the greatest stake in adequate homes for America's families are strongly endorsing the aims of this Housing Conference. Supporters include the General Federation of Women's Clubs, the National Association of Real Estate Boards, the National Association of Home Builders and the American Institute of Architects.

I would like to add my congratulations to Mr. Cole for originating this project that will attempt to improve homes by going to the people most directly concerned: the women of America.

President Eisenhower's Restatement of His Philosophy

EXTENSION OF REMARKS

OF

HON. JOHN W. HESELTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. HESELTON. Mr. Speaker, those of us who had the privilege of listening to President Eisenhower last evening were fortunate.

His summary of the traditions and philosophy of the Republican Party richly merits the careful reading and most serious consideration of every voter in this country. The millions of Americans who shared in electing him our President in 1952 have the rare opportunity now of guaranteeing his reelection in November. We can all start now with an immediate and continued effort to make his full statement available to every possible friend and neighbor.

In my opinion, certain portions of that statement are of such striking importance and in such marked contrast to a great deal we all are reading and hearing from certain sources that I want to take this means of making these excerpts available now to as many of my friends and constituents as I can.

The President said:

> The mission of our party is to help 167 million Americans build a Nation stronger spiritually and materially, a Nation whose every citizen has reason for bold hope, where effort is rewarded and prosperity shared, where freedom expands and peace is secured.

The President also said:

> As a Republican I share my party's deep-lying trust in what free men can do—a fundamental trust in the nature and capability of individual human beings.
>
> People are made in the image of God—

He stated.

> They are divinely endowed with aspirations and talents. Their destiny reflects their divine origin. Therefore, the Republican Party must be inspired by a concern that comprehends every American; that sets up no walls of birth or creed or party; that ranks all men and women of decency and good will equal in their dignity.

Speaking of the difference between the Republican and the Democrat Parties, President Eisenhower said:

> We are all Americans, but in the practical pursuit of national objectives we differ in our methods, in our traditions, in our philosophy of Government's responsibilities.
>
> I believe the Republican Party, in its methods and traditions and broad philosophy:
>
> 1. Offers the best hope of preserving the self-reliance and vigorous independence of individual Americans.
> 2. Best serves the Nation in the search for peace with justice and freedom.
> 3. Best fosters a competitive enterprise economy whose purpose is a wider prosperity fairly shared.
> 4. Best keeps economic decision-making in the hands of the people and out of the hands of government.
> 5. Best answers the concerns of people for the meeting of their human needs.
> 6. Best assures our children, and their children's children the heritage of an America rich in all the resources of nature, dynamic in great traditions and ideals and purposes.

The President referred to the record established by this Republican administration and suggested that the Republican Party platform for 1956 should include the following basic principles:

> 1. The individual is of supreme importance * * *people everywhere—every American of every race and creed should enjoy equally the rights and privileges of free citizens in a free nation.
> 2. The spirit of our people is the strength of our Nation. The ultimate values of mankind are spiritual. These values include liberty, human dignity, opportunity, and equal rights and justice. These are our heritage and our birthright.
> 3. America does not prosper unless all Americans prosper. More jobs and better jobs, and happier living for every family * * * call for a strong, growing, private-enterprise economy.
> 4. Government must have a heart as well as a head * * * Government should increase and strengthen personal and family security without impairing the self-respect, initiative, and incentive of the individual.
> 5. Courage in principle, cooperation in practice make freedom positive * * * all parts of our American community deserve the concern and support of Government in making their contribution to our well-being.
> 6. The purpose of Government is to serve, never to dominate.

He quoted Abraham Lincoln, "In all that the people can individually do as well for themselves, Government ought not to interfere."

> 7. To stay free, we must stay strong. We must gird ourselves with sufficient military strength to discourage resort to war and protect our Nation's vital interests; we must help to strengthen the collective defense of free nations against those who would seek their ends through aggression. Our own and our allied strength must be spiritual, intellectual, scientific, material.
> 8. Under God, we espouse the cause of freedom and justice and peace for all peoples. The peace we want will be the product of understanding and agreement and law among Nations * * *. It will foster the concentration of human energy for the advancement of human standards in all the areas of mankind's material, intellectual, and spiritual life.

Opposition to H. R. 7089

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. SAYLOR. Mr. Speaker, out of the 435 complement of the House of Representatives, 6 Members were appointed during the 83d and 84th Congresses to a special group known as the Select Committee on Survivor Benefits. Under a special rule of the House which permitted no amendments except by the special committee, a significant piece of legislation, H. R. 7089, was introduced last year and passed the House of Representatives on July 13, 1955.

I concede the fact that some of the bill's provisions were good, however, the bad features far outweighed any merits. I, therefore, take this opportunity to indicate my reason for voting against this bill, because in all good conscience, I could not agree with the concept of basing death compensation on the attained rank and length of service of an individual as proposed in section 202 (a). This section contained one of the most radical changes in existing legislation and, in my opinion, has never been made in the history of our country.

I am convinced that a life given for one's country is a life, whether the individual be a general or a private. There is certainly a need to provide for the widow and children in either case, yet who is to say that a widow and children of a general should have more benefits than the widow and children of a private. Let us compare the pay of each. A general receives approximately $1,200 a month as opposed to $120 a month for a private. These figures alone immediately indicate that the chances of leaving a sizable estate are much better in the higher than in the lower ranks.

I do not object to increasing benefits to widows and children of men who make the supreme sacrifice, however, I strenuously object to any system that would create a wide disparity between benefits given families of high-ranking officers and next-of-kin of privates, airmen, and seamen.

The high military echelon voiced their approval of this bill, and well they should. This is an excellent proposal for the career military personnel, who in view of long service have a better opportunity to attain some degree in rank. But what of the civilian soldier called to serve his country for the duration of an emergency? The majority have little opportunity to rise above the E–3 to E–5 bracket where the great number of deaths occur. These individuals have been forced to leave their families, their homes and their jobs—in most instances, jobs which pay far more than the military.

For example, let us consider the case of a lieutenant colonel with a monthly income of approximately $525 and the newly inducted private, just out of basic training, who prior to induction was earning $125 a week either as a steelworker, glassworker, or coal miner. The wives of both men enjoyed similar standards of living prior to the private's entry into service. Both men lose their lives, side by side, by the same enemy shell. The private's widow receives as her death compensation $122, while the wife of the liuetenant colonel would receive between $169 and $193, depending upon the length of service. I can see no equity in such a proposal—both faced the same hazards, both subjected themselves to the same dangers—yet the widow of one receives far greater benefits than the other.

The Federal Government has a direct obligation to the widows of men killed in service of their country. However, this obligation should be discharged in the historic manner of equality and not based on rank and length of service. I have long advocated an increase in compensation based on a flat sum. In lieu of the formula contained in section 202 (a) of H. R. 7089, I suggested a flat monthly rate of compensation to all widows in the amount of $140, since this appeared to me to be equitable in view of the loss of the servicemen's indemnity.

Other provisions of the bill calls for expansion of social-security benefits—depending on rank and longevity of the deceased serviceman—and a lump-sum gratuity of between $800 to $3.000—again depending on the deceased husband's rank and longevity. I could not look upon these features in favor and I voted against its final passage and endeavored to persuade by colleagues to do likewise. Even though the bill passed the House of Representatives over negative objections by many conscientious Members of Congress, I have been gravely concerned over its future, because of the injustice involved and the resulting effects upon the morale of a great majority of the men in service during an emergency.

I cannot endorse any proposal injecting the philosophy that rank, length of service or military pay should be considered as factors in discharging the Federal Government's obligation to the widows and children of our servicemen who died as a result of service connected disabilities.

H. R. 7089 is now pending before the Senate Finance Committee, and I hope the committee will strike this rank philosophy from the bill.

Federal Employees Need and Deserve Basic Guaranties Provided in Union Recognition and Arbitration Bill

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. RHODES of Pennsylvania. Mr. Speaker, I would like to call attention to H. R. 10237, a bill to provide for the recognition of Federal employee unions and the establishment of arbitration machinery for the settlement of grievances. I am pleased to note that the Senate Post Office and Civil Service Committee has scheduled hearings next month on an identical bill, S. 3593, introduced by Senator Olin Johnston. Because of the demonstrated need for this type of legislation, I am hopeful that hearings may also be scheduled by the House Post Office and Civil Service Committee in the near future.

Mr. Speaker, under leave to extend my remarks, I include the following guest article on this subject, which appeared in the April 13, 1956, issue of the Government Standard, the newspaper of the American Federation of Government Employees:

On Capitol Hill

(By George M. Rhodes)

Employees of the Federal Government enjoy the unique distinction of having 166 million employers, since it is their duty to provide a necessary assortment of scientific, technical, clerical, and administrative services to all our citizens.

As our Government has grown, both in complexity and the scope of its activities, it has become clear that those Americans who serve their fellow citizens, need and have a right to expect basic guaranties affecting their conditions of employment. Tens of millions of employees in private industry have long since been granted certain well-defined rights in the field of labor-management relations. The labor-management-relations law, established by act of Congress, makes this significant statement in its findings and declaration of policy:

"Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees."

But unfortunately, our Government has not chosen to legally apply a similar set of rules to dealings with its own employees. A beginning was made in 1912 with the passage of the Lloyd-La Follette Act, which guaranteed Federal employees the right to join unions of their choice—provided such unions did not impose an obligation to strike against the Government. However, there was no requirement that the executive branch of the Government recognize or deal with such unions as the spokesmen for Federal employees.

Thus, effective labor-management relations having any degree of bargaining rights binding upon executive branch "employees," are nonexistent in the Federal service. The injustices of this situation have long been recognized by many responsible authorities.

The 1955 report of the American Bar Association's Committee on Labor Relations of Governmental Employees said:

"A government which imposes upon other employers certain obligations in dealing with their employees may not in good faith refuse to deal with its own public servants on a reasonably similar favorable basis, modified, of course, to meet the exigencies of the public service. It should set the example for industry by being perhaps more considerate than the law requires of private enterprise."

It is obvious that some practical machinery for dealing adequately and fairly with the labor-management problems arising between the Federal Government and its employees is badly needed. I have introduced such remedial legislation in the past several Congresses.

Recently I introduced H. R. 10237, a strengthened version of my previous bill, H. R. 697. The chief difference is that the new bill provides for arbitration of disputes as a final recourse. It would give Government employee unions official recognition in the Government and require executive agencies and departments to deal with them on personnel policy matters and employee grievances.

A similar bill, though without the arbitration feature, was favorably reported by the House Post Office and Civil Service Committee in 1952 by a vote of 14 to 1. Unfortunately, the action came too late in the session for floor debate to be scheduled. It was placed on the Consent Calendar but chances for enactment were killed by the objection of a single Member.

In the past, established unions representing Government employees have discussed personnel problems and presented grievances to various administrative officers of the Government; but this action is a matter of sufferance rather than a right. If the Government administrator or his subordinates should refuse to meet or discuss the problem with union representatives, or should fail to take the necessary remedial action, the aggrieved parties have no appeal short of Congress.

As the American Bar Association pointed out in its report:

"Government which denies to its employees the right to strike against the people, no matter how just might be the grievances, owes to its public servants an obligation to provide working conditions and standards of management-employee relationships which would make unnecessary and unwarranted any need for such employees to resort to stoppage of public business. * * *"

I regret that no action on my bills has been forthcoming in the present Congress, despite the clearly demonstrated need for some type of remedial legislation to provide basic rights for Federal employees. Not one of the executive agencies or Departments of the present administration has even submitted a report to the committee stating their views on the proposed legislation—in favor or in opposition. They have chosen to ignore the existence of the bills, which is to deny that any problem or need exists. This "head in the sand" policy of the administration is shortsighted and unfair to the millions of loyal and devoted public servants who are entitled to workable standards of conduct affecting their hours and conditions of employment, vacations, and sick leave, as well as the expeditious settling of grievances which necessarily arise.

This present administration policy is also unfair to the citizens of our Nation because the present adherence to outmoded employee-management practices is contrary to sound and enlightened public personnel administration. It is arbitrary, unjust, and undemocratic. It destroys the morale of efficient and hard-working Government employees through the pyramiding of resentment, misunderstandings, and irritation because of the failure to provide necessary grievance machinery and other sound principles of employee-management relations which have been in effect in private industry for many years.

I feel that the principles and objectives of this legislation are reasonable and just. I feel that the need for enactment of such legislation is urgent. It is the duty of both the administration and the Congress to recognize this need and act accordingly, without further delay.

"For Where Your Treasure Is, There Will Your Heart Be Also"

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. HOFFMAN of Michigan. Mr. Speaker, those who would disregard the old just because it is old are reminded that the thought expressed in the above quotation from the Sermon on the Mount is still with us.

That pressure groups are still thinking in terms of temporary, material self-interest, rather than the permanent welfare of all, is demonstrated every time Congress is called upon to enact major legislation carrying appropriations.

Every thinking individual knows that paying a Government subsidy which increases a price for the production of anything, whether it be automobiles or farm products, above that fixed by supply and demand, will result in the creation of a surplus.

Because of farm subsidies which came to us with the war and which were then necessary, we now have on hand billions of dollars worth of agricultural products, the mere possession of which is costing us a million dollars a day. The fair, useful disposal of that surplus appears to be an unsolvable problem. We know that a continuation of the payment of subsidies will but increase our dilemma. The approximate overall cost value, as of April 4, 1956, of surplus commodities in storage was $5,165,395,000.

What I am trying to express is the idea that some of those who insist upon

the continuation of a high, rigid farm subsidy, who object to the President's veto of the farm bill, have a personal financial interest in that type of legislation.

Justifiably, they say that, having been enticed by the Government into overproduction, and having assumed obligations which they otherwise would not have incurred, supports should not be suddenly, wholly kicked out from under them. With that I can agree.

While a continuation of subsidies at a high level will but make our farm problem worse, the shock of a total, sudden withdrawal of benefit payments should be tempered by a gradual but ever-continuing lessening of such payments.

CHASING THE DOLLAR

But in seeking and applying the remedy, we should not forget that some of those who insist upon a rigid 90 percent of parity policy are personally financially interested. The Farmers' Union, ostensibly in behalf of the little fellow, has been putting the heat on Congressmen, but has not publicized the fact that some of its members are financially interested in and control the Farmers' Union Grain Terminal Association. That outfit, during the year ending December 22, 1955, in the Minneapolis area alone, collected fees for storing surplus wheat, corn, barley, oats, rye, flax, and soybeans, amounting to the not insignificant sum of $1,604,069.

The Farmers' Union has the right to establish for financial gain storage facilities. But when they write me stressing the need of the small farmer and his family, who profit but little if any from subsidy payments, I wish they would also advise whether the big boys of the Farmers' Union who are in the storage business are sharing their storage profits with the small farmer. How many small farmers have received a dividend check from the storage organizations of the Farmers' Union?

Why not, instead of laying up treasure for a few, enact legislation for the long-time, overall welfare of all the people?

We Must Protect American Labor and Industry From Unfair Foreign Competition

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. PATTERSON. Mr. Speaker, the OTC legislation, represented by H. R. 5550 and reported out by the Committee on Ways and Means, strikes me as extremely important. H. R. 5550 is not just another bill. It is one of those crucial proposals that would change radically the lines of our constitutional division of powers.

The State Department seeks through this legislation to obtain the consent of Congress to its own abject demotion to the sidelines in the matter of regulating foreign commerce. If this seems presumptuous it is in keeping with that Department's action in this field during the past 10 years. By one scheme or another it has aimed at obtaining and keeping control over our tariff and related aspects of trade. H. R. 5550, the OTC proposal, is only the last in a series of steps.

Why does this interest me as a Member of Congress?

It interests and concerns me for several reasons. In the first place, as a Member of Congress, I am bound to carry out my obligations and responsibilities as a Congressman; and this clearly does not involve resignation to the State Department or the abdication of powers that the Constitution has placed upon us, whether on the grounds of expediency, following the path of least resistance, or anything else.

Second, I have definite obligations to the people who elected me. It has become something of a stigma to acknowledge this fact. We hear of bowing to "local selfish interests" when we pay attention to the electorate back home.

In this particular instance I am speaking for such local selfish interests as the owners of and workers in various industries in my district. They have a real stake in this legislation. Their interests, that is, their economic welfare, the wage levels, the employment opportunities and the very value of investments in plants, mills, and manufacturing enterprises in my district are affected by and stand to benefit or lose by what Congress does or does not do in its action on this bill. We are not legislating in a vacuum.

If the employment opportunities of men and women in the manufacture of watches and clocks is a local, selfish concern then I am guilty of catering to local selfish interests in seeking to preserve and to promote such employment. If continuity or increase of employment at good wages in rubber-soled-footwear plants, or in factories producing bicycles and parts, or in those making wood screws and metal fasteners or in textile plants in my district is a matter of local selfish interest, then again I am guilty of upholding such narrow interests; and I may say that I am proud to do it.

At the same time I will challenge anyone to say that it is against the national interest for a Member of Congress to speak for those who elected him, to seek to preserve their jobs and their earnings against influences that might upset them or even take them away.

For these several reasons I support the resolution introduced on both sides of the aisle, by the gentleman from Maine and by the gentleman from West Virginia. The OTC bill leaves too much in the dark. It presents us with a handle to a pan but says nothing of what is to be cooked in the pan, or how. We are simply to agree to hand over the pan to cooks in Geneva, Switzerland, who will want to use it as they see fit, to cook what they please.

Looking back over the last 10 or 20 years of State Department activity, I am convinced that American industry, American producers, including some important parts of our agriculture, would be asked to supply the goose to be cooked, and if the past is any guide to the future that goose would be cooked in short order. I am afraid that Congress' own goose would be cooked at the same time. We are here, among many other things, to regulate foreign commerce. Evidently that means what it says.

I am not willing to give the pan and its handle away; and I do not believe that any reservations about the use of the pan will do us much good so long as we leave it to others to decide what is to be cooked in it.

To be plain about it, amendments to the OTC, such as those adopted by the Ways and Means Committee, can do little good so long as GATT itself remains free to operate under the power of self-amendment without reference to Congress.

In H. R. 5550 we are addressing ourselves only to the OTC, that is, to the pan and its handle. What goes into the pan and how it is to be cooked; that is, the real substance of the issue, corresponds to GATT and GATT is not brought before us in H. R. 5550. GATT would be left free to work out its own destiny beyond the reach of Congress. It could by a two-thirds vote extend its own powers without consultation of Congress in any way. GATT has amended itself in the past; and there is nothing in H. R. 5550 or in the OTC agreement or in the amendments adopted by the Ways and Means Committee that would prevent its doing so in the future.

What good could I do then in behalf of the many producers in my district who would be injured by action taken in Geneva? Neither I nor any other Member of Congress would be able to reach the decision-making spot in Geneva, or if we could the delegates from the 35 countries congregated there behind closed doors would be under no obligation either to see us or pay us the least attention.

Is that the goal to which we want to move? Is that the way we want to dispose of our responsibility to regulate the foreign commerce of this country?

There are those who deny that membership in the OTC would have that effect. I say the burden of proof is on them. We have observed for 10 years or more the direction of State Department activities in this field. It has moved ever farther away from congressional control directly toward international control of our foreign trade. The ban on import quotas written into GATT is only one example.

It would require a complete reversal of State Department policy to prevent loss by Congress of its authority to an international organization in this field if Congress should approve OTC membership on behalf of the United States. The burden of proof to the contrary is indeed upon those who deny this.

Let them bring GATT before us for a thorough examination. If they balk at this, they will demonstrate the duplicity of their position. If they have nothing to hide, if they are not bent on wresting powers from Congress and lodging them in Geneva, they will gladly come forward and place before Congress the full record of the State Department in its GATT negotiations. Then Congress can determine for itself what is what.

In my opinion the resolution should be adopted forthwith.

Cotton Cannot Go It Alone

EXTENSION OF REMARKS
OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Wednesday, April 18, 1956

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Congressional Record a very able address delivered by the distinguished Senator from New Mexico [Mr. Anderson] at the annual meeting of the Western Cotton Shippers Association, in El Paso, Tex., on April 12, 1956. This is one of the greatest agricultural speeches which has ever been delivered.

There being no objection, the address was ordered to be printed in the Record, as follows:

Cotton Cannot Go It Alone

(Address by Hon. Clinton P. Anderson, of New Mexico)

This is a difficult time to be talking about farm problems and particularly about cotton. The Senate took weeks to pass a farm bill. About a year ago the House of Representatives passed a farm bill also. The two bills were far apart. Now the conferees have spent two weeks trying to bring them together into something that will receive Presidential action. You will notice I did not say will receive Presidential approval. I have not been able to determine accurately for myself whether the program was to produce a bill that the President would veto in the hope that some slight political value may result, or whether it was planned to work out a bill that the President could sign.

Today I want to review what the Senate tried to put into its farm bill and what has happened in the cotton picture which seems to make the action taken by the Senate the proper one for the industry as well as for the country.

We had long hearings on the new farm legislation. I commend the Senator from Louisiana, Mr. Ellender, for traveling across this country trying to find out what the farmers wanted. After I studied the hearings I became convinced that farmers were not unanimous in what they wanted. In one part of the country there seemed to be quite a bit of approval for a program of flexible price supports. In other parts of the country the committee was assured that farmers would settle for nothing less than 90-percent rigid price supports. There was a good deal of testimony indicating that they would take 100 percent if pressed hard enough.

When the hearings were over, our committee tried to write a farm bill. We had before us all the suggestions that had been developed, boiled down to what the committee felt might be considered in a final bill.

When we came to our final votes, my first motion was to strike the price provisions from the bill on the theory that we should be seeking to shrink agricultural production, and that the soil bank which had been proposed by the President to do that, had a chance for early enactment, possibly as early as the middle of February. I thought we could then proceed to fight over the price question at our leisure. Further there was then in the bill a surplus disposal provision based upon a resolution which I had submitted the first day of the Congress, and I wanted to see it passed.

I have said repeatedly that there are two ways to help the American farmer. The first is to dispose of the burdensome surpluses which hang over the market and depress all agricultural prices—not only for cotton, corn, wheat, and rice, but for livestock as well. Therefore, I felt it necessary to make sure that the Secretary of Agriculture came back to the Congress within 30 days and reported what he was going to do to get rid of these surpluses. That resolution, in my opinion, could have been acted upon by the Senate Agriculture Committee in the first 2 weeks of the new session, and the Secretary would have been before us by the middle of February telling us how he proposed to get rid of surpluses. We could have either taken that medicine or we could have stirred up a new batch, but we could at least have been on our way. Now, 60 days later, we are in the process of trying to pass agricultural legislation which has, to be sure, a surplus disposal provision in it. It still requires the Secretary to report, but gives him 60 days from the date the bill is signed, if it is ever signed.\ In my opinion, that frees him from any responsibility whatever of coming before the Congress and telling us what he proposes to do.

That was important, because the very first thing that is going to be of interest to the cotton producers and the cotton shippers of this country is whether or not the Secretary intends to dispose of about five million bales of cotton per year in some sort of surplus-disposal program. If he does not, we will continue to accumulate oppressive stocks of cotton. If he does,, you will see cotton markets stiffen and cotton prices reflect the result of his program of stepped-up disposal.

The second problem is to bring our expanding agricultural production under control. Let me say to you that we now know enough about the production of cotton so that we have the technology to raise the average yield per acre across the United States on a harvested-acre basis to 700 pounds per acre. Do not cross off that figure too lightly. The average for 1950 and 1951 on a harvested-acre basis was a yield of 269 pounds; 1952 was 379 pounds; 1953 was 324 pounds; and 1955 was 416 pounds. We are on our way and 700 pounds per acre is not an impossible yield. Therefore, if we are to have high cotton production per acre we have to have some device to bring our expanding agriculture production under control. The soil bank, since it was first advocated by Henry Wallace in 1937 and as it was again advocated by President Eisenhower and Secretary Benson in 1956, is the best single device that can be used to bring about that result.

These then were the two things which I thought needed to be done first. Facing that situation, what did Senator Eastland, who was the leader in our cotton legislation this time, seek to do? In the first place, he wanted to see a large export program. He talked with the Secretary of Agriculture steadily and effectively, and the newspapers of February 29 carried a story that the Secretary of Agriculture would put all the Federal-owned surplus cotton on the world auction block effective August 1, and that in return for support of the administration's flexible price-support system he had offered Southern Senators a somewhat higher support price on cotton than they might otherwise have had in view of the large stocks we had on hand.

I was tremendously interested in the story, because I thought it was important to start moving cotton. The Secretary set the export goal as "somewhere in the neighborhood of 5 million bales a year as our share of the world market." That was a very big step in the right direction. We were able to do other things if he could have an export program that moved 5 million bales of cotton.

What were those other things? First of all we put into the bill a provision that we would price cotton on average grades and staples rather than on Middling ⅞-inch. That on the face of it would reduce cotton prices a couple of pennies a pound. We had a long discussion of that in the committee. I took hard work on the part of Senator Eastland and me to bring about the adoption of that proposal. We felt that cotton was losing markets at home and abroad and that a reduction of 2 or 3 cents would be desirable. Senator Eastland took the position that he would be willing to accept this reduction in price if the Secretary in turn would not reduce the acreage for 1957 and 1958.

I want to comment on that because it is of real importance. If the Secretary used a planted-yield-per-acre basis for the last 5 years, he had the authority, under the law, to reduce cotton acreage to a 1957 allotment of 15,841,000 acres as against the 1956 allotment of 17,400,000 acres. If, however, he used the harvested yield per acre, he would find the average for the last 5 years to be 326 pounds per acre and that would give a 1957 allotment of 14,724,000 acres. I think the Secretary can use either the harvested yield or the planted yield as his yardstick. I think in view of the enormous cotton surplus he would be well advised if he used the harvested-yield basis. Therefore, the cotton economy of this country faced a shrink from 17,400,000 acres to 14,724,000 acres, which was too large.

Furthermore, the Secretary, under the flexible price support program, if he had so desired, could reduce the price level to a figure in the seventies instead of a figure in the eighties. It was indicated by the Secretary that he would be willing to hold the price level at about 86 or 87 percent of parity if Congress would change the provision on grades and staples to average from Middling ⅞-inch and would also be willing to freeze cotton acreage for 1957 and 1958 at 17,400,000 acres.

The effect of that program would have been substantial. It would have said that America was going into the business of regaining a fair share of what historically had been its part of the world export market. That did not mean to go all the way because at one time we had 50 percent of the world's export market—yes, at one time we had 60 percent. Recently we have been down to as low as 20 percent. But 5 million bales would be a reasonable share for the United States to have, and the Secretary could slowly have begun whittling away at the surplus. Meanwhile the price would have dropped a little bit so that cotton would have stayed in competition domestically and worldwide. All of that, I think, would have made a fairly well-rounded program.

However, it didn't work out that way. We were able to get the bill through the Senate with the provisions for average grades and for freezing the acreage still in the bill. But when it went to conference, the conferees took the sweet and rejected the bitter. They kept the provision which would freeze the acreage at 17,400,000 acres, but added to it 90 percent price supports, which means that American cotton will not move domestically as rapidly as it should, will in fact continue to lose its domestic markets to the synthetics, and will not move in world trade without subsidy. It meant, to put it bluntly, that we were going to produce cotton for the Treasury of the United States and sell it to the Commodity Credit Corporation in exchange for drafts on Uncle Sam. No greater damage could be done to the cotton farmer of America than to have that sort of philosophy prevail.

Therefore, my message today to you is that cotton can't go it alone. Cotton as it grows in the field in the United States is going to have to have some help from the Congress and from the trade if it does not face extinction. The supply in the United States for the current marketing season, 1955–56, has touched an all-time high of 25.7 million bales, higher than the previous record of 24.6 million bales in 1939–40. During the time that this huge stock was accumulating, cotton has had 90 percent price supports. As a matter of fact, due to the use of Middling ⅞-inch as the grade when the average growth was better than that, cotton has had about 94 or 95 percent price support and has enjoyed a more favorable position than most other crops. The result has been to price cotton out of the market at home and abroad.

The production of synthetic fibers has been increasing with great speed. It is only 15 years ago that 81 percent of the total fiber used in the United States was cotton, and only about 10 percent was rayon and other synthetics. In 1954 it had gone to 69 percent use of cotton and last year to 66 percent. Just how far do the so-called friends of the farmer want it to go? How far are the advocates of 90-percent price supports in the Congress of the United States willing to have rayon and other synthetics take over before we have a realistic approach to the cotton problem?

But we cannot consider only cotton at home. The production of cotton has been increasing all around the world. The only thing that has changed is that the United States has not been able to share in the new markets. Our exports have been gradually decreasing. They averaged 5.3 million bales from 1935 to 1939, but less than 4 million bales from 1950 to 1954, and dropped to 2.4 million bales in 1955. If we want to throw away our world markets, we can. But when we do we jeopardize cotton farming as an industry in the United States.

Cotton can't go it alone. It needs help from Congress, not only in its pricing but in its marketing. The Department of Agriculture, during the latter part of the year 1945 and early 1946, made a very intensive study of the need for research and marketing methods. Material that was accumulated filled a whole wall of filing cabinets in the Department of Agriculture. It took weeks to analyze the uses that were being made of cotton and the possibilities for research in cotton as well as other crops. After that long study, we sent to the Congress a research and marketing bill which was enacted into the Research and Marketing Act of 1946.

Just a few days ago, Senator Capehart proposed that we spend a hundred million dollars a year for agricultural research and facilities. I called his attention to the fact that the act of 1946 would have authorized $9½ million in 1947 but nothing was appropriated. It would have authorized $19 million in 1948 and $9 million was appropritaed. It would have authorized $48 million in 1950 and $19 million was appropriated. It would have authorized $61 million in 1951 and only a tiny fraction of that was appropriated. It would have authorized almost unlimited appropriations in every year since 1951 so that today under the Research and Marketing Act of 1946 we could be spending $100 million on research for agricultural commodities.

We saw in 1946 the problem that has now arisen in 1956. We saw that cotton was going to face competition from synthetics at home and abroad. We were trying hard to provide the necessary basic research so that cotton could find new markets. Instead of that, the cotton producers of this country have been denied their chance for a fair share of trade in this country and in other parts of the world. The great producers of synthetics can afford to take from their treasury millions of dollars each year for research. But farmers of this country can't spend it individually and they can't spent it collectively very well.

To be sure, the Supima cotton producers have done a good job in marketing and are on their way to a very creditable demonstration but over the country, generally speaking, no one can sign up the man who has a mule and a few acres of cotton to a fund promotion. Therefore, we have felt that the combined force of the Government might be able to do for all the farmers what a great industrial organization like Du Pont might be able to do for its product. The very fact that these research and marketing appropriations have not been made shows that cotton and other commodities have not had the things to which they were entitled and I say to you that cotton can't go it alone. It needs help fighting through the right kind of research and marketing appropriations in the Bureau of the Budget and in appropriation bills before the Congress of the United States.

And now, some words more directly aimed at the western cotton shippers.

A most important factor in farming is what to do with the harvested products. In your membership, we assuredly have a trade group who are truly valuable in the marketing of harvested cotton. That great commodity of streaming white gold plays an important part in the commodity economy of the great Southwest and West.

I think that the cotton pricing structure of the merchandising system is the most sensitive merchandising operation of any I know. Price reactions or fluctuations occur, by reason of a multitude of variable circumstances. The recorded price changes, occurring by seconds during the market hours of your great cotton futures exchanges, are flashed in a matter of seconds to the four corners of the world—equaling the mechanism of a fine jeweled watch.

Members of your organization offer a complete worldwide marketing service. You buy the produced cotton right at the gin or warehouse and merchandise it out in quantities desired by the spinners worldwide. Your finance system is a marvel—your word is your bond—you make a verbal offer over the telephone for $10,000, or $100,000 worth of cotton, and many times no bilateral contract is ever signed, yet the seller never worries that there will be any hitch. Too, you phone the spinner and the same is true. Very few organizations have a record like that. I congratulate you for this.

Foreign consumption of synthetics today is equivalent to 8.9 million bales and domestic consumption is at the annual rate of 4.5 million bales. Those rates have grown rapidly and attention must be given to the vast inroads. The synthetic producers are a most aggressive group of people. The capacity for producing man-made fibers is increasing every year and new mills are scheduled to be built during this year that would permit the expanding of output to the equivalent of another 1 million bales of cotton.

I hope I can give you some good news. I think you as cotton handlers can make plans for a good business this coming season. I look for close to 9½ million bales, or better domestic consumption, and 4 million export, a total of 13½ million versus 11¼ million for this current season. You fellows should share in a greater percent of those increases than some of the other areas. Therefore, I would make plans for full steam ahead.

Some apprehension may exist that the present export plans would be unreasonable on the cotton trade in this area, but I would like to believe that you men have enough inventiveness to make up for some of the misgivings of the sales program. Surely the CCC, with its past experience in selling vast amounts of cotton to the trade, will be fair in its treatment, and not be so restrictive as required in the recent 1-million-bale program. I think that the quality of the cotton favors you manifestly—your area has improved its quality to such a high level that you now have cotton as fine as is grown anywhere, worldwide, and a good product never is at the bottom of the totem pole. You have the finest of qualities; therefore, I have faith your cotton will move to the spinners where you have established its reputation.

Now let us take a closer look at the export situation. The production of cotton in other countries has been climbing steadily since the war, and this year rose to an all-time high of 25.3 million bales—an increase of 7.5 million bales over the 1934–38 level and 12.3 million bales over the 1946 level.

There is no denying that our price policy has been the most important single factor in encouraging this competition. There is no denying either that if the price policies of the past are continued that the United States will be completely out of the cotton-export business in a few years' time. This is not to say that price is the only factor. Some of the foreign countries are following policies of economic nationalism designed to encourage production of both cotton and rayon for self-sufficiency and to provide a means of earning foreign exchange. In such countries price is a secondary consideration, but, fortunately, this situation is not general. It is also true that the shortage of dollars has been, and still is, a factor limiting our exports, but the purchasing power of the rest of the world is improving every year, and the ability to finance imports is less of a factor. Also, the United States is continuing to provide special financing to aid countries in balance of payments difficulties through direct economic aid, sales of local currencies, loans, and the like.

The most important effect of the new export program will be to set a price for cotton that will remove the incentive for expansion of production of both cotton and rayon abroad. Once the fibers are produced we can assume they are going to be sold because other countries simply aren't in a position to hold their stocks off the market for long.

It is necessary that this price be low enough to discourage competing production, if we are to be successful in rebuilding our exports. At the same time the United States cannot afford to engage in price wars to the extent that we break the economies of friendly countries and thus create new economic, political, and even military problems and impair our international security objectives. Our sales will have to be orderly. We must recognize that our surpluses will have to be liquidated over a period of years.

The policy will have to be essentially long range in its nature. Unless some confidence is reestablished in cotton prices the foreign mills may be frightened away from cotton and encouraged to go more and more to the man-made fibers, the prices of which are relatively stable. At the present time the increased use of man-made fibers is coming largely through blending a portion of these fibers with cotton primarily in an effort to reduce the raw material cost. If cotton prices are lowered to a realistic level, and if there is a reasonable assurance that these prices will be fairly stable, I am confident that the use of these blends can be discouraged and that cotton can regain many of these markets. On the other hand, the uncertainty of price and of supply will make this objective very difficult indeed.

While the foreign market is the most important aspect of the cotton marketing problem at the moment, and while it undoubtedly offers a large opportunity for expansion given a reasonable export price policy, we cannot afford to take the domestic market for granted either. Although the cotton farmers of this country do not have to face the competition from foreign-grown cotton in the domestic market to any significant extent except in the field of extra long staples, the competition from manmade fibers in the domestic market is very real. At the present time the price advantage of rayon over cotton is from 5 to 9 cents per pound in the various end use markets. The quality improvements that have been made and are being made every day in the man-made fibers, tend to increase this competition. The uncertainty of the cotton prices is an additional factor that plays into the hands of our competitors in this market and encourages the mills to use the manmade fibers, prices of which are more stable.

Over the long range the price to which the cotton supports can be lowered must be geared to the cost of production. We must redouble our efforts in research and education to employ all of the resources which modern science can command to find new and improved ways of cultivating, harvesting, and merchandising cotton in order to cut these costs.

If we are successful in our efforts to reduce cost and if we develop a realistic long-range pricing policy, I have no doubt that cotton can and will be able to meet its competition and that our production can continue to expand.

At the same time, we cannot afford to neglect the opportunity for expanding consumption and stimulating the demand for cotton products on the part of the ultimate consumers. There is a real opportunity in this country and throughout the world to increase the use of cotton not only as a percentage of the total textile fibers consumed, but also by increasing the use of textiles by encouraging people to be better dressed and to make their homes more comfortable and more attractive. The programs in research and sales promotion that have been developed in this country have proved their effectiveness. These can and should be expanded. In the rest of the world the opportunity may be even greater. An addition of only 2 pounds of cotton per person per year—the equivalent of 1 pair of overalls or 1 bed sheet—in consumption in the free world would require an addition 6 million bales of cotton and would leave the average person in the free world consuming only one-fourth as much cotton as the average person in the United States. With the rapid increase in the standards of living around the world, the possibility of these objectives is improved. The increase in the population throughout the world is a further factor. I have no doubt that the demand for cotton can be increased, that the production of our farms can be increased, that the income of our cotton farmers and those who handle cotton can be protected and improved if we face the situation and have the courage and the imagination to adopt the policies that are necessary to maintain cotton in a strong competition position from the standpoint of price, quality, and sales effort.

Our Supima producers are setting a fine example of meeting the issues. They are matching the finer world-recognized qualities of the Egyptian cotton through research. They are setting aside $3 per bale for promotion. They have set their support levels at 75 percent of parity. That is what I call a forthright program designed to meet the situation head on. The Supima people who are our neighbors and friends have the cotton spotlight of the world on them. Washington was dazzled when they came forward not too long ago to sell their program. The spinners over the world, too, have taken special note, and the Egyptians are really watching.

The sales promotion of Supima, too, is moving with vigor. Just think, a small group of producers moving in breeding and developing in a few short years such an outstanding quality and now producing some 45,000 bales currently, with prospects of some 100,000 bales. Imagine what the results would be, if just half of the Cotton Belt would take on the same amount of vision, fire, and enthusiasm of the Supima growers. Let me tell you, we would be moving 15 million bales annually in a short 3 years. The cotton business would soon be out of the Government's hands and freedom of merchandising would be enjoyed to the fullest extent.

I want to close on that note of hope. God still helps those who help themselves. Cotton farmers, ginner and shippers will be in need of help unless all join to put King Cotton back on a throne by programs of courage and vision in which you may take the lead and in which, I hope, the Congress may give you effective support.

A Bill To Provide Financing of Needed Housing

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. WICKERSHAM. Mr. Speaker, at the request of a number of builders, laborers, lumber and material suppliers, and veterans' groups in my district, I have introduced a bill to provide financing of needed housing.

This bill is similar to one introduced by Hon. Albert Rains, of Alabama, and referred to the Subcommittee on Housing of the Committee on Banking and Currency.

Here is a summary of provisions of the bill:

TITLE I—AMENDMENTS TO THE NATIONAL HOUSING ACT

Section 101 dealing with FHA title I home improvement loans provides—

(1) A 2-year extension.

(2) An increase in the maximum loan amount to $3,500 (present ceiling is $2,500) and from $10,000 to $15,000 for loans to improve multifamily structures.

(3) An increase in the maximum loan term to 5 years (present ceiling is 3 years).

(4) A sliding interest rate scale permitting a 5-percent discount on loans below $1,000, with a 4-percent discount permitted on that portion of the loan which exceeds $1,000. Presently a 5-percent discount is charged regardless of loan amount.

Section 102 would permit the FHA to become a self-insurer against, fire and hazard risks to properties acquired by FHA as a result of foreclosure.

Section 103 would liberalize rental housing insurance under FHA's section 207 by—

(1) Permitting a loan up to 90 percent of value (present ceiling is 80 percent of value).

(2) Increasing loan ceilings to $2,250 per room (present ceiling is $2,000) and up to $2,700 per room for elevator-type structures (present ceiling is $2,400). In high-cost geographic areas the Commissioner is authorized to increase the per room maximum by an additional $1,000. These liberalizations would establish loan ceilings for section 207 similar to those permitted for urban renewal insurance projects under section 220.

Section 104 would amend cooperative housing insurance under section 213 by providing—

(1) A new device to permit a cooperative sponsor to obtain a commitment for a loan up to 85 percent of replacement cost and proceed with construction before the prospective cooperative has been formed. This would overcome the marketing difficulties involved in the present requirement that the cooperative be sold 100 percent before construction can begin. The sponsor would certify intent to sell to a cooperative upon completion. Should he fail to sell the project he would be regulated by FHA as to rents, capital structure, and rate of return. Also, if the sponsor fails to sell to a cooperative, he cannot use this special insurance feature again.

(2) Authority to the FHA Commissioner to permit in the high-cost geographic areas an additional $1,000 per room in computing the maximum permissible insured loan.

Section 105 would increase the FHA mortgage insurance authorization to make available $3 billion for the next fiscal year.

Section 106 would permit a profit and risk allowance of 10 percent for sponsors of urban renewal insurance projects under section 220, although the FHA Commissioner could prescribe a lesser percentage if he certifies that a 10-percent allowance is unreasonable.

Section 107 would liberalize relocation housing insurance under section 221 by—

(1) Increasing the maximum permissible loan to $8,600 and to $9,600 in geographic high-cost areas. (Present ceilings are $7,600 and $8,600, respectively.)

(2) Permitting no downpayment financing by requiring only that the borrower pay at least $150 in cash to apply toward closing costs.

(3) Increasing the permissible loan maturity from the present 30 years' ceiling to 35 years and up to 40 years where the Commissioner finds such longer maturity necessary for low-income families.

Section 108 would amend the cost certification requirement by making such certifications incontestable after the Commissioner's approval of the certification, barring fraud or material misrepresentation. It would also permit an allocation of general overhead costs acceptable to the Commissioner to be included in the total certified cost.

TITLE II—SECONDARY MARKET LEGISLATION

Section 201 would liberalize the operations of the Federal National Mortgage Association by—

(1) Permitting advance commitments under the secondary market operations. Such commitments would be issued at a price high enough to provide production support to builders and yet sufficiently below the prices offered by the Association for immediate purchase to discourage excessive sales to FNMA pursuant to advance commitments.

(2) Reducing the stock purchase requirement to no more than 2 percent.

(3) Requiring FNMA until June 30, 1957, to pay par for special assistance mortgages.

(4) Increasing the advance commitment funds available for special assistance operations to $400 million (present ceiling is $200 million).

(5) Providing a $50 million revolving fund under the special assistance program to support FHA section 203 (i) loans. Section 203 (i) loans are designed to encourage low-cost housing in outlying and rural areas.

(6) Amending the present revolving fund for section 213 mortgages to make it clear that the $5 million limit per State is on outstanding commitments; in other words to make clear that the State suballocation can "revolve" exactly the same as does the $50 million nationwide revolving fund.

(7) Exempting from the $15,000 limit on loans eligible for purchase the following: (a) Military housing loans insured under section 803 and (b) FHA-insured and VA-guaranteed loans made in Alaska, Guam, and Hawaii.

Section 202 would establish a new secondary market support program for GI loans.

Under its provisions the Secretary of the Treasury could invest up to 10 percent of the reserves of the national service life insurance fund by purchasing VA-guaranteed loans in geographic areas where discounts on GI loans are heaviest. Both current reserves and future premiums could be used. Since the fund's reserves are approximately $5½ billion, the program could supply approximately $550 million in funds to support the market.

Only loans guaranteed after enactment would be eligible for purchase. In case of serious default, provision is made for purchase of the defaulted loan from the fund by the Administrator of Veterans' Affairs.

The program would expire on July 25, 1957, the present expiration date for the GI loan benefit of most World War II veterans.

The Federal National Mortgage Association would act as the Treasury's agent to purchase and service loans. Payment for such services is limited to a maximum of three-fourths of 1 percent. Since the GI loans purchased would yield at least 4½ percent, the fund would earn a minimum of 3¾ percent on its mortgage portfolio.

TITLE III—HOUSING FOR ELDERLY PERSONS

Sections 301, 302, 303, and 304 would establish a new loan program for housing for the elderly, similar to the college housing loan program.

These sections would provide $250 million to the Administrator of the Housing and Home Finance Agency for loans to nonprofit corporations for the construction or rehabilitation of housing for the elderly.

The interest rate could not exceed 3½ percent per annum and the maximum loan term would be 50 years. The cost of funds to the Administrator from the Treasury could not exceed 3 percent.

The bill would permit loans only when private capital is not available upon the terms and conditions provided in the bill.

TITLE IV—SLUM CLEARANCE AND URBAN RENEWAL

Section 401 would increase the funds available under present law for capital grants for slum clearance and urban renewal projects by an additional $1 billion. The sum would be made available in $500 million increments on July 1, 1956, and July 1, 1957.

Section 402 the Housing Administrator would be authorized to extend urban renewal assistance to major disaster areas, under certain conditions, without regard to requirements that the community must have a workable program for the prevention and elimination of slums, that the urban renewal plan must conform to a general plan of the locality, requirements of public hearings, and certain requirements with respect to the predominantly residential character or blighted character of urban renewal areas.

The FHA sections 220 and 221 urban renewal housing programs would also be amended to permit temporary waiver of the present workable program requirement, and urban planning grants would be permitted for a community affected by a major disaster without regard to the fact that the community's population is 25,000 or greater.

Section 403 the urban planning grant authorization would be increased from $5 million to $10 million.

Section 404 would extend to private nonprofit educational institutions of higher learning the same privilege with respect to Government construction planning advances, as that now enjoyed by tax-supported educational institutions of higher learning. Both such types of educational institutions receive equal consideration under provisions of the college housing loans program, and this change would place them on a parity with respect to planning advances.

TITLE V—PUBLIC HOUSING

Section 501 would provide 50,000 low-rent public-housing units annually for a 3-year period beginning August 1, 1956. Provision is made for carrying over to subsequent years any unused portion of the annual quota.

Section 502 would make low-rent public housing available to elderly persons (65 years or over)—

(1) By making elderly single persons eligible.

(2) By authorizing the construction of units specifically designed for elderly persons. The section provides 10,000 units annually for a 3-year period beginning July 1, 1956.

(3) By increasing the permissible per room cost for units for elderly persons to $2,250 (present ceiling, $1,750).

Section 503. The Public Housing Administration would be directed to transfer farm labor camps without monetary consideration to local public housing agencies in the areas of the camps if requested within 12 months after enactment of the bill and the local public housing agency certifies as to the low-rent need for the project and that preferences will be given, first, to low-income agricultural workers and, second, to other low-income persons and families.

Section 504 would authorize the sale under prescribed conditions of two Government-owned projects, the Chinquapin Village housing project in Alexandria, Va., and the Techwood Dormitory in Atlanta, Ga.

TITLE VI—FARM HOUSING

Section 601 amends title V of the Housing Act of 1949 to provide the following additional authorizations for loans and contributions to farm housing:

(1) $100 million in the amount of loan funds which can be obtained from the Treasury;

(2) $2 million per annum in the amount of annual contribution commitments for housing on potentially adequate farms; and

(3) $10 million in the amount of appropriations authorized for loans and grants for improvements and repairs of farm housing.

TITLE VII—COLLEGE HOUSING

Section 701 would increase loan funds for college housing by $250 million, bringing the total authorized for such purpose to $750 million.

TITLE VIII—MILITARY HOUSING

Section 801 would extend and liberalize the title VIII military housing program by—

(1) Extending the program until September 1959 (under present law the program would expire September 30, 1956).

(2) Permitting an average cost per dwelling unit of $15,000 (presently $13,500) and up to $16,500 in high-cost areas as determined by the Secretary of Defense. The aggregate total of mortgage insurance authorized would be increased correspondingly.

(3) Permitting the FHA Commissioner to waive or reduce the FHA insurance premium.

(4) Prescribing maximum floor area limitations for various ranks and grades with a special allowance for quarters outside the United States and for the quarters of commanding officers.

(5) Extending eligibility for military housing insurance to the Canal Zone.

Disarmament

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, April 18, 1956

Mr. HUMPHREY. Mr. President, on February 27, 1956, I addressed the Conference of Organizations on the United Nations, called by the American Association for the United Nations, on the subject of disarmament. I ask unanimous consent to have this speech inserted in the Congressional Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Hon. Hubert H. Humphrey, of Minnesota, at the Section Meeting on Disarmament at the Conference of Organizations on the United Nations, Called by the American Association for the United Nations, February 27, 1956, Washington, D. C.

Chairman Bolte, Mrs. Roosevelt, Governor Stassen, and friends, it is a particular pleasure to be here today with you and to share this platform both with the President's personal representative in the field of disarmament and with the leaders of the great organizations throughout this country that are dedicating their talents and energies to these problems of overriding international importance. I see many friends in this audience; representatives from every area of American life—labor, business, agriculture, the professions, and our great organizations of fraternal and religious faith. Regardless of your particular interests, you are here because you believe that our country and its freedoms would not survive without a citizenship that was well informed. You are here to inform yourselves through your own deliberations and then to take that information back to the groups you represent. I know that you do not have to be recommissioned for that assignment, but it seems to me tremendously important that the flow of information to your constituency be most certain and most comprehensive. The job of our Government would be far more difficult if it were not for people with a sense of community responsibility—people who are at work constantly alerting and informing the public. Just as you have helped to inform others, including Senators and appointees of the President, it is the obligation of your Government to provide accurate and detailed information on all matters of foreign policy, national security and disarmament.

I say this in connection with all the manifold problems of national and international policy which now confront us. During the past few days you have been canvassing the broad issues of economic development, collective security, atoms for peace, and colonialism. Today we are turning our attention to the opportunity and the challenge of disarmament, but in doing so, I know we will not forget how interrelated all of these problems are.

This interrelationship was frankly recognized 10 years ago at the birth of the United Nations in San Francisco. The new world organization was dedicated not only to a peaceful world, but to a better world. Everyone acknowledged that security alone was not enough, even though progress in the long run would be impossible without it. Thus article 1 of the United Nations Charter spelled out the two major goals of the United Nations as follows:

1. "To maintain international peace and security, and to that end, to take effective collective measures for the prevention and removal of threats to the peace."

2. "To achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character."

Thus, there was an early admission that security alone was too hollow an objective. The delegates to the founding conference at San Francisco in 1945 knew in their hearts that security has meaning primarily for those who have something to preserve.

Therefore, as we concentrate on this subject of disarmament, let us never forget that there are other immediate everyday problems that are simultaneously stirring the hearts and hopes of men and women throughout the world. If disarmament itself is to make any headway, people everywhere must have a clear idea of the kind of world that a disarmed world might be. There must be a great incentive. If the net effect of disarmament would be to freeze the status quo, to stifle change, to prevent the correction of existing abuses, much of its attractiveness would fade away.

Actually the pathway to disarmament may very well involve utilizing the great international agencies such as WHO, UNESCO, FAO, the technical assistance programs, capital development programs—all of which have a way of firming up the economies of the nations of the world—so that our international mental health is more conducive to a sane, sensible discussion of the problems of disarmament.

We must always remember that we live and labor in a world of revolution. Protecting and enlarging the freedom of the two-thirds of the world which is still outside Communist control will take more than military alliances to which we seem to be unduly addicted. It will take more than a stockpile of bombs, and more than threats to use them. It is a false notion, though widely held, that today's tensions and torments are entirely caused by the Soviet drive for expansion and that military deterrents, therefore, are the chief answers.

Aggressive Communist designs are, to be sure, in the forefront of our current foreign policy predicament, but this Communist threat occurs in the midst of a world-wide revolution for freedom and for material progress. In the underdeveloped countries of Asia, Africa and South America, forces are now at work which will rank among the great movements of history, as important as the Renaissance and the Industrial Revolution.

More than a billion people are on their way to political self-determination, economic development, and human dignity. They are the so-called "underdeveloped nations" and many of them happen to be uncommitted to either side in the cold war.

The Communists have now recognized this Twentieth Century revolution and have sought to turn it to communism's advantage. They have sought to preempt it, to claim it, to own it, and to direct it. We, on the other hand, are today running grave risks of failing to take it adequately into account, and of failing to identify this revolution with our own historic tradition and continuing ideals.

Many of us have been deeply disturbed over the inadequacies of public understanding and of official policy on this new challenge now facing us. I am convinced, for example, that if we are to match the new Soviet political and economic offensive, we must reexamine and liberalize our approach to the underdeveloped—the uncommitted—nations of the world. In those nations the demands for self-government, human dignity, and economic progress are now irrepressible. We had better face up to that. Our own national history symbolizes these self-same demands. We will be faithless to our tradition if we neglect this new opportunity to help other nations reassert our common principles.

I am sure that the uncommitted peoples of the world have been impressed during the last few days with the President's dramatic step forward in sharing "atoms for peace." Let us hope, however, that our approach to peaceful atomic assistance to other nations will proceed within the framework of the United Nations. The President himself, in his famous "atoms for peace" speech to the General Assembly in December 1953, said that he "would expect that (an international atomic energy agency) would be set up under the aegis of the United Nations." We all know that bilateral arrangements may be helpful and at times essential. But I think it would be a mistake to concentrate on these bilateral arrangements as an exclusive pattern for atomic assistance. Too much bilateralism can detract from, and ultimately erode, the multilateral concepts which are the foundation of the United Nations.

The atoms for peace proposals are important to disarmament, too, because they foreshadow the kind of life that a peaceful, disarmed world would allow to mankind.

In turning to a discussion of disarmament itself, therefore, let us remember that neither it, nor the other problems that we have just mentioned, can be pursued in a vacuum. That is what is meant too by the warning which we frequently hear, that large-scale political settlements are the prerequisite to progress on disarmament.

It is a legitimate question to ask whether it is possible to think seriously of disarmament so long as the great powers find no ground for agreement on the basic issues that divide them. It is tempting, of course, especially after the many disappointments that we have suffered, to answer "No" to this question at the outset and let it go at that. We have had ample disillusionment in the past when disarmament negotiations have had to be broken off during the tension-ridden periods of the Berlin blockade and the Korean war.

It is quite true, therefore, that chances for disarmament may depend in part on the climate of the world political situation. It may be true, as some say, that no disarmament agreement can possibly be negotiated without a political settlement of the German question or the Formosan Straits question.

But to this question, as to most important questions, there is no simple answer. Undoubtedly, the prospects for disarmament are curtailed by the presence of thorny, unanswered political problems. It is equally true, however, that there are crucial divergencies of interests, important diplomatic conflicts, that cannot be solved, either, as long as the armament race goes on. It can be argued that they in turn cannot be brought close to a solution until the framework of a disarmament agreement is firmly established. I know that every person in this room is acutely aware of the danger of war which continues to confront us. I think we know or sense that another war, if it comes, may well destroy our civilization. Is it any wonder that people in this country are united in a deep revulsion to war? This revulsion is shared by people in Europe and Asia and elsewhere. I believe that it is shared by the peoples of the Soviet Union. It may be that an awareness of this revulsion has even penetrated the walls of the Kremlin. Mr. Khrushchev's speech to the 20th Congress of the Soviet Communist Party indicates that he is beginning to appreciate the fact—one which was not, may I say, recognized by his predecessor, Mr. Stalin—that it will not be capitalist countries alone which will be blown up in an atomic war.

This universal abhorrence of war gives us a base to build on. It does not, however, guarantee that we shall avoid a tragic conflict. We must come to grips with the specific problems which lead us to war. One of these problems is the rapid increase of armaments and the incredible increase in their destructive capacity.

It was a concern with this aspect of the problem that led me to introduce Senate Resolution 93, which set up a special Subcommittee on Disarmament. The challenge of this undertaking is enormous. I do not have any simple answers any more than do Mr. Stassen and the dozens of other people in the executive branch of the Government who are working on this problem. The work of the subcommittee has just begun. Certain fundamental principles, however, have already started to emerge. They are the principles which I believe should govern our approach to the problem of disarmament.

First, any disarmament agreement or proposal must, of course, protect the national security of the United States and other nations. It cannot have loopholes which give a potential agressor the advantage he needs to start a war and to win it. Each proposal must be carefully examined before we can be sure that our national security will be preserved. And what we do ourselves we must expect others to do. Protection of the national security is a function of all governments. We can expect others to pursue it at least as zealously as we do ourselves. I do not question their right to do so. I simply stress that we must be equally aware not only of our right but of our duty in this respect.

The protection of national security leads us directly to the second principle which must operate in disarmament negotiations. It is this: No proposal, no matter how good it looks and regardless of who proposes it, should lead us to let down our guard. Until the agreement or agreements are signed by all the necessary parties, until they can go into effect—and prove their effectiveness—the United States and its allies throughout the free world must maintain their proportionate defensive strength.

We cannot let the lofty words, our own or anyone else's, tempt us to think that now is the time to reduce essential expenditures for national defense when there is no armament reduction agreement. The time to disarm is after the agreement to disarm, and not before. No matter how appealing a balanced budget, it must not be pursued, as it appears to me it is now being pursued, at the risk of jeopardizing our capacity for defense or weakening friendly nations abroad.

I might add here that the actions of the United States in all of these areas—economic, military, and political—tend to set the pace. If allied nations see us thinking and acting primarily in terms of economy, they are likely to follow suit. If we shirk our responsibilities, they will do the same. Leadership imposes responsibility to lead—to set the pace—to establish the standards and the guidelines by clear and unmistakable policies and performance. I have yet to see the clear outlines of American policy on many vital subjects.

The third principle has to do with perhaps the most vital element in the maintenance of a democratic and self-governing society. This is the principle of an informed public. I know and you know that the men who are conducting disarmament negotiations, and planning military, atomic, and foreign policy are loyal citizens who have the interests of their country at heart. But they are not omnipotent. They are men with all of the limitations and weaknesses of men. They are not the sole judges as to what facts we should have and what developments might disturb us and discourage us from thinking that all is not well in the world. I have never thought that I needed to be spoon-fed by public relations men and neither do the American people feel that they need to be spoon-fed. Possibly we can't know everything that is going on, but we do need to know a lot more than we know now. There is a tendency here in America today, not only on questions of disarmament, but in virtually every activity of our Government to clamp the secrecy label on far too many items, to keep facts bottled up even after they are revealed and known in many other parts of the world.

The special Senate Subcommittee on Disarmament, of which I am chairman, hopes to conduct virtually all of its work in full

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public view. There are far too many executive sessions in this city, ladies and gentlemen. There needs to be more open discussion. As chairman of this subcommittee, I intend to do everything I can to see to it that the important facts, the legitimate information on all phases of this subject, are published and made available and understandable to all Members of the Senate, and through them to the American people.

The fourth principle which must guide our approach to disarmament is sincerity—sincerity of purpose. By its very nature, the Soviet system of communism produces men fanatically clever in the art of deception, hypocrisy, and duplicity. There is always a danger that as a result of our frustrating experience of trying to deal with them, some of those responsible for carrying out our policy may tend to take on some of these same characteristics. In our struggle against communism we must be careful not to ape the totalitarian. In our efforts to win this great struggle against forces of tyranny, let us not take on the manners and the habits of the tyrant. Psychological warriors are not going to win either a war or a peace. They may win skirmishes, but they do so at the risk of losing for us the great issues. I should not like to see the day when this country begins to use words in matters of life and death in the fashion of the advertisers. There is no brand name for peace; it can't be spelled backwards. The peace and disarmament proposals which this country makes must be supported by the full conviction that they are workable, plausible, and that they will genuinely contribute to a solution of the basic problem.

As I see it, therefore, the efforts for disarmament are being advanced on three fronts: In the United Nations, the executive branch of our Goverenment, and the Congress of the United States. All of these are essential, if our hopes for effective control and restriction of armaments are to be realized as a practical achievement. The details of what is going on within the first two fronts come to me, as to you, from published reports, statements of our official representatives, and through the newspapers. Many of you have also had reports from your own official observers at the United Nations and your legislative representatives here in Washington. So if I concentrate the rest of my remarks on the Senate work and my views of what we may do, I hope you will understand why, because you have possibly much more information about the first two fronts than I have myself. I would hope that my good friend, Governor Stassen, would see to it that the executive branch does a little more proposing for us and for the world in this field of disarmament. Because after all the executive branch conducts the foreign policy of the United States and the Senate would have little opportunity to dispose if the executive branch never proposed.

With respect to the role of the United Nations, I am saying nothing new to this group when I say that we would not know nearly as much as we do today about the problems of disarmament and the efforts required to attain it if it were not for the United Nations.

But I am here in my capacity as a member of the Senate. It is well to remember that even if the executive branch came forth with brilliant plans, unassailable in their logic, and even if they were accepted by all of the members of the United Nations, they could not come into effect without the participation of the Congress of the United States. Now this is not to try to overawe you with our importance. It is merely to point up an essential feature of our constitutional system. It is also to remind you that the Senate cannot act effectively unless it is fully informed and has sufficient information to render sound judgments. This is the principal reason why last June, I introduced Senate Resolution 93 setting up this special Subcommittee on Disarmament.

The Senate cannot do the negotiating with foreign powers on the subject of disarmament. But we are a vehicle to make certain that the agreements reached will fulfill the needs of the American people and meet the test of acceptability by them. Furthermore, we in the Congress are a means through which the American people have an opportunity to express their views, their hopes, yes, even, their doubts of disarmament, and through which they may learn how present disarmament proposals can affect their future lives.

Now, a few words about this special committee. It is bipartisan: 12 members, 6 Republicans and 6 Democrats. It would be premature to speculate now on the conclusions we may reach. But at the present time the subcommittee has three lines of approach.

First, we intend to have members of the executive branch discuss at public hearings the Government's policy on disarmament and to give us their appraisal of the possibilities of reaching a solution. Governor Stassen led the witnesses with his opening presentation on January 25. He will be followed on Wednesday of this week, February 29, by the Secretary of State, Mr. John Foster Dulles. On March 7, Adm. Lewis Strauss, Chairman of the Atomic Energy Commission, and Mr. Theodore Streibert, Director of the United States Information Agency, will appear. On that same day, one of my colleagues, Senator Flanders, of Vermont, will testify before the subcommittee. He has, as you know, dedicated much of his life to the disarmament cause. On March 15, these gentlemen will be followed by Secretary of Defense Mr. Charles E. Wilson, who will bring to us the critically important views of the Defense Establishment.

Then the subcommittee's second line of approach will be to hold hearings both here and outside of Washington so that we may have the benefit of the views of experts and informed, interested private organizations and citizens. These hearings, I believe, will be somewhat unique. They will be in two parts. The first part of the hearing will consist of testimony from experts, largely men and women at our universities who have made a special study of disarmament. They will be asked to summarize the results of their research and study and pool their knowledge in an effort to assist us in our work. The second part of the hearings will be devoted to those individuals and groups who wish to present their views to the subcommittee. We need to have a good cross-section of the ideas of the people of the United States on this question in all parts of the country and we intend, if possible, to go out and get it.

The third approach of the subcommittee is to commission a series of staff studies. Each will present an aspect of the problem of control and reduction of armaments. We hope that these studies will assist us and other interested Americans to understand more clearly the dimensions of the disarmament problem and the issues which arise from it. The first of these studies has already been published. It deals with the organization of the executive branch to handle disarmament questions. That study itself revealed some of the problems.

For example, I came to sympathize with Governor Stassen in his responsibility. In addition to the Governor's office, 3 executive departments with numerous subbureaus, 2 agencies, 1 commission, 1 mission, 1 council, and 2 boards are involved in disarmament matters.[1]

I hope that while you follow the work of this subcommittee you will also help us. I hope you will make known to us the conclusions that you reach here at this meeting, and I solicit these conclusions and recommendations. As leaders of some of the most important organizations serving the public interest there are contributions you definitely can make to peace and security of the world.

First, you can help by continuing to keep informed. I want to emphasize again that there are no shortcuts. There is a good deal of homework that has to be done by the American people in these crucial areas of national security, foreign policy and disarmament.

Second, you can help bring a sense of realism to the consideration of disarmament by reminding your members of the real dilemma posed by this question. One horn of the dilemma is that we cannot hope to have real peace so long as we and the rest of the world race to build more deadly weapons. The other is that we must not be led or tricked into unilateral disarmament which leaves us and the other free nations defenseless against a potential aggressor.

A third contribution you can make is to caution patience. Disarmament is as hard a problem as we have in the entire field of foreign policy. We Americans have often tended to believe that each defined problem carriers with it a possible solution. In the disarmament field, that might not be true even if each nation would define the problems the same way. A difficulty with disarmament, however, seems to be that definitions are often as lacking as solutions.

Patience can be helpful in this process. Perhaps patience will help in connection with the President's aerial inspection plan. The Government first talked about this in 1946.[2] In 1952 our deputy representative on the United Nations Disarmament Commission, described the use of aerial survey in a working paper submitted to the Commission on "Proposals for Progressive and Continuing Disclosure and Verification of Armed Forces and Armaments." Now the idea has been brought back to life in a somewhat different context. Perhaps patience will gain acceptability for it. That remains to be seen.

But patience is not an excuse for inaction or indifference. You are going to be discussing disarmament later on in small groups. I'd like to pose some questions for you to consider. They won't necessarily be easily answered. Perhaps some cannot be answered at all at this time. But they are questions which I have been asking myself, which my mail reveals, and which I would like to share with you.

Take, for example, the President's aerial inspection plan.

Can aerial reconnaissance alone detect each and every military maneuver of another country? If it can't, are we in possible trouble by proposing it or our accepting it? Should aerial inspection include the entire area in which a potential enemy has control or has control or has bases or has alliances? Even if we reach agreement on the principle of aerial inspection, some commentators contend that it is not fool-proof since there is no ostensible difference between a flight or bombers taking off on a training mission and one taking off with a load of H-bombs in the bomb shafts.

It has been suggested that progress on an overall plan for the reduction and control of armaments must be suspended until a way can be found to detect nuclear weapons which have been previously manufactured and then hidden. Does this mean we have to give up on trying to reach agreement on armed forces and conventional weapons too?

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[1] Departments of Defense, State, and Justice; Central Intelligence Agency; United States Information Agency; Atomic Energy Commission; United States Mission to the United Nations; National Security Council; Planning Board and Operations Coordinating Board of the National Security Council.

[2] Description of aerial inspection contained in the First Report of the U. N. Atomic Energy Commission, 1946.

The aerial inspection plan is called a beginning. I believe it was said to be a gateway. Is this the only beginning that can be made? Are we to stand with this one proposal committing ourselves almost entirely to this one to the exclusion of others? We are told some of the best brains in the Government are working on this problem, but we have no plan except a proposal which is said at best to prevent a surprise atomic attack between two countries. And I want you to ponder that for a moment. The plan that we have today, which seems to be the core of the American disarmament proposal, if you can call it disarmament, is one merely of being able to ascertain what the participants may do to apprehend an attack.

The world applauded the President's initiative in making the open-skies proposal at the summit conference. But there have been indications since that the world is somewhat worried about our sense of followthrough. For instance, the distinguished French representative on the United Nations Disarmament Commission, Mr. Jules Moch, has flatly stated: "Never have I believed that a formula for control without disarmament would receive the unanimous support of the governments—any more than a formula for disarmament without control."

Mr. Moch himself has proposed a three-point objective for further disarmament conversations: (1) no control without disarmament; (2) no disarmament without control; but (3) step by step, disarmament over all activities that can be controlled.

It is my personal conviction that the situation requires a reexamination at least on the part of the western representatives at the new London conference, of all of the major proposals put forward by President Eisenhower, Prime Minister Eden, and the then Premier of France—Premier Faure—at the summit conference last July.

If we ever expect disarmament to come, we need the world working with us. We do not seem to have the world working with us now, as hard as it might. In all humility, I do not think we are pushing ourselves on this issue as hard as we should.

The Picasso peace dove symbolizes the beguiling success which the Soviet peace campaign has had in many areas of the world. Strangely enough among many millions of non-Communist people, the popular impression today is that the Soviet Union, not the United States, has been most insistent on halting the arms race. No impression could be more damaging to America's prestige abroad. And, of course, no impression could be more false. But, as one who has been in politics, I have found much—sometimes to my sorrow—that what people believe is not always the truth.

Since 1947 when the Soviet threat of aggression and subversion became fully evident to us, American policymakers have assumed that its nature and dimensions were equally evident to others. This led us seriously to underrate the effectiveness of Russian propaganda on peace and disarmament. The fact that much of the world has forgotten our own early imaginative proposals for atomic energy control and disarmament—and we were the first nation to make these proposals—is indicative of a major failure of our information program in recent years. It may also be indicative of the fact that louder and more strident voices have talked about dropping bombs and using massive retaliation rather than constantly emphasizing the potentialities of peace.

Let us reassert our leadership on this matter all along the line. We need the overwhelming majority of the members of the United Nations with us on this great issue of disarmament. I don't think we can make real progress without their help.

We are reassured that other nations are with us because they voted overwhelmingly in the United Nations General Assembly for the United States resolution on aerial inspection. But what are they themselves doing on this question? Have we encouraged them to make as full a contribution to the solution of this problem as we might? These questions are not rhetorical. They are asked in a most earnest search for help on this key issue. I shall be interested to see what your discussions produce.

In military language defense is often spoken of in terms of the long pull ahead. Well, I want to close on the theme of the long pull ahead for peace.

It is a mistake, in my judgment, to say that we are going to get disarmament this year or next year or the year after. It is a mistake to paint a smilingly optimistic picture of the prospects for peace. The disarmament problem, much less the total problem of peace, is not going to be solved either by wishful thinking by advertising or by halfhearted attempts. It will require hard work—sacrificial labor—at many points. It will require some fresh bearings for our foreign policy. I am confident, however, that if all of us in all sincerity devote our efforts to this question—if the people whose stake in this matter is life itself, if you who represent so many groups who have devoted years to the problem of world peace, if Governor Stassen with the boards and agencies of the executive branch, if the Senate and last but not the least, the United Nations—if all of us pull together we can begin to frame our hopes for peace with the realities of peace. We can give substance to the words of a man with whom I have not always agreed, but with whose words I should like to close.

In his remarkable speech before an American Legion convention in Los Angeles a year ago, Gen. Douglas MacArthur forcefully stated the central challenge ahead. He said: "We are in a new era. Old methods no longer suffice. We must break out of the straitjacket of the past. There must always be one to lead, and we should be that one. We should now proclaim our readiness in concert with the great powers of the world to abolish war. The result might be magical."

Indeed, it might.

Address of Vice President Nixon Before Brand Names Day Dinner

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 18, 1956

Mr. HILLINGS. Mr. Speaker, Vice President NIXON today delivered a most interesting and inspiring address before the Brand Names Day dinner at the Waldorf Astoria Hotel in New York City. I urge all my colleagues to read the Vice President's excellent and careful analysis of the leadership of President Eisenhower and his administration.

The address follows:

TEXT OF ADDRESS OF THE VICE PRESIDENT OF THE UNITED STATES BEFORE THE BRAND NAMES DAY DINNER, THE WALDORF ASTORIA HOTEL, NEW YORK CITY, APRIL 18, 1956

May I first join with you in congratulating the Brand Name Retailer-of-the-Year Awards winners. Before the evening is over, I hope to have the opportunity to meet and congratulate each one of you personally for the achievement so justifiably recognized this evening.

I must admit at the outset that I have had some difficulty in selecting an appropriate subject for this gathering.

A speaker should usually direct his remarks to a subject of particular interest to the organization which he is addressing. Unfortunately, my knowledge of the businesses and other organizations represented at this dinner is limited to that of the millions of Americans to whom brand names are household words.

It is true that I have had experience on both sides of the counter in that respect, having grown up in a family which operated one of those old-fashioned general merchandise stores.

And, as one who has sold products, as well as purchased them, I know you can't sell something unless you know what you are talking about.

That's why well-advertised, brand-name products were easier to sell. I knew about them, my customers usually did also, and less sales talk was necessary.

That's why I have tonight selected a subject I know something about—the record and philosophy of the Eisenhower administration.

I want to admit at the outset that my views will necessarily be biased by the fact that I am a member of the administration.

But I don't believe I am being partisan or prejudiced when I say that most Americans, regardless of party affiliations, are grateful to the man whose leadership has brought peace and unparalleled prosperity to America, and honesty, dignity, and integrity to Government in Washington, D. C.

In fact, the problem I was confronted with tonight, as always, was to select which field of accomplishment to discuss in the limited time I have.

With your permission, I should like to direct my remarks to the economic policies of this administration in terms of what they are, what they have accomplished, and what we can expect for the future.

We immediately are confronted with a problem with which you are far more familiar than I—what to call this policy—its brand name if you please. Because the Eisenhower economic policies which have been in effect for the past 3 years have been called from time to time both conservative and liberal, both Republican and Democrat, both Old Deal and New Deal, both moderate and radical.

As you know, better than I, in the final analysis, it isn't the name but the product that counts.

No better proof of the application of this truth in the field of politics could be found than an event that occurred last week.

Thomas Jefferson's birthday was celebrated on Friday, April 13. Democratic orators all over the country hailed him as a member of their party. But a study of history reveals that Thomas Jefferson was elected President in 1800 as the candidate of the Republican Party.

And when we consider his devotion to the rights of individuals and of the States, and his opposition to too much power in the Federal Government, I do not believe I am overstepping the bounds of objectivity when I say that if Jefferson were alive today he would probably be an Eisenhower Republican.

Therefore, before we can brand this policy we must examine the programs which have been executed under it, the results of those programs, and the philosophies behind them.

In January 1953 the President and his Cabinet were confronted with a basic and difficult decision in the field of economic policy. Here is what we found when we came into office:

Taxes and spending were at record peacetime rates.

Controls shackled the economy and more were being advocated.

Various messages to Congress by the President's predecessor had urged the adoption of new programs in the fields of education, health, housing, agriculture, and power which would have carried the national economy further down the road to nationalization, federalization, and, in some instances, socialization of basic American institutions.

The decision we had to make was this—should we drift with what seemed to be the wave of the future or should we turn to more conservative policies?

Purely apart from the principle involved, there were strong political arguments for allowing things to go on as they were. Because, whether we like it or not, we must recognize that millions of Americans lost faith in conservative economic policies as a result of the great depression of the thirties.

They were convinced that those policies had brought on the depression. And they feared that a return to those policies might bring on another depression.

The problem was thoroughly debated in the Cabinet, and, finally, a basic decision was made.

In essence, we decided to give the free American economic system a chance to work. We based that decision on our faith that conservative policies were right in principle, and that if they were right in principle they would, in the end, prove right politically.

To implement that decision—

We removed controls from the economy.

We got the Government out of business, rather than putting it in.

We cut spending.

We cut taxes.

We adopted fiscal policies designed to encourage the initiative, the dynamism, and the ingenuity of the American people.

It will be many years before an accurate and objective appraisal of the major accomplishments of this administration can be made.

But I submit that when the history of this administration is finally written, no accomplishment will have been more significant, or more in the interests of the great majority of the American people than this: The danger of America following some of our friends abroad down the road which leads inevitably to socialization or nationalization of our institutions has been averted and the faith of the American people in businesslike, conservative conduct of Government economic policies has been restored.

Statistics are invariably dull. But, just for a moment, let us look at the record in terms of what has been accomplished.

Gross national product, personal income, labor income, savings deposits, retail sales are at all time highs. For the first time in recent history, the United States has enjoyed over 3 consecutive years of high prosperity, and records are being broken almost as fast as they are made.

Furthermore, we are not using rubber dollars as our measuring rods. When President Eisenhower took office in 1953, the index of living costs compiled by the Department of Labor stood at the level of 113.4. Three years later, the level was 114.6, a rise of 1 percent. Compare this if you will with the record of the 4 years preceding this administration when the rise was over 11 percent.

This means that today when wages go up, the profits increase, there is a real gain, not merely a money rise that is canceled out by higher prices. The tremendous increase in almost every sector of economic life is sound and well grounded.

I realize that sometimes our political opponents charge that this is a business administration. If they mean by this that government is running efficiently and well, we plead guilty to the charge.

We have done our best to give the country a good example of economy, industry, and integrity in the handling of Government affairs.

But, if the charge means that we favor the interests of business to the exclusion of other groups of the economy, we suggest that all Americans look at the record.

In 1952, there were those who said, "You have never had it so good." But let us make some comparisons between 1952 and 1955, not in terms of the economy as a whole, but in terms of the 65 million American wage earners.

In 1952, the average gross weekly earnings of a factory worker was $67. At present, it is $78.

In 1952, the take-home pay of the average factory worker with three dependents was $56. Today it is $62.

In 1950, 20 million persons owned their home. Today, 24 million homes are owner-occupied—an increase from 53 percent in 1950 to 58 percent in 1955.

The average life insurance policy in force per family has increased from $5,300 in 1952 to $6,300 in 1955.

What these figures mean is that wage earners today are better off than at any time in the entire history of the Nation.

How did this unprecedented prosperity come about?

From a political standpoint I would like to be able to claim all the credit for my party and the Government policies this administration has instituted during the past 3 years.

But to do so would not only be historically inaccurate; it would miss the great secret of America's economic progress from the time of our foundation.

What we must recognize is that under our system governments do not create wealth—people do.

We know that, in all fairness, the credit for America's great prosperity today must be shared among Democrats and Republicans, labor leaders and business executives, farmers and city folk, alike. Together they have brought about the changes that have made our economic system the model that it is today. In a real sense the achieving of the American dream has been the combined work of all Americans.

Yet, without in any way detracting from the other factors I have mentioned, I think I can state without fear of contradiction that the philosophy of government that has prevailed in Washington for the last 3 years has been the most important single factor in producing the good times we enjoy today.

That philosophy is not easy to describe.

There are many who ask what the difference is between the Eisenhower economic policies and those of the administrations which preceded this one.

The difference is not in goals. All Americans, regardless of their political affiliations, want better schools, housing, jobs, medical care, and more progress for all our citizens.

The difference is in means—how we achieve these goals.

And, as far as the difference in means is concerned, the difference is in where we start.

The administrations which immediately preceded the Eisenhower administration in Washington assumed in virtually every instance that Federal Government action was the answer to all social and economic problems. If more jobs were needed, the Government should create them. If better medical care was desired, the Government should provide it, and so on down the line.

In other words, they believed that if there was a social or economic problem to meet, the way to meet it was to begin with the Federal Government and work down.

We, in this administration, have exactly the opposite point of view. We say that the most effective way to meet social and economic goals is to begin with the individual and work up. We believe the Federal Government should step in only where individual action or State and local action is inadequate to do the job.

We hold to this view not only because we believe that individual action should always be encouraged rather than repressed under our system of government, but for the very practical reason that we know that in the long run this is the best way to meet social and economic goals.

Because, though whenever something needs to be done it always sounds easy to suggest that the Federal Government will do it, the difficulty generally with such programs is that they won't work.

For example, over the next 10 years, it is estimated that to keep pace with our growing population and insure continued progress and prosperity, we shall have to spend approximately $180 billion for schools, hospitals, power installations, roads, and slum clearance.

To meet these goals we must tap all the resources of America. If the Federal Government were to step in and assume full responsibility, State, local, and individual action would shrivel up.

That is why the Eisenhower Federal partnership program, which encourages State and individual action, will succeed where a program of Federal paternalism would fail.

We now come to a problem which I am sure will intrigue those in attendance at this brand names dinner: What do we call the economic philosophy of this administration which I have been describing?

I have used the word "conservative" tonight in describing it, but I realize that "conservative" during the early days of the Republic referred to those who advocated more power in the Federal Government. Now it tends to mean almost the opposite.

"Capitalism" is another word which is often used to describe the economic philosophy of this administration, but certainly the capitalism we have in the United States today is very unlike the capitalism we knew 50 years ago, or that which still prevails in some other parts of the world.

If it is capitalism, the term "consumers' capitalism" or "people's capitalism" would be perhaps more appropriate.

Ours is a capitalism in which owners, management, workers, the general public, and consumers participate and share.

We have witnessed a dispersal of economic power in the United States on a truly democratic scale. Main Street has displaced Wall Street as the controlling and dynamic force behind American capitalism.

The terms "middle of the road" and "moderation" have often been used to describe the administration's philosophy.

Does this mean, as the extremists contend, lack of firm principles in dealing with economic and social problems?

Certainly not. Because when we speak of "moderation" and "middle of the road" we are not speaking merely of a compromise between the left and the right.

Ours is a new approach to political economy.

Extreme individualism has rendered a great service in developing the Nation, but, in the process, it has rendered itself obsolete.

On the other hand, exclusive emphasis on Government action to meet social and economic needs, we find, inevitably leads to loss of freedom.

What then is the alternative?

What we have sought and what we believe we have found is not a compromise, but a living and dynamic synthesis.

In the past, private initiative had been primarily confined to the economic field and selfish ends.

But the mistake of those who opposed it was that they tried to liquidate private initiative, rather than to redirect its ends.

Social goals are of utmost importance, but the individual must remain the agent of his own destiny.

The middle way is to expand private initiative for social goals. We believe that private initiative is the dominant social force in a free society.

That is why in finding solutions to social and economic problems we always begin by exploring whether the problem can be handled by private initiative.

The role of government is to help the individual—not to make decisions for him.

Russell Davenport in his penetrating analysis of the American economic scene, "The Dignity of Man," which he left unfinished at his death, summarized this philosophy in these words: "No solution of any problem in a free way of life should be provided by calling upon the State to undertake tasks which under proper circumstances of education and encouragement citizens themselves can do."

In summary, what this little excursion into philosophy means to me is simply this. America is a great Nation today because our Founding Fathers recognized the supreme importance of the individual dignity of men and women. And, any administration which bases its policies on that fundamental precept, whether it be Democrat or Republican, whether it be called liberal or conservative, will help to make the American dream come true.

Less than 2 years ago President Eisenhower predicted that within 10 years economic production would reach a level of $500 billion in dollars of constant value. Many persons thought he was too optimistic when he made that prediction. But now it appears that we may attain this goal several years sooner.

This is not a wild prediction. I am simply projecting the rate of growth that we have recently been enjoying.

For all this, I repeat, the Eisenhower economic program deserves an important share of the credit.

The idea that government is the servant of the people is not a new idea, but the way that it has been applied in the last 3 years is new, and we are all better for it.

We have seen something rare in American political history—a government that is really dedicated to helping all the people—a government that rises above political considerations and class interests, and judges all its programs by one, and only one, norm—does this benefit all Americans, does it recognize, conserve, and protect the inherent dignity of every man, woman, and child in America?

As long as this is our goal and our philosophy, we can look forward with confidence to a fuller, richer, and brighter future for all Americans.

First Anniversary of the African-Asian Conference

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 18, 1956

Mr. POWELL. Mr. Speaker, today marks the first anniversary of the African-Asian Conference held in Bandung, Indonesia. I was privileged to be present. I rise today to commemorate that occasion by addressing myself to the problem of how we can win the uncommitted nations.

The uncommitted nations are centralized in southeast Asia. Southeast Asia is important because of its geographical location athwart communication lines and its enormous wealth in natural resources. Its manpower is capable of contributing significantly to world peace and prosperity.

Today all shipping between Europe and the Orient via the Indian Ocean must pass through either the Strait of Malacca or the Strait of Sunda. Control of these two southeast Asian straits gives dominance over a sea route that is comparable in importance to the Panama Canal route.

Furthermore, all intercontinental airways in the Far East traverse the southeast Asian area.

The successful advance of communism through China and well into northern Vietnam threatens the remaining southeast Asian countries with a more deadly form of colonialism than any the world has ever known. Extension of Communist control over the remainder of Vietnam, Laos, Cambodia, Thailand, and Burma, which together form Asia's rice bowl, would place most of the independent Asian nations in mortal danger. India, Ceylon, Japan, and Malaya, which are dependent upon that rice bowl for life itself, would have access to it only on Communist terms.

It was because of this that despite the attempts of the Department of State to dissuade me that I went to the Bandung Conference, April 18, 1955.

Now, as regards the Bandung Conference, let me be very specific and point out that the United States of America per se did not come out on top. The idea of democracy most definitely did. For the first time in the history of the world the Asian and African countries had an opportunity to go on record as to whether they wanted democracy or communism and they voted overwhelmingly for democracy. Because the United States has been the foremost exponent of democracy through all the years we naturally basked in the reflected glory.

Now, democracy does not of necessity have to win again in Cairo in 1956. On a significant question such as the admission of Red China to the United Nations, I believe that the Bandung conferees would have voted 17 to 12 against Red China. On this basis, I would say that 17 out of the 29 nations were committed to the idea of democracy. The 17 nations will not of necessity continue on the side of democracy. Very definitely, at the Conference, Cambodia and Laos were wooed close to the neutralists' camp. The future of South Vietnam is in danger. It is just possible that when the Conference meets again the forces against democracy plus the forces that are uncommitted to democracy might be in the majority.

Never, therefore, has any nation in the history of the world been confronted with such a great problem and with so little time in which to solve it as ours. And yet the very suddenness of this impact upon our Western World might greatly assist us in making the idea of democracy globally triumphant. Forces in Asia are compelling us to accelerate the timetable of democracy. An outstanding American paper cabled one of their correspondents in the midst of the Bandung Conference asking this correspondent to find out what were the opinions of the delegates from Asia and Africa concerning the Supreme Court's implementation of the decree to bring about integration in the public school system. This would be equivalent of asking an eastern Asian journalist in the United States to find out what the United States reaction was to the abolition of the untouchables in India or the signing of the agreement on dual citizenship of the Chinese and Indonesians. We know that these two questions were not explored in the slightest by correspondents here in the United States, but Bandung was of such importance that the American press wanted to know what was the attitude of the Chiefs of State of Asia and Africa on our own problem of racialism within our borders.

And so we come to this breathtaking moment when the United States of America, a modern colossus, stands astride western civilization with one foot at Oak Ridge, Tenn., and the other foot at Fort Knox, Ky., holding in our hands more gold than any other nation owns and more atomic energy than any other nation controls. We feel that we are all powerful. We sense that we are invincible. The voice of conscience has died. Where is there the still small voice to tell us that no man has ever lived by bread alone?

Congressman Walter Judd, distinguished missionary to China for many years, told me this story when I came back from Bandung. A very great Chinese leader said to him one day, "Yes, we need gold from the United States but we also want the roses." We are not going to be able to buy friends even though we have all the gold at Fort Knox at our disposal. We are not going to be able to frighten people into being our friends even though we possess the A-bomb and the H-bomb.

What does gold mean to vast sections of Asia and Africa where for thousands of years hundreds of millions of people have never even seen a piece of silver?

The possession of nuclear weapons did not help us. The specter of the H-bomb haunted the halls of Bandung. No single thing has done more to destroy trust in us than the explosion of the A-bomb at Hiroshima and the continuing experiments in the South Pacific. In other words, the very things upon which we place all of our pride and all of our faith in the future—gold and atomic power—these are utterly meaningless in the Far East and when misused are actually Trojan horses within our camp.

The time is getting short. The caravan of democracy will succeed there only to the degree that it comes with roses; with complete equality and with complete dignity for all men.

Matthew Arnold stood on the beach of Dover one day when the hordes of nazism were poised on the other side of the English Channel ready to destroy that fair isle and penned these words:

> We stand between 2 worlds, 1 world is dead and the other world has not yet been born.

Bandung was the womb from which the other world sprang. The President of Indonesia in his opening address called his address, Let a New Asia and a New Africa Be Born. And they were born: A potential for peace was unleashed by the peoples of the Far East. Now we have suddenly thrust upon us full and certain knowledge that the old world is unmistakably dead, irretrievably gone. The shaping of the New World and the giving of content to it will no longer be monopolized by Western powers.

More than anything else our Christianity is on trial, too. The Asian-African Conference was a great parliament of the world's religions. The concept of brotherhood was stressed repeatedly. One speaker said:

> If our religion, whatever it may be, does not allow us to get along with our brothers, regardless of what his religion may be, then our religion cannot be of much value.

Here in the United States, the forces of organized religion are still operating in a 19th century fashion in a 20th century world.

The powers of Caesar—the Supreme Court of the United States—have contributed much more effectively to the cause of brotherhood and to the cause of the recognition of the individual's worth than has the Christian church. Where the Supreme Court on one hand has abolished segregation in the public-school system, the United States of America still continues to practice segregation in its churches. The eminent Dr. Wade McKinney, of Cleveland, Ohio, said one day:

> There is more segregation practiced in the United States of America at 11 a. m. on Sundays in our Protestant churches than at any other time in our Nation.

This then is the time for a great positive moral witness on each of us. We have lost this individual personal witness. We gave it over to the politicians in the field of civil rights. We abdicated our responsibility as churchmen to the paid professionals. Even though we go to church in droves, contributing as never before, we say "that paid professionals will take care of our religious responsibilities during the week," and we return to our ancient ruts of intolerance and prejudice.

The hour has been struck at Bandung for us to recapture our individual witness. The mantle of world leadership cannot become sheep's clothing. We must rise up and accept the responsibility regardless of the agonizing soul searching that must precede it.

We are a privileged people, privileged to live at one of the great crossroads that every now and then the force of history thrusts upon an unwilling world. Which way we should take depends entirely upon the individual choices made by American people up and down the main streets of our villages and hamlets and in our towns and cities. Capitol Hill cannot do it for us. The Supreme Court cannot be our personal witness. Individual, personal, moral witness must be made. The faith of our forefathers is not enough but the ferment of our forefathers is a deadly necessity.

And so, in far-off Indonesia on April 18, 1955, maybe America was brought back to the kind of arena that our forefathers lived in and died in. The men who stood at the rude arching bridge at Lexington and Concord were men dedicated to the idea of an individual witness. Black Crispus Attucks, striding across Boston Commons, refusing to bow his head to British colonialism and dying—the first American to die for freedom—was a dedicated revolutionary.

Bandung sent us forth on our way to a new world. As we journey as pilgrims to these new meccas, we cannot journey blithely as tourists but we must walk with the full weight of destiny on our shoulders. We must walk with the awesome knowledge that we have become the appointed prophets of democracy, that if communism shall envelope the earth it will be because we failed in these testing years to give a bold and free and untrammeled witness to the idea and ideals of democracy.

Across the broad earth's surging breast there comes a cry of 1,400 million people, why cry, in the language of Donald Grant, for "admission to the front door of modern mankind." We are the guardians of that front door. The marks of the fraternity of modern mankind are decent clothes, minimum creature comforts, abolition of disease, no illiteracy and above all, no patronizing condescensions. This, the entire world, all humanity, is determined to have. If the United States of America, meaning you and I, do not let them in, they are going around to the back door where Soviet Russia with blandishments and enticements is urging them to come. They do not want to go in the back door unless we refuse to open the front door.

The weakest spots in our democratic offensive is the Department of State. Our Asian-African foreign policy is being given to us second-hand through the foreign offices of the English, French, Dutch and other colonial powers. In other words, we, the foremost exponent of democracy in the free world, are evaluating Asia and Africa through the eyes and ears of powers which are being pushed out of Asia and Africa as fast as the natives can do it. This is why we have been behind the eight ball in so many places such as Indochina and the same tragedy is being repeated in North Africa as we follow this 19th century policy.

On Monday, May 9, I met at a top level off-the-record meeting with the key people of our Department of State. I will not be breaking any security rule by saying that one of those present insisted that Bandung was an anti-white conference. I spent quite a little time disputing his point. When I saw the President of the United States, Dwight David Eisenhower, on Wednesday, May 11, I mentioned this to him. It is not permissible to quote the President of the United States; nevertheless, I can state that he pointed out that this State Department position could not be true because we had so many friends at Bandung standing up and fighting for the United States. This is an obvious fact to anyone.

How could Bandung be antiwhite when democracy came out on top and the majority of the delegates were praising the United Nations and the United States? And yet, after the Bandung Conference it was still the considered opinion of one of our top career men that Bandung was a conference against the white people. I do not discount the possibility that Bandung can develop through the years into an antiwhite conference. If it does it will be because we of the western Anglo-Saxon world refused to give them the equality and the dignity which they and God demand that all people should have.

Another great mistake in the operation of our Foreign Service is the steadfast refusal of the Department of State, under Democratic and Republican administrations, to utilize colored Americans in embassy posts. When Mr. Eisenhower first became President of the United States I got hold of a confidential analysis of the Negro in the Foreign Service from the Department of State files. This is not marked "classified" nor "security" and I am going to release portions of it for the first time because I hope that by doing so American public opinion will be goaded into action to do some good. Page 7 of that analysis is as follows:

> The above report represents considerable progress after much diligent work by the Office of Personnel. However, it is admitted that there is much to be done before it can be said that the Department of State has hired nonwhites fully and fairly and has utilized them to best effect in various parts of the world. There are only 55 Negroes among the 8,231 persons employed abroad in the Foreign Service. There are only 15 Negroes with upper-grade classifications among the approximately 6,700 departmental employees grade 7 and above who are in Washington, D. C. Small progress has been made in the hiring of Americans of Asian descent. Only 7 are known to be employed both at home and abroad. Present outlook for employment opportunities in the Department of State is not good.

Now it is important to realize that I am quoting from a State Department document so there can be no arguments about any discussion later. I would like to continue now:

> Some further idea of the importance of such employment (nonwhites) can be seen in the experience of United States delegations to the United Nations. The presence of Negro members in recent delegations to the General Assembly of the United Nations has been a source of good will and stimulated confidence in the United States. Moreover, the division of opinion on many issues in the United Nations Assembly, especially in relation to human rights has sometimes tended to follow a color line, white against non-white, with Russia seeking to be recognized as the champion of the nonwhites. In such situations, the assurance that Negro citizens of this country may be found among the employees and representatives of the Department is a source of strength to the United States in the presentation of its foreign policy and achievement of its objectives.

After almost a year and a half had gone by, Mr. George F. Wilson, Deputy Assistant Secretary for Personnel, wrote me from the Department of State:

> I have your letter of April 8, 1954, regarding the employment of Negroes by the Department of State. I cannot make any observation on the accuracy of your figures as to the number of our Negro employees.

I was unable up until then and I have been unable since to find out what the picture is in the Department of State but I do know that if an analysis could have been made by the Department of State in the early days of the Eisenhower administration, there is no reason why such an analysis could not be made now. In my White House conference with the President on May 11, I brought up this issue and I am happy to say that immediately he saw the psychological value of colored people serving in our embassies. After President Eisenhower instructed Mr. Maxwell Rabb, Secretary of the United States Cabinet, to confer with the State Department, an appointment was arranged. Mr. Rabb and I met with Mr. Loy Henderson, Under Secretary of State in Charge of Personnel, and although a year has passed, absolutely nothing has been done. This, I consider, open defiance of the President's orders.

Bandung has placed a time limit on indecision. It is absolutely impossible for the United States to continue to hope for any more support from the people of Asia and Africa if we continue to abstain on the question of colonialism before the United Nations. Congress on June 6, 1955, by record vote in the House of Representatives and Senate, established the following as a part of our foreign policy:

[84th Cong., 1st sess. H. Con. Res. 153]

Whereas Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man; and

Whereas the people of the United States have traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

Despite the fact that the foregoing resolution on colonialism was passed by both Houses of the Congress and thus became the law of the land, our delegates to the United Nations completely ignored this as indicated by the following votes:

Issues	For	Against	Abstained	Vote of United States
Cyprus—U. N. Assembly consideration of self-determination, Sept. 23, 1955.	28	22	10	Against.
Algeria—Question of U. N. considering French administration, Sept. 30, 1955.	28	27	5	Do.
West New Guinea—Placing the question of West New Guinea on U. N. agenda, Oct. 3, 1955.	31	18	10	Abstained.
South Africa—On the question to continue a special commission on the racial situation in South Africa and proposal to continue consideration of the subject, Dec. 6, 1955.	41	6	8	Do.

I am, therefore, requesting the Foreign Affairs Committees of the House and Senate to sharply question the appropriate officials as to why.

I recognize that Britain and France and other Western powers have for centuries stood at our side and fought with us, even though the fighting has ofttimes been our men fighting with them to protect their national sovereignty and integrity. I do not believe that for 1 minute we should turn our back upon these ancient allies. We should very vigorously and emphatically state that in Europe they are our allies and we can always be counted upon to give them the fullest measure of every kind of support.

I do believe that a historic break must be made and that we must just emphatically tell them that we can no longer support either with aid or with arms any form of imperialism sponsored by these nations in Asia and Africa. The cold stark fact confronts us that whether we take this stand or not, imperialism is finished. The natives, country by country are going to drive out the colonial powers and if we continue to stand with these powers on the question of colonialism then we are going to suffer diplomatic defeats. The full force of freedom is now sweeping over the earth and there are no powers that can stop it—short of a complete war of annihilation. This I don't believe the most rabid isolationist or warmonger would dare to suggest. From here on in the Western powers can no longer decide the fate of Asians and Africans without their leaders being present. There is a new group of powers in the world; the Eastern powers, and this group of powers wants to work in complete cooperation with us.

It is true that the United States has no colonies in Africa; yet we have a great responsibility as a permanent member of the Trusteeship Council, for the Trust Territories of the United Nations in Africa. The total population of these territories, excluding southwest Africa, is 15,433,339. The land area of these territories would be roughly comparable to all of New England and the Middle Atlantic States.

Since the establishment of the trusteeship system and the recognition of international responsibility for the freedom of dependent peoples, the United Nations has become the center of a struggle between the colonial powers, principally England, France, and Belgium, and the ex-colonial countries, principally India, Iraq, Egypt, Pakistan, and Indonesia. The colonial powers constantly seek to limit the scope of international responsibility under the charter and the ex-colonial powers ceaselessly attempt to broaden it. Probably no other subject has consumed more time or claimed more items on the agenda in the various meetings of the United Nations. The ex-colonial countries are highly responsive to any evidence that the colonial powers are not expediting the maturation of self-government within their colonies and trust territories. They feel a natural kinship with those people still in bondage.

The United States is one of the six administering powers in the Trusteeship Council. However, its territories are not as extensive and it is not traditionally a colonial power. Thus, in this power struggle, the United States has officially sought to take a middle moderating position between the colonial and ex-colonial points of view.

On the surface this seems like a correct policy. However, in practice, the weight of the United States has been preponderantly behind the colonial powers. The result has been that the ex-colonial countries have come to the conclusion that since the United States is generally found to be supporting the colonial power position where it really counts, that it, too, is a colonial power. The Russians have never lost an opportunity to make this point, for they are only too happy to drive a wedge between Asian and African countries and the United States.

A very important issue that has come up several times in Trusteeship Council and the General Assembly is that of target dates for self-government for trust territories. In two cases of Italian territories, Libya and Italian Somaliland, the General Assembly set actual dates for independence. As Italy was a defeated nation, her opposition to this was not taken seriously.

The suggestion that target dates be set for the other trust territories has been strenuously resisted by the colonial powers. In 1952 the General Assembly invited the administering authorities to give reports on measures taken to lead their trusts toward self-government and the period of time regarded as necessary to reach this goal. This request was repeated again in 1953, over the opposition of the administering powers, who opposed the recommendation on the grounds that it was impossible to foretell the date of independence. The United States abstained from this particular debate.

The issue was raised again in the 1955 report of the U. N. mission to Tanganyika which recommended that assurances be given to the people of Tanganyika that they would have their freedom within 20 to 25 years. The United States was a member of this mission and the United States representative initially supported this highly controversial recommendation. Under great pressure from the colonial powers, however, the United States reversed its support for such a target date. Clearly United States officials in principle support this policy of establishing target dates but find themselves overruled by the State Department, which regards this as a secondary issue but is under strong pressures from the colonial powers who regard it as a primary issue.

The United Nations Charter provisions on trusteeship did not make provisions for visiting missions. These missions have often been criticized by the administering powers for their inability to make profound judgments on the basis of a 6- to 8-week tour of a territory. The Trusteeship Council should, therefore, establish advisory councils in each trust territory. This would enable the Trusteeship Council to play a more direct role in the supervision of the trust territories.

If the United States were to support the establishment of such advisory councils, the other administering powers would be hard put to refuse. This would be a highly strategic step for the United States to take at this time in expediting the movement toward self-government.

In the second place, racialism everywhere in the world must be speedily eradicated. This means that we must clean up our own house in the United States everywhere. The hard core of resistance based in the South must be dissolved. All Americans must become law-abiding citizens living according to the edicts of the Supreme Court, the orders of the President and the laws of our land. No Federal funds should go to any defiant State. In other words, stop subversion in our hearts and homes.

We must consider immediately the problem of South Africa and in the consideration of that problem we cannot afford, directly or indirectly, to allow the people there to think that we are in any way condoning the policies of segregation. If the rule of reason and order does not prevail, we should consider economic sanctions against the Boers. If the whole force of the United Nations is unanimously dedicated to eradicating racialism in the Union of South Africa, it will go. We need to realize that the Union of South Africa does not intend to stay within the British Commonwealth of Nations. They are anti-British and already they have announced that by 1958 they will withdraw and set up their own separate nation.

Thirdly, a thoroughgoing drastic reorganization of our Department of State, its Foreign Service, and all related activities should immediately take place. This is the showcase of America. Regardless of what we do within our borders, regardless of how we think, regardless of what public opinion may be unless the Department of State is actively projecting these things into the full arena of international diplomacy, international relationships, and international propaganda and education, then all we do here is nothing but sounding brass. The full impact of the American way of life in all its vast and progressively advancing fields is not being sold to the people of Asia and Africa. It is not being sold because there is a roadblock at the highest peak—and that roadblock is in the Department of State. The men in the Department of State are undoubtedly able and dedicated, but they are operating under the archaic 19th century system of evaluations and they are letting minor matters of protocol stand in the way of America giving the leadership the world so desperately and hungrily is demanding.

Mr. Dulles is our greatest deterrent. I suggest Stassen, Nelson Rockefeller, or Chester Bowles.

Fourthly, the Madison Avenue technique of selling is one of the great innovations of American life. This is the kind of technique that we need in the international field—bold, daring, new, fresh, vigorous, bringing a new impact each day, using every channel, every resource, every bit of our strength. Being fully conscious of our weaknesses and fighting the idea of communism with our greatest strength: the greatest idea—the idea of democracy. The Western World should not condemn what it does not understand. India and Burma's neutralism should be approached by the West in a new light. These countries are primarily interested in economic development and secondarily in strong military defenses.

Russia has taken the initiative away from the United States in southeast Asia. They make every punch count. Russia has a propaganda policy. The United States has none. It is time for a change. We must keep up our good work in an area of economic aid, but we need to appropriate a certain amount of money to strategically placed things. For example, to use an extreme point of view, Billy Graham advocates giving a white Cadillac to Nehru for its sheer propaganda and news value.

In order for the United States to wage effective propaganda war in Asia we must have one on the home front. We must make our people ready to accept new concepts of neutralist nations. Instead of scorning Burma and India we should let the American people know that neutralism is not an enemy—it should not be regarded as an enemy, but friendly action. Home-front plans of propaganda should be followed by a plan of action which is well coordinated. We need a bipartisan foreign policy that really works to make it effective at home and abroad—we do not have this policy today. Dulles and his aides seem to have no understanding of those problems. Too often our foreign policy is geared for the home front and is totally unrealistic. We must prepare the United States before we can go to southeast Asia.

Whenever we give aid to southeast Asia, whenever possible it should be administered through Asians themselves because we must recognize the sensitivity of these peoples to colonialism. We must help them build themselves up to resist communism; we must find unobtrusive ways to get credit for what we do. We might give a million dollars in aid but we should appropriate a share for administration by Asians and some for show purposes. We must coordinate our aid to these countries with their own plans. There should be no strings to our help. Those not wanting aid could be given low interest loans if they want them.

We should contemplate long-range aid, not sporadic aid. We have failed to convey the idealism of America to these people. We have become satisfied. We, not Russia, were the revolutionaries which these countries hoped to model themselves after. Our callous feelings toward them have resulted in our failure to convey our idealism to them. We are a young country and have more anticolonialism than any other power in the world. Russia is a colonial power—her satellites prove this. The United States holds the torch of liberty but we do not let these people see it. We do not sell our ideas properly.

Fifthly, we must recognize as we go out to fight communism in the East that it is not sufficient to have military alliances. Even if communism were completely destroyed the ancient problems of the East would still haunt them as fearsome specters—colonialism, disease, hunger, and illiteracy. What value the complete destruction of communism in Indonesia when the average income of an Indonesian for an entire year, in the year of our Lord and Bandung was only $25?

What does it matter if communism is completely destroyed when the life expectancy for a man or a woman in India is only 32 years?

A foreign policy founded upon defeating communism alone may be of great value in the West but it is of very little value in the East. Yes, we must continue our fight against communism but we must expand our fight against the ancient problems of the East on all fronts.

Sixth, Africa is the No. 1 problem of our world. That dark, vast continent stretching for 5,000 miles is shaped like a question mark and it is. For there in Africa will be won or lost the world battle for freedom. This our Foreign Office is not aware of or, if so, is doing nothing about it. Communism in the West under the leadership of Soviet Russia and in the East under Red China is supposedly waving the flag of peace even if it is a little dirty and blood-stained. While they are doing this, north Africa and south Africa represent soft spots to establish new beachheads of subversion by Communist agents. We went to Africa centuries ago carrying a cross. It is time to go back to Africa again carrying an offer of full equality, dignity, mutual respect and direct and adequate assistance for social change. This is the only way to stop the wave of communism in Africa.

We need to channel as much of the aid that we give in Asia and Africa through international organizations. We know that the United Nations has a limited role but we should seek to build its strength through concrete demonstrations of our belief in its principles.

And lastly, with the full facts that I have presented indicating that the United States has no Far Eastern foreign policy except one founded on military alliances, let us for the first time in the history of the world sit down with the leaders of the people of Asia and Africa and work out an adequate Far Eastern policy.

This the last thought that I left with President Eisenhower—why not be bold and daring and call an eight-power meeting in Manila in the Philippines. This would, in my own words to Mr. Eisenhower, "just about annihilate the propaganda of Red China." What a day it would be for the forces of democracy and of peace for the President of the United States to sit down with the leaders of Pakistan, India, Ceylon, Burma, Indonesia, Thailand, and the Philippines. This has never been done in all our history before. This alone proves the inadequacies of our foreign policy. The Presidents of the United States have been holding historically for years Big Four, Big Five, and Big Six meetings all over Europe but never have they held a meeting with the leaders of Asia and Africa. Bandung was an invitation for this. I and members of the press talked to chiefs of these states and they indicated that they would be extremely well disposed to meet for a summit talk in the East. Gen. Carlos Romulo on Meet the Press on Sunday, May 8, said:

> The President of the United States should come to the East and talk to the Asian leaders.

There is not much time left to do this. The world is moving with a startling rapidity that transcends not only the visual but even the imaginative. With our Yankee courage, our Madison Avenue know-how, our Christian heritage and the bulwark of the Bill of Rights, in back of us, using our 25 million colored citizens as a spearhead, we can launch a drive for peace and for full equality now in the Far East. Only through such a bold maneuver can we win. History will pass us by if we do not.

SENATE

THURSDAY, APRIL 19, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, guardian of these pilgrim days, the hurrying pace of our fleeting years frightens and awes us. Strained and tense with the pressures of our burdened lives we seek the shelter and strength that undergirds us, as Thy completeness flows round our incompleteness. As for this moment of quiet we look away from ourselves and our tasks to Thee, Thou judge of all men, strip us, we beseech Thee, of our disabling illusions, chasten us for our willful blindness. In the performance of this day's duties may we ascend the hill of the Lord with pure hearts and clean hands. In a tangled and tragic day lead us in the paths of righteousness for Thy name's sake.

As comrades of like passions as ourselves walk by our side, make us tolerant and charitable in our attitudes to those who may differ from us in conviction and opinion. As sometimes we may question their judgment, save us from impugning without cause their sincerity and integrity. We ask it in the name of that One who warns us: Judge not, that ye be not judged. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., April 19, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FREDERICK G. PAYNE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. PAYNE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 18, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 18, 1956, the President had approved and signed the following acts:

S. 2438. An act to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever"; and

S. 3269. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Ryder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

REPORT OF RAILROAD RETIREMENT BOARD—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

In compliance with the provisions of section 10 (b) (4) of the Railroad Retirement Act, approved June 24, 1937, and of section 12 (1) of the Railroad Unemployment Insurance Act, approved June 25, 1938, I transmit herewith for the information of the Congress, the report of the Railroad Retirement Board for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 19, 1956.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed, without amendment, the joint resolution (S. J. Res. 160) to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

The message further announced that the House had passed a bill (H. R. 10387) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; and

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national bank associations.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 19, 1956, he presented to the President of the United States the following enrolled bills:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; and

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national bank associations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, the Internal Security Subcommittee of the Committee on the Judiciary, and the Committee on Armed Services were authorized to meet during the session of the Senate today.

On request of Mr. FULBRIGHT, and by unanimous consent, the Minerals, Materials, and Fuel Subcommittee of the Interior and Insular Affairs Committee was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF SECRETARY OF THE TREASURY

A letter from the Secretary of the Treasury, transmitting, pursuant to law, his report on the finances of the Federal Government for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Finance.

AUDIT REPORT ON FEDERAL CROP INSURANCE CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Crop Insurance Corporation, Department of Agriculture, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON VETERANS CANTEEN SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Veterans Canteen Service, Veterans' Administration, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON FEDERAL FACILITIES CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Facilities Corporation, Office of Production and Defense Lending, Department of the Treasury, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON RECONSTRUCTION FINANCE CORPORATION (IN LIQUIDATION), ETC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Department of the Treasury, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

IMPROVEMENT OF PENTAGON ROAD NETWORK

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize funds for the improvement by the Secretary of Commerce of the Pentagon Road Network and that portion of the Henry G. Shirley Memorial Highway in Arlington County, Va., and to provide for the transfer of such highways to the Commonwealth of Virginia (with accompanying papers); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Resolutions of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Appropriations:

"Resolutions memorializing Congress to appropriate money for the repair of the dam at Massasoit Lake, better known as Watershops Pond in the city of Springfield

"Whereas on or about August 18, 1955 the dam at Massasoit Lake, better known as Watershops Pond, in the city of Springfield, was damaged and the top four courses of masonry show disalinement and permit passage of water at the joints, said condition making the dam unsatisfactory for its designed purpose; and

"Whereas in addition to the aforesaid damage the flashboards of said dam were washed away from the crown thereof; said boards having been a permanent wooden installation 2½ feet high permitting additional water retention above the designed top of the masonry dam; and

"Whereas, disruption of the flashboards permitted the water retained thereby to be immediately released into the brook channel causing damage along the lower extremities of the Mill River; and

"Whereas because of the damage to the masonry portion of said dam the water impounded thereby was released through the sluice gates which are a structural part of said dam; and

"Whereas the release of this water has created a condition where only the normal flow of the stream known as the Mill River passes through the brook bed above said dam and there is no appreciable impounding of water in said pond at this time; and

"Whereas the damage to said dam and the resulting lack of water in said pond causes an unsightly condition and results in loss of property value in the adjoining area and further results in the loss of recreational facilities formerly offered by said pond; and

"Whereas the properties surrounding said pond were developed, and the residences and other buildings thereon were erected in relation to the normal elevation of the surface of said pond, with the reasonable expectation that said elevation would be permanently maintained; and

"Whereas the said dam has been under the control of the United States Army for more than 100 years and the United States has a moral obligation to repair the same: Therefore be it

"*Resolved,* That the House of Representatives of the General Court of Massachusetts urges the Congress of the United States to appropriate sufficient money for the repair and reconstruction of said dam to the height at which it was, including the height of flashboards, prior to said damage; and be it further

"*Resolved,* That copies of these resolutions be forwarded by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to each Member of the Senate and House of Representatives of Congress from this Commonwealth, and to each member of the appropriate Committees on Appropriations."

Resolutions of the General Court of the Commonwealth of Massachusetts, favoring the enactment of H. R. 7225, the social-security bill, and so forth; to the Committee on Finance:

(See resolutions printed in full when presented by Mr. SALTONSTALL (for himself and Mr. KENNEDY) on April 18, 1956, p. 6452, CONGRESSIONAL RECORD.)

A statement, in the nature of a memorial, from the National Lawyers' Guild, New York, N. Y., relating to the appearance of Philip Wittenberg as a witness before the subcommittee of the Internal Security Committee of the Senate; to the Committee on the Judiciary.

A resolution adopted by the board of trustees of the national society, Sons of the American Revolution, at Washington, D. C., reaffirming its faith in the McCarran-Walter Act; to the Committee on the Judiciary.

A statement, in the nature of a petition, from the Buffalo Chamber of Commerce, favoring the withdrawal of the United States as a member of the International Labor Organization; to the Committee on Labor and Public Welfare.

CONSTITUTION DAY—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of trustees, national society of the Sons of the American Revolution, in Washington, D. C., relating to Constitution Day.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF APPRECIATION ADOPTED BY THE BOARD OF TRUSTEES OF THE NATIONAL SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION HELD IN WASHINGTON, D. C., ON FEBRUARY 25, 1956

Whereas the national society of the Sons of the American Revolution has for many years fostered and promoted throughout the Nation special observance of Constitution Day on September 17, with a resulting constantly increasing interest in and attention to the great fundamental principles of our Government emphasized by this immortal document; and

Whereas as a result of a joint resolution introduced in the Senate of the United States by our distinguished compatriot Senator KNOWLAND, of California, and unanimously passed by both Houses of Congress, and the proclamation issued in response thereto by the President of the United States designating the period beginning September 17 and ending September 23, 1955 as Constitution Week, there was a largely increased interest and participation in this observance; and

Whereas Senator KNOWLAND on January 5, 1956, introduced Senate Joint Resolution 105 authorizing and requesting the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week, and to issue annually a proclamation inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities: Therefore be it

Resolved by the board of trustees of the national society of the Sons of the American Revolution, That we express to Senator KNOWLAND and to President Eisenhower our sincere appreciation of their patriotic actions relative to the celebration of Constitution Week in 1955; and that we further express to Senator KNOWLAND our deep appreciation of his action in sponsoring Senate Joint Resolution 105, looking to continued and annual emphasis on the meaning of our great fundamental document; be it further

Resolved, That we direct the sending of a copy of this resolution to each Member of the Senate with a personal letter from our president general expressing the deep interest of the society in the adoption of Senate Joint Resolution 105; and that we request the officers of each State society and local chapter to express to their Senators and Representatives our interest in the passage of this resolution.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Record and appropriately referred a petition signed by Harold Curtis and 23 other citizens of my State, expressing their opposition to S. 2, the so-called universal military training bill, and Senate Joint Resolution 19, relating to narcotics, and their support of S. 923, relating to the advertising of alcoholic beverages, and S. 2845 and S. 3039, which have to do with the sale or consumption of alcoholic beverages on planes.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the Record, with the signatures attached, as follows:

Hon. Warren G. Magnuson,
Senate Office Building,
Washington, D. C.:

We, the undersigned members and friends of the Women's Christian Temperance Union, of Ferndale, Wash., do wish to declare ourselves as opposing or favoring certain bills as follows and we do urge that you give us your support in these matters:

We oppose:

S. 2, the Legion draft-UMT bill.

Senate Joint Resolution 19, Payne, of Maine, to transfer Bureau of Narcotics.

We favor:

S. 923. Langer, to prohibit the transportation in interstate commerce and over the air of alcoholic-beverage advertising.

S. 2845. Thurmond, to prohibit service or consumption of alcoholic beverages on commercial or military aircraft.

S. 3039. Neuberger, to prohibit sale, service, or consumption of alcoholic beverages on commercial or military planes.

Mrs. W. R. Sager, Ferndale, Wash.; Mrs. R. L. Brant, Bellingham, Wash.; Grace Sullivan, Bellingham, Wash.; Mabel D. Pearson, Mrs. Velma Widman, Mrs. Edith Pehrson, Mrs. Fannie McGuire, Mrs. Jennie Andersen, Minnie Norgaarden, Mrs. Edith M. Gunderson, Mrs. Lisa Andres, Mrs. Edith V. Larsen, Mrs. H. H. Lewis, Mrs. Bertha M. Burrows, Alice P. Lewis, Ferndale, Wash.; Thelma E. Nelson, Bellingham, Wash.; Bertha Amundson, R. H. Funkhouser, Mina Willand, Gertrude Hall, Mrs. Harold Curtis, Mrs. Audrey Owsley, Mary LeCocq, Harold Curtis, Ferndale, Wash.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members; without amendment (Rept. No. 1789).

By Mr. RUSSELL, from the Committee on Armed Services:

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; with an amendment (Rept. No. 1790).

REPORT ON FEDERAL HOUSING ADMINISTRATION AND VETERANS' ADMINISTRATION FISCAL STATUS (S. REPT. NO. 1788)

Mr. SPARKMAN, from the Committee on Banking and Currency, pursuant to Senate Resolution 57, submitted a report entitled "Federal Housing Administration and Veterans' Administration Fiscal Status," which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN:

S. 3682. A bill for the relief of Michael Wierzbicki; and

S. 3683. A bill for the relief of Eleanor Mary Hinder; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3684. A bill to authorize the construction of a Federal penitentiary at Bismarck, N. Dak., and for other purposes; to the Committee on the Judiciary.

By Mr. LANGER (for himself and Mr. Kefauver):

S. 3685. A bill to authorize the Secretary of the Interior to enter into contracts with the States or Territories relating to the confinement, care, or treatment of Indians who have been convicted of penal offenses, or who are juvenile delinquents or offenders; to the Committee on Interior and Insular Affairs.

S. 3686. A bill to direct the Secretary of Labor to conduct a particular survey in order to assist in promoting the economic welfare of Indians living on or adjacent to Indian reservations in the United States; to the Committee on Labor and Public Welfare.

By Mr. PURTELL:

S. 3687. A bill for the relief of Vera Wisner; to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 3688. A bill for the relief of Paul Er (Ear) Chen and Lydia Chen, nee Shih Ming Chung; to the Committee on the Judiciary.

By Mrs. SMITH of Maine (for herself and Mr. Payne):

S. 3689. A bill to amend the Federal-Aid Highway Act of 1944 to provide for an addition to the national system of interstate highways; to the Committee on Public Works.

By Mr. CASE of New Jersey:

S. 3690. A bill for the relief of Leonardo Finelli; to the Committee on the Judiciary.

By Mr. ALLOTT (for himself and Mr. Millikin):

S. 3691. A bill to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.; to the Committee on Labor and Public Welfare.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. MORSE. Mr. President, on February 2, 1956, on behalf of myself, and my colleague, the junior Senator from Oregon [Mr. Neuberger], I introduced the bill (S. 3119) to provide that certain survivor benefits received by a child under public retirement systems shall not be taken into account in determining whether the child is a dependent for income tax purposes. Our bill provides that for the purpose of determining dependency for tax purposes, up to $600 of social security or other public assistance benefits for children could be deducted by the taxpayer. Because the purpose of the bill is to protect social security benefits, which are themselves tax-exempt I now offer the bill as an amendment to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes. I ask that the amendment be taken up and considered by the Committee on Finance with H. R. 7225.

Mr. President, it is a shocking fact that there are 2 million children in America whose fathers are dead. More than half of them receive social security benefits of between $288 and $624 a year. For each child the mother must show that she contributes more than half of the child's support, or more than $288 to $624 a year. The average income of families headed by women is $2293. Clearly, many widows find it impossible to show that they provide more than half a child's support if the child is receiving between $288 and $624 in social security benefits. The loss of the exemption is a very serious matter in these families, and I feel certain that this effect of the benefit for children was not intended by Congress, since we made the benefit itself tax-exempt.

I therefore ask that the amendment be favorably viewed by the Finance Committee.

I ask unanimous consent that the amendment may be printed in the Record.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the Record.

The amendment was referred to the Committee on Finance, as follows:

At the end of the bill add the following new section:

"MISCELLANEOUS PROVISIONS

"Sec. 203. (a) Section 152 of the Internal Revenue Code of 1954 (relating to definition of the term "dependent") is amended by adding at the end thereof the following new subsection:

"'(e) Special Support Test in Case of Children Receiving Survivor Benefits Under Public Retirement Systems—For purposes of subsection (a), in the case of any individual who is—

"'(1) a son, stepson, daughter, or stepdaughter of the taxpayer (within the meaning of this section), and

"'(2) a surviving dependent child under a public retirement system, amounts received by such individual, or by any person in respect of such individual, under one or more such public retirement systems shall be taken into account in determining whether such individual received more than half of his support from the taxpayer only to the extent that the total of such amounts received during the calendar year exceeds $600. For purposes of this subsection, the term "public retirement system" has the meaning given to such term in section 37 (f).'

"(b) The amendment made by subsection (a) of this section shall apply in respect of amounts received after December 31, 1956."

CHANGE OF REFERENCE

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of the bill (S. 3243) to amend the Watershed Protection and Flood Prevention

Act, and that it be referred to the Committee on Public Works.

The ACTING PRESIDENT pro tempore. Is there objection to the request by the Senator from Louisiana? The Chair hears none, and it is so ordered.

PROTECTION AND CONSERVATION OF NATIONAL SOIL, WATER, AND FOREST RESOURCES—ADDITIONAL COSPONSOR OF BILL

Mr. KENNEDY. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill (S. 3651) to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes, introduced on yesterday by the Senator from Florida [Mr. Holland], for himself and other Senators.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were order to be printed in the Record, as follows:

By Mr. LEHMAN:

Address delivered by him at the award dinner of the Albert Einstein College of Medicine, in New York City, on April 17, 1956.

AMENDMENT OF REVISED STATUTES, RELATING TO EXAMINATION OF NATIONAL BANKS

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1188) to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks, which was, on page 2, lines 3 and 4, strike out "each two-year period beginning January 1, 1955" and insert "any two-year period."

Mr. ROBERTSON. Mr. President, some weeks ago the Senate passed S. 1188, authorizing the Comptroller of the Currency to waive 1 of the 2 annual examinations of national banks as required by law, but not more frequently than once during each period of 2 years. The bill comes back from the House with a technical amendment, to make sure that what is meant is that the Comptroller of the Currency cannot waive an examination of national banks more than once in each 2 years.

Mr. President, I move that the Senate concur in the House amendment.

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Virginia has conferred with the distinguished minority leader and with the majority leader. We are in agreement that the Senate concur in the amendment of the House.

The ACTING PRESIDENT pro tempore. The question is on the motion of the Senator from Virginia [Mr. Robertson].

The motion was agreed to.

CONSTRUCTION OF RED WILLOW DAM AND RESERVOIR AND WILSON DAM AND RESERVOIR

Mr. ANDERSON. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to the bill (S. 1194) to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., and construction by the Secretary of the Army of the Wilson Dam and Reservoir, Kans., as units of the Missouri River Basin project.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1194) to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., and construction by the Secretary of the Army of the Wilson Dam and Reservoir, Kans., as units of the Missouri River Basin project, which were, to strike out all after the enacting clause and insert:

That administrative jurisdiction over the construction, operation, and maintenance of Red Willow Dam and Reservoir, Nebr., an authorized unit of the Missouri River Basin project (act of Dec. 22, 1944, sec. 9, 58 Stat. 887, as amended and supplemented), is hereby transferred from the Secretary of the Army to the Secretary of the Interior and jurisdiction over the construction, operation, and maintenance of Wilson Dam and Reservoir, Kans., another authorized unit of the same project, is hereby transferred from the Secretary of the Interior to the Secretary of the Army. The principal purposes of Red Willow Dam and Reservoir shall be those of making available a regulated supply of water for irrigation and of assisting in the control of floods, and the principal purposes of Wilson Dam and Reservoir those of flood control and of assisting in making available a regulated supply of water for irrigation and low-flow regulation: *Provided,* That no expenditure of funds shall be made for construction of such projects until the Secretary of the Interior, in the case of the Red Willow Dam and Reservoir, Nebr., and the Secretary of the Army, in the case of the Wilson Dam and Reservoir, Kans., with the approval of the President, have submitted to the Congress completed reports demonstrating such projects to be economically justified, and the Congress has approved

Sec. 2. Both the Secretary of the Interior and the Secretary of the Army shall cause these units of the Missouri River Basin project to be coordinated and integrated physically and financially with the other Federal works constructed or authorized to be constructed under the comprehensive plans approved by section 9 of the act of December 22, 1944, aforesaid, as amended and supplemented.

Sec. 3. Notwithstanding any other provisions of this act, the Secretary of the Army shall, in the case of the Red Willow Dam and Reservoir, be responsible for flood-control regulation as provided in section 7 of the act of December 22, 1944, and the Secretary of the Interior shall, in the case of Wilson Dam and Reservoir, be responsible for the disposal of water for irrigation or space reserved for this purpose in accordance with the Federal reclamation laws.

And to amend the title so as to read: "An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army."

Mr. ANDERSON. Mr. President, by direction of the Committee on Interior and Insular Affairs, I move that the Senate concur in the amendments of the House of Representatives to S. 1194, to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., and construction by the Secretary of the Army of Wilson Dam and Reservoir, Kans., as units of the Missouri River Basin project.

The bill was designed to transfer jurisdiction over the proposed Red Willow Dam, Nebr., to the Bureau of Reclamation and over the proposed Wilson Dam, Kans., to the Corps of Engineers, under the Secretary of the Army. The provision represents an exchange of jurisdiction betwen the two agencies for the construction and operation of the two dams, both of which are in the coordinated Missouri River Basin project, authorized in the Flood Control Act of 1944. Red Willow Dam will be in an area in the Republican River Valley, where reclamation has the predominant interest because of the irrigation potentials. Wilson Dam will be in the Saline River Valley in Kansas, where the Corps of Engineers has predominant concern for flood-control problems.

The House approved the principle set forth in the Senate bill and, by amendment, requires that no construction expenditures shall be made on either dam until, with approval of the President, the agency shall have submitted to the Congress completed reports demonstrating the economic justification for each of the developments. Approval of the Congress of each report is required.

The committee understands that basic data in connection with the economic justification for the Red Willow Dam is in the hands of the Bureau of Reclamation, and that there should be no delay in submitting a report to the Congress. We are not advised as to the status of the Corps of Engineers' information on Wilson Dam, but understand both Reclamation and the Corps have considerable data available. Unless there is some sound reason for so doing, there would seem to be no reason for either agency to redo the work already done by the other.

The committee is advised by the senior Senator from Nebraska [Mr. Curtis], chief sponsor of S. 1194, after consultation with his colleague [Mr. Hruska], that they are agreeable to acceptance of the House amendments, but are anxious that a prompt report shall be made, so that construction of Red Willow Dam may proceed. The two Kansas Senators [Mr. Schoeppel and Mr. Carlson] likewise advise that they hope the Corps of Engineers will expedite its report on Wilson Dam to the same end.

The second amendment perfects the title of S. 1194 to conform to the bill, as amended.

I believe that both the Senator from Kansas [Mr. Carlson] and the Senator from Nebraska [Mr. Curtis] will agree with me that this is a desirable measure to which the Senate Committee on Interior and Insular Affairs unanimously gave its approval.

Mr. CARLSON. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. CARLSON. As I understand the situation, if we agree to the amendments which have been adopted by the House, the Wilson Dam, which originally was authorized as a part of the Bureau of Reclamation program, will now be transferred to the Corps of Army Engineers.

Mr. ANDERSON. That is correct.

Mr. CARLSON. And the reverse will be true of the Red Willow Dam, in Nebraska.

Mr. ANDERSON. That is correct.

Mr. CARLSON. Is there any report by the Army engineers on the progress being made on the Wilson Dam?

Mr. ANDERSON. No, there is not. We know the Bureau of Reclamation has made progress, and we know that the Army engineers have been at work, but we do not have information regarding how far along the work has gotten. Part of the confusion has been due to the uncertainty as to jurisdiction.

If this measure is enacted, the work will proceed more rapidly; and we are anxious to have that done.

Mr. CARLSON. Mr. President, I am thoroughly familiar with the Wilson Dam project, in Kansas; and I think the change now proposed is one which should be made in the interest of both agencies. So I am very happy that the Senator from New Mexico advocates our concurrence in the House amendments.

Mr. CURTIS. Mr. President, will the Senator from New Mexico yield to me?

Mr. ANDERSON. I yield.

Mr. CURTIS. Mr. President, in view of all the premises, I favor our concurrence in the amendments which have been adopted by the House.

I have only one question to ask the distinguished Senator from New Mexico: Is it the intention that when the reports showing the feasibility are submitted to Congress, at that time these projects will be taken up separately? In other words, if one runs into considerable delay, that will not mean that the other will also be delayed, will it?

Mr. ANDERSON. It is the present proposal that they be considered as if they were entirely separate projects.

Mr. CURTIS. I thank the Senator from New Mexico.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New Mexico that the Senate concur in the amendments of the House of Representatives to Senate bill 1194.

The motion was agreed to.

"MOTHBALL" ACRES URGED

Mr. CARLSON. Mr. President, yesterday several bills were introduced in the Congress providing for the establishment of a soil bank as a part of the farm program.

One of the early and original advocates of a program of this type was Dr. Raymond W. Miller, of Washington, D. C., and presently a lecturer at the Harvard Business School.

Dr. Miller's program is one that would compensate farmers for taking land out of production, and he states, "putting land in mothballs," and keeping it ready for future production by proper conservation methods.

Dr. Miller has been actively interested in and associated with agriculture for many years. An article he wrote, entitled "'Mothball' Acres Urged," appeared in the Christian Science Monitor on Tuesday, July 20, 1954, and I ask unanimous consent that it be printed in the Record as a part of these remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

"Mothball" Acres Urged

East Lansing, Mich.—Retirement of cropland to fallow or nonproduction in a national program that will assure "acres for tomorrow" is the sanest and cheapest method for solving America's surplus-crops dilemma, Dr. Raymond W. Miller, visiting lecturer at the Harvard Business School, told the 280 editors assembled here for the 1954 convention of the American Association of Agricultural College Editors.

"Scientists, economists, and politicians have all tried to solve the American farmer's overproduction of grains, oil seeds, and fibers. We have failed, Dr. Miller alleged, because we haven't gone back to look at the faucet and see whether it can be turned off. While we have taken crops out of production through acreage controls, we often have planted the same acres to another crop, creating another surplus rather than keeping the land out of total commercial production.

As a result, we have developed extremely bad public relations both at home and abroad. The farmers of Europe and Asia conclude we are either very stupid, or are stockpiling for world war III.

Dr. Miller would have farmers compensated by the Federal Government for taking land out of production—"putting land in mothballs," he called it—and keeping it ready for future production by proper conservation methods. This kind of expense would cost, at a guess, perhaps less than half the present type of farm subsidy which has resulted in piling up surpluses. His project would be voluntary, Dr. Miller said. Farmers, many of whom have land they have bought as a hedge against inflation, would sign up for the mothballing payments.

The farmer would get a small return on his investment, not to exceed 3 percent, which must be spent for soil-improvement practice.

"This project would literally turn off the faucet," Dr. Miller said, "instead of trying to solve the problem with buckets and mops. We would be better off nationally to spend some money for this type of program rather than spending the millions of dollars we are allocating at the present time to warehousing crops we don't know what to do with."

Since counties and States need tax money for school and highway maintenance, he went on, the Federal Government should pay taxes on all land voluntarily retired from the production of surplus crops. This, he believes, could be worked out in an allocation program, State by State. He emphasized that it should be a voluntary act on the part of the owners and should result in taking out of production much land held by absentee owners for speculation, which now only adds to surpluses.

"Such a program might be called acres for tomorrow," he said. "That is precisely what it would be. Our population is growing and may go to 275 or 300 million during the next century. There will be an acute need then for more good cropland. Acres for tomorrow would also be a vital reserve during times of national emergency, such as the war we all pray won't come."

A California farmer for many years, Dr. Miller is an internationally recognized authority on farming and on agricultural relations. He was president of the American Institute of Cooperation from 1945 to 1947. He returned this spring from a six months' investigation of Asia's rural problems and leaves this week for similar duties in Newfoundland, Spain, Portugal, and Switzerland.

INVASION OF SCENIC REGIONS BY LUMBER INDUSTRY

Mr. NEUBERGER. Mr. President, I ask unanimous consent to include in the body of the Record a news article from the Oregonian of Portland, Oreg., of April 9, 1956, describing a speech by Mr. A. F. Hartung, president of the International Woodworkers of America, before the Northwest Wilderness Conference held in Portland.

In that speech Mr. Hartung expressed the opposition of himself and his membership to any policy which would invade such scenic regions as the Olympic National Park and the Three Sisters Wilderness Area in an effort to secure more timber for the production of lumber. By taking this fine stand, Mr. Hartung has placed the welfare of our scenic outdoor resources above a temporary payroll gain in dollars for his own members. This is an enlightened, unselfish and courageous stand which merits the support of us all.

There are those who would strip off our forests in order to gain a temporary financial advantage. Yet such a policy would be adverse to the welfare of future generations of Americans. For that reason I believe that Mr. Hartung's address and the very favorable reaction to it among the delegates to the Northwest Wilderness Conference should be called to the attention of the Senate.

There being no objection, the article was ordered to be printed in the Record, as follows:

IWA Head Hits Wilderness Exploitation

(By Bill Hulen)

Although recognizing the importance of temporary payrolls which would be created through industrial exploitation of wilderness areas, labor feels that in the long run these areas will be of much more importance in the field of recreation for the working man and woman.

This was the key remark of a talk Sunday by A. F. Hartung, president, International Woodworkers of America, at the concluding session of the 2-day Northwest Wilderness Conference at the Multnomah Hotel.

With the coming of automation and atomic development, laboring people will have more and more leisure time in which to seek outdoor recreation, and "it is our responsibility to see that we preserve and increase the areas where this is possible," Hartung declared.

Hartung hit at what he called "the greed of certain individual industrialists" who would exploit these areas for dollars instead of cooperating in attempts to preserve them. He said labor "is willing to work to protect what we now have, and to even increase these areas."

LABOR POSITION APPLAUDED

Several members of the audience of more than 200, including Rollin E. Bowles, State

president of the Izaak Walton league, got on their feet to commend Hartung's labor organization for its support in the Three Sisters and Olympic Park hearings, and for its work in behalf of the Save the Deschutes and Save the McKenzie programs.

While admitting there is some conflict between the forest-growing and harvesting interests with the wilderness concept, Ed Heacox, managing forester, Weyerhaeuser Timber Co., said that, perhaps, at some future date his company might concede that certain areas of virgin timber on public lands should be set aside as wilderness area, and so publicize that position.

Heacox took mild exception to a remark from the floor intimating that only the wilderness people were conservationists. He cited the timber industry's program of reforestation in order to perpetuate the forests.

The timber company executive said the industry takes a dim view of land dedicated to a special use, and asked: "What portions and types of public lands should be set aside for special use by a small minority of the people?" The question went unanswered.

John McKean, chief of the game division, Oregon game commission, said there was a better chance that game management and the wilderness concept could be compatible than conflicting, and declared that both groups were interested in high-quality recreation.

He said, however, that both the Oregon and Washington game departments undoubtedly would oppose any proposal to withdraw land on the Wenaha big game winter range for wilderness area purposes. He said an elk problem there made it necessary that these animals be adequately harvested.

W. H. Oberteuffer, Boy Scout leader, talked on the values of wilderness to American youth, and showed color slides of scenic areas taken in the high Cascades while on trips with Boy and Girl Scouts.

HUMAN VALUES STRESSED

Human values of wilderness were discussed by Fred M. Packard, executive secretary, National Parks Association, Washington, D. C., and scientific values by James Kezer, department of biology, University of Oregon. Kezer said the Three Sisters area offers a vast outdoor laboratory for the scientific study of plant and animal life. Packard declared the intangibles of wilderness were more important than the tangible assets.

David R. Brower, San Francisco, executive director, Sierra Club, received the National Parks Association award for distinguished service in behalf of the national parks and monuments. Brower took an active part in the Echo Park Dam controversy.

PATRIOT'S DAY—STATEMENT BY SENATOR PAYNE

Mr. MARTIN of Pennsylvania. Mr. President, on behalf of the distinguished junior Senator from Maine [Mr. Payne], who now occupies the chair as Acting President pro tempore, I ask unanimous consent that a statement prepared by him may be printed in the body of the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Patriot's Day Statement by Senator Payne

Today marks the 181st anniversary of the Battle of Lexington and Concord. This day is a public holiday in my State and in Massachusetts. I believe that it is a fitting time for this great body, and, indeed, for all Americans, to pause and reflect upon the early events in our Nation's struggle for independence. The actions of our forefathers nearly 2 centuries ago, in those little Massachusetts towns, have inspired and kindled in people everywhere down through the years the spirit to answer the call of freedom. The course which they followed, the ideals for which they died, and the ultimate victory which, with God's help, they achieved, leave us as a Nation and as a Republic a heritage far greater than that enjoyed by any other people in any other time in history.

Many times since 1775 we have stood by the "rude bridge that arched the flood" as indeed we do today. The Spirit of '76 can well be applied to Patriot's Day, 1956, for in this troubled and uneasy time, freedom-loving people everywhere are turning to America for the strength and guidance necessary to preserve their integrity and sovereignty as nations. We cannot, we must not, fail them.

I should like to conclude my remarks with the well-loved poem The Midnight Ride of Paul Revere, by Maine's great poet, Henry Wadsworth Longfellow:

"PAUL REVERE'S RIDE

"(By Henry Wadsworth Longfellow)

"Listen, my children, and you shall hear
Of the midnight ride of Paul Revere,
On the eighteenth of April, in Seventy-five;
Hardly a man is now alive
Who remembers that famous day and year.

"He said to his friend, 'If the British march
By land or sea from the town tonight,
Hang a lantern aloft in the belfry arch
Of the North Church tower as a signal light,
One, if by land, and two, if by sea;
And I on the opposite shore will be,
Ready to ride and spread the alarm
Through every Middlesex village and farm,
For the country folk to be up and to arm.'

"Then he said, 'Good night!' and with muffled oar
Silently rowed to the Charlestown shore,
Just as the moon rose over the bay,
Where swinging wide at her moorings lay
The Somerset, British man-of-war;
A phantom ship, with each mast and spar
Across the moon like a prison bar,
And a huge black hulk, that was magnified
By its own reflection in the tide.

"Meanwhile, his friend, through alley and street,
Wanders and watches with eager ears,
Till in the silence around him he hears
The muster of men at the barrack door,
The sound of arms, and the tramp of feet,
And the measured tread of the grenadiers,
Marching down to their boats on the shore.

"Then he climbed the tower of the Old North Church,
By the wooden stairs, with stealthy tread,
To the belfry-chamber overhead,
And startled the pigeons from their perch
On the sombre rafters, that round him made
Masses and moving shapes of shade,
By the trembling ladder, steep and tall,
To the highest window in the wall,
Where he paused to listen and look down
A moment on the roofs of the town,
And the moonlight flowing over all.

"Beneath, in the churchyard, lay the dead,
In their night-encampment on the hill,
Wrapped in silence so deep and still
That he could hear, like a sentinel's tread,
The watchful night-wind, as it went
Creeping along from tent to tent,
And seeming to whisper, 'All is well!'
A moment only he feels the spell
Of the place and the hour, and the secret dread
Of the lonely belfry and the dead;
For suddenly all his thoughts are bent
On a shadowy something far away,
Where the river widens to meet the bay—
A line of black that bends and floats
On the rising tide, like a bridge of boats.

"Meanwhile, impatient to mount and ride,
Booted and spurred, with a heavy stride
On the opposite shore walked Paul Revere.
Now he patted his horse's side,
Now gazed at the landscape far and near,
Then, impetuous, stamped the earth,
And turned and tightened his saddle-girth;
But mostly he watched with eager search
The belfry tower of the Old North Church,
As it rose above the graves on the hill,
Lonely and spectral, and sombre and still.
And lo! as he looks, on the belfry's height
A glimmer, and then a gleam of light!
He springs to the saddle, the bridle he turns,
But lingers and gazes, till full on his sight
A second lamp in the belfry burns!

"A hurry of hoofs in a village street,
A shape in the moonlight, a bulk in the dark,
And beneath, from the pebbles, in passing, a spark
Struck out by a steed flying fearless and fleet:
That was all! And yet, through the gloom and the light,
The fate of a nation was riding that night;
And the spark struck out by that steed, in his flight,
Kindled the land into flame with its heat.

"He has left the village and mounted the steep,
And beneath him, tranquil and broad and deep,
Is the Mystic, meeting the ocean tides;
And under the alders that skirt its edge,
Now soft on the sand, now loud on the ledge,
Is heard the tramp of his steed as he rides.

"It was twelve by the village clock,
When he crossed the bridge into Medford town.
He heard the crowing of the cock,
And the barking of the farmer's dog,
And felt the damp of the river fog,
That rises after the sun goes down.

"It was one by the village clock,
When he galloped into Lexington.
He saw the gilded weathercock
Swim in the moonlight as he passed,
And the meeting-house windows, blank and bare,
Gaze at him with a spectral glare,
As if they already stood aghast
At the bloody work they would look upon.

"It was two by the village clock,
When he came to the bridge in Concord town.
He heard the bleating of the flock,
And the twitter of birds among the trees,
And felt the breath of the morning breeze
Blowing over the meadows brown.
And one was safe and asleep in his bed
Who at the bridge would be first to fall,
Who that day would be lying dead,
Pierced by a British musket-ball.

"You know the rest. In the books you have read,
How the British Regulars fired and fled—
How the farmers gave them ball for ball,
From behind each fence and farm-yard wall,
Chasing the red-coats down the lane,
Then crossing the fields to emerge again
Under the trees at the turn of the road,
And only pausing to fire and load.

"So through the night rode Paul Revere;
And so through the night went his cry of alarm
To every Middlesex village and farm—
A cry of defiance and not of fear,
A voice in the darkness, a knock at the door,
And a word that shall echo forevermore!
For, borne on the night-wind of the Past,
Through all our history, to the last,
In the hour of darkness and peril and need,
The people will waken and listen to hear
The hurrying hoof-beats of that steed,
And the midnight message of Paul Revere."

ADVANTAGES TO INDUSTRY OF LOCATING IN WEST VIRGINIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that my friend, the junior Senator from West Virginia [Mr. LAIRD], may have 6 minutes to address the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and the Senator from West Virginia may proceed.

Mr. LAIRD. Mr. President, a recent issue of the New York Journal of Commerce contained a plant location survey, in which some 1,500 industrial sites suitable for chemical or allied industries were listed. On close inspection, officials of individual companies and industries seeking locations for expansion or new development will find comparatively few areas elsewhere in the country able to offer the many advantages inherent in the numerous projected locations in West Virginia.

For the further information of those executives responsible for choosing plant sites, let me list some of the data emphasizing West Virginia's natural and man-made advantages. In the first place, we are all aware of the fact that the new peaks of United States industrial activity envisioned for the coming years will be made possible because of this Nation's abundance of coal reserves. West Virginia is the Nation's leading producer of coal, the most economical and most abundant of our energy resources. Last year the total output from our mines amounted to 142 million tons, or 30.2 percent of America's total production. Our mines are modern. Our coal producers have made vast investments in order to reach the richest veins of coal and to get it out of the ground in the most efficient manner.

Modern equipment in modern mines includes electrically operated mobile machines with long blades that cut deep into the coal at the face of the seam; automatic drills that follow the cutting machines and bore uniform holes into which explosives may be tamped so that the charge will loosen the coal and make it ready for loading; electric loading machines capable of scooping up as much as 6 tons of coal a minute; and electrically drawn shuttle cars that can carry 10 tons of coal from the workingroom to the underground railroad or conveyor belt along the main haulageway. This equipment requires a great amount of capital, as do the extensive ventilation facilities and other safety devices.

About 25 percent of the total bituminous coal production in this country comes from surface mines. Here again there have been heavy investments in machinery on the part of the mining companies. Giant shovels or draglines—the monstrous machines which scoop soil and rock from atop the coal bed—may cost as much as a million dollars each. Efficient operation also requires the use of mechanical brooms and drills, electric shovels to remove the coal, and fleets of trucks.

No matter what type of mechanical mining equipment is selected, I believe more units will be found in operation in West Virginia than in any other State. There will be found the latest kinds of underground locomotives and trolley systems, the most modern lighting, the newest in belt conveyor systems.

Today a cleaning plant represents a sizable investment in the coal business. Coal preparation upgrades the product, gives maximum recovery of marketable coal from run-of-mine, and makes a salable product from low-grade seams. According to latest estimates, there are now more than 200 preparation plants in operation in West Virginia, some of them costing as much as $2 million each.

Added up, the West Virginia coal industry's determination to produce the best fuel, at as low a cost as possible, provides an attractive incentive for a diversity of industry. The men who extract this coal from the earth—that is, members of the United Mine Workers of America—have never objected in any way to management's laying the groundwork for the progress that has come through mechanization. On the contrary, they have eagerly accepted the new machinery and quickly set about absorbing the knowledge necessary to its operation and maintenance. Our coal miners are skilled technicians.

It is true that a number of shortsighted policies on the part of the incumbent administration tended to discourage our mining families from remaining in the coal districts. By inflicting upon the coal industry a number of unfavorable and inequitable policies which were detrimental to coal's markets, the Government in effect invited personnel of the coal industry to move into other fields in search of employment. Through the determined efforts of Members of Congress from coal-producing States, however, a number of remedial steps have been taken, and I am confident that a better adjustment will continue to develop. Given the chance to earn an income that will enable them to care properly for their families, our miners are going to remain within the State of West Virginia and participate in the advantages that will accrue from the overall industrial development of the State.

We have the men. We have the machines. We have the coal. By next spring, West Virginia will have contributed its six billionth ton of coal to supply heat and energy to the homes and industries of America and—to a lesser extent—for the peoples of other continents. I am inclined to believe that our State should publicize this milestone when it is reached. The people of our country should become more cognizant of West Virginia's contribution to the national economy.

Despite this enormous production over the years, there are still enough mineable coal reserves in West Virginia to last for more than three centuries at present rates of production. Scarcely more than 10 percent of all the recoverable coal in West Virginia has been extracted. The United States Geological Survey lists West Virginia's rich mineable deposits at more than 53 billion tons.

What about West Virginia's other natural advantages from the standpoint of new and expanded industries? West Virginia ranks first in production of natural gas east of the Mississippi. West Virginia has considerable reserves of petroleum, and production is expected to be increased as newer recovery techniques are utilized. All of the oil is of Pennsylvania grade, which yields a high percentage of best quality lubricants. Within our State are large deposits of limestone, clay and shale, sand and gravel. We have rich timberlands. Agriculture is a statewide activity, which means that ample foodstuffs are raised within short distances of our industrial centers. West Virginia produces corn, wheat, hay, tomatoes, and a variety of fruits. Our verdant pastures produce some of the country's best livestock and dairy products, and poultry and egg production has always been high within the borders of our State.

Perhaps one of the most important benefits of locating an industry in West Virginia comes from the fact that we are so close to the Nation's richest markets. The steelmaking center, Pittsburgh, is our next-door neighbor. The Atlantic Ocean and a number of Great Lakes ports are within 300 miles of the center of our State. Equally important, we have excellent transportation facilities, and are improving them by the day. Railroads with main lines traversing or leading into and out of our State include the Baltimore & Ohio, the Norfolk & Western, the Chesapeake & Ohio, Western Maryland, and the Virginian, with trunkline service provided by the New York Central and the Pennsylvania. Our integrated highway system is being constantly expanded with turnpikes and road improvements.

As may have been noticed, Mr. President, many of the plant sites listed in the Journal of Commerce are on navigable waterways, thus offering perhaps the most economical method of transporting heavy commodities, such as coal, steel, and steel products. In addition, rivers are doubly attractive to industry, because normally a considerable amount of water is required in plant operation, particularly in the case of electric-power generation.

The history of West Virginia is replete with experiences of waterways transportation and development. As early as 1789, coal was moving down the Monongahela on keelboats, and before the dawn of a new century it was being shipped on the Ohio River to Fort Washington—now Cincinnati. In a few short years this service was extended to Louisville, then down the Mississippi to New Orleans. As new mines opened in the various coal-bearing regions and as demand for the product increased, coal was carried on barges, rafts, cargo ships, and an assortment of other craft on our waterways. The transfer of coal from mine to consumer has in recent years come to grow in popularity, especially since industry began to realize the advantages accruing from the establishment of plants on river sites. In one mine in our State a series of conveyor belts carries coal down one mountain, around another, and through a third—a 2½-mile ride to a river front for loading into barges.

We have the coal. We have the manpower. We have the transportation facilities. We have—in various parts of our State—the most desirable plant locations to be found anywhere in the world. We invite industry to come to West Virginia. We are a hospitable State; and those who come to it will like our people, as well as our beautiful mountains, our undulant fields, our fertile agricultural areas. Scores of new companies have come to West Virginia to set up shop in the years that have passed since the conclusion of World War II.

Under the leadership of Gov. William C. Marland, West Virginia is conducting an extensive industrial-development program, and it is reaping great benefits for our State. Governor Marland has traveled to all sections of the Nation to acquaint industrial leaders with the advantages inherent in our State, and every West Virginian is enthusiastic about welcoming new friends and new business to the mountaineer State. We welcome the opportunity to show visitors around the State, so they may see for themselves what excellent possibilities are available for industrial locations.

SYSTEM

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have a letter printed in today's RECORD, written by Wallace S. Wharton, an illustrious Navy veteran. Mr. Wharton's letter is short, but in a few lines he succeeds in making several significant observations that deserve the closest attention of all those charged with the responsibility of developing our civil-defense system.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARION COUNTY CIVIL DEFENSE,
Salem, Oreg., March 21, 1956.
Hon. RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR NEUBERGER: As director of Marion County civil defense I wish to bring to your attention the desirability and great need for such action on your part as may be required to get fire-fighting apparatus and equiqment restored to the contributing program of the Federal Civil Defense Agency in the 1956–57 fiscal year.

Experience in the war clearly showed that loss of life and the destruction of resources from fire was far greater than the direct effect of the aerial bombing which caused the fires. This was especially true in metropolitan areas where great fire storms followed the attack and which got out of control because adequate fire-fighting facilities were not available.

In the case of nuclear weapons the fire problem increases manyfold in magnitude.

Since the 1952–53 contributing program, fire-fighting apparatus has not been included in the FCDA program, whereby the Federal Government aids local government in acquiring equipment for civil defense by sharing 50 percent of the cost. It is reported that abuses occurred in which some local agencies used the program to obtain apparatus and equipment that they should have purchased wholly on their own account. I submit that the need for such apparatus and equipment for national survival is so great as to offset the abuses, especially when it is possible to prevent any abuse by proper administrative action.

Therefore, I hope you will do all you can to make it possible to build our defense rampart in this vital salient.

Yours sincerely,
WALLACE S. WHARTON,
Director.

ADDRESS BY GEORGE MEANY ON ISRAEL INDEPENDENCE DAY

Mr. LEHMAN. Mr. President, on Sunday, April 15, radio station WLIB, in New York, devoted an hour's program to Israel independence day. One of the features of the program was a brief address by Mr. George Meany, president of the AFL–CIO. Mr. Meany spoke out clearly and vigorously for America's shipment of arms to Israel. These remarks, by the spokesman for 16 million Americans, are worthy of the most careful consideration by the Congress and by the State Department.

Therefore, Mr. President, I ask unanimous consent that Mr. Meany's address be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GEORGE MEANY

It is a privilege to participate in this program hailing the eighth anniversary of the creation of the State of Israel.

The American labor movement from the beginning strongly favored the establishment of a Jewish national homeland in Palestine. At the conclusion of World War II, we urged our own country and our allies to make good their pledge to sanction the independence of Israel in the territory under the protectorate of Great Britain.

When this was finally accomplished 8 years ago, we were confident it would go down in history as a triumph for justice over brute force in international relations as well as the beginning of a new era of peace, freedom and progress in the Middle East.

Despite the stormy events of the ensuing years and the threatening crisis which hangs over Israel today, the American Federation of Labor and Congress of Industrial Organizations is still confident that the cause of decency will prevail and that the free world will rally to the defense of this new nation.

The accomplishments for its people have been almost miraculous. First, it opened its doors to the oppressed and terrorized Jewish refugees of Europe, the victims of Hitler's hate. To these unfortunates, Israel offered a new start in life in a new land. With their help, flourishing farms and modern towns were created out of the desert.

Then, when anti-Semitism became a fixed policy of the Communist dictatorship, thousands of additional refugees flocked to the haven of Israel. Even today, the exiled Jews of North Africa are being welcomed in this tiny new country.

The herculean task of resettling all these immigrants and providing homes, food, jobs, schools and hospitals required a great deal of money. Israel desperately needed help from the outside. I am proud of the generous way in which American trade unions responded to this call.

Of course, the American labor movement for many years had maintained friendly relations with the Histadrut. This Israeli Federation of Labor has done a remarkable job of organizing the workers in Israel and building up their standards and the national prosperity at the same time.

Today Israel faces its gravest threat from the surrounding Arab nations whose hostility has been emboldened by military aid and assistance from the aggressive forces of communism. In fact, the situation in the Middle East has reached an explosive stage that gravely imperils the peace of the entire world.

For her own sinister purposes Soviet Russia is now openly cementing a military machine, with the Egyptian Government in the forefront, with the clear purpose of waging a war of annihilation against the Republic of Israel.

The Communists already have ignited the fuse to the powder keg of war. The free world must act immediately and effectively to stamp out that sputtering fuse and safeguard peace. If we do not act now, Israel may become another Korea.

As a first step the AFL–CIO recommends that the United States provide arms for the defense of Israel. It is unrealistic to regard military aid to Israel as an instigation of an arms race. Actually the race is already on and Israel may soon be out of the running.

Our country, along with Britain and France, has a commitment to take immediate action against the use of force and aggression in the Middle East. President Eisenhower reiterated that commitment the other day. We believe he should ask Congress for advance authority to carry out the pledge to safeguard peace in the Middle East under the tripartite declaration of 1950.

Beyond this the free world should take the lead in promoting a permanently peaceful agreement between the Arab nations and Israel, supplemented by a program of technical, economic, and financial assistance which would permit all nations in that area to work for a brighter future for their people in peace.

JUVENILE DELINQUENCY AND THE NARCOTICS TRAFFIC

Mr. LEHMAN. Mr. President, I am much concerned over the problem of narcotics, the narcotics traffic, and the impact of this traffic on the lives of our people, especially the young.

I do not profess to be an expert in this field, and I am not in a position to comment on the technical aspects of the problem. But as a layman and as a public official, I am very much aware of it and concerned with it.

I am a cosponsor of Senate Joint Resolution 19, dealing with this problem. That joint resolution is now before the Senate Finance Committee. I joined in sponsoring this measure not because I thought it was a perfect solution to the narcotics and barbiturates problem—as a matter of fact, I reserved the right to object to several of its provisions—but because I felt it would help emphasize the urgent need for action in this area. I think the joint resolution does contain some excellent provisions; and I trust that the Finance Committee will, in its wisdom, improve and modify the resolution in such a way as to present to the Senate a measure which will effectively control the narcotic drug traffic and aid the unfortunate individuals who have become addicts.

While I have been deeply concerned about this problem for some time, I have become increasingly disturbed in recent months as a result of testimony presented in the course of the hearings held by the Senate Labor Committee's Subcommittee on Juvenile Delinquency, of which I am chairman. I have been very much troubled by the evidence presented before my subcommittee, relating juvenile delinquency and crime to the problem of narcotics.

I was particularly distressed by the number of young people arrested in New York in 1954 because of the use of narcotics. Of the total number of 3,647 persons arrested for this cause, 749—or roughly 20 percent—were under 21. I do not know how this compares with figures for previous years or for the country as a whole, but I do know that it is far too many. This is only one index of the seriousness of the problem. I know there are many other figures just as revealing.

Unfortunately, attempts to cope with the problem have been relatively unsuccessful, and the seriousness of the problem continues to increase. I think perhaps one of the chief reasons for our failure to find a solution has been the attitude society has taken toward this problem. Until recently, the general tendency has been to view the use of narcotics and barbiturates as a crime, and the users of these drugs as criminals. No one would deny that there are certain aspects of the problem which are, and should be, recognized as crimes, and treated as such. But we are beginning to realize that the problem is not as simple as all that. We are coming to recognize that addicts are suffering from an illness as serious in its way as cancer or tuberculosis. They must be treated for their sickness. The question of cure must come before the question of punishment.

In this connection, I consider the report on drug addiction by the New York Academy of Medicine a major step forward in dealing with the problem. I do not necessarily subscribe to all the recommendations contained in the report, but I feel that the attitude taken by the academy can do much to help change the attitude taken by society as a whole toward the unfortunate use of habit-forming drugs. Until legislation on this subject reflects this new point of view, I do not think we can ever hope to deal successfully with this situation.

I have not attempted to discuss this problem as an expert. All I have tried to do is indicate my deep interest and concern, and to express the hope that prompt and vigorous measures will be taken to deal with it. I look forward to supporting appropriate proposed legislation to this end and I hope that such a measure or measures will be brought before the Congress of the United States at an early date.

DEVELOPMENT OF LABOR UNIONS

Mr. GOLDWATER. Mr. President, this has been a good year for the American economy. To be sure, there are segments of it that have not benefited to the extent other segments have—such as some farmers and some industrial areas. But on the whole, it has been a good year; and the indications are that it will continue to be one. It has been a good year for unions, too. The U. S. News & World Report, in its April 20 edition, brings out some very interesting information about the increases in dues collections, and the extent to which union funds have benefited by this and by the general economic condition. For instance, the article shows that the UAW in 1945 reported $2.1 million in net worth. Compare that, Mr. President, with the current resources of that union, which include nearly $3.9 million in cash $28.4 million in securities, nearly $12,000 in stocks, some $4.5 million in land and buildings, and about $560,000 in furniture and equipment, for a total worth of more than $37 million. Other unions show similar gains.

One reaction to this, Mr. President, is that it is difficult to understand why, with this unprecedented gain in net worth—which means a corresponding increase in membership—the heads of some of those organizations can be so violently against the leadership of the President or the activities of the Republican Party. Another reaction is that this development places unions in the ranks of big business. Their membership alone would do that, but their assets surely do it.

This leads to a question often asked me today: When will the unions come under monopoly laws? My answer to that inquiry, Mr. President, has been to let the unions have time in which to place their house in order, have time in which to realize the responsibilities of bigness, and have time in which to assume for themselves the leadership that bigness demands. It may well be that if these things come about, big unions can so operate that they will not infringe on the rights of others, that they will show their type of leadership to be such that they recognize their total responsibilities to the American way of life, and that legal intervention to control their bigness might not be needed.

Mr. President, I ask unanimous consent that the article to which I have referred, which appeared in the U. S. News & World Report on April 20, 1956, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S BEEN A GOOD YEAR FOR UNIONS, TOO

Labor unions, like business firms, now are making public their yearly financial statements. And, as in private industry, the reports show that most unions did well in 1955.

From these profit-and-loss statements, this picture emerges:

The net worth of big unions is growing. Most of them managed to bank more money than they spent. The United Auto Workers, for example, doubled its net worth in the past year, now has nearly $40 million.

Reserves of about $200 million are reported by the International Ladies Garment Workers, including welfare and insurance funds. The United Mine Workers can count about $146 million in its union and welfare funds.

The Teamsters Union is switching from Government bonds to first mortgages and loans to employers as a way of increasing investment income. Later, the Teamsters probably will start to buy corporate stocks. Investments last year added about $900,000 to the union's assets.

The cost of operating a large union is shown by the auto union's report which lists the year's receipts at more than $48 million and expenses at more than $31 million, excluding purchase and sale of investments.

Investments of unions for the most part are in Government bonds, although a few organizations are putting part of their reserves into industrial stocks. In general, unions tend to be conservative in their investments.

That is the situation as indicated by the reports now appearing. Most unions make public financial statements during the early months of the year. Reports are required each year, under the Taft-Hartley Act, if the unions want to use the National Labor Relations Board.

The auto union offers an example of a prosperous union that came up with a sharp gain in net worth, largely because of a temporary boost in the dues of its 1.3 million members. The increase had been voted to supplement the union's strike fund, which now contains nearly $26.9 million.

Net worth of the UAW, as reported by Emil Mazey, its secretary-treasurer, was $39.4 million as of December 31, 1955. A year earlier, the net worth amounted to $20 million.

Growth of the UAW's treasury shows up more clearly if a comparison is made with that union's 1945 report. Ten years ago, UAW reported $2.1 million in net worth.

Current resources of UAW include nearly $3.9 million in cash, about $28.4 million in securities, $11,825 in stocks, about $4.5 million in land and buildings, and about $560,000 in furniture and equipment.

The securities include nearly $26.5 million in United States Government bonds and certificates of indebtedness; $10,000 in Dominion of Canada bonds and nearly $1.9 million in bonds of General Motors Acceptance Corp.

One of UAW's buildings is its Solidarity House in Detroit, main office for the union. UAW last year paid a half million dollars for the old headquarters of the CIO, near the White House in Washington.

The clothing unions, however, are far wealthier than the auto union, if their insurance reserves and welfare funds are taken into consideration.

The Ladies Garment Workers, for example, headed by David Dubinsky, is about to publish new financial statements that are reported to show total assets of about $200 million.

In the men's clothing field, the Amalgamated Clothing Workers reports about $8 million dollars in union assets, but it has estimated that its total resources at about $250 million, including two banks, two insurance companies, various housing developments, and health centers. The total also covers the treasuries and property of local-union affiliates.

The United Mine Workers is another union with large assets. John L. Lewis heads an enterprise that controls a bank, owns various office buildings, and considerable real estate in the UMW's name. He also directs a welfare fund that, at last reports, had a surplus of $104 million.

UMW assets, exclusive of the welfare fund, are reported at about $42 million. UMW does not make public an annual report, although statements are sent to local unions.

The Teamsters Union is one of the labor groups that are revamping their investment programs to bring better returns. Several unions are doing this on advice of investment counselors who argue that labor has been too conservative in putting all of its reserves in Government bonds.

Dave Beck, Teamster president, explained his policy on investments in an interview last week. He reported that the union's income from investments was running about $400,000 a year when he became president in 1952, but came to about $900,000 in 1955.

"When I came into office," Mr. Beck said, "the union's money was largely frozen in Government bonds, paying 2.5 to 2.75 percent interest. Also, there was $6.5 to $7 million sitting in a commercial account in a bank, drawing no interest. And there were time deposits at 1.5 percent.

"As soon as I could, I began to work on an investment program for the union. We started into the field of veterans' first mortgages and convention loans to business firms. We now have invested $17 to $18 million in veterans' first mortgages at a net return of 4 percent.

"We have been selling Government bonds at the market discount and buying 'veterans' on the same basis. Temporarily, we sometimes take a loss by these sales until we pick up that loss through higher interest rates on the mortgages that are bought in place of the bonds. It means a big gain over the years."

Mr. Beck said that this process of switching from Government bonds explained an item appearing in the union's financial statement for 1955. The item was carried as "loss on sale of securities, $418,632.91."

"That is a bookkeeping matter," Mr. Beck said. "There was a paper loss at the time we made the report, but the higher interest rates will more than make up for it."

The financial statement shows the net worth of the teamsters was $35 million at the end of 1955. Securities held by the union at that time were valued at more than $28.4 million.

The teamster portfolio: Mr. Beck explained that the securities included $7,650,000 in United States Government savings bonds, $200,000 in United States Treasury notes and $1,675,000 in Treasury short-term securities.

The union, which also operates in Canada, had $160,000 in Canadian Government bonds, $225,000 in school-district bonds and $65,000 in corporate bonds of Canadian firms.

The portfolio, at year's end, included nearly $13.2 million in veterans' mortgages. Mr. Beck said this figure now is more than $17 million.

Loans to business firms amounted to nearly $3.9 million when the report was drawn up. None of the loans is with a company having a contract with the teamsters, Mr. Beck said. These loans are earning interest at 4.5 percent and up in most cases, he reported.

Mr. Beck said that he does not intend to invest teamster money in corporate stocks until the union's convention next year gets a chance to vote on the question. He indicated that he might propose a program, with purchases limited to stocks with high-dividend records.

Net worth of the teamsters increased about $400,000 in the past year. Its operating expenses, outside of investment costs, went up $2.4 million.

Other unions are in the big money, too.

Near the top of the list is the railroad trainmen, with nearly $54 million in assets. This includes $2.8 million in the general fund of the union, plus more than $50.8 million in insurance reserves. The union, headed by William P. Kennedy, operates an insurance program for its 204,000 members.

Assets of $46.2 million are shown by the Brotherhood of Electrical Workers, which also has an insurance program. Assets of the Locomotive Firemen and Enginemen total $34 million, including insurance reserves.

Nearly $19 million in net worth is reported by the Steelworkers as of mid-1955. The Machinists Union reports assets of about $15 million.

Those are some of the unions now reporting to their stockholders, the dues payers. For most of them, 1955 was a profitable year.

INVITATION TO MEMBERS OF THE SENATE TO ATTEND WOODROW WILSON CENTENNIAL OBSERVANCE

Mr. ROBERTSON. Mr. President, it always is a pleasure for me to invite my Senate colleagues to visit the State of Virginia, especially the valley area where I have made my home. There is no time when the physicial attractions of such a trip are greater than in the spring season when the apple and other fruit trees are in bloom.

It also is a privilege, which I have often asserted, to recall to the attention of Members of this body some of the contributions to our American philosophy of government which were made by a distinguished native of the valley of Virginia—Woodrow Wilson.

I need hardly remind you that the 83d Congress established a national commission, on which I am proud to serve, to develop and execute plans for the celebration during 1956 of the 100th anniversary of Woodrow Wilson's birth in Staunton, Va. One of the highlights of that celebration is the Woodrow Wilson Festival Week, celebrated in Staunton from April 22 through April 29 and the climax of that festival will be on Saturday, April 28, which is the 37th anniversary of the adoption of Wilson's covenant of the League of Nations.

Wilson's conception of an organization which would settle international disputes by peaceful means still represents an ideal which seems our only alternative to the blotting out of modern civilization by weapons of mass destruction. Recognition of this fact and of Wilson's general contribution to political science and to international peace will be evidenced by attendance at the Staunton exercises on April 28 of ambassadors and representatives of foreign nations as well as important representatives of our own Government and of the teaching profession.

It is with particular pleasure, therefore, that I invite Members of the Senate to join the motor cavalcade which will leave Washington under Virginia State police escort at 9 a. m. on Saturday, April 28 and arrive at Staunton in time for a luncheon at the Ingleside Hotel, where Senators will be guests of the Federal and Virginia Woodrow Wilson Centennial Commissions. You will be expected to furnish your own cars and should assemble by 8:45 a. m. at the entrance to the Arlington Cemetery.

During the day in Staunton you will have an opportunity to see a parade of Virginia military units with proud histories, to hear concerts by outstanding musical organizations including the National Symphony Orchestra and combined college choruses and to attend ceremonies at Wilson's birthplace where one of the guests will be Mrs. Woodrow Wilson.

The principal address of the occasion will be delivered by a distinguished Virginian, Assistant Secretary of State Walter S. Robertson, who has been designated as the personal representative of President Eisenhower and who will speak on today's significance of the ideals and achievements of Woodrow Wilson.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the complete schedule of the April 28 observance. I hope that a large number of my colleagues will find it possible to make this trip with us.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

PROGRAM, WOODROW WILSON CENTENNIAL OBSERVANCE, STAUNTON, VA., APRIL 28, 1956

12 NOON

Luncheon for official guests, Ingleside Hotel.

2 P. M.

Military parade.

3 P. M.

Ceremonial on the east steps of the birthplace (if the weather is unsuitable, these exercises will be held in King Auditorium, Mary Baldwin College, nearby).

Band concert.

Invocation: The Reverend Richard R. Potter.

Opening remarks: Maj. Gen. E. Walton Opie (retired), Chairman, Woodrow Wilson Centennial Celebration Commission.

Greetings from the Diplomatic Corps.

Introductions.

Introduction of the speaker by the Honorable George M. Cochran, chairman, Virginia Woodrow Wilson Centennial Commission.

Address: Today's Significance of the Ideals and Achievements of Woodrow Wilson, the Honorable Walter S. Robertson, Assistant Secretary of State, representing the President of the United States.

Benediction.

8 P. M.

Music for Young American concert, King Auditorium, National Symphony Orchestra, Howard Mitchell conducting.

College choral festival, auspices Virginia Federation of Music Clubs.

10 P. M.

Woodrow Wilson centennial ball, Staunton Military Academy Gymnasium.

Mr. SMITH of New Jersey. Mr. President, I am happy to join my distinguished colleague from Virginia in urging our colleagues, if possible, to attend the celebration at Staunton, Va., as the culmination of a series of events in connection with the Woodrow Wilson Centennial observance.

As a member of the Commission, and also as a personal friend of Woodrow Wilson during his life, I am very happy to join in the work of the Commission. This celebration is the climax of a good many weeks and months of effort. I hope the Senate will be well represented on that occasion.

RECOMMENDATION BY FRANK C. SPANGLER, OF GRESHAM, OREG., CONCERNING INTERNATIONAL RELATIONS COMMITTEE

Mr. NEUBERGER. Mr. President, one of the unique aspects of American life is our tradition that any citizen, no matter what his employment, education or wealth, may freely express his views. In particular this is the case in regard to an American's participation in his Government. Suggestions from individual citizens play an important role in our Government. Recently I received a suggestion from a fellow Oregonian, and I believe it deserves to be brought to the attention of the Senate.

This suggestion is that the Foreign Relations Committee of this body should be renamed the International Relations Committee. The idea is that of Frank C. Spangler of Gresham, Oreg., and it was given in brief in the January 1956, issue of the Rotarian, published by Rotary International. I ask unanimous consent to have this article printed in the RECORD at this point.

I think it significant that Mr. Spangler is a Rotarian and that his suggestion appeared first in print in the Rotary magazine. This organization emphasizes a worldwide outlook even in its name, Rotary International. Mr. Spangler's action is another example of the many ways in which Rotary International constantly aids the spread of understanding and friendship throughout the free world. Rotarians know that there are no foreigners, only friends with whom they are not acquainted yet.

In correspondence with me, Mr. Spangler has elaborated on his suggestion. He notes that when the Foreign Relations Committee was formed years ago, the name may have been fitting.

At that time—

He wrote—

> the world was a vast little known Universe * * * transportation and communications were so slow that it took weeks and even months for the events of one part of the world to reach other parts of the world.

Mr. Spangler noted that recently this has changed; the farthest corners of the world are just around the corner, figuratively. Americans have found, he wrote, that "the foreigners they were meeting were not too different from themselves."

But the old committee title still remains in use. Mr. Spangler believes "as the name now stands, foreign relations to some means poor relatives, and in some languages suffers greatly in the process of translation until it is almost an insult to some people."

It seems to me that there is a parallel here with the recent switch in terms from "foreign aid" to "mutual security." I feel that this suggested change in name and title of the Foreign Relations Committee is a worthy one, and that Mr. Spangler should be commended for his interest in this subject.

I ask unanimous consent to have the brief article from Rotary magazine printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> *Suggestion:* Frank Spangler, a Rotarian of Gresham, Oreg., is a man who believes in going right to the top when he thinks something should be changed. He got to thinking about the title "Foreign Relations Committee" as used in the United States Congress, and, being a good Rotarian, it didn't "rub him right." As he says, "A stranger is merely a friend I haven't met, so why should I call him a foreigner?" So to Dwight D. Eisenhower, President of the United States, Rotarian Spangler suggested that the committee be renamed the "International Relations Committee." As he put it in his letter to President Eisenhower, "The term * * * always upsets me when I hear it, for in these modern times when transportation and communications have become so speedy, the world has shrunk until the farthest people are now practically next-door neighbors, and the only reason they are 'foreign' is because we have not taken the time or trouble to get acquainted with them and their problems.

VISIT TO THE SENATE BY HON. CHARLES PANNELL, MEMBER OF BRITISH PARLIAMENT

Mr. GREEN. Mr. President, I take this opportunity to present to my colleagues in the Senate a distinguished member of the British House of Commons, Hon. Charles Pannell, representing Leeds West. I will ask him to take a bow. [Applause, Members rising.]

The ACTING PRESIDENT pro tempore. The Chair is very happy indeed to welcome the distinguished visitor.

MODIFICATION OF UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the treaties on the executive calendar be considered prior to the call of the legislative calendar. My request yesterday was that the treaties be considered following the call of the Legislative Calendar.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services I report favorably the nominations of a small group of flag and general officers relating to temporary appointment in the Army in the grades of major general and brigadier general and retirement and special assignment of vice admirals in the Navy, and ask that these be placed on the Executive Calendar.

The ACTING PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Massachusetts.

The nominations were placed on the Executive Calendar, as follows:

> Brig. Gen. Robert George Butler, and sundry other officers for temporary appointment in the Army of the United States; and
>
> Vice Adm. Herbert G. Hopwood, Rear Adm. Roscoe H. Hillenkoetter, Rear Adm. John M. Will, and Vice Adm. Francis C. Denebrink, designated for commands and other duties by the President, to have the grade, rank, pay, and allowances of vice admiral while so serving.

Mr. SALTONSTALL. Mr. President, from the Committee on Armed Services I also report favorably a total of 2,252 routine nominations in the Army, Navy, Marine Corps, and Air Force, in grades from ensign to colonel; 456 of them are Naval Academy graduates, and 887 are NROTC graduates. All of these names have already appeared in the RECORD, so to save the expense of printing on the Executive Calendar I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will lie on the desk, as requested by the Senator from Massachusetts.

PROTOCOL RELATING TO CERTAIN AMENDMENTS TO THE CONVENTION ON INTERNATIONAL CIVIL AVIATION, CONVENTION CONCERNING CUSTOMS FACILITIES FOR TOURING, AND CUSTOMS CONVENTION ON THE TEMPORARY IMPORTATION OF PRIVATE ROAD VEHICLES

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed order, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The proposed order will be stated.

The proposed order was read by the Chief Clerk, as follows:

> *Ordered,* That a yea-and-nay vote be taken on the question of advising and consenting to the ratification of Executive F, 84th Congress, 2d session, and that, with respect to Executive A, 84th Congress, and Executive B, 84th Congress, the advice and consent of the Senate shall be deemed to be given or refused (as the case may be) to their ratification by the vote on Executive F.

The ACTING PRESIDENT pro tempore. Is there objection to the proposed order? The Chair hears none, and the order is entered.

The Senate, as in Committee of the Whole, proceeded to consider, en bloc, the following protocol and conventions:

> Executive F (84th Cong., 2d sess.): A protocol dated at Montreal, June 14, 1954, relating to certain amendments to the Convention on International Civil Aviation.
>
> Executive A (84th Cong., 2d sess.): A convention concerning customs facilities for touring, signed at New York on June 4, 1954.
>
> Executive B (84th Cong., 2d sess.): A customs convention on the temporary importation of private road vehicles, signed at New York on June 4, 1954.

The protocol and conventions were severally read the second time, as follows:

[Ex. F (84th Cong., 2d sess.)]

PROTOCOL RELATING TO CERTAIN AMENDMENTS TO THE CONVENTION ON INTERNATIONAL CIVIL AVIATION

The Assembly of the International Civil Aviation Organization,

Having met in its Eighth Session, at Montreal, on the first day of June 1954, and

Having considered it desirable to amend the Convention on International Civil Aviation done at Chicago on the seventh day of December 1944,

Approved, on the fourteenth day of June of the year one thousand nine hundred and fifty-four, in accordance with the provisions of Article 94 (a) of the Convention aforesaid, the following proposed amendments to the said Convention:

In Article 48 (a), substitute for the word "annually" the expression "not less than once in three years";

In Article 49 (e), substitute for the expression "an annual budget" the expression "annual budgets"; and

In Article 61, substitute for the expressions "an annual budget" and "vote the budget" the expressions "annual budgets" and "vote the budgets",

Specified, pursuant to the provisions of the said Article 94 (a) of the said Convention, forty-two as the number of contracting States upon whose ratification the proposed amendments aforesaid shall come into force, and

Resolved, That the Secretary General of the International Civil Aviation Organization draw up a Protocol, in the English, French and Spanish languages, each of which shall be of equal authenticity, embodying the proposed amendments above mentioned and the matters hereinafter appearing.

Consequently, pursuant to the aforesaid action of the Assembly,

This Protocol shall be signed by the President of the Assembly and its Secretary General;

This Protocol shall be open to ratification by any State which has ratified or adhered to the said Convention on International Civil Aviation;

The instruments of ratification shall be deposited with the International Civil Aviation Organization;

This Protocol shall come into force among the States which have ratified it on the date on which the forty-second instrument of ratification is so deposited;

The Secretary General shall immediately notify all contracting States of the deposit of each ratification of this Protocol;

The Secretary General shall immediately notify all States parties or signatories to the said Convention of the date on which this Protocol comes into force;

With respect to any contracting State ratifying this Protocol after the date aforesaid, the Protocol shall come into force upon deposit of its instrument of ratification with the International Civil Aviation Organization.

In faith whereof, the President and the Secretary General of the Eighth Session of the Assembly of the International Civil Aviation Organization, being authorized thereto by the Assembly, sign this Protocol.

Done at Montreal on the fourteenth day of June of the year one thousand nine hundred and fifty-four in a single document in the English, French and Spanish languages, each of which shall be of equal authenticity. This Protocol shall remain deposited in the archives of the International Civil Aviation Organization; and certified copies thereof shall be transmitted by the Secretary General of the Organization to all States parties or signatories to the Convention on International Civil Aviation done at Chicago on the seventh day of December, 1944.

WALTER BINAGHI,
President of the Assembly.
CARL LJUNGBERG,
Secretary General of the Assembly.

Certified to be a true and complete textual copy of the Act deposited in the Archives of the Organization

P. A. ROY,
(For Secretary General).

[Ex. A (84th Cong., 2d sess.)]

CONVENTION CONCERNING CUSTOMS FACILITIES FOR TOURING

The Contracting States,

Desiring to facilitate the development of international touring,

Having decided to conclude a Convention and have agreed as follows:

ARTICLE 1

For the purpose of this Convention:

(a) The term "import duties and import taxes" shall mean not only Customs duties but also all duties and taxes whatever chargeable by reason of importation;

(b) The term "tourist" shall mean any person without distinction as to race, sex, language or religian, who enters the territory of a Contracting State other than that in which that person normally resides and remains there for not less than twenty-four hours and not more than six months in the course of any twelve-month period, for legitimate non-immigrant purposes, such as touring, recreation, sports, health, family reasons, study, religious pilgrimages or business;

(c) The term "temporary importation permit" shall mean the Customs document testifying to the guarantee or deposit of import duties and import taxes chargeable in the event of failure to re-export the article temporarily imported.

ARTICLE 2

1. Subject to the other conditions laid down in this Convention, each of the Contracting States shall admit temporarily free of import duties and import taxes the personal effects imported by a tourist, provided they are for the personal use of the tourist, that they are carried on the person of or in the luggage accompanying the tourist, that there is no reason to fear abuse, and that these personal effects will be re-exported by the tourist on leaving the country.

2. The term "personal effects" shall mean all clothing and other articles new or used which a tourist may personally and reasonably require, taking into consideration all the circumstances of his visit, but excluding all merchandise imported for commercial purposes.

3. Personal effects shall include among other articles the following, provided that they can be considered as being in use:

personal jewelry;
one camera with twelve plates or five rolls of film;
one miniature cinematograph camera with two reels of film;
one pair of binoculars;
one portable musical instrument;
one portable gramophone with ten records;
one portable sound-recording apparatus;
one portable wireless receiving set;
one portable typewriter;
one perambulator;
one tent and other camping equipment;
sports equipment (one fishing outfit, one sporting firearm with fifty cartridges, one nonpowered bicycle, one canoe or kayac less than 5½ metres long, one pair of skis, two tennis racquets, and other similar articles).

ARTICLE 3

Subject to the other conditions laid down in this Convention each of the Contracting States shall admit free of import duties and import taxes the following articles imported by a tourist for his personal use, provided that these articles are carried on the person of or in the hand luggage accompanying the tourist, and provided that there is no reason to fear abuse:

(a) 200 cigarettes or 50 cigars or 250 grammes of tobacco, or an assortment of these products, provided that the total weight does not exceed 250 grammes;

(b) one regular-size bottle of wine and one-quarter litre of spirits;

(c) one-quarter litre of toilet water and a small quantity of perfume.

ARTICLE 4

Subject to the other conditions laid down in this Convention each of the Contracting States shall grant to the tourist, provided that there is not reason to fear abuse:

(a) authorization to import in transit and without a temporary importation permit, travel souvenirs for a total value not exceeding 50 U. S. A. dollars, provided that such souvenirs are carried on the person of or in the luggage accompanying the tourist and that they are not intended for commercial purposes;

(b) authorization to export, without the formalities applying to currency controls and free of export duties, travel souvenirs which the tourist has bought in the country for a total value not exceeding 100 U. S. A. dollars, provided that they are carried on the person of or in the luggage accompanying the tourist and that such souvenirs are not intended for commercial purposes.

ARTICLE 5

Each of the Contracting States may require a temporary importation permit in respect of articles of a high value covered by article 2.

ARTICLE 6

The Contracting States shall endeavour not to introduce Customs procedures which might have the effect of impeding the development of international touring.

ARTICLE 7

In order to expedite Customs procedures, contiguous Contracting States shall endeavour to place their respective Customs posts close together and to keep them open during the same hours.

ARTICLE 8

The provisions of this Convention shall not prejudice in any way the application of police or other regulations concerning the importation, possession and carrying of arms and ammunition.

ARTICLE 9

Each of the Contracting States recognizes that any prohibitions which that State imposes on the importation or exportation of articles which benefit under this Convention shall apply only in so far as they are based on considerations other than economic in character, for example, of public morality, public security, public health, hygiene, veterinary or phyto-pathological considerations.

ARTICLE 10

The exemptions and facilities provided by this Convention shall not apply to frontier traffic.

Nor shall the applications of these exemptions and facilities be considered as automatic:

(a) when the total quantity of a commodity to be imported by a tourist exceeds substantially the limit laid down in this Convention;

(b) in case of a tourist who enters the country of import more than once a month;

(c) in case of a tourist under 17 years of age.

ARTICLE 11

In the event of fraud, contravention or abuse the Contracting States shall be free to take proceedings for the recovery of the corresponding import duties and import taxes and also for the imposition of any penalties to which the persons who have been granted exemptions or other facilities may have rendered themselves liable.

ARTICLE 12

Any breach of the provisions of this Convention, any substitution, false declaration or act having the effect of causing a person or an article improperly to benefit from the system of importation laid down in this Convention, may render the offender liable in the country where the offense was committed to the penalties prescribed by the laws of that country.

ARTICLE 13

Nothing in this Convention shall prevent Contracting States which form a Customs or economic union from enacting special provisions applicable to residents of the States forming that union.

ARTICLE 14

1. The Convention shall be open for signature until 31 December 1954 on behalf of any State Member of the United Nations and any other State invited to attend the United Nations Conference on Customs Formalities for the Temporary Importation of Private Road Motor Vehicles and for Tourism held in New York in May and June 1954, hereinafter referred to as the Conference.

2. This Convention shall be subject to ratification and the instruments of ratification shall be deposited with the Secretary-General of the United Nations.

ARTICLE 15

1. From 1 January 1955 this Convention shall be open for accession by any State referred to in paragraph 1 of article 14 and any other State so invited by the Economic and Social Council of the United Nations. It shall also be open for accession on behalf of any Trust Territory of which the United Nations is the Administering Authority.

2. Accession shall be effected by the deposit of an instrument of accession with the Secretary-General of the United Nations.

ARTICLE 16

1. This Convention shall enter into force on the ninetieth day following the date of the deposit of the fifteenth instrument of ratification or accession either without reservation or with reservations accepted in accordance with article 20.

2. For each State ratifying or acceding to the Convention after the date of the deposit of the fifteenth instrument of ratification or accession in accordance with the preceding paragraph, the Convention shall enter into force on the ninetieth day following the date of the deposit by such State of its instrument of ratification or accession either without reservation or with reservations accepted in accordance with article 20.

ARTICLE 17

1. After this Convention has been in force for three years, any Contracting State may denounce it by so notifying the Secretary-General of the United Nations.

2. Denunciation shall take effect fifteen months after the date of receipt by the Secretary-General of the United Nations of the notification of denunciation.

ARTICLE 18

This Convention shall cease to have effect if, for any period of twelve consecutive months after its entry into force, the number of Contracting States is less than eight.

ARTICLE 19

1. Any State may, at the time of the deposit of its instrument of ratification or accession or at any time thereafter, declare by notification addressed to the Secretary-General of the United Nations that this Convention shall extend to all or any of the territories for the international relations of which it is responsible. The Convention shall extend to the territories named in the notification as from the ninetieth day after its receipt by the Secretary-General if the notification is not accompanied by a reservation, or from the ninetieth day after the notification has taken effect in accordance with article 20, or on the date on which the Convention enters into force for the State concerned, whichever is the later.

2. Any State which has made a declaration under the preceding paragraph extending this Convention to any territory for whose international relations it is responsible may denounce the Convention separately in respect of that territory in accordance with the provisions of article 17.

ARTICLE 20

1. Reservations to this Convention made before the signing of the Final Act shall be admissible if they have been accepted by a majority of the members of the Conference and recorded in the Final Act.

2. Reservations made after the signing of the Final Act shall not be admitted if objection is expressed by one-third of the Signatory States or of the Contracting States as hereinafter provided.

3. The text of any reservation submitted to the Secretary-General of the United Nations by a State at the time of the signature, the deposit of an instrument of ratification or accession or of any notification under article 19 shall be circulated by the Secretary-General to all States which have at that time signed, ratified or acceded to the Convention. If one-third of these States expresses an objection within ninety days from the date of circulation, the reservation shall not be accepted. The Secretary-General shall notify all States referred to in this paragraph of any objection received by him as well as of the acceptance or rejection of the reservation.

4. An objection by a State which has signed but not ratified the Convention shall cease to have effect if, within a period of nine months from the date of making its objection, the objecting State has not ratified the Convention. If, as the result of an objection ceasing to have effect, a reservation is accepted by application of the preceding paragraph, the Secretary-General shall so inform the States referred to in that paragraph. The text of any reservation shall not be circulated to any signatory State under the preceding paragraph if that State has not ratified the Convention within three years following the date of signature on its behalf.

5. The State submitting the reservation may, within a period of twelve months from the date of the notification by the Secretary-General referred to in paragraph 3 that a reservation has been rejected in accordance with the procedure provided for in that paragraph, withdraw the reservation, in which case the instrument of ratification or accession or the notification under article 19 as the case may be shall take effect with respect to such State as from the date of withdrawal. Pending such withdrawal, the instrument or the notification as the case may be, shall not have effect, unless, by application of the provisions of paragraph 4, the reservation is subsequently accepted.

6. Reservations accepted in accordance with this article may be withdrawn at any time by notification to the Secretary-General.

7. No Contracting State shall be required to extend to a State making a reservation the benefit of the provisions to which such reservation applies. Any State availing itself of this right shall notify the Secretary-General accordingly and the latter shall communicate this decision to all signatory and Contracting States.

ARTICLE 21

1. Any dispute between two or more Contracting States concerning the interpretation or application of this Convention shall so far as possible be settled by negotiation between them.

2. Any dispute which is not settled by negotiation shall be submitted to arbitration if any one of the Contracting States in dispute so requests and shall be referred accordingly to one or more arbitrators selected by agreement between the States in dispute. If within three months from the date of the request for arbitration the States in dispute are unable to agree on the selection of an arbitrator or arbitrators, any of those States may request the President of the International Court of Justice to nominate a single arbitrator to whom the dispute shall be referred for decision.

3. The decision of the arbitrator or arbitrators appointed under the preceding paragraph shall be binding on the Contracting States concerned.

ARTICLE 22

1. After this Convention has been in force for three years, any Contracting State may, by notification to the Secretary-General of the United Nations, request that a conference be convened for the purpose of reviewing the Convention. The Secretary-General shall notify all Contracting States of the request and a review conference shall be convened by the Secretary-General if, within a period of four months following the date of notification by the Secretary-General, not less than one-half of the Contracting States notify him of their concurrence with the request.

2. If a conference is convened in accordance with the preceding paragraph, the Secretary-General shall notify all Contracting States and invite them to submit within a period of three months such proposals as they may wish the conference to consider. The Secretary-General shall circulate to all Contracting States the provisional agenda for the conference together with the texts of such proposals at least three months before the date on which the conference is to meet.

3. The Secretary-General shall invite to any conference convened in accordance with this article all Contracting States and all other States Members of the United Nations or of any of the specialized agencies.

ARTICLE 23

1. Any Contracting State may propose one or more amendments to this Convention. The text of any proposed amendment shall be transmitted to the Secretary-General of the United Nations who shall circulate it to all Contracting States.

2. Any proposed amendment circulated in accordance with the preceding paragraph shall be deemed to be accepted if no Contracting State expresses an objection within a period of six months following the date of circulation of the proposed amendment by the Secretary-General.

3. The Secretary-General shall notify as soon as possible all Contracting States whether an objection to the proposed amendment has been expressed, and if no such objection has been expressed, the amendment shall enter into force for all Contracting States three months after the expiration of the period of six months referred to in the preceding paragraph.

ARTICLE 24

The Secretary-General of the United Nations shall notify all Member States of the United Nations and all other States invited to attend the Conference of the following:

(a) Signatures, ratifications and accessions, received in accordance with articles 14 and 15;

(b) The date upon which this Convention shall enter into force in accordance with article 16;

(c) Denunciations received in accordance with article 17;

(d) The abrogation of this Convention in accordance with article 18;

(e) Notifications received under article 19;

(f) Entry into force of any amendment in accordance with article 23.

ARTICLE 25

The original of this Convention shall be deposited with the Secretary-General of the United Nations who shall transmit certified copies thereof to all Members of the United Nations and all other States invited to the Conference.

In witness whereof the undersigned, being duly authorized thereto, have signed this Convention.

Done at New York, this fourth day of June one thousand nine hundred and fifty-four, in a single copy in the English, French and Spanish languages, each text being equally authentic.

The Secretary-General is requested to prepare an authoritative translation of this Convention in the Chinese and Russian languages and to add the Chinese and Russian texts to the English, French and Spanish texts when transmitting certified copies thereof to the States in accordance with article 25 of this Convention.

For Afghanistan:
For Albania:
For Argentina:
Ad Referendum.
LUIS J. ESTEVARENA.
For Australia:
For Austria:
DR. J. STANGELBERGER.
For the Kingdom of Belgium:
Sous réserve de ratification.
CH. HOPCHET.
For Bolivia:
For Brazil:
For Bulgaria:
For the Union of Burma:
For the Byelorussian Soviet Socialist Republic:
For Cambodia:
IEM KADUL.
For Canada:
For Ceylon:
H. SHIRLEY AMERASINGHE.
For Chile:
For China:
For Colombia:
For Costa Rica:
ad-referendum.
J. F. CARBALLO.
July 20th, 1954.
For Cuba:
JOSÉ MIGUEL RIBAS.
For Czechoslovakia:
For Denmark:
For the Dominican Republic:
Ad Referendum.
R. O. GALVÁN.
For Ecuador:
B. OQUENDO.
For Egypt:
Subject to the reservation recorded in the final act.
RACHAD MOURAD.
For El Salvador:
For Ethiopia:
For Finland:
For France:
PHILIPPE DE SEYNES.
For the Federal Republic of Germany:
RICHARD PAULIG.
WALTER WAGNER.
For Greece:
For Guatemala:
Con sujeción a las reservas consignadas en el Acta Final
E. CASTILLO ARRIOLA.
For Haiti:
Sous La réserve consignée dans l'Acte Final
ERNEST G. CHAUVET.
For Honduras:
TIBURCIO CARÍAS JR.
June 15, 1954.
For Hungary:
For Iceland:
For India:
For Indonesia:
For Iran:
For Iraq:
For Ireland:
For Israel:
For Italy:
UGO CALDERONI.
For Japan:
For the Hashemite Kingdom of the Jordan:
For the Republic of Korea:
For Laos:
For Lebanon:
For Liberia:
For Libya:
For the Grand Duchy of Luxembourg:
For Mexico:
JOSÉ A. BUFORT.
For Monaco:
MARCEL A. PALMARO.
For Nepal:
For the Kingdom of the Netherlands:
PAYMANS.
For New Zealand:
For Nicaragua:
For the Kingdom of Norway:
For Pakistan:
For Panama:
ad referendum
ERNESTO DE LA OSSA.
For Paraguay:
For Peru:
For the Philippine Republic:
MAURO MÉNDEZ.
For Poland:
For Portugal:
ad referendum
FREIRE DE ANDRADE.
For Romania:
For San Marino:
For Saudi Arabia:
For Spain:
ad referendum
R. DE LA PRESILLA.
For Sweden:
Sous la réserve consignée dans l'Acte final
G. DE SYDOW.
A. APPELTOFFT.
For Switzerland:
FR. LÜTHI.
For Syria:
For Thailand:
For Turkey:
For the Ukrainian Soviet Socialist Republic:
For the Union of South Africa:
For the Union of Soviet Socialist Republics:
For the United Kingdom of Great Britain and Northern Ireland:
CHARLES HENRY BLAKE.
For the United States of America:
JAMES J. WADSWORTH.
HENRY H. KELLY.
For Uruguay:
ad Referendum
E. RODRÍGUEZ FABREGAT.
For Vatican City:
Monseigneur THOMAS J. MCMAHON.
For Venezuela:
For Viet-Nam:
For Yemen:
For Yugoslavia.

[Ex. B (84th Cong., 2d sess.)]

CUSTOMS CONVENTION ON THE TEMPORARY IMPORTATION OF PRIVATE ROAD VEHICLES

The Contracting States,

Desiring to facilitate the development of international touring,

Having regard to the aims of the Convention on Road Traffic, adopted by the United Nations Conference on Road and Motor Transport held at Geneva from 23 August to 19 September 1949 and opened for signature at Geneva on 19 September 1949,

Have decided to conclude a Convention and have agreed upon the following provisions:

CHAPTER 1—DEFINITIONS

Article 1

For the purpose of this Convention:

(a) The term "import duties and import taxes" shall mean not only Customs duties but also all duties and taxes whatever chargeable by reason of importation;

(b) The term "vehicles" shall, unless the context otherwise requires, mean all road motor vehicles (including cycles with engines) and trailers (whether imported with the vehicle or separately), together with their component parts, and normal accessories and equipment, when imported with the vehicle;

(c) The term "private use" shall exclude the transport of persons for remuneration, reward or other consideration and the industrial or commercial transport of goods with or without remuneration;

(d) The term "temporary importation papers" shall include the Customs document showing the guarantee or deposit of import duties and import taxes;

(e) The term "persons" shall mean both natural and legal persons unless the context otherwise requires.

CHAPTER II—IMPORTATION WITHOUT PAYMENT OF IMPORT DUTIES AND IMPORT TAXES AND FREE OF IMPORT PROHIBITIONS AND RESTRICTIONS

Article 2

1. Each of the Contracting States shall grant temporary admission without payment of import duties and import taxes and free of import prohibitions and restrictions, subject to re-exportation and to the other conditions laid down in this Convention, to vehicles owned by persons normally resident outside its territory which are imported and utilized, for their private use on the occasion of a temporary visit, either by the owners of the vehicles or by other persons normally resident outside its territory.

2. Such vehicles shall be covered by temporary importation papers guaranteeing payment of import duties and import taxes, and if the case should arise, of any Customs penalties incurred, subject to the special provision of paragraph 4 of article 27.

Article 3

The fuel contained in the ordinary supply tanks of vehicles temporarily imported shall be admitted without payment of import duties and import taxes and free of import prohibitions and restrictions, it being understood that the ordinary tank is that designed by the maker for the type of vehicle concerned.

Article 4

1. Component parts imported for the repair of a particular vehicle already temporarily imported shall be admitted temporarily without payment of import duties and import taxes and free of import prohibitions and restrictions. Contracting States may require these parts to be covered by temporary importation papers.

2. Replaced parts which are not re-exported shall be liable to import duties and import taxes except where, in conformity with regulations of the country concerned, they may be abandoned free of all expense to the Exchequer or destroyed, under official supervision, at the expense of the parties concerned.

Article 5

Temporary importation papers and international circulation papers intended to be issued to persons residing in the country into which the papers are imported who wish to enter other countries and which are sent to the authorized touring associations by the corresponding foreign associations, by international organizations or by the Customs authorities of the Contracting States shall be admitted without payment of import duties and import taxes and free of import prohibitions and restrictions.

CHAPTER III—ISSUE OF TEMPORARY IMPORTATION PAPERS

Article 6

1. Subject to such guarantees and under such conditions as it may determine, each Contracting State may authorize associations, such as those affiliated to an international organization, to issue either directly or through corresponding associations the temporary importation papers covered by this Convention.

2. Temporary importation papers may be valid for a single country or Customs territory, or for several countries or Customs territories.

3. The period of validity of these papers shall not exceed a year from the date of issue.

Article 7

1. Temporary importation papers valid for the territories of all or several of the Contracting States shall be known as carnets de passages en douane and shall conform to the standard form contained in Annex 1 of this Convention.

2. If a carnet de passages en douane is not valid for one or several territories, the issuing association shall indicate the fact on the cover and on the importation vouchers of the carnet.

3. Temporary importation papers valid only for the territory of a single Contracting State may conform to the standard form contained in Annex 2 or in Annex 3 of this Convention. Contracting States may also use other documents, in accordance with their legislation or regulations.

4. The period of validity of temporary importation papers, other than those issued by authorized associations as provided for in article 6, shall be laid down by each Contracting State in accordance with its legislation or regulations.

5. Each Contracting State shall, upon request, supply the other Contracting States with models of temporary importation papers valid for its territory, other than those appearing in the annexes to this Convention.

CHAPTER IV—PARTICULARS ON TEMPORARY IMPORTATION PAPERS

Article 8

Temporary importation papers issued by authorized associations shall be made out in the name of the person who own the vehicles temporarily imported or who have the possession or control of them provided that, if the vehicle has been hired, the papers shall be made out in the name of the hirer.

Article 9

1. The weight to be declared on temporary importation papers is the net weight of the vehicles. It shall be expressed in the metric system. In the case of papers valid for one country only, the Customs authorities of that country may prescribe the use of another system.

2. The value to be declared on temporary importation papers valid for one country only shall be expressed in the currency of that country. The value to be declared on a carnet de passages en douane shall be expressed in the currency of the country where the carnet is issued.

3. The articles and tool-kit which form the normal equipment of vehicles need not be specially declared on the temporary importation papers.

4. When the Customs authorities so require, parts (such as wheels, tyres, and innertubes) and accessories not considered as constituting the normal equipment of the vehicle (such as radio sets, trailers not declared on a separate document, or luggage carriers) shall be declared on the temporary importation papers with the necessary particulars (such as weight and value) and shall be produced on exit from the country visited.

Article 10

Any particulars inserted on temporary importation papers by the issuing association may be altered only with the approval of the issuing or guaranteeing association. No alteration to the papers may be made after they have been passed by the Customs authorities of the country of importation except with the consent of those authorities.

Article 11

1. Vehicles admitted under the cover of temporary importation papers may be used, for their private use, by third persons duly authorized by the holders of the papers, provided that those third persons normally reside outside the country of importation and also fulfil the other conditions laid down in this Convention. The Customs authorities of the Contracting States have the right to require evidence that such persons have been duly authorized by the holders of the papers and fulfil the aforesaid conditions. If this evidence does not appear sufficient, the Customs authorities may refuse use of the vehicle in their country under cover of the papers. In the case of vehicles which have been hired, each Contracting State may, in the case of fear of abuse, require that the holder of the temporary importation paper be present at the time of importation of the vehicle.

2. Notwithstanding the provisions of the preceding paragraph, the Customs authorities of the Contracting States may permit, in special circumstances and under conditions of which they shall be sole judges, a vehicle circulating under cover of temporary importation papers to be driven by a person who is normally resident in the country of importation, in particular when the driver drives the vehicle on behalf of or under instructions from the holder of the temporary importation papers.

CHAPTER V—CONDITIONS OF TEMPORARY IMPORTATION

Article 12

1. The vehicles mentioned in the temporary importation papers shall be re-exported in the same general state, except for wear and tear, within the period of validity of such papers. In the case of vehicles which have been hired, the Customs authorities of the Contracting States shall have the right to require the re-exportation of the vehicle as soon as the hirer has left the country of temporary importation.

2. Evidence of re-exportation shall be provided by the exit visa properly appended to the temporary importation papers by the Customs authorities of the country into which the vehicles were temporarily imported.

Article 13

1. Notwithstanding the requirement of re-exportation laid down in article 12, the re-exportation of badly damaged vehicles shall not be required, in the case of duly authenticated accidents, provided that the vehicles:

(a) are subjected to the import duties and import taxes to which they are liable; or

(b) are abandoned free of all expenses to the Exchequer of the country into which they were imported temporarily; or

(c) are destroyed, under official supervision, at the expense of the parties concerned

as the Customs authorities may require.

2. When a vehicle temporarily admitted cannot be re-exported as a result of a seizure, other than a seizure made at the suit of private persons, the requirement of re-exportation within the period of validity of the temporary importation papers shall be suspended for the duration of the seizure.

3. The Customs authorities shall notify, so far as possible, to the guaranteeing association, seizures made by or on behalf of these Customs authorities of vehicles admitted under cover of temporary importation papers guaranteed by that association and shall advise it of the measures they intend to take.

Article 14

Vehicles imported into the territory of one of the Contracting States under cover of temporary importation papers may not be used even incidentally for transport against payment, reward or other consideration between points within the frontiers of that territory.

Article 15

Persons entitled to temporary importation facilities may, during the period of validity of temporary importation papers, import the vehicles covered by those papers as often as necessary, on condition that they have each passage (entry and exit) established by a visa of the Customs officers concerned if the Customs authorities so require. Temporary importation papers may be made valid for a single journey only.

Article 16

When temporary importation papers without detachable vouchers for each passage are used, the visas given by the Customs officers between the first entry and the final exit are provisional. Nevertheless, when the last visa is a provisional exit visa, it will be admitted as proof of the re-exportation of the vehicle or component parts temporarily imported.

Article 17

When temporary importation papers with a detachable voucher for each passage are used, each entry implies the passing of the document by the Customs, and each subsequent exit constitutes its final discharge, except as provided in article 18.

Article 18

When the Customs authorities of a country have finally and unconditionally discharged temporary importation papers they can no longer claim from the guaranteeing association payment of import duties and import taxes, unless the certificate of discharge was obtained improperly or fraudulently.

Article 19

Visas on temporary importation papers used under the conditions laid down in this Convention shall not be subject to the payment of charges for Customs attendance during the authorized hours for Customs offices and posts.

CHAPTER VI—EXTENSION OF VALIDITY AND RENEWAL OF TEMPORARY IMPORTATION PAPERS

Article 20

The lack of proof of re-exportation within the time allowed of vehicles temporarily imported shall be disregarded when the vehicles are presented to the Customs authorities for re-exportation within fourteen days from the expiry of the papers and satisfactory explanations of the delay are given.

Article 21

Each of the Contracting States shall recognize as valid extensions of validity of carnets de passages en douane granted by another Contracting State in accordance with the procedure laid down in Annex 4 of this Convention.

Article 22

1. Requests for extension of validity of temporary importation papers shall be presented to the competent Customs authorities before the expiry of the period of validity of these papers, unless this is rendered impossible by force majeure. If the temporary importation paper has been issued by an authorized association, the request for extension shall be made by the association which guarantees the papers.

2. Extensions of time necessary for the re-exportation of vehicles or component parts imported temporarily shall be granted when the persons concerned can establish to the satisfaction of the Customs authorities that they are prevented by force majeure from re-exporting the said vehicles or component parts within the time allowed.

Article 23

Each of the Contracting States shall, unless the conditions of temporary admission are no longer satisfied, authorize, subject to whatever measures of control they may consider necessary, the renewal of temporary importation papers issued by the authorized associations and relating to vehicles or component parts temporarily imported into its territory. Requests for renewal shall be presented by the guaranteeing association.

CHAPTER VII—REGULARIZATION OF TEMPORARY IMPORTATION PAPERS

Article 24

1. If temporary importation papers have not been regularly discharged, the Customs authorities of the country of importation shall (whether the papers have expired or not) accept as evidence of re-exportation of the vehicle or component parts the presentation of a certificate based on the standard form shown in Annex 5 of this Convention issued by an official authority (consul, Customs, police, mayor, judicial officer, etc.), attesting the facts that the vehicle or component parts in question have been presented to it and are outside the country of importation. They may also accept any other documentary evidence that the vehicle or component parts are outside the country of importation. In the case of papers, other than the carnets de passages en douane, which have not expired, the papers shall be produced at the same time as the evidence referred to above. In the case of carnets account shall be taken, as evidence of re-exportation of the vehicles or component parts, of the visas entered thereon by the Customs authorities of countries subsequently visited.

2. In the case of the destruction, loss or theft of a temporary importation paper not regularly discharged but relating to a vehicle or component parts which have been re-exported, the Customs authorities of the country of importation shall accept as proof of re-exportation the presentation of a certificate based on the standard form shown in Annex 5 of this Convention issued by an official authority (consul, Customs, police, mayor, judicial official, etc.), attesting the facts that the vehicle or component parts in question have been presented to it and are outside the country of importation after the date of expiry of the paper. They may also accept any other documentary evidence that the vehicle or component parts are outside the country of importation.

3. In the case of the destruction, loss or theft of a carnet de passages en douane while the vehicle or component parts to which it refers are in the territory of one of the Contracting States, the Customs authorities of that State shall, at the request of the association concerned, accept a replacement document, the validity of which expires on the date of expiration of validity of the carnet which it replaces. This acceptance will annul the previous acceptance of the carnet destroyed, lost or stolen. If, instead of a replacement document, an export license or similar document is issued for the re-exportation of the vehicle or component parts, the exit visa on this license or document shall be considered as sufficient proof of re-exportation.

4. If the vehicle is stolen after having been re-exported from the country of temporary importation, without the exit having been regularly endorsed on the temporary importation papers and in the absence of entry visas on the papers entered thereon by the Customs authorities of countries subsequently visited, the papers may nevertheless be regularized provided that the guaranteeing association furnishes the papers together with such evidence of theft as may be considered sufficient. If the temporary importation papers have not expired, the Customs authorities may require their surrender.

Article 25

In the cases referred to in article 24, the Customs authorities shall have the right to charge a regularization fee.

Article 26

Customs authorities shall not have the right to require from the guaranteeing association payment of import duties and import taxes on vehicles or component parts temporarily imported when the nondischarge of the temporary importation papers has not been notified to the guaranteeing association within a year of the date of expiry of the validity of those papers.

Article 27

1. The guaranteeing associations shall have a period of one year from the date of notification of the non-discharge of temporary importation papers in which to furnish proof of the re-exportation of the vehicles or component parts in question under the conditions laid down in this Convention.

2. If such proof is not furnished within the time allowed, the guaranteeing association shall forthwith deposit or pay provisionally the import duties and import taxes payable. This deposit or payment shall become final after a period of one year from the date of the deposit or provisional payment. During the latter period, the guaranteeing association may still avail itself of the facilities provided by the preceding paragraph with a view to repayment of the sums deposited or paid.

3. For countries whose regulations do not provide for the deposit or provisional payment of import duties, payments made in conformity with the provisions of the preceding paragraph will be regarded as final, it being understood that the sums paid may be refunded when the conditions laid down in this article are fulfilled.

4. In the case of the non-discharge of temporary importation papers, the guaranteeing association shall not be required to pay a sum greater than the total of the import duties and import taxes applicable to the vehicles or component parts not re-exported, together with interest if applicable.

Article 28

In the event of fraud, contravention or abuse, the Contracting States shall, notwithstanding the provisions of this Convention, be free to take proceedings, against persons using temporary importation papers, for the recovery of the import duties and import taxes and also for the imposition of any penalties to which such persons have rendered themselves liable. In such cases, the guaranteeing associations shall lend their assistance to the Customs authorities.

CHAPTER VIII—MISCELLANEOUS PROVISIONS

Article 29

The Contracting States shall endeavor not to introduce Customs procedures which might have the effect of impeding the development of international touring.

Article 30

In order to expedite customs procedures contiguous Contracting States shall endeavor to place their respective Customs posts close together and to keep them open during the same hours.

Article 31

Any breach of the provisions of this Convention, any substitution, false declaration or act having the effect of causing a person or an article improperly to benefit from the system of importation laid down in this Convention, may render the offender liable in the country where the offence was committed to the penalties prescribed by the laws of that country.

Article 32

Nothing in this Convention shall prevent Contracting States which form a customs or economic union from enacting special provisions applicable to residents of the States forming that union.

CHAPTER IX—FINAL PROVISIONS

Article 33

1. This Convention shall be open for signature until 31 December 1954 on behalf of any State Member of the United Nations and any other State invited to attend the United Nations Conference on Customs Formalities for the Temporary Importation of Private Road Motor Vehicles and for Tourism held in New York in May and June 1954, hereinafter referred to as the Conference.

2. This Convention shall be subject to ratification and the instruments of ratification shall be deposited with the Secretary-General of the United Nations.

Article 34

1. From 1 January 1955 this Convention shall be open for accession by any State referred to in paragraph 1 of article 33 and any other State so invited by the Economic and Social Council of the United Nations. It shall also be open for accession on behalf of any Trust Territory of which the United Nations is the Administering Authority.

2. Accession shall be effected by the deposit of an instrument of accession with the Secretary-General of the United Nations.

Article 35

1. This Convention shall enter into force on the ninetieth day following the date of the deposit of the fifteenth instrument of ratification or accession either without reservation or with reservations accepted in accordance with article 39.

2. For each State ratifying or acceding to the Convention after the date of the deposit of the fifteenth instrument of ratification or accession in accordance with the preceding paragraph, the Convention shall enter into force on the ninetieth day following the date of the deposit by such State of its instrument of ratification or accession either without reservation or with reservations accepted in accordance with article 39.

Article 36

1. After this Convention has been in force for three years, any Contracting State may denounce it by so notifying the Secretary-General of the United Nations.

2. Denunciation shall take effect fifteen months after the date of receipt by the Secretary-General of the United Nations of the notification of denunciation.

Article 37

This Convention shall cease to have effect if, for any period of twelve consecutive months after its entry into force, the number of Contracting States is less than eight.

Article 38

1. Any State may, at the time of the deposit of its instrument of ratification or accession or at any time thereafter, declare by notification addressed to the Secretary-General of the United Nations that this Convention shall extend to all or any of the territories for the international relations of which it is responsible. The Convention shall extend to the territories named in the notification as from the ninetieth day after its receipt by the Secretary-General if the notification is not accompanied by a reservation, or from the ninetieth day after the notification has taken effect in accordance with article 39, or on the date on which the Convention enters into force for the State concerned, whichever is the later.

2. Any State which has made a declaration under the preceding paragraph extending this Convention to any territory for whose international relations it is responsible may denounce the Convention separately in respect of that territory in accordance with the provisions of article 36.

Article 39

1. Reservations to this Convention made before the signing of the Final Act shall be admissible if they have been accepted by a majority of the members of the Conference and recorded in the Final Act.

2. Reservations made after the signing of the Final Act shall not be admitted if objection is expressed by one-third of the Signatory States or of the Contracting States as hereinafter provided.

3. The text of any reservation submitted to the Secretary-General of the United Nations by a State at the time of the signature, the deposit of an instrument of ratification or accession or of any notification under article 38 shall be circulated by the Secretary-General to all States which have at that time signed, ratified or acceded to the Convention. If one-third of these States expresses an objection within ninety days from the date of circulation, the reservation shall not be accepted. The Secretary-General shall notify all States referred to in this paragraph of any objection received by him as well as of the acceptance or rejection of the reservation.

4. An objection by a State which has signed but not ratified the Convention shall cease to have effect if, within a period of nine months from the date of making its objection, the objecting State has not ratified the Convention. If, as the result of an objection ceasing to have effect, a reservation is accepted by application of the preceding paragraph, the Secretary-General shall so inform the States referred to in that paragraph. The text of any reservation shall not be circulated to any signatory State under the preceding paragraph if that State has not ratified the Convention within three years following the date of signature on its behalf.

5. The State submitting the reservation may, within a period of twelve months from the date of the notification by the Secretary-General referred to in paragraph 3 that a reservation has been rejected in accordance with the procedure provided for in that paragraph, withdraw the reservation, in which case the instrument of ratification or accession or the notification under article 38 as the case may be shall take effect with respect to such State as from the date of the withdrawal. Pending such withdrawal, the instrument or the notification as the case may be, shall not have effect, unless, by application of the provisions of paragraph 4, the reservation is subsequently accepted.

6. Reservations accepted in accordance with this article may be withdrawn at any time by notification to the Secretary-General.

7. No Contracting State shall be required to extend to a State making a reservation the benefit of the provisions to which such reservation applies. Any State availing itself of this right shall notify the Secretary-General accordingly and the latter shall communicate this decision to all signatory and Contracting States.

Article 40

1. Any dispute between two or more Contracting States concerning the interpretation or application of this Convention shall so far as possible be settled by negotiation between them.

2. Any dispute which is not settled by negotiation shall be submitted to arbitration if any one of the Contracting States in dispute so requests and shall be referred accordingly to one or more arbitrators selected by agreement between the States in dispute. If within three months from the date of the request for arbitration the States in dispute are unable to agree on the selection of an arbitrator or arbitrators, any of those States may request the President of the International Court of Justice to nominate a single arbitrator to whom the dispute shall be referred for decision.

3. The decision of the arbitrator or arbitrators appointed under the preceding paragraph shall be binding on the Contracting States concerned.

Article 41

1. After this Convention has been in force for three years, any Contracting State may, by notification to the Secretary-General of the United Nations, request that a conference be convened for the purpose of reviewing the Convention. The Secretary-General shall notify all Contracting States of the request and a review conference shall be convened by the Secretary-General if, within a period of four months following the date of notification by the Secretary-General, not less than one-half of the Contracting States notify him of their concurrence with the request.

2. If a conference is convened in accordance with the preceding paragraph, the Secretary-General shall notify all Contracting States and invite them to submit within a period of three months such proposals as they may wish the conference to consider. The Secretary-General shall circulate to all Contracting States the provisional agenda for the conference together with the texts of such proposals at least three months before the date on which the conference is to meet.

3. The Secretary-General shall invite to any conference convened in accordance with this article all Contracting States and all other States Members of the United Nations or of any of the specialized agencies.

Article 42

1. Any Contracting State may propose one or more amendments to this convention. The text of any proposed amendment shall be transmitted to the Secretary-General of the United Nations who shall circulate it to all Contracting States.

2. Any proposed amendment circulated in accordance with the preceding paragraph shall be deemed to be accepted if no Contracting State expresses an objection within a period of six months following the date of circulation of the proposed amendment by the Secretary-General.

3. The Secretary-General shall notify as soon as possible all Contracting States whether an objection to the proposed amendment has been expressed, and if no such objection has been expressed, the amendment shall enter into force for all Contracting States three months after the expiration of the period of six months referred to in the preceding paragraph.

Article 43

The Secretary-General of the United Nations shall notify all Member States of the United Nations and all other States invited to attend the conference of the following:

(a) Signatures, ratifications and accessions, received in accordance with articles 33 and 34;

(b) The date upon which this convention shall enter into force in accordance with article 35;

(c) Denunciations received in accordance with article 36;

(d) The abrogation of this convention in accordance with article 37;

(e) Notifications received under article 38;

(f) Entry into force of any amendment in accordance with article 42.

Article 44

The original of this Convention shall be deposited with the Secretary-General of the United Nations who shall transmit certified copies thereof to all Members of the United Nations and all other States invited to the Conference.

In witness whereof the undersigned, being duly authorized thereto, have signed this Convention.

Done at New York this fourth day of June, one thousand nine hundred and fifty-four, in a single copy in the English, French and Spanish languages, each text being equally authentic.

The Secretary-General is requested to prepare an authoritative translation of this Convention in the Chinese and Russian languages and to add the Chinese and Russian texts to the English, French and Spanish texts when transmitting certified copies thereof to the States in accordance with article 44 of this Convention.

For Afghanistan:
For Albania:
For Argentina:
Ad Referendum
LUIS J. ESTEVARENA.
For Australia:
For Austria:
DR. J. STANGELBERGER.
For the Kingdom of Belgium:
Sous réserve de ratification
CH. HOPCHET.
For Bolivia:
For Brazil:
For Bulgaria:
For the Union of Burma:
For the Byelorussian Soviet Socialist Republic:
For Cambodia:
IEM KADUL.
For Canada:
For Ceylon:
Subject to the reservation recorded in the Final Act
H. SHIRLEY AMERASINGHE.
For Chile:
For China:
For Colombia:
For Costa Rica:
ad-referendum
J. F. CARBALLO.
July 20th, 1954.
For Cuba:
JOSÉ MIGUEL RIBAS.
For Czechoslovakia:
For Denmark:
For the Dominican Republic:
Ad Referendum
R. O. GALVÁN.
For Ecuador:
B. OQUENDO.
For Egypt:
RACHAD MOURAD.
For El Salvador:
For Ethiopia:
For Finland:
For France:
PHILIPPE DE SEYNES.
For the Federal Republic of Germany:
RICHARD PAULIG.
WALTER WAGNER.
For Greece:
For Guatemala:
Con sujeción a las reservas consignadas en el Acta Final.
E. CASTILLO ARRIOLA.
For Haiti:
ERNEST G. CHAUVET.
For Honduras:
TIBURCIO CARÍAS JR.
June 15, 1954.
For Hungary:
For Iceland:
For India:
Subject to the reservations recorded in the Final Act.
A. S. LALL.
For Indonesia:
For Iran:
For Iraq:
For Ireland:
For Israel:
For Italy:
UGO CALDERONI.
For Japan:
For the Hashemite Kingdom of the Jordan:
For the Republic of Korea:
For Laos:
For Lebanon:
For Liberia:
For Libya:
For the Grand Duchy of Luxembourg:
For Mexico:
Con subjeción a la reserva consignada en el Acta Final.
JOSÉ A. BUFORT.
For Monaco:
MARCEL A. PALMARO.

For Nepal:
For the Kingdom of the Netherlands:
PAYMANS.
For New Zealand:
For Nicaragua:
For the Kingdom of Norway:
For Pakistan:
For Panama:
Ad referendum
ERNESTO DE LA OSSA.
For Paraguay:
For Peru:
For the Philippine Republic:
MAURO MÉNDEZ.
For Poland:
For Portugal:
ad referendum
FREIRE DE ANDRADE.
For Romania:
For San Marino:
For Saudi Arabia:
For Spain:
ad referendum
R. DE LA PRESILLA.
For Sweden:
G. DE SYDOW.
A. APPELTOFFT.
For Switzerland:
FR. LÜTHI.
For Syria:
For Thailand:
For Turkey:
For the Ukrainian Soviet Socialist Republic:
For the Union of South Africa:
For the Union of Soviet Socialist Republics:
For the United Kingdom of Great Britain and Northern Ireland:
J. K. HULME.
For the United States of America:
JAMES J. WADSWORTH.
HENRY H. KELLY.
For Uruguay:
Ad Referendum
E. RODRÍGUEZ FABREGAT.
For Vatican City:
Monseigneur THOMAS J. MCMAHON.
For Venezuela:
For Viet-Nam:
For Yemen:
For Yugoslavia:
Certified true copy
For the Secretary-General:
C. A. STAVROPOULOS,
Principal Director in Charge
of the Legal Department.

Mr. GREEN. Mr. President, the protocol, Executive F, 84th Congress, 2d session, now before the Senate for advice and consent to ratification, has as its only purpose to change the requirement for an annual meeting of the assembly of the International Civil Aviation Organization—ICAO—to a triennial meeting, that is, a meeting once every 3 years.

The Organization has found over the years of its operations that full meetings of the assembly every year are not necessary for its effective functioning. It believes that a meeting once every 3 years would suffice to deal with questions of major policy and organization.

This Civil International Aviation Organization handles technical problems related to international air traffic. Other organizations of this nature, like the Postal Union, the Telecommunications Union, the Meteorological Organization, meet about once every 4 or 5 years, which has proven to be entirely adequate. If an unforeseen problem of major importance should arise during the intervening years between sessions, the assembly could still be called together in an extraordinary meeting to deal with the situation.

The protocol itself amends the three provisions in the convention which require or make reference to annual meetings or the voting of annual budgets.

I believe the Senate will go along with me when I say that perhaps we have fallen into the habit of having too many international meetings in some fields and that it is refreshing to find an international body deciding that it could get along with fewer meetings. This should, moreover, result in a budgetary saving, both for the Organization, and for each member, who, after all, has to bear the costs for sending delegations to these meetings.

I hope that the Senate will give its advice and consent to ratification of this protocol.

I do not know whether it is preferable that I proceed with my statement on the two conventions at this time.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. KNOWLAND. In view of the fact that under the order previously entered a vote on the protocol will be considered a vote on the two conventions, I believe it would be more helpful if the Senator from Rhode Island were to explain all three matters before a vote is had.

Mr. GREEN. Then I shall proceed to explain the two conventions, which will be considered together, and to say a word of explanation and justification for them.

The purpose of the two conventions is to simplify and standardize customs procedures in connection with the international transportation of the personal belongings and automobiles of tourists. The essence of the touring convention is an agreement to allow tourists to bring into and take out of the country duty-free a limited amount of personal effects and souvenirs. The main point of the convention on private road vehicles is the agreement to admit the automobiles of tourists duty-free for visits of not more than 6 months' duration.

These conventions will be of great help to travelers. They will reduce substantially the complex and time-consuming formalities for crossing international borders. The conventions will cost the United States nothing. The 1956 travel season is about to begin and it would be a great help to Americans who plan to go abroad if the United States were to ratify the conventions and if they were to become effective soon. Also our ratification may hasten approval of the other nations that are parties to them.

The two conventions require no change in United States law and they will have no effect on State laws.

Citizens of the United States will be the chief beneficiaries of the conventions because more of our people travel abroad than do citizens of any other country and because United States Customs procedures are already more liberal than those which the conventions require. In addition, the spur to travel which these conventions will make will have an important and beneficial effect on the trade and cultural interchange of the free world.

The two conventions are endorsed by the Department of State and Department of Commerce and by the American Automobile Association. No objections to the conventions have been received.

I hope that the Senate will give its advice and consent to the ratification of these two conventions.

Mr. JOHNSON of Texas. Mr. President, on the question of agreeing to the resolutions of ratification I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. If there be no objection, the protocol and conventions will be considered as having passed through their various parliamentary stages, up to the point of consideration of the resolutions of ratification. The clerk will now read the resolutions of ratification.

The Chief Clerk read the resolutions of ratification, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, 84th Congress, 2d session, a protocol dated at Montreal June 14, 1954, relating to certain amendments to the convention on international civil aviation.

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive A, 84th Congress, 2d session, a convention concerning customs facilities for touring, signed at New York on June 4, 1954.

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, 84th Congress, 2d session, a customs convention on the temporary importation of private road vehicles, signed at New York on June 4, 1954.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate has under consideration Executive F, 84th Congress, 2d session, on the Executive Calendar. The yeas and nays have been ordered on Executive F, and, by order of the Senate previously agreed to, ratification of Executive F will automatically be deemed to include ratification of Executive A, 84th Congress, 2d session, and Executive B, 84th Congress, 2d session. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD] is necessarily absent.

The Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MANSFIELD], the Senator from Oklahoma [Mr. MONRONEY], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Alabama [Mr. HILL] is absent because of a death in his family.

I further announce that if present and voting the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MANSFIELD], the Senator from Oklahoma [Mr. MONRONEY], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BUTLER] and the Senator from Iowa [Mr. HICKENLOOPER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

If present and voting, the Senator from Maryland [Mr. BUTLER], the Senator from New York [Mr. IVES], and the Senators from Wisconsin [Mr. McCARTHY and Mr. WILEY] would each vote "yea."

The yeas and nays resulted—yeas 81, nays 0, as follows:

YEAS—81

Aiken
Allott
Anderson
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Chavez
Clements
Cotton
Curtis
Dirksen
Douglas
Duff
Dworshak
Ellender
Ervin
Flanders
Frear
Fulbright
Goldwater
Gore
Green
Hayden
Hennings
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Malone
Martin, Iowa
Martin, Pa.
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Welker
Williams
Wofford
Young

NOT VOTING—15

Butler
Byrd
Daniel
Eastland
George
Hickenlooper
Hill
Ives
Kefauver
Mansfield
McCarthy
Monroney
Scott
Smathers
Wiley

The ACTING PRESIDENT pro tempore. Two-thirds of the Senators present concurring therein, the resolution of ratification to Executive F, 84th Congress, 2d session, is agreed to.

In accordance with the order previously entered, the advice and consent of the Senate is hereby deemed to have been given to the ratification of Executive A and Executive B, 84th Congress, 2d session, and the resolutions of ratification thereto are agreed to by the same vote.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the ratification of the protocol and the two customs conventions upon which a vote has just been taken.

The ACTING PRESIDENT pro tempore. Without objection, the President will be so notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CALL OF THE CALENDAR

The ACTING PRESIDENT pro tempore. Under the previous unanimous-consent agreement, following the consideration of the treaties on the Executive Calendar, the Senate will now proceed to the call of the calendar. The clerk will state the first measure on the calendar.

BILLS PASSED OVER

The bill (H. R. 5566) to terminate the existence of the Indian Claims Commission, and for other purposes, was announced as first in order.

Mr. JOHNSON of Texas. Mr. President, I call the attention of the minority leader to the fact that Calendar No. 1748, House bill 5566, is being called, and I do not believe the Senator's calendar committee is present. I have a notation that that bill should be held on the calendar.

Mr. KNOWLAND. That bill should be held on the calendar.

Mr. JOHNSON of Texas. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3025) to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended, was announced as next in order.

Mr. ERVIN. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAYMON H. A. MASSEY

The bill (H. R. 3152) for the relief of Waymon H. A. Massey was considered, ordered to a third reading, read the third time, and passed.

CENTENNIAL OF THE BIRTH OF WOODROW WILSON

The joint resolution (H. J. Res. 444) to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson was considered, ordered to a third reading, read the third time, and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The joint resolution (S. J. Res. 163) granting the status of permanent residence to certain aliens was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That, in the case of each alien hereinafter named, in whose case deportation has been suspended for 6 months pursuant to section 19 (c) of the Immigration Act of 1917, as amended (54 Stat. 671; 56 Stat. 1044; 62 Stat. 1206), the Attorney General is authorized and directed to cancel deportation proceedings and to record the lawful admission for permanent residence of each alien in accordance with the provisions of section 244 (d) of the Immigration and Nationality Act (66 Stat. 216-217), upon the payment to the Commissioner of Immigration and Naturalization of a fee of $18, which fee shall be deposited in the Treasury of the United States to the account of miscellaneous receipts:

A-2568385, Frett, Lilly M.
A-9605857, Frett, Rudyard D.
A-8014941, Todman, Edith Eileen.
A-3148643, Todman, William Isaac.
A-5978822, Turnbull, Joyce E.
A-8057169, Turnbull, Norwell Leon.

ISABEL TRE

The bill (S. 146) for the relief of Isabel Tre was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Isabel Tre shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

ELLI YORGIYADIS

The bill (S. 1364) for the relief of Elli Yorgiyadis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elli Yorgiyadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIO FARABULLINI AND ALLA FARABULLINI, HIS WIFE

The bill (S. 1885) for the relief of Mario Farabullini and Alla Farabullini, his wife, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mario Farabullini and Alla Farabullini, his wife, shall be held and considered to have been lawfully admitted to the United States

for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

GIUSEPPE CULCASI

The bill (S. 2095) for the relief of Giuseppe Culcasi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giuseppe Culcasi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

MARIA NOVAK

The bill (S. 2244) for the relief of Maria Novak was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (b) (2) and 205 of the Immigration and Nationality Act, the alien Maria Novak shall be held and considered to be the alien parent of Janvid John Staut, a citizen of the United States.

CECILE ANGELE CHAFFOO

The bill (S. 2563) for the relief of Cecile Angele Chaffoo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Cecile Angele Chaffoo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

THEODORE F. HARTUNG AND MRS. ELIZABETH HARTUNG

The bill (H. R. 1099) for the relief of Theodore F. Hartung and Mrs. Elizabeth Hartung was considered, ordered to a third reading, read the third time, and passed.

SALIH HOUGI AND OTHERS

The bill (H. R. 1179) for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon was considered, ordered to a third reading, read the third time, and passed.

MRS. KHATOUN MALKEY SAMUEL

The bill (H. R. 2796) for the relief of Mrs. Khatoun Malkey Samuel was considered, ordered to a third reading, read the third time, and passed.

GUGLIELMO JOSEPH PERRELLA

The bill (H. R. 2948) for the relief of Guglielmo Joseph Perrella was considered, ordered to a third reading, read the third time, and passed.

GEORGE E. BERGOS (FORMERLY ATHANASIOS KRITSELIS)

The bill (H. R. 3276) for the relief of George E. Bergos (formerly Athanasios Kritselis) was considered, ordered to a third reading, read the third time, and passed.

LOIS O. JENNINGS

The bill (H. R. 4466) for the relief of Lois O. Jennings was considered, ordered to a third reading, read the third time, and passed.

ANTONIO PENNA

The bill (H. R. 4588) for the relief of Antonio Penna was considered, ordered to a third reading, read the third time, and passed.

GIUSEPPE LADDOMADA AND OTHERS

The Senate proceeded to consider the bill (S. 586) for the relief of Giuseppe Laddomada, Antonietta Laddomada, and children, Concetta and Paolo Laddomada, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 7, after the word "of", where it appears the second time, to strike out "their entries into the United States" and insert "the enactment of this act", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Giuseppe Laddomada, Antonietta Laddomada, and children, Concetta and Paolo Laddomada, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MELECIO ACOSTA-MORALES

The bill (S. 1013) for the relief of Melecio Acosta-Morales was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, this bill provides for cancellation of deportation proceedings in behalf of a 39-year-old native and citizen of Mexico, who last entered the United States on December 5, 1953, as a returning resident. He was first admitted to the United States in 1920. On December 16, 1953, the beneficiary was convicted of the crime of knowingly and fraudulently importing narcotic drugs into the United States, and was sentenced to imprisonment for 2 years and a fine. Upon payment of the fine, the prison sentence was suspended.

The beneficiary states that while visiting across the border in Mexico, narcotic drugs were placed in his car, and when he attempted to reenter the United States, the drugs were discovered. The beneficiary is married to a United States citizen, and the couple have four citizen children. The beneficiary is well thought of in the community in which he resides, and this is the only time he has been arrested.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Melecio Acosta-Morales. From and after the date of enactment of this act, the said Melecio Acosta-Morales shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARTINO PALMERI

The Senate proceeded to consider the bill (S. 1101) for the relief of Martino Palmeri, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Martino Palmeri shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF CERTAIN RELATIVES OF UNITED STATES CITIZENS

The Senate proceeded to consider the joint resolution (H. J. Res. 457) for the relief of certain relatives of United States citizens, which had been reported from the Committee on the Judiciary with amendments: on page 2, line 5, after the name "Chamberis", to insert "Olga

P. Cheek"; in line 6, after the name "Corra", to insert "Nicola G. D'Armi"; in line 8, after the name "Falcone", to insert "Anna G. Favia"; in line 9, after the name "Gasparatos", to insert "Lilli Gerlinsky"; in line 10, after the name "Gibson", to insert "Lieselotte W. Grimmer"; in line 11, after the name "Israel", to insert "Efstathios Katsikis"; in line 12, after the name "Kikel", to insert "Hedwig B. Krause, Gertrud H. E. T. Kruger"; in line 13, after the name "Labellarte", to insert "Margaret W. Lampinen"; in line 14, after the name "Larson", to insert "Chieko S. Lee"; in line 16, after the name "Loukatos", to strike out "Elfriede Luker"; in the same line after the name "McGrath", to strike out "Maria McWalters" and insert "Marianne Putz McWalters"; in line 19, after the name "Mavromatis", to insert "Tatjana Meerman"; in line 25, after the name "Pantera", to insert "Armaranti N. Papanikitas, Maria M. Regina"; on page 3, line 1, after the name "Ruschak", to insert "Anna Sagan"; and in line 6, after the name "Wilson", to insert "Brian Woo."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 9390) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1957, and for other purposes, was announced as next in order.

Mr. KNOWLAND. Over.

Mr. JOHNSON of Texas. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

TRANSFER OF LAND IN THE HUALAPAI INDIAN RESERVATION, ARIZ.

The bill (S. 2822) to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to school district No. 8, Mohave County, Ariz., was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. GOLDWATER. Mr. President, the Hualapai Tribe of Indians is located in the northwestern part of Arizona. In their entire history they have not had adequate school buildings. Recently the tribe met and sent a resolution to the Department of the Interior authorizing and approving the transfer of 9 acres of Indian land to school district No. 8, Mohave County, Ariz.

I should like to relate to the Senate an amusing incident in this connection. Only 1 voter, 1 property owner, lives in school district No. 8. The other day the polls were opened for her. She went to the polls and voted "aye" on the school bonds.

Money will be expended in the sum of about $129,000 to construct this school. I may say to the Senator from Oregon that if the school is ever abandoned, the land will revert to the Department of the Interior in trusteeship for the Hualapai Tribe of Indians.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 2, line 2, after the word "purposes", to insert "and are available to Indians and non-Indians on the same terms unless otherwise approved by the Secretary of the Interior"; in line 5, after the word "school", to strike out "purposes," and insert "purposes or is made available to Indians and non-Indians on different terms without the approval of the Secretary of the Interior, the Secretary may publish in the Federal Register a declaration to that effect and"; and, in line 10, after the word "Tribe", to insert a colon and "Provided also, That the Secretary of the Interior may not approve any terms or conditions which would discriminate against Indians", so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to transfer by patent to school district No. 8, Mohave County, Ariz., all right, title, and interest of the United States and the Hualapai Tribe of Indians in and to a tract of approximately 9 acres of land within the Hualapai Indian Reservation described as part of the southwest quarter of section 23, township 25 north, range 11 west, Gila and Salt River meridian, as long as such lands are used for school purposes and are available to Indians and non-Indians on the same terms unless otherwise approved by the Secretary of the Interior: *Provided*, That if said tract no longer is used for school purposes or is made available to Indians and non-Indians on different terms without the approval of the Secretary of the Interior, the Secretary may publish in the Federal Register a declaration to that effect and all right, title, and interest therein shall revert to the United States in trust for the Hualapai Tribe: *Provided also*, That the Secretary of the Interior may not approve any terms or conditions which would discriminate against Indians: *And provided further*, That all mineral rights, including gas and oil, are reserved for the use and benefit of the Hualapai Tribe. The lands to be so transferred to said school district are described in detail as follows: Starting at the north quarter corner of section 23, township 25 north, range 11 west, Gila and Salt River meridian, Mohave County, Arizona, marked by a Government set brass capped iron pipe; thence, north 89 degrees 57 minutes east, along the north line of said section 23, a distance of 109.09 feet to a point; thence, south 2 degrees 48 minutes 30 seconds west, a distance of 2646.76 feet to a point; thence, north 84 degrees 20 minutes 45 seconds west, a distance of 109.04 feet to a point; thence, south 33 degrees 28 minutes 15 seconds west, a distance of 949.8 feet to the place of beginning, marked by a half-inch iron pipe; thence, south 28 degrees 31 minutes 45 seconds west, a distance of 313.73 feet to a corner, marked by a half-inch iron pipe; thence south 61 degrees 48 minutes 15 seconds east, a distance of 167.08 feet to a corner and point along the northwesterly right-of-way boundary of an oil cake paved road, marked by a half-inch iron pipe; thence, south 26 degrees 41 minutes 45 seconds west, a distance of 273.58 feet along the said northwesterly right-of way boundary of said paved road, marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 446.41 feet to a corner marked by a half-inch iron pipe; thence, south 26 degrees 40 minutes 30 seconds west, a distance of 188.92 feet to a corner marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 403.75 feet to a corner marked by a half-inch iron pipe; thence, north 9 degrees 16 minutes 15 seconds east, 365.56 feet to a corner marked by a half-inch iron pipe; thence, south 88 degrees 47 minutes 15 seconds east, a distance of 433.09 feet to a corner point marked by a half-inch iron pipe; thence, north 75 degrees 12 minutes 45 seconds east, a distance of 289.71 feet to a corner marked by a half-inch iron pipe; thence, south 79 degrees 28 minutes 45 seconds east, a distance of 202.51 feet to the place of beginning.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION OF CERTAIN APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The bill (S. 3673) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there any objection to the present consideration of the bill?

Mr. ERVIN. Mr. President, I request the distinguished Senator from New Mexico [Mr. ANDERSON] to explain the bill.

Mr. ANDERSON. Mr. President, last year, for the first time, the Atomic Energy Commission was required to seek authorization for the construction or expansion of existing facilities, or the acquisition or condemnation of any real property. That situation arose because of the new Atomic Energy Act of 1954. For a long time, of course, there was extreme secrecy even as to where the installations were located. However, as the program has developed, it has seemed proper for those sponsoring the Atomic Energy Act of 1954, to require that the Atomic Energy Commission, in its budget, set forth the installations it desired to build and the expansion it desired to make.

Section 261 of Public Law 703 provides as follows:

> SEC. 261. Appropriation.—There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

The first part of this section grants general authorization for the appropriation of money needed by the Atomic Energy Commission for operating purposes. The latter portion of the above cited section, however, specifically provides that each year authority must be

sought for any moneys to be used for construction or acquisition purposes.

The initial authority last year—which became Public Law 141—established the format and general limitations upon the expenditure of such money. It will be noted that on page 2 of the pending bill there is a series of items for the Hanford, Wash., installation totaling about $30 million. Heretofore, when money was needed, the Atomic Energy Commission came forward and asked for one and a half or two billion dollars, and because of the generally secret nature of the work, as the distinguished majority leader well knows, we did not try to itemize the projects.

This time it is different. The first item calls for an authorization of $22,200,000; then there is an item of $55 million for an aircraft nuclear propulsion ground test plant, and so forth, throughout the bill. This time the items are all set forth as clearly as security will permit.

Section 101 contains a list of the projects identified by numbers. This section is broken down into general categories which relate to major programs being carried on by the Commission. It is further subdivided for purposes of setting specific limitations under which the various projects may be started when the deviation is at variance from the estimate originally prepared by the Atomic Energy Commission.

In section 102 these deviations are detailed.

Section 103 authorizes the Atomic Energy Commission to use funds currently or otherwise available to it for such purposes for advance planning, construction, design, and architectural services it deems necessary but which are not otherwise authorized by law.

Section 104 of the bill authorizes the appropriations of funds necessary to restore or replace plants or facilities destroyed or otherwise seriously damaged. In addition the Commission is authorized to use such funds as may be currently or otherwise available to it under these emergency conditions.

Section 105 of the bill authorizes the Commission to utilize not only the moneys authorized to be appropriated in section 101 of this bill but also any other funds which may be currently available to it for accomplishing the purposes of this bill.

Section 106 authorizes the Commission under certain specific procedures to substitute within the limits of money authorized by this bill a new project, the estimate for which is not contained in this bill.

The Joint Committee on Atomic Energy, through its Subcommittee on Legislation, has held detailed hearings on the projects identified in this bill and is satisfied that these items are essential to the national defense and to the furtherance of the civilian application of atomic energy.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill? The Chair hears none.

The Chair is advised that there is on the desk a House bill, H. R. 10387, which is identical with the Senate bill.

Mr. ANDERSON. Mr. President, I ask unanimous consent for the present consideration of House bill 10387.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 10387), to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill, which was read twice by its title.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 3673 is indefinitely postponed.

RATES CHARGED PUBLIC BODIES AND COOPERATIVES FOR ELECTRIC POWER GENERATED AT FEDERAL PROJECTS

The bill (S. 3338) relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Texas. Mr. President, may we have an explanation of the bill?

Mr. PURTELL. Reserving the right to object—and I shall object, in view of the fact that no report on the bill is available—I ask that the bill be passed over.

Mr. JOHNSON of Texas. May we have an explanation?

Mr. PURTELL. I have no objection to an explanation.

Mr. JOHNSON of Texas. The report may be available later in the day. I understand the bill was unanimously reported from the committee. An explanation could be made.

Mr. PURTELL. I welcome an explanation. However, I shall still object to the passage of the bill on the call of the calendar.

The ACTING PRESIDENT pro tempore. Does the Senator from Connecticut withhold his objection pending an explanation?

Mr. PURTELL. I withhold my objection pending an explanation.

Mr. KERR. Mr. President, this bill was introduced as the result of action on the part of the Department of the Interior, which was taken to bring about an increase in the rates charged by the Southwestern Power Administration, an agency of the Interior Department, for power sold to the preference customers of the Government, namely, rural electric cooperatives, municipalities, and Government installations.

The rate now in effect was put into effect, I believe, in 1946, for a period of a certain number of years, with the notice that the interim rate would then terminate, and the future rate would be as fixed by the Federal Power Commission, or as approved by the Federal Power Commission upon the application of the Southwestern Power Administration.

A number of actions have been taken since the expiration of the primary term of the rates, whereby the same rate was continued in effect, on the application of the Department of the Interior, and with the approval of the Federal Power Commission. Now the Department of the Interior seeks to increase the rate by about 40 percent.

Pursuant to action by the Public Works Committee and the Interior and Insular Affairs Committee of the Senate, and the corresponding committees in the House, whereby they requested the Department of the Interior to postpone its effort to bring about an increase in the rate, the Department of the Interior has three times postponed the action whereby it sought to bring about an immediate increase in the rate. Each of the postponements was for 30 days. The last one was made on April 7.

In the absence of a further request by the Department of the Interior, which we do not anticipate, or in the absence of a denial by the Federal Power Commission of the application of the Department of the Interior to increase the rate, it means that 30 days after April 7 the rate charged by the Southwest Power Administration for electric power furnished to the rural electric cooperatives, municipalities, and the Government installations served will be increased by about 40 percent. That will result, in my judgment, and on the basis of testimony brought before the committee, either in the serious impairment of the financial structure of most rural electric cooperatives in the Southwest, or in their being forced into such a position that they will have to fail to meet their commitments for repayment of their loans to the Government.

It is the position of those who introduced the bill and of the sponsors of the bill—and they are on both sides of the aisle, and action on it was unanimous by the Public Works Committee—that if the bill is not passed, a crisis will confront the power consumers which will result in an impairment of their position. Such a result, in my judgment, would be contrary to the wishes of Congress and contrary to the spirit of the act under which the preference customers were created, and would cause to the farmers of the country hardship and a great burden, which would be added to the other burdens which we know about, and with which we are so well acquainted and familiar.

It is my hope, and the hope of the sponsors of the proposed legislation, that the bill will be passed by the Senate. It would freeze the rates as of this date until June 30, 1957. During the interim it would be the purpose of the sponsors of the proposed legislation to seek to bring about, by further legislation, a declaration of policy by Congress which would control the Department of the Interior in the fixing of its rates to the REA's, the municipalities, and Government installations.

If it is not done, we will be confronted with the very amazing situation that the Reynolds Aluminum Co., under the terms of a contract made some three or four years ago, to run for 25 years, would be getting power from the Southwest Power Administration, through the Arkansas Light and Power Co. transmission facilities, at a rate less than 5 mills per kilowatt-hour, while at the same time every rural electric cooperative which is being served by the Southwest Power Administration would be paying a little more than 7¾ mills per kilowatt-hour.

We would be confronted by a situation whereby the REA's, municipalities, and Government installations themselves would not only be paying the Government a sufficient amount to reimburse the Government for the part of the power facilities which furnish power dedicated to these customers, but the REA's and the others would also be paying a deficit which the Interior Department says has been and is being created because they are selling power too cheap or at less than cost, first, to the utilities themselves and, second, to the Reynolds Aluminum Co.

I know it is not the purpose of Congress either to bring that about or to permit it. However, unless the bill is passed, that situation will develop.

Therefore, in view of the fact, first, that the action of the committee was unanimous and, second, that the bill was amended in a way which, in my judgment, meets the specific objections both of the Department of the Interior and of the Budget Bureau, it is my hope, Mr. President, that the objection will be withdrawn and the bill permitted to be passed.

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that the Government Printing Office seems to be slow in sending to the Senate reports on some of the bills on the calendar. I do not know the extent of the hearings involved, or how voluminous is the report on the pending bill which makes it impossible for the Printing Office to have the report available when the bill is being considered. However, I assume that the Government Printing Office has its own justification. I have asked that the matter be looked into. I assume that the report on the bill will reach the Senate some time during the day. I would therefore like to inform the Senate that at the conclusion of the consideration of the bills on the calendar, if the report is available—so that Senators who prefer to read the report, may study it—it will be the purpose of the leadership to bring the bill up on motion.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. I wish to commend the Senator from Texas for handling the business of the Senate so rapidly that he even keeps ahead of the Government Printing Office.

Mr. JOHNSON of Texas. I thank the Senator from Oregon.

Mr. PURTELL. Mr. President, if I may address an inquiry to the distinguished Senator from Oklahoma, I should like to ask him whether a delay in the consideration of the bill until the report is received would in any way interfere with the objective of the bill. My objection is based entirely on the fact that no report on the bill is available to us.

Mr. KERR. I will say to the distinguished Senator from Connecticut that it would not. However, the distinguished Senator from Nebraska [Mr. HRUSKA], who sits with him, and who participated in the hearings on the bill and in the writing of the bill, is thoroughly familiar with it, and indeed helped to bring about the action which resulted in the bill being reported to the Senate. I would be glad to accept from him any amendment to the statement I made to the bill if I in any way failed to give a correct or adequate explanation of it.

Mr. JOHNSON of Texas. Mr. President, it is not the purpose of the majority leader that the Senate consider any measure unless and until each Senator can hear the report, feel the report, actually touch it, and even smell it, if he wants to do so, notwithstanding the fact that it may be an oral report. For that reason I will myself ask that the bill go over until the report on it is available.

The majority leader wishes to call attention to the fact that the Government Printing Office should have had the report available for us.

Mr. KERR. I thank the Senator from Connecticut for his attitude, and I thank the Senator from Texas for his kind remarks, and I shall be very glad to accede to their request.

Mr. FULBRIGHT. Mr. President, I wish to associate myself with what the Senator from Oklahoma has said about the conditions which have arisen. It is very unfortunate that discrimination should exist in that area under the new formula of the Department of the Interior. I wish to associate myself with what the Senator from Oklahoma has said about it today.

Mr. KERR. I thank the Senator from Arkansas. I wish to say one further word. It is the purpose of the Department of the Interior to follow through on this policy wherever the Department of the Interior provides power.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. I also wish to associate myself with the Senator from Oklahoma in supporting the bill, and to point out that if for any reason the parliamentary situation should be such that we cannot consider the bill on the call of the calendar, I hope the majority leader will schedule the bill for debate at a very early date.

It is obviously a very sound bill. The Senator from Oklahoma will recall that he offered it during the debate on the farm bill as an amendment to the farm bill. At that time it was ruled—and I believe erroneously ruled—that the amendment was not germane to the farm bill. In due time, I intend to file with the Senate a memorandum on that parliamentary ruling, because I believe it is a precedent which must be erased from the records of the Senate. The bill is actually a farm aid bill, in that it comes to the assistance of the REA's. In my judgment, it is just as germane to a farm bill as any aid provision in any farm bill could possibly be.

I hope the bill will be considered at a very early date, either on the call of the calendar or by way of its being scheduled for debate on motion.

The ACTING PRESIDENT pro tempore. On request of the Senator from Texas [Mr. JOHNSON] the bill will be passed over.

RESOLUTION AND BILL PASSED OVER

The resolution (S. Res. 240) certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles was announced as next in order.

Mr. ERVIN. Mr. President, I ask that Calendar 1784, Senate Resolution 240, just announced, and Calendar 1785, Senate Resolution 241, certifying the report of the Senate Committee on the Judiciary concerning Herman Leveright, be passed over.

The ACTING PRESIDENT pro tempore. The resolutions will be passed over.

The bill (S. 924) to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services after August 31, 1931, and not heretofore paid in accordance with existing law, was announced as next in order.

Mr. ERVIN. Mr. President, I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF TITLE 18 OF THE UNITED STATES CODE—BILL PASSED OVER

The bill to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of Government, and conspiracy to advocate overthrow of Government was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. Mr. President, may we have an explanation of the bill?

The ACTING PRESIDENT pro tempore. An explanation is requested of Calendar No. 1787, H. R. 2854.

Mr. JOHNSTON of South Carolina. Mr. President, the committee reported the bill with the statement that the penalties imposed were not sufficient in cases of this kind. The bill raises the amount of the fine from not more than $5,000 to not more than $20,000 in cases of seditious conspiracy, and the term of imprisonment from not more than 6 years

to not more than 20 years. The bill increases the fine and the term of the sentence.

The ACTING PRESIDENT pro tempore. The Chair is advised that there is no report accompanying the bill.

Mr. JOHNSON of Texas. Mr. President, I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

MEMORIAL TO THE AMERICAN INDIAN FOUNDATION

The joint resolution (S. J. Res. 71) to commend the foundation known as the Memorial to the American Indian Foundation for its project to establish a permanent memorial in honor of the North American Indians was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas it is fitting that there should be a permanent memorial in honor of the North American Indians, the original Americans;

Whereas there has been chartered by the State of Michigan a nonprofit corporation known as the Memorial to the American Indian Foundation for the purpose of establishing such a memorial, which will be located in the State of New Mexico; and

Whereas the establishment of such a memorial would acknowledge the contribution made to our Nation by the North American Indians: Therefore be it

Resolved, etc., That the Congress hereby commends the Memorial to the American Indian Foundation for its noteworthy project to establish a permanent memorial in honor of the North American Indians, and extends to such Foundation its best wishes in carrying out such project.

EXCLUSION OF CERTAIN LANDS FROM ACADIA NATIONAL PARK, MAINE

The bill (S. 2305) to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal property was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. LONG. Mr. President, the bill simply permits the Federal Government to dispose of 300 acres of certain surplus property for which the Federal Government finds no further use. It is referred to as a part of the Acadia National Park. However, it is located some 35 miles away from that park. There was formerly a fish hatchery located on the property which the Government closed some time ago.

Mr. MORSE. I suppose the transaction is in accordance with terms and conditions of the Surplus Property Act?

Mr. LONG. That is correct.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the tract of land in Acadia National Park, State of Maine, comprising approximately 300 acres and identified as the "Green Lake Fish Hatchery Tract" is hereby excluded from Acadia National Park, and the said tract is authorized to be disposed of in accordance with the laws relating to the disposition of Federal property.

CONVEYANCE OF CERTAIN LANDS BY THE COUNTY OF CUSTER, MONT.

The bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. LONG. Mr. President, this bill relates to property conveyed originally for fairground purposes. The Federal Government would like to have back a small parcel of the land, and the State has no use for the particular property involved in the bill. Inasmuch as the law requires that the property must be disposed of in a block, the bill would permit the State to give back the desired portion of the property without affecting the status of the remainder.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the county of Custer, State of Montana, may, notwithstanding the provisions of the act of April 15, 1924 (43 Stat. 97), convey by quitclaim deed to the United States of America, for acceptance by the Secretary of the Interior under existing law, the following tract of land:

That portion of tract "C" as shown on the supplemental plat of townships 7 and 8 north, range 47 east, principal meridian, Montana, accepted by the assistant commissioner of the General Land Office on March 23, 1927, which is described as follows: Beginning at a point on the south boundary of tract "C", 669.23 feet north 73 degrees 10 minutes west of corner numbered 11 of tract "C", which point is 80 feet south 28 degrees 08 minutes west of the fair grounds boundary fence; thence north 61 degrees 52 minutes west, parallel with and 80 feet from the fair grounds boundary fence, a distance of 1,280.123 feet to the west boundary of tract "C"; thence south 16 degrees 50 minutes west along the west boundary of tract "C", a distance of 250.84 feet to a corner numbered 3 of tract "C"; thence south 73 degrees 10 minutes east along the south boundary of tract "C", a distance of 1,255.33 feet to the place of beginning, containing 3.614 acres, more or less.

TITLE AND POSSESSION TO CERTAIN REAL PROPERTY, PENSACOLA, FLA.

The bill (H. R. 5310) to quiet title and possession with respect to certain real property in the city of Pensacola, Fla., was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. LONG. Mr. President, this is a bill to quiet title to certain property in Pensacola, Fla. The title to this property runs back prior to the date when the United States took possession of Florida. The Federal Government has no objection to the proposed legislation. There might be some question as to whether a rather complicated lawsuit should be used to accomplish the objective, but there is no objection to quieting the title.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. HOLLAND. Mr. President, the bill involves a 39-foot lot in the city of Pensacola, title to which had passed from the Spanish Government 6 years prior to the acquisition of the Floridas. There is no objection by anyone to this bill, which, in effect, quiets title to that 39-foot lot. There is an explanation contained in the House Report No. 1772, a reading of which would, I think, prevent any question arising as to adjoining lands, because the point raised here does not apply to the adjoining lands.

Mr. President, I ask unanimous consent that the portion of the House report, consisting of about one page, under the heading "Explanation," be printed in the RECORD at this point in my remarks.

There being no objection, the excerpt from the House Report No. 1772 was ordered to be printed in the RECORD, as follows:

EXPLANATION

Pensacola was an established town when the United States acquired Florida in 1819. Under the Spanish grant the United States succeeded to the rights of Spain in lands within the city of which disposition had not been made.

It appears from the records that the 39-foot lot described in the bill was disposed of 6 years before the United States acquired Florida from Spain. However, it appears that in order to perfect title it is necessary that the United States disclaim any interest whatsoever by quitclaim deed.

A photostatic copy of the abstract of title to the land, prepared by the Title Guarantee Co. of Florida, shows that on June 26, 1813, the parcel of land described in the bill was sold for the city, of Pensacola by Don Antonio Cabanas, minister of army and finance, to one Maria Louisa Gayarre. The deed is recorded in Spanish Archives A, page 321, and recites that it was sold by order of the Governor and Ayuntamento to provide for the purchase of provisions for the garrison. In 1817 the property was deeded to James Falconal. There followed a long succession of recorded deeds in the chain of title down to the present claimants to the property.

The Department of the Interior has no objection to the enactment of legislation which would accomplish the objective of this measure. However, the Department's report suggested an amendment to the act of January 12, 1925 (43 Stat. 738), so as to permit the claimant to have his claim adjudicated under the Color of Title Act of December 22, 1928 (45 Stat. 1069), as amended (43 U. S. C., secs. 1068–1068b). The departmental report and testimony before the Public Lands Subcommittee base support for the suggested amendment primarily on the declared belief, or on speculation, that there may be other property in the old city tract of Pensacola subject to the same title uncertainties here involved, i. e., other property which might require quitclaiming of title by the United States at some time in the future. The feeling of the Department, also acknowledged to be based on speculation, that the issuance of a quitclaim deed on the property might cloud the title of adjacent land patented (patent No. 996,407) in 1927, is not shared by the committee.

The committee notes and the Department witness so affirmed during the hearing on the bill, that the amendment proposed by the

Department would involve a complicated procedure requiring an adjudication by the Federal Government as to the ownership of the land, whereas nothing more than a simple action to quiet title, as provided by H. R. 5310, is all that is necessary in this instance. The author of H. R. 5310, the Honorable Robert L. F. Sikes, suggests, and the committee agrees, that in the event that any other property in Pensacola is found to require similar treatment, it should be considered and disposed of on its merits.

The committee recommends the enactment of H. R. 5310.

No expenditure of Federal funds is required by this legislation.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BURIAL IN NATIONAL CEMETERIES OF REMAINS OF CERTAIN COMMISSIONED OFFICERS, PUBLIC HEALTH SERVICE

The bill (H. R. 8728) to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service was considered, ordered to a third reading, read the third time, and passed.

RELEASE OF CERTAIN LANDS IN MONTANA

The Senate proceeded to consider the bill (S. 1053) to amend the act authorizing the Secretary of the Interior to lease certain lands in the State of Montana to the Phillips County Post of the American Legion in order to authorize the renewal of such lease, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

> That, notwithstanding any other provision of law, the Secretary of the Interior may dispose of the southwest quarter southeast quarter and the east half of southeast quarter southwest quarter of section 35, township 32 north, range 32 east, Montana principal meridian, comprising 60 acres, to Phillips County Post, No. 57, of the American Legion, Department of Montana, under the provisions of the Recreation Act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173).

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to dispose of certain lands in the State of Montana to the Phillips County Post of the American Legion."

CONVEYANCE BY QUITCLAIM DEED OF CERTAIN PROPERTY TO THE FAIRVIEW CEMETERY ASSOCIATION

The bill (S. 2144) authorizing the Secretary of the Interior to convey by quit claim deed certain real property of the United States to the Fairview Cemetery Association was announced as next in order.

Mr. PURTELL. Mr. President, in view of the fact that we have no report accompanying this bill, I ask that it be passed over.

Mr. LONG. Mr. President, will the Senator from Connecticut withhold his request?

Mr. PURTELL. I shall be delighted to withhold it.

Mr. LONG. Mr. President, this bill involves 20 acres of property in the State of North Dakota. The property would be sold in order that it could be used for burial plots. It would be sold at its appraised value. If there is good reason for delaying action on the bill, I shall not insist on explaining it, but I am sure the Senator from Connecticut would have no objection to it.

Mr. PURTELL. I have no objection to the bill being brought up later today, but by reason of the fact that we have no report accompanying the bill, I ask that it go over.

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. KNOWLAND. Mr. President, I see no objection to considering any bill passed over only because no report was available as, in effect, a new bill, and not as one included with those bills which are passed over for cause, because, as the Senator knows, we sometimes begin a calendar call with a new bill. If objection is raised only because of the report not being before us, I think it would be well to consider such a bill subsequently as being called up for the first time.

Mr. LONG. I think there are three other bills now on the calendar which do not happen to have reports.

Mr. SPARKMAN. Mr. President, I wonder if I might propound a question. Is that to be the attitude taken with reference to every bill on which no report is available? I am asking the question for the simple reason that there is another measure on the calendar in which I am interested, and I shall not wait for it to come up if this is to be the course followed.

Mr. PURTELL. I am sure the Senator agrees that bills might be considered even in a case where we have studied the report only half an hour ago, but where there is no report, it seems to me such a bill should be passed over.

Mr. SPARKMAN. I do not object to that procedure. I think it is perfectly good. I was simply asking for information. But I hope that later in the day Calendar 1796, Senate bill 3515, to amend the National Housing Act, may be taken up in the event the report becomes available, because it is an urgent matter.

Mr. JOHNSON of Texas. Mr. President, the majority leader will attempt to comply with the request of the Senator from Alabama. It may be that the influence of the distinguished Senator from Alabama, which is very great in this body and in many parts of the Nation, can be exercised on the Government Printing Office and cause it to send reports to the Senate a little more promptly. It sends reports without bills, and bills without reports.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, most of these bills were only reported on April 18. We are going to find a good many from now on. Would it not be better not to place on the calendar bills which have no reports accompanying them?

Mr. SPARKMAN. Except that in some cases a bill will go on the calendar of bills to which there is no objection.

Mr. LONG. Mr. President, if there be no objection, I should like to ask that, starting at this point, at the next calendar call we begin with this bill, because there are several other bills from the Committee on Interior and Insular Affairs on which reports have been sent to the Government Printing Office but have not yet been received by the Senate.

Mr. PURTELL. Mr. President, I subscribe to the suggestion of the minority leader as to the manner in which such bills should be treated. In every instance, of course, the explanation is given that the objection is raised only on the basis that no report is available.

The ACTING PRESIDENT pro tempore. It is the understanding of the Chair that the bills to which there has been objection and which have been passed over, and regarding which no report is available, shall be considered as new bills on the reprinting of the calendar.

Mr. JOHNSON of Texas. Mr. President, I should like to have all Senators on notice that when the reports arrive, the majority leader may move to take up any of those bills today or tomorrow, or whenever it is convenient. I had hoped that explanations could be given, so that all Senators could understand the bills. They were unanimously reported from committee and there were no objections to the bills.

I had hoped that the Senate might go over from Thursday until Monday. If the reports can be obtained later in the day, it may be that those bills can be considered then. So I want all Senators to be on notice of the possibility that the bills may be called up on motion.

Mr. PURTELL. I think the majority leader will agree that we have been trying to cooperate; but, as I said, up to the time of the quorum call the reports had not been received. I wanted that fact to be known.

Mr. JOHNSTON of South Carolina. Mr. President, on April 18, 32 bills were sent to the Government Printing Office, but some of them were not returned as it was expected they would be.

Mr. ERVIN. Mr. President, on behalf of myself and my colleague on the committee, the Senator from Nevada [Mr. Bible], I wish to say that we could not ask for finer cooperation than we have received from the members of the Calendar Committee on the other side of the aisle, the distinguished Senator from Connecticut [Mr. Purtell] and the distinguished Senator from Nebraska [Mr. Hruska].

Mr. PURTELL. I thank the Senator from North Carolina.

ADVISABILITY OF ESTABLISHING FORT CLATSOP, OREG., AS A NATIONAL MONUMENT

The ACTING PRESIDENT pro tempore. The clerk will state the next bill on the calendar.

The bill (S. 2498) to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Clatsop, Oreg., as a national monument was announced as next in order.

The ACTING PRESIDENT pro tempore. The bill has not been called before. Is there objection to its present consideration?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to make a full and complete investigation of the advisability of establishing Fort Clatsop, located in Clatsop County, Oreg., as a national monument.
>
> Sec. 2. As soon as practicable after the date of the enactment of this act, the Secretary of the Interior shall report to the Congress the results of such investigation and study made by him under the first section of this act, together with such recommendations as he deems appropriate. Such report shall contain specific findings with respect to (1) the national historical importance of the proposed memorial, (2) the size, present status, and condition of Fort Clatsop, and (3) the estimated total cost of establishing such memorial.

AMENDMENT OF NATIONAL HOUSING ACT, AS AMENDED—BILL PASSED OVER

The bill (S. 3515) to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces, was announced as next in order.

Mr. PURTELL. In the absence of a report on the bill, and only because at the moment no report is available, I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

SALE OF TIMBER WITHIN THE TONGASS NATIONAL FOREST, ALASKA—BILL PASSED OVER

The ACTING PRESIDENT pro tempore. The clerk does not have a copy of Calendar No. 1797, Senate bill 2517, to amend subsection 3 (a) of the act approved August 8, 1947, to authorize the sale of timber within the Tongass National Forest, Alaska.

Mr. JOHNSON of Texas. Let the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

LENGTHENING OF TERMS OF OFFICE FOR JUSTICES OF THE SUPREME AND CIRCUIT COURTS OF HAWAII—BILL PASSED OVER

The bill (H. R. 6162) to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii was announced as next in order.

Mr. RUSSELL. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, the bill merely provides that the Chief Justice and Justices of the Supreme Court of Hawaii shall have their terms increased from 4 to 7 years, and that the judges of the Circuit Courts of Hawaii shall have their terms increased from 4 to 6 years. The bill merely lengthens the judicial terms of the justices of those courts.

Mr. RUSSELL. Mr. President, I desire to look further into the bill. Because I am opposed to life tenure for Presidential appointees, I should like to study this extension of tenure for territorial courts. I therefore object to the consideration of the bill until I have had an opportunity to examine further into the matter.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

COMPENSATION OF SUPREME COURT JUSTICES AND CIRCUIT COURT JUDGES—BILL PASSED OVER

The bill (H. R. 7058) to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges was announced as next in order.

Mr. ERVIN. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

ESTABLISHMENT OF PUBLIC RECREATION FACILITIES IN ALASKA

The Senate proceeded to consider the bill (H. R. 4047) relating to the establishment of public recreation facilities in Alaska, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, at the end of the bill to add a new section, as follows:

> Sec. 2. There is hereby authorized to be appropriated the sum of $100,000 per year for each of the fiscal years ending June 30, 1957, June 30, 1958, June 30, 1959, June 30, 1960, and June 30, 1961.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AUTHORIZATION FOR THE TERRITORY OF ALASKA TO INCUR INDEBTEDNESS—BILL PASSED OVER

The bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes, was announced as next in order.

The ACTING PRESIDENT pro tempore. Since the clerk does not have a copy of the bill at the desk, the bill will go over.

RELIEF OF ALISON MacBRIDE

The bill (H. R. 6078) for the relief of Alison MacBride, was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF A GRATUITY TO MARY MARGARET O'HARA

The resolution (S. Res. 242) to pay a gratuity to Mary Margaret O'Hara was considered and agreed to, as follows:

> *Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary Margaret O'Hara, widow of Robert E. O'Hara, an employee of the Senate at the time of his death, a sum equal to 11 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RESOLUTIONS PASSED OVER

The ACTING PRESIDENT pro tempore. The clerk does not have at the desk copies of Calendar No. 1804, Senate Resolution 243, and Calendar No. 1805, Senate Resolution 244. The resolutions will be passed over.

PRINTING AS A SENATE DOCUMENT OF SENATE DOCUMENT NO. 97, 82D CONGRESS, ENTITLED "ELECTION LAW GUIDEBOOK"

The resolution (S. Res. 245) authorizing the printing as a Senate document of the revised edition of Senate Document No. 97 of the 82d Congress, entitled "Election Law Guidebook," was considered and agreed to, as follows:

> *Resolved*, That the revised edition of Senate Document No. 97 of the 82d Congress, entitled "Election Law Guidebook" be printed as a Senate document.

PRINTING AS A SENATE DOCUMENT OF 58TH ANNUAL REPORT OF NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

The resolution (S. Res. 246) to print the 58th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1955, as a Senate document, was considered and agreed to, as follows:

> *Resolved*, That the 58th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1955, be printed, with an illustration, as a Senate document.

RESOLUTIONS PASSED OVER

The ACTING PRESIDENT pro tempore. Copies of Calendar No. 1808, Senate Resolution 239, and Calendar No. 1809, Senate Resolution 238 are not at the desk. The resolutions will be passed over.

ERECTION OF APPROPRIATE MARKERS IN NATIONAL CEMETERIES

The bill (S. 2512) to amend the act of August 27, 1954, so as to provide for the erection of appropriate markers in national cemeteries to honor the memory of certain members of the Armed Forces who died or were killed while serving in such forces was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the act entitled "An act to provide for the erection of appropriate markers in national cemeteries to honor the memory of members of the Armed Forces missing in action," approved August 27, 1954 (68 Stat. 880), is amended by striking out "missing in action" and inserting in lieu thereof "who died or were killed while serving in such forces, and whose remains have not been identified, have been buried at sea, or have been determined to be nonrecoverable."

BILLS PASSED OVER

The ACTING PRESIDENT pro tempore. Copies of Calendar No. 1811, H. R. 1774, to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes; Calendar No. 1812, H. R. 8957, to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia; and Calendar No. 1813, S. 2875, to revise the Civil Service Retirement Act, are not at the desk. Therefore, all three bills will be passed over.

That completes the call of the calendar.

Mr. JOHNSON of Texas. Mr. President, if I may have the attention of the calendar committees on the minority side and the majority side, I wish to express the gratitude of the leadership for the fine work done thus far today, and for the cooperation of all Senators concerned, on both the minority and the majority legislative review committees. Theirs is not a pleasant task, and it requires much sacrifice on the part of the members of the committees involved. The majority leader wishes to commend the Senators involved for the most excellent work they have done.

I also wish to inform those Senators, and also the members of their staffs, that at the conclusion of the consideration of the unfinished business, if reports are available on the bills which have been passed over, the Senate may consider them, in the hope that we may go over until next Monday, and not meet tomorrow.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

Mr. JOHNSON of Texas. Mr. President, as I understand, under the unanimous-consent agreement, on the consideration of Senate Joint Resolution 97, 2 hours will be allowed on any amendment or motion, and 1 hour on the passage of the joint resolution, the time to be equally divided. Is that correct?

The ACTING PRESIDENT pro tempore. The majority leader is correct.

Mr. MORSE. Mr. President, before proceeding with the unfinished business, I should like to ask unanimous consent that I may speak for 5 minutes on a subject on which I could have spoken during call of the calendar. I withheld making my request at that time.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, notwithstanding the fact that the unfinished business has been laid before the Senate, the senior Senator from Oregon may be recognized for 6 minutes, without the time being charged to either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OBSERVANCE OF PAN AMERICAN DAY

Mr. MORSE. Mr. President, on April 14, last Saturday, there was held at the Pan American Union in Washington a ceremony of great interest for those of us in the Western Hemisphere. The Ambassadors of 21 American Republics representing 335 million Americans met at the headquarters of the Organization of American States. They were there to attend the unveiling of a bust of the late beloved Cordell Hull, American Secretary of State from 1933 to 1944, and one of the foremost advocates in his time of the doctrine of Pan-Americanism. The occasion marked the 66th anniversary of the founding of the Pan American Union, or Pan American Day as it has come to be known in its annual observance throughout this hemisphere.

During his years as Secretary of State, Mr. Hull came to be regarded in many ways as the personification of the inter-American spirit of unity and common purpose which is symbolized in this annual observance. His active and continuing interest in the relationship of the United States with our sister republics is too well known here to require elaboration. It was during his tenure that the concept of the good-neighbor as applied to the free nations of the Americas became a practical reality.

Since Mr. Hull's day, the principles which he helped to establish as a basis for our relationships with the other countries have been tried and proved on many occasions.

To mention only a few instances during the past year, many will recall that when a difficult situation arose several months ago between two of our neighbor nations in this area, the peace machinery of the Organization of American States was successfully used in helping to bring about a settlement. This machinery has been forged slowly, and sometimes painfully, over the years, to give concrete expression to the desires of the 21 American Republics that disputes between them should be settled amicably, and without endangering the security or well-being of other nations in the community. It is a model that some of the governments of the Old World might well adopt. Indeed, in a sense they have done so, for many of the principles embodied in the United Nations Charter were based on concepts developed within the inter-American system.

In another field entirely, Members of the Senate will recall, I am sure, the quick and effective assistance which was rendered by our Government to Mexico and Honduras when parts of those countries were damaged by floods. More recently, during the past month in fact, we have helped to provide medication and equipment to Argentina, to help her people cope with a severe epidemic of polio.

It is perhaps not so well known, but should be equally recorded here, that when floods and hurricanes damaged parts of our own Northeast in 1955, contributions were made by us to several of the Latin American Republics.

Meanwhile, our own Government has continued to give expression to the policy of inter-American cooperation through its programs of technical assistance, and cultural exchanges, as well as through negotiations of specialized agreements in many fields, such as those providing for the joint development of peaceful uses of atomic energy.

All this of course does not mean that our relations with our sister republics are perfect. There are from time to time subjects on which we disagree heartily and emphatically. We realize, for example, that while great progress has been made in recent years in the development of representative government in Latin America, there is still room for improvement. However, it must also be said in justice that from the Latin point of view, some of our policies also often may seem less than ideal, perhaps including some in the field of economic affairs. But such disagreements are common among good neighbors, and quite possibly further help to lend strength and vitality to our friendship. After all, it would be a sterile partnership which did not occasionally have its disagreements.

While it is proper and constructive to acknowledge such areas of difference, I believe the important thing to bear in mind on Pan American Day is the spirit of unity and progress which makes the inter-American system work—and which was reflected so magnificently in the personality of Cordell Hull.

Consider for example the inspiration it must provide to the captive peoples of the Communist satellites to look across the ocean and observe the mutual respect and consideration with which our 21 Republics, the great and the small, conduct their business with each other. They should take hope for their own future freedom from the spectacle of so many nations, so different in language, background, economic development, and military strength, sitting at the common council table to resolve their differences in harmony and work out their individual destinies with due regard for the rights of their neighbors. It proves that such relations are possible among nations no less than among individuals. Therein lies the great hope and faith which we all express, knowingly or not, when we celebrate Pan American Day.

THE SOUTH—THE NATION'S NEW ECONOMIC FRONTIER

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that I may proceed for 10 minutes, with the same understanding under which the Senator from Oregon addressed the Senate. I just spoke to the acting minority leader, the Senator from Ohio [Mr. BRICKER], about the request I was about to make.

Mr. BRICKER. Mr. President, it is satisfactory to me, so long as we can, as soon as possible, get to the business at hand. There are some Senators who desire to leave as early as possible.

Mr. FULBRIGHT. I may say it will save time if I make my statement.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Is there objection to the unanimous consent request? The Chair hears none, and the Senator from Arkansas may proceed.

Mr. FULBRIGHT. Mr. President, almost 18 years have passed since President Roosevelt referred to the South as the Nation's No. 1 economic problem. Since then, the South has undergone deep and penetrating changes, as has the entire Nation. To take stock of the economic changes in the South, I instructed the staff of the Senate Banking and Currency Committee to study the economic and financial status of the southeastern region of the United States, including the area comprised of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia. The study is being conducted with the cooperation of the Legislative Reference Service and is now entering its final stages. It will be presented to the Senate Committee on Banking and Currency before the 18th anniversary of the famous Roosevelt speech on the South.

The preliminary findings of the study are becoming clear: the South is no longer the Nation's No. 1 economic problem; it is now the Nation's new economic frontier.

The level of economic development in the South is still considerably behind that of the rest of the Nation. However, we no longer view our difficulties as a national problem, but as a challenge to ourselves; a challenge to develop our potentials to reach the national level of economic development so that the people of the South may share fully in the American standard of living. That is the birthright of every American from every region of the country—on the farm and in the city.

LOW INCOME OF INDIVIDUALS IN THE SOUTH

The economic well-being of the people in the South has risen markedly in the past years, but it still falls below that enjoyed by the rest of the country. Possibly the best single measurement of the economic well-being of a region is its per capita income. Measured in these terms, the average income of persons outside the South is almost 50 percent higher than in the South—see table 1.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, a number of tables relating to the substance of the remarks.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, several factors, some of them rather complicated, account for these differences in income. Here are just a few of them.

First. Farming is relatively more important in the South than it is in the rest of the country. The proportion of persons engaged in agriculture is twice as great in the South as it is in the rest of the United States. In my own State of Arkansas, the comparable ratio is three times as high as in the rest of the country. This puts us at an economic disadvantage, since farmworkers earn less than half of that earned by workers in nonagricultural occupations.

Second. In the South, we have relatively less manufacturing than in the other sections of the country. More than 1 out of 4 workers in the United States is engaged in manufacturing, compared with less than 1 out of 5 in the South. Arkansas, unfortunately, in this respect lags behind most other States. In my State, manufacturing provides jobs for only about 1 out of 7 gainfully employed persons—see table 2.

Third. On the whole, the breadwinner in the South shares his lower income with more persons than does his counterpart in other sections of the country. The birth rate in the South is higher than in other regions, and, consequently, so is the proportion of dependent children. Many southerners migrate to other areas when they get to be of working age, and are a source of vitality to growing urban centers throughout the country. In recent years, the net outmigration from the South has exceeded inmigration by about 300,000 a year—see table 3.

Fourth. The growth of cities and schools has a direct bearing upon income, as has the type of industry and commerce. In all these aspects the South is below the national average. It has a higher percentage of rural population and a higher ratio of workers in the less-efficient forms of industry and commerce, while the level of educational achievements of the southern people is lower.

Fifth. Wages and salaries in the South are lower. As of 1954, hourly earnings of manufacturing production workers in the South averaged $1.36, or only about three-fourths of the national average. The South does not have its share of high-paying industries, such as automobiles, steel, and rubber. On this basis, the production worker outside the South had to work 9 months to get the same income as the southern worker earned in a whole year. Nevertheless, since the end of World War II, the progress of manufacturing wages in the South has kept pace with that in the rest of the country—see table 4.

Sixth. The financial and credit institutions are not developed as efficiently as similar institutions in the more industrialized parts of the country.

RECENT ECONOMIC GROWTH OF THE SOUTH

All these facts sound rather grim, but they hide the story of the remarkable growth and progress that the South has achieved during the past few decades. Per capita income in the South has risen to two and a half times the 1929 average, while for the whole country it rose only one and a half times. In the past 15 years alone the per capita income in my State almost quadrupled, while in the United States it tripled.

Another over-all measurement of economic progress is the rise in total nonagricultural employment. Here, too, the South's growth has been more rapid than in the rest of the Nation. Between 1939 and 1954 nonfarm employment in the 11 southern States rose by 72 percent. In the other 37 States, it rose 56 percent—see table 5.

Another excellent gage to measure the progress of a region is the development of electric energy—the lifeblood of industry. Between 1939 and 1954 electric energy output in the South grew more than one and a half times as fast as it did in the Nation as a whole. In this respect I am happy to point to Arkansas, whose electric output in the last 15 years increased twenty-eight-fold. A recent survey of southern electric utilities showed that total installed generating capacity doubled in the past 5 years, and it is expected that it will double again in the next 6 or 7 years. For the Nation as a whole it is anticipated that it will take 50 percent longer to double electric capacity.

Economic growth and expansion require investments, and the southern share of manufacturers' expenditures for new plants and equipment has increased over the years even more than has the phenomenal rise in industry nationwide. In 1939 the South accounted for 12.4 percent of the total; this share ran to 13.8 percent in 1947 and 15.5 percent in 1953, the latest year for which data are available. Here again, I am happy to note that manufacturers' expenditures for new plant and equipment rose relatively more than 50 percent faster in Arkansas than in the Nation as a whole—see table 6.

Yes, the South is the Nation's new economic frontier, but its potential is still far from being a reality. The area is ideal both for work and play. Its recreational facilities are unexcelled, its climate delightful, and its investment opportunities abundant. The climate pays off not only in year-round recreation and sunshine, but also in dollars and cents. Investors in the South find that a dollar invested in southern plant goes further, because the mild climate precludes the necessity of winterized building. Similarly, available data indicate that a dollar invested in agricultural development—particularly raising livestock—in the South goes further than in the rest of the country.

But let me hasten to add that, as any frontier, our economic problems are still far from being solved, and we must not and do not intend to rest on the laurels of past achievements. Thus far, the per capita income of even the richest State in the South is still below the national average. So we must continue to strive to improve our economic conditions to reach the national level, and, I hope, even forge ahead of the national average.

The people of the South have made sacrifices to achieve economic progress. During the 15-year period between 1939 and 1954 State taxes in the South have increased threefold, while the comparable increase for the rest of the country was less than double—see table 7.

In this connection, the increased expenditures for education are particularly significant. We know that there is a direct relationship between levels of education achieved by persons and their income. Comparable data on educational attainment and income show that the differentials in income between the South and the rest of the country decrease with the increased level of education—see table 8. It can be expected, therefore, that increased expenditures for education in the South would be rewarded in cultural enrichment as well as in rising income.

The expenditures made for education is a good gage for measuring educational progress. In this respect, too, the South is also catching up with the rest of the Nation. Between 1939–40 and 1953–54 the South enlarged its expenditures per pupil in public elementary and secondary education by 306 percent. During the same period, the Nation as a whole increased its spending per pupil by 235 percent—see table 9.

THE NEED FOR INTENSIFIED INDUSTRIALIZATION

On the economic front we must concentrate our energies on accelerating the development of our industries. The South still does not have its appropriate share of manufacturing, and a considerable proportion of its limited manufacturing is concentrated in the relatively less efficient industries. The census of manufacturing divides American industries into 20 major groups. The value added per employee by those industries varied in 1953 between a high of $12,200 in the chemical industry to a low of $4,400 in apparel. More than half of the manufacturing employees in the South were employed in 1953 in the five industries which rank lowest according to the value added per employee. The same industries accounted for less than a fifth of the workers in the rest of the United States. These industries were apparel, leather, textiles, lumber, and furniture. The top five industries according to value added per employee—petroleum, chemicals, tobacco, primary metals, and paper—accounted for a fifth of the total employees in the South as well as in the other regions of the United States.

The value added by manufacturing per employee averaged $7,100 in 1953 in the country, as compared with $5,800 for the South. Moreover, between 1947 and 1953, the value added per employee rose more sharply in the rest of the United States than in the South. Apparently the higher concentration of lower ranking productive industries in the South accounted for the fact that its industry trailed behind the rest of the Nation in terms of value added—this despite the fact that the number of manufacturing employees had increased at about the same rate in the South as it had in the rest of the country—see table 10.

TO HIM THAT HATH

But again I am optimistic as to the future. The South is blessed with richness of resources, both human and natural, that are needed in the most rapidly growing United States industries, including petroleum, chemicals, and paper. And the old practice of shipping the raw materials for processing and manufacturing to other areas is slowly but surely disappearing.

This growth has in turn attracted the location of new industry, though not in sufficient quantity. The automobile industry serves as an excellent illustration. Motor vehicle registration in the Southern States has increased more rapidly than in the rest of the country. The automobile manufacturers have responded to this rise by building new assembly lines. Each new assembly plant, in turn, attracts associated industries: tire plants, producers of fabricated metal parts, chemicals, and others.

The experience of Arkansas, if I may turn again to my favorite State, illustrates this point. Barely 6 years ago lumber, which in terms of value added per employee is the least productive industry group in Arkansas, accounted for 40 percent of the production workers in manufacturing. Since then employment in lumber has declined by 25 percent, but the slack in employment has been taken up by relatively more productive industries, such as metals, chemicals, and petroleum.

POSITIVE POLICIES ACCOUNTING FOR GROWTH

I am also counting on the competitive factors to benefit the South. The southern advantages in resources will continue to spur the establishment and expansion of new industry. It is on this basis that I oppose the distortion of the Walsh-Healey Act which the Secretary of Labor has used as a basis for setting uniform nationwide minimum rates for establishments bidding on Government contracts. A realistic policy should take cognizance of the fact that labor costs, as well as other costs, may vary from market to market and region to region.

Now, lest I be misunderstood, I do not favor that industries move to the South solely because of its lower wages. I fully expect and hope that the wages and salaries of the working people in the South will rise to the national average with further increase of industrialization. But I am equally opposed to the Government favoring one region over the other in awarding contracts.

A positive Government policy to stimulate competition calls for Government recognition of the need to encourage small and new business. In this connection, I have introduced recently a bill on behalf of myself and a majority of the distinguished members of the Committee on Banking and Currency, representing both parties, which is designed to relieve the Federal income-tax burden on small business. I am convinced that this is the most practical way to help small business and stimulate competition, which is the lifeblood of American industry. Briefly, this bill will reduce taxes of corporations earning up to $25,000 per year by 26.7 percent; corporations earning $50,000 per year will pay approximately 10 percent less; corporations earning $100,000 per year will pay between 2.7 and 4.3 percent less, while the Federal income taxes of larger corporations will remain virtually unchanged or will be increased, if it is found necessary to make up the loss in revenue due to the reduction of taxes of smaller corporations.

I believe that this bill would be of material benefit to the smaller business of the Nation, and would encourage the growth of new business throughout the Nation.

I am also deeply concerned with the fact that not all the sections of our economy have been sharing in the rising income of recent years. Prosperity cannot last long when large sections of the population do not get their fair share of the total national pay. Such a situation is also manifestly unfair and unjust.

It is for these reasons that I am particularly disturbed about the present depression in agriculture. So far, my own State has not been hit as hard as others. But, as I have stressed earlier, the economic well-being of the South is still largely dependent upon agriculture, and a depression in agriculture threatens the very foundations of our economy.

Government responsibility in this area is paramount. The staff study to which I referred earlier points to the scarcity of long-term and intermediate-term credit that is now available to farmers. There is ample evidence that the judicious use of these types of credit can increase farm efficiency and income, particularly that of small and part-time farmers. The additional resources made possible by credit have increased productivity of farmers and have tended to reduce underemployment. The private credit institutions in the South have accomplished a great deal in recent years toward extending agricultural credit facilities in the South, but I believe that a more energetic and positive Federal Government policy in this area is highly desirable.

Expansion of credit facilities is, however, only one facet of a rounded Federal program to aid the farmer. But, since we have just spent a considerable amount of time on the Senate floor in discussing this question in great detail, I do not think that it is necessary to elaborate on this point.

I should also like to say a few words about the role of the South in the all-pervading problem—the present uneasy peace which is threatened by aggressive world communism.

The needs of our national defense require greater dispersal of our industrial capacity. Thus far little has been done in this direction. Industry has favored geographic concentration as a means to achieving greater efficiency and economy of operations. The Government has hardly intervened with industry's natural desire to achieve expansion at the lowest possible cost. This practice will have to be seriously revised. The threat of atomic warfare will force us to disperse our industrial capacity as a defense measure.

The geopolitics of this situation favors the South, which is located at the farthest point on the continental United States from likely sources of atomic attack. Naturally, regional interests are

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secondary to the needs of national defense. But it is the very interests of national defense and survival that require greater dispersion of industry, and the South stands to benefit from these regrettable, but unfortunately compelling, circumstances.

CONCLUSION

Mr. President, my remarks were addressed to the conditions which have accounted for the South's becoming the Nation's new economic frontier and the challenge that is before us to make this a reality.

But we must not forget for one moment that only what is good for the Nation is also good for the South. We cannot materialize the economic promise of the South unless we ascertain that conditions of full employment prevail throughout the Nation. A national policy of full employment is an essential ingredient for the economic growth of the South. The region's greatest gains in per capita income occurred during the years when full employment prevailed throughout the country. Only under conditions of full employment can all the regions and economic groups share in the blessings of plenty and the promise that is a free and prosperous United States.

The tables ordered to be printed in the RECORD at the conclusion of Senator FULBRIGHT's remarks are as follows:

TABLE 1.—*Per capita income, United States and South, 1954*

State	Per capita	Percent of United States	Rank among 48 States
United States	$1,770	100.0	------------
South	1,233	69.7	------------
Rest of United States	1,909	107.9	------------
Alabama	1,091	61.6	45
Arkansas	979	55.3	47
Florida	1,610	91.0	27
Georgia	1,237	69.9	39
Kentucky	$1,216	68.7	41
Louisiana	1,302	73.6	38
Mississippi	873	49.3	48
North Carolina	1,190	67.2	43
South Carolina	1,063	60.1	46
Tennessee	1,212	68.5	42
Virginia	1,480	83.6	33

Source: U. S. Department of Commerce. Survey of Current Business, September 1955.

TABLE 2.—*Distribution of civilian labor force, 1950*

	South	Percent of total civilian labor force		
		United States	South	Rest of Nation
	Thousands			
Total	10,968	100	19.5	80.5
Agriculture	2,526	12.2	23.0	9.6
Forestry and fisheries	53	.2	.5	.1
Nonagricultural, total	8,018	87.6	73.1	91.3
Mining	189	1.7	1.7	1.6
Construction	699	6.1	6.4	6.1
Manufacturing	2,173	25.9	19.8	27.4
Durable goods	817	13.8	7.4	15.3
Nondurable goods	1,344	11.9	12.3	11.8
Nonagricultural—Continued	*Thousands*			
Transportation, communications, and basic utilities	690	7.8	6.3	8.1
Wholesale and retail trade	1,800	18.8	16.4	19.3
Finance, insurance, and real estate	244	3.4	2.3	3.7
Services	1,795	18.0	16.4	20.6
Public administration	428	4.4	3.9	4.6
Industries not reported	177	1.5	1.6	1.5

Source: 1950 Census of Population, vol. II. Characteristics of the Population: United States Summary, tables 55 and 80, individual State volumes, table 30 in each.

TABLE 3.—*Net civilian migration, United States and South, April 1950 to July 1954, and percent natural growth, 1954*

Area	Net migration [1] (thousands)	Percent natural growth
United States	+1,233	1.6
South	−1,191	1.9
Rest of country	+2,424	1.5
Alabama	−277	1.9
Arkansas	−247	1.7
Florida	+330	1.6
Georgia	−147	2.0
Kentucky	−176	1.6
Louisiana	−30	2.1
Mississippi	−231	2.3
North Carolina	−170	2.0
South Carolina	−67	2.2
Tennessee	−128	1.7
Virginia	−48	1.8

[1] Net total migration comprises both net immigration from abroad and net interstate migration.

Source: Bureau of the Census. Current Population Reports, Series P-25, No. 124.

TABLE 4.—*Average hourly earnings in manufacturing, United States and South, 1954*

	Hourly rate	Percent of United States
United States	$1.81	100
South	1.36	75
Rest of United States	1.89	104
Alabama	1.43	79
Arkansas	1.25	69
Florida	1.36	75
Georgia	1.27	70
Kentucky	$1.66	92
Louisiana	1.58	87
Mississippi	1.18	65
North Carolina	1.25	69
South Carolina	1.26	70
Tennessee	1.45	80
Virginia	1.42	78

Source: U. S. Department of Labor. Employment and Earnings, May 1955.

TABLE 5.—*Employment in nonagricultural establishments by major industry groups, United States and South, 1939 and 1954*

Industry	Employment 1954 (thousands)			1954 as percent of 1939		
	South	United States	Rest of Nation	South	United States	Rest of Nation
Total	7,541	48,285	40,744	172	159	157
Mining	141	770	629	96	91	90
Contract construction	488	2,527	2,039	224	220	219
Manufacturing	2,310	15,989	13,679	155	159	158
Transportation and public utilities	612	4,008	3,396	146	138	136
Trade	1,726	10,498	8,772	197	159	153
Finance, insurance, and real estate	264	2,114	1,850	240	155	148
Service	788	5,629	4,841	174	169	168
Government	1,219	6,751	5,532	184	169	166

Source: U. S. Department of Labor. Employment and Earnings. Annual Supplement, May 1955.

TABLE 6.—*Percentage increase in electric energy output, 1939–47 and 1939–54, and in manufacturers' expenditures for new plant and equipment, United States and South, 1939–47 and 1939–53*

State	Electric energy output		Manufacturers' expenditures for new plant and equipment	
	1939–47	1939–54	1939–47	1939–53
United States	135.9	318.0	381.9	505.3
South	198.9	570.2	434.2	651.0
Alabama	117.9	341.0	508.4	728.6
Arkansas	800.0	2,850.0	588.6	763.6
Florida	245.5	909.1	542.3	1,223.1
Georgia	150.0	406.3	368.3	421.7
Kentucky	277.8	1,311.1	747.3	1,033.0
Louisiana	163.2	542.1	515.2	1,307.0
Mississippi	500.0	3,600.0	312.7	447.3
North Carolina	236.0	488.0	361.7	325.5
South Carolina	118.8	300.0	466.1	440.4
Tennessee	320.0	800.0	265.9	583.0
Virginia	205.3	447.4	452.4	599.0

Source: National Industrial Conference Board. The Conference Board Business Record, December 1955.

TABLE 7.—*State tax collections, United States and South, 1954, and 1954 increase over 1939*

	1954 (millions of dollars)	1954 percent increase over 1939
United States	11,088.9	207
South	2,153.3	288
Rest of United States	8,935.6	192
Alabama	150.9	231
Arkansas	105.7	244
Florida	267.8	320
Georgia	224.7	340
Kentucky	138.1	167
Louisiana	294.7	291
Mississippi	119.9	329
North Carolina	294.8	272
South Carolina	157.0	423
Tennessee	194.7	302
Virginia	196.0	258

Source: U. S. Bureau of the Census.

TABLE 8.—*Median income by level of highest formal education attained, United States and South, 1949*

Years of school completed	United States	South
No. years of school	$1,108	$777
Elementary school, 1 to 4 years	1,365	1,023
Elementary school, 5 to 7 years	2,035	1,591
Elementary school, 8 years	2,533	2,032
High school, 1 to 3 years	$2,517	$2,408
High school, 4 years	3,285	3,079
College, 1 to 3 years	3,522	3,382
College, 4 years or more	4,407	4,251

Source: Bureau of the Census.

TABLE 9.—*Expenditures for public education—total current expenditures and expenditures per pupil: United States and South, 1953–54, and increase over 1939–40*

	Total expenditures		Expenditures per pupil		Expenditures for public education as percent of personal income, 1954
	1953–54 (millions of dollars)	Percent increase 1953–54 over 1939–40	1953–54	Percent increase 1953–54 over 1939–40	
United States	9,109.0	294	$355	235	3.19
South	1,399.9	385	224	306	3.43
Rest of United States	7,709.1	281	398	232	3.15
Alabama	101.5	316	165	293	3.10
Arkansas	71.1	356	200	440	4.04
Florida	161.7	492	299	321	3.04
Georgia	139.8	478	198	340	3.13
Kentucky	81.7	204	$160	302	2.26
Louisiana	156.2	440	320	321	4.16
Mississippi	57.2	260	127	273	3.08
North Carolina	202.0	387	232	373	4.04
South Carolina	130.1	554	253	506	5.39
Tennessee	122.2	309	191	254	3.00
Virginia	175.5	483	285	360	3.33

Source: Office of Education, Department of Health, Education, and Welfare. Preliminary data.

TABLE 10.—*Value added by manufacturing per employee, United States and South, 1947 and 1953*

Industry	1947			1953		
	South	United States	South as percent of United States	South	United States	South as percent of United States
Total	$4,465	$5,207	85.8	$5,799	$7,117	81.5
Food and kindred products	5,613	6,259	89.7	7,244	8,204	88.2
Tobacco manufactures	6,589	5,737	114.9	12,612	10,342	121.9
Textile mill products	4,114	4,330	95.0	4,155	4,671	88.9
Apparel and related products	2,868	4,107	69.8	3,144	4,412	71.2
Lumber and products (except furniture)	2,804	3,928	71.4	3,340	4,862	68.6
Furniture and fixtures	3,587	4,274	83.9	4,603	5,672	81.1
Paper and allied products	7,099	6,391	111.1	9,620	8,368	114.9
Printing and publishing industries	5,057	5,967	84.7	6,852	7,781	88.0
Chemicals and allied products	6,619	8,484	78.0	10,362	12,129	85.4
Petroleum and coal products	$10,612	$9,506	111.6	$15,565	$12,191	127.6
Rubber products	6,154	5,028	122.4	10,049	7,492	134.1
Leather and leather products	3,600	4,000	90.0	4,747	4,558	104.1
Stone, clay, and glass products	4,160	4,991	83.4	6,404	7,410	86.4
Primary metal industries	4,487	4,982	90.1	7,518	8,545	87.9
Fabricated metal products	4,358	5,066	86.0	6,243	7,286	85.6
Machinery (except electrical)	4,049	5,055	80.1	6,553	7,911	82.8
Electrical machinery	4,500	4,859	92.6	6,378	7,187	88.7
Transportation equipment	4,491	4,966	90.4	6,411	7,602	84.3
Instruments and related products	3,564	4,656	76.5	4,858	7,599	63.9
Miscellaneous manufacturers	3,071	4,500	68.2	4,844	6,249	77.5

Source: United States figures: Annual Survey of Manufactures, 1953, table 2. South: Special tabulation by Bureau of Census.

ORDER FOR RECESS UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, when the Senate concludes its business today, it stand in recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

The Senate resumed the consideration of the joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization, and authorizing appropriations therefor.

Mr. FULBRIGHT. Mr. President, I send to the desk an amendment which I intend to offer later.

The PRESIDING OFFICER. The amendment will lie on the table.

The pending question is on agreeing to the amendment of the Senator from Ohio [Mr. BRICKER].

The Chair calls attention to the fact that the Senate now is operating under the provisions of the unanimous-consent agreement which was entered on yesterday.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that there may be a quorum call at this time, without charging to either side the time required therefor.

Mr. BRICKER. Certainly.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FULBRIGHT. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. BRICKER]. Will the Senator from Ohio indicate how much time he yields?

Mr. BRICKER. Mr. President, I yield myself 15 minutes. I may not require all of it. This record was largely made last week, when the joint resolution was brought up for consideration, but I wish briefly to supplement the record at this time.

Mr. President, the amount of money involved in the pending resolution, Senate Joint Resolution 97, is relatively small. However, a very great moral issue is presented for our decision. The question is: Shall the Congress of the United States, by raising the ceiling on United States contributions to the International Labor Organization from $1,750,000 to $3 million, condone by implication the action of the ILO in recognizing that Communist agents masquerading as employer and employee representatives from Soviet countries are entitled to participate and to vote in meetings of the International Labor Organization?

My amendment to Senate Joint Resolution 97 does not—

First. Call for United States withdrawal from ILO. My amendment to the pending resolution will not prevent United States employer, employee, and Government delegates to the ILO from fighting out the Communist issue within that organization.

Second. If my amendment to the pending resolution is adopted, it will not cause the United States to be delinquent in assessments made on the United States by the ILO. The present ceiling on United States contributions to the ILO will not be pierced prior to the time when the Congress considers the budget for fiscal 1958. If the next Congress—unwisely in my judgment—wants to give the ILO more money, even though the ILO recognizes that there are no free and independent business and labor organizations behind the Iron Curtain, the next Congress can do so.

My amendment to Senate Joint Resolution 97 simply provides that no sums in excess of the present ceiling, $1,750,000, shall be contributed to the ILO for any calendar year after 1956 if during the preceding calendar year phony employer and employee delegates from the Soviet bloc countries are permitted to vote at ILO meetings. If the Senate does not adopt the pending amendment, we shall, in effect, have endorsed the ILO's action in seating and granting voting privileges to phoney employer and employee representatives from Communist countries.

The Communist delegates and their friends can then say, "Look at what the Congress of the United States has done." The argument can easily be made in ILO circles that the Congress, knowing that so-called Communist employer and employee delegates were granted voting privileges, nevertheless increased the statutory ceiling and, in fact, by the amendment adopted in the Senate last Monday, has permitted the United States percentage share of the ILO budget to rise from its present figure of 25 percent to 33⅓ percent. That is the great danger in passing Senate Joint Resolution 97 in its present form.

I should now like to clarify in several respects the record which was made in the Senate last Monday. The distinguished junior Senator from Montana [Mr. MANSFIELD] pointed out that no hearings had been held on the resolution but that "the reason why there were no public hearings is that there were no requests on the part of anyone to come before the committee at that time." I am confident that the reason no requests were made to be heard on this important matter is that interested parties outside of the executive branch were not advised that the matter was under consideration. Senate Joint Resolution 97 was not introduced in the Senate, but reported as an original resolution from the Senate Foreign Relations Committee at the request of executive agencies.

Some misunderstanding exists as to Communist voting strength in the International Labor Organization. The United States, of course, is outvoted by the Communist bloc 32 to 4. While there are 280 votes in the ILO, 4 for each of its 70 members, the average vote at the ILO Conference is about 175. There are some small countries which do not send delegations, some countries are in arrears on their dues, and there are always some abstentions in voting and some absentees. On most votes in the ILO, 87 is a majority. Accordingly, a solid Communist bloc of 32 votes can carry most measures with the support of so-called neutralist nations.

Passage of my amendment will maintain the status quo until the executive branch has completed its study on United States participation in the organization, until the Senate Foreign Relations Committee has had an opportunity to hear representatives of American labor and business organizations, and until the International Labor Organization itself has had an opportunity to reconsider its ill-advised action in seating as bona fide employer and employee representatives mere mouthpieces of the Kremlin. According to my information, the 1956 ILO Conference will discuss, but not decide, the Communist issue in ILO; the ILO governing body will consider the issue at its November 1956 meeting; and the 1957 ILO Conference may place the issue on its agenda for a final decision.

In my judgment, passage of the pending amendment will strengthen the bargaining position of United States delegates representing employers, employees and the Government of the United States. Our entire delegation strongly opposed the acceptance of employers and worker delegates from Communist countries by the ILO. They recognized that these delegates were completely controlled by the Soviet Government, and that their acceptance by the ILO violated the ILO constitution and the fundamental tripartite character of the organization. But whatever others may think, the Congress of the United States should not take any action which would even remotely imply that there exists free and independent labor and business organizations behind the Iron Curtain.

In this connection, I should like to read to the Senate two telegrams which I have received. The first is from Mr. Charles P. McCormick, president of McCormick & Co., of Baltimore, Md., which reads as follows:

> As United States employer delegate to the ILO during the years of 1949 to 1952, member of the governing body of the ILO from 1949 to 1952, president of the International Organization of Employers in 1951 and vice president of the ILO Conference in 1950, I am absolutely in favor of Senator Bricker's amendment to Senate Joint Resolution 97.
>
> When a communistic power sends a representative to the employers' meeting as an employer, he is definitely controlled in mind and action and ceases to become a free man. The spirit of the ILO is tripartite and each employer, worker, or government delegate should be free to act as an independent man and not have his vote controlled. Until such time as this is clarified, Senator BRICKER'S

amendment should stand to stimulate only fair and tripartite work in the ILO.

As a citizen and employer, I believe that man should have freedom of choice and not be subject to pressure or coercion when voting as an employer or as a worker in any international gathering.

The second telegram is from Mr. W. L. McGrath, of Cincinnati, Ohio, and it reads as follows:

If the ILO budget and United States contributions to the ILO are to be increased, it is of even greater importance to support Senator Bricker's proposal that no additional funds from the United States may be used for this purpose as long as agents of the Communist Party, masquerading as representatives of free employers and free workers, are allowed to sit in ILO conferences.

As the United States employer-delegate to the ILO 1954 and 1955 conferences, I watched these men use the ILO as an international forum for denouncing the United States and promoting the cause of the Communist Party. They have 32 votes to our 4. As long as they are allowed to participate in ILO conferences, any increase in ILO contributions from the United States of America will, in fact, have the effect of helping to finance Communist anti-United States propaganda. Why should the United States taxpayers help the Communist spread international poison?

It is my belief that the participation of Communist so-called employer and worker delegates in the ILO is contrary to the ILO constitution on the ground that such delegates do not represent employers or workers but represent governments and are indistinguishable from government representatives. A debate on this subject is now going on in the ILO but it is my belief that no constructive action will be taken unless the ILO is jolted by action such as is proposed by Senator Bricker.

For the purpose of the record, I ask unanimous consent that the text of a speech delivered by Mr. McGrath, who has had as extensive experience in this field as anyone else, be printed in the Record at this point.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Surprising Case of the ILO

(By William L. McGrath, president, the Williamson Heater Co., Cincinnati, Ohio,[1] before the 54th annual meeting of the National Machine Tool Builders' Association, the Waldorf Astoria, New York, N. Y., October 25, 1955)

At its next session, our Congress will be asked to raise the ceiling for the United States contribution to the International Labor Organization from $1,750,000 a year to $3 million a year. This provision is contained in Senate Joint Resolution 97. If this is agreed to by the Congress, it will be just another example of $3 million of the taxpayers' money going for a purpose that few people know anything about and most Americans have never even heard of.

The total budget of the ILO is arrived at by multiplying by four the contribution of the United States. We pay 25 percent, and the other 69 member countries pay the remaining 75 percent. If we boost our contribution from $1,750,000 to $3 million, this boosts the total ILO budget from $7 million to $12 million, and will enable it to expand its activities accordingly.

How many of you men here today are familiar with the ILO, and what it does? Most of you know, I presume, that it is affiliated with the United Nations. But are you aware that the International Labor Organization has been in existence for some 36 years, considers itself an international parliament, and is drafting basic laws on social and economic matters which are having profound influence upon legislation all over the world?

As the years have gone by you have seen one Socialist proposal after another introduced into the House and the Senate of the United States. Haven't you ever wondered where these things came from? Well, I can give you the answer. Many of them have originated in the ILO, which has for years been the breeding ground of international socialistic legislation.

The ILO originated with the League of Nations, with the idea that an international organization devoted to consideration of the problems of labor the world over would be a useful adjunct to the league, and an instrument on behalf of world peace.

The League of Nations died, but the ILO kept right on going; and the United States joined it in 1934.

Then along came the United Nations, and the ILO hooked up with the United Nations in 1945. The ILO is, however, not under the direction of the United Nations. The United Nations gives the ILO an additional $2 million a year, of which we pay 33⅓ percent, for what it calls its technical-assistance program, but the ILO runs its own show and gets its own budget appropriations directly from member governments.

The ILO as originally conceived was supposed to concern itself purely with questions dealing with labor—but at a meeting in Philadelphia in 1944 they adopted a declaration which said, among other things, that "poverty everywhere constitutes a danger to prosperity everywhere," that people have a "right" to economic security, and which stated, "It is the responsibility of the International Labor Organization to examine and consider all international, economic, and financial policies in the light of this fundamental objective."

By this device the ILO arrogated unto itself the supposed right to draft basic laws, on social and economic questions, for adoption by member countries all over the world.

In 1954 Russia, which had long been absent from the ILO came back in a big way, bringing satellite countries also into the picture. The Communists gained a strong foothold in 1954 and strengthened their position in 1955.

That in the main brings you up to date on the origin and development of the ILO.

Now let's consider the functioning of the ILO. As I said before, although it is a United Nations affiliate, it isn't bossed by the United Nations, and furthermore it is unique among international agencies because it is not composed solely of representatives of government.

At its annual conference held each June in Geneva, Switzerland, each participating nation has 4 voting delegates; 2 representing government, 1 representing employers, and 1 representing workers. The delegates are accompanied by advisers. Total attendance is usually over 600, with over 60 nations represented.

At the annual conference, the ILO enacts proposals which are in effect skeleton drafts of legislation which it hopes will be enacted by member countries. These may be passed in the form of a resolution, a recommendation or a convention. A convention—and pay close attention to this—is a draft of a proposed international law which, when ratified by member nations, stands as a treaty among them. By this means the ILO seeks to introduce standardized basic laws into countries all over the world.

When the United States joined the ILO in 1934, it was with the reservation that our country would not be bound by such convention procedure, but would consider any ILO proposals as recommendations only. In 1944, however, when our Congress, by joint resolution, approved the Philadelphia declaration, we entered the ILO on the same basis as other member nations—so that today, if we ratify an ILO convention, it stands as an international treaty and we are bound by it accordingly.

The ILO has a governing body, composed of representatives of governments, workers, and employers, which serves, you might say, as its board of directors. I was elected 1 of the 10 employer members of the governing body.

It has a permanent office in Geneva headed by a Director General, and a staff of about 800 persons. This is known as the International Labor Office. It sends missions of technical assistance to countries all over the world, supposedly to help increase productivity, but I suspect largely to propagandize on behalf of socialism. It conducts research and makes investigations, the purposes and results of which are not too clear, and releases publications, the purpose of which is only too clear—namely, that of propagandizing all over the world on behalf of the ILO and the socialistic measures which it champions and promotes.

There is something unique about the Geneva ILO staff and personnel—they are all tax-exempt. Although they constantly recommend measures that will add to the taxes of everybody else, they themselves pay no income taxes to any country.

In its earlier years the ILO devoted itself to matters directly concerned with labor. It enacted conventions, for example, on living quarters of seamen in the international marine service, the employment of women in underground mines, the employment of children in factories, safety provisions, and so forth, and proposed a series of constructive practices which everybody in our country would agree should apply to employment conditions the world over.

But then the ideology of state socialism came into ascendancy in Europe and spread to other parts of the world. The ILO fell completely under the domination of a Socialist government-labor coalition. It decided that anything in industry, government, or social systems that in any way affected the workingman was a subject for consideration by the ILO. This was how the state Socialists moved in on the Organization, and used it as a means of promoting Socialist ideology.

The employer delegates to the ILO have consistently and eloquently objected to the proposed drafts of international Socialist laws fostered by the ILO; but they have been hopelessly in the minority, and outvoted on practically all issues.

Now, I have told you that the ILO is a breeding ground of Socialist ideas. So now I think I had better get down to cases and give you a few specific examples.

First of all, suppose I review the basic principles of socialism as I understand them from my ILO experience.

In the United States we believe, as was said in our Declaration of Independence, that men are born with certain inalienable rights, and that government derives its powers from the consent of the governed.

The principle of socialism is exactly the opposite. The premise of socialism is that all rights belong to government—and government then parcels them out to the people in line with its own divine judgment. I have sometimes said that the main purpose of the ILO is that of trying to substitute government for God.

The underlying theme of ILO proposals is always government regulation, government domination, government control, government direction, government supervision, and, of course, in the long run, government ownership of industry, government price control, and government dictation as to jobs and wages. There is no half-way stopping point on the road to collectivism.

Well, to start with specific cases, let's take the subject of collective bargaining.

It is certainly quite proper for the ILO to endeavor to protect the right of collective bargaining, but let me tell you how far the ILO is going in that direction.

The ILO has proposed that if most of the workers in an industry have signed a collective bargaining agreement, government should have the power to compel the rest of the workers in that industry to sign up likewise, regardless of whether or not they wished to do so. What they want is nationwide collective bargaining enforced by government decree.

But the Socialists go further than that. Some of them in the ILO suggested that one-half of the board of directors of a company should be chosen by management, and the other half should be chosen by the union, which would have an equal right with the management as to the course of action of the company. In case of a deadlock, the matter would be submitted to government. This would put government in the position of being the controlling factor in the future destiny of industrial enterprises.

Do you think this is farfetched?

It is nothing of the sort. This device is known as codetermination, and it is the law in Germany today.

Well, let's go on to another subject. Let's take social security.

It may interest you to know that the ILO brags that one of its earliest and most successful technical-assistance projects was when it sent two experts over to the United States to show us how to set up our social-security system. For social security was born and bred in the ILO.

And social security, according to the ILO, is still in its infancy. In 1952 the ILO enacted a convention entitled "Minimum Standards of Social Security." I want to emphasize that word "minimum," because it is the intent of the ILO at some time in the future to develop, God help us, what they are going to call advanced standards of social security.

Under the title "Minimum Standards of Social Security" the ILO drafted an international law providing government benefits for practically all the ills the flesh is heir to. It is a blueprint for the biggest giveaway program yet devised.

Under this proposal government would pay people money for the following:

Any condition requiring medical care of a preventive or corrective nature, including pregnancy, and any morbid condition, whatever its cause.

Loss of earnings due to sickness or unemployment.

Survival beyond a prescribed age.

Employment injuries.

Babies. The government pays you for having them; the more you have the more money you get.

Child birth, including medical care and hospitalization.

Invalidity—which is defined as "inability to engage in any gainful activity."

Death benefits—that is, life insurance.

Originally included in this proposal was a provision to the effect that all life insurance must be compulsory and subsidized by government, and any insurance would be illegal unless government paid at least 25 percent of the cost of the premiums. This effort at socializing insurance was aimed at putting out of business insurance companies such as we have in the United States.

This convention also contained provisions for socialized medicine, such as they have in England.

Well, now we are getting echoes in the United States.

Our House of Representatives has passed a bill (H. R. 7225) which provides that if at any time after the age of 50 a man becomes totally disabled and is so certified by the government, he can immediately collect the same amount of social-security benefits that he otherwise would get after retirement at age 65. That bill will be up for consideration by the Senate at the next session of the Congress.

Think what that means. To be eligible for total disability, a man must be certified by Government doctors. This means doctors on the Government payroll. This puts doctors in Government, and is the opening step toward socialized medicine.

Now let's take it from the standpoint of insurance. Private insurance companies now protect people against total disability. But now Government comes along and enters that field.

So you have, therefore, in this bill, the opening wedge toward socialized medicine and socialized insurance; and these provisions are lifted out of the ILO Convention on Minimum Standards of Social Security.

For example, the ILO Convention proposes government payments for "invalidity," which it defines as the "inability to engage in any gainful activity." Our bill, H. R. 7225, defines "disability" as the "inability to engage in any substantial gainful activity"—a change of only one word. Our bill states that a person may be ruled disabled as the result of "any medically determinable physical or mental impairment." The ILO uses the phrase "any morbid condition, whatever its cause." We will be hearing more, in this country, about a morbid condition and invalidity.

In 1952 the ILO passed a convention called the Maternity Protection Convention, which provides that:

An employed woman should be given at least 12 weeks off to have her baby, with free medical care and hospitalization.

During this period she would receive from the government, in cash, an amount equal to two-thirds of her pay.

A woman cannot be discharged while on maternity leave.

Interruptions for nursing the baby, and I quote: "In cases where the matter is governed by or in accordance with laws and regulations" are to be counted as working hours and paid for by the company.

I sat in the committee on maternity protection, and at times I couldn't believe my ears. In that committee, representatives from countries all over the world spent an entire half day debating as to whether or not an international law should contain a provision to the effect that a mother should nurse her baby for one hour, during the working day, or for two half hour nursing periods. As I recall it, France held out for two half hours, and Israel held out for one full hour. No conclusion was reached, for the reason, I imagine, that the men on the committee knew little about the subject, and the women on the committee seemed singularly unequipped for the purpose under discussion.

In that committee I got a clear-cut idea as to the relative positions of maternity and paternity in the socialistic utopia.

Apparently, in those golden days, practically all women are supposed to work. Their babies are financed by government benefits; and in due course they bring them to work with them, placing them in government-run nurseries and leaving their machines or typewriters to nurse them on company time. There is no distinction between legitimacy and illegitimacy.

The place of the father in the scheme of things, married or unmarried, is reduced purely to the function of paternity. The state takes over, to a large extent, the functions of the family. It provides against a multitude of contingencies for which, in a free society, the husband and father is supposed to provide.

Under such circumstances, what becomes of the family? What becomes of the home? What is the object of the institution of marriage? What happens to the children, starting life in Government or industrial nurseries? What are the people, save wards of the State?

In 1955 the conference discussed what they termed "welfare facilities for workers." The proposal stated that "the competent authority" (meaning Government) should prepare suggestions for the operations of canteens, feeding equipment, types of meals, balanced diets, food service, and feeding costs. The implication was that Government should take over and supervise all phases of inplant feeding in industrial institutions.

At its 1955 conference the ILO enacted a resolution entitled "Vocational training in agriculture." Never have I seen a document more foreign to the philosophy of the United States.

It assumed, as a basic premise, that the agricultural worker is an employee. It assumed that wages in agriculture are determined on the basis of collective bargaining. And it proposed the setting up of an apprentice system for young farmworkers.

Well, in the United States most of our farmworkers are not employees, they are members of the farmer's family. They don't belong to unions, so the collective-bargaining idea has no application in our country. And as for apprenticeships, about the only way this could be worked out would be for farmers' sons to be apprenticed to their fathers.

Furthermore, embodied in this proposal is a definite pattern of Government domination and control. The general idea is that the Government should take over the vocational training of all youngsters on the farm, in what the ILO calls a systematic and coordinated program.

This program provides that government should provide school textbooks and other educational material, should pass on the qualifications of teacher and examination requirements, should subsidize educational facilities, and make sure that the education and training of young people on the farm should be done by the Government, and not by their parents.

I don't think I need go any further. I could cite many more examples. But I have given you enough to indicate the overall trend of the proposals which the ILO government-labor majority hopes to enact into basic laws which may be followed by other countries all over the world.

And if you think this is not the case, you are very much mistaken. Thus far the ILO has enacted 103 conventions. Of these, Great Britain has ratified 56, France has ratified 73, Belgium has ratified 55, Holland has ratified 42, Argentina has ratified 45.

You will ask, how many ILO conventions have been ratified by the United States? Here is the answer:

Seven conventions have been approved by the Senate and ratified by the President's signature. Most of these deal with conditions of maritime employment and are not socialistic.

Three conventions have been approved by the Senate but not signed by the President, and seven more were sent by Mr. Roosevelt and Mr. Truman to the Senate Foreign Relations Committee for action. Several of these involve the threat of the invasion of international laws into our domestic affairs.

Now—why has no further action been taken, with respect to these conventions? And why have the more recent and radical ILO conventions, for which our Government voted in ILO Conferences, never been submitted to the Senate for consideration, which, under the ILO constitution, our President is supposed to do?

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[1] Mr. McGrath was United States employer delegate, ILO Annual Conferences of 1954 and 1955; United States employer adviser, ILO Annual Conferences of 1949, 1950, 1951, and 1952; member, ILO governing body.

The answer is the Bricker amendment.

With the whole country aroused to the danger of having Socialist measures imposed upon us by the back door of convention ratification, the proponents of such measures have not dared to bring them out on the floor of the Senate.

But in the rest of the world things have gone the other way. A major share of the social, labor, and economic legislation enacted in Europe and in many other parts of the world during the last 20 years has been born in the ILO.

The South American countries and the underdeveloped countries of the Far East have been following the lead of the ILO. They have been told by Socialist Europeans that socialism is the hope of the world, and that the kind of civilization we have in the United States is outmoded and in some mysterious way still lingering along, operating under old-fashioned concepts that are holdovers from the last century.

The fact is that out of the entire world, the United States and Canada are practically the only countries left that are still operating in the main on the basis of the free-competitive system.

Well—so far I have given you the picture of the ILO previous to the time the Russians moved in on us. As I said before, Russia had been out of this picture for a long time, but in 1954 they moved back in in a big way, and brought their satellites along with them.

They precipitated a debate which is still going on in the ILO, a debate which is founded upon a fundamental premise.

From the very beginning the employer delegates to the ILO, who under its constitution are supposed to represent free associations of free employers, contended that the Communist so-called employer delegates could not possibly represent free associations of free employers, because there were no such associations in Communist countries.

Our claim was that the so-called employer delegates from Communist countries were simply government agents, and agents for the Communist Party.

At the 1954 conference the employer delegates from non-Communist nations made a determined effort to get these Communist so-called employer delegates thrown out. We were defeated. At the 1955 conference we tried to keep them off our employer committees, and once more we were defeated.

In 1954 the United States Government supported our position. But in 1955 our Government reversed its stand and supported the Communists. We wound up by having Communist agents placed on the employer groups of the ILO. Let me explain how this works out.

The working committees of the ILO are tripartite; that is, on each committee we are supposed to have representatives of government, employers, and workers. But what happens if we get Communists officially seated as members of employer groups. The result is as preposterous as if the National Association of Manufacturers, or the United States Chamber of Commerce, should accept Communist agents on their boards of directors.

I simply could not face up to this proposition. At the 1954 conference I protested as strongly as possible, but to no avail. At the 1955 conference I withdrew the United States employer delegation from participation in any ILO working committees upon which Communist so-called employers had been seated. I felt that a time had come to make a stand on principle.

Now I wonder whether you realize what the invasion of the ILO by the Russians actually means.

Russia has come back into the ILO as three countries—the U. S. S. R., the Ukraine, and Byelorussia. That is the basis upon which Russia belongs to the United Nations. I do not know yet why Russia represents 3 nations in the United Nations whereas we represent only 1. But that is the situation.

In addition, Russia is now reinforced in the ILO, on a very active basis, by Poland, Bulgaria, Hungary, Czechoslovakia, and Albania. That makes 8 Iron Curtain countries that have a total of 32 votes in the ILO, as compared to 4 votes from the United States. Meanwhile we pay 25 percent of the cost, while the 8 Communist countries pay a total of 14½ percent.

The Communists have got their foot in the door in the ILO, and they are preparing to take it over. Their interminable tirades of oratory at the 1955 session were incredible.

Many nations of the rest of the world are much impressed, and are afraid of the Russians. It seems to me very probable, therefore, that from now on ILO proposals and findings will, without question, go more definitely to the left. The ILO is going to be swamped by Red propaganda.

We were told by a member of the Labor Department, in the last days of the Truman regime, that it was important that the United States pretend, in the ILO to go along with Socialist philosophy, because the Socialists would help us contain the Communists.

Did they? The answer is, they did not. The Communists now have a good chance of taking over not only the propaganda aspect of the ILO, but a good share of its overall operation.

And when you get right down to it—what is the difference between a Communist and a Socialist?

Socialism and communism are rival collectivist systems, competing for followers and for political power. In the ILO each strives for influence, as opposed to the other; but when it comes to matters of basic principle, both of them go right down the same line.

I think the distinction between communism and socialism has been excellently stated by Earl Bunting, former president of the National Association of Manufacturers, who said to me, one day, "Communism is the cruel force required to put socialism into effect."

So we have, in the ILO, a struggle between communism and socialism—and in between the two, our whole system of freedom, our whole system of competitive enterprise, is dropped in the middle, neglected and scorned as something old-fashioned, outmoded, and no longer suited to modern civilization.

So I, for one, am getting pretty sick and tired of a situation which is becoming progressively impossible.

Up until the time the Russians came back into the ILO, I felt that the United States employers were accomplishing something. We had definitely succeeded in having some of the most objectionable provisions of proposed ILO conventions thrown out. We had done far more than that. We had raised such a row against the very principle of conventions enacted as international laws that the ILO has passed only one convention in the last 3 years.

But when the Communists came back in, and were accepted, and we had Communist agents put on employers committees—well, that to me well-nigh spelled the end of the road.

There is one last stand still to be taken. The ILO has appointed a committee to determine whether employer and worker delegates from various countries represent associations of free employers and free workers, or whether they don't. The idea is that the report of this committee might be the basis for formulating a constitutional amendment under which so-called Communist employer and worker delegates could be thrown out. This committee is supposed to make its report at the November meeting of the government body, which I shall attend.

If this committee makes its report in all sincerity on the basis of actual facts, if the ILO governing body takes this proposal seriously and puts the matter on the agenda of the ILO Conference, I think that we in the United States should stick tight and use our utmost influence to further this objective.

But if, on the other hand, things go the other way—and I think they will—if no determined effort is made by the ILO to disqualify the Communist so-called employer and worker delegates—we will be faced with the prospect that the ILO will become just another Communist-dominated organization. And in that case I can say very frankly that I can see no further constructive purpose to be gained by continuing further United States participation in the ILO.

But no matter what we do about the ILO, remember that this is only one of the various arms of the United Nations that are enacting conventions, and seeking thereby to write laws governing internal domestic affairs and impose them upon us by the device of treaty ratification.

We need the constitutional amendment proposed by Senator Bricker to protect us against this threat to the principle of self-government. I don't want the laws of the United States written for us by representatives of over 60 foreign countries. I say, let's write our own laws, in our own way.

Mr. BRICKER. Mr. President, I should like to have printed in the Record at this point some comments which have been made by representatives of Communist countries to show that their participation is merely a propaganda ruse on the part of the Communist representatives. I might say that not only did our delegation oppose the entrance of the Communists into ILO conferences and committees, but that, likewise, Italy, France, New Zealand, The Netherlands, Ireland, and the United Kingdom, in expressions from their representatives, also opposed the seating of the so-called employer and employee delegations from Soviet Russia. I should like to give two or three examples of what has been stated at these conferences by delegates from Communist countries, to illustrate to Senators what the representatives of the United States are up against when they sit down with these delegates from Communist countries.

I rather agree with Mr. Meany of the American Federation of Labor–CIO, that he will not sit at a conference table with Communists on matters of this kind. He very expressly stated that in a recent speech.

I now should like to insert in the Record some excerpts from speeches made by Communist representatives after they had been seated. One of them, a delegate from the Ukraine, said:

> The trade union organizations of the Ukraine have over 1,800 clubs, 21,000 special meeting halls and aproximately 5,000 libraries, with tens of millions of volumes. The workers have every facility for rest in clubs, palaces, and cultural houses. Factories and workshops are equipped with rest rooms and sports grounds.

The Government delegate from the U. S. S. R. said:

> In the United States, as in other capitalist countries, various forms of forced labor are linked together in a remarkable way. The United States is the country where the capitalists most cruelly exploit their employees by means of the most subtle forms of sweat labor. In the United States also there are still vestiges of slavery.

The Government delegate from Bulgaria said:

> In the capitalist countries, legislation is such that employers can make tremendous profits and at the same time pay the workers—who are the real producers of goods—very low wages, thus condemning them to misery, unemployment and suffering. By contrast, in our country, as well as in the Soviet Union and in the People's Democracies, this problem has been happily solved.

These are all Communist countries from which representatives of labor, so-called, and representatives of business, so-called, have been seated, against the votes of the American representatives.

The next quotation is from the delegate from Czechoslovakia:

> The proportion of our industrial production in the total national income increased from 56 percent in 1948 to 70 percent in 1953. During the same period, labor productivity increased 60 percent. On the other hand, the increasing number of strikes in capitalistic countries shows that the workers and their organizations are exhausting themselves in a continual struggle.

The delegate from Bulgaria said:

> Political tension and economic instability are one consequence of the policy of preparing for a new war furthered in certain capitalist countries, by circles that are guided solely by their material and egotistical interests.

Mr. President, I could go on and read endlessly quotations from speeches made by delegates from Communist countries who have been seated against the votes of the American delegation.

If the Senate does not adopt the pending amendment, it will be, in effect, saying to our representatives: "There is no use continuing your fight. There is no use for you to stand adamant against these representatives of phony employers and phony employees, or in carrying on the fight you have been waging."

Mr. President, I believe it is essential that the Senate adopt the amendment, and in that way strengthen the hand of our representatives in the ILO, which has now passed from the phase of considering the interests and the welfare of employers and of labor all over the world, to a socialization program and to a consideration of all sorts of governmental functions, passing resolutions, and drafting treaties, and all sorts of contracts for the various countries to enter into, all of which affect not only labor, but the political interests of our country.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. BRICKER. Therefore, I ask that the amendment be adopted, to strengthen the hand of our country's representatives, in behalf of free labor and free business. I yield 20 minutes to the Senator from Virginia.

Mr. DOUGLAS. Mr. President, would the Senator be willing, before he yields to the Senator from Virginia, to answer some questions which I have in mind?

The PRESIDING OFFICER (Mr. Laird in the chair). Does the Senator from Ohio yield to the Senator from Illinois?

Mr. BRICKER. I yield myself an additional 3 minutes, so that I may answer the questions of the Senator from Illinois.

Mr. DOUGLAS. Did I understand the Senator from Ohio to say that the executive agencies of our Government were in favor of his amendment?

Mr. BRICKER. Agencies of our Government?

Mr. DOUGLAS. Yes.

Mr. BRICKER. I do not know that any of them have been required to express their feelings on the matter. The State Department did, and I believe the Labor Department also did. I have a record here that Mr. Mitchell was opposed to the seating of the Communist delegates. A bill was introduced, but no hearings have been held on it.

Mr. DOUGLAS. I should like to ask whether the administration has taken a stand on the Senator's amendment.

Mr. BRICKER. I cannot say as to that.

Mr. DOUGLAS. I should like to ask unanimous consent that I may be permitted to address an inquiry to the distinguished minority leader.

The PRESIDING OFFICER. Does the Senator from Ohio yield for that purpose?

Mr. BRICKER. I yield.

Mr. DOUGLAS. May I inquire of the distinguished minority leader whether the administration has taken a stand on the amendment offered by the Senator from Ohio?

Mr. KNOWLAND. I will say to the distinguished Senator from Illinois that a representative of the State Department, Mr. Francis Wilcox, appeared before the Committee on Foreign Relations and testified in behalf of the measure which is before the Senate. I believe it is fair to say that he would not be in favor of an amendment of the type of that the Senator from Ohio has offered. It is fair to say that at least Mr. Wilcox, representing the State Department—and I have every reason to assume that he was speaking for the State Department—would be in opposition to the amendment.

I would say to the Senator, however, after having made that statement to the Senate, that, so far as the minority leader is concerned, he intends to support the amendment of the Senator from Ohio, on the basis that it does not take the United States out of ILO and does not reduce the contributions we now make to ILO. It does hold in abeyance, until the matter can be thoroughly gone into by the Committee on Foreign Relations—and I hope the ILO itself—what I believe to be an untenable situation under which the Soviet Government and the other Communist governments purport to speak for both a free labor movement and free business in their respective countries, when the fact is that no such movement or business exists in those countries.

Mr. DOUGLAS. Has the executive office taken any position on this amendment?

Mr. KNOWLAND. If it has, I have not been contacted in regard to it.

Mr. DOUGLAS. It has not informed the Senator?

Mr. KNOWLAND. It has not informed me.

Mr. DOUGLAS. What is the attitude of the United States Department of Labor?

Mr. KNOWLAND. Again, I have not been contacted, but I would assume——

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. BRICKER. Mr. President, I yield another minute to the Senator from California.

Mr. KNOWLAND. I would assume from the testimony of Mr. Wilcox that the views which he expressed when he appeared represented the views of the Department of State and the Department of Labor.

Mr. DOUGLAS. And, therefore, of the administration?

Mr. KNOWLAND. I should think so.

Mr. FULBRIGHT. The Secretary of Labor was represented.

Mr. BRICKER. Mr. President, I yield myself 5 additional minutes.

Mr. LEHMAN. Mr. President, will the Senator from Ohio yield?

Mr. BRICKER. I yield.

Mr. LEHMAN. As I understand, Mr. Wilcox is a representative of the State Department.

Mr. KNOWLAND. He used to be chief of staff of the Committee on Foreign Relations.

Mr. LEHMAN. And he appeared before the committee?

Mr. KNOWLAND. He appeared before the committee. Mr. Wilkins from the Department of Labor appeared in support of the resolution which is now before the Senate without the amendment offered by the Senator from Ohio.

Mr. LEHMAN. That was my understanding, also.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Ohio yield?

Mr. BRICKER. I yield.

Mr. SMITH of New Jersey. My understanding is that a representative of the Department of Labor contacted my office and expressed his Department's opposition to the amendment of the Senator from Ohio [Mr. Bricker].

Mr. BRICKER. Mr. President, I yield 20 minutes to the distinguished Senator from Virginia [Mr. Robertson].

Mr. ROBERTSON. Mr. President, I wish to associate myself with the views expressed by the distinguished minority leader who said that in supporting the Bricker amendment we were merely giving the Foreign Relations Committee and the executive branch of the Government a further opportunity to look into the charges which have been made by the business representative of this group, that the Communist members of the ILO have been using that international organization as a front to promulgate ideas and principles which are to the detriment of the United States and of what we call the free world.

Mr. President, I am frankly discouraged over our participation in what might be called a world struggle for the mastery of men's minds, because, in my opinion, in recent years we have been losing both to socialism and to communism. I have seen that particularly illustrated in the work of the Interparliamentary Union of which I am proud to be at the present time the vice president of the American group, and I am more familiar with how Communists have tried to use that old and honorable peace organization than any other international organization, as a sounding board for communistic propaganda.

The Interparliamentary Union was organized approximately 70 years ago in Geneva, Switzerland, and the United States was a charter member. At that time we were a young Nation, as nations go. We had a population of less than 58 million. While we were doing pretty well financially, we did not at every international gathering say, "Oh, let me pick up the check; I have so much more than you have."

So, Mr. President, when we went into the Interparliamentary Union 70 years ago we entered it on the same basis as did Great Britain, when Britannia was ruling the waves and the British boasted that the sun never set on the British Empire. We entered it on the same basis as did France which at that time had universal military service and far more military power than we had. For a number of years our contribution to that organization was only $10,000 a year. It was based on population. Finally, as we developed and grew, our contribution reached $18,000, and last year it reached $20,000.

The Interparliamentary Union is an organization with some 46 members. It meets every year in a general assembly, and every spring, in the executive council to prepare the agenda for the fall meeting. The charter of the organization provides that it shall be composed of members of free representative parliaments dedicated to the cause of peace and the extension of democratic principles. Of course, when the Interparliamentary Union was formed Russia, under the czars, did not ask to be admitted. It would not have been admitted, but it did not ask, because the czars were not dedicated to the promulgation of democratic principles.

Not until last year did representatives of the Soviet Union ask to be admitted to the Interparliamentary Union. Then, under the skillful leadership of Lord Stangate, the president of the Interparliamentary Union and a member of the Labor Party of Great Britain and a warm friend and admirer of both the Soviet Union and its satellites, and also of Red China, maneuvers were made to enable Soviet Russia and a number of its satellites to become members of the Interparliamentary Union. Later, at a meeting of the executive committee, which is composed of eight members—we have one member at the present time on that committee—in New Delhi last November a proposal was made by a representative of the Communist group that Red China be admitted to the Interparliamentary Union. We were not present, because we did not know the issue was coming up. There was another nation which was not represented and did not know the issue was coming up. There was a 3-to-3 tie vote, and the tie was broken by Lord Stangate in favor of the Communist group.

That is primarily why I accepted the assignment to go to Yugoslavia in the early part of this month as 1 of 2 delegates from the United States, to block, if we could, the motion which has been made in the executive committee that the executive council should vote to accept Red China as a member of a peace organization, mind you, when her hands were still dripping red with the blood of American boys, when she had been declared to be an aggressor in Korea and still maintains a tremendous army in Korea, to which she has no just and legal claim whatever. Our distinguished colleague, the Senator from Kentucky [Mr. BARKLEY], is the other delegate.

It may have been because of the secret vote—I am not too sure—but we succeeded at that meeting in defeating a motion made by a representative of Poland, on behalf of the Soviet Union, to admit Red China. But the issue undoubtedly will be brought up again when the Interparliamentary Union meets next fall in Bangkok, Thailand.

At that time I am not too certain that Red China will not be admitted; but I am sure that if Red China is admitted then the votes of the big communistic countries, like Russia and China, all having populations far greater than our own—although there is, under the charter, a limitation upon the total vote any nation may have on the basis of population—plus the votes of the so-called neutral countries, like India, which vote against us every time some proposal is made by a Red group against our interests, will cause the free nations of the world to lose complete control over what once was a very fine group of members of Parliament, who would annually meet in a friendly atmosphere, exchange views, and adopt resolutions and proposals designed to promote the peace of the world and the maintenance of democratic institutions.

As I say, Mr. President, I am more familiar with the debates which occur in that group than I am with those which are alleged to occur in an organization like the ILO.

I can say very definitely that the trend in Europe and in Asia is toward more socialism, which, of course, is a first cousin to communism. No nation has ever attempted pure socialism, which means government ownership and control of all instruments of production, excepting the private ownership of homes, farms, and things of that kind. No nation has ever attempted a full scale regime of communism. Communism has been modified even in the Soviet Union, a nation which has gone further, I believe, in that direction than has any other nation.

When the United States stands as a living example of how much more productive a Nation can be under a system of private enterprise than under socialism or communism, it is difficult for me to understand why we are losing the struggle for the minds of men and to influence them to stay free, and to try to convince them that they will be happier and more prosperous if they will not succumb to the lure of Communist propaganda. But I am convinced that we are losing the struggle, because that is the impression I get everytime I meet with a large group of delegates from 30, 40, or 50 nations at a foreign conference.

We made one so-called socialistic experiment in this country when we decided to follow the advice of the wise Benjamin Franklin, who maintained that the only way to obtain cheap postage was to give the Government a monopoly in the handling of first class mail. That was done; and in every year in which the Government has operated the Post Office Department, except two, the Government has gone in the hole. Last year, after having discontinued the twice-daily delivery of mail, to residential sections, thus saving $100 million, and transferring to the Civil Aeronautics Board the subsidy paid to the airlines for the carrying of mail, thus saving another $50 million, the Government went in the hole $450 million. In the next fiscal year, if a postal rate increase is not obtained, the Government will go in the hole about $500 million. There is not a private corporation in this Nation which, if it were given a monopoly on the handling of first-class mail, could not make a big profit, plus securing the additional advantages which would be gained from the handling of second, third, and fourth class mail.

Our Government conducted one other such experiment. During World War I, the leaders of the Nation decided that the Government could not get proper priority in the rail shipments of war materials or in the movement of troops unless the Government took over the railroads. So Congress voted to have the Government take over the railroads. Whom did the Government place in charge of that activity? A very distinguished man. He was no second-rate politician; oh, no. He was a great engineer. He was supposed to be a financial wizard, because later he was named Secretary of the Treasury. Still later, he was a candidate for the Presidency and made a very respectable showing. He was Mr. William G. McAdoo. He became the director general of the railroads. Certainly the Government could not have selected a man who had better qualifications to do a good job. But what happened? In a period when the railroads had unprecedented traffic, the Government went in the hole hand over fist for the 2 years in which it operated the railroads during the war.

All the nations in Europe own and operate their railroads. All of them lose money on their operations, with the possible exception of Switzerland, which is strategically located so as to benefit by the great amount of tourist traffic between Paris and Italy. But all the other nations lose money on their railroad operations. There is not a railroad in all Europe on which the wages paid the workers compare favorably with the wages paid the workers on American railroads. Yet the foreign governments lose money on all their railroad operations.

What were the earnings of our railroads last year? I have just received today some interesting figures on that subject. Last year the American railroads paid $1,081,000,000 in Federal, State franchise, and local property taxes. After paying those taxes, and after setting aside suitable amounts for depreciation, for new rolling stock, and for plant

expansion and improvements, the railroads distributed to their stockholders $421 million.

One would think that because in all the foreign countries, both in Europe and in Asia, the governments own and operate the railroads, they would draw the conclusion from the example of the American railroads alone that there must be some inherent value in our system of private enterprise, and that the Russian propaganda, to the effect that the United States and other capitalistic countries are decadent, and that our private-enterprise system is slavery for the workers, could not possibly be true.

Unfortunately, on the basis of my recent contacts in Yugoslavia with the representatives of 33 nations, I have to report that the definite trend is toward more socialism, where such countries are not actually on the verge of moving toward out-and-out communism. The leaders of the Politburo recognize the advantage they can gain today in stressing the increase of socialism in those countries where they do not want to start a revolution by force, and where the voters would not be willing at this time to install peaceably a Communistic regime.

In his now famous speech of February 14, 1956, the Communist leader, Khrushchev, now visiting in London and elsewhere in Great Britain, and paying tribute to a capitalistic country, made this statement:

> In this connection the question arises of whether it is possible to go over to socialism by using parliamentary means. No such course was open to the Russian Bolsheviks who were the first to effect this transition. Lenin showed us another road—that of the establishment of a republic of Soviets, the only correct road in those historical conditions. Following that course, we achieved a victory of worldwide historical significance.
>
> The right wing bourgeois parties and their governments are suffering bankruptcy with increasing frequency.

Make no mistake about it, Khrushchev is talking about the United States; and he is trying to say the same thing to the countries in Europe, some of which are faced with bankruptcy, but largely because they have already had too much socialism. Listen to this:

> In these circumstances, the working class, by rallying around itself the toiling peasantry, the intelligentsia, all patriotic forces, and resolutely repulsing the opportunist elements who are incapable of giving up the policy of compromise with the capitalists and landlords, is in a position to defeat the reactionary forces opposed to the popular interest——

The PRESIDING OFFICER. The 20 minutes of the Senator have expired.

Mr. ROBERTSON. Mr. President, will the Senator from Ohio yield me 10 additional minutes?

Mr. BRICKER. I yield 10 additional minutes to the Senator from Virginia.

Mr. ROBERTSON. Who are the reactionary forces? Those who believe in private enterprise, and according to this speech, they are opposed to the popular interest. I continue to read:

> to capture a stable majority in parliament, and transform the latter from an organ of bourgeois democracy into a genuine instrument of the people's will.
>
> In such an event this institution, traditional in many highly developed capitalist countries, may become an organ of genuine democracy—democracy for the working people.
>
> The winning of a stable parliamentary majority backed by a mass revolutionary movement of the proletariat and of all the working people could create for the working class of a number of capitalist and former colonial countries, conditions needed to secure fundamental social changes.

I skip a part of the statement, and read the following:

> There are cases where certain Socialist parties have gained majorities in parliaments. In some countries there were, and still are, even Socialist governments. However, even then things are restricted to all the small concessions in favor of the workers no socialism is built. It is necessary for the state and the leadership of society to pass over to the working class; the working class must be prepared not only organizationally but also politically and theoretically for the struggle to socialism, so that it may not be satisfied with the crumbs from the capitalist table but will obtain majority, take power into its own hands, and liquidate private ownership of the basic means of production.

That is the current program of the Politburo of Russia and of all of their satellites in every international organization of which they are members, where they cannot infiltrate and build up strong Communist parties as they have in France and Italy. There were more Communists in those countries in 1956 than there were before we started spending in 1948 hundreds of millions of dollars to stem the tide of communism. Where larger Communist parties cannot be built up, they are told to take the next move and try to infiltrate with this program of socialism on the ground that it is the only answer for the working man. If we could get across to them the illustration of our railroads, it ought to tell the tale.

During the recent meeting in Dubrovnik on economic and social matters there was an attack made on our racial policies, and I told the Soviet delegate that there were 14- or 15-million colored people in the United States, most of whom were in Virginia and throughout the South, who had a standard of living higher than existed anywhere in Europe, and the standard of living in Europe is higher than anywhere in Russia or behind the Iron Curtain. I stated that those 14- or 15-million colored people owned more automobiles than did all the people of the Soviet Union combined. Yet they attacked us.

When we discussed foreign aid the Soviet representative in that group said, "You should beware of all foreign aid to which political strings are attached." He was talking about us. We are the only ones who have been giving any foreign aid.

I have no knowledge of what is happening in a propaganda way in other great peace organizations dedicated to the promulgation of democratic principles, but I am sure, from the statement I have read to my colleagues from the speech of Khrushchev at the 20th Congress of the Communist Party of the Soviet Union on February 14, 1956, and from what I have heard happens in the United Nations and all the other organizations, the pattern is the same.

Now, in 1945, when we were in a generous mood and helped organize the United Nations, we said, "Let us pay 40 percent of the bill. We have plenty of money." Our share of the cost has since been decreased to some extent. When we went into ILO we said, "Let us have one-fourth of the bill." There are some 60 nations in it, and our share of the cost is $1,750,000. Since that time the assessments of 42 nations have been reduced, while it is proposed to nearly double our cost from $1,750,000 to $3 million.

I have checked the contributions of other nations to the cost of the organization.

Albania pays 0.12 of 1 percent. There are four votes against ours, and our four votes cost us $1,750,000.

Bulgaria pays 0.21 of 1 percent.
Byelorussia, 0.45 of 1 percent.
Czechoslovakia, 0.96 of 1 percent.
Hungary, 0.50 of 1 percent.
Poland, 0.124 percent.
The Ukraine, 1 percent.
The Soviet Union, 10 percent.

Those nations, which have 32 votes, contribute 14½ percent of the cost against our present 25 percent, and against the pending request that our share of the cost be increased to $3 million, which would probably put it close to 40 percent, but for the proposal adopted last Monday that, whatever the amount is now, our share of the cost cannot be more than 33⅓ percent.

I know the hour is growing late, and I know the Senate wants to act on the joint resolution. There are many matters connected with the foreign-aid program I wish I had an opportunity to discuss. I think the time has come for a very serious reappraisal of our foreign-aid program. I know from personal experience that some nations which have been large recipients of our aid are now openly hostile to us. I know there is general dissatisfaction with our foreign-aid, in most Southeastern Asia, with the exception of Pakistan.

So, Mr. President, this is just one phase of our international program where it has been shown that the Soviet Union is nullifying everything that the organization, the ILO, was intended to do for the protection of the workingman throughout the world. Therefore, I feel very strongly constrained to vote for the Bricker amendment, to let the matter stay in status quo, so to speak, until we can have a little better look and get more information as to whether or not we are spending the money of the taxpayers of America for purposes that are against their best interests.

Mr. FULBRIGHT. Mr. President, I now yield to the Senator from New Jersey. How much time does the Senator desire?

Mr. SMITH of New Jersey. Six minutes.

Mr. FULBRIGHT. I yield 6 minutes to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I rise to oppose the Bricker amendment, but in doing so I wish to make it clear that while every purpose which the Senator from Ohio [Mr.

Bricker] has in offering the amendment has my hearty approval, it seems to me it would be wrong to adopt the approach he suggests to accomplish his purposes.

On Monday last I made a brief statement on this subject, and I emphasized the fact—and I think we are all agreed—that we are not trying to destroy the ILO. We are not trying to bring it to a conclusion. The Senator from Ohio himself has said he is for the ILO, and he simply wants to limit our contribution this year to $1,750,000, unless the condition which he has put in the amendment is complied with, namely, nonpermission for the representatives of industry and labor in Russia to vote, because they do not actually represent their respective groups.

I am entirely in sympathy with the position which the Senator from Ohio has taken, but, as I have some knowledge of the history of the ILO, know the importance of that organization, and recognize the fact that up to the present, at least, the United States and the Western Powers can be said to be "on top of the situation," I hesitate to put any restrictions on our representatives at the present time in the form of monetary limitation.

It seems to me that in voting for the pending joint resolution and in voting against the Bricker amendment, we shall really be giving a vote of confidence in our delegates to the ILO, based upon what they have done there, and what they are trying to do now.

As the Senator from Ohio has pointed out, our delegates to the ILO have opposed the seating of some of the delegates from other countries, but have been overruled. The same is true in the case of the parent organization, the United Nations, where I once served as a delegate. In both the ILO and the United Nations, our delegates have sometimes been overruled; but that has not brought about a refusal on our part to contribute further to those organizations. Of course, the question of contributions has always been an important one.

On Monday, the Senate adopted the amendment providing that the payments by the United States to the FAO and to the ILO shall not exceed 33⅓ percent of the total assessed budgets of those organizations.

It is my understanding that the Senator from Arkansas [Mr. Fulbright] wishes to reconsider that amendment. However, I am not now discussing that matter. Instead, I am discussing the amendment of the Senator from Ohio [Mr. Bricker], which, if adopted, would have the effect of saying to our delegates: "You are prohibited from negotiating a settlement as to what the United States' contribution will be this year, unless these Soviet delegates and satellite delegates are not seated."

Mr. President, as I stated on Monday last, in the course of my remarks in the Senate Chamber:

> It has been said that we are outvoted in the ILO by the Communists. Eight Soviet bloc countries are members of the ILO, and they have 4 votes apiece, or a total of 32 votes. The United States also has 4 votes—2 for our Government delegates and 1 each for our employer and worker delegates. But besides the Soviet bloc and the United States, there are 62 other members of the ILO, also with 4 votes each. Of the 284 votes in the ILO, the Soviet bloc has 32, and the free world has 252.

In other words, today we and our allies are not outvoted by the Soviet bloc. I agree that we should oppose the seating of delegates who do not really represent the groups they are supposed to represent. On the other hand, in registering our disapproval of such delegates, I do not think we should go to the extent of saying, "We will not pay our contribution to the organization unless what we request is done." For us to take that position would, it seems to me, be of doubtful wisdom from a psychological viewpoint, for in that event we would practically be saying that we were determined to control the organization, whereas, of course, we desire to maintain our position of strength with our allies, particularly with the Asian countries, who work with us in this field.

Therefore, Mr. President, I feel constrained to oppose the amendment of the Senator from Ohio, because I think the approach it proposes is the wrong one for us to adopt.

Mr. President, let me say there could hardly be controversy within the United States over the objective of this amendment, which is to deny seats in the ILO Conference to delegates purporting to represent employers and workers in Soviet bloc countries. Because there are no free employers and free workers in those countries, these delegates are, in fact, government delegates. There is no doubt that that is correct.

This poses a very real problem for the ILO; but the amendment of the Senator from Ohio adopts, in my opinion, the wrong approach to solving the problem. The amendment provides that if these spurious Soviet employer and worker delegates are seated, the United States contribution to the ILO in the succeeding year cannot exceed the present ceiling of $1,750,000. Obviously, Mr. President, such a limitation would prevent our representatives or delegates from having any leeway for negotiation. Instead, they would be bound by that limitation.

It has already been established that the United States' assessment in the ILO—and I understand that our delegates participated in arriving at that assessment—probably will exceed this ceiling. Suppose that, notwithstanding the amendment of the Senator from Ohio, the ILO Conference this year does seat Soviet employer and worker delegates. The result, under the amendment, would be to embarrass the United States and to impair our position in the ILO, with corresponding benefit to the Soviets.

Mr. President, I am not sure whether the constitution of the ILO provides that the delegates of a country which does not pay its agreed-upon assessment will be barred from voting. I rather think there is such a rule, but I cannot state that dogmatically. However, if such a rule does exist, of course our delegates would be barred from voting if the United States' new assessment were not paid.

As was pointed out in the debate on Monday, the ILO is taking steps to deal with the problem of Soviet employer and worker representation. It is probably unrealistic, however, to expect a definitive solution this year.

What is really needed—as George P. Delaney, the United States worker delegate, has pointed out—is an amendment to the ILO constitution, so that employer and worker delegates may not be handpicked by totalitarian governments. That is a process which will require some time to carry out. But in the meantime, the United States position in the ILO should not be prejudiced by action such as that proposed in the pending amendment. Such action might well be interpreted by some of the non-Communist nations in the ILO as a unilateral attempt on the part of the United States to dictate to the organization. It might, therefore, produce results contrary to those intended, and might leave us without the moral strength we have at the present time.

Mr. President, in view of the fact that the administration has brought to my attention their belief that the joint resolution now before us should be passed without the pending amendment, and because of the reasons I have just outlined, I feel compelled to oppose the amendment of the Senator from Ohio.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed at this point in the Record, for the information of those who look to the Record for guidance, the portion of the report of the committee on the pending measure commencing on page 3 with the heading "5. Executive Branch Comments," so it will be very clear that this proposal is sponsored by the State Department and by the administration—which certainly includes the President—and also by the Department of Labor. I think there is no question about their position in regard to the amendment itself.

There being no objection, the excerpt from the report (No.1172) was ordered to be printed in the Record, as follows:

5. EXECUTIVE BRANCH COMMENTS

> It is anticipated that, due to a combination of circumstances, United States assessments for the regular budgets of the Food and Agriculture Organization (FAO) and the International Labor Organization (ILO) will increase in the next year or two. The authorizing legislation, as amended for United States participation in each of these organizations sets the maximum amount which may be appropriated annually for the regular budgets of the organizations. The existing statutory limit in the case of the Food and Agriculture Organization is $2 million, and of the International Labor Organization, $1,750,000.
>
> In neither of the two organizations does the United States assessment for calendar year 1955 (financed from fiscal year 1956 appropriations) exceed the respective statutory ceiling, and the ILO ceiling will not be breached in calendar 1956. However, it is the best estimate of the Department of State and of the other United States agencies concerned that, due to anticipated decisions of the policy determining bodies of the two organizations in regard to their scales of assessment and the size of their regular budgets, the assessments on the United States for calendar year 1956 in the FAO, and for calendar 1957 in the ILO, will be very near to, or in excess of, the existing ceiling figures.
>
> It is proposed, therefore, that Public Law 174, 79th Congress, and Public Law 843, 80th Congress, as amended by Public Law 806, 81st Congress, be further amended to increase the authorization of the amounts which may be appropriated to meet annual contributions of the United States to the regular budgets of these 2 organizations to $3 million, respectively.
>
> United States participation in the Food and Agriculture Organization was authorized by the above-cited Public Law 174 of the 79th Congress, as amended by Public Law 806 of the 81st Congress after review and approval by both Houses of Congress. As a part of the enabling legislation, the 79th Congress placed a ceiling of $1,250,000 on the amount which might be appropriated for the United States contribution to the Food and Agriculture Organization in any 1 year. When the FAO undertook larger responsibilities which called for a larger contribution from the United States in 1950, the Congress inquired into the Organization's program and development, and determined that an increase in the ceiling was justified and in the United States interest. In the light of the known circumstances at the time, a ceiling of $2 million was established.
>
> Total FAO assessments on all members for calendar year 1955 amount to $5,890,000. The United States share for 1955 is 30 percent, or a gross assessment of $1,767,000. Because of a nonrecurring credit from the working capital fund, the net United States contribution for calendar 1955 is reduced to $1,527,624. There is every indication that at the next session of the FAO Conference in November 1955 both the United States percentage share and the total amount of the budget will be increased for 1956 and 1957. For some time, there has been increasing pressure from other members of the organization to conform the FAO scale of assessments to the United Nations scale, an action which would increase the United States share to 33⅓ percent as in the United Nations. At the FAO Conference in November 1953, the United States, after a major effort, succeeded in averting an increase for 1954 and 1955 above the existing 30 percent. At the same time, however, the conference directed that a study be made of all factors in the calculation of the scale with a view to revising the scale for 1956 and 1957. This study was conducted by a special FAO working group in March 1955. The position taken by the United States in this working group was the result of lengthy consultation among the various agencies of the executive branch. In line with this position, and in order to avoid a recommendation by the working group to conform the FAO scale to the United Nations scale in one step in 1956, the United States indicated to the group that this Government would not oppose an increase in the United States assessment to 31½ percent for calendar years 1956 and 1957, but that a further increase to 33⅓ percent would have to be delayed until 1958. These increases assume the continuance of FAO membership at substantially its present size. The United States emphasized that it would expect to share in any significant percentage reduction occasioned by the adherence of new members. The working group adopted a recommendation along these lines which was approved by the FAO Council in June for final action by the conference at its session in November.
>
> Representatives of the United States have made it abundantly clear in the FAO that, under existing statutory authorization, United States annual contributions to the regular FAO budget are limited to $2 million and that, as a result, the United States cannot support a budget which will result in a United States assessment in excess of that figure.
>
> However, it is the view of the Department of State and the Department of Agriculture that the activities of the Food and Agriculture Organization in helping to improve the methods of production and distribution of agricultural products and to increase the standard of living of rural people have been of great value in terms of United States policies, and that certain of these activities should be expanded. Attention is called, for example, to the work the FAO is carrying on to assist countries in analyzing their agricultural production programs in the interests of promoting selective expansion of products in areas of need to help meet nutritional deficiencies, and at the same time to help decrease the problems arising from surpluses of products already available in adequate supply. To this end, the FAO is helping individual governments to develop agricultural extension services, and has promoted regional consultations such as those recently held in Latin America and the Near East on problems of selective expansion. It is believed that the present statutory limitation of $2 million will be a handicap to the United States at the FAO Conference in November and in future years, and will weaken the influence of the United States in guiding the future development of this organization. The proposed increase in the ceiling to $3 million would avoid a possible situation in calendar 1956 in which the United States might be unable to meet its full assessment, and beyond that point it would provide for foreseeable future requirements.
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> In the case of the International Labor Organization, United States participation dates from 1934, first under authority of Public Resolution 43, of the 73d Congress, and since 1948 under authority of Public Law 843 of the 80th Congress, as amended by Public Law 806 of the 81st Congress. As a part of the legislation in 1948, the 80th Congress placed a ceiling of $1,091,739 on the amount which may be appropriated for the United States contribution to the International Labor Organization for any one year. In 1950, at the same time that the statutory ceilings in regard to the Food and Agriculture Organization and certain other international organizations were reviewed, the Congress determined that an increase in the ILO ceiling was justified and in the United States interest. In the light of known circumstances at that time, the Congress increased the ceiling to $1,750,000.
>
> Since 1950, there have been significant developments in the ILO program which have increased the costs of the Organization. Four ILO operational field offices have been established on a regional basis to permit more effective assistance to governments in meeting problems in such fields as manpower utilization, industrial safety, administration of labor standards, social security, etc. In addition, the ILO has been instrumental in exposing violations of basic rights of labor, particularly in Iron Curtain countries, and in promoting, and strengthening democratic institutions among workers. Jointly with the United Nations, the ILO has carried on a worldwide investigation of the use of forced labor for purposes of political coercion or for the fulfillment of the economic plans of a State. This investigation has done much to dispel the Soviet fiction of the "workers paradise" in the minds of those whom the Soviets are most anxious to influence. In regard to freedom of association, the ILO has brought to public attention specific, documented cases of governmental control or domination of worker organizations in a number of countries for political purposes. At the same time, careful screening procedures are employed to weed out allegations which are propagandistic, malicious, and unsubstantiated.
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> Total ILO assessments on all members for calendar year 1955 amounted to $6,990,913. The United States share for 1955 is 25 percent, or a gross assessment of $1,747,729. This amount is reduced by certain credits to $1,633,855. For calendar 1956, the Labor Conference in June 1955, approved total assessments of $7,395,729. The gross assessment on the United States (at 25 percent) will be $1,848,933. When available credits have been taken into account, the United States contribution for calendar 1956 will be $1,638,861. A contribution of this size, although close to the existing statutory ceiling of $1,750,000, will not breach the ceiling. However, the ILO governing body in November 1955 will consider a proposal put forward by Canada to revise the ILO scale of assessments and bring it into conformity with the United Nations scale in three steps in calendar years 1957, 1958, and 1959. Such an adjustment would increase the United States percentage share above the present 25-percent level, and would result in breaching the statutory ceiling, possibly by the calendar year 1957.
>
> If the present ceiling of $1,750,000 remains, the United States will have little or no flexibility for negotiation, particularly as regards the assessment scale when this issue is considered by the Governing Body in November. The Department of State and the Department of Labor believe that the United States would be in a better position to obtain a reasonable solution on this issue, and on other financial and substantive issues, if this Government were not forced to take a completely negative stand on these matters. The proposed increase in the statutory ceiling to $3 million would provide the flexibility which is required.

Mr. FULBRIGHT. Mr. President, I should also like to call attention to the fact that in the basic law in the case of the ILO, I do not believe there is any mention of the so-called free labor movement or of participation in it—which seems to be the basis of the objection of the Senator from Ohio—or of participation in it by delegates from the Soviet Union.

I may say that I am very sympathetic to many of the expressions and views of the Senator from Ohio; but I think it would be impractical for us to attempt to proceed by means of his amendment, especially in view of the attitude of the administration, which has the responsibility for carrying on this program and for the participation of our delegates in the deliberations of these groups.

In this connection, let me call attention to article III, paragraph 5, of the constitution of the ILO, which reads as follows:

> The Members undertake to nominate non-government delegates and advisers chosen in agreement with the industrial organizations, if such organizations exist, which are most representative of employers or work people, as the case may be, in their respective countries.

That language would indicate that it was anticipated that perhaps in some countries such organizations would not exist, and there would not be any real organizations of either laborers or industrial groups.

However, in any case I think that on the floor of the Senate we should not undertake to deal with the characteristics of the Government of every participant in either this organization or any other organization. If we were to attempt to do so, we would be undertaking an impossible job. Many other governments which participate in the ILO have more or less a degree of socialism or statism or more or less democracy, in the sense in which we understand that term. If we attempt to evaluate the purity of the democracy of each of them, I think we shall be undertaking an impossible task.

If we are to participate at all in this organization, we must not do anything which would render our membership in it ineffective. I, myself, do not believe we should leave the organization; but that is neither here nor there. The administration thinks our membership in this organization is valuable, and I do not quarrel with that position. If, on the other hand, the administration were to recommend that the United States withdraw, I am not sure that I would object to such action.

However, the point is that, in my opinion, the pending amendment is not a practical one; and therefore, I intend to oppose it. So long as we are in the organization, I do not think this is a workable provision. Therefore, I must oppose it.

I intend to offer an amendment which, if adopted, would restrict moneywise our participation to the present percentage, which is 25 percent. I do not believe—and I so stated in the committee—in increasing our percentage of the payment for the support of the ILO in the future. Regardless of the amount its members may be willing to pay for it, inasmuch as our share is and has been 25 percent, I believe it should not be increased. I object to increasing it to 33⅓ percent, which is what will occur if we do not adopt such an amendment.

The same is true of the FAO. I believe that the effect of not adopting the amendment which I shall offer would be that, in principle, we would be accepting the responsibility for paying a third of the cost of all the international organizations. I object to that. I think we should very reasonably look forward to the time when we can reduce our percentage, even in the United Nations, below what it is now. It is now a third. I think it could well be reduced to 25 percent.

We joined these organizations when most of the world, other than ourselves, was in a very bad financial condition. There has been a great improvement with respect to most of the other members, and I think we should properly look toward a gradual reduction in the amount we pay for the support of these organizations. So in that sense my own amendment is, to a degree, in accord with the amendment of the Senator from Ohio, at least so far as the amount of money involved is concerned. It would restrict it to 25 percent.

From an administrative standpoint, if we are to be in the organization at all, I do not think we can undertake to evaluate to exactly what degree the various members are free from Government domination.

Mr. JOHNSON of Texas. Mr. President, are there any further calls for time on this side of the aisle?

Mr. POTTER. Mr. President, if the Senator will yield to me, I should like about 5 minutes.

Mr. FULBRIGHT. Is the Senator for or against the pending amendment?

Mr. POTTER. I am opposed to the amendment.

Mr. FULBRIGHT. I yield 5 minutes to the Senator from Michigan.

Mr. POTTER. Mr. President, last year I was selected as a delegate to represent the Senate at the ILO Conference. I am thoroughly in accord with the objectives set forth in the amendment offered by the distinguished Senator from Ohio [Mr. BRICKER] with respect to the percentage of our contribution to the ILO.

The ILO was established on a tripartite basis, 1 portion representing government, 1 representing management, and 1 representing labor. We recognize the fact that with respect to the Communist countries, there is no free representation from management and there is no free representation from labor. Management, labor, and government operate in unison, primarily to foster the philosophy and ideology of the Communist government.

It is my position that the Congress, in dealing with an issue of this kind, should deal with it on the basis of whether or not we are to continue our membership in the ILO. That should be the decision of the Congress. If it should be our national policy to cease our membership in the ILO, that is one problem. But if we are to continue as a member of the International Labor Organization, our hands should not be tied, and we should take full advantage of our membership to sell the American way of life, to sell free enterprise, to sell our American system of government.

The question before us now is neither black nor white. We should stick to the main issue involved. It is my feeling that if we are to continue our membership the adoption of the Bricker amendment would put us in the position of saying to the rest of the world: "We are reluctant partners. We are members, but we are not happy about it. We are going to cut down our efforts in this field, and we are not going to utilize this forum to the best advantage."

There may be serious question as to the desirability of continuing our membership in the ILO; but that should be the main issue. We should not adopt such an amendment as the one which is pending, which would continue our membership but would say to the other members of the International Labor Organization: "We are doing it most reluctantly." We would lose our influence within the international organization.

There are other countries which are members of the ILO, with respect to which very serious questions could be raised as to whether their delegates represent either free labor or free management. For example, consider our good friend, the country of West Germany. There is serious question as to whether the labor representatives from West Germany, or the management representatives from West Germany represent free labor or free management.

Consider the case of our good friend, Great Britain. It was interesting to note at the conference that the Government, management, and labor representatives from the great country of Great Britain acted in unison. We know that there are basic differences of opinion between management, government, and labor in various countries; but at the ILO their national interest was made paramount to the interest of either labor or management.

What disturbed me at the conference which I observed was the fact that we had no national policy, represented by the three parts of our tripartite group. Our Government representatives assumed one posture. Many times our labor representatives would assume another posture, and our management representatives would assume a third.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. BRICKER. Is that not exactly the reason for the tripartite arrangement?

Mr. POTTER. So far as technical matters under discussion are concerned, I would say yes, that we certainly expect to have individual expressions from the representatives of management, labor, and Government. However, when it comes to national policy, we find that the United States has constantly been put into an embarrassing position, and that the leadership of the Western World has been assumed by the British Empire, because its delegation has worked in unison to promote the national interest of the British Empire.

That does not mean that in technical matters there must be agreement. However, on questions of national policy, there is no difference between them. That is not true of our own delegation to the ILO. I hope that in the future the United States, as it participates in this program, will either assume its responsibility and utilize to full advantage this forum, or withdraw entirely from it.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). The time of the Senator from Michigan has expired.

Mr. BRICKER. Mr. President, I yield 2 minutes to the Senator from California.

Mr. KNOWLAND. Mr. President, I rise to support the amendment offered by the Senator from Ohio [Mr. BRICKER]. The amendment does not take the United States out of the ILO. It does not reduce the amount which we contribute to ILO. On the arguments which have been made, I submit a very strong case has been made that Congress should maintain the status quo so far as this country is concerned. Congress, through the Foreign Relations Committee of the Senate and the Foreign Affairs Committee of the House, should have an opportunity to go into the subject and to take testimony from those who have been closely observing the situation and the recent developments.

Mr. President, had it not been for the fact that some Senators on the Committee on Appropriations and on other committees, and Representatives on

committees of the House had insisted on a maximum amount of 33⅓ percent as the contribution of this country for the United Nations Organization itself, we would today be paying an amount greatly in excess of that.

I believe that Congress, under our constitutional system, must always keep control of the purse strings. It is entirely proper that the amount of the contribution be maintained as it is until Congress can be satisfied as to what the facts are in the case.

The Senator from Ohio has pointed out that this is the first time the Congress has had an opportunity to pass upon the very fundamental question whether its intent in participating in an organization created presumably to represent, on a tripartite basis, government, free employers, and free labor, has been abused by the seating of Communist delegates, who not only vote the government vote but also vote what are supposed to be the votes of free labor and of free business.

Under those circumstances it would be putting the stamp of approval of Congress on such an abuse of intent in establishing an international labor organization.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. BRICKER. Mr. President, I yield 2 additional minutes to the Senator from California.

Mr. KNOWLAND. Under the circumstances I do not believe that the amendment in any way handicaps the Government of the United States. It serves notice on the entire world that we are still operating under our constitutional system, under which Congress functions as a coordinate, not as a subordinate, branch of the Government. It demonstrates to the world that under our constitutional system no group, be it the executive branch of our Government or a delegation to an international organization—the United Nations itself or any other organization—has a right, in effect, to appropriate funds out of the Treasury without the affirmative approval of Congress.

It is very important that that be demonstrated in a world in which so many people have lost their freedom and in which representative governments have been destroyed.

The Soviet Union, to be sure, has what is called a supreme Soviet, a parliamentary system. However, does any Member of the Senate or anyone else in the United States believe that it is a free, representative parliamentary body? Of course not. Russia does not have such a system any more than the Nazis had it in Nazi Germany. The mere use of the term does not prove the facts. Under those circumstances it would be a violation of the basic moral principles upon which the ILO was supposed to rest for us now to say, merely because the Soviet Union has won a temporary victory, that the Soviet Union in fact does have free labor and free business.

For those reasons I shall support the amendment offered by the Senator from Ohio.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I have just had an opportunity to read the amendment offered by the Senator from Ohio. I sympathize with the argument just made by the minority leader. However, as I read the amendment, it seems to me it would be wholly unenforceable. Let me read the amendment:

> *Provided, however,* That no sums in excess of $1,750,000 shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956, if during the preceding calendar year delegates allegedly—

Not actually, but allegedly—

> allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement were permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization.

What authority will say that delegates allegedly represent employers and employees in a country which is dominated by the foreign government controlling the world Communist movement? What authority will determine that to be a fact? If a satellite country is to be found as being dominated by another country, who is to find that to be the fact? The resolution does not find it.

Where is that fact to be proven? The resolution does not prove it. Who is to enforce it? What court will do it? Will the United Nations do it? Will we do it? Will the State Department do it? How could anyone enforce a resolution of this kind?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Vermont.

Mr. AIKEN. Mr. President, I believe I understand the objective of the amendment offered by the Senator from Ohio. However, I should like to go a little further than the Senator from Wyoming has gone. I should like to ask what comprises domination of a foreign government, and who determines whether such country is dominated? Does it mean economic domination? Does it mean political domination? What does it mean?

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. AIKEN. I have only 1 minute.

Mr. JOHNSON of Texas. Mr. President, I will yield an additional minute to the Senator from Vermont.

Mr. AIKEN. Would the Government of Ceylon be considered to be under Communist domination? Would the Government of Egypt be considered to be under Communist domination? Would the Government of East Germany be considered to be under the Communist domination? What countries can be considered to be under Communist domination? Would Canada be considered under Communist domination because she is dependent upon Communist countries to take a big share of her wheat surplus?

In other words, what constitutes domination, and who determines whether a nation is being dominated?

Mr. BRICKER. Mr. President, if the Senator from Vermont will yield——

Mr. AIKEN. I yield.

Mr. BRICKER. The wording is the exact wording contained in the Immigration Law. It was copied from that law; and there has been no difficulty interpreting that law.

The Soviet bloc in the International Labor Organization has been assessed for the following percentage contributions:

Together, Albania, Bulgaria, Byelorussia, Czechoslovakia, Hungary, Poland, Ukraine, and the Soviet Union contribute approximately 14½ percent, as compared with 25 percent for the United States, at this time, and 33⅓ percent under the amendment adopted last week. They have 32 votes. We have 4 votes.

Mr. AIKEN. Is there any certainty that the directive would be followed?

Mr. BRICKER. It is not a directive to the International Labor Organization.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, the objective of the Senator from Ohio has merit, since it is recognized by Members of the Senate that worker delegates and so-called industrial delegates from Soviet bloc countries are undoubtedly to be spokesmen for the Soviet bloc governments, but I think the amendment indicates a kind of a sense of insecurity and fear on our part. Are we saying that a delegate from a free trade union in the United States or a free delegate from an industrial establishment in the United States is incapable of dealing with or arguing with delegates from the Soviet bloc? Are we willing to testify by resolution to that effect?

Furthermore, I think it may be very advantageous to the United States of America to come into the open and argue with Soviet bloc delegates, particularly as the argument may affect representatives from industry, labor, and government, from so-called neutral countries and from our friends around the world in the other free countries. Very frankly, Mr. President, I should hate to think that we in America were less confident of our position than, let us say, is Great Britain or any one of the other 60 countries. I personally feel that any time we have an opportunity to join issue on any matter of politics, economics, culture, or social welfare with delegates from the Soviet bloc countries, we should accept it not only as a challenge but as an opportunity. We have never lost an argument in the United Nations. When it came to arguing with the Soviet bloc we won the argument by vote.

This seems to me to be an opportunity. I, for one, am tired of ducking these fellows. I would rather engage the enemy——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. Is it still permissible to offer an amendment to the pending amendment?

The PRESIDING OFFICER. It would be in order.

Mr. O'MAHONEY. What is the rule as to time if an amendment is offered?

The PRESIDING OFFICER. There may be an hour's debate on the amendment.

Mr. O'MAHONEY. Mr. President, I should like a little more time in which to offer an amendment.

Mr. JOHNSON of Texas. How much time does the Senator desire?

Mr. O'MAHONEY. I should like to have 3 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the Senator from Wyoming.

Mr. O'MAHONEY. I should like to address my statement to the author of the amendment, the Senator from Ohio [Mr. Bricker].

Mr. President, of course, as a lawyer, the Senator from Ohio knows that the mere allegation that a person has done a certain thing is not proof that he has done it. I assume the intent of the amendment is to place a limitation upon the amount to be expended if persons who are actually Communists and who are representing employers or employees, are permitted to vote by the Soviet Union or by a satellite nation. But that is not what the amendment provides. It refers only to those who are alleged to represent such employers and employees. It refers to countries dominated by the Communist government. As the Senator from Vermont has said, nothing in the amendment states by whom the fact of domination shall be found.

I may say to the Senator from Ohio that his amendment could be amended so as to avoid this lack of clarity if, on page 2, the word "were" were stricken out and the following language substituted: "are found by the State Department to have been."

Then we would have an agency of the United States Government making a finding, and there could be no doubt about it.

As the amendment now stands, it is utterly unenforceable and would not attain the objective which the Senator seeks.

Mr. BRICKER. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. BRICKER. I would not agree that it is unenforceable any more than are the immigration laws.

Mr. O'MAHONEY. It is like saying, "I copied an unenforceable law and I am presenting another unenforceable law."

Mr. BRICKER. The amendment is a directive to the Appropriations Committee.

Mr. O'MAHONEY. How is the committee to find out who are involved?

Mr. BRICKER. Everyone knows who they are. I read them into the Record a few moments ago. They never came in until last year. They had never been members of the ILO until 1954. The Government representatives were willing to accept them; but to say they represent free labor and free business in those countries is a most absurd allegation, because we know that free labor and free business do not exist there.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. KNOWLAND. Mr. President, I yield 5 additional minutes from the time on the resolution itself.

Mr. O'MAHONEY. I thank the Senator from California.

I ask the Senator from Ohio if he will explain to the Senate by whom he intends the allegation to be made. The language used in lines 7 and 8, on page 1, is as follows:

> If during the preceding calendar year delegates allegedly representing employers and employees—

And so forth. How is the allegation to be set forth?

Mr. BRICKER. Mr. President, will the Senator read his amendment again?

Mr. O'MAHONEY. On page 2, line 2, strike out the word "were" and insert thereafter "are found by the State Department to have been", so that the sentence will read, beginning with the word "if" in line 7 on page 1:

> If during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by foreign governments controlling the world Communist movement are found by the State Department to have been permitted to vote.

And so forth. I think that would accomplish what the Senator seeks to do.

Mr. BRICKER. Mr. President, as the author of the amendment I accept the amendment suggested by the Senator from Wyoming. I think he has a good point, and I appreciate the fact that it does clear up the meaning of my amendment.

Mr. JOHNSON of Texas. Mr. President, if there is no request for time on this side of the aisle I am prepared to yield back the remainder of my time on condition that those in favor of the amendment yield back their time.

Mr. BRICKER. Mr. President, I yield back our time.

Mr. JOHNSON of Texas. Mr. President, have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. They have been ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Do I understand correctly that the yeas and nays have been ordered on the Bricker amendment, as modified?

The PRESIDING OFFICER. The Senator from California is correct.

Mr. KNOWLAND. And has all time for debate expired?

The PRESIDING OFFICER. That is correct.

Mr. MURRAY. Mr. President, before the time expires, I should like——

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

Mr. KNOWLAND. Mr. President, all time for debate has expired, but I ask unanimous consent——

Mr. MURRAY. I was promised by the majority leader——

Mr. KNOWLAND. I am about to make a unanimous-consent request that the distinguished Senator from Montana be granted 1 minute in which to make a statement. Would that be sufficient?

Mr. MURRAY. I should like to have 2 minutes.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senator from Montana may have 2 minutes in which to make a statement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Montana is recognized for 2 minutes.

Mr. MURRAY. Mr. President, I desire to have printed at this point in the Record an article entitled "A Catholic Attitude Toward the ILO," which was published in the magazine America, a Catholic review of the week. The article discusses the problem of the ILO. Before having it appear in its entirety, I should like to read a part of the article:

> Now that the NAM and the United States Chamber of Commerce have nominated an employer delegation to the 1956 convention of the International Labor Organization, the controversy over continued United States membership in that U. N. agency loses some of its urgency. Nevertheless, the statement issued on April 5 by the Catholic Association for International Peace is still a timely as well as an enlightening, document.

Further, the article continues:

> In addition to the ordinary vexations which seem to spring up wherever Communists offer their collaboration, the Soviet request for membership in ILO created a very special problem not found in any other U. N. agency. The ILO happens to be organized on tripartite lines. In addition to government representatives, each nation's delegation includes representatives of free organizations of workers and employers. In all ILO decision making, these worker and employer spokesmen enjoy complete independence. Their votes are not controlled in any way by government representatives.

The article goes on further to say:

> Noting that the Communist bloc controls no more than 32 of the potential 280 votes in an ILO conference, and therefore is in no position to dominate that organization, the CAIP contends that to withdraw from it "would play directly into the hands of the Communists." If the United States delegation were absent from Geneva, it says, the Kremlin and its satellites "could more easily use the ILO as a sounding board for their own propaganda." The CAIP also calls attention to the possibility that the Kremlin may have joined the ILO solely in order to wreck it.
>
> Before Catholics take a stand on this issue, they ought to be aware that last January a French Jesuit, Rev. Joseph M. Joblin, was appointed to the ILO staff. This appointment was made, the CAIP observed, "with the advice and consent of the holy see." Evidently the holy father, who only 2 years ago spoke of the ILO in highly laudatory terms, is persuaded that, despite Communist obstructionism, this U. N. agency can still add to its rich accomplishments for social justice.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Catholic Attitude Toward the ILO

Now that the NAM and the United States Chamber of Commerce have nominated an employer delegation to the 1956 convention of the International Labor Organization, the controversy over continued United States membership in that U. N. agency loses some of its urgency. Nevertheless, the statement issued on April 5 by the Catholic Association for International Peace is still a timely, as well as an enlightening, document.

The dispute with which it deals was touched off nearly 2 years ago when the Soviet Union finally decided to participate in ILO affairs. This meant, of course, that not only the Soviet Union but also Bulgaria, Poland, Hungary, Albania, and Czechoslovakia, along with Byelorussia and the Ukraine, would henceforth be present at ILO gatherings in Geneva.

In addition to the ordinary vexations which seem to spring up wherever Communists offer their collaboration, the Soviet request for membership in ILO created a very special problem not found in any other U. N. agency. The ILO happens to be organized on tripartite lines. In addition to Government representatives, each nation's delegation includes representatives of free organizations of workers and employers. In all ILO decision-making, these worker and employer spokesmen enjoy complete independence. Their votes are not controlled in any way by Government representatives. It goes without saying that the worker and employer delegates are understandably very jealous of their independence.

It was only to be expected, then, that many of them would oppose granting membership to Communist countries. How, except by a sort of legal fraud, could Communist employer and worker representatives be fitted into the ILO tripartite framework? They obviously would not be able to speak for free organizations of labor and industry, since such organizations are unknown in their countries. They would be in fact, whatever their name, merely additional members of official government delegations. Though this argument was strongly urged 2 years ago at Geneva, the ILO voted to seat the Communist employer and worker delegates.

QUIT OR FIGHT?

Since that time some American employers have been arguing that the United States ought to show its disapproval of this development by quitting the ILO and withdrawing its substantial financial support. The CAIP disagrees. Noting that the Communist bloc controls no more than 32 of the potential 280 votes in an ILO conference, and therefore is in no position to dominate that organization, the CAIP contends that to withdraw from it "would play directly into the hands of the Communists." If the United States delegation were absent from Geneva, it says, the Kremlin and its satellites "could the more easily use the ILO as a sounding board for their own propaganda." The CAIP also calls attention to the possibility that the Kremlin may have joined the ILO solely in order to wreck it.

Before Catholics take a stand on this issue, they ought to be aware that last January a French Jesuit, Rev. Joseph M. Joblin, was appointed to the ILO staff. This appointment was made, the CAIP observes, "with the advice and consent of the Holy See." Evidently the holy father, who only 2 years ago spoke of the ILO in highly laudatory terms, is persuaded that, despite Communist obstructionism, this U. N. agency can still add to its rich accomplishments for social justice.

Mr. KNOWLAND. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senator from Ohio [Mr. Bricker], which will be stated.

The Chief Clerk. On page 2, line 5, it is proposed to change the period to a comma and insert the following: "and by inserting before the semicolon at the end of such subsection a colon and the following: '*Provided, however*, That no sums in excess of $1,750,000 shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956, if during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement are found by the State Department to have been permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization'."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. Byrd] is necessarily absent.

The Senator from Texas [Mr. Daniel], the Senator from Mississippi [Mr. Eastland], the Senator from Tennessee [Mr. Kefauver], the Senator from Oklahoma [Mr. Monroney], the Senator from North Carolina [Mr. Scott], and the Senator from Florida [Mr. Smathers] are absent on official business.

The Senator from Georgia [Mr. George] is absent by leave of the Senate.

The Senator from Alabama [Mr. Hill] is absent because of a death in his family.

On this vote, the Senator from Virginia [Mr. Byrd] is paired with the Senator from North Carolina [Mr. Scott]. If present and voting the Senator from Virgina would vote "yea," and the Senator from North Carolina would vote "nay."

I further announce that if present and voting, the Senator from Mississippi [Mr. Eastland] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Iowa [Mr. Hickenlooper] is necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Wisconsin [Mr. Wiley] is absent on official business.

The Senator from Wisconsin [Mr. McCarthy] is detained on official business.

If present and voting, the Senator from New York [Mr. Ives] and the Senator from Wisconsin [Mr. Wiley] would each vote "nay."

The result was announced—yeas 43, nays 40, as follows:

YEAS—43

Barrett
Beall
Bender
Bennett
Bricker
Bridges
Butler
Capehart
Carlson
Case, S. Dak.
Cotton
Curtis
Dirksen
Duff
Dworshak
Ellender
Flanders
Frear
Goldwater
Hruska
Jenner
Johnston, S. C.
Knowland
Malone
Martin, Iowa
Martin, Pa.
McClellan
Millikin
Mundt
Payne
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smith, Maine
Stennis
Thye
Watkins
Welker
Williams
Wofford
Young

NAYS—40

Aiken
Allott
Anderson
Barkley
Bible
Bush
Case, N. J.
Chavez
Clements
Douglas
Ervin
Fulbright
Gore
Green
Hayden
Hennings
Holland
Humphrey
Jackson
Johnson, Tex.
Kennedy
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
McNamara
Morse
Murray
Neely
Neuberger
O'Mahoney
Pastore
Potter
Smith, N. J.
Sparkman
Symington

NOT VOTING—13

Byrd
Daniel
Eastland
George
Hickenlooper
Hill
Ives
Kefauver
McCarthy
Monroney
Scott
Smathers
Wiley

So Mr. Bricker's amendment, as modified, was agreed to.

Mr. DOUGLAS. Mr. President, may I inquire how I was recorded on the vote just taken?

The PRESIDING OFFICER. The Senator from Illinois was recorded as voting in the negative.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that at this time I may proceed for approximately 4 minutes.

Mr. JOHNSON of Texas. Mr. President, ample time is available for debate on the joint resolution itself. So I yield 4 minutes to the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 4 minutes.

Mr. DOUGLAS. I thank the Senator from Texas.

Mr. President, the vote just taken was an extraordinary one. The administration has requested the passage of the pending joint resolution; and, as the distinguished minority leader, the Senator from California [Mr. Knowland], very honorably stated, the administration is definitely opposed to the amendment on which the Senate voted a moment ago.

I desire to commend the Senator from California for the characteristic frankness and honesty he displayed in this matter and in stating that the amendment was opposed by the administration. He did not attempt, as is so often done, to cover up.

I have made a tentative tabulation of the votes cast on the amendment, and it shows that all Members on the Republican side of the aisle, with the exception of six, voted for the amendment and against the position of the administration; and that all Members on the Democratic side of the aisle, with the exception of a few, voted against the amendment, and for the program of the administration. So it has been a Republican victory but an administration defeat.

The vote raises some very real points. It shows the fact that in the case of vital questions dealing with foreign policy, the President finds his chief support on this side of the aisle, rather than on the Republican side of the aisle.

Mr. President, we on the Democratic side of the aisle know what will happen to us. We know perfectly well that when we return to our constituencies, we shall be attacked by the various Republican committees, including probably the Republican National Committee, for the vote we have cast just now. If the experience of the past is any guide, the administration will denounce us in a few days (when they think people have forgotten) as being noncooperative; and high officials of the administration will take the stump and will denounce us in our States for the vote we have cast, and which they will say shows we are "soft" on communism. I hope the speeches made by leading Republicans during the last 2 days indicate a change in tactics and possibly a change of heart, but I am not certain that is the case.

In any event, Mr. President, I wish to make it perfectly clear that I think the administration acted in accordance with what it believed to be in the best interests of the United States; and I cast my vote as I did because I felt the administration knew more about the situation than we in the Senate do, in view of the somewhat clouded condition. I think they are afraid that we may be expelled from the ILO for nonpayment of dues, and that the Bricker amendment will create in the ILO a vacuum which the Communist countries will exploit.

Mr. President, it is very interesting to observe that a majority of the Members on the other side of the aisle do not believe in the foreign policy of this administration, and will take advantage of every opportunity to defeat it. That is what I have been saying for a long time, Mr. President. I think the country should know what the facts are and what the vote was.

Mr. FULBRIGHT and Mr. KUCHEL addressed the Chair.

Mr. JOHNSON of Texas. Mr. President——

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield 2 minutes to me? I must leave in a short time.

Mr. JOHNSON of Texas. Very well, Mr. President; I yield 2 minutes to the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, on Monday the Senate adopted an amendment which was submitted by the Senator from Montana [Mr. MANSFIELD]. At this time I desire to offer an amendment. However, I am informed by the Parliamentarian that before my amendment can be considered, it will be necessary for the Senate to reconsider its action in adopting, on Monday, the amendment of the Senator from Montana.

Therefore, Mr. President, I ask unanimous consent that the action or vote of the Senate, taken on Monday, whereby the amendment of the Senator from Montana was adopted be reconsidered.

Mr. KNOWLAND. Mr. President, will the Senator send to the desk, and have read, the amendment he desires to submit? I think that should be done for the information of the Senate.

Mr. FULBRIGHT. Mr. President, in a moment I shall request that the amendment be read by the clerk. In the meantime, I can explain my amendment. All my amendment will do is retain the United States contribution at 25 percent in the case of the ILO, and at 31½ percent in the case of the FAO—in other words, the present percentages of our contributions.

I have a very simple reason for submitting this amendment: I see no reason for establishing more or less permanently a 33⅓ percent contribution by the United States to all international organizations. At the present time we are contributing 25 percent of the budget of the ILO, and I see no reason for increasing it; I refer to the percentage, as distinguished from the number of ballots. That is my position. The Senator from California will remember that I took the same position in the committee. In other words, it is my position that the fact that we are contributing 33⅓ percent of the budget of the United Nations does not mean that we should contribute in the same percentage to the budgets of all other international organizations. My position is that in a case in which our contribution now is 25 percent, it should remain at that percentage, rather than be increased to 33⅓. In short, I do not believe that all the contributions we make to international organizations should be on the basis of 33⅓ percent.

Mr. KNOWLAND. In other words, I understand that the Senator from Arkansas desires to offer a substitute for the amendment of the Senator from Montana.

Mr. FULBRIGHT. That is correct.

Mr. KNOWLAND. The amendment of the Senator from Montana provided for a maximum ceiling of 33⅓ percent, which is in general conformity with our other contributions to the United Nations.

Mr. FULBRIGHT. No; I was going to point out that not all our contributions are on the basis of 33⅓ percent, and I object to having all of them increased to 33⅓ percent.

I believe that if my amendment is adopted, it will be possible for us to take the position that gradually our contributions to these organizations should be decreased.

At the time when we first contributed to these organizations, many other countries were in difficult financial circumstances. But as other countries are better able to contribute to the organizations, I think our contributions should be decreased. For instance, only recently 17 new members, I believe, were admitted. Under these circumstances, why should not our contribution be decreased?

I am perfectly willing to have the United States contribute its fair share. However, if in connection with the pending joint resolution we adopt an amendment calling for a 33⅓ percent contribution on the part of the United States, it seems to me we shall be indicating that, as a policy, we intend to have the United States contribute 33⅓ percent to the budgets of all international organizations.

Mr. BUSH. Mr. President, I should like to ask a question, if the Senator from Arkansas will yield to me.

Mr. FULBRIGHT. Certainly.

Mr. BUSH. Did the Senator from Arkansas submit his amendment to the committee?

Mr. FULBRIGHT. I did, but I was outvoted.

Mr. BUSH. The Senator from Arkansas was outvoted in the committee, was he?

Mr. FULBRIGHT. Yes.

My position is that I object to having the percentage of the contribution of the United States increased. If the work of the ILO is so important—and our representatives agree that it is—and if the overall budget of the ILO should be increased, I have no objection to having that done, provided our contribution is not increased.

My amendment will merely prevent increasing the ceiling on our contribution to 33⅓ percent.

Mr. KNOWLAND. Mr. President, if the Senator from Arkansas does not object, and inasmuch as certain Members are not now on the floor, I desire to suggest the absence of a quorum, before we proceed further in connection with the amendment of the Senator from Arkansas.

Mr. FULBRIGHT. Very well.

Mr. KNOWLAND. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I have just discussed the question with the Senator from Ohio [Mr. BRICKER], who was temporarily absent from the Chamber. We have no objection to the request of the Senator from Arkansas for reconsideration of the amendment of the Senator from Montana [Mr. MANSFIELD], which was agreed to on Monday, which established a limitation of 33⅓ percent, in order that the Senator from Arkansas may offer his amendment to that section.

The PRESIDING OFFICER. Without objection, the amendment heretofore offered by the Senator from Montana [Mr. MANSFIELD] and agreed to on Monday as section 2 of the bill is reconsidered.

Mr. FULBRIGHT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The CHIEF CLERK. On page 2, after line 5, it is proposed to insert the following:

> SEC. 2. Notwithstanding any other provision of law, the percentage contribution of the United States to the total annual budget of the Food and Agriculture Organization shall not exceed 31.5 percent and to the International Labor Organization shall not exceed 25 percent.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes. Really, I have already explained the amendment. I do not know that I need to repeat the explanation.

All my amendment would do would be to retain the present percentage. One of the principal objections I have to the amendment agreed to on Monday is that I am sure it would create the impression that we were accepting, as a principle, responsibility for payment of 33⅓ percent of the cost of every international organization.

At the present time there is a considerable variation in percentages of contribution by the United States to international organizations. I read the percentages for the major international organizations:

United Nations, 33⅓ percent; the Food and Agriculture Organization contribution will be 31½ percent, under my amendment; International Civil Aviation Organization, 32.60 percent; International Labor Organization, 25 percent; International Telecommunications Union, 8.99 percent; UNESCO, 33⅓ percent; Universal Postal Union, 4.36 percent; World Health Organization, 33⅓ percent; World Meteorological Organization, 11.45 percent.

There is a considerable variation. I think the inevitable result of leaving in the joint resolution the amendment adopted on Monday would be to indicate acceptance of the principle that we should pay a third of the cost of all such organizations.

I think the proper objective of our Government should be gradually to decrease our participation, at least down to approximately 25 percent. Considering the great number of nations which are members of these organizations, I think 33⅓ percent is an unduly large amount as a permanent percentage for us to contribute to all such organizations. I think the adoption of my amendment would have the effect of at least preserving the present situation and allowing freedom of negotiation in the future, to try to decrease the percentage we now bear in the United Nations, for example. On the other hand, to the opposite effect would be acceptance by our Government of a permanent 33⅓ percent contribution. That is the issue which is involved.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BRIDGES. I compliment the Senator for his objective. We have been trying, through appropriations, to reach this objective for some time. I am glad the Senator from Arkansas has the courage, good sense, and judgment to submit a proposal of this kind, because that is certainly the direction in which we should go, instead of building up greater expense to the American taxpayers and the American Government, which has been the trend for many years.

Mr. FULBRIGHT. I thank the Senator for his observation.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BUSH. As the Senator from Arkansas understands the situation respecting our commitments, I take it he does not believe that his amendment would involve any embarrassment to our Government, or cause us to go back on any commitments we may have made heretofore in this connection.

Mr. FULBRIGHT. It is my present belief that it would not require the violation of any commitments we have made. We were told in the committee by representatives of the Department that they were embarrassed because other members of the ILO made the argument that "you pay one-third of the cost of the United Nations. Why should you not pay one-third of the cost of the ILO?"

I can see no persuasive argument why we should do so. There have been changes in the economic condition of other members. They should bear a larger percentage. It is my definite belief that during the past several years there has been relative improvement in the capacity of other members to pay. Going back 10 years, we were the only ones who were well off. At that time we paid a larger percentage than a third. We started paying nearly 50 percent in connection with the United Nations. We gradually worked that down to a third.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I shall be glad to yield in a moment.

The argument was advanced to our representatives, "You pay a third of the cost of the United Nations. Why should you not pay a third of the cost of the ILO and the FAO?" To me, that is not a persuasive argument. Broadly speaking, it is a valid argument to base distribution of the burden upon capacity to pay; but I do not think that argument was sustained before the committee.

Mr. BUSH. I thank the Senator for answering my question so fully. I intend to support his amendment.

Mr. FULBRIGHT. I do not wish to mislead the Senator. My amendment would place no dollar limitation on the amount. I do not wish to limit the dollar amount, if this activity is so important that all the other members are willing to pay a part.

Mr. SALTONSTALL. I should like to say, in connection with what the Senator from Arkansas said to the Senator from Connecticut, that we on the Appropriations Committee—and I have been on the subcommittee with the Senator from New Hampshire [Mr. BRIDGES] for a number of years—have been trying to cut back these appropriations. It has been our clear understanding, particularly with the State Department, that in the case of the United Nations Organization the Department will make no firm commitments until Congress makes the appropriations. That has been one of our difficulties in years gone by, that they would make a commitment in December and then come to us in May and try to get us to confirm their commitment. I believe it is clear that they will now not make any firm commitment, and that any limitations we place in the bill will not make us break any agreement.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LEHMAN. I was not on the floor during all the remarks of the Senator from Arkansas. I am not quite sure what his amendment would do. Yesterday a substitute amendment offered, I believe, by the Senator from Louisiana [ELLENDER] was agreed to by the Senate. How is that amendment affected by the amendment offered by the Senator from Arkansas?

Mr. FULBRIGHT. The amendment is offered as a substitute for the amendment offered by the Senator from Louisiana on Monday. I believe it was adopted on Monday afternoon. I was not on the floor of the Senate that day. I was not a party to it. I understand it was in the nature of an agreement between the Senator from Louisiana and other Senators, and that it provided for a ceiling of 33⅓ percent on our contribution.

Before the Senator from New York came into the chamber I said that I believe if we let that amendment of the Senator from Louisiana stand, it will be interpreted as an acceptance by the Government of a 33⅓-percent contribution by the United States to all international organizations.

I do not wish to accept such a principle. I believe we have been contributing 25 percent of the ILO funds for many years. I have heard no persuasive argument made to increase our percentage contribution. The other members have not become worse off, certainly, and we have not become relatively so much better off that we ought to increase our contribution. In other words, I object to the acceptance of the principle that we are going to contribute a third of all the funds of all the international organizations. That is what I believe we would be doing under the Ellender amendment.

Mr. LEHMAN. Is it not a fact that the amendment offered by the Senator from Louisiana had two parts; that one part increased the percentage of the total amount of the budget of the ILO, to be paid by the United States, and the other decreased the amount that was authorized in resolution 97, which proposed to strike out the figure of $1,750,000 and to insert in lieu thereof the figure of $3 million? I believe the two provisions were contained in the same amendment.

Mr. FULBRIGHT. I have been told that it was the Mansfield amendment, not the Ellender amendment which was adopted. I will say this to the Senator from New York. The only effect of my amendment is to put a ceiling on the percentage. It contains no dollar amount.

If the other members of the ILO or of the FOA are willing to increase their total contributions of dollars, our contribution would go up also. This is not any assurance that the dollar amount would be set at any particular level. But it is an assurance that the percentage would not be greater than 25 percent.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. KNOWLAND. I believe for the Record I should also state, as the Senator from Arkansas has stated, that it was not the Ellender amendment which was voted on Monday. The distinguished Senator from Louisiana had an amendment pending at the desk. When the Senator from Montana [Mr. Mansfield] indicated that he had an amendment to offer, the Senator from Louisiana, as I recall it, withdrew his amendment, and agreed to the amendment of the Senator from Montana, which I believe was adopted without any opposition at that point. That amendment was offered by the Senator from Montana [Mr. Mansfield], not the Senator from Louisiana [Mr. Ellender].

Mr. FULBRIGHT. That is correct. I say to the Senator from New York that the only difference between the two is that the amendment of the Senator from Montana provided a ceiling of 33⅓ percent, which is an increased ceiling. The present ceiling of the ILO is 25 percent. The ceiling which has been tentatively agreed to for FOA is 31½ percent.

My amendment would place a ceiling on the percentage, not on the dollar amount. That is the effect of my amendment.

Mr. LEHMAN. I thank the Senator for explaining his amendment. However, I hope the amendment of the Senator from Arkansas will not prevail.

The PRESIDING OFFICER (Mr. Long in the chair). Does a Senator in control of time yield some time to the Senator from New York?

Mr. JOHNSON of Texas. I yield 3 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, we are dealing with an organization which I consider to be one of the great international organizations of the world today. We have before us a report from the State Department, which I have no doubt reflects the point of view of the United States. It describes some of the very important work that has been done by the ILO. It is almost fulsome in its praise of the organization.

We have done enough harm to the ILO already. The other day we refused to increase the authorized amount as recommended by the State Department and, I assume, by the President of the United States. Today, in the face of the position taken by the President and by the State Department—and I admit I do not always agree with them, but in this particular case I believe they are absolutely right—we have placed a further handicap in the way of the success of this great organization by adopting the Bricker amendment.

Either we will wholeheartedly seek to hold up our end of the very important work being done by the ILO, or we will handicap it and make it impotent. I am not willing to do that. I am convinced that this organization is not only worthwhile, but is extremely important.

I repeat what I have said before. A part of the report of the State Department describing the activities of the ILO states that, in addition to permitting more effective assistance to governments in meeting problems in such fields as manpower utilization, industrial safety, administration of labor standards, social security, and so forth, the "ILO has been instrumental in exposing violations of basic rights of labor, particularly in Iron Curtain countries, and in promoting and strengthening democratic institutions among workers. Jointly with the United Nations, the ILO has carried on a worldwide investigation of the use of forced labor for purposes of political coercion or for the fulfillment of the economic plans of a State. This investigation has done much to dispel the Soviet fiction of the "workers paradise" in the minds of those whom the Soviets are most anxious to influence. In regard to freedom of association, the ILO has brought to public attention specific, documented cases of governmental control or domination of worker organizations in a number of countries for political purposes. At the same time, careful screening procedures are employed to weed out allegations which are propagandistic, malicious, and unsubstantiated."

I realize, as has been pointed out by the Senator from Ohio [Mr. Bricker], that it is a myth to consider the Soviet representatives of employers and employees as freemen. They are not. They do not represent labor. They do not represent industry. They represent the Soviet Government. I realize that to be a fact. I decry that fact. I hope the time will come when that situation will be cured.

However, in the meantime, the ILO has functioned effectively and very usefully in spite of that fact. The organization has functioned for the benefit of labor and industry in this country. It has functioned, in my opinion, for the benefit of all the free nations of the world.

Today in the ILO the number of votes to which the Soviet countries are entitled is 32, as against the total number of member nations in ILO of more than 250. Certainly in view of that great disparity we have nothing to fear. But if we fail strongly to support ILO we have a great deal to lose.

Mr. LEHMAN. May I have 2 more minutes?

Mr. JOHNSON of Texas. I yield 2 more minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I am anxious to have nothing done that will further weaken the ILO. I am afraid we may give the impression that this country is not wholeheartedly behind the ILO, and I am afraid that by our action today we have again indicated that we are willing to take unilateral rather than collective action. Because of those things I very much hope the amendment offered by the Senator from Arkansas will not prevail.

Several Senators. Vote! Vote!

Mr. BARKLEY. Mr. President, I should like to have 5 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I hope the amendment will not be agreed to. It was offered in the committee and was rejected. I appreciate the persistence of the Senator from Arkansas in the matter, but I do not quite understand it. Outside the United Nations itself, I regard the International Labor Organization as one of the most important and effective international organizations now in existence. Theoretically, the organization itself has the power to allocate the percentage of contributions from the different nations which are members of it. Here we propose unilaterally to reduce our contribution for the sake of saving a few dollars.

Mr. FULBRIGHT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. FULBRIGHT. I think the Senator misunderstands my amendment. The amendment which was adopted on Monday set a new ceiling which was not adopted by the committee.

Mr. BARKLEY. I understand that, but the Senator is offering an amendment which would reduce the amount carried in the resolution which is now before the Senate.

Mr. FULBRIGHT. It would reduce as a matter of principle the amount carried in the amendment which was adopted on Monday.

Mr. BARKLEY. Of course, that was on a different basis. What I am talking about is the unwisdom of the Senate of the United States acting unilaterally to reduce the amount recommended by the administration in the resolution as it was offered to the committee and which was reported by the committee.

Mr. MANSFIELD. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MANSFIELD. The Senator from Kentucky is correct. The amendment adopted last Monday reduced the dollar amount requested by the administration and was considered to be a reasonable compromise. It was stated in the amendment which was adopted by the Senate that contributions by this country should not exceed 33⅓ percent, and it was specifically stated during the course of debate that it was up to the Committee on Foreign Relations, so far as might be possible, and especially the Committee on Appropriations, to see that appropriations were kept down.

If the Fulbright amendment is adopted—and I wish to say that the junior Senator from Arkansas has been very consistent over the years—it will mean, in my opinion, although I do not think it is the Senator's intent, by any means, that the amount will be reduced still further and the objectives which the administration has in mind insofar as the ILO is concerned will not be met.

Mr. BARKLEY. I thank the Senator from Montana for his observation.

The Soviet Union and other members of the Soviet bloc are in full membership in the ILO, and employer and employee representation is now admitted. In the face of that we propose to whittle down our contribution to this great international organization which I think has done and is doing a great work in the international field in regard to labor. So I hope, Mr. President, that the amendment will be rejected. I shall vote against it.

Mr. BUSH. Mr. President, will the Senator from Kentucky yield for a question?

Mr. BARKLEY. I yield.

Mr. BUSH. The Senator has stated that the amendment would whittle down our contribution. It is not intended to whittle it down at all.

Mr. BARKLEY. It would whittle it down from what the administration has asked for and what is contained in the resolution.

Mr. BUSH. Not necessarily. It provides for $3 million.

Mr. BARKLEY. If the amendment offered is adopted, the top limit will not be $3 million.

Mr. BUSH. The amendment seeks only to establish a limit of 25 percent.

Mr. BARKLEY. Of course, the top limit will be 25 percent, and not $3 million as asked for by the administration.

Several Senators. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas. [Putting the question.] The Chair is in doubt.

On a division the amendment was agreed to.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Montana, as amended, is agreed to.

The resolution is open to further amendment.

Mr. KNOWLAND. Mr. President, I am prepared to yield back my time on the joint resolution.

Mr. FULBRIGHT. I yield back our time, Mr. President.

The PRESIDING OFFICER. All time has been yielded back, and the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 97) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the following laws of the United States are hereby amended in the following particulars:

(a) Public Law 174, 79th Congress, as amended by section 1 (b) of Public Law 806, 81st Congress, is hereby further amended by striking out the figure "$2 million" in section 2 thereof and inserting in lieu thereof the figure "$3 million";

(b) Public Law 843, 80th Congress, as amended by section 1 (e) of Public Law 806, 81st Congress, is hereby further amended by striking out the figure "$1,750,000" in subsection (a) of section 2 thereof and inserting in lieu thereof the figure "$3 million," and by inserting before the semicolon at the end of such subsection a colon and the following: "*Provided, however,* That no sums in excess of $1,750,000 shall be appropriated to defray the expenses of the International Labor Organization for any calendar year after the calendar year 1956, if during the preceding calendar year delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement are found by the State Department to have been permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization."

Sec. 2. Notwithstanding any other provision of law, the percentage contribution of the United States to the total annual budget of the Food and Agriculture Organization shall not exceed 31.5 percent and to the International Labor Organization shall not exceed 25 percent.

RATES CHARGED TO PUBLIC BODIES AND COOPERATIVES FOR FEDERALLY GENERATED ELECTRIC POWER

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

Mr. KERR. Mr. President, will the Senator from Arkansas withhold his suggestion?

Mr. FULBRIGHT. Certainly.

Mr. KERR. Mr. President, on the call of the calender earlier today, Order No. 1783, Senate bill 3338, a bill relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects, was postponed until later in the day. I ask unanimous consent that that bill may now be considered by the Senate.

Mr. KNOWLAND. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. KNOWLAND. I respectfully suggest to the distinguished Senator that a number of bills were passed over solely because the reports on them were not available. The bill in which the Senator is interested happened to be in that category.

Mr. KERR. The Senator is correct.

Mr. KNOWLAND. I understand there will be some discussion of the Senator's bill. The majority leader is not present at this time. I had hoped that we might call the calendar of bills to which there is no objection, and then bring up by motion the bill in which the Senator from Oklahoma has an interest. I think there are some bills which will go through without any discussion at all. I hope the Senator will permit us to proceed in that order. If we can, I think we can save time.

Mr. KERR. I understood there would not be any discussion on Senate bill 3338.

Mr. KNOWLAND. I have been informed that there will be some discussion on that bill, although I do not know how much.

Mr. KERR. I have no objection to the bill going over until the other measures have been called.

Mr. KNOWLAND. I shall cooperate with the Senator. I thought we might dispose of some measures which have been held on the calendar for the reason stated by me.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1783, Senate bill 3338.

The PRESIDING OFFICER. The bill will be stated by title for information of the Senate.

The Chief Clerk. A bill (S. 3338) relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects.

Mr. KNOWLAND. Mr. President, is the Senator from Oklahoma willing to have a quorum call, so that the Senator from Nebraska [Mr. Hruska] may be present?

Mr. KERR. I join in the request that there be a quorum call.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so order.

INCREASE IN PENALTIES APPLICABLE TO SEDITIOUS CONSPIRACY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1787, H. R. 2854, until the Senator from Nebraska [Mr. Hruska] can be present.

The PRESIDING OFFICER. Calendar No. 1787, H. R. 2854, will be stated by title for the information of the Senate.

The Chief Clerk. A bill (H. R. 2854) to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspriacy, advocating overthrow of Government, and conspiracy to advocate overthrow of Government.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 6, after the word "shall," to strike out "be ineligible for employment by the United States or any department or agency thereof, for the 5 years next following his conviction" and insert "be disqualified from holding any office of honor, trust or profit under the United States."

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the Record a statement with reference to the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Existing law provides maximum penalties for the following crimes: Seditious conspiracy, $5,000 fine or 6 years imprisonment or both; advocating overthrow of the Government, $10,000 fine or 10 years imprisonment, or both; conspiracy to commit offenses relating to advocating overthrow of the Government, $10,000 or imprisonment for 5 years, or both.

Government criminal records disclose that a prisoner with a record of good conduct need serve but two-thirds of his total sentence. Such short servitude—a little over 3 years in this case—is entirely inadequate to deter activities of persons conspiring to overthrow the Government of the United States.

The purpose of this bill is to amend title 18, United States Code, so as to make all penalties for the above crimes more uniform, more deterrent to subversive activities of any nature and also to add to existing law a conspiracy provision with increased penalties pertaining to the offense of advocating overthrow of the United States Government. The penalties would be $20,000 fine or 20 years imprisonment, or both.

The committee has amended the bill in one particular: namely, on page 2, in line 6, immediately after the word "shall," strike the remainder of the sentence through line 8 and insert in lieu thereof the following: "be disqualified from holding any office of honor, trust or profit under the United States."

The purpose of this amendment is to bring this provision into closer accord with the gravity of the offense. Such crimes as bribery, graft, multilation of records, etc., also disqualify a convicted person from holding any office of honor, trust or profit under the United States (18 U. S. C. 202, 1901, 2071).

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE BY QUITCLAIM DEED OF CERTAIN REAL PROPERTY TO THE FAIRVIEW CEMETERY ASSOCIATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1794, Senate bill 2144.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 2144) authorizing the Secretary of the Interior to convey by quitclaim deed certain real property of the United States to the Fairview Cemetery Association.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, line 4, after the word "deed", to strike out "without consideration" and insert "at its fair market value as determined by the Secretary of the Interior", so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of the Interior is authorized and directed to convey by quitclaim deed, at its fair market value as determined by the Secretary of the Interior, to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak., all right, title, and interest of the United States in and to the following-described land, together with all improvements thereon, situated in the county of Richland, State of North Dakota: North half of the southeast quarter of the southeast quarter of section 6, township 132 north, range 47 west, fifth principal meridian, comprising 20 acres.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. JOHNSON of Texas. The lands involved in the bill comprise a 20-acre tract of acquired lands in Richland County, N. Dak., presently administered by the Bureau of Indian Affairs. The Government has no present need for the land and does not object to its conveyance to the association.

In view of the fact that the association is a private organization and would utilize the lands, if acquired, for private purposes, or would sell the lands as cemetery lots to private individuals, the committee agrees with the Department of the Interior that the conveyance to the association should not be without consideration.

The report from the Department of the Interior states, in part, as follows:

> S. 2144 would direct the Secretary of the Interior to convey by quitclaim deed, without consideration, all the right, title, and interest of the United States in and to a 20-acre tract of acquired lands in Richland County, N. Dak., to the Fairview Cemetery Association, Inc., of Wahpeton, N. Dak. These lands are at present being administered by the Bureau of Indian Affairs of this Department. We have no need for the tract at this time, and would have no objection to the conveyance of the tract to the cemetery association. However, we do not, on general princples, favor the outright donation of federally owned land to a private organization, and, in this case, it is assumed that the cemetery association will sell cemetery lots to other parties. We, therefore, recommend that the conveyance be made upon the payment of the fair market value as determined by the Secretary of the Interior. To accomplish this end, the words "without consideration" at line 4 should be deleted and the words "at its fair market value as determined by the Secretary of the Interior" be inserted in lieu thereof.
>
> The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.
>
> Sincerely yours,
>
> Wesley A. D'Ewart,
> *Assistant Secretary of the Interior.*

The PRESIDING OFFICER (Mr. Long in the chair). The present occupant of the chair wishes to explain that the committee amendment requires that the cemetery pay the fair market value of the property, in order to purchase it from the Government.

Mr. MORSE. Mr. President, if the present occupant of the chair will permit me to say so, I wish to extend to him, as the floor leader of the bill, my sincere compliments for making certain that, once again, a bill which comes to the floor of the Senate will obtain for the taxpayers of the United States the fair market value for the taxpayers' property which is being conveyed.

The PRESIDING OFFICER. The Chair thanks the Senator from Oregon.

The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RATES CHARGED FOR ELECTRIC POWER GENERATED AT FEDERAL PROJECTS

Mr. JOHNSON of Texas. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1783, S. 3338; and I call the attention of the Senator from Oklahoma [Mr. Kerr] and the Senator from Nebraska [Mr. Hruska] to the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Chief Clerk. A bill (S. 3338) relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment, on page 2, after line 2, to insert:

> Sec. 2. The provisions of the first section of this act shall not apply to any charge made at a rate established specifically by any contract entered into by the Federal Government prior to February 28, 1956.

So as to make the bill read:

> *Be it enacted, etc.*, That for a period of 18 months after January 1, 1956, the Secretary of the Interior shall not, in the disposion of electric power and energy generated at projects under the control of the Federal Government (or any department or agency thereof), make any charge for any such power and energy furnished to any public body or cooperative at any rate in excess of the rate charged on February 27, 1956, for electric power and energy furnished by him to such public body or cooperative.
>
> Sec. 2. The provisions of the first section of this act shall not apply to any charge made at a rate established specifically by any contract entered into by the Federal Government prior to February 28, 1956.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KERR. Mr. President jointly with the Senator from Nebraska [Mr. Hruska], who prepared the bill in committee and reported it, I offer an amendment as disclosed on a copy of the bill which I send to the desk, and ask to have it read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oklahoma.

The Chief Clerk. On page 1, line 7, it is proposed to strike out "make any charge for any such power and energy furnished to any public body or cooperative at any rate in excess of the rate charged on February 27, 1956," and insert in lieu thereof the following: "to any public body or cooperative charge any rates applicable to any class of service in excess of the rates in effect for such class of service on February 27, 1956."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. HRUSKA. Mr. President, before discussing the tenor and the exact phraseology of the amendment, I call the attention of the Senate to the fact that the entire subject was discussed very thoroughly in connection with the proposed increase of rates for the Southwestern Power Administration. The revision of rates which was discussed this morning by the Senator from Oklahoma was, in reality, pursuant to an order entered by the Federal Power Commission

in 1947, at which time interim rates were fixed for the Southwestern Power Administration. In part the order reads as follows:

> an interim rate schedule to remain in effect only until such time as further study and experience indicate the desirability for revision, but for not more than 6 years.

The date of the Federal Power Commission order was February 1947. Six years have long since come and gone, and several attempts have been made to get the necessary increase in rates, as has been indicated. In each instance, there were several extensions of the period. No order has been entered to supplement the interim rates. The action on the part of the Secretary of the Interior, as he testified, was pursuant to the law as it now exists. He had no other alternative than to do what he did.

The further fact is that there has always been in the consciousness and in the knowledge of all the contracting parties the idea that there would be a revision of the rates. It was clearly indicated that there should be, because the cost at the time of the authorization to which I have referred, which occurred in 1947, was estimated at about $200 million in connection with 7 of the integrated projects of the SPA, whereas the total construction cost estimated by the Corps of Engineers in 1954 was $357 million, an increase of approximately $157 million. Obviously, there was experience during the intervening years which showed that an increase in rates was necessary.

So the principal subject and the principal point to be considered by the SPA lay in two areas: One, the formula by which the cost would be increased, and, secondly, the amount of the increase which would be computed.

It is fair to point out that the report on the bill which came to us only about 2 hours ago, includes a letter from Assistant Secretary of the Interior Fred G. Aandahl, and the letter is dated only yesterday. In the letter the position is taken that the administration and the Department of the Interior oppose the bill. However, they say, before the bill is passed they would like to call attention to the fact that the phraseology therein is inadequate, is very unclear, and would be difficult to construe.

They point out, for example, that the phraseology of the original bill refers to a single rate which was in effect on February 27, 1956, and that that rate should be frozen. In his letter, Secretary Aandahl points out that electric power and energy is not sold pursuant to a single rate, but is sold pursuant to a schedule of rates.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. HRUSKA. I yield.

Mr. KNOWLAND. Since the Senator has been discussing the letter of Assistant Secretary Aandahl, I wonder if it would not be advisable to have printed in the Record at this point in his remarks the entire letter.

Mr. HRUSKA. I ask unanimous consent to have the letter printed at this point in the Record.

The PRESIDING OFFICER (Mr. Long in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the Record, as follows:

> Hon. Dennis Chavez,
> *Chairman, Committee on Public Works, United States Senate, Washington, D. C.*
>
> My Dear Senator Chavez: You have requested the views of this Department on S. 3338, relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects.
>
> While the effect of S. 3338 in certain particulars is not clear, the bill generally would operate to freeze at their present levels and until July 1, 1957, the rates charged public bodies and cooperatives for federally generated power marketed by the Department of the Interior.
>
> This Department cannot recommend that S. 3338 be enacted.
>
> In marketing electric power and energy from its own installations and from projects of the Corps of Engineers, this Department acts through a variety of constituent agencies and pursuant to a number of statutes. The Bonneville, Southwestern, and Southeastern Power Administrations and the Bureaus of Reclamation and Indian Affairs all exercise power marketing responsibilities. Governing statutes include those specifically applicable to the marketing of power from the Bonneville, Fort Peck, Boulder Canyon, Eklutna, and Falcon projects, the Reclamation Project Act of 1939, statutes relating to Indian irrigation projects, and section 5 of the Flood Control Act of 1944. As to the Bonneville, Fort Peck, Eklutna, and Falcon projects and projects governed by section 5 of the Flood Control Act of 1944, power rates promulgated by this Department are subject to confirmation and approval by the Federal Power Commission.
>
> While there are, of course, variations in detail among the statutes above referred to, there is under them a common responsibility to secure the return to the United States of an appropriate share of project costs through revenues from the sale of power. If adequate levels of power rates are not maintained, that responsibility cannot be met.
>
> For the period during which it would be effective, S. 3338 would deprive the United States of an essential means of properly administering the Federal power projects to which it would be applicable. With the exception of power marketed through the Southwestern Power Administration, hereinafter discussed, this Department does not now foresee for an extended period including that covered by S. 3338 a necessity for a general rise in rate levels. Nevertheless, the principle contained in S. 3338 is so inconsistent with concepts of sound administration that its enactment cannot be regarded as desirable public policy. And especially is this so since S. 3338 would not only preclude timely action in the event circumstances not now foreseen were to require it but would also preclude technical improvements and adjustments in rate schedules having the incidental effect of raising particular charges even though overall rate levels were to remain unaffected.
>
> S. 3338 is undoubtedly prompted by the increase in rates now being considered by this Department for the Southwestern Power Administration (SPA) power marketing area. It has long been apparent that a general rise in SPA rates is inevitable if the Federal investment in power producing and transmitting facilities is to be returned on the basis generally applicable to other Federal power developments administered by this Department. The generally accepted basis for the establishment of power rates except where the Congress otherwise provides, is the return, in addition to operation, maintenance, and replacement costs, of the power investment over a period of 50 years at an interest rate approximating 2½ percent.
>
> The existing SPA rates (rate schedule A) have from their inception been intended only for temporary and interim application, a fact known to all purchasers of SPA energy. The rate schedule was confirmed and approved by the Federal Power Commission on February 13, 1947 (docket IT–5971), as "an interim rate schedule to remain in effect only until such time as further study and experience indicate the desirability for revision, but for not more than 6 years * * *." From February 13, 1953, the expiration of the original 6-year period of approval, until December 31, 1954, successive short extensions were granted, and on January 5, 1955, the Federal Power Commission extended schedule A until new rate schedules are approved by the Commission.
>
> That existing rates are not sufficient to accomplish an adequate return is due to a combination of factors among them being rising construction costs, the revision of cost allocations, increases in annual operation and maintenance costs, and the increase in costs resulting from the operation of the so-called lease-option contracts with several generation and transmission cooperatives in the Oklahoma and Missouri areas.
>
> After several years of study, the Federal Power Commission was requested, on December 29, 1954, to confirm and approve an increase in schedule A to the level then considered necessary in order to accomplish return of the Government's investment under the generally accepted standards. However, the reactivation of the lease contracts with the G and T cooperatives, provided for in the Departmental Appropriation Act for fiscal year 1956, further increased costs necessitating restudy and revision of the December 1954 proposals. The Commission accordingly was requested to withhold action on the submittal then before it. Studies had progressed to the point where this Department was prepared to propose specific revisions in the 1954 submittal for approval and confirmation by the Federal Power Commission when the Subcommittee on Flood Control, Rivers, and Harbors of the Committee on Public Works instituted a series of hearings upon the proposed rate increase.
>
> A summary comparison of original and current estimates of cost and other data for the projects for which SPA is the marketing agent clearly demonstrates the necessity for an increase in power rates.
>
> For the seven integrated projects in the system (Denison, Norfolk, Bull Shoals, Fort Gibson, Tenkiller Ferry, Blakely Mountains, Table Rock) total cost at time of authorization was estimated at $199.8 million, of which $109.2 million was allocated to power according to the SPA estimate. At the time of filing of rate schodule A in 1946, total estimated cost had risen to $234.8 million, with $111.2 million allocated to power according to the SPA estimate. In 1953 the Corps of Engineers and SPA each made allocation studies. The corps estimated total cost at $42.4 million, with $216.4 million allocated to power, and SPA used a total cost of $337.9 million, with $160.3 million allocated to power. In 1954, following the agreement among FPC, the Department of the Army, and this Department as to cost allocation methods for application to all water development projects, the corps estimated total construction cost at $357.6 million, with $200.2 million allocated to power.
>
> Several significant points are to be noted. First, the estimated total construction cost has risen 79 percent above the original estimate. Second, while dollarwise the allocation to power has increased 83.3 percent over the original SPA estimate, the percentage of

total cost allocated to power under the current estimate (56 percent) is approximately the same as the percentage prevailing at the time of authorization (54.7 percent) and it is only slightly higher than the percentage prevailing at the time of the filing of rate schedule A (47.4 percent). Third, the substantial increase in construction costs has not been accompanied by any significant increase in the estimate of annual available primary energy, this having been 1,362 million kilowatt-hours at the time of filing of rate schedule A in 1946 and currently stands at 1,376 million kilowatt-hours. Fourth, although the estimate of installed capacity has increased from 426,000 kilowatts at the time of authorization to 674,000 kilowatts under current estimates, with a rise in the estimate of average annual energy from 1,430 million kilowatt-hours at the time of authorization to 1,970 million kilowatt-hours, the contribution to the revenue picture of this increase is minor since the increase represents almost entirely nonfirm energy.

Except for the Denison and Norfork projects for which the allocations to power are based upon incremental costs by virtue of the provisions of authorizing documents, current cost allocations for the integrated projects are arrived at by the separable costs-remaining benefits method. This is the method recommended for general application by the interagency agreement on cost allocation methods and it was also recommended by the Subcommittee to Study Civil Works of the House Committee on Public Works (the so-called Jones committee) in its report to the 82d Congress. This method entails an allocation of joint costs among the several purposes served in such a way that each purpose shares equitably in the savings resulting from the combining of the purposes in the multiple-purpose development.

As above indicated the current allocation of costs by that method is $200.2 million. If only separable costs were to be allocated to power, that is if there were to be allocated to power only the difference between the cost of constructing the projects with and without power as a purpose, the cost allocation would be reduced by less than $19 million to a total of $181.4 million. This would decrease revenue requirements by only $0.00032 (three-tenths of a mill) per kilowatt-hour on all primary energy sales. It is apparent, therefore, that the adoption of the separable costs-remaining benefits method of allocations is not a substantial factor contributing to the need for increased revenue. The principal factor contributing to the need for increased revenue is the substantial increase that has come about in construction on operating costs unaccompanied by a comparable increase in available primary energy.

The rate increase proposed by this Department is the minimum considered necessary to accomplish return of the Government's investment allocated to power in 50 years at 2½ percent interest, the generally accepted standard for the establishment of power rates.

We are firmly of the view that it would be unwise to defer further the application of the rate-establishing procedures of section 5 of the Flood Control Act of 1944. Extended deferment of consideration of a revision in rates can only result in the end, if the standards of ratemaking applicable generally to Federal projects are to apply, in a necessity for an increase above the level that would be sufficient were action to be taken at this time. Further delay would, therefore, in our view constitute a disservice to the very public bodies and cooperatives S. 3338 is intended to aid.

At the outset of this report it was stated that operation of S. 3338 in certain particulars is not clear. The bill refers to the rate charged on February 27, 1956, to a public body or cooperative for electric service furnished that public body or cooperative.

Charges for electric power and energy are commonly computed not upon the basis of a single rate but upon the basis of rate schedules applicable to particular classes of service. Thus, ordinarily there will be one rate schedule for firm power service and others for other classes such as dump or secondary service and irrigation pumping. Particularly in the case of firm power service the rate schedule will consist of a number of rates, the applicability of each of which will depend upon such factors as the amount of energy taken by the customer in a given month, the customer's load factor, his highest monthly demand, etc.

From the use in S. 3338 of the singular rate, the reference to the rate charged rather than to the rate schedule applicable, and the absence of a reference to classes of service it is not clear whether in the event of its enactment charges could be computed, during its effective period, on the basis of the schedule of rates applicable on February 27, 1956, to the particular class, quantity and character of service received by the customer during each monthly billing period. If the bill is not to be so read it would preclude proper charges based upon variations in such factors as the customer's load factor and upon changes in the class of service being taken. It would also, in that event, continue in effect certain rate schedules or rate schedule provisions that would otherwise by their terms have expired within that period, for example, rate ceilings applicable temporarily in new service areas and experimental rates all of which would otherwise expire by their own terms within the period of the bill's applicability. Other examples of the uncertainty that S. 3338 would bring about in the computation of charges may be found in those cases where the monthly charge is dependent in whole or part upon some factor of actual monthly variable cost as in the case of certain dump energy rates which are established at a specified percentage of fuel costs and in other instances in which the customer's charges are in part premised upon actual, monthly operating expenses.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to your committee.

Sincerely yours,

Fred G. Aandahl,
Assistant Secretary of the Interior.

Mr. KNOWLAND. Mr. President, if the Senator will yield, I should like to ask him if the amendment which has just been offered clarifies at least that part of the objection which was raised by the Assistant Secretary.

Mr. HRUSKA. Yes; it does clarify that part of the situation.

Continuing with the reason for the criticism in the first place, it is pointed out in the Secretary's letter that the applicability of any portion of a rate schedule as of any particular day or as of any particular month would depend upon the amount of energy taken by the customer in a given month, the load factor, the highest monthly demand, the class of power, and so on.

The purpose of the amendment which was proposed and read into the Record is to accommodate that thought and make clear the construction of the bill, so that it will apply to the schedule of rates and the particular rate which will flow therefrom, rather than to a single rate, which is, of course, not a practical application of the term.

HOUSING FOR ESSENTIAL CIVILIAN EMPLOYEES OF THE ARMED FORCES

Mr. JOHNSON of Texas. Mr. President, I am informed there are other Senators who would like to be present when the bill now under discussion is considered. Therefore, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1796, S. 3515. One Senator wants a quorum call. Another Senator has asked for time to get here. Meanwhile, the Senate can proceed to consider bills to which there is no objection.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The Chief Clerk. A bill (S. 3515) to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment, to strike out all after the enacting clause and insert:

That title VIII of the National Housing Act, as amended, is amended by adding at the end thereof a new section as follows:

"Sec. 809. (a) Notwithstanding any other provisions of this title and in addition to mortgages insured under section 803, the Commissioner may insure any mortgage under this section which meets the eligibility requirements set forth in section 203 (b) of this act: *Provided*, That a mortgage insured under this section shall have been executed by a mortgagor who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of a change in his employment by the Armed Forces or a contractor thereof and to whom the Secretary or his designee has issued a certificate indicating that such person requires housing and is at the date of the certificate a civilian employee at a research and development installation of one of the Armed Forces of the United States or a contractor thereof and is considered by the Armed Forces to be an essential, nontemporary employee at such date. Such certificate shall be conclusive evidence to the Commissioner of the employment status of the mortgagor and of the mortgagor's need for housing.

"(b) No mortgage shall be insured under this section unless the Secretary or his designee shall have certified to the Commissioner that the housing is necessary to provide adequate housing for such civilians employed in connection with such a research and development installation and that there is no present intention to substantially curtail the number of such civilian personnel assigned or to be assigned to such installation. Such certification shall be conclusive evidence to the Commissioner of the need for such housing but if the Commissioner determines that insurance of mortgages on such housing is not an acceptable risk, he may require the Secretary to guarantee the Armed Services Housing Mortgage Insurance Fund from loss with respect to mortgages insured pursuant to this section. There are hereby authorized to be appropriated such sums as may be necessary to provide for payment to meet losses arising from such guaranty.

"(c) The Commissioner may accept any mortgage for insurance under this section without regard to any requirement in any other section of this act that the project or property be economically sound or an acceptable risk.

"(d) Any mortgagee under a mortgage insured under this section is entitled to the benefits of insurance as provided in section 204 (a) with respect to mortgages insured under section 203.

"(e) The provisions of subsections (b), (c), (d), (e), (f), (g), (h), and (j) of section 204 shall apply to mortgages insured under this section except that as applicable to those mortgages: (1) all references to the 'Fund' or 'Mutual Mortgage Insurance Fund' shall refer to the 'Armed Services Housing Mortgage Insurance Fund' and (2) all references to section 203 shall refer to this section.

"(f) The provisions of sections 801, 802, 803 (c), 803 (i), 803 (j), 804 (a), 804 (b), and 807 and the provisions of section 803 (a) relating to the aggregate amount of all mortgages insured and the expiration date of the Commissioner's authority to insure under this title, shall be applicable to mortgages insured under this section."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that a part of the general statement contained in the report on the bill be printed at this point in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

General Statement

This bill would add a new section 809 to title VIII of the National Housing Act, as amended, to provide mortgage insurance on homes to be owned by private individuals who are essential civilian employees of the armed services, or employees of contractors of the armed services, at research and development installations. Mortgage terms available under the bill are the same as those available under section 203 of the National Housing Act, the FHA's regular program of mortgage insurance for sales housing.

In order to qualify for insurance under the proposed new section, an individual would be required to hold a certificate issued by the Secretary of Defense which certifies that (1) he requires housing, (2) he is, on the date of the certificate, a civilian employed at a research and development installation of one of the armed services of the United States, or an employee of a contractor of the armed services, and (3) he is considered by the armed services to be an essential, nontemporary, employee at such date.

SALE OF TIMBER WITHIN THE TONGASS NATIONAL FOREST, ALASKA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1797, S. 2517.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The Chief Clerk. A bill (S. 2517) to amend subsection 3 (a) of the act approved August 8, 1947, to authorize the sale of timber within the Tongass National Forest, Alaska.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (a) of section 3 of the act approved August 8, 1947 (61 Stat. 920), is hereby amended by striking out the period at the end of said subsection and inserting in lieu thereof a colon and the following: "*Provided*, That all receipts heretofore and hereafter received from the sale of such timber shall be subject to the provisions of the act of May 23, 1908 (35 Stat. 260), as amended, and the act of March 4, 1913 (37 Stat. 843), as amended. If any claims of possessory rights to lands or timber within the exterior boundaries of the Tongass National Forest are determined to be valid, the Territory of Alaska shall pay to the United States 25 percent of the moneys required to satisfy such claims: *Provided*, That the Territory shall not be required to pay to the United States any amount in excess of the total amount received by the Territory from the United States pursuant to the act of March 23, 1908: *Provided further*, That such payments by the Territory to the United States shall, to the extent possible, be effected by deductions from the amounts otherwise payable to the Territory pursuant to such act."

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be printed in the Record a brief statement with reference to the bill as contained in the report on the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

S. 2517 would authorize payment of 25 percent of the revenues from the Tongass National Forest in Alaska to the Territorial government of Alaska for gravely needed schools and roads in the Territory. The Department of Agriculture would receive 10 percent of the revenues for roads and trails in the national forest.

Such payments would be made under Federal laws of long standing that are applicable to all States and Alaska in which national forests have been established. Alaska would not receive any benefits that the States do not now enjoy. In fact, the Territorial schools are now being deprived of benefits they would now be enjoying were it not for the specific provision of the Tongass National Forest Act which requires that all revenues be held in escrow.

COMPENSATION OF SUPREME COURT JUSTICES AND CIRCUIT COURT JUDGES OF HAWAII

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1799, H. R. 7058.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The Chief Clerk. A bill (H. R. 7058) to amend the act of May 29, 1928 (45 Stat. 997) in respect to the compensation of supreme court justices and circuit court judges.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed in the Record a statement in explanation of the bill contained in the report.

There being no objection, the statement was ordered to be printed in the Record, as follows:

H. R. 7058 would increase the part paid by the Federal Government of the total annual salaries of the supreme and circuit court judges of the Territory of Hawaii by amendment to the act of May 29, 1928 (45 Stat. 997).

All of the judges that would be affected by the bill, 15 in number, are appointed by the President and are confirmed by the Senate. Under the Organic Act of Hawaii, all must be residents of Hawaii.

The present annual salaries were established by act of Congress in 1928. By act of the Territorial Legislature of May 22, 1945—1945 Session Laws of Hawaii, page 357—the salaries payable to these justices by the United States were supplemented from funds of the Territory to the extent of $3,000 per annum. In 1951 the Territorial Legislature increased the supplemental compensation to $4,500 per annum—1951 Session Laws of Hawaii, page 637. Thus, the total annual compensation now received by the chief justice of the supreme court is $15,000; for the associate justices, $14,500; $12,000 for the justices of the first circuit; and $11,500 for the justices of the remaining circuits.

The changes in the salary scales that enactment of H. R. 7058 would bring about are: chief justice, Supreme Court of Hawaii, $17,500; associate justices, Supreme Court of Hawaii, $17,000; circuit judges, all circuits, $15,000.

AUTHORIZATION FOR TERRITORY OF ALASKA TO INCUR INDEBTEDNESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1801, H. R. 4781.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The Chief Clerk. A bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 2, line 7, after the word "exceed", to strike out "$12,500,000" and insert "$20,000,000"; and on page 5, after line 17, to insert:

Sec. 7. The Territory of Alaska is authorized and empowered, notwithstanding any provision of the Organic Act or any other act of Congress to the contrary, to guarantee payment of bonds issued by municipalities, school districts, and public-utility districts in Alaska for constructing, altering, equipping, or acquiring public improvements of the nature for which the Territory may issue bonds in an aggregate amount which shall not at any one time exceed the sum by which the principal amount of Territorial bonds and certificates of indebtedness then outstanding under this act is less than $20,000,000. The authority to guarantee bonds of such subdivisions shall be exercised in a manner prescribed in section 2 of this act.

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the bill?

Mr. JOHNSON of Texas. Mr. President, this is a House bill, and its purpose is to authorize the Territory of Alaska to issue bonds and other instruments of indebtedness to obtain funds for public purposes. Under the committee amendments, the Territory is authorized also to guarantee bonds issued by municipalities, and school and public utility districts for specified purposes.

All borrowing authorized by the bill would be on the responsibility of the Territory of Alaska, and under laws to be enacted by the Territorial legislature, the members of which are elected by the people of Alaska. The credit of the Federal Government is in no way involved.

Maximum indebtedness under the authorization of H. R. 4781 may not exceed $20 million at any time.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAYMENT OF GRATUITY TO RENA V. PELLEGRINI

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1804, Senate Resolution 243.

The PRESIDING OFFICER. The resolution will be stated by title, for the information of the Senate.

The Chief Clerk. A resolution (S. Res. 243) to pay a gratuity to Rena V. Pellegrini.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MAGNUSON. Mr. President, the United States Senate lost a valued and trusted servant in the untimely passing on January 14, 1956, of Frank Pellegrini, chief counsel of the Committee on Interstate and Foreign Commerce.

Today, through adoption of Senate Resolution 243, we have the opportunity, in small measure, to give a belated "thank you," perhaps not to Frank, but to Mrs. Pellegrini, and the two sons who survive him. We wish them well, and undoubtedly this resolution will express in more tangible terms our sentiment.

In addition, Mr. President, I ask that there be printed in the Record at this point a resolution which was adopted by unanimous vote of the Committee on Interstate and Foreign Commerce at an executive session on January 25, 1956.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

> Whereas the Senate Committee on Interstate and Foreign Commerce has learned with profound sorrow of the death of its chief counsel, Frank Pellegrini; and
>
> Whereas Frank Pellegrini had been outstanding in organizing and handling the affairs of this committee, conducting its hearings with impartiality, so that despite the press of business, all had a fair and equal chance to be heard; and
>
> Whereas the instantaneous nationwide expression of deep sympathy from the transportation, communications, maritime, fisheries, and other industries with which he worked are indications of the regard in which he was held; and
>
> Whereas Frank Pellegrini was a man of the greatest integrity, brilliant intellect, and devoted himself with a whole heart to the public interest in the discharge of the duties of this committee; and
>
> Whereas Frank Pellegrini, the individual, was of such a caliber as to command the deepest respect and at the same time the greatest personal loyalty of staff members as well as Senators, of comparable staff in the House Merchant Marine and Fisheries Committee, and the House Interstate and Foreign Commerce Committee as well as Representatives with whom he worked; and
>
> Whereas there developed between Frank Pellegrini and the individual members of this committee, of both parties, a close personal bond of friendship which transcended the day-to-day business of the committee: Now, therefore be it
>
> *Resolved*, That individually and as a committee we express to his widow and two children our sincere sympathy in their bereavement, in partial consolement and assure them of our great respect for their husband and father who has been our wonderful friend and sympathetic fellow worker.

The PRESIDING OFFICER. The question is on agreeing to Senate Resolution 243.

The resolution was agreed to, as follows:

> *Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Rena V. Pellegrini, widow of Frank Pellegrini, an employee of the Senate at the time of his death, a sum equal to 11½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PAYMENT OF GRATUITY TO RUTH M. HAEFNER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1805, Senate Resolution 244.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The Chief Clerk. A resolution (S. Res. 244) to pay a gratuity to Ruth M. Haefner.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the resolution was considered and agreed to, as follows:

> *Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ruth M. Haefner, daughter of Florence R. McKeever, an employee of the Senate at the time of her death, a sum equal to 1 year's compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF THE SUBCOMMITTEE REPORT ON JUVENILE DELINQUENCY AMONG INDIANS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1808, Senate Resolution 239.

The PRESIDING OFFICER. The resolution will be stated by title, for the information of the Senate.

The Chief Clerk. A resolution (S. Res. 239) to print for the use of the Judiciary Committee additional copies of the subcommittee report on juvenile delinquency among the Indians.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the resolution was considered and agreed to, as follows:

> *Resolved*, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the report No. 1483, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT 1734 ON WELFARE AND PENSION FUNDS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1809, Senate Resolution 238.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The Chief Clerk. A resolution (S. Res. 238) authorizing the printing of additional copies of Senate Report 1734 on welfare and pension funds.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 1, after the word "printed", to strike out "3,500" and insert "3,230," so as to make the resolution read:

> *Resolved*, That there be printed 3,230 additional copies of Senate Report 1734, a report on welfare and pension funds, for the use of the Senate Committee on Labor and Public Welfare.

The amendment was agreed to.

The resolution, as amended, was agreed to.

ABOLISHMENT OF THE VERENDRYE NATIONAL MONUMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1811, House bill 1774.

The PRESIDING OFFICER (Mr. Long in the chair). The bill will be read by title, for the information of the Senate.

The Chief Clerk. A bill (H. R. 1774) to abolish the Verendrye National Monument, and to provide for its continued

public use by the State of North Dakota for a State historic site, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill (H. R. 1774) to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, line 6, after the word "thereon", to strike out "subject to existing permits" and insert "subject to the reservation to the United States of the right to flood such lands in connection with the operation and maintenance of the Garrison Dam and Reservoir project."

Mr. MORSE. Mr. President, I wish to make a brief statement regarding the bill, because I think we can quickly reach agreement on it.

As I understand, the committee wishes to have the property disposed of in accordance with provisions of the Surplus Property Act. I have no objection to having that done. However, the bill in its present form will not do that.

I should like to suggest that the amendment which I understand the present occupant of the Chair, the distinguished junior Senator from Louisiana [Mr. Long], is willing to accept be submitted; and as a matter of courtesy I shall offer it for him, if he will permit me to do so. If the amendment is adopted by the Senate, I shall not have any objection to the bill; I never object to having property disposed of in accordance with the provisions of the Surplus Property Act.

However, in its present form the bill does not provide for that. Therefore, I would have to object to the bill, unless the amendment were agreed to.

The PRESIDING OFFICER. Let the Chair inquire whether the Senator from Oregon has the amendment before him now. The Chair is not certain that the amendment has yet been prepared.

Mr. MORSE. No, Mr. President; I do not have the amendment before me.

The PRESIDING OFFICER. Then let the Chair suggest that the bill be passed over temporarily.

Mr. MORSE. Very well, Mr. President; I ask that the bill be passed over temporarily.

The PRESIDING OFFICER. Without objection, the bill will be passed over temporarily.

EXTENSION OF TIME FOR FILING REPORT BY THE DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 1812, House bill 8957.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The Chief Clerk. A bill (H. R. 8957) to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia.

Mr. JOHNSON of Texas. Mr. President, the bill merely extends the time within which the District of Columbia Auditorium Commission, which is made up of some very fine persons, may submit its report and recommendations with repect to the civic auditorium to be constructed in the District of Columbia.

The purpose of the bill is to—

First. Extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations to the President and to the Congress with respect to the civic auditorium to be constructed in the District of Columbia, from February 1, 1956, to January 31, 1957.

Second. To change the designation from "civic auditorium" to "national civic auditorium."

Third. To authorize the appropriation of such sums as may be necessary to carry out the purposes of the act of July 1, 1955—Public Law 128, 84th Congress—in addition to the $25,000 authorized by that act.

Public Law 128, approved July 1, 1955, established a commission known as the District of Columbia Auditorium Commission for the purpose of formulating plans for the design, location, financing, and construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center.

Mr. President, I think we are unusually fortunate in having some very prominent persons of very high caliber serve on the Commission. They believe they need additional time in which to submit their report and recommendations. So I hope the bill will be passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 8957) to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 8957) was ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1780, House bill 9390, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1957, and for other purposes. My purpose is to have this bill made the unfinished business.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. KERR. Mr. President, reserving the right to object, let me inquire as to the situation in the case of Calendar No. 1783, Senate bill 3338.

RATES CHARGED FOR ELECTRIC POWER GENERATED AT FEDERAL PROJECTS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of Calendar No. 1783, Senate bill 3338.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate resumed the consideration of the bill (S. 3338) relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects.

Mr. KERR. Mr. President, I wish to express appreciation to the distinguished Senator from Nebraska [Mr. Hruska] for clarifying the language of the bill by what he has had to say about the amendment which he and I jointly submitted.

I call attention to the fact that the purpose of the amendment is to make the bill effective to carry out its general purpose, namely, to prevent the changing of any rates or schedule of rates to the rural electric cooperatives and other public bodies for the period from January 1, 1956, to June 30, 1957.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate resumed the consideration of the bill (S. 3338) relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Oklahoma [Mr. Kerr], on behalf of himself and the Senator from Nebraska [Mr. Hruska].

The amendment was agreed to, as follows:

> On page 1, in line 7, after the word "thereof" and the parentheses, to strike out ", make any charge for any such power and energy furnished to any public body or cooperative at any rate in excess of the rate charged on February 27, 1956," and insert: "to any public body or cooperative, charge any rates applicable to any class of service in excess of the rates in effect for such class of service on February 27, 1956."

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3338) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That for a period of 18 months after January 1, 1956, the Secretary of the Interior shall not, in the disposition of

electric power and energy generated at projects under the control of the Federal Government (or any department or agency thereof) to any public body or cooperative, charge any rates applicable to any class of service in excess of the rates in effect for such class of service on February 27, 1956; for electric power and energy furnished by him to such public body or cooperative.

Sec. 2. The provisions of the first section of this act shall not apply to any charge made at a rate established specifically by any contract entered into by the Federal Government prior to February 28, 1956.

Mr. JOHNSON of Texas. Mr. President, today the Senate has completed action on 3 treaties, 2 conference reports, and 48 bills. We convened at an early hour, and we shall conclude our session today earlier than we had anticipated.

The PRESIDING OFFICER. Let the Chair state that the request of the Senator from Texas to have the Senate proceed to consider the appropriation bill for the Department of the Interior was not agreed to, because before the request was acted upon, request was made to have the Senate consider another bill.

Mr. JOHNSON of Texas. Mr. President, I requested unanimous consent, and I thought my request was granted.

Mr. MORSE. Mr. President, I wish to ask a question in regard to that matter.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1957

Mr. JOHNSON of Texas. Mr. President, I renew my request—which I thought had been agreed to—that the Senate proceed to the consideration of Calendar No. 1780, House bill 9390, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1957. It is my intention to have this measure made the unfinished business.

The PRESIDING OFFICER. Without objection——

Mr. MORSE. Mr. President, reserving the right to object—and I shall not object; certainly I would not object to consideration of the Interior Department appropriation bill—I wish to ask the Senator from Texas 1 or 2 questions in regard to this matter.

I think the Record should show whether it is true that when the Senator from Texas requests consideration of the Department of the Interior Appropriation bill, he requests consideration of a bill involving a considerable number of appropriation matters which affect projects in the States of a number of Senators. Is not that true?

Mr. JOHNSON of Texas. Certainly it is true, and it is particularly true in the case of the Senator's State of Oregon and in the case of the entire section of the country in which the Senator from Oregon is so vitally interested, namely, the Pacific Northwest. The bill contains appropriations in the amount of approximately half a billion dollars—to be exact, $433,851,000—for the Department of the Interior and related agencies.

Mr. MORSE. Mr. President, let me inquire whether I am correct in understanding that not only does the distinguished Senator from Texas [Mr. Johnson], the majority leader, propose to have the Interior Department appropriation bill taken up by the Senate on Monday—and of course I would not suggest that, in order to meet the personal convenience of any Member of the Senate, the bill not be considered then—but that the probability is that next week the so-called bank holding company bill will be brought up on the floor of the Senate.

Mr. JOHNSON of Texas. Mr. President, let me say to the distinguished Senator from Oregon that on yesterday the majority leader announced that the Interior Department appropriation bill could be brought up this week. However, in order to give ample time, so that all Members could thoroughly study the report on the bill, and since some Members insisted that the full 3 days provided by the rule be allowed, we thought we would allow an extra day, and not have the Senate take up the bill before Monday. We expect to have the Interior Department appropriation bill followed by the bank holding company bill sometime during next week.

Mr. MORSE. Mr. President, let me say to the Senator from Texas that I wish the Record to show that I have a whole series of amendments to offer to the bank holding company bill. I am in favor of the passage of a bank holding company bill, but I am also in favor of the passage of a nondiscriminatory bank holding company bill. I do not wish to have the Senate pass a bank holding company bill which will single out certain holding companies and will act in a discriminatory fashion in regard to them, and will exempt other holding companies. I shall have more to say about that matter when the bill comes before the Senate.

I make this comment at this time, for the Record: Unwittingly and unintentionally, and certainly not by design, the majority leader, in arranging the work of the Senate, has placed me in a position in which other Senators frequently find themselves—namely, a position in which a Senator has to make a choice between remaining in Washington, in attendance on the Senate, and protecting, according to his sights, the best interests of his constituents, or keeping some previous engagements. I wish to state for the Record that although I was planning to leave the city on a 6 o'clock plane, for Oregon, the announcement that the Interior Department appropriation bill will be before the Senate on Monday, leaves me no choice but to remain and perform my senatorial duties here on Monday. Furthermore, the announcement that the bank holding company bill will in all probability be brought before the Senate next week likewise leaves me with no choice but to remain here and present my arguments and my amendments on that bill.

Because it is very easy for all of us to be subject to unfair criticism, I make this statement for the Record, under my reservation of the right to object, because I think my remaining in Washington will cause some comment in my own State and will cause great inconvenience to various organizations and persons who expected me to be there next week, either to make speeches of introduction or to make the major speeches at various meetings.

I have made my statement. I assure the majority leader that now, as always, I will cooperate with him in expediting the business of the Senate, without any delay to meet the personal convenience of any Member of the Senate.

Mr. JOHNSON of Texas. I appreciate the consideration of the Senator, and his understanding of the situation confronting the leadership.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas that the Senate proceed to the consideration of House bill 9390, the Interior Department appropriation bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9390) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

AUTHORIZATION TO COMMITTEES TO FILE REPORTS DURING RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that committees be authorized to file reports during the recess of the Senate following today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDITION OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, as I have previously stated, today the Senate has disposed of 3 treaties, 2 conference reports, and 48 bills. Only 19 bills remain on the calendar. Some of them are awaiting the drafting of amendments, such as the one in which the distinguished occupant of the chair [Mr. Long] is interested.

I hope that the recess of the Senate until Monday will allow full opportunity for us to utilize the next few days in an attempt to get from the committees any proposed legislation they now have under consideration which might be reported.

I do not know of any period of time since I have been a Member of the Senate when there have been so few bills on the calendar. I intend to address a letter—which is already in preparation—to each chairman of a committee, urging him to make every effort to have reported to the Senate from his committee at as early a date as possible, every bill which has received consideration by the committee.

The Senate staff and its employees have made a very fine record during the first 3 months of the session. If the committees can report to the Senate proposed legislation we can arrange to have it handled on the floor of the Senate. It is difficult for us to consider measures in the form of amendments which have not been considered in committee, so I hope committees will give thorough consideration to the bills which are pending before them, and report as many of them as they feel justified in reporting, based upon the merits of the bills.

VISIT TO THE SENATE BY DELEGATION OF DELAWARE WOMEN

Mr. FREAR. Mr. President, today is an important day in the history of the District of Columbia. One hundred and fifty fine women from the State of Delaware are visiting the Nation's Capital. I am very sorry that more Senators are not present in the Chamber. In addition, there was some difficulty in transportation within the city limits. However, with the permission of the Chair, I should like to present to the Senate and to the other visitors in the galleries a small but very important segment of the group of 150 ladies from Delaware.

Included in the group is our one lady member of the Delaware Legislature.

[The visitors rose and were greeted with hearty applause.]

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FREAR. I yield.

Mr. KNOWLAND. I wish the distinguished group of visitors from the State of Delaware to feel certain that they have both a bipartisan welcome and a welcome from the other side of the continent. I join with the Senator from Delaware in extending the welcome of the Senate.

Mr. FREAR. I thank the distinguished minority leader. This group is a bipartisan group.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FREAR. I yield.

Mr. HUMPHREY. I should like to associate myself with this most harmonious presentation of and welcome to the charming ladies from Delaware. They are every bit as charming as the ladies from Minnesota; and when they are that charming, they are at the top of the charm ladder.

Mr. FREAR. I am obliged to the distinguished Senator from Minnesota for his statement.

THE NEW SOVIET CHALLENGE

Mr. HUMPHREY. Mr. President, one of the lesser known features of the new Soviet challenge is the intensified "redefection" campaign which the Kremlin is now sponsoring. According to an official of the International Rescue Committee the Soviet Government is now paying close to $100,000 per person to persuade escapees from the Iron Curtain to return to the Communist fold. According to a nine-man emergency Commission headed by William J. Donovan, no lure has been overlooked by the new Soviet leadership in their intensified drive to recapture refugees from Communist tyranny: the promise of better jobs, schooling for young people, guaranteed amnesty, and sentimental letters from families behind the Iron Curtain urging the escapee to return.

I point out that Mr. William J. Donovan is indeed a man of great competence and expert knowledge in these matters of counterintelligence. His record of information, knowledge, and experience with respect to the Soviet Union and its programs is second to none.

Mr. President, within the last 2 weeks an interesting article has appeared in the Washington Post and Times Herald, written by Claiborne Pell, entitled "Redefection Drive Uses Honey or Steel." Mr. Pell is a former State Department officer who is presently Director of the International Rescue Committee and a member of the Donovan Emergency Commission. I ask unanimous consent that his article be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

> Communist nations, led by Russia, are spreading a new Red dragnet throughout the free world in an intensified campaign to repossess refugees who have fled Iron Curtain countries.
>
> Amnesty decrees, appeals by radio and special newspapers, personal interviews and letters which find their way even to refugees in the United States are being used.
>
> The aim of this latest Soviet weapon: "Redefection."
>
> Threats, bribery, thefts, kidnapings and even murders have been employed in some European areas of high refugee concentration.
>
> So far, the campaign has resulted in the return home of hardly 1,000 refugees a year. A rough estimate of the cost to the Communists would be in the neighborhood of $100,000 a head.
>
> The effect of the increasing tempo of the redefection campaign on the anti-Communist refugees has been profound, however. Suspicion and distrust have been sown in refugee communities everywhere.
>
> Headquarters for this Red roundup is in an office building at 65 Behrenstrasse, East Berlin, just around the corner from the gleaming new Soviet Embassy. There Gen. Nikolai F. Mihailov conducts the campaign. It is there that the propaganda newspaper, For Return to the Homeland, receives its editorial direction.
>
> Munich, Frankfurt and various refugee camps in Germany are particular targets of the costly For Return to the Homeland, with its liberal use of color and eye-catching photographs, and of regular radio broadcasts from East Germany. The Communists play upon the emotions of the refugee with tape recordings of appeals by one member of a family still behind the Iron Curtain to another who has escaped.
>
> Since names are frequently mentioned, these radio appeals get a wide audience in refugee camps. The apprehension of the refugee for his loved ones often is increased by the fact that the announcer usually knows the exact address of his listeners and cites such intimate facts as the color of a particular refugee's suit.
>
> The Reds have resorted to violence in many places. Dr. A. R. Trushnovich, who was head of the Russian Rescue Committee in West Berlin, was abducted. Dr. Abdurakhman Fatalibeyli, section editor of Radio Liberation in Munich, was murdered. In the past year eight thefts of list of names and addresses of refugees were reported in Frankfurt.
>
> In certain camps, Communist agents bring pressure on refugees not to continue with their application for American visas.
>
> It was found that individuals were being beaten up in one camp for Bulgarian refugees in Greece for contacting the United States consulate. Others were being bribed to ignore summonses from the American consulate in connection with processing of visa applications.
>
> Still, refugees are redefecting at a rate of only about three a day throughout the world, but the effects of the campaign can't be measured in those terms. Its real danger is the fear and suspicion it spreads among all refugees.
>
> If one refugee redefects, his fellows know that he will be grilled for the name of everyone he met and about everything he did in the West.
>
> The tentacles of the Communist campaign have now spread to the United States. Refugees in this country are being wooed with letters directed personally to them at their new American homes.
>
> If the refugee moves, say from New York to Washington, often within 2 or 3 days his change of address will be known to the Communist embassy or legation which claims him. So far, however, violence has not been employed in this country.
>
> In general, the campaign is most effective in the European sanctuaries where the refugee first alights after crossing the curtain. In such camps the Soviet or satellite agents use a gentler method of persuasion, the personal interview.
>
> At the Zirndorf camp outside Nuernberg, a former Russian circus bear trainer I met was interviewed by a Soviet official flown from Moscow to bring pressure upon him. The interview, at which the Germans insisted that a representative of the United Nations Commissioner for Refugees be present, was fruitless. The refugee had only agreed to it to head off Russian charges that he was being prevented from seeing officials of his onetime homeland.
>
> One of the many difficulties refugees face in West Germany is that legal status and working papers are given only to those who can establish that they would have been persecuted or imprisoned for political reasons if they had remained under Communist rule.
>
> This policy stems from the widely held opinion in West Germany that if all individuals opposing the Communist puppet regime in East Germany were given sanctuary, there would be a mass exodus; East Germany would be emptied of its anti-Communists and the reunification of Germany would be further postponed.
>
> Despite all obstacles, however, 500 to 1,000 East Germans stream into Berlin's Marienfelde Refugee Emergency Reception Camp every day. They escape simply by walking across the sector border in Berlin and surrendering themselves.
>
> If a refugee passes the West Berlin screening he spends a couple of months in a camp being processed. Then, if finally accepted, he is efficiently resettled in some part of West Germany.
>
> If the refugee is not accepted as having fled for bona fide political reasons, however, he is condemned to a sort of shadow life, since papers permitting freedom of movement are withheld. These so-called unrecognized refugees usually end up working at cut-rate wages. Some enter the black market or other illegal activities and some return to East Germany.
>
> Non-German refugees from Russia and the satellite countries also turn up in Austria or West Germany. They may apply for emigration visas, but after a year or two in a refugee camp, awaiting processing, they may decide to settle down in Germany, whose language they have learned by that time.
>
> The most pathetic refugees in Europe today are the so-called hard-core ones, of whom there are some 70,000 in West Germany. Usually for reasons of health or age these are not eligible for emigration to the Western Hemisphere. Often they have also been rejected for integration into the German economy. Some have been in camps or dependent upon public assistance for 10 years. This group provides a particularly fertile ground for Communist redefection propaganda.

But the eligible refugee desiring to go to the United States faces a hard row of his own. First, he must fulfill requirements of the United States Refugee Relief Act, which requires detailed evidence of good conduct for the past 2 years.

If the refugee has just crossed the border, obviously such evidence is almost unobtainable. And by the time he establishes a 2-year good behavior record in camp, he may have developed a spot on his lungs or some other health defect.

The Scandinavian countries are helping to solve the problem of "hard core" refugees by accepting some who are in bad physical condition. Denmark, for instance, recently took 100 persons with active tuberculosis and placed them in Danish sanitariums. Their families were given employment, food, and lodging nearby.

Fortunately, there are ways of combating the Communist redefection campaign. The most important would be to speed up processing of the refugee on his way to the United States.

The 2-year individual history requirement could be loosened administratively along the lines of President Eisenhower's recent recommendations to Congress. The tuberculosis ban could be limited to refugees with active, contagious cases rather than cover everyone with a spot on the lungs.

(Representative WALTER, Democrat, of Pennsylvania, last week introduced a bill to allow tubercular refugees to enter the United States under certain conditions. Sometimes refugee families with one tubercular member elect to stay abroad rather than be separated, it was explained. Walter's bill would authorize the Public Health Service to determine the extent of the individual's illness and, when necessary, send him to a sanitarium.)

Civic and church organizations in the Free World could adopt individual refugees. National and local governments could issue proclamations assuring refugees of a warm welcome.

A general campaign by the Government, the pulpit, the editorial page, and the radio station could raise the refugee from his present status of second-class citizen to that of a temporarily immobilized soldier of democracy in the cold war against communism.

Mr. HUMPHREY. Mr. President, during the past few days it has also become clear, Mr. President, that when the more persuasive "lures" fail, the Soviet leadership does not hesitate to use the old Communist trademarks of threats, reprisals against relatives, blackmail, terrorism, and even abduction on American soil. An astounding lead article appears in the April 23, 1956, issue of Newsweek magazine on pages 21–23. Apparently the administration is not as alert as it might be in hamstringing the operation of Soviet agents right here in our own midst. The Newsweek article recounts the shocking story of how five refugee Russian seamen were forced to return to the Soviet Union with the connivance of Soviet diplomats and under the direction of the head of Russia's United Nations delegation. I ask unanimous consent that the article I have just referred to be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

National Affairs: A Diplomatic Kidnapping on United States Soil

The five refugee Soviet sailors who took off for Finland from Idlewild Airport in New York early this month en route to the U. S. S. R. were, in effect, kidnapped by Soviet secret police.

No United States Government or local law agency did anything to prevent the kidnapping even though two, the Central Intelligence Agency and the Immigration Bureau, knew something of what was going on. The CIA did give protection to a sixth sailor when he asked for it and he escaped abduction.

The Immigration Service seemed almost to put itself out to make things easy for the abductors.

The Service authorized the sailors' departure after a routine 7-minute hearing to which no American, other than an inspector stationed at Idlewild and an interpreter, was admitted.

Among those excluded from the hearing were representatives of the Church World Service, an agency of the National Council of Churches, which sponsored the sailors.

The evidence indicates that the Soviet agents worked with or under Arkady A. Sobolev, chief of the Soviet delegation at the United Nations.

During the 4 days immediately preceding the arrival of the sailors at Idlewild, they were lured by a combination of persuasion and threats to the headquarters of the Soviet U. N. delegation on Park Avenue. when they finally cracked and agreed to return to Russia, they were whisked off to the Immigration hearing in a cavalcade of eight Soviet-owned automobiles, filled with agents. After the hearing, as they waited for their plane, they were surrounded by 20 agents, who kept them from speaking to their American friends.

The friends of the five young men said they had no intention of returning to the Soviet Union up to the time Soviet agents started closing in on them. Indeed, two of them told friends only a few days before they disappeared that it would be suicide for them to go back. One of them had planned to be married the Sunday after he vanished.

The extent to which they were subjected to physical pressure was suggested by a bloody shirt left behind in the quarters of one of the sailors.

All the sailors were shown letters and photographs from friends and relatives in the U. S. S. R. to back up the arguments for their repatriation made to them by Soviet agents. The threat was implied, if not openly made, that these hostages in the Soviet Union would be punished unless the boys cooperated with their abductors.

The boys did cooperate, at least to the extent of saying at the Idlewild hearing that they wanted to go home. According to the Immigration Service, the inspector who conducted the hearing failed to see anything unusual about their behavior. The Immigration Service declined to identify either this inspector or his interpreter. The Service's spokesman added that the inspector could have done nothing in any case because there is no law authorizing the Government to interfere with the exist of aliens from this country.

FRACAS

An Immigration Service spokesman said: "There was no way of detaining the defectors without provoking an international fracas. If there was any possibility of a kidnapping taking place, Church World Service, the defectors, or their friends should have notified the FBI, the proper police authority. Based on what we knew, there was nothing we could do."

The Immigration Service, like the FBI, is a part of the Justice Department.

Exactly how the five were lured to the Park Avenue headquarters of the Soviet U. N. delegation is not entirely clear. Their former neighbors are afraid to talk freely because they dread the power of the MVD. One witness claims he was told by Government agents not to discuss the case. The Russian communities in and around New York City are terrorized.

"But this is America," a Newsweek reporter told one of the witnesses. "You are safe enough here."

"Were those boys safe enough here?" he asked. "What good did it do them to be in America?"

The 5 sailors with 2 Soviet police escorts were flown to Finland aboard a Scandinavian Airlines plane. (This line has recently been authorized by the Soviet Union to fly a regular service from Helsinki to Moscow.) Officials of the line decline to say who paid for the tickets, but it was learned that the tickets had been ordered by Soviet officials through a travel agency.

The whole operation of rounding up the refugees and spiriting them out of the country was conducted with military precision and obviously was carefully organized. A small army of agents was used.

The victims were Valentin Lukashkov, 25; Alexander Shirin, 26; Michael Shishin, 25; Viktor Ryabenko, 23; and Nikolai Vaganov, 23. They were part of the crew of the Soviet tanker, *Tuapse*, which was captured by the Nationalist Chinese in June 1954, while en route to Shanghai carrying a cargo of kerosene for the Chinese Reds. The crew was temporarily interned on Formosa and then given the choice of returning to the Soviet Union or remaining in the free world. Of the 20 crewmen who asked for asylum in the United States, 9 got it.

TAILED

From the time they arrived in New York in October 1955, the nine were hounded by Soviet agents trying to persuade them to go back home (Newsweek, December 26, 1955). They were bombarded with letters from home but refused to be impressed with these communications because they all seemed spurious. The sailors said their families weren't literate enough to write such persuasive and well-composed letters.

Of 6 who were in New York when the Soviet secret police went to work on them in earnest, only 1 escaped them. The other three are living outside the New York area and their addresses are being kept secret.

The refugee who planned to get married is Lukashkov. His fiancee, Nina Somons, a pretty, 24-year-old Russian girl who arrived in this country 5 years ago and now is a part-time teacher of English, said the ceremony was to have taken place in the same Russian Orthodox Church where he recently had been baptized. Nina was brokenhearted. She said she was sure Lukashkov never left this country of his own free will.

Olga and Tania Sirovatko, sisters who had double-dated Shirin and Shishin a week before they enplaned, were equally sure that their friends had no thought of returning to the Soviet Union. The girls said these two sailors had made plans for their future in America and were happy about their prospects.

Return: Ryabenko and Vaganov, who lived together in Paterson, N. J., had discussed with their landlords changes in Soviet Russia brought about by the anti-Stalinist line the Kremlin is now pursuing. They had both made it clear that they had no idea of going home.

The sailors had recently told the Church World Service that four of the crewmen of the *Tuapse*, left behind in Formosa, now wanted to come to the United States. They had expressed the hope that their four comrades might join them.

Shirin, who worked in a New York factory, complained to his employers on Wednesday, three days before he departed for Russia, that a Soviet agent had bothered him at the factory.

Tass reported the departure of the five seamen from New York. It was the first time the Soviet press had admitted that any of the *Tuapse* crewmen were in the United States. It explained that some of them had

been "sent" to America when their mates chose repatriation. The Tass report blandly added:

"The five men requested the Soviet Embassy in the United States to help them return home. On April 7, the Russian colony in New York gave them a warm send-off."

One Hundred and Twenty Fateful Hours for Five

Here, chronologically, is what happened to the five who are now back in Russia during the few days it took Soviet agents to herd them aboard a Europe-bound plane:

Tuesday, April 3: Shishin communicated somehow with Soviet officials and volunteered to go back to Russia or was persuaded to consent. From then on he was used as bait to catch the other four. Shishin was the only one of the refugee sailors with a wife in the Soviet Union.

Wednesday, April 4: Shishin tried to persuade Shirin and Lukashkov, who had been living with him at 500 Riverside Drive, to go back with him. They refused. That night Soviet agents also tried to persuade them but without success.

Meanwhile, two Soviet agents called on Viktor Soloviev, 20, who lived at the George Washington Hotel and who had talked with Lukashkov and Shirin and knew they still were determined not to return. Soloviev's callers woke him up at 11:30 p. m., and made a strong argument for his return. He was jostled but wasn't taken by force when he made it clear that he'd call for help.

Thursday, April 5: That morning Shishin, Lukashkov, and Shirin left International House for Columbia University, where they were to take the final examination in an English course they had just completed. When it was over Shishin disappeared. He went or was taken to the Soviet delegation's building on Park Avenue.

Two agents called on Ryabenko and Vaganov at their boarding house in Paterson, N. J. They carried bottles of liquor into the house. At 7 a. m. the two sailors got into the agents' car. Later, the landlady found Ryabenko's shirt, which she said was bloodstained. Frightened, she washed it.

Friday, April 6: At 1 o'clock that morning, Lukashkov, Shirin, and Soloviev met at International House and talked about their plight until 5 a. m. They decided to defy the Soviet agents. Soloviev then returned to the hotel.

At 6:30 a. m. he tried to reach his two friends at International House by telephone but was told by the operator: "Something has happened . . . I don't know."

Later that day Soloviev reported what had happened to the Church World Service and asked for protection. The service in turn reported to the CIA. Soloviev told Newsweek days later that he still lived in terror of abduction.

The Immigration Service was notified by the Russians that they intended to fly the refugees out of Idlewild the following day. They said they had a document signed by all five of the sailors stating their willingness to return home.

Jan Van Hoogstratten, the Church World Service worker who had been in effect the guardian of the sailors since they arrived in this country, asked the Immigration Service to conduct a hearing.

Saturday, April 7: The 8-car Russian parade arrived at Idlewild at 3:30 p. m. The 20 agents looked like a mob with the five sailors at its core. The hearing started at 3:45 p. m. It was over in less than 10 minutes. The five sailors and their guards took off on schedule at 4 p. m.

Mr. HUMPHREY. Mr. President, I think the appropriate officials of our Government owe an explanation to the Senate and to the country if the account contained in Newsweek magazine of this diplomatic kidnaping is accurate.

It would be all to the good for American public opinion if this article were verified by the State Department or our intelligence agencies, or appropriately refuted, if it contains any misstatements of fact or any allegations which may be proved untrue.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

ATOMIC POWER PROJECT IN MINNESOTA

Mr. HUMPHREY. Mr. President, I have just been informed that the Atomic Energy Commission has authorized negotiations with the Rural Electric Cooperative Power Association at Elk River, Minn., for a contract to design and develop an atomic power reactor developing 22,000 kilowatts of electric power. This is an historic occasion, and I am proud, as every Minnesotan is, that Minnesota has been chosen among the first peacetime power projects. This is a historic event—not only for Minnesota, and for the great cooperative movement, but also for the whole Nation.

Minnesota has scored a tremendous first. But far more important are the implications for cheaper electric power for the entire Nation. At long last, we seem to be moving into the long-promised era of peaceful atomic energy. Nothing demonstrates this to me so vividly as this decision, belated as it is, and after long delay, to support the development of an atomic power reactor in a small Midwestern community. We are at last on the threshold of the new era—the era of the peaceful use of the atom, or nuclear energy.

I want the RECORD to show that from time to time representatives of the Rural Electric Cooperative Power Association have met with the officials of the Atomic Energy Commission in regard to this very project. Also from time to time the Minnesota congressional delegation—both my senior colleague [Mr. THYE] and myself, and Members of the House of Representatives—have met with the Atomic Energy Commission, urging that this action be taken. About a month ago I had reason to believe that this action was in the offing, and I am delighted now to have my expectation confirmed within the past hour or so. Negotiations have been authorized, and it is now quite evident that the power project will soon be underway.

Mr. President, 3 years ago in the Senate, at the time the distinguished junior Senator from North Dakota [Mr. YOUNG] was handling the bill containing the appropriation for the Rural Electric Administration, I asked whether under that appropriation it would be possible for an atomic reactor to be built under the auspices of the REA. We discussed the subject for some time on the floor of the Senate. It was the view of the chairman of the subcommittee, the Senator from North Dakota, that such an atomic reactor could be constructed under the appropriations provided to the Rural Electric Administration.

Subsequently, the matter was clarified in some detail in the next year's appropriation bill and in the discussion of the REA authorizations.

Now the Atomic Energy Commission, in cooperation with REA, has made possible the first peacetime atomic reactor plant for a rural electric cooperative. I am singularly delighted and happy that this has taken place in the State of Minnesota. It bodes well for the future.

Mr. President, I desire now to turn my attention to another subject.

The PRESIDING OFFICER. The Senator from Minnesota still has the floor.

THE SOIL-BANK PROGRAM

Mr. HUMPHREY. Mr. President, today something very important happened in the House of Representatives on another subject. I have in my hand a number of news items from the news ticker, both from the United Press and from the Associated Press, relating to an action which was taken in the Committee on Appropriations in the House of Representatives. The first item reads as follows:

> The House Appropriations Committee, moving speedily on the heels of the farm bill veto, todsy voted $1.2 billion to President Eisenhower to put the soil-bank farm plan into effect immediately.

Another item reads:

> Chairman CLARENCE CANNON, Democrat, of Missouri, said the money would enable Agriculture Secretary Benson to put into effect under existing laws exactly the same soil-bank plan that had been contemplated in the farm bill vetoed by President Eisenhower.
>
> Representative JAMIE L. WHITTEN, Democrat, of Mississippi, chairman of a subcommittee that drafted the money bill at an unannounced session this morning, said there was one exception to this.
>
> WHITTEN said as far as he knows, Benson will not be able to make advance payments to farmers this year, for soil-bank commitments for the next year.
>
> Democrats had bitterly assailed this feature of the administration's plans as an effort to buy the votes of farmers in the 1956 presidential and congressional elections.

I should like to read from the report of the Committee on Appropriations of the House of Representatives, as reported by the Associated Press and the United Press:

> CANNON said he hopes to call up the money bill in the House next week.
>
> The Democratic-controlled committee took advantage of the opportunity to renew its frequent criticism of the Agriculture Department. In its report to the House the committee said:
>
> "The committee doubts that the soil bank plan will do all that the President claims for it, so far as reducing surpluses is concerned. In its opinion, present surpluses are the result of the failure of the Department of Agriculture to sell commodities in world trade for the present charter of the Commodity Credit Corporation. To support this view, the committee need only point to the fact that in recent months practically all commodities which have been offered for sale competitively in world trade through normal channels have been sold for dollars.

> "Neither does the committee believe that such program can ever be a substitute for price or income which farmers must have if they are to share fully in national prosperity. The committee does believe that such a program, if properly administered, can be of some help to American farmers under present conditions. * * *
>
> "Since the President has vetoed H. R. 12, which would have restored the historical relationship between the farmer's price and the cost of what he must buy, and would have fixed price supports at 90 percent of the farmer's comparative purchasing power during the period 1909–14, some alternative action must be taken by Congress. The action proposed herein appears to be the most feasible way of providing some immediate relief for the farm problem."

Furthermore, I should like to have it noted in the Record that Democratic leader John W. McCormack announced later that the soil-bank appropriation would be called up in the House next week, possibly as early as Wednesday.

The reason I mention this is that, as the ticker items reveal, the committee has stated that the provisions of the existing soil-conservation law authorize a soil-bank program.

Another news item states:

> The committee cited provisions of the existing soil-conservation law as authority for the soil-bank program It said it was surprised to find President Eisenhower asking for a soil-bank law since this authority had existed since 1935 and since the President, during 3 years of declining farm income, had made no request for funds to implement it.
>
> "Notwithstanding the failure of the President and the Secretary of Agriculture to use such existing authority, and despite the fact that they have not seen fit to request the necessary funds, the committee feels that the appropriation proposed in the accompanying bill should be given immediate consideration by Congress," the committee said in its report to the House.

Yesterday, Mr. President, in the Senate I referred—at pages 6493 and 6494 of the Record of April 18—to the act of 1935, known as the Soil Conservation and Domestic Allotment Act. I called the attention of the Senate to sections 1 through 6, and to sections 7 and 8. At that time I said:

> Sections 1 to 6 have been on the statute books since April 27, 1935.
>
> They give the Secretary of Agriculture sweeping powers to carry out intensive conservation efforts, including specific provisions for changes in the use of land.

Then I went on to point out:

> Section 6 authorizes to be appropriated for the purposes of this act "such sums as Congress may from time to time determine to be necessary." Not even a limitation. Yet, has Secretary Benson or President Eisenhower ever asked for such appropriations?

I was summarizing this law in laymen's language, and I said:

> In layman's language, what does that law provide? It specifically authorizes payments to farmers for changes in land use, so as to avoid the exploitation or wasteful use of land resources for production unneeded for domestic consumption. That is what the soil-bank program will do. That is its whole purpose.
>
> Note, however, that the language is permissive, not mandatory. I say that anyone who reads the language of the Conservation Act and the Domestic Allotment Act, with amendments up to date, going back to as early as 1935, will find in them all the authority which is necessary for effective soil conservation or a soil-conservation reserve program.
>
> When my own soil-bank bill was introduced, my purpose was to direct the Secretary to carry out such a program, in view of his failure to take such action on his own initiative. If the Secretary wanted such a program, if the President wanted such a program, why was it not included in this year's budget under authority which now exists?

The Committee on Appropriations of the House has gone into this matter very meticulously. The members of that committee, by an overwhelming vote of 36 to 7, went on record as saying that the authority already exists. Appropriations have now been voted by the committee.

I merely bring this point up because 2 weeks ago today, when Presidential Assistant Sherman Adams was making comment in the press about the delay on the soil bank, namely, to the effect that if the soil bank provisions were not written into law now they would possibly be inoperative, due to the fact that farmers were engaged in planting, the junior Senator from Minnesota issued a statement to the press and said there was ample authority under existing law, and called it to the attention of the President and the Secretary of Agriculture. I wish to say quite frankly that my statement has been ignored. There has been no effort made on the part of the administration to look into that authority and to come to grips with the problem and to present a program.

This morning in the Committee on Agriculture and Forestry, the Secretary of Agriculture was asked about this subject by the chairman of the committee, the Senator from Louisiana [Mr. Ellender], and in colloquy between the Senator and the Secretary of Agriculture, the Secretary of Agriculture apparently took exception to the judgment of the Senator from Louisiana, and said he did not believe that he could inaugurate such a program.

> Benson insisted, "We have looked into it, and we cannot put the soil bank into operation without legislation."
>
> Benson's statement came in testimony today before the Senate Agriculture Committee. He said Agriculture Department attorneys had studied existing law thoroughly and concluded it does not contain authority for the soil-bank plan the administration sponsors.
>
> Senator Allen J. Ellender, Democrat, of Louisiana, the committee chairman, disagreed.
>
> "All you need is funds * * * you could get it next week," he said.
>
> Ellender warned the Secretary he would open the way for another bitter farm-policy battle if he insisted on a new farm bill including only the soil-bank provisions.
>
> "You can't ask for what you want and not expect others to ask for what they want," the Senator said.
>
> "If we put any farm bill through this year, you can depend on this—a lot of the provisions will be distasteful to you," Ellender added.
>
> Ellender said he was "too busy" to order immediate hearings on the GOP soil-bank bill introduced yesterday. He told reporters he might call hearings later this year.

Mr. President, I have read the full story as reported. I wish to say that I happen to know that a study of this legislation, the act of 1935, has been made in the Department of Agriculture.

Furthermore, any who have been associated with the Department in the past know that the authority is inclusive, and is sufficiently broad to permit the Secretary to enter upon a program known as the soil bank, in all its features. The only limitation has been upon farmers. The House is about to appropriate $1,200,000,000, which is exactly the amount of money provided in the Senate and House conference report for both the acreage reserve and the conservation reserve programs.

I wish to commend the members of the House committee for this quick and positive action. If we in the Senate will move with the same dispatch we can make the money available to the Department within a few days, and the soil-bank program can go into operation, because a good deal of planting has not been done. Furthermore, some of the planting could not be touched, anyway, this year—winter wheat, for example. Some of the wheat is planted in the fall, and, obviously, could not have been affected by any soil-bank bill which could have been passed in either January, February, or March of 1956.

I think, Mr. President, my colleagues understood that advance payments are usually open to all kinds of abuses and criticism by the public——

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. First of all, I think it is desirable that the Appropriations Committees of the two Houses should give consideration—and I hope they will give favorable consideration—to an appropriation to support the soil bank program. I think that is necessary, whether the procedure be followed of merely having an appropriation item, or, perhaps, the more sound procedure of also having specific legislative authority.

People may differ as to whether the present authority is ample; certainly there are some differences of opinion in that regard. But apparently earlier this year the distinguished Senator from Minnesota, as he has pointed out in the Senate on several occasions, introduced a soil bank proposal. It may have been last year that he introduced it. The Senator from Iowa [Mr. Martin] yesterday pointed out that as a Member of the House 2 years ago he had introduced a soil bank bill. The distinguished group of Senators who serve on the Senate Committee on Agriculture and Forestry at least felt there was considerable merit to providing legislative authority in the so-called agricultural bill which was recently passed by both Houses and vetoed by the President.

So it seems that there was a considerable body of thought that if not absolutely essential, certainly it would be desirable to have some specific legislation in this regard. In any event, the legislative authority of the Senate and the House, if, in their judgment, they determine to proceed in that way, will of course have to be supported subsequently by appropriations in support of the authorization legislation.

I hope that rather than possibly getting into a situation involving the General Accounting Office, or some legal action being taken questioning the Secretary's authority, those who are interested in solving the problem and in having a soil bank will not only support the appropriation which may be necessary, but will also support authorization legislation.

Mr. HUMPHREY. Mr. President, the minority leader's words are both clear-cut and constructive. I think, however, that if my colleague will examine the Record as I have done, he will note that on the day of the introduction of the so-called soil-bank bill, the conservation and acreage reserve bill, it had one express purpose, namely, to make soil bank and conservation and acreage reserve mandatory, to direct the Secretary rather than leaving it permissive.

Furthermore, if we examine the Record in relation to the objections of the Department to soil-bank bills both in the Senate and the House, it will be noted that from time to time the Department recognized that it already had great authority in this particular area.

I think it is always right and proper to admit one's own limitations and lack of knowledge. The truth is that many of us had not studied the act of 1935 as carefully as we should have done. I came to the study of that act after the Assistant to the President, Mr. Adams, had made a rather personal attack, stating that some us, including the junior Senator from Minnesota, had been responsible for delay in the passage of the farm bill. Under necessity one is able to do considerable work. So, looking through the law and going back through the whole conservation legislation, I came across the sections in the act of 1935 to which I have referred. I have discussed these sections with lawyers of competence in the field of agriculture.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I might say that neither the Senator from Minnesota nor the minority leader is an attorney, and my observation over several years has been that even eminent attorneys can sometimes disagree. I even find that in the Supreme Court of the United States, which is our greatest tribunal, every once in a while a 5-to-4 decision is handed down, which must indicate that even able lawyers disagree as to the exact meaning of the law.

So, while the Senator from Minnesota may have been advised, and the persons with whom he advised may have had the finest legal ability, that is no assurance that some other legal counsel might advise someone else that there is no statutory authority. All I am saying is that if there is a will to enact legislation, and to button it down so that there can be no valid question, it would seem to me that the constructive way of proceeding would be to have both authorization legislation and an appropriation.

It is true, and I think the Senator has made it very clear in his remarks, that even those who placed the appropriation in the bill in the committee pointed out that it did not cover the point of advance payments. It may be that a valid argument can be made by those who think that is not a sound procedure, but it would seem to me that that feature could very well be debated and discussed on the floor of the House and the Senate as a matter of national policy.

Nevertheless, I would not want to rest merely on the advice of a limited number of lawyers and then find after Congress had acted that some legal action was taken or some opinion rendered which would throw the whole thing in doubt.

Mr. HUMPHREY. I thank the Senator from California. He is one of the most able proponents of the administration's point of view on many matters, and is one of its most able and conscientious defenders.

However, I should like to note again for the Record sections 1 to 6 and sections 7 and 8 as I have cited them on pages 6493 and 6494 of the Congressional Record. The language appears to me to be rather explicit. It says:

> To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he (the Secretary) may deem necessary, for the purposes of this act.

Section 6 authorizes to be appropriated for the purposes of this act "such sums as Congress may from time to time determine to be necessary."

Section 7 provides:

> It is hereby declared to be the policy of this act also to secure, and the purposes of this act shall also include—
>
> (1) preservation and improvement of soil fertility:
>
> (2) promotion of the economic use and conservation of land;
>
> (3) diminution of exploitation and wasteful and unscientific use of national soil resources;

I ask unanimous consent that the remainder of the text, to the bottom of the page, be printed at this point in my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

> "(5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909-July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio."
>
> Section 8 (a) of the act makes clear this authority exists in force until the end of this year.
>
> Section 8 (b) says:
>
> "Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, or the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); of (5) any combination of the above."

A NEW START IN ARMAMENTS CONTROL

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the Record an editorial entitled "Armament Control: A New Start?" published in the Nation magazine for March 17, 1956.

The editorial discusses the progress which had been made up to that time by the Senate Special Subcommittee on Disarmament.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> Within the past few weeks there have been two important moves toward the international control of armaments. One, President Eisenhower's letter of March 1 to Marshal Bulganin hit the front pages all over the world. The other, the start of a serious study of disarmament by a special Senate subcommittee headed by Hubert Humphrey of Minnesota, has been noted on the back pages when it has been noted at all.
>
> The President's letter is an encouraging sign of a new interest and flexibility on the part of our own Government in his central problem of the contemporary world. Yet of the two, the Senate study may well have the greater and more lasting effect. Much prominence has been given to the President's new proposal to consider excluding the future production of fissionable materials from weapons stockpiles. But when Admiral Strauss appeared before the Senate disarmament subcommittee on March 7, he took pains to point out that this proposal was conditional upon the prior adoption and satisfactory operation of the Eisenhower "open skies" inspection plan. A good many of our free-world allies have indicated privately, and a few publicly, their belief that the Soviets will never accept inspection in advance of agreement on substantive measures of arms control.
>
> The Senate disarmament subcommittee, authorized last July, began its public hearings on January 25 with Harold Stassen, the President's Special Assistant on Disarmament. The Senate caucus room was largely vacant and the Nation's press carried hardly a line about it. Somewhat more notice was given to Secretary Dulles' appearance for 2 hours on February 29; but the press coverage was based primarily on a routine State Department release rather than upon the Secretary's more revealing and significant answers to extensive questioning. Chairman Strauss of the Atomic Energy Commission, and Senator Flanders, accompanied by Col. Richard S. Leghorn, testified on March 7; but the admiral, unlike Secretary Dulles, ducked many of the most penetrating questions or put them off to a secret session.
>
> Although technically only a special subcommittee of the Senate Foreign Relations

Committee, this is no ordinary subcommittee. By deliberate design its membership includes, in addition to Chairman HUMPHREY, 5 other members of the Foreign Relations Committee, 4 members of the Armed Services Committee, and 2 members of the Joint Committee on Atomic Energy. Such membership insures that all important aspects of the subject will be covered—international relations, military, and atomic energy. It is already apparent from the first two hearings that the subcommittee, and particularly Chairman HUMPHREY, are not looking for headlines, but neither are they shying from an examination of the important central problems in this area.

As a Nation we have been drifting along since the U. N.'s "majority plan" for atomic-energy control was evolved in September 1947, distracted by day-to-day developments in the international field and unconsciously hoping that if the problem of atomic control were ignored it might go away. But far from disappearing, this problem has become more and more unmanageable as stocks of fissionable materials for bombs have grown in this country, the U. S. S. R., and Great Britain. The destructive power of these stocks of fissionables has been multiplied by a factor of at least 100 and probably closer to 1,000 by the development of the fission-fusion-fission bomb. The scientific correspondent of the Manchester Guardian has estimated within the past month that the accumulated stockpiles are now sufficient in Great Britain for 2,000 to 4,000 bombs, in Russia for 10,000, and in the United States for 35,000. That these estimates are not unreasonable is suggested by the recent United States announcement that 40,000 kilograms of U–235 would be made available over a period of time for atomic-power development. That is enough for 8,000 bombs at the 5-kilograms-per-bomb figure used by the Guardian.

In their testimony Mr. Stassen and Mr. Dulles both stressed the point that all previous United States positions on armaments control were formally "reserved"—in other words withdrawn—at the U. N. discussions last September, when it was shown that no effective technical method is now known for accounting fully for all past production of fissionable materials. Thus at the moment the United States has no arms-control plan of any kind before the U. N. President Eisenhower's "open skies" proposal of last July is only a scheme for a warning device; it includes no plan for reduction of armaments, atomic or otherwise. The present administration deserves some credit for bringing this question of accounting for past production into the open, even though, as Senator HUMPHREY pointed out on March 7, it was done 2½ years after the administration came into office and the problem has been known to exist at least since the Soviets tested their first atomic bomb in September 1949. The problem has been present in its crucial form ever since this country exploded the first hydrogen bomb in November 1952, since it was then demonstrated that the destructive power of fissionable stocks must be recalculated by a factor of at least 100.

Senator HUMPHREY urged Secretary Dulles to develop and present a complete new arms-control plan adapted to the present situation, and the Secretary admitted that this finally might be done. Indeed he went further to indicate—as Mr. Stassen has also done on other occasions—the form that such a plan would have to take: The limitation and control of carriers of fission and fusion weapons, primarily planes and missiles. The Secretary gave no indication, however, that any such proposal was in the immediate offing, and the realistic prospect—despite the President's March 1 letter to Marshal Bulganin—is another more-or-less futile session of the five-power disarmament subcommittee of the U. N., which is to resume its meetings in London on March 19.

The Senate Disarmament Subcommittee has announced that, after hearing Secretary of Defense Wilson, it will hear nongovernmental witnesses in Washington and subsequently in the field. Various university scientists and technicians have been invited to submit their views. The country will certainly benefit from these hearings—at the very least by bringing the essential facts on the subject out from behind the foggy curtains of the Atomic Energy Commission and the Pentagon, and perhaps by prodding officialdom into doing what Mr. Stassen was appointed to do a year ago—develop a comprehensive United States plan for arms control.

GENERATION OF ELECTRICITY IN MINNESOTA BY ATOMIC ENERGY

Mr. THYE. Mr. President, I was indeed most happy this afternoon to receive from the Atomic Energy Commission, in an official news release, a notice that the AEC had authorized nuclear powerplant negotiations with two electric cooperatives in Minnesota and Michigan. The Elk River Rural Power Cooperative of Elk River, Minn., submitted one of the two proposals which were accepted.

I live in a rural community not having electricity at the time the REA Act was passed. I hailed the coming of rural electrification, and was instrumental in helping our local county associations to create and develop a rural electrification association. I have watched the development of the REA over the years, and have found that the farmers' REA associations in the States have enjoyed the many benefits of rural electrification.

I watched the development of the plant at Elk River, Minn., to generate electricity by steam power and to serve the REA's in the Northwest. With that background, I could fully understand and appreciate what electricity meant to the rural communities of the Nation, especially since I have watched the development of the power unit at Elk River.

Then atomic energy, with its great source of heat, was made known to man. Heat, of course, will generate or create steam, and I realized that the new type of energy promised much to us who were landlocked, so to speak, in the central part of the United States, especially in a State such as Minnesota, which does not have rapid water or a source of hydroelectric power. We realized that the heat source of atomic energy afforded us the means to obtain the power which was needed to create electricity within the State.

As a member of the Committee on Appropriations, I worked on this matter with my colleagues on the committee, and we were successful in getting an appropriation which would permit the Atomic Energy Commission to do research and to enter into such a project as the Commission has now approved or authorized for Elk River. Only in that manner could we have speeded the day when atomic energy would be used commercially; only by authorizing the Atomic Energy Commission to proceed with such projects could we have been certain that atomic power would be used in the commercial field.

As early as June 14, 1955, the Elk River Cooperative Association submitted a proposal. I broke the story to the Minnesota newspapers on June 25, 1955, and I also arranged with the AEC to have the Elk River Cooperative officials come to Washington to present their proposal.

On September 21, 1955, I arranged a second meeting in Washington for the Elk River officials to discuss with the Atomic Energy Commission and its technicians the possibility of developing such a project at Elk River.

On September 21, 1955, we experienced the disappointment of having the proposal rejected.

I felt that the Atomic Energy Commission should make a complete restudy of the Elk River plant. I explained to the Commission that the REA association managed that plant, and stated that Mr. Ed Wolters, of Elk River, was not only an excellent business manager of the plant, but also was an expert in the field of rural electrification. I wanted the Atomic Energy Commission to become acquainted with the facilities which existed in Minnesota. So I invited the Commission to come to Minnesota. I said that only in that manner could the Commission become acquainted with what our State had to offer. I said further that I could not conceive of a proposal which had more merit than the proposal which the Elk River plant had submitted to the Atomic Energy Commission, namely, to offer their facilities and also to offer the statewide REA association of farmers as a body or a nucleus through which they could work in the establishment of a pilot plant in the commercial field or for the commercial use of atomic energy.

Fortunately, we were able to impress the Atomic Energy Commission to such an extent that on October 18 and 19, 1955, technicians and administrative experts from the Atomic Energy Commission visited Minnesota. Comdr. Lewis H. Roddis, of the AEC, and his assistants visited the Elk River plant, where they met with the REA officials.

Then they came to my senatorial office in St. Paul, where we had a full session with the REA officials and the technicians and administrative experts of the Atomic Energy Commission.

The proposal which had been filed by the Elk River cooperative was reexamined by the Atomic Energy Commission.

I found it necessary to arrange for a conference in Washington on January 11, 1956, of representatives of the Atomic Energy Commission and REA officials of Minnesota. The conference proved to be most profitable and fruitful. At that meeting we began negotiations with the Atomic Energy Commission, and the negotiations have been continued from day to day over the months, in an endeavor to have the Atomic Energy Commission officials make a complete study of the proposal made by the Elk River cooperative.

The receipt this afternoon of an official notice from the Atomic Energy Commission that the Commission has approved

the Elk River proposal makes this one of the most gratifying days of my service in the Senate.

If atomic energy will accomplish what we all hope and can expect of it, it will mean a source of power—cheap power—in the areas of the United States which are too far distant from either the natural gas fields or the coal fields or possible hydroelectric projects really to have a source of cheap power which could be used by heavy industries. Here is a new source of power which promises to make it possible for the central areas of the United States to have heavy industry and large industrial plant development.

I am absolutely confident that the Rural Electrification Administration in Washington will move quickly to approve the loan application for the Elk River power plant, so construction can move forward. This will require an estimated loan of $6 million. Two million nine hundred thousand dollars would be used for transmission lines and substations and planning facilities. Three million one hundred thousand dollars would be used for generating purposes.

Mr. President, there were those who did not believe this was going to become a reality. There were those who last fall had a tendency, more or less, to say, "It is only a political gesture. They keep saying we are going to get it, all for the purpose of trying to break into the news headlines."

Even when such attempts were made to minimize my efforts and endeavors, I never lost sight of what it would mean to commerce and the United States generally if a pilot plant could be developed for the purpose of investigating the generation of electricity by the use of atomic energy.

For the reasons I have stated, Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, the official release by the United States Atomic Energy Commission which was made public today.

There being no objection, the release was ordered to be printed in the RECORD as follows:

AEC AUTHORIZES NUCLEAR POWERPLANT NEGOTIATIONS WITH MINNESOTA AND MICHIGAN ELECTRIC COOPERATIVES

Willard F. Libby, acting Chairman of the Atomic Energy Commission, today announced that the Commission has approved in principle, as a basis for negotiations, the nuclear powerplant proposals of the Rural Cooperative Power Association of Elk River, Minn., and the Wolverine Electric Cooperative of Big Rapids, Mich. The proposals were among seven made in response to the second invitation of the Commission under its power demonstration-reactor program, calling for development, design, construction, and operation of plants with capacities within the 5,000 to 40,000 kilowatt range.

The Commission action opens the way for negotiations which will determine the kind of assistance to be given the cooperatives and will establish the cost limits of this assistance. Contracts for the assistance will be contingent on approval of Rural Electrification Administration loans requested by the cooperatives.

In accepting the proposals as basis for negotiation the Commission determined that the types of plants contemplated are technically feasible, that they represent desirable extensions of development work now underway or planned, and would make important coniributions to the power reactor art.

Both cooperatives proposed that the Commission finance and retain title to the reactor portion of the plant. The Rural Cooperative Power Association proposed a closed cycle boiling water reactor plant with an electrical capacity of 22,000 kilowatts. The cooperative would assume capital costs totaling $2,450,000, including the value of the site. The Commission is asked to contribute a maximum of $6,860,000 for the development, design, and construction of the reactor and postconstruction research and development work. The Commission is also asked to waive the use charge for the fissionable material which will fuel the reactor.

The Wolverine Electric Cooperative proposed an aqueous homogeneous reactor plant with an electrical capacity of 5,000 to 10,000 kilowatts. This group would assume capital costs totaling $1,088,000, including the value of the site. The Commission is requested to contribute a maximum of $3,788,000 for development, design, and construction of the reactor.

The five other proposals which were made in response to the Commission's invitation are still being evaluated by the Commission staff. They are:

1. Chugach Electric Association, Anchorage, Alaska, and Nuclear Development Corporation of America, White Plains, N. Y.: a sodium-cooled, heavy water moderated plant of 10,000 electrical kilowatts capacity;
2. City of Holyoke Gas and Electric Department, Holyoke, Mass.: a gas-cooled reactor with closed-cycle gas turbine of 15,000 electrical kilowatts capacity;
3. City of Orlando, Fla.: a liquid metal fuel reactor of 25,000 to 40,000 electrical kilowatts capacity;
4. City of Piqua, Ohio: an organic moderated reactor plant of 12,500 electrical kilowatts capacity;
5. University of Florida, Gainesville, Fla.: a pressurized light water reactor plant of 2,000 electrical kilowatts capacity.

Mr. THYE. Mr. President, I hold in my hand some newspaper articles. I have one which appeared in the Minneapolis Star of October 20, 1955. The headline reads "THYE Vows To Help Elk River Get A-Plant."

I ask unanimous consent to have the article printed in the body of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Senator EDWARD J. THYE, Republican, of Minnesota, said Wednesday he is "confident and determined" that an atomic powerplant will be built at Elk River, Minn.

He used the word "determined," he emphasized, as a member of the United States Senate Appropriations Committee which has a great deal to say about funds for the Atomic Energy Commission (AEC).

THYE made the statement following a closed-door conference with top representatives and technicians of the AEC, and Rural Cooperative Power Association of Elk River and seven municipalities.

"Minnesota has iron ore and skilled workmen. It will have the St. Lawrence Seaway. But it is at a competitive disadvantage with States which have fast waters and coalfields for cheap power," THYE said.

"Maybe power generated by atomic energy is the answer. I shall never rest until we have solved the problems of putting this energy to commercial use.

"I am confident the Elk River plant will be a possibility in the very near future—say, 1½ years—and I am confident this will give us the energy to make industrial expansion possible in this State."

Four AEC representatives came out of the conference with a carefully worded statement which deplored the unfortunate impression that the first Elk River Co-op proposal had been rejected. This was incorrect, they said, and so was the inference from it that the whole project was dead.

They said the co-op, which serves a dozen Minnesota counties, had merely been asked to resubmit its proposal with minor modifications.

This would qualify it as a small-scale experimental nuclear powerplant for which an application deadline had been set by the AEC for February 1, 1956.

The four will take their recommendations—which they did not reveal—back to the AEC.

Mr. THYE. Mr. President, I have another article from the Minneapolis Morning Tribune of Friday, September 16, 1955. The headline reads, "Strauss Asked To Visit State, Discuss Plant." The article was written by Charles Bailey. I ask unanimous consent to have the article printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON.—Lewis L. Strauss, Chairman of the Atomic Energy Commission (AEC), was invited to come to Minnesota Thursday after he sent Senator EDWARD J. THYE, Republican, of Minnesota, a letter listing reasons why the AEC might not approve an atomic-powered electric plant in the State.

THYE extended a telegraphic invitation to Strauss to come to Minnesota in October to visit the site of the proposed plant and discuss it with local groups.

Strauss pointed out two major questions which he said had to be answered before AEC could decide whether to provide funds for building a pilot atom generator for Elk River Rural Electric Cooperative.

"1. Is it in the national interest for the AEC to assume all the financial risk involved in building a reactor for the sole use of any single rural cooperative power association?

"Subsidiary to this question would be the further question that since available funds do not suffice for the construction of reactors for every municipality and cooperative desiring one, how can the Commission select one without discriminating against all the others?

"2. Could and should the criteria for loans by REA to rural electric cooperative associations be modified to permit REA to make loans for construction and operation of experimental atomic reactors * * *?"

Strauss said these questions "will be answered in due course."

Strauss offered to meet with some of the Elk River representatives who came to Washington earlier this year and met with AEC officials and the Minnesota congressional delegation.

THYE said he thought "we could not expect a more encouraging report at this time" from the AEC head.

Mr. THYE. Mr. President, in the Minenapolis Tribune of October 13, 1955, there appeared an article the headline of which reads "AEC Official To Study Elk River As A-Plant Site." I ask unanimous consent to have that article printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A top official of the Atomic Energy Commission (AEC) will visit Minnesota next week to look into the possibility of an atomic powerplant at Elk River, Minn., Senator Thye, Republican, Minnesota, announced Wednesday.

Comdr. Louis Roddis, manager and acting director of the AEC's reaction division, will spend 2 days in the State.

Tuesday he will survey the Elk River cooperative facility and Wednesday he will confer in St. Paul with Thye and officials of the Elk River Rural Power Association.

"This latest development makes me extremely optimistic about the possibilities of establishing an atomic power pilot plant at Elk River," Thye said.

The site had been dropped from consideration as the first Rural Electrification Administration (REA) atomic pilot plant when it was found the REA could not legally assume the financial risk involved in the conversion to atomic energy.

Thye said the AEC has agreed to reconsider this action. He expressed hope the rural power agency would be willing to assume the risk.

The alternative to REA financing is private development, but Thye said he believes a cooperative should handle the program.

Mr. THYE. Mr. President, recently, on April 17, there appaeared in the Minneapolis Star and Tribune an article by Jack Wilson, Minneapolis Tribune staff correspondent, the heading of which reads "Thye Says AEC To Approve State A-Power Plant." I ask unanimous consent that the article be printed in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Washington.—Senator Thye, Republican, Minnesota, said Monday he had been assured that the Atomic Energy Commission (AEC) will approve construction of the Nation's first small atomic-power plant at Elk River, Minn.

The Rural Cooperative Power Association of Elk River has proposed building a 22,000-kilowatt station to be financed jointly by the co-op, the AEC and the Rural Electrification Administration (REA).

AEC's acceptance of the co-op's proposal is expected to be announced officially within 48 hours.

The REA loan for construction of the conventional generating facilities depends on AEC approval of the proposal for the nuclear reactor which would furnish steam for the plant.

The Elk River Co-op applied last summer for a $2,985,000 AEC advance to finance the atomic-steam section of the plant and $1,785,000 REA loan for the electric generating equipment.

Total cost of the plant was estimated then at about $5,410,000. That proposal was rejected by the AEC with a suggestion that it be revised and resubmitted.

The new proposal, filed in January, asks for about the same amounts but was modified in some technical details.

REA Administrator Ancher Nelsen said approval of the REA loan could be expected as soon as AEC accepts the Elk River plan.

Under the cooperative's proposal, it would operate the nuclear reactor and buy steam from it to run electric generators for a period of 5 years, after which the coop would negotiate with the AEC for purchase of the reactor.

Six other proposals for construction of similar small powereplants have been received by the AEC.

It is understood that only two, including the Elk River project, will be approved by the Commission.

One reason the AEC is reported to be favorable to the Elk River plant is that the project represents a new development in this field and would be the first of its type ever attempted.

This is one of the requirements set up by the Commission for the use of Federal funds in such projects—the development of general knoweldge in the field.

The Elk River co-op's proposal is based on the contention that power costs in the Elk River area are unusually high because of the cost of shipping fuel for conventional plants.

The atomic powerplant could produce electricity approximately as cheaply as it can be produced by conventional means and possibly more cheaply.

The engineers who designed the Elk River plant represent American Machine and Foundry Co.

THE AMERICAN BICYCLE INDUSTRY

Mr. DIRKSEN. Mr. President, over a period of years I did some work in behalf of the bicycle industry, because of the large bicycle plants in my State. We did secure some relief through the escape clause in the Trade Agreements Act. In connection with what is happening in the industry today, I ask unanimous consent to have printed in the Record a report by the bicycle industry relating to bicycle imports and their volume.

There being no objection, the report was ordered to be printed in the Record, as follows:

American Bike Industry's Report to United States Congress

BIKE IMPORT PATTERN IS DISQUIETING

Seven months have passed since the President applied the "escape clause" and raised the bike tariff to protect the American bicycle industry. While domestic producers hesitate to assess the results with any degree of finality at this stage, foreign bike makers seem not to be as hesitant.

Admittedly, the continuing record flow of bicycle imports, despite the President's intention to diminish them, is disturbing. Equally disquieting is the emergence of other patterns, highlighted briefly below, which tend to thwart the relief that was supposed to have been granted the American Industry.

British imports sets new records

The Wall Street Journal in a special dispatch from Nottingham, England on March 21, 1956, flatly states that foreign-made bicycles are rolling into the United States at an accelerated rate, despite last year's tariff increase. As proof, it quotes the head of the British Cycle Manufacturers Union as follows:

"Hugh Palin, head of the British Cycle and Motor Cycle Manufacturers Union, has finished counting up 1955 exports and found that more British bicycles were shipped to the United States last year than ever before. This record was set despite the 50 percent boost in United States bike tariffs last August."

After reporting a gain of almost 20 percent in the number of British bikes shipped in January 1956, compared to the same month in 1955, the pattern of expansion was further confirmed by a spokesman for one of the "big four" British manufacturers. He said: "We are so well established that the increase in the American duty will not have an adverse effect on our sales."

Germany and France score new gains

The ability of foreign bike makers to hurdle the Government's decision to slowdown imports has not been limited to the British. After showing how other European countries increased their exports here, the Journal (March 21) said:

"You can get an idea of what's happening by glancing at figures from Germany. They are not complete for all of 1955, but in the three post-tariff-bike months of September, October, and November the producers of Germany sold 179,544 bicycles to the States, up more than 50 percent from the similar months of 1954."

Foreign plants boost profits and employment

In contrast to the plight of the American industry, foreign bike producers are enjoying ever increasing profits and expanded employment. The Journal article makes this clear:

"To handle heavy foreign demand—in large part from the United States—Raleigh is constructing a 20-acre plant expansion, costing $11.2 million."

The same article continues: "The prosperity of British bicycle makers, Raleigh's profits, for instance, jumped nearly half a million dollars in 1955 * * * should perhaps calm the excitement of Europeans who have been agitated by escape clause hikes in American tariffs."

Foreign makers copy new United States styles

Like President Eisenhower, the American bike makers hoped that the introduction of the new style middleweight bicycle might help us meet the price competition of imports. A story in the catalog of the Sixth International Toy Exhibit reports a leading German bike importer as saying:

"With the introduction in 1955 by American manufacturers of the new middleweight type of bicycle, a number of German manufacturers are already making plans to include this new model in their 1956 production. This new addition to the bicycle field has much to recommend it, including eye and sales appeal, lighter weight and ease in riding comfort. It is much more durable from a construction angle than the present lightweight model."

It is quite apparent that there is no salvation for the domestic bike industry in such ingenuity.

Unfair continental prices irk British

The March 21 Journal reports:

"The main British worry nowadays seems to be unfair competition in the American market from other European producers in Germany, France, Austria, Belgium and Holland. English companies claim their price is being undercut by 2 or 3 dollars."

What, it may now be asked, has happened to the oft-repeated propaganda line of the so-called irresistible appeal of British style and quality? Faced with lower priced competition in the United States (as American producers have been) the British admit that when the shoe is on the other foot it pinches.

The importance of price is borne out in the Journal article which quotes the buyer of a leading mail order house as admitting:

"His company is taking most of its imported bikes from the Continent (rather than Britain) because prices are 10 percent cheaper."

What is a 50-percent bike tariff increase?

At first glance a 50 percent tariff increase appears to be a substantial one. In the case of bicycles it is negligible because it only added 3¾ percent to the former 7½ percent duty on lightweight bikes. "This particular increase," said the Journal story, "raised the price of the typical British-made lightweight by only $1.25 to $1.50." The increase was even lower for other countries.

Foreign nations to get compensation

At the request of the British in accordance with the GATT program, our Government has instructed United States trade experts to work out compensatory concessions to foreign governments to offset the assumed hardships resulting from higher bike tariffs.

This is in shocking contrast to the British boast that they are currently selling more bikes in the United States than ever before—as is the case with Germany, France, Austria, and others.

THE PRESIDENT'S VETO OF THE FARM BILL

Mr. WATKINS. Mr. President, the veto by President Eisenhower of the unpalatable agricultural bill—H. R. 12—once again demonstrates the quality of our national leader. The action once again reveals his political courage, his statesmanship, his continuing high resolve to do what is best for the whole country, for all of the people.

Thoughtful farmers, and all who value sound long-range planning over short-term expediency, will, I am sure, hail and approve his action.

In fact, approving statements are coming forth immediately, in quality and in quantity. Particularly I wish to point to two statements in the New York Times on the editorial page of Tuesday, April 17: First, the lead editorial, called No Retreat, and second, the Arthur Krock column on "the Factors in the Farm Bill Veto."

Mr. President, there is still time to get the soil-bank program through Congress before adjournment. There are other legislative steps we may yet take to tackle this program affirmatively.

Secretary Benson found the amended-to-death and unfortunate H. R. 12 a measure with which he could not effectively work. I am very glad to observe that once again the President has backed the Secretary of Agriculture to the hilt.

I ask unanimous consent that the articles to which I have previously referred be printed at this point in my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times of April 17, 1956]

No Retreat

President Eisenhower has accepted the challenge of those cynically minded leaders in Congress who had handed him what can only be described as a travesty on farm legislation, relying with serene confidence on the impudent assumption that no President in an election year would dare to withhold his signature from any bill that bore the label "farm relief," even though the label was counterfeit and the contents of the package a spurious and dangerous imitation of what they purported to be.

Yesterday Mr. Eisenhower brought the mounting speculation of the politicians and the public to an end by vetoing H. R. 12, designated as "The Agricultural Act of 1956." But this veto was neither a hasty action, an arbitrary one nor a negative one. Few persons, we think, will question the fact that, as the President declared in a compact, but devastatingly clear, message to Congress, justifying his action, that he was acting "only after thorough consideration" and "after searching my mind and conscience." Nowhere does Mr. Eisenhower's message reflect any tendency to minimize the economic difficulties of the farm population or to question the need of an accelerated and generous program of constructive aid. On the contrary, the President notes: "It is with intense disappointment and regret that I take this action. Our farm families are suffering reduced incomes. They had a right to expect workable and beneficial legislation to help solve their problems." And he leaves no doubt where responsibility lies for failure up to now to provide such legislation.

The heart of the farm problem, the President points out (as he has done time and again over the last 3 years), is "price-depressing surpluses." Any forward-looking sound program to meet the needs of the farm people "must remove the burden of these accumulations." But, he notes, H. R. 12 would not correct this situation. On the contrary, "It would encourage more surpluses. It would do harm to every agricultural region of the country and also to the interests of consumers. Thus it fails to meet the test of being good for farmers and fair to all our people."

The President's objections to H. R. 12 are best summarized in his observation that "to sign it would be to retreat, rather than advance toward a brighter future for the farm families."

But what is likely to impress most people reading the President's message is the fact that it isn't merely an exercise in dialectics, nor is it simply an effort to put the onus on Congress for not providing the aid to which the farmer is entitled. That, after all, would be of little comfort to the farmer.

The President is convinced that despite the long and unnecessary delay in framing this measure, and despite the fact that it is completely unacceptable as it stands, there is still much that can be done if Congress is prepared to cooperate with the Administration. He proposes that, acting under authority that it possesses under the legislation of 1954, the Administration undertake a three-part program for temporarily alleviating the farmer's plight by voluntary increases in the support levels for crops and dairy products. He calls upon Congress, for its part, to "pass a straight soil bank bill as quickly as possible." He concludes:

"It is vital that we get the soil bank authorized in this session of Congress. There is general agreement on it. I am ready to sign a sound soil bank act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task. The combined program of administrative action and legislative enactment will begin now to improve the income and welfare of all our farm families. Here is a challenge for both the legislative and executive branches of the Federal Government.

[From the New York Times of April 17, 1956]

In the Nation

(By Arthur Krock)

THE FACTORS IN THE FARM BILL VETO

Washington, April 16.—Suppose the President had signed the farm bill, as a number of Republicans in the farm States, including governors, and most Democrats, urged him to do:

He would have sacrificed to a cynical concept of political expediency an economic principle he repeatedly said was basic to the first steps toward improvement of the income of agriculture and to its ultimate stability on a prosperity level.

He would have discredited his Secretary of Agriculture, whose unwavering opposition to the continuation of rigid price supports the President steadfastly encouraged and emulated. If Secretary Benson had not resigned, he would have been set down as a man whose desire to stay in office rose above his deep conviction of what the fundamental public contribution of that office should be.

The President would, by signing the bill, have also rejected the views of another counselor on whose judgment in agriculture he greatly relies and with whom he has the closest personal bond: his younger brother, Milton Eisenhower.

In the ranks of the repudiated would also have been (a) the administration spokesmen in Congress, who warned their colleagues of a veto if the conference form of the bill was passed; and (b) the Members of Congress who voted against the legislation as an expression of confidence in the administration's farm policy, some at great political risk.

These are among the calculable debits the President would have contracted by signing the conference report. And to them would have been added a debit as much greater than the sum of them all as it is incalculable. This would have been the inevitable and sharp downward revision of an overwhelming public impression the President has created—that he lives by a set of principles, personal and political. By signing the bill he would have compromised both, and in a sector where they are mutually inclusive.

What many politicians urged the President to do, and Senator Kefauver confidently predicted he would do, was to sign legislation that further embedded in the farm economy the component which, above all others, he charged with responsibility for the depressed state of that economy. "It only extends rigid 90 percent parity for another year," was again the argument which, accepted annually by the President's predecessors, has piled higher and higher the agricultural surpluses that are largely responsible for the steady slump in farm income while the income of nearly all other groups has constantly been rising.

THE LOST MAGIC

On this argument Congress from year to year has deferred the institution of the flexible price support system it legislated some time ago. And on this argument the economic condition that is frightening the officeholders in the farming areas has been more and more deeply entrenched by those same politicians. Though what the President referred to in his veto message as "the insatiable markets associated with war" shrank with the shrinking postwar demand, the 90 percent price system was constantly extended in changing circumstances where it lost whatever magic it may have had. This was demonstrated when, in every year but one between 1947 and 1954, farm income declined despite the Congressional mandate for 90 percent parity.

In standing by his principle the President, however, recognized and served certain economic considerations with which political factors are plainly linked. By setting price supports on five basic crops at 82½ percent of parity he fixed national averages for a number of farm products that would also have resulted from the bill he vetoed. This undoubtedly will be as welcome politically to the beleaguered farm-belt Republicans as it will be economically to their constituents. The Democrats, and those Republicans who supported the bill the President vetoed, can claim credit for this move by the Administration, contending that the passage of the farm bill forced the President to fix these averages. But the hand that feeds will be the President's. And it was evident today that this thought greatly comforted the Republican Governors who went to the White House to advocate signing and left with the news of the new levels.

The economic interest of farmers in the United States is not the same in all areas. What helps one group does not help all. Moreover, despite the drive in Congress to pass the bill the President vetoed, and the activity of some farmers' organizations in its behalf, other organizations as actively opposed it. A large body of political, economic, consumer, and agricultural opinion stands with the President against those aspects of the bill that evoked his veto. It was not a case of General Eisenhower and Secretary Benson alone on the burning deck.

Congress may decline to rescue the soil bank from the veto, as the President requested in his message today, but that request, plus the new minimum support levels he fixed, puts him on the affirmative and Congress on the negative side of the equation. And on the moral test of standing by a principle he has all the best of it.

FISCAL ACCOMPLISHMENTS OF THE EISENHOWER ADMINISTRATION

Mr. WATKINS. Mr. President, one of the surest signs of an election year is the lush growth of wild charges that spring up like rank weeds in the field of politics. This is one crop that needs no encouragement of price supports or foreign aid. It is distinctly a domestic crop of the "fibbus politicandidatus," a quadrennial variety of shrinking violets.

The crop grows like skunk cabbage in spring, and dies away just as quickly when the spring peepers have had their short day in the sun.

These political weeds take the form of flagrant personal attacks on a good President, whose statesmanship and integrity is the envy of his political enemies. They also take the form of vicious distortions of the good record of the Republican administration.

Certain members of the party which has burdened our people with deficits in 17 out of their 20 years in office are now trying to rewrite the record in such a way as to turn public censure on the Eisenhower administration. They are trying to mislead the people into the false belief that ours is the party of spendthrift and deficit.

Here is what one of the leading candidates for the Democratic nomination had to say on the subject of Fiscal Integrity, which he called an advertising slogan:

> Which arrested inflation most—the Truman administration which reduced the national debt $12 billion in 6 years, or the Eisenhower administration which has increased it $12 billion in 3 years?

That statement was made by Candidate Stevenson at Kennewick, Wash., as reported in the New York Times of February 16, 1956.

A man who can make a statement like that is either ignorant of plain facts, readily available in Government reports, or he is deliberately misrepresenting the facts. Fortunately, this is one rank weed in the political garden easy to spot and easy to eradicate with simple truth as a weed killer.

Harry Truman has been making the same false statement as he goes about the country trying to cover his tattered political record with a new Sunday suit. "Give-em Hell Harry" is counting on the people either to have short memories or to lap up political elixir from the same old sideshow faker.

What are the facts and what is the truth?

Let us first look at the presidential budgets, because this is a direct test of presidential intentions. Then we shall look at the exact results of Government finances.

THE DEMOCRAT SPENDING RECORD

Mr. President, Mr. Truman was President from April 12, 1945, to January 20, 1953. In that time he presented eight budgets to Congress, as follows:

Year	For fiscal year	Budget surplus (+) or deficit (−)
		Billions
1946 (January)	1946–47	−$4.3
1947	1947–48	+.2
1948	1948–49	+4.8
1949	1949–50	−.873
1950	1950–51	−5.1
1951	1951–52	−16.5
1952	1952–53	−14.4
1953	1953–54	−9.9

With the exception of 2 years, Mr. Truman's plans for Government finances ended in deficits. The 2 years in which surpluses occurred were the years of the Republican 80th Congress, noted for its demand for economy.

Even though he had from Democratic Congresses three tax increases totaling $16 billion in a year and one-half, Truman could not come anywhere near to making income cover outgo.

What were the actual results of Truman's 6 years, as written in the official record of the Treasury? Let us be charitable and exclude the $20 billion deficit of 1946, which cannot be fairly charged to Mr. Truman, since it was a legacy of World War II financing. After excluding that item, here are the actual deficits and surpluses—stated in billions of dollars—during his administration:

Fiscal year ending—	Deficit	Surplus
1947		[1] 0.754
1948		[1] 8.419
1949	1.811	
1950	3.122	
1951		3.150
1952	4.017	
1953	9.449	
Totals	18.399	12.683
Net deficit	5.716	

[1] Republicans were in control of Congress during these 2 years (the Republican 80th Cong.); all other years were Democratic Congresses.

Source: Statistical Abstract of the United States 1955, p. 348.

If we look at this table, we can readily see where Truman and Stevenson get their claims of a $12 billion surplus. Both focus on the surplus column, and conviently ignore the $18.4 billion deficit. Subtracting the surplus from the deficit—as every schoolchild learns to do—we have a net deficit of $5.716 billions for the years of the Truman administration.

Before we leave that revealing table, suppose we ask one more question. Where did that $12 billion surplus come from?

Here, again, the answer is plain. Some $9 billion of that surplus came in the 2 years of the 80th Republican Congress which climaxed the vigorous Republican fight for economy in government. We waged this fight ever since the party of "spend and elect" had taken office. Incidentally, it was the same 80th Congress that gave the American people a tax reduction over Truman's veto.

DEEPER IN DEBT WITH DEMOCRATS

Mr. President, how did the Truman deficit record show up in the national debt? Let us turn again to official reports of the Treasury. The following figures are stated in billions of dollars:

Fiscal year:	*Public debt*
1945–46	$269.4
1946–47 (Truman's first full year and Republican 80th Congress in action in the latter half)	258.2
1947–48	252.2
1948–49 (Truman and Democrats in control of Congress in 1949)	252.7
1949–50 Democrats in control	257.3
1950–51 Democrats in control	255.2
1951–52 Democrats in control	259.1
1952–53 the last Democrat fiscal year	266.0

From this table it may be seen at a glance that it was the Republican 80th Congress, with its insistence on Government economy, that enabled Truman to make some reduction in public debt. It came about through rescission of war contracts and other economies directed by the Republican Congress. The drop in the public debt continued as long as a Republican Congress had some influence on the public purse strings.

But once a Democratic Congress got back into the saddle, in 1949, the public debt began to mount again, as it had every year for the 16 years of the Roosevelt administration. When President Eisenhower came into office in 1953, he inherited an insolvent Treasury and a mountain of public debt.

The 1953 budget deficit over which President Eisenhower had no control was $9.4 billion. The public debt stood at $266.1 billion. And the Treasury was faced with $81 billion in Government promises to pay for goods contracted for under the Truman administration. Three-fourths of the public debt at the time of the changeover from the Truman administration to the Eisenhower administration came due within 5 years. All these items were delayed-action financial bombs bequeathed by the Truman administration to the Eisenhower administration.

REPUBLICANS MOVE TOWARD A BALANCED BUDGET

One of the issues on which President Eisenhower and Republicans waged the 1952 campaign was the promise to cut Government spending and the pledge to move toward a balanced budget. What effort have we made to redeem these pledges? Let us again turn to official sources—and I now refer to the budget report for the fiscal year 1957:

[Billions of dollars]

Fiscal year	Budget surplus (+) or deficit (−)	Public debt
1953 (last Truman year)	−9.4	266.1
1954 (first Eisenhower year)	−3.1	271.3
1955	−4.2	274.4
1956 (estimated)	+.2	274.3
1957 (estimated)	+.4	273.8

There are several things to observe about this table.

First, even though the Eisenhower administration inherited $81 billion of the Truman administration's unpaid debts, the Republican administration cut Mr. Truman's estimated deficit for 1954 from $9.9 billion down to $3.1 billion.

Second, in 1954, the Republican administration gave the American people a $7.4 billion tax reduction, the largest

in the Nation's history. Sixty-two cents of every dollar in the tax cuts went to individuals—almost 25 cents to taxpayers with incomes of less than $5,000 a year.

Third, it can be seen that the Republican administration has actually kept below the old debt ceiling of $275 billion, although it had been given authority to go up to $281 billion.

Fourth, it can also be seen that the Republican administration will actually balance the budget at the close of the 1956 fiscal year.

After a quarter of a century of Government deficits and constantly rising public debt—mostly under Democratic administrations—the country can at last look forward to balancing income with outgo.

Few people realize how inflation robs the average family. A recent survey made by the National Committee on Monetary Policy, a private organization of economists and financial researchers, shows that, because of inflation, between 1938 and 1952, Americans lost $158 billion in purchasing power. The organization found that at the end of 1952, the dollar was worth 52.4 cents, based on the 1938 yardstick. The resulting losses in purchasing power included $97 billion lost by holders of life-insurance policies, $31 billion lost by holders of bank deposits, $21.5 billion lost by owners of Government savings bonds, and $8.5 billion lost in other channels.

A balanced budget, an economical Government, and a stable but balanced rise in the economy, such as have now been achieved by the Eisenhower administration, means that those tragic losses to our people will be stopped. The fall in the value of the dollar has already stopped. Every indication points to some recovery of the value previously lost. This means that the farmers' dollar and the workers' dollar will bring home more in the market basket and more of the other good things of life. Sound finance, coupled with prosperity, means that there will be more dollars for everyone and that each dollar will buy more.

REPUBLICANS PRACTICE ECONOMY

Mr. President, let me say a few words about how the Eisenhower administration accomplished this healthy improvement in Government finances and economy.

Compared with the last year of the Truman budget operations—1953—the Republicans reduced actual spending by $6.5 billion in the first full year—1954—of Republican control, by almost $10 billion in 1955, and by almost $11 billion—estimated—in 1956.

The Republicans reduced requests for new spending authority from $72.2 billion in the last Truman budget—1954—to $58.6 billion in the 1956 Eisenhower budget.

Every department of Government was instructed by President Eisenhower to comb its budget in the search for savings. Waste and inefficiency were eliminated wherever found. Thousands of detailed examples of these savings can be found in departmental reports. Hoover Commission recommendations were adopted wherever that was administratively possible. Government agencies disposed of commercial-type plants and operations, ending the competition of Government with its own citizens. Tax loopholes were closed. By eliminating waste and extravagance, the Republican administration and the Republican 83d Congress teamed together to save the taxpayers more than $16 billion.

In looking over the full 3 years of the Eisenhower administration, Assistant Secretary of Agriculture Earl L. Butz declared:

> During the first 3 years of the present administration, the Government will spend $36 billion less than it would have, had the spending policies of the preceding administration been continued. That represents a saving of nearly $1,000 for every farm and city family of 4 in the United States.

At the same time, not a single element of security in national defense or social welfare of our people has been sacrificed.

Mr. President, this is exactly what President Eisenhower meant by a program which is liberal in its human concerns, conservative in its economic proposals.

Here is a record of economy to cite everywhere with pride. It meets the Democrats' wild charges—the rank weeds raised in the Democratic political hothouse—with the cool, refreshing facts of official reports. It shows that a Republican President abides by his promises and keeps his pledges. It shows that waste and extravagant spending of other people's money can be stopped if there is the will to do it. It shows that prosperity need not depend upon Government handouts or war. It reaffirms our hope that there can be such a thing as good government.

IS FOREIGN AID UNCONSTITUTIONAL?

Another rank weed in the current political crop is the wild charge that the President and Congress are violating the Constitution by enacting the so-called foreign-aid programs. A charge like this is 100 percent pure nonsense, Mr. President. People who make such a charge know next to nothing about the Constitution.

THE CONSTITUTION IS NOT A SEARS, ROEBUCK CATALOG OF DETAILED ITEMS

These people thumb the Constitution the way they flip the pages of a Sears, Roebuck catalog. If they do not see a precise listing of grass skirts in the Sears, Roebuck catalog, then they are sure the mail-order house cannot sell a grass skirt.

In the same way, they expect the Constitution to offer a specific listing for every item dealing with national affairs. If in the Constitution they do not see a statement that "Congress shall have power to provide economic aid to Japan" or "military aid to Turkey," they rush to the conclusion that the President and Congress have no power to do those things. If the aid is given, then Congress, they conclude, is acting unconstitutionally.

REAL DESIGN OF THE CONSTITUTION: BROAD POWERS AND PRINCIPLES

Mr. President, the Founding Fathers did better by the Constitution than such people appreciate. The Founding Fathers were well aware that times and circumstances change. They knew that if they laid down a broad charter of government, setting forth the principles to govern a free people, they could safely entrust the day-to-day interpretation of powers to a Congress and a President freely elected by the people.

They looked upon the Constitution as a living document with principles broad enough to enable each generation to meet the circumstances and needs of that generation. How well they wrought is proved by the flexibility of the Constitution in meeting a constantly changing America for more than 160 years. Few democracies in world history have so successfully met the challenge of time.

If the designers of the Constitution had been so unwise as to spell out each right and power in detail, the Constitution would have burst its seams and left our people in chaos with no compass points of government to guide us at all.

People honestly may differ about the wisdom of a foreign aid program, economic or military. Logic and reason may make a plausible case either way—for or against foreign aid as a matter of national policy. I do not question the sincerity of those who incline either way.

But it is sheer ignorance of the law to say that Congress and the President have violated the Constitution by adopting such a program.

BASIS FOR THE CONSTITUTIONALITY OF FOREIGN AID

The Constitution specifically grants exclusive power to Congress and the President to act in national affairs. This is the prime purpose of the Constitution—to unify the Nation and give it a single voice in matters affecting the Nation as a whole.

The legal case for the constitutionality of foreign-aid programs is unassailable.

By article I, section 1, all legislative powers are vested in the Congress of the United States. More specifically, in section 8 it is provided:

Clause 1:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the defense and general welfare of the United States (including income taxes by the 16th amendment).

Clause 3:

> To regulate commerce with foreign nations.

Clause 10:

> To define and punish piracies and felonies committed on the high seas, and offenses against the law of nations.

Clause 11:

> To make war.

Clause 14:

> To make rules for the government and regulation of the land and naval forces.

Clause 18:

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

These powers cover both economic and military aid to foreign nations. They vest exclusively in the Congress in order that the United States may speak and act with a single voice in matters touching the defense of our country, the governance of our military, and in dealing with foreign nations. The individual States of the Union are expressly forbidden to deal with such matters.

CONGRESS HAS POWER TO DISPOSE OF UNITED STATES PROPERTY

The Constitution then takes one step further in defining the powers of Congress. In article IV, section 3, it declares:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belong to the United States.

POWERS OF THE PRESIDENT

Turning now to the Presidency, the Constitution vests the Executive power in the President of the United States. It makes him Commander in Chief of the Army and Navy.

I gives him the power, by and with the advice and consent of the Senate, to appoint ambassadors and other public ministers, and to make treaties which the Constitution expressly declares shall be the supreme law of the land. All laws enacted by Congress must have the concurrence of both Houses and approval by the President.

FOREIGN-AID PROGRAMS FOLLOW CONSTITUTIONAL REQUIREMENTS

Our foreign-aid programs rest upon the solid foundation of treaties and laws enacted by Congress, both of which when properly executed are the law of the land. All our treaties with our Western allies and with those in Asia providing for mutual aid and defense have been made within these provisions of the Constitution. All laws authorizing foreign aid and appropriating funds for that purpose have scrupulously followed the constitutional requirements.

FINDINGS IN THE LEND-LEASE ACT

One of the most extensive programs for foreign aid was the Lend-Lease Act of 1941. It is significant that Congress expressly entitled it "An act to promote the defense of the United States" and the law was used for that purpose. By that law the President was empowered to authorize the manufacture, sale, transfer, lease, lend, or otherwise dispose of "any defense article for the government of any country whose defense the President deems vital to the defense of the United States." And the term "defense article" was given the broadest possible interpretation—55 Statute 31.

Do our critics today hold this law to be unconstitutional? Had they done so back in 1941, these critics would not be here today and free to voice their criticisms.

FINDINGS IN THE MARSHALL PLAN

Few people will deny that amid the chaos and devastation of a war-torn Europe, the people there would have turned to another form of totalitarian tyranny—communism—if they received no help in reestablishing their lives and economic enterprise. Had they been abandoned to this fate, the Iron Curtain would have stretched from the Bering Sea to the European shores of the Atlantic Ocean.

How long, then, could the United States have remained an island of freedom in a totalitarian, Communist world?

It was therefore in the highest interest of the defense and welfare of the United States for us to come to the aid of our European friends and allies. And we did come to their aid with a program that has won the admiration of the free world. This was the Marshall plan which did much for the security of the United States.

In the statement of policy contained in that legislation, the Congress declared:

> Recognizing the intimate economic and other relationships between the United States and the nations of Europe, and recognizing that disruption following in the wake of war is not contained by national frontiers, the Congress finds that the existing situation in Europe endangers the establishment of a lasting peace, the general welfare and national interest of the United States—62 Statute 137.

Subsequent foreign-aid programs rest upon full knowledge of the worldwide nature of the Communist conspiracy and the great need of the United States to lead and help in preventing the red tide from engulfing the free world.

We cannot exist smug, complacent, and free, if the world around us sinks into communism out of frustration and despair. To prevent this, we have been acting both individually and in concert with other nations of the United Nations and thus far we have been successful in checking the spread of communism by aggression.

No one, of course, can prevent the people of a foreign nation from accepting Communist enslavement if that is their wish, but we can point out the superior values of freedom and we can help such nations to attain and preserve freedom if they desire to do so. That is what our foreign-aid programs aim to do. Our efforts are just as much for the security, freedom, and national interest of the United States as they may be to aid our friends abroad.

Mr. President, at this point in my remarks I wish to call attention to a memorandum prepared by the legal section of the Library of Congress and submitted to me. I quote from page 2 of that memorandum:

> Accordingly, the validity of an expenditure of public moneys derived from tax receipts will depend largely upon whether the expenditures in fact will advance the national welfare or contribute effectively to the national defense. The determination of the latter questions, as the Supreme Court has acknowledged, rests almost entirely with Congress; and unless the decision of Congress is clearly wrong or involves a display of arbitrary power rather than an exercise of judgment, judicial condemnation thereof is not likely to occur. As a practical matter, moreover, the courts, on grounds of lack of substantial interest on the part of the individual taxpayer, have made it almost impossible for the latter to obtain a judicial review of the constitutionality of a specific expenditure of public funds; and as a consequence, Congress, from the very beginning of the Federal Union, has been virtually unobstructed, legally speaking, in its spending ostensibly to promote the general welfare. Thus, grants for the relief of human suffering, the validity of which has been challenged on the ground that no noticeable improvement of the general welfare can be effected thereby, have been made at intervals since 1794, when relief was voted for the refugees of Santo Domingo (*Massachusetts* v. *Mellon*).

Mr. President, the entire memorandum is of great interest, and I am sure it will be helpful to a general understanding of this problem. I ask unanimous consent that the entire memorandum be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, the memorandum may be printed in the RECORD, as requested.

(See exhibit 1.)

PRESIDENT EISENHOWER'S SCRUPULOUS CONCERN FOR CONSTITUTIONAL PROCESSES

Mr. WATKINS. The charge of unconstitutionality in foreign operations falls flat when we consider how seriously and scrupulously President Eisenhower has regarded the mandates of the Constitution. It is absolutely inconceivable that he would commit the country to any foreign transaction, much less a foreign war, without taking full council with Congress and the country.

Under President Eisenhower there will not be such actions as will be remembered of a former President who "by his own unaided, unheralded act in affecting the 'Fifty-Destroyer Deal' converted, as it were at a blast of the trumpet, the international status of the United States as a neutral to that of a quasi-belligerent in the war then raging in Europe"—Edward S. Corwin, the President: Office and Powers, New York, New York University Press, third revised edition, page 246.

President Eisenhower has shown his reverence for the Constitution on several recent occasions. Barely 2 weeks ago, the President was asked at his press conference—April 15—if he would order our marines in the Mediterranean to war "without asking the Congress first?"

> I have announced time and time and time again—

President Eisenhower replied—

> I will never be guilty of any kind of action that can be interpreted as war until the Congress, which has the constitutional authority, say so.

Again, on April 12 when the crisis in the Middle East became serious, the President and Secretary Dulles issued a statement that the United States will not shrink its responsibilities under its United Nations commitments. But in the very next accompanying paragraph, they declared they would act "within constitutional means."

The President's fidelity to the Constitution is not a matter of words. He practices what he preaches which is the best proof of integrity. In January 1955, when a real crisis had arisen concerning Formosa, President Eisenhower laid the facts before Congress asking authority to use troops if necessary in the interests of peace and for the security of the United States. Congress readily granted the

authority requested because it recognized the sincerity of the President and the nonpartisan nature of his request.

Commenting on this January 25, the New York Times observed that short of a declaration of war, the special message was undoubtedly one of the most important any President has ever sent to Congress.

His action was important for three good reasons. He united the country. He united Congress. And he served notice on the Red enemy that America was united and determined to stop aggression and preserve peace. The threatened invasion of Formosa never took place and peace was preserved.

One other reason accounting for the unusual character of the message lies in the scrupulous regard the President showed for the provisions of the Constitution and for the prerogatives of Congress as representatives of the people. By no act of his alone did he intend to take this country into operations likely to mean war.

When another crisis threatened in Indochina, President Eisenhower refused to be drawn into warlike operations there.

His careful regard for the Constitution contrasts sharply with the conduct of a former President who engaged American forces in the Korean war in 1950 without asking specific approval of Congress. It contrasts also with the acts of another President in our history who maneuvered the country into warlike actions in complete disregard of the sole right of Congress to declare war.

President Eisenhower's action in the Formosa case will stand as one of the great landmarks in history because it proves conclusively that a President can act constitutionally if he respects that great charter of government.

To say that President Eisenhower and Congress have acted unconstitutionally in foreign aid or in any matter, domestic or foreign, over the last 3 years is to be grossly ignorant of history and lacking in plain reason and logic.

President Eisenhower takes very seriously his solemn oath to preserve, protect, and defend the Constitution. He has honored that oath time and time again in the last 3 years when others would have had him act without authority. This is one of the chief reasons for the people's confidence in his honesty and integrity.

He has scrupulously refrained from infringing upon the sphere of Congress in many matters of domestic legislation. He has respected the independence and prerogatives of the Supreme Court.

Where other Presidents before him engaged in open war with Congress and even tried to pack the Supreme Court as did President Roosevelt when he disliked its decisions, President Eisenhower respected the rights of each branch of government exactly as the framers of the Constitution intended. So long as we have a man like that in office, with a strong and responsible political party to back him up, our democracy and the freedoms of our people will be secure.

EXHIBIT 1

VALIDITY OF FEDERAL TAXATION FOR THE BENEFIT OF A FOREIGN COUNTRY

The provisions of the Constitution that can be invoked to sustain the validity of the expenditure of Federal tax revenues for the benefit of a foreign government are:

1. Article I, section 8, clause 1: "The Congress shall have power to levy and collect taxes, duties, imports, and excises, to pay the debts and provide for the common defense and general welfare of the United States."

2. Article I, section 8, clause 3: "The Congress shall have power to regulate commerce with foreign nations."

3. Article I, section 8, clause 17: (The Congress shall have power) "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof."

4. Article II, section 2, clause 2: (The President) "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur."

Although a determination to raise public moneys through the levy of Federal taxes obviously is governed, if not actually preceeded, by decisions as to the purposes for which the moneys thus collected are to be spent, the exercises of the power to tax and the power to spend, generally, are distinguishable as the utilization of two separate grants of authority. As long as the proceeds from the levy of any specific tax are not segregated and employed exclusively to finance any particular activity of the Federal Government, the validity of any Federal tax will not be impaired by the character of any particular one of the purposes for which Federal tax revenues in the aggregate are to be spent. In short, as long as Congress has the power to impose a given tax, the constitutionality of that tax or its collection will not be jeopardized by the fact that a controversy subsequently arises as to the authority of the National Government to spend Federal funds in support of a debatable purpose (*Halvering* v. *Davis* (1937) 301 U. S. 619).

Accordingly, the validity of an expenditure of public moneys derived from tax receipts will depend largely upon whether the expenditure in fact will advance the national welfare or contribute effectively to the national defense. The determination of the latter questions, as the Supreme Court has acknowledged, rests almost entirely with Congress; and unless the decision of Congress is clearly wrong or involves a display of arbitrary power rather than an exercise of judgment, judicial condemnation thereof is not likely to occur. As a practical matter, moreover, the courts, on grounds of lack of substantial interest on the part of the individual taxpayer, have made it almost impossible for the latter to obtain a judicial review of the constitutionality of a specific expenditure of public funds; and as a consequence, Congress, from the very beginning of the Federal Union, has been virtually unobstructed, legally speaking, in its spending ostensibly to promote the general welfare. Thus, grants for the relief of human suffering, the validity of which has been challenged on the ground that no noticeable improvement of the general welfare can be effected thereby, have been made at intervals since 1794, when relief was voted for the refugees of Santo Domingo (*Massachusetts* v. *Mellon* (1923) 262 U. S. 447).

Similarly, the power to regulate commerce with foreign nations has been construed to embrace the power to promote such commerce; that is, to increase the volume of trade in both directions between the United States and foreign nations. Consequently, if there is a reasonable basis in fact for the conclusion by Congress that financial aid to a foreign nation ultimately will be productive of mutually expanded trade between the two countries, a justification would exist sufficient to sustain the proposed assistance as a valid exercise of this power. Moreover, there can be no doubt that Congress is competent, under the necessary and proper clause (art. I, sec. 18, clause 17), to appropriate moneys to carry into effect otherwise permissible measures designed to extend our foreign trade.

Finally, mention should be made of the treatymaking power. Deducible in part from this grant of authority is the power of the United States, as a sovereign nation, to conduct foreign relations, and in conjunction therewith to formulate and apply foreign policies. To carry out foreign commercial and defensive policy, the United States is competent to effect agreements with specific nations, in the form of treaties, by the terms of which it agrees to extend financial aid to the other signatory powers. In the absence of any explicit limitations on the treatymaking power, it cannot be contended that an agreement to extend financial assistance is not, by international usage, an appropriate subject of treaty negotiations, and as a consequence, Congress clearly is empowered, under the necessary and proper clause, to appropriate the sums required to carry such an agreement into effect.

RECESS TO MONDAY

The PRESIDING OFFICER (Mr. McNAMARA in the chair). If there is no further business to come before the Senate, pursuant to the order previously entered, the Senate will stand in recess until 12 o'clock noon on Monday next.

Thereupon (at 5 o'clock and 33 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, April 23, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 19 (legislative day of April 9), 1956:

PATENT OFFICE

Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents, to fill an existing vacancy.

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service:

FOR APPOINTMENT, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS

To be senior assistant sanitary engineers

John E. Munzer
Richard Moore
Eugene J. Nesselson
George F. Mallison
John L. S. Hickey
Thad Patrick

To be assistant sanitary engineers

John E. McLean
Herbert A. Bevis
Richard D. Vaughan
Ernest D. Harward, Jr
Charles A. Froman, Jr.
Jack F. Neal

To be junior assistant sanitary engineers

Charles S. Oulman
Harry C. Vollrath III
Joseph H. Norman, Jr.
Morton D. Sinkoff
Jules B. Cohen
James G. Gardner
Robert J. Kleffmann
Joseph L. Gerit
Jack L. Witherow
John C. McMahon
Lynn D. Wilder

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 19, 1956

The House met at 12 o'clock noon.

Very Reverend Harold W. Rigney, rector, Fu Jen Catholic University, Peking, China, offered the following prayer:

We beg of Thee, Almighty God, to bless the Members of this august body, and to enlighten and guide them in their deliberations and decisions so that they may continue to preserve and safeguard our American way of life, which recognizes Thee, O Lord God, for which we sincerely thank Thee.

We also implore Thee, Almighty God, to comfort our fellow Americans, who are suffering unjustly in the cruel prisons of Communist China, and we beseech Thee to hasten the day of their deliverance so that they again may worship Thee in freedom, and enjoy the blessings of this great land through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2091. An act authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.;

S. 2092. An act transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth military reservation in Kansas and Platte County, Mo., and authorizing its removal;

S. 2424. An act to provide that lock and dam numbered 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam;

S. 2712. An act to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.;

S. 2854. An act to amend the National Housing Act, as amended;

S. 2855. An act to authorize the Commissioner of Public Housing to enter into contracts on a standby or emergency basis for housing to provide shelter for disaster victims, and for other purposes;

S. 2859. An act to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes;

S. 3272. An act to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; and

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1287) entitled "An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system."

The message also announced that the Vice President had appointed the Senator from Rhode Island, Mr. GREEN, the Senator from Alabama, Mr. SPARKMAN, and the Senator from New Hampshire, Mr. BRIDGES, as members on the part of the Senate of the Joint Committee on Arrangements for the Inauguration of the President-elect of the United States on January 21, 1957, authorized by Senate Concurrent Resolution 64 of the 84th Congress.

REPORT OF RAILROAD RETIREMENT BOARD FOR FISCAL YEAR ENDING JUNE 30, 1955—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

In compliance with the provisions of section 10 (b) (4) of the Railroad Retirement Act, approved June 24, 1937, and of section 12 (1) of the Railroad Unemployment Insurance Act, approved June 25, 1938, I transmit herewith for the information of the Congress, the report of the Railroad Retirement Board for the fiscal year ended June 30, 1955.

DWIGHT D. EISENHOWER.

The WHITE HOUSE, *April 19, 1956.*

ACCOMPLISHMENTS OF THE BLIND: BAND CONCERT ON CAPITOL STEPS BY BLIND ORCHESTRA

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, over the years Congress has demonstrated a sympathetic interest in vocational-rehabilitation problems for the blind. I believe, therefore, the Members who may have an opportunity to do so will be interested in a rather unusual band concert upon the steps of the United States Capitol about 2 o'clock tomorrow afternoon, when 45 members of a band from the Tennessee School of the Blind, located in my own district, under the direction of a blind director, will give a concert on the steps of the Capitol at that time. I am sure if you have no other appointment you will be inspired by the performance of this very fine musical group under the direction of a very sensitive and capable director.

LEO R. SACK

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, Members of the House of Representatives, to many of whom he was well known, will be grieved, I am sure, to learn of the passing of Leo R. Sack, a native son of my district in Mississippi.

Mr. Sack's distinguished career as a journalist, a soldier of World War I, and an American diplomat carried him far and wide across the country and to many parts of the world.

He was perhaps best known to his friends in Washington as a member for many years of the Capitol Press Galleries, where he represented the Scripps-Howard newspapers, and later as a public-relations consultant.

After attending the University of Missouri School of Journalism, of which he was one of the student founders, he worked on newspapers in Springfield, Mo., and San Antonio, Tex., before coming to Washington for Scripps-Howard newspapers, from 1919 to 1933.

In the latter year he was appointed by President Roosevelt as United States Minister to Costa Rica, with which country he successfully negotiated our 1936 trade agreement.

Meantime, he played a part in the 1936 presidential campaign as special assistant to James A. Farley, then Democratic national chairman.

Mr. Sack was a veteran of World War I, serving in France in the pioneer Army Air Corps of that conflict, and emerged with the rank of major. He was appointed an honorary colonel on the staff of the Governor of Mississippi. He was a member of the National Press Club here and of the Overseas Writers in New York.

Retiring about 5 years ago because of his health, Mr. Sack moved to Los Angeles, where he is survived by his wife, Regina Rogers Sack; a daughter, Mrs. Sarita Jones; and four grandchildren. To them I extend my sympathy and condolences.

CIVIL-RIGHTS LEGISLATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it was very good news to those of us de-

termined that this Congress must vote on a civil-rights program that the Subcommittee of the Judiciary Committee has reported a civil-rights program back to the full committee for action. The gentleman from Massachusetts [Mr. LANE], the chairman of the subcommittee, and its members have done their country a splendid service. It is now up to the full committee to complete the job.

The dominant fact of our American life is the importance of the individual person. From the beginning of our Nation, we have striven to give to every human being an essential dignity and integrity which must be respected and safeguarded. The welfare of the individual must be the final goal of group life.

History has taught me that for man to be secure in the rights he wishes for himself, he must be willing to respect the rights of other men. I believe that this is the conscious recognition of the basic moral principle that all men are created equal as well as free. Flowing from this principle is the obligation to build social institutions that will guarantee equality of opportunity to all men. Without this equality, freedom becomes a mockery.

Freedom can only exist where each citizen, no matter what his color, is assured that his person is secure against lawless violence, economic intimidation, and arbitrary arrest and punishment. To be free, men must be subject to discipline by society only for violations of law clearly defined and only after trial by due process of law. Where the administration of justice is discriminatory, no man can be sure of security. History has taught us that where the threat of violence by private persons or mobs exist, the freedom of activity and security of the person is absent. Where a society permits private and arbitrary violence to be done to its members, no matter what their color or station of life, its own integrity is inevitably corrupted. We cannot permit human beings to be imprisoned or killed in the absence of due process of law, no matter in what section of our country they reside, without degrading our whole society.

Today, freedom from fear, and the democratic institution which sustains it, are again under attack. In some places, local enforcement of law and order has broken down, and individuals have been killed, maimed, or intimidated.

Freedom from fear is the handmaiden to equality of opportunity. Without freedom from fear, equality of opportunity can never be realized. We have been blessed in America; freedom from fear has been more fully realized in our country than in any other land. Yet, some groups in our population are not equally free from fear, nor do they enjoy equality of opportunity.

The preservation of civil rights is the prime duty of every government, whether it be Federal, State, or local. Wherever law-enforcement measures and the authority of Federal, State, or local governments are inadequate to discharge this primary function of government, these measures and this authority should be strengthened and improved. The constitutional guaranties of equal protection under the laws clearly place on the Federal Government the duty to act when State or local authorities abridge or fail to protect these constitutional rights.

Mr. Speaker, those of us who believe in giving the normal procedures of the House full respect and effect have waited patiently and respectfully. We know the many problems involved in such legislation. But time is running out and it is for just such emergencies and unusual situations that the House rules provided for discharge petitions and a discharge calendar. The latter can only be considered on the second and fourth Mondays of the month, except during the last 6 days of the session. Realistically then, only May and June remain for such action. I am sure that the Members of the House will realize that, if a vote is to be assured on a civil-rights program, all committee action, including the Rules Committee, must be concluded shortly.

The protection of civil rights is a national problem which affects everyone. We need to guarantee the same rights to every person, regardless of who he is, where he lives, or what his racial, religious, or national origin is. That is the obligation of our Government. The Congress must vote on civil rights.

CIVIL DEFENSE

Mr. ASHLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Speaker, civil defense is the greatest challenge and the greatest failure in our national effort today.

In an attempt to start a constructive move toward a more effective and realistic civil defense program, I am introducing a concurrent resolution to set up a Joint Committee on Civil Defense. The purpose of this committee is to give nonmilitary defense the continuing and constant attention of the Congress that it so urgently requires.

Mr. Speaker, as I traveled from Toledo to Washington recently, I noticed some 57 large, green and white signs informing me that in case of enemy attack the road on which I was traveling would be closed. I wonder if this road will be closed, Mr. Speaker; and, if so, whether the decision to close it will be an intelligent one. These signs are a further means of confusing the public. It gives them the impression that our civil-defense efforts are completely apart from them as individuals. They are not to use this road. What are they to do? No one has told them. This certainly does not inspire the self-help philosophy upon which our civil defense is supposedly based.

A revealing article appeared in the Washington Post on February 21 underlining the confusion concerning these signs that harks back to the total lack of coordination and adequate control over the civil defense program. The article said that new signs will soon be added to the old ones stating "This is a civil defense escape route." Apparently two opposing statements are considered better than one incorrect one. The States put up the signs and Civil Defense Administrator Val Peterson cannot remove them even though he feels they should come down. They cost about $65 each and were paid for with Federal-State matching funds. They were put up during the duck-for-cover age of blockbusters and early atomic bombs to prevent mass flights from cities, according to Administrator Peterson.

> In those days production won wars. The philosophy was to absorb bombing and then get back to work. Now, for instance, one megaton bomb can destroy 11 counties and 39 cities in the Philadelphia area. All efforts of civil defense are now directed to getting people out of town—

Says Mr. Peterson.

Yet, at the time of that statement, authorities on all sides were speculating on whether we would have time to get the people out of town. Earlier in February 200 mayors from cities of over 50,000 population all over the country gathered here in Washington. They were told the shocking news that with the intercontinental ballistic missiles which is rumored to be 1 year from actuality in Russian military research, the present 2-hour warnings before attack could be cut down to 15 minutes. This left the mayors, as it must leave any one who absorbs the implications, numb with the feeling of hopelessness and what can we do?

At this point in the nuclear age we find ourselves beyond the atomic, through the hydrogen, and entering into the mysterious and fearful era of the so-called ultimate weapon. This is known in military circles as the ICBM—the intercontinental ballistics missile. According to leading columnists and national magazines, the Soviet tests on the IRBM, or intermediate-range ballistic missile, are rather final and decisive proof that our country has lagged far behind in missile development. Until a few months ago, the American missile program altogether neglected the intermediate ranges, and this was the subject of a bitter interservice quarrel finally resulting in the crash program recently announced by the Defense Department to perfect the IRBM in the shortest possible time. Unfortunately, we have to quote magazines and journalists in this vital field because of the lack of a comprehensive policy statement by the Defense Department on where we stand in this life and death race. It is time the administration made a frank statement giving an honest estimate of the situation. The value of secrecy must be carefully weighed against the value of giving such information to the public and the civil defense workers, and creating public incentive for the necessary protective measures.

If the civil defense authorities do not know what the threat is, as I have reason to suspect that they do not, the situation is of tragic proportions. I have a letter from a former civil defense official stating that no policy statement had reached him regarding the new menace or a possible revision of the old evacuation plans. He felt he was way out in left field—excluded from vital information and advice that civil defense workers must have.

I am unhappy to inform him that we are all out in left field, and apparently nobody has been informed or is seeking to get the information necessary for a new, meaningful approach to our civil-defense problems.

As Congressman HOLIFIELD pointed out on last June 15, the day of the mock evacuation of Washington, a new approach has been in order since it was proven that bombs can be made and delivered with power release measured in multiple-million-ton TNT equivalent. This date was November 1952. Almost 4 years have passed. The hydrogen weapon has been improved in power, decreased in size, and methods of delivery have been improved and are now reaching the ballistics stage. The administration has failed to accept these facts in terms of proposing legislation to replace the obsolete Civil Defense Act of 1950.

Perhaps the best approach to the problem at this point is to look into the origins of civil defense, discover what its inherent weaknesses are, and where we are today in the evolution of the program.

The present civil defense program was first established by Executive Order No. 10186, issued December 1, 1950. It provided for the establishment of a Federal Civil Defense Administration—originally a part of the Office of Emergency Management—which became an independent agency under the Federal Civil Defense Act of 1950, Public Law 920, 81st Congress.

This law specifically declared it to be the policy and intent of Congress that the responsibility for civil defense shall be vested primarily in the States and their political subdivisions. There is complete lack of acceptance of responsibility by the Federal Government. Under the Constitution, article I, section 8, it is provided that "the Congress shall have power to provide for the common defense and general welfare of the United States." Yet, in this legislation for nonmilitary defense, the Congress has abdicated its responsibility at the outset. Since then, Federal, State, and local statutes have provided for a national civil-defense structure in three superposed levels. It resembles a command structure but no level has statutory authority to control the one below, even in an emergency, but only to coordinate it. That means persuading equals to work together. We all know how extremely difficult and unworkable that can be. The only forces the Federal Civil Defense Administrator controls, even under attack, are the employees of the Federal Government other than military. The only forces a governor controls are generally the mobile support groups which he is authorized by statute to organize directly, to supplement the civil defense of the subdivisions. Generally, local volunteers commit themselves to serve only in their own political subdivisions and in neighboring subdivisions with which there is a mutual-aid agreement—each to pick the other up. The civil defense of the Nation is a voluntary system in which a citizen does only what he chooses to do.

When the emergency powers of FCDA came up for congressional renewal in June 1954, the mayors of critical target cities and the civil-defense directors of States having a number of those cities, pointed out that they would need emergency aid from the outside that would probably not be forthcoming. They argued that the civil defense of the Nation could be built up to effectiveness only in the same command pattern as the military defense.

The proposal was again rejected. The majority opinion of the States through the Council of State Governments, called for the preservation of the independence of the States in civil defense. The Federal Civil Defense Administration is to continue to offer plans and to coordinate the outcome, but it is not to assume command over State or local operations during emergencies.

Mr. Speaker, here we are practically in the ultimate weapon era using the tactics of Davy Crockett in defending ourselves. I am all for self-help and initiative on the State level. But how can we help ourselves against the devastation of a hydrogen bomb? We must have a strong overall leadership with skilled guidance and aid from the Federal level. Through this leadership the proper information and means of self-help can then reach down into the smallest political subdivision. But the proper defenses against devastating hydrogen attack cannot possibly start on the local level and work up to a strong national program. We are not fighting the Indians, remember. And there are very few forts left in our country to which we can repair to defend ourselves.

A review of the financial requests of the Federal Civil Defense Administration and what Congress has given them is an indictment of the lack of Federal interest and responsibility in this crucial field:

	Requested	Approved
1952	$403,000,000	$33,581,000
1952	535,000,000	75,310,000
1953	600,000,000	43,000,000
1954	125,200,000	46,525,000
1955	85,750,000	49,325,000
1956	59,300,000	56,350,000
Supplemental		12,325,000
Total		68,675,000
1957	123,200,000	

Mr. Speaker, these figures tell a shocking story. Why do you suppose the FCDA request for appropriations dropped from $600 million in 1953 to $59.3 million in 1956 when the need has multiplied tremendously and not diminished as the request would indicate?

It is because they have discovered over the 6 years of their life that it is useless to ask for more. Both the Bureau of the Budget and the FCDA have realized that Congress is in no mood to grant more than a relative pittance for civil defense. The public apathy is so great, the Congress is deaf to their needs. This apathy seems to be based on three assumptions:

First, the feeling that it is useless to build effective defenses, and, indeed, financially impossible to do so. Secondly, that Russia does not have the ability to deliver the bomb. Grounds for this belief are fast disappearing. And, thirdly, lack of confidence in the administrators of the program. Those who have studied and worked with the leaders of this program have great respect for them, but point out that the administrators' hands are tied by the weak law and lack of funds.

Altogether, Federal, State, and local governments spent a total for the civil defense of the Nation of $95,242,000 during fiscal 1954. In contrast, the annual expenditures of all citizens for fire insurance premiums are more than $1.5 billions. For casualty insurance of all kinds, the annual premiums are $4.5 billions additional. Together for protection against the normal occurrence of either fire and casualty, all the citizens paid an annual insurance premium of some $6 billions. Civil defense is a national insurance policy. Like any insurance policy, it is valuable not because we are sure something will happen but because we want real protection if it does. How much then should the Nation pay for civil defense? The Federal budget for fiscal 1954 gave military defense $34.5 billions. The military function is to cut down an attack to manageable size. The civil defense function is to survive it. They supplement each other. The next war could be won by the military defense and lost by the civil defense.

One of our major hopes is that we can develop defensive weapons in time to meet the threat of the ultimate weapon. But we cannot bank on this in our civil defense planning. Yet, we must balance our expenditures for scientific development, military defense and civil defense to get the most effective results from the final overall program.

A second hope is that through the United Nations and international agreements we can work out a really effective system for armaments control and inspection. The United Nations Subcommittee on Disarmament now meeting in London seems to be making some progress, a small but significant beginning, in this field. We must never give up our efforts for averting war in every conceivable way. At the same time, one of the surest deterrents is strength—strength in defensive weapons, strength in civil defense planning, and strength in a citizenry alerted to the potential dangers. This is why I feel we must give due recognition to the importance of civil defense.

The only general publication designed to inform the public which I have seen come out of the Civil Defense Administration is a little pamphlet, done in a humorous but effective vein, called Facts About Fallout. This can be of some use to those citizens not directly affected by a bombing—that is, those who are outside the critical areas but who might be exposed to radioactivity by upper winds carrying the particles long distances. This seems typical of the whole program as conceived in the law—to deal with the fringe issues and avoid the vital question: what is our overall national plan in the event of atomic attack to care for the actual target areas? This question is still unanswered. It is vital to our national survival that it be dealt with immediately. I believe a Joint Congressional Committee on Civil Defense is the best direct method of dealing with

this problem and finding a solution. I hope my bill, which was introduced in the Senate by Senator HUMPHREY, will receive serious consideration and favorable action by the House.

CORRECTION OF EXTENSION OF REMARKS

Mr. MULTER. Mr. Speaker, I ask unanimous consent to correct an extension of my remarks on March 28, 1956, by including an additional paragraph which was inadvertently omitted.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DAMAGE TO ALFALFA CROPS BY THE SPOTTED ALFALFA APHID

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, the Committee on Agriculture has had widespread reports of extensive damage being caused to alfalfa crops of the Far West, South, West, and Middle West by the spotted alfalfa aphid.

Taking cognizance of these disturbing reports, the gentleman from Texas [Mr. POAGE], the vice chairman of the Committee on Agriculture, has today appointed a subcommittee, the purpose of which is to investigate this problem. The members are the gentleman from Texas [Mr. THOMPSON], the gentleman from Kentucky [Mr. WATTS], the gentleman from Tennessee [Mr. BASS], the gentleman from Virginia [Mr. JENNINGS], the gentleman from Colorado [Mr. HILL], the gentleman from South Dakota [Mr. LOVRE], the gentleman from Oklahoma [Mr. BELCHER], and myself as chairman.

The committee will open a hearing on this matter at 10 a. m. on Tuesday, April 24.

Preliminary to the appointment of this subcommittee to determine the extent of this infestation, its cost to farmers and what remedies now are being considered, I made inquiry to the Agricultural Research Service, and today I am in receipt of this information from Dr. B. T. Shaw, Administrator of the Research Service:

> The spotted alfalfa aphid was first discovered in New Mexico in 1954 and later in the same year it was found in Arizona and California. At first it was confused with the yellow clover aphid which had been in this country for some time, and at that time no one was certain that we were dealing with a new form. In 1955 the aphid had spread to 11 more States, all west of the Mississippi River. Information at hand now indicates that it has spread into additional States, and there is a feeling that it will eventually cover the entire alfalfa area. Severe damage has been reported from California, Texas, Kansas, Nebraska, and Oklahoma.
>
> The eradication or control of this aphid is extremely difficult. Nearly all of the aphids are females and a large proportion is winged and can be blown for many miles. They give birth to living young and fertilization is unnecessary. The life cycle varies from 15 to 20 days, which means that there can be from 12 to 20 generations produced a year. While the aphid is especially bad on alfalfa, it has also been found on burr clover, sweet clover, and sour clover.
>
> The aphids can be controlled on alfalfa by the use of organic phosphates such as malathion and parathion, also by the use of chlorinated hydrocarbons such as DDT and toxaphene. Usually when chemicals are used they last for only a short time and from 1 to 7 treatments may be needed for a single hay crop. Recent reports indicate that the effectiveness of some of these chemicals varies with location and climatic conditions.
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> There are natural enemies of the aphid, one of which is the ladybird beetle. At the present time the Department of Agriculture and the California Agricultural Experiment Station are releasing additional natural enemies in the hope that this method of control will have some effect. It should be pointed out that when dusts or sprays are used on the fields they not only kill the aphids but also the natural enemies.
>
> The Agricultural Research Service is very much concerned over this insect and has speeded up its research program. An attempt is being made to find cheaper and better chemicals which may be used for the immediate control. Also, it would be desirable to find chemicals which would kill the aphids and not the natural enemies, but as yet no such chemicals are available.
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> The second line of attack is a search for insect parasites which might attack the aphid. The Department is searching for such parasites in France and India and the California Agricultural Experiment Station is making a similar search in Egypt, Israel, and Italy. So far we have introduced about 4,000 samples of parasites, some of which have been released in California and Arizona. This approach has been so recent that as yet we have no definite information to prove the buildup in the field of these natural enemies.
>
> The third approach has to do with the question of resistant varieties. It so happens that the Agricultural Research Service, in cooperation with the Nevada Agricultural Experiment Station, has developed a variety of alfalfa named Lahontan which is resistant to the aphid. So far as we know, this variety is of rather limited adaptation, but it is being tested in a number of States. By this fall there will be a supply of approximately 2 million pounds of seed of this variety available for planting. It is quite possible that while Lahontan will not be the answer for many years it will give temporary relief. At the same time we have speeded up our breeding program so as to transfer this resistance of Lahontan to varieties of alfalfa adapted to different areas of the country. This program is going to be pushed just as rapidly as is possible.
>
> All of our research program is in cooperation with the various State agricultural experiment stations. When we realized that this situation was becoming quite serious some additional funds were made available in the current fiscal year. In our 1957 budget we have included additional requests for funds to step up the work on the entomological phases as well as the development of resistant varieties.

FARM LEGISLATION

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, immediately after the vote was taken yesterday on the Presidential veto of the recent farm bill, I introduced a separate farm bill which includes only the provisions of the soil bank plan contained in the old bill.

In my opinion it would be a serious mistake for us to do nothing further on some kind of a farm bill this year. The soil bank plan has the almost unanimous support of every Member on both sides of the aisle. Everyone realizes that if we had been voting on the soil bank plan alone recently it would have passed overwhelmingly.

The soil bank plan is badly needed to reduce the surpluses on hand. It is simply an incentive method of inducing farmers to reduce acreage. By reduction in acreage we get a reduction in supply.

If it were possible to reduce the corn acreage by 15 percent in the commercial areas of this country, our present corn surplus would almost disappear in 1 year's time. The result would be a corresponding increase in prices for the farmer in the market place. The same would be true of other basic products, as supply came more into balance with demand.

I have repeatedly said I would back any reasonable plan which had a chance of success that would make an impact in our surplus situation. Frankly, this is the only plan in the 6 years I have been in Congress which I think has a chance to reduce surpluses. By that I mean it is the only plan which has been suggested which will reduce the yearly supply.

I was 1 of the 5 authors of Public Law 480, the Surplus Agricultural Disposal Act. I predicted 3 years ago that bill would do a good job in helping to sell our surpluses overseas. The bill has succeeded better than I expected at that time—but that bill cannot carry the load alone. We simply have to find some method of reducing the yearly output. The soil bank plan does this.

These are very real reasons as to why the House Committee on Agriculture should start hearings immediately on the soil bank plan. I know the chairman of that great committee is a patriotic American and a true friend of agriculture. He can demonstrate again his great statesmanship by putting aside all differences over the recently vetoed bill and come forward with the soil bank plan which, in my estimation, could prove a monument to his integrity and far-sightedness.

If the Secretary of Agriculture follows out the President's radio speech of a few days ago, he will support corn at about $1.50 and wheat at $2. This would give strength to farm income in 1956. But we do need to pass the soil bank plan in order to be ready for the planting season of 1957. If Congress had passed the soil bank plan in 1955, we would have been in the position to implement it this year. In my opinion, it would be serious for this Congress to adjourn without having passed a soil bank plan for the growing year 1957.

DOMESTIC PARITY PLAN FOR WHEAT

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, I have today reintroduced legislation to provide for putting into effect the domestic parity plan for wheat. The bill which I have introduced is identical with subtitle D of title V of the Agricultural Act of 1956 recently vetoed by the President.

This legislation, which has wide support among wheat farmers as well as such organizations as the National Grange and the National Association of Wheat Growers, provides, in my opinion, the best and most effective solution to the great problems which confront the wheatgrowers of this Nation today. These problems of course are not the problems alone of wheatgrowers, they concern all of agriculture as well as our national economy as a whole.

This legislation has already passed both the House of Representatives and the Senate and its objectives and principles are well enough known that I do not believe it is necessary for me to make any extended explanation of the same at this time. I would, however, like to take this opportunity to point out a few of the more obvious advantages of this legislation, as follows:

First. Returns to the farmer will be somewhat greater than under the present program and there is a good prospect that expanded outlets will further increase these returns in the future.

Second. Marketing quotas and penalties will be eliminated and acreage controls greatly minimized and possibly entirely eliminated in the course of time.

Third. Relief to taxpayers will be afforded through an immediate substantial reduction and eventual elimination of practically all the costs of the present program under which export subsidies and storage costs amount in the aggregate to over $400 million per year.

Fourth. To a large extent it will take the Government out of the warehousing and merchandising of wheat and in the end probably do away with such activities altogether.

Fifth. Wheat would be produced for market instead of for sale to the Government and would be sold on the basis of quality, thus encouraging good farming and the production of superior varieties.

Sixth. Producers of livestock and poultry wherever situated would be able to produce wheat for feed or buy wheat at feed prices.

Seventh. There would be some expansion of wheat exports through the elimination of redtape, delays, and other obstacles existing at present.

Eighth. It would result in moving wheat into its natural outlets and market channels.

Ninth. It will fit in perfectly with the soil-bank proposals proposed by the President.

Tenth. It will return to the farmer greater freedom and control over the operation of his own farm.

WOMEN'S CONGRESS ON HOUSING

Mr. COLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE. Mr. Speaker, a short time ago, Albert Cole, Housing Administrator, announced a plan to have women from the various parts of the country meet here in Washington for a Women's Congress on Housing.

Because of the similarity of names, I have received a number of letters addressed to "Mr. Cole, Washington, D. C.," which, upon being opened and read, I found were intended for Albert Cole. Not only were the letters generous in their praise of the idea soliciting home building plans from the housewife, but many of them contained what I thought to be sincere suggestions.

A noted woman columnist, Sylvia Porter, states that the idea of such a women's congress is "such a commonsense approach that, in an era when commonsense often seems on a permanent holiday, it appears nothing short of brilliant."

Another prominent woman, Mrs. Theodore S. Chapman, president of the General Federation of Women's Clubs, in referring to the Women's Congress on Housing, says that "if women have the opportunity to make known their time- and step-saving ideas, as well as other observations as to safety and efficiency, that all America would benefit by housing that produces more for the money, and meets today's housing needs more adequately."

I congratulate our former colleague and distinguished citizen, Albert Cole, for the women's congress plan, and my best wishes to the able ladies who will soon gather here in Washington to advise the Government on their choices in homes.

NATIONAL MERIT SCHOLARSHIP CORP.

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, the National Merit Scholarship Corp. recently announced the selection of 4,300 young Americans as the top high-school seniors in the United States. Among this outstanding group are 13 students from the Fourth District of Oregon which I represent in Congress.

This group was selected by means of competitive examinations from the top 5 percent of the graduating seniors in 10,338 high schools throughout the Nation, approximately 60,000 students.

The National Merit Scholarship Corp. estimates that these 4,300 students comprise the top one-half of 1 percent of our Nation's high-school seniors.

Certificates of merit will be awarded to each of the 4,300 who will compete in a final examination for 520 4-year college scholarships valued at $6,000 each.

All of the 4,300 certificate winners are deserving of scholarships and the corporation reports that all would get them if the money was available. A list of these talented students is being sent to colleges, universities, and other scholarship granting agencies.

The 13 seniors from southwestern Oregon reaching the final round of competition are: Jerry Miller and Peter Windt, of Ashland; Judith W. Finell, of Coos Bay; LaSells Stewart, of Cottage Grove; David Harrington, of Eugene; Kathryn Compton, of Florence; William Burroughs, Thomas H. Denny, Jr., and Edgar Stout, of Grants Pass; Thomas McDonough, of North Bend; Larry D. Jones, of Springfield; and Keith D. Ryder, of Winston.

It is a great honor and privilege for me to pay tribute to these outstanding young people and to represent in Congress an area which consistently produces such fine examples of American youth.

SPECIAL COMMITTEE COUNSEL

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 160) to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. KEATING. Mr. Speaker, reserving the right to object, would the gentleman from New York briefly explain what this bill does?

Mr. CELLER. Yes. Briefly, it would appear that by unanimous vote the so-called Lobby Committee of the Senate, presided over by the distinguished Senator from Arkansas, has selected Mr. Fay, a former United States attorney for the District of Columbia, to be general counsel for that committee. The appointment is for a brief period of time, and, following precedents, this bill would exempt Mr. Fay from the operation of the so-called conflict-of-interest statute.

Mr. KEATING. Mr. Speaker, I feel that we ought to go slow about granting such exemptions and consider them carefully. I am quite sure my colleague agrees with me on that. I have conferred with Senator BRIDGES, who is the ranking Republican member of this committee, and he agrees that there is need for this legislation. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the joint resolution, as follows:

> *Resolved, etc.*, That service or employment of the person first duly appointed as counsel for the special committee of the Senate established by Senate Resolution 219, 84th Congress, 2d session, agreed to February 22, 1956, shall not constitute service or employment subjecting such person to the provisions of section 281, 283, or 284 of title 18, United States Code, or to the provisions of any other law of the United States imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of service, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LET US GIVE OUR OWN TAXPAYERS A BREAK

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, I have introduced H. R. 10613, a bill to cut individual income taxes by a flat 10 percent, straight across the board. This will mean a reduction in the tax take of the Treasury of about $3 billion.

If Congress would adopt the recent Hoover Commission recommendations, it would mean an annual saving of over $7 billion in our Federal expenditures. That in itself would take care of my proposed tax cut; would insure a balanced budget; and would also allow a substantial payment each year on the national debt.

If Congress would stop the $5 billion yearly foreign-aid giveaway program, it would also take care of my proposed tax cut and insure a balanced budget.

Mr. Speaker, it is my considered opinion that neither Congress nor the administration will ever reduce Federal expenditures, stop the foreign-aid giveaway program, or adopt the efficiency and economy program recommended by the Hoover Commission until the present heavy tax take is reduced drastically. Because I am firmly convinced of this—after 20 years' experience in this House—I have introduced H. R. 10613.

Mr. Speaker, most European countries now have balanced budgets. Some of them that we are giving aid—Great Britain, France, and Western Germany—not only have balanced budgets, but they have reduced their national debts and have also reduced the heavy wartime tax loads upon their people, partly with the money collected from American taxpayers and handed out in the form of foreign aid.

Is it not about time Congress gave our own taxpayers a break?

SOIL BANK

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, on yesterday I introduced H. R. 10603, one of 21 similar bills introduced on yesterday to provide for a soil bank with authorization for payments in advance, of 50 percent of the total payments as soon as a farm was signed up for withdrawing acreage for production.

I do not think there are many members who are against the soil-bank proposal. That was indicated in the vote on the farm bill during the past week. No hearings are necessary on the soil-bank provision of the proposed legislation, although short hearings may be necessary on the provision for advance payments. I am sure a bill can be reported out of the Committee on Agriculture in a matter of hours or certainly a few days.

I respectfully request that the chairman of the Committee on Agriculture and the majority leadership in the House get back of this legislation and see to it that it is presented to the House at the earliest opportunity. The President has said that he will sign a separate soil-bank bill. The proposal has wide support and is needed to help alleviate our agricultural surplus problem. Let us get the legislation on the books without delay.

VERY REV. HAROLD W. RIGNEY, RECTOR, FU JEN CATHOLIC UNIVERSITY, PEKING, CHINA

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KLUCZYNSKI. Mr. Speaker, althought it is not a custom in this House to make any remarks about the Chaplain who delivers the prayer at the opening of the session, we have with us this afternoon a man who has served over 4 years in a Communist Red China prison camp. I am very happy that Father Harold Rigney is again a free man. He comes from my district, the "back of the yards" district. Over 15,000 schoolchildren in my district sent letters to the State Department asking for his release. We are very happy to have Father Rigney with us. I hope that more of the clergy will be released in the near future.

POLITICS AND STATESMANSHIP

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I was interested in the statement by the distinguished gentleman from Iowa that for a Republican to suggest at a Republican meeting that politics and statesmanship went hand in hand was a history-making event. It may be history making as far as the Republican Party is concerned, but good politics being good statesmanship has been the preachment and the practice of the Democratic Party from the very first day of its foundation.

POLITICAL CRUSADES

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, a previous speaker has referred to the fact that a second crusade is often less effective than a first crusade. I must assume that he was speaking of the decreasing and depreciating efforts of the former Governor of Illinois, Mr. Stevenson, who started out on what he announced was a crusade, an attempt to talk sense to the American people. While there is some question as to how much of his soliloquizing was vapor and how much was sense, I agree that in the second crusade there is more evasion, less sense, and even less persuasiveness. So we have no arugument.

ACCOMPLISHMENTS OF THE 83D AND 84TH CONGRESSES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in the press recently we read of some intemperate and incorrect statements of an extremely partisan nature made by some of our Republican friends. As a matter of curiosity and to get the record straight, I asked the Congressional Library to prepare for me a comparison of what was accomplished in the 2d session of the 83d Congress, Republican controlled, compared with the 2d session of the 84th Congress, the present session, Democratic controlled. The information is as follows:

As of April 1, 1954, there were 36 public bills enacted into law.

As of April 1, 1956, there were 59 public bills enacted into law.

As of April 1, 1954, there were 7 bills in conference.

As of April 1, 1956, there were 5 bills in conference.

As of April 1, 1954, there were 7 bills through conference.

As of April 1, 1956, there were 6 bills through conference.

As of April 1, 1954, the Senate had passed 222 measures.

As of April 1, 1956, the Senate had passed 426 measures.

As of April 1, 1954, the House had passed 269 measures.

As of April 1, 1956, the House had passed 308 measures.

As of April 1, 1954, the Senate committees had reported 328 bills.

As of April 1, 1956, the Senate committees had reported 455 bills.

As of April 1, 1954, the House committees had reported 337 bills.

As of April 1, 1956, the House committees had reported 318 bills.

In addition to that, my own comment is that the 84th Congress stopped the "giveaways" of the 83d Republican Congress.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Of course, I am glad to yield to the gentleman.

Mr. MARTIN. The gentleman has compiled a lot of statistics. I wonder if he would go a little further and compile some statistics explaining just what is the type of resolutions and bills. Just how important are the bills passed. That would be interesting for the people to know.

Mr. McCORMACK. We have passed more appropriation bills than your party did in the 2d session of the 83d Congress. We passed more important legislation.

Mr. MARTIN. I mean would the gentleman describe the character of all these miscellaneous and personal bills that have been passed. He will prove these bills have been for the general benefit of the people.

Mr. McCORMACK. The facts speak for themselves.

Mr. MARTIN. That is what I want. I would like to have the facts published and they will speak for themselves.

Mr. McCORMACK. The facts speak for themselves. The 2d session of the 84th Congress is far ahead of the 2d session of the 83d Congress, which was under Republican control.

Mr. MARTIN. I hold in my hand the official calendar of the Congress. You can read for yourself what the calendar shows. The calendar shows what you passed and they are few.

Mr. McCORMACK. Yes, and I have the record here and it shows what has been done, and it cannot be disputed.

Mr. MARTIN. And neither can this calendar be disputed, and it actually shows your record and what you have actually accomplished insofar as passing major bills is concerned.

Mr. McCORMACK. Four years ago the Republican Party made a promise of 100 percent parity at the market place for the farmers of the country.

Mr. MARTIN. Let us forget history and come back to today and let us talk about what you are doing today.

Mr. McCORMACK. You do not want to remember. You forget what you promised.

Mr. MARTIN. You have not held sessions over 4 days in any week.

Mr. McCORMACK. Yes; go ahead and get excited and lose your head. Four years ago you forgot the farmers and now in an election year you remember the farmers. But, they are not going to forget that for 3 years you forgot them, and now in an election year you are undertaking to remember them.

Mr. MARTIN. When election day comes, we will find out whether the chances—do not worry about that.

Mr. McCORMACK. We will take our chances—do not worry about that.

Mr. MARTIN. And so will we.

AMENDING SECTION 14 (B) OF THE FEDERAL RESERVE ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9285) to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky [Mr. Spence].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9285, with Mr. Ikard in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. Spence] will be recognized for 30 minutes, and the gentleman from Iowa [Mr. Talle] will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Kentucky [Mr. Spence].

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill was reported unanimously by the Committee on Banking and Currency. It provides for an extension of the power that now exists of the Federal Reserve banks to purchase direct from the Treasury obligations of the United States Government. This power is given to the Federal Reserve to purchase short-term certificates in order to make up cash shortages in the Treasury which would otherwise have to be made up by the sale of Government bonds on the market. In a sense, it is a right of the Treasury to overdraw in the Federal Reserve banks to make up temporary shortages in cash.

The Federal Government has necessarily kept on deposit in the banks of the country at all times great sums of money required to meet the cost of its various activities. It may be asked, "Why does not the Federal Government withdraw the money from the banks instead of asking the Federal Reserve banks to purchase these securities?"

Of course, it would be disruptive to the orderly financing of the Government to periodically draw out great funds that are deposited in the banks. So this plan has been devised by which the Treasury may at all times have adequate funds to meet its requirements.

The authority to purchase direct from the Treasury by the Federal Reserve banks existed prior to October 1935. The Banking Act of 1935 took away that power, but in 1942 an amendment was enacted under the Roosevelt administration restoring that authority to the Federal Reserve banks. That amendment was identical with the amendment that is offered to you today. The amendment at that time extended the authority for 4 years, during the period of the war, but it was reenacted in the very words in which it is presented to you today, during the Truman administration. It was again passed in this administration, and now it comes up for reconsideration today.

Three administrations have approved it in the exact words in which it is submitted to you. The agencies most interested, the Federal Reserve and the Treasury, both desire its enactment. It is a bill that should have been put on the Consent Calendar. I think it would be a very foolish and ill-considered thing to refuse to extend this power.

I think I have said enough. I ask for its adoption because it is essential for the orderly conduct of the business of the Treasury. It will provide a means to meet the shortages in funds that often come during lax periods of collection. The power provided for in the bill has been used very infrequently. Since 1942 there have been 6 years in which this power was not use. It has not been used since March of 1954 to the present time, but it should be on the statute books as a protection to the Treasury. Its enactment will be an assurance to the Treasury that it will get the funds it needs most expeditiously and most economically.

I ask for your support of the amendment.

Mr. TALLE. Mr. Chairman, I yield myself such time as I may require.

I agree fully with the chairman of the Committee on Banking and Currency, the distinguished gentleman from Kentucky [Mr. Spence], that this bill should have been on the Consent Calendar; likewise, the two bills enacted yesterday afternoon should have been on the Consent Calendar, but rules were asked for in committee and, therefore, we have to proceed as we are proceeding today.

The gentleman from Kentucky has stated the case correctly. May I review the history of this legislation briefly? Members will remember that the Federal Reserve Act was passed in December of 1913, 43 years ago. It was put into effect the following year. One of the provisions in that act permitted the Federal Reserve to make direct purchases of United States obligations as is proposed in this bill today, and the pending bill seeks to extend existing law for 2 years beyond June 30, 1956. As the law was written in 1913, the Federal Reserve could purchase securities either directly from the Treasury or in the open market; and as the gentleman from Kentucky said, that authority prevailed until 1935 when the law was changed and for a period of 7 years the Federal Reserve could buy the securities only in the open market.

In 1942 the Congress reenacted the earlier provision and that provision has prevailed down to now. The only difference between the legislation of 1913 and that which was enacted in 1942 was that in 1942 a limitation was put on the amount that could be bought directly from the Treasury and an expiration date was set. The latter is the reason why the bill is before the House today. Extension of time for 2 years is proposed. The limitation as to amount was $5 billion.

What is asked for today is an extension of authority that has been in practice for 36 of the 43 years of the existence of the Federal Reserve System. It has worked very well. There are times when the income of the Treasury is low. It has obligations which must be met continuously. Therefore, in order to avoid undue strain in the money market, this authority is necessary, and it is used only when necessary.

As the gentleman from Kentucky [Mr. Spence] has said, this authority is not used except when conditions require it. The report which accompanies the bill shows on page 2 that the authority was not used in 1944, it was not used in 1946, 1947, and 1948, it was not used in 1955, and it was not used up to March 1 of this year—the latest date for which data are available. It is clear, therefore, that the Treasury uses this authority only when necessary. No one knows when some emergency may arise which will require that this authority be employed.

It is a quick, convenient and economical method for the Treasury to use. It is a necessary authority in an emergency. The Under Secretary of the Treasury, W. Randolph Burgess, who is to a large degree in charge of the management of the Federal debt, is in favor of the extension. He was most careful and forthright in his testimony before the committee. He said:

> I have always taken the position that it is well to have a time limit on it. * * * It is a good thing for us to have to come and justify our operations to you from time to time. This is one of those operations between the Treasury and the Federal Reserve where there could be an abuse, and where a review of it from time to time is a good thing. (Hearings, p. 4.)

The Chairman of the Board of Governors of the Federal Reserve System is also very much in favor of the extension.

Mr. Chairman, I urge the passage of this bill.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Patman].

Mr. PATMAN. Mr. Chairman, I am in favor of this bill. I expect to propose an amendment, but whether the amendment is adopted or not I will still vote for the bill. I think this is a good bill. I do not agree with everything that the distinguished chairman of the Committee on Banking and Currency said. I do not agree that it is an overdraft bill. Instead, it is a bill to prevent an overdraft, it is a bill that permits the Treasury to borrow up to $5 billion in short-term securities direct from the Federal Reserve banking system. It is a fine provision.

Mr. Chairman, if you will go back and read the history of the legislation you will discover, as I did, that the real intent of the legislation as originally proposed was for the purpose of making it unnecessary to keep such enormous balances in private banks, without interest incidentally. That is one of the main objects and purposes of the bill.

NEED FOR LARGER TREASURY BALANCES IN ABSENCE OF AUTHORITY FOR RESERVE BANKS TO PURCHASE SECURITIES DIRECTLY FROM TREASURY

A question has been raised as to the legislative history of the provision in section 14 (b) of the Federal Reserve Act which authorizes Reserve banks to purchase securities directly from the Treasury. The question is whether the legislative history indicates an expectation that the Treasury would have to maintain larger balances if the authority for direct purchases were not available.

A review of the legislative history indicates that this consideration has been mentioned from time to time, along with others, as one reason for continuing this authority.

It was not mentioned in the committee reports when the provision was added to the Federal Reserve Act in 1942. However, it has been referred to from time to time, along with other considerations, in the committee reports on various extensions of the authority. For example, the Senate committee report on the 1954 extension stated in part:

> If the Treasury did not have this authority it would have to maintain larger cash balances in order to meet its disbursement requirements just before heavy tax receipts. In addition, it provides flexibility to meet possible emergency situations.

Similarly, the House committee report in 1952 stated:

> Under both the existing law and that prior to 1935, the direct-purchase authority has been used only infrequently and for a short period, as a useful mechanism for helping to smooth out the effect of short-run peaks in Treasury cash receipts and disbursements, so that the disturbing effect of their flow through the banking system may be held to a minimum. It also makes it possible for the Treasury to operate with a smaller cash balance than might otherwise be needed, since it provides a means by which the Treasury, if necessary, may temporarily meet large cash outlays, of which it has not had previous notice. Typically prior to heavy tax payment dates the Treasury permits its cash balances to run down to a minimum in anticipation of the receipt of heavy tax payments that will be processed and collected in the days immediately following. It is on these occasions that the Treasury has utilized the authority to borrow directly from the Federal Reserve banks.

In connection with the 1950 extension, Secretary of the Treasury Snyder wrote in part to the House Banking and Currency Committee:

> As I have emphasized, the Treasury Department is urging that this authority be extended, not because it is vital to the conduct of the Nation's financial affairs, but because the authority enables the Treasury to get along with a very much smaller cash balance and, at the same time, minimizes the danger of sudden, sharp strains on the commercial banks and in the money market generally.

In connection with the 1947 extension, Chairman Eccles, of the Federal Reserve Board, stated in part before the House committee:

> The direct-purchase authority is, in effect, merely an overdraft privilege with the Reserve banks—a line of available credit for use if needed. Without it, the Treasury would feel obliged to carry much larger cash balances, which means that it would have to borrow more and thereby increase the amount and cost of the public debt. In other words, having the overdraft authority, even though there may be no need to use it, enables the Treasury to carry smaller balances than otherwise would be possible and thus reduces interest charges.

As indicated above, the fact that it was felt that lack of the provision would make it necessary for the Treasury to maintain larger balances has been only a part of the reasons advanced for the authority. The statements in the legislative history also have not indicated how much larger the Treasury balance would need to be in the absence of such authority, or what would be considered a proper level for that balance either with or without the authority.

Direct Purchases of Government Securities by Federal Reserve Banks—Hearings, Banking and Currency Committee, House of Representatives on H. R. 2233, March 2, 1947

STATEMENT OF MARRINER S. ECCLES, CHAIRMAN, BOARD OF GOVERNORS, FEDERAL RESERVE SYSTEM

> The purpose for which the direct-purchase authority has always been used in the past and would be used in the future is simply one of meeting temporary needs of the Treasury which, if met in other ways, would entail either needless additional costs in managing the public debt or equally needless fluctuations in the securities and money markets for brief periods. What is involved in the proposed bill is not a question of monetary theory or policy, but simply a question of efficient, economical, and businesslike management of the public debt.
>
> The direct-purchase authority is, in effect, merely an overdraft privilege with the Reserve banks—a line of available credit for use if needed. Without it, the Treasury would feel obliged to carry much larger cash balances, which means that it would have to borrow more and thereby increase the amount and cost of the public debt. In other words, having the overdraft authority, even though there may be no need to use it, enables the Treasury to carry smaller balances than otherwise would be possible and thus reduces interest charges. For every billion dollars of Treasury balance that can be saved in this way, interest costs would be reduced by at least $4 million. That would be figuring a rate of three-eighths the bill rate.

At a 3-percent rate now prevailing, the saving would be $30 million.

EXAMPLE

Five banks in New York City had $624,589,000 in Government funds on deposit April 11, 1956. Two of these banks, the First National City and Chase National had $364,341,000 of these funds. They pay no interest on money that is costing the taxpayers 3 percent and more. With this law permitting $5 billion to be borrowed direct at any time these large balances will not be required.

Amendments to Federal Reserve Act—Hearings, Banking and Currency Committee, June 14, 1950, H. R. 7894

STATEMENT OF EDWARD S. BARTELT, FISCAL ASSISTANT TO SECRETARY OF TREASURY

> It is the considered opinion of the Treasury Department that the authority of H. R. 7894 would be in the public interest; and, therefore, we strongly recommend the enactment of the bill.
>
> The Chairman. This bill was initiated by the Treasury; was it not?
>
> Mr. Bartelt. It was; yes sir.
>
> The Chairman. It is a Treasury bill?
>
> Mr. Bartelt. It is primarily a Treasury bill. It is to facilitate Treasury operations.
>
> The Chairman. And it simplifies the Treasury operations and prevents you from floating issues that you otherwise would have to do; is that not true?
>
> Mr. Bartelt. It makes it possible, Mr. Chairman, to do two things: maintain a

smaller balance than otherwise would be required, and, secondly, it enables us to maintain a better distribution of our balances between the Reserve banks and special depositaries than otherwise would be possible.

Statement of Ralph Young, Director of Research and Statistics of the Federal Reserve Board, Hearings, Federal Reserve Act Amendments, Banking and Currency Committee, House of Representatives, March 21, 1952

Mr. Young. I am here, Mr. Chairman, to testify on behalf of the Board of Governors of the Federal Reserve System, and I would like to say at the outset that the Board appreciates very much this opportunity to have its views expressed at this hearing.

The proposed legislation, H. R. 6909, would make permanent the present temporary authority of the Federal Reserve banks, to purchase Government obligations directly from the United States.

Except between the years 1935 and 1942, the Federal Reserve banks have always had authority to purchase Government obligations directly from the Treasury. Since 1942, this authority has been limited by section 14 (b) of the Federal Reserve Act to an aggregate maximum amount of $5 billion at any one time, and the provision has been temporary in nature.

While the time limit has been extended from time to time, the authority under present law will terminate on June 30 of this year. The Board of Governors believes that the direct purchase authority of the Federal Reserve banks is desirable.

This authority provides a useful mechanism for helping to smooth out the effect of short-run peaks in Treasury cash receipts and disbursements, so that the disturbing effect of their flow through the banking system may be held to a minimum.

It also makes possible for the Treasury to operate with a smaller cash balance than might otherwise be needed, since it provides a means by which the Treasury, if necessary, may temporarily meet large cash outlays, of which it has not had previous notice.

This happens to be the 100th anniversary of the birth of Woodrow Wilson. Woodrow Wilson was the father of the Federal Reserve Act. Without his guidance and leadership, we would not have any Federal Reserve System. I think the Federal Reserve System is a great system.

Contrary to what people usually say, it is not owned by the private banks. The 12 Federal Reserve banks are owned by the Government of the United States. They are not owned by private banks. As a matter of convenience, private banks are required to make a certain investment which is so insignificant in value that it could not be construed as ownership and not intended to be ownership. It is not voting privileges. They have no voting rights by reason of this involuntary assessment upon the banks. They do not own stock as the word "stock" is generally known. It is an involuntary investment; very small. So, remember this, the Federal Reserve banks are not owned by the member banks. The Federal Reserve banks are owned by the Government of the United States.

Now, when this bill was before the Congress in 1913, there was an effort made to put private bankers on the boards determining policy; in other words, to determine whether or not money will be tight or whether it will be easy; whether interest rates will be high or whether or not they will be low. President Woodrow Wilson's leadership prevented the private bankers from being on these boards, and his argument was that it would be just as reasonable to put railroad owners on the Interstate Commerce Commission and let them fix railroad rates as to put bankers on the Federal Reserve boards or on a policymaking board where they could influence the cost of money or interest rates. There was a terrific battle going on between the big banks of the country and the Congress on that one issue, and when it came down to the question of actually getting it done, Mr. Carter Glass, who was chairman of the House Committee on Banking and Currency at that time, went to the White House with a delegation to see President Wilson, and here is what he said in his book, Adventure in Constructive Finance, commencing on page 115. He said:

> The President was courteous and contained. These great bankers, arbiters for years of the country's credits, were grouped about the President's desk in the Executive office adjoining the Cabinet room. I sat outside the circle, having already voiced my own dissent from the President's attitude.

Now, it will be noticed that Senator Glass was really for the bankers being on the board. Notice that.

> President Wilson faced the group across the desk, and as these men drove home what seemed to me good reason after good reason for banker representation on the central board, I actually experienced a sense of regret that I had a part in subjecting Mr. Wilson to such an ordeal. When they had ended their arguments Mr. Wilson, turning more particularly to Forgan and Wade, said quietly: "Will one of you gentlemen tell me in what civilized country of the earth there are important boards of control on which private interests are represented?" There was painful silence for the longest single moment I ever spent; and before it was broken Mr. Wilson further inquired: "Which of you gentlemen thinks the railroads should select members of the Interstate Commerce Commission?" There could be no convincing reply to either question, so the discussion turned to other points of the currency bill; and notwithstanding a desperate effort was made in the Senate to give the banks minority representation on the Reserve Board, the proposition did not prevail.

Now, by reason of President Woodrow Wilson's leadership for 20 years there was no private banker representation upon any board that had policymaking power, and President Wilson was right. But long after President Wilson was gone and during a great depression when we were grasping at everything for the purpose of helping our economy and our currency and credit systems, Senator Glass yielded—of course, he was formerly for it—and permitted the banker representation. Today on the Open Market Committee of 12 members, the most powerful men on earth, who absolutely control our money and credit, 5 are selected by the private banks. That is just like having five railroad owners on the Interstate Commerce Commission to fix freight rates or passenger rates.

That is the situation. Here is the way it applies to this bill. Here is a transaction of $5 billion, the Treasury being able to borrow that amount from the Federal Reserve Board, just across the street. Unless my amendment is adopted they will have to go to New York and get private bankers to agree to that before they can consummate a transaction here in Washington, D. C., involving Government credit, the Government's own money, in a transaction between the Treasury and the Federal Reserve Board. They should not be required to do that. Why should we have to ask private bankers to use our own money? So I expect to offer an amendment providing that it will be a matter between the Federal Reserve Board, seven public members charged with performing a public service and public duty and the Treasury only, and they will not have to go through Mr. Sproul who was selected by the private bankers of the New York area to represent them. That is very reasonable. I think the amendment should be adopted and I hope it will be adopted.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Patman] has expired.

Mr. TALLE. Mr. Chairman, at the moment, I have no further request for time. I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, I rise in support of H. R. 9285 as reported by your Committee on Banking and Currency. This bill would extend until June 30, 1958, the present authority of the Federal Reserve banks to purchase securities directly from the Treasury in amounts not to exceed $5 billion outstanding at any one time.

Prior to 1935 Federal Reserve banks could purchase Government obligations either in the market or directly from the Treasury. The Banking Act of 1935, however, required that all purchases of Government securities by Federal Reserve banks be made in the open market. In 1942 the authority of the Federal Reserve banks to purchase securities directly from the Treasury was restored, but a limit of $5 billion was placed on the amount outstanding at any one time. The $5-billion authority was granted initially only through 1944, but the Congress has extended it from time to time so as to provide continuous limited direct borrowing authority ever since. The present authority was granted for 2 years and expires June 30, 1956.

The primary purpose of this direct borrowing authority is to help the Treasury and the Federal Reserve System work together in minimizing the disturbing effects on the economy of short-run peaks in Treasury cash receipts and disbursements, particularly around the time of quarterly income-tax payments. These short-run movements of funds are large and precise estimates of their day-to-day patterns are often difficult. This direct borrowing authority in effect gives the Treasury an overdraft privilege with the Federal Reserve banks, thus permitting the Treasury to carry smaller cash balances than it would otherwise feel obliged to maintain in

order to meet its day-to-day needs. It represents a useful fiscal mechanism for the Treasury and the Federal Reserve and its use has avoided unnecessary financial strains on the money market on a number of occasions.

Treasury borrowing from the Federal Reserve banks under this authority has been used infrequently and then only for short periods. The last time it was used was on March 17, 1954. Borrowing has exceeded $1 billion only rarely.

The Treasury and the Federal Reserve have used the direct borrowing authority only to meet temporary requirements of the nature previously discussed. The authority is also, however, a safeguard that could be used in the event of any sudden nationwide emergency requiring heavy cash payments from the Treasury before securities could be sold.

While admittedly this is a broad power, properly used it is a very useful one. It is a power which your committee believes automatically should be brought before the Congress for periodic review and hence the proposed extension of the authority for only a 2-year period. When the authority is utilized a record of its use is included in the weekly statement of condition of the 12 Federal Reserve banks, which is published in newspapers on Thursdays of each week. Further, existing law requires that the Board of Governors of the Federal Reserve System include detailed information with respect to use of this authority in its annual report to Congress.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, I have opposed this bill each time it has been before the House since I have been a Member of the House. I recall that back in 1948 or 1949 the late distinguished Senator from Ohio, Mr. Taft, called this an outright and unadulterated printing-press-money bill, and that is exactly what it is. It does not make any difference how thick or how thin you slice it, this is a printing-press-money bill.

The thing I have never been able to understand is why those who believe in printing-press money, those who believe that the Government should have $5 billion in obligations outstanding at any one time through this process of kiting checks, do not advocate that the Government simply print money, pay it out for services rendered to the Government during the period the Government deems it necessary to use the money; just print money and pay it out for services rendered to the Government, and save the interest, the taxpayers' money, which you are going to pay on Treasury notes or certificates that will be issued under this legislation. Why not? When you print Treasury certificates or notes and make them available to the banks of this country, which in turn make a line of credit available to the Government, you pay them interest. That is the only difference. If there is any other difference, I wish some member of the Committee on Banking and Currency would rise and tell me. I would like to know. Does your silence lend acquiescence to the fact that this is a printing-press-money bill?

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am happy to yield to my colleague from Iowa.

Mr. TALLE. The Treasury can operate without the use of this authority. If the Treasury did not have this authority and it found itself short of funds, which has happened occasionally in the past, it would sell 90-day notes, and, of course, interest would be paid on those notes. When those Treasury notes are sold, reserves in the banks are reduced because the money is used for buying the notes. What, then, would the Federal Reserve do? The Federal Reserve would buy Government securities in order to release money and restore the reserves of the banks. That is a long, roundabout way to do it, and a costly way. It is like one man digging a hole and another man filling it up. The direct purchase method saves money and is a convenience to the Treasury in its day-to-day operations whenever the money market is strained. Perhaps one day's borrowing would be enough in some instances. Rather than employ the costly operation of printing the notes and selling them, and all else I have mentioned, this direct, quick, and economical method is preferable.

Mr. GROSS. The gentleman still has not answered my question. You still have to have some form of transaction under the terms of this bill between the Treasury, the Federal Reserve, and the member banks thereof. Is that not correct?

Mr. TALLE. The Treasury does pay interest on the loans for the short period of time that it has the money.

Mr. GROSS. Exactly, but why not issue money and pay it out for services rendered to the Government and when the need for it is over, recall the money and destroy it.

Mr. TALLE. The gentleman is advocating something with which I am not familiar and do not endorse.

Mr. GROSS. This method provides that you pay interest on it whereas if the Federal Government issued the money and paid it out, as I say again, for services rendered to the Government, it would be saving the taxpayers of this country the interest on the money. I do not think the gentleman can deny that.

Mr. TALLE. As a matter of fact, the direct purchase method saves the taxpayers money because the 90-day notes would be costlier.

Mr. GROSS. I am not speaking in terms of the 90-day notes, I am speaking in terms of currency now since it is a printing-press-money bill no matter what process you use.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. TALLE. Mr. Chairman, I yield the gentleman another 2 minutes.

Mr. GROSS. I will say again it does not make any difference how thick or how thin you slice it, it is a printing-press-money bill and so designated by the late Senator Taft in debate on the floor of the Senate along about 1948 or 1949.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. McVEY. I have a great deal of respect for the distinguished gentleman from Iowa and his views generally are views with which I am usually in accord, but I cannot see this idea of printing-press money as a replacement for this procedure. We have peaks and valleys in the receipt of taxes, and if we do not have some provision whereby the Government can get money together in the low points in tax collection, we must carry in the Treasury at all times a sufficient amount of money to meet all the bills of the Government. We cannot do that for nothing, because we have to take taxpayers' money. Therefore I just cannot see the kind of reasoning that the gentleman has expressed on the floor.

Mr. GROSS. Since the gentleman is on his feet, may I ask him this question: What happens if, under the provisions of this bill, you have $5 billion outstanding at the termination of this law? What then happens? How are you going to get the $5 billion out of circulation?

Mr. McVEY. At the termination of this law?

Mr. GROSS. Yes; under this law, the Treasury is permitted to obtain $5 billion; is that not correct?

Mr. McVEY. That is right.

Mr. GROSS. How would you retire the $5 billion at the expiration of this law if it is extended another 2 years? How are you going to get the $5 billion out of circulation?

Mr. McVEY. That has to come from the Treasury of the United States and the taxpayers of this country. That is why I think we should have a procedure of this kind so that we can continue to serve during the valleys in tax collections instead of maintaining in the Treasury at all times the total amount of money sufficient to meet the bills of the Government.

Mr. GROSS. The gentleman does agree that there could be $5 billion outstanding at the termination of this law under certain provisions for which there is no other authority than this law; and it could only be removed through tax levies; is that not correct?

Mr. McVEY. The Treasury would have to meet that either with notes or with funds in the Treasury.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. O'Hara].

Mr. O'HARA of Illinois. Mr. Chairman, we are hearing a great deal of talk about $5 billion and it is all meaningless. There is in the pending bill an authorization not to exceed $5 billion. But what are the facts? In 14 years the borrowings exceeded, and then only slightly the $1-billion figure in but 2 years, 1943 and 1953. In the last Roosevelt administration, only on a total of 8 days in 1945 were there borrowings, which totaled less than half a billion. In 1946–48 the authority was not used at all. In those 3 years there was absolutely no borrowing under the authority, even though the authorization was up to $5 billion figure.

In the Truman administration, it was used a total of 8 days in the first 3 years, and when the Korean matter came on—an emergency—it was used for 30 days.

In the Eisenhower administration the borrowings in 1953 slightly exceeded $1 billion. In 1954 they totaled, and then only for a period of 15 days, less than half a billion. In 1955 and up to March 1, 1956 there were no borrowings at all.

Then, when it is not used, why is there the authority to borrow up to $5 billion? We might have a vast economic situation descend upon us. There might be an international situation descend upon us. This authorization of $5 billion is a cushion which might operate to save our entire economy. It is that simple. I think it would be very foolish at this time to refuse to extend this authority for another 2 years. I do not know of any period where there was greater potential danger than in the 2 years ahead. We have a bad situation in the farming areas just as we had in the late twenties. The situation now is closely comparable to the situation then. Now, I am an optimist. I think everything will work out all right, but we should not prematurely throw away our cushions. In Illinois we do not unhinge the storm shutters on a sunny day in January. We wait to make sure winter really has passed on.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. O'Hara] has expired.

Mr. TALLE. Mr. Chairman, I have no further requests for time. So I reserve the remainder of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. Multer].

Mr. MULTER. Mr. Chairman, I am supporting the bill, but I am taking this time to direct the attention of the membership to the fact that it was not so long ago when the Republican Party and its spokesmen and the newspapers that were telling the Republican story were attacking the Secretary of the Treasury because he was consulting with the Federal Reserve Board about this very important work covered by this bill, and the Federal Reserve Board was consulting the Secretary of the Treasury, and together they were making the monetary policy of our Nation. At that time our Republican politicians particularly said this is the wrong way to manage the monetary affairs of the United States. They clamored that the Secretary of the Treasury is supposed to be independent of the Federal Reserve Board and vice versa. They should not talk to each other.

During the course of the hearings on this bill we had before us the Under Secretary of the Treasury and the chairman of the Federal Reserve Board. Both agreed that the only way you can properly manage the money affairs of our country, the only way you can properly manage the debt of this country, the only way you can finance our Government properly is by having the Secretary of the Treasury consult with the Federal Reserve Board and the Federal Reserve Board consult with the Secretary of the Treasury, and together map out a program and move forward.

In that connection it is interesting to note that never, during a Democratic administration after a conference between the Secretary of the Treasury and the Federal Reserve Board did we run into a situation like that of last December 1955. Despite the consultations and conferences of the Secretary of the Treasury and the Federal Reserve Board, and after they had agreed we should raise the reserve requirements in order to restrict credit, 2 weeks later the Federal Reserve Board had to go into the market and buy $6 billion of Government bonds in order to have the opposite effect. Instead of restricting credit as they did 2 weeks before, they had to operate against the restrictions and loosen credit. Six billion dollars worth of bonds is not very much to this administration. As a matter of fact, the gentleman who appeared before our committee, when asked whether they had to go into the market and buy some of these bonds, $12 billion worth of bonds, said "Yes, the situation changed, and the Federal Reserve Board had to go in and buy a few bonds." Then we find that the few bonds was more than $6 billion worth of bonds.

This is a good program, this is a necessary law. We must extend the law by passing this bill, but let us alert our officials downtown to the fact that they can do a better job than they have been doing.

Mr. TALLE. Mr. Chairman, I yield 1 minute to the gentleman from Illinois, [Mr. Arends].

PROGRAM FOR WEEK OF APRIL 23

Mr. ARENDS. I take this time, Mr. Chairman, to ask the majority leader to acquaint us with the program for next week.

Mr. McCORMACK. I shall be very happy to.

Monday is District day and there is one bill out of the District Committee, H. R. 7228, the Potomac River Bridge. Then there will be H. R. 9824, Veterans' War Orphans Educational Assistance Act of 1956, and H. R. 9260, Veterans' Servicemen's Readjustment Act, second purchaser.

On Tuesday, of course, there are primaries in Alaska, Massachusetts, and Pennsylvania. Should there be any rollcalls that day they will go over until Wednesday but on Tuesday we will call H. R. 8750, the Watershed Projection and Flood Prevention Act.

Wednesday, Thursday, Friday, and Saturday: There is a bill, H. R. 10654, making supplemental appropriations for the Department of Agriculture to initiate an Agricultural Reserve Act soil-conservation program and to assist in raising farm income.

There will be the State, Justice, Judiciary appropriation bill for 1957.

There will be the highway construction bill if the rule is granted for its consideration. Also—

House Joint Resolution 501, to authorize participation in the NATO conference.

S. 2972, making it a criminal offense to damage or destroy aircraft.

H. R. 7500, Commission on International Rules of Judicial Procedure, and

House Resolution 353, to authorize the Committee on House Administration to conduct an investigation of campaign expenditures.

There is the usual reservation, of course, that conference reports may be brought up at any time.

Any further program will be announced later.

Mr. ARENDS. The other bills are important, but I understand it is somewhat problematical whether the highway bill will actually come up next week.

Mr. McCORMACK. The gentleman has stated it correctly. I have scheduled it just in case we can get to it but I think it problematical as to whether it can be brought up.

Mr. ARENDS. I understand it is the desire to go over from today until Monday if we complete the program this afternoon.

Mr. McCORMACK. Exactly.

Mr. ARENDS. I thank the gentleman.

AMENDING SECTION 14 (B) OF THE FEDERAL RESERVE ACT

Mr. TALLE. Mr. Chairman, I have no further requests for time.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

Be it enacted, etc., That section 14 (b) of the Federal Reserve Act, as amended (U. S. C., 1952 ed., supp. II, title 12, sec. 355), is amended by striking out "July 1, 1956" and inserting in lieu thereof "July 1, 1958" and by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1958".

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Patman: After line 7 insert the following new section:

"Sec. 2. Section 14 (b) of the Federal Reserve Act, as amended, is further amended by inserting after the first sentence thereof the following new sentence: 'Notwithstanding the provisions of the preceding sentence, direct purchases under this subsection shall be made in accordance with the direction of the Board of Governors of the Federal Reserve System; the Federal Open Market Committee shall make available such of its facilities as the Board may request in order to assist the Board and the Federal Reserve banks in carrying out such purchases.' "

AMENDMENT

Mr. PATMAN. Mr. Chairman, this amendment merely provides that this will be a transaction between the Board of Governors of the Federal Reserve System who are the seven public members charged with the duty of representing the public, and the Secretary of the Treasury, concerning the issuance of this credit on these short-term securities or the sale of these short-term securities by the Treasury direct to the Federal Reserve banks. In other words, in practice here is what it means: If the bill passes in its present form, in order to get any amount of this money to be used, it would have to be done through Mr. Sproul and the Federal Reserve Bank of New York. He would have to do it. He is in charge of the Open Market Account of the Federal Reserve System and he is 1 of the 5 members who are representatives of the private banks on the Open Market Committee. I do not think those five interested representatives should have anything to do with these transactions up to $5 billion between the Treasury and the Federal

Reserve Board. In other words, leave the private bankers out of this. It does not concern them. It is not a matter that they should be allowed to veto. It is not a matter that they should be given the privilege of approving. It is none of their business. It is the Government's business. It will be transacted here in Washington between the Treasury and the Federal Reserve Board, located a very few blocks apart right here in Washington. So why should not the Treasury be allowed to deal with the Federal Reserve Board just a few blocks away?

They can do this in the people's interest, in the Government's interest. Unless we adopt this amendment we will have to go to New York and get the approval of the representatives of the private banks. That is wrong. It is unnecessary, it is unduly crippling or retarding or impeding the progress of the people's business at a time when these transactions must be performed quickly, hurriedly. The money is needed right away. That is the reason the power is given.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Is there anything in the gentleman's amendment that would make this strictly a short-term proposition?

Mr. PATMAN. The law itself makes it that way. I am not afraid of that.

Mr. GROSS. What is the maximum time?

Mr. PATMAN. I do not know what it is, but I am not afraid of that. Over the years it has operated satisfactorily, and I am not afraid of it going too long that way because the private bankers do not want it to go too long and they have a lot of power in the Federal Reserve System.

The fact of the matter is that the other day I had occasion to deal with some REA people and they were telling me that back in Texas they had to borrow $242 million at 2 percent interest. They are being criticized for that, charged with getting a subsidy in the rate of interest. Of course, they paid 2 percent when the going rate was much below 2 percent. It is a little above 2 now. At that time, April 11, 1956, I received a statement from the New York banks which showed that two banks up there had $364,341,000 in Government deposits for which the Government received no interest at all. Five New York banks, including these 2, had $624,599,000 and 13, including these 5, had $885 million. That is an illustration of on the one hand no interest at all, while on the other 2 percent being criticized. It is not unusual for the banks to have from three to seven billion dollars in Government deposits which is without interest.

This bill will permit of smaller Government deposits in the banks. You must have some deposits, of course. I would not be in favor of pulling all of the Government money out of the banks. It is necessary to keep some Government money there, but it is not necessary to keep a billion dollars in a few banks in New York upon which the Government is paying about 3 percent interest or more. That is absolutely unnecessary.

This bill if properly administered in the interest of saving the people's money could result in pulling out all except perhaps a few million dollars from those few New York banks. It is unnecessary to keep that amount of money there and there is no reason for keeping it there.

Mr. Chairman, I certainly hope my amendment will be adopted. It will allow the Treasury right here in Washington, D. C., to deal with the Board of Governors of the Federal System right here in Washington, D. C., and do everything that the bill proposes to do—nothing more, nothing less. In other words, it will be in the hands of the people charged with protecting the Government's interest and they will not be required to go through representatives of the private banks who, incidentally, usually have their own axes to grind.

I hope the amendment I have offered will be adopted.

Mr. BROWN of Georgia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not think this amendment is wise. The program in its present form has been operating in a satisfactory manner ever since its adoption in 1942. It has gone on under two administrations. There has been no complaint from any quarter.

Mr. Chairman, I think we better let good enough alone, and I hope the amendment will be voted down.

Mr. TALLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment may seem to be a very simple one, but there is a lot more in it than meets the eye on first reading. The net effect of this amendment, if adopted, would be to close up shop as far as the Open Market Committee is concerned; in other words, the Open Market Committee would cease to operate. The amendment is equivalent to an eviction notice. Now, the Federal Reserve does not want this proposed change. The Federal Reserve testified through its chairman that it wanted a continuation of present law. It is well known among the members of the Committee on Banking and Currency and to everyone who has been present in this Chamber for the past 13 years that the gentleman from Texas has carried on a sort of running fight with the Open Market Committee. But, he has not been successful in knocking it out. This amendment is another attempt to destroy the Open Market Committee.

Mr. Chairman, I want to repeat what I have said on a number of occasions, that the management of the Federal debt of the United States is the most difficult financial task that has ever been assigned to any man. An excellent job is being done. This is certainly not the time to disturb or rock the boat. We are doing very well. We learn from newspaper reports, that the chances are good that there will be a surplus in the Treasury at the end of this fiscal year. Let us not now disturb an arrangement that is working very well.

Mr. Chairman, the amendment is a deceptive one, and it should be voted down.

Mr. GROSS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from Iowa [Mr. Talle] has just made a significant statement with respect to a Treasury surplus. I wonder why, in view of the publicity in the papers yesterday and today telling us that we are going to have an estimated $2 billion surplus, we need this legislation. It seems that with a $2 billion surplus coming up on July 1 of this year, we might dispense with this.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am happy to yield to my colleague.

Mr. TALLE. The reason is the one I stated at the outset. The obligations of the Federal Government are continuous. The receipts in the Treasury are received in a rather fitful fashion, and therefore there are times when the cash balance is low. But, of course, the outgo is continuous, because the Government must pay its bills, and this legislation merely seeks permission to have a day-to-day arrangement whereby, when necessary, the Treasury, with the cooperation of the Federal Reserve, can continue to pay the bills of the Government without using the cumbersome method of selling, say, 90-day notes and so on.

Mr. GROSS. It seems to me that if we are now going into such lush times for everybody but the farmer, if we are going to run Treasury surpluses from now on, I might well ask when you expect to get rid of this kind of legislation if you cannot do it now? When are we going to get rid of this kind of financing over which the Congress certainly delegates tremendous financial authority to the Treasury and indirectly to the Federal Reserve System?

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Connecticut.

Mr. MORANO. I would not be too sure that we are going to have surpluses until after Congress has decided how much money it is going to vote in supplemental appropriation bills that are coming up.

Mr. GROSS. Of course, the gentleman could mention the foreign giveaway bill, but he and I happen to differ on that.

I want to respond very briefly to the statement made by the gentleman from Illinois [Mr. O'Hara]. He said that simply because the Treasury has not used the full authority under this law that we should here today accept the fact that they may not at some time use that authority. I think that is the most specious kind of argument. If that is true, if in the past they have not borrowed more than $100 million or $1 billion at any one time, why $5 billion under this bill? Why not reduce the amount? To me that is the most specious argument that could be advanced in support of this bill.

I say again that the late Senator Taft of Ohio, who had forgotten more about financial matters than I will ever know, well described this bill as nothing more or less than a printing press money bill. I have been opposed to it and I am still opposed to it on that basis.

Mr. MULTER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I think that the strongest argument that could be made for the amendment has been made by the distinguished gentleman from Iowa [Mr. Talle], with the exception, of course, of his utterly uncalled-for statement that the amendment is deceptive. There is nothing deceptive about the amendment at all. The amendment very simply provides that the Federal Reserve Board shall be in charge of this operation and shall direct the Open Market Committee as to how it shall operate.

There is no reason why if this operation is so very important, as it is—as was explained to you by the distinguished gentleman from Iowa [Mr. Talle]—if it is so important, as it is, then the Federal Reserve Board should do this job. That is all this amendment seeks to do. Instead of letting the Open Market Committee do the job alone then I say the Board should at least supervise the job.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Texas.

Mr. PATMAN. And it is restricted to this $5 billion only.

Mr. MULTER. That is correct, just to this $5 billion. I am not one bit flattered by the fact that this Open Market Committee is operating out of the city of New York which is my home town. I say that the big bankers are doing this job just as big business today is doing a job. They are doing it on the little fellow. One reason why we have had the tremendous increase in the number of bankruptcies of small business, which have occurred during the last 2 years is because big business and big banks are crushing the little fellow. One way of helping stop that kind of operation is to adopt this amendment and see to it that the Federal Reserve Board under this law, which is a good law and a necessary law, performs this important task.

I urge the adoption of the amendment.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking this time to answer my distinguished friend from Iowa [Mr. Gross]. He asked me to yield to him, when I had the floor a little while ago. I started to yield to him and then suddenly realized that I had only 3 minutes and I had to withdraw my gesture of generosity. Now I am talking on my own time in order to answer his remarks.

When Mr. Martin appeared before our committee I asked him the question why, when they had never used the $5 billion authorization to anywhere near the full limitation, it was desired to retain the $5-billion limit and not reduce the figure as suggested by the gentleman from Iowa. He gave the answer, which seemed to me to make commonsense. In essence it was that we do not know when an emergency may come upon us, when people are unable promptly to meet their tax payments because of frozen assets, holdings that cannot quickly be liquidated and other reasons. Meanwhile the expenses of Government go on and must be met. While there is little probability that the $5-billion limitation will be reached, nevertheless it does provide a cushion for an emergency. We cannot be criticized for exercising a proper sense of caution and prudence. As a matter of fact, as I pointed out earlier, very little use has been made of this authority. Most of the years since 1942 it has not been used at all, and in the years when it has been used it has been only for a limited number of days, the largest number being 30 days. Generally it is for 2, 3, 4, or 5 days a year.

We may have coming upon us, I do not know, very uncomfortable conditions. Our consumer credit is expanding. That means that the individual debtload is growing, making it difficult to continue instalment payments should deflation hit family incomes to say nothing of sustaining buying power for new purchases. There is unrest in the farm districts. I read in the Wall Street Journal that in a survey in Iowa it was found that in one typical town of 1,000 population there were 10 closed stores and others on their way out. That would indicate that already in the farm areas there is a serious curtailment of buying power. If the economy should develop downward as it developed in the late twenties this $5-billion authorization might be a very fine cushion to have in getting money to pay the Government's bills.

My friend from Iowa, that is my answer to you.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am delighted to yield to the distinguished gentleman from Iowa, who is one of the hardest workers and most conscientious Members of the Congress, and for whom I hold a warm affection.

Mr. GROSS. Does the gentleman not think if we are moving into a position where the people cannot pay taxes in this country the Treasury can come to Congress for authority to do certain things, and does the gentleman not think that when we get into the position of having any appreciable number of people who cannot pay their taxes we had better be cutting down on expenditures rather than giving somebody the opportunity and the authority to go out and borrow money, with little or no responsibility to Congress?

Mr. O'HARA of Illinois. The gentleman comes from Iowa and of course I know he is very sympathetic with the owners of the 10 vacant stores in the little town of What Cheer that are mentioned in the Wall Street Journal of April 11, 1956.

Mr. GROSS. I certainly am.

Mr. O'HARA of Illinois. The Wall Street Journal also says that one of the main grocery stores in What Cheer closed up last month and one of the farm implement dealers is about ready to fold up. If the Wall Street Journal's account of conditions in rural Iowa is correct, perhaps the gentleman will agree with me that a few cushions would not be out of order.

Mr. DONDERO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this discussion on the subject of money brought back to my memory something that happened here on the floor over 20 years ago. The State of Indiana had a Member in this House whose special subject was money. Several times during each session he rose on this floor, came down here to the well, and delivered an address on the subject of money.

I can see him now. His right arm extended upward. His right foot extended forward. He wore his hair long. He also wore a long type of Prince Albert coat.

One day he took this floor and said, "There are not more than a dozen Members of this House who know anything about money." Upon that statement a Member rose in the rear of the Chamber and said, "Will the gentleman from Indiana tell the House who the 12 men are who know all about money?" His response was, "No, sir, but I can tell the gentleman he is not one of them." His keen sense of humor and native wit appealed to the membership.

I am here to confess I am not one of them, either. I am interested in the bill under discussion about money. I am satisfied that the committee has devoted a great deal of time in considering this question. They say it is necessary to pass this bill, and I propose to stand by the committee.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Iowa [Mr. Talle] mentioned something that I think needs correction. He used the word "deceitful" in referring to this amendment. This amendment is not deceitful. It is anything but deceitful. It is open and aboveboard.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. TALLE. I used the word "deceptive." I want to tell the gentleman why. On reading this amendment, which was not available to me until the moment we began consideration of the bill, I could see that the purpose was to terminate the authority of the Open Market Committee. It is deceptive in this sense that, unless Members other than myself—I am quite familiar with the gentleman's viewpoints—were aware of the gentleman's views, they might think this was a very innocent little amendment and fail to realize that the effect would be to terminate the authority of the Open Market Committee. That would be a major change indeed and, certainly, we should have hearings on such a proposition before taking legislative action on it.

Mr. PATMAN. The gentleman used the word "deceptive;" and I think it is the same as the word "deceitful." I think the meanings are the same. I do not know of any difference myself; possibly I am wrong. But there is nothing deceitful or deceptive about it. It does deny private banks the opportunity of being in on a deal between the Treasury here in Washington and the Board of Governors of the Federal Reserve System involving up to $5 billion only, which is allowed under this bill. That is the only way in the world it will affect the Open Market Committee. Otherwise, the Open Market Committee will go ahead. I would like any Member of the House to give me one reason why representatives of private bankers should be conferred with and consulted concerning a transaction between the Treasury of the United States and the Board of Governors of the Federal Reserve System. No one will ask me to yield because no one can give a reason for it; there is no reason. So I am just asking that the Government's business be done by people who are charged with the duty of performing their duties for the people—for the Government and no WOC's and no representatives of private banks should be involved in this. That is all it does. These transactions only shall be performed by the Board of Governors and the United States Treasury. We are just saying it is unnecessary to go to New York and get the consent of private bankers up there to do a little Government business down here in Washington. It is simple; it is easy; it is not deceptive; it is in the interest of the people; and it is in the interest of the taxpayers. I hope this simple little amendment is adopted.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have gone far afield, it seems to me, in the discussion of whether or not we shall pass this bill. The experience of mankind has always had great weight. If anything is tested and retested and found to be good and accepted by the people, it is an evidence of its worth and goodness. The common law is based on experience of mankind. The rules of this Congress are based upon its experience through the years. Here is a simple amendment. I feel it my duty as the chairman of this committee, which adopted this report unanimously, to say that the amendment as reported in the bill has been tested for 14 years. Three administrations have asked for it and it has been repeatedly reported by the committees and passed by the Congress. Most of the discussion today has not been relevant to the bill. The amendment provided in the bill has worked well for the purposes for which it was enacted. It has been satisfactory to the Treasury. I has been satisfactory to the Federal Reserve. Experience has shown that they can work well under it. If you vote for the amendment offered by the gentleman from Texas and it should pass, you do not know what the result will be. No hearings have been held on it. I ask that the Committee of the Whole ratify what the Committee on Banking and Currency has done and vote for the amendment contained in the bill as we reported it.

Mr. TALLE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I want to interrogate my chairman and ask for a correction in his statement.

Mr. SPENCE. I was referring to the amendment that we have reported and not the amendment which has just been offered.

Mr. TALLE. Yes, that is the point I would make.

Mr. SPENCE. The amendment that we have reported is the amendment that I have asked to be adopted.

Mr. TALLE. I was certain the chairman was for the bill because he has been for the bill all the time and explained it very well.

Mr. SPENCE. We have reported an amendment to the existing law, to extend it. That is what I was referring to.

Mr. TALLE. Yes. As I understood your comment, the gentleman is opposed to the amendment offered by the gentleman from Texas [Mr. Patman].

Mr. SPENCE. Necessarily I am opposed to that amendment.

Mr. TALLE. The gentleman and I are in complete agreement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Patman].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Ikard, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9285) to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury, pursuant to House Resolution 431, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question was on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

Mr. H. CARL ANDERSEN. Mr. Speaker, the bill H. R. 10654, passed out of the Committee on Appropriations this morning, makes an additional appropriation for the Department of Agriculture for the fiscal year ending June 30, 1956. I ask unanimous consent at this time that members of the Committee on Appropriations may have until midnight to file a minority report or reports, and that such report or reports be printed along with the majority report.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

REPORT FROM COMMITTEE ON PUBLIC WORKS

Mr. FALLON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight Saturday night to file a report on the bill H. R. 10660.

The SPEAKER. Is there objection?

There was no objection.

ESTABLISHMENT OF A COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 477, Rept. No. 2018), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ESTABLISHMENT OF THE VIRGIN ISLANDS NATIONAL PARK

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5299) to authorize the establishment of the Virgin Islands National Park, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5299, with Mr. Keogh in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. Engle] will be recognized for 30 minutes, and the gentleman from Nebraska [Mr. Miller] for 30 minutes.

Mr. ENGLE. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from California is recognized.

Mr. ENGLE. Mr. Chairman, the purpose of H. R. 5299 is to authorize the Department of the Interior to establish the Virgin Islands National Park on a portion of St. John and St. Thomas in the Virgin Islands.

The United States Virgin Islands, consisting of three principal islands, St. Thomas, St. Croix, and St. John and a number of surrounding smaller islands, rocks and cays, are located in the Caribbean Sea about 1,400 and 900 miles southeast of New York and Miami, respectively. These islands were purchased from Denmark in 1917 and are administered as an unincorporated Territory of the United States. The total population of the Virgin Islands is about 27,000, of whom 746 were living on St. John in 1950.

H. R. 5299 would establish a national park on an area not to exceed 9,500 acres in extent. It would permit the Secretary of the Interior to accept land and funds donated for developmental purposes. Mr. Laurance S. Rockefeller has already acquired over 5,000 acres of land on St. John for donation for the park. Additional land area will be acquired with funds to be donated. The proposed park will conserve for public benefit a portion of St. John which has outstanding scenic, recreational, and historical beauty and significance. It is believed that tourism in the Virgin Islands which is a substantial part of the economy of the islands will be greatly enhanced by the establishment of the Virgin Islands National Park.

The effort behind the establishment of this public park is the desire of Mr. Laurance S. Rockefeller, who has devoted himself in the past to many public enterprises, to acquire a major portion of St. John's Island, some 9,450 acres, when it is finally complete, 5,000 of which have now been acquired, and turn it all over to the United States Government to be administered by the National Park Service of the Department of the Interior as a park.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Idaho.

Mr. BUDGE. It is my understanding from the gentleman's statement that approximately 5,000 acres of this land has now been acquired and that Mr. Rockefeller plans to buy the additional 4,000 acres. Why would it not be better for the Congress to wait until all the land is acquired before passing the act?

Mr. ENGLE. It is not necessary to acquire all the land before the park is set up. Five thousand acres is sufficient for park purposes. The balance will be acquired from the Rockefellers or by the Department of the Interior through donations.

Mr. Rockefeller not only proposes to donate the land to the United States Government for park purposes, but also in addition to that he has set up in the past nonprofit organizations such as the one at the Jackson Hole Monument and other recreational and park areas throughout the United States to handle the concession activities on a nonprofit basis. In order to carry out that enterprise he will build the necessary facilities on the island; that is, a hotel, the cabanas and the necessary recreational facilities and they will be operated for the benefit of the public by this nonprofit corporation, in which Mr. Rockefeller himself will have no financial interest.

With reference to the scenic area itself, the Advisory Committee of the National Parks Service made a study of this matter and came to the conclusion that this particular island is one that adapts itself to creation as a national park. It is very different, of course, from any of the national park areas we have in existence at this time. It is an area with historical significance because it is an area which was first sighted by Columbus when he came across the ocean; the Danes had a settlement there, the ancient Indians lived there and some of their works still exist on this island. It is unique, too, with reference to the scenery and the weather. The National Park Service, the Department of the Interior and the National Park Service Advisory Committee have all recommended that the area be taken over and established as a national park area.

I may say that the legislation which is before you today was introduced by me as the result of an executive communication requesting that the legislation be introduced.

The visitations touristwise to the Virgin Islands surprised me. The record shows that in 1954 103,867 people visited the Virgin Islands. Some of those, of course, were people who came across from Puerto Rico, which is only 40 miles away, and, presumably they are included in this figure. But even then that is a startling number of people visiting the Virgin Islands. As an illustration with reference to other park areas in Territorial and Commonwealth national parks, the Hawaii National Park had 444,551 visitors, somewhat over 100,000 more than visited the Virgin Islands. Of course, Hawaii has been known as a recreational area for some time and their facilities are well developed. The Mount McKinley National Park in Alaska had 4,999 visitors, the San Juan National Historic Site, San Juan, P. R., only had 39,983. So I think it may be correctly said that from the standpoint of visitation in the area the establishment of this park would have sufficient interest to warrant the Federal Government providing of some facilities there to accommodate the people.

Mr. Chairman, I want now to deal with some of the cost figures. The bill as introduced does not have any figures with reference to the authorized appropriation, which has caused some discussion in the committee. I asked for submission by the Park Service of what they contemplated to be necessary. Those figures appear on page 19 of the hearings on the bill in the Senate, S. 1604. The breakdown of the figures shows that they have asked for $60,000 for administrative costs. That is the annual operating cost. They asked for $120,000 for capital investment. In looking over their requirements it seemed to me that they were asking for more than they had any need for, in light of the fact that the major portions of this area—in fact all of it except those areas immediately on the coastline—will be maintained in their natural state. The island will be continued and maintained in its natural state. There will be a great deal of improvement as far as the service to the public is concerned. That service to the public will be rendered by the concessionaire who will render it through the operation of a nonprofit corporation. So, at a little later point in these proceedings I intend to offer an amendment, which I have discussed with the ranking minority member of our committee, the gentleman from Nebraska, Dr. Miller, and some of the others, who protested the open ended nature of the authorization, limiting the capital investment for improvement purposes to $60,000 and the annual operating or administrative expenses to $30,000. I will discuss the justification for that amendment and those figures in a little more detail when it is appropriate to offer the amendment and discuss it under the 5-minute rule.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman agree with the views of the minority that it would cost a man and wife, traveling from the eastern seaboard to this national park, approximately $500 to get there?

Mr. ENGLE. I think that is the cost of the round trip. I am not sure.

Mr. GROSS. Well, $500 round trip. Then it would cost them, as I understand, $15 to $17 per day after they got there. Is that about correct?

Mr. ENGLE. That would be correct in the facilities to be established at the hotel. Now, of course, the Park Service has in mind establishing some facilities out there that will not be as expensive as that, so the people who do not want to spend that kind of money and who do not come as far, either, as the Atlantic seaboard, will be able to get down there and spend a little time.

Mr. GROSS. Well, you cannot get much closer than the eastern seaboard, can you, and still be in the continental United States?

Mr. ENGLE. Well, it depends where you are leaving from. If you start from New York, it is quite a bit farther.

Mr. GROSS. You are not by any chance creating a rich man's playground down there, are you?

Mr. ENGLE. That is exactly what we are trying not to do. And, I will say to the gentleman that if there is any major criticism of the facilities existing in many of the parks of our Nation, it is the fact that there is not enough area for the poor people, the people of moderate incomes, to get out into the scenic areas of the country and enjoy themselves. As a mater of fact, the situation has gotten to the point where out in my State they are going into the national forests rather than into the national parks, such as Yosemite, where the costs are high. Not all the costs are high, but there simply are not enough facilities there, and they are going out into the national forests. There is not very much area for a poor man any more, and it sems to me it is good sense to set aside an area in this scenic situation in the Caribbean where people from the southern part of the United States, who are fairly close, or on the peninsula of Florida can get down into that area, or from Puerto Rico, and not have to spend $15 or $18 a day to stay there. That is the situation at present.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. ENGLE. Yes.

Mr. GROSS. I agree with the gentleman 1,000 percent as to the facilities provided in many of our national parks in this country. I had a little experience last summer, and I think I know something about it now. I did not have until that time.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Colorado.

Mr. ASPINALL. Did the gentleman explain to the committee just what this island will be used for in the future if it is not set aside for some such use as this?

Mr. ENGLE. Yes. I think what the gentleman is alluding to is certainly what I was talking about, namely, that if we do not set aside the area so that the common people can get their hands on it, the people who are not so rich, eventually it will be set up into tremendous resort areas that the little fellow, the white-collar worker, a man with moderate income, will not be able to afford.

Mr. KEAN. Mr. Chairman, if the gentleman will yield, that is exactly what I was going to say. I was down there last autumn, and the wealthy people from the East are just trying to build homes in that salubrious climate, and if we do not do something about setting aside that park for the people, it is going to be built up with expensive homes very quickly. Another point I wanted to make with reference to what the gentleman from Iowa [Mr. Gross] said is that St. John is only 1 hour away from St. Thomas by boat; and that if there are no places where they can live right now on St. John, they perfectly well can live on St. Thomas and come over and spend the whole day on that beautiful unspoiled island.

Mr. ENGLE. I appreciate the gentleman's contribution; he is perfectly right. Not only are they seeking to build very expensive homes down there, but I can visualize that a few years hence, if we do not set aside an area now, there simply will be none available, because the better areas will be taken over by very expensive resort operations. All of them will carry the kind of prices mentioned by the gentleman from Iowa [Mr. Gross], and they will probably not be as inexpensive as that. The price mentioned in connection with the installation down there that will be managed by the Rockefellers on a nonprofit basis would be from $15 to $18 I believe. But they could go up to $25 or $30; and so on.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Chairman, I should like to congratulate the distinguished chairman of the committee on his presentation. After the minority had filed their views, I made it a point to check with the airlines, and I find that their figures represent perhaps the most luxurious manner in which one could travel. That I shall not dispute. But today a husband and wife can leave New York by Clipper plane, go to the Virgin Islands and return for $288.40; or they can leave from Miami and take a round trip for $204.40. Also, for $10 for a husband and wife over there, you can pay taxi fare from the present airport at St. Thomas over to the airport at St. John. These figures compare very favorably with what it would cost people in the eastern part of the United States to travel, if they wanted to go out to Yellowstone or Yosemite or Glacier National Park or any one of the other great national parks in our country.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to my colleague on the committee.

Mr. ASPINALL. Is it not true, may I ask the gentleman from Pennsylvania [Mr. Saylor] that if they wish to go by boat, they could go for even less money?

Mr. SAYLOR. That is right. The rates of transportation by water are less than the rates I have quoted.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Georgia.

Mr. PRESTON. Mr. Chairman, I should like to join those who are proposing this measure. I think it is a most meritorious bill and it should not provoke any controversy in the House today. I think we could well afford to pass such a bill on the Consent Calendar. The cost of this proposal is negligible. It does not amount to anything in comparison with the benefits that it will provide. We should never fail to take advantage of every opportunity to create State parks when the land is contributed to the Government. They always serve a most useful purpose and in this particular area I believe it would serve an even greater purpose.

I congratulate the chairman of this committee on bringing this bill before the House.

Mr. ENGLE. I thank the gentleman. Mr. Chairman, I reserve the balance of my time.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. Westland].

Mr. WESTLAND. Mr. Chairman, the gentleman from California, the distinguished chairman of this committee, has given a very excellent dissertation I think not only on this particular bill but on the Park Service in general. However, I believe there are a few things this committee ought to learn about this particular situation before they are asked to vote on it.

I have opposed this bill in committee and I am opposing it here for reasons which I think are substantial.

First of all, let us talk about these Virgin Islands for just a minute. There are about 22,000 to 25,000 people who live there. It was interesting to me to find out that over 100 years ago there were over 40,000 people living there. In other words, the population has been decreasing. So there is plenty of room for people in that area.

Our Federal Government has contributed and is contributing substantially to the economy of the Virgin Islands today. For example, all of the income taxes collected in the Virgin Islands are returned to them, plus at the present time, or after this fiscal year 1955–56, $1 million a year which shall go into the Virgin Islands. The citizens of the Virgin Islands are contributing practically nothing financially to the Federal economy.

A couple of years ago we wrote an organic act for the Virgin Islands and tried to set them up on a basis where they could become self-sustaining. We made them a free port so that tourists going to this area could buy commodities at prices less than they could buy them elsewhere. We tried to increase the tourist travel to this area, and I believe to some extent that has been successful.

The chairman mentioned that over 100,000 people had visited the Virgin Islands last year. It is interesting to me, however, that they all come by boat, practically all of them come by tourist boats. They spend about 1 day there in the Island of St. Thomas and perhaps St. Croix, and then they get away. They spend their money in that place. I doubt that there would be more than 100 people who would ever get over to the Island of St. John, which has a population of some 700 people.

Now it is proposed to take 9,500 acres out of this island of St. John, which has a total acreage of 12,000, and make a national park out of it. In my opinion, this would defeat the very purpose for which we amended the organic act. In other words, you would completely stop any further private enterprise from going into that area and doing anything. You would prevent any person from ever building a home in that area. You would put this thing in the icebox.

I do not believe that is good for the economy of the Virgin Islands, and I do not believe it is good for this Federal Government to step in and take over that area. I think our Park Service department might well take a look at the some 400,000 acres which are presently privately owned within the exterior boundaries of our national parks, and be more concerned with acquiring those areas rather than grabbing more, rather than taking on new areas.

This Committee and this Congress are going to be asked to vote pretty soon on the so-called mission 66. That is a program of the National Park Service. You will be asked to appropriate some $785 million over a 10-year period for the modernization of our national parks. I believe I will favor that sort of thing after we have taken a look at what they intend to do. I think the Park Service should be more concerned with modernizing our present facilities and bringing them up to par, bringing them up to a condition where our people can go into our national parks and enjoy themselves. Even the chairman of the committee has said that out in his State they have to go into the national forests because the facilities in our national parks are not being maintained properly. Yet here we are taking on more areas, some 9,500 acres, in a place that is some 2,000 miles from here.

There is one other thing I should like to mention particularly, and that is this: Here we have a bill where the Director of the Park Service has said that under its terms he will spend $120,000 for capital improvement and he will spend $60,000 annually for maintenance. The chairman of the committee has indicated that he is going to cut that in half and make it $60,000, and $30,000 for maintenance. I am sorry more Members of this House have not been down there to see what that area is like, but it is mountainous, it is really hilly, believe me. When you go on a road for a ride, you ride in a jeep and you hang onto the sides just as tight as you can, because it is almost straight up and down.

If you are going to cut these funds from $60,000 to $30,000, what are you going to do with it?

How are you going to improve this place so that these so-called poor people that the gentleman mentions can enjoy these facilities? Let me tell you this. There is no fresh water there. The only water you get comes from the rain. You can catch it on the roofs of the houses, or you can do as Mr. Rockefeller is doing at Caneel Bay and cover up one side of these mountains and plaster it with concrete. That is exactly what they are doing. At the bottom of that place, water runs down, and they store it. Caneel Bay is a very delightful place. Mr. Rockefeller is spending some $2 or $3 million there, and they are also building one of these catchments on the side of the mountain, and it is costing $200,000 to do that. How ridiculous can you be? Are you going to build campgrounds for the people who are going to go down there from this country and not give them any water; what are they going to camp on? Are they going to carry that water over there on their shoulders? The gentleman from Pennsylvania has mentioned the cost of getting there. I do not know what airlines he checked, but I, too, checked the airlines and the tourist round-trip figure that I was given was $182.04, and first-class fare is $215.82. Maybe he has a cheaper airline than I have. I do not know, but I would think they would all be the same. When you add up a few incidentals, it would come, I think, reasonably close to the $500 figure which was mentioned in the minority report. I believe for these reasons that this bill is a bad bill and that the Park Service department should be more concerned with the present park area of some 23 million acres, which is presently under their control. I imagine most of you gentlemen are receiving letters occasionally from your constituents complaining about the conditions of the Park Service in your home areas. I know I am. I imagine many others are having the same experience. I think our Park Service department would be well advised to stay within what they already have. They are going to spend $785 million on it, and they should not take on any more.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. BATES. I congratulate the gentleman from Washington for the very splendid statement he has made. I did want to listen to his remarks, because I realize how fully he goes into all subjects that he undertakes to study. I was particularly impressed with the fact that the gentleman mentioned that this is no time for the Federal Park Service to expand itself. Last summer the gentleman from Washington went to Salem, Mass., and looked at the park there which is only about 200 yards by 50 yards in size.

Mr. WESTLAND. I might say to the gentleman from Massachusetts that it was in an entirely disreputable condition and some funds could well be spent in that area.

Mr. BATES. When we inquired into the reason why money was not spent, they said that the money was not available.

Mr. WESTLAND. That is right.

Mr. BATES. That is why I say the gentleman's point is well taken that this is no time to expand into other park areas.

Mr. WESTLAND. I thank the gentleman for his remarks.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. BUDGE. Pursuing further the colloquy between the gentleman from Massachusetts and the gentleman from Washington; does the gentleman from Washington know of any national park or parkway in this country where the people in the area think that the funds have been sufficient for the proper maintenance of that park or parkway?

Mr. WESTLAND. If there is, I am not acquainted with it. I might say in my own district I have the Olympic National Park of 900,000 acres and certainly they could use a great deal of funds to modernize some of the facilities they now have.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. ASPINALL. Is it not true that most of the national park areas to which the gentleman referred are in the Far West, and that there is no comparison between the area to which the gentleman from Massachusetts drew our attention and the area which comes under discussion at the present time? Although the gentleman is right in asking for an improvement in that particular historic site, they do not serve the same purpose; is that not correct?

Mr. WESTLAND. They may not serve the same purpose I will say to the gentleman from Colorado, but both would be under the National Park Service, and this is merely an indication that the present facilities are not being maintained in the way they should be.

Mr. ASPINALL. Does the gentleman not feel that all parts of the United States should have some of these facilities?

Mr. WESTLAND. I surely agree, and they should not expand their present facilities.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WESTLAND. Let me make one more point. It has been stated that Mr. Rockefeller is the owner of these 9,500 acres, and that he has already acquired 5,000 acres. They have told me they have spent between two and one-half and three million dollars at this delightful spot at Caneel Bay. It is generally conceded that Mr. Laurance Rockefeller is an outstanding conservationist; that he is a man who wants to preserve something of this kind. I think the best thing we could do would be to let Mr. Rockefeller preserve these areas himself. Let some of that money which he is spending be spent right there, and let him have full control of it. I am sure Mr. Rockefeller, who is an outstanding conservationist in this country, would see to it that these horrible things which have been mentioned today would not be built in that area; and let the Federal Government stay out of this altogether.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. ENGLE. As I understand the gentleman's argument, he says that this is a bad bill because we cannot afford it. I believe the gentleman will agree that we should have a good park system, and he knows too that a 10-year program has been recommended to bring our parks to a respectable level. I would assume that the gentleman would probably be willing to support that. I would like to say to him that in all probability we will have a bill coming before this Congress to appropriate some three or four billion dollars for overseas aid, of one kind or another, to add to the $40 billion we have already put in there. It seems to me it is little enough to pay for our own people when all we are asking for in this bill, if they get everything they request—and I am proposing to cut it in half—the sum of $60,000 for capital investment and some $30,000 annually to keep a park ranger down there.

Mr. WESTLAND. I appreciate the gentleman's great thoughts on economy, and I concur with him heartily in economy, but economy should come in the proper place. If we are going to create a park of 9,500 acres, and spend $30,000 a year on it, what have you got? You might just as well take the $30,000 and throw it away.

Mr. GROSS. Will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. GROSS. If the gentleman from California had been voting as I have on this foreign giveaway program, we would have some money to take care of our own people.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. I want to compliment the gentleman on bringing this matter to the attention of the House. I would like to ask if there was any testimony as to the ownership of the other 3,000 acres on the island. I read in the minority report that this proposed park will concern itself with the scenic, recreational, and historical beauty and significance, and at the same time I read that the property concerned is exceedingly mountainous and hilly.

Mr. WESTLAND. Yes.

Mr. OLIVER P. BOLTON. Presumably it does have some area down next to the water which would have a certain amount of recreational bases. But the scenic benefit of the mountains must go to the property owners adjacent. I wonder whether there was any testimony regarding the ownership of other parts of the island.

Mr. WESTLAND. There was some testimony from people who lived there,

and they were very concerned over the possibility of being thrown out of this 9,500-acre area. I notice in the report that although they will be able to live there to the extent of their lives, as soon as they have passed on, their property will revert to the Federal Government. I am sure they never had that idea. Certainly I never heard any testimony along those lines while we were in the Virgin Islands.

The CHAIRMAN. The time of the gentleman from Washington [Mr. Westland] has again expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield the gentleman 2 more minutes.

Mr. WESTLAND. I thank the gentleman.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. JONAS. I ask the gentleman to return to the thought he just expressed and I would ask a question. I see on page 2 of the report the statement is made that the present tenants within the taking area would be guaranteed a lifetime interest in their holdings, but said interests would not be inheritable or transferable. Who is to guarantee this lifetime interest to the present tenants?

Mr. WESTLAND. There is nothing in the bill so far as I could find, I would say to the gentleman, that would guarantee that right. I am sure that if the people who own homes within this area anticipated that they were going to be able to keep their homes that would be one thing, but for example, if they were taken over at the present time and later one had a child, that child would not be able to inherit.

Mr. JONAS. That is right as I understand it. I understand also the Government does not propose to acquire property by purchase, condemnation, or anything of the sort, but it is to be acquired by outside interests and conveyed to the Government.

Mr. WESTLAND. As I said earlier, Mr. Laurance Rockefeller, in whom we had a great deal of faith, has bought this property. I am sure he would see to it that if somebody had a home there he would not be kicked out during his tenure.

Mr. JONAS. He owns only 5,000 acres of the 9,450.

Mr. WESTLAND. But I understand he has an option on the other 4,400.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. WESTLAND. I yield.

Mr. ASPINALL. Is it not true that the National Park Service does not use any right of condemnation to take over areas within parks, and that if this area were purchased by Mr. Rockefeller for the park he could very easily put a lifetime estate into the deed of transfer and thereby continue the right of the person in possession to occupy the property?

Mr. WESTLAND. I would say to the gentleman that I frankly consider from the language of the report that they would have a life estate only.

Mr. ASPINALL. The gentleman knows they could not take the property if the person in possession did not care to sell.

Mr. WESTLAND. That is correct, but by some legal gimmick or something you are going to say that when the present tenant has died that property will then go over to the Government. That is what it states in the report.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Saylor].

Mr. SAYLOR. Mr. Chairman, I rise in support of this legislation. It is true that there are some people in the United States who feel that there is already too much land within the confines of our national parks. With that I do not agree. At the rate our population is growing, however, it is incumbent upon the Members of Congress today to take a long-range view of our national parks, so that not just for today but also for the generations which are to come there will be areas within the United States that can be visited by our citizens.

Up until the present time practically all of the large areas that are in our national parks are in the West and Far West. In the eastern part of the United States there are very, very few areas of any size at all that can be visited as a national park, yet in the East we have our largest concentration of population.

It has been proposed in this bill that a large part of the island of St. John in the Virgin Islands be set aside as a national park. The man who had the vision and foresight to make these plans is Mr. Laurance Rockefeller.

It is true that he is one of the outstanding conservationists in the United States. It is because of men such as him that other people have had cause to really appreciate some of the things that exist in the United States and some of the things which he wants to preserve not only for the present but for the future.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Colorado.

Mr. ASPINALL. Is it not true that the only national park in the New England area is at Bar Harbor, Maine, the Acadia National Park, which was given to the Federal Government by Laurance Rockefeller's father, John D. Rockefeller; otherwise there would not be a national park in that area?

Mr. SAYLOR. That is correct. If it were not for John D. Rockefeller there would not be an Acadia National Park in Maine. Also if it were not for the Rockefellers we would not have the Grand Teton National Park to the extent it is there now. This family has been one of those that have used their substance in this world not just for their own good but for the benefit of mankind, present and future. In those respects I sincerely believe they are to be commended.

There has been some comment that certain people who live on this land within the confines of the proposed Virgin Island National Park will only have a life interest. I may say to the distinguished gentleman from Washington that there is absolutely nothing new in acquiring real estate and allowing the present owner to have a life interest in his property and at the death of the present life tenant the property will revert to some other person. It makes a difference in the amount that is paid for the property and that is just what is proposed to be done down there in the Virgin Islands. They intend to allow these people who are natives to live in their homes, to stay there until the present tenants have passed on, knowing that they can make a place for their children. The money they will receive for their reversionary interest will be paid at once and they can use the money to allow their children to go out, get an education and find some other place in which to live.

I sincerely hope that the Members of this House will see to it that the bill is passed. I commend the gentleman from California [Mr. Engle], our chairman, for having seen to it that some of the provisions and askings of the Park Service are cut down so that it is not a financially infeasible proposition. I shall go along with his recommendation, even though I feel that as far as capital outlay is concerned, it should remain as it is in the present bill.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Idaho.

Mr. BUDGE. Of course, we all appreciate Mr. Rockefeller's generosity with regard to the preservation of the scenic areas in this Nation. But I recall at the time a similar proposal was entered into in connection with the Grand Teton National Park where Mr. Rockefeller donated land that he did not make the donation to the Interior Department until after the Congress had appropriated some $5 million to build the water system. Does the gentleman have any information as to how the water system and the other utilities are to be provided in this area, and, if so, what the cost will be and who is to put them in?

Mr. SAYLOR. The facilities that are necessary at the present time for Caneel Bay have already been put in by Mr. Rockefeller and also included in the donation. For the further expanse that will be necessary in this area, it will be up to the Members of Congress to face up to their responsibility and provide for the people in the East just as we are going to provide for the people in the West whatever is necessary for the proper maintenance of our national parks.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 1 minute to the gentleman from Idaho [Mr. Budge].

Mr. BUDGE. Mr. Chairman, I appreciate the courtesy of the gentleman from Nebraska. I would simply like to correct the inference made by the gentleman from Pennsylvania. In the current National Park Service budget and in all of the Park Service budgets for the last several years, by far the larger part of the appropriations have not gone to the parks in the West. They have gone to the parkways in the East, and I think an examination of the Park Service budgets will very clearly show that fact.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. Jonas].

Mr. JONAS. Mr. Chairman, I asked for this minute in order to ask the chairman of the committee, the gentleman from California [Mr. Engle], a question. It was stated that the Legislature of the Virgin Islands had approved this legislation. I notice on page 3 of the report, the second proviso in the resolution that was adopted by the legislature, it says this:

> All efforts be made by the Congress of the United States and the United States National Park Service to protect and maintain the vested interests of the residents of the island of St. John.

Am I to understand that the Legislature of the Virgin Islands approves the method of acquiring the land and reserving to the present tenants only a life estate, in view of that provision in the resolution?

Mr. ASPINALL. Mr. Chairman, will the gentleman permit me to answer the question?

Mr. JONAS. Yes.

Mr. ASPINALL. The legislation only calls for about three-fourths of the area of St. John to be taken over for a national park facility. The other one-fourth will remain in private ownership. This provides that the part that remains shall not be trespassed upon by the National Park Service or the National Government. It also provides that any of the taxing base that there is on the island of St. John shall be left as nearly as it is at the present time. The bill before us permits that very thing to take place.

Mr. JONAS. You mean that the proviso I read relates only to the owners of the remaining part of the island which is not to be taken over.

Mr. ASPINALL. That is right. There are only about 3 or 4 owners of property within the area concerned, and they would not be dispossessed.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. Aspinall.].

Mr. ASPINALL. Mr. Chairman, I think we should have a clear idea of just what we are trying to do in this legislation. First, we are trying to firm up a national park area for a part of the United States of America that has no national park facility at the present time. Second, we are trying to preserve for use by the ordinary citizen an area which is of very low value for other than recreational and home purposes. This would take from the island the center of it mostly, with some of the shoreline, and set it aside as a national park, but would permit a sufficient amount of the shoreline to remain for private enterprise to develop and use as it sees fit.

It so happens that these islands were among the first of the Carribean Islands that were taken possession of by the Spanish Government. Later on they came under the jurisdiction of England, then the Danes, and, then came our own jurisdiction over them in 1916. We did not buy these islands because of any economic value that they had to the United States. We purchased this outpost of the Carribean because the harbor at Charlotte Amalie, the main city on St. Thomas, was the most perfect harbor we could have for our defense purposes in the First World War.

The island of St. John has been used for agricultural production for a long time, as the gentleman preceding me has suggested. The particular island of St. John is an area of a few thousand acres which presently is covered almost entirely with a secondary growth of timber, an island which once, when slaves were being used, was extensively cultivated for sugarcane production. I think that it is a very sound idea to take over control of the area before it can be put to use by only a select group of our citizens. I would remind the committee that a similar development took place near Bar Harbor, where John D. Rockefeller II gained control of the area, developed it as an area to be set aside for the use of the public, which presently uses it as a national park under the jurisdiction and control of the National Park Service. Last August I saw hundreds of families camping out, as it were, in Acadia National Park. There were no plush hotels for the users but rather, just well-kept and orderly camping facilities. It does not have any expensive improvements. The area at Acadia National Park is used for public camping grounds more than anything else. That is what will take place on St. John if it is developed into a national park. There will be a modest headquarters for the Park Service; the development of one road perhaps 5 miles long, a few trails, and 2 or 3 camp grounds.

Quite a fuss has been made in this debate about the water supply. The only need for water within the interior of this small island is for drinking and cooking purposes. These people go from the top of the island down to the bays to swim. They do not have to worry about a large quantity of water.

Some water and sewage facilities will be necessary, of course. But these need not be extensive.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Washington.

Mr. WESTLAND. Does the gentleman honestly believe that that catchment that the Rockefellers are building there now would provide sufficient water for camping facilities up at the top of the mountain?

Mr. ASPINALL. I believe that there will be enough water provided by using that water and other water that can be secured. The gentleman knows—he was with us when we were on top of the mountain and found one family living up there—that they got all of their water from just the roof.

Mr. WESTLAND. If the gentleman will yield further, is not that exactly what this bill would prevent, another family from building a home within these 9,500 acres? We talked to that person. He had a home he had built himself and on which he said he had spent perhaps $8,000, and which was worth perhaps $15,000 because he used his own labor on it. Putting all of this acreage in a park area would preclude any further such construction.

Mr. ASPINALL. I would admit that, but it would provide for the public the opportunity to use this area for their recreational and vacation needs.

Mr. WESTLAND. If the gentleman will yield further, is the public precluded from using the area now or has the public ever been precluded from using it?

Mr. ASPINALL. The gentleman knows very well that if it comes under private control that the common people, the ordinary citizen, will not be allowed to use it.

Mr. WESTLAND. Does the gentleman believe that if this were left in the hands of Mr. Laurance Rockefeller he would keep the public out of that 5,000-acre area that he already owns?

Mr. ASPINALL. The gentleman from Colorado believes that if Mr. Laurance Rockefeller's dream is not allowed to develop, then he will not continue his ownership of this property for very long. The gentleman understands why Mr. Rockefeller bought this property. He did not buy it for the purpose of developing any profitmaking enterprise on his own part. He bought it so that he could set it aside as an area to be used by the public; is not that correct?

Mr. WESTLAND. The gentleman surely does not believe that Mr. Rockefeller is running short of money so that he would not continue with his plan?

Mr. ASPINALL. The gentleman knows that Mr. Rockefeller has already put more money into this development than he contemplated putting into it in the first place.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I have no further request for time.

Mr. ENGLE. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Chairman, I should like to commend the gentlemen on the other side of the aisle who have made their presentation in opposition to this bill. I do so even though I am strongly supporting the proposed legislation. I happen to come from a part of the country where a big proportion of the national parks and monuments are located. I have 16 national parks and monuments in my own district, including the Grand Canyon, perhaps the greatest of them all.

I know the great need for this mission 66 program. I think the opponents today have made out a very good case for mission 66; I wish we were voting on it now. But I do not think they have made out a good case against this particular bill today.

As the chairman of our committee stated earlier, this proposed legislation initiated—I think that point should be reiterated here—in a request by the Department downtown.

As the gentleman from Pennsylvania [Mr. Saylor], perhaps one of the leading conservationists in Congress, has indicated, this is a conservation issue. It is perhaps one of the most important conservation issues this Congress will have an opportunity to vote on. The idea for this bill originated with the Department of the Interior, and they propose to preserve this great natural resource.

The picture we see here at the moment then is the gentlemen on this side of the aisle rescuing a conservation measure proposed by the administration. That is not, perhaps, an unusual situation, but that is precisely the picture we have here this afternoon.

So I say this is a sound conservation measure. It is needed. I think we will look back in the years to come and say that in enacting this legislation today we acted wisely to conserve one of the last great areas that will qualify for national park status.

I say to all Members of the House, let us back up and support this request by Dr. Wirth, the National Parks Director, and by the administration, and let us set aside this area and add it to our great national park system.

Mr. ENGLE. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. Kean].

Mr. KEAN. Mr. Chairman, this bill is an administration request. It is a gift to the United States by a farsighted citizen looking to the good of our children and our children's children. If the people had been so narrow-minded 50 years ago as some of the statements I have heard here today, we would never have had Yellowstone Park, we would never have had the Grand Canyon National Park, we would never have any of our great national parks.

This is a unique area. It is different from any other area in the United States where there is a park. If we turn down this request today, as I said when I questioned the chairman from the floor, it is practically sure that the area will be immediately grabbed up by wealthy people and by hotel people who were down there last fall in flocks in St. Croix, and I am sure would be in flocks down there in St. John, and the area would be completely spoiled.

It is a wild area. I went around the proposed park by boat, all around the entire island. I do not think there were a dozen houses you could see in the area which is to be taken over. On the north side of the island there are wonderful white beaches without a person there. It is a unique area, an area which for the good of the people of the United States in future generations should be made into a park. If we do not do it now we are apt to lose it forever. I think for the sake of our children and our grandchildren we should vote to accept this wonderful gift from Mr. Rockefeller.

Mr. ENGLE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. O'Brien].

Mr. O'BRIEN of New York. Mr. Chairman, may I say that I believe the opposition to this bill is very sincere and possibly right, although I disagree with the opposition.

I should like to touch very briefly on three of the points which have been made here. No one's land will be taken away from him. It will be donated or sold. I think that when a person donates or sells a piece of property it is rather generous to give him a life interest in that property thereafter, so there would be no injustice in that field.

I was impressed with the dispute over the cost of going to the Virgin Islands. Some say $204 and some say $500 for a couple. But may I say for a resident of my community in New York State contemplating a vacation either to the Virgin Islands or to the Yellowstone National Park, I would think either sum would be about equal, especially if in the Virgin Islands you were not going to be burdened very heavily for living costs after you arrived. Finally, and I think this is an important point, we are very much concerned here with the economy of the Virgin Islands. We know it has cost the United States a considerable amount of money in an effort to keep their economy high. In this case, $5,000 approximately in taxes would be lost on this property taken over, but we would permit the Virgin Islands to continue to tax the concessions in the national park and that, I would think, would balance out or more than balance out the $5,000 lost plus the rich flow of tourists which would help the economy of the Virgin Islands.

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired.

The Clerk will read.

The Clerk read as follows:

> *Be it enacted, etc.,* That a portion of the Virgin Islands of the United States, containing outstanding scenic and other features of national significance, shall be established, as prescribed in section 2 hereof, as the "Virgin Islands National Park."
>
> The national park shall be administered and preserved by the Secretary of the Interior in its natural condition for the public benefit and inspiration, in accordance with the laws governing the administration of the national parks (16 U. S. C. 1, and the following).
>
> Sec. 2. The Secretary of the Interior is hereby authorized, subject to the following conditions and limitations, to proceed in such manner as he shall find to be necessary in the public interest to consummate the establishment of the Virgin Islands National Park:
>
> (a) The acreage of the national park shall be limited to a total of not more than 9,500 acres of land area, such total to be comprised of not more than 50 acres on the island of St. Thomas, and not more than 9,450 additional acres to be comprised of portions of the island of St. John and such small islands, rocks, and cays not in excess of 1,000 acres in the general vicinity thereof as may be desirable for inclusion within the park;
>
> (b) Tentative exterior boundary lines, to include land not in excess of the aforesaid acreage limitations, may be selected for the park in order to establish the particular areas in which land may be acquired pursuant to this act, such tentative boundaries to be selected and adjusted as may be necessary by the Secretary of the Interior;
>
> (c) The Secretary, on behalf of the United States, is authorized to accept donations of real and personal property within the areas selected for the park until such time as the aforesaid total of 9,500 acres shall have been acquired for the park by the United States, and he may also accept donations of funds for the purposes of this act;
>
> (d) Funds made available for purposes of this act may be used by the Secretary in such manner as he shall find to be in the public interest, in order to procure by purchase or otherwise, land or interests therein for the park;
>
> (e) Any Federal properties situated within the areas selected for the park, upon agreement by the particular agency administering such properties that such properties should be made available for the park, may be transferred without further authorization to the Secretary by such agency for purposes of this act;
>
> (f) Establishment of the Virgin Islands National Park, in its initial phase, shall be and is hereby declared to be accomplished and effective for purposes of administration when a minimum acreage of not less than 5,000 acres in Federal ownership for purposes of this act shall have been acquired by the United States in specific areas containing such acquired lands to be designated by the Secretary; and
>
> (g) Notice of the establishment of the park as authorized and prescribed by this act shall be published in the Federal Register.

Mr. ENGLE (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Miller of Nebraska: On page 3, line 3, strike out subsection (d) of section 2 and reletter the following subsections accordingly.

Mr. MILLER of Nebraska. Mr. Chairman, the chairman of the committee, the gentleman from California [Mr. Engle] and I have discussed this amendment. It strikes out the words:

> Funds made available for purposes of this act may be used by the Secretary in such manner as he shall find to be in the public interest, in order to procure by purchase or otherwise, land or interests therein for the park.

It seems a rather wide authority for the Secretary to have.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. ENGLE. I concur in the amendment. We want to make it clear that we do not authorize the purchase of land. That can be made more abundantly clear by the amendment which I propose to offer, but I agree with this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. Miller].

The amendment was agreed to.

Mr. ENGLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Engle: On page 3, line 24, add a new section as follows:
>
> "Sec. 3. There is hereby authorized to be appropriated from Federal funds a sum not in excess of $60,000 for capital improvements for said Virgin Islands National Park, and a sum of not in excess of $30,000 annually for the administration of the Virgin Islands National Park."

Mr. ENGLE. Mr. Chairman, this is the amendment which was previously discussed. The major objection to this legislation comes from those who think that we should not be setting up too elaborate a scheme in the Virgin Islands to take over and manage the park area being provided by the generosity of Mr. Rockefeller. So I asked the Park Service to supply me with a breakdown of what they had in mind. I previously referred to where it can be found for those who may hereafter or now want to look at it in the Record. It is on page 19 of the Senate hearings on the bill S. 1604, the companion bill in the other body. Here is what they ask for. They want a superintendent, a chief ranger, a naturalist, a ranger, an administrative aid, and two clerk-stenographers. Those are seven permanent positions which is more people than I have running the professional staff of my committee. I told Mr. Worth I thought he ought to be able to get along on a good deal less than that. Those salaries, taking into account the Territorial differential of 25 percent, run to about $38,000. The balance of $60,000 includes some $9,000 for travel and some $6,000 for temporary and seasonal labor and general expenses making up $6,987 or a total of $60,000. So I told Mr. Worth we ought to be able to get along with a superintendent and a couple of people to help him out. Nine thousand five hundred acres is not a big layout, and we do not want to set up a large administrative agency.

Therefore this amendment places a limitation of $30,000 for annual administrative expenses. The amount requested for capital investment is $120,000: $10,000 for trails, $50,000 for roads, $25,000 for buildings, $20,000 for sewerage, light, water, and communications; $15,000 for archeological surveys. My amendment would cut that in half. It would leave the $10,000 for trails, $10,000 for roads, $20,000 for building structures. All that we need is a little ranger station there, and the total amount requested for sewerage and water and communications is left in. The $15,000 for archeological surveys is cut out entirely, because I think those fellows down there can do that themselves. The purpose is to limit these amounts so that we are not setting up a large administrative agency. The service rendered to the visiting public will be taken care of largely by the concessionaire, who will operate his concessions on a nonprofit basis. If at some later time these amounts appear to be inadequate, it is always possible to come back and amend this authorization bill and change it in the light of changing circumstances.

I have offered this amendment after consultation with the gentleman from Nebraska [Mr. Miller], who appeared on the minority report, to make the bill more acceptable to him.

Mr. MILLER of Nebraska. I agree with the gentleman from California [Mr. Engle]. The amendment should be adopted as presented by the gentleman from California. It overcomes some of my objections because I thought they were starting out in a much too grandiose manner. They can always come back to Congress and the Congress will listen to their plea.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Engle].

The amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Miller of Nebraska: On page 2, lines 8 and 9, after "more," strike out "than 50 acres" and insert "than 15 acres."

Mr. MILLER of Nebraska. Mr. Chairman, the bill on page 2, lines 8 and 9, calls for 50 acres of land on St. Thomas. That is the other island, some 40 miles away. All they need acreage for is a dock and perhaps a storage warehouse in which to store some of their materials. It did seem to me that acquiring 50 acres on another island might be taking land needed by the island in the days ahead. I am sure they can get along with 15 acres of land for a dock and the necessary road, and for a building sufficiently large to store any materials they may have to store in order to get over to the island of St. John. I am a little fearful that some people in the park service might want to build a nice large house down there on the island of St. Thomas, which is a very beautiful place, and have a very plush yacht that they could use to go back and forth to and from the island of St. Thomas, but 50 acres seem a little large for even a nice house or another building. So I am offering the amendment to cut down the size of the bill.

Mr. GROSS. Mr. Chairman, a few minutes ago the gentleman from Arizona indicated we ought to accept this proposal because it is asked for by the administration and specifically by Mr. Wirth, who, I believe, is Director of the National Park Service. Now, I will say to you that it is my belief in the light of some recent developments that Mr. Wirth is completely uninhibited when it comes to asking for things, so that statement makes little or no impression upon me.

We have pending before the House now a bill to build, at the expense of your taxpayers and mine, a six-lane traffic bridge across the Potomac between the States of Maryland and Virginia, down at Alexandria, Va. Also pending is a bill to provide that Mr. Wirth get out of the bridge-building business, and turn it over to the Department of Commerce. Yet in spite of that bill to take Mr. Wirth and the Department of the Interior out of the bridge-building business at Alexandria, he is still coming before Congress and asking for authority to build bridges in the District area. So he is apparently uninhibited when it comes to asking for legislation.

I wonder if this bill is a proposition to bail Rockefeller out with his already heavy investment on St. Johns Island? I have not been able to determine from the arguments that have been made around here whether this is a bill to bail Rockefeller out of his $3 or $3½ million investment down there. I just cannot see it from the standpoint of the citizens of this country, and particularly the average garden variety of American citizen taking a trip to St. John and down in the Caribbean; I cannot see it at all. Maybe there is going to be a great exodus of tourists at $500 per man and wife for transportation alone, but I doubt it.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ENGLE. One hundred and three thousand visitors went down to the Virgin Islands in 1954. I explained that I thought a good many of those came from Puerto Rico; nevertheless, there is a tremendous number of people going to the Virgin Islands.

With reference to Mr. Rockefeller, he hardly needs any bailing out. In this case he is going to donate the land, and in addition to that he is setting up a hotel and other accommodiations that will cost two or three million dollars to be operated on a nonprofit basis.

Mr. GROSS. Some one suggested here a little bit ago that if this bill was not passed he might pull out.

Mr. ENGLE. I do not understand he is going to pull out, but if they do not use it as a national park it may be used for something else.

The gentleman remarked a little while ago that if I had voted as he did on foreign aid we would have had more money for things like this. I would like to go something like 50–50 on this foreign-aid business—a dollar for them and a dollar for the home folks. I do not ask the gentleman to go that far even on this one. It seems to me appropriate to do something for Americans once in a while, and that is what this bill will do.

Mr. GROSS. Of course we have had no such 50–50 foreign aid proposition before the House. I would like to make it about 10–90, wherein foreigners put up 90 cents on every American handout dollar. I might vote for that one, but we have had no such proposition as that offered to us.

You talk about tourists. Those who will travel to St. Johns Island will be people of considerable means. There are quite a lot of them in "Mon-ah-co" or "Mon-ay-co," however you pronounce it, right now, but I do not believe you will find every-day Americans able to go to Monaco, and understandably so. Incidentally, I think that Prince and Princess business has become very disgusting, if not nauseating.

Mr. Chairman, I am opposed to this bill.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The question is on the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment more or less in the nature of a perfecting amendment in view of the adoption of the last one.

The Clerk read as follows:

Amendment offered by Mr. Miller of Nebraska: On page 2, line 10, strike out "50" and insert "85."

Mr. MILLER of Nebraska. Mr. Chairman, that merely corrects the amount of acreage and keeps it in line with the rest of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. Miller].

The amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. Miller of Nebraska: On page 3, after line 23, insert:

"Sec. 3. Notwithstanding the provisions of section 2 hereof the authority to accept, acquire or receive by exchange lands for park purposes under this act shall terminate 3 years after the effective date of this act and no land shall thereafter be added to the Virgin Islands National Park except by act of Congress."

Mr. MILLER of Nebraska. Mr. Chairman, I have discussed this briefly with the chairman of the committee. The difficulty we have had in some of our national parks in the past seems to be that we set up a national park, then someone comes along without coming to Congress and enlarges that park. We have had that situation down in the Everglades Park, we have had it in a half dozen areas of the United States where great enlargements have been made without their coming to Congress for permission to have such enlargement.

My amendment would place some restriction upon the Secretary and limit him. If they want to go beyond the amount in this bill then it will be necessary to come back to Congress and state their reasons for the enlargement. That, I think, will avoid some problems like we have in connection with the Everglades National Park and some other parks. We have had before us from time to time the situation where they are trying to enlarge parks that sometimes seem to be large enough already.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

Mr. ENGLE. Mr. Chairman, I ask unanimous consent that the section be numbered 4, because we now have 2 sections 3 in the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Miller of Nebraska: On page 2, line 12, after "excess of", strike out "1,000" and insert "500."

Mr. MILLER of Nebraska. Mr. Chairman, this goes to the question of how many acres beyond the island may be acquired. The bill reads this way: "and such small islands, rocks, and cays not in excess of 1,000 acres in the general vicinity thereof as may be desirable for inclusion within the park."

One thousand acres takes in a lot of those islands. It stretches clear over to St. Johns, and clear over to St. Thomas. I think there again we ought to simply cut down on the amount of money in the bill. Possibly we ought to limit how many of these islands they may take in. This will make the bill a little more palatable to me and I think to other Members who signed the minority report. In other words, the Secretary here is reaching out and taking in, in addition to what he has here, another 1,000 acres of the islands around him. As I remember the area, that could include a rather large number of islands, going clear over to St. Thomas and probably to St. Croix.

I offer this as an amendment. It will make the bill more acceptable to those of us who signed the minority report. If they find they need more islands and need more help, they should come back to the Congress and state their reasons.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask a question of the chairman of the committee. Under this bill is all of the waterfront at Caneel Bay reserved for use of the public?

Mr. ENGLE. The answer is "Yes."

Mr. O'HARA of Illinois. When the distinguished and beloved gentleman from New York [Mr. Gamble], and I visited the Virgin Islands a few months ago we found that they were erecting near the waterfront a number of cottages to rent. However, at that time all of the waterfront apparently was open to public use. That will be continued?

Mr. ASPINALL. Mr. Chairman, if the gentleman will yield, the gentleman is not exactly right. The area around Cruz Bay, which is just to the south of Caneel Bay, is all privately owned, and from there on around for a considerable distance, as well as over to Coral Bay on the other side, it will still be open to private ownership. It starts someplace between Cruz Bay and Caneel Bay area, and Rockefeller is building, as the gentleman knows, on his own property, and that will be turned over to the Federal Government.

Mr. O'HARA of Illinois. I do not know whether the gentleman quite understands me. I am one who believes that Caneel Bay is perhaps the most beautiful bathing spot in the world, and I believe the gentleman agrees with me.

Mr. ASPINALL. The gentleman from Colorado agrees with the gentleman.

Mr. O'HARA of Illinois. Under this bill will the beach at Caneel Bay be under private control?

Mr. ASPINALL. It will be part of the concession.

Mr. O'HARA of Illinois. What part of it?

Mr. ASPINALL. Well, it will be part of the concession that goes with the Rockefeller interests there, the cabanas, the motels, and the small houses up on the hill. But, they will be open to use by the public.

Mr. O'HARA of Illinois. As well as the title?

Mr. ASPINALL. And the title.

Mr. O'HARA of Illinois. When I was down there a few months ago part of Caneel Bay, that people talk about all over the world who have been there, seemed to me to be just in front of these expensive cottages that rent, as I understand, during the season at $100 a day.

Mr. ASPINALL. No; $17 a day.

Mr. O'HARA of Illinois. Well, that is what they told us. The cottages were not open. But the beaches in front of these cottages will be open to the public?

Mr. ASPINALL. Yes. That is right.

Mr. O'HARA of Illinois. I thank the gentleman. I wanted to make certain that it is the purpose of the authors of this bill to conserve for public use the entire beach and waterfront at Caneel Bay and similar place where the land meets the water. In Chicago we had a long fight to redeem our beautiful lakefront for use and benefit of all the people. It would be a tragedy if the entire Caneel Beach were not open to public use.

Mr. ENGLE. Mr. Chairman, if the gentleman will yield, I will be glad to make available to the gentleman the map which has been published by the Park Service which clearly shows that that bay which he describes as Caneel is shown on the map as Solomon Bay, and that will be part of the Federal property.

Mr. O'HARA of Illinois. That is as I understood, but I wanted to make it clear that this bill does not give authority to enter into any arrangement that closes the beaches to the public. I am most enthused over this project, having viewed firsthand the work that Mr. Rockefeller has done in building a road system where there were only dangerous trails and in restoring some of those old sugar mills that were operating at the time Jamestown was settled, as I understand it.

Mr. ENGLE. In commenting on the amendment just offered by the gentleman from Nebraska, I think it is unnecessary, but I do not believe it does any harm, and I have no opposition to it.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am happy to yield to the gentleman from Washington.

Mr. WESTLAND. My only thought is that if this property were continued in the ownership of Mr. Laurance Rockefeller, it could always be open to the public as it is today; that with the Federal Government entering into this arrangement, the picture will not be any improvement whatsoever. Does the gentleman agree with that?

Mr. O'HARA of Illinois. It is my understanding that Mr. Rockefeller, who put all this money into building roads and making restorations—and the cost was very heavy, especially as all materials and most of the labor had to be brought in from Puerto Rico and elsewhere—is now making a donation of the land and property to the Government for use as a national park.

Mr. WESTLAND. My only comment is that Mr. Laurance Rockefeller, as well known a conservationist as he is, would maintain that facility in the way it is today.

Mr. O'HARA of Illinois. Yes, but it is possible that Mr. Rockefeller might do someday as I am going to do someday—die.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. Miller].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Keogh, Chairman of the Committee of the Whole House on the State of the

Union, reported that that Committee, having had under consideration the bill (H. R. 5299) to authorize the establishment of the Virgin Islands National Park, and for other purposes, pursuant to House Resolution 442, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. WESTLAND) there were ayes 50, noes 17.

So the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LIBRARY SERVICES—NATIONAL NEED

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include an excellent statement on the subject of the library services bills, S. 205 and H. R. 2840, which has been prepared for delivery in connection with her appearance before the Senate committee hearings by my valued friend and distinguished constituent, Mrs. George R. Wallace, of Fitchburg, Mass.

Let me state that I am most desirous of associating myself with the sincerity and enthusiasm of Mrs. Wallace's comments and remarks concerning these important bills. Her statement is very ably written and forcefully presents the strong and, to my mind, unanswerable argument for these measures.

We should keep in mind that libraries are a truly indispensable part of American life and American culture. They are part indeed of our way of life, because they originated in some of our communities in the very early days of the settlement of this country. In my own State of Massachusetts, for example, historians have pointed time and time again to the fact that the Founding Fathers and the early settlers first put up their meeting houses and places of worship, then their schools, then their public libraries. These were the first public buildings or facilities provided in early New England and I believe that this pattern spread over much of the country.

We will never be able, of course, adequately to appraise the important role which libraries have played in the education and training, the development of our people and the growth of our great Nation. But we know that libraries, as much perhaps as any other institution, save our churches, were responsible for opening the doors of wisdom and enlightenment to our young people and giving then the inspiration and knowledge to forge ahead and undertake the great tasks of building the power, might, and strength of the Nation we live in today. Though sometimes I think we are not so conscious or aware of it, as we should be, it is an undeniable fact that these tasks still remain with us these days, which the early settlers superbly and willingly accepted and must still be carried out with energy, devotion, and untiring attention, if this Nation is to retain its vigor, its economic health, its spiritual power. If our way of life is to be sustained in this perilous world, if we are to conquer the great problems of the present and adapt our democracy dynamically to the needs of the hour, of unbelievable growth, of fabulous progress and of miraculous advancement.

Libraries are playing a greater role in America than ever before, not only in our communities, but in our great universities, colleges and schools, where research and development projects are pursued with fiery zeal by thousands of dedicated American men and women, in the precincts of our great cities where libraries are the indispensable hand maiden of American culture, in our Government, which prizes and prides itself with the great Library of Congress, probably the greatest institution of its kind in the world, and in the myriads of libraries which serve our armed services, not only in the United States, but virtually all over the world wherever the farflung forces of our Nation are deployed to check and deter the savage barbarians seeking the destruction of freedom.

Yes, my friends, libraries are esssential, necessary, indispensable to American life. If because of rising costs, mounting prices and, I fear, also perhaps because of lack of the same vigilance and meticulous devotion exhibited by our forbearers they are suffering from handicaps, from insufficient income, from lack of attention from government, local, State, and National, it is all the more imperative that Congress should act to hold out the supporting hand to bolster up and to properly develop our library system in the Nation.

Some will whine and complain, I know, about subsidies and bounties for functions that essentially belong to the States and local communities and shed their crocodile tears. But if this Government can pour out millions for oftentimes nondescript and futile purposes overseas, frequently controversial, libraries for foreign nations, I think we can afford a few million dollars out of our tax money to make sure that the libraries of America are kept intact, well-stocked, well-supplied and flourishing, their services up-to-date and efficient, that their doors are open to the old and to the young, and especially to those who seek the opportunities that come from the acquisition of knowledge and wisdom, because it is upon these young men and women that this Nation must rely to cope with and solve its future problems and to provide the leadership, which will, not only sustain, but strengthen and advance the democratic cause and the blessings of free government for our posterity. It is indeed the next generation that will settle the fate of mankind for centuries to come.

Thus, my friends, while the amounts sought by these bills are not great, seemingly picayune, the purposes to be gained are unquestionably unanswerable and of inestimable benefit to the Nation. Let us not languish in our efforts. Let us not permit these measures to die because of indifference or inattention. Let us not overlook them because they do not involve an appropriation for a billion dollars. On the other hand, remembering our own origins as almost each and every one of us can, remembering the values of libraries to us as individuals in our early lives when we were in school and college and seeking to secure our education, remembering the great historic and contemporary use and utility of libraries to unnumbered Americans through the Nation, remembering and marking well the tremendous influence for good which libraries serve in engendering intellectual curiosity in the young, in fostering learning, in promoting wisdom, in building the tolerance we need if America is to be kept as a haven for those who seek freedom, remembering all these things which have so benefited us in the past, in the present, and are so vital to our welfare now and in the time to come, let us insist upon the early passage of these salutary beneficial measures.

Mr. Chairman, in asking unanimous consent to revise and extend my remarks, and include therein Mrs. Wallace's fine statement, I most respectfully urge the chairman and members of our great Rules Committee to report H. R. 2840, which is now pending before that distinguished committee, to the full membership so we can debate it and pass it at the earliest possible time. This bill is a modest, but imperative, investment by our Government in the mental strength, educational growth, scientific, social, cultural, and ethical development of the Nation. It truly deserves our wholehearted, earnest support.

STATEMENT PREPARED BY MRS. G. R. WALLACE FOR APPEARANCE BEFORE SENATE COMMITTEE HEARING ON LIBRARY SERVICES BILLS S. 205, H. R. 2840

I am Mrs. George Rodney Wallace, of Fitchburg, Mass. I am serving my 27th year as trustee of the Fitchburg Public Library. For the past 3 years I was president of the Massachusetts Library Trustees Association. I am a member of a five-member Massachusetts Library Commission, appointed by Gov. Christian A. Herter, to make a study and to report on the financial situation and general condition of public libraries in Massachusetts. I am also serving as first vice president of the American Association of Library Trustees, a national organization working within the American Library Association and its public library division. My associations with libraries are enjoyed on a strictly voluntary basis.

I appear before you in favor of the Federal library services bills, speaking from the result of my own experience, from what I have seen with my own eyes, and from what I feel in my heart.

I favor this bill because it would focus the need for better library service within the 48 States and thousands of communities where 27 million people have no library service of any kind. The bill is designed to stimulate State and community thinking as to the ways and means to meet the need of one of the Nation's most vital services.

This library services bill is, I believe, a good, sound, modest bill. It recognizes what every tax expert knows, that a rural community, because of its limited tax capacity, cannot maintain adequate public library services for its people. The tax base in rural communities has long been recognized as inadequate for schools, public health, welfare services, and public highways; State and Federal funds supplement local resources for these purposes, and similar action must be taken on behalf of public libraries.

Librarians, library trustees, and friends of libraries in Massachusetts who are interested in equalizing library opportunities in our commonwealth are eager to see favorable action on this bill. We look to it as a way to finance projects which will demonstrate how, through federation, cooperative and contractual agreements, and regional service centers, our small libraries in our rural communities, without sacrificing local autonomy, may improve their overall library services; and how such services may be extended to areas which are now totally deprived of them.

May I say here that although I appear before you as a citizen of Massachusetts my interest in the bill derives from my concern for the people not only in the rural areas of my own Commonwealth, but in every State of the Union. They are all American wherever they live, hungry with the same hunger for good book services. And I will add at once that Massachusetts needs this bill as urgently as other States do.

Ninety-four percent of our public libraries in Massachusetts are substandard on the basis of the American Library Association standard of annual operating expenses of $1.50 per capita; and 250 of the 357 libraries of the Commonwealth are in communities with a population of less than 5,000 souls. It has long been apparent that financial assistance was needed in the rural communities. It is equally apparent that in this challenging mid-20th century world, the day is past when a public library, be it in the largest or smallest community, can remain a mausoleum of stuffed bluejays, rusty muskets, and shelves filled with old Harper's and Youth's Companion. The good public library today, wherever it may be—located on a hustling, bustling thoroughfare or a bookmobile traveling over the snowy or dusty lanes of a rural district, is an information and cultural center; and part of a great bulwark of national security and progress.

I envision the public libraries in our great Republic as a network of information and cultural centers, of vital importance to our survival and advancement. America's well-supported public libraries, most of which are in our large metropolitan areas, have long been among the most admired symbols of democracy in a world torn by fundamentally opposite concepts of how to achieve human progress. The opportunity of the individual to have access to the accumulated knowledge of mankind by way of the public library is one of the greatest tributes to democracy yet conceived. Yet today we are excluding 27 million Americans from this opportunity.

In 1950 a grant of $36,500 was made by Marshall Field 3d to the Massachusetts division of library extension to conduct a 2-year demonstration of regional library service in 12 western rural communities. In 1952, when the funds for this highly successful demonstration terminated, a citizen group known as the Franklin-Hampshire Rural Library Association, was formed; and through their concerted efforts and working through their local representatives, the general court appropriated funds to extend this western regional library center which today includes 38 rural communities.

I give you this picture of Massachusetts State participation in library services in order to show that the stimulation from Federal funds is urgently needed and further to show that we have a division in our department of education already set up to handle the much-needed funds and to implement the legislation proposed in this bill.

If I and others who favor this bill were to come before you and produce statistics to show that 27 million people—men, women, and children—were physically starving, were hungry for food—16 out of every 100 persons in America—we would need not more elaborate pleas. You, I assume, would make prompt recommendations for speedy legislation to alleviate the hunger.

Yet I have seen with my own eyes breadlines, as it were, men, women, and children standing in line awaiting their turn to enter the bookmobile and there choose their mental sustenance for the next 11 weeks. Lines of children eager for the chance to satisfy a profound hunger for books, and for all the sustenance and inner satisfaction that good books bring as they open the door to a new world of understanding. We must meet this hunger for food for the minds if we are to make America secure and strong in this mid-twentieth century world of harsh realities.

The $7½ million a year for 5 years which this bill proposes in the way of Federal funds is 5 cents a year for each person in the United States. It is the cost of one jet bomber. It is less than one-twelfth of what America, in a strange and rather sad manifestation of a deep hunger, spends annually on comic books.

In the fiscal year ended June 30, 1954, $109,044,000 of Federal funds was allocated for school lunches. The funds assisted in providing food for 9,362,000 pupils in the peak month—a most worthy area of Federal aid to fulfill a demonstrated need. This library services bill would allocate a modest $7½ million annually for 5 years—something like 28 cents each for the 27 million children and adults in our rural areas who need mental sustenance.

If we are convinced that good books of information and fiction and poetry and all the adventuring of man are a major part of the foundation of this Republic, and of the universal republic of mankind—

If in this conviction we so liberally use books in our United States Information Services abroad—

Would it not be strange were we to delay overlong in providing access to books for Americans in the rural areas, whence has traditionally come leadership for our urban centers?

If we translate this question of Federal aid into human terms, each dollar means a something in the way of providing for the people in our rural areas that which is their rightful inheritance as Americans, as individuals of human dignity and worth. Each dollar means that in some of the loneliest areas there shall be new and great and good companionship; that in some of the fairest sections of our land—and yet perhaps most economically retarded—there shall be planted new orchards of knowledge.

Gentlemen, public libraries today are facing a great challenge. They are being called upon to sell a vital product, and they need funds to set up the sample. The purpose of this library services bill is to set up the sample—to demonstrate, through consideration of certian specific examples, the immense power wielded by books. The aim is to see that books, which have the most profound influence on our history, our economics, our cultural, and our civilization, be made accessible to the children and adults living throughout our rural areas.

I thank you for the opportunity and the honor of appearing before you, and I most fervently appeal for your support of this bill.

AMENDING TITLE III OF THE SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. O'NEILL, from the Committee on Rules, reported the following privileged resolution (H. Res. 478, Rept. No. 2019), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9260) to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PUBLIC LIBRARY SERVICE IN RURAL AREAS

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 479, Rept. No. 2020), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2840) to promote the further development of public library service in rural areas. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

POLITICS AND STATESMANSHIP CAN GO HAND IN HAND

Mr. SCHWENGEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a speech of the President delivered on April 17, 1956.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, the evening of April 17, 1956, it was my privilege to attend an important meeting of my political party and where I think I saw some significant things happening that will go down in history and pointed to as a desirable trend in political activity.

This meeting began, Mr. Speaker, as a purely but respectable partisan affair, and it was reasonable to expect in this atmosphere that all speakers and participants in the program should appeal to the normal prejudices of party activity and the normal appeals were made with one notable exception. That was when President Eisenhower made his history-making presentation in which he demonstrated that the title of politician and statesmanship in their finest sense can go hand in hand.

Mr. Speaker, as I reflect back in history it seems that not since Lincoln's second inaugural address and Cooper's Union speech have we heard remarks so nonpartisan and yet so American at a purely political meeting.

Mr. Speaker, when in history have we heard the following at a political meeting:

> Now, no party has a monopoly on brains or idealism or statesmanship. We—Republicans and Democrats alike—are motivated by the same loyalty to the flag; by the same devotion to freedom and human dignity; by the same high purposes for the Nation's security and its people's welfare. Within our hearts and minds, in all things that are vital to the Republic, we cannot be partisans. We are all Americans. But in the practical pursuit of national objectives we differ in our methods, in our traditions, in our philosophy of government's responsibilities.

What could be a better objective of both our political parties than the following?

> The campaign is concerned with people, for the mission of our party is to help 167 million Americans build a nation stronger spiritually and materially. To describe the Nation I mean, permit me to quote myself: "A nation whose every citizen has reason for bold hope, where effort is rewarded and prosperity shared, where freedom expands and peace is secure."
>
> People are made in the image of God. They are divinely endowed with aspirations and talents. Their political organizations must reflect this truth. Therefore, the Republican Party must be inspired by a concern for the rights of every citizen regardless of his station; that sets up no walls of birth or creed; that ranks all men and women of decency and good will as equal in their dignity.

There is much merit in what this humble American, our President, said about self-discipline. Let me quote:

> A great Frenchman defined liberty as the right of self-discipline. In a nation such as ours, indeed in any social order, there is a great need for performance of certain jobs in which people must work together. In other forms of government this group work is produced under the orders of a dictator, or of a central government that is all-powerful. Free government gives us the right to do it by spontaneous cooperation. When that readiness to cooperate with others in the performance of these great problems disappears, then it will not be America. I deem it one of the great missions of the Republican Party to keep alive, to help to grow, to enrich the idea that every citizen must forever be eager to perform his obligations to the country when it is needed. Farmers, laborers, businessmen, veterans, all parts of our American community deserve the concern and support of government in making their contribution to our national well-being.

Finally, Mr. Speaker, may I make the observation that the history and story that we are pleased to call American is probably the most fascinating and challenging of any system ever given to mankind. This, in my opinion, is so because from the very beginning our people, through its government and its many and varied undergirding influences, have been conscious of a peculiar destiny; this is so because our people have seemed to sense that upon them has been focused, as if by divine appointment, the hopes and aspirations of a large part of the human race; and, Mr. Speaker, it has not failed, because throughout history we have had great men who set up signposts pointing the way for the people of their time—many of them here in the Halls of Congress—they are reflected in the lives of the men whose pictures we see on our left and on our right. The Father of Our County must remind us each day of his Farewell Address, and when we see Lafayette's picture we must be reminded of his great contribution toward making this Government of the people a reality.

We are reminded, too, of all the rich history of our country and that it is with virtuous contributions made by people that are remembered and become a part of our rich traditions, and since I feel that the type of thing exemplified by our President the evening of April 16 is a desirable trend in politics that should be encouraged by all who are in political life, and because I sincerely believe that historians will note this as one of the great documents in the history of our country, I am asking that his remarks be published.

My fellow Republicans, it is a grand feeling to know that I am among friends. As you may be aware, following any Presidential address, a flood of messages pour in at the White House. Among a very large group today, I am glad to say preponderantly, overwhelmingly favorable, there were a few sturdy souls who expressed themselves differently.

One man from California started out, "I am disgusted." And he said, "Never again will I vote for this party. To think that such a party would allow itself to be led by a weakling, persuaded by his business friends, his rich business friends, to crucify the farmers of the United States." He ended up by saying, "What you should do is kick out Secretary Benson and follow him yourself as fast as you can."

I really felt I would like to have answered that man, for this one reason: He was right; I have many, many business friends, and some of them sent me messages. But every message I had from the businessmen—and some of them old and dear friends—said, "Please sign the bill." So I think, just in defense of "terrible" businessmen, I should answer that one man.

Now tonight, even this early in 1956, we seem to find ourselves in the midst of a presidential campaign, though neither party has yet nominated its candidate for the office.

At stake in the contest will be more than public office, more than the elation of success or the gloom of defeat, more even than the fortunes of a great political party.

Next November, America will decide the course our Republic shall take through a 4-year span of inescapable problems and mighty challenges; of many dangers for the timid and the weak; of rewarding opportunities for the courageous and wise.

On that 4-year course—on the policies that guide it, on the character and attitudes of those chosen to direct it, on the spirit which animates the Republic during it—depends the continuance of our advance in prosperity, the strengthening of our security, the progress we shall make toward a just peace among the nations.

My fellow Republicans, the campaign before us is concerned with those things which count most—people and principles.

The campaign is concerned with people, for the mission of our party is to help 167 million Americans build a nation stronger spiritually and materially. To describe the nation I mean, permit me to quote myself: "a nation whose every citizen has reason for bold hope, where effort is rewarded and prosperity shared, where freedom expands and peace is secure."

People are made in the image of God. They are divinely endowed with aspirations and talents. Their political organizations must reflect this truth. Therefore, the Republican Party must be inspired by a concern for the rights of every citizen regardless of his station; that sets up no walls of birth or creed; that ranks all men and women of decency and good will as equal in their dignity.

The campaign is concerned with principles because they provide the only sound base for policies and practices. Policies not based on principle retreat to expediency. They become—as we have seen them become in the past—surrenders to pressure, bribes for support, escapes from responsibility. Because expediency is a betrayal of America's trust, the Republican Party in this campaign will be, as always, dedicated and inspired by principles, by political integrity.

But an evident concern for people and an incontestable concern for principles are not of themselves automatic guaranties of success in an election campaign.

These two elements must be demonstrated in a consistent program, understood by all our people.

Our party must be an organized crusade of men and women who preach and exemplify our concern and dedication. Republican men and women must be tireless in winning new friends to the party. They must be sustained by a high morale that is rooted in personal conviction.

To such a party any American could be proud to belong.

I am. I think none of us can be a member of a meeting of this kind without sensing, at least subconsciously, something of our traditions and the spirit of our first and greatest leader, Abraham Lincoln. One of the simplest and greatest facts of his life was that

long before he became President, he espoused a principle. He expressed it first publicly in his speech of the divided house. He said, "I do not expect a house to fall, but it will become all one or all the other." And from that moment on, he became dedicated to one ideal, one principle: to serve this country with all his might, to preserve it. To preserve the dream and the vision of our founding fathers, well knowing that a cut-up divided national existence on this continent would be ruin for us all.

Everything he did from then on, the insults he took from his own Cabinet, the sarcasm he endured, the way he was almost abused by a general, to the great horror of his aides. And he refused to resent it, saying merely, "If the man will win a battle, I will hold his horse." He dedicated himself heart and soul, and completely, to one thing: the good of the United States of America, which was its unity.

Even at that day, as he pondered the great Emancipation Proclamation, it was done as a war measure, for its influence on keeping this Nation one.

A party which in all its gatherings senses, hovering in a room such as this, that spirit, that history, that tradition, can never go far from the beaten path. Dedication to service, not to self-glorification.

I am often asked why I entered political life as a Republican.

Now no party has a monopoly on brains or idealism or statesmanship. We—Republicans and Democrats alike—are motivated by the same loyalty to the flag; by the same devotion to freedom and human dignity; by the same high purposes for the Nation's security and its people's welfare. Within our hearts and minds, in all things that are vital to the Republic, we cannot be partisans. We are all Americans. But in the practical pursuit of national objectives, we differ in our methods, in our traditions, in our philosophy of government's responsibilities.

I am a Republican, because I share our party's deep-lying trust in what freemen can do—a fundamental trust in the nature and capability of individual human beings.

I believe the Republican Party, in its methods and traditions and broad philosophy:

Offers the best hope of preserving the self-reliance and vigorous independence of individual Americans;

Best serves the Nation in the search for peace with justice and freedom;

Best fosters a competitive enterprise economy whose purpose is a wider prosperity fairly shared;

Best keeps economic decision-making in the hands of the people and out of the hands of Government;

Best answers the concerns of people for the meeting of their human needs;

Best assures our children, and their children's children, the heritage of an America rich in all the resources of nature, dynamic in great traditions and ideals and purposes.

I so believe because the Republican Party remains true to its heritage.

Our party was born to vindicate the equal dignity of all men, their equal right to life, liberty, and the pursuit of happiness. The dedication of its earliest days still animates our party in this age when worldwide corrosion eats away at freedom, and justice and opportunity for men.

The Republican Party has fostered the development of an economy, dynamic in its power to release men's energies. Vast, unfettered production for vast, unfettered consumption is the economic expression of our political belief: All who work to produce should share equitably in the fruits of their labor.

Today, under the policies of the Republican Party, our economy is more immense than ever before in its productivity, more bountiful in its widespread benefits, more dependable and more creative.

The Republican Party, by all its traditions, is committed to support men's aspirations and convictions as individual citizens. We reject any attempt to treat them merely as members of pressure groups or as serial numbers in the files of a Government office. The individual—in his God-given talents, in his limitless potential—is the source of every advance in the material and intellectual good of humanity.

That fundamental principle in the Republican credo has a corollary—every American is equal before the law and the conscience of Government.

In the philosophy of the Republican Party, the role of Government requires a faithful stewardship of the heritage received from our forebears, that heritage is to be transmitted—enriched and enlarged—to our descendants. Heedful to the wishes and the needs of the day, the Republican Party will not be false to itself by despoiling our children for a present, transitory advantage.

So believing, all of us must work to have the American people more clearly know the principles of the Republican program for America tomorrow, next year—a generation hence.

Now these principles, to my thinking, are several in number. They are implicit in the personal testament I have just made to you. But I should like to present some of them to you explicitly—for your examination, or correction, or amplification.

The first is this: The individual is of supreme importance. You, your family, your neighbors, the people down the street—people everywhere—every American of every race and creed should enjoy equally the rights and privileges of free citizens in a free nation.

And the second: The spirit of our people is the strength of our Nation. The ultimate values of mankind are spiritual. These values include liberty, human dignity, opportunity, and equal rights and justice. These are our heritage and birthright. Our common efforts to preserve and strengthen them must be inspired by things of the spirit—by national pride, by self-respect, by an eagerness to meet our responsibilities as freemen, by humility in our recognition of the debt we owe generations of men and women who built this Nation.

The third, in my opinion, is: No section or group in America can permanently prosper unless all groups and sections so prosper. More jobs and better jobs, a flourishing agriculture, happier living for every family, peace and plenty for all people—these call for a strong, growing, private-enterprise economy in which there are ever-increasing opportunities.

The fourth principle is surely this: Government must have a heart as well as a head. We must concern ourselves with basic human problems. Americans are committed to the alleviation of misfortune and distress among their fellow citizens. Government should increase and strengthen personal and family security without impairing the self-respect, the initiative, and the incentive of the individual to provide for his own.

The fifth: Courage in principle, cooperation in practice makes freedom positive. Our people's eagerness to compete is matched only by their willingness to cooperate in a common cause.

A great Frenchman defined liberty as the right of self-discipline. In a nation such as ours, indeed in any social order, there is a great need for performance of certain jobs in which people must work together. In other forms of government this group work is produced under the orders of a dictator, or of a central government that is all-powerful. Free government gives us the right to do it by spontaneous cooperation. When that readiness to cooperate with others in the performance of these great problems disappears, then it will not be America. I deem it one of the great missions of the Republican Party, to keep alive, to help to grow, to enrich the idea that every citizen must forever be eager to perform his obligations to the country when it is needed. Farmers, laborers, businessmen, veterans, all parts of our American community deserve the concern and support of government in making their contribution to our national well-being.

The sixth principle, as I see it, is: The purpose of government is to serve, never to dominate. There has never been a better, clearer explanation of this principle than one I have often quoted from Abraham Lincoln. "The legitimate object of government," he said, "is to do for a community of people, whatever they need to have done, but cannot do, at all, or cannot, so well do, for themselves—in their separate, and individual capacities. But in all that people can individually do as well for themselves, government ought not to interfere."

And here is the seventh principle I suggest: To stay free we must stay strong. Though we must recognize that peace cannot be gained by arms alone, yet we must gird ourselves with sufficient military strength to discourage resort to war and to protect our Nation's vital interests; moreover, we must help to strengthen the collective defense of free nations against those who would seek their ends through aggression. Our own and our allied strength must be spiritual, intellectual, scientific, material.

The eighth, and in this day requiring special emphasis, is: Under God, we espouse the cause of freedom and justice and peace for all peoples. The peace we want will be the product of understanding and agreement and law among nations. It will reflect enlightened self-interest. It will foster the concentration of human energy for the advancement of human standards in all the areas of mankind's material and spiritual life.

I believe that the Republican platform, presented to America at the national convention in August, will in substance be the expression of these principles applied to the human problems of today and tomorrow. It will therefore be a program for the good of all Americans, whether they work in field or factory or office. Faith in America and in God will be its inspiration. Courage and optimism will hearten it. Integrity will characterize it. The welfare of all the people, the security of the Republic, the peace of the world will be its objectives.

It is our conviction that, for Americans who cherish eternal principle and high purpose, that document will chart the path to a better America, a Nation ever growing in material and in spiritual strength. The Republican platform will be a program of principle around which all Americans—Republicans, Independents, and sound-thinking Democrats—can rally. We welcome them all.

Tomorrow you return to your homes in every State and Territory of the Republic, and on the islands of the Caribbean. You go as leaders, chosen to lead by those who know best your fitness for the responsibilities of leadership. To help prepare yourselves for the campaign ahead, you have, during the past 2 days, talked over the problems and the anxieties of our time, the strategy and the tactics of the campaign, the priorities of your various tasks and missions.

Permit me a word of counsel to you on the eve of your departure. I offer my observations with real temerity, because I want to talk a moment about leadership and organization, and I realize that every individual in this room has had real experience in these fields.

You have already entered a vigorous campaign, and the first point to remember is: There is no such thing as an easy battle. The purpose of the present battle is to win the hearts and minds of men and women—Republican recruits to assure the party's right to carry on the business and functions of government.

Above all, it is our hope to appeal to youth because, once won to our side, the young citizen will, each year throughout a life much longer than most of us will have, attract other men and women to the party.

The good fighter takes nothing for granted. It is not enough that you march under the Republican banner—a banner of which we are so proud because of the ideals and the principles for which it stands. You must look well to your organization and to the leaders you will assemble to direct its efforts.

Many long years in the service of our country brought me into contact with men whose qualities as leaders were unsurpassed. From them I learned many valuable lessons in organization. Among their immediate associates—that is, among the generals and the high-ranking staff officers—the great leaders surrounded themselves with the wisdom that comes from long study, from work, and experience. But they made certain, those great leaders did, that each lower echelon of leadership would in its composition, respond to the need for youth, for the idealism, the vigor, the enthusiasm of youth—in carrying out the hard and detailed work always necessary to victory.

As long as I am back in my military life for a second, I should like to observe one thing about leadership that one of the great has said—Napoleon. He said, the great leader, the genius in leadership, is the man who can do the average thing when everybody else is going crazy.

I think this is important in a political campaign, because I recall the incident one night when a great many people on my train, and certainly half of California, were suddenly upset, and they saw the election lost in California, therefore the Nation, and things were going to the bad place in a hand basket.

One man walked into the room and he said to this group of very excited people, "You might as well go on home, not even your worries and your fears and your trepidations can lose California." And, he said, "I know because I am going to speak for the Republican ticket, and I have asked the committee to send me into 17 other States, not here, I am not needed." And he was right.

So if you can just keep your head when the pressures are on, that is one of the marks of the real leader.

Moreover, the best leaders never lost an opportunity to visit their own front-line men—to see, to learn, but above all to establish that spirit of comradeship that would withstand any temporary reverse.

So it must be with any organization that strives to influence millions of people into a particular line of action. The wisdom of experience is necessary, and this you provide, each for your own organization. But it is not alone sufficient.

To weld your organization into an effective instrument for a political campaign, each of you must visit and must intimately know those who, under your direction, are carrying the daily burdens of the fight.

Moreover, to attract the young recruit, the mechanism of leadership that you set up must itself search out and employ the young. Our aim must be to convince every American newly arrived at voting age, that the Republican Party, by its principles and by the quality and appeal of its personnel, is the party through which young citizens' aspirations for their country can be achieved.

Moreover, we must convince them that it is the party in which their own qualities of leadership will be recognized and employed.

So shall we go before the country with a program that is concerned with those things which count most—peoples and principles.

Let us stand on a record that reflects only desire of the Republican Party to serve America honestly and earnestly, a record that is unempeachable in its concern for people and principles.

We will win if, from the moment of your arrival home, you work to build a crusading organization of inspired morale, determined to interpret Republican principles, and the Republican program to all the people.

Victory will be the product.

Ladies and gentlemen, I thank you for your kind attention.

OPERATION FANTASTIC

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 15 minutes.

Mr. PRICE. Mr. Speaker, we have recently observed a remarkable spectacle. The Republican Party is suddenly trying to picture itself as a great and good friend of labor. Gentlemen from the Republican Party are complaining that we Democrats have not done enough for working people, and that working people are going to punish us terribly at the polls.

This election-year maneuver might be termed "Operation Fantastic." But it is being spearheaded by the Secretary of Labor, Mr. Mitchell, a personally amiable man in an exceedingly tough spot in a Republican administration. It has the full cooperation of the Republican National Committee, which in its publicity pictures Mr. Mitchell as an excessively diligent and effective Cabinet officer. It is echoed in this House from the other side of the aisle.

Just before the Easter recess the gentleman from Pennsylvania [Mr. SCOTT] took the floor for a speech on what he blandly labeled the "President's program" for the benefit of workers. He ran down the list of nine little bills and complained that we Democrats had not moved fast enough. He piously expressed a political hope that what he called the "reluctant Democratic leadership" would "encourage" hearings on some of these bills. He promised menacingly that unless we got these precise little bills passed "American wage earners will judge this Democratic Congress as the foot-dragging, do-nothing Congress."

The next day another volley was fired by the gentleman from New Jersey [Mr. FRELINGHUYSEN]. This gentleman gave some statistics on an increase in industrial accidents and demanded action on the President's program including a piddling $2 million for grants to the States for industrial safety programs.

I assume it was not a coincidence that the gentleman from New Jersey put his statistics into the RECORD at almost the exact time Secretary of Labor Mitchell was releasing them at a press conference downtown. And once again we Democrats were menaced with the threat of labor's retaliation unless we approved the piddling $2 million; once again we were exhorted to act in behalf of the President's program.

It is understandable that in a political year the Republican Party wants to pretend to be a friend of labor—no matter how many things it does to workers in other years. Let us examine the pose.

Why is it up to us, in the second session of the 84th Congress, to "do something" swiftly about legislation for the benefit of workers. Mr. Speaker, the principal reason is that Secretary Mitchell, for all his soft soap now, did not have any comprehensive program of his own until less than a year ago.

He has been in office since the autumn of 1953, but it wasn't until May of 1955 that some of the bills in what he now calls the President's program were recommended. It was not until this year that others were recommended. Some of his reports, needed before sensible action can be taken on the basis of facts, arrived only recently. Some of them have not arrived yet.

There is something a little laughable about a solemn listing of 9 specific bills as Mr. Eisenhower's labor program. These bills, fundamentally, are nothing more than housekeeping measures. The purpose of most is laudable, but they are not measures to arouse the unbounded enthusiasm of working people. They are measures to make slight if desirable improvements in programs long ago put into effect by Democratic administrations. They blaze no new trails. They pioneer no new ground.

Let us take a look at some of the things the gentleman from Pennsylvania [Mr. SCOTT] did not mention in running down his list of measures to define Mr. Eisenhower's labor program.

He did not mention amendment of the Taft-Hartley Act. Why not? Because the belated Eisenhower proposals on Taft-Hartley amendment were muddled and inadequate and were emphatically rejected by the Congress, and Secretary Mitchell has not had a new idea on the subject since.

Mr. Mitchell, indeed, appears not to be allowed to have any independent ideas on this subject. Secretary of Commerce Weeks has more influence in this administration on the subject of Taft-Hartley than Mr. Mitchell has. So in a fulsome declamation on Mr. Eisenhower's so-called labor program, our Republican friends find it too embarrassing to mention Taft-Hartley.

The gentleman from Pennsylvania did not mention expansion of minimum wage coverage, to protect more than 20 million workers now left unprotected by the $1 an hour minimum wage we established last year in amending the Fair Labor Standards Act.

The President talks about expansion and Secretary Mitchell says he favors it. But there is not any administration bill on the subject.

Last year, indeed, Mr. Mitchell came up here and recommended that the Congress study the desirability of expanding minimum-wage coverage to those now left unprotected. He did not recommend anything. He did not ask us to do anything specific. He did not throw the weight of the White House behind a measure.

This year he has not even asked us to study expansion of coverage. He will not say in press conferences what he would like to see done.

So the Republicans in muttering about Mr. Eisenhower's so-called labor program have to leave out minimum wages and expansion of coverage as well as Taft-Hartley.

There is a third subject the gentleman from Pennsylvania did not mention—amendment of the unemployment compensation law to set minimum Federal standards below which no State could fall.

Such Federal standards have been requested repeatedly by labor leaders and expert witnesses from unions testifying on the deficiencies of some State systems. But a program for minimum Federal standards would be a pioneering thing—it would plow fresh ground. And, despite election-year oratory, we get no plowing of unbroken ground from President Eisenhower and Secretary Mitchell in the field of labor legislation.

Let us look at a couple of other factors that might reasonably be included in a genuine labor program or a genuine program for the general welfare.

This House last year passed a bill amending the social-security laws to provide pensions for disabled workers at the age of 50, to lower the retirement age of women workers and the eligibility of widows for pensions. That bill is now pending in Senate committee. And what is the Eisenhower administration's attitude? The administration is against it. Secretary Folsom testified against it.

Secretary Folsom has to reverse, as an Eisenhower official, certain attitudes he had expressed years ago as a private citizen. As a private citizen he favored lowering the retirement age for women workers and favored disability benefits. But now that he has joined what the gentleman from Pennsylvania [Mr. SCOTT] wants us to consider the prolabor Eisenhower administration, he is against them.

In discussing the so-called administration labor program, the gentleman obviously felt, also, that it would not be discreet to mention the Eisenhower antilabor packing of the National Labor Relations Board by spokesman of big business. This packing and its results were authoritatively documented just before the recess by the senior Senator from Oregon, Mr. MORSE. When the Eisenhower apologists speak in this House, the subject simply is not mentioned.

Mr. Speaker, I suggest that the nine little bills conjured up in a package as the alleged Eisenhower labor program are not a labor program at all.

We are told that one would benefit maybe 650,000 workers, another 1 million workers.

But realistic amendment of Taft-Hartley would benefit all 18 million union members and 18 million other workers who would have a better chance for collective bargaining—and on that subject the administration is silent.

Expansion of minimum wage coverage could benefit more than 20 million workers—and on that subject the administration is silent.

Decent Federal standards of unemployment compensation would benefit almost all workers in interstate commerce, perhaps thirty or thirty-five million—and on this subject the Eisenhower administration is silent.

Unpacking the NLRB would benefit workers both organized and unorganized—but nothing is being done.

Amendment of the social-security laws to liberalize them would benefit millions of women workers, their retired husbands, and the totally and permanently disabled—and on this subject the Eisenhower administration opposes liberalization.

The nine little bills are not a labor program. They are simply housekeeping bills advanced to cover up the fact that all the big things, the important things, have been left out.

Are the Republicans trying to kid us or kid themselves? Are they hoping to silence us about the fact that Secretary of Commerce Weeks has more to say about labor policy under President Eisenhower than Secretary Mitchell? They are obviously trying to befuddle the voters. It is a good trick if you can get away with it. I do not think they can.

ALGER HISS AND PRINCETON UNIVERSITY

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. TUMULTY] is recognized for 15 minutes.

Mr. TUMULTY. Mr. Speaker, rise today to speak again on the subject on which I addressed the House a few days ago. That is on the invitation which the American Whig-Cliosophic Debating Society of Princeton University extended to Alger Hiss. He is being invited by that debating society to address the students on the Meaning of Geneva.

I am not going to repeat what I said last week, but I did think the House would be interested in some of the information which has developed since that talk. I have before me the Daily Princetonian, which is a newspaper, published at Princeton, under date of Thursday, April 12. In this editorial we are told that:

> Whig-Clio—

Which is the name of the debating society—

> was not obligated by any consideration of free speech to invite Hiss to come here. But once the invitation had been extended and accepted, a policy reversal would imply Princeton's acceptance of the opinion that Hiss was indeed different. He may be a symbol, but he is still entitled to his rights. No matter how strong the criticism, we must not forsake this ideal, both for our personal integrity and for Princeton's reputation.
>
> Alger Hiss has had many invitations to speak, throughout the country. He is not at a loss for a place to air his views. Thus far, he has accepted only two of these invitations—Whig-Clio's and Swarthmore's. When the Students for Democratic Action at Swarthmore—

I might suggest there that the name had better be changed to Students for Detrimental Action—

> retracted their bid under the prompting of the parent organization, Americans for Democratic Action—

Here again I would change that name to Americans for Detrimental Action—

> another organization on the Pennsylvania campus invited Hiss to speak there. But because this was a group which caters to unpopular radicals, Hiss declined. Quite obviously he—

Meaning Hiss—

> wishes to regain the respectability he lost when he was convicted for perjury. In this sense he is "using" Princeton. But so did ESTES KEFAUVER and Billy Graham. We have no reason to condemn a man's desire to further his own interests.

I read that to the House because it indicates the type of thinking that is going on in one of our outstanding universities. I daresay this type of thinking is not isolated, either. But to begin with, we note that Hiss was invited to speak elsewhere but Hiss would not go because he did not want to speak where "unpopular radicals" spoke. Apparently he conceives himself to be a popular radical.

This is the first time I have ever known, I think, in the history of man where a person who has betrayed his country can attract a crowd in that country, a crowd of admirers, a crowd of people who seem to feel that betrayal is the art of the day. So because Mr. Hiss was too particular where he would go, the students had to offer him the great Princeton University as a forum where the Continental Congress met hundreds of years ago.

I referred to this editorial, which is generally written in that stuffy university style so prevalent these days among the so-called eggheads, and I read from it again:

> Whig-Clio's motives for inviting Hiss may be open to question. It is well known that the organization does not invite speakers unless it feels they will draw crowds. Usually, these speakers have vital viewpoints to express. If Whig-Clio invited Hiss to speak here simply for sensationalism, we would have to censure them—

This is important—

> but since Hiss is a man with opinions of great interest on international affairs, we cannot legitimately condemn them.

So that we now have the picture of Hiss coming before the university as a man who has "great interest in international affairs," and whose "opinions cannot be condemned." In other words, we are now being led to believe this man was just guilty of some little peccadillo. Could it be that the student who wrote this editorial has so little regard for his country that he can still think of Hiss as someone whose opinion is of great importance and which cannot be legitimately condemned?

I can recall when I went to school I remember reading something from Sir Walter Scott. I just thought I would read it again. That is not so long ago, either, and I can recall reading it.

Breathes there the man, with soul so dead,
Who never to himself hath said, "This is my own, my native land!"
Whose heart hath ne'er within him burn'd
As home his footsteps he hath turn'd,
From wandering on a foreign strand?
If such there breathe, go, mark him well;
For him no minstrel raptures swell;
High though his titles, proud his name,
Boundless his wealth as wish can claim,
Despite those titles, power, and pelf,
The wretch, concentred all in self,
Living, shall forfeit fair renown,
And, doubly dying, shall go down
To the vile dust, from whence he sprung.
Unwept, unhonour'd, and unsung.

Hiss is a man like that.

That used to be the attitude toward men who were faithless to their country. That was the way I thought any young man should be trained because all of us, certainly, owe it to this great Nation to love it. Let us go a step further and read in the Newark News of today where someone in Princeton is doing something about it. Father Hugh Halton, head of the Princeton Aquinas Foundation, has invited Willard Edwards of the Washington staff of the Chicago Daily News to speak April 25. He is going to speak on the meaning of Alger Hiss. And what happens? Immediately there is organized "the veterans in Princeton," an organization of some 80 students, who are veterans of all branches of the service. They are presenting a petition to the Daily Princetonian, the campus newspaper in which they defend the Hiss invitation and attack the legion and the VFW for interference with freedom of speech. This petition would censure both the Veterans of Foreign Wars and the American Legion "for contradicting themselves by their interference with an American citizen being allowed to express his views in public before an audience." "We"—so the petitioner says—"feel we are mature enough to judge any argument on its own merits."

This American citizen—meaning Hiss—how he clings to citizenship when it serves his purpose. But how disloyal he was to it when he had the opportunity to serve his country. Now the proposition is simply this. Are we getting in our universities the type of teachers that we have a right to expect? Are the universities of our country somewhat responsible for this situation? How can you explain that young American citizens who will some day grow up to be Members of this House or, perhaps, Members of the other body, or hold some important governmental post, how to explain their desire to preserve the 'right" of this man to address them. I say if he wanted to go before the House Committee on Un-American Activities and there recant and there tell us the truth and there tell us to whom he gave our secrets, then I could understand that there might be some merit to it. But why should American students go out of their way to hurt our country? I suppose it is old-fashioned and somewhat of a cliche to say, "I love the country—I love it dearly and devotedly." I cannot understand why anyone would voluntarily and intentionally try to aid and assist Mr. Hiss. The impression seems to be that he has paid his debt. What they forget is that he was an articulate, conscious, active, and important member of the Soviet conspiracy. He betrayed all those who reposed trust in him. He is still part of that conspiracy so far as we know, and this attempt to rehabilitate him, as the editorial points out, is a deliberate attempt. In my opinion, it is a start for him to make a comeback so that he can still advance the cause of atheistic communism by using the university as a backdrop of respectability.

You know we have the Congressional Medal of Honor and we give it to men who have performed conspicuous and gallant service for our country. I think it is about time we had a new "decoration." We ought to have a congressional medal of dishonor and give it publicly to the Americans in this country who were so willing to betray us into the bonds of slavery. Today we had a prayer offered by Father Rigney who came back after 4½ years of "academic freedom" in a Red dungeon where he was tortured in such a fashion that your hair would stand on end if you heard him tell what they did to him. Yet, these kids, these Katzenjammer striplings, as I call them, are going out of their way to bring Hiss, who is determined to destroy everything that their university stands for, to their campus and there knowingly permit him to use the Ivy Towers and the great tradition and culture of Princeton University so that he might slowly but surely advance the cause of this country's destruction. It is not just a childish prank. It is not one of those goldfish-swallowing stunts that these students indulge in. Someone else is behind it. I do not know who, but someone else is putting this idea across, because you can see the beginning of the old technique. That is the old Communist technique starting again. Now, who in the university? As Father Rigney said the other day, one Communist in the country is one too many, because the moment one is there they organize; stealthily. They organize in such fashion that before you know it the country is gone; and this country can be taken. I am surprised at the men in our university circles who seem to be unconscious of what is going on.

It might be a good idea to declare a moratorium on some types of education for a while, so that some of our students can recover from the type of training they are getting. Is it unreasonable for me to ask that the university not aid this man Hiss in his plan? Is there something peculiar about an American saying, "Please do not advance the destruction of this country"? Who only have praise, only have pats on the back, only have compliments for those who are cowardly betrayers? A betrayer is the worst conceivable type of animal. If he were a gunman you would have a chance if you could draw first, but the man who gets up and takes advantage of all that is good in your nature to impress you and then turns you over to those who would destroy you is the worst I can think of.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. GROSS. What is the subject on which he is addressing these eggheads, as you call them?

Mr. TUMULTY. He is addressing them on the meaning of Geneva; the meaning of the conference held between President Eisenhower and Bulganin.

Mr. GROSS. I guess he was out of the penitentiary at that time, but he was not at Geneva, was he?

Mr. TUMULTY. He was not at Geneva. He was perhaps out of the penitentiary on conditional release at the time. Incidentally, while he was on conditional release he could not have done this. He only waited until after he is free from any Federal supervision that he is now going around the country trying to advance this cause.

Mr. GROSS. Since he was the chief architect of this outfit known as the United Nations, since he does know something about that and was responsible for that farce, why does he not speak to these eggheads at Princeton and tell them about the United Nations? He knows all about that. He was the architect who put the Russians in control of the United Nations and thereby assured that organization that it would be a failure before it ever got into operation.

Mr. TUMULTY. I cannot guess on the devious twisted mind of a traitor, but if it would support and advance the cause of the Soviet Union I am sure he would advocate it.

Mr. WITHROW. Will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. WITHROW. I was under the impression that Alger Hiss had lost his citizenship.

Mr. TUMULTY. I would assume he has lost his privileges of citizenship. I honestly do not know. The inference gathered from this news article is to make him to appear to be a normal citizen like you and me. If he has not lost his citizenship it should be taken away from him, because unless we learn to get rid of that kind of man who would destroy us, we will be destroyed.

Mr. WITHROW. I agree with you.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. CUNNINGHAM. Was he not convicted of a felony?

Mr. TUMULTY. Yes.

Mr. CUNNINGHAM. Then that automatically deprives him of his citizenship.

Mr. TUMULTY. Yes; its privileges.

Mr. CUNNINGHAM. Does the gentleman know whether any steps have been taken to restore his citizenship?

Mr. TUMULTY. No; but I am convinced that is what they would like to do. Hiss is more concerned for his reputation than the students are for the university's. He will not talk where the soapbox orators hold forth. He wants to pick out the nice places.

Mr. CUNNINGHAM. Is that not a buildup to apply for restoration of full citizenship?

Mr. TUMULTY. Yes; I think it is. He wants, I think, to ultimately be pardoned.

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent, Mr. Tumulty was granted 5 additional minutes.)

Mr. TUMULTY. The reason I presume on your patience—I realize this has been a long day—is the importance of the matter.

You can say, as some do, that Hiss can go any place in the country. What a sad commentary on the judgment of our people. In ancient times the person who betrayed his country or who was even a party at some infamous trial would be ostracized, but in this instance we have the students going out of their way and being brash about it. If their purpose were to see whether or not Hiss would be willing to reveal who his associates were and make a clean breast of things, that would be one thing, but there is no possibility of that. He has always denied what he did, in spite of the testimony being uncontroverted to the contrary.

Now you can see where he has selected his sites. It is interesting to note in these stories that in each one of these places he tries to pick one of the traditional colleges, he tries to pick the conservative colleges. The original news story said "Conservative Princeton has invited him." Actually, it is not the university; the university has not invited him, or the trustees. I telegraphed the Governor of our State who happens to be a trustee and I urged him to ask the board to revoke this action of a group of students. I think the trustees ought to do something about it because if you are going to run a school it should be run by the trustees and not by the boys. If the trustees are not going to live up to their responsibility why not let the boys take over and the president of the student body be the president of the university, if the president of the college cannot exercise some supervision over these young men? If this cannot be done, some day some bright students will say, "Let us have an H-bomb test on the campus of the university, let us explode an H-bomb here in the interest of science and see if we cannot blow up New York and New Jersey" in the name of academic freedom.

I say it is time that the heads of the college lived up to their responsibility. I say it is time that the faculty acted like men; I say it is time they started trying to prevent young men making mistakes of this sort. I know when I went to college I thought I knew a lot, but I listened to the voice of authority and was willing to be guided.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. GROSS. I believe that the warden of the penitentiary in which he served would not even permit him to lecture to the prisoners. Is not that so?

Mr. TUMULTY. I do not know; I have no information on that. But I do know we are dealing with an intelligence which has a satanic comprehension. The organized Soviet conspiracy is working night and day, and Mr. Hiss was an integral part of it and he has so far not evidenced any desire to recant his activities. Therefore when he appears at Princeton he is advancing the cause of the Soviet Union and these boys are practically saying: "Come up here and propagandize us." They want to be "Brain-washed," I guess.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I just want to say to my distinguished friend from New Jersey that he has made a very interesting speech and taken a very patriotic stand here today. The people where I come from and whom I represent agree with you about 99 percent in what you are saying here today.

Mr. McCORMACK. Why not a hundred?

Mr. TUMULTY. Yes, what about that 1 percent? Seriously however I thank the gentleman from South Carolina.

What about Princeton? Now explain it? A teacher takes the place of a boy's parents and assumes a responsibility for molding the minds and thoughts of those in his charge. I think Princeton should investigate the incident thoroughly to find out whether or not there may be something subversive about this; unquestionably they should investigate it.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TUMULTY. I am delighted to yield to my colleague from New Jersey.

Mr. CANFIELD. I want to commend my friend and colleague from New Jersey on what he has said on this matter. When Alger Hiss was released from Lewisburg Penitentiary there was published an article by a pocket magazine entitled "Yalta, Modern American Myth." I am told he received $300 for that article. And one of the things he said in that article is this:

> Yalta was a magnificent step forward for the free nations of the world.

I wonder if he would dare go to old Poland and preach that kind of philosophy before the freedom-loving people over there. I want to say to my friend from New Jersey that I have faith in Princeton, I have faith in our Governor and the board of directors of Princeton University. I do not believe they are going to go along with Mr. Hiss' appearance before that society.

Mr. TUMULTY. I hope the gentleman is right. I ask permission to revise and extend my remarks and to include in the Record two articles from the Daily Princetonian.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The time of the gentleman has expired.

Mr. TUMULTY. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TUMULTY. Mr. Speaker, one of these editorials is headed "Tumulty's Invective: Cynical Demagoguery."

Although it is stated that some of these implications are senseless demagoguery, the interesting thing to me is that so far the students have abused only me. I do not mind that as long as they spell the name "Tumulty" right. There is another Tumulty up there, but he is a skinny one. So far they have abused the Senator from New Jersey because he will not reply to my remarks. But nowhere do we find any abuse of Hiss. He is treated as if he had accomplished something instead of being a man who deserves the harshest criticism, the man who is still in this country because we are free and he is allowed to go around and carry out his master plan to help destroy us.

Again I repeat, I hope the university will give him the Jersey bounce, then put him off the campus. If somebody in Princeton is foolish enough to want to learn the truth from a liar, let him go visit him wherever he lives. But he should not be allowed to use the stage prop of Princeton University and put that institution in an embarrassing position because the faculty is afraid to put the boys over their knees and paddle their red aspirations.

I would hope we could get a congressional medal of dishonor and hang it on men of this type publicly so that they may be shamed into loving their country.

The editorials to which I previously referred are as follows:

Tumulty's Invective: Cynical Demagoguery

The snowballing criticism of the Whig-Clio officers and the university for Alger Hiss' April 26 appearance on campus forces us to admit that the officers lacked a certain discretion when they invited the convicted perjurer to Princeton. Still, we must realize that public hatred of Hiss has exceeded most estimates, and we should not be too hasty to reprimand Whig-Clio, when we are relying upon our privilege of hindsight.

And we resent the venomous and malicious knives that are flying in the direction of everything and everyone stamped with "Princeton."

T. James Tumulty, Democratic Representative from New Jersey, unleashed a stream of invectives across the floor of the United States House of Representatives Wednesday that not only taints the name of Princeton but also reflects upon the dignity and intelligence of the Lower Chamber. Tumulty cynically suggests that we give Benedict Arnold a posthumous LLD, an insult to Princeton's intellectual reputation. He opines that we may as well set up a Department of Treachery in a statement that smacks of Neanderthal emotionalism. And he has another timely witticism: invite murderers down to tell how they killed their grandmothers—this would simplify Whig-Clio's task of lining up speakers, because there are certainly more murderers around than perjurers.

We also deplore the refusal of Senator H. Alexander Smith '01 to make a public statement clarifying the issues which have been so outrageously perverted by Mr. Tumulty's ravings. While we do not expect him to back Whig-Clio's stand, we feel that he is in a position to protect his university's name from serious damage. Although Tumulty's implications are senseless demagoguery, nevertheless people will believe what he says unless a firm stand is taken by a well-respected source.

Apparently, criticism is spreading. Michigan's Representative Clare Hoffman has backed Tumulty, and alumni groups throughout the country are deeply concerned over the possible damage that Princeton faces. However, what is needed now is not continued alumni tongue lashing, but a general clarification by the Princeton family of the incident, whether one agrees with Whig-Clio's original judgment or not.

J. W. M.

AN EDITORIAL

Alger Hiss is a symbol.

So Princeton has learned from newspapers, radio commentators, and the swelling flood of letters, telegrams, and telephone calls from alumni and friends of the university. We hear that by permitting Hiss to speak here on April 26, we are condoning a convicted perjurer or worse.

Princeton is not condoning, defending, or giving sanction to the actions of Alger Hiss. We are a university, not a supreme court. We will hear his views on international affairs and weigh them as such.

The nature of the criticism pouring into the administration has surprised many people. Not only crackpots and emotionalists, but also responsible and level-headed men have repeatedly warned us of the potentially damaging effect that Hiss' appearance here could have on Princeton's reputation. This is certainly a consideration. Since President Dodd's statement has been universally misinterpreted by the press and radio, everyone believes that Princeton, not Whig-Clio, invited Hiss here to speak. No amount of denial will change this prevailing opinion. Princeton, including faculty members, administration, and everyone from the youngest freshman to the oldest alumnus, is implicated.

In our opinion, Princeton's reputation will suffer far more if the bid is rescinded than if Hiss comes here as scheduled. No matter what the means, if Whig-Clio retracts its invitation the public will feel that it was forced to do so by the university. It would imply that Princeton is an institution which can be browbeaten by outside pressure groups. We believe that this stigma would be too great a price to pay merely to pacify people who object to Alger Hiss.

The critics protest that Hiss is far more than a controversial radical. He is a perjurer. And though many do not state it in so many words, they think he is a traitor. They declare themselves in favor of free speech, but announce that Hiss is different. The logical extreme of this attitude implies that anyone with an unsavory background could be classed as "different," and denied his rights as a citizen.

Whig-Clio was not obligated by any consideration of free speech to invite Hiss to come here. But once the invitation had been extended and accepted, a policy reversal would imply Princeton's acceptance of the opinion that Hiss was indeed different. He may be a symbol, but he is still entitled to his rights. No matter how strong the criticism, we must not forsake this ideal, both for our personal integrity and for Princeton's reputation.

Alger Hiss has had many invitations to speak, throughout the country. He is not at a loss for a place to air his views. Thus far, he has accepted only two of these invitations—Whig-Clio's and Swarthmore's. When the Students for Democratic Action at Swarthmore retracted their bid under the prompting of the parent organization, Americans for Democratic Action, another organization on the Pennsylvania campus invited Hiss to speak there. But because this was a group which caters to unpopular radicals, Hiss declined. Quite obviously he wishes to regain the respectability he lost when he was convicted for perjury. In this sense he is "using" Princeton. But so did ESTES KEFAUVER and Billy Graham. We have no reason to condemn a man's desire to further his own interests.

Whig-Clio's motives for inviting Hiss may be open to question. It is well known that the organization does not invite speakers unless it feels they will draw crowds. Usually, these speakers have vital viewpoints to express. If Whig-Clio invited Hiss to speak here simply for sensationalism, we would have to censure them. But since Hiss is a man with opinions of great interest on international affairs, we cannot legitimately condemn them.

A majority of the more level-headed critics proclaim that they have no objection to anything that Hiss may write. (The first published statement of his views on the Yalta Conference is now on sale at the university store.) It is his connection with Princeton which they deplore. We repeat that, despite public misinterpretation, Alger Hiss has no connection with Princeton. We are not a haven for soiled public figures. We are sincerely interested in what the man has to say.

NO CONNECTION WITH PRINCETON

In its persistent refusal to deprive Whig-Clio of its responsibility by overruling the invitation, the university administration has shown faith in both its undergraduates and its own convictions. If outside sources have a distorted opinion of the Hiss speech, there is no reason why Princeton should succumb to the pressures of that distortion. We owe a debt of gratitude to our administration for its courage in an explosive situation where any alternative means damage.

Princeton already has the stigma of being powerfully influenced by its alumni body. It is true that we have one of the most loyal and active alumni bodies in the Nation. But if the invitation to Alger Hiss is retracted due to outside pressures, the more unattractive aspects of the stigma will become even more ingrained than ever in the public mind. It would be a long time before this conception of Princeton as an institution could be erased.

MOTIVES OPEN TO QUESTION

There is no reason why we should compromise ourselves. Polls taken on campus yesterday show that undergraduates here favor Hiss' appearance here by a 10-to-1 ratio. We feel mature enough to be able to hear and judge his views on their own merits. That the man in question is a symbol of treason to some people is unfortunate, since it calls our sincerity into question. This should not be powerful enough to destroy our self-confidence.

Whatever happens now, there will be damage. If Hiss appears here, many will feel that Princeton is defending a perjurer at least, a traitor at worst. If the bid is retracted, even more will feel that Princeton is a university without the courage of her convictions. We must choose the lesser of two evils.

THE MARKING OF IMPORTED GOODS

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. DORN] is recognized for 5 minutes.

Mr. DORN of South Carolina. Mr. Speaker, I noticed in the press the other day that the Secretary of State, Mr. Dulles, was a little bit shocked and expressed his regrets to Japan because the State of South Carolina and the State of Alabama had passed State laws requiring that some of these goods which are being imported from Japan to be labeled "made in Japan" or a sign had to be placed in the stores, stating that we sell Japanese goods, where these goods were being sold, putting the people on notice that they were coming in from Japan and were being offered for sale. I see nothing shocking about that. I charge, Mr. Speaker, that the people of Alabama and South Carolina have a right to know when they are buying Japanese textile goods.

I just wanted to rise here today in defense of my State and the State of Alabama for trying to protect one of their basic industries. I say again it is absolutely ridiculous for any country, under any kind of a trade agreement, to import products that are in surplus there. I ask Mr. Dulles today if he would insist on Brazil importing raw coffee from some other South American country? Of course, he would not. Then, why should he insist on the United States of America importing textiles or glassware or some of the other things that injure the economy of West Virginia and Pennsylvania when we have those things in surplus already? It is just simply ridiculous.

I have raised that point before and the State Department has not answered it, nor have the membership here who favor importation of Japanese textile goods, GATT and OTC. They do not insist on India importing tea; they do not insist on the Malay States importing raw rubber. Yet they insist on bringing Japanese textile goods into South Carolina, where our textile mills have been forced to curtail production throwing many people out of work. We produce more textiles than all the rest of the world combined and I say that to import Japanese textiles into our country is ridiculous and absurb. I believe in reciprocal trade, yes, I believe in trade. We have always had trade. But never before in the history of the world has a country been forced to import goods they do not need and which they already have a surplus. The next thing Mr. Dulles will be asking us to import raw cotton, or maybe oil and canned beef into Texas, Mr. Speaker.

Again, ladies and gentlemen of the House, I am in favor of more trade but I disagree with the administration of our Reciprocal Trade Act. I do think, however, we ought to protect our basic, fundamental industries, particularly those which have products in surplus. Let us have real reciprocity by selling in foreign countries our vast amounts of textiles and by continuing to import such products as rubber.

Now, Mr. Speaker, I want to read something here which appeared in the Chicago Daily Drovers Journal and was carried by the Lancaster Livestock Bulletin of Lancaster, Pa., the largest cattle market east of Chicago, where many of my farmers sell their cattle. This article proves how utterly ridiculous the administration of reciprocal trade is becoming. Now listen to this:

> Those canned hams from Poland now appearing in Corn Belt grocery stores represent the height of irony. It is meat snatched away from the Polish people—who love pork and beef, but must satisfy themselves with canned fish instead—and exported to the United States, which needs more pork like a drowning man needs a drink of water.
>
> The reason for this nonsensical procedure, which dismays almost everybody but the Government of Poland, is that the Poles need dollars. With them they can buy more machines to help speed the conversion of their economy from agriculture to industry, which has been decreed the thing to do by their Soviet overlords.

> They want to get over into industry so that they can conquer the world. And we are helping them to do it.
>
> So Poland deprives its people of the pork they dearly love and sends it off to pork-rich America, where hog raisers are being forced to cut production in order to revive a market floundering in the heavy seas of overproduction. In the first 2 months of this year, 34 percent more canned pork than in the same 2 months last year came to this country from Poland. February canned-pork imports from Poland were 94 percent greater than in February a year ago. During all of 1955, Poland sent us 13 percent more canned hams than during 1954. So it seems evident that the program of exporting pork to the United States is being stepped up by Poland.

I want to emphasize again, Mr. Speaker, Communist Poland. Attention, Mr. Dulles, under your reciprocal trade, now you want the Iowa pork farmer to buy Communist hams.

> We can understand Poland's desire to improve its economic status. But we join American hog raisers in deploring its efforts to do it at the expense of the domestic swine industry, which is already wallowing in trouble. The last thing the hog business here needs is a flood of foreign pork to contribute further to its depression.

I agree with the sentiment expressed in this article from Chicago. I sympathize with the farmers of Iowa and Illinois and the pork-producing Midwest, also my distinguished colleagues [Mr. CUNNINGHAM and Mr. GROSS], who are against this program and are trying to help the farmer. Secretary Dulles and you Members who favor this kind of reciprocal trade are ruining the cotton farmers of South Carolina, Mississippi, Texas, California, Tennessee, and other cotton-producing States. Do not forget when we are forced to import Japanese textiles the American textile industry uses 76 percent of the cotton grown in the United States.

Mr. Speaker, I am in favor of trade. I refute these reciprocal traders who say we are against trade. The world has had trade ever since the Roman days and before, but we have never had any such trade as is being forced upon this country today. Under Mr. Dulles' free-trade program we have to take Communist hams from Poland where ham and pork is needed so badly and injure the farmers of this country. We have to take textiles from Japan and injure the cotton farmers and textile workers of this country. The State Department should be helping the textile people and cotton farmers of South Carolina and Alabama to find markets for their cotton and textiles abroad. These farmers and textile workers, Mr. Dulles, have been reciprocating for years by buying coffee, cocoa, silk, tea, tin, rubber, nuts, and many other products from abroad. It is time for this Congress to reassert its constitutional right to regulate tariff and foreign trade. It is the duty of Congress to protect our own patriotic American people from foreign textiles, Communist hams, Argentine beef, foreign chemicals, oil, and such other products that we already have in surplus.

THE FARM PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. KNOX] is recognized for 10 minutes.

Mr. KNOX. Mr. Speaker, for the past 3 months we have had the great debate on the farm bill. In January President Eisenhower made a plea for a strong effective, and workable farm program that would give farmers an opportunity to profit and prosper with the rest of the economy.

The heart of this program was a dynamic forward-looking soil bank which was the foundation for farm prosperity not only for this year but for years to come. It was designed to help all farmers—dairymen, beef raisers, fruit growers, as well as growers of cotton, wheat, rice, peanuts, corn, and tobacco. What happened to that bill? It was brutally mutilated by the House and Senate spokesmen for the owners of cotton plantations, big wheat ranches, peanut plantations, huge rice plantations, and the commercial corngrowers in the Corn Belt.

The family farmer of Michigan and other northern livestock States has not forgotten—not at all. He was promised a modest milk price increase until after election. Then the architects of the farm bill carefully set the stage for the roof to fall in. This planned sabotage of the livestock farmer has not been widely publicized, but the record is there.

President Eisenhower tackled the farm problem at its source. He asked to restore fertility in the soil and not deplete it to produce more surpluses. To make certain that cotton, corn, and wheat acres would not be planted to grass—only to produce more milk and beef—he asked that these soil-bank acres not be grazed. But the Congress majority nullified that safeguard. The farm bill would have permitted the grazing. Thirty to forty million acres would have been released to produce milk and beef. This is an area equal to the State of Iowa in size. Dairymen would have been buried under mountains of surpluses which could have wrecked the dairy farming business.

The original farm bill approved by the Senate would have helped dairy farming through a new method of calculating parity. It was a good provision. It provided permanent benefits. But what did the conferees do? They wiped it out and tossed a bone of 10 cents per hundredweight—but only until after election. Then beginning April 1 next year, prices would drop at least 20 cents per hundredweight. Eventually prices could skid to an all-time low. But then the votes they thought about would be in.

Those of us interested in the family farmer voted for a limit on how much price support money could be paid to big producers. Let me give you some background. One wheat farmer has drawn a check for $1,300,000. Sixty-two bigtime farmers received more than $100,000 from the Government on their 1954 crops. A rice grower received $486,000. Are these the men, the so-called farmers, our support program is designed to serve? Not in my opinion. But what did the House-Senate conferees do? They wiped out a proposed $25,000 ceiling on price support loans and payments. Here again, was the bill in the interest of the family farm? Certainly not.

Obviously for these and other reasons I could not support such a bill—one which promised to do untold harm to the farmers of my district.

Let me emphasize, however, that I am not rubberstamping everything that has been said by leaders of my party. After all, I have actively farmed most of my life. I have a mind of my own; personal convictions born of a lifetime of firsthand farm experience.

I believe for example that the domestic parity program for wheat and rice should be approved. It was in the farm bill but opposed by the administration. I believe too that the present dairy program has not been nearly as successful as it should be. I believe dairy farmers should be given an opportunity to vote on a two-price program—a new approach to a workable, effective peacetime dairy program. I am working with my friends from other dairy States on such a program.

In the meantime, however, I am relieved that President Eisenhower had the wisdom to recognize that the farm bill was designed to do great damage to the livestock farmers of our district and America. I am pleased that he boosted dairy price supports to approximately 85 percent of parity. Now it is up to the Congress to buckle down and pass a good soil-bank bill with safeguards against the dumping of diverted acres.

Our family farmer expects House and Senate leadership to serve them as citizens entitled to the same consideration they have previously expressed to the big plantation and ranch owners. The President has demonstrated his fairness. Now it is up to the opposition to rise to the same level of statesmanship.

THE REVEREND FATHER DOMINIC J. DEL MONTE

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. SIEMINSKI] is recognized for 10 minutes.

Mr. SIEMINSKI. Mr. Speaker, I had intended originally to rise and pay my respects, and very sincere respects, to a very distinguished constituent of mine of Bayonne, N. J., who has been very kind to me and whose parishioners have been most kind to my political fortunes. I had intended to pay a eulogy at this time to the Reverend Father Dominic J. Del Monte, citizen, as well as pastor, and a member of the Roman Catholic clergy, the archdiocese of Newark. But when I came on the floor of the House and I heard the name of my alma mater taken, Princeton University, I am afraid I had to throw my eulogy into neutral gear for the moment. So I shall ask unanimous consent at this time, Mr. Speaker, to extend my remarks on this subject at the proper point in the RECORD. Such point being, if time allows, at the end of my remarks on Princeton University.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, I am advised that Father Del Monte has been voted the outstanding Catholic of the year, and I congratulate him on the honor.

I, who was christened an Episcopalian, and reared as a Baptist, attended Presbyterian chapel services at Princeton; last Sunday, I attended chapel services at Immanuel-Church-on-the-Hill, on the grounds of the Virginia Theological Seminary in Alexandria, where my stepdaughter was married last May. Hoping that that qualifies me in some measure to speak as a Christian, I now want to say something about what I think has given me much of the happiness that I have had in life, and that is the inspiration of my alma mater, Princeton University, under attack for the past week on the floor of this House; heard by me for the first time just now.

Let me say that at the age of 18 I made my own decision, in my freshman year at Princeton, to go abroad. I studied at Hamburg University, Germany, in the summer of 1930, thinking that that would help me in my efforts to become a doctor. So at 18 I made a decision to go overseas and study. It was my own decision, inspired by Princeton. I had intended to go to Heidelberg so I could row on the Neckar but there was no rowing so I went to Hamburg.

As I recall Princeton, it asks students inferentially to come there only if they want to further develop their minds, to think and interpret things for themselves, using what talents God gave them in the best light possible, and only as they saw the light, and to have the manliness to take their medicine in any mistakes made therefrom.

My beloved colleague, the gentleman from New Jersey [Mr. TUMULTY], has referred to the distinguished role that Princeton has played in the history of this Nation. A commemorative stamp will be issued honoring Nassau Hall's 200th anniversary, next September, by the Post Office Department.

As Mr. TUMULTY has related, the First Continental Congress, if memory of my history is correct, was held at Princeton. In every war—as their names, chiseled on the 4 sides of the marble walls of the Hall of Remembrance, located just outside the board of trustees' room reveals—Princeton men have given their lives for this Nation, just as students and other young men have all over this country in and out of universities given their lives. For what?

This is a great country. We have a great flag. It is a great freedom that we enjoy, enjoy at the price of lives given and blood spilled.

The American Legion was founded by a Princeton man in Paris just around the end of the First World War. It might seem a bit immodest to roll off some of the accomplishments of Princeton's sons and I do not want to impose upon the good graces of this House to do that. Currently, before the Senate, there is a bill asking the Senate to award, shall I say, a Medal of Honor, to Col. John Page, building up the 12 incredible days in combat of this distinguished son of Princeton in the Korean war. The April issue of the Reader's Digest tells the story of Johnny Page. Egghead, eh? I have hopes that that bill on Johnny Page will pass and will come to the attention of the President favorably.

My dad just passed away less than 3 weeks ago, and it was rather a shock not only to the family—though he was 78, he was hale and hearty—but to the doctors who attended him down in Dunedin, Fla. The RECORD shows that I asked unanimous consent for leave of absence for 3 or 4 days because of critical illness in the family.

Father suffered a heart attack, and he rallied, and on the fourth day, the critical day, as we know, of such an attack, he passed on. But the doctors, as shocked as we, thought he would come through. When he passed on, they gave mother a certificate or a piece of paper asking her if she would sign a release so that they could cut into his chest and see what it was that hastened his death. I remember she said, "Doctor, if it will save someone else in the future from going through what my husband went through these past 3 days, I will sign." And she did.

No Princeton man who calls himself a Princeton man at heart, who knows the traditions of the founding of this Republic in the days when the British thought that the men around Princeton were traitors, when the British shot cannonball through Nassau Hall, when they burned the area around Princeton as it was burned here later in the Capital by men who, had they had their way, would have strung us up—I say, no man worthy of the name is going to run from any charge of treason or any catcalls any more than Christ did, and remember Princeton was founded by men of the cloth; they knew the lesson of Christ and its inspiration, and that of the apostles and their inspiration. Sinners, the apostles were forgiven and forgave. A second chance is the root of Christendom; is it not?

I say this: If 165 million Americans were against a Princeton man, who in his heart felt that he was right, those Americans would not frighten that Princeton man, because, though he loves life, he loves more the eternal, and he would not flinch. Johnny Page did not. If I know the Princeton spirit, the board of directors tomorrow and the student body are not going to flinch if they think that by cutting into the chest of what slaughtered Americans abroad, what slaughtered them in Korea, and what might yet slaughter them tomorrow, they can yet, while he lives, find out from Hiss how that blood, in his view, can be stopped. Power to them. I hope that the board of trustees of Princeton tomorrow, and its governor, the Governor of New Jersey, can conclude that Mr. Hiss' presence at Princeton can slash the chest of the past on international affairs and give us a post mortem worthy of thought.

As my name indicates, I am of Polish forebears. My wife lost everything in World War II, as wives of Members of this House, those who have spoken with her, might know. She was in Warsaw in 1939 when both the bombs of Hitler fell, and the subsequent perfidy of Stalin ensued. The ravages of war tore her family asunder. I met her in Vienna when I was with General Clark's allied government. He headed up the allied commission, as you know. That is obiter dicta to this story except that I put myself on record as saying that there are many tears being shed in people's hearts today as there have been through history for the loss of Poland and the loss of over 100 million Christians, in Central Europe, if you please, of their right to worship and live as they would want to worship today, free from the ravages of tyranny and fear. But the Poles are not afraid. Neither is Central Europe. They never were. Karl Marx feared the Poles and their spirit. So did Stalin.

It is a funny thing about the Polish people, from Kosciusko, Pulaski, and others, on, but, like the men at Princeton, they like to fight their own battles. My wife's daughter, my stepdaughter, broke out of the Iron Curtain just a few years ago. In all her tribulations and trials there was no weeping, there was no saying that anyone sold them down the river except the perfidy of Stalin and the Reds and the evil of Hitler. Today we talk only of communism, but let us remember that when the guns went off, it was Hitler that pulled the trigger. Then followed the doublecross of Molotov and Stalin. So here, like the Irish, through the years, the Poles have been flanked by difficult neighbors. But you do not see the Poles crying about anything any more than you do the Irish. They are willing to stand up and fight for what they want if they feel it is right.

Let us get back to this one issue. I have said what I have to say about the background of Princeton, about the "Tigers" being often on the one-yard line, short of a touchback, about their being able to retrieve a seemingly hopeless situation and scoring—I have talked about Princeton and the boys down there who decided to come to Princeton because at Princeton they could dare to think and act for themselves. If they did not think they could, they would not be there. They are going to make that decision tomorrow, and what I say here will not influence them one iota. They know their own minds. I am sure if I know the Princeton spirit that what they are going to do tomorrow at the meeting of the board of trustees, or what is going to happen in off-campus debate if the board of trustees turns them down—and, incidentally, there was no boxing team allowed at Princeton when I was first there. It was against the rules of the university to engage in boxing bouts, but, in 1932, competitive boxing was allowed. I know. On December 19, 1931, under the name of Al Simmins, in my junior year, I fought two off-campus fights in one night at the Newark Athletic Club and won a gold watch. Those were great days. I was never in the ring before. Princeton allowed its students to think and act on their own. With all modesty, I trust, I was the first, I am told, president of any officially sanctioned boxing club organized on the university campus.

Yet, the rule on this said, "Thou shalt not." But, we did—only because the desire was healthy and strong enough.

Again, I salute the position of the president, the professors and the spirit of the Princeton student council in allowing to take place an honest inspiration to learn more about world affairs and not to kill it.

There is a show in New York today called The Lark. Joan of Arc was once tried and burned as a traitor. Today, she is a saint and a martyr. Many people who have seen The Lark want to reach out as I did, I am sure, on that stage before she is burned and say, "Stop, fools, stop." The British were in on that Joan of Arc deal, too. But there was no Bill of Rights then. And hindsight is always 20–20 anyway, as someone said. Today, Joan of Arc is a saint. But the moment and the times and the opinion was such then that she was considered a heretic—"Burn her"—but you do not say that today. Today, she is respected. You just wonder how the spirit of Christ could ever have been so perverted at that time that men would dare lay that kind of a hand on mortal man. That to me is the lesson of Christ's crucifixion. I say before you lay a hand on another mortal, or his mind, you had better be careful because you may yet have to be the judge of your own act and, like Judas, dash your 30 pieces of silver to the ground and walk the plank.

The SPEAKER. The time of the gentleman has expired.

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. And so, again, Christendom might have been different if perhaps they had allowed Martin Luther to lay his protestations at the Vatican door and act on them instead of letting him nail them on some church door, and then have him go back to found another movement in Christendom.

If that and many other things had been allowed to be said about God and His will, this great globe of ours might today be united in joint and fervent faith for the good of mankind while it strove to prepare itself for the disclosure of His endless mysteries. Certainly, it must be painful to the Lord, as it is to His people here, to behold these fierce schisms that have rent man against man through time in every activity of life all over the world.

We have got to unite under God, too, in that belief in Him. But let us not tremble as did the crusaders for the mere sake of getting hold of some parcel of distant land if it means the loss of millions of lives needlessly. The spirit of God must first be within us. Let us be careful. I say that to me the lesson of Christendom is that you shall not crucify. How can we dare to lay hands—not on just a body, that is one thing, but, on the spirit of man, that is another thing. And, as the Hudson Dispatch in my own district said, Mr. Hiss was not convicted for subversion or treason. He was convicted because the court said he lied. That is one thing. And he lied about activities in a period before World War II. You cannot get me to say that I was not grateful that the Russian soldiers slaughtered the enemy of the United States. No, no, no, no. That happened between 1942 and 1945. I would not say that I did not want Russian bullets to kill the enemy of the United States from 1942 to 1945. Nor likewise do I say I am for what they stood for in the Kremlin—no, no. It was the perfidy of Stalin after Yalta that turned the trick against us. Like Christians in good faith, we laid it on the line—we put it in black and white, and the way we talk today you would think it was the United States who was the doublecrosser at Yalta. There were situations. The Russians had the battlefields. Their men were in the possession of territories. So we asked them to honor certain sacred commitments, and the records show that perfidy in peace came from Stalin and his Kremlin gang. Why brand our country as liars and blackguards? Why must we say America was guilty? Remember, once we were hemmed in on the Atlantic and the Pacific. They say we gave Poland away. They say we gave China away. No; we were here, not there. We fought back. We landed on Normandy. We landed in Japan. We broke the chains in which we were encased on our own shores. Let us not, as Christians, say that we are afraid to let Hiss come on the campus. Are we, in this, like Christ? No; He was not that way. He was not afraid. Why should we be afraid of Hiss? Why can we not let him talk and then have the television and the press and the radio pick him apart? Let us give Hiss the chance to plunge the knife, as I said at the start, into the chest of world affairs. If he, like we, is interested in a post mortem, and, if he is the idealist and the Quaker that we are told that he was, and might still be, that he fell in love with an ideal, and was consumed by it, if Hiss is ever to have that second chance, let it be said that no one in America was afraid to let that man speak on a college campus; and, under the principles for which we stand in this Republic—let him have a chance to tell us, if he can, how we can, in honor, stop bloodshed. How we can, in honor, avoid depressions, and how we can, in honor, avoid the exploitations of man against man, now and for all time.

If those are the principles that Hiss fell in love with, if those are the principles he wanted mankind to talk about just as the President of the United States did in his speech, printed in the newspaper yesterday, about placing the individual first, then let us give him a chance. In that one sense I want to revise these remarks so that they are not slanted as favoring any one man but as favoring a principle. We here are sworn to uphold the law. Hiss served his time. He is a free man. If there is something wrong with the law, change it.

What are the implications behind this invitation? Maybe it is to embarrass Adlai Stevenson, a Princeton man, if he wins the Democratic nomination. If that is the case, let us know it right now. Whether Hiss is given permission to talk tomorrow or Monday or on the 28th does not matter. The damage is done. On the other hand, if the Democrats want to fight back, they can say, "Maybe the Republicans would not want this talk of Hiss to happen." Why? How different was Geneva from Yalta? In both instances officials of the United States Government sat around the table with Communists. But the difference is that at Yalta things were reduced to writing. There was not any talk of spirit. It was, that if such and such things happen, such and such things will be done. Contracts were written at Yalta. There were secret agreements; perfidy set in; but at Geneva you had the same thing you had at Yalta. The chiefs of America sat around the table with the Reds. But how have we balanced out? Now, since Geneva, instead of the West going to the Soviet-dominated territories as it did at Yalta, you have two men from the Kremlin in London tonight. Maybe they can come clean. Maybe the Bible will work for us, if we let it. Maybe the people of Russia can get finally what they have hoped for, and certainly through the sacrifices of war, deserve to hope for, a better today and a better tomorrow.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SIEMINSKI. I yield to my beloved colleague, Mr. TUMULTY, who has fought this battle to the fullest, and I wish I could agree with him and he knows that I wish I could. But I don't and with all my heart, I cannot.

Mr. TUMULTY. The only thing I am interested in at this point is my understanding, and I wish you would clarify it for me. I gathered when you spoke of Joan of Arc and her ultimate sainthood, you are not suggesting that Hiss would ultimately be a saint.

Mr. SIEMINSKI. I am not a debater. The gentleman has humbled teams from Oxford and Cambridge in debate. He is a very astute and brilliant man. I do not intend to tangle with him. He knows that by referring to the record, as I shall leave my remarks, any and all implications are clear. Joan of Arc—I saw the play. I felt as if I could reach down and grab those clergymen and say "Let us apply the things we have learned from the crucifixion of Christ. Why can't you take His spirit and let that girl live?" But they did not. Today I know she is a saint. As you see that play, you would wish that they had a foresight as sharply developed as is our hindsight today. But centuries separated the stage from where I sat in the box when I saw the play.

The SPEAKER. The time of the gentleman from New Jersey has again expired.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. I yield to the gentleman from New Jersey [Mr. TUMULTY].

Mr. TUMULTY. Mr. Speaker, I do not like to get into an argument with my colleague. You know, as he suggested, the Irish do not run away from a fight. As far as I could gather, and I hope I am incorrect, the parallel that he drew between this play, The Lark, that he saw and the various incidents in church history to which he alluded could only make sense if it related to Hiss. I gathered the impression that he thought if we let Mr. Hiss go around to all the universities and talk and advance the cause of Soviet conspiracy, that ultimately Hiss might reach sainthood some day. I can understand his defending his alma mater, and I think he should. I think it is about time some Princeton man spoke up, but I point out that Hiss would bring slavery to us. Hiss is a man who would bring to us the very thing that the Russians have brought to everyone; the absence of free speech; the destruction of the Bill of Rights, the end of American freedom. Hiss has betrayed our country to the Reds and now he is using the students, using the historic background of Princeton, using the gentleman's own courageous career as a soldier in World War II and in Korea, cloaking them around himself so that he might vicariously wear the mantle of Princeton.

I have no quarrel with Princeton at all, but it just does seem to be muddleheaded foolishness to go out and invite men in who are going to destroy it.

Mr. SIEMINSKI. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield briefly.

Mr. SIEMINSKI. First, let me state categorically I did not mean to imply any transfer of religious or secular sainthood one way or the other.

Mr. TUMULTY. You do not think Hiss should be allowed to go around and talk to such university groups, do you? Remember what he is.

Mr. SIEMINSKI. I am a Princeton man and I feel that my life is mine to plan with as I wish, but because I may choose to risk my life on or off the battlefield I do not have the right to force other Princeton students to do the same.

Mr. TUMULTY. My life is involved, too, and I would like to keep hold of it for a while.

Mr. GROSS. Mr. Speaker, I cannot yield further to the gentleman at this time. There is too much colloquy. I would like to hear the remarks of the gentleman from New Jersey.

Mr. TUMULTY. This cannot be considered as some have suggested, just a student prank. There is something far deeper to it than that. As I pointed out Hiss was invited other places. He would not go to the University of Pennsylvania because he would not speak from the same platform with unpopular radical speakers; he wants only to speak in proper places.

Where was Hiss when the cold war was going on? He was in a place where he was slipping information to the enemy when the gentleman was fighting. You do not have to have a hot war to get killed. Men get killed in the cold war, too. And to suggest that Mr. Hiss should be on the verge of sainthood and wear a halo is incredible; a halo of flame where he is going if he does not repent.

Mr. GROSS. As did Benedict Arnold.

Mr. TUMULTY. Yes. I am beginning to reconsider Benedict Arnold. He betrayed us to the British. God forbid that anybody should have been betrayed to them, but at least the British had some concept of honor even if it is English, and some concept of religion. Arnold did not betray us to an atheistic government such as communism.

Are we to turn such men loose after they have served their prison terms? Is it to be treated no more seriously than switching from one brand of whisky to another? Should we honor the man we should excoriate? He would not last 5 minutes in Soviet Russia.

Are we going to maintain the proposition that he is a proper person to talk to students on our foreign policy?

When a man has done what this man did is he to be allowed to go around and poison the judgment of our students? Is Princeton going to allow this in the name of academic freedom? Is she going to contribute to her own destruction? I do not know; maybe Princeton wants to commit hara-kiri.

Mr. SIEMINSKI. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield, but not for a speech.

Mr. SIEMINSKI. Does not the gentleman feel that there is still a little courage and ability at Princeton to preserve that institution? Does not the gentleman believe its men have the intelligence to weigh what they hear? Does it mean that because this man should speak there that he has the endorsement in his views of Princeton men?

Mr. TUMULTY. All I am asking Princeton to do is to protect the Princeton boys.

Mr. SIEMINSKI. I think Princeton students well qualified to protect themselves. I think they are just as courageous as you think they are. They should let him speak.

The SPEAKER. The time of the gentleman has again expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Sisk (at the request of Mr. Friedel) on April 19 and April 20, on account of official business.

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have permission to sit during general debate in the House all of next week.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Tumulty, for 15 minutes today.

Mr. Dorn of South Carolina, for 5 minutes today.

Mr. Chudoff, for 15 minutes on Thursday, April 26.

Mr. Thompson of New Jersey (at the request of Mr. Metcalf), for 30 minutes on Tuesday, April 24, 1956.

Mr. Knox, for 10 minutes today, following any other special orders.

Mr. Sieminski, for 10 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mrs. Kee.

Mr. Barrett (at the request of Mr. Chudoff).

Mr. Donohue and to include extraneous matter.

Mr. Mumma.

Mr. Lovre.

Mr. Sadlak and to include a speech by Mr. Horace Seely-Brown, Jr.

Mr. Baldwin.

Mr. Curtis of Missouri and to include extraneous matter.

Mr. Dixon and to include extraneous matter.

Mr. Patman, the remarks he made in Committee of the Whole today and to include extraneous matter.

Mr. Klein (at the request of Mr. Albert) and to include extraneous matter.

Mr. Thompson of New Jersey (at the request of Mr. Albert) and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2091. An act authorizing the reconstruction, enlargement and extension of the bridge across the Mississippi River at or near Rock Island, Ill.; to the Committee on Public Works.

S. 2092. An act transferring to the jurisdiction of the Department of the Army the bridge across the Missouri River between the Fort Leavenworth military reservation in Kansas and Platte County, Mo., and authorizing its removal; to the Committee on Public Works.

S. 2424. An act to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

S. 2712. An act to authorize the charging of tolls for transit over the Manette Bridge in Bremerton, Wash.; to the Committee on Public Works.

S. 2854. An act to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

S. 2855. An act to authorize the Commissioner of Public Housing to enter into contracts on a standby or emergency basis for housing to provide shelter for disaster victims, and for other purposes; to the Committee on Banking and Currency.

S. 2859. An act to provide rent-free accommodations in certain federally aided housing for needy victims of major disasters, and for other purposes; to the Committee on Banking and Currency.

S. 3272. An act to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; to the Committee on Public Works.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; and

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national bank associations.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 16 minutes p. m.), under its previous order, the House adjourned until Monday, April 23, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1763. A letter from the Assistant Secretary of the Interior, relative to certifying that an adequate soil survey and land classification has been made of the lands in the Santa Maria Water Conservation District which are to be benefited by the Santa Maria project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1764. A letter from the Acting Commissioner General Services Administration, relative to a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 3,302 ounces of emetine hydrochloride now held in the national stockpile, pursuant to section 3 (e) of the Strategic and Critical Materials Stock Piling Act (60 Stat. 597, 50 U. S. C. 98b (e)); to the Committee on Armed Services.

1765. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Veterans Canteen Service for the fiscal year ended June 30, 1955, pursuant to the act of August 7, 1946 (38 U. S. C. 13f) (H. Doc. No. 384); to the Committee on Government Operations and ordered to be printed.

1766. A letter from the Comptroller General of the United States, transmitting a report on the audit of Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Department of the Treasury, for the fiscal year ended June 30, 1955, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 385); to the Committee on Government Operations and ordered to be printed.

1767. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Facilities Corporation, Office of Production and Defense Lending, Department of the Treasury, for the fiscal year ended June 30, 1955, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 386); to the Committee on Government Operations and ordered to be printed.

1768. A communication from the President of the United States, transmitting proposed revisions of the 1957 budget for the Departments of Agriculture and the Interior, involving a total increase of $29,415,000 (H. Doc. No. 383); to the Committee on Appropriations and ordered to be printed.

1769. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the act entitled 'An act to provide additional revenue for the District of Columbia, and for other purposes,' approved August 17, 1937, as amended"; to the Committee on the District of Columbia.

1770. A letter from the Director, District Unemployment Compensation Board, Government of the District of Columbia, transmitting the Annual Report of the District Unemployment Compensation Board for the calendar year 1955, pursuant to section 13 (c) of the District of Columbia Unemployment Compensation Act; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIS: Committee on the Judiciary. H. R. 9314. A bill granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States; with amendment (Rept. No. 2014). Referred to the House Calendar.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9593. A bill to simplify accounting, facilitate the payment of obligations, and for other purposes; with amendment (Rept. No. 2015). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations. H. R. 10654. A bill making an additional appropriation for the Department of Agriculture for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 2016). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H. R. 9083. A bill to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities; without amendment (Rept. No. 2017). Referred to the Committee of the Whole House on the State of the Union.

Mr. THORNBERRY: Committee on Rules. House Resolution 477. Resolution for consideration of H. R. 7500, a bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; without amendment (Rept. No. 2018). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 478. Resolution for consideration of H. R. 9260, a bill to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; without amendment (Rept. No. 2019). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 479. Resolution for consideration of H. R. 2840, a bill to promote the further development of public library service in rural areas; without amendment (Rept. No. 2020). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN:

H. R. 10654. A bill making an additional appropriation for the Department of Agriculture for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations.

By Mr. ASHLEY:

H. R. 10655. A bill to amend the United States Housing Act of 1937 to authorize the admission of single persons to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

By Mr. BRAY:

H. R. 10656. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. CHIPERFIELD:

H. R. 10657. A bill to establish a soil bank; to the Committee on Agriculture.

By Mr. DAGUE:

H. R. 10658. A bill to amend the Internal Revenue Code of 1954 to provide that annuitants may elect to have their annuities taxed in the manner provided by the Internal Revenue Code of 1939; to the Committee on Ways and Means.

By Mr. DAWSON of Utah:

H. R. 10659. A bill to protect the public in the operation of, and in performance under warranties on, delicate, complicated, sensitive or inherently dangerous machinery, mechanisms, or apparatus sold in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. FALLON:

H. R. 10660. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes; to the Committee on Public Works.

By Mr. BOGGS:

H. R. 10661. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes; to the Committee on Public Works.

By Mr. DENTON:

H. R. 10662. A bill creating the city of Cannelton Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., to purchase and operate a ferry at such location, and for other purposes; to the Committee on Public Works.

By Mr. DIXON:

H. R. 10663. A bill to provide for the establishment of a regional water laboratory; to the Committee on Agriculture.

By Mr. FORAND:

H. R. 10664. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers in the case of decedents dying after December 31, 1947; to the Committee on Ways and Means.

By Mr. HOFFMAN of Michigan (by request):

H. R. 10665. A bill to limit the acquisition and use by civilian agencies of the Federal Government of equipment for reproducing documents, drawings, papers, and so forth, on sensitized materials; to the Committee on House Administration.

By Mr. HOPE:

H. R. 10666. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a domestic parity plan for wheat; to the Committee on Agriculture.

By Mr. KEATING:

H. R. 10667. A bill to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the

United States in the interest of national security; to the Committee on Post Office and Civil Service.

By Mr. MILLER of California:

H. R. 10668. A bill to readjust postal classification on certain educational materials, and for other purposes; to the committee on Post Office and Civil Service.

By Mr. McINTIRE:

H. R. 10669. A bill to amend the Federal-Aid Highway Act of 1944 to provide for an addition to the National System of Interstate Highways; to the Committee on Public Works.

By Mr. McMILLAN:

H. R. 10670. A bill to amend the District of Columbia Unemployment Compensation Act so as to extend the coverage of such act to employees of the municipal Government of the District of Columbia employed in District of Columbia institutions located in Maryland and Virginia; to the Committee on the District of Columbia.

By Mr. NELSON:

H. R. 10671. A bill to amend the Federal-Aid Highway Act of 1944 to provide for an addition to the National System of Interstate Highways; to the Committee on Public Works.

By Mr. PATTERSON:

H. R. 10672. A bill to authorize the Commissioner of Public Housing to enter into contracts on a standby or emergency basis for housing to provide shelter for disaster victims, and for other purposes; to the Committee on Banking and Currency.

H. R. 10673. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

H. R. 10674. A bill to authorize the construction of flood-protection measures, with particular reference to areas where severe damages have recently occurred as the result of extreme rainfall accompanying hurricane storms; to the Committee on Public Works.

H. R. 10675. A bill to authorize an increase of emergency relief highway funds from $10 million to $30 million for the fiscal year ending June 30, 1956; to the Committee on Public Works.

H. R. 10676. A bill to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; to the Committee on Public Works.

By Mr. PRIEST (by request):

H. R. 10677. A bill to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war risk insurance for an additional 5 years; to the Committee on Interstate and Foreign Commerce.

By Mr. REUSS:

H. R. 10678. A bill to provide for the reorganization of the safety functions of the Federal Government, and for other purposes; to the Committee on Education and Labor.

By Mr. SMITH of Mississippi:

H. R. 10679. A bill granting the consent of Congress to the establishment by the States of Mississippi and Arkansas of a bi-State commission to investigate the possibilities of constructing a railroad bridge across the Mississippi River; to the Committee on Public Works.

By Mr. SHEEHAN:

H. R. 10680. A bill to amend the Internal Revenue Code of 1954 to provide income-tax deductions for depreciation and repair of the taxpayer's residence; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 10681. A bill to encourage the discovery, development, and production of nonferrous chrysotile asbestos in the United States, its Territories, and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H. R. 10682. A bill to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes; to the Committee on Armed Services.

H. R. 10683. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder; to the Committee on Armed Services.

H. R. 10684. A bill to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America; to the Committee on Armed Services.

By Mr. WILLIAMS of Mississippi (by request):

H. R. 10685. A bill to authorize the Public Utilities Commission to regulate the number of vehicles to be used as taxicabs in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WILSON of California:

H. R. 10686. A bill to revise section 4166 of the Revised Statutes (46 U. S. C. 35); to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG:

H. R. 10687. A bill to encourage the discovery, development, and production of mercury in the United States, its Territories and possessions, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 10688. A bill to assist in maintaining sound domestic mining industries for the production of certain strategic metals; to the Commitee on Interior and Insular Affairs.

By Mr. ABERNETHY:

H. R. 10689. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. COLMER:

H. R. 10690. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. WHITTEN:

H. R. 10691. A bill o amend with Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. WINSTEAD:

H. R. 10692. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. WILLIAMS of Mississippi:

H. R. 10693. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. ANDREWS:

H. R. 10694. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. JONES of Alabama:

H. R. 10695. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. SELDEN:

H. R. 10696. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. BROWN of Georgia:

H. R. 10697. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. PILCHER:

H. R. 10698. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. PRESTON:

H. R. 10699. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. FORRESTER:

H. R. 10700. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. LANHAM:

H. R. 10701. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. MURRAY of Tennessee:

H. R. 10702. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. BASS of Tennessee:

H. R. 10703. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. HARRIS:

H. R. 10704. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. MILLS:

H. R. 10705. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. McMILLAN:

H. R. 10706. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. RILEY:

H. R. 10707. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. DORN of South Carolina:

H. R. 10708. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. ASHMORE:

H. R. 10709. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. GRANT:

H. R. 10710. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. ELLIOTT:

H. R. 10711. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton-acreage allotments; to the Committee on Agriculture.

By Mr. MULTER:

H. J. Res. 607. Joint resolution to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes; to the Committee on Banking and Currency.

By Mr. PATTERSON:

H. Res. 480. Resolution to authorize the Committee on Post Office and Civil Service to investigate and study the downgrading of positions in the executive branch of the Government; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. LANE: Memorial of the House of Representatives of the General Court of Massachusetts memorializing Congress to appropriate money for the repair of the dam at Massasoit Lake, better known as Watershops Pond in the city of Springfield; to the Committee on Appropriations.

Also, memorial of the General Court of Massachusetts memorializing Congress to enact certain legislation, such as necessary for establishing proper flood-control measures in the Commonwealth of Massachusetts; reducing the age of eligibility for women for social-security benefits; providing for the establishment of a national health insurance plan; repealing the Immigration and Nationality Act in which there shall be no quota system based on national origins; granting aid in the form of arms to the Government of Israel; incorporating the Franco-American War Veterans; and repeal of a treaty relative to the prosecution of members of the Armed Forces of the United States serving in foreign countries for alleged violation of the law of such countries; and that the Congress of the United States take such action as may be necessary to insure that the Postmaster General issue a postage stamp in memory of the late Herman Melville; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of Pennsylvania:

H. R. 10712. A bill for the relief of Moshe Davidovitz and Frieda Davidovitz; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 10713. A bill for the relief of Wei-Kuan Chang and Su Chun Wei Chang; to the Committee on the Judiciary.

By Mr. DAVIDSON:

H. R. 10714. A bill for the relief of Ivo Bukvic; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 10715. A bill for the relief of Ornella Buratto; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 10716. A bill for the relief of Baleriano Alvarez-Rocha; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H. R. 10717. A bill for the relief of Ciro (Jerry) Barile; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 10718. A bill for the relief of Mrs. Cleopatra Vasiliadis; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H. R. 10719. A bill for the relief of Silvio Dario Durante; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 10720. A bill for the relief of Dorothy E. Green and Thelma L. Alley; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

931. By Mr. BUSH: Petition of Kellenbach-Mead Barracks No. 163, Veterans of World War I of the U. S. A., bearing the signatures of 1,258 residents of Willamsport and Lycoming County, Pa., urging the immediate enactment of a separate and liberal pension program for veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

932. By Mr. ELLSWORTH: Petition of L. H. Bowman and 46 other residents of Grants Pass, Oreg., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

933. Also, petition of Percy Edwards and 46 other residents of Sutherlin, Roseburg, Oakland, Wilbur, Myrtle Creek and Camas Valley, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

934. Also, petition of R. H. Woodbury and 45 other residents of Grants Pass, Oreg., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

935. By Mr. LeCOMPTE: Petition of employees of the Burlington freight office in Ottumwa, Iowa, urging the passage of H. R. 9065; to the Committee on Interstate and Foreign Commerce.

936. By Mr. SILER: Petition of Mrs. Hellen M. Bilderbeck and 363 other residents of Los Angeles, Long Beach, Pasadena, and Glendale, Calif., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

937. Also, petition of Mrs. Maggie Plemons and 102 other residents of Fort Payne and Rainsville, Ala., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

938. By the SPEAKER: Petition of Miss W. S. Pratt, secretary, Townsend Clubs of Fourth District of Florida, Miami, Fla., requesting Members of the House of Representatives to sign petition No. 4 to have H. R. 4471 brought out of committee for debate and a vote; to the Committee on Ways and Means.

939. Also, petition of K. V. Swalley and others, Valliant, Okla., requesting passage of legislation that will bring about a good national old-age-pension plan during this session of Congress; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Hon. Horace Seely-Brown, Jr., Tells Hi-Y Youth Legislators More Politicians Mean Better Government

EXTENSION OF REMARKS

OF

HON. ANTONI N. SADLAK

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. SADLAK. Mr. Speaker, I have asked for unanimous consent to extend my remarks, and wish to do so by inserting in the RECORD an address which was delivered during the recent recess of the Congress by my colleague from Connecticut, the Representative of the Second Congressional District, and as such my own Congressman, the Honorable HORACE SEELY-BROWN, JR.

The Members of this House know that Mr. SEELY-BROWN does not take up much of the time of the House with speeches, but when he does speak, we have observed that invariably it is briefly and to the point, and his remarks always are a cogent contribution to the business before the House.

The address which I am about to place in the RECORD was delivered at the Hotel Bond, in Hartford, Conn., where Mr. SEELY-BROWN was asked to be the guest of honor at a dinner which marked the close of a 2-day session of the general assembly of the Hi-Y youth in government project. There were about 175 young men present, all juniors and seniors in high school, who had been elected by their Hi-Y Clubs at the Young Men's Christian Associations in their home communities, to serve as senators or as representatives in the youth general assembly. They performed all of the steps involved in carrying into effect a law of the State of Connecticut.

As always, my colleague was brief in his remarks, but the advice which he gave to the youth legislators and the other guests present was so well thought out, and it is of so much interest, not only to parents, but to all citizens of all ages, that I am inserting at this point in the RECORD the text of his address:

HON. HORACE SEELY-BROWN, JR., TELLS HI-Y YOUTH LEGISLATORS MORE POLITICIANS MEAN BETTER GOVERNMENT

Mr. Chairman, I consider it an honor and a privilege to be given the opportunity of sharing in this program with you. The invitation so graciously tendered by your chairman to address this closing session of the Youth General Assembly was one which I was pleased indeed at being able to accept.

During these past 2 days, you as members of the Youth and Government Assembly have completed an arduous program. I am sure that in your "stand in" capacity you have had a real look at some of the problems faced by the duly elected executive and legislative officers of our State government. I trust that you have passed all the bills that needed to be "passed," and perhaps repealed a few acts that needed repealing. At any rate when you finished, it was unnecessary for the Secretary of State to proclaim, "God save the State of Connecticut." I wonder if any of you are already making plans for calling a special session.

I have been pleased to examine the Handbook of Instructions so carefully prepared by the Youth and Government Committee of the Connecticut State YMCA. I congratulate those who worked in its preparation. This manual could well serve as an effective "do it yourself" manual for your prototypes, the elected Senators and Representatives, especially those coming to Hartford for their first term of service in the General Assembly.

I have not yet received any specific report as to the "laws" which you have enacted during this session of the Youth and Government Assembly. I am sure there are many which rightly can be counted as an index to your alert civic responsibility and sound thinking.

I would not be at all surprised, nor would I blame you, if there were no bills passed under the general entitlement of "juvenile delinquency." I am sure that many of you are sick of the term and for much of the loose talk for which this term must serve as a label.

I promise not to belabor the point, but it does seem to me that even those of us who are adults have become quite confused about juvenile delinquency, including alike what it is, and what to do about it.

"Juvenile delinquency" is a term which we do not find in the annals of the past. It does not appear as such in our literature of other centuries, or in the jurisprudence of distant times. No doubt, mother's knee and father's knee were important administratively as well as anatomically in preventing the need for such a term.

The Scriptures, the lawgivers, the ancient and modern philosophers, the poets of the Golden Age do not give us anything about "juvenile delinquency." Instead, they have handed down to us much that is well worth remembering about youth and its qualities and virtues.

Fame Is the Thirst of Youth. Youth is on the march to fame and will not be stopped. It has been so in every generation. Age could not stop this, nor would it. In our present day, there would be perhaps less confusion if we elders, we parents, spent more effort in undertaking to understand youth, and more time and energy in working with youth.

Young people are not the only ones who seem to be confused. One State, Georgia, already says that persons are mature enough to vote when they reach the age of 18. In fact, a proposal is presently before the Congress for the same voting age in all States in electing Federal officials. On the other hand, all States but 6 say a man cannot get married without his parents' permission until he is 21 years of age. At 18½ you are old enough to be drafted into the military service, and, if necessary, to fight for your country; but you are not old enough to buy anything on the installment plan, except by your parents' authority, until you are 21.

Here in the State of Connecticut we hope that willful damage and acts of vandalism will be reduced, as the result of a law which was passed last year, making parents responsible, up to $250, for any willful damage to property by their children up to the age of 21 years. In New York, however, Governor Harriman has just vetoed a similar bill, I am informed, saying that young people would use the threat of causing damage, for which their parents would be liable to pay, as a club over the heads of their parents to make them give them the things they wanted. And so I say, who is confused?

Whether or not the legislation you have adopted at your youth-government assembly deals with any of these matters, I am sure that you can help, by your studies, by your interests, and by your influence and example, to clear up much of the confusion that prevails on these and many other important subjects.

I have been examining the list of the members of the youth and government committee of the Connecticut State YMCA, the committee responsible for this program. It is an impressive list.

Do you know that the chairman, Judge Maltbie, served as chief justice of Connecticut for 20 years—a longer period than any other man in that office since our State's present constitution was adopted in 1818? I believe that he was the youngest man to be appointed to the superior court bench, either before or since, when he was nominated to that high judicial office by Gov. Marcus Holcomb. And already, at that early age, he had served his town of Granby as representative in the general assembly, he had served Hartford County as assistant State's attorney, and he had served as executive secretary to Governor Holcomb. His distinguished career has comprehended public service in the legislative, executive, and judicial branches of our government.

The honorary chairman of your committee, Justice Raymond E. Baldwin, of the supreme court of errors, was one of our State's most beloved governors, and a member of the United States Senate from Connecticut; and, before he was elected governor, he sat in one of the very seats that you youth legislators sat in, in the House of Representatives at the Capitol, where he represented the town of Stratford for 2 terms, during 1 of which he was the majority leader of the House.

I would like to point out to you that both Judge Maltbie and Justice Baldwin were politicians. I look over the names of the other members of the distinguished committee, and I find among them many personal friends of mine from my own congressional district of eastern Connecticut. They are politicians, too.

"Politician," according to the distorted usage of today's world, has become an ignominious word. There is no reason why this should be so. One of the things of greatest value that you could carry back home from this session is that there is nothing wrong with being a politician; in fact, that you should aspire to be one, to the extent that your time and talents permit.

Politicians are an essential part of our system of government. The dictionary says that politics is the science or art of government. Politicians are men and women who have had sufficient interest in public service, sufficient care about the kind of government we have, to take the time and trouble to become experts, to a greater or lesser degree, in the science or art of government.

Most politicians do not conform at all to the cartoon conception of what a politician is, and what he does, and how he operates.

You who have just served in the general assembly of the youth and government program no doubt are aware that in our official general assembly there are 36 Senators and 279 Representatives, and all they receive by way of compensation for their services to the State, at home and in Hartford, for their entire term of 2 years, is $600. They are barred by law from accepting appointment to a public-service job with a salary while they are members of the General Assembly.

There are about 750 men and women, serving on more than 100 boards, commissions, and committees that constitute part of the government of the State of Connecticut, who are responsible for important decisions of policy, and the direction of thousands of employees, and the spending of millions of dollars in State appropriations. They receive nothing for their services—not a penny! They are politicians.

In your own community back home, and in every community, there are other citizens, men and women by the dozens, by the scores, in the larger cities even by the hundreds, who are serving as aldermen, councilmen, commissioners, and as members of boards of education, boards of finance, etc. They are paid nothing for their services. They are politicians.

Also, in your own community, and in every other community in Connecticut, there are men and women who serve on the town committee of the political party of their choice, or they serve on the State central committee, or they serve on a ward or precinct or district committee. They do not receive anything for their services, and they do not expect to; but they care enough about the principles and about the candidates of their party to devote much energy, many hours, and, yes, a lot of their own money, to working for the attainment of their objectives. They are politicians.

In the assembly sessions which you have attended I am sure that you have learned much. As true representatives of your respective clubs, it will now be your responsibility to report back to those whom you represent. You have had an opportunity to see our government from the inside actually.

Take back home the message that the government of Connecticut is well conducted, and that it is conducted as the people want it to be, as expressed in their mandate to parties and to candidates every election.

Take back the message that the science and art of government demand skilled and talented practitioners, just as every other science, art, or craft demands, and that these are politicians. Groom yourself, and influence your fellow club members at home, to take an eager interest in government—local, State, and Federal—even at your present age, and continue and develop it when you are able to become voters.

Do not be afraid or ashamed to be a politician. Being a politician is also being a patriot; and the more politicians we have—the more sincere, interested, and experienced men and women in politics—the better our politics will be, which is just another way of saying the better our government will be.

Address by Hon. Herbert H. Lehman Before the Albert Einstein College of Medicine

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Thursday, April 19, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the Congressional Record an address I delivered at the award dinner of the Albert Einstein College of Medicine, in New York City, on April 17, 1956.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Senator Herbert H. Lehman at Award Dinner of the Albert Einstein College of Medicine, April 17, 1956, Waldorf-Astoria, New York

I am grateful for your award. I am honored, greatly honored, to be included in the company of Carl Sandburg, Dr. Stanley Cobb, and Dr. John von Neumann in receiving this recognition from the Albert Einstein College of Medicine.

Carl Sandburg and these two brilliant scientists have enriched mankind's heritage in a way and degree that no political figure possibly can. The contributions of these men will be remembered and utilized long after the political chronicles of these times have been relegated to the archives of oblivion.

To be honored in the name and in the memory of that towering figure of the ages, Albert Einstein, makes me feel humble, and thankful, indeed.

There is a man who lent luster not only to his adopted country, America, but to all humanity. Our entire epoch will one day cite Albert Einstein as one of its chief claims to immortality. There was a mind—and a soul—which soars above our time, like an eagle over the distant terrain below.

This College of Medicine of Yeshiva University, under whose auspices we meet tonight, is richly endowed with Albert Einstein's name alone. The finest hope I can express for this college is that it will never cease to be animated by the spirit and ideals of Albert Einstein. If that hope be realized—and I am confident it will—this college will repay in full measure all the efforts and sacrifices that have gone, and must continue to go, into its creation and growth.

What nobler enterprise is there, what finer way to carry on in the spirit of Albert Einstein, than to provide this facility, this college, for the training of young men and women in the twin pursuits of medical research and medical practice. And here, I am proud to note, under the aegis of the Jewish tradition, the scientific spirit is to

be given free rein and scope, "on the principle," in Albert Einstein's words, "that the desire for truth must take precedence over all other desires."

In these words Albert Einstein wrote what could be the inscription on the foundation stone of this college.

The search for truth is a sacred quest whose inviolability must be recognized by any society which aspires to the ways of freedom. It is the hallmark of a mature society which has a true faith in freedom.

I accept your citizenship award, hoping that I have indeed contributed in some small measure to the struggle for freedom in our beloved country, against the encroachments of those men, to be found in every time, who view every unorthodoxy as heresy, and whose answer to heresy is repression.

Against these forces I have fought in these recent years, as during all the years of my life, with such strength as I have had. And if my efforts have served any purpose, it has been to help sound the alarm for the mobilization of those legions of Americans who, loving freedom, have been aroused to defend it.

We have had some measure of success. The worst assaults have been beaten off. The chief vigilante of them all, Senator McCarthy, has been, at least temporarily, unhorsed. The hobgoblins of fear with which he frightened the people and made America the object of ridicule throughout the world have been exposed for the penny-show effigies that they were.

The junior Senator from Wisconsin, for the moment, preaching to unhearing ears the doctrines of fear, danger, and hate which, only 2 years ago, commanded the breathless attention of the Nation and the world.

I have emphasized the phrase "for the moment." I have done so because I do not share the confidence of some that the danger of McCarthyism is past.

Indeed, I think it still hovers over us. It may take another form and pass under another name; while the sickness in our national soul which permitted McCarthyism to rage so violently has apparently been arrested, I doubt whether it has been completely cured.

I am reminded of the prophetic words of the late Huey Long, when asked whether the United States could be swept by fascism. He was an intellectual cynic: he said it could happen, but in America it would be called antifascism. He was wrong only in terminology. In fact, when it came, it was falsely called anticommunism. Next time, if and when it comes, it will probably be called something else again.

No, the danger is not over and the damage has not yet been undone.

The stigmata of the basic illness remain with us. The climate of apprehension is much milder now but it still can be felt in the schools, in the Government service, and in the general body politic. The teacher, the public figure, or the Government servant must still think twice before he makes an appointment, writes a letter, buys a book, discusses an idea, or makes a speech or statement. He must weigh and consider how this activity could be made to look in its worst light, how it could be made to sound in the mouth of a McCarthy, or before a congressional investigating committee.

Public men must still take frequent public oaths of hatred for communism, as though such hatred required public affirmation in order to give assurance of loyalty to America.

And we still have the unedifying spectacle of congressional committees touring the country inquiring into the individual beliefs and long-past associations of private citizens.

It was only a few months ago that a most unfortunate attempt to intimidate a great newspaper, the New York Times, was to be discerned in one of the investigations conducted by the Senate Subcommittee on Internal Security.

The stage and screen have continued to be exposed to sporadic attacks, and the blacklist is still a reality in the entertainment world.

Finally, the Government security program, perhaps at a somewhat slower pace than before, continues to claim its innocent victims, although the numbers game, which Attorney General Brownell enjoyed so much at one time, is no longer as popular as it was.

No; freedom's banners can scarcely be said to fly at full mast in our country yet. We have much to do, much wreckage to repair, and many battles still to win, before we can claim that we are even at the point from which we came a scant few years ago.

Nor must we forget that the struggle for human freedom is one which must be continuously pressed forward to new victories and new advances. To do otherwise is to lose ground in a world which is in irresistible motion, where standing still results, in effect, in moving backward.

Albert Einstein said: "Laws alone cannot secure freedom of expression; in order that every man may present his views without penalty, there must be a spirit of toleration in the entire population. Such an ideal of external liberty can never be fully attained but must be sought unremittingly if scientific thought, and philosophical and creative thinking in general are to be advanced as far as possible."

Today, while facing the imperative duty of pressing onward to regain lost ground in the field of civil liberties we are presented with a fresh challenge in the field of civil rights.

I am proud and glad to take note that in this college, students are selected entirely on the basis of individual need and merit, without regard to race, creed or color.

The application of this rule to our entire society is the problem with which we must now grapple with all our might.

This problem weighs upon us today with the accumulated force of generations of injustice. Today we are being asked—no, we are directed—to eradicate the evil practices of the past and to make a prompt start upon this heavy task.

The immediate problem is legally enforced segregation in the public schools, but looming behind this one are others—the denial of the right to vote, the denial of equal opportunity in employment, and the denial of the equal protection of law against physical violence. And finally there is the overall, the basic, problem—the eradication of the assumption that race, creed, color, or place of national origin is per se a warrant of superiority for some and a badge of inferiority for others.

These problems demand, in one degree or another, our immediate concern, attention and action.

The denial of basic human rights to some, based on race, can no longer be tolerated. It will no longer be tolerated. The victims of discrimination, disenfranchisement and unequal justice are no longer content to wait for the gradual rusting away of their chains. And the conscience of America, in this respect, can no longer withstand the pitiless inspection of mankind two-thirds of which consists of peoples of colored races.

While the denial of basic rights and the repression of people on the basis of their race is concentrated in its most acute forms in some parts of the South, the larger problem is common to every part of our country.

We, in the North, while urging and requiring a forward movement on these fronts in the South, have our own movement to make, to eradicate the practices of discrimination in our own part of the country—and the existence of prejudice in our own hearts and minds, whether the victims of such discrimination and prejudice are Negroes or Puerto Ricans or Jews or Catholics or just foreigners.

We have our own backyards to clean up, even as we continue, as we must, to lend our force to the tide which is sweeping back the barriers of legal discrimination in the South.

Nor should we forget in this cleanup of discriminatory practices and prejudicial actions and attitudes, the McCarran-Walter Act. There is an area which falsely reflects and distorts the spirit of America. We cannot rest until the national origins quota system—that shameful codification of the mythology of Nordic superiority—is expunged completely from the laws of our land.

The tasks confronting us are difficult, weighted with practical problems of the greatest complexity.

In every direction there is a new challenge, a tangled array of almost insuperable difficulties.

We must not seek to escape from this troubled prospect by passing the responsibility to others, or by contenting ourselves with the pious hope that time will bring easy solutions. There are no easy solutions.

This is the responsibility of every man. Each one of us shares in that responsibility. Each one of us has a part to play in the drama of these critical days.

We must catch up, in our human relationships, with the seven-league advances of science in the field of communication, movement and destruction.

We must do battle for freedom and justice now for everybody, or we will awake to find them gone for everybody.

I have faith. I have hope. I believe that the purposes we serve will prevail. God willing, we will not fail.

The Late Leo R. Sack

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 19, 1956

Mr. BARRETT. Mr. Speaker, it is indeed a sad coincidence that Mr. Leo R. Sack, the distinguished soldier and diplomat and former member of the Capitol Press Galleries, died on Sunday in Los Angeles, Calif., on the eve of the observance of the eighth anniversary of the independence of the State of Israel, in the creation of which he played such a significant role.

As public relations counselor to Rabbi Abba Hillel Silver, then president of the Zionist Organization of America, Leo Sack rendered an incalculable service that will be long remembered by those who have the cause of democracy at heart.

As a patriotic American he saw the wisdom of the establishment of a bastion of the free world in the Middle East where communism had long sought, and still seeks, a foothold. As a member of the Jewish faith whose brethren survivors of the Nazi holocaust sought a refuge in their traditional homeland he labored for the justice of their cause.

And as an experienced journalist and diplomat of wide experience and friendships he directed his efforts in the crucial days of the partition fight and the birth of the fledgling nation to the success of that cause.

I am sure I speak the sentiments of many other Americans, Jew and non-Jew alike, who knew and loved Leo Sack when I extend our sympathies to his wife, his daughter and grandchildren and other members of his family and add: "Well done, thou good and faithful servant."

Public Housing at Its Best

EXTENSION OF REMARKS

OF

HON. WALTER M. MUMMA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. MUMMA. Mr. Speaker, on April 22, 1953, when public-housing legislation was under consideration in the House, I asked this question: "How long is it reasonable to allow a tenant to stay in this low-cost, subsidized, less-than-cost housing?" I think my remarks then are worthwhile repeating in part at this time. I quote:

> I think this approach to the public-housing situation is very important. Some plan should be adopted whereby tenancy is limited to a certain period of time. This would help get out of these units some of the people who expect to make this a permanent thing and allow others to have a chance. It is reliably estimated that public housing can at best take care of only one-tenth of our people who are in the low-income group and need this help.
>
> Another angle that should be studied, when the whole housing situation is reviewed, is the matter of incentive. It is claimed that Federal housing rehabilitates. If it is a matter of rehabilitation, there ought to be a period of so many years or months of occupancy provided to permit tenants to acquire a stake to be used in the purchase of homes of their own. I realize it is a much easier proposition for a veteran to get out of these low-cost housing units and have a little garden for his kids to run around in than for a widow with 2 or 3 children to support. This should be taken into consideration when this public-housing item is reviewed again next year by the Banking and Currency Committee.
>
> In my community of Pennsylvania we have a very good housing authority. We have a very good manager in charge. We have 1,100 units and, in my opinion, those 1,100 units should form the basis for a turnover so that people who run into a streak of hard luck may be taken care of and perhaps save a little money. In my experience, it is not always the fellow who makes the most money who lives in the nicest or has the best home. I can show you cases of people, living more or less on a low-income wage, who get in there and pitch and own their own homes. They look nice; they have a nice garden. It is mainly a matter of their will to lift themselves up rather than continuing to accept this subsidized housing.

Now read these interesting figures from an article in the Harrisburg (Pa.) Evening News of February 16, 1956:

> MODERN UNITS FOR FAMILIES WITH LOW INCOME LAUDED
>
> M. W. Smith, executive director of the Harrisburg Housing Authority, today released figures indicating the modern facilities of local public housing projects are encouraging thrift among low-income occupants.
>
> Harrisburg has 1,080 modern housekeeping units in four public housing projects; George A. Hoverter Homes, William Howard Day Homes, John A. F. Hall Manor and Hillside Village.
>
> In the last 3 years, Smith said 633 families moved out voluntarily, 169 of them, or 26.7 percent, going into homes they are buying.
>
> "We are of the opinion," said Smith, "that if these 633 families had not enjoyed the benefits of modern public housing they would still be 'existing' in substandard dwellings."
>
> The Housing Authority, the Harrisburg Redevelopment Authority and City Council are currently striving to obtain 330 more units of public housing to replace substandard dwellings.
>
> Smith also disclosed figures of a recent housing survey showing that although 1,893 units of public and private housing were erected since April 1, 1950, the city, on February 1, still had 7,662 units of substandard dwellings. Of those, he said 6,337 are occupied by white families, 1,325 by Negroes. Dwellings demolished in extended Capitol Park since April 1, 1950, he said numbered 452.

I have always felt that we have a good Housing Authority in Harrisburg, with efficient, honest management. I believe you will agree with me, after noting the authority's approach to this housing problem as carried in the friendly, helpful and constructive news article mentioned above. It speaks well for public housing as it has been managed and developed in our community.

Opposition to Utility Provision in Federal Highway Bill

EXTENSION OF REMARKS

OF

HON. JOHN F. BALDWIN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. BALDWIN. Mr. Speaker, it is my opinion that the utility reimbursement section which has been approved by the House Public Works Committee for incorporation in the Federal highway bill, is an undesirable section. This section would allow reimbursement by the Federal Government of 90 percent of the cost of relocating utility lines on Federal interstate highways. In my opinion, the action is too liberal and should contain restrictions.

The Roads Subcommittee of the House Public Works Committee had previously established restrictions limiting such reimbursement to 50 percent of the cost of relocation, and providing that such reimbursement could not exceed 2 percent of the cost of the highway construction project. However, the full Public Works Committee, on a split vote, struck out these limitations and inserted the more liberal 90 percent provision in the bill. I voted against this provision for 90-percent reimbursement, and desire to point out that the provision contains no limitation whatsoever on the portion of the cost of a highway construction project which can be used for utility reimbursement, whereas the Roads Subcommittee had previously set a limitation of 2 percent of this cost.

I am concerned about the effect of this provision upon the States. As an example, the State of California now is authorized under State law to enter into agreements with the utilities for partial reimbursement of relocation costs, but these agreements normally limit reimbursement to 50 percent of these relocation costs. The insertion of a more liberal 90 percent reimbursement provision in the Federal highway bill will, in my opinion, be likely to cause pressure by the utilities on the California State Highway Department to increase utility relocation reimbursement payments on all State highway construction projects from 50 percent to 90 percent. The California State Highway Department is opposed to this 90 percent utility reimbursement provision.

Regional Water Laboratory

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. DIXON. Mr. Speaker, land utilization is affected by many economic, physical and social conditions. However, the main factors which determine the suitability of land for crop production are the extent of rainfall and the supply of water.

As Dr. H. H. Wooten pointed out in his excellent study Major Uses of Land for the United States, published by the USDA in October 1953, as Technical Bulletin 1082:

> Several significant interrelationships exist between use of cropland and water. These include limits on lands used for crops in moisture-deficient areas; problems of excess water in wetland areas and those subject to overflow; condition of land in relation to general water; relationship of ground water to supplemental irrigation and domestic water; and drainage and soils in relation to salinity (p. 62).

Water is becoming a more scarce, and, at the same time, valuable resource. Competition for its control and use is becoming more intensified as the various demands for water—agricultural, municipal and industrial—multiply in number. In light of this intensive competition, it becomes exceedingly important that the most efficient use is made of this valuable but diminishing resource. For example, we need to know more about:

First. Water sources and their development, both surface and underground.

Second. Storage, control, measurement, and conveyance of water.

Third. Water requirements and uses.

Fourth. Application of water—alternative methods and their relative efficiencies.

Fifth. Removal of excess water from surface and subsurface areas.

Mr. Speaker, as you know, the climate of the eastern part of the United States

is generally characterized as humid or subhumid; while the western part, except the Pacific Northwest, is generally referred to as an arid or semiarid area. While the former area during parts of the year has an overabundance of water, giving rise to problems of drainage and flood protection; the latter is a moisture-deficient area, giving rise to the need for collecting and storaging of water during wet periods for use by irrigation during the dry seasons. It is evident, therefore, that the relationships between cropland and water I outlined a moment ago and the need for more basic information relative thereto are not sectional or regional but rather national in both their nature and scope.

Although nearly 95 percent of our irrigated cropland is in the 17 Western States, the expansion of irrigation in Eastern and Southern States has been rapid. For example, whereas in 1939 only 39,862 acres of cropland were irrigated in 28 States designated as either Northeastern, Corn Belt, Lake States, Appalachian, Southeastern; the number of irrigated acres increased to 61,902 by 1944; and 152,586 by 1949.

On the other hand, the number of acres in organized drainage enterprises declined during the decade 1940–50, by 119,000 acres in the Mountain and Pacific Coast States; whereas the number of acres in such enterprises in the North and Southeastern States increased by 15,840,000 acres. This is not to say that some western and Pacific-coast irrigation areas do not have drainage problems, they do, but the major concern of people in these areas is the acquisition and more efficient use of water.

Although we have regional laboratories which are studying basic soils and plant relationship and water hydraulics, and so forth, there are inadequate facilities in existence today whose basic concern is the more intelligent development and use of water. Because of these facts, Mr. Speaker, I send to the desk a bill to authorize and direct the Secretary of Agriculture to establish a regional water laboratory. The bill also authorizes an initial appropriation of $1 million for this purpose.

A Tribute to a Great Hungarian-American—Michael de Kováts

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. CURTIS of Missouri. Mr. Speaker, 177 years ago, a great patriot of our country was killed in a battle waged in the fight for freedom and independence of the infant United States. Of foreign birth, Col. Michael de Kováts typified the many great European leaders who fought so valiantly for a cause they believed to be right and just.

Born in Karcag, Hungary, in 1724, little of his youth is known. His name does not appear in history until 1744 when he joined the Jasz-Nagy-Kun Huszar Regiment as a junior officer at the age of 20. He fought in the Second Silesian War as a member of Empress Maria Theresa's army. A document dated December 14, 1761, shows that he distinguished himself in this war and by the time of his discharge he had decided to enter upon a military career.

He took a very active part in the Seven Years' War in the service of Frederick the Great as a Prussian officer. His commander, Col. Michael Székely, led the First Prussian Hussar Regiment which took part in the battles of Pirna, Gotha, Lobosits, Prague, Torgau, and Leitmeritz. Kováts received very serious wounds in the battle of Gotha but recovered to become, in 1760, captain and commander of the so-called Gersdorf—free Hussars.

On March 12, 1761, he resigned his army commission, probably because he did not like his military assignment, which forced him to be the tax collector and oppressor of certain territories occupied by the armies of Frederick the Great.

In 1762 he returned to Hungary and Empress Maria Theresa appointed him a major in the Hussar Regiment. But with no major conflicts to claim his attention, he was restless for military action. In the new world the Colonists had signed the Declaration of Independence and, having followed with keen interest the activities in America, it was not surprising that Major Kováts decided to help the great cause of George Washington and the revolutionists.

Kováts was 53 years old when he wrote an historic letter to Benjamin Franklin, American Ambassador to France. He had been in military service for 33 years. This letter of application, written in classical Latin, is in Philadelphia at the Library of the American Philosophical Society among the papers of Benjamin Franklin. The letter, speaking for Kováts and his cultural standing, reads:

> Golden freedom cannot be purchased with yellow gold. I who have the honor to present this letter to Your Excellency, am also following the call of the Fathers of the Land, as the pioneers of freedom always did. I am a free man and a Hungarian. I was trained in the Royal Prussian Army and raised from the lowest rank to the dignity of a captain of the hussars, not so much by luck and the mercy of chance, than by the most diligent self-discipline and the virtues of my arms. The dangers of the bloodshed of a great many campaigns taught me how to mold a soldier and, when made, how to arm him and let him defend the dearest of the lands with his best ability under any conditions and developments of the war.
>
> I now am here of my own free will, having taken all the horrible hardships and bothers of this journey (referring to his trip from Budapest to Bordeaux, France). I beg Your Excellency to grant me a passport and a letter of recommendation to the most benevolent Congress.
>
> At last, awaiting your gracious answer, I have no wish greater than to leave soon, to be there where I am needed most, to serve and die in everlasting obedience.

When he received no reply from Franklin, he became impatient and set sail for the colonies without a letter of recommendation, probably sometime in the summer of 1777. Kováts was a professional soldier, a specialist in the branch of light cavalry and he had one purpose in coming to America: to organize hussars—cavalrymen—for Washington.

He knew that Washington had no cavalry in the professional sense. The four so-called mounted regiments, commanded by Colonels Moylan, Bland, Baylor, and Sheldon were mere mounted infantry without the least elementary training or organization in the true cavalry sense.

Kováts and his commanding officer, Count Casimir Pulaski, of Poland, faced an uphill fight to establish a true cavalry unit in the Revolutionary forces. And, in the strict sense of military history, they failed. Cavalry never became of any importance in the Revolutionary War. Washington's English military background included the scepticism of the value of cavalry in combat. With only a pitifully small army of men at his command, Washington felt he could ill afford to allocate the 400 to 500 men that Kováts and Pulaski requested. Forced to undertake their own recruitment program among a people already stripped of most of their eligible men, they were forced to accept into the ranks of the newly created Pulaski Legion many former prisoners and deserters. With food and supplies in short supply, Kováts, as master of exercise, had great difficulty in keeping his troops disciplined and defections were an ever-pressing problem.

These conditions resulted in several clashes with some of the townspeople where Kováts' troops were billeted. Although he was careful not to resort to the classic custom of commandeering the supplies and housing needed for his troops, both he and Pulaski could not understand why disloyal tories should retain their wealth while soldiers and horses went hungry. In June 1778 matters came to a head. One of Kováts' men was arrested by a civil officer for confiscating some tory-owned supplies. The civilian officer was then abused by other members of the regiment and Congress, hearing of the incident, became aroused. Kováts strongly supported the actions of his men and Pulaski was obliged to explain the matter to Congress. This was something of a dilemma for Congress, but it finally solved the problem by supporting Pulaski while reminding him that civilian authorities must be obeyed in situations of this nature.

The legion was fully trained and ready for action by the summer of 1779. Congress delayed approving the new unit and the men, including Kováts, spent 6 idle weeks in Philadelphia. Orders finally arrived on September 29. The legion was to help counter a British offensive in south Jersey. As had been feared, some of the men proved unreliable. Treachery and desertion led to severe reverses in the first engagement. Again the legion's critics became active and Pulaski had to defend himself to Congress. Eager to redeem his reputation, Pulaski and Kováts hurried to their next assignment on the frontier in New York State. Disappointments followed again. Cavalry was ineffective in this wooded wilderness and Pulaski obtained permission to bring his legion back to Philadelphia.

Months passed with no action other than bickering with Congress over the finances and abuse of local citizens. Then, toward the end of 1778 the British invaded Georgia and threatened Charleston. Pulaski's Legion was among the forces ordered south to meet this new attack. Reaching Charleston on May 8, Pulaski and Kováts found the city on the point of surrender. The arrival of the Legion fired the spirits of the defenders and it was decided to resist. On May 12 the Legion swung into action against a much superior British force, and although it fought well, it was completely overwhelmed. Colonel Kováts, with most of his men, died in this battle.

Though hardly an American victory, the dash and bravery of Pulaski's force buoyed up the defending forces and strengthened the resistance immeasurably. It is impossible to assess the true importance of so small an engagement, but the sacrifice of the gallant Hungarian Michael de Kováts equals that of any hero of our Revolution and shines as a true example for all patriotic Americans today.

Big Bend Dam

EXTENSION OF REMARKS

OF

HON. HAROLD O. LOVRE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. LOVRE. Mr. Speaker, one of the most monumental flood-control programs ever attempted in the United States is currently underway in the Missouri River Basin. Involved are 10 States and a sixth of the land area of the United States. The program has been progressing on schedule and overall is about 60 percent completed.

The last major structure involved is the Big Bend Dam in central South Dakota. No funds were provided for this project in the budget. Recently I wrote to all members of the House Appropriations Committee, making a recommendation in regard to this dam. I would like to insert the letter I wrote in regard to this project as I believe it provides a feasible solution:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

Hon. CLARENCE CANNON,
Chairman, House Appropriations Committee, Washington, D. C.

DEAR COLLEAGUE: Reference is made to the development program in the Missouri River Basin, which was authorized in 1944, and which is made up of a series of large dams plus subsidiary structures to assist in controlling floods and to provide other benefits throughout a 10-State area. The program is getting along exceptionally well and has reached a high degree of completion with the exception of the last major structure; namely, Big Bend Dam.

In this regard I should like to call your attention to my testimony before the Public Works Subcommittee of your committee on March 28, relative to this dam. I was notified earlier this year that the Corps of Engineers has sufficient funds currently available to complete a structure known as the Gavins Point Dam. The budget request which was submitted to the Congress contains a provision for $1,700,000 for the Gavins Point Dam. The budget provided no funds for the Big Bend Dam, although it has been authorized. My suggestion to the subcommittee was that whatever funds are necessary for the preliminary engineering and survey work on Big Bend be allocated from the $1,700,000 budgeted for Gavins Point. Such action would in no way increase the budget request of the executive department and would provide the first step in the last major phase of the river program.

Various estimates have been made as to what the initial engineering and surveying would cost, and the most recent figure available to me is $650,000. This would leave a balance of well over a million dollars in the budget, which could be used for other river purposes, such as surveys on some of the tributary streams and channel stabilization from Yankton, S. Dak., south. I think there is considerable merit to this suggestion, because (1) it would assist in bringing the Missouri River Basin development program into its final stages, (2) it would not increase the budget estimate, and (3) it would hasten the day that the interrelated structures on the Missouri River can work in conjunction with one another more efficiently than they can operate individually.

I would appreciate it very much if you would give this suggestion your consideration during your deliberations.

Thank you kindly.

Cordially,

HAROLD O. LOVRE.

Israel's Vital Importance to America and the Free World

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. DONOHUE. Mr. Speaker, 8 years ago, it was my privilege here to be among the first to applaud the United States recognition of the new State of Israel and extend, with a great majority of fellow Americans, my prayers for her continuing peace, progress, and prosperity.

I believe that most Americans were heartfully glad about the initiation of this new State by courageous people because they realized the fundamental bond of democratic principles and aspirations connecting our two countries even in a certain similarity of birth conditions.

Because we here offered the first and strongest encouragement to Israel, and because of the related cultures of our two democratic peoples, we had at their origin and should maintain now a very particular interest in her survival and advancement as the democratic bulwark against Communist intrusion and control of the Middle East.

In the midst of the present tension surrounding her, I think we should try to more clearly and more forcefully understand that Israel has only one desire, and that is to live peacefully among her neighbors. Israel's record of progress during the past 8 years is ample evidence of her objective for a peaceful existence to carry on her programs of modern agricultural and industrial improvements. In this short time, this new state has become perhaps the most progressive and energetic state in the Middle East. In the last 8 years, more than 400 new agricultural settlements have been created in a small area, compared to less than 300 in the 70 years prior to Israel's birth. Every type of industry has developed. Transportation and housing have greatly progressed, but beyond this mere material success, Israel is today the symbol of courage for the rest of the free world, sharply reminding us of the hardships and trials and challenges surrounding the beginning years of our own Nation.

It is fitting, then, that on this occasion we earnestly beseech this administration, particularly the State Department, to intensify their efforts to promote the cause of peace in the Middle East, while at the same time taking appropriate steps to insure the survival of this courageous State of Israel by granting them at least sufficient assistance to adequately protect themselves by maintaining a balance of arms, during negotiations for peace. Such a course might well serve to eliminate much of the tension now threatening war erruption in that whole area and would tend to permit Israel and her neighbors to concentrate their attention and energies to the peaceful needs of their peoples. In any case, so long as the threatening situation remains as it is, this Nation can hardly consider any other course than a forceful policy to prevent the destruction of this democratic state and the loss of a vital and reliable ally, where needed most, to the free world.

Let us, then, continue our prayers while we reemphasize our appeals to the State Department to perseveringly work for the preservation of Israel and the establishment of peace in the Middle East for the security of ourselves and the rest of the free world.

General Agreement on Tariffs and Trade

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mrs. KEE. Mr. Speaker, please permit me to insert in the RECORD the following two paragraphs from a news story dated Geneva, Switzerland, April 12:

> The secret 26-nation negotiations to reduce tariffs, which began in January, now have entered a critical stage, it was learned today.
>
> The 500 delegates are trying to finish the discussions by the end of this month. The negotiations are being carried out under auspices of GATT—the General Agreement on Tariffs and Trade.

Every Member of Congress should give serious thought to the implications contained in this report. I find it extremely disturbing that policies which can have a heavy impact upon the working people of our country are being made in secret session by a conference in which America

has a very small voice. To me, what is taking place in Geneva should serve as a warning against this country's committing tariff and trade policies to the quicksand of an international pool capable of submerging entirely the interests of United States citizens. This warning comes at a most appropriate time, in view of the fact that H. R. 5550, the bill to provide for the inextricable involvement of this country in these important matters, is soon to be considered by the House.

I ask my colleagues to think back to the constitutionally delegated functions of this legislative body as regards foreign commerce. Under normal procedure, Congress decides how much of a foreign commodity is to be admitted into our markets, and what the assessed tariffs should be. These decisions are not made in secret meetings. The people of our land would not permit any such malpractice to take place in our Capitol. Our faithful corps of newspapermen assigned to relaying to the reading public news of what takes place in the House and Senate would justifiably assail any attempt of Members of Congress to conduct secret meetings on any such important issue.

How then, Mr. Speaker, are the actions of the GATT delegates to be explained? In view of the fact that what is taking place in Geneva is the outcome of the magnanimity—or should I say the neglect?—of Congress in permitting the executive department to assume powers that are not constitutionally assigned to it, Members of Congress should be vitally concerned about those secret meetings in Geneva. Who, may I ask, has consented to a program whereby tariff concessions are to be effected to the exclusion of public information? What course does Congress assume if agreements inimical to the best interest of our country are negotiated at Geneva? So far as can be determined, Congress would be forced to take ex post facto action in an attempt to negate the effects of a pact made under the auspices of—presumably—an official body of the executive department.

In order to preclude the necessity for any such unpleasant duties—with their subsequent diplomatic complications—Congress must forbid those delegates, who travel around the world concocting unauthorized trade tables with those nations who are looking for a place to unload products manufactured by underpaid workers, from further participation in such conferences. The first step to bring about such an objective is to refuse to allow the United States to enter into the OTC. From there, Congress can and must prepare and enact suitable legislation to undo the damaging consequences of action already committed by the unauthorized agents of the executive department in foreign commerce.

Mr. Speaker, representatives of coal-producing areas are often accused of being concerned about the foreign trade situation because of its impact on the coal industry and its workers. We do not resent such accusation. I, for one, have seen and talked with members of scores of mining families whose very subsistence has been threatened by excessive imports of residual oil.

Residents of mining communities—though for the most part they may be many miles distant from ports of entry to this Nation's markets—are fully cognizant of the reasons for the many mine shutdowns that occurred in postwar years. They know full well that customers who had been buying the product of their efforts shifted to foreign oil because it could be obtaind on a comparatively cheaper basis than an American-produced fuel. When we protested this situation to responsible officials in Washington, members of the State Department, who now want to assume complete responsibility for trade negotiations through the medium of the OTC, were the first witnesses to appear before Congress in an effort to dispute the legitimate claims of our people. We do not wish to be subjected to the further whims of this group which has shown time after time that conditions in mining communities should not be taken into consideration when international trade pacts are being negotiated.

Yes, it is because of what might happen to my congressional district that I ask Congress today to turn down those lofty executive department appeals for United States membership in OTC. But, to you Members outside the coal-producing States, let me remind you once again of that news story from Switzerland. Arrangements to reduce tariffs are being made in secret session. Can any Member of Congress consent to this procedure?

It Will Cost $50,000 To Move the Old Enginehouse—Step Held Wholly Unnecessary

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, a solution of the dilemma faced by the International Monetary Fund, arising from the proposal to move the Old Union Enginehouse occupied by the Association of Oldest Inhabitants, can be reached by leaving the historic old structure where it is. This is the considered opinion of Homer Joseph Dodge, a distinguished member of the Association of Oldest Inhabitants, as he outlined it in the Evening Star of April 18, 1955.

Mr. Dodge points out in his important statement that—

> The plans for the addition to the IMF Building provide for a spacious parked entrance on the Old Enginehouse site. It is wholly unnecessary to remove the firehouse from this park.

Fifty-eight countries contribute to the International Monetary Fund. The United States quota, which is 31.43 percent of the total fund, amounts to $8,750,000,000. If my figures are correct it will cost the United States $15,715 to move the Old Union Enginehouse, a move which is wholly unnecessary, according to Mr. Dodge. This would seem to me to be a matter of interest to the many associations of taxpayers throughout the country. Conceivably it may be of interest to the members of the Joint Committee on Reduction of Nonessential Federal Expenditures.

My own interest in this matter springs from a bill, H. R. 9719, I have introduced—"to amend the act of March 2, 1891, as amended, to insure that the Association of Oldest Inhabitants of the District of Columbia will continue to have the exclusive right to occupy and use the Old Union Engine House in the District of Columbia."

At a meeting of the Judiciary Subcommittee of the House District Committee on March 5, 1956, the members of the subcommittee determined that a hearing would be held on H. R. 9719 at an early date. In the meantime the Board of Commissioners of the District of Columbia have been officially requested that any order to the Association of Oldest Inhabitants to vacate the premises of the old Union Engine House be withheld until such time as the members of the District of Columbia Committee of the House of Representatives have had an opportunity to hold hearings on my measure.

I would like to take this occasion to commend Mr. Dodge for his fine statement regarding the old Union Engine House. I was particularly moved by that part of his statement in which he says:

> Just as Trinity Church stands in the shadow of towering structures in New York's financial district as a symbol of grace and antiquity, so should the Old Engine House remain against the background of the wholly commonplace and undistinguished IMF Building.

A number of years ago when the new General Accounting Office at Fifth and G Streets NW., Washington, D. C., was being planned, the Federal Government proposed to buy the land on which St. Mary's Church is located. The issues that confronted the congregation of this fine church and its doughty pastor at that time, were remarkably similar to the problems faced by the Association of Oldest Inhabitants. I am very pleased to be able to say that St. Mary's Church was not destroyed, nor was it moved. It continues to serve its historic and important mission, and, I should add, the General Accounting Office is unquestionably better off for that mission. Certainly the thousands of Federal employees who work in the General Accounting Office and the other Federal buildings in the area feel safer because of the church and the beneficent influence it exerts in what is surely one of the less desirable neighborhoods in the District of Columbia.

I include here for the information of my colleagues the splendid statement by Homer Joseph Dodge, in the Washington Evening Star, of April 18, 1956:

OLD ENGINE HOUSE

> A solution of the dilemma faced by the International Monetary Fund, arising from the location of the Old Engine House occupied by the Association of Oldest Inhabitants, can be reached by leaving the old building where it is. The plans for the addition to the IMF Building provide for a spacious parked entrance on the Old Engine

House site. It is wholly unnecessary to remove the firehouse from this park.

The National Capital, more than most cities, has a special interest in historic structures. The present IMF Building, with the planned addition, constitutes a structural mass similar to a thousand, yes, 10,000, other office buildings. The Old Engine House is well-nigh unique.

Just as Trinity Church stands in the shadow of towering structures in New York's financial district as a symbol of grace and antiquity, so should the Old Engine House remain against the background of the wholly commonplace and undistinguished IMF Building. This is especially compelling as the life expectancy of the Association of Oldest Inhabitants is far greater than that of the International Monetary Fund. The purpose of the fund is to stabilize currencies of civilizations built upon our economic system. The fund has an unexampled opportunity to achieve its stabilizing function by preserving the Old Engine House where it is.

HOMER JOSEPH DODGE.

Message to Constituents

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 19, 1956

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article prepared by me for insertion in Town and Village, a newspaper circulated in the Stuyvesant Town area of New York City which is in my district:

> In one of my recent columns for Town and Village in which I tried to give my constituents a picture of the working day of a Congressman, I told of how he must take time off to ask himself questions about national problems and policies.
>
> It must not be supposed though that questions are enough. They have to be pursued until the right answers are found.
>
> By this time, of course, I have arrived at a number of conclusions and I want to deal with one in particular which seems to be particularly important; and that is the administration's foreign policy.
>
> I judge from the letters that I get from my district that nobody is fooled by the bluster and braggadocio that substitute so very often for genuine diplomacy. Nor I think, is there any failure to recognize that in the basic goals, the present administration has added nothing to the fundamentals laid down by the prior administrations. We seek peace and in order to help achieve that goal, we want to be strong, we want to have friends, and exert an influence on world opinion. Along those broad lines the administration has the support of the Democratic legislators far more than it has the support of its own party members. Across my desk there come many leaflets, pamphlets and documents of all sorts. Quite a number of them are from "die-hard" Republicans and isolationists and they make it pretty clear that they are outraged by the administration's foreign policy.
>
> My criticism of it is of another character. It stems from the fact that they inherited a good idea from the past administration and have fouled it up in its application. As a result we are now losing friends and alienating people because the methods vary from dull to Dulles, and often with sheer incompetence.
>
> A particular defect of the administration's foreign policy efforts is in its inflexibility. Another is that it substitutes advertising slogans which, though they may tickle partisan supporters in this country, give offense to thoughtful national leaders the world over. Still another is that the administration is halfhearted about its policy, doing things too late and floundering in a spate of words rather than action. Still another is in its ambiguity.
>
> Look, for example, at the bluster and big talk as to China and the unleasing of Chiang Kai-shek or at the gaffe of Goa that so deeply and unnecessarily came out with its tremendous offense to hundreds of millions of the people of India. Consider the gap between the solid support of United States policies 5 and 6 years ago and the wavering, the neutralism, and the open opposition today. Consider how little and late the administration is when it now tries to revive the essence of a point 4 program, 1 of the greatest concepts developed in America's foreign policy, which was shamefully left to wither on the vine. And consider what passes for smartness in the ambiguities about our support of the anticolonial movement and our unbelievable confusion in regard to Israel.
>
> One does not have to have any particular sympathies for the State of Israel and the heroic struggle which it is undergoing, to recognize one simple truth, that Israel wants peace and that in this basic drive, Israel completely synchronizes with the stated United States policy as to maintenance of peace. You may have difference of opinions on this or that aspect of the Near East problem, but you cannot blind yourself to the fact that the United States wants peace and that alone of all the nations in that area, Israel wants peace and that its neighbors do not, as is clear from the fact that they will not even sit down to discuss peace with Israel.
>
> Yet this basic and, one would suppose, elementary truth is obscured by all kinds of double talk that evades this central common interest of the United States and the State of Israel.
>
> Recently I had occasion to say a few words in Congress about the eighth year of independence of Israel as follows:
>
> "This occasion, however, must not be noted without regard for the threats of and actual aggression that hover like a calamitous cloud over the State of Israel. The cry of the victims reaches out to us and calls upon us to reassert vigorously our national policy to prevent aggression and to warn and, if need be, punish aggressors.
>
> "The security of the State of Israel is vital to the stability of the entire area of the Middle East and this in turn is basic to America's own defense and the defense of the free world. This calls for an administrative policy of action rather than of inaction; and of direct, friendly, and timely intervention rather than by a nod to our allies. It calls for prompt and sympathetic action as to the defense needs of the State of Israel, out of the same considerations that justify our provision for our own defense needs and for those of the Western World.
>
> "It calls for an ample and timely counterweight to the armaments furnished by the Communist and satellite governments.
>
> "Above all, it calls for a clear unambiguous assertion on the highest level that the United States is committed to the proposition that peace is indivisible and that peace and the safeguards of peace for the State of Israel are basic in our national policy."
>
> Can anything be more unrealistic than to drift along in our present policy of lack of policy?
>
> Perhaps there is no more flaming example of the folly of this course than the recent announcement that while the United States will not itself supply the defensive arms asked for by Israel, it will not object if its allies, largely armed by the United States, will supply such weapons. This, in Mr. Dulles' book, may seem smart; and may appeal to the men in the gray flannel suits on Madison Avenue on which the administration leans so heavily. Yet it is still a diplomatic blunder of the first magnitude. For here is action, or rather inaction, that is certainly calculated to alienate everybody. The Israelis must certainly continue with their sense of injustice when they cannot get defensive arms from the United States. The Arabs are annoyed because of this "go-ahead" signal to allies of the United States.
>
> This is perhaps the most glaring example of the Eisenhower-Dulles foreign policy. In reviewing the world situation, however, it seems to be only typical.

SENATE

MONDAY, APRIL 23, 1956

(Legislative day of Monday, April 9, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of lights, in whom is no shadow caused by turning: In a world that lieth in darkness, swept by fitful winds of doubt and despair, blighted by suspicion and intrigue, at the week's beginning we pause in this sheltered sanctuary of Thy grace to make sure that Thy light is not shuttered from our inner lives. We lift our soiled and shadowed faces to the one true light, knowing that if we keep our hearts with Thee there is no darkness from without which can dim the light that is within.

In this desperate hour, when the world's hope of a bright tomorrow is so largely committed to our frail hands, strengthen us in Thy name to challenge all evil forces which seek to bemean and degrade human personality. Join us to the great company of unconquered spirits who in other troubled times have stood their ground, preserving the heritage of man's best, and whose flaming faith has made their lives as lighted windows amid the encircling gloom. We ask it in the ever-blessed name of that One who is the Light of the World. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 19, 1956, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Pursuant to the order of the Senate of April 19, 1956,

The following report of a committee was submitted:

By Mr. McNAMARA, from the Committee on the District of Columbia:

S. 3073. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes; with amendments (Rept. No. 1791).

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5299. An act to authorize the establishment of the Virgin Islands National Park, and for other purposes; and

H. R. 9285. An act to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 5299. An act to authorize the establishment of the Virgin Islands National Park, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 9285. An act to amend section 14 (b) of the Federal Reserve Act, so as to extend for 2 additional years the authority of Federal Reserve banks to purchase United States obligations directly from the Treasury; to the Committee on Banking and Currency.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to meet during the session of the Senate today.

On request of Mr. HOLLAND, and by unanimous consent, the Subcommittee on Farm Credit Administration of the Committee on Agriculture and Forestry was authorized to hold hearings during the session of the Senate today.

On request of Mr. ROBERTSON, and by unanimous consent, the Subcommittee on Territories of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BYRD, from the Committee on Finance:

J. Edgar Murdock, of Pennsylvania, to be a judge of the Tax Court of the United States;

Stephen E. Rice, of Florida, to be a judge of the Tax Court of the United States;

Morton P. Fisher, of Maryland, to be a judge of the Tax Court of the United States; and

John Edward Mulroney, of Iowa, to be a judge of the Tax Court of the United States.

By Mr. EASTLAND, from the Committee on the Judiciary:

Ralph Kennamer, of Alabama, to be United States attorney for the southern district of Alabama, vice Percy C. Fountain, deceased;

William S. Spire, of Nebraska, to be United States attorney for the district of Nebraska, vice Donald R. Rose, resigned; and

James Crawford, Jr., of Texas, to be United States marshal for the eastern district of Texas, vice Peyton McKnight, Jr., resigned.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc; and, without objection, they are confirmed.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Navy be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy will be considered en bloc; and, without objection, they are confirmed.

NOMINATIONS REPORTED FAVORABLY AND PLACED ON THE VICE PRESIDENT'S DESK, WITHOUT PRINTING

The Chief Clerk proceeded to read sundry nominations in the Army, in the Air Force, and in the Navy, which had been reported favorably and placed on the Vice President's desk, without printing.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF LABOR (S. DOC. NO. 115)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, for the Department of Labor, in the sum of $237,000, for the fiscal year 1957 (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

STATISTICAL SUPPLEMENT TO STOCKPILE REPORT

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a statistical supplement to the stockpile report, covering the period July 1 through December 31, 1955 (with an accompanying report); to the Committee on Armed Services.

WORKS OF IMPROVEMENT FOR WATERSHED PROTECTION AND FLOOD PREVENTION

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, proposed plans for works of improvement for watershed protection and flood prevention (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McNAMARA, from the Committee on the District of Columbia:

S. 3295. A bill to amend the act of April 28, 1953, relating to daylight-saving time in the District of Columbia; without amendment (Rept. No. 1792).

By Mr. BIBLE, from the Committee on the District of Columbia:

S. 2705. A bill to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia; with an amendment (Rept. No. 1793).

By Mr. BYRD, from the Committee on Finance, without amendment:

H. R. 8334. A bill to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic Games (Rept. No. 1794);

H. R. 8942. A bill to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes (Rept. No. 1795); and

H. R. 8959. A bill to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes (Rept. No. 1796).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 2202. A bill to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes (Rept. No. 1798); and

S. 2206. A bill to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project (Rept. No. 1799).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 8535. A bill to amend the act of July 4, 1955, relating to the construction of irrigation distribution system (Rept. No. 1800).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1812. A bill for the relief of Athanase D. Politis (Rept. No. 1802);

S. 2064. A bill for the relief of Gregorio Spiros Ferentinos (Rept. No. 1803); and

H. R. 907. A bill for the relief of Justin G. Maile and Theodore R. Hilbig (Rept. No. 1804).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1143. A bill for the relief of Arthur K. Jefferson (Rept. No. 1805);

S. 1178. A bill for the relief of Mrs. Sylvia Simonson (Rept. No. 1806);

S. 2240. A bill for the relief of James Richard Hogan (Rept. No. 1807);

S. 2271. A bill for the relief of Salomon Benveniste (Rept. No. 1808);

H.R. 1866. A bill for the relief of Mr. and Mrs. Thomas V. Compton (Rept. No. 1809); and

H. R. 5787. A bill to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La. (Rept. No. 1810).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2169. A bill for the relief of M. B. Huggins, Jr. (Rept. No. 1811); and

H. Con. Res. 202. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens (Rept. No. 1812).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

S. 2008. A bill for the relief of Winifred A. Hunter (Rept. No. 1814);

H. R. 2068. A bill for the relief of William F. Friedman (Rept. No. 1815); and

S. Con. Res. 72. Concurrent resolution favoring appropriate observance of National Hospital Week (Rept. No. 1813).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with an amendment:

H. R. 3639. A bill for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs (Rept. No. 1816).

By Mr. HENNINGS, from the Committee on the Judiciary, with an amendment:

S. 977. A bill to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims (Rept. No. 1817).

REPORT ENTITLED "REVIEW OF THE UNITED NATIONS CHARTER" (S. REPT. NO. 1797)

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, pursuant to Senate Resolution 126, 83d Congress, as amended, the Chair submits herewith the final report of the Subcommittee on the United Nations Charter. This subcommittee was created in 1953 when the Senate adopted Senate Resolution 126, submitted by former Senator Guy Gillette, of Iowa.

The subcommittee undertook extensive studies during the 83d Congress under the chairmanship of Senator Alexander Wiley. Its work has been continued and brought to a conclusion during this session under my chairmanship.

The Chair takes this occasion to thank his colleagues on the subcommittee on behalf of the Senator from Wisconsin [Mr. Wiley] and myself. They have worked hard. During the course of the study, the subcommittee held hearings in some 10 different cities to receive the views of American citizens on the United Nations Charter. Those citizens who gave the subcommittee their carefully considered views deserve our special thanks.

The Chair should also like to express appreciation to former Senator Guy Gillette for his initiative in encouraging this study and to Francis O. Wilcox, former chief of staff of the Committee on Foreign Relations, for his fine work in directing the staff activities of the subcommittee during most of the period of its work.

Without objection, the report will be received and printed.

TOM HOLLANDER CO., SUPERIOR, NEBR.—REFERENCE OF SENATE BILL 282 TO COURT OF CLAIMS

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report favorably, an original resolution, referring S. 282 to the United States Court of Claims, and I submit a report (No. 1801) thereon.

The PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 247) was placed on the calendar, as follows:

Resolved, That the bill (S. 282) entitled "A bill for the relief of the Tom Hollander Co., Superior, Nebr.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such finding of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KENNEDY:

S. 3692. A bill relating to the import tax on sugar used after June 30, 1955, as livestock feed or in the production of livestock feed; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. Humphrey, Mrs. Smith of Maine, Mr. Martin of Iowa, and Mr. Mansfield):

S. 3693. A bill to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil-defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil-defense organizations which are established by or pursuant to State law, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. Kennedy when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY (for himself, Mr. Saltonstall, Mrs. Smith of Maine, and Mr. Payne):

S. 3694. A bill to reorganize the Department of the Interior by establishing the Fish and Wildlife Service of such Department as a division under an additional Assistant Secretary of the Interior; to the Committee on Government Operations.

(See the remarks of Mr. Kennedy when he introduced the above bill, which appear under a separate heading.)

By Mr. NEELY (by request):

S. 3695. A bill to amend the District of Columbia Unemployment Compensation Act so as to extend the coverage of such act to employees of the municipal government of the District of Columbia employed in District of Columbia institutions located in Maryland and Virginia; to the Committee on the District of Columbia.

By Mr. COTTON:

S. 3696. A bill to amend the Internal Revenue Code of 1954 so as to compensate retail dealers of gasoline for taxes paid on gasoline which is lost due to spillage, evaporation, and other causes; to the Committee on Finance.

By Mr. KUCHEL:

S. 3697. A bill to extend the educational provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Kuchel when he introduced the above bill, which appear under a separate heading.)

By Mr. MURRAY (for himself and Mr. Mansfield) (by request):

S. 3698. A bill to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THYE:

S. 3699. A bill to amend section 5 (b) of the Farm Credit Act of 1937, as amended, so as to permit an officer or an employee of the Farm Credit Administration, or any officers or employee of any corporation operating under the supervision of the Farm Credit Administration, to be elected to membership on a farm credit board; to the Committee on Agriculture and Forestry.

By Mr. CASE of South Dakota:

S. 3700. A bill authorizing the Administrator of General Services to transfer certain property to the District of Columbia and to the Department of the Interior to be available for park and recreational purposes, including the construction of a national athletic stadium; to the Committee on Government Operations.

By Mr. POTTER:

S. 3701. A bill for the relief of Maria La-Sala; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. Mansfield, Mr. Murray, Mr. Morse, and Mr. Neuberger):

S. 3702. A bill to suspend for 2 years the duty on alumina, on crude bauxite and on certain calcined bauxite; to the Committee on Finance.

By Mr. WELKER:

S. 3703. A bill for the relief of Frieda Herrmann, Genesee, Idaho; to the Committee on the Judiciary.

By Mr. HAYDEN (for himself and Mr. Bridges):

S. 3704. A bill to authorize the acquisition of the remaining property in square 725 and the property in square 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of addition to the United States Capitol Grounds; to the Committee on Public Works.

(See the remarks of Mr. Hayden when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 3705. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG:

S. 3706. A bill to remove wheat for seeding purposes which has been treated with poisonous substances from the "unfit for human consumption" category for the purposes of section 22 of the Agricultural Adjustment Act of 1933; to the Committee on Agriculture and Forestry.

S. 3707. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on the Judiciary.

By Mr. WILLIAMS:

S. 3708. A bill for the relief of Noemi Maria Vida Williams; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 3709. A bill to provide for payment of certain defaulted joint-stock land bank bonds, receiver's certificates, receiver's receipts for certificates given in lieu of such bonds, or receiver's receipts given for such bonds; to the Committee on Agriculture and Forestry.

RESOLUTION

The following original resolution was reported, and placed on the calendar:

By Mr. EASTLAND, from the Committee on the Judiciary:

S. Res. 247. Resolution referring S. 282 to the United States Court of Claims.

(See the remarks of Mr. Eastland when he reported the above resolution, which appear under the heading "Reports of Committees.")

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO DISPOSAL OF SURPLUS PROPERTY FOR CIVIL DEFENSE PURPOSES

Mr. KENNEDY. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. Humphrey], the Senator from Maine [Mrs. Smith], the Senator from Iowa [Mr. Martin], and the Senator from Montana [Mr. Mansfield], I introduce, for appropriate reference, a bill which would amend the Federal Property and Administrative Services Act of 1949 by authorizing the transfer of surplus Government property to State and local civil defense organizations when it is determined by the Federal Civil Defense Administrator that such property is usable and needed for civil defense use. The bill is proposed in lieu of H. R. 7227, which passed the House of Representatives in the closing days of the last session of Congress.

Under the provisions of this bill the Secretary of Health, Education, and Welfare will have supervisory jurisdiction over the allocation of surplus property for civil-defense purposes, as he does now for health and education purposes. In addition, the bill provides that distribution of these surplus items shall be through a single State agency designated by the State to insure that there will be no overlapping or waste and that the goods are channeled into the uses for which they were intended.

H. R. 7227 was objected to rather vigorously by the executive branch, and thus it was deemed desirable to modify that bill. Accordingly, the provisions of this bill have been perfected by the staff of the Committee on Government Operations and the legislative counsel of the Senate, in cooperation with representatives of the Federal Civil Defense Administration, General Services Administration, Department of Health, Education, and Welfare, and the Bureau of the Budget. The committee has been advised that all these Departments and agencies support the revised bill and are in complete accord that it can be administered without disrupting the existing surplus donable property program as applied to health and educational institutions.

I should like to point out that this bill is in keeping with the recommendation of the Hoover Commission, in its Report on the Utilization of Surplus Property, that Congress reexamine the program relating to the donation of Federal surplus property, with respect to broadening the program.

The Subcommittee on Reorganization, of which I am chairman, will hold hearings on this bill next Wednesday, April 25, at which time representatives of the Federal Civil Defense Administration, Bureau of the Budget, Department of Health, Education, and Welfare, and the General Services Administration will be present to submit their views.

I ask unanimous consent that the bill be printed at this point in the Record as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3693) to amend further the Federal Property and Administrative Services Act of 1949, as amended, to authorize the disposal of surplus property for civil-defense purposes, to provide that certain Federal surplus property be disposed of to State and local civil defense organizations which are established by or pursuant to State law, and for other purposes, introduced by Mr. Kennedy (for himself and other Senators), was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That subsection 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U. S. C. 484 (j)) is amended to read as follows:

"(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate without cost (except for costs of care and handling) for use in any State for purposes of education, public health, or civil defense, or for research for any such purpose, any equipment, materials, books, or other supplies (including those capitalized in a working capital or similar fund) under the control of any executive agency which shall have been determined to be surplus property and which shall have been determined under paragraph (2), (3), or (4) of this subsection to be usable and necessary for any such purpose. In determining whether property is to be donated under this subsection, no distinction shall be made between property capitalized in a working capital fund established under section 405 of the National Security Act of 1947, as amended, or any similar fund, and any other property. No such property shall be transferred for use within any State except to the State agency designated under State law for the purpose of distributing, in conformity with the provisions of this subsection, all property allocated under this subsection for use within such State.

"(2) In the case of surplus property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If such Secretary shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator to the appropriate State agency for distribution to such educational activities. If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph (3) or paragraph (4) of this subsection.

"(3) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for purposes of education or public health, or for research for any such purpose, in any State shall be made by the Secretary of Health, Education, and Welfare, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator to such State agency for distribution to (A) tax-supported medical institutions, hospitals, clinics, health centers, school systems, schools, colleges, and universities, and (B) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities which are exempt from taxation under section 501 (c) (3) of the Internal Revenue Code of 1954. No such property shall be transferred to any State agency until the Secretary of Health, Education, and Welfare has received, from such State agency, a certification that such property is usable and needed for educational or public health purposes in the State, and until the Secretary has determined that such State agency has conformed to minimum standards of operation prescribed by the Secretary for the disposal of surplus property.

"(4) Determination whether such surplus property (except surplus property allocated in conformity with paragraph (2) of this subsection) is usable and necessary for civil-defense purposes, including research, in any State shall be made by the Federal Civil Defense Administrator, who shall allocate such property on the basis of need and utilization for transfer by the Administrator of General Services to such State agency for distribution to civil defense organizations of such State, or political subdivisions and instrumentalities thereof, which are established pursuant to State law. No such property shall be transferred until the Federal Civil Defense Administrator has received from such State agency a certification that such property is usable and needed for civil-defense purposes in the State, and until the Federal Civil Defense Administrator has determined that such State agency has conformed to minimum standards of operation prescribed by the Federal Civil Defense Administrator for the disposal of surplus property. The provisions of sections 201 (b), 401 (d), 401 (e), and 405 of the Federal Civil Defense Act of 1950, as amended, shall apply to the performance by the Federal Civil Defense Administrator of his responsibilities under this section.

"(5) The Secretary of Health, Education, and Welfare and the Federal Civil Defense Administrator may impose reasonable terms, conditions, reservations, and restrictions upon the use of any single item of personal property donated under paragraph (3) or paragraph (4), respectively, of this subsection which has an acquisition cost of $2,500 or more.

"(6) The term 'State,' as used in this subsection, includes the District of Columbia, the Commonwealth of Puerto Rico, and the Territories and possessions of the United States."

Sec. 2. (a) Clause (C) of paragraph (2) of subsection 203 (k) of such act is amended by striking out the word "or" at the end thereof.

(b) Clause (D) of paragraph (2) of such subsection is amended by striking out the comma at the end thereof and inserting in lieu thereof a semicolon and the word "or."

(c) Paragraph (2) of such subsection is amended by inserting, immediately after clause (D) thereof, as amended by this section, the following new clause:

"(E) the Federal Civil Defense Administrator, in the case of property transferred pursuant to this act to civil defense organizations of the States or political subdivisions or instrumentalities thereof which are established by or pursuant to State law.".

Sec. 3. Subsection 203 (n) of such act is amended to read as follows:

"(n) For the purpose of carrying into effect the provisions of subsections (j) and (k), the Secretary of Health, Education, and Welfare, the Federal Civil Defense Administrator, and the head of any Federal agency designated by either such officer, are authorized to enter into cooperative agreements with State surplus property distribution agencies designated in conformity with paragraph (1) of subsection (j). Such cooperative agreements may provide for utilization by such Federal agency, without payment or reimbursement, of the property, facilities, personnel, and services of the State agency in carrying out any such program, and for making available to such State agency, without payment or reimbursement, property, facilities, personnel, or services of such Federal agency in connection with such utilization."

Sec. 4. Subsection (h) of section 507 of the Federal Property and Administrative Services Act of 1949, as amended, as added by clause (3) of the joint resolution entitled "Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes," approved August 12, 1955 (69 Stat. 697), is redesignated as subsection (i) of such section.

Sec. 5. (a) Except as provided by subsection (b), the amendments made by this act shall become effective on the first day of the first month beginning after the date of enactment of this act.

(b) In the case of any State which on the date of enactment of this act has not designated a single State agency for the purpose of distributing surplus property pursuant to subsection 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended, transfers of such property may be made by the Administrator of General Services under such subsection, as amended by this act, to any State agency or official authorized under State law to receive and distribute such property until 90 calendar days have passed after the close of the first regular session of the legislature of such State beginning after the date of enactment of this act.

DIVISION OF FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

Mr. KENNEDY. Mr. President, on behalf of myself, my colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Maine [Mrs. SMITH], and the junior Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a bill to reorganize the Department of the Interior by establishing within the Department a Division of Fisheries. This would be accomplished by removing the functions of the Fish and Wildlife Service relating to fishing and fisheries activities from the Service and assigning them to the newly created Division. In addition, the bill would provide for an additional Assistant Secretary of the Interior to head the Division of Fisheries.

Those of us who are specially interested in the fishing industry in the United States have become alarmed at the recent decline and the difficulties experienced by our domestic fishing industry. As the Senate will remember, the 83d Congress enacted the Saltonstall-Kennedy Fisheries Act, with the hope that the research into the production, marketing, and distribution of fish in the United States would assist the industry in its own efforts to appraise its own operations and to regain its lost position of prominence in our American economy. I am happy to report that many worthwhile experiments and projects have been and are being undertaken as a result of that program. Yet it is obvious that additional measures are necessary to expedite the recovery of our fishing industry.

It has been suggested that it would be well to have the fishery functions of the Federal Government entrusted to an independent commission under the control of commissioners appointed by, and responsible to, the President. However, the Reorganization Subcommittee of the Senate Government Operations Committee, of which I have the privilege of serving as chairman, has spent considerable time considering the problems created by independent agencies, commissions, and boards which report directly to the President; and it is my personal belief that, from an organizational point of view, very little would be gained, and perhaps something would be lost, to the fishing industry if its problems were to be the problems of an independent commission. It seems to me that, at least at this particular time, a more desirable approach would be to assign responsibility for the Government's participation in the development of our national fishing industry to a separate division within the Department of the Interior, headed by an Assistant Secretary. With such an organization, I am sure that the problems of the fishing industry would receive the appropriate attention of the administration, and that its voice in the Department of the Interior would be considerably louder and more effective than under the present arrangement. Normally, I am reluctant to force the hand of the administration in the internal organization of its major departments and agencies. I feel, however, and I am sure that other Senators who are familiar with the desperate situation facing the fishermen of this country will agree, that some action is absolutely necessary, and that it is needed immediately. It should also be noted that the first Hoover Commission recognized the need for emphasizing the importance of the fishing problems of the Nation by recommending a separation of the fishery and wildlife functions.

This bill would also authorize the Secretary of the Interior to appoint an advisory committee of the American fisheries industry to assist him in formulating national fisheries policy. Although the fishing industry has had access to the Fish and Wildlife Service, a formal commission would offer the advantages of continuity, a comprehensive view of the fishing industry, and an established process by which the problems and attitudes of the fishing industry would be brought to the attention of the Federal Government.

I do not mean to suggest by what I have said that an organizational change will instantly revive the fishing industry of this country. I regard such a move only as an initial or further step in the right direction. The Commerce Committee is currently considering legislation to provide a new personnel training program to enable the benefits of fisheries research—including that federally financed under the Saltonstall-Kennedy Act, that of the various States, counties, and local governmental units, as well as that of private industry—to be translated into practical and useful improvements in techniques of harvesting, processing, marketing, and distributing fish.

Additional legislation pending before the Congress would provide for financing improvements in fishing equipment and physical plants, and other possible forms of legislative assistance to the industry are being considered for introduction to the Congress in the very near future.

Fishing, which is the oldest industry in the United States, is in dire need of assistance. The Federal Government has a continuing responsibility to do everything within its ability to assist the industry in its own efforts to effect an economic recovery. Congress has been aware of these difficulties, and has been willing to assist, as evidenced by its acceptance of all reasonable legislative proposals to aid the fishing industry; and the executive branch is also aware of the serious problems facing the fishing industry, and is equally anxious to assist in resolving these difficulties.

I am sure, therefore, that there will be agreement that action of the sort proposed in this bill will emphasize the importance of the problems of our fishermen, and will result in prompter and more effective attention to these serious problems.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3694) to reorganize the Department of the Interior by establishing the Fish and Wildlife Service of such Department as a division under an additional Assistant Secretary of the Interior, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Government Operations.

EXTENSION OF EDUCATIONAL PROVISIONS OF VETERANS' READJUSTMENT ASSISTANCE ACT OF 1952

Mr. KUCHEL. Mr. President, I ask unanimous consent that I may proceed for not to exceed 5 minutes, in order to make some remarks in connection with the introduction of a bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from California may proceed.

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, a bill to amend the Veterans' Readjustment Assistance Act of 1952 so as to extend the educational provisions of that act to all persons entering the Armed Forces of the United States from January 31, 1955, until such time as existing laws authorizing compulsory military service cease to be effective. I should like to explain briefly the reasons that motivate me in introducing this proposed legislation.

After World War II, a grateful Congress passed what has come to be known as the GI bill of rights. Under this act, Public Law 346, 78th Congress, the veterans of World War II became entitled to benefits such as certain medical services, disability compensation, guaranteed loans, unemployment compensation, mustering-out pay, vocational rehabilitation, housing, and educational training. Again, after the thousands of our young American citizens had served in the Korean conflict, Congress passed a similar bill which became law. This law is known as Public Law 550, the Veterans' Readjustment Assistance Act of 1952. It extended to the Korean veterans the same benefits which had been extended to the World War II veterans, and included a provision for a cut-off date of these entitlements.

The provision relative to the cut-off date is found in section 911 of title 38, of the United States Code. There it is provided that a veteran who had served in the Armed Forces between June 27, 1950, and a date to be determined by Presidential proclamation or concurrent resolution of the Congress would be entitled to certain benefits, including medical services, disability compensation, guaranteed loans, unemployment compensation, mustering-out pay, vocational rehabilitation, housing, and education and training opportunities. These benefits were curtailed by the President of the United States on January 5, 1955, by proclamation 3080. In this Presidential proclamation, January 31, 1955, was set as the terminal date for the computation of such veterans' benefits under the 1952 act.

All persons who entered the service since the terminal date of January 31, 1955, whether voluntarily or under the Selective Service Act, have not been entitled to any of the benefits I have enumerated.

It is not my purpose to challenge the reasons behind the Presidential proclamation, for there can be no question that the cost to the Nation in furnishing all the benefits provided by the Veterans' Readjustment Assistance Act of 1952 would be enormous, and it is perfectly obvious that there must be a terminal date for such benefits, especially when the service in the Armed Forces has been designated as not of "wartime character." The purpose of my bill is to reestablish only one of the benefits authorized by the 1952 act; namely, the educational training benefits that heretofore existed under the 1952 act.

Several cogent reasons exist for the reestablishment of educational or training benefits:

First. It appears to me that, as a matter of equity, so long as we continue to induct into our military services young Americans, thus denying to many of them an opportunity for a complete education, the least we as a grateful Nation can do is to offer these young Americans a quid pro quo; that is, in return for their sacrifice of 2 or more years of their life at a most crucial time in their education cycle, give to them some assistance in pursuing their education.

Second. Still in the field of equity, I fail to see any good reason to differentiate between the service rendered subsequent to January 31, 1955, and that rendered prior to that date. The inductee or volunteer prior to that date received all the benefits of Public Law 550. I am asking only that the inductee or volunteer since that date receive the educational or training benefits of that law. I think this provision will go a long way toward alleviating the strong feelings which must exist in the minds of those that have served and will serve since the cutoff date of January 31, 1955.

Third. From all sides we hear of the difficulties the Armed Forces have in maintaining the strength of the several services of volunteers. It is my considered opinion that with the reestablishment of the educational benefits, the Armed Forces will be rewarded by an increased number of volunteers and reenlistments. There can be no question that many of our young citizens who are desirous of receiving additional education but who do not have the financial resources to provide such for themselves would welcome the opportunity to receive such training in consideration for serving their country for several years in the military service.

This provision also cannot fail to lift the general tone of the morale in the Armed Forces. All of us are familiar with the many bills that we have been asked to consider that would increase fringe benefits, such as hospitalization for dependents, increased pay, and so forth. Passage of this bill would have as much or more effect on the morale of the serviceman as any bill I have seen to date.

Fourth. There can be no question that the need to increase our general educational level is of paramount importance. This need is dual in nature, in that not only is it of prime interest to increase our general standard of living but it is vital to our national security. Daily we read in the press statements by persons high in the military departments, educators, and persons holding high office in the executive branch of the Government that we are falling behind in the output of trained scientists and engineers. Russia today is reported to far exceed us in the number of persons under training in these fields. Obviously this situation is of grave concern to us, for today our race to preserve our way of life is not limited to manpower, but rather is limited by our know-how in regard to making further strides into the realms of guided missiles and other nuclear weapons. The cost to the Nation in offering an opportunity to further their education to the thousands of young men and women who will put on their country's uniform is nil compared to the enormous benefits to be derived by the Nation as a whole from these educational entitlements.

So long as the cold war continues and we are compelled to maintain a ready defense force of the size we now have considerations other than cost must be weighed in adopting policies applying to the personnel in uniform.

It is a matter of interest to note that, under the World War II GI bill of rights, some 7,815,000 veterans received educational training benefits. Under the Korean GI bill, Public Law 550, 1,362,000 veterans have received educational training benefits. Since the cut-off date of January 31, 1955, approximately 167,003 individuals have been inducted into the Armed Forces under the Selective Service Act. As I see it, this group of young Americans should be entitled to the same consideration, insofar as educational training entitlements are concerned, as were their predecessors of World War II and the Korean war.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3697) to extend the educational provisions of the Veterans' Readjustment Assistance Act of 1952 until such time as existing laws authorizing compulsory military service cease to be effective, introduced by Mr. Kuchel, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES — AMENDMENTS

Mr. GOLDWATER submitted an amendment, intended to be proposed by him, to the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests, which was ordered to lie on the table and to be printed.

Mr. CAPEHART submitted amendments, intended to be proposed by him to Senate bill 2577, supra, which were ordered to lie on the table and to be printed.

Mr. GEORGE (for himself and Mr. Russell) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 2577, supra, which was ordered to lie on the table and to be printed.

FISHERIES ACT OF 1956—AMENDMENT

Mr. MAGNUSON. Mr. President, on behalf of myself and the Senator from California [Mr. Kuchel], I submit an amendment, in the nature of a substitute, intended to be proposed by us, jointly, to the bill (S. 3275) to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes. I ask unanimous consent that the amendment may lie on the desk until next Monday, so that other Senators may join as cosponsors of it.

The PRESIDENT pro tempore. The amendment will be received, referred to the Committee on Interstate and Foreign Commerce, and be printed; and, without objection, the amendment will lie on the desk, as requested by the Senator from Washington.

Mr. MAGNUSON. Mr. President, the amendment deals with the subject of the Nation's fisheries. We have worked a long time in trying to have enacted legislation which would be agreeable to all concerned.

For several years the fisheries of the Nation have not prospered. Little attention has been granted to them by the Congress or by the executive branch of our Government. The situation of several of our major fisheries has become particularly critical in the past 2 or 3 years. At a time when the general economy of the country has been prospering, our fisheries have been going downhill.

On February 23, I introduced S. 3275, for myself and the Senator from California [Mr. Kuchel]. This bill sought to reverse this downward trend of the fisheries by reorganizing the administration of the fisheries in the Federal Government. The Subcommittee on Fisheries of the Interstate and Foreign Commerce Committee held public hearings on S. 3275 between March 19 and 24, at which representatives of various branches of the fishing and fish-processing industries from every section of the Nation were heard, as well as governmental witnesses.

Immediately after the hearings I had prepared a substitute bill which incorporated various suggestions and recommendations offered by witnesses testifying at our hearings. This was printed for the use of the committee on March 30. It was circulated for comment to every fisheries association, fisheries cooperative, and fisheries union in the fishing and fish-processing industries in the country, as well as to upward of 600 individual firms in the industry. Strong letters and wires in support of this substitute measure have been coming in from every segment of the domestic industry in every section of the country. No adverse comment has been received from anyone in the domestic fish producing and processing industries.

Accordingly, I am today introducing this substitute for S. 3275. It will be left open for cosponsorship by other interested Senators until Monday, April 30.

The substitute bill provides these things:

First. It enunciates a sound and comprehensive national policy with respect to the fisheries.

Second. It creates a semi-independent United States Fisheries Commission within the Department of the Interior to carry out the policy.

Third. It prescribes the functions of the Commission, which will have all of the fisheries functions now carried out by the United States Fish and Wildlife Service, as well as some others.

Fourth. It defines the status of the Commission within the Department of the Interior, much along the lines of the Maritime Board and the Civil Aviation Board. Essentially, the Commission will be independent of the Secretary of the Interior, with respect to the framing of conservation regulations, investigations, and reports and recommendations based upon those investigations, and it will be guided by the general policies of the Secretary of the Interior in its other functions.

In other words, it would be responsible to the Secretary of the Interior only for its housekeeping.

Mr. President, the Congress has never, so far as I know, enunciated a national policy for the fisheries. The indefinite manner set forth by the Government to regulate this important phase of our national economy has never been set forth as a unified statement. Certainly this is a basic reason for the disturbed economic conditions that affect most of our major domestic fisheries. We hope to remedy that lack by stating a clear and comprehensive, rational policy for the fisheries in this bill.

Also there has been little or no consistency in the administration of the fisheries by the Government. Every time the administrator of the fishery agency changes, there has been a longer or shorter period of unrest in the fisheries. For this reason we have provided for a bipartisan commission of five men to be appointed by the President with the advice and consent of the Senate. Each of the Commissioners will have a term of 6 years and they will be appointed for staggered terms. Thus we hope to provide stabilization of policy and its administration for the fisheries.

In the postwar years the international problems of our major sea fisheries have grown apace. We now have seven international fisheries commissions upon which the Federal fishery agency, by law, has a member. Additionally there are numerous international conferences and negotiations treating with the fisheries whose representation by the Federal fishery agency is necessary. In these meetings and in these international commissions, the American representative often deals with Ministers of Government and nearly always with representatives on the policymaking level in the foreign governments. To meet these foreign representatives on an equal level, and effectively, our representatives require more prestige than they now have. This is one of the reasons why we have provided for five commissioners, directly under the Secretary. On the one hand, this will provide enough manpower for these manifold international activities and, on the other, it will provide our representatives with sufficient prestige to meet with their foreign colleagues on a basis of closer equality. Additionally, we have provided for closer liaison between the Commission and the Department of State than exists at present.

Mr. President, the cosponsors of this amendment and I do not expect its passage to solve all of the economic and international problems of our fisheries. We do look upon it, however, as an essential step forward in that direction and as laying a solid foundation for gradually improving the status of the fisheries in the international field, in the Federal Government, and in the economy of the Nation.

Mr. President, I ask unanimous consent to have printed in the body of the Record following my remarks a brief summary of what is sought to be accomplished by the amendment.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Summary

S. 3275, to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes.

The bill, as revised after the hearings, would establish a semi-independent Fisheries Commission under the Secretary of the Interior, appointed by the President by and

with the advice and consent of the Senate, to administer and promote domestic fisheries on a national level in the United States and Territories.

The United States Fisheries Commission would be composed of 5 members, at least 3 of whom would be required to have practical knowledge of domestic fisheries. Each member would serve for a term of 6 years, except the ones first appointed who would have staggered terms, and not more than 3 such members would be from the same political party.

The policy level of Federal fisheries management would thus be raised. The Commission would exercise a degree of independence in formulating conservation regulations to advance the fisheries, and it would have authority to investigate conditions, conduct research programs, to publish reports, and to make recommendations directly to the Congress, the President, and to the public relating to fisheries.

With a general national program for administering Federal fisheries under a five-man Commission, it will be possible for the first time in our Nation's history to employ practical trained men from the industry to assist in the management of this valuable resource and important segment of the national economy.

It is contemplated that greater security in American international fisheries relations will result from this program, administered by the Commission working in cooperation with the Secretary of State.

Under the Commission authority greater cooperation can be maintained between the Federal and State interests for the advancement and protection of domestic fisheries, and with the agencies established under international treaties and conventions.

Compensation provided for Commission members will probably not require any additional outlay of funds due to the fact that nontechnical responsibilities now carried out under the Fish and Wildlife Service may be divided to a great extent among the Commission members.

In answer to the pleas of representatives of all segments of our domestic fisheries, S. 3275 was drafted and introduced by Senator Magnuson and Senator Kuchel.

Hearings were conducted by the Subcommittee on Merchant Marine and Fisheries of the Senate Interstate and Foreign Commerce Committee during the past month. At these hearings witnesses from every section of the United States appeared and testified. All the representatives who appeared in the interest of domestic fish producers and fish marketing concerns voiced their support of the legislation and urged the adoption of the bill as amended in the Committee Print of March 30, 1956.

The bill, S. 3275 as amended, comprises a program for Federal administration of fisheries most favorably advocated by representatives of the fisheries industry and other interests. The revised bill should overcome the most sincere objections of the governmental agencies affected, and should provide a method by which they can perform a better service to the American public.

EXTENSION OF DEFENSE PRODUCTION ACT—AMENDMENT

Mr. BENNETT submitted an amendment, intended to be proposed by him, to the bill (S. 3407) to extend the Defense Production Act of 1950, as amended, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

AMENDMENT OF RAILROAD ACT—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of April 11, 1956,

The names of the junior Senator from North Dakota [Mr. Young], the Senator from Florida [Mr. Smathers], the junior Senator from Washington [Mr. Jackson], the junior Senator from Montana [Mr. Mansfield], the Senator from Maryland [Mr. Beall], the Senator from Minnesota [Mr. Humphrey], the Senator from Tennessee [Mr. Kefauver], the Senator from Michigan [Mr. McNamara], the junior Senator from Oregon [Mr. Neuberger], the senior Senator from North Dakota [Mr. Langer], the senior Senator from Washington [Mr. Magnuson], the Senator from Missouri [Mr. Hennings], the Senator from Wyoming [Mr. Barrett], and the Senator from Kentucky [Mr. Clements] were added as additional cosponsors of the bill (S. 3616) to amend the Railroad Retirement Act of 1937 to provide increases in benefits, special disability determinations for railroad employees, and for other purposes, introduced by Mr. Kennedy (for himself and other Senators) on April 11, 1956.

NOTICE OF HEARINGS ON PROPOSED CIVIL-RIGHTS LEGISLATION BY COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to announce that beginning at 2 p. m. Tuesday, April 24, 1956, there will be a hearing on proposed civil-rights legislation in the committee room, 424 Senate Office Building.

NOTICE OF HEARING ON NOMINATION OF SIMON E. SOBELOFF TO BE UNITED STATES CIRCUIT JUDGE, FOURTH CIRCUIT

Mr. O'MAHONEY. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, May 3, 1956, at 10:30 a. m., in room 424, Senate Office Building, on the nomination of Simon E. Sobeloff, of Maryland, to be United States circuit judge, fourth circuit, vice Morris A. Soper, retired.

Prior to the above-mentioned date all persons interested in the above nomination should file with the committee such representatives as may be pertinent.

The subcommittee consists of the Senator from Missouri [Mr. Hennings], the Senator from Arkansas [Mr. McClellan], the Senator from Utah [Mr. Watkins], the Senator from Idaho [Mr. Welker], and myself, chairman.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have a brief announcement I should like to make for the information of the Senate. Today we shall take up the Interior Department appropriation bill, which is in charge of the distinguished chairman of the Appropriations Committee, the senior Senator from Arizona [Mr. Hayden]. During the noon hour the majority policy committee will meet and will consider the approximately 19 or 20 bills now on the calendar. I hope during the day we shall be able to announce which bill will follow action on the Interior Department appropriation bill. It is expected that the next appropriation bill to be considered will be the District of Columbia appropriation bill. That will be some time during the week of April 30. I rather expect that the bill which will follow the Interior Department appropriation bill will be the bank holding company bill, but I have not reached a definite decision. As soon as the policy committee acts, I shall notify my colleagues on both sides of the aisle, so that they may be prepared.

POLITICAL ACTIVITIES OF WALTER REUTHER

Mr. GOLDWATER. Mr. President, when the merger of the two great unions of the United States occurred, fears were expressed that this might result in a third party in this country, or might result in the Democratic Party being taken over by this new combine. The president of the new organization, Mr. George Meany, made it plain to the people of America that these fears were groundless and that the labor group would operate within the framework of the existing two-party system. I have great faith in Mr. Meany, and I inclined my thoughts toward his announcement with confidence that such would be the case.

Now, however, I am a bit disturbed. Mr. Walter Reuther, whose efforts encompass not only the field of labor, but the fields of economics, social work, world affairs, civil rights, public power, reclamation, schools, hospitals, and all the other myriad affairs of government, has been to India. There he expressed himself both for and against the United States military role in Asian affairs. He spoke out against Secretary Dulles for not backing India against Portugal. He spoke for more billions to be given to Asia, not caring, or not remembering, that the very people he is supposed to be working for, the union men, pays those billions.

In short, Mr. Reuther sounded to me like a man who either represented a political party or was anxious to do so. He did not sound to me like a representative of American labor who might rightly concern himself with working conditions as they are in India. If Mr. Meany meant what he said about labor and politics, then I suggest that in the future he himself represent American labor abroad or that he ask his colleague to confine his observations to those things that would be of vital interest to working people everywhere.

I ask unanimous consent that there may be printed in the Record at this point in my remarks an editorial entitled "Reuther Abroad," from the Chicago Daily Tribune.

There being no objection the editorial was ordered to be printed in the Record, as follows:

Reuther Abroad

Walter Reuther, the labor czar, is making a show of himself in India, abusing this country's Government and perplexing the audiences assembled to hear him.

In one breath, Reuther criticized the Eisenhower administration for placing too much emphasis on military power, and in the next he defended America's military alliances, but argued for less emphasis on Asian pacts. Like Chester Bowles and Henry Morgenthau, the New Dealers who preceded him in India, Reuther said he wants more American money tossed around abroad, in the name of bolstering the economy.

Reporters were handed a prepared text in advance of Reuther's talk in New Delhi, in which he assailed State Secretary Dulles for not backing India against Portugal in the dispute over Goa. But when he spoke, he omitted any reference to Dulles, or to American policy in the matter, and one of his agents confused newsmen by saying that Reuther stood on the text as well as his spoken words.

The Socialist barnstormer then undertook to speak on race relations in the United States to a country whose people still practice the cruel caste system outlawed by their constitution. All in all, Reuther contrived to make most Americans look bad, including himself.

POLITICAL USE OF DUES COLLECTED BY UNIONS

Mr. GOLDWATER. Mr. President, for many months I have directed remarks against the political use by unions of dues moneys collected by compulsion. I am happy that the Republican Party, through its leader, the President, has recognized the threats to individual freedom posed by this unmoral practice. Of course, the people in the union movement who have been responsible for this action have denied such practices exist, in spite of repeated proof offered that they do. Now, Mr. President, comes an additional voice, and a strong one, directed not only against this antifreedom practice, but also directed toward further proof of its being.

On April 13 Mr. George Hinkle, commissioner of labor for the State of Indiana, addressed the Indiana State Chamber of Commerce, and his remarks are so to the point and of such general interest to the subject that I ask that they be printed in the Record at this point in my remarks, together with an editorial from the Indianapolis Star and a story from the same newspaper that urges corrective legislation aimed at this threat to political freedom.

There being no objection, the address, editorial, and news story were ordered to be printed in the Record, as follows:

Union Bosses and Political Action

(Address by George F. Hinkle, commissioner of labor, State of Indiana, before the Indiana State Chamber of Commerce, April 13, 1956)

Gentlemen, not only is it a distinct privilege to be here this afternoon to address you, but it is also an opportunity for me to publicly express my opinion and the opinion of many others as to a growing national political problem in this country, a problem which involves a violation of the individual rights and freedoms of citizens of these United States.

President Eisenhower recently made the following statement to the first convention of the AFL–CIO: "The rights of minorities holding differing social, economic, and political views must be scrupulously protected and their views accurately reflected." The principle involved is individual rights and freedoms, and I emphasize the word "individual."

First, I shall briefly touch on the highlights of the American labor movement and its participation in politics up to the year 1943. After that I shall delve more thoroughly into the political action of certain union leaders from 1943 up to this present date.

From its inception, around 1790 up to 1882, the American labor movement was rather closely alined with political parties and functioned a great deal as a supplement to political organizations. Most of labor's political goals in those days pertained to issues concerning voting rights, shorter working days, abolishment of child labor, etc. All of these were problems directly concerning labor.

When issues other than those directly affecting labor were championed by labor, these organizations split up. During this span of time, most of the organizations emanating from this movement were unsuccessful in maintaining membership and influence because of politics. Most of them died on the vine.

In 1882 the American Federation of Labor was born, the organization of which was accredited to Samuel Gompers, Peter McGuire (the founder of Labor Day), Peter Strasser, and others.

The AFL was not the first federation of international unions, but it was the first to weather wars and depressions, and as you well know, it is still with us today.

There are some very good reasons for the ability of the AFL to stay alive and to continue to expand up to this present day.

Initially Gompers, McGuire, and the other founders were active members of the Socialist Party, but as they built the AFL, from 1832 to 1886, they became aware of the incompatibility of the philosophy of socialism as opposed to the American capitalistic type of government in which they believed.

When they recognized the fallacies of socialism they discarded it completely and developed the first American business-type union philosophy. They believed in a fair day's work for a fair day's pay and also to stay out of organized politics.

Along with this avoidance of politics, these leaders avoided intellectuals who attempted to foist abstract programs on the workers and they avoided the left-wing Socialists and other radical groups.

Here is a statement by Gompers from the proceedings of the 1903 AFL convention: "I want to tell you Socialists that I have studied your philosophy, read your works upon economics. * * * I have heard your orators and watched the work of your movement the world over. * * * I have kept close watch upon your doctrines for 30 years; have been closely associated with many of you and know what you think and what you propose. * * * I know, too, what you have up your sleeve. And I want to say that I am entirely at variance with your philosophy. * * * Economically you are unsound, socially you are wrong, and industrially you are an impossibility."

Gompers was president of the AFL until he died in the twenties and it is my opinion that the AFL remained strong because of its belief in individual rights, its belief in capitalism, and its belief that it was best to stay out of organized politics.

Financial support is the true test of organized labor's strength in political action.

The CIO was organized in 1935. In 1936 John L. Lewis made no bones about the fact that the United Mine Workers and the CIO paid cash on the barrelhead for a piece of legislation—$500,000 for the right to organize.

Under Lewis, the CIO formed Labor's Nonpartisan League. Lewis as the leader, of course, did not endorse Roosevelt in 1940, so as a result the left-wing Socialist element had to find some other way to bore into one of the two national political parties.

Maybe someone will question my use of the term "left-wing Socialist element," so let us go to 1942 and see if it may be applicable.

The CIO-PAC was born in 1943 because of what some labor leaders called brazen victories of reactionary forces in the 1942 elections.

Now, where do the left-wing Socialists come into the picture? The following is from a publication by Joseph Gaer entitled "The First Round":

"In all its activities PAC followed the simple precept: Do nothing illegal; do nothing unethical. Every move PAC made, every statement released, every activity initiated, every publication issued was approved by legal counsel. PAC was fortunate in having the advice of the distinguished CIO general counsel, Lee Pressman. It was even most fortunate in its own legal adviser, John Abt. John Abt gave more than legal advice. He participated in the planning of every one of the PAC's activities. He helped from the start to shape its publication policies. And he edited with meticulous scrutiny every bit of copy PAC prepared for publication. His criticism at times drove some of the writers nearly to distraction, but John Abt always remained calm, willing to reason, but never willing to argue.

Today John Abt represents the Communist Daily Worker in its present difficulties with the Treasury Department. Pressman has admitted being a Communist at one time. Abt has used the fifth amendment many times in congressional hearings. If men such as Pressman and Abt were in such an advisory capacity, someone was responsible for their being there and the policies they first inaugurated are still being followed by the PAC to this day. I think the term left-wing socialism is very mild when applied to men such as Pressman and Abt.

Now, what about individual rights and freedoms? Today, there are millions of union members in this country who are being forced to contribute to the campaign funds of political candidates, candidates these very same union members are opposed to at the polls. These candidates are the choice of, and are many times owned by, unscrupulous labor leaders. This is being done through the use of union dues money by labor leaders and the individual union members are being forced to make political contributions to candidates and parties as a condition of employment.

I say union members are being forced to do this as individuals. In this day of the American labor movement, we have the union shop throughout most of organized labor. These individual union members, as a condition of employment, pay dues in order to hold their jobs. In other words, the labor leader says that in order for you to work here you have to be a member of this union and pay dues, and I don't care what political party or candidate you are in favor of, I am going to use your dues money to help elect candidates I want. I know what is best for you politically and I do not care what or how you believe individually.

There very same labor leaders will turn around and tell you or anybody else that they believe in individual political freedom, individual rights, the Bill of Rights, protection of minorities against discrimination, etc. They will also state that all political campaign donations come from voluntary contributions by union members, but when it is proved, as it has been time and time again, that union dues money is being used, they will admit the fact.

Since Senator Barry Goldwater, of Arizona, and John Feikens, of Michigan, have been protesting this outrageous discrimination against a minority in our country, the union leaders have become quite confused in answering the charge. George Meany, president of the AFL–CIO, recently made the statement that future political

campaign donations would come from voluntary contributions and union treasuries. Dues money is the sole support of union treasuries. The COPE leaflet claims that all political campaign donations come from voluntary contributions. Gus Scholle, director of the Michigan CIO–PAC says political donations came from, and will come from, voluntary contributions and union dues money. Scholle also says that the PAC will never support a Republican in Michigan, regardless of how liberal he is.

The recent dismissal by Federal Judge Frank A. Picard of a Federal grand jury indictment against the UAW–CIO in Michigan is a case one should take note of. In this particular case, the union leaders at no time denied the use of dues money for political action and were brazen enough to claim that the charge against them by the Government was an assault on the basic constitutional rights of working people. In dismissing the charge, Judge Picard stated that, "The expenditures charged in this indictment are not prohibited by the act," and he said the union was "exercising the right of free speech."

Free speech? In other words, the individual union member must supply the labor leader with money so that he, the labor leader, can speak freely for the political candidate endorsed by the labor leader. The right of individual political freedom and endorsement is completely ignored by the labor leader and the judge.

Let us see how insidious and outrageous this problem is. At its start, PAC was faced with the problem of raising finances for its political activities. It had the grandiose idea of soliciting each of its 5 million members for a $1 contribution per year. They felt that enough would contribute to give them a nice fat political war chest along with the use of union-dues money.

At first, the dollar contribution was sufficient, but as the country pulled out of the war years and rolled into the 1950's the politically inspired labor leaders found that they would have to try something else as a fund-raising gimmick. The rank-and-file worker was beginning to realize that the money he was contributing to PAC was being used in a great many instances to help promote and elect candidates that he as an individual was opposed to. The rank-and-file worker began to quit contributing to the PAC. The PAC was slipping.

There was only one thing the labor leaders could do. Go to the union treasuries and really dig in. That they did.

In 1951, at the UAW–CIO convention, Walter Reuther's administration managed to pass a dues increase which incorporated a so-called citizenship fund. A great many flowery words were used by this eloquent UAW–CIO president to explain the intended use of this citizenship, but Reuther, when questioned from the floor, had to admit that it was his intent that it be used for political action.

This citizenship fund is maintained in the following manner. Out of each individual member's monthly dues, 5 cents goes into the local union citizenship fund and 5 goes into the international citizenship fund. This is a case where it is actually spelled out in a union constitution and bylaws that dues money will be used for political action; 1,250,000 nickels is a lot of nickels to have coming in each month to an international union for political action.

University surveys have revealed that more than 40 percent of the union members of this country voted for a Republican President in 1952. The union dues of most of this 40 percent were being used to finance the campaigns of candidates which these same union members, as individuals, were opposing at the polls.

A recent survey by Chicago University, in association with Cornell and Columbia Universities, revealed that 43 percent of union workers believe unions should take no part in politics. A survey conducted by Wayne University among UAW–CIO workers revealed that 63 percent of Democrat union members opposed political action by their union.

One hundred percent of Republican UAW–CIO workers oppose any political action by their union.

I use these figures to further bring out the point that these minorities are being discriminated against. A basic individual freedom is being violated.

I would like to mention at this time that this is not a partisan problem, but it is one with which both political parties are faced. There are areas of this country where a Republican is never elected to office. In these areas, the PAC uses the money of union members to help elect candidates in the primary elections. It does not make any difference which candidate an individual union member is supporting in a Democratic primary; the union leaders will select one which they are in favor of and spend the individual member's dues money to get that candidate nominated.

I know of union members who have run for political office in the Democrat primaries and their own dues money was used by certain union leaders to defeat them at the polls.

About this time someone will undoubtedly start thinking of Senator Robert Taft and his reelection in Ohio in 1950. If this uncontrolled special interest group is so dangerous and insidious, how did Taft win in Ohio? Labor leaders poured hundreds of thousands of dollars into his opponent's campaign and still Taft soundly thumped them.

Aside from being well liked by the Ohio voters and having a Democrat Governor voting for him, Taft benefited from a mistake the PAC made, a mistake they do not intend to make again. PAC in that campaign identified itself as PAC, a special-interest supplement to the Democrat Party. The people of Ohio, like most Americans, felt that they did not want a Senator who was owned by a special-interest group. This is one of the reasons Taft won by such a resounding majority that year.

In Michigan, the PAC, having learned its lesson in Ohio, ceased to operate openly as a separate organization supporting one political party. It became an actual functioning part of the Democrat machine. In fact, they took control of the Democrat Party in Michigan. In a coalition of so-called liberal Democrats and PAC workers, who got elected to offices in precincts, wards, and districts, the PAC was successful in taking control of the Michigan Democrat Party away from the old guard.

It is reported by Fay Calkins, a former CIO worker and author of the book, the CIO and the Democratic Party, that when the Wayne County conventions in Michigan were taken over, the coalition equipped the districts with bouncers. These bouncers were equipped with clubs and pistols.

George Fitzgerald, at that time Democrat national committeeman from Michigan and a leader in the AFL, said, "I have just watched socialism take over the Democrat Party by the communistic processes."

Here is this left-wing socialism idea again. Have any of you ever heard Walter Reuther refer to our Government as a republic or as a capitalistic form of government? I never have. He always refers to it as a free democracy.

I question this term "free democracy." We have a republic, not a democracy. Not long ago, Adm. Ben Moreell, in a speech, put it this way:

"This seemingly elaborate mechanism was designed primarily for one purpose, to protect the smallest possible minority, one person, against oppression by the largest possible majority, all other persons combined. This is the very antithesis of political democracy."

I am inclined to believe that Walter Reuther could very easily be classified as one of the intellectual radicals Samuel Gompers spoke of and it would seem that he has been trying to foster a new concept of government on the American people since he and his brother returned from their trip to Russia some 25 years ago.

A friend of mine once told me that one may criticize, but criticism without a constructive alternate proposal for correction is only half the job done. Before I go into the possibility of a proposal to combat this great injustice to a minority in this country, I shall make a few statements in anticipation of those labor leaders who are guilty of promoting this great wrong.

All labor leaders are not in favor of this compulsory political activity by all union members. It is only those who have the desire to promote and foster their absolute control over all the citizens of our country and those who wish to promote their own socialistic ideals and are using the labor movement as a vehicle to be used toward attaining these ideals.

Many labor leaders of this day will immediately brand a person as antilabor the moment a person disagrees with them on any one thing. I was just recently branded as antilabor by a high officer of the CIO because I would not criticize Gov. George Craig when he sent the National Guard into New Castle, Ind. This man has criticized the action of using the National Guard; so have some political leaders who would also make capital out of the nonsensical identity of the Governor with strikebreaking. But these men offer no alternative; they are typical negativists; we know what he is against, but he will never tell us what he is for. For any part, a governor who protects the lives of little children and the property of American citizens, whether the violence is on the part of labor or management, I submit to you, here is a moral governor, with the guts to do his duty.

This labor officer went on to say that the use of the guard to prevent violence and bloodshed in this strike was a violation of the Golden Rule. I say this kind of thinking is anti-American and a violation of Christian principles. If this is the way his free democracy is supposed to operate, I want no part of it.

I am positive that I will again be branded as antilabor by certain labor leaders as an aftermath of this speech, but these labor leaders can rest asured that I shall be very happy to debate this issue with them at anytime.

It amuses me the way Walter Reuther switches around at times when he is branding someone with a smear campaign. If someone is opposed to him on a major issue such as this, he immediately brands them antilabor, at other times, however, he will not.

When Lyndon Johnson and Sam Rayburn led the fight for the passage of the natural gas bill in Congress recently, Walter Reuther promoted a campaign in an effort to defeat the bill and was emphatically opposed to its passage. Reuther did not, however, brand Johnson and Rayburn as anti-American when they fought for something he was opposed to. He merely said that there were more Republicans for the bill than Democrats.

There is reason for Reuther not attacking Johnson and Rayburn. He has to coo and ooze sweetness to these gentlemen, or they are apt to take what power he does have in the national Democrat Party away from him and Reuther does not want to lose that. The man is very ambitious politically. He is merely waiting his day and biding his time. This is the reason he is not consistent with his smear tactics.

Gentlemen, I have been a member of the UAW–CIO in good standing for 15 years and my dues money has been used time and time again to help elect political candidates not of my choice. This is my alternate proposal in line with my criticism of what is being done.

As an American citizen, as a union member, and as Commissioner of Labor for the State of Indiana, I am of the opinion that legislation should be passed on a State level and a national level prohibiting this discrimination and violation of political freedom.

I want to make it clear that I am not in favor of any "right-to-work" legislation and that I truly believe in the union shop because of what I consider to be several good reasons. I do say, however, that the right to have a union shop is a privilege granted by statute and that the privilege is being abused.

I would like to make the point at this time that when Senator Taft helped write the present Labor-Management Relations Act, he left the union shop up to the people, the unions, and the employers. I think it should be left as such.

I also want to make the point that I am not opposed to unions participating in politics, as long as they finance their candidates with money which is solicited on a noncompulsory, voluntary basis from the membership. I say that in a political campaign the individual American citizen should be permitted to decide whom he shall labor for and for whom to spend money.

I say the State of Indiana should pass legislation prohibiting the use of union dues money by union leaders in political campaigns. I say that the penalty for violation of this legislation and principle should be the denial of the right of that particular union or local union to have a union shop. I say that this proposal is not a so-called "right-to-wreck" proposal and it is not an antilabor proposal. It is an antipolitical labor boss proposal.

In closing with this proposal, I ask all Americans to consider the proposition that those labor leaders who are insistent on continuing this practice are desirous of eliminating the American way of government.

Take heed of the recent happenings in Michigan, where over two-thirds of the campaign expenses for the Democrat Party are being paid for by those labor union leaders.

Scrutinize the recent arbitrary decision of the Governor of Pennsylvania to subsidize strikers with taxpayers' money by paying the strikers unemployment compensation while out on strike.

It is time we took cognizance of the fact that our individual rights and freedoms are in jeopardy and that our children will not enjoy the freedoms we enjoy today if proponents of this philosophy are permitted to thrive and grow in power and control.

You and I have to face this thing head on. We can't gossip about it over cocktails in the cloistered, smoke-filled rooms of French Lick and expect to solve the problem. The problem needs to be faced with foresight, courage, and faith in the free enterprise system, a system that has worked so well that it seems sometimes to be the architecture of God. But it's the same today as in the time of Samuel Gompers. If we want to keep America as the land of the free, we have to make sure it is also the home of the brave.

[From the Indianapolis Star of April 15, 1956]

Protect the Worker's Rights

A hard hitting and important speech was made in Indiana on Friday on the subject of labor boss denial of the political rights of the workers. George F. Hinkle, Indiana Commissioner of Labor, charged bluntly that "Millions of union members in this country are being forced to contribute to campaign funds of political candidates these very same union members oppose at the polls." And he added that "This is being done through the use of union dues money by labor leaders. Individual union members are being forced to make political contributions to candidates and parties as a condition of employment." Where a union shop is in force, where a worker has to pay dues to hold his job, where part of those dues are spent in political campaigns to defeat candidates the worker favors, you have a condition that is little better than slave labor. Why should any free man be forced to help support candidates and policies he is against?

Hinkle dramatically produced evidence of his charges. He noted that George Meany, president of the AFL–CIO stated flatly that all political contributions would come "from voluntary donations and union treasuries." But union dues money is the sole support of union treasuries. It is not volunteered. It is simply seized.

Not long ago Federal Judge Frank A. Picard, in a remarkably tortured opinion, dismissed the indictment against the UAW–CIO for violating the prohibition against using union dues for political purposes. He said the union was "exercising the right of free speech." That is a good one. The union leaders admitted they were using union dues for politics. That is supposed to violate the law. But the judge upheld the union view that the Government case was "an assault on the working people."

That's like saying "Down is up." As Hinkle put it, "The individual union member must supply the labor leader with money so that he, the labor leader, can speak freely for the political candidates endorsed by the labor leader."

Only labor bosses have the right of "free speech." The individual workingman "the real working people" has no right to decide how his political donation is going to be spent. That is freedom, democracy, and "human rights" about which these labor bosses prate so loudly?

The usual gimmick for siphoning off union dues money for political campaigns is the citizenship fund. The UAW–CIO, of which Hinkle has been a member for 15 years, collects 10 cents each month out of union shop dues from every member and sets it aside for "citizenship." It takes in about $65,000 a month that way. This money is used lavishly and ruthlessly to build a political machine inside the Democratic Party and to support candidates who toe the labor bosses' line.

Labor bosses who use union dues for political purposes—and they are not by any means all or even most labor leaders—are simply usurping the individual political rights of their "subjects." They do it in the name of democracy or free speech or human rights. But the only "democracy" is boss rule. The only "free speech" is for them. The only "rights" are their "rights" to seize the workers' money for their own purposes.

Hinkle quotes surveys to show that 40 percent of union dues paying members voted Republican in the 1952 election. Two independent surveys by universities show that 43 percent of all union members oppose political action by their unions. In the UAW–CIO that percentage is 63 percent. Think of that. Here a majority of union members is forced to pay money into a political campaign fund they disagree with. That is "democracy"?

To stop this political dishonesty Hinkle proposes State and Federal laws prohibiting the use of any union dues for political purposes. He suggests that a penalty for violation be the denial of the right of the union to have a closed or union shop. This is not, as Hinkle put it, a "right to wreck" proposal. It is an "antipolitical labor boss proposal."

It is a sound and courageous idea for defending the individual worker's political rights. It should be adopted in Indiana and in the National Capitol.

[From the Indianapolis Star of April 14, 1956]

Law Urged To Block Use of Union Dues on Politics

(By Don G. Campbell)

French Lick, Ind.—Legislation prohibiting the use of union dues money in political campaigns, with forfeiture of union shop privileges as punishment for violation of the statute, was recommended strongly here yesterday by Indiana's commissioner of labor.

In a blistering attack on union officials who channel union dues into massive political machines, State Commissioner of Labor George F. Hinkle urged the board of directors of the Indiana State Chamber of Commerce to support legislation on a State and national level prohibiting this discrimination and violation of political freedom.

Hinkle's charges of outrageous discrimination against a minority, came yesterday as the State chamber's governing body opened its 3-day spring meeting here in the French Lick-Sheraton Hotel.

Today, Hinkle told the State's most influential business group, "there are millions of union members in this country who are being forced to contribute to the campaign funds of political candidates these very same union members are opposed to at the polls. These candidates are the choice of, and are many times owned by, unscrupulous labor leaders."

Although declaring himself "not in favor of any 'right-to-work' legislation"—such as was urged in an earlier address here yesterday by Stephen C. Noland, president of the Indiana Right-to-Work Committee—Hinkle acknowledged that the union shop privilege "is being abused."

Noland earlier had characterized his committee's proposed legislation as a move to restore the unions "to the voluntary basis which Samuel Gompers declared to be the only basis on which a union can build permanent strength and solidarity.

"It compels union organizers," Noland said, "to sell union benefits. It protects the employees' security."

Hinkle, however, recommended that the union shop question be left up to "the people, the unions, and the employers," as was intended, he said, when the late Senator Robert Taft helped write the present Labor-Management Relations Act.

In tracing the background of labor's political history, Hinkle cited the hands-off policy that characterized organized labor's growth under the guidance of such men as Gompers, Peter McGuire, Peter Strasser, and others. Politically, he said, the unions remained relatively inactive except in issues directly involving labor until the formation of Labor's Nonpartisan League under John L. Lewis.

The culmination of this movement, Hinkle said, was the formation of the CIO–PAC in 1943 because of what some labor leaders called brazen victories of reactionary forces in the 1942 elections.

Labor's power today, he said, needs no better illustration than the present situation in Michigan where over two-thirds of the campaign expenses for the Democratic Party are borne by labor union leaders and in Pennsylvania where the governor of that State subsidized strikers with taxpayers' money by paying the strikers unemployment compensation while out on strike.

This exists, Hinkle charged, in spite of the fact that recent university studies have revealed that: More than 40 percent of the union members in the country voted for a Republican President in 1952 although their labor leaders were using their funds to finance the campaigns of candidates to whom they were opposed; 43 percent of union

workers believe unions should take no part in politics; 63 percent of the Democratic members of the UAW–CIO are opposed to political action by their union and 100 percent of Republican UAW-CIO workers oppose any political action by their union.

In proposing his antipolitical labor boss legislation, Hinkle said: "I ask all Americans to consider the proposition that those labor leaders who are insistent on continuing this practice are desirous of eliminating the American way of government."

At its dinner meeting last night, the board of directors of the Indiana Chamber of Commerce heard Boyd Campbell, president of the Chamber of Commerce of the United States, attack the gloomy gremlins of disaster, who read the stock market report as though it were a fever chart, and their negative attitude toward their own country.

"We have to tell about America," Campbell said, "and it should be told in a positive manner."

"In our attempts to improve our country," he added, "it should be remembered that the American Revolution is one without end."

VETO OF THE FARM BILL

Mr. BRIDGES. Mr. President, in connection with the veto by the President of the farm bill I should like to call to the attention of the Members of the Senate a statement issued by the New Hampshire Farm Bureau Federation which appeared in the April 17, 1956, issue of the Manchester Union Leader, of Manchester, N. H. The New Hampshire Farm Bureau Federation is in full agreement with the veto by President Eisenhower of the farm bill.

There being no objection, the statement was ordered to be printed the Record, as follows:

New Hampshire Farm Bureau Sees Veto Saving Free Enterprise

(By D. Frank O'Neil)

Concord.—The New Hampshire Farm Bureau Federation yesterday applauded President Eisenhower's veto of the farm bill as a necessary step in maintaining the free-enterprise system for agriculture.

Stacy W. Cole, president of the NHFBF, said that "those who would socialize agriculture have suffered a real setback" by the President's action.

He added:

"If it had become law (the farm bill approved by Congress) it would have increased our present difficulties in agriculture in the way of tremendous surpluses which even now are hanging over the markets and depressing prices.

"It would have been bad for our New Hampshire poultry and dairy farmers by lifting feed grain prices beyond a reasonable point. Fortunately, the veto nullified an effort to run agriculture by politics rather than by commonsense."

Mr. Cole expressed the opinon that Congress can still pass a good bill with flexible support prices and a good soil-bank plan and pave the way for improved agricultural prices.

DECLINE OF AMERICAN PRESTIGE IN THE PHILIPPINES

Mr. LEHMAN. Mr. President, some days ago, there was an observance of Bataan Day, the day which marked the end of the heroic resistance of Filipino and American troops on the last peninsula stronghold in the Philippines in the cheerless days of early 1942.

On Bataan Day, we spoke of the special and unbreakable ties between America and the Philippines.

Mr. President, I have just had occasion to read a speech delivered on the floor of the Philippine Congress on the evening of March 12 by Representative Pedro Lopez, who has always been a warm supporter, advocate, and friend of the United States. His speech traces an alarming decline of American prestige in the Philippines in recent months, and discusses some of the reasons therefor.

Mr. President, I do not know whether all the facts set forth by Representative Lopez are true; but if only half of them are true, it is occasion for concern and for a careful revaluation of the actions and attitudes on the part of some American interests which have led to the present situation.

Mr. President, among other things, Representative Lopez strongly recommends that President Magsaysay, of the Philippines, pay a good-will trip to the United States in order to straighten out some of the misunderstandings which have arisen between our two countries. I cannot, of course, speak for the United States Government; but speaking as only one Member of the Senate, I would warmly welcome President Magsaysay here. I hope the trip suggested by Representative Lopez is indeed arranged.

Because of the importance of his speech, I ask unanimous consent that it be printed at this point in the body of the Record, as a part of my remarks.

Mr. President, I also ask that there be inserted into the Record two editorials bearing on this general subject, which appeared in two Filipino newspapers.

There being no objection, the speech and editorials were ordered to be printed in the Record, as follows:

(The text of the privilege speech delivered by the Honorable Pedro Lopez, Independent Congressman of the Second District of Cebu, on the floor of the House of Representatives, Congress of the Philippines, in the evening of March 12, 1956, on Philippine-American relations. Congressman Lopez was a member of the Philippine-American Rehabilitation Commission in Washington, member of the Philippine delegation to the UNO Conference in San Francisco which drafted the United Nations Charter and a signatory to that charter, chairman of the Philippine delegation to the first assembly of the U. N. in London, and associate prosecutor of the Philippines at the International Military Tribunal of the Far East:)

Mr. Speaker, ladies, and gentleman of the house; only a year ago, this august hall resounded to unanimous professions of Filipino affection and support of America, as members of the House of Congress vied with one another in voicing with pride their approval of the concurrent resolution filed by your humble servant, together with the gentleman from Manila, the Honorable Joaquin R. Roces and the gentleman from Pamanga, the Honorable Diosdad Macapagal, which unequivocally backed the announced stand of President Eisenhower to defend by force, if necessary, Formosa and the Pescadores from an imminent Communist invasion. Dire threats of suicidal involvement in another struggle between titans, and conjured pictures of horrible devastation of our cities and mass annihilation of our helpless population in swift raids by fleets of Red modern jet bombers, were poised upon us, but all these we ignored and cast aside in our fervor to prove once again to America that although she was abandoned by her western blood brothers, who evinced more concern for the preservation of their commercial outposts than for the defense of their ideological concepts of living, we, puny in stature but indomitable in spirit, were at her side, a true and loyal friend in her critical moment of need.

How we, the members of this house, faithfully and accurately mirrored the inner thoughts and feelings of our 20 million people toward our American friends was best documented by the sweeping victory scored by Nacionalista candidates led by President Magsaysay in the last November elections. The President and his party staked their leadership and fortune on the main electoral issue of their close collaboration with the United States, a posture which was masterfully assailed by its archcritic, Mr. Recto in a province-to-province campaign throughout the nation. In this land where partisan politics is a major daily preoccupation and political partisans cannot bring themselves to agree with their adversaries on anything under the sun unless death, acting as a magnanimous ink remover of earthly blemishes, supervenes, it was quite unique that, after Senator Recto failed to garner, specially in the cities, the recognized citadels of supranationalists and oppositionists, as many votes as were generally expected he would, there was a consensus that the Magsaysay-Nacionalista triumph at the polls was a clear-cut confirmation by the people of the pro-American policies pursued by the present administration.

Hardly a year passed by since the approval of the Formosa resolution and 4 months since the November elections, and yet it is almost unbelievable that we, who have kept our ears close to the pulse-beat of this house, should have noticed a sudden changing of heart, a quick transformation of this attitude toward America. The transformation, as seen from an intimate distance with eyes that reflect objectively the unbellished and undisguised truth, consisted in a swing from the former extreme of admiration, hero-worship, and idolatry to the new extreme of disenchantment, disillusionment, and even hostility. In the beginning there were only guarded whispers and discreet remarks in off-the-record conversations, later the grumblings became louder and bolder, and finally they erupted on this floor in torrents of violent and sarcastic statements hurled, in the course of interpellations, upon the gentleman from Zambales, the Honorable Enrique Corpus, who despite his own modest protestations, is regarded as the eye, ear, nose, and throat of President Magsaysay in this chamber. It was bad enough that the gentleman from Zambales, who was defending high American officials from what he termed as unwarranted and inordinate attacks, was himself grilled and roasted in scroaching interpellations for four solid hours; but what made it worse was that there was general approbation of the anti-American trend of the questioning from many of the seated members of this house, who were goading the interpellators to belabor further the gentleman from Zambales. As early as 3 weeks ago I had occasion, in a press interview in Cebu, to express alarm at the rising tide of anti-Americanism in this house, and I suggested then that the President do something immediately to nip it in bud by having the iniquitous sources of discontent removed.

Who would ever dream and expect that the very able, patriotic gentleman from Manila, the Honorable Joaquin R. Roces, who was precisely my coauthor in the Formosa resolution, would file, all of a sudden, a proposal now pending consideration before us, which would reexamine our present foreign policy, and adopt a new one which would veer us away from America and closer to Asia, which certainly does not exclude Red China? In his interpellation of the gentleman from

Zambales the other day, Congressman Roces, who is one of the most widely read and respected newspaper columnists of the country, heatedly contended that expediency, rather than friendship, guides American policy, as shown, according to him, by the fact that America's enormous aid to Japan, a former enemy though expected to be a highly useful ally in a war against Soviet Russia, has totaled $9 billion, beside which the one given to us appears miserably insignificant in comparison. In this connection, I should like to bring out an instance which depicts a head-on collision between the mobile and adjustable American concept of expediency and the immovable and rigid oriental concept of principle. When South Korea was bleeding to near death under the heels of the Communist invaders, the Americans offered to President Rhee the use of Japanese troops to assist repel the Red enemy. At that dark hour when the salvation of his country depended so much upon more troop reinforcements, President Rhee declined to have Japanese soldiers set foot on Korean soil, unforgetful of the unfortunate experience they had had with the Japanese in the past. To the grand old man of Korea, it was a question of moral principle, and he stood by his guns regardless of the consequences; to the Americans, who must have smiled the knowing smile of practical men, it was a simple matter of realism and, of course, expediency. In P. T. Barnum's book, President Rhee would be one of those suckers born every minute.

We have with us in this house two war heroes, the gentlemen from Bohol, the Honorable Bartolome Cabangbang and Esteban Bernido, both of whom demonstrated their love and loyalty to America not by lip-service but by helping lead the resistance movement in the last war; Congressman Cabangbang had a valiant record with the Allied Intelligence Bureau, while Congressman Bernido was our chief of staff in the MacArthur-recognized Bohol area command. Should you hear them talk of America now, you can sense a feeling of some creeping disappointment over what they consider the shabby treatment our country has received. We also have with us our well-known Foreign Affairs Committee chairman, the Honorable Miguel Cuenco, who went through long privations in the hills rather than cooperate with and serve under the Japanese conquerors; of all people, he is now urging a reexamination of the bases agreement with America and, notwithstanding that he is a devout Catholic, he has formally advocated for a coexistence with the Reds. We can also cite the case of the distinguished gentleman from Iloilo, the Honorable Jose Aldeguer, and the brilliant gentleman from Oriental Negros, the Honorable Lamberto Macias, both of whom were tutored and brought up under the wings of American educators, the latter having become the judge advocate of the Negros Oriental guerrilla; and of many others just as distinguished but too numerous to mention within the brief space of time allotted to me—of real, honest-to-goodness pro-Americans who have suffered varying degrees of disappointment with Uncle Sam.

Among our people who are anxious to see the continuance of the present close amity and ties between the Philippines and America, not because they love any other country but their own, but because they see in that relationship the only sure protection to our free and democratic institutions, and the only foolproof guarantee against being gobbled up by an aggressive totalitarian neighbor, there is serious concern as to what could have been the cause why this wave of anti-Americanism is sweeping across our House. As best as I could gather, it all started when American vested interests launched an all-out campaign to dump and ram their huge excess Virginia leaf tobacco worth millions into Filipino throats, irrespective of whether we need it or not, or whether we can afford it or not.

With a powerhouse lobby in Washington, these interests convinced an influential group of legislators in the United States Congress that the tobacco industry was the victim of a doublecross from Philippine Government representatives who had welshed on a gentleman's agreement which would allow the entry, without need of license, of vast quantities of Virginia leaf tobacco valued at millions of pesos into our ports before the effectivity of the tariff under the Laurel-Langley trade agreement and the 17-percent import tax. It seems that American tobacco interests have been utterly dissatisfied that during the last few months they were only able to get into our country 6 million pounds of Virginia leaf tobacco, without payment of tariff, and an additional 3 million pounds, with tariff. They have been moving heaven and earth to have us absorb 7 million pounds more. What makes it very difficult for us to accommodate the tobacco interests is the fact that the Philippines is expected to produce this year about 32 million pounds of Virginia leaf, which is 2 million in excess of our yearly normal needs.

Evidently, the tobacco lobby did not acquaint the United States Congress with certain unpalatable facts in Philippine economic life which would have relieved the Philippines from fulfilling its commitment in the event it had made any. The dollar reserves of the Philippines has tobogganed down from a high of $400 million to a record dangerous low of $209 million; that in this sad state of our financial affairs, the dollar allocations of long established importers had to be drastically cut; that the raw material requirements of new and necessary industries, for which, before their operations, the Central Bank had made definite assurances to provide, had to be substantially reduced just the same; that unnecessary travels and studies abroad had to be banned; that serious consideration is being given to rationing gasoline consumption, all in a desperate effort to prevent the further dwindling of our dollar reserves; that finally, Governor Cuaderno, of the Central Bank, had to be sent posthaste by the President to Washington to negotiate for more loans with which to stabilize our precarious dollar reserve position. In other words, this vaunted American show-window of democracy in the Orient is going broke, with not enough funds to finance its import needs.

Instead of understanding and sympathizing with our predicament, the tobacco lobbyists accelerated their campaign of retaliation against all Philippine interests before the United States Congress. The first target of their attack was Philippine sugar. In the pending bill which would provide for the allocation, out of the yearly increase in sugar consumption in America, the Philippines was singled out as one of the countries not given any increased quota at all. During the hearing on the sugar bill, attempts were made to graft into the measure some penalty clauses detrimental to Philippine sugar quota as fixed in the Laurel-Langley Trade Agreement. The next target of discrimination is Philippine labor. There is now a bill which would exclude thousands of Filipino workers in air, naval and military installations in Guam from enjoying the benefits of the minimum wage law of the United States Federal Government. The other day a radiographic report was received from reliable sources in Washington that it is idle to expect any legislation out of the United States Congress favorable to the Philippines, unless we relent in our stand not to import more Virginia tobacco. One thing led to another, and, before we knew it, we began acting like a hurt lover, magnifying Uncle Sam's faults but minimizing his virtues, recalling real or fancied grievances, such as the deficient war damage payments which were conditioned upon our granting them a one-sided pairty. We have now gone as far as flirting with his rivals, and wrestling with the idea of a parting of ways.

Evaluated from the viewpoint of public relations accomplishments in the East-West cold war, we can positively state that the United States tobacco clique, by undermining the faith of Filipinos and other Asiatics in the loftiness of American motivations, has done more to advance in so short a time the aggressive program of subversion and conversion undertaken by the Communist Internationale the world over, than all the combined Communist propaganda tactics resorted to by Moscow, like charging the Americans with engaging in germ warfare in China and Korea, and with discriminating racially against the Negroes and lynching them; of brandishing around in state visits the captivating smiles of that peripatetic, back-slapping, hard-drinking, vaudeville-like team of Khrushchev and Bulganin; and of showering some trade concessions and aids in few underdeveloped countries. Where Communist and Hukbalahap propaganda have thoroughly failed through these years to dent the armor of Filipino conviction in the sincerity of the Americans, the tobacco clique has succeeded overnight in engendering mistrust in the minds of our leaders that after all at the end of the rope of an American assistance there is always tied a business booby trap. Unquestionably, Moscow and Peking owe the tobacco boys a medal for invaluable services rendered to the Communist cause.

If the United States Government and people permit vested interests, like the tobacco coterie, to carry the ball, so to speak, and daub a paint of crude mercenairiness on the American mission of humanity and security in this part of the world, then they might just as well forget about their darling favorite, President Magsaysay, for under such adverse climate he will have become completely impotent to render effective help in protecting, much less advancing, American-Filipino security interests; they might just as well have the Voice of America and the USIS pack lock, stock, barrel, radio towers and printing presses, and order them home, and have the carrier U. S. S. *Shangri-la* and all other units of the Seventh Fleet sent back to Pearl Harbor, for what need do we have of the thundering jet planes, the smooth, silky radio voice of persuasion and the beautiful brochures of self-praises, if Filipino hearts no longer belong to Daddy? During the Japanese occupation we learned the lesson that what matters most is the conquest of the mind and heart, and these simply could not and never will be won by bayonets, but only by good deeds that shine without need of ballyhoo.

With tempers rising to what might yet become hysteria, I wonder if at this moment it is treasonable for me to point out a fundamental fact: that there is a world of difference that distinguishes the mass of the American people from a mere group of predatory interests. With all their share of human shortcomings and imperfections, the Americans have proved themselves the most generous on earth throughout the history of mankind. They have proved themselves in more ways than one the best friends that we ever have had. Mostly because of the loyalty demonstrated and the sacrifices made by our people in the last war, more particularly the gallantry and bravery of our heroes at Baatan, Corregidor, and during the resistance movement, the Americans have by actual deeds shown they have a special soft spot for us in their hearts. Those of us who have had the occasion to travel around the United States and visit the Americans at their homes can personally testify as to the warmth and sincerity of their affection and regard for us. You see showered all over their country the fabulously rich bounties of nature, the vast fertile lands, the endless mountains laden with minerals, the forests of factories, their tremendous wealth and their almost incredible self-sufficiency. We can very well understand that they cannot be the kind who go out into foreign lands to exploit other people; they have more than enough at home. But as in other countries, the Americans have their small quota for frustrated imperialists and carpetbaggers. As in our country, American official representatives can also be duped by shrewd and sleek lobbyists of special interests, but reflective of the instinctive ability of the Americans to dig into the truth and thereafter separate the genuine from the fake, we have Lincoln's saying that some can fool some of the people some of the time but never all the people all the time. I feel certain that given the facts and the justification of our stand, the Government of the United States will immediately right any wrong and correct any injustice.

Mr. Speaker, before this thing goes out of hand, before the beautiful friendship that has long existed between our country and the United States breaks to pieces beyond repair, I should like to see the highest representatives of the two nations sit down at a conference table, and in a heart-to-heart talk, explain misunderstandings, iron out differences, and remove irritants that have caused suspicion and frictions in our relationships. About the most opportune time, it looks to me, for taking this matter up on highest level would be the long awaited and overdue visit of President Magsaysay with President Eisenhower in Washington. We understand that for sometime now an official invitation has been extended by President Eisenhower to President Magsaysay to visit with him at the Capitol of the American Nation, and that the American people themselves, are eagerly awaiting word that our President, whom they greatly admire, can make it. I believe that the time has come that President Magsaysay ought to leave behind for a moment his homework, and fly to Washington at the earliest opportunity to take up at the summit the more pressing and critical problem of saving Philippine-American amity from disintegrating.

With the background of a half century of friendship, fully forged and tested in the crucible of the last war, and nurtured by the blood of their heroes shed in common sacrifice on the altar of freedom, there is no reason on earth why two old friends who speak the same language and share the same common way of life, which alone can give meaning and fulfillment to the aspirations of all freemen, cannot continue to get along splendidly together, and settle amicably whatever differences they may have to their mutual satisfaction.

[From the Evening News of March 13, 1956]

FAIRNESS AND SOBRIETY

As advocates of the continuation and improvement of Filipino-American friendship and collaboration, we are disturbed by the recent outbursts of anti-American verbiage on the floor of Congress. That the hostility was sparked by members whose background and accomplishments have served to strengthen the feeling of amity between our people and those of the United States merely intensifies the puzzlement, but does not explain or justify the sudden demonstration of unfriendliness.

Because we believe, as we have previously announced, that friendship and collaboration with America is "not only essential to our well-being, but is elemental and inevitable because they have been established by the force and determination of historical events," we find encouraging, inspiring, the speech delivered yesterday in Congress by Representative Pedro Lopez, of Cebu. It was a gallant and forthright rejointed to the rash of passionate reaction and narrow-mindedness on Philippine-American relations that was recently shown on the floor of the lower house.

Representative Lopez' appeal for a statesmanly approach to matters of foreign policy is a solid pleading for great sobriety and less bitterness and prejudice in the consideration of issues that vitally affect the future of this country, and the very foundations of freedom and democracy on which it rests. He expressed alarm over the rising tide of anti-Americanism in the lower house and, in a sense, reflected the thinking of the vast majority of our people who have constantly demonstrated their abiding friendship and trust in the goodness of the American people.

In tracing the causes of the flareup of anti-American feeling in the lower house, Representative Lopez mentioned, among other things, the fact that certain vested interests in the United States are advocating reprisals against Philippine products and even against Philippine labor, because their own products had been adversely affected by certain measures taken by our Congress to protect Philippine interests. This does not, however, blind him to the basic reality that those who believe in close amity and ties with America are so inclined "not because they love any other country but their own, but because they see in that relationship the only sure protection to our free and democratic institutions, and the only foolproof guaranty against being gobbled up by an aggressive totalitarian neighbor. * * *"

The Cebu Representative also pointed out wisely, we believe, and without risk of arousing doubts as to his patriotism, one fundamental fact that, he believes sincerely, underlies the entire situation. "There is," he declared, "a world of difference that distinguishes the mass of the American people from a mere group of predatory interests. With all their share in human shortcomings and imperfections, the Americans have proved themselves the most generous on earth throughout the history of mankind. They have proved themselves in more ways than one the best friends that we ever have had."

We believe with Representative Pedro Lopez, that the broad base upon which we must work our destiny as a people is in friendship and collaboration with America.

[From the Daily Mirror of March 13, 1956]

NEW VOICES IN CONGRESS

Tracing the cause of the apparent anti-Americanism in Congress, Representative Pedro Lopez in a privileged speech last night called for the early acceptance by President Magsaysay of a standing invitation to the United States to bolster the sagging good will between the two countries.

There is no doubt that Philippine-American relations have become strained although this will never be admitted by administration leaders. The move to deal Filipino labor in the Marianas Islands out of the United States minimum wage law, the exclusion of the Philippines from any benefits to be derived from increased sugar quotas, and the insistence of the American tobacco lobby on dumping Virginia leaf over the heads of Filipino tobacco producers—these have presented to our people a very unflattering picture of Uncle Sam. And as Congressman Lopez points out, many colleagues of his who in the past had lauded the United States on the floor of the house are now disillusioned and are advocating measures which they formerly would have denounced as heretical.

It must not be supposed, however, that the fresh stock of good will which would be generated by President Magsaysay's visit to Washington would completely undo the effects of the present agitation in Congress for reexamination of our official attitude toward the United States. As world conditions improve it is only natural to expect the more independent minded of our public officials to voice less and less orthodox views of our foreign relations. This in itself would be a healthy sign for it must be admitted that in times of severe East-West tension, when loyalty lines have to be drawn sharply, our leaders refrain from being too critical toward American acts and policies for obvious reasons. The present temper of Congress is probably due to the lessening of world tension as much as to injustices committed or threatened by the less worthy representatives and spokesmen of the American people.

Another thing which will militate against politicians retracting what they have said in recent weeks on foreign policy is the effect on the public of their own speeches and statements. For the first time the people have heard their representatives speaking out boldly; overtones of neutralism sound attractive to ears long used to extravagant paeans to "brother Americans" from "little brown brothers."

Our relations with the United States will never be so strained that they should cause serious worry on either side. But the two countries may emerge from current misunderstandings with increased respect for each other, thanks to the outspokenness of some of our lawmakers. There has been in the past too much groveling in the direction of Washington by supposedly responsible leaders. Whatever strain exists may be due to the growing pains of a foreign policy which has had difficulty in reconciling its special relations with the former mother country with its professed adherence to the anticolonial bloc of Arab and Asian nations forged at the Bandung Conference.

ASSISTANCE RENDERED BY FOREIGN SERVICE OFFICERS TO AMERICANS TRAVELING ABROAD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be recognized to address the Senate for a total of 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, this is the time of the year when Members of the Senate begin to consider the annual appropriations for the Department of State. It is my privilege to sit with the Committee on Appropriations during consideration of these appropriations, and I will make my views known to the committee at that time. Now, however, I wish to invite the attention of my colleagues to one aspect of the Department's work abroad which costs money, which benefits especially Members of the Congress, but which we often forget when it comes time to appropriate funds.

I refer to the heavy burden carried by American Foreign Service officers in providing assistance to so-called VIP's. Members of the Congress, high-ranking Government officials, and certain private individuals are given the VIP treatment when they travel abroad.

Normally this involves meeting the traveler at the airport or the dock, escorting him to his hotel where reservations have been made, assisting him in meeting local officials and members of the Embassy, helping him obtain the information he seeks, and in due course putting him aboard transportation facilities for travel to his next stop.

While I am sure that my colleagues do not especially relish the reference to their travel abroad as VIP's, I do believe they are assisted immensely in accomplishing their work by the special help they receive. There have been instances in which the privileges which go along with VIP travel has been abused. For the most part, however, the help given has been well used and I believe most Members of Congress who travel abroad come home better able to participate in the formulation of our foreign policy.

In order that we may have before us an idea of the burden carried by our Foreign Service in connection with visits of this kind, last fall I asked the Department of State to obtain information on the extent of the services which it has supplied during the past 4 years at certain European posts. In summary, the information I received is contined in the table I hold in my hands, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Congressional visits

	1955	1954	1953	1952
Rome	223	101	109	70
Bonn [1]	84			
Paris [2]	707	452	501	212
Madrid	393	209	194	132
Geneva [3]				

Visits by Government officials

	1955	1954	1953	1952
Rome	123	140	115	108
Bonn [1]	129			
Paris [2]	1,360	612	630	641
Madrid	228	297	99	174
Geneva [3]				

Visits by private individuals

	1955	1954	1953	1952
Rome	177	248	176	163
Bonn [1]				
Paris [2]	911	510	535	612
Madrid	279	453	297	387
Geneva [3]				

[1] Bonn figures on congressional visits and visits by Government officials available only for period since establishment of combined Reception Bureau and Travel Section; May–December 1955. No records kept on number of private individuals assisted.

[2] American Embassy, Paris, indicates that figures on congressional visits include congressional staff members, and families.

[3] American consulate general, Geneva, reports that for period, 1952–55, the number of congressional visitors ranged from 100 to 150 each year, and that estimated total numbers important visitors, including congressional groups, other official Government groups, and delegations to conference, are as follows: 1955, 1,600; 1954, 900; 1953, 900; 1952, 600.

Mr. MANSFIELD. These figures show that for the one year 1955, no less than 1,400 congressional and 1,840 Government official visitors received special treatment at four posts. Many of these, of course, were repeaters—that is, they visited Paris, then Rome, then Bonn, Madrid, and so on. But so far as concerns the help they received at each post, it means that officers from the Embassies had to be detailed for special jobs—special jobs oftentimes on Saturdays, Sundays, and legal holidays. It frequently meant that they had to spend evening hours catching up on the day's work interrupted by visits. These figures also show a gradual increase in the number of individuals receiving special assistance.

Most embassies appoint so-called control officers responsible for seeing that VIP's are assisted in completing their assignments. In Germany last year, an incomplete report indicates that at least 40 officers were assigned during 1955 to take care of visiting groups and individuals in the VIP category. In Madrid no less than 21 control officers were appointed to take care of 393 congressional visitors and 228 Government visitors. These officers had salaries ranging from some $5,000 to $14,000 per year. In Paris, it has been necessary to establish a full-time office to assist the large number of VIP's traveling through Paris.

Mr. President, when representatives of the Department of State appear before the Committee on Appropriations this year, I shall ask them to give us an estimate of the total official man-hours devoted to helping VIP's as they travel all over the world. I suspect that the figure will be startling. My survey has covered only four posts in Europe. If one were to add to the totals the number of Congressmen and high ranking Government officials visiting such spots as Tokyo, Formosa, the Middle East, southeast Asia, and Latin America, and consider the time given to help them in their studies, I suspect one might well wonder how the men and women at those Embassies have time enough left to carry on their regular duties. It is my hope that when we consider the appropriations for the Department of State, we will keep closely in mind this aspect of the work of the Department which we often overlook.

Let me say in conclusion that, as a recipient of some of this assistance, I have appreciated it deeply. I do not think I could have done my work properly as a member of the Committee on Foreign Relations without the help of many able men and women in the Foreign Service of the United States. Although they serve primarily to represent the United States abroad and to report to the Secretary of State on foreign policy problems, it is important that they help members of the legislative and the executive branches of the Government as they undertake official duties abroad. It is as important that they help us to understand our neighbors as that they interpret our neighbors to us.

I sincerely hope, Mr. President, that we will have the facts I have presented clearly before us when we consider the State Department appropriations this year.

ADMINISTRATION'S POWER POLICIES THREATEN FUTURE OF ALUMINUM INDUSTRY IN PACIFIC NORTHWEST

Mr. NEUBERGER. Mr. President, a great and burgeoning aluminum industry was getting started in the Pacific Northwest under the previous national administration. It brought 85,000 new jobs to a region which confronted an economic crisis, in the loss of much of its old virgin-growth timber.

Today, under the present administration, this aluminum development in the Northwest has been halted. A few weeks ago, the Kaiser Metals Co. announced that it would expand in the Ohio Valley, using steam-generated power, rather than near hydroelectric sites in the Northwest.

Now, the great proposed Taiya aluminum project of the Aluminum Company of America, near Skagway, Alaska, has been shelved. Instead, Alcoa has plans for a project in the Ohio Valley, likewise burning bituminous coal to generate power from steam.

Ironically, the one future aluminum undertaking assured to the Northwest is the projected Harvey Metals plant at The Dalles, Oreg., under a power contract negotiated during the Truman administration by Bonneville Power Administrator Paul J. Raver, a contract, incidentally, which my predecessor in the Senate has attacked as a major mistake.

Between 1940 and 1952, the Northwest went from a region which did not produce an ounce of aluminum to an area responsible for nearly half of all the aluminum production in the United States. The sole reason, of course, was abundant low-cost power from such dams as Bonneville, Grand Coulee, and McNary.

Now, the aluminum expansion—with its payrolls, property taxes, local buying of supplies and general community betterment—is stopped, perhaps permanently.

What are the reasons? They are amply clear. This administration has put a halt to new Federal power projects. The great Hells Canyon site, for example, has been surrendered to Idaho Power Co. for piecemeal and less-than-full development. Compare the Idaho Power industrial rate with that of the Bonneville Federal system. Bonneville's industrial rate averages 2.12 mills per kilowatt-hour, that of Idaho Power averages approximately 8 mills.

Furthermore, our relations with Canada have so bogged down under the chairmanship of ex-Governor Jordan, of Idaho, on the International Joint Commission that all hope of projects like Taiya, which require mutual pacts with Canada, are fast evaporating. Ex-Governor Jordan, as Idaho's Governor and still today, has been an outspoken foe of Federal power developments in the Northwest.

Mr. President, my home region will suffer for decades from the fact that this administration has throttled and choked off the power program that had made possible vast expansion of aluminum plants in the Northwest. Now, this expansion is stopped in the Northwest and, instead, is occurring in the Ohio Valley and elsewhere. Even should a new national administration finally get our power program back on the trolley, it is possible that aluminum production will have been rooted to Ohio and elsewhere for a good many years to come. Can we ever get back to where we were?

In conclusion, Mr. President, I ask unanimous consent to have printed in

the RECORD with my remarks an editorial from the St. Louis Post-Dispatch of April 16, 1956, comparing administration power policy in the Colorado Basin with that in the Columbia Basin, and a news item from the Juneau, Alaska, Independent of April 1, 1956, describing the abandonment of the Taiya project by the Aluminum Company of America.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of April 16, 1956]

YES AND NO

President Eisenhower spoke some words of excellent wisdom in signing the upper Colorado River development act. He said it represented "something I believe in" because it treated river valleys as a whole thing.

The puzzle is that Mr. Eisenhower, while enunciating this fine principle for the Colorado, does not apply it elsewhere.

One of the President's appointees, General Vogel, Chairman of the TVA board, is busily engaged in an effort to weaken the first application of the unified-development principle to an American river valley.

Another of President Eisenhower's appointees, Secretary McKay, who has just resigned to run for the Senate from Oregon, has been throwing the unified-development principle to the wolves in the Columbia River Valley.

How can these contradictions between the Colorado, Tennessee, and Columbia Valleys—between words and actions—be explained? Thomas L. Stokes discusses this apparent enigma in an illuminating column on the opposite page.

The $33 million Federal project at Hells Canyon on the Snake River, a tributary of the Columbia at the Idaho-Oregon line, was defaulted by Mr. McKay to the Idaho Power Co. 3 years ago. One of the principal reasons he gave was that "the cost * * * is not small and bears examination in the light of present efforts to balance the national budget."

Yet the cost of the upper Colorado project is twice as great—$760 million—and President Eisenhower was advocating its adoption even before the announcement of a balanced budget.

Why this double standard for different areas?

The partial and piecemeal development on the Columbia which President Eisenhower has so far viewed with complacency is wasteful of natural resources. It wastes an electric-power potential estimated to be as large as the entire prime-power output of Bonneville Dam, on the Columbia. It wastes this power potential in a power-hungry region whose development will be retarded by anything less than full realization of its waterpower.

Private design, construction, and operation of three small dams at this site of a key project of the overall Federal development program will break up the very unification which Mr. Eisenhower finds so essential on the upper Colorado.

This obstructionism has been the objective of bitterly antipublic-power private utilities toward unified river valley developments generally. It has been pursued persistently in the Central Valley of California. If the Federal Government gives in to it elsewhere as at Hells Canyon, TVA will become the last unified development in this country as well as having been the first.

Nobody actually opposes unified development, as such, any longer; it makes too much sense. When are we going to start practicing what we preach in the Columbia and other river valleys?

[From the Juneau (Alaska) Independent of April 1, 1956]

ALASKA PROJECT SHELVED

The Aluminum Company of America has shelved plans for the $400 million power and manufacturing establishment which it announced in 1952 it planned to build near Skagway, the New York Times said last week.

The Times said Alcoa officials, who remained optimistic for several years after Canadian authorities refused permission to divert Yukon River waters for the so-called Taiya Project, now acknowledge that the project is dead.

"If the Canadians changed their minds now," an Alcoa official was quoted by the Times, "we'd have to restudy the whole situation in the light of other developments." He said these included technological improvements in the use of coal and rising transportation costs.

The Times said the clincher in the Alcoa's decision to drop Taiya seemed to be its announcement in the company's annual report that plans were well advanced for a smelter in the Ohio Valley which would be powered by bituminous and lower-grade coals.

AMERICAN CONTRIBUTIONS TO FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

Mr. ELLENDER. Mr. President, I invite the attention of my good friend from Montana [Mr. MANSFIELD] to the fact that on April 16 the Senate considered Joint Resolution 97, which sought to increase the amount of United States contributions to the Food and Agriculture Organization and the International Labor Organization.

On that date I offered an amendment the effect of which would have been to limit the amount of United States contributions to those organizations to the same percentage of their total budgets as this Nation had contributed during the present year. It will be remembered that this percentagewise contribution, in the case of the FAO, was 31.5 percent of the total budget, and, in the case of the ILO, 25 percent. The purpose of my amendment was to freeze American contributions at those percentages. During the course of the debate, my good friend from Montana suggested a maximum of 33⅓ percent instead. I asked my friend from Montana whether or not the Committee on Foreign Relations had been unanimous in agreeing upon 33⅓ percent as the maximum. I was informed that it had been. Because of that fact, and because I understood the Senate was anxious to conclude consideration of the bill on the day on which we discussed the amendment, I readily consented to a compromise whereby the amounts fixed in the resolution remained at $3 million for FAO and $3 million for the ILO, with the proviso that if those increased amounts were used they would not represent more than 33⅓ percent of the total budgets of those two agencies.

It was only upon the representations made to me by my good friend from Montana to the effect that the Committee on Foreign Relations was overwhelmingly opposed to any lower limitations that I agreed to the compromise. Later I found that I had been unintentionally misinformed. Subsequently the Fulbright amendment was adopted, which had the same effect as the amendment which I had offered on April 16.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. Every word the Senator from Louisiana has said is correct, and I am glad the statement is in the RECORD.

I did give the Senator from Louisiana certain assurances, because it was my strong belief that the amendment which was offered by the Senator from Montana as a substitute for the amendment offered by the Senator from Louisiana had met with the approval of the full committee when we discussed the measure.

At this time I wish the RECORD to be clear that what was done originally was done in good faith, and that what was done finally in agreeing to the Fulbright amendment was, in fact and effect, the same as contemplated by the amendment offered earlier by the Senator from Louisiana.

Mr. ELLENDER. I thank the Senator.

THE ADMINISTRATION'S PROGRAM FOR THE NATION'S HEALTH

Mr. SMITH of New Jersey. Mr. President, Congress has before it a comprehensive program for improving the Nation's health. This program has been recommended by President Eisenhower. In the April 19 issue of Roll Call, the Capitol Hill newspaper, there appears an article, prepared by me, which describes the various proposals of the President in the field of health which are now before the Congress. I ask unanimous consent that this article be printed in the body of the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE REPUBLICAN PROGRAM FOR THE NATION'S HEALTH

(By Senator H. ALEXANDER SMITH, Republican, New Jersey)

Since the beginning of his administration, President Eisenhower has persistently emphasized the necessity for positive action in facing the health problems of the Nation. The President has recommended to the Congress a forward-looking, constructive, and well-balanced program for improving and expanding health facilities, research, training, and services for the benefit of all our people.

The following part of the President's program have been approved by one or both Houses of Congress:

The Polio Vaccine Assistance Act was passed during the current session of Congress to insure that no child or expectant mother will miss the necessary vaccine shots due to inability to pay.

A bill implementing the President's recommendation for periodic surveys on the incidence, duration, and effects of illness and disability throughout the country has passed the Senate and is before the House.

Revision and permanent extension of the Water Pollution Control Act of 1948, as requested by the President, has also passed the Senate and is pending before the House. Its passage will insure that the Public Health Service will continue to assist the States in connection with the problems of pollution control.

RECOMMENDATIONS BEFORE COMMITTEES

The following major recommendations of the President's health program are still before congressional committees.

An increase of at least 28 percent over present appropriations for medical research, with the major share of the additional funds devoted to increased research grants to medical schools, hospitals, and private laboratories.

A $250 million 5-year program for matching grants to assist in the construction of research and teaching facilities for schools of medicine, public health, osteopathy, dentistry, and various types of medical research.

Extension of the hospital survey and construction program to provide for the continued construction of chronic-disease hospitals, nursing homes, rehabilitation facilities and diagnostic and treatment centers, with an increase of $19 million in the funds devoted to such purposes.

Mortgage insurance by the Federal Government on loans made by private lending institutions for the construction of health facilities.

A program to increase the training capacity of our nursing schools and to provide traineeships for graduate nurses in order to prepare them for positions as administrators, supervisors, and instructors and facilitate better utilization of our professional nurse supply.

Additional vocational-education grants to the States which could be utilized for practical nurse training as well as traineeships in other public-health specialties.

Matching Federal funds to assist the States and localities in medical care for the indigent aged, the blind, the totally and permanently disabled, and dependent children.

Special project grants to the States for demonstrations and new techniques for the care and treatment of mental patients, designed to reduce the duration of necessary treatment in mental hospitals.

Special grants for the extension and improvement of existing public-health programs and for special public-health projects, as well as consolidation of the present separate grant programs for general health and the control of venereal disease, tuberculosis, cancer, and heart disease, for greater flexibility.

Authorization for the Public Health Service to construct and maintain the necessary health facilities for our Indian population.

A PRACTICAL PROGRAM

I believe that the President's comprehensive program for meeting the problems of the Nation's health is a practical program designed to combine the expansion of necessary medical research, training, facilities, and services. In addition it preserves the traditional role of the Federal Government, as a partner, rather than a dominating authority.

Mr. SMITH of New Jersey. Mr. President, I am hopeful that considerable progress can be made by Congress in the current session to implement and enact the President's recommendations in the health field.

Certainly there can be little disagreement over the need for such legislation and its approval by the Congress will redound to the benefit of the whole country.

PAYING FOR MEDICAL EDUCATION

Mr. SMITH of New Jersey. Mr. President, this week has been designated Medical Education Week. It is a time for all Americans to give special thought to the problems we face in improving medical training and medical research facilities.

In connection with this important week I ask unanimous consent to have printed in the body of the RECORD an editorial from the New York Herald Tribune of April 21 entitled "Paying for Medical Education."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PAYING FOR MEDICAL EDUCATION

The National Fund for Medical Education, which campaigns for support for the 81 accredited medical schools in the country, has been promised $10 million in grants by the Ford Foundation. Since its establishment in 1949 the fund has tried to raise $10 million annually from industry, a sum that has proved beyond its reach and would in any case be insufficient to keep up with the growth of medical education in the United States. The Ford Foundation's generous gift, which is made on a matching basis and is to extend over no less than 5 and no more than 10 years, should stimulate the flow of private support to the medical schools and go far to realize the fund's endeavors.

Next week, from April 22 to April 28, is Medical Education Week. During that period the country will be asked to give thought to the high cost of medical training and the plight of those engaged in furnishing it. Recent figures show that more than 21,000 out of 28,000-odd medical teachers in the Nation are serving without pay. Generous contributions from the Ford Foundation, the Commonwealth Fund, the Mellon family foundation, and other sources have helped greatly, but even these are not enough to pay the bill. Meanwhile, the drain of medical schools on university budgets has put a severe burden on the entire system of American higher education.

When the National Fund for Medical Education was organized, President Eisenhower (then president of Columbia University) declared: "It falls upon American business to assume a greater share of the responsibility for maintaining the institutions essential to our national health." The urgency of this appeal has not diminished in the years between. Medical Education Week will be an appropriate time to give it full and sympathetic consideration.

THE PRESIDENT'S ADDRESS TO THE NATION'S EDITORS

Mr. PAYNE. Mr. President, I ask unanimous consent that the President's address to the American Society of Newspaper Editors, as printed in the Washington Post and Times Herald of April 22, 1956, be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Three years ago, when I last talked to you, stories from battlefields and fighting fronts crowded the front pages of our press. Human freedom was under direct assault in important sectors by the disciples of communistic dictatorship. Violence and aggression were brutal daily facts for millions of human beings. Fear of global war, of a nuclear holocaust, darkened the future. To many, the chance for a just and enduring peace seemed hopeless.

Today, only 3 years later, we have reason for cautious hope that a new, fruitful, a peaceful era for mankind can emerge from a haunted decade. The world breathes a little more easily today.

A PROMISE OF PEACE

The prudent man will not delude himself that his hope for peace guarantees the realization of peace. Even with genuine good will, time and effort will be needed to correct the injustices, to cure the dangerous sores that plague the earth today. And the future alone can show whether the Communists really want to move toward a just and stable peace.

Yet not for many years has there been such promise that patient, imaginative, enterprising effort could gradually be rewarded in steady decrease in the dread of war; in an economic surge that will raise the living standards of all the world; in growing confidence that liberty and justice will one day overcome statism; in the better understanding among all peoples that is the essential prelude to true peace.

This week marks the anniversary of one of the most important events in freedom's progress. One hundred and eighty-one years ago, on April 19, our forefathers started a revolution that still goes on. The shots at Concord, as Emerson wrote, were heard "round the world."

The echoes of Concord still stir men's minds.

The Bandung meeting, last year, of Asian and African leaders bears witness to Emerson's vision. There, almost two centuries after Concord, and halfway around the earth, President Sukarno of Indonesia opened the conference with an eloquent tribute to Paul Revere and to the spirit of the American Revolution.

Why do the musket shots of a few embattled farmers at the Concord Bridge still ring out in far-off lands?

The reason is clear.

IDEAS FOR MANKIND

Concord was far more than a local uprising to redress immediate grievances. The enduring meaning of Concord lies in the ideas that inspired the historic stand there. Concord is the symbol of certain basic convictions about the relationship of man to the state.

Those convictions were found in a firm belief in the spiritual worth of the individual. He must be free to think, to speak, and to worship according to conscience. He must enjoy equality before the law. He must have a fair chance to develop and use his talents. The purpose of government is to serve its citizens in freedom.

Our forefathers did not claim to have discovered novel principles. They looked on their findings as universal values, the common property of all mankind.

These deep convictions have always guided us as a Nation. They have taken deep root elsewhere in the Western World. In the 19th century they inspired a great surge of freedom throughout Western Europe and in our own hemisphere.

These ideas of freedom are still the truly revolutionary political principles abroad in the world. They appeal to the timeless aspirations of mankind. In some regions they flourish; in some they are officially outlawed. But everywhere, to some degree, they stir and inspire humanity.

The affairs of men do not stand still. The ideas of freedom will grow in vigor and influence—or they will gradually wither and die. If the area of freedom shrinks, the results for us will be tragic. Only if freedom continues to flourish will man realize the prosperity, the happiness, the enduring peace he seeks.

II

The appeal of the ideas of freedom has been shown dramatically during the past decade. In that time, 18 nations, totaling some 650 million people—a quarter of the human race—have gained independence.

In manifold ways these nations differ widely from each other and from us. They are the heirs of many ancient cultures and national traditions. All of the great religions of the world are found among them. Their peoples speak a hundred tongues.

Yet they share in common with all free countries the basic and universal values that inspired our Nation's founders.

They believe deeply in the right of self-government.

They believe deeply in the dignity of man.

They aspire to improve the welfare of the individual, as a basic aim of organized society.

The new nations have many of the sensitivities that marked our own early years as a free Nation. They are proud of their independence and quick to resent any slight to their sovereignty. Some of them are concerned to avoid involvement with other nations, as we were for many years.

Certainly we Americans should understand and respect these points of view. We must accept the right of each nation to choose its own path to the future.

IMMENSE DIFFICULTIES

All of these countries are faced with immense obstacles and difficulties. Freedom and human dignity must rest upon a satisfactory economic base. Yet in many of these nations, incomes average less than $100 per year. Abject poverty blinds men's eyes to the beauty of freedom's ideals. Hopelessness makes men prey to any promise of better existence, even the most false and spurious.

Ofttimes the peoples of these countries expected independence itself to produce rapid material progress. Their political leaders are therefore under heavy pressure to find shortcuts and quick answers to the problems facing them.

Under these conditions, we cannot expect that the vision of a free society will go unchallenged. The Communists, aware of unsatisfied desires for better conditions of life, falsely pretend they can rapidly solve the problems of economic development and industrialization. They hold the Soviet Union as a model and a guide. But the Communists conceal the terrible human costs that characterize their ruthless system of dictatorship and forced labor.

We have a vital interest in assuring that newly independent nations preserve and consolidate the free institutions of their choice.

The prospects for peace are brightest when enlightened self-governing peoples control the policy of nations. Peoples do not want war. Rulers beyond the reach of popular control are more likely to engage in reckless adventures and to raise the grim threat of war. The spread of freedom enhances the prospect for durable peace.

THE RETREAT TO CHAOS

That prospect would be dimmed or destroyed should freedom be forced into steady retreat. Then the remaining free societies, our own among them, would one day find themselves beleaguered and imperiled. We would face once again the dread prospect of paying dearly in blood for our own survival.

In every corner of the globe, it is far less costly to sustain freedom than to recover it when lost.

Moreover, our own well-being is bound up in the well-being of other free nations. We cannot prosper in peace if we are isolated from the rest of the world. If our economy is to continue to flourish and grow, our Nation will need more trade, not less. The steady growth of other nations, especially the less-developed countries, will create new and growing demands for goods and services. It will produce an environment which will benefit both them and us.

Indeed, Atlanta, Pittsburgh, Seattle—every American town and farm—has a stake in the success or failure of these new nations—a stake almost impossible to exaggerate.

If these new nations are to achieve economic progress with freedom, they will have to provide many of the necessary ingredients for themselves.

Only these peoples and their leaders can supply the initiative and determination essential for success. And they must mobilize the larger part of the resources they require.

LAC TRAINED MEN

But these nations are gravely lacking in trained men for management, production, education, and the professions. Their institutions for such training are limited. Hence they are handicapped in trying to extend modern techniques to agriculture, industry, and other fields.

They also face shortages of capital and foreign exchange, even though they strain to mobilize their own resources. Private foreign investment should be utilized as much as feasible; but for many areas it will clearly fall short of the requirements. Moreover, their task of improving conditions of life is made the more difficult by their large and steadily increasing populations.

Inevitably these nations must look abroad for assistance, as ours did for so many years. They want help, first of all, in real and enduring friendship. They want help in training skilled people and in securing investment capital to supplement their own resources. For such help they will look to us as the most prosperous and advanced economy of the world.

Foresight will compel an understanding response from us. In our own enlightened interest we can and must do much to help others in pursuit of their legitimate aspirations.

Further, we must recognize that economic and technical assistance cannot be a transitory policy. The problems of economic progress are not to be solved in a single spurt. Our efforts must be sustained over a number of years.

LONG-TERM ASSISTANCE

To do the most good, some part of our material help will have to be furnished on a long-term basis which these nations can plan on. For some purposes, commitments on a strictly annual basis are not sufficient. It takes time to complete major projects like hydroelectric and reclamation developments. If the new nations can plan on some part of our help for several years, they will be better able to mobilize resources of their own and assistance from others.

Furthermore our assistance must be used flexibly to fit needs and plans as they develop. We must be ready to adapt our help promptly to meet changing conditions.

The development program for mutual security now before the Congress is based on these considerations. It seeks from the Congress the additional authority that would add essential flexibility and continuity to a part—a modest part—of the program. The amounts requested are the practicable minimum. In its entirety it is not, I assure you, an excessive program. It is in our national interest, in the fullest sense of that term.

III

The ideas of freedom are at work, even where they are officially rejected. As we know, Lenin and his successors, true to Communist doctrine, based the Soviet state on the denial of these ideas. Yet the new Soviet rulers who took over 3 years ago have had to reckon with the force of these ideas, both at home and abroad.

The situation the new regime inherited from the dead Stalin apparently caused it to reappraise many of his mistakes.

Having lived under his one-man rule, they have espoused the concept of "collective" dictatorship. But dictatorship it still remains. They have denounced Stalin for some of the more flagrant excesses of his brutal rule. But the individual citizen still lacks the most elementary safeguards of a free society. The desire for a better life is still being sacrificed to the insatiable demands of the state.

In foreign affairs, the new regime has seemingly moderated the policy of violence and hostility which has caused the free nations to band together to defend their independence and liberties. For the present, at least, it relies more on political and economic means to spread its influence abroad. In the last year, it has embarked upon a campaign of lending and trade agreements directed especially toward the newly developing countries.

It is still too early to assess in any final way whether the Soviet regime wishes to provide a real basis for stable and enduring relations.

Despite the changes so far, much of Stalin's foreign policy remains unchanged. The major international issues which have troubled the postwar world are still unsolved. More basic changes in Soviet policy will have to take place before the free nations can afford to relax their vigilance.

IV

At Concord, our forebears undertook the struggle for freedom in this country. History has now called us to special tasks for sustaining and advancing this great cause in the world.

As we take stock of our position and of the problems that lie ahead, we must chart our course by three main guidelines:

First, we must maintain a collective shield against aggression to allow the free peoples to seek their valued goals in safety.

We can take some cautious comfort in the signs that the Soviet rulers may have relegated military aggression to the background and adopted less violent methods to promote their aims. Nevertheless, Soviet military power continues to grow. Their forces are being rapidly modernized and equipped with nuclear weapons and long-range delivery systems.

So long as freedom is threatened and armaments are not controlled, it is essential for us to keep a strong military establishment ourselves and strengthen the bonds of collective security.

Without help from us, many of our allies could not afford to equip and maintain the forces needed for self-defense. Assistance to them is part of our proper contribution to the systems of common defense. If those systems did not exist, we would have to bear much greater costs ourselves. Thus in aiding our allies, the mutual security program also advances our own security interests.

We hold our military strength only to guard against aggression, and to insure that the world remains at peace. War in our time has become an anachronism. Whatever the case in the past, war in the future can serve no useful purpose. A war which became general, as any limited action might, could only result in the virtual destruction of mankind.

MUST REDUCE ARMAMENTS

Hence our search must be unceasing for a system to regulate and reduce armaments under reliable safeguards. So far, the Soviet Union has refused to accept such safeguards. But even now we are earnestly negotiating toward this end. The problems involved are difficult and complex. We cannot afford to underestimate them. But we cannot slacken our efforts to lift the burden of armaments and to remove their threat.

If effective measures of disarmament could be agreed upon, think how the world could be transformed. Atomic energy used for peace—not war—could bring about the development of a new industrial age. Far more human energy and output could be devoted to reducing poverty and need. To that end, as I said to you 3 years ago, we would "join with all nations in devoting a substantial percentage of the savings achieved from disarmament to a fund for world aid and construction."

Of even more importance, the pall of mutual suspicions, fear and hatred that covers the earth would be swept away in favor of confidence, prosperity, and human happiness.

Our second guideline: Within the free community, we must be a helpful and considerate partner in creating conditions where freedom will flourish.

ARMS HOLD WORLD BACK

Beyond defense, the crucial task of the free nations is to work together in constructive ways to advance the welfare of their peoples. Arms alone can give the world no permanent peace, no confident security. Arms are solely for defense—to protect from violent assault what we already have. They are only a costly insurance. They cannot add to human progress. Indeed, no matter how massive, arms by themselves would not prevent vital sections of the world from falling prey to Communist blandishment or subversion.

If we are to preserve freedom here—it must likewise thrive in other important areas of the earth. For the welfare of ourselves and others, we must therefore help the rest of the free world achieve its aspirations. For our mutual benefit, we must join in building for greater future prosperity, for more human liberty and for lasting peace.

Within the Atlantic community, our aim must be to strengthen the close bonds which have steadily developed since the war. On Monday next, the Secretary of State will speak on this topic.

In the less developed nations, the urgent need is for economic and social progress for their peoples. Tonight I have spoken particularly about the new nations of Asia and Africa, which face such urgent problems. Of equal importance is continuing progress in other areas, especially by our neighbors in Latin America who are our fast friends. These developing nations need the full measure of our help in understanding and resources.

PROGRESS AND TRADE

The steady progress of the free world also depends on the healthy flow of peaceful trade. Our example will be of crucial importance in freeing the channels of such trade from wasteful restraints. We can take an important step to that end by joining the Organization for Trade Cooperation. Our national interest will be served by passage of the legislation for that purpose now pending in the Congress.

Another important task is in helping to resolve disputes between friends we value highly. Such disputes impair the unity of the free nations and impede their advance. In these situations, each side would like the United States to back its point of view without reservation. But for us to do so could seldom contribute to the settling of the disputes. It would only sharpen the bitter enmities between the opposing sides and impair our value in helping to reach a fair solution.

Our aim and effort must be to assist in tempering the fears and antagonisms which lead to such disputes.

My words apply with special force to the troubled area of the Middle East. We will do all in our power—through the United Nations whenever possible—to prevent resort to violence there. We are determined to support and assist any nation in that area which might be subject to aggression. We will strive untiringly to build the foundations for stable peace in the whole region.

In these and many other constructive ways, our Nation must help to build an environment congenial to freedom.

THE THIRD GUIDE LINE

Our third guide line is this: We must seek, by every peaceful means, to induce the Soviet bloc to correct existing injustices and genuinely to pursue peaceful purposes in its relations with other nations.

As I have said, many of the wrongs of Stalin against other nations still prevail under his successors. Despite the efforts of the West at Berlin and Geneva, Germany is still divided by the Soviet veto of free all-German elections. The satellite nations of Eastern Europe are still ruled by Soviet puppets. In Asia, Korea remains divided, and stable peace has not yet been achieved.

We must be tireless in our efforts to remedy these injustices and to resolve the disputes that divide the world. These knotty problems will yield to patient and sincere effort. We stand ready to explore all avenues for their just settlement. We will not grow weary in our quest for peaceful remedies for the enslavement or wrongful division of once-free nations.

The interests and purposes of the United States and of the free world do not conflict with the legitimate interests of the Russian nation or the aspirations of its people. A Soviet Government genuinely devoted to these purposes can have friendly relations with the United States and the free world for the asking. We will welcome that day.

V

We cannot doubt that the current of world history flows toward freedom. In the long run dictatorship and despotism must give way. We can take courage from that sure knowledge.

But as a wise American, Mr. Justice Holmes, once said: "The inevitable comes to pass through effort." We should take these words to heart in our quest for peace and freedom. These great aspirations of humanity will be brought about—but only by devoted human effort.

Concord is a symbol of the faith, courage, and sacrifice on which the victory of freedom depends. We in our day must strive with the same dedication that brought the militiamen to the Concord Bridge. If we do so, freedom will surely prevail.

SOVIET LEADER'S BOASTS ON GUIDED MISSILE AND HYDROGEN BOMB DEVELOPMENT

Mr. KUCHEL. Mr. President, all the people of the United States look forward hopefully and prayerfully to peace, and so indeed do all the peoples of the free world.

By the same token, the American people and the Government of the United States intend to keep their Military Establishment strong and to prepare their defenses to constitute a powerful deterrent to aggression, and a sure means to protect our freedom.

Earlier today, in Birmingham, England, Mr. Khrushchev made a speech, and I wish to refer very briefly to a paragraph or two of that speech as reported by the wire services:

> Soviet Communist Party Boss Nikita Khrushchev boasted that the Soviet Union is building a guided missile with a hydrogen warhead.
>
> The Soviet Communist leader told British businessmen that the western embargo on strategic goods is not preventing Soviet arms progress.
>
> "Do you really think you are ahead of us?" he asked.
>
> "If you want to discuss the hydrogen bomb, it remains a fact that we were the first to explode the H-bomb from a plane. The Americans are only intending to."
>
> Later in a speech to civil leaders and businessmen at the British industries fair:
>
> "Great stress is being laid on guided missiles. We can compete there, too. I am quite sure we shall have a guided missile with a hydrogen bomb warhead quickly. And, in spite of that, you do not want to trade with us."

Mr. President, some persons in our country desire and publicly advocate that our thermonuclear tests be abandoned. Some of those persons are good but mistaken; others are neither good nor mistaken.

The President of the United States has demonstrated to all the world that this country devoutly prays for peace and desires to work in conjunction with all other free peoples, indeed, with all the world, in achieving an enduring peace, a peace with justice. But it is wrong for people to advocate that now we junk our program of research and tests in the thermonuclear field.

In my judgment, the tests should go on. I am sure the American people agree with the President of the United States in his philosophy that our defenses must continue to be strengthened, not upon the basis of warmongering, but upon the basis of the needs of defense of freedom both in the United States and around the world.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield.

Mr. BRIDGES. I wish to commend the Senator from California for his forthright statement on the subject of the defense of our country. Those people who are being taken in by some of the phony olive branches which from time to time are extended really need to have their heads examined in the light of the speech referred to by the Senator from California.

Mr. KUCHEL. I thank the Senator from New Hampshire.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield.

Mr. GOLDWATER. While the distinguished Senator from California was delivering his very pertinent and important remarks, I could not help wondering, although the Senator did not refer to anyone by name, if one of the individuals he had in mind was shown in a photograph about 4 years ago with a hole in his shoes. Would I be correct in making my assumption?

Mr. KUCHEL. I do not know to whom the Senator refers. I make my comments today as a United States Senator who desires to give his unstinting support to our President, in exactly the same fashion that the able and distinguished chairman of the Committee on Foreign Relations, the President pro tempore, who now presides over the Senate, has done in the field of defense and foreign relations.

In this field the Senate has spoken, not upon a partisan basis, but upon the American basis. I make my comments today as an American.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. GOLDWATER. I should like to finish my comment. I did not mean to infer by my remarks that the Senator from California was not adhering closely to a nonpartisan approach to this subject. I am sorry that he construed

my remarks as such. All I desired to say was that possibly the gentleman I have in mind, who was pictured as having a hole in his shoes, might now be having the experience of having had that hole move up to the other extremity. [Laughter.]

THE PROBLEM OF SURPLUSES AND A SOLUTION

Mr. WILLIAMS. Mr. President, I rise to pay my respects to a group of farmers of the Delmarva Peninsula. As is true with many other segments of American agriculture who face the problem of surpluses the poultry industry on the Delmarva Peninsula has likewise recently been faced with the problem of too many broilers and low prices.

Instead of coming to Washington and asking the Government to bail them out last Friday evening a group of poultrymen held a promotional affair at Salisbury, Md., in an effort to solve their own problems.

Farmers from the three States of Delaware, Maryland, and Virginia joined together as a Delmarva group and purchased $100 tickets, thus raising a fund for the purpose of advertising their product and moving it into domestic channels of trade. The success of the affair is best shown by the fact that 862 farmers made contributions, and that the total amount raised was $86,200, all of this to be used for the promotion of sales of poultry.

At that meeting the farmers emphasized the fact that they were not asking the United States Government to support or subsidize their product. Although they may have too much poultry on hand at the moment, they said they are confident that with the grade of poultry they are producing they will be able to dispose of it with the help of some additional advertising. They are determined to store the surplus poultry in the stomachs of consumers instead of in Government warehouses.

Mr. President, in this day when so many segments of our agriculture are looking to the Government to solve their problems, it is gratifying to find a group with enough American initiative to sell their own products.

It is well to note that as a result of close industry cooperation the Delmarva farmers are now sending to the markets the highest grade of poultry produced, under the most rigid inspections of any area in the country.

They approach their problem on the basis that if they give the American consumer a reasonably priced product of exceptionally good quality there will be no surplus.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WILLIAMS. I am glad to yield.

Mr. BRIDGES. Mr. President, I have been very much interested in what the Senator from Delaware has had to say about this matter. When a group of poultry farmers, who have suffered as a result of low prices and the conditions involving their industry, join together at a $100-a-plate dinner to help finance their own promotional plan and exclude any help from the Government, it is certainly commendable. I am glad the Senator from Delaware has brought it to our attention.

Mr. BUTLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER. I am very happy to have heard the remarks made by the Senator from Delaware. I remember the days when the poultry industry was really up against it, so to speak, and they did not come to the Federal Government for any assistance. They have never come to the Federal Government for any assistance. I think that is a very shining point about which to rally in these days when so many persons are willing to come rushing to Washington for aid. I think it is an excellent demonstration of Americanism and free enterprise in action.

Mr. WILLIAMS. I thank the Senator from Maryland. Many of his own constituents and also many poultrymen in Virginia are members of the association. Working together they are doing a marvelous job.

Mr. BUTLER. Yes; and may I say to the Senator, they are all persons who are of the old school who believe in taking care of themselves and not in running to Washington all the time with their hats in their hands.

Mr. WILLIAMS. That is correct, and I think other segments of our agriculture could well study this record.

All that the poultrymen ask the Government to do is not subsidize their competitors and destroy their markets. If beef and pork are distributed freely throughout the country under some other program it cannot help but eliminate some of their sales and disrupt normal channels of trade. It would be unfair to the poultry industry, which asks no subsidy.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. AIKEN. I am very glad that the poultrymen of the Delmarva Peninsula have taken the action which they have taken. I think they will find it to be one of the best investments they have ever made. I think we may look at what the dairy people of this country have done since they stopped looking to the Government to supply a market for all their production. Last year they spent approximately $2 million to promote the increased use of dairy products, and, largely as a result of this action, the income of the dairy people of the United States increased $200 million in 1955 over the year 1954.

I understand that this year they are planning to raise about $6 million to $6,500,000 to be used for the same purpose. I shall be very much surprised if the money invested does not return them a hundredfold. I am willing to predict now that the income of the dairy people of the United States this year will be $500 million or $500 million more than it was last year; and it will be almost wholly due to their own efforts and to the fact that they are willing to promote their own products.

Mr. WILLIAMS. I think it emphasizes the fact that the eastern farmers recognize that the solution of their problems does not lie in the Congress of the United States but largely through the cooperation of their own membership.

The poultry growers of the three States of the Delmarva Peninsula are to be commended. The money was raised not by two or three large groups. It was raised by all segments of the industry, all of the poultrymen admitting that they are at the moment having to sell their poultry a little below cost of production, but they feel that by properly advertising their product and maintaining its quality they can move it. They know they cannot solve their problem by storing their product in Government storehouses, but they have enough confidence in the quality of their broilers being produced on the Delmarva Peninsula to believe that if properly called to the attention of the American consumers there will be a shortage rather than a surplus.

COMMEMORATIVE STAMP HONORING THE LATE AMELIA EARHART

Mr. CARLSON. Mr. President, there is much interest in our Nation in the issuance of a commemorative stamp honoring the late Amelia Earhart.

The Senator from Massachusetts [Mr. SALTONSTALL] and I introduced a resolution to this effect a year ago, and I have just read a very splendid editorial from the Kansas City Star, issue of April 7, entitled "Tomboy on a Stamp?"

This editorial mentions many of the achievements of Amelia Earhart. For instance, she was the first woman to fly the Atlantic, the first woman to fly the Pacific, the winner of the Distinguished Flying Cross, the first woman to pierce 14,000 feet. There is no doubt but what she was trying to make another record by being the first woman to fly around the world. It was on this trip that Amelia Earhart and her plane disappeared in the far-off South Pacific and nothing has been heard of it since.

The issuance of this stamp would meet with great favor in this Nation.

I ask unanimous consent to have the editorial printed in the RECORD as a part of these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOMBOY ON A STAMP?

> First woman to fly the Atlantic; first woman to fly the Pacific; winner of the Distinguished Flying Cross; first woman to pierce 14,000 feet. And so the headlines read year after year until the early hours of July 2, 1937. Amelia Earhart disappeared that morning in the far-off South Pacific and a legend, born a decade before, swept on to new heights.
>
> Amelia Earhart apparently died in her effort to be the first woman to fly around the earth. An armada of rescue ships and planes went to her rescue, but no trace was ever found, giving rise to two theories: Her plane crashed into the sea or the Japanese killed her to protect island military rearmaments. Now almost two decades later, the debate persists.
>
> In any list of attractive American heroines, Miss Earhart would surely have a place. So naturally her name comes up with a discussion of women on postage stamps. A short while ago an editorial in these columns pointed to a foreign trend to grace stamps with the likes of Grace Kelly and Elizabeth

of England. And why not Amelia Earhart, quickly replied the Topeka Stamp Club? Well, why not? If America is to follow suit, the tousled-haired Kansas tomboy would certainly be a likely candidate.

CONSTRUCTION OF DRAINAGE WORKS AND OTHER ITEMS ON FEDERAL RECLAMATION AND LIKE PROJECTS

The PRESIDING OFFICER (Mr. Bible in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ANDERSON. Mr. President, on March 18, the Senate passed H. R. 6268, relating to drainage construction and completion of minor work on reclamation projects, with an amendment in the nature of a substitute. On April 10, the House disagreed to the Senate amendment and asked for a conference. I move that the Senate insist upon its amendment, agree to the request of the House for a conference and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Murray, Mr. Anderson, and Mr. Watkins conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House has insisted upon its amendments to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Bonner, Mr. Garmatz, Mr. Robeson of Virginia, Mr. Tollefson, and Mr. Allen of California were appointed managers on the part of the House at the conference.

The message also announced that the House had passed, without amendment, the joint resolution (S. J. Res. 150) to authorize the printing and binding of an edition of Senate procedure and providing the same shall be subject to copyright by the authors.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 62) to print as a document a pamphlet entitled "A Handbook for Americans."

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4909) relative to the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks;

S. 1194. An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army;

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3152. An act for the relief of Waymon H. Massey;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritsellis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 6078. An act for the relief of Alison MacBride;

H. R. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia;

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 23, 1956, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks;

S. 1194. An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army; and

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

DEPARTMENT ON INTERIOR AND RELATED AGENCIES APPROPRIATIONS, 1957

The PRESIDING OFFICER. Morning business is closed; and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 9390) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Bible in the chair). Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I ask that the bill be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of the Interior—Office of the Secretary—Office of the Solicitor", on page 2, at the beginning of line 20, to strike out "$2,800,000" and insert "$2,835,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Minerals Mobilization," on page 3, line 6, after the word "fuels", to strike out "$300,000" and insert "$225,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Land Management—Management of Lands and Resources," on page 3, line 17, after the word "lands", to strike out "$18,000,000" and insert "$18,738,600."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative Provisions," on page 4, line 22, after the word "of", to strike out "twenty-five" and insert "thirty-one."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Indian Affairs—Education and Welfare Services," on page 6, line 12, after the word "museums", to strike out "$50,700,000" and insert "$50,720,000."

The amendment was agreed to.

The next amendment was, under the subhead "Resources Management," on page 6, line 22, after the word "law", to strike out "$16,000,000" and insert "$16,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Construction," on page 7, at the beginning of line 7, to strike out "$4,000,000" and insert "$7,740,000."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative Provisions," on page 8, line 15, after the word "exceed", to strike out "two hundred and seventy passenger motor vehicles (of which two hundred and fifty shall be for replacement only)" and insert "two hundred and ninety passenger motor vehicles (of which two hundred and seventy shall be for replacement only)."

The amendment was agreed to.

The next amendment was, under the subhead "Geological Survey—Surveys, Investigations, and Research," on page 11, line 1, after the word "activities," to strike out "and the preparation of plans and specifications for a building or buildings to meet the special needs of the Geological Survey in the metropolitan area of Washington, D. C.;" and insert "and for the Geological Survey or the General Services Administration to acquire a site and to prepare plans and specifications for a building or buildings to meet the special needs of the Geological Survey in the metropolitan area of Washington, District of Columbia, without regard to Revised Statutes, page 3709, as amended (41 U. S. C. 5), and section 302 (c) of the act of June 30, 1949, as amended (41 U. S. C. 252 (c))."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative Provisions," on page 11, line 21, after the word "hundred", to insert "and twenty-six."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Mines—Conservation and Development of Mineral Resources," on page 13, line 1, after the word "deposits", strike out "$15,363,000" and insert "$17,363,000".

The amendment was agreed to.

The next amendment was, under the subhead "National Park Service—Management and Protection," on page 14, line 24, after the word "Basin", to strike out "$11,480,000" and insert "$11,537,000."

Mr. MORSE. Mr. President, for myself and on behalf of the junior Senator from Oregon [Mr. Neuberger], I offer an amendment to the committee amendment on page 14, line 24, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment to the committee amendment offered by the senior Senator from Oregon, for himself and on behalf of the junior Senator from Oregon.

The Legislative Clerk. On page 14, line 24, in lieu of the amount proposed by the committee, it is proposed to insert "$11,631,000."

Mr. MORSE. Mr. President, before I proceed to discuss the amendment to the committee amendment, I desire to make a general statement on the bill.

I shall discuss the Department of the Interior and related agencies appropriation for 1957, and in particular the provisions covering our public lands, national forests, and parks, because these programs are so vital to the West.

I think the administration has performed a gross disservice toward the Congress by sending budget estimates which do not reflect accurately what the budget and receipts picture will be, and I further think that it has failed to make a request for funds which are vitally needed. Few better examples exist than the budget for the Forest Service.

Our western national forests do more than supply timber for sawmills and recreation for campers. One of the most important functions the forests perform is to furnish the West with the water upon which our urban and rural populations are equally dependent. The national forests are 21 percent of the land area of the West, and they provide 53 percent of the average water production. In Oregon 29 percent of the land is in national forests, but 44 percent of the water production comes from these lands. The way we manage these Federal holdings, and the protection which we in Congress can help supply through adequate funds, will decide whether these lands will provide the people with the right amount of water of good quality when they need it. As I talk of timber and access roads, I do not ever want to have anyone forget that I consider sound management for watershed values the primary goal of the Forest Service. Access roads are a tool of timber management, and the proper conduct of timber management is a tool of watershed development and protection. They are all closely linked, and one program cannot be properly carried out without the other.

In the Pacific Northwest our national forests deposit $2 in the Treasury for every dollar expended, and I emphasize that this computation is not arrived at by any juggling of the books. It includes all the expenditures made by the Forest Service in the Northwest, for fire protection and all other activities which are connected with the administration of these Federal properties.

PUBLIC CAMPGROUNDS

The committee recommends an increase of $4,395,500 over the budget estimate. It has increased the funds for the care of public campgrounds by $1,805,500 over the budget estimate and the amount allowed by the House. When I testified before the Appropriations Committee I pointed out that the budget provided only 1.3 cents for each person in the United States. The committee increase is a good one; it means an expenditure of about 3 cents per person. I think the committee has done good work, when we consider the type of information the administration made available. The committee has told the Bureau of the Budget to send up a realistic program next year, and I shall continue to support heartily this request.

REFORESTATION, REVEGETATION, AND REHABILITATION

The committee recommends an increase of $620,000 for the reforestation of national forest lands, of $500,000 for range revegetation, and of $250,000 for the rehabilitation of badly eroded areas in the national forests. These increases are slightly greater than those I urged, and I think that fact illustrates the conservativeness of my proposal. There are also increases for wildlife and range management which are long overdue. I requested that a small amount be allowed in the budget for acquisition of scattered tracts in the national forest to enable the Forest Service to improve its management, and I am glad to see that the committee made this allowance.

I am particularly pleased with the increases in the State and private forestry programs, although they will be of greater benefit to the East than to the West.

My service on the Commission of International Governmental Relations reinforced my conviction of the need to promote sound forestry and the protection of forest lands all over the country. The Commission recommended that forest tree-planting support be withdrawn by the Federal Government. I dissented from that recommendation. I congratulate the Committee on Appropriations upon its wisdom in increasing the money available for fire protection by almost $3 million, by increasing the money for tree planting by $500,000, and the funds available for forest management advice by $300,000. I testified in behalf of these increases, particularly with respect to tree planting, and I state again that I think the committee's action was wise.

The budget request for a vital item known as timber resource management was $9,807,000. That is the heart of the Forest Service operating program, because it is these funds which are used for timber sale work. This amount represented an increase of $1.6 million over last year's budget, and I point out that last year's actual budget was not the administration's proposed budget but the Senate budget, because the Senate provided substantial increases in this item last year. Now the administration proposes a $1.6 million increase, and the committee has allowed every cent of it. I myself think it would have been good business to increase this item by another $200,000, because every dollar appropriated will bring back $10 more than the actual cost of administering the timber sale program. It is this timber sale money which has enabled the national forests in the Northwest to develop a record of $2 in income for every $1 spent on all the national forest programs.

I requested that the committee make special provision to furnish more money for timber access roads in the national forests, even though the amount being requested was the full authorization. Mr. President, I intend to keep hammering on this subject and to make a record on it, because the access roads are the backbone of a system of sound forestry. In the almost 4 years the present administration has been in office, the access roads authorization has risen from $22½ million to $24 million a year, but it did not reach that point because of anything the administration did. I was a member of the Committee on Public Works in the 83d Congress and led the fight in the committee which resulted in the increased authorization. There is an increasing recognition of the value of access roads, and the bill I have introduced, if enacted, or if kept in the road bill, as I urged before the House committee, will enable the Government to go forward with the sort of program which should be undertaken.

I think also the committee should be supported by the Senate in every action taken with respect to the Bureau of Land Management budget and providing for the full amount requested. Last fall both the Senator from Arizona [Mr. HAYDEN] and I called upon the Secretary of the Interior to submit a realistic budget for this money-making agency. I suggested some amounts for his guidance. We got a budget which represents a step toward providing the money needed, and I believe that the full allowance is completely justified.

I emphasize to my colleagues from those sections of the country which do not have extensive Federal lands that the importance of these programs reaches to them. Fifty-seven percent of the timber in the West is in Federal ownership, but only 7 percent of the timber in the East is in Federal ownership. The western Federal forest lands are capable of making a tremendous contribution to our economy, far beyond that which they are now making. They supply revenues greatly in excess of the money which is spent on them. If they are developed as they should be, the entire Nation will benefit.

The Senator from Arizona [Mr. HAYDEN] has proved once again that he is a great and effective champion, not only of the West, but of the entire Nation, when it comes to the matter of natural resource practices and development. For that matter, he has repeatedly demonstrated his understanding and sympathy for the needs of Oregon and their relationship to a sound national economy.

Now I should like to have the attention of the Senator from Arizona in regard to the pending amendment. It involves only a slight amount of money; and here again I am not fighting alone for the interests of my State in connection with this particular item, but I am fighting for the Nation in an effort to preserve and conserve and protect some of the great cultural values which will be lost unless the increase I am proposing in the appropriation shall be made.

To use an illustration, I speak, for example, of the petroglyph problem that exists in connection with the dams which may be constructed. The information on which I make my argument is information which comes from great anthropologists in America, the chief spokesman for whom in regard to this particular amendment happens to be Dr. L. S. Cressman, chairman of the anthropology department of the University of Oregon, who is recognized as one of our greatest living anthropologists in the field of research activities which are conducted in an effort to get out of the ground the record of lost generations of mankind.

The Interior Department appropriation bill as passed by the House provided $50,000 for archeological investigation in Federal reservoir sites outside the Missouri Basin. It was testified that an additional $119,000—which is what my amendment provides—would be necessary to do the work with any adequacy, including $30,000 for research in the Dalles area. The report of the Senate Appropriations Committee recommends an increase of only $25,000 with no allocation to any specific project.

I am informed that in the committee meeting, a member of the staff pointed out that an additional $119,000 was needed for this work throughout the country, and the committee does have the list of the names of the projects where the money is needed.

I understand the committee decided upon $25,000, leaving it to the discretion of the National Park Service to spend it where most needed. I think that is a mistake, because I do not believe the National Park Service should be placed in that position. In particular, directing my attention to the problem which is involved in the Dalles Dam situation, this is the last year in which we can possibly get the historic record of civilizations that we know lived in the great Columbia Basin long before this country was discovered.

On February 27, 1956, I submitted to the committee a letter on behalf of myself and my colleague, the junior Senator from Oregon [Mr. NEUBERGER], which I shall read, because it sets forth the problem which confronts us. The letter reads as follows:

> Many residents of Oregon who are interested in archeological remains in the reservoir area behind the Dalles Dam have communicated with our offices strongly urging that appropriations be made for the fiscal year 1957 in order to salvage materials of tremendous historic significance, particularly petroglyphs and Indian mounds which will be inundated and lost for all time if they are not salvaged prior to the time at which the Dalles Reservoir is filled.
>
> We note that the bill H. R. 9390 which passed the House of Representatives several days ago contains no specific item in the appropriations for the National Park Service which would make possible the carrying on of this particular archeological salvage work. We are advised by members of the professional staff of the Senate Appropriations Committee that the budget request of the National Park Service includes an item of $50,000 for archeological investigations but that investigations at the Dalles Dam area are not included.
>
> We are sincerely of the opinion that the archeological remains at the Dallas Dam Reservoir area are not only of historical but also of scientific interest. The material appears to be unique and there is an indication that some sites in this specific area may date back as much as 10,000 years. Thus, it is possible that a long range of prehistory may be explored through materials to be salvaged from the reservoir area.
>
> We have been reliably informed from a number of sources that the sum of $30,000 is a minimum amount which could be devoted to urgently needed work on petroglyph removals and the recovery of other archeological remains. The last mentioned sum would, by no means, enable a complete recovery job to be performed but it would enable the salvage of sufficent material to give students and experts in the subject sufficient information to piece together the entire historical situation.
>
> Many organizations, including the Chamber of Commerce of The Dalles, Oreg., the Wasco County-Dalles County Museum Commission, members of the faculties of the Unversity of Oregon and the University of Washington, and numerous public-spirited citizens who have a deep interest in the preservation of these historical materials have urged that funds be appropriated for this extremely worthwhile project, and have indicated their willingness to cooperate in every way possible.
>
> The matter is urgent because if the funds are not appropriated for the fiscal year 1957, the historical materials will be inundated and will be lost to our generation and to posterity.
>
> For the foregoing reasons, we respectfully urge the members of the Senate Appropriations Committee to give serious consideration to this request in connection with its studies of the appropriation bill H. R. 9390.

The letter is signed by the two Senators from Oregon.

Mr. President, I also wish to read into the RECORD the essence of the testimony which I gave before the committee, because I think this testimony, along with the letter to the committee and the remarks which I have made, pretty well cover the point. Before the committee I said:

> Mr. Chairman, I ask the committee to give serious consideration to increasing the amount allowed by the House on an item designated as "Salvage Archeology" for the National Park Service, Department of the Interior.
>
> As the situation now stands, only $50,000 was recommended by the House to cover the salvage of historical and scientific materials in the vicinity of multipurpose dam projects now being constructed outside the Missouri River Basin. This amount is wholly inadequate, as will be noted in a moment. Unless it can be increased by this committee, I fear that these irreplaceable materials will be lost for all time.
>
> At present, there is an inter-agency archeological salvage program designed to salvage, preserve, and interpret a minimum amount of the varied historical and archeological remains located in areas threatened with flooding by large Government-sponsored multipurpose dams and related projects. The program is sponsored and coordinated by the National Park Service. It is conducted in cooperation with the Corps of Engineers, the Bureau of Reclamation, the Smithsonian Institution, and numerous local and State agencies.
>
> Funds appropriated by the Congress are utilized by the National Park Service through cooperative agreements with the Smithsonian Institution and numerous State agencies for carrying out the actual salvage projects. During the earlier years of the program, modest sums averaging about $56,000 a year were appropriated but during fiscal year 1954 and fiscal year 1955, except for a small amount in the Table Rock area of Missouri, no such Federal funds were available. During this time, however, construction on Federal projects continued and there is, therefore, a large backlog of urgently needed salvage work and very little time left in which to accomplish it. It is a great credit to the many State agencies which have participated in this program that they did so with such willingness, often to the detriment of their own research programs.
>
> Final reports are prepared on all phases of this work and published either by the Government or the local agency cooperating in the program. Materials recovered from the excavations are stored by the Smithsonian Institution and other agencies for exhibit and study purposes, and are available for display purposes in museums which may be built in connection with the completed water-control projects.
>
> The material recovered by these excavations and surveys indicates how man lived in many areas of the United States over long periods of time.
>
> One of the largest and most important river basins in the United States is that of the mighty Columbia River. In this basin, the Dalles Reservoir area, which will be flooded by the waters of the Columbia River next year when the gates of the dam are closed, contains an archeological record of man's continuous use and habitation of this area which goes backward into the realms of prehistory as much as, and maybe more than, 10,000 years. Such a continuous occupation by mankind of one locality for such a long period of time is almost unparalleled in the Americas.
>
> The earliest man of whom we know arrived in the Columbia Basin area at a time when the river flowed much higher than today, and the climate was much cooler. Evidence of his living there has been found in what was then a gully near the river, not far from the present city of The Dalles.
>
> In excavating at this site, Dr. Cressman, of the University of Oregon, has found many materials of great research value.
>
> Some of the finest carved and ornamented stone work recovered in America comes from the area around The Dalles. Family groups of Indians clustered along the banks of the Columbia. Some lived in semisubterranean pit houses, others in fancier plank houses much like the ones seen by Lewis and Clark in 1805 when they made their famous portage over Celilo Falls and the Long Narrows.
>
> Among the many artistic achievements of these people are the unique and spectacular petroglyphs, or carved drawings, and the pictographs, or paintings, which they made on many of the large boulders and on the faces of the basalt cliffs along the river's edge. Many of these drawings are fanciful and imaginary, and their exact meaning is now unknown, but others are representations of the Indian's way of life, or portray the animals upon which the Indian depended for their livelihood.
>
> Several days ago Senator NEUBERGER and I asked this committee to recommend $30,000 for archeological salvage work in river basin area above the Dalles Dam. However, since that time the Director of the National Park Service appeared before the committee and in answer to a question put by a member of the committee, indicated that it would take $169,000 to do the archeological salvage job during fiscal 1957 if we are to save a minimum of the historical and scientific materials and information presently available in a number of multipurpose dam areas outside the Missouri River Basin. In view of this testimony I feel that the amount recommended by the House should be increased to a total of $170,000. These priceless objects and sources of information will be lost through inundation if we do not act quickly.

Mr. President, I digress from reading my testimony before the committee, to make clear to the Senate that I am not requesting the appropriation of funds for such work at the Dalles Dam alone. Instead, I am requesting the appropriation of funds for the conduct of such work in every State in the Union where such multipurpose dams are in process of construction, because, as the National Park Service has made clear in its report, in the environment of all these dams there are great, historic relics which should be saved.

I continue to read from my testimony before the committee:

PRESERVING PRICELESS ARCHEOLOGICAL RECORDS OF THE PAST

> My attention has been directed to the very worthwhile suggestion that a museum be developed near the city of The Dalles.

Mr. President, at that point in my presentation before the committee, I discussed a museum project which is not before us today.

At this point I should like to refer to one other item, and then I shall conclude.

Mr. President, since the testimony was given and since the problem in regard to the inadequate amount of money contained in this appropriation bill developed, Dr. L. S. Cressman, of the University of Oregon, came to Washington and had a conference in my office. At the conference there were present two representatives of the National Park Service. We discussed the seriousness of this situation. Mr. President, I paraphrase accurately what was said by Dr. Cressman when I say that we must make clear to the Senate that unless the amendment I am submitting be adopted, these relics will be lost forever.

I wish to say that I have known Dr. Cressman for a quarter of a century. I served with him for a great many years as a fellow faculty member at the University of Oregon. Not only do I know of his high standing as a great scholar and researcher in the field of anthropology, but I also know how he can pinch a dollar. I wish to say—and I speak advisedly—that I have never known a researcher who obtains more out of a dollar that is assigned to him for research than does Dr. Cressman.

In this instance, with time running against us, a simple issue is involved, namely, are we going to adopt this amendment, or at least take it to conference, so that the conferees can review the facts? I wish to say that I am so confident about the merits and soundness of the amendment I am submitting today, Mr. President, that all I plead for is an opportunity to have the conferees consider it. The amendment calls for what really is a piddling amount, when we consider the great symbolism of the amendment and when we think of the great encouragement it will give to the cultural forces who are working in the laboratories of America in an attempt to save the great historic relics which will mean so much to future generations of American boys and girls as they come to study the origins of mankind on this continent.

So, Mr. President, I plead with the Senator from Arizona to take to conference my amendment, which calls for the increase I request in the amount to be appropriated for this purpose.

Let me add, Mr. President, that I believe it very important, in connection with the legislative history we are making, that the National Park Service understand that in order to have the research work done in The Dalles area in the months ahead, it is essential that a minimum of $30,000 be earmarked for that purpose.

Mr. NEUBERGER. Mr. President, I should like to speak briefly in support of the amendment offered by my distinguished senior colleague. I shall not duplicate what he has said, because his remarks cover very thoroughly the urgent need to protect the archeological remains which will be covered by the waters rising back of the Dalles Dam.

I think it sufficient for me to emphasize that perhaps the last lingering remnants of the historic civilization which existed in the Northwest long before the coming of Lewis and Clark, the first Americans to visit that region, are to be found in the gorges and canyons and riverbed which will be inundated by the reservoir behind the Dalles Dam.

As my senior colleague [Mr. MORSE] has pointed out so cogently, we have very little time to waste. The waters soon will rise.

I wish to say that not only do I join in what the senior Senator from Oregon said about the appropriation in general, but I desire to make a brief statement, in addition: I have been a Member of the Senate for a little over 1 year, and my particular field of interest has been conservation of natural resources. I do not think anyone has done more than has the senior Senator from Arizona [Mr. HAYDEN] in helping us move toward the attainment of that goal. Last year, when I went to him and talked to him about the deterioration of the national parks and about the need for the appropriation of additional funds, in order to provide for sufficient recreation and campgrounds in the national forests, I found him to be a very willing and very patient listener. There has been a great deal of publicity, Mr. President, about the so-called Mission 66 of the National Parks Service to improve our national parks, and much of that propaganda has given credit to the recently resignéd Secretary of the Interior. However, I wish to say that, in my opinion, the one who has done most for the national parks, to help save them from deterioration and decay, is the senior Senator from Arizona [Mr. HAYDEN], the chairman of the Senate Committee on Appropriations.

I think it is significant to point out that in the 83d Congress the National Park Service received some 40 percent less in funds than later was voted by the 1st session of the 84th Congress, when the distinguished senior Senator from Arizona was chairman of the Appropriations Committee.

I believe that the Senator from Arizona [Mr. HAYDEN] deserves a great deal of the credit and a great deal of the praise for the effort which is being made—and which I hope will continue to be made—to save our national parks and make them more available and more pleasant for the millions of Americans—I think about 50 million—who visit them each summer.

I concur in what my senior colleague [Mr. MORSE] has said about our appreciation of the efforts of the Senator from Arizona to conserve our priceless natural resources, and to make our national parks and national forests better, more comfortable, and safer playgrounds for the millions of people who go West each year to visit them.

In conclusion, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Our Parks and Forests Are in Trouble," which I wrote for Chrysler Events for January 1956. In that article I give credit to the Senator from Arizona for his leadership in this field.

There being no objection, the article was ordered to be printed in the Record, as follows:

Our Parks and Forests Are in Trouble

(By Hon. Richard L. Neuberger, of Oregon)

America's outdoor playgrounds are tumbling down. The mountains still tower skyward, the fir and pine trees still grow, the graciers continue to creep over their pebbly moraines, the foaming rivers surge eternally to the sea. But the accommodations installed in the National Parks and National Forests of the United States, for the safety and convenience of nearly 100 million vacationing pilgrims annually, are in the worst state of disrepair and deterioration in history.

Although 50 million people tour the national parks each year, facilities for sheltering and feeding these visitors have not been substantially enlarged since 1932, when the number of tourists totaled only 4 million. Our national forests have been equally neglected. In 1954 the funds available for improving recreation areas visited by 40,304,000 Americans were $187,000 less than in 1947, at a time that the number of sightseers was barely more than half this total—21,331,000.

It is a tribute to the scenic grandeur of these magnificent realms that the traveling public persists in visiting places where preparations for taking care of people have so lagged behind prevailing needs. The typical tourist is a hardy chap, indeed.

Trails in national parks and national forests have reverted to the encroaching wilderness. Guard rails along perilous highways have crumbled into splinters. Picnic tables at public campgrounds often amount to little more than kindling—victims of vandalism as well as the elements. Neglect has made outdoor comfort stations a menace to public health. Stone fireplaces for cooking and warmth are mere mounds of rock. Conrad L. Wirth, Director of the National Park Service, even has referred to some of the camps under his management as rural slums. Dilapidated tourists cabins are virtual huts.

Yet, these eyesores lurk among the grandest sights on the North American Continent. Nomads look up from filthy overnight shacks to see the white domes of glacial peaks dotting the heavens. We are failing to honor the pact made with nature four decades ago when the National Park Act first provided for the conservation of "scenery and the natural and historic objects and the wildlife therein, and to provide for the enjoyment of the same * * *." Is it possible to enjoy the terraced depths of the Grand Canyon or the spouting geysers of the Yellowstone while living in a campground which is overcrowded, dustry, rundown and perhaps a possible breeding spot for communicable disease?

Director Wirth admits that the Park Service has fallen "far behind in its attempt to provide adequate facilities for visitors." Back of this official language looms the fact that Wirth is trying to handle twice the number of people who visited the parks in 1940 with 20 percent fewer rangers. Some Government bureaus have swollen in size, but the Park Service has shrunk. Such a situation takes its toll in many ways—in climbing mishaps by novices, in women and children lost in the woods, in automobile accidents on mountain roads, in mutilation of trees and shrubbery, in illegal killing of wild animals, even in increased thefts and pickpocketing at park hotels and campgrounds.

For example, Mr. Wirth declares that $187 million is needed for the highways and trails alone in the national parks, if they are to be fully developed. In the absence of these appropriations, roads are pocked with chuckholes the size of volley balls and some of the neglected trails would frighten a Canadian mountie, much less a timid tourist on horseback for the first time in his life. Maps are not accurate because many roads and paths are virtually impassable.

Although the national forests exist for timber management and watershed control, as well as for recreation, they are the most popular of all outdoor attractions in the 11 vast States stretching westward from the Continental Divide. When the Civilian Conservation Corps was organized in 1933, these brawny young men trudged into the solitudes and gave the 180 million acres in national forests the finest sprucing-up they ever experienced. Over 4,000 separate recreation areas came into first-class existence.

Unfortunately, after the CCC was disbanded, these improvements ceased. The visitors, however, did not. They kept right on coming. Today, the sum of $1,070,966 is spent by the Forest Service every year just to police, clean up, and supervise the recreation spots which the CCC helped to develop—nor is this considered sufficient for the purpose.

Consider merely the item of garbage. What connection is there between disposal of garbage and a vacation in the vast open spaces? Yet, tourists leave behind them a litter of bottles, tin cans, paper, and the residue of many meals and snacks. Discarded fish heads can contaminate a campground for months to come. If this refuse is not buried or burned, filth and disease inevitably result. Listen to the stern warning issued in the spring of 1955 by the Forest Service itself:

"Inspections made by the United States Public Health Service on many national forests confirm our fears that there is a serious danger to public health and safety unless sanitation and clean-up at forest recreation areas can be brought to acceptable standards."

This is why I was glad to participate on the floor of the Senate recently in increasing by $1 million the funds which will be appropriated by the Government during the 1956 fiscal year for sanitation and care at campgrounds in the national forests. Senator Carl Hayden, of Arizona, who represents a Western State with far-flung scenic domains, took the lead in bringing this about. The new total of $2,170,000 will provide some advance in disposing of the debris that invariably marks the path of 40 million adventure-loving Americans.

But is it enough to simply hold our own on the 153 national forests of the Nation? Additional roads, trails, docks, ranger stations and even directional signs are urgently needed. Further campgrounds may seem unnecessary, but they will more than pay for themselves if they prevent indiscriminate camping by thousands of people who dump refuse into upland rivers and thus destroy valuable runs of Chinook salmon and steelhead trout. It is ironical, in my opinion, that the national forests should be short of funds to provide for the welfare of tourists when, actually, these forests are a reliable source of profit to the Government.

Last year $64 million was collected from grazing fees and the sale of merchantable timber on the national forests. Some Members of the Senate, among whom the writer is included, believe that at least 10 percent of national forest revenues should be especially set aside for recreation, with a ceiling of $5,500,000. This would more than double the present allotment for that purpose.

Adequate appropriations are the principal immediate need of both the National Park Service and the United States Forest Service to serve the ever-increasing number of citizens who gain both spiritual inspiration and physical restoration from visiting the evergreen-stockaded fastnesses which these agencies manage. But a long-range policy also is required. The automobile has brought most of the parks and forests within reach of the average family. Somewhere, beyond everybody's radiator cap, lie the plumed waterfalls of the Yosemite and the dizzy pinnacles of the Grand Tetons. The Forest Service frankly admits, for example, that the widespread use of the forests is a byproduct of the motor age.

Recreational values cannot always be calculated in dollars and cents to the Treasury. Yet, Bernard Frank, an assistant chief of the Forest Service, estimates in his recent book, Our National Forests (Oklahoma University Press), that pleasure for people on the forests is worth a minimum of $25 million annually to the United States. Is this not a modest estimate for 40 million separate visits—about 60 cents apiece? Once the value of this recreation could be accepted as national policy, conservationists might not have to struggle each year to keep campgrounds and tourist areas at even low standards of maintenance.

National parks call for the establishment of still more fundamental principles, because their borders fence off the most extraordinary scenic majesty in our country. Commercial interests constantly try to invade the parks—some to build dams, others to log off the trees, still others to mine for ore, a few to divert tranquil lakes for irrigation or drinking water.

I believe all such encroachments should be resisted. Canadian authorities have just turned down uranium prospectors seeking to quarry fissionable rock inside Banff National Park, Alberta. Our own great Nation ought to do no less in defense of the 28 parks and 48 monuments under the supervision of the National Park Service. After all, we have far fewer acres of scenery left per capita than has Canada.

Public opinion has helped to prod the National Park Service into setting up "Mission 66," a program to complete rehabilitation of our parks a decade from now—by the year 1966. The plan calls for more and better roads and highways within the National parks, for new lodges and inns and campgrounds, for safer trails and for additional safeguarding of fish, birds, and wild animals. "Many people now leave the parks," admits Park Director Wirth, "wondering why their Government is content to display American treasures in a manner not in keeping with their greatness."

As at least a start toward correcting this situation, Congress has appropriated a total of $45,029,300 for operating our national parks during fiscal 1956, an increase of 41 percent over the previous year. Furthermore, appropriations for Forest Service recreational areas have been boosted by 47 percent, in an effort to restore our national forests as the outdoor playgrounds of the American people.

Senator Hayden, chairman of the Senate Appropriations Committee, told me that few acts gave him greater personal satisfaction than the substantial advances allowed for the parks and forests of our vast scenic regions.

I shall never forget riding with my wife through the thrilling Lochsa River wilderness of Idaho, along the last part of the Lewis and Clark trail which still remains as it was originally when the first westbound white men came with the American flag. I recall that some individuals hoped to flood a wide portion of these forested solitudes with two dams. When that occurred, I thought, every American would lose a little bit of his heritage.

Our legacy ought to be expressed in the untouched outdoors as well as in the bustling metropolis. In America the Beautiful, Katheryn Lee Bates wrote not only of "alabaster cities undimmed by human tears" but also of "purple mountain majesty above the fruited plain."

Mr. BRIDGES. Mr. President, I have listened to the argument of the distin-

guished Senator from Oregon [Mr. Morse] for an increase of $119,000 above the budget, or $94,000 above the figure reported by the committee.

The Senator from New Hampshire is interested in the same general objectives which the Senator from Oregon seeks. However, he feels that the Committee on Appropriations, when it went 50 percent higher than the budget, was really proceeding in a very generous manner in the consideration of this subject.

The Senator from New Hampshire understands that the Senator from Oregon is concerned about a particluar project which needs immediate attention. I believe that the addition of some $25,000 which we made to the budget request will certainly enable the Department to proceed with that project.

The point the Senator from New Hampshire wishes to make is that there was a budget estimate of $50,000. We understand that there is a problem. We increased the amount by $25,000, or 50 percent, which was a very substantial increase, percentagewise, for the committee to make.

I think that is certainly all we could hold in conference with the House. I should like to see at least a part of the money used on the project which will require action immediately, as the Senator from Oregon has said. I do not know whether there is any way to insure that course of action or not, but that is the feeling of the Senator from New Hampshire.

Mr. HAYDEN. Mr. President, the hearings will show that when we considered this budget estimate for this purpose I asked the representative of the National Park Service this question:

> Is the estimate of $50,000 adequate to do the work that has to be done in the coming fiscal year on those reservoirs that will be flooded? We would like to have a list of all those sites.

He replied:

> We have such a list.

He supplied the list, making up the total of $160,000, which the amendment of the Senator from Oregon would cover.

An examination of the list discloses that reservoirs constructed and now being flooded involve work of this nature requiring about $100,000. The remaining reservoirs in the list have not been completed. The water has not backed up this year, and probably will not back up in some of them for 2 or 3 years. In the case of others, where construction is going on this year, it will certainly be another year before they are flooded.

I believe that $100,000 would be ample adequately to take care of all the projects where there is to be flooding, according to the list supplied by the National Park Service. I would be willing to go along with the Senator from Oregon to the extent of an additional $25,000, making the total $100,000. That would cover every reservoir which is being flooded this year. We can take that amount to conference. If we provide a larger appropriation than that, I am quite sure the House will not agree to it. I think the Senator from Oregon would be well off if we increased the committee recommendation by $25,000.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. I should like also to have the attention of the Senator from New Hampshire [Mr. Bridges].

I want both Senators to understand that there are two objectives which I am seeking to attain and two needed protections which I am seeking to provide.

I am familiar with the testimony before the committee. It is my understanding that as the bill now stands it does not provide sufficient money to take care of the excavations which will be needed in connection with the areas which will be flooded in the year ahead. Second, there is nothing in the language of the bill which places upon the National Park Service the clear duty of spending the money on the sites which are to be flooded. Instead, we give the Park Service broad discretion so that the money can be used anywhere the Park Service desires to use it.

I take it for granted that an efficient National Park Service would, of course, spend the money on the sites which would otherwise be flooded. However, I have learned from my experience in the Senate that there should be some language which would make perfectly clear the intention of the Senate in this connection.

Let me say to the Senator from New Hampshire and the Senator from Arizona that I shall not stand here and try to climb a wall when I have no ladder with which to get over it. I know that in the past we have put into effect good-faith gentlemen's understandings and compromises. There ought to be taken to conference at least the minimum which the Senator from Arizona has proposed, $100,000; but I think we ought to go beyond that. It should be made clear in the legislative record—I think this colloquy will help in the legislative history; that is why I am engaging in it—that it is the intention of the Senate that the National Park Service shall look first to the sites which are to be flooded. There is only one in my State. These projects cover other States as well.

What I am doing is urging protection of American historical research. Think of the great number of American dollars which have been spent for excavations in Greece and in other areas of the world in connection with historical research.

I close this legislative reference by accepting the suggestion of the Senator from Oregon that the figure $100,000 be taken to conference, with the understanding that clear notice will be served on the National Park Service that the money is to be used, in the first instance, to save sites which will otherwise be flooded this year.

Mr. HAYDEN. That is the distinct understanding with which I am undertaking to make the agreement.

Mr. BRIDGES. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. BRIDGES. I certainly feel that when the Committee on Appropriations increased the amount by $25,000 it made a substantial increase. If the amendment is to be taken to conference with an additional increase of $25,000, certainly as a result of this discussion on the floor of the Senate it should be clear to the National Park Service that preference or priority should be given to the projects which are to be immediately flooded. Having made such a record, I believe we can attain the objective we seek.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. If the Senator from Oregon will modify his amendment, I shall be glad to accept it.

Mr. MORSE. That is what I intend to do. Mr. President, I modify my amendment so as to increase by $25,000 the amount recommended by the committee. That would change the figure on line 24, page 14, to $11,562,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse], as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 14, line 24, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Construction," on page 15, line 15, after the word "expended," to strike out "$15,000,000" and insert "$15,250,000, of which not to exceed $250,000 shall be available for the construction of additional school facilities at Grand Canyon National Park, Ariz."

Mr. THYE. Mr. President, since my days as Governor of Minnesota, and even before, I have always had a deep interest in the welfare of the Indian, and on every occasion I have sought to achieve not only economic security for him, but measures which will assure him all of the rights and privileges enjoyed by citizens of this Nation.

Particular problems confront our Minnesota Indians who reside in northern Minnesota. In this area, industrial development has not reached the point where employment opportunities are always good, and long, severe winters frequently impose additional hardships due to further restricted employment opportunities during these months.

Seeking ways in which to alleviate these difficulties and economic problems, I consider a program with a two-fold purpose. Accordingly, I recommended to my colleagues on the Senate Appropriations Committee that funds be appropriated for reforestation and conservation work in the Superior and Chippewa National Forests and that Indians wherever possible do such work. I am gratified with the action of our committee in recommending an appropriation of $100,000 for reforestation work and with the committee's recommendation that Indians be employed on work of this character.

Mr. President, I ask unanimous consent that the letter I wrote on February 29, 1956, to members of the Senate Appropriations Committee, be incorporated in the RECORD, together with the tabulation furnished me by the Forest Service indicating the most worthwhile projects which might be undertaken, employing Indian labor.

There being no objection, the letter and tabulation were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *February 29, 1956.*

DEAR SENATOR: One of the recurring problems confronting the Indian community in Minnesota, specifically the Red Lake Band of Chippewa Indians, has been the limited employment opportunities and the resultant economic difficulties experienced by them which, at times, became so severe as to prevent them from obtaining even the necessities of life. Congress has, in the past, recognized the plight of these Indians through the approval of a per capita payment from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

This session, I introduced a bill proposing an additional $75 per capita payment to members of the Red Lake Band of Chippewa Indians which I hope Congress will promptly approve in view of the dire straits of the Chippewa Indians. At the same time, I have sought to determine just what long-range program might be undertaken to give the Indians year-round economic security and at the same time foster their further integration into our economic and social life.

In view of the fact that the Red Lake Indian Reservation is located in an area recognized for its forestry resources, I have been investigating the possibility of employing Indian labor on expanded reforestation programs which would have a twofold result—desirable in my opinion—of giving the Indian a greater degree of financial security and at the same time of promoting the valuable forestry resource of northern Minnesota. In this connection, I have inquired of the Chief of the Forest Service as to the probable employment of Indians on reforestation programs, and I have received a report which indicates that it would be highly productive in terms of increased forest resource values to undertake programs of this nature.

Specifically, 2,400 man-days of Indian labor could be used in planting 1,650 acres on the Chippewa and Superior National Forest at an estimated cost of $48,370. In addition, 7,926 man-days of Indian labor could be used on 6,150 acres for thinnings, weedings, and other improvement work in natural stands at an estimated cost of $57,720. Therefore, at a cost of $151,272 planting and stand-improvement work could be undertaken on 7,800 acres of land utilizing 10,326 man-days of Indian labor.

There are numerous other conservation projects which would contribute greatly to increased resources productivity in this area, and the enclosed tabulation indicates the most worthwhile projects which might be undertaken with the employment of Indian labor.

I am sure you will agree with me that the development and protection of our timber stands, as well as the promotion of good land management, represents an important long-range objective in the national interest.

Therefore, I wanted to bring this proposal to your attention now as I sincerely believe that it is a meritorious one and that Congress could make a lasting contribution to the future preservation of our forest resources by approving funds for fiscal year 1957 to enable the Forest Service to undertake reforestation and conservation programs of this character. I am informed that no substantive legislation is necessary and that the Forest Service presently has sufficient authority to expand such programs if adequate funds are provided. Therefore, I lay the matter before you, as a member of the Committee on Appropriations, in the hope that it may receive favorable consideration.

Sincerely yours,

EDWARD J. THYE,
United States Senate.

Productive conservation projects on national forests of Minnesota suitable for employment of Indian labor

[Data taken from project work inventory]

	Number of units	Man-days	Cost
Fire control:			
Hazard reduction, slash disposal ....acres..	7,000	70,000	$[illegible]40,600
Lookouts and observatory structures ....each..	15	1,155	99,000
Timber management:			
Blister-rust control:			
Initial working..acres..	18,[illegible]	[illegible]	81,467
Reworking ......do....	18,216	4,554	61,934
Erosion control ..do....	200	12,000	300,000
Wildlife: Habitat development and restoration........acres..	1,600	2,400	28,800
Recreation:			
Trails..............miles..	468	18,720	365,040
Water systems..............	55	1,375	66,000
Sanitary systems..............	35	525	17,500
Camp and picnic units......	840	33,600	672,000
Boat landings, docks, piers, etc..................	9	1,800	21,600
Lands:			
Road-side cleanup...acres..	820	4,120	4,920
Large signs and portals......	8	80	1,600
General administrative improvements..............	202	30,500	1,038,000

Mr. THYE. Mr. President, it is with pleasure and satisfaction that I refer to the action of the Senate Appropriations Committee in recommending an increase of $1 million in funds for forest-research work. We in Minnesota, with our vast and important forest resources, are vitally interested in not only the preservation of them but in the development of sound measures for expanding these resources.

It is of particular satisfaction to me that the Senate Appropriations Committee accepted the recommendation I made for increasing forest-research funds, out of which the Forest Service will be able to use funds for the establishment of a forest hydrologic laboratory in Minnesota. There is a great deal of interest in the establishment of such a laboratory to do essential research on watershed problems of the forest areas. As representative of this interest, I ask unanimous consent that a statement issued by the Minnesota Emergency Conservation Committee be incorporated at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN AMAZING TELEGRAM ARRIVES IN A CLOUD OF DUST

MINNEAPOLIS, MINN., *April 20, 1956.*

A few days ago we received a very important telegram from Senator EDWARD J. THYE, informing us that the Senate Appropriations Committee, in reporting out the Interior Department appropriations bill, recommended a million-dollar increase for forest research work. "I have every assurance," said the Senator, "that out of recommended increase, funds will be made available for the establishment of a hydrologic laboratory in Minnesota."

The telegram carried, perhaps, the most important soil and water conservation news this committee has ever received, and the timing of its arrival bordered on the sensational, for on this day the winds were again high and soil fertility in the form of dust was tending to becloud an otherwise sunny day.

The agricultural areas in the breadbasket region of Minnesota are tinder dry. The same situation prevails in the Dakotas and the States to the south and southwest. Newspaper headlines in the Central United States have been screaming for many days that the duststorms this spring are "the worst ever." Several mornings in some places the visibility has been less than a quarter of a mile, so reports a news release of the National Association of Soil Conservation Districts.

The situation is the worst since 1934, the year of the terrible drought. It can become worse, for we have been busy during the last 20 years laying a foundation to make it worse than in the early thirties. We have been busy trying to farm every acre of land: wet land, steep or sloping land and submarginal land. We have stupidly doled out public funds to encourage landowners to try and convert every type of land to row-crop and clean-tilled agriculture. Except for a few meager appropriations for soil conservation, we have not spent $1 for encouraging landowners to keep critical lands out of cultivation. It has been a vicious land-use pattern.

So the fertile dust is again on the move and in many farm sections of Minnesota wells continue to dry up and towns and farms are lacking water for domestic use. In spite of the seriousness of the situation, some people, including many Members of Congress, are still bent on an agricultural program that can only assure a greater loss of soil fertility and water resources.

Amazing, then, to get such a telegram as the one we received from Senator THYE, for this is what the proposed hydrologic laboratory implies:

1. We must acquire fundamental hydrologic data, if we are to develop and maintain a lasting soil and water policy.

2. A new and greater value is placed on forest research, namely, that trees and vegetation generally have as much value, perhaps a greater value, in retarding runoff and checking erosion than what we have accorded vegetation in the past when the value has been limited to board-feet measurements and unwise grazing practices.

3. It gives due recognition to the importance of watersheds, treating the land where the raindrop falls.

4. It acknowledges that conservation must be treated as a completed job. It must be a program of cooperation, not individualism, for all resources are each an integral part of an ecological whole.

We hope Congress will approve the establishment of a hydrologic laboratory in Minnesota. It is a proper beginning for a land-use management program that seeks a favorable and well-balanced relation to its environment.

It will mark the beginning of a farm-subsidy program that all of our citizens can and must support, if the United States is to be a permanent country.

The agricultural regions in the Plains States are sick with dust, other regions of the country, especially along the Columbia River, have fears for worst-ever floods. These conditions are principally manmade. They are the terrible results of improper land use.

We ask you to write to your Senators and your Congressmen, urging them to support this type legislation, the only kind of legislation that has promise of permanent farm relief.

One thing is clear. Successful human occupation has in the past depended upon a stabilized landscape. When erosion began, cultural activities were interrupted. The lesson to us is self-evident.

We have the knowledge; we do not have the unity.

MINNESOTA EMERGENCY CONSERVATION COMMITTEE,
O. L. KAUFANGER, *Secretary.*

Mr. BRIDGES. Mr. President, I join with the Senator from Minnesota [Mr. THYE] in his comment on the action of the Appropriations Committee with reference to forest research. Because of the very large use of forest products in this country, more and more attention must be given to forest research. I was one of those who, in connection with previous appropriation bills in former years, emphasized the need for forest research in my section of the country, as well as in other sections, particularly with reference to hardwoods. In recent years, some types of hardwoods have suffered severely because of diseases and the ravages of insects.

Also, Mr. President, as a result of research, there is developing gradually a greater use of hardwoods than ever before. The bill this year provides more than one million dollars for additional research, and I think that is wise.

Mr. President, the junior Senator from Vermont [Mr. FLANDERS] could not be present today. He is particularly interested in the subject of hardwood research. He submitted to the Appropriations Committee a statement, which will be found on page 754 of the hearings, in which he made certain statements and requests. For instance, he says in his statement:

> It appears substantially impossible to uncover practical means of developing the present inferior hardwood natural growth. The approach must be based on planted hardwoods. Therefore, this amendment proposes appropriations for the following four fields of hardwood research:
>
> I. Site research which should include studies of soil conditions, elevation, and exposure to determine precisely the appropriate location for hardwood planting.
>
> II. Procedures for growing good nursery stock and cheaper, more successful planting methods should be worked out.
>
> III. Development of practical techniques for repelling elements of natural destruction, which should include exploring the effectiveness and economic feasibility of means for discouraging animals such as deer and mice from feeding on young hardwoods.
>
> IV. The speeding up of equality hardwood growth for early maturity which should include the application of the latest work in genetics and environment.

For this purpose, Mr. President, the Senator from Vermont has requested an appropriation of $250,000. The committee granted an overall increase of substantially more than a million dollars for forest research.

But the point of my discussion today with reference to this particular item—and I address myself to the distinguished chairman of the Appropriations Committee—is to inquire, if it is the intention to develop legislative history to that end, whether a certain amount will be used for hardwood research as indicated by the Senator from Vermont.

Mr. HAYDEN. That is the distinct understanding I have. There is no question about the need for hardwood research, and some of the increase should be used for that purpose.

Mr. CARLSON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CARLSON. I should like to invite the attention of the Senator from Arizona, the chairman of the committee, and the Senator from New Hampshire, to a statement in the report.

Mr. BRIDGES. What page?

Mr. CARLSON. On page 12. It is in regard to the Fish and Wildlife Service and reads as follows:

> *Propagation and distribution of food fishes, $100,000. The committee recommends the allowance of $100,000 for expanded operation at existing fish hatcheries.*

The question which I should like to ask the chairman is this: Does the sum of $100,000 provide only for expanding existing fish hatcheries? Is there any appropriation in the bill for giving the agency sufficient money to explore the possibility of building new fish hatcheries?

Mr. HAYDEN. If the Senator will turn to the next page of the report he will see that we provide for the construction of new hatcheries and the rehabilitation of existing hatcheries.

Mr. CARLSON. I appreciate very much having that part of the report brought to my attention by the chairman.

Last week I received a letter from Ross Beech, who is chairman of the Kansas Fish and Wildlife Service, who stated that there had been some conferences with representatives of the Fish and Wildlife Service of the Federal Government in regard to the possibility of establishing a warm-water fish hatchery at Cedar Bluff Reservoir, which is a Bureau of Reclamation project. What would be the procedure in case the Department should decide that it wanted a fish hatchery at that point?

Mr. HAYDEN. What should be done, of course, would be to get an agreement with the State. We are trying to develop the principle, wherever the United States builds a dam, of taking into consideration to start with, the duty of the Bureau of Reclamation to help to stock the lake created back of the dam, because they are taking away a natural resource and substituting one of another kind.

Mr. CARLSON. If the Bureau should decide that the point to which I have referred is a logical place at which to establish a fish hatchery, would we need to come before Congress in the future and get additional funds for the purpose, or would funds be available for that purpose?

Mr. HAYDEN. There would have to be the authority of law. In the first instance those interested in the matter would not come directly to the Appropriations Committee. There must be a bill passed authorizing the construction of the hatchery, just as any other construction is provided for, military or otherwise. Then an appropriation would be in order.

Mr. CARLSON. If I understand the Senator correctly, he is suggesting that the Senator from Kansas introduce an authorization bill; and if it is passed, the Senator from Arizona will look with favor upon an appropriation. But at present he can do nothing about the item because it is not authorized.

Mr. BRIDGES. Mr. President, in answer to the Senator's first question, there is nothing in the bill which would prohibit the Fish and Wildlife Service from exploring the need for the hatchery suggested by the Senator from Kansas.

Mr. HAYDEN. I suggest that the Senator from Kansas confer with the folks back home, and have them get together with the Fish and Wildlife Service and agree on a program. Then let the Senator introduce a bill to carry out the program, and we will see if action cannot be taken.

Mr. CARLSON. I appreciate the comments made by the Senator from Arizona and the Senator from New Hampshire.

Mr. BRIDGES. The Senator from Kansas could start operations now by asking the Fish and Wildlife Service, with funds which they already have, to explore the situation as a basis for legislation.

Mr. CARLSON. I sincerely hope I can make some progress. Next year when I seek funds, I shall call the attention of the Senators to the fact that we discussed the matter as we have today.

Mr. CHAVEZ. Mr. President, I ask unanimous consent to return to page 7 of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHAVEZ. Page 7 contains an item of $240,000 for the building of a schoolhouse on an Indian reservation in my State. The amendment I shall submit is intended to make that money available for the purpose for which it was placed in the bill. I offer the amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be in order after the committee amendments have been disposed of.

Mr. CHAVEZ. I ask unanimous consent that my amendment may be read now.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico that his amendment be stated out of order? Hearing none, the clerk will state the amendment.

The LEGISLATIVE CLERK. On page 7, line 7, after "$7,740,000", it is proposed to insert ", of which not to exceed $240,000 may be paid to the Municipal School District No. 1, Sandoval County, N. Mex., to supplement an allocation of funds from the Office of Education for the construction of elementary public-school facilities which shall be available to Pueblo Indian children."

The PRESIDING OFFICER. Before the amendment of the Senator from New Mexico can be considered the action of the Senate in agreeing to the committee amendment on page 7, line 7, striking out "$4,000,000" and inserting "$7,740,000" will have to be reconsidered. Is there objection to reconsidering the vote by which the committee amendment was agreed to? The Chair hears none; and the question is on agreeing to the amendment offered by the Senator from New Mexico to the committee amendment.

Mr. HAYDEN. Mr. President, as I understand, the amendment to the amendment adds no money to the bill, but is to carry out the purpose which the committee had in mind.

Mr. CHAVEZ. That is correct.

Mr. HAYDEN. I shall not object to taking the amendment to conference.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from New Mexico to the committee amendment is agreed to.

The amendment, as amended, was agreed to.

Mr. DIRKSEN. Mr. President, I simply wish to concur in the observations made about the extra funds allotted to forestry research. I think it was very generous on the part of the subcommittee to include an extra million dollars. Incidentally, I think it is the wise course to let the Forest Service have a large degree of flexibility and latitude in the apportionment of this money.

I have been discussing with the Director of the Forest Service the situation in the lower end of Illinois. That section happens to be, in some measure, a distressed area. It is an area having basic resources, such as coal and timber. I have always proceeded on the theory that the best way in which to rehabilitate any area is to make use of the resources which the Almighty put there.

On that basis, a pilot plant was established some years ago at the University of Southern Illinois. The university made great progress in increasing the uses of timber in that area. With that in mind, I appeared before the subcommittee and sought to refresh them on the importance of the work, and also the need for some additional funds, so that the work could move forward.

From my discussions with the Director of the Forest Service, I am encouraged in the belief that some additional funds will be made available there.

Not only do I congratulate the committee, but I concur in all the statements which have been made about the item of forestry research and the utilization of forest resources in the most economic and efficient way.

Mr. BARRETT. Mr. President, I join with my colleagues in congratulating the committee on submitting the item for forest research. Also, I wish to take a moment or two to commend the committee for providing additional funds for reforestation and for range revegetation. I am very much pleased to see that the committee has added $620,000 for reforestation and an additional $500,000 for range revegetation.

The committee points out very aptly that there are 3,500,000 acres af rangelands in the national forests which need revegetation. I think it is high time Congress took into consideration the fact that this great domain, belonging to the public, has need of some attention by Congress.

I desire to compliment the committee upon its splendid work in both these fields.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 15, line 15.

The amendment was agreed to.

Mr. BARRETT. Mr. President, I desire to offer two amendments and ask that they be considered together.

The PRESIDING OFFICER. The amendments offered by the Senator from Wyoming are not in order at this time; they will be in order after the committee amendments have been disposed of.

Mr. BARRETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wyoming will state it.

Mr. BARRETT. Was the committee amendment agreed to?

Mr. HAYDEN. If the Senator from Wyoming will withhold his amendments, we shall be finished with the committee amendments in a moment.

Mr. BARRETT. Very well. I withdraw my amendments.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "Administrative Provisions", on page 16, line 15, after "(69 Stat. 242)", to insert a colon and the following proviso:

> *Provided*, That all receipts from the operation of the McKinley Park Hotel in Mount McKinley National Park, Alaska, may be applied to, or offset against, costs of managing, operating, and maintaining the hotel and related facilities and any receipts or other revenues in excess of such costs shall be deposited at least annually into the Treasury of the United States as miscellaneous receipts.

The amendment was agreed to.

The next amendment was, under the subhead "Fish and Wildlife Service—Management of Resources", on page 17, at the beginning of line 12, to strike out "$9,696,000" and insert "$10,373,600."

The amendment was agreed to.

The next amendment was, under the subhead "Investigations of Resources", on page 18, line 1, after the word "law", to strike out "$5,065,000" and insert "$5,105,000."

The amendment was agreed to.

The next amendment was, under the subhead "Construction", on page 18, line 7, after the word "therein", to strike out "$2,200,000" and insert "$2,471,000."

Mr. CASE of South Dakota. Mr. President, I should like to address a question to the chairman of the committee with reference to funds for road construction improvements under the National Park Service.

In looking through the comparative statement on appropriations at the back of the report, I find an item for road construction under the Bureau of Indian Affairs and one under the Forest Service. I do not find a heading covering the highways under the National Park Service, unless the line which reads, "Construction (liquidation of contract authorization)," covers highways.

Mr. HAYDEN. It does. The item appears on page 10 of the report.

Mr. CASE of South Dakota. On page 29 of the report, the item reads "Construction (liquidation of contract authorization)."

Mr. HAYDEN. The item "Construction (liquidation of contract authorization)" covers the entire amount of money authorized to be expended and contracts to be made under the Federal Aid Highway Act for the construction of roads and trails, and parkways.

Mr. CASE of South Dakota. As the distinguished Senator from Arizona knows, I have been very much interested in establishing authority for contract authorization for the three services which are covered in the bill. For many years, the appropriation of funds for the forest roads and trails and for the National Park Service, and for the Bureau of Indian Affairs, never came up to the authorizations.

Mr. HAYDEN. That is correct.

Mr. CASE of South Dakota. In 1954, when hearings were held on the bill which became the Highway Act of 1954, I asked Mr. Wirth, Director of the National Park Service; the representatives who spoke for the Forest Service; and the representative of the Bureau of Indian Affairs, Mr. J. Maughs Brown, for tables showing the amounts of authorizations over a period of years, and the corresponding appropriations.

I had been aware of the fact that there was some lag, but I had not realized it was so great as was demonstrated. Over a period of years, I think the lag in appropriations was from $40 million to $50 million below the amount authorized.

So there was written into the Highway Act of 1954 a provision for contract authorization, in the belief that Uncle Sam should treat his own roads as well as he treated the roads of the States.

As the able Senator from Arizona knows, the Hayden-Cartwright Act, and its successors, in the biennial acts for highways, the States have been assured that when an apportionment was made, they should proceed to contract for highways and that funds would be provided for making mature commitments. But there never was such assurance for the Forest Service and its forest roads, nor for the Park Service, nor for the Indian Bureau, until the Highway Act of 1954. My reason for drawing attention to this matter is that, as nearly as I can examine the figures, the committee has provided in full the amount of the contract authorization.

Mr. HAYDEN. Which is very, very different from the situation which used to prevail.

Mr. CASE of South Dakota. I thank the committee for pursuing what we intended to approve as a contract for the Government, because now, or the first time, the Park Service, the Forest Service, and the Indian Bureau can plan their roads and get their roadbuilding on a modern basis.

Mr. CASE of South Dakota subsequently said: Mr. President, I ask unanimous consent that I may have printed at the conclusion of the remarks I have just made, and following the colloquy with the distinguished chairman of the committee, excerpts from the hearings on the Federal Aid Highway Act of 1954, including the tables to which I referred in my remarks.

There being no objection, the excerpts and tables were ordered to be printed in the Record, as follows:

[Excerpts from the hearings of the Senate Public Works Subcommittee on Roads, dealing with the Federal-Aid Highway Act of 1954]

The Story of the Forest Service

(From the hearings of Monday, March 1, 1954, from the testimony of Leo V. Bodine, executive vice president, National Lumber Manufacturers Association)

Senator Kerr. Mr. Chairman, I take it that is the second item in this lower group on this tabulation sheet that has been given us by the staff.

Senator Case. There is authority in the present law for access roads to be built under two funds: One, the second paragraph under the section dealing with the Forest Service; and the other under the access roads as such, and the provision for the advisory hearing occurs in both places under the present law.

Senator Kerr. You are familiar with this summary of amounts that we have before us, Mr. Chairman?

Senator Case. I think so.

Senator Kerr. What I would like to be certain about is that the unused authorizations, to which he refers, are those which are identical to those which are identified here as forest highways.

Senator Case. Forest trails. It is the second one of the forest provisions.

Senator Kerr. I thought that was the one he was asking for, the 22½ million a year, for forest roads and trails.

Senator Case. I think he is.

Mr. Bodine. That's correct.

Senator Kerr. And that the 27 million unused authorizations now outstanding would be identical in character to what he has referred to here as forest highways, or the second item on the summary?

Senator Case. I don't know whether that is true or not. The present law, in section 3, has a subparagraph for forest highways in the sum of $22.5 million for the 2 fiscal years, and (2) for forest development roads and trails in the sum of 27 million. That is, there is the same authorization for both purposes.

Senator Kerr. The amounts total $45 million a year?

Senator Case. That would be correct.

Senator Kerr. I am trying to get straight in my mind which one of them still has 27 million unusued authorizations.

Mr. Bodine. It is the forest roads and trails, Senator, that has the unusued 27 million authorization, not the forest highways.

Senator Kerr. That isn't what your statement says.

Senator Case. Mr. Cliff is present, isn't he?

Mr. Edward P. Cliff. Yes.

Senator Case. Mr. Cliff is representing the Forest Service of the Department of Agriculture. I wonder if we won't save a little time if you would just answer that question, if you can.

Mr. Cliff. Section 3 of these 2 bills deals with 2 different things: One, the forest highways, which are parts of the State and county highway systems which go through the national forest, and there is a separate authorization for those roads.

Senator Kerr. May I have a copy of the public law to which he refers?

Mr. Cliff. The second item is for forest development roads and trails, which are facilities within the national forests, not a part of the State and county road systems. They are roads and trails needed for the administration and the management of the national forests, themselves, and that has a separate authorization.

Senator Case. Under which one of those would you say the timber access roads come?

Mr. Cliff. Both of them serve for timber hauling, but the principal need for timber access roads is under the forest development roads and trails.

Senator Case. That would be the second one?

Mr. Cliff. That is correct.

Senator Case. Then the existing law also authorizes timber access roads under section 10, which authorizes access roads and provides for the hearing also in case of them being timber access roads?

Mr. Cliff. That's correct. Section 10 provides for access roads to sources of raw materials, and it also covers the military access roads.

So far the Department of Agriculture has not received appropriations under section 10 for access roads.

Senator Kerr. For access roads to forests?

Mr. Cliff. That is correct.

Senator Case. The allocation is there for that money to be used under access roads, is it not?

Mr. Cliff. Yes, but none of this money authorized by the 1952 act has been used for that purpose.

Senator Kerr. None of it has been appropriated, has it?

Mr. Cliff. Not to the Department of Agriculture.

Senator Case. To be correct, I don't know that money would be appropriated to the Department of Agriculture. That money is appropriated generally through the Bureau of Public Roads or is available to the Bureau of Public Roads for projects approved by the Atomic Energy Commission in case of uranium-bearing ores and allocated for roads that might be on the Federal primary system, or could be on a timber access road if they approved a project proposed by the Department of Agriculture; is that correct?

Mr. Cliff. That is correct, and it is my understanding the funds authorized under that section were used for military and atomic energy roads and, therefore, none is available for timber access roads.

Senator Case. Do you know to what extent the authorization of $22.5 million for the forest development roads and trails was exhausted in the appropriations made last year? How close did you come?

Mr. Cliff. Mr. Chairman, there is an available authorization for forest development roads and trails of $49,612,000, not 27 million as cited by Mr. Bodine.

Senator Case. Over what period of time?

Mr. Cliff. That is an accumulation of unused authorization over about 8 years.

Senator Kerr. Which identity do you refer to?

Mr. Cliff. Forest development roads and trails.

In 1954, fiscal year 1954, the appropriation is for $14,500,000, and the authorization was 22½ million.

Senator Case. What about the forest highways, in the first subparagraph?

Mr. Cliff. The forest highways—there is an available authorization of $53,400,000.

Senator Case. What was the appropriation?

Mr. Cliff. The appropriation for the fiscal year 1954 was $15 million as against an authorization of 22½ million.

Senator Case. Do you have a table there which shows the appropriations year by year in the two categories over a period of time?

Mr. Cliff. I can get that for you.

Senator Case. Of course, you are really scheduled to appear on the program for the Forest Service a little later on; but since this question has arisen it seemed to me it would be well to have the facts before us in order that our questions might be more intelligent and save a good deal of time.

It occurs to the Chair also that a table showing the authorization and appropriation over the period of the last 10 years might be useful for reference, and if you will supply that it may appear in the record.

Mr. Cliff. We will be glad to do so.

* * * * *

Senator Case. Mr. Cliff, this morning when you were attending the hearing I asked if you could get for us the table which would show the appropriations over the period of the last 10 years. You have handed me a table. Is that the table in response to that request?

Mr. Cliff. Yes, it is, Mr. Chairman.

Senator Case. That will be inserted in the record at this point.

(Table showing authorization and appropriations for fiscal years 1945 through 1953 is as follows:)

Appropriations and authorizations for forest highways and forest development roads, fiscal years 1945 through 1954

	Forest highways		Forest development roads and trails	
	Authorization	Appropriation	Authorization	Appropriation
1945				$4,161,498
1946	$25,000,000	$3,500,000	$12,500,000	6,898,778
1947	25,000,000	13,714,222	12,500,000	12,500,000
1948		5,300,000	12,500,000	11,000,000
1949		12,800,000		9,892,000
1950	20,000,000	22,500,000	17,500,000	10,348,000
1951	20,000,000	22,500,000	17,500,000	13,648,000
1952	20,000,000	21,000,000	17,500,000	13,000,000
1953	20,000,000	18,000,000	17,500,000	16,000,000
1954	22,500,000	15,000,000	22,500,000	14,500,000
1955	22,500,000		22,500,000	

Senator Case. Directing your attention to that, it would appear that one story applies to the forest highways, and a different story to the forest development roads and trails. In many years the appropriations under forest highways has come up pretty close to the authorization and I take it that that is due to the provisions of Public Law 769 of the 81st Congress which, in section 3, relating to forests came up with this language with respect to the highways:

"*Provided further*, That the Commissioner of Public Roads may incur obligations, approve projects, and enter into contracts under the apportionment of such authorization and his action in so doing shall be deemed a contractural obligation on the Federal Government for the payment of the cost thereof."

Is that correct?

Mr. Cliff. Yes, I am sure that is correct.

Senator Case. That language appeared and applied to the forest highways in subparagraph 1, and made it possible to regard the authorization as in effect an appropriation.

That is, he gave you authority or gave the Commissioner of Public Roads authority to approve projects and incur obligations so that the maximum amount of authorization could actually be contracted for and then Congress would have to meet the cost thereof.

Mr. Cliff. I think that is correct and that that is the way the law was interpreted in the past.

Senator Case. In the bill S. 2982, the Martin bill, I note on page 6, lines 4, 5, and 6, which read as follows:

"*Provided*, That any sums heretofore authorized unobligated on June 30, 1955, shall be canceled as of June 30, 1955."

In that connection I want to call to your attention the testimony that was given by some of the witnesses this morning in which they said that the reason for supporting a lower figure for these highway funds was that they understood that there was some unused authorization, and consequently there was no need for increasing the authorization at this time. Do you recall that testimony?

Mr. Cliff. Yes, I think in the testimony they were referring to the forest development roads and trails and not the forest highway funds. The forest development roads and trail funds has never been subject to entering into contractual obligations in advance of appropriation.

There is an available authorization for forest highways of $53.4 million, which includes the 1955 authorization.

Senator Case. What was that figure again?

Mr. Cliff. $53.4 million.

Senator Case. Of that $22.5 million would be the authorization for the new year?

Mr. Cliff. For 1955.

Senator Case. So there is an accumulated backlog of about $32 million of authorizations with contract authority under the forest highway section.

Mr. Cliff. I think that is correct.

Senator Case. But if you do not get it obligated by the 30th of June 1955, that will be canceled?

Mr. Cliff. Yes. You will notice in the table which I have just given you there were authorizations in 1953 for $20 million, with an accumulated backlog, with the amount appropriated being $18 million.

Again in 1954 the amount of $15 million was appropriated. Now, I am not sure whether that means that the Bureau of Public Roads failed to take advantage of the advance contract authority, or whether the Congress failed to appropriate the full amount authorized.

Senator Case. Of course, if you go back immediately before that, you will find by this table in 1950, although the authorization was $20 million in new funds, the appropriation was $22.5 million, and the same thing in 1951.

In 1952 the appropriation was for $21 million. In other words, in those 3 years there was used up about $6 million of the prime—prior contractual authorization.

Looking at the figures for 1953 and 1954, it would appear there that what happened was the the Bureau of Public Roads refrained from entering into contractual obligations and consequently the prospective maturing bills were such that all that Congress needed to appropriate was $18 million for the fiscal year, and $15 million for the second year. Because, under the language of the existing law, his action, that is the Commissioner of Public Roads, in incurring obligations shall be the contractual obligation for the payment of the cost thereof.

Mr. Cliff. Perhaps Mr. Dean can throw some light on that. He has been working with the forest highway program for a number of years. Is that deduction correct?

Mr. Dean. I am not sure about that. I think that that would depend upon the agreement between the Commissioner and the committee for different years.

Senator Case. For a number of years in the House I served on the Appropriations Committee, both on some of the subcommittees that handled appropriations for public roads when it was an independent agency and in the Committee on Independent Offices, and on the Deficiency Committee for the various categories of public highways.

The amount of authorization is always made on the basis of expedience of the bills that would mature during the year. The first three categories are Federal-aid items, and primary, secondary, urban, they make allocations to the States and the States can go head on the basis of those allocations and proposed projects, but the actual cash appropriations are made in subsequent periods, and they never correspond identically with the authorizations. They were recommended by the Bureau of the Budget and the Commissioner of Public Roads, according to the rate of progress on contracts, and the amounts of bills that would be matured, that would be maturing for which money would be necessary.

An identical situation seemed to exist here.

Mr. Cliff. These funds for forest highways are administered by the Bureau of Public Roads, and they should be answering these questions rather than I.

My understanding of the way they have handled these advance contractual arrangements is as you have explained it.

Senator Case. Senator Morse, do you have any questions?

Senator Morse. From your explanation, Mr. Chairman, is there any basis to conclude that the Government agencies involved have not contracted for the building of roads in an amount of the appropriations in any year or period of years?

Senator Case. I think there is no question about it.

Senator Morse. That is the conclusion I would draw from the facts you have pointed out here.

Senator Case. Did you use the word "appropriation" or "authorization"?

Senator Morse. Authorization.

Senator Case. No; in this particular category of forest highways, it is not the appropriation that controls how much they might contract. It is the authorization.

Senator Morse. Well, let me ask two questions, then; certainly there is no doubt about the fact that they have not contracted for the amount of road contracts for which funds have been authorized. They have to make these contracts first and get a commitment that a contract will be entered into if the appropriation is forthcoming. Those contracts have been less in amount than the authorizations and the departments were perfectly free to go ahead and enter into the contracts, were they not?

Senator Case. They were.

Senator Morse. Now, is there any evidence that they have not used up all the appropriations that have been made for the construction of roads in any year or period of years?

Senator Case. I don't know as to that. I think we will have to ask the Bureau of Public Roads, but the only purpose in making appropriations in the case of forest highways and of the three categories of Federal aid is to provide cash to meet maturing contracts.

It is the one exception to the general rule in authorizing appropriating legislation as to highway acts. Normally authorizations are merely licenses to the Appropriations Committee to make an appropriation.

Senator Morse. I did not know that. That is a point I have never recognized before.

Senator Case. The reason for that with respect to the three categories of Federal primary roads and Federal secondary roads and urban roads is that legislatures meet once in 2 years, and in order that a legislature might make their plans to develop revenues sufficient to provide matching funds, the first part of the biennial Highway Act provides appropriation money on the basis of the past year and those allotments become, in fact, contracts with the States.

In this first class of forest highways, the same thing exists with respect to the Federal Government itself and that is in this language to which I have called attention in the act, Public Law 769.

Mr. Cliff. It should be pointed out that the same thing does not apply to the forest development roads and trails.

Senator Case. That is correct. I want to discuss those a little separately. The clerk suggests to me that the reason for making that contractual authority for forest highways is that frequently the forest highways are themselves portions of the Federal primary roads and in order to keep pace with the development of the primary road system with the States, this contractual authority was established.

Senator Morse. I think we ought to take up with the Public Roads group when they come before us because if it is true, and I think obviously it is, that we have less miles of access roads today simply because the Public Roads Commissioner has not entered into the contracts to give us the maximum amount that we could have under the authorization granted, that is a pretty sad reflection on the Public Roads Commissioner.

Senator Case. The Chair might suggest that there might be some moral suasion and the Appropriations Committee might have suggested that they wanted him to drag his feet a little in making contracts, and the Bureau of the Budget might have made the same demand on him to reduce the requests on the Federal Treasury.

The testimony has already been placed in the record with respect to the forest development roads and trails, and that the Chair would invite your attention to the relationship between the appropriations and the authorizations there.

Here we have a different situation from the normal rule on authorization applications. I note that up to 1950 the authorizations did not exceed $12.5 million, and of course up to that time the appropriation never exceeded that amount.

However, in 1950, or in the act for 1950 or 1951, apparently the authorization went up to $17.5 million the first year. The appropriation did come to that amount, but in the second year the appropriation while not coming up to $17.5 million did go to $13,648,000, and again in 1952 and then in 1953 it went to $16 million. In 1954 it was $14.5 million.

Obviously, Mr. Cliff, the Forest Service could never have had an appropriation of $16 million, or $14.5 million for forest development roads and trails, had the authorization remained at $12 million.

Mr. Cliff. Not exactly.

Senator Case. Unless you had an accumulated authorization.

Mr. Cliff. There was an accumulated authorization at that time which would have enabled the Congress to appropriate more than it did.

Senator Case. But historically, prior to the raising of the appropriation to $17.5 million, the fact is that under the figure you have submitted that the appropriations never, prior to that time, exceeded the amount of 1 year's authorization, $12.5 million.

Mr. Cliff. That is correct, and they have never equaled it since that time.

Senator Case. They have never equaled it since then, but they have exceeded $12.5 million.

Mr. Cliff. Yes.

Senator Case. That is the same thing we found in the Indian Road picture to which I alluded this morning, that the making of a case for more roads and that the Public Works Committees of the House and Senate, which resulted in an increase in the authorizations, was reflected later in an increase in the appropriations, even though they did not come up with the authorization. The pattern of larger appropriations followed the larger authorizations.

Senator Morse. Could I ask this question, Mr. Chairman?

Senator Case. Certainly.

Senator Morse. Have you people in the Forestry Department always spent all the money that was appropriated?

Mr. Cliff. Yes, we do. Occasionally there is a carryover from 1 fiscal year to another of unexpended funds which are obligated for expenditure on contracts or projects which may carry over from 1 fiscal year to another, but generally the need for forest development roads and trails work has been in excess of our ability to finance them, and we have been able to spend up all the money available.

Senator Case. You stated:

"Because of the lack of timber access roads, the timber cut from the national

forests in fiscal year 1953 was about 1.5 billion feet below the sustained allowable cut."

And then you make this rather striking statement:

"The financial loss to the Federal Government through inability to market mature timber was about $20 million in gross revenue in that 1 year."

Mr. Cliff. That is a true statement.

Senator Case. Why haven't you used arguments like that previously during the time you have been before the Congress, and the time that I have been in Congress, to try to get the appropriations for forest development roads and trails increased, and if my memory is correct, along about in 1948 or 1949 we did make a supplemental appropriation available for some forest development roads and trails and then a year or two later the Forest Service told me that because those roads were built they had sold several millions of dollars worth of timber which otherwise they would not have sold.

Mr. Cliff. That is true. In 1953 we had a supplemental of $5 million, which is included in the $16 million appropriation in 1953, which enabled us to build roads in the insect-infested area of northern Idaho and northern Montana.

Senator Case. What did the timber sales there amount to?

Mr. Cliff. We have not fully realized on the benefits of those roads, because some of them are still under construction and they will not be in full use until the next logging season, but they will more than pay for themselves within the period of several years.

Senator Case. How many years?

Mr. Cliff. Within a period of 4 or 5 years.

Senator Case. It is difficult for me to reconcile the logic which calls for a smaller authorization for forest-development roads and trails with that kind of a statement. Any time that the Federal Government can recover in 4 or 5 years a capital investment for roads and then have the benefit of the roads from then on, it seems to me that is a good deal.

The Story of the National Park Service

(From the testimony of Conrad L. Wirth, Director of the National Park Service)

Senator Case. Mr. Wirth, could you give us a table that would show the authorizations over a period of years and the corresponding appropriations?

Mr. Wirth. Yes, sir; I could.

I could brief them right here, and put it in the record, if you wish.

Senator Case. If you can tell us a little bit about it, it might be helpful for questioning now.

Mr. Wirth. Well, I have prepared a very short statement here.

Total authorization for the 8 postwar years for roads and trails and for parkways amounted to $137,610,000 and against this authorization there was appropriated $66,958,200, or 49 percent of the authorization. However, $18,010,300 of the funds appropriated were spent in the National Capital Park System, which means 27 percent of our available funds went into the National Capital Parks, leaving 73 percent for the National Park System, or $48,947,900, which is 36 percent of the authorized appropriations.

Breaking this down we find that $61,610,000 was authorized for roads and trails and $25,983,200, or 42 percent was appropriated and that $1,558,600 of this amount, or 6 percent, went into the National Capital Parks. Under parkways $76 million was authorized and $40,975,000, or 54 percent, was appropriated and that $16,451,700 of this amount, or 40 percent, went into the National Capital Parks.

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Senator Case. You have given us the totals on the authorizations and the appropriations against them.

It will be helpful to the committee if you could give us a table that would show that by years.

Mr. Wirth. By years?

Senator Case. Yes.

Mr. Wirth. All right; I will get the table and submit that.

(The table referred to is as follows:)

Statement of authorizations and appropriations or allocations for construction of roads and trails and parkways, 1947–54 fiscal years

Fiscal year—	Roads and trails		Parkways	
	Authorization	Appropriation	Authorization	Appropriation
1947	$4,250,000	$3,700,000	$10,000,000	$11,000,000
1948	4,250,000	------------	10,000,000	
1949	3,110,000	610,000	------------	------------
1950	10,000,000	3,942,500	10,000,000	7,500,000
1951	10,000,000	6,546,000	10,000,000	4,729,000
1952	10,000,000	2,500,000	13,000,000	5,825,000
1953	10,000,000	4,674,700	13,000,000	8,104,700
1954	10,000,000	4,010,000	10,000,000	3,816,300
Total	61,610,000	25,983,200	76,000,000	40,975,000

May I submit that, Mr. Chairman?

Senator Case. Yes, we will be glad to have it.

Both in connection with the forest highways and forest roads and trails, and some other information that came to the attention of the chairman, it has appeared the tendency of the appropriations is to trail the authorizations, but to reflect the increasing amounts, and I was wondering if that was true in your case, too.

You have had a fairly constant authorization of $10 million over a period of years, haven't you?

Mr. Wirth. Yes, sir.

If I may add, we would be in much better shape if we could use the whole authorization.

The Story of the Indian Service Roads

(From the testimony of J. Maughs Brown, Chief, Roads Branch, Bureau of Indian Affairs)

Mr. Brown. Yes, sir.

As you stated, I think, in one of the previous hearings, while we have never received in appropriations the amounts authorized, yet the more that is authorized the more we seem to receive.

Senator Case. Could you give us a little table showing the authorizations by years?

Mr. Brown. Yes.

Senator Case. And the appropriations against them?

Mr. Brown. Yes.

Senator Case. We would like to have that for the record.

(The information requested is as follows:)

List of authorizations and appropriations for Bureau of Indian Affairs roads

	Amount authorized	Amount appropriated
Fiscal year—		
1947	$6,000,000	$3,700,000
1948	6,000,000	3,000,000
1949	6,000,000	2,784,000
1950	6,000,000	3,300,000
1951	6,000,000	5,627,130
1952	6,000,000	3,582,730
1953	6,000,000	6,516,000
1954	10,000,000	6,020,000
1955	10,000,000	------------

Mr. Brown. The chairman is very familiar with the situation on these Indian reservations throughout the Dakotas and other parts of the country, and I believe you are familiar with the fact that at the present time we are engaged in our most substantial road program on the Navaho Reservation as a result of the action of Congress in passing a general rehabilitation bill concerning the Navahos.

Senator Case. Yes. I think we passed an authorization act which ran in rather large figures, but the appropriations haven't been so large.

Mr. Brown. No.

Senator Case. How much have you been getting on that program a year in appropriations?

Mr. Brown. Well, we don't receive funds separately for that program, or the Congress or Appropriations Committee hasn't separately earmarked the fund; but in order to make any headway at all we have allocated a substantial amount of our small construction funds to that program, and it has been going on there at the rate, in the last 3 years, of a little over a million dollars a year; and that has been a very substantial part of the amount appropriated and about 25 percent of the total money available for all the reservations of the United States, some 200 of them.

Mr. CASE of South Dakota. On the basis of the foregoing testimony, the Senate Public Works Subcommittee on Roads reported S. 3184 with a new proposal in section 6 which read:

> Sec. 6. Any funds heretofore, herein, or hereafter authorized for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be immediately available for contract: *Provided*, That any amount remaining unexpended 2 years after the close of the fiscal year for which authorized shall lapse. The Secretary of the Department charged with the administration of such funds is hereby granted authority to incur obligations, approve projects, and enter into contracts under such authorizations and his action in doing so shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof and such funds shall be deemed to have been expended when so obligated.

The language was modified in the conference with the House to limit the contract authorization to funds available for the fiscal years of 1955, 1956, and 1957, thereby not picking up all of the previous authorizations but with an increase in each category, launching a new program for the bringing of Forest Service, Park Service, and Indian Service roads up to an annual level of construction never before attained.

The language was continued in the highway bill passed by the Senate in 1955, and is understood to be incorporated in the highway bill now pending in the House of Representatives, and thus seems to have been accepted as a permanent part of our national highway legislation. Under this, the authorization for roads on Uncle Sam's own lands will be accorded the same treatment that has been given the road programs of the several States by the annual apportionments of the authorized programs in the Federal primary, secondary, and urban systems.

The PRESIDING OFFICER (Mr. McNamara in the chair). The question is on agreeing to the committee amendment on page 18, line 7.

The amendment was agreed to.

The **PRESIDING OFFICER**. The next committee amendment will be stated.

The next amendment was, under the subhead "Administrative Provisions," on page 19, line 3, after the word "exceed", to strike out "ninety-seven passenger motor vehicles for replacement only" and insert "one hundred and thirty-one passenger motor vehicles of which ninety-seven shall be for replacement only."

The amendment was agreed to.

The next amendment was, under the subhead "General Provisions, Department of the Interior," on page 26, after line 21, to strike out:

SEC. 106. (a) Not to exceed $200,000 of the funds appropriated to the Department of the Interior in this title or in the Public Works Appropriation Act, 1957, shall be available to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1957 contemplated would be employed by such department, agency, or corporation during such fiscal year in the performance of—

(1) function performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating or disseminating public information, publications or releases, radio or television scripts, magazine articles, photographs, motion picture and similar material, shall be available to pay the compensation of persons performing the functions described in (1) or (2).

(b) This section shall not apply to the preparation for publication of reports and maps resulting from authorized scientific and engineering investigations and surveys, to photography incident to the compilation and reproduction of maps and reports, or publications of the National Park Service, or to photocopying of permanent records for preservation.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Related Agencies—Department of Agriculture—Forest Service—Salaries and Expenses," on page 32, line 4, after "(7 U. S. C. 1010–1012)", to strike out "$41,668,000" and insert "$46,063,500."

The amendment was agreed to.

The next amendment was, on page 33, line 21, after the word "economics", to strike out "$9,350,000" and insert "$10,650,000."

The amendment was agreed to.

The next amendment was, on page 34, after line 10, to insert:

ACQUISITION OF LANDS FOR NATIONAL FORESTS

Weeks Act

For the acquisition of forest lands under the provisions of the act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), $100,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

The amendment was agreed to.

The next amendment was, at the top of page 35, to insert:

Special acts

For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forest, in accordance with the provisions of the following act authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amount from such receipts: Cache National Forest, Utah, act of May 11, 1938 (Public Law 505), as amended, $10,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.

The amendment was agreed to.

The next amendment was, under the subhead "State and Private Forestry Cooperation," on page 36, line 7, after the word "industries", to strike out "$11,385,000" and insert "$15,165,000."

The amendment was agreed to.

The next amendment was, under the subhead "National Capital Planning Commission," on page 38, line 17, after the word "compensation", to strike out "$185,000" and insert "$210,000."

The amendment was agreed to.

The next amendment was, on page 38, line 24, after the word "expended", to strike out "$1,250,000" and insert "$1,500,000"; in the same line, after "(a)", to strike out "$438,000" and insert "$526,000"; on page 39, line 1, after "(b)", to strike out "$287,000" and insert "$344,000"; and in line 3, after "(c)", to strike out "$525,000" and insert "$630,000".

Mr. MORSE. Mr. President, I should like to ask a question about the item appearing on page 34 of the bill, under the heading "Forest Roads and Trails," for which there is provided the sum of $24 million. I should like to have the RECORD show the answer of the Senator from Arizona to this question: Am I correct in my understanding that in the expenditure, for example, of the $24 million by the Forest Service, the Forest Service is in no way limited to any specific roads or trails which it may have discussed in the hearings of the committees by way of illustrations and examples?

Mr. HAYDEN. No. The item covers the entire field and covers both, money used for construction of roads and the maintenance of existing roads. No specific sum is tied down to any particular project.

Mr. MORSE. Will the Senator advise me if $24 million is the amount the Forest Service thought would be adequate for expenditure during the next fiscal year in view of the present personnel and facilities?

Mr. HAYDEN. That is the full amount authorized by the last Federal Highway Act, as the Senator from South Dakota [Mr. CASE] has stated. In prior years there have been authorizations for appropriations, and then the amount appropriated for the Forest Service has been cut in half. This time the authorization was substantially $24 million, and the appropriation is $24 million.

Mr. MORSE. That was the point I wanted to bring out in the RECORD. I wish to say to the chairman and the members of his committee that I think they are to be highly commended for the action they have taken in making available every dollar which has been authorized for the forest roads.

Mr. HAYDEN. We had testimony which fully justified the use of that sum of money.

Mr. MORSE. As I said earlier in my remarks today, this expenditure of money is very sound economy, because it is going to return to the Treasury of the United States a good many dollars for every dollar which is spent on the roads. This is the way to make money for the American taxpayer. I am exceedingly happy the committee has made the recommendation which it has submitted.

The **PRESIDING OFFICER**. The question is on agreeing to the committee amendment on page 38, line 24.

The amendment was agreed to.

The next amendment was, on page 39, line 25, after "(66 Stat. 781)", to insert a colon and "*Provided further*, That the employment of not more than one person by contract or otherwise, pursuant to the third sentence of section 2 (c) of the act of June 6, 1924, as amended by the act of July 19, 1952 (66 Stat. 783), may be extended for an additional year."

The amendment was agreed to.

The next amendment was, under the subhead "Smithsonian Institution," on page 41, line 8, after the word "publications", to strike out "$4,400,000" and insert "$4,425,000."

The amendment was agreed to.

The next amendment was, on page 42, at the beginning of line 8, to strike out "$1,495,000" and insert "$1,505,000."

The amendment was agreed to.

The next amendment was, on page 42, after line 17, to insert:

WOODROW WILSON CENTENNIAL CELEBRATION COMMISSION

For expenses necessary to carry out the provisions of the act of August 30, 1954 (68 Stat. 961, 965), $48,500.

The amendment was agreed to.

The **PRESIDING OFFICER**. That completes the committee amendments.

The amendment of the Senator from Wyoming [Mr. BARRETT] will now be stated.

The LEGISLATIVE CLERK. On page 15, line 15, after the words "water rights" and the semicolon, it is proposed to insert the words "to be immediately available and."

On page 16, in line 1, after the numeral "$29,800,000" and the comma, it is proposed to insert the words "to be immediately available and."

Mr. BARRETT. Mr. President, as everyone knows, Yellowstone is our first national park. It was created in 1872, long before Wyoming became a State. It is one of the most popular of our national parks, but it seems to me that it is in worse shape than any of our parks. Last year 1,368,515 people visited Yellowstone. Since 1945 the visitors to Yellowstone have averaged 1,154,411 each year. Because of the deplorable conditions presently existing in Yellowstone National Park, many of the people have been obliged to sleep in their cars at night.

The Yellowstone Park Co. is the largest concessionaire now operating in the park, and its contract was extended the forepart of this year. My colleague, the senior Senator from Wyoming [Mr. O'MAHONEY] and myself held several conferences with the Yellowstone Park Co. and with Conrad Wirth, the Director of the National Park Service. It is estimated that the visitors to Yellowstone will reach the 2 million mark by 1965. In its new contract the Yellowstone Park Co. agrees to improve its facilities in the park by expending $13½ million in a construction program over the next 10 years. It will spend $3½ million during the next year.

There is an item in the pending bill for $1½ million to provide utilities, campgrounds, trailer parks, and other public buildings during the next fiscal year. Most of the money made available to the Park Service for work in Yellowstone will tie in with the improvement program of the Yellowstone Park Co. Unless that money is made available immediately upon the approval of this bill by the President, then it is highly improbable that we can get any of the work done before next year. On the other hand, if the contracts can be let and the money expended in June, it is entirely possible that both the program of the concessionaire and the program of the Park Service can be completed before next winter sets in. I hope the committee will accept this amendment.

Mr. HAYDEN. Mr. President, I would be willing to take the amendment to conference, but I must be frank with the Senator and say I hope he can persuade the House conferees, if he knows any of them, to look upon this amendment with favor, because ordinarily they are not favorably inclined toward such amendments. The same proposal was up before in connection with work in Alaska, and we were unable to persuade the House that such an amendment should be agreed to. The Senator is obviously correct. If work can be done only in the summer season, and it could be started in late May and early June, it would be that much ahead. For that reason I shall accept the amendment, but I cannot assure the Senator that it will become a part of the law. We shall have to argue it out with the House conferees.

Mr. BARRETT. I appreciate the statement of the chairman of the committee. I recognize that the House Appropriations Committee has taken such a position in years gone by. I may say the snow is on the ground in Yellowstone Park until the end of June, and snow comes again in September. If any work is to be done, it must be done in the summer months. I appreciate the chairman's kindness in taking the amendment to conference. I shall be glad to confer with my friends on the House side and ask them to accept this amendment.

Mr. BRIDGES. I should like to say a word on the Senator's amendment and the remarks of the distinguished chairman of the committee. I think there is good reason and good, sound sense in what the Senator from Wyoming proposes, because it is necessary to consider the seasonal situation. Certainly, money can be expended more economically if the work for which it provides can be done in good season.

I concur in what the Senator from Arizona has said. I have sat in conference before. Perhaps this time we can get the House conferees to take a little different position from that of the past. At any rate, I think the Senator from Wyoming is correct and sound in his proposal.

Mr. BARRETT. Mr. President, will the Senator from New Hampshire yield to me for a moment?

Mr. BRIDGES. I yield.

Mr. BARRETT. I thank the Senator for his kind remarks. I may say to the Senator that the people of Wyoming have been alarmed at the rapid deterioration of the facilities in Yellowstone. The situation in Yellowstone was so bad that last year our State legislature ordered a study made of Yellowstone Park with the idea in mind that the State might acquire the concessions in the park so that they could be brought up to standard. That indicates very clearly that the people of our State recognize that prompt and effective measures must be taken to remedy the situation at an early date.

As I indicated earlier, I am sure that we need additional facilities in all of the national parks of the country, but I believe that Yellowstone is in the worst shape of all. Accordingly, I joined with my colleague [Mr. O'MAHONEY] in the introduction of a bill calling for the authorization of $16 million each year for the next 10 years for improvements in our national parks. That is known as Mission 66, and it is anticipated that the program will be completed during the year 1966.

The Park Service officials estimate that it will cost $17 million to construct the improvements necessary to complete that program in Yellowstone Park. As I stated a while ago, the concessionaire intends to spend $3½ million in the next 12 months in constructing new improvements in Yellowstone. The Park Service will have available about one-third of that amount to make improvements in public facilities such as sewer, water, lights, and public buildings in order to round out the improvement program to be carried out by the Yellowstone Park Co.

I hope that the Senate conferees will make it abundantly clear to the House conferees that the work to be done by the Yellowstone Park Co. and by the Park Service should be carried on at the same time. In other words, the Yellowstone Park Co. cannot use the facilities it will build, costing $3½ million, unless the Park Service is in a position to provide the utilities such as sewer, water, lights, and the like, when the buildings are completed. Unless my amendment shall be accepted in conference, the Park Service will be unable to let a contract until it is too late this summer to get the work completed this year. So I hope that the distinguished Senator from New Hampshire [Mr. BRIDGES] and the chairman of the committee [Mr. HAYDEN] can prevail upon the House conferees to accept the amendment.

The **PRESIDING OFFICER**. The question is on agreeing to the amendments submitted by the Senator from Wyoming [Mr. BARRETT] on pages 15 and 16.

The amendments were agreed to.

Mr. CASE of South Dakota. Mr. President, in examining the bill, it occurs to me that it is constructed somewhat differently than previous appropriation bills for the Department of the Interior, in that in this instance we find included in the bill appropriations for the Forest Service, a part of the Department of Agriculture, but we do not find included in the bill appropriations for the Bureau of Reclamation, the appropriations for which historically have been included in the Department of the Interior appropriation bill. I realize that it is possible that heretofore the chairman of the Appropriations Committee has made a statement regarding this matter, for I have not been in the Chamber all the time.

Mr. HAYDEN. No, Mr. President, I have not made a statement about it. However, the fact is that we must take the appropriation bills in the way they are sent to us by the House of Representatives. The House of Representatives has framed this bill in this way.

Mr. CASE of South Dakota. I am not at all critical, and I recognize that all appropriation bills originate in the House of Representatives. But I wish to observe that Members of the Senate who do not know about this matter would normally have expected to find included in this appropriation bill the appropriations for the various projects of the Bureau of Reclamation. Conversely, perhaps, it was a surprise to some Members who were not aware of the fact that the House had formulated this bill on a somewhat different principle, to find in the bill appropriations for the Forest Service, an agency of the Department of Agriculture. It seems to me that Members of the Senate who have not had this matter brought to their attention might be somewhat surprised and perhaps chagrined if by this means something they did not expect to have done were done, or to find, for example, that appropriations for the Bureau of Reclamation are not included in this appropriation bill.

Mr. HAYDEN. No. Appropriations for the Bureau of Reclamation, the Tennessee Valley Authority, the Atomic Energy Commission and for civil works by the Corps of Engineers are carried in the Public Works appropriation bill. All those appropriations were transferred to the Public Works appropriation bill last year.

On the other hand, the appropriations for a number of independent agencies, in addition to those for the Forest Service, have been added as a part of this bill.

Mr. BRIDGES. Mr. President, will the Senator from South Dakota yield to me for a moment?

Mr. CASE of South Dakota. I am happy to yield to the distinguished Senator from New Hampshire.

Mr. BRIDGES. One of the points made by the Senator from South Dakota is, it seems to me, to the effect that there is a fear among some persons that certain agencies of the Government will be shifted from one executive department to another, and that, for instance, by means of shifting from the Department of Agriculture appropriation bill to the Department of the Interior appropriation bill the appropriations for the Forest Service, eventually that Service will be moved into the Department of the Interior. That possibility is viewed with fear by some persons.

Let me say that I, for one—and I think probably the chairman of the committee will agree with me—believe that by accepting the arrangements in the pending bill on the part of the House of Representatives, by no means shall we be indicating that we give any approval to the eventual shifting of various of the executive agencies.

Mr. HAYDEN. We are not called upon to give any such approval; and we do not give any approval. We simply take things as we find them.

Mr. CASE of South Dakota. Mr. President, the point the able Senator from New Hampshire has brought out should not be passed by without notice. I can remember when a reorganization bill was submitted to the Congress, some years ago, and there was considerable excitement on Capitol Hill when it was feared that the bill was sufficiently broad to permit the shifting of the Forest Service from the Department of Agriculture to the Department of the Interior, without any specific consideration of that move by the Congress. There was trouble in securing the enactment of some of those reorganization bills until assurances were given that such a change would not be made, at least not without consultation with the Congress or without some opportunity for Congress either to approve or to disapprove.

At this time I am not interested in debating the merits of the question of whether the Forest Service should remain in the Department of Agriculture or should be transferred to the Department of the Interior. However, this matter is of interest, and I believe it should be duly noted—as has now been done by the chairman of the Appropriations Committee and by the ranking minority member of the committee—that the present inclusion in the Department of the Interior appropriation bill of appropriations for the Forest Service is not a commitment in one way or the other as to the status of the Forest Service or as to its eventual transfer or nontransfer to the Department of the Interior.

Mr. ROBERTSON. Mr. President, I ask unanimous consent that a statement prepared by the junior Senator from Arkansas [Mr. FULBRIGHT] be printed in the body of the RECORD prior to the passage of the Department of the Interior appropriation bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FULBRIGHT

On March 16, I appeared before the subcommittee of the Senate Committee on Appropriations, which was then conducting hearings on this bill, H. R. 9390, the appropriation bill for the Department of the Interior and related agencies. At that time, I presented a statement urging the committee to favorably consider a request for additional funds for forest research. I am highly pleased that the subcommittee has recommended an increase of $1 million for 1957 to strengthen forestry research throughout the country. The subcommittee, I think, should be congratulated for realizing the importance of this activity.

Timber resources are of tremendous importance to the economy of my State. In Arkansas we have about 20 million acres of forest land, almost one-third of which is owned by farmers. Nearly half of the industrial employment in the State stems directly from forest industries, and we have over 1,600 small wood-using plants from which approximately 40 percent of the State's industrial wages are derived. The maintenance and growth of these forest industries require the application of sound forest management on the land to insure the production of the necessary wood products, and the guidance of this management depends on information obtained through the findings of research.

I am greatly concerned that we view too lightly the importance of our future wood supply in the State of Arkansas. Timber is a basic commodity; without a sustained supply, our employment opportunities will diminish and our population, which has been declining while the rest of the country has been growing, will probably continue to decline rather than grow. The future of my State is closely bound to the productiveness of our forest lands.

I have discussed this problem at some length with people in the wood-products industry and with others who are in a position to know the present status of the forest situation in the State of Arkansas. I was pleased to learn of the progress being made by the 4-man staff at the field research center at Crossett, Ark., and by the 2 men working at Harrison in the Ozarks region. This program is fine as far as it goes, but it is quite inadequate for our needs. I was astonished to learn of the great gaps which exist in our knowledge of forest soil productivity and in the knowledge of the best management for our forests. A case in point is the Ouachita Mountain Belt which extends over 6 million acres through the center of Arkansas and into southeastern Oklahoma. Most of this land is utterly worthless for anything other than the growth of trees. This area includes 1½ million acres of the Ouachita National Forest, and from the Ouachita National Forest alone the United States Treasury profited to the extent of more than $2 million last year from the sale of timber to private wood-products manufacturers. I was therefore disturbed to learn that no research is being conducted in this Ouachita Mountain area. I have been told that this area represents a veritable wood basket which could grow 2 or 3 times as much timber if certain facts on management were available. Unfortunately, these facts are not obtainable because not a single cent is currently available for research work in this area.

A similar situation exists for a sizable portion of the Ozark National Forest which embraces nonagricultural land of the roughest sort, from which we derive much valuable hardwood growth. The 1955 cut of timber in the Ozark National Forest amounted to 33 million feet, the sale of which brought into the United States Treasury over $519,000.

10-year record of income received from timber cut on Ouachita and Ozark National Forests

Year	Ouachita National Forest		Ozark Nationa Forest	
	Volume cut (M bd. ft.)	Value	Volume cut (M bd. ft.)	Value
1946	38,683	$450,624	16,017	$227,903
1947	38,801	406,837	19,423	274,113
1948	39,416	770,466	28,566	367,645
1949	43,538	1,316,120	25,421	308,690
1950	62,951	1,792,256	18,328	292,699
1951	58,284	2,055,788	18,675	443,593
1952	44,739	1,438,406	19,609	451,234
1953	45,273	1,834,551	17,899	296,965
1954	55,578	1,942,730	28,128	612,348
1955	69,716	1,728,650	33,193	519,460
Total	496,979	13,736,157	225,259	3,794,620

10-year State summary

National forest	Volume (M bd. ft.)	Value
Ouachita	496,979	$13,736,157
Ozark	225,259	3,794,620
Total	722,238	17,530,777

This table is a 10-year record of the income derived from the sale of timber cut from the Ouachita and Ozark National Forests. For the 10-year period from 1946 through 1955, the value of the timber cut from these forests amounted to $17,530,777.

Federal forest research expenditures in Arkansas 1947–56

Year	Crossett Research Center	Harrison Research Center	Tota
1947	$24,813	$21,537	$46,350
1948	20,111	21,641	41,752
1949	29,924	24,350	54,274
1950	37,606	23,224	60,830
1951	37,665	21,247	58,912
1952	36,925	27,099	64,024
1953	38,960	29,975	68,935
1954	40,461	25,519	65,980
1955	63,042	32,971	96,013
1956	48,932	33,366	82,298
Total	378,439	260,929	639,368

This table shows the amount of Federal forest research expenditures in Arkansas during the 10-year period from 1947 to 1956. Since 1947, as reflected by the table, the Federal Government has spent a total of $639,368, $378,439 of which was expended at the Crossett Research Center and $260,929 of which was expended at the Harrison Research Center.

In view of the benefits presently derived from timber sales from these forests, I feel that it would be wise to continue a program of research which would insure that the vast timber-producing potentialities of this area can be realized.

I am assured by the Forest Service that the increase in funds recommended by the Subcommittee for Forest Research Activities, if approved by the Congress, will insure that additional moneys will be available for expanding forest research activities in my State.

I again wish to commend the subcommittee for recommending an increase in funds for forestry research. I support wholeheartedly their recommendation, and I urge my colleagues of the Senate to do likewise.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 9390) was passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments to the bill, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. CHAVEZ, Mr. MAGNUSON, Mr. MUNDT, and Mr. YOUNG conferees on the part of the Senate.

ACQUISITION OF ADDITIONAL PROPERTY AS AN EXTENSION OF THE NEW SENATE OFFICE BUILDING SITE

Mr. HAYDEN. Mr. President, the Senator from New Hampshire [Mr. BRIDGES] is joining with me in introducing a bill authorizing the Architect of the Capitol, under the direction of the Senate Office Building Commission, to acquire the east half of the square on which the New Senate Office Building is now being erected, known as square 725, and all of the square located immediately north of the New Senate Office Building site, known as square 724. These property acquisitions are proposed as an extension of the New Senate Office Building site and as additions to the Capitol Grounds.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The bill will be received and appropriately referred.

The bill (S. 3704) to authorize the acquisition of the remaining property in square 725 and the property in square 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of addition to the United States Capitol Grounds, introduced by Mr. HAYDEN (for himself and Mr. BRIDGES), was received, read twice by its title, and referred to the Committee on Public Works.

GROWTH OF CONGRESSIONAL REQUIREMENTS

Mr. HAYDEN. Mr. President, the history of the continuous growth of the national population—of the continuous growth of the population of the city of Washington and its environs—and the history of the continuous growth of congressional requirements, make it imperative for the Congress to provide itself with adequate space in the vicinity of the Capitol to permit its own inevitable future growth.

The facts supporting such need cannot be escaped, when it is considered that the national population increased from 122 million in 1930 to 162 million in 1954, with the latest census prediction of a national population of 206 million by 1975; that the population of the District of Columbia increased from 486 thousand in 1930 to 853 thousand in 1955; that the population of the Washington metropolitan area increased from 1,464,000 in 1950 to 1,840,000 in 1955, and is predicted to rise to nearly 4 million by 1975; that Senate personnel totaled 575 in 1909, 1,092 in 1949, 1,948 in 1954, and more than 2,200 in 1956.

DEVELOPMENT AROUND THE CAPITOL

All these facts have an essential bearing on the availability, need, and use of property in the District of Columbia for housing and office purposes, including the needs of the Senate. In recent years the trend of business and labor organizations of national scope to establish their headquarters buildings in the District of Columbia has also had its effect on property utilization and property values.

Since World War II, the effect of these conditions has been noticeable in the vicinity of the Capitol. During this period there has been underway in the southeast section of the city, in areas close to the Capitol, the restoration and improvement of old homes—in much the same manner as has been done in Georgetown. Improvements made have more than doubled property values. Removal of slums and obsolete dwellings from the southwest section of the city, close to the Capitol, under the District of Columbia redevelopment program—with a resulting shift of population—has already resulted in increased activity in the real estate markct in the Capitol Hill area.

INCREASE IN PROPERTY VALUES

Only 25 years ago 2 squares were acquired as a site for the New House Office Building for $1 million; 2 squares as a site for the Botanic Garden for $981,000; 2 squares as a site for the annex to the Library of Congress for $921,000. In 1949—less than 20 years after these 3 building sites were acquired—the cost of acquiring only one-half of square 725 as a site for the New Senate Office Building amounted to $1 million.

Even though allowance be made for any differences which may have existed in the areas and uses of these several squares at the time of their acquisition, the tremendous increase in property-acquisition costs within the past 25 years remains fully evident.

Following World War II, monumental and other costly structures, affecting Capitol Hill property values, have been erected in areas in the vicinity of the Capitol. A continuation of this trend could, within the next 5 to 10 years, readily result in prohibitive acquisition costs for purchasing property close to the Capitol for purposes of expanding the facilities needed to carry on the work of the Congress.

PRIVATE BUILDING CONSTRUCTION

The National Association of Letter Carriers, the Milk Drivers Union, the International Brotherhood of Teamsters, and the Acacia Life Insurance Co. have all erected costly structures in the vicinity of the Capitol; alley dwellings in Schott's Court have been rehabilitated and converted into deluxe living quarters; a seven-story brick building has been completely renovated for use as a modern office building; the Congressional Hotel and the Coronet Apartments have been erected. A large parcel of land fronting the Capitol Grounds is now, reportedly, being offered for sale at $35 a square foot.

HOUSE OFFICE BUILDING EXPANSION

These conditions have already been recognized by the House of Representatives, with respect to properties in the neighborhood of its office buildings. As a result of such recognition, there was included in the Second Supplemental Appropriation Act, 1955, authority for the Architect of the Capitol to acquire, as a site for an additional House Office Building and for additions to the Capitol Grounds, any real property located south of Independence Avenue in the vicinity of the Capitol Grounds, as may be approved by the House Office Building Commission for such purposes. In this act, sufficient funds were provided to insure the immediate acquisition of four squares in the immediate vicinity of the House Office Buildings, in which present and future expansion would normally occur.

SAVINGS UNDER THE HOUSE PROGRAM

This action on the part of the House has already resulted in the saving of more than $1½ million in the acquisition of the triangular square bounded by Delaware Avenue, C Street, and Canal Street SW. This square was acquired by the Architect of the Capitol in September 1955 under authority of the Additional House Office Building Act. At the time of acquisition of the square by the Government, a private corporation which had purchased this square in 1954 had completed plans for erection thereon of an 8-story and basement air-conditioned apartment building. The building, as planned, was to contain 198 apartment units, and was to be erected at a cost of more than $1,500,000. This square was acquired by the Government at a cost of less than $200,000. Had this square not been purchased by the Government before erection of the proposed apartment building, the acquisition cost would have, undoubtedly, been in the neighborhood of $2 million.

At no time has the Senate ever been extravagant or even liberal in providing accommodations for itself or its needs.

SENATE OFFICE SPACE REQUIREMENTS

The New Senate Office Building, expected to be completed early in 1958, constitutes the only additional building accommodations provided the Senate during the past 25 years, even though Senate personnel has doubled in the past 6 years and is, today, nearly 4 times the total personnel in 1909, and even though there has developed an ever-increasing demand by the public for space in committee rooms to attend hearings. Some further relief is expected to be provided through the projected extension of the east front of the Capitol, but the working space which will be gained must be divided between the Senate and the House of Representatives. Failure to erect the New Senate Office Building 7 years ago has forced the Senate to operate under overcrowded, congested, inadequate, and inefficient conditions. Entirely too much time has elapsed before doing anything about these conditions.

The history of House needs has followed much the same pattern as those of the Senate. The original House Office Building was completed and occupied in 1908. Twenty-five years later, the New House Office Building was completed and occupied in 1933. And now, 25 years later, an additional House Office Building has been authorized and is in the planning stage.

If past history may be used as a criterion for future congressional needs, then there remains no doubt that the Senate will require additional space for further expansion in the not too distant future.

DELAY WILL PROVE COSTLY

If the Senate does not see fit to acquire the east half of square 725 and all of square 724 at this time and to have and hold these two squares for future expansion, then there is no effective means of preventing organizational headquarters buildings, office buildings, apartment houses, and other modern structures from being erected on these squares, or the purchase and improvement of properties by speculators—resulting in a soaring of property values.

If arrangements for acquisition of the properties in these squares are not made now, there is every indication that within the next 4 or 5 years the acquisition of these squares will cost an additional $5 or $6 million.

Undue delay can often prove very costly, as in the case of the New Senate Office Building now under construction. Building costs have been steadily on the rise for the past 8 years, with no indication of levelling off.

AUTOMOBILE PARKING SPACE

Effective utilization presently can be made of the proposed acquisition. At this time, there are available in the Old and New areas of the Capitol Grounds a total of 861 automobile parking spaces for Senate employees housed in both the Capitol and Senate Office Buildings. All of these spaces have been assigned by the Sergeant at Arms of the Senate to Senate employees. The Sergeant at Arms has, however, actually had filed with him more than 2,000 applications for these 861 spaces. There are approximately 2,200 officers and employees presently carried on Senate payrolls and this number is augmented to a total of more than 2,600 when there are added Senate Office Building employees under the Architect of the Capitol and other miscellaneous employees. The Sergeant at Arms now has on hand nearly 1,200 unfilled applications for parking spaces and the actual shortage in relation to total personnel is undoubtedly close to 1,500 parking spaces.

When construction was started on the New Senate Office Building, it was imperative to find space for the 420 automobiles which had been parked on the west half of the block. Congress last year authorized the temporary use of 171,200 square feet of the open space southeast of the Union Station and 320 automobiles owned by employees of the Senate are now parked there. This area should be restored to its former beauty as a part of the symmetry and design of the Capitol grounds.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BRIDGES. I am very happy that the distinguished Senator from Arizona has introduced Senate bill 3704 and has outlined the need for it. I think we must look to the future. If we had gone ahead in the past, as some of us suggested, perhaps we would not be in the predicament in which we find ourselves today. Perhaps the Senator from Arizona and the Senator from New Hampshire will not be around when all these facilities are needed. However, certainly no one can find fault with our making plans today for the future. The Nation is growing; its Capital, of necessity, is growing; and unless we who have in our hands the planning of facilities today take the necessary steps we shall be derelict in our duty.

I commend the Senator for his approach to the problem.

Mr. HAYDEN. I am very happy to have the Senator from New Hampshire join me in introducing the bill. I am sure that if the Committee on Public Works, to which it has been referred, will give it the careful attention which it deserves it will be reported to the Senate.

NEW SENATE OFFICE BUILDING EXPANSION

The New Senate Office Building will contain approximately 200 automobile parking spaces. Another 1,000 parking spaces can readily be provided by construction of a 2-tier underground garage in the east half of square 725, and the use of the surface above the garage, also, for parking purposes. Such construction would accommodate the very minimum needs of the Senate for automobile parking facilities at the present time. Eventually, this half of square 725, if acquired, would also be available for the construction of an underground security vault and for future additions to the New Senate Office Building.

HISTORIC SITE

It might be well to add at this point that there is only one building in the entire area proposed to be acquired for the use of the Senate that is of a historical character which suggests that it should not be demolished. It occupies 15,017 square feet in square 725, in the southeast corner at Constitution Avenue and Second Street, and is believed by some historians to be the oldest house in the District proper.

Title to the property now rests in the National Women's Party of the United States, whose objective is to raise the status of women. During the course of the hearings on the bill now being introduced, the Senate Committee on Public Works, to which it will be referred, could very properly give consideration to the desirability of exempting that particular part of square 725.

PARKING CONGESTION

Square 724 also is of immediate value to the Senate. This square, directly north of the New Senate Office Building, could in the near future offer a solution to the increasingly congested parking situation on Capitol Hill. In addition to those employed there, the Senate Office Building is daily frequented by hundreds of witnesses called or appearing before Senate committees and by other so-called customers, such as the large numbers of tourists and other visitors to Senators' offices. Large numbers of those driving their cars to the Hill are in competition for parking spaces with those residents of the District attempting to use the facilities of the city post office and Union Station. This square could ultimately provide 1,000 or more off-street parking spaces.

A word should be said about parking congestion. I believe the United States Senate must eventually face, if it does not act with foresight now, an acute parking problem which will choke up traffic conditions in the vicinity of the Capitol.

HIGHWAY RESEARCH BOARD SURVEY

The Highway Research Board of the National Research Council of the American Academy of Sciences has made a survey and study of the automobile parking situation on a national basis. They find that more and more local governments are finding it sound administration to establish ordinance provisions, through zoning regulations, governing off-street parking in connection with public buildings. Their report indicates that more than 300 municipalities now have ordinance provisions relating to the provision of parking space; also, that it is the consensus of expert opinion that the proper dimension of a parking space is 180 square feet, net, exclusive of access or maneuvering area, ramps, or columns.

The Highway Research Board, organized in 1920, is an agency of the National Research Council established in 1916 as a branch of the National Academy of Sciences established in 1863. The Academy is a private, nonprofit organization of scientists, dedicated to the furtherance of science and to its use for the general welfare. It is a recognized body whose findings merit consideration.

OFF-STREET PARKING

In its report, the Council further points out that more than 41 million public, private, and commercial motor vehicles now operate in the United States, and the great majority of these seek places to park in connection with most of their travel; that the vast registration of motor vehicles is well distributed among the thousands of local units in the United States, and most of these units have parking problems of varying magnitude. The Council finds that commendable progress is now being made in the recognition of the merits of land-use control in requiring the provision of off-street automobile parking facilities. The report states:

> It is sheer extravagance to create a new use or build a new structure without making adequate provision for the parking space that will be needed inevitably in connection therewith.

The same theme is stressed in an article entitled "How To Solve the Parking Problem," printed in the U. S. News & World Report for April 13, 1956. The statement is made that in 88 major cities off-street spaces are now available for 2.4 million cars. About 50 cities require some parking facilities to be constructed as a part of all new office buildings, hotels, apartment houses, department stores and other like construction. The Senate should recognize the existence of the problem and act accordingly.

INEVITABLE FUTURE EXPANSION AND COST

Aside from the parking problem which I feel will eventually confront the Senate in a most acute form and the uses to which I have suggested the proposed property acquisitions might be put in the near future, there remains the paramount purpose and justification for acquisition now—inevitable future expansion and cost.

The index of building costs shows that building costs advanced more than 30 percent between 1949—the year in which the construction of the New Senate Office Building was mistakenly and most unfortunately stopped—and 1955—the year in which the contract for construction of the building was actually let. On a $20 million project, such as the New Senate Office Building, such a cost rise represents an increase of more than $5 million—whether or not such additional cost is met through additional appropriations, or through curtailment of the extent of construction.

If the Senate agrees that the properties, proposed to be acquired in the bill which the Senator from New Hampshire [Mr. BRIDGES] and I have introduced, are necessary for future expansion, then past experience and other facts of record certainly indicate that this is the opportune time to proceed with their acquisition. These poperties should certainly be put under Senate control at the present time, in order that the Senate may not be penalized by undue real-estate speculation and may be provided with additional ground for future expansion.

I ask unanimous consent to have the text of the bill printed in the RECORD at the end of my remarks, and I express the hope that the Senate Committee on Public Works will give it prompt and favorable consideration.

There being no objection, the bill (S. 3704) introduced by Mr. HAYDEN, for himself and Mr. BRIDGES, was ordered to be printed in the RECORD, as follows:

S. 3704

A bill to authorize the acquisition of the remaining property in square 725 and the property in square 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate or for the purpose of adddition to the United States Capitol Grounds

Be it enected, etc., That in addition to the real property contained in square 725 in the District of Columbia heretofore acquired as a site for an additional office building for the United States Senate under the provisions of the Second Deficiency Appropriation Act, 1948, approved June 25, 1948 (62 Stat. 1028), the Architect of the Capitol, under the direction of the Senate Office Building Commission, is hereby authorized to acquire, on behalf of the United States, by purchase, condemnation, transfer, or otherwise, for purposes of extension of such site or for additions to the United States Capitol Grounds, all other publicly or privately owned real property (including alleys or parts of alleys and streets) contained in said square 725 and all publicly or privately owned real property (including alleys or parts of alleys and streets) contained in square 724 in the District of Columbia.

SEC. 2. For the purposes of this act and of such act of June 25, 1948, squares 725 and 724 shall be deemed to extend to the outer face of the curbs of sidewalks surrounding such squares.

SEC. 3. Any proceeding for condemnation brought under this act shall be conducted in accordance with the act entitled "An act to provide for the acquisition of land in the District of Columbia for the use of the United States," approved March 1, 1929 (16 D. C. Code, secs. 619–644).

SEC. 4. Notwithstanding any other provision of law, any real property owned by the United States and contained in squares 725 and 724 shall upon request of the Architect of the Capitol, made with the approval of the Senate Office Building Commission, be tarnsferred to the jurisdiction and control of the Architect of the Capitol, and any alley, or part thereof, contained in such squares, shall be closed and vacated by the Commissioners of the District of Columbia in accordance with any request therefor made by the Architect of the Capitol with the approval of such Commmission.

SEC. 5. Upon acquisition of any real property pursuant to this act, the Architect of the Capitol, when directed by the Senate Office Building Commission to so act, is authorized to provide for the demolition and removal of any buildings or other structures on, or constituting a part of, such property and, pending demolition, to lease any or all of such property for such periods and under such terms and conditions as he may deem most advantageous to the United States and to provide for the maintenance and protection of such property.

SEC. 6. The jurisdiction of the Capitol Police shall extend over any real property acquired under this act.

SEC. 7. The Architect of the Capitol, under the direction of the Senate Office Building Commission, is authorized to enter into contracts and to make such other expenditures, including expenditures for personal and other services, as may be necessary to carry out the purposes of this act.

SEC. 8. The appropriation of such sums as may be necessary to carry out the provisions of this act is hereby authorized.

ADDRESS DELIVERED BY SECRETARY OF STATE DULLES AT ANNUAL MEETING OF ASSOCIATED PRESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the text of an address delivered by the Secretary of State, John Foster Dulles, at the annual meeting of members of the Associated Press, at New York on Monday, April 23, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I

I feel honored to speak before this important gathering of our free press. We share a great responsibility. I believe that the public should be as fully informed as possible about what we are doing in the State Department and what our foreign policy is. Under our form of government the effectiveness of our Nation's foreign policy depends in large measure upon public understanding and support of it. And our free society would indeed be in trouble without the diligent reporting and alert appraisal of world events that you make possible.

We are at a point in time when important events, occurring in rapid succession, change the scene in Europe, in the Near East, in Asia, and in Russia. It seems that this second postwar decade upon which we have entered will mark a new phase in the struggle between the forces of despotism and the forces of freedom.

The first postwar decade was marked by two sharply contrasting trends. In those parts of the world where the West had been politically dominant, freedom flourished and independence spread. Since 1945 over 650 million people, who were non-self-governing, have become 18 independent and sovereign nations.

On the other hand, during that decade, the Soviet type of Communist despotism, which ruled only 200 million people up to 1945, aggressively extended its rule to nearly 700 million more people belonging to what had been 13 independent nations.

Inevitably, these opposing trends to freedom and to despotism led to a sharp cleavage of the world. In response to the Soviet policies of violent expansion, the free nations drew close together. They submerged any differences of their own in the face of the threat of open aggression. Since they could not depend on the United Nations Security Council, because of Soviet veto power, they created their own collective security associations. Forty-five free world nations joined with others for collective defense.

These arrangements, backed by United States mobile striking power, have constituted a great deterrent to the open use of violence.

Also, the free peoples built moral bulwarks. They unitedly condemned the violent and intolerant practices of Soviet communism and made manifest their repugnance of Soviet despotism and its tactics. They subjected the Soviet and Chinese Communists to a kind of moral, social, and to some extent, economic ostracism.

By such measures, the free world found the ways to halt the Soviets in their hot pursuit of the free nations 1 by 1.

But the policies of the free world were never designed to be purely defensive. Freedom is inherently dynamic and expansive. We renounce the use of force and violence to promote freedom, but we have sought in manifold other ways that Russia should be governed in accordance with civilized standards.

We are not dedicated to perpetual hatred of Russia. What we hate is the evil that Russia's rulers do. The arbitrary despotism of a police state, governmental intolerance, and enforced conformity, the enslavement of people for the magnification of the state, the use of violence and the threat of violence in international relations, the use of fraud and trickery to corrupt and overthrow free governments—these are all things which we abhor and against which we stand. But United States foreign policy is not merely negative. We seek, above all, to advance the inevitable day when the historic friendship between the Russian and American peoples can again be fully manifested. Therefore, we take deep satisfaction from the fact that we can today see within Rusia some signs of light which could mark the dawning of that new day.

II

The Soviet rulers who have replaced Stalin seem to have concluded that the time had come to present a new look at home and abroad.

In foreign affairs, the Soviet rulers now seek, in much of the world, to present an aspect of conciliation. They talk softly of peaceful coexistence, and often gear their diplomatic activity to economic aid rather than to threats of violence.

Within the Soviet Union there is a change which is even more significant because, while its foreign policy is readily reversible, it is not easy to erase the consequences of internal liberalization.

Stalin, the demigod, has been dethroned. Collective leadership now replaces one-man despotism. Violence is no longer preached as the only way. The sway of the secret police has, it seems, been curtailed. There is greater tolerance of independent thinking and even the heresy of Titoism has been made respectable. There is an obvious effort to give individuals a sense of greater freedom and security and to respect the demands inherent in the higher and broader education of many of the Russian people.

Vicious doctrinal works such as Stalin's Short History of the Communist Party have been withdrawn from circulation, and the fate of Stalin's Problems of Leninism remains in doubt. Those are the two works which for the last 20 years have been the Bible of Soviet and world communism. Soviet doctrine and history are currently being rewritten.

Meanwhile the Russian schoolchildren are excused from taking examinations in history. No one yet knows the correct answers.

III

It is important to appraise what these changes mean and also what they do not mean.

They mean, I think, that unity and strength of the free nations have shown the Soviet rulers the futility of their policies of violence.

Also they must mean that forces for liberalization are at work within the Soviet bloc, and are powerful enough to require some response, or at least the appearance of response.

All of this is immensely important. It is more than we dared hope for a few years ago.

But our satisfaction must be restrained.

Stalin has been demoted. But we do not yet see, in the Soviet bloc, the reality of representative government or respect for the basic aspirations of the peoples.

The Soviet rulers profess to have renounced violence. But they press feverishly to develop their military establishment, particularly nuclear weapons and the means for their delivery.

The countries of Eastern Europe, including East Germany, are still under the iron heel of Soviet force.

In Asia and the Near East the Soviet rulers have become merchants of hatred and fomenters of violence.

In relation to Japan, Soviet foreign policy is still ugly in its aspect.

In some places Soviet foreign policy is baited with economic lures which may superficially seem attractive. But close scrutiny shows that the bait is attached to a hook and that the hook is attached to a line, the other end of which is purposefully held by Moscow.

And, if they have admitted some of the lies and false testimony which marked political trials of the Stalin era, they have failed to repudiate two of the most outrageous lies ever perpetrated by any government, and both perpetrated by Stalin—the lie that South Korea was the aggressor in the Korean war, and the lie that the United Nations forces in that war used germ warfare against the Chinese Communists.

Khrushchev said last December, "We never renounced and we never will renounce our ideas, our struggle for the victory of communism." So long as that victory is the Soviet goal; so long as it is backed by a vast military establishment and the underground apparatus of international communism; so long as these instruments are at the absolute disposal of despots who repudiate moral principles as restraint upon their conduct—so long as this combination exists, it would be folly for the free nations to consider that they can safely lower their guard and fall apart.

I have often said in relation to the Soviet Communist problem that the moment of greatest danger would be the moment when we relaxed. Never was that statement more relevant than it is today. If we treat the prospect of success as being itself a complete success, that could turn into an ultimate disaster.

IV

To say that is not to say that we should act as though nothing had happened. We cannot and would not set the clock back. There is no longer the mood of fear that gripped the free world when in quick succession there occurred the Communist guerrilla war against Greece, the seizure of Czechoslovakia, the blockade of Berlin, and the armed attack upon the Republic of Korea. We would not, if we could, smother the hope that a benign transformation may have begun.

Our new task is to build more on hope and less on fear.

That is, of course, a more difficult task.

Fear makes easy the tasks of diplomats. For then the fearful draw together and seek the protection of collective strength.

Soviet rulers and their agents, in their new garb, have somewhat greater acceptability, and therefore more chance for mischief.

Allies no longer feel the same compulsion to submerge differences as when they faced together a clear and present danger.

Collective security arrangements, which were born primarily out of fear of armed aggression, seem to some less important now than 5 years ago.

Neutralism can now be plausibly portrayed as a safe and even profitable course.

Under these conditions our tasks are harder—so much so that some people regret the recent developments because they confuse what, until then, had been a rather simple scene.

That is not our view. Of course war, and danger of war, is a simplifier. When the issue is "who dies and who lives?" all other issues seem unimportant. But we do not want simplicity at that price. Nor do we intend to invoke needless fears and a sense of emergency because that would make our tasks more simple.

We cannot undo the changes that have come upon the world. And we do not want to reverse what holds so much of promise, merely because it also holds some risk of loss. Our task is not to seek to reverse change, but to build constructively upon all the changes that hold a possibility of good. In that way we may make our hopes come true.

Because Soviet military capabilities remain so vast and because their intentions are subject to rapid change, we must maintain our vigilance and our strength. But also we must increase the unity and dynamism of the free world by greater emphasis on cooperation for something rather than merely against something. Let us exalt freedom by showing better what freedom can do.

President Eisenhower, speaking day before yesterday, outlined the task which lies before the free nations of the world. He emphasized that task as it relates to the newly independent and newly developing nations of the world.

There is also need to maintain and develop the strength and vitality of the older free world nations. Here, too, there is vast opportunity. Our peoples have many common aspirations and interests that go far beyond the instinct of self-preservation, and which we can more surely achieve if we work together than if we work apart. We can, in association, form major steppingstones along the path to universal peace and justice and human welfare.

We had all hoped that the United Nations would establish order on a universal basis. It has indeed done much in this respect and certainly we should do nothing to detract from the United Nations. It remains the cornerstone of United States foreign policy.

But the United Nations was never expected to be an exclusive means for developing world order. The charter itself looks to regional and collective defense organizations to play a major role in this great task.

V

The Organization of American States illustrates the possibilities of a regional organization. It takes account of external perils. But it concentrates primarily upon its own positive accomplishments.

That Organization traces its origin back 66 years to when the Pan American Union was founded. It is held together by considerations which long preceded, and which will long succeed, the fear of Soviet armed attack.

The North Atlantic Treaty Organization is another organization which, in its own distinctive way, contains the possibilities of great development. It was, to be sure, conceived primarily as a military alliance, and that aspect of the Organization remains vitally important. But the Organization can and should be more.

The Canadian Government has notably espoused this point of view and at last December's ministerial meeting of the Council, both the French and Italian delegations introduced resolutions along this line. I expect that this matter will be dealt with further at next week's ministerial meeting to be held in Paris.

We basically have so much in common that we should be able to do more in common.

All of our peoples embrace a religious faith which makes atheistic materialism abhorrent to them. We have a common sense of moral values.

Our political institutions predominantly reflect democratic conceptions which had their origin in Greece, and legal institutions which had their origin in Rome.

Our economies are similar. We all believe in and encourage the private ownership of property, and there is a large and flourishing private trade between our countries.

Our educational systems are much the same and provide a broad basis for the free exchange of views and the gaining of common understanding.

Not only do we have this firm and broad foundation, but also we hold in common many guiding principles of action which should enable us to develop practically our fellowship.

We all believe that the days are past when any part of the world, or any particular civilization, should dominate others. Several of the members of NATO are more than Atlantic countries. The United Kingdom, for example, is a member of the British Commonwealth. The United States is a nation of the Americas and a Pacific nation. We are today members not only of NATO but of the Organization of American States, of the Southeast Asia Treaty Organization, and several other collective defense treaties in the Pacific. We are associated with the Baghdad Pact. All NATO members would, I think, agree that NATO should not attempt to represent the totality of their policies.

We all believe that no government has just powers except as it derives them from the consent of the governed. At the same time, we all recognize that political independence is illusory unless those who obtain it are able to sustain it and carry its responsibilities. Also, we reject the conception which would prevent different races from freely uniting in one political system. Under these conditions, we all strive to advance the historic evolution of non-self-governing peoples to self-government or independence.

We believe that the spirit which in the last decade has provided so many non-self-governing peoples with political independence ought also to operate peacefully to stimulate independence for those subject to the ruthless colonialism of Soviet Russia. Peace and welfare in Europe require that East Germany

should be allowed to unite in freedom with the Federal Republic and that the nations of Eastern Europe should once again be independent.

We believe in the closer integration of some Western European countries, such as is represented by the Coal and Steel Community, by the Western European Union created by the Brussels Treaty, and by the prospective development of "Euratom" whereby the members of the Coal and Steel Community would apply like community principles to the development of atomic energy for peaceful purposes. Such European integration and the development of NATO are complementary and not mutually exclusive processes.

The NATO members believe in the principle of political consultation between allies and are increasingly practicing it in the NATO Council. Every NATO country, of course, has certain vital national interests, that may sometimes require independent judgment. Some of us have grave worldwide responsibilities that cannot be effectively discharged unless there is a capability of prompt decision and corresponding action. Our consultations must be designed to assure essential harmony in our viewpoints on fundamentals. But the processes of consultation should never enmesh us in a procedural web so that we fall victim to the ability of despotisms to act suddenly and with all their might.

None of our governments is predatory. We want military power to be used as a community force to prevent aggression and not as a national force for aggrandizement. Indeed, the amended Brussels Treaty for Western European Union already sets an example in armament limitation which we can ask the whole world to follow.

No NATO member, I suppose, wishes to drift into some new and ill-defined relationship which could be provocative of future misunderstandings. But the unanimity of our thinking upon the great basic issues makes it apparent that the time has come to advance NATO from its initial phase into the totality of its meaning.

VI

Western civilization has made an immense contribution to the welfare of the whole world. It has been a dynamic force which, like everything human, has made its mistakes. But on the whole it has reflected an enlightened view of the nature of man and of his God-given right to enjoy life, liberty, and pursuit of happiness. Furthermore, the Western view of the nature of man has made it inevitable that its influence should on the whole be a liberalizing influence. Some nations take pride in the size of their domain and the number of people under their rule. But the Western nations can feel that their greatest success was to have brought to much of the world a knowledge, a political freedom, and an economic opportunity which it had never enjoyed before.

But the mission of the West is not completed. More independence needs to be perfected. More economic development needs to be planned and supported throughout the world. More sense of equality and human brotherhood needs to be developed. Also, the West needs to appreciate better how rich are the gifts other civilizations have to offer.

The historic weakness of the West has been its disunity. Out of this disunity came wars which have taken the lifeblood of its finest youth and weakened its economies. A major task of postwar statesmanship was to find ways whereby the West can maintain its solidarity. Much has been done. But more can still be done to make sure that the good in Western civilization is not again negated by differences.

The peoples who make up the Atlantic community ought, in increased unity, to resume their greatness; and true greatness is not to be measured by ability to impose on others what they do not want, but by ability to find new ways whereby all men can better realize their aspirations.

The North Atlantic Treaty already serves as an indispensable and vital instrument of the Atlantic community. But the time has, I believe, come to consider whether its organization does not need to be further developed, if it is adequately to serve the needs of this and coming generations. If that be the common desire of the NATO member nations, the United States will join eagerly in exploring the possibilities which now beckon us forward.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

Mr. ROBERTSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. McNamara in the chair). The Senator from Virginia will state it.

Mr. ROBERTSON. Is Calendar No. 1107, S. 2577 the order of business before the Senate at the present time?

The PRESIDING OFFICER. There is no pending business before the Senate at the present time.

Mr. ROBERTSON. Mr. Pesident, I ask unanimous consent that the Senate proceed to the consideration of that bill.

Mr. KNOWLAND. Mr. President, will the Senator withhold his request for the moment, so that I may first suggest the absence of a quorum?

Mr. ROBERTSON. I shall withhold my request.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1107, S. 2577.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The Chief Clerk. A bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I am writing to the chairmen of all standing committees urging them to report any proposed legislation pending before the committees which they are in a position to report to the Senate.

In the meantime, the Senate will consider S. 2577.

The majority policy committee met at noon. It has cleared certain bills, which will be taken up by the Senate. They will not be taken up necessarily in the order in which I shall list them, but at some convenient date in the future. I do not mean to say that the Senate will proceed immediately to consider any of these bills. I shall consult with the minority leader and, if possible, find a date satisfactory to him for the consideration of these bills. However, the majority policy committee has given clearance to these following bills and resolutions:

Calendar No. 1428, S. 1823, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes;

Calendar No. 1511, H. R. 3653, to amend the Tariff Act of 1930;

Calendar No. 1755, S. 3025, to amend the Bankruptcy Act;

The Interior Department appropriation bill has been passed by the Senate;

Order No. 1784, Senate Resolution 240, a resolution certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles;

Order No. 1785, Senate Resolution 241, a resolution certifying the report of the Senate Committee on the Judiciary concerning Herman Liveright;

Order No. 1786, S. 924, a bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon claims of customs officers and employees to extra compensation for Sunday, holiday, and overtime services after August 31, 1931, and not heretofore paid in accordance with existing law;

Order No. 1798, H. R. 6162, an act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

Order No. 1811, H. R. 1774, an act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

Order No. 1814, H. R. 9078, an act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall not be less than 2,500 officers and members; and

Order No. 1815, H. R. 7993, an act to authorize the construction and conversion of certain naval vessels, and for other purposes.

Mr. President, those bills and resolutions have been cleared by the majority policy committee, and, after I have a chance to discuss them with the minority leader and he has a chance to check with the minority policy committee, we shall inform the Senate of the exact date on which they will be brought up. As I have indicated they may not be brought up in the order in which I have stated them.

Mr. President, we expect the Senate to sit until a reasonable hour today for the consideration of the bank holding company amendment, and to discuss it tomorrow and consider amendments which may be offered to it.

Mr. ROBERTSON. Mr. President, when I became a Member of the Senate one of my first requests was to be made a member of the Senate Banking and Currency Committee on which my illustrious predecessor in this body, the late Carter Glass, of Virginia, served in so distinguished a manner.

Among the enduring monuments to Carter Glass is the Federal Reserve System, founded on an act which he sponsored as a Member of the House of Representatives, and without which it is doubtful whether our Nation could have met the financial demands of two world wars.

Later, drawing on his experience both as a Member of the Congress and as Secretary of the Treasury under Woodrow Wilson, Carter Glass became author of the National Banking Act of 1933.

That act contains regulations which are now applicable to a small number of bank-holding companies, but as early as 1938 Glass realized that the restrictions provided were not adequate to protect independent bankers from possible monopolistic situations and he sought to have them strengthened. After failing in an effort to amend the Banking Act in 1938, Glass tried again in 1941 but he was not able even to get his bill out of the Banking and Currency Committee.

My own efforts to pick up and carry on the attempts of my predecessor to regulate bank holding companies more effectively began in 1949. In that year and again in 1950 and in 1953 I sponsored bank holding company bills, but none of these was reported from the Banking and Currency Committee.

Last year, however, the House passed a bank holding company bill and after the Senate committee had conducted hearings on this bill and other proposals for bank holding company regulation I proposed as a compromise solution of the problem S. 2577 which was reported to the Senate on July 25, 1955, but which was not considered before the Congress adjourned last year.

To complete the record of the background of that bill without consuming an undue amount of the Senate's time, Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement on S. 2577 which appeared in the November 1955 issue of the magazine Banking, published by the American Bankers Association, in which I outlined the history and the provisions of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE SENATE BANK HOLDING COMPANY BILL—A SPONSOR OF THE BILL OUTLINES ITS AIMS

(By Senator A. WILLIS ROBERTSON, of Virginia)

(EDITOR'S NOTE.—Senator ROBERTSON, Democrat, of Virginia, is a member of both the Banking and Currency and the Appropriations Committees of the Upper House. First elected to Congress in 1932, he remained in the House until his election in 1946 to fill the unexpired term of the late Senator Carter Glass.)

S. 2577, the bank holding company bill, which will be on the Senate Calendar when Congress convenes in January, represents the culmination of 18 years of effort to control expansion of bank holding companies and to require such companies to divest themselves of nonbanking investments.

The Banking Act of 1933, sponsored by my predecessor in the Senate, Carter Glass, of Virginia, dealt with bank holding companies only from the standpoint of their financial soundness and that of their affiliates. Their impact on banking and the Nation's economy was not covered. As early as 1933, however, the deficiencies of this law were recognized by some bankers, and since that time there have been efforts to obtain some measure of Federal regulation of the expansion of bank holding companies.

The chief reason that no legislation has been passed so far has been the inability of a majority of State and Federal bank supervisory authorities, independent bankers and the bank holding companies to reach any agreement on the basic principles involved. I am convinced that those who want bank holding companies regulated have outnumbered, in recent years, those who opposed any legislation, but the opposing minority always has held the balance of power by being able to join forces with one or another of the groups which differed as to the form regulation should take.

Those engaged in the banking business are aware, of course, that in addition to independent unity banking we have today three types of multiple-office banking. There are branch banks with a single board of directors and one capital structure operating through more than one banking office. There are chain banks in which one individual owns or controls a number of independently incorporated banks. And, finally, there are groups of independently incorporated banks owned or controlled by a single corporation, business trust, association or similar organization to which the general term "bank holding company" has been applied.

LIMITED APPLICATION

Some of the difficulties connected with past efforts to enact bank holding company legislation have resulted from disagreement as to whether more than 1 of the 3 forms of multiple-office banking I have mentioned should be covered. It is important to remember, therefore, that S. 2577 applies only to bank holding company groups. It does not deal with branch banking or chain banking because I, and other Senators sponsoring it, believe those fields should be dealt with separately.

The existing law, as I have indicated, is concerned primarily with the financial soundness and internal operations of bank holding companies. It has very limited application because it applies only (1) if one bank in the holding company group is a member of the Federal Reserve System and (2) if the holding company wishes to vote the stock it owns in such a bank. Consequently, as of December 31, 1954, only 18 bank holding company groups with assets of $10.8 billion were subject to regulation by the Federal Reserve Board.

Inadequacies of the present law of which independent bankers have complained are, principally, that: (1) only a limited number of bank holding companies are covered; (2) there is no control of future expansion; and (3) there is no limitation on the acquisition of nonbanking investments.

S. 2577 is designed to remedy these three deficiencies. As to method, it represents a compromise based on three bills considered by the Senate Banking and Currency Committee at hearings earlier this year. These were: H. R. 6227, which was passed by the House; S. 830, the companion bill to H. R. 6227; and my original bill, S. 2350. After the committee hearings, S. 2577 was worked out on the basis of testimony we had heard, and I had as joint sponsors the senior Senator from Ohio [Mr. BRICKER], and the junior Senator from Utah [Mr. BENNETT]. This bill was reported to the Senate by the full Banking and Currency Committee with only one vote recorded against it. (In contrast, I might add that every Republican member of the House Banking and Currency Committee voted against the House bill.)

The philosophy of S. 2577 is in line with preferences expressed in testimony of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the American Bankers Association, and differs markedly from that of the House bill.

Our bill recognizes that bank holding companies are legitimate business organizations entitled to fair and equitable treatment, but that they should be subject to proper regulation by the Federal Reserve Board to prevent unfair competition and undue concentration of banking activities. The approach of the House bill suggests that bank holding companies are evil per se and that any further growth should be prohibited.

Of course, any business that cannot expand to meet the needs of its customers is destined to die. It is natural, therefore, that many of the bank holding companies, which want no legislation at all, would prefer S. 2577 to the House bill, because, while the Senate Banking and Currency Committee made many concessions in an effort to reach an agreement with the House bill, we could not compromise on the principle that a legitimate type of business might be regulated in the public interest but ought not to be eliminated.

The way in which S. 2577 would deal with the regulatory problem may best be indicated by a review of its main provisions, which are as follows:

DEFINITION

One of the fundamental questions involved in framing this legislation is the definition of a bank holding company. The definition in the existing law of a "holding company affiliate" is based on ownership by a company of a majority of the shares of a member bank of the Federal Reserve System. I advocated that this definition be carried over in this bill to the extent that a company owning a majority of shares in any bank would be included under the regulations. My definition would have covered 116 bank holding companies having deposits of $22.9 billion.

However, the House bill based the definition on the ownership of 25 percent or more of the stock of two or more banks. The Independent Bankers Association strongly urged the adoption of the House definition. In the spirit of compromise, our committee agreed to the House definition, even though it limits the maximum coverage of the bill to 47 bank holding companies with deposits of $14.2 billion.

EXEMPTIONS

The effect of several provisions in H. R. 6227 would be to provide specific exemption from regulation for a number of bank holding companies. The committee felt that all the companies covered by the bill which occupy the same basic position should be treated equally. Therefore, the specific exemptions made by the House were omitted from the Senate bill.

The general exemptions contained in the Senate bill are limited to cases where the committee believed regulation was unnecessary. Thus, investment companies registered under the Investment Company Act of 1940 are exempted because they are adequately supervised by the Securities and Exchange

Commission. Religious and charitable organizations are exempted because the very nature of these organizations precludes the possibility of violating the spirit of this bill. Proxy soliciting companies and companies engaged in underwriting securities are exempted because such companies could acquire ownership of 25 percent or more of the shares of 2 or more banks during the ordinary course of their business and thus technically qualify as a bank holding company, even though their operations were not intended to be covered by the bill. I believe that these exemptions are justified and will insure fair and equal treatment for all the companies involved.

CONTROL OF EXPANSION

Both the Senate and House bills require bank-holding companies to obtain prior approval before acquiring additional bank shares or assets. One of the chief differences between the two bills on this subject is the procedure in obtaining approval. The House bill grants to the bank supervisory authorities (State authority or the Comptroller of the Currency, as the case might be) the power to veto any acquisition without a hearing and regardless of the opinion of the Federal Reserve Board. The House bill permits the Federal Reserve Board to participate in the decision only if the State authorities or the Comptroller approve the acquisition.

Some members of the committee believed that the power of decision should be placed solely in the hands of the Federal Reserve Board, with the bank supervisory authorities playing only an informal consulting role. S. 2577 represents a compromise between the two views. It affords the bank supervisory authorities an opportunity to file with the Federal Reserve Board a formal recommendation that an acquisition be disapproved. But it also provides that if such a recommendation is made, the Federal Reserve Board must provide a hearing of record after due notice at which the testimony of all interested parties may be received. After the hearing has been held, the Federal Reserve Board is required to approve or disapprove the acquisition by formal order. The bill then affords any party aggrieved by the order the right to a judicial review of the order by an appropriate Federal court of appeals. This procedure should afford an opportunity for developing the true merits of each case and also assures adequate recourse to court review for the aggrieved party.

ACQUISITION ACROSS STATE LINES

The procedure which I have outlined will apply to all acquisitions of bank stocks or assets either within a State or across State lines. In view of the adequate opportunity for expression of opinion by the bank supervisory authorities, the committee did not deem it necessary or advisable to insert in the bill an absolute prohibition against the expansion of bank holding companies across State lines as contained in the House bill and urged by the Independent Bankers Association. An absolute prohibition of this nature would constitute a Federal freeze on future expansion without regard to the merits of each individual case. The committee received testimony indicating the public benefits which have flowed from the interstate structure of some bank holding companies. Like bank holding companies in general, interstate holding companies are not evil of themselves.

It should be noted that another provision of the Senate bill expressly preserves to the States their present authority over bank holding companies within their respective borders. * * * Therefore, each State may, within the limits of its proper jurisdictional authority, be more severe on bank holding companies as a class than this bill empowers the Federal authorities to be. In the opinion of the committee, this provision adequately safeguards States rights concerning bank holding companies.

BRANCH BANKING

The committee decided against the inclusion of a provision in the bill that would automatically apply State laws concerning branch banking to bank holding company operations. This provision was contained in the House bill and was advocated by the Independent Bankers Association. A bank branch is, by form, ownership, and functions vastly different from a bank holding company affiliate. The provision in the House bill is an attempt to regulate two dissimilar types of organizations by laws designed specifically for branch banking alone. The effect of the House provision would be to say to the States: "When you enacted your branch banking laws you really meant to regulate bank holding companies." The committee did not feel it was within the province of Congress to interfere arbitrarily with the interpretation of State statutes.

DIVESTMENT OF NONBANKING ASSETS

Another main feature of S. 2577 prohibits a bank holding company from acquiring ownership of voting shares in any company which is not a bank. Moreover, bank holding companies are required within 2 years after the date of this act to divest themselves of voting shares of any company which is not related to banking. The 2-year deadline may be extended up to a maximum of 5 years with the approval of the Federal Reserve Board.

Exemption is provided from the divestment requirements in cases such as the safe-deposit business, the holding of bank premises, bank-servicing organizations, the collection of debts, the acquisition of shares in a fiduciary capacity, the involuntary acquisition of shares, and investments permissible for national banks. Also bank-holding companies may retain investments of no more than 5 percent of the voting shares of any company, since that amount of stock would not be sufficient for effective control of a company. These provisions are generally the same in both the Senate and House bills.

S. 2577 grants to the Federal Reserve Board the discretion to exempt the ownership of shares of other companies of a financial, fiduciary or insurance nature that are determined to be so closely related to the banking business as to constitute a proper incident thereto. The committee felt that certain activities of a financial, fiduciary, or insurance nature are obviously so closely related to modern banking as to require no divestment by a bank-holding company. This provision gives the Federal Reserve Board authority to determine this relationship in each case on its merits.

The Senate bill also exempts labor, agricultural, and horticultural organizations from the divestment requirement. This differs from the House bill in that the House bill had exempted such organizations completely from regulation. The committee felt that labor, agricultural, and horticultural organizations should be required to be registered and regulated under other provisions of this bill, but that their nonprofit character mitigated any possible danger in their retention of legitimate investments.

OTHER PROVISIONS OF THE BILL

S. 2577 contains the provision of the House bill prohibiting the borrowing of subsidiary bank funds by a bank holding company or by another subsidiary bank. Other provisions of the bill provide for the administration of the act, reports to Congress by the Federal Reserve Board, and criminal penalties for violation of the act. The committee adopted the tax provisions contained in the House bill with certain technical changes suggested by the Internal Revenue Service. These provisions insure favorable Federal income-tax treatment for property distributed to shareholders of bank holding companies because of the requirements of the bill.

As a member of the Senate Banking and Currency Committee since 1947, I have personally participated in the drafting and consideration of several bank holding company bills and I have made a careful study of earlier efforts in this field. I am convinced that, while S. 2577 is not perfect, it offers a fair and equitable solution of the problem of bank holding company regulation. It is not as strong a bill as some of the independent bankers would like to have, and it contains some features which are regarded with disfavor by the holding companies subject to its proposed regulations. I believe, however, that S. 2577 comes closer to satisfying more people than any previous legislation on the subject, and, if the Senate rejects this bill next year, we are likely to go on for some time under the admittedly inadequate provisions of the 1933 law.

I hope, therefore, that a majority of my Senate colleagues will agree it is better to pass this bill, with an opportunity to amend it if future experience indicates changes are needed, rather than to leave the subject once more in the field of fruitless debate.

Mr. ROBERTSON. Mr. President, when the committee reported S. 2577 in the closing days of the first session of this Congress, I felt we were closer to the enactment of legislation than at any time during the past 18 years, but I realized there still were hurdles to surmount, and it was understood that the bill would not be acted upon until this session.

The interim period provided an opportunity for Members of the Senate, representatives of the bank holding companies and banking organizations generally to study the bill and determine whether any perfecting amendments were necessary. As a result of this study, several executive meetings of the committee and some limited hearings held this year, the committee has agreed upon a number of technical and clarifying amendments and some substantive changes in the tax provisions which, we believe, strengthen the bill without altering its philosophy. I shall discuss those amendments at a later point in my remarks.

I am convinced that over the years a majority of the Members of Congress have favored legislation to regulate bank holding companies, but such legislation has not been enacted due to the failure of proponents to agree on the form of regulation. I should like to quote from a speech the late Senator Maybank, former chairman of the Banking and Currency Committee, made before a meeting of the Independent Bankers Association on September 29, 1952, on the subject of bank holding company legislation. Senator Maybank said:

> Unfortunately, our legislative processes are not fully understood or appreciated by those whose interests are directly affected. Getting a bill through Congress is far more of a give-and-take process than most people realize. Where, as here, the legislative objective is vital to the public interest and at the

same time involves conflicting private interest, my experience leads me to conclude that it is far more effective in the long run to set for ourselves a minimum rather than a maximum goal; to seek a basic rather than an all inclusive objective; to settle for half a loaf of real sustenance rather than no bread at all.

What, then, is the minimum objective of any bank holding legislation?

First. To prevent unlimited expansion of holding companies over banks and by so doing preserve the independent unit banking system.

Second. To prevent the combining under the same management of both banking and nonbanking interests. The public trust inherent in private banking operations makes it imperative to eliminate any possibility of the abuse of this relationship by using banking resources for the furtherance of nonbanking enterprises of the same parent company.

Both the Senate and House bills cover the minimum objectives outlined by Senator Maybank, and in regard to the divestment of nonbanking assets, are primarily the same.

The principal controversy revolves around the method of controlling the future expansion of bank holding companies. The differences between the two bills on this point fall into 3 segments:

First. The procedure for obtaining approval of future acquisitions of bank shares as assets;

Second. The prohibition of acquisition across State lines; and

Third. The relation of branch banking laws to bank holding company operations.

Since criticisms of the Senate bill have centered on these 3 points, I should like to discuss them in some detail.

APPROVAL OF ACQUISITIONS

Both the Senate and House bills require bank holding companies to obtain prior approval before acquiring additional bank shares or assets.

The House bill grants to the bank supervisory authorities—State authority or the Comptroller of the Currency, as the case may be—the power to veto any acquisition without a hearing and regardless of the opinion of the Federal Reserve Board. The House bill permits the Federal Reserve Board to participate in the decision only if the State authorities or the Comptroller approve the acquisition. The Federal Reserve Board is opposed to the House procedure because, as Chairman MARTIN said at our Senate committee hearings:

> This requirement would result in an undesirable diffusion of responsibility and give rise to duplication of effort and administrative difficulties.

The Comptroller of the Currency also is opposed to the House provision.

Some members of the committee believed that the power of decision should be placed solely in the hands of the Federal Reserve Board, with the bank supervisory authorities playing only an informal consulting role.

S. 2577 represents a compromise between the two views. It affords the bank supervisory authorities an opportunity to file with the Federal Reserve Board a formal recommendation that an acquisition be disapproved. But it also provides that if such a recommendation is made, the Federal Reserve Board must provide a hearing of record after due notice at which the testimony of all interested parties may be received. After the hearing has been held, the Federal Reserve Board is required to approve or disapprove the acquisition by formal order. The bill then permits any party aggrieved by the order the right to a judicial review of the order by an appropriate Federal court of appeals. This procedure should afford an opportunity for developing the true merits of each case and also assures adequate recourse to court review for the aggrieved party.

ACQUISITION ACROSS STATE LINES

The procedure which I have outlined will apply to all acquisitions of bank stocks or assets either within a State or across State lines. In view of the adequate opportunity for expression of opinion by the bank supervisory authorities, the committee did not deem it necessary or advisable to insert in the bill an absolute prohibition against the expansion of bank holding companies across State lines as contained in the House bill and urged by the Independent Bankers Association. An absolute prohibition of that nature would constitute a Federal freeze on future expansion without regard to the merits of each individual case.

The American Bankers Association, the Federal Reserve Board, and the Comptroller of the Currency testified in opposition to any absolute prohibition against acquisition across State lines.

The statement made by Senator Maybank in 1952 is very pertinent on the question of States' rights. Senator Maybank said:

> In the name of States' rights the position is taken that no bank holding company should be permitted to acquire bank stocks or assets across State lines or in any State in which branch banking is not allowed.
>
> Now, to me, States' rights means the right of a State to choose its own course of action on a matter within its own jurisdiction and not have the Federal Government make up its mind for it. This is the positive approach. A State should have the right to permit or prohibit branch banking, and at the same time, it should have the right to permit or prohibit the operation of bank holding companies within its borders. Any Federal legislation which forces a State to change its policies with respect either to branch banking or holding companies would be an unwarranted interference with States' rights. It is conceivable, for instance, that a State might seek for its banks financial assistance which an out-of-State holding company might be able to render. Yet a State would be powerless to do so if proposals for a flat prohibition by Federal law against expansion of bank holding companies across State lines existed.

It should be noted that another provision of the Senate bill expressly preserves to the States their present authority over bank holding companies within their respective borders. Therefore, each State may, within the limits of its proper jurisdictional authority, enact legislation to regulate bank holding companies. Mr. President, as an example of the type of legislation the States may enact, I ask unanimous consent to have printed in the RECORD the text of a bill recently passed by the Georgia Legislature.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

Senate Bill No. 30, Legislature, State of Georgia, by Senator Lambert, of the 28th

A bill to be entitled "An act to provide for the prohibition of the owning, controlling or holding by certain companies of more than 15 percent of voting stock of banks as defined therein and of bank holding companies as defined therein; to define company as included in said prohibition to include any bank, corporation, partnership, joint stock company, business trust, voting trust, association, or similarly organized group of persons and the shareholders and those persons who otherwise own the company or are officers thereof; to provide that stock held by the immediate family of a shareholder, owner, or officer of a company as defined in the act shall be construed to be owned, controlled, or held by the company; to provide for restriction of certain foreign companies in voting stock or said bank or holding company; and to provide for certain exceptions to said prohibition and restriction and for other purposes"

Be it enacted by the General Assembly of Georgia as follows:

SECTION 1. The maintenance of competitive services between banks has been found to be the best method of serving the public. There are dangers in the concentration of economic power through centralized control of banks. It is, therefore, held to be in the public interest to curtail such concentration of economic power by preventing the expansion of bank holding companies and similar organizations.

SEC. 2. Unless the context requires otherwise: (a) "Bank" means any national bank or State bank, banking association, savings bank or trust company, whether organized under the laws of Georgia, the laws of another State, or the laws of the United States, doing business in the State of Georgia.

(b) "Company" means any bank, corporation, partnership, joint stock company, business trust, voting trust, association, or similarly organized group of persons, whether incorporated or not, and includes the shareholders and those persons who otherwise own the company and including any foreign corporation or other organization or association doing business in Georgia, but shall not include any corporation or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation.

(c) "Bank holding company" means any company incorporated or organized under the laws of the State of Georgia or doing business in Georgia, which directly or indirectly owns, controls, or holds, with power to vote, 15 percent or more of the voting stock of each of 2 or more banks.

(d) A company will be construed to own, control, or hold, with power to vote, stock indirectly whenever any officer or shareholder of such company or any natural person included within the definition of "company" in section (b) of this act or any member of the immediate family of such officer or shareholder or of such natural person, shall own, control or hold, with power to vote, such stock. Immediate family includes a spouse, children, mother, father, brother, and sister.

SEC. 3. It shall be unlawful for any company directly or indirectly to own, control, vote, or hold, with power to vote the same, 15 percent or more of the voting stock of each of 2 or more banks, except that it shall not be unlawful for a company to continue to own, control, vote, or hold, with power to vote, such voting stock as it owns, controls, or holds, on the effective date of this act. Also, in municipalities now having branches of a bank with a holding-company relation, such banks may make branches of existing holding-company banks; and in the future in cities of over 80,000 population, according to the 1950 or subsequent census, now having branches of a bank, present branches will have the same privilege of additional branches as permitted to other banks.

SEC. 4. It shall be unlawful for any company directly or indirectly to own, control, vote, or hold, with power to vote the same, 15 percent or more of the voting stock of a bank holding company, except that it shall not be unlawful for a company to continue to own, control, vote, or hold, with power to vote, that stock of a bank holding company which it owns, controls, or holds on the effective date of this act.

SEC. 5. It shall be unlawful for any company hereafter to acquire, with power to vote the same, 15 percent or more of the voting stock of each of 2 or more banks, except that it shall not be unlawful for any company to acquire, with power to vote the same, any stock in banks, a majority of whose voting stock such company owns, holds, or controls, on the effective date of this act.

SEC. 6. It shall be unlawful for any company to acquire, with power to vote the same, 15 percent or more of the voting stock of a bank holding company.

SEC. 7. It shall be unlawful for any foreign company owning, controlling, or holding, with power to vote the same, 15 percent or more of the voting stock of each of 2 or more banks, to vote more than 15 percent of the stock of more than 1 such bank in any 1 year, except that it shall not be unlawful for a company to vote that voting stock which it owns, controls, or holds on the effective date of this act.

SEC. 8. This act shall not apply to the holding by a company in respect of its owning, controlling, or holding, with power to vote, stock in a bank or banks or bank holding company or companies in a fiduciary capacity, unless such stock is held for the benefit of another company or for the benefit of a majority of the stockholders of such bank.

SEC. 9. Any company which violates any provision of this act shall, upon conviction, be fined not less than $500 nor more than $1,500. Each day on which such violation occurs will constitute a separate offense.

SEC. 10. If any provision of this act or the application of any such provision to any person or circumstance shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

SEC. 11. All laws and parts of law in conflict with this act hereby are repealed.

Mr. ROBERTSON. Mr. President, in the opinion of the committee, this provision of the Senate bill, which is the same as one in the House bill, adequately safeguards States rights concerning bank-holding companies.

BRANCH BANKING

The committee also decided against the inclusion of a provision in the bill which would automatically apply State laws concerning branch banking to bank-holding company operations. This provision was contained in the House bill and was advocated by the Independent Bankers Association. A bank branch is, by form, ownership, and functions, vastly different from a bank-holding company affiliate.

A chart has been prepared by the American Bankers Association showing clearly the many differences between branch banking and holding company operations. I ask unanimous consent that the chart be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

COMPARISON OF BRANCH BANKING AND HOLDING COMPANY OPERATIONS

BRANCH BANKING	HOLDING COMPANY OPERATION
Corporate organization One legal entity created under a single charter covering the main office of bank and all its branches.	*Corporation organization* Two or more separate legal entities each created under a separate charter, one for each bank affiliate.
Stockholders Possess the same stockholders.	*Stockholders* Possess different set of stockholders for each affiliate.
Supervision Main office of bank and all branches are under supervision of the identical authority as provided by the laws under which organized. Could be either Federal or State laws. Main office and all branches also would be subject to supervision of Federal Reserve System if a member or FDIC, if insured.	*Supervision* Each affiliate individually is subject to supervision under the laws under which it was separately organized. Some affiliates could be organized under State laws and others under Federal laws. Each affiliate may or may not be subject to supervision of Federal Reserve System or FDIC, depending if such affiliate is a member of the Federal Reserve System or if insured in the FDIC. If a holding company controls both national and State member banks and procures a voting permit, then the holding company, as well as all of its affiliated nonmember State banks are subject to examination by and reporting of the Comptroller of the Currency and the Federal Reserve Board.
Board of directors One board of directors.	*Board of directors* A separate Board for each affiliate. Statutes commonly impose residence requirement. For example, national banking laws require that every director, during his whole term of service must be a citizen of the United States, and at least three-fourths of the directors must have resided in the State, Territory, or district in which the association is located, or within 50 miles of the location of the office of the association for at least 1 year immediately preceding their election, and must be residents of such State or reside within a 50-mile territory of the location of the association during their continuance in office. Each director must own stock in the association, the aggregate par value of which shall be at least $1,000, unless the capital of the bank does not exceed $25,000, in which case he shall own not less than $500. Any director ceasing to own the required number of shares, shall vacate his place.
Management Amounts to absentee management by officers of main office and board of directors. Officers in charge usually have limited powers.	*Management* Affiliates are local institutions managed by local board of directors and officers. May have some supervision and assistance on loan and investment overall policies from holding company.
Capital structure Single capital structure for main office and all its branches.	*Capital structure* Separate capital structure for each affiliate. Changes in capital are subject to the supervisory authority having jurisdiction over each affiliate.
Deposits All deposits pooled as deposit liability of and available for investment or loans by the bank through main office or any of its branches.	*Deposits* Each affiliate has its own deposits which are its sole liability, and which such affiliate alone can invest or loan from its own office and to its own customers.
Loan limit Loan limit based upon capital and surplus applies to the aggregate of all loans made at main office and at all branches. (In case of National Banks the limit is 10 percent of capital and surplus). As a result a small branch in an industrial section can handle the loan require-	*Loan limit* Each affiliate has its own loan limit based upon its own capital and surplus. This limit has no relation to capital and surplus of any or all of the other affiliate banks and the holding company. An affiliate has a special restriction imposed by section 24 of the Federal Reserve Act with respect to loans to other affiliates. An affiliate in an industrial section can only handle the loan requirements of a

COMPARISON OF BRANCH BANKING AND HOLDING COMPANY OPERATIONS—Continued

BRANCH BANKING	HOLDING COMPANY OPERATION
ments of large customers up to the total limit permitted of the whole branch banking operation. Consequently the branch usually carries the deposit accounts of such customers.	customer up to its individual limits. Consequently substantial deposits of the customer usually go to a larger bank or branch banking operation with larger loan limits.
Loanable funds Each branch has access to entire capital funds and deposits of the bank (main office) and all branches. Consequently a branch might lend more than the total deposits of that particular branch.	*Loanable funds* Each affiliate has available for loans only its own capital funds and deposits. This parallels the situation of independent banks. An affiliate therefore is dependent upon correspondent banks to share excess loans.
Termination Branch can be closed at any time if unprofitable. All that is required to close a national bank branch is a resolution of the board of directors or of the stockholders, if branch is described in articles of association, and the transmittal to the comptroller of such resolution together with certificate authorizing the branch.	*Termination* Requires voluntary liquidation of affiliate according to provisions of the State or Federal laws under which it was chartered.

Mr. ROBERTSON. Mr. President, the representatives of the American Bankers Association in opposing the branch banking provision stated:

> The prohibition in H. R. 6227 against expansion of a bank holding company within a State based upon geographic limitations applying to the establishment of branches of banks will result in inevitable confusion and conflict of laws and should be deleted. It is an attempt to regulate two dissimilar types of organization by laws designed specifically to apply only to one; that is, branch banking.

The Federal Reserve Board and the Comptroller of the Currency also were emphatically opposed to the House provision.

I have purposely stressed the testimony of the American Bankers Association because the association's position has been misrepresented in editorials appearing in a newspaper called the Americal Banker. This newspaper is not affiliated with the American Bankers Association and seems to take great pleasure in misinforming its readers as to the ABA's position on this legislation. I am afraid that the newspaper violated its own motto which appeared under the masthead on the December 6, 1955, editorial page. The motto reads:

> Preference becomes prejudice when we refuse to see the good of anything we happen to dislike.

For example, the first of these American Banker editorials asserted that the Boston convention of the American Bankers Association went on record unequivocally against holding company banking expansion across State lines and that the ABA resolution "definitely brackets holding company banking with branch banking." It charged that nowhere in my article in Banking Magazine was any respect for the ABA's views shown.

The second editorial again charged me with omitting mention of the Boston resolution and of improperly assuming that the American Bankers Association was ready to accept my bill.

One thing these editorials did not mention was that the ABA resolution to which they referred was adopted not last year or the year before but in 1937 and that this Boston resolution made absolutely no mention of bank holding companies but dealt exclusively with branch banking.

To clarify the record, I ask unanimous consent to have printed at this point in the RECORD the pertinent section of the Boston resolution.

There being no objection, the section of the resolution was ordered to be printed in the RECORD, as follows:

EXCERPT FROM BOSTON RESOLUTION, 1937, ON BRANCH BANKING

> We favor the preservation and continuation of the dual banking system by which banks are free to operate under either State or national charter. We also believe that the system of unit banks has been peculiarily adapted to the highly diversified community life of the United States. However, many of the States now authorize by law the operation of branch banks. We believe that national banks should, as they do now, continue to enjoy an equality with State banks of branch banking privileges within those States. The association supports in every respect the autonomy of the laws of the separate States with respect to banking. We reiterate our belief that no class of banks in any State should enjoy a greater right in respect to the establishment of branches than banks chartered under State laws. We are definitely opposed to any proposal or device looking to the establishment of branch banking privileges across State lines,, directly or indirectly.

Mr. ROBERTSON. Mr. President, I also ask permission to have printed in the RECORD, following the resolution, excerpts from testimony given before our committee last year by the representative of the American Bankers Association, Mr. George R. Boyles, indicating the latest position taken by that organization on bank holding company legislation.

There being no objection, the excerpts from the testimony were ordered to be printed in the RECORD, as follows:

EXCERPTS OF TESTIMONY OF GEORGE R. BOYLES ON BEHALF OF THE AMERICAN BANKERS ASSOCIATION BEFORE THE SUBCOMMITTEE ON BANKING, SENATE COMMITTEE ON BANKING AND CURRENCY, JULY 11, 1955

> Mr. BOYLES. My name is George R. Boyles and I am president of the Merchants National Bank in Chicago, Chicago, Ill., and chairman of the committee on Federal legislation of the American Bankers Association.
>
> For many years the regulation of bank holding companies has received the thoughtful study of the association and as a result there has been crystallization of certain overall policies. For your information, I would like to explain that all policy matters of the association are arrived at only after careful deliberation by the various divisions, commission, committees, and sections of the association and then approved by the membership in general convention.
>
> The policies of the association on bank holding company regulation, after due processing through its committee on Federal legislation, the administrative committee, and the executive council, were approved by the general convention of the American Bankers Association on September 22, 1953, at its convention assembled in Washington, D. C.
>
> The membership in the American Bankers Association consists of approximately 15,000 member banks, both National and State banks, large banks and small banks, independent banks, banks with branches, banks affiliated with holding companies, chain groups, and mutual savings banks. About 98 percent of the banks in this country are members of the association.
>
> In order to simplify and save this committee's time, I have prepared a supplemental statement attached hereto outlining the position of the ABA in relation to H. R. 6227.

SUPPLEMENTAL STATEMENT OF GEORGE R. BOYLES ON H. R. 6227

* * * * *

2. ACQUISITION OF BANK SHARES OR BANK ASSETS

> The provisions of section 5 of H. R. 6227 in reality constitute a Federal freeze on any future expansion across States lines and within a State unless such State affirmatively authorizes the same by statute. This attempt to regulate by Federal authority in such drastic fashion seems inequitable and impractical. It should be remembered that during the past 25 years bank holding companies served a useful purpose in supplying many communities with services, especially during the trying depression period of the early thirties. Not only that, but this country in recent years has been undergoing a rapid expansion of production and population. The demands of the Nation's dynamic economy requires the further development of bank services, the increase of banking resources and the assurance of the continuity of sound bank managment. In their operations bank holding companies have made their contributions in this respect.

* * * * *

RECOMMENDATIONS

> It is believed that the expansion limitations of H. R. 6227 could be improved as follows:
>
> 1. The complete Federal freeze of any expansion of a bank holding company outside of the State in which located, as provided for in H. R. 6227, is an invasion of the rights of the outside State. It should be modified so as not to deprive such outside State of the right to determine whether such expansion is to be prohibited or permitted.
>
> 2. The prohibition in H. R. 6227 against expansion of a bank holding company within a State based upon geographic limitations applying to the establishment of branches of banks will result in inevitable confusion and conflict of laws and should be deleted. It is an attempt to regulate two dissimilar types of organizations by laws designed specifically to apply only to one, that is, branch banking. A bank branch is for form, ownership, and functions vastly different from a bank holding company affiliate.

Mr. ROBERTSON. Mr. President, I should like to mention also a so-called survey which was conducted by the American Banker, and which was published in the November 30, 1955, issue of that newspaper.

This survey purported to reveal that the small town bankers of our country are overwhelmingly in favor of the House bill. According to the newspaper, 9,955 of the approximately 14,392 banks in this country were asked 9 questions. One of these questions was, "Do you favor the Spence bill to regulate holding companies?" One thousand six hundred and ninety, or 16.97 percent of the surveyed bankers, answered the question, with 83.72 percent of these voting "yes."

This survey is misleading in several respects. First of all, only about 12 percent of the bankers in the country answered the question, and these were mostly from small towns. Secondly, the bankers were given no alternative in the question. The bankers were not given an opportunity to express an opinion on the Senate bill, or even made aware by the question that such a bill existed.

It also is interesting that the newspaper states:

> While the bankers answering our survey were free with commentary on most other questions asked, there were no comments whatsoever on this question.

I believe the reason for this is that the majority of bankers do not understand all the complex features of the proposed legislation.

I am sure that the small-town bankers would agree with me that it is better to pass the Senate bill and put its safeguarding provisions into effect rather than leave the subject once more in the field of fruitless debate.

Finally, Mr. President, I desire to discuss briefly the committee amendments to S. 2577.

I emphasize that these amendments in no way change the fundamental principles or objectives of this bill. The amendments to the nontax sections of the bill are designed to correct technical and typographical errors, and to clarify the language of several provisions so that any possible misinterpretation of the committee's intent can be avoided. The nontax amendments were in part based on recommendations of the Treasury Department, and all were approved by the Federal Reserve Board. No one objected to any of these amendments. I am sure they are completely satisfactory to the Independent Bankers' Association, Transamerica Corporation, other bank-holding companies, and other segments of the banking industry.

The amendments to the tax provisions of the bill were recommended by the staff of the Joint Committee on Internal Revenue Taxation and the Treasury Department. The tax amendments have also been cleared by the Senate Finance Committee. The purpose of these amendments is to prevent abuse and to make the provisions more flexible to meet legitimate business needs by aligning them closer to similar provisions in the Internal Revenue Code of 1954. As in the case of the nontax amendments, the changes in the tax provisions are supported by all elements of the banking industry.

In conclusion, Mr. President, I wish to remind my colleagues that when the present law on bank-holding companies was enacted in 1933 there were only a few bank-holding companies in existence, they had only limited assets, and did not furnish serious competition to independent banks.

Today there are 163 companies controlling one or more banks, and they have deposits of more than $25 billion. Only 18 of these are classified as bank-holding companies under the existing law. The bill which I first introduced would have applied to all of them. S. 2577, which applies only to companies controlling two or more banks, but with a stricter definition of control than was proposed in my original bill, would fully cover 42 of these companies.

The committee hearings which Senators now have before them show that 1 bank holding company, Transamerica Corp., controls the operation of 8 banks, with more than 200 branch offices, and with assets of around $2½ billion. In addition, Transamerica, according to the testimony of Mr. Belgrano, its president, has nonbanking investments worth about $1 billion.

Nothing is more fundamental in the Banking Act of 1933 than the principle that banks should be restricted to banking activities and not engage in other types of business. Since 1933 both State and national banks have been so limited, but this limitation has been evaded by the bank holding company device, as indicated in the example of Transamerica. The divestment requirements of S. 2577 would correct that situation, but still would make liberal allowance for holding companies to continue to carry on functions closely related to banking which are essential for their efficient operation.

Recently there has been much discussion, in and out of Congress, of bank mergers. I believe there is substantially greater danger of abuse through the bank holding company device than through the process of bank mergers. Imagine what a New York City bank with deposits of $7 billion could do in the way of competition with other banks if it also controlled a vast industrial empire worth $1 billion, and had unlimited ability to establish banks throughout New York State and in any other State.

It is inconceivable to me that any Member of this distinguished body would say that the time has not come to put a curb on such possible expansion. The pending bill not only would divorce the bank holding companies from their industrial empires, but also would put any future expansion under the control of the Federal Reserve Board, which would have the advice and assistance of the Comptroller of the Currency and State bank regulating agencies—the agencies which are charged with responsibility for maintaining the strength and the integrity of our monetary system.

I can understand why some Members of the Senate, like some Members of the House, would advocate a more stringent bill which would place bank holding companies in a straitjacket by prohibiting any expansion across State lines, even when such expansion was welcomed by the State involved. We must be realistic, however, and remember the futile efforts which have been made in the past to enact legislation on this subject. One such effort, which failed, was backed not only by Carter Glass, but by his Banking and Currency Committee colleague, Senator McAdoo, of California. Both of those Senators had been Secretaries of the Treasury, and both had been candidates for the presidential nomination. Never in the history of the Congress have two such distinguished experts on banking requested Congress to enact legislation regulating bank holding companies, but they never got their bill out of the committee.

It was in consideration of this history that the members of our present committee agreed on a compromise bill which presents a more moderate approach. We do not contend that it is perfect. We do believe that it meets the minimum requirements referred to by the late Senator Maybank for bank holding company legislation, and that it is fair to the holding companies, though not so generous as they might have desired.

I feel confident that when the time comes to vote on this bill an overwhelming number of Senators will favor it. However, if the bill should be voted down, no Member of the Senate and no independent banker should expect any member of the Banking and Currency Committee again to spend many weeks preparing for consideration another bill of this type. If the bill cannot be passed at this session, we might as well conclude—as the late Senator Glass did, after 1941—that such an attempt would be wasted effort.

Mr. President, I now ask unanimous consent that the committee amendments to which I have previously referred be considered and agreed to en bloc; and I also ask unanimous consent to have printed at this point in the RECORD an excerpt from the committee's report, giving a detailed explanation of the amendments. I then desire to call up the amendments.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection?

Mr. THYE. Mr. President, as acting minority leader, let me say that I understand the request of the Senator from Virginia to be that the committee amendments be agreed to en bloc, with the result that the bill with the amendments shall appear as if it were original text; and that if that is done, it will not prevent any Member from submitting additional amendments to any part of the bill, including the committee amendments to which the Senator from Virginia has referred.

Mr. ROBERTSON. Exactly. I emphasize that my request, if agreed to, will not preclude action by means of other amendments. Furthermore, let me state that when we dispose of the committee amendments in the way I have proposed, I shall then move that the Senate adjourn. Then—inasmuch as I have requested that the explanation of the amendments be printed in the RECORD—all Members who are interested will be able to read the explanation. Then on tomorrow we shall be able to proceed with any additional amendments that any Senator may desire to submit; and at that time a full record on the committee amendments will be available to all Members.

Mr. ANDERSON. Mr. President, will the Senator from Virginia indicate where the printed amendments appear in the bill?

Mr. ROBERTSON. They will be read by the clerk. There are 11 of them, but most of them are technical; in other words, where the date "1955" appears, we propose that it be changed to "1956."

In addition, we completely rewrote the tax amendment which appears in the latter part of the bill so as to bring it in line with the provision of the Internal Revenue Code of 1954 in respect to a spin-off which was not made for the purpose of tax evasion.

But these amendments are largely technical. The substantive amendment is, primarily, the one in regard to the tax provision. There are several minor changes for the benefit of bank-holding companies. However, as I have said, all agencies connected with the Government have approved the amendments, and our committee was unanimous in regard to them; and the amendments improve the bill without in any way changing its fundamental philosophy.

The PRESIDING OFFICER. Will the Senator from Virginia state whether he wishes to have the amendments considered in the regular way?

Mr. ROBERTSON. No, Mr. President; I am requesting unanimous consent that, without prejudice, the committee amendments may now be considered and agreed to en bloc. If such consent is given, and if the committee amendments are thus agreed to, I shall then—at the instance of the majority leader—move that the Senate adjourn.

Mr. ANDERSON. Mr. President, will the Senator from Virginia be willing to make some explanation of the committee amendments as he proceeds? Is it necessary that the Senate adjourn at once?

Mr. ROBERTSON. Yes; I can make the explanations. However, to save time, I have requested that the explanations be printed in the Record, inasmuch as not many Members are present at this time. So, by having the explanations printed in the Record, they can be read by all Members.

Mr. HUMPHREY. Mr. President, will the Senator from Virginia yield to me?

Mr. ROBERTSON. I yield.

Mr. HUMPHREY. As I understand, the Senator from Virginia wishes to have the committee amendments acted upon in what has become a rather customary manner, namely, to have the committee amendments considered and agreed to en bloc, so that the bill, including the committee amendments, will then be before us as original text, and then will be subject to amendment, without any question as to whether further amendments will be in the second degree or in the third degree.

Mr. ROBERTSON. Exactly; of course, I assume there will not be any contest regarding the committee amendments.

Mr. ANDERSON. However, I wish to be sure that we do not get into such a parliamentary situation that it will be impossible for Senators to submit amendments to the bill.

Mr. ROBERTSON. I have made clear that the action I propose will not, if agreed to, prejudice further amendment of the bill. Instead, the entire bill will become, as the Senator from Minnesota has indicated, practically a new bill or new text, subject to amendment to any part of it.

Mr. THYE. Mr. President, does the Senator from Virginia intend to have each amendment read?

Mr. ROBERTSON. Yes. Of course each amendment shows on its face where it will appear in the bill. If any Member wishes to have a further explanation made, I shall be glad to give it.

Mr. THYE. I thank the Senator from Virginia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia? If not, the first amendment of the committee will be stated.

Mr. ROBERTSON. Mr. President, I wish to make it crystal clear that I have requested unanimous consent that the committee amendments be considered and agreed to en bloc; and that if that is done, any Senator may thereafter have the privilege of submitting, and having considered, any amendment he may wish to submit to any part of the bill, including the committee amendments. In other words, the action I request on the committee amendments will not, if taken, prejudice the right of any Member to submit further amendments to the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia? Without objection——

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Indiana will state it.

Mr. CAPEHART. If the request of the Senator from Virginia is agreed to, will it be possible for amendments to be offered to the committee amendments which now are before us?

The PRESIDING OFFICER. Yes, the bill will then be open to further amendment.

Mr. CAPEHART. Do I correctly understand that both the original text of the bill and the committee amendments will then be open to amendment ?

The PRESIDING OFFICER. That is correct.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state it.

Mr. BENNETT. If the committee amendments are now agreed to en bloc, will they be open to amendment in the second degree?

The PRESIDING OFFICER. The committee amendments will then be considered as original text of the bill, and will be open to amendment.

Mr. BENNETT. I thank the Chair.

Mr. ROBERTSON. Mr. President, let me state that it is my understanding that if my request is agreed to, the committee amendments, after being agreed to en bloc, will be open to amendment in the same way that they would be if the committee amendments were considered one by one; and then any Senator will be in a position to offer to them any amendment he may please. If my request is agreed to, we shall thereafter be able to act on the committee amendments; and there will be no change in their status, in the case of subsequent amendment.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield for a question?

Mr. ROBERTSON. I yield.

Mr. BENNETT. Is it not the purpose of the Senator from Virginia to perfect the bill, so that the text of the original bill, together with the committee amendments, will be considered as new text, just as if the amendments had been incorporated in the bill beforehand?

Mr. ROBERTSON. Exactly. Let me say that after the hearings last July, it was suggested that by means of certain amendments the bill could be improved. But by that time the bill had been reported to the Senate, and was on the calendar; and we did not wish to remove it from the calendar. So we unanimously approved these amendments.

The purpose of my request is to have the committee amendments included in the bill as original text, so that the text will then read in the way it would have read if we had had the privilege of writing the amendments in extenso into the original bill.

Mr. ANDERSON. Mr. President, if the request of the Senator from Virginia is agreed to, it seems to me that a Member who then desires to ascertain what is included in the bill and what changes have been made by means of the committee amendments will have to compare the new text with the old text.

Mr. ROBERTSON. That is correct.

Mr. ANDERSON. Is it not customary for the committee to submit to the Senate, for its examination, a finished bill?

Mr. ROBERTSON. The committee did furnish a finished bill, as is generally done; but after the bill was reported to the Senate and was placed on the calendar, the commmittee agreed to some additional amendments, which were printed, together with a report on each one.

Mr. THYE. Mr. President, will the Senator from Virginia yield for a question?

Mr. ROBERTSON. I yield.

Mr. THYE. I understand that the Senator from Virginia has reference to the fact that certain printed amendments appear in the copy of the bill which now is before us, and that the Senator from Virginia is requesting that these committee amendments be agreed to en bloc.

Mr. ROBERTSON. Yes, with a slight addition; I call the attention of the distinguished Senator from Minnesota to the fact that the additional amendments are in the print I have before me, which is not the same as the committee print.

Mr. THYE. What is the date of the print to which the Senator from Virginia refers?

Mr. ROBERTSON. Let me say that I now have the correct form for the request from the Parliamentarian. I ask unanimous consent that all committee amendments be agreed to en bloc, and that the amendments, as agreed to, be considered as original text of the bill for the purpose of further amendments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia?

Mr. CAPEHART. Mr. President, reserving the right to object, I wish to make certain that we understand the request. After all, the procedure in the case of this bill has been rather unusual, in that the bill was reported to the Senate and was placed on the calendar last fall; and since that time the committee has held hearings, and has agreed to additional amendments, even though the bill was already on the calendar, ready for consideration and passage. Therefore, the situation is a rather strange one, and I wish to make certain that nothing is done to prevent any Member from submitting any amendment which normally he would be entitled to submit.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the request made by the Senator from Virginia would not take away any of the rights of Senators with respect to amendments.

Mr. CAPEHART. Then the document which I hold in my hand entitled "Calendar No. 1107—Additional Amendments" represents amendments which were agreed to by the committee?

Mr. ROBERTSON. That is correct. They were unanimously agreed to. The distinguished Senator from Indiana was one of us.

Mr. CAPEHART. As I understand, the request is that the Senate approve the amendments which I hold in my hand, which were agreed to by the committee.

Mr. ROBERTSON. That is correct.

Mr. CAPEHART. And with the understanding that any Senator shall have the right to make a motion to strike any of those amendments, or to amend them?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the Senator is correct.

Mr. CAPEHART. Under those circumstances, I have no objection.

Mr. BENNETT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENNETT. Would it be proper, if these amendments should be agreed to en bloc today, to make a motion that the Senate be furnished tomorrow with a print of the bill as amended, containing the corrections, so that we shall have before us tomorrow a clean copy?

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that such a motion or unanimous consent request would be in order.

Mr. BENNETT. Then I make such request.

The PRESIDING OFFICER. There is already one unanimous-consent request pending before the Senate.

Is there objection to the request of the Senator from Virginia [Mr. Robertson]? The Chair hears none and it is so ordered.

Mr. ROBERTSON. I asked for approval of the committee amendments with the understanding that the Senator from Utah would then make his request that the bill, as amended, be printed.

Mr. BENNETT. The request of the Senator from Virginia has been agreed to.

I now renew my unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah?

Mr. ANDERSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ANDERSON. I do not know whether or not the request of the Senator from Virginia has been agreed to. The Senator from Virginia asked unanimous consent that the amendments be considered en bloc. That request must be disposed of before the amendments are considered.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that that has been done. The Chair put the request, and asked if there was objection. The Chair heard none.

Mr. ANDERSON. I do not wish to make a point of it, but I think there were two requests to come before the Senate, and not one.

The PRESIDING OFFICER. The Chair leaves that up to the Parliamentarian.

Mr. ANDERSON. Of course, the Record can be doctored.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that the request of the Senator from Virginia has been disposed of.

The explanations submitted by Mr. Robertson are as follows:

NONTAX AMENDMENTS

The committee wishes to emphasize that these amendments do not in any way change the principal objectives of this proposed legislation. These objectives are: (1) To regulate the future expansion of bank holding companies, and (2) to require bank holding companies to divest their nonbanking investments. The amendments are designed to correct technical errors in the bill and to clarify the language of several provisions so that any possible misinterpretation of the committee's intent can be avoided.

CHANGE OF DATE

The bill as reported by the committee bears the short title of "Bank Holding Company Act of 1955." Since the bill will be scheduled for enactment during 1956, it is necessary to change "1955" to "1956" in the short title wherever it appears in the bill. This is accomplished by striking "1955" and inserting "1956" on page 1, line 4, and page 14, line 23, in the substantive sections of the bill. The tax amendments make the necessary date changes in the tax provisions.

SHAREHOLDERS OR MEMBERS

On page 5, line 9, of the bill as reported by the committee, a reference is made to shares held by trustees for the benefit of the "shareholders and members" of a bank holding company. The "and" is a typographical error and should read "or." This change makes the provision conform to the language on page 2, line 3, where reference is also made to "shareholders or members."

ACQUISITION SHARES IN A FIDUCIARY CAPACITY

Section 3 (a) of the bill requires prior approval by the Federal Reserve Board before any action may be taken which results in a company (including a bank) becoming a bank holding company. The bill as reported provided an exemption from this requirement for a bank which is a bank holding company in cases where the shares were acquired (i) in good faith in a fiduciary capacity or (ii) in the regular course of securing or collecting a debt. This language would seem to preclude a bank which is not a bank holding company from acquiring such shares in other banks or in bank holding companies without prior approval by the Board. It was not the intent of the committee to require approval by the Board where a bank acquired shares in a fiduciary capacity or in the regular course of securing or collecting a debt. In order to clarify the language of the exemption, the committee struck the words "which is a bank holding company" on lines 4 and 5 of page 6. Thus, the amendment exempts from the prohibition of section 3 (a) "shares acquired by a bank (i) in good faith in a fiduciary capacity, except where such shares are held for the benefit of the shareholders of such bank, or (ii) in the regular course of securing or collecting a debt previously contracted in good faith but any shares acquired after the date of enactment of this act in securing or collecting any such previously contracted debt shall be disposed of within a period of 2 years from the date on which they were acquired."

SHARES IN A BANK HOLDING COMPANY

Section 4 (a) (2) of the bill as reported provides in part that no bank holding company shall, after the date of enactment of the act, "retain direct or indirect ownership or control of any voting shares of any company which is not a bank." This language would prohibit a bank holding company from holding shares in a subsidiary bank holding company. This result was not intended, since it is a common practice for bank holding companies to hold a part or all of their banking investments in a subsidiary corporation. In order to remedy this situation, line 17 on page 8 was amended by adding after the word "bank" the words "or a bank holding company." Thus, this section as amended provides that no bank holding company shall after the date of enactment of the act "retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company."

SUBSIDIARY SERVICE COMPANIES

Section 4 (c) provides certain exemptions from the divestment requirements of the bill. Subparagraph (1) of section 4 (c), as reported by the committee, exempts companies engaged in serving the bank holding company and its subsidiary banks in "auditing, appraising, investment counseling." Your committee has found this provision too restrictive as there are many other legitimate types of servicing which should be permitted. Other services rendered by subsidiary companies are in the fields of advertising, public relations, developing new business, organization, operations, preparing tax returns, personnel, and many others.

In order to properly encompass this wide range of activities, your committee amended subparagraph (1) to exempt such companies solely engaged in "furnishing services to or performing services for" the bank holding company and its banking subsidiaries. Thus, the bill, as amended, would permit a bank holding company to furnish these services to its subsidiaries through a subsidiary company as well as directly by the holding company itself as provided in section 4 (a) (2).

This provision is not intended to supplant the exemption contained under section 4 (c) (6), where the Federal Reserve Board is given discretion to exempt activities of a "financial, fiduciary, or insurance nature" which are so closely related to banking as to be a proper incident thereto. Such financial, fiduciary, or insurance activities do not come within the scope of the meaning of the phrase "furnishing services to or performing services for a bank holding company." The servicing exemption should not be interpreted to include activities beyond the ordinary category of such services.

SHARES ACQUIRED IN SATISFACTION OF A DEBT

Section 4 (c) (2) of the bill as reported provides an exemption from the divestment requirements for shares acquired by a bank holding company which is a bank or "any of its banking subsidiaries" in satisfaction of a debt previously contracted in good faith. A literal reading of this language would seem to provide an exemption only for banking subsidiaries of a bank holding company which is a bank. It was intended that the exemption would apply to banking subsidiaries of any bank holding company. This provision was clarified by amending line 4 on page 10 by striking the words "any of its banking subsidiaries" and inserting in lieu thereof "by any banking subsidiary of a bank holding company." Thus, a banking subsidiary of any bank holding company could qualify under this exemption.

SHARES ACQUIRED IN A FIDUCIARY CAPACITY

Section 4 (c) (4) of the bill as reported provides an exemption from the divestment requirements of the bill for shares which are held or acquired by a bank which is a bank holding company in a fiduciary capacity. This language would not permit a banking subsidiary of a bank holding company to qualify under this exemption. Lines 19 and 20 on page 10 were amended by striking the words "which is a bank holding company in a fiduciary capacity" and inserting in lieu thereof "holding company which is a bank or by any banking subsidiary of a bank holding company, in good faith in a fiduciary capacity, except where such shares are held for the benefit of the shareholders such bank holding company or any of its subsidiaries."

Thus the exemption applies both to a bank holding company which is a bank and to a banking subsidiary of any bank holding company with the limitation that such shares cannot be held for the benefit of the shareholders of such bank holding company or any of its subsidiaries.

OWNERSHIP AND ACQUISITION OF SHARES

Section 4 (c) (5) of the bill as reported provides an exemption from the divestment requirements for the ownership by a bank holding company of up to 5 percent of the shares of any company. This section does not refer to the acquisition of shares as is set forth in other exemptions under section 4 (c). Because of the shift in language, it could be argued that this exemption does not apply to the acquisition of shares but only to the retention of shares already owned. To clarify the situation, lines 24 and 25 on page 10 were amended by striking the words "to the ownership by a bank holding company of shares of any company" and by inserting in lieu thereof "to shares of any company which are held or acquired by a bank holding company." This amendment makes it clear that the exemption applies to both the acquisition and ownership of such shares.

LABOR, AGRICULTURAL OR HORTICULTURAL ORGANIZATIONS

Section 4 (c) (7) of the bill as reported contains an exemption from the divestment requirements for any bank holding company which is a labor, agricultural, or horticultural organization. Although the committee report points out that in order to be entitled to this exemption no net income derived by any such organization can inure to the benefit of any individual, this limitation is not set forth in the language of the subsection. The intention of the committee is made explicit by inserting at the end of the subsection on line 15, page 11, the words "and which is exempt from taxation under section 501 of the Internal Revenue Code of 1954."

FOREIGN BANKING SUBSIDIARIES

Section 2 (c) of the bill as reported defines "bank" so as to exclude any organization which does not do business within the United States. Thus, technically, any foreign banking subsidiary of a bank holding company would be a nonbanking investment and would be required to be divested pursuant to section 4 (a) of the bill. The Federal Reserve Board would probably exempt such foreign banking subsidiaries from divestment by applying the provisions of section 4 (c) (6), which authorizes the Board to exempt companies of a financial nature which are so closely related to the business of banking as to be a proper incident thereto.

However, in order to make it unmistakably clear that foreign banking subsidiaries are not subject to divestment, the committee added a new subparagraph (8) to section 4 (c) specifically exempting such subsidiaries. The amendment provides that the divestment requirements shall not apply "to shares held or acquired by a bank holding company in any company which is organized under the laws of a foreign country and which is engaged principally in the banking business outside the United States."

ADMINISTRATION

The committee agreed in reporting out the bill that section 5 (a) contain the same language as set forth in section 4 (a) of H. R. 6227 in regard to the information required by a bank holding company in registering with the Federal Reserve Board. However, through inadvertence, improper language was inserted on lines 22 through 25 on page 11. This was corrected by striking the words beginning with "history" on line 22 through to the word "organizations" on line 25 and inserting in lieu thereof "condition and operations, management, and intercompany relationships of the bank holding company and its subsidiaries."

RESERVATION OF STATES RIGHTS

A great deal of concern has been expressed that section 7 of the bill as reported by the committee granted new authority and powers to States over national banks in general, and respecting the stocks of national banks in particular. This concern apparently has arisen as a result of the language added to this section by the committee and certain statements which appeared in the committee report. The language added by the committee in the bill as reported provided that States in the exercise of their jurisdiction and powers over banks and bank holding companies could impose "no less onerous" restrictions than were provided in the bill. The intent of the committee was to make it clear that a State could not enact legislation inconsistent with the bill and therefore nullify its effect. In view of the fact that the meaning of the no less onerous clause has apparently been misconstrued by some persons, the committee agreed to strike the clause and thus return to the language of the comparable section of H. R. 6227. However, your committee reiterates its view that section 7 in no way permits States to exercise such powers and jurisdiction in a manner inconsistent with this proposed legislation.

In order to clarify the legislative history of section 7, the committee wishes to emphasize that this section does not grant any new authority to States over national banks. The purpose of the section is to preserve to the States those powers which they now have in our dual banking system. It is always of uppermost importance in legislation of this nature to preserve the dual system of National and State banks, and section 7 must be viewed in that light.

TIME LIMIT ON JUDICIAL REVIEW

Section 9 of the bill as reported by the committee contained no limit on the time within which an aggrieved party must seek judicial review of an order of the Federal Reserve Board. A time limit is necessary so that persons or companies affected by the Board's orders may know when they may act in reliance thereon without fear of the orders being subsequently set aside or modified by court decree. The committee amended this section by providing that any aggrieved party seeking judicial review must do so within "60 days after entry of the Board's order."

Tax Amendments

GENERAL EXPLANATION

H. R. 6227, passed by the House of Representatives, would add a new part VIII to subchapter O of the Internal Revenue Code of 1954. Under this new part, several tax-free paths are provided for the divestment of property which this bill imposes on a bank holding company. S. 2577, as originally reported, adopted the tax provisions of the House bill with certain technical changes. Your committee's additional amendments modify these tax provisions so as to prevent abuse and to make them more flexible to meet legitimate business needs by alining them closer to similar provisions in the Internal Revenue Code of 1954.

In general, a corporation which comes within the terms of the bill as a bank holding company can choose between remaining a bank holding company or disposing of its interests in banks. The tax provisions of the bill apply only to a corporation which would have been a bank holding company on May 15, 1955, and which on that date held prohibited property.

If a corporation decides to remain a bank holding company, subject to the supervision of the Federal Reserve Board, it may distribute any prohibited property, which the Board certifies is necessary or appropriate to comply with the bill, to its shareholders without the recognition of gain by the shareholders. For this purpose prohibited property, in general, means stock or assets of nonbanking businesses to the extent the bank holding company is required to divest itself of such assets under section 4 of the bill. The term does not include cash, Government bonds, or certain short-term obligations. It is believed desirable to expressly exclude cash, etc., from the definition of prohibited property, since a similar exclusion is contained in the comparable provision of part VI of subchapter O, relating to exchanges in obedience to SEC orders.

With respect to the distributing corporation, the usual provisions of the Internal Revenue Code of 1954 apply. Under these provisions, gain generally is not recognized to the distributing corporation except under unusual circumstances such as the distribution of LIFO inventory, the distribution of property subject to a liability in excess of the adjusted basis, or the distribution of certain installment obligations.

The distribution of prohibited property may be made either directly to the shareholders of the corporation which is a bank holding company or may be transferred to a wholly owned subsidiary expressly created for purposes of receiving the prohibited property, in which case all of the shares in the new corporation must be distributed directly to shareholders. Under the bill prohibited property may be placed in one or more such new corporations. Your committee's amendments differ from S. 2577, as originally reported, by providing that other assets may also be transferred to a new corporation without making the transaction taxable. This would include cash and bonds, for working capital purposes, as well as prohibited property acquired after May 15, 1955, but not controlling shares of bank stock or similar property.

Your committee's amendments also differ from S. 2577, as originally reported, by providing that the tax exemption for any particular distribution may be denied if that distribution is part of a plan with a principal purpose of avoiding dividend tax on a distribution of earnings and profits.

Your committee's amendments also differ from S. 2577, as originally reported, by making provisions for certain exchanges of stocks and bonds as part of the divestment program. Under S. 2577, as originally reported, bank holding companies having outstanding preferred stocks and bonds might encounter serious obstacles in making use of the tax provisions of the bill. The divestments required under the general provisions of the bill would remove from the corporation property that provides security for its preferred stocks or bonds. Your committee's amendments would permit the exchange of preferred stocks and bonds in the old corporation for comparable securities in the new corporations or direct distribution of prohibited property in exchange for the outstanding preferred stocks or bonds.

The bill provides that in exchanges involving the creation of a subsidiary a common shareholder may only receive common stock, a preferred shareholder may only receive preferred stock issued on substantially the same terms or common stock, and, finally, a bondholder may receive only bonds issued on substantially the same terms, or preferred or common stock. It is also provided that a bondholder in such an exchange may be taxable on any greater face value of bonds received over those given up.

If a corporation which is a qualified bank holding company under the bill chooses to divest itself of all or part of any stock or property which causes it to be a bank holding company, it may distribute directly to its shareholders or bondholders such stock or property, or it may form a subsidiary to effectuate such distribution. Your committee has made the same revisions for divestments of this type as are made in the case of divestments of prohibited property.

The Board must certify that the divestment of the bank stock or similiar property is necessary or appropriate to effectuate the policies of the bill. In the case of direct distributions, for example, the corporation may distribute to its shareholders without the recognition of gain all the shares of bank stock in a bank in which it was deemed to have control within the meaning of section 2 (a) of the bill. Thus, if a corporation owned 40 percent of the voting stock of each of 2 banks, it could distribute all of its shares in those banks even though it ceased to be a bank holding company by distributing only 16 percent of the voting shares in 1 bank. If the same corporation had in addition 15 percent of the voting shares of a third bank, it would not be able to distribute tax free, under this bill, those voting shares unless the Federal Reserve Board deemed that by virtue of those shares the corporation exercised an effective control over the election of a majority of the board of directors of the particular bank.

Your committee contemplates that the Federal Reserve Board, in the discharge of its functions in making certifications that exchanges and distributions are necessary or appropriate to effectuate the purposes of the bill, will examine these from the point of view of their desirability from a banking standpoint. However, a certification by the Board that a particular divestment is necessary or appropriate is not to be considered as permitting any method of carrying out this divestment if it is part of a plan having a principal purpose of avoiding dividend tax on a distrbution of earnings and profits.

In case direct distribution to stockholders and bondholders of either prohibited property or property which causes the distributing corporation to be a bank holding company, your committee has restricted the nonrecognition treatment to property which was owned on May 15, 1955. This restriction is deemed necessary to prevent corporations from purchasing highly marketable shares and other property as a means of transferring cash from the corporation to its shareholders. The restriction would not apply, however, if the property were received in a transaction in which gain was not recognized because of either the general rules described above or in certain types of corporate reorganizations or liquidations. For example, if prohibited property originally acquired prior to May 15, 1955, were distributed by a subsidiary to its parent in a corporate chain without recognition of gain to the parent by reason of provisions in this bill, the parent, in turn, may distribute the property to its own shareholders without recognition of gain under a certification by the Board, even thought the property was acquired by the parent after May 15, 1955. Similarly, the May 15, 1955, cutoff date is not applicable where the prohibited property or controlling bank interests certified by the Board are retained at the corporate level by the transfer to a wholly owned subsidiary created for that purpose if stock of the subsidiary is distributed by the qualified bank holding company, and such distribution meets the tax avoidance test discussed previously. In the case of the creation of a subsidiary, prohibited property or controlling bank stock acquired after May 15, 1955, may be transferred to it along with prohibited property or controlling bank stock acquired prior to May 15, 1955.

In the case of a contribution to capital of any corporation made by a bank holding company after the date of enactment of this bill, the general test of a principal purpose of tax avoidance will be applied. Where a contribution has been made after May 15, 1955, and before the date of enactment under the terms described in the bill, the treatment provided in S. 2577, as originally reported, will be retained. If any part of the contribution made in this period is part of a plan for the avoidance of taxes, only a portion of the shares of the corporation to which the contribution is made will be taxable on distribution. This portion will correspond to the portion of the value of those shares attributable to the contribution.

Where the nonrecognition treatment has been extended to prohibited property which has been distributed by the corporation which is a bank-holding company, a final certification must be obtained from the Board that the corporation has divested itself of all property necessary or appropriate to comply with the bill within the statutory period permitted for divestment. If this final certification is not obtained, the transactions previously permitted to be made without recognition of gain are reopened and tax may be imposed in such cases. For this purpose the statute of limitations on assessment of deficiency resulting solely from the distribution of prohibited property which has been certified by the Board does not expire until 5 years after the corporation gives notification that the period prescribed in section 4 (a) of the bill has expired.

A similar final certification is required where nonrecognition treatment has been originally accorded to the distribution of bank stock or similar property which the Board has certified that the corporation must divest in order to cease being a bank-holding company. In this case the tax provisions of the bill provide that the Board must give a final certification that the corporation has ceased to be a bank-holding company within 2 years after the date of enactment of the bill or within 2 years after the date on which the corporation becomes a bank-holding company, whichever is later, unless the time has been extended by the Board for 1-year renewals not to exceed 5 years from the date of enactment of the bill or the date on which the corporation becomes a bank-holding company, whichever is later. The statutory period for the assessment of a deficiency resulting solely from such distribution is extended in the same manner as in the case of the distribution of prohibited property.

The basis of stock or other property received by a distributee without recognition of gain under the provisions of the bill is determined by allocating the adjusted basis of the stock with respect to which the distribution is made between such stock and the property so distributed. In the case of any recognition of gain upon the receipt of stock or property, such gain will be taken into account in determining the adjusted basis of the stock with respect to which the distribution was made and the property which was received. These rules are similar to the general rules for allocation of basis in the case of stock dividends and corporate reorganizations. The bill provides that the allocation of basis shall be made under regulations provided by the Secretary or his delegate.

Where a bank holding company distributes stock of a subsidiary formed to receive either prohibited property or controlling bank interests which causes it to be a bank holding company, proper allocation of the earnings and profits of the bank holding company is made to the subsidiary. Your committee has extended such treatment to direct distributions of stock of a corporation where the bank holding company owns at least 80 percent of such corporation.

Except in the case of a distribution permitted to be made tax free under this part, nothing in this bill is intended to limit the applicability of other provisions of the Internal Revenue Code of 1954. For example, in a program of divestments under this bill a bank holding company could make distributions permitted under the tax provisions of this bill or under subchapter C of chapter 1 of the Internal Revenue Code of 1954 (relating to corporate distributions and adjustments).

Mr. BENNETT. Mr. President, I renew my previous request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and the request is agreed to.

Mr. ROBERTSON. Mr. President, pursuant to the previous order, I move that the Senate do now adjourn——

Mr. ANDERSON. Mr. President, may we have a brief explanation of the bill? Can we be informed, for example, whether or not the bill would prevent such an organization as the Northwest Bank Corp. from operating?

Mr. ROBERTSON. It would not prevent it from operating, but it could not operate on the same scale on which it is now operating. It could not acquire new banks without the consent of the Federal Reserve Board.

Mr. ANDERSON. Is the bill now designed only to hit the Transamerica Corp., or does it hit the Northwest Bank Corp. in the same fashion it hits Transamerica?

Mr. ROBERTSON. It hits every bank holding company with two or more banks in exactly the same way. The only difference between the corporation the Senator mentions and Transamerica is that Transamerica happens to be the largest; and when it has to get rid of nonbanking assets, it must get rid of $1 billion worth of assets, which none of the others have, so far as the Senator from Virginia can ascertain. It gets rid of them without one red cent of tax liability, provided the proceeds of the sale of such assets are distributed to the stockholders.

Mr. ANDERSON. What about W. R. Grace & Co.?

Mr. ROBERTSON. W. R. Grace & Co. has only one bank.

Mr. ANDERSON. Therefore it can engage in other activities.

Mr. ROBERTSON. As the Senator from Virginia has said, when he introduced the bill he included all of them. The independent bankers said "No, we want a bill covering corporations with two or more banks." So when we reached the compromise bill the Senate committee said, "Let us take the House provision, because it will be difficult enough to get a bill through over the opposition of 42 companies. If we have opposition from 163, the task will be immeasurably increased."

From all practical standpoints, this bill would freeze the corporations which have only one bank. If they acquire an additional bank, they become bank holding companies. Then they must get rid of both banks.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. HUMPHREY. They do not get rid of both banks, but they get rid of nonbanking assets.

Mr. ROBERTSON. There is no corporation I have been able to find anything about which has great nonbanking assets and only one bank, which would not get rid of the small bank rather than give up all the other holdings. Therefore I say that the one-bank corporation is frozen by the bill rather automatically, because if it acquires another bank it becomes a bank-holding company. It must then choose between banking assets and nonbanking assets; and under those circumstances it would keep its banking assets. Therefore there would be no point in acquiring another bank, and having to give up the bank it really wishes to keep. The bill does not apply to corporations with only one bank.

Certain amendments may be offered on the floor of the Senate. The Senator from Virginia refused to accept them in committee, and he will vote against them on the floor of the Senate because he thinks the proper approach to this bill is to treat all alike.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. THYE. Has the question of the committee amendments been submitted to the American Bankers Association? Is it familiar with the amendments to the committee bill which have been approved here this afternoon?

Mr. ROBERTSON. The amendments have been submitted to the American Bankers Association unofficially. There has been no general meeting of that association since their adoption, because they were adopted this year, and the general meeting does not take place until September. However, the legislative representative of the American Bankers Association approved them, and the Federal Reserve Board approved them. All the bank-holding companies approved them.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. ROBERTSON. I yield.

Mr. THYE. Are the independent bankers of America acquainted with the amendments which were made a part of the bill by the unanimous-consent agreement this afternoon?

Mr. ROBERTSON. They are thoroughly acquainted with them, and have raised no objection whatever to them. As a matter of fact, unofficially the information came to me that if we would adopt the Douglas amendment—which is not quite so stringent as the House provision, but which prohibits crossing State lines unless they are invited by the State to come in—the Independent Bankers Association would be very much pleased with the bill. It would be very much pleased if we added that much to the bill.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. ANDERSON. Can the Senator tell me the difference between the House bill and the Senate committee version? Is the House bill considerably different in character? I ask that question only because there is a pretty substantial block of testimony to read.

The banks which have had correspondence with me have indicated that they like the House bill. However, they say that they would be glad to see the Robertson bill passed, so that the House bill can get into conference.

Mr. ROBERTSON. There are many differences between the House bill and the Senate committee version. Naturally our committee thinks it has a much better bill.

I mentioned in my discussion—and they are also discussed at greater length in the material which I inserted in the RECORD—the various points of difference. I stressed three of them.

One related to control. Under the House bill there is absolute control by the State banking agency, in the case of a State bank, or the Federal Comptroller of the Currency in the case of a Federal bank. But we think the control has been and should be in the Federal Reserve Board, leaving the other agencies to make recommendations, but permitting court review if the parties feel aggrieved.

There are a number of minor differences between the House bill and the Senate bill. We had the advantage of additional hearings after the House bill was passed, and we had the advice of all those who might be called experts in this field.

We took advantage of all the help we could get in formulating a compromise bill. It is quite different from the bill which the Senator from Virginia introduced on various occasions. It was the result of the contributions of a great number of persons. It came first from our subcommittee, and then from the full committee as a compromise bill. There are many differences. Most of them are minor. So far as possible, in the compromise bill we accepted the exact language of the House bill wherever it was possible to do so without violently changing the philosophy we were aiming to incorporate in the measure.

Mr. ANDERSON. I am trying to find out from the Senator what we might use for guidance. Most independent bankers have said that they favor the House bill. Also they have said that they favored a considerable portion of the Senate bill. Would it be a fair conclusion that this is probably the best bill which can be obtained, from the standpoint of the position of independent bankers? Is it the Senator's opinion that probably the best we can do is to pass the bill as it has been amended?

Mr. ROBERTSON. Undoubtedly this will be the best that can be obtained on the floor of the Senate. However, I frankly admit that the independent bankers would like to have the Douglas amendment adopted. If the Douglas amendment were adopted, the bill would be very acceptable to the independent bankers. That amendment will be offered in due time.

Mr. ANDERSON. I thank the Senator.

Mr. ROBERTSON. However, it would not be at all acceptable to the bank-holding companies. Since we are dealing with $15 billion in assets, under the terms of the bill, and possibly as much as $25 billion, all told, we should not run roughshod over that much invested interest all over the Nation. For that reason, the late Senator Maybank always said, "You never did get legislation because you went for the maximum, and you could not reach it."

In this instance we did not go for the maximum. We went for what we thought would be adequate controls, without having the bank-holding companies say to us, "You are definitely unfair to us. We have been in existence for many years, and many stockholders have invested their money in our stocks, and, therefore, we have some legal as well as moral rights in this matter.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. THYE. Did the committee consider the Douglas amendment, or the question embodied in that amendment?

Mr. ROBERTSON. The Senator from Illinois [Mr. DOUGLAS] is a member of our committee. He offered an amendment. He took as much time as he felt was necessary before the committee to debate his amendment. The committee voted on the amendment. The amendment received 4 favorable votes in committee. It was not reported by the committee as a committee amendment.

Mr. THYE. What does the Douglas amendment propose to do which the bill now before the Senate would not do? It would be helpful if the Senator from Virginia would tell the Senate.

Mr. ROBERTSON. The committee bill places jurisdiction in the Federal Reserve Board over the question of future expansion. The Board can deny or grant requests for expansion. The Douglas amendment does not confer upon the Board any discretion whatever. The Douglas amendment specifically says that no bank holding company in the future may cross a State line unless the laws of the State involved permit it to do so.

With respect to the operations of some of the bank holding companies in the Northwest, the Douglas amendment would freeze them into a favored position. Trans-America, I believe, operates in 10 States, and if the Douglas amendment were agreed to, no other bank could enter that field. The Northwest Bank operates in 4 States, I believe, and no other bank could enter that territory if the Douglas amendment were adopted.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. THYE. That was the question I had in mind with respect to holding companies, particularly so far as the Douglas amendment is concerned. Under the amendment, the Federal Reserve Board would be foreclosed in the future from giving any consideration to the merits of a proposal by a bank that it be permitted to go into another State and establish a bank there. The amendment would give a virtual monopoly to the bank holding companies that are now established in that State.

Mr. ROBERTSON. That was the principal reason why the committee did not adopt the amendment. There were other reasons. The reason the Senator has stated was the one that was very strongly urged before the committee by the Federal Reserve Board. They said that the amendment would create tremendous monopolies and freeze the big banks into favored positions. They said it was not fair for us to do so, because perhaps in some instances other banks would wish to go into an area to give the big banks some competition.

Mr. THYE. In the opinion of the Federal Reserve Board, then, the Douglas amendment would give unfair advantages to existing bank holding companies which had branches operating in a particular State or States. Is that correct?

Mr. ROBERTSON. That is correct. The Federal Reserve Board also took the position that there was an unfair restriction on the dual system on the one hand, of national banks, and, on the other hand, State banks.

In the third place, the Federal Reserve Board took the position that President Eisenhower, when he sent his economic message to the Congress, had said that we must have, or should have, bank holding-company legislation enacted which would put the holding companies under the control of a Federal agency. That agency should be the Federal Reserve Board. That is the position of the President. That is the position of the Federal Reserve Board, unanimously, so far as I know. That is the position of the Comptroller and of the FDIC.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. THYE. I wish to say to the distinguished Senator from Virginia that my mail from independent bankers in Minnesota is predominantly in favor of the Douglas amendment. They so state in their letters to me.

Of course, I am particularly concerned because I do not wish to have independent banks destroyed by competition which they cannot meet, particularly because of the ability of the holding companies and larger banks to finance almost any kind of loan application. At the same time, I realize that there are times when a community would be foreclosed from having a bank established within it if a bank holding company did not enter the community. It frequently happens that minority stockholders become affiliated with a holding company, and in that manner a community is served with a bank.

Because of the expressions made to me by independent bankers, I have gone into the subject as carefully as I have been able to in an effort to acquaint myself with the question so that I would be fair and just in my decision and would safeguard the interests of the independent bankers, many of whom are my friends. For that reason, I have asked the questions I have propounded. I hope that as a result of my questions we may be in a better position to give proper consideration to the amendments as they come before the Senate tomorrow.

Mr. ROBERTSON. I can assure my distinguished friend from Minnesota that that is the fact. There are no holding companies in Virginia. There are none in Virginia because the banks of Virginia are pretty well off, and are able to take care of the situation in my State. But if the pending bill did not give the bankers of Virginia adequate protection against future unfair competition from bank holding companies, I would not be on the floor advocating its passage.

Mr. THYE. Mr. President, I wish to assure my good friend from Virginia that in the State of Minnesota we have both holding companies and independent banks. I am sure the Senator from Virginia will not deny that we in Minnesota have as good independent bankers as are to be found anywhere in the United States, and that they are as good as any in Virginia. Nevertheless, we do have holding companies in our State, and I know from personal knowledge that in one or two instances holding companies have made it possible for a community to have a bank, and to have it continue in operation when there was a possibility that the bank would be closed.

Mr. ROBERTSON. The Federal Reserve Board testified on that subject. Its representatives said that in numerous instances a bank holding company had furnished needed capital which could not have been obtained anywhere else. To that extent, a bank holding company served a useful purpose. Hence our committee would not adopt the philosophy of the report of the House committee, which in effect held that the bank holding company was an unmitigated evil. We do not believe that to be the fact. We believe bank holding companies serve a useful purpose in some instances. However, some of them have grown so powerful, we felt that the time may have come to put them under suitable regulation.

I happen to know of an instance in Florida which will come out in debate when the Senator from Florida offers an amendment. There is a large naval stores corporation in an area in Florida involving about 80 percent of agricultural work of one kind and another. There was one bank in the area, which failed during the depression. The naval stores corporation relieved the bank of all liability. No depositor lost a nickel. The bank was reorganized and is now doing a very flourishing and substantial business. But that made the naval stores company a holding company. There are two banks there instead of one.

Mr. THYE. Will the bill which we shall have before us tomorrow, with the committee amendments which were adopted en bloc this afternoon, provide that a holding company must divest itself of nonbanking business?

Mr. ROBERTSON. With this minor exception. Certain operations are mentioned in the committee amendment which are held to be so closely related to the banking industry as to make it neither necessary nor desirable to force a bank holding company to give them up, although technically they are not banking operations.

Mr. THYE. Could the Senator from Virginia describe the nature of the business?

Mr. ROBERTSON. Credit life insurance is one; the operation of safety deposit boxes——

Mr. THYE. Of course, that has been a customer's privilege in all the banks of which I have any knowledge. We certainly would not wish a bank to divest itself of that sort of business.

Mr. ROBERTSON. That is correct. One is the credit life insurance program in connection with bank loans; another is the operation of insurance programs in cases where the bank holds the mortgage. And there are many other activities of a financial, fiduciary, or insurance nature which cannot be determined to be closely related to banking without a careful examination of the activities.

So, we spell out a few exemptions and leave out the others. A bank holding company can go before the Federal Reserve Board and say, "Here is an activity which is not technically banking, but it is so closely related to it that we think it should not be held to be a nonbanking asset," and the Board can act upon it.

Mr. THYE. I thank the distinguished Senator from Virginia.

Mr. ROBERTSON. I thank the Senator from Minnesota for asking the questions he has propounded to me.

Mr. CAPEHART. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I am happy to yield to my colleague from Indiana.

Mr. CAPEHART. Had the Senator concluded his statement?

Mr. ROBERTSON. Yes; but I am at the moment acting majority leader, and I shall have to remain.

Mr. CAPEHART. I wanted to speak on another subject, and then, it is my understanding, the Senate will adjourn.

Mr. ROBERTSON. That is the understanding.

NEW USES FOR FARM PRODUCTS

Mr. CAPEHART. Mr. President, I had intended to make quite a lengthy speech with reference to a bill which I introduced on March 21, together with 35 other Senators, for finding new uses for farm products, but I shall not do that today. I have a large number of editorials and letters which I had intended to place in the RECORD, but I shall put them in later, not today, as I have had a very fine talk with the chairman of the Senate Committee on Agriculture and Forestry who states that my bill has been referred to a subcommittee headed by the Senator from Kentucky [Mr. CLEMENTS], and he feels certain that the Senator from Kentucky will have a meeting and will hold a hearing in the very near future.

I think that will make millions of farmers very, very happy, because farmers are expecting this Congress to start a program of finding new uses and new markets for farm products as a permanent solution of their problems, because they realize that there is no permanent solution in cutting back production. They can be helped only by increasing production rather than cutting it back.

I appreciate very much, as I know the farmers do and as I know other Senators do, the fact that hearings will be held on this proposed legislation in the near future. I am sure that no Senator will be opposed to it. I am confident that before Congress adjourns—sometime, I hope, in the early part of July—we shall have passed the bill in a form and with sufficient appropriations at least to get the job started, if not completed, of increasing the farmer's income on a permanent basis by permitting him to grow more rather than requiring him to reduce production.

I am very grateful to the chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] for his intention to take up this proposed legislation.

GRANTING TERMS OF LEAVE IN THE UNITED STATES TO PERMANENT MEMBERS OF FULBRIGHT COMMISSION STAFFS ABROAD

Mr. HUMPHREY. Mr. President, I have recently received a letter from a citizen of Minnesota who is at the moment studying on a Fulbright scholarship at Newcastle-on-Tyne in England. He has had an opportunity to judge the personnel of the United States Educational Commission in the United Kingdom, the administrators of this Fulbright program, and he has nothing but praise for their capability. He suggests an appropriate reward for their work might be to establish a program granting terms of leave in the United States to these permanent members of Fulbright Commission staffs abroad.

This idea, Mr. President, strikes me as an excellent method to obtain a two-way benefit from the Fulbright program. I am sure that the cost involved in bringing some of these foreign Fulbright staffs to the United States would be more than compensated for by the benefits which this exchange of persons would provide. I ask unanimous consent that this letter from my constituent be inserted at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEWCASTLE-ON-TYNE 2, *March 22, 1956.*

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: In spite of the above address I am a resident of St. Paul and therefore, I believe, one of your constituents. At present I am spending a year of study in England on a Fulbright scholarship, and I would like to take this opportunity to praise without reservation the personnel of the United States Educational Commission in the United Kingdom, who administer the Fulbright program on this side of the Atlantic. All members of the small staff are extremely capable and work earnestly to make the transition from United States to United Kingdom as smooth and as efficient as possible. As well as being good workers they are good friends, and I don't believe there is a one of the grantees who is not in their debt for something, from major items like finding housing to minor ones like finding a good place to eat.

In this connection, I wondered whether it might not be feasible and advisable to establish a program to grant terms of leave in the United States to the permanent members of Fulbright Commission staffs. There is no doubt that considerable benefits to the program would arise from such a plan. It would increase the already high degree of interest the staff have in their work and deepen their understanding of the vagaries of the American character. They could maintain the many contacts they have made with the people they have already met as grantees, and in so doing contribute to one of the objects of the program. No one could deny that such leave would be in just recognition of work well done, and it would not be inconsistent with the leave programs presently operating in the Foreign Service and numerous international organizations. Few of them, because of currency restrictions and local salaries could afford to make the trip themselves, and it would be only fitting for our Government to bring them across.

As for the arguments against it, a minimum limit of employment could be set before leave was granted, say 2 years, to exclude the opportunists. If necessary it could be operated in connection with normal vacation periods to save loss of time from work. The Commission's work is seasonal, with a crushing peak in the spring and summer and a slack season in the autumn and winter, during which time leaves could probably be taken without necessitating relief employees. As for cost, the travel funds could come from the same pool as the grantees' while it would take only a small appropriation to provide a reasonable allowance in dollars for the time actually spent in the United States. The London office, which administers the largest program, doesn't amount to more than a dozen or so staff members.

It cannot be denied that these people render our Government a great service by their willing and hard work. They deserve some compensation for their efforts, and further such compensation would facilitate the execution of their duties in the future.

Sincerely,

WILLIAM H. MAEHL, Jr.

FAIR TRADE LAWS AND CUT-PRICE SELLING

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks three articles on "cut-price selling" which appeared in the Retailing Daily. These articles were written by Mr. Jerry Lansky who based them on his own research which included interviews with discounters.

Mr. Lansky's articles point up the nefarious merchandising techniques discounters are practicing today. In many parts of the country such activities are rife and as a result numerous consumers are being hoodwinked by such practices as switching substandard or inferior merchandise to the purchaser through deceptive advertising or merchandising techniques.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, Mr. Lansky has afforded an insight into the tactics employed by the discount traders and in so doing has performed a valuable service to retailers and consumers alike. In the following article Mr. Lansky discusses the methods used by the price racketeers in arriving at their prices:

[From Retailing Daily of February 7, 1956]

CUT-PRICE SELLING

(By Jerry Lansky)

PRICING IMPORTANT APPLIANCE QUESTION

(EDITOR'S NOTE.—The retailing of major appliances at discount prices has grown to a point where it is no longer the exception, but the rule. Retailing Daily has interviewed New York appliance specialty dealers of varying sizes who sell at discount in order to determine their methods and the reasons for them. This, the first of three articles, discusses the problems of pricing appliances and keeping the salesman informed.)

One of the most important questions facing an appliance dealer who turns to discount selling is how to establish the prices for the merchandise he sells.

The dealer who sells at list, of course, has no such problem, as his price is set for him by the manufacturer or, in some cases, the local distributor.

But the discount operator doesn't have it that easy. He must be able to sit down with pencil in hand to determine at what point he can afford to sell his merchandise and where he must refuse a sale if he is to make a profit.

Actually, many retailers do not draw the line that thinly. It is felt that rather than establishing a minimum price, a retailer should be guided by his competition and price his appliances accordingly. However, most retailers do have a method for establishing a selling price.

The most common pricing system in use today is the cost-plus method. Here, a retailer figures out how much it costs him to deliver, warehouse, and handle any given appliance. This amount, plus his fixed overhead costs and a desired net profit in dollars, is added to his net cost for his low selling price. It doesn't necessarily hold that all sales are to be made at that price, but at least a price is established below which no salesman can go.

Since the market is so highly competitive, most New York specialty dealers have set this low at a figure ranging between $20 and $30 above net cost. Deducting the costs of pickup, delivery, commissions, fixed costs, etc., a dealer probably can realize a net profit of about $10 when he is forced to sell at low.

Another pricing method, used by the early discount operators years ago but not too prevalent now, is the percentage-from-list method. There a dealer sets his price by

taking a constant percentage from the established list price. For example, if a discount dealer decides to sell everything at 25 percent below list, a $299.95 refrigerator would sell for about $225.

This system is effective in an area where discounting is not too common and consumers are impressed by big percentage cuts. However, in large markets like New York, where the cost-plus method is widely used, shoppers quickly get the feel that cost-plus means cheaper prices.

Two other pricing systems, although not widely practiced, are in use. Both are keyed to operations where most of the selling is done by the owners and maybe 1 or 2 salesmen.

Make expenses

In the first place, the store owner must decide how much it costs him to turn the key in the front door each morning. In other words, what will his day's total expenses be for rent, insurance, utilities, salaries, etc. Then, the profit made from each sale is subtracted from this figure until the day's expenses are met. After that, "no one walks." The dealer is then willing to sell merchandise even at cost, if necessary, in order to get the benefits of cooperative advertising funds, bulk buying, dealer trips, etc.

The other system is really no system at all, but just a haphazard way of doing business. Here, the owner gets whatever he can for a piece of merchandise, depending on how much the consumer presses him; how near it is to bill-paying time; how much he desires to make that dealer trip to the Belgian Congo, and, simply, how he feels. This method is found where growth of the business is of little concern.

If the pricing method established by the retailer allows for wheeling and dealing, such as with the cost-plus method, there is often some concern as to how much a salesman should be told about such things as dealer net cost, inventory, general business, etc.

Most retailers feel that if a salesman is to sell intelligently, he must know as much about the business as possible. For instance, if a salesman has the opportunity of selling a certain model washer, it would be to the dealer's advantage to have the salesman know that the inventory on that model was high and that it should be sold even below the low price.

Salesman and cost

Salesmen generally should be told the dealer's cost on merchandise also, so that they can "bend" a little in certain cases and yet be able to make a sale on an economical basis.

Some dealers permit their salesmen to go down only to the low price and no further. If there is a chance the customer will walk, he should be turned over to the manager. Such a policy would eliminate the necessity of keeping the salesmen informed, since the manager then would be responsible for all walks.

Regardless of how a dealer prices, it is always necessary for him to know what price his competition is getting for a piece of merchandise. Most often the consumers will keep a dealer informed of his competitors's prices by quoting "what the man down the block just offered."

Sometimes, however, dealers who are interested in certain models will hire a neighborhood woman to do their shopping. One dealer sends his shopper to a certain store to bargain for the best price she can. She gives a $5 deposit, and a phony name and address. The dealer gets the information he wants, gives the shopper $5 for her trouble, and charges the $5 deposit off as a business expense.

As might be expected, the selling techniques of the discounters vary greatly in their cutthroat operations. Mr. Lansky deals with some of the procedures employed in the following article:

[From Retailing Daily of February 8, 1956]

CUT-PRICE SELLING

(By Jerry Lansky)

(Second of three articles)

SIZING UP SHOPPER AN ART IN ITSELF

The appliance dealer who chooses to sell at discount must be a genius in the art of sizing up a customer in 30 seconds.

He must be able to predict what the customer knows and wants and must be ready with an answer if one of his predictions proves inaccurate.

For instance, it is important to know what price to give a consumer when she first asks: "How much?" If he quotes too high, he might lose the confidence of a customer who came in thinking he had the lowest price in the neighborhood. Then again, if he quotes too low, he will never be able to bring the price higher if he finds that the person would have paid more.

Most discount dealers try to "feel" the consumer out. If in the first few minutes of conversation the salesman judges that the person has shopped in other stores, there is little sense in starting with a list price because the consumer already has some knowledge of relative prices.

It is best, in these cases, to start at a "reasonable price" but somewhat above the "low" so that a salesman can come down if necessary.

Where there is some assurance that the consumer has not shopped competition, many dealers will start with list price. It is necessary to watch a person's face in order to see whether or not this price shocked or offended her. If it is obvious that it did, it is recommended that the salesman kid along with her saying that a deal could be worked out.

But it is sometimes surprising that a consumer will not flinch and will eventually buy at list, although some dealers feel this is not good policy and that it can only bounce back as bad will.

MANY HOURS ON PHONE

Discount dealers find that many hours of their working day are spent on the telephone. Consumers, trying to save a trip to the store, attempt to get a dealer's price on the phone.

Dealers generally refuse to give their low prices over the telephone because if it did not beat a previous price the consumer may have gotten there is no chance at constructive selling or switching.

Since if is impossible to get a deposit on the phone, it should be the dealer's aim to talk the caller into coming to the store. He should explain to the caller that he can't give prices over the phone because she might be calling to get information for another dealer. Make it clear, however, that when she does come in, she will get a "good deal."

If the caller gives the price she has been offered by a competitor and wants to know if she can beat it, dodge the issue. If necessary, infer that the price can be beaten and that she should come in. When she does come in and the price can't be beaten, switch.

The tactic of "switch," or trying to sell the customer something other than what she asked for, is of extreme importance to a discount dealer. If a customer comes in armed with knowledge gained through an accumulation of visits to other stores, it is best to switch her because a salesman will have trouble winning her confidence. She probably knows more than he and will try to catch him at a mistake.

SWITCH USED

The switch also has been used when a consumer has been given a bona fide price which a dealer can't beat. Then try to sell her something for which she doesn't have a comparison price.

Most dealers find the switch desirable in pushing merchandise they were able to get for a good price or for which they have been given promotional money.

"Burn-up" prices, or below-cost prices which are quoted by a competitor knowing that the consumer will unsuccessfully try and beat it elsewhere, plague the discount dealer. Since the dealer generally knows the cost of any appliance to his competitor, as they probably buy through the same distributor, he can usually spot a burn-up.

The best policy is to try to explain to the consumer that the other dealer would not sell the appliance at that price since there would be additional charges of installation, delivery, service, etc., if she forced him to sell. It is important that the dealer should not challenge the consumer's ability to buy the appliance at that price because by sending her back to the competitor, he is doing exactly what the competitor wanted him to do.

The best thing to do is what the competitor would do if the same customer were to return—switch.

Pencil-and-pad shoppers are another problem. These are the people who come into a dealer's store interested in comparing model numbers and prices with information they received in other stores. Dealers agree that these people have to be treated with kid gloves. Joke with them. Find out when they will want delivery and if you feel they are ready to buy, switch them to something they haven't shopped.

FAVOR BURN-UP

Some dealers are in favor of using burn-ups on these shoppers.

When a dealer receives a cancellation of an order, it is a good policy to find out why the order has been canceled. If it is a matter of price, try to meet the price of the competitor. If the customer still refuses, most dealers mail back the deposit without an argument.

Retailers agree that whenever a consumer comes into the store, she is in the market for an appliance. It is up to the dealer to take her out of the market by getting a deposit regardless of delivery date.

Mr. President, as in the cases of pricing and selling, discounters differ appreciably also in their advertising campaigns from the traditional advertising techniques. The duplicity of the discounters is covered succinctly in Mr. Lansky's article, "Discounter Urged Be Cautious in Ads," which follows:

[From Retailing Daily of February 9, 1956]

DISCOUNTER URGED BE CAUTIOUS IN ADS

(By Jerry Lansky)

The major advertising aim of a discount appliance dealer is to let the public know that he is a discounter without giving too much other information.

The dealer should advertise often and say loudly that he is a discounter. Once he is able to establish himself as such, consumers generally think of him in terms of appliances and discounts.

However, retailers are advised to be cautious in their appliance advertising by not giving too much information other than the usual name and location and plenty of brand identification. If too much is made known about the products the dealer is selling, the consumer is being given the opportunity of finding out what she wants to know without coming into the store.

REGARDED AS TABOO

For instance, listing prices in an ad, whether list or discount, is regarded as taboo. If a list price is noted there is a danger that the reader won't look at the whole ad and assume the advertiser is selling the appliance for that price. If a discount price is given, a consumer may try to beat that price elsewhere, only to be switched.

Model numbers are likewise frowned upon since it is felt that this would be giving the consumer an education.

Retailers are also warned that their advertising should be such as not to permit competition to use the ads to their own advantage.

A floor display can be effectively set up to tie in with a current advertising campaign. For instance, if a dealer happens to be advertising a price leader which he is not particularly desirous of selling, that model should not be highlighted on the display floor. The unit can be made comparatively unappealing by having it scuffed up, possibly discolored and with a broken handle.

Nearby, however, the dealer can show his step-up merchandise in an attractive setting with shining lights and appealing colors. This piece should be well polished and in working order.

ARE NOT AGREED

Appliance dealers are not agreed on how a floor model of an appliance should be marked. Some feel that each model should carry a coded notation of the low price so that the salesman can talk price without leaving the customer or referring to catalogs.

However, others state that when a salesman refers to a catalog with a pencil in hand, the consumer feels that a special deal is being worked out for her.

There is similar disagreement as to whether appliances should carry list prices and model numbers. Some dealers say that if a shopper wants any information she should have to ask a salesman, giving the salesman the opportunity to make a pitch. Others feel that the notation of list and model number on each piece eliminates the possibility of a salesman making a mistake since there might be as many as 50 appliances on the floor.

A discount dealer should handle as many lines as possible although this might present some problems. By carrying a large assortment of merchandise, a dealer is limiting his buying power on a given line so that he would probably be paying more than a competitor who is specializing in the line. Also, he is not getting the highest rate of cooperative advertising money that this other competitor might be getting.

Neither of these circumstances leaves a dealer in a good competitive position.

MAINTAIN FORCES

Therefore, many dealers join forces with other dealers in 1 or 2 ways: They may buy carload lots on a cooperative basis and then share the merchandise; or they may have a reciprocal agreement with other dealers to buy merchandise that is needed.

In the latter case, the dealer would probably have only the spec sheets of these other lines and resort to this arrangement only when he was unable to switch the consumer.

Most salesmen for New York appliance specialty stores work for a base salary ranging from $50 to $65 a week plus commissions and promotional money. These men average about $125 a week with some getting over $200 in heavily trafficked stores.

There are some dealers, however, who do not believe in the commission incentive and pay instead, a straight salary of about $85 a week plus promotional money and a yearly bonus.

Commission rates vary. One store pays a 5 percent commission for a sale made at list price and descending rates to 1 percent for a sale at the low. Another store gives 1 percent for a certain amount of dollars above the low and an extra 15 percent for everything beyond that. Still another pays 1 percent for a sale at low and 2 percent for a sale made above low.

However, since the salesmen's salaries are proportionate with the amount of business a dealer is doing, there are few complaints about paying them.

Mr. President, these articles are effective rebuttals to those opponents of fair trade who have argued that the discounter brings quality merchandise to the consumer at reduced prices. Apart from guaranteeing the recognized right of a manufacturer to protect his product, fair trade protects the consumer through assuring him that he receives the merchandise he intended to buy, at a fair price. Fair trade insures a fair profit and consequently there is no need for misrepresentation.

Discounters frequently offer certain branded products as loss-leaders and sell substandard and discontinued models as high grade merchandise. This procedure is nothing new. It is well settled that no one operates at a loss and stays in business. Fair trade insures healthy competition. A manufacturer must market his product at a reasonable price or else lose out to a more efficient manufacturer. From the foregoing articles it is evident that discounters are not able to offer lower prices through more efficient merchandising techniques but rather because they operate on the cut-throat basis described by Mr. Lansky.

The broad implications that flow from these articles have caused me to refer them to the Federal Trade Commission in order that such practices as those described might be given careful scrutiny by the Commission.

Mr. President, I now desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

LETTER OF BERTRAND RUSSELL CONCERNING EXECUTION OF JULIUS AND ETHEL ROSENBERG

Mr. HUMPHREY. Mr. President, Julius and Ethel Rosenberg went to their death in the electric chair at Sing Sing in June of 1953 convicted of conspiracy to engage in espionage on behalf of the Soviet Union. Morton Sobell is now serving a 30-year prison term in Alcatraz as a result of his conviction for participating in the conspiracy. These people were found guilty by an American jury after a long trial, in accordance with judicial principles. The United States Court of Appeals for the Second Circuit and the United States Supreme Court have had these cases before them on a number of occasions and have found no merit whatsoever in the contentions advanced on behalf of these conspirators.

I am convinced, and I believe most thoughtful Americans are convinced, that justice has been fully done in these cases. Nevertheless, some groups in this country have persisted in making the most irresponsible charges that these cases represented a hoax and that innocent persons were deliberately framed by our Government. Undoubtedly this stream of poisonous propaganda has been harmful to American prestige in other countries, but I am confident that most people abroad have considered the source of these charges and have discounted them accordingly.

Now, however, a more reputable person has picked up and is parroting these accusations. I regret to make this reference, but I feel compelled to do so. I refer to Bertrand Russell—Lord Russell. Lord Russell claims that he has looked into the evidence regarding the Rosenbergs and Sobell, and is certain of their innocence. They were convicted, he says, through perjured testimony which our Federal Bureau of Investigation elicited by use of Nazi-like atrocities and blackmail. I ask unanimous consent, Mr. President, that the text of Lord Russell's letter printed in the Manchester Guardian of March 26 be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the EDITOR OF THE MANCHESTER GUARDIAN:

I am writing to enlist your support in the case of Morton Sobell, an innocent man condemned as a result of political hysteria to 30 years in jail and at present incarcerated in Alcatraz the worst prison in the United States. He was sentenced as an accomplice of the Rosenbergs in espionage. I am ashamed to say that at the time of the Rosenberg's trial, I did not look into the evidence. I have now done so. I am almost certain that the Rosenbergs were innocent and quite certain that the evidence against them would not have been considered adequate if prejudice had not been involved. But the Rosenbergs are dead and nothing can be done for them now except to hold up their official murderers to obloquy. Sobell, however, is alive and it not too late for the United States Government to make some reparation now.

The facts in this case are briefly as follows: He had a friend named Elitcher who had been his best man. Elitcher had stated under oath that he had never been a Communist and the FBI discovered that in making this statement he had committed perjury. They let him know that he could escape punishment if he would denounce other people as accomplices in his treasonable activities. He decided to save his own skin by denouncing his best friend, Sobell. While negotiations in this sense were going on between him and the FBI, Sobell and his wife and their two small children went to Mexico. Sobell toyed with the idea of not returning to the United States, but rejected it. His decision to return became known to the FBI, which had determined to present him as a fugitive from justice. In order to be still able to present him in this light, they hired thugs who beat him into unconsciousness, hustled him and his wife and their two children into fast cars, and drove them without stopping from Mexico City to the United States border. There they were handed their card of entry with the words "Deported From Mexico," although the Mexican Government had not been privy to the kidnapping and had expressed no intention of deporting them.

When Sobell was brought to trial these facts were not released as his counsel considered any criticism of the FBI, however justified, would only increase the severity of his sentence, his condemnation being regarded by his counsel as certain in spite of lack of evidence. The judge instructed the jury that they could not find Sobell guilty unless they believed Elitcher. Elitcher, because he was useful in this trial, has never been indicted for his acknowledged perjury

and, in spite of his being known to be a perjurer, every word that he said against Sobell was believed.

People express scepticism when it is said that most Germans did not know of Nazi atrocities, but I am sure that the immense majority of Americans are quite ignorant of the atrocities committed by the FBI. They do not know of the standard techniques of these defenders of what, with cynical effrontery, they still call "the free world." The technique is one with which we have been made familiar in other police states such as Nazi Germany and Stalin's Russia. The police find a man whom they can prove to be guilty of some offense and they promise him immunity if he will manufacture evidence against people who could not otherwise be indicted. Perjury is especially useful as a lever because many people who have been Communist in their student days rashly hope that this can be concealed and swear that they were never Communists. After a sufficient number of secret interviews the FBI descends upon innocent people with a posse of terrified perjurors and in the general hysteria every word uttered by the perjurors is accepted as gospel truth.

I do not suppose for a moment that President Eisenhower is aware of this well-established technique. If he knew of it, he would not only feel the revulsion which all decent people must feel, but would realize that every such case which becomes known outside the United States turns hundreds of thousands of people, if not into Communists, at least toward neutralism and away from the policy of NATO. For this large reason of public policy, as well as from motives of humanity and justice, it is to be hoped that something will be done to curb the FBI. A beginning might be made by the release of Morton Sobell, or, at least, by ordering a new trial in his case.

Yours very truly,

BERTRAND RUSSELL.

RICHMOND, SURREY.

Mr. HUMPHREY. I am dismayed by the reckless liberties which Lord Russell has taken with the facts and with our Nation's great legal and judicial traditions. What is more important, I am deeply concerned that, because Lord Russell has in the past been an anti-Communist and an independent thinker, the outside world may take his allegations seriously.

There is no necessity for me to defend the Federal Bureau of Investigation against this attack. It can stand with honor and distinction upon its own customarily excellent record. I believe, however, that something should be said to demonstrate to our British friends that Lord Russell's comments are irresponsible and false.

In this connection I am gratified that two knowledgeable Washington attorneys have seen fit to write to the Manchester Guardian in reply to Lord Russell's letter. Mr. Irving Ferman and Mr. Harold P. Green wrote to the Manchester Guardian on April 2, 1956, to set the record straight. Both of these gentlemen are well qualified to speak on this matter, since both have had extensive experience in internal security and civil liberty problems, and considerable familiarity with the Rosenberg-Sobell case itself, as well. Mr. Ferman is the assistant director of the American Civil Liberties Union. Our friends abroad may rest assured that if there were the slightest tinge of validity to Lord Russell's charges, Mr. Ferman and his organization would be in the vanguard of the attempt to expose and correct the injustice. Mr. Green, who is now engaged in the private practice of law in Washington, formerly served for a number of years in the General Counsel's office of the Atomic Energy Commission, where he handled the complex legal questions involved in the atomic-energy security program. More recently, he served as counsel to the subcommittee of the Committee on Government Operations, which it was my provilege to serve as acting chairman, and which held extensive hearings last year on the overall Government security mechanism in connection with the resolution to create the Commission on Government Security. Since I served as acting chairman of this subcommittee, I can testify personally as to Mr. Green's knowledge of internal-security matters, as well as his complete dedication to civil-liberties principles and to the cause of justice.

Mr. President I ask unanimous consent that the text of the letter addressed to the editor of the Manchester Guardian by Mr. Green and Mr. Ferman be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the EDITOR OF THE MANCHESTER GUARDIAN:

We feel impelled to reply to Mr. Bertrand Russell's letter which appeared in your columns on March 26.

One of us is Harold P. Green, who participated for several years in the security program of the United States Atomic Energy Commission and subsequently served as counsel to the Senate Subcommittee chaired by Senator HUBERT HUMPHREY which undertook the comprehensive study of the overall security mechanism resulting in creation of the Commission of Government Security. The other is Irving Ferman, Washington Director of the American Civil Liberties Union.

Bertrand Russell has accepted and advanced as fact the self-serving concoctions of alibis and defenses offered by individuals who have been charged with and convicted of grave offenses. He has arrogated unto himself the rendering of a judgment on their guilt or innocence which is contrary to the judgment reached by those who administer our judicial system and who have carefully and objectively reviewed the allegations in accordance with established procedures. Let no one be deceived into believing that the "facts" recently learned by Russell have not been thoroughly reviewed by the Courts of the United States in accordance with the long standing Anglo-American traditions of due process. The cases of the Rosenbergs and Sobell have been before the United States Court of Appeals for the Second Circuit (generally recognized by American lawyers to be one of the best courts in the country) and before the Supreme Court of the United States on several occasions. These courts have been singularly unimpressed and unmoved by these "facts" which now so deeply stir Mr. Russell. But this is not all. Even our reputable private organizations which exist only to further and strengthen our civil liberties have seen no substance to the propaganda barrages in these cases. Thus, the American Civil Liberties Union has said that "there are no civil liberties issues involved" in the Rosenberg-Sobell cases.

Mr. Russell builds his belief in the innocence of the Rosenbergs and Sobell, and his condemnation of the FBI, upon the completely unproved and unjustified assumption that the FBI blackmails perjurers into testimony which will frame innocent persons. But this theory overlooks the mass of evidence corrobating beyond any doubt the existence of a Soviet espionage network of which these people were a part. This was a web which included Fuchs in England; Gold in Philadelphia; the Rosenbergs, Sobell, Elitcher in New York City; the Greenglasses in Albuquerque; Alfred Dean Slack in Tennessee; Soviet diplomats in New York; and others. These people were not strangers to each other. Events which transpired in London; Cambridge, Mass.; New York City; Sante Fe and Albuquerque, N. Mex.; and Kingsport, Tenn., tie these individuals to each other and to the conspiratorial network.

Mr. Russell forgets, apparently, that it was the confession of Fuchs in England which led almost directly to the Rosenbergs and Sobell in New York. In addition, Fuchs, Gold, Slack, Elitcher, and the Greenglasses have all confessed to their own roles in the conspiracy. Such confessions are, in Anglo-American jurisprudence, fully admissible in evidence, and none of them has been repudiated by any confessor or rejected by any court.

Very truly yours,

HAROLD P. GREEN.
IRVING FERMAN.

WASHINGTON, D. C.

Mr. HUMPHREY. Mr. President, although Lord Russell freely criticizes our Federal Bureau of Investigation because it obtained the confessions of a number of spies who implicated others in the conspiracy, he ignores the fact that it was Scotland Yard which obtained the confession of Fuchs. This confession led immediately to the American participants in the conspiracy, including the Rosenbergs and Sobell.

I do not know on what information Lord Russell has based his fantastic charges. He says he has looked into the evidence. I wonder whether he has actually done so, or whether he has merely accepted as truth some of the "tripe" which has been written in this country purporting to analyze the facts in these cases.

The leading example of this is a book entitled "The Atom Spy Hoax," written by Mr. William A. Reuben, and published by Action Press. Some of Lord Russell's charges mirror the charges developed in this book. Unfortunately, this book, and others similar to it, give the impression of being based upon massive and painstaking research, and have apparently impressed many Americans. I think it would be useful to call to the attention of the members of this body and to the American public a review of The Atom Spy Hoax by Mr. Harold P. Green, which was published in the October, 1955, issue of the Bulletin of the Atomic Scientists. I ask unanimous consent, Mr. President, that the text of this review be printed at this point in the RECORD.

There being no objection, the text of the review was ordered to be printed in the RECORD, as follows:

THE ATOM SPY HOAX, BY WILLIAM REUBEN, NEW YORK: ACTION BOOKS, 1955

It is unfortunate that much of the public discussion of problems of internal security proceeds from extreme assumptions. On the one hand, it is frequently assumed and argued that our governmental and industrial institutions are honeycombed with Communist spies. On the other hand, extremists at the opposite pole assume and argue that there is really no problem of subversion or espionage. Neither extremity advances the cause of public understanding or the establishment of sound national policy.

The Atom Spy Hoax, by William A. Reuben, is an extreme example of the latter extremity. Mr. Reuben undertakes an "analysis" of the Canadian espionage cases, the cases of Hiss, Coplon, Fuchs, Gold, Slack, Greenglass, the Rosenbergs, Sobell, and the other spy cases of the past decade, and brings these cases together in a neat package supporting his theme that our national security obsession is based entirely upon a hoax. Mr. Reuben paints his picture on a canvas of cosmic proportions with a whitewasher's brush and lividly colored paint. All of these cases are part of a vast conspiratorial hoax to which the Canadian, United States, and British governments are party. The accusations of espionage were authorized and masterminded to further the cold war and the atomic arms race, which, of course, were initiated by the United States and its allies. Officials of these countries have lied, concocted myths, committed perjury, and conspired in fraudulent activities to accomplish their purpose. The accused spies who have confessed their crimes have all confessed falsely under duress, lack of mental balance, brainwashing, or promises of leniency. The accused spies who have asserted their innocence have all been "framed," and all of their self-serving statements, explanations, and alibis are to be accepted at face value.

Mr. Reuben does not paint a pretty picture. It would be a simple task to demolish his treatment of any of these espionage cases by straightforward recital of the facts. The temptation not to do so is great, for it would only lend unwarranted dignity to the author's allegations. In the interest of objectivity, however, we may consider his treatment of one case, that of Alfred Dean Slack, which can be discussed adequately in brief form.

Slack had been named by Harry Gold as one of the persons who had furnished him with secret information to relay to the Russians. Slack was arrested on June 15, 1950, and indicted on September 1, 1950, for conspiring with Harry Gold and "Richard Roe" to violate the Espionage Act, the indictment charging specifically that on two occasions Slack met Gold and delivered to him information relating to the national defense. Slack admitted that he had turned over to Gold certain reports as to a new explosive being produced at the Government plant where he was employed as well as a sample of the explosive, and he entered an unqualified plea of guilty pursuant to which he was sentenced to 15 years' imprisonment. Subsequently, Slack moved to vacate the sentence on the grounds that his constitutional rights had been infringed, but the trial court denied the motion. The Court of Appeals for the Sixth Circuit, however, reversed the order of the trial court and remanded the case to the trial court for a hearing on whether Slack's constitutional rights had been denied. The trial court, after a lengthy hearing, denied the motion to vacate the sentence, finding that Slack had not been deprived of his constitutional rights. The Court of Appeals for the Sixth Circuit upheld the lower court on appeal, and the Supreme Court of the United States denied certiorari.

Mr. Reuben proclaims that this case provides a full and complete answer to the bedeviling question as to why alleged spies confess and accept lengthy prison terms although they are actually innocent. He states that the incredible developments in this case may be more sensational than any other revelation made in connection with the series of espionage cases.

Mr. Reuben finds insidious significance in the fact that the decision of the court of appeals remanding the case to the trial court for a hearing on Slack's motion to vacate the sentence was only three paragraphs in length, and that the style, terseness, and wording of the decision practically made it unrecognizable. The proceeding on which this decision was rendered is characterized as one of the most remarkable court actions ever undertaken in the United States. But few lawyers would regard the case as remarkable or would find the decision in any way unusual. It was a brief per curiam decision in a case which involved no contested issue. The United States attorney himself had asked that the order of the district court denying the motion to vacate the sentence be reversed and that the case be sent back to the district court for a full hearing. There was, therefore, no issue and no reason why anything other than the most perfunctory decision by the court of appeals was in order. As a matter of fact, the court's use of three paragraphs under the circumstances appears to be quite extravagant.

On the rehearing before the district court, Slack sought to establish principally that the attorneys whom the court had appointed to represent him prior to and during the trial did not properly advise and represent him. His main complaint was that his attorneys did not advise him of an interpretation which had been placed upon the Espionage Act in judicials decisions, and that had he been aware of this interpretation he would not have pleaded guilty. The interpretation of which he was not aware when he pleaded guilty was that of the Court of Appeals for the Second Circuit in *United States v. Heine*, 151 F. 2d 813, to the effect that the espionage laws are not violated by furnishing information known or available to the recipient from public sources. He contended that all the information contained in reports which he gave Gold was derived from public sources. Slack argued that not only did his court-appointed attorneys not advise him of this interpretation, but also that they urged him to plead guilty in order to obtain a lenient sentence.

Mr. Reuben makes much of this. He quotes copiously from Slack's testimony and accepts it at face value; he pulls out of context testimony by Slack's attorneys, and fails to reflect their side of the story. He plays to the hilt the contention that Slack passed no information which was secret, and the Government's failure to produce evidence that unauthorized information was involved.

But the trial court, after the hearing on these questions, denied the motion, and its decision was affirmed by the court of appeals. Mr. Reuben quotes a brief paragraph from the decision of the court of appeals as the basis for suggesting that the court regarded Slack's contention as based upon a "legal technicality, an impression enhanced by the appellate court's ruling finding it without merit and by its declaration that Slack's appeal 'evinces the ingratitude which might be expected of a traitor to his country—a man obviously without principle or honor.'"

The fact of the matter is that the appellate court did not treat the matter as a legal technicality. Its decision consumes 5 pages of print in the official reporter. The court believed, and with good cause, that Slack's contention was manifestly a concocted afterthought.

Mr. Reuben espouses the cause of Slack's innocence even though Slack did not deny that he passed information to Gold for transmission to the Russians. He is satisfied that Slack is innocent merely because Slack contended that all the information in the reports was available to the public. He does not report that the appellate court regarded the interpretation of the Espionage Act relied upon by Slack as "open to serious challenge," and that the court went to great pains to point out that even if this interpretation were correct, it would not help Slack. As the court pointed out, since Slack was employed in a closely guarded munitions plant, information furnished to the Russians about the explosive being produced there, even if drawn from public sources, acquired authenticity and value to the Russians as information about what was going on in this plant. Nor does Mr. Reuben mention the court's observation that Slack, in furnishing samples of the explosive, provided the Russians with the means by which, through chemical analysis, they could determine what in fact was being manufactured in the plant. The court held unequivocally that such information falls within the scope of the espionage laws.

Moreover, Mr. Reuben does not report the appellate court's eloquent defense of the integrity, ability, and counsel of Slack's attorneys and its detailed summary of their efforts in Slack's behalf. Similarly, he does not report that Slack wrote his lawyers at the end of the trial court proceedings before sentencing that, "your help, your counsel, and your representation were far more than I had expected; your efforts today were magnificent. For now I must sincerely thank you," and that these facts were the basis for the court's remarks concerning his ingratitude and lack of principle or honor.

One must weigh the careful judicial pronouncement that Slack "is clearly guilty beyond a reasonable doubt" against Mr. Reuben's pronouncement that an innocent man has been framed. Mr. Reuben employs much the same pattern of analysis in discussing every espionage case portrayed in his book.

Mr. Reuben's central thesis is based in large part upon the contention that atomic espionage is a hoax because there was no secret of the atom bomb to be stolen. In support of this he relies heavily upon the assumption that the Government's publication of the Smyth report in 1945 "in itself indicates that there were no longer any essential secrets regarding the bomb." But General Groves, in his preface to the Smyth report, states:

"Obviously, military security prevents this story from being told in full at this time. * * * All pertinent scientific information which can be released to the public at this time without violating the needs of national security is contained in this volume."

And Dr. Smyth himself, in his preface, points out that "secrecy requirements have affected both the detailed content and general emphasis so that many interesting developments have been omitted."

The biographical sketch of Mr. Reuben on the jacket of his book does not indicate that he has had any legal training or experience. This is, perhaps, his major difficulty, since in the 500 pages of the book he takes a number of weird excursions into the field of criminal law. He is thoroughly confused about the nature of and relationship among complaints on which arrests are made, arraignments, indictments, trials, verdicts, and sentencing, and he compounds the confusion by vesting scare headlines, newspaper stories, Government press releases, and political utterances with quasi-evidentiary significance. He finds his hoax in discrepancies among the charges reflected in the successive procedures from arrest to sentencing. He assumes that the Government's official announcement of the arrest of a spy must reflect all pertinent information known to the Government about the offense, and that each and every statement in the announcement stands as disproved unless reflected in the indictment and proved in court; that the complaint on which the arrest is based must be the equivalent of an indictment; that the initial statements of the alleged spy, and his plea on arraignment, are absolutely truthful if they profess his innocence, but made of whole cloth if they confess his guilt; that the Government is obliged to indict and prosecute the alleged spy for, and to prove in court, each and every offense and offense or circumstance which it has referred to publicly; and that any enlargement of the scope of the offense which occurs after the

arrest and preliminary statements and procedures necessarily is based upon insidious concoction. Anyone with the slightest sophistication about criminal law and procedures will recognize the absurdity of these assumptions.

The author also takes a flier into the law of evidence. He cites the unquestionable authority of Wigmore as to the evidentiary value of a confession in a criminal proceeding, and proceeds from this to the astounding judgment that on the basis of available facts it is clear that under "ordinary Anglo-American standards" the confession of Klaus Fuchs "would almost certainly not be admissible (sic) as evidence.".

Mr. Reuben would have us believe that many of the alleged spies were convicted on the basis of confessions alone, unsupported by corroborative evidence. While it is true that in some of these cases the Government was not required to, and did not, submit corroborative evidence because the defendant confessed and pleaded guilty, there was an abundance of corroborative evidence available in each of these cases.

But the most striking instance in which Mr. Reuben is caught off base is to be found in his preface. He argues that for the Rosenbergs and Sobell to be believed "guilty as charged," it must be assumed "that there is an atom bomb 'secret' which can be stolen and transmitted by individuals; that without the aid of 'atom spies' the Soviet Union could not have produced an atom bomb so soon as 1949; that Russia's possession of the bomb was in some way related to the outbreak of the war in Korea and leads to the expectation that she will use the bomb for aggressive warfare; that there is an innate relationship between communism and Russian espionage; and that all 'Communists' are primarily loyal to Russia and can therefore be presumed to be actual or potential spies," and that no such evidence was produced at the trial. In saying this, Mr. Reuben insists upon discussing the Rosenbergs-Sobell trial in political terms; he ignores the basic fact that as a matter of law all the Government had to prove was that the defendants engaged in a conspiracy to violate the espionage laws and that overt acts within the scope of these laws were in fact committed in furtherance of the conspiracy.

Mr. Reuben attempts to prove too much. Thoughtful Americans will recognize that the national obsession with espionage and subversion has been blown up beyond any valid proportion to the actual facts. They will also recognize, unless they are unable or unwilling to open their minds to the facts, that the United States has been the victim of large-scale espionage efforts which have been highly detrimental to our national security, and that this espionage has been directly related to the Communist conspiracy. The Atom Spy Hoax contributes nothing to our understanding of the events of the past decade.—Harold Green.

Mr. HUMPHREY. In conclusion, Mr. President, let me say that all of us should welcome constructive criticism from sources either at home or abroad on any or all of the major issues now confronting this Nation and the free world. But the very seriousness of these issues should place upon all of us a commensurate obligation to deal with them soberly and intelligently. I am deeply disturbed that a man of worldwide reputation should have contributed such a damaging and ill-informed attack on American justice as Lord Russell has done on this occasion.

It is even more serious when so many persons have long recognized the many fine contributions to literature and to the social sciences which Lord Russell has made. I say, in a most forgiving and understanding manner, that the purpose of my comments today is merely to correct the record and not to chastise or unduly to criticize. Nevertheless I feel that in matters of such gravity as this it is important for Members of Congress and other persons to speak out and to defend what we know to be true, namely, that due process of law was followed; that these cases were appealed not only to the highest courts of the land but also to two Presidents of the United States. I know of no President who would in any way have permitted a violation of the rules of justice in the name of security if he had any evidence to indicate that a person was innocent.

The evidence is replete as to the guilt of the persons concerned, and the courts of the United States, as well as two Chief Executives, have made it crystal clear that justice was done. Therefore I have brought the matter to the attention of my colleagues only for the purpose of stating what I believe to be the position of our Government, of our courts, and of the overwhelming majority of the American people.

THE ELECTION OF THE PRESIDENT

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the body of the Record the texts of two broadcasts by Dean Clarence E. Manion, sponsor of the Manion Forum of Opinion, South Bend, Ind. The broadcasts are entitled "The Next President Will Be Elected by the States" and "Will the House of Representatives Elect Our Next President?"

There being no objection, the text of the broadcasts was ordered to be printed in the Record, as follows:

THE NEXT PRESIDENT WILL BE ELECTED BY THE STATES

(By Dean Clarence E. Manion)

My distinguished friend, George Sokolsky, says that "on the whole, the American people are bored with politics and with all the intricate maneuvers that need to be reported if the complete (political) story is to be told." (Washington (D. C.) Post, February 24, 1956.)

Nevertheless, while friend George was writing this sentence, more than 4,000 of his neighbors in New York City were being turned away from Carnegie Hall, where 3,800 people had already purchased all available seats for a patriotic rally to stimulate political action "for America."

For 3½ hours on that night of February 22, the jam-packed auditorium resounded with cheers for George Washington's warnings against the "insidious wiles of foreign influence." Every demand for the Bricker amendment brought forth a ringing roar of approval. The unequivocal recommendations of all speakers to put the interests of the United States first in the consideration of every foreign and domestic policy drew repeated and prolonged applause.

All this, if you please, inside the senatorial bailiwick of New York's internationalist Senators LEHMAN and IVES, and well within the frowning shadow of the United Nations Headquarters Building.

As speakers urged the cheering audience to give long-overdue priority to the American interest, the inevitable chanted response was, "How? Tell us how."

The final recommendation for popular action was so simple and so practical that it startled the assembled patriots, who, like millions of others, have become accustomed to the expenditure of their patriotic indignation in hopeless and fruitless frustration. As I told you last week, the immediate practical remedy for this paralysis of patriotic action is found in the constitutional provisions for the election of the President of the United States. (United States Constitution, art. II, as modified by amendments XII and XX.)

The Constitution makes it clear that the election of our President is the right and duty of the people in each of the several States of the Union. This right and duty is not legally controlled by Congress, nor by the national conventions of national political parties.

Legally and actually, the election of a President is not national in any sense. It is a State-by-State process from start to finish.

The nationwide popular vote that is apparently cast for a presidential candidate in the November election has nothing whatsoever to do with his victory or defeat. It is entirely possible for 1 of 2 such candidates to win the presidency in spite of the fact that the nationwide popular vote goes against the winner by a ratio of 2 or even 3 to 1.

When Lincoln was elected President in 1860, he received less than 40 percent of the total popular vote cast in the entire Nation. Nevertheless, in the State-by-State tabulation, he received more than 59 percent of what was then the 303 total electoral votes.

Lincoln's chief opponent in that election, Steven A. Douglas, accumulated approximately 30 percent of the nationwide popular vote, but fewer than 4 percent of the total available electoral votes.

In 1912 Woodrow Wilson received less than 45 percent of the total nationwide popular vote, but more than 80 percent of the total electoral vote in the State-by-State tabulation which determined the election.

STATES CONTROL ELECTION MACHINERY

In facing up to this somewhat startling reality, we must remember that our country was designed as a Federal Republic of individual States, each of which is separately and severally sovereign, except to the extent that certain described powers are surrendered by each of these States in the Federal Constitution.

One of the powers not granted to the Federal Government and consequently reserved to each State is the machinery for popular elections, along with the power to qualify voters and to control the polling places.

The Federal Government is without authority to call or conduct a national popular election of any kind for any purpose. All of our popular elections are therefore local. They are not national affairs. Every American voter is qualified under State statutes, rather than by national laws.

Under the Constitution, each State is entitled to as many presidential electors as it has Representatives and Senators in Congress. Each State may select these electors in any manner that the State legislature desires.

In the beginning of our national history, the State legislatures themselves chose the States' presidential electors. Then, for a time, in some States, electors were chosen by congressional districts, with only two electors, representing the Senators, being chosen in the statewide vote. Now, all State laws require the presidential electors to be elected in a statewide popular election on the first Tuesday after the first Monday in November.

From the flood of inquiries that have reached me since this subject was mentioned at the New York rally, I am more than ever convinced that not 1 American voter in 10,000 completely understands the constitutional power of the 531 presidential electors, all told, who will be chosen in the State-by-State election returns next November 6.

Between now and November, professional managers of the 2 national political parties will select these presidential electors and qualify them for the ballot in each of the 48 States. Every one selected as a candidate for elector will be morally pledged to vote for the Presidential candidate of the party which puts such elector candidate in its ballot.

If our politically organized nature is allowed to take its course, there will be only two rival sets of electors on the ballot in your State and in mine next November 6. That was what Vice President Nixon anticipated when he recently said that our choice in November would be between the Eisenhower program and something even "more radical."

If you and I wish to vote for something more conservative of the Constitution and preservative of American national independence than this bipartisan distinction without a difference will present, then we can get our wish by qualifying a slate of American presidential elector candidates in our respective States. We can do this simply by complying with the laws of the individual States, all of which, in one way or another, now provide us with such an opportunity.

In some jurisdictions, the process is more difficult than in others. Everywhere petitions must be circulated according to prescribed specifications and filed before stipulated dates. In a number of States, patriots are already far advanced on these necessary prerequisites. In others, work must start from scratch.

Just remember that, like the ultimate tabulation of the electoral vote, the qualification of electors for the November ballot is a State-by-State process. Is it not something that can be provided for you in finished form by a centrally directed national headquarters. The procedure must be motivated and powered on the local level, in full view of local laws and local political conditions.

Some of my wise and trusted friends in certain States of the Union are confident that their existing local political organizations can be trusted to protect the voters of those States against the dreaded possibility of two one-world, Socialist tickets in November.

These patriots still have hopes that one or the other of the two national party conventions can somehow be made to break loose from the one-world. Socialist bipartisan combine and come forth with an American candidate on a platform calling for the restoration of constitutional government.

I sincerely hope that their faith in the politicians is justified. I likewise hope and believe that my house will not be destroyed by fire between now and November. Nevertheless, I shall keep my fire-insurance policy, just in case. I shall be particularly concerned about the currency of that fire-insurance policy, if there is an obvious sign and smell of smoke in the neighborhood.

In view of the persisting signs of smoke and the prevailing political winds, I likewise advise you to insure yourself against the dreaded November distinction without a difference that Vice President Nixon tells us to expect.

THE CASE OF LINCOLN'S ELECTION

Meanwhile, I suggest that you review your American history, to see if by any chance it is now to be caught in the act of repeating itself. One year less than 100 years ago, the whole country was trembling from the impact of a certain Supreme Court decision, the famous Dred Scott case. (*Dred Scott* v. *Sanford*, U. S. Supreme Court, 19 Howard 393.)

In the case of Dred Scott, the United States Supreme Court ruled that Congress could not prevent the extension of slavery into the unorganized Territories of the United States. For the new Republican Party, Abraham Lincoln declared: "We offer no resistance to the Dred Scott decision; but we think it is erroneous and we shall do what we can to have it overruled."

One of the most important results of Lincoln's determined opposition to this Supreme Court ruling was his nomination and election to the Presidency of the United States in a bitter contest which divided the popular and electoral vote between 4 candidates of 4 separate political parties. That was in 1860.

In 1956 Democrat Senator Harry Byrd, of Virginia, calls for massive resistance to the Supreme Court's desegregation decision through what he calls the "interposition" of State legislative resolutions to shield the affected areas and affected citizens of the individual States from the execution and enforcement of the Supreme Court's decree. At the same time, Democrat Adlai Stevenson condemns such interposition as "incompatible with the existence of the Union." Stevenson praises the desegregation decision and declares that it does not "recognize or permit repudiation or rejection." (Chicago Tribune, February 26, 1956.)

Governor Allan Shivers, of Texas, has already called for a Texas referendum on the question of "interposition" and the possibility of another constitutional amendment to strengthen the protection of States' rights. (Press release, February 23, 1956.) In turn, Democrat Congressman Adam Powell, of New York, urged a nationwide protest against disturbances in Alabama.

Between these contending viewpoints lies a long stick of political dynamite with fuses now burning at both ends. Remember that 4 separate slates of presidential electors contended with each other in 1860. In anticipation of the explosion and in defense of conservative constitutional government, get busy now on your political insurance policy. With all due respect to my friend Sokolsky, 1956 will not be a boring political year. Fix things now so that you may enjoy and profit by the fireworks.

Will the House of Representatives Elect Our Next President?

(By Dean Clarence E. Manion)

The Republican Party is dead. As an actual or potential channel of opposition to the Democrat welfare state, the GOP has ceased to exist.

Officially, the Republican Party lived a ripe 100 years, but the mourning members of the immediate family know in their hearts that the breath of life left the pain-wracked GOP boy several years ago.

Whether President Eisenhower made over the Republican Party or was himself taken over as a part of the Republican death design is now an academic question.

Some contend that an anonymous third force captured General Eisenhower in 1952 in a plot to kill the Republican Party and reanimate its corpse with the general's beloved image and likeness.

If that is true, then the third force certainly suffered severe shock last fall when President Eisenhower's heart accident threatened to remove him from the political scene before the plotted death and fraudulent resurrection of the GOP could be accomplished.

That frightful possibility has now been officially dissolved. Those who are at present in possession of the deceased GOP's estate have long known that its mechanical assets are exceedingly valuable. The political machinery which the dead party left behind is geared into every precinct of the country. It amounts to a vast arterial system into which alien blood has now been deliberately transfused.

The Republican corpse is already warm again. Political doctors expect it to be up and walking long before the official San Francisco resurrection day.

One of the deceased GOP's honorary pallbearers puts it this way: The San Francisco convention will insure the long-term remaking of the Republican Party in the image of Eisenhower policies and purposes. (Roscoe Drummond, South Bend Tribune, March 5.)

Where does that leave the millions who are convinced that the Eisenhower policies and purposes are undermining the conservation of our national solvency and national independence? Those millions of American conservationists are now political orphans. The Democratic Party offers no comfort to these orphaned voters. As Vice President Nixon has observed, the policies and purposes of the Democrat Party are even more radical than those of President Eisenhower.

Furthermore, the health of the Democrat Party itself is gravely questioned. For years the Democrat organization has endured a chronic case of split personality. Now, this illness has suddenly become acute. The Democrats are not expecting a glorious resurrection at Chicago this summer. On the contrary, all signs point to a destructive explosion there.

Some of the most distinguished adherents of the Democrat Party have already written off the Chicago convention as a total loss. For instance, the Honorable James F. Byrnes, of South Carolina, a former United States Senator, Governor, and United States Supreme Court Justice, told the United Press on March 2 that neither the Democrats nor the Republican Party could be expected to give support or sympathy to southern views as to the rights of the States.

Consequently, Mr. Byrnes will pass up the Chicago convention. He indicated the possibility of a new party, pledged to preserve the Constitution of the United States and the rights of the States. (United Press, March 2, Columbia, S. C.)

Apparently, Mr. Byrnes envisons a new political orphans' home for southern voters who expect to be blown out of their old Democrat homestead by the force of the explosion at the Chicago convention.

The southerners are not without experience for such an emergency. In 1948, southern Democrats, who were dissatisfied with the results of the regular Democrat Party convention, formed a States Rights Party, which nominated Gov. Strom Thurmond, of South Carolina, and Gov. Fielding Wright, of Mississippi, for President and Vice President, respectively.

THE ELECTOR IS CONSTITUTIONALLY FREE

This party was terribly handicapped by lack of time and money. Nevertheless, the States Righters carried four States and rolled up a total of 39 electoral votes. One Tennessee presidential elector, elected on a ticket pledged to President Truman, deserted the President and voted for Governor Thurmond.

Remember that any presidential elector who is elected in November has the legal right to vote for whomsoever he pleases, regardless of the party or person to whom he has been pledged in the November election.

This is the master key to any plan for pro-American electors in 1956. In the 1948 election, President Truman won the race for California and Illinois electors in a neck and neck photo finish with Governor Dewey. In the case of Illinois, the Democrat margin of victory was less than 34,000 votes in a total vote of nearly 4 million. If, instead of this narrow victory, President Truman had lost California and Illinois in 1948, Dewey would then have had 242 electoral votes, Truman 250, and Thurmond 39. None would have had the required electoral vote majority, which is 266.

When no candidate has such a majority, the Constitution requires that the House of Representatives shall choose the President from the 3 highest persons on the list of those receiving electoral votes. However, when the House of Representatives thus

chooses a President, the Constitution provides that the vote shall be taken in the House of Representatives by States, and that each State shall have one vote. A majority of all States in the Union, or 25 of the present 48 States, shall be necessary for a choice.

In such a Presidential election by the House of Representatives, Nevada, which has but one Representative in Congress, would have the same voting strength as New York, which has 43 Representatives in the House. In like manner, Delaware, with one Representative, would have the same voting strength as California, which has 30 Representatives in Congress.

In a Presidential election by the House of Representatives, 25 States with a total House membership of less than 100, could elect a President over the opposition of 24 States with a total House membership of more than 335.

In such an election, the populous States with their big-city voting blocks would be outmaneuvered, and the President would be chosen by Representatives of rural districts and the wide open spaces.

These are the areas which have long been victimized by big city control of our foreign policies, immigration regulations and Federal labor laws. Once the election of a President goes into the House of Representatives, the less populous States can be expected to coordinate their forces with a vengeance.

The millions of pro-American voters in the North, South, East, and West who will be orphaned in the Democrat explosion and in the Republican resurrection next August must act at once if they are to have a political haven in November.

To provide ample insurance against the threatened destruction of our solvency, our sovereignty, and our constitutional government, this pro-American project must embody all of the great flexibility which the Constitution permits it to employ.

The State-by-State qualification of outstanding pro-American electors for the November ballot is all that is presently necessary or desirable.

This is not the time to pick our all-American candidate for President. Some State laws require elector candidates to state their choice for President and Vice President. Where this is the case, let the pro-American electors in that State name a favorite son as a patriotic stand-in, to satisfy this technical requirement.

In every such case, the stand-in will be a self-acknowledged martyr to the cause. He will announce, in advance, that once the November elections are over, he will expect his electors to vote for whomsoever they please, but with the single purpose of making sure that the House of Representatives will have at least 1 distinguished pro-American States' Righter on the list of 3 candidates submitted to it for election.

There are many Governors, Senators, and Representatives in Congress who are American to the core. Any one of these all-American statesmen could be safely depended upon to restore national independence and constitutional government to our troubled country. However, each of these men is now frozen into an existing political party organization. The "old pros" would drive any one of them from public life if he dared to endorse the independent pro-American elector project in his State or permitted his name to be used in connection with it.

THIRD GROUP OF ELECTORS IN THE OFFING

After the prospective explosion and resurrection, and particularly after the November election, things will be different. On November 6, the people will choose 531 electors. Some of these will have been filed, pledged, and supported by the New Deal Democratic Party. Others will have been filed, pledged, and supported by the fraudulently resurrected Republican Party.

If presently conceived patriotic plans do not miscarry, a third group of pro-American electors will then have been elected in many States of the Union. The future of America will depend upon the aggregate number of these successful pro-American electors whose devotion to our national independence, States' rights, and constitutional government will transcend their preference for any particular presidential candidate, announced or unannounced.

Between November 6 and the following December 17, when the electors will meet and actually vote for a President and a Vice President, much can be accomplished by soul-searching analysis and negotiation.

The best qualified American, regardless of his political party, official position or geographical location, will then be available and willing. Under the anticipated circumstances, no person will command a majority of the elected electoral votes.

In that case, after December 17, when the electors make their choices, the United States Senate will choose the Vice President from the 2 persons receiving the highest and next highest number of electoral votes for Vice President. At the same time, the House of Representatives will select the President from the 3 highest on the list of those selected by the electors for President.

If at that time the all-American patriotic cause will have fared as well as we hope and pray that it will, political party discipline will have been proportionately relaxed. That being so, many regular Democrat and Republican electors may do what the Tennessee elector did in 1948, namely, jump the political traces and vote for principle.

Long overdue political realignment will then be malleable for the making. But, meanwhile, a combination of intelligence, patriotism, and personal sacrifice will have saved our Constitution and insured the continued independence of our glorious American Republic.

For this historic dramatization of freedom in action, the whole country is the stage, and every citizen is a potential star. You will get the role that you deserve.

HOW FOREIGN TO AMERICAN INTERESTS IS OUR FOREIGN AID?

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed at this point in the body of the Record the text of a broadcast by Dean Clarence E. Manion entitled "Foreign Aid for the Communist Conquest."

There being no objection, the text of the broadcast was ordered to be printed in the Record, as follows:

Foreign Aid to the Communist Conquest

(By Dean Clarence E. Manion)

Exactly how foreign to American interests is our foreign aid? Aside from the maintenance of our Military Establishment, foreign aid is the most expensive program ever undertaken by the United States Government.

Apparently, no one knows the exact amount of money that foreign aid has cost the American taxpayers. A year ago, the Hoover Commission found that we had given more than $141 billion to foreign governments since the beginning of World War II.

Published estimates of the total amount that American taxpayers have contributed to foreign countries since the end of the war range all the way from $51 billion to $67 billion. (Manion Forum Broadcast No. 24.) More than $3 billion of this incredibly huge foreign giveaway was used to reduce the public debt of the receiving nations. (Chicago Daily News, July 13, 1955.)

In this phase of the giveaway operation, the United States increased its own national debt by $3 billion, so that foreign governments could reduce their national debts by the same amount. This single $3 billion item is now costing the American taxpayers $90 million a year in interest charges.

If we accept the very lowest published amount of our total postwar foreign aid bill—$51 billion—then, on that basis, the American taxpayers must henceforth dig up more than $1½ billion every year just for the annual interest on the amount that foreign aid handouts have added to our Federal debt in the past 10 years.

Back in the ways before we quit minding our own business and started out to "make the world safe for democracy" (1916), $1,500,000,000 was enough to pay all the expenses of all departments of the United States Government for 2 full years.

What have we received in return for the handout of all of these foreign aid billions? Has the handout program produced good will for the United States and strengthened the defenses of the free world against communism?

Is there now any place on earth where affection and respect for the United States is greater and where the prestige of our Government is higher than it was 10 years ago?

Where in the free world are those protective bastions against the spread of communism that our multibillion dollar giveaways were supposed to construct?

Right in the face of our continued worldwide generosity, the Kremlin gangsters have quadrupled the population of their slave empire and extended the Iron Curtain to include more than a third of the earth.

More than a half-billion dollars worth of our foreign aid went to India. Nevertheless, that country turned the visit of the Soviet dictators, Khrushchev and Bulganin, into a triumphal tour. Some weeks ago, on this program, Senator McCarthy pointed up the irony of the fact that the most enthusiastic reception of those visiting Communist gangsters was staged in an Indian town built with American money.

The weapons we gave to France for her defenses against communism are now being used by the French Government to suppress revolutions for national independence by the native Moslems in France's North African colonies. Because we paid all expenses incurred by France in her futile war to hold French Indochina, France will now ask us to provide additional billions for the suppression of the North Africans.

Meanwhile, France apologizes for the "unpardonable act" of a French mob that wrecked the United States Consulate in Tunis last March 9. Ironically, France offers to pay for the property damages. If these violent foreign outbursts of love and affection for the United States become general throughout the world, still more foreign aid will probably be requested to enable the various governments to reimburse us for incidental destruction of American lives and property.

BRITAIN'S BULLDOG-LIKE LOVE FOR US

Just before the last general election in England, we tossed a cool $200 million to Mr. Eden's government so that Mr. Eden could reduce British taxes and thus win the election. Naturally, there was no suggestion of American self-interest in this item of our giveaway program. The English people already loved us $10½ billion worth, that being the amount of our postwar aid to Britain before Mr. Eden's tax-cut bonus.

The British Prime Minister has already reciprocated generously with a plan for settling the crisis between Israel and the Arab States. He observes, of course, what Mr. Dulles has declared, but which few Americans know, namely, that "the foreign policy of the United States embraces the preservation of the State of Israel."

To help carry out this policy, Britain proposed that the United States give Israel the money to pay compensatory damages to 1 million destitute Arab refugees who were driven from their homes by the Israelis. But Israel has little interest in this project and has countered with a demand for American weapons and ammunition.

However, Egypt has intimated that if we grant Israel's request for arms, Egypt may refuse to let us give the Egyptian Government the $300 million, more or less, that our State Department has allocated for the construction of the great Egyptian dam on the upper Nile River.

Our foreign-aid experts tell us that we must be carefully considerate of the attitudes of these foreign governments; otherwise, these governments may refuse to take our money. Mr. Harold Stassen said as much to the Senate Permanent Investigating Subcommittee a few days ago.

The Senators wanted to know why we are giving our foreign-aid money to nations which are selling vital strategic war materials to Soviet Russia and to Red China.

Senator McCARTHY raised and repeated that question over and over again when he was chairman of this same subcommittee 2 years ago.

The question was revived recently on the floor of the Senate by the present chairman, Senator JOHN L. McCLELLAN, of Arkansas. Senator McCLELLAN told the Senate that subcommittee hearings revealed "astounding secret concessions * * * made by our Government to Allies whose governments and merchants want to do business as usual with the Communist bloc countries."

Senator McCLELLAN revealed that, with the official but top-secret consent of the United States Government, our allies have been shipping 200 separate items of strategic machines and machine tools to Communist governments for the past 2 years. Of these items, the Senator listed four types of mills and machines, some of which sell for half a million dollars each.

All of these are indispensably necessary to the manufacture of jet engines, guided missiles, aircraft, artillery weapons, and heavy ordnance. Said Senator McCLELLAN: (CONGRESSIONAL RECORD, Feb. 23, 1956, p. 3183.)

"By permitting the newest machine tools to be sent to the Soviet bloc, we allowed them to save from 3 to 5 years in engineering research and development."

The Senator then quoted expert subcommittee witnesses as saying that it would be better for the United States to permit shells, guns or guided missiles to be disembargoed and sent direct from the United States to the Soviet Union, because these could be used against us only once. However, machine tools can and will be used to make armaments which may be used against us many times.

OUR LEFT HAND DOES WHAT RIGHT HAND WON'T

Of course, the Communists know exactly what materials they are getting, but Senator McCLELLAN's information had to come from unofficial sources.

Mr. Stassen said that if he gave the list of these strategic materials to the United States Senate, he would be "serving the enemy" and "maligning our allies."

Please remember that, in many instances, the foreign factories in which these strategic materials are now made were built with American foreign aid money. Our own American industries are prevented by law from shipping such materials directly to Communist countries.

On the other hand, we are giving the taxpayers' money to foreigners who use that money to produce the prohibited items and then proceed to sell them to our enemies at a profit.

Nevertheless, at his press conference on March 7, President Eisenhower insisted that this procedure is desirable. He said that our allies now have an excess productive capacity; that they must continue to export to the Soviet Communists, unless we are to continue to give economic assistance to Western Europe indefinitely. But with or without this Communist trade, indefinite foreign aid is precisely what the President recommended to Congress last January 16. At that time, he urged that our current foreign aid spending be doubled for what he called a "long term" program for building and maintaining the economic strength of the free world.

At that time, the President admitted that our foreign spending department had a backlog of 7 billion unspent dollars, but this, he said, would be rapidly reduced.

So it looks as if the Communists will continue to get their guided missile machines, and the bankruptcy of the United States to boot.

Just who has been designing this program for American self-destruction since the end of World War II? Congressman LAWRENCE SMITH of Wisconsin came up with an answer to this question on the floor of the House of Representatives on March 6. (CONGRESSIONAL RECORD, Mar. 6, 1956, p. 4053.) Said Congressman SMITH: "Less than 95 days ago, the national conference of the Communist Party in Chicago advised its members and fellow travelers to 'press for all-out foreign aid.'"

The Congressman then quoted from Political Affairs, the Communist propaganda magazine, which singled out the following major Communist fighting objectives, as follows:

1. A fight for disarmament.

2. A fight to restore normal trade relations between America and the Communist world.

3. The fight for a policy of large-scale economic aid, without strings, to the so-called underdeveloped countries.

Continued the Communist magazine: "The Communist Party has a vital and decisive role to play in helping these movements unfold and reach their objectives."

Congressman SMITH explained why the Soviets press for all-out foreign aid without strings, limitations or conditions. They do so, he says, because "it fits the Soviet pattern of bleeding capitalism to death. It conforms to the Kremlin scheme of undermining the economy of the free world. When that is achieved, there will be choas, anarchy, and turmoil. Communism will then step in like a political vulture and devour the world."

Will the Congressman please tell that to Harold Stassen, who has been officially and guilelessly working on Communist projects 2 and 3, and is now in charge of project No. 4, namely, disarmament?

Perhaps Mr. Stassen is right after all about the unimportance of unrestricted international trade in guided-missile machines. Given enough unlimited, unrestricted American foreign aid, the Communist conquest can be achieved without firing a shot.

The path from Moscow to Washington will be paved by the bankruptcy of the United States, overlaid with plenty of chaos, anarchy and turmoil. Louder, Congressman SMITH. Louder and louder, please. Eventually, you may be heard in the White House.

ADJOURNMENT

Mr. ROBERTSON. Mr. President, pursuant to the order previously entered, I move that the Senate now adjourn until noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 57 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, April 24, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 23 (legislative day of April 9), 1956:

NATIONAL SECURITY TRAINING COMMISSION

Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission for a term of 5 years, expiring June 19, 1961. (Reappointment.)

FARM CREDIT ADMINISTRATION

The following-named persons to be Members of the Federal Farm Credit Board, Farm Credit Administration, for terms expiring March 31, 1962:

Sam H. Bober, of South Dakota.
Glenn A. Boger, of Pennsylvania.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (major general, U. S. Army), in the rank of general.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 23 (legislative day of April 9), 1956:

IN THE ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Robert George Butler, O17191.
Brig. Gen. Louis Edward Cotulla, O29069.
Brig. Gen. David Haytor Buchanan, O17746.
Brig. Gen. Eugene Fodrea Cardwell, O38662.
Brig. Gen. Louis Theilmann Heath, O18060.

To be brigadier generals

Col. David William Heiman, O17094.
Col. Eric Hilmer Frithiof Svensson, O17630.
Col. Thad Adolphus Broom, O18246.
Col. William Frederick Cassidy, O18354.
Col. Milton Leonard Ogden, O18687.
Col. Charles Henry Chase, O19095.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 759, 80th Congress, and Public Law 36, 80th Congress, as amended by Public Law 37, 83d Congress:

To be major

Mordecai, Lindley R., MC, O1718112.

To be captain

Bridge, Carl J., MC, O1861678.

To be first lieutenant

Belleville, Helen E., ANC, N901757.
Caldwell, William L., MC, O4050745.
Clarke, Robert B., JAGC, O4017173.
Fenstermacher, James M., MC, O2268939.
Laubham, James J., Jr., DC, O2275651.
Mansfield, John O., MC, O4016515.
McCaffrey, Joseph P., MSC, O2049015.
Montgomery, Roena, ANC, N794859.
Staples, Jack E. MSC, O2205819.
York, Germaine, ANC, N758821.

To be second lieutenant

Wilson, Shannon D., ANC, N901478.

The following-named officer for appointment, by transfer, in the Judge Advocate

General's Corps, Regular Army of the United States, in the grade specified:

To be captain

Rouillard, Irving G., O28177.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to completion of internship:

Brandt, Fred A., O2275375.
Collie, Lamar P., Jr., O2275374.
Davies, Olwyn K., O2275572.
Fagerstrom, Charles D., O2275393.
Groth, Robert C., O2275559.
Haller, Yoel I.
Hartenstein, Paul E., O2275420.
Jacobs, Robert D.
Kuxhausen, Donald L., O2275415.
Lagace, Maurice N.
Lopiano, Michael A., O2275372.
Miale, August, Jr.
Plaut, Samuel M., O2275597.
Sample, Donald W.
Smith, Neilson A., O2275352.
Walker, Donald D., O2275456.
Weissbein, A. Sigmund.

The following-named person for appointment in the Dental Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), upon receipt of doctor of dental surgery degree:

Kelly, James J., O2276573.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Gwaltney, Robert L.
Kuhns, Craig S., O2210734.
Maurer, William W., O2268174.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Edwards, Charles A.
Hanson, Gene
Hawkins, Charles C., III
Pinson, David L.
Rosecrans, James E.
Sawyer, Frank N., Jr.
Schvaneveldt, Noel S.
Sentell, Joseph W.
Wolf, Walter E.

IN THE AIR FORCE

PROMOTIONS IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTIONS 502, 508, 509, AND 510 OF THE OFFICER PERSONNEL ACT OF 1947, AS AMENDED, AND SECTION 107 OF THE ARMY-NAVY NURSES ACT OF 1947, AS AMENDED

The nominations of Donald Sears Dundas and 190 other officers, which were confirmed today, were received by the Senate on April 9, 1956, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Donald Sears Dundas, which is shown on page 5946, and ending with the name of Patricia Ann Thomas, which appears on the same page.

IN THE NAVY

The following-named officers, designated by the President for commands and other duties, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, were nominated to have the grade, rank, pay, and allowances of vice admiral while so serving:

Vice Adm. Herbert G. Hopwood, United States Navy.

Rear Adm. Roscoe H. Hillenkoetter, United States Navy.

Rear Adm. John M. Will, United States Navy.

RETIRED LIST

The nomination of Vice Adm. Francis O. Denebrink, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral.

IN THE NAVY AND IN THE MARINE CORPS

The nominations of Frederick G. Adams and 2,019 other persons for appointment in the Navy or in the Marine Corps (1,676 in the Navy and 344 in the Marine Corps), which were confirmed today, were received by the Senate on April 9, 1956, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Frederick G. Adams, which is shown on page 5946, and ending with the name of Norman H. Bryant, which occurs on page 5951.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 23, 1956

The House met at 12 o'clock noon.

Very Rev. J. Bernard Moore, pastor, Holy Comforter Catholic Church, Charlottesville, Va., offered the following prayer:

O Almighty and Eternal God, ruler of the universe and of the world, direct all our actions by Thy holy inspiration and carry them on with Thy gracious assistance.

Endow those who rule our people with the knowledge of the truth that all men are created after Thine own image and likeness and that they are, thereby, precious in Thy sight.

Infuse in the minds and hearts of those who make our laws Thy divine wisdom so that our legislators may ever strive to regulate the affairs of men in such fashion that citizens may find laws conducive to their civil and also their eternal destiny.

Permeate the peoples of our blessed country with respect for divine law and rightful constituted authority in order that peace might prevail in our land.

Where there is strife and conflict between rulers and subjects, sustain us with Thy patient understanding.

Guide us all in the way of Thy justice and may we all, one day, attain our salvation and reign together forever enraptured in the glories of Thy beatific vision. Amen.

The Journal of the proceedings of Thursday, April 19, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3152. An act for the relief of Waymon H. Massey;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritselis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4538. An act for the relief of Antonio Penna;

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 6078. An act for the relief of Alison MacBride;

H. R. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of supreme court justices and circuit court judges;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia;

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2854. An act to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of Government, and conspiracy to advocate overthrow of Government;

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes; and

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 146. An act for the relief of Isabel Tre;

S. 586. An act for the relief of Giuseppe Laddomada, Antoniette Laddomada, and children, Concetta and Paolo Laddomada;

S. 1013. An act for the relief of Melecio Acosta-Morales;

S. 1053. An act to authorize the Secretary of the Interior to dispose of certain lands in the State of Montana to the Phillips County Post of the American Legion;

S. 1101. An act for the relief of Martino Palmeri;

S. 1364. An act for the relief of Elli Yorgiyadis;

S. 1885. An act for the relief of Mario Farabullini and Alla Farabullini, his wife;

S. 2095. An act for the relief of Guiseppe Culcasi;

S. 2144. An act authorizing the Secretary of the Interior to convey by quitclaim deed certain real property of the United States to the Fairview Cemetery Association, Inc.;

S. 2244. An act for the relief of Maria Novak;

S. 2305. An act to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal property;

S. 2498. An act to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Clatsop, Oreg., as a national monument;

S. 2512. An act to amend the act of August 27, 1954, so as to provide for the erection of appropriate markers in national cemeteries to honor the memory of certain members of the Armed Forces who died or were killed while serving in such forces;

S. 2517. An act to amend subsection 3 (a) of the act approved August 8, 1947, to authorize the sale of timber within the Tongass National Forest, Alaska;

S. 2563. An act for the relief of Cecile Angele Chaffoo;

S. 2822. An act to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.;

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States;

S. 3338. An act relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects;

S. 3515. An act to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces;

S. J. Res. 71. Joint resolution to commend the foundation known as the Memorial to the American Indian Foundation for its project to establish a permanent memorial in honor of the North American Indians;

S. J. Res. 97. Joint resolution to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefore; and

S. J. Res. 163. Joint resolution granting the status of permanent residence to certain aliens.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks; and

S. 1194. An act to provide for construction by the Secretary of the Interior of Red Willow Dam and Reservoir, Nebr., and construction by the Secretary of the Army of the Wilson Dam and Reservoir, Kans., as units of the Missouri River Basin project.

MERCHANT MARINE ACT OF 1936

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, insist upon the amendments of the House, and agree to a conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? The Chair hears none, and appoints the following conferees: Messrs. Bonner, Garmatz, Robeson of Virginia, Tollefson, and Allen of California.

AMORTIZATION OF GRAIN-STORAGE FACILITIES

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 9083) to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That section 169 of the Internal Revenue Code of 1954 (relating to the amortization of grain-storage facilities) is amended by striking out in subsection (d) of that section "December 31, 1956," wherever it appears, and inserting in lieu thereof "December 31, 1958."

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 9083 amends the Internal Revenue Code of 1954 to extend the period for amortization of grain storage facilities from December 31, 1956, to December 31, 1958.

Members of Congress will recall the critical shortage of facilities for storing grain which had developed throughout the Nation in years prior to 1953. This shortage had caused a great deal of damage to farmers, particularly among producers of wheat and corn. To alleviate this situation Congress added a new section to the Internal Revenue Code by the provisions of section 206 of the Technical Changes Act of 1953, which by its terms provided an inducement for taxpayers to construct new grain storage facilities, to increase the capacity of those already in existence, or to adapt then existing construction to the storage of grain. Prior to this amendment taxpayers could recover their costs only through a deduction for depreciation over the useful life of new or adapted facilities. The amendment permitted taxpayers, at their election, to recover their costs over a period of 60 months.

This relief covered construction or adaption from the period December 31, 1952, through December 31, 1956. The Committee on Ways and Means in its report stated:

> In the event that the shortage of facilities for storing grain remains in a critical state through 1956, your committee would consider it appropriate to extend the date within which a taxpayer may construct such facilities and receive the benefits of this provision.

The need for grain storage facilities continues to be acute, and it is the belief of the members of the Committee on Ways and Means that it is necessary to extend the period within which the benefits of amortization will extend to taxpayers who supply the facilities to alleviate the pressing need of the farmer for a place in which to store his grain. Farmers who themselves construct or adapt grain storage facilities are eligible for these benefits. Accordingly, H. R. 9083 will extend the period to December 31, 1958.

The bill was unanimously reported by the Committee on Ways and Means. I urge its adoption by the House of Representatives.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I join the distinguished chairman of the Committee on Ways and Means in urging the favorable consideration of H. R. 9083. This bill, which was reported unanimously by our committee, extends from December 31, 1956 to December 31, 1958 the period for amortization of grain storage facilities.

This provision was originally enacted in 1953 by the 83d Congress in an effort to encourage the construction of new grain storage facilities and to increase existing capacity. As we all know, the shortage of such facilities for storing grain created considerable hardship among our Nation's farmers. It has been a source of pride to me that the present tax treatment, which has been of such significant help in solving this critical problem, was developed by the Committee on Ways and Means when I was chairman. Nevertheless, while the shortage of these facilities is less acute today, there is still a need for the provision of existing law. The present provision expires at the end of this year, and H. R. 9083 provides for a temporary extension until the end of 1953.

I should also like to call to the attention of the House that an identical bill, H. R. 9178, was introduced by my distinguished Republican colleague on the Committee on Ways and Means, Representative Holmes of the State of Washington, one of the great grain producing areas in our Nation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TARIFF ON PLASTIC CLOTHESPINS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I am today introducing a bill to amend section 1001 of the Tariff Act of 1930, as it affects plastic clothespins. It appears that this industry of only recent years has developed quite a bit abroad and they are shipping plastic clothespins into this country under the schedule provided for wooden—steel clothespins that we make in this country.

I find that all other plastic articles under the Tariff Act have an ad valorem rate of 30 cents. They are shipping these plastic pins in here under the rate provided for ordinary wooden-steel pins which is 10 cents a gross.

I am offering this proposed legislation for the purpose of clarifying the 1930 act and definitely fixing the rate on plastic clothespins.

HEARINGS OF AMENDMENTS TO WAR CLAIMS ACT AND TRADING WITH THE ENEMY ACT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, a considerable number of Members of the House have introduced bills proposing to amend the War Claims Act, and perhaps an equal number have introduced blis proposing to amend Trading With the Enemy Act. All these bills have been referred to the Committee on Interstate and Foreign Commerce.

As a preliminary to more detailed hearings by a subcommittee, I have scheduled next Monday, April 30, before the whole committee for Members of the House who have introduced bills and who may desire to appear in support of their own bills. Announcements will be mailed to Members later in the week, but I wanted to make this announcement today in order that Members may know that this particular day has been set aside to hear them on this proposed legislation.

ANNIVERSARY OF THE BATTLE OF LEXINGTON AND CONCORD

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a speech by President Eisenhower.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, last Saturday evening, President Eisenhower made a very important speech to the American Society of Newspaper Editors. Although I know this speech of the President's was widely printed in the important newspapers throughout the country in their Sunday and Monday issues, I believe it is extremely important from the viewpoint of the history of our times to have this speech published in the Congressional Record.

Whether or not we are Republican or Democrat, whether or not we agree or are inclined to disagree, everyone who heard President Eisenhower Saturday night either in person at the American Society of Newspaper Editors dinner or over the television must have been deeply impressed with his great sincerity, his commanding desire to do what is best for the United States of America and for the cause of freedom all over the world, the strength of his determination and the completeness of his faith in mankind and in man's ability to reach the shining goal of peace and freedom throughout the world.

In this speech in which the President outlined some of the obstacles to freedom and what must be done about them, he referred to the time 181 years ago on the 19th of April 1775 when the cause of freedom not only was born but was first established. The President mentioned the heroic fight at Concord Bridge and how Ralph Waldo Emerson years later described it as "the shot heard round the world."

Only a few miles away there was taking place almost at the same time the first great battle for freedom, the battle of Lexington Common. It was here that Capt. John Parker organized his men and said to them, "If they mean to have war, let it begin here." In other words, it was on Lexington Common where Capt. John Parker let it be known that freedom had been pushed as far as it was going to be. It was here that he intended to make his stand and that freedom was to either live or die. The fight at Concord Bridge was a part of this decision to stand our ground for freedom. Capt. John Parker fell at Lexington Common and no man ever gave his life for a greater cause.

The towns of Lexington and Concord, where freedom was born and where the first stand was made to establish it, are in my congressional district. I cannot tell you, my colleagues, of the depth of pride I possess in having the honor to represent this hallowed ground and the descendants of those brave men who made the decision to make their stand 181 years ago. As I pass by Concord Bridge and the Minuteman standing at Lexington Common, which I do on so many occasions, I never cease to have a thrill and a feeling of great inspiration. I am grateful to those people and many others who send me here to Congress to represent them, for no one could represent a finer people or a more inspiring district.

Last Thursday, on April 19, I went to Concord and Lexington for the exercises in celebration of these memorable moments in our history and in the history of freedom. For many years now, and I am so proud of the opportunity, I have been attending and taking part in these celebrations on April 19, known as Patriots' Day in Massachusetts. On every occasion, one can almost visualize the battle lines formed, one can almost hear the crack of the muskets, one can almost see lying on that hallowed soil Capt. John Parker and others, and the great confusion of the moment that is present in the fury of any battle.

There is something, however, one cannot see but one feels and knows, experiences, and breathes. It lives in the hearts of men and we call it freedom. How thrilling it is and, oh, so inspiring, to go back to this hallowed ground every year and capture anew this great force in the lives of mankind and so greatly reached for throughout the world.

Although I know all of my colleagues in the Congress are by this time familiar with the text of President Eisenhower's address to the editors, I am confident many of you regardless of your political party will want to send it home to your people in order that they might read it and study it and know it completely. No other man in the world knows any more about the value of the free way of life and the overwhelming cost of sustaining it than does President Eisenhower. In his great address, which I herewith commend to everyone everywhere, President Eisenhower has hewn the path which must be followed if freedom is to be sustained in America and eventually brought to mankind everywhere in the world.

Following is the text of the speech of President Eisenhower before the American Society of Newspaper Editors in Washington, D. C., on Saturday, April 21, 1956:

TEXT OF THE ADDRESS BY THE PRESIDENT DELIVERED AT THE ANNUAL DINNER OF THE AMERICAN SOCIETY OF NEWSPAPER EDITORS, HOTEL STATLER, SATURDAY EVENING, APRIL 21, 1956

Three years ago, when I last talked to you, stories from battlefields and fighting fronts crowded the front pages of our press. Human freedom was under direct assault in important sectors by the disciples of Communistic dictatorship. Violence and aggression were brutal daily facts for millions of human beings. Fear of global war, of a nuclear holocaust, darkened the future. To many, the chance for a just and enduring peace seemed hopeless.

Today, only 3 years later, we have reason for cautious hope that a new, a fruitful, a peaceful era for mankind can emerge from a haunted decade. The world breathes a little more easily today.

The prudent man will not delude himself that his hope for peace guarantees the realization of peace. Even with genuine good will, time and effort will be needed to correct the injustices, to cure the dangerous sores that plague the earth today. And the future alone can show whether the Communists really want to move toward a just and stable peace.

Yet not for many years has there been such promise that patient imaginative, enterprising effort could gradually be rewarded in steady decrease in the dread of war; in an economic surge that will raise the living standards of all the world; in growing confidence that liberty and justice will one day overcome statism; in the better understanding among all peoples that is the essential prelude to true peace.

This week marks the anniversary of one of the most important events in freedom's progress. One hundred and eighty-one years ago on April 19th, our forefathers started a revolution that still goes on. The shots at Concord, as Emerson wrote, were heard "round the world."

The echoes of Concord still stir men's minds.

The Bandung meeting, last year, of Asian and African leaders bears witness to Emerson's vision. There, almost two centuries after Concord, and halfway round the earth, President Sukarno, of Indonesia, opened the conference with an eloquent tribute to Paul Revere and to the spirit of the American Revolution.

Why do the musket shots of a few embattled farmers at the Concord Bridge still ring out in far-off lands?

The reason is clear.

Concord was far more than a local uprising to redress immediate grievances. The enduring meaning of Concord lies in the ideas that inspired the historic stand there. Concord is the symbol of certain basic convictions about the relationship of man to the state.

Those convictions were founded in a firm belief in the spiritual worth of the individual. He must be free to think, to speak, and to worship according to his conscience.

He must enjoy equality before the law. He must have a fair chance to develop and use his talents. The purpose of government is to serve its citizens in freedom.

Our forefathers did not claim to have discovered novel principles. They looked on their findings as universal values, the common property of all mankind.

These deep convictions have always guided us as a Nation. They have taken deep roots elsewhere in the Western World. In the 19th century they inspired a great surge of freedom throughout Western Europe and in our own hemisphere.

These ideas of freedom are still the truly revolutionary political principles abroad in the world. They appeal to the timeless aspirations of mankind. In some regions they flourish; in some they are officially outlawed. But everywhere, to some degree, they stir and inspire humanity.

The affairs of men do not stand still. The ideas of freedom will grow in vigor and influence—or they will gradually wither and die. If the area of freedom shrinks, the results for us will be tragic. Only if freedom continues to flourish will man realize the prosperity, the happiness, the enduring peace he seeks.

II

The appeal of the ideas of freedom has been shown dramatically during the past decade. In that time, 18 nations, totaling some 650 million people—a quarter of the human race—have gained independence.

In manifold ways these nations differ widely from each other and from us. They are the heirs of many ancient cultures and national traditions. All of the great religions of the world are found among them. Their peoples speak in a hundred tongues.

Yet they share in common with all free countries the basic and universal values that inspired our Nation's founders.

They believe deeply in the right of self-government.

They believe deeply in the dignity of man.

They aspire to improve the welfare of the individual, as a basic aim of organized society.

The new nations have many of the sensitivities that marked our own early years as a free Nation. They are proud of their independence and quick to resent any slight to their sovereignty. Some of them are concerned to avoid involvements with other nations, as we were for many years.

Certainly, we Americans should understand and respect these points of view. We must accept the right of each nation to choose its own path to the future.

All of these countries are faced with immense obstacles and difficulties. Freedom and human dignity must rest upon a satisfactory economic base. Yet in many of these new nations, incomes average less than $100 per year. Abject poverty blinds men's eyes to the beauty of freedom's ideals. Hopelessness makes men prey to any promise of a better existence, even the most false and spurious.

Ofttimes the peoples of these countries expected independence itself to produce rapid material progress. Their political leaders are therefore under heavy pressure to find shortcuts and quick answers to the problems facing them.

Under these conditions, we cannot expect that the vision of a free society will go unchallenged. The Communists, aware of unsatisfied desires for better conditions of life, falsely pretend they can rapidly solve the problems of economic development and industrialization. They hold up the Soviet Union as a model and a guide. But the Communists conceal the terrible human costs that characterize their ruthless system of dictatorship and forced labor.

We have a vital interest in assuring that newly independent nations preserve and consolidate the free institutions of their choice.

The prospects for peace are brightest when enlightened self-governing peoples control the policy of nations. Peoples do not want war. Rulers beyond the reach of popular control are more likely to engage in reckless adventures and to raise the grim threat of war. The spread of freedom enhances the prospect for durable peace.

That prospect would be dimmed or destroyed should freedom be forced into steady retreat. Then the remaining free societies, our own among them, would one day find themselves beleaguered and imperiled. We would face once again the dread prospect of paying dearly in blood for our own survival.

In every corner of the globe it is far less costly to sustain freedom than to recover it when lost.

Moreover, our own well-being is bound up in the well-being of other free nations. We cannot prosper in peace if we are isolated from the rest of the world. If our economy is to continue to flourish and grow, our Nation will need more trade, not less. The steady growth of other nations, especially the less-developed countries, will create new and growing demands for goods and services. It will produce an environment which will benefit both them and us.

Indeed, Atlanta, Pittsburgh, Seattle—every American town and farm—has a stake in the success or failure of these new nations, a stake almost impossible to exaggerate.

If these new nations are to achieve economic progress with freedom, they will have to provide many of the necessary ingredients for themselves.

Only these peoples and their leaders can supply the initiative and determination essential for success. And they must mobilize the larger part of the resources they require.

But these nations are gravely lacking in trained men for management, production, education, and the professions. Their institutions for such training are limited. Hence they are handicapped in trying to extend modern techniques to agriculture, industry, and other fields.

They also face shortages of capital and foreign exchange, even though they strain to mobilize their own resources. Private foreign investment should be utilized as much as feasible; but for many areas, it will clearly fall far short of the requirements. Moreover, their task of improving conditions of life is made the more difficult by their large and steadily increasing populations.

Inevitably these nations must look abroad for assistance, as ours did for so many years. They want help, first of all, in real and enduring friendship. They want help in training skilled people and in securing investment capital to supplement their own resources. For such help they will look to us as the most prosperous and advanced economy of the world.

Foresight will compel an understanding response from us. In our own enlightened interest we can and must do much to help others in pursuit of their legitimate aspirations.

Further, we must recognize that economic and technical assistance cannot be a transitory policy. The problems of economic progress are not to be solved in a single spurt. Our efforts must be sustained over a number of years.

To do the most good, some part of our material help will have to be furnished on a long-term basis which these nations can plan on. For some purposes, commitments on a strictly annual basis are not sufficient. It takes time to complete major projects like hydroelectric and reclamation developments. If the new nations can plan on some part of our help for several years, they will be better able to mobilize resources of their own and assistance from others.

Furthermore, our assistance must be used flexibly to fit needs and plans as they develop. We must be ready to adapt our help promptly to meet changing conditions.

The development program for mutual security now before the Congress is based on these considerations. It seeks from the Congress the additional authority that would add essential flexibility and continuity to a part—a modest part—of the program. The amounts requested are the practicable minimum. In its entirety it is not, I assure you, an excessive program. It is in our national interest, in the fullest sense of that term.

III

The ideas of freedom are at work, even where they are officially rejected. As we know, Lenin and his successors, true to Communist doctrine, based the Soviet State on the denial of these ideas. Yet the new Soviet rulers who took over 3 years ago have had to reckon with the force of these ideas, both at home and abroad.

The situation the new regime inherited from the dead Stalin apparently caused it to reappraise many of his mistakes.

Having lived under his one-man rule, they have espoused the concept of collective dictatorship. But dictatorship it still remains. They have denounced Stalin for some of the more flagrant excesses of his brutal rule. But the individual citizen still lacks the most elementary safeguards of a free society. The desire for a better life is still being sacrificed to the insatiable demands of the state.

In foreign affairs, the new regime has seemingly moderated the policy of violence and hostility which has caused the free nations to band together to defend their independence and liberties. For the present, at least, it relies more on political and economic means to spread its influence abroad. In the last year, it has embarked upon a campaign of lending and trade agreements directed especially toward the newly developed countries.

It is still too early to assess in any final way whether the Soviet regime wishes to provide a real basis for stable and enduring relations.

Despite the changes so far, much of Stalin's foreign policy remains unchanged. The major international issues which have troubled the postwar world are still unsolved. More basic changes in Soviet policy will have to take place before the free nations can afford to relax their vigilance.

IV

At Concord, our forebears undertook the struggle for freedom in this country. History has now called us to special tasks for sustaining and advancing this great cause in the world.

As we take stock of our position and of the problems that lie ahead, we must chart our course by three main guide lines:

First. We must maintain a collective shield against aggression to allow the free peoples to seek their valued goals in safety.

We can take some cautious comfort in the signs that the Soviet rulers may have relegated military aggression to the background and adopted less violent methods to promote their aims. Nevertheless, Soviet military power continues to grow. Their forces are being rapidly modernized and equipped with nuclear weapons and long-range delivery systems.

So long as freedom is threatened and armaments are not controlled, it is essential for us to keep a strong military establishment ourselves and strengthen the bonds of collective security.

Without help from us, many of our allies could not afford to equip and maintain the forces needed for self-defense. Assistance to them is part of our proper contribution to the systems of common defense. If those

systems did not exist, we would have to bear much greater costs ourselves. Thus in aiding our allies, the mutual security program also advances our own security interests.

We hold our military strength only to guard against aggression, and to ensure that the world remains at peace. War in our time has become an anachronism. Whatever the case in the past, war in the future can serve no useful purpose. A war which became general, as any limited action might, could only result in the virtual destruction of mankind.

Hence our search must be unceasing for a system to regulate and reduce armaments under reliable safeguards. So far, the Soviet Union has refused to accept such safeguards. But even now we are earnestly negotiating toward this end. The problems involved are difficult and complex. We cannot afford to underestimate them. But we cannot slacken our efforts to lift the burden of armaments and to remove their threat.

If effective measures of disarmament could be agreed upon, think how the world could be transformed. Atomic energy used for peace—not war—could bring about the development of a new industrial age. Far more human energy and output could be devoted to reducing poverty and need. To that end, as I said to you three years ago, we would "join with all nations in devoting a substantial percentage of the savings achieved from disarmament to a fund for world aid and construction."

Of even more importance, the pall of mutual suspicions, fear and hatred that covers the earth would be swept away in favor of confidence, prosperity and human happiness.

Our second guideline: Within the free community, we must be a helpful and considerate partner in creating conditions where freedom will flourish.

Beyond defense, the crucial task of the free nations is to work together in constructive ways to advance the welfare of their peoples. Arms alone can give the world no permanent peace, no confident security. Arms are solely for defense—to protect from violent assault what we already have. They are only a costly insurance. They cannot add to human progress. Indeed, no matter how massive, arms by themselves would not prevent vital sections of the world from falling prey to Communist blandishment or subversion.

If we are to preserve freedom here—it must likewise thrive in other important areas of the earth. For the welfare of ourselves and others, we must, therefore, help the rest of the free world achieve its aspirations. For our mutual benefit, we must join in building for greater future prosperity, for more human liberty and for lasting peace.

Within the Atlantic Community, our aim must be to strengthen the close bonds which have steadily developed since the war. On Monday next, the Secretary of State will speak on this topic.

In the less developed nations, the urgent need is for economic and social progress for their peoples. Tonight I have spoken particularly about the newer nations of Asia and Africa, which face such urgent problems. Of equal importance is continuing progress in other areas, especially by our neighbors in Latin America who are our fast friends. These developing nations need the full measure of our help in understanding and resources.

The steady progress of the free world also depends on the healthy flow of peaceful trade. Our example will be of crucial importance in freeing the channels of such trade from wasteful restraints. We can take an important step to that end by joining the Organization for Trade Cooperation. Our national interest will be served by passage of the legislation for that purpose now pending in the Congress.

Another important task is in helping to resolve disputes between friends we value highly. Such disputes impair the unity of the free nations and impede their advance. In these situations, each side would like the United States to back its point of view without reservation. But for us to do so could seldom contribute to the settling of the disputes. It would only sharpen the bitter enmities between the opposing sides and impair our value in helping to reach a fair solution.

Our aim and effort must be to assist in tempering the fears and antagonisms which lead to such disputes.

My words apply with special force to the troubled area of the Middle East. We will do all in our power—through the United Nations whenever possible—to prevent resort to violence there. We are determined to support and assist any nation in that area which might be subjected to aggression. We will strive untiringly to build the foundations for stable peace in the whole region.

In these and many other constructive ways, our Nation must help to build an environment congenial to freedom.

Our third guideline is this: We must seek, by every peaceful means, to induce the Soviet bloc to correct existing injustices and genuinely to pursue peaceful purposes in its relations with other nations.

As I have said, many of the wrongs of Stalin against other nations still prevail under his successors. Despite the efforts of the West at Berlin and Geneva, Germany is still divided by the Soviet veto of free all-German elections. The satellite nations of Eastern Europe are still ruled by Soviet puppets. In Asia, Korea remains divided, and stable peace has not yet been achieved.

We must be tireless in our efforts to remedy these injustices and to resolve the disputes that divide the world. These knotty problemts will yield to patient and sincere effort. We stand ready to explore all avenues for their just settlement. We will not grow weary in our quest for peaceful remedies for the enslavement or wrongful division of once-free nations.

The interests and purposes of the United States and of the free world do not conflict with the legitimate interests of the Russian nation or the aspirations of its people. A Soviet Government genuinely devoted to these purposes can have friendly relations with the United States and the free world for the asking. We will welcome that day.

V

We cannot doubt that the current of world history flows toward freedom. In the long run dictatorship and despotism must give way. We can take courage from that sure knowledge.

But as a wise American, Mr. Justice Holmes, once said: "The inevitable comes to pass through effort." We should take these words to heart in our quest for peace and freedom. These great aspirations of humanity will be brought about—but only by devoted human effort.

Concord is a symbol of the faith, courage and sacrifice on which the victory of freedom depends. We in our day must strive with the same dedication that brought the militia men to the Concord Bridge. If we do so, freedom will surely prevail.

THE "DO-NOTHING" LABEL

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, we are hearing plenty these days about a "do-nothing" Congress and a "do-nothing" President, but we do not go behind these labels and find out upon what the label is based.

Certainly if this Congress deserves the label, the Ways and Means Committee cannot be a part of the Congress, because in the 20 years I have been in Congress there never was a time when our committee had so many things on the fire as we have now.

An editorial from the Richmond (Va.) Times-Dispatch of April 15, 1956—one of the outstanding Democratic newspapers of the Nation—bearing on the subject of a "do-nothing" President is so timely and pertinent to the present-day political situation, that I include it as a part of these remarks:

Eisenhower: "Do-Nothing" President

Former President Truman says Dwight Eisenhower has been a "do-nothing" President.

He's partly right.

Mr. Eisenhower has done nothing to surround himself with 5-percenters, influence peddlers, John Maragon, or aides like Gen. Harry Vaughan.

He's done nothing to discourage the ferreting out of Communists in government by any cry of "red herring."

He's done nothing, such as by the ridiculing charge of "asinine," to belittle efforts to uncover corruption in governmental agencies.

He's done nothing to lower the dignity of the high office of President by publicly calling anyone an "S. O. B." or by threatening to kick a music critic in the groin.

He's done nothing to make a mockery of justice by pardoning such notorious criminals as former Representatives Andrew May and J. Parnell Thomas, and Chicago gangster William (Big Bill) Johnson.

He's done nothing to put politics into the muck by vulgar and abusive language publicly directed at a political opponent.

He's done nothing to imply approval of a ruthless political machine, such as by paying public tribute to a Pendergast in Kansas City.

Truly, Mr. Eisenhower in many ways, has been a "do-nothing" President.

Thank God.

SOIL-BANK PLAN

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I was much interested in listening to the remarks of my distinguished colleague from Mississippi [Mr. WHITTEN] a few minutes ago when he said he was placing in the RECORD, as I understood it, the law and his interpretation of what he thought was meant insofar as the Secretary of Agriculture has authority at this time to put in effect a soil-bank plan.

I am reserving my opinion upon this matter until such time as I have a legal opinion as to whether or not this can be done. If I become convinced that this can be done through the plan outlined by the gentleman from Mississippi, I will back it. I have said repeatedly this is a nonpartisan matter. Putting into effect the soil-bank plan ought to be nonpartisan.

If the legal opinion, which I think is coming forth in the next few days, indicates that it cannot be done in the manner in which the gentleman from Mississippi has indicated, but that it will need separate legislation, I do think the chairman of the Committee on Agriculture ought to call his committee together and start immediately to initiate a bill on the soil-bank plan this year.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. WHITTEN. May I say to the gentleman what I have put in the Record today is primarily and almost altogether quotations from the law itself and I have not tried to interpret those sections believing that they speak for themselves. It is my understanding that in connection with a case in the circuit court of appeals a number of years ago, I think these particular sections were approved by the court. Certainly, I know they have been acted on in years past. However, at the present moment, in view of the atmosphere in which we are working, I am restricting myself entirely to the law itself with the thought that it might speak for itself.

Mr. SPRINGER. I thank the gentleman for his comments.

The SPEAKER. The time of the gentleman has expired.

THE POULTRY SITUATION

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, positive action must be taken to assist poultry raisers in overcoming the problems with which they are faced.

I represent one of the major poultry-producing areas of the United States. While it is largely centered at Petaluma, Calif., it does constitute a large segment of the agricultural economy of the First Congressional District.

These people are not looking for handouts or subsidies. All they want is a chance to operate freely on an open and competitive market, without the interference of Government controls and price supports.

They are caught in a squeeze. They receive no help under the price-support theory, but are harassed by supports which keep the prices of feed grains at a high level.

They are a class of farmers who must purchase supported grains to produce a food that is not supported, nor controlled. Production has increased in excess to consumption, and finds the market glutted with unsaleable surplus.

I have interviewed and have met with producers and thoroughly understand their problem. Some solution of this dilemma must be found. Large investments are involved and a large segment of our people are in jeopardy.

I am calling a meeting in my office for Tuesday, April 24, at 1: 15 p. m., to which I have invited Representatives from States which have similar problems to mine. I have invited officials from the Department of Agriculture to meet with us and hope we can find some relief for this stricken industry.

I feel certain that the results of this meeting will prove to be constructive in arriving at a realistic solution to the poultry problem.

PRESIDENT'S COMMISSION ON VETERANS' PENSION REPORT

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain related material.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, I have just come from a meeting of the Committee on Veterans' Affairs at which I heard General Omar N. Bradley make his presentation of the President's Commission on Veterans' Pensions report. I want to just make this statement. This is the most fantastic and the most heartless program I have ever heard presented to the people of America.

General Bradley and his cohorts have found nothing new. Experienced Members of Congress and those familiar with veterans affairs knew all along just what the report would contain. This Commission, you will find, was appointed for the sole purpose of rubber-stamping an old idea cooked up by the Veterans' Administration and the Bureau of the Budget back in 1951, and since that time the Veterans' Administration has been trying to palm off on Congress the proposition of removing all service pensioners from the VA rolls. President Eisenhower, therefore, has taken up where the Bureau of the Budget and the VA left off, and other than waste $300,000 of the peoples' money, this Commission has accomplished but one thing. It has served as a device to stall off much needed legislation.

Mr. Speaker, the leadership in Congress, however, will never implement the report's major suggestions or recommendations. From within 60 days after the signing of the Declaration of Independence the Congress—and the Congress alone—has determined our national policy toward veterans and their survivors. In several major instances, these policies were legislated over the vigorous opposition of Presidents. So today, regardless of Presidential Commissions, one-worlders, and college professors, the Congress will not relinguish its 180-year-old prerogative.

If the President wants to do the country a real service, let him follow our colleague's—Mr. Wright Patman—suggestion and appoint a commission to investigate our foreign aid programs, and for chairman of that commission I would take the liberty to nominate a great Republican—Gov. G. Bracken Lee, of Utah.

It is unfortunate, indeed, that the President should undertake to upset congressional prerogatives and to throw our veteran population into a state of utter confusion.

I am hopeful that the Committee on Veterans' Affairs, of which I am proud to be a member, will conduct extensive hearings on this report so as to give our veterans' organizations and veteran spokesmen an opportunity to be heard.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I have asked for this time in order to ask the gentleman from Oklahoma [Mr. Albert] if he can tell us about the legislative program.

Mr. ALBERT. I can say to the gentleman that the program remains as previously stated. It is my understanding that the Committee on Rules will consider the highway-construction bill tomorrow and, if a rule is granted, it is planned to call up that bill on Thursday. But, otherwise, the program remains the same.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. HALLECK. Do I understand that the appropriations bill voted out by the committee last week will come ahead of the highway bill so far as floor action is concerned?

Mr. ALBERT. It is my understanding that that bill will come up on Wednesday and will be ahead of the other one.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. TABER. I understand that the Committee on Appropriations is presently set to have Secretary Benson before it in connection with this appropriation of $1,200,000,000 on tomorrow morning. He will be there all day. It would be a little unusual to have that measure before the House before the hearings are available.

The SPEAKER. The Committee on Appropriations has already reported the bill.

Mr. TABER. Oh, yes; but without any hearings.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. WHITTEN. In the first place, we had weeks and weeks of hearings before the appropriate legislative committee and they were available to all Members. The appearance of Secretary Benson tomorrow has to do with the regular appropriation for the Department of Agriculture for the current year. Also we are scheduled to go before the Rules Committee at 10 o'clock and in the afternoon we have a conference with the Senate on the regular appropriation bill. On account of that we have to postpone the

appearance of Mr. Benson until Thursday or some day later to be agreed upon.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. GROSS. Can the gentleman tell us when the State, Justice Department, and judiciary appropriation bill will be called up?

Mr. ALBERT. At the present time that is programed to follow immediately after the acreage and soil conservation appropriation bill.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. HALLECK. I wonder if I might ask the gentleman from Mississippi, [Mr. Whitten] a question. There is a great deal of argument as to the existing authority for the expenditure of the $1,200 million. As I understand it we are all for the soil bank proposal. I wonder if the gentleman from Mississippi would go along with a rule which is to be obtained tomorrow that would provide that the soil bank proposal be in order as an amendment, so that we could have the law along with the money and have a program that would have some reasonable chance of success.

Mr. WHITTEN. Will the gentleman yield?

Mr. ARENDS. I yield.

Mr. WHITTEN. To amend the bill which would incorporate everything in the recent soil-bank bill, H. R. 12, would be going far afield. It is my contention that the appropriation bill implementing existing legislation does what the gentleman would like to do by amendment. In view of that I think it would be superfluous to ask that we write in a new soil-bank program where authority already exists. Earlier today I have inserted in the Record quotations from existing law. I am also releasing that this afternoon. I have tried to steer clear of any interpretation of the act, but simply to quote the act as it now exists. If the gentleman will read that I think he will realize that making the soil-bank provisions of H. R. 12 in order is necessary. I will go along with such changes as might become necessary but not on an appropriation bill.

Mr. HALLECK. I would like to suggest to the gentleman that there are many of us who believe, and I think rightly, that the existing law is woefully inadequate for the accomplishment of the job that needs to be done. It expires at the end of this year, for one thing. Likewise, there are dollar limitations. I would like to suggest to the gentleman, as far as I am concerned, that the Rules Committee ought to grant a rule that would provide for consideration of an amendment dealing with the soil-bank proposal. That would be subject to amendment, so that it could be perfected. Likewise, I may say to the gentleman that as far as I am concerned, if we do not get that kind of a rule, then I will be here doing what I can to vote down the previous question on the rule so that we can amend the rule to make the soil bank in order.

The SPEAKER. The time of the gentleman from Illinois [Mr. Arends] has expired.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Further addressing myself to the gentleman from Mississippi, if that action is taken and the question comes on the previous question on the rule then everybody in this country will understand that if you vote for the previous question you are shutting off consideration of the soil bank plan; if you vote against the previous question then you make it possible for the Congress of the United States to work its will on the soil bank plan and have that in the legislation.

I do not know how the other Members would be inclined to vote, but as far as I am concerned, I am going to vote for an arrangement here that will make it possible for us to enact the soil bank plan, something we started out to do a long time ago and something, may I say, we are all for.

The SPEAKER. The time of the gentleman from Indiana has expired.

PUBLICATION OF SENATE PROCEDURE

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration I call up Senate Joint Resolution 150 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, etc., That there shall be printed and bound for the use of the Senate 1,500 copies of Senate Procedure, to be prepared by Charles L. Watkins, Parliamentarian, and Floyd M. Riddick, Assistant Parliamentarian, to be printed under the supervision of the authors and to be distributed to the Members of the Senate.

Sec. 2. That notwithstanding any provision of the copyright laws and regulations with respect to publications in the public domain, such edition of Senate Procedure shall be subject to copyright by the authors thereof.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUBLICATION OF CERTAIN HEARINGS AND REPORTS OF THE JUDICIARY COMMITTEE OF THE SENATE

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 55 and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary the amounts stated after each item of the following hearings and reports of the Internal Security Subcommittee of the above committee during the sessions listed: Institute of Pacific Relations (S. R. 2050), 82d Congress, 2d session, 5,000; Activities of United States Citizens Employed by the United Nations (Rept. No. 2), 83d Congress, 2d session, 5,000; Interlocking Subversion in Government Departments (report), 83d Congress, 1st session, 20,000; Korean War and Related Matters (report), 84th Congress, 1st session, 20,000; Report of the Internal Security Subcommittee for 1954, 84th Congress, 1st session, 20,000; Documentary Proof that the Communist Party United States of America, Teaches and Advocates the Overthrow of the United States Government by Force and Violence (hearing), 82d Congress, 2d session, 8,000; Communism in Labor Unions (hearing), 83d Congress, 2d session, 8,000; Communist Propaganda (pt. 1), 83d Congress, 2d session, 5,000; Communist Propaganda (pt. 2), 83d Congress, 2d session, 5,000; Activities of United States Citizens Employed by the United Nations (pt. 1), 82d Congress, 2d session, 5,000; Activities of United States Citizens Employed by the United Nations, (pt. 2), 83d Congress, 1st session, 5,000; and Activities of United States Citizens Employed by the United Nations (pt. 5), 83d Congress, 1st session, 5,000.

With the following committee amendment:

Page 2, line 2, strike out "84th" and insert "83d."

Page 2, line 2, strike out "1st" and insert "2d."

Page 2, line 5, strike out "(hearing)" and insert in lieu thereof the word "Document."

Mr. LeCOMPTE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Iowa.

Mr. LeCOMPTE. It is true, is it not, that this resolution provides some material to the Senate, no part of which is to be distributed to the House?

Mr. HAYS of Ohio. That is true of this resolution, but I think the resolution in which the gentleman is really interested is the one I propose to call up next, if he cares to defer his inquiry until then.

Mr. LeCOMPTE. I think it would be correct to say that they were all voted unanimously, were they not?

Mr. HAYS of Ohio. That is right.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRINTING OF A HANDBOOK FOR AMERICANS

Mr. HAYS of Ohio. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 62 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring) That the pamphlet entitled "A Handbook for Americans," prepared for the use of the Subcommittee on Internal Security of the Senate Committee on the Judiciary, be printed as a Senate document.

Sec. 2. There shall be printed 75,000 additional copies of such Senate document for the use of the Subcommittee on Internal

Security of the Senate Committee on the Judiciary.

Mr. HAYS of Ohio. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. LeCOMPTE. Mr. Speaker, I was only going to make the same inquiry I made a minute ago in the interest of comity between the two Houses. It is very important that this resolution be adopted. It applies only to the other House.

Mr. HAYS of Ohio. May I say to the gentleman that he knows that this resolution is a Senate resolution and there was quite a good deal of discussion in the committee about it. The House Administration Committee took the position that we had no authority to go behind the Senate resolution and verify the contents of the document. If the other body certified it, it was our belief that we could not go behind the resolution and I would like to read to you just two lines. When the resolution was reported out a motion was made by the gentleman from Ohio [Mr. Schenck], seconded by the gentleman from Louisiana [Mr. Long], and in the motion this language was included:

> This committee takes no responsibility for the contents of this pamphlet, Handbook for Americans. The responsibility rests entirely on the Senate Subcommittee on Internal Security of the Committee on the Judiciary.

Mr. LeCOMPTE. Mr. Speaker, with that written into the record, it was voted unanimously?

Mr. HAYS of Ohio. That is true.

The SPEAKER. The question is on the Senate resolution.

The Senate resolution was agreed to, and a motion to reconsider was laid on the table.

CONSOLIDATION OF THE NATIONAL TAX ASSOCIATION

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4909) relative to the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the Senate amendments, as follows:

> Page 1, line 5, after "Code" insert "of."
>
> Page 4, line 8, after "Association" insert "or in any proceeding for the enforcement of the rights, if any, of any member of the National Tax Association."
>
> Amend the title so as to read: "An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA DAY

The SPEAKER. The Chair recognizes the gentleman from South Carolina [Mr. McMillan].

Mr. McMILLAN. Mr. Speaker, I yield to the gentleman from Georgia [Mr. Davis] for the purpose of calling up H. R. 7228.

AUTHORIZING AND DIRECTING CONSTRUCTION OF BRIDGES OVER THE POTOMAC RIVER

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up H. R. 7228, to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Davis]?

Mr. GROSS. Mr. Speaker, in view of the fact this bill involves the expenditure of some $14 million, I must object.

Mr. DAVIS of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7228) to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue for 1 hour, one-half to be controlled by the gentleman from Nebraska [Mr. Miller] and the other half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7228, with Mr. Jones of Missouri in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DAVIS of Georgia. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in the 83d Congress Public Law 704 was enacted for the construction of a bridge at or near Jones Point, Va., across the Potomac River. That act provided that the Secretary of the Interior shall have jurisdiction and was athorized and directed to construct, maintain, and operate a six-lane bridge over the Potomac River from a point at or near Jones Point, Va., across a certain portion of the District of Columbia to a point in Maryland, together with bridge approaches on property owned by the United States in the State of Virginia. Since that bill was passed and became a public law, some changes have become necessary both as to the construction of this bridge and as to certain other features which I will briefly refer to here.

In the first place, this bill now under consideration would change it from a bridge which the Secretary of the Interior has jurisdiction over and was authorized to construct and maintain to the Department of Commerce which is the Department under which the Bureau of Public Roads operates.

Secondly, the height of the bridge in the original bill was to be 70 feet above the waterline, and in this bill it will be reduced and the height above the waterline will be only 40 feet.

In the first bill the opening for traffic to come up and go down the river was to be one of the swing-span type, and under the present bill it is provided that the opening will be of the type known as the bascule type, which opens up and down. Also in the original bill it was provided that the Federal Government should maintain the bridge or be responsible for the cost of maintaining the bridge, and this bill provides that the States of Virginia and Maryland shall be responsible for the cost of maintenance of the bridge. The amendment in that respect provides that such bridge will be maintained and operated by the said States, which are the States of Virginia and Maryland.

I would like to point out that the cost of the approaches to this bridge are to be borne respectively by the States of Virginia and Maryland. The cost of the bridge itself would be paid for by the Federal Government, and the best estimate which I have as to the cost of this bridge is $13.8 million. That, briefly, constitutes the changes provided for in this bill.

There is one other provision as to the construction of the approaches to which I wish to call your attention. In the original plan the approaches to this bridge would involve certain streets over in the older section of the city of Alexandria: Potomac Street, South Lee Street, South Fairfax Street, South Royal Street, South Pitt Street, South St. Asaph Street, Green Street, and Jefferson Street. Now, we intend to offer an amendment to this bill a provision that the Secretary shall not construct any ingress or egress approaches to the bridge which will directly connect with or empty into those streets within the corporate limits of the city of Alexandria, Va., which are east of Mount Vernon Boulevard, now known as Washington Street, and those streets are those I have already named.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I gladly yield.

Mr. GROSS. Now let me see if I have this proposal straight. This would make in order, in effect, the authorizing of construction of a $13.8-million bridge, in other words, a $14-million bridge, across the Potomac River from Virginia to Maryland?

Mr. DAVIS of Georgia. The construction of a bridge at that point has already been authorized. It was authorized by Public Law 704 of the 83d Congress. This bill merely amends that authorization.

Mr. GROSS. But without this particular bill there is not very much chance of a bridge being built. Is that not correct?

Mr. DAVIS of Georgia. Well, that is correct.

Mr. GROSS. Yes So that, as a matter of fact, this is authorizing legislation. Without the passage of this bill, the taxpayers all over the country will not build a bridge across the Potomac River.

Mr. DAVIS of Georgia. Well, it could be built under Public Law 704 of the 83d Congress, but these amendments will make a much more desirable and better bridge.

Mr. GROSS. If the report on this bill is accurate I doubt very much that the President would approve the building of this bridge under the previous legislation.

Mr. DAVIS of Georgia. The gentleman of course, may come to his own conclusion on that.

Mr. GROSS. But what is happening here is that the taxpayers of the country are being called upon to build a $14-million bridge across the Potomac River connecting the States of Virginia and Maryland; is that not correct?

Mr. DAVIS of Georgia. It will connect the States of Virginia and Maryland. But it is a part of a national highway system. We in the committee think that it is very properly a bridge which should be paid for as the bill provides.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. Broyhill].

Mr. BROYHILL. Mr. Chairman, first of all I should like to express my thanks and appreciation to the gentleman from Georgia [Mr. Davis] for his time and efforts in behalf of this proposed legislation. The fact of the matter is I feel that all of the citizens of the Nation's Capital and of the metropolitan area of Washington owe a debt of gratitude to the gentleman from Georgia for his interest and concern over these problems affecting the Nation's Capital and the metropolitan area.

This bill which we are considering here today I thought was supposed to be a simple, routine piece of legislation. But the gentleman from Georgia did not pass over it as such. He conducted extensive hearings in order to determine whether or not the proposed legislation was necessary and whether it would improve the original legislation. Then he did a very unusual thing. After we had concluded hearings and were ready to report the bill favorably, some citizens living in Alexandria, in the area of the Virginia approach, felt that there was some danger that some of the approaches, or some of the ramps which might be constructed might affect the old, historic section of Alexandria which is known as the Old Town section. They asked that hearings be reopened so that they could appear before the committee and express their fears and concern over what some of the approaches might do. The gentleman from Georgia [Mr. Davis] very graciously consented to reopen the hearings to give everyone who had anything to say about this particular proposed legislation or the effects of it an opportunity to be heard. Again I want to express the thanks on behalf of those people of Alexandria for the gentleman's generosity.

As I said before, I think this bill should be a noncontroversial bill. I realize that there are 1 or 2 objections to it, but, as has been pointed out here, this measure does not authorize the construction of this bridge nor does it appropriate any funds. It is merely corrective legislation to improve the original act that was passed in the 83d Congress.

What does this bill do? It simply changes the authority for construction of the bridge from the Department of the Interior to the Department of Commerce, the Bureau of Public Roads, where it should have been to start with. That was just an error on the part of the 83d Congress. When we originally authorized the construction of that bridge, in the House, we authorized the District Commissioners to construct the bridge, because the bridge does pass over part of the District of Columbia. But when the bill was passed by the Senate, they amended it to authorize the Department of the Interior to construct the bridge; and I imagine they did that because the George Washington Memorial Parkway was involved. But I think everyone agrees that authority for construction of it should rest with the Bureau of Public Roads. That is one of the major things this bill does. Secondly, it makes a slight change in the original design. As has been pointed out, it lowers the vertical clearance by 30 feet and changes the type of draw span from a swing span to a vertical type span, which will save in the cost of construction approximately half a million dollars.

The necessity for the bridge has been pretty well debated and the bridge was approved, of course, in the original construction legislation in the 83d Congress. That should not be a matter for debate here today.

However, it has been stated that this is a "taxpayers' delight" for the people of Maryland and Virginia. I assure the Members of this body that the bridge is not constructed there just for the benefit of the taxpayers of the States of Maryland and Virginia. This is a part of an overall metropolitan area road and highway program. It is to improve the traffic situation in the Nation's Capital, the Capital of all the people in the country.

It is estimated by the engineers that when this bridge is constructed over 14,000 vehicles would use the bridge immediately. Where are those 14,000 vehicles going now? A large part of them are coming right up Independence Avenue here, route 50, for east-west traffic, which is helping to congest the bridges and streets of the Nation's Capital. The purpose of this bill is to divert some of this traffic into a bypass area.

It is part of the responsibility of the Federal Government to help improve the traffic situation in the Nation's Capital. Be that as it may, Virginia and Maryland are having to spend several million dollars to make the bridge usable.

In the original legislation we provided that $7 million be authorized for approach roads in the State of Virginia. It is going to cost much more than $7 million on the part of Virginia to provide the necessary approach roads. In the legislation the States of Virginia and Maryland are required to assure the Secretary of the Interior and the Secretary of Commerce that they have constructed adequate approach roads to justify the construction of the bridge before any money is paid on the bridge itself. So it is a joint venture on the part of Virginia and Maryland and the people of the country. All the people of the country will benefit as the result of the construction of this bridge.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Iowa.

Mr. GROSS. How much money are the taxpayers of Virginia and Maryland spending on the bridge itself?

Mr. BROYHILL. On the bridge itself they are not spending anything, but they are spending over $7 million on the approach roads, as I just pointed out.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DAVIS of Georgia. May I point out to the gentleman, and he knows it as well as I do, that the maintenance and operation of the bridge will be paid by the taxpayers of Virginia and Maryland.

Mr. BROYHILL. That is in the legislation we have. Originally the maintenance was left under the jurisdiction of the Secretary of the Interior.

Mr. DAVIS of Georgia. Originally as the proposal came to the committee there was no cost at all to go against the States of Virginia and Maryland and we in the committee made that change in the original bill in the last Congress.

Mr. BROYHILL. That is correct. I thank the gentleman for his observation.

Mr. GROSS. If the gentleman will yield further, does the gentleman know of any other cities in the United States where the Federal Government is building bridges to relieve traffic congestion?

Mr. BROYHILL. I know this, that this is the Nation's Capital, and there is only one Nation's Capital in the United States. We will have, of course, a multibillion-dollar Federal interstate highway program on which the Federal Government will spend 90 percent of the cost. We have only one Nation's Capital, and it is just as much the responsibility of the people of Iowa to help maintain and beautify the Capital as it is the responsibility of the people of Virginia.

Mr. GROSS. This is not a District of Columbia bridge.

Mr. BROYHILL. It is a District of Columbia bridge. It is part of the overall District of Columbia Metropolitan

Washington area highway program. It is to divert much of the traffic which is now coming through the Nation's Capital.

Mr. DAVIS of Georgia. If the gentleman will yield further, a portion of this bridge goes over a portion of the District of Columbia.

Mr. BROYHILL. That is correct. It does cross over a portion of the District of Columbia.

If this bill is not passed it will not necessarily prevent the construction of the bridge. The bridge can be constructed by the Department of the Interior. We have already appropriated $600,000 for the Department of the Interior to proceed with the plans and specifications, but they are holding them up hoping that we will improve and correct the legislation.

As I said before, we also have a slight change of design which will lower the cost of the bridge, but if we do not pass the legislation the executive branch can go on as originally authorized to build the bridge under the present design at a cost of $500,000 more. However, I am quite certain the Members of this body would want to improve and perfect this legislation, and I do urge careful consideration of the bill here today.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, this bridge is truly the Virginia and Maryland taxpayers' delight. Here Congress is being called upon today to spend almost $14 million for the construction of a bridge across the Potomac River from Alexandria, Va. to some point in the State of Maryland. As I have said before on the floor of the House, there is no way that I can drive back to my home city in Iowa without paying a bridge toll. I know no reason why a toll bridge cannot be constructed across the Potomac River between Alexandria, Va., and the State of Maryland, and let the people who use the bridge pay for it. Let the people who are going to use this six-lane bridge, which is proposed to be built down there, pay for it. Automatic toll collection devices are coming available and traffic would not be seriously impeded by the collection of tolls. I am opposed to this business of all of the taxpayers of the United States building a bridge across the Potomac River for the benefit of the States of Virginia and Maryland. Oh, sure, they are going to be charitable enough to build the approaches to the bridge. We could use a few bridges across the Mississippi River. In fact, a toll bridge is now being constructed at Clinton, Iowa. I am sure the States of Illinois and Iowa would have been happy to build the approaches if the Federal Government would have built a toll-free bridge across the Mississippi River. In my opinion, this is another steal. The gentleman says they already have the authorizing legislation. Here is what the Secretary of Commerce says in his letter to the Speaker of the House, Mr. RAYBURN. He says:

> The President at the time of his approval of the act of August 30, 1954, title II of which authorized the Secretary of the Interior to construct and maintain and operate a bridge over the Potomac River at or near Jones Point, Va., issued the statement that title II improperly vests responsibility in the Department of the Interior, which is not a construction agency.

The President says that in the previous legislation, improper authority was vested in the Department of the Interior. In the light of this letter, I cannot conceive of the President signing any legislation or any appropriation bill which would further the construction of this bridge. In other words, if this bill is killed here today and unless other legislation is passed by the Congress, in my opinion, this bridge is dead as it ought to be when financed solely out of Federal funds. I have figures here of what the Federal Government has spent upon bridges across the Potomac River directly connecting the District of Columbia with the States of Virginia and Maryland. Congress has already spent many millions on these Potomac bridges. I can go along with some of that, but why do you not make it a three-way proposition with this bridge, if it is designed to relieve traffic in the District of Columbia? Let the States of Virginia, Maryland, and the District of Columbia build this bridge. Why saddle the whole thing upon the taxpayers of the country. Mr. Chairman, that is all I have to say on this bill at this time. If you want to give the States of Virginia and Maryland a nice free bridge across the Potomac River, then vote for this thing. For my part, I am not going to do it.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. DAVIS of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I join with my friend from Iowa [Mr. GROSS] in expressing my opposition to this allocation of $14 million for this interstate bridge. I have seen times during my membership in this House when a $14-million item had pretty hard sledding. I have seen this Congress very economy minded in days prior to this, in which $14 million was given a lot of study and a rather rough time. I can only express about the same view that the gentleman from Iowa [Mr. GROSS] expressed, and that is that this is a favored bridge. I have in my district the necessity for bridges, spanning from Minnesota to Wisconsin on both the St. Croix and the Mississippi Rivers. So, we have need for a lot of these interstate bridges. This is an interstate bridge if there ever was such a thing. Whether it is on the Ohio or the Columbia or the Snake River or the Mississippi River or any other river, it most assuredly is an interstate bridge. It is my opinion that the State of Maryland and the State of Virginia have the same program of financing bridges that all other States have. That is, by the help of the two States who will be the beneficiaries of the bridge, as well as the participation of the Federal Government's road allocation of funds to those States. I do not know why Maryland and Virginia have to build this bridge any more than the people of Minnesota have to build a bridge across the St. Croix or the Mississippi River. Again I say this is an interstate bridge. No interstate bridges have been built with Federal funds, where they were considered interstate bridges. That is the responsibility of the two States.

That is the position I am taking on the passage of this bill, that the two States are no different than the States in the Midwest that have to build bridges across the Mississippi, the Missouri or the rest of the rivers. They go into the same category as those States. You simply ought to have to do what they have to do. This should not be any Santa Clause bridge by any stretch of the imagination.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. WIER] has expired.

Mr. DAVIS of Georgia. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, in the first place, the subject of this bridge has already been debated and decided by this body and the other body. The bill was passed, and it was passed with very little objection, if any, as I recall it.

What we have here this morning is merely a proposal to change the design of the bridge in order to have a half a million dollars and to place it in the hands of the Department of Commerce where the road-building function of the Government is conducted. That is all there is to this bill. The question of whether the bridge ought to be built was long ago decided by both the House and the Senate, and the President signed the bill. But a great deal of misapprehension has been raised as to this bridge, as to whether it was a national bridge or a bridge for the States of Virginia and Maryland. Let me say to you that if the National Capital was not here there would be no necessity for the bridge. They say it is being built in Virginia and Maryland. The fact of the matter is that it was designed as a bridge to run from one portion of the District of Columbia to another portion of the District of Columbia. For convenience of location it became desirable to push the bridge just a few feet down the river. It is a matter of feet, whether it is in Virginia or Maryland, because it was a better spot for the bridge. There is only a short distance between the District of Columbia and the Virginia boundary. Placing it in Virginia or landing it in Maryland is purely a matter for the Government's convenience.

Why is this bridge neecssary? One reason why it is necessary is that you have the War Department, the Pentagon, on the Virginia side, with thousands and thousands of employees. You have your Navy Department over on that side. You have military installations at Fort Belvoir and Fort Myer, and you have numerous other smaller installations on the Virginia side. They were not put there to accommodate Virginia. They were put through for the necessities of your Government. What happens to all these employees? What happens to them when they get out of work in the afternoon or when they go to work in the morning?

I use the 14th Street Bridge morning and evening, and when you cross that bridge between 4:30 and 6 in the evening you will find traffic four-lanes wide on both sides and half a mile long standing and waiting. You find that condition in the afternoon; you find it in the morning.

This is to take care of an emergency; it is not a Virginia emergency, it is not a Maryland emergency; it is an emergency of the Government of the United States to get these people backward and forward across that river.

This business of talking about its being a Virginia bridge or a Maryland bridge is all tommyrot. That bridge is being built for the benefit of the Federal Government, and we ought not to hesitate about it, and we ought not to have all this debate about something that has already been settled.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Iowa.

Mr. GROSS. Is the traffic on this bridge going to be limited to Government workers by any chance?

Mr. SMITH of Virginia. What does the gentleman think?

Mr. GROSS. I think it will not be, but the gentleman is trying to make a case here on the basis of its taking care of Government workers.

Mr. SMITH of Virginia. I do not think I will attempt to answer a question like that. Is there anything else the gentleman wishes to ask?

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Minnesota.

Mr. WIER. The position the gentleman takes with regard to the emergency and the fact that the Federal Government is responsible for that bridge, if that is so we might amend the Federal impacted school bill to include this bridge as an emergency made necessary by the Federal impact here.

Mr. SMITH of Virginia. I do not think I will consume the time of the House in answering that question. Is there any other question?

Mr. HOFFMAN of Michigan. Yes; I would like to ask a question. It has nothing to do with the bridge, but I want to tell the gentleman that every time I take a drink of milk in the morning it almost gags me that I have to pay 2 cents a quart more for your milk from Virginia and Maryland than we have to pay back home. That is what gripes me.

Mr. SMITH of Virginia. Well, we are trying to take care of our farmers just like you do.

Mr. DAVIS of Georgia. Mr. Chairman, I yield myself 2 minutes.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. DAVIS of Georgia. In conclusion, Mr. Chairman, I would like to say that I appreciate very much the interest of the gentlemen from Iowa [Mr. GROSS] and the gentleman from Minnesota [Mr. WIER] from an economy standpoint. So far as their objections are concerned, I would like to say that I have fought with these gentlemen on many occasions for economy in various measures in this body, and I certainly would not find fault with anybody for opposing any bill on the ground of economy. Let me conclude by pointing out that this bridge has already been authorized and we are saving a half million dollars by this very bill. It will cost that much less than the bridge provided in the original bill in the 83rd Congress.

The bill did not originate from any need brought to our attention by the State of Virginia or the State of Maryland; this entire legislation originated because of the need of the District of Columbia for an additional bridge to relieve traffic conditions here across the Potomac River. That is the principal reason the legislation ever came before the Congress at all. In passing this bill, which is an amendment to the original bill, we will be saving half a million dollars over the cost of the bridge provided for in the original bill.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Minnesota.

Mr. WIER. I may say to the gentleman from Georgia that I feel I would be very hesitant, and many more in the House would be very hesitant—and I do not know of any river that bears more traffic than the Mississippi from the Canadian boundary to New Orleans—but the House would be hesitant and I think it would be a very difficult task to get the Federal Government to build a bridge across the Mississippi River at any of the so-called key traffic centers of the Nation. It is quite obvious, I think, that such a bridge across the Mississippi River would carry as much traffic east and west as any bridge in the country except the Potomac bridges, of course, because of the Federal impact here. I am talking about bridges being constructed on the national level. I do not think the gentleman himself would even support a bridge across the Mississippi River at the Government's expense.

Mr. DAVIS of Georgia. As was so ably pointed out by the gentleman from Virginia [Mr. BROYHILL] this is the capital city of the Nation. There is only one capital city of the Nation. Therefore it is not a fair comparison to compare the situation here with that which exists in any other city in the Nation. Certainly we need to provide whatever the capital city needs in the way of transportation and we should eliminate these conditions which have been described by everyone who has spoken, including the gentleman from Virginia [Mr. SMITH]. There is very great need for this additional bridge, and as the gentleman from Virginia [Mr. SMITH] pointed out, it is just a matter of feet here. A part of this bridge does go over a part of the District of Columbia.

This has all been thrashed out in very detailed and complete hearings in the subcommittee and in the full committee. This bill comes here with the unanimous approval of both of those committees. In my opinion, it is a bill that is very much needed, it is a very meritorious one and I think the bill should pass without objection.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

> *Be it enacted, etc.*, That section 201 of title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes" (68 Stat. 963), is hereby amended to read as follows:
>
> "SEC. 201. (a) The Secretary of Commerce (referred to hereinafter as the "Secretary") is authorized and directed to construct a six-lane bridge over the Potomac River from a point at or near Jones Point, Va., across a certain portion of the District of Columbia, to a point in Maryland, together with bridge approaches on property owned by the United States in the State of Virginia.
>
> "(b) The bridge shall be of deck girder construction, with a movable span of the double-leaf bascule type over the navigable channel having horizontal clearance of approximately 150 feet and vertical clearance above mean low water of approximately 40 feet, and shall be constructed in accordance with the provisions of subsection (b) of section 502 of the "General Bridge Act of 1946," approved August 2, 1946 (60 Stat. 847), as amended, and subject to the conditions and limitations in this title.
>
> "(c) The Secretary shall request the recommendations and suggestions of the National Capital Planning Commission relative to the design of such bridge and approaches and shall consult with the Secretary of the Interior with respect to all plans for overpasses, approaches, interchanges, and connecting roads at both ends of the bridge which affect lands and facilities administered or authorized to be administered by the Department of the Interior.
>
> "(d) Upon the completion of the bridge project all lands acquired pursuant to this act that are located within the authorized boundaries of the George Washington Memorial Parkway, with the exception of such portions thereof that shall be actually occupied by the bridge structure and main approaches leading thereto and the bridge itself, shall be under the administrative control and jurisdiction of the Secretary of the Interior for purposes of the Parkway."

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DAVIS of Georgia: "On page 2, at the end of line 3, insert "The Secretary shall not construct any ingress or egress approaches to the bridge which will directly connect with or empty into those streets within the corporate limits of the city of Alexandra, Va., which are east of Mount Vernon Boulevard (now known as Washington Street) and are now known as Potomac Street, South Lee Street, South Fairfax Street, South Royal treet, South Pitt Street, South St. Asaph Street, Green Street, and Jefferson Street."

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if we adopt the theory suggested by the gentleman from Virginia [Mr. SMITH] that simply because you have traffic congestion the Federal Government ought to build you a bridge regardless of where it is, then the time has come for New York, Chicago, Seattle, Wash., Portland, Oreg., and other municipalities and States to get their hands in the Federal till.

The gentleman from Georgia tells us that this bill will save, I think he said $500,000. Well, I was never a horse trader myself, but I know I am not going to trade $14 million for $500,000.

Mr. Chairman, I would suggest something else. We are going to be confronted here one of these days with a bill to construct a bridge across the Potomac River as an extension of Constitution Avenue, again into Virginia. According to figures compiled by the Library of Congress that bridge will cost the taxpayers of the country at least $9 million. There has been some suggestion on the part of the gentleman from Virginia [Mr. Broyhill] that a traffic tunnel be built. I do not know what that would cost, or whether the estimate is for a tunnel or bridge. You will also probably be confronted in the not too distant future with another bill involving $4½ million for a bridge to replace the old highway bridge, wherever that is. These bridges directly connect the District of Columbia, or at least one of them does, with the State of Virginia. It might make a little sense to make a contribution of Federal funds for a bridge that directly connects the District of Columbia with one of these States, but I see no reason why the Congress should vote a single dime for the building of a bridge across the Potomac River from Alexandria to some spot in the State of Maryland. Incidentally, I do not know whether there is a move on to locate the Central Intelligence Agency's new building over in Maryland as the result of the building of this bridge, if it is built.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. BROYHILL. The CIA building will be constructed in Virginia.

Mr. GROSS. It will be?

Mr. BROYHILL. Yes, indeed.

Mr. GROSS. Well, I did not know whether it was going over into Maryland as the result of the building of this bridge or what was going to happen.

Mr. BROYHILL. The State of Virginia made that sacrifice.

Mr. GROSS. Just as they are making a great sacrifice in building the approaches to this $14 million bridge. The milk of charity really pours out of their hearts, does it not?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. Davis].

The amendment was agreed to.

The Clerk read as follows:

Sec. 2. Section 204 of the said title II is hereby amended by inserting, immediately before the period at the end thereof, the words "and that such bridge will be maintained and operated by the said States."

Sec. 3. There shall be transferred to the Department of Commerce so much of the records, property, and funds of the Department of the Interior as may be appropriate by reason of the enactment of the foregoing provisions of this act. Such measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary to effectuate the said transfers shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

Mr. DAVIS of Georgia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Jones of Missouri, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7228) to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 284, nays 9, not voting 143, as follows:

[Roll No. 28]

YEAS—284

Abbitt
Abernethy
Adair
Albert
Alexander
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Bass, Tenn.
Bates
Beamer
Becker
Bell
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bosch
Bow
Boyle
Bray
Brown, Ga.
Brown, Ohio
Brownson
Broyhill
Burdick
Burleson
Burnside
Byrd
Byrnes, Wis.
Canfield
Cannon
Cederberg
Chase
Chelf
Chenoweth
Chiperfield
Christopher
Church
Clevenger
Colmer
Coon
Cooper
Crumpacker
Cunningham
Curtis, Mo.
Davis, Ga.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Deane
Delaney
Dempsey
Denton
Derounian
Devereux
Dies
Dingell
Dixon
Dodd
Dolliver
Dondero
Dorn, N. Y.
Edmondson
Elliott
Ellsworth
Engle
Evins
Fascell
Feighan
Fernandez
Fisher
Fjare
Ford
Forrester
Fountain
Frazier
Friedel
Gary
Gathings
Gentry
George
Gordon
Gray
Gregory
Griffiths
Gubser
Hagen
Hale
Halleck
Harden
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ohio
Hayworth
Henderson
Herlong
Hill
Hinshaw
Hoeven
Hoffman, Mich.
Holifield
Holmes
Holt
Holtzman
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jarman
Jennings
Jensen
Johansen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kean
Kearney
Keating
Kilday
Kilgore
Kirwan
Kluczynski
Krueger
Laird
Landrum
Lanham
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McDonough
McGregor
McIntire
McMillan
McVey
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Mailliard
Marshall
Martin
Meader
Miller, Md.
Miller, Nebr.
Mills
Minshall
Moss
Murray, Ill.
Murray, Tenn.
Natcher
Nelson
Nicholson
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
Ostertag
Passman
Patman
Pelly
Pfost
Poage
Poff
Polk
Preston
Price
Priest
Prouty
Quigley
Rabaut
Radwan
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Richards
Riehlman
Riley
Rivers
Roberts
Robeson, Va.
Robsion, Ky.
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Rutherford
Sadlak
St. George
Schenck
Schwengel
Scrivner
Scudder
Seely-Brown
Selden
Sheppard
Short
Shuford
Sikes
Siler
Simpson, Ill.
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Springer
Staggers
Steed
Sullivan
Talle
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, Mich.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Tollefson
Trimble
Tumulty
Udall
Vanik
Van Pelt
Van Zandt
Vinson
Vorys
Weaver
Westland
Wharton
Whitten
Widnall
Wigglesworth
Williams, Miss.
Williams, N. J.
Willis
Wilson, Calif.
Winstead
Withrow
Wolverton
Wright
Yates
Young
Younger
Zablocki

NAYS—9

Budge
Gross
Heselton
Mason
Norblad
O'Konski
Taber
Utt
Wier

NOT VOTING—143

Addonizio
Anfuso
Barden
Barrett
Bass, N. H.
Baumhart
Belcher
Betts
Blitch
Bowler
Boykin
Brooks, La.
Brooks, Tex.
Buckley
Bush
Byrne, Pa.
Carlyle
Carnahan
Carrigg
Celler
Chatham
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cramer
Cretella
Curtis, Mass.
Dague
Davidson
Davis, Tenn.
Diggs
Dollinger
Donohue
Donovan
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Fallon
Fenton
Fino
Flood
Flynt
Fogarty
Forand
Frelinghuysen
Fulton
Gamble
Garmatz
Gavin
Granahan
Grant
Green, Oreg.
Green, Pa.
Gwinn
Haley
Hand
Hardy
Hays, Ark.
Healey
Hébert
Hess
Hiestand
Hillings
Hoffman, Ill.
Holland
Hope
Jackson
James
Jenkins
Johnson, Calif.
Judd
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilburn
King, Calif.
King, Pa.
Klein
Knox
Knutson
Lane
Lankford
McConnell
MrCormack
McCulloch
McDowell
Macdonald
Matthews
Merrow
Metcalf
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Morrison
Moulder
Multer
Mumma
O'Hara, Minn.
O'Neill
Osmers
Patterson
Perkins
Philbin
Phillips
Pilcher
Pillion
Powell
Rhodes, Pa.

Rodino
Roosevelt
Saylor
Scherer
Scott
Sheehan
Shelley
Sieminski
Simpson, Pa.
Sisk
Taylor
Thompson, N. J.
Tuck
Velde
Vursell
Wainwright
Walter
Watts
Wickersham
Williams, N. Y.
Wilson, Ind.
Wolcott
Zelenko

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Morano.

Mr. Thompson of New Jersey with Mr. Gavin.

Mr. Flynt with Mr. Saylor.

Mr. Keogh with Mr. Scott.

Mr. Anfuso with Mr. Simpson of Pennsylvania.

Mr. Klein with Mr. Hiestand.

Mr. Roosevelt with Mr. Bush.

Mr. Macdonald with Mr. Betts.

Mr. Walter with Mr. Jackson.

Mr. Garmatz with Mr. Jenkins.

Mr. Fallon with Mr. Judd.

Mr. Dowdy with Mr. Kearns.

Mr. Doyle with Mr. Taylor.

Mr. Chatham with Mr. Hoffman of Illinois.

Mr. Addonizio with Mr. Pillion.

Mr. Rodino with Mr. Sheehan.

Mr. Buckley with Mr. Osmers.

Mr. Powell with Mr. O'Hara of Minnesota.

Mr. Multer with Mr. Carrigg.

Mrs. Kelly of New York with Mr. Hess.

Mr. King of California with Mr. Hand.

Mr. Miller of California with Mr. James.

Mr. Matthews with Mr. Kilburn.

Mr. Wickersham with Mr. King of Pennsylvania.

Mr. Watts with Mr. Williams of New York.

Mr. Zelenko with Mr. Scherer.

Mr. Haley with Mr. Fulton.

Mr. Kelley of Pennsylvania with Mr. Frelinghuysen.

Mr. Morrison with Mr. Fenton.

Mr. O'Neill with Mr. Fino.

Mr. Forand with Mr. Phillips.

Mr. Fogarty with Mr. Cretella.

Mr. Granahan with Mr. Dague.

Mr. Barrett with Mr. Corbett.

Mr. Chudoff with Mr. Miller of New York.

Mr. Green of Pennsylvania with Mr. Gwinn.

Mr. Bowler with Mr. Coudert.

Mr. Boykin with Mr. Baumhart.

Mr. Byrne of Pennsylvania with Mr. Wilson of Indiana.

Mr. Clark with Mr. Mumma.

Mr. Davidson with Mr. McCulloch.

Mr. Dollinger with Mr. McConnell.

Mr. Donovan with Mr. Cole.

Mr. Donohue with Mr. Hillings.

Mr. Lane with Mr. Knox.

Mr. Philbin with Mr. Johnson of California.

Mr. Hardy with Mr. Wainwright.

Mr. Hays of Arkansas with Mr. Belcher.

Mr. Tuck with Mr. Gamble.

Mr. Shelley with Mr. Curtis of Massachusetts.

Mr. Rhodes of Pennsylvania with Mr. Cramer.

Mr. Brooks of Louisiana with Mr. Merrow.

Mr. Eberharter with Mr. Velde.

Mr. Moulder with Mr. Wolcott.

Mr. Lankford with Mr. Vursell.

Mr. Grant with Mr. Bass of New Hampshire.

Mr. Sieminski with Mr. Hope.

Mr. Pilcher with Mr. Patterson.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WAR ORPHANS' EDUCATIONAL ASSISTANCE ACT OF 1956

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 470 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9824) to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Veterans' Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. DELANEY. Mr. Speaker, House resolution 470 makes in order consideration of the bill H. R. 9824, the War Orphans Educational Assistance Act of 1956. The resolution makes in order consideration, without intervention of any point of order, the substitute amendment recommended by the Committee on Veterans' Affairs now in the bill. Such substitute, for the purpose of amendment, shall be considered under the 5-minute rule as an original bill. Two hours of general debate.

The purpose of H. R. 9824 is to aid children of servicemen to attain the education deprived them because of the death of a parent as a result of a disability incurred in combat or from an instrumentality of war during either World War II or the Korean conflict.

The educational assistance program includes schooling leading to an educational, vocational, or professional objective and also provides special restorative training for children with physical or mental disabilities.

In general, benefits would be available after graduation from high school or the attainment of age 18, whichever is earlier, and before age 23. Exceptions to both the minimum and maximum age limits are outlined in the bill. A maximum of 36 months of full-time training or its equivalent in part-time training would be afforded each child.

The program would be administered by the Veterans' Administration. The legislation is patterned closely after the Veterans' Readjustment Act of 1952. However, the bill does not permit on-the-job training, institutional or on-farm training, correspondence courses or courses at foreign schools.

The educational assistance would consist of monetary benefits paid monthly to the parent or guardian of the eligible person in the amount of $110 a month if pursuing a full-time course, $80 a month if on a three-quarter time basis and $50 a month on a half-time basis. The total benefit for each eligible person is $3,960.

It is estimated that if two-thirds of the proposed beneficiaries train for an average of 24 months, the direct-benefit cost of this bill would be approximately $150 million, plus administration expenses of about $6 million. And in any one year is not expected to exceed $15 million.

I urge the adoption of House Resolution 470 so the House may proceed to the consideration of H. R. 9824.

Mr. Speaker, I now yield 30 minutes of my time to the gentleman from Illinois [Mr. Allen].

Mr. ALLEN of Illinois. Mr. Speaker, I know of no objection to the rule. I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Hayworth].

Mr. HAYWORTH. Mr. Speaker, I am today introducing a soil-bank bill specifying that some soil-bank land may be used for public recreational purposes, and placing an upper limit on soil-bank payments, so as to favor the family-sized farm.

I am taking this action in order to keep faith with the farmers of my district. At a series of public farmer meetings I held last fall, they almost unanimously favored the soil-bank proposal. I believe the Secretary of Agriculture already has authority to establish a soil-bank program, and it is apparent that Congress will provide him the necessary appropriation. But to avoid any possible delay I would like to have specific legislation passed—and I feel sure the farmers of my district would like to have it passed—so that there will be no question about it.

The bill I am introducing does not provide for the advance payments advocated by the President. I regard the advance payments proposal as unbusinesslike and a mere election-year bribe.

I should like to discuss briefly the two additional points which I believe make the bill I am introducing superior to those introduced last week by a number of Members. Those two points are the placing of an upper limit on the amount of soil-bank payments, and authorization of the use for public recreation purposes of soil-bank land which is suitable for such use.

I believe we should protect the family sized farm by limiting soil-bank payments to $25,000 a year per farmer on the 1-year acreage reserve and $7,500 a year per farmer on the long-range, 3- to 15-year conservation reserve program. These limits were adopted by the Senate as part of its soil-bank plan, but were eliminated by the conference committee and were not included in the Republican-sponsored bills introduced last week. The limits are restored in my bill.

It has been pointed out that 1 farmer, in this country, has a 340,000 wheat-acre allotment. If there were no limits to soil bank payments, he might collect a Government check for some $3,400,000 for merely allowing half his land to lie idle for a year. The soil bank program should aim at increased income for small- and medium-sized farms, and not at making millionaires richer. I am convinced that we can achieve the necessary participation in the soil bank without opening it up to the huge corporation-type farms.

Now, on the subject of recreational uses for some of the soil bank land, I want to say that I believe those who live in the cities are also entitled to some direct benefits from this $1,200,000,000 Government program. They would receive such benefits if the soil bank plan provides for using some of the more desirable land in the long-range conservation reserve for parks and recreation areas, to be maintained by Federal, State or local park authorities.

I need not call the attention of the Members of this House to the fact that throughout the country there is a great and growing need for additional park space. This is true in my State of Michigan, among many others. Last year's Michigan Natural Resources Conference recommended that "State parks should be greatly increased in number and area, with an improved distribution relative to metropolitan centers, even at a sacrifice of quality standards as to scenery, wilderness, etc."

Even those States with sizeable park acreage or with substantial Federal lands within their borders may nevertheless be inadequately served. To again use the State of Michigan as an example, many of the State parks are in the northern part of the State. The great majority of the State's people live in the southern part of the Lower Peninsula. Population growth has been extremely rapid and much of the population increase has been in the highly industrialized southern section of the State.

Though a real effort has been made by the State and by some local governmental units to increase the facilities, almost all of the parks are woefully inadequate in size and facilities to meet the present needs of our own people and our hundreds of thousands of vocationists. That inadequacy is particularly acute in the more heavily populated, industrialized southern part of the State.

We can easily agree that recreation in many forms is due for a rapid growth. As automation offers our people more leisure time, there will be an ever-mounting pressure on existing public recreational facilities.

I am convinced, therefore, that at least some small portion of the millions of acres to be taken out of production under the conservation reserve program should be utilized for public recreational purposes—for roadside parks and picnic areas, for wildlife preserves and wilderness areas suitable for Boy Scout camping and other such activities.

Under the provisions of my bill a farmer signing a 3- to 15-year conservation reserve contract with the Government would agree to permit such of his soil bank land as the Secretary of Agriculture deemed suitable to be used for public recreational purposes. The Secretary would then make arrangements with Federal, State or local park authorities to equip and maintain the best-suited available areas for the duration of the farmer's contract with the Government.

Mr. Speaker, I hope that we may this year see the inauguration of a soil bank program to protect the family-size farm and with an investment in recreational facilities.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

AMENDING TITLE III OF SERVICEMEN'S READJUSTMENT ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 478 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9260) to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois Mr. [Allen], and at this time yield myself such time as I may consume.

Mr. Speaker, House Resolution 478 provides for the consideration of H. R. 9260, to amend title III of the Servicemen's Readjustment Act of 1944, as amended.

The resolution provides for an open rule and 1 hour of general debate on the bill.

The bill contains several amendments to title III of the GI bill. First, the bill provides that World War II veterans who lose their homes through no fault on their part, such as public condemnation or natural hazards, may have their entitlement reinstated. The committee amendment to the bill provides that an eligible veteran still in service, upon receipt of orders for transfer, may dispose of his home, pay off his guaranteed loan and have his entitlement reinstated.

There have been some questions raised by lenders concerning appraisals of property and this bill clarifies the fact that final determination of reasonable value is vested in the Administrator of the Veterans' Administration.

There have been abuses of the certification of occupancy made at the time of an application for a home loan and for this reason a further amendment requires that in addition to the certification made at the time a veteran makes application for a loan, he shall again certify that he intends to occupy the property as his home at the time of the closing of the loan.

At the present time if a veteran sells his home and the second purchaser defaults on the loan, the veteran is liable to the Veterans' Administration for the amount of the guaranty by the government in connection with the mortgage. The bill proposes to release veterans from this liability upon application of a veteran and the prospective buyer to the Administrator of the Veterans' Administration and the Administrator determines that the buyer is acceptable under the same credit requirements as the original veteran purchaser and that the loan is current.

The committee report complies with the Ramseyer rule. I urge the adoption of House Resolution 478.

Mr. ALLEN of Illinois. Mr. Speaker, I know of no objection to the rule, and I urge its adoption.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

WAR ORPHANS' EDUCATIONAL ASSISTANCE ACT OF 1956

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9824) to establish an educational assistance program for children of servicemen who died as a result of a disability incurred in line of duty during World War II or the Korean service period in combat or from an instrumentality of war.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9824, with Mr. Rains in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, the statement of policy of H. R. 9824 states in concise terms the basic purpose of this legislation. I would like to read the statement of policy:

> The Congress hereby declares that the educational program established by this act is for the purpose of providing opportunities for education to children whose education would otherwise be impeded or interrupted by reason of the death of a parent from a disability incurred in line of duty while in the Armed Forces during World War II or the Korean conflict, and for the purpose of aiding such children in attaining the educational status which they might normally have aspired to and obtained but for the death of such parent.

I am of the opinion that it is the obligation of the Federal Government to give first consideration to the surviving dependents of servicemen who lost their lives in the service of their country, and next to veterans with service-connected disabilities. We have spent almost $20 billion on the education of servicemen who were fortunate enough to return from World War II and Korea. I am not critical of these expenditures, since I believe, for the most part, they have accomplished the purpose of readjusting the returning serviceman—the purpose for which the expenditure was made—and I believe that the Nation as a whole has gained great benefits from the veterans' education and training program. I am mentioning these tremendous expenditures made to veterans who, for the most part, suffered no service-connected disability in order to emphasize the great need for a program to assist the surviving children of those servicemen who lost their lives in the war.

I regret that this legislation has not been enacted sooner. There are a few surviving children of servicemen who died in these wars who have already passed the age of eligibility, and some who have attained their educational goals without Government aid. Fortunately the bill is timely for the large group. The biggest group of children eligible under the act are in the age group from 10 to 14 years and, of course, the children of some of the men who lost their lives in Korea are much younger.

The children who are eligible are those children of veterans who died as a result of a disability incurred in line of duty while in the Armed Forces during World War II or in the Korean conflict in combat or from an instrumentality of war. Since this bill was presented, the Veterans' Administration has pointed out that it will be difficult to determine deaths from an instrumentality of war. I intend to offer later an amendment to make eligible children of men who died of a service-connected disability during World War II or the Korean conflict.

There are about 100,000 orphans involved in this bill. The average age of the orphans today is from 10 to 14 years. Each orphan will be entitled to receive 36 months of education and training in an approved educational institution. The orphans will receive $110 per month for full-time training and proportionately lesser amounts for part-time training—half time and above.

Each persons eligible may begin training upon the completion or termination of high school education or at the age 18. The training period will terminate at age 23. Any time lost in military service will be restored.

The types of training available would be courses offered by colleges, public and private vocational schools, business schools, and other approved educational institutions. There is no provision in this bill for farm training, on-the-job training, or avocational courses. There will be no training in foreign countries.

The administration of the program will be by the Veterans' Administration and is patterned after the education and training program for Korean veterans. The State approval agencies which now approve schools for the training of Korean veterans will be utilized for the approval of schools under this bill. Approval of a school for Korean veterans automatically covers approval under the orphans'-scholarship program.

Title IV of the bill gives the Administrator of Veterans' Affairs broad discretionary authority in using the monetary benefits of the bill to obtain special restorative training to improve the individual's ability with respect to physical or mental functions in which he is handicapped and which are essential to the normal pursuit of education.

It would include courses of training such as language retraining, speech or voice correction, lipreading, auditory training, Braille training, one-handed typewriting, left-hand or nondominant-hand writing, and so forth. In defining special restorative training we have made it clear that we do not mean medical care and treatment. It was recognized by the committee that there would be a few persons among those eligible who would not be able to participate in regular training. We did not wish to deny these children because of their unfortunate circumstances. We have, therefore, made it possible to deal with them on an individual basis and use the benefits provided by the bill in a way that will be most advantageous to the handicapped individual.

We have made applicable the general penal and punitive provisions which apply under Public Law 550, 82d Congress, and we have made the General Accounting Office responsible for reviewing the regulations promulgated by the Veterans' Administration under this bill to assure that they are consistent with its basic provisions.

The bill is supported by all the veterans' groups and was reported out of our committee unanimously.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I know something of the deep personal interest and the long-standing concern which the chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. Teague] has had in this legislation. This is a bill which I think will mean a very great deal to thousands of orphan children across the country. There is no more tragic aftermath of war than the family which is left with children and without a father to assume responsibility for the education of those children. This bill undertakes, on behalf of the Government, to see that the children of our men who fought in battle, who died in the service of their country, have the opportunity which they would have had had their fathers lived, to send them on through school.

I personally want to commend the gentleman from Texas [Mr. Teague] for the role he has played in drafting this bill and bringing it to the floor. I think it is a fine bill. I believe, Mr. Chairman, there will not be a vote cast against it in the House today.

Mr. TEAGUE of Texas. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

I am heartily in favor of the bill, which would provide educational assistance to the children of persons who died as the result of a disability incurred during World War II or the Korean conflict in combat or from an instrumentality of war. I have long felt that we should do more for the children of such persons and during the last session, I introduced a somewhat similar bill. My bill was somewhat broader and would have provided a scholarship to aid the children of all persons who died from service-connected disabilities due to World War II or the Korean conflict.

I should like to ask the chairman of my committee if an amendment to that effect is not to be introduced today? Am I correct in that?

Mr. TEAGUE of Texas. There is an amendment to be introduced which will cover service-connected cases, either of disease or injury.

Mrs. ROGERS of Massachusetts. That would be extremely helpful.

The instant bill has received a great deal of work. It is a good bill and I can give it my wholehearted support.

H. R. 9824 resembles, in many respects, the educational and vocational assistance program established for veterans of the Korean conflict by the Veterans' Readjustment Assistance Act of 1952. Basically, it would give a monetary allowance to each eligible child to assist him in attaining postsecondary schooling leading to an educational, vocational, or professional objective. However, since there will, undoubtedly, be some children, who, because of physical or mental handicaps are unable to pursue a normal educational program, provision for such persons to receive special restorative training.

The benefits of the bill will, in general, be available after the child's graduation from high school or the attainment of 18 years, whichever is earlier, and before his 23d birthday. Not more than 36 months of full-time training, or its equivalent in part-time training, can be afforded; and the rates of the monetary allowance are such as to result in a maximum Federal benefit of $3,960.

The present bill recognizes a Federal obligation to these "war orphans" and would provide generous, but by no means lavish, assistance. It should be a long way toward helping them to receive the education which they might have normally expected to have received if their father had not lost his life in the service of his country.

The Veterans' Administration estimated the cost of the bill over its entire existence, as $150 million. However, it further stated that it was not anticipated that in any one year the cost would exceed $15 million. This certainly is a small amount when compared to the worthy purpose of the measure.

In closing, I want to emphasize that this is a meritorious bill. It has been endorsed by all of the major veterans' organizations. I want to express my pleasure that it is now before this House for action and I hope that it will speedily become law.

I believe the chairman of our committee told me that the first bill that he introduced in the Congress was a bill for orphans of combat veterans. Am I correct in that, Mr. Chairman?

Mr. TEAGUE of Texas. That is correct.

Mrs. ROGERS of Massachusetts. I congratulate the gentleman and ask for the immediate passage of the bill.

Mr. TEAGUE of Texas. I have no further requests for time on this side, Mr. Chairman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. Curtis].

Mr. CURTIS of Missouri. Mr. Chairman, I take this time to ask some questions. I am trying to go over the bill very hurriedly. I notice that the Veterans' Administration report is opposed to this. I am trying to figure out why. I certainly do not think we ought to pass this bill without having some explanation given to the Members as to what the opposition is to this bill. I think everyone is in favor of these fine objectives, but I think sometimes our emotions can lead us beyond the point of good reason. I wonder if the chairman of the committee would paraphrase why the Veterans' Administration is opposed to this bill.

Mr. TEAGUE of Texas. May I say to the gentleman that out of some 375 bills in our committee the Veterans' Administration have been in favor of only a very few bills other than a few land-transfer bills that did not cost a dime.

Their basic objection to this is that it is a departure from a proper concept of veterans' benefits, with which I disagree, because we today give orphans certain recognition while in school. In other words, a widow with a child draws compensation for that child until he is 18, but if he continues in school we continue those benefits until he is 21.

Mr. CURTIS of Missouri. I can see without getting into it too far that this is going to be a very serious problem of administration. I can see that they are pointing that out among other things they are required to determine a very indefinite group. The gentleman said there would be 100,000 orphans, but this class is still not a closed class, is it?

Mr. TEAGUE of Texas. The bill as introduced was restrictive and applied only to men that were actually killed in combat or from an instrumentality of war. During the hearings it was pointed out that certain men who died of disease in the Pacific islands or in many other places should be considered in the bill. The amendment prepared removes any doubt as to who are eligible. In other words, the bill would then cover all men who died from any service-connected cause and are given a rating of service connection, so there will be no question as to who is eligible for the training.

Mr. CURTIS of Missouri. The point I am getting at is that the number that would be contained in it is not limited, because you can still have a child born 2 years from now who could become qualified if the father died of a disability which was the result of service connection.

Mr. TEAGUE of Texas. That is very true.

Mr. CURTIS of Missouri. So we have an indefinite group. I am just trying to understand this thing. It is an indefinite thing.

Mr. TEAGUE of Texas. If you take the maximum group, it could not reach more than 156,000, according to the Veterans' Administration's own figures.

Mr. CURTIS of Missouri. Of the veterans with service-connected disabilities, what is the ratio of those who died from their service-connected disability? I imagine it is a small portion, is it not?

Mr. TEAGUE of Texas. It is very small now, of course.

Mr. CURTIS of Missouri. They usually die of some other cause than that which is their disability. One might be disabled in the leg or arm but die from some other cause.

Mr. TEAGUE of Texas. Does the gentleman understand that this is only concerned with the orphans of veterans during the war period?

Mr. CURTIS of Missouri. I understand that. What I am trying to get at is this. Suppose we have a veteran who has a service-connected disability from which he may die. He may die this year from that disability. He may die 10 or 15 years later. He is covered, is he not?

Mr. TEAGUE of Texas. If he dies from the service-connected disability; not with the service connection, but of the service connection.

Mr. CURTIS of Missouri. Of the service connection; that is right. I am willing to abide by the studies of this committee because I know you have gone into it, but I am very disturbed about the fact that the administrative problems involved in here can be exceedingly complicated. The Veterans' Administration, as far as I can see, is opposed to it because of that.

Mr. TEAGUE of Texas. Does the gentleman understand the time limit the committee has placed on this training?

Mr. CURTIS of Missouri. You can even go on up to the age of 31, as I read this bill. Am I not right? There is one place where he can be 31 years old.

Mr. TEAGUE of Texas. Provided he went into the service and served a number of years.

Mr. CURTIS of Missouri. That is right.

Mr. TEAGUE of Texas. We think that would be a very small group, if any at all.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. AVERY. To comment further on this premise of recognizing the offspring or child of a deceased veteran, I point out to the gentleman from Missouri that that is not a new principle because in our present rate of compensation, there is attention given to that very thing. For instance, the present rate of compensation to the widow ends when the child reaches 18 years of age unless he continues in school; and she then gets $34 for the first child, $29 for the second child and so on. So, really, we are not injecting a new formula into compensation.

Mr. CURTIS of Missouri. In other words, what you are saying is that you know who the orphans are.

Mr. AVERY. They are pretty well identified under the present compensation-for-widows bill which is now in operation.

Mr. CURTIS of Missouri. I see. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mrs. ROGERS of Massachusetts. Did the gentleman see the estimated cost by the Veterans' Administration? The total cost is estimated at $150 million, but it is not expected to exceed $15 million in any 1 year. I would like to point out that I think this is an extremely valuable service because they need trained men and women too to go into the highly scientific courses. Today, there are not nearly enough of scientifically trained people. This is performing a patriotic service.

Mr. CURTIS of Missouri. There are many ways of getting education. This is certainly only an incidental way. I might state from the committee's report itself the cost of this bill could be as much as $600 million—multiplying the $4,000 average which is contained in here plus the 150,000 potential. I agree that that is the maximum that might never be attained, and probably the estimate of around $200 or $300 million would be more accurate. But, your top is around $600 million on the basis of your own figures.

Mr. TEAGUE of Texas. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read the committee amendment as follows:

> That this act may be cited as the "War Orphans' Educational Assistance Act of 1956."
>
> TITLE I—STATEMENT OF POLICY; DEFINITIONS
>
> *Statement of policy*
>
> Sec. 101. The Congress hereby declares that the educational program established by this act is for the purpose of providing opportunities for education to children whose education would otherwise be impeded or interrupted by reason of the death of a parent from a disability incurred in line of duty while in the Armed Forces during World War II or the Korean conflict in combat or from an instrumentality of war, and for the purpose of aiding such children in attaining the educational status which they might normally have aspired to and obtained but for the death of such parent.
>
> *Definitions*
>
> Sec. 102. (a) For the purposes of this act—
>
> (1) The term "World War II" means the period beginning on December 7, 1941, and ending on December 31, 1946.
>
> (2) The term "Korean conflict" means the period beginning on June 27, 1950, and ending on January 31, 1955.
>
> (3) The term "eligible person" means the child of a person who died as the result of a disability incurred in line of duty while in the Armed Forces during World War II or the Korean conflict—
>
> (A) in combat, or
>
> (B) from an instrumentality of war.

> (4) The term "child" means a legitimate or legally adopted child, a stepchild if he was a member of the household of the parent from whom eligibility is derived, or an illegitimate child if it is shown by evidence satisfactory to the Administrator that the person from whom eligibility is derived was the parent.
>
> (5) The term "Armed Forces" means the Army, Navy, Air Force, Marine Corps, and Coast Guard of the United States.
>
> (6) The term "duty with the Armed Forces" as used in section 203 means (A) full-time duty in the active military or naval service, other than for training purposes, (B) full-time active duty for training for a period of 6 or more consecutive months by a member of a reserve component (including the National Guard), or (C) active duty for training required by section 262 (c) (1) of the Armed Forces Reserve Act of 1952.
>
> (7) The term "parent or guardian" means a father, a mother, a father through adoption, a mother through adoption, a fiduciary legally appointed by a court of competent jurisdiction, or any person who is determined by the Administrator in accordance with section 21 of the World War Veterans' Act, 1924, as amended (38 U. S. C., sec. 450), to be otherwise legally vested with the care of the eligible person.
>
> (8) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill the requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.
>
> (9) The term "educational institution" means any public or private secondary school, vocational school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above.
>
> (10) The term "State" means each of the several States, Territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.
>
> (11) The term "Administrator" means the Administrator of Veterans' Affairs.
>
> (12) The term "special restorative training" means training furnished under title IV.
>
> (b) If an eligible person has attained his majority and is under no known legal disability, all references in this act to "parent or guardian" shall refer to the eligible person himself.
>
> (c) Any provision of this act which requires any action to be taken by or with respect to the parent or guardian of an eligible person who has not attained his majority, or who, having attained his majority, is under a legal disability, shall not apply when the Administrator determines that its application would not be in the best interest of the eligible person, would result in undue delay, or would not be administratively feasible. In such a case the Administrator, where necessary to protect the interest of the eligible person, may designate some other person (who may be the eligible person himself) as the person by or with respect to whom the action so required should be taken.
>
> TITLE II—ELIGIBILITY AND ENTITLEMENT
>
> *Eligibility and entitlement generally*
>
> Sec. 201. Each eligible person shall, subject to the provisions of this act, be entitled to receive educational assistance.
>
> *Duration of educational assistance*
>
> Sec. 202. (a) Each eligible person shall be entitled to educational assistance under this act for a period not in excess of 36 months (or to the equivalent thereof in part-time training).
>
> (b) The period of entitlement of an eligible person under this act shall be reduced by a period equivalent to any period of education or training received by him under title II of the Veterans' Readjustment Assistance Act of 1952 or of vocational rehabilitation training received by him under Public Law 894, 81st Congress.
>
> (c) The period of entitlement of an eligible veteran under title II of the Veterans' Readjustment Assistance Act of 1952 shall be reduced by an amount equivalent to any period of educational assistance received by him under this act.
>
> (d) If an eligible person is entitled to educational assistance under this act and also to vocational rehabilitation under Public Law 894, 81st Congress, he must elect whether he will receive educational assistance or vocational rehabilitation. If an eligible person is entitled to educational assistance under this act and is not entitled to such vocational rehabilitation, but after beginning his program of education or special restorative training becomes entitled (as determined by the Administrator) to such vocational rehabilitation, he must elect whether to continue to receive educational assistance or whether to receive such vocational rehabilitation. If he elects to receive vocational rehabilitation, the program of education or special restorative training pursued under this act shall be utilized to the fullest extent practicable in determining the character and duration of vocational rehabilitation to be furnished him.
>
> *Periods of eligibility*
>
> Sec. 203. (a) The educational assistance to which an eligible person is entitled under section 202 may be afforded him during the period beginning on his 18th birthday, or on the successful completion of his secondary schooling, whichever first occurs, and ending on his 23d birthday, except that—
>
> (1) if he is above the age of compulsory school attendance under applicable State law, and the Administrator determines that his best interests will be served thereby, such period may begin before his 18th birthday;
>
> (2) if he has not reached his 23d birthday on the effective date of this act and—
>
> (A) he has reached his 18th birthday on such effective date, or
>
> (B) he serves on duty with the Armed Forces as an eligible person before his 23d birthday and on or after such effective date, or
>
> (C) the death of the parent from whom eligibility was derived occurs after such effective date and after his 18th birthday but before his 23d birthday—
>
> then such period shall end 5 years after such effective date, his first discharge or release after such effective date from duty with the Armed Forces if such duty began before his 23d birthday, or the death of such parent, whichever occurs last, except that in no event shall such period be extended beyond his 31st birthday by reason of this paragraph; and
>
> (3) (A) if he is enrolled in an educational institution regularly operated on a quarter or semester system and such period ends during the last half of a quarter or semester, such period shall be extended to the end of the quarter or semester; or
>
> (B) if he is enrolled in an educational institution operated other than on a quarter or semester basis and such period ends during the last half of the course, such period shall be extended to the end of the course, or until 9 weeks have expired, whichever first occurs.
>
> (b) No eligible person may be afforded educational assistance under this act unless he was discharged or released after each period he was on duty with the Armed Forces under conditions other than dishonorable, or while he is on duty with the Armed Forces.
>
> *Application*
>
> Sec. 204. The parent or guardian of a person for whom educational assistance is sought under this act shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is an eligible person, he shall approve the application provisionally. The Administrator shall notify the parent or guardian of his provisional approval or of his disapproval of the application.
>
> *Processing of applications*
>
> Sec. 205. (a) Further processing of an application for educational assistance and the award of such assistance shall be pursuant to the requirements of title III, unless the parent or guardian requests special restorative training for the eligible person, in which case the application will be processed under title IV.
>
> (b) If the request for special restorative training is approved, educational assistance will be afforded pursuant to the terms of title IV. If the request for special restorative training is disapproved, or if approved the restorative training is completed or discontinued, any educational assistance subsequently afforded will be in accordance with title III.
>
> TITLE III—PROGRAM OF EDUCATION
>
> *Development of educational plan*
>
> Sec. 301. Upon provisional approval of an application for educational assistance, the Administrator shall arrange for, and the eligible person shall take advantage of, educational or vocational counseling to assist the parent or guardian and the eligible person in selecting his educational, vocational, or professional objective and in developing his program of education. During, or subsequent to, such counseling, the parent or guardian shall prepare for the eligible person an educational plan which shall set forth the selected objective, the proposed program of education, a list of the educational institutions at which such program would be pursued, an estimate of the sum which would be required for tuition and fees in completion of such program, and such other information as the Administrator shall require. This educational plan shall be signed by the parent or guardian and shall become an integral part of the application for educational assistance under this act.
>
> *Final approval of application*
>
> Sec. 302. The Administrator shall finally approve an application if he finds (1) that section 301 has been complied with, (2) that the proposed program of education constitutes a "program of education" as that term is defined in this act, (3) that the eligible person is not already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the courses of the program of education are offered, and (4) that it does not appear that the pursuit of such program would violate any provision of this act.
>
> *Change of program*
>
> Sec. 303. An eligible person, with the concurrence of his parent or guardian, may request changes in his program. The Administrator shall approve an initial change of program, and may approve not more than one additional change, if he finds that—
>
> (1) the program of education which the eligible person proposes to pursue is suitable to his aptitudes, intests, and abilities; and
>
> (2) in any instance where the eligible person has interrupted, or failed to progress in, his program due to his own misconduct, his own neglect, or his own lack of application, there exists a reasonable likelihood with respect to the program which the eligible person proposes to pursue that there will not be a recurrence of such an interruption or failure to progress.
>
> *Disapproval of enrollment in certain courses*
>
> Sec. 304. (a) (1) The Administrator shall not approve the enrollment of an eligible

person in any bartending course, dancing course, or personality-development course.

(2) The Administrator, shall not approve the enrollment of an eligible person—

(1) in any photography course or entertainment course, or

(2) in any music course—instrumental or vocal—public speaking course, or course in sports or athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, sports officiating, or other sport or athletic courses, except courses of applied music, physical education, or public speaking which are offered by institutions of higher learning for credit as an integral part of a program leading to an educational objective, or

(3) in any other type of course which the Administrator finds to be avocational or recreational in character;

unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in any course of apprentice or other training on the job, any course of institutional on-farm training, any course to be pursued by correspondence, television, or radio, or any course to be pursued at an educational institution not located in a State.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education, but this subsection shall not prevent the enrollment of an eligible person in a course to be pursued below the college level if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

Discontinuance for unsatisfactory progress

Sec. 305. The Administrator shall discontinue the educational assistance allowance on behalf of an eligible person if, at any time, the Administrator finds that according to the regularly prescribed standards and practices of the educational institution he is attending, his conduct or progress is unsatisfactory. The Administrator may renew the payment of the educational assistance allowance only if he finds that—

(1) the cause of the unsatisfactory conduct or progress of the eligible person has been removed, and

(2) The program which the eligible person now proposes to pursue (whether the same or revised) is suitable to his aptitudes, interests, and abilities.

Period of operation for approval

Sec. 306. (a) The Administrator shall not approve the enrollment of an eligible person in any course offered by an educational institution when such course has been in operation for less than 2 years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than 2 years, if such course is similar in character to the instruction previously given by such institution; or

(3) any course which has been offered by an institution for a period of more than 2 years, notwithstanding the institution has moved to another location within the same general locality.

Institutions listed by Attorney General

Sec. 307. The Administrator shall not approve the enrollment of, or payment of an educational assistance allowance to, any eligible person in any course in an educational institution while it is listed by the Attorney General under section 3 of part III of Executive Order 9835, as amended.

Educational assistance allowance

Sec. 308. (a) The Administrator shall pay to the parent or guardian of each eligible person who is pursuing a program of education under this Act, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance on behalf of an eligible person shall be paid, as provided in section 309, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) on behalf of any person enrolled in a course which leads to a standard college degree for any period when such person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this act, or

(2) on behalf of any person enrolled in a course which does not lead to a standard college degree for any day of absence in excess of 30 days in a 12-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session.

(c) No educational assistance allowance shall be paid on behalf of an eligible person for any period until the Administrator shall have received—

(1) from the eligible person (A) in the case of an eligible person enrolled in a course which leads to a standard college degree, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or (B) in the case of an eligible person enrolled in a course which does not lead to a standard college degree, a certification as to actual attendance during such period, and

(2) from the educational institution a certification, or an endorsement on the eligible person's certificate, that he was enrolled in and pursuing a course of education during such period.

Educational assistance allowances shall, insofar as practicable, be paid within 20 days after receipt by the Administrator of the certifications required by this subsection.

Computation of educational assistance allowance

Sec. 309. (a) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (1) $110 per month if pursued on a full-time basis, (2) $80 per month if pursued on a three-quarters time basis, and (3) $50 per month if pursued on a half-time basis.

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of $90 per month.

(c) No educational assistance allowance shall be paid on behalf of an eligible person for any period during which he is enrolled in and pursuing an institutional course on a less than half-time basis, or any course described in subsection (b) on a less than full-time basis.

Measurement of courses

Sec. 310. (a) For the purposes of this act, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of 30 hours per week of attendance is required with no more than 2½ hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of 25 hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter or semester hour basis for which credit is granted toward a standard college degree shall be considered a full-time course when a minimum of 14 semester hours or its equivalent is required.

(b) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the causes of all other types of courses pursued under this act.

Overcharges by educational institutions

Sec. 311. (a) If the Administrator finds that an educational institution has charged or received from any eligible person any amount in excess of the charges for tuition and fees which such institution requires similarly circumstanced students, not receiving educational assistance under this act, who are enrolled in the same course to pay, he may disapprove such educational institution for the enrollment of any eligible person not already enrolled therein under this act and any eligible veteran not already enrolled therein under the Veterans' Readjustment Assistance Act of 1952.

(b) Any educational institution which has been disapproved under section 234 of the Veterans' Readjustment Assistance Act of 1952 shall be deemed to be disapproved for the enrollment under this act of any eligible person not already enrolled therein.

Approval of courses

Sec. 312. (a) An eligible person shall receive the benefits of this title while enrolled in a course of education offered by an educational institution only if such course is approved in accordance with the provisions of this section.

(b) Any course offered by an educational institution (as defined in this act) shall be considered approved for the purposes of this title if it is approved under either section 253 or section 254 of the Veterans' Readjustment Assistance Act of 1952 prior to the date for the expiration of all education and training thereunder, and has not been disapproved under the provisions of section 256 of that act.

(c) Subsequent to the date for the expiration of all education and training under the Veterans' Readjustment Assistance Act of 1952, the Administrator shall be responsible for the approval of any additional courses for the purposes of this title. In approving such a course, the criteria of section 253 and section 254 of that act, as now or as hereafter amended, shall be applicable to approvals under this subsection and the Administrator may utilize the services of State educational agencies in connection therewith.

Discontinuance of allowances

Sec. 313. The Administrator may discontinue the educational assistance allowance of any eligible person if he finds that the course of education in which the eligible person is enrolled fails to meet any of the requirements of this act or any of the standards and criteria of section 253 or 254 of the Veterans' Readjustment Assistance

Act of 1952 or if he finds that the educational institution offering such course has violated any provision of this act or fails to meet any of its requirements.

TITLE IV—SPECIAL RESTORATIVE TRAINING

Purpose

Sec. 401. The purpose of special restorative training is to overcome, or lessen, the effects of a manifest physical or mental disability which would handicap an eligible person in the pursuit of a program of education.

Entitlement to special restorative training

Sec. 402. (a) The Administrator at the request of the parent or guardian of an eligible person is authorized—

(1) to determine whether such person is in need of special restorative training; and

(2) where need is found to exist, to prescribe a course which is suitable to accomplish the purposes of this title.

Such a course, at the discretion of the Administrator, may contain elements that would contribute toward an ultimate objective of a program of education.

(b) In no event shall the total period of educational assistance under this title and other titles of this act exceed the amount of entitlement as established in section 202, and the provisions of section 203 shall be applicable.

Special training allowance

Sec. 403. (a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $110 per month. If the charges for tuition and fees applicable to any such course are in excess of $35 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $35 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by 1 day for each $3.60 that the special training allowance paid exceeds the basic monthly allowance.

(b) No payments of a special training allowance shall be made for the same period for which the payment of an educational assistance allowance is made or for any period during which the training is pursued on less than a full-time basis.

(c) Full-time training for the purpose of this section shall be determined by the Administrator with respect to the capacities of the individual trainee.

Special administrative provisions

Sec. 404. (a) In carrying out his responsibilities under this title the Administrator may by agreement arrange with public or private educational institutions or others to provide training arrangements as may be suitable and necessary to accomplish the purposes of this title. In any instance where the Administrator finds that a customary tuition charge is not applicable, he may agree on the fair and reasonable amounts which may be charged the parent or guardian for the training provided to an eligible person.

(b) The Administrator shall make such rules and regulations as he may deem necessary in order to promote good conduct on the part of the persons who are following courses of special restorative training and to otherwise carrry out the purpose of this act.

TITLE V—MISCELLANEOUS PROVISIONS

Authority and duties of Administrator

Sec. 501. (a) The Administrator is authorized to prescribe, promulgate, and publish such rules and regulations as are consistent with the provisions of this act and necessary to carry out its purposes. Notwithstanding the provisions of section 11 of the act of October 17, 1940, as amended (54 Stat. 1193), payments under this act shall be subject to audit and review by the General Accounting Office, as provided by the Budget and Accounting Act of 1921, as amended, and the Budget and Accounting Procedures Act of 1950.

(b) The Administrator is authorized to accept uncompensated services and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, incident to the administration of this act, including personal services, as he may deem practicable.

(c) The Administrator is authorized to provide the educational and vocational counseling required under section 301, and may provide or require additional counseling if he deems it to be necessary to accomplish the purposes of this act. Where educational or vocational counseling is required pursuant to this act, the Administrator is authorized, in his discretion, to defray or reimburse the parent or guardian for the necessary traveling expenses of the eligible person to and from the place of counseling.

(d) The Administrator may advise and consult with the advisory committee established pursuant to section 262 of the Veterans' Readjustment Assistance Act of 1952, with respect to the administration of this act.

(e) In carrying out his functions under this act, the Administrator may utilize the facilities and services of any other Federal department or agency. Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall be made either in advince or by way of reimbursement, as may be provided in such agreement.

Nonduplication of benefits

Sec. 502. (a) The commencement of a program of education or special restorative training under this act shall be a bar to subsequent payments by reason of the proviso to paragraph VI, Veterans Regulation No. 10, as amended, or the proviso to section 3 (c), Public No. 484, 73d Congress, as amended, of compensation or pension to an eligible person over the age of 18, or of increased rates, or additional amounts, of compensation or pension because of such a person.

(b) No educational assistance allowance or special training allowance shall be paid on behalf of any eligible person under this act for any period during which such person is enrolled in and pursuing a course of education or training paid for by the United States under any provision of law other than this act, where the payment of an allowance would constitute a duplication of benefits paid from the Federal Treasury to the eligible person or to his parent or guardian in his behalf.

Control by agencies of United States

Sec. 503. No department, agency, or officer of the United States, in carrying out this act, shall exercise any supervision or control, whatsoever, over any State-approving agency, or State educational agency, or any educational institution; however, nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational institution or to prevent the furnishing of education under this act in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

Conflicting interests

Sec. 504. (a) Every officer or employee of the Veterans' Administration who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or service from, any educational institution operated for profit in which an eligible person was pursuing a course of education under this act shall be immediately dismissed from his office of employment.

(b) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration, if he finds that no detriment will result to the United States or to eligible persons by reason of such interest or connection of such officer or employee.

Reports by institutions

Sec. 505. (a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person enrolled therein under this act.

(b) The Administrator shall pay to each educational institution which is required to submit reports and certifications to the Administrator under this act, an allowance at the rate of $1 per month for each eligible person enrolled in and attending each institution under the provisions of this act to assist the educational institution in defraying the expense of preparing and submitting such reports and certifications. Such allowances shall be paid in such manner and at such times as may be prescribed by the Administrator, except that in the event any institution fails to submit reports or certifications to the Administrator as required by this act, no allowance shall be paid to such institution for the month or months during which such reports or certifications were not submitted as required by the Administrator.

Overpayments to eligible persons

Sec. 506. If the Administrator finds that an overpayment has been made to an eligible person as the result of (1) the willful or negligent failure of an educational institution to report, as required by this act and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the eligible person or (2) false certification by an educational institution, the amount of such overpayment shall constitute a liability of such institution, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the eligible person. This section shall not preclude the imposition of any civil or criminal action under this or any other act.

Examination of records

Sec. 507. The records and accounts of educational institutions pertaining to eligible persons who received education under this act shall be available for examination by duly authorized representatives of the Government.

False or misleading statements

Sec. 508. The Administrator shall not make any payments under this act to any person found by him to have willfully submitted any false or misleading claims. Whenever the Administrator finds that an educational institution has willfully submitted a false or misleading claim, or that a person with the complicity of an educational institution, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and where deemed advisable to the Attorney General of the United States for appropriate action.

Criminal penalties

SEC. 509. Whoever knowingly and willfully—

(1) makes or presents any false, fictitious, or fraudulent affidavit, declaration, certificate, voucher, endorsement, or paper or writing purporting to be such, concerning any claim for payment under this act, or pertaining to any matter arising under this act,

(2) makes or presents any paper required under this act on which paper a date other than the date upon which it was actually signed or acknowledged by the claimant has been willfully inserted,

(3) certifies falsely that the declarant, affiant, or witness named in such affidavit, declaration, voucher, endorsement, or other paper or writing personally appeared before him and was sworn thereto, or acknowledged the execution thereof, or

(4) accepts and converts to his own use payments for any period during which he was not actually pursuing a course of education under this act for which period payment was made,

shall be fined not more than $5,000 or imprisoned not more than 3 years, or both.

Application of other laws

SEC. 510. The provisions of Public Law No. 262, 74th Congress, approved August 12, 1935 (49 Stat. 607), as amended, the provisions of section 15 of Public Law No. 2, 73d Congress, as amended, the provisions of paragraph V, part I, Veterans Regulation No. 2 (a), as amended, and the provisions of titles II and III of Public Law No. 844, 74th Congress, approved June 29, 1936, as amended, shall be for application under this act.

Waiver of recovery of overpayments

SEC. 511. There shall be no recovery of payments of educational assistance allowance made under this act from any person who, in the judgment of the Administrator, is without fault on his part and where, in the judgment of the Administrator, such recovery would defeat the purpose of benefits otherwise authorized or would be against equity and good conscience. No disbursing officer or certifying officer shall be held liable for any amount paid to any person where the recovery of such amount is waived under this section.

Effective date

SEC. 512. This act shall take effect on the date of its enactment, but no educational assistance allowance shall be paid for any period before the first day of the first month which begins more than 90 days after the date of the enactment of this act.

Mr. TEAGUE of Texas (interrupting the reading of the committee amendment). Mr. Chairman, I ask unanimous consent that the further reading of the committee amendment be dispensed with, that the amendment be considered as read, and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am deeply concerned about this bill. It seems to be going very quickly without proper discussion. I have great respect for the gentleman's committee, but I would like to know a little bit more in connection with these illegitimate children who, I understand, come within the purview of this act: Whether they shall be required to be citizens of the United States in order to receive the benefits?

Mr. TEAGUE of Texas. Any illegitimate child who can qualify for compensation through legal means or under the law would be entitled to the benefits of this bill.

Mr. HINSHAW. The gentleman has not quite answered my question. I asked whether or not they would be required to be citizens of the United States.

Mr. TEAGUE of Texas. They would not necessarily be citizens of the United States.

Mr. HINSHAW. Now, may I point out to my dear friend that in World War II and in the Korean War, the GI was all over the map.

Mr. TEAGUE of Texas. Will the gentleman yield at that point?

Mr. HINSHAW. Just a moment. I want to mention a few of the countries.

Mr. TEAGUE of Texas. The gentleman realizes that they may not draw benefits under the terms of this bill in a foreign country.

Mr. HINSHAW. No, I do not realize that—they are eligible for benefits.

Mr. TEAGUE of Texas. But, it is prohibited to draw benefits in any foreign country.

Mr. HINSHAW. They can come into the United States under other laws and obtain a college education, I believe, as students. I do not believe the gentleman's provision would quite hold—it might hold, but I doubt it. I would want to find out from the gentleman from Pennsylvania [Mr. Walters] or from his committee whether or not such a child might not have rights to come in as a student and hence receive their training in the United States at the expense of the United States.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. TEAGUE of Texas. If, under the legal interpretation or the veteran admitting that he was his child or if the veteran is dead and he is drawing compensation as a result, he would certainly be entitled to come into the country and receive educational training—otherwise, he would not.

Mr. HINSHAW. That is what I am talking about because the GI was all over—all over England, all over Germany and France and Italy and, in fact, all over almost the entire world. Whether or not legitimacy or illegitimacy can be proven in cases of that sort is going to be an almost indeterminable administrative problem. I have no doubt but what the gentleman and other members of his committee will be sought after a great deal to find out whether a child may be proven to be illegitimate or legitimate. I think this bill takes a great deal of consideration, and it is being offered to us very hastily, without reading. I have not objected to passing over without reading because it would take a great deal of time, and I think it should take some time, if a bill that may cost us anywhere from 150 to 600 million or more dollars and which conceivably would operate, according to the budget in the next to the last paragraph of their report, for at least a quarter of a century from now.

Mr. TEAGUE of Texas. There has been no bill from the Veterans' Affairs Committee since I have been a member of it that has received more careful consideration than this bill. There are no gimmicks or new interpretations of the immigration laws in this bill. We have used the precedents establishing the legitimacy of any child, but the bill has been very, very carefully considered over a period of more than a year. There have been a number of roundtable discussions by representatives of the Government who will be concerned with this bill, and there were very careful hearings held on the bill. There is no intent on the part of the chairman to try to pass this bill hurriedly.

Mr. HINSHAW. Does the gentleman inform me that this bill has the approval of the various veteran organizations, such as the American Legion, the Veterans of Foreign Wars, and so on?

Mr. TEAGUE of Texas. It has the unanimous approval of every organization.

Mr. HINSHAW. That beats me. I do not see how they did it. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from California [Mr. Hinshaw] has expired.

Mr. TEAGUE of Texas. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. Teague of Texas:

On page 30, strike out lines 9, 10, and 11, and insert "from a disease or injury incurred or aggravated in the Armed Forces during World War II or the Korean conflict, and for,".

On page 30, strike out line 22 and all that follows down through line 2 on page 31, and insert:

"(3) The term 'eligible person' means a child of a person who died of a disease or injury incurred or aggravated in line of duty in the active service in the Armed Forces during World War II or the Korean conflict, but only if such service did not terminate under dishonorable conditions. The standards and criteria for determining incurrence or aggravation of a disease or injury in line of duty shall be those applicable under disability compensation laws administered by the Veterans' Administration."

Mr. TEAGUE of Texas. Mr. Chairman, this amendment changes the definition of an eligible person. In the original bill, trying to make this bill apply to men only killed in combat, the language required that his death be the result of a disability incurred in line of duty during World War II or the Korean conflict in combat or from an instrumentality of war. The term "instrumentality of war" as officials of the Veterans' Administration have noted would be difficult to interpret, and for that reason the amendment is offered which includes children of all men who died of a disease or injury incurred or aggravated in line of duty; who died in World War II or the Korean conflict, but only if such service did not terminate under dishonorable conditions.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. The question is on the committee substitute as amended.

The committee substitute as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Rains, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 9824, pursuant to House Resolution 470, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to amend the title of the bill.

The Clerk read as follows:

Mr. Teague of Texas moves to amend the title of the bill to read: "A bill to establish an educational assistance program for children of servicemen who died as a result of disability or disease incurred in line of duty during World War II or the Korean conflict."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendment was agreed to.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SISK. Mr. Speaker, H. R. 9824, the War Orphans' Education Assistance Act of 1956, now before the House for consideration, is the kind of legislation that makes me glad I am a member of the Committee on Veterans' Affairs, which is unanimously recommending passage. I believe it merits and will win unanimous passage by the House.

In brief, this bill provides financial assistance for the college education of children orphaned by the death of a parent as the result of a disability incurred in line of duty while in the Armed Forces during World War II or the Korean conflict. It seems to me that we may understandably have differences of opinion regarding a great many legislative proposals concerning veterans' benefits, but who can disagree with the obligation of our people to help educate the orphaned children of those who have given their lives in defense of our country?

We properly appreciate and pay homage to those who have died to help us, but we must also realize that they have sacrificed not only their lives, but also their opportunity to provide for their children and to give them the educational opportunities every mother and father seek for them. This bill recognizes that the educational opportunities of a great many war orphans will be impeded, interrupted or made impossible by reason of the war-caused death of a parent, and it sets up an educational program and allowances to give them the opportunities the veteran would want for his children and which he would try to give them.

The amount of death compensation which the widow and child now receive is barely sufficient to meet minimum living costs. There is no possible way the average mother can provide an education opportunity for the child unless she has other income. This legislation proposes that the people of the United States recognize this obligation and step in and provide that supplementary income over a 4-year period. It is good legislation, already too long delayed. I earnestly hope it will have unanimous passage.

AMENDING TITLE III OF THE SERVICEMEN'S READJUSTMENT ACT

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9260) to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9260, with Mr. Albert in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. Teague] will be recognized for 30 minutes and the gentlewoman from Massachusetts [Mrs. Rogers] for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. TEAGUE of Texas. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. Edmondson].

Mr. EDMONDSON. Mr. Chairman, this bill is identical with five other bills that were considered by the Housing Subcommittee of the Committee on Veterans' Affairs in an effort to correct five conditions which had been brought to the attention of the subcommittee in the course of investigating the housing program across the country.

The gentleman from Missouri [Mr. Christopher] is the author of the pending bill. Similar bills were introduced by the gentleman from North Carolina [Mr. Shuford], the gentleman from Nebraska [Mr. Weaver], the gentleman from Nevada [Mr. Young], the gentleman from Texas [Mr. Teague], and by myself.

Hearings were held on these bills on March 13 and 14 and H. R. 9260 was favorably reported by the subcommittee unanimously, subsequently amended in the full committee and, thereafter, reported unanimously by the full committee.

The five conditions which are dealt with by this omnibus bill may be summarized as follows:

In the first place, in the course of the hearings and investigations of the subcommittee across the country we discovered there was a condition known as the sale of entitlements which was taking place throughout the United States in which veterans were more or less being a party to a transaction whereby they would contract to purchase a home with a VA-guaranty loan for that home, then dispose of the home without ever occupying it, very often under conditions where there was serious doubt as to whether they ever had any intention to occupy it as a home.

One of the provisions of this bill, H. R. 9260, which the committee felt would help to correct this situation, requires that a veteran has to certify as to his intent to occupy the home which is the subject of a GI loan, at the time of the loan's closing. Under the existing situation he merely has to state when he applies for the loan that he intends to occupy it as a home. Thereafter he may say he has had a change in his intention in that regard and dispose of his entitlement under this sale of entitlements procedure and the Government is really without any recourse in the situation to stop the loan from going through.

This new provision would require that he must certify as to intent to occupy the home at the time of the loan's closing, which we feel will help greatly to reduce this particular abuse of the GI bill.

Another provision deals with the situation which has come to exist with regard to appraisals. The law as it presently reads requires that the CRV, the certificate of reasonable value, which is issued on the house must be based on the appraisal reported by the appraiser. It cannot exceed that figure. In the course of a great deal of experience with the program the VA has determined it is necessary to revise that particular appraisal figure to make it coincide with other property values in a given development or make it coincide with changes in cost which may be present in connection with the house. For some time it has been the practice for the VA itself to review this question of appraisal and to set finally the figure that is to be the basis for the certificate of reasonable value. That procedure has been going on for some time with something of a question or a cloud over it because of the wording of the present law.

This bill would correct that situation and make it clear that the responsibility for review and of final determination of reasonable value does rest with the Administrator.

Another situation which we feel has created some injustice insofar as some veterans are concerned in the country has to do with the entitlements which they have to homes which are lost as the result of condemnations or of natural disasters of one kind or another. Under existing law when a piece of property is condemned on which a World War II veteran has a GI loan subject to an entitlement, under the law he can have his entitlement reinstated until July 25, 1957, the date the present program expires. This bill provides he can have his entitlement reinstated until January 25, 1965. By an act of the Government in many cases, or perhaps of a municipality or a State, he is deprived of his GI home through condemnation. The same result could follow an earthquake or tornado of some kind that wiped out his home.

This bill would make it possible to renew or to revive his GI entitlement until January 25, 1965, when without any cause or fault of his own he is deprived of it through such a thing as a condemnation proceeding or a natural disaster of some kind.

This was the amendment which the gentleman from California [Mr. HOLIFIELD] offered in view of conditions in his area where there are a large number of these condemnations.

Another situation has to do with a condition that prevails in the GI loan field whereby literally thousands of veterans today are still held liable on loans which have been made to them some years back where the property has passed into the hands of a subsequent purchaser. It was felt that the interest of the veteran would be better served and certainly the interest of the Government would be better served if we made it possible in future transactions that a GI, who has obtained a loan and thereafter sells the home for one reason or another to someone else, may apply to have the subsequent purchaser assume his liability, whereupon the Government will have the right to determine whether or not this subsequent purchaser is a good credit risk. If he is found to be a good credit risk, then the Government may accept his liability in lieu of the liability of the veteran. There is a feeling that this would provide a greater justice to the veteran himself and would also insure the Government of a solvent person in possession of the property to look to for the loan, because under the existing situation the Government does not have any right to go to this subsequent purchaser and collect from him on the Government's share which is guaranteed under this loan program.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I just want to know whether that would apply to this situation: Can they reevaluate the amount of the loan under such a transaction where the veteran sells, let us say, to a nonveteran?

Mr. EDMONDSON. I do not think that there could be any increase in the liability of the Government under those circumstances at all, but the portion of the liability which still remains in the veteran could be assumed by the new purchaser if he was found by the Government to be a satisfactory credit risk.

Mr. CURTIS of Missouri. Whether he was a veteran or not—the subsequent purchaser?

Mr. EDMONDSON. That is correct.

Mr. CURTIS of Missouri. Let me give a specific case. We have this situation in St. Louis, and I imagine it exists elsewhere, where some veterans' homes were built around the airport, and they extended the airport and put jets on there, and the new regulation under the Veterans' Administration would not permit those homes to be guaranteed. So, when the veteran goes to sell his home, the subsequent purchaser cannot get the benefit of the veteran's loan, and that, of course, hurts the veteran who may have to sell his property due to being changed from one city to another to follow his job. Now, I was wondering if the gentleman's amendment would correct that problem that the veteran has.

Mr. EDMONDSON. It is my personal belief and, I believe, the belief of the staff present that it would take care of that situation and that it would make it possible for the subsequent purchaser, if he is a good credit risk, to assume that liability.

Mr. CURTIS of Missouri. In other words, they could not throw up this regulation that has come in since about being within a mile of the airport?

Mr. EDMONDSON. However, in that instance, the new purchaser would not be using his own entitlement but, rather, would be assuming the liability of the previous purchaser.

Mr. CURTIS of Missouri. I thank the gentleman.

Mr. SCHENCK. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Ohio.

Mr. SCHENCK. I rise to ask questions about this release and assumption agreement. As I understand, that is to operate much along the same line as present release and assumption agreement made by the Federal Housing Administration on FHA loans. Is that true?

Mr. EDMONDSON. I am informed that it is similar to the procedure which the FHA uses.

Mr. SCHENCK. Now, do I understand, also, that the person purchasing the property and getting the release and assumption agreement, assuming he is eligible under the standards set up by the Veterans' Administration, need not be a veteran?

Mr. EDMONDSON. The gentleman is correct, yes.

Mr. SCHENCK. But that the purchaser will have full advantage of whatever lower interest rates apply to the present guaranteed loan under the Veterans' Administration?

Mr. EDMONDSON. Well, as it presently stands, he would have that right. If he took over the loan, he would be paying on the loan at the same rate of interest that the veteran had. The only difference is that now the Government's position is protected because we say, "You, under this agreement, have bought the home from the veteran and may also be held liable to the Government," which under existing conditions may not be the case, for the Government's share of the loan.

Mr. SCHENCK. But the veteran under present legislation is responsible, is he not, in the event of a deficiency judgment?

Mr. EDMONDSON. Yes, he is. We have thousands of veterans who are discovering that they are liable, who thought when someone came in and assumed their loan and took over their house and occupied it that they were no longer responsible for the loan. This would not correct that situation that has existed under previous law, but it would prevent it from coming up in the future when a veteran does find a good credit risk to purchase his home and he has some reason to sell it.

Mr. SCHENCK. Because he would then be released of further responsibility on that mortgage?

Mr. EDMONDSON. Yes.

Mr. SCHENCK. My friend and colleague from Missouri, [Mr. CURTIS], asked a question about a home on which there is an insured loan, which home is within an area adjacent to a runway and therefore under the VA rules and under the FHA rules is no longer eligible for an insured mortgage. I did not quite understand the gentleman's answer to that. It was my impression that under this release and assumption agreement it would be possible for a purchaser to take over the unpaid balance of that loan and the veteran to be released; but I am sure that it is not intended that the property shall be regarded as eligible for an insured loan after the airport has come into being.

Mr. EDMONDSON. May I answer the gentleman in this way. There is not intended any enlargement of the liability of the Government in any way if the property has been made less desirable or a riskier type of property by some development such as a jet runway in the immediate vicinity. And it has been determined that the Government does not want to enlarge and extend its liability by making new loans in that area. That is well and good. We do not propose to change that. But if a veteran sells his house or has the loan assumed by someone who takes it over, the Government's liability is not enlarged in any way by permitting this new purchaser to become liable for the loan which the Government already is guaranteeing on that property. We are not increasing or enlarging the liability of the Government in any way. We are simply finding a new party to whom we can look for repayment if we have to pay off on the guaranty.

Mr. SCHENCK. I understand that. It is my understanding that this proposed legislation does not renew the eligibility of a property which otherwise would be ineligible because of, say, this airport encroachment.

Mr. EDMONDSON. In the sense of making it eligible for a new loan?

Mr. SCHENCK. Yes.

Mr. EDMONDSON. Under the new GI entitlement it would not. But in the sense of making it possible for a transfer to occur under which a new purchaser came in and assumed the liability of the veteran on the existing loan, there is that change in the situation as we interpret this proposal.

Mr. SCHENCK. If I may ask one more question: Is there anything in this legislation that would in any way clarify or change the appraisal methods used by the VA appraisers?

Mr. EDMONDSON. There is nothing to change the appraisal methods. The

only change with respect to appraisal is that we are legalizing the present procedure, the procedure that has been followed for some years, whereby the Administrator himself makes the final determination on a certificate of reasonable value, and he is not bound by the appraiser's figures at the time of the appraisal.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield to me?

Mr. EDMONDSON. I yield to the chairman of the committee.

Mr. TEAGUE of Texas. I should like to say to the gentleman from Ohio that in the last 2 or 3 weeks, Mr. Higley has put into effect some regulations which I believe will help the appraisal system considerably; and much more will be done to take care of the appraisal system in the next year than has been done in the past.

Mr. SCHENCK. I thank the distinguished chairman of the committee for that comment, because I understood that had been done. May I also express my deep appreciation to this great Committee on Veterans' Affairs for their bringing in this legislation, which is very necessary and should be supported.

Mr. EDMONDSON. I thank the gentleman.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman will recall that I appeared before his committee and conferred with the subcommittee in reference to a situation in my district where there was failure in a whole subdivision of veterans' housing construction to carry out the contract and specifications. I had suggested that the problem was not so much with the appraisal as with the inspection system used by the Veterans' Administration. I further suggested that I felt that the remedy needed was to put in the hands of the Veterans' Administration under appropriate safeguards the right to bring a civil action for specific performance of the contract in the case of a veterans' subdivision or to bring an action for breach of the contract, rather than have each one of a whole group of veterans similarly situated bring a lawsuit. At least in the Columbus case, the fact that there were similar breaches of contract on many of the houses made it a subject that could have been taken care of in a group action. This was not necessary because corrections were made by agreement. In my investigations, however, I felt that veterans' housing needed more effective administration, first in making sure that the inspection would result in building the houses according to specifications and the appraisal, and second, in taking additional steps in case the contract was not carried out. I do not believe the second is taken care of in this legislation. What does the chairman of the subcommittee have to say on this?

Mr. EDMONDSON. May I say to the gentleman first of all that we appreciate his coming before the subcommittee to report the failures in the subdivision of Columbus. We have had assurances from the Veterans' Administration there that they are following up carefully on the contractors' delinquencies with regard to construction in that particular subdivision.

As to the problem of the inspections, the Administrator has recently announced the intention to appoint approximately 67 new supervising inspectors throughout the country, construction analysts, I believe they are actually called, who will have the responsibility of seeing that these inspections do occur systematically in each of the regional offices of the Veterans' Administration.

There has actually been, and I believe that the Veterans' Administration has sustained this point to some extent on this, a problem of skilled and trained personnel in this inspection field on the payroll of the Veterans' Administration to take care of this problem of continuous inspections in these large developments, large subdivisions, where sometimes hundreds of houses are under construction at the same time.

Mr. VORYS. Did the gentleman's committee come to the conclusion that the correction needed was administrative rather than legislative? Maybe we have all the laws that are needed, but it was my hope that his able committee would make sure that the Veterans' Administration would take some such action as the gentleman has just described. It seems to me like a step in the right direction.

Mr. EDMONDSON. In all honesty, I believe there is some joint responsibility there. I think that the Veterans' Administration should have a more competent and a better staff inspection service at work with more careful and more extensive directions on the subject of inspection from the Veterans' Administration's central office. On the other hand, I think we in the Congress have failed to provide the funds and the mandate in the field of inspections that really were required to do the job and to do it adequately. I am hoping that there has been some progress in both directions of responsibility in the last few months.

Mr. VORYS. Perhaps I am overestimating the importance of the amendments here with reference to appraisals, but it seems to me that in this proposed bill you make very clear that not merely does the Veterans' Administration have to get somebody to go out and make an appraisal but the Administrator has to back up the appraisal. I think you are going to get by that action a little closer connection between the appraisal, the inspection, and the actual value of the house that is built.

Mr. EDMONDSON. I would hope that would be the result of the measure.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. DEVEREUX. Is it not true that in the event a veteran cannot have recourse to the builder by reason of bankruptcy on the part of the builder that there is an administrative relief to the veteran for contingent liability and that the veteran may apply to the Veterans' Administration to be relieved of his contingent liability and that he be reinstated so far as obtaining a new GI loan?

Mr. EDMONDSON. The gentleman is in a field with which I do not have a great deal of personal familiarity. I am informed that the Administrator has the discretion in circumstances like that to modify or to change the liability of the veteran. However, I have no personal knowledge of cases where that has been done.

Mr. DEVEREUX. I wonder if the chairman has any information on that?

Mr. TEAGUE of Texas. It is my understanding that the Administrator does have that discretion, but he does not act in cases such as that.

Mr. DEVEREUX. In other words, he does have discretion. It was my understanding that in many instances similar to the one I have pointed out where there is no recourse of the veteran to the builder by reason of bankruptcy, and if it has been demonstrated, perhaps, that the Veterans' Administration through lack of inspections, perhaps, and in not forcing the builder to live up to the recognized code, then the Veterans' Administration must assume or take care of the responsibility and can, in turn, relieve the veteran of any contingent liability.

Mr. TEAGUE of Texas. I understand that legally he has the authority to do it, but it has been the policy not to act in cases such as that.

Mr. VORYS. It seems to me in a situation where a veteran made a contract for a house and has been making payments on it, and where the house was appraised at a certain value, and due to defects the house is not worth the money, it is a pretty poor remedy merely to relieve him from part of his liability. What is needed is to make sure that he gets the sort of house that he contracted for. I realize that the veteran and his contractor have the primary responsibility, but it seems to me the Veterans' Administration should be more helpful than they have been in certain instances in making sure that he does not have that sort of loss, due to poor inspection, and irresponsible contractors.

Mr. TEAGUE of Texas. I am sure the gentleman from Ohio is aware of the severe criticisms that have come to this committee concerning the Veterans' Administration housing section, I would like to compliment the Administrator of Veterans' Affairs on taking the action which he has recently taken. I think next year you are going to see the situation improved considerably. The entire committee and the subcommittee—Mr. EDMONDSON, Mr. AYRES, Mr. WEAVER, Judge SHUFORD, and Mr. CHRISTOPHER did a fine job last year going all over the country and holding hearings. In most of the cases, they have been able to obtain many corrections so far as the veteran is concerned. I do believe the veterans of the country have failed to meet their responsibilities in buying a home in many cases, but there is no question in my mind that the Veterans' Administration has not in the past few years done what they should have done. But from the action recently taken, I certainly believe there will be some improvement next year.

Mr. EDMONDSON. Mr. Chairman, there is one additional provision which is sought to be remedied by this bill. Men who have served in World War II or in Korea and have left the service and have received a GI entitlement and have bought a home, and thereafter have gone back into the service, or have used this entitlement after going back into the service and have then been transferred to another station and are forced to leave the home which they have acquired under the GI bill, under existing provisions of law they cannot sell their home pay off the GI loan, and have their entitlement reinstated so that they can purchase a home at a new station or any new place where they might be sent by the Government under military orders. That is an inequity to the veteran who has gone back into the service, which does not exist as to other veterans in other lines of endeavor. Veterans not reentering the service have a right to have their entitlement reinstated when they are transferred by their company to some other place or when, by reasons over which they do not have control they are forced to some other climate.

The fifth provision of this bill would give to those veterans who have reentered the service the same rights with regard to reinstatement of entitlement, that other veterans have under existing law.

This was the amendment which the gentleman from California [Mr. Sisk], a member of the Veterans' Affairs Committee, offered during committee consideration, in order to correct a long-standing inequity.

That seems to be the five principal conditions with which we have been concerned in connection with the GI bill on home-loan guaranty, and the five proposals which we have advanced in an effort to meet with them and to improve existing conditions.

I want to express my thanks to the staff of the subcommittee, Mr. Jenkins, housing consultant to the committee, and to the Administrator, Mr. Higley, and the Veterans' Affairs personnel who have assisted us in preparing these amendments to existing law.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. Edmondson] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself such time as I may desire, but I shall take very little time now. I am going to vote for the bill.

H. R. 9260 would amend the loan provisions of the Servicemen's Readjustment Act in order to provide certain additional benefits to veterans and to insure more effective operation of the loan guaranty program.

In the first place section 500 of the Servicemen's Readjustment Act would be amended to provide that veterans of World War II who have property securing a VA loan taken from them by public condemnation, natural hazard or other reasons beyond their control and without fault on their part may have the entitlement which they had used to obtain a loan to secure such property reinstated for use at any time in the future until January 31, 1965. This section would also permit a veteran who is in active service to get a restoration of any entitlement used to purchase a home when he disposes of such home as the result of being transferred under orders of the service department.

A number of sections of the Servicemen's Readjustment Act would be amended by the bill to clarify the fact that determinations as to the appraisal of reasonable value are made by the Administrator. Some uncertainty as to the legal authority of the Administrator to adjust the appraisals of designated appraisers would be resolved by this amendment which would serve to bring the provisions of the law into conformity with existing administrative practice.

Section 504 of the act would be amended to require that a veteran certify, both at the time he applies for a loan to be guaranteed by the Veterans' Administration and also at the time such loan is closed, that he occupies or intends to occupy the dwelling to be purchased with the proceeds of the loan as his home. The purpose of this amendment is to emphasize to veterans the requirements of the law with respect to occupancy as experience has shown that many of them were either unaware of, or disregarded, this requirement.

H. R. 9260 would also amend section 509 of the Servicemen's Readjustment Act to require the Veterans' Administration, on receipt of proper application, to release a veteran from liability to the Government on account of a guaranteed loan when he disposes of residential property to a subsequent purchaser if (1) the loan is current, (2) the subsequent transferee has obligated himself to assume liability for the payment of the balance of the loan, and (3) the transferee qualifies from a credit standpoint to the same extent as if he were a veteran obtaining the loan in the first instance.

The bill would not increase the administrative costs of operation, nor would additional benefit appropriations be required.

At this time I would like to say I sincerely hope that the whittling away of the services of the Veterans' Administration, the taking away of the department is a very reprehensible thing, to my mind, and does not help the veterans in any way. I sincerely hope that everyone present will help to continue the veteran activities as they are now.

Mr. TEAGUE of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. Christopher].

Mr. CHRISTOPHER. Mr. Chairman, first I want to thank my chairman and the gentleman from Oklahoma [Mr. Edmondson] for the masterful way in which they have handled this legislation.

The only thing I would like to add is that this bill does not make it mandatory on the Veterans' Housing Administration to release a veteran when he sells his home, and accept as security the party that buys the home. It just gives them the privilege to do that. If they think the purchaser of this home is a better credit risk, or for any other reason they release the veteran and accept the other one, they have that privilege. It just gives them the privilege to do that if, in their wisdom, they think that is the right thing to do.

Mr. SISK. Mr. Chairman, I am urging passage of H. R. 9260 because I believe it will help to give us a more practical and workable veterans' home loan program, will prevent certain abuses of that program and will correct inequities which are preventing veterans from receiving the benefits to which they are entitled.

I would like to direct my remarks particularly to the committee amendment, which I proposed during consideration of the bill as the result of information reaching me that quite a number of veterans of World War II and the Korean conflict, who are remaining in military service as a career, are now denied the veterans' home loan guarantees they would receive if they were in civilian life.

This amendment deals with restoration of loan guarantee entitlements when a veteran must sell his home and move to another city or area because of a business transfer. This is necessary to provide his family a home in the new area, provided the original loan has been paid off and the guaranty terminated. Under present law the Administrator has the discretion to restore the entitlement. Under current policy a civilian veteran's entitlement is restored if an employer transfers him, but the veteran still in military service is denied reinstatement when the Armed Forces transfers his duty station. This policy has prevented many veterans in military service from using loan guarantee rights, because a military transfer would destroy the entitlement.

The committee has joined in my feeling that this present policy is unfair and inequitable. It penalizes the veteran who continues to serve his country. It is an added reason for trained personnel to leave the military service, weakening our armed strength and increasing costs of training. I can find no reason for such a discriminatory rule.

The amendment would operate to provide the same right to veterans in military service which is now applied as a matter of policy in the cases of civilian veterans. It would not increase the Government's obligation, because original loans would have to be retired before the entitlement would be restored. I believe the Members will want to join in this merited correction of this program.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE. I have no further requests.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That title III of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended as follows:

(1) Section 500 (a) is amended by deleting the colon immediately preceding the last proviso and inserting in lieu thereof the following: "and, notwithstanding any other provision of this section to the contrary, an entitlement may be so excluded and restored to the use of any veteran at any time prior to January 31, 1965, for the purpose of obtaining a loan which will be guaranteed or insured in accordance with the provisions of this title;".

(2) Section 500 (c) is amended by striking the third sentence and inserting in lieu thereof: "Upon making a loan as provided herein, the lender shall forthwith transmit to the Administrator a report thereof in such detail as the Administrator may, from time to time, prescribe."

(3) Section 501 (a) is amended by striking subsection (3) and inserting in lieu thereof the following: "(3) That the price paid or to be paid by the veteran for such property, or for the cost of construction, repairs, or alterations, does not exceed the reasonable value thereof as determined by the Administrator."

(4) Section 502 (a) is amended by striking out subsection (4) and inserting in lieu thereof the following: "(4) That the price paid or to be paid by the veteran for such property, or for the cost of construction, repairs, or alterations, does not exceed the reasonable value thereof as determined by the Administrator."

(5) Section 503 is amended by striking out subsection (4) and inserting in lieu thereof the following: "(4) That the price paid or to be paid by the veteran for such property, or for the cost of construction, repairs, or alterations, does not exceed the reasonable value thereof as determined by the Administrator."

(6) Section 503A is amended by striking out the first paragraph and inserting in lieu thereof the following: "Whoever knowingly makes, effects, or participates in a sale of any property to a veteran for a consideration in excess of the reasonable value of such property as determined by the Administrator shall, if the veterans pay for such property in whole or in part with the proceeds of a loan guaranteed by the Veterans' Administration under section 501, 502, or 503 of this title, be liable for three times the amount of such excess consideration irrespective of whether such person has received any part thereof."

(7) Section 504 is amended by adding a new subsection (d) to read as follows: "(d) No loan for the purchase or construction of residential property shall be financed through the assistance of the provisions of this title unless the veteran applicant, at the time that he applies for the loan, and also at the time that the loan is closed, certifies, in such form as may be required by the Administrator, that he intends to occupy the property as his home. No loan for the repair, alteration, or improvement of residential property shall be financed through the assistance of the provisions of this title unless the veteran applicant, at the time that he applies to the lender for the loan, and also at the time that the loan is closed, certifies, in such form as may be required by the Administrator, that he occupies the property as his home. For the purpose of this title the requirement that the veteran recipient of a guaranteed or direct home loan must occupy or intend to occupy the property as his home shall be construed to mean that the veteran as of the date of his certification actually lives in the property personally as his residence or actually intends upon completion of the loan and acquisition of the dwelling unit to move into the property personally within a reasonable time and to utilize such property as his residence."

(8) Section 506 is amended by designating the existing provisions therein as subsection (a) and by adding a new subsection (b) to read as follows: "(b) Whenever any veteran disposes of residential property securing a guaranteed, insured, or direct loan obtained by him under this title, the Administrator, upon application made by such veteran and by the transferee incident to such disposal, shall issue to such veteran in connection with such disposal a release relieving him of all further liability to the Administrator on account of such loan (including liability for any loss resulting from any default of the transferee or any subsequent purchaser of such property) if the Administrator has determined, after such investigation as he may deem appropriate, that (1) the loan is current, and (2) the purchaser of such property from such veteran (a) has obligated himself by contract to purchase such property and to assume full liability for the repayment of the balance of the loan remaining unpaid, and (b) qualifies from a credit standpoint, to the same extent as if he were a veteran eligible under section 501 (a) for a guaranteed or insured or direct loan in an amount equal to the unpaid balance of the obligation for which he has assumed liability."

(9) Section 507 is amended by striking out subsection (3) and inserting in lieu thereof the following: "(3) The amount of the guaranteed loan does not exceed the reasonable value of the property or business, as determined by the Administrator."

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 2, line 2, strike out "title;" and insert "title:", and such section 500 (a) is further amended by adding at the end thereof the following: 'In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this title, the Administrator shall exclude the amount of guaranty or insurance entitlement previously used for any loan guaranteed or insured under section 501 which has been repaid in full, and with respect to which the real property which served as security for the loan has been disposed of because the veteran, while in the active service, was transferred by the military department with which he was serving.' "

The committee amendment was agreed to.

Mr. TEAGUE of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Teague of Texas: Page 3, line 18, strike out the word "veterans" and insert the word "veteran."

The amendment was agreed to.

Mr. AYRES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ayres: On page 5, immediately after line 23, insert:

"(10) Section 501 is amended by adding at the end thereof the following:

" '(d) Notwithstanding any other provision of this title, where a contract for the purchase of residential property has been entered into before July 25, 1957, and on that date approval of a loan for the purchase of such property is being processed by the Administrator, then such loan may be guaranteed pursuant to the provisions of this title if such approval is granted and the loan is closed on or before July 25, 1958.' "

Mr. AYRES. Mr. Chairman, the purpose of this amendment is to give a year's extension in the event that the loan is actually in process, but all of the details have not been completed. I am quite certain most of the Members know that under existing law the housing program for World War II veterans will expire on July 25, 1957. There is no assurance that it will be continued. I know the chairman of our committee is considering the possibility of holding hearings in regard to the continuation, but until something is definite in that regard I think it is advisable that we should protect ourselves against this rush at the end of the program by giving this extension to the loan applications on file that are supported by a contract to purchase that are in process, but not completed in all details. That is the purpose of the amendment.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield.

Mr. TEAGUE of Texas. The present law reads:

> Any loan made by such veteran within 10 years after the termination of the war—

The termination of the war was considered as being July 25, 1947.

It is my understanding that the Veterans' Administration interpreted that to mean that veterans' loans must be completed by July 25, 1957.

If this amendment is adopted it means that so long as the application supported by a contract to purchase was filed before July 25, 1957, although the details are not entirely completed, it could still be processed within the following year, but the cutoff date for such applications would be July 25 of next year.

Mr. AYRES. It would provide that so long as his application and contract to purchase was filed before July 25, 1957, he would be entitled to the loan.

Mr. TEAGUE of Texas. But this amendment would fix an absolute date for filing the application with a sales contract which would be July 25, 1957; and that is the date most veterans believe today is the final date for a loan to be closed.

Mr. AYRES. That is correct.

Mr. TEAGUE of Texas. I have no objection to the amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield.

Mr. EDMONDSON. I think that the amendment can serve a very worthwhile purpose.

I do, however, want to call upon the Committee at this time to give its consideration to the fact that this program is about to expire for millions of American veterans of World War II, and that we do face definitely the problem and the challenge of whether or not we are going to exend the program. My own opinion and my own plan, I know, is to introduce legislation that would provide for an extension; but until such time as that legislation has been acted upon there certainly is none, and I would thank the gentleman from Ohio for a clarification as to how long the Veterans' Administration will continue to process Korean loans under the existing law. I certainly have no objection to the amendment.

Mr. AYRES. I hope when the gentleman introduces legislation, as I understand he contemplates doing, that it will extend the housing provision of the GI bill. We should hold hearings. In my judgment we should decide this year and not next year whether the program is to be continued. If plans are to be made in the housing field we should make that decision before we adjourn this session of Congress.

Mr. EDMONDSON. I would certainly agree with the gentleman wholeheartedly and I know I can count on his cooperation in trying to bring that matter to an issue in this session.

Mr. AYRES. The gentleman can count on my cooperation in bringing it to an issue in this session and he can probably count on my cooperation in seeing that the program goes ahead according to schedule.

Mr. EDMONDSON. The gentleman is at least being helpful in the matter of how long we have to decide that question but we must have some additional leeway and some additional time to decide the question. I appreciate that.

Mr. AYRES. We are going to be confronted with many problems regardless of when the program ends. We ought to face up to our responsibility in this session.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I heartily endorse the gentleman's amendment and I hope very much that the loans will be continued. As I have stated previously, it is a horrible thing to me to watch the attempt to scrap and to quibble away the benefits now administered by the Veterans' Administration. Other departments do not begin to do the job as well and the veterans are not protected. I heartily endorse the gentleman's amendment and I commend the committee for the wonderful work they have done.

Mr. AYRES. I thank the gentlewoman for her endorsement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Ayres].

The amendment was agreed to.

Mr. SCHENCK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to commend the Veterans' Adminstration, its central office, its regional and district offices, for the splendid job they are doing in connection with loans on real estate for veterans. At the same time, I would like to see this Congress somehow or other emphasize to the Veterans' Administration the need for prompt and proper consideration of applications that have been filed for loans. Oftentimes the veteran himself finds that he must have prompt consideration of his loan in order to do the thing that he must do in finding proper housing for himself and family. Also owners of houses who are selling their homes to veterans oftentimes have to wait an unconscionable length of time for approval by the Veterans' Administration of the various portions of the insured mortage. Owners upon signing an agreement to sell their home to a veteran must take their home off the market and can do nothing about moving themselves until the deal is closed. This delays occupancy by the veteran and complicates many situations still further. Then, too, builders of new homes which are sold to veterans are finding themselves having to pay an excessive amount of interest on construction loans, waiting a very long time to get these various approvals through. This additional cost is passed on to the veteran and results in greater housing costs to be borne by the veteran and his family.

So I hope that the Committee on Veterans' Affairs will take all the steps at its disposal to encourage the Veterans' Administration to speed their service and at the same time to guard all of the rights and prerogatives of the veterans and all of the sound mortgage writing principles which must be guarded. I certainly would never advocate speeding mortgage methods at the expense of getting bad mortgages, but I certainly think there are plenty of opportunities where improvement in this service can be made. Perhaps this means that better qualified, more experienced, and increased numbers of personnel should be hired by Veterans' Administration offices throughout the Nation. Veterans and others pay substantial fees for appraisements, inspections, and other services. I feel sure, Mr. Chairman, that these fees will more than pay these necessary additional costs and veterans are entitled to better service. Perhaps this also means that better administrative procedures through which many lost motions, unnecessary redtape, and other delays can be eliminated. I am sure, Mr. Chairman, that everyone connected with the consideration of home mortgage loans for veterans is trying hard to do a good job and really wants to do a good job, but, I am certain, Mr. Chairman, that a great deal of time and money can be saved and real improvement can be obtained both in the quality and quantity of VA loans by the installation of more business like methods. It is my sincere hope, Mr. Chairman, that the Veterans' Administration will continue to improve its operations and that every effort will be made to reach new and higher goals of efficiency.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Albert, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9260) to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes, pursuant to House Resolution 478, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed, and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. MILLS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an analysis of House Resolution 459.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, several days ago I asked that House Resolution 459, relating to the General Agreement and Tariffs and Trade and the proposed Organization for Trade Cooperation be analyzed by the executive department and questions raised by the resolution answered.

Such an analysis has been prepared within the Departments and transmitted to me by Mr. Robert C. Hill, Assistant Secretary, Department of State, and is as follows:

DEPARTMENT OF STATE,
Washington, April 18, 1956.

Hon. Wilbur D. Mills,
House of Representatives.

Dear Mr. Mills: In accordance with your request, I enclose a memorandum prepared by the Department of State analyzing the provisions of H. Res. 459, relating to the General Agreement on Tariffs and Trade and the proposed Organization for Trade Cooperation.

Sincerely yours,

Robert C. Hill,
Assistant Secretary.

(Enclosure: Memorandum on provisions of H. Res. 459, relating to GATT and OTC.)

Analysis of House Resolution 459, 84th Congress

The resolution (H. Res. 459) introduced by Representative Bailey with respect to the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation, raises a number of questions with respect to the legal basis for American participation in the general agreement and the effect of congressional approval of the Organization for Trade Cooperation. The present memorandum analyzes and answers these questions.

1. The resolution first raises the question as to the legislative authority for the participation by the United States in the General Agreement on Tariffs and Trade. Such legislative authority is contained in the Trade Agreements Act of 1934, as amended and extended, which specifically authorizes the President to enter into foreign trade agreements for the purpose of expanding American exports. The General Agreement on Tariffs and Trade is such a trade agreement.

2. More specifically, the resolution inquires regarding the source of authority for each article of the general agreement, and whether there are any articles of the agreement which are not based on the authority of the Trade Agreements Act. The Trade Agreements Act authorizes the President to make and secure the commitments contained in each article of the general agreement. The act recites the broad purpose of expanding markets for products of the United States and authorizes action by the President if he finds that measures are burdening and restricting the foreign trade of the United States, and that this broad purpose will be promoted thereby. Accordingly, the act specifically authorizes the President to enter into foreign trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade. Moreover, the act authorizes the conclusion of such agreements when duties or other import restrictions of the United States or a foreign country are adversely affecting our foreign trade, and authorizes the President to proclaim modifications of duties and other import restrictions, additional restrictions, and the continuance of customs or excise treatment in order to carry out such agreements.

The report of the Ways and Means Committee on the original trade-agreements legislation, which was made a part of the Senate Finance Committee report on the same bill, stated that it was noteworthy that in negotiating with respect to a complex situation relating to trade the President could deal not merely with customs duties but with other import restrictions. The report also emphasized that the authority covered various types of measures for the retardation of trade (73d Cong. 2d sess., H. Rept. 1000, 15 and 16; ibid., S. Rept. 871, 18 and 19).

Secretary of State Hull in appearing before the Ways and Means Committee had emphasized the need for "broad authority to face other countries with their network of ever-increasing devices of every kind and description and name." He submitted for the record a list of devices to which he had referred, including import quotas, license restrictions, exchange controls, clearing agreements, mixing regulations, consular and other administrative fees, marks of origin, and sanitary measures. (Ways and Means Committee (House), reciprocal trade agreements: Hearings on H. R. 8430, pp. 8, 9, 13, and 19 to 21).

The report of the Ways and Means Committee also throws light on the scope of the trade agreements which it was intended the President would enter into under the new legislation. In two places, when discussing the constitutionality of the legislation and when referring to the existing most-favored-nation commitments of the United States, the committee recognized that many agreements relating to trade had been entered into by the President in the past (73d Cong., 2d sess., H. Rept. No. 1000, pp. 10 and 55; ibid. S. Rept. No. 871, pp. 13 and 18). Various of these earlier agreements had contained provisions relating to the reasonableness of restrictions and fees affecting imports, to export taxes (1891 agreement with Brazil), to sanitary restrictions and statutory rights to retaliate against them (1891 agreement with Germany), to customs and consular regulations, valuation for customs purpose, the review of customs rulings, and import documentation (1907 agreement with Germany), and to most-favored-nation treatment with respect of import and export duties and other charges, of transit, warehousing, and other facilities, and of licensing and import and prohibitions (1924 agreement with Greece). Thus by 1934 the term "trade agreement" had come to mean an agreement covering a wide range of trade controls relating to importation and exportation.

The specific term "duties and other import restrictions" is defined by the Trade Agreements Act itself to include, in addition to rates of duty, the "form of import duties and classification of articles" and "limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports" (sec. 350 (c) (1)).

The substantive trade undertakings provided for in the General Agreement on Tariffs and Trade consist of (1) those relating to nondiscriminatory trade treatment (arts. II, XIII, XVII); (2) those relating to national treatment with respect to internal measures affecting imports (art. IV); (3) those relating to tariff concessions (arts. III and XXVIII); (4) those relating to customs administrative matters (arts. V, VI, VII, VIII, IX, and X): (5) those relating to elimination or administration of quantitative and exchange restrictions on trade (arts. XII, XIII, XIV, and XV); (6) those relating to subsidies upon the exportation of goods (art. XVI); and (7) exceptions from these various undertakings (arts. XVIII, XIX, XX, XXI, XXIV, and portions of other articles already cited).

Each of the articles of the General Agreement falls within one or more of the authorizations under the Trade Agreement Act described above. Each is authorized by the Trade Agreement Act of 1934, as amended and extended.

3. The resolution inquires as to the extent to which the powers of the proposed Organization for Trade Cooperation can be enlarged, without the approval of Congress, through the exercise of the so-called self-amending power of the General Agreement under Article XXX of that agreement.

There is no self-amending power in the General Agreement. Amendments enter into force only by virtue of acceptance by individual governments. Moreover, no amendment to the General Agreement can have any effect on any country which does not accept the amendment. In other words, it would not be possible for other governments to adopt an amendment and then force that amendment upon the United States.

The participation of the United States in the General Agreement rests upon the authority of the President under the Trade agreements Act. The authority of the President under the Trade Agreements Act does not enable him to accept amendments to the General Agreement on Tariffs and Trade which would have the effect of broadening the scope of the Organization for Trade Cooperation, without the approval of the Congress; to include matters other than those which relate to governmental barriers to trade. Specifically, the President could not, under the Trade Agreements Act, accept amendments to the General Agreements on Tariffs and Trade on behalf of the United States which would broaden it to include international codes relating to such matters as full employment, private restrictive business practices, economic aid to underdeveloped countries, or commodity control schemes closely regulating international trade and prices of commodities. Agreements such as the International Wheat Agreements of 1949 and 1953, the International Sugar Agreement of 1953, and the Coffee Agreement of 1940 have been approved by the Senate as treaties.

4. The resolution inquires concerning what barriers, if any, would approval of the Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce. The resolution suggests that this question is asked because of the inclusion in the general agreement of a provision aimed at eliminating import quotas, of a provision for self-amendment, and of provisions incorporating tariff concessions which the parties to that agreement have negotiated.

The answer to this is that the Congress is constitutionally free now, and would remain constitutionally free after approval of H. R. 5550, to regulate the foreign commerce of the United States. It has chosen to exercise a portion of this power by delegating limited authority to the President to enter into trade agreements, one of which is the General Agreement on Tariffs and Trade. That agreement, like the 29 bilateral trade agreements entered into pursuant to the authority of the Trade Agreements Act, record tariff concessions and limit the use of import quotas on foreign trade. The provisions of the general agreement realting to quotas are of special importance to American export trade. Without them our agriculture, industry, and labor occupied in the production of goods for export would not be adequately safeguarded. Nevertheless, the Congress is free at any time, if it so chooses, to enact legislation affecting imports into or exports from the United States and any such legislation would have the force of law in this country, notwithstanding the General Agreement on Tariffs and Trade. This freedom would remain unaffected by enactment of H. R. 5550 and subsequent United States participation in the OTC.

5. The question is raised as to the extent to which the general agreement could be carried out "independently of" any reservations attached to membership in the Organization for Trade Cooperation, the extent to which such reservations must be compensated for by concessions to other countries, and the extent to which waivers permitting reservations may be withdrawn.

The concept of a reservation to an international agreement is that of a counteroffer, which must be agreed to by the other party or parties before any agreement is reached with such party or parties. Once it has been agreed to, the reservation becomes a part of the contract between the country making it and the countries which have agreed to it. Of course we cannot, by ourselves, modify the general agreement pursuant to a reservation, but we could make agreement by other countries to a reservation affecting our obligations under the general agreement a condition of our acceptance of the Agreement on the Organization for Trade Cooperation. By its terms, the OTC Agreement cannot enter into force without its acceptance by the United States, and consequently the United States could make agreement to such a reservation a condition for the establishment of the organization.

If the United States should attach to its acceptance of the agreement on the Organization for Trade Cooperation a reservation which would reduce our obligations under the general agreement, it would be quite natural for other countries to attach comparable reservations, with the result that the price for obtaining agreement to our reservation might be that we would have to accept, as a condition to the acceptance of our reservation by others, reservations of other countries adversely affecting our benefits under the general agreement. Such a situation is basic to international bargaining.

There has never been any attempt to withdraw a waiver granted under the general agreement. Many waivers contain a time limitation or a statement of circumstances under which they might be reexamined. It would be the position of this Government, if the question should ever arise, that no waiver may be withdrawn, without the consent of the country to which it was granted, except in accordance with the terms of the waiver itself. The waiver accorded to the United States with respect to import restrictions and fees on agricultural products under section 22 of the Agricultural Adjustment Act, as amended, contains no time limitation.

6. The resolution inquires as to the extent to which the provisions of the General Agreement on Tariffs and Trade bind a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties.

The Congress has exercised its constitutional authority, through the enactment of the Trade Agreements Act, authorizing the President to enter into trade agreements containing provisions relating to duties and other import restrictions. The General Agreement on Tariffs and Trade is such an agreement. Neverthless, the Congress is constitutionally free to adopt legislation which would nullify the effect of any international agreements entered into by the United States. The constitutional power of the Congress has not been, and cannot be, taken away.

Consequently there is no basis for concluding that the general agreement deprives Congress, whether the present Congress or a future Congress, from exercising its constitutional authority to determine our trade policies.

7. The resolution lists many provisions of our law, such as the escape clause of sections 6 and 7 of the Trade Agreements Extension Act of 1951, the national security provisions of our trade agreements legislation, valuation on the basis of American selling price, the Antidumping Act, and the Buy American Act (all of which are discussed below), and asks to what extent the general agreement is in conflict with them, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States toward the enforcement of these statutes.

The following are the domestic laws referred to in the resolution together with a statement as to whether the general agreement is in conflict with them:

(a) Escape-clause provisions of Trade Agreements Extension Act of 1951. The escape clause in article XIX of the general agreement would permit any action required or appropriate under the escape clause of the Trade Agreements Extension Act of 1951.

(b) Action imposing fees or quotas to protect agricultural programs under section 22 of the Agricultural Adjustment Act, as amended. Action taken under this section would come within either the exception for agricultural quotas in article XI, paragraph 2 (c) of the general agreement or under the section 22 waiver granted to the United States.

(c) National security provision in section 7 of the Trade Agreements Extension Act of 1955. Depending on the circumstances, either the escape clause in article XIX, the conservation exception in article XX (g), or the security exception in article XXI, would enable action to be taken under this legislation without involving conflict with United States obligations under the general agreement.

(d) American selling price and other valuation provisions of the Tariff Act of 1930. There is no conflict between the American selling price and other valuation provisions which do not conform with article VII of the general agreement, since they come within the exception in the protocol of provisional application for legislation existing on October 30, 1947.

(e) Antidumping Act. The antidumping provisions of article VI of the general agreement are consistent with the Antidumping Act.

(f) Buy American Act. There is nothing in the general agreement inconsistent with the Buy American Act. Article IV, paragraph 8 (a) excepts from the national treatment provisions of that article procurement by Government agencies.

(g) Fifty-fifty shipping provisions of cargo preference law. The general agreement contains no provisions relating to shipping.

(h) Mixing regulations of the Rubber Act of 1948. Article IV paragraph 6 permits mixing regulations no more restrictive of imports than those existing on a date shortly after the close of the war. A note to this article permits the imposition of comparable restrictions on imports to implement such a mixing requirement. Article XXI would prevent the general agreement from conflicting with the imposition of more stringent mixing regulations in case of war or international emergency, and article XX (j) would similarly apply to such regulations imposed in short supply situations. Consequently, there is no inconsistency between this legislation and the General Agreement on Tariffs and Trade.

(i) Export subsidies legislation. The provisions of article XVI relating to export subsidies on agricultural products reflect the policy applied by the United States in carrying out legislation for the subsidization of exports of such products. The provisions relating to export subsidy on other products do not prevent the imposition of subsidies existing in 1955.

Consequently, there is no conflict between the general agreement and any of the legislation referred to in the resolution.

Membership of the United States in the Organization for Trade Cooperation would have no effect on any of these legislative measures relating to foreign trade, or on any other trade legislation of the United States, or on the relationship of the general agreement to any such legislation.

8. The resolution asks, how did the contracting parties of the General Agreement on Tariffs and Trade acquire the power to grant to the United States a waiver in order that we might continue in effect our import quotas on agricultural products under section 22 of the Agricultural Adjustment Act.

Agricultural import quotas established by the United States are made effective pursuant to American law, and the contracting parties to the general agreement have no power to set aside or modify the application or enforcement of such quotas.

The waiver was granted not in order to empower the United States to apply these quotas but in order to remove an inconsistency between the quotas and obligations which the United States had, by voluntary action, earlier assumed under the general agreement. The authority of the contracting parties to the general agreement to waive obligations is not presumed or assumed, as implied in the House Resolution 459. It is explicitly provided for in article XXV of the general agreement and would be transferred to the OTC in accordance with article 13 of the OTC agreement.

The waiver provisions of the general agreement and of the OTC were included on the initiative and insistence of the United States and are a valuable safeguard to American industry, labor, and agriculture. To suggest that these waiver provisions should not be in the general agreement or in the OTC is like suggesting that our trade agreements should not contain an escape clause comparable to the escape clause in our trade agreements legislation.

9. The resolution asks two questions about the stated objectives and purposes of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation.

It is asked first, how may these objectives conflict, upon implementation, with the constitutional authority of Congress to regulate foreign commerce and to establish and adjust tariff rates.

The stated purposes and objectives of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation do not conflict with the Trade Agreements Act. Furthermore, these stated purposes and objectives neither are nor can be a source of authority in the President with respect to matters going beyond the authority explicitly given to him by the Congress in the Trade Agreements Act.

The second part of this question is, to what extent would the Organization for Trade Cooperation, if established, operate to carry into effect these objectives and purposes? The Organization for Trade Cooperation could not carry into effect, insofar as the United States is concerned, any measures affecting the regulation of the foreign commerce of the United States without the express consent and approval of the United States. As has been explained above, the authority of the President in this field is based upon the authority granted to him by Congress under the Trade Agreements Act. Congress, therefore, is ultimately in control. Moreover, no amendment to the Organization for Trade Cooperation could apply to the United States unless it were accepted by the United States.

10. Finally, the resolution inquires, to what extent would approval by the Congress of the United States membership in the Organization for Trade Cooperation ratify the General Agreement on Tariffs and Trade? Congressional approval of the agreement on the Organization for Trade Cooperation would not ratify or enact the General Agreement on Tariffs and Trade.

The General Agreement on Tariffs and Trade is not before the Congress for approval. It is a trade agreement, like the 29 bilateral trade agreements, entered into by the President pursuant to the authority granted to him by the Congress and within limits established by the Congress. Such trade agreements are not submitted to Congress for its approval or ratification. To do so would be to nullify the whole purpose of the Trade Agreements Act. Accordingly, enactment of H. R. 5550 cannot have the effect of enacting or ratifying the trade provisions of the General Agreement on Tariffs and Trade.

April 18, 1956.

Mr. Speaker, in addition, the Department of State at my request has supplied a reply to the suggestion that the functions of OTC may be broadened through amendment of GATT, which follows:

Reply to Suggestion That Functions of OTC May Be Broadened Through Amendment of GATT

H. R. 5550 as reported by the Committee on Ways and Means provides that "Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States accept any amendment to the Agreement on the Organization for Trade Cooperation."

OTC is intended to be an organization whose functions will be limited solely to international trade, its major responsibility being the administration of the General Agreement on Tariffs and Trade. The purpose of the provisions of H. R. 5550 quoted above is to make sure that this limited responsibility of the OTC will not be broadened, without the approval of the Congress, to cover wide responsibilities in the international economic field, such as codes relating to full employment, investment and various types of direct assistance for economic development, private restrictive business practices and commodity control schemes regulating international trade and prices. In short, the purpose of this provision is to assure that the OTC will not become an organization such as the International Trade Organization, which was once proposed, unless the Congress approves such action.

Now it is being suggested in some quarters that this limitation in H. R. 5550 could be circumvented by the President through the simple expedient of amending the General Agreement on Tariffs and Trade. In other words, it is being suggested that the President could literally change the nature of the proposed OTC by amending the General Agreement so as to give to the OTC these broad functions not now contemplated.

This is a groundless fear.

First, no amendment to the General Agreement on Tariffs and Trade can have any application to the United States unless the United States accepts that amendment. It would not be possible, therefore, for other governments to broaden the OTC by an amendment to the GATT and then force that amendment on the United States against its will.

Secondly, United States participation in the General Agreement is based upon the authority contained in the Trade Agreements Act. That act relates solely to governmental barriers to trade. It does not authorize the President to accept amendments to the General Agreement with respect to matters relating to codes on full employment, investment, private restrictive business practices, commodity control schemes and the other broad provisions of the old ITO charter.

There is no basis for the fear, therefore, that in approving OTC we shall be setting in motion a project to recreate the old ITO without the approval of the Congress.

EXISTING AUTHORITY FOR A SOIL BANK

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, in January of this year, right after the President's farm message I pointed out to the departmental officials that authority for the soil bank and other soil-conservation measures already existed under present law. On February 2, 1956, in a speech to the Congress I pointed out once again that this authority already existed. The President's veto message called on the leadership of the Congress to act expeditiously to give him a soil bank. Our committee met and reported out an appropriation bill which I trust will come up in the next 2 or 3 days.

As soon as that action was taken, there was much discussion about what is the existing law. Therefore I am putting in the Record at this point an analysis of the existing law which will show the broad authority which the present Secretary of Agriculture has to carry out such a program.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. Mr. Speaker, does the gentleman cite legal authority for his position—decisions of a Federal court which indicates that this is the law?

Mr. WHITTEN. I quote the law itself which I think is the best way to do it. I shall put in the Record the law itself which, after all, is the best evidence of what the law is.

I. SOIL-BANK AUTHORIZATION, APPROPRIATION NOT LIMITED

Under existing law the Secretary of Agriculture is authorized until January 1, 1957, and I quote:

> Section 1, subsection (2): To carry out preventative measures including, but not limited to * * * methods of cultivation, the growing of vegetation and changes in the use of land;
>
> Section 2 subsection (b): On any land upon obtaining proper consent or the necessary rights or interests in such land;
>
> Subsection 3: To cooperate or enter into agreements with or to furnish financial aid to * * * any person, subject to such conditions as he may deem necessary;
>
> Section 3: As a condition to extending of any benefits under this act * * * the Secretary of Agriculture may insofar as he may deem necessary for the purpose of this act require:
>
> Subsection (2): Agreements or covenants as to the permanent use of such lands. * * *
>
> Section 6: There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

II. CONSERVATION PAYMENT PROGRAM APPROPRIATION FOR ANY FISCAL YEAR LIMITED TO $500,000,000

The Secretary of Agriculture, on such terms and conditions as he may require, is authorized to secure:

> (1) preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) diminution of exploitation and wasteful and unscientific use of national soil resources; (4) the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of waters and water courses and in aid of flood control; and (5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914. * * *
>
> by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable. * * *
>
> The Secretary may make payments in advance of determination of performance, to persons who fill purchase orders covering approved conservation materials.

Section 8, subsection (b):

> Appropriations are authorized for the purchase in advance of the program year for which the appropriation is made of seeds, fertilizers, lime, trees, or any other farming materials or any soil terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary.

The Secretary "shall in every practical manner protect the interest of small producers." Section 8, subsection (b).

> (d) Any payment or grant of aid made under subsection (b) shall be conditioned upon the utilization of the land, with respect to which such payment is made, in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a).
>
> Any payment made under subsection (b) with respect to any farm (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) shall, if the number of cows kept on such farm, and in the county in which such farm is located, for the production of milk or products thereof (for market), exceeds the normal number of such cows, be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on an acreage equal to the land normally used for the production of soil-depleting crops, but, as a condition of such payment, not permitted to be so used, shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market.
>
> A payment which may be made to a farmer under this section, may be assigned, without discount, by him in writing as security for cash or advances to finance making a crop.

Subsection (g):

> Section 12 (a): Whenever the Secretary finds that the exercise of the powers conferred in this section will tend to carry out the purpose specified in clause (5) of section 7 (a), or will tend to provide for and maintain a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers, or both, he shall use such part as he deems necessary of the sums appropriated to carry out this act for the expansion of domestic and foreign markets or for seeking new or additional markets for agricultural commodities or the products thereof or for the removal or disposition of surpluses of such commodities or the products thereof (16 USC 590 (a)).

Section 15:

> To enable the Secretary of Agriculture to carry out the purposes of sections 7 and 8 there is hereby authorized to be appropriated for any fiscal year not exceeding $500 million.

Under such limitation this bill would provide $250 million for the remainder of this fiscal year, which together with amount authorized for the next fiscal year would make a total available of $750 million for the remainder of this calendar year. If funds are obligated within this year, payments could be made into calendar year 1957. The balance of the $1.2 billion would be available for use under the unlimited authority carried in sections 1–5 of the act, part I hereof.

I pointed these statutes out to officials of the Department of Agriculture in January, this year, immediately after the President's farm message to the Congress on January 9, 1956, when he asked for a soil bank.

On February 2, 1956, in a speech in the House of Representatives, appearing at pages 1914–1918 of the Congressional Record, I pointed out again that such authority already existed.

The President, in his veto message, said the following:

> I now request Congress to pass a straight soil-bank bill as promptly as possible. It should be in operation before fall seeding for next year's crops. It is vital that we get the soil bank authorized in this session of the Congress. There is general agreement on it. I am ready to sign a sound Soil Bank Act as soon as Congress sends it to me. That can be accomplished in a very few days if the leadership in Congress will undertake the task.

In our report we replied:

> Such a statement is surprising since the President has had such authority throughout the period of his administration.

Now we will find out who is for the soil bank and for conservaiton as well as who is not.

SURVIVAL FOOD

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have today introduced a bill to provide a nationwide network of survival food depots.

This bill, by establishing food depots for possible evacuees from target areas, would not only solve a serious problem in civil defense, but would also put to use substantial quantities of surplus farm foods.

The Civil Defense Administration has already designated 70 cities as critical target areas in the United States where enemy attacks might be centered. No provisions, however, have been made to assure that there will be sufficient supplies of food and water in the dispersal areas to which these evacuees would be sent. Since nearly 68 million people are concentrated in the 70 target cities, this is a problem of some magnitude.

The merits of survival food depots were first called to my attention by the editors of the Minnesota Farmer, an independent publication which serves the area I represent, and as ranking member of the House Agriculture Committee, I must confess that the possibility of the use of substantial quantities of our surplus farm foods in this program is also of great interest to me.

The bill which I have introduced today recognizes the importance of preserving the lives of large numbers of the civilian population in case of an enemy attack, and provides for the location in strategic areas of survival food depots. First, for the feeding of evacuees who would be required to leave heavily populated target areas and disperse into areas where food supplies would be inadequate; and, second, for the feeding of those already living in such dispersal areas whose normal food supply channels might be cut off by the attack.

To administrate this program, this bill provides for an Emergency Food Board to be composed of the Federal Civil Defense Administrator as Chairman, and the Secretary of Defense and the Secretary of Agriculture.

This Board would direct such studies as necessary to determine which cities should be designated as target areas; the fallout area for each of the designated cities; the probable number of evacuees from each city; and the dispersal areas which would best serve each city.

The bill calls for survival food depots in each dispersal area to be equipped with suitable warehouses, refrigeration, and other necessary facilities, and to be stocked with food. Adequate water supplies shall be provided, and arrangements shall be made for the use of existing facilities for the preparation of the food.

The food stocks would be sufficient in quantity and type to meet the nutritional requirements of the anticipated number of evacuees, and would be purchased wherever possible from surplus stocks held by the Commodity Credit Corporation or from any other support program authorized by law.

Under this bill, food would be stored in conditions which would readily permit its conversion into food for human consumption. Each depot would contain flour milled from surplus wheat, butter from surplus milk, powdered milk, canned meats, fruit juices, fruits, vegetables, and other foods canned or processed in a suitable form for storage. The bill also provides for the transfer of stocks to prevent spoilage.

Mr. Speaker, I would like to recommend careful consideration of this proposed legislation. I believe such a program would not only be vital to the civil-defense program, but would also put to a useful purpose the agricultural surpluses now depressing farm prices.

I am including in these remarks an editorial from the Minnesota Farmer, of Minneapolis, Minn. The editors of this farm publication were the originators of the survival-food plan which has been used as the basis for the legislation which I am introducing today.

Survival Food: A Place for Farm Surplus

Emergency food banks or food kits for use by civil defense could help solve the farm-surplus problem.

Surplus farm commodities could be processed into food and located in relief areas for use by evacuees of a target city. Specially processed survival kits could be distributed as part of civil defense preparations for the families who would be evacuated from target areas in an emergency. Such advance preparations would ease the problem of feeding a population displaced by real or threatened enemy attack.

Would feeding emergency evacuees be a problem? Suppose the metropolitan Minneapolis-St. Paul area were evacuated in the face of enemy attack? Evacuation would displace some 1 million persons into relief areas in the State. Food stocks of these rural communities would soon evaporate. Hope it never happens, but if the Twin City area were actually destroyed, with the cities would go a major food processing center and large stocks of basic food. Other great commercial food warehouses and processing plants of America are in critical target areas.

The unpleasant truth is that today's farm surplus in its present form, is not today's emergency food. If war comes to the world again, the fact must be faced that American cities will be subject to attack with weapons of obliteration. The stocks of farm commodities, the raw material of food, which served well in other wars, cannot be counted on as long as it is possible in an instant to wipe out food-processing centers.

America has great stocks of farm commodities which are being blamed for low-farm prices. But much of this large surplus is not food that can be readily eaten. Some surplus could never be made into food. Some stored grain for example, has deteriorated in storage to the point where it is not fit to make into food. The storage bill for farm surplus is running a good $1 million a day.

THERE IS A NEED

True, even specially packaged survival food might in time, become unfit, but the cost of maintaining usable supplies could be split between civil defense and the farm program. Providing survival kits to families in designated target areas would ease the necessity for large food warehouses.

Based on appeals by American leaders, providing survival food stocks or kits would not be overemphasizing the threat of war or surprise attack. In his appeal to Congress for a stepped up civil defense program, Administrator Val Peterson charged that some of his work "has been starved," and that the "small amount of money we have spent for research to save the lives of American people is shameful to contemplate."

The Civil Defense Administration has named 70 critical target areas in the United States and there are nearly 68 million people in those areas. If they become evacuees they will be moved to relief areas where they must be sheltered and fed under emergency conditions.

President Eisenhower has said that this is an age of peril. There is a constant threat of death and destruction because of the rapid development of atomic and hydrogen bombs and of planes and missiles to deliver them. Defense leaders have asked the Nation to prepare for emergencies. A ground observer warning net is being set up to supplement radar in watching the skies.

"Peace" statements by Russia's leaders cannot be taken seriously because of the basic conflict between democracy and communism.

IT CAN BE DONE

Complete plans for emergency food can and should be part of overall civil defense plans. The redtape can be cut. The administrative machinery exists to distribute surplus food to distressed areas. This country stands ready to make surplus supplies available to peoples of Western Europe, suffering from the worst winter in decades. The United States Department of Agriculture has been delegated authority to provide food for civil defense. Under Secretary of Agriculture, True Morse, represents his Department on the Civil Defense Board. Farm surpluses can be released for processing into survival food stocks or food kits if the agencies act.

Because of their experience in packaging emergency foods during World War II, this publication asked executives of Doughboy Industries, New Richmond, Wis., about the possibilities of food preparation for civil defense use.

E. J. Cashman, Doughboy president, confirmed that such a plan was feasible. His firm set up processing, packaging, and shipping procedures for rations and emergency food during World War II. Dehydrated soups and other foods packaged by Doughboy were distributed to Allies of the United States through the United Relief Administration. The firm also packaged survival kits for men in the Air Force. Today, Doughboy engineers and manufacturers heat sealing units and packaging equipment used by the Government. Mr. Cashman believes that a survival food plan would be frankly facing facts. "The farm surplus problem is a serious one and so is the question of emergency food supplies for our defense programs," he said. "This plan could ease pressure for both civil defense and the farm surplus problem."

The Minnesota Farmer also asked Val Peterson, Federal Civil Defense Administrator, to comment on the idea of converting some farm surplus commodities into emergency food. He believes a year's supply of basic foods, stored properly as a wartime emergency measure, makes sense from a civil defense standpoint. "The need is more apparent," he said, "when one considers that the great commercial food warehouses and processing plants of America are generally in critical target areas. These warehouses would be gone if an attack should occur and then it would not be long before the shelves of all the grocery stores would be completely bare. Bulk food supplies that are on hand now represent a valuable asset, but it would be ideal to store processed foods or something in the nature of Armed Forces C or K rations."

What about costs of preparing emergency food and storing it properly or distributing it as family survival kits? First, if civil defense plans are to be complete in face of what is known about atomic war, some processed food must be stored in relief areas as insurance. Second, processing farm commodities would reduce costs of storing them. Third, it could be even more costly to try and transport large supplies of emergency food through the terrible confusion of evacuation. Moving the population from designated target areas will be probably the biggest mass transportation job ever undertaken in America. It may have to be done with facilities crippled by destruction of transportation centers.

Because turning farm surplus into survival food would help solve two major economic and social problems faced by America today, the long-range cost could very well be small.

WHAT DO YOU THINK?

The Minnesota Farmer is presenting the survival food idea in the belief that free discussion leads to more correct solution of problems. Readers are invited to comment for publication on all aspects of this proposal. Address your letters to the editor, Minnesota Farmer, Midland Bank Building, Minneapolis 1, Minn. A selection of letters received by March 20 will be published in the April issue.

INVESTIGATION OF GROWTH OF COMMUNISM IN THIS COUNTRY

Mr. RAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAY. Mr. Speaker, yesterday's edition of the Newark (N. J.) Star-Ledger contained the following forceful and important statement which merits attention and action by the House:

It's Time Something Was Done

Two witnesses have put the finger on the chief of the Soviet U. N. delegation as the mastermind behind the virtual kidnaping of five Russian seamen from their sanctuary here by Soviet secret agents 2 weeks ago.

This testimony, shocking as it is, only adds to the great body of evidence showing the flagrant abuses of their privileged position which can be charged to Communist diplomats in this country. Ever since the late President Roosevelt officially recognized the Soviet Union more than 20 years ago, the Embassies and consular offices of Russia and its satellites have been known headquarters for Communist espionage and other subversive activities.

The mysterious and strangely unchallenged kidnaping of the five Russian sailors is not a unique activity. It has been done before. Perhaps the most publicized case was the attempt to kidnap Soviet schoolteacher Oksana Kasenkina in 1948. This brazen act was foiled only because that brave woman preferred possible death to return to Communist Russia and hurled herself out a third-story window of the Russian consulate in New York to escape her captors.

Now, once again, the sinister activities of Soviet diplomats here has been brought to light. It is an old, but still shocking story.

The only really surprising thing about it is the fact that nothing has ever been done about it.

In the 2d session of the 83d Congress, I introduced House Resolution 574 and in the 1st session of the 84th Congress, I reintroduced that resolution as House Resolution 59. My colleague, the Honorable FRANCIS E. DORN, New York, introduced identical resolutions. Each resolution called for the appointment of a special committee to investigate, first, the ways in which and the extent to which actions of the Government of the United States, including its recognition of the Soviet Government, have contributed or may contribute to the growth of communism or the spread of communistic influence in this country; and, second, whether or not, and if so, to what extent the Charter of the United Nations and the privileges and immunities extended to its members and employees have contributed or may contribute to the growth of communism or the spread of communistic influence in this country. House Resolution 574 was heard by the Rules Committee in July 1954 and House Resolution 59 was heard by the Rules Committee in January 1955. There was no action by the committee in either case.

I did not understand then and I do not understand now why the committees refused to permit the House to vote upon the resolution. The virtual kidnaping discussed in the editorial above presents a new and startling reason why there should be an immediate investigation of the sort contemplated by the resolution.

There are still more than 22,000 active Communist workers known to be in this country. The various intelligence officers know about them but must keep their information secret. The public should have that knowledge and the way to bring that about is to pass House Resolution 59. I am informed that no other committee is investigating in this field.

I am writing today to the chairman of the Rules Committee urging that the resolution be brought to the floor.

AMERICAN MERCHANT MARINE

Mr. MAILLIARD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MAILLIARD. Mr. Speaker, in considering the tremendous responsibilities of the Federal Government in providing for the defense of our Nation, there is a tendency to limit our thinking to the armed services almost to the exclusion of what was aptly described in wartime as our fourth arm of defense, the American merchant marine. If we remember the vital and sometimes decisive role played time and again by the merchant marine in times of war, we are forced to realize that the Nation cannot risk this defense planning weakness.

Last week I introduced H. R. 10560, a bill which I believe will help meet this situation. It is designed to require a yearly survey by the chairman of the Federal Maritime Board of our national shipbuilding and repair capabilities and capacities. Due to a lack of work, this industry has been made to retrench during most of the postwar period to a critical level. Facilities are decaying where they cannot be diverted to allied fields of production and the absolutely vital nucleus of skilled shipyard personnel is being lost to more active industries. These are losses which cannot be recouped overnight in the event of an emergency. Time—an increasingly precious commodity in defense planning—will be all that can make up for any present lack of foresight we display.

In order to meet the preparedness standards which maritime history indicates are necessary, we need the periodic and comprehensive information on our existing shipyard capability which the Chairman of the Maritime Board would provide under the terms of my legislation. By amending the Merchant Marine Act of 1936 to require surveys on a yearly basis, the Federal Government will be assured of a regular flow of shipyard information. Based on this data, the Congress and the Maritime Administration can administer the merchant ship replacement program, now being undertaken, in such a manner as to produce maximum defense value for the dollars expended.

Immediate support for this legislation was demonstrated by 17 Congressmen who have introduced companion bills. These Members represent Atlantic, Gulf, and Great Lakes States, as well as my own Pacific coast. Such a broad basis of support gives me real hope that action can be taken on this matter by this Congress, and I should like to invite others of our colleagues who are interested in the problem to join in this undertaking. I sincerely hope that this or similar legislation will be enacted before this Congress adjourns.

COMMITTEE ON IMMIGRATION AND NATIONALITY POLICY

The SPEAKER. Pursuant to the provisions of title 8, section 1106 (a), United States Code, the Chair appoints as a member of the Joint Committee on Immigration and Nationality Policy the following Member on the part of the House to fill the existing vacancy thereon: Mr. KEATING.

SMALL BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DINGELL. Mr. Speaker, I have introduced today a bill aimed at helping a portion of the American economy which is in desperate straits despite the apparent prosperity enjoyed by others of our Nation. That is the small business which is worse off now than at any time since 1929.

Since 1952 General Motors Corp.'s profits are up 136 percent and United States Steel's profits are up 178 percent. But while big business profits generally are up about 46 percent, small business profits have dropped about 66 percent.

Small businesses face little chance of surviving even in these relatively prosperous times. I shudder to think what would happen to them in the event of a depression. Of 9 million firms which have been established or purchased between 1944 and 1955, 7.8 million have since been sold, reorganized, or liquidated.

Statistics released by the Department of Commerce show that if a citizen starts or purchases a small business today he has only a 50–50 chance of lasting 2 years. Chances that such a new business will last 4 years drop to 1 out of 3; and chances of the business surviving 10 years drop to 1 in 10. In spite of a huge population increase of on the order of 4 million people since 1952, the number of firms engaged in business has remained static at about 4.2 million, which means that the birth rate and death rate of new businesses is almost exactly equal, a fact which is the cause of much justifiable concern.

No matter how you put these statistics they show clearly the very huge difficulty faced by small business under the administration's favoritism toward industrial giants.

The rate of business failures is 42 out of every 10,000 firms in existence under this administration. The rate of business failures over the 10 years previous to the present administration was only 20 per 10,000 firms, a rate of less than half that under this administration. This is in excess of the business failure rate for the 20-year period from 1932 to 1952 which included much of the great depression. Almost without exception these failures were small-business failures. Substantially over 90 percent of the failures reported by Dun & Bradstreet involved total liabilities under $100,000.

In 1954 and 1955 about 11,000 businesses failed per year. In 1947, for comparison, only 3,500 went under. An even more appalling statistic released by the Administrator of the Federal courts is that there were approximately 65,000 bankruptcies in 1955 and that 75,000 bankruptcies are anticipated in 1956. According to him, "This would be the highest number of bankruptcies recorded in the history of the country."

Another criterion which demonstrates the need for relief to small business is given in the chart below which shows earnings for two classes of corporations, small ones whose assets were below $250,000, and large ones whose assets were above $100 million. For comparison, I start with the last year of the Democratic administration, 1952. The chart shows the percentage rate of return on investment.

	Small corporations, assets less than $250,000	Large corporations, assets over $100 million
	Percent	*Percent*
1952	9.3	11.8
1953	6.8	12.1
1954	3.2	12.1
1955 (1st 3 quarters only)	6.4	14.1

These figures clearly show that the economic climate is such that it favors giantism in business and industry. Business recognizes this fact by many mergers to bigger and bigger corporation.

For example, Studebaker and Packard, once great in the automobile industry had to unite to remain in business under the fierce competition of the larger firms. In like manner the original components of American Motors, Nash-Kelvinator and Hudson had to combine to protect themselves. For further proof, in 1952 corporations with assets over $100 million had 52 percent of all manufacturing assets, by the middle of 1955 such corporations had 57 percent of all manufacturing assets. It is not inconceivable that if unchecked for 20 years this trend will result in complete domination of business by corporations.

Sound legal opinion has held that bigness alone is not sufficient basis for Federal antitrust action. This bill will result in substantial benefits to the economy by giving strong inducement against further mergers by the giants of industry and stimulation of small business by tax relief. One can hope that the effect might even be to induce giants of industry to voluntarily split up into businesses more compatible with the traditional concept of free American competition, and less like the alien concept of massive cartels and trusts which control the whole economy of a country or continent.

It is particularly of concern to the smaller businessman that there have been no tax incentives to small business of note since the present administration took office in 1952. Big business on the other hand received such favorable tax treatment in the Republican 83d Congress, that it amounted to tax favoritism. This favoritism has been perpetuated by the way the tax laws are administered by the present officers of the Treasury Department. The laws passed under that Congress included the accelerated depreciation allowance which saved large firms $1.6 billion per year and the repeal of the excess-profits tax which saved big business $2 billion per year. Curiously, both of these big business benefits were supported by small business, which got only the leavings.

Carry-forward and carry-back provisions of the current law are used to further foster giantism. Often one of the large corporations will take over one of the sick, smaller industries only for the purposes of using the losses of the other corporation to offset past or future income.

One particularly interesting feature of my bill is that it offers another substantial advantage to the small corporations with less than $50,000 per year income. In the past, such corporations have found it advantageous to use the lower 22 percent regular rate earings, a thing which larger corporations may not do.

My bill will help small business in its present straits. It reduces the normal corporate tax rate from 30 percent of income to 22 percent, and raises the breaking point for the application of the surtax to $50,000 from the present $25,000. The surtax on income above the $50,000 breaking point is raised to 32 percent.

Revenue estimates based on the level of profits before taxes for the first half of 1955 indicate that there could be a loss to the Treasury on the order of $150 million according to the Department of Commerce.

It would now appear that any revenue estimate based upon such figures would be very low according to the Council of Economic Advisors, and according to recent glowing pronouncements by the Secretary of Commerce. Probably the actual loss to the Federal Government will be small or nonexistent. It is not inconceivable that there might be a profit to the Treasury under present conditions. This is a matter which the Ways and Means Committee will consider in its scrutiny of this bill. If the committee should find the loss would actually exist, in spite of recent changes in the corporate earnings picture, then it could revise upward the figure of 32 percent to 32½ percent or 33 percent to prevent any weakening of the Treasury's economic position.

Comparison of proposed corporate rates with those under present law

Income subject to both normal tax and surtax	Tax under proposal	Tax under present law	Increase (+) or decrease (−)	
			Amount	Percent
$5,000	$1,100	$1,500	−$400	−26.7
$10,000	2,200	3,000	−800	−26.7
$15,000	3,300	4,500	−1,200	−26.7
$20,000	4,400	6,000	−1,600	−26.7
$25,000	5,500	7,500	−2,000	−26.7
$35,000	7,700	12,700	−5,000	−39.4
$50,000	11,000	20,500	−9,500	−46.3
$60,000	16,400	25,700	−9,300	−36.2
$75,000	24,500	33,500	−9,000	−26.9
$100,000	38,000	46,500	−8,500	−18.3
$250,000	119,000	124,500	−5,500	−4.4
$500,000	254,000	254,500	−500	−.2
$525,000	267,500	267,500		
$1,000,000	524,000	514,500	+9,500	+1.8
$5,000,000	2,684,000	2,594,500	+89,500	+3.4
$10,000,000	5,384,000	5,194,500	+189,500	+3.6
$100,000,000	53,984,000	51,994,500	+1,989,500	+3.8

According to the above table, it can be seen that corporations earning less than $525,000 will receive a tax cut of increasingly large proportions. And businesses earning less than $75,000 per year will not receive less than 26.7 percent cut in taxes. To accomplish this, businesses earning above $525,000 will pay slightly increased taxes on a graduated scale.

I have attempted to discover whether this bill would encourage a fictional splitting of a large corporation into a number of smaller corporations for tax purposes only.

Experience indicates there are strong inducements present for filing a consolidated return under present law which would remain unchanged under my bill. It is my feeling that the Ways and Means Committee should and would study that aspect of the matter, and an amendment to limit this aspect of the problem should be a simple matter if the committee deemed it necessary.

I am well satisfied that this is a good bill, which will serve the people and business of this country. I urge early and favorable consideration of it.

THIS IS THE AGE OF POLITICAL, NOT MILITARY, CONFLICT

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. Sikes] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, I shall speak on a subject of vital concern to all of us in the present world situation. By this I mean our capability for fighting to a successful finish the present struggle between two competing systems of government, the contest between democracy and communism, between the free world and the vast areas controlled directly or indirectly by the Soviet Union. In the last few months it has become increasingly clear that this contest between competing systems very likely will be won in the mind of men by means of political warfare and not by actual military conflict.

What does the term political warfare mean? It has been applied to a wide range of essentially nonmilitary instruments of foreign policy. For practical purposes these include political and economic pressure, forceful action through such agencies as the United Nations and other international organizations, and, on the part of the Soviet Union, the manipulation and control of the Communist Party and front-organizations in a number of countries. In practice, the use of all these components has been accompanied by a broad range of informational or propaganda activities, ranging from straight news services and cultural relations programs to the most scurrilous forms of propaganda and rumor-mongering. In time of war, military establishments enter the political warfare field with elaborate organizations which produce and deliver messages for both the enemy soldier and civilians aimed at lowering morale, inducting desertion and defection, and, if possible, mutiny and revolution. This activity is called military or combat psychological warfare. In a word, such psychological operations are an ally of diplomacy in peacetime, a valuable auxiliary to military force in time of war, and a useful weapon or instrument of policy in both situations.

Now what does all this mean in the present international situation? Before that question can be answered, we must first take a look at the outstanding facts of the situation.

The end of World War II, when the German armies were defeated and the United States forces were hastily brought home and demobilized, left an enormous power vacuum in Central and Western Europe. The story of how the Soviet Union, in cynical violation of its solemn treaty pledges moved into these areas, and one by one seized the satellite countries, is too familiar to need repeating here. It was this Soviet threat, first to Greece and Turkey, then to Western Europe, with the seizure of Czechoslovakia, that called into being the Truman doctrine, the Marshall plan and finally NATO, the alliance of our free world partners to defend themselves against Soviet encroachment. In Asia the same pattern repeated itself with the Chinese Communist victory in China, and the unwarranted attack on South Korea, except that this last brazen act of aggression rallied the United Nations to meet this attempted conquest with armed force on the field of battle. Our defensive alliances in this area, with Japan, with Formosa and the Southeast Asia Treaty Organization, were created as a shield against further acts of aggression in this part of the world. During this decade of mounting tension and limited warfare, only the clearly demonstrated United States will to resist further Communist military aggression and the threat of atomic retaliation prevented a Soviet attempt to overrun Western Europe and the outbreak of a third World War.

Then something happened at the center of Soviet power which may have far-reaching circumstances. Stalin died, and a new team took over, first under Malenkov, and presently under an uneasy collective leadership, which for the first time includes such military figures as Marshals Zhukov and Konev. At the same time that the Soviet Union was eagerly striving for atomic parity and approaching a delivery capability comparable to that of the United States, the unprecedentedly destructive powers of the hydrogen bomb were demonstrated in the Pacific explosions and the aftermath of their radioactive fallout.

Under these circumstances, although we may never know the whole truth, it seems clear that the Soviet leaders took a long, second look at where their postwar policy of aggressive expansion had led them, and decided to adopt a new tactic. If the threat of Soviet aggression had cemented the Free World into defensive alliances, perhaps the best way to dissolve these alliances would be to hide the threat behind a mask of smiles and cultural blandishments. Thus, at the first Geneva Conference, the world was presented with what we may call the open-mouth policy of smiling inflexibility. Without giving an inch on such major issues as the unification of Germany and European security, the Russian bear burst out into gay smiles, and began the joyous task of killing with kindness and amiability. Let us examine how deadly effective these tactics could have been. Without materially reducing their actual capability to attack Europe, the Soviet and satellite armies made certain token reductions in troop strengths, which were highly publicized as proof of Soviet peaceful intentions. At the same time, the Soviets almost convinced our western allies that the threat of atomic war is minimal. Together, these moves threatened to take the heart out of the NATO armies, which would have to defend against a Soviet attack launched with conventional arms at a time when the military forces of NATO have not yet reached their effective treaty strength. The cement which bound the NATO forces together came dangerously close to being dissolved in a flood of vodka, visiting Soviet firemen, and general affability. This was political warfare of a very effective kind. However, the Soviet bloc conventional military forces have in fact greater capabilities through modernization than before, and the Communist Parties in Western Europe, especially in France and Italy, have their same potential threat, however masked, as an arm of Soviet diplomatic policy abroad.

Fortunately, Molotov's pessimistic and intransigent performance at the second Geneva Conference has dispelled at least temporarily the growing delusion among the Western nations that the Soviet Union had indeed altered its ultimate objectives. The uncompromising Soviet attitude proved conclusively that the New Look following the first Geneva Conference was nothing more than a tactical expedient. Much of the credit for causing Soviet policy and objectives to emerge in their true light must be given to the refusal of our Western allies to be taken in by this and other Communist maneuvers. Even more of the credit for exposing their true objectives must be given to Soviet leaders themselves. The offer of satellite arms to Egypt and other Moslem countries was widely recognized as a reversion to the familiar Stalinist tactics of fishing in troubled waters.

It is still too early to predict whether the Soviet Union will ultimately retrench its expansion abroad and concentrate principally on its internal problems, not the least of which is the job of running its vast empire, which now includes the captive states of Eastern Europe and the Balkans. On the basis of the historical record we may certainly expect additional shifts in the political wind from Moscow. Karl Marx, who was one of the first to sound a clear warning of the Russian menace to Europe, tells an illustrative story—and I quote—of "two Persian naturalists who were examining a bear; the one who had never seen such an animal before, inquired whether that animal dropped its cubs alive or laid eggs; to which the other, who was better informed, replied: 'That animal is capable of anything.' The Russian bear is certainly capable of anything, so long as he knows the other animals he has to deal with to be capable of nothing."

For the foreseeable future only Russian deeds, not empty words and blandishments, will demonstrate the real lines of Soviet policy behind whatever facade of smiles or scowls the Kremlin may present to the world. But one thing is certain: Any further reduction of the conventional forces of the United States and our allies would require a far greater numerical reduction in Soviet forces to maintain the present relative strengths of the two blocs. Force reductions which adversely affected this relative strength position would clearly indicate a need for building up, strengthening, and sharpening our other means of implementing policy. In this I include political warfare, our nonmilitary instruments of policy, the combination of political, economic, and diplomatic pressure, combined with their skillful exploitation through our information program abroad. We have seen how seriously Soviet political warfare threatened the cement of our NATO alliance system, and created the illusion that the Russian bear no longer has teeth or claws, simply because it has now gone into a grinning dance routine, an admittedly novel spectacle, but one which has drawn worldwide applause and acclaim.

What can the United States do to strengthen its political warfare capability during the prolonged period of competition with the Soviet system which is apparently opening before us? To answer this question intelligently we need to survey our present organization, to inventory the means and agencies with which we are now equipped.

Let us start at the top, putting first things first, with—

THE PRESIDENT

Probably the single most important instrument of political warfare in the world today is the Presidency of the United States. Whatever the President says echoes around the world. It is front page news, and experience has shown that paradoxically, straight news is frequently the best form of political warfare, particularly when issues are deliberately clouded by the Soviets for propaganda purposes. A dramatic illustration of the President's role in this regard was his announcement of the atoms for peace plan, and later, his call for mutual arms inspection at Geneva. In both cases these were responsible statements of national policy made without any propagandistic overtones. Before the first Geneva Conference mounting international tension had produced a situation which the U. S. S. R. had successfully exploited to portray the United States as a belligerent, bomb-swinging menace to world peace. Continued testing of nuclear weapons with much fanfare has not helped our standing. To offset this the dramatic arms inspection proposal has materially assisted the United States in regaining the initiative in the field of disarmament. This proposal has done more to decrease international tension and to correct a distorted image of the United States abroad than any single action since the Truman Doctrine and the Marshall plan. Unfortunately it has not been followed through with vigor.

Of course, the broad guidelines for our political warfare effort are provided by the National Security Council, which formulates national objectives in a number of foreign and domestic fields. Under NSC direction, the Operations Coordinating Board is responsible for integrating the actions of executive agencies into cohesive, overall operations. The OCB itself does not implement decisions, but distributes tasks among executive agencies, and monitors the results of political warfare operations.

THE DEPARTMENT OF STATE

The State Department formulates our official foreign policy, which provides guidance for our foreign information program. Through its day-to-day contacts with other governments throughout the world and at the United Nations, State Department actions have an enormous psychological impact abroad. Under the direction of the Department of State, the International Cooperation Administration, the successor to the FOA, has a similar impact.

It is axiomatic in political warfare that the best propaganda is deeds, not words. The concrete programs directed by the State Department and administered by ICA are, and will continue to be, a tremendous political warfare asset in themselves. However, deeds that go unheralded, or for which someone else takes the credit, are of little value in the struggle for men's minds. Fortunately, the United States has a means of making our deeds known far and wide, namely:

THE UNITED STATES INFORMATION AGENCY

The mission of the USIA is to submit evidence to the peoples of other nations that the objectives and policy of the United States are in harmony with, and will advance, their legitimate aspirations for freedom, progress, and peace. It does this through the use of all types of communications media: Radio, the Voice of America, news releases, films, television, cultural exchanges, and extensive libraries abroad. The USIA is an official spokesman for the Government of the United States abroad. What it says and does is viewed as an authoritative and responsible reflection of United States policy and views. This agency operates United States information posts in 79 foreign countries, and through the VOA beams programs to most of the globe. We have seen how in a period of general disarmament and smiling coexistence, the United States must rely on its nonmilitary or political warfare instruments. Among those instruments, certainly the USIA, by means of which our political, economic, and diplomatic moves are made known, is of vital importance, if the United States is to hold its own in world affairs.

THE DEPARTMENT OF DEFENSE

In taking inventory of our political warfare instruments we have thus far looked only at our peacetime capabilities. During periods of open hostilities our Military Establishment conducts military or combat psychological warfare as a supporting weapon on the field of battle. Naturally, the planning for such contingencies is carried on in the Department of Defense, under the Deputy Secretary, Mr. Robertson, who is a member of the Operations Coordinating Board. Within the Office of the Secretary of Defense, the Office of Special Operations monitors psychological warfare planning and the international information activities connected with the Military Establishment.

The Joint Chiefs of Staff coordinate the psychological warfare efforts of the Army, Navy, and Air Force insofar as such activities pertain to joint commands and affect strategic planning. Of the three services, neither the Air Force nor the Navy maintain organized psychological units at present, but the Army does. Within the Department of the Army, the Office of the Chief of Psychological Warfare formulates plans, monitors the training of personnel, sets up requirements for research and development, and monitors worldwide psychological warfare operations of the Army, presently conducted only under the Far East Command.

The overall mission of a military commander in the field is to destroy the enemy's capacity to resist. He may accomplish this mission in two ways: Either by the physical destruction of the enemy armed forces or by reducing or destroying the enemy's morale, or will to resist, without which his forces cannot be effectively employed. Combat psychological warfare aids materially in destroying the enemy's will to fight. Under certain circumstances the so-called paper bullets, the leaflets, radio messages, or direct broadcast appeals may be as effective in reducing enemy morale as the other weapons at the military commander's disposal. It is a widely recognized fact that in the French defeat of 1940, psychological factors, including the softening-up effect of Nazi propaganda, played an important part. The devastating effects of German political warfare were not fully appreciated until after the invasion began; until then they had been greatly underestimated by both the French and German military staffs. This extension of political warfare to the battlefield, where there is a direct contact with both the enemy's military and civilian elements, offers the United States a tremendous advantage which is denied to the U. S. S. R. and its bloc of captive states. Let me illustrate what this means. No American commander need worry greatly over the disaffection of his men, either individually or collectively, but this same problem has the Soviet bloc commanders seriously concerned. This well-grounded fear stems from their losses through defection to the Germans in World War II and Chinese losses during the Korean war. In the first year of the Russian campaign, the Germans captured nearly 4 million prisoners. This was more than the total allied strength at its peak in Western Europe. Of course, large numbers of these prisoners were taken as a result of direct military action; however, hundreds of thousands of Russian soldiers laid down their arms and welcomed the Wehrmacht as liberators from the oppressive Soviet regime.

While the Department of Defense clearly realizes that combat psychological warfare by itself cannot win battles, it can contribute immeasurably to victory. Under optimum conditions it may decisively affect the course of events at critical turning points in national morale, when, after tremendous military losses on either or both sides, the will to resist hangs by a tenuous but many-stranded thread of political and psychological intangibles. Such an exceptional opportunity developed in the course of the German campaign against the U. S. S. R. but Nazi policy, brutality, and blunders, excluded its exploitation by political means. In contrast, in the final stages of World War I, President Wilson's 14 points contributed immeasurably to the collapse of German morale, both on the home front and on the battlefield.

The wealth of experience from two World Wars and the Korean conflict has been drawn upon to shape the concept, organization, and planning of the Department of the Army in the psychological warfare field. In addition, a positive research program continues to refine the lessons to be drawn from the past, and to improve equipment and techniques. The Office of the Chief of Psychological Warfare, thinks of its tasks in terms of target audiences, and has therefore organized its combat units to conduct what are called strategic, tactical, and consolidation operations. Obviously, it is impossible to separate the target exactly into these three categories since in time of war it includes not only the forces on the battlefield, but civilians on the enemy home front as well. Tactical psywar is waged against troops in actual combat. It reduces the enemy's will to resist by lowering his morale, by creating dissension, and by urging dissatisfied soldiers into desertion or surrender.

Strategic psywar is conducted primarily against the civilian population behind the troops, or what is usually called the home front. World War II proved that skillful political warfare can soften up an entire nation before an attack, can divide the enemy population against itself, and may even modify its ideological outlook. Effective strategic psychological warfare should bring about dissident actions, ranging from passive noncooperation to outright acts of sabotage, and the formation of partisan or guerrilla groups.

Consolidation propaganda is aimed at the people in an area which has been liberated or is occupied and attempts to persuade the population to assist our military effort, or at least not to interfere with it. Consolidation propaganda can be extremely useful in smoothing the rough path of a military occupation and speeding the return to normal civil life after hostilities have ceased. The United States occupation of Germany was one of the most successful in modern history, and the contribution of both the military and later USIA, to the rehabilitation of Germany is an outstanding achievement of constructive political warfare.

With consolidation propaganda, which provides a transition from war to peace, we have come full circle in our survey of the political warfare instruments available to the United States. I recognize that the word "propaganda" has a bad connotation, because of the sinister purposes to which it was put by the Nazi propaganda machine under the direction of its evil genius Mr. Goebbels. For this reason, many good Americans believe that there is something essentially un-American about political warfare, or the use of propaganda. However, no less an American than General Washington, in the dark days of Valley Forge, enjoined his men to save the wornout socks and the rags wrapped around their frozen feet for use in the production of propaganda leaflets which were spread in the camp of the enemy. In those days there was no such thing as cheap newsprint, and these leaflets had to be printed on rag paper. This situation stands in vivid contrast to the Korean conflict, when Army psychological warfare units in the field were able to produce quantities of leaflets, if called upon to do so, and the Air Force was able to deliver them.

George Washington, Lincoln, Wilson, and other historic American figures made skillful use of political warfare in times of both war and peace. Moreover, in the conduct of business affairs, the United States as a country has developed the comparable arts of public relations and advertising to a very high degree. Thus it is an unfortunate paradox that our public information program and activities abroad, have at times been the object of misleading and misguided attacks. Our information activities, ranging from the VOA to our library programs, have in the past served as something of a political football. Such attacks have, of course, played directly into Soviet hands by confusing and paralyzing our own political warfare effort, while the flood of Soviet propaganda continues unabated.

The United States has been in the organized foreign information business only since World War II, whereas, for over 35 years agitation and propaganda have been major instruments of the Soviet regime both at home and abroad. Furthermore, the Soviet Union has literally poured billions of dollars into its political warfare activities—including Communist Parties and a vast network of front organizations abroad—whereas the United States budget for our Information Service is microscopic by comparison.

One or two homely examples will serve to illustrate the point. In the present cultural offensive the Soviet Union has financed a continuous flow of visiting delegations and dignitaries from abroad, ranging from the United States farm delegation last summer to literally thousands of individual government leaders, legislators, and public officials from all over the world. It looks as if the Soviets were trying to change the old adage that "all roads lead to Rome" to "all roads lead to Moscow." This Soviet program is excellent political warfare, because, even though such officials know they are being given a special Cook's tour, they cannot fail to be, and are impressed. All this costs a lot of money, and requires a major back-stopping effort to receive and guide these visitors. The United States Cultural Exchange Program, which is administered by the State Department and coordinated with USIA, is severely limited by comparison. Another example: In addition to financing an incoming flood of visiting firemen and vodka, the U. S. S. R. underwrites an enormous tidal wave of outgoing propaganda materials, ranging from scientific, technical, and political works to magazines and news sheets.

As early as 1937—the only year for which the Soviets released official figures—the U. S. S. R. distributed abroad 3½ million books, 11 million newspapers and a million magazines. With the stepped-up cultural offensive of the last 2 years, the volume of such Soviet publications has increased at least severalfold. By contrast, the USIA's ideological book program has of necessity been severely limited. Nevertheless, its achievement, considering its built-in budgetary restrictions, has been a very real one: In the period 1951–54, nearly 2 million copies of books in the general field of ideological subjects were distributed through USIA channels abroad. These books, which were translated into 38 languages, have been carefully selected, and fall into two main categories: Those which provide a critical analysis of communism and those which expound and illustrate American democratic concepts. Of the 107 books in this program issued in English, 17 have been translated into 33 languages and over 700,000 copies of them have been distributed through USIA channels. This official Government program has been greatly reinforced by private business and professional groups. Through the CARE organization, which has sent millions of food packages overseas, it is now possible for private individuals to send abroad a package of 99 volumes for $30. The very existence of this privately sponsored program is proof that, as America comes of cultural age, it realizes the true significance of the Biblical injunction that "man does not live by bread alone."

It is encouraging that realization of this basic truth is spreading, for beneath whatever blandishments and scowls the Soviets may offer, the hard facts of life continue. The central fact of today's life is the existence of two competing systems of government. As the President recently summed it up:

> They are in contest for the friendship, loyalty, and support of the world's people.

This contest may be won, not by force of arms, but by political warfare. The stakes are high; nearly a third of the world's people, literally hundreds of millions, are still uncommitted to either of the two competing systems, democracy and communism of which the President spoke.

As we have seen, the present Soviet campaign of relentless amicability is much more menacing than the outmoded tactics of revolutionary violence and open military aggression. The battleground in the struggle between the free world and international communism has switched to the area of political warfare, to the area of ideas and international persuasion. With more than 30 years' experience in agitation and propaganda at home and abroad, the present Soviet leaders have expressed confidence in their ability to win this contest hands down. The threat is a real one, and we cannot afford to be complacent about it. Now, as never before, the United States must develop the strongest, the most hard-hitting political warfare program of which it is capable. Half measures will not do. We must recruit our best talent and devote our best thinking to the job ahead, and we must have the financial resources to do whatever a successful program demands. And above all, we must believe in the power of democratic ideas and what we have to say. We must meet today's challenge with the same determination that Washington showed at Valley Forge. In this contest we can—and must—win.

WISCONSIN FEED COSTS

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. Johnson] is recognized for 20 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on two different occasions last week several Wisconsin Republican House Members gave this Chamber statistical information on possible increased feed costs in Wisconsin. As I shall explain later, I believe the information was and is erroneous. The information purported to show that under the now vetoed H. R. 12 the price support increases for basic commodities would have adversely affected feed costs and farm income in Wisconsin.

I have no desire to enter into a controversy with my Wisconsin Republican colleagues on this question. I have more than a nodding and academic knowledge of feeding practices in Wisconsin. My late father operated a retail feed business, and as a young man I worked in various capacities in this business. Also, I did own and operate a dairy farm for a time.

I was amazed then at the ease and simple method by which my Wisconsin Republican colleagues arrived at their conclusion on possible feed cost increases in our State. Perhaps if they were more familiar with total feeding practices and programs in Wisconsin they would not have fallen into the error of using such a simple and completely inadequate computation formula to derive their estimate.

In the interests of accuracy—or at least partial accuracy—I wish to explain why I believe their information and conclusions on increasing feed costs are wrong. I realize some of my Wisconsin Republican colleagues have used this old feed-cost chestnut as an excuse for explaining their past votes on a general farm bill. I presume it will be used again this summer and fall.

The information on Wisconsin feed costs was first given to the House in the form of a letter inserted in the Record on April 16. The letter, which was signed by 6 of the 7 Wisconsin Republican House Members, was dated April 15. The letter urged President Eisenhower to veto H. R. 12. The letter was not signed by the Honorable Alvin O'Konski of the 10th District in Wisconsin.

Some of the same information was given again on April 17 during the discussion of a House floor discussion on the farm bill.

According to contentions of my Wisconsin Republican colleagues the increase in support prices for basic commodities—particularly feed grains—would have raised the farm-feed bill in Wisconsin by $26 million for the next year. My Wisconsin Republican colleagues also contended that because of the difference in increased supports for basics as compared to dairy price supports that Wisconsin farmers would be the losers by an estimated $12 million next year.

My principal reason for questioning the validity of this conclusion on increased feed costs is because of the overly simplified method of computation. There are too many unknown facts and factors to permit the use of my Republican colleagues' computation.

As I understand it, here is how my Republican colleagues derived their figure of $26 million: They took the 1955 cost of feed purchased by Wisconsin farmers and multiplied this figure by 20 percent. The 20-percent figure is the highest estimate for increased price supports of basic commodities.

The total cost of feed purchased by Wisconsin farmers in 1955 for feeding dairy cattle, beef livestock, calves, hogs, and poultry was $130 million. According to United States Department of Agriculture surveys, 87.6 percent of Wisconsin farmers' cash receipts in 1954 came from dairying and livestock operations. Therefore, it is logical to assume that most of the feed was purchased by dairy and livestock farmers. Poultry farmers purchased the remainder of the feed.

Before I comment on some of the fallacies in the computation used by my Wisconsin Republican colleagues, I should like to present some information on feeding practices of Wisconsin farmers. Our farmers raise most of their grain feeds.

From page 21 of a bulletin—Wisconsin Dairying in Midcentury—published in 1955 by the Wisconsin Crop and Livestock Reporting Service, I quote as follows:

> Roughly nine-tenths of the corn, oats, and barley fed to the dairy cattle are grown on farms where used, according to the Wisconsin dairy reporters. They indicate that for 1954 a little more than a third of the wheat was homegrown.

Actually, as grain and concentrate statistics prove, our farmers do not use too much wheat in their dairy and livestock rations. The chief grains used by our farmers are corn, oats, and barley.

The homegrown grains—and this is very important—are mixed with commercial concentrates. As I shall show later, there are few, if any, price-supported ingredients in the commercial-concentrate preparations.

In 1955, according to information I received from the United States Department of Agriculture sources, Wisconsin farmers raised 90 percent of their own corn, 94 percent of their oats, and 91 percent of their own barley.

During the summer months our dairy and livestock farmers rely heavily on pastures for feeding purposes. Of course, dairy cattle are fed grain and concentrates to supplement pasture feed. The 10-year averages—1944–53—on percent of feed secured from our pastures is as follows for the months of: June, 77.3 percent; July, 90 percent; August, 81.9 percent; September, 74.9 percent; and October, 63.1 percent.

In the months when pasturing is out of the question Wisconsin dairy and livestock farmers use corn and grass silage, about 80 percent corn silage and 16 percent grass silage. During these months the cattle are also fed grain and concentrate supplements. Incidentally, in 1950 20 percent of all the silos in the United States were located in Wisconsin.

I almost omitted the fact that Wisconsin farmers raise about 96 percent of their own hay for feeding purposes.

With this background information out of the way, I shall turn again to the fallacies and inadequacy of the formula used by my Wisconsin Republican colleagues. My Wisconsin Republican colleagues forgot to consider that the $130-million feed bill for Wisconsin includes the cost of many items and commodities that cannot by any stretch of the imagination be considered as price supported. All of these items and commodities should be subtracted from the $130-million feed bill.

For example, the $130-million figure includes the cost of hay purchased. Hay, as we know, is not a price-supported commodity.

The $130-million feed bill includes the cost of commercially manufactured concentrates that our farmers mix with their homegrown feeds.

Apparently my Wisconsin Republican colleagues forgot about commercial concentrates and assumed that Wisconsin farmers feed only grains to their cattle and poultry. I do not have the 1955 statistics on commercial feed mixes, but in 1954, when the total purchased feed bill was about the same as in 1955, the cost of commercial feed mixes was $75 million. This is nearly 58 percent of the total feed bill.

Every farmer and feed dealer knows there is little in the way of price supported ingredients in commercial mixes sold in Wisconsin—and I speak only of commercial concentrate mixes used in our State. The commercial mixes sold in Wisconsin contain vegetable proteins, animal proteins—derived from meat scraps, tankage and fish meal—dried skim milk, dried buttermilk, dried whey, minerals, vitamins, and numerous other chemicals deemed necessary for balanced diets of animals and poultry.

The content of the commercial mix is determined by its usage for dairy cows, calves, hogs, beef livestock and poultry. I am not going to burden my colleagues with a detailed analysis of every commercial mix formula. I shall list the contents of only one nationally known mix so that you can check the items and ascertain how many price supported items are in this mix.

Here are the ingredients in this well-known commercial concentrate for dairy cows: It contains the following—calcium, phosphorous, iodine, salt, soybean oil meal, corn gluten feeds, cottonseed meal, linseed oil meal, corn distillers' dried grains, wheat standard middlings, cane molasses, urea, D activated plant sterol, defluorinated phosphate, iodized salt, calcium carbonate, and traces of iron oxide, manganese, sulfate, copper carbonate, cobalt carbonate and basic zinc sulfate.

This, gentlemen, is but one of the many types of concentrate preparations mixed by Wisconsin farmers with their homegrown feeds—90 percent of which are grown in Wisconsin.

The subject of homegrown feeds brings to mind another fallacy in my Wisconsin Republican colleagues' computation. The $130 million feed bill also includes the cost of grains sold and bought in Wisconsin. Most of our feed grain is not price supported.

Whenever our feed dealers run short of grain they usually are able to buy some grain from local farmers who have a slight surplus above their own needs. I called one large private feed dealer last week to find out how much out-of-State grain he was buying. He informed me that he has not bought any feed grains from out of Wisconsin for the last 5 years. He is able to buy his grain from local farmers.

Thus, after we subtract all of these factors from the total feed bill figure used by my Republican colleagues we discover that their conclusion evaporates and it has no substance or validity. If President Eisenhower relied on this information about Wisconsin feed cost increases he was misled and misinformed. Not only was the President misinformed but so were thousands of Wisconsin citizens who read the newspaper stories containing this conclusion.

Frankly, after considering all of the factors mentioned above, I cannot give you an estimate as to how much the real cost increase—if any—would have been under H. R. 12. I have tried to get figures on all of the factors I cited, but some of them are unavailable. I am convinced that the increased cost would have been very slight. I do not know that it would

not have been $26 million. Perhaps it might have been only 2, 3, 4, or 5 percent of $26 million.

Incidentally, if President Eisenhower and the administration—for reasons best known to themselves—had not announced the same price support levels for butterfat and manufactured milk as contained in H. R. 12, all of my Wisconsin Republican colleagues except Alvin O'Konski would be hard pressed to explain their vote against H. R. 12.

They are fortunate that President Eisenhower followed out the recommendations contained in H. R. 12. However, the administration did nothing about dairy price supports until Congress passed H. R. 12—or at least not too much was done. I am sure that Wisconsin farmers will take note of this fact.

There is another aspect of Wisconsin dairy farmers' position in the total industry that I believe my Wisconsin Republican colleagues have ignored whenever we consider a general farm bill. That aspect is this: If feed-producing farmers are constantly faced with depressed prices, what is to prevent large numbers of these farmers from turning to dairy farming?

I note that in the last 10 to 20 years dairy farming has grown in some of the grain producing regions adjacent to Wisconsin. These farmers have to make a living, and if they cannot make a living from livestock and grain they will feed the grain through dairy cows to earn their livelihood.

Wisconsin's own economic history proves that this is possible. Our State was not always a dairy State. Fifty years ago Wisconsin ranked fourth among the dairy States. Our farmers turned from grain to dairy farming.

Whenever I consider the broad aspects of a farm bill I vote to keep our dairy farmers in the business of dairy farming under the most favorable industry and competitive conditions. Wisconsin farmers, by tradition and experience, are best qualified for dairy farming. Likewise, I want feed grain farmers to stay in the business of producing feed grains. I do not like to see them switch to other types of farming when they find that they cannot make a living from the farming they know best.

The same reasoning goes for all other farmers. I want to see poultry farmers stay in poultry farming; cotton farmers in cotton; tobacco farmers in tobacco; livestock farmers in livestock; cash crop farmers in cash crops; fruit farmers in fruit.

I have no intention of presenting the case for basic commodity farmers as to why they should have certain support programs. I am not qualified to speak for or against them—and neither is any other Member from Wisconsin. The congressional Representatives from the basic commodity regions must present the case for their farmer constituents on support programs. I, for one, will always consider their case with an open mind; and I hope the Representatives from the basic commodity areas will do the same with respect to dairy farmers.

I also know that farmers producing a single agricultural commodity do not have enough representatives in Congress to pass legislation solely for their own benefit. There are not enough Congressmen from the dairy farming, cotton, grain, livestock, poultry, and other types of farming to pass a bill on a single commodity program. That is why we need unity among representatives from the farm regions. In addition, we also need the votes of Congressmen from city areas to pass a farm bill.

In view of this, then, Congressmen from one area cannot continuously walk out on farmer representatives from other regions. If they do, in the long run they will injure prospects for legislation pertaining to their own farmer constituents at some future date.

When I voted for H. R. 12 I had this philosophy in mind. I also had in mind at all times the fact that farm income dropped more than $3 billion in the last 3 years. The drop in farm income has hurt every segment of our economy.

Wisconsin produces some farm machinery—and it is not sold exclusively to farmers in our State. Grain and livestock farmers buy some of the machinery produced in Wisconsin; but they cannot buy our machinery when their income is down I note that some Wisconsin farm implement manufacturers have already curtailed production. Curtailed production means unemployed workers, and unemployed workers cut down on their purchases of dairy products when the pinch grows tighter.

There are, then, many factors besides a narrow view that must be taken into account on consideration of a general farm bill. I believe that I studied the general farm bill just as thoroughly as did the President and his advisers. I came up with a different conclusion than he reached.

These are some of the factors that an erroneous feed cost estimate cannot explain away to Wisconsin farmers, business, and industry.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Vinson, for 1 hour, on April 24.

Mr. Bailey, for 30 minutes, on Thursday.

Mr. Johnson of Wisconsin, for 20 minutes, on today.

Mrs. Rogers of Massachusetts, for 5 minutes, today, and to revise and extend her remarks and include extraneous matter.

Mrs. Rogers of Massachusetts, for 5 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Broyhill and to include extraneous matter.

Mr. Miller of Nebraska.

Mr. Curtis of Missouri and to include extraneous matter.

Mr. Rains (at the request of Mr. Huddleston) and to include a speech.

Mr. Feighan (at the request of Mr. Albert) in two instances, in each to include extraneous matter.

Mr. Williams of Mississippi (at the request of Mr. Albert) and include extraneous matter.

Mr. Albert and include an address delivered by the Speaker at the Woodrow Wilson Centennial Dinner on Saturday evening, April 21st.

Mr. McGregor and include a brief summary relative to the bill H. R. 10660, the highway bill.

Mr. Derounian.

Mr. Dodd (at the request of Mr. Rooney) and to include extraneous matter.

Mr. Van Zandt (at the request of Mr. Utt) and to include extraneous matter.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 146. An act for the relief of Isabel Tre; to the Committee on the Judiciary.

S. 586. An act for the relief of Giuseppe Laddomada, Antonlette Laddomada, and children, Concetta and Paolo Laddomada; to the Committee on the Judiciary.

S. 1013. An act for the relief of Melecio Acosta-Morales; to the Committee on the Judiciary.

S. 1053. An act to authorize the Secretary of the Interior to dispose of certain lands in the State of Montana to the Phillips County Post of the American Legion; to the Committee on Interior and Insular Affairs.

S. 1101. An act for the relief of Martino Palmeri; to the Committee on the Judiciary.

S. 1364. An act for the relief of Elli Yorgiyadis; to the Committee on the Judiciary.

S. 1885. An act for the relief of Mario Farabullini and Alla Farabullini, his wife; to the Committee on the Judiciary.

S. 2095. An act for the relief of Guiseppe Culcasi; to the Committee on the Judiicary.

S. 2144. An act authorizing the Secretary of the Interior to convey by quitclaim deed certain real property of the United States to the Fairview Cemetery Association, Inc.; to the Committee on Interior and Insular Affairs.

S. 2244. An act for the relief of Maria Novak; to the Committee on the Judiciary.

S. 2305. An act to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal Property; to the Committee on Interior and Insular Affairs.

S. 2498. An act to provide that the Secretory of the Interior shall investigate and report to the Congress as to the advisability of establishing Fort Clatsop, Oreg., as a national monument; to the Committee on Interior on Insular Affairs.

S. 2512. An act to amend the act of August 27, 1954, so as to provide for the erection of appropriate markers in national cemeteries to honor the memory of certain members of the Armed Forces who died or were killed while serving in such forces; to the Committee on Interior and Insular Affairs.

S. 2517. An act to amend subsection 3 (a) of the act approved August 8, 1947, to authorize the sale of timber within the Tongass National Forest, Alaska; to the Committee on Agriculture.

S. 2563. An act for the relief of Cecile Angele Chaffoo; to the Committee on the Judiciary.

S. 2822. An act to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.; to the Committee on Interior and Insular Affairs.

S. 3338. An act relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects; to the Committee on Interior and Insular Affairs.

S. 3515. An act to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces; to the Committee on Banking and Currency.

S. J. Res. 71. Joint resolution to commend the foundation known as the Memorial to the American Indian Foundation for its project to establish a permanent memorial in honor of the North American Indians; to the Committee on Interior and Insular Affairs.

S. J. Res. 97. Joint resolution to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and the International Labor Organization and authorizing appropriations therefor; to the Committee on Foreign Affairs.

S. J. Res. 163. Joint resolution granting the status of permanent residence to certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3152. An act for the relief of Waymon H. Massey;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritsellis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 6078. An act for the relief of Alison MacBride;

H. P. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks;

S. 1194. An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army; and

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 24, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1771. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting certain plans for works of improvement which have been prepared, pursuant to the authority vested in the President by section 5 of the Watershed Protection and Flood Prevention Act (68 Stat. 667) and delegated to the Director of the Bureau of the Budget by Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1772. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the statistical supplement, stockpile report, pursuant to section 4 of the Strategic and Critical Materials Stockpiling Act, Public Law 520, 79th Congress, and in accordance with Reorganization Plan No. 3 of 1953; to the Committee on Armed Services.

1773. A letter from the Acting Secretary of the Interior, transmitting a proposed concession permit with Benjamin Buchanan, which, when executed by the Superintendent, Coulee Dam National Recreational Area, Wash., will authorize him to provide a marina service for the public at Coulee Dam National Recreational Area, during a 1-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1774. A letter from the Secretary of Commerce, transmitting a draft of a proposed legislation entitled "A bill for the relief of Georgge T. Moore and Carl D. Berry"; to the Committee on the Judiciary.

1775. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Charlie Toy also known as Kwan Fat (file A-8932746), involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this service; to the Committee on the Judiciary.

1776. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes"; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of April 18, 1956 the following bill was reported on April 20, 1956:

Mr. ROONEY: Committee on Appropriations. H. R. 10721. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2021). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of April 19, 1956 the following bill was reported on April 21, 1956:

Mr. FALLON: Committee on Public Works. H. R. 10660. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes; without amendment (Rept. No. 2022). Referred to the Committee of the Whole House on the State of the Union.

[Submitted April 23, 1956]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on House Administration. Senate Joint Resolution 150. Joint resolution to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors; without amendment (Rept. No. 2023). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. Senate Concurrent Resolution 55. Concurrent resolution to print for the use of the Senate Committee on the Judiciary copies of certain hearings and reports of the Internal Security Subcommittee of the Judiciary Committee of the Senate; with amendment (Rept. No. 2024). Ordered to be printed.

Mr. HAYS of Ohio: Committee on House Administration. Senate Concurrent Resolution 62. Concurrent resolution to print as a document a pamphlet entitled "A Handbook for Americans"; without amendment (Rept. No. 2025). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of April 18, 1956, the following bill was introduced on April 20, 1956:

By Mr. ROONEY:

H. R. 10721. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

[Introduced and referred April 23, 1956]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 10722. A bill to reclassify plastic clothespins in the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. BERRY:

H. R. 10723. A bill to authorize the conveyance to the former owners of mineral interests in certain lands in North Dakota, South Dakota, and Montana acquired by the United States under title III of the Bankhead-Jones Farm Tenant Act; to the Committee on Interior and Insular Affairs.

By Mr. COON:

H. R. 10724. A bill to provide for the conveyance of certain real property of the United States to Klamath County, Oreg.; to the Committee on Government Operations.

H. R. 10725. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 10726. A bill to provide for adjustments in the lands or interests therein acquired for the Buford Dam and Reservoir, Ga., by the reconveyance of certain lands or interests therein to the former owners thereof; to the Committee on Public Works.

By Mr. DINGELL:

H. R. 10727. A bill to amend the Internal Revenue Code of 1954 to establish corporate tax rates of 22 percent normal tax and 32 percent surtax, and to increase the amount of the exemption from such surtax; to the Committee on Ways and Means.

By Mr. DOLLIVER:

H. R. 10728. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. FOGARTY:

H. R. 10729. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRIEDEL:

H. R. 10730. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAYWORTH:

H. R. 10731. A bill to establish a plan and appropriate procedures for the promotion of employees of the Government on the basis of merit; to the Committee on Post Office and Civil Service.

H. R. 10732. A bill to provide for the protection and conservation of national soil, water, forest, and wildlife resources, to provide additional public recreation areas, and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. HINSHAW:

H. R. 10733. A bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HORAN:

H. R. 10734. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a domestic parity plan for wheat; to the Committee on Agriculture.

By Mr. KEOGH:

H. R. 10735. A bill to amend the Internal Revenue Code of 1954 to provide for the allowance, as deductions, of contributions to medical research organizations; to the Committee on Ways and Means.

By Mr. KING of California:

H. R. 10736. A bill to amend the public-assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska:

H. R. 10737. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a domestic parity plan for wheat; to the Committee on Agriculture.

By Mr. PELLY:

H. R. 10738. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. SIMPSON of Pennsylvania:

H. R. 10739. A bill relating to the method of allocating tax liability of an affiliated group of corporations for purposes of computing earnings and profits; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H. R. 10740. A bill authorizing the Administrator of General Services to transfer certain property to the District of Columbia and to the Department of the Interior to be available for park and recreational purposes, including the construction of a National Memorial Stadium; to the Committee on Government Operations.

By Mr. AUGUST H. ANDRESEN:

H. R. 10741. A bill to establish a program of survival food depots in order to provide subsistence for the large numbers of the civilian population of the United States who would be evacuted from the devastated areas in the event of attack on the United States; to the Committee on Agriculture.

By Mr. BEAMER:

H. R. 10742. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. BROOKS of Louisiana:

H. R. 10743. A bill to amend the National Service Life Insurance Act of 1940 to permit the renewal of certain policies of insurance; to the Committee on Veterans' Affairs.

By Mr. DONOHUE:

H. R. 10744. A bill to provide for national flood insurance and reinsurance, and for other purposes; to the Committee on Banking and Currency.

By Mr. FINO:

H. R. 10745. A bill to amend the Postal Field Service Compensation Act of 1955 to change the position of order filler from level 2 to level 3 of the postal field service schedule; to the Committee on Post Office and Civil Service.

By Mr. KING of California:

H. R. 10746. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission, to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. RUTHERFORD:

H. R. 10747. A bill to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes; to the Committee on Foreign Affairs.

By Mr. YOUNG:

H. R. 10748. A bill to amend the Strategic and Critical Materials Stockpile Act (50 U. S. C. 98–98h), with respect to transfer of bartered materials to supplemental stockpile; to the Committee on Armed Services.

By Mr. GWINN:

H. J. Res. 608. Joint resolution proposing an amendment to the Constitution of the United States relative to taxing and spending powers; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. Con. Res. 233. Concurrent resolution to create a Joint Committee on Civil Defense; to the Committee on Rules.

By Mr. CELLER:

H. Res. 481. Resolution to continue in effect House Resolution 190 and House Resolution 386, 83d Congress; to the Committee on the Judiciary.

By Mr. DODD:

H. Res. 482. Resolution to express House disapproval of anti-Christian terror and persecution by Communists of the Ukrainian Christians; to the Committee on Foreign Affairs.

By Mr. McCORMACK:

H. Res. 483. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relating to withdrawal of land in Saline Valley in Inyo County from the public domain for use as an aerial gunnery range; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 10749. A bill to validate a patent issued to Carl E. Robinson, of Anchor Point, Alaska, for certain land in Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. FRANCES P. BOLTON:

H. R. 10750. A bill for the relief of Dr. Franklin Fu-Yen Wang; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 10751. A bill for the relief of Valeriana O. Albisua; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 10752. A bill for the relief of Antonio Lopez; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 10753. A bill for the relief of Wha Dee Loo, his wife, Margaret Chan Loo, and their three minor children, Mary, Josephine, and John Loo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

940. By Mr. BURDICK: Petition of Ralph H. Oehlke and 45 other residents of Enderlin and Sheldon, N. Dak., urging immediate enactment of a separate and liberal pension

program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

941. By Mr. BUSH: Petition of Edward L. Snyder and 44 other veterans and citizens of Williamsport and Lycoming County, Pa., urging the immediate enactment of a separate and liberal pension program for veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

942. Also, petition of Ralph Paternostro and other veterans and citizens of Williamsport, Pa., urging the immediate enactment of a separate and liberal pension program for veterans of World I, their widows and orphans; to the Committee on Veterans' Affairs.

943. By Mr. WOLCOTT: Petition of Henry B. Williams, of Anchorville, Mich., and 44 others, urging enactment of legislation providing for a separate and liberal pension program for veterans of World War I, their widows and orphans; to the committee on Veterans' Affairs.

944. By the SPEAKER: Petition of the secretariat, the council of State governments, the National Association of Attorneys General, Chicago, Ill., petitioning consideration of two resolutions adopted April 11 by the subversive activities committee and the executive committee of the association concerning a proposed amendment of section 2385 of title 18 of the United States Code, having to do with concurrent jurisdiction of the States in the field of sedition and subversive activity; to the Committee on the Judiciary.

945. Also, petition of Leodegario M. Radaza, LaPaz, Leyte, Philippines, requesting reexamination and consideration of his claim for compensation pertaining to the death of his father, the late Leoncio A. Radaza, a veteran of World I; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Results of the Questionnaire Mailed to Northern Virginia

EXTENSION OF REMARKS
OF
HON. JOEL T. BROYHILL
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a tabulation of the votes I have received from the 10th Congressional District of Virginia in response to a questionnaire.

During February and March of this year I mailed 107,200 questionnaires to all legal residents of my district distributed as follows: Alexandria, 25,000; Arlington, 40,000; Fairfax, 40,000; Falls Church, 2,200.

The following letter accompanied the questionnaire:

DEAR NEIGHBOR: In accordance with my established policy, I am again consulting with you on major legislative proposals which may be considered by Congress in this session. Your advice through past questionnaires has proven extremely valuable to me as your Representative and I would be grateful if you would again take the time to let me have the benefit of your views on the 10 questions listed on the reverse of this letter.

As you well know, there are far more than 10 major issues to be decided upon by Congress. However, these are important ones on which I would particularly like to have your opinion. I believe these are questions which vitally affect us as individuals, as citizens of northern Virginia, and as citizens of the United States.

With knowledge of your thinking on these questions, I am confident I will be better able to represent you not only on these issues but also on the many other decisions which will be made in the House of Representatives.

Please indicate your vote by checking the proper space on the opposite side and return it to me at Post Office Box 1300, House of Representatives, Washington 25, D. C., at your earliest convenience. Your cooperation and assistance in this matter will be greatly appreciated.

Approximately 15,000 replies have been received and I am very grateful at this fine indication of the interest taken by the residents of northern Virginia in their Government. I have congratulated them on their unusual awareness of the acute problems facing the Nation and their community. The low percentage of "no opinion" ballots and the high percentage of total returned are both tributes to the civil responsibility and participation of citizens in this area.

In addition, thousands of those who responded took the additional time and effort to enlarge on their views by letter and comment written on the questionnaire blank. These have indeed been of value to me as their Representative and are being considered along with the tabulations.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

	Favor	Oppose	No opinion
1. A reduction in Federal taxes this year even though it might mean an operating deficit and an increase in the National debt	16.6	79.5	3.9
2. Continued foreign economic aid	57.2	33.2	9.6
3. Federal financial assistance to the States for school construction	65.2	27.9	6.9
4. President Eisenhower's Soil Bank Program and continuation of flexible farm price supports, in an effort to reduce the $8 billion surplus and increase farm income, rather than the high rigid support program	76.7	9.6	13.7
5. Proposed Federal super interstate highway construction program	76.9	13.9	9.2
6. Federal Government participation in a nationwide health insurance program	42.0	45.7	12.3
7. Liberalization of the McCarran-Walter Immigration Act	31.9	45.9	22.2
8. Postal rate increase as recommended by President Eisenhower to assist in cutting down postal deficit (now over $1 million per day) and improve the service and facilities	77.7	17.0	5.3
9. Creation of a Metropolitan Washington Authority to operate and improve transportation, airport, and harbor facilities in this area	72.3	12.5	15.3

The following question applies only to Federal employees:

10. There are two principal proposals to increase annuities of Federal employees. These are listed briefly below. Please check the one you prefer:

(*a*) Inclusion of old age and survivors insurance (social security) coverage with the civil service retirement plan as proposed in the Kaplan report 17.0

(*b*) Change the method of computation within the framework of the present civil service retirement system in order to increase the benefits 83.0

Croatian Independence Day

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. FEIGHAN. Mr. Speaker, on Sunday, April 22, I took part in ceremonies in Cleveland, commemorating the 15th anniversary of the national independence of Crotia, at which Msgr. Tomislav Firis was chairman.

We Americans will never forget that during World War II our airmen who were shot down over Croatia found the Croatian legions true friends and protectors from the enemy. The same Croatians legions under the leadership of General Mikhailovich established and maintained an underground railway through which our airmen escaped from Croatia to the free world. It will also be recalled that when the Communist occupiers of Yugoslavia captured General Mikhailovich and were preparing to execute him, American veterans of that theater of war protested these actions and sought to prevent the murder of General Mikhailovich. All freedom-loving people were sad upon hearing the news of the murder of General Mikhailovich by the Tito Communists. These are some of the reasons, in addition to our basic political beliefs, which compel us to support the cause of the Croatian people in their aspirations for national independence.

Under leave granted, I include my address delivered at the Croatian Independence Day celebration:

I am very happy to be here with you today and to join with you in commemorating the 15th anniversary of the establishment of the independence day of Croatia.

As most of you know, I have, throughout my entire public life, stood for and advanced the policy of equality for people and for nations. In more recent years, I have led the fight in Congress against all forms of colonialism which today enslave nations and people.

Communism is, by its very nature, imperialistic, predatory, and inhuman. The two outstanding examples of imperialism and colonialism at work in the world today are found in the Russian Communist Empire and Tito's Communist Empire. The Soviet Union has long been called the graveyard of nations. The nations of central Europe were added to this graveyard of nations during and following World War II, but Yugoslavia is also a graveyard of nations. Tito's Yugoslavia enslaves 4 distinct nations and 1 of them is the Croatian nation whose independence day we honor today.

Croatia has every right to be independent and free of the Communist chains applied to it by Tito. We Americans believe in the principle of national self-determination for all people. We, therefore, believe the Croatians are entitled to national self-determination. It is a certainty that if the Croatian people were allowed to express their views today, they would be solidly against Tito's empire and in favor of a free and independent State of Croatia. Even Tito is aware of this fact, and accordingly, he will do everything in his power to prevent the world from knowing about the heroic struggles of the Croatian nation to regain its national independence.

I again assure you that I shall continue to support, with all the vigor at my command, the right of all nations to self-determination, independence, and self-government. I shall also continue to fight against all forces that deny any people these natural rights. I shall continue to do what I can to expose Tito for the Communist stooge and Russian agent that he really is. The only loyalty Tito has is to the Russian Empire and the world domain of communism. He and the conspirators who surround him are no different than the evil men who live in the Moscow Kremlin. Both are equal evils and threats to the cause of peace.

Excerpts From the Remarks of Speaker Sam Rayburn, of Texas, at the Woodrow Wilson Centennial Dinner, Saturday, April 21, 1956

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. ALBERT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following excerpts from the remarks of Speaker SAM RAYBURN, at the Woodrow Wilson centennial dinner, Saturday, April 21, 1956:

Tonight we honor Woodrow Wilson, the first effective great liberal to occupy the White House in the 20th century. Woodrow Wilson should be with us again at this hour. We need again his great soul and his stern voice and prophetic insight into the troubled hearts of men and the tremendous affairs of nations. In his first inaugural, I was a freshman Congressman, and the words he spoke then come back to me again in this hour and are applicable to much that is happening among us today. He said:

"The great Government we love has too often been made use of for profit and selfish purposes, and those who used it have forgotten the people."

Under Wilson's leadership we Democrats determined that this should not be a nation of giant machines overshadowing men. We decided that machines were made for men, and not men for machines. He said, "We must believe the things we tell the children."

Once the Republicans had a liberal in the White House—Theodore Roosevelt—but he was not effective. He had his troubles with the old guard Congress.

The Republicans now have in the White House a man who has indicated liberal tendencies, but the old guard Republicans in Congress have done little but thwart them. As always, when they are in control of the executive branch of the Government, the Republicans are content with the status quo, nullification, and negation.

I am speaking from a position of personal knowledge. We Democrats in Congress have had a difficult time in getting the Republicans to go along with a modicum of President Eisenhower's legislative program when he advocates Democratic measures in the interest of the people.

The Republicans are boasting privately to their big-business friends that they are responsible for defeating their President's proposals while at the same time they are proclaiming to the public that we Democrats are doing nothing to put through his program.

The truth will out sooner or later. Meantime, it appears to me that the Republican President has little discipline in the rank and file of his forces.

The Republicans are not even in step with their Commander in Chief.

The Republicans have not changed in a hundred years. They still have the old Hamiltonian theory that the way to make the country prosperous is to make the rich very rich and that prosperity will trickle down to millions of workers and farmers.

Many of us have been around here for a long time and we have been waiting for the Republican trickle-down theory to trickle down to us.

Our Democratic theory is, and always has been, that the way to keep the country prosperous is to assure the working man, the working woman, and the farmer the earning power and the purchasing power to produce prosperity for all.

Our theory proved right in 20 years of Democratic administrations. We raised the national income from $39 billions in 1933, when we took over, to $290 billions in 1952.

The tremendous prosperity that the Republicans are now boasting of could not have come about if we Democrats had not laid the sound foundation for it during the 20 years we were responsible for the destiny of our people.

Certainly there has been nothing in the Eisenhower program that could have laid the basis for this prosperity. The Eisenhower administration has not originated any major change. About the only think it can claim is that it asked for and has been granted extension of programs instituted originally in the Wilson, Roosevelt and Truman administrations.

But the Republican brand of prosperity, and the Republican policies of administration, have developed certain weaknesses. The major one, of course, is the plight of the farmers. Every depression has been preceded by a drop in farm income.

And there are other indicators: The growing number of failures of small-business enterprises and the current drop in home construction, to mention only two.

Now everyone remembers that during the 1952 campaign, the Republicans went all over this country talking about Democratic programs being socialistic. They implied, at least led the people to believe, that they were going to rip our programs out of the Government by the roots.

I challenge any Republican, in any position of responsibility from the President down, to point to a single major law that we passed in 20 years, that they have even proposed to repeal.

So, I say, if the Democratic enactments were socialistic in 1952, then they are socialistic today, and that if the Democratic Party was socialistic in bringing them into effect, then the Republican Party is equally socialistic in keeping them on the statute books.

No, the Republicans have not had the temerity to attack our programs directly. But I'll grant this—they have through negation and nullification, prevented our programs from protecting small business and the farmers.

In contrast, they have done much for big business, as all Republican administrations have done in the past.

They have encouraged mergers of businesses.

They have fostered concentration of wealth into a few huge corporations, and have permitted the big ones to gobble up the little ones. This occurred not only in business but in farming. Under the Eisenhower administration we have seen millions of small farmers leave the soil. The family farm, in contrast to the corporation-owned farm, is one of the bedrock foundations of our social system and the American way of life. The Republicans are making its survival more and more difficult. We have seen many small businesses sell out to octopuses that stretch their tentacles into the lives of communities far afield.

The Eisenhower administration has turned its back on the farmers in the face of conditions that forecast the loss of prosperity to many. It seems to ignore the fact that the net income of farmers declined from more that $14 billion in 1952 to around $11 billion last year. Furthermore, the Eisenhower administration, through Secretary Benson, has made the city populations believe that the farmer is responsible for his cost of living. That is just not so. The price spread between producers and consumers is growing under policies of this administration.

That Republican policies are bad for this country has been proven time and again. It was proved before Woodrow Wilson was elected President in 1912. I was here when that great liberal and genius of democratic government was inaugurated. The country, after many years of Republican big business, including a panic, was in dire straits. Millions were idle. Farmers were broke. Our foreign trade had fallen. Businesses were closing.

In 10 minutes, I cannot even list briefly the many peacetime accomplishments of the Wilson administration. But the Congress passed Mr. Wilson's Underwood Tariff Act, that restored export markets for our farm and industrial products. It approved the Clayton Antitrust Act, to set standards for enforcement of the Sherman Act; and took the management of the Nation's money from private individuals by establishing the Federal Reserve System, a financial agency that has stood the test of our times.

In Mr. Wilson's own words: "The control of the system of banking and of issue which our new laws are to set up, must be public and not private; must be vested in the Government itself, so that the banks may be the instruments, not the masters, of business and of individual enterprise and initiative."

Through the great wisdom and vision of Woodrow Wilson, this Nation made a transition from a primarily agricultural nation to the industrial age. He saw the need for a national highway system, of a merchant marine, aid to farmers, protection of workers through shorter hours and higher wages. These accomplishments were coupled with the 16th amendment to the Constitution, which made possible the graduated income tax based on the "ability to pay," and the 17th amendment, which made the Senate, as well as Members of the House, subject to the democratic process of direct elections.

The Federal Trade Commission, the Federal Tariff Commission, and the Federal Power Commission were instruments of good government created in the Wilson era to protect trade and the natural resources of the Nation.

Woodrow Wilson led us through World War I, and upon its successful conclusion, he went to Europe with his great conception of a league of peace.

Isolationism, emerging from Republican spawning grounds, arose to defeat this high aim of a man who gave his life for his cause.

Wilson's dream of world peace—theretofore unparalleled in the concept of man, died with his prediction that if the United States did not join with the Allied Powers, the world would again be plunged into conflagration within 25 years.

The Wilson concept resulted in the United Nations after the second great war. Our Presidents Roosevelt and Truman cemented this organization in the scheme of the world's peace plans.

No one can say that in the 20 years that our party governed this Nation, that we did not bring prosperity out of chaos; that we did not give this Nation the strength to make it the most powerful on earth.

When the Republicans took over in 1953, our foreign policy was respected throughout the world. We had prevented the Communists from taking over Europe and the Middle East, and we stopped them in Korea.

Our foreign policy was condemned in the 1952 campaign by the Republicans. Now it is not known here or abroad exactly what our foreign policy is. Under the Eisenhower administration, there is the utmost confusion, and it is evident, despite all the State Department propaganda and conflicting statements, that we are losing ground and losing friends in world affairs to a nation that harbors only ill will toward us.

I regret to say that in my opinion, the way this administration has handled our foreign affairs, the free world stands in the direst danger it has ever faced.

We Democrats must unite for the forthcoming campaign for control of our Government. In the words of Woodrow Wilson, the people will not give a divided political party the responsibility of running the Government. If among us there are different views, let us compose them among ourselves and not let our political opponents use our intraparty differences to defeat us.

I believe the Democratic Party is the best party to govern this Nation in the days ahead. Woodrow Wilson believed, as did Roosevelt and Truman, that our party was the best equipped in philosophy and character to do so, because our party has the ability and vision to see into the future and find solutions to meet the needs of our people.

The Highway Bill

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 23, 1956

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following brief summary of contents of H. R. 10660, new highway bill.

The highway bill, to be reported on the floor of the House shortly is H. R. 10660. This is a combination of H. R. 8836, the Fallon bill, which is the highway authorization bill reported by the Public Works Committee, and H. R. 9075, the revenue raising bill, the Boggs bill which was reported by the Ways and Means Committee. The first title of H. R. 10660 relates to the authorization as contained in the Fallon bill as amended.

PRIMARY, SECONDARY, URBAN

Sections 101 through 107 of the bill are approximately the same as the 1954 Highway Act which deals with the primary, secondary, and urban systems of roads as now in effect, with the exception that the funds involved are increased in the new legislation. The amount authorized for the primary, secondary, and urban systems, in addition to the $700 million already authorized for 1957 by the 1954 act is increased by $25 million.

It is established as the intent of Congress that starting in 1957 and continuing through 1969 the total amounts intended for the primary, secondary, and urban systems be progressively increased in the amount of $25 million per year. Thus the total Federal funds involved for these systems during this period is $11,375,000,000.

CONGRESSIONAL REVIEW

It was the opinion of the committee that the Congress should review every 2 years the authorization on the primary, secondary, and urban systems.

Included in the sections up to 107 are increases for forest highway roads, trails, national parks, and so forth, and also some clarifying amendments relative to Indian land and other Federal domain roads. These sections also include a $30 million authorization for an emergency fund for highway repairs in disaster areas.

INTERSTATE SYSTEM

Section 108 to section 201 deals with the interstate system as set forth in H. R. 8836, the Fallon measure as amended. The authorizations of this section establishes a Federal expenditure, over the 13-year period 1957 up to and including 1969, for the Interstate system of $24,825,000,000. The matching as it deals with the interstate system is 90 percent Federal funds and 10 percent State funds. In reality the total expenditure of the two programs as far as Federal funds are concerned is approximately $36,500,000,000.

MAXIMUM AXLE WEIGHT LIMITATIONS

In the bill will be found new subject matter relating to Federal axle weight limitations on vehicles using the highways. From available information, and taking into consideration the sponsor of the amendment, it would be my opinion that it was submitted upon the recommendation, and with the approval of, the trucking industry. This section would deny Federal funds to the interstate system in any State which permits single axle loads in excess of 18,000 pounds or tandem-axle loads in excess of 32,000, or which exceeds present State statutory regulations in effect July 1, 1956, whichever is the greater. The enactment of this provision will not deprive any vehicle of any legal right it presently enjoys. It is an effort on the part of the Federal Government to insure that the highway facilities to be constructed with this large sum of Federal money shall serve out their economic life and not be prematurely destroyed by excessive loads and the question of safety for the traveling public shall be properly recognized. The bill takes into consideration the research that is now going on, the results of which will be known to Congress not later than March 1, 1959, and instructs the Secretary of Commerce to make recommendations to the Congress not later than March 1, 1959, with respect to maximum desirable dimensions and weights of vehicles using the public highways.

REIMBURSEMENT FOR CERTAIN HIGHWAYS

The bill contains a section instructing the Secretary of Commerce to do necessary research regarding reimbursement of funds by the Federal Government to those States that have completed sections of the interstate system whether toll or free, subsequent to August 2, 1947, and meeting standards required on the interstate system and to report to the Congress his findings not later than January 2, 1958. It was recognized by the committee that possibly there was equity in the reimbursement feature but sufficient factual data was not available to permit the establishment of a fair formula either in dollars or miles credited.

PREVAILING RATE OF WAGE

The bill contains a provision for bringing under the provisions of the Davis-Bacon Act contract work performed on the interstate system. This provision requires that the Secretary of Labor determine the prevailing wages to be paid on all contracts involving interstate sections of the program.

RELOCATION OF UTILITY FACILITIES

The bill as written sets forth that whenever a State shall pay for the relocation of utility facilities necessitated by the construction of a project in the Federal-aid primary or secondary system, or on a national system, Federal funds may be used to reimburse the State for such costs in the same proportion as Federal funds are expended on the project. The term utility includes, publicly, privately, cooperatively owned utilities, which, of course, includes sewer systems, water systems, gas, telephone including REA, light and power. This leaves the determining power entirely in the hands of the States.

FREE COMPETITION

Other provisions relate to the filing of periodic reports on the progress of the interstate system; the use of rights-of-way incident to the interstate system and provisions which will insure that the users of the interstate system will receive the benefits of free competition in purchasing supplies and services at, or adjacent to, highways in such system;

CHECK BY CONGRESS

The bill provides that departments and agencies of any State and the executive branch of the Government shall furnish to the Committee on Public Works of the Senate or the House, or a subcommittee of each, such information as may be requested relating to the construction of the new interstate system.

TITLE II—REVENUE FEATURES

It corporates the recommendations of the House Ways and Means Committee as contained in H. R. 9075 by Congressman BOGGS. This revenue section, which in all probability will come to the floor of the House under a closed rule, contains provision for a 1-cent gas tax increase; a 1-cent diesel and special fuels increase; a 3-cent increase on all rubber used by highway vehicles; 2-percent

ad valorem tax increase on trucks, buses, and trailers—which makes a total of 10 percent as now being paid by automobiles.

The bill places a new tax of 3 cents a pound on camelback or retreading material and a new permit fee of $1.50 per thousand pounds on vehicles in excess of 26,000 pounds.

The total yield anticipated from the revenue measure over a 15 year period is approximately $38 billion. It is to be noted that nonhighway users on all of the above taxes are exempt.

This revenue section recognizes the withdrawal from general revenues after July 1, 1957, of one-half of the total yield of the 10 percent ad valorem tax on trucks, buses, and trailers and the total yield of the rubber tax on tires and the assignment of these revenues to the highway program. Prior to July 1, 1957, the revenue measure recognizes the dedication of only the 2 percent increase in ad valorem tax on trucks, buses, and trailers and the 3 percent increase in rubber taxes.

This means, in a general statement, that a large amount of money that is now going to the general revenue fund will be designated to the highway trust fund after 1957.

PAY AS YOU GO

After study and attempting to analyze whether or not the revenue raising feature will meet the authorization, it is the considered judgment that in the overall program we will be short about $3.5 billion. However, it is the belief that possibly this amount can be collected by increased sales and use of the highways so I think, in all fairness, it should be said that the revenue bill as submitted by the Ways and Means Committee and incorporated in title II of this bill will meet the authorization and expenditures as set forth in title I.

In summary, the proposed legislation has the merit of providing for review by the Congress and the correction of any inequities that may develop as the program progresses. The bill is not perfect but I think the general public wants a highway bill and, in my opinion, the controversial features contained in this legislation are the results of various segments of our society compromising to obtain that which the people are asking, namely, better roads.

Pulaski League of Nassau County, N. Y.

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 23, 1956

Mr. DEROUNIAN. Mr. Speaker, due to previous commitments, I was unable to speak before the Pulaski League of Nassau County at New Hyde Park, on April 22, 1956. My friend, Mr. Louis S. Backiel, an outstanding American of Polish ancestry, appeared in my stead and delivered my address, which is as follows:

> As you know, this is the first annual banquet of the Pulaski League of Nassau County. I want to welcome you to it in the hope that this banquet is the first of a long series of get-togethers.
>
> This social and fraternal organization is performing a very much needed service. It is helping and encouraging Americans of Polish descent to get acquainted with their local and State leaders. To know their local and State leaders is the duty of every voter, because it is at the local level that political campaigns are won and American Presidents elected.
>
> Your State and local leaders are as important to you as the national representatives that you send to Washington. I congratulate Americans of Polish descent for supporting so strongly such an organization as the Pulaski League of Nassau County.
>
> Many, perhaps all of you people here tonight, have relatives and friends in Poland. And I know that you will want to hear how President Eisenhower and his supporters feel about that unhappy country, especially now that the Soviet leaders are trying to sell their "new look" to the free world.
>
> In the first place, no matter what you read in the papers, or hear from opposition sources, President Eisenhower is not fooled by the smiling faces which Khrushchev and Bulganin are now showing the world.
>
> And he is not going to believe that they have had a change of heart until they free all the satellite nations, and most especially Poland.
>
> You know, of course, under whose administration Poland was first sold to the slavery of the Iron Curtain.
>
> But one thing is certain, if Polish history—a history of incredible heroism and fortitude—means anything, it means that Poland will be free again.
>
> The Polish will to be free surpasses any love of liberty shown by any other European nation in world history.
>
> Those famous words, "liberty or death," well might have been spoken by the combined voice of the Polish people.
>
> And I say this to Messrs. Bulganin and Khrushchev, "As long as the Polish nation is kept in slavery behind the Iron Curtain, you are holding to your bosoms a dagger that will eventually destroy you. You cannot enslave the unconquerable Polish spirit. You cannot make henchmen of souls whose longing for freedom transcends their passion for life itself."
>
> President Eisenhower and his administration inherited the present Polish tragedy. They cannot undo this dreadful wrong overnight. But, they are not fooled by the honeyed words now coming out of Russia. They are not fooled by the current destruction of the myth of Stalin. They have known all along that Stalin was the bloody murderer he is now proclaimed to be.
>
> They know that the present leaders of Russia were his followers while he lived and so are as guilty as he was.
>
> They will not weaken in their stand against Russia until the Iron Curtain is destroyed and Poland a free nation once again.
>
> President Eisenhower is the first President in over 20 years to face Russia boldly. His Cabinet members reflect in their speeches and actions that strong bold policy.
>
> Secretary of State Dulles proclaimed that for aggressors, we had up our sleeve the ace card of massive retaliation. He proclaimed for all the world to hear, that in the event of aggression anywhere in the world, we meant to use massive retaliation.
>
> As a result, the Korean war was ended and Russian aggression brought to a halt. For the first time in over 20 years, communism was stopped dead in its tracks. History has shown that all dictatorships hold the seeds of their destruction. The moment they stop growing, they start to decay. We are determined to stop the growth of the Communist evil—we are determined that bit by bit, the Iron Curtain shall be rolled back. We are determined that 1 day Poland shall be free. To that end I pledge my labors in your behalf.

Federal Taxes

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, April 23, 1956

Mr. CURTIS of Missouri. Mr. Speaker, under unanimous consent, I insert in the CONGRESSIONAL RECORD a speech which I delivered before a Conference on Management and Taxes held by the American Management Association at the Plaza Hotel, in New York, on April 20, 1956:

> Last year a subcommittee of the Joint Committee on the Economic Report conducted a study of our Federal tax policies as these policies relate to economic growth and development. There were two things unique about this study. First, the venture of a congressional committee into an area of what might be termed philosophical political science. Second, the method of conducting the study. I have used the word "study" to describe the procedure adopted by the subcommittee. It was not an "investigation" nor a "hearing" as these congressional committee procedures have come to be known. Yet it contained elements of both. In April 1955 in preparation of the studies the staff of the subcommittee prepared a list of names of some hundred students of taxation and economics, men in the academic world, in the business world, in labor and in agriculture. The subcommittee agreed upon the names of around a hundred persons chosen from this list and from additional suggestions received. Invitations were extended to these experts to come to Washington in May to go over with the subcommittee the project in mind. Around 70 of the persons did appear for a briefing with the subcommittee.
>
> The broad topic was divided up into subtopics and each person was assigned to a subtopic within a subtopic. A great deal of attention was paid to the individual person's suggestion of proper subtopics and to his choice of subtopic he would like to develop.
>
> Each person was asked to prepare a paper on his subtopic to be ready for printing by the first part of October. The purpose was to have all of the papers printed together and circulated among all of the 84 persons who participated in preparing papers and the members of the subcommittee. This was done, and I might say this thousand-page volume of prepared papers has become a best seller in the Government Printing Office.
>
> In early December panel hearings open to the public were conducted on the papers by the subcommittee. The subtopics were grouped under chapter headings as appears in the printed document containing the papers. Those persons having papers covered by a subtopic heading appeared together on the same panel. Each person was given introductory time to point out the highlights of his paper and to comment upon the highlights of his fellow panelist's paper. The

subcommittee members then began interrogating the panel upon their papers and invited further participation by the panel in questioning their fellow panelists.

The fact that the written papers had been available sufficiently ahead of time so that the subcommittee members and the panelists had a chance to read and to study the papers made these panel hearings vigorous and meaningful. These printed hearings, of course, are also available to the public and students of this subject.

The subcommittee reached some conclusions in a brief report it made on these studies. One of these conclusions, in my opinion, had more to do with keeping the subject of tax reduction out of the political arena this second session of the 84th Congress than any other single thing. The subcommittee concluded unanimously, as did most of the panelists who discussed the subject, that during an expanding economy, with times good and the Federal debt at the height it is, any excess of revenues over expenditures should be used to reduce the Federal debt rather than to reduce taxes.

However, it was not the conclusions that the subcommittee reached that appears to me to be the most important or the most significant thing about the subcommittee's work. The most significant thing is that a decision was made to study this area objectively through the procedures of a congressional committee. That decision proved to be practical and of tremendous value to our knowledge of this important subject. I think it is very important that this work be continued by the subcommittee and that other areas of economic-political operations be subjected to a similar technique of study. A study of international trade or of the economics of our domestic agriculture industry along these lines would be of inestimable advantage to coming up with intelligent solutions to the problems that exist in these areas.

There is ample room for drawing up sides along political lines after an objective study has been made. In fact, after an objective study has been made the areas of proper disagreement are sharpened. But above all, the loose demagoguery that exists where ignorance exists will be lessened considerably. The demagoguery that presently exists in the nationwide public discussion of the agricultural industry and the political programs in relation to it has its roots in ignorance. Playing upon ignorance through the emotions certainly will harm, not help, our society in solving the farm problems or any other problems.

So it could have been with tax cutting in the 2d session of the 84th Congress. We could easily have picked up where we left off in the 1st session of the 84th Congress by appealing to this group or that group in suggesting tax cuts here or tax cuts there. There is ample room for real political differences on the subject of our tax laws; I am satisfied with the studies of the subcommittee available to the Congress and the people, intelligent political lines can be drawn on the subject of the kind of tax laws we should have. It is interesting to note that the preconceived lines of political differences in this area have been to a large degree dissipated simply by casting knowledge on the subject. It will take a little time, I suggest, before we do draw up political differences.

I hope the time will be soon because I believe that through the two political parties taking positions which differ on important issues the matters best can be discussed publicly and resolved intelligently.

With this lengthy introduction I want to discuss some of the basic things that were brought out in our studies of the economic effects of Federal taxation. Neither the staff of the subcommittee nor my colleagues quite agree with the conclusions I am going to express.

I want to start the discussion by referring to the title adopted by the committee for its study, "Federal tax policy of economic stability and growth," This was not the title I suggested at the time I was urging these studies to be made and a subcommittee established to make them. The title I used and still like to use to refer to these studies is: "The economic effects of Federal taxation."

The difference in these two titles reflect a basic difference in political philosophy. The overtones in the title "Federal tax policy for economic stability and growth" imply that the Federal tax policy can be used deliberately by the political government to promote economic stability and growth in our society. Many of the papers presented by the panelists assumed without posing the question that the Federal Government deliberately should use its taxing power to promote economic stability and growth. There is another political philosophy however which says, granted that any tax or any system of taxation has economic effects and so affects economic stability and growth, nonetheless the purpose of taxation should remain solely that of raising revenue, therefore the tax or tax system which has the minimum effect on the economy is the better, to that extent.

It can be argued in these days of high Federal expenditures brought on primarily by the carried over costs of World War II and the present high cost of military preparedness in the cold war era, that the difference in approach does not affect the results. In other words, our tax take being as high as it is has a very great impact on our society whether we regard the taxing power as solely a method of collecting revenues or whether we regard it as also a proper tool for intentionally producing economic results. Granting that the tax take has this impact, under either theory it would be the proper objective to set up the tax structure to produce the maximum amount of stability and growth in our economy.

The difference lies, perhaps, in the frame of mind one has toward the amount of governmental expenditures. The person who looks upon the taxing power as an affirmative means for affecting the economy recognizes that the larger the tax take, and the higher the tax rate the stronger is the taxing power as a device for affecting the economy. Accordingly, he views the amount of governmental expenditures with equanimity. If he is a Fabian Socialist he actually pursues the course of bringing about greater governmental expenditures because he pursues two concurrent courses. The more Government spends, whatever the purpose, the greater control the Government has over the economy through the control of expenditures; likewise the more it spends the greater the taxes and so the more effective is this other powerful weapon of governmental control. This is not just two courses moving in the same direction; it has a built-in spiraling effect. The more functions the Government assumes, which is synonomous with the Government spending more money, the less functions private enterprise assumes. Private enterprise is the tax base, so as Government expands in ratio to the overall economy, private enterprise or the tax base ratio declines. As the tax base declines, the tax rate must increase in order to maintain the same high tax take. It is essentially the tax rate which provides the energy for the control the taxing power exerts over the economy.

Let me illustrate. What would be the effect of a certificate of necessity if the corporate tax rate were 20 percent instead of 52 percent or what would its effect be if all corporations were permitted to set up their own depreciation schedules for tax purposes? The certificate of necessity is a neat, effective way of producing a direct economic result, i. e., the building of a new plant for a specified purpose. The advocates of private enterprise have not been alarmed at the use of the tax power here because they see in it a less dangerous procedure, to their way of thinking, than direct subsidies or even more dangerous of direct participation by the Government.

I used the illustration of the certificate of necessity out of the many illustrations I could have used, for a specific reason. I wanted it to be quite clear that the use of the tax power to produce economic effects has about it a great attractiveness. It is neat, quiet, easy to administer, and effective It is a constant temptation for Government officials to resort to it. Let me illustrate further. Farmers ought to build more ponds on their farms. The Government, instead of persuading through education or ordering through police powers, simply presents an attractive offer—if you do build ponds you can take a tax deduction. The attractiveness of the offer is directly in proportion to the rate of the tax from which exemption is granted.

By referring to many of the beneficial uses of the taxing power to produce economic effects we easily could come to the conclusion that the taxing power should be used deliberately to produce certain economic results including providing for more stability and growth in our economy. Of course, we could look at other economic results the taxing power has produced and begin to wonder. For example, I believe that the excess-profits tax did more to hurt and stunt the growth of small and new industries than any single economic or political thing. I believe the double taxation of the corporate form of doing business has done more to hurt the growth and stability of corporations than any single thing, by placing, as it does, a premium on financing expansion through debt or retained earnings instead of through floating new equity issues.

Much of the economic effects of our tax structure has not been planned. In fact, our subcommittee studies revealed that not only had the effects not been planned, in most instances the effects were unknown, and even with our studies the effects remain unknown and only give rise to dispute as to what they really are. However, everyone agreed that the effects are considerable and that the proportionately great tax take of today lies at the bottom of the effectiveness of the tax structure on our economy.

However, there are certainly those who would like to engage in economic planning, and for their purposes the Federal political government is the best place to do the planning. The dispute that arose over the use of a single word in the Employment Act of 1946 which created the President's Board of Economic Advisers and this Joint Committee on the Economic Report brings out this fact forcefully. The word in dispute was the adjective "full" used to modify the noun "employment." The word finally adopted in the Employment Act was "maximum." Now what is the difference between saying that the Federal Government shall do all in its power to produce full employment instead of maximum employment. The use of the word "full" imposes upon the Federal Government the responsibility for employment of its citizens rather than upon private enterprise. The adjective "maximum" means "fullest attainable" and, therefore, raises the question of what is attainable. Raising this question throws into discussion the question, How do we maintain employment of our citizens? Through the private economy regulated by the political government or through the political government? Persons like myself, who believe that the only way to continuing growth is through the trial-and-error methods, which I regard in economics as synonymous with private enterprise, maintain that private enterprise is the only way to maintain maximum employment over a period of years, and that at best all the Federal Government can do is to assist from time to time on short-term programs and help on long-range programs by preserving a system of free and true competition.

The argument over the responsibilities of private enterprise and political government for the employment of its citizens was brought out to some degree at the time the ILO set out its bill of rights among which was the so-called right to work. This is certainly a brave new world, if we have decided that we know enough about sociology, economics and psychology that we can have political governments guarantee "the right to work." Our constitutional forebears were more humble in their day when discussing the right to happiness, they limited the Government guaranty to the right to pursue happiness. So I would suggest that we are only at the stage of human knowledge and development that we can talk about granting the right to pursue full employment. That means that Government's role is ancillary. That Government can set up rules of procedure for its citizenry in the economic fields which if followed would permit every one to receive his just dues from the sweat of his brow.

But to get back specifically to taxes. Aside from the implications brought to light about the use of the taxing power there were two other basic matters about taxes brought to light. Like the first factor which I have been discussing the other two require considerably more thought and study than have been given them.

The first matter is inflation. Our panelists who discussed what inflation is, under my questioning agreed that in essence inflation is a form of taxation. It takes purchasing power from the individual and transfers it to the political government. Of course, if the Government is essentially a creditor and not a debtor this would not be the effect, but this is certainly an academic point in modern times. Perhaps in any times because political government by its nature will be always a debtor to its citizens.

But inflation also transfers purchasing power from one citizen to another. Now what has this to do with a discussion of our overall Federal tax structure and its economic effect? There are two basic things I want to point up. First, though inflation is a way of federally financing projects, it is a good way? Second, after reviewing the thousands of requests for changes in our present tax laws to bring about what is always referred to as equity and fairness I have concluded that 90 percent of these present-day inequities arise from the tax of inflation. For example, the cry about "locked in" investments stems largely from the effects of inflation on our other tax laws. The change made in our tax laws to permit homeowners to sell an old house to buy a new one to escape the tax on the capital gain from the sale, the extra exemption given to people over 65 because after all those on retirement and other fixed incomes were the ones hit the hardest by the inflation tax, the problems of business inventories and the use of LIFO, the present problems of tax treatment of replacement of capital equipment, the general problems involved in capital depreciation are all examples of inequities brought about by the tax of inflation.

I am satisfied that if we would trace through most of the recent requests for tax relief we would find that they have their origin in the economic effects resulting from our Government's resorting to the tax of inflation to finance World War II.

When all is said and done I believe one of the most important principles that any Federal tax policy must follow is to preserve the integrity of the dollar. Just as the standards of our weights and measures used in evaluating physical lengths, widths, thickness, quantities, and bulk must be kept exact and constant so must our standards for evaluating economic events and economic trends be kept exact and constant. The dollar is the most important of all the measuring standards in the field of economics. A tax system that fails to protect the exactness and constancy of economic standards cannot promote real growth and stability in an economy.

The third matter is as basic as the question of the use of the tax power and the question of the use of inflation as a method of taxation. The third matter has to do with the taxation of two different dollars, the consumer dollar and the investment dollar. This was a matter consciously posed by many of the committee's panelists. Organized labor's panelists expressed the view that our present tax structure was hitting the consumer dollar too heavily and that it was the plentitude of the consumer dollar that lay at the base of any expanding economy. That given the consumer dollar the investment dollar would always appear. In other words, given the demand for production the capital formation necessary to provide the production would be forthcoming. Organized labor's panelists expressed the thought that obviously the tax on the investment dollar was not excessive, because we were doing all right, but that to continue to do all right we had to continue to relieve the consumer dollar from the burden of taxation.

However, labor's spokesmen failed to appreciate, it seems to me, that when consumer demand outstrips production inflationary forces are created which can become strong enough to break through any governmental system of brakes and controls to produce full-fledged inflation which is, of course, essentially a consumer's tax. The investment dollar, unfortunately, does not always flow to areas where there is a consumer demand. Even if there are plenty of investment dollars the channels may be clogged by governmental action. Furthermore, there is such a thing as clogging up the source itself. Right at the present time we have been experiencing a demand for cement, glass, steel, nickel and other metals and basic materials which is greater than the production facilities. This could be the result of tax deterrents on the investment dollar. I'm not sure that it is, but I emphasize, it could be.

Industry's spokesmen argued that the investment dollar was being too heavily hit now and that there was not sufficient capital formation to bring about the continued growth and stability we should be able to look forward to in our economy. It was pointed out that around $14,000 capital investment is needed to keep one man employed in our American society of today, and that multiplying out the increasing labor force in America from population increases the necessary capital formation to keep labor employed did not seem to be in the offing.

One factor in this discussion was not fully touched upon in my opinion. After all, what is a consumer dollar can be shifted readily to an investment dollar, and likewise what is an investment dollar can readily be shifted to a consumer dollar. The determination of what is to be a consumer dollar or an investment dollar lies in the psychological makeup of our 165 million people. Obviously as long as basic living needs must be fulfilled for a person, that person is not going to convert his dollar into an investment dollar. Equally obviously, if the Federal Government taxes the investment dollar too heavily there will be considerable incentive to convert it into "living it up" as my kids now term it.

I want to mention another factor which seems to me is basic but was only touched upon in the hearings by my line of questioning of the panel witnesses. I was disturbed to conclude from the answers I received to these questions that not very many people had been thinking about the position Government capital formation has been playing in our present-day economy. A discussion of this factor will bring me right back to the beginning of my talk. The labor economists said there was adequate investment capital available because we were doing all right. The industry economists said maybe so, but if we need $14,000 capital investment to provide a job for each person coming into the labor market in the future we had best take heed now.

Now I pose the question, has there been sufficient private capital formation in the immediate past to carry forward our economy and to build solid growth? The housing industry has grown to a large extent on the basis of Government capital formation, not private capital formation. Certainly FHA and VA guaranties and Fanny Mae and most of the other Government housing programs are indirect financing. But what industry can operate without the economic function of insurance being performed by some capital formation? In my panel questioning to bring out my point, I referred to an insurance function being performed in the private economy which is a type that Government today is constantly performing in other economic areas without much comment. This particular operation, I might add, is one of high speculation and not of conservatism as we in this country have come to view the insurance field. I referred to the commodity exchange. To illustrate, Purina Mills, located in my district, is a big buyer of grain, but Purina in its operation wants to minimize the speculation involved in the cost of the grain it must buy * * * the grain futures market, private speculators, performs this economic function—this insurance function for it.

In other words, the question is: How much capital formation required to support our present day economy in all its varied ramifications has been supplied by the Federal Government? Until we know this we are hardly in a position of commenting with any intelligence on whether or not the investment dollar has been affected adversely by our Federal tax policies.

The argument for 20 years in the congressional committees and on the floor of the House has been, private enterprise isn't doing the job, the performance of the job is a social necessity, therefore Government must move in to do the job. Whether you talk about rural electrification, housing, medical attention, building municipal food markets in Philadelphia, the pleas are all this way.

Now there can be two basic reasons why private enterprise is not doing the job: (1) Because private enterprise lacks the initiative to do it, or (2) because Government through its own policies has hampered private enterprise from doing the job. Shut off speculative capital and you can cut off private endeavor most effectively. Again, this is part of the Fabian Socialists plan. Emphasize the social need for the service (and this can be built up emotionally by the demagogues to a point where it gets beyond all control), hamper private enterprise from doing it, then cry Government must do it.

To a degree, I am a liberal Republican but I have had little chance to demonstrate it since I have been in Congress. I am perfectly willing to have the Federal Government perform certain economic needs for our society provided (1) the need is clear, (2) private enterprise is not fulfilling the need, and (the point always overlooked in these discussions) a study reveals that private enterprise cannot fill the need, (3) that Government's entry is on an emergency basis and that plans simultaneously are set up to eliminate the reasons which have prevented and do prevent private enterprise from doing the job.

I am regarded as a conservative because with my small and to date ineffective voice I continue to harp on the last point. I shall close upon it. The question is: How does our Federal tax system hamper the economic growth and stability of our economy? And how can we reduce such hampering to the minimum? The question is not how does our Federal tax policy promote economic growth and stability and how can we increase that promotion. In my judgment, herein lies the solution to our problems of providing maximum employment and maximum happiness for our people, for the answers to the attainment of both our economic and spiritual values lie in providing the maximum amount of freedom for the individual person in his society.

Plans Completed for 1956 Congressional Tour of New York City and West Point, May 11, 12, and 13

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. VAN ZANDT. Mr. Speaker, plans have been completed for the annual congressional tour of New York City and West Point for May 11, 12, and 13 for Members of both branches of Congress and their families. The annual tour provides for 3 glorious days in New York at a cost of $37.50 for adults and $32.50 each for children between the ages of 5 and 12 years.

So that the membership may have some idea of the schedule of events for the tour, the following itinerary will be of interest:

Schedule of Events

Friday, May 11: 9:45 a. m. daylight time we leave Washington via Pennsylvania Railroad (please note change in leaving time). Luncheon will be served in dining car. We arrive New York Penn Station at 1:45 p. m. daylight time and immediately board motor coach for tour of lower New York, including a stop at city hall for reception by the mayor, Hon. Robert F. Wagner. We also stop at the United Nations for a 1-hour tour. We arrive at the Paramount Hotel at about 5:30 p. m. daylight time. At 6 p. m., cocktails and buffet dinner will be served in the Oceanic Room off the lobby to the left of the elevator. The evening will be open for Members to attend the theater or enjoy the bright lights of Broadway.

Saturday, May 12: 8 a. m., motor coaches will leave for La Guardia Airport where the American Airlines will serve us breakfast in the air—plus an enjoyable air trip over the city of New York, the Hudson River Valley, the State of Connecticut, Long Island Sound, and other points of interest. Eleven a. m., motor coach will take us to the Brooklyn Navy Yard where we will see the largest aircraft carrier in the world—U. S. S. *Saratoga*. Then we step aboard the New York Port Authority steamer for trip around Manhattan with a descriptive tour of New York Harbor docks and facilities. Luncheon and refreshments will be served aboard ship. Four p. m., motor coaches will transfer our party from dock to the Paramount Hotel. At 6 p. m. cocktails and buffet dinner will be served at Hotel Pierre, overlooking Central Park. Motor coaches will transfer our party from the Paramount to the Hotel Pierre. The evening will be open for members of our party to attend the theater and other places of amusement.

Sunday, May 13: Don't forget it's Mother's Day. Nine a. m., motor coaches will take us for our visit to United States Military Academy, West Point on the Hudson. We visit the information center, the museum, Washington Hall, tour kitchens, meet cadet escorts, luncheon, USMA Library, dress parade on the Plain (weather permitting), tour of post, Trophy Point, Cullum Hall, and cadet chapel, including brief organ recital. Motor coaches to Penn Station where we meet at east gate No. 13 to await train departure at 5:30 p. m. daylight time.

I should like to emphasize that this tour is for Members of the Senate and House and their families, and reservations should be made immediately by calling Miss Patricia Bryan, extension 366 or 1830.

Outline of Thoughts on the 165th Anniversary of Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. DODD. Mr. Speaker, on May 3, freemen everywhere will salute the Polish people on the 165th anniversary of their constitution day. They do so in honor of Poland's early recognition and adherence to the principle of the equality of man.

Since that day in 1791, constitution day has been commemorated by the Polish people. It has unified the people into a nation dedicated to freedom and democracy.

It is no surprise therefore, that when the Kremlin's puppets came to power in Poland, they abolished constitution day. Moscow's puppets felt they had to destroy this proud memory so that they could trample underfoot everything it stood for.

Today, there are no constitution day celebrations in captive Poland. The equality proclaimed by the constitution in 1791, has been replaced by a police state, where Communist terror divides the people into the rulers and the ruled.

Fat Communist functionaries live in luxury, while the oppressed population lives in squalor.

The dictatorship of the proletariat, supported by slave labor camps run by the Bezpieka knows only blind obedience to the party and its functionaries.

Nowhere in the world is there less equality, greater class distinction, than in the Communist-controlled countries.

Maybe the Communist have a point when they call for a relentless class struggle. People everywhere sooner or later will join in the struggle against the most oppressive class in the world, the Communist bosses, who represent the climax of reaction.

One hundred and sixty-five years ago, the Polish Constitution called for the transformation of tenant farmers into peasants owning their own land. Today, Communist reactionaries dispossess the peasants by forcing them into collective farms.

The 1791 constitution abolished the peasant's obligation to work for his landlord. Today, the Communist state is a worse landlord, imposing compulsory delivery quotas.

This is what the Communist call progress, when they deny the people the very freedom, those rights, which they won over a century ago.

Although the Communists suppressed the celebration of constitution day, they can never suppress its spirit which lives on in the hearts and minds of the people.

Poles never bowed to foreign rule or oppression. They always stood in the front ranks of those who fight for freedom and the right of man. They fought Hitler hordes, while the Communist Red Army twice stabbed them in the back; first by invading their country, and later during the Warsaw uprising. Today, they are engaged in an equally uncompromising struggle against communism. Their resistance to the regime takes many forms and is adjusted to the ability of the individual to do his best under most difficult circumstances.

This resistance is manifest in a few overcrowded churches; in those brave escapees who cross the minefield and barbed-wire fences to reach freedom; in the parents who will not let their children forget the proud history of their country; in the millions who withstand Communist pressure and coercion in their daily life.

To all of them we here pledge that we shall support them to the best of our ability in their unceasing struggle to retain that freedom, that equality, which their own constitution proclaimed so long ago.

Bipartisanship of Slums

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. RAINS. Mr. Speaker, I heard our distinguished colleague the gentlewoman from Ohio, Hon. Frances P. Bolton, address the National Housing Conference at the recent meeting in Washington. It was a great speech. I commend it to your attention:

Bipartisanship of Slums

You have heard from the experts this morning on the subject of urban renewal and low-rent public housing. I wish it had been possible for me to share the meeting with you.

I have been given a subject that intrigues me—Bipartisanship of Slums. It is a subject on which I feel strongly.

I have long been proud of the leadership that my city of Cleveland has brought to our State and to the Nation in the long, tough attack on slums, and in behalf of better housing authority, and Ohio was the first State that put a public housing law on its books. We have been blessed with the dedicated leadership of my old friend Ernest J. Bohn, who by the way, is a former Cleveland

Republican councilman. Ernie Bohn has dealt always in human terms. This has given him the backing of community interests and leaders, businessmen and labor, Republicans and Democrats. Our accomplishments in Cleveland have been team victories. They must continue that way.

It hasn't all been easy going. We have met powerful opposition, but step by step we are winning this fight. We are winning it because we have a positive approach. We waste no time attacking those who attack us. We try to understand the needs and desires of our people, and we do our utmost to meet them. We have no faith in miracles. We know that our job is long and difficult, but so long as we unite our forces, and in our planning for each new day we rise above greed and the pettiness of partisan advantage, we know that our progress will one day bring us to our goal of an adequate home for every family in Cleveland and in America.

In the House of Representatives, where I have served since 1940, I have listened to some bitter debates on the subject of low-rent public housing. We have won some ringing victories and suffered some stinging defeats. But always we shall do well to remember that there is wide bipartisanship among both the proponents and opponents of public housing. Whenever we get into wrangles over public housing, I find myself wishing that I could take my colleagues by the hand and lead them through the jungles of the slums of our cities and let them feel and smell what it is we are talking about. Will you forgive me if I say that it always seems to me that you people who are today within the reach of my voice haven't done all that you could do back home, to bring understanding to Members of the Congress of the humanitarian programs to which you devote your lives.

You can bring a real knowledge and so a better understanding to the House of Representatives, if you will make it your No. 1 job this summer to see to it that your Representatives in the Congress know and understand the job that you are doing. Don't bother about the political affiliation of your Congressman, or how he has voted in the past. Think of him as just another good American who wants more than anything, to represent honestly and well all the people of his (or her) district. We Congressmen are just ordinary folk! We are your next-door neighbors. If we fail to seek your counsel, provide it freely anyway, and do it when we are at home where we can see and feel what it is of which you speak. No Member of Congress is too busy to find out how his constituents live.

I was impressed with President Eisenhower's forthright message to this, your 25th annual meeting. Let us repeat what he said: "Our Nation's progress in the housing field must continue. To renew our cities and towns, to prevent and clear slums, and to raise the living standards of all our families, the individual citizen, the community, the State, private industry, and the Federal Government must work together. Such cooperation is exemplified in communitywide programs for urban renewal that have been generated by the Housing Act of 1954.

"I am confident that in the years ahead your Conference will continue to give strong support and encouragement to this common effort."

You are called upon by our President, for continuing support and encouragement. I have read the administration's housing proposals for 1956, as introduced by Senator Capehart in the Senate, in which he was joined by request by Senator Sparkman, and by Representative Widnall in the House. I am aware that the National Housing Conference has taken the position that the administration's recommendation of 70,000 units of low-rent public housing to be contracted for over the next 2 years, is inadequate as weighed against the housing needs of families of low income. It is not my wish to discuss statistics or housing needs, but I must say one thing with all of the force at my command:

All of us know that the task of slum elimination and the rebuilding of our cities is staggering beyond belief. Our administration has shown a willingness to attack this problem in a practical way. One cannot wave away the fact that a majority of the House of Representatives has shown itself many times to be opposed to the low-rent public housing program as it presently operates. That is an unfortunate fact with which we have to deal. Yet the administration makes it perfectly clear that it will move ahead with the gigantic task of slum clearance and urban renewal. The administration also says frankly that this job cannot be accomplished unless there is some public housing to rehouse low-income families that are displaced through slum clearance. It asks for a program that it believes it can persuade the House of Representatives to approve. That means progress, not stagnation. It means that we are headed forward, not backward, and it takes us to the place where the future rests with you.

If you are right in saying that the recommended program is too small to meet existing needs, then I feel that it is your duty to prove your point with local facts and figures. I know that the National Housing Conference prepared and presented a study of housing needs, using facts from the 1950 census and other data. That was fine as far as it went. It was an excellent statistical document presented by a national organization. It was helpful to those of us who are on your team anyway, but far more than that is required if we expect to achieve any kind of a balance between authorized programs and need.

National figures are interesting, but before I can do anything about it, I have to know Cleveland's situation from the mayor, the housing officials, and from civic leaders. I need to see the actual conditions under which some of our citizens have to live. My colleagues from Georgia, Texas, California, Massachusetts, and New York need to know the same thing. How can those of us who are on the Hill really know the situation except through you? We in Congress should not be called upon to ask you, and somebody in Washington shouldn't have to do the job for you.

If what the administration is asking is too small; if the cities of our Nation demand more in order to do a job that is essential to the welfare of our people, then tell us the facts and do it quickly, because time moves ahead relentlessly. That is my message for you.

I am almost envious of the opportunity that is yours to help destroy slums, and to help create communities in which millions of American families can find a new way of life and prepare themselves to graduate as full-fledged members of our proud, self-supporting, economically free body politic. It was my great privilege to spend many years in the field of social service and education, specifically in public health nursing and in nursing education. I began right in the districts where life is hard and the light of hope is often very dim. I speak from personal experience, and from a full heart. I believe I understand your objectives and your problems. It is this that brings me here.

To me, the so-called housing problem is a composite of many things. It is complicated, because it is so personal. It is related to a vast range of intensely human problems that confront not only slum dwellers, the aging, veterans, minority groups, but all of us, every day that we live.

The housing problem cannot be explained away with easy clichés: the greedy landlord, the maniac tenant who destroys property for the fun of it, the slum dweller who would put coal in the bathtub if he had one; or the slick mortgage-foreclosing banker versus the poor widow, nor the Communist agitator versus the strong, sturdy, upright private enterpriser.

Housing is so much more than just the fact that you can't find a place to live; it is all tied up with the problem that when you do find a proper house, you may have to cut down on food to pay for it—and then lose it anyway when you are unemployed for a few months. Or it may be quite simply that you can't afford a house with a back yard when the children are young and need the space and the sun, but must wait till you get that raise and the doctor's bills are paid * * * and by that time the children have grown up. No matter how dearly you love your parents, living together in a crowded flat often stretches your patience and theirs beyond the breaking point.

Housing is doubling up and sharing the bath and cooking over a hotplate. It is why so many young people, who got married in a romantic rush during war years, couldn't turn their marriage into something solid and enduring and so took the only way out that they knew: separation-divorce. It is why colored and whites throw rocks at each other in some overcrowded cities where otherwise there seems to be a general and sincere desire to get rid of discrimination and live peaceably with your neighbors whoever they may be.

Housing is the fire that trapped a sick woman in the old three-decker, the bowed legs and pale face of the little girl in the tenement, the epidemic that started in the shacktown with no sewerage connection, the boy gang in the alley aping the older gang in the pool room * * * and it is the cost of all of these things to taxpayers and society as a whole, against which we all rebel.

Housing is the fact that, even if there were no shortage and you had plenty of money, you would have to choose between renting a noisy apartment in a crowded neighborhood, or buying a suburban house that is pleasant and open, and an hour from your work where you can't find a place to park.

Housing is the fact that the house and the neighborhood you used to take pride in are now run down, undesirable for anything but cheap boardinghouses, funeral emporiums and quack doctors; it is finding a place with a nursery school nearby, a place where older children won't have to cross dangerous highways or pass filthy dives. It is the fact that dirt and noise and danger, dreariness and high tax rates made you move to the suburbs, but that did not improve the conditions you left behind. Housing is the fact that your child in the suburb and the child in the slum or low-rent housing project tend more and more to see only their own class and kind, in a country whose historic strength is a lack of built-in class barriers. It is one reason why the farmer's wife grows old before her time and his children go to the city, where they won't have to thaw out the pump on zero mornings. It is why the big producer cannot get enough men to pick his crop before it rots. Housing is people, and all of their problems and frustrations. Housing is also their dreams, their hopes, their prayers which all too often end in anguish and despair.

You are brave people indeed to devote your lives to an effort to help solve our housing problem. You have become dedicated people. You know as few do that human problems are common problems which cannot be solved except as a completely bi-partisan task. You are dealing with all kinds of people, and with all of the emotions of the human race. May Heaven grant you ever-increasing understanding and wisdom as you continue with patience and determination toward our common goal.

It is thrilling to know that you are making progress, for you are. We, on Capitol Hill want to help. We need your guidance, your advice and the facts that only you can give. Where Federal aid is required to find the answer to this complicated problem it must and will be forthcoming. Keep your courage high. I suggest that the people are on your side.

Perhaps the Housing Act that will pass in 1956 will not be all that you desire, but I predict that one will pass and that it will mark progress toward the goal that we mutually seek. I express the hope that the National Housing Conference will continue its long fight for slum clearance and better housing. When you meet 25 years from now to celebrate not 25 but 50 years of public service, I feel certain that you will be able to look back and say: "It has been a long, steep road, but we have never ceased to climb."

Once more I venture to predict: That when most of America is properly housed because of the work that has been done by Republicans and Democrats together in true bipartisanship the deeper meaning of freedom will be brought home to all who can call themselves Americans, and our wonderful representative Republic will be the symbol of men's understanding of those basic human needs which mean growth and happiness and peace.

Russian Communism Versus Human Freedom

EXTENSION OF REMARKS

OF

HON. MICHAEL A. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 23, 1956

Mr. FEIGHAN. Mr. Speaker, under leave granted, I wish to insert in the Record an address I delivered in Cleveland, Saturday evening, April 21, at the State of Ohio Catholic War Veterans' 11th Annual Convention, held at the Hotel Carter, on "Russian Communism Versus Human Freedom":

It is a great pleasure for me to be with you this evening. I know how each one of you is guided by an unswerving love of God and country. By the very nature of your organization, it is immediately apparent that you are concerned with the preservation of Christian civilization and the American way of life.

I know too that the hardships of life which so many of you have endured in support of those noble ends have taught you the necessity of understanding the forces of evil at work in the world and the folly of looking at the world arena through rose-colored glasses. All of this, of course, gives me assurance that you expect me to talk right from the shoulder and put before you the facts as I know them with respect to the status of Christian civilization and the American way of life, together with an estimate of the prospects for the future.

As a starting point, we might ask ourselves—what is the greatest, the fundamental issue facing all mankind today, and then we should ask ourselves—is this issue the greatest one which confronts all the American people? The need to maintain a healthy and prosperous agricultural economy is certainly an important issue. So also is it important to have an adequate housing and health program throughout the country. No one can deny that we must assure a strong and healthy climate for the growth of organized labor and the free-enterprise system. Most people recognize the need for us to forge ahead in the development of peaceful uses of atomic energy in order that our people may fully benefit from the great scientific advances and the bounties of nature of our generation. Important as each and every one of these issues are, I believe that none of them is the basic or fundamental issue facing our civilization. I believe that the gravest issue of our times is summed up in the case of Russian communism versus human freedom. This issue is all the more fundamental to the American people because the ominous threat of further Communist aggression has caused us to drain from our national resources each year, upwards of $40 billion to keep us in a state of preparedness and to provide our allies the wherewithall to defend themselves against the predatory Russians. If this issue could be resolved beyond any doubt and human freedom would emerge as the sturdy victor, much of these public funds which now go to national defense could be directed at the happy resolution of the other important issues which I have cited. Moreover, the taxpayer could be given a long overdue relief because it is a fact that over 60 percent of the tax dollar must now go for national defense.

I believe on the basis of this logic, that the central issue of our times is the case of Russian communism versus human freedom.

We Americans have been hoping and praying that communism with all its evils and threats to the peace could be banished from the face of the earth. Communism carries with it the seeds of its own destruction, but it appears that the small, tightly organized regime which controls the lives of the people who inhabit one-third of the earth's surface, is well cemented in the Kremlin. Moreover, that group of criminals is now embarking upon a new type of warfare against all civilization. I speak of the Communist claims to "peaceful coexistence" with free nations and people of the world.

On the one hand the Kremlin, through its vast network of propaganda organs, is seeking to convince people everywhere that it seeks peaceful coexistence as a means of relieving world tensions. The Russians hint that they believe in a policy of live and let live. The late Communist Dictator Stalin is now being defamed and undeified by the very men who, for several decades, were his eyes, ears, and willing accessories in carrying out a long list of crimes against humanity. It seems there is no extreme to which the present directorate of world communism will not go to gain acceptance of their proposal of peaceful coexistence.

There are people in our midst today who unfortunately are willing to accept the Communist overtures for peaceful coexistence. Such people attempt to deceive us into believing that the conspiracy of world communism has undergone fundamental changes since the death of Stain. They say that the day of the one-man dictator has ended and that a new day has dawned over the empire of communism in which collective rule will reduce the outrageous inhumanities of the past. These people hold the unfounded conviction that changes can be effected in the basic nature of communism by the process of evolution. Some are so imbued with this false notion that they predict that within 25 years communism and human freedom will fuse and then evolve into a utopia here on earth.

There are others who hold that so fundamental are the changes now taking place within the Russian Communist empire, as to give hope that the tyrannical rule of communism may be superseded by some new type of government. This new type of government might be similar to the court of the czars, and the likelihood is presented that the so-called military career men will occupy the throne. It is in these circumstances that Marshal Zhukov is now being presented to the American people as the hope for the future, the key to peace, or the balance wheel against those elements in the Communist conspiracy which have been responsible for armed aggression and open war.

We must also recognize that the Russian leaders are quick to take advantage of any opening in the armor of the free world to advance their nefarious cause just as we must be willing to recognize that certain Western leaders have been made unwitting helpers in the present Kremlin offensive of peaceful coexistence.

You will recall the story that was prevalent immediately before the so-called Geneva Conference to the effect that Anthony Eden had to commit himself to such a meeting in order to assure victory at the polls in the British elections. As a result of that Geneva Conference the Russian leaders, Krushchev and Bulganin, are now in Great Britain where they are certain to do great harm to the free world alliances and to further delude the unsuspecting into believing that they are not the arch criminals who were in fact associated with Stalin in his reign of terror over the preceding 20-odd years. I cannot constrain myself from saying that there are some politicians and pseudo statesmen who consider no price too great to pay, either by them or by their native land, in order to win an election.

The evidence as to whether or not the Russian Communists have undergone any fundamental changes following the death of the Dictator Stalin is overwhelmingly conclusive that no change whatever has taken place as to policy or worldwide objectives. The goal to communize the world and to make abject Russian colonies out of every nation of the world remains unchanged.

The Communist determination to use any and all means to destroy civilization and to replace it with the rule of the jungle remains unchanged. There has been a slight shift in Communist tactics calling for louder talk about peace, disarmament, coexistence, and open competition with free governments. The noisy little Russians have proven themselves experts in this field.

The Communist doctrine of peaceful coexistence was originated by the first Communist dictator, Lenin. Twenty-five years ago the official line on peaceful coexistence was laid down by a disciple of Lenin, Dimetry A. Manulisky. Here is what he said:

"War to the hilt between communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years. To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep. So we shall begin by launching the most spectacular peace movement on record. There will be electrifying overtures and unheard of concessions. The capitalistic countries, stupid and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down, we shall smash them with our clenched fists."

That Communist doctrine has not been altered one iota since the day it was uttered. Communist Party boss, Khrushchev, in a speech before the so-called 20th Congress of the Communist Party during February of this year, restated and confirmed that basic doctrine when he called for a greatly stepped up propaganda, economic, political, and cultural offensive against the free world. He clearly stated that the usual methods of violence would be used only in those countries where the resistance to communism is strong and that the Communist take-over of the neutralist nations could be easily accomplished by what he described as "parliamentary methods" and the deception of the popular-front type of government. For countries well informed on the truth about communism, he ordered an increase in internal subversion through the Communist Party Cadres already organized for that purpose, in order to bring about conditions of extreme violence and lawlessness. It is apparent, therefore, that the United States is marked for violent treatment by the conspiracy of communism rather than the conciliatory and friendly approach the Kremlin leaders have been claiming so loudly of late. Khrushchev, speaking for world communism, removed any hopes there may have been for an end to the cold war and made it clear beyond any reasonable doubt that the Communists are convinced they are movng into an advanced stage of their blueprint for world conquest. To accomplish these objectives all Communist organizations, agents, and fronts have been ordered by Communist Party boss, Khrushchev, to "intensify our efforts in Communist education of the masses and in eliminating the survival of capitalism in the minds of men, make fuller and more active use, to this end, of all the ideological media—propaganda, agitation, the press, radio, cultural and educational organizations and institutions, science, literature, and art."

Amidst the high degree of organized confusion which has descended upon our Nation and other free nations as a result of the campaign for so-called peaceful coexistence being carried on by the noisy little Russians, and the subterranean efforts on the part of some American to secure peace at any price, the true nature and the hideous record of communism seems almost obliterated. The public mind is diverted from the cruel facts and directed toward an illusion of peace. The outstanding accomplishment of the Geneva Conference in my opinion was to humanize the evil little despots who reside in the Moscow Kremlin. Through the Geneva Conference the blood of millions of martyrs was wiped from the guilty hands of Khrushchev, Bulganin and company. The vast benefits which derived from the campaign of truth in which the United States engaged for so many years were brushed aside in one sweep of a hand, grasping a martini cocktail and raised up in a display of comradeship with communism. Bulganin has since reminded the world that the spirit of Geneva gave birth to the martini road—the road to a life worse than death.

I should like to make it clear that I believe President Eisenhower sought the opposite results in Geneva. I am reasonably certain he is as unhappy about the results of the so-called summit as you and I are. But the fact remains that the advisers around him, who should have known better than to lead him into an impossible situation with the Russians, cannot escape responsibility for the terrible setback to the free world and the cause of a just and lasting peace.

Despite the Russian camouflage and the barrage of words supporting the allusion of peace, the record of communism stands as an indelible mark on the conscience of all mankind. This record cannot be brushed aside by pleas for peaceful coexistence or by the clinking of martini glasses, even if those martini glasses are held by the chiefs of state of the western powers.

The evil record of communism must be righted else all mankind will pay a frightening price.

The ugly earmarks of communism are many, and the record of its inhumanities over these past 38 years, if put side by side, would overflow the largest archives in this country.

I believe it will be useful to discuss what I consider to be the outstanding characteristics of communism in practice.

The first is that communism, in order to survive, must destroy whatever civilization it occupies. Communism cannot afford honest and open competition of any type.

Communism still holds to the goal of a utopia on earth, and that utopia is the graveyard of nations. To the communists, all sense of nation and nationhood must disappear and be replaced with a faceless society in which the Russians will be the elite and all else will be hapless slaves.

Man is considered nothing more than an animal, to be used by the state as the state alone sees fit. To the Communist, man has neither dignity, destiny, nor a hereafter.

Man-made famines in which millions of people are caused to die are considered a necessary step toward communization of the world. This accounts for the man-made famine in the Ukraine in 1932–1933 and in Turkestan in 1934, which brought about the death of over 5 million human beings.

The crime of genocide was born and perfected under communism. This is the crime of liquidating an entire nation by the process of forced deportation and dissemination to the four winds. This accounts for the destruction of the Crimean Tatars, the Chechen-Inguish, and the Kalmuk nations, in the course of 24 hours by the cruel process of forced deportation of these people to the barren reaches of Russian Siberia.

Mass murder is a standard practice of communism. In cases where towns, villages, or large areas openly resist communism, mass murder generally follows. For example, the Vinnitzia massacre in Ukraine in which the leaders of a whole region were all executed and buried in mass graves.

The deportation and murder of leadership elements in the nations occupied by communism is standard practice. It is a known fact that whenever Russian communism occupies a country, the first step undertaken by the tyrants is to round up the leaders in all walks of life. These leaders are then deported to slave labor camps in Russia under circumstances in which husband is separated from wife, and children are separated from parents. Specific evidence to this point is provided in captured secret Russian MVD Order No. 001223, signed by General Serov, and carried out in 1941, which seta forth detailed instructions on who was to be rounded up in the Baltic States and how their cruel deportation was to be carried out in the darkness of the night. This is the same General Serov who only several weeks ago was sent by Khrushchev and Bulganin as their trusted friend, to make advance security arrangements for their visit to Great Britain. Another case in point is the infamous Katyn Forest massacre, in which over 10,000 Polish officers, the cream of Polish manhood, were murdered by the Russians and buried in mass graves. These are only two examples of Russian methods used to destroy leadership elements of the nations they occupy or intend to occupy. There are hundreds of others. As a member of a congressional investigating committee, I heard, here and abroad, sworn testimony by eyewitnesses to the inhumanities of communism.

Brainwashing is a new and evil science developed by the Russian Communists as a means of advancing their objective of world empire. This technique has been applied both to individuals and to entire nations. It is standard operating procedure with Communists everywhere. The Russians taught it to their stooges in China, who then applied it to American prisoners of war, missionaries, and other American civilians living in Red China. The Russians also taught this evil technique to their stooges in Hungary, and other captive nations as evidenced by the farcical trial of the beloved Hungarian patriot, Cardinal Mindzenty.

Still another example of brainwashing on a mass scale is evidenced by the techniques of the Russian Communists of calling for peace one day and engaging in threats of armed aggression the next day. By the constant pounding of the slogans of peace and war, peace and war, and peace and war, they hope to break down the resistance of the free people and utterly confuse the nations of the free world.

To me, the standard symbols of communism are, on the one hand, a murder victim with a bullet hole in the back of his head, hands tied by wire behind his back, dumped into a mass grave; and the other is the statue which stands in Moscow of a Russian teen-age boy, who was made a Soviet hero because he betrayed his father to the secret police for withholding grain from the farm collective and for attempting to interest his son in religion.

For the next several weeks our press will likely carry feature stories about the visit of Communist Party boss Khrushchev and "Charlie McCarthy" Bulganin in their tour of the British Isles. No doubt considerable space will be given to the statements made by both these jolly conspirators as they make pleas for a lessening of international tensions, the need for immediate disarmament, and devious pleas for peace—Russian style. We may be certain that the two Russian circus performers will get their deceptive message across to vast numbers of the people of Great Britain and other countries of the free world despite efforts of the British Government to prevent this tour from becoming an overt propaganda campaign.

That is the way the free press works and that is the calculated plan of the Kremlin leaders to use the free press to carry their false message to unsuspecting millions throughout the world.

The British once proudly claimed that the sun never sets on the British Empire. I believe it would be most appropriate at this time for the British to point out that the only real colonial empire left in the world is that of the Russian Communists and the sun never rises over any part of it.

An effort has been under way for some time here in the United States to smooth the way for a visit by Marshal Zhukov. The Red Army has been described as a new force emerging within the power struggle in Moscow. The false notion has been advanced that somehow the Red army is to be distinguished from the criminal conspirators in the Kremlin, and that the Red army leaders are free from the many sins of the elite class of communism. Zhukov himself has been built up in this country as the one likely to emerge as the strong man of the Soviet Union. By a strange process of reasoning, he has also been built up as a hoped for guardian of the peace. Neither one of these assumptions can be supported by facts. To begin with, the Red army and its commanders are as integral a part of the international Communist conspiracy as is the MVD, the MGB, the Russian diplomatic corps, and the Communist Party in the United States. All of them are dedicated to the singular goal of communizing the world. None of them have differences as to how this goal shall be accomplished. They all subscribe to the belief that any and all means must be used to attain the goal of world empire. Zhukov has no more freedom of individual action than Molotov, Molotov has no more freedom of action than Mikoyan, and so it is with any and all of the Communist oligarchy.

Yet, with all of this, there are disturbing signs that Zhukov may be invited to visit our beloved country sometime in the late summer or early fall to be given the welcome of a comrade in arms. His visit may even be scheduled as a personal one, and the fulfillment of a hope that he expressed in the flush days of victory shortly after the fall of Berlin. Whatever the reason or the climate engineered for this visit, in the background will be draped the illusion of peace.

I am sure the American people do not want peace at any price. I am certain that the building of false illusions of peace can lead us nowhere except to a cruel and devastating war. I remain convinced that we can only prevent war and find the way to just peace by adopting a course of action which excludes the use of rose-colored glasses in charting that course.

I believe that we must maintain a completely adequate and battle-ready national-defense force. That force must be buttressed by the maximum utilization of all the scientific advances which will give us assurance that we can quickly and completely defeat any enemy who attempts aggression or, indeed, the destruction of the United States. I believe that it is imperative that we stand by our proven allies, that we extend to them necessary military and economic assistance so that they will be strong allies when needed. I believe equally that we must not squander our great natural resources upon nations whose reliability is questionable and who have yet to prove their friendship for the United States springs from allegiance to those great moral and political truths which have inspired mankind down through the ages. I believe it is flirting with disaster to engage in any trade whatever with the Russian Communist Empire, which, in my judgment, includes Communist occupied China. I also believe that the United States Government must undertake an all-out campaign to accomplish these two objectives on a worldwide basis—

1. To inform all the people of the world concerning United States hopes and aspirations for them and our desire to bring about a genuine world peace and to restore the family of nations into which every nation, large and small, has en equal sovereignty.

2. To reawaken the conscience of all civilization to the cruel record of inhumanities which stand as the earmarks of communism everywhere it has festered and taken root. It it our moral duty as good neighbors and brothers to other people of the world to alert them to the true facts of communism and what it does to all religions, all cultures, all languages, all traditions, and every nation.

It has long been my belief that we are losing the worldwide struggle for the minds of men. This has not been the fault of any administration or any individual. It has, in my judgment, resulted from the fact that we, as a Nation, have not yet come to realize the full power of ideals and ideas when they are applied to the many medias of mass communication. We should make an honest evaluation of what the Russian Communists have done in this regard. I believe it is fair to say, in the case of communism, that never have so many people been fooled and misled by an appeal which has so little to claim or hold adherents.

For these reasons I introduced in the last session of Congress a resolution calling for the establishment of a joint committee of Congress on United States international information programs. That resolution makes clear that the time has come for us to make maximum use of an international information program in the struggle for the minds of men. I believe that Congress, through such a joint committee, can make an ever increasing contribution in the direction of a just and lasting peace and the prevention of war. I am hopeful that Congress will establish such a joint committee and that we can go forward with a winning program against the latest Communist propaganda offensive which they are carrying out under the slogan of "Peaceful coexistence."

This is a cause in which we must not hesitate. The survival of Christian civilization and the American way of life hangs in the balance. The hour is already late. I am confident that despite the organized confusion which has descended upon us, we will soon awaken to the grave danger of the latest Russian propaganda offensive and go on to win victory in this worldwide struggle of ideals and ideas.

Wheat Farmers Want the Domestic Parity Plan

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I have today introduced a bill that would incorporate in our farm program one of the desirable features of the conference report on H. R. 12 which, among others, prompted me to vote for that measure. In so doing, I am joining with our distinguished colleague, the Honorable CLIFFORD HOPE, of Kansas, who was chairman of the House Agriculture Committee in the 83d Congress. This bill has the support of the National Grange, and the National Wheat Growers' Association. I am confident that it would meet with the approval of our administration.

Wheat is one of the basic crops grown in western Nebraska, and it is the only crop readily and profitably adaptable to the soil and climate of large areas of my State. If other crops could be grown economically, I can assure you they would be grown because the farmers in my district would like nothing better than to rid themselves of Government controls.

Existing wheat programs are unrealistic and unacceptable to the farmers in western Nebraska. Their land is highly susceptible to wind erosion, and moisture is scant. It is absolutely necessary to maintain a cover on the land to prevent blowing and to catch and hold every bit of snow and rainfall; as a result, nearly every farmer follows summer-fallowing practices whereby one-half of his land must lie idle each year. The prudent farmer is severely penalized by the present wheat program because his acreage allotment has been established on the basis of the number of acres he plants, and the 2 or 3 acreage cuts decreed in past years have reduced his wheat base to such an extent that he is able to use scarcely more than 30 percent of his farmland. In the case of the small farmer this has been disastrous. This is his dilemma: If he stays in the program, his wheat base is too small to permit him to operate profitably; if he chooses to overplant, he cannot afford to pay the penalty imposed.

The domestic parity bill I have today introduced is a desirable improvement.

First, it will eventually remove the hand of the Federal Government from control of the wheat farm. The farmer would not be penalized if he plants more than the Government permits, because the Government will not be able to tell him how much he can plant.

Second, since the support program applies only to the wheat used for domestic food purposes and marketing quotas are based on annual consumption of wheat as food, the multifarious problems and the $350 million annual expense connected with storage will be sharply reduced and eventually wiped out.

Third, the supported wheat will be produced primarily for the domestic market, and not for sale to the Government. The Government will be eliminated in due time as the world's largest wheat warehousing and marketing establishment.

Fourth, the cost of operating this program will be considerably lower than the present catchall operation.

The mechanics of the domestic parity program are quite simple. On the basis of the information available to him, the Secretary of Agriculture determines the number of bushels of wheat that will be consumed in the domestic food markets in this country during the coming year. Using this figure as the base, he then establishes bushel quotas for each of the wheat-producing States in terms of their history in the preceding 10 years. County and farm unit quotas are then established by appropriate State and local organizations, using as criteria the past wheat acreages, the normal yield, crop-rotation practices, type of soil, and topography. The wheat farmer subsequently receives a marketing certificate which will assure him 100 percent of parity for this bushel quota. If he chooses to produce more wheat, it is his privilege to do so but the wheat must be sold at the market price, consumed, or fed on the farm, or stored back against future crops.

The cost of this program to the consumer of wheat products would be negligible. Prices now paid for good milling wheat traditionally exceed parity, and the wheat content of many of our staple foods contributes little to its retail cost. For example, the cost of the wheat in a loaf of bread is about 10 percent of the total. Wheat produced for sale in excess of the domestic quotas would receive no support and would have to seek their own level on the market.

This plan for wheat would dovetail nicely with the administration's soil bank; it would work exceedingly well with the bill I have introduced emphasizing the industrial use of agricultural commodities. It would serve the best interests of the wheat farmer and the general public. Surplus crops can be converted into alcohol, rubber, and other industrial items. This legislation should be adopted this year.

Speech of Hon. James C. Davis, of Georgia, in Defense of Constitutional Government, State Sovereignty, and Commonsense, Delivered at West Memphis, Ark., March 31, 1956

EXTENSION OF REMARKS
OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Monday, April 23, 1956

Mr. WILLIAMS of Mississippi. Mr. Speaker, the constitutional crisis forced on us by the Supreme Court's Black Monday decisions, and subsequent attacks upon States rights is the most serious threat to our form of government since the War Between the States. Almost equally important is the irreconcilable social problem created by these decisions, which threatens to destroy completely the peaceful relationships that have existed between the races for the last hundred years.

It has been virtually impossible for the South to present its side of the controversy to other parts of the country because of a biased press which deliberately suppresses the arguments of southern leaders.

Recently, in a speech at West Memphis, Ark., our distinguished colleague from Georgia, Hon. JAMES C. DAVIS, presented what I consider to be an irrefutable argument for the preservation of segregation, and the need for protecting the rights of the States against the unconstitutional usurpation of power by the Federal establishment. Under leave to extend my remarks in the RECORD, I include the text of Mr. DAVIS' address and commend it to Americans everywhere. Its thought-provoking contents should serve to open the eyes of those who have been blinded by the misleading arguments of South-hating propagandists:

SPEECH OF REPRESENTATIVE JAMES C. DAVIS DELIVERED AT WEST MEMPHIS, ARK., MARCH 31, 1956

I am glad to come from Washington to talk to you tonight. We have a common interest. The bold and brazen attack now being made upon constitutional government calls for organization, for unity of purpose and for unity of action.

Every Member of the House and Senate from Arkansas signed the Manifesto in Washington on March 12. It is necessary—it is imperative that you people back home be unanimous in your action. This fight has 2 fronts—the one in Washington and the one at home. On each front there must be organization, unity, and work.

The theme of the message which I want to bring to you tonight is this: The time has come for action.

We have been a tolerant people, tolerant to the point of gullibility. The average American, if given a choice between peace on the one hand, and strife on the other, will choose peace. He is long suffering. He will endure with patience an unbelievable amount of injustice and mistreatment.

In his spirit of tolerance your people and my people in the last 25 years have seen our constitutional rights whittled away little by little, and the whittling has been done by those whom we had a right to trust.

In our upbringing we were taught to respect our Government—to believe in the integrity of public officials.

Ingrained in us was the faith and confidence that the United States Supreme Court was a bulwark for the preservation of constitutional government; that it would always stand, as it had stood in the past, a fortress of strength, against which anyone would dash himself to destruction who sought to weaken or destroy the instrument of our liberties, the Constitution of the United States.

For nearly a century and a half the Court deserved the respect which it received. It justified the confidence of the people that it would uphold the Constitution and would proclaim its provisions as written, knowing that it was not in the province of the Court to change the Constitution by one jot or title, that the Court could not add anything to the Constitution or take anything from it; recognizing that if changing and modern times call for a revision of the Constitution, either great or small, then the Constitution itself declared how the change must be made.

In the structure of our Government there is no fact more certain than this; the nine justices of the Supreme Court cannot change our Constitution.

The Congress with its 531 Members of the House and Senate, cannot change it.

The President of the United States, with all his power, cannot change it.

Neither one of these alone can amend the Constitution. All three together cannot amend it.

It can be changed only by an amendment voted for by two-thirds of the House and Senate and by three-fourths of the sovereign States of the Union.

Any attempt to change our Constitution in any other manner is a gross fraud—a fraud which it is the duty of all patriotic citizens to expose and to prevent.

It was to restate, reaffirm, and support this well-known doctrine that the congressional "Declaration of Constitutional Principles" also called a manifesto, was written and signed by 101 Representatives and Senators in Washington on March 12.

We prepared and signed this document in Washington because we realize that the time is here when we must, as free men, defend the constitutional Government which is ours, or, as unworthy descendants of those who fought at Bunker Hill and Yorktown, sit by in silence and in cowardice while our hard won rights of State and local self-government are struck down illegally by the would-be social reformers on the Supreme Court.

We signed it because the time is here to defend free government, or to surrender to judicial dictatorship.

The principle involved here goes far beyond our right to operate our schools, although that in itself is a valued right, and a right we do not intend to surrender because the Supreme Court undertakes to usurp power it does not possess.

But the real issue is: Shall we permit the Supreme Court, one department of Government, whose powers are defined and limited by the Constitution, to successfully assert the power to change that precious document, by reading into it language it does not contain, and which those who wrote the Constitution and its amendments, never intended it should contain.

The question is, if changing conditions require a change in the Constitution, shall it be changed as the Constitution says, by drawing an amendment with definite and specific language, which shall receive the people's stamp of approval through a vote of two-thirds of the Congress, plus three-fourth of the States? This is the legal way.

Or, shall it be amended by the arbitrary act of nine men, to whom this authority has not been given, who are not elected, and who can in no sense of the word be said to represent the will and wishes of the people regarding amendments to the Constitution. We have amended the Constitution 22 times in the past by following legal and regular procedure. The 22d amendment was proposed in 1947 and certified in 1951. What has happened that we no longer must submit amendments to the Congress for a two-thirds vote and to the States for a three-fourths vote?

We have not yet lost this right to have a voice in adopting amendments to the Constitution, or in rejecting them. But this Supreme Court decision of May 17, 1954, is a brazen effort to destroy this right.

COURT CANNOT STRIKE DOWN CONSTITUTION

If the Court can today strike down the accepted and declared meaning of the Constitution; if it can nullify a construction on the exact point involved, which has been followed and approved in dozen of instances, by the Supreme Court itself and courts of many other jurisdictions, and in doing so rely upon nothing but its own arbitrary will, to support the decision, then it can tomorrow or next month strike down any other provision which does not conform to its sociological beliefs. While it may be Georgia or Arkansas which suffers today from such wrongful usurpation of authority, next year it may be Oregon, Maine, or Illinois.

While the subject today is schools, its next usurpation may involve taxes, or criminal law, or the right to own property. Once the precedent is established—once we have acknowledged the right of the Supreme Court to trifle with the Constitution, there is no limit to its possibilities.

Those of us who support local self-government and States rights have been slow to believe that we could lose these precious rights. We know now that we must fight for them.

There are many conditions which must get worse before they can get better. This is true because so many of us are apathetic to danger until we come face to face with it. To most of us a condition must become an emergency before we make even the first move to meet it. It is human nature not to take medicine until we get sick, although the sickness might be avoided by following some simple precautions in advance.

The segregation problem is one of those things that had to get worse before it could get better. It has now reached the emergency stage. The problem is so urgent that even the most indifferent can no longer ignore it. We can no longer shrug this problem off with the thought that it is the problem of the Federal Government, or the State government, or the school officials. It has come much closer home than that. It is my problem. It is your problem. I must do something about it. You must do something about it.

What is it that you and I must do, and do now, to save our schools, our States rights, and our constitutional Government? We must organize. We must organize with our neighbors. We must organize on the local level. We must organize on the county level and on the State level. We must present a massive, united front against the fraudulent attempt to take away from the people and the States our constitutional rights to conduct our own affairs in the way we choose to conduct them. You will find, if you have not already found it, that your neighbors are ready to organize with you, and we will have this massive, united front, if we organize with like-minded people.

Those of us who signed the Washington manifesto represent States having a population of nearly 40 million people. Do not let any loose-tongued, radical promoter of social equality tell you that this great segment of the American people, nearly one-fourth of the total, is helpless and powerless as we demand that which rightfully belongs to us. Do not let any mealy-mouthed traitor, whatever may be his motive, tell you that we must meekly accept this brazen usurpation of power as a legal exercise of its powers by the judicial department.

We are supporting a position which is sound and correct. We are supporting a position acknowledged by one and all to be sound and correct throughout the 178 years of our country's existence from 1776 to 1954—namely that the control and operation of schools belongs to the States and not to the Federal Government. Our position on local self government has been supported by decisions of all the courts during that entire period. It has been supported by the statesmen of all the periods of our history, by Lincoln, Washington, Jefferson, their predecessors and their successors.

Franklin D. Roosevelt recognized the soundness of segregation when he, in 1928, provided in a deed to land at Warm Springs, Ga., that the land conveyed should not be sold, rented, or disposed of to any Negro or other persons of African decent, or to a corporation owned or controlled by Negroes. After he became President he executed a deed containing the same provision.

The right to be segregated goes back for thousands of years before our Government was established. That right was never challenged until this present Supreme Court decided to make new law on the subject. Yet the Court is not a law-making body. Congress alone has the right to legislate and introduce new matter into the body of our law. Congress, in the proper exercise of its function, has time and time again refused to make new law on this subject. There is no question about the fact that Congress alone can change the law and that the Court cannot.

The 101 Members of Congress in the House and Senate who signed the Washington manifesto have united in this declaration which challenges the right of the Court to change our Constitution. We are unified in this matter, and are standing solidly together. If you people at home will organize and do likewise, together we will defeat this attempted usurpation of power—this attempted judicial dictatorship.

But let me warn you that the strength of the resistance in Washington will depend upon the strength of your organization at home. You cannot expect to have a unified strong front in Washington unless you have a unified, strong front at home. The vigor and enthusiasm with which this fight is carried on in Washington will depend in great measure upon the vigor and enthusiasm which you show back home.

The separate States of this Union have not been operating their State governments under any hazy misconception of powers. State and Federal officials alike have known from the beginning their respective powers, their duties and their limitations, and have governed themselves accordingly. The right of self-government belongs to you and to me under the Constitution. The 10th amendment reads:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Without this saving clause in the Constitution, it is doubtful that the States would have ratified the Constitution at all.

This is an all-inclusive, express reservation to the States and to the people of all the powers not delegated to the Federal Government by the Constitution or amendments to it.

There is nothing in the Constitution, or any amendment, which authorizes the Supreme Court to say that segregation is unconstitutional. When the Constitution was written in 1787, segregation was universally practiced. Its practice continued to be universal. The thought that the Constitution might prohibit segregation never occurred to those who wrote it or adopted it.

When the 14th amendment was adopted in 1868, segregation was universally practiced. It continued to be universally practiced. No one contended that the 14th amendment would make segregation unconstitutional. In Washington, D. C., the seat of the Federal Government, there were schools in operation, and they were segregated before, during, and after the adoption of all the amendments to the Constitution. The very Congress which voted the 14th amendment enacted legislation dealing with segregated schools in the Nation's Capital. Segregated schools continued in Washington down to the year 1954, as the Supreme Court and courts of other jurisdictions in decision after decision declared them to be constitutional. It was only in 1954 that the Supreme Court, wholly without authority, arrogated unto itself the right to change the law of the land, which only the Congress has the power to do, and to amend the Constitution, which can only be legally be amended when the amendment is proposed by two-thirds of the Congress and ratified by three-fourths of the States.

For the nine men who sit upon the Supreme Court to usurp these powers which do not belong to them, but which belong exclusively to Congress and to States, is a monumental fraud which is shocking, outrageous, and reprehensible.

Such fraudulent conduct imposes no obligation upon the States to acquiesce, or upon the people to bow the neck to this new form of tyranny.

Let me say to you, as we counsel together, do not be concerned about what is said by the Communists, the pinkos, the radicals, the NAACP, the ADA, the one-worlders, and all that motley group of crackpots who are clamoring for desegregation and mongrelization. These groups of organized minorities are chanting a chorus that opposition to the fraudulent order of the Supreme Court is defiance of law. Of course that is not true. The decision of May 17, 1954, is not law. It is an attempt to make law where none existed before, by a non-law-making body. The defiance of law comes from the other side of this dispute. It is an arrogant defiance of law for the Supreme Court to usurp authority which it does not possess.

This claim that opposition to, and criticism of, the fraudulent Supreme Court decision is "defiance of law" is a sham. It is intended to draw attention away from the truth in this matter. That truth is that the Supreme Court is boldly and brazenly attempting to change the form of our Government.

The left-wing press, left-wing columnists and writers, the left-wing commentators on television, and radio, together with all of the left-wing organizations in the country beginning with the Communists and ending with organizations that are merely crackpot, are staging a massive campaign of super-brain-washing propaganda having a twofold purpose. These purposes are, first, to sell law-abiding American people the false idea that no one has the right to question a pronouncement of the Supreme Court, and second, that those who have any pride of race are bigoted, prejudiced, narrow-minded, racists, and hate-mongers. It is almost an understatement to say that this is a massive campaign of super-brain-washing propaganda. Radical newspapers and magazines from every section of the North and East have been sending writers, photographers and columnists to bring back slanted and derogatory tales Northern white people. Some of these are false; many are half-truths; most of them are slanted. The left-wing Washington newspaper, the Post and Times Herald sent such a writer named Jim Bishop on a tour through the South to write a series of articles supporting the Supreme Court's constitutional amendment. His venom and prejudice was so ill-concealed that he was unable to do the white people of Mississippi the courtesy of referring to them as white people. He consistently and repeatedly called them "red-necks." He did, for what reason I do know, capitalize the words "red-necks." To this left-winger the Citizens Councils are cruel and brutal; the National Association for the Advancement for Colored People is a splendid organization doing a fine work. To the left-wingers who write the slush for Look magazine, organized efforts to lawfully resist a wrongful Court decision make a "pattern of definance" and bring a prediction that "the back of the rebellion will be broken." Look magazine's writer of slanted material named Joe Morschauser who went to Albany, Ga. to sympathize with a Negro soldier named Joe Foster, was dumbfounded and couldn't believe his ears when Joe Foster told him he liked Albany. Morschauser, in total disregard of truth, theatrically describes the enterprising city of Albany, which would be a credit to any section of the United States as "a pretty little town cut in half by fear, ignorance, and the remains of a dead civilization." Joe Foster, Negro, said "It's my hometown, and I'm proud of it."

Morschauser expressed surprise that Joe Foster, having lived on terms of forced equality with white people in the Army, could be so dumb as to go back to segregated Albany, Ga., and enjoy living with Negroes. Undoubtedly, Morschauser in his ignorance of human relations in the South was amazed. After reading Morschauser's article, I am convinced that Joe Foster has more sense than Morschauser. And incidentally, racial integration in the Armed Forces is forced; it is not voluntary.

A lot of this slanted drivel and doctored propaganda which is being poured out upon us now has about as much sense to it as Gertrude Stein's famous masterpiece: "A rose is a rose is a rose is a rose."

A stock contention of the integrationists and mongrelizers is that a Court decision is the last word in the law, and must be accepted; that the Court's function is to expound the law.

As long as the Court sticks to the law its decisions will be accepted. When it flies in the face of the law, as the Court has done in this instance, it commits a wrong and perpetrates a fraud upon the people. It commits as grievous a wrong as a tax collector commits when he demands more than just taxes from a taxpayer. It commits a wrong as grievous as a warden of a penitentiary commits who would seek to imprison a convict beyond the limits of his legal term. It commits as grievous a wrong as any other public official who seeks to assert and use authority which he does not possess or to exceed the authority which he does possess. No right-thinking citizen can acquiesce in brazen usurpation of authority by any public official.

Free Americans are under no obligation whatever to permit any public official to take from them that which is theirs merely because that public official occupies a seat of authority, and attempts either through ignorance or malfeasance to go beyond the bounds of that authority.

We owe allegiance to the Constitution of the United States. That instrument is the bedrock upon which our structure of government is built. It is our guaranty of

liberty. But the allegiance we owe is to the Constitution which was drafted by the Constitutional Convention, and ratified by the sovereign States and to such amendments thereto as have been legally proposed by two-thirds of the Congress and ratified by three-fourths of the States.

There are some who say that the Constitution means what the judges say it means. But that is not true. The Constitution itself proclaims its meaning. No court or judge possesses any authority to change the language or meaning of any phrase or word of the Constitution in the slightest degree. It is only when the wording of the Constitution is ambiguous or needs interpretation that the judicial department of the Government has authority to go into the question of what it means. And the judicial department never has had, and never will have, authority to add anything new or take anything old from the instrument. That can only be done by amendment.

So the Constitution is not, as some would have us believe, "what the judges say it is." It has no such unstable or uncertain meaning. The Constitution, and all of its amendments, is the compact of the sovereign States who consented to its operation. It is the document under which we live—which we understand, and which the courts have understood for years and generations. Its meaning has been proclaimed again and again. It is the document which every public official is sworn to uphold, and to which the loyalty of every public official is due. And let us never lose sight of this fact—that our loyalty is to the Constitution itself—not to a perverted opinion of nine men who happen for the moment to be occupying seats in the Supreme Court, and who seek because of that fact to change the true meaning, the established and accepted meaning, of our Constitution. That authority does not belong to these nine men. It belongs to two-thirds of the memberrhip of Congress and to three-fourths of the States, joining in concurrent action.

The members of the Supreme Court have also sworn to uphold the Constitution. They owe the same loyalty to the Constitution that every other citizen does. The Constitution does not mean one thing yesterday, another thing today and something else tomorrow, and they have no right to so hold.

If the logic or reasoning employed by the Supreme Court in order to reach this decision is allowed to become standard practice; if the Constitution means one thing today and something entirely different tomorrow, then actually we have no Constitution at all.

And when anyone, whether he be President, legislator, or judge, deals with the Constitution unlawfully, it is the part of patriotism, and in keeping with loyalty to the Constitution, to protest and oppose such unwarranted action. The preservation of our Government depends upon it. Our Government cannot survive in any different climate.

George Washington, the greatest American of all time, in his wisdom and experience, anticipated that the time would come when the judicial department of the Government would chafe at its restrictions, and would become ambitious to exceed its authority.

In his Farewell Address on September 17, 1796, he warned us to be on guard against attempts to wrongfully change the Constitution by usurpation of authority. In that Farewell Address he said:

"It is important likewise, that the habits of thinking in a free country should inspire caution in those entrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. * * *

"The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasion of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes. To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment, in the way which the Constitution designates. But let there be no change by unsurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil and partial or transient benefit which the use can at any time yield."

The advice and counsel of George Washington is as sound today as it was then. The time has come when the encroachment which Washington feared is being attempted.

The Supreme Court and the NAACP have created strife and turmoil where no strife and turmoil existed before. Their joint action has increased tension between the races, and has caused hatred and hostility where before there was good will and harmony. This strife is chargeable to, and responsibility for it, must rest with the Court and the radical NAACP, which has been encouraged by the Court's action to stir up hostility between the races.

A good example of the destruction of good relations between the races is the irresponsible talk of a Negro NAACP official quoted in the Memphis, Tenn., Commercial Appeal of January 30, 1956. A Negro attorney, said to be a leader in the Memphis chapter of the NAACP is quoted as having said at a meeting of that radical organization, "rock more boats and create more storms in the fight for equal citizenship. * * * If it's necessary for us to stir up more tension and more unrest to win our fight, I'm willing to do it."

I have been talking to you about the Constitution and the legal phase of this question. I want to say something now about the human side, and the moral justification we have for insisting upon segregation. The average southern white person does not intentionally say things to hurt the feelings of Negroes. White people do not ordinarily talk of the differences between the races. But this is a time to bring out the facts.

Much false propaganda has been spread within recent years, and much effort has been made to brainwash the public with the utterly false doctrine that there is no difference between whites and blacks. It is time to look behind this brainwashing propaganda, and have a straight look at the facts.

There are obvious and well-known differences between whites and blacks which no amount of glossing over and covering up by subversive so-called "anthropologists" and pseudo scientists can hide.

Let's have a look at some facts from the record which have a direct bearing upon the question of desirability or undesirability of integrated schools, aside from the legal aspect of the problem.

Among the many other reasons why the white people object to their children having this close association with Negro children are health, the Negroes' high crime rate and disrespect for law, the lower mentality level, and the high rate of illegitimacy among Negroes.

It is well known that the crime rate among Negroes far exceeds that of whites. In Washington D. C. Negroes have every advantage they could ask for. The schools and colleges are open to them; also hotels, restaurants, theaters, parks, swimming pools, tennis courts. They buy property and live in any section they choose. The President and his appointed city commissioners apparently want to make a second Harlem out of Washington, and they boast that Washington is a model example of a nonsegregated city.

But Washington is noted for the great number of serious crimes committed in its limits. Its crimes of violence are more than twice the number of those committed in Boston, a city of comparable size, more than twice those of Milwaukee, and nearly twice as many as New Orleans, La.

HIGH CRIME RATE IN WASHINGTON, D. C.

Negroes are responsible for this high crime rate. Crime statistics show that throughout the years the Negroes in Washington have committed the bulk of the crimes of violence, although they have constituted about one-third of the population. In 1955 out of 11,072 crimes of violence, or part I offenses, 9,056 were by Negroes. This is 82 percent of the total, and the precentage for the last 3 months of 1955 was 88 percent of the total.

Let's look at the District of Columbia health records. A report for the year 1955 made by the District of Columbia Department of Public Health of venereal diseases, in children of school age and under, showed 834 Negro children 17 years and under treated for gonorrhea, as compared with 20 white children. Of the 834 Negro children, 10 were under 6 years of age. The total cases of gonorrhea of all ages, children and adults, for 1955 were Negro 10,243, or 97.5 percent of the total; white 271, or 2.5 percent.

These are repulsive statistics, but they show some of the impelling reasons for segregated schools, and what a tragedy it is for white children to have integration forced upon them.

From the standpoint of mentality, the Negroes have not been able to keep pace with the white children of the District of Columbia. This has resulted in lowering of educational standards.

Achievement tests were recently conducted in the Washington public schools, and revealed that this forced integration has downgraded scholastic standards below the national average.

The retarded learning ability of Negro pupils in a given class is holding the entire class back. White children are being denied the education they are capable of receiving.

One of the loud claims of the promixers has been that integrated schools would reduce costs of operation. They claimed the taxpayers would benefit from the combined schools. Experience shows exactly the opposite to be true They claimed there would be no friction, and that pupils would learn as well as in segregated schools.

In Washington experience has proven that nonsegregated schools cost more to operate; that the Negro children cannot meet the educational schedule or keep pace with the white children, and that friction exists to a greater degree than ever before.

Conditions have reached such a deplorable state in Washington that the superintendent of schools has recently requested an additional 229 "special teachers" for next year. The mentally slow learners—predominately Negroes—would fall within the province of these "special teachers." This would cause an extra burden on the taxpayers, most of whom are white.

The Washington integrated school system is asking for next year $33,740,000, plus $9,178,900 capital outlay, as against $28,130,000, plus $4,473,300 capital outlay, the appropriation for this year. This ten and a half million dollar requested increase knocks the props out from under the integrationists economy argument.

School Superintendent Hobart Corning has repeatedly denied that integration has forced scholastic standards down. But the records tell a different story. Integration has produced lower standards and poorer instruction for the white children.

And it becomes more and more evident that the integration experiment in Washington public schools is a dismal failure, its proponents, looking for something to excuse the failure, come up with the claim that segregated schools in the past have deprived Negro children of an equal opportunity. This claim will not hold water. This is the second year of nonsegregated schools in Washington.

For years Negro teachers and white teachers have been paid according to the same salary schedule. The same rules have applied to both systems. The failure of Negro children to learn under these conditions proves one of two things: either Negro teachers cannot teach as well as white teachers, or Negro children cannot learn as well as white children. No place in America offered a better opportunity than Washington, D. C., to determine whether white and Negro children could be taught successfully in the same classes.

Repeated warnings were made that Negro children could not meet the competition. The Negroes loudly denied this and claimed that Negro children only needed a chance. The white social-equality do-gooders and radicals supported them in this claim.

They were mixed in all the schools in Washington in September 1954. To such lengths was the integration craze carried out that a Negro woman was made Superintendent of the elementary schools and a white woman was made her assistant.

Thaddeus Stevens in the darkest days of reconstruction never exhibited a more cruel and vengeful spirit than those now in charge of integration in the Washington public school system. They do not intend to have one school all white or one school all colored. They have therefore placed one white girl pupil with 711 Negroes in Carver school, one white boy with 326 Negroes in Langston school, one white boy with 815 Negroes in Grimke School, one white boy with 712 Negroes in Burville school. To carry out this infamous plan of mixing the races in all schools, this is the pupil arrangement in 23 other Washington schools:

HIGH SCHOOLS

Cardozo: 4 white boys, 2 white girls, 1,698 Negroes.

Dunbar: 1 white boy, 964 Negroes.

Spingarn: 1 white boy, 1,592 Negroes.

JUNIOR HIGH SCHOOLS

Randall: 2 white boys, 3 white girls, 771 Negroes.

Elliott: 1 white boy, 84 Negroes.

Langley: 1 white boy, 33 Negroes.

ELEMENTARY SCHOOLS

Bell: 3 white boys, 2 white girls, 378 Negroes.

Birney: 2 white boys, 3 white girls, 990 Negroes.

Blow: 2 white boys, 3 white girls, 337 Negroes.

Bruce: 6 white boys, 3 white girls, 614 Negroes.

Cleveland: 1 white boy, 1 white girl, 535 Negroes.

Cook: 1 white girl; 657 Negroes.

Garfield: 1 white boy, 489 Negroes.

Harrison: 9 white boys, 1 white girl, 714 Negroes.

Hayes: 2 white boys, 1 white girl, 290 Negroes.

Kenilworth: 1 white boy, 235 Negroes.

Ludlow: 3 white boys, 2 white girls, 237 Negroes.

Monroe: 1 white boy, 2 white girls, 503 Negroes.

Morgan: 1 white boy, 1 white girl, 691 Negroes.

Mott: 2 white boys, 1 white girl, 956 Negroes.

Parkview: 2 white boys, 3 white girls, 1,001 Negroes.

Perry: 2 white boys, 2 white girls, 346 Negroes.

Taylor: 3 white boys, 293 Negroes.

May Almighty God pity the poor white children who are being made the guinea pigs for this rotten experiment. I do not think Hades has a spot hot enough for those responsible for this outrageous treatment.

The integration bug bit the Baltimore officials and they abolished segregated schools about the same time Washington did. But the authorities in Baltimore at least had some consideration for the wishes of the people and permitted the children both colored and white to attend the schools of their choice. Under that plan, only 1,576 colored pupils entered formerly all white schools, while 55,488 colored entered or remained in colored schools. Sixty-one schools remained all white and 80 schools remained all colored. Forty-eight schools, formerly all white, received some colored pupils, but in most instances the number of colored was very small. The proportion of colored pupils went above 10 percent in only five schools, all of them on the elementary level. In the high schools, the largest number of Negroes in predominately white high schools was at Southern High School, which had 39 Negroes in a student body of 1,788. These figures are given in the official reports dated July 1955.

As a result of the bull-headed policy followed in Washington, the Washington public schools are now in a state of complete chaos.

Now after nearly 2 years, the governing authorities are realizing that Negroes and whites cannot be educated in the same classes on the same basis, with the same results.

Because of the confusion in Washington's public schools on March 10, General Thomas A. Lane, one of Washington's three city Commissioners, issued a statement proposing a mass demotion next September of Washington school children who are showing "educational lags." He suggested testing all the city's 106,000 public school pupils, and reassigning them next September according to the achievement level shown by each child's tests.

Regarding the proposal to hire more teachers Commissioner Lane said that would be "only applying a poultice to a cancerous condition." He said drastic action is required by the achievement problems.

He also said that "it appears that our problem has reached unmanageable proportions," and that to hire more teachers would be "lulling our parents into an illusion that bringing in more teachers would cure our ills, when, in fact, it is not even addressed to the heart of the problem."

Apologists for the Negroes will claim that this achievement lag is the result of a segregated system in past years. But again that claim will not hold water. The lag is the result of Negro mentality.

This is substantiated by the report of the Selective Service System regarding soldiers drafted in World War II. The report showed that of the draftees inducted during World War II the number of Negroes rejected for educational and mental reasons ran in a smaller proportion in Georgia, where segregated schools were operated, than in New Jersey and New York City where nonsegregated schools were operated. In Georgia Negro rejections on these grounds, educational and mental, ran about 2½ to 1 over white draftees; in New Jersey about 4 to 1, and in New York City about 3 to 1. This disproves the absurd claim that Negroes learn better in nonsegregated schools.

Venereal disease showed up again unfavorably for Negroes in the selective service records. Rejections on this ground for Negroes were about 8 to 1 over whites in New York City, 4 to 1 in New Jersey and 7 to 1 in Georgia.

So far as illegitimate children are concerned, the regard which Negroes have for the sacred bonds of matrimony is indicated by the fact that of 11,905 nonwhite births in Washington 3,128, or 26 percent were illegitimate, as compared with 617 of 20,441 or 3 percent of white births. Official reports show that the relative percentage runs pretty much the same in Georgia.

These are some of the many valid reasons why white people are justified in the position taken regarding segregation.

I have given you these facts about the situation in Washington because in the wake of the Supreme Court decision to integrate schools, the President declared that Washington would be an example of how good integration would be. The present sickening conditions of the Washington schools are mute testimony to this example.

In spite of every effort to deny it—and in spite of the censorship and suppression of the facts surrounding the Washington school situation—the truth is that integration has been a complete failure.

Not only have mixed schools been a scholastic failure but as an experiment in human relations it has been a nightmare.

Last December, principals in high schools and junior high schools found it necessary to hold "shake-down" inspections of their students, in compliance with numerous complaints that students were carrying knives.

Two cases of attempted assault by Negro boys on white girls were reported in 1 day at 1 junior high school. These cases involved language and actions so vile and so sordid that it staggers the imagination.

We cannot afford to subject our children to such a malignant experiment. The same integrationists and mongrelizers have stated that they only want equal rights and opportunities for the Negro. Yet the radical NAACP, has repeatedly declared that their ultimate goal is intermarriage and complete mongrelization of the American people. The fact that this is also the identical aim of the Communist Party of the United States is more than just coincidental. If they are successful in cramming this school decision down our throats, they will follow it with a decision invalidating our marriage laws, and that will be the end.

With full knowledge of the irreconcilable harm they are doing to the people of Washington, and are trying to do to the rest of the country, the Executive Department and the Supreme Court persist in their efforts to integrate the races in our schools here in the South.

They continue to pander to and knuckle under to radical left-wing organizations like the NAACP, completely disregarding the majority of the people in this country who are white.

In a step-by-step process the Supreme Court in collusion with the Executive Department has bypassed the Legislative Department and distorted the Constitution to mean what it was never intended to mean.

Through a series of Executive orders and so-called judicial decrees they have denied the people the voice in the Government through their elected representatives, which the Constitution provides. These orders and decisions are part of a pattern.

In two Supreme Court cases in the early 1940's (*U. S.* v. *Classic*, 1941; *Smith* v. *Allwright*, 1944) the Court struck down white primaries. Suddenly private political associations were classified as agents of the State. No longer could men of common political belief band together as a political party and set the rules for its own membership. The Supreme Court had decided that only the Court could determine the rules.

Throughout this Nation, for generations, property owners have protected themselves and the value of their property by restrictive clauses in their deeds prohibiting the sale

to Negroes of the real estate conveyed in the deed. In 1948 (*Hurd* v. *Hodge*) the Supreme Court struck down these protective clauses and jeopardized the value of every man's property.

DECISIONS COME FROM PACKED SUPREME COURT

In 1951 the Supreme Court, having been fully packed with New Deal politicians, handed down the absurd decision that associations were an integral part of education, and consequently Negroes were being discriminated against when not allowed to associate with white people in the professional schools. Everyone should ponder the philosophy of that decision for one moment. On the one hand Negroes zealously demanded full social equality, and on the other hand maintained that association with their own people is degrading and discriminatory. This was the case of McKissick against Carmichael and it opened the door for the University of North Carolina to be invaded by Negroes.

When the United States Supreme Court rendered its opinion in the school segregation case of May 17, 1954, it departed from 86 years of judicial precedent. It absolved itself of any affiliation with legal authority, and chose instead to quote so-called modern scientific authorities as the basis on which to render its opinion. One of these so-called modern scientific authorities quoted by the Supreme Court was a book by a Swedish sociologist named Gunnar Mydral entitled "An American Dilemma." This is the book in which Mydral stated, and I quote, "the Constitution of the United States was impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people."

Sixteen of the contributors to this book have lengthy records of pro-Communist activity in the files of the un-American Activities Committee. One of the chief contributors to this book, one W. E. B. DuBois, a Negro educator, has 72 such citations against his name in the files of the House Committee on Un-American Activities.

In Virginia the law prohibits interracial marriages which is the case in 28 of the States of this Union. The Virginia Supreme Court pursuant to that law, declared invalid a marriage between a Chinese seaman and a white woman, and annulled the marriage. The Chinaman appealed the case to the Supreme Court, and asked that Virginia's marriage laws be declared in violation of the 14th amendment.

I do not think the Federal Supreme Court would hesitate to strike down the marriage laws of Virginia and 27 other States if these experts in sociology felt that public opinion would accept such a shocking decision. They know that public opinion would not accept it, and they want to kick the case back and forth for a while between Washington and Richmond to give the Communist Daily Worker, the NAACP and other integrationists and mongrelizers some time in which to condition the public mind for a "judicial decision" striking down the last legal barrier which stands in the part of mongrelization. The Supreme Court entered an order vacating the judgment, and sending the case back to the State court, for further action, saying that it wanted additional evidence as to whether Virginia's courts had jurisdiction in the case.

In a bold and courageous stand, the Virginia Supreme Court on January 18, of this year notified the Federal Supreme Court that it refused to take further action on the case, and wound that case up. But another will come along.

The Federal Supreme Court with both ears attuned to the political drum beating of the NAACP and other radical left-wing organizations has engaged in a program of deliberate usurpation of legislation functions. This usurpation in effect is designed to dissolve the separate States and foster an all-powerful central Government under the joint-exclusive dictatorship of the Supreme Court and the executive department. It would destroy our State governments. It would destroy our county governments, city governments, and school district governments. These local officials would become powerless puppets, and all our directions and instructions would come from bureaucrats in Washington.

The actions of these two agencies of the Federal Government constitute not only a threat to the laws and traditions of the South but also to the foundations of our republican form of Government, and to State and local governments in all sections of the country.

The time to end this judicial usurpation is now. The time to restore the Constitution to the people is now.

Otherwise, no longer will our sacred rights and institutions and our honored way of life be protected according to commonsense, custom, and tradition. If our children are to have the same freedom we inherited from our fathers, then now is the time for every man to stand up and be counted. Now is the time for aggressive organization; organization that is wise, and unalterably determined to preserve our States rights, our individual freedom, and our personal liberty.

The only way our leadership can effectively voice our determination to resist is through organization. We must organize into one strong, unified, and determined group.

We must organize on the county level, on the State level, and on the National level.

We must prepare to carry our message to every section of the country. It is imperative that we mobilize our strength and take the offensive.

The fight we wage must at all times be legal and honorable. There is no place for violence or lawless acts. They will do irreparable harm to our cause and turn public opinion against us.

I have given you tonight, in brief, a picture of the deplorable situation in Washington. I have seen there the tragic results which come from the breakdown of segregation and substitution of an integrated public-school system.

This same thing can happen, and will happen here, if the people meekly accept wrongful usurpation of power, and a Supreme Court dictatorship, as they did in Washington.

It need not happen, and it will not happen, if we as free, liberty-loving Americans band together to retain our constitutional rights.

By organization at home you can give inspiration to your public officials who must lead in this fight—to your Governor, legislators, public-school officials, all those who must lead in this fight here at home, and to your Senators and Representatives in Washington. They have all signified their determination to fight this battle to a successful conclusion. But you have a most important part to play. It is your individual struggle, and your neighbor's individual struggle. Let me urge you to accept your responsibility, and to do your part. Urge you neighbor to do his part. This is a time when it is true as never before, that "united we stand, divided we fall." This is a fight which can be won, and I pray that it is the will of Almighty God that it will be won. But it will not be won by default.

Plato said many years ago:

"All that is necessary for the triumph of evil is that good men do nothing."

Let us not lose sight of this truth in these critical times. Let us remember that the fight is ahead of us—not behind us.

SENATE

TUESDAY, APRIL 24, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, Father of all, who art above all and through all and in all, without whom life has no spiritual source, no divine meaning or destiny, but with whom there is power for the present and hope for the future, we seek Thee as our fathers before us have sought Thee in every generation, when the difficulties they faced were as frowning heights before their climbing feet. Yet by faith they were led over the peaks to the pleasant valleys and still waters beyond. So lead us on, for Thou only art our guide and deliverer.

Strengthen us with Thy might, that the strain of these days may not break our spirits, and that no denials of human freedom by those who would enslave mankind may intimidate our souls. When the problems which front us seem insoluble, when the very principles for which brave men have died are betrayed, when the seamless robe of world unity is rent in twain, when even the shining river of our dreams seems to sink into the sands of futility, still may we labor on, serene and confident, knowing that while the weeping of hopes deferred may endure for a night the joy of Thy sure victory cometh in the morning.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 23, 1956, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the concurrent resolution (S. Con. Res. 55) to print for the use of the Senate Committee on the Judiciary copies of certain hearings and reports of the Internal Security Subcommittee of the Judiciary Committee of the Senate, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes";

H. R. 9083. An act to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities;

H. R. 9260. An act to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; and

H. R. 9824. An act to establish an educational assistance program for children of servicemen who died as a result of a disability or disease incurred in line of duty during World War II or the Korean conflict.

The message informed the Senate that, pursuant to the provisions of title 8, section 1106 (a), United States Code, the Speaker of the House of Representatives appointed Mr. Keating, of New York, as a member of the Joint Committee on Immigration and Nationality Policy, on the part of the House, to fill the existing vacancy thereon.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; to the Committee on the District of Columbia.

H. R. 9083. An act to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities; to the Committee on Finance.

H. R. 9260. An act to amend title III of the Servicemen's Readjustment Act of 1944, as amended, and for other purposes; and

H. R. 9824. An act to establish an educational assistance program for children of servicemen who died as a result of a disability or disease incurred in line of duty during World War II or the Korean conflict; to the Committee on Labor and Public Welfare.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

On request of Mr. Johnson of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Farm Credit Subcommittee of the Committee on Agriculture and Forestry be permitted to sit during the session of the Senate today. I have cleared the request with the acting minority leader.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take action on the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

TAX COURT OF THE UNITED STATES

The Chief Clerk read the nomination of J. Edgar Murdock to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Stephen E. Rice to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Morton P. Fisher to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John Edward Mulroney to be a judge of the Tax Court of the United States.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The Chief Clerk read the nomination of Ralph Kennamer to be United States attorney for the southern district of Alabama.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William C. Spire to be United States attorney for the district of Nebraska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of James Crawford, Jr., to be United States marshal for the eastern district of Texas.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR RECESS UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour statements be subject to a 2-minute limitation.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report on Cooperation With Mexico in Control and Eradication of Foot-and-Mouth Disease

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments to report relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, for the month of March 1956; to the Committee on Agriculture and Forestry.

Amendment of Section 4 of Act of August 5, 1953

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend the act of August 5, 1953 (ch. 321, 67 Stat. 363) (with an accompanying paper); to the Committee on Armed Services.

Report of Number of Air Force Officers Assigned to the Seat of Government

A letter from the Director, Legislative Liaison, Department of the Air Force, reporting, pursuant to law, that at the end of the third quarter of fiscal year 1956 there was an aggregate of 2,699 officers of the Air Force assigned to duty at the seat of government; to the Committee on Armed Services.

Report on Military Prime Contracts With Certain Business Firms

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report on military prime contracts with business firms for work in the United States, for the period July 1, 1955, through February 29, 1956 (with accompanying papers); to the Committee on Banking and Currency.

Inclusion of Department of Health, Education, and Welfare in Section 158 of Revised Statutes

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

Notice of Proposed Disposition of Certain Emetine Hydrochloride

A letter from the Acting Commissioner, General Services Administration, Washington, D. C., transmitting, pursuant to law, a copy of a notice to be published in the Federal Register of a proposed disposition of approximately 3,302 ounces of emetine hydrochloride now held in the national stockpile (with an accompanying paper); to the Committee on Government Operations.

Proposed Concession Permit, Coulee Dam National Recreation Area, Washington

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a

proposed concession permit at Coulee Dam National Recreation Area, Washington (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Concession Permit, Grand Teton National Park, Wyoming

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession permit at Grand Teton National Park, Wyoming (with accompanying papers); to the Committee on Interior and Insular Affairs.

Certification of Soil Survey and Land Classification, Santa Maria Project, California

A letter from the Assistant Secretary of the Interior, certifying, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Santa Maria Water Conservation District which are to be benefited by the Santa Maria project, California, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

George T. Moore and Carl D. Berry

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation for the relief of George T. Moore and Carl D. Berry (with accompanying papers); to the Committee on the Judiciary.

Admission of Displaced Persons—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Charlie Toyaka Wwan Fat from a report transmitted to the Senate on January 16, 1956, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

Disposition of Executive Papers

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. Johnston of South Carolina and Mr. Carlson members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 3

"Joint resolution relative to the construction of Buchanan Dam and Reservoir on the Chowchilla River and Hidden Dam and Reservoir on the Fresno River

"Whereas it is currently estimated that over $2 million in damage to property was done in Madera County, Calif., by floodwaters in December 1955; and

"Whereas such floodwaters came from the Chowchilla and Fresno Rivers and their tributaries which rivers drain relatively low elevation watersheds of approximately 500 square miles of the Sierra Nevada Mountains between the Merced and San Joaquin Rivers basins of the Central Valley of California; and

"Whereas prior to 1955 these rivers repeatedly caused extensive and increasing flood damage in Madera County; and

"Whereas therefore, during the past 25 years the State of California, the Corps of Engineers of the United States Army, and the Bureau of Reclamation of the United States Department of the Interior have independently recommended the construction of the Buchanan Dam and Reservoir on the Chowchilla River and of the Hidden Dam and Reservoir on the Fresno River to control the floodwaters of these rivers and to conserve such waters for irrigation use to the extent consistent with effective flood control; and

"Whereas approximately 10 years ago the State of California recommended that the construction of these dual-purpose facilities be deferred because they were not justified on the basis of flood control alone and the local need for additional irrigation water had not then been sufficiently demonstrated; and

"Whereas after further study over the intervening years the State of California in February 1956, through its State water resources board, did formally recommend to the Congress of the United States the immediate authorization of the construction of these two dams and reservoirs on the basis of the great damage resulting from the December 1955 floods and in order to meet the irrigation water requirements of the rapidly expanding agricultural economy of the area; and

"Whereas more specifically, the State of California through its State water resources board recommended that the Congress authorize immediately the construction of these two dams and reservoirs substantially, as recommended by the Chief of Engineers, United States Army, in 1948 in House Resolution No. 367, 81st Congress, 1st session, but with such modifications as may be necessary to coordinate them with the federally authorized and approved flood control works now proposed to be constructed by the State of California along the San Joaquin River and tributaries between Merced River and Friant Dam and with such further modifications as may be necessary to conform the water conservation feature of these two facilities to the proposed California water plan: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take steps forthwith to authorize and otherwise implement the immediate construction of Buchanan Dam and Reservoir on the Chowchilla River and Hidden Dam and Reservoir on the Fresno River by the Chief of Engineers of the United States Army for the control and conservation of the floodwaters of these rivers; and be it further

"*Resolved*, That these two dams and reservoirs be constructed in accordance with the aforestated recommendations of the State of California through its State water resources board; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Resolution 18

"Resolution relating to withdrawal of land in Saline Valley in Inyo County from the public domain for use as an aerial gunnery range

"Whereas the Legislature of the State of California has strongly disapproved of further withdrawals of lands from the public domain unless such action is absolutely necessary for vital Federal purposes which disapproval was evidenced by Senate Joint Resolution No. 16 in the 1955 regular session of the legislature (Res. Ch. 92, Stats. 1955); and

"Whereas there are plans for the acquisition of 879,360 acres of land in Saline Valley in the county of Inyo for all-aerial gunnery range for use by the Marine Corps pilots at the Navy Air Base at Mojave, Calif., which acquisition will most seriously affect the county of Inyo which already has 96 percent of the area in the county not subject to county taxation by taking still more lands off the tax rolls and by closing highways on which Inyo County has expended considerable public money; and

"Whereas after long and considerable study of this problem of removal of lands from the public domain, the Senate Interim Committee on Public Lands adopted a resolution requesting the Legislature of the State of California to memorialize the President of the United States, the Congress of the United States, the Secretary of the Department of Defense, and the Secretary of the Navy to defer any further action with reference to sale and exclusive acquisition of lands by the United States Navy until such time as the citizens of the affected area and the owners and operators of mining interests and other development be considered with reference to their being allowed to continue the enjoyment of their rights and privileges as they currently exist; and

"Whereas this resolution of the Senate Interim Committee on Public Lands was based on extensive public hearings during which considerable evidence was presented as to the disastrous effect of the withdrawal of lands of the Saline Valley: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That the President of the United States, the Congress of the United States, the Secretary of Defense, and the Secretary of the Navy are respectfully memorialized to defer any further action whatsoever with reference to acquiring any additional lands, and especially any lands in Saline Valley, in the county of Inyo for the purpose of exclusive control by the United States Navy or any of its subdivisions to the detriment and hardship of the citizens of the area and persons owning property or operating commercial enterprises therein; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, each Senator and Representative from California in the Congress of the United States, the Secretary of Defense, and the Secretary of the Navy.

"J. A. Beek,
"*Secretary of the Senate.*"

A resolution adopted by a convention of the Women's Grand Lodge, B'nai B'rith, at Philadelphia, Pa., relating to Israel; to the Committee on Foreign Relations.

A resolution adopted by the California State Board of Agriculture, Sacramento, Calif., protesting against the recently granted increases in freight rates and refrigeration charges by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by a convention of the Women's Grand Lodge, B'nai B'rith, at Philadelphia, Pa., relating to immigration; to the Committee on the Judiciary.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., favoring the enactment of House bill 5265 relating to exemptions of certain areas from the Federal travel tax; ordered to lie on the table.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, one of a series of petitions, signed by 228 citizens of the States of Pennsylvania and Virginia, praying for the enactment of legislation to prohibit alcoholic beverage advertising in interstate commerce.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which mullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 6573. A bill to authorize renewals of a lease of the Annette Island Airport to the United States (Rept. No. 1818); and

H. R. 6703. A bill to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska (Rept. No. 1819).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 7513. A bill to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska (Rept. No. 1821).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 7186. A bill to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry (Rept. No. 1820).

By Mr. LONG, from the Committee on Interior and Insular Affairs, without amendment:

S. 3498. A bill to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes (Rept. No. 1822).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 1470. A bill for the relief of Joseph Righetti and Marjorie Righetti (Rept. No. 1834);

H. R. 1500. A bill for the relief of Charles F. Brickell (Rept. No. 1835);

H. R. 1671. A bill for the relief of Clement E. Sprouse (Rept. No. 1824);

H. R. 2465. A bill for the relief of Bernard L. Denn (Rept. No. 1836);

H. R. 4852. A bill for the relief of Joseph Gangemi and Anthony Gangemi (Rept. No. 1837);

H. R. 4872. A bill for the relief of Mrs. Helen Barsa (Rept. No. 1838);

H. R. 5626. A bill for the relief of Fred Mazan (Rept. No. 1839);

H. R. 5634. A bill for the relief of Willie C. Pickett, George Williams, and Herman L. Looney (Rept. No. 1840); and

H. R. 6282. A bill for the relief of Nathan L. Garner (Rept. No. 1841).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2984. A bill for the relief of Col. John A. O'Keefe (Rept. No. 1833);

H. R. 1989. A bill for the relief of George D. Hopper (Rept. No. 1825);

H. R. 2338. A bill for the relief of Charles F. Bullette (Rept. No. 1842);

H. R. 2717. A bill for the relief of Giles F. Fredell and wife (Rept. No. 1843);

H. R. 2924. A bill for the relief of David J. Daze (Rept. No. 1844);

H. R. 3638. A bill for the relief of Joseph H. Washburn (Rept. No. 1845);

H. R. 3725. A bill for the relief of Herman F. Gierke, Jr. (Rept. No. 1826);

H. R. 4902. A bill for the relief of Martin F. Kendrigan (Rept. No. 1846);

H. R. 6452. A bill for the relief of William H. Foley (Rept. No. 1847); and

H. R. 7583. A bill for the relief of Mary Viola Jones (Rept. No. 1848).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1414. A bill for the relief of James Edward Robinson (Rept. No. 1823); and

H. R. 2736. A bill for the relief of Roy M. Butcher (Rept. No. 1849).

By Mr. HENNINGS, from the Committee on the Judiciary, without amendment:

H. R. 4791. A bill to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees (Rept. No. 1828).

By Mr. HENNINGS, from the Committee on the Judiciary, with an amendment:

S. 584. A bill to amend title 28, United States Code, relating to the customs court (Rept. No. 1827).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

S. Con. Res. 73. Concurrent resolution relative to the fight against mental illness and to observe National Mental Health Week (Rept. No. 1832).

By Mr. KERR, from the Committee on Finance, with amendments:

H. R. 7678. A bill to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation (International) Conference and Exhibit, New York, N. Y., to be admitted without payment of tariff, and for other purposes (Rept. No. 1831).

AUTHORIZATION FOR CONSTRUCTION OF WASHOE PROJECT, NEVADA AND CALIFORNIA

Mr. BIBLE. Mr. President, I desire to make a brief statement in connection with a report I am submitting on the bill (S. 497) to authorize construction of the Washoe project located in Nevada and in the State of California. The bill was sponsored by the senior Senator from Nevada [Mr. MALONE] and myself. Hearings were held in Nevada in October and the measure was thoroughly considered by the Subcommittee on Irrigation and Reclamation and the parent Committee on Interior and Insular Affairs, which favored the bill unanimously.

The report describes the Washoe project, sets forth the views of the committee with respect to the major points in the bill, and discusses the few controversial features. Representatives of the States of Nevada and California are in agreement on the interstate features of the project.

It is our hope that early favorable action may be taken on authorization of the Washoe project so that a supplemental appropriation may be acted on at this session of the Congress and construction, particularly of the flood-control features gotten underway promptly. The disastrous floods in Douglas, Washoe, and Lyon Counties last December fully justify starting construction of the project at the earliest possible date.

Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 497) to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California, and I submit a report (No. 1829) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

PRINTING OF ADDITIONAL COPIES OF THE HEARINGS ON THE NATIONAL HIGHWAY PROGRAM

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, House Concurrent Resolution 206, authorizing the printing of additional copies of the hearings on the national highway program for the use of the Committee on Public Works, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution (H. Con. Res. 206), which was read, as follows:

That there be printed for the use of the Committee on Public Works, House of Representatives, 1,000 additional copies of parts 1 and 2 of the hearings held by said committee during the 84th Congress, first session, on the national highway program.

Mr. GREEN. Mr. President, I have a letter from Mr. Charles A. Buckley, chairman of the House Committee on Public Works, urging that we take prompt action, because that committee is going to proceed with the hearings this week, and needs additional copies of the hearings.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. JOHNSON of Texas. The distinguished chairman of the committee has cleared the matter with both the majority and minority leaders, and I hope the Senate will agree to the concurrent resolution.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 206) was agreed to.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—UNEXPENDED BALANCES, DEPARTMENT OF DEFENSE (S. REPT. NO. 1830)

Mr. BYRD. Mr. President, pursuant to section 601 of the Revenue Act of 1941 (55 Stat. 726), as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report entitled "Unexpended Balances, Department of Defense," which I ask to have printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Virginia.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FULBRIGHT:

S. 3710. A bill to allow additional income tax exemptions for a taxpayer or a spouse, or a dependent child under 23 years of age, who is a full-time student at an educational institution above the secondary level; and

S. 3711. A bill to amend the Internal Revenue Code of 1954 so as to allow a taxpayer to deduct certain expenses incurred by him in obtaining a higher education; to the Committee on Finance.

(See the remarks of Mr. FULBRIGHT when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. MANSFIELD (by request):

S. 3712. A bill for the relief of Anna Purker; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 3713. A bill for the relief of Elizabeth Cacavas (Elisavet Ioannou Kakava); to the Committee on the Judiciary.

By Mr. CARLSON:

S. 3714. A bill for the relief of William Tassie; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 3715. A bill for the relief of Muh Po Fu (also known as Yu-Lin-Fu) and his wife, Nancy L. Fu (also known as Tsing Ing Li Fu); to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 3716. A bill for the relief of Aston H. Savage; to the Committee on the Judiciary.

By Mr. CASE of New Jersey (for himself, Mr. BEALL, Mr. BENDER, Mr. BUSH, Mr. DIRKSEN, Mr. DUFF, Mr. IVES, Mr. KUCHEL, Mr. LANGER, Mr. POTTER, Mr. PURTELL, Mr. SALTONSTALL, Mr. SMITH of New Jersey, and Mr. THYE):

S. 3717. A bill to strengthen the civil-rights statutes, and for other purposes; and

S. 3718. A bill to provide means of further securing and protecting the right to vote; to the Committee on the Judiciary.

By Mr. BARRETT (for himself, Mr. DWORSHAK, Mr. MARTIN of Iowa, Mr. CURTIS, and Mr. MUNDT):

S. 3719. A bill to provide for the transfer of strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products to the supplementl stockpile created under the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SMATHERS:

S. 3720. A bill for the relief of L. Foster Udell; to the Committee on Labor and Public Welfare.

By Mr. SYMINGTON (for himself and Mr. HENNINGS):

S. 3721. A bill to amend Public Laws 815 and 874, 81st Congress, which provide assistance to local educational agencies in areas affected by Federal activities; to the Committee on Labor and Public Welfare.

By Mr. KNOWLAND (for himself and Mr. KUCHEL):

S. 3722. A bill to authorize the construction of certain works for flood control and other purposes on the Sacramento River in California; to the Committee on Public Works.

S. 3723. A bill to authorize the Secretary of the Navy to convey certain land in the county of Alameda, Calif., and to accept other land in exchange therefor; to the Committee on Armed Services.

COOPERATION WITH OTHER NATIONS TO ABOLISH FORCED LABOR

Mr. HUMPHREY submitted the following concurrent resolution (S. Con. Res. 75) favoring United States cooperation with other nations through the International Labor Organization to abolish forced labor, which was referred to the Committee on Labor and Public Welfare:

Whereas forced labor for political or economic purposes is abhorrent to all civilized nations and is repugnant to the constitutional and statutory concepts of the republican form of government on which life in the United States is based; and

Whereas the people of some nations are subjected to forced labor for political or economic purposes; and

Whereas the existence of forced labor in any nation is inimical to the interests of the United States and other free nations morally, politically, and economically and constitutes a threat to the security, well-being, and even the existence of democratic institutions and free economic systems; and

Whereas to meet this threat and to promote the welfare and dignity of human beings throughout the world, the United Nations and the International Labor Organization, at the initiative of the American Federation of Labor, appointed an ad hoc committee to study the nature and extent of forced labor for political or economic purposes throughout the world; and

Whereas the ad hoc committee on forced labor issued a carefully considered and well documented report detailing the existence of forced labor for these purposes in a number of nations of the world; and

Whereas the International Labor Organization is now considering the adoption of an international instrument designed to abolish forced labor for political or economic purposes wherever it may exist; and

Whereas the United States Government has exercised leadership in the United Nations to mobilize world opinion for the abolition of forced labor for political and economic purposes: Now, therefore, be it

Resolved by the Senate (the House of Repsentatives concurring), That it is the sense of the Congress that the Government of the United States exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes.

ADDITIONAL INCOME TAX EXEMPTIONS FOR CERTAIN COLLEGE STUDENTS

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to allow an additional income tax exemption for a full-time student in an educational institution above the secondary level. The exemption may be claimed by the taxpayer himself, or on account of a spouse or a dependent child under 23 years of age, who is in attendance at the educational institution.

Since I have been in the Senate, I have supported many measures designed to assist students and to improve our educational institutions. This bill is but another measure designed to assist the people of our country in their efforts to obtain an education.

Primarily, the bill, if enacted, will benefit parents who are paying for the education of their children, and young people who are working their own way through college.

The cost of a college education varies, but I believe it is reasonable to estimate the cost of $1,500 per year, or $6,000 for a 4-year college education. The cost of some specialized courses in science and medicine may run much more than this, and yet the parent, or the individual himself, gets only a $600 a year tax exemption.

There has been, for decades, a serious and continual deterioration in the quality of our education generally. More recently, there is a mounting shortage of trained scientists and engineers. This situation is all the more critical because of the demands, not only of industry, but of national security. We should, of course, do our utmost to educate our children for their own sake, and for the sake of the society in which we live. But in addition to this, the competition with the Communist world demands that we do much more in this field if we expect to preserve our traditional way of life.

Assuming that the objective of this bill is a proper one, it seems to me much more efficient in the long run to encourage and to enable a parent to pay for his children's education than it is for the Government eventually to assume directly the burden of educating its citizens.

In addition to these reasons, such an exemption will, I believe, add to the income of the Government, as well as the income of its citizens. Dr. Paul Glick, of the Census Bureau, estimates that the male college graduates will receive an average of $100,000 more in lifetime income than the average high school student. We must remember, also, that the increased income arising from this investment in education will be taxed in full. If one pays $1,000 for an acre of ground and sells it for $2,000, he pays a tax only on the increment of $1,000, at reduced capital gain rates. If he pays $1,000 for a truck to be used in his business, and takes in $2,000 in drayage fees, the cost of the truck amortized over its useful life is deductible from the $2,000 income as earned. But, if he spends $1,000 for education and his income is later increased to $2,000, the Government will not recognize that he should be allowed to get his seed back. He receives no deduction for the $1,000 and the $2,000 is taxed in full as ordinary income.

As I said a moment ago, I feel strongly that it is in the national interest to encourage the education of young people. Not only will education contribute to the material well-being of our citizens, but in this period of competitive coexistence with the Soviets, the intelligence and training of our population may well be the key to our survival. The great emphasis which the Soviets have placed on the training of technicians, engineers, and scientists is a challenge which cannot be ignored by the Western World.

This minor adjustment in the tax laws can provide an incentive to our families who have children of college age.

Mr. President, this bill will provide a much needed relief for our students who work their own way through college and the parents who have dependents in college. It merely provides an additional exemption for these classes.

In addition to these considerations, public and private educational institutions face a precarious future. They are essential to the preservation of our traditions and our way of life. This bill if enacted would give them some help. Many universities can today accept additional students, especially students who can pay their way. So this bill would have a further beneficial effect upon the finances of many of our good private colleges.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3710) to allow additional income tax exemptions for a taxpayer or a spouse, or a dependent child under 23 years of age, who is a full-time student at an educational institution above the secondary level, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Finance.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES—AMENDMENTS

Mr. HOLLAND proposed amendments to the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests, which were ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. CURTIS submitted an amendment, intended to be proposed by him, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CARLSON:

Editorial written by him for the National Sunday School Association, and published during National Family Week.

EXEMPTION OF CERTAIN ADDITIONAL FOREIGN TRAVEL FROM TAX ON TRANSPORTATION OF PERSONS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 5265) to exempt certain additional foreign travel from the tax on the transportation of persons and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BYRD, Mr. KERR, Mr. SMATHERS, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

AMENDMENT OF INTERNAL REVENUE CODE, RELATING TO TREATMENT OF GAIN IN CERTAIN RAILROAD REORGANIZATIONS

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 7247) to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

RECENT TRENDS IN ASIA

Mr. MANSFIELD. Mr. President, while our main concern at the moment seems to be the Middle East, I respectfully suggest that we keep a sharp eye on the dangerous course of events in southeast Asia. The Communists are on the march in that area. In Singapore there is the distinct possibility that, due to the efforts of young Chinese activities, especially in the high schools, that British Crown Colony may well be approaching the end of its democratic days. With the unexpected setback for the West in the recent Ceylon elections and with the demand—as a result of these elections—that Britain withdraw from its naval and air bases there, it appears that the danger has increased for Britain and the West, leaving only the Crown Colony of Hong Kong at the one end and the protectorate of Aden at the tip of the Arabian peninsula as the two major strategic defensive outposts in Asia. Even there, we find elements of danger with Hong Kong existing precariously at the whim of Communist China, and Aden being pressured by Yemen—a country which has just concluded a tripartite military pact with Egypt and Saudi Arabia.

The situations in Singapore and Ceylon, plus the neutralism of Cambodia, the economic and possible diplomatic penetration of that country by Communist China and certain of the Soviet satellites, plus the increased trade relationship between Burma, India, and the Soviet Union, should give us reason to pause. It is incumbent upon us to come up with new ideas and to modify old concepts if we are to counter the ever-advancing Communist aggression in that area. We should recognize that economically, diplomatically, and perhaps politically, Communist penetration into this vital area of the world is advancing at a pace which calls for a reevaluation of our foreign policies—and soon.

VETO OF THE FARM BILL—ADDRESS BY SENATOR JOHNSON OF TEXAS

Mr. RUSSELL. Mr. President, last evening the distinguished Senator from Texas [Mr. JOHNSON], the majority leader, delivered a masterful address over the television and radio networks, in answering the veto message on the farm bill recently passed by the Congress and the radio and television message to the people by President Eisenhower. The address by the Senator from Texas completely exposes the inconsistencies and fallacies of the President's position, as outlined in his veto message and in his radio and television appearance. The Senator from Texas has pointed out in words that all can understand the very great danger to the total economy which is posed by the wait, drift, and drop policy of the Eisenhower administration, as applied to farm matters.

Mr. President, I shall not undertake to dwell upon the able presentation of facts or the irrefutable logic of the statement made by the Senator from Texas. I merely say that it was addressed primarily to those who are not farmers, who do not have first-hand knowledge of the problems of the farmer, and who in many instances have been misled by the deceptive statements of those in power, followed by the erroneous editorials and the slanted news columns of so much of our great metropolitan press. The Senator from Texas brought home to the people the realities of the farm problem and its effect upon our total economy.

Mr. President, every farmer and rancher of the Nation owes a debt of gratitude to the Senator from Texas for the clarity of his statement and for telling the American people the truth about the farm problem and for placing this issue in its proper perspective.

I ask unanimous consent that this outstanding address be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS ON FARM BILL VETO BY SENATE DEMOCRATIC LEADER LYNDON B. JOHNSON

My fellow citizens, a week ago today President Eisenhower vetoed the farm bill.

I want to talk to you tonight about that bill and about the farm problem. The President may veto one farm bill, but he can't veto the farm problem. It is still there. It won't just go away.

I know that most of the newspapers have told you that this farm bill was bad and that President Eisenhower was right to veto it. Because of what you have read and heard on the radio and seen on TV, I suspect you have decided this is a black and white issue—all the white on the President's side and all the black on the side of the Democrats.

That is why I want to tell you our side.

Many of you do not farm for a living. You live in the big cities and the large towns. You have probably been saying to yourselves that the farm problem really doesn't touch you. Too many of us think about the farmer only when we go to the supermarket and leave most of our paycheck for groceries. And then we think harsh thoughts. Most of us do not know that the farmer gets very few—in fact, less and less each year—of the dollars we pay for food.

The farm issue reaches into the daily lives of each and every one of you.

I thought we had learned this lesson once before. Our great American economy is all tied together. What hurts the small-business man in Los Angeles eventually is bound to hurt the farmer in Iowa. And when the farmer in Iowa begins to hurt, sooner or later the rest of us will be in trouble too.

Since 1952, wages have gone up; corporate dividends have gone up; the entire national income has gone up. But all this time, the income of the farmer has gone down 26 percent. The economists know that when one part of our country is in a depression, it will ultimately fan out into the other parts and end their prosperity, too. The worker who is making refrigerators and television sets will sooner or later be out of work if there is no one to buy refrigerators and television sets. But if the farmer can't make a living, the farmer can't buy these things. If he can't buy them, that cuts the market down. And that means workers will be thrown out of jobs. Then they can't buy and other workers are thrown out with them.

Those of us who are over 40 know this from hard experience. There was a nationwide depression in 1929. All industry was prostrate until the Democrats came into power in 1933 and put the country back on its feet. But those of us who are old enough, remember that the farm depression started long before 1929. It started in 1921 and it stayed bad for the next 8 years when the rest of the country was basking in prosperity—a prosperity that in many ways resembles the prosperity we have today. This same thing has been happening for the past several years. The farmer's income has been declining. The cost of the things the farmer must buy to farm and to live has remained the same or has gone up. He is caught in a squeeze between costs and prices.

That is why the Democratic Congress has worked so hard to help the farmer. The farmer's income must be bolstered, not only for the farmer's sake, but for your sake. Otherwise, we may spin into another depression. Under the leadership of Senator ELLENDER, the Senate Agriculture Committee went all over the United States. The House Agriculture Committee, under Congressman COOLEY, took testimony from top farm advisers. Both committees held hearings to find out what the farmers and farm experts thought must be done. The farm bill, which we passed and which President Eisenhower vetoed, was the product of years of hard work and hard thought. Many of the members of the Republican Party, those Senators and Congressmen who live in the farm areas, supported the bill. Fifteen Republican Senators voted with the Democratic leadership, as did 48 Republican Congressmen. Three Republican governors from farm States flew into Washington last Monday to persuade President Eisenhower that our bill was good for the farmer and good for the country. The governor of my own State, who voted for President Eisenhower in 1952, wired a strong plea to the President to sign the measure.

These officials knew something had to be done. They knew that per capita income of farm people has fallen to $860 a year. The average for city and town dwellers is almost $2,000 a year. Last year the farmers in Iowa earned only 50 percent of the income that they got the year before. How would you like to support your family on half of last year's paycheck? Wouldn't you worry about feeding them and clothing them and paying their medical bills—and wouldn't you be feeling a little desperate?

To put it as simply as I can—the farm bill was designed to bolster the farmer's income. The experts said that only 90 percent of parity will halt the slide of farm prices.

Sometimes I think the city man has trouble with the farm problem because of words like "parity." I confess that words like that scare me, too.

But let's look at this word "parity." All it means is this: If a farmer 20 years ago could buy a shirt for a bushel of wheat, the farmer ought to be able to buy a shirt today for a bushel of wheat. All parity really means is a fair price.

Now, Congress does not say the farmer must get a fair price for his crops. All it says is that the farmer should get 90 percent of that fair price. Is this unreasonable? Would you settle for only 90 percent of a fair wage? Do you think your telephone company would be happy with 90 percent of a fair rate? Of course not—they feel they are entitled to 100 percent.

All Congress is trying to do is to put a floor under the farmer's prices. This is not unusual. It is just an insurance policy. The Government has been issuing similar insurance to us for decades. Your social-security payments are something like this. Your unemployment compensation is, too. The tariffs for business, the subsidies to airlines and the shipping industry, the land grants which made our railroads great, the minimum wage for the worker—all these are a floor to protect you and keep our economy healthy. And 90 percent of parity does the same thing.

Do you remember when Congress last year—with the approval of President Eisenhower—raised the minimum wage to $1 an hour? What would happen if this year it should be cut to 82½ cents an hour?

General Eisenhower himself campaigned for 90 percent of parity as the best thing for the farmer. During the campaign of 1952, the General favored this. When he was running for the presidency, he went up into the farm country to Kasson, Minn., and made a farm speech on September 6, 1952. He said he was a 90 percent parity man with no "ifs or buts." Now—I don't want to tell you what General Eisenhower said at Kasson. I want you to listen to his own voice.

Mr. Cameraman—will you turn on your projector and carry us back to that fall day in 1952 in Kasson, Minn., and let General Eisenhower speak for himself.

"And here, and now, without any 'ifs' or 'buts,' I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the Basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity * * *. All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout. And a fair share is not merely 90 percent of parity—it is full parity."

In that election year of 1952, General Eisenhower's pledge to the Democratic principle did not waver. On October 4, 1952, he spoke in the farm country once more. This time, at Brookings, S. Dak., General Eisenhower said and I quote:

"The Republican Party is pledged to the sustaining of the 90 percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guarantee in the price supports of 90."

But once the Republicans came into office, this promise was forgotten. Despite all efforts of Democrats to stop it, President Eisenhower's administration did away with 90 percent supports for the farmer. In its place went something called the sliding scale. Well—farmers have slid down that scale ever since. The Republicans claimed this would do away with surpluses. They said it was the way to get the farmers' income up and do away with surpluses at the same time.

Well, where are we now under this Republican theory? The crop surpluses we have today were largely built up under the Eisenhower administration. The Republicans won't deny this; they can't. Take the example of wheat. The day before the Eisenhower administration took office, we had surplus wheat on hand to last us less than 6 months. On the last day of 1955, we had enough to last us more than 13 months. We have three times as much surplus corn as we had when this administration took office. We have 12 times as much cotton as we had when this administration took office.

Prices dropped—even where there were no Government surpluses. Beef cattle fell 40 percent and hogs 30 percent. In 1952, the average hog sold for $42.18. On March 15, 1956, the average hog sold for $29.21. In 1952, beef cattle sold for an average of $228.42; on March 15, 1956, the price was $135.36 a head. The farmer has lost $12.97 on a hog and $93.06 on a head of beef. Hogs and cattle are not supported at 90 percent of parity, but they, too, shared in the farm decline.

Do you wonder that the farmer had had enough and the Congress had had enough, too? That is why the Congress went back to 90 percent of parity which had worked in the past and would work again.

Now, I'll tell you a secret which you did not read in the newspapers. President Eisenhower has had enough of his system, too. He has completely abandoned his flexible supports. The day he vetoed our farm bill for 90 percent of parity, he dumped the sliding scale, and gave the farmer 82½ percent for cotton, 83 percent for rice, 84 percent for wheat, and 86 percent for corn.

President Eisenhower even put into effect the same price supports on milk and butterfat which he had criticized Congress for passing.

So it is not just partisanship when I say there is only one consistency in the Eisenhower farm program. In 1952 and in 1956 the Republicans favor high supports. In 1953 and 1954 and 1955 the Republicans favor low supports. They favor high supports in election years and low supports in nonelection years. The farmer and Congress know that next year is not an election year. If the past is a guide to the future, General Eisenhower's Republican administration will go back to 75 percent next year, if it is still around at that time.

We Democrats feel the price-support program should be consistent. It should enable the farmer to plan his operations in election and nonelection years alike.

President Eisenhower's veto has cost the farmers $2 billion for this year. The farmer knows that his income in the last 3 years of the Republican administration has dropped from $14 billion to $11 billion.

The farmer reads that corporate profits increased 34 percent since 1952.

Dividends have gone up 24 percent.

Landlords get 19 percent more.

Wages and salaries are up 13 percent.

The farmer is not opposed to such splendid economic gains. He just wants to share them. But the farmer's share has not gone up. It has gone down 26 percent.

The country prospers—the farmer goes deeper into debt. Farm mortgage debt has increased a billion dollars each year for the past 3 years. In the first 6 months of last year, farm mortgage debt was the largest for any 6-month period recorded in the history of this Nation.

Now this farm bill and this Presidential veto are only one chapter in the fight of the Democratic Party for the farmer. We will fight. We will fight again. We will fight for credit for the farmer; we will fight to keep his interest rates low; for his protection against disaster; for disposal of the surpluses to people in need—something which President Eisenhower's administration has done little about in the last 3 years.

And we will, I promise you, fight again for 90 percent of parity, fight to stop this decline of farm income. And I promise you also that we will win—sooner than some people think.

I know your food bills are usually a shock. But it's not the farmer who gets the lion's share. In 1946, farmers got $3 a bushel for wheat. You paid 14 cents for a loaf of bread. Today the farmer gets only $2 a bushel, but you pay not 14 cents but 18 cents for a loaf of bread. The price of wheat has dropped one-third but the price of bread has gone up one-third.

If the shirt you are wearing cost $4, the farmer got only 25 cents for the cotton. The middleman takes more of your dollar and the farmer gets less.

The Republicans say the farmer is going broke because of surpluses. When the President vetoed our farm bill last week, he asked for a soil bank. The administration has been a long time coming around. But I'm glad it finally got there, just as I hoped it would come around to 90 percent of parity.

The soil bank was a simple idea. We have known for a long time that the cure for surpluses was to cut crop acreage. If the farmer lets acres lie idle he does not get any income from those acres. Under the soil bank the Government would pay the farmer part of the income he would have received by planting those acres. The farm bill had this proposal. The Democratic Congress has favored it for years.

Since 1954, however, the President's own Secretary of Agriculture has been calling the idea "unworkable." It seems lots of things are "workable" in an election year that don't work in other years. But if he wants to do it, the President has had the power all along under the Soil Conservation Act of 1935. I think President Eisenhower can rest assured that the Congress will give him $1,200,000,000 to set up the soil bank.

It often seems to me that it is the Republicans who worry about surpluses and the Democrats who worry about the farmers. I sometimes suspect that the Republicans feel there wouldn't be any farm problem if farmers would just go away. That is why they always move half-heartedly and too late.

A farm depression came to the United States under President Harding. A second farm depression came under President Hoover. The Republican Party is now pushing us into a third farm depression. This happens because of a basic difference between the two parties. The Democrats worry first about the individual. The Republicans forget about the individual and worry only about the economic problem.

The administration deals only in cold, statistical terms. The vital figures are not the percentage points or the dollar symbols. The all-important numbers are men, women, and children—people like you and me. People worrying about how to make ends meet. Fathers and mothers concerned about their children's schooling—how to clothe them and pay for medical care.

Since 1952 the farmers have been on the economic downgrade. The harder farmers have worked, the deeper farmers have gone into debt. The Golden Rule, "Do unto others as you would have them do unto you" has failed to work for millions of them.

If it fails to work for the farmers it will fail to work for you. The problems of the farmer touch directly on your own life. If the farmer does not prosper, eventually you will not. If he cannot make a living today on the land you cannot make a living tomorrow in your business or your factory or your trade.

The Democratic Party is the party of many interests. Under its great tent gather people from different regions and people with different ways of life. No one interest can dominate but all must have their rightful day in court. Today the farmer, faced with a constantly declining income, needs his day in court—not only for the farmer's good but for all our good. I hope that those of you who live in our big cities and in our large towns, on our broad prairies and our fertile fields, on our farms and ranches will think about the farmer tonight and in the days ahead.

This is LYNDON JOHNSON of Texas saying: Thank you and good night and God bless you.

Mr. FULBRIGHT. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. I should like to associate myself with the comments made by the distinguished Senator from Georgia, and to express my approval of the address delivered by the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON].

I also wish to remind the country and the Senate that a year ago the Banking and Currency Committee was very greatly concerned about the same problem, namely, the gradual and really very drastic decline of agriculture during the past several years.

The statement made last evening by the distinguished senior Senator from Texas was certainly on all fours with, and was borne out and supported by the hearings the Banking and Currency Committee held last year, showing that we are treading on very dangerous ground when we permit the economy to become so unbalanced, as it is now becoming, by the decline in agriculture and the great boom in industry.

I, too, think the Senator from Texas rendered a very great service in bringing home in so dramatic and irrefutable a manner the facts and the true situation in this field.

Mr. LEHMAN. Mr. President, will the distinguished Senator from Georgia yield to me?

Mr. RUSSELL. I yield.

Mr. LEHMAN. I desire to associate myself with the remarks of the Senator from Georgia and the Senator from Arkansas. Last evening I had the great pleasure, in company with a party of 14 or 15 other persons, of listening to the splendid address delivered by the majority leader. Each one of the persons in the party was deeply impressed by the irrefutable arguments and by facts which were brought to the attention of the American people in the course of the speech by the senior Senator from Texas [Mr. JOHNSON]. I sincerely congratulate the majority leader by making the speech in the manner in which he did, and by reason of the accurate informative data he presented, the Senator from Texas has rendered a very real contribution to all the American people, who for the first time, in my opinion, have learned the true story of the farm bill which recently was passed by this body and which unfortunately was vetoed by the President.

Mr. RUSSELL. I thank the Senator from New York.

Mr. NEUBERGER. Mr. President, will the distinguished Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the Senator from Oregon.

Mr. NEUBERGER. Mr. President. Mr. President, I wish to thank the distinguished Senator from Georgia for having printed in the RECORD the very able speech delivered last evening by the majority leader, the distinguished senior Senator from Texas [Mr. JOHNSON]. Mrs. Neuberger and I were privileged to hear and to view that presentation.

I, in part, represent a State which has been hard hit by the present farm situation. Although many of them do not have access to television, I only hope that most of the people who live on the farms and in the rural areas of my State were able to hear on the radio the words of the outstanding Senator from Texas.

I am particularly pleased that he called to the attention of the people of the Nation some of the speeches made in 1952 by the then Republican candidate for President of the United States, so they can be made to realize that President Eisenhower is not now making his deeds square with his words.

I wish to thank the distinguished Senator from Texas for the very able presentation he made; and I also wish to thank the distinguished Senator from Georgia for having the speech printed in the CONGRESSIONAL RECORD.

Mr. RUSSELL. I thank the Senator from Oregon.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the majority leader [Mr. JOHNSON of Texas] for the address which he delivered last evening on television. In my opinion, that farm address will go down in history as one of the greatest speeches ever delivered on television. I was very much pleased with it, because it removed from the minds of a great many people any doubt as to whether or not President Eisenhower said certain things and then did not stand up for them after he became President.

I wish I could have given to the majority leader one further statement which the President made. It was made in South Carolina. Standing on the State House steps in South Carolina, the President, as a candidate, made a statement similar to the ones to which reference has been made. However, I believe his statement in South Carolina pinpointed the subject a little more clearly. He said there, without any ifs or ands, that "I am for the present 90-percent parity."

He was for the 90-percent parity which was in effect at that particular time.

I wish to commend the great Senator from Texas for having given to the people of the Nation the words of the President when he went before the people and told them what he stood for. I do not need to tell Senators that after he was elected he refused to sign a bill to carry out the program which he said he favored when he was a candidate.

As was brought out by the Senator from Texas, it was very clearly shown that the President vetoed the bill because it contained a provision for 90 percent of parity, although there were a great many other things in the bill which the President said he favored. For example, his soil-bank program was in the bill. He vetoed that, along with the other provisions, in order to get rid of the 90-percent parity for which he campaigned in 1952.

Let the people of the United States, after hearing what the President said, and knowing what was done, be the judges. Let them cast their ballots in the November election for the man who can best serve the farmers of the Nation.

ADDRESS BY ASSISTANT SECRETARY OF STATE FRANCIS O. WILCOX BEFORE NATIONAL CONFERENCE ON INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT

Mr. SMITH of New Jersey. Mr. President, the Senate Foreign Relations Committee will soon be considering legislation dealing, among other things, with appropriations for the coming fiscal year for economic development and technical assistance.

I have had called to my attention a very informative address delivered by Assistant Secretary of State Francis O. Wilcox, formerly chief of staff of the Foreign Relations Committee.

The address was delivered before the National Conference on International Economic and Social Development, in Washington, D. C., on April 10, 1956. The address deals with the very important subject of multilateral programs for economic development and technical assistance, working through the United Nations. I think the address is so pertinent at this time that I ask unanimous consent that it be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, those of us in the Government who have anything to do with economic development and technical assistance are well aware of the active role played by the many American private organizations concerned with this subject. In the Government, we have come to recognize the understanding and skill which you bring to this important problem. I regard it as a great pleasure and privilege to be able to address you this morning.

First of all, let me pay a word of tribute to the United Nations for its work in the economic and social fields. To be sure, a few people criticize it either for doing too little or for attempting to do too much, but that is the kind of criticism any worthwhile enterprise can expect. There are a handful of critics, too, who urge that the United Nations be stripped of its economic and social work and be limited strictly to the maintenance of peace and security.

This is, of course, a wholly unrealistic attitude which would result in emasculating the United Nations and negating some of the main purposes of the charter. It is precisely in this field that the Organization has achieved some of its most solid successes. Whatever the transient follies of man in the political field, the United Nations social and economic program has been doing much, without a great deal of fanfare, to build good will among the nations and lay the basis for a lasting peace.

PROBLEMS OF TECHNICAL AND ECONOMIC DEVELOPMENT

International technical and economic development programs raise very pointed questions. How long are we going to continue to make this kind of assistance available? Is it contributing significantly to the development of other countries? Are we getting benefits commensurate with our financial expenditures? How can we answer those who say we could use this money better at home, or of those who contend that we are developing foreign industry and agriculture to the point where they can better compete with our own production? These are important questions, many of which will be covered in your discussions today.

Knowing the record of the organizations here represented, I assume that there will be little disagreement among you on one basic issue. I am sure that there will be agreement that we cannot weaken our support for soundly conceived foreign-aid programs designed to help the underdeveloped countries to help themselves. It is not merely that we are confronted with a determined effort on the part of the Communist forces in the world to achieve through economic and ideological penetration what they are not able to achieve through military might. It is also that the demands of the great majority of the individuals in the world for development and for improved standards of living are undeniable and require a positive response.

BILATERAL AND MULTILATERAL PROGRAMS

Furthermore, there should be little divergence of views regarding our support both for bilateral and multilateral programs which, far from competing with each other, are complementary.

Few people here would seriously argue that we could or should dispense with either one. I may, however, be forgiven if I emphasize what seems to me the special importance of carrying out some of these programs increasingly through the United Nations. As the United Nations agencies grow in strength and attract resources from member nations which match our resources, we shall wish to place upon them a gradually increasing load of responsibilities. The United Nations system is the international society of which we are necessarily and vitally a part. We will, I believe, find it increasingly in our interest to take an increasing part in its work. From those whom we can help, and who also can help us, we must not isolate ourselves.

The executive branch is not alone in this opinion. Congressman BROOKS HAYS and Congressman CHESTER MERROW were distinguished members of the United States delegation to the 10th General Assembly. In their excellent report on the session, they have this to say:

"It is urgently necessary that in the future we make far greater use of the United Nations system for foreign aid than we have in the past. This would not mean an increased amount of money appropriated for foreign aid but rather the channeling of a part of existing appropriations through United Nations machinery.

"Some will say that such sponsorship does not give us the advertising and good will that bilateral programs provide. However, we would point out that the basic reason for our program of economic assistance is not to purchase affection but rather to strengthen the free world, eliminating the vacuums of weakness into which the Soviet power is trying to move."

STATUS OF UNITED STATES CONTRIBUTION

The request of the executive branch for contributions to the United Nations Expanded Technical Assistance Program is now before Congress. The request we are making is for funds for 1957. This contribution will be pledged by our representative next fall at the so-called "pledging conference" in New York. We are asking Congress for $15,500,000, which is the same amount we pledged last year.

Last summer Congress granted the full amount which we sought—an 18-month appropriation totaling $24 million. The United States was thus enabled, at long last, to go to the United Nations in November and make our pledge for the whole of calendar year 1956. While this represented a fuller understanding on the part of Congress for the problem which this program has faced, we also recognize that we cannot be too scrupulous in presenting solid evidence to the Congress of the facts concerning the program—its effectiveness, its importance to the American people, and their interest in it.

OUTSTANDING QUESTIONS

In considering the request for funds this year, I think we can foresee certain questions that will be raised. First, has the Soviet participation in the program become a threat to its proper functioning or to our own national interests? Second, is there any validity to the argument that the organizational developments of the Expanded Technical Assistance Program have become such as to threaten the integrity of the specialized agencies? Third, what can we see for the future of this fund and other programs to assist in development of the underdeveloped countries? I propose to deal with each of these questions in order.

SOVIET BLOC ECONOMIC ASSISTANCE

The recent attempts of the Soviet bloc at worldwide economic and social penetration deserve your very careful attention. May I at this point suggest some aspects of the broader problem as it is related to the United Nations?

In the early days of the United Nations, Soviet support of economic and social work was something less than lukewarm. At the very beginning, the Soviets conceived of the United Nations as primarily a political and security organization. They resisted efforts to give vitality to the economic and social chapters of the Charter. Soviet membership in the specialized agencies was scattered, being chiefly confined to such older agencies as the Universal Postal Union, which had existed before World War I. In 1949 and 1950, when the Technical Assistance Program was established, the Russians used the debates in the United Nations as a forum for propaganda against the program. They denounced the whole plan as a device for Western imperialistic control of the underdeveloped countries. In this connection, it is interesting to observe the increasing desire of the rapidly developing countries to receive aid through multilateral agencies.

The striking reversal of the Soviet position in recent years is a tribute to the effectiveness of the programs of the United Nations and the specialized agencies. Since the Soviets were able neither to destroy nor to ignore these programs, they apparently have decided on a policy of "if you can't lick 'em, join 'em." Moreover, outside the United Nations, the Soviet Union has launched a rather impressive program of bilateral loan or barter agreements with other countries.

I would be the first to admit that when a totalitarian government embarks on a program of foreign economic aid, it does have certain temporary advantages over representative governments. A monolithic state such as the Soviet Union does not have to answer directly or promptly to the people on a particular foreign policy. It does not have to act in accordance with an accepted set of moral principles but only in accordance with what appears expedient at a given moment. It is not accountable to the taxpayer, irate or otherwise, since the state controls all wealth and all expenditures. In short, in foreign policy matters, the totalitarian state has maximum flexibility coupled with minimum accountability. These facts we must take into account in assessing the threat of the new Soviet economic policies.

Despite these temporary disadvantages, we in the democracies have the advantage in the long pull. It may be inconvenient, at times, to have to be concerned about public opinion or moral principles, or to have to convince Congress and the American people of the wisdom of a particular course of action. But these requirements, which are based upon an enlightened public reaction, give our policy the stability and the dependability it needs in an uncertain world.

We in the democracies may be somewhat slower and less dramatic than totalitarian states in entering into agreements. But once arrived at, our agreements are the considered policies not only of governments but of the people they represent. They are not lightly entered into nor are they lightly discarded.

Moreover, we in the United States have something of an advantage in that we initiated the practice of technical aid to foreign countries long before there was such a program in the United Nations. We were, so to speak, "first in the field" and this fact is well known to peoples and governments throughout the world.

In the United Nations, again, the United States has been a leader both in supporting the establishment of the specialized agencies and in consistently providing a large share of their financial support. This, too, is not new information to the members of the United Nations. It underscores the fact that we believe in technical aid for the benefit it will bring to other peoples and not alone for the good will and political prestige which are involved in bilateral aid.

I am not suggesting that the democracies should have a monopoly on technical assistance. We do have, however, a record of experience and integrity, of good faith and fair dealing, which are assets of incalculable value. In any long-term contest with totalitarian states in international technical and social cooperation, these should stand us in good stead.

In view of all this we would be shortsighted indeed to be frightened into a position of outpromising the Russians on offers many of which they would not or could not keep.

In theory at least, it would be beneficial to the United Nations and to the underdeveloped countries if the Soviets would commence a consistent and sincere program of technical assistance. Their record on this score to date has not, however, been impressive.

In the summer of 1953, the Soviets made their first pledge to the technical-assistance program. Successive pledges and contributions have been made since then. However, the nonusability of the rubles which were paid in, coupled with the reluctance of recipient countries to accept Russian experts or training grants within the Soviet Union, resulted in a considerable accumulation of rubles on the books of the United Nations.

There are indications that greater use will be made of these funds in 1956. However, in the face of continued reluctance on the part of many countries to receive Soviet experts, most of the projects financed out of Soviet and satellite funds must be in the form of supplies and equipment.

What this all means in practical terms is still very much an unknown factor. To obtain the equipment has required extensive negotiations between the international agencies and the Soviet Government. Specifications do not always conform to western standards. Even where specifications can be met, the quality and durability of Soviet equipment is open to question. Servicing of the equipment and obtaining spare parts may present a real problem, as the years go by. To the extent that there is competition in this area between the East and the West, there would seem to be no doubt that in the technical field western countries, including the United States, can meet any challenge the Soviets put up. Clearly, American machinery, tools, and equipment can make their way in the world. In a sense, we have here a first-rate opportunity to demonstrate the effectiveness of the American industrial system, as compared to the Soviet.

One further development deserves attention. A few countries in dire need of help found it difficult to resist the lure of the unused rubles. They have recently shown a willingness to develop projects designed to use primarily or almost exclusively Russian experts, Russian training grants, and Russian equipment. For practical purposes, these have the appearance of bilateral projects financed out of Soviet funds contributed to the United Nations. This tends to pervert the truly multilateral character of technical assistance.

You may rest assured, however, that your representatives in the United Nations and the specialized agencies are not oblivious to this danger. Both in the Technical Assistance Committee, and in other United Nations organs, our representatives have drawn attention to this threat and we have every reason to believe that a stop will be put to any attempts of this nature to endanger the United Nations program of technical assistance.

ORGANIZATION OF EXPANDED PROGRAM

The organization of the Expanded Technical Assistance Program has raised very real apprehensions in certain quarters. It is contended by some that the mechanisms established at the beginning of the expanded program, which has been somewhat strengthened since that time, have now become a threat to the specialized agencies—and to such a degree as to seriously hamper them in the proper performance of their functions. Now, it is important to establish at once the fact that there is nothing fixed or sacrosanct about the procedures under which the expanded program operates at the present time. The administrative arrangements are undoubtedly complex. Of its complicated arrangement of checks and balances even students of the United States Federal Government may well stand in awe. It is a system which has grown up in response to very definite conditions and needs. But this does not mean that it cannot be made better and that we cannot steadily work to simplify and improve it.

What I think is important to recognize is the fact that conscientious and sincere people have discussed this question on both sides of the fence. There are some, for example, who believe that the concept of a single fund and the mechanism of the expanded program have become so elaborate and so dangerous to the integrity of the specialized agencies, that the expanded program itself should be scrapped and contributions made to each of the specialized agencies separately.

On the other hand, there is a wealth of evidence—from the recipient countries, from our missions overseas, and even from most of the participating agencies—which supports the other view. From these sources it is pointed out that confusion, lack of coordination, and diminished impact are bound to result unless each specialized agency is provided with convenient machinery for cooperation and coordination with others and for gearing its activities to agreed country needs and programs.

The central problem is to find precisely the right place to draw the line. Few people advocate placing the program under centralized administrative direction. On the other hand, the United States Government believes it is unwise to advocate complete separation. We believe that the expanded program in its present form has established itself as an effective and important force in international affairs.

For one thing, it assures the several participating agencies the essential freedom which they must have for their technical programs, while providing necessary coordination. If the program were broken up and financial contributions made separately to the various agencies, such coordination would be extremely difficult to accomplish.

Furthermore—and this is highly important—the agencies would risk losing a large part of the funds they are now receiving through the expanded program of technical assistance. Some 70 countries, non-United Nations members among them, would be compelled to make separate contributions to 7 or 8 different agencies, all of them competing for funds. It can be taken for granted that this process would become exceedingly cumbersome and inefficient and the machinery might even collapse of its own weight. The agencies themselves would be the chief losers. Instead of receiving technical-assistance funds on their present scale, their income would rapidly diminish. What this would mean can easily be seen when it is realized that the FAO spent in 1955 $7,650,128 out of the United Nations Technical Assistance Fund, as against $6 million received under its regular budget. The corresponding figures for the WHO are $4,335,981 as against $9,500,000; and for UNESCO $3,081,748 as against $10,299,618. The 1956 figures are even higher for FAO and other agencies.

In summary, let me reemphasize that no one intends to weaken the specialized agencies or to interfere with matters within their technical competence. In the expanded program we believe the United Nations is fundamentally on the right track. As this program continues to develop in size and influence—and I believe it will—separatism among the participating agencies will more and more become an impossible proposition to sustain.

THE FORWARD LOOK

The technical assistance program of the United Nations has turned out to be an international instrument of major significance. From all I have said, it is clear that we must move steadily ahead with it. The Technical Assistance Board is now developing what, perhaps following your good example here, they call their forward look. This is a study of what 5 years' experience has shown and in what directions the program might go from here.

The program is still extraordinarily small relative to the needs which it aims to meet. We should begin to recognize that, in a modest way, some change in the nature of the program may be desirable as it expands. The paucity of supplies and equipment has been one of the factors which has hampered its work. We would not wish to see the nature of the program altered into a means of supplying financial aid. But it may very well be, although this is, of course, a matter for careful study, that some augmentation of supplies and equipment, for teaching and demonstration purposes, would represent a very desirable emphasis. This might mean an increase in required funds from the present total of $30 million a year.

In the area of financial aid we encounter a much more difficult and intricate problem. The needs of the underdeveloped countries for development capital are large and urgent if they are to win the race between sound economic development, on the one hand, and unrest and political and economic disaster, on the other. It is axiomatic that the bulk of these funds have to be found internally through taxation and encouragement of local capital formation. At the same time, it is evident that if these countries are to be freed from the threat of subversion and revolution they also require outside help.

In this context we think, of course, first of all of private capital. Our own early development benefited greatly from British and other investments made in this country. Private capital is also moving today into underdeveloped countries and is doing much for them, but the flow is discouragingly slow and limited. It can be increased if the underdeveloped countries themselves do everything possible to create a better investment climate, and many of them are doing just that.

Beyond this we need a more imaginative approach to discover opportunities for private investment which will be of benefit to the countries concerned. Ways and means ought to be found, for instance, to use the best knowledge available in a determined move to explore the natural resources which await development throughout the world. As the opportunities for such development become clearer, the flow of private capital will increase and help speed economic development in countries where it is most urgently needed.

Second, public loan capital is available both through bilateral instruments such as our own Export-Import Bank and through multilateral channels such as the International Bank for Reconstruction and Development. The loans made by these institutions are bankable loans and must by necessity be restricted to the repayment ability of individual countries.

Third, along with [or prior to] investments of interest to banks or private individuals, there is a need for development projects which are not bankable for a variety of reasons. Irrigation schemes, roads, schools, and hospitals illustrate the point. Without these, further agricultural or industrial development is severely handicapped or impossible. These projects constitute what is commonly known as infrastructure. Although the word is a dreadful one, the things for which it stands represent the foundations for economic development. It is on the basis of such foundations that there will be infinitely greater scope for private investment and public lending.

How such funds, whether they be local or external funds, can be made available is a matter of grave concern to all those interested in the development of sound economies which will not be vulnerable to subversion. Our own Government, along with other governments, is continuously exploring this problem in the hope of finding an adequate answer. Our international system is not a stagnant one. Like other systems and institutions, it must continue to grow and meet ever-changing conditions.

In conclusion, I would like to enter a word of general caution to those who would go too far and too fast with the United Nations. The United Nations has great potentialities. Prudently used, it can continue to be an important means for the development of the kind of world we want to live in. But impetuosity and over-reaching have their dangers here as elsewhere. Common horsesense and a recognition of what is practical will in the end carry us further than attempting too much at once. We do disservice to something we all believe in by running forward and stumbling, instead of walking certainly and surely to our goal.

It has been a pleasure, Mr. Chairman, to meet here this morning with this group. I am confident that your discussions (now that I have finished) will prove to be fruitful and constructive. We in the State Department shall watch with interest the outcome of your labors.

MRS. FRANKLIN PEABODY—A SOLITARY VOICE IN THE DAR

Mr. LEHMAN. Mr. President, last week, on April 12, there took place at one of the sessions of the convention of the Daughters of the American Revolution an episode which impressed me so deeply that I cannot refrain from reciting it here on the floor of the Senate.

A constituent of mine—a constituent I am very proud of, although I do not know her—Mrs. Franklin Peabody, of Glens Falls, N. Y., arose on the floor of the DAR convention to oppose a resolution indicating the support of the DAR for the McCarran-Walter Act.

Mrs. Peabody's was a solitary voice in opposition to the resolution and in advocacy of a more liberal and forward-looking attitude on the part of the DAR, on this question. No other members of the DAR arose in support of Mrs. Peabody's position, although I am sure that there are thousands of members of the DAR who agree with what Mrs. Peabody said on the floor of the convention. I do not know how many of the delegates who were present listened to what Mrs. Peabody had to say, but she caught the ear of the Nation, and many thousands have now read of her views.

I was so deeply impressed with Mrs. Peabody's action, that I wrote a letter to her, congratulating her on her display of courage.

I ask unanimous consent that an article in the Evening Star reporting on this incident, the letter I wrote to her on the basis of this article, and a speech I delivered before the educational conference sponsored by the United Automobile Workers—a speech which is referred to in my letter to Mrs. Peabody—be printed in the body of the Record at this point in my remarks.

There being no objection, the article, letter, and address were ordered to be printed in the Record, as follows:

Lone Objector Protests DAR Immigration Stand

Over the protest of a lone objector from the floor, the Daughters of the American Revolution today reiterated their support of the McCarran-Walter Immigration Act.

In addition to attending the business sessions of the 65th DAR Continental Congress in Constitution Hall, delegates were lining up at the polls to vote for national officers in the triennial election. The polls closed at 2:30 p. m., with results to be announced at tonight's session.

The three candidates for the top DAR post—president general—are Mrs. Charles Carroll Haig, of Washington; Mrs. Thomas Henry Lee, of Philadelphia; and Mrs. Frederic A. Groves, of Cape Girardeau, Mo.

Each of the top candidates has a slate of 11 running mates. The large number of names on the ballot makes it anybody's guess when the tellers will be able to complete the count but it is likely to be early tomorrow morning before the results are known.

During today's session, Mrs. Franklin Peabody, 29-year-old housewife from the Chepontuc chapter at Glens Falls, N. Y., took the convention floor to protest the organization's going on record "year after year, in blind support of a highly complex law."

She declared that the Immigration and Nationality Act contains, among its many restrictive features the illogical national origins quota system. She said this system is laughable when it is recognized that the tiny principality of Monaco has the same allowance for quota immigrants to the United States as the world power, India; the quota for each is 100."

Mrs. Peabody told the Daughters, "I do not intend to dwell on the truism that we are all descendants of immigrants."

Calling the national origins system absurd, Mrs. Peabody said it assigns priorities on the basis of geographical area of birth rather than of individual worth and merit. She added the total of quota immigrants of about 154,000 a year is entirely unrealistic.

She expressed the view that a reassessment of today's needs and resources should prove the United States capacity to afford immigrants far greater than this mean, parsimonious amount.

Delegate Protests Lack of Time on DAR Resolutions

Mrs. Franklin Peabody, of Glens Falls, N. Y., who took the floor today to explain her lone vote against the DAR's resolution supporting the present immigration law, said her chapter is concerned about the short length of time given delegates to study resolutions.

She is the wife of a Glens Falls lawyer. A part-time teacher in the nursery school at the Presbyterian Church there, she is 29 and a delegate from Chepontuc Chapter.

She and Mrs. William Montgomery, her alternate, told reporters their chapter had tried for the past 5 or 6 years to have the resolutions sent out for study at least a month prior to the congress.

"We did succeed in accomplishing this in the New York State Society," Mrs. Peabody said. Delegates to the National Society Congress here received copies of the resolutions a day before they were to be voted upon.

"We have no way of knowing how many chapters have sent in similar requests for a change in resolution proceedings because a minority report is never given," Mrs. Montgomery said.

APRIL 23, 1956.

Mrs. FRANKLIN PEABODY,
Glens Falls, N. Y.

DEAR MRS. PEABODY: A member of my staff has reported to me that you called at our office to discuss the subject of immigration policy. I later read in the Washington Evening Star the very exciting story of your courageous stand at the DAR Convention in opposing the resolution proposed to uphold the McCarran-Walter Act. As I read this account, I was deeply moved. This is the kind of courage of which heroism is made.

As you probably know, I have been working for the amendment of the McCarran-Walter Act since the act was passed 4 years ago. In the past, I have often felt myself to be standing almost alone on this issue, but as time goes by more and more people have come to see the inequities and injustices in the present law.

I want not only to congratulate you, but to thank you. Just yesterday I delivered a speech at a convocation sponsored by the United Auto Workers. I spoke on the subject of freedom, with particular emphasis on freedom of expression. While I was writing this speech, I thought of you and the courage you showed in standing up, a lone voice, on the floor of the DAR Convention. I am enclosing a copy of that speech so that you may see what I mean. I do not know whether you will agree with all the things I have to say in my speech, but I think you will appreciate, from your own experience, what I was talking about.

I wish I had been in my office when you called so that I might have been able to greet you. I have a very warm feeling for Glens Falls. I have been there on several occasions and in recent years I have stayed in touch with it through my friend, the Honorable Nathaniel P. Davis, a former distinguished member of the Foreign Service now living in retirement in Glens Falls.

I hope that on your next visit to Washington you will find occasion to call at my office again, and that I will be able to meet you and thank you in person.

Yours very sincerely,

HERBERT H. LEHMAN,
United States Senate.

P. S.—I know you will not mind the fact that I am planning to put the article which appeared in the Evening Star into the CONGRESSIONAL RECORD, together with my letter to you. When this is printed, I will be happy to send you a copy.

REMARKS OF HON. HERBERT H. LEHMAN, OF NEW YORK, UPON ACCEPTING THE 20TH ANNIVERSARY FREEDOM AWARD OF UNITED AUTO WORKERS (AFL–CIO) AT THE SYLVAN THEATER, WASHINGTON, D. C., 11 A. M., SUNDAY, APRIL 22, 1956

Thank you for your award. It means as much to me as any honor I have ever received. This award, coming from this union, is an accolade I will always treasure.

It is almost unnecessary for me to tell you in what esteem I hold the United Automobile Workers Union, and how pleased I am to be able, on this occasion, to congratulate the UAW on this 20th anniversary of its founding.

My admiration for your leadership is deep and abiding. I count it a privilege to number among my true friends that man of thought and action, that dreamer and realist, that American ambassador to world labor at large, Walter Reuther.

Historians will one day measure what the UAW has done for its members and for the automobile industry, for the American labor movement as a whole, for the national welfare and for the strength and prestige of the United States in world affairs.

But speaking for myself, I know of no single organization, of whatever nature or size, which has had a greater or more constructive impact on the entire history of these times than the United Automobile Workers of America.

It is not only the size and extent of its contribution, but even more, its quality. When other organizations have wavered or held back in doubt or fear, the UAW has pressed boldly forward, an elite guard in the forces of courage and progress.

Today on this occasion, on this 20th anniversary of the founding of the UAW, I give this union my own award of deep respect, admiration, and gratitude.

You have given me your freedom award. I am especially proud of that.

I have always sought to resist on every possible front the encroachments of those men and forces who have striven to narrow and restrict the practices of freedom. I have tried to help sound the alarm for the mobilization of those legions of Americans who, loving freedom, have been aroused to defend it. The UAW was one of the first to respond to that alarm, to help spread it throughout the land, and to help mobilize the forces to resist the assault.

The most recent assault on our Bill of Rights and on our practices of freedom is too fresh in our memory to need recital today. The effects of it are still very much with us.

One of the worst of those effects is a widespread reluctance, both in official circles and among the public at large, to cope with the grave and vital issues which confront us at home and abroad today. There is a strong inclination to turn away from these issues, to refuse to recognize some of them and to defer others, into the future.

This current inclination is, in part at least, one of the after effects of McCarthyism. There are, of course, other factors in this current tendency to avoid controversy and to refuse to face the necessity of struggle. But I am going to confine myself today to a discussion of what has happened to our practice of freedom and the consequences thereof.

I shall talk today about the first freedom—the freedom of thought and expression. What is the heart of that freedom?

Freedom of thought and expression is freedom of conscience, and the freedom to communicate opinions and conclusions, without restriction or penalty. It is not only the right to think freely and to express oneself freely, but the use of that right.

Today while the right of this freedom is plainly written in the Constitution and generally supported by the Supreme Court, its actual use is, in fact, greatly restricted in vital areas of thought and conduct.

There has developed a widespread recognition of a set of taboos, armed with almost irresistible powers of sanction and enforcement. These taboos are against the advocacy or even the discussion of subjects labeled "controversial." The power of enforcement of these taboos consists of the power to dismiss people from jobs and positions, the power of the blacklist, and for public men, the threat of defeat at the polls.

The subject matter of these taboos differs somewhat in different areas of the country. Communism, of course, or anything which can be called communism, or even socialism falls everywhere under the taboo. In some areas and localities any position which resembles liberalism is subject to these sanctions.

Worst of all, these taboos have come to be, in significant part, self-executing and self-enforcing. Many people recognizing these taboos, have come to abide by them.

All of this may be an inevitable consequence of the period we have just gone through, and I am sure that under ordinary conditions we could look forward with good cheer to the prospect of a steady improvement in the situation I have described.

But today we confront the most extraordinary of conditions. Our problems, both at home and abroad, are as critical as any we have ever had in the history of our Nation. I need refer to only one problem, the problem of segregation and of equal rights for all our citizens. Today that problem threatens our national unity and tranquillity to a degree unprecedented in this country.

But in many parts of the South, at least, there is no such thing as free discussion and debate of the course to be followed. The taboo against free expression of opinion on this subject has forced an almost complete acceptance, among the white population, of the sorry doctrine of white supremacy. In some places it is dangerous even to voice acceptance of the rule of constitutional law. To speak of the Supreme Court save with contempt is to violate the taboo. To question the morality of segregation is, of course, to invite swift and certain retribution. Those few brave souls who have expressed opinions or even posed questions within this range have suffered not only social ostracism but have been stripped of jobs, honors, titles, and positions.

Freedom of expression on this issue has suffered an almost total eclipse in many places in the South. The effect of this, in turn, has been to deprive these areas of an effective liberal opposition to the extreme racists and advocates of the status quo. This has placed the total burden of vocal opposition and struggle upon those of the Southern Negro leaders who can withstand the economic and other pressures directed against them. This is not only an unhealthy situation; it is one fraught with danger.

I said a few moments ago that one of the worst things that has happened is that in general the taboos on freedom of expression have become, to some extent, self-executing and self-enforcing. All of us think twice before we voice opinions on certain subjects; we refrain from expressing the indignation of our feelings at certain injustices; we avoid contact with certain organizations and individuals; we keep our bookshelves free of certain books and magazines. To do otherwise we fear might be misunderstood.

This, we tell ourselves, is prudence. And, in fact, it is. But why should it be prudent? And where does prudence in ourselves end, and cowardice, in others, begin?

The trouble is that we have lost the passion for the full right of freedom of expression, and we have thus lost the full use of the standard by which conduct, on the part of others, can be judged.

I am primarily concerned of course with the decrease in the right of freedom. I believe that every free human soul requires a constant exercise of his right of self-expression. When his conscience decides, his voice must speak. Once he begins to be prudent in the exercise of his voice, he will find prudence affecting his conscience.

Edmund Burke said, "The only thing necessary for the triumph of evil is that

good men remain silent." And I say today that if good men remain silent in the face of evil, they have already compromised with evil.

I know this is easy to preach and hard to practice. But my friends, on this Sunday morning, I am preaching to myself as well well as to you. And if the ideal is impossible to attain in this real and practical world, it must never cease to be striven for. It must never cease to be the goal.

What is the meaning of all this in terms of contemporary events and issues? I think that the present national mood of acceptance of the myth of "peace and prosperity"—that peace which is threatened at every hand, and that prosperity which all too many of our people do not share—is due in part to the erosion of true freedom in our country.

A great propaganda machine, utilizing all the new media of communication—has merchandised the myth that all is well in Eisenhower's America. The insidious techniques of mass market salesmanship have been employed to cultivate an acceptance of slogans instead of facts, and a greater interest in the packaging or presentation of ideas than in their merit or substance.

This administration proposes and expects to go to the people next November without a record of achievement, without a program for future accomplishment, and without advocacy of any recognizable set of principles—on a platform built simply on the Tin Pan Alley slogan of "I Like Ike."

Yet the issues of the present day are as I have already tried to indicate among the most serious of our history. We are gripped in a domestic crisis of the gravest possible consequence; in world affairs we are shuffling along from brink to brink of war.

Let me list just a few of our current problems:

Vast numbers of our people are inadequately housed—slums creep ever forward in our cities.

Our school systems are overburdened and tragically substandard in many areas.

The problem of our aged population grows by the month.

Our natural resources are being stolen and dissipated.

The shortage of scientists and technologists grows increasingly intense.

The shortage of doctors becomes ever more critical and adequate health care, ever more difficult to obtain for most of our people.

Scandalous discrimination characterizes our immigration policy.

Injustice is rife in our treatment of aliens.

And last, but by no means least, our family-sized farms and small farmers are being subjected to greater and greater pressures of economic adversity.

And even with this long list, I have only begun. I have not touched on the problems of economic concentration and monopoly, and of automation, which are of such pressing concern to you—and the problem of the Taft-Hartley Act.

And in the face of this, all we are hearing about today is peace and prosperity.

Few are the voices which are seriously raised to dispel or dispute the myth that all is for the best in this best of all possible worlds.

Oh, my friends, we have much to do in our beloved land to bring justice and equality to all our inhabitants and citizens, to build a true prosperity and to advance toward a lasting peace. But first of all, we must work to restore freedom to her hallowed place in our hearts and in the practices of our country.

We must cut away the hedges which now hem in the areas of freedom. We must dedicate ourselves to the advancement of the sacred cause of liberty, not just in words, but by hard and difficult deeds.

We must free the conscience of every man to express itself as it will.

We must restore the public faith, and our own faith, the power of truth to prevail over error, and the necessity of free search and inquiry to establish that truth.

If these be our guides and our standards, we will advance to the inevitable victory.

ANNIVERSARY OF MASSACRE OF ARMENIANS

Mr. LEHMAN. Mr. President, today in many places in America, Americans of Armenian descent observe the tragic date of April 24 on which, in 1915, more than 1 million Armenians were massacred.

The people of Armenia, in their long history, have suffered the oppression of many conquerors. They have had only brief interludes of freedom. But their love of freedom has never ceased to burn brightly, and they have given many patriots to the cause of freedom in many parts of the world. Those Armenians behind the Iron Curtain who endure the tyranny of Communist rule today will one day, I am sure, achieve again the blessings of liberty.

We must show our sympathy for these people on this memorial day, which is the anniversary of one of the greatest tragedies of Armenia's tragic history, by expressing our warm sympathy for the enslaved people of Armenia, and by continuing to work for the liberalization of our immigration laws so that we may give asylum to qualified freedom-loving people of Armenian birth and descent. We must also continue to press for the ratification of the Genocide Convention.

DISPOSITION OF FORMER ENEMY-SEIZED PROPERTIES

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that I may proceed for not more than 5 minutes.

The PRESIDING OFFICER. Without objection, the Senator from South Carolina may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, last Friday the Subcommittee of the Senate Judiciary Committee on Trading With the Enemy Act, of which I am chairman, completed public hearings on several major bills pending before it. These bills relates to the disposition of former enemy-seized properties, now being administered by the Office of Alien Property.

We heard many witnesses. A large number of individuals, companies, and groups submitted briefs and statements.

No one questions the wisdom and necessity in time of war of seizing the properties of enemy aliens. All means to stay the enemy and overcome him are necessary.

The problem now of the first magnitude is "What shall we do with the private property of individual owners with whose governments we were at war when the seizures took place?"

There are many statutes on alien property. One is superimposed on another. Executive orders and legislation by the adoption of reorganization plans are added to these statutes. The administration of them has resulted in some harsh results. The turn in part of the law seems contrary to our traditional American policy of free enterprise and the exemption of an individual's private personal property from his government's obligations.

The subcommittee will study the complex questions involved. The answers to them are not easy. Domestic law, constitutional law, as well as international law and custom, are involved. Many disputed questions of fact arise. We are greatly concerned with how and in what manner we make provision to pay the claims of Americans for personal injuries, wrongful deaths, and property losses. I do not refer to token payments—partial payments—or a piecemeal approach to await further legislation. I refer to an immediate overall program that will do substantial and complete justice to American claimants as their claims relate to the subject matter of alien property.

The major problems in the handling of alien property revolve around questions like these:

How shall we provide for the full payment of all American losses—such as those for personal injuries, wrongful deaths, and property damage claims?

What existing agency of the Government is best suited and qualified to complete the payment of claims within a reasonable time?

Should appeals be allowed from the final decision of the agency making the award of payments?

Are we to adopt the Communists' method of confiscating private property—even partially as proposed in one bill?

Will partial confiscation harm our foreign policy?

How will a program of partial confiscation affect the security of our vast private and governmental investments abroad?

Shall we foster, uphold, and maintain the American principle that an individual's private property is sacred and entitled to the protection afforded by our Constitution?

Shall we sustain the principle that an individual's property is exempt from any obligation by his Government?

Shall we penalize aliens because of their faith and confidence in our institutions when they invested here in time of peace?

These and their related problems have far reaching consequences.

We have much evidence in the record to review. We have diverse contentions to weigh.

On Friday there was one outstanding item or a series of items of evidence introduced which because they are so important, so timely and because they so vitally affect other measures now under consideration by the House of Representatives and will shortly reach the Senate that I feel it imperative that the Senate, and the American people at large should be alerted to them now.

Mr. Paul O. Peters, an able research consultant, submitted a statistical analysis of all of the American loans, gifts and grants to foreign governments and their amounts for the periods of (a) World War I, (b) under the lend-lease program, and (c) in the various foreign-aid programs since the close of World War II.

I send the analysis to the desk and ask that it be printed in the RECORD at this point in my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

STATISTICAL ANALYSIS OF AMERICAN LOANS TO FOREIGN GOVERNMENTS, POST WORLD WAR I; INDEBTEDNESS OF FOREIGN GOVERNMENTS TO THE UNITED STATES ARISING FROM WORLD WAR I LOANS, INCLUDING DEFAULTS; LEND-LEASE AID RENDERED BY THE UNITED STATES, WORLD WAR II; FOREIGN AID GRANTS AND CREDITS FROM THE UNITED STATES TO FOREIGN COUNTRIES, JULY 1, 1945, TO JUNE 30, 1955; AMERICAN PRIVATE INVESTMENTS IN FOREIGN COUNTRIES FOR THE YEARS 1928 AND 1954

(Compiled by Paul O. Peters, research consultant)

AMERICAN LOANS TO FOREIGN GOVERNMENTS, POST WORLD WAR I

Under the acts of Congress of April 24, 1917, September 24, 1917, April 4, 1918, and July 9, 1918, the Secretary of the Treasury was authorized to establish credits in favor of foreign governments engaged in war with enemies of the United States and to the extent of credits so established to make advances to such governments through the purchase at par of their respective obligations. The total appropriations provided by Congress for loans to foreign governments was $10 billion. The annual report of the Secretary of the Treasury for the fiscal year 1919, summarizes the situation as of June 30, 1919, as follows:

Country	Credits established	Cash advances	Other advances	Total loaned
Belgium	$343,445,000	$338,745,000		$338,745,000
Cuba	10,000,000	10,000,000		10,000,000
Czechoslovakia	55,330,000	52,690,000		52,690,000
France	3,047,974,777	2,887,477,800	$110,000,000	2,997,477,800
Great Britain	4,277,000,000	4,277,000,000		4,277,000,000
Greece	48,236,629		48,236,629	48,236,629
Italy	1,620,922,872	1,610,922,872		1,610,922,872
Liberia	5,000,000	26,000		26,000
Russia	187,729,465	187,729,465		187,729,750
Serbia	26,780,465	26,780,465		26,780,465
Rumania	25,000,000	25,000,000		25,000,000
Total	9,647,419,493			
Cash advanced		9,416,370,888		
Other charges against credits			158,236,629	
Total loaned (to June 30, 1919)				9,574,608,517

Recorded repayments and balances, June 30, 1919

Country	Total loaned	Repayments	Balances
Belgium	$338,745,000	$10,000	$338,735,000
Cuba	10,000,000		10,000,000
Czechoslovakia	52,690,000		52,690,000
France	2,997,477,000	12,147,000	2,985,330,000
Great Britain	4,277,000,000	57,164,008	4,219,835,992
Greece	48,236,629		48,236,629
Italy	1,610,922,872		1,610,922,872
Liberia	26,000		26,000
Rumania	25,000,000		25,000,000
Russia	187,729,750		187,729,750
Serbia	26,780,465		26,780,465
Total	9,574,608,517	69,321,008	9,505,287,509

The indebtedness of foreign governments to the United States, June 30, 1954 (arising from World War I advances)

Country	Principal in default	Interest in default	Total in default	Unmatured principal	Total indebtedness
Armenia	$11,959,917.49	$20,813,124.67	$32,773,042.16		$32,773,042.16
Austria	13,623,712.32	44,058.93	13,667,771.25	$12,356,768.34	26,024,539.59
Belgium	114,900,000.00	177,743,077.60	292,643,077.60	285,780,000.00	578,423,077.60
Czechoslovakia	51,181,108.90	51,118,599.51	102,299,708.41	114,060,000.00	216,359,708.41
Estonia	3,674,112.87	13,178,678.94	26,852,791.81	12,792,000.00	39,644,791.81
Finland		345,097.00	345,097.00	6,780,678.82	7,125,775.82
France	1,293,841,430.30	1,513,442,964.36	2,807,284,394.66	2,569,808,569.70	5,377,092,964.36
Britain	951,000,000.00	3,414,759,301.93	4,365,759,301.93	3,417,000,000.00	7,782,759,301.93
Greece	19,091,000.00	9,280,095.10	28,371,095.10	12,425,000.00	40,796,095.10
Hungary	397,060.00	1,429,709.53	1,826,769.53	1,511,500.00	3,338,269.53
Italy	411,900,000.00	112,076,159.34	523,976,159.34	1,593,000,000.00	2,116,976,159.34
Latvia	1,509,264.20	5,388,477.84	6,897,742.04	5,370,200.00	12,267,942.04
Lithuania	1,335,680.00	4,806,565.03	6,142,245.03	4,862,002.00	11,004,247.03
Poland	43,312,000.00	164,931,404.20	208,243,404.20	162,745,000.00	370,988,404.20
Rumania	20,310,560.43	27,372,734.44	47,683,294.87	43,550,000.00	91,233,294.87
Russia	192,601,297.37	342,371,797.63	534,973,095.00		534,973,095.00
Yugoslavia	13,153,000.00	4,575,631.28	17,728,631.28	48,472,000.00	66,200,631.28
Total	3,143,790,043.88				
Interest in default		5,863,677,256.33			
Total in default, June 30, 1954			9,007,467,300.21		
Unmatured principal				8,290,513,718.86	
Grand total, indebtedness of foreign governments to the United States					17,297,961,019.07

Source: Annual Report of the Secretary of the Treasury, 1954.

Lend-lease aid rendered by the United States, World War II

[By major countries and country groups, Mar. 11, 1941, through June 30, 1945]

Country or group:	*Total expenditure by country*
British Commonwealth including Canada	$29,280,184,735
China	338,287,842
France	645,459,595
Russia	10,074,691,047
Belgium	31,585,058
Czechoslovakia	16,758
Egypt	10,621
Ethiopia	5,081,371
Geece	72,654,831
Iceland	3,786,437
Iran	19,780
Iraq	4,144

Lend-lease aid rendered by the United States, World War II—Continued

Country or group—Con.	*Total expenditure by country*
Liberia	$1,981,104
Netherlands	146,633,122
Norway	31,244,707
Poland	15,982,251
Saudi Arabia	11,046,553
Turkey	21,154,577
Yugoslavia	18,369,421
Unassigned areas	56,982,542
American Republics (16)	346,356.443
Production facilities: special projects and adistrative expense	[1] 869,018,422
Total lend-lease to to June 30, 1945	[2] 42,020,779,261

Explanatory notes:

[1] Production facilities in the United States provided with lend-lease funds accounted for $634,209,771. Special projects, servicing of foreign vessels, ocean freight and administrative expenses cost $234,808,651, making a total of $869,018,422.

[2] In addition to lend-lease aid furnished during the period to June 30, 1945, the United States expended $2,413,193,669 for installations owned or controlled in foreign countries or their dependencies. In all there were 3,013 of these installations all but 66 of which were military in character. As examples of the nonmilitary expenditures are such items as expenditure of $104,101 in India for production of mica and an additional $4,141 for extraction of beryllium ores.

Foreign-aid grants and credits from the United States to foreign countries and areas

[Postwar period; July 1, 1945, to June 30, 1955, excluding payments to capital of International Bank ($635 million) and Internationa. Monetary Fund ($2,750 million) which were both measures to promote foreign economic recovery following World War II. This compilation includes interim aid under United Nations Relief and Rehabilitation Administration; GARIOA; the Marshall plan (ECA); Mutual Security Administration and International Cooperation Administration (grants and credits by principal countries)]

Country or area	Net grants	Net credits	Total
Western Europe:			
Austria	$1,003,000,000	$8,000,000	$1,011,000,000
Belgium-Luxembourg	579,000,000	151,000,000	730,000,000
United Kingdom	2,658,000,000	4,294,000,000	6,952,000,000
Denmark	233,000,000	49,000,000	282,000,000
Finland	3,000,000	77,000,000	80,000,000
France	3,561,000,000	1,842,000,000	5,403,000,000
Germany (Federal Republic)	2,676,000,000	1,192,000,000	3,868,000,000
Iceland	28,000,000	6,000,000	34,000,000
Ireland (Eire)	17,000,000	128,000,000	145,000,000
Italy, including Trieste	2,466,000,000	277,000,000	2,743,000,000
Netherlands	791,000,000	268,000,000	1,059,000,000
Norway	207,000,000	102,000,000	309,000,000
Portugal	15,000,000	50,000,000	65,000,000
Spain	35,000,000	56,000,000	91,000,000
Sweden	87,000,000	21,000,000	108,000,000
Yugoslavia	666,000,000	53,000,000	719,000,000
Unspecified aid in Western Europe	681,000,000	101,000,000	782,000,000
Eastern Europe:			
Czechoslovakia	186,000,000	5,000,000	191,000,000
Eastern Germany	17,000,000		17,000,000
Poland	365,000,000	63,000,000	428,000,000
U. S. S. R. (Russia)	204,000,000	222,000,000	426,000,000
Other Eastern Europe	26,000,000	13,000,000	39,000,000
Near East-Africa:			
Egypt	22,000,000	4,000,000	26,000,000
Rhodesia and Nyassaland		40,000,000	40,000,000
Greece	1,200,000,000	75,000,000	1,275,000,000
Iran	141,000,000	55,000,000	196,000,000
Iraq		142,000	142,000
Israel	231,000,000	128,000,000	359,000,000
Near East-Africa—Con.			
Jordan	$21,000,000		$21,000,000
Liberia	6,000,000	$18,000,000	24,000,000
Turkey	219,000,000	93,000,000	312,000,000
Union of South Africa	--92,000,000	104,000,000	12,000,000
Unspecified areas	176,000,000	−6,000,000	170,000,000
South Asia:			
Afghanistan	3,000,000	24,000,000	27,000,000
India	101,000,000	227,000,000	328,000,000
Pakistan	118,000,000	15,000,000	133,000,000
Burma	20,000,000	2,000,000	22,000,000
Indo China	303,000,000		303,000,000
Indonesia	104,000,000	137,000,000	241,000,000
Thailand	25,000,000	1,000,000	26,000,000
Unspecified South Asia	17,000,000		17,000,000
Asia and Pacific:			
Australia	−9,000,000	12,000,000	3,000,000
China (Formosa)	1,074,000,000	106,000,000	1,180,000,000
Japan	2,410,000,000	60,000,000	2,470,000,000
Korea	1,158,000,000	21,000,000	1,179,000,000
New Zealand	2,000,000	3,000,000	5,000,000
Philippines	743,000,000	77,000,000	820,000,000
Other Asia-Pacific	24,000,000		24,000,000
Canada		6,000,000	6,000,000
American Republics	256,000,000	752,000,000	1,008,000,000
International organizations	907,000,000	60,000,000	967,000,000
Total	25,684,000,000	10,992,142,000	36,676,142,000
Military grants	14,663,000,000		14,663,000,000
Grand total grants and credits			51,339,142,000

EXPLANATORY NOTES

Foreign aid in the postwar period to June 30, 1955, including military grants of $14,663 million were distributed in general areas as follows:

(1) Western Europe (excluding Greece and Turkey)	$39,409,000,000
(2) Eastern Europe	1,101,000,000
(3) Near East (including Greece and Turkey)	4,316,000,000
(4) South Asia, other Asia and Pacific	10,153,000,000
(5) American Republics	1,233,000,000
(6) Canada	6,000,000
(7) International organizations and unspecified areas	$1,118,000,000
(8) Adjustment due to rounding to thousands	3,142,000
Distributive totals	51,339,142,000

Source: Foreign Grants and Credits by the U. S. Government, a report prepared in the Office of Business Economics of the Department of Commerce for the use of Congress and Government agencies, issued October 1955.

Compiled by Paul O. Peters, research consultant, Washington, D. C.

American private investments in selected foreign countries, calendar years 1928 and 1954, on a net basis

Country	Investment, 1928	Investment, 1954
England	$485,355,000	$1,245,000,000
France	145,009,000	302,000,000
Germany	216,514,000	280,000,000
Italy	113,216,000	148,000,000
Belgium	64,246,000	126,000,000
Netherlands	43,244,000	155,000,000
Brazil	193,606,000	1,082,000,000
Argentina	331,819,000	444,000,000
Uruguay	27,904,000	73,000,000
Bolivia	61,619,000	11,000,000
Chile	422,593,000	609,000,000
Peru	123,742,000	242,000,000
Venezuela	232,538,000	1,413,000,000
Ecuador	11,777,000	18,000,000
Colombia	123,994	230,000,000
Total	2,485,780,994	6,438,000,000
Other direct	4,991,954,006	11,386,000,000
Total	7,477,735,000	17,824,000,000
Plus foreign dollar bonds		2,377,000,000
Plus securities payable in local moneys		2,048,000,000
Plus short-term loans		1,516,000,000
Other evidences of debt		1,499,000,000
Total private investment abroad		25,264,000,000

Source: Files of the Office of Business Economics, U. S. Department of Commerce.

Summary

Indebtedness of foreign governments to the United States arising from World War I loans	$17,297,981,019.07
Lend-lease aid rendered by United States—World War II	42,020,779,261.00

Summary—Continued

Foreign aid grants and credits rendered by the United States to foreign countries (July 1, 1945–June 30, 1955)	$51,339,142,000.00
United States advances to International Monetary Fund	2,750,000,000.00
United States advances to International Bank	635,000,000.00
Total	114,042,902,280.07

American private investments in foreign countries, $25,264,000,000.

Mr. JOHNSTON of South Carolina. Mr. President, I shall deal for the moment only with the totals. The breakdown will appear in the RECORD.

Our Allies in World War I are indebted to us, and in many instances are in default, in the sum of $17,297,981,019.07.

Our lend-lease aid cost us the sum of $42,020,779,261.

Foreign aids in grants and loans to June 30, 1955, aggregate $51,339,142,000.

We have advanced to the International Monetary Fund the sum of $2,750,000,000.

We have advanced to the International Bank the sum of $635 million.

These items aggregate the astounding total of over $114 billion—to be exact, $114,042,902,280.07. They alarm me. They should alarm every thinking American. They should be of great concern to the banker, the businessman—large and small—the worker, the housewife and to every average American. These totals press everyone of us for we carry on our shoulders the backbreaking load of taxes which have made such gifts possible.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. JOHNSTON of South Carolina. Mr. President, we are being presented with a request for over $4½ billion more a year and, if you please, on a 10-year plan of like expenditures. The idea is to first get the program launched, get the foot in the door and then there will be easy sailing thereafter. Not with me, Mr. President, for I have consistently opposed wasting our material substance abroad. Our people here are being crushed under an unbearable burden of taxation with foreign governments now owing us over $114 billion. When will the administration—when will the Congress—when will the American people see the red-danger signals these indisputable figures flash in our faces?

There is just one other item of costs to us to which I wish at this time to make brief reference. The United States was forced in maintaining our principles and a free way of life to conduct the Berlin airlift. That was an achievement which confounded the world. It will be written in history as one of America's most glorious pages. It was carried on from June of 1948 to September of 1949. Its exact costs may never be known. A few figures however are available. First, it cost us 31 American lives. For gasoline and repairs alone to our aircraft, the cost amounted to $228,808,000. We flew in 2,325,509.6 tons of our supplies. No record was kept of what those supplies cost us. Their cost could well run into billions of dollars.

I refer to these 2 sets of figures (a) loans, grants, and gifts aggregating over $114 billion, and (b) the billions expended in the Berlin airlift because according to the estimates we have received we are holding about a half billion dollars worth of properties belonging to about 34,000 individual German and Japanese owners. Just think how insignificant this one-half billion dollars worth of property we are holding amounts to as compared to the $114 billion, we have given to friends and former enemies alike.

Besides the totals of loans, gifts and grants to which I have referred, the American people are further entangled in foreign countries. We have private investments abroad aggregating over 25 billions of dollars. We have Government properties abroad such as housing units, warehouses, storage depots, plant facilities, air fields, harbor installations and numerous other defense projects. Their cost exceeds 20 billions of dollars. In the handling of alien property we must consider how it affects our private investments and also the vast holdings of our Government in foreign countries.

To resolve these questions in the American way in the light of high principles of justice and in furtherance of a better and freer way of life shall be our purpose.

From the large record of all views and contentions before us the Subcommittee will dedicate itself to a solution of the problems involved in our seizure and administration of former enemy assets—former enemies, German and Japanese—whom we are now glad to count among our staunchest friends and allies.

The Subcommittee will continue to give careful consideration to this very important subject in the hope that we will be able to come up with a proper solution to the complex and varied problems involved.

THE VETO OF THE FARM BILL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Record an article which appeared in the Williston Plains Reporter, of Williston, N. Dak., entitled "Area Farmers Claim Ike Wrong With Veto."

There being no objection, the article was ordered to be printed in the Record, as follows:

Area Farmers Claim Ike Wrong With Veto—Broke Promise General Term Used in Answering—Say Will Suffer in Election

Williston area farmers expressed mixed opinions today to the Monday veto of the farm bill by President Eisenhower, although the greater percentage of those queried by the Plains Reporter said they felt he should have signed the bill. Many of those who were asked for an opinion said they didn't wish to be quoted by name, but added their comments to the others saying Eisenhower made a mistake by not signing the bill.

There were others who refused to express an opinion because they said "every time I think of the veto, I get mad."

Woodrow Ritter and several others said the bill was too complicated for the average person to understand. Another type opinion was expressed by Mrs. Laura Kirk, the lone such opinion of all those queried, that Eisenhower vetoed the bill because of his conscience dictating it.

Representative opinions of a few of those queried are listed:

T. C. Walstad of Marmon: "I had expected the veto and wasn't surprised. Eisenhower said he signed the veto 'regretfully,' but he didn't—he lied. If he had said he signed it 'gleefully,' then he would have been telling the truth. To heck with the veto—I want some rain."

Mrs. Laura Kirk whose farm is 22 miles northwest of Williston, had this to say: "Eisenhower, in my opinion, had a great deal of courage in the face of the coming election and other political aspects to veto a bill so important to the Nation and to agricultural interests." She stated, "The bill seemed to be incomplete and inadequate and was introduced more or less as a political football during the election year. The benefits that would have been derived would have offered very little in the way of aid to the small farmers."

Eugene Iverson of Buford had this comment: "I don't approve of the veto; it means all wheat farmers will receive about 45 cents a bushel less for their wheat this year." He said undoubtedly the veto had cost the President a lot of farm votes. Discussing the proposed soil-bank plan, Mr. Iverson said, "I don't see much help in that either."

Woodrow Ritter, who farms 5 miles south of Wheelock said: "I've got mixed opinions about the bill and can't honestly say whether I approve or disapprove of the veto." He said if he had understood it more, possibly he could give a firm answer one way or the other. "I never understood the bill," he commented, and said, "nobody knew what kind of a bill it was," not even the administration and the sponsors. He continued, it was as complicated as the Taft-Hartley bill, saying, we need legislation the average person can understand.

Swan Anderson, a farmer 15 miles west of Williston on highway 2: Eisenhower was absolutely wrong in killing the bill. "He's forgotten his election promises and those of the Republicans when they promised 90 percent of parity. They've forgotten that promise. This veto will make it even tougher for the farmer. The price of seed is going up and the price of wheat down; it will break a lot of farmers."

COMMENDATION OF SENATOR JOHNSON OF TEXAS—FORECAST OF DEPARTMENT OF AGRICULTURE

Mr. HUMPHREY. Mr. President, I rise to commend the distinguished majority leader for his outstanding address on the farm question and, in particular, President Eisenhower's veto of the farm bill. The Senator from Texas, in his television and radio address of last night, succinctly and concisely stated issues revolving around the difficult and complicated problem of farm economics and farm production. I wish particularly to commend him for stating the issues in language which could be readily understood by both the farm population and the residents of our large metropolitan areas. I also wish to commend him for a speech which was directed toward a better understanding between all groups in our society, rather than toward cleavage between city dwellers and farm producers.

Mr. President, it should be of interest to my colleagues to note that as of yesterday afternoon the Department of Agriculture made another forecast for the American farmer for the year 1956.

That forecast reads, in part, as follows:

> The Agriculture Department said that farm income during 1956 likely will average about 5 percent below last year's receipts.

And then, Mr. President, it goes on further and says:

> Farm production expenses so far this year are slightly less than in 1955, reflecting lower costs for feed and replacement livestock.

In other words, Mr. President, the only break the farmer is getting in reduced costs is due to sacrifices of his fellow farmers in cheap feed and cheap livestock for replacement purposes.

I ask my colleagues to note this particular statement of the Department of Agriculture:

> Farm wage rates are much the same but there are slightly fewer hired hands. Interest and tax charges are larger.

Those factors, Mr. President, are not within the control of the farmer.

Mr. President, I ask unanimous consent that the entire release be printed at this point in the Record.

There being no objection, the release was ordered to be printed in the Record, as follows:

The Agriculture Department said that farm income during 1956 likely will average about 5 percent below last year's receipts.

The Department made this prediction in two publications, The Demand and Price Situation and The Agricultural Outlook Digest.

Total cash receipts from farm marketings in the first quarter of 1956 were estimated at $5.9 billion, down 5 percent from last year. This level, the Department said, likely will continue for the rest of the year.

The volume of products marketed in January, February, and March was a little larger than for the same period a year ago.

Prices averaged 7 percent lower than a year ago. Receipts from livestock and livestock products in the first 3 months were about $3.6 billion, 5 percent below the corresponding period of 1955. Crop receipts were $2.3 billion, down 4 percent from a year ago.

Farmers received about $1.8 billion from marketings in March, the same as in February, but 5 percent below March 1955. Prices were up slightly from February, but averaged 8 percent less than a year earlier. Receipts from livestock and products were about $1.2 billion in March and crop receipts were about $600 million.

Department economists said that while the price drop noted in the first quarter likely will diminish as the year progresses, cash receipts the remainder of the year may be somewhat under 1955.

This would reflect smaller acreage allotments and marketing quotas for tobacco, rice, and cotton, a lower support level for cotton and the possibility that production will fall below record yields in 1955.

Farm production expenses so far this year are slightly less than in 1955, reflecting lower costs for feed and replacement livestock. Farm wage rates are much the same, but there are slightly fewer hired hands. Interest and tax charges are larger.

Mr. HUMPHREY. Mr. President, in the morning newspapers there is an announcement by the Secretary of Agriculture which, to me, reveals that principle in connection with agricultural matters has been tossed out the window by the Department of Agriculture. The headline of the story in the New York Times is as follows:

> All Corn Raisers To Get Price Aid.
>
> Benson Ends Need To Meet Acreage Curbs, But Makes Support Level Lower.

The story goes on—and I am reading from the New York Times in this instance:

> The administration cut corn farmers loose from Federal controls today, ending the need to comply with the controls to be eligible to share in the price supports program.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may have 5 minutes additional time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I read further from the New York Times article:

> It gave to noncompliers a price subsidy of $1.25 a bushel.

Mr. President, I ask unanimous consent that the entire article be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

All Corn Raisers To Get Price Aid—Benson Ends Need To Meet Acreage Curbs, but Makes Support Level Lower

Washington, April 23.—The administration cut corn farmers loose from Federal controls today, ending the need to comply with the controls to be eligible to share in the price-supports program. It gave to noncompliers a price subsidy of $1.25 a bushel.

Price support had been denied to farmers who failed to comply with Federal acreage allotments. The $1.25 compares with the $1.50 subsidy for producers who comply with acreage restrictions.

A majority of farmers do not comply because they feed corn to livestock on the farm. These can now grow as much corn as they wish and be assured of Government aid on a lower price level.

Today's new program for corn was announced by Ezra Taft Benson, Secretary of Agriculture. It was the first time that a Secretary of Agriculture had granted a price support for farmers who do not comply with aceage restrictions in a commercial area. The action was taken under an obscure section of the farm law that permits the Secretary to give such a subsidy "to facilitate the program."

The commercial corn area covers 840 counties in 23 States. The big production is centered in the politically important livestock States of Ohio, Indiana, Illinois, Iowa, Wisconsin, Minnesota, Nebraska, and the Dakotas.

Mr. Benson told a news conference he did not believe that the new program would result in a greater surplus. Rather, he said, he expected the program to bolster corn prices because it would give to farmers the benefit of Federal storage programs to hold excess corn for "orderly marketing."

The Secretary acted in pursuance of the announcement of President Eisenhower, when he vetoed the farm bill, that he would increase flexible price supports this year on corn, wheat, cotton, rice, and peanuts and initiate a new corn plan.

Mr. Benson also carried out today the President's announcement as it pertained to minimum supports for wheat and rice.

Wheat will be supported at $2 a bushel, or 83.7 percent of parity, an increase of 19 cents over the prevailing $1.81 a bushel, or 76 percent of parity. The price support was increased from $4.04 per 100 pounds, or 75 percent of parity, to $4.50, or 82.7 percent of parity.

Under the vetoed bill all these crops would have been supported at 90 percent of parity with higher dollar and cents subsidies.

The $1.50 a bushel corn support for producers who comply with Federal acreage restrictions reflects 86.2 percent of parity.

Outside the commercial area there are no acerage limitations and corn grown in this outside area receives a support of 75 percent of the commercial rate of $1.50. The $1.25 a bushel prop for noncompliers in the commercial area is slightly above 70 percent of parity, a floor below which, Mr. Benson said, the price of commercial area corn would not be permitted to fall this marketing year.

Mr. Benson declared today that he could not spend the $1,200,000,000 approved by the House Appropriations Committee for a soil bank, unless Congress voted "more authorization."

Representative Charles A. Halleck, Republican, of Indiana, told the House today that his party would attempt an unusual parliamentary maneuver to force a House vote on the administration's soil-bank bill.

This would be an effort, he declared, to make the soil-bank bill an amendment to the appropriation bill that is to reach floor action Wednesday.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. The Senator from Minnesota and I were very much interested in amendments which had to do with corn.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. Does the Senator have any idea about how much corn will be produced in the corn areas with a guaranty of $1.50 a bushel?

Mr. HUMPHREY. I wish I had that knowledge. It is going to have a tremendous impact on corn production.

Mr. ANDERSON. How about sorghum prices?

Mr. HUMPHREY. It is going to open up a Pandora's box of trouble.

Mr. ANDERSON. Was there not an announcement by the Department of Agriculture that the proper corn acreage allotment for 1956 should be 43 million acres in the commercial corn area?

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. But across the country the acreage might run more than that. The action on the floor with reference to the Hickenlooper amendment raised it to 51 million acres, but the amendment originally proposed to raise it to 56 million acres.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. Is it likely that the figure in the commercial corn area will finally be less, with a price of $1.25 to those who do not comply?

Mr. HUMPHREY. I think it would be the miracle of the world if the acreage were less than the amount stated. I point out that this is the first time any basic crop—and corn is a basic crop under the law of 1954, as amended—has been given a guaranteed price support where there was no compliance with either marketing quotas or acreage allotments.

That is throwing out the window the principle underlying price supports for basic crops. I do not want to hear any more talk from this administration about principle.

If the administration wishes to talk about a fixed price support for corn, that is all right; but do not embellish it with fine terms, such as "principle," because I do not think there is a Senator on the floor who can defend what has been done from the standpoint of principle.

Coming from a State in which a great deal of corn is produced, I say that $1.25 will be the ultimate price, or less than that, for corn in the cash market. The $1.50 is the carrot before the rabbit, so to speak. Feed grains will be in serious trouble, particularly grain sorghums.

Furthermore, we found out in testimony from cattle raisers and hog raisers that when there is an excess supply of corn and feed grains there is an excess supply of livestock, and particularly pork products. The administration may get by in this election year, but next year there will really be some trouble.

Mr. ANDERSON. The Senator from Minnesota is familiar, I believe, with the corn-hog ratio.

Mr. HUMPHREY. I am.

Mr. ANDERSON. If the corn-hog ratio goes above 12.7 in Chicago and about 13.6 in the Corn Belt—I may have the figures reversed——

Mr. HUMPHREY. It is about 13 to 1.

Mr. ANDERSON. We will get a very sharp and sudden increase in production. The Senator knows, I am sure, that $1.50 a bushel for corn results in a very favorable corn-hog ratio and tends to encourage the production of extremely large amounts of pork. We shall feel the effects of it in January and February of next year. Is not that of some interest to the farmers generally?

Mr. HUMPHREY. I am sure the farmers will fully understand it. Our farm people are very well versed in these matters. They understand the relationship between price and production. I am sure that as they go into it they will see what it means.

Mr. JOHNSTON of South Carolina. Mr. President——

Mr. HUMPHREY. I yield to the Senator from South Carolina.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may speak for 3 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Minnesota is recognized for 3 additional minutes.

Mr. JOHNSTON of South Carolina. Is it not true also that when those who do not comply in the commercial area get $1.25, the price will come down to that level?

Mr. HUMPHREY. That is generally the situation.

Mr. JOHNSTON of South Carolina. When that happens, there will be another step up to $1.50 for those in the commercial area.

Mr. HUMPHREY. On 43 million acres.

Mr. JOHNSTON of South Carolina. Those persons are going to sell their corn to the Government, and the Government will lose a lot of money on account of the pegging at $1.25 in the commercial area for farmers who do not comply.

Mr. HUMPHREY. The Senator can well rest assured that the Government is going to have rather substantial holdings of corn, holdings which will make what it presently has look rather insignificant at the end of the years—present crop year. The administration constantly talks about surpluses, but it is simply creating surpluses by what I call frenzied action in a political year. But the farmers will not be deluded by such action.

Finally, I continue to be shocked by the fiscal irresponsibility and financial recklessness of the Department of Agriculture, which is talking about advance payments on soil-bank provisions before anything has been done in terms of the soil bank or of conservation principles. This is but another desperate effort on the part of the administration to write Government checks for farmers ahead of the deed, before the fact of accomplishment is available.

But the farmers are not going to ask for this. I have not yet had a letter from a farmer who asked to receive a Government check for something he did not do. But Mr. Benson yesterday proposed an advance payment program on a soil bank, the sending out of money this year for soil-conservation practices to be completed next year.

I cannot imagine an administration which worships at the altar of principle and fiscal responsibility and integrity indulging in such open, blatant, political shenanigans—that is all it is—at the expense of the Federal Treasury.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. In the closing hours of the debate on the farm bill the junior Senator from Minnesota proposed an amendment having to do with the increase in the size of the set-asides, thinking thereby to raise a few prices. If the Senator from Minnesota will indulge me, may I ask him whether or not, on careful calculation, the amendment would not have raised the support price of cotton to about 87 or 88 percent?

Mr. HUMPHREY. That was approximately the figure.

Mr. ANDERSON. But there was a provision in the bill at that time which related to a change of grades in staples from Middling seven-eighths to average grades.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. That would have effectively reduced what is now the support price on cotton to about 83 percent. Did not the Secretary of Agriculture, only a day or two ago, announce a support price of 82½ percent on cotton?

Mr. HUMPHREY. The Senator is correct.

Mr. ANDERSON. Did not the Senator's amendment provide for a support price of about 85 percent on wheat and of about 84 percent on corn?

Mr. HUMPHREY. I think on wheat it was 84 percent, and on corn about 86 percent.

Mr. ANDERSON. No; I think——

Mr. HUMPHREY. There was some dispute between the Senator from New Mexico and myself over that figure.

Mr. ANDERSON. I will not say my figures are infallible, but they are based on some calculation. I believe the Senator from Minnesota and I were not far apart in our figures. On wheat, the support price was about 85 percent; on corn it was 84 percent. So our prices were within the range of what the Secretary of Agriculture is now proposing.

Does the Senator from Minnesota recall what was said about the amendment at the time it was proposed?

Mr. HUMPHREY. Oh, my; I recall it; but in polite company I should not mention it again.

Mr. ANDERSON. I supported the Senator from Minnesota. I think he——

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. If my colleagues will bear with me, I ask unanimous consent for an additional 5 minutes, to accommodate Senators who wish to engage in this colloquy.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Minnesota is recognized for an additional 5 minutes.

Mr. ANDERSON. I point out that at the time the amendment was proposed I supported the Senator from Minnesota, even though I had moved to strike the 90-percent provision from the bill, contrary to his point of view. I was against dual parity, and against all such provisions of the bill. But I thought the amount of the surpluses was placing an undue burden on the American farmer, a burden which was not of his own making. He had nothing to do with the rice problem; he had very little to do with the cotton situation. As a result of that condition, I supported the junior Senator from Minnesota in favoring a slight change in those levels.

As I understand, the suggestions were considered in certain quarters to be horrible when they were made by the Senator from Minnesota, so much so that I was almost ashamed to associate myself with him on the floor for a few minutes.

Mr. HUMPHREY. I am glad we are together again.

Mr. ANDERSON. The Senator's proposal became sanctified a few days later.

Mr. HUMPHREY. When such proposals get the beneficent blessing of the Eisenhower administration, all political sins are wiped away. It is absolution the like of which few people are ever permitted to have.

Mr. President, I repeat, the Senator from Texas [Mr. JOHNSON] last night set forth clearly and unmistakably who is responsible for the surpluses. As he said, the Republicans are always concerned about surpluses, but they never seem to get around to being concerned about the farmers.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HILL. I believe the Senator from Minnesota will agree with me that although he has heard many radio and television presentations, he has never heard a finer, clearer, abler presentation than that by the distinguished senior Senator from Texas last night.

Mr. HUMPHREY. I wholeheartedly agree with the Senator from Alabama.

Mr. HILL. The Senator from Texas made it positive and clear that the problem of the farmer is not alone the farmer's problem, but is the problem of all the American people.

Mr. HUMPHREY. The Senator from Alabama is correct.

Mr. HILL. And that the situation which today confronts American agriculture is one which confronts all the American people. Certainly, the speech of the Senator from Texas last night was a ringing challenge to every man, woman, and child in the country. I should like to think that all of them heard that masterful address. I hope that those who did not have the privilege of hearing it will read it.

Mr. NEELY. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. NEELY. The able junior Senator from Minnesota is usually a model of accuracy. But unintentionally he has stated a colossal error.

Mr. HUMPHREY. I will stand corrected.

Mr. NEELY. Mr. President, let me assure my very dear friend that my interruption is for a friendly purpose. The Senator said, in effect, that the Eisenhower administration, by its recent action relative to corn, had, like Pandora, opened a box containing a multitude of human afflictions. Let me remind the Senator that no one can open that which is not closed. On the day General Eisenhower was inaugurated President, without a single moment's qualifying experience as an administrator of civilian affairs, he, like Pandora, opened the mythological box. It was filled with inexperience, confusion, and chaos. They all escaped. They have ever since sorely bedeviled the American people. The box remains wide open. It will continue wide open until we, in November 1956, elect a Democratic President of the United States to close it.

Mr. HUMPHREY. Mr. President, I accept that correction from the distinguished Senator from West Virginia. I regret that my analysis of the situation was not so comprehensive and learned as that of the distinguished Senator from West Virginia. He is right, and the junior Senator from Minnesota recognizes his own limitations, both of judgment and of perception, in these political matters.

I conclude by suggesting that every Senator make it his business to study the message given last night by Senator JOHNSON and go before the people of America and talk about it, and recite it, because in those few short pages is to be found a great lesson of political and economic truth. We owe it to ourselves and to the people to make it avalable to the public.

Mr. President, I yield the floor.

THE ADDRESS TO THE NATION BY SENATOR JOHNSON OF TEXAS

Mr. BARKLEY. Mr. President, I ask unanimous consent that I may address the Senate for not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Kentucky is recognized for 5 minutes.

Mr. BARKLEY. Mr. President, I listened last night to the address delivered by the majority leader, the distinguished Senator from Texas [Mr. JOHNSON], in reply to the speech by the President last week explaining his veto of the farm bill.

I do not think I have heard in a long time a clearer and more precise analysis, not only of a veto message, but of the situation which faces not only the American farmer, but the American people as a whole, by reason of that veto, than the speech which was delivered by the Senator from Texas last night. The speech was couched in language and was delivered in a manner which could be easily understood by everybody in the United States. The Senator from Texas was calm, deliberate, and logical; and in no instance did he exaggerate or overplay the situation which he was discussing. I was very glad that he appealed not only to the farmer, but to everyone else in the country who has any interest whatsoever in a well developed, symmetrical economy, in which all our people share.

We know that the farm population of the Nation comprises only about 15 percent of the total. But we know also that in normal times, when the farmer is sharing his portion of prosperity, the farmers of the Nation and their families buy 25 percent of the production of the United States.

Whenever farm income goes down, farm purchasing power falls, production is reduced, factories close, and persons are thrown out of employment. Last year, in the city of Louisville, the Minneapolis-Moline Co., which manufactures agricultural implements, closed its factory and left the State of Kentucky, because of the decline in the purchasing power of the farmers of the United States.

There has never been in the Nation prosperity of any sort which endured very long which did not include the farmers; and there has never been a depression, so far as I recall, when the farmer was not the first to suffer and the last to recover when the economy started back up the hill.

The Senator from Texas, in his address last evening, drew a clear distinction between the consistent policy of the party which is in control of the Senate and the House and that which is in control of the executive department.

We tried to make it clear in the debate on the farm bill that farm surpluses are not created by high rigid supports about which the farmer knows in advance. Most of the farmers have to reach a particular, definite financial goal in the production of crops and in receipt of money for them. They have obligations which are known long in advance. If a farmer does not know in advance, as he has not known in the past 3 years, under the so-called flexible system, what he is going to receive in the way of supports, the chances are he will raise a larger crop, in order to be sure to reach a certain financial goal at the end of the year.

It is untrue that high rigid supports of 90 percent have created the surpluses of which we hear so much complaint. They have been created under the flexible system, notwithstanding the statements to the farmers in 1952 which were so effectively quoted last night by the Senator from Texas in the language of the President himself when he was a candidate. I do not recall that there has even been any explanation of those statements. Certainly, I do not recall that the President himself has explained why he changed his mind after 1952. He may have a good reason for it, but I do not know what it is. I do not think the farmers know yet what it is.

Mr. President, I wanted simply to congratulate the Senator from Texas on the plain and simple analysis of the President's veto and the consequences of it, and the agricultural situation. I thought it particularly pertinent that he laid this picture baldly before the people of the Nation, in cities, towns, and everywhere, so that they might be able to tie in the agricultural situation with every other economic problem which faces the American people.

I think the people of Texas, without regard to party, occupation, or economics, ought to be proud that they have a man in the United States Senate as majority leader who can do that sort of job in pointing out the number of inconsistencies of those who are responsible for the farmer's plight, and who are now responsible for the failure of Congress to enact appropriate and proper legislation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MANSFIELD. I should like to join with the distinguished Senator from Kentucky and all my other Democratic colleagues in commending the majority leader of the Senate, the distinguished senior Senator from Texas [Mr. JOHNSON], for the fine job he did last night in behalf of the people of the country. It was a pleasure to watch and hear him relate the facts and lay before the American people the true story, plain and unvarnished as it was and is. I am delighted he tore away the veil which has been created during the past several years, so far as this Republican administration is concerned.

I am delighted also that the majority leader of the Senate, acting in this particular instance as the leader of the Democratic Party, went before the people and told the American people the truth about the farm problem. He rendered an outstanding public service. He showed the people of the United States just where the Democratic Party stands on the farm issue, and demonstrated, furthermore, that we need to offer no apologies because we did not make promises in 1952 which we as a party failed to fulfill.

Mr. BARKLEY. I thank the Senator from Montana, and I think I might, with great propriety, suggest a quotation from the Bible which says that the truth will make one free. The truth will make the American people free, if they are in need of it.

Mr. SPARKMAN. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. SPARKMAN. I appreciate this opportunity to join with my colleagues in expressing pleasure at the very fine presentation which was made by the majority leader, not only of the particular farm legislation under discussion, but of the farm problem which confronts the country. I listened to the speech of the majority leader last night—every word of it. I think I can say I never heard a clearer, more succinct statement, or one which covered the many points which were made so well and in such an understandable fashion.

The able Senator from Kentucky has referred to a Biblical quotation. At another place in the Bible it is stated that none are so blind as those who, having eyes, see not, and none so deaf as those who, having ears, hear not.

Mr. BARKLEY. I welcome the Senator from Alabama into the fraternity of Bible students. I am sure he is a charter member.

Mr. SPARKMAN. I thank the Senator very much. I wish some of our Republican colleagues were present, in order that they might hear some of the remarks being made. I trust they listened last night. I know it would have done a great deal of good for them to have had ears and to have heard.

Mr. BARKLEY. Maybe by their absence they have demonstrated that, having ears, they hear not, and having eyes, they see not.

Mr. SPARKMAN. I think that is the trouble with a great many of those who try to carry along the administration's farm program. I take delight in saying that the able Senator from Texas last night certainly gave a presentation which anyone having ears could hear, and anyone having eyes could see, from which he could learn a great deal.

Mr. BARKLEY. Of course, one has to have an open mind as well as open ears and open eyes.

Mr. SPARKMAN. I think that is largely the implication which would be given to that Biblical quotation.

Mr. ANDERSON. Mr. President, I wish to add my word in commendation of the able majority leader, the senior Senator from Texas, for the way in which he handled his subject during the broadcast last night. I need not remind the Senate of the United States that the able Senator from Texas and I do not at all times vote the same way on farm problems. We were on opposite sides on 90-percent supports, on dual parity, on a two-price system for wheat, on milling quality of wheat, and about everything one could imagine which was controversial in the bill. Yet I recognize that the farmer of this country was entitled to the considered exposition which the Senator from Texas made last night.

In that connection I wish to relate to my colleagues the story that once some members of a board of directors were not able to follow the argument of one member, but he succeeded in persuading us that we were wrong, so we joined in his viewpoint. Then he started arguing on the other side of the question, and tried again to persuade us to go along with him. I asked him on which side of the question he was, whether he was for it or against it, whether he was favoring it or opposing it. He looked at me and he said, "I am neither proposing nor opposing; I am exposing."

So far as I am concerned, the Senator from Texas did a splendid job of exposing the fact that surpluses had a definite influence on agricultural prices. Surpluses of corn and other commodities not only have an effect on the cash price of corn, but on livestock prices, all the way up and down the line.

I pointed out a moment ago to the Senator from Minnesota that we had a problem now in connection with the support price on corn. It may have a very definite relationship to the price of pork in the coming year, and it will also influence livestock prices.

Since I see in the Chamber at this time some very distinguished Senators who represent the cotton-growing area, let me say that I am also wondering what the cotton farmer thinks about the privilege which has been given to corn and the producers of corn, by means of which the corn producers can obtain $1.50 a bushel if they are in compliance, and can obtain $1.25 a bushel, which is nearly that much if they are not in compliance.

I happen to come from an area which is ready, willing, and able to increase its cotton production by 35 percent in the next year. If the Secretary of Agriculture will only announce that cotton producers can obtain 30 cents if they are in compliance and 27½ cents if they are out of compliance, I know what will happen in the Cotton Belt.

Mr. RUSSELL. Mr. President, will the Senator from New Mexico yield to me?

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair). Does the Senator from New Mexico yield to the Senator from Georgia?

Mr. ANDERSON. I yield.

Mr. RUSSELL. Let me say that I had occasion to check back, the other day, on the acreage devoted to the production of various commodities during the last 25 or 26 years. I found that in 1930 or 1931 in the United States approximately 42 million acres were planted to cotton; about 65 million acres were planted to wheat. There was no commercial corn area at that time. Therefore, I have some very definite feelings on this subject, inasmuch as I represent a consistituency which has taken the greatest reduction—a reduction amounting to 40 percent, last year—in their acreage. I think that cotton producers who are not extinct will recognize the political implications in the offer to the corn growers of the country to release them from all controls and yet to guarantee them $1.25 a bushel for corn placed under loan. That proposal is shot through and through with politics; it cannot be attributed to anything else. If it had been designed to correct an injustice, if it had been brought out in honesty of purpose to aid the most distressed of the American farmers, it would have been accompanied by an order lifting the acreage controls from cotton, or guaranteeing the producers of cotton on land over and beyond the allotted acres a slightly lower price, amounting to approximately 24 or 25 cents, instead of the 28 cents, to which they have been reduced from a support of 33½ cents by this pre-election manipulation by the Department of Agriculture.

Mr. ANDERSON. I wish to point out that it was not something which came to us as a complete surprise, for Members of the Senate will recall that the able Senator from Iowa [Mr. HICKENLOOPER] submitted his amendment, which would have raised the corn acreage in the commercial corn areas to 56 million, and would have allowed the corn growers to come into compliance at that acreage. The Department of Agriculture had said 43 million acres was a proper amount for next year, in view of the supply situation. Persons in the Department of Agriculture had recommended 49 million acres, and an attempt was made to reduce the 56 million acres to a figure somewhat less than that but over 50 million acres. But somehow that did not happen.

It will be recalled that I then submitted an amendment which proposed that the same treatment be given to wheat and to various other commodities; but the Senator from Iowa [Mr. HICKENLOOPER] announced that if that were done his amendment would really be killed. Therefore, he modified his amendment so as to provide for 51 million acres. I thought that represented a substantial improvement. But the action now announced will again leave the matter wide open.

Mr. RUSSELL. It makes the sky the limit; and the only advantage will accrue to the States in which acreage can be planted to corn.

Mr. ANDERSON. That is correct.

I wonder what the effect on the storage situation will be. For several years, large quantities of corn have been placed in storage or sealed. When the Humphrey amendment to increase the set-asides was submitted, it was pointed out that there was in storage ample corn from the 1954 crop and previous crops to take care of the proposed set-aside. That corn is still under seal.

What would a farmer who was in compliance naturally do? He would place his corn under seal, and would get $1.50 a bushel for it, and then would go into the open market and would buy the corn he needed for $1.12 or $1.15. As a result, large amounts of corn would continue to be placed in storage. So it is that I say that the storehouses, which already are full, will simply be filled to overflowing, and again we shall have too much corn. Therefore, I wonder whether we are not in serious trouble as regards the production of corn.

Let us consider the situation in the case of some of the other commodities. I know it is not very nice to reduce cotton acreage. As the Senator from Georgia may remember, I was the author of the cotton-acreage-reduction bill. I had fought the problem of cotton-acreage reduction when I was in the Department of Agriculture, and I had realized that in my opinion we never would be able to maintain a high level of price supports unless there was some control of cotton acreage. So the cotton-acreage-control bill was introduced, and the acreage of cotton was to be reduced to 21 million acres the first year, and dropped to a lesser figure in the following years. We modified the bill in conference to allow a minimum acreage of 22½ million acres for 1 year. Now we have decreased the acreage to 17 million acres. If the amendment of the Senator from Mississipppi [Mr. EASTLAND] was not to become effective—and it was included in the bill which was vetoed—the acreage would have had to shrink to 15 million; and I believe it would be reduced to fourteen million, seven hundred and some thousand acres, if the law were applied very strictly.

I should like to know why it is proper to reduce cotton acreage from 20 million to 17 million or perhaps 14 million acres, and yet permit corn acreage, which was set at 43 million, to expand to 55 million or 56 million, and permit the corn growers to receive $1.25 a bushel. In my opinion, that does not make sense, and I do not believe it can be sustained.

So I wish to say that I think the Senator from Texas [Mr. JOHNSON] rendered a real service in bringing the problems in the case of these surpluses to the attention of the American farmers. He understands, and I understand, that we have differed, and may continue to differ, in regard to what a proper agricultural bill should be. But I must say that the attempt to deal with these problems by throwing wide open the control of corn acreage and permitting corn to come into the market in unprecedentedly large amounts, and placing on corn a support price of $1.25 for corn producers who are not in compliance, can only mean trouble to those who produce oats, barley, rye, and grain sorghums; and I think it will result in an inequitable and unjust situation. So I am happy that the Senator from Texas pointed out the facts he did last night.

Mr. GEORGE. Mr. President, I wish to take a few minutes to express my commendation of the most able and excellent address delivered last evening by the majority leader of the Senate, the Honorable LYNDON JOHNSON, of Texas. I do not think the speech was needed insofar as the American farmers are concerned. The farmers understand the situation, and they listened to the President's veto message with, of course, great regret. But, at the same time, they understand.

What the Senator from Texas did was not so much to give to the farmers a message or an understanding of what the Congress had attempted to do by means of the farm bill the President saw fit to veto, but the Senator from Texas undertook—and did so successfully, I think—to present the broader issue to those who live in the cities and the large towns and the small towns throughout the Nation. He gave them a better understanding of what was involved in the farm bill, which would have been very helpful to the farmers themselves, and in the absence of which their economy will continue to sag.

Mr. President, last week I was away when the veto message was taken up in the House of Representatives and, indeed, when the President vetoed the farm bill. I had occasion to talk with many farmers and to speak to a great many farmers. Without exception, those farmers understood the issue very clearly. The farmers generally understand it. But the city dweller does not understand it, and in many instances the ordinary American citizen does not know how vitally the general economic condition is linked with some prosperity on the American farm, or, at least, a hope for prosperity which will keep our farmers active.

I am quite sure that those in charge of our political affairs would do well to consider the able address of the Senator from Texas. It is clear, plain, simple, direct, and easy to understand. No partisan view or attitude was injected in presenting the facts in the present situation. It would be well if this address were printed and universally distributed, because in my judgment the speech would do more good than anything that has been said on an issue which is easily understandable by the people of the United States.

I repeat that the speech was not so much needed for the information of the farmers as for the information of the American people as a whole. I have often said that in the final analysis a prosperous, capable agriculture, an agriculture capable of responding to the needs of the country under any and all conditions, is just as essential for the defense of America as all the Armed Forces we can put into the field.

The address of the Senator from Texas last night made that point very clear to the American people, without saying it in those words. He made the issue easily understandable by all the people of the country who heard him. I commend him most heartily. He has performed a great public service, not merely for his party, but for the American people and in behalf of our general economy.

Mr. ELLENDER. Mr. President, I do not know that I can add much to what has been said about the fine address delivered by my good friend from Texas last night. Suffice it to say that it was masterful. However, LYNDON JOHNSON needs no praise from any of us. We all know him, and we are all aware of his ability, his convictions, and his determination to do what will result in the most good for the most people. I have been a Member of the Senate for 20 years. I do not know of any majority leader who has been more devoted to his work than is LYNDON JOHNSON, or who has more capacity and ability for that work. I say, "Amen," to all that has been said about him, especially with respect to the wonderful presentation which he made last night to the American people.

The approach he demonstrated was somewhat different from that which would ordinarily be expected on the floor of the Senate. He made an outstanding presentation of the farm issue, of the plight of our farmers, as it affects the great number of Americans who are not actually farmers.

He demonstrated, for example, that the farmer is the single, most important segment in our economy and our society. The farmer provides food and fiber, the very lifeblood of our country. Without a healthy agriculture, the great industrial units of our economy, the businesses, the tradesmen—in fact all Americans—would soon be rendered helpless. Yet, as the Senator from Texas pointed out, today the average city dweller is receiving an income which is approximately 2½ times the income of our farmers, whose well-being is so vital to our economy.

Much has been said recently by some of my good Republican friends and others to the effect that the Congress should immediately take action to enact into law a soil bank such as the President has requested; they urge that we enact a soil bank, nothing but a soil bank, and that it be enacted forthwith. Frankly, Mr. President, I would hesitate to bring before the Senate another soil bank bill and incorporate in it only the provisions which have been suggested by the administration. I think it would be dangerous to do so, for it is my judgment that, judging from their most recent utterances, neither Mr. Benson nor the President knows the philosophy of, or is well acquainted at all with, the working of the soil bank, as provided in the bill which we considered only a few weeks ago, and as outlined to Congress in broad, general terms on January 9.

When the President speaks of new money being provided, when he talks of an immediate $500 million increase in farm income, through the soil bank, he is in error.

Under the soil bank, farmers would be paid not to produce.

Soil bank payments would represent, at best, about what a farmer would have received in net income had he planted his land instead of placing it in the soil bank. Soil bank payments would not mean new money, or more money, for farmers. Soil bank payments would substitute a Government payment for any net profit which farmers otherwise would realize by harvesting the acres, which they put in the soil bank. These payments would not be extra money—or added income. Farmers could make approximately the same amount if they did not participate in the soil bank, and harvested their lands instead. As for making soil bank payments in 1956 for participation in a 1957 soil bank, farmers should know that any amounts they were so paid would be that much less cash they would have in 1957.

One outstanding reason why I would not now vote for a straight soil bank and nothing more—one compelling reason why I do not think we should immediately give the administration carte blanche authority and thus permit payments-in-advance for soil bank participation, as has been proposed by the administration—is that I do not trust some members of the administration—and I mean just that.

The Congress made an earnest effort 2 weeks ago to increase 1956 farm income by legitimate means, and on a legal basis. That was the sole purpose, the only purpose, of providing 90 percent of parity price supports for the basic commodities for 1 year. But the President turned thumbs down on our bill. In order to take the sting out of his veto, the President saw fit to provide a system of rigid administrative price supports in lieu of rigid legislative price supports, as contained in our bill. He tossed out a political sop to the farm-belt voters in the coming election by casting aside his theory of flexible price supports, even as he cited it as a reason for vetoing the farm bill.

As was pointed out in the speech of the able Senator from Texas, and by many other Senators on and off the floor of the Senate, if he had been acting in good conscience, if he had been following the spirit of the law instead of creeping through the loopholes, the Secretary of Agriculture would have had to admit that he was without justification, under existing law, to increase the support price of wheat from 76 to 84 percent of parity, or to similarly raise the support levels of other commodities. This is especially true with respect to those commodities for which the support level has been long announced. Today wheat, for example, is running out of our ears, so to speak. For the Secretary of Agriculture now to do administratively what we sought to do in the bill, and then to declare that the bill was "unworkable," to my way of thinking borders on administrative dishonesty.

The Secretary has not done as much for cotton as he did for wheat, or for corn, which has now become the most favored of commodities. For cotton, the Secretary of Agriculture has raised the support level by only 7½ percent—from 75 percent, the lowest level which could be established under the law, to 82½ percent of parity.

However, the commodity which fared best under the Secretary's new administrative sleight-of-hand is corn; that is, insofar as offering a political sop to the voters of this Nation is concerned, the preferred treatment given corn stands head and shoulders above all others. I know that the voters will not be fooled, however, Mr. President.

Let us see what happened in the case of corn. The Secretary found a little gadget in the law—one which had never before been used—which permitted him to support corn prices in the commercial corn area, even though there was no compliance with acreage allotments on the part of the corn growers in the commercial area.

As I understand what the Secretary has done, he has told those corn farmers who comply with their allotments, which have already been fixed at a national total of 43.7 million acres: "We will support all the corn you produce on all those acres at $1.50 per bushel. However, if you, or your next-door neighbor, should choose instead to not comply, that is, to plant more than the acreage you have been allotted, you can still get price support on your crop at $1.25."

As was pointed out by my good friend, the Senator from New Mexico and other Senators, this means that the lid is off; corn can, and will, be planted in unlimited quantities. The sky will be the limit so far as corn acreage and corn production are concerned—and the Government, via Mr. Benson, will support it all.

This is bound to affect the producers of the small grains, whom we have tried to assist. All-out corn production means low feed prices—and as feed prices fall, the small grain producers will be hard hit.

Mr. President, no other basic commodity has been given the kid-glove treatment accorded to corn. The producers of all other basic commodities must comply with their acreage allotments in order to get price support. Only the corn producer is able to engage in a coin-tossing match with the Government and have the benefit of Mr. Benson's heads you win, tails you win, too, approach.

I wish to make it known now, so that there will not be any misunderstanding about a future farm bill, that, first of all, I would prefer to await action on farm legislation on the House side before the Senate takes any step in that direction. I say that because we in the Senate are now prepared to bring up a bill. We have held hearings and, as a result, we have much information. The House has not done so.

Therefore, it would be an idle gesture on my part, or on the part of the Committee on Agriculture and Forestry, to proceed to report out another farm bill without knowing what the House will do on the subject.

Mr. President, I frankly do not have time to waste on working long hours on another farm bill without some assurance that my work will not be in vain. I spent almost 12 months working on the last farm bill. I have other work to do. I do not propose to keep working on that subject until doomsday, without first finding out what is in the offing at the other end of the Capitol. I wish to make this plain, Mr. President. So far as I am concerned, there will not be any soil-bank provision this year if it is to be incorporated in a bill to which other features may not be added. For my own part, I am not going to turn into a walking rubberstamp for Secretary Benson or anyone else. I do not intend to sit down and write farm legislation with a shotgun pointed at my head and I do not believe the people want me to.

Another point I wish to make is that I do not intend to add to such a bill any advance payment provision. The Committee on Agriculture and Forestry may so vote, but, for my own part, I shall insist that firm, valid contracts be signed and at least a start made toward compliance in conformity with our original soil-bank provision, before payments are made. I do not wish to see a farmer paid this year for performing something next year. I do not want to see farmers given something by way of an "advance" this year and then have it taken away from them next year—and that is what would happen under this pay-in-advance scheme. The farmers might as well go to the bank and borrow money. I think they would prefer to do so. At least they would know where they stand—that the money they got was a loan on next year's crop, and not a Government handout.

I would not vote for a soil-bank bill that provides for advance payments for another reason. As a Senator, as chairman of the Senate Committee on Agriculture and Forestry, and as one who farmed for many years, I resent this approach of attempting to buy the farm vote on the installment plan, and using Government money to do so.

There is another point I wish to make. It strikes me that there ought to be equality among the producers of the basic crops when it comes to price supports. Why should compliance corn be supported at 86.2 percent, noncompliance corn at 79 percent, wheat at 84 percent, rice at 83 percent, and cotton at 82.5 percent, when the surpluses of all of them are far in excess of normal supply?

The theory of the sliding scale, as I understood Mr. Benson's original proposal, was that by dropping support levels as the surplus increased, the Government would discourage farmers from further production. Yet we have huge surpluses on hand; Mr. Benson and President Eisenhower have so stated. They have also said that we do not know how to dispose of, or what to do with, these surpluses. Yet the Secretary is raising price supports for these surplus crops. He has raised them and made them rigid, all at the same time—even as he tells the people about how terrible rigid price supports are—how they stimulate production. Let us be frank, Mr. President. There is only one real difference between our bill and these newly announced administrative price supports. That difference is that we made the support level 90 percent in order to bring our farmers better returns—more returns than the Secretary now proposes for them.

There is one other point I wish to make in connection with the vetoed bill.

We have been talking about two-price systems in Congress for many years. I made an earnest effort—and I was supported by the majority of the members of the Committee on Agriculture and Forestry—to provide a two-price plan on rice, on a trial basis. We wanted to use rice as a guinea pig, so to speak, to determine how a two-price system would work under normal, practical conditions. Why did we choose rice for a trial run? The reason was very simple. Rice is produced in large quantities in only four States; the industry is composed of only a comparatively few farmers. I thought, and the Department of Agriculture agreed, that since there has been a great desire in recent years for two-price plans for farm commodities, something ought to be done to find out how the two-price system worked.

Of course, on the floor of the Senate the two-price system for wheat was added. However, that program was not mandatory; it did not go into effect automatically. First, it had to be voted on and approved by the wheatgrowers themselves.

So far as I am concerned, I think any new farm legislation considered this year should contain a two-price system for rice. If that fails, then we should place a floor under the number of acres of rice which can be planted next year and the year following. This minimum should be no lower than the National, State, county, and farm allotments in effect this year. I should like to see the same kind of provision with respect to corn. However, I believe that the national corn-acreage allotment is a little too low. I believe it is much too low to have any effect in persuading corn producers to embrace the soil-bank idea. Therefore I should like to see a provision in the bill fixing a minimum national acreage allotment for corn at 51 million acres, with price support available in the commercial corn area on the production from that 51 million acres and that acreage alone. A similar provision was contained in the bill that the President vetoed.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ANDERSON. I wish to say to the Senator from Louisiana, the chairman of the Committee on Agriculture and Forestry, that the 51-million-acre figure seemed to be a reasonable figure, as the 43-million-acre figure was unreasonable.

By the same token, I wish to say to the Senator from Louisiana that in committee I supported the two-price system for rice, not because I felt it was the final answer, but because if we were to experiment with the two-price system, rice was the best guinea pig that I had ever seen, because rice production is centralized and because we could dispose of a surplus rather quickly, as we had demonstrated.

Therefore, I felt that the request of the chairman of the committee was a reasonable one. The bill was modified, because I objected to the maximum-acreage provision. The producers of rice tried to bring it in line with what seemed to be reasonable and sensible, and I thought it was a good proposal.

Mr. ELLENDER. I thank the Senator. I thought the two-price plan for rice should be tried because the entire production in the United States is a little less than 1½ percent of world production. Our production amounts to only a drop in the bucket, so to speak, as compared with cotton or wheat, where great amounts are involved and where great quantities are grown in this country.

Mr. President, it strikes me that something should be done to curtail any further increase in the production of small grains. I may be in error, but it is my considered judgment that had the President signed the bill which we sent to the White House, he would have found that our approach to the small-grain problem was sound. It would have been a good avenue upon which small-grain producers could travel toward participating in the soil bank.

The Secretary has now decided to support feed grain prices at 70 percent of parity, with the sky the limit as far as production is concerned. It is my belief that most of the feed-grain producers would gladly have followed the law we proposed—and that they actually preferred it to the present scheme. What did the conference bill provide? It

authorized the Secretary to support feed grains at 85 percent of parity, on the condition that producers seeking price support plant only 85 percent of the average of their 1953, 1954, and 1955 plantings. There was a further requirement that the equivalent of 15 percent of this base acreage be placed in the soil bank. It is my judgment that if that course had been pursued, we would have found that our losses and feed-grain surplus would have been much less than they will be a year from now under the Eisenhower program, as he has announced it.

Mr. President, I am about to conclude what I want to say, but I wish to reiterate that in the event a soil-bank bill is reported with my approval, it will contain no authority for advance payments without some assurance that at least a start toward compliance will be made a prerequisite. There must be a national acreage allotment for corn, similar to that which was established in the bill which the President vetoed. If the bill should fail to contain a two-price plan for rice, I would expect a floor to be placed on rice acreage—a floor of not less than the 1956 planting. The same should be done for cotton, Mr. President.

As the Record will show, the vetoed bill provided for a minimum national cotton acreage allottment for 1957 and 1958; it also provided a minimum of 100,000 acre sover and above the national acreage to relieve hardships among small farmers, to make a start toward assuring them of not less than 4 acres of cotton to plant each year.

Mr. President, as the distinguished Senator from Texas has stated, the bill which was vetoed had been thoroughly studied by the Congress. It had been the subject of intense study over many, many months. I made a complete circuit of the United States in order to get the views of farmers as to what they thought should be done for them this year. The Record is plain; it shows that the majority of our farmers desired, I believe, a bill along the lines which we sent to the President, and which he then vetoed.

My good friend from Texas did not have to argue the farmers' cause, but the exposition made by him of the necessity for teamwork between the city dweller and the farmer was one of the great highlights of his fine address, to my way of thinking.

He has made it very plain to the American people, to the urban consumer, and to the city dweller—that the farmers are not getting what they should receive, and that the high cost of living, if it can be termed such, is not chargeable to the farmer. He has made it clear that the farmer constitutes the single most important segment of our society, and that Congress must do something to improve the economic condition of the farmer by increasing his income from the low level which now prevails.

It strikes me that industry and labor ought to march down the same aisle with the farmer, linked arm in arm. It does not make sense for the income of the laboring man to have increased from $137 billion in 1948 to $222 billion today, for the earnings of industry to have increased from $37 billion in 1948 to $45 billion today, while the income of the farmer has dropped from $17 billion in 1948 to a little more than $10 billion now. That is not fair; it is not right. It is economically unsound.

Unless the Nation has farmers to produce an abundance of our life blood—food and fiber—all of us will surely die on the vine. It strikes me there is still time for us to be able to do something for the farmer. Let us do it in the democratic way.

Mr. NEELY. Mr. President, April is one of the most important months in the history of the Nation. It is of particular significance to our farmers. On the 19th day of April 1775—a hundred eighty-one years and four days ago—by a rude bridge that arched a Massachusetts flood the embattled New England farmers stood and fired the shot heard round the world. That shot marked the beginning of the Revolutionary War, by means of which the American Colonists gloriously won their independence from Great Britain. This notable shot was heard only by those who were in the vicinity in which it was fired. It is not probable that more than a hundred people could have seen the deathless heroes of this exploit while they were performing their priceless service. But nevertheless their achievement will live in recollection, song and story forever.

Last night, in the Nation's capital, there was fired for America's farmers by their distinguished, tireless, faithful friend, Senator Lyndon Johnson of Texas, a shot second in importance only to that New England one to which we have referred. As a result of ocean-to ocean radio and television facilities, Senator Johnson, while firing his shot which consisted of an address masterful in its commonsense, logic, and eloquence, was seen by an estimated audience of more than 30 million. What he most impressively said was heard by tens of millions more. As the New England shot signalized the beginning of the deliverance of the American Colonists from the oppression of the British empire, so the shot fired by Senator Johnson last night signalizes the beginning of the deliverance of the American farmers from the indifference, discrimination and distress which they have suffered for more than 3 devastating years under the Eisenhower administration.

Soon after the renowned Montesquieu had completed his great philosophical work entitled "The Spirit of Laws" the celebrated Voltaire said:

> The human family had lost its title deeds—Montesquieu found them and restored them to their owner.

The American farmers, during the Eisenhower administration, have lost their title deeds to prosperity, to a fair share of the comforts of life and to the pursuit of happiness. Senator Johnson, last night by means of your never-to-be-forgotten address, you, to the limit of argumentative possibility, brought forth and restored to the farmers these title deeds of which the Eisenhower administration had stripped them. For this great service the men, women, and children of agricultural America will love you and sing your praises—

> Till the sun grows cold,
> And the stars are old,
> And the leaves of the Judgment Book unfold.

Mr. SCOTT. Mr. President, the address which the distinguished majority leader made last night on the present farm situation was a masterful job of drawing the lines plain and clear in the forthcoming political campaigns.

Without any ifs, ands, or buts, Senator Johnson laid the cards on the table, where everybody could see them for what they are worth.

There is one issue that stands out above all others in this election-year campaign, and that is the indisputable fact that President Eisenhower himself made promises in the campaign of 1952 that he has not made one iota of effort to keep. The President said he was going to do one thing and he did something else. It is just that simple.

I think I speak for many millions of farm people when I say thanks to the majority leader for hitting the nail squarely on the head.

Mr. MORSE subsequently said: Mr. President, I wish to say that Mrs. Morse and I listened with great delight last night to the radio broadcast by the Senator from Texas [Mr. Johnson], and, with equal delight an hour and a half later, to the television broadcast of his reply to the President's farm veto message. I should say that the speech of the Senator from Texas [Mr. Johnson] was a reply to the President's rationalizations for his veto of the farm bill.

There are several things about the speech of the Senator from Texas that particularly commended themselves to us.

First, the speech was characterized by understatement, which I happen to believe is always the most effective technique of rebuttal. In his speech by way of understatement it seems to me the Senator from Texas pointed up very clearly the gross limitations and inadequacies of the President's veto message.

Second, when in the speech the Senator from Texas pointed out the position the President took in 1952, when he was a candidate, I think that was a long overdue pointing out of a failure to keep a campaign pledge.

Mr. President, I wish to make two comments on the Republican alibi, these days, about the Kasson speech and about the speeches in the Dakotas, particularly the one at Brookings, S. Dak. The Republicans say that what the President said there during the campaign was that the Republicans stood behind the farm legislation then on the statute books, but that in his Minnesota and Dakota speeches he did not say he might not advocate a change.

Mr. President, that kind of word juggling is just as deceptive in politics as in any other phase of human relations. If Mr. Eisenhower had, at the time when he made the speeches in Minnesota and in the Dakotas, any reservation in regard to an intention to make a change in the future, then ethically he owed it to the people to say so in 1952. When one reads either the Minnesota or the Dakota speeches, it is perfectly clear that Mr. Eisenhower definitely sought to give the farmers of the United States the clear impression that he favored 90 percent of parity and more. I think the country is greatly indebted to the Senator from Texas for using the President's own words, and letting the American people hear through the President's own lips—as was done last night by the Senator from Texas—the pledges made to the farmers by Dwight Eisenhower in his 1952 campaign. As a result of the failure of the President to keep those pledges the people can see and understand for themselves what political deception means, even when it comes from the lips of the President of the United States.

The second Republican alibi regarding those speeches by Mr. Eisenhower in the 1952 campaign is that in one of the speeches he referred to full parity in the market place, and that is supposed to open some exit door for the President through which to escape his pledge on 90-percent parity. Again I say, Mr. President, that in view of the political setting of those speeches by the Republican candidate in 1952, they add up to only one conclusion, namely, that in 1952 he sought farmer votes on the basis of a clear pledge of 90 percent of parity, or more.

The third point I wish to make regarding the position of the Republican Party on the farm issue is that the impression the Republicans seek to give is that, after all, the surpluses have not been the result of any flexible-support program, but have been the result of a rigid-support program. Here, again, Mr. President, the record is clear that almost immediately after he took office, the Secretary of Agriculture used his discretionary power over agricultural products, by proceeding over a 2-year period to cut prices and supports in the case of every product over which he had jurisdiction, save and except wool. In the case of wool, the Secretary of Agriculture could not "get by" with a reduction in supports and prices on his part, because the Congress had passed a special bill in regard to wool.

Mr. President, let me say that the parity cuts by the Secretary of Agriculture is the responsibility of the President of the United States. I happen to be one Member of this body who from the beginning of this administration has placed the responsibility for its sorry record on one man, and that one man is Dwight D. Eisenhower. He should be required to assume full responsibility for the record of this administration in the field of agriculture as well as in regards every other issue.

So I am glad that again the American people are being told—as they must be told time and time again in the months ahead—that the responsibility for the great cut in the prices of agricultural commodities rests upon the President of the United States, acting through his Secretary of Agriculture, who, immediately after he took office, proceeded to cut the parity percentages on agricultural commodities which, under his discretionary powers, he had the power to cut.

So, Mr. President, I commend the distinguished senior Senator from Texas [Mr. JOHNSON] for the speech he made last night, a speech which in my judgment places the agricultural issue again in the perspective of truth, as to the record—and a sorry record it is—of the Dwight D. Eisenhower administration in the field of agriculture.

Mr. JOHNSON of Texas. Mr. President, first of all I would not be human if I did not deeply appreciate the sentiments expressed by my colleagues this morning with reference to the speech I delivered last night. I, perhaps more than anyone else in the Chamber, realize how little worthy I am of those generous statements.

I particularly appreciate what the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] has said. He spent much time and effort in the preparation of the bill which was passed, and more of his energy went into the bill than that of any other Member of Congress.

I think the propaganda effort made by the administration to discredit the farm bill, and to brand it as a bad bill, even before it was passed by Congress, will be looked upon as a dark event in the administration's history.

The only way in which I can interpret the acts of the administration at this time is that they are political. For 3 years the administration has been talking about surpluses. Yet now, in an election year, it has given a support price for corn without any acreage allotments whatever. I think this is a last minute, desperate, frantic effort by the Secretary of Agriculture to attempt to buy back the votes of the farm-producing States; but I am sure the people of those States and the people of America as a whole will recognize his action for what it is.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING OF CERTAIN HEARINGS AND REPORTS OF INTERNAL SECURITY SUBCOMMITTEE

The PRESIDING OFFICER (Mr. LAIRD in the chair) laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 55) to print for the use of the Senate Committee on the Judiciary copies of certain hearings and reports of the Internal Security Subcommittee of the Judiciary Committee of the Senate, which were, on page 2, line 2, strike out "Eighty-fourth" and insert "Eighty-third"; on page 2, line 2 strike out "first" and insert "second"; and on page 2, line 5, strike out "(hearing)" and insert "(document)."

Mr. GREEN. Mr. President, Senate Concurrent Resolution 55, came to the Committee on Rules and Administration from the Committee on the Judiciary with a recommendation of approval. The Committee on Rules and Administration reported the concurrent resolution favorably, and it was agreed to by the Senate.

When the concurrent resolution went to the House, it was found that by some mistake a few clerical errors had occurred. The corrections which should be made are set forth in the House amendments. I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

THE PRESIDENT'S ANNOUNCEMENT REGARDING HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I desire to comment briefly on the announcement, which appeared in the newspapers this morning, that the President has stated that he is in support of home rule for the District of Columbia. That statement is another example of an inclination on the part of the President to use slogans and labels without substance, because the home rule which the newspapers inform us the President of the United States favors is not home rule in substance, but only by way of a token label or title.

Mr. President, I speak as a member of the Committee on the District of Columbia. I yield to no other Member of the Senate for the fight I have made in this body for 11½ years now, for true home rule for the people of the District of Columbia, so they can enjoy first-class citizenship, rather than be subjected to second-class citizenship.

However, the newspaper articles state that the President favors home rule for the District of Columbia, subject to certain conditions. However, the conditions deny first-class citizenship to the residents of the District of Columbia. The President is reported as saying that he believes the people of the District of Columbia should have home rule, but that under the President's conception of home rule, the President must appoint the mayor of the District of Columbia. In that event, Mr. President, the citizens of the District of Columbia will not be allowed to enjoy the right of the full franchise of free men and women in the election of a mayor. What kind of home rule will that be?

Mr. President, the very essence of home rule is the right to exercise the greatest freedom the American people have, namely, the right to elect the officials who govern them. In this instance the quest of the people of the District of Columbia is for true home rule by way of the freedom of the free ballot box in electing the head of their city government. But the President does not propose to give the people of the District of Columbia that right. Yet in the same release he refers to home rule. Mr. President, the proposals of President Eisenhower are irreconcilable with true home rule. True home rule cannot be reconciled with the appointment of a mayor by the President. The alibi that is given by the White House as to why

the President does not want the people of the District of Columbia to elect their own mayor is that because of Federal interests in the District of Columbia, the President must retain authority over the selection of a mayor.

I say to the President of the United States, "Apparently you have little faith in the democratic processes, if you are not willing to trust a free ballot box in the District of Columbia in the election of a mayor."

Mr. President, I speak advisedly when I say it is an insult to the people of the District of Columbia to say to them, in effect, "I will give you what I call home rule, provided you do not have the right to enjoy the freedom of a free ballot box in the election of a mayor."

Of course, Mr. President, I speak as a Member of the Senate who fought for the Morse amendment to the original home-rule bill which came to the Committee on the District of Columbia. I offered the Morse amendment for the election of a mayor in the District of Columbia. Other Members of the Senate know what some of the objections in the cloakrooms were to my amendment. Some feared my amendment because they felt that it might eventually result in the election of a colored mayor. I hope so. I hope someday we shall have reached such a high plateau of equality in America that a qualified, able, competent colored person may become mayor of the District of Columbia if, in the judgment of free men and women expressed through the ballot box, he or she is the one who ought to sit in the mayor's seat.

I was urged not to offer my amendment. I offered it. I offered it first in the District of Columbia Committee. When it was said that it could not be adopted in the District of Columbia Committee, I asked for public hearings on the amendment, which were granted. When the public hearings were completed, and when we thrashed out the issue of the election of a mayor of the District of Columbia, how many members of the Committee on the District of Columbia voted against my amendment? Only three. I have always said that there were only 2½ votes cast against it in committee, because one of the committee members who voted against my amendment in committee made it very clear that he thought it was a good amendment and that he would vote for it on the floor of the Senate, but he had already committed himself to vote against it in committee. So, although 3 votes were recorded against it in the committee, in effect, speaking figuratively, the opposition amounted to only 2½ votes.

Then the bill with my amendment in it came to the floor of the Senate. The record is perfectly clear. The bill went through the Senate of the United States, to its everlasting credit, with the Morse amendment in it relating to the election of a mayor. Now a President of the United States says he would favor a bill which did not include the election of a mayor. I am proud that I have made my record on this issue in contrast, again, to another sorry compromise with principle on the part of the President of the United States. A compromise with principle in regard to another matter which, in my judgment, is fundamental to the democratic process in America, namely, an untrammeled freedom to vote for officials to govern us in a true home-rule system.

According to the press this morning, the President would favor a home-rule bill, provided he were allowed to retain the power to overrule the city council in case it, in turn, should overrule a veto by the mayor. That shows how far removed the President of the United States is from an understanding of what home rule means. Congress established the city government in the District of Columbia. The President now says that if the city council should override a veto by the mayor, he, the President, must have the power to override the overriding of the mayor's veto by the city council.

There is no home rule to that proposal, Mr. President. All the President is doing, again, is trying politically to capitalize on a slogan in the hope that the average citizen will not take the time to analyze the emptyness of the slogan as he uses it. So I say, as a member of the Committee on the District of Columbia, that I am shocked at the President's proposal, because it is not home rule. His proposal is a sham which he labels "home rule." There is no home rule to it. It would continue the complete domination of the municipal government in this District by the White House. A President of the United States ought to be too busy with the problems of the Nation to be functioning in connection with municipal politics and controlling municipal politics.

One last word. What is this fear about a municipal government following a course of action in the Nation's Capital which it is alleged might in some way endanger Federal interests? Congress would continue to exercise its power to protect Federal interests, just as Congress would exercise the power to protect any encroachment upon Federal interests by the States. The situation is no different. It is a phony argument which the White House is using when it seeks to clothe again the long-standing scarecrow about Federal interests being jeopardized by the exercise of true home rule in the District of Columbia.

There are a great many State capitals in which great functions of State government are localized. But on the State level we do not hear that the Governor should have the power of appointment of the mayor of a capital city in a State because the State may have important activities and interests in the capital city of the State.

Look across the water and see what some of the democracies abroad do in regard to the question of home rule. I say again, as I have said before, that here again is another opportunity for us, in the great fight for freedom in the world which lies ahead, to demonstrate that in America we practice political freedom at home as we urge its adoption abroad. At least we ought to demonstrate to the world that we are not afraid of the full and complete exercise of the democratic processes in the capital of the Nation.

That is why I rise today to protest what I consider to be another clear example of the President of the United States talking in terms of form and not of substance—in this instance, in connection with his political offering of the label of home rule for the District of Columbia, with no substance of home rule in his proposal.

MILITARY RESERVE WEEK

Mr. DOUGLAS. Mr. President, this week of April 22–28 has been designated and is being observed as Military Reserve Week.

Recognition of the ever-increasing needs of the Nation for an adequate reserve force is, of course, the motivation for this period of observance, but recognition of what is currently being accomplished demands attention as well.

The Senator of Illinois is delighted to report today one tangible facet of that effort.

We have as our guests in the gallery 16 Organized Marine Reserves, drawn from the 4 corners of the Nation, to compete in the finals of a technique of instruction competition.

Winners of the preliminary tests in their respective local units, and later their regions, these young Americans epitomize the devotion, the thoroughness, and the self-sacrifice so typical of their colleagues.

For the balance of the week they will be subjected to the very stiffest of competitive testing, and whether final winner or not, it is a foregone conclusion all will return to their units with an accumulation of new abilities they will in turn impart to others.

Mr. President, I ask unanimous consent to have included in my remarks a list of these Organized Marine Reserves who are the guests of the Senate today.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

CONTESTANTS

FIRST DISTRICT

Sgt. Richard M. Welsh, 2d Engr. Co., Boston; 109 Grove Street, Lynn, Mass.

Cpl. Marie K. Driscoll, WM Co., 2d Inf. Bn.; 15 Cramer Road, Watertown, Mass.

FOURTH DISTRICT

Cpl. Paul T. Kirsch, 12th Inf. Bn., Pittsburgh; 12914 Middletown Rd., Pittsburgh, Pa.

S. Sgt. Robert S. Seriff, 78th Sp. Inf. Co., Williamsport, Pa.; 816 Woodland Avenue, Williamsport.

FIFTH DISTRICT

Sgt. Steven R. Benford, 13th Inf. Bn., Washington, D. C.; 7403 Hopkins Avenue, College Park, Md.

Sgt. Richard N. Stultz, 5th Engr. Co., Roanoke, Va.; 2119 Avenel Avenue SW., Roanoke, Va.

SIXTH DISTRICT

S. Sgt. Lewis H. Wilson, I. & I., 38th Sp. Inf. Co., Montgomery, Ala.; 704 W. Edgemont Avenue, Montgomery, Ala.

S. Sgt. Paul H. Ilyinsky, 99th Sp. Inf. Co., Riviera Beach, Fla.; 279 Queens Lane, Palm Beach, Fla.

EIGHTH DISTRICT

S. Sgt. William V. Cheek, 57th Sp. Inf. Co., Albuquerque, N. Mex.; 513 Spruce Street, Albuquerque, N. Mex.

Pfc. W. J. Fletcher, 6th Inf. Bn., Houston, Tex.; 7126 Conley Street, Houston, Tex.

NINTH DISTRICT

M. Sgt. Miles M. Vondra, Jr., 18th Sp. Inf. Co., Illinois; 1536 Meadow Lane, Glenview, Ill.

Sgt. Martin C. Kelly, 1st Shore Party, South Bend, Ind.; 525 North Street, St. Louis Boulevard, South Bend, Ind.

TWELFTH DISTRICT

Sgt. Bernard Hyman, 2d Armored Amph. Co., San Francisco, Calif.; 1228 De Bolo Drive, Pedro Valley, Calif.

Cpl. Ernest M. Vollmer, 6th Auto. Wpns. Btry., Spokane, Wash.; East 2720 Samson Avenue, Spokane, Wash.

COMMANDER, MARINE AIR RESERVE TRAINING

M. Sgt. Robert W. Deicke, VMF-142, MARTD, MCAS, Miami, Fla.; 102 East 49th Street, Hialeah, Fla.

Cpl. Walter E. Simonson, MarFitron 234, MARTD, NAS, Minneapolis, Minn.; 5104 26th Avenue South, Minneapolis, Minn.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4047) relating to the establishment of public recreation facilities in Alaska, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes; and

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 4909. An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York;

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; and

S. J. Res. 150. Joint resolution to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 24, 1956, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 150) to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

Mr. BARKLEY. Mr. President, I have at the desk an amendment to the pending bill, on which I ask to be heard. The amendment is offered on behalf of myself and my colleague, the senior Senator from Kentucky [Mr. CLEMENTS].

The PRESIDING OFFICER. The amendment proposed by the junior Senator from Kentucky for himself and the senior Senator from Kentucky will be stated.

The CHIEF CLERK. On page 11, line 4, after the semicolon, it is proposed to insert the following: "or to the ownership by a bank holding company of shares, securities, or obligations of an investment company which is not a bank holding company and which is not engaged in any business other than investing in securities, which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company."

Mr. BARKLEY. Mr. President, this proposed amendment in no way changes the intent of the pending bill. As I understand, one of the purposes of the bill is to prevent bank holding companies from owning and controlling unrelated businesses. The bill recognizes, however, that bank holding companies should not be prevented from making investments in other businesses when such investments would not violate the purposes of the bill.

The Committee on Banking and Currency, in its report on page 12, has this to say:

> Appropriate exceptions are made in the bill in order to enable bank holding companies to retain ownership and control of nonbanking assets in cases where such retention will not violate the purposes of the bill.

The amendment which I have offered does not violate the purposes of the bill, but, as a matter of fact, is in harmony with the bill. One of the exceptions of the bill is that a bank holding company may hold shares of any company if they do not represent more than 5 percent of the company's outstanding voting securities, and if they do not have a value greater than 5 percent of the total assets of the holding company itself.

The sole purpose of my amendment is to assure the equitable application of this provision to all bank holding companies, recognizing that there are differences throughout the country in bank holding companies and in their structure.

Under my amendment, a bank holding company can own stock of an investment company whose sole business is investing in the securities of other companies, provided the investment company does not own more than 5 percent of the outstanding voting stock of any one company, and provided further, that the investment company does not own in any one company stock which has a value greater than 5 percent of the value of the total assets of the bank holding company.

In other words, my amendment simply provides that a bank holding company can invest in the securities of other companies through the agency of an investment company to the same degree as, but no greater than, the bill now provides a bank holding company may do directly.

This is not a new provision. A similar provision to this was contained in Senate bill 1118, introduced in the Senate in the 83d Congress. It was also in H. R. 6304, introduced in the House of Representatives in the 83d Congress. The same language is in section 6 (c), paragraph 6, of H. R. 6627, which passed the House of Representatives in the first session of the present Congress.

In other words, this amendment of mine merely does what the bank holding company bill, which was introduced in the Senate in the 83d Congress, did. It is the same as was provided in the House bill, introduced in the 83d Congress, and it is the same as the provision now contained in the House bill which has passed the House and has come to the Senate. It is not only not out of harmony with the bill, but it is in harmony with it, and merely allows bank holding companies to invest in some of the investment companies that are not bank holding companies in the same manner as if they were doing it directly.

I hope the chairman of the committee and the members of the committee will agree to this amendment. I appreciate very much the courtesy the committee has extended to me in the matter by allowing me to appear before the committee. However, I may say that was done after the bill had been reported to the Senate.

I do not believe the amendment, if adopted, would in any way impinge upon the purposes of the bill, but would be in harmony with it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. ROBERTSON. Mr. President, the junior Senator from Virginia, as one of the cosponsors of the bill, and as floor manager for the committee, regrets very much that he has no authority from the committee to accept the amendment offered by his distinguished colleague.

It is true that that amendment is in the House bill. The effect of it would be to relieve the trustees of the First National Bank of Louisville, Ky., of the necessity of divesting themselves of the First Kentucky Co.

That issue was considered last summer by the committee, before Senate bill 2577 was framed as a compromise measure and reported; and the amendment was rejected. The committee, in order to be sure that no injustice was being done to the First National Bank trustees, permitted a representative of that fine organization to be heard on February 8.

The committee voted again, and again rejected the amendment, but not because the committee felt that there was involved any great threat to private bankers. As a matter of fact, so far as I recall, the committee had no protest from any private banker in Kentucky on this subject; but the committee adopted a policy of not writing into the bill specific exemptions for anyone.

It is with regret, therefore, that the manager for the committee finds himself unable to accept this amendment, although he can give assurance that if the Senate does not adopt it, it will have full consideration in conference, because it is in the House bill.

Mr. BARKLEY. Mr. President, I do not wish to take the time of the Senate further than merely to say that, as I indicated a while ago, when the bank holding company bill was introduced in the two Houses in the 83d Congress, this provision was in both bills.

All the amendment would do would be to permit a bank holding company to invest not more than 5 percent of its assets in the securities of an investment company which is not a bank holding company, provided it does not invest in more than 5 percent of the value of the assets.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ROBERTSON. When the Senator refers to both bills, I wish to remind him that there were more than two bills. There was a House bill, which had been introduced by Chairman SPENCE. Then there was a Senate bill, which had been introduced by the former chairman of the committee and now the ranking minority member, the Senator from Indiana [Mr. CAPEHART]. Therefore when the Senator refers to both bills, I am sure he is referring to the Spence bill and to the Capehart bill. That provision was not contained in any of the bills introduced by the junior Senator from Virginia.

Mr. BARKLEY. No; I am not assuming that it was. I did not mean to say that. None of those bills was passed by the 83d Congress. However, the provision was contained in the bill introduced in the House and the bill introduced in the Senate. It is now contained in the House bill, which has been sent to the Senate, and I assume that ultimately the Senate will substitute the language of its own bill for that of the House bill, pass the House bill, and send it to conference.

Inasmuch as my amendment does not in any way offer any inconsistency with the provisions and purposes of the pending bill, and merely allows a bank holding company to invest not more than 5 percent of its own assets in not more than 5 percent of the assets of an investment company, which is not itself a bank holding company, it seems to me that the amendment I have offered ought to be adopted. We all know that many bankers, through investment companies, invest in securities of one kind or another not only their own assets, but, to a certain degree, the assets of their clients and their friends, and their customers.

I hope the Senate will be willing to adopt the provision I am suggesting in my amendment. It has already been adopted in the House bill. It does not in any way affect the purposes and objectives of the bill now under consideration by the Senate.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CAPEHART. I presume that what the Senator's amendment does is to permit a bank holding company to continue to invest money in other than banking assets; is that correct?

Mr. BARKLEY. In other than bank assets; but the amendment is limited to investment companies that are not themselves holding companies. In other words, it cannot invest its assets in another bank holding company.

Mr. CAPEHART. In other than bank holding companies? Is that correct?

Mr. BARKLEY. That is correct. It cannot invest more than 5 percent in any one company and not more than 5 percent of its own assets.

Mr. CAPEHART. But it could invest up to 5 percent in many different companies. Is that correct?

Mr. BARKLEY. I presume it could. However, it so happens that the situation which my amendment intends to cover does not involve a promiscuous use of assets in such a manner.

Mr. CAPEHART. Mr. President, I am eager to have some legislation adopted on the subject of bank holding companies. Two or 3 years ago I introduced a bill to that effect. I have prepared—and it is lying on the desk—an amendment which would do exactly what the Senator from Kentucky wishes to do in this respect, except that my amendment would treat all bank holding companies exactly alike. It would permit bank holding companies to retain their nonbanking assets, but deny them the right to acquire any more.

Mr. BARKLEY. The Senator's amendment goes further than mine. My amendment applies to all banks and bank holding companies that come within the purview of the definition of a bank holding company. Such a company may not invest more than 5 percent in an investment company which itself is not a bank holding company. The Senator's amendment, I would say, is broader than the one I have offered.

Mr. CAPEHART. I should like to point out the situation in which we will find ourselves. We will find ourselves that the amendment of the able Senator from Kentucky will be before the Senate, as will also the amendment of the Senator from Georgia [Mr. GEORGE], to permit a bank holding company to retain certain nonbanking assets, and I understand that other amendments will be offered. I shall offer an amendment which will permit all of them to retain their nonbank holding interests, on the theory that I believe all of them should be treated alike. The bank holding companies acquired these properties legally, and they ought to be permitted to retain them.

Mr. BARKLEY. The Senator's amendment would permit them to retain what they have already bought.

Mr. CAPEHART. That is correct.

Mr. BARKLEY. My amendment merely applies to bank holding companies in the future, so that in the future they would not be permitted to invest more than 5 percent in an investment company which is not itself a holding company. Therefore, there is some difference between the amendment offered by the Senator from Indiana and my amendment. I may vote for his amendment, but I should like to urge the adoption of my amendment as well.

Mr. CAPEHART. There is possibly some difference between the two amendments. The able Senator from Georgia [Mr. GEORGE] also submitted an amendment to permit a bank holding company to own other than banking assets. The bill now before the Senate exempts charitable institutions and churches and labor organizations. Now, we are talking about exempting a given situation under the amendment offered by the Senator from Kentucky, and another given situation under the amendment offered by the able Senator from Georgia. I suspect there will be other amendments offered. All of that leads me to believe that what we ought to do is to permit bank holding companies to hold what they now have and deny them the right to have any of their banks loan money to any of their subsidiary nonbanking institutions.

Mr. BARKLEY. That question may arise. Of course, it can probably be worked out in conference whether an omnium-gatherum amendment of that kind should be adopted, or whether an individual amendment which covers a certain situation should be adopted, particularly when Senators are familiar with the particular situation involved.

Mr. CAPEHART. Yes, there is a difference. However, my purpose in rising was, primarily, to find out how we could possibly treat all alike in this situation.

Mr. BARKLEY. I do not believe there is any inconsistency so far as my amendment is concerned.

Mr. CAPEHART. Of course my amendment does treat all alike.

Mr. BARKLEY. Yes.

Mr. CAPEHART. The Senator's amendment would permit any bank holding company to invest up to 5 percent.

Mr. BARKLEY. In a nonbanking investment company which, as the Senator knows, is a familiar form of financial institution in our country.

Mr. CAPEHART. It would not permit every banking company to invest up to 5 percent in an investment company. Is that correct?

Mr. BARKLEY. Yes, it would. That situation does not apply in very many cases, of course.

Mr. CAPEHART. I should like to ask the manager and author of the bill if the statement I made is correct?

Mr. ROBERTSON. So far as the manager of the bill is concerned, the amendment applies to only one company. It may be possible that other companies of this kind could be organized. At the present time I know of only one.

Mr. CAPEHART. There is only one company to which the amendment would apply. It would not give a bank holding company the right to organize or to buy up to 5 percent of the assets of an investment company which it might organize or which was previously organized. Is that correct? I believe it is important that we understand whether the amendment applies to only one company.

Mr. ROBERTSON. All the testimony was to the effect that it would apply to only one company. We never went into the legal phase of whether it could possibly apply to another company if such a company were to be organized. All the testimony was to the effect that there is only one company in this situation. The House saw fit to make that exemption.

Mr. BARKLEY. Of course the language of the amendment had to be drawn in general terms, even though it has application to only one situation.

Mr. CAPEHART. In other words, if more than one company were in the same situation, the amendment would apply. It would apply if, after the bill is passed, a bank holding company wished to invest up to 5 percent of its assets in a security company. It would be permitted to do so. Is that correct?

Mr. BARKLEY. If there were in existence another company which would be in the same situation as the one we are talking about, the language of the amendment would apply.

Mr. CAPEHART. It seems to me that the language might well permit a bank holding company to invest up to 5 percent of its assets in a securities company even though it may not have any interest in the security company at the moment.

Mr. BARKLEY. If up to this time in the financial history of our country only one company has had this kind of a connection, it is not likely that others will be organized.

Mr. CAPEHART. If the bill becomes law, and the bank holding company cannot expand, it might wish to invest up to 5 percent in an investment company.

Mr. ROBERTSON. There has been a little confusion because of the two different provisions. The distinguished Senator from Indiana has evidently been discussing subsection 5 on page 10 of the bill, which provides:

> (5) to shares of any company which are held or acquired by a bank holding company which do not include more than 5 percent of the outstanding voting securities of such company, and do not have a value greater than 5 percent of the value of the total assets of the bank-holding company.

That applies to all of them. But the provision we were asked to put into the bill reads as follows:

> Or to obligations of an investment company which is not a bank holding company, which is not engaged in any business other than investing in securities, and which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company.

That last language would exclude one specific company operating in Louisville, Ky. But, in my opinion, it is in general terms, and if there should be organized in the future a similar type of company, no doubt it could do the same thing.

Mr. CAPEHART. That is the Senator's opinion?

Mr. ROBERTSON. If it had the same authorization, and it were in the law.

Mr. CAPEHART. In other words, a bank holding company, if this bill should become law, could invest up to 5 percent of its funds in an investment company?

Mr. ROBERTSON. It could invest in any company.

Mr. CAPEHART. Then, why is it necessary to have this amendment?

Mr. ROBERTSON. The amendment goes further than that.

Mr. CAPEHART. How far does it go?

Mr. ROBERTSON. It goes so far that if a bank holding company has a nonbanking asset——

Mr. CAPEHART. A nonbanking asset being 5 percent interest in the investment company?

Mr. ROBERTSON. More than 5 percent.

Mr. BARKLEY. The company could not invest more than 5 percent of its assets in the securities in which it wished to invest.

It would be limited to 5 percent.

Mr. CAPEHART. What I am trying to find out is this: If this amendment becomes law, can a bank holding company, under the new law, do exactly what the amendment will permit the Louisville company to do?

Mr. BARKLEY. I suppose, if the bill becomes law, an organization similar to the bank holding company could invest 5 percent of its assets in it.

Mr. ROBERTSON. The difference between what is in the Senate bill and what the distinguished Senator from Kentucky wants to do is that the Senate bill prohibits a bank holding company from investing more than 5 percent in securities of an investment company.

Mr. CAPEHART. A bank holding company could invest all its funds, provided they were less than 5 percent of the investment company's funds.

Mr. BARKLEY. Oh, no. A bank holding company could not invest more than 5 percent of its funds, nor could it invest in more than 5 percent of the securities of the investment company.

Mr. ROBERTSON. The witness said:

> As near as I can determine from a study of Webster and the International Dictionary, it really comes under the head of a technical amendment.

I think I agree with him. I think every Senator on the floor wil agree, because we are having some difficulty in understanding what it means, and, therefore, it must be a technical amendment.

Let me read it again:

> or to obligations of an investment company which is not a bank holding company, which is not engaged in any business other than in investing in securities, and which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company.

That is what the witness called a technical amendment. He said he did not know of any other language with which to describe the amendment.

Mr. CAPEHART. The bill which is before the Senate does not dissolve or eliminate bank holding companies. It only estops them from going any further.

I am trying to find out whether in the future all bank holding companies will be able to invest up to 5 percent of their assets in an investment company if they care to do so.

Mr. BARKLEY. I would suppose that if in the future an investment company were organized and did business only in investments in securities, with no other business, and a bank holding company wanted to invest 5 percent of its assets in 5 percent of the investment company's assets, it might do so.

Mr. CAPEHART. But there are 146 so-called holding companies, and the Senator feels that under this amendment, 146 holding companies could invest up to 5 percent of their assets in an investment company which was strictly engaged in the business of buying and selling investments.

Mr. BARKLEY. Theoretically, any bank holding company in this country could invest not to exceed 5 percent of its assets in a company not a holding company but whose only business was that of dealing in securities.

Mr. CAPEHART. If I correctly understand the amendment, the bank holding company would not necessarily have to organize an investment company.

Mr. BARKLEY. Oh, no.

Mr. CAPEHART. It could be organized by other people.

Mr. BARKLEY. It would not have to organize such a company, and I suppose it would not do so, if a completely independent investment company were organized whose only business were investments in securities. A bank holding company might invest in the securities of such a company, provided it did not invest more than 5 percent of its own assets in more than 5 percent of the assets of the investment company itself.

Mr. ROBERTSON. Mr. President, I am not too sure that I can throw any further light on this question, but I shall give my interpretation of it.

An investment company buys here, there, and yonder——

Mr. CAPEHART. And it sells here, there, and yonder.

Mr. ROBERTSON. Yes. Provided it is an investment company which does not have invested in any one particular enterprise more than 5 percent of the assets of the bank holding company, under this amendment, a bank holding company can invest in such an investment company. The amendment is tailored to fit this one case.

Mr. BARKLEY. I do not understand the Senator—or if I do understand him, I do not agree with him.

Mr. ROBERTSON. The witness said that he had looked at Webster's International Dictionary and that the amendment comes under the head of a technical amendment. There is no doubt that it is very cleverly drawn.

Mr. BARKLEY. Mr. President, I served on the Banking and Currency Committee for many years, and was at one time chairman of it, and I think the whole banking business is technical.

Mr. ROBERTSON. I should like to read, very slowly, the words of the amendment:

> Or to obligations of an investment company which is not a bank-holding company, which is not engaged in any business other than investing in securities, and which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company.

In contradistinction to that, the Senate bill provides that any bank holding company can buy 5 percent of the securities of any investment company, but cannot invest more than 5 percent of the assets of the bank holding company in securities of the investment company. The amendment of the Senator from Kentucky apparently makes the limitation the same, except that it does not apply to the 5 percent of the assets of the bank holding company when it makes the investment.

Mr. BARKLEY. That really encourages diversification of investment, because the bank holding company cannot buy more than 5 percent of the assets of the investment company, and they cannot invest more than 5 percent of their own funds.

Mr. CAPEHART. I presume it is the opinion of the able Senator from Virginia that the amendment applies only to the one company, and would not apply to the other 145 holding companies.

Mr. ROBERTSON. I beg the Senator's pardon; I did not say that. The amendment was tailormade for the one company. Another company might be tailormade to this formula; then the amendment might apply.

But the difference between the amendment and the provision in the Senate bill is that the 5 percent limitation in the amendment does not apply to the bank holding company. This change was needed to take care of a particular situation.

Mr. CAPEHART. Is the object of the bill not to make certain that bank holding companies do not expand, and that bank holding companies shall not be permitted to do that which banks cannot do? Broadly speaking, is that not what is sought to be done?

Mr. ROBERTSON. That is absolutely correct, and it is the reason why I am so much opposed to the amendment which the Senator from Indiana proposes to offer, namely, to let all bank holding companies retain all their assets, even though they amount to millions of dollars, because the main reason for the bill is to get rid of those assets.

Mr. CAPEHART. How will a bank holding company be able to get rid of its assets if we write into the bill a provision that any bank owned by a bank holding company cannot lend money to any of its subsidiaries, or that it cannot acquire or merge with other companies? How will a single, independent bank be harmed under that formula?

Mr. ROBERTSON. The theory of the 1933 Banking Act is that a bank must be limited to banking, and not be a conglomeration of banks so as to constitute a banking empire. That is the theory of the Senate bill.

The amendment is a very mild one. No objection has been heard from any banker in Kentucky. It relates to a small operation. The committee turned the amendment down because it provided for a specific exemption, and we did not want to include a specific exemption in the bill. But it is contained in the House bill.

Mr. BARKLEY. The object of the bill is to divorce banks and bank holding companies from the ownership and control of businesses other than banking, and to take their hands out of the treasuries and the management of industrial corporations.

Mr. CAPEHART. That is correct.

Mr. BARKLEY. The amendment I have offered not only confirms that theory and is in harmony with it, but it simply provides that a company which is a bank holding company may invest not more than 5 percent of its assets in not more than 5 percent of an investment company which is not a bank holding company.

Mr. CAPEHART. Would the Senator from Kentucky be willing to amend his amendment so as to provide that any bank holding company in the future may do likewise?

Mr. BARKLEY. No; I would not want to do that; because that would encourage the very thing we are seeking to prevent.

Mr. CAPEHART. Why does the able Senator from Kentucky want one bank holding company to have a right to do something which all other bank holding companies do not have?

Mr. BARKLEY. As I have already tried to explain, there is only one bank holding company which the amendment fits; but if there were another, not an investment company, organized in the future which complied with the terminology of the amendment, I certainly would not deny that they should have the right to do what the amendment permits.

Mr. CAPEHART. It would be no trouble for an investment company to comply with the terminology of the amendment. I may be wrong, but I believe any bank holding company——

Mr. BARKLEY. I think it would be very unwise to broaden the language so as to encourage situations which do not now exist and may never exist.

Mr. CAPEHART. The Senator from Kentucky said he thought he might be in favor of permitting all present bank holding companies to hold other assets.

Mr. BARKLEY. I look with an open mind upon that proposal. I am not attempting to commit myself to it. I have not considered carefully the amendment intended to be offered by the Senator from Indiana. I shall consider it carefully when he offers it.

Mr. CAPEHART. Would the Senator from Kentucky be willing to withdraw his amendment, so that we might discuss the subject as a whole, rather than piecemeal?

Mr. BARKLEY. No; I would not, because I think the amendment intended to be offered by the Senator from Indiana is much broader than mine. Whether the Senator's amendment be adopted or not—and that will be a matter for the Senate to determine—my amendment, in my opinion, is very fair. It does not interfere with the purpose of the bill, but it takes care of a condition which may never exist in any other situation, but does exist in one situation.

Mr. CAPEHART. The purpose of the bill is to make certain that bank holding companies do not expand, and that bank holding companies established in the future will be unable to do that which a bank cannot do at the moment. Is that not correct?

Mr. BARKLEY. There is nothing in my amendment which is in any way inconsistent with that theory.

Mr. CAPEHART. The Senator's amendment permits a bank holding company to invest in outside companies and to have outside interests.

Mr. BARKLEY. No; only to the extent that it is an investment company engaged only in the purchase of securities as investments, and is not engaged in the operation of industrial plants.

Mr. CAPEHART. But a bank holding company might own a business which was engaged only in the manufacture and sale of tires, just as the able Senator says there are companies which only buy and sell securities.

Mr. BARKLEY. If there is any investment company which is engaged in the manufacture of tires, it would not be subject to the amendment, because it would have to be an investment company which is engaged only in the purchase and sale of securities.

Mr. CAPEHART. I myself have no objection to the amendment, although I think all bank holding companies ought to be treated exactly alike. I do not know why one bank holding company should be permitted to do that which hundreds of others will not be permitted to do, anymore than I do not see why bank holding companies should be permitted to do that which banks are not permitted to do.

Mr. ROBERTSON. I can give a little information about the local situation. The First National Bank trustees control the First National Bank of Louisville and the Kentucky Trust Co.—two banks. That makes the First National Bank trustees a bank holding company.

They control also the First Fire Insurance Co., which they will have to dispose of under the bill. Also, they control the First Kentucky Co., which is an investment company. This they can continue to hold—not merely 5 percent of it, but all of it, under the amendment.

Mr. CAPEHART. They can control all of the investment company?

Mr. ROBERTSON. That is correct.

Mr. CAPEHART. Not merely 5 percent of it, but all of it?

Mr. ROBERTSON. That is correct. It is my information that they own all of it now, and they will continue to hold it. But the amendment does not permit them to hold the fire insurance company; they will have to dispose of that.

Mr. CAPEHART. Why will they have to dispose of the fire insurance company but not the investment company?

Mr. ROBERTSON. The Senator will have to ask the Managers on the Part of the House why that is. That provision was in the bill when it came to the Senate.

Mr. BARKLEY. It is still in the bill, and I am not seeking to change it.

Mr. CAPEHART. We are being asked to legislate for the benefit of a specific firm. I have no objection to legislating for that firm in this respect, but I think we ought to treat all other holding companies on the same basis. We should permit them to keep what they have, with the understanding or with the provision in the law that they cannot expand in any way, because that is what is sought to be done, that is what the amendment offered by the able Senator from Georgia would do.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. Barkley].

Mr. CAPEHART and Mr. PAYNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. CAPEHART. I yield to the Senator from Maine.

Mr. PAYNE. I was going to suggest the absence of a quorum.

Mr. CAPEHART. I have no objection to that.

Mr. PAYNE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Anderson
Barkley
Barrett
Beall
Bennett
Bible
Bricker
Bridges
Butler
Byrd
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Chavez
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Eastland
Ellender
Ervin
Frear
Fulbright
George
Green
Hayden
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Malone
Mansfield
Martin, Iowa
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Symington
Thye
Welker
Williams
Wofford
Young

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. Clements], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], and the Senator from Mississippi [Mr. Stennis] are absent on official business.

Mr. KNOWLAND. I announce that the Senator from Colorado [Mr. Allott] and the Senator from New York [Mr. Ives] are absent because of illness.

The Senator from Ohio [Mr. Bender], the Senator from Connecticut [Mr. Bush], the Senator from Idaho [Mr. Dworshak], the Senator from Arizona [Mr. Goldwater] and the Senator from Iowa [Mr. Hickenlooper] are necessarily absent.

The Senator from Vermont [Mr. Flanders], the Senator from Pennsylvania [Mr. Martin], the Senator from Massachusetts [Mr. Saltonstall], the Senator from Utah [Mr. Watkins] and the Senator from Wisconsin [Mr. Wiley] are absent on official business.

The PRESIDING OFFICER [Mr. McNamara in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. Barkley].

Mr. ROBERTSON. Mr. President, the question before the Senate is on agreeing to the amendment offered by the junior Senator from Kentucky [Mr. Barkley], which will be followed by an amendment offered by the senior Senator from Georgia [Mr. George]. Presumably debate has ended on the Barkley amendment. Debate on the George amendment will probably require only a few minutes.

Then the main amendment to the bill will be offered by the Senator from Illinois [Mr. Douglas]. In view of the fact that Senators will wish to go on record one way or the other on the amendment to be offered by the Senator from Illinois to prohibit crossing State lines, I ask for the yeas and nays on the Douglas amendment, which has been on the desk for several days.

The PRESIDING OFFICER. The Chair is informed by the Parliamentarian that it is impossible to order the yeas and nays at this time, because the Douglas amendment is not before the Senate.

Mr. CAPEHART. Mr. President, the manager of the bill, the able Senator from Virginia [Mr. Robertson] has just informed the Senate that it will soon vote upon the Barkley amendment, to be followed by an amendment to be offered by the able Senator from Georgia [Mr. George].

I have no objection to the amendment of the able Senator from Kentucky or the amendment of the able Senator from Georgia. However, I invite attention to the fact that both those amendments are tailormade to take care of one holding company ear—one in Louisville, Ky., and one in Atlanta, Ga. I have no objection to either amendment, because later I shall offer an amendment which will permit all bank holding companies to retain their nonbanking assets under specific rules—first, that neither the bank holding company nor any of its affiliates may lend any money to nonbanking subsidiaries; second, that the nonbanking subsidiaries may not acquire or merge with any other company.

I invite attention to the fact that if we vote for those two amendments, the amendment of the able Senator from Georgia and the amendment of the able Senator from Kentucky—and I am for them—we shall be voting to favor two companies. Later I shall offer an amendment which will treat all bank holding companies exactly alike so far as nonbanking assets are concerned. I cannot quite make up my mind that we ought to treat one company differently from another.

I favor 100 percent the purpose of the proposed legislation. I introduced proposed legislation on this subject about 3 years ago. The purpose of it is to prevent bank holding companies from expanding, except under controlled conditions. I think that is the best way to put it. Also it is the purpose to make certain that a bank holding company may not do something that a bank may not do. In other words, what we are trying to do it is to bring bank holding companies, so far as banking is concerned, under the same rules and regulations that govern banks.

As I recall, there are 146 bank holding companies. Many of them have acquired nonbanking assets. Under the provisions of the pending bill they would be required to dispose of such nonbanking assets, except in cases in which we might grant tailormade exemptions, such as the one proposed with respect to the bank holding company in Louisville, Ky., and the one proposed with respect to the bank holding company in Atlanta, Ga. The bank holding companies would be required to dispose of nonbanking assets. That would not help the independent bankers particularly, because the bank holding companies would merely siphon the businesses off and issue stock to the present bank holding company stockholders, in proportion to the stock in the subsidiary.

The same people would continue to own the assets, and we would not have helped the independent bankers, because from a banking standpoint the situation would not be changed.

Mr. DIRKSEN. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. DIRKSEN. As I understand, the bill was reported from the committee with a provision which would require the liquidation of all nonbanking assets in a period of 2 years.

Mr. CAPEHART. That is correct.

Mr. DIRKSEN. And bank holding companies would be prohibited from holding nonbanking assets.

Mr. CAPEHART. That is correct.

Mr. DIRKSEN. I take it that the amendment now before the Senate is diametrically opposed to that provision in the bill as reported by the committee.

Mr. CAPEHART. That is correct; yet I am in favor of the amendment, for the reason that I do not agree that we ought to force bank holding companies to divest themselves of their nonbanking assets. I think we ought to deny them the right to lend money to them. I think we ought to deny them the right to take one of them and make another holding company out of it. I think we ought to deny them the right to merge with any other company, or any part of any other company. But I think we ought to give them the option either of disposing of such assets, or of operating them as separate, individual companies, and prohibit them from even borrowing money from any of the banks which they control.

I would not be in favor of such legislation if I thought it would interfere with or harm the small banks of America. It

could not possibly hurt an independent bank. There is no way it could do so. The fact of the matter is that if we do not do what I am proposing, and these independent companies are siphoned off to the existing stockholders, the bank holding company can continue to lend money to them and do business with them. There will be the same stockholders and the same officers. So I do not see how anything would be gained.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LANGER. What puzzles the Senator from North Dakota is this: If we adopt the amendment of the Senator from Kentucky, it will help a bank holding company in Kentucky.

Mr. CAPEHART. The Senator is correct.

Mr. LANGER. If we adopt the amendment of the Senator from Georgia [Mr. George], it will help a bank holding company in Atlanta, Ga.

Mr. CAPEHART. The Senator is correct.

Mr. LANGER. What is to prevent a Senator who wishes to favor the Transamerica Corporation from offering a similar amendment in its behalf?

Mr. CAPEHART. There is nothing to prevent it. I am in favor of allowing all bank holding companies to continue to hold their present nonbanking assets, on the theory that they acquired them legally, but I think they should be denied the right to acquire any more.

Mr. LANGER. What is the use of passing the bill, if we are to make exemptions?

Mr. CAPEHART. It would be better to pass my bill, exempting all of them.

I am wondering if we should amend section 7 of the Clayton Act to include the acquisition by one bank of the assets of a competing bank. The House passed such a measure last week. I am not so certain that we should not adopt an amendment to accomplish that purpose, and I may offer an amendment to do exactly what the House has already approved doing, that is, to amend section 7 of the Clayton Act so as to include the acquisition by one bank of the assets of a competing bank.

I invite attention to some further features of the bill. I am not complaining about them particularly, but I invite attention to certain features of the bill which I consider to be inequitable.

For example, the pending bill exempts charitable organizations, regardless of the number of banks they may own. It exempts banks owned by charitable institutions, and it exempts banks owned by churches. It exempts banks owned by labor organizations.

I am not particularly finding fault with that situation. I am trying to point out, however, that we are not being very consistent and very fair in the situation. I know of one church which owns a number of banks. It also owns department stores and many different businesses. They are all exempt. Yet they are very much a part of the business of the country. Why do we exempt labor organizations and charitable organizations and churches?

The bill also exempts a situation in Florida. I refer to the fact that a member of the Du Pont family sets up a trust, and the trust owns a series of banks. Those banks are exempt on the basis that the trust is a charitable trust. Yet the widow has had the use of the business and has received income from the trust for 20 years. She will continue to receive the income for as long as she lives. I hope she will live another 50 years. I do not know how long she will live, of course. However, why are there so many exemptions in the bill? Why do we say to a concern which acquired money legally under the law, "Now you have to get rid it?"

I am in favor of controls, and my amendment would call for controls. However, why do we practice that sort of thing? It has been done in the past, and there are examples of it, of course. However, I do not know of any great hue and cry in America that the nonbanking assets of the holding companies have in any way done any harm or that the holding companies have had any monopoly. The nonbanking assets are not what the small, independent bankers are complaining about. They complain about the fact that the bank holding companies are establishing branches and are establishing banks all over the country. They complain that bank holding companies are able to do things they themselves are unable to do.

Of course, one of the things bank holding companies will be unable to do will be to hold onto their nonbanking assets. That is provided in the bill. The bill takes away from them the nonbanking assets they acquired in the past.

I shall vote for the amendment offered by the Senator from Kentucky [Mr. Barkley]. I shall vote for the amendment offered by the Senator from Georgia [Mr. George]. Possibly I shall vote for the amendment offered by the Senator from Florida. I am not too certain about that. I wish to talk about it a little.

The amendment offered by the Senator from Florida is in a little different category. I shall vote for the other amendments because I believe the banks ought to be permitted to keep their nonbanking assets, though I believe they ought to be controlled. I think that we should be fair and equitable to everyone. If we are, we will have a better bill.

I cannot for the life of me understand why that should not be our attitude. I wish someone would give me some facts to show how a small banker, or any banker, can be hurt by permitting the holding companies to keep their nonbanking assets if they cannot lend money and if they cannot merge with another company. Why is the ownership of a bank holding company, under those circumstances, any worse than the ownership by any other group of stockholders or by any other men? Wherein does the small bank get hurt? How is it affected? I do not see how it is at all affected. Perhaps it is, but if so, I wish someone would give me some facts setting forth how it is.

I can well understand that if we permit a bank holding company to lend money, we would be denying other banks the right to lend money. I could see new holding company. I am not sure subsidiary to become the nest egg for a now holding company. I am not sure that that is not permitted now, as the law is written. There is some question whether the companies are not permitted to do that under the present law. Under the Robertson bill, if it shall be enacted, I am not certain that a subsidiary could not set up a whole new series of holding companies. That is particularly true if the amendment of the able Senator from Georgia [Mr. George] shall be agreed to. I am sure that would be the result. It opens the door for such action.

As I said a moment ago, I shall support the two amendments, because they accord with my philosophy of the way the whole subject should be handled. I shall likewise offer an amendment to treat all holding companies in exactly the same way.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LANGER. Suppose there is a big holding company in Chicago and a tiny little bank in Indiana across the State line. How would the passage of the Robertson bill and the amendments affect the little bank in Indiana?

Mr. CAPEHART. How would it affect the bank?

Mr. LANGER. Yes.

Mr. CAPEHART. It would deny the holding company the right to establish a bank in Indiana, if the law in Indiana prohibited it from doing so, or, if the law permitted it, then only if the Federal Reserve Board agreed to it. I believe that is the correct answer. I ask the manager of the bill to correct me if I am wrong.

Mr. ROBERTSON. It could not move into the State if the State law prohibited it, or, if the State law permitted it, it could not move into Indiana in opposition to a little bank unless the Federal Reserve Board permitted it to do so.

Mr. CAPEHART. That is with respect to bank holdings. We are talking about their divesting themselves of their nonbanking assets. The adoption of the Louisville amendment or the Atlanta amendment or my amendment, to permit the companies to keep all of their nonbanking assets, has nothing whatever to do with the law that will govern the bank holding companies and their future expansion. That is a part of the Robertson bill, and will remain a part of the bill.

There are two parts to the bill. One refers to the bank holding companies and the banks themselves. The other has to do with nonbanking assets which the bank holding companies now own and which they legally acquired under the law. No one objected to their acquiring those assets. The question is, What are we going to do with them? Are we going to make the companies divest themselves and sell the assets to someone else? By so doing, I do not see how we will help a small bank or any kind of bank, particularly if the bank holding company which owns stocks of subsidiaries cannot lend them any money.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LANGER. How would the passage of the bill affect Transamerica?

Mr. CAPEHART. I do not know. That is one of the largest companies in America. They have many nonbanking assets. It would affect them no differently than it would any other bank-holding company. There is an exception or exemption of labor organizations, charitable institutions, and churches, and there are pending amendments tailored to affect other institutions. I am not quarreling with that situation. I do not quarrel with those amendments at all.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. CAPEHART. I yield further.

Mr. LANGER. I am not a member of the committee, and I know very little about the bill. Under the Robertson bill, will labor organizations and charitable institutions be allowed to establish banks all over the country?

Mr. CAPEHART. They are exempt under the bill.

Mr. LANGER. Will they be permitted to go into any State of the Union and operate banks?

Mr. CAPEHART. That is correct. Of course, they will be subject to certain State laws, and they will be subject to getting FDIC insurance, and that sort of thing; but they are exempted from the provisions of the bill. In other words, a labor organization can open up as many banks as it desires and it does not come under the purview of this proposed legislation. Neither do churches or charitable organizations.

Mr. LANGER. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. LANGER. Can the Senator give me any reason why those organizations should be allowed to buy a bank and private individuals should not be allowed to do so?

Mr. CAPEHART. I do not think there is any particular reason, except that we have always gone on the premise that a charitable organization is a nonprofit organization. But there is no good reason for it.

Mr. KUCHEL. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. KUCHEL. If there is no good reason for it, I wonder if some Member of the Senate can inform those of us who are not members of the committee why the committee exempted them.

Mr. CAPEHART. The Senator will have to talk to the manager of the bill. Maybe I should not have said "good reason." Certainly there is no equitable reason.

Mr. ROBERTSON. Did the Senator ask me a question?

Mr. CAPEHART. No. I told the Senator from California that the distinguished Senator from Virginia might answer his question.

Mr. ROBERTSON. They were not exempted in the bill, but an amendment was offered by the distinguished Senator from Illinois [Mr. DOUGLAS] with reference to them.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. KNOWLAND. Mr. President, may we have the amendment read?

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 11, line 4, after the semicolon, it is proposed to add the following:

> or to obligations of an investment company which is not a bank holding company, which is not engaged in any business other than investing in securities, and which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. GEORGE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. On page 10, line 23, at the end of section 4 (c) (4), it is proposed to strike out the semicolon and insert, "or to shares lawfully acquired and owned prior to the date of enactment of this act by a bank which is a bank holding company, or by any of its wholly owned subsidiaries."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. GEORGE. Mr. President, I shall occupy only a few minutes. This is a rather unique situation. It is the case of a bank owning, in turn, a bank holding company which is not a bank, but both own assets legally acquired and held, for investment only, over thirty-odd years. Now, Mr. President, I call attention specifically to the facts. Under the pending bill, both the bank and the bank holding company are bank holding companies within the meaning of the law as written into this bill. They own and have owned for thirty-odd years shares of stocks mainly of Coca-Cola, and other minor stocks as well. The shares have been owned directly and indirectly by the bank itself for over 30 years, as I have stated.

None of the shares has ever been sold or traded in since 1933. The shares were legally acquired in the normal course of business and have been held solely for investment purposes. The shares represent only 1.96 of 1 percent of the more than 4¼ million shares of the parent company. The shares have no value assigned to them on the books of the bank or the books of the bank holding company. They are carried at zero. But the aggregate value of these shares which the bank, under the terms of the bill, would be required to sell, is in excess of $9 million. To put those shares on the market would create a bad effect. It would weaken the banking institutions which they support and which they have supported through the years.

The House bill contains specifically the amendment which I have offered, but the Senate bill does not. With my colleague [Mr. RUSSELL] I am offering this amendment, which strikes out the semicolon at the end of section 4 (c) (4) and inserts the language which has been read. The language is identical with the language in the Spence bill of the House. It is eminently fair and just. It would work a very great hardship upon one of the important banking institutions in Georgia if it were compelled to dispose of these stocks.

Mr. President, I hope the Senate will approve the amendment.

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. CAPEHART. Mr. President, I wish to invite attention to the fact that the language relates to shares lawfully acquired and owned "prior to the date of enactment of this act by a bank which is a bank holding company, or by any of its wholly owned subsidiaries."

We could say exactly the same thing about every nonbanking asset owned by any bank holding company that comes within the purview of this bill. There are 146 of them. That is a perfect description of what has happened to them.

I am not opposed to the amendment, because I think we ought to do this. An amendment which I shall propose later will permit all bank holding companies to do exactly what this amendment will permit. If we do it for one, I do not know why we should not do it for all. This amendment is already in the House bill. I have no objection to it. The language applies just as truly to every other bank holding company as it does to this particular situation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

Mr. ROBERTSON. Mr. President, I have no authority to accept the amendment offered by the Senator from Georgia. It was considered very fully by the committee last summer, because, as I have stated, it is in the House bill. The committee reported the bill without that amendment in it, because we thought it was not good legislative practice to write specific exemptions into a bill which would have general application.

On the 8th of February we heard some further testimony. We again voted on the amendment and we again rejected it. Therefore, as manager of the bill for the committee, I regret that I have no authority to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, I call up amendment designated 4–16–56–A, offered on behalf of myself and the Senator from Oregon [Mr. MORSE], the Senator from Mississippi [Mr. STENNIS], the Senator from New York [Mr. LEHMAN], the Senator from Maine [Mr. PAYNE], the Senator from North Carolina [Mr. ERVIN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New Mexico [Mr. CHAVEZ], and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois for himself and other Senators will be stated.

The LEGISLATIVE CLERK. On page 8, between lines 6 and 7, it is proposed to insert the following new subsection:

> (d) Notwithstanding any other provision of this section, no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank located outside of the State in which such bank holding company maintains its principal office and place of business or in which it conducts its principal operations unless the acquisition of such shares or assets of a State bank by an out-of-State bank holding company is specifically authorized by the statute laws of the State in which such bank is located, by language to that effect and not merely by implication.

Mr. DOUGLAS. Mr. President, the pending bill, and the amendment which has just been read, are in the true American tradition, for what the sponsors of the amendment are seeking to do is to prevent an undue concentration of banking and financial power, and instead to keep the private control of credit diffused as much as possible. For we know that when the credit resources of a country become concentrated and fall into a few hands, then the industry and trade of that country also become concentrated.

Big banks commonly find it much easier and more to their liking to do business with big business rather than with little business.

JACKSON FOUGHT CENTRALIZATION OF BANKING AND CREDIT

Andrew Jackson realized all this when he faced Nicholas Biddle and the Second Bank of the United States. Biddle, building on the traditions of Hamilton, and supported by the Whigs under Webster and Clay, was attempting to make his bank the dominant financial institution of the whole country. He was fast succeeding in this attempt when Andrew Jackson took him on. Jackson not only opposed the private creation of monetary purchasing power by the bank, but also its tendency toward monopolizing credit by driving out the small banks. He wanted credit and banking to be decentralized and diffused so that men might be free.

In that terrific struggle, lasting over a decade, Jackson, aided by Thomas H. Benton, saved economic democracy in this country for a time by denying a new charter to Biddle's bank. And although the Whigs tried hard to revive Biddle's power, they were turned back by the Democrats and by John Tyler at a later date.

Similarly, when Salmon P. Chase created the national banking system during the Civil War, he not only desired to create a market for Government bonds by building up a supplementary currency built upon them, but he also wanted to have so many national banks created by the lure of double interest that the new banking system would also be diffused like that of the various State systems.

In short, we who are struggling to prevent the concentration of financial power from becoming greater are carrying on the fighting tradition of Andrew Jackson who wanted a competitive and a free America, and not one dominated by a relatively small group of financiers and industrialists.

DANGERS OF CONCENTRATED BANKING POWER SHOWN IN EXPERIENCE OF BRITAIN

If we look abroad we see plenty of corroboration for our fears about the concentration of banking powers. A century and a quarter ago, England had large numbers of provincial bankers who helped to finance the relatively small industries of their localities. But gradually these private bankers were bought up by and merged with the bigger houses, so that for many years now there have been virtually only five banks which have mattered in England and Wales, namely, Barclays, Lloyds, Midland, Westminster, and National Provincial. These firms do more than three-quarters of the banking business of the entire United Kingdom, including Scotland and Northern Ireland.

Along with this concentration in banking, and partially caused by it, there has developed a concentration in manufacturing and in industry. There is but 1 chemical company in Great Britain, 2 flour concerns, 2 chocolate and cocoa companies, only a handful of breweries and distilleries, not more than 2 tobacco companies, and tight cartels in steel, tin, machinery, and textiles. Professor Ben Lewis has shown how widespread this stifling of competition is in Great Britain. The Big Five have been important factors in promoting this concentration and in reducing competition.

BANKING CONCENTRATION IN CANADA AND GERMANY ALSO LEAD TO INDUSTRIAL MONOPOLY AND CARTELS

Canada, our neighbor to the north, is going through a similar experience. There are only 11 banks in all of Canada to serve 16 million people. The Bank of Montreal, for example, has absorbed at least 10 other banks and has 603 branches. The Royal Bank of Canada, a consolidation of another 10 banks, has 793 branches. Ten more banks have been arbsorbed into the Canadian Bank of Commerce, which now has 651 branches, while still another score of banks have been swallowed up in the Canadian Bank of Commerce. The Bank of Nova Scotia, a consolidation of half a dozen banks, has 415 branches, while 2 banks designed to serve primarily the French-Canadian population have 560 and 349 branches, respectively.

The two biggest banks in Canada, namely, the Bank of Montreal and the Royal Bank of Canada, have almost precisely half of the total bank deposits in the entire country. If we add the third largest bank, 67 percent or two-thirds of the countrywide total will be included. The top four have well over three-quarters of the total deposits.

As in Great Britain, monopoly and quasi-monopoly in industry have accompanied this concentration of banking. There is, I believe, only one tobacco company, for example, in all of Canada, and one private railroad; and a similar situation exists in a very large number of industries. Moreover, industry and banking are so intertwined in directing personnel and in financing as to prove how the concentration of banking power has helped to promote industrial monopoly and quasi-monopoly.

Incidentally, the power of the private monopolies led to the movement for nationalization which was carried out for about one-fifth of the British industry by the Labor Party from 1945 to 1951.

The example of Germany is notorious. Prior to Hitler there were only three banks in Germany, namely, the Deutsche, the Dresdner, and the Commerz Banks. These played ball with and helped the cartels and monopolies. As all students of nazism know, it was the cartels and the big banks which financed Hitler's final drive to power. Thus, concentration of financial power helped on the concentration of economic power, and then the two forces joined hands to aid in creating a dictatorship of political power with all of the terrible consequences which ensued.

CONCENTRATIONS IN BANKING AND CREDIT ARE ALSO SERIOUS DANGERS IN THIS COUNTRY

All these examples paint an image of what is likely to happen in this country if we permit the concentration of banking and credit, which has already gone far, to go farther. For here, as elsewhere, the control over credit is moving into fewer and fewer hands.

At the same time, industry has been moving out of competition into closer and closer concentration—monopoly and quasi-monopoly. This has been helped by the big banks. If we do not wish to travel the path of Canada, Great Britain, and Germany, we should do something effective to check and, if possible, to roll back the concentration of banking and credit. For he who controls the credit of a country controls the industry of that country and, ultimately, the political life of the Nation as well.

Unfortunately, we have already traveled very far down the way of the concentration of credit and banking. This has been done by the growth of the original home offices of the big banks, such as the Continental and First National Banks of Chicago and the Chase and National City Banks of New York, but also by three other forms of accretion, namely, mergers, branch banking, and bank holding companies.

BANK MERGERS HAVE INCREASED RAPIDLY

During the past 9 years, bank mergers have been growing apace. The following number of banks have been merged since 1947:

Year:	*Number of mergers*
1947	82
1948	77
1949	76
1950	89
1951	79
1952	99
1953	115
1954	207
1955	231
Total	1,076

Source: Federal Deposit Insurance Corporation.

Thus, nearly 1,100 banks merged during these 9 years, with the numbers greatly increasing during the last 3 years. This, moreover, was during a period when the total number of banks in the country was decreasing by 475, from 14,759 to 14,284. This was a decrease of 3.2 percent.

Among the big mergers were those in New York City of the Chase National Bank and the Bank of Manhattan, of the National City and the First National, the Chemical Bank & Trust and the Corn Exchange, and the Bankers Trust and Public National. These mergers alone involved $19½ billion of assets and over 57 percent of the banking facilities of New York City. There have been a great many other mergers in other portions of the country.

BANK BRANCHES HAVE ALSO MULTIPLIED

The second way control over credit becomes concentrated is through the opening of branches. The organization of branch banks proceeded very rapidly in the 1920's, and to check their growth various States passed laws limiting, and in some cases preventing it, as in the case of Illinois. National banks had previously been implicitly prohibited from opening branches, and there was a strong movement to remove this prohibition and completely open up the field for the national banks. This, however, was not done. Instead, by the McFadden Act and other measures, national banks have been permitted to open branches only to the degree permitted by State laws and State authorities.

I may say that what our amendment aims to do is to carry over into the field of holding companies the same provisions which already apply for branch banking under the McFadden Act—namely, our amendment will permit out-of-State holding companies to acquire banks in other States only to the degree that State laws expressly permit them; and that is the provision of the McFadden Act.

Despite these restrictions on branch banking there has been a great expansion of branches during the last 9 years. At the end of 1946 there were 4,220 branches. This number had increased by the end of last year to 7,391. This was a growth of 3,171 branches, or 75 percent. Among the banks with many branches is the Bank of America, which is now the largest bank in the world, and which dominates banking in California.

HOLDING COMPANIES HAVE ALSO EXPANDED RAPIDLY

The third way in which credit is becoming concentrated is through the device of holding companies. Holding companies have been developed in part—I would say largely—in order to get around restrictions on branch banking. A State will prohibit branch banking, and so a holding company will be organized, which will buy up individual banks and operate them, in effect, within the State, and which sometimes buy up banks in other States and also operate them, in effect, as branches. Even though local officers and directors are used, the direction rests in the holding company. Two out-of-State holding companies have invaded Illinois in just this way, and each company controls three banks in Illinois, despite our Illinois laws prohibiting branch banking.

Now, the two holding companies which operate out of Minneapolis—namely, the First Bank Stock Corporation of Minneapolis, which had 75 banks and 6 branches, and which operated in 4 States, with total deposits of $1,352,000,000 as of the end of 1954, and the Northwest Bancorporation of Minneapolis, which had 72 banks and 22 branches in 7 States with deposits of $1,583,000,000—have been developed and formed largely because of restrictions on branch banking in Minnesota, Nebraska, North Dakota, South Dakota, and Montana. Since branch banking was prohibited or restricted, at least originally, these holding companies buy up the controlling interests in the banks and operate them as branches.

I see the eminent senior Senator from North Dakota present, and if he wishes, he may make whatever comment he wishes to make.

Mr. LANGER. I have no comment except to say that what the distinguished Senator has said is absolutely true.

Mr. DOUGLAS. I thank the Senator.

In New York the State is divided into 10 zones. Branch banking is permitted within each of the zones, but a bank cannot have branches in another zone. What happened there? The Marine Midland Co., of Jersey City, was organized, and it bought banks in each of the 10 zones and established 125 branches. As of the end of 1954, it had total deposits of $1,635,000,000. Now, the letter of the law is complied with, but, in effect, each of those 10 banks—each one within a given zone—is operated as a unit of a centralized banking system.

TRANSAMERICA CORP. IS LARGEST HOLDING COMPANY AND GROWING RAPIDLY

The biggest holding company is, of course, Transamerica, which was originally closely affiliated with the Giannini banking interests and the Bank of America, but which has attained greater independence in recent years.

As the eminent junior Senator from Virginia stated yesterday, that holding company not only had banks in 5 States, with 167 branches, and banking deposits of $2,021,000,000 as of the end of 1954, but it is somewhat unique in that it has a large number of nonbanking corporations which it controls and directs.

I wish to make a correction for the RECORD. I said that at the end of 1954 Transamerica had banks in five States. As I shall show in a few minutes, it now has banks in 10 States, because it has been expanding, in recent months and weeks, at a very rapid rate.

I yield to the Senator from Virginia, who seems to want to make a statement.

Mr. ROBERTSON. I was going to suggest what the Senator has just stated, that Transamerica now has banks in 10 States.

Mr. DOUGLAS. That is correct. Perhaps we should say that "Eastward the course of banking empire takes its way."

In addition, Transamerica owns one of the largest insurance companies in the United States—the Occidental Life Insurance Co.—and other insurance companies and a variety of other industrial enterprises, including a salmon packing company which packs some of the good Columbia River salmon, which I am sorry to say have displaced Maine salmon from the table, and so forth. As everyone should know, the present bill requires the divestiture of those nonbanking assets.

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Does the Senator from Illinois yield to the Senator from Oregon?

Mr. DOUGLAS. I am glad to yield.

Mr. MORSE. I regret that the Senator from Illinois has said he is sorry that Columbia salmon have displaced Maine salmon. I will see that he gets a Columbia salmon again, to refresh his taste and enable him better to understand why Columbia salmon have replaced Maine salmon.

Mr. DOUGLAS. The Senator from Illinois was permitting his boyhood fondness for landlocked Maine salmon to express itself, in contrast with the sockeye salmon which goes through such an amazing odyssey from the inland lakes to the sea, and back again.

Mr. President, not only does Transamerica have branches in California, but it also has greatly expanded its operations elsewhere. It has purchased a bank in Oregon—the First National Bank, I believe—and has expanded its holdings there until they totaled 68 branches and had 45 percent of the bank deposits in that State at the end of 1954. It controls most of the banking resources in Nevada. The two banks it controls in Nevada had 77 percent of the bank deposits in that State at the end of 1954. At the end of 1954, the 1 bank it owned in Arizona had 17 branches and 21 percent of the bank deposits in that State; and since that time there has been further expansion. So, Mr. President, the Transamerica Corporation is a most powerful group.

OTHER HOLDING COMPANIES CONTROL LARGE PERCENTAGE OF TOTAL DEPOSITS IN VARIOUS STATES

Now let us consider the two holding companies which operate out of Minneapolis: The First Bank Stock Corp., with deposits at the end of 1954 of $1,352,000,000; and the Northwest Bancorporation, with deposits of $1,502,000,000. If we add them together, we find that those 2 holding companies then controlled 55 percent of the bank deposits in Minnesota, 44 percent of the bank deposits in Montana, 29 percent of the bank deposits in North Dakota, and 32½ percent of the bank deposits in South Dakota; and these figures are correct only as of the end of 1954.

In a minute I shall speak of the extraordinary expansion which has occurred in more recent years. The figures I have given are taken from pages 51 and 52 of the printed hearings of the Banking and Currency Committee which are on the desks of all Senators. In addition, there are minor holdings of the Northwest Bancorporation in Iowa, Nebraska, and Wisconsin.

Then there is the First Security Corp., which is based primarily upon Utah, where in 1954 it controlled almost 24.6 percent of the bank deposits in that State; and 32.5 percent of the bank deposits in Idaho. In recent years this corporation has also been expanded.

As is well known, the corporation is controlled by the Eccles family. Mr. Eccles was for many years a member of the board of governors of the Federal Reserve System, and for many years was chairman of the board. In my opinion he was one of the most distinguished public servants we have had in the United States for many years. Mr. Eccles made war on holding companies when he was a public servant, and I know he was absolutely sincere in doing so, because he thought they were against the public interest. Then he resigned from the Federal Reserve Board, and went into private banking; and now as a private banker he is naturally seeking to expand his banking interests to the fullest degree possible. There is nothing in the slightest degree unethical in what Mr. Eccles is doing. He happens to be a close personal friend of mine. But since I believe that the expansion of bank holding companies is not in the public interest, I shall oppose the future expansion of the First Security Corp., across State lines, just as I am opposing expansion of other bank holding corporations.

Mr. President, in addition to those instances, there are also a considerable number of bank holding companies which at present operate only within State lines, whereas the ones to which I have previously referred operate across State lines. However, there are some which operate only within a single State. As I have previously mentioned, one of them is the Marine Midland Corp., operating in New York, with deposits at the end of 1954 of $1,636,000,000. Another is the Wisconsin Bankshares Corp., which had 6 banks and 14 branches, and at the end of 1954 had deposits of $780,000,000.

Still another is the BancOhio Corp., with 21 banks and 17 branches, and deposits of $556,000,000 at the end of 1954. In Massachusetts there are 2, namely, the Baystate Corp., with 9 banks and 66 branches and with deposits of $399,000,000; and the Shawmut group, with 14 banks, 37 branches, and deposits of $523,000,000.

Then there are two, which have just been given special exemption, namely, the Trust Company of Georgia Associates and the Trustees of the First National Bank of Louisville, of Louisville, Ky.

Then there are minor holding companies as well.

Mr. KUCHEL. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. KUCHEL. First of all, let me ask the Senator from Illinois whether he is now arguing, or laying a foundation, for the amendment he has proposed.

Mr. DOUGLAS. That is correct.

Mr. KUCHEL. I wish to say to the Senator from Illinois that my inclination is to support his amendment. But I wish to ask a question. I think the Senator from Illinois said a few moments ago that in his judgment the theory of holding companies was contrary to the public interest.

Mr. DOUGLAS. No; I said that further expansion of holding companies in the field of banking would be contrary to the public interest.

Mr. KUCHEL. Then do I correctly understand that it is the position of the Senator from Illinois that the situation existing today with respect to bank holding companies in his judgment is not against the public interest?

Mr. DOUGLAS. If any other Senator wishes to make a motion to require bank holding companies to divest themselves of their bank stock as well as of their nonbanking assets, the Senator from Illinois will support such a motion.

But all that the Senator from Illinois is at present trying to do is to prevent bank holding companies from expanding across State lines, unless the States give them explicit permission to do so.

Mr. KUCHEL. As I say, my inclination is to support my friend from Illinois in that venture.

Mr. DOUGLAS. The inclinations of the Senator from California are always very helpful and generous.

Mr. KUCHEL. I appreciate that statement.

If the pending bill is designed to prohibit holding companies in the public interest, my question of the Senator is this—and I asked the same question earlier of the Senator from Indiana [Mr. CAPEHART]—Why does the bill make certain specific exemptions, on the basis of policy?

Mr. DOUGLAS. The Senator from Illinois is not too happy about the exemptions which we have granted.

Mr. KUCHEL. Is his unhappiness of sufficient strength to cause him to oppose the bill on that basis?

Mr. DOUGLAS. No; it is not, because I think, on the whole, the bill is a step forward. I am not too happy about these exemptions. They came about in the play of stresses and strains of banking and political life. I think I voted against most of them in committee. But if my amendment is approved, I think, on the whole, the bill will be a big step forward. If it is not approved, it will be a little step forward.

Mr. KUCHEL. As I understand, the Senator cannot find justification for eliminating some holding companies, while at the same time permitting and protecting others.

Mr. DOUGLAS. The Senator from Illinois has been very unhappy about that situation.

HOLDING COMPANIES HAVE EXPANDED MORE RAPIDLY IN RECENT MONTHS

Mr. President, the figures which I have been giving apply as of the end of 1954. Since then the process of acquisition of banks by holding companies has proceeded apace.

The First Security Corporation has been "getting into the act." It bought up the Commercial Bank of Utah, with $18 million in deposits, and 8 banking offices, in January of this year, and the Uinta State Bank, of Vernal, Utah, according to a report in the American Banker for March 12, 1956.

Transamerica has been extending its empire. It acquired the Southern Arizona Bank & Trust Co., with 7 banking offices and $77 million in deposits, in November of 1955. I believe that is the old group of banks formerly headed by Lewis W. Douglas.

It acquired the Bank of New Mexico, with $23 million in deposits and 4 banking offices, in January 1956.

It took over the First National Bank of Caldwell, Idaho, the Continental State Bank at Boise, Idaho, and the Bank of Eastern Idaho, at Idaho Falls, with $41 million in total deposits and 7 banking offices, in January 1956. It took over the Walker Bank & Trust Co. of Salt Lake City, with $117 million in deposits and 5 banking offices, in February 1956.

It took over the Sandy City Bank of Sandy, Utah, with $7 million deposits and 2 banking offices, in March 1956.

I hold in my hand an article from the Salt Lake Tribune of April 13, 1956, which describes the purchase by Transamerica of the Casper, Wyo., First National Bank and the Riverton National Bank, which were old-time Wyoming financial institutions. The Waddell family of Casper were the principal shareholders in those institutions.

According to my information, Transamerica has also purchased in March 1956 the Cache Valley Banking Co., of Logan, Utah, with $9 million in deposits. These three Utah acquisitions by Transamerica give it and the First Security Corp. together 49½ percent of the bank deposits in that State, according to data furnished to me today by the Federal Reserve Board.

If my information is correct, Transamerica also purchased the Montana Bank, of Great Falls, Mont. Since we held the hearings last year, it has gone into New Mexico, Idaho, Utah, Montana, and Wyoming for the first time. The financial information which I am able to obtain is that in the case of many of these banks Transamerica has paid far more than the book value of the stock.

As Transamerica has been expanding, the Minneapolis bank holding companies have been expanding as well. The First Bank Stock Corp of Minneapolis, Minn., has purchased the Worthington National Bank of that town in Minnesota, with $7 million in deposits; the Northern Minnesota National Bank, of Duluth, with $57 million in deposits; the Duluth National Bank, of that city, with $9 million in deposits; the First National Bank of Hibbing, Minn., with $13 million in deposits; the First National Bank of Virginia, Minn., with $12 million in deposits; and the Batavia National Bank, of LaCrosse, Wis., with $12 million in deposits. This LaCrosse acquisition moves their Minneapolis holding company into Wisconsin for the first time.

Marine Midland of New York has also purchased two banks, namely, the First National Bank of Herkimer, with $9 million in deposits, and the Bank of Towanda, also with $9 million in deposits.

So the bank holding companies have been expanding very rapidly in recent months, possibly because of a desire to "beat the gun" so that they would have a foothold in new States and not be required to divest themselves of these banks when the new law went into effect—and possibly in fear that if my amendment were approved they would be shut off from future expansion across State lines.

Mr. President, I have said all this to lay the background for our amendment. It is not merely my amendment. It is also sponsored by a very eminent group of Senators. It has been advocated, as we all know, by the Independent Bankers Association of America. It has been endorsed by the American Bankers Association, although I suspect that some of the big banks are not too happy with it. Nevertheless, the official action of the American Bankers Association is in its favor.

COMMITTEE BILL MAKES NEEDED IMPROVEMENTS

I wish to speak very briefly about the changes which our amendment would make in the bill as it has been reported. I think the Senator from Virginia [Mr. ROBERTSON] deserves to be congratulated for the work he has done in getting this bank holding bill out on the floor of the Senate. It makes two fundamental changes. In the first place, it requires the divestment by bank holding companies of nonbanking assets, and hence removes the possibility of future abuse.

The second feature is that any future expansion of bank holding companies, including the purchase of additional banks, will be permitted only if the Federal Reserve Board gives its permission.

The bill lays down a number of standards to be followed by the Board, including standards relating to financial history, condition of the company, prospects of the company, character of management, needs of the community, whether the acquisition would expand the size of the bank holding company beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking, and so forth.

PENDING AMENDMENT PREVENTS BANK ACQUISITION BY OUT-OF-STATE HOLDING COMPANY UNLESS STATE LAW EXPRESSLY PERMITS

Our amendment would prohibit bank holding companies from purchasing banks in other States unless such purchases by out-of-State holding companies were specifically permitted by law in such States. At present no State specifically grants such permission. Therefore the immediate practical effect would be to bar the expansion of bank holding companies across State lines. But the amendment would leave the way open for States to make explicit provision for such purchases and acquisitions if they so decided. If they were to do so, then such expansion would be subject to the rules and judgment of the Federal Reserve Board.

Even with my amendment, the Federal Reserve Board would still have final jurisdiction over the acquisition of banks or bank holding companies within a given State, that is, intrastate acquisitions. If and when individual States permitted a bank holding company from another State to acquire assets across State lines, then the Federal Reserve Board would have final jurisdiction in those cases as well.

I wish to repeat that, so far as interstate acquisition of banks is concerned, namely, purchase by bank holding companies of banks in other States, the provision in my amendment is in principle almost identical with the present provision which governs branch banking.

Therefore, it is a logical continuation of the principles of the McFadden Act, which tried to prevent the Federal power from being used to permit national banks to expand across State lines in a way contrary to State policy and, of course, under the McFadden Act, even to expand within a State.

Anyone who favors States rights, it seems to me should support my amendment. I am not urging it on that ground, however. I believe in a somewhat unified banking system. However, so far as the bank holding companies are concerned, I want to check their expansion. This seems to me to be about the best way of doing so.

AMENDMENT DOES NOT AID BUT RATHER IMPEDES FURTHER MONOPOLISTIC EXPANSION ACROSS STATE LINES

My good friend the Senator from Virginia [Mr. ROBERTSON] yesterday, in his speech presenting the bill, criticized my amendment on the ground that, by making further interstate expansion more difficult, it would freeze the present situation and would aid monopoly.

In the first place, it does not freeze the situation, as the analysis of the powers left to the Board makes clear. It is still possible to have an expansion of a bank-holding company within its home State, if it musters the approval of the Federal Reserve Board. Moreover, if State law permits, and if approved by the Board, interstate acquisitions are possible. Therefore the amendment does not freeze the situation.

If the amendment aided the existing holding companies, as the Senator's argument implies, they would favor it. They do not favor it. They are a very able group of men. I am informed that Transamerica and the two Minneapolis holding companies, and the First Security Corporation of Utah, are very much opposed to my amendment. I believe they know their own self-interest, and pursue it, as is quite proper. I am not blaming them for that. Therefore it must be news to them that the amendment would aid and protect them in their existing position.

Basically, the argument of the Senator from Virginia seems to be that the way to check monopoly is not to check it, and that by permitting other competing banking concentrations the same right to expand and take over independent banks, which is enjoyed by present holding companies, we would bring about a more competitive situation.

Surely the existence of monopolistic conditions in some areas is no justification for true opponents of monopoly to urge that their growth be permitted in all areas, on the principle of "justice among monopolies." The present degree of concentration of control does not give everyone else a vested right to equivalent expansion. Furthermore, the big holding companies, freed from the restraint of my amendment, would undoubtedly keep far ahead of the rest of the pack. These are unequal races, in which the strong usually outdistance the weak.

I am not interested in having a bank situation in which there are only two banks in a State competing with each other. I am interested in a bank situation in which there are a large number of banks with no monopoly and with a dispersion of power.

If the Senate really desires to reverse the trend toward the concentration of banking, it could write legislation requiring the divestiture not merely of nonbanking assets, but of banking properties themselves, beyond certain limits. If anyone proposes an amendment such as that, I again wish to assure him in advance that I shall support it. However, no one suggests such a proposal in the bill, and it should not be argued against my amendment that it does not require it.

What the bill with my amendment does is to check a rising trend to monopoly without undoing it completely.

I yield the floor.

Mr. ROBERTSON. Mr. President, I suggest the absence of a quorum.

Mr. BENNETT. Mr. President, will the Senator withhold the suggestion for the present?

Mr. ROBERTSON. I will withhold it for the moment.

Mr. BENNETT. Mr. President, I have grave doubt about the wisdom of the amendment of the Senator from Illinois [Mr. DOUGLAS] in the form in which it is presented. I recognize that it is less severe than the House language which contains a flat, unequivocal prohibition against bank holding companies crossing State lines. But it is only slightly less severe in that it makes a blanket prohibition which can only be lifted by specific affirmative action by the States and in its present form creates an evil which I must oppose.

The net effect of the amendment is to require every State that does not now have legislation prohibiting bank holding companies to discriminate in favor of such corporations that may be resident in their State and against bank holding companies resident in any other State and requires affirmative legislation to remove the discrimination.

So far as I can learn, no State has of its own volition, and by action of its own legislature, set up such a discrimination. There are some States, including the State of Illinois, which prohibit all bank holding companies, domestic as well as foreign. This is not discriminatory. But I know of no State that permits domestic bank holding companies to operate within its borders and shuts out their counterparts residents in other States. That would be the effect of this amendment.

For Congress to require discrimination in interstate commerce, and then leave it to the several States to correct it, is a strange approach, out of harmony with the basic American concept of fairness and fair play. It smacks a little of the concept that a man is guilty until proved innocent.

It will have two other interesting consequences. It will preserve and protect the status quo in those States in which foreign or domestic bank holding companies are now operating, and will serve to intensify their expansion within these narrowed ranges. This would tend to set up some areas of bank holding company concentration and others that will be free.

I think I can look at this problem objectively. In my State we have two big bank holding companies represented, one foreign and one domestic, and a number of smaller local banking groups. At last count we had 97 banks in the State, 58 in holding companies and 46 operating as independents. So I am in the middle, and can afford to look at the principles involved. Since I want to eliminate rather than create discrimination, and since I want the States left free to act on this subject affirmatively for themselves, and not first be burdened with discrimination by our action, I am forced to vote against the amendment.

Mr. BRICKER. Mr. President, I wish briefly to discuss the amendment offered by the Senator from Illinois [Mr. DOUGLAS], not particularly as it affects the rights of the States, although I did serve for many years in my State in a capacity which afforded me opportunity to consider attempts to prevent discrimination by one State against another, the tendency, manifested again 2 years ago, to Balkanize State jurisdictions, and matters related to constitutionality, and so forth, and I believe constructive service was rendered in that field. However, I consider a constitutional question to be involved in the amendment submitted by the Senator from Illinois.

Mr. President, the amendment proposed by the Senator from Illinois was considered by the Banking and Currency Committee and was rejected by the committee. In fact, only four votes were recorded in favor of the proposal. The Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation are all opposed to this amendment, because, in effect, it constitutes an absolute prohibition against future expansion by bank holding companies. I am sure it is obvious that every bank holding company in the country is opposed to this punitive proposal.

I stated earlier the procedure under S. 2577 for the Federal Reserve to consider every proposed acquisition of additional banks whether within the State or across State lines. Both types of acquisitions are treated the same. Under the bill, a bank holding company must obtain prior approval from the Federal Reserve Board before it can acquire a bank. The Federal Reserve Board in considering an application for an acquisiiton must take into consideration five factors. These factors are, first, the financial history and condition of the company or companies in the banks concerned; second, their prospects; third, character of their management; fourth, convenience, needs, and welfare of the communities in the area concerned; and, fifth, whether or not the effect of such acqusition would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

The last factor I named is the most important and requires the Federal Reserve Board to consider the question of the public interest and the preservation of competition in the field of banking. This provision gives the Federal Reserve Board power to prevent undue concentrations of banking activities and at the same time permits the strengthening and expansion of banking facilities when needed.

The Douglas amendment prohibits the acquisition of a bank outside the home State of a bank holding company unless the laws of the State to be entered specifically authorize such acquisition. I submit, Mr. President, that no State in this country has enacted laws along this line. So the effect of the Douglas amendment is to absolutely prohibit a bank from crossing State lines. This proposal suggests that bank holding companies are evil per se and that any further growth should be prohibited. The amendment is another attempt to force bank holding companies out of business. This is contrary to the theory of the Senate bill which seeks to regulate bank holding companies and not to punish them.

Some statements have been made to the effect that this amendment protects States' rights. I believe that I am as strong a States rights advocate as any Member of this body. However, this amendment forces States to take legislative action to protect themselves and thus is clearly a derogation of States' rights.

Section 7 of S. 2577 preserves the true States' rights in regard to this question. The bill reserves to the States their present authority to regulate bank holding company operations within their borders and does not force the States to take any action. The committee believes that this provision is an adequate preservation of the rights of our States.

I should also like to point out that the Douglas amendment runs counter to the policy of the National Bank Act and our dual system of National and State banks. The National Bank Act recognizes the exclusive jurisdiction of the Federal Government over national banks just as the States have exclusive jurisdiction over State banks. The branch banking law is cited as a precedent for giving powers to States over national banks. The branch-banking law is the only major exception to the general rule that the Federal Government has exclusive jurisdiction over national banks.

However, it must be remembered that prior to the McFadden Act of 1927, national banks did not have statutory authority to establish branches. The purpose of the McFadden Act and the Banking Act of 1933 was to permit national banks to compete with State banks in States which authorized State banks to have branches. Congress merely gave national banks equal powers with State banks in respect to branch offices. These acts enlarged the powers of national banks rather than restricted them. Certainly it cannot be argued successfully that the branch-banking law is a precedent for permitting States to place restrictions on national banks and take away privileges they now enjoy.

In conclusion, Mr. President, I wish to reiterate that the committee rejected this amendment. The Federal Reserve Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and all the bank holding companies are absolutely opposed to it, and I hope the Senate will reject the amendment in the interest of sound banking and the preservation of the competitive system of banking in our country as between the various States and as between the Federal Government and the States.

Mr. PAYNE. Mr. President, I ask unanimous consent to have printed in the RECORD, a statement concerning the amendment offered by the Senator from Illinois, for himself and other Senators, and concerning the bill itself.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

The junior Senator from Maine would like to speak briefly today in support of bank holding company bill S. 2577, now under debate by the Senate. At the very outset, I would like to emphasize my firm faith in the independent banking system which has been the foundation of economic growth in the United States, the traditional source of capital investment, and the holder of the savings of millions of individual Americans. It is my firm belief that S. 2577 with the amendments approved by the Senate Committee on Banking and Currency and with the additional amendment proposed by the senior Senator from Illinois [Mr. DOUGLAS] will halt the trend toward the destruction of the independent banking system and will preserve independent banking as the financial base of the United States economy.

During the hearings held last summer on various bank holding bills before the Senate Committee on Banking and Currency, of which I am a member, witnesses representing bank holding companies repeatedly questioned the need for regulation or limitation of their operations. These witnesses stated that there had been no abuse of either the letter or the spirit of the law in their operations. And they were right, because there is now no law that effectively regulates the conduct of the bank holding company. The bank holding company is structurally beyond the reach of present statutory laws. Separate segments of its operations are subject to careful regulation, such as its subsidiary banks which are subject to the national banking laws and to the banking laws of the States in which they operate. The nonbanking subsidiaries of bank holding companies are regulated in the same way as other completely independent corporations. However, the totality of the bank holding company operation is in many respects, because of its unique structure, beyond the law. Through its ability to cross State lines, the bank holding company can operate in a way closed to the independent bank. The competition presented by a single bank which is a subsidiary of a bank holding company may not in any legal sense be unfair competition, but the fact that it is backed by the powerful assets of a vast bank holding company gives it a competitive advantage that is undeniable. And this competitive advantage springs from the fact that the bank holding company can operate in a manner closed to the independent bank.

I have heard it said that the independent banker is afraid of competition. I do not believe that it is necessary to give any extended argument to disprove this assertion. The independent banker is naturally afraid of competition which is going to put him out of business. And he has every right to resent the compeition of the bank holding company subsidiary which has capital resources behind it of a vastness not available to the independent banker by the very nature of his operation as an independent bank. Some would say that this kind of competition is good for the independent banks. It is not good for them if it is going to eliminate them as independent banking units. And it is not good for the economic stability of the country if independent banks are no longer able to compete successfully.

It is important to establish in any dicussion of bank holding company legislation the value of the independent banking system. The independent banking system has been the traditional banking system in the United States. The independent banks financed the economic growth of this country through some of its most expansive periods. Methods and regulations governing the methods of independent banking have evolved with the development of our economy. Mistakes which were made have been corrected so that we now have a carefully regulated and safe independent banking system, privately owned and operated, working for the benefit of the communities the independent banks serve.

The independent bank is a local operation, owned and managed by citizens of the community in which it operates. The particular financial needs and problems of the community are well-known and thoroughly understood by the directors and officers of the local independent bank who in no small measure contributes to the economic growth and financial well-being of that community. What is important to the community is important to the financial leaders of that community. And in the independent bank those financial leaders are in a position to act in the interests of the community.

In the bank whose control is in the hands of the bank holding company's shareholders, the policy of the bank must necessarily be concerned with insuring a profit to the controlling shareholders who are not in all likelihood, local people. What is most profitable for the shareholders may also be in the interest of the community in which the bank is operating, but this does not necessarily follow. Where there is a conflict between community interest and the profit interest of the shareholders who are not members of that community, it would seem likely that the policy of the bank might well be directed toward serving its shareholders. In the independent bank serving a community this situation will not arise in the same way. True the directors and officers of the independent bank must also serve their shareholders. But in most cases those shareholders are also local people, residents of the community. No one would pretend that every action taken by every board of directors of every independent bank is inevitably in the interests of the community which these banks are serving. But the incidence rate of a correaltion between the interest of local shareholders and the community itself could naturally be expected to be higher in the case of the independent bank than in the case of a bank which is owned by a bank holding company whose shareholders are spread throughout a far wider area than the town or city.

The bank is a semipublic institution. The bank may be privately owned, but in serving its owners, its activities must be in accord with the public interest, both to justify its existence and to comply with the laws which regulate banking. By insuring the preservation of the independent banking system through the passage of S. 2577, we can insure the preservation of the public character of banking.

The divestment provisions of S. 2577 have been described by some as unduly harsh, unnecessary, and unjust. If we accept the fundamental argument, and I think we must accept it, that it is neither wise nor safe nor in the public interest to combine banking assets with nonbanking assets in the same financial structure, then the divestment provisions of S. 2577 are neither unduly harsh, unnecessary, nor unjust. Special tax exemptions in the act will enable bank holding companies to preserve their nonbanking assets after divestment in the form of banking assets, or the bank holding company may distribute them to the holding company shareholders as the directors see fit.

Although I approve of S. 2577 as a definite step in the right direction, it is my feeling that more can be done to insure the preservation of the independent banking system at this time. My distinguished colleague, the senior Senator from Illinois [Mr. DOUGLAS] has introduced an amendment to S. 2577 which I have cosponsored. This amendment would require that State legislatures pass specific legislation authorizing bank holding companies from another State to acquire interests in State banks located within its borders. The purpose of this amendment is to return to the States their traditional control over the activities of the State banks now nominally under the State's authority.

S. 2577 leaves the control of the future expansion of bank holding companies to the discretion of the Federal Reserve Board. It is not my intention to question the capacity of the Federal Reserve Board to carry out the will of the Congress, but it seems to me that the control of expansion of bank holding companies across State lines into State banks is a matter of primary concern to the State governments and is an area best left to their discretion rather than to have it solely under the jurisdiction of the Federal Reserve Board.

Mr. President, in this brief statement, I have not attempted to go into the complexities of S. 2577. I have spoken in very broad terms, and have tried only to outline some of the reasons why I am in favor of S. 2577 with the amendment proposed by Senator DOUGLAS. We now have before us a bill which is just and reasonable. It does not pretend to rectify all the problems involved in bank holding companies. But it will, if enacted, go a long way toward halting the trend toward overconcentration of financial interests in the United States. The Douglas amendment would reestablish State authority over State banks. I am convinced that it will be in the interests of our banking system and in the interests of all the people of this Nation to enact S. 2577 with the Douglas amendment.

Mr. ROBERTSON. Mr. President, I suggest the absence of a quorum.

Mr. MORSE. Mr. President, will the Senator from Virginia withhold his suggestion?

Mr. ROBERTSON. I shall be glad to do so.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Illinois [Mr. DOUGLAS]. I have been advised that his amendment is favored by independent bankers across the country. I know of no group which is more identified with free enterprise than are the independent bankers; and I know of no group more in favor of States rights, so far as concerns protecting the economic interests at the lower level of private business institutions. What they have in effect pointed out is that the breadth of the extension of great banking empires across State lines as having a very detrimental effect upon the continuation of the American competitive system in the banking industry. It seems to me that if we are in favor of the competitive enterprise system we will support the Douglas amendment.

Mr. ROBERTSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Anderson
Barkley
Beall
Bennett
Bible
Bricker
Bridges
Butler
Byrd
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Eastland
Ellender
Ervin
Frear
Fulbright
George
Green
Hayden
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Malone
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Mundt
Murray
Neely
Neuberger
Pastore
Payne
Potter
Purtell
Robertson
Russell
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Symington
Thye
Welker
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] on behalf of himself and other Senators.

Mr. ROBERTSON. Mr. President, I ask for the yeas and nays on the Douglas amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, for the information of the Senate will the distinguished Senator from Virginia, who is handling the bill on the floor, indicate what position the Federal Reserve Board and the FDIC took, if they took any position on the matter, when the amendment was presented in committee?

Mr. ROBERTSON. Mr. President, the amendment was first considered last summer, before the bill was reported. At that time there were no votes for the amendment. It was considered again in February. At that time there were four votes for the amendment. The testimony before the committee was that the President was in favor of the proposed legislation without the amendment. The amendment was opposed by the Federal Reserve Board, the Comptroller of the Currency, and the FDIC.

Mr. DOUGLAS. Mr. President, will the Senator yield for a supplementary question?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. Is it not true that while there were only 4 votes for the amendment, there were only 6 votes against it?

Mr. ROBERTSON. That is correct. The others were not recorded.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and other Senators. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Mississippi [Mr. STENNIS] is absent because of a death in his family.

I further announce, if present and voting, the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Mississippi [Mr. STENNIS] would each vote "yea."

Mr. KNOWLAND. I announce that the Senator from Colorado [Mr. ALLOTT] and the Senator from New York [Mr. IVES] are absent because of illness.

The Senator from Ohio [Mr. BENDER], the Senator from Connecticut [Mr. BUSH], the Senator from Idaho [Mr. DWORSHAK], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are necessarily absent.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Wyoming [Mr. BARRETT] is detained on official business.

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Colorado [Mr. ALLOTT] would vote "yea" and the Senator from Vermont [Mr. FLANDERS] would vote "nay."

Also on this vote, the Senator from Wyoming [Mr. BARRETT] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Utah would vote "nay."

The result was announced—yeas 58, nays 18, as follows:

YEAS—58

Aiken
Anderson
Barkley
Bridges
Byrd
Capehart
Case, N. J.
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Eastland
Ellender
Ervin
Fulbright
George
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Morse
Murray
Neely
Neuberger
Pastore
Payne
Potter
Purtell
Russell
Scott
Smathers
Smith, Maine
Smith, N. J.
Symington
Welker
Wofford

NAYS—18

Beall
Bennett
Bible
Bricker
Butler
Carlson
Case, S. Dak.
Frear
Green
Hayden
Knowland
Malone
Mundt
Robertson
Schoeppel
Thye
Williams
Young

NOT VOTING—20

Allott
Barrett
Bender
Bush
Chavez
Clements
Dworshak
Flanders
Goldwater
Gore
Hickenlooper
Ives
Kennedy
Monroney
O'Mahoney
Saltonstall
Sparkman
Stennis
Watkins
Wiley

So the amendment offered by Mr. DOUGLAS, for himself and other Senators, was agreed to.

CORRECTION OF REPORT OF ALLEGED ATTACK UPON THE VICE PRESIDENT BY SENATOR McCARTHY

Mr. KERR obtained the floor.

Mr. McCARTHY. Mr. President, before the Senator from Oklahoma begins his speech will he yield to me for 1 minute? I should like to correct the record with respect to an event which occurred today.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Oklahoma yield for that purpose, provided he does not lose the floor?

Mr. McCARTHY. I shall not consume more than 1 minute.

Mr. KERR. I yield, provided I do not lose the floor.

Mr. McCARTHY. Today I heard over the radio a report to the effect that Senator McCARTHY had exposed the fact that the Vice President's campaign manager had taken $5,000 from certain people who were appearing before our committee today.

If anyone searches the record he will find I did not say a single word when the auditor was testifying.

I will state further that so far as I can see, there is nothing improper about the $5,000 fee referred to. It was a legal fee. I wish to make it perfectly clear that I had nothing whatsoever to do with any so-called exposure of Vice President NIXON. Mr. Kennedy was questioning the auditor, and the auditor mentioned the name of a certain individual, whose name I cannot even remember now. I know that Mr. Kennedy did not bring it up purposely, either. It was simply a routine question.

However I wish the record to be clear that I was not making any attack upon our Vice President.

I thank the Senator from Oklahoma very much for yielding to me in order that I might make the record clear.

STATEMENT BY CHAIRMAN OF THE REPUBLICAN NATIONAL COMMITTEE ON ADDRESS BY SENATOR JOHNSON OF TEXAS

Mr. KERR. Mr. President, the chairman of the Republican National Committee has just released a statement in which he accuses the distinguished majority leader of the Senate, the senior Senator from Texas [Mr. JOHNSON], of "using false figures and a cropped version of President Eisenhower's 1952 farm speeches in an attempt to distort what Mr. Eisenhower said and meant."

Further, the chairman of the Republican National Committee says:

> By lifting out of context a few sentences from the Kasson speech and by cutting from the tape entire paragraphs that came before, after and in between, Senator JOHNSON presented to a nationwide audience a tortured, twisted picture.

Mr. President, I wish to say that the chairman of the Republican National Committee finally got around to telling a part of the truth. Last night, the distinguished senior Senator from Texas [Mr. JOHNSON] told the American people the unadulterated, stark, and naked truth about the betrayal of the American farmer by Dwight D. Eisenhower, President of the United States. The Senator from Texas told it from the record which Dwight D. Eisenhower, the candidate, and Dwight D. Eisenhower, the President himself had made. Mr. Leonard Hall is accurate when he says that record presents to the Nation "a tortured, twisted picture." Mr. President, the American farmer is the one who has been tortured, and the President of the United States is the one who has been twisted.

The words of the senior Senator from Texas were not the ones which went out over the air last night, Mr. President, in saying:

> And here, and now, without any "ifs" or "buts," I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books.

And, further, wherein it was said:

> All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout. And a fair share is not merely 90 percent of parity—it is full parity.

Those were the words of Dwight D. Eisenhower, the candidate; and it was Dwight D. Eisenhower, the President, who twisted. I think he squirmed, Mr. President. The Republican national chairman is squirming because the truth has been presented to the American public. The truth has been presented to the American farmer. There is not a farmer in this Nation who does not know that he and his agricultural industry have been betrayed.

As I stated on the floor of the Senate a few days ago, the income of the American farmer has not been reduced a mere 20 or 25 percent. As was shown to a convention of Oklahoma bankers a few weeks ago, the average family income of Oklahoma farmers in 1955 was $1,200 per family. That was $1,000 per family less than it had been 3 years before. Any eighth grade student can figure out the degree of decrease which has been inflicted upon the farmers; and it has been inflicted upon them by the hand of Eisenhower. I congratulate the distinguished Senator from Texas for going on television and telling the stark, naked truth. He presented the record which showed the tortured event whereby the President of the United States has twisted his own commitments, and his own promises to the American farmer. The Senator from Texas has laid bare the record. I congratulate him. I can understand the tortured and twisted features of the Republican national chairman as he views with dismay the sorry record, and learns of the repercussions which have come and will continue to come until the mighty tide of disappointment and retribution has rolled against the White House and rolled out its present occupant.

Quoting further from Candidate Eisenhower, whom the Republican national chairman himself quotes in his release, I find these words:

> I certainly don't believe farming is going to stand still. I see an expanding future for American agriculture, and I'm sure you folks do too. With our growing population, our expanding industry, and our leadership in the free world, our farms will have a tremendous job to do. And to serve that future, working together as friends and neighbors, we can do much to improve and strengthen our farm programs.
>
> First, they must be cleansed of politics.

What a lofty sentiment. Yet I saw in today's press a story of the politics being played by the Secretary of Agriculture, Ezra Taft Benson. I see that he has fixed a support price for corn from allotted acres in commercial corn States at $1.50 a bushel.

I see that he has held out an inducement to the farmers in the so-called commercial corn States—23 in number, I believe—for them to disregard the allotments of acres. He has said to them, "Plant every acre you wish to plant, and I will support it at the price of $1.25 a bushel."

There are 48 States in the American Union. The other 25 States can look forward to a situation in which the corn which their farmers will produce will be supported at the level of $1.125 a bushel; and that policy comes from the Secretary of Agriculture, whose President made the pledge, first, that farm programs must be cleansed of politics.

What is it that impels an administration first to say that, "We shall have an allotted acreage for corn, cotton, peanuts, rice, wheat, and tobacco," and then to say to the wheat farmer, "If you produce a single fraction of an acre over and above your allotted acres, you cannot sell your wheat; it will not be supported at any price," and to the cotton farmer, with an acreage which has been reduced by more than 50 percent in 25 years, "If you produce one fraction of an acre over and above that allotted to you, you cannot get the support price, or any advantageous price for your product," to make the same statement to the peanut farmer and the rice farmer, and then, in the same breath, to say to the corn farmers in 23 States, "You have an allotment, and if you live by it, your corn will be supported at $1.50 a bushel. If you throw it out the window and plant twice that much, every bushel you sell will be supported at the price of $1.25 a bushel"?

The administration then says to corn farmers in the other 25 States of this great Union—and there are some in every such State, and many in some States—"Whatever corn you produce, you must sell at $1.125 a bushel."

That is from the Secretary of Agriculture, who is so pure that he puts purity above parity. He is working for a chief who has pledged, above all else, to cleanse farm programs of politics.

Mr. SYMINGTON. Mr. President, will the distinguished Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. SYMINGTON. Is it not true that the Department of Agriculture increased the parity on wheat and lowered the parity on cotton?

Mr. KERR. It did.

Mr. SYMINGTON. Is it not true that when the Department of Agriculture was asked how this could be justified said the dollar value on all crops had been lowered? However, it turns out that the percentage of the lowering on cotton is far more than the percentage the other products in question were lowered.

Mr. KERR. Yes; but who knows whether they understand that the cotton farmer who sells for a dollar gets the same kind of dollar that the wheat farmer gets. Maybe they do not know that. Let us be charitable.

Mr. SYMINGTON. I agree. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. SYMINGTON. Is it not true that this is the fourth year in which the Secretary of Agriculture has had the entire program under his control, subject only to the approval of the President?

Mr. KERR. Very largely.

Mr. SYMINGTON. Does the distinguished Senator from Oklahoma know the year in which the Secretary of Agriculture and the President will finally say that the farm problem is their problem, not the problem of previous administrations?

Mr. KERR. I hope that, so far as the present Secretary of Agriculture and the present President of the United States are concerned, that this will be the last year in which they will have that opportunity. [Laughter.]

Mr. SYMINGTON. So do I. Mr. President, will the Senator yield for an observation?

Mr. KERR. I yield.

Mr. SYMINGTON. Mr. President, farmers in my State of Missouri are very grateful to the distinguished senior Senator from Texas for the fine, truthful, and well-portrayed presentation he made to the American people last evening with respect to the farm problem.

I congratulate the distinguished majority leader for one of the finest presentations of its kind ever made, particularly as many of us are so anxious to start getting the truth on many subjects to the American people. Through the distinguished senior Senator from Texas the truth about the farm problem is now before the American farmer and the American people as a whole.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. JOHNSON of Texas. First I wish to thank my good friend from Missouri for his very generous remarks.

It is rather significant that the first Republican reply to my speech came from the head of the political party, the Republican National Committee. Obviously, the facts have stung Mr. Hall. The charge that I took General Eisenhower's statement out of context is absolutely absurd, and no one knows that better than does Mr. Hall.

Mr. President, I ask unanimous consent that at the conclusion of the remarks of the distinguished Senator from Oklahoma, there be printed in the Record the speech made by President Eisenhower at Kasson, Minn., on September 6, 1952, as issued by Mr. Hall and by the Republican National Committee. I make this request so that every Member of the Senate and every American who cares to see or hear, will realize that the Hall statement is nothing but pure political bunkum, and that Mr. Hall proves it by the statement he himself has issued.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. KERR. I shall yield in a moment. First I wish to make an observation. I appreciate what the majority leader has just said. I must say to him, however, that I disagree with him. I have not found anything in it that is pure. It is filled with bunkum, but I must say to my good friend from Texas I do not find any purity in it.

Mr. JOHNSON of Texas. I accept the Senator's amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HUMPHREY. Mr. President, I should like to suggest to those who may be interested in the veracity or authenticity of the statement made by the Senator from Texas in his radio and television broadcast may examine the speeches of Candidate Eisenhower at Fargo, N. Dak.; Brookings, S. Dak.; Omaha, Nebr.; Columbia, S. C.; and at all points in between.

I further suggest that when some of us in 1952 said, "You cannot believe him. He does not mean it. This is a Republican trick. This is one of those election-year promises," a whole battery of Republican Senators and Representatives and spokesmen rose up in a mighty chorus and said, "Oh, no. It is true. We testify that it is true." I submit as evidence the daily newspapers published on the day following the Kasson speech.

I have previously inserted in the Congressional Record the issue of the Minneapolis Star on that point. That is a newspaper which has repeatedly supported the present administration. At times it has not carried the news about the truth some of us have been attempting to tell of the agricultural problems. That newspaper carried the headline, Eisenhower Pledges 100 Percent of Parity. It carried editorials along that same line. The Minneapolis Star claimed to be one of the more objective newspapers. It was trying to be fair, it said.

If anyone will examine Candidate Eisenhower's statements, he will come to one conclusion, namely, that he promised 90 percent of parity as a minimum. He said he was really for 100 percent of parity, and he was going to deliver it.

There is no Republican alive—and I do not believe the Republicans can resurrect anyone—who will say that in 1952 any member of the Republican Party denied that Candidate Eisenhower said he was for 90 percent of parity.

Let us remember that the Republicans did not have that in their platform. Let us remember that they endorsed in their platform something other than 90 percent of parity. They made quite a to-do about it. They said the President himself had come boldly forth—and I put the word "boldly" in quotation marks—with this new farm program.

I was present at Kasson. I say that in the bright sunlight of God's universe Candidate Eisenhower outbid Adlai Stevenson by 10 percent in front of 70,000 people. [Laughter.]

Let us make no mistake about what he said. It comes with ill grace from Mr. Hall, the Republican campaign director and chairman, who has never been in favor of an effective farm program—and let his record be examined also—to say now, after the votes have been garnered, "Well, really, you misunderstood what the President said. You misinterpreted what Candidate Eisenhower said."

I ask anyone who is interested in fair play to examine the speeches made by Candidate Eisenhower in September and October of 1952. They are very clear indeed.

Mr. CAPEHART. Mr. President, will the Senator from Indiana yield?

Mr. KERR. I yield.

Mr. CAPEHART. Inasmuch as we are talking about purity and honesty——

Mr. HUMPHREY. I thought it was parity we were talking about.

Mr. CAPEHART. Or parity. If that is what we want to talk about, let us keep the record straight. Let us be honest about what Candidate Eisenhower said.

Mr. KERR. Is the Senator sure that Mr. Hall can survive it?

Mr. CAPEHART. The Senator from Texas has inserted in the Record the speech of Candidate Eisenhower at Kasson, Minn. Let us read it. The President said on that occasion:

> And here and now, without any "ifs" or "buts," I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the basic farm act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

Mr. President, that is exactly what was done, notwithstanding what Senators on the other side of the aisle are saying. The 90-percent support was continued through 1954, as Mr. Eisenhower said it would. Let us have a little honesty. Let me read a little further:

> These price supports are only fair to the farmer to underwrite the exceptional risk he is now taking. They are a moral and a legal commitment which must be upheld.
>
> We now have at least 2 years in which to plan ahead. We must use this valuable time to figure out sound means and methods of maintaining and expanding both securities and opportunities in agriculture. We must mobilize all of the brains in agriculture—farmers, farm organizations—

And so forth. Then he said:

> All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout.

That is exactly the position of every Senator on the other side of the aisle.

> And a fair share is not merely 90 percent of parity but full parity.

He was talking about the market place. He was talking about farmers having 90 or 100 percent without Government supports. He was absolutely 100 percent honest. He has lived up to his statement when he said that 90 percent would carry through 1954. It did carry it through 1954.

So if we want to have a little purity and a little honesty and take a good look at the record, let us do so.

I saw the President this morning, and he did not——

Mr. KERR. I did not yield to the Senator to make a speech.

Mr. CAPEHART. Let me tell the Senator how the President looked. He was not very much worried about what Senators are saying about him. He looked very pleasant; he had a big smile on his face. He was not concerned about the misinformation which is being spread and the misstatements which are being made about him.

Why do we take things out of context? Why, when the Senator made his statement a few minutes ago, did he not say that the administration continued the law with reference to parity through 1954? Why did the Senator not include the words of the President that every farmer would prefer to get 90 or 100 percent in the free market?

Let us keep the record straight.

Mr. KERR. The Senator from Indiana said the President looked urbane, happy, and carefree; and I think he is.

Mr. CAPEHART. He was not worried about what the Senator from Oklahoma and other Senators have been saying about him.

Mr. KERR. He is not worried about anything. He is a perfect example of the ancient adage that they who know nothing fear nothing.

The Senator from Indiana calls upon us to be honest. I must say that is the principle the Republicans have always wanted applied to the Democratic Party. There may come a time when they will even submit to it themselves; and that would not be a bad thing.

But the Senator from Indiana read the clincher from this statement himself, where the President said:

"All I know of farmers convinces me that they would rather earn their fair share than to have a Government handout," or words to that effect. He also stated that a fair share is not merely 90 percent of parity, but full parity.

If he had been honest and had meant 90 percent of parity in the market place in one sentence, and 90 percent of parity, under the law, in another sentence, he should have said so. But he used the same terms in each sentence, and the last one was to the effect that the farmers' fair share is not merely 90 percent of parity but full parity.

Mr. ERVIN. Mr. President——

Mr. KERR. Mr. President, I yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, I wish to make a statement preliminarily to asking the Senator from Oklahoma a question.

Some years ago in North Carolina, in one of the counties the Republicans conducted a campaign for the election of their candidate to the legislature. When Mose got to the legislature he took a position which was directly opposite to the position taken by the Republican Party in its State platform. Some Democrats asked him how he reconciled his position with his party's platform, and Mose said he did not undertake to reconcile it. He said, "My friends all know that a platform is writ to get in on."

My question is, Is it possible that Republican speeches are made for the same purpose for which Republican platforms are written; namely, to get in on?

Mr. KERR. The Senator is eminently correct. But the Senator from Texas hit the nail on the head a while ago when he said the national Republican chairman is hollering so loudly because he is hurt. He would not be squealing and screaming if the pinch was not getting tighter and tighter. That is why he tries to lead the people's mind away from the real picture, so that they will think of something else instead of the broken promises and betrayals of the American farmer by this administration.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask the Senator from Oklahoma, after I read a brief sentence, how he interprets it. Here are the exact words of the President in Columbia, S. C., on October 3, 1952, when he was seeking the farmers' votes. I read:

> For example, I believe wholeheartedly and without any ifs or buts in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Mr. KNOWLAND. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. KNOWLAND. What was the present program?

Mr. JOHNSTON of South Carolina. The program he was speaking about, in regard to parity.

Mr. KNOWLAND. Which carried through the year 1954, and the President of the United States lived up to its terms.

Mr. JOHNSTON of South Carolina. No, no.

Mr. KERR. Mr. President, I think it might be noteworthy that the President of the United States lived up to the law which he had taken his solemn oath to uphold and defend. That may be a justification for our giving him a medallion of merit because he lived up to his oath of office in that regard.

Mr. KNOWLAND. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I wish to answer the question of the Senator from South Carolina.

The interpretation of that language can be but one thing, and that is that President Eisenhower said, "I approve of this program of 90 percent of parity on the basics."

Mr. JOHNSTON of South Carolina. If he had taken the position suggested by the minority leader, would he not have said to the people, "I am for anything that is on the statute books at any time"?

Mr. KERR. If he had lived up to the implications of what has been said to us by the Senator from Indiana, if he had been for something less than honest, he would have said so.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. DOUGLAS. Mr. President, I have here a photostatic copy of the speech of General Eisenhower at Columbia, S. C., on September 30, 1952, printed at page 29 of the New York Times for October 1, 1952. The quotation is precisely as the Senator from South Carolina has read it, and which I repeat:

> For example, I believe wholeheartedly and without any "ifs" or "buts" in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

In the subsequent sentence dealing with the farm question, there is no mention of the law terminating in 1954, and the impression which was given was that he was in favor of it as a principle.

Mr. President, I ask the pages to give copies of this full and complete text to the Senator from California and the Senator from Indiana. If they can find any "escape hatch" with reference to 1954, I shall be grateful and ask them to come forward and read it to Members of the Senate.

I also have a quotation taken from the New York Times, and a release issued on the train of the speech of Candidate Eisenhower at Brookings, S. Dak., on October 4 which reads as follows:

> The Republican Party is pledged to the sustaining of the 90 percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity with the guarantee in the price supports of 90 percent.

Note, Mr. President, that Candidate Eisenhower said "with the guarantee in the price supports of 90 percent."

I believe at least one of the distinguished Senators from South Dakota stood on the platform with General Eisenhower when he made that statement, and I am sure that as honorable men, those who were there will verify it as correct.

On that afternoon, Candidate Eisenhower journeyed to Fargo, N. Dak., and made the following statement:

> I went to Kasson, Minn., and on behalf of Republican leaders, and with the concurrence of the great men of the party, at least all that could be reached in time, I stated exactly what we want to do, and the present 90 percent of parity price in the farm program was sustained and supported completely.

I think these quotations at Columbia, S. C., at Brookings, S. Dak., and at Fargo, N. Dak., when added to the Kasson speech, are pretty clear that General Eisenhower certainly gave the impression to the country that he was in favor of 90 percent of parity. In fact, some of the wording is precisely 90 percent, without any qualifications. And, certainly, the impression given to midwestern farmers and to the newspapers was that it was 90 percent, because we can assemble and put into the RECORD the newspaper headlines showing that 90 percent had been pledged, but no mention of a possible hedge was included.

I hope the Senator from Oklahoma will pardon me for bringing out this additional evidence to support the quotation from the Kasson speech.

Mr. KERR. I thank the Senator for adding further to the documentation of the record, clearly proving that the President repudiated the program he had pledged himself to strive for and betrayed the American farm family, for instead of giving them 90 percent of parity they are now receiving less than 70 percent of parity on their agricultural products.

Now I yield to the Senator from California.

Mr. KNOWLAND. While the Senator from Oklahoma is placing material in the RECORD, he might be interested in the Democratic platform of 1948, which said specifically:

> We favor a permanent system of flexible price supports for agricultural products to maintain farm income on a parity with farm operating costs.

The word "permanent" is particularly called to the Senator's attention.

Mr. KERR. Let me say about the principle which the Senator has enunciated that I am glad the Democrats have got to the point where they do not support it. I am sorry the time has come when a Republican President embraces it and refuses to budge from it.

Mr. KNOWLAND. I may say to the Senator from Oklahoma, with the greatest respect, that I think the President's position was clear, as can be seen if the entire speech and the series of speeches are taken in their proper context. He was speaking about an extension to and through the year 1954, which was a platform pledge, and which was carried out, as the Senator from Oklahoma knows.

There is ample room for a difference of opinion as to what the basic policies of the country should be apropos either fixed or flexible price supports. Men may honestly differ on that issue. But I say most respectfully to the Senator from Oklahoma that if he is attempting to demonstrate to the country that the President of the United States has willfully misled or attempted to mislead the American people, I do not think he will sell the people that bill of goods.

I submit that in this kind of situation we are prepared to go to a solemn referendum of the American people, who have confidence in the integrity of President Eisenhower. I do not think anything which the Senator from Oklahoma may say here will change the judgment of the American people in that regard.

Mr. JOHNSON of Texas. Mr. President, I wonder if the minority leader would include the chairman of the Republican National Committee, who has made a charge of distortion and of falsely presenting a statement by the President of the United States. I have placed in the RECORD everything the President said. I placed last night on the television screen the President's own picture and his own words at Kasson, Minn., including everything he had to say about the 90 percent price supports.

Mr. KNOWLAND. I heard the 11:30 o'clock program. I saw the presentation which the Senator from Texas made on television. I heard the words of the President of the United States. I will say in all fairness that the Senator from Texas included in the script the statement of the President that it was through the year 1954.

Mr. JOHNSON of Texas. Does the Senator from California agree with the chairman of the Republican National Committee that the Senator from Texas presented a tortured, twisted, clipped, mutilated version of the speech?

Mr. KNOWLAND. I am not defending the statement of the chairman of the Republican National Committee, because I have not had a chance to read it. I am defending the integrity of the President of the United States and stating that I do not believe he knowingly or willfully misrepresented his position to the American people. I say that if the President's speeches during the campaign are taken in their context, the President's position was clear in that regard.

Mr. JOHNSON of Texas. I think the President has changed his position. That is what I said last night.

I know the Senator from California would not defend the chairman of the Republican National Committee in his charge that the Senator from Texas presented a tortured, twisted, clipped, mutilated picture, when that is not so.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KERR. No; not just now. I will yield later.

I have the highest regard for the integrity and intelligence of the distinguished Senator from California. There is this difference between him and the President of the United States—the Senator from California knows what he believes in. He is unafraid to say so. If he announces a position today, Senators on both sides of the aisle may have complete confidence that when the sun rises tomorrow, the Senator from California will take the same position. I think that when the session opens in January 1957, the Senator from California will remember what he said and understand what it meant, and will be both intelligent enough and honest enough to stay with the position and be able to defend it.

In answer to his inquiry whether I challenge the integrity of the President of the United States, I do not say that the President of the United States willfully falsified. I say the President of the United States in 1952 said he would do a certain thing. I say that the President has not done it. I do not know whether he is aware of it or not.

I do not believe my good friend from California knows whether the President of the United States knows whether he has willfully or unwillfully produced an

official record diametrically opposed to his campaign promises. But I say to my good friend from California that every farm family in the country knows that President Eisenhower has repudiated Candidate Eisenhower's campaign promises. That is the record.

I say further to my good friend from California that not only are we willing to go to the people in a referendum in November; we cannot avoid it. The inexorable march of time will bring to an end this term of the President of the United States. He of necessity, if he carries the standard of the party of the Senator from California into the political battlefield this fall, must meet that issue.

The aurora, or aura, or diadem, or halo of superb knowledge and of supernal spiritual attitude which Eisenhower wore in 1954 has become so dim and disarranged that he had better get something else at which to point when he subjects himself to the result of that referendum.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. HUMPHREY. Does the Senator from Oklahoma find it rather peculiar that at the very same time a statement comes from the chairman of the Republican National Committee, we are reminded repeatedly and repeatedly by the President of the United States and his Secretary of Agriculture that the surpluses are due to 90 percent of parity and the Democratic farm program?

If Eisenhower and if Benson are going to say that, then why did they not have the courage in 1952 to say that the program ought to come to an end? Mark my words, every complaint against the Democratic farm program has been that it produced surpluses, and the reason it produced surpluses was 90 percent of parity, and there was 90 percent of parity in 1952, which Eisenhower pledged his party to sustain and continue. He repudiated that pledge once he came into office, but at the same time continues to beat a dead cat as to 90 percent of parity producing surpluses.

He cannot have it both ways. He cannot, on the one hand, say, "We are for the 90-percent program; we want to sustain the 90-percent program; we would like to have the farmers get 100 percent of parity"; then move into the other vacant lot of political activity and say, "The 90-percent program is what produces surpluses, and it is surpluses which produce farm misery"; and then go over to the other side again and say, "We are for 90 percent, but not for misery."

Mr. President, this administration has played both sides of the street. The administration has no consistency whatsoever in its agricultural philosophy. In 1954, set-asides were legitimate. Eisenhower said they were right, noble, pure, and honorable. But in 1956, when the set-aside principle is used in the Senate, it becomes politics, delay, and obstruction, and is unworkable.

The administration has played politics with agriculture. I shall undertake in a colloquy later with the Senator from Oklahoma to show that Chairman Hall does not know what he is talking about, not only on this subject, but on another. He has not only refused to know the facts, but, I may say most candidly, he is immune from them.

Mr. KERR. I thank the Senator from Minnesota. I think Mr. Hall is allergic to the facts.

The Senator from Minnesota asked me if I thought President Eisenhower could work both sides of the street. I answer the Senator by saying that the President will do it if he can. I never saw a man try to do that any harder than the President is trying.

Mr. LONG. Mr. President, I should like to know whether the President of the United States has actually denied that he promised to support 90 percent of parity on basic commodities. I have seen that statement denied for him. I would be curious to know whether he has personally denied it. I would like to know if the President has even been confronted with the quotations and has undertaken to say there were some "ifs" and "buts" and that he had some weasel words in there to protect himself, so he would not have to go along with 90 percent.

Mr. KERR. Let me say at that point that I would have more diligence than I am capable of to ascertain whether the President knows what is going on. Not only has he made no effort to answer the charges I shall make here, and which the Senator from Texas documented last night; I am not even sure that tonight President Eisenhower knows that his record has been documented and proved to be in direct contradiction of his campaign pledges.

Mr. LONG. Let me suggest the course of events which might very well shed some light on the situation.

The President was quoted, at the time he was seeking the nomination, as having said to farm leaders that he really did not know what parity was, and that he had to rely on others to inform him. Then, after he was nominated, he went to the farm areas and he subjected himself to the distinguished leaders of that area, like the distinguished senior Senator from North Dakota, who believed in high support prices. Certainly he was in an area where Republicans believe in high support prices. In that area he proceeded to promise 90 percent of parity, which farm leaders in that area seemed to support.

Subsequently, after his election, he appointed Ezra Taft Benson to be Secretary of Agriculture, who said he was against the whole idea. The President surrounded himself with a Cabinet of millionaires, who were all against the idea.

Did it ever occur to the Senator from Oklahoma that the persons by whom the President was surrounded tried to persuade the President that he had not promised what the rest of us thought he had promised?

Mr. KERR. I do not know whether they tried to persuade him, or prepared instruments for him to sign and he was not aware of it.

Mr. CAPEHART. Mr. President, will the Senator yield? Let us divide the time.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Oklahoma yield, and, if so, to whom?

Mr. KERR. I shall yield to my delightful friend from Indiana, because I am waiting for him to tell us how he feels about the veto of the conference report for which he voted.

Mr. CAPEHART. Let us be fair and keep the record straight.

Mr. KERR. Does the Senator want to do both? Had we better not take them up one at a time?

Mr. CAPEHART. I am not too certain, the way the Senator has been talking recently, he would understand both of them; but here is the record. The law which established price supports at from 52 to 75 percent was passed in 1938. Then the law was changed during the war to make the support 90 percent. The law provided that 2 years after the war the supports were to go back from 52 to 75 percent. Then the Korean war broke out, and price supports were continued at 90 percent.

President Eisenhower made the statement—and I hold it in my hand, and it was understood by everyone—that he was talking about 90-percent supports to remain through 1954.

So the parity established by the party of the Senator from Oklahoma in 1938 was 52 to 75 percent. When the war started, parity was increased to 90 percent, and there was written into the law the provision that 2 years after the war ended parity would go back to from 52 to 75 percent. It would have gone back to that except that the Korean war broke out and parity was continued at 90 percent. President Eisenhower in the statement which has been quoted, and many other statements he made—he may have forgotten it in his Columbia speech; I do not know——

Mr. KERR. Does the Senator mean he may have forgotten what he said when he made the speech, or that he forgot he made the speech?

Mr. CAPEHART. There is nobody quite equal to the Senator from Colorado.

Mr. KERR. I know my friend is confused, but I am still from Oklahoma.

Mr. CAPEHART. I mean Oklahoma. The Senator becomes terribly confused about a lot of these matters. For example, the able Senator from Oklahoma a moment ago made a statement which he knew was untrue, when he said parity was 70 percent. The Senator knows it is not 70 percent. He knows parity on corn is 86 percent. He knows——

Mr. KERR. Mr. President, I ask for the regular order.

Mr. CAPEHART. Will the Senator make the statement again?

Mr. KERR. I do not yield further.

Mr. CAPEHART. Will the Senator make the statement again?

Mr. KERR. I do not yield further.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield further.

Mr. CAPEHART. The Senator from Oklahoma made the statement, and he knew when he made it that he was not telling the truth, because parity is not 70 percent.

Mr. LANGER. Mr. President, I ask that the Senator from Indiana take his seat, and that he observe the rules of the Senate.

Mr. CAPEHART. What about sticking to the facts on both sides?

The Senator knows parity supports are not 70 percent.

Mr. KERR. Mr. President, I deeply regret that the distinguished Senator from Indiana lost control of himself. I knew that he was wandering in a field where he either was unable to see or was unwilling to see. I knew that he was confused, as he proved when he referred to me as the Senator from Colorado. I deeply regret that he made the charge that what the Senator from Oklahoma said was untrue and that the Senator from Oklahoma knew it was untrue.

I now repeat that the average price received by the farm families in this country for their overall production is at less than 70 percent of parity; and I say to the Senator from Indiana, if he will get his nose out of the unsupported statistics issued by the Department of Agriculture and will look at the cash receipts of the American farm family for farm products they are selling, he, too, will know that statement is true.

He knows, as well as I do, that the price of hogs today is less than 65 percent of parity. He knows, as well as I do, that the price of cattle today is less than 60 percent of parity. And if he will examine the parity figures and then find out what the farmers are actually receiving for what they sell, he will know what they know, and that is that their overall receipts——

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KERR. I do not yield to the Senator unless he is willing to say that he was mistaken when he said the Senator from Oklahoma knew he was stating an untruth.

Mr. CAPEHART. Will the Senator permit me to make a statement?

Mr. KERR. I do not permit the Senator to make a statement.

The PRESIDING OFFICER. The Senator from Oklahoma does not yield to the Senator from Indiana; therefore, the Senator from Indiana has no right to the floor.

Mr. CAPEHART. Well, I am standing on the floor.

The PRESIDING OFFICER. The Senator from Indiana is sitting on it now.

Mr. DOUGLAS. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. In a moment I shall yield to the Senator from Illinois.

Mr. President, I do not blame the Senator from Indiana for becoming angry. If I, in the exercise of my best judgment on the basis of my responsibility to my people had spoken on this floor as he did, and had voted for the conference report, and then had been slapped in the face by the President of the United States by an ill-founded and unwarranted veto, I would resent it, too; and as I contemplated the burdens upon me, as I had to go back to my constituents and, on the one hand, justify my decision and my act in voting for a decent farm program, and then on the other hand tell them, "I want you at the same time to vote for and support the man who struck it down," I would be under a lot of emotional strain and stress, and I would be vexed and bedeviled, too.

The Senator from Indiana often is very genial. He is vigorous in his partisanship, yes; sometimes, like a bull in a china shop, if he cannot break it, he will mess it up. [Laughter.] But on the whole, Mr. President, the Senator from Indiana is a lovable fellow. So I am surprised and astounded that by reason of the twisting duress upon him to live not only with his own vote, but also with the ill-warranted veto of the President, the Senator from Indiana would permit himself to get into such an emotional storm, that he would reach a point where he would call honorable men speakers of deliberate untruth. I am shocked and surprised. If and when the Senator from Indiana wishes to return to the fray on the basis of mutual esteem, I shall welcome him.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. Yes, Mr. President, if the Senator from Indiana will apologize for what he said—but not otherwise.

Mr. CAPEHART. I assure the Senator from Oklahoma that I shall apologize, standing in the front of this Chamber, if the statement the Senator from Oklahoma made, namely, that at the moment the prices the farmers receive is, on an average, 70 percent, is shown to be correct. I am saying that on March 15, the average was 82½ percent. We shall be in session tomorrow, and by then we shall be able to verify the facts. If the facts show that in making that statement, the Senator from Oklahoma made a true statement, I shall apologize, standing in the front of the Senate Chamber, and I shall be delighted to do so.

Let me say that I voted for the conference report on the farm bill. I have never been particularly opposed to 90-percent supports, and do not feel they have anything to do with the problem.

The only reason I have been speaking here is that I simply do not like the attack the Senator from Oklahoma made on the President of the United States. I do not like it because the innuendoes and round-about statements which have been made are rather cruel, when made against a President of the United States.

Mr. KERR. Mr. President, I wish to say to the Senator from Indiana that I did not accuse the President of the United States of deliberately lying. However, that is what the misguided Senator from Indiana accused the Senator from Oklahoma of doing.

Mr. CAPEHART. A moment ago I said that if the facts are as the Senator from Oklahoma stated, I shall apologize while standing in the front of the Senate Chamber; and I referred to the Senator's statement that today the average farm-commodity price is 70 percent of parity.

Mr. KERR. I say that the Senator did not dispute that the average price received by the farmers was 70 percent. The Senator from Indiana got so carried away with self-hypnosis that he said the Senator from Oklahoma willfully and deliberately made a statement that he knew to be false. That is what I resented, and that is what I resent; and I do not yield further to the Senator from Indiana.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. No; I refuse to yield further.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield further.

Mr. CAPEHART. Mr. President, will the Senator from Oklahoma yield to me for a second?

Mr. KERR. Mr. President, I do not yield further, unless the Senator from Indiana is ready to withdraw the statement he made.

Mr. CAPEHART. I will never withdraw it, if what the Senator from Oklahoma said is not true.

Mr. KERR. Then, Mr. President, I decline to yield.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield.

Mr. CAPEHART. Mr. President, if the Senator from Oklahoma proves to me that the statement he made was a true one, I will apologize to him.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield. A Senator who has the floor has a right to decline to yield, and no other Senator has a right to interrupt him if he declines to yield.

Mr. KERR. Mr. President, I shall write to my friend, Claude Wickard, in Indiana, and tell him to take a little pressure off my friend, the Republican Senator from Indiana [Mr. Capehart]. I knew Claude Wickard was on the tail of the Senator from Indiana and was giving him a lot of worry; but I did not think he had the Senator from Indiana in such mental turmoil as is now evident.

Mr. DOUGLAS. Mr. President, at this point will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. DOUGLAS. The Senator from Illinois is not imputing bad motives to anyone, but would like to have the record kept straight, and would like to have the privilege of having printed at this point in the Record the five paragraphs in which General Eisenhower, then Candidate Eisenhower, dealt with the farm problem, in the speech he made at Columbia, S. C., on September 30, 1952. I have read these paragraphs with care, over and over again. They are the only paragraphs in that speech dealing with the farmer. There can be no charge that the words have been torn from their context. I submitted them to the Senator from Indiana. He has very graciously given them back to me. But I can say they do not contain a single reference to the 90-percent program stopping in 1954. The only impression we can get is that they constitute a pledge to continue 90 percent; and those who try to say that pledge was to last only to 1954 are just torturing and twisting the words.

Mr. KERR. Mr. President, the Senator from Illinois is eminently correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

> For example, I believe wholeheartedly and without any "ifs" or "buts" in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities. I believe that the farmers should obtain their full share of the national income.
>
> I am for programs to put a firm foundation under farm prosperity and to strengthen the family farm as the mainstay of our agricultural production, including soil conservation, research, rural electrification, rural telephones, farm credit, farmer cooperatives, farm-to-market roads.
>
> But I am for ending this era in which, increasingly, the American farmers have been looked upon by the Department of Agriculture as Washington's stepchild. The independent American farmer is nobody's ward. And management and direction of the farm program—federally financed though it will be—must be turned over to farmers. It must be made, not only for them, but of and by them.
>
> And I am sure of one thing: The Brannan plan for the regimentation of American agriculture was not cooked up among the farmers of South Carolina or of any other State in the Union.
>
> You cannot fasten the blame on our farmers for Washington's increasing controls over farming and for the increasing arrogance of those sent out by Washington to enforce them. Every American farmer knows better than that. He knows so much better that he, too, is ready to vote for a change.

Mr. KERR. Mr. President, the Senator from Illinois is eminently correct; and, in my judgment, that is the reason why the Senator from Indiana took the photostatic copy and looked at it, and then held it under the desk until he could return it to the Senator from Illinois, without referring to it in his remarks.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. HUMPHREY. Some time ago the able Senator from California [Mr. Knowland] brought to our attention the 1948 platform of the Democratic Party in regard to agriculture. He read it accurately and correctly.

However, I think it would be well to note that Mr. Harry S. Truman, then the Democratic candidate for President of the United States, and Senator Alben Barkley, then the Democratic candidate for Vice President of the United States, made it crystal clear to the American people where they stood as regards agriculture, and made their voices heard throughout the land. Furthermore, the records reveal that the present Presiding Officer of the Senate, the distinguished Senator from Kentucky [Mr. Barkley], cast the deciding vote, when he was Vice President of the United States, in order to keep his campaign promise; he did that as Vice President of the United States when, in the 81st Congress, the Senate voted to extend the 90-percent-of-parity act. That is what I mean by following through and keeping one's promise and assuring the public of the responsibility of one's position.

Furthermore, I note that the able Senator from California did not read the Democratic platform of 1952. That platform reads in part that "under the present farm program, our farmers have performed magnificently and have achieved unprecedented production. We applaud the recent congressional action in setting aside the sliding scale for price support through 1954, and we will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity."

That was the Democratic platform.

The Republican platform is about as clear as mud on this issue; and I should like to read what the Republicans had to say about parity:

> We favor a farm program aimed at full parity prices for all farm products in the market place. Our program includes commodity loans on nonperishable products, on-the-farm storage, sufficient farm credit, and voluntary self-supporting crop insurance.

It was because of the ambiguity and the indefiniteness and the uncertainty of the meaning of that particular language in the Republican platform that in 1952 Candidate Eisenhower, after consultation with Republican farm leaders—and such consultations were noted in the press and were heralded as a new day—said, "We shall make it explicit; we shall make it clear"; and in a series of speeches, without any "ifs" or "buts" or "ands" or "ors" he read it out; and in Brookings, S. Dak., it was explicit, beyond any shadow of a doubt.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor. Does the Senator from Oklahoma yield to the Senator from Texas?

Mr. HUMPHREY. May I finish what I was saying?

Mr. JOHNSON of Texas. I should like to comment at this point, if the Senator from Minnesota will permit, and if the Senator from Oklahoma will yield to me for that purpose.

Mr. KERR. I shall yield for that purpose, Mr. President, if I may do so without losing the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. I should like to comment that Mr. Hall is completely silent in his attack upon me with respect to the quotation from General Eisenhower's Brookings, S. Dak., speech. I think Hall's silence is very conspicuous. I assume that he has no complaints in that connection. He has not been able to conjure up an answer as to the Brookings, S. Dak., speech.

Mr. HUMPHREY. If Mr. Hall could conjure up an answer for this one, he would provide an escape hatch or loophole which would make Houdini look as though he were tonguetied and a victim of cramps and rheumatism.

Mr. KERR. And arthritis.

Mr. HUMPHREY. Yes. This is what the candidate Eisenhower said at Brookings, S. Dak.

> The Republican Party is pledged to the sustaining of the 90 percent price support; and it is pledged, even more than that, to helping the farmer obtain his full parity, 100 percent of parity, with the guarantee in the price supports of 90.

There was no dateline on that statement. This was after Kasson. This was after we had been saying that the Republican candidate was trying to give only a half-commitment, or a partial commitment, to agriculture. I know, because I was on the stump in my part of the country. It was carried in the press that the agricultural policy committee of the Democratic Party challenged the sincerity of the pledge at Kasson. This was on the 4th day of October, rather than on the 6th day of September. I ought to remember that sad day. On the 6th of September, at Kasson, some idea was inculcated that perhaps the promise applied only until 1954. That was for the lawyers, and the fine print experts, not for the editors, publishers, and politicians. They had it going on into eternity.

But when we got to Brookings, the pressure was on. The critics had been after the candidate of the Republican Party. In one speech after another we questioned whether the pledge at Kasson was a real and true one. What did Eisenhower say? He did not give any dateline. He said:

> The Republican Party is pledged to the sustaining of the 90 percent parity price support; and it is pledged, even more than that, to helping the farmer obtain his full parity, 100 percent of parity, with the guarantee in the price supports of 90.

It is possible we are unkind. Possibly the President was confused in the appointment of his Cabinet officers. What the President wanted was a flexible foreign policy, apparently, and a firm agricultural policy. What he should have done was to appoint Benson Secretary of State and Dulles Secretary of Agriculture. Then he would have had it.

Mr. KERR. I thank the Senator from Minnesota.

I close with this observation: There may be an honest difference of opinion here as to what the President meant by what he said. I do not believe there is any room for doubt, or any form of misjudgment. I do not believe there is any possibility of avoiding the conclusion, from an inspection of the record, that he promised one thing, and, in his official record, has done another. But this I do say: The American farmer knows that he is the victim of the betrayal. He is the victim of the failure to live up to the campaign pledges made by Dwight D. Eisenhower; and after the November election Dwight D. Eisenhower will know that the American farmer knew of the betrayal.

Mr. HUMPHREY. Mr. President, will the Senator yield before he takes his seat?

Mr. KERR. I yield for a question.

Mr. HUMPHREY. Is the Senator aware of the charge that Mr. Hall brought against our colleague, the Senator from Texas [Mr. JOHNSON], with respect to the distortion of figures relating to Iowa farm income?

Mr. KERR. I read that statement in the release.

Mr. HUMPHREY. The Senator will note that the chairman of the Republican Party stated:

> As a further illustration of Senator JOHNSON's recklessness with statistics, I would point to his assertion that "last year the farmers in Iowa earned only 50 percent of the income that they got the year before."

I cite for the RECORD a New York Times story of April 15. The headline is "Farm Income Off 50 Percent in Iowa in 1955—College Study Shows Decline in Cash for Crops and Livestock on Good Land."

The dispatch is dated Ames, Iowa, April 14. This is from the Iowa State College of Agriculture, one of the truly great agricultural schools in America.

Mr. KERR. At one time I believe it was presided over by the brother of the President of the United States; is that true?

Mr. HUMPHREY. I am not sure. I believe not.

Mr. KERR. I am mistaken. That was a university in Kansas. I am becoming as confused as was the Senator from Indiana [Mr. CAPEHART], who thought I was from Colorado.

Mr. HUMPHREY. The item from the New York Times reads, in part, as follows:

> A special economic survey, made available this week by Iowa State College, offered a new explanation as to why so many Midwestern farmers are now in a general state of unrest.
>
> Detailed records, kept by Iowa farmers in cooperation with the college, showed that even on above-average property the average net cash income in 1955 had dropped in every type of farm operation.
>
> The average profit per acre was down more than 50 percent from that of 1954, and the return on livestock for each $100 worth of feed dropped as much as 32 percent in some sections of the State.
>
> These findings were not based on scattered interviews with Iowa farmers. They were compiled from a standard record system devised by the college and kept in all parts of the State by farmers who volunteered to participate.

Mr. President, I ask unanimous consent that the entire article, by Seth S. King, a special correspondent of the New York Times, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM INCOME OFF 50 PERCENT IN IOWA IN 1956—COLLEGE STUDY SHOWS DECLINE IN CASH FOR CROPS AND LIVESTOCK ON GOOD LAND

(By Seth S. King)

AMES, IOWA, April 14.—A special economic survey, made available this week by Iowa State College, offered a new explanation as to why so many Midwestern farmers are now in a general state of unrest.

Detailed records, kept by Iowa farmers in cooperation with the college, showed that even on above-average property the average net cash income in 1955 had dropped in every type of farm operation.

The average profit per acre was down more than 50 percent from that of 1954, and the return on livestock for each $100 worth of feed dropped as much as 32 percent in some sections of the State.

These findings were not based on scattered interviews with Iowa farmers. They were compiled from a standard record system devised by the college and kept in all parts of the State by farmers who volunteered to participate.

On the basis of records from 148 Iowa farms, all modern and above average in soil quality and equipment, the study showed that net cash income averaged $7,051 in 1955. In 1954 it was $8,269. In 1953 it was $10,247.

CROP VALUES DOWN

The gross value of crops per acre dropped to $57 in 1955, compared with $68 in 1954, and $64 in 1953. The returns in livestock sales for each $100 of feed fed to the animals dropped to $109 in 1955, compared with $141 in 1954 and $143 in 1953.

The sharpest drop was shown in the net income per acre on all types of farm operations. This declined to $15 in 1955, compared with $39 in 1954 and $56 in 1953. This was caused by a lowering of gross profits per acre from $81 in 1954 to $56 in 1955. During that time expenses per acre declined only $1, from $42 in 1954 to $41 in 1955.

The percentage of Iowa farms that either made no money or lost money showed a pronounced increase.

In north central Iowa, a highly productive part of the State, 17.9 percent were in this category in 1955, compared with only 1.9 percent in 1954. In western Iowa, where the drought was particularly severe last year, 32 percent showed no profit or a loss. Only 0.7 percent were classed this way in 1954.

The study of net farm income, compared with net cash income, showed even greater losses in 1955 than in 1954. This comparison took into consideration the total cash sales plus or minus the amount of feed, livestock, and operating expenses involved.

Under this study, net farm income dropped 59 percent on farms in north central Iowa and 61 percent on those in western Iowa. It indicated that farmers had been forced to sell much greater numbers of cattle and much more feed to produce the income they did get and that the cost of replacing the cattle would be greater in 1956.

EXHIBIT 1

The following passage is from President Eisenhower's address at Kasson, Minn., on September 6, 1952:

"I pledge you that the Republican Party is going forward with positive, aggressive, farmer-run farm programs.

"The first thing we intend to do is to take the emphasis off Washington. The American farmer has had enough of government by long distance.

"Next, there's going to be a spring house cleaning of the unscrupulous leadership that would use farm programs for political purposes. There will be no more of this business of using Federal power to export the farmers' vote.

"And here and now, without any ifs or buts, I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

"These price supports are only fair to the farmer to underwrite the exceptional risk he is now taking. They are a moral and legal commitment which must be upheld.

"We now have at least 2 years in which to plan ahead. We must use this valuable time to figure out sound means and methods of maintaining and expanding both security and opportunities in agriculture. We must mobilize all of the brains in agriculture—farmers, your farm organization leaders, your farm-wise legislators, your agricultural specialists and research workers—to join with us to build and improve our long-range farm policies and programs.

"Our goal will be sound, farmer-run programs that safeguard agriculture—but do not regiment you, do not put the Federal Government in charge of your farms. We must, by using good old-fashioned horse sense, figure out sound methods of maintaining agriculture's freedom to shift patterns of production without losing the basic protections to which agriculture is entitled. We must realize that no formula developed at any particular time is infallible. Conditions change. What counts is being prepared to do the right thing at the right time.

"I firmly believe that agriculture is entitled to a fair, full share of the national income and it must be a policy of Government to help agriculture achieve this goal in ways that minimize Government control and protect farmers' independence. All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout.

"And a fair share is not merely 90 percent of parity—but full parity.

"But it takes more than price supports to build a farm program. The administration, tired and incompetent, is trying to distract your attention from its many fumbles, failures, and deceptions. The administration wants you to forget its neglect of research and education at the expense of political monstrosities such as the Brannan plan; its great potato fiasco which cost hundreds of millions; the grain-storage scandals; and the immorality of using Federal resources to influence your vote.

"The future of an independent, dynamic agriculture depends on cleaning up the mess in Washington and getting farm programs back on a nonpolitical, cooperative basis. We must not let programs devised for farmers be turned against farmers.

"I certainly don't believe farming is going to stand still. I see an expanding future for American agriculture and I'm sure you folks do too. With our growing population, our expanding industry, and our leadership in the free world, our farms will have a tremendous job to do. And to serve that future, working together as friends and neighbors, we can do much to improve and strengthen our farm programs.

"First, they must be cleansed of politics. An effective way to do this is found in the Republican platform: 'The establishment of a bipartisan agricultural commission with power to review the policies and administration of our farm programs.' The Republicans will establish such a commission, and will see that it is made up of bona fide farmers and farm leaders. That is a pledge."

Mr. JOHNSON of Texas subsequently said: Mr. President, I yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed at the point in the RECORD where the discussion on the farm bill took place, before we got into a discussion of the pending bank holding bill, the full text of the address delivered by President Eisenhower at Kasson, Minn.

It was from that text that the distinguished majority leader had selected excerpts for his speech last evening and also for his remarks today.

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I am sure the Senator from California is aware of the fact that the Senator from Texas in his statement last night quoted everything from General Eisenhower's Kasson speech which referred to 90 percent of parity. The Senator from Texas

has already asked unanimous consent to insert in the RECORD a portion of the Kasson speech as issued by the chairman of the National Republican Committee, along with the chairman's press release. I know the Senator from California is aware of that fact.

Mr. KNOWLAND. I have not criticized the Senator from Texas that the excerpts were taken out of context, or that they misrepresented what the President had said. Inasmuch as the speech dealt with agriculture, I merely wished to have the entire speech published in the RECORD.

Mr. JOHNSON of Texas. The Senator from Texas does not have any objection, and the Senator from Texas wishes the Senator from California to know that the Senator from Texas knew the Senator from California did not criticize him. It was Mr. Hall who said that the Kasson speech had been distorted. The Senator from Texas has already inserted in the RECORD the portions of the Kasson speech which were sent along with Mr. Hall's press release.

Mr. KNOWLAND. I understand that, but——

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of Texas. I have no objection.

Mr. AIKEN. I note that in the text——

Mr. JOHNSON of Texas. I have the floor. I have yielded to the Senator from California.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF ADDRESS BY EISENHOWER PLEDGING AID FOR AGRICULTURE

Governor Anderson, distinguished guests, ladies and gentlemen, what I have prepared to say for you today is not so important that I cannot take the time to express something very, very close to my heart. It is that I should like to pay my tribute to every single person who is interested or is taking a part in this land-conservation program we see here exemplified today.

If there is anything that America must value in all her material assets and resources, it is first of all her land. Everybody who does his part in preserving it has my deepest admiration and unwavering support.

Now I am grateful for this opportunity of meeting with you in this great farming region. I am grateful because of the clear knowledge, gained in my early years and confirmed many times over by what I have seen in the world, that man draws his essential strength from the land. There man lives close to the Creator's handiwork and there spiritual values in full measure enrich life.

I have come to this heart-warming grassroots scene to outline one major part of a sound farm program. But I come here with no idea that the farmer is interested solely in his own affairs. I come to you as one citizen to another—each of us equally concerned with the future of our United States.

The supreme question before us all today is that of peace. It is the question that grips the hearts of parents in every home. It is the question: What is going to happen to our boys? Will our boys be here to help us carry on? Or, will they be called to fight on some distant battlefield?

PLEDGES WORK FOR PEACE

I know how haunting is the thought of war to every father, mother, and young person in America. But none of us must ever abandon the hope, indeed the conviction that we can lift from our country the threat of war. We owe it to ourselves and to our children to give them the chance to remain here on these fertile, peaceful lands, to establish families of their own and not to be sacrificed to stupid blunders in world politics.

For myself, no matter what my future private or official status, I shall never cease working for a real and lasting peace.

But to achieve that peace we first must have sound plans for it. We must have leadership which inspires confidence. There is one sure essential for that peace, a strong, secure, solvent, United States that can and will cooperate effectively with every other friendly nation to establish and maintain peace and freedom.

Now, building that kind of a United States is our first job. And a productive, prosperous agriculture is a foundation stone of that structure.

In discussing one phase of a farm program with you. I am not going to pretend to be a farmer. My farm activties belonged to the day of the percheron and the mule; the walking plow and the wheat binder; the traveling thresher and husking corn by hand. Things have changed.

But I still get up with the chickens.

From those early experiences I gained an enduring belief that independence is something to be prized fiercely as man's most precious possession * * * and that cooperation between free men is the force that solves problems too great for the individual.

I know that since those simple, self-sufficient days farming has undergone an amazing revolution. In the fields where I once shocked wheat behind a horse-drawn binder, the harvest is now a one-man job with a self-propelled combine.

But to me, the most significant fact of the revolution on the land is that the essential character of our agriculture has not changed. The family farm is still the mainstay. The farmer still wants to be his own boss.

And I'm for that.

PROBLEMS IN MODERN FARMING

We all know that this huge modern agriculture of ours has problems. One of them is the hard economic fact that we sometimes produce more than we can sell at fair prices on the domestic and foreign markets. And I don't have to tell you that unprofitable prices not only threaten the security of our farms but also sap the prosperity and strength of our whole Nation.

It's a fact, too, that our farm economy is especially vulnerable to the forces of changing world conditions and to inflation and deflation. You know what it means to have your hold on your land and your home threatened by these forces.

These problems can be solved only by people who are independent, people who carry on in the spirit of cooperation.

As a foundation for the security of our agriculture and the Nation, we much achieve a prosperity that is not based on expenditures for war.

Now, during the past 30 years, we have fashioned special plans for the protection of agriculture. Many sincere men—dirt farmers, farm organization leaders, and legislators—put much thought into programs to assure farmers of reasonable stability of prices. These programs were brought into being by Congress on a nonpartisan basis. They have been improved from time to time on a nonpartisan basis. Now most of these agricultural laws are based on the sound principle that the Government should aid farmers to aid themselves. Farmers themselves were supposed to have much to say about the management of those programs.

But what happened? Do you have a voice that carries weight with the Washington agricultural autocrats?

Or should I call them agricrats?

Do they listen to you? Do they welcome your farm organization leaders in their councils?

You know they don't.

You've seen them grow cynical and arrogant. They've just been in power too long—far too long. Systematically they have tried to use the vast powers of the Federal Government to make the farmer a political captive.

NOTES GRAIN STORAGE HOAX

You don't have to look far for evidence. The case is now perfectly clear in the grain storage hoax of 1948. It is a story of perversion of Government responsibilities and powers—a story of a giant Federal farm agency, backed by the people's dollars, deliberately driving down the price of grain to instill fear in the minds of farmers.

It is a story of Government agencies spreading panic—using press, radio, and speeches to paint a picture—a false picture—of the lack of storage space for grain.

You were told at Dexter, Iowa, in 1948, that the 80th Congress had prevented the administration from providing storage bins for farmers. You were further told that this would make it impossible for many of you to get price-support loans.

The facts are now well known—and here they are:

The 80th Congress did not prevent the Commodity Credit Corporation from furnishing storage to farmers for their grain.

There was no shortage of storage space.

Contrary to the implication, the Commodity Credit Corporation never has furnished storage to farmers. It hadn't before and it has not since.

The Commodity Credit Corporation was selling its own grain bins as surplus at the very moment the Democratic candidate accused the Republicans of having "stuck a pitchfork in the farmer's back."

Now, who actually stuck that pitchfork in your back? It was none other than the Democrat administration itself.

And now the agricrats are trying to set the stage for a repeat. Fear is being broadcast by the administration and its front organizations. They are trying to scare you into voting, not as your conscience dictates, but as they want you to vote. They are telling you, "the Republicans will pull the rug out from under you."

I have an answer to the false propaganda now gushing out of Washington and Chicago.

That answer is—bunk. Pure bunk.

PROMISES HOUSECLEANING

Now, my friends, if you want to know where I stand on this question, I will tell you right now.

I pledge you that the Republican Party is going forward with positive, aggressive, farmer-run farm programs.

The first thing we intend to do is to take the emphasis off of Washington. The American farmer has had enough of government by long distance.

Next, there's going to be a spring housecleaning of the unscrupulous leadership that would use farm programs for political purposes. There will be no more of this business of using Federal power to extort the farmers' vote.

And here, and now, without any "ifs" or "buts," I say to you that I stand behind—and the Republican Party stands behind—the price support laws now on the books. This includes the amendment to the Basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

These price supports are only fair to the farmer to underwrite the exceptional risk he is now taking. They are a moral and legal commitment which must be upheld.

We have now at least 2 years in which to plan ahead. We must use this valuable time to develop sound means and methods of maintaining and expanding both security and opportunities in agriculture. We must mobilize all of the brains in agriculture—farmers, your farm organization leaders, your farmwise legislators, your agricultural specialists and research workers—all of them to join us in building and improving our long-range farm policies and programs.

WOULD USE FARMERS' KNOWLEDGE

Our goal will be sound, farmer-run programs that safeguard agriculture—but do not regiment you, do not put the Federal Government in charge of your farms. We must, by using good old-fashioned horsesense, figure out sound methods of maintaining agriculture's freedom to shift patterns of production without losing the basic protections to which agriculture is entitled.

We must realize that no formula developed at any particular time is infallible. Conditions change. What counts is being prepared to do the right thing at the right time. To do this the Republicans will use the wisdom of farmers.

I firmly believe that agriculture is entitled to a fair, full share of the national income and it must be a policy of Government to help agriculture achieve this goal in ways that minimize Government control and protect the farmers' independence. All I know of farmers convinces me that they would rather earn their fair share than to have it as a Government handout.

And a fair share is not merely 90 percent of parity—it is full parity.

But it takes more than price supports to build a farm program. The administration, tired and incompetent, is trying to distract your attention from its many fumbles, failures and deceptions. The administration wants you to forget its neglect of research and education at the expense of political monstrosities such as the Brannan plan; its great potato fiasco which cost hundreds of millions; the grain-storage scandals; and the immorality of using Federal resources to influence your vote.

FORESEES EXPANDING FUTURE

The future of an independent, dynamic agriculture depends on cleaning up the mess in Washington and getting farm programs back on a nonpolitical, cooperative basis. We must not let programs designed for farmers be turned against farmers.

I certainly do not believe that farming is going to stand still. I see an expanding future for American agriculture—and I'm sure you folks do too. With our growing population, our expanding industry, and our leadership in the free world, our farms will have a tremendous job to do. And to serve that future, working together as friends and neighbors, we can do much to improve and strengthen our farm programs.

First, they must be cleansed of politics. An effective way to do this is found in the Republican platform: The establishment of a bipartisan agricultural commission with power to review the policies and administration of our farm programs. Now the Republicans will establish such a commission, and we will see that it is made up of bona fide farmers and farm leaders. Ladies and gentlemen, that is a personal pledge from me.

Second, the programs must be transformed into genuinely farmer-run operations, with maximum responsibility decentralized to States, counties, and districts.

Third, these programs must be better adapted to regional, State, and local conditions.

Fourth, we must find methods of obtaining greater protection for our diversified farms, our producers of perishable foods. They yield the rich variety of meat, milks, eggs, fruits and vegetables that support our nutritious national diet. As provided in the Republican platform, the nonperishable crops so important to the diversified farmer—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops.

The Democrat planners have made the diversified farmer the forgotten man of agriculture. They keep saying, "There is no way of protecting perishables except through the Brannan plan." We can and will find a sound way to do the job without indulging in the moral bankruptcy of the Brannan plan.

WOULD AID COOPERATIVES

We must realize, too, that the economic programs I have discussed are but one part of our farm program. We will be equally concerned with conservation and wise use of our soil, water, and forest resources. We must give high priority to the expansion of farm research—particularly research that is the key to wider markets—better packaging, preservation, and more efficient distribution of farm products.

We must be always concerned with strengthening farmer cooperatives, which have done so much to build this progressive farming area; with up-to-date farm-to-market roads; with developing rural electrification and telephone service. We also must be concerned with our human resources. We must see to it that every farm child has the best educational opportunities. We must be concerned with all the things that aid in building a sound America by building a sound American agriculture. These matters I shall discuss in later talks.

Now I give you this positive assurance. The Republican Party will use every legitimate means to see that American farmers obtain their full share of the income produced by a stable, prosperous country. We will do it in cooperation with farm people themselves, without seeking to make them fearful and without seeking to make them the tools of a political party.

We will set about this great task in faith, not fear, faith in America and our agricultural community, faith that we can meet the challenge of changing times, faith that nothing is impossible for a determined united people.

It is that faith, rooted in deep religious convictions, which in every generation has moved America boldly forward. It is by that faith that today's Americans will build a more just, a more humane and a more securely prosperous land. It is by that same faith that America will work unceasingly in the service of peace and freedom throughout this world.

Ladies and gentlemen for the very great honor you have done me in gathering to listen to me today, I thank each of you warmly and from my heart. I sincerely trust that I shall get to see each of you again, closer to your own farms. Goodby.

Mr. JOHNSON of Texas. Mr. President, I yield first to the Senator from California, then I shall yield to the Senator from Indiana; then I shall yield to the Senator from Vermont.

Mr. KNOWLAND. Mr. President, I ask that, immediately following the printing of the speech of President Eisenhower, which I have asked to have inserted in the Record, there be printed the text of the speech delivered by Dwight D. Eisenhower at Memphis, Tenn., on October 16, 1952. Just before that is done, I should like to read a few paragraphs from the speech. I am quoting the President:

> Here and now let me say to you what I have said to farmers elsewhere. I stand behind the price-support laws now on the books. This includes the amendment to the basic farm act, approved by both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.
>
> Present price supports apply to four of the great crops of the South—cotton, tobacco, rice, and peanuts. All of these, as you know, are directly affected by world events and world conditions.
>
> The mandatory price supports at 90 percent of parity will expire at the end of 1954. This means we have just 2 years, beginning next January, to plan ahead. In those 2 years we must mobilize the best brains of agriculture—farmers, farm organization leaders, legislators, agricultural specialists—to join us in building and improving our long-range farm policies and programs.

I ask that the entire speech be printed in the Record at this point.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Eisenhower Farm Policy

Following is the text of the address by Gen. Dwight D. Eisenhower delivered at Memphis, Tenn., October 16, 1952:

"I deeply appreciate the introduction by Ed O'Neal, a great leader of American agriculture. He has given a lifetime of honorable service to the farmers of this country. The farm programs which exist today are a monument to him and to other farsighted men, men from both parties.

"Ed O'Neal helped bring farm leaders from the West and South together. Out of those meetings grew many of the basic ideas that today are embodied in agricultural programs. These programs were nonpartisan in character and should so remain.

"I am sorry to say that the existing administration has tried to make them partisan; to use them for political ends. I know southern farmers and farmers all over this country resent this fact and will make their resentment known at the opportune time.

"I come here today with a feeling of kinship for the South—a feeling which goes back to my family ties to the South and to experience outside the United States. By tradition and by training, the South realizes clearly the trade ties which link us with the rest of the world. You realize clearly our interdependence with the rest of the world.

"There are no isolationists in the South.

"Memphis is one of the great cotton markets of the world. It lies in the heart of an agricultural empire. You have industry and lots of it. But your economic welfare depends directly upon agriculture, and my talk today is devoted primarily to agriculture.

"Here and now let me say to you what I have said to farmers elsewhere. I stand behind the price-support laws now on the books. This includes the amendment to the basic farm act, approved by both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

"Present price supports apply to four of the great crops of the South—cotton, tobacco, rice, and peanuts. All of these, as you know, are directly affected by world events and world conditions.

"The mandatory price supports at 90 percent of parity will expire at the end of 1954. This means we have just 2 years, beginning next January, to plan ahead. In those 2 years we must mobilize the best brains of agriculture—farmers, farm organization leaders, legislators, agricultural specialists to join us in building and improving our long-range farm policies and programs.

"With single-minded purpose we must move toward sound farmer-run programs which assure farmers their full share of the national income and we will do this without putting farmers in a Government straitjacket."

URGES SOUND AGRICULTURE

"Then we will take our farm programs out of the grasping hands of politicians who have to use those programs to corral the farmers' vote. A sound agriculture is to everybody's advantage. We will take these programs out of partisan politics. We will then move forward to strengthen them.

"We will find a sound way for the farmers to shift patterns of production without losing the basic protection to which agriculture is entitled.

"Conditions affecting agriculture are constantly changing. We must therefore, realize that a formula which works today may not work tomorrow. Most important, we must be prepared to do the right thing at the right time. At all times, southern farmers must have their say as to what is right.

"We will establish a bipartisan farm commission to review existing farm programs and to help plan for the future. And when I say bipartisan, I mean bipartisan. On this commission will be outstanding farm leaders of the South.

"But I don't believe any more than you do, that price supports alone make a complete farm program. Price-support programs—many other Federal programs—should be regarded as floors. They give the farmers protection.

"To work toward this goal, our main reliance must be on the initiative, energy and ability of our citizens as they are expressed through our private-enterprise system. The Government can and should help farmers, as a partner—not a dictator. It will help to develop new opportunities, new markets, and new efficiency. Then the farmer will move forward toward this rightful income goal.

"Today the initiative of our citizens is being hampered by unnecessary and unwanted bureaucratic control. It is being choked by a dangerous policy that deliberately fosters inflation. Our future is being mortgaged by a national debt—a debt which will be a heavy burden on our children and their children.

"Today prices for most farm products, although there are notable exceptions, appear on the surface to be good. But farmers know that they are caught in a squeeze that is flattening their pocketbooks. Their costs are rising alarmingly, while their prices are weakening and their taxes soaring.

"Farm production costs in the United States have more than tripled since 1940. Every time you turn around it cost you more to keep going. It cost 24 percent more to operate a cotton farm in 1951 than it did the year before. It is costing a lot more in 1952, and costs are still rising."

ASSERTS INCOME IS DROPPING

"The plain fact is that the income of farmers, after expenses and taxes, is going down.

"This squeeze hurts in many ways. For example, farmers are having to borrow more money to meet their costs. Short-term borrowings have been forced up 20 percent so far this year—the largest rise since 1921. This hits all farmers. But it is particularly hard on small farmers and young farmers, especially young veterans who are trying to buy farms. They find that production costs take all their cash and strain their credit.

"Farmers are tired of the wasteful spending, higher costs, and ever-mounting taxes which are the inevitable partners of inflation in the hands of an irresponsible administration.

"Southern farmers, like anyone else, want to call a halt to all this. They want a change. They can help get that change on November 4.

"Southern farmers are concerned with the future for still other reasons. They greatly need an expanded research program.

"The South must have the answers to literally hundreds of questions as its farming moves toward greater mechanization. In particular, we need bold, imaginative research to bring mechanization to smaller farms.

"Here I pay tribute to all segments of the cotton industry for their foresight in finding ways to increase the uses of cotton. The cotton industry needs help with this tremendous job.

"The fact is, we are spending on research for agriculture only one-ninth as much per unit of income as American industry is spending on research. This is shortsighted. We must greatly enlarge our system of research and education and extension in the land-grant colleges. This would be a real investment in the future.

"In this region, you are deeply interested in the Tennessee Valley Authority, and in the part it has played in the improvement of the agriculture and commerce on this area. TVA has served rural areas well and has created many new industries in this section. It has helped conserve natural resources, control floods, and promote national defense.

"Certainly there would be no disposition on my part to impair the effective working out of TVA. It is a great experiment in resource development and flood control for this particular area.

"We should not, however, look upon the TVA as a rigid pattern for such development in other regions. In the Missouri Valley, for example, many officials and other thoughtful citizens are considering the possibility of a legal arrangement which would make State and Federal agencies true partners in developing the resources of that great region. We should give all such suggestions serious consideration. This is the system I favor in general for new projects."

BARS POLITICAL PRICE TAG

"Our goal should be to work out river basin development the way the people in the region want it done.

"A constructive job can be done with the cooperation of an administration in Washington that is devoted to the principle of decentralized government and to the principle of States rights, as well as to the full development of our resources.

"No region of our Nation has greater soil problems, or benefits more from a sound conservation program, than the South. We must strengthen all conservation activities. But these activities should not carry a political price tag.

"The agricultural conservation program, administered by PMA, is now permeated with partisan politics. At this very moment, in certain areas, Federal employees paid with your tax dollars are meeting with the farmer-committeemen and other farmers, misrepresenting by views about farm programs. They are urging farmers to vote to perpetuate all the mistakes and fumbling of the present administration. I am glad to say that thousands of PMA committeemen deeply resent the pollution of these programs with politics. And so do I.

"Recently my two opponents—the President and his handpicked candidate—have said that on July 21, 1949, Republicans voted 40 to 1 against the plan to help the producer of perishables. The plain truth is that the vote in Congress that day was on the Brannan plan—nothing else. I am proud that on that day members of my party joined with Democrats to defeat that monstrous proposal.

"I pledge you an administration that will cleanse all farm programs of partisan politics, that will decentralize their administration, that will increase farmer-participation in their own programs.

"And I pledge you now: There will be no Brannan plans.

"No section of the country will benefit more than the South from healthy trade with the rest of the world. We have built in the United States an agriculture which, for continuing prosperity, must sell much of its cotton, tobacco, rice, wheat, and other farm commodities on the world market.

"We also have built an industrial empire which, for its successful operation, must draw many raw commodities and some processed goods from the Far East, Middle East, Europe, South Africa, South America, and elsewhere.

"If we were suddenly cut off from the rest of the world, our agriculture and industrial economy would collapse."

PEACE OUR SUPREME GOAL

"But sound trade relations with the world are far more than an essential part of our economic system. They are also a means toward peace and they are a fruitful product of peace.

"Peace is our supreme goal. The present administration has not ended war or the fear of war. You and I have a right to hope—not fear—for the future of our country. We have a right to a steady, clear-headed leadership by able and devoted men and women who will work unceasingly and effectively toward a true and lasting peace.

"These are harrowing times and our hearts are troubled by the thoughts of our boys—yours and mine—now in Korea. We have a right to be deeply worried by the terrifying possibility that the same leadership that let us drift into the Korean war, might bungle us into still greater conflict.

"We have a right to be distrustful of a leadership which has allowed the godless Red tide of communism to engulf hundreds of millions of people who were once our friends and allies. We have a right to be suspicious of the leadership which failed to see the Red stain seeping into the most vital offices of our own Government.

"We must now work—all of us—to regain our lost peace. As a start we must establish a leadership of our ablest men and women in Washington that we can trust—we must have an administration which inspires the confidence of our allies and the respect of the world. We must build a strong, secure, solvent United States that can and will cooperate intelligently, consistently, and effectively with other friendly nations in the cause of peace.

"And we must approach this all-important task with faith in Almighty God, the faith that is rooted deep in both our religious convictions and our concepts of freedom. It must be the same intense faith which gave vision and strength to our Founding Fathers.

"That is the faith which, throughout our history, has made the United States the symbol of freedom for the world. With the renewal of our faith, we will not falter in the task."

Mr. JOHNSON of Texas. I now yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I regret that I may have been too severe with the able Senator from Oklahoma [Mr. Kerr]. I thought it was well understood that the average parity price the farmers received for everything they sold was at least more than 80 percent, both in February and March. I could not resist the temptation, therefore, of calling the Senator's attention to that fact.

I find now—which I was certain of before—that the average parity price on February 15 was 81 percent; on March 15, 82 percent; and that the

April 15 report will soon be issued, and that it will be a little higher.

I felt confident that the able Senator from Oklahoma knew it. However, I can well understand that he did not know it. However, with these figures being available, and being published in the newspapers, I was astonished that anyone should want to make the statement that it was 70 percent, when the facts show that it was not. I did not intend to take any undue advantage of the Senator from Oklahoma. I merely wished to keep the record straight in this greatest of all debating bodies in the world. Certainly we should correct the record when we find it to be wrong.

Mr. JOHNSON of Texas. I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I noted that on the copy of the President's Kasson speech which the Senator from California asked to have printed in the Record there were indicated the lines which the Senator from Texas used in his broadcast last night. Does the Senator from Texas object to having those indicated in the reprint in the Record?

Mr. JOHNSON of Texas. The Senator from Texas has objected to nothing. The Senator from Texas has merely pointed out that he has already put in the Record what the Senator from California asked permission to put in.

Mr. AIKEN. I may say to the Senator from Texas that the question was raised some time ago that no one seemed to get up on this side of the aisle to talk about the Senator's broadcast last evening. I should like to say to the Senator that I heard quite a good part of his broadcast. As I listened I realized that some of the statements might be quite misleading to people who were not fully familiar with the facts of our agricultural program.

However I also realized that in the busy life of the Senator from Texas he could hardly find time to do all the research and preparation which were necessary to get together a 30-minute broadcast. Therefore I felt that if the Senator——

Mr. JOHNSON of Texas. I should like to say at this point that if my research work was sufficient to have caused the political head of the Republican National Committee to become so concerned as apparently he was, and to throw out wild charges of the type that he has thrown out without any research whatever, then it served a good purpose.

Before the debate is over I shall outline two of the charges Mr. Hall made, and I shall give sufficient answer to each of them for the purpose of the Record.

The Senator from Texas makes no apology for anything he said. He attempted to mislead no one, and, so far as he is aware, no one charged him with such an attempt except the head of the Republican National Committee, who by his own statement indicates his own ignorance of what the Senator from Texas said.

Mr. AIKEN. As I listened to the Senator's speech last evening, I realized that it would be very easy for listeners to misinterpret some of the statements of the Senator from Texas. But, as I said——

Mr. JOHNSON of Texas. That is exactly what Mr. Hall has done.

Mr. AIKEN. I realize——

Mr. JOHNSON of Texas. I do not think it was deliberate. I think he misunderstood what the Senator from Texas has said.

Mr. AIKEN. I also realize that the Senator would not wish his statement to be misinterpreted, and that if he had had the time to make all his own research——

Mr. JOHNSON of Texas. I did make my own research. I did not have the National Committee do it. That is more than some Senators can say. I had some difficulty in getting the film which was run last night. For several days I made attempts to get it, realizing the great pleasure which would be brought to many people in seeing and hearing the President make these statements again, and in the interest of truth I thought the American people should have that opportunity. I attempted to be fair in presenting my statement and attempted to be reasonably calm about the whole matter. So much so that until the chairman of the Republican National Committee issued his blast, every Republican Senator who talked to me indicated that he thought I had done a good job from my point of view.

Mr. AIKEN. The Senator indicates that the Republican National Committee may have been doing some agricultural research for Republican Members of the Senate. To the best of my knowledge they have not been doing agricultural research, but I think it is high time they did.

Mr. JOHNSON of Texas. The Senator had in his hand a release containing a picture of the elephant, in which release Mr. Hall makes three charges. I should like to take up those three charges. The first charge he makes is that I took quotations from the Kasson speech out of context.

I have read Mr. Hall's excerpts from the Kasson speech. There is nothing in them that contradicts the quotation I used. I have asked that his excerpts from the speech be inserted in the Record and that request has been granted.

Mr. Hall's silence about the quotation from the Brookings, S. Dak., speech is conspicuous. I assume he has no complaints about that one, because he does not mention it.

While we are at it, I wonder how Mr. Hall feels about this quotation from the Columbia, S. C., speech of September 30, 1952:

> I believe wholeheartedly and without ifs or buts in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Charge No. 2: Mr. Hall claims my figures about a 50-percent decline in the income of Iowa farmers were incorrect. He uses some figures from Secretary Benson. Mr. Hall apparently has no quarrel with the Iowa State College and the New York Times.

At this point, Mr. President, I ask unanimous consent to have printed in the Record an article from the New York Times of Sunday, April 15, 1956, which is headed "Farm Income Off 50 Percent in Iowa in '55." The first paragraph of the article reads as follows:

> A special economic survey, made available this week by Iowa State College, offered a new explanation as to why so many midwestern farmers are now in a general state of unrest.

Mr. President, I ask unanimous consent that the entire article be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Farm Income Off 50 Percent in Iowa in 1955—College Study Shows Decline in Cash for Crops and Livestock on Good Land

(By Seth S. King)

Ames, Iowa, April 14.—A special economic survey, made available this week by Iowa State College, offered a new explanation as to why so many Midwestern farmers are now in a general state of unrest.

Detailed records, kept by Iowa farmers in cooperation with the college, showed that even on above-average property the average net cash income in 1955 had dropped in every type of farm operation.

The average profit per acre was down more than 50 percent from that of 1954, and the return on livestock for each $100 worth of feed dropped as much as 32 percent in some sections of the State.

These findings were not based on scattered interviews with Iowa farmers. They were compiled from a standard record system devised by the college and kept in all parts of the State by farmers who volunteered to participate.

On the basis of records from 148 Iowa farms, all modern and above average in soil quality and equipment, the study showed that net cash income averaged $7,051 in 1955. In 1954 it was $8,269. In 1953 it was $10,247.

CROP VALUES DOWN

The gross value of crops per acre dropped to $57 in 1955, compared with $68 in 1954, and $64 in 1953. The returns in livestock sales for each $100 of feed fed to the animals dropped to $109 in 1955, compared with $141 in 1954 and $143 in 1953.

The sharpest drop was shown in the net income per acre on all types of farm operations. This declined to $15 in 1955, compared with $39 in 1954 and $56 in 1953. This was caused by a lowering of gross profits per acre from $81 in 1954 to $56 in 1955. During that time expenses per acre declined only $1, from $42 in 1954 to $41 in 1955.

The percentage of Iowa farms that either made no money or lost money showed a pronounced increase.

In north central Iowa, a highly productive part of the State, 17.9 percent were in this category in 1955, compared with only 1.9 percent in 1954. In western Iowa, where the drought was particularly severe last year, 32 percent showed no profit or a loss. Only 0.7 percent were classed this way in 1954.

The study of net farm income, compared with net cash income, showed even greater losses in 1955 than in 1954. This comparison took into consideration the total cash sales plus or minus the amount of feed, livestock, and operating expenses involved.

Under this study, net farm income dropped 59 percent on farms in north central Iowa and 61 percent on those in western Iowa. It indicated that farmers had been forced to sell much greater numbers of cattle and much more feed to produce the income they did get and that the cost of replacing the cattle would be greater in 1956.

Mr. JOHNSON of Texas. Mr. Hall's next charge, No. 3, has reference to the price of hogs. He does not charge that the figures I used in my speech are incorrect. I wish to call that to the attention of my colleagues on the other side of the aisle. He carefully walks away from those figures used in my speech and gets another series of figures on different dates from the Republican Secretary of Agriculture. Mr. Benson's statisticians can prove almost anything. However, for the record I will have Mr. Hall's figures analyzed, and as soon as that is done, we will prove that those figures are fantastic. Note that there is no challenge by Mr. Hall of the figures I used last night, and I assume that Mr. Hall is not arguing that the price of hogs has not gone down out of sight. If he does, I should love to be present when he starts telling that one to the farmers.

Mr. AIKEN. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. AIKEN. I am sure the Senator realizes that there was no record or recording of the President's speech at Brookings?

Mr. JOHNSON of Texas. I am not sure of that. I was told that a recording was available. A recording was sent to me, which was branded "Brookings, S. Dak.," but when I had it played for me with the text of the Kasson speech in front of me, it developed that the film was not the Brookings speech at all, but the Kasson speech. I was informed that there was a record of the Brookings speech, but it was not available at the time I delivered my address last evening.

Mr. AIKEN. It was my understanding that there was no recording made of the Brookings speech or of other extemporaneous speeches made by the President in the fall of 1952.

Mr. JOHNSON of Texas. I cannot speak with true authority on that matter. I was informed that there was a recording. I was not able to get it.

Mr. AIKEN. I am sure the Senator from Texas has no objection to my refreshing his memory by saying that in the Congressional Record, volume 100, part 7, pages 9138 to 9140, will be found the warning that the Farmers Union repeatedly sent out over the country to the effect that Eisenhower's Kasson speech and his other speeches were not in favor of 90 percent of parity.

Mr. JOHNSON of Texas. I realize that. Mr. Hall made reference to the same item to which the Senator from Vermont now makes reference. I do not know whether the Senator from Vermont has done Mr. Hall's research or Mr. Hall has done the Senator's research, or whether it is an instance of both minds running in the same channel.

I do not take any responsibility for what the Farmers Union may have said. In fact, that organization took me to task when I said that the veto of the farm bill would cost the farmers $2 billion. The Farmers Union said it would cost the farmers $3½ billion. But whether the farmers are going to lose $2 billion or $3½ billion, I am convinced that the veto of the farm bill will cost the farmers a large amount of income, and other Members of the Senate are of the same opinion.

Mr. AIKEN. If the Senator will go back over the Record he will find that in early February I made the statement that if the soil bank bill should be held up until after April 1st it would cost the farmers about $2 billion this year.

Mr. JOHNSON of Texas. The Senator from Vermont and the Senator from Texas are closer together than are the Senator from Vermont and the Farmers Union. I am glad to hear the Senator admit that the veto will cost the farmers approximately $2 billion this year. The Farmers Union contends it will cost them $3½ billion.

Mr. AIKEN. I hope the Senator from Texas and I are closer together in our philosophies.

Mr. JOHNSON of Texas. Two billion dollars is a lot of money, even to a Texan. But if the farmers are going to lose $2 billion this year, it is time that Congress stopped, looked, and listened, and tried to do something to rectify the situation.

Mr. AIKEN. I think it is already lost.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

The Senate resumed the consideration of the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

Mr. HOLLAND. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Florida will be stated.

The Chief Clerk. On page 3, line 19, it is proposed to strike out the word "and".

On page 3, line 22, before the period, it is proposed to insert a comma and the following: "and (E) no company shall be a bank holding company if at least 80 percent of its total assets are composed of holdings in the field of agriculture."

On page 5, between lines 14 and 15, it is proposed to insert the following:

> (g) "Agriculture", as used in section 2 (a), includes farming in all its branches, including fruit growing, dairying, the raising of livestock, bees, fur-bearing animals, or poultry, forestry or lumbering operations, and the production of naval stores, and operations directly related thereto.

The PRESIDING OFFICER. Is it the intention of the Senator from Florida that these amendments be considered en bloc?

Mr. HOLLAND. Yes. I so request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing en bloc to the amendments offered by the Senator from Florida.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Texas. I wonder if it would be agreeable to the Senator from Florida to allow his amendments to go over until tomorrow for consideration the first thing after the morning hour.

Mr. HOLLAND. If that is necessary, of course, I will accede to the request. However, I was absent on business of the Senate, conducting a hearing by myself in the Committee on Agriculture and Forestry, when three amendments of this nature were brought up. The other two were adopted by voice votes. They both relate to much larger institutions than the institution affected by my amendments.

Again tomorrow I shall be in attendance upon hearings. Unless there is very decided objection by some Senator, I should like to have the amendment disposed of this evening. Of course I shall not ask for a yea-and-nay vote, but I believe that a brief explanation of the amendments wil lead to their adoption by a voice vote. If such proves not to be the case, I shall be glad to let them go over until tomorrow.

Mr. JOHNSON of Texas. I should be glad to accommodate the Senator, except that the distinguished chairman of the subcommittee [Mr. Robertson], who is in charge of the bill, is not present in the Chamber. There is no Senator present to speak for the committee and accept the amendments. I would have to suggest the absence of a quorum and ask that the Senator from Virginia, and probably other Senators, return to the Chamber. After conferring with the distinguished minority leader and in view of the fact that it is already 6:30, I believe it would be the better part of wisdom to take up these amendments after the morning hour tomorrow.

Mr. HOLLAND. Let me say to the distinguished leader that I advised the distinguished Senator from Virginia that I intended to call up the amendments, and he was expecting me to call them up. I cannot understand why he is absent. I understand that another member of the committee is present to make brief remarks with respect to the amendments.

Of course, I shall be glad to cooperate with the distinguished majority leader. However, I believe that when a Senator is absent on necessitous business, attending a hearing at which witnesses who have come from as far away as California are appearing, he should receive some consideration. I was obliged to leave the Chamber. I was carrying on the business of the Senate. I was not called, when I thought I had made arrangements to be called back to the Chamber. I think I should have the right to have the amendments considered at the same session of the Senate which has already approved the other two amendments, both of which, as I have said, affect much larger institutions.

Mr. JOHNSON of Texas. The Senator is correct. If the Senator wishes to exercise it, he has that right. If the Senator from Florida will yield to me so that I may suggest the absence of a quorum, I shall attempt to have the Senator from Virginia return to the Chamber.

Mr. KNOWLAND. Mr. President, I hope the distinguished Senator from Florida will be agreeable to his amendments going over until tomorrow. I realize he was absent on official business. The hour is late. It is now 6:30. A number of the Members of the Senate had made inquiries of the minority leader as to the matter, and I said to them, in view of the discussion which was going on in connection with the farm bill, that I did not anticipate there would be any further amendments considered this evening. Under the circumstances, if the majority leader had not indicated that he was going to suggest the absence of a quorum, I would have to suggest it. I am afraid some Members have gone home. I respectfully suggest that we consider the amendments tomorrow morning.

Mr. HOLLAND. Mr. President, I accede to the request of the two leaders, although I regret the fact that I was not recognized, as I had been promised I would be recognized, prior to the time that the Senator from Oklahoma [Mr. Kerr] obtained the floor.

RECESS

Mr. JOHNSON of Texas. Mr. President, if no other Senator wishes to address the Senate, then, under the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, April 25, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 24, 1956:

Tax Court of the United States

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1956:

J. Edgar Murdock, of Pennsylvania.

Stephen E. Rice, of Florida.

Morton P. Fisher, of Maryland.

John Edward Mulroney, of Iowa.

United States Attorneys

Ralph Kennamer, of Alabama, to be United States attorney for the southern district of Alabama for a term of 4 years.

William C. Spire, of Nebraska, to be United States attorney for the district of Nebraska for the term of 4 years.

United States Marshal

James Crawford, Jr., of Texas, to be United States marshal for the eastern district of Texas for a term of 4 years.

HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the supreme source of wisdom and strength, of truth and righteousness, may we daily surrender ourselves completely and confidently unto Thy divine guidance as we strive to find our way through darkness to light, through despair to hope, and through defeat to victory.

Give us a clear and comprehensive understanding of the needs of humanity and may the moral and spiritual principles and powers which Thou hast ordained soon become gloriously triumphant.

Inspire us to dedicate ourselves as devotedly to the high calling of preserving and perpetuating our freedoms as the founders of our Republic gave themselves to the task of establishing them.

Hear us in the name of our blessed Lord who went about doing good. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9390. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hayden, Mr. Chavez, Mr. Magnuson, Mr. Mundt, and Mr. Young to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 6268) entitled "An act to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Murray, Mr. Anderson, and Mr. Watkins to be the conferees on the part of the Senate.

PROCUREMENT OF MEDICAL AND DENTAL OFFICERS OF THE ARMED FORCES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9428) to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, strike out "original."

Page 3, line 4, strike out "enactment" and insert "effective date."

Page 3, line 6, after "the" insert "effective."

Page 3, line 17, after "the" where it appears the second time, insert "effective."

Page 3, line 18, strike out "of enactment."

Page 4, line 13, strike out "enactment" and insert "effective date."

Page 5, line 21, after "such", insert "medical."

Page 6, line 3, strike out all after "internship;" down to and including "law" in line 6 and insert "and, notwithstanding any other provision of law, the service credit authorized by this clause shall not—

"(A) be included in establishing eligibility for voluntary or involuntary retirement or separation from the service, under any provision of law;

"(B) increase the retired or retirement pay of a person who became entitled to such pay prior to May 1, 1956; or

"(C) increase the retired pay of a person who becomes entitled to such pay under title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (62 Stat. 1087), on or after May 1, 1956, but who does not perform active duty after May 1, 1956'."

Page 6, strike out lines 7 and 8 and insert:

"Sec. 3. Title II of the Public Health Service Act (act of July 1, 1944, 58 Stat. 683), as amended, is further amended by adding at the end thereof the following new section:

"'Promotion credit—assistant grade

"'Sec. 220. Any medical officer of the Regular Corps of the Public Health Service who—'".

Page 6, line 9, strike out "(1)" and insert "'(1)."

Page 6, line 14, strike out "(2)" and insert "'(2)."

Page 6, line 23, strike out "date." and insert "date'."

Page 7, strike out lines 1, 2, and 3, and insert:

"(1) By inserting in the first sentence of paragraph (1) of section 211 (e) and in the first sentence of paragraph (3) of section 311 (d), after the words 'a staff corps', the words 'other than the Medical and Dental Corps', and deleting in those sentences the words 'if of other than the Medical Corps, and in the preceding calendar year if of the Medical Corps,'."

Page 7, line 12, after "Sec. 5.", insert "(a)."

Page 7, line 19, strike out "three" and insert "two."

Page 7, line 22, after "those", insert "veterinary."

Page 7, line 25, strike out "three" and insert "two."

Page 8, after line 12, insert:

"(b) Section 203 (b) of such act is further amended by striking out the following words in the third proviso: 'of $100 per month as is'."

Page 8, after line 12, insert:

"Sec. 6. Any person who, on the day before the effective date of this act, has not completed 18 years of service creditable in the computation of active duty pay in the uniform service of which he is a member and who, as a result of the enactment of this act, is upon the effective date of this act credited with more than 17 years of such service shall, notwithstanding any other provision of law, be allowed 12 months from the effective date of this act within which to make the election provided for in section 3 (a) of the Uniformed Services Contingency Option Act of 1953 (67 Stat. 502)."

Page 8, line 13, strike out "6" and insert "7."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman from Texas kindly explain the meaning of these amendments?

Mr. KILDAY. Mr. Speaker, this is the bill increasing special incentive pay for physicians and dentists in the armed services.

As it passed the House, the bill provided for an increase to $150 a month from the $100 a month in existing law at the termination of 3 years of service. The Senate bill reduced that period of service to 2 years from 3 years.

There is much merit to the Senate provision because at the present time many physicians and dentists are serving an obligated tour of 2 years, although on duty voluntarily as Reserve officers, under the compulsion of the Doctors' Draft Act, so that under the Senate provision of the bill they would make their first election as to remaining on duty at the termination of their obligated tour of duty. That is the principal and a very substantial change made by the Senate amendments.

There are clarifying amendments to make it clear that the same will not apply to medical and dental officers retired prior to May 1, 1956. That was the intention of the House bill, and this provision makes it clear.

The other one that is of substance is a provision granting an additional year in which these officers may make their election as to whether or not they will come within the provisions of the Contingency Option Act. Under that act an officer must make his election within the first 18 years of his service. Inasmuch as this bill grants additional constructive service, there could be officers on duty who had already exceeded 18 years of service. So this grants an additional year in which to make the election.

Mr. MARTIN. I thank the gentleman for the explanation. I withdraw my reservation of objection, Mr. Speaker.

Mr. BOW. Reserving the right to object, Mr. Speaker, can the gentleman from Texas tell us how much more this is going to cost than the bill passed by the House?

Mr. KILDAY. The Department estimates that it will cost an additional approximately $572,000.

Mr. BOW. I withdraw my reservation of objection, Mr. Speaker.

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Speaker, does the gentleman feel this will be helpful in securing more doctors for the hospitals?

Mr. KILDAY. We are very hopeful that it will, and feel that it will attract and retain physicians and dentists on a career basis in the armed services.

Mrs. ROGERS of Massachusetts. I am delighted.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Transportation and Communications of the Committee on Interstate and Foreign Commerce may sit for the remainder of the week during general debate while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports as it sees fit.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FOREIGN POLICY

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on Saturday the President and the former Governor of Illinois stated their respective positions on the matter of foreign policy. In yesterday's Washington News, a Scripps-Howard newspaper, appeared an editorial in which an appraisement was made of the positions taken by the President and the probable nominee of the Democratic Party to oppose him in the November presidential election.

I read from the editorial:

> The contrast between the Eisenhower and the Stevenson speeches makes it appropriate to examine the broad picture of foreign policy. * * * We do not hesitate to say—as we have been saying in effect for a long time—that Mr. Stevenson's appraisal of the state of the world makes a lot more sense than President Eisenhower's. The time has come for the Eisenhower administration to get out of its complacent mood, to throw away its rose-tinted glasses, to tell the American people the real facts, however unpleasant. Stop all this nonsense about the Soviets failing. We are failing. * * * The United States needs new policies to fit the new facts. President Eisenhower and his Secretary of State need to get in step with these facts.

It would appear from this and editorials much along the same line in newspapers throughout the Nation that Governor Stevenson's address in Washington on foreign policy has made a profound impression upon the country.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Does the gentleman intend to make the point of order before the conclusion of the unanimous consent requests?

Mr. WILLIAMS of Mississippi. Yes, Mr. Speaker, I have a reason and I insist on the point of order.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 29]

Addonizio
Bailey
Barden
Barrett
Bass, N. H.
Bass, Tenn.
Baumhart
Betts
Blatnik
Bonner
Bowler
Boykin
Bush
Byrne, Pa.
Byrnes, Wis.
Carlyle
Carrigg
Chatham
Chiperfield
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Dague
Davis, Tenn.
Dingell
Donovan
Doyle
Durham
Eberharter
Fenton
Flood
Fogarty
Forand
Fulton
Gamble
Garmatz
Gary
Gavin
Granahan
Grant
Green, Oreg.
Haley
Hand
Healey
Hébert
Hess
Hiestand
Hinshaw
Hoffman, Ill.
Holland
Jackson
James
Jenkins
Jensen
Johnson, Calif.
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Knutson
Lankford
McConnell
McCulloch
McDowell
Macdonald
Matthews
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Morrison
Moulder
Mumma
O'Hara, Minn.
O'Neill
Osmers
Philbin
Phillips
Pilcher
Pillion
Powell
Prouty
Quigley
Rhodes, Pa.
Riehlman
Saylor
Scherer
Scott
Sheehan
Shelley
Sieminski
Sikes
Simpson, Pa.
Staggers
Vanik
Van Zandt
Vursell
Walter
Watts
Wier
Williams, N. J.
Williams, N. Y.
Wilson, Ind.
Wolcott
Zelenko

The SPEAKER. On this rollcall 310 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon while the House is in session, during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight tonight to file a report on H. R. 8901, the Capital Transit Authority bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1957

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday to file a privileged report on the bill making appropriations for the Department of Commerce and related agencies for the fiscal year 1957.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I reserve all points of order on the bill.

EXECUTIVE COMMUNICATION NO. 1746

Mr. BURLESON. Mr. Speaker, at the request of my colleague the gentleman from New York [Mr. Celler], I ask unanimous consent that the Committee on House Administration be discharged from further consideration of Executive Communication No. 1746, concerning the late Honorable Chauncey W. Reed and that it be referred to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ATROCIOUS MURDER OF ISRAELI SCHOOLCHILDREN

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, a day or so ago I received the following telegram from the Congregation Ohel Abraham, Rabbi N. Horowitz, M. Blinder, president; the Congregation Anshei, Rabbi M. Pinsky; the Congregation Kehal Yesob Hatorah, Rabbi M. Stern; the Congregation Machzikai Torah Bneiaaron, Rabbi H. Horowitz; the Congregation Beer Shemuel, Rabbi Horowitz; the Congregation Kehal Yereim Chust of Borough Park, Rabbi J. Grunwald; the Congregation Merkaz Amshinov, Rabbi M. Kalish; the Congregation Shomrei Habas, S. Greenberg, president; the Eretz Israel Committee National Council of Young Israel, Elijah Stein, chairman; and the National Council of Young Israel, Meyer Wiener, president; all from Brooklyn, N. Y., protesting the recent atrocious murder of Israeli schoolchildren:

Hon. Congressman JOHN J. ROONEY,
Washington, D. C.:

The children slain in cold blood while at prayer in Habad Village Israel last Wednesday belong with numerous congregations and schools in America to the same family of Habad Lubavitch followers of purely religious and philanthropic Hassidic movement headed by Chief Rabbi Menachem Schneerson, American citizen, with headquarters in Brooklyn, N. Y. We are our brothers' keeper grieved and heartbroken at cold-blooded murder of our young brothers in Holy Land. We demand our Government take energetic effective steps to prevent similar massacre and assure indemnification of bereaved families.

CIVIL-RIGHTS BILL

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I am sorry that a short time ago the gentleman from Mississippi [Mr. WILLIAMS] raised a point of no quorum, because at the very time this issue was raised, a meeting was in progress, I understand, in the House Judiciary Subcommittee considering civil-rights legislation. I think it is very important that there be no further delay in consideration of civil-rights legislation. I am informed that at the very moment the quorum call came the administration's three-point program was about to be considered by the subcommittee. I certainly hope that later today there will be no further interruptions of this kind because if there is to be any action on President Eisenhower's recommended program, time is of the essence.

PUBLIC RECREATION FACILITIES IN ALASKA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4047) relating to the establishment of public recreation facilities in Alaska, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 9, insert:

"SEC. 2. There is hereby authorized to be appropriated the sum of $100,000 per year for each of the fiscal years ending June 30, 1957, June 30, 1958, June 30, 1959, June 30, 1960, and June 30, 1961."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I do this in order to get an explanation of the amendment. The bill passed the House and was amended in the other body. Can the gentleman from California tell us what the amendment does?

Mr. ENGLE. This bill passed the House on the Consent Calendar. It is a bill relating to the establishment of public recreation facilities in Alaska. We did not have a limitation on the amount of money authorized. The bill as it passed the House on the Consent Calendar was an open-end authorization. The Senate limited it to $100,000 a year for 5 years.

Mr. MILLER of Nebraska. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AUTHORIZING THE TERRITORY OF ALASKA TO INCUR INDEBTEDNESS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 7, strike out "$12,500,000" and insert "$20,000,000."

Page 5, after line 16, insert:

"SEC. 7. The Territory of Alaska is authorized and empowered notwithstanding any provision of the Organic Act or any other act of Congress to the contrary, to guarantee payment of bonds issued by municipalities, school districts, and public utility districts in Alaska for constructing, altering, equipping, or acquiring public improvements of the nature for which the Territory may issue bonds in an aggregate amount which shall not at any one time exceed the sum by which the principal amount of Territorial bonds and certificates of indebtedness then outstanding under this act is less than $20 million. The authority to guarantee bonds of such subdivisions shall be exercised in a manner prescribed in section 2 of this act."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I wish to ask the gentleman from California [Mr. ENGLE], does this take off the limitation as to the amount of bonded indebtedness permitted?

Mr. ENGLE. No, it does not. The bill as it passed the House authorized the Territory of Alaska to incur certain indebtedness, the Territory being under restrictions of its organic act. The amount provided in the bill was $12,500,000. The Senate amendment raises that to $20 million.

The second amendment permits the Territory to guarantee bonds issued by school districts, municipalities, and other public agencies. In other words, it raises the amount $7,500,000 and permits the Territory to use its financial resources to underwrite the bonds of the school districts and other public agencies.

Mr. MILLER of Nebraska. I wish to issue a warning to the people in Alaska to use this permission to incur bonded indebtedness rather carefully, because I think there is a good deal of inherent danger involved. I do not like the Senate amendment. I think it is too liberal and gives entirely too much leeway to the Territory in their bonding and guaranteeing the bonds of the school districts, and so forth. It goes much further than the Congress has ever gone before. However, if that is the desire of the Delegate from Alaska I will concur in it.

Mr. ENGLE. It is also the desire of the Governor of Alaska, who requested it.

Mr. MILLER of Nebraska. I still think it is far too liberal, but I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

ORDER OF SIKATUNA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10754) to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Honorable SAM RAYBURN, Speaker of the House of Representatives, is authorized to accept the award of the Order of Sikatuna, Lakan Class, together with any decorations and documents evidencing such award. The Department of State is authorized to deliver to the Honorable SAM RAYBURN any such decorations and documents evidencing such award.

SEC. 2. Notwithstanding section 2 of the act of January 31, 1881 (ch. 32, 21 Stat. 604; 5 U. S. C. 114), or other provision of law to

the contrary, the named recipient may wear and display the aforementioned decoration after acceptance thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING WATERSHED PROTECTION AND FLOOD PREVENTION ACT

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 443) providing for the consideration of H. R. 8750, a bill to amend the Watershed Protection and Flood Prevention Act, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield myself such time as I may require, and thereafter yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, as the reading of the resolution indicates, this is an open rule providing for 2 hours of debate on the bill H. R. 8750 which provides certain amendments to the present Watershed Protection and Flood Prevention Act. In my opinion, it is a very important measure and one of the most important that we may consider at this session. I know of no opposition to the rule on this side of the aisle.

The purpose of the bill is to broaden the scope of the present act. It would authorize the inclusion of municipal and industrial water supplies as a part of a watershed program and would allow the Secretary of Agriculture to assist local organizations in carrying out a multiple-purpose water- and land-management program rather than a program limited to flood prevention and agricultural water management as presently provided in the act.

The act is further amended to permit the inclusion of flood-prevention storage at sites which local organizations wish to utilize for other purposes by allowing the construction of structures providing more than 5,000 acre-feet of total capacity, provided the construction costs of the capacity in excess of 5,000 acre-feet is borne by the local organizations.

Another amendment provides that local organizations shall not be required to assume any part of the construction cost of structural measures applicable to flood prevention. This would allow some degree of Federal aid in the storage of water for such purposes as irrigation and streamflow regulations.

The bill also provides that projects involving a Federal contribution of less than $250,000 need not be submitted separately to Congress through the President.

Two new sections are added to the present act. One provides for long-term loans at the Government rate of interest to local organizations for the purpose of financing their share of the cost of the programs. The other extends the provisions of the act to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 443 so the House may proceed to the consideration of H. R. 8750.

Mr. ALLEN of Illinois. Mr. Speaker, I know of no one who is opposed to this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. POAGE].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8750, with Mr. EDMONDSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. POAGE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, for a great many years it has been the policy of the Federal Government to try to assist communities which have suffered from floods. That development has moved along throughout the years. I believe at first it involved only the Mississippi River and involved nothing but the erection of levees. As the years went by, we found that more and more areas of the country were involved in disastrous floods and we called upon the Army engineers to carry out a more comprehensive program of flood control to try to protect our great urban areas and our agricultural areas as well as our industrial and transportation facilities from losses by these disastrous floods. Gradually it became apparent that it was not sufficient to straighten out the channels or build levees to protect against floods, but it was also necessary to build great storage reservoirs. The Engineers went further and further up the stream and built larger and larger reservoirs, and they did a great job of flood control. Our system of flood control is probably the greatest in the world involving the control of waters that have become concentrated in our streams. The Federal Government has always paid the entire cost of flood control, because we felt it was a matter that involved a wide number of our citizenship and it was not something you could assess against any one individual; that it was something the burden of which should fall on all of our people. The Government has paid a tremendous amount of money to control floodwaters, and I think properly. We have spent probably half a billion dollars a year for a good many years in carrying on flood-control works, to control waters that come down our rivers in such volume that the river channels could not carry the water.

In recent years we have begun to recognize more and more that in addition to this work we need something more in the way of trying to prevent the occurrence of as many floods as we can. So we passed what was known as the Flood Prevention Act, whereby the Federal Government assumed at least partial responsibility for carrying out the upstream works with the idea of preventing as many of the floods as we could. The more floods you can prevent, the less you have to control. Obviously you cannot prevent all floods, so you still need flood control, but to the extent you can prevent floods you save that much money on flood control.

Flood prevention must occur somewhere close to the head of the stream, where the water falls. Flood prevention is primarily a matter of causing the water to sink into the ground where it falls. Failing in that, it involves temporary detention of the water until such time as the channels below will carry it without overflowing and thereby resulting in floods. So we first look to the uses of water on the land. That means on the farms and on the ranches. We try to make as much water as possible sink into the ground where it falls. Then we look to the detention of the water close to where it falls. For that detention we have built detention dams. That is a dam that would be a storage dam if you left the water there. But you do not leave the water there. So you estimate the size of the spillway so that at no time will more water run out than the stream below may carry. If you put enough of those dams upstream you do not have your streams overflowing. Perhaps it would take 2 weeks for the water to run out, whereas if there was no detention it would cause disaster to the people below as it ran out all at once.

So in the original Flood Prevention Act we provided the Federal Government might contribute to a share of the cost of the flood prevention projects, but not all of the cost. We left the major share of the burden on the farmer who owns the land. He is not the man who is primarily interested in the protection that is afforded by this flood prevention, because that protection is somewhere down the stream. That farmer is not the man who is overflowed, because it is water coming off of his land that hurts somebody else. So we thought that we would make a partnership arrangement, but we found that would put too large a part of the cost on the man who owns the land. So we come to you today with a bill that leaves all of the burden of handling the water on the farm, the cost of making it sink into the ground, the cost of such practice as stripcropping and terracing, on the owner of the land. These costs are paid by the farmer because they add to the productivity of his farm. But we provide in this bill today a change in the policy of the cost; we say that the Federal Government will pay all of the cost of all structures to the extent that flood control is involved, but that the farmer will continue to pay all of the cost for his land treatment which leaves him with a cost in most cases equal to and in many cases in excess of the cost that will be borne by the Federal Government. We leave to the farmer or to his local association all the cost of rights-of-way and of operation of the project. We are simply applying to the flood-prevention program the same criteria that we have long applied to the flood control and the reclamation programs. Where we have built dams for other purposes in the United States we have always said that to the extent that they contributed to flood control the Federal Government would pay the cost of such control.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. MILLER of Nebraska. In looking over the report on the flood-control amendments I find no report from the Agriculture Department. I do find, however, comments taken out of some text and I call attention to the one applying to the fourth amendment where it states:

> A fourth amendment would provide "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention." We feel that this amendment defeats the concept of cost sharing presently embodied in the act which provides that, "local organizations shall assume such proportionate share of the cost of any works of improvement involving Federal assistance as may be determined by the Secretary to be equitable in consideration of the anticipated benefits from such improvements."

I do not understand that the bill conforms in that respect with the thinking of the Department relative to sharing of local costs with the Federal Government. The Federal Government does all the work and pays all the cost—or where it is a local project do the local people who receive the benefits make some contribution?

The gentleman spoke about soil stripping and conservation practices where the farmer gets paid for it as a conservation measure, soil stripping, summer fallowing, and things of that kind. The Congress has presently dealt with 3 or 4 phases of it. I wish the gentleman would comment on the suggestion given to the Government by the Department of Agriculture and whether there was a report by the Bureau of the Budget and what is the attitude of the Bureau of the Budget on this measure.

Mr. POAGE. I have been doing just that. I must apologize to the House if I have expressed myself so ineptly as not to get that point across, because that is exactly what I have been trying to do the last 5 minute, commenting upon the whole philosophy in which there is a disagreement between the viewpoint that the Federal Government should pay for flood control if it is a part of a reclamation project but should not pay for flood control if it is a part of an agriculture program. There are those who feel that the Federal Government should pay all of the cost of flood control if it is carried on by any other agency of the Government than the engineers or the Bureau of Reclamation. It is my feeling and was the feeling of the committee that the Federal Government should pay for flood control regardless of the agency that carries it out.

The CHAIRMAN. The gentleman from Texas has consumed 10 minutes.

Mr. POAGE. Mr. Chairman, I yield myself 5 additional minutes and now yield to the gentleman from Kansas.

Mr. AVERY. Mr. Chairman, I would like to point out that the amendments proposed in this bill do not bring the Department of Agriculture quite into line with the other Federal agencies on the cost of flood-control projects to the Federal Government. For instance, the Corps of Army Engineers and the Bureau of Reclamation provide the cost of the site and also of the maintenance. Under the terms of this bill those costs are borne by the local interests.

Even though it does not bring it up to the level of other agencies those most interested in conservation are willing to take it as it is.

Mr. POAGE. That is exactly right, this bill still leaves the local people assuming a greater part of the cost than they would under any other program which involves any flood control.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Illinois.

Mr. SPRINGER. I would like to ask the gentleman, and I quote from page 2 of the report:

> In general, the amended act will provide three different levels of Federal cost sharing—

And I refer to (c):

> (c) And those purposes where the Federal Government will bear no part of the structural cost (municipal and industrial water supplies).

My question is: What is the change in the cost sharing under section (c) as outlined on page 2?

Mr. POAGE. Under the present bill there is not any way whereby you can put municipal water supplies into one of these reservoirs. I do not want to preclude anyone from going into that question but maybe if I could proceed a moment and outline the changes in the bill I could save some questions. There is no provision in the present law whereby you can have municipal water storage. We do provide for municipal water storage in this bill but the local people pay the costs.

Mr. SPRINGER. The reason I asked that is because I happen to have one city in my area where this is under consideration and it is my understanding there was a cost sharing and the city paid a part of it. Is there any change in that?

Mr. POAGE. There is no change because there is now no way in which your city can share in the use of such a reservoir and there is no way you can put municipal water storage into one of these projects under the present law. In this bill, we specifically provide that the local interest, which would be your city, which needs municipal water, shall bear all of the extra costs that are incident to providing that municipal water.

As I pointed out before I started yielding, the first thing this bill does is to provide that the Federal Government shall bear all of the cost of flood control just as we do for any other program. In the reclamation program the Federal Government bears the cost of flood control. When we build any multipurpose dam in the West, largely for power, the Federal Government bears all of the costs allocable to flood control. When we build a flood-control dam, the Federal Government bears all of the cost of flood control. We provide here that the Federal Government shall bear all of the cost of flood control.

Let us assume that there are needed 4,000 acre-feet of detention capacity for flood control. The Government would pay that cost. Then let us assume your city wants to put on an addition of say 5,000 acre-feet, for city storage. The city could do that under this bill provided the city would come in and pay all the additional cost, not the basic cost but the additional cost, which will reduce the overall cost per acre-foot. Suppose in that same area you wanted to organize a little reclamation project downstream and you wanted 4,000 acre-feet for that. That would give you a total of 13,000 acre-feet. Your reclamation project would have to pay for the 4,000 acre feet that it uses. Your city would have to pay for the 5,000 acre-feet it proposed to use. Each one of the local projects would have to pay for the additional storage that is provided for its own purpose. The Federal Government would pay only for the flood-control part of the reservoir. In no event could that storage for flood purposes exceed 5,000 acre-feet in any structure.

Mr. SPRINGER. That answers the question.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from South Dakota.

Mr. LOVRE. It should be pointed out that under the Watershed Protection and Flood Prevention Act, the cost of the right-of-way, easements, and all other expenses, with the exception of the structure itself, is borne by the local organization.

Mr. POAGE. That is right.

Mr. LOVRE. Let me ask the gentleman this question: Under the programs sponsored by the Corps of Engineers as well as under the Bureau of Reclamation, is it not true that the projects are considered Federal, while under this act the projects are considered local?

Mr. POAGE. Yes.

Mr. LOVRE. We ask that the Federal Government contribute in part as much for the local projects as it does for Federal projects where it bears the entire expense.

Mr. POAGE. Yes. The local people have to pay the expense of operating these projects after we get them in operation, whereas if you build them as a Federal project the Government will pay it.

Mr. LOVRE. That is in addition to furnishing the right-of-way and easements?

Mr. POAGE. Yes, and doing all other land treatment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Massachusetts.

Mr. BOLAND. In reference to the question just asked by the gentleman, is it true this reservoir which provides for 5,000 acre-feet of flood control is still considered as a local project?

Mr. POAGE. Yes.

Mr. BOLAND. This is only a flood control project embracing 5,000 acre-feet of storage. Is that a local project under the terms of the bill?

Mr. POAGE. Let me explain it this way. The only way under this bill you can build any kind of a project is as part of a watershed project. This bill does not provide for the erection of an isolated structure without regard to the other flood prevention needs of the watershed.

This bill only provides for the complete control of a given watershed which must be less than 250,000 acres, because you cannot have a watershed larger than that under the basic law. If, as one part of the control of that watershed, you need a reservoir, a detention reservoir, that reservoir cannot exceed, even under the basic law or under this proposal, 5,000 acre-feet of detention capacity. But, this bill would amend the basic law so that other local interests may come in and join with the watershed project which is itself a local project organized under State law. This bill then would allow other local interests to cooperate with this local interest that is doing the watershed development and to put storage for specific purposes, additional storage, in these reservoirs, but there could be no reservoir constructed simply for municipal purposes or simply for irrigation under this bill. It would have to be incident to a complete watershed development. That is one of the places that this bill so completely differs with some of those we had before, in that this bill affects only those areas where you are trying to develop a watershed as an integrated unit.

Now, I have called your attention to the fact that this bill changes the basis of sharing the cost of the flood-control features. I have called your attention to the fact that it allows the use of these structures for multiple purposes. I should call your attention to the further fact that the bill provides a financing for those multiple purposes that is not in the present law. Under the present general law, if you are building a reclamation project, the Government will finance it for 50 years without interest. Our committee felt that we did not want to go into the interest-free money for this purpose, so we have provided that the local interest can borrow the needed funds from the Federal Government. That will mean your city can borrow if it wanted to put municipal water into one of these reservoirs. It would mean your reclamation project, if you had a little reclamation project down below the dam which wanted to put in 5,000 acre-feet of storage for irrigation. These local groups, cities, or districts could come to the Federal Government to borrow the money necessary to install their part of the dam and could borrow at the going rate of public money, which is roughly 2.5 percent interest. This provision is inserted in order that the Federal Government would lose no money on these projects. Of course, in a direct reclamation project, the Government actually loses interest for 50 years. In this bill we are not providing that kind of subsidy but only providing what we think is a very effective method of enabling the local interests to participate in a needed program without cost to the Federal Government. We think that is highly desirable and highly necessary to provide a source of credit for the local cities and districts.

There is one technical provision in the bill which I think is important. The original basic law has a proviso that all projects must be reviewed by the governor, by the local State interests, by each of the departments up here: Agriculture, Reclamation, Army, and so forth, and then come down to the Congress and wait here 45 days. We provide in those particular projects where the total cost involved is less than $250,000 that we waive that long period of review and waiting and let the Secretary of Agriculture pass on the application. The review period is still required on all larger projects, but we think that on those smaller projects, some of them for less than $10,000, it is rather ridiculous to spend so much time for review.

There is another thing. This bill extends the provisions of the Flood Prevention Act to Puerto Rico, Alaska, and Hawaii. I believe that covers the bill.

Mr. BURLESON. Mr. Chairman, H. R. 8750, amending the Flood Prevention Act of 1954, is an extremely important measure. It seems to me that anyone who really understands the vital necessity of caring for the land and conserving water would wholeheartedly support this improvement in the original bill, which concept was different from anything yet conceived.

At this point I wish to pay the highest tribute to my colleague, W. R. Poage of the 11th District of Texas, who had the foresight to devise a plan which has already proved itself in practical operation.

As I have said on numerous occasions, it is the application of a theory of closing the barn door before the horse has fled. It is truly a flood prevention program. It is important to control floods, but it is tremendously more important to prevent those floods before they have swept the living land down to the sea.

Arguments are advanced by some that it is either big dams or small dams. They do not concede that each has its purpose and that one compliments the other.

One of the greatest problems connected with large downstream dams is sedimentation. Smaller dams on the tributaries of the larger streams are, of course, a protection for these very expensive projects. Likewise, the development of the small streams and creeks feeding the larger tributaries of the main stream is a protection for these middle-size dams.

So one is certainly complimentary to the other and all three types are needed if proper conservation is to be accomplished.

In the great southwestern area of this country, if the flow of water can be slowed down, we will be succeeding to a great extent in preventing erosion.

The 1954 flood-prevention measure was a tremendously important step in the right direction. The pilot projects which have been built under this act are today paying dividends in conservation. Those which are accomplished facts provide a demonstration for all to see what can really be done in an organized effort with assistance from the Federal Government.

However, after the pilot projects had been selected, the present Secretary of Agriculture raised the ante considerably on the landowners. It was thought wise at the time of the passage of the original act in 1954 to leave wide latitude for the discretion of the Secretary of Agriculture. In fact, in the beginning of this program, I think everyone agrees it was necessary that such be done. The requirement later placed on the landowners that they pay approximately 50 percent of the cost, and giving them no credit for previous conservation practices, no credit for easements and rights-of-way, maintenance, and other contributions, has prevented the program from going forward. In the State of Texas we have approximately 100 applications for such projects. About half of them have been approved by the proper State agency, but very few—I believe only 3 or 4—have been finally approved, because local people simply cannot meet the requirements imposed.

Therefore, Mr. Chairman, I repeat, it is extremely important and highly desirable that the provisions of this amendment be adopted in order that the intents of this program may be effective. I would not especially call this amendment to the original act a liberalization of its provisions. It simply recognizes the responsibility of the Federal Government in matters of flood control, in the same manner that it has heretofore done with reference to larger dams. I think it will make it possible for local communities to meet that part of the responsibility which is justly theirs, and that it will pay dividends to the entire country by reason of the soil- and water-conservation features.

Let me say here, Mr. Chairman, that I have never seen greater devotion, energy, and enthusiasm on the part of anyone in a public position than those men of the conservation service, whose duty it is to carry out the intents of this program. I have had occasion to see all of them in my particular area, and I am sure that they are no different from those in other localities. They are wholly cooperative and practical in every approach. All those whom I know are highly qualified and dedicated to accomplishing those things intended in this important feature of soil and water conservation. I know that if we can broaden this concept to make possible the purposes intended much good will come of it because it will be in the hands of soil conservation people and soil conservation-minded local citizens who will make the most of every dollar invested by the Federal Government. I use the word "invested" because, my friends, it is one of the best possible investments which can be made.

I trust this measure will pass without a dissenting vote, and I believe those of you who are not directly affected, and who may never have such a development in your district, can still take pride in the fact that you exercise sound judgment in preserving not only soil and water, but in preserving the people on the land, and that they might live better.

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as has been well said by the gentleman from Texas [Mr. Poage], this is a logical extension of the original Watershed Protection and Flood Control Act. There are really just two principal changes made in this bill. There are others of a more minor nature. I am going to refer to those two and perhaps discuss some of the minor changes if time permits.

One of these principal changes is that this bill sets up a multipurpose program. The other one is the change with reference to payment of the cost of the structures in flood-control projects.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Kansas [Mr. Hope] and I had two important objectives in mind when we developed the pilot watershed program, which was the forerunner of the legislation you seek to amend today.

Our first objective, of course, was the treatment of small watersheds for the benefit of local farmers and the people living on the lower reaches of the streams to be treated. Probably no other conservation program in recent years has been so universally accepted by farmers, municipalities, and others as has this pilot program.

The other important objective was to provide, as the name implies, a pilot operation from which we could gain the necessary experience to successfully develop an overall program for the entire Nation.

As I interpret your amendment, you proposed to bring the cost-sharing provisions of the Public Law 566 program into line with the provisions of the pilot program. You are drawing upon our experience under the pilot program in revising this cost-sharing provision, are you not?

Mr. HOPE. That is true in a large part. In addition to that, we are doing what I mentioned a moment ago; we are authorizing multipurpose projects rather than purely flood-control projects.

I am glad the gentleman mentioned the pilot plant projects which have been so successful. Everyone in this country who is interested in water conservation owes him a debt of gratitude for the great part he had in making this program possible.

Mr. H. CARL ANDERSEN. Certainly; the gentleman from Kansas [Mr. Hope] has been a leader in behalf of agriculture all the years he has served in Congress. The gentleman from Texas [Mr. Poage] has for a good many years been interested in watershed protection legislation and has been one of the leaders in Congress with respect to it. He has suggested that after all, if it is fair for the Federal Government to assume the entire cost of the flood control in the program of the Army engineers and the reclamation program, why is it not fair to accord to the watershed protection program, which means so much to the rural communities of America, the same degree of protection? I think the gentleman from Texas was absolutely correct and I wish to compliment him and Mr. Hope at this time upon bringing this bill before the House.

Mr. HOPE. As the gentleman has well said, this brings the program as far as construction costs of the structure are concerned into line with other flood control programs, whether by the Army engineers or under the reclamation service. Under this bill the cost of that part of the structure that goes to flood control is paid by the Federal Government. This is the only type of project where local people have been asked to share the cost of flood control structures.

This bill is a logical extension of the original Watershed Act which became a law in 1954. The fact that we are back here so soon, you might say, with an extension of that act, shows how rapidly we are moving in the field of water development in this country.

It has been only during the past 4 or 5 years, let me say, that the American people have come to realize the great extent to which we have depleted our water resources. And they are beginning to see the great demands that will be made upon our water resources in the years ahead by our increase in population, by our expanding industrial uses for water, as well as increased household uses. We are consuming tremendously increased quantities of water for all these purposes to say nothing of the expanding use of water for irrigation even in the more humid sections.

I believe anyone who has studied the water question at all must agree and admit that it is one of the most serious problems confronting the country at this time. Many of us who have been working on this legislation believe the only way we are going to solve this great problem of making the wisest and best use of our water is by storing that water in the soil or in small reservoirs near the place where it fell. Of course, some of it will get away and we will have to have larger dams down the streams. Some of it we will want for reclamation. That will be taken care of under reclamation projects large and small. But the nearer we can come to holding this water near the place where it falls the better job we are going to do in conserving our water resources.

That is the purpose of this legislation. It provides for multiple uses of water. There is a general realization that the original act was too limited in providing only for flood control.

It was very apparent soon after the act was passed that people regarded it as being too limited, because we immediately began to get inquiries as to why a small city, for instance, which wanted to put in some water storage could not combine its project with a flood-control project and thus get municipal water. People were interested in getting water for irrigation and industrial purposes or any of the other multitudinous uses to which we put water in our complex economy of today. So that is one of the important changes we have made in this bill. We have made it a multiple-purpose piece of water legislation.

The the second change is the one that was mentioned particularly and dwelt upon by the distinguished gentleman from Texas [Mr. Poage], that is, that we are now putting this legislation in the same category as all other flood control legislation in that we are requiring that the Federal Government pay the cost of flood control structures. I said we are putting it in the same category. We are not, however, because if you have a flood control project built by the Army engineers the Federal Government not only pays for the construction, it pays for the site and it pays for the maintenance thereafter of the project. Here the site will be furnished locally, and after the structure is completed the local people must assume the cost of maintaining it. So we have not gone in this legislation as far as the participation of the Federal Government in the cost is concerned as we have in flood control projects of the Army engineers and that reclamation projects which deal in part with flood control. In view of what is being done by other agencies we feel that in all fairness to the people who have to pay the cost of these small flood control projects the Federal Government should at least bear the cost of the structures. That is all we are asking the Federal Government to do.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. May I ask my able colleague from Kansas, who is familiar with the Washita project, this question. The Sandstone and other segments of the Washita River Basin was initially a pilot soil conservation district project wherein the Government paid the entire cost and the local people furnished the right-of-way and land. This was an excellent program. Will this new measure be similar to the 11 pilot projects? One phase of this new program will be similar to that, will it not?

Mr. HOPE. It will be similar to the 11 projects of which the Washita is one. As the gentleman from Minnesota pointed out, it will also be more nearly like the original Pilot Plant Act that we passed a few years ago.

Mr. WICKERSHAM. In Oklahoma many worthwhile soil-conservation projects have been approved by our able Soil Conservation Service and soil conservation district officials. Though there are not sufficient funds under existing programs to put them all on a priority basis, would this permit a number of projects to be approved without limiting the number of needy projects?

Mr. HOPE. There would be no limitation on the number of projects. The only limitation is the amount of money which might be made available.

Mr. WICKERSHAM. I wish to thank the gentleman and compliment him and members of the House Agricultural Committee in pressing for passage of this legislation.

Mr. HOPE. There are, of course, many, many projects which are now going through the mill, both in the States and in the Department of Agriculture. We do not know how large this program may finally become, but the interest in it is tremendous.

Mr. WICKERSHAM. Again permit me to commend the gentleman from Kansas.

Mr. HOPE. I am sure the program will expand, and rapidly, especially if we pass this legislation.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. CHELF. May I say to the gentleman I am very much interested in this legislation. It will go far toward helping our farmers and our local State governments to preserve our water supply and our soil as well. I see something here I would like to have the distinguished gentleman clarify for me. The bill reads:

> Such loans shall be repaid in not more than 50 years from the date when principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury—

Suppose you have a Secretary of the Treasury at some future time who is unfriendly. One who is not interested in this program. A Secretary who would like to see an honest and a practical application of the law fail. Suppose he makes the interest rate so high that the local water districts cannot make these loans. What happens in that case? Who determines the interest rate?

Mr. HOPE. The rate is that rate at which the Federal Government is borrowing money. That is what determines the interest rate. It is the interest rate on long-term borrowings by the Federal Government.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. POAGE. The gentleman from Kentucky did not read the entire sentence. It says:

> At the average rate of interest, as determined by the Secretary of the Treasury, paid on long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

It becomes simply a ministerial act on the part of the Secretary of the Treasury to make the calculation—that is all he can do—and it is about 2½ percent.

Mr. CHELF. You mean that Congress has no control over the interest rate on this type of loan?

Mr. POAGE. The Congress has the control. We have said it shall be whatever the United States Government is paying for money. In other words, the purpose of it is to see that the United States does not lose money as a result of financing this—yet, we give the money to these localities at the least cost that we can to the Federal Government.

Mr. HOPE. As the gentleman from Texas has so well said, it is a purely ministerial act on the part of the Secretary of the Treasury. The interest which is paid depends on the rate that the United States Government has to pay.

Mr. CHELF. I hope the interest rate is kept low so as to encourage these loans and thereby insure the success of this program. Our farmers and our country need this legislation badly. It will succeed if it is administered fairly and properly.

Mr. HOPE. I am in thorough accord with the gentleman and want to take this occasion to express my appreciation of the great interest he has always taken in watershed problems.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am happy to yield to the gentleman.

Mr. MILLER of Nebraska. Is there any limitation in the bill on the size of the loan? I notice the Department of Agriculture recommends an upper limit of $5 million on any one project. Does the bill carry any limitation?

Mr. HOPE. We did not put any limitation in the bill as to the amount of the loan, but, of course, the nature of these projects of itself puts a limitation on them. You cannot have a very large loan when it is limited to this type of project. I do not know whether there will be any loans of more than $5 million or not—there possibly might. The great majority of them will be considerably less than that, in my opinion.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to my colleague on the committee, the gentleman from Indiana.

Mr. HARVEY. A question has been brought to my attention and I am asking this question of the gentleman from Kansas [Mr. Hope] for the purposes of clarification. The provisions of this amendatory act in addition to the original act itself in no way imposes any unwanted project upon any community. In other words, the initiative and the solicitation for the project must originate in the local community.

Mr. HOPE. I am glad the gentleman brought that up. That is the purpose of the original act and it remains the purpose of this amendment. These are local projects and they are initiated locally and under the control of local people at all times.

Mr. HARVEY. I thank the gentleman.

Mr. JOHNSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JOHNSON of Wisconsin. Is it not a fact that the hearings have brought out that under the original law, Public Law 566, the Department of Agriculture found out that the farmers could not determine what the cost was going to be and, as a result, the projects have been slowed up so they are not going ahead the way we expected them to. We expect now that by the Government sharing the full cost of the dams, they will be able to give the participating people in the watershed more of an idea what their cost is going to be. Thus there will be more watersheds come under the act.

I believe the hearings brought out also the fact that they are unable to determine what the cost sharing would be until the project was ready for final O. K. by the Department.

Mr. HOPE. Yes. The points which the gentleman makes were all brought out in the course of the hearings. I think each one of us who has been interested in the matter have had situations of that kind called to our attention many times. That is, the local people have some hesitation in going ahead without pretty good knowledge of what their share of the cost will be. To a considerable extent this legislation will help that situation in that it will lessen the burden on the local communities.

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. In the last session of Congress we considered a small-projects bill with regard to the reclamation law. That was amended to provide for a program under the Department of Agriculture. It has been tied up in conference, I understand, because of the difficulty of working out a bill for providing for 2 programs in 1 bill. In the opinion of the gentleman this bill tends to specify the program in the Department of Agriculture so that that bill might be considered from the standpoint of the local participating program which will result in substantial savings to the Government.

Mr. HOPE. The gentleman is referring to the small-projects bill passed last year.

Mr. THOMSON of Wyoming. Yes.

Mr. HOPE. Yes. It has been a disturbing thing to the Department of Agriculture to find that they would be compelled to administer two programs, each authorized by a separate piece of legislation, which in a sense, would be competing with each other. This legislation will clarify that matter and I assume in the conference between the two Houses on the small-projects bill the conflicting matter will be eliminated.

I am sorry I have not had time to discuss all phases of this legislation, but those of you who are interested will find them fully and clearly set out in the report.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HILL. Mr. Chairman, H. R. 8750 is important legislation, especially for us of the West. The seven amendments in this bill will make the present Watershed Protection and Flood Control Act more usable and workable. It will provide a program for Federal assistance for conservation, utilization, and control of water.

Of the 7 changes offered, the first 2 are the most important:

> 1. The general scope of the act is broadened to include all aspects of the conservation, development, utilization, and disposal of water—not just the "agricultural phases" of these activities as provided in the present act. This means that such things as municipal and industrial water supplies may be included as part of a watershed program.
>
> 2. Permits the building of dams with a capacity in excess of 5,000 acre-feet if the capacity in excess of that figure is for purposes other than flood prevention and the construction cost of such excess capacity is borne entirely by the local cooperating organizations.

When Assistant Secretary of Agriculture E. L. Peterson testified before our subcommittee—of the Committee on Agriculture—he stated:

> A distinguishing feature of watershed projects is that land treatment becomes an early consideration in the management and use of water. It is the objective of these projects to develop and increase the usable water supplies and to begin the controls and management of water on the fields and forests where it first falls as rain or snow.
>
> Developing and making best use of the water supply for irrigation and other productive uses, as well as for flood prevention and drainage, requires a combination of both engineering and land management practices. Water management must be compatible with the management of farms and the needs of urban communities that make up the watershed if we are to meet the increasing demands on water supplies. A dominant consideration in watershed planning is the interrelationship of land and water.
>
> We view the work in small watersheds to be a needed complement to other necessary work on the larger rivers. Where there are direct relationships between upstream and downstream developments they are being taken into account in the planning of watershed projects and in reviews of the work plans by all State and Federal agencies who may have water-resource responsibilities.
>
> We have been encouraged by the acceptance of the provision of the act that watershed projects are to be local projects with assistance from the Federal Government rather than projects planned and built by the Federal Government. We have been pleased with the willingness of watershed communities to assume development and management responsibility, and with the action of State governments to provide enabling legislation that permits local communities to take on these responsibilities.
>
> All of the 48 States have designated State agencies or made other appropriate arrangements to handle the review and approval of applications for assistance under the act. As a part of the process of tooling up to provide for State and local participation in watershed projects, the legislatures of 20 States enacted 37 separate pieces of legislation during the calendar year 1955 to strengthen State and local participation with the Federal Government in carrying out projects under this legislation.
>
> State legislative action since January 1 indicates that additional State legislation, including State financial assistance, is under consideration.
>
> In the past 18 months the Soil Conservation Service has received 438 State-approved applications for assistance under the act. Information from the field indicates that the rate of applications is continuing to increase.
>
> The Soil Conservation Service has to date approved planning in 135 watersheds of those for which applications have been received. All of these approvals have been based on priority recommendations of the State agencies which have the approval responsibility.
>
> A planning organization has been built up, including 38 planning parties in the States. Some 27 plans have been completed in the field and are being reviewed in Washington. Of these, 16 have been transmitted to other Federal agencies and the governors for review in accordance with the provisions of the act, and 8 of the plans have been transmitted to the Bureau of the Budget for consideration in connection with their transmission to the Congress.

Water is our most important natural resource. We should develop our watersheds, cultivate and expand them, as well as protect our soil from constant erosion by damaging floodwater. This legislation points in that direction.

Mr. DORN of South Carolina. Mr. Chairman, this is a very important matter. I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 30]

Addonizio
Allen, Calif.
Allen, Ill.
Ayres
Bailey
Barden
Barrett
Bass, Tenn.
Baumhart
Betts
Blatnik
Bowler
Boykin
Bush
Byrne, Pa.
Byrnes, Wis.
Carlyle
Carrigg
Chatham
Chiperfield
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Dague
Davis, Tenn.
Davis, Wis.
Dingell
Donovan
Doyle
Durham
Eberharter
Fenton
Flood
Fogarty
Forand
Fountain
Fulton
Gamble
Garmatz
Gary
Gavin
Granahan
Grant
Green, Oreg.
Green, Pa.
Gubser
Haley
Healey
Hébert
Hess
Hiestand
Hillings
Hoffman, Ill.
Holland
Jackson
James
Jenkins
Jensen
Johnson, Calif.
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilburn
King, Pa.
Knox
Lankford
McConnell
McCulloch
McDowell
Macdonald
Machrowicz
Matthews
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Moulder
Mumma
O'Hara, Minn.
O'Neill
Osmers
Philbin
Phillips
Pilcher
Pillion
Powell
Quigley
Reed, N. Y.
Rhodes, Pa.
Riehlman
Saylor
Scherer
Scott
Sheehan
Shelley
Sieminski
Sixes
Simpson, Pa.
Spence
Staggers
Taylor
Thompson, Tex.
Vanik
Van Zandt
Walter
Watts
Widnall
Wier
Williams, N. J.
Williams, N. Y.
Wilson, Ind.
Wolcott
Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8750, and finding itself without a quorum, he had directed the roll to be called, when 300 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MATTHEWS. Mr. Chairman, I wish to express my deep interest in H. R. 8750, which is the result of legislation our Committee on Agriculture began working on this past year.

I believe this legislation will help our farmers get irrigation, which they so badly need. In several of the counties in my Eighth District of Florida, drought conditions have been fought by many of our farmers for the past few years, and I am hopeful that H. R. 8750 will offer them the assistance they need to cope with this problem.

I certainly hope this important legislation, H. R. 8750, as reported by our Committee on Agriculture, will pass.

Mr. LANE. Mr. Chairman, the problems of water, ranging from lack of it to sudden excess, has had a major influence on the life of man from the very beginning of his life on this globe.

In our time, we have been inclined to take this element for granted, thinking that our nature had become our docile servant.

The storms and droughts and floods of recent years have cured us of this superiority, for the cost has been enormous.

As we now come to grips with the problem, we become aware of contradictions in such Federal laws as we have that deal with the overall question of water. Unfortunately, we have approached the problem in piecemeal fashion, without having a complete and unified policy.

H. R. 8750, helps to correct some of these shortcomings.

Most people associate water control with agriculture, the Mississippi and the West, big dams and large projects.

Yet, in recent years, the East and the Far West have suffered the most disastrous floods.

Somehow, people do not think of municipal and industrial water supplies as part of a watershed program.

When they should be, for you very well cannot have one without the other.

At this time, I want to pay tribute to the Army engineers for the fine work they have done on flood control, extending back into the last century. The engineers have had to cope with big problems. Perhaps they have not had the time nor the means to take care of the smaller ones. At any rate, as we in New England have learned, floods seem to come out of nowhere. And preventive measures seem to bog down in endless red tape.

We in New England need the smaller dams to give us protection.

We need a tie-in that would enable municipalities to increase the size of their water supply reservoirs to provide at the same time a measure of flood control. This has been restricted by the

limitation on the size of authorized impoundments.

> The committee considers that the Secretary should not provide for any part of the construction costs allocated to municipal and industrial water supply or other similar purposes. Municipalities will, however, benefit in many instances through cheaper storage resulting from a combination of flood prevention and water supply capacity in the same structure. Moreover, municipalities would be eligible for a loan under the new loan provisions of the bill.

Furthermore, the amendment to section 4 provides:

> That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention.

The amendments would also permit planning of a structure providing more than 5,000 acre-feet of total capacity but only if the structure is, first, an integral part of the watershed plan; second, the capacity in excess of 5,000 acre-feet is for other than flood-prevention purposes; and, third, the construction cost of the excess capacity is to be borne by the local organization.

The emphasis, rightly, is toward a total watershed plan.

We cannot isolate and deal with one factor of the water problem, and ignore the rest.

We must have a multiple-purpose water and land-management program instead of one that is limited to flood-prevention and agricultural water management.

This is the final objective.

H. R. 8750 will help us to make further progress toward that end.

I may have certain misgivings that this bill does not go far enough, and in time, but I am going to support it because it is a step forward.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I am in favor of H. R. 8750. It is only logical that I shall vote for H. R. 8750 because it is identical to my bill H. R. 8738.

Before I discuss a few of the specific merits and provisions of the bill, I should like to make a general observation with respect to soil and water conservation programs. The general observation sums up my philosophy on this matter.

It is my belief that every citizen—regardless of whether he lives in a city, a village, a suburban area or on the farm—has a vital stake in the conservation of our soil and water resources. If we did not have enough fertile soil, adequate water supplies, efficient farmers and a good system of distribution the majority of people—living in cities, villages, and suburban areas—would not have enough food to meet their daily living requirements.

For this reason, then, I believe every citizen-taxpayer must share—through Federal aid programs—in the cost of conserving our soil and water resources. Farmers, alone, cannot pay for the costs of maintaining the soil; and we should not expect farmers to do so.

The bill now before the House recognizes this principle, and there are provisions in the bill to correct certain inequities that have held back programs extending and promoting soil and water conservation practices designed to improve the general welfare of all people.

I know that there are a number of watershed associations in the Ninth Wisconsin Congressional District whose members—as individuals—have gone as far as they can financially go in water and soil conservation programs. The members of these watershed associations are willing to do conservation work on their farms; but they cannot afford to pay for the cost of flood control dams. I am sure that there are many, many other regions in the country where the same situation prevails.

Under provisions of the present law the cost of flood prevention dams is shared equitably by the Federal, State, and local agencies in proportion to benefits received. H. R. 8750 amends the law so that the cost of flood prevention dams is borne by the Federal Government.

The bill also eliminates from the present law the necessity of submitting to Congress and to the President detailed plans and justification for smaller projects—that is projects involving a Federal expenditure of less than $250,000.

H. R. 8750 permits the building of dams in excess of 5,000-acre feet if the capacity in excess of this figure is for purposes other than flood prevention. The construction cost of such excess capacity is borne entirely by local cooperating agencies. This provision makes it possible for communities, villages, and cities to participate with the Federal Government in planning and constructing multiple purpose projects.

The bill also provides for long-term loans at the Federal Government rate of interest to local organizations for the purpose of financing their share of the cost of programs.

In closing, I wish to say that the bill provides three different levels of cost sharing of projects. In the first level the Federal Government will bear the full cost of flood prevention. This feature will be of particular benefit to farmers who belong to watershed associations.

Under the second level the Federal Government and local agencies will share the cost of storage of water for irrigation, streamflow regulation, drainage and other similar purposes.

Finally, there are projects where the Federal Government will bear no part of the structural costs. These projects include structures for the storage and supply of municipal and industrial water.

Mr. LOVRE. Mr. Chairman, I want to speak in support of this bill that is before us. The Watershed Protection and Flood Prevention Act was signed into law about a year and a half ago. The fundamental principle of that law is very simple and very American. It provides for Federal aid to local organizations in carrying out their own locally initiated and executed programs of watershed protection and flood prevention.

The amendments that we are considering are essential to make this principle fully operative. This watershed work is a program through which the Government gives a helping hand to local communities. It is a partnership operation, so to speak, with the local community playing the role of senior partner. And that is the way I think it should be. That is the way the people of South Dakota think it should be.

Experience gained in watershed work during the past year and a half has demonstrated the need for these proposed changes. The local organizations should be able to obtain help for, and to include in their watershed plans all types of improvement for better soil and water management.

These amendments, too, will make for more equitable cost-sharing arrangements. When the local people pay for applying the necessary soil and water conservation measures on their farms; when they supply the land, easements, and rights-of-way for structures; when they contract for all structures and guarantee their operation and maintenance; they have certainly done their share. The least the Federal Government should do is pay the cost of construction for the flood-prevention structural measures that provide community benefits. The truth is that the national benefit resulting from the work that farmers are doing to conserve and improve the lands of this Nation for our children and grandchildren more than offset such Federal contribution to construction costs.

We are all fully aware that the farmers of this Nation are today the least able of all its citizens to take on additional financial burdens.

Another fact that we should keep constantly before us is that water is becoming more and more the basic limiting factor in agriculture and our entire national economy. Water is the key to future progress. Water conservation is growing in importance by leaps and bounds. Here is a program that offers vast opportunities for actually doing something about the water situation in local communities. It brings the water element into balance with the soil element in our going soil- and water-conservation program in America.

I should like to point out, too, that watershed work that will be made possible by these amendments will be especially helpful in advancing the conservation programs of soil-conservation districts throughout the country.

In South Dakota farmers have organized 66 soil-conservation districts. These districts are managed by locally elected, dedicated people. Through these districts farmers are moving forward in putting sound soil and water conservation into practice on their land. These amendments will make help in watershed protection and flood prevention more readily available to the districts for tackling water management problems that involve a number of farms or whole communities. In the applications received so far over at the Department of Agriculture, I think it is highly significant that in practically every instance a soil-conservation district is one of the local sponsoring organizations of watershed projects.

These proposed amendments to the Watershed Protection and Flood Prevention Act can make a substantial and significant contribution to speeding up soil and water work in South Dakota and all of the United States.

Our soil and water conservation is good and effective. What we need is to get on faster with the work. This bill will help in that respect. I urge that the House go on record as passing H. R. 8750 by a unanimous vote.

Mrs. BLITCH. Mr. Chairman, in 1954 when the full force of the worst drought within the past 30 or 40 years struck Georgia, we in the Southeast who normally enjoy such a generous annual rainfall, came to realize the urgent need for small watershed projects. At that time, there was pending in the Congress an act which came to be known as Public Law 566. Press notices from the Nation's Capital to the effect that this bill had passed met with a great deal of jubilation among the farmers, sportsmen, and municipal officials of the Eighth Congressional District of Georgia.

The Satilla Soil Conservation Agency, which covers several counties in my district, sponsored a meeting which led to the formation of the Satilla Watershed Corp. This became the parent organization of many prospective small watershed groups. It was not long before these groups had a rude awakening. They found out that under the provisions of Public Law 566, there was little which would benefit them. Coming from a large rural district that is blessed with many streams, most of which have been running almost dry during the past several years, and being a farmer myself, I, too, was greatly disappointed and distressed over the futility of trying to obtain watershed help from the Federal Government under the provisions of Public Law 566. Therefore, when I came to Congress the first order of business with me was to attempt to get something done which would relieve this terrible situation. I introduced, last year, an amendment to Public Law 566. It was a simple amendment, but it called for the removal of the limitation of all other projects except flood control which was the crux of the problem of Public Law 566. The gentleman from Texas [Mr. Poage], who is chairman of the Commodity and Credit Subcommittee of the Agriculture Committee, very generously granted my request for public hearings on my amendment. I had not realized, Mr. Chairman, the tremendous fight that those who have been on the Agriculture Committee for a long time had been making to provide a really beneficial watershed program for the people of this country until I attended all the public hearings on my bill, participated in them, heard all the testimony and read all the committee hearings which had been held on Public Law 566 during 1954.

Right now, Mr. Chairman, I want to pay high tribute to the gentleman from Texas [Mr. Poage] and the gentleman from Kansas [Mr. Hope] and many others of the Agriculture Committee for the fight they have been making on this program for a long time, and I want to thank them for their generosity in giving me such a sympathetic reception to the problem that faced not only all my particular district, but the entire United States. While these hearings were going on, I learned, too, that there were others intensely interested in this problem. Congressman Jones of Alabama introduced a small watershed bill; Congressman Engle, of California, introduced a small water projects bill. The problems of the reclamation States and the rest of the Nation are somewhat different. Neverless the gentleman from California [Mr. Engle] with great generosity I thought, accepted the provisions of Mr. Jones' bill in his own small water projects bill, and while the result—because the bill would have had to be administered partially by the Secretary of the Interior and the Secretary of Agriculture—was rather confusing. Nevertheless, the Members of this House felt the need for such legislation and I joined with them in passing it.

The bill went to the Senate and was rewritten into two parts; title 1 dealt with Mr. Engle's bill and was to be administered by the Secretary of the Interior, and title 2 of the Senate bill dealt with Mr. Jones' bill and was to be administered by the Secretary of Agriculture. However, that bill has lain in conference committee since last year, and it has been impossible to get it out. I believe, Mr. Chairman, that if the House passes the small watershed bill we have before us today, the impasse in the conference committee will be resolved. It is certainly my hope that the small watershed bill will pass this House today, and the Senate will pass it, and I certainly hope that Mr. Engle's bill then can come out of the conference committee free of the provisions that were put in to relieve all the other States outside the reclamation States.

Within the past 25 years our country has made amazing strides in the conservation of its soil. It has taken us some time to realize that water is our most precious asset, and that it, too, must be conserved to the very best of the ability of our citizens. With the great increases in population and the giant increase in industry, the need for water has outgrown by far the expectations anyone could have had even just a few years ago, and so it becomes extremely pertinent that the enactment of Federal legislation for this purpose take place as quickly as possible.

Last year, Mr. Chairman, the hearings on the bill I offered were not concluded until close to the end of the session. By that time the Agriculture Committee members and I, myself, realized that the bill I had offered was not comprehensive enough. While it opened up in a general way the possibilities for all types of water conservation within the small watershed projects, these were not spelled out. Upon consultation with experts from the Department of Agriculture and the members of the Agriculture Committee, we all agreed that a new bill should be written and that we did not have time in the remaining days of the session to do this. We agreed that the committee and the staff acting with the advice of others very close to the problems faced by the country on water conservation should then draw a bill that would be offered at the beginning of the present session. The bill we are considering today is the result of a year's work. It goes far beyond my highest expectations in providing a really workable small watershed program. In the first place, the Federal Government will, under this bill as it has heretofore done in all other legislation relating to the subject, bear the full costs of each project insofar as it relates to flood control. I submit that this is the only fair thing that could have been done.

The bill goes further than helping the farmer. It brings in municipal groups, wildlife organizations, recreation groups, and industry. It is really, Mr. Chairman, a multipurpose small watershed projects bill. For the first time to my knowledge, the Congress has an opportunity to consider legislation that is truly comprehensive in this field. We include in this bill a lending program. While the flood-control project, which is to be paid for in full by the Federal Government, is limited to 5,000 acre-feet there is no limit up to the sum of $5 million as to what each project can include. The various groups participating in this project can obtain loans at a low interest rate for a period of 50 years to carry out the purposes of the bill. Because so many projects will amount to comparatively small sums, any amount up to $250,000 can be borrowed from the Government without congressional approval. This is a most important aspect of the bill, because it makes it extremely workable.

Farmers and all groups must practice soil-conservation measures under this bill. It is going to be possible now, after this bill has been enacted into law, for all farmers participating in these small watershed projects to have irrigation, a need that is more poignantly recognized each year by our farmers. We now know that it is highly foolish to practice water conservation without accompanying soil-conservation measures. Water, insofar as it is possible, should be held on the ground where it falls.

I think this is extremely important, and even in sections of the country that are blessed with abundant rainfall there is no control over when the rain will fall, and oftentimes there may be weeks or even months of drought, when irrigation could save a crop. The farmers need not only rainfall. They need water at the proper time to get the most out of crops that they raise. Cities can participate in these projects, for municipal water supply and for water-purification purposes. Recreation groups can use the pools or reservoirs that are created by the backing up of water, and they can become marvelous community projects for young and old by providing all water sports and fishing facilities. All of us know that there is need for conserving water as never before, and that we should put it to as many uses as we possibly can.

One thing I would like particularly to point out is the fact that drainage is defined as a part of the flood-control project. This makes sense to the flatland regions of our Nation because while we do not have floods in the same drastic manner as come in some of the hilly sections of the Nation, we do have the problem of water overflowing the banks of streams and standing there for long periods of time. This tends to make the lowest part of our croplands, which are incidentally usually the most fertile, almost impossible to cultivate. In my section of the country softwood trees grow in prolific abundance. The constant settling of water in many areas kills off the seedlings of the softwoods which are of great economic value to us, and leaves the land barren.

I want to point out another thing which has happened since the adjournment of the Congress last year. We have had some of the most disastrous floods in the history of the country, in New England, California, and other places. If this bill had been in operation and small-watershed projects had been in existence, millions and millions of dollars would have been saved, not to mention the lives that were lost in those floods. I know of no real opposition to this bill, Mr. Chairman. I firmly believe that the House will pass it.

Mr. Chairman, this is the first bill I have ever introduced to reach the floor of the House. I am grateful for the sympathetic consideration it has received from the membership at large. I am grateful that the gentleman from Texas [Mr. Poage] and the gentleman from Kansas [Mr. Hope] and others thought so much of this bill that they introduced it, too. I am proud that the nature of the bill is such that the great majority of the membership sees and believes in its need.

Mr. HOPE. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. H. Carl Andersen].

Mr. H. CARL ANDERSEN. Mr. Chairman, I want to go on record as favoring this bill very much. Again I wish to compliment the committee on bringing into line with the Army engineers' great work and with that of Reclamation the same rights for our small watersheds throughout the Nation relative to the Federal Government's assuming the cost of the actual flood control features.

The gentleman from Texas [Mr. Poage] and others who have introduced these amendments to Public Law 566 are to be commended for their alertness to the need for further refining this basic legislation.

We have, as we had hoped, learned many things from the Andersen-Hope pilot watershed program. In starting that program we were responding to a prime agricultural need, and experience has already shown that benefits to agriculture alone far exceed the actual costs of the projects going forward under the pilot operation. As an intentional byproduct of this program, we have gained priceless knowledge of the collateral benefits to the people living in the cities and villages downstream.

On other farm legislation we have had the unfortunate situation in which unthinking people or those motivated by selfish desires to see their individual views prevail have attempted to divide farm and nonfarm people. It is no credit to them that they have been highly successful in their efforts, and as a result we find the metropolitan press raising a great outcry against farm legislation in general.

Under the pilot watershed program, however, we have an agricultural undertaking which has been warmly endorsed and, in some instances, actually fostered by nonfarm people. My own Seventh Congressional District of Minnesota is an excellent example.

In southwestern Minnesota we have a relatively flat terrain in which water disposal is about as serious a problem as water retention. The pilot program takes into consideration the basic understanding that flood prevention is as much a part of watershed treatment as the effective utilization of rainfall on crop and rangeland.

We have already seen dramatic results from the pilot projects in our area. Beginning on the land where the water first falls, our farmers, with the guidance and technical assistance provided by the soil-conservation districts, have applied land treatment and conservation practices which porvide maximum retention and utilization of the rainfall. A significant part of the water which formerly rushed downstream to flood farmland and villages alike is now kept right where it falls.

In seasonal periods of heavy precipitation, however, we find more water falling than could possibly or desirably be kept in the soil itself. This brings us to the second important phase of the pilot operation in our area. With local cooperation in the form of easements, reservoir sites, and so forth, the Soil Conservation Service steps in and constructs dams and water-retarding structures to either hold the water indefinitely or restritc it temporarily and then release it at a controlled rate which will avoid costly flooding below. With the exception of flood prevention on downstream farmland, these structures are for the primary benefit of city dwellers and municipalities.

The third important phase of the pilot watershed treatment applies to the ditches and streams themselves. These are cleaned out, channelized, and otherwise physically treated so that they can carry away the determined amount of water during peak seasons without flooding the lower reaches. This work is also of great benefit to the nonfarm people downstream.

In the watershed areas our municipalities have three major problems involving water. First, they have the problem of seasonal floods which do great damage to private and public property, risk lives, and depress commerce. Second, they have the physical and sanitation problem of sewage disposal when their sewage plants are inundated by flood waters. Third, they have the ever-increasing problem of maintaining adequate water supplies for public use.

Personally, I believe the pilot program has exceeded expectations in meeting all three of these nonfarm problems. On this matter of floods, we find that upstream treatments have been highly successful in preventing downstream floods. City residents who had come to look upon seasonal floods as almost a way of life now see the ending of this menace to life and property. It is not at all remarkable that they have become so enthusiastic about the watershed program. They, too, share in very large measure in its benefits.

During flood seasons, I have made on-the-spot inspections of municipal sewage systems which have been inundated by floodwaters. The effects of such inundation were shocking, to say the least. With sewage disposal plants knocked out and raw sewage entering the streams, a serious threat to health was presented. You can well imagine the difficulties facing householders with their disposal system shut down. Prevention of such conditions by the flood-control measures of the watershed program naturally merits high approval from city residents and municipal officials.

Municipal and individual water supply problems are mounting rapidly throughout most of the Nation. Here, again, we see material benefits for nonfarm people in this program. Communities depending upon wells for their water supplies have had them shut down and all but destroyed by ravaging floods and sewage contamination. Additionally, as the water tables have fallen they have had to drill new wells and deepen the old. Today, we are eliminating the flood threats and raising the water tables in many areas of short supply.

The amendments before us will do even more to meet this problem of short municipal and industrial water supplies. The bill provides that municipalities may develop primary or supplementary water supplies by merely paying the additional costs on reservoirs above 5,000 acre-feet of flood-prevention capacity. This additional feature of the watershed program will be of tremendous benefit to water-starved communities in many areas. Again, we have an excellent example of the immediate benefit of a vital farm program to nonfarm people.

The Anderson-Hope pilot watershed program, which had its inception in my Subcommittee on Appropriations for Agriculture while I was chairman, has opened up a new era of mutual helpfulness and cooperation between farm and nonfarm people. It has given us invaluable experience and technical know-how for application on other watersheds throughout the Nation. It has borne the burden of pioneering and has advanced the cause of conservation and flood control immeasurably.

Mr. Chairman, as the gentleman from Kansas [Mr. Hope] has well stated, we have here a program which has been enthusiastically received by the Nation. The Anderson-Hope pilot-plant program and the Watershed Protection Act which followed have already done much good for conservation in America.

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. POAGE. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Watershed Protection and Flood Prevention Act (act of August 4, 1954, 68 Stat. 666) is amended as follows:

(a) Strike out the third sentence of section 2 and amend the second sentence of said section to read: "'Works of improvement'—any undertaking for—

"(1) flood prevention (including structural and land treatment measures); or

"(1) the conservation, development, utilization, and disposal of water in watershed or subwatershed areas not exceeding 250,000 acres and not including any single structure which provides more than 5,000 acre-feet of total capacity except structures proposed to be constructed by a local organization as an integral part of a watershed plan in which any capacity in excess of 5,000 acre-feet is for purposes other than flood prevention and the construction cost of such excess capacity is to be borne entirely by the local organization."

(b) Section 4 of the act is amended by striking out of the proviso in paragraph (2) the words "That no part of the construction cost for providing any capacity in structures for purposes other than flood prevention and features related thereto shall be borne by the Federal Government under the provisions of this act;" and inserting "That the Secretary shall not require local organizations to assume any part of the construction cost of structural measures applicable to flood prevention."

(c) Section 5 of the act is amended—

(1) by striking out in the first proviso ", and in no event after July 1, 1956";

(2) by inserting after the word "That" in the third proviso ", whenever the estimated Federal contribution to the construction cost of works of improvement in any watershed or subwatershed area shall exceed $250,000,"; and

(3) by inserting in the fourth proviso after the words "That any such plan" the words "involving an estimated Federal contribution to construction costs in excess of $250,000."

(d) Said act is further amended by inserting after section 7 the following two new sections and renumbering subsequent sections of the act to conform:

"Sec. 8. The Secretary is hereby authorized to make loans to local organizations to finance the local share of costs of carrying out works of improvement provided for in this act. Such loans shall be repaid in not more than 50 years from the date when the principal benefits of the project first become available with interest, at the average rate, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year in which the loan is made.

"Sec. 9. The provisions of this act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands."

With the following committee amend-amendments:

Page 2, line 19, strike out the period and insert a semicolon.

Page 3, line 2, strike out the comma.

Page 3, line 6, after the sum, insert "and after the words 'public or other lands' the words 'or wildlife'."

The committee amendments were agreed to.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union reported that the Committee, having had under consideration the bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, pursuant to House Resolution 443, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

STATES RIGHTS

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. VINSON] is recognized for 60 minutes.

Mr. VINSON. Mr. Speaker, the greatness of America can be directly attributed to the wisdom and foresight of those brilliant men who guided the formation of the Union during the Revolutionary War and shortly thereafter.

Farsighted men gave us a Constitution in order to form a more perfect union, but the Thirteen Sovereign States ceded to the Federal Government only those powers that are necessary and desirable for the good of all of the States. They carefully preserved to the several States all the powers not specifically granted to the Federal Government. Those farsighted men were wise beyond their generation. Their wisdom was born of the hard experiences of colonists revolting finally against a foreign master.

They had tested the bitter lesson of a central government arrogating to itself the liberties of free men. And by force of arms they threw off that yoke, declaring that these colonies were, and of right ought to be, free, and independent. They did not intend that another sovereign alien power nor an all-powerful Federal entity should take over from these independent and sovereign States the victory which they had so dearly purchased.

That is why they measured out with such care and safeguards the only powers which they would cede to the Federal Union; they reserved all others to the States and to the people.

Why was our Constitution written in such a manner as to delegate specific powers to the Federal Government? And why did the 10th amendment specifically state that "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people"?

To quote the Supreme Court of the United States, of a bygone day:

> This amendment * * * disclosed the widespread fear that the National Government might, under the pressure of a supposed general welfare, attempt to exercise powers which had not been granted. With equal determination, the framers intended that no such assumption should ever find justification in the organic act, and that if in the future further powers seemed necessary they should be granted by the people in the manner they had provided for amending that act.[1]

Some outstanding Americans have expressed considerable concern over the assumption of powers reserved to the States. For example, I quote from a great American who stated on October 14, 1952, in New Orleans:

> First, I deplore and I will always resist Federal encroachment upon rights and affairs of the States.
>
> Second, I am gravely concerned over the threats to the States inherent in the growth of this power-hungry movement.

This same eminent gentleman, on October 14, 1952, at Houston, Tex., stated:

> America was built by a robust and vigorous people. They operated first through the original States and then through a balance of State and Federal powers. That balance was designed to keep as much of the Government as close to the people as possible—no nation of free men was ever built from the top down—that system of government has served us well for 160 years—that system is one in which States have a vital part. The preservation of local order, elbow room to produce and build, protection of our titles to land, the sacredness of our homes from intrusion, our right to get the best schooling for our children—we were secured these basic freedoms in the first instance by our State, our country and our own home town. These are primarily affairs for logical (local) administration. We must keep them so. Otherwise an all-powerful Washington bureaucracy will rob us one by one of the whole bundle of our liberties—We must preserve and protect this matchless system of States united.

And, at another time, this same gentleman said:

> I want to see maintained the constitutional relationships between the Federal and State Governments. * * * For, if the States lose their meaning, our entire system of Government loses its meaning. And the next step is the rise of the centralized, national state in which the seeds of autocracy can take root and grow. * * * We will see that the legitimate rights of the States and local communities are respected. * * * We will not reach into the States and take from them their powers and responsibilities to serve their citizens.

Now lest I be accused of being partisan in my approach, let me say that the very famous American whom I have just quoted is the President of the United States, Dwight D. Eisenhower.

And let me quote from another source. Let me read from the Republican platform of 1860:

> The maintenance inviolate of the rights of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political fabric depends.

On July 16, 1929, another famous American, then speaking as Governor of a great State, said:

> Our Nation has been a successful experiment in democratic government, because the individual States have waived in only a few instances their sovereign rights. * * * But there is a tendency, and to my mind a dangerous tendency, on the part of our national Government, to encroach, on one excuse or another, more and more upon State supremacy.

And again in 1930, this same outstanding American stated:

> The proper relations between the Government of the United States and the governments of the separate States thereof depend entirely, in their legal aspects, on what powers have been voluntarily ceded to the central government by the States themselves.

Now, Mr. Speaker, the gentleman I have just quoted was, of course, one of our greatest Presidents, Franklin Delano Roosevelt.

I have quoted Eisenhower, Roosevelt, and the Republican platform of 1860 merely to establish the fact that what I say here today is not new. It is something that has been recognized for many, many years.

James Madison, during the debate on the Constitution, wrote as follows:

> The powers delegated * * * to the Federal Government are few and defined. The former will be exercised principally on external objects, as war, peace, negotiation, and foreign commerce. * * * The powers which are reserved to the several States will extend to all the objects which, in the ordinary course of affairs, concern the lives, liberties, and properties of the people, and the internal order, improvement and prosperity of the State.

The concept of a federal union as created under the Constitution, defined by its authors, and interpreted and analyzed by great American Presidents, together with an unbroken line of decisions of the Supreme Court, left no doubt in anyone's mind as to what was meant by the powers preserved to the States by the Constitution.

But on May 17, 1954, 168 years of precedent was shattered and abandoned to the sociological ideas of an alien who mislead nine members of the United States Supreme Court into an attempt to set aside the principles of constitutional government so dearly bought, and so carefully preserved—principles which made us a great and federal union—principles which had protected us against the creation of an all-consuming, all-powerful, Federal Government.

For we know that the Federal Government, like any other uncontrollable growth, has an insatiable appetite, and will continue to expand at the slightest provocation until it has gnawed away at the very fibers which sustain it—namely, the States which gave this Nation its very name—the United States of America. And, when that day happens, and we are fast approaching it, we will have lost the initiative and the greatness of America.

The power to make laws is vested in the Congress; the power to execute the laws is vested in the President; the power to interpret the laws is vested in the judiciary. No power is vested in the judiciary by the Constitution to make the laws—and any power so assumed is in direct violation of the separation of powers that constitute the very heart of our form of government. The Supreme Court may say what the law is; they may not say what the law should be. Only the Congress may write our Federal laws.

But Congress has enacted no law with respect to the manner in which the States will conduct their public-school system because it has no constitutional authority to legislate in this field, but the Supreme Court has not hesitated to inject itself in the affairs of the States.

The Constitution of the United States does not specify how the school systems of the States will operate—nor does it specify how the States will administer the law of domestic relations, or the law of probate proceedings.

The Constitution does not refer to the laws of inheritance; nor does the Constitution provide for the police systems of the various States. But, if the States of this Union sit idly by; if the Congress sits idly by, and permits the Supreme Court to make the laws for the several States, then we will deserve the judgment which will extinguish our representative form of government as we know it.

And, Mr. Speaker, I refer specifically to the decision of the Supreme Court rendered on May 17, 1954.

Mr. DAVIS of Georgia. Mr. Speaker, I make the point of order that a quorum is not present. The gentleman from Georgia is making a speech that the rest of the Members should hear.

Mr. VINSON. Will the gentleman from Georgia withdraw his point and permit me to finish my speech?

Mr. DAVIS. The gentleman is making a great speech and I think it should be heard by the entire membership. Mr. Speaker, I insist on my point of order.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 31]

Addonizio
Bailey
Barden
Barrett
Bass, Tenn.
Baumhart
Betts
Blatnik
Bonner
Bowler
Boykin
Burdick
Bush
Byrne, Pa.
Byrnes, Wis.
Carlyle
Carrigg
Celler
Chatham
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Curtis, Mo.
Dague
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Diggs
Dingell
Donovan
Doyle
Durham
Eberharter
Engle
Fenton
Flood
Fogarty
Forand
Fulton
Gamble
Garmatz
Gary
Gathings
Gavin
Granahan
Grant
Green, Oreg.
Gubser
Haley
Healey
Hébert
Hess
Hiestand
Hoffman, Ill.
Holifield
Holland
Jackson
James
Jenkins
Jensen
Johnson, Calif.
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Knutson
Krueger
Lankford
McConnell
McCulloch
McDowell
Macdonald
Matthews
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Morrison
Moulder
Mumma
Nelson
O'Hara, Minn.
O'Neill
Osmers
Philbin
Phillips
Pilcher
Pillion
Powell
Prouty
Quigley
Reed, N. Y.
Rhodes, Pa.
Riehlman
Rogers, Mass.
Rutherford
Saylor
Scherer
Scott
Sheehan
Shelley
Sieminski
Sikes
Simpson, Pa.
Staggers
Sullivan
Thomas, Tex.
Thompson, N. J.
Vanik
Van Zandt
Vursell
Walter
Watts
Wharton
Widnall
Wier
Williams, N. J.
Williams, N. Y.
Wilson, Calif.
Wilson, Ind.
Wolcott
Wolverton
Zelenko

The SPEAKER. Two hundred and ninety-two Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT OF COLUMBIA TRANSIT BILL

Mr. HESELTON. Mr. Speaker, I ask unanimous consent that I may be permitted to have 2 days to file minority views with respect to H. R. 8901, the District of Columbia transit bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

STATES RIGHTS

Mr. VINSON. Mr. Speaker, as I said just before the quorum call, I refer specifically to the decision of the Supreme Court of May 17, 1954.

The Congress of the United States has not spoken with respect to the matter of operating integrated schools in the States. And the Congress has not acted because it has no constitutional authority to act. No responsible person ever really thought there was constitutional authority for this unwarranted invasion of the reserved powers of the States until the May 17, 1954, decision, when the Supreme Court abandoned all the judicial decisions of its predecessors and took it upon itself to change the Constitution in their own name.

Now let us analyze a few portions of that unfortunate decision of May 17, 1954.

What happened on that day was that nine men of the Supreme Court unwittingly, perhaps, arrogated to themselves the whole constitutional Federal system of government.

While sitting nominally as a court they actually took upon themselves the powers of a constitutional convention, as well as the powers of the 531 Representatives of the States sitting in the Congress, and of the legislatures of three-fourths of the States, when they amended and ratified, in one judgment, the whole of the Constitution and all of the decisions of their predecessors.

This is what they said:

> In approaching this problem

Of segregation—

> we cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896, when *Plessy* v. *Ferguson* was written. We must consider public education in the lights of its full development and its present place in American life throughout the Nation. Only in this way, can it be determined if segregation in public schools deprives these plaintiffs of the equal protection of the laws.

Now let me repeat the first part of this portion of the decision:

> In approaching this problem—

Said the Supreme Court—

> we cannot turn the clock back to 1868 when the amendment was adopted.

In one fell swoop this new, self-created legislative body, under the guise of the

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[1] *Kansas* v. *Colorado* (2-6 U. S. 46 (1907)).

Supreme Court, abandoned and destroyed a cardinal rule of construction and interpretation that had been in existence since the beginning of judicial systems.

Every student of law knows that in the construction and interpretation of every document, the date, together with the conditions and circumstances surrounding the date, must necessarily be considered in fixing the intention of the parties at the time the instrument was executed. As a matter of fact, the true intention of the parties at the specific period in question, is the very purpose of a judicial inquiry. And where it is a legislative enactment, even the journals and minutes and records of the speeches, pro and con, are referred to in the ascertainment of this intention.

Another great cardinal principle of law that was violated by the Supreme Court on May 17, 1954, was the abandonment of the doctrine of stare decisis as a result of the decision of Plessy against Ferguson rendered in 1896, which had confirmed the early and proper meaning of the 14th amendment. On the basis of this 1896 interpretation, billions of dollars have been invested by the various States of the Union and their agencies, and by private investors, in segregated schools, as well as recreational and social facilities in various parts of the United States.

Thus the action of the Supreme Court on May 17, 1954, amounted to an expropriation, and a confiscation, of public and private property.

In addition, this same Supreme Court which rendered its decision on May 17, 1954, completely overlooked, or refused to acknowledge, the legislative history of the 14th amendment.

At the very time that the proposed 14th amendment was under debate in the Congress, the Congress enacted legislation dedicating certain real estate in the city of Washington to the establishment of Negro schools in the District, and simultaneously amended an earlier law to insure that the trustees of colored schools in the cities of Washington and Georgetown should receive a proportionate share of the school fund.

In 1868, just after the 14th amendment had been ratified by the requisite number of States, Congress passed a law transferring the duties of Negro trustees of Negro schools to white trustees of public schools.

Thus we find that the same Congress which, in proposing the 14th amendment to protect the Negro in his civil rights within his State, did not consider attendance at nonsegregated schools one of those civil rights to which the Negro was entitled in the District of Columbia.

How anyone can possibly argue that the 14th amendment was ever intended to prohibit segregated schools is beyond comprehension.

As a matter of fact, of the 37 States to which the 14th amendment was submitted, only 5 abolished or prohibited segregation when they ratified the amendment and there is no indication whatsoever that this action was based upon the 14th amendment. And of these 5, 3 later established segregated school systems after the 14th amendment had become a part of the Constitution of the United States.

Nine States did not have racially segregated public schools at the time the 14th amendment was submitted to them for ratification, so they were not involved.

Four States with segregated schools refused to ratify the 14th amendment: California, Kentucky, Maryland, and Delaware. But their failure to ratify the amendment at the time it was submitted to them was not based upon the fact that they had segregated schools.

Missouri and West Virginia ratified the 14th amendment at a time when they had segregated public-school systems and they continued to operate segregated school systems after ratification of the 14th amendment. But perhaps the most persuasive evidence of the meaning and intent of the 14th amendment will be found in the fact that nine Northern States continued to operate or immediately established segregated schools after ratifying the 14th amendment. These States are Illinois, Indiana, Kansas, Nevada, New Jersey, New York, Ohio, Oregon, and Pennsylvania.

School segregation was not completely outlawed in New York State until 1938, and it is very obvious that the New York Legislature which ratified the 14th amendment did not believe that it would require abolition of school segregation at the time of ratification. And the New York courts in decisions rendered from 1869 to 1900, all agreed that this was not the effect of the amendment.

Ohio continued to segregate school systems for almost 20 years after the 14th amendment had been adopted and did not outlaw segregation until 1887—again ample proof that the 14th amendment was not understood by the State of Ohio as prohibiting or requiring the abolition of segregation in the public schools in that State.

Pennsylvania established separate schools for Negroes in 1854, and such school segregation was upheld by the Pennsylvania courts when the system was attacked on constitutional grounds in 1873. The system was not abolished in Pennsylvania until 1881.

And finally, eight States continued to operate, or immediately established, segregated schools after ratifying the 14th amendment. These are the States of Alabama, Arkansas, Georgia, Mississippi, North Carolina, Texas, Virginia, and Tennessee.

The indisputable evidence based upon the history of the amendment and the actions of the State legislatures following the ratification of the 14th amendment, overwhelmingly establishes the fact that the States of the Union when the 14th amendment was adopted, did not construe that amendment as compelling the abolition of segregated schools.

But nevertheless, Mr. Speaker, on May 17, 1954, the Supreme Court of the United States, contrary to the basic principles upon which constitutional law is based, said:

> In approaching this problem, we cannot turn the clock back to 1868 when the amendment was adopted.

But what did another Supreme Court say about this theory of judicial construction? In 1887 the Supreme Court said in *Ex parte Bain* (121 U. S. 1):

> It is never to be forgotten that, in the construction of the language of the Constitution here relied on, as indeed in all other instances where construction becomes necessary, we are to place ourselves as nearly as possible in the condition of the men who framed that instrument.

And what has the present Supreme Court done?

Based upon its own wishful thinking, based solely on its own views as to what they think the Constitution of the Nation should be, they have decided that they cannot turn back the clock to 1868, but instead they must view the Constitution of the United States on the basis of the sociological studies that are available to them.

It mattered little to the Supreme Court of the United States that neither the Congress nor the States, through the consitutional process, have acted upon the question. It mattered little to the Supreme Court of the United States that the 14th amendment was never intended to prohibit segregated schools. It mattered little to the nine members of the Supreme Court that the entire legislative history of the 14th amendment justifies the maintenance of separate but equal schools among the States, if that is the will of the State.

No, the only thing that apparently mattered to these misguided nine men was that some writers of sociology had concluded that segregated schools were bad for the personality development of certain individuals, and on that basis the Constitution should be interpreted without regard to its legislative history, and in complete disregard of what the framers of the amendment intended.

If ever there has been an unwarranted assault upon the rights of the people, the sovereignty of the States, the dignity and prestige of the Congress, it was this unlawful invasion by the Supreme Court on May 17, 1954.

Who knows but what the Supreme Court may next decide that all minerals in the ground belong to the Federal Government; or that the fish in the Great Lakes, and the streams of Pennsylvania, must bow to Federal domination?

There is no end to the dangerous results of this decision. If it goes unchallenged, our entire judicial system, our entire legislative process, indeed, our whole doctrine of government—the theory of the separation of powers—will be in jeopardy.

Mr. Speaker, it is time for the American people and the States of these United States to reassert and reaffirm the principles by which they became the United States.

It is time for the States of the Union to reassume their responsibility to their citizens.

I am not willing to admit that a decision of the Supreme Court, so obviously based upon sociological studies, takes precedence over the Constitution of the United States.

Nor am I willing to concede that a misguided decision, based upon sociological studies, can by judicial fiat, give to the Federal Government a power reserved to the States.

If we fail to put a stop to this seemingly limitless seizure of power, the Federal Government, like an all-enveloping octopus, will continue to reach out its tentacles until there will be nothing else to strangle—and then the very foundation of our Federal Government—the very cornerstone of our United States—will crumble.

When that happens, our whole system of checks and balances—our whole system of representation, our whole philosophy of reserved powers, will disappear. And after that will come complete regimentation—with a Federal bureaucracy telling you where to work, when to work, who to work with, what to wear, when to wear it, how much you are going to be paid, and where to spend what you earn.

Never forget that it was the fear of an all-powerful national government that brought about the Constitution as we know it.

Unless we return to the principles upon which this Nation was based; unless the States reassert themselves, we are on the brink of disaster.

I am not speaking from a sectional viewpoint—I am not talking about segregated schools alone—I am not talking about tidal waters. I am talking about property rights in the State of Maine, the divorce laws of the State of Minnesota, the laws of inheritance of the State of Kansas, motor vehicle license laws in the State of Oklahoma, hunting and fishing laws in the State of Montana, the probate court procedures of the State of New York, the laws of civil procedure in the State of Texas, the right to hold elective office in the State of Michigan, the laws with regard to the qualification of a doctor in the State of Delaware, the right to sell potatoes in the State of Idaho.

These are just some of the things that we are concerned with here—not just segregation. We are dealing with fundamental principles upon which this Nation is based.

We are dealing with the way we live. We are dealing with the manner in which we associate with our fellow citizens.

We are dealing with a method of life that has existed in this Nation since the founding of the Republic.

Unless we take positive action now to put a stop to this insidious whittling away of the responsibilities of the States, then the foundations of this Nation will be so undermined that the weight of the Federal bureaus alone will bring about our collapse.

We must challenge this assumption of power that has been seized, mistakenly I hope, by the Supreme Court. We must insist upon the sovereignty of the 48 States. We must resist all efforts to amend the Constitution of the United States by judicial decree. We must demand a return to the principles which made America great.

In my opinion, Mr. Speaker, we have reached a most critical stage in our history as a Republic.

Mr. WILLIAMS of Mississippi. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. YATES. Mr. Speaker, I object to the point of order.

Mr. VINSON. Will the gentleman not withhold that? I have only about 5 minutes.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I withdraw the point of order.

Mr. VINSON. Mr. Speaker, I deny with all the power of my being the naive presumption that the Constitution of the United States is nothing more than what the Supreme Court says it is. The Supreme Court is made up of human beings. Its history is inseparable from the greatness of America. It cannot divorce itself from this history.

It has no right to laugh at precedent and the intentions of those men who wrote the Constitution and the amendments to the Constitution.

How ridiculous it is for anyone to contend that any nine men can completely disregard the intentions of not less than three-fourths of the legislatures of the sovereign States of this Union who ratified the 14th amendment.

Mr. COLMER. Mr. Speaker, the gentleman is making a very sound statement here and I make the point of order that a quorum is not present.

Mr. YATES. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The point of order that a quorum is not present is not debatable.

Mr. YATES. Since the last point of order on a quorum there has been no further transaction of business, and it is obvious that the points of order being made are dilatory.

The SPEAKER. There were various unanimous-consent requests granted since the last call of the House. The Chair has been up against this question of whether there was a filibuster or whether there was not a great many times. This occupant of the Chair is very liberal with Members who want a quorum present or to have business transacted in the regular way. The Chair is not going to hold that this point of order is dilatory.

Mr. HAYS of Ohio. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. If the gentleman from Georgia retains the floor, that motion is not in order.

Mr. VINSON. I retain it, Mr. Speaker. I am just moving around to get a little exercise.

The SPEAKER. Does the gentleman from Mississippi insist upon his point of no quorum?

Mr. COLMER. Mr. Speaker, I insist upon the point of no quorum.

The SPEAKER. The Chair will count. Evidently there is no quorum present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

Mr. HAYS of Ohio. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The motion to adjourn is a privileged motion. The question is on the motion.

The motion was rejected.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 32]

Ashley
Ayres
Barden
Barrett
Bass, Tenn.
Baumhart
Beamer
Belcher
Betts
Blatnik
Bowler
Boykin
Burdick
Bush
Byrne, Pa.
Byrnes, Wis.
Carlyle
Carrigg
Celler
Chatham
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Curtis, Mass.
Dague
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Diggs
Dingell
Donovan
Doyle
Durham
Eberharter
Engle
Fenton
Fisher
Flood
Fogarty
Forand
Fulton
Gamble
Garmatz
Gary
Gavin
Granahan
Grant
Green, Oreg.
Green, Pa.
Haley
Healey
Hébert
Hess
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Holifield
Holland
Jackson
James
Jenkins
Jensen
Johnson, Calif.
Judd
Kearns
Kee
Kelley, Pa.
Kelly, N. Y.
Kilburn
King, Pa.
Kluczynski
Knox
Knutson
Krueger
Lankford
McConnell
McCulloch
McDowell
Magnuson
Matthews
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Moulder
Mumma
Nelson
O'Hara, Minn.
O'Neill
Osmers
Philbin
Phillips
Pilcher
Pillion
Powell
Quigley
Reed, N. Y.
Riehlman
Saylor
Scherer
Scott
Sheehan
Shelley
Sieminski
Sikes
Simpson, Pa.
Spence
Staggers
Sullivan
Taylor
Thomas
Vanik
Van Zandt
Vursell
Walter
Watts
Widnall
Williams, N. J.
Williams, N. Y.
Willis
Wilson, Calif.
Wilson, Ind.
Wolcott
Wolverton
Zelenko

The SPEAKER. On this rollcall 298 Members have answered to their names, a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER. The gentleman from Georgia will proceed.

Mr. VINSON. Mr. Speaker, as I stated just before the quorum call, how ridiculous it is for anyone to contend that only nine men can completely disregard the intentions of not less than three-fourths of the legislatures of the sovereign States.

We have gone a long way in the direction of concentrated power in the National Government. It may now be too late to stop this avalanche, but we must make the effort if we are to remain a United States of America.

It is for this Congress, and the 48 States of the Union, and above all, the people of this Nation, to decide their destiny now.

We will either have a United States of America, made up of 48 sovereign States and the people, with limited powers vested in the Federal Government or we will have a supreme National Government with unlimited powers, and a Supreme Court unhesitatingly stating, as the law, what they think the law should be.

The entire foundation of our freedom; the cornerstone of democracy; the backbone of this Nation, is embodied in the doctrine of separation of powers, and the delegation of limited powers to the

National Government, with the States and the people reserving all other powers not delegated to the Federal Government.

The challenge now before the people is whether our form of government will continue, or a supreme National Government will supersede the 48 States of this Union in every respect.

Mr. Speaker, with all the sincerity that I possess, I say now is the time to plug the dike that holds the tidal wave of national destruction. On May 17, 1954, the Supreme Court breached that dike and the trickle that started is fast becoming a torrent. It can be repaired now. But if we dally, if we delay, it may be too late.

If this Congress and the States of the Union are willing to surrender their responsibilities to the Supreme Court of the United States then all they have to do is sit back and let the dike be destroyed.

But if the elected representatives of the United States and the sovereign States of this Union are convinced, as I am, that only those powers specifically granted to the Federal Government by the Constitution are vested in the Federal Government, the dike can be repaired.

If the elected representatives of the people and the sovereign States are convinced, as I am, that the Supreme Court has one function, and only one function, and that is to interpret the Constitution as the framers intended it to be interpreted, then we can still prevent the deluge.

I say now is the time to act.

I say to you again that we face today one of the most critical decisions since this Nation was founded.

We either return to constitutional government or we surrender our liberties to a new third house of the Congress, the Supreme Court and a Federal bureaucracy, that will exercise complete and dominating control over every State, every city, every town, every hamlet, and every person in this Nation.

Concentration of power in a few inevitably brings about the elimination of personal liberty.

This is not a sectional problem; this is not a problem limited to the case of whether or not we should have segregated schools in the South; this is a fundamental problem which deals with our future existence as a Nation.

The State of New York has just as much interest in this matter as the State of Georgia. The State of Illinois is just as much concerned about this matter as the State of Mississippi.

I say, Mr. Speaker, that the time for action is now.

If we delay, the future generations of this Nation may sadly reflect upon this Congress and this year as the fateful year in which the disintegration of the American Republic began.

On Wednesday, March 14, 1956, the President of the United States stated at a press conference, when asked to comment on the implementation of the Supreme Court decision of May 17, 1954:

> Now, let us remember this one thing, and it is very important: The people who have this deep emotional reaction on the other side were not acting over these past three generations in defiance of the law. They were acting in compliance with the law as interpreted by the Supreme Court of the United States under the decision of 1896.
>
> Now, that has been completely reversed.

Since 1896 to 1954 the law of this Nation recognized that separate but equal school facilities completely satisfied the 14th amendment. Suddenly the precedent of 58 years was wiped out by one decision.

During these past 58 years many States of the Union had invested millions and millions of dollars in building school facilities for colored children equally as good, and in many instances more modern and up to date than those provided white children. And suddenly these same States find that the tremendous investment will not satisfy nine men who, with the stroke of their pens, wiped out the tradition and customs of a large portion of America.

It is this precipitous action on the part of the Supreme Court that worries so many of us. It is this disregard for precedent—this tendency to create law instead of interpreting law that worries us, not only in the South, but in other parts of the Nation.

The American people are beginning to lose confidence in the Supreme Court.

We don't know what the law is going to be tomorrow on any subject.

Long-standing decisions that have guided us in every walk of life can be reversed tomorrow, for that seems to be the tendency of the Court.

And, Mr. Speaker, I can think of nothing that would disrupt the peace and harmony of this Nation more than for the people to look upon the Supreme Court as a court of philosophy rather than as a court of law.

The people are disturbed, for they realize that their way of life, the deeds to their land, their local systems of government, their zoning ordinances, their long-accepted beliefs as to what the law is and always has been may well be completely altered by a decision of the Supreme Court of the United States tomorrow.

Up until recently the people of this Nation looked upon the Supreme Court as the purveyors of justice, as distinguished men who devoted themselves entirely to the interpretation of the Constitution and the laws of the Nation based upon precedent and the intentions of those who wrote the law. But now all that has gone by the wayside, and we are living in an era of grave concern, for no one knows what may be the next decision.

I cannot help but recall to your minds the famous statement of Justice Roberts in *Smith* v. *Allwright et al.* (321 U. S. 649), who said:

> The reason for my concern is that the instant decision overruling one announced about 9 years ago tends to bring adjudication of this tribunal into the same class as a restricted railroad ticket marked "Good for this day and train only."

Mr. Speaker, we are a nation of laws, and not of men. If the American people lose their confidence in the Supreme Court of the United States, then we have endangered the security of our Nation. If one of the three branches of our Federal Government assumes powers unto itself that are contrary to the fundamental principles of this Republic, then we are on the threshold of national calamity.

The Supreme Court does not, and cannot, have the power to overthrow the traditions, the customs, and the way of life of almost one-third of the Nation. It cannot, and must not, disregard precedent. It must not assume powers that are reserved to the people and to the States of the United States.

The Supreme Court has made a mistake. They have been wrong in upsetting the traditions of a large segment of the population—and more than 100 Members of Congress have so stated.

Let us hope and pray that it is not too late for the Supreme Court to see the error of their ways.

Wise and courageous men do not hesitate to correct their mistakes; wise and courageous men do not hesitate to call attention to those mistakes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Sikes (at the request of Mr. Bennett of Florida), for this day, on account of personal illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. Holifield, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Vinson and to include a speech by Mr. Kilday.

Mr. Lane in two instances and to include extraneous matter.

Mr. Multer and to include extraneous matter.

Mr. Siler.

Mr. McCormack and to include extraneous matter.

Mr. Perkins.

Mr. Radwan.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4909. An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York;

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 150. Joint resolution to authorize the printing and binding of an edition of Senate procedure and providing the same shall be subject to copyright by the authors.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 27 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 25, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1777. A letter from the Assistant Secretary of Agriculture, relative to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress (21 U. S. C. 114d); to the Committee on Agriculture.

1778. A letter from the Director, Legislative Liaison, Department of the Air Force, relative to the number of officers that shall be assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government as of the end of the third quarter of fiscal year 1956, pursuant to Public Law 150, 82d Congress; to the Committee on Armed Services.

1779. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting the monthly report on military prime contracts with business firms for work in the United States for the first 8 months of the current fiscal year, from July 1, 1955 through February 29, 1956, pursuant to section 6 of Public Law 268, 84th Congress; to the Committee on Banking and Currency.

1780. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession permit with Messrs. Paul Petzoldt and Glenn Exum which, when executed by the superintendent, Grand Teton National Park, will authorize them to act as guides on mountain-climbing trips, to operate a mountain-climbing school, and to furnish equipment and shelter facilities to climbers in Grand Teton National Park, Wyo., for a period of 5 years from January 1, 1955, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2026. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2028. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2028. Report on the disopsition of certain papers of sundry executive departments. Ordered to be printed.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 2845. A bill to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks; without amendment (Rept. No. 2029). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 7144. A bill to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected; without amendment (Rept. No. 2030). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8837. A bill to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii; with amendment (Rept. No. 2031). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 10542. A bill to liberalize certain criteria for determining eligibility of widows for benefits; without amendment (Rept. No. 2032). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 8458. A bill to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation; without amendment (Rept. No. 2033). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 8901. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes; with amendment (Rept. No. 2034). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9841. A bill to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased by $600 for the year in which the veteran's death occurs; with amendment (Rept. No. 2035). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 9922. A bill to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; without amendment (Rept. No. 2036). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 484. Resolution for consideration of H. R. 10721, a bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2037). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 485. Resolution for consideration of H. R. 10660, a bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes; without amendment (Rept. No. 2038). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 10754. A bill to authorize the Honorable Sam Rayburn, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines; passed House.

By Mr. BATES:

H. R. 10755. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BEAMER:

H. R. 10756. A bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BERRY:

H. R. 10757. A bill to establish a program of survival food depots in order to provide subsistence for the large numbers of the civilian population of the United States who would be evacuated from the devastated areas in the event of attack on the United States; to the Committee on Agriculture.

H. R. 10758. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to establish a domestic parity plan for wheat; to the Committee on Agriculture.

By Mr. BROOKS of Louisiana:

H. R. 10759. A bill to extend the time limit within which recommendations for and awards of certain military decorations may be made; to the Committee on Armed Services.

By Mr. COLMER:

H. R. 10760. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 10761. A bill to amend the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture.

By Mr. DEVEREUX:

H. R. 10762. A bill to extend the time limit within which recommendations for and awards of certain military decorations may be made; to the Committee on Armed Services.

By Mr. DORN of South Carolina:

H. R. 10763. A bill to provide for an increase in the wage basis for computation of compensation for disability or death under the Federal Employes' Compensation Act; to the Committee on Education and Labor.

By Mr. FRIEDEL:

H. R. 10764. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mrs. GREEN of Oregon:

H. R. 10765. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Education and Labor.

By Mr. McCORMACK:

H. R. 10766. A bill to authorize the payment of compensation for certain losses and damages caused by United States Armed Forces during World War II; to the Committee on Foreign Affairs.

By Mr. MARTIN:

H. R. 10767. A bill to authorize the payment of compensation for certain losses and damages caused by United States Armed Forces during World War II; to the Committee on Foreign Affairs.

By Mr. McMILLAN:

H. R. 10768. A bill to amend section 5 of the act of August 7, 1946, entitled, "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

H. R. 10769. A bill to amend the District of Columbia Business Corporation Act; to the Committee on the District of Columbia.

By Mr. MILLER of Maryland:

H. R. 10770. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. NORRELL:

H. R. 10771. A bill granting the consent of Congress to the establishment by the States of Mississippi and Arkansas of a bistate commission to investigate the possibilities of constructing a railroad bridge across the Mississippi River; to the Committee on Public Works.

By Mr. PRICE:

H. R. 10772. A bill to amend section 93 (b) (2) of title 28 of the United States Code; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 10773. A bill to authorize retroactive payments in lieu of taxes by the Housing Authority of the city of Houston, Tex.; to the Committee on Banking and Currency.

By Mr. WEAVER:

H. R. 10774. A bill for the relief of the village of Wauneta, Nebr.; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 10775. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. FEIGHAN:

H. J. Res. 609. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of Pennsylvania:

H. R. 10776. A bill for the relief of Erdne Cucukow; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 10777. A bill for the relief of Rosa Grunbaum; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 10778. A bill for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 10779. A bill for the relief of Eleonore Maria Elizabeth Rambo (Mrs. Charles B. Rambo); to the Committee on the Judiciary.

By Mr. THOMPSON of Louisiana:

H. R. 10780. A bill for the relief of the Little Lake Misere Land Co., Inc., and the North American Land Co., Inc.; to the Committee on Interior and Insular Affairs.

By Mr. TUMULTY:

H. R. 10781. A bill for the relief of Mario Colombo; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 10782. A bill for the relief of Joseph E. Seagram & Sons, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

946. By Mr. BUSH: Petition of Branch 50, National Association of Letter Carriers, Williamsport, Pa., protesting the continuance of the 20 percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

947. By Mr. GROSS: Petition of Gustav Bratteig, Marshalltown, Iowa, and 45 Iowa residents urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

948. By Mr. HAYS of Arkansas: Petition of Matthews Milner, Jr., Danville, Ark., and others urging a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

949. By Mr. HOEVEN: Petition of members of VFW Post 580, Sioux City, Iowa, urging the enactment of a separate and liberal pension program for veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

950. By Mr. MULTER: Petition of Abraham Meyer, Brooklyn, N. Y., and 21 other citizens, urging enactment of legislation providing for a separate and liberal pension program for veterans of World War I, their widows, and orphans; to the Committee on Veterans' Affairs.

951. By Mr. SILER: Petition of Mrs. Hallie Nicholson and 38 other residents of Pasadena, Calif., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

952. Also, petition of Mrs. Gladys Barr and 106 other residents of Evansville, Ind., Philadelphia, Pa., Arlington, Va., and Alexandria, Va., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

953. Also, petition of Mrs. Florence Rice and 49 other residents of Silver Spring, Md., urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

954. Also, petition of Mrs. Mae Copeland and 37 other residents of Rockford and Ashtabula, Ohio, urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

The Air Pollution Control Association

EXTENSION OF REMARKS

OF

HON. EDMUND P. RADWAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. RADWAN. Mr. Speaker, it is my pleasure to announce to the Congress that the annual meeting of the Air Pollution Control Association will be held in Buffalo, May 20–24. Buffalo looks forward with eager anticipation to being host to over 700 scientists, engineers, and other representatives of industry and of the Federal, State, and local governments who will participate in the important meetings scheduled during the convention. Buffalo also invites the visitors to bring their wives and other members of their families, for there is no finer vacation spot in all the land—particularly in the spring of the year.

Members of the Air Pollution Control Association are largely responsible for the monumental progress that has been made in cleaning up the air in and around industrial communities. They have worked with industry, with government, and with individual citizens in an effort to obtain the closest cooperation in dealing with the air pollution problem. While there is still a long way to go, particularly because of the constantly increasing industrial activity in our country, the efforts of this association are reflected in improved conditions in scores of American communities.

Members of the APCA have helped to develop new and improved methods of checking air pollution. They have worked closely with public-spirited business leaders who were willing to invest millions upon millions of dollars in new equipment in the job of combating the air pollution nuisance. The APCA has taught the public that, regardless of what type of fuel is used, unnecessary pollution can be eliminated when proper combustion methods are employed in the right kind of equipment. Among the many accomplishments of the air purification engineers is their successful attack on fly ash. Modern design and combustion methods provide for capturing these minute particles before they get out of the stacks. Furthermore, the fly ash itself is now being put to good use, particularly as a reinforcing agent in cement. In all, the APCA has made remarkable progress through the years and is determined to continue its outstanding work toward eliminating so far as possible the manmade pollutants in our atmosphere.

The Buffalo convention will attract representatives of industry and government from every section of our Nation and from Canada, for air pollution is not confined to any single area. The convention will feature papers by outstanding engineers and scientists, displays by manufacturers of air pollution control equipment, and plant tours in Buffalo, Niagara Falls, Lackawanna, and Tonawanda. As a lake front city with a population of 600,000 persons, Buffalo itself will offer an interesting study for the APCA visitors. We are an important railroad center and a lumber market, and we produce flour and grain mill products, plastics, steel, and chemicals. We also have manufacturers of buses, electrical equipment, and rubber products. Buffalo has foundries, machine shops, meat-packing houses, refineries, and a variety of other manufacturers.

A local committee, whose honorary chairmen are the mayors of Buffalo and Niagara Falls, has been set up to provide the necessary arrangements for the 1956 APCA convention. Buffalo is proud to be the site of this event, and I am certain that the association will be happy that it has chosen this city for this convention.

Against Serving Alcoholic Beverages to Passengers Aloft

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include my address before the Subcommittee on Transportation and Communications of the House Committee on Interstate and Foreign Commerce on Friday, April 20, 1956, in connection with my bill, H. R. 7922, which would prohibit the serving of alcoholic beverages to passengers in flight.

The address follows:

AIRLINES JOB IS TO FLY, NOT TO MAKE PASSENGERS SKY "HIGH"

Mr. Chairman, the practice of selling alcoholic beverages, in addition to the complimentary cocktails offered to passengers aboard commercial airliners, has aroused much public opposition.

On August 21, 1955, I asked the airlines to discontinue this dangerous custom by voluntary actions, serving notice that I would introduce a bill in Congress "to prohibit the serving of alcoholic beverages to passengers on aircraft in flight" if they failed to cooperate.

Previously the people whose immediate responsibility is to insure the safety and comfort of airborne passengers, namely, the members of the Airline Stewards and Stewardesses' Association and the Airline Pilots' Association, had called for an end to the risky policy of serving alcoholic beverages aboard commercial airliners.

Subsequent to my request the Civil Aeronautics Board failed to issue an administrative order that would correct this situation.

And the airline officials refused to adopt the minimum code of regulation that was recommended by the Air Transport Association.

In defiance of the mounting evidence, of which the following quote from an editorial in the Air Line Employee of September 1955 is a sample:

"To illustrate our point, we quote one recent incident experienced by a major carrier involved in this liquor problem. At the original station the captain canceled the flight because he felt that 18 of the passengers were so drunk as to constitute a menace to safe operation of the flight. Twenty minutes later the flight was reoriginated and 10 of the 18 were taken off. Two hours later it was necessary to make an unscheduled stop to put off the other 8. No passenger need to fear that he will be refused passage if he can crawl aboard. Once in the air, he can get refueled, either on the house or for a dollar a shot. The airlines are not stingy with their liquor, either. Every drink is a double shot, which has a potent punch at high altitude. A $5 bill will produce a proper jet-age wingding in the average air traveler."

Again, as one pilot reported concerning a December 18, 1955, flight:

"This flight could have had a disastrous ending. I feel that it is time to keep drunks and alcohol off from all aircraft. This practice should be stopped immediately."

Or must we wait for the inevitable, and avoidable, tragedy to happen before thinking of protecting passengers from the irresponsible and belligerent actions of those who become intoxicated as a result of "flying saloon" service that is more interested in profits than in safety?

One company tries to lure this type of patronage by advertising "champagne flights."

Seven American commercial airlines serve alcoholic beverages in flight on domestic routes. They are:

	Flights
Eastern Airlines	61
Northwest Airlines	38
Trans-World Airlines	18
National Airlines	16
American Airlines	11
Western Airlines	2
United Airlines	12

These airlines make the feeble defense that they try to observe State liquor laws. But who knows, at 25,000 feet where 1 State ends, and the other begins? And what authority is there to enforce compliance?

The commercial airliner, as a public carrier, is faced with unique responsibilities, that do not pertain to ships or trains.

Passengers must travel in close and confined accommodations, with no support but the thin air, where one wandering and drunken passenger can jeopardize all.

Is it necessary for the airlines to defer to the wishes of the few who insist on getting alcoholic beverages to drink while the plane is in flight, in complete disregard for the many women, children, and men who should not have to endure the profanity, molestation, and scatterbrained conduct of the drunks?

I believe that the sober majority are entitled to protection.

The fact that one airline is reluctant to discontinue the practice for fear that its competitors won't, means that few of them will.

The answer to this is Federal legislation (constitutional under the powers to regulate interstate commerce) providing that: "No air carrier shall sell or otherwise furnish to its passengers any alcoholic beverage (including beer and wine) for consumption while in flight within the United States."

Polls of public opinion registered overwhelming opposition to the serving of liquor on commercial airliners, up to 1950, when such sampling of public opinion was discontinued because it ran so strongly against the policy of the airlines.

However, the unsolicited response my Washington office has received since I served notice last August that I would seek corrective legislation, has been almost unanimous in favor of such a bill.

The score:

Thousands of letters for my bill.

One letter and one telephone call against.

The lives of millions of passengers on our domestic airlines must be protected from the dizzy, disgusting, and dangerous conduct of those who become a public nuisance as long as the airlines run flying saloons.

The airlines have been given the opportunity to clean up their planes and have refused to do so.

The only solution is to enact H. R. 7922 into a nationwide law that will eliminate the menace of flying saloons.

Our Home and God

EXTENSION OF REMARKS

OF

HON. FRANK CARLSON

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, April 24, 1956

Mr. CARLSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial which I was requested to write earlier this year for the National Sunday School Association for National Family Week.

The editorial has been printed in a number of church and Sunday school publications.

There are three institutions that are basic in the fundamental growth and strength of our great Nation, namely, the home, the church, and the school. It is essential that we protect and preserve the family life in order that we may have strong churches that will care for the spiritual needs of our people and good schools that will continue to provide for us an intelligent citizenry.

The family life is also most important in the upbringing of our youth, who will be not only the future citizens of this Nation but in the immediate future will take over the preservation and protection of this great Nation of ours.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"Blessed are they who build families
For they are the builders of the world."
—*Leland Foster Wood.*

The home is the basic unit of our society and someone has truly said, "as goes the home, so goes the Nation."

Far too often parents have left the responsibility of the early training of their children to the church, the public school, and the community.

While the above-mentioned institutions and agencies are important in the life of our children, the childhood training in a home determines largely the adult life of the individual.

The fundamental responsibility of every father and mother is the nurture of the religious life in the home. Fortunate indeed is the child that is nurtured in a home where the family altar is preserved in the worship of their Heavenly Father. As these children grow and reach adolescent age, they will have a knowledge of their Creator and an abiding faith in their Lord and Saviour. These will serve as an anchor and be of inestimable value when trials and temptations beset them—as they most certainly will.

Some years ago a very prominent man told me how important he felt the early home training and Sunday school had been in helping his own son through the age period of 14 to 18 years. This man stated if our young people have the background to get through this period, we can feel that their future is secure. This has been my personal observation.

Not only that, I am deeply indebted to my parents, who have gone to their heavenly reward, for the early training in a Christian home—for the hours my mother spent in giving me instruction in the Scriptures—for their parental prayers and for a home where the atmosphere was conducive to the development of Christian character.

While it is true that there have been many changes in our home life within the last 50 years, the fact remains that the stability of our economic, social, and religious life still depends on the family affections and a devotion to spiritual ideals.

If we are to continue to enjoy the heritage left us by those who have given us this great Nation, we must again restore the family altars in the home and give our children and their children the same sound, fundamental Christian training for which we are indebted to those who have gone before. We break faith with them and with God if we do less.

Automobile Marketing Practices

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. MULTER. Mr. Speaker, during the current congressional hearings on automobile marketing practices, automobile manufacturers have consistently opposed any legislation on factory-dealer relationships. One manufacturer alleged in his testimony that such legislation would only "weaken dangerously an industry fundamental to the Nation's economic growth."

Over the weekend I was pleased to learn that this sham plea has not deterred the Governor of the State of New York, the Honorable Averell Harriman. On April 20, 1956, Governor Harriman signed a bill amending the New York general business law, for the purpose of prohibiting automobile manufacturers from arbitrarily revoking the franchises of dealers in New York State. Under the law effective October 1, 1956, auto manufacturers are required to register with the Secretary of State. Manufacturers are prohibited by the law from terminating a dealer contract except for cause. A maximum penalty of $1,000 fine is imposed for each violation.

In his statement upon approving the bill, Governor Harriman called attention to the growing difficulties of small- and medium-sized independent businesses, and pointed out that the giant corporations have the economic power to decide the life or death of thousands of smaller businesses—not only their competitors, but their own suppliers and distributors. Governor Harriman further stated that, contrary to the claim of manufacturers that "the public interest is not sufficiently affected," it is his firm conviction that "it is very much in the interest of the people that small- and medium-sized business should be protected against unfair exercise of economic power."

I sincerely hope that the Congress will also heed the public interest and take the necessary action to correct the abusive practices in the automobile industry which have been uncovered in the current hearings before the Senate and House committees.

Depressed Areas

EXTENSION OF REMARKS

OF

HON. EUGENE SILER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. SILER. Mr. Speaker, under leave to extend my remarks in the Record, I wish to make a plea that this Congress shall really do something to aid some of the economically depressed areas of the Nation, including my own depressed section in southeastern Kentucky.

The President himself has recommended that something be done. Many people are concerned. Time is running out and we should act to extend a helping hand to our needful areas right now.

I have offered a good bill that would help, H. R. 8283, by bringing about a three-way cooperative effort (a) by the communities involved, (b) by our Government through Employment Restoration Authority created by my bill, (c) by industries that would come and settle in our depressed areas under the plan of this bill.

Other good bills have also been offered and I hope the best ideas of all of these proposals will be chosen and welded into a good legislative instrument that would provide a bright star of good hope to some of our discouraged people in depressed areas over the country. I have sent out about 90 copies of my own bill to Members of the House and Senate and have suggested and urged that we all act collectively and promptly on this serious problem that confronts many of our districts.

An official report that has recently come out of Kentucky says that the eastern part of my State is in "far worse shape in 1955 than 5 years earlier."

The same report says:

First. The average income in the area is 40 percent lower than that of the State as a whole;

Second. Employment in the area fell 18,322 since 1950, while employment in the State as a whole increased 33,591 in the same period;

Third. Earned wages in eastern Kentucky dropped to $51,400,000 last year, a decrease of $8,000,000 since 1950, yet statewide payrolls gained 40 percent during the same period;

Fourth. Harlan County alone, which is the most populous county of my district, lost $5,900,000 in annual wages during the past 5 years;

Fifth. Coal production furnished 25,152 jobs for men in eastern Kentucky last year compared to the 47,108 jobs it furnished in 1950 in the same area;

Sixth. Even last year, when the coal business increased to some extent, there was still a small decline in jobs for our people in eastern Kentucky;

Seven. Population losses in the past 5 years are 15,043 for Bell County and 12,327 for Harlan County and 8,197 for Pulaski County and 7,648 for Whitley County, to mention a few in my own district; and

Eighth. In some of these eastern Kentucky counties the per capita incomes are now among the lowest in the whole United States, the average being $749 in the year 1953 compared to a statewide average of $1,187 for the same year.

Now if a scourge should strike some part of the world or even some part of our own country, we would all be concerned and would gladly send our dollars and our aid to the affected areas without delay. Yet there is a great scourge of unemployment that has right now come over some of our own districts. So, it is time to become concerned about them. We should immediately stop importation of cheap, foreign residual oil into this country to compete with American workmen. And we should certainly converge our attention and our efforts upon early passage of a suitable bill to help the people in some of our districts "trace the rainbow through the rain" with clear assurance that their lands are not the forgotten spots of America.

A $1.50 Calf

EXTENSION OF REMARKS

OF

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. PERKINS. Mr. Speaker, the Agriculture Department has announced that the farm income for the first quarter of 1956 dropped 5 percent from the postwar low of the first quarter in 1955. The Kentucky farmers who depend on income from livestock feel that the drop has been much greater. I have here a check to Mr. Sam Litton, Jr., route 1, Morehead, Ky., dated February 21, 1956, for one brown, white-faced calf. The gross price received at the Morehead Stockyards, Morehead, Ky., was $2.50. The net check, less 75 cents commission and 25 cents for insurance, was $1.50 for one veal calf. This is the price received by a farmer under the Eisenhower farm program of flexible price supports. The talk of continued prosperity combined with the Benson farm program does not help the Kentucky farmer to meet his bills when the price of a calf is scarcely equal to the truck charge for the hauling to market. The day of the $15 calf is long gone, it is now the $1.50 calf.

No. 1451

MOREHEAD STOCKYARDS, INC.

Mount Sterling, Ky., *February 21, 1956.*

To Montgomery National Bank, Mount Sterling, Ky.

Pay the sum of $1.50 to Sam Litton, Jr., on order, Morehead, route 1.

Morehead Stockyards, Inc.,
Donald E. Iron.

Void if not cashed in 60 days from day of issue.

Sale Bill No. 1451—Morehead Stockyards, Inc.

Kind, brown calf.
Pen, 57.
Head, 1.
Mark, brown, white face.
Amount, $2.50.
Commission, 75 cents.
Net, $1.75.
Deductions, insurance, 25 cents.
Amount received, $1.50.

Address by Hon. Richard E. Lankford, of Maryland, Before the Government Employees' Council, Washington, D. C.

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I am particularly pleased to include therein an excellent address made on April 18, 1956, by our distinguished colleague from Maryland, Hon. Richard E. Lankford, before the Government Employees' Council, in Washington, D. C. Congressman Lankford very ably and effectively addresses himself to H. R. 10237, introduced by our colleague the gentleman from Pennsylvania, Hon. George M. Rhodes. Convincingly, he presents reasons why H. R. 10237 should be enacted into law. The presentation made by our colleague the gentleman from Maryland [Mr. Lankford] is one of the ablest I have ever heard presented in support of any legislation. It is consistent with the clear thinking evidenced by him on all legislation; it is consistent with the splendid manner in which he represents the people of his district.

I am sure that the employees of the Federal Government will deeply appreciate the position taken by our colleague the gentleman from Maryland [Mr. Lankford] on this bill, as well as all other legislation, such as relating to wages, hours of employment, sick benefits, and retirement, as well as conditions of employment; also, that they are indebted to him for his vigorous advocacy of legislation relating to their best interests.

The speech follows:

> I am delighted to have this opportunity of meeting with the Government Employees' Council. My remarks will not be lengthy, because I know your program is heavy.
>
> As a matter of fact, I would much prefer to sit back and let you gentlemen conclude your deliberations. It is on the basis of your decisions and advice that I take my cue in matters affecting postal and other Federal employees in my district. And may I say that some of my colleagues in the House of Representatives might well follow the same pattern.
>
> Take the case of pending legislation affecting your retirement benefits. I took a poll on what the employees thought of this legislation. It was not the same kind of poll some of my colleagues announced nor the kind proposed by others on the Senate side of the Capitol. I simply directed my inquiry to the headquarters of the employee groups and to the employees with whom I am in almost daily contact. There was no rhyme or reason to suggest a referendum or worldwide poll in order to learn something that could be ascertained by merely placing a telephone call right here in Washington and through daily conversations.
>
> The answer I got from your council headquarters was to the effect that you gentlemen—speaking for your respective organizations—approved Senator Johnston's bill, S. 2875. That was the extent of my poll. All the facts were in as far as I was concerned. Anything beyond that was little more than politicking or "gamemanship" to use a more sophisticated term.
>
> Of course, I am not opposed to consultation between Members of Congress and Federal workers or between the heads of departments and employees or representatives designated by them. I consult with Federal workers practically every day. But a poll is hardly consultation. Questions can be loaded and often produce not facts or opinions, but just about what the poll taker wants the answer to be.
>
> I recall that no poll was taken a few years ago when the distinguished gentleman who heads up the Post Office Department attempted to put over his Fry report. There is no record of the White House polling the farmers of our Nation prior to President Eisenhower's veto of the farm bill.
>
> As I said, I am not opposed to open channels of discussion. However, the way to make certain that employees are given an opportunity to express themselves is not through polls, but through a bona fide labor-management procedure.
>
> I sincerely hope we will be given an opportunity before this session of Congress adjourns to vote on the union recognition legislation your council is supporting. The bill introduced by Congressman George Rhodes, of Pennsylvania, known as H. R. 10237, is fair and equitable to everyone. It does not suggest that the executive branch must forfeit or abandon its responsibilities to Congress or the employees. Nor does it intimate in the slightest degree that Government workers want to determine policy. As I understand the Rhodes bill, all you people ask is the right to sit down with the heads of departments to discuss working conditions, safety, in-service training, methods of adjusting grievances, transfers, promotions, demotions, and any other facet of your employment affecting the day-to-day lives of the people you represent. Following these discussions, you further request assurance that in the event of a serious disagreement both sides will accept the decisions of an impartial board of arbitration.
>
> Frankly, it is difficult for me to understand how anyone can seriously oppose this legislation. Our Federal Government guarantees these same rights under one form or another to workers in private industry. Why should there be a distinction, indeed discrimination against Federal employees?
>
> I am not going to attempt a résumé of all the bills in which your council is interested. It was simply my intention to drop in and visit for a few minutes. However, I would not want to yield the floor without giving you my pledge to support your drive for better wages. The decision of your council announced early in March hit the nail right on the head. It is time Congrss started to legislate in terms of standard-of-living wages for Government workers. The old method of chasing prices and attempting to peg wages to living costs might have worked out, but it had no chance. It was always a case of too little and too late. By the time a wage settlement was made prices had spurted ahead and the gap between living costs and salaries was as wide as ever. I want to encourage the new approach you have adopted and again assure you that you have my full support. You need not worry that I will be inclined to take a poll of the Federal employees in the Fifth District of Maryland on that decision on my part.

No Public Official or Employee Can Serve Two Masters

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following radio address I made on WMEX, Boston, Mass., on Saturday, April 21, 1956:

> They call it "conflict of interest" when a person goes to work for the Federal Government "with an ax to grind." To use his inside position to serve an outside interest.
>
> We have laws to prevent such activities, but continuing vigilance is required to make sure that people in key positions do not direct Government policies for the benefit of any individuals, groups, or corporations.
>
> An employee of the United States Government is expected to put the public interest above any and every private interest.
>
> Ninety-nine percent of them do.
>
> The 1 percent used their position in Government for the financial advantage of private enterprise.
>
> Oftentimes this is difficult to pin down.
>
> It is not easy to trace the tipoff to one corporation, for instance, and concerning some change in Government policy, or the way in which contracts are awarded to a preferred company that has access to influential friends inside Government.
>
> As to full-time Government employees, the majority observe the code of ethics, similar to the one promulgated by the General Services Administration. This requires that all employees of the Agency so conduct themselves as to permit no possible basis for suspicion of unethical business practices. It prohibits employees from engaging in any outside business unless the approval of competent authority is first obtained. And it prohibits employees from taking any final action with respect to any matter in which the employee has any personal or financial relationships.

As to WOC's, meaning those who serve without compensation, such standards are difficult to enforce. The Government must avail itself of the best skills and talents, particularly on Government advisory groups and in the employment of WOC personnel by administrative agencies.

Certain advisory groups are composed of the principal executives of some of the most important business firms in the country. WOC's serving as Government officials in charge of divisions dealing with the particular industry often are important but subordinate officials of these same firms.

The Antitrust Subcommittee of the House Committee on the Judiciary is concerned about this problem.

It wants to know whether this relationship leads to special influence on Government policy by industry through its control of advisory groups.

Unfortunately, many of the practices that are considered to be legitimate in the give-and-take world of keen competition become abuses when done in the name of Government that is supposed to be the impartial umpire.

Businessmen, by force of long habit, are inclined to favor the interests of their own business or industry when they serve as advisers to Government.

During the past year the Government felt it necessary to disengage itself from the services of four high officials. If they had been rank-and-file employees, they would have been fired. But this is too harsh a term to apply to influential people. To save face, they are permitted to resign.

You see, it began to appear that these four officials were using their Government positions to favor firms in which they had a political or financial interest. Although no corruption was chargeable, there was much doubletalk in evidence. Their two-faced roles, as Government advisers and as possible financial beneficiaries, did not appeal to the public.

Their behind-the-scenes activities did not pay off—because the public is determined that no official shall try to serve two masters.

It can't be done in a well-informed democracy.

But how and where are we going to draw the line?

I recall the hue and cry that was raised when Charles E. Wilson, president of General Motors Corp., was appointed Secretary of Defense. He sold all his holdings in GM so that there would be no possible suspicion that his decisions as Secretary of Defense would in no way favor GM.

In view of the fact that the stock of GM has gone up considerably since then, Mr. Wilson made a very real personal sacrifice in accepting a Cabinet post.

This raises the serious question as to whether anyone coming into the service of the Federal Government should divorce himself completely from a business to which he has given most of his life.

The United States Government, which is the biggest organization in the world, must not be deprived of the best talent it can get.

But how can we be sure of attracting and holding this talent and, at the same time, make certain of its devotion to the public interest above all else? Especially those who serve without compensation.

Must we insist that a person sell all stock holdings in a business concern for which he worked to remove any temptation of furthering the interests of that business as against the interests of Government?

This is a hard question to answer.

Such drastic action would discourage many high-type men who might otherwise regard it as an honor and a duty to serve their Government.

At the same time, we must protect ourselves against the few who would exploit their Government positions to favor private interests.

Perhaps we need a stronger and more detailed code of ethics regarding such activities, supported by a wide-awake press that will keep the public informed as to whether standards are being maintained * * * to protect us against "conflict of interest."

As to present laws there are statutory provisions of the United States Code which affect Federal employees, or former Federal employees, in their conduct of private business activities. These statutes, better known as the conflict-of-interest statutes, are aimed at protecting the public interest by prohibiting Federal officers and employees from engaging in private activities which are incompatible with the duties and responsibilities of public office. Penalties for violation include both fine and imprisonment. Except as provided by these statutes, there is no legal prohibition against the conduct of private business activities for compensation by an officer or employee of the United States.

As to political activity, all employees in the executive branch of the Federal Government, including persons employed as experts or consultants, even on a part-time or intermittent basis, are subject to the political activity restrictions of the Hatch Act. This covers the full 24 hours of any day that the individual performs some services for the Government, rather than just the actual hours of employment. The Hatch Act prohibits the use of official authority or influence to interfere with or affect the results of an election, and active participation in political management or in political campaigns.

Supplementing the laws, we have directives such as the following one titled: "Steps Followed by the Business and Defense Services Administration To Avoid Conflicts of Interest."

One. The incoming WOC is advised during negotiations in connection with his hiring, that he will be expected to devote his full time and energies to Government work without the influence of any prejudicial interest.

Two. Upon entrance, he is required to take the usual oath of faithful performance to the United States Government.

Three. On taking the oath he is handed a document which sets forth his exemptions from the "conflict-of-interest" statutes and the limitations to such exemptions as set out in Executive Order 10182.

Four. Shortly after reporting for duty the WOC is given a face-to-face indoctrination which includes a caution against acting upon any individual matter in which he or his company has any direct or indirect interest. He is told that he should withdraw from any matter which, if he acted upon it, would embarrass himself, his company, or the Government. In such cases, he is instructed to refer the matter to the chief career employee of the division, who is specified, and who is usually the deputy director. He is advised that, if there is any question in the application of this rule, he is to consult with the legal staff or chief administrative officer.

So far so good.

But laws and directives in and of themselves do not always guarantee compliance.

Human nature being what it is, partiality is apt to affect decisions.

As the chairman drily observed, however, "I am not so much interested in directives. It is a question of whether the directives are followed."

Congress has added one new safeguard for the public by providing that private interests of WOC employees appointed under the Defense Production Act must be published in the Federal Register.

We have the feeling that much more can be done to separate conflicting interests.

John Lord O'Brian, whose experience and integrity command respectful attention, advises that heads of divisions should not come from industries in which they have an interest. In other words, if the Government wants an industrialist to head the Iron and Steel Division, it should not seek a man from that industry. In this way it will remove temptation from an official who heads a division in which his employer has a special interest—the temptation for him to serve the master who pays him rather than the master to whom he owes primary allegiance under these circumstances, namely, the Government of the United States.

There are several bills being considered by the Judiciary Committee designed to curb those who leave the Government and then use this previous Government experience improperly. These bills implement the rule of conduct as expressed in Canon 36 of the Canon Ethics of the American Bar Association.

Perhaps the cure for this whole problem would be to develop a genuine career service in Government. With adequate salaries to attract and hold the best talent, and with special leave provided each year for key employees to freshen up on current developments in those fields outside the Government, but related to its problems.

In this way we would avoid the alarming turnover in Government employment, and would not have to call in experts or advisers for temporary service.

This would eliminate the "in and outers" and their divided loyalties.

In the meantime we can help to reduce conflict of interest in Government service by keeping the bright spotlight of public opinion trained on those areas where temptation might occur.

There Was No Defeat at the Alamo

EXTENSION OF REMARKS

OF

HON. CARL VINSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 24, 1956

Mr. VINSON. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I includ a brilliant and most appropriate speech delivered by the Hon. PAUL J. KILDAY at San Antonio, Tex., on April 16, 1956, in celebration of the great victory of the Texans at the Battle of San Jacinto. It is entitled "There Was No Defeat at the Alamo." I think every Member will benefit by reading this outstanding résumé of our struggle for constitutional rights and the preservation of liberty:

There Was No Defeat at the Alamo

(Address by PAUL J. KILDAY, Member of Congress, at the pilgrimage to the Alamo, April 16, 1956)

We stand on hallowed ground. Ground hallowed by the life blood of 187 patriots. One hundred and twenty years, one month, and ten days ago the last of that valiant band died within the walls of this chapel of the Mission San Antonio.

"Texians" they were called and Texians they were, but they came from many States and originally from many nations. To place the time in perspective, remember that this occurred but 61 years, almost to the month, after the minutemen drawn up on the village green at Lexington, Mass., had heard the British command: "Disburse ye rebels" and the countermanding order of their own commander: "Stand your ground. Don't fire unless fired upon. If they mean to have war, let it start here."

And then at Old North Bridge at Concord, Mass., and:

"By the rude bridge that arched the flood,
Their flag to April's breeze unfurled.
Here the embattled farmers stood
And fired the shot heard 'round the world."

Like their fellow Americans of but sixty odd years before they loved liberty. They loved liberty to the extent that they would give up their own lives to establish and maintain it for others. Those earlier Americans began their resistance as loyal British subjects to maintain the rights and liberties enjoyed by all British subjects since the barons met on the Plains of Runnymede in 1215 and wrung from the reluctant King John the Great Charter, Magna Carta, which established for the first time that rights existed in men above and beyond those granted by the sovereign king. That was the first idea of the concept so dear to Americans—constitutional government.

In the course of events the shots fired at Lexington and at Concord resulted in that meeting of the Continental Congress at Philadelphia which declared on July 4, 1776:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life, Liberty, and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,".

The issue being formed, the bitter and long drawn out American Revolution ensued. Many lives were lost, much suffering and privation were endured.

Through many defeats and the long winter at Valley Forge they persevered. Shortly before the battle of Trenton, Thomas Paine, the great pamphleteer of the Revolution, sat by the flickering camp fire and, using a drum head to write upon, wrote the inspiring words of the "American Crisis." Words so inspiring and typical of the times, that George Washington directed that his troops be paraded and the "American Crisis" read to them. It included:

"These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheap, we esteem too lightly: It is dearness only that gives every thing its value. Heaven knows how to put a proper price upon its goods; and it would be strange indeed if so celestial an article as freedom should not be highly rated."

Those words were true before the Battle of Trenton. Those words were true before the Battle of the Alamo. They were true before the massacre at Goliad. They were true before the Battle of San Jacinto; and they are true today.

Their efforts triumphed, victory was achieved. There followed what a great Englishman has called "the greatest document ever struck off, at a given time by the mind and purpose of man." Again from Philadelphia, this time in 1787, comes the pronouncement:

"We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquillity, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America."

Peace survived only until 1812, when Americans again fought to maintain the Nation so newly established. In 1814, just 22 years before the battle of the Alamo, Americans saw their Capital sacked by the British invader, their Capitol Building, the official residence of the President, and other public buildings burned. But their Nation and their Constitution endured. They endured because Americans who had been willing to fight and to die to establish them were willing to fight and to die to maintain them.

The Texans had come here relying upon the protection guaranteed them by the Constitution of the United Mexican States proclaimed on October 4, 1824. It guaranteed to each of the Mexican States, of which Texas was one, that each State be divided as to the exercise of its powers into a legislative, executive, and judicial department; and that two or more of those powers could never be vested in the same persons. Most important, that legislative power be never confided to a single individual, but be entrusted to a Congress of each particular State. It guaranteed that executive and judicial power be exercised in accordance with the constitution of the respective States.

A free legislative system has always been, and still is, the one effective deterrent to dictatorship. Hitler and Mussolini as the first step to dictatorship assaulted and subjugated the legislative bodies of Germany and Italy. Communist Russia has never tolerated a free legislative system.

As Americans these Texans had come to the Mexican State of Texas believing that Mexico's Constitution was as sacred and inviolate as that of the United States.

In 1835 there arose in Mexico a dictator named Antonio Lopez de Santa Anna. True to the pattern of all dictators before and since, Santa Anna abolished the Constitution of the United Mexican States with its restrictions on the powers of government and seized all power for himself. As the self-proclaimed "Napoleon of the West," he proceeded to establish his one-man rule. In violation of the Mexican Constitution, he abolished the separate State of Texas and combined it with the State of Coahuila.

Let us here and now remember that Santa Anna's oppression was against all of the people in all of the States of Mexico, not only the former citizens of the United States now Mexican citizens settled in Texas. Long devoted to constitutional government, these Americans fought against dictatorship, proclaimed a provisional government, declared in favor of a union with Constitutionalists of all of the Mexican States, and dedicated themselves to the restoration of the Mexican Federal Constitution.

No patriots ever fought for higher purpose than these Texans—the protection of constitutional rights—as dear to us here today as it was to them. Did these men, under siege in the Alamo, know the high purpose of their resolve to remain in the Alamo and die with their leaders, Travis, Bonham, Bowie, and Crockett? There can be no doubt. In the last message from the Alamo, in which he pleaded for reenforcements and pledged never to surrender, Travis said, "Our flag still flies proudly from the walls." It was not our beloved Lone Star Flag of Texas nor was it the Stars and Stripes of the United States. Rather, it was the red, white, and green flag of Mexico, their adopted country. However, the Mexican eagle had been removed from that proud banner, and substituted for it was the date 1824, which symbolized for these besieged all of their rights, their freedoms, their protections—1824, the sacred date of the constitution of the United Mexican States. To Santa Anna's observers at the Church of San Fernando, that date, 1824, on the Mexican flag was a galling reminder of his perfidy.

Their defense of basic rights, to the very last drop of the blood of each of the 187, has long thrilled the hearts of freedom-loving men wherever the story has been told, and the story has been told wherever men love liberty. Here is the Cradle of Texas Liberty. Not a combatant remained alive on March 6, 1836; only three noncombatants remained alive.

Today we begin a week of observance of the gallant deeds of our forebears. It is meet and proper that our first thoughts be of the Alamo and its immortal dead. We celebrate with pageantry and with pomp, not that the Alamo was conquered and its defenders slain, not that here some 3,000 annihilated 187. No; we celebrate the victory of the Battle of San Jacinto and its triumph of right over might—the vindication of constitutional government over dictatorship and oppression.

We here pay honor to the memory of the immortals who died here, but we celebrate the victory of San Jacinto some 6 weeks later. Herein lies the basic difference between our New World and the Old World with its constant wars. Even today in Europe, nations observe and celebrate defeats of the 18th century. They are determined that each succeeding generation shall remember that the neighboring nation is its traditional enemy and shall remain so. Hence, the interminable wars between them.

How different in our own beloved America. Nowhere in our calendar of holidays and observances is there one dedicated to the remembrance of a defeat or a wrong. Those reverses belong to the dead past. Not forgetting those who were the victims of defeats, keeping them fresh in our memories, we celebrate our victories. The victor can be magnanimous. The vanquished can only be embittered.

In our country, unlike the old world, we have no traditional enemies. We have many traditional friends. The descendants of the British redcoats at Lexington and Concord are now the traditional friends of the descendants of the minutemen they faced. You and I, as the successors to the men of the Alamo, are the traditional friends of the descendants of the men who fought here and at San Jacinto under Santa Anna. It will ever be so.

An orator has said most eloquently: "Thermopylae had her messenger of defeat, but the Alamo had none." There may have been defeat at Thermopylae. But was there defeat at the Alamo? True every combatant was slain. Their bodies were placed on a funeral pyre interlaid with mesquite wood and the torch applied. They were reduced to ashes. But from their own ashes they rose in youthful freshness like the Phoenix. In that pristine beauty they formed the inspiration of the gallant army of Sam Houston in its decisive victory at the Battle of San Jacinto. They provided the battle cry, "Remember the Alamo." There followed the Republic of Texas, its admission to the United States as the 28th bright star of the galaxy of 48. Their devotion to constitutional rights, their defense thereof, rendered it possible for us to stand on this hallowed ground surrounded by the marvels of modern progress and stable government. The wild frontier conquered, the blessing of liberty maintained for you and for me and for generation after generation which shall follow us as did every generation which has followed them. No; there was no defeat at the Alamo.

SENATE

WEDNESDAY, APRIL 25, 1956

(Legislative day of Tuesday, April 24, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. E. E. Parker, pastor, Claypool Methodist Church, Davin, W. Va., offered the following prayer:

O God, the everlasting Lord and Father, who art with us in all our ways, we beseech Thee, as we bow our hearts in prayer, to fill us with the strengthening peace of Thy conscious presence and with the knowledge that love is at the root of everything that is good. It alone can bring us back from the solitude which is haunted with perplexity into our true relationship with our fellow man.

Give to us faith, courage, and wisdom, that we may be able to march in rhythmic majesty with life's procession and in proud submission to Thy will toward the goal of our glorious destiny among the nations of the world.

Lord, may Thy countenance shine on this great lawmaking body in all of its endeavors for our Nation and the peoples of the world. All of which we ask in the name of our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, April 24, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 23, 1956, the President had approved and signed the act (S. 1834) to authorize certain retired commissioned officers of the Coast Guard to use the commissioned grade authorized them by the law under which they retired, in the computation of their retired pay under the provisions of the Career Compensation Act of 1949, as amended.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8750. An act to amend the Watershed Protection and Flood Prevention Act; and

H. R. 10754. An act to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines.

HOUSE BILL REFERRED

The bill (H. R. 8750) to amend the Watershed Protection and Flood Prevention Act, was read twice by its title and referred to the Committee on Public Works.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

The Subcommittee on Minerals, Materials, and Fuels of the Committee on Interior and Insular Affairs.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Subcommittee on the Air Force of the Committee on Armed Services.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of routine business, and that statements in connection therewith be limited to the usual 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED CONCESSION PERMIT, MUIR WOODS NATIONAL MONUMENT, CALIF.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession permit in Muir Woods National Monument, Calif. (with accompanying papers); to the Committee on Interior and Insular Affairs.

MANAGEMENT OF RED LAKE INDIAN FOREST AND SAWMILL

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation relating to the management of the Red Lake Indian Forest and Sawmill (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Jui-Chang Hsieh from a report transmitted to the Senate on May 18, 1955, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

RESOLUTION OF SHEYENNE VALLEY ELECTRIC COOPERATIVE, INC., FINLEY, N. DAK.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Sheyenne Valley Electric Cooperative, Inc., Finley, N. Dak., relating to Federal development of the Hells Canyon Dam on the Snake River in Idaho.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON FEDERAL DEVELOPMENT OF THE HELLS CANYON DAM ON THE SNAKE RIVER IN IDAHO

Whereas in order that full development of this national resource be attained, the development must be done by our Federal Government; and

Whereas adjacent to this power resource there are also large deposits of phosphate and potash, which should be developed to the maximum but only can be by an abundance of cheap electricity; and

Whereas an abundance of cheap electricity has revolutionized the development of our Nation, without which progress and present standards would be retarded; and

Whereas posterity is dependent upon soil fertility and cheap energy for a higher and better standard of living: Now, therefore, be it

Resolved, That the board of directors of Sheyenne Valley Electric Cooperative respectfully urge the 2 Senators and the 2 Representatives from the State of North Dakota to support the full development of the Hells Canyon resource by supporting Federal development; and be it further

Resolved, That in order to achieve Federal development of this resource, we urge our 2 Senators and 2 Representatives to use their influence among their colleagues in order to obtain their support for this very necessary and important piece of legislation.

Respectfully submitted.

SHEYENNE VALLEY ELECTRIC COOPERATIVE,
JULIUS ANDERSON, *President*.
FINLEY, N. DAK.

ELIMINATION OF TAX ON ADMISSIONS—PETITION

Mr. LANGER. Mr. President, I have received a letter from A. J. Gilman, manager, Bijou Theater, Beach, N. Dak., transmitting an excerpt from the North Central Allied Bulletin, relating to the elimination of the tax on admissions. I ask unanimous consent that the letter and excerpt may be printed in the RECORD.

There being no objection, the letter and excerpt were ordered to be printed in the RECORD, as follows:

BIJOU THEATER,
Beach, N. Dak., April 16, 1956.

Hon. WILLIAM LANGER,
United States Senator,
Washington, D. C.

DEAR SENATOR LANGER: Received your letter in regard to the the 10 percent admission

tax. I certainly would like to see it eliminated.

The farm economy being what it is the theaters in this area are having a hard time. The theater is the only entertainment many rural people have or can afford to indulge in. Due to the admission tax and confiscatory methods of the film producers and distributors many small theaters are losing money or are forced to close. I believe the film industry should be controlled the same as any public utility.

With kindest regards and thanking you for your interest in the small theaters, I am,

Sincerely,

A. J. GILMAN,
Manager, Bijou Theater.

EXCERPT FROM NORTH CENTRAL ALLIED BULLETIN

Most exhibitors are presently in bad financial straits and are fearful of the future. According to Sindlinger, theaters are losing an average of $700 per year. If exhibitors were to eliminate the sale of confections in their theaters, just about 75 percent of the theaters would be forced to close—automatically. This is the situation in which exhibitors find themselves at a time when producers and distributors are making more money than at any other time in the history of the motion-picture business—and the country as a whole is enjoying the greatest prosperity of all time.

The fault is primarily ours because we do not stand up to be counted. The average exhibitor stays home, broads, cries and curses the distributors instead of doing what he should be doing: Supporting the organization financially, and writing to his Congressmen and Senators, advising them of what the distributors are doing, particularly to the small grossing theaters. And, unless you get in the battle and use this type of ammunition, you and the rest of us are doomed.

EXILE OF ARCHBISHOP MAKARIOS, OF CYPRUS — RESOLUTION OF PHILADELPHIA CITY COUNCIL

Mr. LEHMAN. Mr. President, the chairman of the Philadelphia Justice for Cyprus Committee, Gregory G. Lagakos, has sent me a copy of a resolution adopted unanimously by the City Council of Philadelphia, on March 22, 1956. This resolution expresses the sympathy and indignation of the city council over the exile of Archbishop Makarios, of Cyprus, by the British Government.

I ask unanimous consent that the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution 39

Resolution expressing sympathy and indignation on the occasion of the exiling of Archbishop Makarios, of Cyprus, by the British Government

Whereas the people of Philadelphia cherish the democratic form of government under which we live and particularly the guaranties of individual freedom from arbitrary police action and the guaranties to a fair and just trial under both the Constitution of the United States and the constitution of the Commonwealth of Pennsylvania; and

Whereas we acknowledge that to exile a man from his country is cruel and harsh treatment in the extreme; particularly a prelate whose life has been dedicated to the service of God, and who by exile is separated not only from his home, family and friends, but from his spiritual children and his work in the service of his Maker; and

Whereas we are thankful to Almighty God for the guaranties in our form of government against such acts in wanton disregard of the most basic constitutional rights; and

Whereas on or about March 9, 1956, on the isle of Cyprus, His Eminence, Bishop Makarios, archbishop of the Greek Orthodox Church of Cyprus, was seized by the British Government and, without the substantiation of any charge against him and without the opportunity to refute or even to hear his accusers, was exiled from his home, his country, and his archbishopric of over 400,000 souls: Therefore be it

Resolved by the Council of the City of Philadelphia, That we hereby express our vigorous indignation at the highhandedness of the action taken by the British Government, as aforesaid; be it further

Resolved, That we hereby express our sincere feelings to the members of the Greek Orthodox faith in terms of our deepest sympathy for the grievous wrong which they and their spiritual leader, Archbishop Makarios, have suffered by reason of the aforesaid acts; be it further

Resolved, That we hereby reaffirm the sentiments of the city of Philadelphia in behalf of freedom and liberty-loving Greece and the embattled and valiant people of Cyprus, who are fighting for the freedoms for which we fought in 1776; be it further

Resolved, That certified copies of this resolution be forwarded to the President of the United States, the Secretary of State, the Royal Greek Embassy, the United States Senators from Pennsylvana, and the Members of the House of Representatives from Philadelphia.

This is a true and correct copy of the original resolution passed by the Council of the City of Philadelphia on the 22d day of March 1956.

JAMES H. J. TATE,
President of City Council.

SIZE AND WEIGHT OF PARCEL-POST MAIL—RESOLUTION

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Chamber of Commerce of the City of Gardner, Mass., relating to the size and weight of parcel-post mail.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION IN SUPPORT OF H. R. 9566

Whereas the exstence of an efficient, economical parcel-post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel-post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it hereby

Resolved, That the Gardner Chamber of Commerce, comprised of 330 members and representing 203 businesses in Gardner, favors immediate enactment of H. R. 9566 and restoration thereby of uniform parcel-post size and weight limits.

It is respectfully requested that Senator LEVERETT SALTONSTALL insert this resolution in the CONGRESSIONAL RECORD and that he request the chairman of the Post Office Committee to schedule hearings now on parcel-post size and weight so that the citizens of Gardner may have relief from the present law before the current legislative session is concluded.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 2898. A bill for the relief of the F. Delizia Co., Inc. (Rept. No. 1851);

H. R. 3054. A bill for the relief of Allen Pope, his heirs, or personal representatives (Rept. No. 1852); and

H. R. 4865. A bill for the relief of Stanley Rydzon and Alexander F. Anderson (Rept. No. 1853).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 1835. A bill for the relief of the Board of Commissioners of Sedgwick County, Kans. (Rept. No. 1854); and

H. R. 3975. A bill for the relief of the Reverend Boniface Lucci, O. S. B. (Rept. No. 1855).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 1603. A bill to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects (Rept. No. 1857).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1622. A bill to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes (Rept. No. 1856).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 4118. A bill to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period (Rept. No. 1859).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3266. A bill to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the continental limits of the United States and in Alaska (Rept. No. 1860).

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3524. A bill to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes (Rept. No. 1858).

REPORT ON TREATMENT AND REHABILITATION OF NARCOTIC ADDICTS (S. REPT. NO. 1850)

Mr. DANIEL. Mr. President, on behalf of the Committee on the Judiciary, I submit a report on the treatment and rehabilitation of narcotic addicts. The report was made by unanimous vote of the subcommittee which investigated the narcotics traffic, and also by unanimous vote of the full Committee on the Judiciary.

In connection with our nationwide investigation of the narcotics traffic, pursuant to Senate Resolution 67, adopted on March 18, 1955, we received the direction that "special attention be given to the extent, cause, and effect of unlawful uses of narcotics and marihuana and to the additions and changes in the laws necessary to combat the increasing narcotic addiction in the United States."

Mr. President, we spent most of a week in hearing the experts on the subject of narcotic addiction and treatment. One of the special findings we make in the report is that "the so-called clinic plan" for free distribution of narcotics is totally unworkable, is completely contrary to accepted medical practice and theory, and would aggravate, rather than solve, the problem of drug addiction."

In the report we face that fact that although much improvement has been made since passage of the Harrison Narcotic Act, and although at this time there are fewer narcotic addicts than there were then—and especially is that true since the Federal Bureau of Narcotics was established—there are today in the United States at least 60,000 narcotic addicts, and they are responsible for approximately 50 percent of the total number of crimes committed in the large metropolitan areas, and 25 percent of all reported crimes in the Nation. So it is high time that active steps be taken toward the cure and rehabilitation of the 60,000 drug addicts in this country, and toward removal of the incurables from public contacts where they spread both their addiction and the traffic to other people.

Mr. President, I ask unanimous consent that our committee's conclusion concerning the free drugs clinics, as set forth in the report, be printed at this point in the Record.

There being no objection, the excerpt from the report was ordered to be printed in the Record, as follows:

Conclusion

The subcommittee is unalterably opposed to and rejects the clinic-plan proposal for supplying narcotic addicts with free or low-cost narcotic drugs. We are opposed to all types of so-called ambulatory treatment. We believe that initial treatment must take place within a special institution, and that rehabilitation of a drug addict should not begin until he is off of narcotic drugs and has undergone extensive physical and psychiatric treatment within an institution. We believe that attempts to reduce narcotic addiction and to destroy the illicit narcotics traffic by giving free drugs to narcotic addicts would be an abject failure and, more important, that it would maintain and tend to increase the present problem of drug addiction in the United States. Finally, we believe the thought of permanently maintaining drug addiction with sustaining doses of narcotic drugs to the addict to be utterly repugnant to the moral principles inherent in our laws and the character of our people.

The subcommittee is supported in its conclusions and policy by other groups which have given intensive study to this particular problem. Among them are:

(a) The Canadian Senate's Special Narcotics Investigating Committee, which reported on June 20, 1955, as follows:

"The committee heard considerable evidence with respect to narcotic clinics and ambulatory treatment. The vast preponderance of responsible evidence on this subject, both oral and written, leads the committee to conclude that the establishment of such clinics or the provision of any other legalized supply of drugs for the purpose merely of supporting addiction would be a retrograde step. The committee is therefore strongly of the opinion that the narcotic-drug problem cannot be solved by the creation of Government clinics where addicts could obtain their supplies.

"The committee unanimously rejects any proposal designed to provide legal supplies of drugs to criminal addicts."

(b) The Commission on Narcotic Drugs of the United Nations, which reported at its 10th session:

"In the treatment of drug addiction methods of ambulatory treatment and open clinics are not advisable."

(c) The Committee on Drug Addiction and Narcotics of the National Academy of Sciences—National Research Council, which adopted the following policy at its 14th meeting, October 1–2, 1954:

"The committee disapproves a policy of legalization of administration of narcotics to addicts by established clinics or suitably designated physicians because:

"1. It is impossible to maintain addicts on a uniform level of dosage;

"2. Ambulatory treatment of addiction is impossible and has been so judged by the American Medical Association and other informed groups;

"3. The clinics would facilitate the production of new addicts by increasing drug availability; and

"4. The policy is contrary to international conventions and national legislation."

Mr. DANIEL. Mr. President, in the report we make affirmative recommendations for improvements in the present treatment of drug addicts, and regarding the indeterminate commitment of habitual addicts—those who have gone to Federal hospitals three times, but still relapse to the use of drugs. We recommend that there be some kind of commitment to narcotics farms, so as to keep such drug addicts off the streets and out of public places.

We have made other specific recommendations for improvement of our procedures for treating and rehabilitating narcotics addicts. I ask unanimous consent that our recommendations, as summarized on pages 20 and 21 of the report, be printed at this point in the Record.

There being no objection, the excerpt from the report was ordered to be printed in the Record, as follows:

Recommendations

1. That voluntary commitments to the Federal narcotics hospitals be abolished and that all admissions be processed through the appropriate district court of the United States for civil type commitment requiring a mandatory period of treatment, or by State court commitments under the conditions hereinafter outlined.

2. That the Surgeon General be authorized to accept addicts commited by a State on a reimbursable basis under State court orders requiring a mandatory period of treatment.

3. That each State be assigned a quota of addict-patients which may be committed to Federal narcotics hospitals at any one time, therefore assuring that each State has fair and equal opportunity to avail itself of the limited facilities. In those few States where the number of addicts requiring treatment exceeds the established quota of patients at Lexington and Fort Worth, such States should assume the responsibility of establishing their own special hospital facilities for the treatment of drug addiction.

4. That States desiring to participate in the commitment program, in order to become eligible, must have satisfied the Surgeon General that suitable follow-through, or posthospitalization facilities have been established to aid and assist the drug addict upon his discharge from the Federal narcotics hospital and to determine any relapse to addiction. That the USPHS continue to provide technical and advisory assistance to States and local communities in developing followup programs.

5. That, for a successful follow-through program, commitment orders for drug addicts should provide for at least a 3-year probation status upon release from Federal hospitals, including mandatory provisions for regular reporting, and physical examinations and for recommitment upon relapse without the institution of new procedings.

6. That no drug addict be treated at Federal narcotics hospitals on more than three occasions, after which, if found to have relapsed again to the use of drugs, he should be subject to State or Federal proceedings designating him as an habitual narcotic addict and committing him to an indeterminate quarantine-type of confinement at a suitable narcotics farm which, it is recommended, be established with joint Federal-State planning and financing, such arrangement to include either:

(a) individual States, or

(b) a group of States entering into a compact for such purpose.

7. That the Public Health Service Act be amended to authorize the divulgence of information relating to narcotic addicts to appropriate Federal and State authorities in charge of treatment and rehabilitation programs and to the Federal Bureau of Narcotics.

8. That the Surgeon General continue and expand, where needed, the existing Federal research program into the causes, treatment, and rehabilitation of drug addicts, and that annual reports on the progress of such research be made to the appropriate committee of the Congress.

It should be noted that these recommendations for treatment and rehabilitation are not intended as a substitute for criminal confinement and punishment of those addicts who are convicted of law violations. They should pay their debt to society the same as nonaddicts, and proper law enforcement and confinement in such instances will do much toward minimizing the narcotics traffic and addiction in the United States.

Price Daniel, *Chairman.*
Joseph C. O'Mahoney.
James O. Eastland.
Herman Welker.
John Marshall Butler.

The PRESIDENT pro tempore. The report will be received and printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Clarence G. Morse, of California, to be a member of the Federal Maritime Board.

Mr. MAGNUSON. Mr. President, as in executive session, from the Committee on Interstate and Foreign Commerce, I ask unanimous consent to report, as in executive session, 750 nominations of persons for promotions in the Coast Guard.

These promotions are routine in character, and, in order to avoid the expense of printing the nominations on the calendar, I ask unanimous consent that they be kept on the Secretary's desk without being printed.

The PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Washington.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART:

S. 3724. A bill creating the city of Cannelton Bridge Commission, defining the authority, power, and duties of said Commission; and authorizing the Commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., and for other purposes; to the Committee on Public Works.

By Mr. NEUBERGER (for himself, Mr. Johnston of South Carolina, Mr. Morse, Mr. Scott, Mr. Laird, Mr. Langer, and Mr. Pastore):

S. 3725. A bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Neuberger when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 3726. A bill to amend section 48 of title 28 of the United States Code in order to authorize holding terms of the United States Court of Appeals for the fifth circuit at Miami, Fla.; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 3727. A bill to amend the Watershed Protection and Flood Prevention Act; to the Committee on Agriculture and Forestry.

By Mr. JOHNSON of Texas (for himself and Mr. Daniel):

S. 3728. A bill to provide for the construction by the Secretary of the Interior of the San Angelo Federal reclamation project, Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CAPEHART:

S. 3729. A bill creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said Commission; and authorizing the Commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boon County, Ky., and for other purposes; to the Committee on Public Works.

By Mr. MAGNUSON (for himself and Mr. Jackson):

S. 3730. A bill to provide for protecting Soap Lake, Wash., in connection with the Columbia Basin project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. CARLSON (for himself, Mr. Jenner, and Mr. Martin of Iowa):

S. 3731. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GEORGE (by request):

S. J. Res. 165. Joint resolution approving the relinquishment of the consular jurisdiction of the United States in Morocco; to the Committee on Foreign Relations.

CONCURRENT RESOLUTION

The following concurrent resolution was submitted and agreed to:

By Mr. EASTLAND:

S. Con. Res. 76. Concurrent resolution amending Senate Concurrent Resolution 67 favoring the suspension of deportation in the cases of certain aliens.

(See the remarks of Mr. Eastland when he submitted the above concurrent resolution, which appear under a separate heading.)

COOPERATION WITH OTHER NATIONS TO ABOLISH FORCED LABOR

Mr. HUMPHREY submitted the following resolution (S. Res. 248) favoring United States cooperation with other nations through the International Labor Organization to abolish forced labor, which was referred to the Committee on Labor and Public Welfare:

Whereas forced labor for political or economic purposes is abhorrent to all civilized nations and is repugnant to the constitutional and statutory concepts of the republican form of government on which life in the United States is based; and

Whereas the people of some nations are subjected to forced labor for political or economic purposes; and

Whereas the existence of forced labor in any nation is inimical to the interests of the United States and other free nations morally, politically, and economically and constitutes a threat to the security, well-being, and even the existence of democratic institutions and free economic systems; and

Whereas to meet this threat and to promote the welfare and dignity of human beings through the world, the United Nations and the International Labor Organization, at the initiative of the American Federation of Labor, appointed an ad hoc committee to study the nature and extent of forced labor for political or economic purposes throughout the world; and

Whereas the ad hoc committee on forced labor issued a carefully considered and well documented report detailing the existence of forced labor for these purposes in a number of nations of the world; and

Whereas the International Labor Organization is now considering the adoption of an international instrument designed to abolish forced labor for political or economic purposes wherever it may exist; and

Whereas the United States Government has exercised leadership in the United Nations to mobilize world opinion for the abolition of forced labor for political and economic purposes: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Government of the United States exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes.

INCREASED LIMIT OF EXPENDITURES BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 249), which was referred to the Committee on Post Office and Civil Service:

Resolved, That the Committee on Post Office and Civil Service is authorized to expend from the contingent fund of the Senate, during the 84th Congress, for the purposes specified in section 134 (a) of the Legislative Reorganization Act of 1946, $10,000 in addition to the amount authorized in such section.

PROHIBITION OF COSPONSORS ON BILLS AND JOINT RESOLUTIONS

Mr. BARKLEY submitted a resolution (S. Res. 250) prohibiting the introduction of bills or joint resolutions by two or more Senators jointly, which was referred to the Committee on Rules and Administration.

(See the remarks of Mr. Barkley when he submitted the above resolution, which appear under a separate heading.)

INCREASED BENEFITS TO PERSONS PRESENTLY ON CIVIL SERVICE RETIREMENT ROLLS

Mr. NEUBERGER. Mr. President, the bill (S. 2875) to liberalize and improve retirement, disability, and survivorship benefits for present and future employees of the Government, was reported favorably a few days ago by unanimous vote of the Committee on Post Office and Civil Service, and is now on the calendar. Among other things, that bill provides that present and future Federal employees, who will share its benefits, must also share a portion of the added cost of such benefits. This, and the other financial provisions of S. 2875 will, for the first time, establish the civil service retirement fund on a fully financed "pay-as-you-go" basis with respect to benefits based on future service.

Enactment of Senate bill 2875 will provide reasonable benefits to our longtime and loyal Federal employees who reach retirement age in the foreseeable future.

However, the plight of many of our former employees now on the retirement rolls is of great personal concern to me and other members of the committee. Because of our genuine regard for their welfare, we propose to introduce a bill that will increase the annuities of these senior citizens of ours, who devoted their earlier years to the Government service. The bill provides:

A. An increase of not to exceed $300 in the annuity of former employees now retired.

B. An increase of $80 in the annuity of survivors of former employees—except children.

C. An increase of $50 in the annuity of surviving children.

Additionally, since Senate bill 2875 proposes to place the fund on a pay-as-you-go basis with respect to future service costs, the bill presently being introduced provides that the cost of increased annuities to persons now retired shall be met out of appropriations made specifically for such purposes.

Mr. President, on behalf of the distinguished senior Senator from South Carolina [Mr. Johnston], who is also chairman of the Committee on Post Office and Civil Service, the junior Senator from North Carolina [Mr. Scott], the junior Senator from Rhode Island [Mr. Pastore], the senior Senator from North Dakota [Mr. Langer], my colleague, the senior Senator from Oregon [Mr. Morse], the junior Senator from West Virginia [Mr. Laird], and myself, I introduce, for appropriate reference, a bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended. I ask unanimous consent that the bill may be printed in the Record, as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3725) to provide for increases in the anuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended, introduced by Mr. Neuberger (for himself and other Senators), was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

> *Be it enacted, etc.*, That (a), subject to the provisions of section 2, the annuity of any employee who, before the date of enactment of this act, was retired and is receiving or entitled to receive an annuity under the Civil Service Retirement Act of May 29, 1930, as amended, shall be increased by $100 plus $10 for each two full months elapsed between the commencing date of the annuity and the date of enactment of this act: *Provided*, That such increase in annuity shall not in any case exceed $300.
>
> (b) Subject to the provisions of section 2, the annuity of any survivor, except a child covered by subsection (c), who, on the date of enactment of this act is receiving or is entitled to receive an annuity under the Civil Service Retirement Act of May 29, 1930, as amended, based on the service of a former employee, shall be increased by $60.
>
> (c) Subject to the provisions of section 2, the annuity of any child who, on the date of enactment of this act, is receiving or is entitled to receive an auunity under the Civil Service Retirement Act of May 29, 1930, as amended, based on the service of his parent, shall be increased by $50.
>
> Sec. 2. No increases in annuities shall be payable under section 1 of this act until, and except to the extent that, an appropriation made for the specific purpose of paying such increases is available for such purpose. Any such increase shall become effective on the first day of the first month for which such appropriation is available, and shall terminate on the last day for which such appropriation is available.
>
> Sec. 3. Section 8 (d) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by striking out the next to the last sentence in paragraph (1) thereof.

AMENDMENT OF INTERNAL REVENUE CODE, TO ENCOURAGE SMALL BUSINESS CONCERNS TO ENGAGE IN FOREIGN TRADE

Mr. FREAR. Mr. President, on April 18, the Senator from Indiana [Mr. Capehart] introduced for himself, and the junior Senator from Delaware, the bill (S. 3672) to amend the Internal Revenue Code of 1954 and to encourage small-business concerns to engage in foreign trade, which has been referred to the Finance Committee.

I intended to be present on the floor at the time and deliver a brief statement in support of the measure. Unfortunately, I was delayed by a committee meeting; but I now ask that a brief statement, prepared by me, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Frear

> I join with my colleague, Senator Capehart, in his contention that a study of the administration of the Western Hemisphere Trade Corporation Act reveals that the smaller manufacturer in the United States is not being given equal opportunity with our largest manufacturers to compete with foreign exporters on the Western Hemisphere markets.
>
> As a member of the Senate Finance Committee to which this bill will be assigned, I wish to make it clear here that I will ask the committee act at the earliest opportunity to eliminate the existing inequality.
>
> I am sure that Senators will not wish to continue the requirement—by the Treasury Department interpretation—that title to goods sold to Western Hemisphere countries must change hands outside the continental United States in order to qualify for Western Hemisphere competitive benefits.
>
> This requirement denies a competitive position to the smaller manufacturer who cannot afford to maintain agencies and warehouses in all Western Hemisphere countries, but permits benefits to the largest manufacturers who do maintain such title-changing facilities in their normal business operations.
>
> That item is of grave importance, but, as Senator Capehart has said, there is more evidence which needs to be placed before the committee to reveal the complete picture of the position in which the smaller manufacturers have been placed.
>
> I do not believe it was not the intent of the Congress and the Senate Committee which acted on the original amendment that only one segment of our industry was to be placed in a position to compete with foreign manufacturers for Western Hemisphere trade.

EXTENSION OF DEFENSE PRODUCTION ACT—AMENDMENT

Mr. BUSH (for himself, Mrs. Smith of Maine, Mr. Purtell, Mr. Martin of Pennsylvania, Mr. Payne, Mr. Beall, Mr. Ives, Mr. Smith of New Jersey, Mr. Duff, and Mr. Kuchel) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 3407) to extend the Defense Production Act of 1950, as amended, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT—CHANGE OF REFERENCE

Mr. ELLENDER. Mr. President, I move that the Committee on Agriculture and Forestry be discharged from further consideration of the bill (S. 3371) to amend the Watershed Protection and Flood Prevention Act, and that it be referred to the Committee on Public Works.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. PAYNE:

Statement prepared by him on the anniversary of the birth of John F. Stevens, Chief Engineer of the Panama Canal, and poetic tribute by Maurice H. Thatcher.

By Mr. POTTER:

Statement prepared by him regarding the 11th anniversary of the meeting of American and Russian soldiers on the Elbe River.

NOTICE OF CONSIDERATION OF NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator and as chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the following nominations:

Albert F. Nufer, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines, vice Homer Ferguson;

Willard L. Beaulac, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina, vice Albert F. Nufer; and

Cecil B. Lyon, of New Hampshire, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile, vice Willard L. Beaulac.

Notice is given that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

FUTURE ROLE OF NATO

Mr. SMITH of New Jersey. Mr. President, on Monday before the annual meeting of members of the Associated Press in New York, Secretary of State Dulles said that the time had come to consider expanding the role of NATO.

Yesterday, at his press conference, he expanded somewhat on his proposal, and suggested that there be an exchange of thoughts at the coming NATO Council meeting with regard to the possible development—economically and politically—of NATO.

Mr. President, I believe such an expansion would be desirable.

It may be that NATO could, in the future, play a role in assisting the less developed nations of North Africa and the Middle East in their efforts to build themselves economically.

I am hopeful that some such development will be agreed to in the near future.

Mr. President, in response to a question concerning recent criticism of United States policy as being overmilitarized, the Secretary made it clear, as did the President last Saturday, that we must give more emphasis to the economic and political approach without sacrificing our military preparedness.

The thoughts that Mr. Dulles has expressed with regard to expanding the role of NATO constitute further evidence that United States policies are continuing to be adapted to meet more effectively both recently revised Communist tactics and the changing demands of the times.

As President Eisenhower said on Saturday before the American Society of Newspaper Editors:

> Our assistance must be used flexibly to fit needs and plans as they develop. We must be ready to adapt our help promptly to meet changing conditions.

Mr. President, in connection with the NATO proposal, I desire to call attention

to editorials in two of our leading New Jersey papers.

The first is an editorial from the Newark Star Ledger of April 24 entitled "It's Time To Expand NATO." The other is an editorial from the Newark Evening News of April 24 entitled "Foreign Policy Changes."

Mr. President, from the latter editorial I shall quote a portion of the last paragraph, which refers to Mr. Dulles' NATO speech:

> Thus the speech contained at once hope and skepticism, an implicit willingness to accept criticisms of past performances and to lead the way toward meeting demands that in the economic field we counter the new Russian policy. In the light of this it cannot be said that the administration is stubbornly persisting in a course that needs redirection.

Mr. President, I ask unanimous consent that the full text of both of these editorials be inserted in the body of the Record at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Newark Star Ledger of April 24, 1956]

It's Time To Expand NATO

Secretary Dulles' foreign-policy speech before an Associated Press luncheon yesterday in New York will be welcomed heartily by our allies, particularly those in the North Atlantic Treaty Organization.

The Secretary, following the broad principles laid down by President Eisenhower in his Washington speech Saturday, proposed expanding this successful, though essentially military alliance of 12 North Atlantic nations to include the economic phases of their foreign relations.

This, of course, is not new. Italian President Gronchi, in an address to a joint session of Congress during his recent visit here, and French Premier Guy Mollet, in a later blast at United States policy toward Europe, both called for a similar change in emphasis within NATO and other western alliances to economic, rather than military cooperation.

The details of this expansion, of course, have not been revealed, either by Dulles or by Messrs. Gronchi or Mollet. Perhaps they will now be formulated at the upcoming May 4 meeting in Paris of NATO ministers.

But the basic idea of making NATO more effective, particularly in light of the New Look of Soviet foreign policy, seems certain to strengthen our ties with our allies and put the West in a sounder position to counter any and all Soviet policy shifts.

[From the Newark News of April 24, 1956]

Foreign Policy Changes

Reorienting of United States foreign policy is under way. Important decisions have been taken in Washington. Their first fruits will become apparent at the NATO Council at Paris next week.

This was made clear in the speech by Secretary of State Dulles before the Associated Press in New York. It fitted together with the address by President Eisenhower to the editors in Washington, to spell out a new phase of our foreign relations.

Our attitude toward Russia is changing, though we will not let down our guard. Both the President and his Secretary of State are encouraged by the changes in Soviet policy and tactics, which they attribute to a conviction in Moscow that the policy of force was not getting the Communists anywhere. They are hopeful that forces for liberalization are effectively at work in the Soviet Union, which they still do not trust and whose methods Mr. Dulles saw fit to attack anew. In reorienting we are not taking anything back. But said Mr. Dulles:

"Our new task is to build more on hope and less on fear."

Accordingly, there will be less emphasis on militarism in our foreign relations, though we will continue to build strength into our alliances, as well as to maintain our national strength. Mr. Dulles forecast that next week in NATO the United States will yield to those nations which are anxious to develop the North Atlantic Treaty Organization along other than military lines.

The Secretary pointed out that unity among allies is hard to maintain when fear of attack is lessened, but he is convinced that cooperation for constructive purposes can serve usefully as a unifying influence. He foresees NATO nations cooperating closely "for something, rather than merely against something."

"We seek, above all, to advance the inevitable day," he declared, "when the historic friendship between the Russian and American peoples can again be fully manifested. Therefore, we take deep satisfaction from the fact that we can today see within Russia some signs of light which could mark the dawning of that new day."

Thus the speech contained at once hope and skepticism, an implicit willingness to accept criticisms of past performances and to lead the way toward meeting demands that in the economic field we counter the new Russian policy. In the light of this it cannot be said that the administration is stubbornly persisting in a course that needs redirection. We shall see at NATO how readily our allies respond to our approaches.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. SMITH of New Jersey. Mr. President, as a cosponsor of S. 669, a bill to grant home rule to the citizens of the District of Columbia, I am pleased to note from a letter written by the Director of the Budget, Mr. Brundage, to the chairman of the Committee on the District of Columbia in the House of Representatives, that the President has recently endorsed this particular proposed legislation with certain modifications.

The President has suggested that instead of an elected mayor, the city should have a mayor appointed by the President and confirmed by the Senate. Also, he has suggested that the President should have veto power over legislation passed by the city council over the mayor's veto but he should have no veto power over legislation which his appointed mayor approved. These powers are not granted in the present bill.

There have been objections that this is not complete home rule and therefore the changes should not be accepted. Though I voted for S. 669 when it passed the Senate on June 29, 1955, I agree that these changes are wise and that they would provide a proper balance between the Federal and city governments. They permit the Federal Government to retain some control over the city and at the same time allow the city to govern itself with a minimum of outside interference.

The President's suggestions provide a feasible compromise. The crux of home rule lies in granting the city of Washington the lawmaking power through an elected city council. The President's suggestions do not necessarily inhibit this power, but leave it as granted in the bill already passed by the Senate.

That there should be some degree of control over the Nation's Capital by the Federal Government is understood and appreciated by many of those in the city advocating and working to obtain home rule. This is taken care of in the President's suggestions and also in section 324 D of the bill approved and passed by the Senate, wherein the Congress of the United States reserves its right to continue to legislate also for the District of Columbia.

On January 22, 1952, the Senate passed S. 1976, a bill granting an elected city council and an elected board of education and a mayor to be appointed by the President with the consent of the Senate.

On May 31, 1949, the Senate passed S. 1527, also a bill granting home rule. This bill provided for an 11-member city council—9 members to be elected and 2 to be appointed by the President, the mayor to be chosen by the city council. These last proposals were incorporated at the request of the late Senator Taft, who was a coauthor of that bill and interested in obtaining home rule for the city.

I mention these things, Mr. President, for the history of this legislation shows the concept that Congress has held consistently about the relationship between the Federal Government and the city of Washington. I regret that both bills passed by the Senate were not accepted by the House and therefore never became law. It would be difficult, if not impossible, to grant unrestricted home rule to Washington, considering the circumstance of having the Nation's Capital located within the city of Washington itself.

I hope, Mr. President, that the changes suggested by the President will be incorporated in S. 669.

VERRAZZANO DAY AND ADMISSION OF ITALIANS TO THE UNITED STATES

Mr. LEHMAN. Mr. President, I am greatly pleased that Mayor Wagner, of New York City, has designated April 17 as Verrazzano Day.

This great Italian explorer was in the tradition of, and followed in the footsteps of, Christopher Columbus. He helped plot the way to the exploration and development of the New World. He deserves a place of high honor in our hearts and an expression of gratitude from America, as from all the other nations of the Western Hemisphere.

It is strange and paradoxical that men of Italian blood, whose forebears did so much to make the New World possible, are now discriminated against, so far as entry into this country is concerned. The list of the great explorers of Italian birth who blazed the trails across the unknown seas is a long one, and includes not only Columbus and Verrazzano, but also Cabot, Vespucci, and many, many others. That should be warrant enough for the elimination from our immigration laws of all traces of discrimination against Italians. Indeed, if any people has a historical right to a preference, it is the Italians.

But today we believe there should be no preferences or discrimination for or against any people, and that all immigrants should be admitted into our country on the basis of individual worth.

I hope that from the observance of Verrazzano Day, there will be a renewed dedication to the broadening of our welcome to peoples of Italian birth and descent who desire to emigrate to America.

Mr. LANGER. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I am glad to yield.

Mr. LANGER. I wish to inform the distinguished Senator from New York that today the Immigration Subcommittee of the Judiciary Committee is meeting to consider this very problem, and to deal with immigration. This matter has been very close to the hearts of a great many members of the Judiciary Committee, and I think it is receiving prompt attention.

Mr. LEHMAN. Mr. President, I appreciate very much the remarks of the Senator from North Dakota.

FARM COMMODITY PRICES

Mr. CAPEHART. Mr. President, toward the end of the session on yesterday, we got into quite a heated debate—although purely on a friendly basis—over the farm situation and President Eisenhower's position regarding it, and, in particular, the address recently made by President Eisenhower and the address recently made by the senior Senator from Texas [Mr. JOHNSON]. In a colloquy with the able Senator from Oklahoma [Mr. KERR], the debate became quite heated in regard to the prices the farmers are receiving at the moment, in relation to parity.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. JOHNSON of Texas. Will the Senator from Texas permit me to notify the Senator from Oklahoma [Mr. KERR], and to ascertain whether he cares to discuss this matter, in which case he may have an opportunity to come to the floor?

Mr. CAPEHART. I do not believe that will be necessary, because all I intend to do is place in the RECORD the parity figures which have been given to me by the Department of Agriculture.

As I said, Mr. President, the debate became quite heated—although in a friendly way. Perhaps our feelings became slightly strained in the course of the colloquy; but one can well understand how that might occur during heated debate on a problem so controversial at the moment as the farm problem.

At this point I wish to place in the RECORD—because I am sure that someone gave the distinguished Senator from Oklahoma some very unreliable information—certain figures which I have received from the Department of Agriculture. I am sure that if the Senator from Oklahoma had been given the correct facts, he would not have used the figures he did.

I now find from the Department of Agriculture the following in regard to the prices farmers are receiving in relation to parity:

Eggs, 97 percent.

Wholesale milk prices—the prices the farmer receives—87 percent. That means 87 percent of parity.

Barley, 75 percent of parity.

Oats, 78 percent of parity.

Flaxseed, 80 percent of parity.

Grain sorghums, 77 percent of parity.

Peanuts, 90 percent of parity.

Cotton, 90 percent of parity.

Butterfat, 81 percent of parity.

Soybeans, 97 percent of parity. Soybeans are almost up to 100 percent of parity at the moment; and I repeat that these are the percentages of parity the farmer is receiving at the present time.

Corn, 82 percent of parity.

Wheat, 85 percent of parity.

Cattle, 74 percent of parity. The figure for cattle includes the prices paid for all grades of cattle, including the utility grade, the commercial grade, and all the other grades. They are averaging about $14.40 a hundredweight, for all grades, including the utility grade, the grade for the old cows.

Hogs, 74 percent of parity. That is based on the price of hogs as of yesterday.

Of course, Mr. President, the trouble with these figures is that no two markets in the United States pay exactly the same price on the same day. Instead, prices vary as between different markets. However, these figures are the best judgment of the Department of Agriculture, taken on the average, as a whole, throughout the United States.

These figures will be officially published soon. They are the figures as of April 15. They are approximately correct. As I say, some markets may be lower and some may be a little higher.

Mr. President, I wish to have the RECORD show the facts. As I stated a moment ago, I am certain that the able Senator from Oklahoma would not have used the figures he used if these figures had been available to him. Someone handed him some figures which were wrong with respect to the prices farmers are receiving at the moment in relation to parity. I believe it to be a true statement that even during the depression in the 1930's, at no time did the overall average of farm prices go below 70 percent. I do not believe it has ever gone below 70 percent. Some items have, but I am talking about the overall average.

These are the facts, as best we can obtain them. Naturally the figures are approximate. They will vary in different sections of the United States. I wish to say, in all fairness to the Senator from Oklahoma, that I am sure, had he been handed these figures instead of the ones he had, he would not have used the figures which he used.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LANGER. Are these parity prices after Mr. Benson announced increases a few days ago?

Mr. CAPEHART. No. These are the prices which farmers are receiving in the free market today. They have nothing to do with the support prices. These are the prices which the farmer is receiving in the open market for that which he sells.

For example, in my State at the moment corn is selling for $1.43 a bushel, I believe. That is about 87 percent of parity. The Department gives me a figure of only 82 percent. That is because the corn is not selling quite that high in other parts of the country. I wish to be fair. Markets vary, even from elevator to elevator within any given State.

Mr. LANGER. I think the Senator is entirely mistaken when he says that during the drought wheat, for example, did not go below 70 percent.

Mr. CAPEHART. No; I did not say that. I say that the general average of all farm products, even during the depression days of the 1930's, never went below 70 percent. I believe that to be a true statement. If it is not, I shall find out.

Mr. LANGER. I do not believe it is correct. For example, rye was selling in North Dakota for 7 cents a bushel. Wheat was sold for prices ranging between 19 and 24 cents a bushel.

Mr. CAPEHART. Parity at that time may have been only 90 cents a bushel for rye. We are talking about the parity prices. When we say 70 percent of parity, we mean 70 percent of parity as established by law, under a formula written by the Congress.

Mr. LANGER. If the Senator is interested, I can obtain the figures. The figure was not 70 percent of parity during the drought.

Mr. CAPEHART. The Senator may well be correct. As I say, these figures vary from State to State. They vary from market to market. They vary from elevator to elevator, in the case of grains, as much as 3 or 4 cents a bushel in my State on corn and other grains. However, generally speaking the figures are approximately correct. I think the RECORD should show the facts. As I stated a moment ago, I am sure the Senator from Oklahoma would not have used the figures he used had he been handed the correct figures.

AUTHORIZATION TO SPEAKER RAYBURN TO WEAR A DECORATION AWARDED HIM BY THE GOVERNMENT OF THE PHILIPPINES

Mr. JOHNSON of Texas. Mr. President, I hold in my hand a copy of House bill 10754, a bill just passed by the House of Representatives. The bill would authorize Hon. SAM RAYBURN, Speaker of the House of Representatives, to accept and wear a decoration awarded him by the Government of the Republic of the Philippines. I have discussed this proposed legislation with the distinguished minority leader, and we are in agreement that it should be considered by unanimous consent at this time.

The PRESIDENT pro tempore. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 10754) to authorize the Honorable SAM RAYBURN, Speaker of the

House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines, was read the first time by its title and a second time at length, as follows:

> *Be it enacted, etc.,* That the Honorable SAM RAYBURN, Speaker of the House of Representatives, is authorized to accept the award of the Order of Sikatuna, Lakan Class, together with any decorations and documents evidencing such award. The Department of State is authorized to deliver to the Honorable SAM RAYBURN any such decorations and documents evidencing such award.
>
> SEC. 2. Notwithstanding section 2 of the act of January 31, 1881 (ch. 32, 21 Stat. 604; 5 U. S. C. 114), or other provision of law to the contrary, the named recipient may wear and display the aforementioned decoration after acceptance thereof.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. KNOWLAND. Mr. President, I rise to say a word in regard to the bill just passed. The bill authorizes Hon. SAM RAYBURN, Speaker of the House of Representatives, to wear a decoration which was awarded him by the Government of the Republic of the Philippines, with which we have had long and historic ties of friendship over the years, and with which we are now mutually associated in defense treaties. We have a keen interest in the economic, political, and military stability of that great new country in the far Pacific.

I think all of us, regardless of our partisanship, and regardless of the House in which we serve, are pleased that this tribute has been paid to Speaker SAM RAYBURN, of Texas. Many of us have had occasion to know Speaker RAYBURN for a number of years. Some of the Members of this body served in the House with him ever since he came to Congress, in about the year 1913. While I did not have that privilege, my father served in the House of Representatives with him.

I think we all recognize that Speaker RAYBURN has had a long and distinguished career. While it is true that he occupies the position of Speaker of the House of Representatives as the leader of the Democratic majority in the House, regardless of that fact, both Democrats and Republicans in the House, and I am sure both Democrats and Republicans in the Senate, join in congratulating Speaker RAYBURN on the very well-deserved tribute he has received from our good neighbor, the Republic of the Philippines.

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation of the very generous remarks of the distinguished minority leader. All of us who have served with Speaker RAYBURN are devoted to him. When the Philippine Government honors him, it honors us. I know of no man in this Nation who is more worthy of this recognition than SAM RAYBURN. I am particularly grateful that the distinguished minority leader should see fit to pay him such a very generous tribute. It is not only a tribute to SAM RAYBURN that the senior Senator from California has paid him, but it is also a tribute to the senior Senator from California.

PRIVATE ENTERPRISE AND SHIPBUILDING

Mr. KUCHEL. Mr. President, the latter part of last week, the Senate Armed Services Committee reported a bill already passed by the House authorizing the construction and conversion of certain naval vessels.

This is a subject of vital interest and of the utmost importance to the shipbuilding industry in my State.

During the period immediately before World War II private shipbuilding in California employed 100,000 people. The descent has been breathtakingly fast falling to a low figure of less than 2,000 as of 1955. This fact alone is one to cause great concern. Not only because it signifies the crisis the shipbuilding industry is facing in terms of production, but a shipyard is more than just a physical plant or workshop. It is a composite of equipment, management, and working skills, all of which must be geared in very delicate fashion to produce the technical and highly complicated modern vessel. Such facilities cannot be maintained in adequate condition unless they are used. Highly trained specialists essential in the construction and development of current technological advances in this field cannot be expected to remain at jobs where there is no work. The depletion of these skills is as much of a loss to the Nation as it is to the industry.

It has been substantiated that a major portion of Government contracts is being awarded to naval shipyards although often the cost of construction exceeds that in private yards. The situation is so obvious and unfair that a Hoover Commission task force report made this comment:

> Due to the distressed condition of the private shipbuilding industry and the serious competition engendered by Government shipyards, the private industry is weakened as a war reserve * * * the Navy's operation of all these shipyards represents a destructive intrusion into the private shipbuilding of this country.

In 1954 I urged the Congress to initiate a program of emergency ship repairs which was designed to cover 205 ships and which amounted to $45 million. A bill was enacted authorizing $25 million, which was estimated to cover 100 ships. Eighty-one ships were laid up on the west coast, and I was assured by the Maritime Commission that at least one-third of the work awarded under the program would be at California shipyards. We are grateful. Bit by bit, morsel by morsel, the industry manages to keep alive.

Throughout the report made by the House Committee on this bill, the importance of a modern Navy and the United States maintaining command of the seas is emphasized to the extreme that victory or defeat in a hot or cold war might very well be decided by our naval position. Recommendations have been made proposing an expanded shipbuilding program. Congress must take a farsighted look into the probabilities and potentialities of such a program and give the proper consideration to these proposals.

That same farsighted consideration should be given to greater utilization of private shipbuilding. Every effort should be made now while we have the opportunity to see to it that private shipbuilding does not deteriorate to the extent that it would not be possible to utilize it during a time of emergency. The appropriate executive departments must see to it that substantial allocation of contracts be made to California yards when the time comes to implement the legislation Congress has been called upon to enact, so that empty docks and ways will stop rusting and the sounds of men working and the clamor of steel will again fill the vast silence of our now almost inactive shipyards.

I would like to call the attention of the Senate to the following timely and appropriate editorial pointing up this acute situation which appeared in the Los Angeles Times on April 21. I ask unanimous consent that the editorial be published in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PRIVATE ENTERPRISE AND SHIPBUILDING

One of the chief recommendations carried in the Hoover Commission reports is the elimination of Government competition in enterprises and services which can be performed adequately and well by private industry. This is a commendable goal, but it is still a long way from achievement, and particularly so when the case of the west coast's private shipbuilding industry is considered.

EMACIATED INDUSTRY

The fact is that our shipbuilding industry which played such an important part in the Nation's defense during the critically anxious days of World War II is now only a thin shadow of its former self. Just how thin can be seen in survey figures that show private shipbuilding employment in this area plummeted from a height of more than 100,000 in 1943 to less than 2,000 as of last year.

Meanwhile Navy shipyard employment in the Southland was listed at 9,000 men, employed, of course, on Navy work. Private yards had a scant 540 men employed on naval projects, or 5.7 percent of the total naval work employment. Yet they have the facilities and equipment in most cases to take over some of the naval work, not on the order of that handled by the Navy's shipyards but enough to restore them as a working, operational part of this country's auxiliary defense system.

GLARING DISCREPANCY

Joseph Fellows, president of the Fellows & Stewart Yard on Terminal Island, was quoted in the Times recently as saying: "Certainly we would like to see the Navy yard (the Long Beach Naval Shipyard) at operational level for an emergency, but we all know that there is a lot of work done by the Navy that could be turned out much more economically in a private yard * * * our area yards could be put on a sound basis if there was enough Navy work spread around the private yards for 2,500 to 3,000 additional men."

On a regional basis the glaring discrepancy between naval and private shipyard employment is most marked on the west coast.

Actually there isn't much disparity in the percentages for the North Atlantic coast: 54 percent for Navy yards as against 46 percent for private yards. In the South Atlantic the division is 57 percent for Navy yards and 43 percent for private yards. But on the Pacific coast the gap widens to 75 percent for Navy yards and 25 percent for private yards.

It is scarcely to be wondered that a Hoover Commission task force reported: "Due to the distressed condition of the private shipbuilding industry and the serious competition engendered by Government shipyards, the private industry is weakened as a war reserve * * * the Navy's operation of all these shipyards represents a destructive intrusion into the private shipbuilding of this country."

The Commission has recommended that Congress provide for the appointment of a commission to study the effect on the private shipbuilding industry of the construction and repair of naval vessels in Government shipyards "to make recommendations for the transfer, where advisable, of such construction, and repair to private facilities."

PROPOSAL ENDORSED

The Los Angeles Chamber of Commerce, which, through its maritime committee, has long fought for the preservation of our private shipbuilding industry, has endorsed the Hoover recommendation.

As to the vital role our west coast private shipbuilding industry plays, or should play, in national defense, that has been gone over before. But it is no less imperative to repeat that now, more than ever, we need an active, vitalized private shipbuilding industry ready and able to expand to meet the tremendous demands that would be made upon it in case of a national emergency.

The Joint Chiefs of Staff have said that out of 77 strategic materials needed to successfully prosecute a war only 11 are to be found within the continental limits of the United States. Our ocean commerce must be preserved. Private shipbuilding can help, but it cannot help without a backlog of trained, experienced men, skilled in all the diverse tasks required of them. And these men have largely disappeared because private shipyards could not furnish them with work.

The problem is a grave one, made graver still by the exigencies of time which, unlike Congress, cannot, and does not, wait.

PROPOSED NORTHEAST AIRLINES EXTENSION TO WASHINGTON AND FLORIDA

Mr. PAYNE. Mr. President, on April 3, 1956, Civil Aeronautics Board Examiner Thomas L. Wrenn issued his decision in the New York-Florida proceeding—Document No. 3051, et al. The denial of Northeast Airlines' application to extend its routes to Washington and Florida has caused a great deal of consternation throughout the New England area. As examples of how deeply disturbed New Englanders are about this matter, I should like to quote briefly from a few of the many editorials which have appeared in our New England newspapers since this decision was made public.

The Portland Press Herald of April 10, 1956, stated editorially:

> Northeast Airlines' petition to the Civil Aeronautics Board for extension of its route pattern from New York to Florida is of concern to others besides Northeast executives. The New England economy has a stake in Northeast's future. Thus a CAB examiner's recommendation against the route expansion is disturbing to the area capably served by the airline and deeply interested in improving its transportation system.

The Boston Herald of April 5, 1956, stated:

> We have been struggling to make sense out of the report of the Civil Aeronautics Board examiner in the New York-Florida proceedings. Maybe what is veiled to us will later be made clear somehow, but the report now looks like an odd scramble. Northeast Airlines asked to be certificated for the rich and growing Boston-Miami route now serviced alone by Eastern Airlines. Northeast appeared to have a very good case. It now serves a stack of minor New England communities from Nantucket to Presque Isle and New York, at a heavy loss made up by a Government subsidy. Its big operation is in the summer, and the Florida route would give it a chance to use its planes and personnel the year round, and either eliminate or reduce the subsidy. Such a certificate would also bring New England communities into direct air touch with something outside of New England besides LaGuardia Field. Today only Boston, Providence, and Hartford have reasonably direct access to the rest of the Nation. But the examiner has recommended the rejection of Northeast's application.

The Pawtucket Times of April 6, 1956, in an editorial entitled "An Affront to New England Aviation" stated:

> Should the examiner's recommendations prevail the many small communities which have been served by Northeast will continue to note that only Boston, Providence, and Hartford have direct air access to other parts of the Nation. The program suggested by the CAB examiner which would permit two more airlines to take business from the existing New England airlines, including Northeast, is a slap at the airline which pioneered broad air service throughout this area.

The Waterville Morning Sentinel of April 11, 1956, commented:

> New England's economy would be struck a serious blow if the recommendation of a Civil Aeronautics Board examiner turning down a bid by Northeast Airlines for route to Florida should stand. All of New England is concerned with the health of its airline and the need for that airline to improve its position by the requested route extension.

The Boston Traveler of April 6, 1956, stated:

> The decision of a Civil Aeronautics Board examiner to deny a bid by Northeast Airlines to extend its routes to Florida should be resented deeply throughout New England.

Mr. President, I have quoted briefly from 5 editorials. I ask unanimous consent that the full text of these editorials and 7 other representative editorials, which are indicative of the alarm caused in New England by the CAB hearing examiner's decision, may be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Portland Press Herald of April 10, 1956]

New England's Stake in Northeast's Future

Northeast Airlines' petition to the Civil Aeronautics Board for extension of its route pattern from New York to Florida is of concern to others besides Northeast executives. The New England economy has a stake in Northeast's future.

Thus a CAB examiner's recommendation against the route expansion is disturbing to the area capably served by the airline and deeply interested in improving its transportation system.

The Northeast operation presently carries two burdens, one geographical, the other financial. The line picks up passengers in Maine's central population artery running from Presque Isle to Portland, and covers the other New England States equally as well, but is not certified to go beyond New York. Other lines take the load—and the revenue—from there. And because of the nature of the New England climate and economy the biggest business is in the summer months, creating a heavy loss and forcing Northeast to accept a Government subsidy.

A route to Florida would permit Northeast to keep planes and personnel busy during the winter, and reduce if not entirely eliminate the need for a subsidy. It would, for instance, give Portland the same kind of access to the outerworld now enjoyed by Boston, Providence, and Hartford.

The argument for Northeast's request is not based on sentiment. Cold logic supports it. The community of New England wants to see its regional airline given the tools it needs to make good service even better and the aid necessary to improve its financial picture. An additional factor is that Delta Airlines, the firm given the nod for the New York Florida run by the CAB examiner, is not in a weak position and does not need the coastal run as much as Northeast does.

The examiner's recommendation is not final. It is to be hoped the Civil Aeronautics Board will study the matter further and will decide that in the interest of New England's general aviation health Northeast Airlines should be certified to fly to Florida. The ultimate decision cannot be easily or wisely divorced from New England's economic future.

[From the Boston Herald of April 5, 1956]

Our Airline Scramble

We have been struggling to make sense out of the report of the Civil Aeronautics Board examiner in the New York-Florida proceedings. Maybe what is veiled to us will later be made clear somehow, but the report now looks like an odd scramble.

Northeast Airlines asked to be certificated for the rich and growing Boston-Miami route now serviced alone by Eastern Airlines. Northeast appeared to have a very good case. It now serves a stack of minor New England communities from Nantucket to Presque Isle and New York, at a heavy loss made up by a Government subsidy. Its big operation is in the summer, and the Florida route would give it a chance to use its planes and personnel the year round, and either eliminate or reduce other subsidy.

Such a certificate would also bring the New England communities into direct air touch with something outside of New England besides LaGuardia field. Today only Boston, Providence, and Hartford have reasonably direct access to the rest of the Nation.

But the examiner has recommended the rejection of Northeast's application. The reason appears to be that Floyd B. Odlum's Atlas Corp., which owns the bulk of Northeast's stock, may have violated CAB regulations and ought not to profit. The fact that Atlas offered the chance for Northeast to finance the expansion evidently failed to move the examiner. Nor did the examiner seem moved by the plight of the New England communities.

Pan American also put in for the Boston-Florida route, with the reasonable argument that since its foreign service was largely seasonal (summer) it could service the seasonal (winter) traffic to Florida, not to mention giving direct Boston service to Central and South America. But the examiner also ruled out Pan American, either because he did not want to give it its first domestic

route or because Pan American competition might be fatal to National Airlines. (National would get an extension of its present Florida-New York run to Boston).

Instead of these possibilities, what did the examiner do? He gave the nod to Delta Airlines for the Florida route. Delta is a strong carrier, which does not need the route to survive financially. It does not need the route to balance any substantial seasonal demand. It does not need the route to bring New England communities into the national air grid. Counsel for the CAB's Bureau of Air Operations opposed the Delta application. Yet the examiner singled it out.

The examiner's report is subject to overturn by the board, and Northeast has said it will protest the report. Massachusetts, Boston, the New England Council and the Chamber of Commerce may also object to it. It calls for some deep study.

[From the Pawtucket Times, Pawtucket-Central Falls, R. I., of April 6, 1956]

An Affront to Northeast Aviation

New England is deserving of extended airplane service, one which will link the northeast area directly with the South as far as Florida. But Northeast Airlines, on which many New England communities depend, is not entitled to participate in that expansion. Those are the surprising conclusions of a Civil Aeronautics Board examiner. They run against the best interests of the airline which has been serving the Pawtucket area through North Central Airport.

Northeast Airlines intends to appeal the recommended denial of its application to operate south of New York. There is sound reason for challenging the impressions and the conclusions of the examiner.

Northeast's heaviest traffic comes in the summer when New England resort business is at its peak. Revenue from the summer business does not underwrite operations during the winter when business declines. Thus Northeast receives a Government subsidy. To obtain a share of the heavy passenger-cargo traffic to the South and Florida when northern business falls off Northeast Airlines asked CAB for permission to operate to points south of New York, with Florida as a terminal. With increased income from such extended service dependence on subsidy would decline.

An element in the recommended rejection of the Northeast application is the Atlas Corp., a holding company with a large investment in Northeast. The CAB examiner says the Atlas-Northeast relation is not in the public interest. He believes if Northeast is allowed to extend its service southward into Florida the holding company would be in the way to profit by selling its interests in the airline made more valuable by being able to expand its area of operations.

Concern with the assumped purpose of Atlas rather than with the security of air service to many New England communities is inferred from the examiner's adverse position on Northeast's application.

While the examiner recommends rejection of the petition of Northeast he recognizes the need for additional New England-Florida air service. He proposes the Delta Airlines and the National Airlines, both of which successfully operate southward from New York, be permitted to extend their operations north into New England. On one hand the CAB is advised to allow two airlines to expand to the north, into New England and to deny an active New England airline the right to expand southward.

It is difficult to reconcile the examiner's recommendations when it is recalled that counsel for the CAB Bureau of Air Operations officially opposed Delta's application to enter New England and officially recommended Northeast's application to add middle Atlantic and southern seaboard airlines to its New England pattern.

Should the examiner's recommendations prevail the many small communities which have been served by Northeast will continue to note that only Boston, Providence, and Hartford have direct air access to other parts of the Nation. The program suggested by the CAB examiner which would permit two more airlines to take business from the existing New England airlines, including Northeast, is a slap at the airline which pioneered broad air service throughout this area.

The Pawtucket Business Chamber was among the New England organizations which supported Northeast Airlines petition at the CAB hearings. A close study of the examiner's recommendations may lead the business chamber to join the protest being prepared by Northeast.

[From the Waterville Morning Sentinel of April 1, 1956]

CAB Should Consider New England's Future

New England's economy would be struck a serious blow if the recommendation of a Civil Aeronautics Board examiner turning down a bid by Northeast Airlines for route to Florida should stand.

All of New England is concerned with the health of its airline and the need for that airline to improve its position by the requested route extension.

Northeast is burdened by the geography of the region it serves which causes its biggest business to come in the summer months, thus creating a heavy loss in its year-round operation. Because of this it is forced to accept a Government subsidy.

Should Northeast be successful in its fight for a Florida route it could keep its planes and personnel busy during the winter. This would certainly reduce, and possibly eliminate, the Government aid.

At present it handles the traffic through Maine from Presque Isle to Portland and serves other parts of New England. But it is not authorized to go beyond New York. The load, and the fares, are taken from there by other lines.

If Northeast were to get its requested Florida certification, Waterville and other Maine cities would have greatly improved services.

The problem is not exclusively one that concerns the operators of Northeast. It concerns all who are interested in the future prosperity of Maine and New England since the role of air travel in modern economy is unquestioned.

Northeast needs the coastal run to operate efficiently. Improved efficiency of Northeast helps all who earn their living in New England. Some are helped more directly than others, but all benefit.

The CAB examiner gave the nod for the New York-Miami run to Delta Airlines, a line which doesn't need it. His recommendation isn't final, of course, and it is to be hoped that the CAB will give further study to the arguments in favor of the New England position.

As the matter stands the financial situation of Northeast, as such, is not the important thing. It is the economic future of New England that matters. In this interest it is to be hoped that the Board will reverse the examiner's decision.

[From the Boston Traveler of April 6, 1956]

Foiled Again

The decision of a Civil Aeronautics Board examiner to deny a bid by Northeast Airlines to extend its routes to Florida should be resented deeply throughout New England.

Fortunately, this was the recommendation of but one examiner. The whole thing will now be taken up by the full Board. There are many good reasons why the examiner's recommendation should be ignored.

First of all, the recommendation went against the policy of the CAB. That policy is to strengthen smaller trunklines to insure that they will be able to operate without subsidy even during periods of economic adversity, and so they will be able to compete effectively with larger carriers.

Well, Northeast Airlines, a New England carrier, certainly falls into the category of a smaller trunkline. It operates with a subsidy, and unless it is allowed to expand it will never be able to compete effectively with larger carriers.

Northeast Airlines performs a valuable service to New England air passengers, shuttling them back and forth from New York and to points throughout New England. It also runs to Montreal.

But when it comes to bidding for the more profitable long runs, such as that to Florida, Northeast is stymied and ignored.

Northeast's inability to carry New England passengers through to Florida is already of major interest to this area. Any passenger who is forced to change planes or terminals in New York knows why. But the possibility that Northeast will not be allowed to extend its lines is of even greater interest. If the line finds that it is unable to keep up its New England service, who would take over that service? Certainly none of the larger carriers now enjoying the cream of the routes.

Finally, the examiner's recommendation is in direct conflict with the recommendation of the CAB's counsel, V. Rock Grundman.

Grundman pointed out during a CAB hearing in December that Northeast needs to extend its routes in order to enlarge its competitive opportunities in line with the Board's objective of developing a sound national route structure.

"The grant of its (Florida) application will accomplish this result," he said.

What all this means is that the CAB examiner, against all the weight of testimony, policy, and evidence, would let Northeast strangle and let New England air travelers go hang.

Northeast President George E. Gardner says he'll fight the recommendation. He deserves the support of our congressional delegation, our chambers of commerce, and anyone else who wants New England to stay on the aviation map.

[From the Bangor Daily News of April 13, 1956]

Leaving New England Out in Cold

The Civil Aeronautics Board on several occasions has reversed the findings of an examiner. They should do so in the case of the recent ruling against Northeast Airlines' petition for direct New England-Florida service. Examiner Thomas L. Wrenn, instead, favored a New York-Florida route for Delta Airlines, of Atlanta, Ga. His reasons don't stand up to critical examination.

Regional airlines such as Northeast need a profitable long-haul route to balance their budget. Short hauls are money losers and the Federal Government is paying out $1.-800,000 annually to subsidize Northeast's service to 32 New England communities. Letting Northeast share in the Atlantic seaboard "gravy" run would, according to the airline, cut out the Federal subsidy and provide money as well as improve regional service.

In contrast, Delta already has a well-paying Chicago-Miami haul and operates without a subsidy.

Awarding of a seaboard route to Northeast would tie in this region with the South, thus adding to the national network of air service. Awarding the route to Delta simply adds more planes to the seaboard service. New England is left out in the cold.

Northeast is preparing a rebuttal. Not the least of its arguments is the fact that CAB counsel had recommended, before the examiner's report but on the same evidence, that Northeast get the Florida route. Reason and fairness to New England call for reversal of Examiner Wrenn's recommendations.

[From the Lewiston (Maine) Sun of April 21, 1956]

NEW ENGLAND PLANE SERVICE

Lewiston and Auburn, although thus far they are not interveners in the dispute, are very much interested in the flood of protests pouring in to the Civil Aeronautics Bureau against a decision by one of its examiners that involves Northeast Airlines.

For some time Northeast has been seeking an extension of its service from New England to Florida, arguing that many passages to the winter vacation area originate in this region, while it cited the need of more revenue in order to maintain adequate service in the six-State area.

But the CAB examiner heard the Northeast application along with 20 others by a dozen airlines, and came up with a package that no one likes. The result is that virtually every interested party has filed exceptions to the examiner's findings, including the cities of Portland, Augusta, Bangor, and Presque Isle, in Maine.

To the layman, it makes little sense that the examiner would allow Delta Airlines to fly the Florida route, that National shall be allowed to tap the New England market when the line didn't even apply for entry here, while ending the restriction on the right of Eastern Airlines to make long-haul flights into New England.

With so many protests, added to those of all 12 New England Senators, at least we have the consolation of a promised full CAB hearing. Airline service today is an indispensable, and Northeast's good record of safety and service entitles it to more consideration than the CAB examiner granted.

[From the Burlington Free Press of April 7, 1956]

SCRAMBLE FOR AIR TRAFFIC TO FLORIDA

Airlines operating in this part of the Nation have been seeking to extend their operations southward, particularly on New York-Florida and Boston-Florida routes.

Northeast Airlines asked to be allowed to operate the New York-Miami route, one of the most traveled in the Nation, and now serviced only by Eastern Airlines, which is now preparing to merge with Colonial Airlines.

Northeast presented a good case for getting approval to operate New York-to-Miami, says the Boston Herald. Northeast now serves several smaller New England communities (including Burlington) and New York City, at a heavy loss which is made up by Government subsidy. Its summer business is good, but winter operations are seriously "in the red." The New York-Miami route seemed to be a logical operation to get the line on a paying basis.

But the Civil Aeronautics Board examiner recommended the rejection of Northeast's application, and also the application of Pan American Airways for the Boston-Florida run. Instead the examiner approved Delta Airlines for the additional carrier for New York-to-Florida.

The Boston Herald points out that Delta is a strong carrier and does not need the route in order to survive financially, while Northeast does need it. If and when the Federal Government ceases subsidies to airlines, Northeast would have to find additional revenue from somewhere or cease operations.

It appears that the reason why the CAB examiner rejected Northeast's application was because Floyd B. Odlum's Atlas Corp., which owns the bulk of Northeast's stock, was claimed to have violated CAB regulations. That may be a sound technical reason for the CAB examiner's decision, but it appears from this vantage point on Northeast's route in northern New England that the decision is not in the general public interest.

The examiner's report is subject to review by the Civil Aeronautics Board, and that is undoubtedly the next step. The fact that counsel for the CAB's Bureau of Air Operations opposed the Delta application may have some bearing on the final decision.

[From the Lawrence (Mass.) Evening Tribune of April 6, 1956]

LOCAL AIRLINE THWARTED

Greater Lawrence has an interest in the prosperity of Northeast Airlines, for the obvious reason that Northeast services this area out of the Lawrence airport. If Northeast doesn't prosper, it is entirely conceivable that greater Lawrence might be deprived of airline service. A Federal examiner has turned down Northeast's bid to extend its Boston-New York run to Florida, which would make it eligible for a share of the rich rewards other airlines are enjoying on that run.

In fact, the extension is necessary to the fulfillment of the pattern of Northeast's development. It is now operating under subsidy, and the extension would, it claims, make subsidy unnecessary and thus result in a saving of $1,800,000 a year. Such a deficit clearly endangers its operation and the special interest that greater Lawrence has in having an efficient airline link with the rest of New England.

It would seem that the very fact that Northeast has tenaciously stayed in the competition, awaiting a chance to expand its service, entitles it to consideration. It proves, at least, that Northeast was willing to accept the handicap of a limited operation in order to qualify finally for something bigger. To be thwarted by what seems to be a pretty arbitrary decision is in frustration of the principle that good performance should be encouraged by enlarged opportunities.

[From the Worcester Telegram of April 5, 1956]

WORCESTER AIR SERVICE

An examiner for the Civil Aeronautics Board has rejected the petition by Northeast Airlines to fly from Worcester Airport to key Florida cities. This comes as a surprise to Worcester. Thomas L. Wrenn, the examiner, apparently based his decision wholly on his opinion of Northeast's financial structure. He disregarded the line's good service to the public.

The CAB's own bureau of counsel had strongly recommended that Northeast be allowed flights from Worcester to Washington, Jacksonville, Tampa and Miami. Worcester airport officials, in impressive exhibits, had shown the CAB examiner the importance of Worcester-Washington-Miami air service.

In 1955, more than 25,000 passengers flew back and forth from Worcester and points south of New York City. But they were forced to change planes at New York. By 1959, it is estimated that at least 125,000 air travelers will be using the Worcester Airport. The figure is now 80,000 passengers annually.

Fortunately, the examiner's opinion is not the final decision. Exceptions to it can, and will, be made within 15 days. The full CAB has previously reversed recommendations by its examiners, and there is hope that it will in the Northeast case.

Wrenn agreed that New England needs more air service direct to Florida. But, for some unknown reasons, he deliberately circumvented Worcester's appeal for such service.

It was strange that Wrenn recommended that Delta Airlines be granted a Florida-Boston route, that additional service be granted to Providence and Hartford by other airlines, and that Northeast be excluded from a Worcester-Florida service.

True enough, a CAB examiner is properly concerned with an airline's finances, and possible need for public subsidy. But he should also be concerned with the public interest. In this case, Wrenn emphasized a possible need by Northeast of a subsidy. But Northeast itself says the expanded service would be so profitable, it wouldn't need more subsidy. The truth should easily be obtainable by the full board. Worcester needs direct air service to Washington and to Florida if its airport is to meet its full future potential.

[From the Worcester Evening Gazette of April 5, 1956]

WORCESTER NEEDS EXTENDED AIR SERVICE

One fact emerges from Civil Aeronautics Board Examiner Thomas L. Wrenn's rejection of Northeast Airline's petition to run flights from Worcester to Washington, Jacksonville, Tampa, and Miami: The interests of central Massachusetts were practically ignored.

Wrenn grounded his case upon the alleged financial structure of the Atlas Corp., which he said controls Northeast. He accused it of irregular practices, and said that any permit issued for the new flight routes would most likely become a pawn of speculative capital.

Wrenn also remarked that, even though the Massachusetts to Miami flights were the real moneymakers for other airlines, such flights would only lose money for Northeast, which would have to buy new equipment, including DC–6B aircraft.

We are not intimately acquainted with the activities of the Atlas Corp., nor do we hold any brief for any particular airline. But it is disappointing that none of the proposals made by Wrenn would alleviate Worcester's situation in any way. One of his recommendations would give Providence a second competitive service to Florida and another of his suggestions would substantially improve air service out of the Hartford-Springfield area. Yet Worcester would remain boxed in on the south. Worcester passengers who wish to fly to Washington or Miami will still have to go first to Boston or New York and change planes.

Worcester Airport is an important and growing operation. By 1959, estimates show that more than 125,000 air travelers will use it—if it can provide the service wanted.

It is hard to believe that this service cannot be arranged—somehow, some way. Fortunately, the CAB examiner's decision is not final. Exceptions can and will be filed which will result in consideration by the full CAB.

[From the Pawtucket Times, Pawtucket-Central Falls, R. I., of April 14, 1956]

NEW ENGLAND UNITES FOR AIR SERVICE FIGHT

New England does not take kindly to the recommended denial of expanded service to Northeast Airlines and intends to do something about it. The fight to help the airline and assure its growth will go forward on three fronts.

Most important is the attitude of the 12 New England Senators in Washington. In concert they will carry their argument in behalf of Northeast to the Civil Aeronautics Board. In the event CAB upholds the examiner's recommendation to deny Northeast the right to extend its route from New York southward to Florida, another avenue of protest is open. The second avenue leads to legislation, official censure of the CAB and an official CAB explanation before a Senate committee.

Bolstering the New England bloc in the Senate are two civilian organizations, the New England Council and the New England Conference of State Aviation Officials. They too will protest the decision of the examiner who recommends that National Airlines be permitted to add the New England route to

its Florida-New York operations. It is difficult to reconcile the CAB examiner's opposition to Northeast service with his support of National Airlines.

The aviation requirements of New England get short shrift in the turn to National Airlines. Northeast services the six New England States, the majority of the centers of population, including the Pawtucket-Providence area at North Central Airport. Almost axiomatic is the fact that if Northeast Airlines is not permitted to expand it will be forced to retrench and widespread air service in New England will become a skeleton.

The combined New England effort in behalf of Northeast Airlines is enlightened self-interest. It is reassuring to have the six States mustered against a threat to the continuity of a regional transport essential.

Mr. PAYNE. Mr. President, as a member of the Aviation Subcommittee of the Senate Committee on Interstate and Foreign Commerce, I have found this decision an amazing document. I trust that the Civil Aeronautics Board will reverse it on the appeal proceeding now in progress. I am concerned about only one thing in connection with this matter, namely, adequate air service for the New England area. I believe the hearing examiner's decision would deny adequate service to many areas of New England. Our region is an air-minded area. New Englanders are relying increasingly on air transportation. If other airlines are allowed to come into the area and skim off the cream of the traffic, Northeast will wither on the vine; and the outlying areas will be denied adequate air service.

In the Civil Aeronautics Act of 1938 the Congress set forth the following declaration of policy:

In the exercise and performance of its powers and duties under this act, the Authority shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity—

(a) The encouragement and development of an air transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(b) The regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by, air carriers;

(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices;

(d) Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(e) The regulation of air commerce in such manner as to best promote its development and safety; and

(f) The encouragement and development of civil aeronautics.

These criteria which the Congress established in 1938 are still valid and binding today. When the Civil Aeronautics Board itself applies these criteria to the New York-Florida proceeding I feel certain the Board will approve Northeast Airline's application to service this route. To do otherwise would jeopardize adequate air service for the entire New England area.

In the last analysis the purpose of regulating transportation, be it sea, surface, or air, is to insure the existence of a system that is in the public interest. Therefore, any decision in a case such as the one in question must be based on the merits and not on extraneous side issues. The merits of the particular case at issue involve a determination as to which airline can best meet the air transportation needs of the entire New England community. The initial decision by the hearing examiner does not appear to have been based on the merits, but it is hoped that the CAB, in its consideration of the case, will see the real question at stake and render a decision which will be to the best interest of all concerned.

WILSON, THE STATESMAN

Mr. McNAMARA. Mr. President, I ask unanimous consent that there may be printed in the body of the Record an address delivered by a distinguished American, the Senator from Kentucky [Mr. Barkley], on the subject "Wilson, the Statesman," in Washington, D. C., last Saturday night.

There being no objection, the address was ordered to be printed in the Record, as follows:

WILSON, THE STATESMAN

(Address by Senator Alben W. Barkley, of Kentucky, at the Woodrow Wilson centennial dinner, National Guard Armory, Washington, D. C., April 21, 1956)

Ladies and gentlemen, we are often asked whether a man may be a statesman without holding public office.

A statesman has been facetiously described as a dead politician.

The terms "statesman" and "politician" are not interchangeable, although in principle they ought to be.

Politics is defined as the science of government and, therefore, the politician should be a man who is grounded in the science of government. If this were the true meaning of the term, then politician and statesman would be synonymous.

In the real sense of the word Woodrow Wilson was both statesman and politician.

He was a statesman long before he held public office.

Though most of his adult years were spent in scholastic research in the cloistered atmosphere of the classroom and library, his active and restless mind dwelled upon the problems of government and its relationship to the people. When, therefore, he became the Governor of New Jersey, he brought to the State House a fresh new atmosphere of courage, frankness, and determination, which routed the forces of plunder and reaction, which stamped him at once as the logical leader of the American people in the critical period just ahead.

His advent on the national scene brought to its end the period of stagnant laissez-faire, and ushered in the beginning of a new era of modern concepts within the inspiration of a new freedom, which was in truth the successor of the square deal of Theodore Roosevelt and the predecessor of the New Deal of Franklin D. Roosevelt.

It is not my function here to detail the great legislative accomplishments of the Wilson administration.

The Federal Reserve System, the Clayton antitrust enactments, the Federal Trade Commission, the curbing and reduction of child labor, the inauguration of the farm credit system, Federal highway legislation, an honest tariff system, civil-service improvement, and many other great strides on the road to better government for the American people were inaugurated under Mr. Wilson.

He was the first President in almost half a century who conceived government as the servant, and not the master, of the people. It was to him largely that we changed our conception of Uncle Sam from a congenial old gentleman sitting astride the dome of the Capitol complacently viewing the attractive scenery, drawing his salary and doing nothing. He made him the symbol of service and the true representative of the people. He removed the financial and political control of American institutions back to Washington from which it had long been absent.

Woodrow Wilson in 1912 made the statement that "the Republican Party had not had a new idea in 40 years."

That was 44 years ago. This makes 84 years in all—nearly a century of intellectual and political sterility not relieved by recent efforts to create the illusion of originality by continuing but renaming the agencies and policies of four Democratic administrations under Franklin D. Roosevelt and Harry S. Truman.

Let me turn for a moment from domestic to international affairs.

For a generation Republican politicians, for lack of either a domestic or foreign program, have sought to beguile and deceive the American people by referring to the Democratic Party as the "war party" and Democratic administrations as "war administrations."

I am old enough to remember the campaign of 1916, in which Charles E. Hughes, a great lawyer, a great Governor, a great Secretary of State, and a great Chief Justice, then the Republican nominee for President of the United States, bitterly criticized President Wilson for not pursuing a more aggressive and belligerent attitude toward German submarine warfare against American commerce, the American flag, and the American people.

I recall with what solemnity President Wilson asked Congress in April, 1917, to accept the status of war forced upon us by the central powers of Europe, and I could never forget what he said—"It is a fearful thing to lead a great peace-loving nation into war," but he and the American people recognized that sometimes a righteous war is better than an unstable and humiliating peace.

Who was the peacemaker and the peace-lover of those days?

Woodrow Wilson made the first real effort since the Congress of Vienna in 1815 to organize the world for peace. It was he who, better than any other man, conceived the horrors of war and the blessings of peace.

Who defeated that effort, and laid the foundation for the rise of Hitler and the inauguration of the world's greatest war against an innocent and unoffending world?

It was the Republican Party in the Senate of the United States.

If that Party had been in power in 1917, would it have accepted supinely the ruthless warfare against America, or would it have accepted the challenge as Woodrow Wilson accepted it?

This question has often been asked before, but it has not been answered.

If the Republican Party had been in power on December 7, 1941, would it have accepted the cowardly attack upon Pearl Harbor, or would it have done what every Senator except one did on that occasion—vote to accept the state of war forced upon us by the war lords of Japan?

Let them answer.

Long before the end of World War II, the Democratic Party and a Democratic Administration again attempted to organize the world for peace. Mr. Wilson's League of Nations had failed. Who knows but that if it had succeeded and we had played our part in its organization and its operations, the advance of the Japanese into China in 1931, the movement of Mussolini into Ethiopia in 1935, and the brutal attacks by Hitler upon a self-governing and liberty-loving people in Europe might have been stopped and World War II might have been avoided?

We did not make a political issue of the second effort to organize the world for peace. We asked the Republicans in equal numbers to sit with us and draw the framework of the charter of the United Nations and when at San Francisco that charter was adopted and the United Nations launched upon the tossing water of the international seas as the successor of Mr. Wilson's League of Nations, President Truman appointed a great Republican, Warren Austen, to head the American delegation to this world's organization to preserve peace.

Has there been any such act of non-partisanship exhibited in the last 3 years? I have not observed it. Have you?

When the Communists of Russia, China, and North Korea in 1950 attacked and overran the Republic of Korea and were denounced by the United Nations as aggressors against a peaceful people and the United Nations itself, would the Republican Party, had they been in power, have allowed the United Nations to have been discredited in its very first test, or would it have pursued the righteous and courageous course taken by President Truman and the United Nations?

Let the shallow critics answer. Let them answer to the American people or accept as men the obligations and responsibilities that go with statesmanship and leadership.

So much for the past.

What of the present and the future. We are tormented by profound and difficult problems at home and abroad. Except for agriculture and small business and some other segments of our economy, we are supposed to be enjoying a period of great prosperity.

I do not wish to detract from any effort that the Republican Party has made or is making to foster prosperity among any of our people, but it is the simple truth to say that, following the unequaled depression of the Hoover administration and the great constructive programs of the Roosevelt and Truman administrations, the foundation was laid by the comprehensive policies adopted by the Democratic Party for whatever prosperity we are now enjoying, and if those policies with regard to agriculture and small business and other unhappy portions of our people today had been followed by the present administration, our so-called prosperity would not be spotted or hectic, irregular or uneven.

No such program of far-sighted advancement and true vision has ever been inaugurated in the history of this Nation as that which was inaugurated from 1933 to 1953.

While denouncing them at the time of their enactment—and since—the Republican Party has not had the courage to repeal outright the great program enacted in behalf of the whole of the American people, and the preservation and development of our natural resources, but they have changed the names of some of them.

The Truman Doctrine, the Marshall plan for foreign aid, are now encompassed under the alphabetical description of ECA. Soil conservation is now known as something else. It seems that our present Government is not willing that anything should be called by the name that became familiar to it under Democratic sponsorship.

A week ago a bust of Cordell Hull was unveiled at the Pan American Union. He inaugurated the good neighbor policy among the Republics of America, and that is the name Cordell Hull gave it and by which it is known. But it has been changed to the good partner policy. I do not suppose it makes much difference what it is called so long as the policy is preserved, but it seems to me that the good neighbor policy adopted by the Democratic Party more fittingly describes the change from dollar diplomacy than any other designation. I am quite sure that it will still be known and appreciated among the people of both hemispheres as the good neighbor policy.

I have always believed that partisan politics should end at the water's edge. I believe so now. But long before the end of Democratic control of our Government, Republican snipers began to shoot from ambush at our foreign policy and began to play partisan politics with it as they did with Wilson's foreign policy in 1919–20.

The Democratic Party and its leadership have not only believed in this policy but have followed it. Most of the program attempted to be carried out by the present administration would have fallen by the wayside in the 83d Congress and in the present Congress had it not been for the support of the Democrats.

We were not playing politics. We were, and are, trying to follow the path of rectitude in recognizing that our Nation can no longer avoid its responsibility in the family of nations.

Before and since the outbreak of World War I, and even in more recent years, many members of the opposition of both Houses of Congress and throughout the country sought to hide their entire anatomies by concealing their heads in the sands, by pretending to believe that the two great oceans still acted as moats around our castle. Only their heads were concealed. The rest of them was in plain and painful view.

It would be very interesting some day in the Congress for Democrats to abstain from voting on some great plan of foreign policy under the present administration and see what the vote would look like on the other side of the aisle.

I, of course, have great personal respect for the President of the United States and for his Secretary of State. They are men of good will and of good intentions, but I would be happier if I could be assured, and I think the country would be happier if it could be assured, that the good will and the good intentions are being translated into a firm understandable dynamic foreign policy in dealing with the nations of the world—both friend and enemy—in such a way as we and they could understand really what our foreign policy is.

A few days ago, as a member of the Disarmament Subcommittee of the Senate, I heard a member of the Atomic Energy Commission make the public statement that if the present administration had any policy in regard to nuclear power and nuclear weapons, he was unaware of it.

If members of the Atomic Energy Commission do not know what our policy is how can even the Congress know and how can the people know.

We were told that under certain circumstances massive retaliation would be our program and our policy. Instead of massive retaliation we seem to have produced massive confusion.

Under certain circumstances an agonized reappraisal was to be made of our commitments and our policy in the world at large.

Has there been any reappraisal? Or has it been all agony?

More recently we have been entertained by the graphic description of certain international calisthenics in which the attempt was made to see how close to the brink a set of diplomatic roller skaters could be projected without going overboard.

We know that Russian dictators are attempting to put on a new face. But we know, and we have it from the President himself and the Secretary of State, that they have not changed their ultimate objective of control and domination of the world.

We know that the Soviet Union are awarding scholarships to the students of Asia and Africa to be trained and educated in Moscow and go back to their countries as apostles of the Communistic ideology.

We know that Red China is violating every pledge it made 3 years ago in the truce that stopped the shooting in Korea.

We know that they have refused to discharge American prisoners as they promised.

We know that they are building up military strength in North Korea in violation of their pledge at the truce table.

We know they are a threat to the peace of Asia and the world.

We know that through every crack and crevasse in the under-developed world Russia is offering aid—like the famous wolf offered to help Little Red Riding Hood, only for the purpose of consuming her later.

We know that in 10 years Russia has multiplied armed forces, is catching up with and overtaking us in submarines, aircraft, and nuclear weapons.

We ourselves for the sake of a little economy are lowering our comparative strength, while they increase theirs.

I applaud all efforts to bring about reduction in arms among all the nations in the world, and I devoutly wish that success may crown our efforts in that field, but we disarmed following World War I. We sank some of our ships and tore up our blueprints and reduced our armed forces to a mere fragment.

Within less than two decades we were forced to rearm again and were drawn into the world's greatest conflict.

Following that war we again disarmed by ourselves.

We did not ask the same of any other nation. We simply disarmed and now within less than a decade we are forced again to rearm against the threat of another great military power in Eastern Europe that seeks to destroy all liberty, all human dignity, all self-government, and bring all nations under the power of its might and of its will.

Let us hope that we shall not again disarm by ourselves. Let us hope that out of present efforts real relief may come to the overburdened people of the world and that we may divert our resources from destructive agencies to those that will lift the human family to a higher standard of life and happier cooperation among all the peoples of the world without regard to race, creed, or color.

It was for things like these that Woodrow Wilson fought and gave his life.

It has been for things like these that the Democratic Party has fought from the days of Thomas Jefferson until this present hour.

It was for things like these that Woodrow Wilson projected his great mind and his great heart.

It was for things like these that he exhibited that intellectual precision and that courageous foresight which places his name and his character among the immortals of our age and of our country.

As Lincoln hoped and prayed that "Government of the people, by the people, and for the people might not perish from the earth," let us hope and pray that under no political party and under no political administration shall that immortal shibboleth be transformed into a government of the dollar, by the dollar, and for the dollar.

If this be true, then I respectfully suggest that the Republican Party change its emblem from the elephant to the golden calf, which many of them worship in fact and in their hearts.

It is but an assertion of the simple truth to say that almost every great reform inaugurated for the benefit of the masses of our people in the last half century has been brought forward by the Democratic Party and its leadership, whether for agriculture, for labor, for the sick, for the aged, for the unemployed; whether in behalf of international trade, of international cooperation to preserve the very fabrics of our moral and political raiment. It has been the Democratic voice crying in the wilderness.

We have welcomed, and will welcome sympathy and assistance from all segments of our population in behalf of these great causes; but the story of our institutions and the history of our people would constitute a dismal chapter in the life of man if it had not been for these great concepts and these great struggles in behalf of the people.

In this struggle Woodrow Wilson takes his stand alongside Jefferson and Jackson and all the great names which have embellished not only the Democratic annals but American annals.

As we stand today a generation from the year of his death and a century from the year of his birth, let us paraphrase an immortal sentence uttered about the father of his country, "To add beauty to the rose or luster to the name of Woodrow Wilson are alike impossible. Let none attempt it. In solemn awe pronounce the name and leave it shining on."

The principles upon which Woodrow Wilson fought for peace and sought to relieve mankind from the burdens of war are such as can be endorsed by all our people regardless of politics. Let us hope that under the guidance and direction of God, whom he worshiped and upon whom he leaned, all nations may some day gather to acknowledge the superiority of the moral law over the law of force. Let us hope that day may come in our day and generation. When it comes all peoples of every tongue may join in the hosanna—"Glory to God in the highest and on earth peace and good will to men."

THE DAIRY INDUSTRY

Mr. POTTER. Mr. President, in my State of Michigan, dairy farmers form a very important part of our agricultural industry. In recognition of their work, the period of April 16 through April 29 of this year has been proclaimed as Pure Bred Dairy Cattle Week. All citizens of the State of Michigan are called upon to recognize the good work that is done by the pure bred dairy cattle industry. In recognition of this, I should like to have printed in the RECORD the words of this proclamation which form a fitting commendation to our dairy industry:

> Our Nation's health and prosperity depends upon the farmers of this great land. Among all of our farmers, one-third of their income is derived from the dairy industry. In Michigan, in particular, is the raising of dairy cattle and the production of dairy products of special importance.
>
> No branch of the dairy industry has been more actively engaged in research, experimentation, breed improvement, and promotional work than the purebred dairy breed associations in cooperation with our colleges and universities. With an even smaller percentage of our population living on farms and hence being called upon to furnish nourishing, healthful agriculture products to an ever-growing number of Americans, no activity could be more important than this.

DRAFT STATUTE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY

Mr. PASTORE. Mr. President, I ask unanimous consent to be permitted to introduce into the RECORD and to have printed following these remarks, the draft statute of the International Atomic Energy Agency for the development of the peaceful uses of atomic energy which has just been made public.

This draft statute is the result of negotiations which have been held in Washington by the 12 powers designated in the resolution approved by the United Nations last fall to be the drafting group of this statute. The 12 nations are Australia, Belgium, Brazil, Canada, Czechoslovakia, France, India, Portugal, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, and the United States of America. This draft statute is to be the subject of an international conference which is planned to be held at the United Nations in New York late in September of this year. Thereafter, if there is agreement at that time on the statute by those of the 84 nations who, as members of the United Nations or any of the specialized agencies, are entitled to attend the conference, the statute will be ratified in accordance with the constitutional process of each nation. This means that this draft statute, in its present form or as it is finally agreed to at the international conference in September, will have to come back to the Congress to be ratified. It can be so ratified either as a treaty or as a joint resolution approved by both Houses of the Congress—section 124 of act. I believe that this is an important step looking toward the formation of a very important international agency. I ask unanimous permission to have the draft statute inserted into the RECORD following these remarks so that all Members of the Congress will know of the status of this agency and will be advised of the latest published draft of the statute. I want to make it clear that this statute has not yet been formally presented to the Congress and that this is merely so that all may be advised as to the latest steps taken in the formation of the international agency.

With this draft, one more step has been taken on the way to establishment of that international agency to encourage the development of the peaceful uses of atomic energy which President Eisenhower suggested in his monumental speech before the United Nations on December 8, 1953.

There being no objection, the draft statute was ordered to be printed in the RECORD, as follows:

DRAFT STATUTE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY ADOPTED BY THE WORKING-LEVEL MEETING AT WASHINGTON, D. C., APRIL 18, 1956

ARTICLE I

Establishment of the Agency

The Parties hereto establish an International Atomic Energy Agency (hereinafter referred to as "the Agency") upon the terms and conditions hereinafter set forth.

ARTICLE II

Objectives

The Agency shall seek to accelerate and enlarge the contribution of atomic energy to the peace, health, and prosperity of the world. It shall ensure, so far as it is able, that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purpose.

ARTICLE III

Functions

A. The Agency shall be authorized:

1. To encourage and assist research on, and development and practical application of, atomic energy for peaceful uses throughout the world; and, if requested to do so, to act as an intermediary for the purposes of securing the performance of services or the supplying of materials, equipment, or facilities by one Member of the Agency for another; and to perform any operation or service useful in the practical application of atomic energy for peaceful purposes.

2. To make provision, in accordance with this Statute, for materials, services, equipment, and facilities to meet the needs of research on, and development and practical application of, atomic energy for peaceful purposes, including the production of electric power, with due consideration for the needs of the underdeveloped areas of the world.

3. To foster the exchange of scientific and technical information on peaceful uses of atomic energy.

4. To encourage the exchange of scientists and experts in the field of peaceful uses of atomic energy.

5. To establish and administer safeguards designed to ensure that special fissionable and other materials, services, equipment, facilities, and information made available by the Agency or at its request or under its supervision or control are not used in such a way as to further any military purpose; and, at the request of the parties to any bilateral or multilateral arrangement not otherwise under the Agency's supervision or control, to apply these safeguards to such arrangement.

6. To establish or adopt standards of safety for protection of health and minimization of danger to life and property (including standards for labor conditions), and to provide for the application of these standards to its own operations as well as to the operations making use of materials, services, equipment, facilities, and information made available by the Agency or at its request or under its control or supervision; and, at the request of parties to any bilateral or multilateral arrangement not otherwise under the Agency's supervision or control, to provide for the application of these standards to operations under the arrangement.

7. To acquire or establish any facilities, plant, and equipment useful in carrying out its authorized functions, whenever such facilities, plant, and equipment otherwise available to it in the area concerned are inadequate or available on terms it deems unsatisfactory.

B. In carrying out its functions, the Agency shall:

1. Conduct its activities in conformity with policies of the United Nations furthering the establishment of safeguarded world-wide disarmament and in conformity with any international agreements entered into pursuant to such policies.

2. Establish control over the use of special fissionable materials received by the Agency, in order to ensure that these materials are used only for peaceful purposes.

3. Allocate its resources in such a manner as to secure efficient utilization and the greatest possible general benefit in all areas of the world, bearing in mind the special needs of the underdeveloped areas of the world.

4. Submit reports on its activities to the General Assembly of the United Nations and, when appropriate, to the Security Council: if, in connection with the activities of the Agency there should arise questions that are within the competence of the Security Council, the Agency shall notify the Security

Council, as the organ bearing the main responsibility for the maintenance of international peace and security, and may also take the measures open to it under this Statute, including those provided in paragraph C of Article XII.

5. Submit reports to the Economic and Social Council and other organs of the United Nations on matters within the competence of these organs.

C. In carrying out its functions, the Agency shall not make assistance to members subject to any political, economic, military, or other conditions incompatible with the provisions of this Statute.

D. Subject to the provisions of this Statute and to the terms of agreements concluded between a State or group of States and the Agency, the activities of the Agency shall be carried out with due observance of the sovereign rights of States.

ARTICLE IV

Membership

A. The initial Members of the International Atomic Energy Agency shall be those States Members of the United Nations or of any of the specialized agencies which shall have signed this Statute within ninety days after it is opened for signature and shall have deposited an instrument of ratification.

B. Other Members of the Agency shall be those States, whether or not Members of the United Nations or of any of the specialized agencies, which deposit an instrument of acceptance of this Statute after their membership has been approved by the General Conference upon the recommendation of the Board of Governors. In recommending and approving a State for membership, the Board of Governors and the General Conference shall determine that the State is able and willing to carry out the obligations of membership in the Agency, giving due consideration to its ability and willingness to act in accordance with the purposes and principles of the Charter of the United Nations.

C. The Agency is based on the principle of the sovereign equality of all its Members, and all Members, in order to ensure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with this Statute.

ARTICLE V

General Conference

A. A General Conference consisting of representatives of all Members shall meet in regular annual session and in such special sessions as may be convened by the Director General at the request of the Board of Governors or of a majority of Members.

B. At such sessions, each Member shall be represented by one delegate who may be accompanied by alternates and by advisers. The cost of attendance of any delegation shall be borne by the Member concerned.

C. The General Conference shall elect a President and such other officers as may be required at the beginning of each session. They shall hold office for the duration of the session. The General Conference, subject to the provisions of this Statute, shall adopt its own rules of procedure. Each Member shall have one vote and, except as otherwise provided in this Statute, decisions shall be adopted by a majority of those present and voting. A majority of Members shall constitute a quorum.

D. The functions of the General Conference shall be:

1. To elect Members of the Board of Governors in accordance with Article VI.

2. To admit new Members in accordance with Article IV.

3. To suspend a Member from the privileges and rights of membership in accordance with Article XIX.

4. To consider the annual report of the Board.

5. In accordance with Article XIV, to approve the budget of the Agency recommended by the Board or return it with recommendations as to its entirety or parts to the Board, for resubmission to the General Conference.

6. To approve reports to be submitted to the United Nations as required by the relationship agreement between the Agency and the United Nations, except with respect to the reports referred to in paragraph C of Article XII, or return them to the Board with its recommendations.

7. To approve any agreement or agreements between the Agency and the United Nations and other organizations as provided in Article XVI or return such agreements with its recommendations to the Board, for resubmission to the General Conference.

8. To approve rules and limitations regarding the exercise of borrowing powers by the Board, in accordance with paragraph G of Article XIV.

9. To approve amendments to this Statute in accordance with paragraph B of Article XVIII.

E. The General Conference shall have the authority:

1. To make recommendations to the Board of Governors on any matter relating to the functions of the Agency.

2. To make recommendations to the Board on any matter brought to the attention of the General Conference by the Board.

3. To propose matters for consideration by the Board and request from the Board reports on any matter relating to the functions of the Agency.

ARTICLE VI

Board of Governors

A. The Board of Governors shall be composed as follows:

1. The outgoing Board of Governors (or in the case of the First Board, the Preparatory Commission referred to in Annex I) shall designate for membership on the Board the five Members most advanced in the technology of atomic energy including the production of source materials and the Member most advanced in the technology of atomic energy including the production of source materials in each of the following areas not represented by the aforesaid five:

(1) North America.
(2) Latin America.
(3) Western Europe.
(4) Eastern Europe.
(5) Africa and the Middle East.
(6) South Asia.
(7) Southeast Asia and the Pacific.
(8) Far East.

2. The outgoing Board of Governors (or in the case of the First Board, the Preparatory Commission referred to in Annex I) shall designate for membership on the Board two Members from among the following other producers of source materials: Belgium, Czechoslovakia, Poland, and Portugal; and shall also designate for membership on the Board one other Member as a supplier of technical assistance. No Member in this category in any one year will be eligible for redesignation in the same category for the following year.

3. The General Conference shall elect ten Members to membership on the Board of Governors, with due regard to equitable representation on the Board as a whole of the Members in the areas listed in subparagraph A-1 of this Article, so that the Board shall at all times include in this category a representative of each of those areas except North America. Except for the five Members chosen for a term of one year in accordance with paragraph D of this Article, no Member in this category in any one term of office will be eligible for re-election in the same category for the following term of office.

B. The designations provided for in subparagraphs A-1 and A-2 of this Article shall take place not less than sixty days before each regular annual session of the General Conference. The elections provided for in subparagraph A-3 of this Article shall take place at regular annual sessions of the General Conference.

C. Members represented on the Board of Governors in accordance with subparagraphs A-1 and A-2 of this Article shall hold office from the end of the next regular annual session of the General Conference after their designation until the end of the following regular annual session of the General Conference.

D. Members represented on the Board of Governors in accordance with subparagraph A-3 of this Article shall hold office from the end of the regular annual session of the General Conference at which they are elected until the end of the second regular annual session of the General Conference thereafter. In the first election following that of the First Board, however, five shall be chosen for a term of one year.

E. Each Member of the Board of Governors shall have one vote and decisions shall be made by a majority of those present and voting, except as otherwise provided in this Statute. Two-thirds of all Members of the Board shall constitute a quorum.

F. The Board of Governors shall have authority to carry out the functions of the Agency in accordance with this Statute, subject to its responsibilities to the General Conference as provided in this Statute.

G. The Board of Governors shall meet at such times as it may determine. The meetings shall take place at the headquarters of the Agency unless otherwise determined by the Board.

H. The Board of Governors shall elect a Chairman and other officers from among its Members and, subject to the provisions of this Statute, shall adopt its own rules of procedure.

I. The Board of Governors may establish such committees as it deems advisable. The Board may appoint persons to represent it in its relations with other organizations.

J. The Board of Governors shall prepare an annual report to the General Conference concerning the affairs of the Agency and any projects approved by the Agency. The Board shall also prepare for submission to the General Conference such reports as the Agency is or may be required to make to the United Nations or to any other organization the work of which is related to that of the Agency. These reports, along with the annual report, shall be submitted to Members of the Agency at least one month before the regular annual session of the General Conference.

ARTICLE VII

Staff

A. The staff of the Agency shall be headed by a Director General, who shall be appointed by the Board of Governors for a term of four years. The Director General shall be the chief administrative officer of the Agency.

B. The Director General shall be responsible for the appointment, organization, and functioning of the staff and shall be under the authority of and subject to the control of the Board of Governors. He shall perform his duties in accordance with regulations adopted by the Board.

C. The staff shall include such qualified scientific and technical and other personnel as may be required to fulfill the objectives and functions of the Agency. The Agency shall be guided by the principle that its permanent staff shall be kept to a minimum.

D. The paramount consideration in the recruitment and employment of the staff and in the determination of the conditions of service shall be to secure employees of the

highest standards of efficiency, technical competence, and integrity. Subject to this consideration, due regard shall be paid to the contributions of Members to the Agency and to the importance of recruiting the staff on as wide a geographical basis as possible.

E. The terms and conditions on which the staff shall be appointed, remunerated, and dismissed shall be in accordance with regulations made by the Board of Governors, subject to the provisions of this Statute and to general rules approved by the General Conference on the recommendation of the Board.

F. In the performance of their duties, the Director General and the staff shall not seek or receive instructions from any source external to the Agency. They shall refrain from any action which might reflect on their position as officials of the Agency. Each Member undertakes to respect the international character of the responsibilities of the Director General and the staff and shall not seek to influence them in the discharge of their duties.

G. In this Article the term "staff" includes guards.

ARTICLE VIII

Exchange of information

A. Each Member should make available such information as would, in the judgment of the Member, be helpful to the Agency.

B. Each Member shall make available to the Agency all scientific information developed as a result of assistance extended by the Agency pursuant to Article XI.

C. The Agency shall assemble and make available in an accessible form the information made available to it under paragraphs A and B of this Article. It shall take positive steps to encourage the exchange among its Members of information relating to the nature and peaceful uses of atomic energy and shall serve as an intermediary among its Members for this purpose.

ARTICLE IX

Supplying of materials

A. Members may make available to the Agency such quantities of special fissionable materials as they deem advisable and on such terms as shall be agreed with the Agency. The materials made available to the Agency may, at the discretion of the Member making them available, be stored either by the Member concerned or, with the agreement of the Agency, in the Agency's depots.

B. Members may also make available to the Agency source materials as defined in Article XX and other materials. The Board of Governors shall determine the quantities of such materials which the Agency will accept under agreements provided for in Article XIII.

C. Each Member shall notify the Agency of the quantities, form, and composition of special fissionable materials, source materials, and other materials which that Member is prepared, in conformity with its laws, to make available immediately or during a period specified by the Board of Governors.

D. On request of the Agency a Member shall, from the materials which it has made available, without delay deliver to another Member or group of Members such quantities of such materials as the Agency may specify, and shall without delay deliver to the Agency itself such quantities of such materials as are really necessary for operations and scientific research in the facilities of the Agency.

E. The quantities, form and composition of materials made available by any Member may be changed at any time by the Member with the approval of the Board of Governors.

F. An initial notification in accordance with paragraph C of this Article shall be made within three months of the entry into force of this Statute with respect to the Member concerned. In the absence of a contrary decision of the Board of Governors, the materials initially made available shall be for the period of the calendar year succeeding the year when this Statute takes effect with respect to the Member concerned. Subsequent notifications shall likewise, in the absence of a contrary action by the Board, relate to the period of the calendar year following the notification and shall be made no later than the first day of November of each year.

G. The Agency shall specify the place and method of delivery and, where appropriate, the form and composition, of materials which it has requested a Member to deliver from the amounts which that Member has notified the Agency it is prepared to make available. The Agency shall also verify the quantities of materials delivered and shall report those quantities periodically to the Members.

H. The Agency shall be responsible for storing and protecting materials in its possession. The Agency shall ensure that these materials shall be safeguarded against (1) hazards of the weather, (2) unauthorized removal or diversion, (3) damage or destruction, including sabotage, and (4) forcible seizure. In storing special fissionable materials in its possession, the Agency shall ensure the geographical distribution of these materials in such a way as not to allow concentration of large amounts of such materials in any one country or region of the world.

I. The Agency shall as soon as practicable establish or acquire such of the following as may be necessary:

1. Plant, equipment, and facilities for the receipt, storage, and issue of materials.

2. Physical safeguards.

3. Adequate health and safety measures.

4. Control laboratories for the analysis and verification of materials received.

5. Housing and administrative facilities for any staff required for the foregoing.

J. The materials made available pursuant to this article shall be used as determined by the board of governors in accordance with the provisions of this statute. No member shall have the right to require that the materials it makes available to the Agency be kept separately by the Agency or to designate the specific project in which they must be used.

ARTICLE X

Services, equipment, and facilities

Members may make available to the Agency services, equipment, and facilities which may be of assistance in fulfilling the Agency's objectives and functions.

ARTICLE XI

Agency projects

A. Any member or group of members of the Agency desiring to set up any project for research on, or development or practical application of, atomic energy for peaceful purposes may request the assistance of the Agency in security special fissionable and other materials, services, equipment, and facilities necessary for this purpose.

B. Any such request, shall be accompanied by an explanation of the purpose and extent of the project and shall be considered by the board of governors.

C. The Agency may arrange for the supplying of any materials, services, equipment, and facilities necessary for the project by one or more Members or may itself undertake to provide any or all of these directly.

D. For the purpose of considering the request, the Agency may send into the territory of the Member or group of Members making the request a person or persons qualified to examine the project. For this purpose the Agency may, with the approval of the Member or group of Members making the request, use members of its own staff or employ suitably qualified nationals of any Member.

E. Before approving a project under this Article, the Board of Governors shall give due consideration to:

1. The usefulness of the project, including its scientific and technical feasibility;

2. The adequacy of plans, funds, and technical personnel to assure the effective execution of the project;

3. The adequacy of proposed health and safety standards for handling and storing materials and for operating facilities;

4. The inability of the Member or group of Members making the request to secure the necessary finances, materials, facilities, equipment, and services;

5. The equitable distribution of materials and other resources available to the Agency; and

6. Such other matters as may be relevant.

F. Upon approving a project, the Agency shall enter into an agreement with the Member or group of Members submitting the project, which agreement shall:

1. Provide for allocation to the project of any required special fissionable or other materials.

2. Provide for transfer of special fissionable materials from their then place of custody, whether the materials be in the custody of the Agency or of the Member making them available for use in Agency projects, to the Member or group of Members submitting the project, under conditions which ensure the safety of any shipment required and meet applicable health and safety standards.

3. Set forth the terms and conditions, including charges, on which any materials, services, equipment, and facilities are to be provided by the Agency itself, and, if any such materials, services, equipment, and facilities are to be provided by a Member, the terms and conditions as arranged for by the Member or group of Members submitting the project and the supplying Member.

4. Include undertakings by the Member or group of Members submitting the project (a) that the assistance provided shall not be used in such a way as to further any military purpose; and (b) that the project shall be subject to the safeguards provided for in Article XII, the relevant safeguards being specified in the agreement.

5. Make appropriate provision regarding the rights and interests of the Agency and the Member or Members concerned in any inventions or discoveries, or any patents therein, arising from the project.

6. Include such other provisions as may be appropriate.

G. The provisions of this Article shall also apply where appropriate to a request for materials, services, facilities, or equipment in connection with an existing project.

ARTICLE XII

Agency safeguards

A. With respect to any Agency project or other arrangement where the Agency is requested by the parties concerned to apply safeguards, the Agency shall have the following rights and responsibilities to the extent relevant to the project or arrangement:

1. To approve the design of any specialized equipment and facilities, including nuclear reactors.

2. To require the observance of any health and safety measures prescribed by the Agency.

3. To require the maintenance and production of operating records to assist in ensuring accountability for source and special fissionable materials.

4. To call for and receive progress reports.

5. To approve the means to be used for chemical processing of irradiated materials and to specify disposition of any special fissionable materials recovered or produced as a by-product, and to require that such special fissionable materials be deposited with the Agency except for quantities authorized by the Agency to be retained for specified

non-military use under continuing Agency safeguards.

6. To send into the territory of the recipient State or States inspectors, designated by the Agency after consultation with the State or States concerned, who shall have access at all times to all places, persons, and data necessary to account for source and special fissionable materials supplied and fissionable products and to determine whether there is compliance with the undertaking against use in furtherance of any military purpose referred to in subparagraph F-4 of Article XI, with the health and safety measures referred to in subparagraph A-2 of this Article, and with any other conditions prescribed in the agreement between the Agency and the State or States concerned.

7. In the event of non-compliance and failure by the recipient State or States to take requested corrective steps within a reasonable time, to suspend or terminate assistance and withdraw any materials and equipment made available by the Agency or a member in furtherance of the project.

B. The Agency shall, as necessary, establish a staff of inspectors. The staff of inspectors shall have the responsibility of examining all operations conducted by the Agency itself to determine whether the Agency is complying with the health and safety measures prescribed by it for application to projects subject to its approval, supervision or control, and whether the Agency is taking adequate measures to prevent the source and special fissionable materials in its custody or used or produced in its own operations from being used in furtherance of any military purpose. The Agency shall take remedial action forthwith to correct any non-compliance or failure to take adequate measures.

C. The staff of inspectors shall also have the responsibility of obtaining and verifying the accounting referred to in subparagraph A-6 of this Article and of determining whether there is compliance with the undertaking referred to in subparagraph F-4 of Article XI, with the measures referred to in subparagraph A-2 of this Article, and with all other conditions of the project prescribed in the agreement between the Agency and that State or States concerned. The inspectors shall report any non-compliance to the Director General who shall thereupon transmit the report to the Board of Governors. The Board shall call upon the recipient State or States to remedy forthwith any non-compliance which it finds to have occurred. The Board shall report the non-compliance to all Members and to the Security Council and General Assembly of the United Nations. In the event of failure of the recipient State or States to take fully corrective action within a reasonable time, the Board may take one or both of the following measures: direct curtailment or suspension of assistance being provided by the Agency or by a Member, and call for the return of materials and equipment made available to the recipient Member or group of Members. The Agency may also, in accordance with Article XIX, suspend any non-complying Member from the exercise of the privileges and rights of membership.

ARTICLE XIII

Reimbursement of Members

Unless otherwise agreed upon between the Board of Governors and the Member furnishing to the Agency materials, services, equipment, or facilities, the Board shall enter into an agreement with such Member providing for reimbursement for the items furnished.

ARTICLE XIV

Finance

A. The Board of Governors shall submit to the General Conference the annual budget estimates for the expenses of the Agency. To facilitate the work of the Board in this regard, the Director General shall initially prepare the budget estimates. If the General Conference does not approve the estimates, it shall return them together with its recommendations to the Board. The Board shall then submit further estimates to the General Conference for its approval.

B. Expenditures of the Agency shall be classified under the following categories:

1. administratives expenses: these shall include—

(a) Costs of the staff of the Agency other than the staff employed in connection with materials, services, equipment, and facilities referred to in subparagraph B-2 below; costs of meetings; and expenditures required for the preparation of Agency projects and for the distribution of information.

(b) Costs of implementing the safeguards referred to in Article XII in relation to agency projects or, under subparagraph A-5 of Article III, in relation to any bilateral or multilateral arrangement, together with the costs of handling and storage of special fissionable material by the Agency other than the storage and handling charges referred to in paragraph E below.

2. expenses, other than those included in subparagraph 1 of this paragraph, in connection with any materials, facilities, plant, and equipment acquired or established by the Agency in carrying out its authorized functions, and the costs of materials, services, equipment, and facilities provided by it under agreements with one or more Members.

C. In fixing the expenditures under subparagraph B-1 (b) above, the Board of Governors shall deduct such amounts as are recoverable under agreements regarding the application of safeguards between the Agency and parties to bilateral or multilateral arrangements.

D. The Board of Governors shall apportion the expenses referred to in subparagraph B-1 above, among Members in accordance with a scale to be fixed by the General Conference.

E. The Board of Governors shall establish periodically a scale of charges, including reasonable uniform storage and handling charges, for materials, services, equipment, and facilities furnished to Members by the Agency. The scale shall be designed to produce revenues for the Agency adequate to meet the expenses and costs referred to in subparagraph B-2 above. The proceeds of such charges shall be placed in a separate fund which shall be used to pay Members for any materials, services, equipment, or facilities furnished by them and to meet other expenses referred to in subparagraph B-2 above which may be incurred by the Agency itself.

F. Any excess of revenues referred to in paragraph E over the expenses and costs there referred to and any voluntary contributions to the Agency, shall be placed in a general fund which may be used as the Board of Governors, with the approval of the General Conference, may determine.

G. Subject to rules and limitations approved by the General Conference, the Board of Governors shall have the authority to exercise borrowing powers on behalf of the Agency.

H. Decisions of the General Conference on financial questions and of the Board of Governors on the amount of the Agency's budget shall require a two-thirds majority of those present and voting.

ARTICLE XV

Privileges and immunities

A. The Agency shall enjoy in the territory of each Member such legal capacity and such privileges and immunities as are necessary for the exercise of its functions .

B. Delegates of Members together with their alternates and advisers, Governors appointed to the Board together with their alternates and advisers, and the director general and the staff of the Agency, shall enjoy such privileges and immunities as are necessary in the independent exercise of their functions in connection with the Agency.

C. The legal capacity, privileges, and immunities referred to in this article shall be defined in a separate agreement between the Agency, represented for this purpose by the director general acting under instructions of the Board of Governors, and the Members.

ARTICLE XVI

Relationship with other organizations

A. The Board of Governors, with the approval of the General Conference, is authorized to enter into an agreement or agreements establishing an appropriate relationship between the Agency and the United Nations and any other organizations the work of which is related to that of the Agency.

B. The agreement or agreements establishing the relationship of the Agency and the United Nations shall provide for:

1. Submission by the Agency of reports as provided for in subparagraphs B-4 and B-5 of Article III.

2. Consideration by the Agency of resolutions relating to it adopted by the General Assembly or any of the Councils of the United Nations and the submission of reports, when requested, to the appropriate organ of the United Nations on the action taken by the Agency or by its Members in accordance with this Statute as a result of such consideration.

ARTICLE XVII

Settlement of disputes

A. Any question or dispute concerning the interpretation or application of this Statute which is not settled by negotiation shall be referred to the International Court of Justice in conformity with the Statute of the Court, unless the parties concerned agree on another mode of settlement.

B. The Board of Governors is empowered, subject to authorization from the General Assembly of the United Nations, to request the International Court of Justice to give an advisory opinion on any legal question arising within the scope of the Agency's activities.

ARTICLE XVIII

Amendments and withdrawals

A. Amendments to this Statute may be proposed by any Member. Certified copies of the text of any amendment proposed shall be prepared by the Director General and communicated by him to all Members.

B. Amendments shall come into force for all Members when (i) approved by the Board of Governors, (ii) approved by the General Conference by a two-thirds majority of those present and voting, and (iii) accepted by two-thirds of all the Members in accordance with their respective constitutional processes. Acceptance by a Member shall be effected by the deposit of an instrument of acceptance with the depositary Government.

C. At any time after five years from the date when this Statute shall initially take effect in accordance with paragraph E of Article XXI or whenever a Member is unwilling to accept an amendment to this Statute, it may withdraw from the Agency by notice in writing to that effect given to the depositary Government, which shall promptly inform the Board of Governors and all Members.

D. Withdrawal by a Member from the Agency shall not affect its contractual obligations entered into pursuant to Article XI or its budgetary obligations for the year in which it withdraws.

ARTICLE XIX

Suspension of privileges

A. A Member of the Agency which is in arrears in the payment of its financial contributions to the Agency shall have no vote in the Agency if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two years. The General Conference may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

B. A Member which has persistently violated the provisions of this Statute or of any agreement entered into by it may be suspended from the exercise of the privileges and rights of membership by the General Conference acting by a two-thirds majority of the Members present and voting upon recommendation by the Board of Governors.

ARTICLE XX

Definitions

As used in this Statute:

1. The term "special fissionable material" means plutonium-239; uranium-233; uranium enriched in the isotopes 235 or 233; any material containing one or more of the foregoing; and such other fissionable material as the Board of Governors shall from time to time determine; but the term "special fissionable material" does not include source material.

2. The term "uranium enriched in the isotopes 235 or 233" means uranium containing the isotopes 235 or 233 or both in an amount such that the abundance ratio of the sum of these isotopes to the isotope 238 is greater than the ratio of the isotope 235 to the isotope 238 occurring in nature.

3. The term "source material" means uranium containing the mixture of isotopes occurring in nature; uranium depleted in the isotope 235; thorium; any of the foregoing in the form of metal, alloy, chemical compound, or concentrate; any other material containing one or more of the foregoing in such concentration as the Board of Governors shall from time to time determine; and such other material as the Board of Governors shall from time to time determine.

ARTICLE XXI

Signature, acceptance, and entry into force

A. This Statute shall be open for signature on ————, 1956, by all States Members of the United Nations or any of the specialized agencies and shall remain open for signature by those States for a period of ninety days.

B. The signatory States shall become parties to this Statute by deposit of an instrument of ratification.

C. Instruments of ratification by signatory States and instruments of acceptance by States whose membership has been approved under paragraph B of Article IV of this Statute shall be deposited with the Government of the United States of America, hereby designated as depositary Government.

D. Ratification or acceptance of this Statute shall be effected by States in accordance with their respective constitutional processes.

E. This Statute shall come into force when eighteen States have deposited instruments of ratification in accordance with paragraph B of this Article, provided that such eighteen States shall include at least three of the following States: Canada, France, the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics, and the United States of America. Instruments of ratification and instruments of acceptance deposited thereafter shall take effect on the date of their receipt.

F. The depositary Government shall promptly inform all States signatory to this Statute of the date of each deposit of ratification and the date of entry into force of the Statute. The depositary Government shall promptly inform all signatories and Members of the dates on which States subsequently become parties thereto.

ARTICLE XXII

Registration with the United Nations

A. This Statute shall be registered by the depositary Government pursuant to Article 102 of the Charter of the United Nations.

B. Agreements between the Agency and any Member or Members, and agreements between Members subject to approval of the Agency, shall be registered with the Agency. Such agreements shall be registered with the United Nations if registration is required under Article 102 of the Charter of the United Nations.

ARTICLE XXIII

Authentic texts and certified copies

This Statute, done in the ——— and ——— languages, each being equally authentic, shall be deposited in the archives of the depositary Government. Duly certified copies of this Statute will be transmitted by the depositary Government to the Governments of the other signatory States and to the Governments of States admitted to membership under paragraph B of Article IV.

In witness whereof the undersigned, duly authorized, have signed this Statute.

Done at ———, this ——— day of ———, one thousand nine hundred fifty-six.

ANNEX I

Preparatory Commission

A. A preparatory Commission shall come into existence on the first day this Statute is open for signature. It shall be composed of one representative each of Australia, Belgium, Brazil, Canada, Czechoslovakia, France, India, Portugal, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, and United States of America, and one representative each of six other States to be chosen by the International Conference on the Statute of the International Atomic Energy Agency. The Preparatory Commission shall remain in existence until this Statute comes into force and thereafter until the General Conference has convened and a Board of Governors has been selected in accordance with Article VI.

B. The Preparatory Commission shall—

1. Make arrangements for the first session of the General Conference; and

2. Make designations for membership on the First Board of Governors in accordance with subparagraphs A-1 and A-2 and paragraph B of Article VI.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is Senate bill 2577.

The Senate resumed the consideration of the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, with reference to the pending amendment, I can state its contents very briefly. I shall be very plain about it, and say that, so far as I know, the amendment affects only one company, the Consolidated Naval Stores Company of Florida. It is one of our old and highly respected agricultural companies in Florida. It has done much in helping to develop the State. More than 80 percent of its assets are in citrus groves, in naval stores, and in cattle and other farming activities.

In the years following the collapse of the Florida boom the Consolidated Land Co. either had to take over a little county bank, called the Tropical State Bank, then located at Lake Placid, Fla., or else see that last bank in the county collapse. The several other small banks in the county had already failed.

I happened to be one of the stockholders of that litle bank. Like everyone else in Florida at the time, I was without funds. When the Consolidated Land Co. offered to relieve all of us who were stockholders of our assessment liability and agreed to keep that little bank open, which would be the only bank left in operation in that section of the State, we all gladly turned our stock in that small $25,000 county bank. The Consolidated Naval Stores Co. not only carried the bank through the years of collapse which we sustained in Florida, but they have continued to keep it open, and they own the majority of the stock of that bank. The bank, now at Sebring, is prosperous and is a real asset to the community.

That taking over of the Tropical State Bank took place 25 years ago. That small bank is one of several now located in that same county. It is located in the county in which the major assets of this fine company are located, and where it now operates its citrus groves and citrus packinghouse and its cattle ranch.

The other holding of this agricultural company, obtained even earlier, is a block of stock of the Barnett National Bank of Jacksonville, which was its principal source of financial assistance. It has maintained that holding during all these years. It has made a contribution, as I see it, not only to the community where the small bank is located, but also to the Barnett National Bank, because, by having a director on its board all these years it has supplied liaison which was helpful and constructive between a large city bank and the agricultural interests of the State.

How any greater injustice could be done than to force this company, which has operated to the very great advantage of our State and of agriculture in our State, to divest itself of the interests which it has held for over 25 years, I do not see, Mr. President. It seems to me it would be a gross injustice, and, therefore, I have prepared this amendment which contains the same definition of agriculture as that which is carried in other Federal laws now on the statute books, and provides that a company which has more than 80 percent of its assets in active agricultural enterprises shall not be considered within the purview of the pending bill.

It seems to me to be so wholly true that such a company should not be considered to be a manipulator of banks or as seeking any control over banking institutions, taking into consideration the long and useful years of its operation, that this amendment should be speedily adopted. I hope it will be adopted by the Senate today.

Mr. SCHOEPPEL. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. I wish to ask a few questions which I think should go into the RECORD. I wish to say, in prefacing my remarks, that I was on the Senate floor during a part of the discussion in reference to the pending measure.

The Senate, in its wisdom, accepted an amendment offered by the distinguished Senator from Georgia [Mr. George] and the distinguished Senator from Kentucky [Mr. Barkley].

In examining the situations which have been referred to in the discussion, I note that the Senator from Florida has been speaking about the Consolidated Naval Stores Company of Florida. In checking over some of these matters I have wondered how many of these particular groups or institutions which have holdings we can exempt from the provisions of the bill and not prejudice the right of certain other areas and banking interests which might have some corresponding interests in a certain related way with other institutions which are covered by the proposed legislation.

According to Standard & Poor's Record, the Consolidated Naval Stores, of Sebring, Fla., has a 90-percent interest in the Tropical State Bank; a 34.45 percent interest in the Barnett National Securities Corp., which controls banks in St. Augustine, Cocoa, Deland, and Avon Park; a 34.45 percent interest in the Barnett National Bank, of Jacksonville, Fla.; Herman Sausage Co., 100 percent; Tomoka Land Co., 79.2 percent; and the citrus department, which has groves at Lake Placid, 1,245 acres of trees, packing plants; 301,177 acres of land in Florida of which 1,307 acres are used by the citrus department, and 42,181 acres are used by its Kicco Ranch, in Polk County, as a breeding ranch with over 4,000 acres of cleared and improved pasturage; 233,951 acres leased for pasturage, turpentining, lumber, and agriculture.

Mineral interests are reserved in deeds of conveyance on 510,581 acres.

Oil leases cover 677,753 acres of free lands and mineral reservations; and there are other investments in lumber, forest products, and paper companies.

Mr. HOLLAND. The Senator means that leases are granted on the acreage mentioned?

Mr. SCHOEPPEL. Yes. That is reported in Standard & Poor's corporation records for 1955, page 7474.

The question which I should like to ask the Senator from Florida is this: The question arises in my mind as to whether there are any like and similar institutions in certain sections of the country which would still be included in the bill unless they were specifically exempted. What is the difference between the institution to which the Senator has referred and any other bank which has nonbanking assets? Does the Senator put it on the basis that the Florida situation covers and is related to an agricultural matter?

Mr. HOLLAND. Mr. President, the city of Jacksonville, Fla., is located about 220 miles from the area where the bulk of the property of this concern is located. The little bank at Lake Placid was about to close its doors during the collapse of the Florida boom; and it was the last institution remaining open in a large area.

The Consolidated, in order to have an institution open in that area, offered to take over the stock of some people who had been the original subscribers. They wanted to continue the operation there of a small bank which could furnish necessary financing services. The stock was turned in to the Consolidated because it was the only local concern which had money enough to keep the bank open. It rendered a very great service to the entire community by so doing. It still wishes to retain that small bank because of its interests there, and it wants to have that small institution continue to exist on a stable basis. I think that is a justifiable ambition. I think it has rendered a very fine service.

As to the 34 percent of the stock of the Barnett National Bank mentioned by the Senator from Kansas, the Barnett National Bank is the third in size of three large institutions in Jacksonville. By no means does it control the financial market there; quite to the contrary. By no means has the Consolidated Naval Stores Co. sought to exercise any domination over the banking field. It has supplied generally 1 or 2 directors on a directorate of twenty-odd comprising the board of directors of the Barnett National Bank. I have never heard of any complaint against the company because of those interests, one in the place where its principal financing is done and the other where much of its property is located. It has rendered efficient service in both places.

Any law which would hold that this company is operating against the public interest by continuing in these two capacities could not be a sound law. It seems to me that an agricultural institution acquiring, as this company has, facilities in the two places mentioned and having made those investments more than 25 years ago, in the case of the Jacksonville bank, and 25 years ago in the case of the Tropical State Bank, should not be made to readjust its structure because of the laudable effort to prevent, in general, undue domination of banks by nonbanking interests. There is no domination in this instance; there is, instead, service rendered by both of these institutions.

Mr. SCHOEPPEL. I raised the point because the question arose in the minds of some of us as to how far we are going. I think we should have the record absolutely clear as to the institutions, and why they are included, because, unless that is done, there will be a misunderstanding in our approach to the question.

I appreciate the explanation which the Senator from Florida has placed in the Record with reference to the tie-in with the agricultural situation.

Therefore, I rather take it that the Senator from Florida, in offering the amendment to provide an exemption in this case and would certainly have no personal objection to exempting from the investment provisions of the bill all other bank holding companies which have some kind of common interest, such as the Senator has said existed in the Florida institutional situation.

Mr. HOLLAND. I certainly would be ready to consider them upon their own facts and their own merits.

The Senator from Kansas and I have been, for 2 days prior to this, sitting together, conducting hearings with reference to agricultural financial institutions. He knows perfectly well that the Nation has supplied very strong machinery for cooperative effort in the Farm Credit Administration and its various units. We heard testimony in that field in two rather long hearings, yesterday and the day before.

I have called attention to an agricultural institution which, instead of relying on Federal financing, has tried to supply financial facilities for the people who are dealing with it, and to supply strong financial institutions in the two places where its chief business is carried on.

It seems to me that instead of visiting a penalty upon such an effort, we should say that such a company is entitled to commendation, particularly when we realize that, as a Federal Government, we have been called upon to supply to many interests in agriculture very large sums of money to assist them in their financing operations.

Mr. SCHOEPPEL. I certainly share the Senator's views. I have great misgivings about how far the entire measure goes, as against banks in certain other sections of the country, which by pooling their interests could be most helpful in making credit available to the new and expanding areas, which is something which, under the provisions of many of the State banking laws, they would not be able to do.

It appears to me that the point the Senator from Florida is making is very well taken, but I think the distinction should be pointed out and made clear for the record.

Mr. HOLLAND. I appreciate the remarks of the distinguished Senator from Kansas. It seems to me that any company which would be held, under this exemption, to apply not merely 50 percent of its business to agricultural activities, as required of some institutions under Federal law, but instead to place 80 percent of its business into direct agricultural channels, is certainly operating upon sound principles in applying less than 20 percent of its assets to the partial financing of two institutions which are of great and necessary importance to it in its business.

I thank the distinguished Senator from Kansas.

Mr. CAPEHART. Mr. President, I should like——

Mr. HOLLAND. Mr. President, I yield to the distinguished Senator from Indiana.

Mr. CAPEHART. I thought I had the floor in my own right, but I shall be glad to speak in the time of the Senator from Florida.

Here we have another case of a small company. If an exception is made in one case it can be made in another. This is an instance in which we are asked to make an exception in the bill so as to permit a holding company to retain nonbank assets. That was done yesterday in the case of companies in Atlanta, Ga., and Louisville, Ky. Now we are being asked to act in behalf of a company in Florida.

I do not object to it. But my point is that we ought to treat all companies alike. What we should do is to permit all bank holding companies to retain their nonbanking assets under certain rules and regulations, and I propose to offer an amendment to achieve that purpose.

I simply cannot make up my mind that we ought to treat one set of circumstances differently from another set of circumstances which are practically the same.

We talk about what is proposed being helpful to agriculture. Will we permit other bank holding companies which deal in produce or foodstuffs, or which are interested in agricultural projects, do what the amendment permits one institution to do?

Mr. HOLLAND. I drew my amendment so that it would apply equally to anyone who was in the same type of business. I would not say to the Senate there is no one else in that position. I simply say that I do not know of any other concern in the part of the country I have referred to which is in the situation of the institution I have cited.

Mr. CAPEHART. But why should we treat one individual different from another? I had no objection to the amendment concerning the company in Georgia or the amendment relating to the company in Louisville; and I have no particular objection to the amendment offered by the Senator from Florida. But it may well be that we are piling so many exceptions in the bill that there will be many Senators who will not vote for it.

We are exempting labor organizations, churches, and charitable institutions. Now it is sought to exempt a number of bank-holding companies. The bill relates to "two or more banks." I do not know why it should have reference to two or more banks.

I do not believe the Senator's amendment was considered by the committee.

Mr. HOLLAND. The facts were stated in the committee. I did not submit any particular amendment.

Mr. CAPEHART. I remember a colloquy participated in by the able chairman of the subcommittee, the Senator from Virginia [Mr. Robertson], when we discussed the amendments which would be offered, and he assured me then that he would fight each and every one of them. I do not know how strongly he intended to fight them, but my impression was that when the bill was reported to the Senate, it was intended that every company would be treated alike.

Mr. HOLLAND. I do not know whether the amendment was considered by the committee, because I am not a member of the committee; but the distinguished Senator will find on pages 252 to 256, inclusive, of the committee hearings, that Mr. F. Elgin Bayless, one of the officials of the company I have mentioned disclosed to the committee the same facts I have already stated; and I have been just as frank in stating them as I could be.

Mr. CAPEHART. How large is the bank-holding company to which the Senator's amendment relates? Do not its assets run into millions of dollars?

Mr. HOLLAND. It is stated in the testimony that the total valuation of all its assets is now approximately $9 million.

Mr. CAPEHART. Would the Senator from Florida feel that a bank-holding company which owned, let us say, a nonbanking asset which was producing a foodstuff in the form of fish should have the same exemption?

Mr. HOLLAND. I would be perfectly willing to extend to it the same treatment, although I should want to know the entire facts about it.

Mr. CAPEHART. Why would the Senator want to know all the facts about it? Why does the Senator qualify his statement by saying he would want to know all the facts?

Mr. HOLLAND. I think the concern I am referring to, and any other which is engaged in the agricultural field, serving and helping the development of the great agricultural industry of our Nation, and trying to serve itself to the extent that less than 20 percent of its assets are invested in two banks which are serving it, is entitled not to be considered as principally a financial institution, not to be considered as trespassing upon other banks or depositors in other banks anywhere else, but simply as serving its own business. I should like to see that principle applied to anyone who is in the same position.

Mr. CAPEHART. Would not the Senator say the same thing for every other bank-holding company? The company with which the Senator is concerned is interested in making a profit, I am certain, just as are other bank-holding companies.

Mr. HOLLAND. If the distinguished Senator from Indiana wishes to take the position that those engaged in bona fide agriculture have not been given equal treatment by Congress over many years in an effort to enable them to finance themselves soundly through the assistance of Federal money, he would, of course, have to fly in the face of facts which he knows full well to exist.

Mr. CAPEHART. The same thing has been true of business. The RFC lent hundreds of millions, yes, billions, of dollars to banks and railroads. Think of the large sums which are being received at this moment from the small business agencies. Think of the guaranties through the FHA which the Federal Government is giving to the home-building industry, and which have helped the home-building industry. Congress and the Government have not helped agriculture any more than they have helped business or home building.

I am not opposed to the Senator's amendment; I shall vote for it. I merely wanted to make a record, and to make certain that when the time comes to treat all bank holding companies in the same way as the able Senator asks us to treat the one in Florida, he and other Senators will be equally as solicitous of other bank holding companies as they are of the ones they particularly happen to know something about.

I simply wanted to make a record, so that it will be shown that we are doing in this instance for a bank holding company what I think every other bank holding company has a perfect right to expect from 96 Senators who were elected to represent all the people and to treat everyone alike. They have a right to expect Senators to do for other bank holding companies that which is being done for this particular one.

Mr. HOLLAND. The Senator from Florida had no objection at all to the other amendments of this same sort which were adopted. He is strongly for the amendment he offers. He is willing to give equal consideration, on the facts, to any amendment offered by any Senator.

Mr. President, I yield the floor.

Mr. CAPEHART. The Senator has said "equal consideration," but I am not going to object to the amendment. I am sure the able manager of the bill is going to object very strenuously to it, and possibly insist on a yea and nay vote, because the committee did not accept the amendment.

Mr. ROBERTSON. Mr. President, the manager of the bill, on behalf of the committee, takes the same position on this amendment that he took with respect to the one exempting a bank holding company in Kentucky and one in Georgia. All three of these matters were considered by the committee. As the distinguished Senator from Florida pointed out, there was testimony last summer in the main hearings on the bill. Another reference will be found on page 21 of the supplemental hearings of last February. The committee considered all these amendments, and on all occasions turned them down.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. Does the able Senator from Virginia remember the colloquy which he and I had as to what would happen on the floor of the Senate with respect to these special amendments?

Mr. ROBERTSON. We had so many colloquies that the Senator from Virginia cannot specifically remember that particular one, at least; but the Senator from Virginia specifically stated to the committee, both last summer and again in February, that he was going to oppose and vote against every amendment offered from the floor except the committee amendments, which have already been adopted, and he has consistently maintained that position.

Mr. President, it is quite important that we bear three things in mind concerning the policy of the committee in reporting Senate bill 577. One is that we wanted absolutely to divorce banking from all other types of business. The Senator from Indiana has been suggesting, and I believe he has offered an amendment to that effect, that bank-holding companies be allowed to continue to hold all of their nonbanking assets.

If such an amendment should be adopted, the bill would become worse than a futility, because, for instance, one holding company, Transamerica, which is now operating in 9 or 10 States, and which has 200 or more branches, as well as a great number of banks, in those 9 or 10 States, with a billion dollars of outside assets, would be frozen in its position, because, under the Douglas amendment, nobody else could come into the State where it does business. The very object of the independent bankers would be defeated, which is to break up the combination between banking assets, on the one hand, and a vast industrial expansion on the other, where the overlord, the holding company, can pump assets into one branch or bank to stifle competition, against the interests of the local people.

So if the Capehart amendment is adopted, we can say to every independent banker in the United States, "We have turned our backs on you in favor of the bank holding companies," because the amendment would make an utter futility of the bank holding act, and it would be worse than no act at all.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. The able Senator from Virginia knows that the amendment which I shall offer, and which I have not offered yet, denies bank holding companies or any of their banks the right to lend any money to their nonbanking subsidiaries. We ought to keep the record straight. I have stated exactly what the effect of the amendment would be. The able Senator from Virginia said a bank holding company would be able to pour billions into its nonbanking assets.

Mr. ROBERTSON. There is nothing in the Senator's amendment which would keep Mr. Belgrano from swapping stocks in his company for those of some other company. That is what he wants to do. He wants to swap the stock, just as he did when he went to Tucson to take over the bank established there by the Douglas family years ago. He made such an attractive offer for the stock of that bank in exchange for his own stock, which was more valuable and which was paying higher dividends, that the owners of the bank sold out to him. If finally approved by the Federal authorities, he will have acquired this additional bank in Arizona.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. The divesting of nonbanking assets has no effect whatsoever on the operations of the bank holding companies. Their operations will be unhampered after the able Senator's bill passes. The companies will come within the law.

Mr. ROBERTSON. The Senator is just as wrong as he can possibly be. He is fighting the very essence of the proposed legislation under the pleasing guise of improving it. He will not get a single independent banker in the United States to support his position, and he need not think for a minute that he will. He is going against the interests of the independent bankers of the United States. I put the Senate on notice that if the Senate adopts the amendment, it will throw the bill in the ashcan, because it will be worse than no bill at all, since these vast industrial empires will then be frozen in their position, where there can be no competition, and the independent bankers will be wrecked.

Mr. CAPEHART. Why did the Senator sit here so nonchalantly and complacently, then, and see two amendments put into the bill to permit bank holding companies to hold their nonbanking assets, if it is such a terrible thing for the independent bankers? Where is the consistency in the Senator's position?

Mr. ROBERTSON. The Senator is absolutely lacking in facts, and he is not supported by the Record.

Mr. CAPEHART. I shall read a portion of the Record to show the colloquy we had——

Mr. ROBERTSON. Let me complete my statement. The Senator has made a statement that is not supported by the facts. The Senator from Virginia expressed his opposition on behalf of himself and the committee to all amendments offered to the bill, and will continue to do so. The Senator from Indiana voted for both amendments which constitute exceptions, and has just announced he is going to vote for another exception to the bill.

Mr. CAPEHART. I am going to vote to exempt all of them.

Mr. ROBERTSON. Then he lays the foundation to let Transamerica hold $1 billion of its nonbanking assets, and Transamerican is the largest institution of this kind. If there were only that one bank holding company in the entire United States, we would need this legislation; but there are a great many more.

In our committee we did treat everybody alike. We wrote no specific exemptions into the bill which would let anybody get by with operating a lot of nonrelated businesses in connection with the banking business.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. ANDERSON. I saw in the newspaper a day or two ago that W. R. Grace was acquiring Cosden Petroleum Co. W. R. Grace has a bank. Is it the holding of other assets that is dangerous, or is it the holding of two banks and holding the assets that is dangerous?

Mr. ROBERTSON. W. R. Grace probably has an empire of $300 million or more. It has large shipping and manufacturing interests. It is building chemical plants and other manufacturing plants in South America. It has one bank.

When the Senator from Virginia introduced the bill, the definition was 50 percent of one bank or more. The independent bankers framed a bill, and the distinguished Senator from Indiana introduced it on the Senate side, with a definition of two banks or more. The chairman of the House committee introduced a bill on the House side, with a definition of two banks or more. The House passed the bill containing a definition of two banks or more. The definition of two banks or more would cover 63 bank holding companies. The definition of one bank would cover 100 more.

In the first place, those who advocated the definition of two banks or more took the position that if a man had only one bank, he was not furnishing too much competition to the independent bankers, because most of those who have only one bank are large industrial empires that are not concerned primarily in banking, and they are not concerned with providing competition—especially unfair competition—to other bankers.

In the second place, they took the position that if we now pass this bill in such form as to have it apply to two banks or more, we shall more or less freeze the corporations which have only one bank, because the minute they got two banks, they would come under the definition included in the bill, and then they would have to get rid of either their banking assets or their nonbanking assets. Of course, being primarily industrial organizations, they would have to get rid of their banks or banking assets. That is the explanation of the definition as regards 25 percent of two banks or more.

Mr. ANDERSON. What I was concerned about was whether the bill is primarily for the purpose of protecting the independent banker against competition, or whether it is designed to require banks which have industrial holdings to divest themselves of such holdings.

Mr. ROBERTSON. The bill has two or perhaps three primary purposes. One is to protect banks from unfair competition from a unique corporate device which enables a corporation to do what no private bank can do, namely, to have a bank branch in another State. Under the Banking Act of 1933, national banks are limited to the State in which they are incorporated, and cannot operate outside that State. They can have branches only in accordance with the State laws and as permitted by the Federal agencies. The same rule now applies to all State banks; they cannot spread into other States. State banks and national banks are thus limited. That was the real reason why so much pressure was behind the Douglas amendment, because it was said, "The private banker cannot cross State lines. Therefore, do not let the bank holding companies do what the private bankers cannot do."

Our answer—although it was not very effective, because only 18 Senators took that view—was that such groups have always had this privilege, although now the plan seems to be to put the large investments of capital into a straitjacket and, in addition, to freeze the large bank holding companies into a very favored position. But the Senate voted overwhelmingly; there were only 18 votes in opposition. All the remaining votes were based on the view, "Not only are we in favor of the Senate committee's bank-holding-company bill, but we want a stronger bill than the one now before the Senate."

Mr. ANDERSON. I am sure that was the position which was taken.

Mr. ROBERTSON. The distinguished Senator from Indiana [Mr. Capehart] voted for the Douglas amendment, and indicated that he, too, wanted a stronger bill than the one the committee had proposed.

I am saying that if the Senator from Indiana offers an amendment to exempt all bank holding companies from having to divest themselves of either their banking assets, on the one hand, or their nonbanking assets, on the other, he will have turned a complete somersault as regards this provision, because such an amendment would really nullify this provision of the bill.

Again I wish to say—particularly for the benefit of my distinguished colleague, the Senator from Kansas [Mr. Schoeppel], who asked the question—that, first, the committee was consistent in attempting to treat everyone alike and in attempting to avoid writing any specific exemptions into the bill. In the second place, the committee wished to control future expansion of bank holding companies, so they would not go into areas where new facilities were not needed, and where the only purpose would be to give competition—and perhaps unfair competition—to the independent bankers who already serve the area. We propose leaving that matter to the discretion of the Federal Reserve Board, with the privilege on the part of State authorities, in the case of State banks, to make recommendations in that connection, or with the privilege on the part of the Comptroller of the Currency, in the case of Federal banks, to make recommendations.

Third—and this is very important—the committee took the position that since the Banking Act of 1933 absolutely prohibited any private banker from doing any kind of business except banking, the bank holding companies, if they wish to remain in the banking business, must of necesssity get down to the same level and get rid of their nonbanking assets.

All of those were essential objectives of the bill. I repeat that enactment of the bill is urgently needed.

I commend the statement made on the floor on yesterday by the distinguished junior Senator from Maine [Mr. Payne], who supported the Douglas amendment, and who said that, with that amendment, the bill is a good one, and is long overdue, and that we need such legislation; and he also said that with the addition of that amendment, he planned to support the bill actively.

Mr. SCHOEPPEL. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. Neuberger in the chair). Does the Senator from Virginia yield to the Senator from Kansas?

Mr. ROBERTSON. I yield.

Mr. SCHOEPPEL. Inasmuch as the distinguished chairman of the subcommittee has referred to remarks I made in regard to the Holland amendment, I wish to say to him that I see very, very much that is most commendable and needed in the original bill, as reported by the committee.

However, let me say that I have checked on the George amendment, and I have ascertained certain facts in that connection. As I stated earlier today, I think it is good to have such matters set forth in the Record, along with a basic background regarding why—as the Senator from Florida has indicated—certain exemptions are sought to be made.

In the case of the George amendment, I found—and I think it well for the Record to show this—that the Trust Company of Georgia owns 100 percent of the Trust Company of Georgia Associates, which owns a controlling interest in 6 national banks, 10 percent of the Trusco Finance Co., and 4,968 shares of the Coca-Cola International Corp.; and the Trust Company of Georgia also owns 100 percent of the Coca-Cola Bottling Co., of Lincoln, Nebr.; and 5,500 shares of the Coca-Cola International Corp.

Mr. ROBERTSON. Mr. President, without reading any further figures, will the Senator from Kansas admit that inasmuch as only 18 votes were cast in support of my position on the Douglas amendment, I cannot control the Senate? If I cannot control the Senate, why does he attempt to hold me responsible for what the Senate did, inasmuch as I did not vote in favor of the Douglas amendment?

Mr. SCHOEPPEL. I say most earnestly that I supported the position taken by the Banking and Currency Committee and by the Senator from Virginia [Mr. Robertson]. I did not support the Douglas amendment.

Mr. ROBERSTON. I am very glad of that.

Mr. SCHOEPPEL. If I could not support the Douglas amendment then, I would not support it now, if it came up in exactly the same way.

I am not criticizing the Senator from Virginia; neither am I holding him responsible for the action taken by the Senate in its wisdom and best judgment. But I am pointing out that at the present time there are two amendments, and in all likelihood a third one, which depart drastically from the concept the Senator from Virginia sought to have the bill embrace.

I wish to state for the Record some of the circumstances and some of the actions taken which I think are discriminatory. I believe the Senate should consider very carefully the approach the Banking and Currency Committee has made to the bill.

If the bill is loaded down with exceptions, they will work inequities.

So I desire to point out these things. If the bill is thus to be loaded down, I fear that in good conscience I shall not be able to support it.

Mr. ROBERTSON. I appreciate the sentiment expressed by my distinguished colleague, but I should like to remind him of what the Senator from Kentucky [Mr. Barkley] said yesterday. The bill introduced in the House carried exemptions for Kentucky and Georgia. That bill was introduced by Chairman Spence. The bill introduced in the Senate by the distinguished Senator from Indiana carried the same exemptions. But the bill introduced in the Senate by the junior Senator from Virginia never contained any of them. He has consistently taken the position that it is not proper procedure for us to bring forward a bill and talk about only a few bank holding companies because they are very big and stand out like sore thumbs, without making the rule apply to all similarly situated.

We had a situation in which the House started with a bill carrying two exemptions. The Senate started with a bill carrying no exemptions. Yesterday the Senate voted to exempt two of the bank holding companies. With all due deference, I think the Senator from Florida has shown that the company covered by his amendment is even more entitled to exemption, if we are to make exemptions, than the two with respect to which we have already acted.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SCHOEPPEL. I hope the Senator from Virginia does not feel that I am critical at all. I merely wish to point out some of the things which I think should be in the Record. As I told the distinguished Senator from Florida a while ago when I was asking him questions, I think it should be definitely shown that his amendment is grounded in the agricultural industry, which puts it in an entirely different light than some of the other exceptions. I think we ought to have the facts in the Record and before the public.

Mr. ROBERTSON. The Senator from Virginia, with all due deference to the bill his committee requested him to present to the Senate, thinks that the most inconsistent position in respect to the bill is that we did not place all bank holding companies under the provisions of the bill. But we took the position that we have been trying to obtain some legislation for 18 years. The Glass bill, twice aided by the able Senator MacAdoo, of California, applied the one-bank definition. That bill never got out of committee. Everyone who took a look at it said, "If those two distinguished statesmen could not get a bill out of committee, how can those of us who do not claim such prominence and ability hope to have enacted a bill based upon the one-bank definition?" So they did not consider it. It was not tried on the House side. The Senator from Indiana, when he introduced his bill, did not try it on this side. I did try it, and I did not get my bill out of committee. The committee said, "We want the two-bank definition," and that is the one which is before us.

Mr. HOLLAND. Mr. President, before the vote is taken, I should like to say, first, that I am sure the distinguished Senator from Virginia knows that there is no "overlord" concepts in the case of the Consolidated Naval Stores Company of Florida. It has had this relatively small interest in 2 banks for more than 25 years, without seeking to enlarge them or to enter into other fields.

I am sure the Tropical State Bank is as much regarded as an independent bank in my State as any other independent bank in the State. The activity involved in this case is an agricultural activity, an agricultural business, which has tried to protect itself, and in one instance to protect the community in which it is doing business. I do not think it should be handicapped in any way under the provisions of the bill.

Mr. KNOWLAND. Mr. President, I take it the distinguished Senator from

Kansas [Mr. Schoeppel] is merely pointing out certain facts in connection with the situation which should be in the Record.

As I understand, yesterday the camel got his nose under the tent by way of the Barkley amendment. It got its neck under the tent by means of the amendment of the Senator from Georgia [Mr. George]. It is now about to get its first hump under the tent, and pretty soon the whole camel will get in. Is that substantially correct?

Mr. SCHOEPPEL. That was what the Senator from Kansas was trying to point out. However, I did see much more merit in the position taken by the Senator from Florida in connection with his amendment, which is tied strictly to the agricultural side, than I could see otherwise. However, I am afraid we have too much of the animal under the tent.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barkley
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Gore
Green
Hayden
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Malone
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Symington
Thye
Welker
Wofford
Young

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. Chavez], the Senator from Tennessee [Mr. Kefauver], and the Senator from Montana [Mr. Mansfield] are absent on official business.

The Senator from Mississippi [Mr. Stennis] is absent because of a death in his family.

Mr. SALTONSTALL. I announce that the Senator from Arizona [Mr. Goldwater], the Senator from Iowa [Mr. Hickenlooper], and the Senator from Delaware [Mr. Williams] are necessarily absent.

The Senatcr from New York [Mr. Ives] is absent because of illness.

The Senator from Utah [Mr. Watkins] and the Senator from Wisconsin [Mr. Wiley] are absent on official business.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Holland].

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2854) to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of government, and conspiracy to advocate overthrow of government; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Celler, Mr. Walter, Mr. Feighan, Mr. Keating, and Miss Thompson of Michigan were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the joint resolution (H. J. Res. 457) for the relief of certain relatives of United States citizens.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the followig enrolled bills, and they were signed by the President pro tempore:

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes; and

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Forces, and Public Health Service, and for other purposes.

THE NORTH ATLANTIC TREATY ORGANIZATION

Mr. HUMPHREY. Mr. President, I should like to address the Senate for a few moments on the subject of American foreign policy, a subject which I deem to be of considerable importance.

Mr. President, two major events within the last 48 hours have put us all on notice that the challenge facing us in foreign policy is unrelenting and that our response must be more imaginative and constructive than it has been hitherto.

I refer first to the frightening indication from Mr. Khrushchev in Birmingham, England, Monday that his displeasure over the coolness of his reception in England has now taken the form of threats bursting through the smiles. Khrushchev is quoted as telling his British audience: "I am quite sure that we will have a guided missile with a hydrogen bomb that can fall anywhere in the world. In spite of that, you do not want to trade with us."

Mr. President, I think we can thank our British allies not only for showing the world that they are fully capable of evaluating the blandishments of their Soviet visitors, but for providing the Kremlin leaders with an opportunity to divulge in public that terror is still an instrument of Soviet diplomacy despite all the cocktail conversation about peace and friendship.

This combination of terror and smiles, Mr. President, is designed to break up the free world coalition. There are ample indications that it has been successful in helping to erode the North Atlantic Treaty Organization. Hence I was delighted to read that the Secretary of State has at last taken notice of this challenge to NATO, and Monday in his important speech before the Associated Press luncheon in New York, he proposed what some of us have been proposing for a long time: Namely, that NATO must now go beyond its original status as primarily a defensive military alliance, in order to become an agency of cooperation for political, economic, and social progress.

Mr. Dulles said in part:

> NATO contains the possibilities of great development. * * * The Canadian Government has notably espoused this point of view and at last December's meeting of the council, both the French and Italian delegations introduced resolutions along this line. I expect that the matter will be further dealt with at next week's ministerial meeting which will be held in Paris. Our nations basically have so much in common that we should be able to do more in common. * * * The peoples who make up the Atlantic community ought, in increased unity, to reaume their greatness; and true greatness is not to be measured by ability to impose on others what they do not want, but ability to find new ways whereby all men can better realize their aspirations.
>
> The North Atlantic Treaty already serves as an indispensable vital instrument of the Atlantic community. But the time has come, I believe, to consider whether its organization does not need to be further developed, if it is adequately to serve the needs of this and coming generations.

Mr. President, I wish to commend the Secretary of State for that statement. I think it opens up before us a very important opportunity.

I ask unanimous consent, Mr. President, that pertinent excerpts from Mr. Dulles' speech be printed in the Record at this point in my remarks.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

> The North Atlantic Treaty Organization is another organization which, in its own distinctive way, contains the possibilities of great development. It was, to be sure, conceived primarily as a military alliance, and that aspect of the organization remains vitally important. But the organization can and should be more.
>
> The Canadian Government has notably espoused this point of view and at last December's meeting of the council, both the French and Italian delegations introduced resolutions along this line. I expect that the matter will be further dealt with at next week's ministerial meeting which will be held in Paris. Our nations basically have so much in common that we should be able to do more in common.
>
> All of our peoples embrace a religious faith which makes atheistic materialism seem abhorrent to them. We have a common sense of moral values.
>
> Our political institutions predominantly reflect democratic conceptions which had their origin in Greece, and legal institutions which had their origins in Rome.
>
> Our economies are similar. We believe in and encourage the private ownership of property, and there is a large and flourishing trade between our countries.

DOMINATION IS SCORED

> Our educational systems are much the same and provide a broad basis for the free exchange of views and the gaining of common understanding. And not only do we

> have this firm foundation but also we hold in common many guiding principles of action which should enable us to develop practically our fellowship.
>
> All of us believe that the days are past when any part of the world, or any particular civilization should dominate others. Several of the members of NATO are more than Atlantic countries. The United Kingdom, for example, is a member of the British Commonwealth. The United States is an American and a Pacific nation as well as an Atlantic nation. We are today members not only of NATO but of the Organization of American States, of the Southeast Asia Treaty Organization and of several other collective defense pacts. And we are associated with the Baghdad Pact. All NATO members would, I think, agree that NATO should not represent the totality of our policies.
>
> And also, all believe that no government has just powers except as it derives them from the consent of the governed. At the same time we recognize that political independence is illusory unless those who obtain it are able to sustain it and carry its responsibilities.
>
> Also, we reject the conception which would prevent different races from freely uniting in one political system. Under these conditions all of us, I am sure, want to strive to advance the historic evolution of the non-self-governing peoples to self-government and independence.
>
> And we believe that the spirit, which in the last decade has provided so many non-self-governing peoples with political independence, ought also to operate peacefully to stimulate independence for those subject to the ruthless colonialism of Soviet Russia. Peace and welfare in Europe require that East Germany should be allowed to unite in freedom with the Federal Republic, and that the nations of eastern Europe should once again be independent.

INTEGRATION MOVES CITED

> We believe in the closer integration of some Western European countries, such as is represented by the coal and steel community, by the Western European Union, which is created by the new Brussels Treaty, and by the prospective development of what is called "Eupratom," the proposed organization whereby the same countries that are members of the coal and steel community would apply community principles to the development of atomic energy for peaceful purposes. Such European integration, and the development of NATO, are complementary and not mutually exclusive processes.
>
> The NATO members believe in the principle of consultation between allies and at our council meetings we are increasingly practicing that consultation. But every NATO country has, of course, certain vital national interests, that may sometimes require independent judgment. Some of us have grave worldwide responsibilities that cannot be effectively discharged unless there is a capability of prompt decision and corresponding action.
>
> Our consultations must be designed to assure essential harmony in our viewpoints on fundamentals. But the processes of consultation should never enmesh us in a procedural web so that we fall victim to the ability of despotisms to act suddenly and with all their might.
>
> None of our governments is predatory. We want military power to be used as a community force to prevent aggression and not as a national force for aggrandizement. And, indeed, the amended Brussels Treaty for Western European Union already sets a historic example that we can well ask the whole world to follow.
>
> No NATO member, I suppose, wants to drift into some new and ill-defined relationship which could be provocative of future misunderstandings. But the unanimity of our thinking upon the great basic issues makes it apparent that the time has come to advance NATO from its initial phase into the totality of its meaning.
>
> Western civilization has made an immense contribution to the welfare of the whole world. It has been a dynamic force which, like everything human, has made its mistakes. But on the whole it has reflected an enlightened view of the nature of man and of his God-given right to enjoy life, liberty, and the pursuit of happiness.
>
> Furthermore, the Western view of the nature of man has made it inevitable that its influence should be, on the whole, a liberalizing influence. Some nations take pride in the size of their dominion and the number of people under their rule. But the western nations can feel that their greatest success was to have brought to much of the world a knowledge, a political freedom, and an economic opportunity which it had never enjoyed before.
>
> But the mission of the West is not completed. More independence needs to be perfected. More economic development needs to be planned and supported throughout the world. More sense of equality and human brotherhood needs to be developed. And also, the West needs to appreciate better how rich are the gifts that other civilizations have to offer.
>
> The historic weakness of the West has been its disunity. Out of this disunity came wars which have taken the lifeblood of its finest youth and weakened its economies. A major task of postwar statesmanship was to find the ways whereby the West can maintain its solidarity. Much, indeed very much, has been done in this respect. But more can still be done to make sure that the good in western civilization is not again negated by differences.
>
> The peoples who make up the Atlantic community ought, in increased unity, to resume their greatness; and true greatness is not to be measured by ability to imposed on others what they do not want, but ability to find new ways whereby all men can better realize their aspirations.
>
> The North Atlantic Treaty already serves as an indispensable vital instrument of the Atlantic community. But the time has come, I believe, to consider whether its organization does not need to be further developed, if it is adequately to serve the needs of this and coming generation. If that be the common desire of the NATO member nations, the United States will join eagerly in exploring those possibilities which now beckon us forward.

Mr. HUMPHREY. Mr. President, the chronology leading up to Mr. Dulles' statement has been interesting to watch during recent weeks. It is a chronology of specific warnings that NATO is in danger of disintegration, and that positive new measures must be taken to give it life and vigor.

On February 3, the Christian Science Monitor in a special dispatch from Edmund Stevens in Rome reported that Italian President Gronchi said that on his forthcoming visit to Washington he would "tell Washington policy planners that the North Atlantic Treaty Organization will atrophy and disintegrate unless the scope of the Atlantic Alliance is broadened by implementing the neglected economic and political clauses of the treaty."

> NATO, he contends, suffers from the fact that it was conceived in the narrow image of the American view which considers resistance to communism solely in military terms. Consequently, as the apparent war threat waned, NATO member states lost interest commensurately. And when Moscow concentrated its efforts in other fields, such as economic and technical aid to backward areas, the West lacked the organizational framework to meet the challenge, he said.

When President Gronchi came to Washington later that month, Mr. President, he told the joint session of Congress on February 29:

> The reorganization of the Western World is the central problem of the day which should be faced without delay. * * * Military cooperation continues to be very important today, but it should be supplemented with new and imaginative forms of cooperation. This is necessary not only to move away from a climate of emergency measures and to enter into a phase characterized by more complex and permanent arrangements, but chiefly because we all realize that no person, nation, or group of nations can consider without anxiety and anguish the prospects of a world where peace is based solely on military strength or on limited political alinements. * * * The new methods of a more organic cooperation should range from the political to the social and economic areas.
>
> One might consider with more attention a better integrated functioning of NATO involving a wider and more frequent use of the Atlantic Council.

On March 5, President Gronchi went to Canada where he devoted most of his speech before the Parliament in Ottawa to pleading for an extension of the NATO alliance into an economic as well as a military grouping. He said:

> Unification of the western viewpoint is the indispensable premise for any action in order to confer upon joint policiea a dynamic and flexible character to counteract the forces which lately have so ably demonstrated their flexibility.

A few days earlier, the French Foreign Minister Christian Pineau had addressed a British-American correspondents association in Paris and warned that the West must try "a new unified approach to the East-West dispute or be engulfed eventually by a tide of Communist propaganda."

As the month of March rolled on, Mr. President, indications continued that NATO was deteriorating. The Parliament of Iceland asked for the withdrawal of all NATO armed forces from their country and the State Department expressed shock and surprise. I ask unanimous consent that two paragraphs from a column by Joseph C. Harsch which appeared in the Christian Science Monitor on April 3 be printed at this point in my remarks.

There being no objection, the paragraphs were ordered to be printed in the Record, as follows:

> Washington.—On March 28 members of Iceland's Althing passed a resolution calling for the withdrawal of all NATO armed forces from their country. * * * When the members of the Althing passed the resolution, they gave the most specific expression to date of a point of view which has been stated with increasing frequency in countries which participate in the North Atlantic Alliance.
>
> The Foreign Minister of France and the President of Italy are two other recent sources of the opinion that the NATO alliance as it stands today is becoming obsolete, and that the first need of the West in the post-Geneva world is not for a military alliance, but for a much-improved economic and political association of the Western nations.

Mr. HUMPHREY. Mr. President, events have become so serious that the seventh anniversary of NATO on April 4, 1956, became an occasion of special significance. Speaking at the SHAPE ceremonies in Paris on that day, Lord Ismay, Premier Guy Mollett, and Gen. Alfred M. Gruenther all emphasized that NATO was more than a military organization, and that the time had come to develop its political, economic, and social possibilities in building a genuine Atlantic community. As Volney Hurd cabled the Christian Science Monitor from Paris the next day:

> When SHAPE's purely military chief takes this line, it shows strong forces at work on a long-neglected policy change.

Four days later there were intimations that Lord Ismay might resign, and an article entitled "NATO Could Fold if Ismay Quits," written by Edmund Taylor, was published in the Washington Post of April 8. I ask unanimous consent that excerpts from this article be printed at this point in my remarks.

There being no objection, the excerpts from the article were ordered to be printed in the Record, as follows:

NATO Could Fold if Ismay Quits

Paris.—With Iceland's request for withdrawal of United States Armed Forces seeming to presage the collapse of NATO's northern flank, and with Cyprus a timebomb that may blow the southern flank to smithereens at any moment, there is a danger that United States policymakers may overlook quite a different, yet grave, threat to what is left of the western alliance.

There is the distinct possibility that Lord Ismay, NATO's Gibraltar-like British Secretary General, may hand in his resignation, perhaps at the ministerial meeting of the council in May. * * * Ismay's resignation, in view of observers here, might well be a fatal blow to NATO.

NATO's situation has gone from bad to worse. Although Washington seems to have been making strenuous efforts to play down the request of the Icelandic parliament, Paris observers have no illusions about its gravity. Above all, they fear an early spread of the same neutralist infection to the Scandinavian members of NATO—Norway and Denmark—where several signs of dissatisfaction have appeared in recent months. * * *

What depresses Ismay and his staff even more than the decay on the northern flank and the crisis on the southern flank, is the failure of NATO's leading members to supply—or even tolerate—any imaginative leadership in converting NATO from a simple military alliance into a real Atlantic community.

This concept has met with a notable lack of enthusiasm from the British and from Secretary of State Dulles, who has been more interested in promoting the integration of Western Europe within NATO.

Ismay tactically avoids any direct criticism of this policy. But he leaves one with the impression that he is seriously worried lest United States efforts to promote European unity, while neglecting the political and economic aspects of the broader Atlantic alliance, might end by undermining the latter.

Mr. HUMPHREY. Mr. President, on April 14, in Pensacola, Fla., Adlai Stevenson asked for "swift action to restore the vitality and strength of the NATO alliance." Disputing President Eisenhower's statement made in a news conference on April 4 that NATO was "just as strong as ever," Mr. Stevenson said that if he were elected President he would "follow up the admirable suggestion made by President Gronchi, of Italy, in his recent address to Congress, and build NATO into something approaching a social and economic community."

The announcement that General Gruenther would retire from his SHAPE post has added to the growing uncertainty of the future of NATO, and evoked further demands by responsible commentators that we take steps to bolster the Atlantic community. On April 16 the Christian Science Monitor published a column by Erwin D. Canham entitled "Something Better With Our NATO Allies." I ask unanimous consent that excerpts from this column be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Something Better With Our NATO Allies

(By Erwin D. Canham, April 16, 1956)

NATO, as a political and economic start toward integration, may turn out to be more important than NATO as a military force. The retirement of General Gruenther, the pulling away of French forces for use in north Africa, the breach between Greece and Turkey and Britain over Cyprus, the demand of Iceland for withdrawal of United States NATO troops—all these things reveal the changes in NATO.

If the alliance is weakening militarily, let us make it stronger politically and economically if we possibly can. We might well sell the Soviet a military easement if we ourselves could obtain something better with our NATO allies—closer economic and political cooperation.

Similarly, West German restiveness can perhaps be met in the political area. A Germany spiritually allied with the West is more valuable than a few more divisions of German troops.

Mr. HUMPHREY. Mr. President, 2 weeks ago it was discovered that early in March Chancellor Adenauer had made an extremely important statement which, for some curious reason, was never picked up by the American press. An article appeared in the Bonn General-Anzeiger on March 2. The article begins:

> The expansion of the North Atlantic Treaty Organization into a political instrument of the West in the cold war with the East was demanded yesterday by Federal Chancellor Dr. Adenauer in Bonn.

This statement by the German Chancellor is so important, Mr. President, that I would like to direct the attention of my colleagues to it with particular emphasis. So far it has had no publicity in this country whatever. I ask unanimous consent that the translation of this article be printed in full at this point in my remarks.

There being no objection, the translation of the article was ordered to be printed in the Record, as follows:

Federal Chancellor Demands Political NATO as Political Instrument of the West in the Cold War With the East

Bonn.—The expansion of the North Atlantic Treaty Organization into a political instrument of the West in the cold war with the East was demanded yesterday by Federal Chancellor Dr. Adenauer in Bonn. This political NATO should guarantee a coordination of the political attitude and initiative of the West vis-a-vis the East and provide that Soviet Russian cold-war measures either be answered by a united front of the West or, through preventive political behavior, be precluded or made difficult from the start. The Chancellor stated that, in the same way in which years ago NATO was created as a military defense instrument in order to be a match for a possible hot war of the Soviets, NATO should now be expanded into a political instrument in the cold war. Article 2 of the NATO statutes not only permits this expansion but actually provides for it.

The Federal Chancellor hinted that in certain leading NATO countries the attitude toward the expansion of NATO into a political coordination and defense instrument is not particularly favorable. "Nevertheless, I believe the expansion of NATO to be the right way," he added.

As early as December of last year, preparatory talks in this direction took place in Paris, the Chancellor stated. It was true, however, that some thought had also been given at one time to the idea of effecting a coordination of the Western policies with respect to Russia through the expansion of other pact systems. In Dr. Adenauer's opinion, however, NATO presents the largest number of favorable prerequisites for such a coordination; first, because in NATO the smooth cooperation of a large number of powers in other fields already exists; second, because a well functioning apparatus is available; and third, because within NATO the most intimate knowledge of an economic policy nature is available and therefore political measures can be combined with economic policy measures.

The expansion of NATO into a political instrument is especially appropriate at the moment and also especially practicable, he added, because on one hand Soviet Russia is doubtlessly increasing the cold war measures while on the other hand the immediate danger of a shooting war does not exist. "For the time being we shall not have to fear a hot war, provided that the defense front created in NATO remains in existence."

Last but not least, the Russian policy of the three big powers makes a coordination of the political attitude and of the political steps vis-a-vis the East appear necessary in the opinion of the Federal Chancellor. While President Eisenhower was rejecting certain diplomatic initiatives of the Soviets with prompt reply letters, Soviet Russian statesmen were being invited to a state visit by Great Britain, and, finally, the new French Government had declared that the French-Soviet friendship continued to be binding for France. "This is definitely no joint policy." Also, in the Near East each country proceeded separately. In this way, the cold war of the East could not be counteracted in the "endangered areas," the Chancellor stated.

Mr. HUMPHREY. Mr. President, last week in Washington two other important voices were raised in concern over NATO. In his excellent review, on April 18, of our foreign policy in the Middle East, the distinguished junior Senator from Montana [Mr. Mansfield] emphasized that he was disturbed about the "erosion of NATO." He said:

> The organization has not changed very much outwardly, but I believe it has nevertheless changed in the sense that it has lost its spirit, its drive, its leadership.

The next day the president of the AFL-CIO, Mr. George Meany, wrote to the distinguished senior Senator from Montana [Mr. Murray] regarding Senate Concurrent Resolution 12, which proposes a conference of representatives of

the democracies supporting the North Atlantic Treaty. Mr. Meany stated:

> This resolution was considered by the appropriate executive body of the AFL-CIO, together with a copy of House Concurrent Resolution 216. * * * I am glad to be able to inform you that the AFL-CIO is entirely in accord with the principle underlying the proposals of these resolutions. * * * Because your exploratory convention is not committed to any definite formula, the AFL-CIO can express agreement with the objectives which your group seeks.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the text of Mr. Meany's letter to Senator Murray be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

American Federation of Labor and
Congress of Industrial Organizations,
Washington, D. C., April 19, 1956.

The Honorable James Murray,
Senate Office Building,
Washington, D. C.

Dear Senator Murray: I thank you for sending me a copy of Senate Concurrent Resolution 12 dealing with a proposed conference of representatives of the democracies supporting the North Atlantic Treaty.

This resolution was considered by the appropriate executive body of the AFL-CIO, together with a copy of House Concurrent Resolution 216, which was sent me by Congressman Harrison A. Williams, Jr., dealing with somewhat the same subject.

I am glad to be able to inform you that the AFL-CIO is entirely in accord with the principle underlying the proposals of these resolutions.

From the time that the North Atlantic Treaty was initiated, the American labor movement has been on record in support of the necessary military defense of Western democracies against the possibility of aggression. We have, however, at the same time insisted that the nonmilitary parts of the treaty should receive more consideration than has hitherto been accorded to them. On a number of occasions the representatives of the AFL-CIO have called for the implementation particularly of article 2 of the treaty, which deals with these matters.

The most recent example of this is the following quotation from the resolution on foreign policy, adopted by the AFL-CIO convention held in New York City, December 5–9, 1955:

"This implementation of the London-Paris accords should be combined with a program to enable NATO to fulfill not only its primary purpose as a military defense body but, in addition, as an organ for greater economic and political cooperation in advancing peace, human rights and improved living standards."

In the spirit of this position and because your exploratory convention is not committed to any definite formula, the AFL-CIO can express agreement with the objectives which your group seeks.

Best wishes.

Yours sincerely,

George Meany,
President.

Mr. HUMPHREY. Mr. President, enough has surely been said to prove that all is not well in the NATO alliance. It is obvious today that many of the French forces, upon which we rely for defensive strength in Western Europe, are already committed in North Africa.

The major bulwark of democracy is Germany. A man upon whom we have placed great reliance, and who has committed West Germany to participation in NATO—Chancellor Adenauer—is deeply concerned, and has openly said so, over the gradual weakening and deterioration in this greatest free alliance which the world has ever known.

I am not speaking in a spirit of criticism; I am speaking only in a spirit of genuine, serious concern. I feel that the message which Secretary Dulles gave earlier this week is one which should challenge Congress. It appears to me that now, as in other days, Congress, particularly the Senate, should examine what is happening in the NATO alliance. We might very well examine what has been done and not done under the economic and political clauses of the NATO treaty. We might very well consider what more could be done in the light of the recent pronouncements by some of the great leaders of Great Britain, France, Italy, and Germay.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LANGER. I compliment the distinguished Senator from Minnesota upon his speech. I think it is very timely. Is it not true, in his opinion, that the relations between the United States and West Germany are not quite so strong and cordial as they were, say, even a year ago?

Mr. HUMPHREY. I think it is correct to say that the people of West Germany are becoming more concerned over our relations with them. I must say that Chancellor Adenauer has been as stanch a friend of the United States as has any leader of any Western European democracy.

But I feel there is evidence that the West Germans are becoming somewhat impatient over the problem of German reunification. I noticed that the German Foreign Minister, Mr. Brentano, is contemplating another visit to Moscow to see whether or not something can be worked out on the unification question.

It is factors such as these that cause me deep concern over whether or not we are doing all that should be done in terms of strengthening NATO and utilizing it more effectively on the political, economic, and diplomatic fronts.

It is obvious, for instance, that there is little or no coordination of policy among the NATO nations as to how the constant intrusions of the Soviet leaders should be treated. For example, our country apparently would not welcome a visit from Bulganin and Khrushchev. The British are permitting them to visit Great Britain. Representatives of the French Government go to Moscow. The French Prime Minister and the French Foreign Minister make statements, as allies of ours, which occasionally seem to contradict the official policy of our country. I recognize the right of those persons to do those things. I do not criticize. I simply say that if NATO is to be effective, then we must have a policy in concert. We must work together. We must have common political and economic aims as well as military aims, because today it is perfectly obvious that the Soviet Union is moving on the political and economical offensive. Significantly enough, the newspaper editors who were in Washington last week attending the convention of the American Society of Newspaper Editors voted 2 to 1—54 to 27—that the United States of America was losing the cold war.

Mr. President, they are editors who, in the main, are sympathetic to the present administration. I want to make it quite clear, whether it is this administration or any other, that all political forces in this country must work unitedly toward a common program, to recapture the diplomatic initiative for us and our allies. Political considerations, which could be taken advantage of for partisan purposes, must be put aside. But I think it is disturbing when the Secretary of State can come back from a trip around the world and indicate that everything is well and good, while the Chairman of the Joint Chiefs of Staff, Admiral Radford, can come back from practically the same trip and from the same countries and report to the committees of the Congress that things are in a precarious condition, that our allies are not so strong as they should be, and that our policies are not succeeding.

Somewhere along the line there must be a reconciliation of those diverse views. We cannot have it from the Secretary of State that the world picture is better, that the Russians are in retreat, that they are demonstrating signs of weakness, and then have the Chairman of the Joint Chiefs of Staff publicly report to the committee in the House that international developments are critical, that we are losing in the cold war, and that our military alliances are not adequate to meet the situation.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JOHNSTON of South Carolina. Does the Senator have the figures indicating how other persons present at that newspaper editor's meeting voted? There were also present Cabinet officers and Members of the Senate and the House of Representatives. I think it will be found that they voted in the same ratio as the editors did.

Mr. HUMPHREY. I do not have those figures.

Mr. JOHNSTON of South Carolina. Members of the Senate and the House and Cabinet officers were present at that meeting, and they also cast their votes. I think it will be found that the vote was in the same ratio as the vote cast by the newspaper editors.

Mr. HUMPHREY. I say most respectfully to my colleague from South Carolina that I shall supplement the Record with those figures.

Mr. JOHNSTON of South Carolina. I think it would be well to put those figures in the Record at this point, along with the others.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the Record, as follows:

At a breakfast meeting of editors attending the American Society of Newspaper Editors on April 21, 1956, guests, including members of the Supreme Court, Congress, the Cabinet and the White House staff and

> other Government officials, voted 43 to 26 that this country was losing the cold war.

Mr. HUMPHREY. Mr. President, it is a matter of the utmost concern and of the highest import that we clearly understand the power which is arrayed against us in the world today. The visit of Mr. Bulganin and Khrushchev to Great Britain is an indication of what we are up against. I think we owe a debt of gratitude to the British people, and particularly to the representatives of the British Labor Party who held a reception at which the Premier of the Soviet Union, Mr. Bulganin, and the Secretary of the Communist Party, Mr. Khrushchev, were in attendance. It was hoped by the Soviet visitors that they would be able to implement their current political line through what they call the Popular Front, by trying to get closer cooperation between the Communist political forces and the free democratic political forces. This effort was making some headway in Europe on the Continent. There have been overtures made to the Socialists of France, the Socialists of Italy, the Socialists of West Germany, and the Socialists of every other Western European country. There was evidence to indicate that the new look of the Soviet Union was making inroads among some members of the free political parties in Western Europe. But in London the new leader of the British Labor Party, Hugh Gaitskill, posed the question to Mr. Khrushchev as to what the Soviet Union was going to do about 200 Social Democrats who have disappeared in the Eastern European countries in the Soviet bloc.

According to the press reports, it was at that point that Khrushchev "blew his top," and it was at that point that the British character of steadfastness and of courage was demonstrated so completely. Gaitskill did not retreat. The members who were in attendance at that meeting did not try to act as though they had committed a social error. They stood their ground. Khrushchev demonstrated, once and for all, that behind the social smile, behind the cocktail-hour conversation, behind all the various ramifications of the new look, was the constant threat of Soviet oppression, tyranny, and terror.

I should also like to call the attention of my colleagues to the testimony of Prof. Walter Rostow, of the Massachusetts Institute of Technology, as he testified recently before the Senate Subcommittee on Disarmament in hearings at Cambridge, Mass. In that testimony, which, by the way, was published in the Washington Post last Sunday, and which is available to every Member of the Senate, Professor Restow pointed out that bolstering the effectiveness of the new Soviet line of the happy look, the pleasantries, the smiles, is the continuing presence of Soviet military power.

I remind the Senate that in the Soviet budget of last year there was provided an increase of 12 percent in funds, in new money, for Soviet arms.

Khrushchev has now made it crystal clear that the Soviet Union does possess powerful, frightening weapons, and, what is more, that he is willing to threaten to use them in the appalling event of nuclear war.

I want to say again that those brave men on the British Isles, as in the days of nazism, have stood their ground, and Khrushchev and company have thereby been exposed.

Under these circumstances I hope our Government will press ahead. I hope our Government will cease to say on political occasions that all is well, and to paint a rosy picture. It would be nothing short of national disaster to have the American people believe that the world is more peaceful, simply because the bad men of our times, the villians, have started acting like charitable souls for the moment.

The facade of kindliness has now been exposed. Stalin can be purged, but Khrushchev lives on; and the reports we have received indicate not one single thing to relieve us from our concern, or from our obligation to keep this country strong or from our obligation to recognize that we shall need our allies, or from the necessity of developing NATO into a political and economic community.

Mr. President, just as in the days of the Marshall plan, when congressional participation was an essential element in a bold, new policy, so today, I think, it is essential that Congress participate actively in resolving the issues now confronting us in NATO. I am certain that the present challenge cannot be met without a dramatic, new response. Indeed, we have the words of General Eisenhower's own report to NATO on April 2, 1952, to bolster us in this conclusion:

> The enormity of the present threat will never be met by halfhearted measures. * * * This pattern of events, which points so surely to disaster, can be changed if only the peoples of the West have the wisdom to make a complete break with many things of the past. * * *
>
> Peacetime coalitions throughout history have been weak and notoriously inefficient. * * * Nevertheless, we were expecting NATO members * * * to work and sacrifice together over an indefinite period. * * *
>
> There is power in our union. * * * Visible and within grasp, we have the capability of building such military, economic, and moral strength as the Communist world would never dare to challenge. * * *
>
> Then the Atlantic Community will have proved worthy of its history and its God-given endowments. We shall have proved our union the world's most potent influence toward peace.

Mr. President, I wish to associate myself in spirit, word, and deed with that expression by General Eisenhower in 1952.

I call upon President Eisenhower and Secretary Dulles, the members of both political parties, and the Congress of the United States to implement these words with action.

Is it not time for the executive branch of our Government and for the Congress to take to heart the admonitions given us by General Gruenther, by Lord Ismay, by Chancellor Adenauer, by President Gronchi, by Foreign Minister Pineau, and by others?

Let me say that the speech given on Monday by Mr. Dulles should be regarded as a call for action on the part of our Government at both the executive and legislative levels.

The Congress needs to participate effectively before it is too late. We need to remind the administration of what has been said, and we need to ask for deeds. Our country must exercise the leadership that a great nation is expected to take.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. Capehart in the chair). Does the Senator from Minnesota yield to the Senator from Oregon?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to commend the Senator from Minnesota for the great statement he has just made, and for the very deserved tribute he has paid to the British leaders for their strength of character—typical of Anglo-Saxons in all history—in resisting what in my opinion amounted to blackmail in the form of an economic threat by the Russian leaders in their recent conferences with the British leaders in England.

Let those of us in America never forget that the Russians' design is two-pronged—military and economic. They intend to use both economic and military weapons to reduce all the world, if they can succeed, into a slave state.

The questions which were put to the Russian leaders in the English conference to which the Senator from Minnesota has referred, strip bare, in my judgment, the designs of the Russians. When the English questioners touched upon the matter of slavery behind the Iron Curtain, then Khrushchev, and Bulganin, too, showed their true colors.

Let those of us in the free world remember that behind the Iron Curtain, men and women are not free, but by the millions are held in slave-labor camps.

So far as the Senator from Oregon is concerned, in his judgment there can be no peaceful relations with Russia until Russia turns free the millions of slaves in her own country and the satellite countries which she controls.

Mr. HUMPHREY. I sincerely believe, Mr. President, that the hour is very late and that unless we are able to strengthen and unify the forces we have, the Soviet Union may very well realize its objective to split us apart and to make NATO ineffective. If that happens, America will literally stand alone, facing a terrible future.

Mr. KNOWLAND. Mr. President, the recent visit of Khrushchev and Bulganin to Great Britain and the remarks attributed to Khrushchev at the meeting with the members of the British Labor Party have again put the free world on notice that the Communist leopard has not changed its spots. I think it was as clear an indication as free men will ever have that in building up the vast power the Soviets have and the vast power which they intend to continue to develop, they will be prepared to use it for the purpose of international extortion, if they cannot gain their objectives in any other manner.

Mr. President, we in this country and the people of the rest of the free world

will stand in great peril if we fail to recognize this basic fact.

It was not very long ago when, before the Supreme Soviet, speeches were made—prior to the downgrading of Stalin—to the effect that if any persons expected that the Russian leaders' smiles meant a change in the basic, long-term strategy of the Soviet Union, such persons would be making a great mistake. That would no more happen, said the spokesmen for the Kremlin hierarchy, than Easter Sunday would fall on a Monday. Mr. President, the last remarks attributed to Mr. Khrushchev enforce the same idea.

Recently there have been some observations to the effect that a Titoist movement in the satellite states would be a helpful development. To the extent that it may be helpful to a prisoner to get out of leg irons, while still being restrained in solitary confinement, that may be true. However, to the enslaved peoples of Poland, Latvia, Czechoslovakia, Lithuania, Estonia, Hungary, Albania, Rumania, and Bulgaria, that is small satisfaction. Godless Communist tyranny—whether local or international—is unacceptable to the free spirit of the people in the enslaved satellite states of Eastern Europe.

As a government of free people, Mr. President, we must not put our stamp of approval on either local or international Communist tyranny over the satellite peoples, or consider anything as a substitute for the policy of liberation upon which this administration came into power in 1953. We must not give either our moral or our legal sanction to any agreement which would destroy the hope of the satellite peoples that someday, at some point in the not too distant future, they may again be free and independent.

CRITICISMS OF AMERICAN FOREIGN POLICY

Mr. CAPEHART. Mr. President, I know of nothing more healthy under a representative form of government than good, constructive criticism. I have always felt, and feel today, that it is the duty of a minority party to criticize the majority party. In this instance I consider it the duty and responsibility of the Democrats to criticize the President of the United States and the Secretary of State if they feel that their criticism is constructive.

For many days I have been sitting here listening to and reading statements which have been made, to the effect that the Secretary of State is too optimistic, and that our country is possibly not so well armed as it might be. I have been listening to much criticism of the President of the United States in respect to national defense.

It seems to me that if there is one man in the United States in whom we ought to have the utmost confidence in respect to national defense, if there is one man in the United States who ought to know what we need and what we do not need in respect to national defense, it is President Eisenhower. If President Eisenhower does not know what the situation is, and is not capable, as President, of handling our national defense, I do not know where we could go to get a man with experience enough to do it.

I do not believe anyone has ever accused President Eisenhower of being disloyal in respect to national defense. I am a little confused as to just what the critics are talking about. In our President we have possibly the most experienced military man in the world. He ought to know what is needed. No potential enemy ought to be able to fool Mr. Eisenhower. He has had forty-odd years' military experience, and the experience of being the head of the greatest, most potent army in the world. Yet we hear much criticism to the effect that he does not know what he is doing, that evidently he has not had any experience, that he is letting down, that somehow, somewhere, in some concealed way, something has happened, so that he no longer knows anything about the military situation; no longer does he know what the Nation needs in order to defend and protect itself and the American people.

I should like to know whom we could elect who would be any better qualified from the standpoint of national defense. I do not believe that the gentlemen about whom I have been reading in the newspapers, and who wish to head the Democratic ticket, are better qualified. I know of no military experience that they have had. Perhaps they have had such experience, but I have not read about it. I do not believe that they know very much about the military situation, and what might be needed or what might not be needed. So I do not quite understand the argument from that viewpoint. Perhaps it is legitimate, but I do not quite understand it.

There is a second argument which I have heard frequently. I have just listened to the same argument made by the able Senator from Minnesota [Mr. Humphrey]. I refer to the argument that Secretary Dulles, and perhaps President Eisenhower and the administration, are too optimistic. What is meant by that? What are the critics complaining about? Are they complaining because we are not at war somewhere? Is it their idea of maintaining peace and stability in this country and the world that we must be fighting somewhere? Are they disappointed that there is no war in Korea or Formosa or that there is not a great deal of shooting going on? Are they disappointed because the administration has been able to settle by negotiation, not all the problems which confront it, but many of them?

What is it that they are frightened about? What is it that frightens them about optimistic statements to the effect that we do have friends throughout the world, and that our allies are fairly strong, even though, as we all know, there is an admission that there are some bad spots in the world, such as Egypt and Israel.

I presume there always have been such conditions and situations throughout the world, and that there will always be. But what is it that exists today that did not exist a few years ago? Up until 1952, when President Eisenhower became President, the world had been almost continuously at war over a long period of time, except for a few years between the end of World War II and the beginning of the Korean war.

In order to be optimistic, must we have a great degree of tension? Must there be a great amount of fighting, and many wars? I wish someone would enlighten me.

I am certain that the critics are not getting anywhere with the people of America by this line of talk, to the effect that we are too optimistic. We all know that the Russians have certainly changed their policies. They are tearing down all the statues of their former hero, Dictator Stalin. They are now trying to divest themselves of anything that he ever had anything to do with. Evidently they have failed in their military policy, or they would not be tearing down Joe Stalin.

We hear complaints to the effect that the Russians are now going all over the world talking economics, with big smiles on their faces. I think that is true. I think there is no question that they are traveling around with big smiles on their faces. But why condemn the President of the United States and the Secretary of State because the Russians have seen fit to change their policies, have seen fit to tear down the statues of Stalin, and are now traveling around the world with big smiles on their faces and talking about economics?

Our friends seem to want to blame the President of the United States for that circumstance. I am reminded of the situation which exists sometimes when criminals are brought before a judge. Certain critics undertake to condemn and complain about the judge, rather than about the criminals who are brought before him.

I do not think the President of the United States is responsible for the fact that the Russians are doing certain things. I should say that our policies, as a Nation, have forced them to change their policies, because if their policies were working, if they were accomplishing what they wanted to accomplish, they would not change their position almost overnight and condemn their former leader. If his policies were successful, and if he had achieved that which they wanted, why should they now condemn him? Evidently they feel that he failed.

As we all know, over the years the Russians have been operating under a military policy. My best judgment is that they are still capable of striking militarily. I would not for a minute want to see this Nation drop its guard, because I think they might well strike. But they are now operating in an economic offensive. At least, they tell us that. They are traveling from country to country. I do not gather from the position of the gentlemen who are continually discussing the situation, whether they are happy or disappointed over it. I cannot make up my own mind, after listening to the able Senator from Minnesota [Mr. Humphrey] a minute ago, whether he is happy about it or disappointed about it, or whether he thinks it is a good thing or a bad thing. After listening to other Senators I could not make up my mind, either, as to what their policy is, or as to what they would do about the foreign situation. Would they go to war? Would they have the two gentlemen who are now traveling in England arrested? What would they do? What is their policy? What are they thinking about? I do not understand whether they are happy or disappointed about conditions, or whether they feel that we ought to do something that we are not doing.

I myself am very happy—and I think 167 million Americans are happy, too—that we are not at war today. I am very happy that 167 million Americans believe that we have today in the White House a President who understands better than any other man in America—certainly as well as any other man—although we have other great generals—how to handle a military situation.

If there is some danger, which the American people do not quite understand, but about which some gentlemen seem always to be talking, then I say that the American people are saying, "Thank God we have a President in the White House who is an experienced military man."

Therefore, Mr. President, I do not quite understand it.

Mr. President, I like constructive criticism, and I am not objecting to it. Perhaps the result of what the critics are doing may well be helpful in alerting our people. It may make our people think twice, perhaps, on matters about which they should think twice. I am not objecting to it at all. I am trying to analyze it and to understand it from the viewpoint of what they would recommend, and from the basis of what they are thinking about.

I cannot quite determine whether they are happy or disappointed—or what. I cannot quite understand whether they are disappointed that there is not a war somewhere in the world, or that there is no fighting going on. I cannot quite understand whether they think we ought to declare war or get into a war. I cannot quite understand it.

Mr. President, I repeat that it seems to me as though they are sort of condemning the judge—in this instance the President of the United States and the Secretary of State and the administration—instead of the culprits who are being brought before the judge. They do not seem to become angry with what the other fellows—the Russians and the other Communists—are doing, but are always saying that the United States is weak, and that the United States is making mistakes, and that the other fellows are a little better than we are. They are always saying that the others are farther advanced along atomic energy lines, are better in a military way, and that now they are meeting with success in meeting with other nations and discussing economics. According to some of the critics, the other fellows are always better, better, better.

Mr. President, I suggest we start educating American boys and girls and the American people generally that we are pretty good ourselves; that we have done pretty well in 176 years. I believe we have done pretty well in meeting the Communist threat. We have done pretty well in a few wars, much as we dislike wars.

I believe the President and the Secretary of State have done well in 3½ years in helping to stop wars. The fact that there is no war going on anywhere in the world should make us happy. I, for one, am very happy to have an administration in office which settles matters by negotiation. We are remaining strong, Mr. President. I am one who does not like to sell the American military short. I believe we are stronger than any other nation in the world, or any combination of nations. I am proud of that fact.

I am becoming a little tired of listening to people constantly say that the other fellow is better than we are; that he is bigger than we are; that he has more than we have. I do not believe it. I do not believe the American people are such children that we must always scare them. That technique was used for years and years by our New Deal friends. They always had to be frightening the people. There was always, or generally, a war going on somewhere around the corner. There was always a great emergency of one kind or another.

The present administration does not deal in emergencies. It deals in stability. It deals in getting things done by negotiation and in a normal way, not in an emergency way.

I have been in the Senate for 12 years. During the first 9½ years I served under President Roosevelt and President Truman. Then there was one emergency after another. Perhaps some of the opposition now, particularly those who talk about these things, do not feel quite comfortable because there is no emergency somewhere or other. Apparently they cannot understand a situation in which there is not some great emergency somewhere.

Mr. SPARKMAN and Mr. McCARTHY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Indiana yield; and, if so, to whom?

Mr. CAPEHART. I yield first to the Senator from Wisconsin; and then I shall yield to the Senator from Alabama.

Mr. McCARTHY. The Senator is talking about our opposition. Although I have never been a defender of very many members of the Democratic Party, I believe we should give some credit to the Senator from Missouri [Mr. SYMINGTON] for the work he has done in connection with national defense, especially air defense. I know it may come as a surprise to the Senator from Indiana for me to commend the Senator from Missouri, in view of the difficulties I had with him in the Army-McCarthy hearings. However, I think that when we talk about the defense of the country, we should give him some credit for what he has done.

Mr. CAPEHART. I am not surprised to hear the Senator from Wisconsin make that statement. I said a moment ago that constructive criticism is good. I think some good will come of all this, because it will alert our people. I do not say that the administration is not subject to criticism or that it has not made some mistakes in some areas. However, where, particularly from a military standpoint, could we get a man of more experience and with greater ability to lead our country than President Eisenhower? We would not know where to go to get him. Certainly I would not know. Honestly, I would not know where to get that kind of individual.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. Does the Senator recall that last week or the first of this week, when the newspaper editors gathered in Washington from all over the United States, the vast majority of whom had supported the Eisenhower administration, they voted 2 to 1 that in their opinion we were losing the cold war?

Mr. CAPEHART. I am aware of that fact. However, I do not believe they were correct. I do not think it is true. I spoke about that a moment ago. I am aware of the fact that they did that, but I still do not believe they were correct.

Mr. SPARKMAN. If the Senator will permit me to ask one more question I should appreciate it, because I must leave the Chamber to keep an appointment.

Mr. CAPEHART. I am glad to yield.

Mr. SPARKMAN. The Senator talks a great deal about being scared. It is not a question of being scared. It is a question of being concerned. I believe the Senator will agree with me that at all times we ought to seek to be realistic about the conditions our country may confront.

Mr. CAPEHART. I think I said that in my remarks. I know I said it was a good thing to have constructive criticism. I said it might well alert the administration and the people. I am aware of that fact.

Mr. SPARKMAN. I wonder whether the able Senator from Indiana read in the Scripps-Howard newspapers, specifically in the Washington Daily News of Monday, April 23, an editorial entitled "Who's Out of Step?"

Mr. CAPEHART. I did not read it.

Mr. SPARKMAN. I wish I had time to read it. Of course I do not want to impose on the Senator's time to read it.

Mr. CAPEHART. Is the substance of the editorial that President Eisenhower and Secretary Dulles and the administration are out of step?

Mr. SPARKMAN. Yes; if the Senator wishes to boil it down to that. What the editorial says in the last paragraph is:

> President Eisenhower and his Secretary of State need to get in step with these facts.

Mr. CAPEHART. What are the facts?

Mr. SPARKMAN. The reason why I think the editorial——

Mr. CAPEHART. What are the facts?

Mr. SPARKMAN. If the Senator wishes me to read an excerpt from the editorial, I shall be glad to do so. If it is agreeable to him——

Mr. CAPEHART. I believe we should have the facts.

Mr. SPARKMAN. If it is agreeable to the Senator, I should be glad to place

the entire editorial in the Record at this point.

Mr. CAPEHART. That is perfectly agreeable to me.

Mr. SPARKMAN. Then, Mr. President, without the Senator from Indiana losing his right to the floor, I ask unanimous consent to have printed in the Record as a part of my remarks the editorial to which I have referred.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> [From the Washington Daily News of April 23, 1956]
>
> WHO'S OUT OF STEP?
>
> President Eisenhower talks about cold war victories. He insists the new Soviet economic and political challenge in the Middle East, Africa, and Asia is a Kremlin confession of failure of old policies.
>
> But Adlai Stevenson says we are losing the cold war. He insists the administration is bankrupt of ideas in foreign policy and is misleading the public with claims that everything is dandy.
>
> If such a black-and-white difference were widespread, the remarks of these two candidates for the Presidency could be dismissed as campaign oratory. But it is not. Most expressions of informed opinion, unhappily, more nearly agree with the grimmer appraisal of Mr. Stevenson.
>
> Our allies, our own Ambassadors abroad, American correspondents in foreign countries, returning businessmen—these and many others irrespective of political labels, warn daily that the United States has lost the initiative to the Kremlin's traveling clowns. The members of the American Society of Newspaper Editors, before whom the President and Mr. Stevenson spoke, thought, by a 2-to-1 vote, that the United States was losing the cold war.
>
> The contrast between the Eisenhower and the Stevenson speeches makes it appropriate to examine the broad picture of foreign policy.
>
> Without agreeing with all the proposals Mr. Stevenson made, we do not hesitate to say—as we have been saying in effect for a long time—that Mr. Stevenson's appraisal of the state of the world makes a lot more sense than President Eisenhower's.
>
> Any cursory study of foreign affairs shows that the Soviet Union has made vast gains in the last year or so.
>
> The Soviets have leapfrogged into the Middle East—fulfilling a 350-year-old czarist-Communist dream. Is that a victory for us?
>
> The Soviets are successfully stirring up trouble all the way from Morocco to Indonesia, embarrassing us with the challenge to our colonial allies. Is that a victory for us?
>
> The Soviet New Look is more and more appealing to neutralists and uncommitted countries. Ceylon and Cambodia have jumped in that direction. Is that a victory for us?
>
> All the time the Soviet dictatorship—collective but still dictating—maintains an economy geared to war products * * * increases its armaments * * * woos friends by buying their surpluses and promising aid * * * prods and subverts * * * challenges even the United States in the scientific, technological and industrial fields. Are those our victories?
>
> The exact score in the cold war may be debatable—and not necessarily important in itself. What is important, however, is the basis of our foreign policy.
>
> If American foreign policy is being conducted upon the belief—as the President says—that the recent successful Soviet actions are the result of past Soviet policies failing, a rude awakening is due.
>
> The time has come for the Eisenhower administration to get out of its complacent mood * * * to throw away its rose-tinted glasses * * * to tell the American people the real facts, however unpleasant * * * to warn the world that the new men and the new policies of the Kremlin are far more subtle and dangerous than the bluster of Uncle Joe.
>
> Stop all this nonsense about the Soviets failing. We are failing.
>
> Enough of patching up old programs and rejuggling old, obsolete policies.
>
> The United States needs new policies to fit the new facts.
>
> President Eisenhower and his Secretary of State need to get in step with these facts.

Mr. CAPEHART. Mr. President, I have no quarrel with the editorial or with the Washington Daily News. I assume one man wrote the editorial, or possibly 2 men, and it is 1 man's opinion or 2 men's opinion.

Mr. SPARKMAN. The Scripps-Howard chain of newspapers is a great chain, and it was one of the most ardent supporters of President Eisenhower as candidate Eisenhower, and has been an ardent supporter of his administration.

I wonder if the Senator would permit me to read from the editorial——

Mr. CAPEHART. I have the floor. That great newspaper chain supported the President in his veto of the farm bill, did it not?

Mr. SPARKMAN. That is correct.

Mr. CAPEHART. And the able Senator from Alabama was against the veto.

Mr. SPARKMAN. As was the Senator from Indiana.

Mr. CAPEHART. The Senator has his opinion and I have mine.

Mr. SPARKMAN. I was not citing the editorial for the purpose of saying that we should agree with everything said in it. But this is not the Democratic Party or Democrats in Congress speaking. It comes from proven friends of the Eisenhower administration.

If the Senator will give me time, I should like to read 2 or 3 of the principal statements contained in the editorial:

> Any cursory study of foreign affairs shows that the Soviet Union has made vast gains in the last year or so.
>
> The Soviets have leapfrogged into the Middle East—fulfilling a 350-year-old Czarist-Communist dream. Is that a victory for us?
>
> The Soviets are successfully stirring up trouble all the way from Morocco to Indonesia, embarrassing us with the challenge to our colonial allies. Is that a victory for us?
>
> The Soviet new look is more and more appealing to neutralists and uncommitted countries. Ceylon and Cambodia have jumped in that direction. Is that a victory for us?

Let me read only one more paragraph, because this is the heart of the editorial:

> All the time the Soviet dictatorship—collective but still dictating—maintains an economy geared to war production, increases its armaments—woos friends by buying their surpluses and promising aid—prods and subverts—challenges even the United States in the scientific, technological, and industrial fields. Are those our victories?

Mr. CAPEHART. Would the Senator advocate that we go to war to stop that?

Mr. SPARKMAN. Not at all.

Mr. CAPEHART. What would the Scripps-Howard newspapers advocate, and what would the Senator from Alabama advocate?

Mr. SPARKMAN. I would advocate that a definite, strong, and pronounced policy so that the whole world would know what it was.

Mr. CAPEHART. What would the Senator do to stop the Soviets from going into the Middle East?

Mr. SPARKMAN. They are going in because we left a vacuum there, and they will move anywhere where there is a vacuum.

Mr. CAPEHART. Where did we leave a vacuum?

Mr. SPARKMAN. In the Middle East. We allowed the situation to drift and drift, and then when Russia proposed a plan for the stabilization of the Middle East we accepted, and she was there with her influence—something which she has been wanting for two and a half centuries. We need a strong, definite policy that the whole world can understand and for which we will firmly stand.

Mr. CAPEHART. Would the Senator put an army there?

Mr. SPARKMAN. Not at all; and it would not be necessary to transfer our Marines into that section of the world today had we acted 12 months ago.

Mr. CAPEHART. What would the Senator have done 12 months ago?

Mr. SPARKMAN. First of all, I think the United States should have adopted a positive policy——

Mr. CAPEHART. What does the Senator mean by that?

Mr. SPARKMAN. Let me go on.

Mr. CAPEHART. Specifically, what would the Senator do?

Mr. SPARKMAN. We should have announced that we were going to stand by the tripartite agreement of 1950 and let all the countries know that we would carry out the terms of that agreement. I think we should have exercised the very best leadership of which we were capable by bringing those nations around the conference table. Twelve months ago we should have brought them together around the conference table and prevented the development of the mess which now exists in the Middle East.

Mr. CAPEHART. Who are the countries which should have been brought to the conference table?

Mr. SPARKMAN. The Arab States, on one side, and Israel, on the other.

Mr. CAPEHART. That is being handled at the moment. There is a cease-fire order there.

Mr. SPARKMAN. There has been a cease-fire order since 1949, but it has not prevented all the present trouble developing. There was a United Nations armistice in 1949, under which nations involved are supposed to be living today.

Mr. CAPEHART. Does not the Senator know that we are members of the United Nations?

Mr. SPARKMAN. Yes. That is what I am talking about. In spite of that, all these things have happened.

Mr. CAPEHART. Tell me one specific thing which the Senator would have the President do which has not been done.

Mr. SPARKMAN. Two things: Twelve months ago we should have announced that we were going to stand by the terms of the tripartite agreement of 1950. Second, the Government should have done its utmost to get the conflicting sides around the conference table to compose the difficulties.

Mr. CAPEHART. Does not the Senator know that is the obligation of the United Nations, and that they have been doing that?

Mr. SPARKMAN. I am talking about the tripartite agreement of 1950, which was between the United States, England, and France, and not within the United Nations.

Mr. CAPEHART. What the Senator is recommending has nothing specific about it. He is condemning the President of the United States because he is said to have violated some law.

Mr. SPARKMAN. No. I am pointing out some of the things which should be done that we do not do.

I appreciate the Senator's kindness in yielding to me. I wish I could remain to discuss the subject further with the Senator, but I must leave the floor.

Mr. CAPEHART. I am very, very fond of the Senator from Alabama, as he knows, but he has not given the Senate or the world any concrete suggestion on how to handle the existing situation.

DR. LINCOLN ROY MANSON-HING

The PRESIDING OFFICER (Mr. ALLOTT in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1212) for the relief of Dr. Lincoln Roy Manson-Hing, which were, in line 4, strike out all after "act," down through line 6, inclusive, and insert "sections 201 (a) and 202 (b) shall be held not to be applicable in the cases of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin James Manson-Hing, and Jennifer Lynn Manson-Hing.", and to amend the title so as to read: "An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin James Manson-Hing, and Jennifer Lynn Manson-Hing."

Mr. EASTLAND. Mr. President, on July 22, 1955, the Senate passed Senate bill 1212, which would exempt the beneficiary from the provisions of the Immigration and Nationality Act relating to aliens indigenous to the Asia-Pacific triangle. On February 21, 1956, the House of Representatives passed Senate bill 1212 with amendments to include the wife and children of the beneficiary within the exemption.

The amendments are acceptable, and I move, Mr. President, that the Senate concur in the House amendments to Senate bill 1212.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

FAVORING THE SUSPENSION OF DEPORTATION IN THE CASES OF CERTAIN ALIENS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 67) favoring the suspension of deportation in the cases of certain aliens, which were, on page 6, line 18, strike out "Stavroula," and insert "Stavroula" and on page 8, after line 7, insert:

> A-7439286 Alth, Laura (nee Gallegra).
> A-6929633 Alth, Aurel Joseph.

Mr. EASTLAND. Mr. President, on February 3, 1956, the Senate agreed to Senate Concurrent Resolution 67, approving the granting of suspension of deportation to certain deportable aliens. On March 6, 1956, the House of Representatives agreed to Senate Concurrent Resolution 67, with amendments to correct an error in printing and to include the names of 2 aliens whose cases were submitted to Congress on January 16, 1956.

I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. EASTLAND. Mr. President, I send to the desk an original concurrent resolution deleting an additional name from the concurrent resolution (S. Con. Res. 67) which was withdrawn by the Attorney General subsequent to action by the Senate and the House of Representatives, and recommended that the concurrent resolution be agreed to.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read the concurrent resolution (S. Con. Res. 76), as follows:

> *Resolved by the Senate (the House of Representatives concurring)*, That the concurrent resolution (S. Con. Res. 67) favoring the suspension of deportation in the cases of certain aliens be, and it is hereby, amended by striking out "A-7250943, Tsou, Tang.", as shown on page 8, line 4, of the engrossed concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 76) was agreed to.

WINSTON BROS. COMPANY AND THE UTAH CONSTRUCTION COMPANY AND THE J. A. TERTELING & SONS, INCORPORATED

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1905) for the relief of Winston Bros. Co. and the Utah Construction Company and the J. A. Terteling & Sons, Incorporated, which were on page 1, line 5, strike out "Brothers" and insert "Bros."; on page 1, line 7, strike out "and", where it appears the second time, and insert "&"; on page 1, line 7, strike out "Incorporated" and insert "Inc."; on page 2, line 16, after "act", insert "in excess of 10 percent thereof", and to amend the title so as to read :"An act for the relief of Winston Bros. Company and the Utah Construction Company and the J. A. Terteling & Sons, Inc.

Mr. EASTLAND. Mr. President, on July 28, 1955, S. 1905, for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc., passed the Senate.

On March 6, 1956, the House of Representatives passed the bill with certain perfecting amendments to the names of the claimants, and a provision for the payment of attorneys' fees not to exceed 10 percent of the claim.

Examination discloses that actual services were rendered by the attorneys in handling this claim before the court of claims.

Accordingly, Mr. President, I move that the Senate concur in the House amendments to S. 1905.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

BRIGITTA POBERETSKI

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1255) for the relief of Brigitta Poberetski, which were, after line 7, insert:

> SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Nickolas Menis shall be held and considered to be the natural-born alien child of Mr. and Mrs. Antonio N. Panopoulos, citizens of the United States.

And to amend the title so as to read: "An act for the relief of Brigitta Poberetski and Nickolas Menis."

Mr. EASTLAND. Mr. President, on July 30, 1955, the Senate passed S. 1255, to provide for the admission into the United States as a nonquota immigrant, a minor child to be adopted by United States citizens. On April 9, 1956, the House of Representatives passed S. 1255, with amendments to include the beneficiary of one similar individual Senate bill.

Inasmuch as the House amendments make no substantive changes, but merely group 2 cases into 1 bill, I move that the Senate concur in the House amendments to S. 1255.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

SHIH MING WANG

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 31) for the relief of Shih Ming Wang, which were, to strike out all after the enacting clause and insert:

> That, for the purposes of the Immigration and Nationality Act, Shih Ming Wang, Chih Shing Hwa, Erich Anton Helfert, Eugene Alexander Figueirdo, Rose Hu Chen, Felisa Ho (nee Chang-Kuon), Balbino Acusin Ariasa, and Adel Kamal, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.
>
> SEC. 2. For the purposes of the Immigration and Nationality Act, Kathleen Schrater shall be held and considered to have been

> lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

And to amend the title so as to read: "An act for the relief of certain aliens."

Mr. EASTLAND. Mr. President, on January 16, 1956, the Senate passed S. 31, to grant the status of permanent residence in the United States to the beneficiary. On April 9, 1956, the House of Representatives passed S. 31, with amendments to include the beneficiaries of eight similar individual Senate bills.

Inasmuch as the House amendments make no substantive changes, but merely group several cases into one bill, I move that the Senate concur in the House amendments to S. 31.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

OTTILIE HITZLBERGER LACHELT

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 83) for the relief of Ottilie Hitzlberger Lachelt, which were, to strike out all after the enacting clause and insert:

> That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ottilie Hitzlberger Lachelt and Maria Michela Federico may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.
>
> SEC. 2. Notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Dorin Ursulesku Baron may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act, and the said Dorin Ursulesku Baron shall be classified as a nonquota alien under the provision of section 101 (a) (27) (B) of the Immigration and Nationality Act.
>
> SEC. 3. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

And to amend the title so as to read: "An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens."

Mr. EASTLAND. Mr. President, on January 16, 1956, the Senate passed S. 83, to waive the grounds of inadmissibility in behalf of the beneficiary. On April 9, 1956, the House of Representatives passed S. 83, with amendments to include the beneficiaries of two individual Senate bills. One case included in S. 83 passed the Senate to grant permanent residence, but has been amended to grant a waiver of the excludable grounds and provide for the beneficiary's readmission as a returning resident alien, inasmuch as recent information is to the effect that this beneficiary departed from the United States.

The amendments are acceptable, and I move that the Senate concur in the House amendments to S. 83.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Mississippi.

The motion was agreed to.

AMENDMENT OF MILITARY PERSONNEL CLAIMS ACT OF 1945

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. EASTLAND. Mr. President, on March 19, 1956, the Senate passed H. R. 3996, a bill to further amend the Military Personnel Claims Act of 1945, with an amendment. The House has disagreed to the Senate amendment and has requested a conference.

I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. DANIEL, Mr. MCCLELLAN, and Mr. WELKER conferees on the part of the Senate.

CONFERRING JURISDICTION UPON UNITED STATES DISTRICT COURTS TO ADJUDICATE CERTAIN CLAIMS OF FEDERAL EMPLOYEES

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. EASTLAND. Mr. President, on March 29, 1956, the Senate passed H. R. 5862, a bill to restore the jurisdiction of the district courts in certain civil actions brought against the United States, with an amendment in the nature of a substitute. The House disagreed to the Senate amendment and has requested a conference.

I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. NEELY, Mr. DANIEL, and Mr. WATKINS conferees on the part of the Senate.

SOVIET ADVANCES IN THE GUIDED-MISSILE FIELD

Mr. McCARTHY. Mr. President, the day before yesterday Nikita Khrushchev announced that the Communists will very soon have a hydrogen-bomb guided missile "which can hit any point in the world." I, for one, do not believe this was braggadocio on the part of Khrushchev. Our own intelligence sources have been reporting, for a number of months, that the Soviet Union has made startling advances in the guided-missile field.

Last October, in Boston, I warned that the Soviets had nearly perfected the middle-range ballistic missile, which could be launched by submarine or aircraft far outside of effective radar-detection range. I also said that the United States was lagging far behind in the guided-missile race; and that unless this situation were corrected, the United States would soon be at the mercy of the Soviet Union. Khrushchev's statement about a long-range missile "which can hit any point in the world" indicates that the danger is even graver than I had supposed. It is about time, Mr. President, that we wake up to the fact that a nation determined to destroy or enslave us may, within a matter of months, have the means to do so.

What are we doing about it? Despite all the warnings about Communist guided-missile developments, we have still received no assurance from our own Government that the United States is going all out in an effort to catch up with the Soviet Union. On the contrary, we know that the chief proponent of a "crash" guided-missile program, Mr. Trevor Gardner, lost his job 2 months ago because he advocated that we go all out in the program. Mr. Gardner wanted the United States to spend an additional $200 million in order to accelerate our program; but he was overruled by his superiors, and shortly thereafter, resigned. Recently Mr. Eger Murphree was appointed as Special Assistant to the Secretary of Defense for Guided Missiles. Mr. Murphree has made a number of statements about giving the guided-missile program top priority. But this phrase—"top priority"—is bureaucratic gobbledegook, and really does not tell us a thing. At the very most, "top priority" may mean that we are giving guided missiles more attention than any other weapon. However, it does not mean that we are putting the program on an all-out "crash" basis such as was employed in the Manhattan project for the atom bomb. And since neither Mr. Murphree, nor his superiors, have said that the program is on a "crash" basis, we can only conclude that we are going somewhat less than all out.

It is conceivable, of course, that the Executive has recently put the guided-missile program on a "crash" basis and has not told us about it. I sincerely hope this is the case. But the life or death of our country is in the balance, Mr. President; we cannot afford to stake our country's life on a mere hope that the executive branch is doing what must be done to save it. Congress must know the facts. If the facts reveal that the guided-missile program is moving at a snail's pace—which I have strong reason to suspect—then Congress must move in, and order the program to be put on a "crash" basis. This is our duty. The Constitution of the United States explicitly directs the Congress "to provide for the common defense." This is a responsibility from which Congress cannot abdicate. We Senators cannot discharge our obligation to protect our country by getting up every so often and making a speech on the subject.

Therefore, Mr. President, I suggest that we set up a special joint congressional committee, with full subpena powers, to investigate the guided-missile program, and to keep a vigilant eye on its progress. If the committee finds that the program is not on an all-out basis, then it must go into the further question of why it is not on an all-out basis. If we are falling behind the Soviet Union in the development of a weapon that may permit communism to conquer us, then we must find out who is responsible and what has motivated those who are responsible.

And, Mr. President, we must find out whether it is a question of Mr. Alger Hiss' being still in the Government or merely incompetence. If executive officials refuse to cooperate with the committee, then the Congress should, by joint resolution, direct the Executive to give Congress the information it needs to provide for the common defense.

Should this special committee be satisfied that we have already adopted a crash program, then its function would be to watch the program's progress in the future, and to see to it that we continue at full steam ahead.

This investigation must be intensive and exhaustive—and conducted with all possible haste because of the immediacy of the Communist threat. I propose a special committee because I believe that existing committees have neither time nor the resources to do a thorough job.

I realize, of course, that this subject is highly sensitive. Therefore, it would be necessary for all of its staff members to have "Q" security clearance. While the committee could not report all of the details of the program publicly to the Congress, it could tell Congress, in a general way, how fast we are moving and whether we could move faster still.

Now, Mr. President, let me move on to another aspect of this guided missile situation. Only 2 days before Khrushchev announced that the Soviet Union had nearly perfected a hydrogen bomb guided missile, Adlai Stevenson solemnly proposed that the United States stop its hydrogen bomb tests. Stevenson also urged that we stop concentrating on multiplying and enlarging our arsenal of unconventional weapons.

I hope, Mr. President, that my Democrat friends—for many of whom I have great respect—on the other side of the aisle will not take what I am about to say as evidence of partisanship. I assure them no one believes more strongly than I that the defense of our country must be put above politics. But I cannot, and I will not, blind my eyes and close my ears to the fact that the titular leader of the Democrat Party proposed that the United States call a halt to testing and improving its own weapons—when he knew, as he must have known, that the Communists have nearly perfected a weapon that would blow us off the face of the earth. I ask my Democrat friends to consider what it would mean if Adlai Stevenson were elected President. May I say that I do not say this in a partisan sense. I realize that the millions of American Democrats love their country just as much and hate communism just as much as do the Republicans. But has not Mr. Stevenson told us that we must expect from him an attempt to emasculate our Military Establishment?

Khrushchev said that the Russians had dropped a hydrogen bomb from an airplane. This is a test which the United States has never made. Yet, Adlai Stevenson tells us that we should stop all further tests—an inconceivable statement, Mr. President, made only 2 days ago. On this one point alone it is frighteningly clear that a Stevenson administration would leave us at the mercy of the Soviet Union.

I know that a number of my Democratic friends on the other side of the aisle—such as the junior Senator from Georgia [Mr. RUSSELL], the junior Senator from Missouri [Mr. SYMINGTON], and the Senator from Washington—have been vigorous proponents of increasing our military strength. I sincerely hope, Mr. President, that they will see fit to repudiate Mr. Stevenson's views, to repudiate Mr. Stevenson as their party leader, and to repudiate Mr. Stevenson's presidential candidacy.

I sincerely hope, Mr. President, that both political parties will nominate presidential candidates who are determined that America's military strength shall be second to none. Adlai Stevenson, on this score, and on a hundred others I can think of, is clearly disqualified.

Mr. President, I ask unanimous consent to have printed in the RECORD, following my remarks, a two and one-half page statement which I now send to the desk.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MCCARTHY

In this connection, let me tell the Senators about some amazing testimony heard this morning by the Senate Subcommittee on Internal Security. The committee, as you know, is investigating the scandalous case of the Soviet seamen who were apparently forcibly deported from the United States by Soviet agents. I assure the Senate that I shall have more to say in the future on this outrageous violation of American sovereignty. One of the committee's witnesses was a Colonel Rudolph, a Russian expatriate, who came to this country in 1951. Colonel Rudolph had been an officer in the Soviet military occupation forces in Germany prior to his escape to the United States. Colonel Rudolph revealed that at the end of the war the American Army took over a German guided missile installation with a large stockpile of German V1 and V2 missiles. Colonel Rudolph revealed that the Communists, under the occupational agreement, were allowed to take over the territory in which this missile installation was located. When the Soviets arrived they found that the United States forces had left the entire installation intact including the stockpile of guided missiles. We had known, of course, that the Soviets had found a number of guided missile installations in the areas taken over by the Red army, and these installations had been used for research and development of the Communist guided missile program. But now we learn that one of these very important missile installations was originally taken over by the United States, and that the United States handed it over intact to the Soviet Union. Is it any wonder, Mr. President, that we are now lagging behind the Soviets in guided missile development when we deliberately gave them the benefit of German experience and research? I might add that Colonel Rudolph also testified that in the reverse situation—where the Americans took over areas under the occupation agreement which had been originally occupied by the Russians—that the Communists, before we got there, took away everything of any importance.

Colonel Rudolph also testified that a Mr. Grunther, who had been a leading figure in the development of the German guided missile was originally in American custody after the war, but that Soviet agents eventually took him behind the Iron Curtain. The head of the Russian Secret Police had given orders to his agents to bring this man to Russia, and American authorities did nothing to prevent this from happening. Mr. Grunther thereafter, according to Colonel Rudolph, played a major role in developing the Russian jet MIG fighter. I just bring these facts to the Senators' attention in order to show that the present Soviet threat in the guided missile field stems in large part from the criminal negligence of American authorities after the Second World War.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce to the Members of the Senate that tomorrow, assuming the Senate has completed action on the pending bill, it is our intention to consider the following measures:

Order No. 1784, Senate Resolution 240, certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles;

Order No. 1785, Senate Resolution 241, certifying the report of the Senate Committee on the Judiciary concerning Herman Liveright;

Order No. 1798, H. R. 6162, to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

Order No. 1811, H. R. 1774, to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

Order No. 1814, H. R. 9078, to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall not be less than 2,500 officers and members;

Order No. 1815, H. R. 7993, to authorize the construction and conversion of certain naval vessels, and for other purposes;

Order No. 1817, S. 3295, to amend the act of April 28, 1953, relating to daylight-saving time in the District of Columbia;

Order No. 1818, S. 2705, to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia;

Order No. 1819, H. R. 8334, to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic Games;

Order No. 1820, H. R. 8942, to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

Order No. 1821, H. R. 8959, to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to

be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes;

Order No. 1822, S. 2202, to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users Association, with respect to payment of construction charges on the Valley Division, Yuma reclamation project, Arizona, and for other purposes;

Order No. 1823, S. 2206, to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project;

Order No. 1842, H. R. 6573, to authorize renewals of a lease of the Annette Island Airport to the United States;

Order No. 1843, H. R. 6703, to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

Order No. 1844, H. R. 7186, to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry;

Order No. 1845, H. R. 7513, to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blockard, within which to apply for a patent to certain lands in Alaska;

Order No. 1846, S. 3498, to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes;

Order No. 1853, S. 497, to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California; and

Order No. 1854, H. R. 7678, an act to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation (International) Conference and Exhibit, New York, N. Y., to be admitted without payment of tariff, and for other purposes.

Mr. President, I should like also to announce that on next Monday, at the conclusion of the morning hour, there will be a call of the calendar of bills to which there is no objection, beginning at the point where we left off at the last call of the calendar.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

The Senate resumed the consideration of the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

The PRESIDING OFFICER (Mr. MORSE in the chair). The bill is open to further amendment.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. CAPEHART. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It is designated "4–23–56–B."

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 9, between lines 15 and 16, it is proposed to insert the following: "(1) to shares of any company lawfully acquired and owned by a bank holding company or by any of its subsidiaries prior to the date of enactment of this act."

It is proposed to redesignate subsection 4 (c) (1) as 4 (c) (2) and the following subsections accordingly.

Mr. CAPEHART. Mr. President, I am 100 percent in accord with the purpose of the pending bill. Two or three years ago, at the request of the Independent Bankers Association, I introduced a bill on this subject; and I would do so again, because I feel that this question should be handled by the Senate Committee on Banking and Currency, and that it should be finally determined by Congress which had it under consideration for many years.

As I understand, the purpose of the bill, or at least what I am trying to do, or would like to be a party to doing, is to make certain that a bank holding company cannot lawfully do something that a bank cannot do. I think that is what the small bankers of America desire, and that it is a desirable objective. I never could see any particular reason why a bank holding company should be permitted to do something which a bank could not do.

I think the proposed legislation would accomplish the purpose which I have stated under certain rules and regulations and within certain limits. I am sure that the author of the bill, the junior Senator from Virginia [Mr. ROBERTSON], will agree with me that that was his purpose in introducing the measure, and working so hard to get it through the Congress. The purpose is to make certain that bank holding companies have no advantage over banks, or vice versa.

I believe there are 42 bank holding companies which own 2 or more banks, and 147 bank holding companies which own no more than 1 bank. Over many years bank holding companies have legally acquired what are called nonbanking assets, meaning that they have bought 100 percent ownership in a manufacturing business, a wholesale business, a retail business, an agricultural business, or any one of a thousand and one different lines of businesses. Or they may have purchased a stock interest in such businesses.

The bill we are considering would require bank holding companies either to divest themselves of their nonbanking assets or their banking assets. The bill would say to them, "You can be either a bank holding company under the new rules and regulations, as spelled out in the bill, or you must be a bank holding company owning nonbanking assets."

Such assets have been acquired legally over many years. Earlier in the day I listened to the able Senator from Florida [Mr. HOLLAND] discuss a bank holding company in Florida. He offered an amendment, which was adopted by a vote of the Senate, to exempt that bank holding company from the terms of the bill we are considering. One of his arguments was that that particular bank holding company had been conducted in the same manner for 25 years. Many bank holding companies involved in this discussion have been buying nonbanking assets for much more than 25 years.

The bill would exempt many bank holding institutions from the necessity of divesting themselves of nonbanking assets. For example, labor organizations are exempted. Churches are exempted. Certain types of trusts are exempted. The biggest exemption of all—and I wish Senators would pay particularly close attention to this—lies in the fact that a holding company which has 1 bank is 100 percent exempt from the requirement that it get rid of its nonbanking assets.

There might be a situation in which a bank holding company might own one bank with $1 billion in assets. It would be big enough to buy and own a great many nonbanking assets. It would be exempt under the terms of the bill. But if a bank holding company should be so unfortunate as to own 2 or 3 small banks, with perhaps only $1 million of assets in each, it would have to divest itself of its nonbanking assets.

In my opinion, there are in the bill many unfair features having to do with the divestment of assets. My amendment would do for all the bank holding companies exactly what the three amendments which have already been approved by the Senate by a vote would do for three companies. I voted for those amendments, because I think those companies should retain their nonbanking assets. One of the companies is in Florida, 1 in Georgia, and 1 in Kentucky. This body has already voted that they shall be permitted to retain their nonbanking assets. Yet I know Senators who, at least up to this time, have frowned upon the idea of letting the other forty-odd bank holding companies retain their assets.

Under the terms of the amendment which I have offered, Congress would permit such companies to retain their nonbanking assets. In addition, we would say to them, "But neither the bank holding company nor any of its banks may lend any money to the nonbanking subsidiaries." That would mean that some other bank would have to lend money if they were to borrow money, or if they needed additional capital.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. CAPEHART. I shall be glad to yield in a moment.

Under the terms of my amendment Congress would say that the subsidiaries of nonbanking asset companies may not acquire any other company; they may not merge with any other company; they may not use any one of the subsidiary nonbanking asset companies to start a new holding company. All they may do is to continue to own them. They may not lend any money to them. They may not use them to start a new holding company. The separate individual companies may not acquire another company. They may not merge with another company.

I do not understand how any bank in the country could possibly be harmed, or possibly be opposed to what I am trying to do. Perhaps they could be, but as a businessman I cannot see any reason for such a position.

I now yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to ask the Senator from Indiana a question. As I understand, there were extended hearings on the bill.

Mr. CAPEHART. The Senator is correct.

Mr. JOHNSTON of South Carolina. Did the Senator's amendment come before the committee?

Mr. CAPEHART. It did.

Mr. JOHNSTON of South Carolina. What was the position taken by the independent bankers of the Nation?

Mr. CAPEHART. I do not know that the independent bankers ever testified on this particular subject. I believe I know what the independent bankers want; and I am for it. They want to prevent bank holding companies from expanding, and they want to bring bank holding companies within the same law and under the same rules and regulations under which the independent bankers must live. In all fairness and honesty, I presume they might take the position that if such bank holding companies were permitted to retain their nonbanking asset companies, that would make them a little stronger, because it is a fact that the bank holding company would receive any dividends which might be declared.

On the other hand, this is what would happen. If the bill as written should become law, the holding companies would dispose of their nonbanking assets and another group would acquire them. Either that, or they would siphon them off and give them to their present stockholders. The nonbanking asset companies would not be eliminated. They would not go out of business. They would stay in business. Some bank would handle their banking affairs. Under the bill it will not be the bank holding companies that will own them; and an independent bank somewhere will lend them money.

I cannot make up my mind that we should do for a few what we would not do for all. I cannot quite understand that sort of legislation.

The argument is made that we will freeze the bank holding companies if they do not want to dispose of their nonbanking assets. Of course, that is true. However, under the proposed legislation we are pretty much freezing the banking system of America, in order to get at the evil which has developed and to which the small banks object—and I think rightfully so. In other words, we will be freezing the American banking system. We will practically freeze the banking business and deny any new banks the opportunity of entering the field and competing with the established banks.

I believe the Senate ought to know that before it votes on the bill. It ought to know that it will be freezing the situation.

I suppose I could talk for some time on this amendment, but I do not know that I could cover the ground any better than I already have done. The question involved is very simple. It is whether we wish to treat all the way we are now treating a few. I wish someone would tell me, without becoming emotionally upset, in what way a small banker or independent banker will gain anything by our not permitting bank holding companies to retain their holding if they cannot lend them any money.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ROBERTSON. With the hope that the distinguished Senator from Indiana will not become emotionally upset, may I ask him why it was that in the 83d Congress he introduced a bank holding company bill which required divestment, and in the 1st session of the 84th Congress he also introduced a bill which required divestment, and why he now insists that divestment is a very bad thing?

Mr. CAPEHART. No; I said a moment ago that I introduced proposed legislation when I was chairman of the committee. I did so by request, because I felt the independent bankers were entitled to bring the matter before the Committee on Banking and Currency, and that they were entitled to have it brought before Congress. So I introduced it. I said a moment ago that I would do so again. However, I was never in favor of the provision which required the bank holding companies to divest themselves of their nonbanking assets. I see nothing inconsistent in what I have done. I would do it again. I believe it is the duty and responsibility of chairmen of committees, when an organization or a group so requests, to introduce proposed legislation, so that people may be heard. I would do it for any group in the United States.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ROBERTSON. The Senator from Virginia was under the impression that last year the Senator from Arkansas [Mr. Fulbright] was chairman of the committee.

Mr. CAPEHART. He was chairman of the committee. However, when the proposed legislation was originally introduced, I was chairman of the committee.

Mr. ROBERTSON. But the Senator from Indiana introduced it again last year.

Mr. CAPEHART. That is correct. I did bring it before the committee. I make no apologies for it. I would do it again. I would do it for any organization that is honest and sincere, as are the Independent Bankers of America, in trying to correct what they think is wrong. I believe it is the duty of Senators to do that. That is one of the cardinal principles of our American system of government; namely, the right of the people to petition Congress for a hearing.

However, I should like to have someone tell me wherein a single independent banker would in any way be hurt by permitting the bank holding companies to retain their nonbanking assets as long as they, the holding companies, could not lend them any money, and so long as they could not acquire other companies or merge with other companies. I should like someone to tell me how they could possibly be hurt.

Why should anyone be opposed to my amendment, particularly when the Senate has already broken the line in three different instances by a vote on the floor of the Senate? Are we to say that a concern in Florida, a concern in Georgia, or a concern in Kentucky is different from a concern in Minneapolis or in Milwaukee or in New York or in California?

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I should like to ask the Senator from Indiana to look at the list of bank holding companies on his desk, then to look at the map of the United States, and then to ask himself the question: How many bank holding companies will be affected by the proposed legislation south of the Mason-Dixon line?

Mr. CAPEHART. I have a list of 173 bank holding companies. I read that the list shows 163 bank holding companies which would be covered by the "one-bank" definition. It says that the companies marked in red are the 47 companies that would be covered by the "two-bank" definition. The 116 unmarked companies would not be covered by the "two-bank" definition.

I find listed Alabama, Arizona, Arkansas, and California. The Senator is inquiring about the South. There are listed Florida and Georgia. Minnesota has many of them. I find Tennessee and Missouri. Missouri has a number of bank holding companies. Kansas, Montana. New Hampshire has a number of them. New Jersey, New York, North Carolina. North Carolina has a number of them. North Dakota has a number of them. Ohio has a number of them. Oklahoma.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. Is it not true that the bank holding companies the Senator has named south of the Mason and Dixon line are one-bank holding companies, not two-bank holding companies?

Mr. CAPEHART. I believe that is generally true. I believe it is generally true that those in the South are one-bank holding companies.

Mr. MORSE. Has the Senator satisfied himself that it is true, generally speaking, that the bill in its present form would not be effective south of the Mason and Dixon line as to existing bank holding companies?

Mr. CAPEHART. Does the Senator mean that it would not be effective?

Mr. MORSE. Yes; because south of the Mason-Dixon line they are practically all one-bank holding companies. Is that correct?

Mr. CAPEHART. I would say that with the three exceptions we have made, covering the situations in Florida, Georgia, and Kentucky, the bank holding companies in the South are one-bank holding companies.

Mr. MORSE. Does the Senator know of any other two-bank holding companies south of the Mason and Dixon line?

Mr. CAPEHART. I do not know of any others.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ROBERTSON. I believe the Senator will find that there are 6 such companies in Texas that will be affected.

Mr. CAPEHART. Does the Senator mean that those companies own two banks or more?

Mr. ROBERTSON. That is correct.

Mr. CAPEHART. Mr. President, I do not know that I have anything further to say at the moment concerning the amendment. I wish more Senators were present so that more of them might understand the significance and the consequences of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana [Mr. Capehart].

Mr. MORSE. Mr. President, I ask for the yeas and nays on the amendment offered by the Senator from Indiana.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, I suggest the absence of a quorum.

Mr. FULBRIGHT. Mr. President, will the Senator from Indiana withhold his suggestion?

Mr. CAPEHART. I shall be glad to do so.

Mr. FULBRIGHT. Mr. President, I have very little to say. I have only 1 or 2 observations concerning the amendment. I do not think those of us who oppose it are opposing it because we think any specific injury would be done by the holding of nonbanking assets by any particular bank holding company. Roughly 20 years ago, the idea of the combination of banking activity with nonbanking activity was considered to be unsound. I think the late Senator Glass was one of the original sponsors of a bill intended to divorce nonbanking activities and banking activities of banks. It arose initially out of the difficulties which occurred in the 1920's with the combination of investment companies and banks and the abuses growing out of those relationships.

I am making no allegation, Mr. President. I do not oppose the amendment of the Senator from Indiana on any such ground. I oppose it on the very broad ground that the banking function is a very special one. Banking is not an ordinary business. It involves a fiduciary relationship between a bank and its depositors. Banks handle large amounts of money belonging to individual citizens, and we tried to protect their interests by the establishment of the Federal Deposit Insurance Corporation. I think that Corporation has done a very fine job, and there has been created a great deal of confidence in our banks. I am glad to say that that confidence still prevails and that no one is worried about our banking system. It involves the very simple proposition that banks should not engage in nonbanking activities.

It is no secret that the company specifically involved is the Transamerica Co. Our purpose is not to criticize the way in which the company conducts its business. The principle of divestiture came up long before Transamerica was the outstanding holding company which had nonbanking assets. Its great nonbanking assets, of course, are pretty well known. The most outstanding one is the Occidental Insurance Co. It is an activity around which there is especial concern because of the trust relationship which exists between the company and the policyholders. Both banks and insurance companies have the respect and the support of every Member of this body, I think. No one wants to injure either insurance companies as an industry or this particular insurance company. That is not the point at all. We are standing on the very broad principle that year in and year out it is better policy not to mix nonbanking activities with banking activities.

Mr. CAPEHART. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I have been listening to the Senator from Indiana for 2 or 3 days, and I wish to make just one point.

I do not think anyone opposing the Senator's amendment has any thought of alleging that these companies are doing anything wrong. I do not think we should always be considered as passing punitive legislation. We are simply trying to pass a bill the principle of which has been before this body for 20 years, but, for one reason or another, such legislation has not been enacted.

Mr. President, it is not a matter of great importance in my State. There is not a single company that I know of which would be affected one way or the other, nor do I know of anyone who is even intending to form such a company. So it is not a matter which affects me as a representative of Arkansas. But I have been impressed by the arguments made with regard to the separation of the banking function from the nonbanking function.

I now yield to the Senator from Indiana.

Mr. CAPEHART. I do not think anyone could quarrel with the statement which the able Senator from Arkansas has made. At least, I do not quarrel with it.

But the problem involved here is that we do not do what he describes. He said a principle was adopted years ago that banks ought to stick to banking, and that nonbanking assets ought to——

Mr. FULBRIGHT. Mr. President, I yielded to the Senator from Indiana for a question. I do not yield to him for another speech. He may make another speech if he wishes to do so in his own time; but I have only a few minutes.

Mr. CAPEHART. The Senator is going to have longer than that.

Mr. FULBRIGHT. I have not been speaking more than 5 minutes. If the Senator wishes to have me yield for a question, I will yield for that purpose. In his time he can express his own views as to what the bill will do.

Because it is not absolute and does not actually divest every single nonbanking asset from every bank, the bill is still not contradictory of or inconsistent with what I am saying with respect to one of its major purposes.

The Senator from Indiana well knows, as does everyone else, that the principal objector to or the principal opponent of the bill is the president of the Transamerica Corp. He is perfectly within his rights to object to it. Transamerica is the largest bank, and it will be affected more, I suppose, than any other bank.

The subcommittee, under the leadership of the Senator from Virginia [Mr. Robertson], has gone as far as anyone could go to make the bill easy on Transamerica. Special tax provisions have been made, and everything possible has been done to enable the making of divestiture payments.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. ROBERTSON. I wish to remind my distinguished chairman that of all the bank holding companies affected by the bill and required to divest themselves of their nonbanking assets or banking assets, only one has raised this issue, namely, Transamerica. It is the only one which has "kicked" from start to finish about doing anything at all.

Mr. FULBRIGHT. I appreciate the contribution made by the Senator from Virginia. The only other thought I wish to leave with the Senate is that some action should be taken on the bill. The Senator from Virginia has already related, in more detail than I shall, the history of the proposed legislation. But since the bill has been under consideration, there has been a headlong rush by some of the holding companies, particularly Transamerica Corporation, to purchase more banks.

Since November of last year, Transamerica Corp. has acquired 11 banks in 6 States. In 5 of those States, Transamerica never before owned any bank. The list of new bank acquisitions is an impressive one. I should like to have the Record show the names of the banks which Transamerica has purchased in that period, in anticipation, apparently, of some kind of restrictive legislation being enacted.

They are as follows:

1. Southern Arizona Bank & Trust Co.
2. The Bank of New Mexico.
3. The First National Bank of Caldwell, Idaho.
4. The Continental State Bank of Boise, Idaho.
5. The Bank of Eastern Idaho at Idaho Falls.
6. The Walker Bank & Trust Company of Salt Lake City, Utah.
7. The Sandy City Bank of Sandy, Utah.
8. The Cache Valley Banking Company of Logan, Utah.
9. The Montana Bank of Great Falls, Mont.

10. The First National Bank of Casper, Wyo.

11. The First National Bank of Riverton, Wyo.

These 11 banks have total deposits of over $315 million, and this brings the total deposits of all Transamerica-owned banks to over $2½ billion. It must be remembered that all of these banks were acquired without the necessity of receiving approval by any governmental agency—neither Federal or State. For future acquisitions, the bill requires the approval of Federal agencies.

Transamerica is the most outstanding example, but is not alone among the bank holding companies in the desire to obtain as many banks as possible before the pending bill is enacted.

The First Bank Stock Corp., of Minneapolis, Minn., acquired 6 banks in Minnesota and Wisconsin, with total deposits of $110 million, during February of this year. The First Security Corp., of Salt Lake City, Utah, acquired the Commercial Bank of Utah, with $18 million in deposits, in January, and, in March, the Marine Midland Corp., of New York, acquired the First National Bank, of Herkimer, N. Y., with $9 million in deposits.

The examples I have given should make abundantly clear to every Member of this body the necessity for prompt enactment of the proposed legislation. Every moment we delay we are aiding the growth of potential banking monopolies.

The point I wish to make is that I hope we can come to a decision. I can survive whichever way the bill goes. I think it is a good bill and ought to be passed. It is a step in the right direction.

If the amendment of the Senator from Indiana should be adopted I think that would destroy one of the principal reasons for the bill, namely, that it is a step toward the separation of nonbanking assets from banking assets. I hope the Senate will reject the amendment and will proceed to pass the bill, so that we can get on with the business of the Senate.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield for a question.

Mr. DOUGLAS. If the amendment of the Senator from Indiana should, by some mischance, be adopted, would there be a freeze of investments? Could not the nonbanking subsidiaries owned by the holding companies expand their activities in one form or another? Instead of keeping things in status quo, would they not be provided with an opportunity for the growth of the industrial subsidiaries of the bank holding companies?

Mr. FULBRIGHT. If I understand the purpose of the amendment of the Senator from Indiana, it certainly would not freeze the activities of the subsidiary nonbank assets of the holding companies. In fact, if it had that effect, I feel certain those companies would not like it. They do not want those assets frozen.

Certainly it would not be desirable to freeze the Occidental Life Insurance Co. to what it may have now; to do so would ruin the company. It has to go on and expand. It is a fine company. I know it will carry on. I think the Senator is quite right when he suggests that there will not be a freeze in that sense.

Mr. DOUGLAS. Was not one of the great abuses in banking in the 1920's the fact that banks and trust companies were frequently also issuing houses, and that they loaded off upon their customers, and upon the estates which they handled, funds of which they were really the trustees, and put these funds into securities which they were sponsoring?

Mr. FULBRIGHT. That is correct.

Mr. DOUGLAS. Is not this confusion of function between business activity and banking one of the things we should guard against?

Mr. FULBRIGHT. The Senator is quite correct. While I was not here then, it is my impression that the initial proposal was the outgrowth of the same condition which led to the separation of investment banks from commercial banks, and the breakdown of the holding companies in the utility field.

The bill is simply one aspect of the attempt to separate big banks from nonbanking activities which are so closely held by the same hands.

Mr. DOUGLAS. Even though Transamerica may now follow a policy of not making loans to its own subsidiaries, is there anything which would prohibit it from doing so? Would not the subsidiaries under their direction always offer the temptation of taking their depositors' money to support the bank's enterprises, even though that might not be sound procedure?

Mr. FULBRIGHT. I wish to make it clear that I do not allege, and I do not think anyone else has ever alleged in my hearing, that Transamerica or any other bank is presently doing anything wrong.

Mr. DOUGLAS. The Senator from Illinois has made that clear.

Mr. FULBRIGHT. But it is true that in an emergency, sometime, when it may be difficult to get money, or when times may be hard, it would be a great temptation, if a bank could not get money anywhere else, to get it from its own banks.

At present, conditions are good, although we do not know what will happen. Nevertheless, the principle of the proposed law may be justified on the assumption that it is in times of great hardship, when money is scarce, that people are tempted to do the things which the bill seeks to prevent.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question. I will yield the floor, if the Senator wishes to make a speech.

Mr. CAPEHART. No. Does not the Senator know that my amendment estops a holding company or any of its banks from lending money to its nonbanking asset subsidiaries? That is what the able Senator from Illinois has just said could not possibly happen under the amendment I am offering. But we want, 100 percent, to divorce nonbanking asset subsidiaries from bank holding companies. That is part of the purpose of the amendment.

Mr. FULBRIGHT. We do not want 100 percent divorcement; that is not what the bill does.

Mr. CAPEHART. The amendment prevents absolutely the holding company lending any money to the subsidiaries. It also denies a subsidiary the right to acquire another company or to merge with another company, and denies a company the right to have one of its subsidiaries start a new holding company.

Mr. FULBRIGHT. If I may be permitted to yield the floor if the Senator wishes to explain his own amendment, I shall do so. If he does not wish to ask me questions, I yield the floor. Does he wish to ask me questions?

Mr. CAPEHART. I do not particularly care what the Senator does. He can sit down if he cares to. It is perfectly all right with me. All I was trying to do was make certain that the Record showed exactly what the amendment did. If I have said something or have done something to which the able Senator from Arkansas objects, I apologize to him, because all in the world I was trying to do was to make certain that the Record showed exactly what the effect of the amendment would be.

Now, I desire to repeat what the amendment would do. The amendment would permit a bank holding company to retain its nonbanking assets. It would deny to it, however, and to any banks it controls, the right to lend any money or advance any money its nonbanking subsidiaries. It likewise would deny the subsidiary the right to acquire another business or to merge with another business. Under the terms of the amendment, the holding companies could dispose of or keep their nonbanking assets if they wished to do so.

I agree with the able Senator from Arkansas that many, many years ago Congress adopted the philosophy that banks ought not to engage in outside business. In fact, that is the purpose of the bill, and that is why I am for the bill generally, because what we are trying to do is bring bank holding companies within the same rules and regulations that apply to ordinary banks. But there exists the situation that bank holding companies have acquired nonbanking assets over the years. We have already decided it was good business to exempt three of them.

Let me show my colleagues again how inconsistent we are. We limit the provisions of the bill to a bank holding company which owns two or more banks. But if a holding company owns only one bank, it can own all the nonbanking assets it cares to, which is directly opposed to the position the able Senator from Arkansas took a moment ago, and I agreed with him.

We are being inconsistent. We are saying that if a bank holding company has only one bank, it is perfectly all right for it to own all the nonbanking assets it cares to own. But if a bank holding company owns two or more banks, then it cannot do so.

As I said a moment ago, a bank holding company may have one big bank which is worth $100 million, and it may hold its nonbanking assets. But if a bank holding company happens to own two banks in North Dakota, where banks are smaller, then it would have to divest itself of any nonbanking assets it may own in any State.

Let me give my colleagues the best example of exemption. I refer to the equity corporation which owns the Morris Plan banks. I am not objecting to it; I am merely calling attention to how inconsistent we are. The Morris Plan banks all over the United States are exempt. They may own as many nonbanking assets as they wish. They are exempted from the terms of the bill. Why do we exempt them? If we stand on the principle that banks ought to be banks and ought not to deal in other matters, why do we say to the Morris Plan banks that they can invest in nonbanking assets? I have no objection to that. I am not complaining about it. I am trying to point out we ought to treat everybody alike and not discriminate against some.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. Speaking only theoretically and hypothetically, does the Senator believe that as a result of the exemption of the Morris Plan banks, they could, over the course of years, expand their subsidiary holdings to such a point that they could be as large as Transamerica is today?

Mr. CAPEHART. They could be larger. I refer not only to them, but to every one of the other companies that come under the investment act.

Mr. MORSE. Is it not true, therefore, that the underlying principle and policy of the bill at best only postpones to a future day of reckoning the application to others of the principle being applied in the bill to Transamerica?

Mr. CAPEHART. That is correct. Transamerica happens to be the largest of the 146 bank holding companies, but there is hardly a State in the Union which does not have some. My State of Indiana has only 1 holding company, the Riley Company of Chicago, and it has 2 banks.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. CAPEHART. I yield.

Mr. MORSE. The Senator will recall that a few minutes ago he and I had a colloquy as to where the exempted bank holding companies are going to be under the bill, on a geographical, comparative basis. I called the attention of the Senator from Indiana to the fact that, generally speaking, one of the results of the bill, if it should be passed in its present form without certain amendments I shall offer subsequently, would be to discriminate against banking interests in the North as compared to banking interests in the South. There are some exceptions; the Senator from Virginia mentioned a few in Texas, but I am speaking generally.

Mr. CAPEHART. I am sure Senators from the South are going to vote to exempt all nonbanking interests. In all fairness, I think they should. But I wish to get back again to the question of the Morris Plan banks. I am not complaining about the fact that they are exempted from the provisions of the bill. I am not bringing the question up for that purpose at all, but I am bringing it up to show that there exists this great Morris Plan chain, which operates all over the United States, and which does not come under the proposed legislation at all. Then there are many big corporations which own one bank and which do not come under the bill. That was ably explained by the Senator from Arkansas.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. Nobody quarrels with the fact that bankers ought to be banks, and that businessmen ought to be businessmen. I now yield to the Senator from Oregon.

Mr. MORSE. As I said before, I agree with the analysis of the chairman of our subcommittee that there were two main objectives of the bill, at least so far as the original design was concerned. One was to protect the independent bankers from unfair competition.

Mr. CAPEHART. That is correct.

Mr. MORSE. I am in favor of that.

Mr. CAPEHART. I am, too.

Mr. MORSE. That is why, as a liberal, I find myself in a position where I cannot take my eye off the ultimate objective of bank holding company legislation. There should be bank holding company legislation. I have said that consistently, although I do not like certain discriminatory features of the pending bill, which I shall discuss subsequently, after we dispose of the Senator's amendment.

The second objective of the bill is to give proper protection to the interests of depositors. Bank holding company legislation has been discussed in the Congress for years, because, ever since the Insull fiasco, we have recognized the importance of the Government's performing its duty to see to it that provision for the protection of depositors is written into the law. But taking the second objective—and I think it is a legitimate one, and is an objective the Senator from Virginia has mentioned as 1 of the 2 major objectives of this measure—does the Senator from Indiana wish to contend that the second objective is in any way carried out by exemption of the Morris Plan banks? If we think it is bad public policy and is likely to lead to jeopardizing the best interests of depositors, if certain economic trends develop, is it not true that we should protect the depositors in the Morris Plan banks, as well as the depositors in other banks, from the possibility that subsidiary activities on the part of the banks may result in such bad investments that ultimately the depositors in the banks may suffer thereby?

Mr. CAPEHART. There is no question about that; and if that principle applies to one, it should apply to the others. That is the unfortunate part about this measure. I would not be speaking here today if all bank holding companies were being treated exactly alike by the bill. If that were proposed, I would not be objecting at all to the bill.

When, under my amendment, we deny a bank holding company or any of its banks the right to loan money to any of its nonbanking subsidiaries, we are going rather far, because that would mean that the subsidiary would have to borrow money from an independent bank or at least from another bank. When we say the bank holding company cannot acquire any other company or cannot merge with any other company, we are also going rather far, it seems to me. In that event, we are simply saying to the bank holding companies that, under the provisions of the bill, they will have the right to sell their businesses.

Furthermore, one example which has not yet been called to the attention of the Senate is that under the provision of the bill which directs these companies to divest themselves of their nonbanking assets, we give the companies the right to sell their nonbanking assets without paying any taxes in connection with the sale. Such a provision is included in the bill. In other words, in that event, the companies can dispose of their nonbanking assets without paying any taxes on them.

My amendment does not in any way affect the Robertson bill as it applies to the rules and regulations governing holding companies. My amendment has to do only with the divesting of the holding companies of their nonbanking holdings or assets. Even if my amendment prevails—as it should—the bank holding companies will still come under the regulations provided by the bill, including those provided by the Douglas amendment, which has been adopted. They will still come under all the provisions of the bill, which does the best it can to make certain that a bank holding company cannot do something a bank itself cannot do—which is what we are trying to provide.

Mr. THYE. Mr. President, will the Senator from Indiana yield for a question?

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Minnesota?

Mr. CAPEHART. I yield.

Mr. THYE. Was the amendment of the Senator from Indiana considered in committee?

Mr. CAPEHART. Oh, yes.

Mr. THYE. Was it voted on in committee?

Mr. CAPEHART. I am not sure. I may say that the bill was reported to the Senate last year, at the tail end of the session. We were asked by the chairman of the subcommittee, the distinguished junior Senator from Virginia [Mr. Robertson]—and I am not quarreling about it; I wish him to understand that—to report the bill to the Senate; and then, if we found during the interim, when the Congress was not in session, that the bill should be considered further by the committee and should be further amended, that that be done in the committee. We did so; in the committee we even held hearings on the bill after it had been reported to the Senate and was on the calendar. In my opinion, that shows how bad the bill was.

Mr. MORSE. Mr. President, will the Senator from Indiana yield to me?

The PRESIDING OFFICER (Mr. McNamara in the chair). Does the Senator from Indiana yield to the Senator from Oregon?

Mr. CAPEHART. I yield.

Mr. MORSE. On the point stated by the Senator from Minnesota, let me say that I know the Senator from Indiana has related his recollection of what occurred.

Mr. CAPEHART. Yes.

Mr. MORSE. But I wish the record to show my recollection of what happened.

Mr. CAPEHART. If I am in error, I wish to be corrected.

Mr. MORSE. In my opinion the Senator from Indiana is in error, insofar as my recollection is concerned. I think the record will show that last year we agreed we would report the bill to the Senate. The Senator from Indiana will recall that at the time when that vote was taken in the committee, I took the position that apparently a good many amendments were proposed by persons in the industry who should be heard.

Mr. CAPEHART. That is correct; we both did.

Mr. MORSE. But it was understood that the bill would be reported to the Senate, and that the banking institutions involved would be given an opportunity, between the end of that session and the beginning of the next, in January, to study the bill and to submit to the committee their suggestions regarding amendments, and would be given an opportunity to be heard regarding any amendments they might wish to offer. The Senator from Virginia cooperated completely in that connection. That is exactly what we did.

Mr. CAPEHART. That is correct.

Mr. MORSE. As to the specific amendment of the Senator from Indiana, let me say to the Senator from Minnesota that the Senator from Indiana made very clear, when we had our discussion in the committee, that he would offer the amendment on the floor of the Senate

Mr. CAPEHART. Yes. The bill was reported to the Senate with the understanding that further hearings could be held if any persons wished to appear before the committee. And certain persons did wish to appear before the committee; and the committee heard them, and passed upon many amendments which are now a part of the bill; and that was done after the bill had been reported to the Senate.

Mr. MORSE. Mr. President, will the Senator from Indiana yield further to me?

Mr. CAPEHART. I yield.

Mr. MORSE. To supplement that statement by the Senator from Indiana, let me say that that included all the tax amendments.

Mr. CAPEHART. That is correct.

Mr. MORSE. And we had before us members of the Federal Reserve Board.

Mr. CAPEHART. Yes.

Mr. MORSE. In fact, I think the record should show that they wrote the amendment.

Mr. CAPEHART. In other words, the original bill, which was reported to the Senate last year, and was placed on the calendar, did not include the tax amendments or the tax features.

Mr. ROBERTSON. Mr. President, let me say that the Senator from Indiana is inadvertently in error on that point. We held additional hearings. Although the Senator from Virginia did not agree that after the bill had been reported, additional hearings would be held, yet there was so much demand for additional hearings, that we did hold them.

The present tax provision is a better one, but it is exactly in line with the spin-off provision in the Internal Revenue Code of 1954.

Mr. CAPEHART. But it goes beyond that. Even if the holding companies sell their nonbanking subsidiaries to outside interests, they will be able to sell them tax free; they will have the benefit of that provision, in addition to the spin-off provision. Is that not correct?

In other words, under the Internal Revenue Code, one can have the advantage of the spin-off provisions, without paying taxes, if he obtains like stock in a new company. But in this case, if the company sold to a third party, it could do so without paying the taxes; is not that correct?

Mr. ROBERTSON. Under the tax provisions, when a bank holding company must divest itself of such nonbanking assets, it can divest itself of all its nonbanking assets; and then, if it distributes the proceeds to the stockholders, it will not be necessary to pay the capital gains tax.

Mr. CAPEHART. That is correct.

Mr. MORSE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. MORSE. For future reference, let me say that I think we shall not be through with this piece of legislation after we take action on it today; in other words, it will return to us in the future, at least for amendment.

I wish to ask the Senator from Indiana whether it is true that after the Congress convened last January, we had in the Banking and Currency Committee considerable discussion as to whether we should request that the bill be returned to the committee, although it had been reported and was on the Senate Calendar.

Mr. CAPEHART. Yes; we had much discussion along that line.

Mr. MORSE. Or whether we should announce on the floor of the Senate that within the committee we would hold additional hearings on proposed amendments to the bill, including amendments regarding the tax-writeoff features. Was it not agreed that we would follow the latter course? I think the Congressional Record will show that such an announcement was made on the floor of the Senate, and the banking industry was notified, and certain representatives of the independent bankers and certain representatives of the exempted companies—including the Kentucky company, the Georgia company, and, I believe, also the Florida company—attended our hearings, a few months ago, and testified. Over a period of 2 or 3 days, as I recall, we held committee hearings at which were present representatives of the Federal Reserve Board, representatives of the Bureau of Internal Revenue, and, as I recall, tax experts of that Bureau, plus our own staff members, including the very able assistant who today is sitting on the floor of the Senate—Mr. Rogers.

Incidentally, Mr. President, let me take a moment to pay Mr. Rogers a very much deserved compliment. I have worked with many staff members in my 11½ years in the Senate. This staff member, recognizing the points of view of members of the committee who differed with respect to certain aspects of the bill, has been able to supply us with impartial expert service, giving us the facts as to each particular point of view as they developed within the committee discussions. I think he is entitled to this public acknowledgment of service which upon many occasions has been far beyond the line of duty.

Mr. CAPEHART. I concur 100 percent in the Senator's statement.

Mr. MORSE. Coming back now to a discussion of the sessions of the committee, the tax provisions of the bill were written into the bill by agreement on the part of the committee, since January 1 of this year.

Mr. CAPEHART. That is correct. It was a very unusual situation to have the bill reported to the Senate, and then have the committee hold further hearings and adopt many amendments. It was so agreed by the committee when the bill was reported to the Senate last year. I know that many Senators feel, as I do, that generally it is a good principle to follow the recommendations of the committee. In this instance the committee reported the bill, knowing that there was further work to be done upon it. Although the bill was on the calendar, many hearings were held after the bill was reported, many witnesses were heard, and many committee amendments were adopted.

The result is what I think is a fairly good bill, except that I cannot make up my mind that we ought to treat one company in one way and another company in another way, under equal circumstances. That is what we are doing. We are not helping the independent bankers or the banking system of America by permitting certain companies to continue to own their nonbanking assets if they cannot lend them any money or do any financial business with them. We are not helping the small bankers.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. THYE. Have the independent bankers expressed themselves with respect to the amendment offered by the Senator from Indiana?

Mr. CAPEHART. They have not expressed themselves to me. I have not heard from a single one of them. I do not quite understand how they could take the position that they would be injured as a result of my amendment, or that it would in any way interfere with them.

Together with the late Senator Maybank of South Carolina, I originally introduced a bill in the Senate at the request of the independent bankers. The entire purpose of the legislation proposed then—as it should be today—to put it very frankly and plainly, was to deny to a bank holding company the right to do that which a bank could not do. Or,

to put it the other way around, the purpose was to place them on an equal basis.

Mr. THYE. Would the bill as it now stands permit a bank holding company to operate differently from an independent banker?

Mr. CAPEHART. Is the Senator referring to the bill we are now considering?

Mr. THYE. Yes.

Mr. CAPEHART. There are certain limited aspects in which possibly that might be true, but generally speaking the answer is no. From that standpoint, I think it is a good bill.

Under the terms of my amendment bank holding companies would not be permitted to acquire any new nonbanking assets. They would merely be permitted to retain those which they now own.

The Senate passed upon 3 individual cases within the past 24 hours. I voted for each of those amendments.

Mr. THYE. Then what the Senator proposes in his amendment is to make it possible for a banking corporation to continue to hold other businesses than banking businesses. However, the Senator's amendment would foreclose any others from coming in at a future time and acquiring businesses other than banking businesses.

Mr. CAPEHART. The bill itself would do that. In general, the purpose of the bill is to make certain that a bank holding company cannot lawfully do something that a bank cannot do. The purpose is to try to place them both on a par. Generally speaking, that is the purpose. The bank may not own nonbanking assets. That has been the law for many years; but we found that bank holding companies owned a great many nonbanking assets. The question is what to do with them.

I think the fair thing to do is to say to them, as my amendment would do, "You may keep them, but you may not lend them any money. You may not use them to start any new holding companies. You may not permit them to acquire another company or merge with another company. Or you can sell them." If they decide to sell rather than keep them, they can do so without paying any taxes on the sale. I think we ought to give them that choice.

As I stated a few moments ago, the great Morris system would be exempt. It would be able to do whatever it wished. There are many other exemptions. There are 146 bank holding companies. There are some in practically every State. I think Minnesota has possibly the second largest number of any State in the Union. Almost every State has some.

Mr. THYE. The second largest number of what?

Mr. CAPEHART. Bank holding companies.

Mr. THYE. Unfortunately I have not been present in the Chamber during all of the Senator's explanation of his amendment. The question is, What does the Senator's amendment specifically propose to do?

Mr. CAPEHART. It does not change the law one iota in respect to bank holding companies, except that it provides that any existing bank holding company which has nonbanking assets may retain them if it wishes, but if it does retain them, neither the bank holding company nor any of its individual banks may lend them any money. It may not merge with another company one of the subsidiary companies which it retains, or acquire another company. It may merely operate it and have the ownership of it. It can expand its business, as was stated a moment ago with respect to an insurance company. However, the holding company which owns the insurance company may not lend it any money.

Mr. THYE. However, it need not divest itself of that company. There is no restriction as to the growth of the company. The only restriction is that the parent bank may not lend it any money, but that does not foreclose it from borrowing from another source.

Mr. CAPEHART. It would have to borrow from some independent bank.

Mr. THYE. It could borrow from any other source. It could borrow from an insurance company or a private investor.

Mr. CAPEHART. Anyone could lend it money except the holding company which owned it.

Mr. THYE. Could it float stock and acquire finances through the issuance of stocks and bonds?

Mr. CAPEHART. As an individual corporation, without any help from the holding company, the answer is "Yes."

Mr. THYE. I thank the Senator.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. I am very much in the same position as my senior colleague. I have not had the privilege of hearing the entire argument of the Senator from Indiana. However, I appreciate the information he has just given us. I want the Senator from Indiana to know that my questions are not directed toward opposition to the amendment.

Mr. CAPEHART. I appreciate that.

Mr. HUMPHREY. It is a matter of seeking information.

Mr. CAPEHART. I understand.

Mr. HUMPHREY. The Senator speaks of permitting all bank holding companies to continue to operate all the nonbanking businesses which they now control. Does the Senator mean that they could expand or enlarge those companies, or increase their investment in such companies through additional resources?

Mr. CAPEHART. The bank holding company which owns them may not lend them any money or increase its investment in any way whatsoever.

Mr. HUMPHREY. Would the Senator's amendment, for example, permit a bank to sell, let us say, $100 million or $200 million worth of stock to the public and allow that money to be invested in one or more nonbanking businesses which it controlled?

Mr. CAPEHART. Mr. President, will the Senator state that question again?

Mr. HUMPHREY. Would the Senator's amendment permit a bank holding company, through one of its subsidiaries, to issue, let us say, for public sale, $100 million worth of stock and to invest the proceeds of that stock in one or more nonbanking businesses which it controlled?

Mr. CAPEHART. Yes; it would.

Mr. HUMPHREY. That could be done under the Senator's amendment. Is that correct?

Mr. CAPEHART. Yes; but its bank could not do that.

Mr. HUMPHREY. But the holding company could. Is that correct?

Mr. CAPEHART. That is correct; but it could not lend them any money.

Mr. HUMPHREY. With reference to the limitation the Senator's amendment proposes, or the freeze, as the Senator calls it, how would the Senator's amendment prevent a nonbanking business, controlled by a bank holding company, from expanding its operations, as it might do by acquiring control of a subsidiary, or in other ways entering new fields?

Mr. CAPEHART. It could not acquire another business or merge with it. However, I am sure the Senator would not want to deny it the right of doing $2 million worth of business if it were already doing $1 million worth of business. However, it could not merge with another company.

Mr. HUMPHREY. Or expand and have several branches or subsidiaries.

Mr. CAPEHART. That is correct.

Mr. HUMPHREY. Would a bank holding company, for example, which owned a large life insurance establishment, which could invest its funds in stocks and bonds to a large extent, have any competitive advantages over a bank that had no such affiliations?

Mr. CAPEHART. I do not know whether that would be true or not. A bank holding company which held stock, would, of course, receive any dividends the subsidiary paid. I presume to that extent it might have more assets. However, likewise, under the Robertson bill it could dispose of the insurance company the Senator has reference to and take the proceeds, and it could do that without paying taxes; whereupon it could invest the proceeds somewhere else and use the dividends to add to the assets of the corporation.

Mr. HUMPHREY. Under such an arrangement as I have referred to, by which a bank holding company might own a large insurance company, and at the same time, of course, conduct its regular banking operations, could the bank say to a prospective borrower, in effect, "You cannot get a loan from us unless you insure through our insurance company?" In that way its competitive advantage would be greater.

Mr. CAPEHART. Perhaps it could do it if it wanted to do it. Likewise, any bank in the United States can now say, "We will not lend you money unless you buy insurance from X insurance company."

Mr. HUMPHREY. Is that not a little different situation, in the sense that in the instance cited by me the insurance and banking operations are under the same control, whereas in the Senator's example, the insurance company is under different control?

Mr. CAPEHART. I believe that is true to some extent. However, the same situation would exist if the Senate should not adopt my amendment. Under the bill, if it is passed, the insurance company could be siphoned off by the bank holding company and the stockholders would be in exactly the same situation. Therefore, the same situation would exist. However, I do not believe we can guard against every kind of situation like that. It is a quite universal practice for banks to say, "We will make the loan to you if you will take out insurance from X agent."

Mr. HUMPHREY. Is it not true that under our antitrust laws, some of the large institutions of business, like the old Standard Oil Co., for example, were broken up into separate segments, entirely unrelated so far as economic control is concerned, without great detriment to the business enterprise as such? In other words, they were broken up, but not denied an opportunity to operate economically in the American market. One purpose of the proposed legislation is to sever from banking institutions nonbanking business.

Mr. CAPEHART. That is true, of course. The Senator is pointing out situations that may well come to pass. However, my point is that we would permit the Morris Plan bank to do it and we would permit the three individual companies that we exempted yesterday and today to do it. We are now permitting a bank holding company which has only one bank to continue to own nonbanking assets. There are not too many bank holding companies which own nonbanking assets which own two banks or more.

Mr. HUMPHREY. I know the Senator has studied this subject very closely, and I should therefore like to ask these questions so that the information may be in the RECORD. I should like to ask him, for example, how many bank holding companies engage in nonbanking business to any great extent.

Mr. CAPEHART. I do not know what the exact number is. I believe it is 163. I do not know that anyone can answer that question. Of course in the Senator's State of Minnesota there is the Otto Bremer Co., of St. Paul. Then there is the First Bank Stock Corp., of Minneapolis. I believe that owns other nonbanking assets. I cannot answer the question of the Senator, I am sorry to say.

Mr. HUMPHREY. I have in my hand the annual report for 1955 of Transamerica Corp., which I understand is one of the largest companies in that field.

Mr. CAPEHART. It is the largest.

Mr. HUMPHREY. I understand it is one of the largest bank holding companies in the country.

Mr. CAPEHART. It is the largest; yes.

Mr. HUMPHREY. It shows an investment in nonbanking business of approximately $50 million. Its investments have a net value of $161½ million, as against an investment of $92 million in banks. Does the Senator know of any other bank holding company which owns nonbanking assets to that extent?

Mr. CAPEHART. No; I believe that is the largest company. I believe in the Senator's State there may be the second largest.

Mr. HUMPHREY. That is the First Trust, as I understand?

Mr. CAPEHART. The First Trust; yes. However, there are some others that are quite large. Of course a number of them are smaller. The First Bank Stock Corp. is the one I had reference to.

Mr. HUMPHREY. Yes.

Mr. CAPEHART. Then there is the Northwest Bank Corp. of Minneapolis.

Mr. HUMPHREY. But it has very limited nonbanking business, as I understand.

Mr. CAPEHART. It has nearly a billion dollars in deposits.

Mr. HUMPHREY. That is in banks, of course.

Mr. CAPEHART. In banks; yes.

Mr. HUMPHREY. Its nonbanking activities are rather limited, as I understand.

Mr. CAPEHART. I do not have that information. The record does not show its nonbanking businesses. Of course the fewer they are, the less harm my amendment would do.

Mr. HUMPHREY. Except to this extent, I may say, that if there were a freeze of nonbanking activities, but a freeze in name only, and it did not prevent a bank holding company which has nonbanking functions or activities to grow and expand, it might very well be that under the Senator's amendment—and I am now think out loud—there would be a mushrooming growth by a very limited number of bank holding companies, which would augment their relative monopoly position in those activities.

Mr. CAPEHART. I should think that the holding companies in the Senator's State and in my State ought to be permitted to do what we have permitted the holding companies in Georgia and Kentucky and Florida to do.

Mr. HUMPHREY. Can the Senator from Indiana enlighten me as to whether his amendment freezes the investments of a bank holding company in nonbanking businesses?

Mr. CAPEHART. Does it freeze the investment on the part of a bank holding company?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. No; but it denies any one of its banks the right to lend money to such nonbanking businesses.

Mr. HUMPHREY. I understand that. But it does not freeze the investment. In other words, a holding company can expand its investment capital as such, which, in turn, can be utilized for the expansion of nonbanking functions and activities.

Mr. CAPEHART. Under the bill, it can siphon them off to the present stockholders of the bank holding company and they can do the same thing. So the same people would be owning both.

Mr. HUMPHREY. I wish to thank the Senator for his information. I felt that these questions were worthy of the comment of the Senator.

Mr. CAPEHART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART].

Mr. DOUGLAS. Mr. President, the amendment offered by the Senator from Indiana is not, I think, in the public interest. For 18 years we have been trying to pass a bank holding company bill. Every bill which has been introduced has required banks to divest themselves of their nonbanking assets. In fact, a bill introduced over a year ago by the eminent Senator from Indiana himself, in which several of us joined, and which is found on page 2 of the hearings before the Banking and Currency Committee, required such divestment. The Comptroller of the Currency and the Federal Reserve Board have always advocated divestment. The Independent Bankers Association has always urged divestment, and urges it now. The same thing is true of the American Bankers Association.

If one desires to torpedo this bill or make its passage difficult, I would suggest that he vote for the Capehart amendment. But if we really want a bill dealing with one of the central issues involved in the question, I hope the Senate will vote against this amendment by a very decisive margin.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN (when his name was called). On this vote I have a pair with the distinguished senior Senator from Louisiana [Mr. ELLENDER]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. KEFAUVER], the Senator from New York [Mr. LEHMAN], and the Senators from Montana [Mr. MANSFIELD and Mr. MURRAY] are absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent because of illness in his family.

The Senator from Mississippi [Mr. STENNIS] is absent because of a death in his family.

I further announce that if present and voting, the Senator from Mississippi [Mr. STENNIS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maryland [Mr. BUTLER], and the Senator from Iowa [Mr. HICKENLOOPER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Utah [Mr. WATKINS] and the Senator from Wisconsin

[Mr. WILEY] are absent on official business.

The result was announced—yeas 13, nays 68, as follows:

YEAS—13

Beall
Bender
Bible
Bricker
Capehart
George
Goldwater
Jenner
Knowland
Kuchel
Malone
Russell
Schoeppel

NAYS—68

Aiken
Allott
Anderson
Barkley
Barrett
Bridges
Bush
Byrd
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Flanders
Frear
Fulbright
Gore
Green
Hayden
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Laird
Langer
Long
Magnuson
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Saltonstall
Scott
Smathers
Smith, Maine
Smith, N. J.
Symington
Thye
Welker
Williams
Wofford
Young

NOT VOTING—15

Bennett
Butler
Chavez
Ellender
Ervin
Hickenlooper
Ives
Kefauver
Lehman
Mansfield
Murray
Sparkman
Stennis
Watkins
Wiley

So Mr. CAPEHART's amendment was rejected.

VISIT TO THE SENATE BY REPRESENTATIVES OF THE ARMED FORCES OF FREE CHINA

Mr. KNOWLAND. Mr. President, we have with us this afternoon, in the diplomatic gallery, a distinguished group of visitors, who are in this country by invitation of the Defense Department and our own Joint Chiefs of Staff. It is a delegation representing all arms of the service—the army, navy, air force, and marines—of the Republic of China, which is now in control of the island of Formosa, and which offshore islands, represents the people of Free China, with whom we have had long and friendly relationships as one of the free nations of Asia. [Applause, Senators rising.]

The PRESIDING OFFICER. The Chair thanks the Senator from California for calling to the attention of the Senate the presence of this group of distinguished visitors. The Chair wishes to assure them that they are most welcome guests.

PROHIBITION OF JOINT SPONSORSHIP OF BILLS AND JOINT RESOLUTIONS

Mr. MORSE obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me, so that I may submit a resolution and make a brief statement on it, without his losing the floor?

Mr. MORSE. I yield for that purpose.

Mr. BARKLEY. Mr. President, I have observed with some regret, as I am sure many other Senators have, the growing practice in the Senate of multiple sponsorship of bills and joint resolutions. It is a practice which has developed in the past few years, and it seems to me to be a very bad one; indeed, in a sense, multiple sponsorship of bills and joint resolutions seems to be assuming the aspects of a vicious practice.

During the entire history of the United States Senate, until very recently, it has been customary for a single Senator to introduce a bill or joint resolution. That is the practice which should have been followed, and, in my judgment, it is the one which should be observed now. The habit of introducing bills and having them lie on the table, in order that Senators may walk down the sawdust trail and attach their names to the bill, seems to me to be undignified in the highest sense of the word.

Furthermore, for a Senator who works out a bill to canvass around among his colleagues to obtain signatures to his bill, in order that it may carry the prestige of many of the Senators and their names, frequently creates a situation in the Senate which is utterly indefensible.

If a Senator is able to peddle his bill around among other Senators, either by mail or in person, until he obtains a majority of the Senate, and they become committed to the bill by joint introduction, of what value is it to have committees? What function can a committee perform, if a majority of the Senators have already committed themselves to a bill before its introduction?

It is embarrassing to Senators to deny to their colleagues sponsorship of bills and joint resolutions they contemplate introducing. I myself have adopted the uniform custom of not joining in the introduction of bills or joint resolutions, no matter how much I might favor them in principle. I have recently received letters from constituents asking why I did not join in a bill which had been jointly sponsored.

We have all seen Senators vote against bills which they had cosponsored. Very recently a very able, distinguished, and honorable Senator, one respected by all of us, cosponsored a measure. Then he was compelled not only to vote against it, but to speak against it in the Senate.

In the House of Representatives there is a rule against multiple sponsorship of bills, and only one Member may introduce a bill. That is a dignified practice. That is a proper way to proceed. Such a rule in the Senate would be the only way to keep Members of the Senate from being embarrassed by requests of colleagues to join in cosponsoring a bill. It seems to me it is the practice which should be followed, although there is no rule prohibiting multiple sponsorship of bills and joint resolutions.

Mr. President, I ask unanimous consent that I may submit a resolution to amend the rule of the Senate so as to provide that only one Senator may introduce a bill or joint resolution, and that the resolution may be referred to the Committee on Rules and Administration. I hope the Committee on Rules and Administration will give it earnest and prompt consideration, and hope I may be permitted, if necessary, to appear before the committee. [Applause.]

I believe every Senator present, in his heart, would like to see the rule amended, because we have all been embarrassed by importunities on the part of our colleagues. We all have received letters with a copy of a bill about to be introduced. We must either sign the bill, remain silent, or give some reason for not cosponsoring the bill. It is an undignified procedure.

The PRESIDING OFFICER. Is there objection to receiving the resolution?

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER. Does the Senator object to receiving the resolution?

Mr. DOUGLAS. No.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 250) was referred to the Committee on Rules and Administration.

Mr. BARKLEY. Mr. President, I ask that the clerk read the resolution.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 250), as follows:

Resolved, That paragraph numbered 1 of Rule XIV of the Standing Rules of the Senate be, and the same is hereby, amended by adding after the word "day", after the end of said paragraph, a semicolon and the following: "and no bill or joint resolution shall be introduced jointly by or on behalf of two or more Senators"; so that as amended the paragraph will read as follows:

"1. Whenever a bill or joint resolution shall be offered, its introduction shall, if objected to, be postponed for 1 day; and no bill or joint resolution shall be introduced jointly by or on behalf of 2 or more Senators."

Mr. DOUGLAS. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I am glad to yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. Am I correct in believing that the resolution does not bear multiple sponsorship? [Laughter.]

Mr. BARKLEY. The Senator from Illinois is correct in that assumption; and if he does not wish to take my word for it, he can go to the desk and examine the resolution. He will see that it has only one name on it.

I thank the Senator from Oregon for his courtesy in yielding.

Mr. GREEN. Mr. President, on behalf of the Committee on Rules and Administration, I wish to state that action similar to that proposed by the distinguished Senator from Kentucky [Mr. BARKLEY] had been proposed in the committee and had been approved by the committee; and such a resolution is now in process of being drafted. I make that statement for the information of the Senate, and, in particular, for the information of the Senator who submitted the resolution.

Mr. FULBRIGHT. Mr. President, will the Senator from Rhode Island yield for a question?

Mr. GREEN. I yield.

Mr. FULBRIGHT. Did I correctly understand the Senator from Rhode Island to say that a similar resolution has already been approved by the Committee on Rules and Administration?

Mr. GREEN. No, Mr. President; I did not say that. I said such a resolution is under consideration by the Committee on Rules and Administration, and is being drafted or redrafted, or a restatement of it is being drafted, by the staff of the committee.

DEFINITION AND CONTROL OF BANK HOLDING COMPANIES

The Senate resumed the consideration of the bill (S. 2577) to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests.

Mr. MORSE. Mr. President, I wish to make a brief statement regarding an amendment which I intend to offer to the bill; it is the so-called one-bank amendment, and is based upon a recommendation of the Federal Reserve Board. The amendment seems to be agreed upon, let me say, by those who have studied the bill generally, as the ideal. However, the amendment is not now in the bill, because—to be perfectly frank about it—some persons feel that as a practical matter it would not be possible to get the amendment through the House of Representatives. Mr. President, I am at a complete loss to understand why we should send to conference a bill less than what we consider to be the ideal.

Mr. President, I shall discuss the amendment only briefly. However, while a number of Members are present, I desire to request that the yeas and nays be ordered on the question of agreeing to my amendment. I make that request at this time, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The amendment of the Senator from Oregon will be read.

The LEGISLATIVE CLERK. On page 1, in line 9, it is proposed to strike out "each of two" and insert in lieu thereof "one."

On page 2, line 2, strike out "each of two" and insert in lieu thereof "one."

On page 2, line 4, strike out "each of two" and insert in lieu thereof "one."

On page 3, line 14, strike out "each of two" and insert in lieu thereof "one."

Mr. ROBERTSON. Mr. President, will the distinguished Senator from Oregon yield for a question?

Mr. MORSE. I yield.

Mr. ROBERTSON. As I understand, the first amendment of the Senator from Oregon is the so-called one-bank amendment; is that correct?

Mr. MORSE. That is correct.

Mr. ROBERTSON. After that amendment has been rejected, how many additional amendments will the Senator from Oregon have?

Mr. MORSE. Mr. President, I never like to see my good friend, the Senator from Virginia, indulge knowingly, wittingly, and intentionally in false assumptions. Perhaps he can read correctly the minds of the individual Members of the Senate as to how they will vote on the amendment, but I very much doubt it. However, let us wait until debate on the amendment has concluded.

In answer to the question the Senator from Virginia has asked, let me say that I believe I have a total of six amendments.

Mr. ROBERTSON. Will there be five amendments following the one now before the Senate?

Mr. MORSE. That is my present expectation, but I may decide to offer one or two more.

Mr. ROBERTSON. The other five are the so-called Belgrano procedural amendments, which he offered; are they?

Mr. MORSE. Some of them.

Mr. ROBERTSON. Some of them?

Mr. MORSE. Yes.

Mr. ROBERTSON. On how many of them does the Senator from Oregon intend to request a yea-and-nay vote?

Mr. MORSE. Only on the second one. I am a very accommodating fellow, so I shall request yea-and-nay votes on only my first two amendments, and then Senators can go to dinner.

Mr. ROBERTSON. In other words, a yea-and-nay vote has already been ordered on the so-called one-bank amendment; and it is my understanding that the Senator from Oregon intends to ask that a yea-and-nay vote be had on the first procedural amendment. Is that correct?

Mr. MORSE. Yes. I think the yea-and-nay vote on the one-bank amendment will test the sentiment of the Senate and therefore I may decide at a later time to limit my requests for a yea-and-nay vote to just that one amendment.

Mr. President, I agree with the Senator from Virginia [Mr. ROBERTSON] and my other colleagues on the Banking and Currency Committee that legislation is needed to regulate bank holding companies. I also realize that efforts over 20 years to obtain such legislation have been in vain because of the disagreement among the proponents as to the terms of the legislation. However, I must state that Senate bill 2577 is deficient, in my opinion, in two important respects:

First. The bill is discriminatory because of exemptions and exceptions. It covers only 42 of the 163 bank holding companies in this country. In fact, I think even that figure must be changed slightly at this time, in view of the fact that certain exceptions have been made by the Senate since I prepared these remarks; I believe the Senate has added three more exemptions or exceptions.

Second. The bill lacks procedural safeguards, and thus it is unfair and unworkable.

I should first like to discuss the discriminatory aspects of the bill, whereby 70 percent of the bank holding companies of the country are entirely exempted from regulation. The discrimination resulted from the failure of the committee to follow the recommendations of the Federal Reserve Board. My first amendment seeks to carry out only the recommendations of the Federal Reserve Board.

The Federal Reserve Board recommended that all 163 bank holding companies be covered by the bill, and that there be no specific exemption for any company. However, I must add that the House committee also failed to follow the Board's recommendation. In fact, the House bill is even worse than the Senate bill in this regard, because it covers only 27 companies, as compared to the 42 under the Senate bill.

The fundamental defect of the bill is contained in the section defining a bank holding company. A bank holding company is defined to be any company which owns or controls 25 percent or more of the shares of two or more banks. This definition automatically excludes from the bill 116 companies that own only 1 bank. No logical argument can be presented for not having a one-bank definition; and, in fact, the original bill by the Senator from Virginia [Mr. ROBERTSON] contained a one-bank definition. This is particularly important because of the divestment provisions of the bill. If it is in the public interest to require companies owning two or more banks to divest their nonbanking investments, then it is equally in the public interest to require companies owning one bank to do the same. The same abuses can occur whether a company has one bank or two banks. Some of the one-bank companies that are exempted have great industrial empires. A few examples are W. R. Grace & Co., with assets of $375 million; Deere & Co., with assets of $430 million; Corn Products Refining Co., with assets of $181 million; and Gimbel Bros., Inc., with assets of $161 million. I could mention many others in this category. The list reads like a Who's Who in American industry. However, Mr. President, I submit that all 116 of these companies should be regulated in the same manner as those covered by the bill.

The exemption of the 116 companies owning 1 bank is an example of what I call exemption by definition. The bill contains many other exemptions by definition. For instance, the Du Pont Trust in Florida is exempted from the bill because it does not fall within the definition of a company. The trust controls 24 banks and many industrial companies in Florida. Yet the Du Pont Trust is exempt from regulation under the bill. The definitions in the bill also fail to include savings and loan association holding companies, personal-finance companies, and chain banks controlled by a single individual.

Equally unjustifiable are the specific exemptions contained in the bill. The most flagrant of these is the exemption for the Equity Corporation of New York on the premise that it is registered under the Investment Company Act of 1940. The Equity Corp. is the holding company controlling the Morris Plan Corp. which, in turn, controls 12 banks in 6 States. In addition, the Equity Corp. has vast industrial holdings, including control of the Bell Aircraft Corp., four other industrial corporations, a real-estate company, and an oil company. The effect of the language of the bill is to permit Equity Corp. to retain all of its industrial holdings even though the Morris Plan Corp. would be subject to regulation. There can be no justification for permitting this company to evade the restrictions of the bill.

The bill also provides specific exemptions for educational, charitable, religious associations, partnerships, and labor, agricultural, and horticultural

organizations. I will reiterate the fact that the Federal Reserve Board is opposed to all the discriminatory exemptions I have mentioned.

Let me say, in regard to the Morris Plan Co. and the other exempted companies, that if we let them hold their subsidiary industrial holdings, there will be nothing in the future, under the terms of the bill, to prevent them from expanding and expanding until they become as big as the bank holding company against which this bill is primarily aimed, namely, Transamerica—and I shall have something to say about Transamerica momentarily.

First, let me say that by way of exemptions and exceptions included in this bill we are running away from the problem, and we are running away, in part, from the public policy which we are pretending to the American people today we are seeking to protect.

Let me reiterate that it is alleged that there are two main objectives of the bill. The first is to protect the independent bankers of America from unfair competition. It is alleged that one of the sound public-policy reasons for supporting a bank holding company bill—and I think it is a sound reason—is to see to it that independent banks in this country are not squeezed out of existence as the result of unfair competition on the part of bank holding companies.

Spokesmen for the bank holding companies came to me last year to ascertain my position in regard to bank holding company legislation. As one liberal who, in the Senate, has consistently opposed the trend toward the development of great economic empires on the part of a few great industrial companies, I said that I would support fair bank holding company legislation, and that I would work for the best type of bank holding company legislation I could obtain.

Today liberals—at least this liberal—are placed in a position in which we must make a choice between protecting or not protecting what we think is a sound ideal of good public policy, namely, the protection of the independent bankers and the bank depositors of the country from what we think is always a potential abuse, the development of bank holding companies which invest the depositors' money without the depositors having a voice in the investment in subsidiary industrial organizations, companies, and developments which, in time of economic or financial panic might fall, as the Insull empire fell, to the net economic loss and detriment of the depositors.

Liberals have taken a position over the years against the development of such economic giants in the American economy, and I do not intend to retreat from that sound liberal position. But as a liberal I do not believe in unfair discrimination against banking institutions in this country, of which I submit this bill is notoriously guilty.

All we have to do is to look at the exemptions and exceptions in the bill to see what I mean. In the last analysis, it can be said that the label an anti-Transamerica bill can be pinned on this bill, because, by and large, that is what the bill is. It is a bill primarily aimed at Transamerica.

Today, no abuses on the part of Transamerica in respect to the depositors and the investors have been brought forth in the RECORD, but there is the danger, in my judgment—speaking hypothetically, now—that conditions might change sometime in the future, and this great economic empire, or another bank holding empire, might find itself in a position where, because of our failure to enact, in due course of time, a bank holding company bill, the depositors might suffer.

It has been said to me by representatives of the bank holding companies—and I think there is a great deal of merit in the position—that a loss to the depositors is an impossibility, or at least a remote possibility, at most. Nevertheless, as Senators we are confronted with this question: Does sound public policy call for bank holding company legislation?

My answer to that question has always been in the affirmative. However, I feel, as a Senator from my State, that I should work and fight for fair, nondiscriminatory legislation in this field, and at least raise my voice in protest, and do what I can to eliminate the discriminatory features of the bill.

I know what will be said by some with respect to my speech on the floor of the Senate this afternoon. It will be said that it is a Transamerica speech, because Transamerica is a great economic institution in my State.

Let me say this of Transamerica in my State: It has brought great economic benefits and great economic advancement to the State of Oregon. Its subsidiary holdings, such as Columbia River Packers, are among the outstanding economic institutions in my State. When I stand on the floor of the Senate today and fight for bank holding company legislation, I think the record is perfectly clear that I yield to no financial institution in my State, whether it be Transamerica or any other economic institution, so far as my independence of judgment is concerned. I intend to fight for the best bank holding company bill we can get at this session of Congress. However, it is my duty to the people of my State to try to improve the bill; and the amendments which I shall offer later would improve it.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ROBERTSON. Far be it from the Senator from Virginia to challenge the view of his distinguished colleague that Transamerica has brought many benefits to Oregon.

In view of the position of the independent bankers of Oregon, of which I have heard, I should like to ask my distinguished colleague if they think the 68 branches which a California bank has opened in Oregon have been to their advantage?

Mr. MORSE. I was interrupted. May I have the question again?

Mr. ROBERTSON. I ask the Senator whether or not the 68 branches which a California banker, Belgrano, has opened in Oregon are to the advantage of the independent bankers of Oregon.

Mr. MORSE. I do not think there is any doubt about the fact that the independent bankers of my State are opposed to the expansion of Transamerica. But I do not believe that the independent bankers in the State of Oregon have been hurt, as they think they have been hurt, by the development of Transamerica. Nevertheless, I know the position of the independent bankers. When I conclude this speech, I probably shall have the support of none of them or of Transamerica either. But that is no new position for the Senator from Oregon. When a Senator stands on the floor of the Senate and fights for what he thinks is a sound ideal, he loses partisan support of all special interest factions involved in such legislation as this. I would rather not have such support than to sacrifice the ideal of fair, uniform, nondiscriminating bank holding legislation. So I intend to fight for what I think is a sound ideal as to what ought to go into the bill, namely, a nondiscriminatory definition. That means defining a bank holding company as one bank or more, not two banks or more.

That is the recommendation of the Federal Reserve Board, and it is sound. I see no reason why I should yield to any argument of political expediency on the floor of the Senate, that we ought to have a two-bank definition because the House will not accept a one-bank definition. Take it to conference and see. The question will have to be ironed out in conference. Why should we not take to conference a bill containing what authorities practically unanimously agree is the definition which we ought to adopt, namely, a one-bank definition? I am not going to compromise on an issue such as this. I do not care whether the independent bankers like it, or whether Transamerica likes it.

The question is, What is best in the public interest? If we start out with the major premise that bank holding legislation is in the public interest, then let us write the soundest bill we can write, without compromising with political factors. That is the plea of the Senator from Oregon this afternoon, and he will stand on it and take whatever political consequences may come.

Mr. President, the purpose of my amendment is to amend the definition of a bank holding company as is set forth in S. 2577. The bill defines a bank holding company to be any company which owns or controls 25 percent or more of the voting shares of each of 2 or more banks or of a company which is or becomes a bank holding company by virtue of this act.

My amendment would extend the coverage of the bill to include all 163 bank holding companies in this country. The 2-bank definition contained in the bill before us covers only about 40 companies, and thus exempts 116 companies from regulation.

I submit that no logical argument can be presented in opposition to a one-bank definition. As I said before, the original bill, as sponsored by the distinguished Senator from Virginia [Mr. ROBERTSON], contained a one-bank definition. The Federal Reserve Board has testified before both the House and Senate committees in favor of this provision. My amendment merely carries forward the present law which bases the definition of a bank holding company on the control of one or more banks.

I wish to reiterate that my amendment is supported by the testimony of the Federal Reserve Board and will make certain that there will be no discrimination under the bill. I am sure that members of the Banking and Currency Committee will agree with the logic of my statement. I hope they will join me in supporting the amendment.

One final word about the position of the independent bankers. I cannot speak for the independent bankers, but I can speak today as to what individuals among them have told me as they have lobbied me, and as they have lobbied most other Members of the Senate, in regard to the proposed legislation, namely, that, of course, if they could get final legislation passed with a one-bank definition, they would prefer it.

They are in the position of many other lobbyists. They are playing politics, too. They are in Washington counting noses. They are not standing up for what they know is a sound ideal and principle in this matter, because in private conversations they have said to me, "Wayne, you are right about it. That is what we ought to have. However, we cannot get the votes."

Mr. President, I do not ever take that position about the Senate until it has had an opportunity to vote. Therefore, I have said to the representatives of the independent bankers, "I will give the Senate a chance to vote on an amendment which in your opinion would be an ideal and sound amendment and which you would like to have; but, because you are so anxious to get some legislation you would rather support an amendment which, in your judgment, would harness Transamerica and are willing to go along with a two-bank definition, against the recommendation of the Federal Reserve Board."

Mr. President, I say they are welcome to do that. I will not do it. This afternoon we have an opportunity to strike a blow in support of the public interest for a type of bank holding act, by way of a one-bank definition, that I am satisfied in my mind most of my colleagues in the Senate think we ought to adopt. I want to give them a chance to stand up and be counted on the question of whether they want to send to conference a bill which they believe is a sound and ideal bill, or whether they will yield to the argument that has been made throughout the sessions of the Committee on Banking and Currency. "We cannot get it through the House."

Is that any reason why we should not put it through the Senate? Is that any reason why we should not make our record in the Senate in support of legislation that we believe is sound? Let us see what we can do in conference. That is my position. That is why I have offered the amendment.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ANDERSON. Do I understand that the Federal Reserve Board felt that the wisest course would be to use a one-bank definition?

Mr. MORSE. That is correct. That is the definite testimony, clearly in our record. They have never varied from that testimony. They testified before the House and Senate committees in support of a one-bank definition.

Mr. ANDERSON. I did not come into this discussion with my mind made up. I have tried to find out what was behind the two-bank definition. I asked the question the other day, and I now ask it of the Senator from Oregon: What is the situation with respect to a firm like W. R. Grace & Co.? In reading the financial sections of newspapers during the last few days, I have noticed that W. R. Grace & Co. have made a proposal to take over the Cosden Petroleum Co. by the exchange of shares between the two companies, of 1.025 shares of one company for 1 share of the other company, and that they already own $300 million worth of nonbanking assets.

Do I understand that it is the position of the Committee on Banking and Currency, or at least of a majority of its members, that as long as a company owns $400 million in nonbanking assets in only one bank, it is all right, but that if it owns $200 million in assets in two or more banks it is all wrong?

Mr. MORSE. That is the whole policy and theory of the bill.

Mr. ANDERSON. What is the justification for it?

Mr. MORSE. Politics—getting that one vote more than the other side that is needed in order to get a bill passed.

Mr. ANDERSON. What good is a bill if it merely freezes the pattern? I think if we are going to say that a one-bank organization can be unlimited, we have then established a pattern which will permit all sorts of holding company activities.

Mr. MORSE. As I pointed out earlier this afternoon in a colloquy with the Senator from Indiana [Mr. CAPEHART], so far as excepted and exempted companies are concerned, they can continue to expand their subsidiary holdings, and there is nothing in the bill which would prevent it. So far as subsidiary holdings are concerned, the Senator from Indiana was correct in his answer, when I said, "Will the Senator agree with me that, at least hypothetically, any one of these one-bank holding companies can continue to expand their holdings so they can be as large or larger than the subsidiary holdings of Transamerica?" And he said that was true. And it is true.

Mr. ANDERSON. I mentioned the case of W. R. Grace because that company has expanded into many parts of the world. It has gone into aviation and even into the cotton business. If W. R. Grace can exchange stock with an oil company and take it over, what is to prevent it from taking over a refinery?

Mr. MORSE. Nothing in this bill.

Mr. ANDERSON. Or a farm machinery company?

Mr. MORSE. Nothing in this bill.

Mr. ANDERSON. So long as it is one bank, it can have flour mills, yardgoods, shops, and anything of that sort?

Mr. MORSE. It could become bigger than General Motors; and that is some size.

Mr. ANDERSON. And that would be all right?

Mr. MORSE. Under the bill it would be allowed. Of course, it is not all right. It is bad public policy. But if we are going to stand for bank holding company legislation, we should stand for legislation which applies to all bank holding companies without favoritism.

Mr. ANDERSON. If there are two banks involved, it is all wrong?

Mr. MORSE. Yes.

Mr. ANDERSON. How about the John Deere Co.?

Mr. MORSE. They have a bank.

Mr. ANDERSON. Does the Morris Plan bank get a special exemption?

Mr. MORSE. Yes.

Mr. ANDERSON. What is the nature of it?

Mr. MORSE. It comes under the 1940 act, and, therefore, is exempted.

Mr. ANDERSON. Does anyone think the Morris Plan bank is not a bank?

Mr. MORSE. No one questions its being a bank holding company, either.

Mr. ANDERSON. Why is it omitted?

Mr. MORSE. It seems to have some influence.

Mr. ANDERSON. I have found that a good many of them have influence. I am hoping to find out why a Senator should vote to apply the Holding Company Act against two banks, but not against one bank. If it is right in theory, for the protection of the public, why is the two-bank limitation in the bill?

Mr. MORSE. I have expressed myself on that. There is a feeling that we will not get any legislation at all if we have the one-bank definition which the Federal Reserve Board recommends. I will not say more. I do not think I need to say more.

Mr. ANDERSON. I wish to find out what possible reason there is for saying there should be a two-bank definition. I can understand a one-bank definition, and I can understand how it might fail in the House and that the proposed legislation might be lost.

The only reason I have been interested is that Transamerica has recently gone into several Western States, my own State included, and I am not able to determine in the 2 or 3 weeks they have been in my State that they are going to be harmful to the independent bankers. They have taken control of the Valley Bank, of Phoenix, Ariz., which is headed by some very fine people, whom I have enjoyed knowing for a quarter of a century. But I am wondering why it is bad to have two banks and it is all right to have one. I have heard no statement from the sponsors of the bill as to why it is bad to have two and all right to have one with several hundred million dollars of bank assets.

Mr. MORSE. I do not want anything I have said today to be considered as any criticism of the Senator from Virginia. He has stated many times that he would prefer a one-bank holding company definition. He said, very frankly, that we were confronted with the fact that if we wanted to kill this proposed legislation, then insist on the one-bank holding company definition. But my answer is, take it to conference. The one bank definition is a sound definition, and we ought

to put the House on the spot and let the House come to grips with what the Federal Reserve Board says is a sound definition that should be in the bill.

Mr. ROBERTSON. Mr. President, if the Senator from Oregon will yield to me, I think I can give the Senator from New Mexico the testimony of a representative of the American Bankers Association, which is not a group of politicians. They make some concessions to the opposition in the hope that they can get some measure through.

Here is the testimony of a witness of the American Bankers Association:

> For these reasons—

I shall not repeat them—

> the definition contained in H. R. 6227, based upon ownership of 25 percent or more of each of two or more banks or of a company which is or becomes a bank holding company would appear preferable.

That was the testimony of the American Bankers Association, and that is the attitude which the committee took.

The committee also took the position that the more we load the bill down—and this is one of the things which some of my bank holding company friends, who were going along but could not go along with the Senator's amendment, hoped we would do—the more distasteful it would become, and that a motion to recommit would be agreed to, and the bill would never get to conference. It would be recommitted, and there it would die.

Mr. ANDERSON. I likewise do not question the good intentions of the Senator from Virginia. As I heard him a minute ago, the reason given was that it would be "preferable." I should like to know why. It is my information that the American Bankers Association has been against it. I think the Senator from Oregon has correctly stated the situation that if one bank is the right figure, and the Federal Reserve Board so recommends, we should give Congress an opportunity to pass it. If we cannot pass it, we cannot pass it; but we have a right to try.

Mr. MORSE. I always listen with great interest to representations and arguments of special-interest groups who come here in connection with special legislation. In this particular field the American Bankers Association is, of course, a special-interest group. But I have also talked with some of the members of that association, and there is no unanimity of opinion among them. They, too, like the independent bankers, find themselves in a position where they have to consider what they think is the best legislation they can get through, not what they consider to be the ideal.

But we as Senators do not sit here representing the American Bankers Association; we do not sit here representing Transamerica Corp.; we do not sit here representing the Independent Bankers Association. We sit here representing the public interest; that is all. We ought to ask ourselves the simple question, What is the definition of a bank holding company that would be "in the public interest"?

When we examine the record, we find that the one-bank definition is the definition which is in the public interest; and that is the definition we should send to conference. I do not agree with my friend, the Senator from Virginia [Mr. ROBERTSON], that the adoption of my amendment would mean that nothing will go to conference. If my amendment be adopted, and if the bill be passed this afternoon, the bill will go to conference. What the Senator from Virginia is trying to use, I say most respectfully, is a fear argument, that the adoption of my amendment will cause some Senator to move to recommit, and that a motion to recommit will be agreed to in the Senate. I do not accept that assumption, either.

The Senator from New Mexico [Mr. ANDERSON] raised a question about W. R. Grace & Co., and John Deere. Before he came into the Chamber, I used figures in regard to the present holdings of those companies.

W. R. Grace & Co. has assets of $375 million. That is not chicken feed.

Deere has assets of $430 million. That is not chicken feed.

Mr. ANDERSON. I was present, and I heard the Senator from Oregon state those figures. I thought they were impressive figures. That is why I referred to W. R. Grace & Co. I know something about the operations of that organization. I thought, when he said its assets were $375 million, it was a fair-sized firm.

Mr. MORSE. It can get much larger, as the Senator from New Mexico has pointed out. Under the bill, it can keep right on growing.

Mr. President, I close by reading into the record a letter which was received from the Federal Reserve Board, addressed to the junior Senator from Delaware [Mr. FREAR], our acting chairman, under date of July 12, 1955, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, July 12, 1955.

The Honorable J. ALLEN FREAR, Jr.,
Acting Chairman, Subcommittee on Banking Senate Committee on Banking and Currency, Washington, D. C.

DEAR SENATOR FREAR: When Governor Robertson and I were testifying before the Banking Subcommittee of the Senate Committee on Banking and Currency on July 5, 1955, with respect to the bank holding company bills pending before the subcommittee, Senator DOUGLAS requested that information be submitted regarding the cases which would be covered by a definition of "bank holding company" based on control of one bank under a 25-percent measure of control. The request was for a list which would identify the companies and the banks included in the various cases.

The Board is submitting to the committee's staff several statistical tables for inclusion in the record of the hearings, but these tables do not identify the companies or banks, with the exeception of a table regarding the 18 holding company affiliate groups which are subject to the limited regulation provided by existing law.

For the confidential information of the committee, however, we are submitting herewith a detailed list showing the names of the companies and banks included in the 163 known cases which would be covered by a definition of "bank holding company" based upon control of one or more banks by corporations, business trusts, associations, or similar organizations under a 25-percent measure of control. The 116 known cases which would be covered by a definition based upon a 50-percent measure of control are, of course, included in the list. It will be observed from the note at the beginning of the list that it is based in large part on information obtained from confidential sources. Such a list has not been published by the Board of Governors, and the Board feels that, in the circumstances, a number of the individual names appearing in the list should not be published. It is for this reason that the Board respectfully requests that the information as to individual cases contained in the enclosed list be treated as confidential.

Very truly yours,

WM. McC. MARTIN, Jr.

I say to the Senator from New Mexico that the committee had before it, submitted by the Federal Reserve Board itself, a long list of bank holding companies which would not be affected by the bill. When the Federal Reserve Board made its research study of what the effect of the bill would be, it had the high sense of public duty to come before our committee and testify against the two-bank definition, and to recommend the one-bank definition.

I say that in fairness to all concerned, and particularly with regard for the public interest, the Senate should adopt this afternoon the one-bank definition; and with that in mind, I submit my amendment.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on agreeing to the amendment of the Senator from Oregon.

Mr. ROBERTSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Anderson
Barkley
Barrett
Bender
Bible
Bricker
Bridges
Bush
Byrd
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Long
Magnuson
Malone
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Saltonstall
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Symington
Thye
Welker
Williams
Wofford
Young

The PRESIDING OFFICER (Mr. BARKLEY in the chair). A quorum is present.

The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. ROBERTSON. Mr. President, I understand no Senator has answered to his name. I should like to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERTSON. May I make a brief explanation to the Senate, so we shall know what we are voting on?

The PRESIDING OFFICER. The Chair inquires of the Senator from Vermont if he voted.

Mr. AIKEN. I voted "nay."

The PRESIDING OFFICER. The Chair understands the Senator from Virginia to ask unanimous consent that the vote of the Senator from Vermont be canceled and that the Senator from Virginia be permitted to make a brief explanation of the amendment. Is there objection to the unanimous-consent request? The Chair hears none, and the Senator from Virginia may proceed.

Mr. ROBERTSON. I shall not detain the Senate long, but I think, since very few Senators were present when the amendment was presented, those now in the Chamber should know what they are voting on. We are voting on an amendment offered by the Senator from Oregon [Mr. Morse] to change the definition in the bill from 25 percent of 2 banks or more to 25 percent of 1 bank or more.

Several years ago the Senator from Virginia introduced a bill which contained a 1-bank definition, but which provided for 50 percent. There have been no hearings on the proposal relating to 25 percent of 1 bank or more. This amendment, if adopted, would affect 116 corporations that have 1 bank, and they have had no opportunity to testify on the subject. The American Bankers Association have adopted the 2-bank definition. The independent bankers included, in all the bills they suggested, the 2-bank definition. Therefore, the Senator from Virginia yielded to the opinion of his committee that we should follow the definition in the House bill of 2 banks or more.

If the Senate agrees to this amendment, in the opinion of the junior Senator from Virginia, it will imperil final action on the bill, because then many Senators will not know how the bill will affect some splendid corporations in their home States, and thus they will be unwilling even to have the bill sent to conference. Instead, undoubtedly such Senators will vote to recommit the bill, and that will mean the death of the bill.

So the Senator from Virginia hopes the Senate will stick by the committee, and will vote down the amendment.

Mr. MORSE. Mr. President, I ask unanimous consent that at this time I may speak for not to exceed 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered; and the Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. Mr. President, in reply to the statement made by my good friend, the junior Senator from Virginia, I wish to say, first, that members of the Federal Reserve Board testified, both before the House committee and before the Senate committee, in support of the one-bank definition; and in that testimony they pointed out that if there is going to be bank-holding company legislation which will be uniform in application, a one-bank amendment should be adopted.

Second, the Banking and Currency Committee has threshed out this matter in its discussions time and time again during the long months of its consideration of the bill. Many witnesses before the committee, although not there to testify on this particular matter, were drawn out, however, regarding their position on it.

The committee knows very well the position of the American Bankers Association and the position of the Independent Bankers Association. In my remarks I said that the independent bankers—at least, many of those who have talked to me—felt that if it were possible to have the one-bank amendment put through, they would favor it; but they feared that legislation on this subject could not be enacted unless they agreed to the two-bank definition.

I say that we should take the one-bank amendment to conference, and thresh it out there.

Even the junior Senator from Virginia agrees with the principle of my amendment, as is shown by his previous introduction of a bill including the amendment.

So let us pass on what we believe to be a sound ideal, send it to conference, and have it fought out there.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. Morse]. On this amendment the yeas and nays have been ordered.

Senators who favor the amendment will vote "yea." Senators who oppose the amendment will vote "nay."

The clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. Chavez], the Senator from Tennessee [Mr. Kefauver], the Senator from New York [Mr. Lehman], the Senators from Montana [Mr. Mansfield and Mr. Murray], and the Senator from Georgia [Mr. Russell] are absent on official business.

The Senator from Alabama [Mr. Sparkman] is absent because of illness in his family.

The Senator from Mississippi [Mr. Stennis] is absent because of a death in his family.

I further announce that on this vote the Senator from Tennessee [Mr. Kefauver] is paired with the Senator from Georgia [Mr. Russell]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Georgia would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Utah [Mr. Bennett], the Senator from Maryland [Mr. Butler], and the Senator from Iowa [Mr. Hickenlooper] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Utah [Mr. Watkins] and the Senator from Wisconsin [Mr. Wiley] are absent on official business.

The Senator from Colorado [Mr. Allott], the Senator from Maryland [Mr. Beall], and the Senator from Pennsylvania [Mr. Duff] are detained on official business.

If present and voting, the Senator from Colorado [Mr. Allott] and the Senator from Pennsylvania [Mr. Duff] would each vote "nay."

The result was announced—yeas 28, nays 51, as follows:

YEAS—28

Anderson
Barkley
Bible
Capehart
Clements
Douglas
Goldwater
Gore
Hayden
Hill
Humphrey
Jackson
Jenner
Kerr
Knowland
Kuchel
Laird
Langer
Magnuson
McNamara
Morse
Neely
Neuberger
O'Mahoney
Potter
Scott
Wofford
Young

NAYS—51

Aiken
Barrett
Bender
Bricker
Bridges
Bush
Byrd
Carlson
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Daniel
Dirksen
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Green
Hennings
Holland
Hruska
Johnson, Tex.
Johnston, S. C.
Kennedy
Long
Malone
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
Millikin
Monroney
Mundt
Pastore
Payne
Purtell
Robertson
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Symington
Thye
Welker
Williams

NOT VOTING—17

Allott
Beall
Bennett
Butler
Chavez
Duff
Hickenlooper
Ives
Kefauver
Lehman
Mansfield
Murray
Russell
Sparkman
Stennis
Watkins
Wiley

So Mr. Morse's amendment was rejected.

Mr. MORSE obtained the floor.

Mr. ROBERTSON. Mr. President, will the Senator from Oregon yield for a statement?

Mr. MORSE. I yield.

Mr. ROBERTSON. I hope Senators will not leave the Chamber. I understand that the Senator from Oregon has several amendments which he does not intend to discuss at length and that they will be disposed of by a voice vote. It is not contemplated that there will be any further yea-and-nay votes. It may be that it will be possible to dispose of the bill tonight—and I am sure Senators will be glad to do so—without further yea-and-nay votes.

Mr. MORSE. Mr. President, I shall make a statement in that connection in just a moment.

In the meantime, in order that there may be an amendment pending, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The Chief Clerk. On page 5, between lines 14 and 15, it is proposed to insert the following:

(g) The filing in good faith by any company of an application for exemption from bank holding company status on the ground it is not a bank holding company within the meaning of this act shall exempt the applicant from any obligation, duty, or liability imposed in this act upon the applicant as a bank holding company until the Board has acted upon such application. Within a reasonable time after receipt of any application hereunder, the Board shall enter an order granting or, after notice and opportunity for hearing, denying or otherwise disposing of such application.

Mr. MORSE. Mr. President, before I proceed to discuss the amendment, I wish to make a brief comment on the suggestion just made by the Senator from Virginia [Mr. Robertson].

I, too, hope that Members of the Senate who can remain for the disposition of the procedural amendments to which I now turn my attention will do so. I have talked with the leadership on this side. Certain of our colleagues cannot remain. We are satisfied that we shall receive the same fair consideration of the amendments without a yea-and-nay vote as with one. I am also a realist. I know when I can get a rollcall vote and when I cannot. Therefore, I shall proceed to discuss these amendments briefly and submit them to a series of voice votes.

I should now like to turn to the procedural deficiencies in the bill. The bill provides that when a bank holding company makes an application to acquire additional banks, a public hearing will be held by the Federal Reserve Board only if the Comptroller of the Currency, in the case of a national bank, or the State supervisory authority, in the case of a State bank, object to the acquisition. Thus, if the Comptroller or the State authorities do not object to an acquisition, then the Federal Reserve could disapprove the application without any hearing. This is contrary to the spirit of the Administrative Procedures Act and the usual procedures of Government regulatory agencies.

The most serious consequence of this lack of formal hearings by the Board is in regard to judicial review of the Board's decision. The bill provides for judicial review by an appellate court for any party aggrieved by the Board's order. In the event of such a review, the Board is required to file with the court its certified transcript of the record in the case. What kind of record would there be if there were no hearing, no evidence, and no proceedings before the Board? What would there be for the court to review? It is obvious that the procedure set forth in the bill is unfair to the bank holding companies and permits the Board to run roughshod over the applicant's rights.

The bill is further deficient in that the Federal Reserve Board is not given the power to compel the attendance of witnesses or the power to subpena documents. The Board does not have such power under existing law, and such power is necessary in order to produce all the evidence necessary for a decision. Almost every other Federal regulatory agency has such powers, and it is difficult to see how the Federal Reserve Board can conduct a genuine hearing without this authority.

Another important procedural defect is the use of criminal penalties to enforce its provisions. The bill completely fails to give the Board any authority to issue specific enforcement orders or to initiate civil proceedings to insure compliance. The purpose of such proceedings would be to obtain affirmative action to carry out the purpose of the bill rather than to punish. Any questions concerning administration of this law as it now stands can only be tested in criminal proceedings. The whole regulatory pattern of the bill is to be made effective solely by action of the Criminal Division of the Department of Justice.

It is highly questionable whether this theory of self-enforcing legislation is a reasonable or efficient means of accomplishing the bill's objectives. Other Government regulatory agencies are given power to initiate civil proceedings to obtain compliance with their orders. This is another instance where the bill departs from the usual procedural safeguards contained in similar regulatory legislation.

The pending amendment would establish procedures for formal administrative determinations as to whether a company is or is not a bank holding company under the act. Since the bill defines a bank holding company in a manner which may leave doubt in some instances, this amendment is essential to avoid hardship to those companies whose status is uncertain.

For example, a company is a bank holding company if it "controls in any manner" the election of a majority of the directors of two or more banks. A company uncertain as to whether it meets this definition will be in a dilemma. Failure to conform to the provisions of the act may make the company liable to criminal penalties if the board should ultimately rule that it is a bank holding company. On the other hand, if the board of a court should ultimately rule that the company is not a bank holding company, the reorganization of its business in attempted compliance with the act may turn out to be not only legally unnecessary, but disastrous in a tax sense. A reasonable procedure for determining the applicability of the bill in doubtful cases is therefore highly desirable.

I wish to say a word about the source of this amendment and certain other procedural amendments which I shall offer. They are referred to as the Belgrano amendments. Each Senator has received in recent days a document from the Transamerica Corp. It is the statement of F. N. Belgrano, Jr., before the Senate Banking and Currency Committee, together with proposed amendments to S. 2577, and supporting argument.

Mr. President, some of the amendments I am offering are amendments contained in the brochure that was sent out by Transamerica to all Senators. This is the representation of a special interest group. When I use the representations of a special interest group I am always willing to say so on the floor of the Senate and to say what I have done with them.

In this instance I have gone through Mr. Belgrano's statement with a fine-tooth comb, figuratively speaking. As a lawyer I have studied the proposed procedural amendments offered by Transamerica, in regard to which Mr. Belgrano frankly testified before our committee—and, may I say, exceedingly ably testified before our committee—and I believe that the procedural amendments which I have selected are sound and just. I am very proud to associate myself with the amendments, because they are sound amendments.

However, I wish the Record to show not only what I have said in support of the amendments, but what Mr. Belgrano himself has said in support of the amendments. Therefore, I ask unanimous consent that his statement be printed at this point in my remarks, so that the students of this problem can read the source on which I based my amendments, although it is not the only source on which I based my amendments.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT OF F. N. BELGRANO, JR., PRESIDENT, TRANSAMERICA CORP., BEFORE THE SENATE BANKING AND CURRENCY COMMITTEE ON FEBRUARY 24, 1956, CONCERNING S. 2577

I am here at the invitation of the committee to discuss certain amendments to S. 2577 proposed by Transamerica Corp. These hearings were adjourned on February 8 before my testimony could be heard. At the conclusion of the hearings on that day, Senator Robertson referred to the fact that I had appeared in the past and testified at length in opposition to bank holding company legislation. This, of course, is true.

This committee and the committee of the House have patiently and courteously taken my testimony in the past. I have never claimed and never will claim that I have not been given a fair hearing. My testimony has made it clear that Transamerica is opposed to this legislation. Although my views were not accepted by the committee, I continue to hold them and will continue to present them vigorously to Members of the Senate, because I believe them to be right and just.

You all understand that this is not a personal matter with me. Whether this legislation passes in one form or another, I will still have useful work to do. My own personal interest is not involved here except that, like many others, I am a stockholder in Transamerica. I oppose this legislation and propose certain amendments today as the elected representative of 120,000 stockholders, all of whom have a vital interest in this matter. They are my constituency, and I have an obligation of trust imposed upon me to speak for them. I am trying to carry out that job as best I know how. These stockholders are located in more than 5,000 different communities in every State of this Union. None of them owns as much as 1 percent of Transamerica's outstanding stock. It is my duty and obligation as head of Transamerica to bring to the attention of this committee, whenever given the opportunity, the discriminatory, unfair, and unsound provisions of this proposed legislation.

These hearings concern specific amendments. The committee has already accepted important tax amendments which substantially meet objections which Transamerica had to the tax provisions of the bill. I appreciate that this has been done. Today, I shall discuss the nontax amendments which we have proposed. I do this in a sincere effort to be helpful to the committee, and I trust that our comments on this phase of the legislation will also be found to have merit.

Transamerica's nontax amendments fall into three basic categories:

First, amendments designed to eliminate discrimination by removing from the bill its special exemptions and exclusions;

Second, amendments designed to eliminate all or some of the divestiture provisions and thereby to eliminate or at least lessen the impact of the bill's most discriminatory features; and

Third, procedural and other amendments designed to make the operation of the bill administratively fair and workable.

I would like to submit for the record a memorandum which presents the text of all of these amendments and a short statement of their purpose and effect. It shows precisely how the matters with which we are concerned can be dealt with in the bill, and will supplement what I shall have to say.

DISCRIMINATION

First, let us look at the problem of discrimination and at some of the suggestions we have made to take care of it. One of the assumptions underlying the divestiture provisions of the bill is that it is not in the public interest for an enterprise to control a banking business and at the same time to control nonbanking activities which are not closely related to banking. While we do not, of course, accept this premise, we think that at least you ought to treat everybody alike.

Transamerica Corp. would be required to divest assets which represent in value approximately 50 percent of its entire business. These businesses were all lawfully acquired and have been owned by us for many years. Nonetheless, divestiture would be required of us while many bank holding companies, as well as holding companies owning savings and loan associations and personal finance companies, would not be required to divest. This seems to me not only discriminatory but unsound and self-defeating.

If divestiture is necessary in the public interest, it ought to apply equally to all, not merely to some. In my opinion, this committee has no choice but either to eliminate the special exclusions and exemptions so that divestiture in fact applies equally to all, or to eliminate the unsound divestiture requirement altogether, so that it applies equally to none.

DISCRIMINATORY EXCLUSIONS AND EXEMPTIONS

Our first group of amendments would make the bill apply, as it should, to all companies and enterprises which are bank holding companies in fact. Let me go down the bill in its present form with you and show you how far it departs from this principle—how first one company and then another is taken care of until Transamerica is left almost alone to be broken apart.

If you turn to section 2 (a) defining a bank holding company, you will see that companies which own only one bank, regardless of its size, and various nonbanking businesses, are not defined as bank holding companies. Accordingly, they will not become subject to the provisions of the bill requiring divestiture. Representatives of the Federal Reserve Board have testified that this exclusion is logically indefensible. The reason is obvious. If it is presumed to be against public policy for a corporation to own banks and nonbanking businesses, it is just as much against public policy for a company to own one large bank and nonbanking businesses as it is for it to own 2 banks—perhaps small banks—and nonbanking businesses. I doubt whether there is any potentiality for abuse in either instance, but if there is, it is present just as much in the case of one-bank companies as it is in the case of two-bank companies.

One-bank companies are numerous. There are more than 100 of them. They represent about 70 percent of all bank holding companies in the country. Every one of them is excluded from this bill. A number are powerful and important and could be classified as so-called "concentrations of economic power." Many are more significant than companies which are covered by the bill. I understand that the Federal Reserve Board has given a confidential list of "one-bank" companies to this committee, which I have not seen. From data included in Moody's Industrial Manual and in the financial press, however, several of them have come to my attention.

W. R. Grace & Co., in New York is an example in point. As of December 31, 1954, its assets exceeded $375 million. In my judgment, this is a fine, well-managed concern, but the fact remains that it owns a bank in New York City, and that it also owns extensive interests in airlines, steamship companies, chemical and fertilizer plants, and other nonbank enterprises. The Financial World of February 1, 1956 (p. 6) stated that:

"The Grace empire is composed today of some 60 subsidiaries and affiliates whose activities reach into 16 key industries in both North and South America."

Grace has shipping, advertising, and other interests in the Far West, where we do business. It and others like it go scot-free from divestiture, or indeed from any regulation whatever under this bill.

Other one-bank companies with very substantial assets which have come to my attention are Deere & Co. ($430 million); Corn Products Refining Co. ($181 million); Gimbel Bros., Inc. ($161 million); and Peabody Coal Co. ($44 million). Why should these companies, which combine banking with various types of nonbanking businesses, be exempt from divestiture? I call any bill that has this result discriminatory. Transamerica thoroughly agrees with the Federal Reserve Board that one-bank companies should be included, and we have proposed a simple amendment to the definition of "bank holding company" in the bill which will include them.

Also in section 2 (a) there is a special provision tailormade to exempt 1 company and 1 company alone. That provision, which does not appear in the House bill, exempts the Equity Corporation-Morris Plan group from divestiture. I understand that this is the only bank holding company which was registered under the Investment Company Act prior to May 15, 1955. This company has banks and various nonbanking businesses, including insurance, finance and industrial concerns of different types. It is not subject to supervision and examination by the Federal Reserve Board under the Banking Act of 1933. The explanation given in your committee report of this special exemption for registered investment companies states that such companies are "adequately supervised by the Securities and Exchange Commission," and that "SEC regulation in such cases is closely akin to the purposes of the bill" (Senate report, p. 5). This justification, however, is obviously not sound. One requires divestiture, and the other doesn't.

In any event, there is no conceivable reason to limit the exemption to those investment companies registered before May 15, 1955, or any other cutoff date. Why should the Banking and Currency Committee of the Senate give a special reward to a company which over the years has not subjected itself to Federal Reserve Board regulation and control under the banking acts, and penalize a company that has? This again is plain discrimination. We have proposed that this provision be made available to all companies, and not to just one company.

The practical effect of this provision, as we propose to amend it, would be to eliminate divestiture by permitting any corporation which is or becomes subject to regulation under the Investment Company Act to own a bank holding company as well as nonbanking subsidiaries. If this has merit in the case of Equity Corp., it is equally justified with respect to Transamerica or any other company which might desire to organize or reorganize so as to be subject to the Investment Company Act.

Later, in section 2 (b) of the bill, you find another discriminatory provision in the definition of "company." In the State of Florida, a large conglomeration of banks, a paper and pulp mill, a telephone company, railroads, and real estate and other nonbanking business, are held in a trust. This du Pont-Ball group is just as much a bank holding company as a practical matter as is Transamerica. It recently advertised its "Florida National Group" in the American Banker as the "largest banking organization south of Philadelphia and east of the Mississippi," showing ownership of some 24 banks with assets of over $550,000,000. This figure does not include any of its extensive nonbank interests. Yet the exclusion of enterprises taking the form of a testamentary trust lets the Florida group out and saves it from divestiture as well as from control of expansion of its banking interests.

Other types of bank holding companies are also exempt from divestiture, and some from all regulation as well. Parnerships, religious and charitable organizations, educational corporations, funds and foundations, labor unions, agricultural and horticultural organizations, are all specifically mentioned. We completely fail to see any reason in the public interest why these types of bank holding companies should be treated differently than Transamerica. If a labor union runs a business, shouldn't it be treated like other businessmen in the operation of that business? If a church enters into the bank holding company business, shouldn't it in this respect also come under the same regulation as the rest of the public? Certainly if these organizations invested their funds in an electric or gas utility or a bus company, they could not expect to operate it free of regulation. They are running a business and ought to be subject to the same rules as anyone else doing this.

None of these special exemptions makes any sense to me as a businessman. I can find no justification for them in the record. Many of them were specifically opposed by the Federal Reserve Board, the agency which will administer this proposed law.

Further amendments of a discriminatory character were presented to your Committee on February 8. These amendments have been proposed with a view to carrying into the Senate bill certain special exemptions already included in the House bill. An amendment has been suggested which will exempt from divestiture a Georgia bank holding company which also owns a finance company, bottling works and other investments, as well as another amendment which will exempt a Kentucky bank holding company from divesting its separate investment company. Transamerica is in full agreement with both of these companies that divestiture of their properties would inflict an unnecessary hardship and would substantially weaken the capital position of their banks. In this respect, however, their position is no different from that of Transamerica or of other diversified bank holding companies. The solution for this problem is not to be found in additional discriminatory special exemptions, but in a more fundamental amendment to eliminate for everyone the unwarranted requirement of divestiture.

It is the rankest kind of discrimination to pass a bill which takes our property away, and lets practically all others in the same line of business continue to hold comparable investments. If there is to be divestiture, it should operate across the board. I must protest against making compromise upon compromise in this bill until practically everyone escapes divestiture except Transamerica.

DIVESTITURE

This brings me to the other—and I think the better—way to get rid of most of the discrimination. Divestiture itself is an unnecessary and punitive measure. You recognize this in effect when you give so many special exemptions. If there were any genuine problem involved in the common ownership of bank and of nonbank businesses, these various exceptions would not and could not be made. If you eliminate the divestiture provisions you will do away with the worst of the discrimination now in the bill. This is what I respectfully urge you to do.

We urge that the divestiture provisions be removed from the bill by striking Section 4 for the reason that no factual basis has been established upon which Congress, in the public interest, may justify divestiture of lawfully acquired private property. If compulsory divestiture is wrong, or if no need for it has been shown, it ought not to be in the bill. There are no alternatives to this.

Section 6 of the bill now contains prohibitions against certain intercompany dealings. These afford adequate protection against the only possible way that bank depositors could be injured by the fact that a stockholder of the bank is also a stockholder of some other corporation. Keep in mind, also, that the activities of all banks are subject to strict regulation and examination by Federal and State authorities.

Should some control over future acquisitions of nonbanking properties be considered essential—which I do not believe to be the case—this could easily be accomplished by requiring the approval of the Federal Reserve Board for acquisitions of nonbanking companies as well as of banks under the provisions of section 3 (a).

If the committee is not willing to eliminate the divestiture provision, there are at least some less drastic and more sensible ways to approach the problem. First would be an amendment which, in lieu of divestiture, freezes existing nonbank holdings and prevents any bank holding company from acquiring voting shares of any additional nonbanking businesses. It would permit Transamerica to hold what it now has, but it would subject its future nonbank acquisitions to the prohibitions contained in the bill.

If neither of these two approaches be taken, we urge the committee to rewrite the divestiture provisions so that bank holding companies will at least not be required to divest insurance, fiduciary, and financial institutions which they now own. Thus, divestiture would operate only with respect to the ownership and control of industrial concerns and other nonbanking businesses which are not fiduciary, financial, or insurance in character. While this suggestion is not really a satisfactory solution of either the divestiture or the discrimination problem, there is a sound and logical basis for this distinction, and it would at least have the effect of minimizing the very serious disintegration which, under the present bill, would be imposed almost alone on Transamerica. Insurance companies, for example, are all subject to the most careful type of regulation and examination by State insurance officials. Extensive regulation is also generally imposed on financial and fiduciary companies. Furthermore, the management of all of these businesses requires much of the know-how and skill that is needed for the sound and efficient direction of banks.

Section 4 (c) (6) of the present bill, as interpreted in the committee report, contemplates that the Federal Reserve Board will permit a bank holding company to continue to hold a credit life insurance company, at least if its operations are wholly or largely confined to writing insurance in connection with loans made by subsidiary banks. This is on the theory that the activities of such a company are sufficiently closely related to banking "to be a proper incident thereto." Thus, it appears to be contemplated that a bank holding company under the bill as now drawn can own and operate a credit life insurance company, and, as part of its bank lending activities, can require borrowers to insure with its own insurance company. If this is in the public interest, what is there contrary to the public interest in the operation of a straight life insurance or fire and casualty company which is fully segregated and operated independently in competition with other insurance companies?

It seems to me desirable that legislation should take into account the paramount need for maintaining the strength of our banking institutions, whether owned by bank holding companies or otherwise. Any step which will rock the boat or undermine the safety and security of the banks in times of stress should be avoided. By our ownership of Occidental Life Insurance Co., for example, we have funds available in the form of dividends from that company which we can use, and have used in the past, to increase and strengthen the capital of our banks. This may prove to be a very important source of capital in times of economic difficulty. This source of added strength should not be taken away from us—and from our banks—by divestiture. I do not believe that any of us is wise enough to know what may be the effect on our economy of dislocating, disrupting, and tearing apart existing business structures. It does not seem to me a good idea to wade into this matter at this time with a meat ax cutting our company all to pieces. All of you know we are playing a vital part in the strength, soundness, and growth of our western economy. This is no time to weaken us by the unnatural harsh penalty of divestiture. Remember it is very easy to break an egg but almost impossible to put in back in the shell again.

Before leaving the question of divestiture, I should point out an apparently unintended but nevertheless extremely serious consequence of the divestiture provisions as they are now drafted. "Bank" is defined so as to exclude any company not doing business within the United States. Section 4 forbids ownership of or control of any company "which is not a bank." Consequently, Transamerica, if it remains a bank holding company, would be required to divest itself of its Italian banking subsidiary, Banca d'America e d'Italia. This is the only American owned bank in Italy. It is playing a prominent role in the development of the country to which our Government has granted almost $2 billion in various forms of economic aid. We have suggested a simple amendment to the divestiture provisions to exempt the shares of any company which is organized under the laws of a foreign country and which is engaged primarily in the banking business outside the United States.

PROCEDURE AND ADMINISTRATION

Finally, I would like to direct the committee's attention to some serious procedural deficiencies in the bill as it is now drafted.

First, the regulatory setup of the bill is defective in one obvious respect. It vests in the Board of Governors of the Federal Reserve System responsibility for all phases of its administration, but it does not give to the Board any of the necessary powers to conduct formal investigations, to make determinations of whether a company is or is not a bank holding company, or to enforce compliance by a company that is proceeding in ignorance or even in open violation of its provisions. It is apparently contemplated that the act will be self-executing. It can be enforced, if at all, only by the Department of Justice bringing criminal proceedings against any company which does not comply with its provisions. As a matter of commonsense, this hardly seems a wise way in which to exercise regulatory functions. Because this criticism goes to the basic design of the bill, however, we have not attempted to draft any amendments along this line. I raise the question for the committee's consideration only because I believe it presents a problem which should be dealt with if this is to be a workable piece of legislation.

Apart from this, probably the most serious procedural defect is found in the provisions of section 3 (b) of the bill. These deal with the procedure to be followed by the Board of Governors in granting or denying applications for approval of bank acquisitions. As this provision is now drawn, the Board must give notice of any such application to the appropriate State supervisory authority or to the Comptroller of the Currency, as the case may be. A formal hearing on the application is required to be held if the Comptroller or the State authority files an objection to the application. If no such objection is filed, however, the Board may deny the application for any reason or no reason, without holding any hearing whatever.

Why should a formal hearing be limited to instances when the Comptroller of the Currency or a State supervisory authority objects to an application? If an opportunity for hearing is to be provided at all, it certainly should be made available to an applicant in all instances. There is no justification whatever for allowing the Board to deny an application out of hand without any hearing whatever, if it chooses to do so, merely because it has received no formal objection to the acquisition from some other regulatory authority.

Under section 9 of the bill, judicial review by an appellate court is expressly given to "any party aggrieved by an order of the Board under this act." On such review, the Board is required to file with the court the certified transcript of the record made before the Board. What kind of judicial review could this be if there has been no hearing, no evidence, and no record of proceedings before the Board? What would there be for the appellate court to review? Unless you provide for a hearing, it will at least be necessary to adopt the provisions of the House bill which grant a completely new hearing to an aggrieved party in the Federal court.

This is not just an omission; it is a genuine conflict between two different provisions of the bill which can only result in litigation and delay. We have suggested a simple amendment which would take care of this problem. Our amendment would require the Board to give the applicant an opportunity for a hearing before it denies any application. It would, at the same time, preserve the advantages of flexibility by permitting the Board to grant such an application without a hearing if there is no objection.

Another obvious defect is the failure of this bill to give the Federal Reserve Board any power to compel the production of documents or the appearance of witnesses. The Board has no such power at the present time. Accordingly, anyone requested by the Board or a bank holding company to appear who does not desire to produce documents or to give testimony at a hearing held by the Board under this bill need not do so. It is hard for me to see how a genuine hearing could be held without this power, which I understand is given by law to almost every other Federal agency exercising regulatory functions of this sort.

Our suggested amendments include several other important but subsidiary procedural suggestions, which are explained in some detail at pages 34 through 45 of the memorandum I have submitted for the record. I hope that the committee will give them serious consideration. If we are to have the additional regulation of bank holding companies proposed by this bill, that regulation ought to be exercised in accordance with the traditional principles of administrative law. These principles have been proved by experience in other fields to be necessary not only to safeguard the rights of those of us who are to be regulated, but also to permit the regulation to be accomplished with reasonable efficiency and without a lot of unnecessary lawsuits about how it is to be done.

You must remember that this bill is another step toward a fundamental change in the nature of the Federal Reserve Board's function. It is becoming less and less an agency concerned with credit and monetary matters. The entire function of the Board as conceived by Senator Glass and others is changing. You are gradually turning it into a cop on the beat. It is becoming a regulatory agency more like the CAB, the FTC, or the SEC. The change is fundamental. You must therefore be sure, in taking this additional step, that it has the necessary authority. It should be set up along lines which the experience of these other agencies has shown to be necessary for efficient accomplishment of the regulatory objectives. Due process and fair treatment of citizens require this.

Finally, we have included in our memorandum three miscellaneous amendments. These are described at pages 46 to 49 of our memorandum. One of the problems dealt with in these amendments is of particular importance to Transamerica. It seems to us that once we own 25 percent of a bank, which is the standard you have adopted for determining control and ownership for purposes of the bill, we should be free to increase our holdings in that bank, or to receive stock in the form of dividends, without going through unnecessary regulatory hearings and redtape.

I appreciate your hearing me again. Naturally, I shall be glad to answer any of your questions. This matter is one of major consequence to my company and its stockholders, who are affected far more than any others by this legislation. There has never been any bill like this enacted by Congress before in its history. Compulsory divestiture without proof of wrong doing or damage to the public interest is quite a new departure. At the very least any such bill should treat all citizens the same. May I respectfully urge that you take another hard look at this legislation, which has no sound basis in the public interest, and which so harshly and unnecessarily punishes Transamerica and its stockholders.

AMENDMENTS SUGGESTED BY TRANSAMERICA CORPORATION

On January 26, 1956, Transamerica Corporation circulated to all members of the Banking and Currency Committee a memorandum containing drafts of a number of substantive, procedural and tax amendments proposed to be made to S. 2577, together with a suggestion of additional amendments which it considered necessary to correct certain unfair and discriminatory features. Since the committee has adopted tax amendments which meet the major objections raised by Transamerica, no further changes in the tax-relief provisions are now being urged. Except for the tax amendments, however, the Committee has not yet accepted any of the important suggestions advanced by Transamerica.[1] This memorandum has been prepared for the purpose of presenting these proposals to the committee for its further consideration.

The first and most important group of Transamerica's proposed amendments is designed to eliminate or at least alleviate the bill's discriminatory features. As the bill is now drawn its divestiture provisions have their principal and almost sole impact on Transamerica Corp. The second group of proposed amendments included herein has to do with certain procedural and other changes which are considered to be necessary if the bill is to be administratively fair and workable.

I. AMENDMENTS DESIGNED TO REMOVE DISCRIMINATION

As noted above, S. 2577 is especially discriminatory against Transamerica in its divestiture provisions. These will effectively require the break-up of this company, but because of restrictive definitions or outright special exemptions few if any of the other great enterprises of the country which combine banking and nonbanking businesses will be so affected. This unfair discrimination can be cured only by eliminating from the bill these exclusions and exemptions, or by eliminating the harsh and unnecessary requirement of divestiture itself. Transamerica has accordingly proposed for the committee's consideration both types of amendments.

A. Amendments eliminating discriminatory exemptions and exclusions

The simple and straightforward way to avoid discrimination, of course, is to make the bill applicable to all organizations or associations which have a common ownership of banking and nonbanking businesses, with no exclusions by way of limited definition or special exception. Attached as Appendix 1 (p. 51) to this memorandum is a list of some 10 groups of enterprises which may own both banking and nonbanking businesses without being obligated to divest under the bill, together with two more such enterprises which are now seeking to be specially exempt at least in part. The amendments and suggestions set out below are designed to eliminate all of these special exclusions and exemptions so as to make the bill applicable to all alike.

1. "One-Bank" Companies

Proposed amendment: In section 2 (a), on page 1, line 9; on page 2, lines 2 and 4; and on page 3, line 14; strike out "each of two" in each instance and insert in lieu thereof the word "one."

Purpose and effect: The definition of "bank holding company" in Section 2 (a) is now limited to any company which owns 25 percent or more of, or which controls, "each of 2 or more" banks. The proposed amendment would make the test ownership or control of the requisite percentage of the voting shares of any 1 bank. If it is improper (which we think it is not) to combine the ownership of nonbanking property with ownership of 2 or more banks, it is equally wrong and improper to combine this ownership with that of a single bank, especially when this bank may itself be far larger and more powerful than a considerable number of smaller but separately incorporated banks.

There are a minimum of 163 holding companies which own 25 percent of 1 or more banks, as compared to only 46 which own this percentage of 2 or more banks. (Senate hearings, pp. 54, 60.) Moreover, there are at least 116 bank-holding companies which have absolute control through ownership of more than 50 percent of the outstanding stock of 1 or more banking subsidiaries. (Senate hearings, p. 59.) In short, the bill by its definition of "bank holding company" excludes most of these companies which own or control banks.

Included among these exempt companies, for example, are such large industrial, transportation, mining and mercantile enterprises as W. R. Grace & Co., and Deere & Co., Corn Products Refining Co., Peabody Coal Co., and Gimbel Bros., Inc. The bank and nonbank holdings of these representative "1-bank" companies, as reported in the 1955 Moody's Manuals, are summarized in detail in Appendix 2 (p. 51) to this memorandum. All but 1 of them have assets of over $150 million. The full list of "1-bank" companies has never been made public, but it is available to the members of this committee. (Senate hearings, pp. 336–37.)

Both the Federal Reserve Board and the Comptroller of the Currency favor an amendment to include "1-bank" companies.

Chairman Martin stated:

"Yet, it seems clear that the potential abuses resulting from combination under single control of both banking and nonbanking interests could easily exist in a case in which only 1 bank is involved. In fact, if the 1 controlled bank were a large bank, the holding company's interests in extensive nonbanking businesses might very well lead to abuses even more serious than if the company controlled two or more very small banks. For these reasons, the Board would continue to urge that, whatever the percentage test may be, the definition should be related to control of a single bank." (Senate hearings, p. 76.)

This view was reiterated throughout the testimony of Chairman Martin and Governor Robertson (Senate hearings, pp. 44, 45, 46, 58 and 66). In like fashion, the Comptroller urged the elimination of this disciplinary exclusion (Senate hearings, p. 84).

The committee report makes no effort to justify the exclusion of "1-bank" companies from all provisions of the bill. In short, at least 2 purported purposes of this legislation—to control "upstream" financing and to force divestiture of nonbank assets—plainly have equal application to both categories of holding companies. To force "2-bank" companies to divest their nonbanking interests while permitting "1-bank" companies to remain wholly unaffected by the legislation is logically and economically indefensible.

This becomes especially obvious when it is realized that the banks owned by these "one-bank" holding companies could be expanded at will by merger or otherwise without coming under the divestiture or other provisions of the bill. W. R. Grace & Co., for example, while it could not itself acquire a second bank without becoming subject to the regulation provided by the bill, could expand its Grace National Bank by merger or acquisition of assets until it equalled in side the aggregate of all the separate banks now owned or controlled by Transamerica Corp. Several New York banks are presently considerably larger than this. Yet W. R. Grace & Co. and its banking subsidiary would still remain free of any regulation of "upstream borrowing", and of any obligation to divest.

2. Grandfather Clause Exemption for One Company Registered Under Investment Company Act Prior to May 15, 1955

Proposed amendment: In section 2 (a) (B), page 3, line 9, strike out the comma at the end of the word "1940" and strike out the phrase "and was so registered prior to May 15, 1955".

Purpose and effect: The exemption for registered investment companies was included in S. 2577 because "any such company is adequately supervised by the Securities and Exchange Commission", and because "SEC regulation in such cases is closely akin to the purposes of this bill." (Senate report, p. 5.) If this justification is valid there is no reason to limit the exemption to investment companies registered before May 15, 1955, and consequently the cut-off date should be eliminated to permit exemption for future registrants under the Investment Company Act. If this is not done, the provision will be a bald special exemption permitting a single bank holding company to continue to hold both banks and nonbanking businesses. This company—the Equity Corp., together with its subsidiary, the Morris Plan Corp. of America—is one of the Nation's largest bank holding companies owning multiple banks; it has aggregate assets of some $43 million. (Senate hearings, p. 151.) In addition to banks, it owns directly or indirectly controlling interests in industrial, real estate, mineral, insurance, finance and service companies. (Senate hearings, pp. 159, 162.)

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[1] Two or three minor nontax amendments previously suggested by Transamerica were adopted by the committee. These have accordingly been eliminated from this memorandum.

3. Trusts and Partnerships

Proposed amendment: Amend section 2 (b) by inserting a period after the word "legislation", on page 4, line 8, and striking the remainder of that line, and on page 3, lines 23–24, by striking out all of those two lines and substituting the following: "(b) 'Company' means any corporation, partnership, testamentary, business or other trust, association, or similar organization, but shall not include".

Purpose and effect: There is no reason for eliminating from the provisions of the bill any business enterprise merely because it is in the form of a general or limited partnership or an intervivos or testamentary trust. It is still a unitary business enterprise exercising its ownership in a way similar to that of a corporation, and there is no reason for not treating it as corporate bank holding companies are treated if the enterprise otherwise meets the requirements of the definition contained in section 2 (a).

It is not known just how many important organizations are excluded by the limited definition of company now contained in the bill, but at least one of these is believed to be the Alfred I. du Pont testamentary trust in Florida. This trust owns or controls the Florida National Group of Banks, consisting of more than 20 separate banks in Florida (Senate hearings, p. 73), with aggregate deposits of over $550 million; it was recently advertised as the "largest banking organization south of Philadelphia and east of the Mississippi." See Appendix 3 (p. 55). In addition this trust, often referred to as the Ball-du Pont group, owns or controls directly or indirectly the St. Joe Paper Co. (with plants in Florida, Texas, and New Jersey), the Apalachicola Northern R. R. (some 96 miles long), a telephone company, some 750,000 acres of west Florida timberlands, and other important holdings. See Appendix 3 (p. 56). In spite of this it is relieved by the very restrictive definition of company contained in the bill not only from the obligation of divestiture but also from control over expansion of its bank holdings. There is no real basis in the record or elsewhere for any such exemption.

4. Religious, Charitable, and Educational Corporations, Funds, and Foundations

Proposed amendment: In section 2 (b), strike out "(1)" on page 3, line 24; place a period after the word "State" and strike out "or (2) any" on page 4, line 1; strike out all of line 2 through 8 on page 4.

Purpose and effect: The proposed amendment would eliminate a specific exemption in the definition of company of religious, charitable, and educational corporations. If such a corporation chooses to engage in the business of being a bank holding company, there is no legitimate reason for not subjecting it to the same regulation with respect to expansion or "upstream borrowing" to which any other bank holding company is subject, as Chairman Martin recommended. (Senate hearings, pp. 69, 76.) The same reasoning should also apply to divestiture. If regulation or separation is needed in the public interest, it is needed whether the profits of the enterprise go to support a worthy religious or charitable cause or whether they inure to the benefit of private individuals. It would be ridiculous to exempt a public utility from regulation, for example, because it happens to be owned and operated as an investment by a religious or charitbale foundation.

The Mormon Church is a case in point. In addition to controlling several banks in Salt Lake City, it owns 100 percent of the stock of a large life insurance company and is believed to hold substantial interests in a number of other nonbanking businesses. See Appendix 4 (p. 57). All of these are sound and well-managed enterprises, and Transamerica agrees that there is no good reason for requiring that any of them be disposed of. There is certainly no justification, however, for applying the regulatory and divestment provisions of the bill to Transamerica and excluding entirely such comprehensive and diversified business investments as these.

5. Tax Exempt Labor, Agricultural, and Horticultural Organizations

Proposed amendment: Strike out all of subdivision (7) of section 4 (c), as amended, page 11, lines 14–15.

Purpose and effect: Subsection 4 (c) (7), as amended by the committee, exempts from divestiture any bank holding company which is a labor, agricultural, or horticultural organization and which is exempt from Federal taxation under section 501 of the Internal Revenue Code. This is plainly another "special exemption" for which no sound reason can be advanced.

The policy of the bill as plainly expressed in section 4 is that banking and nonbanking businesses are not to be mixed: No organization which is engaged in any business "other than that of banking or of managing or controlling banks" or which owns or controls more than 5 percent of any nonbanking business shall be permitted to own or control 25 percent of 2 or more banks. The fact that an organization which owns and operates banks for profit may itself be a tax-free labor union (or an agricultural or horticultural organization) is no reason for giving it different regulatory treatment. If divestiture is in the public interest for an organization that is owned by thousands of small investors, it should also be in the public interest for an organization that is owned by thousands of labor union members.

At least one labor union, Amalgamated Clothing Workers of America, owns a controlling interest in 2 separate banks as well as other investments, and so would be subject to the divestiture provisions of the bill but for this special exception. These are both substantial banks, the Amalgamated Bank of New York having deposits as of December 31, 1954, of $57,824,277 and the Amalgamated Trust & Savings Bank in Chicago having deposits as of that date of $36,819,140 (Senate hearings, pp. 427–431).

6. Additional Special Exemptions Which Have Been Proposed

In addition to the foregoing, the Trust Company of Georgia and the First National Bank Trustees of Louisville formally proposed to this committee on February 8, 1956, that additional exemptions be added to section 4 of the bill to enable them to retain various nonbank holdings.[2] Transamerica fully agrees with them that divestiture of these properties would inflict an unnecessary hardship and would weaken the capital position of their banks. In this respect, however, their position does not differ from Transamerica's or that of other diversified bank holding companies. The solution for this problem does not lie in another discriminatory special exemption, but in a more basic amendment to eliminate for everyone the unwarranted requirement of divestiture. This possible solution of the problem of discrimination is discussed further below.

B. Amendments to divestiture provisions

As already noted, the bill is most discriminatory in the applicability of its divestiture provisions. Accordingly, another way in which discrimination can be largely eliminated is to adopt the position which Transamerica has consistently urged, that compulsory divestiture of lawfully acquired investments is not in the public interest and should not be required of anyone. The amendments proposed below are designed to accomplish this objective.

1. Outright Elimination of Requirement of Divestiture of Nonbank Holdings

Proposed amendment: Strike out all of section 4 (p. 8, line 7, through p. 11, line 15); strike out all of section 10 (p. 16, line 12, through p. 28, line 9); renumber sections 5, 6, 7, 8, 9, 11, and 12 to be sections 4, 5, 6, 7, 8, 9, and 10, respectively.

Purpose and effect: This amendment would eliminate entirely the compulsory divestiture provisions of the bill, leaving the regulatory features unchanged. It would also eliminate the amendments to the Internal Revenue Code now contained in section 10, since tax relief provisions will not be needed if divestiture is not to be required.

Divestiture is harsh and rare legislative surgery. Never before has Congress resorted to divestiture similar to that in the pending bill without a showing of extraordinary abuses or outright fraud. The hearings on bank holding company legislation have disclosed no comparable practices by bank holding companies, nor, indeed, any improper practices whatever.

The arguments put forward in support of the divestiture requirement have been demonstrated to be without substance. A bank holding company is not a bank. It does not invest in nonbanking companies with money obtained from depositors. It invests risk capital supplied by shareholders who wish to obtain the advantages of diversified investment. The prohibitions of State and Federal laws restricting the ownership of nonbanking properties by banks are based on a concern with the uses to which the money of depositors is put. To require bank holding companies to divest their nonbanking properties on this ground is to ignore entirely the different corporate and public functions of the two types of organizations.

No case for divestiture has been made out on the theory that this is necessary to prevent unsound financial transactions among holding companies, their subsidiary banks and their affiliate corporations. Not only is the hearing record totally lacking in evidence of abuses of this nature by any established bank holding company, but such practices are absolutely prohibited by section 6 of the present bill. Similarly there is no evidence of unfair competitive advantages resulting from investment ownership of banking and nonbanking companies, or any evidence to indicate that under present competitive conditions, pressures on customers or practices of this nature are commercially feasible. In fact, all testimony of Transamerica's customers with respect to its policies and practices is squarely to the contrary.

Divestiture therefore is no more than a punitive measure directed principally against Transamerica. The lack of realistic concern with the problem of combined banking and nonbanking ownership is demonstrated by the extensive exclusions and exemptions discussed above. If divestiture is to be required of any, it ought to be required of all; but if it is not genuinely needed it ought not to be required of anyone. Transamerica believes that this drastic remedy has plainly not been shown to be necessary in the public interest.

2. Elimination of Divestiture of Present Holdings, With Requirement of Board Approval of Future Acquisitions of Controlling Stocks or Assets of Nonbank Companies

Proposed amendment: Strike out all of section 4 (p. 8, line 7, through p. 11, line 15); strike out all of section 10 (p. 16, line 12, through p. 28, line 9); renumber sections 5, 6, 7, 8, 9, 11, and 12 to be sections 4, 5, 6, 7, 8, 9, and 10, respectively. On page 5, line 21, insert the word "bank", the following: "or of any company which is not a bank." On page 5, line 23, insert after the word "bank", the following: "or of such company which is not a bank." On page 6, line 1, after the word "bank" and before the semicolon, insert the following: "or of a company which is not a bank." On page 6, line 14, before the word "in", insert the following: "or in a company which is not a bank."

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[2] In appendix 5 (p. 58) are listed the principal holdings of these two companies which are now sought to be exempt from divestiture.

Purpose and effect: If it is considered desirable to provide some regulatory control over future acquisitions of nonbanking businesses by bank holding companies, this could easily be accomplished without imposing the harsh requirement of divestiture. By simple amendments to the acquisition provisions of the bill (section 3) the Federal Reserve Board could be given jurisdiction to approve or disapprove future acquisitions of stock or assets of nonbank companies.

The amendment now proposed is designed to accomplish this. Like the previous proposal it would permit bank holding companies to retain their present nonbank holdings, but would require Board approval of future acquisitions of stock or assets of nonbank companies. Ownership and acquisition by bank holding companies of interests in nonbank companies would thereby be placed on substantially the same footing as is their ownership and acquisition of banks.

3. "Freezing" of Existing Lawfully Acquired Holdings

Proposed amendment: On page 9, line 16, insert the following new subsection: "(1) to shares of any company lawfully acquired and owned by a bank holding company or by any of its subsidiaries prior to the date of enactment of this act." Renumber subsection 4 (c) (1) to become 4 (c) (2) and the following subsections accordingly.

Purpose and effect: If the above recommendations are not adopted, it at least remains possible to avoid the disintegration resulting from divestiture of lawfully acquired assets by making the provisions of section 4 of the bill applicable only to future acquisitions. While such drastic prohibitions are not believed necessary even with respect to the future, this solution is clearly preferable to the punitive effects of the present bill and would eliminate its most serious discriminatory features.

The investments of Transamerica in nonbank companies have been made for legitimate investment purposes and in full compliance with our Federal and State laws. They have served as a source of strength and stability for Transamerica's underlying banks and have provided Transamerica stockholders with the advantages of diversified investment. In the absence of a showing that Transamerica or other bank holding companies have employed their nonbank ownership in a manner contrary to the public interest, there can be no justification for the extreme measure of divestiture.

Section 6 (c) (4) of H. R. 6227 would permit those bank holding companies which are themselves banks to retain their presently held nonbanking properties. A similar amendment to S. 2577 has been proposed on behalf of the Trust Company of Georgia. See appendix 5 (p. 58). Transamerica agrees with the proponents of this amendment that divestiture of existing and lawfully acquired nonbanking assets ought not to be required. There is no logical reason, however, why a holding company which, under the peculiarities of local law, happens to be also a bank should stand on a different footing with respect to the ownership of nonbank properties than a bank holding company which is not a bank. The proposed amendment would accordingly extend the privilege of retaining lawfully acquired nonbank assets to bank holding companies which are not banks as well as to those which are.

4. "Freezing" of Lawfully Acquired Present Holdings of Financial, Fiduciary, and Insurance Companies

Proposed amendment: On page 11, line 7, strike out the word "which" and insert in lieu thereof the following: "either (1) a majority of the voting shares of which company were owned directly or indirectly by such bank holding company on the date of enactment of this act, or (2) the business of which company."

Purpose and effect: The harsh and discriminatory impact of the divestiture provisions of the bill cannot be avoided by measures short of adoption of the amendments discussed above. It is at least possible, however, to alleviate their most objectionable consequences by the addition of a simple provision permitting retention by a bank holding company of any company of a financial, fiduciary, or insurance nature which was majority owned, directly or indirectly, on the date of enactment of this bill. This would mean that bank holding companies could retain without question their financial, fiduciary, and insurance subsidiaries owned on the effective date of the bill, but could not acquire other such companies without the requisite order of the Board to the effect that such other companies are sufficiently closely related to the business of banking.

It is believed that this is an entirely reasonable exception to the divestiture provisions, and does no violence to the overall purposes of the bill. Section 4 (c) (6) of the bill in its present form recognizes that there is a real relationship between the operation of banks and of financial, fiduciary, and insurance companies. All of these companies present similar problems of management and the investment of funds, and all of them are subject to extensive regulation. If the divestiture principle is to be retained at all, at least it should not be applied to companies of this type which have been lawfully acquired in the past.

It should be noted that the language of section 4 (c) (6) in both the present bill and the proposed amendments specifies that all of the activities of any financial, fiduciary, or insurance company which can be retained must be devoted to these purposes. This prevents any possibility of changing the nature of the business of a retained nonbanking subsidiary so that it can enter into nonbanking businesses which would otherwise be prohibited.

5. Exemption of Foreign Banking Subsidiaries

Proposed amendment: Insert the following new subsection immediately following subsection 7, page 11: "(8) To shares of any company which is organized under the laws of a foreign country and which is engaged primarily in the banking business outside the United States."

Purpose and effect: The proposed amendment is necessary to correct an obviously unintended effect of the present bill. Section 2 (c) defines "bank" so as to exclude any company which does not do business within the United States. Section 4 (a) prohibits, with certain limited exceptions, the ownership or control by a bank holding company of any voting shares of any company which is not a bank. Consequently, under the bill as it is now drawn, a foreign banking subsidiary, such as Transamerica's Banca d'America e d'Italia, would have to be divested.

The proposed simple amendment to the divestiture provisions would exempt the shares of any company which is organized under the laws of a foreign country and which is engaged primarily in the banking business outside the United States. This amendment would appear to be in accord with the basic intent of the bill and there can be no rational basis on which its conclusion could be opposed.

II. OTHER PROPOSED AMENDMENTS

In addition to the amendments discussed above, which will eliminate or at least alleviate the principal discriminatory features of the bill, Transamerica has proposed a number of amendments which it believes are needed in order to make the administration of the law fair and workable. The bulk of these amendments have to do with the procedure to be followed by the Board in performing its functions under the act. The others are designed to correct what Transamerica believes are errors or omissions in the bill.

A. Procedural amendments

This bill is a step toward a fundamental change in the nature of the Federal Reserve Board's function. It vests in the Board new regulatory functions analogous to some of those now performed by such agencies as the Securities and Exchange Commission or the Federal Trade Commission. This in itself presents a serious problem, for the Board lacks a history of such functioning and does not now have the staff to enable it to perform such tasks. The bill, therefore, should at least give it the authority and prescribe the procedures which the experience of other agencies has demonstrated to be needed for the efficient accomplishment of such regulatory objectives. In its present form the bill is seriously defective in failing to do this.

In spite of the regulatory function so assigned, the Board is given no power to conduct formal investigations or to enter orders determining whether or not a company is a bank holding company under the act. The Board is not even given the power to issue subpenas and compel the attendance of witnesses in the proceedings it does hold. It is not empowered to enforce divestiture of specified subsidiaries, or other forms of compliance. It is given no power to do anything about a company which, through ignorance or intent, disregards the act. In such a case it may ask the Department of Justice for an indictment, but it may not itself issue or enforce anything in the nature of a compliance or cease-and-desist order.

Transamerica Corp. of course has not attempted to draft a code of procedure for the Board's regulatory functions, or to work out any kind of enforcement or compliance system. This would require a substantial redrafting of the entire bill, which certainly is warranted. In the absence of this, however, Transamerica has suggested certain relatively simple procedural amendments which can be included within the framework of the bill as it now stands and which, it is believed, will at least make administration of the act more workable, as well as fairer to those who are subjected to its impact.

1. Provision for Administrative Determination, Application, of Whether a Company Is a Bank Holding Company

Proposed amendment: On page 5, immediately following line 14, insert the following new subsection (g): "(g) the filing in good faith by any company of an application for exemption from bank holding company status on the ground it is not a bank holding company within the meaning of this act, shall exempt the applicant from any obligation, duty or liability imposed in this act upon the applicant as a bank holding company until the Board has acted upon such application. Within a reasonable time after receipt of any application hereunder, the Board shall enter an order granting or, after notice and opportunity for hearing, denying or otherwise disposing of such application."

Purpose and effect: The purpose of this proposed new subsection is to provide a procedure by which a company may obtain a determination as to whether or not it is a bank holding company subject to the act.

Although this provision is not of importance to Transamerica itself, it is essential to avoid hardship to those companies whose status is uncertain.

Section 2 (a) defines a bank holding company so as to leave doubt in some instances as to whether or not a company falls within the definition and is subject to the provisions of the act. For example, a company is a bank holding company if it "controls in any manner" the election of a majority of the directors of two or more banks. The quoted words are not susceptible of adequate definition short of a ruling by the Board.

Thus a company uncertain as to whether it falls within the definition will be in a dilemma. Failure to conform to the provisions of the act may make the company liable to criminal penalties if the Board should ultimately rule that it is a bank holding company. Furthermore, enforcement action by the Board to test the question might well be postponed or delayed beyond the mandatory time limitation within which divestiture must be accomplished, thus depriving the company of the benefit of the tax relief provisions of the bill. On the other hand, if the Board or a court should ultimately rule that the company is not a bank holding company, the reorganization of its business in presumed compliance with the act may turn out to be not only legally unnecessary but disastrous in a tax sense. Consequently, it would appear highly desirable to have some provision, like the one suggested here, which will provide a reasonable procedure by which to determine the applicability of the bill.

2. Provision for Notice and Opportunity for Hearing to Bank Holding Companies on All Applications for Approval of Bank Acquisitions

Proposed amendment: In section 3 (b), on page 7, strike out all of line 2 following the period and all of lines 3–14 and line 15 to the end of the sentence. Insert in place of the material so stricken the following: "If the Comptroller of the Currency or the State supervisory authority so notified by the Board does not request a hearing thereon in writing within said 30 days, the Board may without further notice or proceedings enter an order granting the application. If the Comptroller of the Currency or the State supervisory authority requests a hearing thereon in writing within said 30 days, or if the Board itself is unwilling to grant the application without a hearing even in the absence of such request, it shall forthwith given written notice of that fact to the applicant. If within 10 days after receipt of such notice from the Board the applicant does not either withdraw such application or request in writing a hearing thereon, the Board may enter an order forthwith denying the application. On receipt from the applicant of such request for hearing, however, the Board shall promptly give written notice to the applicant and to the Comptroller of the Currency or State supervisory authority, as the case may be, of the date for commencement of a hearing by it on such application. Such hearing shall be commenced not less than 10 nor more than 30 days after such notice."

Purpose and effect: In its present form, section 3 (b) plainly contemplates that a bank holding company shall initiate the action by filing an application for approval of a proposed acquisition or merger. It further provides that a hearing must be held and decision had on the basis of such hearing in the event that the Comptroller or appropriate State authority files an objection with the Board. The provision is silent, however, with respect to what happens if these authorities fail to object to the proposed acquisition and the Board itself determines for some reason not to grant it. If no hearing is to be had in this instance, there would appear to be no record on which judicial review could be had, thus raising a serious question as to the scope of the judicial review provided for in section 9 of the bill.

The proposed amendment avoids the cumbersome procedure resulting from a mandatory requirement that a hearing be held even if not requested by the parties, but at the same time insures that no application can be denied without affording to the applicant the right to a hearing, and to a decision on evidence advanced at such hearing, with judicial review by a court. Precedent for such treatment can be found in many regulatory statutes. See, e. g., section 309 of the Federal Communications Act with respect to applications for certain radio station licenses (47 U. S. C., sec. 309). Similarly, it is provided that no application can be granted over the objection of the Comptroller or appropriate State regulatory authority without an equal right in such authority to have a hearing if it so requests. In the latter case, the applicant must either agree to the holding of such a hearing or withdraw his application.

The procedural requirements for a hearing, if one is held, are those prescribed by the Administrative Procedure Act, which is specifically made applicable by a new suggested subsection (e) to section 5, discussed below. Accordingly, it appears superfluous to include in section 3 (b) such provisions as those to the effect that the length of the hearing shall be determined by the Board, that the parties shall be afforded a reasonable opportunity to testify, etc.

3. Clarification of Procedure on Exemption of Subsidiaries Closely Related to Banking

Proposed amendment: In section 4 (c) (6), on page 11, lines 7 and 8, strike the words "after due notice and hearing, and on the basis of the record made at such hearing," and in line 13, page 11, immediately after the semicolon, insert the following: "*Provided*, That the Board shall not deny any application for exemption under this subsection except after due notice to the applicant and an opportunity for hearing thereon."

Purpose and effect: The procedural provisions now contained in this subsection are not clear as to whether a notice and hearing are to be had on specific applications for exemption by a holding company, or as to whether the Board is authorized to grant such an exemption without a formal hearing where there is no objection or controversy. The procedural change suggested in this provision is designed to conform the procedure here to that suggested in section 3 (b) above. In other words, it is contemplated that a bank holding company which desires to avail itself of the exemption provided in this subsection shall first apply to the Board for an order granting such exemption. The Board may without hearing or other formal proceedings grant this application if it so determines, but it may not deny it without giving the applicant an opportunity for a hearing (and subsequent judicial review) in accordance with the procedure prescribed for such adjudications by the Administrative Procedure Act. This combines the advantages of informal procedure where no controversy is involved with the safeguards of full hearing and review when a bank holding company is not satisfied with the Board's preliminary determination.

4. Provision Granting Notice and Opportunity for Hearing on Application for Tax Certificates, and Generally Incorporating Provisions of the Administrative Procedure Act

Proposed amendment: On page 13 immediately following line 2, insert the following new subsection (e) to section 5: "(e) An application to the Board for a certification or extension of time provided for in section 10 of this act may be granted without notice, hearing or other formal proceedings. No such application shall be denied by the Board, however, except after due notice to the applicant and an opportunity for hearing thereon. The granting or denial of any such application on which the applicant has requested a hearing, as well as the granting or denial of any application under sections 2, 3, or 4 of this act on which the applicant has requested a hearing, shall be deemed to be an adjudication required by statute to be determined on the record after opportunity for an agency hearing within the meaning of section 5 of the Administrative Procedure Act (5 U. S. C., sec. 1004)."

Purpose and effect: The bill in its present form is seriously deficient in that it contains no provision whatever for the procedure to be followed by a bank holding company in obtaining from the Board of Governors the tax certificates provided for in section 10. Without these certificates, of course, it would be financially disastrous for any company to attempt to spin off or distribute either the companies required to be divested under section 4 (if it remains a bank holding company), or its bank holdings (if it chooses to terminate its bank holding company status). Whether a company is entitled to a certificate will often turn on complex questions of both fact and law, and clearly some procedure for a hearing on these questions should be provided, with the usual judicial review. Section 5 (e) has accordingly been drafted to meet this problem in as simple and practicable a way as possible.

Section 5 (e) contemplates that a bank holding company, or a company which has decided to dispose of its banks and to cease to be a bank holding company, will apply to the Board for the certifications provided for by the tax provisions included in section 10. If the Board is willing to grant the application without formal proceedings, it is authorized to do so, as with other applications. It may not deny an application for a tax certificate, however, without granting the applicant company an opportunity for a hearing, with subsequent judicial review.

The last sentence of this section 5 (e) is also designed to make it clear that the procedure provisions of the Administrative Procedure Act shall apply to all these hearings. As noted above, none of these hearings is to be held unless the applicant in fact requests it, so that these provisions do not in any way limit the Board's power to grant or otherwise dispose of an application without objection in entirely informal proceedings.

5. Provision Granting Subpena Power to Board

Proposed amendment: On page 13, immediately following new subsection (e) to section 5 [suggested above], insert the following new subsections (f) and (g) to section 5:

"(f) For the purpose of any hearing pursuant to the provisions of this act, the Board, or any officer thereof designated by it, is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce relevant books, records, or other papers. In case of failure or refusal to obey a subpena served upon any person pursuant to such authority, the district court for any district in which such person is found or resides or transacts business, upon application by the Board, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce relevant books, records, or other papers, or both, in accordance with the subpena; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"(g) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Board may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memorandums, contracts, agreements, and other records. Such court may issue an order requiring such persons to appear before the Board or member or officer designated by the Board, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found or may be doing business. Any person who willfully shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memorandums, contracts, agreements, or other records, if in his or its power so to do, in obedience to the subpena of the Board, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine or not more than $1,000 or to imprisonment for a term of not more than 1 year, or both."

Purpose and effect: Subsections 5 (f) and (g) are suggested because the General Statutes creating the Federal Reserve Board and giving it powers in other fields such as enforcement of the Clayton Act do not, as is the case with other administrative agencies, grant to the Board general powers to subpena witnesses, compel the production of documents, etc. Thus, subpena power must be specifically granted if it is to be available to the Board or to the parties to proceedings before the Board in the administration of the bank holding company legislation. Unless documents can be required to be produced and witnesses compelled to attend hearings, the hearings may well be abortive. Accordingly, these two subsections are designed to give the Board this necessary power in connection with hearings held under the act. The provisions are modeled upon the corresponding provisions of the Federal Power Act (16 U. S. C. sec. 825f (b) (c)). Comparable powers are given to a number of other agencies, such as the Civil Aeronautics Board and the Federal Communications Commission. The subpena power so granted to the Board may also be availed of by any party to the hearing in accordance with section 6 (c) of the Administrative Procedure Act (5 U. S. C. sec. 1005 (c)).

6. Provision for Extension of Time Pending Final Administrative or Legal Decision on Divestiture Questions

Proposed amendment: On page 9, line 5, at the end of subsection 4 (a), insert a semicolon in place of a period and add the following new clause: "*Provided, however*, That the filing in good faith of an application with the Board under section 2 or 4 of this act, or of an application for certification provided for in section 10 of this act, shall extend this period in any event until 1 year after the date of entry of the Board's final order on such application, or 1 year after the date of entry of the final judgment terminating proceedings resulting from judicial review of such order under section 9 of this act, whichever is later."

Purpose and effect: Section 4 (a) as drafted provides that no extension of time for divestiture shall be granted beyond 5 years from the date of enactment of the act. This same time limitation is incorporated by reference in the tax relief provisions of section 10 of the bill (proposed as sec. 1101 (c) (1) of the Internal Revenue Code) which require a bank holding company, if it is to receive the benefit of any of these tax relief provisions, to obtain a certificate from the Board that it has fully compiled with section 4 of the Bank Holding Company Act within the stated period of time.

Since the time required for administrative or judicial proceedings is necessarily uncertain, it is essential to have a provision which automatically extends this time for a reasonable period after any necessary determinations affecting the obligation to divest have been finally resolved. It is quite possible that at the expiration of the stated period of time, proceedings may still be pending in court on whether or not a certain subsidiary is exempt, for example, as a closely related business under section 4 (c) (6), or whether a company is entitled to a tax certificate with respect to certain proposed divestiture transactions. Until these questions are finally settled, it is, of course, impossible to effect the divestiture and a company should not be exposed to the criminal penalties of the act, or, even more seriously, be denied entirely the benefit of the tax relief provisions, merely because the inevitable delays of litigation or administrative action have made it impossible to meet fixed deadlines. Accordingly, the amendment to section 4 (a) has been suggested to give any company an extension of time to 1 year after the date of entry of a final order or judgment on any issue on which divestiture might turn.

7. Clarifying and Correcting Amendments to Judicial Review Provisions

Proposed amendment: In section 9, page 15, line 23, insert after the word "act", the following: "including any denial of an application for certification under section 10 hereof", and in line 24, change the word "within" to "for." In the same section in line 25, page 15, and line 1, page 16, change "Court of Appeals in the District of Columbia," to "United States Court of Appeals for the District of Columbia Circuit."

Purpose and effect: The wording of the first sentence of the judicial review provisions of the act (section 9) has been revised to make it clear that these provisions are intended to apply to denials by the Board of applications for tax certificates as well as to other orders entered by the Board. Since millions of dollars of tax liability may depend upon receipt of such certificates, this clarification is important.

The other suggestion made is largely to correct obvious clerical errors, such as the proper name of the United States Court of Appeals for the District of Columbia Circuit. There is no such court as the "Court of Appeals in the District of Columbia."

The committee has already adopted another of the suggestions submitted by Transamerica, that a clause be added providing a 60-day time limit within which a petition for review must be filed.

B. Miscellaneous amendments

In addition to the essential procedural amendments proposed above, certain further changes in the bill are necessary if hardships and unwarranted administrative redtape are to be avoided. It is believed that all of these amendments are entirely consistent with the purported purposes and policies of the bill.

1. Provision To Allow Initial Creation of Small Holding Company Without Necessity for Board Approval

Proposed amendment: On page 5, line 19, after the word "act" and before the semicolon insert the following: "*Provided, however*, That a company may take action which results in its becoming a bank holding company without such prior approval, but subject to all other provisions of this act, if such company after taking such action owns, controls, or holds the power to vote shares in banks located only in a single State, and if all such banks in the aggregate then do not account for more than 5 percent of the total deposits of all banks located in such State."

Purpose and effect: Time is usually of the essence in the formation and financing of a new holding company. The necessity under the present bill for prior approval of the Board before any such company can be formed makes its organization almost impossible as a practical matter. Negotiations cannot normally be held in abeyance for the months necessary to process and hold hearings on an application, particularly when favorable action by the Board is necessarily not certain.

Inability to organize a new holding company may have serious long-run competitive effects. In particular, it will mean that a big bank or a big bank holding company presently in a dominating position in a given State or area will be immune from one of the remaining sources of future competition.

As a result, it would appear desirable to add a proviso to section 3 (a) permitting the organization of a new bank holding company without prior approval, but subject to certain limitations. To prevent this provision from being used by the new holding company to achieve a dominant position through the act of organization itself, the privilege should be limited to a company owning banks in a single State and not having banks controlling more than 5 percent of the deposits of all banks in such State. Once a company is formed, any future acquisitions by it would be governed, of course, by the limitations applicable to all bank holding companies under the bill.

Although Transamerica itself would not be affected by this proposed amendment, it has suggested it as a means of lessening the likelihood that the acquisition provisions of the bill will serve to perpetuate banking monopolies. This is of particular importance in those States in which statewide branch banking is not permitted by local law and in which a bank holding company is already well entrenched.

2. Provision Exempting From Requirement of Board Approval Acquisition of Additional Shares of 25-Percent Owned Bank

Proposed amendment: On page 6, line 15, strike out "a majority" and insert in lieu thereof the following: "25 percent or more."

Purpose and effect: The major test of bank holding-company status, as that term is defined in section 2 (a) of the bill, is the ownership or control of 25 percent or more of the voting shares of two or more banks. If ownership to such extent is deemed sufficient control for purposes of subjecting the holding company and its subsidiaries to regulation under the act, it should be sufficient to permit such company to expand its existing ownership by further acquisitions of stock as occasion warrants, without the necessity for undergoing each time the complex application procedures designed to regulate acquisitions of additional banks. The proposed amendment would simply permit a bank holding company to acquire further shares in a bank already defined as a subsidiary without the requirement of Board approval.

3. Provision Exempting From Requirement of Board Approval Additional Shares Acquired as Stock Dividend, Etc.

Proposed amendment: On page 6, line 15, strike out the period after the word "acquisition" and insert in lieu thereof a semicolon followed by the word "or"; insert thereafter the following new subsections: "(C) additional shares acquired by a bank holding company as a stock dividend or through the exercise of rights received with respect to shares previously owned by it as a result of a pro rata distribution of such rights to all owners of such shares, or (D) a change of indirect to direct or direct to indirect ownership of shares already owned, or (E) assets of a bank acquired by a bank holding company upon any liquidation, dissolution, or winding up of such bank, or in connection with any other proceeding involving the distribution, in whole or in part,

of the assets of such bank to its stockholders."

Purpose and effect: The purpose of these amendments is largely self-evident. They are designed to free involuntary acquisitions of various types from the necessity of prior approval. No Board approval would be required for bank shares acquired as stock dividends, through the exercise of stock rights, when transfers take place within the holding company organization, or when the holding company acquires bank assets upon liquidation of a banking subsidiary.

None of the types of approval-free acquisitions authorized by this amendment involves expansion of a company's banking enterprises or a change in its percentage of ownership. The requirement of prior approval by the Federal Reserve Board therefore imposes a needless burden both on the Board and on the holding company. In the case of a rights offering, the inevitable delay involved in obtaining such approval might well extend beyond the expiration of the offer.

CONCLUSION

In proposing the amendments discussed above, Transamerica Corp. does not mean to indicate any change in the position it has heretofore taken, that additional bank holding company legislation such as that embodied in S. 2577 is not needed and should not be enacted. Particularly Transamerica wishes to reiterate its view that prohibitions of or limitations on the ownership of nonbanking interests by bank holding companies are unnecessary, undesirable and contrary to the best interests of sound banking. Transamerica's strong nonbanking assets provide an important source of additional capital for its banks, assuring that they will be able to serve adequately the growing needs of their customers in good times and reinforcing their financial stability in times of crisis. These factors are of particular importance in the rapidly expanding western area where all of Transamerica's banking subsidiaries are located.

If legislation is nevertheless to be enacted, it should as a minimum be as fair, as nondiscriminatory and as administratively workable as possible. Transamerica accordingly urges the adoption of the amendments proposed in this memorandum in a genuine effort to assist this committee in accomplishing this objective.

Respectfully submitted.

F. N. BELGRANO, Jr.,
President, Transamerica Corp.

APPENDIX 1

LIST OF SPECIAL EXEMPTIONS AND EXCLUSIONS—S. 2577

(Bill reference)

Complete or partial exemption for—

1. "One-bank" holding companies, page 1, line 9.

2. A company registered under Investment Company Act prior to May 15, 1955, i. e., Equity Corporation-Morris Plan, page 3, lines 7–9.

3. Testamentary trust, e. g., Florida National (du Pont-Ball) Group, page 3, lines 23–24.

4. Religious organizations, e. g., Mormon Church, page 4, lines 1–4.

5. Charitable organizations, page 4, lines 1–4.

6. Educational institutions and foundations, page 4, lines 1–4.

7. Partnerships, page 4, line 8.

8. Labor unions, e. g., Amalgamated Clothing Workers of America, page 11, lines 14–15.

9. Agricultural organizations, page 1, lines 14–15.

10. Horticultural organizations, page 11, lines 14–15.

ADDITIONAL PROPOSED EXEMPTIONS

11. A bank holding company which is itself a bank, i. e., Trust Company of Georgia, page 10, line 23.

12. An investment company subsidiary of a bank holding company, i. e., First National Bank Trustees of Louisville, page 11, line 4.

APPENDIX 2

SUMMARY OF HOLDINGS OF SAMPLE COMPANIES OWNING ONE BANK

(From Moody's Industrial Manual, 1955)

The following are a few of the large industrial, mining, transportation and mercantile companies known to own a controlling interest in one bank. These companies, as well as others included in the compilation in Senate hearings, pages 59–60, which are named in a confidential list available to the Senate Banking and Currency Committee (hearings, pp. 336–337), would be included as one-bank companies and subject to divestiture of their banking or nonbanking businesses if the "one-bank" amendment is adopted.

1. W. R. Grace & Co. (p. 2789):

(a) Total assets as at December 31, 1954 were $375,693,744.

(b) At December 31, 1954, W. R. Grace & Co. owned 79.30 percent of the capital stock of Grace National Bank, New York City. As at that date this bank had deposits of $125,983,000 (Moody's Bank & Finance Manual, 1955, p. 266).

(c) W. R. Grace & Co.'s nonbanking activities include ownership and operation of some 35 chemical plants located throughout the United States and in several foreign countries; subsidiary Grace Line, Inc., operating an extensive fleet of steamships; Pan-American Grace Airways, Inc., a large international airline jointly owned by W. R. Grace & Co. and Pan-American World Airways, Inc.; and Grace Chemical Co., which owns a $20 million fertilizer and industrial chemical plant at Woodstock, Tenn. W. R. Grace & Co. also owns an advertising subsidiary, extensive foreign agricultural, mining and manufacturing subsidiaries, and other miscellaneous business enterprises.

2. Deere & Co. (p. 292):

(a) Total assets as at December 31, 1954 were $430,378,654.

(b) At December 31, 1954 Deere & Co. owned 94.5 percent of the capital stock of Moline National Bank, Moline, Ill. As at that date this bank had deposits of $36,990,000 (Moody's Bank & Finance Manual, 1955, p. 137).

(c) Deere & Co. owns and operates directly and through subsidiaries 13 principal plants in the United States and Canada which manufacture a full line of agricultural machinery, implements, and chemicals.

3. Corn Products Refining Co. (p. 2437):

(a) Total assets at December 31, 1954, were $181,781,031.

(b) At December 31, 1954, Corn Products Refining Co. owned 92 percent of the capital stock of Argo State Bank, Argo, Ill. As at that date this bank had deposits of $8,394,104 (Moody's Bank & Finance Manual, 1955, p. 1,176).

(c) Corn Products Refining Co. is the leading factor in domestic and world markets in the refining of corn products. It operates plants in a number of States as well as in Europe, South America, Canada, and Mexico.

4. Peabody Coal Co. (p. 164):

(a) Total assets as at December 31, 1954, were $44,426,969.

(b) At December 31, 1954, Peabody Coal Co. owned 59.78 percent of the capital stock of First Trust & Savings Bank of Taylorville, Ill. As at that date this bank had deposits of $12,171,000 (Moody's Bank & Finance Manual, 1955, p. 352).

(c) Peabody Coal Co. is primarily in the business of mining, jobbing, and selling bituminous coal. Through subsidiaries it also engages in the retail coal business.

5. Gimbel Bros., Inc. (p. 2748):

(a) Total assets as at December 31, 1954, were $161,094,112.

(b) At December 31, 1954, Gimbel Bros., Inc., owned 98.8 percent of Gimbel Bros. Bank & Trust Co., Philadelphia, Pa. As at that date this bank had deposits of $14,992,000 (Moody's Bank & Finance Manual, 1955, p. 452).

(c) Gimbel Bros., Inc., is in the business of owning and operating department stores under the names of "Gimbel's" or "Saks." It has large stores in New York, Chicago, Philadelphia, Milwaukee, Pittsburgh, and other cities.

APPENDIX 3

[From the American Banker of January 31, 1956]

FLORIDA NATIONAL GROUP OF BANKS

Florida National Bank of Jacksonville, Florida National Bank & Trust Co. at Miami, Florida National Bank at St. Petersburg, Florida National Bank at Orlando, Florida National Bank at Pensacola, Florida National Bank & Trust Co. at West Palm Beach, Florida National Bank at Coral Gables, Florida Bank & Trust Co. at Daytona Beach, Florida National Bank at Lakeland, Florida National Bank at Key West, Florida National Bank at Bartow, Florida National Bank at Gainesville, Florida National Bank at Ocala, Florida National Bank at Fernandina Beach, Florida Bank at Fort Pierce, Florida National Bank at Perry, Florida Bank at Deland, Florida Bank at Starke, Florida National Bank at Belle Glade, Florida Bank at Madison, Florida Bank at Port St. Joe, Florida Bank at Chipley, Florida National Bank at Arlington (Jacksonville), Florida Bank at Bushnell.

Combined statement of condition, Dec. 31, 1955

RESOURCES	
Loans and discounts	$142, 595, 834. 45
Banking houses, furniture, and fixtures (including office buildings)	5, 568, 748. 86
Other real estate owned	54, 897. 13
Prepaid expenses	70, 024. 06
Other resources	12, 675. 56
Customers liability A/C letters of credit	219, 215. 60
Accrued interest and income receivable	1, 532, 362. 98
U. S. Government securities	207, 081, 379. 42
Florida county and municipal bonds	21, 725, 232. 87
Federal Reserve bank stock	906, 150. 00
Other securities	652, 501. 10
Cash on hand and due from banks	174, 750, 941. 34
Total	406, 648, 567. 71
Total	555, 169, 963. 37
LIABILITIES	
Capital stock	$13, 000, 000. 00
Surplus	20, 005, 000. 00
Undivided profits	1, 885, 953. 53
Total	34, 890, 953. 53
Reserve for contingencies	7, 013, 716. 78
Reserve for taxes, interest, etc	2, 876, 348. 22
Interest and income collected, not earned	1, 856, 488. 07
Bills payable	200, 000. 00
Letters of credit	393, 336. 60
Other liabilities	18, 122. 78
Deposits	507, 920, 997. 39
Total	555, 169, 963. 37

NONBANK HOLDINGS OF ALFRED I. DU PONT TESTAMENTARY TRUST

Comprehensive information as to the extent of the nonbank holdings of the Alfred I. du Pont Testamentary Trust, frequently referred to as the Ball-Du Pont interests, is not readily available. According to information which has been published in Interstate Commerce Commission reports and elsewhere, this trust owns a controlling interest in a number of very substantial nonbank enterprises, in addition to the banks included in the Florida National Group described in the aforegoing advertisement. (Senate hearings, p. 73.) Among the more important of these nonbank enterprises are:

St. Joe Paper Co., with extensive facilities at Port St. Joe, Fla., as well as plants in Houston, Tex., and Hackensack, N. J. (252 I. C. C. 151, 152; Fortune magazine, Nov. 1952, pp. 143, 150–55).

Apalachicola Northern R. R., extending some 96 miles from Chattahoochee, Fla., to Port St. Joe, Fla., 100 percent owned by St. Joe Paper Co. (Moody's Transportation Manual, 1955, p. 366).

In addition to the foregoing, St. Joe Paper Co. or its subsidiary or affiliated companies have been reported to own a majority of the bonds of the Florida East Coast Railway, now in the hands of receivers (282 I. C. C. 84), a telephone company and most of the real estate in the town of Port St. Joe, and some 750,000 acres of west Florida timberland (Fortune magazine, Nov. 1952, pp. 143, 155, 162). See also Mr. Ball of Florida in Investor's Reader, March 22, 1954, pages 17–20.

APPENDIX 4

SUMMARY OF CERTAIN REPORTED HOLDINGS OF MORMON CHURCH

While no published information is available, it is understood that the Church of Jesus Christ of Latter-day Saints—the Mormon Church—directly or indirectly owns substantial and in many instances controlling interests in a number of banks and nonbanking businesses. It is believed that the following are included among these holdings:

BANKS

Utah Savings & Trust Co.
Zion's Savings Bank & Trust Co.
First National Bank, Salt Lake City.

NONBANK COMPANIES

Beneficial Life Insurance Co. (100 percent owned by Mormon Church, see Moody's Bank and Finance Manual, 1955).
Utah Home Fire Insurance Co.
Deseret News Publishing Co.
Radio and Television Station KSL.
Utah Idaho Sugar Co.
Hotel Utah.
Temple Square Hotel.
Zion's Securities Corp.
Z. C. M. I. Department Store.

APPENDIX 5

SUMMARY OF PRINCIPAL HOLDINGS OF TRUST COMPANY OF GEORGIA AND OF FIRST NATIONAL BANK TRUSTEES OF LOUISVILLE

(a) Trust Company of Georgia is a bank which by local law is permitted to be also a bank holding company. In all respects, it meets the definition of bank holding company provided in section 2 (a) of S. 2577. It owns the entire capital stock of Trust Company of Georgia Associates (also a bank holding company under the bill) and of the Coca-Cola Bottling Company of Lincoln, Nebr. In addition, it directly owns 5,500 shares of Coca-Cola International Corp. (Senate hearing, Feb. 8, 1956, typed transcript, 911, 912, 934.)

The Trust Company of Georgia Associates, its wholly owned subsidiary, in turn owns a controlling interest in six national banks and all of the capital stock of Trusco Finance Co., which makes loans on automobiles, household appliances, farm equipment, etc. An additional 4,968 shares of Coca-Cola International Corp. are directly owned by the Trust Company of Georgia Associates. (Senate hearing, Feb. 8, 1956, typed transcript, p. 913.)

Representatives of this company have formally proposed that the bill be amended by the addition of the following language to section 4 (c) (4) of the bill (p. 10, line 23) (Senate hearing, Feb. 8, 1956, typed transcript, p. 909): "or to shares lawfully acquired and owned prior to the date of enactment of this act by a bank which is a bank holding company, or by any of its wholly owned subsidiaries."

The effect of this additional language, which is already contained in the House bill, is to relieve the Trust Company of Georgia and each of its subsidiaries of all divestiture obligations under the bill.

(b) First National Bank Trustees of Louisville is a widely held business trust owning the entire capital stock (directors qualifying shares excepted) of four separate corporations. Its wholly owned subsidiaries include the First National Bank of Louisville, a large commercial bank with deposits of $166 million, the Kentucky Trust Co., the First Kentucky Co., an investment company with extensive diversified holdings, and the First Kentucky Fire Insurance Co. (Senate hearings, pp. 201–202.)

Representatives of the First National Bank Trustees of Louisville proposed on February 8, 1956, an amendment to section 4 (c) (5) of the bill (p. 11, line 4) which would render the divestiture provisions inapplicable (Senate hearing, typed transcript, p. 919): "to obligations of an investment company which is not a bank holding company, which is not engaged in any business other than investing in securities, and which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company."

The effect of this amendment, which would conform S. 2577 to the provisions of section 6 (c) (6) of H. R. 6227, would be to exempt the First National Bank Trustees of Louisville from divestiture of their investment company.

Mr. MORSE. Mr. President, I wish to say also that Mr. Belgrano has received some unfair kicking around in the course of the many months the bill has been under consideration. As I said earlier this afternoon, I do not agree with him that there should be no bank holding legislation passed, and he knows it. Nevertheless, I do not know of a witness who has appeared before any committee since I have been in the Senate who has been more frank and fair and objective with the committee than he has been, or who has laid his cards on the table and backed up his statement with documentation as has Mr. Belgrano. In fairness to him I have asked that his full statement appear in the CONGRESSIONAL RECORD. I will stand on my own arguments so far as the particular procedural amendments that I have selected for offering by way of additions to the bill are concerned.

I close by saying again what I said so many times in the 11 years of my service in the Senate, that no legislation is any better than the procedure that we enact into that legislation. The bill, in my judgment, in its present form does not contain the procedural safeguards that I believe the bank holding companies are entitled to have. They are certainly entitled to a hearing of record before the Federal Reserve Board if they are to have an appeal from a rejection by the Federal Reserve Board. How can an appeal be passed upon if no record is made which can be taken to the upper court?

What my amendment does, in effect, is to assure, not Transamerica alone, but every bank holding company that may be subject to the terms of the act, the right to have a record made before the Federal Reserve Board, on the basis of which an appeal can be brought.

I submit the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. CASE of South Dakota. Is it not true that the Senator's amendment would make it possible for any bank which would normally come under the provisions of the act to exempt itself from the act by a mere filing of an application?

Mr. MORSE. No. An appeal could be taken from the action of the Federal Reserve Board either by the Government or by the bank. Of course the act would not go into final effect until the courts had passed upon any appeal taken by a company under the act.

Mr. CASE of South Dakota. As I read the amendment, the only thing that a bank would have to do to exempt itself under the operation of the act would be to file an application, and that would serve as an exemption until the application was acted on.

Mr. MORSE. Of course, an order would not be applied until the appeal had been gone through. That is basic to just procedure.

Mr. CASE of South Dakota. That would be the reverse of normal procedure. Normally, under the Wage and Hour Act, for example, a person is under the act until he is exempted. The Senator's amendment would suspend the application of the act until the application was acted on.

Mr. MORSE. Let me point out to the Senator what the effect of the appeal procedure would be. We are dealing with vested property rights. We are dealing with property rights, which in my opinion certainly ought not to be taken away without due process of law. We are dealing with the right, in this instance, of a corporation, which is a person under the law, to its right to appeal. Certainly I hope we have not reached a point in American jurisprudence where a person must get rid of his property before he can have the right of appeal. Of course, it means a stay of proceedings until the appeal procedure has been exhausted. That is very basic to a fair trial in America. It does not do any good to hang a man, and then give him a chance to appeal after he is dead.

Mr. ROBERTSON. Mr. President, I shall not delay the Senate, except that I wish to say that the Senator from South Dakota is absolutely right. Mr. Belgrano said that the filing of a good-faith statement would exempt an applicant and would permit him to go through the procedure of an appeal, which in some cases could take as long as 3 or 4 years.

Mr. Belgrano testified before our committee for 258 pages. He never mentioned the amendments to anyone else, and he never mentioned them on the House side, and he never mentioned

them last year, or when he offered additional amendments last December. It was only in February that he came forward with these so-called procedural amendments. At that time I criticized them as a delaying tactic and in the nature of an attempt to throw dust in the eyes. That is all the amendments are. No other bank holding company has endorsed them. This is a Belgrano proposal, pure and simple.

The committee did not vote on the amendments. I am sure if it had voted on them, there would have been an overwhelming vote against them. I note that the distinguished majority leader is asking us to vote. If he will vote "no," I will say "Let us vote."

Mr. MORSE. Mr. President, I have two very brief comments to make. I was very cooperative in committee with regard to letting the amendments come to the floor of the Senate. We were having a great deal of difficulty in getting a committee quorum in those days. We finally did get a quorum. The committee did not want to wait until the next day to consider the amendments, and I said, "Very well, I will take the amendments to the floor of the Senate." I want to say to my good friend from Virginia that he is quite wrong if he believes that I stood alone without any support in the committee for these amendments. I do not know what the vote would have been, but in the committee several Senators assured me they would vote with me on some of them, particularly on this one. It is shocking to me, as a lawyer, to hear anyone take the position in the Senate that, when we are dealing with economic interests which will have to be divested in connection with the bill, we should adopt a procedure that would require a bank holding company to divest itself first before an appeal can be taken.

This is a complete reversal of my conception of justice by way of fair appeal procedure in this country. We are dealing with millions of dollars of property rights. It would not take very long to go through the appeal procedure. The Senator from Virginia suggested 3 or 4 years. In my judgment, even if it took 4 years—and I do not believe it will take anywhere near that time—but even if it took that long, I say we had better cling very fast to the proposition in this country that American citizens, even though they be only legal persons in the form of a corporation, will have their day in court by way of fair appeal procedure.

SEVERAL SENATORS. Vote! Vote!

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Virginia yield for a question?

Mr. ROBERTSON. I yield.

Mr. MARTIN of Pennsylvania. Mr. President, a number of loan and investment companies in my State, which are concerned about the application of the provisions of S. 2577 to their business, have addressed inquiries to me.

Am I correct in understanding that S. 2577 will apply only to commercial banks in the strict sense of the word, and that there is no intention of bringing under the bill loan companies and companies sometimes known as industrial banks, whose prime function is making loans?

Mr. ROBERTSON. The Senator is absolutely correct in saying it is the intention of the commitee in reporting the bill to apply it to commercial banks only.

Mr. MARTIN of Pennsylvania. In defining the word "bank" in S. 2577, is it the intention to include loan and investment companies, which are called in some States, industrial banks? These institutions are basically lending institutions and may in some instances sell certificates as collateral for loans.

Mr. ROBERTSON. The Senator from Virginia could not pass judgment on a hypothetical case. The test is whether it is a commerical bank or is not. I would assume from what the Senator has said that they would not be called commercial banks from their name. But that is a matter to be determined by the Federal Reserve Board. From the information we received in committee I do not know of any situation in Pennsylvania which has not been already covered. After all, we cannot tell by a name exactly what business is being conducted, and it is a question of whether it is a commercial bank or is not.

Mr. MARTIN of Pensylvania. I thank the Senator from Virginia.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE].

The amendment was rejected.

Mr. MORSE. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The LEGISLATIVE CLERK. On page 7, line 2, beginning with the word "If," it is proposed to strike out down through the word "hearing" in line 15 and insert in lieu thereof the following:

> If the Comptroller of the Currency or State supervisory authority so notified by the Board does not request a hearing thereon in writing within said 30 days, the Board may, without further notice or proceedings, enter an order granting the application. If the Comptroller of the Currency or the State supervisory authority requests a hearing thereon in writing within 30 days, or if the Board itself is unwilling to grant the application without a hearing, even in the absence of such request, it shall forthwith give written notice of that fact to the applicant. If within 10 days after receipt of such notice from the Board the applicant does not either withdraw such application or request in writing for hearing thereon, the Board may enter an order forthwith denying the application. On receipt from the applicant of such request for hearing, however, the Board shall promptly give written notice to the applicant and to the Comptroller of the Currency or State supervisory authority, as the case may be, of the date for commencement of the hearing by it on such application. Such hearing shall be commenced not less than 10 nor more than 30 days after said notice.

Mr. MORSE. Mr. President, the bill as reported contains a number of serious procedural deficiencies. The most serious of these—which this amendment is designed to correct—is not just an omission; it is a genuine conflict between two different provisions of the bill which can only result in litigation and delay.

This defect is found in the provisions of section 3 (b) dealing with the procedure to be followed by the board of governors in granting or denying applications for approval of bank acquisitions. As this provision is now drawn, the Board must give notice of any such application to the appropriate State supervisory authority or to the Comptroller of the Currency, as the case may be. A formal hearing on the application is required to be held if the Comptroller or the State authority files an objection to the application. If no such objection is filed, however, the Board may deny the application for any reason or no reason, without holding any hearing whatever.

There is no reason to limit the formal hearing to instances when the Comptroller of the Currency or a State supervisory authority objects to an application. If an opportunity for hearing is to be provided at all, it should be made available to an applicant in all instances. There is no justification whatever for allowing the Board to deny an application out of hand without any hearing whatever, if it chooses to do so, merely because it has received no formal objection to the acquisition from some other regulatory authority.

Under section 9 of the bill, judicial review by an appellate court is expressly given to "any party aggrieved by an order of the Board under this act." On such review, the Board is required to file with the court the certified transcript of the record made before the Board. If there has been no hearing, no evidence, and no record of proceedings before the Board, what would there be for the appellate court to review? Unless provision is made for a hearing in instances where the Board on its own initiative and without objection by the Comptroller or the State supervisory authority determines that an application should be denied, it will at least be necessary to adopt the provisions of the House bill which grant a completely new hearing to an aggrieved party in the Federal court.

The proposed amendment is designed to remedy this defect. It avoids the cumbersome procedure resulting from a mandatory requirement that a hearing be held even if not requested by the parties, but at the same time insures that no application can be denied without affording to the applicant the right to a hearing, and to a decision on evidence advanced at such hearing, wtih judicial review by a court. Precedent for such treatment can be found in many regulatory statutes. See section 309 of the Federal Communications Act with respect to applications for certain radio station licenses—title 47, United States Code, section 309. Similarly, it is provided that no application can be granted over the objection of the Comptroller or appropriate State regulatory authority without an equal right in such authority to have a hearing if it so requests. In the latter case, the applicant must either agree to the holding of such a hearing or withdraw his application.

This amendment would also eliminate those provisions of section 3 (b) pertaining to the length of the hearing, the opportunity to testify, and so forth. Other amendments to be offered render them superfluous.

Mr. President, we have a problem in conference with the House on the basis of the language, so far as the procedure is concerned. I wish to say that it would be good judgment to take this amendment to conference and there iron out any differences which ought to be ironed out.

I submit the amendment.

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the Record at this point a brief explanation of why the Federal Reserve Board is opposed to this and the other amendments.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Senator Robertson's Statement on Morse Procedural Amendments

I assume the procedural amendments proposed by the Senator from Oregon [Mr. Morse] are similar to those proposed by the Transamerica Corporation in testimony before our committee. It is perhaps needless to say that the committee considered these amendments fully and rejected them. The committee believes that the procedure established in the bill as a fair and reasonable one which will protect all parties concerned. We felt that the real purpose of these procedural amendments was to delay action on the enforcement of this bill and drag the disputes to the courts for many years to come.

Many of these suggested procedural amendments appear to have as their objective the necessity for more formalized proceedings in connection with actions by the Federal Reserve Board under the bill. The bill already contains two provisions requiring the holding of formal hearings by the Board. First, if the appropriate State supervisory authority or the Comptroller of the Currency, as the case may be, should express its disapproval of any applications submitted to the Board by a bank holding company with respect to the acquisition of a bank, the Board would be required to hold a formal hearing. In the second place, S. 2577 provides for the holding of a formal hearing in order to determine whether any company is of a financial, fiduciary, or insurance nature and so closely related to banking as to be exempted from the divestment requirements in the bill. These two provisions guarantee a hearing in those cases where they are really necessary. We did not provide for hearings just for the sake of having the hearings but only where it was necessary to insure fairness in the application of this bill.

It must be remembered that for nearly 100 years Federal bank supervisory agencies have acted upon applications for charters and branches of banks without formal hearings. This practice has worked satisfactory not only for the banking agencies but for all parties affected.

Under my bill the parties in any event would be afforded an opportunity to submit with their applications whatever written briefs or arguments they might desire. They would also be afforded, if desired, an opportunity to discussion of the matter with the Federal Reserve Board and its staff. In any case in which the Board might deny an application, the reason for the denial would be stated by the Board. In fact, this would be required by the provisions of the Administrative Procedures Act.

I believe I may best conclude by quoting from the statement submitted by the Federal Reserve Board on this question. The Board said: "It is believed that the proposed extension of the provisions of the bill with respect to formal hearings would inevitably impede and hamper administration of the law. Furthermore, such additional provisions are unnecessary for the adequate protection of the rights of bank holding companies under the bill."

I believe that the members of this body should follow the position taken by the Federal Reserve Board, the American Bankers Association, and the Independent Bankers Association and reject the Morse amendments.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was rejected.

Mr. MORSE. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The Legislative Clerk. On page 11, lines 7 and 8, it is proposed to strike out the words "after due notice and hearing, and on the basis of the record made at such hearing."

On page 11, line 13, immediately after the semicolon, it is proposed to insert the following: "*Provided*, That the Board shall not deny any application for exemption under this subsection except after due notice to the applicant and an opportunity for hearing thereon."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. MORSE. Mr. President, I speak with great confidence in the belief that students of this problem will come to approve the procedural position which I am taking tonight on this matter. If the matter should be submitted to any administrative law classroom in any first-class law school in America it would be found that on the basis of the authorities, this is the kind of procedure which the Senate of the United States should be fighting for. But we are confronted with a situation where minds are made up and Senators are determined to send the bill to conference without any amendments attached to it. Someone has to make a record for fair procedure, and I am proud to make that record. I speak with a very heavy heart, however, because I think it is regrettable that we should take the position that one agency, the Federal Reserve Board, which does not want to trust itself to have the kind of hearings for which I am asking, has objections to any change in their bewhiskered procedure.

Mr. President, section 4 (c) (6) of the bill exempts from the divestiture requirement companies "of a financial, fiduciary, or insurance nature" which the Board after hearing has determined to be so closely related to banking as to justify their exemption. The procedural provisions contained in this subsection, however, are not clear as to whether a notice and hearing are to be had on specific applications for exemption by a holding company, or as to whether the Board is authorized to grant such an exemption without a formal hearing where there is no objection or controversy. The proposed amendment would conform the procedure applicable here to that suggested for applications for approval of bank stock acquisitions.

Under the proposed amendment, a bank holding company seeking to obtain an exemption for companies "of a financial, fiduciary, and insurance nature" would apply to the Board for an order granting such exemption. The Board may grant this application without formal proceedings, but it may not deny it without giving the applicant an opportunity for a hearing and the establishment of a record for subsequent judicial review. This combines the advantages of informal procedure where no controversy is involved with full procedural safeguards to the applicant when the applicant is dissatisfied with the Board's preliminary determination.

I submit the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse].

The amendment was rejected.

Mr. MORSE. Mr. President, I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The Legislative Clerk. On page 13, between lines 2 and 3, it is proposed to insert the following new subsection:

> (e) An application to the Board for a certification or extension of time provided for in section 10 of this act may be granted without notice, hearing or other formal proceedings. No such application shall be denied by the Board, however, except after due notice to the applicant and an opportunity for hearing thereon. The granting or denial of any such application on which the applicant has requested a hearing, as well as the granting or denial of any application under sections 2, 3, or 4 of this act on which the applicant has requested a hearing, shall be deemed to be an adjudication required by statute to be determined on the record after opportunity for an agency hearing within the meaning of section 5 of the Administrative Procedure Act (5 U. S. C., sec. 1004).

Mr. MORSE. Mr. President, I shall discuss this amendment under the heading "Amendment to provide for the granting of notice and opportunity for hearing on applications for tax certificates and generally incorporating provisions of the Administration Procedure Act."

Under the bill, a bank holding company which has nonbank interests as well may choose either to remain a bank holding company and to divest itself of its prohibited nonbank properties or to terminate its bank holding company status by divesting itself of its bank holdings. In either case, the tax relief provided in section 10 of the bill for such distributions or spinoffs is dependent upon the holding company obtaining from the Board a certificate that it has fully complied with the divestiture requirements of the act within the stated period of time.

Whether a company is entitled to a certificate will often turn on complex questions of both fact and law, and clearly some procedure for a hearing on these questions should be provided, with the usual provision for judicial review. Nevertheless, the bill in its present form is seriously deficient in that it contains

no provision whatever for the procedure to be followed by a bank holding company in obtaining from the Board the tax certificates provided for in section 10.

The proposed amendment contemplates that a bank holding company, or a company which has decided to dispose of its banks and to cease to be a bank holding company, will apply to the Board for the certifications provided for by the tax provisions included in section 10. If the Board is willing to grant the application without formal proceedings, it is authorized to do so, as with other applications. It may not deny an application for a tax certificate, however, without granting the applicant company an opportunity for a hearing, with subsequent judicial review.

The last sentence of the new section 5 (e) proposed by this amendment is also designed to make it clear that the procedure provisions of the Administrative Procedure Act shall apply to all these hearings. None of these hearings is to be held unless the applicant in fact requests it, so that these provisions do not in any way limit the Board's power to grant or otherwise dispose of an application without objection in entirely informal proceedings.

I submit the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse].

The amendment was rejected.

Mr. MORSE. Mr. President, I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The Legislative Clerk. On page 13, between lines 2 and 3, it is proposed to insert the following new subsections (f) and (g):

> (f) For the purpose of any hearing pursuant to the provisions of this act, the Board, or any officer thereof designated by it, is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce relevant books, records, or other papers. In case of failure or refusal to obey a subpena served upon any person pursuant to such authority, the district court for any district in which such person is found or resides or transacts business, upon application by the Board, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce relevant books, records, or other papers, or both, in accordance with the subpena; and any failure to obey such order of the court may be punished by such court as a contempt thereof.
>
> (g) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Board may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, contracts, agreements, and other records. Such court may issue an order requiring such person to appear before the Board or member or officer designated by the Board, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found or may be doing business. Any person who willfully shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records, if in his or its power so to do, in obedience to the subpena of the Board, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than 1 year, or both.

Mr. MORSE. Mr. President, the purpose of the amendment is to grant subpena power to the Board.

A major defect of the bill is its failure to give the Federal Reserve Board any power to compel the production of documents or the appearance of witnesses. The Board has no such power at the present time. The general statutes creating the Federal Reserve Board and giving it powers in other fields such as enforcement of the Clayton Act do not, as is the case with other administrative agencies, grant to the Board general powers to subpena witnesses, compel the production of documents, and so forth. Accordingly, anyone requested by the Board or a bank holding company to appear who does not desire to produce documents or to give testimony at a hearing held by the Board under this bill need not do so.

No genuine hearing could be held without this power, which is given by law to almost every other Federal agency exercising regulatory functions comparable to those assigned to the Board by this bill. Unless documents can be required to be produced and witnesses compelled to attend hearings, the hearings may well be abortive.

The amendment proposed is designed to give the Board this necessary power in connection with hearings held under the act. The provisions are modeled upon corresponding provisions of the Federal Power Act (16 U. S. C. 825 (b)-(c)).

I submit the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse].

The amendment was rejected.

Mr. MORSE. Mr. President, I offer an amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The Legislative Clerk. On page 9, line 5, it is proposed to strike out the period and insert in lieu thereof a semicolon and immediately thereafter insert the following: "*Provided, however,* That the filing in good faith of an application with the Board under sections 2 or 4 of this act, or of an application for certification provided for in section 10 of this act, shall extend this period in any event until 1 year after the date of entry of the Board's final order on such application, or 1 year after the date of entry of the final judgment terminating proceedings resulting from judicial review of such order under section 9 of this act, whichever is later."

Mr. MORSE. Mr. President, I shall discuss this amendment under the heading "Amendment to provide for extension of time pending final administrative or legal decision on divestiture questions."

The divestiture provisions of the bill require that all prohibited property be divested within a period of 5 years. No extensions of time for divestiture may be granted by the Board beyond 5 years from the date of enactment of the act. In like fashion, the tax relief provided in section 10 of the bill is available only if the Board certifies that the company has fully complied with the divestiture requirements of the act within the 5-year period.

This absolute prohibition on retention of prohibited property beyond the 5-year period presents serious difficulties. It is quite possible that at the expiration of the stated period of time proceedings may still be pending in court on whether or not a certain subsidiary is exempt, for example, as a closely related business under section 4 (c) (6), or whether a company is entitled to a tax certificate with respect to certain proposed divestiture transactions. Until these questions are finally settled, it is, of course, impossible to effect the divestiture, and a company should not be exposed to the criminal penalties of the act, or, even more seriously, be denied entirely the benefit of the tax-relief provisions, merely because the inevitable delays of litigation or administrative action have made it impossible to meet fixed deadlines.

The proposed amendment gives recognition to the fact that the time required for administrative or judicial proceedings is necessarily uncertain. The amendment would provide for an automatic extension of the time within which divestiture must be effected until 1 year after the date of entry of a final order or judgment, in all cases where the issue of required divestiture is being tested in formal administrative or judicial proceedings.

We are dealing with millions of dollars worth of property belonging to fellow Americans. Certainly they ought to have time, after the court has handed down a final decree, to dispose of their property without great economic loss and sacrifice.

The amendment proposes a 1-year extension after the final order of the court, if the 5-year period as provided within the bill does not comply with the time limitation in the final court order.

I submit the amendment.

The PRESIDING OFFICER (Mr. Thye in the chair.) The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated by the clerk.

The Legislative Clerk. On page 15, line 23, after the word "act", it is proposed to add a comma, and immediately thereafter the following: "including any denial of an application for certification under section 10 hereof."

On page 15, line 24, it is proposed to strike out the word "within" and insert in lieu thereof the word "for."

On page 15, line 25, beginning with the word "Court", it is proposed to strike out through the word "Columbia" on page 16, line 1, and insert in lieu thereof the following: "United States Court of Appeals for the District of Columbia Circuit."

AMENDMENT TO CLARIFY AND CORRECT JUDICIAL REVIEW PROVISIONS

Mr. MORSE. Mr. President, I shall discuss this amendment under the heading "Amendment To Clarify and Correct Judicial Review Provisions."

This amendment would revise the language of the judicial review provisions of the act (section 9) to make it clear that a denial by the board of an application for a tax certificate is an action subject to judicial review in the same manner as other orders entered by the board. It would also designate the United States Court of Appeals for the District of Columbia Circuit by its proper name. There is no such court as the "Court of Appeals in the District of Columbia."

Since millions of dollars of tax liability may depend upon a granting of the certificate by the board, it is essential that judicial review be equally available to determinations of this nature.

Mr. President, I submit the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. MORSE. Mr. President, I may say I have completed submitting the procedural amendments. They were procedural amendments which I thought, on the representations of Mr. Belgrano, in his testimony before our committee, and in my very careful study of his objections to the procedure of the bill, were sound amendments.

Let the Record show I have tried this afternoon to do two things. I have tried to offer amendments which seek to send to conference a true bank holding company bill, not a hybrid which we are sending, which is not a bank holding company bill at all. It is primarily an anti-Transamerica bill. I think Transamerica, along with other bank holding companies in this country, ought to be brought under divestiture legislation. I have said so many times. Therefore, the position I have taken is not going to please any group in financial circles in America, including the American Bankers Association or Transamerica.

But I am proud of the record I have made this afternoon, because I have made a record to accomplish two things: Namely, to keep faith with what the Federal Reserve Board said was the definition of a bank holding company which ought to be included in any legislation—namely, one bank or more. I have tried to protect the public interest in supporting legislation that would subject, in a nondiscriminatory fashion, all bank holding companies to fair regulation.

If it is true, as a matter of public policy, that bank holding companies ought to be checked in their having subsidiaries in addition to their banking operations, that is equally as applicable to the depositors of a bank holding company of one bank as it is applicable to the depositors of a bank holding company of two or more banks.

Lastly, I have sought to offer procedural amendments in keeping with sound legal procedure in this country.

I am willing to let time and future events be the judges of the course I have taken. I forewarn the Senate the time is coming when we shall have to propose additional legislation which will seek to carry out the proposals made by the Senator from Oregon this afternoon but which were steam rolled to defeat not because many of my colleagues disagree with me but because of the politics of the situation.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, as we approach a vote on the final passage of the bank holding bill, which I hope and believe will be favorably voted on, I do not want to let the occasion pass without paying tribute to the chairman of the subcommittee, the eminent junior Senator from Virginia [Mr. Robertson], who has guided the bill through committee and through the discussion on the floor.

The junior Senator from Virginia has displayed great patience, great ability, and great devotion to duty, and I wish to congratulate him on what will be, I hope, a successful termination of 18 years of work. In this, the Senator from Virginia continues to operate in the tradition of his eminent predecessor, Carter Glass.

Mr. ROBERTSON. The Senator from Virginia gratefully appreciates the kind words of the Senator from Illinois. We all know it is a physical impossibility to frame a bank holding company bill which will please everyone. We at least have two satisfactions tonight. One is that we are closer to a bank holding company law than we have been in the past 18 years.

Secondly, wet have now framed a bank holding company bill that is pleasing an acceptable to all the independent bankers. They were the ones who for 18 years were asking Congress to enact legislation on this subject. So I hope there will not be a single vote against the bill.

Mr. MORSE. Mr. President, I should like to take a half minute to pay my compliments to the Senator from Virginia. I have opposed him on a great many features of the bill, and still oppose him on a great many features of the bill. Nevertheless, I have a high respect for the work he has done in behalf of a bill which he thinks is the best bill we have any chance of passing. Nevertheless, I want him to know I have a very deep appreciation for the many courtesies which he has extended to me over the months, as we have held different views on particular sections of the bill. I congratulate him on the great victory that is his tonight.

Mr. CAPEHART. Mr. President, I merely wish to say that I have always thought bank holding companies should be within the same jurisdiction and subject to the same provisions applying to banks. I still am of that opinion. But in my 11½ years in the Senate, this is the worst piece of class legislation I have seen passed. I look on it as class legislation. I believe we have been very, very unfair to many people, and that is unfortunate. I think we could have made a good piece of legislation out of the bill, and have protected the independent bankers, which I want to see done. We could have been fair. Instead of that, we have played favorites. We have exempted some companies from the terms of the bill. We have placed others under the terms of the bill. We have said that a bank holding company is one which has two banks or more, when we know a bank holding company should be limited to one bank.

I wish to go on record as repeating that this is the worst piece of legislation I have seen passed in the 11½ years I have been in Congress.

Mr. President, I ask unanimous consent to have printed in the Record a statement I have prepared with respect to a situation in Florida, and also a summary of exclusions and exemptions in Senate bill 2577, showing the justification for a "freeze" amendment.

There being no objection, the statement and summary were ordered to be printed in the Record, as follows:

Statement by Senator Capehart

At the hearing on February 24, 1956, before the Senate Banking and Currency Committee, there was discussion with reference to the fact that the Du Pont trust estate in Florida, owning banks and nonbanking enterprises, was excluded from provisions of S. 2577. In that connection, Senator Robertson took issue with the contention made that the Du Pont testamentary trust should not be excluded. In that regard, he stated that the Du Pont trust was quite different from Transamerica's type of operation; that "there is a lot of difference between those who are working for Mr. Belgrano and his stockholders, and those who are working for crippled children or other charities," and that the "Du Pont trust (1) is working for the trust dollar, (2) it has never mingled its assets of a nonbanking character with its nonbanking assets, and (3) it has never gotten any upstream, downstream, or parallel loans from its banks."

It appears that Senator Robertson was quite unrestrained in attempting to make a record based on his opinions without any supporting facts in the record.

Since the hearings we have secured access to a copy of the will of Alfred I. du Pont which establishes the testamentary trust in question and otherwise acquired information as to the Du Pont trust. Before setting forth information thus acquired, however, it appears to the writer that if there is danger to the public interest arising from concentration of capital by bank holding companies, and in having a bank holding company control both banking and nonbanking assets, the danger is present regardless of the type or character of the bank holding company. The disposition of the ultimate net income by the entity which controls multiple banks and banking and nonbanking assets, is not and cannot be a determinative factor in appraising the alleged damage to the public interest in the two instances comprehended by S. 2577.

The facts and record hereinafter set forth demonstrate clearly that, in considering the objectives of the bank holding company legislation protection of the public interest against dangers from concentration of economic power and from control of banking and nonbanking enterprises—that it is unsound and unwarranted to exclude a testamentary trust and, in particular the du Pont trust estate in Florida.

1. THE DU PONT TRUST ESTATE—THE WILL

Alfred I. du Pont died on April 29, 1935, leaving a will, with two codicils, which was admitted to probate in Duval County, Fla., on May 24, 1935, and letters testamentary issued, accordingly, on the same date. The will provides, among other things, the following:

1. Makes 8 specific bequests of shares of common capital stock of Almours Securities, Inc., to persons named—5 of 5,000 shares each, 3 of 1,000 shares each (item 2).

2. Makes a specific bequest of $1,000 to each and every one of the employees who was in his employ, the employ of Almours Securities Inc., and the employ of any of its subsidiaries, at the time of testator's death and who had been so continuously employed for a period of 1 year or more preceding his death, whether in Jacksonville, Fla. or Wilmington, Del., etc. (item 2).

3. Bequeathed all of his personal belongings to his wife Jessie Ball du Pont in addition to the contents of the mansion house and other buildings and structures known as Nemours, which he had theretofore given to her (item 3).

4. Stated that Epping Forest, his home in Duval County, Fla., is vested in an estate by the entireties in his wife and himself, which upon his death would pass to her by operation of law, but provided that should his wife predecease him, he devised it to Almour Securities in fee simple, forever (item 4).

5. Subject to the legacies and bequests hereinabove set forth, gave, devised, and bequeathed the entire rest, residue, and remainder of his property and estate to 4 trustees named (1 corporate and 3 individual) to have and to hold the same forever in trust, for the following uses and purposes (item 5).

(Item 5 of the will makes provision for the perpetual continuation of the trusteeship, by vesting in surviving trustees the power and authority to select a trustee to replace one who dies or ceases to act.)

(a) Trustees to take possession and have entire management and control of corpus of estate, and set forth their powers. They are very comprehensive and broad, and include power:

1. To invest and reinvest assets.

2. To borrow money, make and renew loans and to execute, deliver, assign, such assignments, transfers, notes, bonds, mortgages and so forth, as they deem necessary.

3. To sell at public or private sale, mortgages pledged, leased—any or all assets of the estate.

4. To take over property in foreclosure, and enter into agreements to liquidate, conserve, better or save any assets of the estate.

5. To carry on any business enterprise, either individually or as a copartner: to enter into incorporation of same and accept stock in lieu of individual interest or to sell out testators' interest.

6. To take such contributions and pay such assessments upon any assets of the estate—which they are called upon to meet and deem wise and expedient.

7. To do every and all things they deem best for the preservation, conservation and betterment of the estate.

8. To pay all expenses incurred in the administration, conservation, or protection of the estate.

9. To replace and rebuild, out of insurance carried, any property destroyed by fire or other destructive elements.

10. To remodel and rebuild any improved property, or to build upon or improve unimproved property.

11. To exercise same powers in dealing with and disposing of real estate, securities and other property which shall at any time constitute a part of the principal of the estate, that an individual, owning the same absolutely, would have.

12. To subscribe and pay for stock in corporations, and hold same as part of the estate and vote said stock.

13. To compromise and settle all claims in favor of or against the estate.

14. Provides for compensation to trustee (item 6).

(b) Trustees shall pay out of the net income of the Trust Estate, annuities as follows, "payable monthly commencing at time of testator's death" (item 7).

1. Twenty-nine annuities each during the term of the natural life of the persons named.

2. One annuity for 10 years after death of testator or the natural life of legatee, whichever is shorter.

Comment on annuities: The total annual amount is $99,580 consisting of 1 for $30,000, 1 for $15,000, 6 for $5,000 each, 1 for $2,400, 1 for $1,800, 12 for $1,200, 1 for $900, 2 for $800, 3 for $600, 1 for $240, 1 for $1,440.

In several instances the bequest is payable to the legatee during his life; on his death to his child or children, during the terms of their natural lives or 21 years whichever is shorter; or upon legatee's death, to his wife and/or issue, during their respective lives, etc.

Another legatee, in addition to a cash annuity is given right to live in a house and to use the farm building free of charge, and, his wife, after his death to be accorded the same privilege.

(c) Trustees to pay from the income of the trust estate, to testator's wife, Jessie Ball du Pont (item 8).

1. $200,000 per annum, or such part thereof as is available out of net income derived during the current year—commencing at testator's death for and during the term of her natural life.

The annuities payable under item 7 (par. (b) above) are conditioned on their being available funds after paying this $200,000 annuity—as such annuities shall be second, subject and subordinate to this annuity to testator's wife.

2. The remainder, if any, of the net income from the trust estate—after payment of the annuities in items 7 and 8 (par. (b) and (c) (1) above) to Jessie Ball du Pont, for and during the term of her natural life.

3. Upon the death of Jessie Ball du Pont, trustees, after any of above annuities accruing, shall proceed as follows:

(d) Trustees are to incorporate a corporation for charitable purposes to be designated "the Nemours Foundation," to which:

(1) Trustees are to convey in fee simple the entire property known as "Nemours" in Delaware, if the title is in testators' name at his death—and if the title is in a corporation, then the stock of that corporation to be transferred to the foundation.

(2) Trustees are to pay over the net income of the estate (subject to the annuities and legacies mentioned) for the purpose of maintaining the estate of "Nemours" as a charitable institution for the care and treatment of crippled children, or the care of old men or old women, and particularly old couples, first consideration being given to residents of Delaware.

The Nemours Foundation is created and to be maintained as a memorial to the testator's father and great, great grandfather; the rooms of the "Mansion House" on the estate of Nemours, shall not be used for housing or hospital purposes, but shall be used for the reception and entertainment of visitors, and executive and administrative purposes, but mainly for the purpose of providing a library and exhibiting to the public interesting and valuable literature, works of art, and any articles of historic and artistic interest for the advancement of education.

Trustees are specifically instructed that their first duty is to care for the mansion, the grounds, and gardens surrounding "Nemours" in order that they be maintained for the benefit and pleasure of the public in their present condition and the grounds improved from time to time as the funds warrant; testator expressing his particular desire that this memorial be not permitted to deteriorate, but that it shall consistently become more beautiful and attractive to those who view it as time passes. "Only after faithfully carrying out the above instructions shall my trustees be warranted in using any portion of the capital or income of my estate for additional charitable purposes."

(e) Trustees are empowered to use not to exceed $1 million of the principal of the estate for the erection and equipping of buildings for the purposes of the Foundation—any additional buildings to be paid for out of estate income, bequests, or gifts.

(f) If after death of testator, his wife, Jessie Ball du Pont, shall desire to create a charitable corporation or institution for the purposes and objects given for the creation of the Nemours Foundation, then the trustees are directed to pay over to the Nemours Foundation out of the principal of the estate any sum or sums not exceeding $1 million which testator's wife during her lifetime may direct, and transfer to said corporation the Nemours estate or any portion thereof, for the use of said corporation as testator's wife shall direct provided, however, that the principal of the estate transferred under the direction of testators' wife to the Nemours Foundation, or used for the purposes of the foundation during her lifetime, taken together with the amounts of principal transferred the Nemours Foundation or used for the purposes of said foundation by my trustees after her death, shall not exceed the aggregate maximum of $1 million plus the said property known as Nemours.

"If after the death of testator's wife, the net income from the estate in any year should exceed the sums required to properly provide for the conduct and operation of the Nemours Foundation, and the care and maintenance of 'Nemours,' and for reserves of extensions, repairs, replacements, alterations, additional equipment, additional buildings, additions to buildings or other necessary improvements, and any and all future needs of the foundation—such surplus income may be used in contributions to other worthy charitable institutions as may be conducted for care of, or the care and treatment of, or the care and education of crippled children, or the care of old men or old women, or of old couples—the people of Delaware needing such care to be taken care of before any contributions are made to insitutions of any other State."

From the terms of the will set forth above, the following are clearly established:

1. That the trustees of the Du Pont estate—in perpetual succession—have possession of, and full power to manage and control all of the properties of the Du Pont estate, regardless of the form or nature of ownership, or of the form or entity which the property assumes or under which any business enterprise is or may be conducted.

2. That none of the income of the trust estate is to be paid over to or used to maintain the charitable institution directed to be created as the "The Nemours Foundation," until after the death of Du Pont's widow, Jessie Ball du Pont. (See item 8 of the will, pars. (c) and (d) above.)

Consequently, until after the death of Jessie Ball du Pont, the expressed charitable purpose of Mr. du Pont does not begin to have realization.

We are advised that, as of the week of March 11, 1956, Mrs. Jessie Ball du Pont was still living.

Therefore, during the period of 21 years since the death of Alfred I. du Pont, the trustees of his estate have been managing, controlling, and operating the estate properties, without any devotion of the income therefrom to charitable purposes, insofar as the directions of the Du Pont will are concerned. Nor has such income been accumulated for such purposes, under the testator's direction. On the contrary, under the terms of the will, the time has not yet arrived for the creation of the charitable foundation for crippled children and old men and women. In the meantime, the income of the trust estate, under the directions of the testator, has been used to pay (a) the executors and trustees, for their services; (b) the annuities directed to be paid; and (c) the balance to the wife, Jessie Ball du Pont, and will continue to be paid to her during the term of her natural life.

3. THE DU PONT TRUST ESTATE AS A MONOPOLY

By Senate Resolution 35, 79th Congress, the Senate authorized and directed the Committee on the Judiciary, or any duly authorized subcommittee thereof, to make a full and complete study and investigation of the activities of the Securities and Exchange Commission and Post Office Department, to determine whether the activities of these Federal agencies, through their representatives, have (a) crippled, hampered, or rendered ineffective the Federal Municipal Bankrutpcy Act, as amended; and (b) unfairly resulted in undermining the credit of the taxing units of the State of Florida.

Pursuant to that resolution, the Honorable Senator Pat McCarran, on July 24, 1947, as chairman of the subcommittee of the Committee on the Judiciary, addressed the Senate of the United States and presented to it his proposed report. (The references indicated herein after are to the pages of the CONGRESSIONAL RECORD, vol. 93, pt. 8, 80th Cong., 1st sess., July 21, 1947 to November 17, 1947.)

In his address to the Senate, Senator McCarran said:

"Alfred I. du Pont established his residence in Florida in 1926. During the same year he formed the Almour Securities Co., and it was through this company that he began the acquisition of substantial Florida holdings. Afred I. du Pont died, as a citizen of Florida, in 1935, and since then his vast fortune has continued to acquire diversified holdings in Florida through the trustees of his trust estate. These holdings include Florida taxing unit bonds, 20 banks, real estate, timberlands, docks, warehouses, 1 railroad, public utilities, office buildings, a paper mill, and so forth, and are held largely by the ownership of controlling shares of several companies. The St. Joe Paper Co. is the principal company in the group. About 76 percent of its stock is owned by the Du Pont trust" (9953).

* * * * *

"The Du Pont interests are the interests set up by the trust of Alfred I. du Pont (9953).

* * * * *

"But I say without fear of successful contradiction that the record made by the subcommittee of the Senate Judiciary Committee will show the existence in the State of Florida of a monopoly that transcends anything that I ever heard of that exists in any other State in the Union—a monopoly that reaches out into the private life of individuals and into the public life of communities. When the existence of such a monopoly is shown, it certainly behooves the Senate Judiciary Committee to go at length into the matter" (9955).

In his report, which was ordered printed in the RECORD, Senator McCarran, under a special subheading entitled, "Does a Monopoly Exist in Florida?" stated the following:

"The avenues necessarily traveled by the committee * * * were found to be crowded with so-called Alfred I. du Pont or Ed Ball (brother-in-law of Du Pont; and he and his sister, Jessie Ball du Pont, are 2 of the 3 executors and 2 of the 3 individual trustees of his will) companies. Millions of dollars were and are invested by their companies, and in some cases by their principals, in municipal bonds of Florida taxing units, banks, real estate, timberlands, docks, warehouses, railroads, public utilities, hotels, office buildings, paper mills, and other commercial businesses or properties located in Florida. In fact, the very lifeblood of the economic structure of numerous cities and in counties of Florida depends upon the Du Pont-Ball interests for nourishment and strength" (9964).

"These companies, through their management, are a most prominent, if not a deciding factor in the production, distribution, and consumption of wealth of nearly all Florida key centers, in the management of their affairs, and in their efforts to satisfy human desires" (9964).

"Mr. Edward Ball became the harbinger for the late Alfred I. du Pont when he determined to leave Delaware and move to Florida. He is the late Alfred I. du Pont's brother-in-law, his sister, Jessie Ball, being Du Pont's wife. * * * Mr. Ball was actively identified with the establishment and expansion of the Du Pont fortune in Florida, and upon the death of Alfred I. du Pont, in April 1935, assumed complete control of all the Du Pont enterprises" (9964).

"Almours Securities, Inc. (the initial Du Pont Florida company), was incorporated as a Florida corporation in November 1926 by Alfred I. du Pont, his wife, Jessie Ball du Pont, and Edward Ball. Approximately $35 million of stock of E. I. du Pont de Nemours, Inc., was transferred to the company in exchange for the company's authorized capital stock. In addition to the acquisition of vast real estate holdings, the Du Pont fortune, through Almours Securities, Inc., by December 1932 has invested nearly $3 million in stock of banking institutions located in promient Florida cities.[1]

"An interesting statement revealing the early intentions of the Florida Du Pont interests is found in the case of petitioner, (Almours Securities, Inc.) further contends that it was the plan to build up a surplus of approximately $55 million to carry out its banking program and an additional $70 million to carry out its real estate developments" (9964).

"Dealing in municipal securities in Florida taxing units may have been a mere sideline of the Du Pont millions, when measured in dollars, in 1941. * * * Shortly prior to 1941, the Du Pont interests apparently decided to assume a larger measure of control in the field of municipal finance, as evithe 15 years preceding 1941, the Du Pont banks had acquired only about $4 million of Florida taxing unit bonds, during the 4 years from 1941 to 1944, the Du Pont banks alone acquired more than $22 million per value of such bonds (9965): (The report then set forth the action which the Du Pont interests took to drive their competitor, R. C. Crummer Co., out of business.)

"The result of driving Crummer and most of his 15,000 customers from the field of municipal finance in Florida has enabled the Du Pont interests, with the two Florida bond houses with whom these interests operate, to regulate to a high degree the issuance of bonds by Florida taxing units and to restrict the sale thereof" (9965).

"To report the apparent existence of a near monopoly in the field of municipal finance in Florida is to discuss only a part of the discovery made by the committee during its study and investigation. The exclusive control of the Du Pont interests extends to other fields of trade, commerce, and industry as well" (9965).

"The activities of the Du Pont interests revolve around the Du Pont-controlled group of banks. The extent of any particular company's operations is indeterminable from the record. But close intercorporate relationships exist between the companies, as disclosed by Mr. Ball's testimony on pages 742 and 743 of the record, in reference to the purchase and expansion of a telephone company located in west Florida. This company had about 99 miles of lines when the Du Pont interests purchased it. Within a short space of time nearly 13,000 miles of additional lines were added. Funds for the expansion were loaned to the company by another Du Pont-controlled company. Mr. Ball said that the Du Pont banks do not extend credit accommodations to other Du Pont concerns. Of course, with their other interests possessing a fat treasury, it would hardly be necessary. But it must not be understood that these various banks do not do business with each other, for they do. The Du Pont-controlled banks engage extensively with each other in trading in municipal securities. Practically all municipal securities of Florida's taxing units owned by the banks of the Florida national group were purchased initially by the Du Pont Jacksonville bank, and * * * subsequently distributed to the other members of the group at cost regardless of the market value at the time of distribution" (9965).

"The widespread and strategically located chain or group of banks throughout Florida enables the Du Pont interests to exercise a major influence in the economic life of the State and its citizens. An example is shown by quoting from a lease between the Du Pont Florida National Bank & Trust Co., at Miami and one of its tenants, as follows:

"'As a further consideration for the execution of this lease, the lessee herein agrees that it will do all of its banking business in Miami with the lessor bank, the Florida National Bank & Trust Co., at Miami, during the term of this lease or any extension or renewal of the same.'

"This provision of the lease affords the management of the Du Pont interests confidential access to the financial affairs of its tenants in the bank building which, incidentally, is the largest office building in Florida and regarded by many as the most modern in the South" (9965).

"The ability of the Du Pont interests to grant or withhold credit sought by established individuals and concerns, or by individuals and concerns who seek to begin new enterprises, in Florida, also affords the Du Pont interests the opportunity of determining the extent of commercial growth in the areas served by them.

"It is not unreasonable to state that in many areas it would be difficult for Florida citizens to buy a home or operate a business without turning to the Du Pont interests; and if their desires are not looked on with favor by the Du Pont interests, such citizens may well find themselves without a source of credit.

"While * * * the Du Pont interests revolve around the group of banks, at the same time, all of their interests, being as they are, under the active supervision of one man—Mr. Edward Ball—are closely intermeshed. It seems reasonable to assume that the other interests, such as the St. Joe Paper Co., the land companies, the insurance and finance companies, the railroad and utility companies, are used to increase the power and influence and business of the banks, and that the banks are used to promote and

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[1] The banking institutions in which these investments had been made were the: Florida National Bank, St. Petersburg; Florida National Associates, Florida National Bank, Bartow; Florida National Bank & Trust Co., Daytona Beach; Florida National Bank, Jacksonville; Florida National Bank, Lakeland; Florida Bank, Orlando; Florida National Bank & Trust Co., Miami; Florida National Group Ins.

extend the Du Pont industrial and other commercial objectives, present and future.

"The St. Joe Paper Co., a key Du Pont company, which owns extensive pine and hardwood forests, a pulp mill, a railroad, and many subsidiary companies is seeking to obtain control of the Florida East Coast Railway Co., one of Florida's three major railway systems. At an estimated cost of some $4,000,000, the St. Joe Paper Co., purchased approximately $25,000,000 par value of bonds of the railway company.

"It has about 15 percent of the entire trackage in the State of Florida and serves about 46 percent of the population of the State * * *. Moreover it operates the only tracks on the coast of Florida between Jacksonville and West Palm Beach. (9965).

"Thus the record established that the Du Pont fortune has obtained such vast power in the State of Florida, through its diversification of interests in the most favored parts of the State, that it can with some measure of success determine who shall enter business or who shall be permitted to remain in business in a large part of the State.

"The successful ouster of the Crummer companies from the field of municipal finance in Florida * * * is a glaring object lesson to all those who dare oppose the Du Pont juggernaut, that opposition is a hazardous thing and that acquiescence to the Du Pont wishes in all respects may well be the price of being permitted to begin, or to continue to do business in Florida.

"An organized group of banks, numerous companies with extensive and diversified holdings under corporate structures filled with the same individuals occupying prominent positions in many of them * * * and all undertakings being headed by one man (Mr. Edward Ball), vests such concentration of power in the hands of private individuals, and under the supervision of one, that the economic life of the State and the well-being of its people may be affected more by such power than by the power of the government of the State itself.

"Further augmentation of this vast accumulation of private power, now in prospect by control of a central artery of commerce, the Florida East Coast Railway, certainly will not lessen the appearance of a private monopoly over the economic life of the State.

"The committee views the concentration of economic power in the State of Florida * * * as a most unhappy condition, which, if not curtailed, ultimately may block the free functioning of the economy of the State.

"Within the last few weeks, a legal document bearing the seal of the clerk of the Supreme Court of Florida was brought to the attention of counsel for the committee. The document apparently was filed with the Supreme Court of Florida in the case of Edward Ball, appellant, versus James A. Yates, appellee, pending in that court on petition for rehearing. Extensive commercial transactions are alleged to have taken place between Edward Ball and two justices of the State supreme court. The nature of these transactions seems to have involved the granting of oil and mineral rights by the St. Joe Paper Co., to one justice, and the advancement of $110,000 by the Du Pont controlled banks to the other justice. These business transactions apparently took place while the case of Yates versus Ball was either pending before the court or had recently been ruled upon by it, both justices having ruled in favor of Mr. Ball.

"The document requests, among other things, that the justices refuse themselves or in the alternative, that the court hold that they are disqualified to participate in these proceedings. The committee quotes from the body of the sworn petition, as follows:

"The appellee does not question the legal right of Justice Buford to make oral leases with Mr. Ball, the St. Joe Paper Co., or anyone else. He only questions his right, having done so, to sit in judgment on his case. He does not question the right of Justice Adams to borrow money from Mr. Ball's banks in any amounts and on any terms that he sees fit but, having done so or expecting to do so, he questions his right to sit in judgment on his case."

"Although the two justices admitted their dealings as complained of, the court, in ruling on the petition, declined to hold them disqualified" (9965).

"The committee has endeavored to portray, in this report, a true picture and conservative estimate of the Du Pont interests extensive influence and control of the vital elements of the economic life of a sovereign State * * * that the dominant head of the Du Pont interests has seen fit to extend his influence beyond the recognized fields of finance, business, or politics by becoming a party to large commercial transactions with members of Florida's judicial system, while he was a litigant, the committee is more than ever convinced of the monopolistic designs of the Du Pont interest and the evident necessity of curtailing them."

From the foregoing findings and report made by Senator MCCARRAN, chairman of the subcommittee of the Committee on the Judiciary, these conclusions are compelling:

1. There is no basis for Senator ROBERTSON's attempt to justify the exclusion of the "Du Pont trust" from the provisions of S. 2577, on the ground that it is "working for crippled children and other charities," and, as such, "for the trust dollar," for the reason that since its creation, and over a period of 21 years, and now, its net income has not been paid, and is not being paid, to any charitable institution, nor has it been used, nor is it being used, for any charitable purpose. On the contrary, the net income has been used, and is being used (insofar as current income makes possible), to pay the annuities specified in the will, including the annuity of $200,000 for life to Jessie Ball du Pont, and also to pay the remainder of the net income of the trust estate to Jessie Ball du Pont, for and during the term of her natural life.

2. Senator McCarran has found and reported to the Senate that the Du Pont trust is "a monopoly that transcends anything I ever heard of that exists in any other State in the Union—a monopoly that reaches out into the private lives of individuals and into the public life of communities." That finding demonstrates beyond any doubt that, in determining whether an enterprise may be endangering the public interest by concentration of capital or through control of banking and nonbanking businesses, (1) the use to which the net income is put is not a determinative factor; (2) there is no sound basis for concluding that an enterprise presents no such danger to the public interest because it is a charitable institution; and (3) the attempt of Senator ROBERTSON to justify the exclusion of the Du Pont trust, on that basis or for that reason, is completely fallacious.

SUMMARY OF EXCLUSIONS AND EXEMPTIONS IN S. 2577 SHOWING THE JUSTIFICATION FOR A FREEZE AMENDMENT

It is argued that there are serious questions of the public interest involved in the ownership by a bank holding company of both banking and nonbanking interests. As a consequence, the Senate is asked to enact a bill which would require bank holding companies to dispose of either their banking or their nonbanking assets. Yet the bill we are asked to enact clearly demonstrates that there is no realistic concern with this supposed problem of combined ownership of both banks and nonbanking interests.

(a) There are a minimum of 163 holding companies which own 25 percent of 1 or more banks (Senate hearings, pp. 54–60). By limiting the application of this bill to holding companies owning or controlling 2 or more banks, approximately 117 bank holding companies are immediately relieved of all obligation to divest their nonbank holdings. Included among these exempt companies, for example, are such large industrial, transportation, mining, and mercantile enterprises as W. R. Grace & Co., Deere & Co., Corn Products Refining Co., Peabody Coal Co., and Gimbel Bros., Inc. All of these companies are to be permitted to continue to own both banks and nonbanking assets.

(b) This bill would also exempt companies registered under the Investment Company Act prior to May 15, 1955 (sec. 2 (a) (B)). The effect of this provision is to relieve the Equity Corp., which owns the Morris Plan chain of banks as well as controlling interests in industrial, real estate, mineral, insurance, financial and service companies (Senate hearings, pp. 159–162) of any obligation to dispose of these nonbanking interests. This company is therefore to continue to operate with combined ownership of both banks and other business enterprises.

(c) By the definition of "company" provided in section 2 (b), this bill would exempt bank holding companies taking the form of partnerships or testamentary trusts. It is not known just how many important organizations are excluded by this definition, but at least one is the Alfred I. du Pont testamentary trust in Florida, which owns more than 20 separate banks in Florida, advertises itself as the "largest banking organization south of Philadelphia and east of the Mississippi," and has controlling interests in a paper company, a telephone company, a railroad, and vast areas of Florida timberland (Senate hearings, pt. 2, pp. 113–114). This business enterprise will be permitted to retain its banking and nonbanking interests.

(d) The Senate also proposes to exempt from the prohibitions on ownership of both banking and nonbanking assets all religious, charitable and educational corporations. I have been told that the Mormon Church, in addition to controlling several banks in Salt Lake City, owns 100 percent of the stock of a large life insurance company and has substantial interests in hotels and industrial enterprises (Senate hearings, pt. 2, p. 141). Yet, this organization is to be permitted to retain both its banking and nonbanking holdings.

(e) This bill would also relieve all bank holding companies which are labor unions or agricultural or horticultural organizations of any obligation to divest their nonbank holdings. I understand that the Amalgamated Clothing Workers of America, for exemple, owns a controlling interest in two separate banks as well as other investments (Senate hearings, pp. 427–431). Yet this organization is to be permitted to maintain its mixed ownership of banking and nonbanking assets.

(f) Yesterday the Senate adopted an amendment which would relieve the Trust Company of Georgia of any obligation to dispose of its nonbank holdings. This company is to be permitted to continue to operate its six banks while retaining ownership of a finance company, the Coca-Cola Bottling Company of Lincoln, Nebr., and over $9 million of Coca-Cola stock (Senate hearings, pt. 2, pp. 33, 35).

(g) The Senate also adopted yesterday an amendment which would relieve the First National Bank Trustees of Louisville, Ky., a business trust, of the requirement that it dispose of its wholly owned investment company which has widely diversified investments.

(h) Today by special amendment we propose to exempt from the obligation of divestiture a bank holding company in Florida identified as the Consolidated Naval Stores Co., which has what this bill defines as a controlling interest in two banks as well as extensive agricultural interests.

In the face of these numerous exemptions, exclusions, and special provisions, how can it be argued that there is a serious public interest question involved in the mixed ownership of both banking and nonbanking assets? Taken together these exemptions relieve all but a very few bank holding companies of the prohibitions on combined ownership of both banking and nonbanking assets. If there were a realistic need for this punitive divestiture requirement there could be no justification for these numerous exclusions and exemptions. If there is not, we should treat all bank holding companies alike by permitting them to retain their lawfully acquired and presently owned nonbanking holdings.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERTSON. Mr. President, I move that the Committee on Banking and Currency be discharged from the further consideration of House bill 6227, and that the Senate proceed to consider the House bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes.

Mr. ROBERTSON. Mr. President, I move that all after the enacting clause of the bill be stricken out; and that there be inserted, in lieu thereof, the text of Senate bill 2577, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question now is, Shall it pass?

The bill (H. R. 6227) was passed.

Mr. ROBERTSON. Mr. President, I move that the title of House bill 6227 be amended so as to make it conform to the title of Senate bill 2577.

The motion was agreed to; and the title was amended so as to read: "A bill to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests."

The PRESIDING OFFICER. Without objection, Senate bill 2577 is indefinitely postponed.

AMENDMENT OF BANKRUPTCY ACT, AS AMENDED

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1755, Senate bill 3025.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The Legislative Clerk. A bill (S. 3025) to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments.

CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday, following completion of the morning business, there be a call of the calendar for the consideration of the measures to which there is no objection, beginning at the point where the last call of the calendar was concluded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM THURSDAY UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business on tomorrow, it stand in recess until Monday noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM—ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I have made the request for the Senate to take a recess from the conclusion of its business on tomorrow until Monday next, so that all my colleagues may be on notice.

On tomorrow we shall take up the measures which were announced earlier in the day; and we hope we may be able to complete action on all of them. Then we shall go over until Monday.

On Monday, we shall have a call of the calendar.

After conferring with the distinguished minority leader, I shall announce the program for later in that week. I hope the committees will report additional measures to the Senate.

Mr. President, pursuant to the order previously entered, I now move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 14 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, April 26, 1956, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate April 25 (legislative day of April 24), 1956:

Diplomatic and Foreign Service

Albert F. Nufer, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines, vice Homer Ferguson.

Willard L. Beaulac, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina, vice Albert F. Nufer.

Cecil B. Lyon, of New Hampshire, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile, vice Willard L. Beaulac.

International Bank for Reconstruction and Development

Andrew N. Overby, of the District of Columbia, to be United States Executive Director of the International Bank for Reconstruction and Development for a term of 2 years. (Reappointment.)

HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast made us for Thyself, grant that during the hours of this day we may be guided by Thy Holy Spirit in the ways of truth and strengthened for every task.

Thou knowest how frequently we are beset by fears and doubts which rob us of peace and assailed by worries and weaknesses which undermine our character and corrupt the spirit within.

Enable us by Thy grace to cultivate a faith that is calm and may we never waver when tempted to any unworthy action.

Deepen and increase among mankind the spirit of neighborliness and helpfulness that in times of peril we may uphold one another, in calamity serve one another, in sorrow comfort one another, and in suffering and distress encourage one another.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

> H. Con. Res. 206. Concurrent resolution authorizing the printing of additional copies of the hearings on the national highway program for the use of the Committee on Public Works, House of Representatives.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 5265) entitled "An act to exempt certain additional foreign travel from the tax on the transportation of persons," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd, Mr. Kerr, Mr. Smathers, Mr. Millikin, and Mr. Martin of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 7247) entitled "An act to amend the Internal Revenue Code of 1954 with respect to the treatment of gain in certain railroad reorganizations," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd, Mr. Kerr, Mr. Frear, Mr. Millikin, and Mr. Martin of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. Johnston of South Carolina and Mr. Carlson members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–12.

THE CHELSEA (MASS.) RECORD WINS NATIONAL GUARD AWARD

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, alert and public-spirited newspapers form the backbone of our democracy. Our Nation could not function without them. They not only keep our people well informed with their objective coverage of the news; their editorial comment which helps to clarify the issues on local, State, National, and worldwide levels; and their advertising service which links consumers and producers in the dynamic progress of our society; but give freely of their space to many worthy causes.

In fact, Government itself is dependent upon them to spread information concerning its needs and services. In time of war or national emergency, this cooperation is vital.

This voluntary and patriotic service on the part of our newspapers deserves special recognition.

It is with pride that I insert in the Congressional Record, a noteworthy instance of this public service on the part of the Chelsea Record, the daily newspaper of the city of Chelsea in Massachusetts.

A photograph in its issue of April 10, 1956, pictures Fred L. Gillis, military editor of the Chelsea Record, accepting the National Guard meritorious plaque from Capt. Samuel J. Leavis, Jr., of the 772d AAA Gun Battalion, Massachusetts National Guard, during the recent National Guard show put on by the local guard unit. The principal figure in the citation shows an emblazoned eagle with a shield on which are the words:

> The National Guard Bureau meritorious service plaque awarded in recognition of your patriotic service and meritorious support of the National Guard.

The citation states the plaque is in recognition of outstanding service to the defense efforts of the Army and Air National Guard Bureau. Captain Leavis recommended the citation because of the support given the National Guard by the Chelsea Record in its news coverage and editorial especially during the unit's annual tour of duty and more recently in the move to have a new armory erected.

To which we add our special accolade for distinguished service, to the Chelsea Record.

SOIL-BANK PLAN

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, on last Thursday, April 19, I said on the floor of the House that the chairman of the House Committee on Agriculture "can demonstrate again his great statesmanship by putting aside all differences over the recently vetoed bill and come forward with the soil-bank plan."

I was happy to learn that yesterday the chairman had introduced a soil-bank plan and intends to proceed with this bill as soon as possible. This is a wonderful gesture on his part. I am sure he realized that it was not possible for either the President or the Secretary of Agriculture to implement a comprehensive or overall soil-bank plan without more legislation than presently exists.

I know we all have the highest regard for the distinguished gentleman from Mississippi [Mr. Whitten] who on Monday this week placed in the Record existing legislation by which he felt the Secretary could put into effect the soil-bank plan.

I have reviewed carefully the gentleman's excerpts from existing law. I believe I have given careful scrutiny to all of it. I have talked with two legal experts on legislation. They advise me that there are some minor things which the President could do with the existing legislation, but that by no stretch of the imagination could the President institute the kind of soil-bank plan which was contained in the recently vetoed farm bill. In my opinion the soil-bank provisions of that bill were comprehensive enough that the good of the soil-bank plan could have been accomplished.

If my understanding is correct, much of the bill introduced by the chairman of the Agriculture Committee will follow the provisions of that bill which I am sure the great majority of the House would be willing to accept.

There are some provisions not in the chairman's bill which I hope he will be willing to add. One of these would include the prepayment idea outlined in the President's radio speech of some time ago. I am sure the chairman is just as anxious to bring forward legislation to help the farmer as he is the President. Their approach is slightly different. However, I do believe that the prepaid plan has considerable merit and of course would have the additional benefit of aiding the farmer early in the growing season.

Last night in the forepart of the Evening Star I was somewhat disappointed to read the following about the distinguished majority leader in the other body. I quote:

> The Texan obliquely served notice that the Democratic-controlled Congress does not intend to comply with President Eisenhower's request for soil-bank legislation.

However, when I turned to page 6 of the Evening Star and read in detail the speech made by the majority leader in the other body, I did not find that he said anything to that effect. What he did say is as follows and I quote him:

> I think President Eisenhower can rest assured that the Congress will give him $1,200,000,000 to set up the soil bank.

If I understand the majority leader of the other body correctly, he has inferred that he is in favor of granting the President the necessary money to institute a soil-bank plan. The majority leader was under the same impression as our distinguished colleague, the gentleman from Mississippi [Mr. Whitten]—that the President already had authority to set up the soil-bank plan.

I believe that within the next few days both of these gentlemen will become convinced by legal opinion impartially rendered that the President cannot institute a soil-bank plan with only existing legislation.

In that case I think that the majority leader in the other body will come to the same viewpoint as our distinguished chairman of the House Agriculture Committee—that legislation for a comprehensive and overall soil-bank plan should be passed by this Congress and put into effect as soon as possible. If that is done there will be no question about the authority of either the President or the Secretary of Agriculture to proceed legally with the soil-bank idea.

There has been a lot said about politics in farm legislation. I do not know that I am any seer in this matter. However, it does appear to me that the soil-bank plan has been studied thoroughly by almost every agricultural expert and economist of any consequence and it has received almost unanimous approval.

From this I believe that anyone who attempted to block or to hinder the institution of this important and needed farm legislation would certainly receive deserved censure from the farm population.

I voted for the vetoed farm bill and voted to override the President's veto, because I believed that the real heart of that farm bill was the soil-bank plan. The soil-bank plan is the only measure that has been introduced or suggested since I have been in Congress by which we can hope to reduce agricultural surpluses to somewhat balanced demand without lowering the farmers' income. More than that, it is a democratically operated plan which provides an incentive method to the farmer to reduce his acreage without loss of income. It does not impose any fiat or Government control upon him to comply—only voluntary compliance is provided by this legislation.

I hope that the chairman of the House Committee on Agriculture will start hearings on this bill as soon as possible and that a bill will be forthcoming without too much delay.

It appears to me that cooperation on this measure in the interests of the farm population generally should be nonpartisan and when it comes to a vote it is my prediction that any reasonable soil-bank plan will carry overwhelmingly. I am sure that political credit, if any is needed, will be spread equally among those who are responsible for the legislation.

Mr. Speaker, we do badly need this legislation now.

ACCIDENTS ON PUBLIC HIGHWAYS

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, during the next several days, Congress will in all likelihood pass out a $51 billion highway bill to bring about needed improvements in the interstate system of highways. I am in hearty accord with this legislation.

However, it is my sincere hope that this improved highway system will not become an interstate escape route for valuable American life.

During 1955 there were 37,800 highway deaths, 2,300 more than in 1954, with excessive speed as the principal cause. In addition, there were 2,158,000 injuries—198,000 more than in 1954. Seven hundred fifteen thousand two hundred sixty of the casualties were the result of speeding.

The current trend in automobile promotion is horsepower and speed. The development of high torque and fuel injection engines, pushbutton driving, and increased horsepower has not contributed one iota to the brainpower behind the wheel. Kamikaze driving has become a fashionable American pastime.

I wish to call the attention to the following advertisement on a DeSoto Adventurer automobile which appeared in the Cleveland Plain Dealer on April 18, 1956:

> On display now—320 horsepower DeSoto Adventurer. You've never seen or driven the likes of the new 320 horsepower DeSoto Adventurer. See this beautiful package of golden dynamite.

In a large block this ad states further:

> Electronically clocked at the scorching speed of 137 miles per hour.

The following ad is appearing currently for Pontiac:

> Meet the new boss—all-new stratoflight hydramatic especially for Pontiac's high-stepping Strato-Streak powerplant. The blazing action of 227 horses is yours in a flash.
>
> Right here is the team that puts you in a performance class all by yourself. You're driving the one that's been clocked from 9 to 60 in 10 seconds flat.

Chrysler recently announced a model with 340 horsepower which is labeled the fastest commercial automobile with a clocked speed of 147 miles per hour.

What kind of a fool would want to drive an automobile on our public highways at 147 miles per hour or accelerate from 0 to 60 miles per hour in 10 seconds flat? These advertisements are designed to appeal to the highway idiot.

J. Edgar Hoover recently stated that parents should be held accountable and legally responsible for the crimes of their children. By the same principle, the automobile manufacturers might well be held equally responsible for the attractive and destructive toys they are willing to place in the hands of anyone who has a down payment and knows how to make his mark for perpetual indebtedness on a cognovit note.

I recommend the appointment of a congressional committee to conduct hearings and make recommendations on highway design and construction, highway use including the safety and power specifications of the modern automobile as well as ways and means of abating the loss of life on our public highways. This is a vital Federal problem in every sense of the word and should be considered now as we vote upon improving our highway system.

CERTAIN RELATIVES OF UNITED STATES CITIZENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 457) for the relief of certain relatives of United States citizens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

> Page 2, line 5, after "Chamberis", insert "Olga P. Cheek."
>
> Page 2, line 6, after "Corra", insert "Nicola G. D'Armi."
>
> Page 2, line 7, after "Falcone", insert "Anna G. Favia."
>
> Page 2, lines 8 and 9, after "Gasparatos", insert "Lilli Gerlisky."
>
> Page 2, line 9, after "Gibson", insert "Lieselotte W. Grimmer."
>
> Page 2, line 10, after "Israel", insert "Efstathios Katsikis."
>
> Page 2, line 10, after "Kikel", insert "Hedwig B. Krause."
>
> Page 2, line 10, after "Kikel", insert "Gertrud H. E. T. Kruger."
>
> Page 2, line 10, after "Labellarte", insert "Margaret W. Lampinen."
>
> Page 2, line 11, after "Larson", insert "Chieko S. Lee."
>
> Page 2, line 13, strike out "Elfriede Luker."
>
> Page 2, line 13, strike out "Maria McWalters", and insert "Marianne Putz McWalters."
>
> Page 2, line 15, after "Mavromatis", insert "Tatjana Meerman."
>
> Page 2, line 21, after "Pantera", insert "Armaranti N. Papanikitas."
>
> Page 2, line 21, after "Pantera", insert "Maria M. Regina."
>
> Page 2, line 21, after "Ruschak", insert "Anna Sagan."
>
> Page 3, line 1, after "Wilson", insert "Brian Woo."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

PENALTIES APPLICABLE TO SEDITIOUS CONSPIRACY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2854) to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of Government, and conspiracy to advocate overthrow of Government, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. Celler, Mr. Walter, Mr. Feighan, Mr. Keating, and Miss Thompson of Michigan.

ELECTED OFFICERS OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 486) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved* That, effective May 1, 1956, (1) the annual gross compensation of the elected officers of the House shall be as follows: Clerk of the House, $17,500 per annum; Sergeant at Arms, $17,500 per annum; Doorkeeper, $16,500 per annum; and Postmaster, $14,500 per annum; and (2) the annual gross compensation of the minority employees of the House holding positions now held by Lyle O. Snader, William R. Bonsell, Tom J. Kennamer, and Beecher Hess shall be respectively $15,000 per annum, $15,000 per annum, $12,500 per annum, and $11,000 per annum.
>
> The additional amounts necessary to carry out this resolution shall be paid out of the contingent fund of the House until otherwise provided by law.

The resolution was agreed to, and a motion to reconsider was laid on the table.

APPROPRIATIONS FOR DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES, 1957

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 484 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That during the consideration of the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, all points of order against the bill are hereby waived.

CALL OF THE HOUSE

Mr. GROSS. I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 33]

Bell
Bowler
Boykin
Brooks, La.
Byrnes, Wis.
Chatham
Chudoff
Clark
Cole
Davis, Tenn.
Dawson, Ill.
Diggs
Donovan
Eberharter
Fulton
Gamble
Grant
Green, Oreg.
Haley
Harris
Hays, Ohio
Hébert
Hess
Hiestand
Hoffman, Ill.
Holifield
Jarman

Johnson, Calif.
Kelley, Pa.
Kelly, N. Y.
Kilburn
Knox
Knutson
McConnell
McCulloch
McDowell
Machrowicz
Martin
Matthews
Metcalf
Miller, Calif.
Mollohan
Morgan
O'Hara, Minn.
Patman
Phillips
Pillion
Powell
Shelley
Sieminski
Staggers
Williams, N. Y.
Willis
Wolverton

The SPEAKER. On this rollcall, 375 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NEVER A SOUND REASON

Mr. HOFFMAN of Michigan. Mr. Speaker, at every opportunity during the Easter recess, an effort was made by repeated inquiries of individuals and at public meetings, to find a reason for the opposition to Nixon as the Republican Vice Presidential candidate.

The only answer was given by a young man at a public meeting who, when pressed, said: "Nixon cried." When asked when and where, he said "when Nixon appeared on television and answered the charge that he had been dishonest when he accepted and used for the dissemination of information contributions sent in by some of his constituents."

Personally, I do not recall that Nixon cried or wept on that occasion. But if he did, see St. John 11:35. I do remember that he had been most unfairly criticized by a large segment of the press because some of his constituents, approving of his thinking and actions as a Member of Congress, furnished funds to assist him in publicizing some of his views. At least I think that was the purpose.

If Nixon did do any crying or weeping on that occasion, it is not difficult to understand, to realize that any normal individual viciously and without reason assailed as was he, would either shed a tear or do a little cursing. If he let his emotions get the better of him, the exhibition was nothing more nor less than a demonstration that, like the rest of us, he was human; that he resented, as would every normal individual, such a vicious, unreasonable charge as was then made.

I should have suggested to Nixon's critic that if he could sometime watch Nixon at breakfast he might discover that the Vice President had spilled a drop or two of his coffee in the saucer.

All of which brings me to the following editorial in the April 28 issue of the Saturday Evening Post, and to the firm conviction that Dick Nixon is not only suitable Vice Presidential but Presidential timber.

Perhaps it is gilding the lily to add that the character of his opposition but further proves that the country needs him.

THE CRUSADE AGAINST NIXON SEEMS TO HAVE RUN INTO SOMETHING OF A ROADBLOCK

> First off, let us explain that we are not shilling for Mr. Richard Nixon. We are content to leave the choice of a Republican vice presidential candidate to the San Francisco convention.
>
> However, the whispering, not to mention shouting, campaign against the Vice President persists, although the Vice President's startling strength in the New Hampshire primary last month and his virtual endorsement by President Eisenhower and many prominent Republicans, including a few who had been falsely identified with the "Dump Dick" movement, have put a serious crimp in it.
>
> Men more or less like Nixon have often appeared in American politics, and although they have usually been involved in plenty of political infighting, and have often made blobs as startling as Nixon's reference to a "great Republican, Chief Justice Warren," few have been subjected to as much high-toned smearing as has been heaped upon Nixon. Why has all this happened to Nixon and not to other public officials of similar backgrounds and ambitions?
>
> The "liberals" who don't like Mr. Nixon give all sorts of reasons why: his "brashness," his partisan attacks on the Democrats and so on. They usually ignore the Alger Hiss case, and Nixon's insistence on pressing it when the columnists, the Park Avenue set and members of the House Committee on Un-American Activities itself believed that Hiss was a maligned man.
>
> In a frankly laudatory biography of Nixon (Henry Holt Co.) Ralph de Toledano recalls the atmosphere which prevailed on August 5, 1948, after Hiss had completed his rebuttal to testimony by Whittaker Chambers that Hiss had been a member of a Communist cell in the United States Government.
>
> "When Hiss stepped off the stand," writes Mr. de Toledano, "there was a general rush of newspapermen and committee members to shake his hand." Nixon smelled a rat.
>
> But the disclosures of Communist espionage have put the whammy on any Member of Congress courageous enough to tackle the problem. That is what happened to Nixon.
>
> Undoubtedly there are people who wouldn't like Nixon if he were as "liberal" as Robert Maynard Hutchins—just as others, who don't like him very much, are for Nixon on account of his anti-Communist record. But the smear campaign against Nixon is kept alive by those who demand the heads of all who fight communism effectively. One thing we can be sure of is that the stockpile of dead cats for Mr. Nixon has not been exhausted.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1957

Mr. DELANEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 484 makes in order the consideration of H. R. 10721, the appropriation bill for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year 1957.

The resolution provides that all points of order against the bill shall be waived.

The total recommended in the bill is $541,367,372. Of this amount $171,506,737 is provided for the Department of State. This is a reduction of $9,700,548 in the amount of the budget estimates. Ninety million is for Foreign Service administration, including expenses and salaries for "government in occupied areas," which heretofore has been appropriated for separately. Approximately $22 million is appropriated for representation allowances for officers of the Foreign Service, acquisition of buildings abroad, funds to cover emergencies arising in the Diplomatic and Consular Service and the Foreign Service retirement and disability fund. The amount for contributions to international organizations is $33,830,875 which includes the contribution to NATO for $1,150,000. Sixteen million one hundred and eight thousand three hundred and eighty-nine dollars is for the United Nations. The appropriation also covers funds for Missions to International Organizations, the International Boundary and Water Commission, and the International Fisheries Commission.

The amount recommended in the bill for the Department of Justice is $215,965,000—a reduction of $19,915,000 in the amount of the budget estimates. This covers legal activities and general administration, the FBI, the Immigration and Naturalization Service, and the Federal Prison System.

The appropriation for the operation of the Federal courts, including salaries of judges, judicial officials and employees, and other expenses of the Federal judiciary amounts to $35,395,635—$2,186,900 below the total amount requested; $1,527,785 of this amount is for the Supreme Court.

The bill also provides funds for the United States Information Agency in the amount of $110 million; $8,500,000 for the operation of the refugee relief program from July 1, 1956, to December 31, 1956, as requested by the President, and $950,000 for the Federal Prison Industries, Inc.

I urge the adoption of this resolution so the House may proceed to the consideration of this appropriation bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield to the gentleman from Iowa.

Mr. GROSS. While the gentleman told us how much these estimates have been cut, I should like to ask how much this bill has been cut compared with the spending of last year.

Mr. DELANEY. Mr. Speaker, I yield to the gentleman in charge of the bill [Mr. Rooney] to answer that question.

Mr. ROONEY. With regard to the Department of State, there is an increase to the extent of $24,258,042. With regard to the Department of Justice there is an increase to the extent of $4,893,000. With regard to the Judiciary, there is an increase to the extent of $1,479,725. With regard to the Information Agency, there is an increase of $22,663,730. With regard to refugee relief, there is a decrease from the amount for this purpose last year in the amount of $6.5 million. So that in the four principal items in the bill I will say to the gentleman from Iowa, frankly, there have been increases. However, the committee made reductions in the amount of the budget estimates, which deductions amount to $56,802,448.

There was presented a requested substantial increase in funds for the information agency. They wanted the sum of $135 million. While the committee in unanimous agreement cut the amount to $110 million, a cut of $25 million, nevertheless there was an allowed increase to the extent of over $22 million.

Mr. GROSS. Will the gentleman from the Committee on Rules tell me why points of order are waived on this bill?

Mr. DELANEY. Yes. I will again ask the chairman of the Subcommittee on Appropriations to explain that.

Mr. ROONEY. There are a number of items in this bill that have been carried over a number of years. They never have been objected to. It is sought to protect them by waiving points of order.

However, there are three new items that would be covered by the waiver of points of order.

The first is in connection with the State Department, with regard to the payment of tort claims in the manner authorized by the first paragraph of section 2672 as amended by title 28 of the United States Code when such claims arise in foreign countries. This provision would merely permit the Department of State in the event of an automobile accident or some other tort claim abroad to have the same authority which the United States Information Agency and the International Cooperation Administration now have, giving the Secretary of State or his designee overseas the right to settle such claims up to the amount of $1,000 without a great deal of redtape.

The second item concerns a confidential fund, an unvouchered fund, for the Attorney General, in the amount of $5,000, to be used in connection with getting information and the usual purposes of such a fund in the hands of a law-enforcement officer in the Territory of Alaska. There the United States Marshals comprise a great part of the law-enforcement system. Because of the fact that they have not been successful in instances because of their failure to have unvouchered funds, the committee thought it proper to allow the insertion of this language, "including not to exceed $5,000 for emergencies to be accounted for solely on the certificate of the Attornel General."

The third item concerns three positions, raising them to the grade of GS–16. At the present time and for some time there have been five assistant commissioners of immigration. Three of these commissioners for at least the past year have been in grade GS–16. About a month ago the Congress saw fit to permit two retired generals, Generals Howard and Partridge, to accept the positions of assistant commissioners of immigration. This inserted language would put them on the same basis as the other three commissioners, so that all five assistant commissioners would receive the uniform salary of GS–16. In their case the salary increase would amount to less than $2,600 for both.

There is one other position included, that of the district director of immigration in New York, Mr. Edward J. Shaughnessy. For many, many years Ed Shaughnessy has been a very faithful servant of the Federal Government. In his case the increase would amount to not more than $1,000 and would give him a GS–16 grade.

Mr. GROSS. Is the gentleman saying the proper legislative committees are incompetent to handle these matters?

Mr. ROONEY. I am not saying that at all, but in the three specific instances to which I referred I think something should be done and done promptly. There is no telling when it might be done otherwise.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. HOFFMAN of Michigan. In the inclusion of these amounts over and above what was appropriated before the committee did not have in mind any thought that that might make it impossible to balance the budget or get a reduction in the income tax?

Mr. DELANEY. Again I will refer that question to the chairman of the subcommittee.

Mr. ROONEY. I can assure the gentleman from Michigan that that is not so. I have spent a number of years here now trying to save some money for the taxpayers. But it appears that in 1953 when the new administration came into office they cut the State Department and Foreign Service too drastically. I protested it at that time. We must have proper and adequate representation all over the world to protect the interests of this Government and its security.

Mr. HOFFMAN of Michigan. I am happy to know that that side of the aisle is supporting the President again.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. WIER. Following the position taken by the gentleman from Iowa [Mr. GROSS], I also want to comment and express my opposition to this rule waiving all points of order. To me, this is a sneaker here.

Mr. DELANEY. I yield to the gentleman for a question.

Mr. GROSS. I would like to ask the chairman of the committee, then, through you.

Mr. DELANEY. Then I yield to the chairman for that purpose.

Mr. WIER. This provision written in this bill on page 22 dealing with these five new positions which are created is not in compliance with the position of the Committee on Armed Services which was taken a couple of weeks ago when these were presumed to be temporary positions and not in competition with career employees. But here you have frozen them in competition with career employees.

Mr. ROONEY. No. May I say the gentleman is in error. The increase to grade 16 refers to only 3 positions and not 5, or 6, as the language says, for the reason that 3 of the 6 are already by law grade 16. This language would make the 5 assistant commissioners uniform as to grades and amount of compensation.

Mr. WIER. The fact remains that the 2 generals will undoubtedly be included in these 5. I think that is what the bill is passed for. Let us call a spade a spade. You are making provision in this bill for these 2 generals on a permanent basis.

Mr. ROONEY. I thought I very frankly pointed that out. The committee was unanimous in feeling that there was no reason that 3 assistant commissioners should be grade 16 and 2 should be grade 15. This makes them uniform. That is all it does, and the amount involved is in the neighborhood of $2,600.

LEGISLATIVE PROGRAM

Mr. DELANEY. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, I desire to advise the Members of the House that tomorrow the highway-construction bill will come up. It will be voted on Friday. We will probably meet early on Friday. I am making this announcement so the Members can govern themselves accordingly.

Mr. DELANEY. Mr. Speaker, I yield one-half of the time to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Speaker, the gentleman from New York has explained the bill which this resolution will make in order. I can only add that this resolution is somewhat different from such resolutions as have been brought to the floor by the Committee on Rules on ordinary legislative bills in that the time is not specified in the rule. The time, as I understand it, is to be agreed to by the chairman and the ranking member of the committee, with the unanimous consent of the House.

Now, Mr. Speaker, I yield to the gentleman from Iowa [Mr. GROSS] 10 minutes.

Mr. GROSS. Mr. Speaker, it is shocking and almost beyond belief that the Rules Committee should approve a rule on this appropriations bill waiving all points of order.

Let it be remembered that it was only a few short weeks ago that the Rules Committee waived points of order on the independent offices appropriation bill and by so doing started a controversy to which I desire to direct your attention because it bears on exactly the same kind of legislation as is contained in this measure.

First, let me reemphasize that there can be only one reason for a rule waiving points of order on an appropriation bill and that is for the purpose of nullifying the prohibition against legislation on an appropriation measure. There would be no necessity for this rule if that were not the case. The chairman of the House Appropriations Committee, the chairman of the subcommittee handling this bill and the leadership of this House, Democrats and Republicans alike, know this to be the truth.

And let me say this to the members of the Rules Committee—by the increasing frequency with which you are granting these waivers, you are making a mockery of the standing legislative committees and stultifying the prestige of your own committee. You are becoming parties to an expediency that will, if persisted in, break down the legislative process.

The House Post Office and Civil Service Committee of which I am a member, and a subcommittee of which I am also a member, has been attempting to keep some balance of super grade employees in the Federal Government. This subcommittee is headed by one of the most distinguished and hard working Members of Congress, the gentleman from Georgia [Mr. DAVIS].

When the Independent Offices appropriation bill was before the House on March 6 of this year, it provided 11 supergrade employees for the General Services Administration. In order to slip through this legislation on that appropriation bill, the Rules Committee waived points of order. Now comes the Appropriations Committee with 5 more supergrade employees through the process of legislation in the pending State and Justice Department appropriations bill.

The provisions of the Classification Act, under which 1,200 supergrade positions under control of the Civil Service Commission are allocated, requires that each of these positions be analyzed in detail as to responsibilities and duties, and that they be completely justified as individual positions and in their relationship to all other positions in the Federal Government. The final authority for the allocation of these positions is a majority of the three Commissioners of the Civil Service Commission.

In the debate on the independent offices appropriation bill on Tuesday, March 6, 1956, the Honorable ALBERT THOMAS, chairman of the subcommittee handling that legislation, stated, and I quote:

> The Civil Service Commission has 74 of those jobs over there unallocated, but they, frankly, told us at 10:30 this morning that there are 600 applicants throughout the Government for the 74.

I further quote from the remarks of the gentleman from California, the Honorable JOHN PHILLIPS:

> All I can say is that this is a reasonable and an honest and a deserving attempt on the part of this subcommittee to adjust the supergrades among 18 agencies that come before us, to see that one man who is doing a more responsible job than are the men in the other agencies holding comparable jobs, is entitled to the same salary that other people get who are doing a less responsible job.

Did these gentlemen consider in any way the other 600 applicants for the 74 available positions when they allocated the 11 supergrades to the General Services Administration? I also ask them did they take the time necessary to thoroughly analyze the duties and responsibilities of each of the 11 jobs they so casually allocated? Did they review the job sheet of a single one of them? I further ask if they feel that if their committee, or any committee of Congress, should usurp the authorities and responsibilities not only of other House committees but the executive branch of Government as well, and attempt to classify and allocate the individual positions in the Federal Government?

I further quote from the RECORD of Tuesday, March 6, to show that the Committee on Appropriations did give some consideration to the allocation of these supergrade jobs. On page 4077 I quote from the remarks of the gentleman from Texas [Mr. THOMAS]:

> What we are doing is the sensible business like thing. Here is a group of men who spend from two hundred to four or five hundred millions of dollars of the taxpayers' money of this country. We think it is good business to pay men with such responsibility a sufficient amount so that there is not going to be any question of defalcation.

I further quote from the remarks of the honorable gentleman from Texas as they appear on page 4090 of the RECORD:

> These people spend millions and millions of dollars. Is it right to have a man given authority to spend $50 million of $100 million and put him on a little bit of a salary? You want to keep him honest, do you not?

It seems to me that the only consideration given to justifying the allocation of 11 supergrade positions to the General Services Administration was that of keeping the employees honest. If the pay and classification schedules of the Federal Government are to be based on the relative honesty of the incumbents, I say that this Congress should no longer be concerned with any law establishing rules and regulations for the placing of positions in their relative order of importance and with the pay of the employees for duties performed, but should allow the departments and agencies to pay their employees only that amount which will guarantee their honesty. In such a scheme of things, of course, the man hardest to keep honest would get the highest pay. If I were one of the individuals concerned, I would highly resent the implication of the action of the Committee on Appropriations.

Now, let us examine that "little bit of a salary" the gentleman from Texas [Mr. THOMAS] told you is being paid the 11 people to whom he has so magnanimously proposed to give the 11 new supergrades in the independent offices appropriation bill.

The Comptroller of the General Services Administration is now getting $14,190; the other 10 employees are now being paid at least $11,610 and possibly $12,690, depending on length of service in the grade. I ask you, are these "little bittie salaries"? The proposed salaries are $14,800 and $12,900; increases ranging from $210 to $1,290 per year. Again I say, "What price honesty?"

Now, let us look at the comparable positions of Comptroller in other agencies under the jurisdiction of the Subcommittee on Independent Offices. There are 18 of them. Only one has a grade equal to that proposed for the General Services Administration—that is the Chief of Audit of the General Accounting Office—responsible for the expenditure of all Federal moneys, not just a few hundred million.

The Comptroller of the Veterans' Administration, with a budget some 22 times as large as that of the General Services Administration, is being paid $13,545. Compare that with the $14,190 now being paid the Comptroller of the General Services Administration. With this condition existing in the 18 agencies considered by the subcommittee headed by the gentleman from Texas [Mr. THOMAS], I ask you, how could they possibly have given thought to all of the comparable positions in the other departments and agencies of government? For instance, the top civilian Comptroller of the Army is paid $14,190 with a budget of over $8 billion, that of the Navy $14,405 with a budget of some $9 billion, and the Air Force pays theirs $14,620 with a responsibility for over $16 billion. Were these given consideration in setting a salary of $14,800 for the General Services Administration with a budget of considerably less than $1 billion?

I find absolutely nothing in the hearings on the State and Justice appropriation bill that would justify in any way the supergrade jobs that would be created. There is no evidence that anyone was called to testify from the Civil Service Commission concerning this proposal.

Mr. Speaker, this rule ought to be defeated. Notice should be served not only upon the Appropriations Committee, and the subcommittees thereof, as well as the Rules Committee that the rules of the House were never designed to satisfy the desires of a few Members of the House.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. Does the gentleman realize that the subcommittee and the Committee on Appropriations cut this bill to the extent of $56,802,000, or about 9.5 percent of the amount requested by President Eisenhower through his Bureau of the Budget?

Mr. GROSS. Yes; I am perfectly aware of that. You cut the budget askings, did you not? In other words, you cut a calculated gamble.

Mr. ROONEY. May I say to the gentleman that if he had read the printed testimony he would not make that statement; this was not done that way. Each item was taken separately. In that regard he might inquire of the members of the Committee on Appropriations on his side of the aisle.

Mr. GROSS. What I am saying to the gentleman is that the various departments of the Government come in and ask for far more than they expect to get; in other words, they take a calculated gamble when they come down here.

Mr. ROONEY. I have suspected that ever since the first part of 1953. Originally these agencies proceeded to cut appropriations, but this year they came back for increases in every area. If that is what is behind President Eisenhower's request in this particular instance for $598,169,820 I am willing to take the gentleman's explanation.

Mr. GROSS. That is the way I feel about it. You have not cut the spending, you have increased the spending over last year; you are not cutting the spending.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial immediately following the last quorum call.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, there is not a Member of the House who over the years has not at one time or another been grateful to the Rules Committee for making it easier for him to vote on a particular bill. We all realize the wonderful service performed by the Rules Committee, but sometimes notwithstanding that very helpful service which I received on more than one occassion, it will include some waiver or provision in a resolution or put out a particular rule which causes me to wonder, therefore, whether they are trying to follow in the footsteps of the Supreme Court which appears to have assumed legislative functions by taking over jurisdiction that properly belongs to legislative committees.

If the Rules Committee in its wisdom, and it has plenty of that, is to follow a practice of bringing in a resolution waiving all points of order on appropriation bills first at the suggestion of one individual then another, permit the writing of legislation in appropriation bills, or if the Appropriations Committee is to assume the duty of writing legislation and the Rules Committee continues to permit that to go on, I, for one, if I desired to shirk my duty might be thankful and happy because I can then go fishing more afternoons and more mornings. Neither I nor any other Member will need to serve on the legislative committees. Eventually, if they follow along on that, and I refer to these two committees, we will not need any legislative committees at all. In my judgment they are now overburdened with their regular authorized duties.

Do you get the point? This is the apparent procedure proposed. We will let the Appropriations Committee write the legislation for all of us, then we will let the Rules Committee report it out waiving all points of order and the rest of us who are not on either committee will not have anything to do. Then, if that procedure is to prevail, may I ask—"Why are we here."

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. The gentleman poses a rather tough question for the Rules Committee because last year we did what the gentleman has just suggested. An appropriation bill was brought in after the Rules Committee had refused to report a rule waiving points of order. Then the Rules Committee received heaps and heaps of criticism for doing that. Now the gentleman is criticizing the Rules Committee for bringing in a rule waiving points of order. I do not see how the poor Rules Committee can survive no matter what it does.

Mr. HOFFMAN of Michigan. Perhaps you will not. But the Rules Committee does a fine job, it is trying to do too much. It is trying to be too helpful, if that is possible. I have not felt capable of serving on either the Rules Committee, the Appropriations Committee or the Committee on Ways and Means, those are tough ones. I would not want to get on either, even if I were a young fellow and this was my first term. True, I am critical, but who is not? It is apparent the Rules Committee can go too far on the practice of waiving points of order. As was just suggested, ultimately, if we keep on permitting the Committee on Appropriations to write legislation, we will not need the legislative committees. That has been said before. That is the only point I am making. If you want to do away with the legislative committees, do it by amending the Rules. No one believes that Appropriations can take over the duties of legislative committees and properly adequately perform them. The job is too big.

Mr. DELANEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from New York.

Mr. DELANEY. The Rules Committee as a practice does not present rules waiving points of order, but in most of these appropriation bills there are minor items included, and when the Appropriations Committee asks in good faith for a rule waiving those minor points of order the Rules Committee sometimes go along. And so in this case that is exactly what did happen.

Mr. HOFFMAN of Michigan. Do not misunderstand me. On various occasions I have been happy with the action that was taken, and which was helpful to me. But I was thinking of the overall situation and where we were drifting in our legislative procedure, that is all.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. I would not think the Appropriations Committee or any subcommittee of the Appropriations Committee would ever come before the Rules Committee except in good faith.

Mr. HOFFMAN of Michigan. I realize that when the Rules Committee comes in with a proposal, the House usually accepts it. That would be all right if it occurred only occasionally, it is not good all over practice. If I was the gentleman's attorney that is what I would say.

Mr. DELANEY. And I would have a very good attorney if the gentleman were my attorney.

Mr. HOFFMAN of Michigan. The Rules Committee has gained the respect and support of the House to such an extent that almost everything it brings in we accept. Therefore this action today seems to be taking an unfair advantage of us.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Indiana.

Mr. BROWNSON. Is not the gentleman sometimes disturbed about the substantive content of these bills? We had a GSA bill up for consideration under the same kind of a rule, and although they admitted that my local post office is dirty and cannot be maintained adequately, they fired 5 charwomen this last year to fill 1 or 2 supergrade positions. Is it not possible that we will ultimately have all generals and nobody to clean floors by the time this is concluded?

Mr. HOFFMAN of Michigan. That situation exists to a certain extent all over. I have similar trouble. They say to me, "Who are you recommending for a rural carrier or who are you recommending for this $3,000 post office job which they import somebody to take because nobody in the community wants it?" Then I make a recommendation and then I learn that somebody in the Department has control of the job, anyway, and all I have to do is to get the file and register the complaints that flood me after the appointment is made. I am not too happy about it. It would be helpful to me personally and aid me in doing my job if I had nothing whatever to do with it.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Speaker, I have requested this time to call attention to a provision in this bill on page 22 which is legislation on an appropriation bill. I realize this matter has been discussed to some extent, but I am here to protect, if I may, the rights and prerogatives of a legislative committee that is being circumvented by reason of a rule granted on this appropriation bill.

I agree the Rules Committee generally renders a great service. I know the members of the Appropriation Committee have worked diligently in their efforts to bring proper legislation to the floor dealing with appropriations for the agencies included in this measure. I do not say that the persons whose salaries would be increased because of this legislation may or may not be entitled to these increases. I do say that this is not the proper way to handle the situation.

There is not a thing in the hearings here with respect to these supergrades you are asking for that I know of. I would be glad to have the chairman point it out if there is. The chairman of the subcommittee is a great man, a great public servant, but it seems to me that the thing ought to be justified in the regular way.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New York. I want to pay tribute to him, because he has kept these appropriations down.

Mr. ROONEY. I must say to the gentleman that these are not ideas that arose in the Committee on Appropriations. The language contained in the bill with regard to this subject was suggested by the Commissioner of Immigration and Naturalization of the Department of Justice. The language I read awhile ago in regard to tort claims originated in the Department of State. The language in regard to the unvouchered funds for use of the Attorney General in Alaska arose in the Attorney General's Office. The committee was asked to write in a number of things, and I will give you an example of one. It was due as the result of a recent decision, a case lost by the Attorney General before the Indian Claims Commission under which we might very well have to buy the United States back from the Indians. The result of the decision says the Attorney General, may cost the taxpayers of the United States as much as $5 billion in Indian claims. We were presented with and asked to insert certain legislative

language in the bill. The committee said, "No. This is a matter for the proper legislative committee." And we did not insert the rider. We were asked for any number of other items of legislation.

Now, in regard to the 3 inconsequential increases in grade, the gentleman well knows that if this matter of these 3 men's salaries is not now straightened out, it is not going to be done in this Congress because the gentleman's committee is not going to do anything about it. Let me conclude by saying that the gentleman appeared before the Committee on Rules only yesterday and objected to this rule, but the Rules Committee saw fit to grant it.

Mr. REES of Kansas. I want to pay tribute to the very distinguished chairman of the subcommittee for standing here and telling us that they could not put those things in this bill. As I understand your statement, you resisted those various agencies and said, "No, we are not going to put that in the appropriation bill; it does not belong there," and I compliment you for it all the way down the line. But, here you come to this one point and you give in. You said on this one, "We will give in and put it in."

Mr. ROONEY. The gentleman finds fault with us for a little matter of $3,600 increase in salaries of these men. Is that not true?

Mr. REES of Kansas. Just one thing. Tell us this. The committee has recently reported a bill that would take care of the situation described provided, of course, the jobs justify the salaries included in this bill.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield further?

Mr. REES of Kansas. I am glad to yield to the able gentleman from New York.

Mr. ROONEY. The gentleman, with his years of experience in this House—and parenthetically, may I say that I have always respected him and we have always been good friends——

Mr. REES of Kansas. That is true. I also respect the distinguished gentleman from New York, one of the hard working and diligent Members of this House.

Mr. ROONEY. With his years of experience, the gentleman well knows that if the House does not insert this provision, when the bill goes over to the other body, the other body will put this language in the bill.

Mr. REES of Kansas. I appreciate the gentleman's statement. I understand what he means. But that does not justify our doing it. Whatever the other body would do is something else. Let us stand up on our own hind legs and take care of our own business, so far as we can. We cannot do things just to excuse the other body for what it may do, because if we did that, we would be here all day. I still think the committee was wrong by including legislation in an appropriation bill.

I do want to compliment the gentleman for the manner in which he has dealt with a number of the appropriation requests. He has seen fit to approve reductions where it would have been more popular to have increased them. I know he has a difficult task. I think, however, there are a number of places where there should be further reductions, but the thing to which I direct attention now is that we should not include legislation on appropriation bills.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Coudert].

Mr. COUDERT. Mr. Speaker, my good friend and colleague, the gentleman from New York, chairman of the subcommittee, has twice made observations in the course of colloquy under the rule on a subject on which I should like to touch upon while we are on the rule, so that it will appear in the same area of the Record. He has remarked about the allegedly excessive cuts in the Department of State budget in 1953. I merely want to point out for the Record at this time, because I am sure we will have occasion to debate it later, that 1953, if anyone has forgotten it, marked the transition from an administration that had been in power for 20 years and through 2 wars, to a brand-new administration. The brand-new administration certainly was entitled by any standard, to have a new look at the existing agencies of Government, and that new look necessarily entailed some reductions of force so a fresh start could be made.

The cut in appropriations in the fiscal year 1953 resulted in and was part of a much-needed new look in Government operations in general and operations overseas in particular. The reductions in the appropriations to the Department of State led to a streamlining in the administration and a basic look at the machinery with which we conduct our foreign affairs. This was important and useful and from this the Department has established a new, strong basis from which it is now essential to expand.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 2 hours, the time to be equally divided between the gentleman from New York [Mr. Coudert] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10721, with Mr. Cooper in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, at the outset I should like to express my grateful appreciation, as the chairman of the subcommittee handling this bill, to all my colleagues on that subcommittee.

I am indeed appreciative of the great help and courtesy extended to me by the very distinguished gentleman from Georgia [Mr. Preston], the very distinguished gentleman from Florida [Mr. Sikes], the very distinguished gentleman from Washington [Mr. Magnuson], the ranking minority Member, my good friend, and fellow New Yorker, the very distinguished gentleman from New York [Mr. Coudert], the very distinguished gentleman from Ohio [Mr. Bow], and the likewise very distinguished gentleman from Ohio [Mr. Clevenger]. I very much appreciate the courtesy and cooperation extended me by every one of them.

I would remiss if I did not express my thanks for his great help to the executive secretary of this committee, Mr. Jay B. Howe. Mr. Howe came to the Committee on Appropriations just a year before I first became chairman of this subcommittee. That was in the year 1949. Ever since then Mr. Howe, and I am sure I bespeak the thoughts of every member of the Committee on Appropriations, has been a trusted, valued, and competent public servant and of invaluable aid to all the members of the Committee on Appropriations, regardless of which side of the aisle happened to be in the majority at the time.

As I pointed out a while ago during the course of the debate on the rule waiving points of order against this bill, the total requests for the Department of State, the Department of Justice, the Judiciary, the United States Information Agency, and Refugee Relief, amounted to $598,169,820. The committee saw fit to cut these appropriation estimates submitted by President Eisenhower to the extent of $56,802,448. In doing so, the committee allowed the amount of $46,794,137 above the current level; $24,258,042 of this money is with regard to the Department of State. The Department of State came to the committee and said:

> We need a substantial buildup in employees at our Foreign Service posts. We need to increase the number in the Foreign Service. We need to increase the local employees abroad at our embassies and consulates.

The committee, and I am not now speaking for my good friend, the gentleman from New York [Mr. Coudert] because he expressed on the floor here a while ago an opinion to the contrary—the committee, having in mind that there was too drastic a cut in 1953 which at that time practically decimated the Foreign Service, agreed in part with the request of the Department of State this year. I have been connected with appropriations for the Department of State for almost the past dozen years and I have always been critical of the Department of State and the Foreign Service when I thought I should have been critical. On the other hand, I am one who has always thought that we must have a strong Foreign Service and the proper and best representation we can get abroad. With that in mind, your committee saw fit to increase the State Department to the extent of $24,258,042.

As to the Department of Justice, the increase allowed was in the amount of $4,893,000. Included in this bill is an appropriation pursuant to a request in the amount of $4,265,000 for the antitrust division. This amount is $801,000 over the amount appropriated for this division in the current fiscal year, and will provide for the continuation on a full year basis of the additional personnel which had been approved in the second supplemental appropriation act of 1956. I might say that in allowing this full amount of the budget estimate, the committee expects that the Department will commence a vigorous program of enforcement of the anti-trust laws.

The Judiciary request for the coming fiscal year is in the amount of $37,582,535. There was not much that could be cut with regard to this request—the amount allowed is $2,186,900 below the amount requested, which would be an increase of $1,479,725 above the amount allowed for the current fiscal year.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Solely to keep the record straight because I think both of us have used the wrong year—the year in which you allege excessive cuts were made was fiscal 1954.

Mr. ROONEY. No; I was speaking of calendar 1953. The gentleman knows when the cuts were made. President Eisenhower had only been in office a few months when with his great wisdom and the wisdom of his Secretary of State, he cut the Foreign Service to the bone.

Mr. COUDERT. But the fact remains nevertheless that the term fiscal 1953, I think, was used when we really mean calendar 1953 and fiscal 1954. I am not engaging in a discussion at this point with the gentleman, but I merely want the record to show that.

Mr. ROONEY. The gentleman and I understand each other—we know when the too-drastic cut was made.

With regard to the Federal judiciary, I regret that I again must discuss a subject which so annoyed the distinguished gentleman from Massachusetts [Mr. MARTIN] when we discussed this bill under general debate a year ago; to wit, the subject of bankruptcies. I made certain claims at that time that the number of bankruptcies were greatly increasing throughout the United States. I pointed out that those bankruptcies were bankruptcies which affected small people, and some exceptions were made to my remarks.

Well, let us see if we have the record straight at this time.

On the 8th of March last I wrote the following letter to the Chief of Bankruptcy, Administrative Office of United States Courts, Mr. Covey:

DEAR MR. COVEY: On yesterday I came across the following statement:

"According to Dun & Bradstreet figures, the rate of business failures during 1954—42 per 10,000—was 63 percent higher than the average for the postwar years 1946–53. Reports for the first 7 months of 1955 indicate that the number of failures last year, despite all the prosperity, will not differ much from the 1954 total. The number for 7 months was 6,487. Since the average liability of these failures was $40,000, it's a safe conclusion that most of the bankruptcies were small businesses."

I would appreciate your advice as to whether the above is correct.

With cordial regards, I am,

Sincerely.

Under date of the 15th of March I received a letter in reply from the Chief of Bankruptcy, Mr. Covey, in which he says:

ADMINISTRATIVE OFFICE OF
THE UNITED STATES COURTS,
Washington, D. C., March 15, 1956.

DEAR CONGRESSMAN ROONEY: This letter is in response to your letter of March 8, 1956, wherein you quote a statement relating to Dun & Bradstreet's figures on the rate of business failures during 1954 and 1955, and making certain comparisons with the period from 1946 to 1953. You ask whether they are correct. I believe they are substantially so, although there are a number of differences in the manner in which Dun & Bradstreet's statistics on this subject are compiled as compared with ours.

First of all, their statistics are compiled on a calendar year basis while ours are on a fiscal year basis. This should not make too much difference over a long period but it might make some for a single year.

Second, Dun & Bradstreet compile only "business failures" as I understand it, whereas we compile statistics on all bankruptcy cases including "employees" and "others not in business."

Third, they cover all types of business failures which would include common law, statutory and contract assignments for the benefit of creditors, out of court settlements, extensions and compositions, State and Federal court receiverships not under the Bankruptcy Act and bankruptcy cases including ordinary bankruptcy, arrangement and reorganization proceedings under the so-called relief chapters of the Bankruptcy Act. Our statistics deal only with cases that are administered under the Bankruptcy Act.

Fourth, their data on the amount of liabilities involved are compiled as of the date a business goes into some sort of liquidation or administration, whereas our statistics show the actual amount realized and the amount of liabilities filed and allowed in the proceeding. In other words, their statistics as to liabilities are compiled as of the date a case is filed whereas ours are compiled after a case is fully administered and closed.

Furthermore our data on ordinary bankruptcy cases as distinguished from cases under the relief chapters of the Bankruptcy Act is broken down into three categories, namely, asset cases, nominal asset cases and no-asset cases. These are defined for purposes of our statistics as follows:

1. An asset case is an ordinary bankruptcy proceeding (as distinguished from a proceeding under one of the relief chapters of the Bankruptcy Act) in which there was some distribution to some class of creditors over and above exemptions and costs of administration.

2. A nominal asset case is an ordinary bankruptcy proceeding in which there were some assets coming into the estate above exemptions but these were all consumed in payment of costs of administration.

3. A no-asset case is an ordinary bankruptcy proceeding in which there were no assets coming into the estate above exemptions.

With regard to the statement quoted in your letter to the effect that the rate of business failures during 1954 was 63 percent higher than the average for the postwar years 1946 to 1953, our statistics indicate that this is substantially correct. I attach as exhibit A, a compilation taken from table III of our annual statistics for the years mentioned. It shows that in 1954, cases filed by merchants, manufacturers, and others in business, was 57.6 percent greater than the average number of such cases from 1946 to 1953. Also in 1955, the number of such cases filed was 60.8 percent greater than the average from 1946 to 1953. It seems to me our statistics in this regard support one another.

I also attach for your information the following exhibits with comments:

Exhibit B, number of bankruptcy cases filed by types of business in the fiscal years 1940 through 1955: From it you will observe that we show only merchants, manufacturers, and others in business.

Exhibit C, total assets realized and liabilities filed and allowed in asset cases closed in 1954 and 1955: These are the only figures we have available showing the amount of liabilities involved in asset cases. They relate to all asset cases without regard as to whether the bankrupts were or were not engaged in businses.

Recently we have made a special study of the asset cases closed in 1954 and 1955, breaking them down into 12 groups with actual assets ranging from $500 and under to cases with actual assets over $50,000 each. The two lowest groups contain cases with assets of $500 and under and with assets from $501 to $1,000 each. It is believed that the great majority of the cases in the two lowest groups include many bankrupts not in business (employees) as distinguished from those in business. The following compilations relate to the two lowest groups:

Asset cases closed in the years indicated

Size of estates	Number of cases	Total realization	Average realization per case
1954			
$500 and under	1,686	$363,297	$215
$501 to $1,000	702	519,340	740
1955			
$500 and under	2,293	469,158	205
$501 to $1,000	847	629,282	743

The following compilations relate to the next 9 groups (groups 3 to 11 both inclusive). It is believed that most of these would involve small business.

Asset cases closed in the years indicated

Size of estates	Number of cases	Total realization	Average realization per case
1954			
$1,001 to $2,000	706	$1,031,357	$1,461
$2,001 to $3,000	407	999,873	2,457
$3,001 to $4,000	276	956,136	3,464
$4,001 to $5,000	204	907,798	4,450
$5,001 to $7,000	231	1,371,759	5,938
$7,001 to $10,000	221	1,850,648	8,374
$10,001 to $15,000	213	2,599,223	12,203
$15,001 to $25,000	173	3,320,525	19,194
$25,001 to $50,000	131	4,477,869	34,182
Total	2,562	17,215,188	6,719
1955			
$1,001 to $2,000	865	1,254,667	1,450
$2,001 to $3,000	478	1,178,279	2,465
$3,001 to $4,000	325	1,129,986	3,477
$4,001 to $5,000	234	$1,144,819	$4,465
$5,001 to $7,000	310	1,876,450	5,901
$7,001 to $10,000	250	2,080,933	8,324
$10,001 to $15,000	229	2,781,393	12,146
$15,001 to $25,000	203	3,915,457	19,288
$25,001 to $50,000	154	5,348,584	34,731
Total	3,048	20,710,568	6,794

The following compilation relates to group 12 which it is believed would include cases that could be classified as large businesses:

Asset cases closed in the years indicated

Size of estates	Number of cases	Total realization	Average realization per case
1954			
$50,000 and over	112	$16,225,921	$144,874
1955			
$50,000 and over	124	16,671,816	134,450

Assuming groups 3 to 12, inclusive, would consist almost entirely of business failures, and assuming groups 3 to 11 represent small-business failures, the percentage of the total number of failures involved would be—

Small business, approximately 96 percent.

Large business, approximately 4 percent.

I trust this will give you the information you desire.

Sincerely yours,

EDWIN L. COVEY,
Chief of Bankruptcy.

EXHIBIT A

Number of bankruptcy cases filed, by occupation of the bankrupt, in the years indicated:

Fiscal year	Merchants	Manufacturers	Others in business	Total
1946	236	201	821	1,258
1947	631	596	1,416	2,643
1948	1,338	808	2,546	4,692
1949	1,969	853	3,664	6,486
1950	2,565	803	4,568	7,936
1951	2,360	522	4,173	7,055
1952	2,319	532	3,358	6,209
1953	2,402	518	3,498	6,418
Total	13,820	4,833	24,044	42,697
Average	1,728	604	3,005	5,337
1954	3,191	745	4,476	8,412
1955	3,317	750	4,515	8,582
Total	6,508	1,495	8,991	16,994
Average	3,254	747	4,495	8,497
Percent increase in 1954 over average from 1946 to 1953, both inclusive	84.66	23.34	48.95	57.61
Percent increase in 1955 over average from 1946 to 1953, both inclusive	91.95	24.17	50.24	60.80
Percent of average increase in 1954 and 1955 over average from 1946 to 1953, both inclusive	88.31	23.67	49.58	59.2

EXHIBIT B

Number of bankruptcy cases filed by types of business in the fiscal years 1940 through 1955

Fiscal year	Farmer	Employee	Professional	Others not in business	Merchants	Manufacturer	Others in business	Total	National population
1940	2,678	36,846	801	2,230	4,651	92	4,194	[1]52,577	132,122,000
Percent of total	5.1	70.4	1.5	4.3	8.9	1.8	8.0	100.0	
1941	2,367	42,348	744	2,365	4,278	766	3,464	56,332	133,402,000
Percent of total	4.2	75.2	1.3	4.2	7.6	1.4	6.1	100.0	
1942	2,048	40,180	581	2,071	3,386	507	3,336	52,109	134,860,000
Percent of total	3.9	77.1	1.1	4.0	6.5	1.0	6.4	100.0	
1943	1,151	27,020	395	1,762	1,775	286	2,322	34,711	136,739,000
Percent of total	3.3	77.8	1.1	5.1	5.1	0.8	6.7	100.0	
1944	512	15,460	211	1,292	554	181	1,323	19,533	138,397,000
Percent of total	2.6	79.1	1.1	6.6	2.8	0.9	6.8	100.0	
1945	305	10,010	152	1,041	287	153	914	12,862	139,928,000
Percent of total	2.4	77.8	1.2	8.1	2.2	1.2	7.1	100.0	
1946	260	7,618	112	948	236	201	821	10,196	141,389,000
Percent of total	2.6	74.7	1.1	9.3	2.3	2.0	8.1	100.0	
1947	183	9,396	111	838	631	596	1,415	13,170	144,126,000
Percent of total	1.4	71.3	0.8	6.4	4.8	4.5	10.7	100.0	
1948	167	12,546	114	991	1,338	808	2,546	18,510	146,631,000
Percent of total	0.9	67.8	0.6	5.3	7.2	4.4	13.8	100.0	
1949	232	17,772	159	1,372	1,969	853	3,664	26,021	149,188,000
Percent of total	0.9	68.3	0.6	5.3	7.6	3.3	14.1	100.0	
1950	290	22,933	126	2,107	2,565	803	4,568	33,392	151,677,000
Percent of total	0.9	68.7	0.4	6.3	7.7	2.4	13.7	100.0	
1951	205	25,984	127	1,822	2,360	522	4,173	35,193	154,360,000
Percent of total	0.6	73.8	0.4	5.2	6.7	1.5	11.9	100.0	
1952	196	26,527	137	1,804	2,319	532	3,358	34,873	156,981,000
Percent of total	0.6	76.1	0.4	5.2	6.6	1.5	9.6	100.0	
1953	214	31,253	140	2,062	2,402	518	3,498	40,087	159,696,000
Percent of total	0.5	78.0	0.3	5.1	6.0	1.3	8.7	100.0	
1954	322	40,889	154	3,359	3,191	745	4,476	53,136	162,409,000
Percent of total	0.6	77.0	0.3	6.3	6.0	1.4	8.4	100.0	
1955	386	46,163	217	4,056	3,317	750	4,515	59,404	165,248,000
Percent of total	0.6	77.7	0.4	6.8	5.6	1.3	7.6	100.0	

[1] This figure includes 256 amended petitions and adjudications for which occupation is not shown. The percent figures for 1940 are based on 52,321 cases which excludes these 256 amended petitions.

EXHIBIT C

Total assets realized and liabilities filed and allowed in asset cases closed in 1954 and 1955:

	1954	1955
Number of cases	5,062	6,320
Total realization	$34,623,745	$38,380,830
Average realization	$6,839.93	$6,072.92
Total liabilities filed and allowed	$125,370,233	$156,601,254
Average liabilities filed and allowed	$24,767	$24,779

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York, the chairman of the House Judiciary Committee [Mr. CELLER].

Mr. CELLER. I am very happy that the distinguished chairman of the subcommittee has given us some very illuminating facts about business failures.

It seems that most of these failures pertain to small-business units. While we had this avalanche of business failures, I find that most of the Government procurement is directed to the large corporations; and I am told that 100 big corporations got 62.6 percent of the procurement totaling $123 billion in the last 5 years.

The share of the 100 corporations, with General Motors Corp. holding the first place, was $77,167,400,000 for the period from July 1, 1950, to June 30, 1955.

Does not the gentleman feel that if some of this procurement were directed to some of these smaller corporations we might have had a different result, one other than the horrendous factors the gentleman adverted to?

Mr. ROONEY. I most certainly agree. The gentleman well knows that every effort made by this administration since it took office has been directed to making big business bigger and has done nothing, in my estimation, to help the small-business man. The fact that 96 percent of business failures were small business indicates that.

Now, let us refer to the Department of State.

We used to hear about homosexuals in the State Department; we used to read about it in the press. How many homosexuals do you think they found during the past year and this after this administration has been in office for 3 years? How many homosexuals do you think they found in the State Department during the past year? I refer you to page 352 of the testimony and the following colloquy:

> Mr. Rooney. How many morals cases have you had in the Department in the past year?
>
> Mr. Flinn. We have had 42 individuals who have resigned in lieu of charges after admission. We have had 15 individuals who resigned after being confronted with the nature of the investigations, but before final processing of their cases.
>
> Mr. Rooney. That includes women as well as the men?
>
> Mr. Flinn. Yes, sir.
>
> Mr. Rooney. Off the record.
>
> (Discussion held off the record.)
>
> Mr. Rooney. These 57 cases were alleged homosexuals?
>
> Mr. Flinn. Yes, sir.

A few years back if they had found 57 foul balls in the Department of State it would have made the front pages. But the press has had this story for a month or two now and I have not seen any mention anywhere, that they had 57 homosexuals in the Department.

Now, let us see how good the Department of Justice has done with regard to all the espionage cases and treason cases they have been talking about in the press for so long.

Mr. BROWNSON. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. Not just now. When I have finished I shall be glad to yield to the gentleman, I assure him.

Let us see what the situation is with regard to espionage cases. Four hundred and eighty-one cases were turned over to the Internal Security Division of the Department of Justice under Attorney General Brownell. How many indictments do you think were obtained in these 481 cases? Two. How many convictions? Two. And were not these cases instituted back in the other administration? How many espionage cases did they close and find nothing in? Four hundred and thirteen.

Now they have almost as good a record as that in the number of sabotage cases. They claim they had 411 sabotage cases. How many pending? None. How many closed? Four hundred and eleven. How many indictments? None. How many convictions? None.

Treason cases: 273. They claim these are pending, but no convictions appear in their statistics. This will be found on page 115 of the hearings with regard to the Department of Justice.

Mr. Chairman, we have heard a lot about Communists in Government. There has been a very peculiar situation uncovered in connection with certain funds appropriated to the President. In the supplemental appropriation bill for the current fiscal year there was appropriated directly to President Eisenhower the sum of $5 million, an emergency fund in connection with cultural affairs and international fairs. That fund was used to send a certain symphony orchestra to the Orient at a cost of $267,000. This symphony orchestra was away, as I recall it, for about 5 or 6 weeks at a cost of over a quarter of a million dollars. According to the latest figures received from the Department of State there were 103 people in this orchestral contingent sent to the Orient. It now develops that of those who went to the Orient 1 out of 10 of them have been characterized by responsible law enforcement officials of the Government as either present or former members of the Communist Party. This discovery came about when certain decent American members of the aggregation reported that when the orchestra people were in Okinawa and were told that in so many minutes an American bombing plane could be over Soviet Russian territory great consternation was expressed by several members. It was said that we Americans were barbarians and always thought of war. When this same aggregation went to Hiroshima in Japan, there was a discussion amongst certain of them, in not too quiet tones, about what butchers we Americans were to have ever dropped the atom bomb on Japan.

So when they returned home some of these decent American citizens had something to say about it. Information came to this committee, which was turned over to the Office of Security of the State Department and to the FBI. The FBI made an investigation. Now, the background of these 10 people is not a background supplied by their fellow musicians. This is not background reported as hearsay from somebody on the outside. This is the background of these people as given by the Federal Bureau of Investigation, and if you will bear with me a minute I will see if I can find the details as to the first of these foul balls.

Let us see about the background of the first member of this aggregation. The FBI says, not what any fellow musician said, not what I say, or what anyone else says:

> Information has been reported by an informant of known reliability—

An informant of whom? Of the FBI. Who decides reliability? The FBI—

> that in 1943 he was a member of the Communist Party. A similar reliable source said in 1944 that he held Communist Political Association Membership Book No. such-and-such.

The number of the book was reported by the FBI. He held that book, which had that number, on September 30, 1944.

Another informant of known reliability to the FBI said that he was a Communist in 1946, and an informant who has furnished reliable information in the past advised that this particular gentleman was a member of the International Workers Order, Lodge No. 607, in 1952, and had been a member for the past 5 years. It was further reported by the FBI that he was observed in 1952 on certain premises alleged as a secret training school of Communist Party members.

Now let us see about the next gentleman. According to a source that furnished the FBI reliable information in the past, this gentleman was transferred from the New York City Communist Party to the Communist Party of Cleveland, Ohio, in 1942; that in 1942 he sold an automobile to Earl Browder. It was further alleged in the FBI report, reliably, that he was also registered in the Workers School in 1943. That school is now the Jefferson School of Social Science and has been cited by the Attorney General. From a source of unknown reliability it was learned that this individual had been a soloist for the record Rondo, issued by the Young Peoples Records. This organization, Young Peoples Records, was cited as a Communist front, which has been advertised by Communist bookstores and had been cited in the 1948 report from the California Committee on Un-American Activities.

Now, then, let us see another one of these people. In 1940, 1941, 1942, and 1945 this individual and his wife signed nominating petitions for Communist Party candidates for the New York State elections. A list of the members of the 11th Assembly District Club of the Communist Party, Manhattan, submitted by a confidential informant of the FBI in the early part of 1944, contained the names of this man and his wife.

Now, I do not have time to read all this testimony. I am going to insert all the pages in regard thereto at this point in the Record:

WEDNESDAY, *March 14, 1956.*

EMERGENCY FUND FOR INTERNATIONAL AFFAIRS

CULTURAL PROGRAM

Witnesses: Loy W. Henderson, Deputy Under Secretary of State for Administration; I. W. Carpenter, Jr., Assistant Secretary of State, Controller; Scott McLeod, Administrator, Bureau of Security and Consular Affairs; Robinson McIlvaine, Deputy Assistant Secretary for Public Affairs; Edward C. Crouch, Acting Budget Officer; Dennis A. Flinn, Director, Office of Security; Russell Riley, Director, Educational Exchange Program; Douglas N. Batson, Bureau of Public Affairs.

Mr. Rooney. Mr. McIlvaine, as Deputy Assistant Secretary of State, is one of your duties to handle the program under the appropriation entitled "Funds appropriated to the President" in connection with the sending of cultural and trade-fair groups and other such people to foreign countries?

Mr. McIlvaine. Yes, sir.

Mr. Rooney. And last summer did you send an organization known as the Symphony of the Air to the Orient?

Mr. McIlvaine. I believe it was last summer.

Mr. Batson. Last summer, yes.

Mr. Rooney. What was the date?

Mr. Batson. May and June 1955.

Mr. Rooney. This past May and June?

Mr. Batson. Yes, sir.

Mr. Rooney. And where did they go?

Mr. McIlvaine. They went to Japan, to the Philippines—is it all right if I ask Mr. Batson to supplement my answer?

Mr. Rooney. Certainly.

Mr. Batson. Korea, Okinawa, Thailand, Formosa, and Ceylon.

Mr. Rooney. That is seven countries, I believe, you have given us.

Mr. Batson. Yes, sir, but I would add Malaya.

Mr. Rooney. How many people did you send?

Mr. Batson. There were 101.

Mr. Rooney. Do you have a list of them?

Mr. Batson. I have a list of them here, yes, sir.

Mr. Rooney. May I see the list?

Mr. Batson. Certainly.

Mr. Rooney. They were approximately 2 months in these foreign countries?

Mr. Batson. About 6 weeks.

Mr. Rooney. What was the cost to the taxpayers?

Mr. Batson. $267,005 09.

Mr. Rooney. How many performances did they give?

Mr. Batson. I do not have the record of that with me; I do not know exactly.

Mr. Rooney. Will you insert that information at this point in the record?

Mr. Batson. Yes, sir. There were 35.

Mr. Rooney. Before you sent these people, Mr. McIlvaine, at a cost of $267,000 to the taxpayers, did you have their names checked for security?

Mr. McIlvaine. Yes, we did.

Mr. Rooney. Who did you have check them?

Mr. McIlvaine. We had the management and the conductors checked by the Department's Security Office.

Mr. Rooney. I think from here on, we should use numbers in referring to them.

You have now given us 4 names which we have designated 1, 2, 3, and 4. Did you check anyone else of this group for security, beyond numbers 1 through 4, just mentioned?

Mr. McIlvaine. No, Mr. Chairman, we did not.

Mr. Rooney. By that do you mean there was not even a check made of the name files of the FBI and the Un-American Activities Committee of the House, or anywhere else as to all other than the four mentioned?

Mr. McIlvaine. That is correct. I would like to be able to elaborate on that, if I may.

Mr. Rooney. You may go right ahead.

Mr. McIlvaine. Well, as you know, the responsibility for operating this program is in the State Department. I want to clear up, right away, that it is a separate one from the regular exchange program.

Mr. Rooney. But it is handled by the exchange program?

Mr. McIlvaine. It was handled by 1 branch, 4 or 5 people in 1 branch of the exchange program.

Mr. Rooney. Yes; and it worked under the director of the exchange program?

Mr. McIlvaine. That is right. But they report directly to the Interagency Committee of which I am chairman.

Mr. Rooney. And is the United States Information Agency also in this program?

Mr. McIlvaine. They are represented on this Interagency Committee, that is right. However, we have not appeared before this committee yet, this year, for our funds, although Mr. Riley and I have testified before you previously on the regular exchange request.

Mr. Rooney. But you did get funds from the Congress last year including the $267,000, which was used to send this aggregation to the Orient?

Mr. McIlvaine. That is correct. Now in setting up this program, I just want to point out, that we never had any experience in this kind of operation before. Therefore, we had to make our plans as intelligently as we could on the basis of our experience. As you already know, every recipient of a United States grant for travel or study abroad under the Smith-Mundt and Fullbright programs is subject first to a name check, even though such grantees are not Government employees, nor are they entitled to have access to classified information.

In formulating our operating plans for this program we are guided by the same criteria. The chief aim of this program is to demonstrate United States capabilities in the arts of music, drama, dance, and sports, and of course, an important byproduct of this program is the impact of the performers themselves for good will in their off hours. So naturally we determined that every effort must be made to insure that performers or groups be of the top artistic quality, and insofar as it could be determined, good representatives of the United States as well.

Mr. Rooney. And by that do you mean dependable Americans without Communist connections?

Mr. McIlvaine. That is correct. The first of these two criteria was relatively easy to handle, that is the artistic excellence. The American National Theater and Academy of New York, a nonprofit organization, which was chartered by Congress, and which has a very fine reputation, became our technical agent for making the technical arrangements, and in the selection of people from the artistic point of view. They have enlisted the help of prominent citizens, who are expert in the fields of music, dance, and so on to see that they have the artistic qualifications, and this procedure has worked very well. I can report to you that none of the groups that have gone abroad under this program have been anything but an artistic success.

Mr. Rooney. In this group that you sent to the Orient, known as the Symphony of the Air, were they all dependable Americans without Communist connections?

Mr. McIlvaine. I am not saying that; no, sir. However, the Symphony of the Air was a great success, from the point of view of everything that we have heard of it.

Now the second criteria, in which you are interested, and in which I am interested, that all participants be good representatives of the United States, is much less susceptible to precise determination. Clearly participants should not be persons who are Communists, or who might otherwise act against the interest of the United States. That includes various types, people who have nothing to do with communism, but who would be just plain poor representatives of the United States.

Mr. Rooney. How about Communist sympathizers?

Mr. McIlvaine. That could include those too.

Mr. Rooney. It should, should it not?

Mr. McIlvaine. Yes. Making a determination in the case of an individual is a very difficult thing. It is relatively easy with respect to stars and top performers, because they are frequently well known by reputation and otherwise. And, of course, as you already know, we do submit their names for a name check.

The problem becomes much more difficult when you are dealing with a large group that operates as a team. Now a symphony is a good example of this. We are dealing with their reputation as an entity; and the top ones have international reputations as orchestras, because of the conductors and managers, and so on, who have been able to produce a team that produces music. The spotlight does not often get down to the third violin player, or other routine performers. Nevertheless I think we do have to consider what kind of a person that third player of the violin is, and it is not very easy to determine. For example, we might get unverified information, concerning a hypothetical violin player, describing him as a left winger or that he belongs to a do-good organization that was infiltrated with Communists in the past.

Our security people tell me that you often will find quite a proportion of such people who have had such associations, in this field, and I believe that the people themselves admit that people in this area are somewhat naive about such political things as the Communist conspiracy. So we had to make an operating decision in this program. And our decision was that since the President and the Congress had determined that this program was in the national interest we must try to make it work. In doing so we recognized that we must take all practical precautions to insure the proper type of performers; that in the case of large groups it was impractical to scrutinize each individual performer and that, therefore, our trust must be put in the management and the principals with whom we constantly stress the role that they and all their group play as unofficial ambassadors.

Thus, as a practical matter our assumption was if the hypothetical third violin player is a good one the overall effect of his participation in a great orchestra will far outweigh any mischief he might be able to do in the relatively few hours he is left alone on one of these tours.

Mr. Rooney. Suppose it was said, as was written to me in a letter, that during the visit of the above-named band last year to the Orient, a good number of the members were spreading Red propaganda in the nations and islands they visited; would you then say that the third violinist's ability would outweigh the mischief he might be able to do?

Mr. McIlvaine. I would say that was bad; except for this one member that we know about, and I have no evidence that they did. However I agree that it certainly would be bad if they did. On the other hand we have had very, very heavy evidence that the overall impact of the tour was highly successful.

Mr. Rooney. Perhaps the music was better than the third violin player?

Mr. McIlvaine. Undoubtedly it was. Most of the reports we have had in have specifically mentioned the favorable impression made by the individual performers.

I am not so naive as to believe, or to state to you that in no instance did a single American performer make a fool of himself in any of these countries, or for that matter did not talk against the interest of the United States. But I do believe that the evidence in our files show that the overall impact of this program far outweighed any possible bad effect that was given by any individual.

Now, let us go into the details of this particular orchestra. This tour was organized over a year ago, and we used the Symphony of the Air, first of all because it has a reputation of being among the top in the country, and second because at the time it was thought best to send it, a number of the city name orchestras could not go; and in accordance with the policy we had adopted, we checked the president of the orchestra and the two conductors. All of them appeared to be——

Mr. Rooney. And the booker; don't forget him.

Mr. McIlvane. I included him.

Mr. Rooney. But you just said the president and the two conductors.

Mr. McIlvane. Yes.

Mr. Rooney. But you said you checked 4 people, not just 3 of them.

Mr. McIlvane. Four people, yes. At the very beginning, there was trouble getting the group organized. Unlike the New York Philharmonic, the Philadelphia, Boston, Indianapolis, and other symphonies, the Symphony of the Air has become a "free lance" organization, since Toscanini left and NBC ceased to sponsor it. It does not play a regular season. Many of the musicians hold other jobs on the side. Not all of them could or wanted to get away for such a long trip on such short notice. As a result quite a few substitutions were made, I am told.

One of the great Japanese newspapers put up a $74,000 guaranty for their appearance in Tokyo, and arrangements were made with the Defense Department for them to play for the troops in Okinawa, Korea, and Japan; and other arrangements were made for them to play throughout the Orient. The tour was not without its problems. We were really pioneering. This is the first time a symphony has ever gone to the Far East, and there were a great many problems involving such things as booking arrangements, transportation and so forth.

The report from Japan was extravagant, but typical of what we received from all the stops. It was described as the greatest cultural event that has happened in Japan since the opening of that country to the Western World.

Just last month the leading Philippine university cited the visit of the Symphony of the Air as the outstanding cultural event of the year, and presented Ambassador Ferguson with a citation to this effect for transmittal to the orchestra.

The Manila Chronicle which, by its own admission is generally critical of everything United States, had this to say:

"Once in a long time, America contrives to muster enough of her native genius to present to the rest of the world the best that she can give. When this happens, the bitterest critics of America and the American way of life restrain themselves * * * we wouldn't care if the State Department bombarded us with invasions by other symphony orchestras and with exhibitions of other American artists * * * this is the propaganda we would go out of our way to welcome. It is propaganda that will really sell the United States anywhere, be it Europe or Asia and should the United States Government adopt this propaganda as seriously and in as large a scale as it has adopted the program of military aid, all the evils with which America has been identified might be forgotten."

At one stage of the tour the orchestra was traveling in planes chartered from General Chennault's CAT airline. So pleased were the members of the orchestra with the friendly and efficient manner the pilots and crew handled the operation that they took up a collection for them. The pilots said they could not accept such a gift but would turn it over to the Formosa Symphony which was having a difficult time.

A recent letter from Taipei informs that this contribution has given the Formosa Symphony a new lease on life and that they look on the Symphony of the Air as their cultural godparents.

The comments from the other places were in the same vein. Everywhere they went tribute was paid to the excellence of the performance and the impressions of the performers as individuals.

On the basis of their record we considered the Symphony of the Air for another tour next year, but something happened.

Mr. Rooney. Did you not consider them for a tour this year?

Mr. McIlvaine. It was this calendar year; yes.

Mr. Rooney. In the time already past?

Mr. McIlvaine. No; the consideration was for a tour next fall.

Mr. Rooney. For 1956?

Mr. McIlvaine. 1956; yes, sir. Now something happened to this orchestra on its return. The management that we have mentioned moved out, and there were elections and new management came in. Soon thereafter we began to hear reports of dissension, and when we made our routine check on the new management it was clear that we did not have the kind of leadership that could be counted on to be good representatives abroad.

Mr. Rooney. When did you make that routine check with respect to management?

Mr. McIlvaine. I am not sure of the date.

Mr. Batson. In January.

Mr. Rooney. What did you do in making the check; who made the check?

Mr. McIlvaine. We sent a memorandum over to the security officer and asked him for a check on the names.

Mr. Rooney. It is my understanding that the security officer knew nothing about this until sometime about the 18th of January, when we took it up with him. Do you know anything about that?

Mr. McIlvaine. No; I do not. Maybe Mr. Flinn can tell you.

Mr. Rooney. Wait a minute. Is that correct, Mr. Flinn, that you were handed certain information by me, on or about the 18th of January?

Mr. Flinn. That is right; the other requests were in process, when I received this information from you.

Mr. Rooney. What request?

Mr. Flinn. The request from IES to check the new management; so that this thing happened simultaneously.

Mr. Rooney. This is very strange. I have not heard that until this day, although we have discussed this situation to quite some extent. Do you have a copy of this request?

Mr. Flinn. I can get it.

Mr. McIlvaine. I think possibly Mr. Flinn personally did not know I had called for that.

Mr. Rooney. Do you have a copy of that request here? We should like to see it.

Mr. McIlvaine. Very well.

Mr. Rooney. Will you file it, please.

Mr. Batson. We may have it in the files.

(The following information was subsequently supplied:)

"During first week of January 1956, 7 name checks were initiated incident to consideration of the orchestra for 1956 tour, including Nos. 22, 7, 16, 31, 6, and 2 unnumbered individuals."

Mr. Rooney. Mr. Flinn, did he check all members of that orchestra?

Mr. Flinn. No, sir; only the names listed by request for him.

Mr. McIlvaine. The management, again, Mr. Chairman.

Mr. Rooney. Have you since checked all others in addition to the 30 names that the informant gave the FBI?

Mr. Flinn. That was handled by the FBI at that time.

Mr. Rooney. There were 2 separate lists investigated; 2 separate investigations?

Mr. Flinn. No, sir. As a part of this investigation I submitted the entire list with a request that the FBI make a thorough check; investigate the allegations made against this orchestra as a whole, in addition to the names mentioned by the original informant.

Mr. Rooney. Do you have a copy of that with you?

Mr. Flinn. A copy——

Mr. Rooney. A copy of the report with regard to the entire aggregation.

Mr. Flinn. I have the report, yes; it came back, a copy covering the entire group.

Mr. Rooney. And you have that here with you?

Mr. Flinn. Yes, sir.

Mr. Rooney. Go ahead, Mr. McIlvaine.

Mr. McIlvaine. Accordingly when we got this information which we have been discussing, which came almost simultaneously to your committee, we canceled the project. In doing so we had to be careful so as not to jeopardize the investment we already had in the Orient both in dollars and good will. Accordingly, we merely informed them that we were canceling the project and gave no reasons why we were doing so.

Mr. Rooney. Who was the conductor of the orchestra at that time?

Mr. McIlvaine. There was no conductor as yet.

Mr. Flinn. That is correct.

Mr. McIvaine. This orchestra does not have a regular conductor; they get people to be guest conductors. I feel that——

Mr. Rooney. Is No. 5 one of the conductors of this orchestra?

Mr. McIlvaine. He has been a guest at various times. At the present time he would not be on any of our programs.

Mr. Rooney. Has he been associated with the orchestra within the past year?

Mr. McIlvaine. I believe he has, when it plays in the United States.

Mr. Rooney. Very well, Mr. McIlvaine, you may proceed.

Mr. McIlvaine. I felt very strongly that in canceling this project we had 2 problems; 1 is the impact of a hassle over this question abroad, after the orchestra was so successful. And for this reason, because I think all here are trying to do what is best for the country, I would hope that this particular phase of the discussion in this session would not be made public. I am raising this point——

Mr. Rooney. Mr. McIlvaine, do you not think the public is entitled to know the type of people that make up an orchestra that goes abroad at a cost to the taxpayers of this country of a quarter million dollars?

Mr. McIlvaine. I do, sir, if we know exactly what we are saying about them. Off the record I would prefer——

Mr. Rooney. No; stay on the record, please.

Mr. McIlvaine. I would agree with you, and I think it would be better if that phase of this could be handled separately from this program so that there would be no possibility of jeopardizing the undeniably good job they did and the good effect the orchestra had on the last trip.

Mr. Rooney. Well don't associate me with that, though—because that is not my information at all. That does not reflect my thought on the subject at all.

Mr. McIlvaine. We have approached this whole program, as I hope you appreciate, in addition to opposing communism, to put on a program that is as constructive as possible in this particular stage of the world situation.

Mr. Rooney. May I ask you a question, Mr. McIlvaine?

Mr. McIlvaine. Yes, Mr. Chairman.

Mr. Rooney. Is not the very purpose of the program to combat and to contain communism abroad?

Mr. McIlvaine. The purpose of the program is to show the cultural development in the United States, and in that context to put the lie to Communist propaganda that all the interest we have in the United States is to——

Mr. Rooney. Are we to understand that it is not the underlying reason for a program such as this, where some $5 million was appropriated to President Eisenhower for use in connection therewith, to combat and contain communism?

Mr. McIlvaine. It is to combat Communist propaganda, which is in itself to combat communism.

Mr. Rooney. It was nice of you to stretch it that far. Go ahead.

Mr. McIlvaine. I believe very strongly that this kind of a program is in the national interest; in fact we can no longer afford not to take steps to show that we have in this country something besides a strong defense and some of the best gadgets for comfortable living. I wish I could be able to tell that we have been able to find a workable system whereby we could guarantee to you and the American people that no one could go abroad under this program about whom there is not some taint. If we tried to make such a guaranty we would be dishonest, because I do not believe we could deliver. We can and do assure you that we regard this matter with the utmost seriousness; we have since the very inception of the program. Yet we have always known that lacking the kind of criteria that exists for Government employment and access to classified information, risks are involved.

Now I have never been one to contend that any particular administrative program is perfect or not susceptible to change. As I have already indicated we have kept this one under constant scrutiny. As a result of this study I believe we have taken steps to lessen the kind of risks that are involved in such a program.

Specifically we have taken steps to get the same check on rank and file performers that we have been getting on the leaders. We are continuing to stress the importance of this phase of the program to impresarios and union leaders.

Despite these efforts I am sure that our headaches will continue. However, nothing worth while is easy to accomplish. We believe in this program and believe with you that the interest of our country should be foremost in every phase of its operation. That is our sole aim in this operation, Mr. Chairman.

Mr. Rooney. Mr. McIlvaine, you are familiar with the fact, are you not, that I turned certain information over to the security officer of the State Department on or about the 18th of January; are you familiar with that fact?

Mr. McIlvaine. No; I am familiar with the fact that you did; I do not recall the date.

Mr. Rooney. Are you familiar with the fact that thereafter the FBI made certain investigations?

Mr. McIlvaine. Yes, sir.

Mr. Rooney. Now, have you seen the results of that investigation?

Mr. McIlvaine. Yes, sir.

Mr. Rooney. If you had had that investigation before you spent $267,000 of the taxpayers' money in sending this aggregation to the Orient, would you have permitted them to go?

Mr. McIlvaine. I would have first seen what possibilities there were to eliminate certain members of the orchestra and if that had not been possible I think probably I would not have let them go.

Mr. Rooney. How many members of the orchestra?

Mr. McIlvaine. Well, Mr. Chairman, I just cannot say. This is in this great gray area I referred to in my earlier testimony, as to where you draw the line in these things; where people are a part of the overall effect and not involved in security of the United States, as such. I am not an expert on that kind of thing, but I do know how difficult it is to draw the line.

Mr. Rooney. Do you not think that before they went you should have had their names checked with the FBI and the Un-American Activities Committee and other agencies, all the names of the persons in this program on whom you spent this $267,000?

Mr. McIlvaine. As I have already told you, Mr. Chairman——

Mr. Rooney. Please let me have, once in a while, a categorical answer.

Mr. McIlvaine. What was your question?

Mr. Rooney. The question was: Do you not think that before you sent any of them on whom a part of this $267,000 of the taxpayers' money was spent that you should have first checked at least their names with the FBI and the Un-American Activities Committee?

Mr. McIlvaine. We did not consider this practical up until now.

Mr. Rooney. You have not answered my question, unless I misunderstand your answer. By that answer you mean you do not think you should have had the names checked before you sent them out at a cost of $267,000?

Mr. McIlvaine. Mr. Chairman, that was the procedure under which we were operating.

Mr. Rooney. I am not asking what procedure you were following; I am asking you a very simple question. Before you spent $267,000 of the taxpayers' money and sent this group abroad last summer, do you not think that you should at least have had their names checked with the FBI and the House Un-American Activities Committee?

Mr. McIlvaine. Well, yes.

Mr. Rooney. To whom was this money appropriated that we are talking about here, this $267,000; to whom was it appropriated?

Mr. McIlvaine. That comes out of the President's emergency fund for participation in international affairs.

Mr. Rooney. And is there coordination of this program between the USIA, the Department of State, and the exchange program with the White House?

Mr. McIlvaine. There is no direct contact with the White House. The Information Agency is assigned as the coordinator of the two arms of the program, one the trade fairs, and the other the cultural presentation program.

Mr. Rooney. This was not money that was appropriated directly to the Department of State, was it?

Mr. McIlvaine. No, sir.

Mr. Rooney. Was it money that was appropriated to the United States Information Agency?

Mr. McIlvaine. It is my understanding—and I do not know exactly, but it is my understanding——

Mr. Batson. The answer is "No."

Mr. Rooney. These were moneys appropriated to the President for his emergency fund; is that right?

Mr. McIlvaine. Yes, sir.

Mr. Rooney. Now, do you have the report with regard to the people who were on this trip? Do you have such a report? Who has it?

Mr. McIlvaine. I would not have that.

Mr. Flinn. The report of the investigation?

Mr. Rooney. Yes.

Mr. Flinn. I have that.

Mr. Rooney. On or about the 18th of January 1956, were you in touch with me, Mr. Flinn?

Mr. Flinn. That is correct.

Mr. Rooney. At that time I told you that I had the name of a certain person in the city of New York which had been sent to me by a retired detective of the police department of that city?

Mr. Flinn. That is correct.

Mr. Rooney. And did I give you a copy of that letter?

Mr. Flinn. You gave me a copy of the portion of the letter without the signature of your correspondent.

Mr. Rooney. But including the name and address and telephone number of the informant?

Mr. Flinn. That is correct.

Mr. Rooney. And what did you then do?

Mr. Flinn. I referred this—since the information contained in the letter appeared to come within the internal security jurisdiction of the FBI, I referred it to the FBI.

Mr. Rooney. What did you then find?

Mr. Flinn. The FBI made the investigation and submitted the results to the State Department.

Mr. Rooney. And what did it report?

Mr. Flinn. They reported the interview with the original informant named in the letter to you, sir, and the results of the names-check of those persons he named including others in this orchestra who had gone on this Far East tour.

Mr. Rooney. Let us stay with the original informant—the first person they interviewed.

Mr. Flinn. Yes, sir.

Mr. Rooney. We will call him No. 6.

Mr. Flinn. Yes.

Mr. Rooney. What did No. 6 say?

Mr. Flinn. He identified himself as associated with this orchestra in the past, and stated that since the last election of officers of the orchestra, when the leftist group took control, he has not played with the orchestra.

Mr. Rooney. Excuse me a moment.

Mr. Flinn. Certainly.

Mr. Rooney. Very well, proceed. We were inquiring with reference to what No. 6 said.

Mr. Flinn. He attributed his lack of further employment with the orchestra to an incident that took place in 1955 when the arrangements were made for the trip to the Orient, which the orchestra made. He had made a comment to one of the members of the orchestra that some of the fellows were going to have difficulty——

Mr. Rooney. He made the comment to No. 7; and who was No. 7?

Mr. Flinn. I do not have that—he is a member of the symphony.

Mr. Rooney. The manager of the orchestra?

Mr. Flinn. Apparently that has certain information better than I have on this paper.

Mr. Rooney. Are you looking at the report of February 15?

Mr. Flinn. No, I am looking at the raw material which I received, and I have identified the man there, but I did not identify him here, you see.

Mr. Rooney. Very well.

Mr. Flinn. He said that he had made this comment to No. 7, that some of the fellows were going to have difficulty in making the tour because they would have difficulty in getting a passport.

Mr. Rooney. Did he say, because of their background?

Mr. Flinn. Because of their background. No. 7 replied that if he continued to talk in this manner that he would never play with the orchestra again.

Since that statement No. 6 said that he was constantly watched by the "leftist," while in the Far East. He also described an incident which occurred while on the tour, where he was given a "trial," when he was charged by other members of the orchestra with using vile language in the presence of an Army officer's wife. This trial resulted in proof that No. 6 did not make these comments in front of—in the presence of ladies, and it seems as though—and I am interpolating now, that in some of the comments made by No. 6, there is a showing of spite. However, he did name approximately 30 people associated with the orchestra, which he identified as the "leftist" group. He referred to certain other incidents which occurred in the Far East.

Mr. Rooney. Before you get away from that, and concerning the vile language: What else did he say, if anything, with regard to that officer and his wife?

Mr. Flinn. He said that he was later invited by the officer and his wife to visit their home which apparently disproved the false charges made by the other member of the orchestra.

Mr. Rooney. What objection is there to just reading this matter, to save time?

Mr. Flinn. I would prefer that this did not go in verbatim.

Mr. Rooney. Was No. 6 asked to elaborate on his allegation that some of the Symphony of the Air members spread "Red" propaganda while on the tour of the Orient?

Mr. Flinn. Yes.

Mr. Rooney. What did he say?

Mr. Flinn. He stated that No.——

Mr. Rooney. That is No. 8?

Mr. Flinn. I will leave out the designation, because that identifies him. That No. 8 had highly praised and agreed with the book which contained——

Mr. Rooney. Was there a change in the officials so that it would not be possible to now tell exactly who was the chairman of the board.

Mr. Flinn. This was not the name of the chairman of the board.

Mr. Rooney. Very well, proceed. What did he say?

Mr. Flinn. He said this, that No. 8 highly praised and agreed with a book which condemned the atom bombing of Hiroshima.

Another example of propaganda given by the informant was that fact that number——

Mr. ROONEY. That is what number?

Mr. FLINN. No. 9, associated with the orchestra, constantly praised Russian music and stated that its culture was superior to ours. He added that while at Army installations in the Far East, the musicians with the orchestra took photographs. He admitted that he could not be specific as to the allegations of the Red propaganda, nor cite specific instances as to the spread of that progaganda. He did furnish, however, a list of 30 individuals suspected by him of being "leftists."

This informant was also not quite articulate when asked to define the term "leftist."

Mr. ROONEY. Did he not say that he believed there were certain people who were un-American?

Mr. FLINN. Un-American; yes.

Mr. ROONEY. What, if anything, did No. 6 say about No. 4?

Mr. FLINN. He stated that he suspected No. 4 of black-market activities while on this trip to Thailand, because the musicians were paid in local currency rather than in American dollars.

Mr. ROONEY. What else, if anything, did he point out?

Mr. FLINN. He pointed out also that No. 18, No. 32, and No. 11, although not members of the orchestra, were planning to be included in the 1956 tour. He described these individuals as violent Communists, and stated that the musicians union had identified them as such. He could not furnish first-hand information in so describing these individuals.

Mr. ROONEY. Was there a source interviewed who requested that his name be kept confidential?

Mr. FLINN. Yes, sir.

Mr. ROONEY. Was he interviewed?

Mr. FLINN. Yes, sir.

Mr. ROONEY. Was he in a position, or did he say he was in a position to furnish information concerning the activities of the Symphony of the Air?

Mr. FLINN. He said he was in a position.

Mr. ROONEY. What, if anything, did he say?

Mr. FLINN. He described the background of the orchestra; in fact, he was formerly associated with the National Broadcasting Co.—formerly known as the National Broadcasting Co. orchestra, and conducted by Arturo Toscanini.

Mr. ROONEY. How long had he been with that orchestra; did he say?

Mr. FLINN. He said that he had been with the orchestra for a good many years, and that he made this tour of the Far East under the auspices of the State Department, from April to July in 1955. He added that he knew no basis for the assertion that the orchestra was out to spread Red propaganda on the tour. He advised that he and No. 1 would not have permitted such use of the orchestra.

Do you want me to go into this internal struggle within the orchestra?

Mr. ROONEY. I think the safest and fairest thing is to have the whole thing right on the record. Does anybody disagree?

Mr. PRESTON. If we are going into it we had better do it thoroughly.

Mr. ROONEY. Did he name certain people, that is, this informant?

Mr. FLINN. Yes; he named certain people in the orchestra, and he described a rift that had existed internally in the orchestra for some time in the past; an internal rift.

Mr. ROONEY. What, if anything, did he say about No. 6?

Mr. FLINN. He stated that, in his opinion, No. 6 talked too much, and added that No. 6 had been warned in the past to wait until he had the facts to support him before making a statement. He continued—that is, No. 6—to accuse some members of the orchestra of being Communists, and thereupon became the subject of controversy within the orchestra itself.

Mr. ROONEY. Did he say anything with reference to a scheduled tour of the orchestra?

Mr. FLINN. He added that the orchestra was scheduled for a tour—there was consideration in the State Department of a tour of Europe and the Near East during 1956.

Mr. ROONEY. In February 1956—did he say?

Mr. FLINN. In February 1956.

Mr. MCILVAINE. Mr. Chairman, that looks like what I stated was not accurate.

Mr. ROONEY. No; I am not trying to show that you were inaccurate; I am merely trying to show what this informant said at this point. What, if anything, was said to him——

Mr. FLINN. About tours?

Mr. ROONEY. Yes.

Mr. FLINN. He said the schedule had been deferred until October of 1956. And that it might be further postponed.

Mr. ROONEY. Did the FBI interview a party whom we shall call No. 36?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What did No. 36 say?

Mr. FLINN. He described his position in the orchestra during the tour made of the Far East.

Mr. ROONEY. When was he interviewed?

Mr. FLINN. He was interviewed in January 1956.

Mr. ROONEY. Did he say he had no special information?

Mr. FLINN. He said that he had on special information regarding the spread of Red propaganda, but he felt and had heard that several members of the orchestra were Communists, and he had been told by one member of the orchestra that No. 7, No. 31——

Mr. ROONEY. No. 31.

Mr. FLINN. Yes; No. 21 and No. 24 were card-carrying members of the Communist Party; and that No. 37, not a member of the orchestra, but who is himself an orchestra conductor might be communistically inclined. He continued that although he had no factual data, he felt that a certain local union is controlled by the Communist faction. He stated the feeling that because of his own rightist tendencies that he had been held back in his career in the music profession; he felt—he believed that people who contract for orchestras might be communistically inclined. That is all under that one.

Mr. ROONEY. Was there a further source interviewed?

Mr. FLINN. Yes; there was one interviewed with the request that his name be kept confidential.

Mr. ROONEY. What was the date of his interview?

Mr. FLINN. January 1956.

Mr. ROONEY. Did he say he toured the Far East with the Symphony of the Air last year?

Mr. FLINN. That does not show in my report—may I look at that list? Yes, sir.

Mr. ROONEY. And what else, if anything, did he say with regard to that trip?

Mr. FLINN. He described the background of the orchestra. He said that the orchestra was attempting to obtain grants from the United States Government and Ford Foundation. He advised that during the fall of 1955 that the left-wing faction of the orchestra gained control of the organization; and at that time the anti-Communist faction had for all practical purposes been ostracized. He claimed that the anti-Communist group in the orchestra consisted of 10 to 15 musicians; that he received very few engagements——

Mr. ROONEY. Did he name anybody?

Mr. FLINN. He named the following persons as Communists, although he was unable to offer proof other than stating that he and the other members of the orchestra were loyal Americans and have the feeling that these are Communists: No. 13, No. 16, No. 21, No. 24.

Mr. ROONEY. No 8?

Mr FLINN. 7, 29, 31, and 8.

Mr. ROONEY. Well we had better call him No. 38.

What if anything did he say about the trip to the Far East?

Mr. FLINN. He said that during the trip that the left-wing group constantly praised the Soviet Union as to cultural and economic achievements. While in Seoul, Korea, this group was unanimous in describing the devastation as having been caused by American imperialists; and also they referred to Americans as butchers when they viewed the ruins of Hiroshima.

Mr. ROONEY. When you say "they," do you mean those whom he referred to as the left-wing group?

Mr. FLINN. As the left-wing group; yes.

Mr. ROONEY. Very good; and he added what, if anything?

Mr. FLINN. He added that No. 7 became irritated in Japan when members of the orchestra were informed that within 27 minutes the United States could bomb the Soviet Union.

Mr. ROONEY. Where did he say they then were?

Mr. FLINN. At Sandai, Japan. He described No. 7 as a vicious Communist who loathed anything American. He added that he had heard from unrecalled sources that No. 7 was able to arrange his last tour of the Far East through contact in the State Department. He was unable, however, to be specific when he classified a person as a Communist, and defined "leftist" as a "cover for one who is a pro-Communist." In closing this person stated that he hated to see the United States foot the bill for a bunch of pinks.

Mr. ROONEY. What is the background of No. 7? Incidentally before you give me that, he was the manager of this tour; was he not?

Mr. FLINN. I can't answer that.

Mr. ROONEY. Is that right; was No. 7 the manager of the tour?

Mr. MCILVAINE. Who was that?

Mr. ROONEY. Suppose you take a look at the list.

Mr. BATSON. According to that list at the time the trip was made—we did not know who was; it may be that he was designated as that; he did not have that title when he worked with the organization.

Mr. ROONEY. You did not check him at all?

Mr. BATSON. No, we did not. He did not have that title at the time. We would have checked him; yes, if he had we did not know until after they started on the trip.

Mr. ROONEY. According to this list, he is designated as the tour manager?

Mr. BATSON. That is correct.

Mr. ROONEY. What does the report say?

Mr. FLINN. No. 7, according to the information which became available from various sources, was registered with the American Labor Party, 1937 and 1938; 1940–44; and 1946, 1948–52.

In addition there is reference to the fact that he was a sponsor of the Artists Front To Win the War, cited by the House committee as a Communist organization, which grew out of a mass meeting at Carnegie Hall in 1942.

Mr. ROONEY. No. 7.

Mr. FLINN. No. 7 was listed as the sponsor of this meeting. Considerable information was obtained relating to his wife. Do you want me to give that?

Mr. ROONEY. Yes.

Mr. FLINN. There is information to the effect that she was a signer of the 1943 Communist Party nomination petition and information of unknown reliability alleges that she contributed to the Jefferson School of Social Science in 1944. As you know, this school has been cited by the Attorney General. She was associated with the National Council of Artists, Scientists, and Professors, which was cited as a Communist-front organization by the HCUA, and has been in

contact with several persons identified as members of the Communist Party. She also registered a preference for the American Labor Party in the years 1937, 1946, 1950, and 1951.

Mr. ROONEY. Is there something in there about his wife being questioned by the FBI, or about the signing of a Communist nominating petition?

Mr. FLINN. Yes, she was; sources of known reliability; in 1943 she signed a Communist Party nominating petition. I read that at the end.

Mr. ROONEY. Was there a request of her at one time for an interview by the FBI?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What happened to that?

Mr. FLINN. But that was not in connection with this inquiry?

Mr. ROONEY. That was at some other time?

Mr. FLINN. At some other time and on circumstances unknown to me.

Mr. ROONEY. Very well. Now with regard to No. 8, what has been reported with regard to his background?

Mr. FLINN. Information has been reported to the effect, by an informant of known reliability in 1943, that he was a member of the Communist Party. A similar source in 1944 said that he——

Mr. ROONEY. Reliable source?

Mr. FLINN. Yes.

Mr. ROONEY. Go ahead.

Mr. FLINN. Said that he held a Communist Political Association membership book, number (number deleted).

Mr. ROONEY. On what date?

Mr. FLINN. On September 30, 1944. Another informant of known reliability said that he was a Communist in 1946; and an informant who has furnished reliable information in the past advised that No. 8 was a member of the International Workers Order, Lodge No. 607, in 1952, and had been a member for the past 5 years.

Mr. ROONEY. What about that next statement?

Mr. FLINN. I think that ought to be left out; that is a matter that is under continuous investigation. It was reported that he was observed in 1952, on certain premises, alleged as a secret training school of Communist Party members.

Mr. ROONEY. All right; you spoke of an informant; you are speaking of the FBI informant are you?

Mr. FLINN. Yes, sir.

Mr. ROONEY. Now with regard to No. 13, do you have his background?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What is it?

Mr. FLINN. There is information from a source that has furnished reliable information in the past that No. 13 was transferred from the New York City Communist Party to the Communist Party of Cleveland, Ohio, in 1942.

Mr. ROONEY. What does the result of your investigation show with regard to an automobile?

Mr. FLINN. With reference to what number?

Mr. ROONEY. With reference to No. 13.

Mr. FLINN. It shows that he sold an automobile in 1942 to Earl Browder.

Mr. ROONEY. Now what further, if anything, was disclosed with regard to No. 13?

Mr. FLINN. It is further alleged by—reliably—that he was also registered in the "workers school" in 1943. That school is now the Jefferson School of Social Science and has been cited by the Attorney General.

Mr. ROONEY. Where did the information with regard to No. 13 having been registered for the fall term of the workers school in 1943 come from?

Mr. FLINN. It was from reliable sources—I am sorry, I would like to correct that. It is from a source considered reliable in the past.

Mr. ROONEY. What was disclosed as to his background?

Mr. FLINN. From a source of unknown reliability it was learned that this individual had been a soloist for the record Rondo, issued by the Young Peoples Records. This organization, Young Peoples Records, was cited as a Communist front, which has been advertised by Communist bookstores, and had been cited in the 1948 report from the California Committee on Un-American Activities.

Mr. ROONEY. What further were you advised?

Mr. FLINN. In 1945, a source which furnished reliable information in the past indicated that No. 13 was in contact——

Mr. ROONEY. With whom?

Mr. FLINN. With No. 39, and discussed No. 40, a Soviet espionage agent, with No. 39. This source added that No. 13 was a good friend of No. 39; was acquainted with No. 40. No. 40 and No. 39 were associated in the Keystone Recording——

Mr. ROONEY. The Keynote.

Mr. FLINN. The Keynote Recording, Inc., which organization was cited by HCUA as a Communist Party front. That is the sum total on that number.

Mr. ROONEY. Do you have the background of a person who is shown on this list as No. 14?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What is his background?

Mr. FLINN. Investigation reflected No. 14 indicated as party preference the American Labor Party for the years 1941, 1948, 1949, and that his wife had shown the same preference in 1949. No. 14's brother was reportedly employed by the Artkino Pictures, Inc., New York City, in 1945, and in charge of preparation for the American release of pictures imported from the Soviet Union. This brother was reported in 1951 to have been employed by a motion-picture servicing firm, outside of Artkino Pictures, but continued to use facilities of this organization. Artkino——

Mr. ROONEY. No. 14 registered in 1952 as agent of a foreign principal in Moscow?

Mr. FLINN. No, sir; but Artkino Pictures, Inc.

Mr. ROONEY. The firm was registered as a foreign agent?

Mr. FLINN. Yes, sir; had registered with the Department of Justice in 1952 as agent of a foreign principal, an organization in Moscow, Russia.

Mr. ROONEY. Known as Soyusintorgkino?

Mr. FLINN. The registration statement sets forth that the purpose of this organization, Artkino Pictures, was to import motion-picture films from the Soviet Union, and was the sole distributor of such films in the Western Hemisphere. This organization also exported American films to the U. S. S. R. and distributed Soviet film matters to the United States Government agencies.

Mr. ROONEY. Had No. 14 previously been investigated?

Mr. FLINN. Yes, sir.

Mr. ROONEY. In 1952 in connection with application for employment with the Government which was subsequently turned down?

Mr. FLINN. I do not know whether it was turned down.

Mr. ROONEY. I believe that was in August of 1952.

Mr. FLINN. Yes; he was investigated but he did not meet the employment standards of the Department.

Mr. ROONEY. Did No. 21 go on the trip to the Orient last summer?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What is his background?

Mr. FLINN. In 1940, 1941, and 1942, and 1945, this individual and his wife signed nominating petitions for Communist Party candidates for the New York State election. A list of the members of the 11th Assembly District Club of the Communist Party, Manhattan, submitted by a confidential informant in the early part of 1944, contained the names of No. 21 and his wife.

Mr. ROONEY. They were listed——

Mr. FLINN. They were registered for the American Labor Party from 1944 through 1951; and his wife for the same party in 1952, while No. 21 registered for one of the major political parties.

Mr. ROONEY. Was No. 21 previously investigated before that year, and if so in what years?

Mr. FLINN. He was previously investigated in 1945 and 1953. One other matter shows that No. 21 and his wife reportedly also entered the International Workers Order in 1943.

Mr. ROONEY. Did No. 31 go on this trip to the Orient?

Mr. FLINN. Yes, sir.

Mr. ROONEY What is his background?

Mr. FLINN. The only information of a derogatory nature on this individual is from an informant who has furnished reliable information in the past, which advises that No. 31 was a member of the International Workers Order in December 1947. This organization has been designated by the Attorney General, as you know.

Mr. ROONEY. Did No. 4 go on this tour to the Orient?

Mr. FLINN. Yes, sir.

Mr. ROONEY. What is his background?

Mr. FLINN. During 1955 information was received concerning proposed tour of——

Mr. ROONEY. Of a certain well-known performer?

Mr. FLINN. Of a certain well-known performer, to the Near and Far East during the spring of that year. The concert agent for this individual was apparently No. 4, Mr. Louis S. Budenz, former party functionary reportedly described as——

Mr. ROONEY. Reportedly described this well-known entertainer?

Mr. FLINN. Described this well-known entertainer as a Communist entertainer, by reputation, as well as a former member of the Communist Party. House Committee on Un-American Activities records also reflect No. 4 sent greetings to the U. S. S. R. on the 10th anniversary of the Russian revolution, according to the Daily Worker of November 27, 1927.

Mr. ROONEY. What does the record indicate with regard to No. 5?

Mr. FLINN. He did not go on this tour.

Mr. ROONEY. Yes, but we should have his background in view of the fact that he has been the conductor of this orchestra at various times.

Mr. FLINN. It is very lengthy.

Mr. ROONEY. Very well, please proceed.

Mr. FLINN. There is considerable information available on No. 5. He has been described by the former research director for the House Committee on Un-American Activities as a "confirmed fellow traveler, whose sympathies are definitely pro-Soviet." It is further stated that some of the organizations which No. 5 has sponsored and lent his name to are considered definitely dangerous because of their close control by the Communist element.

In 1948 two individuals associated with the World Telegram described No. 5 as a habitual joiner of fellow traveler Communist-front organizations, most of which they considered fairly dangerous organizations and very closely connected with the Communist Party. These individuals did not know No. 5 as an actual member of the party but stated his political leanings are "away over for the Soviet Government." An informant of known reliability stated that in 1945 when the Committee To Aid Ben Davis was being considered, both Ben Davis and Jack Stachel described No. 5 as an adherent to the Communist Party.

Alexander Trachtenberg and V. J. Jerome reportedly also described No. 5 as a Communist. According to Stachel, No. 5 allegedly agreed to submit to Communist discipline.

Davis, Trachtenberg, and Stachel were high officials of the Communist Party and were tried and convicted under the Smith Act.

It will be noted that the informant in this regard stated he had no direct personal knowledge of the facts set forth immediately above.

In 1948 a confidential source of known reliability advised that No. 5 was one of the individuals listed to be developed as a contact by a foreign government.

Mr. Rooney. Of the Soviet bloc?

Mr. Flinn. That is correct.

Mr. Rooney. Instead of government, let's make it the consulate general of a Soviet satellite country.

Mr. Flinn. Another confidential source of known reliability advised that in 1948 in a certain labor union No. 5 was regarded as one of a group who were leftwing in their thinking and possibly sympathetic to the Communist line. Various records reflect that No. 5 was an official of the following organizations in the late 1940's, as indicated—and may I supply the list?

Mr. Rooney. Yes.

Mr. Flinn. I will supply also those he sponsored, and the petitions, letters, and statements which he signed, and the organizations for which he was the speaker. The above record is not all inclusive.

Mr. Rooney. You will please furnish the report with regard to his affiliations.

Mr. Flinn. Yes; I will file this statement; there are 2 pages of it.

(The material above referred to follows:)

"Various records reflect that No. 5 was an official of the following organizations in the late 1940's, as indicated:

"Vice Chairman, the American-Soviet Music Society (an affiliate of the National Council of American Soviet Friendship).[1]

"Member, board of directors, Independent Citizens Committee of the Arts, Sciences, and Professions.[2]

"Council member of Council on African Affairs.[1]

"Member, board of sponsors, People's Songs, Inc.[2]

"Member, board of directors, American Council for a Democratic Greece.[1]

"Member, executive board, New York committee, Southern Conference for Human Welfare.[2]

"Board of directors, New York State chapter of the Progressive Citizens of America.[2]

"These records reflect that No. 5 was a sponsor of the following:

"National sponsor, Spanish Refugee Appeal of the Joint Anti-Fascist Refugee Committee for the years 1946, 1948, 1949, and 1951.[1]

"National Council of the Arts, Sciences, and Professions,[2] Cultural and Scientific Conference for World Peace, New York City, March 25–27, 1949.

"Young Progressive Citizens of America (youth lobby to Washington), June 15–16, 1947.

"Committee for a Democratic Far Eastern Policy,[1] 1946 through 1948.

"Civil Rights Congress,[1] national conference, Chicago, November 21–23, 1947.

"Sponsor of and received award at Salute to Young America dinner on first anniversary of American Youth for Democracy, October 10, 1944.

"Hans Eisler concert, February 28, 1948.

"World Youth Conference,[2] July 1947.

"The records further reflect the following petitions, letters, and statements which had been signed by No. 5:

"Open letter to Congress by the Civil Rights Congress[1] for defeat of the Mundt bill, 1948.

"Letter from Civil Rights Congress[1] scoring Subversive Control Act of 1948.

"Statement attacking American policy in Germany, January 1948.

"Petition to Attorney General Clark in behalf of Hans Eisler, December 1947.

"Protest against deportation of Hans Eisler, December 1947.

"Statement by American Committee for Spanish Freedom,[1] artists' and scientists' division, asking for severance of diplomatic relations with Franco Spain, February 1945.

"In addition, No. 5 was engaged as a speaker for the following organizations:

"Committee for the First Amendment,[2] on a radio broadcast attacking the Committee on Un-American Activities, November 1947.

"Committee for the First Amendment[2] on the Hollywood Fights Back broadcast, November 2, 1947.

"American Youth for Democracy,[1] July 1947."

Mr. Rooney. With regard to No. 7, did he go on this trip to the Orient?

Mr. Flinn. Yes, sir.

Mr. Rooney. What is his background?

Mr. Flinn. The background of No. 7 reflects that he——

Mr. Rooney. I believe we already have that. What is the background of No. 24?

Mr. Flinn. As you are aware, No. 24 did not go on the tour.

Mr. Rooney. That is correct.

Mr. Flinn. We do, however, possess the following information concerning him. A source, whose identity is unknown, advised in 1944 that a mass meeting was held in Jamaica, Long Island, to celebrate the Queens County Communist Party recruiting drive. Earl Browder was the principal speaker and it states that among the ace recruiters were included a party bearing the same name as the last named individual—No. 24. They may be identical; there is no proof that they are identical.

In 1944, a source which has furnished reliable information in the past, advised that No. 24 formerly——

Mr. Rooney. No. 24 and his wife?

Mr. Flinn. And his wife, yes, formerly belonged to the North Jamaica Communist Political Association group, but were to form with others the nucleus of a new unit. This individual may be identical with No. 24.

Another source furnishing reliable information in the past advised that No. 24 and his wife attended Queens County Communist Political Association council meeting held at county committee headquarters to represent another unit of the Communist Political Association. There again in this instance is no proof they are the same individuals. Identical in name only.

Mr. Rooney. With regard No. 32, who did not go on this trip but who was previously mentioned as being one of this group, or of this orchestra, do you have the background with regard to him?

Mr. Flinn. Yes, sir.

Mr. Rooney. What is it?

Mr. Flinn. In 1950, information of known reliability advised that No. 32 was known to him as a member of the Communist Party and had revealed that the Communist Party was demanding that he hire other members of the party to play in the orchestra with which he was then associated even if they were not found to be capable musicians.

In 1953, another informer of known reliability advised that to the best of his knowledge No. 32 continued to be associated with the Communist Party.

An informant of known reliability also indicated that No. 32 had actively supported the Jerome defense committee, a committee organized for the defense of Victor J. Jerome a member of the Communist Party, who at that time was among the defendants being tried for violation of the Smith Act.

No. 32 registered in 1948 and 1950 as having preference for the American Labor Party.

In 1949 he did not indicate his party affiliation. His wife registered for the same party during the years 1948, 1949, and 1950.

When questioned by the investigator in 1953, when queried as to whether he is now or has been a member of the Communist Party, he said he objected to the idea of people being asked concerning their personal feelings and convictions, and he added that he thinks the Communist Party should be allowed to function even though it is a radical, leftist, Marxist Party; that he did not believe that the Communist Party, as it is conducted throughout the United States, was dangerous to the internal security of the United States; believed also that the Communist Party in the United States adhered strictly to the policy of the Soviet Government, but was not directly controlled by the Comintern. He expressed the view that a member is not a potential spy, and added that the Communist Party members should be permitted to hold office with the United States Government.

Mr. Rooney. With regard to Nos. 16, 18, 24, and 25, did a certain source of reliable information in the past, in 1951 furnish a certain list, and was there included in this list the names of Nos. 16, 18, 24, and 25, whom the informant believed to be Communists or Communist sympathizers?

Mr. Flinn. Yes, sir.

Mr. Rooney. Since January has there been an investigation as to all of those who went on the trip to the Orient last summer?

Mr. Flinn. There was a name check incident to the FBI inquiry of all members of the orchestra. As a part of their investigation——

Mr. Rooney. In other words, are we assured that of the entire group that went to the Orient we now have all those with a questionable background?

Mr. Flinn. I must assume that.

Mr. Rooney. For the reason that the available files do not disclose anything to the contrary?

Mr. Flinn. That is correct.

Mr. Rooney. Any questions, Mr. Preston?

Mr. Preston. Mr. Chairman, I think you have covered the subject very thoroughly, and I have no questions at this point.

Mr. Rooney. Mr. Sikes.

Mr. Sikes. I would like to have Mr. McIlvaine state if he knows of any attempt that has been made, of any concerted effort by the Communist-front organizations to have their personnel participate in these programs which you have discussed today.

Mr. McIlvaine. I do not know of any effort other than what has been revealed at this session.

Mr. Sikes. Have you made any effort to determine whether such effort is taking place?

Mr. McIlvaine. No. As I previously testified, we have now taken up the matter of the name check procedure.

Mr. Sikes. When did you begin that proceeding?

Mr. McIlvaine. Several weeks ago.

Mr. Sikes. Do you know anything specific that you could give us today? This is a very important question.

Mr. McIlvaine. I have this, concerning the matters that have come to us in these reports.

Mr. Sikes. Are you speaking of the good reports that have reached you about the work of this particular orchestra?

Mr. McIlvaine. Yes, sir.

Mr. Sikes. Do you not feel that the good impressions that may have been left in some quarters could have been more than offset by the subversive activities of some of the members of this particular orchestra?

Mr. McIlvaine. We have had no reports of any subversive activities other than the allegations that have been brought forward today. We have had a great many reports to the effect that the impact over there was most successful.

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[1] Organizations which have been designated by the Attorney General pursuant to Executive Order 10450.

[2] Cited as Communist front by the House Committee on Un-American Activities.

Mr. Sikes. I assume that you are concerned about the allegations that have been made?

Mr. McIlvaine. Yes; very much.

Mr. Sikes. About certain ones in this group.

Mr. McIlvaine. Yes; very much.

Mr. Sikes. And if those allegations are correct then there would be good reason to believe that the work done by the members of this group against the interests of the United States and the democracies, done in behalf of the Communist Party, could have more than offset the good that would have resulted from the results as far as music lovers are concerned?

Mr. McIlvaine. I do not want you to think that I believe that we should have any Communists in this program. However, the evidence that we had from the report on the trip was all favorable as far as the impact of the orchestra, as an orchestra, and we have not received any report about any deleterious activity of any individual member.

Mr. Sikes. That is perhaps true, although Mr. McIlvaine, you have not made any thorough or persistent check to determine what activities might have been engaged in by individual members of the orchestra while on the tour?

Mr. McIlvaine. No, but I received the reports from abroad, and know that they were reported on.

Mr. Sikes. That is all I have, Mr. Chairman.

Mr. Rooney. Mr. McIlvaine, who made the arrangements for this tour?

Mr. McIlvaine. The procedure in this——

Mr. Rooney. No; I am speaking of this particular case. Who made the arrangements to send this organization to the Orient?

Mr. McIlvaine. You mean the actual booking?

Mr. Rooney. Who in behalf of the Government had to do with the sending of this aggregation to the Orient that cost $267,000; who approved it?

Mr. McIlvaine. The Interagency Committee, of which I am chairman.

Mr. Rooney. Who else are members of that committee?

Mr. McIlvaine. There is on this a representative of the Information Agency.

Mr. Rooney. Who is that?

Mr. McIlvaine. Mr. Seebach.

Mr. Rooney. Yes. Who else?

Mr. McIlvaine. I would like to furnish the names of the Department of Labor and the Department of Defense members of this committee.

Mr. Rooney. Oh, the Department of Defense is on this, too?

Mr. McIlvaine. They are in it as observer.

Mr. Rooney. Who else is in it?

Mr. McIlvaine. USIA and State are the only voting members.

Mr. Rooney. Who finally approved this program, and how was it done?

Mr. McIlvaine. After we had received the estimate of the costs, and the gate receipts and evaluated the loss we looked over the booking arrangements in the light of recommendations from our Embassies. The funds requested were then approved by this committee.

Mr. Rooney. When you say "we"——

Mr. McIlvaine. The committee.

Mr. Rooney. You mean the committee?

Mr. McIlvaine. I mean the committee; yes, sir.

Mr. Rooney. Who are the other members of that committee that joined in approving this quarter-of-a-million-dollar trip?

Mr. McIlvaine. Frankly I shall have to furnish them to you, Mr. Chairman.

Mr. Rooney. Can you not remember them at the moment?

Mr. McIlvaine. Not offhand. Do you have it, Mr. Batson?

Mr. Batson. I do not have the members at that time.

Mr. McIlvaine. I do not have it before me. Mr. Chairman, I should point out that as far as the deliberations of this committee are concerned, it does not get into the security aspect. Until we get a report back on the principles of the attraction we do not give final approval. Frequently, it is decided not to go further——

Mr. Rooney. But in this case you did not have any check, you had no report, but decided to send this aggregation to the Orient at a cost of a quarter million dollars?

Mr. McIlvaine. We had a name check——

Mr. Rooney. Now who made the decision is the question I am asking.

Mr. McIlvaine. In addition to myself, Jules Seebach; Ralph Busick, OCB staff; he is secretary of the committee, takes the notes or minutes of the meetings.

Mr. Rooney. Is there a coordinating board?

Mr. McIlvaine. The Operations Coordinating Board. To continue—Mr. J. L. Winfield, of the International Cooperation Administration, Lieutenant Colonel Coray, from Defense, and Mr. James Taylor from the Department of Labor.

Mr. Rooney. Who furnished the estimate to which you referred a moment ago?

Mr. McIlvaine. As to the costs?

Mr. Rooney. As to the details.

Mr. McIlvaine. The management of the orchestra furnished it to the American National Theater and Academy, our agent. That information is checked with travel agencies to make sure we are getting the best kind of travel arrangements.

Mr. Rooney. Who in the orchestra furnished that?

Mr. McIvaine. I cannot be quite sure, but I think, I believe No. 1, of the orchestra.

Mr. Rooney. How about that, Mr. Flinn?

Mr. Flinn. We have referred to him as No. 1.

Mr. McIlvaine. We have identified him as the president of the orchestra.

Mr. Rooney. How about No. 7?

Mr. McIlvaine. I have never heard of No. 7 before this came up. I do not know anything about him.

Mr. Rooney. You say he was not down here in Washington on this?

Mr. McIlvaine. I know he never saw me, and Mr. Batson knows he never saw him.

Mr. Rooney. Who else would you say, besides the party you mentioned awhile ago?

Mr. McIlvaine. We have not seen anybody, Mr. Chairman. All of these arrangements are done in New York, through the manager, with the American National Theater and Academy in this case; No. 1 I would suppose was in New York, and the individuals in the orchestra have never come to the Department, and so far as I know they did not even go to the ANTA office.

Mr. Rooney. That is all, gentlemen, and I thank you very much for your cooperation.

You may inquire what has been done about this. At the meeting of the full Committee on Appropriations on Friday of last week, the committee unanimously directed me to turn over to the Attorney General of the United States and the chairman of the House Committee on Un-American Activities the testimony which I have just inserted in the Record.

I expect that these agencies will take some action, because I am naive enough to expect that if President Eisenhower is going to spend $267,000 of the taxpayers' money and needs 100 musicians to play a symphony, he can get a 100-percent American complement for any symphony orchestra.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my distinguished colleague.

Mr. COUDERT. I should like to make it perfectly clear for the Record by a question what the facts are. These musicians of whom the gentleman makes so much were not high-ranking, responsible officials in the Department of State or the Department of the Treasury, were they?

Mr. ROONEY. They were musicians. The gentleman very well knows that. They were musicians who were sent abroad at the taxpayers' expense, musicians who were given a passport by the Passport Division of the Department of State without a word of protest. I was under the impression that anyone with a record and background such as these 10 people would be unable to get a passport from the Passport Division.

Mr. COUDERT. But the gentleman does not suggest that they were policy-making officials such as was the case during the period of the prior administration.

Mr. ROONEY. I do not know how high they were in policymaking positions. Maybe they had something to do with the selection of the symphony they were going to play on a particular day; I do not know. All I know is that we are informed they sent 10 people who are either presently or formerly members of the Communist Party, at Government expense, on a propaganda tour to the Orient.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Minnesota.

Mr. MARSHALL. I have been interested in the gentleman's statement. It indicates to me that the Department of State has an ample supply of fiddlers.

Mr. ROONEY. I guess they have have some pretty good fiddlers and some pretty good oboe players, too. If we are going to send 90 decent American musicians, I do not want those 90 decent people, to use the vernacular, loused up with the kind of people whom it is reported they sent on this tour as a symphony orchestra.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I want to commend the gentleman for having put the material he has referred to in the hearings concerning this Symphony of the Air. I think he did a good job in bringing out the facts concerning that. But in view of the fact that the Department of State failed in its responsibility to screen these people, it is a little difficult for me to understand why he now turns around and recommends giving them $24 million more to spend.

Mr. ROONEY. The Congress appropriated the money which was used to send these 10 Commies to the Orient, directly to President Eisenhower. The money requested before us today is to be appropriated to the Department of State.

Mr. GROSS. The Department of State certainly had some responsibility in this matter, did it not?

Mr. ROONEY. It should have.

Mr. MULTER. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. MULTER. Mr. Chairman, recently the newspapers were quite full of the fact that President Eisenhower had sent up a special request for legislation on civil rights, to strengthen the civil rights law. It is my understanding that the Attorney General, whose office is part of the Department of Justice, for which we are now about to appropriate, has always had authority to set up a Civil Rights Division and, in fact, has always had such a division.

Mr. ROONEY. There has been a Civil Rights Division down there for years. It was part of the Criminal Division, as I recall.

Mr. MULTER. And we do not need any special legislation for that?

Mr. ROONEY. Of course not.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Pennsylvania.

Mr. SCOTT. Mr. Chairman, I understand there has been a section down there devoted to civil rights, but that this request provides for an Assistant Attorney General who shall devote his full time to civil rights matters. The proposal results from numerous requests to that effect from people in both political parties.

Mr. ROONEY. I will say to the gentleman that he well knows my stand on civil rights. There has been no action taken by this subcommittee or the Committee on Appropriations which would interfere in the slightest with any plans moneywise or otherwise of the Attorney General in seeking to enforce civil rights.

Mr. SCOTT. I am very glad to hear the gentleman say that. I know that he joins with me in expressing enthusiasm over the action of the House Committee on the Judiciary today in reporting out the administration civil-rights bill.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. MURRAY of Tennessee. May I ask the gentleman for a justification for the language contained on page 22, lines 7 to 10:

> That the compensation of the 5 assistant commissioners and 1 district director shall be at the rate of grade GS–16.

I am sure the gentleman will agree with me this language was subject to a point of order, but you secured from the Committee on Rules a rule waiving points of order on that question. I have read the report of the gentleman's committee and I cannot find any justification for this language.

Mr. ROONEY. The exact language contained in lines 7 to 10 on page 22 was furnished the committee by the Commissioner of Immigration and Naturalization with the request that it be inserted in the bill.

Mr. MURRAY of Tennessee. This language provides that the district director shall have the grade of GS–16. There are four regional commissioners. Is it not a fact that the district director is under one of the regional commissioners?

Mr. ROONEY. The district director who is intended to be given an increase in one grade which would amount to only about $1,000 is Mr. Edward J. Shaughnessy, the district director in New York. I think that more than 50 percent of the Members on this floor on both sides of the aisle know Mr. Shaughnessy. They know him and his long and faithful service.

Mr. MURRAY of Tennessee. My question is, he is under a regional commissioner, the regional commissioner's pay is only GS–16, yet you are placing an inferior at the same salary and the same grade as his superior.

Mr. ROONEY. The gentleman well knows that the position of district director in New York is the most strenuous position in the entire Immigration Service and that his position and responsibility in New York far exceeds that of, I would even venture to say, some of the assistant commissioners.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Shaughnessy is a former assistant commissioner of immigration?

Mr. ROONEY. That is correct.

Mr. McCORMACK. He is one of the finest public officials one could ever meet. As the gentleman says, 50 percent of the Members know him. I daresay more than 50 percent of the Members in both parties know him and deeply respect him.

Mr. ROONEY. In reply to the distinguished gentleman from Massachusetts, the majority leader, may I say that everyone here knows that he is going to get this raise. So let us be practical about these things once in a while. The total amount involved in the amendment insofar as Mr. Shaughnessy is concerned is only about $1,000.

Mr. MURRAY of Tennessee. I have no question about the honesty, integrity, and efficiency of Mr. Shaughnessy. What I am objecting to is the usurpation of the rights and privileges of the House Committee on Post Office and Civil Service being taken over by the gentleman's committee. The gentleman will admit that he is infringing upon the rights and prerogatives of the Committee on Post Office and Civil Service.

Mr. ROONEY. I telephoned the gentleman, did I not, and I telephoned the ranking minority member and said, "Look, I have been asked by the Commissioner of Immigration to do thus and so. It amounts to only so much." I tried to be fair about it. I never expected we would have such a hassle as this over it.

Mr. MURRAY of Tennessee. The gentleman did call me, and I want to cooperate with him.

Mr. ROONEY. The gentleman could cooperate fully if he would not make any remarks here on the floor with regard to this matter.

Mr. MURRAY of Tennessee. However, as chairman of the Committee on Post Office and Civil Service I must protect the rights and authority of my own committee. As the gentleman knows, this is clearly an infringement and usurpation of the rights of the Committee on Post Office and Civil Service.

Mr. ROONEY. I think it is an infringement, yes. I could not say that it was not. However, it is so slight it is hardly worth while talking about.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I will yield to the gentleman but I am now going to conclude in 2 more minutes. I have made certain allotments of time and I find that I am using up most of the hour myself. I am going to be in trouble, as I was a year ago, with some of my good friends. I yield to the gentleman from New Jersey [Mr. Frelinghuysen].

Mr. FRELINGHUYSEN. I would like to ask the gentleman whether the Department of State and the International Cooperation Administration are now authorized to purchase uniforms for certain foreign nationals overseas?

Mr. ROONEY. Yes, they are.

Mr. FRELINGHUYSEN. Is that same authority applicable to the United States Information Agency?

Mr. ROONEY. No; it is not. The committee feels that the Information Agency people ought to slip around quietly and do a good job—they do not need any uniforms.

Mr. FRELINGHUYSEN. In the case of drivers of trucks and library employees and so on, I should think that a uniform might play a very important part for the personnel.

Mr. ROONEY. We provided previously that they could wear a cap. We think that is sufficient.

Mr. FRELINGHUYSEN. Would the gentleman object to an amendment authorizing the payment for uniforms for certain foreign nationals overseas?

Mr. ROONEY. We certainly would—I assure the gentleman.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. CELLER. I would like, if I could, to get a brief answer to this question. I notice on page 10 of the report the request for a close custody reformatory at a cost of $7,500,000 and a maximum custody institution at a cost of $9,500,000 is being denied. I ask this question for this reason: A number of bills are being offered to authorize those types of prisons on the ground that there has been overcrowding in our present prison facilities. I am curious to know why the request was not granted.

Mr. ROONEY. The committee did not feel that way at all. If the present number of available maximum security places were to be used, we would not need these new prisons.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. GROSS. I am interested to see on page 3 of the bill where you provide for ice and drinking water for use abroad. How are you doing these days with the booze bill?

Mr. ROONEY. Well, they have to have some booze, you know.

Mr. COUDERT. Mr. Chairman, I yield myself 20 minutes or such part thereof as I may require.

Let me say at the outset that I fully reciprocate as do my colleagues on the minority side the kind and flattering words of my good friend and neighbor from New York, the chairman of this subcommittee. Our hearings and our meetings have been singularly amicable. We have come to complete agreement. We have presented a bill which presents a concensus of opinion. The chairman himself has displayed his usual ability, energy, and consideration for the other members. All of the members have worked diligently and faithfully at this operation. And with all their diligence and all their ability, they still could not have done the job without the able, genial, and considerate gentleman who is the committee clerk, Jay B. Howe. It has been my privilege to serve as a member of a number of these subcommittees, and I have learned to have the highest respect for the staff of this committee. It is very fortunate in its staff, and it is particularly fortunate in the member of its staff who is the executive secretary of this subcommittee. I want to congratulate the subcommittee and the full committee for having the services of Mr. Howe, and I want to thank him for all that he has done to help me in my part of the work, and I am sure all the members feel alike.

Mr. Chairman, so far as the bill itself is concerned, and the appropriations for the various agencies covered, the chairman of the subcommittee has left very little for me to say, because he has said it all. If he has left anything unsaid it is in the subcommittee report. We batted around the various items. There were differences of opinion as there always are when a group of men gather around the table to discuss the various items in an appropriation bill. But we finally achieved a consensus which represents the best judgment of the group as to what funds will be required to adequately operate these many agencies during the fiscal year beginning on July 1. For my part I think it is a good bill. We have provided not all that was asked for but a very substantial part of it.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. ROONEY. May I say to the distinguished gentleman that we all think it is a good bill. It does not represent the exact thoughts of everybody. It is a compromise, but when we did arrive at the various amounts we did find ourselves finally in thorough agreement.

Mr. COUDERT. And we hope that the House will agree with us.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. GROSS. How much did the committee cut the appropriation to the United Nations, in view of the added nations that will have joined in the last year?

Mr. COUDERT. I think actually that appropriation was increased in technical respects. The exact figures are in the report. I think there was some increase in that item. However, that was routine. The committee had absolutely no discretion in the matter. It was following obligations otherwise established by agreement.

Mr. GROSS. That is what I was afraid of—the more nations we have in there the more we spend on it. I have thought that would be considered as routine.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. ROONEY. I should like to answer the gentleman from Iowa that when the 16 new member nations were added they were added at a time which would not cause their dues to be reflected in the instant budget, but there will come a time, I believe within the next year, when there will be a reimbursement made to the United States on their account.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. BOW. I would like to point out to the gentleman from Iowa, who has been concerned about the rule on this bill and the subcommittee usurping the rights of the legislative committees, that the legislative committees of this House have set up the formula by which the appropriation is made, and if there is objection to the amount or to the membership, it should then go to the legislative committee for correction, and not expect the Appropriations Committee to flaunt the will of the legislative committee, which has already acted.

Mr. GROSS. I thank the gentleman from Ohio [Mr. Bow], and I think he well knows that I have supported every amendment to cut that percentage of contribution to the United Nations.

Mr. BOW. I realize that, but the legislative committee set the amount.

Mr. GROSS. I do not believe that is a valid argument for bringing this bill in under a rule waiving points of order.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mrs. FRANCES P. BOLTON. I would be happy to know at what point the legislative committee of the State Department had any opportunity to consider this matter.

Mr. COUDERT. That is a question that I cannot answer. Perhaps it is addressed to the gentleman from Ohio, Mr. Bow.

Mrs. FRANCES P. BOLTON. I am sorry if I misunderstood the gentleman's remarks.

Mr. BOW. The legislative committee has set the percentage of the amount which will be paid to these agencies. We have nothing to do but appropriate the amount which this Government has pledged.

Mr. COUDERT. The committee was impressed and satisfied to a very large degree, with the showing made by the witnesses representing the Department; the distinguished Secretary of State and the distinguished Attorney General of the United States, both of whom happen to be constituents of mine, and I am happy to say friends of mine, and the gentleman who is the head of the USIA, Mr. Streibert, who is also a neighbor and friend. The committee was also favorably impressed with departmental witnesses who came in support of the justifications. At the end of the trail we are satisfied that a very substantial part of the appropriations requested should be recommended to the House for action and have so recommended.

It is significant that only two criticisms my good friend from New York, the chairman of the subcommittee, undertook is to make against the State Department—often a controversial subject—and he made no criticism at all of the operations of USIA. Of the two criticisms of the State Department one was technically irrelevant, to-wit, that an orchestra sent abroad under the cultural exchange operation was found to have some Communists or near-Communists among its membership. This is very unfortunate and nobody deplores it any more than I, except as far as I personally am concerned if they would take all the people who vote Communist in the 17th Congressional District of New York and send them abroad at election I would be very much gratified, because they vote for the Democratic candidates.

The fact is that the gentleman made something of a mountain out of a molehill in dealing with this matter. If one had not listened to him with the greatest care one would have thought that these oboe players and trombone players were the ones who set policy in high places of Government.

His second criticism related to an alleged overreduction in force and appropriations in the first year of this administration in the State Department. That is a very interesting point and one to which I shall address myself. In the first place, this was the first year of a new administration after 20 uninterrupted years of the prior administration. Can anyone doubt the right of that new administration to take a new look at all of the great agencies? In the course of such new look there were changes and some reduction of force here and there based upon merit or not filling vacancies.

The fact of the matter is, and the gentleman from New York who is chairman of the subcommittee did not point this out, in the first Eisenhower fiscal year the State Department personnel was reduced from 12,000 to 9,991. But the administration did not stop at that point; it continued the same reduction in fiscal 1955 and again in fiscal 1956. Now in fiscal 1957, with a somewhat new situation developing all over the world imposing greater burdens upon our State Department, our first line of defense, that Department comes up with a request approved by the budget for some 12,800 personnel which is still some 2,000 less than in 1950.

If ever a state department or a foreign office was the front line, the first line, of defense of a great nation, the State Department is that today. Despite criticism from some sources there is general agreement that as a net result of the Geneva Conference and of developments over the last few months, world war, shooting world war, has been definitely made more remote, and the conflict with the Soviet bloc has taken a different shape, imposing a far greater burden upon our diplomatic and other nonmilitary representatives abroad and those responsible for their operations here at home.

I would like to close that subject by pointing out that the cut in 1953 was a part of that much needed new look at Government operations in general by a new administration. That, starting from a new and strong base, is essential for several reasons. There is now facing the free world powers a shift in the international situation which requiries that we, the free world, and particularly the United States, meet head-on a full-fledged Communist diplomatic offensive in all parts of the world. This offensive involves political, economic, labor, cultural, social, and many other approaches accompanied by a marked Soviet advance in military, economic, and technical fields. I think we of this subcommittee are all agreed, as we have been generally in the past, that it is of vital importance to have a strong State Department. I think we have done what is necessary to keep and improve a strong State Department.

I would like to say one more word about the USIA, always a controversial subject in some places. The recommendation is some $22 million greater than least year, something like a 25 percent increase. The same argument goes for that, that justifies the increase in the State Department appropriations. The need for an Information Service, the need of an adequate Propaganda Service abroad, was never greater than now. Of course, they make mistakes, of course, nobody is perfect, of course, nobody has all the answers. But I think we are all agreed that we have got to make an effort to sell American policy all over the world, including the free world itself. Failing to do so, failure to have an adequate Information Service, threatens to leave parts of the world wide open to Communist diplomatic, economic, and other nonmilitary attacks.

In that connection, Mr. Chairman, let me call the attention of the House to one of a series of articles by the British general, Glubb Pasha, who was thrown out of Jordan after many years in command of the Arab Legion. I shall only read the first paragraph:

> The principal weapon of the "cold war," in the Middle East, at least, is words. British is being driven from the Middle East by words—words to which, with British impassivity, she refuses to reply.

Words we must have, an Information Service we must have, and every effort is being made to improve it.

A gentleman by the name of Eugene Castle, a distinguished resident of my district, has written a book criticizing the operations of the Information Service. He has written articles, he has made speeches, criticizing that Service. While the committee cannot agree with his conclusions, I have no doubt that his criticisms have led to productive self-examination by the Agency. They have alerted this committee and other Government agencies to the possible defects in the operation of that agency and in the end have contributed to improvement in its operation.

Any kind of thoughtful criticism by well meaning persons is bound to have attention and bound to lead to some kind of self-examination.

Then there is one other small point I should like to make for the Record. Last year a request was originally made for funds for a book called "Profile of America." No funds were appropriated. Since that time the chairman of our subcommittee, the distinguished gentleman from New York, has been subject to violent pressure and some criticism on the ground that the book was banned. Let me make it clear at this point that the book, Profile of America, which a constituent and friend of mine edited, Miss Davis has never at any time been banned by this committee or any other committee. What happened was, in the committee hearings last year, there was some criticism of the use of the book as solely a propaganda instrument. Before the committee had occasion to take any action, the agency itself withdrew the request for funds.

Mr. ROONEY. I should like not only to point out to the distinguished gentleman that last year the director of the agency in writing withdraw the request that had been pending before the committee, but also that there is nothing in the instant budget in connection with the giveaway of that book as is shown at page 254 of the committee hearings, which I should like to insert, when I get permission, at this point in the Record.

The following is the testimony:

> Mr. Rooney. Are there any funds in here for the book you requested in the presentation program last year?
>
> Mr. Streibert. No specific funds. There would be funds expended for replacements requested.
>
> Mr. Rooney. In the libraries overseas?
>
> Mr. Streibert. In the libraries overseas.
>
> Mr. Rooney. But not under the presentation program?
>
> Mr. Streibert. No.

There are to be no copies of that book to be given away under the presentation program.

Mr. Chairman, if the gentleman will yield further, the authoress of that book, who, I believe, is a constituent of the gentleman from New York, got out a press release last March 27 in which she spoke of my trying "to embarrass an agency" I "do not like." Why, I have been fighting for and on occasion defending the information program since its inception many years ago. She also said in her prepared press release that "Mr. Rooney had the Senate amendment thrown out at conference." That would make me more important than I am. And, when she appeared before the committee this year, she said in her press release, "Mr. Rooney again attacked the USIA." Well, all this is a tissue of lies, and I should like to insert at this point in the Record what Mr. Streibert, the director of the Agency, had to say at the conclusion of many days of hearings on the appropriation request for the USIA.

The matter referred to is as follows:

> Mr. Rooney. The House has again made its historical investigation of your appropriations.
>
> Mr. Streibert. Mr. Chairman, may I say this on the record.
>
> This is the third time I have appeared before this subcommittee. The first time you, Mr. Chairman, I think, were the ranking minority member and twice you have been chairman, and I want to say that as a result of all this experience I think that the searching inquiry you conduct and the ability to get everything out on the record, to call to account those in the Agency that are administering these funds, is of great benefit to the Agency and is not only a salutary process but a necessary process in Government operation, and while at some points in the records in the past—and I hope not too often—there may have been some contention on my part, I want to apologize for any such contentious attitude now——
>
> Mr. Rooney. That is utterly unnecessary, Mr. Streibert. If I were seated in your place on the other side of the table, I would probably be more contentious than you could ever be. We thoroughly understand your position on these things. We try to probe into them, understanding your zealousness and interest in the program. There is not a question of doubt that you are trying to do a good job. So your interest is easily understood.
>
> On this side of the table we try to look at it from the viewpoint of the taxpayer and try to ascertain whether or not he is getting his money's worth.
>
> Mr. Streibert. Quite properly. You have been very fair and if I may be permitted, if it is not presumptuous; I would say you have shown extraordinary ability in that respect:

Mr. COUDERT. Mr. Chairman, in closing, let me say as far as I am concerned I have the greatest respect and admiration for the Secretary of State. I believe that he is doing a magnificent job under the most difficult conditions; I am very happy that this committee has decided to follow his recommendations with respect to strengthening and enlarging the Department which is his instrument of action. The Attorney General continues to maintain a great department, and I think is entitled to all the support we can give him. Mr. Streibert has an exceedingly difficult job. I think he is doing it well. I think it may be improved. I think the additional funds will result in better representation of the United States, its policies and its interests, abroad.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Iowa.

Mr. GROSS. I have read the hearings rather carefully, but nowhere could I find where the committee gave any consideration as to the amount of current funds for UNESCO to be redeemed in American dollars. Does the gentleman know anything about that?

Mr. COUDERT. I do not think I know what the gentleman has reference to.

Mr. GROSS. Well, they are issuing what are called coupons redeemable in American dollars, carrying on transactions as between foreigners and purchasable goods in this country. The coupons are issued in denominations of 1, 3, 10, 30, and 100 dollars.

Mr. COUDERT. You mean like PX coupons?

Mr. GROSS. No. I mean that a Scotsman can buy a book in this country and give UNESCO coupons in payment for it, and it will be redeemed in American dollars.

Mr. COUDERT. I should be happy to yield to any other member of the committee who can answer that question.

Mr. GROSS. I hope the committee will give some consideration to this new form of world currency for this one-world organization.

Mr. COUDERT. If that is so, unless there is some other answer, the obvious answer is that that is part of the U. N. arrangement, to which we are parties by contract; and there is nothing that this committee could do about it, anyway.

Mr. ROONEY. Mr. Chairman, I yield to the distinguished gentleman from Missouri, the chairman of the Committee on Appropriations, Mr. Cannon, such time as he may require.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, in this connection I would like to endorse the low-priced books program of the United States Information Agency. This is one activity where the Information Agency will actually compete with the Soviets. What has been a complete vacuum in the availability of American books at prices people can afford overseas will be filled under the present program. The Agency requested funds for mass editions of some 500 separate titles, which will put into commercial circulation 22 million books, worldwide. Certainly with the threat that confronts us on all sides, this number would hardly begin to scratch the surface. I am assuming this is only a beginning and that an expanded program will be developed. I urge that we make certain that this beginning be pushed to the extent that capabilities will allow and that the Agency be encouraged to expand this low-priced books program to its full potentialities.

According to testimony by United States Information Agency officials before the House Appropriations Subcommittee, Soviet Russia alone turns out more than 50,000 titles a year and more than a billion books in all. This means that 200 million books are available from the Soviet Union alone for free or low-cost distribution worldwide. To meet this, we are asked to support a program, which will yield 22 million books. The figures speak for themselves. Even with this low-priced books program, the Soviet Union will still be distributing almost 10 times as many books as we do.

In my opinion, this threat must be met, and, further, we must reach the point quickly where the Soviet saturation of worldwide markets is neutralized and overcome by our program of making our best books available at 10 cents per copy to foreign readers.

It is interesting to note the warm endorsement of this activity by the Washington Post and Times Herald. I include excerpts from the editorial in this morning's edition:

> STRENGTHENING USIA
>
> The House of Representatives is scheduled to take up today the budget request for the United States Information Agency. The Appropriations Committee was neither ungenerous nor undiscriminating in its treatment of the Agency.
>
> * * * * *
>
> We hope that the House will give USIA enough money to insure an expansion of its tremendously valuable program of distributing inexpensive editions of significant books. The House needs to think of the whole USIA program as an important element in the contest going on today for men's minds.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. Feighan].

Mr. FEIGHAN. Mr. Chairman, I want to compliment the distinguished chairman and members of the subcommittee and with particular reference to the hearings on the budget of the United States Information Agency for a job well done. I know the chairman and the committee members took into account the new and most serious international situation which has been created by the latest shift in tactics by the Kremlin in arriving at a budget figure of $110 million for the United States Information Agency. I speak about the intensified Communist campaign for peaceful coexistence and the startling success which has already attended their efforts to confuse, divide, and weaken the free world.

I believe it is worth noting in connection with the consideration of the budget of the United States Information Agency the performance by the two Kremlin top peddlers of veiled tyranny now visiting Great Britain. The tour of Great Britain by Khrushchev and Bulganin is a calculated part of the Kremlin propaganda offensive against the United States and all other free people. Only yesterday, thinking people were shocked to hear Communist Party boss Khrushchev openly threaten the good people of Great Britain with the prospect of the Russians soon having at their command an intercontinental guided missile bearing a hydrogen warhead. Khrushchev obviously believes that by this device he can frighten the British people and their leaders into a position of peaceful surrender. Undoubtedly he feels that since the British people underwent the horrors, the trials, and the heartbreaks of air bombings and attacks by the V–1 and V–2 rockets of the Hitler period that they would be willing to pay any price in order to escape even greater devastation caused by A-bombs or H-bombs. Khrushchev cleverly points out to the British people that they must either accept coexistence, the tyranny of communism, or plunge themselves into the horrors of atomic warfare. He excluded any possible third course of action. This is a brutal demonstration of the Russian tactic of diplomacy by ultimatum.

Mr. Chairman, I ask that Members of this House recall the Russian diplomacy by ultimatum which brought the enslavement of Estonia, Latvia, and Lithuania. That same Russian diplomacy by ultimatum brought about the enslavement and communization of Poland, Czechoslovakia, Hungary, Rumania, Ukraine, Armenia, Georgia, and the other nations of the Russian Communist empire. That is the final prospect behind Communist Party Boss Khrushchev's bold and defiant statement made in England.

Mr. Chairman, I joined with five of my colleagues in presenting a statement before the subcommittee of which the distinguished gentleman [Mr. Rooney], is chairman, advocating support for the United States Information Agency in order that it could carry out the all important task of winning the struggle for the minds and hearts of men everywhere in the world. I feel the amount granted should permit the Information Agency the opportunity to expand its activities in the most critical areas so as to expose the latest Communist propaganda offensive for the cruel fake that it is. Moreover, I believe that the committee should be complimented for its action in granting elasticity for the Director of United States Information Agency in determining how cuts made in the budget request are to be applied to the program he has set forth for the next fiscal year, together with elasticity in the use of authorized funds to meet any contingency that may come up during the next year. I have one additional observation. The United States Information Agency requested $250,000 for representation purposes in the next fiscal year and the committee approved only $50,000, the same as that approved for the present fiscal year. In view of the fact that the committee approved an increase of $125,000 for representation funds for the Department of State, and I heartily approve and commend them for this action, I regret the committee did not increase the necessary representation funds for the United States Information Agency. I say this because of my own personal experiences of last fall while on an official inspection trip of southeast Asia and north Asia. I observed the work of the United States Information Agency in all these countries. To cite one example, upon questioning the public affairs officer in Bangkok I was advised that for a period of 1 year he had a total sum of $1,200 to cover all representation costs in Thailand, which you and I know is of the greatest strategic value and importance to the freedom of all of Asia. With this small fund he explained how he divided it among the four regional public affairs offices and among the principal officers in charge of the central operation including the office responsible for cooperation with the armed forces of Thailand. I also took the opportunity while in Thailand to visit the most distant outpost of the United States Information Agency located in the heart of the jungle. I made this trip in a United States Army plane; otherwise, it would have taken days of travel by jeep and riverboat. The regional public affairs officer was a young and vigorous American who had won the respect and admiration of all the people I talked to at the provincial headquarters office. He and his family stood out as symbols of America to all the people in that region. Upon questioning him I learned that he had an annual allotment of $12.00 for representation. Yet the principal means by which he carried on his important mission was by contact with the provincial authorities, the local military authorities, and a teachers' training college. Anyone can see that he could not carry on the functions required of him on $1 a month for representation and that he had to use his own personal funds to get the job done. I could cite other examples of the need for an increased representation fund in order for the United States Information Agency officers to do their job properly.

In Japan I observed the work of one of the principal officers who was responsible for the development and distribution of publications in the Japanese language explaining the United States position on critical questions. He had other functions which were of great importance. Upon questioning, he told me that in his efforts to help the non-Marxist professors in the Japanese colleges and universities, his best approach was informal gatherings and sessions to which the Communists could not attach suspicion. He stated bluntly there were no funds available for him to arrange and carry out these informal gatherings and that consequently these expenses came out of his own pocket.

It is for these reasons that I had hoped that the United States Information Agency officials in the field would not be required to take up so much slack.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Hillings].

Mr. HILLINGS. Mr. Chairman, I take this time to point up a situation which I am quite sure the committee has taken cognizance of in the deliberations which led to this appropriation bill. It is a situation which is important for all of us to think about as we consider this legislation, as I have the feeling that we are going to be concerned with this particular problem for some time.

I refer to page 103 of the printed hearings before the subcommittee, and particularly to the testimony of the Assistant Secretary of State, Mr. Merchant, now Ambassador Designate to Canada. On page 103 in his testimony he discusses the living conditions in Moscow, and this is what he says:

> We have a very bad housing situation in Moscow, Mr. Chairman. This refers to a building known as America House, which is about 3 miles from the chancery. It houses male American clerks, 11 or 12 of them, and 21 marine guards.
>
> They are huddled into 18 single rooms for the combined total. They are away from the Embassy community, and they are living, really, under unbearable conditions.
>
> There is a security problem there and a morale problem. We don't think any amount of renovation can improve the basic deficiencies of America House.
>
> The Embassy now is trying to lease a six-story building adjoining the Chaikovsky Building where we have most of our other staff. This includes alterations and proper furnishing of the quarters in that new building to be leased.
>
> Then in addition there is a critical officer housing situation in Moscow. We have had to limit assignment to Moscow to officers who are either unmarried or had no more than two children due to the lack of proper available quarters.
>
> As you know, we are working on and I believe it important to develop an intensified language and area training course for officers specializing in the Soviet Union. That requires their being assigned to Moscow during part of their training.
>
> We don't want to be in a position where we have to limit the selection of such officers by reason of their having more than two children.
>
> There are going to be problems, I think, in building there. This is designed to provide the funds to correct what is really a very bad situation.

Mr. Merchant asked for $153,000 for improvements in the living conditions in Moscow of single male clerks. I understand that the appropriation is included in this legislation and will be allocated for that purpose when the legislation becomes law and the budget officer in the Department of State considers the allocation. Along with many of my colleagues, I had an opportunity to visit the Soviet Union and five of the satellite countries last fall. I had an opportunity, as did many of you, to study the living conditions of our people who represent us in this most hostile area.

Anyone who has studied the job being done by the Foreign Service personnel behind the Iron Curtain cannot help but come back with two conclusions—one is the outstanding job that is really being done. It is not at all uncommon for our people there to work 24 hours a day for days at a time. Second, they are working under extremely difficult conditions. For example, consider the living conditions in Moscow. I just touched on the American House in reporting the testimony of Mr. Merchant. We found also that at the Embassy itself there are a number of our people who live and work under the same roof. They must contend with the fact that Soviet listening devices are being used to record their every conversation. We found also that the condition of the building is such that they go without elevator service for weeks at a time. Sometimes in the coldest part of the winter, there is no such thing as hot water. We rent the Embassy at Moscow from the Russians for about $1 million a year. Nevertheless, we found that the Russians have not been very cooperative in making necessary improvements.

We also found at the time I was in Russia, last fall, that there were only two members of our Embassy staff who had licenses to drive automobiles which means that when most of our people want to go anywhere they must have a Russian driver. This further limits what they can see and do and what they can say. All in all, the people who represent us in Moscow are today living as virtual prisoners and operating under extremely difficult conditions.

The same is true in the satellite countries. We found there at one of the legations that Foreign Service officers after they have finished a 10- or 14-hour day often have to strap on a gun, put down an army cot in the building and pull guard duty for the rest of the night because the housing conditions are so short (or at least the Communist officials in this satellite country say they are so short) that we are not allowed housing for a Marine Guard. Therefore, we cannot bring our Marine Guard in and the Foreign Service personnel do guard duty as well as the rest of the work at the Embassy or legation.

Despite the fact that some people might misunderstand, I suggest that we send the very latest of our American inventions, particularly in the case of automobiles, to the people who represent us behind the Iron Curtain. We must remember that the Communists have a completely materialistic society and when they see a modern American day automobile or a modern American television set; in fact, when they see a well-dressed American walk through the streets, they begin to wonder about what life must really be like in this land so far from Russia where they have been told that the people live like slaves under a capitalistic system. I was amazed and shocked to find that our personnel behind the Curtain have been driving old dilapidated vehicles that cannot possibly match vehicles also American made which are used by some of the other foreign countries that are represented there.

In one case, we found that a station wagon—a moderately priced station wagon which had been brought to one of the countries behind the Iron Curtain and purchased at his own expense by an American warrant officer — caused crowds of some several hundred to gather and look at it and ask us if it was true that in America working men could have station wagons like that. We found that sometimes a modern American car created good will for us in telling what life is like in this capitalistic system than some of the other things we have done and are doing.

This suggestion to give to better provide for the people who represent us in a difficult area behind the Iron Curtain is not for their comfort alone but because it helps us advertise the fact that here in this country we have the highest standard of living in the world. It will show the people in Communist areas that this is the sort of thing that they could have if they would abandon their totalitarian form of government and seek a better life under a system of individual freedom.

I congratulate the American Foreign Service for the fine job it is doing.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HILLINGS. I yield.

Mr. KEATING. I congratulate the gentleman for that suggestion which seems to me to be a very sound one. I have noted with great admiration the recommendations which the gentleman from California made after his recent trip to Russia. My hope and wish is that every Member of the Congress would take as seriously as the gentleman from California did the investigation made on his recent trip and the excellent suggestions which the gentleman made on his return.

Mr. HILLINGS. I thank the gentleman from New York very much.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. Sikes].

Mr. SIKES. Mr. Chairman, I have seen but few bills come to this floor on which there has been more complete accord within the committee. We have been most fortunate in having a chairman who was able to exercise great skill and great tact. This naturally has helped to smooth out differences of opinion so that we could come here in agreement on this very important measure.

I do not think there is anyone who will deny that the State Department is the first line of America's defense in time of peace. Consequently, it must be a strong organization—strong in ideas, strong in personnel, strong in purpose, and strong in policy. Otherwise America and the world can suffer materially from the failure of America's objectives for the peace and welfare of mankind.

Three years ago we saw drastic reductions imposed in funds and in personnel in the State Department. To many of us it appeared at the time that these cuts were dangerously deep, and that in some important areas of activity they were crippling cuts. Now, in contrast for the second year, we are seeing a step-up in funds and personnel in the State Department. That damage that many people saw then is now being repaired. But also, Mr. Chairman, during these last 2 years we have seen a great step-up in the scope of Communist intrigue—in area, in intensity, and, unfortunately, in effectiveness. Who knows; perhaps by our own actions we helped to encourage and to invite that buildup of Communist activity and effectiveness and the accompanying buildup of our own troubles abroad—and certainly there has been a buildup in our own troubles abroad.

But that is all water over the dam. We will do well to recognize from this point henceforth that our State Department can make us or break us in this complex modern age. It should have our support, and that support should include adequate funds. By the same token the State Department must, by its own actions and accomplishments, justify the support that it needs. Obviously, this can never be accomplished except on a plane that is above politics.

May I now take this opportunity to compliment the chairman of our committee, the gentleman from New York [Mr. Rooney], who has, I believe, contributed substantially to national security by developing the fact that there is gross carelessness or negligence in the manner in which people are selected to go abroad as the representatives of the culture and the civilization which America has developed. When Communists are sent abroad by our Government, and when they preach their wares abroad under the auspices of our Government, eyebrows undoubtedly go up as people speculate on what is taking place and what we are countenancing, to say the very least. Quite obviously, then, this administration is subject to the same weaknesses in the conduct of policy that it had claimed to find so shocking in previous administrations. But I find no indication of any effort to clean up this situation whose existence has been so effectively portrayed by our subcommittee. That failure to step in and drastically go to work to clean up this situation is to me as disturbing as the fact that it was found to exist.

Again let me say that we have, I think, a good bill. It is a bill on which we are all in complete accord. We have saved money, we have prescribed a slower buildup than was requested by the administration, but I believe that we shall have a stronger and a more effective organization in the State Department as the result of the action of our committee.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. Frances P. Bolton].

Mrs. FRANCES P. BOLTON. Mr. Chairman, it is with the greatest joy that I find the committee and also the State Department itself planning broader ways, deeper ways, and higher ways of helping build the Foreign Service that we must have. At this moment we should be extending ourselves and expending our energies and imaginations and good sense in building the greatest Foreign Service the world has ever seen.

I was particularly delighted that my distinguished colleague from California [Mr. Hillings] gave us the facts he did about the Moscow situation. That is a particularly dramatic situation but there are many difficult posts to which we need to give our best attention.

I spent 3½ months in Africa during the recess. While there I went to all our consulates, embassies, and liaison offices with the exception of Alexandria and Somaliland. I was impressed with what we are asking of our representatives in the Foreign Service, and very proud of the much that is being given. May I give you a picture or two? At one post we were somewhat understaffed. Conditions could perhaps have been improved a little by better administration, but one questions it in that climate. Staff houses were prefabricated houses with iron window frames, and they were far from new. In that wet climate the iron had rusted badly so that it rained through the windows. Young mothers could not dry their children's diapers, and the only way they could put a dry diaper on a child was to put it in the oven or iron it with a hot iron. That is something you men have not had to contend with, babies or diapers, but most of the rest of us have, and these conditions are not easy to take smilingly.

Then in another area the only house available for one of the members of the staff who had a young wife was opposite the public latrines. That entire city works on a bucket system, and at 4:30 in the afternoon all those buckets are emptied. It was quite impossible to invite anyone to visit after 4 o'clock in the afternoon. I took my hat off to those young people who were taking it right on their chins.

I found upon later inquiry that certain restrictions we here on the Hill put on expenditures are at the root of what seemed to me as poor economy as I had ever seen. A new man often spends months looking for a house when very often the man who preceded him had one which under better methods of procedure could have been held for the newcomer.

It is a relief to know that we are going to increase the number of our consulates in Africa. Unless we move into Africa more rapidly than we are doing we are going to be in a very bad way in this rapidly changing world.

We face a new Embassy in the new nation of the Sudan—the possibility of one in the Gold Coast and a third in the soon to be free Nigeria.

I believe that there is intention on the part of the State Department to open four new consulates right across the middle of Africa, a rapidly growing harbor of the French Ivory Coast, 1 at Abidjan, 1 at Douala in the French Cameroons, 1 at Uganda, and 1 in the new nation which will come into being in 1960 out of the Italian Somaliland. All this is excellent, and gives rise to great hopes. I trust that we are going to make it possible for people who have some training in the kind of work they will have to do, to have a capacity to be human beings to the people with whom they deal. I trust we will choose our people with as much conscience and as much intelligence as it is humanly possible to do, because I am convinced that in Africa particularly—and this is true all over the world—if we go there with our hearts, with understanding, and show these people that we are interested in them as individuals because, like ourselves, they are part of the essence of the Being of Almighty God. If we prove to them by what we do that we want to know them, want to work with them, we will create a climate and an atmosphere that will make it absolutely impossible for any Communist to come between us.

May I commend the committee for the results they have achieved in this bill. I do not agree with all of it—but it seems to me that the bill as a whole is forward looking and constructive. We shall all of us watch with interest the use the Departments make of the funds so appropriated.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. Bentley].

Mr. BENTLEY. Mr. Chairman, I take this time for the purpose of clearing up a misconception regarding one item of the State Department budget which has existed in our Foreign Affairs Committee. I refer to the item with regard to a contribution to the Foreign Service retirement and disability fund.

At the bottom of page 6 of the bill that we have under consideration appears an item of $1,304,000. I understand that there was in a supplemental appropriation bill which passed the House recently an item of $1,200,000. I further understand that is the first appropriation that has been made for payment to the Foreign Service retirement and disability fund since 1950.

Just recently on the floor of the House we passed a conference report to increase slightly the annuities for some of the older retired Foreign Service officers. At that time we were under the impression in the committee that the

Foreign Service retirement and disability fund was more or less self-supporting. We find apparently that is not so, that even though the payments into the fund greatly exceed the payments out of the fund—that is, the benefits to the members—the fund itself is apparently not self-supporting. I would ask the chairman of the subcommittee, the distinguished gentleman from New York, if that is correct and if under present circumstances it is anticipated that we will have to ask for an annual appropriation to keep this fund bolstered up, to keep it moving, is that correct?

Mr. ROONEY. The gentleman is correct in both parts of his statement. The fund is not self-supporting. The requested appropriation this year is to place the fund on a sound year-to-year basis. It would seem that during the past year a number of things happened which were quite unusual with regard to the fund and, if I may use the expression, it was thrown out of kilter. It is expected that in the future there would be further contributions.

Mr. BENTLEY. I call the gentleman's attention to the fact that before our Foreign Affairs Committee at the present time there is pending a bill, S. 3481, to amend the Foreign Service Act, which includes among many other provisions, further liberalization and an increase in benefits from the fund itself. In view of the fact that the payments by members, by participants in the fund, are only at the rate of 5 percent, I am wondering if the gentleman thinks this system should be allowed to go on or if we should not look into the possibility of raising the rate of contribution with the idea of putting the fund on a self-sustaining basis so that we will not have to make these annual contributions.

Mr. ROONEY. We are certainly now in a very peculiar situation. The committee saw fit a while ago to write some unimportant legislation, the consequence of which was an expenditure of about $3,600 for 3 grade 16 employees, and now a member of the Committee on Foreign Affairs asks the Committee on Appropriations such a question. It seems to me that this is entirely a matter for the gentleman's committee, and if the gentleman and his committee passes the bill to which the gentleman has referred and also passes bills such as any number of others pending which would increase our share in the United Nations Organizations, why, the Committee on Appropriations has no alternative but to pay the dues of our uncle, Uncle Sam. We have no alternative.

Mr. BENTLEY. This gentleman would like to disassociate himself with respect to some of those United Nations bills which the gentleman has mentioned. Did the State Department mention anything in connection with this annuity whether this might be an annual appropriation?

Mr. ROONEY. Yes; the State Department did.

Mr. BENTLEY. And approximately in the same amount in the future?

Mr. ROONEY. It would vary. It might become larger and it might decrease. It would all depend in the particular year what the circumstances were.

Mr. BENTLEY. But under the present setup the Foreign Service retirement and disability fund is definitely not self-supporting?

Mr. ROONEY. It is not.

Mr. BENTLEY. I thank the gentleman for that information, because that is distinctly contrary to the impression that our committee had, an impression which we received from the State Department, which was premised on the fact that for a period of approximately 6 years there were no appropriations for the fund, and this supplemental appropriation which contains this $1,200,000 was the first appropriation in the past 6 years. Is that correct?

Mr. ROONEY. That is correct.

Mr. BENTLEY. I thank the gentleman.

Mr. COUDERT. Mr. Chairman, I yield 14 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I want to commend the chairman of the subcommittee and the members of the subcommittee for the information developed during the hearings. I do regret, however, that the chairman of the subcommittee and the members thereof saw fit to go off the record on about every other page. I found, in reading the hearings, I got to some important information, and then suddenly the subcommittee would go off the record, and certainly in most instances it was not classified information.

Mr. Chairman, I was interested to read in the hearings that we are now buying $27 wastepaper baskets for the State Department that is, $27 apiece; and $60 each for telephone stands for the State Department. It seems to me that a $27 wastepaper basket must be gold plated or have some platinum or something on it. I cannot understand why the taxpayers should be supplying the State Department with $27 wastepaper baskets. I get along pretty well in my office with some of those dollar and a half steel numbers. They do a pretty good job of catching the debris. So, just remember that you have been buying $27 wastepaper baskets for the State Department along with $60 telephone stands. And, I expect that when we build a new State Department building there will be plenty of them. The only reason given as to why they need these super-dooper baskets and telephone stands is that they match their desks. I leave to your imagination the kind of desks they have.

In studying the hearings, I was surprised to note the scant attention accorded the activities of the United Nations Educational, Scientific, and Cultural Organization.

I was particularly surprised that no mention is made at any place in the printed hearings to the matter of UNESCO paying off during the past year several American employees of UNESCO who had been fired for refusing to appear before a loyalty board of the United States Civil Service Commission.

I would be interested to hear from the chairman of the subcommittee as to why this was not discussed during the hearings. Surely the Congress has some interest in the matter with American taxpayers contributing 30 percent of UNESCO's budget; funds from which were used to pay off these individuals.

Since the committee did not question State Department witnesses concerning these payoffs, I want to call attention to the facts as I have been able to piece them together.

On April 26, 1955, a three-man administrative tribunal of the International Labor Organization handed down a ruling that UNESCO must reinstate three dismissed American employees or pay them damages totaling $43,800. Incidentally, it is interesting to note that three foreigners—a Belgian, a Frenchman, and a Dutchman—made up that three-man tribunal.

Immediately upon learning of the ruling, I wrote to Dr. Luther Evans, Director General of UNESCO, in an effort to obtain full particulars.

In reply, he said among other things that:

> I would not be in a position to execute judgment of the tribunal until UNESCO's executive board has had an opportunity to decide whether it wishes to appeal to the International Court of Justice, and whether I may draw from the working capital fund to pay any necessary amounts to individuals concerned.

The so-called International Court of Justice, by the way, is the one on which sit judges from Communist Poland, Communist Russia, and Communist Yugoslavia, and which in 1954 ruled in a similar case that 11 dismissed American employees of the United Nations must be paid $180,000 in back salaries and damages.

Dr. Evans also advised me that the State Department was fully informed concerning the case, so I then wrote to David McKendrew Key, at that time Assistant Secretary of State for International Organization Affairs, in an effort to find out what the State Department was doing or planned to do in regard to the ruling.

Mr. Key replied that—

> The Department of State disagrees strongly with these decisions. We plan to do everything possible, within the terms of Article 12 of the Tribunal Statute to obtain redress.

On November 10, 1955, I again wrote to Dr. Evans for a report on the status of the case, as well as on information I had received that the ILO Tribunal had handed down another ruling involving more dismissed American employees of UNESCO.

Dr. Evans replied under date of November 30, 1955, and I quote from his letter:

> I would like to mention, first of all, that, on October 29, 1955, the tribunal rendered an identical decision in the case of a fourth staff member.

Remember, this is No. 4. In his case, the ILO tribunal ruled that he must be paid $12,800 damages, $300 costs, 4 percent interest from January 1, 1955, and children's allowance for 2 years, totaling $800. All of this, of course, is added to the total of $43,800 awarded the other three dismissed employees.

In his letter, Dr. Evans goes on to say that—

> The executive board, on November 18, 1955, adopted the following resolution:
>
> "That the executive board, acting under article XII of the Statute of the Administrative Tribunal of the International Labour Organization, challenge the judgments rendered by the administrative tribunal in the cases of Leff, Duberg, Wilcox, and Bernstein, and submit the question of their validity to the International Court of Justice."

From past performance by the so-called Court of Justice in the case of dismissed American employees of the United Nations, it is pretty obvious what the decision of the Court will be, and I do not hesitate to predict that it will not be favorable to the United States.

In fact, even Dr. Evans apparently knows what the decision will be, because in his November 30, 1955, letter, he says:

> The executive board, on November 25, 1955, approved the advance payment of one-third of the amount of compensation ordered by the administrative tribunal in these four cases, on the condition that the persons concerned undertake to pay back to the Organization the amount, if any, by which these payments exceed any sum to which they will be entitled on final settlement of these cases in accordance with the advisory opinion to be rendered by the International Court of Justice.

How do you like that? These four individuals were paid off one-third of the amount of compensation ordered, even though the executive board of UNESCO challenged the judgments.

And note that Dr. Evans does not say that they will be made to pay back the money if the International Court rules against them. He says they should undertake to pay it back.

But that is not all. On October 29, 1955, the administrative tribunal of the International Labor Organization rendered a judgment in three additional cases involving American staff members of UNESCO who had refused to testify before a United States Loyalty Board. Dr. Evans or UNESCO's executive board did not challenge this decision, and on November 26, 1955, these individuals were paid off as follows:

Miss R. Froma, $11,289.37 in settlement of the judgments made by the ILO Tribunal, and in addition 3 months' base salary plus cost-of-living adjustment, in lieu of notice, $1,431.56; 5 months' termination indemnity at rate of pensionable remuneration, $2,250; 70½ days' accumulated annual leave at rate of pensionable remuneration, $1,464.23; 6 weeks' repatriation grant at rate of pensionable remuneration, $623.07.

Miss H. Van Gelder, $6,870.36, in settlement of the judgments, plus $998.45, $2028.57, $546.15, and $39.11.

Mrs. K. Pankey, $5,062.06 in settlement of the judgments, plus $585, $390, and $292.50.

That all adds up to a total of $34,221.43 received by the three individuals.

From where did the money come to pay off these American employees of UNESCO, fired for refusing to appear before a United States loyalty board?

From UNESCO's working capital fund, Dr. Evans informs me. And what are the sources of revenue of the working capital fund of UNESCO? I quote article 6.2 of UNESCO's financial regulations:

> There shall be established a working capital fund in an amount and for purposes to be determined from time to time by the general conference. The source of moneys of the working capital fund shall be advances from member states, and these advances made in accordance with the scale of assessments as determined by the General Conference for the apportionment of the expenses of UNESCO shall be carried to the credit of the member states which have made such advances.

Get that: "and these advances made in accordance with the scale of assessments as determined by the General Conference." This is the scale of assessments in which the United States is listed as contributing 30 percent of UNESCO's budget.

In other words, American taxpayers' money was used to pay off these individuals, despite the clear intent of Congress in unanimously approving House Concurrent Resolution 262 during the 2d session of the 83d Congress. That resolution stated:

> That it is the sense of the Congress that the United States delegation to the United Nations should take all possible steps to prevent the General Assembly of the United Nations from authorizing or approving the payment to the 11 American employees in the United Nations who were dismissed because of their refusal under the fifth amendment to answer proper questions before the Internal Security Subcommittee of the Senate, of the awards of damages (in a total amount of $179,420) made by the United Nations Administrative Tribunal and recently upheld by the International Court of Justice, and that no part of the funds heretofore appropriated, or hereafter appropriated by the Congress for the United Nations shall be used for the payment of such awards.

Surely it was not the intent of this Congress for the resolution to apply only to the matter of 11 dismissed American employees of the U. N.

But now we have similar cases involving employees of UNESCO, a specialized agency of the United Nations, but to my knowledge, and from Dr. Evans' letters to me, nothing was done on the part of American representatives at the U. N. or UNESCO, or by the State Department, to prevent the use of American taxpayers' money to pay off the 4 individuals in full and one-third of the amounts set by the ILO tribunal to 3 others.

On the record, it is apparent that the dirt is still being swept under the rug at UNESCO. And that phrase in connection with UNESCO is not original with me, I assure you. In fact, I borrow it from no less than the Honorable Henry Cabot Lodge, United States Ambassador to the United Nations, who, in testifying last year on UNESCO before the same subcommittee handling this bill today, had this to say:

> The thing to do is to improve it and not sweep the dirt under the rug, which is what was being done. I am being frank.

I repeat: On the record, it is apparent that the dirt is still being swept under the rug at UNESCO.

Apparently there is only one solution to this whole sorry mess, and that is to cut off all United States funds for UNESCO, for the UNESCO propaganda machine at the State Department—the so-called UNESCO Relations Staff—and for the United States National Commission for UNESCO.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I am very much concerned about the matter to which the gentleman has referred as well as with regard to the resolution adopted by the American Legion at its convention in Miami.

Mr. GROSS. I applaud the resolution adopted by the American Legion at Miami.

Mr. ROONEY. I took this matter up with the Department of State and was advised over the signature of Loy W. Henderson, Under Secretary of State, as follows:

> The Secretary has authorized me to inform you that it is our conviction that our national interest will best be served by continued participation in this specialized agency of the United Nations, and by maintaining a strong advisory body, such as the United States National Commission, to help the Government in its effort to strengthen and improve the program and operations of the United Nations Educational, Scientific, and Cultural Organization.

Mr. GROSS. Who pays his salary?

Mr. ROONEY. The salary of Mr. Dulles?

Mr. GROSS. Yes.

Mr. ROONEY. The taxpayers pay his salary the same as the taxpayers pay the salary of the President of the United States, Mr. Eisenhower, who presented the budget requesting these funds.

Mr. GROSS. Yes; and Dulles needs this UNESCO propaganda machine to keep him going; does he not?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. As I get it, at the hearings when the gentleman from New York [Mr. ROONEY] was asking one of these gentlemen who represents us about how many men were in the department, he said something like 1,200 and then when you go through the hearings you find there were 2,900; is that not right?

Mr. ROONEY. I think your figures are way off. Probably the gentleman is referring to the highly misleading recent editorial in the Chicago Tribune. If that is so, he is now as inaccurate as were the contents of that editorial. The figures in that editorial were utterly incorrect.

Mr. HOFFMAN of Michigan. You mean the figures are all wrong? I thought you were asking how many employees there were and finally it shows up different.

Mr. ROONEY. No, I do not ask—we have the correct figures here.

Mr. HOFFMAN of Michigan. How many have they—are they not paying 2,900?

Mr. ROONEY. I do not know where the gentleman took the figure 2,900 from.

Mr. HOFFMAN of Michigan. You seem to think it was from the Chicago

Tribune editorial. Maybe it was. I will look it up.

Mr. ROONEY. The gentleman might have just misread a decimal point—I do not know.

Mr. GROSS. Mr. Chairman, may I say in conclusion that what Secretary Dulles has to say about UNESCO does not impress me for one-half of one second. He has one of the best little propaganda machines going for UNESCO that he could have anywhere. I do not care what he says about it pro or con.

Mr. ROONEY. I thank the gentleman for his valuable contribution.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, peace will come to this old troubled world of ours and victory will light on the banners of democracy only when we have won the war for the hearts and minds of men.

Until now we have been losing that war. Today is the turning point. What we are doing this day will have profound repercussions all over the world. I think it is safe to say that, measured in the future by the result of the action we now are taking, today will go down as a day of great historical significance. It marks the beginning of the frontal decisive attack in the war for the minds and hearts of men that up to this day of decision has been going steadily against us.

It was the force of reason that gave strength in vision and in deed to those who built for the dignity of man a fortress of democracy on American shores. There is no difference among men of various races and nationalities in common physical needs and in their basic desires and aspirations. The force of reason will be generated in any country and in any clime, in relatively equal measure, when the sources for reasoning are available and in a form of presentment to make them understandable. This I believe.

What we are doing today is to make available to mankind in every clime and translated into every tongue the classics of American democracy that are the sources of the eternal truths of government by, of, and for the people, government that upholds the dignity of all men and respects the purposes of the Creator of both men and nations.

CLASSICS FOR ALL THE WORLD

My colleagues will recall that a year ago when the appropriations of 1956 were under consideration I offered an amendment to provide for funds for a Classics of American Democracy program. While the amendment was ruled out on a point of order, the suggestion embodied in the amendment, I am happy to say, was sympathetically received by the House. That was a year ago. Much has happened in the intervening time. Later in my remarks I shall sketch briefly the events that marked the progress of an idea and its growth in the brief period of about a year into reality.

The important point is that with the increased appropriation for USIA in the bill now under consideration, and with the endorsement and cooperation of the commission on books of which the distinguished Dr. Mark May is chairman, and under the able guidance and experienced direction of USIA, the Classics of Democracy that inspired our forefathers are to be made available to peoples everywhere in inexpensive editions and translated into many tongues.

Heretofore these works were available only in the larger libraries and in editions priced beyond ordinary reach. There were few translations, none at all of some of our most precious national documents. Now they are to go on sale in the book stalls of the world, selling at prices comparable to those for which the literature of the Soviet is sold, and translated by outstanding scholars.

ON SALE IN ORIENT MAY 1

I am happy to be able to report that on May 1, now only a few days away, the following books in paper back editions will go on sale in the Far East at the prices given:

John Adams, Political Writings, 223 pages, 15 cents.

John C. Calhoun, Disquisition on Government, 104 pages, 10 cents.

Benjamin Franklin, Autobiography, Other Writings, 218 pages, 15 cents.

Thomas Jefferson, Representative Selections, 15 cents.

Hamilton, Madison, and Jay, Selections from the Federalist, 231 pages, 15 cents.

Henry D. Thoreau, Selected Writings on Nature and Liberty, 10 cents.

Thomas Paine, Common Sense, 184 pages, 15 cents.

From the Declaration of Independence to the Constitution: Roots of American Constitutionalism, 71 pages, 10 cents.

Lord Charnwood's Abraham Lincoln, 501 pages, 10 cents.

WILL MEET SOVIET PRICES

This is the first time that American classics have been sold at prices comparable to those at which communistic books have been sold. With no publicity, the advance orders ran over 5,000 copies in a week. This is an index of the interest at grassroots level. It is in a field that heretofore we have not touched, leaving it to be monopolized by the Soviet. Now we are moving in, and I can assure my colleagues that what we are doing today in supplying the funds for the expansion of the present USIA pilot program will have tremendous results in our war to win the minds and hearts of people everywhere.

Within a matter of months our American classics will be translated into 25 languages, printed and distributed by local dealers in the respective countries, and sold in all the bookstalls of the foreign world at 10 and 15 cents a copy. Too much credit cannot be given American book publishers for their fine cooperation in developing a program from which their only return will be the satisfaction of rendering a patriotic service.

GRATITUDE DUE SUBCOMMITTEE

The distinguished and most able chairman [Mr. ROONEY] and members of the subcommittee are to be congratulated on the manner in which they have handled the appropriation request of the USIA. While the sum granted is $25 million less than the amount requested by the agency it nevertheless is a considerable increase and provides funds for the agency to carry on the classics of democracy program and to increase its overall work in several critical areas of the world. Some of us believed the full amount requested should have been granted because of the many new and difficult duties which have fallen upon USIA as a consequence of the latest Russian propaganda offensive. Nevertheless, the chairman and members of the subcommittee have done a great and patriotic job and deserve the gratitude of the Nation.

It is next to impossible to speculate with accuracy as to what the Russians might do next in their drive to conquer the world. In the past they have not hesitated to engage in armed aggression to accomplish their objectives. They have long depended upon internal subversion to aid them in destroying the independent action of nations and men. They have demonstrated a capacity to stop at nothing in their fanatical drive to eliminate competition of every sort in the countries occupied by communism.

HOW SOVIET SPREADS DOCTRINE

We also know that the Communists have made tremendous gains in deceiving large numbers of people in many lands as to the true facts about communism in practice. One of their principal weapons to misguide public opinion has always been books carrying the theories and doctrines of communism.

In every country of the world the Russians have put out inexpensive books in the native language in order to get their propaganda story across. By inexpensive books I mean books within the easy reach of students, laboring people and youth. In instances where important groups are made a special target of the Communists thousands of doctrinal books are spread among them at no monetary cost to the victim whatever. In the case of colleges, universities, and outstanding intellectuals the Communists have deluxe, leatherbound editions of the basic works of Marx, Lenin, Engels, and so forth, which are presented as gifts. All in all they make certain that anyone who can read will not find it difficult to come by one of their doctrinal books.

Moreover the Communists have developed the know-how for distributing great volumes of their books. For example, in India the Communists have a virtual monopoly of the inexpensive book market. This accounts in large measure for the confusion among the people of India on the true nature of communism and their so-called neutralism on the question of communism. A captive audience in any country cannot make fair judgments on world issues when they only get one side of the issue. That is one of the major problems of the Indian people.

TWENTY MILLION TRANSLATIONS

The increase in budget granted the USIA will permit the Agency to carry through with its book program planned to counteract the damage done by Communist books and to present the truth about the United States, including our political and social institutions. The Agency has planned to make available over 20 million books in 25 languages to the people of key countries in the free world. These will be inexpensive editions costing between 5 cents and 15 cents per copy. Thus students, laboring people and all interested will be able to get reliable books about the United States at a cost they can afford. This program will be concentrated on those areas where the Communists have flooded the bookshops, colleges, and libraries with their cheap books carrying Communist ideology.

BIRTH OF A PROJECT

In this connection it was my privilege and my pleasure to play a part in launching the project called Classics of Democracy. This project is now known to practically every Member of the Congress and has gained the support of important national organizations and prominent individuals in every part of the country. The Committee on Books Abroad of the USIA has given long and careful study to the project. Recently on the suggestion of the group backing the Classics of Democracy program a pilot project was launched to bring about the production of inexpensive books in some 10 different languages. A number had been recommended by our group as the type best expressing our American political and social philosophy. This project already has blazed the trail for a winning-books program and maximum utililization of the many fine suggestions which have developed from the original project and campaign for the Classics of Democracy.

I hope the USIA will not find it necessary to cut any funds from the book program. I have been assured that it will not. That program is the best weapon we have to help us win a just peace by making the political and social ideals which have made America the leading peace-loving nation of the world, known to millions of people who are hungry for knowledge and the true facts about the American people and the philosophies of democratic government by which we abide.

Again, I congratulate the subcommittee on a job well done.

HOW PROGRAM DEVELOPED

Mr. Chairman, I have stated that I was privileged to have a part in the Classics of Democracy program. It was a part which I shared with the distinguished statesman, the gentleman from Ohio [Mr. FEIGHAN]. The concept was born in, and the dynamic drive in its development came from, the discussions and activities of a small group in Chicago composed of:

Dr. Harold Fey, executive editor of the Christian Century, probably the most widely read Protestant periodical in the country.

Dr. Jerome G. Kerwin, chairman of the Charles R. Walgreen Foundation, University of Chicago. He is nationally known as an educator in the field of political science and a prominent Catholic layman.

Dr. Richard P. McKeon, professor of philosophy, University of Chicago, a State Department visitor to universities in India, and a former member of the United States National Commission for UNESCO.

Dr. Emery T. Filbey, vice-president emeritus of the University of Chicago.

Thomas B. Stauffer, Humanities instructor, Wilson Junior College. He has a rich background in foreign service and was at one time aid to the Honorable Jefferson Caffery.

John McGinnis, President, Pennsylvania Railroad Lodge, No. 225, of the Brotherhood of Railroad Trainmen.

A. T. Burch, executive editor, Chicago Daily News.

Van Allen Bradley, literary editor of the Chicago Daily News.

It began with informal discussions in Chicago motivated by observations made by members of the group during world travel both in an official and unofficial capacity. Their spadework brought them a letter of approval from the Committee on Books Abroad for the United States Advisory Commission on Information. Dr. Mark A. May, chairman of the committee, called upon the Chicagoans to supply a list of books to be considered.

OUTSTANDING JOURNALISTIC ACHIEVEMENT

In February of 1955 the Chicago Daily News called upon its foreign correspondents in different parts of the world to investigate the extent of the Communist book campaign and what the United States was doing to meet it. The reports from Paris, London, Bonn, Rome, as well as uncommitted parts of Asia and Africa all pointed to the fact that in the words of Van Allen Bradley, the literary editor of the News, 'The United States is losing the Battle of the Books." In an editorial which appeared in the Chicago Daily News and in all the Knight newspapers on June 6, 1955, Mr. Bradley pointed out:

> Russia is turning out in many languages millions of volumes of inexpensive editions of the classic Communist statements of Marx, Lenin, Stalin, and other writers, whereas we have nothing to compare with the Communist cheap book distribution plan.

The illuminating and revealing survey of the foreign book situation by the Chicago Daily News was one of the year's outstanding American journalistic achievements. The report will be found in the CONGRESSIONAL RECORD, volume 101, part 6, pages 7930 and 7931 of June 8, 1955.

QUESTIONNAIRE SHOWS APPROVAL

The public response was instant and widespread. Further evidence of the depth of the popular interest in the Classics of Democracy program was furnished by the response to the questionnaire mailed in December of 1955 to 3,500 outstanding industrialists, editors, educators and recognized leaders in labor, veteran and women's organizations to sound public reaction to the proposed program. Another purpose of the questionnaire was to ascertain what books in the judgment of a jury of American enlightened public opinion were entitled to inclusion in the list of books Americans as a whole would agree constitute the imperishable classics of our democracy.

Many of the letters received in response to the questionnaire were published in the CONGRESSIONAL RECORD. The reading of these letters, I can safely say, furnishes a liberal education in the subject. Most of my colleagues, I am sure, are familiar with them. As one colleague remarked, "Once one starts reading, he cannot stop until the last word of the last letter, they are that interesting, inspiring and patriotically thrilling." Moreover, the letters reflected the thinking of the highest scholarship of the country. If you have not read these letters, you really have missed the substance of a most enriching hour or two of reading time.

CONFERENCES WITH USIA CHIEFS

Meanwhile conferences had been going on with Theodore C. Streibert, the able director of USIA, Dr. Franklin L. Burdette, Edward O'Connor, Dr. Claude E. Hawley, and others of USIA in which Congressman FEIGHAN and I participated. On January 27, 1956, Director Streibert gave the glad announcement of the launching of the pilot project in the following letter:

> DEAR MR. O'HARA: May I extend to you my appreciation for your leadership in highlighting the necessity for creating and distributing overseas inexpensive editions of American classics of democracy as one of the principal means for furthering United States information objectives.
>
> In accordance with our conversation and with discussions you have held with members of the Agency staff, I should like to recapitulate certain related activities the Agency is now pursuing. Inexpensive editions of 25 United States titles in English are being prepared and will be distributed commercially in Asia beginning February 1. Of these, 10 express our basic American social and political philosophy. In February a pilot project will be undertaken to publish 10 titles in foreign languages to be made available in the most inexpensive form possible. Through this project we expect to develop the necessary channels to permit the launching of a large-scale program which will accelerate the overseas distribution of books about the United States. Several of the titles used in this project are planned to be of the type advocated in your proposals.
>
> Looking to the future, we are requesting funds from Congress to permit expansion of the program for the distribution of inexpensive books in English to a level of 80 titles, plus some 440 editions of inexpensive translations, encompassing publication in more than 20 languages. For the most part, these will be available in foreign markets for the equivalent of 10 cents retail, although in some instances individual titles may be priced at the equivalent of 15 or 20 cents, depending upon the requirements of the program in different parts of the world. In all cases, commercial facilities will be used in order that the books may be accessible through normal means.
>
> It is hardly necessary for me to tell you how much all of us in the Agency appreciate the interest you have shown and the work you have done. It is certainly gratifying to learn of the response you have received from hundreds of outstanding citizens and organizations throughout the country. Please extend our thanks to the group of Chicagoans who assisted in promoting the idea of worldwide distribution of the Classics of Democracy and particularly to the Chicago Daily News for its pioneering efforts. We hope they

> will all continue their interest in this work and that we will have the benefit of their continuing advice.
>
> Sincerely yours,
>
> Theodore C. Streibert.

CONGRESSMAN HAUNTS BOOK STALLS

It would be impossible to overstress the importance of Congressman Feighan's trip to the Orient after the adjournment of the first session for first-hand information. For days and weeks he haunted the book stalls. Perhaps no American with the single exception of Dr. Richard P. McKeon ever before made such a thorough inspection of what people in the Orient at grassroots were buying and reading. The American people are greatly indebted to Congressman Feighan for the weeks of grinding, fatiguing work he gave to this work. What he found verified in every detail the reports from the foreign correspondents of the Chicago Daily News that we were losing the battle for the minds and hearts of men because the classics of our political philosophy, the classics that inspired our own forefathers, just were not available in translated and inexpensive editions.

On December 9, 1955, Congressman Feighan reported to the Advisory Committee on Books Abroad on his trip to the Far East where he observed the distribution of Communist and other books through commercial channels. His report made a profound impression.

On February 21, 1956, I reported to the subcommittee of the Committee on Appropriations chaired by Congressman John J. Rooney on the findings of the Chicago group and the results of the nationwide questionnaire among leaders in American public opinion. The testimony will be found on pages 377 to 383 of the public hearings on USIA. I am deeply grateful to Chairman Rooney and the members of the subcommittee for the lengthy and sympathetic hearing they accorded the presentment of the views of the Chicago group and the larger group nationwide that had responded to the questionnaire. I wish to take this opportunity of expressing the appreciation of all those interested in the Classics of Democracy program to Chairman Rooney and Congressmen Prince H. Preston, Robert L. F. Sikes, Don Magnuson, Frederic R. Coudert, Jr., Frank T. Bow, and Cliff Clevenger.

ADVISORY COMMITTEE ON BOOKS

In February of 1956 the Advisory Committee on Books Abroad of the United States Advisory Commission on Information gave a much appreciated and significant recognition by devoting one of its sessions to a discussion of the project. Congressman Feighan and I were honored by an invitation to appear before this most distinguished body. We were accompanied by Mr. Stauffer, representing and presenting the views of the Chicago group.

The United States Advisory Commission on Information was created by Public Law 402 of the 80th Congress. The members of this Commission serve without pay and represent a cross section of professional and business experience in the communications field. The chairman of the commission is Dr. Mark A. May, director of the Institute of Human Relations of Yale University. Other members of the commission are Erwin D. Canham, editor of the Christian Science Monitor, Sigurd S. Larmon, president of the advertising firm of Young & Rubican, Inc., and Philip D. Reed, chairman of General Electric Co. Assisting the commission in formulating policies there are advisory committees, each chairmanned by a member of the commission.

Dr. May is the chairman of the Advisory Committee on Books Abroad. Its members are George P. Brett, Jr., president of the Macmillan Co., Robert L. Crowell, president of Thomas Y. Crowell Co., Robert B. Downs, director of libraries at the University of Illinois, Charles W. Ferguson, Sr., editor of the Readers Digest, Freeman Lewis, executive vice president of Pocket Books, Inc., Keyes D. Metcalf, former director of libraries at Harvard University, and Charles E. Odegaard, dean of the Colleges of Literature, Science, and the Arts of the University of Michigan.

COMMISSION RECOMMENDS PROJECT

In its 11th semiannual report to Congress, made on March 30, 1956, the Commission approved the recommendation of its advisory committee that "in view of the present world situation resulting from the Geneva 'summit' meeting it is imperative that large quantities of books be translated and widely distributed in certain areas." The Commission stated:

> In view of these facts we agree with the Advisory Committee on Books Abroad that it is in the public interest for the Congress of the United States to increase its appropriations for the translation and distribution abroad of selected American books at prices which will compete with those of subsidized Communist books.
>
> In recent months, a group of citizens in Chicago has expressed interest in the translation and distribution abroad in low-priced editions of the Classics of Democracy. We agree thoroughly that a substantial number of the books to be included in the Agency's program of low-cost translations should be of this nature. Some should be complete volumes in original form, others could be collections of basic documents, assembled and described by eminent scholars.
>
> We are glad to note that Congressmen Barratt O'Hara, of Chicago, and Michael Feighan from Cleveland have been working with this group of citizens on this matter and are taking an active interest in the need for a greater distribution abroad of American books and particularly translations of the Classics of Democracy.

VICTORY NOW IN SIGHT

Mr. Chairman, we now are on our way to victory in the war for the hearts and minds of men. That is why, as I have said, this is a day of historical significance. Again I commend and congratulate the distinguished chairman and all the members of a great and far-visioned subcommittee.

In closing, permit me to cite one recent illustration of how all the world is hungering for the classics of our democracy that heretofore for the most part have been unavailable in translated editions. At long last an edition of the Federalist Papers in Italian has been placed before the people of Italy. The University of Rome recently undertook the translation and publication. The volume is more pretentious than the 10- and 15-cent editions to which I have referred. It is selling for $2.60 per copy. Already it is second on the list of best sellers in Italy.

What, Mr. Chairman and my colleagues, may we expect to come to our country and to the cause of democracy as dividends on what we are doing today when all over the world are classics of democracy, translated into all tongues and selling for 10 and 15 cents a volume, within the reach of everybody?

Mr. COUDERT. Mr. Chairman, I have no further requests for time.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Rhode Island [Mr. Fogarty].

THE IRISH REVOLUTION

Mr. FOGARTY. Mr. Chairman, today we pay our tribute to those men of Ireland, who 40 years ago on April 24, 1916, first proclaimed publicly the existence of the Republic of Ireland and through armed revolution attempted to throw off the yoke of British usurpation. Through divided authority and the lack of a single command the long and carefully planned revolution failed to achieve the complete success and military victory which it sought. Nevertheless it did produce the declaration of independence for all of Ireland and prepared the way for the ultimate creation of the present Republic of Ireland, whose Government so ably and efficiently directs the affairs of the people residing in that part of Ireland, which is entrusted to its present care and jurisdiction.

Throughout the entire period of British domination the Irish people carried on an unceasing struggle to win ultimately their full freedom and independence. No nation has ever been called upon to wage so long and tireless a battle to regain one by one the inherent rights of freemen and even the inalienable rights of human beings, which had been so callously denied by the British and so grudgingly conceded through the centuries. The discolored pages of history relating the abuses of British rule in Ireland cannot be repainted even by the oratory of a Churchill or his voluminous writings on British historical achievements. No nation has suffered more or endured greater outrages than have the Irish people. All the crimes being committed today against the rights and freedoms of peoples scattered throughout this troubled world, had their foreshadowing on the soil of Ireland and in the homes of Irish people.

Although the uprising in the city of Dublin was short lived and its success doomed by the early arrival of British reinforcements, nevertheless the Irish revolutionaries conducted themselves with honor and waged their warfare in strict accordance with military codes. This revolt against the British army of occupation in Ireland might have ended in the most dismal failure, since it was limited to the confines of the city of Dublin almost exclusively. The confusion in orders and the delay of a day in starting the revolt occasioned a failure of similar insurrections, which had been planned, in other parts of the nation.

Failure, however, was not to be the historical estimate of the Easter Rising in Ireland. The vicious retaliation of the British commanding officer, Gen. Sir John Maxwell, made certain that all who gave their lives in the cause of Irish freedom were true martyrs for the sake of liberty. On April 25, three prominent citizens of Dublin, who played no part in the warfare, were arrested and on the following morning shot in the Portobello Barracks and secretly buried, under orders of Captain Bowen-Colthurst, the British officer in charge. With noncombatants treated in this manner, it was not surprising that all leaders in the revolt should expect a like fate. Thus all signers of the Independence Proclamation were speedily tried and shot, as well as most of the military leaders of the Irish forces.

The public reaction in Ireland was instantaneous. On May 3, three of the signatories of the proclamation, Clarke, MacDonagh, and Pearse, were shot following a secret field court-martial. The next 5 days were marked with the announcemnt of like shootings, until the clamor in Ireland was echoed in America and reechoed throughout the British Colonies. Even the Manchester Guardian cried out that the executions were becoming an atrocity.

George Bernard Shaw wrote in protest:

> My own view is that the men who were shot in cold blood, after their capture or surrender, were prisoners of war, and that it was, therefore, entirely incorrect to slaughter them. The relation of Ireland to Dublin Castle is, in this respect, precisely that of the Balkan States to Turkey, of Belgium or the city of Lille to the Kaiser, and of the United States to Great Britain.
>
> Until Dublin Castle is superseded by a National Parliament and Ireland voluntarily incorporated with the British Empire, as Canada, Australasia, and South Africa have been incorporated, an Irishman resorting to arms to achieve the independence of his country is doing only what Englishmen will do, if it be their misfortune to be invaded and conquered by the Germans in the course of the present war. Further, such an Irishman is as much in order morally in accepting assistance from the Germans, in her struggle with England, as England is in accepting the assistance of Russia in her struggle with Germany. The fact that he knows that his enemies will not respect his rights if they catch him, and that he must, therefore, fight with a rope around his neck, increases his risk, but adds in the same measure to his glory in the eyes of his compatriots and of the disinterested admirers of patriotism through the world. It is absolutely impossible to slaughter a man in this position without making him a martyr and a hero, even though the day before the rising he may have been only a minor poet. The shot Irishmen will now take their places beside Emmett and the Manchester martyrs in Ireland, and beside the heroes of Poland and Serbia and Belgium in Europe; and nothing in heaven or earth can prevent it. * * *
>
> I remain an Irishman, and am bound to contradict any implication that I can regard as a traitor any Irishman taken in a fight for Irish independence against the British Government, which was a fair fight in everything except the enormous odds my countrymen had to face.

The reaction in America was expressed in the New York World, which declared:

> The hurried vengence of the military authorities, for which the Government is responsible, has written a chapter that will forever stand to Great Britain's credit.

The celebrated poet, Joyce Kilmer, organized a mammoth memorial service in Central Park, New York, for those who died for Ireland in the rising.

At the very time President Wilson was enunciating his principles of international justice, so applicable to Ireland, which declared our belief in these fundamental things:

> First, that every people has a right to choose the sovereignty under which they shall live. * * * Second, that the small states of the world have a right to enjoy the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon.

English statesmen realized that their hope of bringing America into the war was now a forlorn one. The British Ambassador in Washington wrote:

> I do not think we can count on American sympathy * * * the attitude towards England has been changed for the worse by recent events in Ireland. * * * If we are able to settle the Home Rule question at once, the announcement will have a beneficial effect here, although I do not think that anything we can do would conciliate the Irish here.

Fearing the outcome of the future elections in the United States an effort was made to get something done provisionally to settle the Irish Home Rule question and thereby appease American feelings. So Lloyd George inaugurated the nefarious conferences in which Home Rule was proposed but also in which partition was presented. The Home Rule Act of 1914 was to apply only to 26 counties, but the 6 counties in the Northeast were to be left out. Moreover Lloyd George wrote to Sir Edward Carson:

> My Dear Carson: I enclose Greer's draft propositions. We must make it clear that at the end of the provisional period Ulster does not, whether she wills it or not, merge in the rest of Ireland.

This secret letter was accepted by Carson as "a precious possession, guaranteeing me that the six counties would be left out, and that they never could be put back again without an act of Parliament." This behind-the-scenes written guaranty made acceptance of partition palatable to the pro-British Unionists in the northeast; and the temporary nature of the partition made this poisonous proposal potable for the freedom-seeking people of the rest of Ireland. Yet 40 years after, the temporary partition remains, and today the English statesmen attempt to assert that it remains a question to be settled between the two divisions of Ireland, and that the London Parliament has nothing to do with it. This criminal expedient was engineered by the English, enacted by their Parliament and should be righted today by that same Parliament without further ado.

It is often said that the evil that men do lives after them. So it is with the creators of partition in Ireland. The evils of the situation remain. The evils of that example are copied in various countries throughout the world, and are in a large measure the cause of world unrest today. It is late in the day to remedy the evil that has been done, but that the glory of the Irish martyrs of Easter week may not be dimmed, I pray that the days of partition are numbered and that a unified Ireland may arise to take her rightful place among the nations of the world. Then the Irish declaration of independence, issued on that fateful Easter Monday, 40 years ago, may take its place among the cherished documents of the world, in which the peoples of the different nations have expressed their demand for freedom.

That the text of the Irish declaration may be known to you and be cherished as a sacred document, I desire to read its text at this time:

> *The Provisional Government of the Irish Republic to the People of Ireland:*
>
> Irishmen and Irishwomen, in the name of God and of the dead generations from which she receives her old tradition of nationhood, Ireland, through us, summons her children to her flag and strikes for her freedom.
>
> Having organized and trained her manhood through her secret revolutionary organization, the Irish republican brotherhood, and through her open military organizations, the Irish Volunteers and the Irish Citizen Army; having patiently perfected her discipline; having resolutely waited for the right moment to reveal itself, she now seizes that moment and, supported by her exiled children in America and by gallant allies in Europe, but relying in the first on her own strength, she strikes in full confidence of victory.
>
> We declare the right of the people of Ireland to the ownership of Ireland and to the unfettered control of Irish destinies, to be sovereign and indefeasible. The long usurpation of that right by a foreign people and government has not extinguished the right, nor can it ever be extinguished except by the destruction of the Irish people. In every generation the Irish people have asserted their right to national freedom and sovereignty; 6 times during the past 300 years they have asserted it in arms. Standing on that fundamental right and again asserting it in arms in the face of the world, we hereby proclaim the Irish Republic as a sovereign independent state, and we pledge our lives and the lives of our comrades in arms to the cause of freedom, of its welfare, and of its exaltation among the nations.
>
> The Irish Republic is entitled to, and hereby claims, the allegiance of every Irishman and Irishwoman. The Republic guarantees religious and civil liberty, equal rights, and equal opportunities to all its citizens, and declares its resolve to pursue the happiness and prosperity of the whole nation and of all its parts, cherishing all the children of the nation equally, and oblivious of the differences, carefully fostered by an alien government, which have divided a minority from the majority in the past.
>
> Until our arms have brought the opportune moment for the establishment of a permanent national government, representative of the whole people of Ireland, and elected by the suffrages of all her men and women, the provisional government, hereby constituted, will administer the civil and military affairs of the Republic in trust for the people. We place the cause of the Irish Republic under the protection of the Most

High God, whose blessing we invoke upon our arms, and we pray that no one who serves that cause will dishonor it by cowardice, inhumanity, or rapine. In this supreme hour the Irish nation must, by its valor and discipline, and by the readiness of her children to sacrifice themselves for the common good, prove itself worthy of the august destiny to which it is called.

Signed on behalf of the provisional government:

Thomas J. Clarke.
Sean MacDiarmada.
P. H. Pearse.
James Connolly.
Thomas MacDonagh.
Eamonn Ceannt.
Joseph Plunkett.

Mr. ROONEY. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Illinois [Mr. Mack].

Mr. MACK of Illinois. Mr. Chairman, I want to thank the gentleman from New York for graciously yielding me this time. The gentleman from New York and his committee have done a wonderful job on this appropriation bill as they have done on appropriation bills over the years. It does remain, however, that a very important appropriation has been omitted from this legislation, and, therefore, I am planning to offer an amendment to restore at least a portion of this appropriation which was denied by the committee.

I plan to offer an amendment to restore a portion of the funds for new construction for the Federal Bureau of Prisons. I do not claim to be an authority on this subject, but I have taken an active interest in our prison setup and have recently had an occasion to make a detailed study during a tour of one of the Federal institutions. Therefore, I feel I am somewhat familiar with their problems. I, for one, am proud of the prison system in the United States. I am not proud of the fact that it is necessary to have prisons, but I am extremely proud of the prisons we have since it is necessary to have them.

Mr. Chairman, I believe that the hearings held by this committee clearly show the critical situation existing in Federal types of prisons in our country. And if this appropriation is not accepted, I can foresee a general deterioration of our complete system. I hope my amendment is accepted by this Congress as our prisons are overcrowded today, and it will take 3 additional years to construct a new prison. There will be 3,400 more prisoners at that time than we have today. We have enough hardened criminals today committed to other institutions and overcrowding their normal capacity to completely fill this new-type prison if it were available today.

Mr. Chairman, I am offering this amendment because I believe my country has the best prison system in the world, and I want to keep it that way. I have the utmost confidence in Mr. James Bennett, the director of the prison system, as I feel he has held the system on a high level and has done a job comparable with that done by the FBI. Both Mr. Bennett and Mr. Hoover are career men dedicated to their service and their country. I respect their judgment and know, as you know, that their decisions are far beyond the realm of political or bureaucratic influence.

Mr. Chairman, at the proper time, I shall offer an amendment to increase the appropriation by $9,500,000 for the purpose of constructing a maximum security type prison. I have no information as to where this prison will be located, but I feel that this is not the question to be determined. The decision must be made coldly and realistically on the basis of need or justification for such a prison and if it is approved an appropriate site could be selected at a later date.

Mr. ROONEY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. Wright].

Mr. WRIGHT. Mr. Chairman, I feel very much as does the distinguished gentleman from Illinois [Mr. O'Hara]. I take this time simply to congratulate the committee on what I think was a very wise decision in the reasonable increase it provided in funds for the work of the United States Information Agency. This Agency represents us in the most crucial struggle of our time, a struggle which transcends party lines.

In every far corner of the earth, in the ancient Middle Eastern desert, in the teeming, smouldering cities of the Orient, in the war-smitten villages of southern Europe, men and women are choosing sides between two diametrically opposed ways of life. How they choose may well determine the fate of our children.

Our competitor in this struggle for men's minds is making a supreme effort to capture the imagination and the allegiance of the world's peoples.

By the most conservative estimate, Russia has been spending more than $3 billion every year on propaganda aimed at depicting this Nation of ours as a land presided over by warmongers and Wall Street imperialists who exploit the great majority of our people. To combat this monstrous falsehood, the United States Information Agency has had only a minute fraction of this amount with which to spread abroad the truth about American democracy and matters of American policy.

Thomas Jefferson said that truth is the sufficient adversary of falsehood. But that truth must be told. It must be told often and convincingly.

Our Nation has the most dynamic, the most appealing, and the most practical political idea ever conceived by the mind of man, and we have throughout the world a vast yawning market simply crying for this product which we alone as a nation can supply. With all of our inventive genius as advertisers and as exponents of the written and spoken word, with our uncanny ability to make the taste buds cry out for Lucky Strikes and Coca-Cola, it seems nothing short of suicide to allow ourselves to lose this competition of ideas by default. And this is the only way we could lose it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ROONEY. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Tennessee [Mr. Evins].

Mr. EVINS. I thank my distinguished friend, Chairman Rooney, and wish to commend the members of the committee for the excellent work accomplished on this important appropriation bill. I certainly do not wish to be expressing negative thoughts upon the constructive work which the committee has done, but our colleague, the gentleman from Florida [Mr. Sikes], and also the gentlewoman from Ohio [Mrs. Frances P. Bolton], have spoken of the Department of State as being our first line of defense, adopting wide and broad policies and winning the cold war.

I have been concerned and alarmed, Mr. Chairman, regarding the resolution adopted by the Parliament of Iceland to expel from that little island, our American forces. This expulsion resolution was adopted by the Icelandic Parliament by a vote of 31 to 16.

Certainly this expression is evidence that we are losing the cold war. It appears that our present State Department policies are not leading us in the right direction—that we are losing rather than gaining friends. We are losing our allies.

I was so concerned about this matter, Mr. Chairman—a most distressing incident—that I addressed a letter to the Secretary of State, asking for an explanation of the motivating reasons behind the adoption of this resolution. I received an extended letter from Mr. Robert C. Bell, the Assistant Secretary of State, outlining the history of our forces being in Iceland and of the action which resulted in the adoption of the resolution expelling our forces from that country.

It is certainly significant to me that we are losing our allies, we are losing our friends. This is evidenced by this resolution which has been adopted demanding that our forces be expelled from Iceland. The resolution adopted goes on to state that immediate action should be taken to effectuate the policy of the adopted resolution to the end that the American forces be removed from Iceland, and that the Icelanders take over the manning of the military installations and that the American military forces leave the country; that if agreement concerning the above is not reached the matter should be followed up by renouncing the existing defense agreement.

Mr. Chairman, I think that resolution and the decisive vote by which it was adopted is indicative of what is happening to us in several parts of the world, losing out with our neighbors and former allies. The matter is deserving of the thoughtful consideration and action of the Committees on Foreign Affairs of the House and Senate.

The letter from the Assistant Secretary of State follows:

April 23, 1956.

The Honorable Joe L. Evins,
House of Representatives.

Dear Mr. Evins: The receipt is acknowledged of your letter dated April 13, 1956, inquiring as to what is behind the resolution adopted on March 28 by the Icelandic Parliament. The resolution (copy attached) states that Icelandic policy concerning the Icelandic-United States Defense Agreement should be revised immediately "with the aim in mind that Icelanders take over the guarding and maintenance of military installations—but not military activities—and that the defense forces leave the country."

As your letter indicates, the conduct of American troops now stationed in Iceland is not a factor motivating the passage of the resolution; there have been no incidents involving American troops for some time.

The passage of the resolution must be considered in the light of Icelandic history and of the current political situation in Iceland. Prior to World War II Iceland remained largely isolated from the current of world events. Since 1918 Iceland had been a sovereign state united with Denmark under a common king with Denmark conducting Iceland's foreign policy and foreign representation. After Denmark was occupied by German forces on April 9, 1940, communication between Iceland and King Christian was severed. In May 1940 Iceland was occupied by British forces. In July 1941, an agreement was made with the Icelandic authorities for United States forces to replace the British in Iceland. On June 17, 1944, after a plebiscite in Iceland, Iceland was formally established as a republic. The United States and Icelandic Governments agreed to terminate United States responsibility for the defense of Iceland on October 7, 1946.

In 1949 when Iceland joined NATO, Iceland stated to the United States and to NATO that it was out of the question for a foreign army or for foreign military bases to be located in Iceland in time of peace, although in case of war, allied nations might request privileges similar to those enjoyed in World War II. In 1951, in view of the Korean War and the fear of a new world war, Iceland signed an agreement with the United States permitting the stationing of United States troops in Iceland. There is, however, an understandable desire on the part of Icelanders to reduce to a minimum the presence of foreign troops there. It is probably partly in deference to this feeling and partly because some Icelandic leaders now consider the international outlook to be more favorable than it was in 1951 that the above-mentioned resolution calling for the withdrawal from Iceland of United States forces was passed by the Icelandic Parliament.

Current developments in Iceland should be viewed against the above background. The present caretaker government in Iceland, as its predecessor, is a coalition of the Conservative Party (21 seats out of 52 in Parliament) and the Progressive Party (16 seats). Opposition parties were the Social Democrat (6 seats); National Defense (2 seats); and Communist (7 seats). The Progressive Party decided to join forces with the Social Democratic Party and withdraw from its restive coalition with the Conservative Party, thus precipitating special elections in Iceland on June 24, 1956. Before Parliament was dissolved it passed the resolution of March 28, sponsored by the Progressive and Social Democrat Parties. The National Defense and Communist Parties supported it in lieu of a more drastic resolution which they had proposed. The final vote was 31 to 18 (Conservative, with 3 Conservatives absent).

No action thus far has been taken by the present caretaker government of Iceland to implement the resolution and there are no indications whether any such action will be taken prior to the June 24 elections. It is possible that, before any irrevocable decision is made by the Icelandic Government, Icelandic authorities will become aware of the serious danger which such action would cause to their own nation as well as to other members of NATO.

I believe you will find the foregoing helpful in assessing the significance of the resolution adopted by the Icelandic Parliament.

Sincerely yours,

Robert C. Hill,
Assistant Secretary
(For the Secretary of State).

(Enclosure: Resolution.)

Althing Resolution on Iceland's Foreign Policy in Connection With the Defense Agreement With the United States

The Althing resolves to declare:

The foreign policy of Iceland, hereafter as it has up to the present, should be aimed at protecting the independence and security of the country; friendly relations with other nations; and a joint stand of the Icelanders with their neighboring nations in security matters—such as their participation in NATO.

In view of the changed situation since the Defense Agreement was reached in 1951, and the declarations that a foreign army shall not be stationed in Iceland in time of peace, a revision of the conduct of affairs adopted in that connection should immediately be carried out with the aim in mind that the Icelanders take over the guarding and maintenance of military installations—but not military activities—and that the military forces leave the country. If agreement concerning the above is not reached, the matter shall be followed up by renouncing the Defense Agreement, in accordance with the provision for this in article VII.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. COUDERT. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

IMMIGRATION AND NATURALIZATION SERVICE

Salaries and expenses

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including advance of cash to aliens for meals and lodging while en route; payment of allowances (at a rate not in excess of $1 per day) to aliens, while held in custody under the immigration laws, for work performed; payment of rewards; not to exceed $35,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; not to exceed $5,000 for expenses of attendance at meetings of organizations concerned with the purposes of this appropriation; purchase (not to exceed 251 for replacement only) and hire of passenger motor vehicles; purchase (not to exceed 2 for replacement only) and maintenance and operation of aircraft; firearms and ammunition; refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto; reimbursement of the General Services Administration for security guard services for protection of confidential files and for rental of buildings in the District of Columbia; and maintenance, care, detention, surveillance, parole, and transportation of alien enemies and their wives and dependent children, including return of such persons to place of bona fide residence or to such other place as may be authorized by the Attorney General; $47,550,000: *Provided,* That the compensation of the 5 assistant commissioners and 1 district director shall be at the rate of grade GS–16: *Provided further,* That of the amount herein appropriated not to exceed $50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General.

Mr. MURRAY of Tennessee. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Murray of Tennessee: On page 22, lines 7 to 10, inclusive, strike out "*Provided,* That the compensation of the 5 assistant commissioners and 1 district director shall be at the rate of grade CS–16: *Provided further,*" and insert in lieu thereof "*Provided,*".

Mr. MURRAY of Tennessee. Mr. Chairman, as chairman of the Committee on Post Office and Civil Service, I feel it is incumbent upon me, in fact it is my duty, to offer this amendment which provides that the compensation of 5 assistant commissioners and 1 district director shall be at the grade of GS–16 be stricken from the bill.

This language in the bill is clearly and unquestionably legislation in an appropriation bill and is a direct usurpation of the rights and prerogatives of the Committee on Post Office and Civil Service and the Civil Service Commission. I regret that the great Committee on Appropriations has seen fit to include this provision in the bill. As the Members know, there are 3 supergrades at the present time, grades 16, 17, and 18. These supergrades were provided first by the Classification Act of 1949 which originated in the House Committee on Post Office and Civil Service. Last year our committee initiated legislation which raised the number of these 3 supergrades to 1,200 with 125 in grade 18, 375 in grade 17, and 700 in grade 16.

Now the Congress, through its Committees on Post Office and Civil Service, has the power and the authority and the duty to authorize these supergrades. After these supergrades are authorized by the Congress, it is provided that the Civil Service Commission shall then allocate the respective positions to the various departments and agencies. Now this provision which I am seeking to strike out would put these 6 men in grade 16 or at a salary of grade 16. I do not know anything about the qualifications of them. You are disrupting the orderly process and procedure in connection with the authorization and allocation of these supergrades by taking away from the Civil Service Commission and the two Committees on Post Office and Civil Service of Congress the right to have control over these supergrades in this instance. I wish the powerful Committee on Appropriations would quit stepping on the toes of the Committee on Post Office and Civil Service. If this practice is continued, you are going to have chaos and confusion and inequities arising among the Federal personnel. What does the committee know about the qualifications of these men and about the requirements for these different positions? There are 6 men involved. I understand they are very fine gentlemen, but why not go through the regular legislative procedure and let the Civil Service Commission allocate these positions to these 6 men provided their positions can qualify for grade 16? If they are entitled to grade 16, then I am sure the Civil Service Commission will put them in there. At the present time there are 71 supergrades still that have not been filled by the Civil Service Commission, and the Committee on Post Office and Civil Service has reported out a bill to the House just recently which authorizes 236 more supergrades.

This bill is now on the calendar of the House for action.

Let us not have confusion about these super grades. The members of the Appropiations Committee are not the ones to pass on the qualifications of each individual as to whether he should be in grade 16 or grade 17 or grade 18. These are super grades that need experts like the three members of the Civil Service Commission to pass upon the requirements and qualifications for the position in each one of these grades. I hope that the Committee on Appropriations will agree to my amendment. You are establishing here a dangerous precedent by taking away the authority and prerogatives of the Committee on Post Office and Civil Service and the Civil Service Commission to authorize and allocate these particular grades if you do not adopt my amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Tennessee. I gladly yield to the gentleman from Iowa.

Mr. GROSS. If this provision goes through, it will mean that the Committee on Appropriations has put through 17 super grades in 2 bills within a matter of less than 2 months; is that not true?

Mr. MURRAY of Tennessee. That is correct. I appeal to the committee to support this amendment. It is sound. It is in the interest of good, orderly, efficient Government. How can the Committee on Appropriations, without any investigation or study, put employees and officials in grade 16, 17, or 18? I say we are treading upon dangerous ground, and I hope you will leave this matter of super grades to the Committee on Post Office and Civil Service and the Civil Service Commission. This provision which I am seeking to eliminate will be bad for employee morale and will disrupt the orderly and proper alinement of top-level positions in these super grades. It is preferential legislation for the benefit of a few specific individuals. The report of the Committee on Appropriations on this bill is strangely silent on the explanation or justification for the provision placing the five Assistant Commissioners and one District Director of the Immigration and Naturalization Service in grade 16. This is another effort to legislate salaries for specific positions in the executive branch which unquestionably should be left to the usual procedures and processes which are provided by Congress in the Classification Act. The Congress, through its Post Office and Civil Service Committees of the Senate and the House, should be responsible for reviewing the need for and the use of top-level positions on an overall governmentwide basis.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the distinguished chairman of the House Committee on Post Office and Civil Service. I realize this item does not seem to be of great importance to the Members as compared to some of the other portions of this legislation, but it is extremely important because of the principle involved.

The question before this committee now is, do you want to sustain the legislative committee of this House, or do you want to circumvent the legislative committee of this House, and, do you also want to circumvent the Civil Service Commission of these United States? That is really the question involved here. Our committee only recently approved a bill, which is now on the calendar that provides for some 236 supergrades that would be allocated by the Civil Service Commission in their regular order for people qualified under Civil Service in the regular way of doing business, but if you are going to follow this procedure and let certain people in these agencies go to the Committee on Appropriations and get that committee to allocate grades for certain individuals, then to that extent you just weaken your legislative committee of the House. This is a more important matter than most of the Members realize. I hope that they will see fit to support the amendment of the gentleman from Tennessee [Mr. Murray]. It is important that they do that. I find no fault at all to the qualifications of these individuals who are being taken care of here. I am sure they are good men. That is not the point.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I am happy to yield.

Mr. ROONEY. The gentleman is acquainted with Mr. Shaughnessy, the district director in New York, is he not?

Mr. REES of Kansas. Oh, Mr. Shaughnessy is a great man; he is a distinguished public servant; certainly he is. But I do not go along with the method of handling this matter in this fashion, because there is not a word that I know of, not a line of testimony in the hearings in support of this portion of the bill—nothing at all. You agree with me on that.

If the House is going to support legislation on which there have been no hearings, on which there has been no testimony before the committee, I do not think it is right. I do not believe there is a member of this committee, aside from the chairman, who has talked to these people involved in this legislation at all about wanting these super grades. I doubt it. I doubt whether any one of heads of the agency has even called the Civil Service Commission to find out whether these people were even considered by the Commission. If they have, I wish they would tell us about it right here on the floor of the House. I should like to have your further explanation. I know they are all good men; of course they are. They are employed in the Government. They are career men. Some of them have been in the Government for years. But here you go out and pick out 2 or 3 or 4 or 5 men. You did it in this case and your committee did it a few weeks ago in another bill from another subcommittee. If that is the way these things are going to be handled, and the House wants to approve that method of handling them, then we should know it. I feel the Members here should know the situation so that they would understand what they are doing if they do not support the amendment offered by the gentleman from Tennessee [Mr. Murray]. There is no question that the amendment should be approved.

This is not a matter of personalities. The gentlemen affected by this proposed legislation, surely, understand that. There is, however, a matter of policy and principle involved.

If it is to be the policy of this House to approve the action of the Appropriations Committee of the House to permit legislation to be included in such manner that it is not subject to a point of order, we should know it. If the Appropriations Committee wants to increase salaries for certain employees without following regular procedure, and without hearings of any kind, we should know it.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

I should like to address a question to the chairman of the Committee on the Post Office and Civil Service. Does not the provision in the bill to which the amendment of the gentleman from Tennessee [Mr. Murray] was offered create new grades by increasing the salaries of those who are in those positions now? Is not that what it does?

Mr. MURRAY of Tennessee. The gentleman is entirely correct.

Mr. HOFFMAN of Michigan. Of course, the issue is a great deal broader than appears on the surface. The gentleman from Kansas [Mr. Rees] who is the ranking minority Member was right when he suggested that the Committee on Appropriations is continuing as it has started on this line of permitting someone who is already in the Government service getting a provision in an appropriation bill raising his grade by increasing his compensation. If that is the case, what is the use of having one committee of which the gentleman from Tennessee [Mr. Murray] is chairman? What good then is the gentleman's committee on this phase of our business, I ask the gentleman from Tennessee? What is the use of being around when Appropriations writes legislation which should be written by Post Office and Civil Service?

Mr. MURRAY of Tennessee. I would say that we would soon be out of business if this method were followed. I will say to the gentleman that the amendment which I have offered, if it is approved, would save an increase of $1,290 for each one of these 6 positions. In other words, the Committee on Appropriations, without any justification that I can see, is increasing the compensation of these 6 jobs by $1,290 per year.

Mr. HOFFMAN of Michigan. Appropriations by its action put them in another grade, did they not? After the legislative committee having jurisdiction had refused to do so?

Mr. MURRAY of Tennessee. That is correct. That is how the increase in salary comes about.

Mr. HOFFMAN of Michigan. Then why do we need the gentleman's committee? What does his committee do? What business do they have to transact if the Committee on Appropriations is encouraged to bring in this sort of legislation and get it approved?

Mr. MURRAY of Tennessee. Mr. Chairman, I will say that the committee

of which I have the honor to be chairman has spent many days and long hours setting up these supergrades and outlining the qualifications for them.

Mr. HOFFMAN of Michigan. And how much time has the Committee on Appropriations spent on the subject before it overruled the gentleman's committee?

Mr. MURRAY of Tennessee. I can find nothing in the hearings about that.

Mr. HOFFMAN of Michigan. That is the point. It is just as the gentleman from Kansas [Mr. Rees] said, and as was stated earlier in the debate today. There is no need for a legislative committee if the Committee on Appropriations and the Committee on Rules can come in and jockey through this kind of a provision in an appropriation bill. Is not that right?

If we are to have legislative committees, why is it we do not just vote down one of these bills and let the beneficiaries seeking a higher grade, more pay, go back in the regular way to the proper committee? It is the only remedy, as I see the situation. As was said earlier in the day, if we do not want the legislative committees to function, if the Appropriations Committee is to be a sort of city of refuge to which every fellow who thinks he finds himself in a situation where he wants something he cannot get through the action of the proper legislative committee can run to and get what he wants, from Appropriations, let the legislative committee just disband, and we can all go campaigning. The issue is a matter of legislative procedure, of adherence to long-established customs, and this new procedure is not fair to the legislative committees. It is not sound legislative procedure.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. MEADER. I have heard the argument made that we ought to approve this irregular procedure because Mr. Shaughnessy is a nice man.

Mr. HOFFMAN of Michigan. Who is he?

Mr. MEADER. Does that establish a precedent so that all nice men in the Government ought to go to the Appropriations Committee and get their salaries raised?

Mr. HOFFMAN of Michigan. If this amendment is rejected and if that action is hereafter considered a precedent, that is just what it does do. I too think I am a nice man, and I think if I could go to the Appropriations Committee and get the salaries of Congressmen and all Federal employees reduced, while I might not be popular, we might slow down this threatened inflation.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I regret that I must disagree with my two delightful friends, the gentleman from Tennessee [Mr. Murray] and the gentleman from Kansas [Mr. Rees]. They surely have been persistent about this little thing which would cost the taxpayers in the neighborhood of $3,600. They were advised beforehand by me by telephone that the committee had unanimously agreed to take this action and insert this language in the bill because it originated in the mind of whom? In the mind of the Commissioner of Immigration, General Swing. The language was handed to the subcommittee and inserted in the bill.

On yesterday when a rule was sought both these distinguished gentlemen appeared before the Rules Committee in writing in the morning and in person in the afternoon, and opposed the granting of the rule. The rule was then granted by the Rules Committee. They opposed the adoption of the rule earlier today, and the rule was adopted by the House. Now they have their third bite at the cherry.

I want to point out first that this language which I shall read is presently the law because it was in this same appropriation bill at this time a year ago, the 1956 supply bill for the Department of Justice. It is the law of the land today. The gentleman from Tennessee well knows that this does not apply to any six employees, although six are mentioned in this language, because without any objection on the part of either of these gentlemen a year ago there was included in the bill this language:

> That the compensation of the five assistant commissioners shall be at the rate of grade GS–16 as long as the positions are filled by the present incumbents.

So that a year ago the scale of GS–16 was set up for five assistant commissioners of immigration and naturalization.

Some six weeks ago the Congress saw fit to pass and the President to sign a bill permitting retired Generals Howard and Partridge to become assistant commissioners of immigration. Is it not common sense that they should be at the same level as the other assistant commissioners, making five at grade GS–16?

With regard to Mr. Shaughnessy, as was pointed out earlier by the distinguished majority leader, he was previously an assistant commissioner of immigration himself and went to New York to take the district directorship because it is one of the most important jobs in the Immigration Service.

The committee has been fair about this thing. The new language is set forth in the report. The whole business amounts to something in the neighborhood of $3,600—a $1,000 in the case of Mr. Shaughnessy and about $1,290 each in the other two cases.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman.

Mr. HOFFMAN of Michigan. Now, it is not a question of how many dollars will be saved or spent. The question is do you think now, just between you and me and leaving the rest of them out of it—do you think this kind of procedure is fair to the other legislative committees?

Mr. ROONEY. I think so.

Mr. HOFFMAN of Michigan. All right, then.

Mr. ROONEY. I think they were given notice. I think it is the right thing to do under these circumstances because these men might not get GS 16 for the next 9 months or even years. Now is the time to do something which should be done. This is approved by the Commissioner of Immigration and Naturalization, General Swing, and supported by the entire committee and approved by the Committee on Rules.

Mr. MURRAY of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman.

Mr. MURRAY of Tennessee. About a month ago, we had these two bills here pertaining to Brigadier Generals Howard and Partridge. When the bill was debated on the floor of the House, the gentleman from Missouri [Mr. Short] and the gentleman from Georgia [Mr. Vinson] in their arguments on behalf of these bills made much of the fact that General Partridge's retired salary was $9,688 and his salary in the civilian position would be $11,610 and the retired salary of General Howard was $8,875 and the salary in the civilian position that he was to occupy would be $11,610. They indicated that to employ General Partridge on a full-time basis would cost the Government only $1,922 a year and that to employ General Howard would cost only $2,907. Now, just after understanding what was given to us, it is proposed to increase the salaries of these two retired generals by another $1,290.

Mr. ROONEY. I cannot find fault with that statement. That is exactly what you would be doing. That is exactly what the committee is in agreement on. That is exactly the reason the Committee on Rules gave us the rule waiving points of order.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Hoffman of Michigan moves that the committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. Mr. Chairman, I will not impose overlong on the time of the Members. Perhaps, I should have been content having asked the gentleman from New York [Mr. Rooney] whether he thought this was fair or not—perhaps, I should have been content with his answer. But, then, on going to the back of the Chamber my ever-alert colleague from Michigan [Mr. Bentley] called by attention to something.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. ROONEY. I tried to be fair. The gentleman can recall when I was but one of a few around here who supported him.

Mr. HOFFMAN of Michigan. I was not saying that you were not fair. I do not recall the support, but assume the gentleman is correct as to that and am grateful. I am trying to accept your judgment, but my natural contrariness prevents. As I was saying, I went to the back part of the Chamber and my colleague, the gentleman from Michigan

[Mr. Bentley], who is always on the job, aware of what is doing, called my attention to another paragraph in this bill.

I am wondering now just how far the Committee on Appropriations wants to go in attempting to legislate and to determine policy.

As was stated before, action on this amendment is not an issue of how many dollars will be saved or how many will be wasted. The issue is as to legislative procedure. Listen to this language and read it yourself because it seems almost unbelievable to me that Appropriations should go out of its way to fix foreign policy without authorization from Foreign Affairs Committee. On page 16, line 16, section 110, reads:

> It is the sense of the Congress that the Communist Chinese Government should not be admitted to membership in the United Nations as the representative of China.

What has that to do with appropriations? How many dollars does that language provide for anyone or any agency to spend?

Mr. ROONEY. What is wrong with that?

Mr. HOFFMAN of Michigan. What business is it of those on the Committee on Appropriations to say who should be admitted to the United Nations?

Mr. ROONEY. What is wrong with that language? Surely the gentleman does not want Red China in the United Nations.

Mr. HOFFMAN of Michigan. Now wait a minute. Let me talk—no, of course, I do not want Red China in the United Nations. I do not want any part of the United Nations at all, if you want to discuss that point. The Congress can and should vote legislation for the United States of America. U. N. has no legal right to write laws casting burdens imposing obligations on citizens of the United States of America. I do not want any part of U. N. or any other one world organization. But what law, or rule, or policy gives the Committee on Appropriations authority to advise the House on foreign policy? How do they get over into the jurisdiction of the Committee on Foreign Affairs and tread on their toes? Does Appropriations want Foreign Affairs abolished or its authority just reduced?

I see our distinguished colleague, the gentlewoman from Massachusetts [Mrs. Rogers] here as usual. The first thing Veterans Administration knows this Committee on Appropriations will be legislating for your veterans. Then you will hear some squawks—pardon me, not squawks but then you will hear some ladylike language that will really burn your ears and the back of your neck, down your back to your waistline, and it will be effective.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. PRESTON. I would like to call the attention of the gentleman to the fact that this language to which he referred on page 16 was put in this bill some years ago as the result of an amendment being offered on the floor of the House during the consideration of the bill.

Mr. HOFFMAN of Michigan. I do not care how it got in there. The point is that Appropriations has been invading the jurisdiction of 2 or 3 other legislative committees and now it is after the Committees on Foreign Affairs, Civil Service and Post Office, which are by this provision directly overruled.

Mr. GROSS. And on page 16 there is another provision which says that "rates may be fixed without regard to any provision of law in limitation."

Mr. HOFFMAN of Michigan. The argument I am trying to make is to prove the point that the Committee on Appropriations is stepping over by or through one provision or another into the jurisdiction of other legislative committees. If the House wants to go across the board, let us do it not by invading one committee, then another. Just abolish the legislative committees and let it go at that. The legislative job is just too big for Appropriations or any other single committee; but if that be the decision of the House, let us do it by one clean, bold beheading, not piece by piece—degrading, humiliating, first one committee, then one by one all others.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, the statement of the distinguished gentleman from Michigan [Mr. Hoffman] is not correct, because there was inserted in this bill on a rollcall vote the language which I pointed out at page 16. The gentleman sat here this afternoon and heard the Clerk read the bill for amendment. No one objected to the language, and it is now in the bill.

With regard to this great matter that concerns just three people and about $3,600 of the taxpayers' money, I venture to say that you have used ten or twelve thousand dollars of the taxpayers' money in opposing it this afternoon. The time has come to have a vote. The committee is willing to abide by the judgment of the Members of the House.

I ask for a vote Mr. Chairman.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. Hoffman].

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. Murray].

The question was taken; and on a division (demanded by Mr. Rooney) there were—ayes 79, noes 58.

Mr. ROONEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. Rooney and Mr. Murray of Tennessee.

The Committee again divided; and the tellers reported there were—ayes 90, noes 78.

So the amendment was agreed to.

The Clerk read as follows:

Buildings and facilities

> For constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $1,425,000: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

Mr. MACK of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Mack of Illinois:
>
> On page 23, line 16, after the word "facilities", strike out "existing" and insert in lieu thereof the word "for."
>
> And in line 18, strike out "$1,425,000" and insert in lieu thereof "$10,925,000."

Mr. ROONEY. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MACK of Illinois. Mr. Chairman, I offer this amendment to correct an injustice being done to the Bureau of Prisons. My amendment is to provide for the construction of a maximum-custody institution to relieve the present strain on our prison system.

Mr. Bennett, the Director of Prisons, has said the situation existing at these institutions is critical. There are only 4 maximum-security type prisons in the country. These are Alcatraz, Atlanta, Leavenworth, and McNeil Island.

On page 314 of the hearings a statement as of the end of fiscal year 1955 shows that we had approximately 1,700 prisoners over capacity in these institutions. Atlanta exceeds its capacity by 500; Leavenworth by 600. These figures change from day to day varying by institutions. But the totals remain approximately the same. It is impossible for the prisons to handle any additional prisoners at any of the maximum-security type prisons.

Mr. Chairman, never in the history of the Federal Prison System have we ever had a riot or major disturbance. This can only be maintained by adequate facilities. We have had riots and disturbances in other types of jails and prisons throughout the various States, but we have never had a riot at a Federal institution. I hope that the Members will recognize the urgent need for this institution and vote for this amendment so that we can maintain the good record which has been maintained by our Bureau of Prisons. Construction should be started now when there are no riots to cope with. It should be done in an orderly fashion.

There are more men today coming to prison than 10 years ago, and they are staying longer. The parole rate is also down. During the past 5 years, the number of prisoners serving sentence of 5 years or more has increased 26 percent. It is conservatively estimated that the Federal prison population will reach 23,400 by 1960 an increase over the 1955 average of 3,400.

This appropriation, if approved, will provide facilities for an additional 600 prisoners. Our offenders have increased by 4,000 since the last medium-security prison was constructed. The most recent maximum-custody Federal institution was built in 1902. That was Atlanta and that is 54 years ago. Alcatraz was built 87 years ago. The Director of the Bureau of Prisons has made a detailed study of the needs and has endeavored to develop a program of orderly institutional construction.

Four years ago, Mr. Bennett first requested clearance for this project. Since that time the Department of Justice and

the Bureau of the Budget opposed this construction with the argument that this would raise Government expenditures and prevent a balanced budget.

This year, they are unable to make such an argument. This appropriation was approved by the Bureau of the Budget for a supplemental appropriation bill 1 year ago, but the Committee on Appropriations failed to include this project in the general appropriation bill. However, the Senate included money for the purpose for acquisition of a site and planning for construction of this institution. In conference, this provision was stricken.

Mr. Chairman, I feel it is our responsibility to include this appropriation this year, and although I am confident it will be included by the other body, I feel that such a good argument has been made by the Bureau of Prisons that this should be included by the House of Representatives.

Mr. Chairman, this is the 25th anniversary of the Bureau of Prisons. I do not believe that we should celebrate the 25th anniversary of the Bureau of Prisons which has provided the best prison system in the world by denying this appropriation which would have the effect of throwing a bomb into the center of our prison system.

Mr. MURRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman from Illinois.

Mr. MURRAY of Illinois. The gentleman in his very forceful talk in support of this amendment mentioned the numerous riots which occurred in local prisons and penitentiaries and the fact that there were none in Federal penitentiaries. Is it not true that one of the principal reasons for those riots was the overcrowded conditions of local penitentiaries?

Mr. MACK of Illinois. That was certainly true in Illinois and, I think, was also true in other penitentiaries where they had riots in the past.

The CHAIRMAN. Does the gentleman from New York [Mr. Rooney] insist on his point of order?

Mr. ROONEY. Mr. Chairman, I withdraw the point of order. There is a question in my mind whether we might be usurping a legislative prerogative.

Mr. GRAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I, too, was going to offer this very important amendment, but out of respect for my senior colleague the gentleman from Illinois [Mr. Mack] I decided to support his amendment.

Mr. Chairman, the amendment just offered would allow the Department of Justice an appropriation of $9½ million to build a much-needed maximum security penitentiary somewhere in the United States.

Under the 5-minute rule, I, of course, will not have time to give all of the many reasons why this amendment should be adopted today; however, the need is imperative. The request comes from President Eisenhower, the Department of Justice, and the Bureau of Prisons, and has been approved by the Bureau of the Budget in their request to the Appropriations Committee. A maximum security penitentiary is needed to relieve the dangerous overcrowding of penitentiaries that house prisoners convicted of serious offenses. Maximum security penitentiaries are now located at Alcatraz, Calif., Atlanta, Ga., Leavenworth, Kans., and the main institution at McNeil Island, in Washington State. The total capacity of these institutions is 5,175. As of April 12 of this year, they were housing 6,304 prisoners, an overcrowding of 1,129 prisoners convicted of serious offenses and who cannot safely be housed in other than maximum security institutions because of their bad records. This proposed maximum security institution would help relieve this situation. In addition to the present need, the Federal courts are imposing longer sentences and increasing numbers of offenders are being committed for more serious crimes. This excess population of over 1,000 prisoners in the maximum security penitentiaries cannot be taken care of at the medium security penitentiaries.

It has been admitted by the Bureau of Prisons that some of their medium security penitentiaries throughout the United States are not at capacity. However, these institutions are definitely not suitable for housing the hardened criminal and, above all, subject him to living with some person who has been convicted of a less serious crime. The hardened criminal definitely must be separated. I am sure no one would propose that we subject some young American boy who has been convicted of stealing an automobile to living in a cell with some cold-blooded murderer such as the one who shot and killed the innocent service-station attendant last week here in Washington.

Overcrowding institutions housing the more serious type of prisoners is one of the major factors for riots and other disturbances. It is folly to wait until the need for this type institution is brought home to us by some major disturbance such as has happened in a number of institutions.

If this amendment is adopted and the money is allowed, it will take 3 years to build this proposed prison. With the already overcrowded facilities and the increase in the number of hardened criminals, we are late in building this institution as the matter now stands.

Mr. Chairman, there has not been a maximum Federal penitentiary built since 1902. Think of that—54 years with the same crowded and outmoded facilities.

The Bureau of Prisons had requested the Appropriations Committee for $17 million which would have allowed the maximum security penitentiary, plus $7½ million for a close custody reformatory for youthful offenders. This institution is also very badly needed; however, as a compromise we have only offered an amendment for the maximum security penitentiary because I believe of the two it is the more important.

I want to be perfectly frank and honest with the Committee in saying that if this appropriation is allowed, I propose to try to have the penitentiary built somewhere in my congressional district of southern Illinois, which is near the center of population. However, I want further to be frank with the Committee and say that a committee will be appointed to select the best location that can be found. I only feel that we should be in the running when a selection is ready to be made.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I yield to my colleague from Illinois.

Mr. PRICE. Let me say that I am in support of the amendment. I think the gentleman would have a logical reason to suggest its being built in southern Illinois because I understand that one of the requirements is that it will be on Government-owned land.

Mr. GRAY. That is exactly right.

Mr. PRICE. And there is an ample quantity of Government-owned land available in southern Illinois.

Mr. GRAY. That is a good point and I appreciate the gentleman's contribution. We have 180,000 acres of Government-owned land in my district. In addition, we have scores of cities that are willing to put up funds to buy a site and donate it free of charge to the Government, on which to build this proposed institution.

I want to say this very, very sincerely, in closing. In the interest of security and to insure adequate facilities to house the hardened criminals and in order to prevent the mixing of these hardened criminals with those who are convicted of less serious offenses and in an effort to assist the good, deserving people of southern Illinois or some other locality, I beg of you to support the Department of Justice and vote in the affirmative on this amendment.

Let me say further in closing that we have in southern Illinois 51,000 people receiving Government surplus food. We are spending a million dollars a month for public-aid assistance. This is only a $9½ million institution. It would employ approximately 500 persons and we could pay for the institution by a saving of expenditures now being paid to relief recipients. I beg of you to support the amendment. Thank you.

Mr. VURSELL. Mr. Chairman I rise in support of the amendment.

In support of this amendment I would like to say that in the last session of the Congress the Department of Justice asked for an appropriation of $9,500,000 in a supplemental appropriation bill. Even though this request had the approval of the Bureau of the Budget, the Committee did not see fit to approve the amount requested.

Now, again, in this session of the Congress, the Bureau of the Budget approved $9,500,000 for a maximum security prison, to take care of the most hardened and vicious criminals, which the committee again failed to approve.

After going into this matter with the superintendent of the Bureau of Prisons, Mr. Bennett and his assistant, Mr. Alexander, I have secured the following information:

They tell me that they are badly overcrowded in the Federal prison at Atlanta, Ga., are also overcrowded in the Federal prison at Leavenworth, Kans., and at McNeil Island, Washington State. They say that because of this overcrowding that they have had to put major criminals in camps and other institutions which was very bad prison practice; that if funds were provided in the amount of $9,500,000, they would expect to build a 600 man maximum security prison somewhere in the central Mississippi Valley—probably in south central Illinois, or probably in Missouri.

When I made some inquiry of the members of the subcommittee handling this matter, they raised the objection that the Department of Justice had not told them where they wanted to build the prison; that they saw no reason for appropriating before they had found a spot where they wanted to build it.

They also gave another reason that considering the prison population they were not convinced that a new prison was necessary.

In answer to the first question as to location, it is the policy of the Department of Justice to have a commission appointed, which, under the direction of the Department of Justice, will go out into the area referred to and after conferring with the officials of local cities who are interested in securing the location of the prison in their areas, and after considering what the various cities that are interested in securing the location have to offer in the way of transportation, housing, and other requirements, this committee, or commission, will decide where the prison can best be located to serve its purpose at the least expense to the Government.

This is a policy that the administration has followed before, as the Congress well knows, in locating Federal institutions, and it is a wise one in the interest of the Government.

The facts are that Mr. Bennett told me a year ago that his Department, cooperating with the Justice Department, would make no effort to decide on the location of such a prison until the Congress had showed sufficient interest in it by making a very substantial appropriation, if not the entire amount requested.

I think we can all agree that the Department's position with reference to such a location is tenable, and is just good business. We are confronted with this condition. The Department of Justice tells us that they are overcrowded by 1,100 in the major maximum security penitentiaries now, and it is possible, even though we hope crime will not increase, that by the time this prison could be constructed and readied for occupancy, we may be overcrowded by 1,500.

I do not think it is good economy to delay and put off the building of this institution because I think we must concede labor will not get cheaper, and there is little prospect that material will get cheaper. There is every prospect that if the building of this institution is delayed for another year or two, it will cost probably $1 million or $2 million more than it will cost if the Congress approves the appropriation in this session—so that a site could then be determined, and contracts for its construction let.

By delaying it we will lose money because the costs will go higher. By delaying it we will continue the overcrowding of present prison institutions, which is not good prison practice.

I hope the Members of the House will respect the wishes of these three executive departments to which I refer, and do the necessary thing we should do in voting for this amendment.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. DONDERO. This is an appropriation bill. As I understand, this is a move to establish a new prison in the State of Illinois.

Mr. VURSELL. No, not in the State of Illinois. They said when they announced it, somewhere near the center of population. The center of population does happen to be in my district.

Mr. DONDERO. Has this building ever been authorized by a legislative committee?

Mr. VURSELL. The purpose is to get this thing authorized and get it on the way now. That is why we have it here before the Appropriations Committee.

Mr. PRICE. If the gentleman will yield, it is authorized.

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto, close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CARNAHAN. Mr. Chairman, a maximum custody institution was designed to meet in part the overcrowding at the existing maximum security penitentiaries. These maximum security penitentiaries are at Alcatraz, Calif.; Atlanta, Ga.; Leavenworth, Kans.; and the main institution at McNeil Island, Wash. The total capacity of these institutions is 5,175. As of April 12 this year, they were housing 6,304 prisoners, an overloading of 1,129 prisoners convicted of serious offenses and who cannot safely be housed in other than maximum security institutions, because of their records and the fact that approximately 25 percent of them are wanted by other jurisdictions as escapees, parole violators for other charges. Obviously the opening of a woman's section at the Terminal Island institution will not in any way relieve this dangerous overcrowding, neither will the establishment of a new youth camp or a farm dormitory at the institution at Terre Haute, Ind.

The proposed maximum security institution would help relieve this critical situation. The Federal courts are imposing longer sentences, and increasing numbers of offenders are being committed for more serious crimes. This excess population of over 1,100 prisoners in the maximum security penitentiaries can not be taken care of at the medium security penitentiaries at Lewisburg, Pa., and Terre Haute, Ind., because those institutions are already at capacity and have a limited cell capacity, most of the inmates being housed in dormitories. Nor can these dangerous security risks be housed at the minimum custody correctional institutions, which incidentally are also overpopulated, nor at the reformatories or institutions for juveniles.

Overcrowding in institutions housing the more serious type of prisoner is one of the major factors resulting in riots and other serious disturbances. It is folly to wait until the need for this type institution is brought home to us by some major disturbances such as have happened in a number of State institutions.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I feel constrained to oppose the amendment that has been offered by the gentleman from Illinois. I agree with a good many things that have been said by the proponents of the amendment. I think a basis for compromise is very feasible here. It has been mentioned that these facilities are very badly needed and that our prisons are overcrowded. Some reference has been made that one of the four maximum security penitentiaries be located in Leavenworth, Kans. That is very true. I know the situation at Leavenworth and am very familiar with it since it is in my district. It has been mentioned that this new prison should be located in the center of population. Leavenworth would qualify on that basis. Objections have been raised on the basis that this has never been authorized. If these expanded facilities were permitted to be built at Leavenworth, no authorization would be needed. It would just be an expansion of the existing facilities. The record at Leavenworth administrativewise is infallible. There have been very few escapes and no riots over the past fifty-and-some-odd years. So, Mr. Chairman, I feel that this amendment should be voted down and then immediately an amendment should be offered to expand the existing facility in Leavenworth, Kansas.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I want to make it clear that there is no decision as yet as to the definite location of this institution. There is, however, testimony before the Committee on Appropriations that this new facility is necessary. It has been recommended by the Bureau of Prisons. Authority exists under the law to construct it. We are not debating today where it should be located.

The question of location arises from the previous testimony to the effect that it would probably be built near the center of population. Statistics show that an area in Illinois is regarded as the center of population, but that does not pinpoint this institution in any particular State.

The Bureau of Prisons has indicated the proposed new prison should be near the center of population. It could be built in Iowa, Kansas, Illinois, Indiana, Ohio, Kentucky, or any one of a number of Midwest States and still be near the center of population.

I urge approval of the amendment to provide necessary funds for the construction of the institution, the need for which has been established after thorough study. The location is to be determined by a commission. Personally, I recommend southern Illinois, where there is adequate Federal land available and which will meet all the other requirements set forth by the Bureau of Prisons.

May I emphasize the point that the Budget has approved the project. I support the amendment offered by the gentleman from Illinois [Mr. MACK]. Naturally, as I have said, I hope the new prison will be located in Illinois.

Mr. MACK of Illinois. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. MACK of Illinois. I just wanted to call to the attention of the gentleman from Kansas [Mr. AVERY], the fact that at the present time they have 508 hardened criminals in Leavenworth over their normal capacity. So it is a good possibility that your constituents may have some of them for dinner one of these days.

Mr. PRICE. Yes. Location at Leavenworth would not solve the problem. There is already a Federal prison there. Neither would expansion at Leavenworth meet the need as explained to the Appropriations Committee by the Bureau of Prisons.

The CHAIRMAN. The gentleman from New York [Mr. ROONEY] is recognized.

Mr. ROONEY. Mr. Chairman, the committee has unanimously seen fit to delete the requested appropriation for this institution, as well as the other institution included in the budget estimate, for practically the same reasons as it did a year ago. We now find the additional facts that the prison population has gone down in the past year, and has thus proved the good judgment of the committee a year ago, and that criminal filings, according to the judiciary, have likewise fallen off in the past year.

Why anyone would want a Federal penitentiary in his district is beyond me. But there is no assurance, I will say to the gentleman from Illinois, or anyone else who may like to have a prison in his district, that it will be located in southern Illinois or any definite place. I think that until such time as the Department of Justice advises the Congress as to where it proposes to locate the institution and on what terms, whether there will be donated local land without cost to the Federal taxpayers—what sort of an institution it will be in detail, that we should not approve this request.

A year ago when they estimated the present prison population they overstated it by 800 prisoners, as is shown at page 308 of the testimony in the volume entitled "Department of Justice." Mr. Bennett, at page 235 said:

> We are not going to reach our population estimate of 21,400.
>
> Mr. ROONEY. You missed it by about 800?
>
> Mr. BENNETT. Yes, sir.

Now if you will turn to the hearings at page 318 of the Department of Justice volume, wherein they show the total number of maximum-custody-type prisoners confined at the three maximum-custody institutions outside of Alcatraz, namely, Atlanta, Leavenworth, and McNeil Island, you will find there are 1,335 places for maximum-custody inmates not now being occupied by such inmates. This institution, at a cost of over $9 million, would provide for 600 inmates, whereas you presently have 1,335 places for maximum-custody prisoners. In addition, you have the institution at Sandstone, Minn., which has a capacity, as I recall, of about 600 inmates. It is a prison presently owned by the Federal Government, and under its agreement with the State of Minnesota it could be retaken just for the asking; still we have this request for $9 million.

I yield to my distinguished friend, the gentleman from New York.

Mr. COUDERT. Mr. Chairman, I rise in support of the position taken by the chairman in opposition to the amendment.

This is a matter to which the subcommittee gave very prayerful consideration. The membership was not unmindful of the problem of prisoners. It gave this the closest consideration, and, after long deliberation, reached the conclusion that there was no necessity for an additional appropriation at this time beyond the funds providing for a new youth camp, opening of the women's section at Terminal Island, and increase of the dormitory at Terre Haute. The result is that the total new capacity has been increased in this bill.

Mr. ROONEY. So there may be no misunderstanding of that let me repeat that in the instant bill are provisions, as the gentleman has stated, for a new youth camp, a new women's section at Terminal Island, and a new dormitory at Terre Haute.

The CHAIRMAN. The time of the gentleman from New York has expired, all time on this amendment has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. MACK].

The question was taken; and on a division (demanded by Mr. MACK of Illinois) there were—ayes 26, noes 96.

So the amendment was rejected.

The Clerk read as follows:

> SEC. 206. Appropriations for the current fiscal year for "Salaries and expenses, general administration," "Salaries and expenses, Federal Bureau of Investigation," "Salaries and expenses, Immigration and Naturalization Service," and "Salaries and expenses, Bureau of Prisons," shall be available for uniforms and allowances therefor as authorized by the act of September 1, 1954 (68 Stat. 1114), as amended.

Mr. BOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BOW: On page 26, line 7, following the words "as amended", add a new section as follows:
>
> "SEC. 207. None of the funds appropriated by this title may be used in the prosecution of any violation of section 335 of the Agricultural Adjustment Act of 1938, as amended, when the entire crop of wheat grown on a farm was used for seed, feed, or food on such farm."

Mr. BOW. Mr. Chairman, for more than a year the Secretary of Agriculture and many Members of Congress have been urging an amendment to the Agriculture Adjustment Act of 1938 to exempt from marketing quota penalties excess wheat that is grown solely for use as seed, feed, or food on the farm.

The other body, in response to the Secretary's request, adopted such a bill in March 1955. The House Agriculture Committee has refused to report this bill, or any House bill, on the subject. The problem is growing more acute and something must be done.

I feel that many Members have had experience with this unfair and unnecessary restriction on our farmers.

The case of Miss Elsie Mumma, of Hummelstown, Pa., has been reported in papers all over the Nation, because Miss Mumma has armed herself and defied the Federal Government to penalize her for raising 24 acres of wheat for her own use.

A monastery and an orphanage in Georgia have run afoul of the law, even though all of the wheat they grow is used for food in those institutions. As the gentleman from Pennsylvania [Mr. QUIGLEY] pointed out in House committee hearings, public institutions of the State of Pennsylvania, accustomed to growing wheat for use as flour in hospitals, sanitariums, and penal institutions, are handicapped.

Countless cases can be cited of individual farmers who for years have followed a practice of crop rotation, including wheat, using all of the grain produced for feed and seed on their own farms. A man who customarily devoted 20 acres to wheat each year, and whose allotment is cut to 14 acres, finds his rotation is thrown out of balance, he is short of feed and straw, and he cannot understand why the Federal Government should interfere with his operation so long as he never has, and never will, sell even a kernel of the wheat produced.

This is the situation that needs correction. In view of the attitude of the committee, it appears that the only possible solution is the adoption of my amendment.

When a farmer is found to be growing in excess of 15 acres of wheat, and in excess of his acreage allotment, the law imposes a penalty which can be satisfied in several ways. He can plow under the excess acreage before a stated deadline. He can harvest it and store it under bond until such time as marketing quotas no longer are in effect. He can pay a cash penalty, which varies according to the parity price of wheat. If he refuses to do any of these, the Secretary of Agriculture has no alternative under the law but to refer the case to the Department of Justice.

The constitutionality of the law was upheld in 1942 by the Supreme Court decision in the case of Wickard against Filburn.

Secretary Benson, as I have indicated, does not wish to prosecute farmers whose violation consists of growing a few acres of wheat for their own use.

Department of Agriculture officials have pointed out that this penalty on such farmers is bad publicity for the Department, for our Government, and for the agricultural program itself. In a recent case, decided in favor of the Government, the Federal judge himself referred to the "embattled farmer." It is natural to have sympathy with a man who is minding his own business and suffering from Government interference. It is natural for a farmer to want to be king of his own quarter section and to expect freedom so long as nothing he does interferes with the rights of others.

Lest anyone think that large amounts of wheat are involved, let me point out that the most recent figures show that in 65.2 percent of the cases processed the acreage involved was less than 30 acres. In only 19.2 percent did it exceed 40 acres. This excess production, fed on the farm, is not going to throw the whole wheat program out of kilter. The restriction and the penalty, however, are a serious blow to the farmer who is trying to operate his small acreage on a self-sustaining basis.

At this point in my remarks, I wish to read the list showing the number of cases reported in 1954 and 1955, all involving excess wheat used solely for feed, food and seed on the producing farm:

Cases in Which Marketing Quota Penalties Were Incurred Where All of the Wheat Produced on the Farm Was Used Solely as Food, Feed, or Seed

During the 1954 and 1955 crop years the number of cases in which marketing quota penalties were incurred, where all of the wheat produced on the farm was used solely as food, feed, or seed, is estimated by the State agricultural stabilization and conservation committee State offices to be 1,899. These cases, by States, are as follows:

State	1954	1955
New York	120	56
New Jersey	16	10
Pennsylvania	185	52
Ohio	100	60
Indiana	51	15
Illinois	28	17
Michigan	75	25
Wisconsin	9	7
Minnesota	2	2
Iowa	16	6
Missouri	133	108
South Dakota	1	0
Nebraska	24	16
Kansas	27	31
Maryland	7	17
Virginia	43	25
West Virginia	10	6
North Carolina	29	11
South Carolina	40	5
Georgia	8	3
Kentucky	63	26
Tennessee	14	3
Arkansas	1	3
Oklahoma	15	5
Texas	11	2
Montana	39	46
Idaho	24	19
Wyoming	2	7
Colorado	5	7
New Mexico	2	4
Utah	90	65
Washington	12	9
Oregon	8	3
California	9	9
Total, United States	1,219	680

Members will note that 34 States are involved.

As of March 1, 1956, 193 of these cases had been referred to the United States attorneys for court action.

There is a related problem which could also be solved by this amendment. The law requires the Agriculture Department to measure fields, and the courts have upheld the Department's right to do so. Many farmers, however, consider this an invasion of their property and of their freedom. Their objection is most frequently stated on the grounds that they do not sell wheat. They use it on their own farms for their poultry, dairy herd, or hogs. We are going to have more bad publicity for the Federal farm program as the Department is forced to act against more farmers on this score. Last year there were 57 such cases in Ohio alone. I feel certain, and the Department shares my view, that this resistance to measurement and the consequent conflict between citizen and the Government will fade if no penalty is attached to excess wheat for farm use.

I have read the many arguments of the gentleman from Kansas [Mr. Hope] and his colleagues on the committee who fear that this action would lead to a considerable increase in the production of wheat. The best information and advice I can get leads me to believe the contrary. The complaints come not from people who want to go into large-scale wheat production but from farmers whose historic operations require 3, 4, or 5 additional acres of wheat to balance their rotation and feeding scheme.

It seems to me that it is a shame that any man can face fine and imprisonment for growing something for his own use. I am certain the general public reaction is similar to my own. Insofar as this situation reflects unfavorably upon the entire wheat program, it is in the interest of the constituents of the gentleman from Kansas, and all others who favor the farm program, to correct the injustice.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. KEATING. I do not particularly like this method of approaching a problem of this kind, because it does set an undesirable precedent in saying that funds shall not be used to prosecute a particular offender. This is an unusual situation, however, where these small farmers are being brought into court and assessed a penalty for growing wheat and using it on their own farms. Those of us who are interested in this problem have not been able to get any relief in any other way. I shall, therefore, support the gentleman's amendment because it does accomplish the purpose of relieving the small farmers from this obligation which was never intended, in my judgment, when this law was passed.

Mr. BOW. I thank the gentleman for his observation. May I say to the gentleman that we have cases in the State of Georgia, for instance, involving an institution down there where they attempted to grow wheat for food for the inmates of the institution, the Monastery, I think it is called. They have been caught in this web. This was grown for their own institution on their own farm. We have many cases of similar nature. We have them in the State of Pennsylvania, we have them in Ohio, where the small farmers are being caught up in this web and brought into Federal court.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Kansas.

Mr. HOPE. I understood the gentleman to say that these people were charged with a crime. The gentleman does not mean they are charged with a crime. The gentleman understands that these are civil cases to collect penalties, does he not?

Mr. BOW. I understand there is also a criminal penalty.

Mr. KEATING. While it is true it is a civil claim involving a penalty, yet if they do not pay up they might later go to jail.

Mr. BOW. The gentleman is correct.

Mr. HOPE. They do not go to jail.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. They go to jail for contempt. Did you ever hear of that? If you do not obey a court order, you go to jail.

Mr. HOPE. These are civil suits.

Mr. HOFFMAN of Michigan. So is a divorce suit; but if you do not pay alimony, you go to jail.

Mr. BOW. I yield to the gentleman from New York.

Mr. ROONEY. I was merely going to ask for the regular order. The gentleman from Michigan was getting a little bit involved down there.

Mr. BOW. It seems everyone was getting involved, and that is unfortunate for these small farmers when they find themselves a bit involved. They are greatly involved by the Federal Government coming in and enforcing an order against their free use of the land.

Mr. HOFFMAN of Michigan. The gentleman from New York is completely mistaken. I was not speaking for myself. I was not sympathetic toward those folks who do not support their wives and their children. That is all I was thinking of.

Mr. BOW. Mr. Chairman, I do feel that this is one way in which we can protect the small farmer who has been faced with this serious problem, and by the limitation of the use of the fund we now can. We have done it before. We did it for some years in the State of California in the Santa Margarita case. We have a precedent for it. There is ample authority and precedent for it, and I urge the adoption of the amendment.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the pending amendment. I have had a great deal of trouble in my State about this very problem. We have people who raise chickens, who feed a few cattle or cows on their place; they raise a little wheat, and, by George, the first thing you know, they are hauled into court because they have raised wheat to feed their own livestock; people who never made a habit of selling wheat; they never sold a bushel of wheat; they planted their own wheat; they harvested their own wheat. They feed it to their own chickens and never a pound of it goes on the market. It never comes off the farm, and the only way they get off the farm is when they haul them up and threaten them with a jail sentence or a fine for raising the food to feed their own family and their own chickens. Is that not absurd? I want to say that I have talked to a number of members of the Committee on Agriculture who have been sympathetic to this suggestion, and I am informed that in the bill which passed the House, in the conference report, in the late bill that was vetoed, that that provision was in there taking care of these small farmers. I was told by a member of the Committee on Agriculture who was for the proposal that it was contained in that conference report.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Those people will not be brought into court or be haled up unless they are violating the law; is that not correct; a law passed by this Congress?

Mr. SMITH of Virginia. We want to make an exception to the law to say a fellow can raise at least enough wheat on the farm to feed himself and his family and his chickens.

Mr. JONES of Missouri. You are only making an exception for one item, that is all, by this amendment. I am surprised that the gentleman from Virginia would want to evade a law passed by this Congress, by holding up the funds necessary to enforce the law.

Mr. SMITH of Virginia. Well, as I understand the amendment, all I want to do is to let this fellow feed his chickens, his cattle, and his family. If this amendment does that, I am for it. If it does not, I want one that does.

Mr. JONES of Missouri. I think the gentleman should become acquainted with what the amendment does, because it does not do what I think the gentleman thinks it does. It only applies to one item.

Mr. SMITH of Virginia. Well, I have great confidence in the gentleman from Missouri, and I hope he will offer an amendment to the amendment which will straighten that out.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from New York.

Mr. KEATING. This amendment simply says that none of the funds appropriated for the Department of Justice shall be used to prosecute these little fellows that feed wheat to their own stock and their own poultry, and the result of it is that, if we adopt this amendment, Congress has spoken and has in effect amended the congressional intent which now, as it reads, would cause these people to be subject to a penalty.

Mr. SMITH of Virginia. That is the way I understand it.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Ohio.

Mr. BOW. I would like to read the exact language:

> When the entire crop of wheat grown on the farm is to be used for seed, feed or food on such farm.

That does just what the gentleman said he wanted done.

Mr. SMITH of Virginia. That sounds like plain language to me.

Mr. HOPE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the wrong way to amend legislation. I think every one of us will agree to that. The gentleman from New York [Mr. Keating], a distinguished lawyer, has said that he did not like this way of approaching the matter, and I do not believe any lawyer or any Member of the House for that matter would believe that this back-door method is the right approach.

But I am not going to talk any more about that. I want to go to the merits of the question which is basically involved here. It is charged that there are a lot of small farmers who are being criminally prosecuted and fined because they grew more than 15 acres of wheat.

That is not the fact. These are civil cases to collect penalties from farmers who have exceeded their marketing quotas. The law, as a matter of fact, is very generous. It provides that any farmer who has never grown a bushel of wheat on his land before may grow 15 acres of wheat without paying any penalty whatever. Members know that with the use of fertilizer this means from 400 to 500 bushels of wheat that may be grown even with moderate yields. This provision was placed in the law to protect the noncommercial wheat growers. It does protect him adequately. Do not tell me that a man who grows more than four or five hundred bushels of wheat is a small farmer who is not engaged in commercial operations.

In addition to that, he may grow all the corn, and all the rye, and all the barley, and all the oats that he wants for food and livestock feed, because there are no marketing quotas on any of these crops. So no one is suffering; no one is being persecuted. No criminal offense is being charged, nor can there be. These are simply civil suits and you would be surprised, perhaps, if I told you, in view of all the furor that we have had here today, that there were only 1,219 of these cases in 1954 and only 680 cases in 1955 out of over a million and half wheat growers in the United States. By this I mean that, according to figures furnished the Committee on Agriculture by the Department, there were only this number of cases in each of these years in which marketing quota penalties were incurred where all the wheat produced on the farms was used solely for food, seed, and feed. In most of these cases the penalties have been or will be collected by administrative action. As of March 1, 1956, only 143 suits had been filed. In all probability most of these cases will be settled without trial since the law is clear.

Now, in order to prevent the United States district attorneys from doing their duty under the law, this amendment is suggested to save a few farmers from paying a civil penalty because they grow more than the 15 acres of wheat which the law permits them to grow without any penalty when marketing quotas are in effect. Why adopt this method which everybody agrees is the wrong way of approaching this matter in order to save a few farmers from paying the penalty which they have incurred. Is this fair to the more than a million and a half farmers who grew wheat and stayed within the provisions of the law? In my opinion, if you adopt this amendment, it will mean an entire breakdown of the wheat program.

Let me call attention to the fact that we do not have such a provision in the case of any other commodity under marketing quotas. Producers of cotton, tobacco, rice, and peanuts cannot exceed their allotments in the slightest degree without paying a penalty, but a farmer may grow 15 acres of wheat where he has no allotment at all.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Under this proposal, what would keep a grower of 10,000 acres of wheat from qualifying?

Mr. HOPE. Nothing in the world. It would break down the program.

Mr. ALBERT. This is not a little-farmer's amendment. It is a big-farmer's amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from New York.

Mr. KEATING. These 3 million farmers to whom the gentleman has referred, and those referred to by the gentleman from Oklahoma [Mr. Albert] would be subject to this amendment if they fed all of that wheat on their own farm. This amendment is limited to those who use all of that feed on their own farm, and that, in general, would be only the relatively small farmer.

Mr. HOPE. It would have the effect of breaking down the entire wheat program and I think you might be surprised at how many large growers might take advantage of it.

Mr. POAGE. Mr. Chairman, would the gentleman yield?

Mr. HOPE. I yield to the gentleman from Texas.

Mr. POAGE. Is it not a fact that anybody who is going to feed four or five hundred bushels of wheat in his farm as feed must be in the commercial feeding business? He has probably a flock of 40,000 chickens. He is not feeding simply the old lady's hens with 500 bushels of wheat. And he is not grinding up 500 bushels of wheat to feed the kids flour, either; because there are not any such mills in this country. People buy their flour from commercial mills. You will not find flour being ground in this country to make biscuits and light bread any more. It is a commercial proposition if a man is selling more than the product of 15 acres of wheat.

Mr. HOPE. This in the main is a proposal to bail out a few large poultry growers. That is where most of the support for this proposal comes from. This amendment should be voted down, not only because it is the wrong approach to the matter but because the basic proposition itself has no intrinsic merit.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I know I am not immoderately modest when I say that it is pretty well known here in the House of Representatives that I am not a farmer. Being from the sidewalks of New York, I thought it best to sit back and listen to the highly intelligent and convincing words of the distinguished gentleman from Kansas [Mr. Hope], former chairman of the Committee on Agriculture of the House of Representatives. I could never discuss the subject with the ability of the gentleman from Kansas [Mr. Hope]. I can only add that this is not the right way to attack any problem. The law is on the statute books. It is the duty of the Attorney General to enforce it. This is an around-the-back-door method of trying to upset law enforcement. I do not think this House will approve the pending amendment.

Mr. COUDERT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have the utmost respect for the gentleman from Kansas and for my distinguished colleague from New York. I, too, have no farmers in my district. We do not raise any wheat, so I am something of a lay observer. However, I have listened with a great deal of interest to the observations of the gentleman from Ohio [Mr. Bow]. I have talked with him, and I am personally in favor of his amendment. I hope the Committee will support it.

Mr. ROONEY. I was under the impression that the Attorney General, whose duty it is to enforce this law which is now on the statute books, was a constituent of the distinguished gentleman from New York.

Mr. COUDERT. In the first place, that is quite true, and I am proud of it. In the second place, it is irrelevant. In the third place, I am sure he would be delighted to be relieved of some of his duties.

Mr. KEATING. If the gentleman will yield, along that same line, the Attorney General is a great friend of mine and doing a magnificent job, as the gentleman from New York realizes.

Mr. ROONEY. Which gentleman, the gentleman from New York [Mr. Keating]?

Mr. KEATING. The gentleman who is acting as Attorney General, of course. But if we adopt this amendment he will no longer have the duty to enforce this particular phase of the law in this narrow area.

Mr. GAVIN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I should like to ask my good friend from Kansas how many farmers were involved in this setup nationally? Just give me the figures.

Mr. HOPE. Twelve hundred in 1954 and 600 in 1955, as I get the figures from the Department of Agriculture.

Mr. GAVIN. Evidently most of them must be in my State of Pennsylvania.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from New York.

Mr. TABER. How could this amendment break down this whole picture if it is not affective?

Mr. GAVIN. I am unable to answer my very good, able friend from New York State, but I do know this that the gentleman from Kansas states that the Committee on Agriculture is going to take care of this matter which is so objectionable to many small farmers. Why do you not take care of it and do something about it? You have had plenty of time to work something out. Why do they make it necessary to come out on the floor of the House with this kind of amendment with which they seemingly are not too pleased.

Let us take a look at the record: 82,000 wheat allotments were established in the State of Pennsylvania. Out of this number there were 737—1954—excess-wheat cases. Of this number 675 satisfied their penalty either by storage or by payment of the penalty. There are 62 cases still unsettled, 47 of which are in the hands of the Attorney General.

Now, up in my district I have a farmer, a good farmer and a good citizen. This farmer who took his case up with me said, "I cannot understand what kind of a Government we have. I am not a big wheat farmer. All I want to do is grow wheat to take care of my family and on my farm to feed my livestock, and so forth. He does not know, with all the regulations heaped upon him, whether he is in the United States or Russia. He said, "I do not ask for any subsidy. I do not ask for any gratuities. I do not ask anything from the Government. Why does not the Government just leave me alone to run my own farm in my own way?" He does not want any restrictions. He does not want any regulations. He does not want any regimentation. He just wants Uncle Sam to mind his own business and let him do what he wants to do on his farm. But the Attorney General says, "No, we have a penalty against you and this must be satisfied either by storage or by payment of the penalty."

He was allocated 15 acres. But he evidently grew more wheat than the law allowed, and the law said that he shall pay the penalty. Some 675 Pennsylvania farmers did pay the penalty. There are 62 cases still unsettled and there are 47 more that are in the hands of the Attornew General at the time this letter from Comodity Stabilization Service, Department of Agriculture, was written in November of 1955. Therefore, the member of the Committee on Agriculture here today says you are going to upset the equilibrium of the whole agricultural program. So what? This farmer is a good American citizen. He says he does not want anything from Uncle Sam except to mind his own business. He wants to be left alone to take care of his family and his farm. I think he has a good point. It's a matter of principle with him. I too want the Government to cease interfering with the small farmers, with their restrictions, regulations and regimentation that strangulate the whole agricultural life of the Nation. I just want to say to the gentleman from Ohio who introduced a very timely amendment that it might cause the Committee on Agriculture to do something about it. Give some relief to the average small farmer, who is a small farmer. The average small farmer wants to do his part. He does not want to violate the law. He does not want to pay any penalty. He just wants to be left alone, to run his farm in his own way. The small farmer has just as much right as the big commercial farmer or any other farmer in this agricultural picture. If he accepts no subsidies or gratuities from the Government he should be permitted to grow at least that which he uses on his own farm and for his own family but if he were allowed to do that it would interfere with the big production of the big commercial farmer and would cut down his market.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. KING of Pennsylvania. I think it should be pointed out that while there are only 1,200 cases of violations of this provision, there are probably 12,000 farmers in the United States who would like to grow extra wheat strictly for their own feed.

Mr. GAVIN. For their own use on their own farms.

Mr. KING of Pennsylvania. The importance of this measure is not restricted to just 1,200 farmers.

Mr. GAVIN. I think the small farmer is entitled to be considered if he is not violating the law and going out and selling his wheat in the open market. Here is the chance to help the little farmer who does not ask anything from anybody except to be left alone and be permitted to sow enough for his own farm and family. He asked me, "What kind of legislator are you? Can't you do something about it?" I Said, "You do not fully understand the agricultural situation of the Nation. When you get down here, brother, you are in a big agricultural ring and you cannot get very far pleading the case of the small independent farmer." But here comes my friend, the gentleman from Ohio—he offers an amendment that will give some relief to this little farmer. The average small farmer is a good American citizen with a family and he looks after his farm and his family and I am proud of him. He is not asking for any consideration other than that to which he believes he is entitled. He just wants to be left alone and not be restricted and regulated by the Government. We should leave him alone. I say let us support this ammendment and possibly the Committee on Agriculture may get busy and do something about changing this law which is working a hardship on the small farmer. Now I ask the Committee on Agriculture, "Why have you not been doing something about it? Now is your chance to show that we can do something about it." Let me say to the Members the day will come when you will regret having passed regulatory laws of restrictions and regimentation on agriculture. If you continue you will have a system and bureaucracy that will tell you what to do, when to do it, and how to do it by the Government. As for me I want no part of it. We did not build America on these kind of programs.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hate to take any time after the membership quite clearly is ready to vote, but I would point out in spite of all the pleas that have been made in the name of the small farmers if this action becomes the law, or if we set a precedent by adopting this amendment, what is to keep a man from buying a

6,000-acre farm and going in the cattle business and feeding his own wheat to his own cattle? He would be protected under this provision, as I read it. It would mean the complete destruction of the farm program and be an open invitation for a man to have a complete operation. I do not believe the House means to do that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. POAGE. The gentleman from Pennsylvania pointed out that all these people wanted was to be left alone. Just a few moments ago we voted on some amendment about establishing new penal institutions in the United States. As far as I can figure it out not an inmate in any of those penal institutions in the whole United States wanted anything other than to be let alone. He just wanted to be let alone—that is all.

Mr. WHITTEN. I thank the gentleman.

Mr. HOFFMAN of Michigan. Are you classing the farmers with the inmates of these institutions?

Mr. POAGE. I did not classify anybody.

Mr. WHITTEN. Those who are opposed to a farm program want to make it unworkable.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ALBERT. What would be the reason for having the soil bank or a farm program bill if the farmers might grow all the corn he wanted to feed to his hogs?

Mr. WHITTEN. There would be none.

Mr. GAVIN. If he wants to grow, all right, but what I hear you boys pleading for the small farmers, but under the farm program you are getting into big business. Here is a little small farmer, there are six or seven hundred of them and they have been hailed into court by the Attorney General and they will either have to pay up or go to jail. Sixty-two cases are unsettled and fifty-seven have been settled. They have been threatened if they do not pay.

Mr. WHITTEN. Such enforcement is essential if you are going to keep any farm program. Not only that, but under the amendment here you are inviting all the big farmers to come under it too, because instead of growing corn and selling it they would still grow corn and feed it to their livestock. Then you have no farm program.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. HENDERSON. Mr. Chairman, I move to strike out the last word.

Mr. ROONEY. Will the gentleman yield?

Mr. HENDERSON. I yield.

Mr. ROONEY. I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at the conclusion of the remarks of the gentleman from Ohio.

The CHAIRMAN. Is there objection?

Mr. HOFFMAN of Michigan. Reserving the right to object, I have only spoken 3 or 4 times today. Can I not have 2 or 3 minutes?

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. Rooney]? [After a pause]. The Chair hears none.

Mr. HOFFMAN of Michigan. Well, I make objection.

The CHAIRMAN. The gentleman is too late.

The gentleman from Ohio is recognized.

Mr. HENDERSON. Mr. Chairman, I rise in support of the amendment which has been introduced by Congressman Bow, which would provide that the funds appropriated to the Justice Department would not be used in the prosecution of farmers who have exceeded the acreage restrictions for the planting of wheat so long as the grain harvested therefrom is used for seed or feed on the premises of the farmer.

I have the honor to represent the 15th District of Ohio and it has been brought to my attention many times that the farmers of that area look with considerable consternation upon a Federal Government which would restrict the activities conducted wholly upon the farm. It is not a question of marketing and adding to the commercial surplus by the Ohio farmer. This unnecessary intervention into their lives and activities is one resembling a dictator nation in saying how the farming process shall be conducted.

On March 2, 1955, I introduced H. R. 4570, a bill which would permit the farmers to raise as much wheat as they could use for seed or feed, notwithstanding acreage restrictions. My reason in offering it was to return to the farmers, freedom of operation which had been taken away from them. Following the introduction of that bill, I received volumes of mail expressing approval at the action I had taken and the hope that the Committee on Agriculture would consider such legislation favorably.

On June 1, 1955, the Committee on Agriculture held a hearing on my bill and other similar bills. Many members of this body have joined in this strike for agricultural freedom by introducing similar bills. The Secretary of Agriculture has expressed approval. The President of the United States as one of his nine points for an agricultural program, advocated the enactment of such legislation.

Nothing came of the hearing in 1955—the committee failed to act. Early in 1956, advocates of similar legislation were again given the opportunity to appear before the Agriculture Committee but no serious action has followed.

The gentleman from Ohio [Mr. Bow], in offering this amendment, has recognized the problem which exists in his district and in mine, in our State of Ohio, and the other general farming States of our country. Its adoption would mark a step forward in the direction of the bill which I have introduced and I trust that other members of the Committee and the House will agree that they will support this measure. I hope they will also conclude that the time will not be far distant when the Committee on Agriculture will realize the desires of the people and of the Congress and will conduct further hearings on the so-called wheat bills and will grant the relief requested and return to the farmers of America, freedom of operation which, to them, is entirely just and deserving.

May I point out that the people of the 15th District have recently given expression of their opinion on this particular question and asked by me in a questionnaire; 3,915 replies were received to this question—3,110 favorably or 79.6 percent of the poll sample favoring this legislation.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Did the Chair rule that my objection came too late?

The CHAIRMAN. The Chair so ruled.

Mr. HOFFMAN of Michigan. Would a preferential motion be in order?

The CHAIRMAN. It would be if it is a preferential motion.

Mr. HOFFMAN of Michigan. Would a motion to strike the enacting clause be a preferential motion?

The CHAIRMAN. If in proper form.

The question is on the amendment offered by the gentleman from Ohio [Mr. Bow].

The question was taken; and on a division (demanded by Mr. Bow) there were—ayes 68, noes 134.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Before the curtain goes down on this bill I think the Members ought to be made aware of the fact that there is provided in this bill $800,000—I repeat, $800,000—for representation allowance, and I think most of you know what that means; it is largely for whiskey, cocktail parties, entertainment.

On page 3 of the bill, line 17, it is provided that out of the millions of dollars here appropriated to the State Department and the various agencies connected with it, ice and drinking water for use abroad will be furnished. Apparently with $800,000 for "entertainment" the water is going to have something added.

On page 5, if you care to see where this money is provided in the bill, line 20, there is a $700,000 representation allowance and on page 9, under International Organizations and Conferences, there is provided another $100,000. I was very much interested in reading the hearings on this bill to find out that $44,857 will go for liquor for United States nationals who are loaned to NATO. Who they are, I do not know, but they are going to get $44,857.

Then on page 628 of the hearings we find "hospitality expenses of the United Nations" which means there is another $50,000 for entertainment, including liquor, for the "poobahs" of the U. N.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Would it be possible that the hundred thousand or fifty thousand the gentleman is talking about is going to be used for making these tariff arrangements over there in Geneva?

Mr. GROSS. I would not be surprised if some of it would be used for that purpose.

During the hearings, the gentleman from New York [Mr. Rooney] questioned Mr. Henderson, Deputy Under Secretary of State, concerning these cocktail parties and Mr. Henderson replied to him that "we do not call them cocktail parties, we call them afternoon receptions."

Then reading on page 460 of the hearings we find under answers elicited by questions of the gentleman from New York [Mr. Rooney] that in the European area gin costs from $1 to $1.50 a bottle, and scotch whisky about $2 a bottle. With $800,000 plus—I do not know how much more of that money is distributed throughout the bill—they can buy a lot of liquor at those prices. Yes; at the prices they pay overseas the striped pants boys are going to get an awful lot of liquor because it was also developed in the testimony that they have been spending only about $5,000 out of this fund for ceremonial wreaths. In other words, about $5,000 out of $800,000 will go for ceremonial wreaths. The rest of it will go for cocktail parties and what will you have.

I do not know whether the junketing delegations last summer left any counterpart funds in foreign countries, but if they did the committee should have directed them to buy some of this booze out of counterpart funds, instead of the taxpayers putting up $800,000 in brand-new money, and that is a minimum, for these cocktail parties.

Mr. BYRD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I gladly yield to the gentleman from West Virginia, one of the outstanding young Members of the House.

Mr. BYRD. I wish to compliment the gentleman for the statement he has made and I want to associate myself with his remarks. On the basis of my own observations, made while traveling in other countries, I am of the opinion that our people in those countries spend altogether too much money on entertainment and especially with regard to the whisky and cocktails referred to by the distinguished gentleman from Iowa. If my memory serves me correctly, it seems that when Khrushchev and Bulganin went to Burma, India, and Afghanistan last fall, these smiling despots made it clear that there would be no whisky served at official functions. The two buffoons were, of course, hypocritical in observing fundamental tenets of the religions in countries they visited, but perhaps they showed some good sense, after all, and it might be well if we would start showing greater respect for the peoples of other lands whose religions militate against the drinking of alcoholic beverages. Islamism, for example, strictly forbids the use of alcoholic beverages, but does our Government instruct its people in the Foreign Service to observe this basic religious principle in Moslem countries? No, and one cannot blame these people for wondering if we Americans really have any religious principles to which we faithfully adhere. Furthermore, our actions contribute to the growing impression abroad that we are just a bunch of Epicureans, out for a good time and with plenty of money to burn. Let the State Department instruct its people to serve orange juice and ice water and cut out the cocktails. This would constitute a saving of several hundred thousands of dollars to the American taxpayers, and it would cause our enemies and friends alike to have a greater respect for us, and perhaps we would start gaining ground instead of losing it everywhere in the world.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. I would just like to say this: Last year there was appropriated $575,000 for the State Department for exactly this same purpose. This year we can readily find $800,000 . That is stepping up the liquor bill pretty fast, in my opinion.

Mr. BYRD. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Gladly.

Mr. BYRD. If I am not greatly mistaken, I feel that some of the people in the embassies would like very much to get along with less spending of money for cocktails themselves, and I hope that if the people in the State Department read the Congressional Record they will pass the word on down to some of these individuals. I had hoped to be on the floor in time to offer an amendment to strike this figure, but inasmuch as I was unable to be on the floor at that time because of a subcommittee meeting, if there is a roll call I intend to vote against the bill as a protest against such an unnecessary item of expense.

Mr. GROSS. And I want the Record to show my vote against the bill for the reason of this unthinkable spending of the taxpayer's money for fun, sport, and amusement, and for a number of other reasons.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to announce that it is my intention to ask for a separate vote on the so-called Murray amendment adopted at page 22. I want to point out at this time that in opposing that amendment and bringing this bill before you with the language contained therein, which was stricken by the adoption of this amendment, I was merely carrying to the floor of the House what was given to me by the Commissioner of Immigration and Naturalization and the administration, and I intend to ask that we have another vote on it so as to see how many are going to stand up and support the administration.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman talks about the administration approving this bill and then he is talking about a member of one of the commissions and not the administration as such.

Mr. ROONEY. He is one of the administrators, and he was a classmate of General Eisenhower at West Point.

Mr. REES of Kansas. The Bureau of the Budget did not pass on the problem and the Civil Service Commission has not passed on it; not even the committee on the floor of the House.

The Clerk read as follows:

TITLE IV—UNITED STATES INFORMATION AGENCY

Salaries and expenses: For expenses necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 8 of 1953, and the United States Information and Educational Exchange Act, as amended (22 U. S. C. 1431 et seq.), to carry out international information activities, including employment, without regard to the civil-service and classification laws, of (1) persons on a temporary basis (not to exceed $120,000), (2) aliens within the United States, and (3) aliens abroad for service in the United States relating to the translation or narration of colloquial speech in foreign languages (such aliens to be investigated for such employment in accordance with procedures established by the Secretary of State and the Attorney General); travel expenses of aliens employed abroad for service in the United States to and from the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation (not to exceed $6,000); entertainment within the United States (not to exceed $1,000); hire of passenger motor vehicles; insurance of official motor vehicles in foreign countries when required by the law of such countries; purchase of space in publications abroad, without regard to the provisions of law set forth in title 44, United States Code, section 322; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; advance of funds notwithstanding section 3648 of the Revised Statutes, as amended; purchase of caps for personnel employed abroad; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; employment of aliens, by contract, for service abroad; purchase of ice and drinking water abroad; payment of excise taxes on negotiable instruments abroad; cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Director may prescribe; actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities authorized under this appropriation; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government owned or leased property abroad; rental or lease for periods not exceeding 5 years of offices, building, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the Standardized Government Travel Regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, but at rates not in excess of comparable allowances approved for such conferences by the Secretary of State; and purchase of objects

for presentation to foreign governments, schools, or organizations; $110 million, of which not less than $9 million shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed $50,000 may be used for representation abroad: *Provided further*, That this appropriation shall be available for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personnel effects, household goods, or automobiles of such personnel, when any part of such travel or transportation begins in the current fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed during the current year: *Provided further*, That funds may be exchanged for payment of expenses in connection with the operation of information establishments abroad without regard to the provisions of section 3651 of the Revised Statutes (31 U. S. C. 543): *Provided further*, That passenger motor vehicles used abroad exclusively for the purposes of this appropriation may be exchanged or sold, pursuant to section 201 (c) of the act of June 30, 1949 (40 U. S. C. 481 (c)), and the exchange allowances or proceeds of such sales shall be available for replacement of an equal number of such vehicles and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,350: *Provided further*, That, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U. S. C. 665), the United States Information Agency is authorized in making contracts for the use of international shortwave radion stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That existing appointments and assignments to the Foreign Service Reserve for the purposes of foreign information and educational activities which expire during the current fiscal year may be extended for a period of 1 year in addition to the period of appointment or assignment otherwise authorized.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the United States Information Agency asked the Appropriations Committee for funds to convert an obsolete Navy aircraft carrier into a floating exhibit ship. The committee has placed a sentence in its report stating that it disapproves this item.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. ROONEY. Does the gentleman mean to say that he favors this floating Cinerama?

Mr. JUDD. Certainly.

Mr. ROONEY. At a cost of $9 a head? Is the gentleman serious about that?

Mr. JUDD. I am perfectly serious about it. I think this is one of the means by which we can perhaps win a few friends around the world instead of losing them as we have done too frequently. We spend millions of dollars at big fixed installations to reach relatively few people. This ship could reach far more and at less total cost.

But in any case I protest this method of legislating. If the committee had put language in the bill providing that none of the funds appropriated therein shall be used for this particular purpose, then we could offer an amendment to strike out that provision. But I do not like legislation in committee reports. I have protested this procedure on previous occasions, and I protest it today.

Mr. ROONEY. Will the gentleman yield further?

Mr. JUDD. I yield to the gentleman from New York.

Mr. ROONEY. I should not even attempt to explain the parliamentary situation to the gentleman. But all the gentleman need do, if he thinks that we should pay $9 a head to show Cinerama to the Cambodians on this flat-top, is to offer an amendment providing the amount deleted in the report. That will put it right before the House for its decision one way or the other.

Mr. JUDD. Putting language in the report is what you might call legislation by intimidation. It is not legally binding, but no administrator who wants to save his skin, I am sure, would defy the gentleman and his subcommittee.

Mr. ROONEY. If the gentleman will yield further, the language of the report is binding.

Mr. JUDD. I think it could not be held so, legally. But doubtless it is just as effective as if it were in the bill, because no director of USIA who wanted to survive would dare ignore that language in the report.

Mr. Chairman, because this proposal has real merit, I believe, I want to describe it here and express the hope the Senate committee will consider it more favorably.

In the first place, it is not a boondoggle intended to bring fun and games to the Hottentots. It is a bold and imaginative idea to carry the American story to the people of Asia and Africa. Visually and dramatically we could portray American purposes and policies to large audiences in 104 ports of the Far East, Near East, and Africa.

The proposed carrier would be a converted Liberty ship from the mothball fleet with space on the flight deck for a Cinerama theater, seating 2,000 persons. In addition—and this is very important—there would be space for the showing of regular films, for industrial, educational, and cultural exhibits, and closed circuit television.

Among the exhibits would be the basic documents of the American system, such as replicas of the Declaration of Independence, and the Constitution. There would be graphic portrayals of many of the basic policies which guide this Nation. The atoms for peace idea and the President's proposal for open skies inspection would be presented. This would be truly an idea ship, not just a showboat. It would be a powerful instrument for telling America's story, for demonstrating our firm desire for peace in the world.

It would be a telling thrust at the international Communist conspiracy which uses any means, any device, to try to convince the world that we are the imperialists, bent on taking over the world. This idea represents communications and technique which the Soviets could not match.

All of us are familiar with Cinerama and the impression it gives the viewer of being in the middle of a panoramic action. Cinerama stole the show at the trade fairs in Damascus and Bangkok. At Bangkok, the Soviet Union had 242 crates on the fairgrounds. At the last minute, when they saw our exhibit plans, including Cinerama, they did not bother to unpack the crates. They withdrew from the fair.

The United States has always been a Nation successful in selling both commodities and ideas. But we must admit that somehow or other, we have not done so well in the last decade in selling our very greatest ideas—our beliefs in human freedom and the dignity of man. It would be shortsighted in my opinion to deny ourselves the benefit of any imaginative device for selling our fundamental ideas to the world.

President Eisenhower said in a speech recently:

> Let us not forget for one instant that when we are putting $36 or $37 billion of expenditures every year into arms and armaments, those arms and armaments alone, remember, can never take us forward—they will merely defend what we have got.
>
> But when you talk about something that promotes a business arrangement—trade; when you can talk about something that proposes a better understanding between us and the people of the Mideast or the people of Africa, or anybody else, then you are talking about something constructive, something that yields results over the years to come.

The committee took exception to this ship idea because it might cost as high as $9 for each person who saw the Cinerama show. This was based on 1 showing a day for 200 days with a maximum audience of 2,000 per showing. However, the Agency estimated that it would be possible to have 2 showings a day of Cinerama for as many as 275 days a year. In addition to the seated audience, many more thousands would unquestionably line the harbor sides and view the showing of Cinerama from neighboring buildings, trees, boats, and so forth. So that the cost would probably be as low as a dollar or two per person who saw Cinerama.

The gentleman from New York derides the proposal because of the per capita cost to each of the viewers. He ignores all the relatives and friends to whom they talk, and how much does he think it costs per capita to kill those who may be arrayed against us as enemies if we do not win their confidence by showing them what we are really like and what we believe in and stand for? One expert on war has estimated that it cost an average of $50,000 to kill 1 soldier in World War II. Even if $9 were an accurate figure, how does $9 per person for selling our ideas via Cinerama and related films compare with the cost of killing at $50,000 per person? Does anyone here prefer the latter?

I should also point out that the committee in figuring the $9 cost per person to see Cinerama entirely disregarded the fact that many more thousands of persons would be visting the ship all day long to view the exhibits, closed-circuit television, regular motion-picture showings, and the like which will also be housed on the ship—and which will also tell America's story in forceful fashion. And the newstories regarding the ship, and the reports to their neighbors of persons who do see the exhibits and the Cinerama, would reach countless millions.

The operation of this ship would be contracted to a private nonprofit organization. Freedoms Foundation, an organization of dedicated Americans who have done so much to make the world aware of the American heritage, has agreed to sponsor the project.

These Americans believe such a mobile instrument of peace and good will would be effective and worthwhile. It would carry around the world the same significance as the Freedom Trains did several years ago to our own people.

I might close with the following quotation from Roscoe Drummond's column in the New York Herald Tribune of March 5:

> It has long been fashionable to badger the USIA for trying to do too much too grandly or for attempting too little too cautiously. If it is arresting and original, the USIA is criticized as being too brassy. If it is muted and prosaic, it is criticized as being timid and unimaginative . But most of its critics have little to propose themselves.

In this instance, I believe USIA has been soundly imaginative and I regret the committee has not seen fit to approve the proposal. I hope the omission will be corrected in the other body.

Mr. MAHON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I should like to change the subject a bit and make reference to another program.

I have been much impressed by the extensive testimony before the House Appropriations Subcommittee in connection with the United States Information Agency's low-priced books program. According to this testimony, we are confronted with a mammoth Soviet machine which turns out a billion books a year promoting Communist doctrine in all languages at little or no cost to the readers. The Information Agency plan to publish significant American books to sell at prices these readers can afford strikes me as one of the most sensible methods to offset the Kremlin's propaganda. According to the testimony, the Agency also has developed the techniques for putting the plan into action. We cannot afford to wait. I strongly urge that we provide the funds to carry out these proposals and make certain that American books are available all over the world to readers of all languages at prices they can afford.

Mr. VANIK. Mr. Chairman, although I expect to vote in support of this legislation, I am in hearty disagreement with the provisions of this bill which provides for an increase in the compensation for 5 assistant commissioners and 1 district director at the rate of grade GS–16.

There is one gentleman involved who is deserving of an increase in compensation, Mr. Edward J. Shaughnessy, who is a competent public servant in every respect. However, Mr. Shaughnessy was included for the specific purpose of sweetening up a salary increase for Generals Partridge and Howard whose appointment was given legislative license by this House on March 21. At that time, I directed the following question to the Honorable Carl Vinson, chairman of the Armed Services Committee, and received the indicated reply:

> Mr. Vanik. In the gentleman's statement he points out this employment of the general will not cost the Government any more than $2,900 per year inasmuch as the general will have to give up his pension.
>
> Mr. Vinson. No. Of course, he gives up his retired pay and we have to pay his salary.
>
> Mr. Vanik. My question is this: Are his retirement rights permanently lost when he gives up the pension?
>
> Mr. Vinson. No—just suspended.
>
> Mr. Vanik. Or does it accrue to him?
>
> Mr. Vinson. No. He loses it during the time he is holding this position for 6 months or 6 years, when the job is over, then his retired pay starts again. Let me say that we had the Commissioner of Immigration before us and we asked him, "How come you cannot go out and employ civil-service people?" He said, "There are two men in my office who are qualified to do this work, but these men will not take this position because they will lose their civil-service status." That is the reason we are forced to do this.

With the understanding that the appointment of the Generals Partridge and Howard would not cost the Government more than $2,900 per annum in salary, this House passed out this legislation.

It is regrettable that the appointment of these two distinguished gentlemen Generals Partridge and Howard should again become the subject of Congressional debate—but their initial appointment in a civilian governmental department headed by a general followed by this proposal for salary increase constitutes a breach of faith.

I stated on March 21 that the inability of General Swing to find suitable civilian personnel to fill the high offices of Assistant Commissioners of Immigration appears a little like cronyism at its very worst. My opinion of March 21 has been confirmed by the provisions in this bill which grants the generals a pay increase.

The appointment of retired military officials to high offices in the civilian administration of the Government has the effect of discouraging qualified civilian officers from remaining with Government service. If these devoted servants of the Government must serve throughout the years only to have the top positions filled by others, the effect on morale in the Civil Service is depressing. The Immigration Service cannot afford to become a sanctuary for retired generals with special dispensations granted by the authority of Congress. It is the solemn obligation of this Congress through its established committees to further inquire and investigate the obvious futility of General Swing's effort to obtain adequate civilian personnel to fill these important posts. It is indeed strange that a general in charge of a civil function of Government is unable to find anyone else but another general to fill an important office of confidence and trust. It is also strange that of all the people in Government service, these few should be singled out for a prompt pay raise. If the generals have confidence in only themselves, can we safely repose in them the responsibility of executing broad civilian functions of Government.

Mr. HAYS of Arkansas. Mr. Chairman, the United States and its people have made heavy contributions of their resources to the free nations of the world. This marks a truly historic episode in our foreign relations since the end of World War II. I think it is only proper that the American people should ask themselves what their assistance to other nations has achieved. I know of no program of United States support that has given us a greater return for the money and effort expended than the United Nations system, including its specialized agencies.

Recently I had the privilege, with the gentleman from New Hampshire, Mr. Merrow, to serve on the United States delegation to the 10th session of the General Assembly of the United Nations. On March 29, a report of our activity at the United Nations and our conclusions on what may well be considered the crucial session of the General Assembly was filed. That report contains this statement:

> It is urgently necessary thet in the future we make far greater use of the United Nations system for foreign aid than we have in the past. This would not mean an increased amount of money appropriated for foreign aid but rather the channeling of a part of existing appropriations through United Nations machinery.
>
> Some will say that such sponsorship does not give us the advertising and good will that bilateral programs provide. However, we would point out that the basic reason for our program of economic assistance is not to purchase affection but rather to strengthen the free world, eliminating the vacuums of weakness into which the Soviet power is trying to move.
>
> We do not, of course, overlook the factor of good will, but the leaders of the nations, even the so-called underdeveloped ones, know where help is coming from, and even though the goods are not clearly identified as of American origin, we believe the people of those countries discern and appreciate our help.

Now what are these multilateral specialized agencies all about, and what have been the results of their labors? My statement of October 18, 1955, to the Economic and Financia' Committee of the General Assembly, is a partial answer:

> For example, rinderpest, the sourge of the world's cattle population in the Middle and Far East, has in recent years claimed 2 million cattle victims annually. The beginning of the conquest of this disease has been one of the significant achievements of the Food and Agriculture Organization under the technical assistance program. Something important has happened when vaccines which insure immunity against this disease for 2 years are now available at 2 cents an injection instead of, as previously, at $1 an injection. It does not take much imagination to translate this achievement into terms of human nutrition and a larger income for the farmers concerned.
>
> The war against malaria has produced one of the great victories of the World Health Organization. It has been frequently described, yet each new step in this struggle is the most important news in the world to the families which no longer have a malaria sufferer in their homes. In some countries the rate of infant infection has been cut almost to zero. In several countries it is now estimated that all the people in malarious areas will be under the protection of DDT within the next few years. Starting from demonstrations by the World Health Organization, governments have been shown how simple the basic technique is and by what means a continuous organization can be maintained for surveillance against further outbreaks.
>
> It is also news that in one Latin American country, where teacher training had been almost nonexistent, there are now more than 2,000 teachers who have attended vacation courses for teachers organized by UNESCO. Another Latin American country can also claim an impressive achievement. In that country, 18,000 farmers and 2,500 women are listening daily in more than 6,000 radio schools, which the government has organized. These people hear broadcasts on such subjects as reading, writing, hygiene, crop cultivation, and care of livestock. After the broadcasts are concluded, each village group discusses the lessons learned with the help of illustrated material which the government has distributed.
>
> It is important and newsworthy that the productivity demonstrations which the ILO has arranged have in certain cases increased factory output by as much as 20 percent, and sometimes by several hundred percent. In a far eastern country, at a training center established by the International Civil Aviation Organization, there are now 300 students attending classes. Under the plan established by the center, 50 licensed copilots will be graduated each year and as many radiomen and mechanics. This is a form of investment—investment in people—and there is no richer source of wealth available to a country.

Mr. Chairman, it is not always easy to see the tangible returns of the contributions which the American people have made in our foreign affairs, but in the multilateral system the raising of standards of living through economic and social developments, the feeding of the hungry, the fight against disease, ignorance and poverty, and the facilitation of communications and the enhancement of man's enjoyment of work and life are all objectives with which I am sure the American people concur wholeheartedly. The multilateral system has played an important part in helping to achieve these objectives and deserves the full support of the Congress.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is there an amendment or a motion before the House?

The CHAIRMAN. Only pro forma amendments.

Mr. COUDERT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like simply to say that whereas the committee was unanimous on the bill and unanimous on everything else in the report I did reserve on the cinerama point that the gentleman has just discussed in the well of the House. I have no opinion upon it, but I rather regret that a limitation was imposed.

The Clerk concluded the reading of the bill.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Cooper, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. ROONEY. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The Clerk read as follows:

> On page 22, lines 7 to 10, inclusive, strike out "*Provided*, That the compensation of the 5 assistant commissioners and 1 district director shall be at the rate of grade GS–16" and insert in lieu thereof "*Provided.*"

The question was taken; and on a division (demanded by Mr. Davis of Georgia) there were—ayes 75, noes 84.

Mr. DAVIS of Georgia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seven Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 179, nays 184, not voting 70, as follows:

[Roll No. 34]

YEAS—179

Abbitt
Abernethy
Adair
Alexander
Alger
Andresen, August H.
Ashley
Ashmore
Aspinall
Avery
Ayres
Bailey
Bass, Tenn.
Bates
Beamer
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Blatnik
Blitch
Bolton, Frances P.
Bonner
Bray
Brown, Ga.
Brownson
Broyhill
Burdick
Burleson
Burnside
Byrd
Cederberg
Chase
Chenoweth
Chiperfield
Church
Clark
Colmer
Cooper
Corbett
Cunningham
Curtis, Mo.
Davis, Ga.
Dies
Dingell
Dolliver
Dorn, S. C.
Dowdy
Doyle
Durham
Elliott
Ellsworth
Engle
Fascell
Fisher
Flynt
Forrester
Fountain
Frazier
Gary
Gathings
Gentry
George
Gregory
Griffiths
Gross
Gubser
Hale
Harden
Hardy
Harrison, Nebr.
Harrison, Va.
Harvey
Hayworth
Henderson
Heselton
Hoeven
Hoffman, Mich.
Holifield
Holt
Hope
Huddleston
Jennings
Jensen
Johansen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Judd
Kearns
Kee
Kilgore
King, Calif.
King, Pa.
Knox
Knutson
Krueger
Landrum
Lanham
Lankford
LeCompte
Lesinski
Lovre
McDowell
McIntire
McMillan
Macdonald
Mack, Wash.
Meader
Merrow
Metcalf
Miller, Nebr.
Morrison
Moss
Mumma
Murray, Tenn.
Nelson
Nicholson
Norrell
O'Konski
Pelly
Perkins
Pfost
Pilcher
Poage
Poff
Priest
Rains
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Rivers
Roberts
Robeson, Va.
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Roosevelt
Rutherford
Sadlak
St. George
Saylor
Schwengel
Scott
Selden
Short
Shuford
Siler
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Talle
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Tollefson
Tuck
Udall
Utt
Vanik
Van Pelt
Vinson
Vorys
Watts
Weaver
Westland
Whitten
Wier
Williams, Miss.
Winstead
Wright
Younger
Zablocki

NAYS—184

Addonizio
Albert
Allen, Calif.
Andersen, H. Carl
Andrews
Anfuso
Arends
Auchincloss
Baker
Baldwin
Bass, N. H.
Baumhart
Becker
Belcher
Betts
Boggs
Boland
Bolling
Bosch
Bow
Boyle
Brooks, Tex.
Brown, Ohio
Bush
Byrne, Pa.
Canfield
Cannon
Carnahan
Carrigg
Celler
Chelf
Christopher
Clevenger
Cooley
Coon
Coudert
Cramer
Cretella
Crumpacker
Curtis, Mass.
Dague
Davidson
Davis, Wis.
Dawson, Utah
Delaney
Denton
Derounian
Devereux
Diggs
Dixon
Dodd
Dollinger
Donohue
Donovan
Dorn, N. Y.
Edmonson
Evins
Fallon
Feighan
Fenton
Fernandez
Fino
Fjare
Flood
Fogarty
Forand
Ford
Frelinghuysen
Gavin
Gordon
Granahan
Gray
Green, Pa.
Hagen
Hand
Harris
Hays, Ark.
Healey
Hill
Hillings
Hinshaw
Holland
Holmes
Holtzman
Horan
Hosmer
Hull
Hyde
Ikard
Jackson
James
Jarman
Jenkins
Karsten
Kearney
Keating
Keogh
Kilday
Kirwan
Klein
Kluczynski
Lane
Latham
Lipscomb
Long
McConnell
McCormack
McDonough
McGregor
McVey
Mack, Ill.
Madden
Magnuson
Mahon
Mailliard
Marshall
Martin
Miller, Md.
Miller, N. Y.
Mills
Minshall
Morano
Moulder
Multer
Murray, Ill.
Natcher
Norblad
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Osmers
Ostertag
Passman
Patman
Patterson
Philbin
Polk
Powell
Preston
Price
Prouty
Quigley
Rabaut
Radwan
Ray
Reece, Tenn.
Riehlman
Riley
Robsion, Ky.
Rodino
Rooney
Schenck
Scherer
Scudder
Seely-Brown
Sheehan
Sikes
Simpson, Ill.
Spence
Springer
Steed
Sullivan
Taber
Taylor
Teague, Calif.
Thomas
Thompson, La.
Thornberry
Trimble
Van Zandt
Velde
Wainwright
Wharton
Wickersham
Widnall
Wigglesworth
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Wolcott
Yates
Young
Zelenko

NOT VOTING—70

Allen, Ill.
Barden
Barrett
Bell
Bolton, Oliver P.
Bowler
Boykin
Brooks, La.
Buckley
Budge
Byrnes, Wis.

Carlyle
Chatham
Chudoff
Cole
Davis, Tenn.
Dawson, Ill.
Deane
Dempsey
Dondero
Eberharter
Friedel
Fulton
Gamble
Garmatz
Grant
Green, Oreg.
Gwinn
Haley
Halleck
Hays, Ohio
Hébert
Herlong
Hess
Hiestand
Hoffman, Ill.
Johnson, Calif.
Kean
Kelley, Pa.
Kelly, N. Y.
Kilburn
Laird
McCarthy
McCulloch
Machrowicz
Mason
Matthews
Miller, Calif.
Mollohan
Morgan
O'Hara, Minn.
Phillips
Pillion
Reed, N. Y.
Rogers, Tex.
Scrivner
Shelley
Sheppard
Sieminski
Simpson, Pa.
Smith, Wis.
Staggers
Teague, Tex.
Tumulty
Vursell
Walter
Williams, N. Y.
Willis
Withrow
Wolverton

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Green of Oregon for, with Mr. Hébert against.

Mr. Mason for, with Mrs. Kelly of New York against.

Mr. Bell for, with Mr. Willis against.

Mr. Staggers for, with Mr. Sheppard against.

Mr. Mollohan for, with Mr. Walter against.

Mr. Hays of Ohio for, with Mr. Wolverton against.

Mr. Gwinn for, with Mr. Laird against.

Mr. Gamble for, with Mr. Tumulty against.

Mr. Dondero for, with Mr. Haley against.

Mr. Davis of Tennessee for, with Mr. Garmatz against.

Mr. Boykin for, with Mr. Friedel against.

Mr. Chatham for, with Mr. Bowler against.

Mr. Carlyle for, with Mr. Buckley against.

Until further notice:

Mr. Barrett with Mr. Halleck.

Mr. Chudoff with Mr. Allen of Illinois.

Mr. Herlong with Mr. Kean.

Mr. Miller of California with Mr. Williams of New York.

Mr. Machrowicz with Mr. Scrivner.

Mr. Deane with Mr. Reed of New York.

Mr. Dempsey with Mr. O'Hara of Minnesota.

Mr. Eberharter with Mr. Budge.

Mr. Kelley of Pennsylvania with Mr. Cole.

Mr. Shelley with Mr. Fulton.

Mr. Brooks of Louisiana with Mr. Hess.

Mr. Barden with Mr. Hiestand.

Mr. McCarthy with Mr. Hoffman of Illinois.

Mr. Matthews with Mr. Johnson of California.

Mr. Dawson of Illinois with Mr. Kilburn.

Mr. Teague of Texas with Mr. Simpson of Pennsylvania.

Mr. Sieminski with Mr. Smith of Wisconsin.

Mr. Rogers of Texas with Mr. Vursell.

Mr. Morgan with Mr. McCulloch.

Mr. Grant with Mr. Pillion.

Mr. PHILBIN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CLEVENGER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CLEVENGER. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. CLEVENGER moves to recommit the bill to the Committee on Appropriations.

Mr. ROONEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LOCATION OF JET AIRBASE

Mr. HOFFMAN of Michigan. Mr. Speaker, notwithstanding all the clamor, hasty conclusions, and erroneous editorial comment, an examination of the facts justified the location of the jet base at Manistee rather than at Kalkaska, in the same State.

As an example of how editors can misjudge a situation, attempt to reflect discredit upon the people's representatives, read the following editorial from the Grand Rapids Press, captioned "Shameful Decision," then take a glance at my very brief answer to the editor, which might well have been amplified.

The editorial reads as follows:

SHAMEFUL DECISION

The House has decided to put the much-debated jet airbase in Manistee County for the poorest of all possible reasons—to save a Member's prestige. The Member is Representative RUTH THOMPSON. Representative CLARE HOFFMAN, of Allegan, gave the whole show away when he referred to her as a "lady in distress."

And Miss THOMPSON has been in distress. The base originally was to be located in Benzie County, which is in her district. Then, because the base seemed likely to interfere with the National Music Camp at Interlochen, the Air Force decided it should be in Wexford County. Wexford also is in Miss THOMPSON's district, but she charged that she had been betrayed and demanded that the base be built in Benzie. Possibly tired of these political maneuvers, the Air Force switched to Kalkaska County, which is not in Miss THOMPSON's district. But the Armed Services Committee—none of whose 37 members is from Michigan—decided the base should be transferred to Manistee, which is in Miss THOMPSON's district.

Now the House—or, at any rate, 85 Members of it—has approved the committee's choice. Before going any further we should point out that only 137 Members voted on the move. The 85 who voted for it constitute only 18 percent of the House's total membership—and obviously it isn't the best-informed 18 percent of the House.

The Fifth District's own Representative, GERALD R. FORD, Jr., produced evidence showing that it will be more costly to place the base at Manistee than at Kalkaska. But his colleagues—85 of them, anyway—weren't interested. The Press' Washington correspondent, William F. Pyper, writes that "there could be no doubt, despite conflicting statistics, that the weight of the argument was in favor of Kalkaska." But, he goes on to say, sympathy was with Miss THOMPSON.

It seems incredible that any Member of Congress would interfere even for a moment in defense matters merely for the sake of saving another Member's feelings. But there it is. Actually 85 Members, speaking for the entire House, have done just that.

The only real argument the 85 raised in defense of their position, and it first was broached by Miss THOMPSON, was that the base should be located in her district because the executive branch of the Government had promised to put it there.

That is completely ridiculous. The only consideration in deciding where an airbase is located should be this: Where will it best serve the purposes of national defense at the least cost?

The Air Force finally decided in this case that the answer was Kalkaska. So far as we can see, the answer still is Kalkaska.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 24, 1956.

EDITOR, THE GRAND RAPIDS PRESS,
Grand Rapids, Mich.

DEAR SIR: Attention was just called to the editorial "Shameful Decision" in the Grand Rapids Press, in which, among other things, you state that I "gave the whole show away when he (I) referred to her (RUTH THOMPSON) as a 'lady in distress.'"

You add that your reporter, William F. Pyper—who I greatly respect—wrote that "there could be no doubt, despite conflicting statistics, that the weight of the argument was in favor of Kalkaska." Well, Bill was not called upon to vote on the proposition and the responsibility of deciding which was the better location for the base is but a matter of opinion. Certainly none of us who know him underestimate his ability to express an opinion even though he is a reporter, not an editorial writer nor a commentator.

Then you add "It seems incredible that any Member of Congress would interfere even for a moment in defense matters merely for the sake of saving another Member's feelings. But there it is. Actually, 85 Members, speaking for the entire House, have done just that." That charge is a most unworthy one and it is unfair, for neither you nor Mr. Pyper have any way of actually knowing what influenced the vote of each individual Member. Unless all Members of the Congress are to be discredited, why should you assume that the 85 who voted against the amendment had an unworthy personal motive—that the 52 who were present and voted for it were right.

I can understand your desire to support your local Congressman, who is a very fine, conscientious, hard-working Member, but there is no certainty that he is always right on every proposition which he advocates.

During the debate I did state "But here is a lady in distress because of the action of the Secretary of the Air Force. There is merit in her claim." (CONGRESSIONAL RECORD, p. 6234.) I did state (p. 6254), that the real issue was whether, when the departments gave us their word, based upon their investigation and their judgment, the Department was to be held to its decision, or whether willy-nilly, for any reason or no reason at all, the Department was to be permitted to switch from one base to another.

During the debate, I said (p. 6234) that I had expected to go along with FORD because from his statement to me, I had understood that there would be a saving if the base was kept at Kalkaska. Subsequent investigation and a reading of the testimony taken before the members of the Armed Services Committee where 23 members voted for, but 5 (and I think 4 of them by proxy) voted against locating the base at Manistee, indicated that the figures furnished by the Air Force were not accurate.

The Air Force in the first instance came up after a full and complete investigation with a decision that the base should be located in Benzie County. Then it switched to Kalkaska and the Armed Services Committee, which has jurisdiction over all three branches of the armed services and which is a legislative committee and which investigated every phase of the project, decided that it should be moved to Manistee.

Mr. FORD is on the Appropriations Committee, not on a legislative committee. A rule of the House forbids the writing of legislation in an appropriation bill. Any other rule would tend to utter confusion in House procedure because it would permit the Appropriations Committee to come up with legislation which had not by that committee received proper consideration but it had received consideration in a public hearing by a legislative committee, such as the Armed Services Committee.

In the judgment of the Armed Services Committee, in my own judgment, there would be neither delay nor impairment of our national defense by the location of the base at Manistee nor would there be a waste of public funds.

Just why is it that some editors, some columnists, some commentators, some publishers have formed the habit of so often attributing to members of the State legislature or Congress an unworthy or improper motive when the legislator's action is not in accord with the opinion of the publisher or writer? Twenty years' experience here causes me to wonder why it is that publishers and commentators who so frequently insist, sometimes habitually, that the individuals selected by the people to represent them either in Lansing or in Washington, know so little, are so dumb, that they themselves do not stand for public office.

Most of us at least make an effort to ascertain the facts, the merits of any and every proposition that comes up, and then just support the measures which we think are for the best interests of all the people.

Undoubtedly much of the money that is appropriated for the armed services is wasted due to the magnitude of their operations, the necessity of being always prepared, the desirability of experimentation with improvement in mind. It cannot be otherwise. So it is that many of us who do not possess an overall, accurate knowledge of everything which comes under the jurisdiction of the armed services go along, unless our own investigation dictates to the contrary, with the legislative committee charged with making an exhaustive study, an accurate report.

For your convenience I am enclosing a marked copy of the CONGRESSIONAL RECORD showing just exactly what I did say. Of course, I assume no responsibility for the remarks of other Members or as to the reasons given by them for their action.

Sincerely yours.

ESTABLISHMENT OF A COMMISSION ON NURSING SERVICES

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include pertinent excerpts from letters.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, it has been some time since I have called the attention of this body to my bill, House Joint Resolution 485, for the establishment of a National Commission on Nursing Services.

During the interval I have been in touch with hundreds of people, all over the country, people qualified by position and by experience to judge the merits of this proposal. They are hospital administrators, nurses, doctors, educators, and people in public life.

I include as a part of my remarks a few pertinent excerpts from letters which they have written on this subject:

REASONS FOR THE ESTABLISHMENT OF A COMMISSION ON NURSING SERVICES—EXCERPTS FROM LETTERS RECEIVED ON THIS SUBJECT BY HON. FRANCES P. BOLTON, OF OHIO

Certainly your Commission could do a great deal to produce greater public understanding and stimulation of important measures to benefit nurses and nursing and increase nurse recruitment. (The executive secretary of a hospital board.)

I feel very strongly that such a Commission as you have recommended is a must if we are to correct or solve the serious situation in the nursing profession. (A hospital administrator.)

It would appear that a Commission established to make a study of the problems, could bring about some uniformity of thinking on the education, utilization of talent, and financing of nursing and its many other facets as related to service needed. I would heartily endorse the establishment of such a Commission. (A hospital administrator.)

I feel such a Commission as you propose would be of great help in getting to the foundation of the nursing problem today. (The executive secretary of a district nurses' association.)

I want to express my appreciation for your leadership in developing such a constructive measure. I feel that the nursing profession needs that interest and support which your bill receives from many groups. (The director of a school of nursing.)

We find it to be the only key offered, up to now, to open new channels to some very serious problems in the hospitals and nursing, particularly bedside nursing. I feel that if this Commission is established, it will in reality serve a great need. (A registered nurse.)

The strength of your resolution, it seems to me, is not so much that it calls for another study but the hope that it gives that nurse practitioners and educators and members of the legislative and executive branches of Government may sit down together to find solutions to these problems. (A university professor of nursing.)

Your recent efforts to establish a Commission to study nursing service needs is a logical and indirect approach to nursing education problems where all the troubles lie—maybe not at the present time, but certainly in the future. (A hospital coordinator of nursing education.)

I am in approval with your proposal for a National Commission on Nursing Services. For the Commission to have representation as you suggest is excellent. I find nurses alone, in an attempt to cope with the problems, are not seeing the overall picture of today. (A hospital administrator.)

When I reviewed the bill, some weeks ago, I felt that here was a splendid opportunity to deepen and broaden the scope of nursing research, and perhaps, to infuse new viewpoints into the solution of long-standing problems. Most of the nurses with whom I have discussed the project concur on the desirability of establishing a National Commission for Nursing Services. (A director of a State university.)

It is the opinion of this group that a study of nursing should be made by qualified and unbiased people, since it is obvious that nurses themselves seem to have difficulty in arriving at any definite agreement or recommendation. (A registered nurse.)

As a hospital administrator, I realize daily the growing shortage of nurses and the need for something to be done on a national level in such a concrete form as this proposed Commission to meet the national shortage of nurses. It has been brought very forcibly to my attention in my own institution where we were forced last June to close one floor of the hospital because of lack of nurses. This situation exists in hundreds of rural and urban hospitals throughout the country and with needed hospital expansion programs the condition will become worse unless steps are taken to remedy them. (A hospital administrator.)

The hospitals of this country have been faced with a shortage of nurses in all categories during or since World World II. There have been many efforts by affected organizations and agencies to meet this shortage and the success of these efforts has been in many cases temporary and inconclusive. I feel that this is a problem of national significance and, therefore, the answer should be sought on a nationwide basis. The commission as provided under Representative BOLTON's bill would apparently accomplish this much needed study and possibly provide the answer for our problem. (A hospital administrator.)

This is an increasing national problem, and it would seem from the magnitude of the study that must be performed, and the necessity that such research be detached from any particular organization or association, that it can be competently performed by the Commission that is suggested in the bill. (A hospital administrator.)

Past studies of the situation have been made without offering relief, and it is our thought that a Commission on Nursing Service would produce a report of the situation free from the divergent views which have been common in the past. (A hospital administrator.)

I believe a Commission would definitely accomplish much more than any professional or lay organization could accomplish. (A doctor.)

I am in complete accord with Congressman BOLTON's estimate of the situation as being urgent and requiring the services of a Capitol Commission to determine what steps are needed to correct this sad situation. I should like to stress that I am not in the habit of writing letters to Congressmen but this matter is so urgent that I would like to have you know that I and a good many of my medical colleagues are very much in favor of the proposed commission on nursing services. (A doctor.)

There is an urgent need for a National Commission on Nursing Services to study nursing problems by the scientific methods and to recommend constructive courses of action in legislature, education, and in hospital administration. This resolution is of paramount importance to the health and welfare of the American people whom we serve. (A registered nurse, director of nursing service.)

The proposed Commission on Nursing Services would be representative of the executive and legislative branches of Government, of the medical and nursing professions, and of the general public and would, through its composite interests and aims, concentrate its efforts in endeavors to alleviate the current nursing shortages; insure equities of opportunities and advancement in the nursing fields; and assure a comprehensive educational program for adequate national nurse coverage in succeeding years. (A doctor.)

The official nursing organizations have apparently not been able to secure the support from, or representation to the public of their services or their needs. Nursing services that are competent and in sufficient quantity to meet the need of society are of the greatest importance today. Since pressures within the group and outside groups who have vested interests in this field make constructive and farseeing, realistic measures almost impossible, a Commission whose members can see needs as well as resources objectively and can present their finding to the public can best serve in opening avenues designed to meet the needs of the country as well as its nurse citizens. (A registered nurse, assistant professor of nursing education in a university.)

The health and welfare of the American people is a concern of all the people. Whenever a condition exists that materially affects all the people it becomes the duty of our National Government to do all within its power to correct such a situation. We are concerned about our natural resources in every other respect and the health of our people is a great natural resource. The nursing situation—number needed, salaries, and skills is cause for a study such as proposed in Mrs. Bolton's bill. (A school superintendent.)

The public questions factfinding by organizational groups whom they feel may have vested interests in outcomes. A broadly representative commission can avoid such reaction and give more effective consideration to the problems of nursing services for the public. (The dean of a school of nursing.)

Through the mechanism of a commission some centralized thinking from interested groups can be crystallized. To me, it is the old story of getting people together around the green table to talk over common problems. (A director of a university clinic.)

The advances in medical sciences have revolutionized the care and treatment of the sick and suggested methods of further preventing illness. Therefore, there needs to be a reevaluation of the amount and kind of nursing services needed in line with these developments. (A director of public health.)

There are so many facets to the total nursing problems of today that I feel it is to our (nursing) advantage as well as that of the patient, that these problems be thought out and worked out in cooperation with the representatives from all groups concerned. This is the goal of the proposed Commission on Nursing Service. After all is said and done, isn't the patient the real reason for the nursing profession being in existence at all? Shouldn't he have a voice in the matter of his care? Of how his money is spent? I feel that the patient should have this representation on the Nursing Commission. (A registered nurse, director of nursing service.)

COMMITTEE ON EDUCATION AND LABOR

Mr. METCALF. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may sit while the House is in session tomorrow, during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SHIP-SUBSIDY PROGRAM AND NEW SHIP CONSTRUCTION

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, during my service as a member of the Merchant Marine and Fisheries Committee, I have come to several very definite convictions. First, it is impossible for vessels flying the American flag to compete on an equal basis with foreign competitors without Government assistance. The officers and crews aboard our ships receive four times as much in wages as the officers and crews of foreign ships. These wage scales are entirely justified and are only sufficient to permit these men to maintain the standard of living enjoyed by the American workingmen in other forms of industry.

Under the Merchant Marine Act of 1936 we do provide for subsidy assistance in the operation of American-flag vessels, but only in connection with service on essential trade routes. Today there are 31 of these routes and some 16 American companies receiving subsidy aid under title VI of the 1936 act. But in the foreign commerce of the United States an American-flag vessel is at just as much disadvantage in competition with foreign-flag vessels whether the voyage takes place over an essential trade route, or whether it is in the nature of a tramp-type operation, or pursuant to a specific contract of affreightment.

During the hearings by the Merchant Marine Committee recently held on the cargo preference law, under which 50 percent of aid cargoes must be transported in United States-flag vessels, it was forcefully brought out that our tramp fleet, which today is composed of some 70 vessels, would immediately disappear from the seas if they are not assured of at least 50 percent of the bulk cargoes financed with United States Government moneys. This, Mr. Speaker, it strikes me, is not the proper way to subsidize any portion of our American merchant marine. We should call a spade a spade; and if the tramp segment and other contract carriers are essential to a strong American merchant marine, we should provide direct and open subsidy assistance.

The shipbuilding facilities of this country are equally as essential to the national defense as the existence of a fleet of fast, modern merchant vessels. The 70 vessels in the tramp fleet today are slow, 10-knot Liberty ships. The foreign tramp owners are building new, modern and much faster vessels. During a trip which I took to Europe last summer as a member of a subcommittee of the Merchant Marine Committee, I saw new building in all the yards of Western Europe, many of the vessels designed for the tramp trades. Under existing conditions, even though business today is at peak levels for the tramp owners, there is not the slightest prospect for any of our tramp vessels to be replaced and they are doomed to wither on the vine, so to speak. When they reach the age when they no longer can be operated economically, our tramp fleet will disappear unless some direct Government assistance is provided.

In view of these circumstances, I am about to introduce a bill which would provide the type of assistance which I believe not only justified from a national economy standpoint, but imperative from the standpoint of national defense. The bill would provide for an operating-differential subsidy only for new vessels to be constructed for the bulk cargo trades. It would provide, however, for subsidy being paid on any old vessels during the period of construction of the newer, modern, and more suitable types. I feel that only when we face up to the problem in the manner reflected by this bill will we be approaching the type of American merchant marine which this country so richly deserves.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. KELLY of New York (at the request of Mr. Klein), for Wednesday, April 25, 1956, on account of illness.

Mr. McCULLOCH (at the request of Mr. McGregor), April 24 to April 27, 1956, on account of illness in the immediate family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. Hill, for 45 minutes, on Wednesday, May 2, 1956.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks, was granted to:

Mrs. Kee.

Mr. Fernandez.

Mr. Anfuso (at the request of Mr. Albert) and to include extraneous matter.

Mr. Multer and to include extraneous matter.

Mr. Rhodes of Arizona and to include extraneous matter.

Mr. Coudert and to include extraneous matter.

Mr. McCormack and to include extraneous material.

Mr. Gathings and to include extraneous matter.

Mr. Hoffman of Michigan in two instances and to include a newspaper article.

Mr. Spence.

Mr. Rhodes of Pennsylvania and to include extraneous matter.

Mr. Evins, his remarks today, and to include a letter.

Mr. Philbin.

Mr. Hardy and to include an address by Mr. Bonner.

Mr. Velde.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the

following titles, which were thereupon signed by the Speaker:

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes.

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes; and

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Forces, and Public Health Service, and for other purposes.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On April 24, 1956:

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozele Rose Hardoon;

H. R. 2796. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3152. An act for the relief of Waymon H. Massey;

H. R. 3276. An act for the relief of George S. Bergos (formerly Athanasios Kritselis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 4909. An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York;

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 6078. An act for the relief of Allison MacBride;

H. R. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of supreme court justices and circuit court judges;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia;

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

On April 25, 1956:

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes;

H. R. 4781. An act to authorize the Territory of Alaska to incure indebtedness, and for other purposes; and

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 57 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, April 26, 1956, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1781. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1782. A letter from the Assistant Secretary of the Interior, transmitting a proposed consession permit with Mrs. Viola H. Montgomery, which, when executed by the Superintendent, Muir Woods National Monument, will authorize her to operate a lunchroom, soft-drink counter, souvenir, stationery, and photographic shop for the public at Muir Woods National Monument, Calif., during a 2-year period beginning January 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1783. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Jui-Chang Hsieh, A-7247342, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1784. A letter from the Secretary of the Interior, transmitting a report on the Crooked River project, Oreg., pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 387); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

1785. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 15, 1956, submitting a report, together with accompanying papers and illustrations, on a survey of a channel from Port Lavaca and Palacios, and the Colorado River, Tex., to the Gulf of Mexico. This report is submitted in final response to the authority of the River and Harbor Act approved July 24, 1946, for a preliminary examination and survey for a channel from Port Lavaca and Palacios, Tex., to the Gulf of Mexico. It is also submitted in partial response to a resolution of the Committee on Public Works of the United States Senate adopted September 16, 1948, for a review of reports on the Colorado River, Tex., for a suitable outlet channel to the Gulf of Mexico (H. Doc. No. 388); to the Committee on Public Works and ordered to be printed with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENTON: Select Committee to Conduct an Investigation and Study of the Financial position of the White County Bridge Commission. Report on investigation of the White County Bridge Commission; without amendment (Rept. No. 2052). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOLTON: Committee on Foreign Affairs. House Concurrent Resolution 210. Concurrent resolution to extend greetings to the Sudan; without amendment (Rept. No. 2053). Referred to the House Calendar.

Mr. RICHARDS: Committee on Foreign Affairs. House Concurrent Resolution 232. Concurrent resolution extending greetings to the American National Red Cross on the occasion of its 75th anniversary; without amendment (Rept. No. 2054). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 10643. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California; without amendment (Rept. No. 2055). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOGGS: Committee on Ways and Means. H. R. 8228. A bill to suspend for 2 years the duty on crude bauxite and on certain calcined bauxite; with amendment (Rept. No. 2064). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 8615. A bill to provide wage credits under title II of the Social Security Act for military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date; with amendment (Rept. No. 2065). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. S. 415. An act for the relief of Ernest B. Sanders; with amendment (Rept. No. 2039). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 419. An act for the relief of Eli E. Hood; without amendment (Rept. No. 2040). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. House Resolution 438. Resolution providing that the bill H. R. 6893, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 2041). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 3532. A bill for the relief of Seymour Robertson; without amendment (Rept. No. 2042). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5591. A bill for the relief of the Ohio Casualty Insurance Co.; with amendment (Rept. No. 2043). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 5691. A bill for the relief of P. R. Markley, Inc.; without amendment (Rept. No. 2044). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7835. A bill for the relief of Maj. Gen. Julius Klein; without amendment (Rept. No. 2045). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 8041. A bill for the relief of Clyde R. Stevens; without amendment (Rept. No. 2046). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 8867. A bill for the relief of the estate of F. M. Bryson; with amendment (Rept. No. 2047). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10006. A bill for the relief of Vincent P. Svelnis; with amendment (Rept. No. 2048). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 10013. A bill for the relief of Sfc. Henry F. Ferry; without amendment (Rept. No. 2049). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 10092. A bill for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation; with amendment (Rept. No. 2050). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 10191. A bill for the relief of Comdr. Cook Cleland; without amendment (Rept. No. 2051). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 7702. A bill for the relief of Mrs. Elizabeth Shenekji; without amendment (Rept. No. 2056). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. House Concurrent Resolution 228. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 2057). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 767. An act for the relief of Andrew Rosner; with amendment (Rept. No. 2058). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 885. An act for the relief of Alice Elizabeth Marjoribanks; without amendment (Rept. No. 2059). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1111. An act for the relief of Eric A. Cummings; with amendment (Rept. No. 2060). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1883. An act for the relief of Pietro Rodolfo Walter Stulin; with amendment (Rept. No. 2061). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1970. An act for the relief of Kim Boksoon; with amendment (Rept. No. 2062). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 2063). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4141. A bill for the relief of Vivencio Fernando Raymundo; with amendment (Rept. No. 2066). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 10783. A bill to amend section 314 of the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. BENNETT of Florida:

H. R. 10784. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BOW:

H. R. 10785. A bill to provide for the protection and conservation of national soil, water, and forest resources and to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 10786. A bill to amend section 3238 of title 18, United States Code; to the Committee on the Judiciary.

By Mr. CHRISTOPHER:

H. R. 10787. A bill to establish a program of production controls for hogs; to the Committee on Agriculture.

By Mr. COUDERT:

H. R. 10788. A bill for the establishment of a Commission on Federal Taxation; to the Committee on Ways and Means.

By Mr. CRETELLA:

H. R. 10789. A bill providing for payment by the United States of ocean or air freight charges on certain relief packages shipped to foreign countries; to the Committee on Post Office and Civil Service.

By Mr. EVINS:

H. R. 10790. A bill to provide for the rank of certain officers of the Army, Navy and Air Force; to the Committee on Armed Services.

H. R. 10791. A bill to provide that the chairmanship of the Federal Trade Commission shall rotate among the Commissioners; to the Committee on Interstate and Foreign Commerce.

By Mr. FASCELL:

H. R. 10792. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KILGORE:

H. R. 10793. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LAIRD:

H. R. 10794. A bill to provide for an annual report by the Secretary of Agriculture with respect to certain timber resources of the United States; to the Committee on Agriculture.

By Mr. MORANO:

H. R. 10795. A bill to provide a library of captioned films for the deaf and hard of hearing; to the Committee on House Administration.

By Mr. SADLAK:

H. R. 10796. A bill providing for payment by the United States of ocean- or air-freight charges on certain relief packages shipped to foreign countries; to the Committee on Post Office and Civil Service.

By Mr. SIKES:

H. R. 10797. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WAINWRIGHT:

H. R. 10798. A bill to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship by voting in a political election or plebiscite held in occupied Germany; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 10799. A bill to provide that the Alcoholic Beverage Control Board establish and maintain Government liquor stores in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BYRNE of Pennsylvania:

H. R. 10800. A bill to amend the Merchant Marine Act, 1936, as amended, to authorize payment of operating-differential subsidy to contract carriers, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ANFUSO:

H. R. 10801. A bill relative to processing of donated food commodities; to the Committee on Agriculture.

By Mr. CRAMER:

H. R. 10802. A bill authorizing a preliminary examination and survey of streams at and in the vicinity of Gulfport, Fla., for present and prospective commerce and for other purposes; to the Committee on Public Works.

By Mr. FISHER:

H. R. 10803. A bill to provide for the construction by the Secretary of the Interior of the San Angelo Federal reclamation project, Texas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLIFIELD:

H. R. 10804. A bill to provide for the reorganization of the safety functions of the Federal Government, and for other purposes; to the Committee on Education and Labor.

H. R. 10805. A bill authorizing and directing the construction by the Atomic Energy Commission of six nuclear power facilities for the production of electric power; to the Joint Committee on Atomic Energy.

By Mr. LANE :

H. R. 10806. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of Maryland:

H. R. 10807. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture.

By Mr. MURRAY of Tennessee:

H. R. 10808. A bill to adjust an inequity that exists with respect to certain technical, scientific, industrial, professional, merchandising and marketing periodicals, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'NEILL:

H. R. 10809. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Florida:

H. R. 10810. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. SPENCE:

H. R. 10811. A bill to amend title IV of the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. THOMPSON of Texas:

H. R. 10812. A bill to require periodic survey by the Chairman of the Federal Maritime Board of national shipbuilding capability; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Louisiana:

H. R. 10813. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McCARTHY:

H. J. Res. 610. Joint resolution to establish a Joint Committee on Foreign Information and Intelligence; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DORN of New York:

H. R. 10814. A bill for the relief of Willem Fransen; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 10815. A bill for the relief of Maria Ragusa Chiapetta; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10816. A bill for the relief of Lillian Ida Brown; to the Committee on the Judiciary.

H. R. 10817. A bill for the relief of Dr. Thomas B. Meade; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 10818. A bill for the relief of George T. Moore and Carl D. Berry; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 10819. A bill to provide for the conveyance of certain mineral rights to the descendants of James H. Haney, Bledsoe, Tex.; to the Committee on Interior and Insular Affairs.

By Mr. MULTER:

H. R. 10820. A bill for the relief of Alexandra Vasilievna Ghermanoff; to the Committee on the Judiciary.

H. R. 10821. A bill for the relief of Ezra Dweck; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 10822. A bill for the relief of Maria G. Connolly; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 10823. A bill authorizing the Secretary of the Navy to receive Zaudie Makuria, a citizen and subject of Ethiopia, for instruction at the United States Naval Academy at Annapolis; to the Committee on Armed Services.

By Mr. RHODES of Pennsylvania:

H. R. 10824. A bill for the relief of Sonja Spieker; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H. R. 10825. A bill for the relief of the estate of Robert Joseph Welch; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 10826. A bill for the relief of the estate of Charles O. Fairbank; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 10827. For the relief of Melvin Grant; to the Committee on the Judiciary.

H. R. 10828 A bill for the relief of Maitland McKinley Joseph; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

955. By Mr. BOW: Petition of Mildred Carter and others, of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

956. Also, petition of Fred L. Ickes and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

957. By Mr. BRAY: Petition of 22 members of Post No. 172, the American Legion, Jasonville, Ind., in support of H. R. 7886, a bill to increase pensions to World War I veterans; to the Committee on Veterans' Affairs.

958. By Mr. BUSH: Petition of the department of Pennsylvania executive committee, the American Legion, urging enactment of necessary legislation to declare November 11, now known as Veterans Day a national holiday; to the Committee on the Judiciary.

959. By Mrs. CHURCH: Petition of the City Council of the City of Waukegan, Ill., urging that the Congress include in any Federal highway construction legislation the requirement that in every highway project where Federal funds are used, to make it possible for municipal governments to be reimbursed for all changes to its water and sewer facilities required by such projects; to the Committee on Public Works.

960. By Mrs. KEE: Petition of Mrs. Carolyn Barosky, president, Wood-Venable Auxiliary 8519, Veterans of Foreign Wars, Kimball, W. Va., and 9 other members of Wood-Venable Auxiliary 8519, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

961. Also, petition of John F. Boyd, of Alderson, W. Va., and 43 other residents of Monroe and Summers Counties, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Criticism of TV and Radio Commercials Is Unjustified

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. GATHINGS. Mr. Speaker, a few days ago I received a letter from Mr. Ted Rand, general manager of radio station KDRS, Paragould, Ark., regarding recent attacks made against the radio and television industry in the House of Representatives. Mr. Rand is an outstanding business and civic leader. The principal complaint against these media was that both television and radio stations increased the sound volume when commercials were being presented. According to Representative CRAIG HOSMER, of California, "these excessively loud commercials" applied to networks as well as local programs. Mr. HOSMER asked the Chairman of the Federal Communications Commission to look into the matter and advise him of the Commission's findings.

Mr. Rand's letter, giving views and observations of an owner and operator of a radio station, is good reading indeed. His letter portrays the value of radio to a community. I highly recommend that you read it. The full text of Mr. Rand's letter is as follows:

KDRS,
Paragould, Ark., March 31, 1956.

The Honorable E. C. GATHINGS,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN GATHINGS: The assaults upon radio by Representative CRAIG HOSMER and others, in my opinion, accent the negative. It seems to me that radio needs something of a champion among Congressmen who will accent the positive.

I feel sure that you appreciate the services which the radio industry has rendered to the Nation. Moreover, I am confident that you have intimate knowledge of the manner in which many Arkansas radio stations relate themselves to their communities.

In our community, we do not merely give lip service to the goals, dreams, problems, and purposes of our people. We roll up our sleeves and pitch in. We devote time, talent, and energy to the building of our community. We try to do our best in support of those groups which are creating happiness within our community—from a home demonstration club's bake sale to a citywide campaign to raise $100,000 for a new industry.

We have time for our churches, Girl Scouts, Boy Scouts, Red Cross, cancer, nursing home, schools, civic clubs, service clubs, farm groups, and every other similar organization. We rarely receive any direct remuneration from our work on behalf of these groups, although we do feel that our community service policies are directly responsible for our overall successful business operation.

We are typically American in the business sense, and I firmly believe that our industry is suffering unnecessary abuse from some of its critics. While criticisms of specific abuses by a few stations may be completely valid, the tendency to smear them across the entire industry is unfair to many of us.

I sincerely hope that you will find an opportunity to speak up for the great majority of the Nation's radio stations and in defense of the typical small city Arkansas station which builds its entire service around its people and their needs.

If the emphasis remains upon the negative aspects, may I then recommend that someone be equally unfair in appraising other aspects of the American scene which might be loud, noisy, and obnoxious in their own way:

Used car dealers illuminate their lots in a manner which is bright, glaring, and disagreeable to me.

Service stations fly masses of distracting pennants and twirling silver devices. They display huge day-glo signs. They distort the natural beauty of my town.

Magazines cluttered with attention-getters continually force me to turn to page one-hundred-and-something for a continuation of the article I am reading.

Full pages of my newspaper contain nothing but advertising. I find this annoying.

Billboards put to shame the loudest radio commercial I have ever heard. These billboards obliterate the landscape, and they divert my attention from the somewhat important function of operating my automobile.

I pay to see commercials at my neighborhood theater.

Times Square is simply a disgrace.

Anyone who will acknowledge the futility of these observations may then wonder with me why radio and television are such prime targets.

After all, radio and television offer two great compensating factors: a dial for the selection of various stations and a switch for turning the entire receiver off.

May I urge you to caution critics of the broadcasting industry to temper their observations with an appraisal of the services performed for the Nation, and to properly relate radio and television to the age in which they live.

Frankly, I am proud to be part of an industry which is vitally important in the everyday lives of the Nation's people. Because we are, we should not be shielded from valid criticism. However, there surely must be room for the presentation of radio's positive side in the Congress of the United States.

Very truly yours,

TED RAND,
General Manager.

Many people accept fine programs of both radio and television as a matter of course and apparently do not appreciate fully that the station or network that is making such program available to them is performing a distinct and outstanding public service. Numerous viewers and listeners over their television and radio receiving sets do not stop to think that these programs are offered to them gratis; that if they do not like one particular station they have but to turn the knob. So many are prone to be unappreciative and ungrateful for the entertainment and educational value of the programs which come into our homes, and criticize the time consumed in advertising the product or firm or company that makes the program possible. Without advertising there would be no radio and TV industry; the public could not have and receive the entertaining, news, and educational programs that are a part of the daily lives of the American people.

I am of the opinion that those who criticize commercial advertising are in reality in the great minority, and that such is not the attitude of the majority of our populace.

The radio industry has consistently grown bigger and stronger from year to year. I set forth a table showing the growth of commercial radio stations:

Growth of commercial radio stations

Year:	*Commercial stations*
1922	30
1923	556
1924	530
1925	571
1926	528
1927	681
1928	677
1929	606
1930	618
1931	612
1932	604
1933	598
1934	593
1935	623
1936	616
1937	646
1938	689
1939	722
1940	765
1941	897
1942	925
1943	948
1944	957
1945	977
1946	1,009
1947	1,346
1948	1,835
1949	2,340
1950	2,611
1951	2,782
1952	2,915
1953	2,990
1954	3,094
1955	3,244

Source: Years 1922–1926 from Federal records; 1927 onward from Federal Communications Commission.

The broadcasting industry has become and is one of our most significant fields of endeavor. The following economic analysis of the total radio and television industry, as published by Caldwell-Clements, Inc., in Mart magazine, reflects the general importance of this industry:

Year 1955

Sale of time by broadcasters	$1,000,000,000
Talent costs	200,000,000
Electricity, batteries to operate 176,900,000 radio and TV receivers	750,000,000
12,500,000 radio receivers, retail value	485,000,000
7,500,000 television receivers, retail value	1,215,000,000
250,000,000 phonograph records	310,000,000
Radio repairs and supplies, 95,000,000 replacement tubes	237,000,000
Parts, accessories	425,000,000
Labor	850,000,000
Total	5,472,000,000

This data covers both the radio and television industry.

The following table clearly illustrates the phenomenal growth of the radio manufacturing industry.

Radio receivers—Selected data, 1922–55

Year	Sets produced	Retail value	Homes with radio sets	Total sets in use
1922	100,000	$5,000,000	260,000	400,000
1923	550,000	30,000,000	1,000,000	1,100,000
1924	1,500,000	100,000,000	2,500,000	3,000,000
1925	2,000,000	165,000,000	3,500,000	4,000,000
1926	1,750,000	200,000,000	5,000,000	5,700,000
1927	1,350,000	168,000,000	6,500,000	7,000,000
1928	3,281,000	400,000,000	7,500,000	8,500,000
1929	4,428,000	600,000,000	9,000,000	10,500,000
1930	3,827,800	300,000,000	12,048,762	13,000,000
1931	3,420,000	225,000,000	14,000,000	15,000,000
1932	3,000,000	140,000,000	16,809,562	18,000,000
1933	3,806,000	180,500,000	20,402,369	22,000,000
1934	4,084,000	214,500,000	21,456,000	26,000,000
1935	6,026,800	330,192,480	22,869,000	30,500,000
1936	8,248,000	450,000,000	24,600,000	33,000,000
1937	8,064,780	450,000,000	26,666,500	37,600,000
1938	6,000,000	210,000,000	28,000,000	40,800,000
1939	10,500,000	354,000,000	28,700,000	45,300,000
1940	11,800,000	450,000,000	29,200,000	51,000,000
1941	13,000,000	460,000,000	29,700,000	56,000,000
1942	4,400,000	154,000,000	30,800,000	59,340,000
1943	------------	------------	32,000,000	58,000,000
1944	------------	------------	33,000,000	57,000,000
1945	500,000	20,000,000	34,000,000	56,000,000
1946	14,000,000	700,000,000	35,000,000	60,000,000
1947	17,000,000	800,000,000	37,000,000	66,000,000
1948	16,000,000	700,000,000	40,000,000	74,000,000
1949	10,000,000	500,000,000	42,000,000	81,000,000
1950	14,600,000	721,000,000	45,000,000	90,000,000
1951	13,000,000	605,000,000	45,850,000	100,000,000
1952	10,000,000	500,000,000	46,000,000	114,500,000
1953	13,400,000	536,000,000	48,000,000	120,500,000
1954	11,200,000	470,000,000	50,000,000	127,000,000
1955	12,500,000	850,400,000	52,000,000	135,000,000

Source: *Broadcasting Telecasting*—Broadcasting Yearbook, 1956.

We Do Not Want Vigilantes

EXTENSION OF REMARKS
OF

HON. CLARE E. HOFFMAN

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 25, 1956

Mr. HOFFMAN of Michigan. Mr. Speaker, the throwing of sulfuric acid into the face and eyes of Victor Riesel, who has exposed many a labor racketeer, was not an isolated act. It was characteristic of the methods of the vicious gangsters who so frequently, by beatings, bombings, sometimes by murder, have sought to silence those who exposed their lawlessness, their stealing of welfare funds, the misuses of union dues.

Ever since the gangsters attained nationwide power in organizations like the Chicago Capone crime syndicate, they have frequently, without punishment, made good their boast that those who exposed them would be silenced.

Many a gangster, turned informant, has been executed by the gang. The recent attempt to silence Riesel obviously came from the same source.

Nor have police officers been exempt from the decrees of the gangsters. Well do I recall that, when a legislative committee held hearings in Chicago in an attempt to ascertain from whence came the pressure back of the paroling of the four Capone gangsters, two testifying police officers were threatened with physical violence. Not long thereafter, one, Captain Drury, when on his way to furnish another committee with information about the gang, was cooly and deliberately slain.

Others, sometimes officers charged with enforcement of the law, sometimes reporters or newspaper publishers or editors, have met a similar fate.

Time and time again have legislative committees, State investigatory bodies, called to the attention of the public this lawlessness which apparently has known no limits. If we continue to permit gangsters to ignore the law, to beat and to kill not only their own associates who inform against them, but innocent individuals whose only fault is that they speak or publish the truth about crime—if men like Victor Riesel are to be murderously assaulted—how long will it be before men like Pegler, Clark Mollenhoff, and others who publish or speak the truth about these gangsters will be likewise permanently injured or removed from the scene?

If those charged with the enforcement of the law fail in their duty because of lack of public support—if that situation worsens, will not otherwise law-abiding citizens attempt to retaliate by lawless punitive acts? Will not a situation develop similar to that which existed in the West when outraged citizens acting in defense of their rights organized and without legal procedure hung or shot those who over-long willfully disregarded all law? Drifting into such a situation is unthinkable. The cowardly assault on Victor Riesel—a courageous fearless writer—should be another warning to

law enforcement officials to fully perform their sworn duty.

One remedy for the threat to our freedom is to elect to law-enforcing offices only those who, regardless of threats of physical violence or political execution, have the will, the ability, the courage, the determination to see that all laws are enforced without fear or favor.

That remedy has worked in Berrien County, in the Fourth Congressional District of Michigan, where two prosecutors, Joe Killian and Jack Spelman, with the assistance of Sheriff Kubath and fearless judges, have successfully demonstrated that the unlawful activities of gangsters will not be tolerated and that the civil rights of citizens will be protected.

What we need is not more civil rights legislation, but a better enforcement of what we have.

Tribute to the Memory of the Honorable Vera Buchanan, Late a Representative From Pennsylvania

EXTENSION OF REMARKS
OF

HON. BRENT SPENCE

OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 25, 1956

Mr. SPENCE. Mr. Speaker, it is with deep sorrow that I rise to add my small tribute to the memory of my friend and colleague, the Honorable Vera Buchanan, late a Representative from the 30th District of Pennsylvania. I know that this feeling is shared by all of us here, for her courageous spirit, her patience and understanding were an inspiration to all who knew her.

Mrs. Buchanan was elected to the 82d Congress on July 24, 1951, to succeed her husband, the late Frank Buchanan. Like her husband, she worked hard for the people of her district, and they returned her to the 83d and 84th Congress. After having previously served on the Committee on Merchant Marine and Fisheries and the Committee on Public Works, she was elected to the Committee on Banking and Currency in the 84th Congress. As you know, the Banking and Currency Committee deals with housing matters. We are constantly concerned with the statistics of housing, and their effect on the Nation's economy. Being a successful homemaker herself, Mrs. Buchanan brought to the committee a special insight in housing matters, and a warm understanding of the problems and needs of homemakers and the importance of the home in American family life.

A severe case of pneumonia overtook Mrs. Buchanan last year when she had devoted her energies to the point of exhaustion in support of housing and flood-control legislation for her constituents. Her death on November 26 deprived the people of her district of a devoted and courageous representative. The House has lost a sincere and capable Member who will be sadly missed by those of us who knew her and valued her friendship.

My deep feeling of sympathy goes out to her two daughters and other relatives in their great loss.

Anniversary of the Birth of John F. Stevens, Chief Engineer of the Panama Canal

EXTENSION OF REMARKS
OF

HON. FREDERICK G. PAYNE

OF MAINE
IN THE SENATE OF THE UNITED STATES
Wednesday, April 25, 1956

Mr. PAYNE. Mr. President, this year marks the 50th anniversary of the decision of the Congress and the President in 1906 to approve the lake-lock plan for building the Panama Canal. Today is the 103d anniversary of the birth at West Gardiner, Maine, of John F. Stevens, who was the chief engineer of the Panama Canal. I ask unanimous consent that a statement and a poem on Mr. Stevens may be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement and poem were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

The State of Maine has produced many leaders on the national scene but few have attained the stature of John F. Stevens, who was born at West Gardiner, Maine, on April 25, 1853.

In a career packed with hard work and adventure he built a record of constructive achievement that stands as an inspiration to the youth of our land.

After graduating from the State Normal School at Farmington, Maine, and an attempt at teaching, Stevens decided upon an engineering career. In 1874, at the age of 21, and without technical engineering training, he went to Minneapolis where his uncle, Jesse Stevens, was an engineer. There he began as an assistant engineer—a rodman—for the city.

Attracted by greater opportunities that would be afforded on the railroads, then at peak construction, he went to Texas in 1876, and secured employment as a railway section hand. Rising step by step, he worked as rodman, instrument man, surveyor, and location and construction engineer—all of which served as a great school of experience.

Attracting the attention of the great railroad empire builder, James J. Hill, he was sent by the latter to locate a route for the Great Northern Railway over the Rocky Mountains. This led to his dramatic discovery on December 11, 1889, of Marias Pass in Montana, through which the railroad was constructed.

This notable achievement is commemorated by a bronze statue of the engineer-explorer near the track at Summit, Mont., showing Stevens as he appeared at the time of his discovery. Replicas of this statue are in the Maine State Library and in the national headquarters in New York of the American Society of Civil Engineering, of which society he later became national president.

In the course of his rise in the railroad work, Stevens was well prepared for a still greater assignment in taking over the building of the Panama Canal. For appointment as Chief Engineer of the Isthmian Canal Commission, the combination of his ability and extraordinary background of experience made him a "natural."

Assuming charge in the Canal Zone on July 25, 1905, at a time when chaos and hysteria incident to yellow fever was coupled with the resignation of its previous Chief Engineer, by the adoption of wise policies, Stevens promptly brought matters under control. One of the outstanding instances of his broad outlook was his sympathetic and timely support of the health and sanitation plan that had been proposed by Colonel Gorgas—adequate health and sanitation being an absolute prerequisite for constructing the canal.

Considering the problem of constructing the Panama Canal from every significant viewpoint, functional as well as economic and engineering, Stevens strongly recommended to President Theodore Roosevelt what is known as the lake and lock type canal as offering the best solution, and vigorously opposed the so-called sea-level proposal.

When this celebrated issue as to the choice of type was before the Nation in 1906, he was the greatest single influence in bringing about the decision of the Congress and the President for the high-level lake and lock plan. This contribution, which has been justified by more than 40 years' successful operation, establishes him in history as the basic architect of the Panama Canal. He was rewarded by the President with the first appointment to the combined positions of Chairman and Chief Engineer of the Isthmian Canal Commission (1907).

Having organized the forces for construction, acquired the necessary equipment, designed the key features of the waterway, launched the project and brought it to a point where its success was a certainty, Stevens resigned in April 1907 and returned to railroad work. The Panama Canal was completed by others under the Stevens plans.

Though separated from the project his interest never ceased. At times of crises during the remaining years of construction, he always gave his support in the best interest of the project. In later years, he wrote extensively of his Isthmian experiences. Special reference is made to his collaboration with Col. William L. Sibert, a member of the Isthmian Canal Commission in charge of Atlantic construction, in a book entitled "The Construction of the Panama Canal," published in New York by D. Appleton & Co. in 1915. This volume is probably the best engineering historical treatise produced by the construction era.

Just after the declaration of war by the United States in 1917, Mr. Stevens went to see President Wilson and requested an active assignment in the war. The President expressed his interest, as Russia was then an ally and badly in need of a competent railroad man, in connection with its war transportation problems. Appointed as Minister Plenipotentiary and head of the United States Railway Mission to Russia in 1917, he undertook the difficult tasks involved in operating its railroad system. Later, from 1919 to 1923, he was president of the Inter-Allied Technical Board supervising the Siberian railways.

In these positions he observed the start and early years of the Communist Revolution. Accurately foreseeing the vast scope of that work conspiracy, he was among the first to alert responsible leaders of the United States to its dangers.

It is thus historically fitting that in 1956, which marks the 50th anniversary of the decision in 1906 by the Congress and the President for the lake-lock plan for building the Panama Canal, that the Honorable Maurice H. Thatcher, of Kentucky, formerly Civil

Governor of the Canal Zone, and the only surviving member of the Isthmian Canal Commission, serving during peak years of canal construction, and later a Member of Congress, should write for the occasion of Mr. Stevens' birthday an inspiring poem that epitomizes the vision and work of this eminent leader for the Panama Canal.

The poem follows:

"JOHN F. STEVENS: A TRIBUTE

"Amongst all those whose labors cleft the land
To blend, as one, the seas at Panama—
There was none greater than John Stevens; and
The passing years bear witness. He foresaw—
More clearly than the others had foreseen—
The value of the plan for lock and lake,
And led Authority—in doubt between
Diverse designs—the wiser choice to make.
Possessed of genius rare, with skills supreme
And ripen'd knowledge gained from ventures vasts—
He shaped the moulds to vitalize the Dream
Which had so long persisted in the past.
His all he gave to serve the Isthmian Task:
What more could men demand, or duty ask?"

—*Maurice H. Thatcher.*

WASHINGTON, D. C., April 25, 1956.

Eleventh Anniversary of Meeting of American and Russian Soldiers on the Elbe River

EXTENSION OF REMARKS

OF

HON. CHARLES E. POTTER

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, April 25, 1956

Mr. POTTER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me about the 11th anniversary of the meeting of American and Russian soldiers on the Elbe River.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR POTTER

Today is a significant day for a great many American veterans. It is a day which is well worth remembrance and thoughtful consideration of the American people. Today marks the 11th anniversary reunion of the American Veterans of the Elbe River link-up. I would like to quote now from a letter by Joseph Polowsky, the secretary of the American Veterans of the Elbe River link-up, sent to the fellow veterans of that occasion:

"Eleven years ago, at noon on Elbe day 1945, a patrol of American riflemen thrust through the no-man's land between the forward American and Russian lines and linked up with a patrol of Russian soldiers on the east bank of the Elbe River. On that blood-soaked river bank, we met the Russian soldiers with high resolve and as friends. All of us on both sides swore never to forget the scene, the day or each other, swore to do what we could to make a freer and more peaceful world for our children, and to meet again in peace. Two days later, when the link-up was more fully secured and American and Russian military units were joyously greeting each other, our patrol mission was completed, and we returned to the American lines; General Eisenhower said the American people were proud of us for our initiative and devotion to duty. The confidence and optimism, the spirit of comradeship and hospitality all of us had 11 years ago, from General Eisenhower to the privates in the field, lives on in us as American veterans. We'll make the American people proud of us once again when we shake hands again with the Soviet Elbe veterans at our reunion this month in Washington."

I should like to quote also from a letter from Mr. Polowsky addressed to the Soviet Veterans of the Elbe River link-up:

"Last spring, the Governments of the United States and the Soviet Union cooperated in bringing together the American and Soviet Elbe veterans for an inspiring and successful 10th anniversary reunion in Moscow. On May 11, 1955, at a formal meeting at which military and civilian representatives of the United States Government and the Soviet Government were present, the Elbe veterans read the following unanimously approved joint declaration: 'We Soviet and American veterans of the Elbe River link-up of the Allied Armies in 1945, gathered together in Moscow on the 10th anniversary of that historic event, affirm that we have not forgotten the friendly alliance formed during the war years. The link-up of our soldiers at the Elbe will live on in history of mankind as an enduring symbol of friendship, good will and mutual respect between our peoples. Today, as 10 years ago, we declare our determination to work for friendship between the American and Soviet peoples and the establishment of a peaceful world. We hope this first reunion will establish a tradition. We hope that on future anniversaries of the Elbe River link-up, American and Soviet war veterans will exchange friendly greetings and hold reunions as friends.'

"We American Veterans of the Elbe River link-up will hold our 11th anniversary reunion in Washington, D. C., on Elbe Day—April 25, 1956. We extend to the Soviet Veterans of the Elbe River link-up a cordial invitation for a group of Soviet World War II veterans to visit us at our reunion. We are sure that the visit of the Soviet veterans to the United States this spring will contribute to the establishment of the free and friendly world we all fought for during the years of the Second World War."

And now, may I read the words of acceptance from the chairman of the Soviet committee of the participants of the meeting at the Elbe. He says:

"Permit me, on behalf of the Soviet veterans of the Elbe meeting, to sincerely thank you for the invitation extended to the Soviet participants in this unforgettable, historic meeting to visit the United States of America to participate in the meeting of the American Veterans of the Elbe River link-up, which is being held on April 25, 1956, in Washington, D. C.; and thank you also for your good wishes and your efforts toward supporting and strengthening the ties between the American and Soviet veterans of the Second World War.

"The Soviet committee of the participants of the meeting at the Elbe, with a deep feeling of gratitude, accepts your kind invitation and is ready to send to the United States a group of Soviet participants of 5 to 7 people to take part in the meeting of April 25th of this year in Washington, D. C.

"We trust that the meeting of the Soviet and American veterans of the Second World War will further mutual understanding between the people of the United States and the Soviet Union, and other freedom loving peoples who carried on so great a battle against a common enemy in the years of the Second World War."

It is interesting to note that some 11 years ago the armies of the United States and of the Soviet Union were fighting a common cause. The meeting at the Elbe demonstrated that the peoples of these two countries deeply cherish the common goals of freedom and peace. This should serve as a reminder to all of those in positions of responsibility in all countries that these are the goals of the peoples. We all sincerely hope that these meetings on a man to man basis at the various levels of our society will continue to deepen the mutual understandings and to strengthen the bonds of common interest all over the world.

Results of Annual Questionnaire

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. RHODES of Arizona. Mr. Speaker, under leave previously granted I would like to include in the RECORD the result of my annual questionnaire. About 12,700 of these questionnaires went out to the persons who are on my mailing list to receive my semimonthly newsletter. In addition, I sent my questionnaire to every newspaper which is published in Maricopa County and asked that it be printed in such a manner that it could be cut and mailed to me. I received many questionnaires from this source. A total of 1,868 questionnaires were returned to my office; 95 percent of the answers came from persons residing in Maricopa County, Ariz. I do not claim that my poll is a scientific sampling of the opinion of voters in Maricopa County. It does reflect, however, as broad a cross section of the voters as it was possible for me to obtain.

	Percent		
	Yes	No	No opinion
1. Do you approve of President Eisenhower's foreign policy?	75	15	10
2. Should we continue military aid to friendly foreign nations?	71	18	11
3. Do you favor amending the Walter-McCarran Act to allow a greater number of immigrants to enter the United States?	24	64	12
4. Do you favor Secretary Benson's farm program?	68	15	17
5. Should defense spending continue at the present level?	68	17	15
6. Do you favor a tax reduction prior to the attainment of a balanced budget?	20	75	5
7. Do you believe that the Eisenhower administration has done a good job in governing the country in the past 3 years?	89	8	3
8. Do you favor Federal aid to school construction?	53	38	9
9. Should the United States postal service be self-supporting	79	14	7
10. Do you favor a national right-to-work law, outlawing compulsory membership in any labor organization?	86	11	3

The Parris Island Tragedy

EXTENSION OF REMARKS

OF

HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mrs. KEE. Mr. Speaker, recently I was shocked to read of the death of some fine young Americans at the Marine training base on Parris Island.

My first reaction was one of horror. It seemed completely inconceivable that this tragedy could have happened in this country. Even more amazing, the incident occurred in the United States Marines.

Everyone knows that the Marine Corps has a reputation for toughness. It is an important part of the great spirit of a great fighting organization. Each former marine I know takes particular pride in his service. Without exception, every young man I have met who served with the corps wears his former service with a certain air, a knowledge that he was one of the finest outfits in world military history.

On every battlefield the United States Marines have acquitted themselves well. Every volume that tells of the growth of this great Nation has an important place for the leathernecks. It is true now as it was 170 years ago, the marine has no superior as a fighting man. An important part of the secret of his success has always been the training he receives. In a word, it is rough; it's meant to be. Yet for all its roughness there is intelligence, planning and direction to it.

Still in the final analysis any system is only as good as the men who administer it. In the Marine Corps, as indeed everywhere else where man is involved there are instances of abuse and flagrant violation. A review of the record of any criminal court will show that man has a habit of violating his conscience and the best laid plans of God and his fellow creatures. So it is with the Marines.

In every instance the corps tries to find and correct any inequalities or injustices in the system. Their only interest is in maintaining the quality of their organization. Humiliation of the individual and stupidity are not a part of their plan. If those two undesirable qualities crop up occasionally they are committed by individuals and not by the system, nor the men who direct the Marine Corps.

This is a most difficult matter to consider rationally or objectively. The fact is that young Americans have died while taking training under the rules and regulations of a United States Armed Force.

Still, it seems to me that there has been some hysteria toward this tragedy. The papers have been filled with stories about other abuses or alleged abuses in boot camp. Everyone has an opinion and it is usually a very violent one.

However, I firmly believe that this is a matter which the Marines can handle. They have been dealing with the weakness and the strength in men for a great many years. Their discipline and training have always been tough. Their courts-martial records show that there have been abuses before. In every instance they have handled their problems with the same dispatch and efficiency which characterizes every combat action in which they have participated.

Commandant Pate's reaction to the news of the tragedy was instant and commendable. He flew down to the scene to take charge, to make sure that an investigation was launched with the maximum of authority to get the job done; he called for a board of inquiry. At no point can I find reason to criticize the action of the general or any of his officers since the entire incident came to light. They know the full story of what happened and will act accordingly.

Whatever the decision rendered by the board of inquiry, I have every reason to believe that it will be a fair one—fair to the American people, just to the parties involved, and in the finest tradition of the United States Marines.

As to the future of the training programs, I think they are in the best hands right now. If modifications are called for, they will be modified. If the system is right and some individuals are wrong, the individuals will be changed.

We have trusted the United States Marine Corps in war. Now let us have confidence in them in peace. And more, let us pray to God that they might always receive His help and guidance.

The Right To Know

EXTENSION OF REMARKS

OF

HON. FREDERIC R. COUDERT, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. COUDERT. Mr. Speaker, my attention has been called to an interesting and provocative book, The Right To Know, by an old friend, Kent Cooper, executive director and former general manager of the Associated Press. At any time and under any circumstances, anything from Mr. Cooper on the subject of news gathering and dissemination would be worth while. At this time, when the United States is struggling painfully with the difficult dilemma of reconciling the necessity of keeping news of strategic value from potential enemies with the guaranties of the Bill of Rights and the necessity of having an informed and intelligent electorate, this book is most timely.

It is of vital importance that all responsible Government officials should continue to actively concern themselves with the problem of releasing legitimate news of the Government business to the greatest extent possible to the people by press and radio. As Cooper so dramatically points out, the surest way to destroy free government is by suppression and tainting of news sources.

While I do not agree with all of the conclusions and comments contained in this interesting and readable book, I do commend it wholeheartedly to readers interested in this vital subject.

Statement of Hon. Thomas J. Lane, of Massachusetts, in Support of H. R. 10344

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a splendid statement made by our colleague and my very good friend from Massachusetts, Mr. LANE, in support of H. R. 10344, introduced by Mr. LANE—

To establish the concurrent jurisdiction of the Federal Government and the States and Territories with respect to sedition against the Government of the United States, States, Territories, and their political subdivisions.

Which statement was made April 20, 1956, before Subcommittee No. 1 of the House Judiciary Committee.

There is no Member better versed on the subject matter of H. R. 10344 than our distinguished colleague from Massachusetts, Mr. LANE. I might also say there is no Member of the House more devoted in the performance of his duties to his people than my distinguished friend, Mr. LANE, of Massachusetts.

The bill which he introduced, and the statement he made in support of it are evidence of the fine character of service which the gentleman from Massachusetts [Mr. LANE] renders.

The statement follows:

STATEMENT OF CONGRESSMAN THOMAS J. LANE, DEMOCRAT, MASSACHUSETTS, SUPPORTING H. R. 10344, "TO ESTABLISH THE CONCURRENT JURISDICTION OF THE FEDERAL GOVERNMENT AND THE STATES AND TERRITORIES WITH RESPECT TO SEDITION AGAINST THE GOVERNMENT OF THE UNITED STATES, STATES, TERRITORIES, AND THEIR POLITICAL SUBDIVISIONS," SUBCOMMITTEE NO. 1 OF THE HOUSE JUDICIARY COMMITTEE, APRIL 20, 1956

Mr. Chairman, in recent years we have witnessed a gradual erosion of States rights.

It goes without saying, that only the Federal Government can carry out certain functions, but the growing tendency to take over more and more authority, denying to the States even the right of cooperation, will lead to a topheavy centralization of power.

Amendment 10 to the Constitution provides that "The powers not delegated to the United States by the Constitution nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Under the Smith Act, passed by the Congress, the Federal Government is empowered to try and punish those who are accused and are found guilty of sedition.

The law does not specifically prohibit the States from taking such action under their own laws.

The Supreme Court of the United States has recently decided, but with a strong dissenting opinion by the minority, that only the Federal courts have jurisdiction in cases involving sedition.

This has paralyzed the initiative of those States which, under their own laws, have been most active in prosecuting sedition within their own borders.

In turn, this has weakened our total efforts to protect ourselves from the Communist conspiracy, and has had the effect of giving aid and comfort to the enemy.

The Communists are expert in exploiting every legal loophole to their advantage, and will continue to do so as long as we permit them to claim a conflict between Federal and State laws of this issue. Any division plays into their hands.

Obviously, State officials are more familiar with certain aspects of the problem, as well as having the additional facilities to prosecute sedition.

Furthermore, there is a precedent for joint Federal-State action.

Under the Volstead Act, both authorities moved in on violators of the prohibition laws.

Unfortunately, the Smith Act was loosely written.

This fact is generally recognized as a result of the Supreme Court's interpretation.

To compensate for this omission, several bills are up for consideration by the subcommittee.

One of them is H. R. 3 "to establish rules of interpretation governing questions of the effect of acts of Congress on State laws."

I submit that is language altogether too general.

It states "that no act of Congress shall be construed as indicating an intent on the part of Congress to occupy the field in which such act operates, to the exclusion of all State laws on the same subject matter, unless such act contains an express provision to that effect."

This covers all legislation.

It could have far-reaching applications, establishing the principle of precedence and priority on the part of the Federal Government "to occupy the field" if Congress so states, without delegation of that power to the Federal Government by the States through amendment of the Constitution.

Secondly, H. R. 3 provides that, in cases of irreconcilable conflict between acts of Congress and State laws, the Federal law shall invalidate those contradictory provisions of the State laws.

We are primarily concerned here with the problem of sedition alone, and not dealing with possible legislation in which there might be an honest difference of opinion among our people, or progressive legislation which the several States might enact without fear of being subordinated in all cases to the will of Congress.

Again there is no conflict on the issue of sedition.

We need and want the most effective employment of our courts to try and punish sedition.

Acting in concert, we shall make sure that no Communist conspirators will escape.

Speaking in support of my bill, H. R. 10344, I want to emphasize that it is specifically limited to sedition.

And that it will establish a concurrent jurisdiction as among the Federal Government, the States, the Territories, and their political subdivisions, to make certain that the laws and the courts give us full protection against those who conspire to overthrow the Government by force and violence.

To ferret out the Communist intriguers, there must be specific authority under both Federal and State laws for this purpose.

H. R. 10344, by establishing concurrent jurisdiction with respect to sedition keeps us well on the target.

It avoids the suggestion that Congress might expressly provide for the exclusion of all State laws on the same subject matter.

It clearly removes any possibility of judicial conflict of authority in dealing with the Communist danger and without establishing rules of interpretation that might be used in similar circumstances, and regarding other issues as a subterfuge for weakening our cherished institutions.

I submit that H. R. 10344 is strictly to the point.

Southbridge DAV

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the text, in part, of an address I delivered on Sunday, April 22, 1956, at the annual banquet of the Southbridge, Mass., chapter, Disabled American Veterans.

The material follows:

REMARKS, IN PART, OF CONGRESSMAN PHILIP J. PHILBIN BEFORE THE DAV, SOUTHBRIDGE, MASS., APRIL 22, 1956

Distinguished commander, distinguished State commander, Judge Williams, my able and distinguished friends of the general court, Senator Benoit and Representative Cournoyer, distinguished town officials, Gold Star Mothers, officers, members, and friends, it is always with a great sense of privilege that I attend the installations of this outstanding veterans' organization because I am conscious of the fact, as the American people are, that this Nation owes to you and to all our gallant veterans a deep debt of gratitude that can never be repaid.

Moreover, you have not been satisfied to serve in time of war alone and to offer your all on the altar of patriotic devotion. You have also made, and are making, tremendous contributions to the Nation in time of peace.

Your service to this beautiful community in various phases of its civic, economic, and political life, your unselfish service to the State and particularly your untiring efforts for the disabled veterans and their dependents are so well known, so memorable and distinguished, so praiseworthy, that they scarcely need comment from me or anyone else.

However, I gladly embrace this opportunity once again to tell you how deeply and sincerely your fine work is appreciated, and I am sure that it will be continued with the same zeal with which it has been conducted in the past.

I propose this afternoon to discuss with you very briefly some matters relating to veterans' affairs which are presently pending in the Congress and before the country, but before I do that I would like to make some reference to the progress we are making regarding flood-control and flood-rehabilitation work because I know how close to your hearts this subject is, and you know how close it is to mine.

When the great flood disaster struck us last summer and fall, it came like most disasters of this kind without particular warning. Not even our weather services, which usually endeavors to the best of its ability to give us timely reports, was able to present an accurate forecast of the approach and course of the terrible storm which caused such great loss of life and heavy damage in our area.

Most unfortunately and most unhappily this lovely community was afflicted with a sorrowful blow almost without precedent in the history of our State, in fact, I doubt that any similar disaster has ever beset any area in our State as the result of floods and turbulent waters as that which was visited upon us last August and which was augmented during the fall season.

The damage was great and the losses and suffering that followed almost unbelievable but, as I stated in your town hall a few days after this frightful disaster, I am proud and filled with unbounded admiration for this stirring manner in which all the people of your community faced up to this great disaster and the way in which you set to work both in your public and private facilities, to bring order so speedily out of the chaos and confusion and restore vital public services and set into motion the machinery of rehabilitation. Let me emphasize that you are all entitled to great credit, all of your town officials, your able, diligent, effective representatives in the general court, your various civic and business organizations and, indeed, all the people of Southbridge, for the spirit of determination and fortitude which you exhibited in the midst of adversity.

As you know, Government at every level has been participating in the efforts to repair the damage that was wrought and to bring the community back to normal in every respect. In this work your town government has made tremendous contributions and all your town officials to a man, have given their cooperation and assistance.

The State government, which has primary responsibility for the rivers and waterways of the Commonwealth, due in large measure to the unceasing, vigorous, persistent labors of Senator Benoit and Representative Cournoyer, and State agencies, is endeavoring to play its part, and the Red Cross and Federal Government, pursuant to its mandate under the laws, to cope with emergency situations is working and cooperating to the fullest extent possible. For all these efforts we can be thankful, to the Army engineers, civilian defense, Small Business Administration, and all the rest, and we can be thankful most of all for the indomitable spirit and never-say-die attitude of the good people of Southbridge who have made sure that their community will rise up from this disaster stronger, more prosperous, and finer than ever.

I may say that in Washington we are making splendid progress to date with the efforts which I commenced right after the floods and have continued since that time as chairman of the Massachusetts Congressional Delegation Committee on Flood Prevention and Rehabilitation.

So urgently have we pressed the matter of flood protection in this area in our determination to see to it in every way we can that such a disaster will never be visited upon the people again, that almost within a month from the convening of Congress this year, we were able to secure legislation inaugurating several major flood projects in our area including the major dam at East Brimfield, which is considered by the Army engineers to be the key to adequate protection at Southbridge. That project has been authorized and planning money has been appropriated and we expect that before long construction will be underway. I am also pressing for planning money for the project at Westville which is another important part of the overall protective plan and, in time, I expect that that will also be accomplished although the engineers advise me that from an operational standpoint it would be necessary substantially to complete East Brimfield first.

The point I desire to make, my friends, is that we are moving as rapidly as humanly possible toward the desirable goal of full and adequate flood protection for this community and other areas in our State against the ravages and cruel afflictions of periodic floods. And we have been also moving with all possible dispatch with activities designed to effect stream clearance and stream improvement by the removal of rubbish, debris, and other obstructions and to provide for unimpeded flow of the river and the other streams involved.

In this work, among other features, we must understand two things, first, that it is a cooperative undertaking which involves the concurrence and participation of the local governments, and the State government as well as the Federal Government.

Secondly, we must realize that the major projects in mind are of considerable magnitude and require careful planning and construction activities over a period of time and that they cannot be completed over night.

The main thing to remember is that we are making progress, great progress. We are on the right road, moving in the right direction, and if we continue to cooperate with each other as we have been doing up to this point, I venture the prediction that it will not be very long before we will realize our objectives and the people of this community will be able to feel assured that, insofar as anything that can be done to insure them protection against terrible floods, it will have been done and accomplished by the patience, persistency, ability, and zeal of all those to whom responsibility for this work may be committed.

Then there is the question also of disaster insurance which will enable people and businessmen generally to be insured against floods and other disasters. To those of us in this area the arguments for this proposal are unanswerable. Admittedly there are practical difficulties to be worked out concerning the program, and the committees of the Congress are now considering them with vigor and careful attention, and I am hopeful that we will be able in due course to provide a system of insurance that will go a long way toward indemnifying our people against losses from these great disturbances of nature.

This great organization may feel well pleased and well satisfied with the response its membership has made in time of stress and danger. Dedicated as you are to the welfare, interest and defense of the Nation, determined as you are by reason of your own past service to protect it, I know that it is not necessary for me to urge upon you the continuance of your splendid work.

By all means, let us continue to build adequate protection against floods so vitally needed.

And by all means, let us continue to build adequate protection against the dreadful world conspiracy of communism which threatens our liberties at this hour. That is a particular job for patriotic Americans to see to it that the insidious influences of subversive elements is checked.

And let us see to it also that the cause of the veteran and their dependents of the people who have done so much to sustain this country is protected and advanced in the legislative bodies of the Nation and in every other place necessary. Let us make special efforts to assist our disabled veteran and his dear ones and, indeed, all the veterans with reference to the rights and privileges which the Congress has so fittingly extended to them—the GI Bill of Rights—education, homes, hospitalization and medical care and pensions which must be assured and provided at standards commensurate with the higher price levels and the higher cost of living which obtain in the country. In short, let us keep America strong, militarily, economically, socially and, above all, spiritually, since spiritual strength, belief in our Creator and in the great liberties we enjoy is the greatest weapon we have in combating the evil enemies that would destroy us. Let us stand by our ideals, by the principles of the Constitution and the Nation, the rights of the individual, the rights of our people to advance to a more dynamic way of life and we will not only thus protect and secure our liberties but we will be making the greatest contribution possible to a better, more prosperous and happier America and the cause of lasting world peace.

One Hundred Thirty-fifth Anniversary of Greek Independence

EXTENSION OF REMARKS

OF

HON. ANTONIO M. FERNANDEZ

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. FERNANDEZ. Mr. Speaker, in commemoration of the 135th anniversary of Greek independence this year, I arranged, at the suggestion of Mr. Peter Chumbris, formerly assistant attorney general of my State of New Mexico, to have Father George P. Gallos, of the Greek Orthodox Church of the Annunciation in Baltimore, invited to offer the prayer at the opening session in the House on Monday, March 26. Father Gallos offered the following beautiful and inspiring prayer:

> God of our Father, to Thee, author of liberty, to Thee we pray. On this occasion of the 135th anniversary of Greek independence, we ask Thee, Lord, to bless the Greek people. Keep alive in them the love of liberty for which they bravely fought and sacrificed. Grant that the Greek Nation ever may be on the side of justice, democracy, and freedom.
>
> Lord God of Hosts, we pray for America, this land of ours, on which Thou hast bestowed so many rich blessings. Make us worthy of our inheritance. Let not Thy wrath descend upon us. Save us from new ordeals and tribulations, for wars and rumors of wars are shaking the equilibrium of the earth and heavy clouds are invading the tranquil heavens of peace.
>
> O Ruler of the Universe, preserve in harmony those who govern us. Make them vigilant and keep them from falling into the spirit of sloth, faintheartedness, lust for power, and idle talk. Grant them, rather strength to do Thy will, wisdom to govern well, and make them worthy laborers of Thy kingdom, a kingdom of love, goodness, justice, mercy, and peace.
>
> Lord of Love, who didst command the disciples to pray for their enemies and who didst pray for those who crucified Thee, grant that we, too, may forgive those who hate us and show brotherly love to those who maltreat us. Enlighten us, through the light of Thy truth, O Lord, and guide us in the paths of Thy precepts. Amen.

Mr. Speaker, the sons and daughters of Greece who, like Mr. Chumbris, are devoted to the democratic ideals steadfastly followed by the Greek Nation and our own, have contributed to the greatness of America. They, like all other Americans who believe in and adhere to those democratic ideals, are saddened today at the steadfast refusal of the British Government to grant the people of Cyprus the right to democratic self-determination, so that they may govern themselves or may join with Greece, their mother country, in a common government under a common heritage and culture.

And yet from Father Gallos' mouth we in the House heard these words sincerely offered in prayer:

> Lord of Love, who didst command the disciples to pray for their enemies and who didst pray for those who crucified Thee, grant that we, too, may forgive those who hate us and show brotherly love to those who maltreat us.

In our hearts we all pray that the injustices occurring in Cyprus may be righted, and that the British Government and the people of Cyprus may reach a mutual understanding with our Lord's help, guidance and divine light, that will lead to peace and justice for all.

Public Policy Aspects of Automation

EXTENSION OF REMARKS

OF

HON. GEORGE M. RHODES

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. RHODES of Pennsylvania. Mr. Speaker, several weeks ago it was my pleasure to address a Conference on Automation in Pittsburgh, Pa., cosponsored by the Pittsburgh Labor Education Council and Labor Education Service, Pennsylvania State University. My remarks were directed toward the public policy aspects of automation. Mr. Bruno A. Moski, Director of Industrial Engineering, Yale & Towne Manufacturing Co. presented the management viewpoint while Mr. Nat Goldfinger, economist from the Department of Research, AFL-CIO, presented the labor viewpoint. Delegates from AFL and CIO local unions and from lodges of the Brotherhood of Railroad Trainmen from the western Pennsylvania area attended the conference and participated in the discussion which followed the formal presentation of the various viewpoints on this important subject.

Mr. Speaker, this Conference on Automation was an inspirational example of democracy in action, citizens meeting together to discuss the various aspects of a mutual problem which is of immediate concern to the working people of our country. The conference in Pittsburgh made an outstanding contribution toward the more widespread understanding of the impact which automation will have on our social and economic systems. I congratulate the Labor Extension Service of Penn State University and the Pittsburgh Labor Education Council for their outstanding leadership in making the conference an outstanding success and hope that this type of meeting may serve as a model of similar discussions in other parts of the United States.

The text of my address follows:

> Congressional concern over the impact of automation on our citizens, our living habits, and our economy has many different aspects. I would like to discuss some of the more important of them in the brief time allotted me for this initial presentation. Others may come into our discussion as the result of questions following your buzz sessions.

I would like to devote my remarks here today to these major points in regard to automation: (1) Automation in the Federal Government; (2) the broad public policy aspects of automation; (3) the role of the Federal Government in meeting the challenge of automation; and (4) positive steps which should be taken now.

I. AUTOMATION IN THE FEDERAL GOVERNMENT

In our general consideration of automation, we have tended to direct our attention to the application of automation in industrial situations. We have learned of dramatic changes in the production-line uses of automation, whereby hundreds of workers have been replaced by a handful, because of the installation of awe-inspiring machines and electronically controlled operations.

Less has been heard about the impact of automation on various agencies and departments of the Federal Government. A recent article in the Wall Street Journal reported that machines to streamline paper work in the Bureau of Public Debt of the Treasury Department have reduced the number of employees in that office by two-thirds over the past 10 years. Records divisions of the Veterans' Administration and the Social Security Administration are drastically reducing their number of employees through the use of electronic machinery. The Weather Bureau now has a machine which automatically reproduces the weather maps appearing in our daily papers. Weather data is fed into the machine, and in 8 minutes it performs mathematical computations that would take one man 64 years to complete.

The Post Office Department will perhaps have the greatest use for electronic machinery in the years ahead. Already there are various machines in use which sort mail, and perform other similar mechanical functions. The Wall Street Journal reports that encouraging results have been obtained on tests of a new machine which can read typewritten addresses on letters and sort these letters by city of destination.

The Post Office has also installed a new stamp-vending machine for use in post offices. You drop in coins, dial the number of stamps you desire, and they are automatically dispensed. A recorded voice even says "thank you" to the stamp purchaser.

Thus, you see that all of the applications of automation are not confined to the field of industrial production, but affect workers in the Federal Government as well.

II. BROAD PUBLIC POLICY

In view of the broad social and economic ramifications of automation, what should be the role of the Federal Government? Or to phrase it another way, what are the public policy considerations in the impact of automation on our modern civilization? At the outset I feel that the advent of automation on our modern industrial scene requires us to carefully reexamine our basic philosophy of government, since the concern over the changes automation will bring to our daily lives in the years ahead intimately affects this concept of democratic government.

Our democratic system of government in America is unique because it places primary concern on the individual human being, his wants, his needs, his welfare. All power of government reposes in the hands of the individual citizens. Government is successful in terms of its ability to formulate and carry out policies which fulfill the needs and promote the welfare of the people who delegate certain powers to their government. Government which ignores the needs and welfare of all the people, in order to pursue courses of action beneficial to particular groups of its citizens, is violating our fundamental precepts of democratic government. Good government is responsive to the needs of its people and within its constitutional limitations, acts to meet problems or innovations which conceivably could affect the well-being of its citizens. Such response of government to individual situations may be called public policy. Sound public policy, like good government, must be tailormade to meet the needs of our people and must always keep foremost as its objective the promotion of human welfare and human values. Material progress at the expense of human suffering cannot be defended. This is the way of the totalitarian dictatorships and has no place in our democracy.

These are fundamental statements of fact which we must be aware of in the discussion of automation as it affects public policy. I am sure that most Americans today accept these time-honored philosophies of Government, which were written into our Constitution by the Founding Fathers and implemented by practice over the years.

In searching for a governmental policy to effectively deal with the problems raised by automation, we have certain insights gained by past experience. Automation has sometimes been referred to as the second industrial revolution. What policies were adopted by governments in the past when sudden technological changes appeared?

Most authorities agree that the first industrial revolution took place about 200 years ago, while our country was still divided into colonies of Great Britain. We all remember reading of the violent uprisings in England which accompanied the invention and application of labor-saving machinery in mills and factories. Thousands of workers were thrown out of work in the wave of social and political upheaval. As a result, human suffering under the rule of an absolute monarch caused untold misery and deprivation. Economic justification of the changes, brought about by the first industrial revolution, were expressed by the philosophy that government should not interfere in any way with the right of business and industry to carry out policies, even though they might be detrimental to the public good.

This philosophy dominated the 18th and 19th centuries and extended well into our present century. Certain reactionary elements of our business society even today still cling to this philosophy, which is evident in the lack of social responsibility in the pursuit of their policies.

In America, during the late 1800's, the introduction of mass-production methods brought about a notable acceleration of the first industrial revolution. This period marked the development and growth of giant corporate enterprises of such power as to rival our Government itself. "The public be damned," was the motto of these industrial giants. Their wealth and influence dominated the election of public officials at the State and National governmental levels. Unbridled power and wealth was a corrupting influence on the very foundations of democratic Government.

Resurging public opinion demanded regulation of these monopolistic giants. Antitrust laws, regulatory laws, and court decisions were directed against them, but only a portion of their activities were ever brought under control. Legislation such as the Public Utility Holding Act, and the Securities and Exchange Act, passed during the New Deal years, was a later step to protect the public against further exploitation.

Governmental policy during the period of the growth of monopolistic corporate enterprises was generally one of nonintervention. When the abuses and power of these enterprises grew to such a point as to threaten our form of government, public opinion demanded action. But such action against entrenched economic interests was at best only a checkrein to further abuse.

Some people argue that our material progress during the past 75 years and our present high standard of living could not have taken place otherwise. I am of a different opinion. It was not until corporate excesses began to be curbed that any real advancement of the welfare of the individual citizen took place. Labor was crushed by monopolistic corporate power until the depression and the New Deal afforded working people the legal right to organize and bargain collectively. It has been over the past 20 years that the real advances in our standard of living have taken place, and the role played by organized labor in winning a share of the fruits of corporate wealth is a matter of record.

Here is a lesson which was learned 75 years ago and which is applicable to our present discussion of automation. Government must not surrender its duty of protecting and promoting the welfare of all its citizens, especially in times of economic and technological upheavals. Economic and material progress must never again be permitted to travel a road paved with the bodies of workers, crushed in the mad scramble for wealth and power. Human dignity and the public good must not be subverted to personal greed.

Our Government has a legitimate right to become involved at the very beginning of this "Second Industrial Revolution" so that past abuses will never again be repeated. We, as citizens, should demand such public policies as are necessary to insure that the impact of automation will be intelligently directed toward the realization of benefits which will be enjoyed by all our citizens.

III. THE ROLE OF THE FEDERAL GOVERNMENT IN MEETING THE CHALLENGE OF AUTOMATION

There can be not doubt that the problem of automation is a national issue. By the enactment of the Employment Act of 1946 the Congress of the United States gave legal recognition to the duty of the Federal Government to use its resources to create the conditions making for maximum employment, by fostering and promoting conditions which will afford job opportunities for all people desirous and capable of working.

If the results of automation were to take place suddenly and on a broad scale, millions of workers would be thrown out of work, competing against each other for fewer and fewer jobs at lower and lower pay. Our social and economic system would be in a chaos. Widespread depression and mass unemployment poses a dangerous threat to our democratic way of life. It would be disastrous both in terms of human suffering at home and in terms of the opportunity it would afford to Communist imperialism in its plan for domination of the free world. The stakes in the game are high. Either we adopt public policies to study, anticipate, and channel the course of automation toward human betterment, or like the Frankenstein monster, it may rise up to destroy us.

I am confident that intelligent and informed American citizens will not permit the potential blessings of automation to escape us or be turned against us. We will not permit our Government to stand idly by and await the full impact of automation without preparing ourselves for its effects. We cannot afford the luxury of inaction or failure to face up to the realities of automation. If the administration temporarily in control of the policies of our Government fails to take heed of the impending changes which automation will bring to every phase of our lives, I am sure that a new administration will be elected in its place which will take such action as is deemed necessary.

IV. POSITIVE STEPS NOW

What are some of the ways in which public policy can be effectively directed toward systematic preparation for the social, economic and technological changes brought about by automation?

First, there must be a recognition of automation, what it is, what it means, what

we estimate its effects will be, where its impact will be first felt, and other similar fact-finding questions. Meetings such as this are of tremendous importance because these types of questions are discussed. It is also important that the word "automation" and its meanings be made known to the great numbers of our people who do not have the opportunity of attending such meetings and who may not read or hear about automation. There must be widespread recognition and understanding of the problem, not in technical terms but in the basic understanding of what automation means to individual citizens and how the future of all of us depends on the adoption of sound public policy to deal with the problems which automation creates. Government is motivated into particular courses of action by an awareness of its citizens, and their ability to make their opinions known to their appropriate elected representatives who have a role in the formation of public policy.

One way of making your views known is to call the attention of your public officials to hearings before Joint Committee on the Economic Report. The hearings are entitled "Automation and Technological Change" and contain a wealth of information and statistical data submitted by the expert witnesses who appeared before the committee. A subsequent report on these hearings gives a concise statement of the basic facts of the problem of automation and offers policy recommendations to meet this problem.

Secondly, I feel that sound public policy required that every possible effort be made to strengthen our economy at its foundations so that temporary setbacks resulting from technological change may be compensated for elsewhere in the national economy. By this I mean the enactment of a broad legislative program to place greater purchasing power in the hands of the average citizens. This program would include an increase in personal income tax exemptions; an increase in the minimum wage to $1.25 an hour and an extension of coverage; an increase in social-security benefits, a reduction of the retirement age, and a liberalization of other provisions of the law; liberalization of our unemployment compensation system; assistance to areas of chronic unemployment in the establishment of facilities for vocational rehabilitation, education, and retraining of displaced workers, especially older workers, and the attraction of new industries; an expanded health and medical research program; Federal aid for school and hospital construction; full development of our natural resources, and other similar type programs which will have a long-range beneficial effect on our economy while also meeting the most pressing economic needs of our people.

A dynamic, expanding, full-employment economy is perhaps the best way in which we can prepare ourselves for the impact of automation, and guarantee that hardships to displaced workers and their families will be kept at a minimum. A healthy, expanding economy will be able to absorb displaced workers as well as providing job opportunities for our young people entering the labor market.

Thirdly, it is the responsibility of enlightened management to face up to the broad social aspects of automation and understand and accept their full role in the process of technological change. Industry must be prepared to use part of the wealth and abundance created by more efficient and less costly production in the retraining of displaced workers so that their skills might be utilized in other parts of our economy. Industry has the responsibility of carefully planning and scheduling its production, so that loss of employment and resulting human suffering may be minimized. The institution of new automation machinery must be carefully planned so that due consideration is given to the general state of business so that displaced workers may find new employment more readily.

Fourthly, the impact of automation places on organized labor the responsibility of meeting the challenge of technological advancement. I am proud to pay tribute to the statesmanlike position which the leaders of organized labor have taken in this regard. There will be no machine-smashing riots in the second industrial revolution in America, for the new labor-saving machines offer almost unlimited opportunities for human progress if our technical skill and ability are molded to the needs and betterment of all mankind. This does not mean that labor can afford to sit back and await the fruits of abundance created by more efficient labor-saving machinery. Labor must cooperate with enlightened management in the solution of mutual problems so that the mutual advantages which automation has in store for us may be fully realized. Labor must be prepared to offer constructive recommendations in the application of technological changes to specific situations. Labor must educate its membership to understand automation and mobilize public opinion in the community to a realization of the problems, opportunities and the challenge which we must all meet in this spirit of cooperation.

The horizon is filled with glorious opportunities. A bright new day is dawning, if only we can grasp its significance and adopt policies to meet the challenge of automation.

We look forward to shorter workweeks, more leisure time, greater cultural and recreational opportunities, travel, and an enjoyment of the good things of life with our families.

Men of good will—people in all walks of life, in labor, mangement, and in government—working together in a spirit of cooperation and brotherhood can achieve this goal of freedom, security, and abundance for which civilization has been struggling for thousands of years.

Congratulations, Mr. Kearns

EXTENSION OF REMARKS

OF

HON. HAROLD H. VELDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. VELDE. Mr. Speaker, I am sure that all good Republicans and good Americans rejoice in the victory of our colleague, CARROLL D. KEARNS, in the Pennsylvania primaries yesterday. Pitted against him in the primary was one of the most formidable Republicans of his congressional district. He won, by unofficial reports, by more than 21,000 votes.

While I am not a native of Pennsylvania and know little about the political situation there, it does seem to me that this election's results indicate that our colleague, CARROLL KEARNS, is well on his road to a higher office in the great State of Pennsylvania. I believe that he would make an excellent governor, and an excellent Senator, should my good friend, Senator ED MARTIN, retire.

My wholehearted congratulations and best wishes go to my colleague, CARROLL KEARNS, for his future successes.

Slaughter of Israeli Children

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. ANFUSO. Mr. Speaker, on April 11, 1956, a group of Arabs infiltrated into Israel and murdered in cold blood several children and their teachers while they were in the midst of prayer at Habad village. The inhabitants of that village are affiliated with a religious and philanthropic movement whose spiritual head is Chief Rabbi Menachem Schneerson, a resident of my district.

I have since received many telegrams of protest from congregations and various religious organizations in my district. Consequently, I have written a letter to Secretary of State John Foster Dulles urging him to take two steps: Condemn those who are responsible for this wanton murder and request indemnification for the families of the victims.

The following is the text of the letter addressed to the Secretary of State:

APRIL 24, 1956.

The Honorable JOHN FOSTER DULLES,
Secretary of State, Department of State,
Washington, D. C.

DEAR MR. SECRETARY: I am writing to you in connection with the massacre committed by Arab murderers who infiltrated into Israel on April 11, 1956, and slaughtered in cold blood a group of children and their teachers at prayer in Habad village. This is a most despicable act of atrocity committed against young and innocent children, who weren't even given a chance to defend themselves.

The children of this village in Israel are associated with the religious and philanthropic movement known as Hassidim, which is headed by Chief Rabbi Menachem Schneerson, a citizen of the United States and a resident of my district.

I have received no less than 49 telegrams from congregations and various religious organizations in my district, bearing the signatures of the rabbis and presidents of these groups, in protest against the massacre at Habad village. These religious leaders implore our Government to take the necessary measures to prevent similar outrages in the future and the needless shedding of innocent blood.

Public opinion is still one of the most effective means of stopping such atrocities in a civilized world. I, therefore, urge you, Mr. Secretary, to take the following two steps:

First, to express in the strongest possible terms our Government's condemnation of those responsible for this act of murder.

Second, to request indemnification for the bereaved families of the victims.

I feel certain that if these two steps are taken it would greatly discourage such inhuman and barbarous acts in the future.

Sincerely,

VICTOR L. ANFUSO,
Member of Congress.

The wording of the telegram from the religious organizations and congregations, signed by their respective rabbis or presidents, is as follows:

BROOKLYN, N. Y., *April 23, 1956.*

Congressman VICTOR L. ANFUSO,
Washington, D. C.:

The children slain in cold blood while at prayer in Habad Village, Israel, last Wednesday, belong with numerous congregations and schools in America to the same family of Habad Lubavitch followers of purely religious and philanthropic Hassidic movement headed by Chief Rabbi Menachem Schneerson, American citizen, with headquarters in Brooklyn, N. Y. We are our brothers' keeper grieved and heartbroken at cold-blooded murder of young brothers in Holy Land. We demand our Government take energetic effective steps to prevent similar massacre and assure indemnification of bereaved families.

Congregation Bikur Cholilm, Rabbi Sholom Hecht; Congregation Tifereth Israel, Meyer Hasper, President; Congregation Kesser Torah, Rabbi Weinberg I. Rosenberg, President; Congregation Beth Aaron Beth Sholom, Rabbi E. Berman; Congregation Chevra Thilim, M. Bernstein, President; Congregation Skwer, Mr. Holtzman, President; Congregation Emunah Sheleimo, Rabbi A. Jacobson; Congregation Chevra Kadishe, Rabbi A. Katzman; Congregation Shaar Hashomayim, Rabbi Rosenbaum; New Hebrew School, Rabbi S. Spiegel, S. Beck, President; Congregation Oilem Sholeim, M. Widovsky, President; Chevra Mishnayos Anshei Wolin, I. Y. Zwieg, President; Congregation B'nei Israel, Rabbi Samuel Baskin, L. Grossman, President; Congregation Beis Aaron Anshei Sfard, D. Weissman, President; Congregation Machzikei Emes, Rabbi Auerbach; Congregation Arugas Haboshem, Grand Rabbi L. Greenwald, Mr. Rosenberg, President; Chevra Liadi, Rabbi Klein; Congregation Pride of Israel, Rabbi Malenick; Congregation Kehal Chareidim, Rabbi Moskowitz, Mr. Friedman, President; Congregation Balchwer, Ch. Meyer, President; Congregation Anshei Ujehle, Rabbi I. Meisels, J. M. Zeidenfeld, President; Chevra Bikur Cholim, Rabbi S. Novick, A. Goodman, President; Agudas Achim, Rabbi B. Z. Peffer, H. Kuznick, President; Congregation Beth Yitzchok, Rabbi Rabinowitz; Congregation B'nai Yissochor, Rabbi L. Spiro; Congregation Adas Yeshurun, Rabbi Teitz; Congregation Beth Jacob, Mr. Pilchick, President; Congregation Shearith Israel, N. Landman, President; Congregation Bnei Issochor, Rabbi E. Shapiro, M. Mermelstein, President; Congregation Knesset Israel, Rabbi E. Cohen, Mr. Finkel, President; Congregation Torah Utefila, Rabbi A. Levine, Mr. Trattner, President; Congregation Dershowitz, Rabbi M. L. Malik, Samuel Dershowitz, President; Congregation Sheveth Achim, Mr. Jagadnik, President; Congregation Kol Israel, Rabbi Shinaller, L. Yandah, President; Boyaner Kloiz, Rabbi I. Stern, M. Weitman, President; Pirchei Agudas Israel, M. Lazar, President; Congregation B'nai Jacob Anshei Sholom, Rabbi Bunim; Congregation Glory Israel, J. Gilberglat, President; Congregation Ahavas Achim Bnai Israel, L. Kott, Secretary; Young Israel of Willoughby, Rabbi Yachnes, Joe King, President; Chasidei Belza, Rabbi M. Feder, M. Weiss, President; Congregation Or Itzchok, Rabbi E. Rosenbaum, J. Kleinbrand, President; Young Israel of Brooklyn, B. Solomon, President; Beth Hamerdrash Chasidei Amshenov, Rabbi I. Kalish; Adas Yereim, H. Lipshitz, President; Congregation Kehilat Jacob, Rabbi J. Grunwald, H. Lipshutz, President; Congregation Divrei Jechezkal, Rabbi Supnick; Congregation Netzach Israel, Rabbi M. Horowitz; National Council of Young Israel, Meyer Wiener, President, Elijah Stein, Chairman cf Eretz Israel Committee.

A Well-Deserved Award

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. HOFFMAN of Michigan. Mr. Speaker, for his factual, fearless, and exceptionally meritorious work, Clark R. Mollenhoff, of the Des Moines Register and Tribune and the Minneapolis Star and Tribune, has been given the Raymond Clapper Memorial Award.

Many of us in Congress have long realized that Mollenhoff's courage, ability, discrimination, and desire to get and report the facts have over the years given the Members of Congress as well as the public the facts not only in connection with the doings of Wolf Ladejinsky, but that he has been true to what I assume to be the reporter's objective—ascertaining and giving to the public an accurate narrative of the incidents he has been called upon to report.

All too often reporters have forgotten what the public has assumed to be their function—a narration of what actually was said or happened in connection with a specific incident. All too frequently, reading carefully a news story, one has found himself compelled to reexamine the article, determine if possible where the factual statement ended, where the expression of an opinion—an editorial or commentator's function—began.

Mollenhoff is not lacking in either the ability or the courage to express an opinion, but his writings make it easy for the reader to separate the two when they are joined in the same story.

Few reporters or writers have done more to clearly, accurately lay the facts on the record, expose the misuse of health and welfare funds, the dues and special assessments paid by union members, the violence and lawlessness in which some—fortunately a few—of their officials have engaged. The stories which he has written about these activities have been a warning to sincere union members and leaders, a notice to legislators of the need for sound, courageous action by them.

From the following press notice comes the notification of the award:

MOLLENHOFF GETS CLAPPER AWARD

The Raymond Clapper Memorial Award, given annually for exceptionally meritorious work by a newspaper correspondent in Washington, was won last night by Clark R. Mollenhoff, of the Des Moines Register and Tribune and the Minneapolis Star and Tribune.

Mr. Mollenhoff, 12th winner of the award established in memory of the late Washington correspondent, received a $500 check and scroll in a ceremony at the closing dinner of the American Society of Newspaper Editors at the Hotel Statler.

The judges, five ASNE members, awarded him first prize for his stories concerning Wolf Ladejinsky, former United States agriculture attaché in Tokyo who figured in a controversy over Federal security regulations.

The Time To Help Small Business Is Now

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. MULTER. Mr. Speaker, on April 24, 1956, I had the pleasure of addressing the National Association of Tool & Die Manufacturers at its ninth annual dinner held at the Hotel Statler in Washington, D. C. My address follows:

REMARKS OF HON. ABRAHAM J. MULTER, OF NEW YORK, AT THE ANNUAL DINNER OF THE NATIONAL ASSOCIATION OF TOOL AND DIE MANUFACTURERS

Mr. Chairman, distinguished guests, ladies, and gentlemen, it is nice to be with you again even though this is the first time you have invited me to sing for my dinner. I probably should have declined on two grounds. First, I have no union card, and, second, your very fine entertainers would no doubt refuse to appear on the same program with me properly urging that my talent fell short of their minimum criteria for entertainment.

Nevertheless, I am prepared to leave with you some of my thoughts. I know that at least some of you may disagree with me but controversy is good for the American soul; that is, the political soul—particularly in an election year.

It has been my happy privilege to serve on the House Small Business Committee for many years. It is one of the few committees of Congress which has been truly nonpartisan. I cannot recall a single recommendation coming from that committee which did not have bipartisan support.

Therefore you should bear in mind that anything I say that is critical is deliberately intended to be critical but is just as deliberately intended not to be political.

The criticisms that have come from my committee were always made constructively, never destructively, and always made without regard to the political affiliations of the appointee against whom directed.

I sincerely believe that my Republican colleagues on our committee will endorse what I say.

I will try to relate my remarks directly to your interests.

You will hear more and more as the year rolls on that small business is the backbone of our free-enterprise economy and that big business aided by big business in Government is more and more throttling small business.

While none of you are small in the colloquial sense, you are small business in accordance with our legal definition. Each of you represents a business which is independently owned and not dominant in your industry. That is the new language of the statute, which defines small business.

The Defense Department had an arbitrary legal definition that any firm with 500 or more employees was big business and any firm with less than 500 employees was small.

The reason for the change of the definition is important. The Congress found that small business must be protected against the depredations of big business and of big government and accordingly, enacted into law many aids, safeguards, and even preferences for small business.

These laws were enacted because the facts as developed in dozens of hearings, sustained by volumes of testimony and documentary evidence demanded them.

Similarly, almost a year ago we enacted a law repealing the Defense Department's arbitrary definition and making it mandatory that the Small Business Act definition, which I enunciated before, be uniformly applied in all Government agencies.

Now, I do not care whether that policy has not been implemented and enforced by the Defense Department because Charlie Wilson is big business or favors big business or because his subordinates unbeknown to him have failed to do so for fear of antagonizing the boss. You and I are not concerned with the motives, good or bad. We are concerned that the congressional committees that urged that policy upon him before enactment of the law, were told that the policy was a good one and should be the rule.

We are more concerned with the simple incontrovertible fact that a concededly good doctrine was not voluntarily effectuated and the Congress was compelled to and did mandate it. The same agency continues to ignore and flout the law.

That is typical of how small business is being mistreated by the executive department of the Government.

We get fine speeches from the top echelon about broadening the base, integrating small business into Government procurement, both military and civilian, and about requiring the big prime contractors to subcontract a fair portion of their contracts to small business. They come into our hearings and document their slogans and shibboleths with directives and regulations.

Then we go out into the field only to learn that the complaints from small business have increased both in number and in bitterness.

What do we find?

Except for isolated instances we find the procurement offices fighting small business and making it impossible for them to get into the program, withholding plans and specifications, imposing impossible conditions, putting obstacles in the way of performance, demanding changes and extras without compensation, and delaying their payments interminably.

Our latest field investigations were made during the Easter vacation only a few weeks ago.

We found that it took 6 to 9 months for directives to reach the personnel in the field and then too frequently they were promptly ignored by the people charged with enforcing them.

Our Defense Department is still spending about $40 billion per year. How much of it are you getting? Not very much. All the small business throughout the whole country is only getting 17.6 percent of the prime contracts.

I am amused and at the same time terrified by Government economists who prate about our prosperity and our stability.

Our national gross income is stable they tell us. Of course, it is when you add big business income to farmers' income to small business income. The total of the gross is about the same for 1955 as for 1954.

What they do not tell you is that the gross income of big business is up over a billion two hundred million dollars and the gross income of the rest of our economy is down by a billion dollars.

They tell you that bankruptcies for the whole country are no more than in the previous years. Of course, they are. Big business failures have practically disappeared and those of the rest of our economy have nearly doubled.

They tell you that the number of business firms has remained stable in the last 3 years, that is, it has not changed. They do not tell you that in the prior 3 years our economy grew to the extent of 50,000 new firms a year. What about the manufacturing firms with less than $250,000 in assets? We are getting closer home to you now. They are the bulk of your customers. Their prosperity or lack of it, is directly tied to yours.

In the first 6 months of 1952 they netted profits after taxes of $175 million. Last year for the same period they netted only $60 million. Did you get the difference of $115 million? I doubt it.

From 1952 to 1955 these same firms had 40 percent less funds available for reinvestment and expansion. That means 40 percent less with which to buy your tools and dies.

But neither you nor they need investment capital. Oh, no. You just call up your banker and tell him what you need—and try to get it.

A recent survey shows that 10,000 manufacturing companies, many of them your customers, will need about $100 million this year to fulfill their contracts.

Big business borrows long-term money at low rates from the insurance companies, sells bonds to the banks and investment houses or sells stock to the underwriters and the public.

What do you and your customers do?

If the bankers have not yet told you they will. They will say:

"The Secretary of the Treasury and the Federal Reserve Board are afraid of inflation. They are tightening up on credit. They are raising reserve requirements so we will have less to lend. They are making us buy more Government bonds for the same reason. They are raising the discount rates so we must charge you more interest, so that you cannot afford to borrow."

Congress set up a Small Business Administration which should be able to help you but don't be too optimistic about that. The Secretary of the Treasury and the Secretary of Commerce, both big businessmen control the Loan Policy Board of that Administration. Believe me the Congress wants the Small Business Administration to succeed in serving you.

But the latest figures do not augur too well. They show an average of 11,000 inquiries a month. During the first 2 years of operation only 395 direct loans had been made.

In the insecure world in which we live today, America must always be alert and prepared. It is essential in order to maintain a defense potential that we stockpile the necessary machine tools needed in any war effort. Therefore, let us look at a program in which you, the National Tool & Die Manufacturers, are vitally interested. An industrial mobilization program was developed after the Korean incident. Under this program it was intended that the Government spend up to $800 million a year for the acquisition of machine tools considered essential to maintain our defense potential. If this program had been followed America's bastion of defense now would contain about $2,400,000,000 worth of long-lead-time machine tools; the large and complex machines that require for their own engineering and building a period of many months. The economy aspect of this policy is striking. It was reasoned that instead of actually producing weapons in great volume and taking the chance that these might become obsolete before they were needed, it would be more economical to mobilize capability of production equipment, build and keep up-to-date numerous machines which would be available for defense tasks when the need arose. Although the administration developed such a program, little has happened under it. Congress appropriated $250 million for that specific purpose. Only $29 million has been utilized.

Long delays, continual procrastination, and failure to plan ahead have resulted in the almost complete failure of that part of our industrial mobilization program. Purchasing was cut short by a pretended economy in the Defense Department after only a negligible volume of orders had been placed. This great failure has caused fears that in the event of war there will be a repetition of the same difficulties, the same problems, the same desperate need for complicated weapons, and the same restrictions that hampered output of vital weapons in the last two emergencies.

Is that business that was intended for you, now being channeled into big business?

I do not know.

But my committee intends to find out unless blocked by the favorite but much abused answer to congressional committees—the information is classified.

There is another aspect of our economy which is very bad and needs attention. Small businesses complain of the inability to obtain steel, steel scrap, aluminum, copper, nickel, lead, newsprint, plate glass, and almost every essential material. They point out that the historical allotment pattern used by the suppliers discriminates against the small business firms because they are unable to obtain greater allotments as their orders increase. If they are new users, they are not able to get supplies at all. As prices of basic materials rise the small businessman is squeezed by the inability to raise the price of its products or to pass the increased cost on to its customer. I do not pretend to know the answer. I can only say that I am not satisfied with the administration's answer that in a free economy there is no remedy.

Criticism without suggested remedy may in turn be criticized as ineffective. My suggested remedies are simple:

1. Tax relief to small business that will permit it to retain as much of its earnings as it needs for modernization, expansion, and working capital.

2. Appointments to high Government positions of men who understand that small business is the backbone of our economy and who will devote themselves to executing our laws in the spirit in which they were intended to operate so as to aid, not hinder, small business.

3. Finally, to the big businessmen in Government who give me a big pain, every time they tell you they, too, were small once, you should say, "big boy, move over and give me a chance, too."

Thank you for listening to me.

Address by Hon. Herbert C. Bonner, of North Carolina, Before the Hampton Roads Maritime Association, Norfolk, Va., Thursday, April 19, 1956

EXTENSION OF REMARKS

OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 25, 1956

Mr. HARDY. Mr. Speaker, recently the distinguished chairman of the Merchant Marine and Fisheries Committee addressed the 36th annual banquet of the Hampton Roads Maritime Association at Norfolk. It was my privilege to present Mr. BONNER to this gathering of outstanding business people in my district.

The Hampton Roads Maritime Association represents the shipping and maritime interests in the entire Hampton Roads area. Although the majority of its members are residents of my district, its membership includes the leaders of this industry in the Newport News community, represented by my colleague, Mr. ROBESON. This association has been a moving force in harbor development and in the stimulation of the movement of overseas commerce through the great world port of Hampton Roads. It has been tremendously effective because of the outstanding leadership provided by its able officials.

Mr. BONNER'S address includes much valuable information which I believe would be of interest to the entire membership of the House, and for that reason I have asked permission to have it printed in the CONGRESSIONAL RECORD.

The address follows:

ADDRESS BY HON. HERBERT C. BONNER, CHAIRMAN, COMMITTEE ON MERCHANT MARINE AND FISHERIES, UNITED STATES HOUSE OF REPRESENTATIVES, BEFORE THE 36TH ANNUAL BANQUET OF THE HAMPTON ROADS MARITIME ASSOCIATION, NORFOLK, VA., APRIL 19, 1956

President Black, members of the Hampton Roads Maritime Association, distinguished guests, nothing could please me more than to have the privilege to speak to you here in Hampton Roads today in celebration of the 36th anniversary of the Hampton Roads Maritime Association. My interest in your excellent port is twofold.

As chairman of the Merchant Marine and Fisheries Committee in the House of Representatives, I feel deeply concerned about the maritime commerce in and out of all the ports of the United States—and their adequacy to serve the needs of the Nation in times of peace and in times of emergency.

In addition, as a North Carolinian, I view with personal feeling the capacity, the health, and the growth of the great harbor of Hampton Roads which provides a vital link between my home State and the other Southeastern States to the markets of the world. I feel a very close affinity with all you gentlemen and your port when I think of the fact that during 1954, out of more than a quarter of a million net tons of unmanufactured tobacco exported from the combined customs districts of the Atlantic and Gulf coasts, shipments from the Virginia ports totaled over 200,000 net tons, representing better than 60 percent of the total.

I have been thinking back over the years since your association was formed, early in 1920, to organize the efforts of this combined community in the development of the port and the area, in bold effort to hold and develop the overseas commerce which suddenly grew during and immediately following World War I. Our great $3 billion wartime ship-building effort was still not quite completed. Private enterprise was beginning to wake up to the possibilities of American-flag shipping. And, remembering the costly and near tragic consequences of our prewar blindness to the importance of participating with our own ships in the development of foreign commerce—remembering the absolute necessity for maintaining an effective posture of readiness on our sea frontiers—that same year saw the enactment of our first legislative program for a merchant fleet in the Merchant Marine Act of 1920. In 1920 Hampton Roads exported nearly 7½ million tons of goods, worth over $226 million, with imports of 331,000 tons worth well over $10 million. Business was good, and the population of about 200,000 was expanding.

The intervening years have seen many ups and downs—years of recessions, depressions, and prosperity—years of hot and cold wars. They have seen the high hopes of the early postwar years fade from the great expansion with the new ships of World War I, when we carried more than 50 percent of our total exports and imports, to 1935, when, despite efforts in Congress and in the industry to carry out our maritime policy, we found our merchant fleet 2d in tonnage, 5th in speed, and 8th in age, among the fleets of the world. In 1939, when war broke out again in Europe, we were only carrying 22 percent of our foreign trade.

By a miracle of coincidence, some of the errors of World War I were avoided as the result of the timely enactment and implementation of the Merchant Marine Act of 1936. This was followed by the tremendous construction program of modern merchant ships during the war, without which the struggle for democracy would have been lost to the Axis powers. After the war we tried to establish a definite and realistic policy for returning our shipping to privately operated peacetime commerce.

Over the years we have made some progress—but not enough. And the signs, again, point to the old pattern which must be avoided at all costs. During the first 6 months of 1946 the United States merchant fleet carried an average of 67.5 percent of our exports and imports. In 1949, we carried 45 percent, and today we are carrying less than 25 percent of our foreign trade.

The diligent and informed efforts of groups such as yours, which have survived the ups and downs of the dramatic—and sometimes violent—events following the First World War, are perhaps more vital right now than ever before. Today your port ranks third on the Atlantic coast, after New York and Baltimore. Exports from Hampton Roads have more than doubled, both in tonnage and value, since the foundation of your association. More impressively, your imports are 8 times the tonnage of 1920, with a value more than 13 times greater. You are the leading coal port in the United States, and commodities of all kinds move through Hampton Roads to and from all areas of the world. You have modern facilities, excellent shipbuilding and repair yards, good labor relations, and industry of all kinds establishing or expanding plants in the area.

This great development of your port has coincided with the period when we, as a Nation, have adopted a national maritime policy—a policy which, sometimes strongly—sometimes feebly—we have sought to make effective in the interests of our economy and national security.

Yet, with business so good and with the firm bonds of friendship and alliance with the maritime nations of the North Atlantic Treaty Organization, is there a national and economic necessity for our Government to support an American merchant marine?

This Nation had so neglected its merchant marine prior to the outbreak of the First World War in Europe that our ships were carrying only nine percent of our export-import trade. In 1914, while we were still a neutral Nation, we found ourselves without ships for even our basic needs. Our foreign trade was paralyzed, and goods and materials were piling up on the docks.

During that period, much of the foreign-flag shipping upon which we had so heavily relied was withdrawn because of the outbreak of war in Europe. Thus, even before the heavy movement of munitions, ocean shipping rates went up 700 percent. By the time this country entered, these rates skyrocketed to 2,000 percent.

Our experience in World War II was a little better. At least the beginning of a modern American-flag merchant marine had been started under the impetus of the Merchant Marine Act of 1936. Despite the vastly greater demands upon shipping, at no time during that period did American shipping rates rise higher than 70 percent.

Think of where we—and probably the world—would be today if we had not come out of World War II with a strong merchant marine in operating condition, ready to serve in the rehabilitation of the war-torn and weakened countries of Europe and Asia—and thereby provide a bulwark against the insidious advances of communism.

Then we had the years of the Korean conflict, which was supposed to be a United Nations war. At that time, even though the fleets of friendly nations had been extensively restored through purchases of surplus vessels from the United States at bargain-basement prices, it was American ships that supplied better than 80 percent of all ocean transportation to Korea.

I hate to think of what would have happened to ocean shipping rates if there had not been an American fleet to hold the line.

In one sense, it seems incredible that the need for an American-flag merchant marine can still remain a subject for debate. Yet, even today, there are many Americans, including some in high quarters, who fail to realize that a reasonably powerful American merchant marine is more than an arm of our military defense. Of equal if not greater importance, the merchant marine is the protection which provides against a strong enemy on the economic front. It is our guarantee that American exports will reach their markets speedily and in competition with other producing countries of the world. And it is our insurance that we will receive the imports that are so necessary to maintain our economy.

Of 38 critical industrial metals and minerals vital to our industrial society, the United States is self-sufficient in only 9. We import by ship two-fifths of our copper, and nearly one-third of our lead and zinc—all classified as strategic minerals by the Munitions Board. We are almost entirely dependent upon foreign sources for tin, nickel, and platinum. And, of the 20 alloying elements necessary for steel production, the United States is deficient in about a dozen. These facts speak for themselves as to the vital necessity for an American merchant marine.

Less than 2 years ago, the Congress enacted Public Law 664, known as the Cargo Preference Act. I am sure you are all familiar with this legislation. It provides that at least 50 percent of all the United States cargoes given away or sold for foreign currencies must be transported overseas on privately owned United States-flag vessels, if such vessels are available at fair and reasonable rates. Prior to the enactment of the permanent 50–50 law, beginning with the Marshall plan, there was an annual fight each time a foreign-aid bill came up in Congress over the inclusion of the cargo preference clause. This happened no less than 11 times.

This policy has been the salvation of the American merchant marine during these postwar years. Foreign-aid programs have constituted the bulk of our export foreign commerce. These programs have been conducted on a government-to-government basis, and are totally lacking in the characteristics of ordinary commercial practices. Had it not been for this policy of assurance of 50 percent of these cargoes for United States-flag vessels, I am certain that much, if not all, of the freight would have been directed to the shipping of other maritime nations.

In 1955, when the Cargo Preference Act was less than a year old, charges appeared in the press to the effect that the administration's program for selling farm surpluses

overseas was "running into a bottleneck because of a ship-American provision in the law." It was alleged that the Department of Agriculture was having trouble finding space on American vessels.

We, on the Merchant Marine Committee, were deeply concerned by these allegations and scheduled an immediate investigation.

After full hearings, the committee found no basis in fact for the charges. There was no evidence that shipments to foreign countries of surplus agricultural commodities were being delayed in any way by reason of the Cargo Preference Act. The plain truth is that the act could not have any such effect.

Despite the convincing and objective record of our investigation into the administration and operation of the Cargo Preference Act, an effort was made to nullify its effectiveness by an amendment to a foreign-aid bill reported to the House in May of last year. After spirited debate on the floor of the House, the amendment was defeated by an overwhelming majority, and the 50–50 principle again received a resounding vote of confidence.

But the attacks upon the law did not cease. They shifted to other flanks, but increased in intensity. Allegations were made during the latter part of last year by farm groups and others that the surplus disposal program under title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.) was suffering by reason of the application to it of the 50–50 cargo preference law. It was said that foreign countries refused to enter into agreements subject to the 50-50 shipping provision; that the operation of the law results in American agriculture providing an indirect subsidy to American shipping, to the detriment of the disposal program; and that the existence of the 50-50 law establishes an undesirable precedent in world trade and offers encouragement to countries which are disposed to adopt similar discriminations in favor of their own national flag.

Again, the House Merchant Marine Committee felt obliged to examine the operation of the law in relation to the farm surplus disposal program.

In hearings held over a period of 3 weeks, during which some 38 witnesses appeared before the committee, we heard expressions of every possible point of view. We spent 2 full days receiving testimony from the administrator of Foreign Agricultural Services and other top officials of the Department of Agriculture, in order that we might overlook no fact bearing upon the opposition which the Department had expressed to the application of cargo preference to the surplus commodity program. The State Department likewise expressed objections to the law. This was, of course, no surprise and nothing new for the State Department. Since I have been in Congress they have opposed almost every bill designed to strengthen the American merchant marine. Opposition was also expressed by the International Cooperation Administration. In addition, we invited the testimony of agricultural groups who were known to have expressed objections to the 50-50 principle. We went still further. We took the unusual step of inviting one of the leading shipping men of Northern Europe. He came all the way from Norway and gave us his views. The American shipping industry was called upon to account for its stewardship in carrying out the 50-50 law and of assuring the success of the agricultural surplus disposal programs.

These two exhaustive and objective studies of the operation of the Cargo Preference Act have proved conclusively that it has not, does not, and cannot work any serious detriment to American agriculture. Now, let me say a few words of what it means to American shipping. The implications of it are devastatingly simple.

The Chairman of the Federal Maritime Board brought out some interesting but, in some respects, disturbing figures. During the years 1953–54, American-flag vessels carried only 23 percent of the dry cargo exports from the United States. In other words, this low percentage obtained even with the assistance provided by the 50–50 provision; the loss of those aid cargoes by the removal of 50–50 would reduce our carryings from 23 percent to 19.5 percent.

In the past 2 years the 9½ million tons of aid cargoes produced estimated freight revenues of $142½ million. The Board Chairman concluded that the financial return to the United States from the application of 50–50 far exceeded the small differential of $3 million charged to Department of Agriculture appropriations. Much of this freight revenue was returned to the Government in taxes. Another substantial part was deposited to statutory reserve funds to be used for the construction of new vessels to replace those which are now becoming obsolete. And, of course, bearing in mind the portion of those cargoes carried by American-flag tramps, that segment of our merchant marine was virtually kept in existence by earnings from foreign aid freights. Living in our greatest coal port, you here in Hampden Roads can appreciate the dangerous significance of the loss of those 70-odd Liberty ships that make up our tramp fleet.

I like to think our efforts to bring out the truth about 50–50 have not been in vain. It was reassuring and gratifying when the Senate voted overwhelmingly to strike a provision from the farm bill which would have seriously crippled the 50–50.

I realize I have devoted considerable time to the Cargo Preference Act and its meaning to the American economy and security. I have done so because I believe it is one phase of the problem where we, in the Congress, have been most effective.

If there were such a thing as a free international trade, I, for one, would favor the full, open and fair competition. Unhappily, we do not have today anything approaching free international trade. On the contrary, we have our vast Government-sponsored foreign aid and rehabilitation programs, a program for the disposal of agricultural surpluses, at reduced prices with payment in foreign currency, and programs for the importation of strategic materials—all conducted outside the normal channels of trade. We are confronted with currency exchange problems in many countries. We are confronted with numerous instances of Government monopolies in foreign countries where nationalistic policy directs transportation on vessels of their own flag. In the face of these overwhelming obstacles, the survival of our merchant marine is heavily dependent upon continuing interest and support of our Government.

We, in Congress, are trying to do our share to develop and maintain the merchant marine which we need. But we cannot do it all.

In my many years with the Merchant Marine Committee, I have been concerned with the expense involved in the Government's support of our maritime policy, and yet each year we seem to be falling behind in progress toward the goals set forth in the Merchant Marine Act of 1936.

Today, more people with higher incomes are creating an expanding market for homes, durable goods, and for many items which were once considered luxuries or nonessentials. Along with all this demand for new goods has come new demands for travel, brought on by paid vacations and a reduction in the workweek. At present the population of the United States is increasing at the rate of almost 3 million persons per year. I have heard estimates that by 1965 it will be one-fifth larger than it was in 1953—while production will be one-half again greater—disposable income per person will be one-third larger—and the hours of work one-tenth less.

These trends are not something which developed this year, or this administration, or the previous one—they have been clearly present for years. Yet, today, this Nation, which prides itself on its greatness—its technical and inventive genius—and its productivity, is able to provide only a small fraction of the means for transporting its foreign commerce, upon which it depends more than any other nation in the world.

At present levels, our export foreign trade is almost three times the monthly average of 1.9 million tons exported in 1938. Our 1955 imports are double the 1.7 million tons imported monthly in 1938.

While overseas passenger traffic is expanding at an unprecedented rate, we have much less than one-third the passenger capacity that we had in 1939. In 1954, American-flag steamship lines, operating their passenger vessels at near capacity, carried only 18 percent of the tremendous passenger movement between the east coast of the United States and the tourist mecca of northern Europe. Today the percentage is undoubtedly even less, in view of new foreign ships which have entered the services.

I am keenly aware that nearby we have one of the greatest shipyards in the United States. So it is particularly appropriate that I refer briefly to a hope—yes, an intense desire—that the members of my committee have entertained for some time. You all know that the flagship and pride of the American merchant marine is the great superliner, *United States*. To watch that ship glide majestically up the North River in New York is a wonderful sight. It is as much a part of America as the Star Spangled Banner.

The trouble is we need another, a sister-ship, in order to provide a well-balanced passenger service to northern Europe under the American flag. With 1 ship it is like walking on 1 leg. So, it is our hope that before many months go by we will hear the familiar and heart-warming sound of those giant cranes and see the hustle and bustle of activity in the building of another great merchant ship—a new steamship *America*—with all the speed, comfort, and safety of the steamship *United States*. At this time I wish to pledge the full and wholehearted support of the Merchant Marine Committee to the fulfillment of that purpose. If legislation is, or becomes, necessary, I am sure I speak for my colleagues on the committee when I give public assurance of speedy, careful consideration to a feasible proposal.

In the extensive inquiries which the Merchant Marine Committee has made into all phases of our merchant marine, I have seen deficiencies which should be corrected. For example, there are problems in the labor-management field. But I do see hope for improvement in those relationships. There are serious problems in other areas too, that we are struggling to remedy.

I do not mean to imply that all is bad or hopeless. Nevertheless, shortcomings stand out like a sore thumb in every phase of our merchant marine. Part of the reason for this lies in the fact that so much Government money is involved. By the same token, we must all be vigilant and strenuous in our efforts to preserve the merchant marine of this country against attack from both within and without. This means, first of all, cleaning out all the dirty corners, and then, keeping the house in good order at all times.

SENATE

Thursday, April 26, 1956

Rev. K. K. Haddaway, D. D., minister, Wesley Methodist Church, Washington, D. C., offered the following prayer:

O God eternal, we pray for Thy guiding presence as we lift our hearts unto Thee this day. As Thou hast been in life throughout history, even so come anew into our lives in our generation.

For our Nation, born in the freedom which Thou didst implant in the hearts of our forefathers, we thank Thee. For the steady march of dedicated and resolute souls, who have chartered our course and who have led us, we thank Thee.

We pray for divine leading in the present moment of history. We know that we have reached a high level of discovery concerning the things of this universe, and all at Thy hands. And we pray now that we may discover that we are spirits in Thy love striving to build a better world.

Eliminate, we pray Thee, all prejudice and ugliness in our hearts, and grant that we may see all souls as in Thee, and work through Thy grace to build a safer and better world for the whole of mankind.

May Thy blessing rest upon these, Thy servants, who represent our people. They are responsible unto Thee. Thou art counting upon them, as are we. So may they serve as to bring in Thy kingdom on earth. In Thy spirit and love, we pray. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 25, 1956, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary;

The Subcommittee on the Air Force of the Committee on Armed Services;

The Committee on Armed Services; and

The Committee on Interstate and Foreign Commerce.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take action on the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

Floyd Sherman Bryant, of California, to be an Assistant Secretary of Defense, vice Franklin G. Floete, resigned; and

Lewis E. Berry, Jr., of Michigan, to the Deputy Federal Civil Defense Administrator, vice Mrs. Katherine G. Howard, resigned.

Mr. CASE of South Dakota. Mr. President, from the Committee on Armed Services I report favorably the nomination of Lt. Gen. George Henry Decker to be assigned to a position of importance and responsibility designated by the President, in the rank of general. General Decker's contemplated assignment is Deputy Commander in Chief, United States European Command. I ask that this nomination be placed on the Executive Calendar.

The PRESIDENT pro tempore. The nomination will be placed on the Executive Calendar.

Mr. CASE of South Dakota. Mr. President, also from the Committee on Armed Services, I report favorably 4,889 nominations representing appointments, promotions, and transfers in the Regular Army, all in the grade of lieutenant colonel and below. These names have already appeared in the Congressional Record, so to save the expense of printing on the Executive Calendar I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. Without objection, the nominations will lie on the desk, as requested by the Senator from South Dakota.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

FEDERAL MARITIME BOARD

The Chief Clerk read the nomination of Clarence G. Morse, of California, to be a member of the Federal Maritime Board.

Mr. JOHNSON of Texas. Mr. President, I ask that that nomination be passed over.

The PRESIDENT pro tempore. The nomination is passed over, by request.

UNITED STATES COAST GUARD NOMINATIONS PLACED ON THE SECRETARY'S DESK

The Chief Clerk proceeded to read sundry routine nominations in the United States Coast Guard, which had been placed on the Secretary's desk without printing.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Coast Guard are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, I ask that statements made during the morning hour be limited to the usual 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Foreign-Trade Zones Board

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Foreign-Trade Zones Board, together with the reports covering the operations during the same period of foreign-trade zones Nos. 1, 2, 3, 4, and 5, located, respectively, at New York City, New Orleans, San Francisco, Los Angeles, and Seattle, for the fiscal year ended June 30, 1955 (with accompanying papers); to the Committee on Finance.

Suspension of Deportation of Aliens—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of James Henry from a report relating to aliens whose deportation had been suspended, transmitted to the Senate on January 17, 1955; to the Committee on the Judiciary.

Admission of Displaced Persons—Withdrawal of Names

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of Sing Sung Poa, and Sang Cheng Dwu, and Mary Hsiang-Yuin Dwu from reports transmitted to the Senate on June 23, 1955, and January 16, 1956, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of their immigration status (with accompanying papers); to the Committee on the Judiciary.

Establishment of Certain Positions in Department of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented (with accompanying papers); to the Committee on Post Office and Civil Service.

PETITION

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Connecticut Society of the Sons of the American Revolution, at Cheshire, Conn., urging a prompt return to the gold standard, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 2913. A bill to extend for 2 years the Advisory Committee on Weather Control (Rept. No. 1866);

S. 3164. A bill to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska (Rept. No. 1867);

S. 3265. A bill to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in foreign commerce of the United States (Rept. No. 1862);

S. 3391. A bill to provide for the regulation of the interstate transportation of migrant farm workers (Rept. No. 1870); and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes (Rept. No. 1863).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3113. A bill to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended (Rept. No. 1861); and

S. 3163. A bill to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska (Rept. No. 1868).

By Mr. PURTELL, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 7952. A bill to require the inspection and certification of certain mechanically propelled vessels carrying passengers (Rept. No. 1872).

By Mr. PURTELL, from the Committee on Interstate and Foreign Commerce; with amendments:

S. 3072. A bill to require the inspection and certification of certain vessels carrying passengers (Rept. No. 1871).

By Mr. RUSSELL, from the Committee on Armed Services, with an amendment:

H. R. 483. A bill to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps of the Army and Navy (Rept. No. 1869).

PAYMENT TO OWNERS OF NON-FEDERAL WATER-USE FACILITIES FOR HYDROELECTRIC POWER BENEFITS

Mr. GOLDWATER. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with an amendment the bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydroelectric power benefits realized by the United States therefrom, and for other purposes, and I submit a report (No. 1865) thereon. I ask unanimous consent that the minority views on the bill may be submitted and printed when available.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar; and the minority views may be submitted and printed, as requested by the Senator from Arizona.

FEDERAL FLOOD INSURANCE ACT OF 1956

Mr. LEHMAN. Mr. President, from the Committee on Banking and Currency. I report favorably an original bill to provide insurance against flood damage, and for other purposes, and I submit a report (No. 1864) thereon.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3732) to provide insurance against flood damage, and for other purposes, reported by Mr. Lehman, from the Committee on Banking and Currency, was read twice by its title, and placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEHMAN:

S. 3732. A bill to provide insurance against flood damage, and for other purposes; read twice by its title and placed on the calendar.

(See the remarks of Mr. Lehman when he reported the above bill from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. THYE:

S. 3733. A bill for the relief of Aftim Saba; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3734. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GOLDWATER:

S. 3735. A bill for the relief of Luciana Papa Powell; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3736. A bill for the relief of Joan F. Roby; and

S. 3737. A bill for the relief of Lina Gertrude Mattingly and her minor children, Ellen Anna, Vincent, and Deannia Maria; to the Committee on the Judiciary.

By Mr. CLEMENTS (for himself, Mr. Humphrey, and Mr. Lehman):

S. 3738. A bill to amend the Agricultural Act of 1949, as amended, to provide for the cost of processing of surplus commodities for distribution; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Clements when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself, Mr. Clements, Mr. Lehman, Mr Young, and Mr. Wiley):

S. 3739. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, to authorize payment of ocean freight on surplus commodities distributed overseas by voluntary agencies; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Humphrey when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL (by request):

S. 3740. A bill for the relief of Charles H. Denny and Dorothy Mae Denny, his wife; to the Committee on the Judiciary.

By Mr. DANIEL (for himself and Mr. Johnson of Texas):

S. 3741. A bill to provide for the inclusion of United States Commissioners within the purview of the Civil Service Retirement Act of May 29, 1930; to the Committee on Post Office and Civil Service.

By Mr. MORSE (for himself and Mr. Neuberger):

S. 3742. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and of forest reserves created from the public domain, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Morse when he introduced the above bill, which appears under a separate heading.)

By Mr. LONG (by request):

S. 3743. A bill to add certain federally owned land to the Lassen Volcanic National Park, in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY:

S. 3744. A bill to establish a United States Court of Appeals for Patents, and for other purposes; and

S. 3745. A bill to limit the life of a patent to a term commencing with the date of the application; to the Committee on the Judiciary.

(See the remarks of Mr. O'Mahoney when he introduced the above bills, which appear under a separate heading.)

By Mr. LEHMAN:

S. 3746. A bill for the relief of Ernest Braun (Mikulas Neufeld) and his wife, Judith Braun (Judith Neufeld); and

S. 3747. A bill for the relief of Harry Siegbert Schmidt; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3748. A bill to enhance the security, defense and economic potential of the United States by increasing the number of graduate engineers and scientists through a grant of Federal scholarships on a competitive basis to prospective students in those fields; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Clements when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF AGRICULTURAL ACT OF 1949, RELATING TO COST OF PROCESSING SURPLUS COMMODITIES FOR DISTRIBUTION

Mr. CLEMENTS. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. Humphrey], and the Senator from New York [Mr. Lehman], I introduce, for appropriate reference, a bill to amend the Agricultural Act of 1949, as amended, to provide for the cost of processing of surplus commodities for distribution. This proposed legislation would grant authority to the Commodity Credit Corporation to pay any necessary processing costs, when surplus foods owned by the Corporation, are made available to the school lunch program and charitable institutions in this country, as well as to needy persons in friendly foreign nations.

The bill which we are introducing today is identical to an amendment to the farm bill, which we sponsored, and which was adopted by both Houses.

I feel that every Member of the Senate who is interested in making the best use of Government-owned surplus foods will support this measure. The cost will be small but the returns will be very substantial, in terms of increased disposition of wheat and corn under the donation program.

Section 416 of the Agricultural Act of 1949, under which these food donations are made, was modified in 1954, by Public Law 480, to permit the Corporation to pay certain costs in connection with the donation program. This liberalization was a very important factor in achieving a substantial increase in disposals. For example, in fiscal year 1955, over a billion pounds of surplus foods moved into consumption under the donation program, over 79 percent more than in the previous year, and additional gains are being accomplished this year.

Among other things, the liberalized section 416 authority permitted the Corporation to pay necessary reprocessing costs. It did not, however, provide for the repayment of original processing costs by the Corporation. This is proving to be a stumbling block in achieving the increased utilization of wheat and corn, for these foods cannot now be made available by the Corporation as wheat flour and corn meal.

During the last session, Congress enacted legislation authorizing the Department of Agriculture to use section 32 funds to pay the cost of processing wheat and corn into flour and meal for distribution to needy persons and families in this country. However, any State wishing to use surplus wheat and corn in its schools and charitable institutions must accept the raw grain and contract for its milling. Likewise, private welfare agencies distributing foods to the needy overseas must accept the raw grains.

To me, it does not seem reasonable that there should be this distinction, because all of these outlets represent worthy and constructive uses for our surplus foods. There are, in addition, many other sound arguments for this proposed legislation.

Instead of the 48 States and some 40 private agencies all trying to contract for the milling of these grains, the bill would permit the Commodity Credit Corporation to purchase under a series of standard specifications and extend the privilege of participating to all millers on an equal basis. As I understand it, some millers are not effectively eliminated because the lower market value of milling byproducts in their areas places them at a disadvantage in negotiating with the States and with private welfare agencies. Moreover, I also understand that without this proposed legislation very little of the grains made available for overseas relief will be milled in this country. The cost to the Commodity Credit Corporation would not be increased appreciably, because of the value of the milling byproducts. Against this small increase in cost can be balanced the advantages of a much simpler program that would help insure the maximum possible utilization of these surplus grains.

I therefore urge the Senate to go on record as favoring this bill. By so doing, we will be removing an unnecessary barrier to the increased utilization of our record supplies of food surpluses.

I ask unanimous consent that the bill may be printed in the Record, as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3738) to amend the Agricultural Act of 1949, as amended, to provide for the cost of processing of surplus commodities for distribution, introduced by Mr. Clements (for himself, Mr. Humphrey, and Mr. Lehman), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, RELATING TO PAYMENT OF OCEAN FREIGHT ON CERTAIN SURPLUS COMMODITIES

Mr. HUMPHREY. Mr. President, on behalf of myself, the Senator from Kentucky [Mr. Clements], the Senator from New York [Mr. Lehman], the Senator from North Dakota Mr. Young], and the Senator from Wisconsin [Mr. Wiley], I introduce, for appropriate reference, a bill to amend the Agricultural Trade Development and Assistance Act of 1954, to authorize payment of ocean freight on surplus commodities distributed overseas by voluntary agencies.

I ask unanimous consent to have printed in the Record a statement, prepared by me, relating to the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the Record.

The bill (S. 3739) to amend the Agricultural Trade Development and Assistance Act of 1954, to authorize payment of ocean freight on surplus commodities distributed overseas by voluntary agencies, introduced by Mr. Humphrey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. Humphrey is as follows:

STATEMENT BY SENATOR HUMPHREY

On behalf of myself, and Senators Clements, Lehman, Wiley, and Young, I have introduced a bill exactly the same as language already approved by this body, by the House, and agreed to by spokesmen for the administration.

This same language was in section 309 of the bill (H. R. 12) to provide an improved farm program, as it passed the Senate, but has gone down the drain along with many other worthwhile improvements.

I hope it can be given speedy approval as a separate piece of legislation to expedite constructive use of our surplus commodities.

The purpose of this measure is to facilitiate the broader utilization of America's farm surpluses in overseas programs and disaster relief efforts of American religious and other voluntary relief agencies.

Under the provisions of Public Law 480, such voluntary agencies have made a substantial contribution to overseas relief and rehabilitation, distributing surplus foods and other commodities to the homeless and destitute in more than 70 countries.

During the fiscal year 1956, 18 agencies will distribute more than 800 million pounds of surpluses to needy people abroad.

The amendment proposes that ocean-freight charges on commodities delivered to voluntary agencies under title III of Public Law 480 may be paid from funds available under title II of Public Law 480 upon a determination by the President that this is in the interest of the United States. It also provides that ocean freight may be similarly paid on commodities donated for disaster or other urgent relief under title II of Public Law 480.

The amendment increases the authority of the President to use surplus commodities for disaster, famine, and other urgent relief, from $300 million to $500 million, for the period ending June 30, 1957.

The amendment increases the effectiveness of the individual financial contributions of American people for foreign relief. It takes advantage of the sincere desire of religiously motivated peoples of all faiths to help feed the needy, wherever they may be, to speed up the disposal of our agricultural surpluses.

Eighteen voluntary agencies participated in freight reimbursement for the distribution of agricultural surpluses abroad during the fiscal year 1955. These organizations were American Friends of Austrian Children; American Friends Service Committee; American Jewish Joint Distribution Committee; American Mission to Greeks; Assemblies of God, Foreign Service Committee; Catholic Relief Services, National Catholic Welfare Conference; Church World Service, National Council of Churches; CARE; Foster Parents' Plan for War Children; International Rescue Committee; Iran Foundation; Lutheran World Relief; Mennonite Central Committee; Rumanian Federation; Save the Children Federation; Tolstoy Foundation; Unitarian Service Committee; United Lithuanian Relief Fund of America.

These agencies are now making their plans for programs in the year ahead, and need to know the basis upon which such planning must be done. They were greatly encouraged by the action of Congress in approving this measure as an amendment to the farm bill. They face less effective operations now, however, unless the authority can be restored.

It is my hope that this once-approved proposal can be reported out of Committee immediately, and approved automatically at our next calendar call. Similar action is being taken in the House, to get this legislation to the President quickly for his signature.

Further information about the bill and about the work of the voluntary agencies in this field is contained on pages 4709–4710 of the Congressional Record for March 14, 1956; in my remarks at the time this same language was approved by the Senate as an amendment to the farm bill.

FOREST AND WOODLANDS USE ACT

Mr. MORSE. Mr. President, on behalf of myself, and my colleague, the junior Senator from Oregon [Mr. Neuberger], I introduce, for appropriate reference, a bill declaring a national policy on the

development of our public lands for recreation and wildlife use. Somewhat similar bills have been introduced by several Members of the House, including the distinguished chairman of the House Interior and Insular Affairs Committee, the Honorable Clair Engle. I should like to explain in a few words why I am introducing this bill. It is high time that we spelled out a congressional policy for the guidance of the executive branch and its Bureau of the Budget in this vital field. Already—and this is significant—the Senate Appropriations Committee has been taking steps to develop recreational use by making modest increases in funds. However, it is both desirable and necessary that we crystallize our thinking through the legislative procedure available. That is by holding hearings on a bill and hammering out a clear policy and securing its enactment into law. Then, we will get real results.

Now this bill proposes that recreational use—and I stress the word use—and the development of wildlife habitats on Federal lands are just as important as other activities.

Secondly, the bill sets tentative levels of expenditures which are somewhat in excess of the money now being provided. I would like to note here that we are spending virtually nothing on the public domain for recreation and our expenditures on the national forests are only 1 3/10 cents per person which, for all practical purposes, is very close to nothing.

Thirdly, this bill will not affect the amounts available for in-lieu payments to local governments.

Fourthly, the bill is intended to apply to those national forests created from the public domain and to the public-domain lands under Bureau of Land Management jurisdiction. This bill does not include acquired lands or revested lands, such as the O. & C. grant nor does it include the national parks which are under a separate program.

I hope this bill will be carefully studied by conservationists and all other interested groups. The hearings and testimony by interested people will provide an opportunity for complete consideration of our recreational needs and the perfection of a long overdue congressional policy on recreation.

I ask unanimous consent that the bill may be printed in the Record at this point, as a part of my remarks.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3742) to establish as a policy of Congress public use of public domain forest lands and woodlands, and of forest reserves created from the public domain, and for other purposes, introduced by Mr. Morse (for himself and Mr. Neuberger), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That this act may be cited as the Forest and Woodlands Use Act.

Sec. 2. That it is the policy of Congress that all of the resources of the public domain shall be so managed, conserved, utilized, and developed as to assure maximum public multiple use thereof, that public use for purposes of recreation is a beneficial and proper use of public domain forest lands and woodlands, and of forest reserves created from the public domain, and that development and maintenance of such areas for maximum safety, sanitation, and wildlife habitat values, and the concurrent maintenance of timber, wood, and forest values, including sources of water, is a proper function of the Federal Government.

Sec. 3. Of the moneys received as the share of the United States from public domain forest lands, woodlands, and forest reserves created from the public domain, during the fiscal year ending June 30, 1956, and each fiscal year thereafter, there shall be available as of July 1, 1956, an amount equivalent to 10 percent thereof, but not to exced $7,500,000 in any year, which amount is hereby authorized and directed to be set apart in the Treasury of the United States as a special fund to be appropriated and made available to the Departments of the Interior and Agriculture until expended as provided in section 3 of this act.

Sec. 4. The Secretary of the Interior, in the case of public domain forest lands and woodlands in the several States and Alaska, and the Secretary of Agriculture, in the case of forest reserves created from the public domain in the several States and Alaska shall prescribe such regulations governing the expenditure of funds appropriated and made available by section 2 of this act as will assure:

(1) the developemnt, maintenance, and operation of such areas for recreational use;

(2) improvement and maintenance of wildlife habitat thereon; and

(3) provision for adequate safety, sanitation, and health measures and facilities,

in accordance with the current and prospective public multiple use thereof: *Provided*, That no part of such moneys shall be used for the acquisition of land: *And provided further*, That whenever the amounts made available hereunder but not appropriated for the ensuing fiscal year aggregate more than $7,500,000, the excess above that amount shall be returned to the general fund of the Treasury.

Sec. 5. Whenever forest lands, woodlands, and forest reserves created from the public domain have been substantially improved for recreational purposes, and whenever by reason of the provision and use of special services and facilities thereon use fees and charges are collected by the administering agency, moneys so collected shall be covered into the Treasury and shall constitute a special fund which shall be available for annual appropriation and made available to the Secretary of the Interior and Agriculture, until expended for the purposes set out in section 3 of this act: *Provided*, That the amount of funds made available under section 2 of this act shall, at the end of each fiscal year, be reduced by the amount of the use fees and charges made available during that fiscal year in the special fund herein established.

PROPOSED LEGISLATION RELATING TO PATENTS

Mr. O'MAHONEY. Mr. President, I desire to introduce for appropriate reference, two bills relating to patents. The bills are the result of prolonged hearings, through many years. The Patent Subcommittee of the Senate Committee on the Judiciary, of which I have the honor and pleasure to be chairman, held a round-table discussion last October with respect to means and methods of improving the patent system of the United States.

The first bill, which I now introduce—and I do it in this manner in order to give full public notice to all who may be interested—is a bill to establish a United States Court of Appeals for Patents. Under the present system, in patent cases appeals from decisions of the district court go, first, to the Court of Customs and Patent Appeals. It is our belief that it will greatly improve the patent system if a single Court of Patent Appeals should be established.

I shall request at the hearings which will be held, and notice of which will be given in due course, that those who come to testify consider the possibility of making this proposed court a court of last resort. This idea may be best explained by the fact that the late Justice Jackson, of the Supreme Court, once remarked, in substance, that the only valid patent in the United States was one which the Supreme Court had not seen, because the record of the Court in overthrowing patents has been rather remarkable.

So, Mr. President, I send forward, first of all, the bill to establish a United States Court of Patent Appeals.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3744) to establish a United States Court of Appeals for Patents, and for other purposes, introduced by Mr. O'Mahoney, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. I ask unanimous consent that a short release, prepared by me, relating to the bill, may be printed in the Record.

There being no objection, the release was ordered to be printed in the Record, as follows:

RELEASE BY SENATOR O'MAHONEY

For many years various groups, including the Science Advisory Board, and the United States National Patent Planning Commission, have endorsed the idea of a single court for patent appeals. At the subcommittee hearings held last October strong support was indicated for legislation which would promote the adoption of uniform standards of invention. Judge Learned Hand, one of America's foremost jurists and a man who has had broad experience in the trial of patent suits, expressed the view that a single court of patent appeals would be desirable if such a court were a rotating court with its bench drawn from the judges of the various courts of appeal rather than a court of technical experts.

Following these hearings, the staff and I formulated this bill designed to create a court which would receive and decide appeals from the Patent Office, as well as appeals from all of the district courts in patent cases. Its decisions would be effective throughout the entire United States. I shall request witnesses appearing at hearings on this proposed legislation to express their opinion on the advisability of making this new court of appeals a court of last resort.

There is a real need in the patent system for a more uniform standard of invention and greater consistency in judicial decisions relating to patents. The introduction of this bill is intended to direct attention to this need and to offer a means of solution. By introducing this bill I have not closed my mind to suggestions for improvements in this bill or for a new and different means by which this need can be met.

Mr. O'MAHONEY. The second bill is entitled "A bill to limit the life of a patent to a term commencing with the date of application."

At present there is a backlog of more than 200,000 patent applications pending in the Patent Office. Under the present law, the life of a patent is 17 years. The Constitution, of course, authorizes the Congress, in order to secure the progress of the useful arts—I am speaking now only of patents, not of copyrights—to grant an exclusive or a monopolistic right for a limited period. The present period is 17 years. It has varied from time to time.

The bill I am now introducing is so drawn that it will probably be called the 20-year bill, because it dates a patent from the filing of the application and seeks to reduce the long delays between the filing and the issuance of a patent, but probably will result in limiting the life of the patent by reducing the period of the patent, which extends for 17 years from its issuance, thereby including the long delay in the Patent Office.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3745) to limit the life of a patent to a term commencing with the date of the application, introduced by Mr. O'Mahoney, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. I ask unanimous consent that a release, prepared by me, relating to the bill, may be printed in the Record.

There being no objection, the release was ordered to be printed in the Record, as follows:

Release by Senator O'Mahoney

During the subcommittee hearings held in October, last year, and attended by inventors, patent lawyers, and judges, it was almost unanimously agreed that the patent system would be substantially strengthened by finding means to reduce the long delays between the filing of applications and the issuance of patents. These delays were attributable to a combination of circumstances including (a) insufficient personnel in the Patent Office due to inadequate funds, (b) the need for improvement in the Patent Office's classification system to speed up searches and to make prior art readily accessible, and (c) the failure of some applicants to prosecute their applications diligently in order to prolong the patent monopoly beyond the 17-year monopoly provided by the statute.

Some progress has been made toward increasing Patent Office personnel and improving the classification system. Subsequent to preliminary inquiries made by this subcommittee, the Patent Office prepared an 8-year program to reduce the backlog of pending patent applications from a present peak in excess of 220,000 to a manageable total of approximately 100,000. This would enable the Patent Office to act upon applications within 3 to 4 months, in contrast to delays today, in many instances, of over a year. Reflection of this 8-year plan is the budget for fiscal year 1957 which proposes $17 million for the Patent Office. The proposed plan contemplates considerable increase in the size of the Patent Office examining staff, and this entails recruiting engineering, physics, and chemistry graduates, a program which the Patent Office is now vigorously pursuing.

The bill introduced today is designed to speed up the prosecution of applications for patents and limit the period of life of a patent to a maximum term of 20 years from the date the application was filed or 17 years from the date of issuance, whichever is shorter. This bill is directed to eliminating stalling tactics indulged in by some applicants. Opon the passage of this bill, the burden will be upon applicants for a patent to have their patents issued as soon as possible so as not to have the life term of the patent curtailed. At the same time the bill contains safeguards preventing a curtailment of the term of the patent where the delays are not due to the fault of the applicant.

From time to time I will introduce other bills directed to improving the patent system. I solicit the comments of the patent bar and all interested persons upon these bills, and at a proper time there will be an opportunity given for a full hearing on them.

PROGRAM OF FEDERAL SCHOLARSHIPS TO STUDENTS OF SCIENCE AND ENGINEERING

Mr. CLEMENTS. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Kentucky may proceed.

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference a bill to provide a program of Federal scholarships to students in the fields of science and engineering, designed to not only bridge the shortage of trained personnel in these fields but also to encourage scientific and engineering students to provide the many Federal programs with their services. A shortage of engineers in the service of the State of Kentucky and its highway department prompted me, as Governor of that State, to initiate a program whereby the highway department rendered financial assistance to deserving students in engineering and encouraged their service with the State following procurement of their degrees. This program also made it possible for engineering students to gain practical experience in the course of their studies by working for the highway department during periods when their academic studies did not require their full time.

My bill would make provision for 5,000 Federal scholarships to be awarded annually to deserving high school students who pursued courses of study in science and engineering in college. The bill also contains provision to encourage their entering into Federal service upon completion of their courses of study.

Our dependence upon these highly trained men and women is apparent to all who will look around. A recent report by the Joint Committee on Atomic Energy tells of the startlingly small number whose education equips them to guide our technological progress. As of 1954, this country relied upon no more than 700,000 to 740,000 such people with degrees as engineers and scientists. Among them is a small corps whose especially refined training equips them to plan and supervise such programs as that of atomic energy, on which we are now embarked.

The function of these engineers and scientists has been described as "yeasty." They think up and design activities and goals whose accomplishment demands the services of more people with comparable training and ability. And these in turn, engender other tasks and goals similarly demanding. One need look no further than the front page of the daily newspaper for evidence of their influence upon our lives.

Our national defense, our expanding industry, and the normal replacements that occur in any active structure, now require no less than 30,000 new engineers a year. About the same number is needed of those who graduate in science. This latter number is less definite, however, because so many carry on to study for medical and other professions. These demands of our society are well known, yet, during the academic year ending with the graduating class of June 1955, accredited colleges and universities in the United States turned out only 22,539 with a first degree in engineering. That same year 27,237 first degrees were granted to those who had specialized in the sciences. Thus, less than 50,000 engineers and scientists were available to fill some 60,000 places.

To the demand for 30,000 engineers a year must be added a comparable demand for scientists. These figures are dynamic and ever growing. Each year our expanding economy requires an additional 3,000 to 4,000. Thus, by 1960, assuming conditions continue more or less as they are now, and our national defense requires no more than partial mobilization, this country will have an engineer shortage of 60,000 or more. This estimate assumes that engineering graduates in the classes from 1954 through 1960 will have accumulated to the number of 225,000 while the Nation's demands for engineers, alone, will have built up to about 285,000.

According to reports from Soviet Russia, her colleges and universities graduated 53,000 with a first degree in engineering in 1954. That was more than twice the number graduated from comparable institutions in the United States. Allen W. Dulles, Director of our Central Intelligence Agency, has warned that unless we quickly take measures to increase our facilities for scientific education, Soviet scientific manpower in key areas will outnumber ours in the next decade.

We, who depend as never before in history upon those who are disciplined in the fields of science and engineering, may well ask why this has come to pass. The reasons are many. But, without attempting to repeat them, one fact stands out with appalling clarity. I refer to the startling number of bright boys and girls, who, having graduated from high school, never go on to complete their formal education. According to a responsible authority, the colleges claim scarcely more than half of the high school graduates whose mental and scholastic equipment is such as to warrant enrollment. Thereafter, during the years before college graduation, nearly 40 percent drop out. Thus, of every 10 high-school graduates with potential capacities for earning a degree in engineering or science, no more than 2 achieve that goal. In these days when engineers and scientists are already so few as to threaten the very foundations of our economic security, and our physical safety, the loss between high school and college is nothing short of tragic. Eight out of ten promising young people of college age abandon their efforts to secure an education to earn immediate returns in less productive forms of work. Some of these boys and girls would go on with their studies if they had financial encouragement.

It is to save them for the national defense that I have today introduced a bill to provide 5,000 scholarships a year, to continue as far in the future as the need exists. Any of our 1,328 degree-granting, accredited colleges and universities would be open to the holder of one of these scholarships. By the time the program has been underway 4 years, as many as 20,000 students would be enrolled and our country would begin to benefit to the extent of about 5,000 graduates each year.

This sounds big, but in the face of the task before us I fear it is not big enough. We have no time to lose, and a start must be made that we may build as its usefulness is proven. Our task is to defend and protect our national freedoms, and this is part of the price we must pay. It can be a sound investment in the future of our youth and the welfare of our Nation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3748) to enhance the security, defense, and economic potential of the United States by increasing the number of graduate engineers and scientists through a grant of Federal scholarships on a competitive basis to prospective students in those fields, introduced by Mr. Clements, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

TRANSFER OF CERTAIN GOVERNMENT-OWNED ALCOHOL AND RUBBER PLANTS TO DEPARTMENT OF AGRICULTURE — CHANGE OF REFERENCE

Mr. CURTIS. Mr. President, I desire to make a unanimous-consent request. First, let me say that this matter has been cleared with the distinguished majority leader, the distinguished minority leader, and the chairmen of both committees involved.

I ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of Senate bill 3566, to provide for the transfer to the Department of Agriculture of certain Government-owned alcohol and rubber plants, and that the bill be referred to the Committee on Banking and Currency.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. BUTLER:

Address delivered by him at Goucher College.

Article entitled "All Aboard for the Atomic Age?" written by him, and published in the April 1956 issue of Steelways.

NOTICE OF HEARING ON S. 2435, CONFERRING JURISDICTION ON THE COURT OF CLAIMS WITH RESPECT TO THE AMOUNT OF COMPENSATION TO WHICH CERTAIN INDEPENDENT ORE PRODUCERS ARE EQUITABLY ENTITLED FOR URANIUM SUPPLIED BY THEM TO THE UNITED STATES

Mr. O'MAHONEY. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, May 2, 1956, at 10:30 a. m., in room 424, Senate Office Building, on S. 2435, a bill conferring jurisdiction on the Court of Claims to make certain findings with respect to the amount of compensation to which certain independent ore producers are equitably entitled for uranium supplied by them to the United States, or its agents, during the period January 1, 1939, to April 10, 1948, and to provide for payment of amounts so determined to such producers. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. Hennings], the Senator from Utah [Mr. Watkins], and myself, chairman.

NOTICE OF HEARING ON H. R. 2128, PATENTS EXTENSION BILL

Mr. O'MAHONEY. Mr. President, on behalf of the standing subcommittee of the Committee on the Judiciary on Patents, Trademarks, and Copyrights, I desire to give notice that a public hearing has been scheduled for Friday, May 4, 1956, at 10:30 a. m., in room 424, Senate Office Building, on H. R. 2128, to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls.

Prior to the above mentioned date all persons interested in the above bill should file with the committee such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. Johnston], the Senator from Wisconsin [Mr. Wiley], and myself, chairman.

ADDRESS BY ADLAI E. STEVENSON AT THE UNITED AUTO WORKERS SEVENTH INTERNATIONAL EDUCATION CONFERENCE

Mr. MURRAY. Mr. President, on last Tuesday, April 24, Adlai E. Stevenson made a magnificent speech at the 7th International Education Conference of the United Auto Workers. It is a worthy speech, and I commend it to each Senator. It points up some of the unfortunate and unfair developments of the past 3 years which, unless corrected, will adversely affect the economy of the Nation and our millions of working people.

According to the reports of the newspapers, Mr. Stevenson was given a standing ovation at the conclusion of his address. After reading it, I can well understand why it was so well received.

I ask unanimous consent that the full text be printed in the Record at the end of these remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Adlai E. Stevenson at United Auto Workers Seventh International Education Conference, Washington, D. C., April 24, 1956

I am honored to be the guest of this convention today.

I am not sure how appropriate my remarks here today will be. I realize that this is an education conference. But I am in the middle of a political campaign, and so full of it that I'm not good these days for much except politics. So if I seem to take advantage of this captive audience, I hope you will realize that it's only because what I'm doing has come to seem very important to me.

And I don't mean just the Democratic primaries or the Democratic nomination. I mean the Democratic winning of the election next fall—and I frankly think each of you has got about as big a stake in that as I have.

You spent yesterday considering the various specific issues in this campaign. I want this morning to talk with you about what I think lies at the root of most of the differences today between the Democratic and the Republican Parties.

Thomas Jefferson marked this difference 132 years ago when he said that "Men by their constitutions are naturally divided into two parties; those who fear and distrust the people, and wish to draw all powers from them into the hands of the higher classes, and those who identify themselves with the people, have confidence in them as the most honest and safe * * * depository of the public interests."

It is the Democratic faith—mine, and I know yours—that the government of a democracy must trust all the people it serves, that it must be made up of representatives of all the people, and that its obligation cannot be to any special interest but only to all the people.

It is apparently the Republican proposition, on the other hand—or at least it is the obvious belief of the present Republican administration—that the Government of this Nation can most effectively be vested in the representatives of a single interest, and that the welfare of the society can best be served by promoting that single interest—on the dubious theory that the benefits will then trickle down to people generally.

We have today, if you will, in the executive department in Washington, what amounts for most of us to government without representation.

Does this seem too broad a charge? Then let us look in for a minute at a meeting in the Cabinet room at the White House—

This is the table where decisions are made affecting the needs, the interests, the dreams, the whole future, yes, the survival of 166 million American men and women and children.

Every single one of these 166 million people is a consumer. Who speaks at this Cabinet meeting for these consumers?

Sixty-five million men and women in this country are members of America's work force. For 6 months in 1953 there was a representative of American labor at this table. But when he spoke for American labor, he was silenced. Who from American labor speaks at this Cabinet meeting now? That there have been sitting at this Cabinet table 3 men from 1 corporation—and no one from the 18 million membership of the AFL–CIO.

Thirty-five million Americans—the pride of all the rest of us—are sitting this morning in schoolrooms. Thousands of these rooms are firetraps. The roof of one fell in out in Chicago earlier this month. Everywhere I go, people, particularly women, say to me: "We want to do something about getting better schools and more good teachers for our children." Who represents the 35 million children of America—America's future—at the meeting of this Cabinet?

A gray-haired man came up to me on the street last week and said: "Governor, it is not just social security we want. We want a chance to be somebody." Who at this Cabinet table represents the millions of older men and women in this country who want most of all an opportunity to make the evening of their lives not only secure but worthwhile?

Yes; and who at this table represents the interests of the 22 million Americans who live today on this Nation's farms and whose average per capita income has now dropped to $860 a year? And who represents the men who were farming—doing what they wanted to do—3 years ago, but are now trying to get work in the cities, a thousand of them at a struck plant in Sheboygan, Wis.?

Every man at this cabinet table has boasted of this Nation's prosperity—without ever, so far as I know, suggesting the slightest degree of genuine concern about the fact that 30 million Americans are going to have to make ends meet this year on family incomes of less than $2,000. Who—certainly not the prosperity boasters—represents these 30 million Americans?

This isn't a meeting of a people's cabinet. It is a meeting of a corporate board of directors. What single interest government has come to mean, for most Americans, is simply, I repeat, government without representation.

And the consequences, in terms of the failure of this administration to meet the human problems of America, have become sharp and clear.

We were allowed to suffer through years of the ignominy of McCarthyism—tearing us apart inside, setting neighbors to spying on each other, and blackening the name of America and the image of democracy in the world—and not a word of protest. McCarthyism just wasn't the kind of thing a businessman's government worries about.

Racial tension has been aggravated to a white heat. This could have been prevented, in large part, if the administration had supplied the leadership the Supreme Court decision assumed and required. But this isn't a business matter. So the President turned it over to his lawyer, who after many months recommended to Congress that a study be made of the matter.

There hasn't been time, or energy, for carrying out this administration's promises to labor. And now the Secretary of Welfare in the businessman's cabinet announces that this administration is opposed to the changes in the social-security program which were last year endorsed overwhelmingly by the House of Representatives. This administration went all out to secure tax benefits for corporate stockholders. Now it opposes paying retirement benefits to a man who has worked for his living, paid his social-security taxes, and then, at the age of 50 or more, becomes totally disabled.

And the highway program we need so badly has been held up because the administration tried to make it a bonanza for the bankers who would finance it. And children who needed it didn't get the Salk vaccine fast enough because even where the stakes were life and death it was considered more important to preserve the established commercial channels of supply.

This is what single interest government has come to mean. But it is not a government of or by or for the people.

You know, I remember reading, 8 or 10 years ago, a statement in your UAW magazine "Ammunition." It was about collective bargaining contracts, and I remember especially the last line. "It's time," this statement went, "to write the lawyers out of the contracts and write the people back in." I propose an amendment to that statement. It is time, I suggest, to write the businessman's administration out of this Government and write the people back in.

Let's see what this means.

In a collective bargaining agreement, "writing the people in" means a seniority clause that says plainly that a man's service gives him a right in his job; it means recognition and grievances clauses that bring democracy into the plant; and it means, or is coming to mean, thanks to the insistence of the UAW, clauses that give a man and his family the supplementary unemployment compensation they need and are entitled to.

What does it mean in government?

Well, it means giving first attention to the human problem that is uppermost in people's minds; the establishment of true equality of all opportunity in this country, regardless of race or creed or color.

I know the record of the UAW in this matter. It is a record not just of words, but of deeds—and it is a proud record which places all who believe in democracy in your debt.

I take pride too, I hope fairly, in my own record on this front. Between 1948 and 1952, we were able in Illinois to end all segregation in the schools and to wipe out every trace of racial discrimination in the National Guard and in every employment relationship over which the State had any control whatsoever. And I mean right down to little, but vitally important, things like removing questions about race from the forms used by the Illinois Employment Service. We fought hard for a Fair Employment Practice Act; and lost it only by the narrowest margin in a Republican legislature.

But pride in the past is not enough.

The Supreme Court's decision on segregation in the public schools must be complied with. That decision was morally right; it deserves more than lipservice from both President and presidential candidates.

The Court has provided time to adjust to the new system; but this must be within the good faith limits the Court set when it spoke of all deliberate speed. We must take special care, too, that the strains of this transition period do not result in a denial of any other constitutional rights, particularly the basic and essential right to vote.

Let me only mention, for our time is short, some of the other things "writing the people back into the Government" means today.

It means recognizing that a mathematical or average prosperity in this country isn't enough. If one family's income is $2,000 and another family's income is $50,000, this doesn't put them both in the $26,000 class. Sure America is prosperous; it's prosperous enough that there is no excuse for so many having so little.

We need a depressed-areas program of the kind Senator Paul Douglas has introduced.

We need an agricultural program that will let America's farm families share the general prosperity the Nation at large enjoys. Here, too, you in this union have expressed yourselves plainly and effectively. And indeed it is the interests of all of us that are at stake. Particularly you who come here from the farm-equipment plants know, in the hard human facts of short workweeks and ever-lengthening layoffs, the broader effects of what is happening on the farms.

The President's veto of the Democratic farm bill has extended by 1 year the most serious threat there is to the whole American economy. The enactment of a new farm program must be placed at the top of the agenda for next year's bargaining session.

"Writing the people in" means, too, a recognition—which this administration has completely denied—of the essential role played in this society and government today by free labor unions and free collective bargaining. The provisions of the Taft-Hartley Act which limit union security, permit the so-called State right-to-work laws, make organization difficult, prohibit legitimate, peaceful bargaining pressure—these and other provisions like them must be changed. And the important question is not whether these changes are in the form of repeal and rewriting or in the form of basic amendment; the important thing is that these changes be made.

It is equally important that the NLRB be reestablished as a fairminded, nonpartisan administrative agency, administering the law as it is written and not according to the partisan views of either labor or management.

The Social Security Act must be overhauled. It will not be enough to make adjustments here and there. Nor is security a sufficient purpose. By 1965, 1 of every 10 Americans will be 65 years old or older. Life should be, for all of us when we reach this age not only secure but so arranged for that it means something. Not security but dignity, or meaningfulness, is our purpose here if we are thinking in human terms.

One other point. There is today in this country a growing restlessness and concern about whether these new machines that are coming in are to be men's servants or men's masters and their enemies.

There is a theory that automation is no business of the Government, that the only people who are to have anything to say about fitting automation into our industrial life are the corporations that buy these new machines. And the Secretary of Defense says not to worry about this anyway: that if a machine replaces a man, there will be another job for him making that machine, and that if that new job happens to be a hundred miles away in another city, well, what of it?

The Secretary leaves some things out. What he forgets, of course, are all the human elements here. Does it occur to him that maybe that man, and perhaps even more his family, doesn't want to move, that the community they live in has become part of their lives, that a mother would like, if she could, to spare her children the uprooting that comes from a change in schools in the middle of the year? And it probably never crossed the Secretary's mind that when a man changes jobs he loses his seniority, the biggest capital he has.

It looks now as though within a few years, perhaps 10, possibly 20, the coming of these new machines and the release of atomic energy for industrial use will mean that the Nation's production needs can be met

by three-quarters of the work force, or by all of the work force working 30 hours a week instead of 40; or in the alternative, that we can increase the production of consumer goods so that the standard of living in this country can be raised to the level of people's dreams.

"Writing the people into government" means facing up as a people to the social as well as the economic implications of the second industrial revolution, for this is what is coming. And if anybody says this isn't the business of government then I would recall Woodrow Wilson's reminder that "whenever the United States forgets its ardor for mankind it is necessary that a Democrat should be elected President."

I did not intend to make this a political speech, although I warned you at the start that my mind these days is on a single track. And I'm afraid I've talked too much of what may seem to you politics.

But if there has been politics here it has been only the politics which are born of deepest conviction.

For I believe with all my heart that, under democracy, this country is going forward to such an uplifting of its citizens as mankind has scarcely dreamed of.

I see this uplifting not in terms of technical advances alone, not in terms only of new consumer goods, but even more in terms of a broadening and deepening of the mind and heart of the Nation.

This uplifting will come only as we stop waiting for the good things of life to trickle down to the people from the top of the financial pyramid, and as we work again to insure a fair distribution, not only of the Nation's wealth and production, but of the Nation's opportunities.

It will come as we start measuring prosperity not just in terms of refrigerators and television sets, but even more in terms of the greater goods of education, health, security, and peace of mind.

It will come only as we set our course once again by the stars in the constellation of the general welfare, and by the beacon lights of individual freedom and human dignity.

SUPPORT BY SENATOR CASE, OF SOUTH DAKOTA, OF ADEQUATE POWER FOR NORTH DAKOTA AND SOUTH DAKOTA

Mr. LANGER. Mr. President, it is a great pleasure for me to rise to speak a word of commendation of the distinguished Senator from South Dakota [Mr. Case]. I hold in my hand an article, published in the Rapid City (S. Dak.) Daily Journal of March 20, stating that the Senator from South Dakota has said that—

> He has no intention of offering legislation to eliminate the preference clause giving priority to public bodies in the allocation of Federal power.

Mr. President, it is typical of the Senator from South Dakota that he has joined some of the rest of us who come from the Northwest in helping to secure adequate power for the States of North Dakota and South Dakota; and it is also typical of the Senator from South Dakota that he is in the very forefront of that fight.

I ask unanimous consent that the article relative to the junior Senator from South Dakota be printed at this point in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Case Does Not Intend Preference Clause Bill

(By Dillon Graham)

Washington.—Senator Case, Republican, South Dakota, says he has no intention of offering legislation to eliminate the preference clause giving priority to public bodies in the allocation of Federal power.

He made his position clear the other day in an exchange, at a Senate Public Works Subcommittee hearing, with Clyde Ellis, general manager, National Rural Electric Cooperative Association.

"I am of the opinion," Case told Ellis, "that possibly you have some impression that I had proposed some specific amendment to destroy the preference clause.

"I assure you there has been no such amendment proposed. None is in existence bearing my name, and none will be."

But Case said he would "try to find some way to make (Federal) power available to the rank and file consumers in South Dakota, so that they can all get the benefits from the Missouri Basin development."

He also said he would seek some power arrangement which would attract industries to his State.

Resolutions passed by several regional rural electric cooperative groups formed the background for Case's statement.

One of these referred to legislation by Case which it said would "destroy the preference principle", "establish a precedent that would forever endanger this principle," and "have the net effect of giving commercial power companies all of the major benefits of the power produced by this (Big Bend) dam."

After getting Ellis to say that he did not have a copy of the Case amendment and couldn't remember whether he had ever seen it, Case informed him there was no such amendment.

Ellis, under questioning, said that REA groups believed plans used in the Southwest Power Administration and the Northwest power pool for the Bonneville Dam had worked out pretty well.

SPA serves private utilities as well as cooperatives. In the Northwest, there is an integration of power produced publicly and privately and an integration of the generating facilities.

Ellis also said his groups favor the Lehman bill for developing Niagara River power. This would give priority to public bodies but would make arrangements for disposition of some power to private utilities in New York, for the benefit of their consumers, and with provision for withdrawal when needed by preference customers.

Case said that if the REA approved SPA, Northwest pool, and the Lehman bill, he found it difficult to understand why they opposed his position.

The Senator said his idea was for something similar to the Lehman bill to be applied to Missouri River power in South Dakota. He said his idea is also similar to the methods used in the SPA and the Northwest pool. It also, he said, would go further than the Lehman bill by insisting that any benefits, through savings in generating costs, go to customers and not to the private utility companies themselves.

Ellis said his groups approved the Lehman bill only because they regarded it as better than the House-passed bill. And he said he felt that a comparison of the South Dakota problem with the New York situation is not suitable.

Any legislation giving South Dakota people preference over people outside the State, he said, would be very detrimental."

Case said that if the proposed Big Bend Dam on the Missouri River above Fort Randall were constructed, without some arrangement made to protect South Dakota, it would be built purely for the export of power outside South Dakota.

He said he had stated last year that he would not press for appropriations for building this dam until "we get some plan officially approved or legislation passed that will make Big Bend power available to South Dakota consumers before it is exported outside the State."

The Senator said the Interior Department had informed him that South Dakotans would not be able to get power from Oahe or Big Bend Dams unless they were served by public bodies and that outside claims, including the statewide preference customers in Nebraska, could take all the power if they asked for it.

Case said some way should be worked out for a pooling of existing generator capacity in South Dakota, and such additional generator capacity as would be necessary to make it possible for the co-ops in South Dakota, as well as other consumers, to get the benefits of Missouri River power, including secondary power. He said he didn't think private utilities in South Dakota would fight such a pool arrangement.

Gov. Joe Foss, of South Dakota, was a brief visitor here last week.

As national chairman of the Easter seal drive, Foss came here for a visit along with other officials and the Easter Seal Girl, with President Eisenhower.

Farm income was down in South Dakota last year but the dollar value of farmland increased 3 percent.

The Agriculture Department reported not long ago that cash receipts from farm marketings in South Dakota were off 11 percent from 1954. Now, in another report, it says farmland dollar values are up.

But the 3 percent rise was less than the national average increase of 5 percent.

Every State except Nevada and Utah showed an increase in farmland values. Nevada's remain level with 1954 figures while Utah's was down 1 percent. The survey covered the period from November 1954, to November 1955. Minnesota showed the biggest increase, 11 percent.

Here's how other Midwestern States compared with South Dakota's 3-percent increase.

North Dakota, up 7 percent; Nebraska, up 4; Kansas, up 9; Missouri, up 2; Iowa, up 5; Wisconsin, up 4; Illinois, up 3; Indiana, up 7; Ohio, up 9; Michigan, up 8; Colorado, up 1; and Wyoming, up 2.

The total value of the Nation's farmland and buildings as of last November 1 was estimated at $101,800,000,000. This would be an average of nearly $88 per acre for the 1,519,000,000 acres of farmland. Such figures were not given by States.

The post-Korean-war rise in values has set new value peaks in all except four States—Iowa, Missouri, South Dakota, and Nebraska. The report said that, although values in these four States were above 1952, they were still below 1920. Values in South Dakota were 31 percent below this post-World War I level and in the other 3 States were 5 to 8 percent below that level.

WANT TO BUY A TOWN?

Television viewers may have this question asked them soon.

Senator Case, Republican, South Dakota, has suggested to one national network that it tell the story of Pickstown in pictures in one of its programs. The idea is under consideration.

Pickstown, as you know, is the town built by the Government to house Army engineers and workers on Fort Randall Dam. The Government soon will have no more use for the houses and other buildings and will consider selling the whole area, except for a few buildings necessary for maintenance crews.

WALTER REUTHER, AMBASSADOR EXTRAORDINARY

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the Record an editorial entitled "Ambassador Extraordinary", which appears in today's Washington Post and Times Herald. It contains a praiseworthy eulogy of Walter Reuther, one of West Virginia's most illustrious sons. He was formerly president of the CIO. He is now president of the United Automobile Workers of America, and one of the outstanding, philosophical labor leaders of the world.

In this article the Post presents a timely and richly deserved appraisal of the great service Mr. Reuther has recently rendered in India by most significantly promoting an increase of understanding and friendship between the millions of that far-off land on the one hand and the people of the United States on the other. The editorial contains, among many other pertinent and important things, the following:

> Mr. Reuther recognized that the real competition with the Soviet Union in Asia is not in military prowess, but in the campaign against poverty, hunger, and injustice. He was not merely asserting a truism when he said that the struggle for freedom in Asia would be won on the ricefields, not the battlefield.
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> Something of the same inspiration and fervor was evident in Mr. Reuther's remarks here Tuesday to the UAW educational conference. Drawing from his experience in India, he observed:
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> "Every value that you and I cherish as free people, the things for which men have died on the battlefields of the world, all of the things that are woven together in the rich heritage that we call America, all of those values are in jeopardy because they cannot be preserved in a little national vacuum called America. They must be preserved in the world, in which powerful forces are at work threatening these basic values that we believe in. * * * If we had the courage, if we had the good sense, to use the great abundance we have been blessed with, to fight positively in the struggle against poverty and hunger in the world, we could launch a moral force with greater power than all the H-bombs in our stockpile."

Mr. President, let me warmly commend the Post for this, its latest contribution to the general welfare and Mr. Reuther for the priceless service he is rendering all mankind. The editorial is a heartwarming assurance that both Mr. Reuther and the Washington Post are as oil upon the troubled waters of a weary world heartbroken by war and praying as never before for the dawn of universal peace that will never, never end.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from West Virginia?

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Ambassador Extraordinary

> Walter Reuther, from all accounts, made an enormous hit in India, not by telling the Indians only what they wanted to hear, but by being himself. The dynamic president of the United Auto Workers, thoroughly American in his ideals, was a splendid choice to depict to the Indian National Trade Union Congress the variety of opinions and approaches that exist in America. Mr. Reuther recognized frankly the differences between Indian and American foreign policy, drawing parallels from American history and at the same time expressing his own disagreement with Secretary Dulles on Goa. He talked candidly about America's race problems and about work and productivity as the sources of America's wealth; and in so doing he conveyed his sympathy with and understanding of the problems and democratic ambitions of Indian workers. He recognized that the real competition with the Soviet Union in Asia is not in military prowess, but in the campaign against poverty, hunger, and injustice. He was not merely asserting a truism when he said that the struggle for freedom in Asia would be won on the rice fields, not the battlefield.
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> Something of the same inspiration and fervor was evident in Mr. Reuther's remarks here Tuesday to the UAW Educational Conference. Drawing from his experience in India, he observed:
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> "Every value that you and I cherish as free people, the things for which men have died on the battlefields of the world, all of the things that are woven together in the rich heritage that we call America, all of those values are in jeopardy because they cannot be preserved in a little national vacuum called America. They must be preserved in the world, in which powerful forces are at work threatening these basic values that we believe in * * * If we had the courage, if we had the good sense, to use the great abundance we have been blessed with, to fight positively in the struggle against poverty and hunger in the world, we could launch a moral force with greater power than all the H-bombs in our stockpile."
>
> Obviously not all relations with India can be conducted so simply and informally, nor can all problems be resolved by friendly words. But Mr. Reuther performed a real service, particularly in advance of Prime Minister Nehru's visit to Washington, by his extraordinarily successful role as an unofficial ambassador complementing the sensitive work of Ambassador Cooper. The only real way to draw India and America closer together is through such stress on the common chord of mutual aspirations.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

VISIT TO THE SENATE BY LEADERS OF THE JUNIOR CHAMBER OF COMMERCE

Mr. KNOWLAND. Mr. President, at this time I should like to call the attention of the Members of the Senate to a distinguished delegation in the Senate gallery, who represent the United States Junior Chamber of Commerce. They are leaders from across the Nation, and are present in Washington for a brief visit. These young men, active in public affairs on community, State, and national levels, are in Washington on a 3-day tour to observe the operations of the Federal Government. The initiative and enthusiasm of "Jaycees" is well known to all Members of the Senate of the United States.

I should like to commend the representatives of the junior chamber of commerce who are visiting us today, and also the 200,000 members they represent, for their active interest in governmental efficiency and economy. These young leaders were chosen to make the trip by virtue of their outstanding efforts in making known to all citizens the recommendations of the Hoover Commission.

I wish them an interesting and an enjoyable stay in Washington, and I sincerely hope that this introduction to the workings of their Federal Government will enable them to return home with a greater understanding of what their representatives in Washington are trying to accomplish.

Mr. President, under our constitutional system of government, the Congress of the United States is a coordinate, not a subordinate branch of the government. Under our constitutional system, the Congress is a part of the great system of checks and balances.

Therefore, we are particularly glad to have these young men, who represent the United States Junior Chamber of Commerce and the various local junior chambers of commerce, make this visit. I should like to ask them to rise, for an acknowledgment.

[The members of the delegation rose in their places in the gallery and were greeted with applause.]

STRENGTH OF METROPOLITAN POLICE FORCE OF THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1814, House bill 9078.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 9078) to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall not be less than 2,500 officers and members.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers or members.

The current appropriation for the Police Department for the District of Columbia contemplates 2,278 positions. However, the amount appropriated was sufficient to employ only an average of 2,246 persons. To increase the force to a minimum of 2,500 would require additional funds sufficient to pay for 254 additional positions.

At a hearing before the Fiscal Affairs Subcommittee of the Senate Committee on the District of Columbia on April 11, 1956, among those present who recommended without equivocation that

this legislation be favorably considered were Chief of the Metropolitan Police Department Robert V. Murray; Mr. Ralph D. Pittman, president, Washington Criminal Justice Association; Mr. George L. Hart, chairman, Law Enforcement Council of the District of Columbia; and representatives of numerous citizens' and civic organizations.

I am pleased to inform the Senate that the bill was reported by unanimous vote of the subcommittee.

The PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 9078) was ordered to a third reading, read the third time, and passed.

DAYLIGHT-SAVING TIME IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1817, Senate bill 3295.

The PRESIDENT pro tempore. The bill will be read by title, for the information of the Senate.

The Legislative Clerk. A bill (S. 3295) to amend the act of April 28, 1953, relating to daylight-saving time in the District of Columbia.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3295) to amend the act of April 28, 1953, relating to daylight-saving time in the District of Columbia.

Mr. JOHNSON of Texas. Mr. President, my friend the Senator from Michigan [Mr. McNamara] reported the bill; and I wonder whether he would like to make a statement about it at this time.

Mr. McNAMARA. I shall be glad to have the Senator from Texas proceed.

Mr. JOHNSON of Texas. I have a brief statement which I shall be glad to make, but I thought perhaps the Senator from Michigan would like to explain the bill.

Mr. McNAMARA. No, Mr. President; I should like to have the Senator from Texas proceed.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill is to amend the act which permits the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District each year—approved April 28, 1953, District of Columbia Code, section 28–2804. Under existing law the Commissioners may establish daylight-saving time in the District of Columbia for the period beginning not earlier than the last Sunday in April and ending not later than the last Sunday in September. S. 3295 would permit the Commissioners to extend daylight-saving time to the last Sunday in October.

The committee has been advised that this proposed extension is necessary in order to bring the District of Columbia in line with a number of large cities in the northeastern and midwestern sections of the United States, and to eliminate confusion as to transportation, radio and television schedules and programs.

The bill was unanimously approved by the full committee.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3295) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.*, That the act entitled "An act to permit the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District," approved April 28, 1953 (D. C. Code, sec. 28–2804), is hereby amended by striking out the words "last Sunday of September" and inserting in lieu thereof the words "last Sunday of October."

AMENDMENT OF BANKRUPTCY ACT RELATING TO REORGANIZATION OF RAILROADS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of Calendar No. 1755, Senate bill 3025, and I call the attention of the Senator from Florida [Mr. Smathers] to this motion.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 3025) to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "debtor", to strike out "the trustee" and insert "with respect to safety, location of tracks, and terminal facilities, the trustee or trustees"; at the beginning of line 10, to insert "of statewide jurisdiction"; on page 2, line 4, after the word "effective", to strike out "over the objection of the trustee" and insert "(a) unless the trustee or trustees, with the approval of the court, shall consent thereto, or (b)"; in line 10, after the word "trustee", to insert "or trustees"; and in the same line, after the word "his", to insert "or their", so as to make the bill read:

> *Be it enacted, etc.*, That paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended (11 U. S. C. 205 (c) (2)), is amended by inserting in said paragraph, immediately preceding the last sentence thereof, the following: "In operating the business of the debtor with respect to safety, location of tracks, and terminal facilities, the trustee or trustees shall be subject to lawful orders of State regulatory bodies of statewide jurisdiction to the same extent as would the debtor if a petition respecting it had not been filed under subsection (a) of this section except that (A) any such order which would require the expenditure, or the incurring of an obligation for the expenditure, of money from the debtor's estate shall not become effective (a) unless the trustee or trustees, with the approval of the court, shall consent thereto, or (b) unless and until the Commission, upon appropriate application or applications by an interested party or interested parties, shall find that compliance with the order will not impair the ability of the trustee or trustees to perform his or their duties to the public, will not constitute an undue burden upon interstate commerce, will be compatible with the public interest, and will not interfere with the formulation and approval of a satisfactory plan of reorganization for the debtor, and (B) compliance shall be made with any applicable provision of the Interstate Commerce Act.

Mr. SMATHERS. Mr. President, with all the many vital matters confronting the Congress today, it is indeed unfortunate that consideration of these vital issues must be interrupted to consider the pending legislation which has for its purpose the remedying of a special local situation. But it is comforting to know that when entrenched selfish interests refuse to recognize the public interest in a local situation and when they persistently throttle the progress of a great city, the Congress is not too busy to grant the people the relief they need.

Mr. President, the pending legislation which was unanimously reported by the Senate Judiciary Committee, amends paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act in order to allow a trustee of a railroad involved in reorganization proceedings to comply with the lawful orders of a State regulatory body, with respect to such matters as safety, location of tracks and terminal facilities, prior to the final adoption of the plan of reorganization, to the same extent that a railroad not involved in such proceedings is now subject to such orders.

In other words it makes a railroad involved in these proceedings subject to the lawful orders of a State regulatory body with respect to these matters to the same extent that it would be, if it were not involved in such proceedings, by separating from the district court's jurisdiction questions involving the carrying out of certain lawful orders of the State regulatory body relating to safety, location of tracks and terminal facilities, so that the public benefits will not be unduly deferred.

The legislation provides adequate safeguards to protect the parties in interest in that the Interstate Commerce Commission would be required to find that compliance with a lawful order of a State regulatory body will not impair the ability of the trustee to perform his duties to the public, will not constitute an undue burden on interstate commerce, will be compatible with the public interest, and will not interfere with the formulation and approval of a satisfactory plan of reorganization.

The necessity for the legislation is highlighted by a situation which exists in the State of Florida today wherein the Florida East Coast Railway has been unable to complete its reorganization, although it has been in the process of reorganizing since August 31, 1931, a period of almost 25 years. During this period four proposed plans of reorganization have been through the Federal courts and the Interstate Commerce Commission. The United States Supreme Court has had the matter before it three times. The Interstate Commerce Commission has issued innumerable reports and now has the matter before it once more, and I presume it will approve a fifth plan of reorganization. Under such circumstances, whatever plan is decided upon by the Commission will most likely follow the same tortuous path of the previous plans, that is, through the district court, the court of appeals, and up to the Supreme Court, and possibly back to the Commission to start all over again.

Meanwhile the Florida East Coast Railway is using facilities in the city of Miami which are outmoded, inadequate, and dangerous to the public safety. Trains block street crossings by the hour in the heart of the city, disrupting midtown traffic and constituting a continuous traffic hazard, which endangers life, limb, and property. As a matter of fact at the 3 downtown railroad crossings from 14 to 19 accidents occur at each 1 of these crossings each year. In addition a little old, rundown, ramshackle station is an eyesore in the heart of the city. This, too, causes serious traffic congestion on the streets in the vicinity of the station and is a barrier to the future growth and development of the business district in Miami. The station was built in 1914 at a time when the population of Miami was about 20,000. Today the normal year-round population of Miami is 850,000, and the wintertime population runs close to 2 million. This same station now exists in Miami as existed in 1914. Efforts to eliminate these conditions in the interest of public convenience, necessity, and safety have been frustrated and ensnarled in what appears to be endless litigation.

The Florida Railroad and Public Utilities Commission has ordered the Florida East Coast Railway to remove the station and tracks from the heart of the city to a location farther removed from the business district. Under normal conditions this order would have been carried out long ago but for the fact that the trustee of the railway is trying and has been trying for years to reorganize and to date has been unable to get the parties in interest together on a plan which is agreeable to all. Under existing law the needed changes in facilities cannot be made until a final plan of reorganization is adopted. Meanwhile in the situation at hand the public suffers through the inability of the parties involved to reach an agreeable reorganization plan which would allow the changes in improvements to be made. This obviously is not the intent of section 77 of the Bankruptcy Act, for, as we all know, the public interest, convenience, and necessity is paramount to that of any private litigant.

Under proper safeguards a State agency should not be frustrated and blocked from doing what it should do to protect the safety of its citizens.

The situation has reached the point where an amendment to the Bankruptcy Act such as that contained in the proposed legislation is vitally needed to protect the public interest. Not only should this particular situation be resolved, but if there are any others like it now or at any time in the future, the adoption of the amendment will safeguard the interest of the public generally. As a matter of fact I am convinced that the adoption of the proposed legislation will inure to the benefit of the bankrupt, the bondholders, and the public at large without having to await the approval and adoption of the final plans of reorganization. I might point out here in the instant case that though the Florida East Coast Railway has been involved in reorganization proceedings for a period of approximately 25 years, it is a solvent railroad, and like any other solvent railroad it should be required to carry out the lawful orders of the Florida Railroad and Public Utilities Commission, with respect to matters of safety, location of tracks and terminal facilities, without having to await the final determination and adoption of a reorganization plan.

No railroad which has gone into bankruptcy and seeks reorganization under the bankruptcy law should, by that fact alone, be exempt from the rules and regulations of State regulatory agencies governing operations and safety designed to protect and serve the public interest. I am convinced that the legislation pending before the Senate today, and which has been unanimously reported by the Senate Judiciary Committee, is badly needed in order to accomplish the objective sought to be achieved. It is sound legislation, and it is legislation in the public interest. For these reasons I recommend its approval and trust that the Senate will unanimously adopt this bill.

Mr. President, I now ask unanimous consent to have printed in the Record at this point, a statement prepared by the chairman of the Judiciary Committee.

There being no objection, the statement was ordered to be printed in the Record, as follows:

S. 3025, Amending Bankruptcy Act With Reference to Reorganization of Railroads

The purpose of the proposed legislation is to amend the Bankruptcy Act as it relates to the reorganization of railroads engaged in interstate commerce, to allow the bankrupt estate with respect to safety, location of tracks, and terminal facilities, to comply with the lawful orders of a State regulatory body of statewide jurisdiction, so that improvements in railroad facilities can be made as needed prior to the final adoption of a plan of reorganization. The bill further provides that the trustee or trustees of the estate need not comply with the State regulatory order unless and until the Interstate Commerce Commission shall find that compliance with the order will not impair the ability of the trustee or trustees to perform his or their duties to the public, will not constitute an undue burden upon interstate commerce, will be compatible with the public interest, and will not interfere with the formulation and approval of a satisfactory plan of reorganization for the debtor, and further, that compliance shall be made with any applicable provision of the Interstate Commerce Act.

This legislation was the subject of hearings before a subcommittee of the Committee on the Judiciary which arose as a result of a situation existing in the city of Miami, Fla. The Florida East Coast Railway went into reorganization under section 77 of the Bankruptcy Act about August 31, 1931, approximately 25 years ago. During this time proposed plans of reorganization have been through the Federal courts and the Interstate Commerce Commission. The United States Supreme Court has had the matter presented to it on three occasions. Testimony shows that the Interstate Commerce Commission has issued innumerable reports, and now has the matter before it, so that the situation is static as to the changing of the terminal, the building of a new station, and related matters.

The Miami railroad station was built about 1914. The same station remains today. In 1922, the total population of Miami was about 20,000, and at that time the city of Miami had complained about the inadequacy of the station. Testimony indicates that the normal year-round population of Miami is 850,000 and the wintertime population runs close to 2 million, with the same station.

Due to objections to the various final reorganization plans none of the plans have been completed and adopted, so that nothing may be done about the relocation of tracks and the railroad station or the expenditure of money therefor until the final plans are adopted. The committee, of course, does not desire to interfere with the rights of the bondholders to litigate any matter they desire in the bankruptcy proceeding; but, under the terms of this bill, believes that in the public interest, if the State regulatory body and court, and the Interstate Commerce Commission, find that an order to relocate tracks and build a new station does not impair the ability of the trustee or trustees to perform his or their duties to the public, will not constitute an undue burden upon interstate commerce, will be compatible with the public interest, and will not interfere with the formulation and approval of a satisfactory plan of reorganization for the debtor, then such a move should be allowed without reference to the adoption of a final plan of reorganization.

It is contemplated that parties in interest would have three hearings—one before the State regulatory body, another before the court under whose jurisdiction the reorganization remains, and finally, the Interstate Commerce Commission.

The committee does not know of any other situations of this nature at the present time, but it is believed that there is a likelihood that similar situations will arise in the future, and if such be the case, it is believed that this amendment to the bankruptcy law will be proved beneficial to the interests of the public, to the debtor in reorganization, and others. It is the purpose of the Bankruptcy Reorganization Act, as regards railroads, to try all reasonable and feasible methods, to establish them back in business for their benefit and for the benefit of the public, and it appeared to the committee that the improvements herein allowed are such as to further that theory. The committee, therefore, recommended that this legislation be considered favorably.

The PRESIDING OFFICER (Mr. Holland in the chair). The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OBSERVANCE OF NATIONAL MENTAL HEALTH WEEK

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1855, Senate Concurrent Resolution 73.

The PRESIDING OFFICER. The concurrent resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A concurrent resolution (S. Con. Res. 73) relative to the fight against mental illness and to observe National Mental Health week.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

Mr. JOHNSON of Texas. Mr. President, I ask the Senator from Florida to make a brief explanation.

Mr. SMATHERS. Mr. President, the pending concurrent resolution calls upon the Congress to request the people of the United States to join and cooperate in the fight for the prevention, treatment, and cure of mental illness, and to observe National Mental Health Week beginning April 29 and ending May 5, 1956, with appropriate ceremonies and activities.

This resolution affords the Congress the means of calling to the attention of the American people the importance to the Nation and to each of us as individuals of cooperating in the fight to find effective ways to prevent, to treat, and to cure mental illness.

The excellent work being done in this field by the National Association for Mental Health and by State and local mental health organizations, is of great value and warrants all of our support.

I believe that it is appropriate that we in the Congress urge that this support make itself apparent during National Mental Health Week. It is my sincere hope that such support will be continued until such time as the now awesome incidence and duration of mental illness be reduced to an absolute minimum.

The Congress, as you know, has lent its sanction to this undertaking in the past, and I believe that it will be eager to do so again. I recommend the adoption of this resolution.

The PRESIDING OFFICER. There are no committee amendments. The concurrent resolution is open to amendment. If there be no amendment to be proposed, the question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 73) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby requests the people of the United States to join and cooperate in the fight for the prevention, treatment, and cure of mental illness and to observe National Mental Health Week with appropriate ceremonies and activities.

The preamble was agreed to.

ABOLISHMENT OF THE VERENDRYE NATIONAL MONUMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1811, House bill 1774.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 1774) to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 6, after the word "thereon", to strike out "subject to existing permits" and insert "subject to the reservation to the United States of the right to flood such lands in connection with the operation and maintenance of the Garrison Dam and Reservoir project."

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, before the bill is passed, I suggest the absence of a quorum. The Senator from Louisiana [Mr. Long] has an amendment to offer.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana will be stated.

The Legislative Clerk. On page 1, line 4, after the word "abolished", it is proposed to strike out "and the Secretary of the Interior is authorized to convey the lands contained therein, together with any improvements thereon" and, in lieu thereof, to insert "and the property contained therein is hereby authorized to be disposed of in accordance with the laws relating to the disposition of surplus Federal property", and, on page 1, line 9, after the word "project", to change the comma to a period and strike out "to the State of North Dakota for public recreation use and as a State historic site.

"Sec. 2. The Secretary is authorized to execute, on behalf of the United States, the necessary deed or other instrument to effect the purposes of this act. Such deed or instrument shall contain the express provision that the grantee shall use the lands conveyed exclusively for public recreation and State historic site purposes and may contain such other provisions as the Secretary and the grantee shall agree upon.

"Sec. 3. The conveyance authorized herein shall be made upon the further express condition that the title and right to possession to any land so conveyed, together with any improvements thereon, shall revert to the United States upon a finding by the Secretary, after notice to such grantee and after an opportunity for a hearing, that the grantee has not complied with the provisions of the conveyance during a period of more than 3 years, which finding shall be final and conclusive and such lands and improvements, upon reversion to the United States, shall be returned to the administrative jurisdiction of the Department of the Interior for appropriate administration or disposition as determined by the Secretary: *Provided*, That this condition shall cease to be in effect as to any lands conveyed hereunder 25 years after the conveyance of such lands."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. Long].

Mr. KNOWLAND. Mr. President, will the Senator from Louisiana give a brief explanation of his amendment?

Mr. LONG. Mr. President, the purpose of this amendment is to meet the objections to the bill raised by the Senator from Oregon [Mr. Morse]. The Senator from Oregon does not object to this particular piece of property being disposed of under the surplus-property laws. However, he felt that he might be compelled to object to the bill without this amendment. Therefore, the amendment is offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. LONG subsequently said: Mr. President, in connection with Calendar No. 1811, H. R. 1774, I ask unanimous consent to have printed in the Record a statement which I have prepared in connection with that bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Long

H. R. 1774, as reported by the Committee on Interior and Insular Affairs, authorized the Secretary of the Interior to convey to the State of North Dakota, without cost, the lands contained in the Verendrye National Monument which would be abolished as a national monument. The conveyance would be subject to the right of United States to flood portions of the land in connection with the operation and maintenance of the Garrison Dam and Reservoir project. The bill further provides for the State to use the lands as a State historic site, title to revest in the Federal Government if the lands are not put to that use during a period of more than 3 years.

By agreement with the senior Senator from Oregon, this proposed amendment calls for disposition of the land under the provisions of the laws relating to surplus Federal property. Thus, the land would be disposed of only after a determination had been made whether some other Federal agency might have need for the land and, if not, whether the land should then be disposed of to nongovernmental purchasers with or without compensation to the Government.

OBSERVANCE OF NATIONAL HOSPITAL WEEK

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1837, Senate Concurrent Resolution 72.

The PRESIDING OFFICER. The concurrent resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A concurrent resolution (S. Con. Res. 72) favoring appropriate observance of National Hospital Week.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

Mr. JOHNSON of Texas. Mr. President, I ask the Senator from Florida [Mr. Smathers] to make a brief explanation of the concurrent resolution.

Mr. SMATHERS. Mr. President, this concurrent resolution has not been previously announced as being on the list for consideration, but I think it is clear on both sides of the aisle that, considering the imminence of National Hospital Week, the concurrent resolution must be approved. It was originally submitted by the able senior Senator from Alabama [Mr. Hill], and it has been favorably reported by the Judiciary Subcommittee as well as by the full committee. It ought to be adopted.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 72) was agreed to, as follows:

> *Resolved by the Senate (the House of Representatives concurring)*, That the Congress hereby requests the people of the United States to join in proclaiming the importance of hospitals in the American community and their tradition of devoted service to the American people, and to cooperate in a voluntary effort to observe National Hospital Week with appropriate ceremonies and activities.

The preamble was agreed to.

CONSTRUCTION OF WASHOE RECLAMATION PROJECT, NEVADA AND CALIFORNIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1853, Senate bill 497.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 497) to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. JOHNSON of Texas. Mr. President, I ask the distinguished junior Senator from Nevada [Mr. Bible] if he will make a brief explanation of the bill.

Mr. BIBLE. Mr. President, this is a bill to authorize the Washoe Reclamation project, situated in Nevada and California. The project has been under consideration by the committee for a considerable period of time.

The Washoe project would provide irrigation water to supplement present supplies and to provide a full supply to lands in Carson Valley and the Empire, Dayton, and Fort Churchill areas. In addition during dry cycles it would firm existing supplies of the Truckee River storage and Newlands reclamation projects. Drains would be provided for lands in Carson Valley and under the Truckee River storage project in Truckee Meadows. Hydroelectric energy would be generated to meet urgent local needs and to provide a portion of the repayment revenues. Project reservoirs would provide stream regulation that would materially lessen flood damage.

Nevada, under the leadership of our distinguished predecessor Senator Francis G. Newlands, and President Theodore Roosevelt, cradled reclamation. It was through their efforts that the reclamation law of 1902 was placed on the Federal statutes 54 years ago.

The estimated authorized cost of the project under the bill is $43,700,000, all of which is reimbursable except the flood control and fish and wildlife development measures.

The project will bring only 5,000 acres of new land under irrigation but will provide supplemental water and drainage for 30,000 acres and benefit more than 100,000 additional acres with supplemental water.

The area lies in the Washoe and Truckee Valleys, which will receive flood protection as well as other resource development that will benefit the Pyramid Indians. The flood control features will over the years save many, many millions in property values in the city of Reno, other cities and towns as well as agricultural lands and farm homes.

Powerplants on the project will have 28,000 kilowatts of installed capacity and produce about 95 million kilowatt-hours annually.

The major laws and reservoirs on the project are Watasheama on the East Fork of the Carson River and the Stampede on the Little Truckee.

Representatives of the States of Nevada and California have reached agreements which have been incorporated by amendments to the bill. These protect the interests of both States.

I may say in that connection that in December 1955, flood damage along the Carson and Truckee Rivers was estimated to be somewhat in excess of $3,300,000. Another costly flood swept through the city of Reno in 1950, causing flood damages in excess of $4 million, making a total loss of nearly $8 million. That is the amount the committee feels should approximate the nonreimbursable flood-control allocation for this project.

Benefits to recreation and public health would be created. The project would variously affect fish and wildlife with the net effect to be determined by final structural designs and operating criteria. The preservation and propagation of these resources, one of the purposes of the project, will be assured to the greatest extent possible through the continued cooperation of the Bureau of Reclamation with the fish and game commissions of California and Nevada, and with the Fish and Wildlife Service.

The bill has the unanimous approval of the Committee on Interior and Insular Affairs, which committee considers the project thoroughly planned and well engineered.

The local interests concerned have cooperated fully and have agreed to the financial arrangements, with the exception of the flood-control allocations prepared by the Department, which I have heretofore discussed as not adequate in view of the heavy losses in a single flood that swept the area.

Mr. President, I therefore move the adoption of the committee amendments en bloc.

The PRESIDING OFFICER. The Chair is advised that the distinguished Senator has an amendment which the Chair believes he desires to offer to one of the committee amendments.

Mr. BIBLE. That is correct.

The PRESIDING OFFICER. If there is no objection, the Chair would suggest that that committee amendment be first considered.

The clerk will state the committee amendment.

The Legislative Clerk. On page 4, line 4, after the word "above", it is proposed to insert a colon and the following:

> *Provided*, That the Secretary, prior to the delivery of project water supplies, shall have entered into a contract or contracts with an organization or organizations as defined in paragraph 2 (g) of the Reclamation Project Act of 1939 (53 Stat. 1187) which have the capacity to review assessments upon all taxable real property located within their boundaries to assist in making repayments.
>
> (d) Water users in Alpine County, Calif., shall have the opportunity to contract for project water made available by the Watasheamu Reservoir before such project water is offered for the development of any new land in Nevada. Should any such project water be contracted for by Alpine County water users, then in that event, such users shall be permitted to exchange such water for existing rights to natural flow or stored water of the West Carson River.
>
> (e) The use of water of the Little Truckee River solely for the generation of electric power by the Washoe project shall not impair or preclude the appropriation of such waters in the future for beneficial consumptive use within the Little Truckee River watershed in California to the same extent as such waters may be presently available for such appropriation in the State of California: *Provided*, That if and when an interstate compact covering the distribution and use of the waters of the Truckee and Carson Rivers is approved by the legislatures of the States of California and Nevada and is consented to by Congress, the operation of the Washoe reclamation project shall be in conformance with such compact, and the foregoing restriction shall not apply.

Mr. BIBLE. Mr. President, I offer an amendment to the committee amendment on page 4, line 9, to strike out the word "review" and insert the word "levy" in lieu thereof.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Nevada to the committee amendment on page 4, line 9.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. BIBLE. Mr. President, I ask that the remaining committee amendments be considered and agreed to en bloc.

Mr. KNOWLAND. Mr. President, I know of no objection to the bill. However, I did have a request that a quorum call be had before the bill was disposed of so that a certain Senator might be present. If the Senator will yield for that purpose, I should like to suggest the absence of a quorum.

Mr. BIBLE. I am glad to yield for that purpose.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I direct attention to my senior colleague [Mr. Malone], who has just entered the Chamber. I again state that the bill involves a multipurpose project. It involves irrigation, drainage, supplemental water, hydroelectric power, flood control, fish and wildlife development, and recreational facilities. The sponsors of the bill are my distinguished senior colleague [Mr. Malone] and myself.

As I previously stated, the bill was subject to extensive hearings and careful consideration by the Committee on Interior and Insular Affairs. It was unanimously reported by the committee to the Senate. I am not clear as to whether all committee amendments have been adopted en bloc.

The PRESIDING OFFICER. The committee amendments were about to be considered en bloc when the suggestion of the absence of a quorum was made. They have not been adopted, with the exception of the committee amendment which was amended by the amendment offered by the junior Senator from Nevada.

Mr. BIBLE. That amendment was merely to correct an obvious error of language. At this time I move that the other committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, the remaining committee amendments are agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

> On page 1, line 6, after the word "approximately", to strike out "thirty-five" and insert "thirty-one"; on page 2, line 1, after the word "power", to insert "development of fish and wildlife resources"; in line 8, after the word "lands", to insert "The dam at the Stampede site shall be so constructed as to permit its ultimate enlargement to a height at which the reservoir will have a capacity of approximately 175,000 acre-feet."; on page 3, line 3, after the word "such", to insert "block over a period of not more than 50 years, exclusive of any"; in line 11, after the word "pay", to insert a colon and "*Provided*, That neither the provisions of the third sentence of section 46 of the act of May 25, 1926 (44 Stat. 636, 649), nor any other similar provision of the Federal reclamation laws shall be applicable to lands receiving supplemental water under the Washoe project."
>
> On page 5, line 7, after "Sec. 3", to strike out "Minimum basic facilities may be provided for the accommodation of the visiting public at the major dam structures of the Washoe project and, if responsible local interests agree to assume the operation and maintenance thereof, at Stampede Reservoir. The costs of such facilities shall be nonreimbursable" and insert "The Secretary is authorized to investigate, plan, construct, operate and maintain minimum basic facilities for access to, and for the maintenance of public health and safety and the protection of public property on, lands withdrawn or acquired for the development of the Washoe project, to conserve the scenery and natural, historic, and archeologic objects, and to provide for public use and enjoyment of the same and of the water areas created by this project by such means as are consistent with its primary purposes. The Secretary is authorized to withdraw from entry or other disposition under the public-land laws such public lands as are necessary for the construction, operation, and maintenance of said minimum basic facilities and for the other purposes specified in this section and to dispose of such lands to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. The Secretary is further authorized to investigate the need for acquiring other lands for said purposes and to report thereon to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, but no lands shall be acquired solely for any of these purposes other than access to project lands and the maintenance of public health and safety and the protection of public property thereon without further authorization by the Congress. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable.
>
> "Sec. 4. Facilities shall be provided for the development of the fish and wildlife resources of the project area including facilities to permit increased minimum water releases from Lake Tahoe and restoration of the Pyramid Lake fishery. The cost of such facilities, including operation and maintenance, shall be nonreimbursable. The cost to the Federal Government of constructing these facilities shall not exceed $2 million. This amount shall not include the cost of measures undertaken pursuant to section 2 of the act of August 14, 1946 (60 Stat. 1080, 16 U. S. C., sec. 661a), to mitigate damages to fish and wildlife resources occasioned by the Washoe project as authorized by section 1 of this act."
>
> On page 7, at the beginning of line 1, to change the section number from "4" to "5"; and in line 3, after the word "of", to strike out "$41,700,000" and insert "$43,700,000."

Mr. BIBLE. Mr. President, in closing I should like to say that I would be less than fair if I did not commend both the distinguished minority leader, the senior Senator from California [Mr. Knowland], and the junior Senator from California [Mr. Kuchel], for their aid and assistance in working out one of the problems involved in the bill, namely, the interstate relationships between the State of Nevada and the State of California. We jointly worked out language which was incorporated in the amendments, already adopted, and which relates to the recommendations of the compact commissions of both States. I wish to pay special tribute to both Senators from California. Their actions demonstrate beyond any doubt that men of ability can sit around a table and work out problems of water rights insofar as they deal with interstate streams.

My senior colleague is on the floor. I know of his intense interest and his long work in connection with this bill and I am sure he will wish to make some remarks on it.

THE TRUCKEE-CARSON (WASHOE) PROJECT

Mr. MALONE. Mr. President, I introduced Senate bill 497 on January 18, 1955, for myself and the junior Senator [Mr. Bible], authorizing the construction of the Truckee-Carson (Washoe) project—which includes the watersheds of the Truckee and the Carson Rivers.

COST AND REPAYMENT

The project is estimated to cost $43,700,000 which is in addition to the flood-control project for the Truckee River improvement, which includes removal of the reefs below the Truckee Meadows costing $791,000—1956 estimate $960,000—authorized in 1954 subject to the authorization of the Truckee-Carson project.

The proposed legislation conforms to the policies long established by Congress in that that part of the cost allocated to irrigation shall be repaid over a 50-year period without interest—the part allocated to power repaid with interest and the amount allocated to flood control and to fish and game preservation to general benefits.

AREA AFFECTED

The project primarily affects the Washoe County Conservation District, the Newlands Project and the Carson Valley. However the benefits extend to the Lake Tahoe property owners and indirectly to the entire watershed.

BEGINNING OF RECLAMATION

It is interesting to note Mr. President, that Senator Newlands of our State of Nevada introduced the legislation, passed in 1902 that resulted in what is now the Bureau of Reclamation, Department of the Interior, and that the Newlands project at Fallon, Nev., was the first to be authorized under that great forward-looking work, which has resulted in the reclamation of nearly 20 million acres of public lands in a half century.

TRUCKEE RIVER BASIN

The Truckee River Basin flood-control project was authorized in the 2d session of the 83d Congress, by Public Law 780 providing for flood protection on Truckee River and tributaries, California and Nevada, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in his report dated April 15, 1954, at an estimated cost of $791,000—1956 estimate $960,000—"provided that the authorization for improvement for flood control on Truckee River, California and Nevada, contained herein shall not become effective unless and until the Washoe Reclamation Project on the Truckee and Carson Rivers, California and Nevada, shall have been authorized pursuant to law."

CORPORATION

I want to join with the distinguished senior Senator from California [Mr. Knowland], and the junior Senator from Nevada [Mr. Bible] in complimenting the work of the responsible officials of the 2 States of California and Nevada in bringing together the interests of the 2 States and the present and potential water users.

It certainly does show what can be accomplished when friendly but often adverse interests are involved and the problems are discussed in a spirit of real cooperation.

Mr. President, I ask unanimous permission to insert in the Record at this point as a part of my remarks a history of the project and of the proposed legislation, together with pertinent communications.

There being no objection, the matters referred to were ordered to be printed in the Record, as follows:

THE LEGISLATION

The Washoe reclamation project was introduced as Senate bill 497 by Senator Malone for himself and Senator Bible on January 18, 1955 (the early days of the 1st sess. of the 84th Cong.). As introduced the bill will provide: Irrigation facilities for 50,000 acres in the Carson and Truckee River Basins, drainage facilities for 35,000 acres in the same area, a hydroelectric power source, and basic facilities for accommodating the visiting public at the major dam structures. The project would maintain at a constant yearly flow the existing water supplies under the Truckee River and Newlands storage projects, and provide flood control in the Carson-Truckee River Basin area. Two major construction projects, reservoirs at the Stampede and Watasheamu sites, are also authorized in the bill. The bill authorizes $41,700,000 plus such amounts as may be required by reason of changes in construction costs as indicated by engineering cost indices and plus such sums as may be required to operate and maintain the project.

Hearings were held October 14, 1955, in Reno, headed by Senator Malone. All evidence introduced at this hearing was favorable to the passage of the bill.

HISTORY OF THE PROJECT

Malone was one of the original proponents of Washoe County Conservation District in 1917 and was one of the principals in the formal organization in 1928, when upstream development of the Truckee River was discussed.

As State engineer, Malone helped to secure the funds for the Bureau of Reclamation to construct Boco Dam on the Little Truckee River in 1934.

1938: Flood Control Act authorized Corps of Army Engineers to investigate the Truckee River and its tributaries.

1952: August 26 and 27, Reno, hearings, headed by Malone, before a subcommittee of the Committee on Public Works, United States Senate. The hearings are entitled "Flood Control, River and Water Resource Development, Truckee and Carson Rivers, Nev.

1954: July 22 and 23, Washington, hearings before a subcommittee of the Committee on Public Works. The hearings were of H. R. 9859 of the 2d session of the 83d Congress. This is an omnibus bill entitled "Rivers and Harbors Flood Control." Senator McCarran appeared before the subcommittee asking that his bill S. 3408 be included in H. R. 9859. Senate bill 3408 on the Truckee and Carson Rivers had not been included in the House bill. California opposed McCarran's bill being added to the House bill. Regarding hearings on H. R. 9859, it comes under public law 780 of 2d session of 83d Congress. Also Senate Report No. 2007, Calendar No. 2026, from Mr. Martin from the Committee on Public Works. The project for flood protection of Truckee River is authorized at an estimated cost of $791,000, providing the Washoe reclamation project of the Truckee and Carson Rivers shall have been authorized pursuant to law.

1952: Status report, December, United States Department of the Interior, Bureau of Reclamation, Salt Lake City. This report is entitled "Washoe Project Nevada-California" and it outlines three plans for developing the water resources of the Truckee and Carson Rivers.

HISTORY OF WORK DONE ON PROJECT BY BUREAU OF RECLAMATION

1903–15: Construction of the Newlands project.

1937–39: Construction of Truckee River storage project, Boca Dam.

1948: Completion of the basin report. This report covers the development of the Lathonton Basin for irrigation, power, and other beneficial purposes.

1949: Initiation of investigations of the present Washoe project to see if project would be as beneficial as the cost of construction and maintenance.

1951: Reconnaissance report was completed. Purpose to see if project would be feasible enough to carry out further investigation. Reconnaissance report was favorable.

1952: Status report, described above.

1954: Feasibility report of regional director. Takes the most feasible plan mentioned in Status report and fully develops it. Plan chosen takes into consideration all aspects of project and also the wishes of the people directly.

1955: Report on Washoe project Nevada and California, completed in June. Not yet printed, but to be printed in the very immediate future by authorization of House Document 193. After it is printed the report is then transmitted to Congress. This report is the status report plus all of the comments that have been attached to it as it has passed through the usual channels of the President's office.

CHRONOLOGICAL HISTORY OF CORPS OF ENGINEERS' TRUCKEE RIVER PROJECT, NEVADA

June 28, 1938: Flood Control Act of 1938 authorized preliminary examination and survey of Truckee River Basin.

February 28, 1939: Favorable preliminary examination completed by Sacramento district engineer.

March 4, 1939: Favorable recommendation for survey made by South Pacific division engineer.

May 16, 1939: Board of Engineers for Rivers and Harbors recommends detailed survey be made by reporting officers.

May 23, 1939: Survey assigned to reporting officers by Chief of Engineers.

January 10, 1953: Favorable interim survey report completed by district engineer. Recommended certain channel improvements which would fit into and become a part of any comprehensive plan that may be selected in the future.

November 20, 1953: Board of Engineers for Rivers and Harbors concurs in recommendation of reporting officers.

December 22, 1953: Interim report referred to State and Federal agencies for comment and recommendation.

April 26, 1954: Comments of State and Federal agencies received by Chief of Engineers.

April 28, 1954: Interim report referred to Bureau of the Budget for comment.

July 23, 1954: Comments of the Bureau of the Budget received by Chief of Engineers.

July 23, 1954: Truckee River project considered for authorization by Senate Public Works Committee.

August 2, 1954: Report forwarded to Congress by Secretary of the Army. Published as House Document 497, 83d Congress, 2d session.

September 3, 1954: Truckee River project authorized for construction by the Flood Control Act of 1954, Public Law 780, 83d Congress.

CHRONOLOGICAL HISTORY OF CORPS OF ENGINEERS' ACTION ON THE BUREAU OF RECLAMATION'S WASHOE PROJECT

October 19, 1954: Proposed report of the Department of the Interior on the Washoe project referred to the Secretary of the Army for comment.

January 13, 1955: Views and comments of the Department of the Army regarding the Washoe project forwarded to the Commissioner of Reclamation by the Chief of Engineers.

January 28, 1955: Receipt of Chief of Engineers' letter of January 13, 1955 acknowledged by the Commissioner of Reclamation.

MAJOR OBJECTIVE—35 YEARS

Mr. MALONE. Mr. President, the passage of this legislation today is very gratifying to me. Only a rancher or owner of property under constant danger from floods can appreciate what it means to see the consummation of a project vital to an important area of our State, and myself, who has been intimately connected with the development of the area over 35 years as an engineer in private practice and as State engineer, and now as the senior Senator.

This has been the major objective over that period of time, though the perfecting of the necessary organizations, the engineering investigations, the agreements between individuals and organizations, often with conflicting interests had to be effected.

I congratulate the people of my State within the area included in this project on their infinite patience and perseverance demonstrated over the years, without which the necessary organization and the passage of this legislation today would not have been possible.

Mr. KNOWLAND. Mr. President, I wish to take this opportunity of commending the two distinguished Senators from Nevada for their work on this very important piece of legislation. I fully subscribe to what the junior Senator from Nevada [Mr. Bible] has stated, that the result in this case shows that problems which are of mutual interest to adjoining States can be worked out when men of good will get together, recognize the equities of the situation, and take action which will contribute to the growth and development of the two States. I wish again to commend both Senators from Nevada for their very fine cooperation in this regard.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of furnishing water for the irrigation of approximately 50,000 acres of land in the Carson and Truckee River Basins, Nevada and California, providing drainage service to approximately 31,000 acres of land therein, firming the existing water supplies of lands under the Truckee River storage project and the Newlands project, controlling floods, and providing hydroelectric power, development of fish and wildlife resources, and for other beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Washoe reclamation project consisting of two principal reservoirs at the Stampede and Watasheamu sites, together with other necessary works for the impounding, diversion, and delivery of water, the generation and transmission of hydroelectric power, and the drainage of lands. The dam at the Stampede site shall

be so constructed as to permit its ultimate enlargement to a height at which the reservoir will have a capacity of approximately 175,000 acre-feet.

Sec. 2. (a) In constructing, operating, and maintaining the works authorized in section 1 of this act, the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 389, and acts amendatory thereof or supplementary thereto) except as is otherwise provided in this act.

(b) Any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U. S. C., 1952 edition, sec. 485h) for payment of those portions of the costs of constructing, operating, and maintaining the Washoe reclamation project which are properly allocable to irrigation and drainage and which are assigned to be paid by the contracting organization may provide for the repayment of the portion of the construction cost of the project assigned to any project contract unit or, if the contract unit be divided into 2 or more irrigation or drainage blocks, to any such block over a period of not more than 50 years, exclusive of any permissible development period, or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under normal conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay: *Provided*, That neither the provisions of the third sentence of section 46 of the act of May 25, 1926 (44 Stat. 636, 649), nor any other similar provision of the Federal reclamation laws shall be applicable to lands receiving supplemental water under the Washoe project.

(c) Notwithstanding any other provision of law to the contrary, all net revenues derived from the sale of commercial power from the Washoe reclamation project shall be applied, first, to the amortization of that portion of the cost of constructing the project which is allocated to commercial power with interest on the unamortized balance thereof at the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term securities outstanding on the date of this act, and, thereafter, to the amortization of that portion of the cost of constructing the project which is allocated to irrigation and drainage but which is beyond the ability of the contracting irrigation and drainage organizations to repay as provided above: *Provided*, That the Secretary, prior to the delivery of project water supplies, shall have entered into a contract or contracts with an organization or organizations as defined in paragraph 2 (g) of the Reclamation Project Act of 1939 (53 Stat. 1187) which have the capacity to levy assessments upon all taxable real property located within their boundaries to assist in making repayments.

(d) Water users in Alpine County, Calif., shall have the opportunity to contract for project water made available by the Watasheamu Reservoir before such project water is offered for the development of any new land in Nevada. Should any such project water be contracted for by Alpine County water users, then in that event, such users shall be permitted to exchange such water for existing rights to natural flow or stored water of the West Carson River.

(e) The use of water of the Little Truckee River solely for the generation of electric power by the Washoe project shall not impair or preclude the appropriation of such waters in the future for beneficial consumptive use within the Little Truckee River watershed in California to the same extent as such waters may be presently available for such appropriation in the State of California: *Provided*, That if and when an interstate compact covering the distribution and use of the waters of the Truckee and Carson Rivers is approved by the Legislatures of the States of California and Nevada and is consented to by Congress, the operation of the Washoe reclamation project shall be in conformance with such compact, and the foregoing restriction shall not apply.

Sec. 3. The Secretary is authorized to investigate, plan, construct, operate, and maintain minimum basic facilities for access to, and for the maintenance of public health and safety and the protection of public property on, lands withdrawn or acquired for the development of the Washoe project, to conserve the scenery and natural, historic, and archeologic objects, and to provide for public use and enjoyment of the same and of the water areas created by this project by such means as are consistent with its primary purposes. The Secretary is authorized to withdraw from entry or other disposition under the public-land laws such public lands as are necessary for the construction, operation, and maintenance of said minimum basic facilities and for the other purposes specified in this section and to dispose of such lands to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. The Secretary is further authorized to investigate the need for acquiring other lands for said purposes and to report thereon to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, but no lands shall be acquired solely for any of these purposes other than access to project lands and the maintenance of public health and safety and the protection of public property thereon without further authorization by the Congress. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable.

Sec. 4. Facilities shall be provided for the development of the fish and wildlife resources of the project area including facilities to permit increased minimum water releases from Lake Tahoe and restoration of the Pyramid Lake fishery. The cost of such facilities, including operation and maintenance, shall be nonreimbursable. The cost to the Federal Government of constructing these facilities shall not exceed $2 million. This amount shall not include the cost of measures undertaken, pursuant to section 2 of the act of August 14, 1946 (60 Stat. 1080, 16 U. S. C., sec 661a), to mitigate damages to fish and wildlife resources occasioned by the Washoe project as authorized by section 1 of this act.

Sec. 5. There is hereby authorized to be appropriated for construction of the Washoe reclamation project the sum of $43,700,000 plus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indices appreciable to the types of construction involved therein and, in addition thereto, such sums as may be required to operate and maintain the project.

PAYMENT OF THE CONSTRUCTION CHARGES ON THE VALLEY DIVISION, YUMA RECLAMATION PROJECT, ARIZONA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1822, Senate bill 2202.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 2202) to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users Association, with respect to payment of construction charges on the Valley division, Yuma reclamation project, Arizona, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. HAYDEN. Mr. President, the Yuma reclamation project was one of the very early projects. When the contracts were made with the original landowners the obligation under the contracts with the landowners was greater than the total cost of the project to the Federal Government. Therefore this is a readjustment matter which will result in the Government being completely paid all the money involved in the construction of the project, including bridges, and other things.

Mr. President, I ask that the amendments to the bill be agreed to en bloc.

The PRESIDING OFFICER. The committee amendments will be stated, and, without objection, they will be agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

On page 2, after line 12, to strike out:

"Sec. 2. The general repayment obligation payable under the contract authorized by section 1 hereof shall be ascertained by the Secretary by deducting from the construction cost of $4,274,758.85 identified as 'Construction charge balance, Valley division' in that report designated 'Special Survey Financial Problems, Yuma and Yuma Auxiliary Projects, July 1, 1948, to June 30, 1953, Inclusive,' the amounts paid prior to the date of said contract under water-right applications approved by the Secretary on said division or credited thereto prior to said date, the undistributed net profits described in section 3 hereof, and any unapplied credits allocable to said division and by adding to the result thereby obtained the aggregate of any operation and maintenance costs remaining unpaid on the date of said contract and the Valley division's share of the cost of a bridge constructed or to be constructed across the Yuma Main Canal pursuant to contract of April 15, 1912, between the United States and Southern Pacific Co., as amended," and, in lieu thereof, to insert "The general repayment obligation payable under the contract authorized by section 1 of this act shall be ascertained by the Secretary (a) by adding to $165,605.46 any operation and maintenance costs incurred on or after January 1, 1955, which are unpaid on the date of the contract, (b) by subtracting from the sum thereof (i) any payments under water-right applications heretofore or hereafter approved by the Secretary on the Valley division which have become due and payable and which have been received beginning with January 1, 1955, and prior to the date of the contract, and (ii) net profits earned on or after January 1, 1955, and prior to June 30 preceding the date of the contract which are determined by the Secretary to be properly allocable to the Valley division, all as provided in section 3 of this act, and (c) by adjusting the difference between (a) and (b) to reflect an appropriate share, as determined by the Secretary, of any amount by which the cost to the Government of a certain trestle to be constructed by the Southern Pacific Railway Co. across the Yuma Main Canal pursuant to the contract dated

April 15, 1912, between it and the United States varies from $175,306."

On page 4, line 21, after the word "The", to strike out "undistributed"; on page 5, line 3, after the word "division," to insert "the sale of small tracts within the division pursuant to the act of March 31, 1950 (64 Stat. 39, 43 U. S. C., secs. 375b–375f)"; and on page 6, line 5, after the word "maintenance," to strike out "fund" and insert "appropriation"; so as to make the bill read:

"*Be it enacted, etc.*, That the Secretary of the Interior, hereinafter in this act referred to as the Secretary, is hereby authorized to enter into a contract with the Yuma County Water Users' Association, an Arizona corporation providing for the collection and retention by the association of all construction charge payments made subsequent to the date of such contract under water-right applications on the Valley division of the Yuma reclamation project outstanding on the date of said contract and water-right applications thereafter approved on said division and the release of the association from its guaranty to the United States of all amounts then due or thereafter to become due on said applications in consideration of the assumption by the association of the general repayment obligation defined in section 2 hereof payable to the United States without interest in annual installments not smaller than the aggregate of the payments which, in the opinion of the Secretary, would have become due pursuant to the provisions of said water-right applications.

"Sec. 2. The general repayment obligation payable under the contract authorized by section 1 of this act shall be ascertained by the Secretary (a) by adding to $165,605.46 any operation and maintenance costs incurred on or after January 1, 1955, which are unpaid on the date of the contract, (b) by subtracting from the sum thereof (i) any payments under water-right applications heretofore or hereafter approved by the Secretary on the Valley division which have become due and payable and which have been received beginning with January 1, 1955, and prior to the date of the contract, and (ii) net profits earned on or after January 1, 1955, and prior to June 30 preceding the date of the contract which are determined by the Secretary to be properly allocable to the Valley division, all as provided in section 3 of this act, and (c) by adjusting the difference between (a) and (b) to reflect an appropriate share, as determined by the Secretary, of any amount by which the cost to the Government of a certain trestle to be constructed by the Southern Pacific Railway Co. across the Yuma Main Canal pursuant to the contract dated April 15, 1912, between it and the United States varies from $175,306. The Secretary is hereby authorized to transfer to the association, (a) those structures covered by agreement between the United States and the association dated April 1, 1953, and bearing contract numbered 14–06–303–490, as amended March 29, 1955, and a 24-stall garage in the vicinity of said structures in consideration of the cash payment or addition to the said general repayment obligation of the net book cost of $15,000 less the aggregate of payments made by the association to the United States prior to the date of such transfer under said agreement and under agreement between the United States and the Association dated November 6, 1952, and bearing contract numbered 14–06–303–79; and (b) the buildings located at 105, 115, and 121 North Fifth Avenue, respectively, and at 460 First Street, within the exterior boundaries of the city of Yuma, Ariz., in consideration of the cash payment or addition to said general repayment obligation of the further sum of [illegible],756.87: *Provided*, That such transfers shall not include title to the lands on which any such structures or buildings are located.

"Sec. 3. The net profits to be deducted pursuant to section 2 hereof shall constitute the portion determined by the Secretary to be allocable to said Valley division of such profits derived to and including the June 30 immediately preceding the date of said contract from the following: leases, permits, and other arrangements for use of project lands and other project property within the division, the sale or use of townsites within the division, the sale of small tracts within the division pursuant to the act of March 31, 1950 (64 Stat. 39, 43 U. S. C., secs. 375b–375f), and the furnishing of water or water service to other than water-right applicants from the irrigation works of the division. The contract authorized by section 1 hereof may also provide that for each subsequent fiscal year that portion of the net profits derived from the above-mentioned sources as well as the net profits from the Siphon Drop Powerplant after reserves for replacements, and/or depreciation and/or other appropriate purposes determined by the Secretary to be allocable to the division shall be credited annually, first on account of general repayment installments under said contract to become payable for the calendar year next following such fiscal year and second on account of operation and maintenance charges to become payable by the association to the United States for such calendar year, including but not limited to advance payments by the association for operation and maintenance of Siphon Drop Powerplant and payments for any rehabilitation work undertaken by the United States on behalf of the division. There is authorized to be transferred and deposited from time to time to the credit of the operation and maintenance appropriation for the Bureau of Reclamation from project revenues deposited in the reclamation fund amounts equal to the credits so applied on account of operation and maintenance charges payable by the association to the United States. The amounts thus credited to the operation and maintenance appropriation may be expended for the same objects and in the same manner as sums advanced by the association for the operation and maintenance of works retained by the United States: *Provided*, That if the Secretary determines that the portion of such net profits allocable to the division and available for such credit during any calendar year exceeds the aggregate of the general repayment installment, if any, and the operation and maintenance charge payable by the association to the United States, he may pay the amount of such excess to the association from the reclamation fund."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF THE AUTHORITY OF THE AMERICAN BATTLE MONUMENTS COMMISSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1846, Senate bill 3498.

The PRESIDING OFFICER. The clerk will state the bill by title.

The Legislative Clerk. A bill (S. 3498) to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. LONG. Mr. President, the purpose of this bill is to expedite the procedure of the Battle Monuments Commission by permitting it to enter cemeteries prior to the time the cemeteries ordinarily would be turned over to the Commission and while still under the jurisdiction of the Department of the Army. Under those circumstances, it is believed that earlier improvement of these cemeteries could take place.

Furthermore, the proposed legislation authorizes promotion of the Secretary of the Commission within the discretion of the President. The bill provides that the officer promoted shall not count against any limitation on the number of officers permitted to be carried on active duty.

It also increases the per diem allowance. This matter has been studied carefully by the committee. It finds the proposed allowances are reasonable and just and will cost the Government very little. The committee feels the allowance should be increased.

Mr. POTTER. Mr. President, I wish to commend the Senator from Louisiana for his work in connection with this bill. One of the main problems which the Battle Monuments Commission has had—and it is my privilege and honor to be a member of that Commission—has been the fact that the Army had the first jurisdiction in establishing national cemeteries, and the Battle Monuments Commission has not been able to go in until the Army turns the cemetery over to that Commission.

It has been 10 years since the end of World War II, and we are still in the process of developing our national cemeteries. One of the reasons for the delay has been the fact that the Battle Monuments Commission has not been able to work with the Army until the Army was ready to turn the cemeteries over to the Battle Monuments Commission.

This bill will enable them to work together. In case of another war, and the consequent need for cemeteries, we hope that those who lose their lives will have monuments erected to them much more expeditiously than has been the case in the past.

Mr. LONG. Mr. President, I wish to commend the Senator from Michigan for the work that he has done in connection with the Battle Monuments Commission and for his aid in connection with this proposed legislation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the first paragraph of the first section of the act entitled "An act for the creation of the American Battle Monuments Commission to erect suitable memorials commemorating the services of the American soldier in Europe, and for other purposes," approved March 4, 1923 (42 Stat. 1509, as amended; 36 U. S. C. 121), is amended by inserting immediately after the first sentence thereof, the following new sentence: "Notwithstanding any other provision of law, the President is authorized to appoint to the grade of major general in the Army of the United States the officer

serving as Secretary of the American Battle Monuments Commission on the date of the enactment of this sentence, who, while so serving, shall be entitled to receive the pay and allowances of an officer of such grade, and, upon relief from such services, shall be placed upon the retired list in such grade and receive retired pay computed upon the basis of the basic pay he would receive if serving on active duty in such grade. The person promoted under the provisions of this act shall be in addition to the number of commissioned officers authorized by other provisions of law now existing or hereafter enacted for the grade of major general and shall not be counted for the purpose of determining the authorized number of officers of any grade or designation in the Army of the United States.

(b) The second and third paragraphs of such section are amended to read as follows:

"The members of the Commission shall serve as such without compensation, except that (1) their actual expenses in connection with the work of the Commission, and (2) when in a travel status, a per diem of $20 in lieu of subsistence, may be paid to them from any funds appropriated for the purposes of this act, or acquired by other means hereinafter authorized.

"Upon the request of the Commission, the heads of the Federal departments or agencies are authorized to designate such personnel, and to make available to the Commission such facilities, of their respective departments or agencies, or of the Army, Navy, Air Force, or Marine Corps, as the case may be, as may be necessary to assist in carrying out the purposes of this act, and may expend for such purposes any funds appropriated to such departments, agencies, and services, with reimbursement from the Commission for the pay and allowances of the personnel so designated. The Commission is authorized to employ such further personnel as may be necessary to carry out the purposes of this act, within the limits of any appropriation or appropriations made for such purposes.

"The provisions of this subsection shall take effect on the first day of the first calendar month following the date of enactment of this act."

Sec. 2. (a) Sections 5, 8, and 9 of such act are repealed.

(b) Sections 2, 3, and 4 of such act are redesignated as section 3, 4, and 5, respectively, of such act.

(c) Section 10, 11, 12, 13, and 14 of such act are redesignated as sections 8, 9, 10, 11, and 12, respectively, of such act.

(d) Each reference made hereinafter to any section of such act, the numbering of which is redesignated by subsection (b) or (c) of this section, shall be deemed to be made to such section as so redesignated.

Sec. 3. (a) Such act is amended by inserting, immediately after the first section thereof, the following new section:

"Sec. 2. When, as a result of combat operations, the Armed Forces shall establish military cemeteries in zones of operations outside the United States and its Territories and possessions, the Commission and the Secretary of the Army immediately upon the cessation of hostilities, shall determine which of the cemeteries so established, if any, shall become permanent cemeteries or, as they may deem desirable, select new sites at any other location for such cemeteries. The Commission shall be solely responsible for the design and construction of such permanent cemeteries, and of all buildings, plantings, headstones, and other permanent improvements incidental thereto except that (1) the Armed Forces shall be responsible for the maintenance of such permanent cemeteries until such time as the Commission shall express its readiness to assume the functions of administration hereinafter authorized, (2) all construction undertaken by the Armed Forces in establishing and maintaining the cemetery prior to its transfer to the Commission shall be nonpermanent in nature, (3) burials and reburials therein by the Armed Forces shall be carried out in accordance with plans prepared by the Commission, (4) the Armed Forces shall have the right to reenter any cemeteries transferred to the Commission for the purpose of making exhumations or reinterments should they deem any such action to be necessary."

(b) Section 3 of such act is amended to read as follows:

"Sec. 3. The Commission shall prepare plans and estimates for the erection of suitable memorials to commemorate the services of the American Armed Forces, and shall erect and maintain memorials in the United States and at such places outside the United States where the American Armed Forces have served since April 6, 1917, or shall hereafter serve, as the Commission shall determine. The Commission shall also erect and maintain works of architecture and art in such American cemeteries located outside of the United States, its Territories and possessions, as have been or may hereafter be declared to be permanent cemeteries. Works of architecture and art erected by the Commission in cemeteries within the United States, its Territories and possessions, shall be maintained by the Department of Defense.

"The Commission shall control as to materials and design and provide regulations for, and supervise the erection of, all memorial monuments and buildings in American cemeteries located outside the United States, its Territories and possessions.

"The Commission shall control as to design and provide regulations for the erection of all memorial monuments and buildings commemorating the services of the American Armed Forces erected in any foreign country or political division thereof which may authorize the Commission to perform such functions."

(c) Section 4 of such act is amended to read as follows:

"Sec. 4. Before any design for any memorial is accepted by the Commission, it shall be approved by the National Commission of Fine Arts."

Sec. 4. (a) Section 9 of such act is amended to read as follows:

"Sec. 9. The records and archives of the Commission shall, when no longer required by the Commission, be deposited with the National Archives in accordance with the provisions of the Federal Records Act of 1950 (44 U. S. C. 397)."

(b) Section 10 of such act is amended to read as follows:

"Sec. 10. The President may by Executive order transfer to the Commission, with respect to any permanent military cemeteries located outside of the United States, its Territories and possessions, the same functions of administration which were transferred to the Commission by Executive Order 6614, dated February 26, 1934, and Executive Order 10057, dated May 14, 1949, as amended by Executive Order 10087, dated December 3, 1949, together with any supplies, materials, and equipment located therein or in military depots overseas which are excess to the needs of the Department of Defense and are requested by the Commission for the performance of such functions. Thereafter the Commission shall be responsible for the maintenance of such cemetery and of all improvements therein."

(c) Section 12 of such act is amended by—

(1) striking out the words "such purposes" in the first paragraph thereof, and inserting in lieu thereof the words "the purposes of this act";

(2) inserting in the second paragraph thereof, immediately after the word "outside", a comma and the words "or for use outside,"; and,

(3) inserting, immediately after the third paragraph thereof, the following new paragraph:

"Claims of the type described in the first section of the act entitled 'An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries', approved January 2, 1942 (55 Stat. 880, as amended; 31 U. S. C. 224d), on account of damage to or loss or destruction of property both real and personal, or personal injury or death of any person, arising on or after the date of the enactment of this paragraph and caused by the negligent or wrongful act or omission of any officer or civilian employee of the Commission while acting within the scope of his office or employment, may be considered, ascertained, adjusted, determined, and paid in the manner provided in such act for the settlement of Army claims, except that in such cases one or more officers or employees of the Commission may be appointed by the Secretary of the Army to a claims commission or commissions or as officers to approve settlements of claims made by such commission or commissions, and all payments in settlement of such claims shall be made out of appropriations made for the purposes of this act."

CONSTRUCTION OF BRANCH TRACK OR SIDING OVER SECOND STREET SE., IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1818, Senate bill 2705.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 2705) to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with an amendment.

Mr. BIBLE. Mr. President, the purpose of this bill is to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia. The committee was advised that the Evening Star Newspaper Co. proposes to construct a new building at that point, and a railroad siding will be needed to serve the building. The bill has the approval of the Board of Commissioners of the District of Columbia and has been favorably reported by the unanimous vote of the Committee on the District of Columbia.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on the District of Columbia was, on page 2, line 1, after the word "operation", to insert "and maintenance", so as to make the bill read:

Be it enacted, etc., That the Philadelphia, Baltimore & Washington Railroad Co. be, and it is hereby, authorized and directed to construct, maintain, and operate at grade a single branch track or siding from its present track in square 737 to square 766 over Second Street in the vicinity of Second and I Streets SE., Washington, D. C., with the approval of the Commissioners of the District of Columbia, and to continue the operation and maintenance thereof, anything contained in any prior act or acts of Congress to the contrary notwithstanding.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DUTIES OF JUDGES OF THE UNITED STATES COURT OF CLAIMS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1841, Senate bill 977.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 977) to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment.

Mr. SMATHERS. Mr. President, this bill would authorize the Chief Justice to assign temporarily any member of the Court of Claims to serve as circuit or district judge upon presentation of a certificate of necessity from the chief judge or circuit justice of the circuit wherein the need arises. It would also permit judicial service by retired judges of the Court of Claims.

Furthermore, the bill would grant membership in the Judicial Conference to the Court of Claims and require the submission of the budget estimates of the Court of Claims to the Judicial Conference prior to presentation of such budget to the Bureau of the Budget.

All of the foregoing matters are either permitted or required in the case of the circuit and district courts. Since the Court of Claims by Public Law 158 of the 83d Congress achieved the status of a constitutional court, it is appropriate that the court and its members be treated similarly with other constitutional courts. Moreover, these additions to the general law should assist further in the achievement of judicial efficiency.

This measure has the approval of the Court of claims and the Judicial Conference.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on the Judiciary was on page 3, after line 5, to insert:

(e) The second paragraph of section 605 of title 28, United States Code, is amended to read as follows:

"Such estimates shall be approved, before presentation to the Bureau of the Budget, by the Judicial Conference of the United States, except that estimates with respect to the Court of Customs and Patent Appeals and the Customs Court shall be approved by such courts, respectively."

So as to make the bill read:

Be it enacted, etc., That (a) subsection 291 (a) of title 28, United States Code, is amended to read as follows:

"(a) The Chief Justice of the United States may designate and assign temporarily any circuit judge to act as circuit judge in another circuit, or any judge of the Court of Claims to serve as a circuit judge in any circuit, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises."

(b) Section 292 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) The Chief Justice of the United States may designate and assign any judge of the Court of Claims to serve as a judge of any district court, when requested so to do, upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises."

(c) Subsection 294 (b) of title 28, United States Code, is amended by adding at the end thereof the following new paragraph:

"Any retired judge of the Court of Claims (1) may be designated and assigned by the Chief Justice of the United States to perform such judicial duties in any circuit as he is willing to undertake, and (2) may be called upon by the chief judge of the Court of Claims to perform such judicial duties in such court as he is willing to undertake."

(d) Section 331 of title 28, United States Code, is amended by inserting, immediately after the second paragraph thereof, the following new paragraph:

"The Chief Justice of the United States shall also summon the chief judge of the Court of Claims, or if he is unable to attend, another judge of such court, to participate in the conference. Any judge summoned shall attend, and, unless excused by the Chief Justice, shall remain throughout the conference and advise as to the needs of such court and as to any matters in respect of which the administration of justice in the courts of the United States may be improved."

(e) The second paragraph of section 605 of title 28, United States Code, is amended to read as follows:

"Such estimates shall be approved, before presentation to the Bureau of the Budget, by the Judicial Conference of the United States, except that estimates with respect to the Court of Customs and Patent Appeals and the Customs Court shall be approved by such courts, respectively."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IMPORTATION, FREE OF DUTY, OF RACING SHELLS IN PREPARATION FOR 1956 OLYMPIC GAMES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1819, House bill 8334.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8334) to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SMATHERS. Mr. President, the purpose of the bill is to exempt from the duty imposed by paragraph 412 of the Tariff Act of 1930 racing shells entered or withdrawn from warehouse after December 31, 1955, when such racing shells are to be used in connection with preparation for the 1956 Olympic games. The free entry privilege would be accorded to any athletic team or association in the United States and would include competitions to determine representatives of the United States in such games.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ADMISSION FREE OF DUTY OF ARTICLES IMPORTED FOR EXHIBITION PURPOSES AT INTERNATIONAL THEATER EQUIPMENT TRADE SHOW

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1820, H. R. 8942.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8942) to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without paying of tariff, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. SMATHERS. Mr. President, the purpose of the bill is to permit the entry, free of duty, of articles imported for exhibition at the International Theater Equipment Trade Show, to be held in New York, N. Y.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ADMISSION FREE OF DUTY OF ARTICLES IMPORTED FOR EXHIBITION PURPOSES AT THE INTERNATIONAL PHOTOGRAPHIC EXPOSITION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1821, H. R. 8959.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8959) to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. SMATHERS. Mr. President, the bill is similar to H. R. 8942, which was just passed. Its purpose is to permit the entry, free of duty, of articles imported for exhibition at the International Photographic Exposition to be held in Washington, D. C., this year.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ADMISSION, FREE OF DUTY, OF ARTICLES IMPORTED FOR EXHIBITION PURPOSES AT THE 11TH ANNUAL INSTRUMENT-AUTOMATION CONFERENCE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1854, H. R. 7678.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7678) to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation International Conference and Exhibit, New York, N. Y., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments, on page 4, after line 7, to insert:

SEC. 7. Any article which is imported from a foreign country for the purpose of exhibition at the Americas' New Frontiers Exposition to be held in connection with the celebration of the fiftieth anniversary of the admission of the State of Oklahoma into the Union, at Oklahoma City, Okla., from May 1, 1956, to January 1, 1958, inclusive, by the Americas' New Frontiers Exposition, Inc., a corporation, or for use in constructing, installing, or maintaining foreign exhibits at the Americas' New Frontiers Exposition, upon which article there is a tariff or customs duty, shall be admitted without payment of such tariff or customs duty or any fees or charges under such regulations as the Secretary of the Treasury shall prescribe. Each provision of sections 1 to 6, inclusive, of this act shall apply with respect to the Americas' New Frontiers Exposition and all rights and privileges extended by such sections and all duties and obligations imposed thereby and each and every requirement thereof shall extend to the Americas' New Frontiers Exposition, Incorporated, which shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the authority of this section.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An act to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation (International) Conference and Exhibit, New York, N. Y., and the Americas' New Frontiers Exposition, to be held at Oklahoma City, Okla., to be admitted without payment of tariff, and for other purposes."

CONSTRUCTION OF THE AINSWORTH UNIT OF THE MISSOURI RIVER BASIN PROJECT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1823, S. 2206.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2206) to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That the report approved by the Secretary of the Interior on November 21, 1955, demonstrating the physical and economic feasibility of the Ainsworth unit of the Missouri River Basin project, integrated as a part of said project by the act of August 21, 1954 (68 Stat. 757), is hereby approved: *Provided,* That for a period of 10 years from the date of enactment of this act, no water from any participating project authorized by this act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

Mr. ANDERSON. Mr. President, when the bill which became Public Law 612 was under consideration, Congress wanted to make certain that the Secretary of the Interior should report on the feasibility of any project. All that is involved in the pending bill is a provision approving the feasibility report of the Secretary of the Interior on the Ainsworth unit, Missouri River Basin project.

The bill also amends the title and includes an agricultural amendment of the kind which was involved in the upper Colorado River bill. In that bill an amendment was included which provided that none of the land should be used for the cultivation of a crop which was already in surplus, at least for a period of 10 years. That language has been carried forward into this particular bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project."

RENEWALS OF LEASE OF THE ANNETTE ISLAND AIRPORT TO THE UNITED STATES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1842, H. R. 6573.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6573) to authorize renewals of a lease of the Annette Island Airport to the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. BIBLE. Mr. President, the purpose of the bill is to give the approval of Congress to an extension of the existing lease on certain Alaskan Indian lands on which the Annette Island Airport has been built.

Annette, a small island a few miles south of Ketchikan and 600 miles north of Seattle, is the site of an important airport which serves the city of Ketchikan and the Metlakahtla Indian community and is used by Coast Guard airplanes and for emergencies by aircraft bound to or from other sections of Alaska. The airport was constructed by the Federal Government during World War II at a cost in excess of $10 million and for several years served a very useful purpose in the prosecution of the war.

In December 1948, the airport was leased to the United States by the Council of the Annette Island Indian Reserve, the governing body of the Metlakahtla Indian community, for a 1-year term beginning July 1, 1949. This lease contains a clause giving the Government an option to renew the agreement from year to year but with a proviso that no renewal shall extend the period of occupancy of the premises beyond June 30, 1959, unless such extension is approved by Congress, and in no case beyond June 30, 1999. This bill will give Federal authorization for renewing the lease from year to year for the remainder of the original 50-year term.

The committee unanimously reported the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

SALE TO VICTOR POWER OF CERTAIN LANDS IN ALASKA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1843, H. R. 6703.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 6703) to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I ask for an explanation of the bill.

Mr. BIBLE. Mr. President, the purpose of the bill is to authorize the sale of approximately 1.14 acres of land in Alaska to an adjoining land owner, Victor Power, of Juneau, Alaska.

This tract is in the status of a public-service site. Fronting on Gastineau Channel, it was established to provide public access to and from upland homesites. Since then the main highway has been built and transportation to the homesites is now entirely by automobile.

Consequently, the Department of the Interior is prepared to dispose of this tract, which is irregular in size and which in any case provided a hazardous route of entry to the upland because of the rugged and precipitous nature of the terrain. Mr. Power already owns a homesite of just over 4 acres immediately adjacent to the tract in question and is anxious to round out his holdings by obtaining this additional acreage.

The Delegate from Alaska and a representative of the Bureau of Land Management, Department of the Interior, testified in favor of the bill. The committee action favoring the bill was unanimous. The bill contains a provision that the purchase price of the land shall be the fair market value thereof.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

REVIEW AND DETERMINATION OF CLAIMS FOR RETURN OF LANDS TO THE TERRITORY OF HAWAII

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1844, H. R. 7186.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 5, after line 12, to insert:

> (c) If an eminent domain proceeding for the condemnation of the property, or any part thereof, for public use is brought by the Territory or political subdivision within the time so allowed by the court, in such eminent domain proceeding, the property shall be valued and the proceeding shall be heard and determined in all respects as if filed upon the date of the original conveyance and as if an order had been made letting the Government into possession on said date: *Provided*, That at its option, the Territory or political subdivision may bring eminent domain proceedings for condemnation of the property or part thereof required for public use without invoking the preceding provisions of this sentence: *Provided further*, That in the event the Territory or political subdivision shall have discharged encumbrances upon the property for which it is entitled to reimbursement as provided by subsection (e), the same may be made a setoff in any eminent domain proceeding brought for condemnation of the property or part thereof required for public use.

On page 6, at the beginning of line 7, to change the "(c)" to "(d)"; at the beginning of line 17, to change the "(d)" to "(e)"; at the beginning of line 23, to change the "(e)" to "(f)"; and on page 7, at the beginning of line 7, to change the "(f)" to "(g)".

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. BIBLE. Mr. President, I should like to make a brief explanation of the bill.

H. R. 7186 would authorize charitable organizations composed of persons of Japanese ancestry in Hawaii to file claims in the circuit court of the Territory for return of lands taken from them during World War II. The claims must be filed within a 2-year period.

Thus, the measure in effect constitutes a waiver of any applicable statutes of limitation and confers jurisdiction upon the Territorial courts of Hawaii, established by Federal statute, to review and determine the claims. Spokesmen for the Department of the Interior, which has general administrative responsibility for the Territory, and the elected delegate from Hawaii testified before the committee that there are 3 claims totaling $191,000 of the type that would be authorized by H. R. 7186, pending adjudication.

None of the property is now held by the Federal Government, and the Federal Government would in no way be liable for payment of any claims that might be allowed under the bill. The matter is a local one.

The committee action was unanimously in favor of the bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXTENSION OF TIME TO APPLY FOR PATENT TO CERTAIN LANDS IN ALASKA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1845, House bill 7513.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The Legislative Clerk. A bill (H. R. 7513) to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blockard, within which to apply for a patent to certain lands in Alaska.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

> That, if the Secretary of the Interior finds that the Matanuska Valley Lines, Inc., pursuant to its certificate of conditional purchase issued on August 20, 1951, for tracts 1, 2, 3, and 4 of block 27 of the east addition to the original townsite of Anchorage, Alaska, and tract 7 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364a–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to the Matanuska Valley Lines, Inc., such additional period of time within which to file such application for the aforesaid tracts as he shall deem reasonable.
>
> Sec. 2. If the Secretary of the Interior finds that Joe Blackard and Russell Swank, operating a joint venture as Blackard & Swank, pursuant to their certificate of conditiontal purchase issued on August 20, 1951, for tract 6 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to Joe Blackard and Russell Swank such additional period of time within which to file such application for the aforesaid tract as he shall deem reasonable.

The amendment was agreed to.

Mr. MORSE. Mr. President, I ask for an explanation of the bill.

The PRESIDING OFFICER. The Senator from Oregon asks for an explanation of the bill.

Mr. BIBLE. Mr. President, H. R. 7513, as amended, is intended to alleviate what was represented to the committee to be hardship on a small business enterprise in Alaska that would result from strict application of the regulations respecting patenting of lands in Alaska. Not more than 160 acres of public land are involved.

The bill directs the Secretary of the Interior to grant the Matanuska Valley bus lines and its proprietors a reasonable period of time in which to file application for a patent to the lands on which they already have made substantial investments, totaling between $65,000 and $70,000. The committee was informed at the hearing that the company and individuals named above purchased the lands in question under the act of August 3, 1949—Sixty-third Statutes, page 679; title 48, United States Code, sections 364a–364e—which authorizes the sale of certain public lands in Anchorage, Alaska. In conformance with this act, the purchasers developed the lands satisfactorily for commercial purposes within the required 3 years after date of purchase. Although payments on the land were completed on July 9, 1951, the purchasers, due to circumstances beyond their control, including a strike, failed to apply for a patent on the land within the required 3-year period, and therefore forfeited their rights to the lands.

The departmental spokesman asserted at the hearing that this proposed legislation is necessary if this Alaska small business enterprise is not to lose its investment.

The PRESIDING OFFICER. Are there further amendments to be proposed? If not, the question on the engrossment of the amendment, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

LONGER TERMS OF OFFICE FOR JUSTICES OF THE SUPREME COURT AND CIRCUIT COURTS OF HAWAII

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1798, House bill 6162.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The Legislative Clerk. A bill (H. R. 6162) to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of House bill 6162 is to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii.

H. R. 6162 would amend section 80 of the Hawaiian Organic Act, as amended—found in title 48, United States Code, section 633—to provide that the term of office of the chief justice and justices of the Supreme Court of Hawaii shall be increased from the present 4 years to 7 years and for the judges of the circuit courts of Hawaii from 4 years to 6 years. H. R. 6162 would become effective at noon on January 20, 1957.

The PRESIDING OFFICER. Are there any amendments to be offered to the bill? If not, the question is on the third reading of the bill.

The bill (H. R. 6162) was ordered to a third reading, read the third time, and passed.

CONSTRUCTION AND CONVERSION OF CERTAIN NAVAL VESSELS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1815, House bill 7993.

The PRESIDING OFFICER. The clerk will state the bill by title, for the information of the Senate.

The Legislative Clerk. A bill (H. R. 7993) to authorize the construction and conversion of certain naval vessels, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with an amendment, to strike out all after the enacting clause and insert:

> That the President is hereby authorized to undertake the construction of, or to acquire and convert, not to exceed 2,800 tons of patrol vessels.
>
> Sec. 2. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the construction or for the acquisition and conversion of the foregoing vessels.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill, as amended, is to provide authorization for the construction or conversion of 2,800 tons of escort vessels.

The authorization provided is for the construction of two ocean escorts, or escort vessels, which are successors to destroyer escorts.

At the present time the Navy has an unobligated balance of only 314 tons of patrol vessels from Public Law 3, 82d Congress, and Public Law 548, 83d Congress. Accordingly, the 2,800 tons of new authority proposed to be granted by this bill is necessary for the construction of the 2 escort vessels in the 1957 program.

Cost figures for the construction of the vessels authorized by the measure cannot be computed accurately at this time. These figures will be included in the 1957 budgetary estimates. Cost and budget data will, of course, be available when hearings are held on the proposal.

This bill comes from the Committee on Armed Services unanimously. It has been estimated, as nearly as it can be done, that appropriations in the amount of $23,600,000 will be needed for the construction of the 2 vessels.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed? If not, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

EXPRESSION OF APPRECIATION OF COOPERATION OF SENATORS IN HANDLING MEASURES ON THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, I desire to express my deep appreciation to the Senator from Florida [Mr. Smathers], the Senator from Nevada [Mr. Bible], and, particularly, the distinguished minority leader, the senior Senator from California [Mr. Knowland] and the minority members of the various committees which have reported the 25 bills the Senate has acted upon today.

Mr. KNOWLAND. I thank the distinguished Senator from Texas.

CONSTRUCTION OF IRRIGATION DISTRIBUTION SYSTEM

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1824, House bill 8535.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 8535) to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I have made this motion in order that we may have some business pending on Monday.

The PRESIDING OFFICER. The Chair did not understand the request of the Senator from Texas.

Mr. JOHNSON of Texas. I made the motion, but I do not intend to take up the bill at this time or have any discussion of it. I wanted it to be the unfinished business, so when the Senate reconvenes on Monday, there will be unfinished business pending before the Senate.

There will be a call of the calendar on Monday, under the unanimous-consent request which was granted yesterday, and the Senate will take up private bills, followed by the bill I have had made the unfinished business.

DISTRICT OF COLUMBIA TRANSIT SYSTEM

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. I want to say good naturedly that I can suggest to the majority leader a bill on the calendar which perhaps would elicit a little more discussion on Monday than would the bill he has had made the unfinished business. I refer to the bill which would provide for a settlement of the impending public-transport problem in the District of Columbia. August 14 is not very far away, and there is every indication that, at the rate we are going, the possibility is that thousands of people will be wearing out shoe leather on August 15, unless the bill which was considered by the committee, of which I am a member, is scheduled for early debate in the Senate and we can get the differences with the House into conference.

Mr. JOHNSON of Texas. When was the bill reported?

Mr. MORSE. It is on the calendar. It was reported some days ago. I am trying to find it on the calendar.

Mr. JOHNSON of Texas. It certainly must have been very recently, in the past 2 or 3 days, because it is necessary to clear measures with both policy groups.

Mr. MORSE. The bill was reported within the past week.

Mr. JOHNSON of Texas. The bill must have been put on the calendar within the past few days.

Mr. MORSE. I am advised that the bill to which I refer is Calendar No. 1816, Senate bill 3073, relating to a transportation system for the District of Columbia.

If the majority leader will permit me, I should like to take a few minutes to make a statement about the bill, because I interrupted him to call attention to the impending domestic crisis. We may as well face up to the fact that between now and August 14 we shall have to do something about the public transportation system in the District of Columbia. Anybody who has read the newspapers knows there is considerable difference between the House and the Senate proposals, although we hope to iron out the differences. Certainly, we should not wait until just before adjournment to enact legislation which must be enacted if the transportation problem of the District of Columbia is to be solved.

I do not wish to speak at length on the matter at this time, but I hope the majority leader will schedule Calendar No. 1816, Senate bill 3073, for debate at a reasonably early date, so the Senate can take action on the bill and we can proceed to resolve the differences between the two bodies in conference, because I think that is where they will have to be settled. We have had extensive hearings in the Senate committee. We have brought forth a bill which we think proposes a sensible adjustment of this problem. We believe it will be necessary to have a temporary public authority to provide the people of the District with transportation come August 15.

The overwhelming majority of the committee is adamant in the position that it is not going to favor returning the transportation system to the Wolfson outfit, because we recognize that to do so would only be buying further trouble for the transit riders in the District of Columbia.

We believe in home rule; we believe in true home rule; and we believe the District Commissioners ought to have placed in their laps the transit problems and other municipal problems with which the District of Columbia must wrestle as part and parcel of the democratic processes under home rule.

I wish to say most earnestly to the majority leader that therefore I hope that Calendar No. 1816, Senate bill 3073, will be scheduled for debate next week.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I do not have the floor; but I ask the majority leader whether he will permit me to yield to the distinguished Senator from South Dakota, to whom I am always glad to yield, of course.

Mr. JOHNSON of Texas. Certainly.

Mr. CASE of South Dakota. Mr. President, I should like to second what the able Senator from Oregon has said. If there is any place in the United States where public transportation partakes of the nature of a public utility and where its continued operation without cessation is a necessity, it is in the Nation's Capital.

Mr. MORSE. Mr. President, as the Senator from South Dakota has clearly implied, the Federal Government has a very great interest in the efficient and satisfactory operation of public transportation in the seat of the Federal Government.

Mr. CASE of South Dakota. There is no question about that.

Mr. MORSE. Of course not.

Mr. President, while the distinguished junior Senator from South Dakota [Mr. Case] was so able a leader of the Committee on the District of Columbia, as its chairman, he played a most important part in trying to solve some of the traffic bottlenecks which exist in Washington, D. C.

Let me also say that before it adjourns this summer I hope Congress will do something in regard to the bridge problem which faces the District of Columbia. I say in most kindly fashion that, as a Congress, I think we should be ashamed of ourselves; if we are going to retain the powers of municipal aldermen for the District of Columbia, we should be ashamed to permit the present very great and serious congestion of traffic which exists during rush hours in the District of Columbia to continue merely because we do not solve the bridge problem, and merely because every time we try to decide on the location of the needed bridges, we become involved in a hassle. Certainly it is time for Congress to take action which will result in construction of the necessary bridges.

As a result of their construction, not only will there be improved efficiency on the part of the employees of the Federal Government, but those employees will arrive at work in a better frame of mind, as a consequence of no longer having to struggle through the extremely bad traffic bottlenecks which exist at this time.

Mr. JOHNSON of Texas. Mr. President, apropos of what the senior Senator from Oregon [Mr. Morse] has said, let me state that, as majority leader, I brought to the attention of the policy committee Calendar No. 1816, Senate bill 3073. Some of the Members felt that last year, when they acted on legislation affecting the transportation system in the District of Columbia, there would be persons who would be willing to take over the transportation system and to work out a satisfactory solution. However, since that has not occurred, those Members wish to obtain further information on the proposed legislation, before scheduling it for consideration by the Senate.

The majority leader will bring that matter to the attention of his policy committee at its next meeting, and, after clearing the bill with the minority leader, will schedule it for consideration by the Senate.

Mr. MORSE. I thank the Senator from Texas for the information.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, on Monday we shall have a call of the calendar, in an attempt to act on the private bills on the calendar. I think it is a tribute to the arrangement which has been worked out between the majority and minority, and particularly to the ranking majority and minority members of the various committees, that when they report bills and other measures to the calendar, they are in such shape that they inspire the confidence of the other Members of the Senate, and can be passed without extended discussion. Every measure has been thoroughly explained; and I am glad to report that all measures which have been cleared by the two committees and which were ready for action today, have been brought before the Senate.

I hope all Senators will be on notice that there will be a call of the calendar on Monday; and then we probably shall proceed to consider the Niagara power bill, which is Calendar No. 1428, Senate bill 1823, being a bill to authorize the construction of certain works of improvement in the Niagara River for power, and other purposes. Probably we shall consider that bill following the call of the calendar on Monday.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. Mr. President, the minority will certainly cooperate in the future, as they have in the past, in attempting to expedite the handling of the legislative business, including action on the measures on the calendar.

In connection with the various measures, the distinguished Senator from Texas has been very generous in meeting the convenience and reasonable requests of the Members of the minority.

I should like to request that the distinguished Senator from Texas maintain some flexibility regarding the Senate's consideration of the Niagara River bill to which he has referred. I certainly have no objection to having the bill taken up next week. I think it has been held sufficiently long; and by this time the Members certainly have had an ample opportunity to study it. However, I call the attention of the distinguished Senator from Texas to the fact that the distinguished senior Senator from New York [Mr. Ives] has been in the hospital. He is recovering, and I am informed that he will return to the Senate next week. I am not in a position to say whether he will return on Monday or on Wednesday.

So I should like, respectfully, to suggest that under these circumstances, if there are some other measures which can be taken up prior to consideration of that bill—and particularly if a delay of only a day is involved—I hope the distinguished Senator from Texas will consider the request of the minority leader in regard to that measure.

Mr. JOHNSON of Texas. Mr. President, I would not only consider it, but I would agree to it. As the distinguished minority leader knows, I have not previously brought up this bill; I have refrained from doing so, because of the illness of the senior Senator from New York. I understand the situation. I merely wish to announce that if the senior Senator from New York [Mr. Ives] and the junior Senator from New York [Mr. Lehman] are available, we might work out that situation following the call of the calendar on Monday. If not, we shall schedule other measures. Between now and Monday, I shall discuss the matter with the senior Senator from New York.

Mr. President, I yield the floor.

DISTRICT OF COLUMBIA TRANSIT SYSTEM

Mr. MORSE. Mr. President, I wish to make a very brief statement by way of comment on the observations made by the majority leader regarding the position taken, I understand, by some members of the Democratic policy committee in respect to the District of Columbia Transit system. I had heard about that matter, informally and unofficially. Apparently some members of the Democratic policy committee are laboring under the impression that when the District of Columbia transit problem was before the Senate last August, there was some rock-ribbed assurance that the transit company would be taken over by a private company. However, no such assurance was given, as the Record will show.

In fact, we very carefully pointed out to the Senate exactly what the District of Columbia Commissioners reported to the Committee on the District of Columbia, namely, that it was their belief, and that they were confident it would so develop, that the offering of the transit system to private investors would result in the coming in of private companies; but the Commissioners very carefully pointed out that that was based upon the inquiries they had received up to that time. They had received a considerable number of inquiries, and the record is perfectly clear that they tried to negotiate with several companies and several groups which were interested at least in considering the possibility of purchasing the transit system in the District of Columbia.

Now it is fairly well known to all that those negotiations did not reach successful fruition.

As one member of the District of Columbia Committee, let me say that we examined the Commissioners at great length on this subject in recent weeks. I am satisfied that the District Commissioners acted in perfect good faith in the recommendations which they made to the District of Columbia Committee last year, which recommendations were submitted to the Senate by the District of Columbia Committee. At that time it was my honest belief that the District Commissioners would have no trouble in getting a private company to take over the transit system. I based my opinion on the fact that the Commissioners had advised the committee that they had received requests from several companies that they be given an opportunity to negotiate for the purchase of the system.

The Commissioners pointed out that one of the difficulties in negotiating a successful transfer of this property into the private ownership of a new company is the present holdings of the Wolfson syndicate, and the difficulties which are involved—legal and otherwise—until the Wolfson syndicate is completely out of the picture. It will be out of the picture, on the basis of the law now on the books, at midnight, August 14. There is reason to believe that under the temporary public authority we propose to establish, for a 3-year period—and we hope early in the 3-year period—the District Commissioners will be able to enter into an arrangement with a private company for the operation of this system by private enterprise.

As the District of Columbia Committee warned last August, and as I warn again today, it has been well known in this country for some years past that municipal transportation systems do not offer a great inducement to investors. It is a declining industry. It is an industry which, across the country, in city after city, is not profitable. It is an industry in which the trend has been toward some kind of public authority or quasi-public authority. In fact, some of the so-called private operations are really quasi-public, if we look at them from a financial standpoint, in that they are really being conducted on the basis of the largess of considerable municipal subsidy.

I have consistently taken the position in the District of Columbia Committee that I prefer, and very much desire, a private enterprise operation of the transit system in the District of Columbia; yet I do not hold out very much optimism about it, because I believe that sooner or later most municipal transportation systems in this country will be publicly operated. That happens to be the trend, because of the fact that they are not good paying investments.

However, they are services which are charged with a public interest. They are services which, in my judgment, must be maintained. If they cannot be maintained on a private basis, by private industry, in my opinion, they must be maintained by municipal governments; and we are confronted with that municipal problem in the District of Columbia.

This problem is a headache to the Congress. It is one of the municipal headaches in connection with which we assure ourselves of frequent returns of suffering because we do not confer upon the District of Columbia the home rule it should have. We take periodic doses of aspirin in the form of debates in the Senate, on municipal problems, and waste tremendous amounts of the taxpayers' money, transacting municipal rather than congressional business.

Let me say, as a member of the Committee on the District of Columbia, that I do not favor a proposal to permit the Wolfson syndicate to continue their operations and to mulct the transit riders of the District of Columbia. The record of the Capital Transit Co. is perfectly clear. The chairman of its board, Mr. Wolfson, has said on the witness stand before the Subcommittee of the Committee on the District of Columbia which conducted an investigation under the direction of the able Senator from Maine [Mr. Payne], and again last year before the committee presided over by the Senator from West Virginia [Mr. Neely], that he places the interests of the stockholders first. He has never shown that he had the slightest conception of the primary responsibility of a public utility, that is, to serve the public interest first, and that profit dollars must come second.

If the Congress falls for the lobbying of the Capital Transit Co., even in the interest of campaign contributions, it will do a great disservice to the people of the District of Columbia. This is one Senator who is never going to vote for such a proposal.

We now have the opportunity to provide the people of the District of Columbia with at least a segment of home rule, by putting the responsibility for operating this transit system into the hands of the District Commissioners. That is what is proposed in the bill of the Committee on the District of Columbia. I am sure that I can speak for the Senator from West Virginia [Mr. Neely], chairman of the Senate Committee on the District of Columbia, as well as for the Senator from Michigan [Mr. McNamara], chairman of the subcommittee which handled this subject, when I say that we would welcome an opportunity to appear before the Policy Committee of the Democratic Party in the Senate, and the Policy Committee of the Republican Party in the Senate, if they would like to hear us, and explain what the record shows in regard to the transit situation.

Let me say, in defense of the committee, that we had the District Commissioners before us in recent weeks. We brought in the transcript of the record of the record of their conferences with us last year, in regard to their representations with respect to their hopes for private ownership of this company. Such hopes were based upon following the course of action recommended last year.

The Commissioners are men of good faith and men of honesty. They pointed out that it was their honest opinion that if the recommendations made last year had been followed, by this time the system would have been in the hands of a new private owner. They explain that they think the reason why it is not in the hands of a new private owner is the fact that the old owner is not completely out of the picture.

Therefore we are proposing a temporary authority for a 3-year period, giving the Commissioners the opportunity to continue their negotiations for private ownership, and requiring them, at the end of that period, if they have not brought in a private owner, to show cause why their negotiations for the sale of this system to a private owner have failed.

I repeat what I said earlier. If it is conferences with the policy committees of the two parties that we need, let us get on with them. Let us have them very quickly. It will be found that members of the District of Columbia Committee will welcome such conferences. But we had better be thinking in April about what is going to happen to the transit riders in August. Unless we proceed quickly to provide the Commissioners with the authority sought in the bill, the transit riders will be traveling on shoe leather in August.

In my judgment, even now it is too late to assure full transportation on August 15. I think the indications are pretty clear that by August 15, if the Senate committee bill is passed, the transit system in the District of Columbia will become a bus system. It will not be possible to obtain all the new buses which will be needed by August 15. As the transcript will show, one of the Commissioners stated that he thought that while it might not be possible to obtain all the new buses which would be needed, it might be possible to have made available to them some very satisfactory used buses, which could be used to fill in until new buses could come off the assembly line.

This is a municipal problem. It is little from the standpoint of congressionl duties, but pretty big to the transit riders in the District.

Let me make one further point, in conclusion. When we consider the House proposals—and I speak respectfully of the House—if we accept the House proposal, it will be a matter of only a short time before the transit riders will be paying higher fares than they are now paying. In fact, the transit company is well known to be one which, on the basis of its history, believes in charging the last cent the traffic will bear. What we should be thinking about is not increasing the fares, but reducing the fares. I say again that in large degree the operation of a public transportation system is the warp and woof of the economic strength of any municipality. To the businessmen downtown let me say that I think they ought to recognize, before it is too late, the economic stake they have in the matter. It is not in the economic interest of the businessmen of the District of Columbia to let the matter drift.

Therefore, as a member of the Committee on the District of Columbia, I urge full speed ahead on the District of Columbia's transit program.

HELPING THE FARMER

Mr. NEUBERGER. Mr. President, one of the things which I most regret concerning the President's veto of the farm bill is that this veto carried down into oblivion, at least for the present, the two-price system for wheat. This program, in my opinion, would have done more than any other proposal yet advanced to eliminate crushing wheat surpluses and yet, at the same time, it would have afforded our wheat growers a reasonable return for their product.

One of the periodicals which has at last realized this essential fact is the New Republic. In its issue of April 30, 1956, the New Republic has included a most cogent editorial entitled "Helping the Farmer." I call particular attention to that portion of the editorial which speaks as follows concerning the two-price program for wheat:

> Second, a system for farm price supports must be offered which stops further accumulation of Government-held surpluses, and meets most of the President's objections to rigid 90-percent supports. Such a plan is available. Congress has taken extensive testimony on it. It is called the two-price system, because it offers the farmer a high price for foods consumed by people in the United States, and a lower price for "surpluses" which must move into export or be fed to animals in the United States. The system can be so set up that it involves no Government controls, no Government purchase of supplies, no Government subsidies, no new bureaucracy. Yet it can make full use of our abundant food production and can raise farm income substantially.

Mr. President, I endorse emphatically and wholeheartedly what the New Republic has had to say about the domestic parity, or so-called two-price plan, to eliminate wheat surpluses and yet to assure the wheat rancher his reasonable cost of production and perhaps a little more.

As a Senator from Oregon, I am particularly conscious of the two-price plan because it stems back to the McNary-Haugen bill which was sponsored more than 30 years ago by Oregon's late great United States Senator, Charles L. McNary.

It is my opinion, Mr. President, that we still can revise the two-price plan for wheat, either as an independent farm program or as a part of some new overall program.

I ask unanimous consent that the entire editorial from the New Republic entitled "Helping the Farmer," appear at this point in the body of the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> While both parties continue to maneuver for a favored position as the farmers' best friend, cynics in Washington maintain that no sensible farm program can be enacted in an election year.
>
> We are less cynical. Though the time is past for perfect programs, it is still possible for Congress to pass legislation which would satisfy three basic requirements. For the farmer, such legislation must raise income this year, and for a period of years ahead. For the Government, it must halt the pileup of Government-owned surpluses and reduce surpluses already in storage. For the consumer and taxpayer, it must hold down the cost of living to the level necessary to give the farmer a fair price for food which is actually consumed.
>
> The Democrats in Congress, now on the spot by the President's request for a pay-in-advance soil bank plan which would tuck Government checks into farmers' pockets approximately 60 days before the fall election, have come up only with piecemeal proposals. They are pushing through the two Appropriations Committees a $1.2 billion fund for the soil bank, minus Eisenhower's request for advance payments. Senator Hubert Humphrey, Democrat of Minnesota, is starting hearings on a substantial agricultural-credit plan which would increase loan funds and lower interest rates. Senator Robert S. Kerr, Democrat of Oklahoma, has tied to the social security bill an amendment authorizing a food stamp plan, under which social-security recipients would receive $10 worth of food stamps a month, redeemable in foods at the grocery store. These steps, it seems to us, are desirable but marginal.
>
> If Congress is to help the farmer, the Government and the consumer in a constructive way, it is probably essential politically to first enact the original Eisenhower soil bank plan with the added protection for the family-sized farm proposed by the Democrats. As presented by the President, this plan would pay the 2,000-acre farmer the same amount as the 200-acre farmer, if they both put the same acreage—say, 40 acres—into the soil bank. But the hardship on the 200-acre farmer is much greater, because he has no agricultural outlet for his labor which the soil bank makes idle. The plan should therefore be amended to provide payment not only for retired acres but for the idled labor those acres take out of employment. The family-sized farm would be the greater benefactor.
>
> Second, a system for farm price supports must be offered which stops further accumulation of Government-held surpluses, and meets most of the President's objections to rigid 90-percent supports. Such a plan is available. Congress has taken extensive testimony on it. It is called the two-price system, because it offers the farmer a high price for foods consumed by people in the United States, and a lower price for surpluses which must move into export or be fed to animals in the United States. The system can be so set up that it involves no Government controls, no Government purchase of surpluses, no Government subsidies, no new bureaucracy. Yet it can make full use of our abundant food production and can raise farm income substantially.
>
> Suppose, for example, the wheat farmer were guaranteed 100 percent of parity on wheat for domestic consumption, and the world price for the balance. That means half a farmer's present wheat crop would bring him $2.50 a bushel, the balance $1.60. American millers who converted wheat into bread and other human food products would, in effect, be taxed $1 a bushel on the wheat they used, and this $1 would go to the farmer. The miller in turn, would pass on the extra cost to the consumer. Since a 1-pound loaf of bread now contains only 3 cents worth of raw wheat, the two-price system would increase the price of a loaf of bread less than 1 cent.
>
> In detailed testimony before the House Committee on Agriculture in April 1954, the economist for the National Grange, Dr. J. T. Sanders, offered figures to show that the American farmer would derive a larger cash income from this two-price system than from either the rigid 90-percent supports, or from the flexible supports advocated by President Eisenhower.
>
> Third, in order to reduce the $9 billion of farm surpluses already on hand, we need a plan which would use foodstuffs as capital in financing economic development abroad. Mr. Benson has done a good job, much better than his critics give him credit for, in trying to sell surpluses abroad. We have approached the limit. We have tried giving away stocks and that disrupted trade except in actual famine areas. But we have failed to use food as a capital asset in world development.
>
> The President of Bolivia, for example, wishes to settle Inca Indians on the eastern slope of the Andes. Such a project requires the clearing of virgin timber lands for food production, a 3-year task. If the United States would put up a 3-year food supply for the workers from surplus stocks, the Bolivian Government would supply local currency for tools, and the Bolivian Development Corp. would finance the sawmills. No friendly trading nation could contend that this use of American surpluses had displaced any normal sales of food. And the plan has obvious application in such critical areas as India, Pakistan, Burma, Ceylon and the Arabic speaking world where new irrigation projects have been started or are planned.
>
> If congressional farm leaders can come up with a constructive plan of this magnitude, the President's pay-in-advance soil bank will be identified for what it is: an inadequate, campaign-year response to a problem which cannot be solved by politics as usual.

THE PROPOSED ANTISEGREGATION AMENDMENT TO THE FEDERAL SCHOOL CONSTRUCTION BILL

Mr. LEHMAN. Mr. President, the New York School of Social Work, a very distinguished and outstanding institution attached to Columbia University, recently held its sixth annual alumni conference on April 14.

Among those who addressed the conference was the dean of the New York School of Social Work, the distinguished authority, Dr. Kenneth D. Johnson. He spoke on the subject of school segregation, and the crisis it presents to our entire society. Among other things, Dean Johnson expressed himself in support of an antisegregation amendment to the Federal school construction bill.

The significance of Dr. Johnson's remarks lies not only in the merit of the arguments presented by him, but also in the fact that he is an eminent educator and schoolmaster. As such, he well knows the need for Federal aid to education. He must feel very keenly indeed, as all of us do, the critical urgency of Federal appropriations to help build more public schools. Yet Dr. Johnson understands that the building of schools cannot be separated from the question of the building of a society based on law and order and the building of character in the schools.

We cannot blind ourselves to a moral issue out of sheer expediency.

Dr. Johnson's speech is a powerful and compelling one. Of course, he did not need to persuade me. I have long shared and frequently expressed the views set forth by Dr. Johnson.

I ask unanimous consent that this thoughtful and thought-provoking speech by Dean Johnson be printed in the Record at this point in my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Dean Kenneth D. Johnson, Group No. 3, Sixth Annual Alumni Conference, New York School of Social Work, Columbia University, April 14, 1956

> It was just about 100 years ago that a distinguished American stated: "This Nation cannot long survive half free and half slave." It is well for us to be reminded of those words because by the same token we can say with the very same conviction: "This Nation cannot long survive half constitutional and half unconstitutional."
>
> To be sure, the current picture is not as bad as it was in 1861. Today we have a cluster of States where certain vocal leaders, blatantly, brazenly, and boldly proclaim that these States do not propose to live under our Constitution. Bear this in mind, were there but one of our States where such a condition obtained, and even were that State the smallest in population and in area, there would exist an open challenge to the capacity of our Nation to survive.
>
> I need not emphasize the tremendous importance of our constitutional form of government and the many rights, liberties, and freedoms it generously provides for each one of us. Neither do I have to emphasize the responsibilities and obligations we have as individual citizens under this form of government and the countless blessings it affords. Without being an alarmist, however, I say to you that wherever, within the boundaries of our Nation, there is open defiance of our Constitution, such defiance if not resisted, is a threat to the well-being and survival of the entire Nation.
>
> Since we gratefully hailed the unanimity of our Supreme Court in its great and epochal opinion on segregation in May 1954, we have been aware that there has been an increasing tide of expressed opposition to that declared law of the land. More recently we have had evidence of the seriousness of this uprising and are becoming more and more conscious of the impact of that decision with the age-long racial hatreds, rivalries and suppressions that altogether too long have characterized some sections of our country.
>
> I am not one to rush in and advocate the use of force. Such action has the potential of bloody and devastating results. Its employment must be avoided within the extreme limits of maximum human patience, tolerance, and understanding. I do say this, however, that there are times when the application of an economic boycott has the effect of bringing the opposition, no matter how stupid and unreasonable it may be to recognize the folly of its ways. It is for this reason that I cannot get myself to believe that it is a proper use of Federal funds to disburse such funds to any governmental unit of our Nation which insists on open defiance of that Supreme Court decision. I appreciate that this is a subject many people think is too hot to handle but somehow I believe that the hangover of generations of dismal darkness will end and that in order to accelerate that end we must not tolerate such a use of the money that comes from the pockets of all of us. Personally, I would not confine this imposition of what I call an economic boycott to funds appropriated for the construction of new public schools and facilities. I would apply it to every use of such funds be it on the farm, in the home, or on the highways. Somehow I believe—and this I say in a most considered fashion—that were we to take this position and stand our ground, as have done those who preceded us and gave us the glorious institutions we hold so dear, we would do much to reduce the resistance to law and order, particularly in areas where these funds are so critically needed.
>
> I do not consider this to be a radical, unreasoned position. For me it is the only position I can honestly, conscientiously, adopt. To be sure it would be preferred if the power to exercise this control were in the Chief Executive—similar to the power that was held by the war-time President requiring all producers of goods and services for the Federal Government during the war to eliminate from their employment practices any vestige of discrimination by reason of race, creed, or national origin (the FEPC).
>
> Furthermore, I regret that so far the one organization making a Herculean effort to support our Constitution is the NAACP, the leaders of which are almost exclusively Negroes. This should not be. As a citizen I am proud of what they have achieved and am wholly in accord with the goals to which they are directing their efforts. However, they should be joined and supported and augmented by citizens who are not Negroes because what they are fighting to save actually is the United States of America.
>
> Certainly there can be no meeting such as this, on an occasion that places special emphasis on civil liberties and civil rights, without some mention of these ugly facts and the remedies they demand. I call upon each one of you fully, openly, and clearly to assume your responsibilities as a citizen and to join with every honest effort to maintain the integrity and decency of this great country. Where each one of us fails to do this we provide material for those who seek to destroy us. The day for decision is upon us. It can no longer be delayed. This problem and the manner in which we handle it has the potential of both great promise and terrible peril. Neither the role of an ostrich nor of the Roman Governor, Gallio, who "cared for none of these things," can be tolerated at this time. Too often in the treatment of these grave matters which face us, either apathy or lack of sympathy for their importance may cause even more damage than open and inconsidered opposition. To you is given the challenge of determining your course.

CANADIAN PRIME MINISTER SUPPORTS ELEVATION OF COLUMBIA RIVER NEGOTIATIONS TO GOVERNMENT LEVEL

Mr. NEUBERGER. Mr. President, I should like to express my firm and unequivocal support for the proposal just voiced in the Canadian Parliament by the Prime Minister of that nation, Mr. Louis S. St. Laurent, that negotiations between the United States and Canada for joint use of the Columbia River be elevated to consideration between high representatives of the two Governments.

This recommendation by the Prime Minister parallels a proposal of my own, which I made to the distinguished chairman of the Senate Interior Committee [Mr. Murray] on December 9, 1955, following a survey which I made at Senator Murray's request concerning the future of the upper watershed of the Columbia River, in British Columbia.

At that time I suggested to Senator Murray:

> That responsibility within the United States Government for these important negotiations be raised from the level of a purely advisory committee like the United States section of the International Joint Commission and be explicitly assumed by the policy-making executive departments themselves.

Mr. President, the Columbia River is the greatest stream for hydrcelectric power on the North American continent. A diversion of its water in Canada, now being studied by Canadians, could well strand the economy of our Pacific Northwest. Our relations with the Canadians over this question have deteriorated under the chairmanship of ex-Gov. Len Jordan, of Utah, a long-time foe of Federal power projects on the Columbia River system—projects which might benefit if Canada, rather than diverting the water, cooperates in developing and operating great storage dams near the sources of the Columbia for our mutual benefit.

Mr. President, I digress at this point to say that I realize that my distinguished colleague, the senior Senator from Oregon [Mr. Morse] who is presiding over the Senate at this time has been a leader in urging that these beneficial storage sites in the Dominion of Canada be developed so as to increase the capacity of our Federal projects downstream in the United States.

In the Parliament at Ottawa, the Prime Minister recently said of his meeting at White Sulphur Springs Hotel, West Virginia, with the President of the United States, Mr. Eisenhower:

> I also suggested to the President that the time seemed to have come when problems regarding the use of water power on rivers crossing the international boundary might well be studied at a conference between representatives of the two Governments. Here I might perhaps extend this a little to answer a question of which notice was telephoned to my office by the honorable member for Kamloops (Mr. Fulton). There was no discussion of the problem, but merely the suggestion that it would probably be desirable at this time to have it studied by a joint conference representing the two Governments, to try to get at something which would make for the possibility of expeditious use of these water powers to the best possible advantage of the people who might derive advantage from their use. It was left at that, with the understanding that the subject would be further pursued in discussions between our Department of External Affairs and the Secretary of State of the United States.

Mr. President, this colloquy between the Prime Minister and a member of Parliament, Mr. Fulton, later occurred on the floor of the Canadian House of Commons:

> Mr. Fulton. May I ask the Prime Minister whether his statement that it has been suggested that the problems of the control of the Columbia River should now be discussed directly between representatives of the two governments of the two countries means that the Prime Minister or the government feels that the situation has got to the point where it is not likely to be solved under the agency of the International Joint Commission and that it should therefore be discussed at the higher level by direct negotiation between the two governments?
>
> Mr. St. Laurent. I would not like to say this was a higher level, but there was a feeling that the chairmen of the two sections had publicly expressed views so diametrically opposite to each other that there was little probability of them being able to make the kind of progress we would hope would be made in arriving at a solution of these problems.

Mr. President, the upstream management of the Columbia River in Canada holds the fate of the vast proposed Libby Dam in Montana, and of the possibility of expanding the capacity of such great existing projects as Grand Coulee, Chief Joseph, The Dalles, Bonneville, and McNary Dams on the main stem of the Columbia River—to say nothing of the John Day and Priest Rapids Dams, planned for future construction.

I share the view of the Prime Minister that these crucial and delicate negotiations no longer can be surrendered to the stalemate which has bogged down the International Joint Commission. Furthermore, I personally regret that the American side of the problem apparently has been totally placed in the hands of a man who has so persistently been against the great Bonneville Power Administration program for abundant low-cost public power. Even the Portland Oregonian, a Republican newspaper, has declared editorially that ex-Governor Jordan has "consistently opposed big projects—especially big hydroelectric projects—such as only the Federal Treasury can finance."

Mr. President, I doubt if the fate of so-called big hydroelectric projects should be permanently relinquished to a public official who is opposed to such projects. I back up the recommendations of the Prime Minister of Canada for a high-level conference between the two governments, lest we of the Pacific Northwest suffer a ruinous diversion of Columbia River waters that could wreck our whole basic industrial economy, for generations to come.

I urge that President Eisenhower and Secretary Dulles look with favor upon this suggestion from the head of the Government of Canada, a nation which shares with us joint ownership of such mighty streams as the Columbia, the Yukon, and the St. Lawrence.

In conclusion, I ask unanimous consent that my basic recommendations to Senator Murray, of December 9, 1955, be included in the Record.

There being no objection, the recommendations were ordered to be printed in the Record, as follows:

> 1. That responsibility within the United States Government for these important negotiations be raised from the level of a purely advisory committee like the United States section of the International Joint Commission and be explicitly assumed by the policy-making executive departments themselves.
>
> 2. That as long as United States members of the International Joint Commission are to play roles at least comparable to those of senior officers in the Foreign Service, their appointments be made subject to confirmation by the United States Senate.
>
> 3. That in its hearings, this committee thoroughly examine the past and recent statements by Governor Jordan on river development, with a view to determining if his profound bias and prejudice on issues of Federal power policy disqualify him from representing us in seeking further capacity for downstream Federal projects in the United States.
>
> 4. That this committee recognize as an important objective of negotiations with Canada the urgent need for upstream storage to provide effective flood control for the Columbia River farther downstream, particularly in view of the present administration's irresponsible abandonment of great floodwater storage reservoirs such as Hells Canyon on the Snake River, the main tributary of the Columbia in the United States.
>
> 5. That pending the active pursuit of agreement with Canada on the development of the upper Columbia River, the Congress act wisely and promptly to preserve for early Federal development the upstream storage sites in the Columbia River basin within the United States. Especially it would be an unconscionable tragedy to sacrifice forever, in return for the small 1 million acre-feet private project favored by the present administration, the 4 million acre-feet of invaluable storage at Hells Canyon, wholly within the United States, while the storage potential of the upper Columbia is in danger of being forever lost to the United States through diversion into the Fraser River, wholly within Canada.
>
> 6. That this committee express its firm intent that, in our negotiations with Canada, no effort be spared to arrive at the best possible program for the development of the upper Columbia River—beginning now with the construction of the Libby and Mica projects—so as to maximize the mutual benefits to both countries which share this unique resource. Such a determined and constructive effort must give frank and open-minded consideration to the fair allocation of upstream costs and downstream benefits attributable to upstream storage—including possible sharing of benefits in generated electric power.
>
> Failure to reach agreement on a mutually beneficial program for developing the Columbia River would threaten the gravest crisis in modern United States-Canadian relations, as well as incalculable economic loss to both countries. Agreement and execution of such a program, on the other hand, can assure economic progress for a generation to come for the Pacific Northwest in both countries, and can make a material contribution to the industrial and defensive strength of the North American continent and the western alliance.

ACCELERATION OF THE ATOMIC-POWER PROGRAM

Mr. GORE. Mr. President, I welcome the announcement by the distinguished chairman of the Joint Committee on Atomic Energy that the committee will shortly begin hearings on proposals to accelerate our atomic-power program. It is my considered opinion that in the absence of action by the Congress we stand to lose the atomic-power race.

The Atomic Energy Act of 1954 has been in effect now for almost 2 years. Under this act we adopted a business-as-usual philosophy in the development of atomically generated electricity in commercial quantities. Under the terms of the act, the Government was restrained from taking action to construct reactors designed to demonstrate the practicality of commercial generation of electricity. By this act the field was abandoned to private enterprise. In effect, private enterprise was given a monopoly on the use of this direct source of power, which had been developed exclusively at the expense of the Government.

Up to now I believe the taxpayers of the United States have expended somewhat more than $14 billion in the development of atomic energy.

Further, the act purported to prohibit the payment of any Government subsidy to anyone desiring to pioneer in this field.

However laudable may have been the motives of the proponents of this act, 2

years of its operation offer conclusive evidence that we are simply not getting ahead with the job with proper efficiency and prompt development of atomic power. Though the law was enacted in August 1954, the Atomic Energy Commission did not get around to asking for proposals under its so-called power reactor demonstration program until January 10, 1955. By that time it was apparent that private companies would show little interest in the construction of power reactors without Government help. Despite the clear prohibition against subsidies, the AEC, under this reactor program proposed to enter into research and development contracts with private companies desiring to build reactors. In effect, the AEC offered to supply funds to partially offset the cost of the reactors in return for an agreement to make available to the AEC such technical information as might be obtained from operation of the reactors. Even with this inducement, the response was limited. The AEC has accepted as the basis for negotiation 5 proposals, 4 submitted by groups of private companies, and the fifth submitted by a public-power district.

To make a long story short, all of these proposals are still in the negotiating stage. No licenses have been issued, no construction has been started, no construction permits have been issued. None is even in early prospect.

Two of these proposals purport to be straight applications for a license. Sponsors of the other three frankly admit that they seek Government subsidy in the construction of their reactors. It is apparent that none of the groups is prepared to go ahead until certain conditions have been met. We hear a lot about the fact that private groups propose to commit upward of a quarter of a billion dollars in this program, but this money has not been spent or even committed yet.

One of the private groups negotiating with the Atomic Energy Commission headed by Detroit Edison whose president is Mr. Walker Cisler. Last week, in testimony before a subcommittee of the Interstate and Foreign Commerce Committee, presided over by my beloved friend and distinguished colleague, the Senator from Rhode Island [Mr. Pastore], Mr. Cisler stated very clearly the conditons under which his group would be prepared to go ahead with its proposal, even with the substantial Government subsidy which was requested.

Mr. President, I have here a statement which Mr. Cisler presented to the subcommittee of the Committee on Interstate and Foreign Commerce, and I should like to read from page 2 of his statement. The proposal of Mr. Cisler's company, which is a combination of several large companies and is called the Power Reactor Development Co., contains the certain conditions. One of the conditions is that they shall not become subject to the Public Utility Holding Company Act by reason of participation in the project.

The second one is more surprising, namely, that the contribution devoted to this project shall be deductible for Federal income tax purposes.

A third condition which Mr. Cisler was seeking in his appearance before the subcommittee was that the Government assume liability as insurer against any damage arising out of the construction or operation of the reactor.

So, Mr. President, to recapitulate, nearly 2 years after the act has gone into effect, not one single license has been granted. Furthermore, there is no immediate prospect that such license will be granted. Indeed, the foremost concern in this field frankly says, in effect, that there will be no private enterprise atomic power until Congress grants these three things:

First. Exemption from the Public Utility Holding Company Act;

Second. Assumption of insurance risks by the Government; and

Third. The granting of special consideration so that all their capital expenditures in this field shall be treated as deductible from their income taxes, just as if they were charitable contributions.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. ANDERSON. In view of the fact that the corporation tax is 52 percent, the Government would be assuming, under such a proposal 52 percent of the burden. Also, in view of the fact that dividends are taxable to those who receive them, the proposal would mean that the Government would be assuming at least half of the remaining 48 percent.

Mr. GORE. And there is an additional factor of rapid depreciation on the 48 percent remaining which has not been paid for by the Government.

Mr. ANDERSON. I think the Government normally would get another 24 percent. Add that 24 percent to the 52 percent, and the Government would be directly contributing three-fourths of the cost of the reactor. That, to me, is the most serious part of the testimony. I do not say that all the companies are in that situation. I am sure the Senator will admit that the New York Consolidated did not ask for that treatment, nor did Commonwealth. The Government understands what it has to put up and how much it has to pay.

Mr. GORE. What it would really amount to is a project publicly financed but privately owned.

Mr. ANDERSON. Let us say a reactor can be built at a cost of from $70 million to $100 million. The Government would contribute 75 or 80 percent. I do not say that is impossible. I merely point out that the facts should be clearly understood in connection with this so-called private enterprise.

Mr. GORE. I should like to bring one additional point to the attention of the distinguished chairman of the committee. I should like to read further from Mr. Cisler's statement. He says that his company is a nonprofit enterprise. That can perhaps be understood when I read from the next page of his statement:

> The Detroit Edison Co. (of which I am president) is prepared to build at its expense a turbine generator plant of 150,000 watts capacity, estimated to cost $14 million, to be located on the same site and immediately contiguous to the reactor plant, and to purchase the steam produced by the reactor and utilize it in generating electricity which will be used in the Detroit Edison system.

So it will be seen that the Detroit Edison Co., under this scheme, is to receive all the benefits of the steam generated by the reactor, which would be financed, under the plan, largely by the Government itself.

I now yield to the Senator from Rhode Island.

Mr. PASTORE. I thank the distinguished Senator for yielding to me. I wish to applaud and compliment him for at least spotlighting this very important subject.

I shall be frank and honest at the outset by saying that while I do not agree completely with the thesis which the Senator has developed, I think it will serve at least to emphasize the very complex problems which confront us in this particular field.

I am not wholeheartedly in accord with the idea that all the conditions or conditions precedent which have been set forth in the proposal of the Detroit Edison Co. should be granted; but I think we should understand, in the public interest, exactly what kind of involved problem confronts us in the large field of developing reactors for the generation of electric power through the use of nuclear fission.

The Senator knows that I have been presiding over the hearings on S. 2643. While I am prepared to say that the provisions of that bill will have to be greatly refined before I feel it will receive the approbation of the committee or the Members of the Senate, there is one thing we must understand. We are in a contest in the field of production for the peaceful use of the atom. Russia is a regimented nation. We are in competition also with the United Kingdom, and there the electrical industry is completely nationalized.

When Congress passed the 1954 atomic energy law, it said that private industry would be allowed to participate in this field. I am one who from the outset has been quite disappointed with the progress which private industry has made. But we must realize that we are now at the research and development stage. It has been said to us by the experts that it may be 15 or 20 years before electric power generated by the use of nuclear fission will become competitive with power which is generated by the use of conventional fuels, such as coal, oil, gas, or water. That being the case, the fact is that many of the power companies are investing the dollars of their stockholders in something which is not compensatory as of the moment.

Mr. GORE. And, therefore, not profitable.

Mr. PASTORE. And, therefore, not profitable.

So I believe the Senator's remarks will serve the purpose of emphasizing the fact that if we expect the job to be done either it will have to be done by the Government itself or else it will be necessary to make concessions to private industry to enable it to participate in this tremendously speculative area.

The cost of electric current per kilowatt hour, as generated by the use of conventional fuels, is 3.5 mills. The cost of current per kilowatt-hour generated by the use of nuclear fission today is much more than 9.5 mills. Naturally, before that gap can be closed, a tremendous amount of research will have to be done. The proposition is a losing one at best. There is no hope that tomorrow or the next day power generated by nuclear material will be used or will be capable of use in competition with power which is generated by the use of conventional fuels.

That being the case, I believe sometimes we are too prone to be critical of the part private industry is trying to play in this field. I am one of those who are convinced that as of the moment the Government will have to do a great deal more. Either it will be necessary for the Government to take the money of the taxpayers out of the United States Treasury and hand it to the private companies or else it will be necessary for the Government to make some concessions whereby private industry can meet the competition. I believe the problem is as plain as that.

We must work with the problem and we must watch it very closely. But I am not convinced that private industry is endeavoring to run away with something to which it might not be entitled. We said in 1954 that we wanted private industry to participate in this field. It has already signified its intention to do so. If it is trying to get away with something to which it is not entitled, we ought to halt it.

But at the same time, if we are to be an equal in the contest with Russia and Great Britain, and if the international agency, a reference to which I placed in the Record yesterday, is to mean anything to the people of the United States or the free world, we shall have to begin to make reactors.

If private industry cannot build the reactors because they cannot get appropriate relief in order to invest their stockholders' money in this highly speculative field of research and development, then the Federal Government itself will have to do so on its own. It is a case of being "darned if you do and darned if you don't." That is the problem which confronts us today. I congratulate the distinguished junior Senator from Tennessee for bringing it into the open, because we might as well understand it.

I am one who believes we ought to support the bill introduced by the junior Senator from Tennessee, to enable the Government itself to begin to build reactors if private industry is not going to do so. If we do not, the free world will lose the race; and it will be a horribly tragic day for the people of the free world if we ever lose that race.

Mr. GORE. I thank my able and distinguished friend from Rhode Island for his concise discourse. After I have yielded to the distinguished chairman of the committee, I wish to make some observations with respect to his remarks.

I now yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Mr. President, I also wish to compliment the Senator from Rhode Island on his very good analysis of the present situation. I say to him and to the Senator from Tennessee that at the time industry was saying it would soon be prepared to build reactors, and at the time the Atomic Energy Commission was testifying that $300 million of private money would be going into the construction of reactors in the next few weeks, it seemed almost premature to hold hearings on the bill introduced by the Senator from Tennessee.

But we have waited patiently. It is now more than a year since bids were received, and no final adjustments have been made. Therefore, following the hearing on the insurance item, which is to start on May 14, there will be a hearing to ascertain what other roadblocks are in the way. Following that, there will be a discussion as to whether or not the proposal in the Gore bill is an essential step in the advancement of the atomic energy program. We must get under way with the reactors.

If industry can build the reactors, I shall be very happy to see industry do so. But if there is going to be some delay, then certainly there is no alternative but to turn to the Government construction of reactors. That is the problem which is facing us now.

Therefore, I am glad to have the statement by the able Senator from Rhode Island, who has done outstanding work on our international atomic agreements, and who has been studying what has been taking place in the world, and can speak with authority on what we should do. His attitude concerning the conference in the United Nations has been most helpful. I am glad he and I find ourselves in agreement in saying that this is a good time for the able Senator from Tennessee to bring up this question.

Mr. GORE. I thank the distinguished Senator from New Mexico.

I should like to revert to the statement of the able junior Senator from Rhode Island, when he pictured the plight of the free world if we should lose in the atomic power race. What would be that plight?

Mr. President, electricity is the lifeblood of modern industry. If the United States is to maintain its position in industrial and economic leadership—yes, and in political leadership—then we must maintain the lead in the development of atomic power. That could be spelled out in great detail. I wish to state in a little different way, perhaps with a shade difference in meaning and emphasis, my belief with respect to the core of the statement of the distinguished junior Senator from Rhode Island. The present challenge is so great that it requires a vigorous partnership of Government and industry in the field of atomic energy. In 1954, I thought we were making a mistake in eliminating the Government itself from direct participation in this challenge. I believe the experiences of the 2 years which have elapsed have demonstrated that.

I agree with the junior Senator from Rhode Island that private enterprise cannot, with prudence, plunge into this field. I do not wish my speech to be interpreted as being critical of private enterprise. I believe in private enterprise. I am a part of it in private life. Private enterprise is actuated by the profit motive. I am not one to condemn the profit motive. As the distinguished Senator has pointed out, the profit motive does not yet operate in this field. Were I a member of a board of directors of a corporation, I think I would be very slow to vote to spend $50 million of the stockholders' funds to build a reactor to produce noncompetitive electricity, at best, under present circumstances, and perhaps, at the worst, to build a reactor which might be outmoded almost before it was completed.

Let me state the role of Government in this field, Mr. President, as I envision it. It is to demonstrate the feasibility of processes, to point the way, to prove the methods.

Would we have had atomic energy at all except for the fact that the Government followed just such a policy? Where is there a private concern that would have built the facilities at Oak Ridge? And at Oak Ridge the gaseous diffusion process, which proved to be the most economical way to separate U–235, was by no means the only method tested. Millions of dollars were expended on an electrical process which proved to be uneconomic and inefficient.

I propose a partnership—a vigorous, effective, efficient partnership—between business and Government in this vital field in which the free world is challenged. It is my firm belief that if the Government would proceed to build reactors, it would facilitate the entrance of private enterprise into this field. Indeed, such action may be the only way, the only avenue, through which we shall bring about vigorous participation in this program by private enterprise. I welcome the sentiments of the junior Senator from Rhode Island. I, too, want to see private enterprise in this field.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. If we are to carry out effectively the idea so ably expressed by my colleague from Tennessee, namely that there should be a partnership between Government and private industry, does not that idea necessarily embrace a proposal that the Government shall either have to make a concession or a direct subsidy in the way of payment of money, as it did in the case of the Yankee Atomic Energy Company, where the Government put up $7 million as against the company's putting up $35 million? Unless the subsidy is a direct one, if we do have this plan of partnership, we shall have to make some concessions. By making concessions I do not mean we should do all the things which have been advanced in some of the proposals which have been submitted; but surely we must be practical in realizing that if we are to have a partnership between Government and industry in this very important field, some concessions will have to be made.

Mr. GORE. I agree; and I have watched, with approbation, the conduct of the hearing over which the distinguished Senator presides. I applaud him for the keeness and caution of his examination. I am not prepared to say I would not support a modification of the bill before the Senator's committee. I sincerely question that there is a need for such widespread exemption from the Utility Holding Company Act as is proposed. I wonder if the Securities and Exchange Commission does not now have sufficient authority and latitude to grant the exemption necessary in this case. However, it is a question on which I shall reserve judgment, and I say, in all frankness, that I shall be prejudiced in favor of the conclusion which the junior Senator from Rhode Island himself will reach, because I respect his opinion, and I know with what care and caution he proceeds.

Mr. PASTORE. Mr. President, will the Senator yield further?

Mr. GORE. I yield.

Mr. PASTORE. On that very point, while I do not want to place myself in the position of prejudging the matter, because the hearings are in progess, I do want to admit that as of this moment the bill goes a bit too far. How far the bill should go is a question which must be decided after all the parties have been heard.

My reason for becoming a cosponsor of the bill, together with the distinguished Senator from Michigan [Mr. Potter], who, I am glad to say, is in the Chamber at this time, is to point up, just as the Senator from Tennessee is trying to do, the problem which confronts us. This is not exactly a case of 6's and 7's. There are many issues involved in the question, and the interested companies are, in large measure, in the business of producing electricity, as supervised companies, for the consuming public.

When it is realized that they are expected to take dollars and invest them in something from which there may not be a return for a long, long time, when it is also considered that the technological advances and developments which will accrue will be for the benefit of the entire industry, and will be owned by the Atomic Energy Commission, I am sure it will be agreed that there will not be any inducement, for them to get into this field unless they have some assurance that they will not be investing their stockholders' money at great jeopardy.

How far we should go in making concessions is a matter that is yet to be determined. But merely because they are asking for concessions before they agree to do what we are asking them to do is no reason why we ought to allege that they are trying to get away with something for nothing. I think that would be an unkind and unwarranted point of view, and that it would retard the whole program.

Mr. GORE. The Senator from Rhode Island did not understand the Senator from Tennessee.

Mr. PASTORE. I was not referring to something the Senator from Tennessee said; I was speaking in the abstract.

Mr. GORE. I should like to mention the question of insurance, as to which a hearing has been announced by the distinguished chairman of the committee. The limited hearing which the committee has already had has shown rather conclusively, it seems to me, that under present circumstances insurance against the unusual hazards which are involved is simply not available. The junior Senator from Tennessee would be willing to lean over backward, so to speak, in the extension of concessions necessary to bring about effective development of atomic power by private enterprise.

However, the junior Senator from Tennessee believes that the most effective thing Congress can do—and I believe it should be done along with the granting of the concessions referred to—and perhaps the most necessary thing of all, is the actual construction of a few demonstration plants themselves. It is fine for the Government to have little pilot plants; but we did not really learn how to separate U–235 until the Government itself constructed a large plant, financed by the whole people of the United States, in which that work was undertaken.

If the Government should undertake to construct the six reactors in different major regions of the United States, as I have proposed, and if the Government should undertake to utilize, to the extent feasible and practicable, different processes, techniques, and methods of atomically generating electricity, the feasibility of the program might be proven. One company may not have the financial resources with which it would be willing to undertake, or with which it prudently could undertake, the risk of proving the feasibility of different processes; but the whole people can afford it. Indeed, Mr. President, I do not think the whole people can afford not to do so.

Mr. PASTORE. Mr. President, will the Senator from Tennessee yield on that very point?

The PRESIDING OFFICER (Mr. Douglas in the chair). Does the Senator from Tennessee yield to the Senator from Rhode Island?

Mr. GORE. I yield.

Mr. PASTORE. I could not agree more completely with the distinguished Senator from Tennessee, Mr. President. Does not he also agree with this point of view: If we are going to use the taxpayers' money to build six different reactors in different parts of the country—which I think we should do——

Mr. GORE. Good.

Mr. PASTORE. Because, after all, we are engaged in a race, and we cannot afford to make a mistake. As I said before, Russia is proceeding with a "crash" program. England is trying to reach out for the markets of the world. President Eisenhower, before the last proposal was made, offered 200 kilograms of U–235 for international cooperation. Shortly after that, we astounded the entire world when we offered 20,000 kilograms of U–235 to be used for international purposes, and 20,000 kilograms to be used for our domestic industry. That is a great deal of refined U–235, and it represents a tremendous amount of power. But what good is all that unless we build a reactor, or reactors, in which to place the fuel?

We are telling the entire world that we shall offer 20,000 kilograms of this fuel; and yet we become niggardly when it comes to investing the dollars in order to build the reactors by means of which we can prove to the world that this fuel can be used for the generation of electric power. I say that if we are to spend as much of the funds of the taxpayers as is required for the building of the six reactors of which the distinguished Senator from Tennessee speaks, then why is it so wrong to allow liberal concessions to be made to private industry in this very field, provided we limit such private industry to a nonprofit combination during a period of research and development?

Mr. GORE. Mr. President, I think I would join the Senator from Rhode Island in the inclusion of the two in the same bill.

Mr. PASTORE. I am glad to hear the Senator from Tennessee say that, because I think that ultimately that will be the partnership we shall need.

Mr. GORE. Mr. President, as the Senator from Rhode Island has said in different words, the challenge is too great to permit this vital program to be bogged down in a private-power versus public-power fight; and I do not wish to engage in such a struggle in connection with this issue.

Mr. PASTORE. I applaud the distinguished Senator from Tennessee on that statement, because that is precisely the way I feel about this matter.

Mr. POTTER. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. Mr. President, I am delighted to yield to the distinguished senior Senator from Michigan. I wish to say that this is the first opportunity I have had to yield to my distinguished colleague, with whom I served so pleasantly in the other body. So I yield to him with great pleasure.

Mr. POTTER. I thank the distinguished Senator from Tennessee. I always enjoyed my association with him when both of us were colleagues in the other House.

Mr. President, I wish to concur in the remarks made by the distinguished Senator from Rhode Island [Mr. Pastore], who is serving as chairman of a special subcommittee which is holding hearings on a bill, of which the Senator and I are cosponsors, to allow certain exemptions to be made from the Public Utility Holding Company Act, in the case of companies wishing to participate on a nonprofit basis in the development of reactors—a matter in which at least several companies have shown a great deal of interest, and on which program, as well as on others, they have spent considerable amounts of money. The exemption they have requested in this instance is being considered by the subcommittee, not for the purpose of giving them in any way a special favor, but because the Government has asked them to lend their talents and their resources to the speeding up of this vital program, which the distinguished Senator from Tennessee has so eloquently brought to the attention of the Senate today.

I am convinced that there will be many modifications in the bill which is now before our committee. There is no intention on my part—and I know there is none on the part of the Senator from Rhode Island—to liberalize the provisions of the Public Utility Holding Company Act in order to aid in any way a tendency toward monopoly, which the Public Utility Holding Company Act was enacted in order to restrict.

One question before our committee—and I say frankly it is the question in which I am primarily interested—is that of allowing individual companies, many of them small companies, to pool their efforts in the development of a reactor, so that we can have the benefit of the best brains and can achieve the best possible results, because of the research on and the development of these reactors.

Let me say that I hope that will be done in many other cases; I hope other companies will do the same thing. The progress which is made in this field will, of course, provide the answer as to whether we shall keep pace with the developments made in the Soviet Union and in other countries.

So this is merely one effort to remove a stumbling block, so that we shall be able to speed up the program and arrive at the desired results as quickly as possible.

I should like to state publicly that the distinguished Senator from Rhode Island [Mr. PASTORE] has been most conscientious in holding hearings on the bill, and his service as chairman of the subcommittee has been most objective.

I concur in the view of the Senator from Tennessee that this matter is not being considered, and should not be considered, in the light of a public-power versus private-power controversy, but should be considered and handled on the basis of what will bring the results which are needed in the race in which we are engaged for the use of atomic energy for peaceful purposes.

I thank the distinguished senior Senator from Tennessee for permitting me to make these observations.

Mr. GORE. Mr. President, in turn, I thank the distinguished Senator from Michigan for his very fine and quite frank statement regarding the problem.

Solution of the problem is so vital to the future of our Nation, and is also so vital to the future of the rest of the free world, that it should be lifted above not only the continuing struggle in our country between private power and public power, but also above partisan politics.

Mr. POTTER. Mr. President, I concur in the view of the Senator from Tennessee. The survival of our country may be at stake. This issue is not one between Democrats and Republicans, not one between private power and public power. Instead, it is a national issue; and all the talents and the best brains of our country should be directed toward achieving the results we desire.

Mr. GORE. It is clear that the existing program has not been achieving satisfactory results.

Mr. POTTER. That is correct.

Mr. GORE. It is clear that before even the present program, the exclusively private enterprise method, can be brought to fruition, further legislation will be necessary, and further concessions to private enterprise will be necessary.

Mr. POTTER. That is correct.

Mr. GORE. Therefore, that being the case, the entire subject, in the opinion of the junior Senator from Tennessee, needs to be explored. It is the suggestion of the junior Senator from Tennessee that we should mold a partnership between private enterprise and Government itself in this vital field, in order that we may maintain the lead which this country unquestionably had 5 years ago, but which today we are not maintaining.

Mr. POTTER. Irrespective of the arguments the distinguished Senator has put forth as to the degree of Government participation, under existing policy there is a partnership relation. The fuel belongs to the Atomic Energy Commission. Whatever private industry conducts developmental or research programs, there must be close relationship and partnership between the private companies and the Government, through the Atomic Energy Commission. The allocation of the fuel is under the control of the Atomic Energy Commission, so the program is not divorced from the Government, even at the present time.

Mr. GORE. I thank the Senator.

I wish to point out to the junior Senator from Rhode Island [Mr. PASTORE] that there is one very important difference in the results to be obtained by the use of governmental credit and governmental money for the construction of reactors, on the one hand by private companies themselves, and on the other by the Government. That difference involves the recipients of the benefits. If the benefits come from governmentally constructed reactors, such benefits are then available to all companies, all concerns, all citizens, alike. If, however, the particular concern to which I have made reference, or some other concern, is permitted to develop a reactor at public expense, but privately owned by the private company, the benefits therefrom flow principally to the private concern.

I am willing to take that risk. I am willing to make many concessions in that direction; but I think it is unsound to tie the hands of the Government. I think it would be unwise for the Congress to permit the hands of the Government to remain tied, and for the Government to be prohibited from operating in this field. I see no necessity for giving to private enterprise a monopoly on the use of this natural resource, which belongs to all the people.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. While I am willing to grant concessions, I am not willing to go as far as the Senator from Tennessee has stated he is willing to go. I do not mean that if private industry enters this field, the concessions should be tantamount to or commensurate with the cost to the Government itself if it were to do the entire job. I would expect private industry to risk some of its own money. I would not want whatever concessions private industry obtained to amount to an outright subsidy on the part of the Government. I am not willing to go that far. I am willing to make only those concessions which are necessary in order to get the job underway, in order to provide the impetus or initiative we need to get the job done. I believe we should remove all unreasonable obstacles so that it can be done. I believe the entire venture should be confined to a nonprofit organization in the research and development stage, subject to the provisions of the law. We have already taken care of that in the 1954 law. Whatever patents are developed, the knowledge will have to be shared with all others who are in this activity, subject, of course, to a reasonable charge. That is no more than fair.

Mr. GORE. The Senator has stated a reasonable position. The junior Senator from Tennessee did not mean to convey the impression that he would favor 100 percent Government financing of a project which would be 100 percent privately owned. The junior Senator from Tennessee was using a hypothetical case to show that the benefits from such a program of reactor development might not flow equitably and democratically to all the people.

Mr. PASTORE. Mr. President, will the Senator further yield?

Mr. GORE. I yield.

Mr. PASTORE. One of the problems with which we are confronted is this: The people who wish to engage in this activity are not all utility companies. Some of them make boilers. Others are chemical companies or industrial concerns. Naturally those people are not under the Public Utility Holding Company Act of 1935. They urge a rather plausible argument. It is our responsibility to determine whether the motive behind the desire of any of them to enter this field is good or bad. That is our responsibility, representing the people of the country.

The argument which is made is this: "We are willing to enter this field. We desire to engage in this activity; but the minute we do so we automatically become subject to the Public Utility Holding Company Act, under which we do not now operate because we are not a public utility company."

That poses a serious problem. That may tend to discourage many companies from engaging in this program. We all know that there is no profit in this activity, and there will not be any profit for perhaps 15 or 20 years to come.

We are on the horns of a dilemma. Shall we compel these people to subject themselves to the rigorous provisions of a law which does not now apply to them—which was not designed in 1935 to apply to them—because they are not a public utility company? Or shall we say to them, "If you cannot stand that burden, stay out of it"?

That is our dilemma. How are we to reconcile these two positions? That is what the distinguished Senator from Michigan [Mr. POTTER] and I are trying to do in the little hearing room on the third floor of the Capitol. We are trying to reach a reasonable balance, in order to protect the public interest, and at the same time stimulate the initiative and foster the impetus necessary for this program.

Mr. GORE. As I have said, I shall be predisposed in favor of the conclusions which the able Senator's committee will reach on this question.

However, that is but one of the obstacles which must be removed. It is

but one of the obstacles which spokesmen for private enterprise say must be removed before they can or will move forward in this program.

Therefore I revert to my original statement, that under the present program we are simply not getting ahead with this activity.

We are losing the head start that America had in atomic power. Not only have Great Britain and Russia moved ahead, but France has also. Unless we amend our policies, unless we bring into being both policy and program, we will soon, I am sorry to say, not be anywhere.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I am glad to yield.

Mr. PASTORE. On that very point I wish to compliment the distinguished Senator from Tennessee, and make one further observation. When people pick up their daily newspapers, they read on the front pages about the great achievement on the part of 12 negotiating nations because they have arrived at a draft statute which will be submitted to the members of the United Nations, to be approved by that body before it will come before Congress, either in the form of a treaty or a concurrent resolution.

People believe that a vast achievement has been made because they read in the newspapers that 12 negotiating nations have joined together in order to draw up the framework of an international agency.

The only thing that will make it work—and the only thing that could make it work are the reactors which we are yet to build. Does the Senator know where the people will find the discussion about that? On the back pages of the newspapers.

That international agreement is not worth the paper it is written on unless we build the reactors which will convert special nuclear material into electricity and power. The whole crux of the international agency idea lies in our ability to get on with the job to build these reactors.

Unless we do that, we will not have an international agency to amount to anything. The important thing in this whole dramatic picture is to press on with the task of building these reactors.

I say to the distinguished Senator from Tennessee, if private industry cannot do it, we ought to find it out quickly. If private industry cannot do it, or will not do it, then the Federal Government should do it. If we do not do it, we will lose the hearts and minds of the people of the free world.

Mr. GORE. But it can be done more quickly and efficiently, I am sure the Senator will agree, by a combination of effort by both the Government and private enterprise.

Mr. PASTORE. I could not agree more completely with the distinguished Senator from Tennessee.

Mr. GORE. Thus far no one seems able to predict when construction may actually start on any of the projects now under consideration by AEC. In the light of the conditions specified by Mr. Cisler, to which I previously referred, it seems obvious to me that the next 2 years will produce no more reactors than have the past 2 years, unless Congress takes action. We simply cannot afford such delay.

I would like to make it clear that I do not wish my remarks to be construed as being critical of private enterprise. There are many cogent reasons why private companies have not rushed into the field of reactor construction.

Private enterprise is supported by the profit motive. We must recognize that investment in atomic reactors today offers little possibility of immediate profit. The profit incentive will not be very effective until such time as atomic power becomes economically competitive with conventional power.

This was pointed out eloquently by the distinguished junior Senator from Rhode Island.

Electrical energy from atomic reactors thus far demonstrated is high-cost power. There is no longer any doubt—and I hope that on this point I shall likewise have the concurrence of the distinguished junior Senator from Rhode Island, and perhaps also of other members of the Joint Committee on Atomic Energy—that existing technological obstacles can be overcome and that a substantial portion of our generating capacity in the future will be atomic. The question is how soon will this come about and, what is even more important, will the United States make this achievement in time to preserve its economic and industrial position in the family of nations?

Private enterprise is inclined to approach the task just as it would approach any other development program. I do not say this critically, either. We must recognize the fact, however, that this means a great deal of research and small prototype reactors, followed in turn by pilot models, all prior to construction of large-scale reactors.

In general, the construction of large-scale reactors would be delayed until the state of technology has advanced to the point of competitive power, with the assurance of a profitable return on the huge investment involved. There is no question but that this approach is prudent from the standpoint of private investment and that it may get the job done eventually. If the economics of the private power industry were the only consideration involved, this might be a proper approach. Then we might be able, as a people, to afford the delay. However, as I have said over and over again in this debate, we need action by the Government to demonstrate costly processes and thus facilitate the effective and early entrance of private enterprise into the field.

The challenge requires concerted effort by both Government and industry.

The debate in the Senate which accompanied the passage of the 1954 act is now history and a matter of record.

It lasted for 13 days and nights. There were those of us who felt the bill failed adequately to protect the public interest and that it would foster patent and technological monopoly by a few large concerns then operating in the field under contract with the Atomic Energy Commission. We felt, too, that the bill would not provide rapid development of economically competitive atomic power, because it effectively tied the hands of the Government in the field of reactor development.

However, whether the proponents of the 1954 act were correct or whether the opponents of the 1954 act were correct is now beside the point. The question is, Where do we go from here, and how quickly? The future is more important than the past. Upon what we do in the future, as the distinguished junior Senator from Michigan [Mr. POTTER] has said, may rest the very industrial survival of the United States.

The arguments of the proponents of the bill were characterized by what seemed to be almost a fetish for the infallability of private enterprise.

The time had come, they said, to unfetter the hands of private companies and to remove the Government from the field of generation of atomic power.

As the distinguished chairman of the Joint Committee on Atomic Energy, the Senator from New Mexico [Mr. ANDERSON] said, we were told that hundreds of millions of dollars were waiting to flow quickly into atomic-power reactors, if Congress would but remove the threat of Government competition. We were told that if Congress would but tie the hands of Government and take Government out of the field of atomic power, private enterprise would move quickly and efficiently and certainly into the development of atomic power.

Mr. President, over the protests of several Members of the Senate, that bill did pass. The Government's hands were tied. A monopoly on the use of atomic power was given to private enterprise.

I repeat, Mr. President, that we simply have not received the results which we were promised. Let us not be discouraged by that fact, however. Let us recognize the vital importance of the program and make whatever reasonable concessions may be necessary. But I think the most necessary thing of all is to mold again the partnership between private enterprise and the Government in this field and have the whole people bear the risk of building some reactors, demonstrating the feasibility of processes, with the ultimate result of maintaining America's leadership in this field.

Administration spokesmen take great pride in the fact that we are already selling electricity generated by heat produced in an atomic reactor. It is true that the Atomic Energy Commission has sold $36 worth from a prototype reactor designed for use in submarines, which is located at West Milton, N. Y.

Reporters, photographers, and radio broadcasters have given us the news concerning it, but the amount of atomic power which the Atomic Energy Commission has sold is $36 worth. That does not indicate that we are maintaining American leadership in this field.

These spokesmen often take occasion to refer to the reactor now under construction at Shippingport, Pa. This reactor is expected to produce somewhere between 60,000 to 100,000 kilowatts of power when completed in 1957.

Mr. President, that reactor is being constructed with Government funds, as the distinguished chairman of the joint committee pointed out, and in accordance with the terms of the provisions of the act of 1946, and its development is not related in any way to the licensing program which apparently today constitutes our national policy.

I repeat, Mr. President, that under the act of 1954 not one license has been granted, not one construction permit has been issued, and none is even in immediate prospect. Such development as we have had in the atomic energy field, so far as the actual construction of reactors is concerned, has come under the 1946 act.

At Geneva last summer, the Russian representatives presented a paper on the design of a 5,000-kilowatt atomic power plant which they said had been in operation since June of 1954. The first power reactor of comparable size on which the United States presented papers at Geneva did not go into operation until a year later, shortly before the conference. The Russians have announced that they will put a 100,000-kilowatt atomic powerplant into operation this year and will have installed generating capacity of 2 million kilowatts by 1960. By contrast, the first large atomic powerplant in this country, the Shippingport reactor, will not go into operation until next year. We have indefinite hopes that by 1960, we will have something over 1 million kilowatts of atomic power capacity in being. But we have no real plan for achieving even this objective.

But if it should be achieved, it is only half that which the Soviet Union has already announced.

In today's issue of the Washington Post and Times Herald, there appears an account of a lecture by a Soviet nuclear expert which, according to the article, "amazed 300 British scientists at Harwell Atomic Energy Station today by indicating that Russia is on the threshold of harnessing the H-bomb."

The article continues:

> In a scheduled lecture, the visiting scientist reportedly spoke so frankly and in such detail that Harwell will now be able to reproduce the Russian experiments and supplement its own progress. Some of the data would be considered top secret by the West, it was noted.

The article strongly suggests that the facts presented in this lecture demonstrate that Russia is ahead of both the British and the United States in the race to control thermonuclear fusion.

Some people assume that the claims of the Russians are exaggerated. The same arguments were advanced about reports of the Soviet progress in aircraft design and production. These arguments became more difficult to support when such planes of advanced design were observed flying over Moscow in significant quantities some months ago. They collapsed entirely when the head of the Soviet Security Forces landed in England recently in a plane which supplied concrete evidence of Russian progress in this field.

Now what about our friends abroad? The British will put their first large atomic powerplant into operation in October of this year. It appears they will be a year ahead of us in this respect. Furthermore, the British announced last year a 10-year program for construction of 22 reactors which will provide approximately two and a half million kilowatts of capacity. The French put their first small reactor into operation this year, and they plan to have a large one in operation about the same time we do.

When questioned about our relative position in the atomic power field, Admiral Strauss continues to say we are "well ahead." It is inferred that projects underway in other countries are of inferior design and will be made obsolete by the improved designs upon which we are working. Possibly, this could be true. I do not possess either the technical knowledge or the technical information with which to pass judgment upon it.

I remember we heard that argument over and over again in the months before World War II. The controversy was between those who believed that our security could best be found in the planes in the air and on the bases, and those who believed we should concentrate on better designs on the drawing board. I say we need to build more reactors now in order to have actual and practical experience.

But the significant thing is that these other countries, both in the free world and of the Communist bloc, started this race at a great disadvantage as compared to the knowledge which we possessed. Unquestionably 10 years or even 5 years ago, we had a commanding lead. The fact that our position of leadership is now even questioned should be a matter of gravest concern. To me, it appears inescapable that others are progressing at a faster pace than we are. I believe the primary reason for this state of affairs is that other countries have established a national policy which recognizes that supremacy in the field of atomic power is a matter of vital national concern. Apparently we have not. Other countries have set up a definite plan and schedule for construction of reactors. We have not. Other countries have set for themselves an objective in the terms of kilowatt capacity. We have no such goals supported by a program of planned action.

In 1953, spokesmen for the Eisenhower administration enunciated a policy on atomic power development which stated in part:

> It would be a major setback to the position of this country in the world to allow its present leadership in nuclear power development to pass out of its hands.

On March 21 of this year, Dr. Willard Libby, a member of the Atomic Energy Commission, stated in an address that the loss to the Soviets of foreign markets for atomic reactors would be a catastrophe to the free world.

More than dollars and cents is involved. Nuclear power, which, in the words of President Eisenhower, will demonstrate that "the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life," is a symbol of the creative genius of man.

The importance of our leadership in this field was underlined again only recently by a Presidential announcement that 40,000 kilograms of fissionable material would be made available for peaceful uses at home and abroad during the next 20 years.

There is no lack of official pronouncements. There is a lack of definite progress. While the administration recognizes the urgency of the matter, it has no program of action to maintain American atomic power supremacy. Responsibility for this situation must be shared by a Democratic Congress and a Republican administration. This situation must be remedied by cooperation between a Republican administration and a Democratic Congress. Remedial legislation must be enacted to bring about the policies and programs which will assure the maintenance of American supremacy of the atomic power field.

We simply are not getting ahead with the construction of reactors. It is well and good to be able to tell the world that we will have nuclear fuel available to supply reactors, but this will not win us many friends or influence many people if Russia is able to supply a better reactor in which to burn the fuel.

I would not want to minimize the importance of our research programs. We must continue them; but we can learn more quickly from the actual construction and operation of reactors themselves.

Of course, this will cost money. Quite possibly, some of the reactors would be obsolete almost as soon as they were completed.

Although private enterprise may not be in a position to undertake this risk, despite the monopoly which the 1954 act gives to private industry, the Government can and should undertake a vigorous atomic power program for the benefit of all the people.

For want of a better term, I suggest that a crash program in the field of atomic power is required. Commissioner Thomas E. Murray, of the Atomic Energy Commission, has advocated that the Government undertake such a program.

A strong proponent of private enterprise—indeed, a man whose family fortunes, as I understand it, came from, and perhaps still remain invested in, the private utility field—Commissioner Murray has recognized the inescapable fact that only the whole people, through their Government, possess the resources necessary to insure that we maintain our lead. Mr. Murray has suggested that a minimum capacity of 2 million kilowatts of atomic power should be constructed by 1960. I think this is a reasonable minimum goal. To do less is to invite defeat. In this regard, I support Commissioner Murray strongly.

I strongly urge that the law be amended so as to untie the Government's hands, and to direct the Atomic Energy Commission to proceed with the construction of large scale reactors, using each of the technological approaches which shows promise of success.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. Does the Senator from Tennessee really believe that the law must be amended in order to carry

out the idea of having the Government build reactors, or is not the question merely one of appropriations?

Mr. GORE. The 1954 act does not contain an authorization of appropriation.

Mr. PASTORE. That is what I mean. It will be necessary to have an authorization to build the reactors; but fundamentally it would not be necessary to change the concept of the 1954 law.

Mr. GORE. It would take a simple authorization.

Mr. PASTORE. That is correct. That is provided in the Senator's own bill, is it not?

Mr. GORE. Yes, indeed. The authorization would not be complicated; the legislation would not be complicated. But under the 1954 act a legislative authorization is necessary before Congress can appropriate funds for this purpose.

Mr. PASTORE. The point I wanted to make clear in the RECORD is precisely that Congress did nothing in the 1954 amendment of the Atomic Energy law which would tie the Government's hands and prevent the carrying out of the idea which has just been expressed by the junior Senator from Tennessee. All that is needed, of course, is an authorization in order to secure an appropriation to make possible the construction of reactors.

Mr. GORE. That is correct. It is necessary, first, to establish a policy, next to provide the authorization, and then to provide funds. Then it would be necessary for the Atomic Energy Commission to formulate a program which would bring about the necessary action and result.

Mr. PASTORE. The important point I wish to make is that if that be done—and I subscribe to the view that it should be done—Congress would still be within the concept and spirit of the 1954 amendment of the atomic energy law.

Mr. GORE. Yes, indeed; with the exception of the lack of authorization, which was not provided in that act.

Mr. PASTORE. I thank the Senator.

Mr. GORE. As a matter of fact, I have advocated such a program for a long time. I think it was last July that I introduced a bill to provide for the construction of six such reactors, each to be in a different geographical location in the United States. I believe it is important that reactors be developed in different geographical locations.

I know of no other area in which so large a population lives in a high-cost power area, where atomic power is so direly needed, than the New England section of the United States. The area which I am honored and privileged to represent, in part, has had a supply of economical power. The adequacy of that supply is now seriously questioned, but that is a different question, on which there will be more debate later. But the urgency for atomic power in the Tennessee Valley or in the Great Northwest is not so great as it is in New England, not so great as it is in the Southwest, and not so great as it is in the industrial North or in the Rocky Mountain region.

I believe it is, if not necessary, at least desirable, to have the Government undertake such development in those areas where the power is so direly and vitally needed. Of course, I would not want to discriminate against the area which I, in part, represent. Obviously, a very, very good place to start would be in Tennessee—that is a good place for any good thing to start—particularly so when Oak Ridge needs power, and the Atomic Energy Commission could there utilize the power which would be generated in a reactor.

But, I repeat, the most dire need is not to be found either in the Tennessee Valley or in the Northwest, where the great Columbia River power potential is available.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. Is it not also a fact that one of the greatest obstacles which confronts private industry in this particular activity is the question of insurance? The reason why insurance companies have been rather reluctant to underwrite this activity is that they do not have the experience and the background which are necessary in order actuarially to formulate the premium rates which will be necessary.

Therefore, if the Government itself proceeds to build six reactors in different places in the country, not only will the obstacle of insurance be overcome, but also the experience and background which are necessary and helpful will be supplied, and this, in turn, will inspire and induce private industry to enter the field.

Mr. GORE. I agree with the Senator. Will he not go a step further and say, in addition, that the size of the risk is so great and so indefinite that the insurance companies show no readiness to undertake the underwriting of such a liability?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. PASTORE. Is not the Senator pretty well convinced that the only way we can overcome the insurance obstacle is by Government participation?

Mr. GORE. I reluctantly come to that conclusion.

Mr. PASTORE. No matter how we look at it, there has got to be Government participation. We may as well come to that understanding as quickly as we possibly can, and definitely advance a program which will effectively carry out the spirit and intent of the 1954 law.

Mr. GORE. I thank the Senator.

Mr. President, as I have said, it seems to me we have here a perfect example of the classic role of Government to do for its people that which they as individuals cannot do for themselves, or that which they cannot do as well or as expeditiously for themselves. Here we have a proposal which fortuitously promotes both our aspirations and our responsibilities in the field of international relations and the growth and development of our own economy at home.

This is no time for arguments about the exclusion of either the Government or private enterprise from the field of reactor development. The task ahead presents a challenge which will require the full resources of both.

I wish again to congratulate and thank the junior Senator from New Mexico [Mr. ANDERSON], the chairman of the Joint Committee on Atomic Energy, for scheduling the hearings which will soon begin. I express the hope that the examination of this challenge to the industrial supremacy of the United States in the future will be thorough, and that we shall have action by this Congress to formulate a national policy, implemented by a program of action which will maintain American atomic supremacy.

Mr. ANDERSON. Mr. President, I desire at the outset to congratulate the junior Senator from Tennessee upon his zeal and energy in the matter of attempting to develop atomic power within this country. I am very happy to say that I know the committee will go thoroughly into the merits of the bill he has proposed and many other questions which have arisen in connection with it. The committee will also explore the insurance problem and other roadblocks which seem to be in the way.

Today I should like to say a few words with regard to the possibility of thermonuclear power. Enticing and hopeful as the picture of ordinary atomic power may be, the imagination of the world was pretty largely captured at the Geneva Atoms for Peace Conference by the announcement of the president of that conference, the distinguished physicist from India, Dr. Homi Bhabha, who, in his inaugural address, pointed to the possibility of controlling thermonuclear reaction and what it might do for the well-being of the world.

Those of us who were in the audience that day could not fail to be impressed by the manner in which he presented it—not that his words came as a complete surprise to all of us, but because we were not permitted to discuss that situation and still stay within ordinary security rules of the United States.

There is a special dispatch to the New York Times today telling of the appearance of the leading Russian authority of atomic energy and how he amazed 300 of Britain's top scientists who heard him describe at Harwell, the British atomic energy center, the results of more than 3 years of research toward controlling the energy created by fusion, as in the hydrogen bomb explosion.

It was my pleasure last summer to visit the British atomic energy institute at Harwell and to discuss the progress of that institution with its director and members of his staff, and to hear the things they were willing to discuss with us and to discuss the things we were permitted to discuss with them. There was not a word said by us to them nor by them to us about control of the thermonuclear reaction. I assume the British were under instructions not to talk to us about it, just as we were under a requirement not to talk to them about it. But some very interesting things are now printed, and the New York Times carries a story which, in part, reads:

> The method on which the Russians have been working—the passage of extremely large electric currents in short bursts through

> tubes containing various gases, especially deuterium, a heavier hydrogen isotope—has been the subject of experiments in various countries, including Britain.

It would be interesting to know if that has been the subject of experiment in the United States. I am sure it is gratifying to industry in the United States to learn what has been done in Russia and in Britain; and I assume industrial leaders of this country, who look upon atomic energy as a potential source of power, would be happy if, in the not too distant future, they might look forward to the day when they could find out what is going on in other countries.

The Russians are behind the Iron Curtain. Yet the Russian scientists were permitted to go to Britain, as Russian scientists were permitted to go to Geneva, and talk about thermonuclear possibilities.

It was my rare and good fortune to be a speaker on April 6 at the sixth annual conference on high energy nuclear physics at Rochester, N. Y. I was barely able to read the subjects of the addresses, since I was the only lay speaker there. The rest of them knew what they were talking about and understood it, but it was a strange and utterly new language to me. But that conference was attended by a Russian physicist, Dr. Vexler, and there was also present Dr. McMillan, of the University of California, who is in charge of a laboratory there. Dr. McMillan thought he was the inventor of the particle accelerator, and the Russian scientist thought he was the inventor of it. Finally the two of them, through interpreters, learned that they had arrived at their conclusions by wholly separate routes. No spying was needed on either side to discover that they had used similar facilities to arrive at the same results.

This very interesting experience at Rochester is not unparalleled in scientific history. One can go back into the development of many things and learn that somebody was working on it in one country while someone else in another country was working on it almost simultaneously. The thing we have learned is that the one way by which these results are most definitely promoted is by cross-fertilization of ideas, which is exchange of information, which is a realization that science is universal, and that scientists in different countries, working in cooperation, can more rapidly develop ideas for the benefit of all the people.

I do not intend to take time this afternoon to discuss construction of certain new types of accelerators in bevatron range. But we found out that certainly some of the things we were doing in this field were being reproduced and paralleled in other countries. Now we find that both can profit by what has gone on elsewhere.

I shall not read into the RECORD the entire New York Times article, but I think it is interesting to note one paragraph:

> Experiments have been carried to a stage at which temperatures of the order of 1,000,000° centigrade have been attained. This is the threshold at which the fusion reaction might be expected to begin.

Again I say I do not believe that news will come as a great shock to the American scientists who have been working in this field, but it is bound to come as a shock to any businessman who has been wondering whether there is a possibility of the development of thermonuclear power, because the one thing on which he could obtain absolutely no information was the field of controlled thermonuclear power and the work in that field.

Mr. President, merely to show how difficult it is to achieve in this country something equivalent to the frankness with which the Russian to whom I referred discussed the matter with the British, I wish to point out that I have been talking about this subject for approximately 1 year. Last July, for a meeting of the National Advertisers' Association at White Sulphur Springs, I prepared an address. In the text I prepared originally I urged that this country devote itself to a "crash" program in the field of controlled thermonuclear power. I went that far before I found out that it was strongly against the policy of the Atomic Energy Commission to make such statements publicly. Therefore, I threw away the text I had prepared and included in my address one short paragraph, in which I alluded to that subject in a fashion which I thought would not be objectionable. I shall read those words:

> Finally, there is the dramatic possibility of controlling thermonuclear energy—or hydrogen energy—to produce power from the light elements. This would be equivalent to using the energy from the sun and stars for constructive purposes here on earth. Our hydrogen bombs prove that uncontrolled thermonuclear energy can be released here on earth. It has long been known, on theoretical grounds, that it might be possible to harness hydrogen energy for constructive uses. In fact, references to this possibility were made in public hearings before the Senate Special Committee on Atomic Energy 10 years ago. And on the news stands this very moment, there is an article dealing with the subject of the possibility of controlling hydrogen energy for man's benefit. It appears in Foreign Affairs, and it was written by Mr. John S. Walker, a former counsel of the joint committee. Will we be able to tell the world, at Geneva, whether we are trying our hardest to find out whether this technique can be mastered?

That was only several weeks prior to the Geneva Conference; and in that talk I said it would be my good fortune to be present at Geneva, and I hoped that there we might be able to deal with the matter of controlled thermonuclear energy.

It was fairly simple, as we went to Geneva, to stop at London and to visit the British atomic energy center. Some of us did so. A newspaper dispatch from London quoted me as predicting that "the atoms for peace conference in Geneva next week will lead to freer discussion with the Soviets on atomic developments." And that I said:

> It appears that the Soviets intend the conference to be a success.

Dr. Bhabha, as I have said, made his address as president of the conference; and he pointed out that "the historical period we are just entering, in which atomic energy released by the fission process will supply some of the power requirements of the world, may well be regarded one day as the primitive period of the atomic age."

In other words, the extent to which we have progressed in this field up to the present time would so be regarded, he said.

The release of energy, such as the Senator from Tennessee [Mr. GORE] has been discussing today, under the program which he has been trying to get under way, is important, and needs to be gotten under way; and probably will constitute our great source of power within the next 25 or 50 years. But Dr. Bhabha said that some day this period may be regarded as the primitive period of the atomic age.

He also said:

> It is well known that atomic energy can also be obtained by a fusion process, as in the H-bomb, and there is no basic scientific knowledge in our possession today to show that it is impossible for us to obtain this energy from the fusion process in a controlled manner.

That is rather frank talk.

I said at Rochester that Dr. Bhabha opened the thermonuclear pie, regarding the development of power by means of the fusion process, and that thereupon 4 and 20 nations began to sing. Everyone began to talk about it.

The day after his address, I sat next to him at a luncheon. The head of the Russian delegation sat in the next seat on the other side. All about us was talk about the possibility of the development of atomic energy by controlled thermonuclear reaction.

Members of the Joint Committee on Atomic Energy returned to Washington. Many Members of the Senate and many Members of the House of Representatives who were in the group at Geneva were forced to return immediately to their homes, because of previous engagements, and because of the fact that we had remained abroad a long time. But those of us who stayed a day or two in Washington held the customary press conference, at which members of the press sought to learn something about our activities. I have before me a sheet giving a brief press item which went out, as follows:

> Two congressional atomic experts urge a step-up in the Government efforts to harness the energy of the H-bomb—

The reference is to Representative PRICE, of Illinois, and myself. At that time, we hoped there would be some speed-up of this work.

Numerous questions were asked about whether we should have a moderate program. The press dispatch states that—

> The New Mexico Democrat was asked for his opinion of America's "moderate" program of research into the chaining of hydrogen bomb power, as announced by Lewis L. Strauss, of the United States Atomic Energy Commission. Specifically he was asked if he approved of spending large sums of money on such research.
>
> "Personally, I would," he said. "It is a very promising field."

Mr. President, it is interesting to note that after Dr. Bhabha made his statement, the chairman of the Atomic Energy Commission held a press conference the next day, and announced that the United States was at work in this field, and had been at work in it a long time. Prior to that, it had not been regarded as proper to discuss it; but as soon as we learned that India knew about it, that Russia was at work on it, and that various other countries were at work on it it seemed proper that we might mention the fact that we had been at work on it.

At a meeting in Cleveland, on December 15, I discussed the subject of Atoms for Progress. In the course of the discussion at Cleveland, I said:

> It would be criminal if our Joint Committee tried to give advice and guidance on America's military and peacetime atomic policy without knowing all the facts. You, in turn, cannot tell whether we, or your other public servants, are doing a good job on the peaceful uses of atomic energy if you do not have at least all the material facts yourself on the peaceful uses.
>
> Accordingly, we have set machinery in motion to get some of this story out into the open and to organize the facts so that you may see them in proper perspective.

It seemed important for the people of this country who were dealing with the atom and for every industry which was dealing with the atom to know about that study which was attempting to delve into secret areas and evaluate the work.

A little later in my Cleveland address I said:

> Let me cite a second example of security which, in my opinion, is not really security at all. I have in mind our information policy in the field of controlled thermonuclear reactions.

Later in the same speech I said:

> It is my considered opinion that the time has now arrived when we should declassify, and not merely downgrade, all our work in the controlled hydrogen field.

Mr. President, it has been my theory for a long time that the Russians unnecessarily take the play away from this country, which has been very rapid in its development of atomic resources. Here we see the Russians going to Britain, opening Soviet secrets, and talking frankly with the British as to what Russia is trying to do in developing controlled thermonuclear energy. They had full understanding that their information, which we would still classify, could come out from behind the Iron Curtain and be published in all the European press to let the nations of the world know that the Russians, at least, were willing to make abundantly clear what they were doing, or trying to do, to make hydrogen energy the servant of mankind as quickly as possible.

Inasmuch as this country had been long in the thermonuclear field, I thought it was important that we say publicly that we stood ready to try to declassify a great deal of this information and make it available to the people of the earth, who wanted to know how far we could go. It so happened that just after I made the address to which I have referred, the chairman of the Atomic Energy Commission went into my home community to deliver an address. The United Press story in that connection reads as follows:

> Chairman Lewis L. Strauss, of the Atomic Energy Commission rejected demands for full disclosure of fusion-for-power developments. In so doing he placed himself at add with Senator CLINTON P. ANDERSON (Democrat, New Mexico), chairman of the congressional Atomic Energy Committee.

The article refers to the fact that I had urged the declassification of this information.

The United Press article reported that Mr. Strauss explained his stand with the statement that thermonuclear things had to remain secret. This is notwithstanding the fact that scientists have contended that there is no military importance whatsoever in the work now going on. However, the statement was made in my home town that anyone who urged that the information be made public was bound to have a limited understanding of what was involved.

I felt that statement raised an important question, so I wrote to the Chairman of the Atomic Energy Commission, asking what important information I had failed to get, because under the law the Joint Committee on Atomic Energy is to be currently and fully informed. I pointed out that men like Dr. Henry D. Smyth, a Princeton University physicist and a former member of the Atomic Energy Commission, and Brig. Gen. K. D. Nichols, formerly general manager of the Atomic Energy Commission, had recommended the relaxation of the security measures surrounding our efforts to use the fusion process for peacetime purposes.

I tried to find out why it could not be known publicly that we were doing this work, and why we were doing it. I hope that the time will shortly come when businessmen in the United States who are eager to learn the implications of this program with respect to their own business will have the same opportunity to find out about it as do businessmen in Britain, France, or some other country.

I am puzzled as to how and why an American newspaper was able to publish this story from London. The subject matter is still pretty much classified in this country.

A few nights ago I had the opportunity to address a meeting of high energy nuclear physicists at Rochester, N. Y., and I outlined some areas in which I thought we could spend a great deal of time in international research.

I said that one such area might be research on the problem of controlling thermonuclear reactions in such a way as to produce useful power.

If I may quote briefly again from the address to which I have referred:

> There seems to be no other field of technology today in which there is a more evident need for pooling all of the imagination and ingenuity which the world's scientists can bring together. The riches for mankind which must flow from the solution of these problems are without parallel. The history of science dramatizes again and again that problems of special difficulty are most usually solved by the cross-fertilization of ideas from diverse sources. The effort of any one country to develop controlled thermonuclear reactors in a unilateral manner under the security required by an attitude of competitive nationalism must certainly have the effect of retarding the progress of such a country in this vital field.

The Russians seemed to feel that there was a better way of doing it. The Russians have frankly discussed the problems with the British, and by this action have made available for all the world what their theories have been, what their progress has been, and how close they are to final solution.

Let me add a few more words from my Rochester address:

> No one can yet say that the immense problems associated with development of controlled thermonuclear power will be capable of solution. What we can say, certainly, is that if their solution is available to man, then it will be most readily available and perhaps only available in an atmosphere of vigorous collaboration built upon the genius of many people from many lands. It would seem that the enlightened self interest of all technologically advanced nations would best be served by their contributing heavily to the creation of a joint world laboratory in which the solution of these problems is sought jointly by scientists from many nations.

It seems that we are always coming along a step behind. The suggestion was made early that we should discuss this thermonuclear subject prior to the Geneva Conference. That suggestion was rejected by the Atomic Energy Commission, but Dr. Bhabha spoke out, and then quickly we confessed that we had been in this field for a long time.

The Swiss have said the United States can control fusion in its laboratories. We do not comment. Khrushchev goes to Britain and says that the Russians have dropped a hydrogen bomb from an airplane. Then we hear from our Atomic Energy Commision that we will do the same next week. The information that this was our intention had been classified up until the time of that statement. But now we confess.

Russian scientists say Russia is near the control of hydrogen power. We are completely silent as to where we are.

Is another step-behind confession due, or are we really behind the Russians on this subject?

I again express the hope I have been expressing steadily for a full year. It is the hope that we may find it possible to declassify our studies in the use of controlled thermonuclear processes. I believe that the scientists of this country are almost unanimously in favor of so doing, and feel that there is no possibility of our losing ground militarily if we do so. Therefore I hope the day is not far off when this country may find it possible to do so.

ACCOMPLISHMENTS OF EISENHOWER ADMINISTRATION: AN ANSWER TO CRITICISMS BY FORMER PRESIDENT TRUMAN

Mr. MARTIN of Iowa. Mr. President, President Eisenhower and his administration have produced many changes on the American scene since January 20, 1953. However, in my opinion, the most outstanding change has been the establishment of an era of good feeling and the absence of class warfare. President Eisenhower conceives his responsibility to be the President of all the people.

We are happy to be once again united as citizens of the United States, and not pitted as warring groups fighting among ourselves for political advantage.

Because of my deep feelings on this matter, I was shocked that my good friends in Iowa were subjected on Wednesday, April 11, to a political speech by former President Harry S. Truman which was openly designed to inflame every smoldering resentment and to return us to the era of class warfare, when group was pitted against group for partisan political advantage. There is no doubt in my mind that the people of Iowa, in fact of the entire country, have no desire to return to this unfortunate climate which characterized the two decades ending in 1952.

I feel it is my duty to set the record straight. I have prepared a detailed answer to the statement made by former President Truman for my good friends in Iowa. I ask unanimous consent that my complete statement be printed in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN OF IOWA

President Truman, in his address at Des Moines, said: "In 1948, we had a Republican Congress—remember, it was the notorious do-nothing 80th Congress." You will remember that Hitler and his propaganda chief Goebbels said that people will believe any lie if it is repeated often enough. Former President Truman's statement about the 80th Congress completely fits the Hitler formula for propaganda. It is time for someone to set this record straight.

I was a member of the 80th Congress and I am proud of its accomplishments. It passed bills which were enacted into 906 public laws. This is hardly a "do-nothing" record. The mere number of public laws, however, does not begin to tell the story of the accomplishments of the Republican 80th Congress. Let me review a few of the more important enactments.

Public Law 75 authorized $400 million for aid to Greece and Turkey. It was the "terrible" Republican 80th Congress—the "do-nothing" Congress—which provided the authorization for the Truman program of aid to Greece and Turkey.

Public Law 101, passed over the President's veto, was the Labor-Management Relations Act of 1947, the so-called Taft-Hartley Act. This act is not a perfect solution to all labor-management relations problems, but it is significant that it had remained on the books unchanged through the 81st and 82d Congresses controlled by the Democrats with Harry Truman in the White House. When President Eisenhower requested changes in the act to carry out the promises which he made to labor in the 1952 campaign, the Democrats in the Senate voted to recommit the bill incorporating his proposed revisions. Today we again have a Democrat-controlled Congress and the law remains unchanged. I am sure that with the benefit of 10 years of experience many revisions in this law could be made to advantage. However, any law which remains on the books unchanged for a decade must have some unusually good features.

Public Law 162, enacted by Harry Truman's "do-nothing" Republican 80th Congress, provided for the establishment of a Commission on the Organization of the Executive Branch of the Government. This was the first Hoover Commission. Former President Truman, under the authority granted under the Reorganization Act, adopted many of the proposals of the Hoover Commission and took credit for the economies they produced.

Public Law 253 was probably one of the most important enactments of any Congress. It created the National Military Establishment and provided for the unification of our Armed Forces.

Public Law 471 provided for individual income-tax reductions. This bill, too, was passed over the veto of former President Harry Truman. It is the bill which increased the personal income-tax exemption from $500 to $600 and provided tax relief in a fair and equitable manner for all of our taxpayers.

Public Law 472 authorized assistance to European countries Greece, Turkey, and China. This was the law that established the Marshall plan—one of the accomplishments of President Truman's administration of which he boasts, but which was enacted by that "terrible" 80th Republican Congress.

Public Law 643 provided for United States membership and participation in the World Health Organization.

Public Law 759, the Selective Service Act of 1948, provided for the first peacetime draft in our history. If the provisions of the law had been carried out by former President Truman, our armed strength would have been far greater and our efforts to maintain world peace would have been far more effective.

Public Law 792 extended the provisions of the Reciprocal Trade Agreements Act.

Public Law 845 provided for the control of stream pollution.

Public Law 897 provided for a coordinated long-range farm program. This law had the support of President Truman's then Secretary of Agriculture, now the distinguished Senator from New Mexico, CLINTON ANDERSON. It provided for flexible price supports. If this law had been allowed to operate by the Democratic 81st and 82d Congresses, the 84th Congress would not now be worried about what to do with burdensome agricultural surpluses.

Another achievement of the "do-nothing" 80th Congress was the unmasking of Alger Hiss and Harry Dexter White by the House Un-American Activities Committee. The Honorable RICHARD NIXON, now the distinguished Vice President and then a member of the House Committee on Un-American Activities, was responsible for a great deal of the work which led to the conviction of Alger Hiss. This earned him the undying enmity of extreme Democrat partisans, while the rest of us expressed our gratitude to him by elevating him to the high office he now occupies.

On top of all this, the 80th Congress balanced the budget and produced a surplus.

There are some things it did not do. It refused, for example, to institute peacetime price, wage, and salary controls as requested by former President Truman. At the time, we said these controls would not stop inflation. That is why we did not approve them. Inflation could have been stopped by Harry Truman if he had properly administered the monetary and fiscal powers Congress had given him. Our experience since 1953, when inflation was stopped by President Eisenhower without the use of price and wage controls, demonstrates the soundness of the position taken by the 80th Congress.

This is quite a record for a "do-nothing" Congress. I am proud of it, and I make no apologies for my votes as a Member of the House of Representatives during that period.

Harry Truman completely wasted his opportunity to produce peace and prosperity. When he assumed the presidency, we had the greatest Armed Forces in being the world had ever seen. We had exclusive possession of the atom bomb. Our overwhelming military power placed us in a position to have assured peace to all the peoples of the world for generations to come if we had had a foreign policy based on morality and a clear understanding of our own self-interest.

President Truman went to Potsdam with a united Nation behind him. He had military power but lacked the wisdom and judgment to stand for principles. If he had, the Russians would have backed down. There would have been no Berlin corridor. The Korean incident would not have taken place. The opportunity for peace and disarmament was lost because the man who then occupied the White House was too busy advancing the partisan interests of the Democratic Party. While all this was taking place, the Rosenbergs and Fuchs, the atomic spies, were neutralizing our great military advantage over the U. S. S. R.

Harry Truman has the temerity to say of President Eisenhower: "He deserves to be rejected by the people just as the 80th Congress was, because he is a do-nothing President just as that 80th Congress was a do-nothing Congress." While this statement is preposterous, it must be answered.

President Eisenhower has accomplished so much that it is difficult even to begin to enumerate his accomplishments. The most important contribution President Eisenhower has made is, of course, the ending of the Korean war and the reestablishment of peace. American wives, mothers, and sweethearts no longer go to bed at night wondering whether their loved ones will appear on a casualty list tomorrow.

President Eisenhower has reduced Government spending and taxes and balanced the budget. In this fiscal year, President Eisenhower will have reduced Government spending by $10.5 billion from what it was in fiscal 1953, Truman's last year, and by nearly $15 billion from what Truman proposed for 1954. The budget has been balanced in spite of a tax cut of $7.4 billion in 1954, the largest single tax cut ever achieved. This may not be an accomplishment to Harry Truman, but I think it is to most Americans.

President Eisenhower has maintained the purchasing power of the American dollar. The consumer price index published by the Bureau of Labor Statistics (1947–49 = 100) was 76.9 for the year 1945. The index stood at 113.5 for the year 1952. The cost of living rose 48 percent during Harry Truman's term in office. The consumer price index in February 1956 was 114.6, as contrasted with 113.5 for the year 1952, an increase of less than 1 percent. This is quite an accomplishment for a "do-nothing" President.

In December 1955, 64.2 million people were employed. Unemployment was 2.4 million, or only 3.6 percent of the total civilian labor force. The number gainfully employed was larger than the entire civilian labor force in 1952, employed and unemployed. In 1952 the average gross weekly earnings in all manufacturing was $67.97. In December 1955 the average was $79.90, an increase of more than 17 percent. And let us remember that this increase was in real money, as the cost-of-living index stopped rising under President Eisenhower.

All of the figures under this administration are not pluses. We have a few minuses for which we are equally proud. In 1952, 59,100,000 man-days were lost through idleness from work stoppages and industrial disputes. In 1955 this figure was reduced to only 28 million—less than half of what it was in President Truman's last year in office.

Let me burden you with just a few more statistics. Personal income for the year 1955 totaled $303.1 billion as contrasted with $271.1 billion in 1952 under President Truman—an increase of $32 billion, or 18 percent. Of course, to Harry Truman this is not an accomplishment either.

Let us see how this increase of $32 billion in total personal income was distributed. The figures show that $24.9 billion, or 78 percent of the $32 billion increase in total personal income, was added to labor income—

I mean wage and salary disbursements. Dividends increased from $9 billion in 1952 to $11.1 billion in 1955—an increase of $2.1 billion, or only 6.5 percent of the increase in total personal income.

Let us also examine the national-income figures. In 1952, the last year of the Democrat administration, the national income totaled $289.5 billion. In 1955 it was $322.2 billion—an increase of $32.7 billion, or 11.3 percent, in the short period of 3 years. How was this increase in national income distributed? Of the $32.7 billion, $25.9 billion, or 79 percent, went to increased compensation of employees. Corporate profits before taxes increased $7.3 billion during this period, and remember, more than half of this amount was returned to the Government through taxes.

The statistics show that President Eisenhower's administration is not operating for the exclusive benefit of big business and stock-market gamblers as Harry Truman suggests.

From Harry Truman's speech, you would gather the impression that this administration is only interested in the very rich. He said: "Really, the only people who haven't been messed up are General Motors, big business, and stock-market gamblers." The distribution of the increase in both personal and national income does not support the repeated Democrat claims that this administration is operating solely in the interests of big business. The repeated attacks by Harry Truman, Adlai Stevenson, and Senator KEFAUVER on the businessmen in Government is a terrible disservice to the American people.

Let me remind you that prior to 1939 President Roosevelt used to indulge in attacks on the leading members of the business community. However, when the chips were down and it became necessary to mobilize our resources to fight the Nazis, to whom did President Roosevelt turn? He asked William S. Knudsen, then president of General Motors; Edward R. Stettinius, then chairman of United States Steel; Donald Nelson, the president of Sears Roebuck; Charles E. Wilson, the president of General Electric; and William H. Harrison, a vice president of the American Telephone & Telegraph Co., along with countless others of similar capacities and abilities, to enter the Government service. What happened? A certain Senator from Missouri, Harry S. Truman, proceeded to impugn the integrity of these people. He questioned the distribution of defense contracts and asserted that undue favoritism had been shown big business. Early in 1941, the Truman committee was established which plummeted Harry Truman into the Vice Presidency, and then the Presidency. A few years later, when confronted with the Korean emergency, what did Harry Truman do? He asked Mr. Charles E. Wilson, the president of General Electric, to take over the Office of Defense Mobilization, one of the most important positions in the entire Federal Government.

Do the Democrats imply the people of the United States can only secure the service of competent people in a period of acute emergency—that the rest of the time we must be content with mediocrity, political hacks, and intellectual theorists? As a matter of fact, the Democrats when in power have recruited business leaders for many important posts. Let me remind you that our first Secretary of Defense—an unusually capable man, James Forrestal, was a Wall Street banker. W. Averell Harriman, President Truman's Secretary of Commerce after he kicked Henry Wallace out, was not exactly a barefoot boy. The Biddles and the Morgenthaus would not qualify as little-business men.

It is time that we stopped peddling this kind of nonsense, that we ceased appealing to the basest of human motivations—envy and jealousy of the achievements of others. President Eisenhower is to be commended for having secured the most capable people he could find to operate what is the biggest business in the world, our Federal Government.

Does the presence of former business leaders in the Cabinet mean that President Eisenhower has favored big business—that he has been soft in enforcing the antitrust laws? Let us examine the record. It clearly shows that that has not been the case. I sometimes wonder who speaks for the Democrat Party. They apparently have one story when they are campaigning for the Presidency and another when they are just dealing with the problems of the day in off-years. On the subject of antitrust enforcement, let us see what some Democrats have said concerning the activities of Judge Barnes who has administered the antitrust program of the Eisenhower administration for the past 3 years.

Representative EMANUEL CELLER, the chairman of the House Judiciary Committee, said: "I have been in Washington many years and have followed the activities of the Antitrust Division of the Department of Justice most assiduously. I know of no one who has given so much of his effort and so effectively to the work of that Department as Judge Barnes."

Senator PAUL H. DOUGLAS, of Illinois, said: "I have a very real respect for him, and I think he is one of the best officials in the present administration."

Senator JOHN J. SPARKMAN, the chairman of the Senate Small Business Committee, said: "I think you and your division are doing a very fine job."

Representative WRIGHT PATMAN, the chairman of the House Small Business Committee, said: "I have been impressed with the type of effort he has put forth * * * and I hope that he is successful in what he is trying to do."

Thurman Arnold, the Assistant Attorney General in charge of the Antitrust Division under President Roosevelt, said: "I have watched some of the cases he has brought, and I have been very much impressed with his integrity and his vigor in antitrust enforcement."

Former President Truman and other Democrat spokesmen have tried to give the impression that the tax reductions voted by the Republican 83d Congress were exclusively for the benefit of big business. Again, let us look at the record. The first tax legislation passed by the 83d Congress was the extension of the excess-profits tax which was due to expire on June 30, 1953, and which President Eisenhower requested be extended for an additional 6 months in order to pay off the I O U's left by Harry Truman. This imposed an additional tax on corporations of $800 million. It helped make possible the reductions in personal income taxes which took place in 1954.

At the request of President Eisenhower, the Congress has extended the Korean corporate income-tax rates which were scheduled to decline in 1953. The most recent extension will produce an additional $2 billion in revenue for the Federal Government. Contrary to the claims of the Democrats, the corporations are the only group still taxed at the full Korean tax rates. This is hardly favoritism to big business.

In his Des Moines speech Harry Truman said:

"In the face of the growing military strength of the Communist nations, the Eisenhower administration has actually been cutting down on the size of our Armed Forces. In the face of growing economic strength of the Communist nations, the Eisenhower administration tells us the Soviet policies have failed."

It is preposterous to think of Harry Truman criticizing the effectiveness of our defense effort under President Eisenhower, one of our greatest military leaders.

Let me recall a little history. Harry Truman was the President who refused to spend the money Congress appropriated to build an adequate Air Force to protect us before Korea. It was Harry Truman who appointed Louis Johnson to be Secretary of Defense. Under Johnson's administration of the Defense Department, our armed strength was reduced to the lowest point since before World War II. It was Harry Truman who failed to provide adequate stockpiles of critical and strategic materials. It was Harry Truman who nominated a political crony, former Senator Mon Wallgren, to be Chairman of the National Security Resources Board. This nomination was finally withdrawn when it became clear that the Senate would never agree to his confirmation. Senator BYRD, a Democrat, in the CONGRESSIONAL RECORD of May 18, 1949, discussed this nomination. He said:

"As a member of the Senate Armed Services Committee, I participated in the passage of the Security Act of 1947, which created the National Security Resources Board, and was therefore fully informed of the importance of the position as affecting our national defense.

"Confirmation by the Senate of appointments made by the President is one of the checks and balances of our system of representative democracy. It should not be performed as a perfunctory act, but each individual appointment should be scrutinized with the utmost care, and no person should be confirmed for a position for which he is unqualified. This is particularly true in this day when the responsibilities of our Federal Government have assumed such gigantic proportions.

"After the most careful consideration of all the factors involved, I reached the definite conclusion, as did a majority of the committee, that former Governor Wallgren was not competent to perform in a satisfactory manner the duties of Chairman of the National Security Resources Board. Therefore, as a member of the Armed Services Committee, I voted to lay this nomination on the table, and it was tabled by a vote of 7 to 6."

I have taught military science and tactics, and my first service in the House of Representatives was as a member of the Committee on Military Affairs. I feel I have some qualifications in this area, but I would hesitate to consider myself an expert on the problems of designing and producing intercontinental ballistic missiles. Adlai Stevenson, Senator KEFAUVER, and other Democrats have suddenly become scientific experts. President Eisenhower appointed Donald A. Quarles, a distinguished scientist, as Secretary of the Air Force. I am willing to accept the judgment of Secretary Quarles, a great scientist, Secretary Wilson, an engineer and industrialist, and President Eisenhower, a great military strategist, in preference to the new crop of scientific wonders the Democrats are displaying.

I value the judgment of some Democrats who are willing to let the chips fall where they may. I served for many years in the House of Representatives with CARL VINSON, the Chairman of the House Armed Services Committee, who has served in the Congress since November 3, 1914. This is what he said on January 26, 1955, when the Democrats were not trying to elect a President. The Secretary of Defense, Charles E. Wilson, had just concluded his testimony before the House Armed Services Committee. Chairman VINSON said:

"Mr. Secretary, I want to commend you on an outstanding statement. I have been here a long time and I have heard many résumés on world situations, and defense needs, but I believe your statement is the most comprehensive and the most forthright one I have ever heard. Your reasoning is sound and your candor is highly commendable. I hope that the American people and the world will take full cognizance of your remarks.

"In other words, Mr. Secretary, the goal of communism is world domination; and knowing what the Communist goal is, this Nation has no choice but to maintain a strong armed force that must be able, as you have so clearly stated, to cope with local aggression and to deter the Communists in their objective of complete world control. We know the Communist objective, and therefore we know what our Armed Forces must be capable of doing.

"So I want to congratulate you most heartily for your comment and position on a matter that has bothered me for many years. I am referring to the stability of our Armed Forces. In your statement you have said: 'The lack of reasonable stability in our military programs is a most wasteful and expensive practice. We cannot afford to revert to the "feast or famine" pattern of our past history, not just because of the effect upon our economy, but primarily because we cannot take the military risks involved in such a policy. Development of a sound, long-term security requires that we design our forces so as to assure a steadily increasing efficiency, in step with scientific advances, but characterized by a stability that is not materially disturbed by every propaganda effort of unfriendly nations, or wishful thinking on the part of ourselves or our allies.'

"Mr. Secretary, there are many other parts of your fine statement which are significant and should be reemphasized. For example, you state that 'the security of the United States and the security of our allies are in reality one and the same.' I find myself in complete accord with that statement. What you have said is that a military aid program for our allies is an aid program for ourselves.

"We cannot look upon a military aid program for our allies as something separate and detached from our own national security.

"I am glad you have discussed our retaliatory capabilities. The world should know, as you have stated:

" 'We are prepared to use our total resources in the most effective manner appropriate to the particular situation.'

"I repeat what I said at the beginning, your statement is the most forthright and comprehensive résumé of defense needs that I have been privileged to hear. The Nation is indeed fortunate that the Department of Defense has at its helm a man of your courage and capability."

Let us examine some of the other accomplishments of President Eisenhower, whom Harry Truman called a "do-nothing" President. Let us examine what he has done with the difficult problem of civil rights for our minority groups. Again I shall let a Democrat speak on this point. Representative Powell, a Democrat from New York, in the CONGRESSIONAL RECORD of February 2, 1955, said:

"The executive and the judicial branches of our Government have passed us by so completely and are so far ahead that the peoples of our Nation do not even look to the United States Congress any longer for any dynamic leadership in the field of making democracy real. So many changes, tremendous changes, have taken place under our Supreme Court and under the leadership of President Eisenhower that many of the civil-rights bills which I used to introduce are no longer of any value. This year, for instance, I did not introduce the bill to abolish segregation in the Armed Forces; it was not needed. Nor did I introduce the bill to guarantee civil rights in the District of Columbia; it was not needed."

Let us now turn to another subject. Under the leadership of President Eisenhower, the Congress passed the Atomic Energy Act of 1954 which has made the entire atoms-for-peace program possible. President Eisenhower made a historic address before the United Nations in December of 1953 in which he proposed a program for the peaceful uses of atomic energy. As a result of his efforts, the United Nations last August conducted an international scientific conference at Geneva where delegates from the entire world assembled to work together to advance our knowledge of the peaceful uses of the atom. Let us see what some of the leaders of the world thought of President Eisenhower's efforts in this direction. This is what they said of Harry Truman's "do-nothing" President.

The Secretary-General of the United Nations, in his opening address to the conference in Geneva on Monday morning, August 8, 1955, said:

"Let us not fail to recall on this occasion that it is to the initiative taken by the President of the United States in the General Assembly of the United Nations in December 1953 that we owe the origins of this Conference. He gave expression to the deepest hope of all humanity when he rejected the prospect that 'atomic colossi are doomed malevolently to eye each other indefinitely across a trembling world' and urged the development of effective international cooperation in the peaceful uses of atomic energy which would show that 'the great powers of the earth, both of the East and the West, are interested in human aspirations first rather than in building up the armaments of war'."

The permanent president of this conference was a great Indian scientist, Dr. Homi J. Bhabha. He read a message to the conference from the Prime Minister of India, Mr. Jawaharlal Nehru, who said:

"I should like to send my greetings to this Conference on the Peaceful Uses of Atomic Energy which has taken shape at the instance of President Eisenhower. Recently, the four-power conference at Geneva gave a ray of hope to a war-weary world which had suddenly come face to face with the terror of atomic and hydrogen bombs. Now this conference will, I hope, turn people's minds still more from the evil aspect of the misuse of this great force which has come into man's hands and show the way to peaceful progress and cooperation."

Perhaps Harry Truman was unaware of these conferences, but the leaders of the world were not. Last fall, the distinguished Democrat Senator from Rhode Island, JOHN PASTORE, was a member of the United States delegation to the United Nations General Assembly. On October 27, 1955, he addressed Committee I of the General Assembly on the Peaceful Uses of Atomic Energy. This is what he said:

"When President Eisenhower spoke before the United Nations on December 8, 1953, he did not alone speak for himself. He talked from the hearts of 165 million Americans. That is the spirit in which we will proceed on the task that lies ahead. I believe that that is the spirit that prevails here, and with that as our guide and that as our standard I know that we can pass a resolution which will be almost unanimous if not entirely unanimous, and that we can succeed on this very afternoon."

Adlai Stevenson has also joined with Harry Truman in criticizing President Eisenhower's foreign policy. In addressing the American Society of Newspaper Editors in Washington on Saturday, April 21, 1956, he said our foreign policy was rigid, unimaginative. What could have been more imaginative than President Eisenhower's open-skies proposal which he unveiled at the summit conference in Geneva last summer? Few Americans appreciated the significance of this concept in cementing the solidarity of our free world allies.

When President Eisenhower left Europe in 1952 to campaign for the Presidency, the free people of Europe understood why we were participating in NATO and the reason for the stationing of American military personnel in Europe. After the election, speeches by Adlai Stevenson and countless other Democrats on their visits to Europe cast doubts on our foreign policy and its objectives. The people began to wonder whether perhaps they had not been caught in an impossible situation between two giant powers, the United States and the Soviet Union, who were determined to destroy each other with hydrogen weapons. The spirit of neutralism was rising.

President Eisenhower, with his open-skies proposal, dispelled for all time the fears that the United States would ever start a preventive war and that our Armed Forces had any mission in Europe other than the preservation of the security and integrity of the countries comprising the free world.

When President Eisenhower arose to address the Summit Conference on July 21, 1955, the sun was streaming through the windows. As he spoke the clouds gathered. A terrific thunderstorm arose. The President concluded his proposal and resumed his seat. As he did so, the Palais des Nations, the historic League of Nations building on the shore of Lake Geneva, was struck by lightning and all the lights went out. The press of Europe reported this event and suggested that our great President had received a divine inspiration. The people understood and the spirit of neutralism was dispelled.

Ambassador Lodge discussed the open-skies proposal before the Disarmament Commission of the United Nations on November 25, 1955. He said:

"The President's proposals were made for two reasons of prime importance. One is that it will help protect us all against the horrors of a surprise attack, the dread event which would mark the opening of a major war. The philosopher Ralph Waldo Emerson had a phrase in which he spoke about the emphasis of understatement. It is an understatement to say that to protect us against a surprise attack is surely no less important in terms of human life than agreement on a particular program of disarmament, or even than the savings and improvement of living standards that would come from the lifting of the arms burden, important and vital though they are.

"The other cardinal reason which actuated the President is that such inspection and exchange is a practical first step toward disarmament because it would create an atmosphere of confidence in which disarmament can proceed. It should lead promptly and directly to a comprehensive, progressive, enforceable agreement for the reduction of military expenditures, arms, armament, and armed forces under effective inspection and control.

"The United States continues to seek by every means a safe method to insure that nuclear production will be employed for peaceful uses only. We seek an international agreement for the reduction of armaments which would enable the world to enjoy the benefits of the savings which would be realized from lifting the arms burden.

"The United States here renews its pledge never to use any weapons—atomic or otherwise—in any way which is not in conformity with the Charter of the United Nations and in defense against aggression."

I ask, is this "rigid unimaginative" foreign policy?

Harry Truman and Adlai Stevenson did not understand its significance. Yet, another Democrat Congressman, Congressman BROOKS HAYS of Arkansas, who was also a member of the United States delegation to the United Nations General Assembly, in an address in Chicago on October 30, 1955, said:

"On this foundation of an informed world opinion we are seeking to build the enduring peace the United Nations Charter

calls for. Just 3 months ago, we witnessed a dramatic example of positive action for peace.

"This conference was a direct outgrowth of President Eisenhower's plan for United Nations cooperation in developing the atom for mankind's betterment rather than his destruction. That plan fired the imagination of all people. It held out hope to mankind that what was desirable—was obtainable * * * peace and a fuller life. The atom conference was of inestimable value. I venture to say that each one of us will benefit personally from that exchange of atomic information in the field of health, agriculture, and industry. It was of value, too, in easing tensions.

"We can be proud as Americans of initiating the idea of a common meeting ground to discuss the atom's future role in the world. We can be proud, too, of the part our scientists, our Government, and our business community played in making the atom conference an outstanding success.

"The peaceful atom is on the agenda of the current General Assembly. Just 3 days ago, Thursday of this past week, in the Political and Security Committee, a resolution for furthering the atoms-for-peace program was passed 53 to 0. This action by the United Nations is another stride forward toward implementing President Eisenhower's proposal of December 8, 1953: that the atom might not be dedicated to man's death but consecrated to his life.

"Also on the agenda for this session is the problem of disarmament. The United States has taken the initiative on this issue, too. I am sure you are all aware that the Disarmament Commission had been bogged down for many months. But now it has before it a realistic plan for lifting the burden of arms from the backs of men: * * * President Eisenhower's proposal for an exchange of military blueprints and aero-photographs between the United States and the Soviet Union. This plan suggests a way to solve what has appeared to be for many years an unsolvable problem.

"It has caused a great stir around the world—this 'open-sky' inspection plan. For over that giant loudspeaker of the United Nations platform what we're calling for, in effect, is this—

" 'End the arms race! Do away with the impetus to war! Open up the skies so that no nation need fear surprise attack by another nation. Let's have disarmament—one in which the whole world may rest easily—a disarmament with inspection.'

"Such a plan would be a milestone away from the eternal threat of war."

In spite of all this, Harry Truman had the temerity to say, "the foreign policy is messed up." Let us see what some of our friends abroad think of President Eisenhower's foreign policy. After all, they ought to know something about it.

President Paul E. Magloire, President of the Republic of Haiti, in an address to a joint meeting of the two Houses of Congress on January 27, 1955, said:

"Our visit to the United States, which has afforded us the privilege of being welcomed by one of the most brilliant soldiers of the 20th century and at the same time gives us the honor of being the guest of the Senate and the House of Representatives in joint session, is a new proof of the closeness of the relations between our two nations. The people of Haiti, who follow with interest President Eisenhower's personal efforts to eliminate prejudices of all sorts which constitute handicaps to the mutual understanding which is our common objective in this hemisphere, are very optimistic with respect to the future of these relations. In his merciless fight against the nefarious ideology which the forces of evil try by every means to establish on earth, President Eisenhower has shown that he is of the lineage of those eminent Americans, true citizens of the universe, whose acts throughout the history of this marvelous country aimed less at the greatness of the United States than at the triumph of those fundamental truths without which man cannot attain his goals. His efforts to arrive at international control and utilization of atomic energy for peaceful purposes have already won him the gratitude of all those who are concerned about the future of the human race. The understanding he has found both on the part of Members of Congress and of his fellow citizens and the unreserved approval of his efforts by all free peoples and by all those who aspire to be free, makes him the most authoritative spokesman of a civilization which refuses to fall into the chaos into which a degrading materialism is trying to drag it, which denies to man any rights as an individual.

"His past achievements on the field of battle preserved the independence of the great and small nations of Europe, of Asia, and of the Americas. As Chief of State of a Nation which has from the day of its birth been the most perfect example of the value of a democratic government, he seeks to guarantee the right to life of those states whose every existence is threatened today. In this tribute of gratitude which the Americas owe President Eisenhower for his fruitful efforts, I am happy to join my voice to that of all the countries of this hemisphere, particularly the underdeveloped countries in which poverty constitutes a fertile field for the development of the noxious germs of communism."

President Eisenhower is not only our President, he is also the leader of the free world, and I venture to say even has admirers behind the Iron Curtain. When President Eisenhower was stricken last September the prayers of all of the people of the free world were offered in his behalf. At the Christmas Pageant of Peace here in Washington the Ambassador from Laos, Ambassador Ourot R. Souvannavong, said:

"Let us pray to God to grant a long life to the President, for his life is necessary to the happiness of many of us and to the peace of the world."

His Excellency, Dr. Don Joaquin Jose Vallarino, the Ambassador of Panama, said:

"The President of the United States is today the most outstanding person in his efforts to bring peace and prosperity to the whole world. In that respect he is not only a citizen of the United States but is considered a citizen of the universe, and everyone looks up to him as the person who can accomplish these purposes."

When President Eisenhower announced that he would be willing to serve as President for another term the press of the world were almost unanimous in their jubilation at his decision. The chancelleries of Europe could not refrain from showing their relief.

Crosby S. Noyes, the European correspondent of the Washington Star, reported from Paris as follows:

"At least on this side of the Iron Curtain President Eisenhower's decision to run for a second term has been warmly received in Europe.

"While all official comment is carefully hedged to avoid giving the impression of interfering in the 'internal affairs of the United States', virtually every Western European government has managed to express its satisfaction at the news which broke here late yesterday afternoon.

"The restraint is less than usual in such cases, possibly because most Europeans take it as a foregone conclusion that Mr. Eisenhower will be reelected by a greater majority than the last time whether he campaigns actively or not."

"This prospect is being generally hailed as a contribution to peace, prosperity, and solidarity of the Western World. To a marked degree it takes the form of a personal tribute to Mr. Eisenhower and the moderate line which he is felt to represent. Significantly some of the most enthusiastic comment has come from quarters which have loudly criticized American policy in Europe since the President's illness.

"General reaction contrasts sharply with European sentiment during the last presidential campaign, which more or less openly favored Adlai Stavenson as a candidate for the White House. Even during the congressional elections last year there was considerable rejoicing over the Democratic victory in both Houses of Congress.

"The switch is explained perhaps by the fact that Europeans today look on President Eisenhower as a nonpartisan leader, able to work with both liberals and conservatives. It also reflects anxiety at the prospect of any radical change in United States policy or even a period of turmoil and confusion which a presidential campaign usually entails."

The Times of London said:

"It is impossible not to admire the devotion to duty which has led him, after prolonged private debate, to this decision."

The Morgenbladet of Oslo said:

"The whole free world will greet the President's decision with satisfaction."

The liberal News Chronicle in Great Britain said:

"In a man of his kind, such a decision is a rededication.

"A professional soldier who turned politician is prepared to continue working for a world in which soldiers would become superfluous."

The Nation Belge in Brussels said:

"The decision was happy news for the United States, for Europe, and the free world."

A prominent French politician told Drew Middleton, correspondent for the New York Times that:

"In the circumstances, what the West needs is someone who can talk to the Russians both as the leader of the most powerful nation in the world 'and as a man who has convinced the Russians of his sincerity'."

Drew Middleton also said:

"Moreover, as this source and a number of others noted, the President, in his previous role as Supreme Commander of Allied Powers in Europe, became committed to holding the Western line in Europe. Naturally they expect him to exert himself in this field and they think that because the Soviet leaders respect him, President Eisenhower has a better chance than any other Western leader of maintaining the peace."

Only Harry Truman, Senator Kefauver, Adlai Stevenson, and the other Democrat hopefuls say our foreign policy "is all messed up". I sometimes wonder whether even they really believe it.

The foreigners who deal with us know that they can trust President Eisenhower. If the Democrats would stop attacking him and proceed to enact his legislative program, they would be doing a great deal more for the people of the United States. As I have said before, the 80th Congress performed well. The 84th Congress, under Democrat leadership, has become a "do-nothing" Congress. Here are a few of the President's legislative proposals which are awaiting action by a Democrat Congress: an expanded highway program; a school building program; a health program; the revision of our labor laws; and, a soil bank. There are many others which would benefit all our people.

Former President Truman devoted a major portion of his speech in Des Moines to attacking the agricultural program of the present administration. Most of the decline in farm income and in the parity ratio occurred before the 1955 crop year which was the first under an agricultural program supported by this administration. The surpluses were accumulated under legislation supported by former President Truman and a Democrat Congress.

President Eisenhower sent his farm message to Congress on Monday, January 9, 1956. In view of the hearings that had been held by the Senate Agriculture Committee throughout the summer, it would have been possible to enact workable agricultural legislation and place a bill before the President which he could sign by the middle of February. We still have no legislation because a Democrat Congress has been more interested in November politics than in helping the farmers attain a fair share of the national income.

Our friends in Iowa can see through this obvious plan to discredit the Republican Administration. The performance of the Democrat-controlled Congress on the farm program will make the label "do-nothing" stick to the 84th Congress. No matter what we do now, the farmers will not receive the income that they should during 1956. They will not thank the Democrats for playing politics now when they vote in November.

Let's stop attacking President Eisenhower and get to work. Let's give him the support which the American people have a right to expect of us.

I have said before that I am concerned that we do not destroy our world posture. In a speech I made on the Senate floor on July 6, 1955, just before President Eisenhower left for Geneva to attend the Summit Conference, I said:

"We are living through the most critical period of Western civilization. President Eisenhower carries the most momentous responsibilities of any man alive today. When he meets at Geneva with the leaders of the countries behind the Iron Curtain for negotiations which may have consequences which may last a generation, he should carry with him the assurance that this country is united behind him in defending our basic liberties, our belief in God, and the free-enterprise system, which has been endorsed repeatedly by both major political parties. None of us were elected to this body as Socialists, so let us speak and act like Republicans and Democrats who, regardless of our political differences, are all dedicated to the preservation of a free-enterprise competitive economy.

"Mr. President, we are approaching an election in the United States. Some partisans on both sides of the aisle may make extreme statements which cannot be supported and which can seriously damage our position internationally."

This statement has even greater applicability today as the election campaign is now under way.

I hope that there will be no more ridiculous speeches such as the one made by President Truman in which he makes charges against a great world leader which not only are unfounded but can only give comfort to those abroad who wish to see the United States torn apart by partisan strife.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed a bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H. R. 10754. An act to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines; and

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

HOUSE BILL REFERRED

The bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

DEVELOPMENT OF POWER FROM ATOMIC ENERGY

Mr. MORSE. Mr. President, before I turn my attention to the subject matter I have planned to discuss today in the field of foreign policy, I wish to make brief comment on the speeches of the Senator from Tennessee [Mr. GORE] and the Senator from New Mexico [Mr. ANDERSON]. I wish to commend them for forewarning the American people about the posture in which we find ourselves in the worldwide race for the development of atomic energy power and atomic energy uses.

For quite some time now some of us have been warning the American people that we are laggards in this race. I remember it was not so long ago that we had the historic debate in the Senate on the atomic energy bill itself.

Senators will recall that when that bill came before the Senate and an attempt was made on the very afternoon it was taken up for consideration to get a unanimous-consent agreement to vote on the bill some of us felt the bill was in serious need of revision, and we so suggested. When it became apparent that the leadership wanted to put that bill through with little or no debate, there started what became known as the filibuster on the atomic energy bill. My recollection is that for some 13 days and 6 nights we discussed the bill on the floor of the Senate.

As a result of that discussion, I am satisfied there were added to the bill some amendments, not one of which would have been aded to the bill if the discussion had not been had. Those amendments need some reflection today, because, in my judgment, as the result of that historic debate in the Senate we put the American Government in such a position that it has the legal power and right and, I may say, the duty, to proceed to cooperate with American industry in the development of an atomic energy program which in a very short time will bring us neck and neck with other countries and then speed us on, as should be the case, far down the stretch ahead of Russia. As has been pointed out today by previous speakers, it is generally recognized that we are lagging behind Great Britain. There is reason to believe that we are lagging behind Russia.

No one will fight harder for the protection of the principle of private enterprise and competition in this country than the senior Senator from Oregon. However, I have said before, and I now repeat—and I expect to be criticized for it again, as I have always been in the past—that there are some activities so huge and tremendous that private industry cannot perform them alone, at least in the early stages of the development. I believe the development of power from atomic energy is one of those activities. I said so time and time again during some of the long speeches I made on the atomic energy bill when it was before the Senate.

In the course of that debate I pointed out that we needed to adopt amendments which would protect the people's interests and certain patent rights; that a public preference provision was needed and that, of course, there should be in the bill language which would authorize the Federal Government to proceed to develop, on a Federal basis, an atomic energy program by way of building plants, if events should show that that was desirable in the public interest.

In my judgment, subsequent events have proven not only the desirability of the amendments which were added to the bill after a long fight, but subsequent events have shown that the time has come—in fact, it is long overdue—when the Federal Government should proceed with the building of what may be called pilot plants to hasten the development of an atomic energy power program.

We were confronted with that situation during the war in connection with synthetic rubber. If we look back to the war days, we will see that we were able then to go forward with a program in which private industry was not asked or expected to pay for all the risk involved. We have before us now an economic risk which ought to be subsidized by the Federal Government until such time as the program can be developed on an economic basis and can be turned over to private enterprise.

My record is perfectly clear. I agreed that the rubber plants should be turned over to private enterprise, although I disagreed with some of the conditions upon which they were turned over. However, it is very important that we keep in mind the synthetic rubber parallel or analogy, because it has many things in common with the program under discussion. Private enterprise cooperated with the Federal Government all through the development of the synthetic rubber program. The brains and managerial ability and efficiency of those operating the natural rubber plants were utilized by the Government as a part of a patriotic war service. They served the American people effectively and ably. The result is that we have now developed in this country a synthetic rubber industry second to none in the world. Although we still make important use of natural rubber, in case of a great international emergency we could get along very well without it.

The synthetic rubber program cost a great amount of money. It may have

been a very small sum in comparison with what the atomic energy program will cost, but still it did cost a great many millions of dollars of the American taxpayers to pay the full bill. The bill was not paid by the private rubber companies. The American taxpayers paid the bill. That is as it should be, because, in my judgment, that happened to be one of the costs of the war.

But there are costs of peace, too. There are some fields of endeavor in which we must forge ahead in the interest of peace. I happen to believe that an atomic energy program is such a field.

I believe that has been brought out very clearly by the Senator from Tennessee [Mr. GORE] and the Senator from New Mexico [Mr. ANDERSON]. I am willing to spend the taxpayer's money for peace, because in spending it for peace we make a sound investment in defense dollars.

We cannot wait the long period of time I am satisfied it will take for private enterprise to build up the atomic energy program which our day and age needs. I believe the Senator from Tennessee and the Senator from New Mexico made that point very clear this afternoon.

We cannot permit this Nation to fall behind Great Britain and Russia in the development of an atomic energy program on any assumption that in due course of time private enterprise in America will do the job.

A few days ago I testified before the Committee on Interstate and Foreign Commerce with regard to one facet of this program. I stand on that testimony, and on the research which went into it. I am satisfied that it is generally agreed that without Government participation in the program, we will lose the atomic energy race. We dare not allow that to happen from the standpoint of our own security, and we should not from the standpoint of the economic welfare of our people and the spreading of the greatest amount of happiness to the greatest number of people, which could very well flow from a sound atomic energy program.

Therefore, I endorse the recommendation of the Senator from Tennessee [Mr. GORE], that there be developed in various places in the United States some so-called pilot plant atomic reactors. In fact, there is pending before a committee of the Senate a bill which I introduced some time ago suggesting that an experimental plant be started at Hanford, Wash., because there is already an installation there, as is well known, although the operation at Hanford happens to be still top secret. There is nothing top secret, however, about the fact that there is a great atomic energy installation at Hanford, Wash.

As I have indicated, I suggested many months ago, rather early in this session of the Congress, that further consideration be given to the idea of an atomic energy power pilot plant at Hanford to see whether the heat which is now wasted at that installation might somehow be harnessed and used in connection with a type of atomic reactor. Following an investigation, made at my request by the Joint Atomic Energy Committee, and a report from the Atomic Energy Commission itself, it would appear that if an atomic energy pilot plant should be developed at Hanford it should not be one which would make use of wasted heat, but one which would make use of other facilities.

But, be that as it may, Mr. President, it is important, in my judgment, that the Government establish—and the law permits it to do so—not only a pilot plant, but across the country at appropriately selected spots to be agreed upon by the experts, a series of atomic reactors, which can develop in an experimental way various phases of an atomic energy power program, to the end—and let the RECORD show that I said so today—that in due course of time, when this great new discovery of man has been harnessed in such a way that it can be operated on an economic basis for the production of power, within our competitive system, it be turned over to private enterprise, on condition that reasonable compensation will be paid.

I think we have got to do that, Mr. President; we have much time in which to do it. Here is another opportunity, Mr. President, for a democratic government, for a government of free people, again to demonstrate that self-government is the best vehicle, after all, for promoting programs which will serve the general welfare of the people.

So, Mr. President, I endorse what has been said by the Senator from Tennessee and the Senator from New Mexico today, and I strongly urge that the Congress support a program which will result in the taxpayers of the United States investing some defense dollars and some peace dollars in an atomic energy program based upon the development of some Government reactors across the country.

There was one point I wanted to mention to show some of the obstacles which face private enterprise in this matter. Take the matter of insurance. What is private industry saying to us today in regard to the development of atomic reactors? They cannot afford the insurance risks, because so little is known about the cause-to-effect and the effect-to-cause relationships in this whole question of atomic power. We do not know to what extent risk may be incurred in locating a reactor at point X with reference to the health and the safety of the people living within the environment of that reactor.

I happen to believe that we cannot be justified in expecting private industry in such an instance to assume all the risk. We, the people, ought to assume it; all of us ought to assume it, because it is a program vital to the general welfare, and it may very well be that if we do not proceed with it rapidly our failure to do so will be fatal to the security of our Nation.

Mr. President, that is only one facet of the problem. We are not proposing that private industry be shut out of the program; quite to the contrary.

Again, Mr. President, I recur to my synthetic-rubber analogy. I want private enterprise in the atomic energy power program with the Government, and I am perfectly willing to say that until we get it down to an economic basis, down to the point where private industry can operate it, under our competitive system, which is a sound private enterprise system, I am for the Government paying a subsidy to speed up the program. That means Government participation, too. It may mean the building of a Government plant, development of the facilities, and then saying to General Electric or Westinghouse or Massachusetts Tech, or to any other group, "You come in now. This is your pilot plant laboratory, so to speak; you operate it and develop it to the point where we shall have it as part of our economic system."

Once the American people come to understand the relationship of such a program to their own security, I am not worried about the possibility of being called a creeping Socialist because of my advocacy of this proposal, but, rather, I recognize that under our private-enterprise system there are sometimes things which the Government has to do in order to assure survival.

CONCENTRATION OF ECONOMIC POWER

Mr. O'MAHONEY. Mr. President, I call attention to the fact that yesterday the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary filed a staff report on the study which the committee has conducted of General Motors. Throughout this session of Congress, the subcommittee has been conducting prolonged research and holding extensive hearings upon the various phases of the antitrust laws and the monopoly problem. The subcommittee authorized the publication of a committee print of the staff report on the General Motors hearings. I wish to emphasize that this is not the subcommittee report; it is the recommendations of the very able and well-equipped staff which conducted the research and which planned the hearings, over which I had the honor to preside.

GREAT DEMAND FOR STAFF REPORT

Although the report was printed only this week, it is already in great public demand. The Superintendent of Documents has received so many requests for it that he has asked that a special resolution be agreed to, to authorize the printing of at least 5,000 copies, to be sold by the Superintendent of Documents.

I should like the great public, which throughout the antitrust and monopoly hearings, wrote to me and the other members of the committee, to know that this document, containing about 119 pages, will be, when the resolution shall have been agreed to, as I have no doubt it will be, because of the demand, available for sale at the office of the Superintendent of Documents for only 35 cents a copy. Other copies will be available for the committee and for Senators. I am looking forward to a wide demand for the document.

I hope the general public will examine this summary of the facts which were developed at the hearing. General Motors Corp., I am told, already has ordered 500 copies of the document.

IMPORTANCE OF PUBLIC KNOWLEDGE

Mr. President, the importance of a public knowledge of the contents of those hearings and the contents of this report cannot be exaggerated. Only last night, by invitation of the Student Bar Association of the George Washington University Law School, I spoke on the subject of the concentration of economic power, with special emphasis upon General Motors. I did not ask for the opportunity; I was invited by the young students. It was they who selected the subject. I was delighted that so many young students of this law school in Washington were interested to receive a discussion of the facts.

Many persons have assumed—and I have noticed the implication in the press—that some members of the committee, and possibly the chairman, are antagonistic to General Motors as a corporate entity per se, and regard it as an evil per se. That is not the fact at all. We undertook the study of General Motors because we knew that it was the largest manufacturing corporation, not only in the United States, but in the whole world. We knew that its operations were efficiently conducted. I have no question at all about the efficiency of the product, for I myself am the proud possessor of a Cadillac car manufactured by General Motors. We were interested in it as a case study of the structure and operation of an economic state of great power and the effect thereof on economic freedom.

I am, nevertheless, not oblivious of the fact that when a corporation grows so great that it has plants in scores of cities and States, and has subsidiary corporations abroad, in Canada, in Britain, and in Germany, it exercises a tremendous effect upon the economic life of the people of the United States.

We think of General Motors Corp. and other corporations as normal entities. But during the hearings, for the first time, I think, small-business corporations throughout the United States, constituting the dealers who sell General Motors cars, Ford cars, and Chrysler cars, realized that they were not at all in the same category as the giant corporations which make the products which the dealers sell to the people. It was made clear, for example, that automobile dealers, who invested their own capital in building their own showrooms, their own repair shops, their own establishments, were not the judges of how to manage those establishments; they were not the judges of what to buy or how much advertising to use; they were not the judges of what the demand in their communities would be. They were under strict control by the central management, who told them what to do. This was made clear by the fact that, although the selling arrangement or the franchise arrangement between General Motors and its dealers—and this was true of the other manufacturers—was only for a year, it could be terminated at the will of the company.

The General Motors management realized that there was so much dissatisfaction among the dealers that, when the hearings began, Mr. Harlow H. Curtice, the president of General Motors, rose in the committee room and announced that hereafter the franchise would be for 5 years, instead of for 1 year. Although the time extension was granted, there was no change whatsoever in the power of the General Motors management to terminate the franchise.

DEALERS ENTITLED TO A DAY IN COURT

For myself, I express the definite opinion that economic freedom, free enterprise for automobile dealers, cannot be established until Congress passes a law allowing a dealer to raise, in court, the question of the validity of the violation of the franchise or the dealer contract, whichever it may be. But that is not the point I wish to emphasize today.

Nobody in the United States, surely, is unaware of the fact that our people today are locked in a great struggle between dictatorship and free government. The Constitution of the United States was written by men who believed in free government, and when they spoke of free government, they were talking not of political freedom alone, but of economic freedom, too, and so they gave to the Congress of the United States, of which this body is one House, the plenary power to regulate commerce, in these words:

> The Congress shall have power * * * to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

The very first Congress, held under the Presidency of George Washington, enacted a Navigation Act, and that act gave the Federal Government in Washington the power to regulate transportation of passengers across the Hudson River between Manhattan and New Jersey. The owner of the passenger boat immediately raised the cry that we have heard ringing down a century and a half which have passed since the establishment of the Constitution: "What does Washington want to do, interfering with our business? The Government in Washington has no business to interfere."

The issue was raised upon the contention that commerce was only traffic in baggage and freight; that the transportation of passengers was not commerce. Now we know how wrong they were, because we know that the railroads and the airplanes and the vessels and all modes of transportation of persons interstate and with foreign nations, are under the regulation of Federal laws. But this is one thing that we do not know, and it is apparently a thing that Henry Ford II did not know when, last week, he spoke at the Sheraton Park Hotel to Ford dealers, and said in part: "We do not need a law. We can handle this business ourselves. We can carry on this great economic enterprise, national and international in scope, as it is, without Congress interfering." I do not pretend to quote his actual words. I merely want the Record to show that what he was saying was that Congress should not interfere in the regulation of this motor business, in the public interest.

WHAT THE CONSTITUTIONAL FATHERS THOUGHT

But the constitutional fathers thought we had the power to regulate, and a great Supreme Court Justice, who was no radical, also thought so. I refer to John Marshall. He was one of the Federalists. He was an opponent of Jefferson, who was the radical of those days. In the case which interpreted the authority of Congress to regulate navigation, the case of Gibbons against Ogden, John Marshall laid down the law, which has never since been changed. He interpreted the law and the Constitution, and he said the right of Congress to regulate commerce is plenary and extends not only to commerce across State lines and across the oceans or across national lines, but extends to the regulation of wholly intrastate commerce which affects the national interest.

I want to show briefly what the concentration of economic power is doing to this country in the deprivation of economic freedom for the people and the businessmen of the States which they have inherited from the framers of the Constitution.

THE AMAZING CONCENTRATION OF WEALTH

The United Press has, for a number of years, been publishing annually a list of the billion-dollar corporations in the United States, corporations the assets of which exceed $1 billion. The latest report from the United Press is that in the year 1954 there were 70 such billion-dollar corporations. Some of them had assets as great as $10 billion, but the whole 70 corporations had assets amounting to more than $201 billion.

If every man, woman, and child in America constituting our population of over 160 million each had assets of $1,100, they would not have assets equal to those of the 70 billion-dollar corporations that carry on the interstate and foreign commerce of this country.

I remember that many years ago a very distinguished lawyer, who was a Member of this body, when discussing the failure of prosecutions under the antitrust laws, remarked that it is impossible to convict any person who wears a Hart Schaffner & Marx suit. That was the well-advertised, ready-made suit of fashionable cut in those days. What has been revealed in the hearings is that the wholly owned subsidiary corporation of General Motors, the General Motors Acceptance Corp., with assets in excess of $2 billion, is, in fact, a banking institution, through the power of which it is possible, just because of its great weight and its great wealth, to suppress competition.

ASSISTANT ATTORNEY GENERAL BARNES' VIEWS

Assisant Attorney General Barnes, at this time head of the Antitrust Division of the Department of Justice, testified before our committee. He testified regarding mergers; and before the committee he recorded the fact that he had approved the applications of six automobile companies to merge. They were Studebaker and Packard, Nash and Hudson, and Kaiser and Willys. Without any law of Congress, without action by any court, without action by any congressional committee, the Assistant Attorney General said to these applicants, "If you merge, we shall not bring suit against you for violating the antitrust laws." The declaration that no lawsuit would be filed was based on the sound belief on the part of Mr. Barnes that if no prosecution were undertaken and if the mergers were permitted to be made, the three new companies would be able to deal more competitively with General Motors, Ford, and Chrysler.

Yesterday, the newspaper dispatches from Detroit carried a story—how true it is, I do not know—quoting a Mr. Dann, of that community, who represented the stockholders of the two companies, as saying that there was under consideration a plan by which General Motors, Chrysler, and Ford would loan them $50 million, in order to keep the Studebaker-Packard Corp. from going under. Whether true or not, Mr. President, the story illustrates the fact that in the United States we do like to have competition.

INTRODUCING GRAND CENTRAL IN GENERAL MOTORS

When one considers the fact that 70 United States corporations have assets of over $201 billion, one's attention is drawn to the testimony submitted by General Motors Corp. at our hearing—as that testimony appears at page 3575 of part 7 of those hearings—that the 50 largest stockholders of record as of August 8, 1955, in terms of the common stock, the par value of which is $1⅔ a share, owned 38.94 percent of the total outstanding common stock of General Motors Corp. The great company, E. I. du Pont de Nemours, of Wilmington, Del., owned 63 million shares, which constituted 22.88 percent. The next largest stockholder was GM Shares, Inc., of Wilmington, Del., which owned 2.81 percent. The next largest 48 stockholders—some of them corporations; some of them individuals—did not own as much as 1 percent apiece. But that group regulates this monster industry.

I made an analysis of the holdings of the directors of the corporation; and the following are the amazing statistical figures:

There are 32 directors of General Motors Corp. Sixteen of those directors hold directorships only in General Motors Corp. The other 16 hold outside directorships.

The 16 who held outside directorships, held a total of 81 directorships in banks, insurance companies, railroads, finance companies, industrial companies, and local companies and corporations. Ten of them were directors of banks, as well as directors of General Motors Corp; and those banks had assets of $8,224,000,000.

Three of them were directors of insurance companies, the assets of which amounted to $15,588,000,000.

Six of them were directors of railroads and public utilities, the total assets of which were $8,117,000,000.

Four of them were directors of finance companies, the total assets of which amounted to $572 million.

Twenty-seven of them were directors of other industrial corporations, having total assets of $11,610,000,000.

So, Mr. President, it appears that those 16 directors of General Motors Corp., with their 81 directorships in other companies, were representing—exclusive of General Motors Corp—corporations which had a total asset value of $44,111,000,000. That means concentration of economic power. It means such a concentration that neither the cities nor the States of our country can stand up against it.

THE CHALLENGE WE FACE

Mr. President, if we desire to win the so-called cold war, if we desire to preserve free government in the world, we must preserve economic freedom here in the United States. If we lose it here, it is lost for all mankind. That challenge faces us now.

I would forgive every pending antitrust case in the Department of Justice if, in exchange for that forgiveness, I could bring about the establishment by the Congress of the United States, in harmony with the leading business statesmen of America, of a business code of ethics which would banish forever the practices by which coercion has been exerted by concentrated money upon the livelihood of the American people.

Mr. President, do we wonder that the cold figures show there is a farm problem when farm income is decreasing? Do we wonder that there is a small business problem with small business corporations finding it difficult to exist? Do we wonder why it is that Studebaker and Packard only recently thriving companies, sought to merge, first, to preserve their existence, and that they are now negotiating with various interests, possibly for a loan, and possibly for the sale of their assets? The reason why farm income is going down and small business income is going down is that we in Congress have neglected the problem of the billion-dollar corporation which does business throughout the world.

Think of the problem in the Middle East. Why are we so concerned about the tensions there, and why is it that very little, if anything, is done? It is because great oil companies, some of them American companies, some of them Dutch companies, some of them British companies, are more interested in holding onto the oil which they have secured by their negotiations with the governments of foreign nations than in anything else.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MORSE. I should like to make a comment at that point. I am fearful that the politics of oil has become bigger than American foreign policy.

Mr. O'MAHONEY. The Constitution of the United States provides that no State shall enter into any compact with any other State, or with any foreign nation, without the consent of Congress. Yet these oil companies enter into compacts with the British Government-dominated oil companies and the Dutch-dominated oil companies, and they do what the States, which created them under the Constitution, do not have the power to do.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. MORSE. As a member of the Foreign Relations Committee, let me say that I think the Senator has placed his finger upon one of the most vital problems facing American foreign policy. I think he illustrates the great need for a complete change of attitude in this country in respect to American foreign economic policy.

What the Senator has described and labeled is dollar diplomacy. We must get away from it. We must get away from the policy of the flag following the dollar, to one in which the dollar follows the flag. That means, of course, that we must exercise Federal jurisdiction over international commerce so far as American corporations are concerned.

I know the criticism to be expected as a result of making this statement. Let me say again that I think the peace and security of the American people are dependent upon our exercising exactly that control.

Mr. O'MAHONEY. We read in the newspapers today about the difficulty the defense forces are having in maintaining their strength. We read in the newspapers of the lack of reenlistments, even in the Air Force. Why? Our people do not want to go to war to sustain business enterprises which are operating under European law.

Mr. MORSE. The Senator is correct.

Mr. O'MAHONEY. Why should General Motors Corp., for example, go over to Britain and take out a charter under the British Government without the consent of Congress? Why should the Ford Co. go abroad to organize under foreign law without a congressional permit? Why should petroleum companies go abroad and enter into the cartel practices of Western Europe, with the result that they learn the practices of monopoly and put them into operation at home, thereby destroying the economic freedom which we received from the founders of the Constitution?

Mr. MORSE. I commend the Senator from Wyoming for emphasizing this point. I happen to be one who believes that trade policies in the field of foreign relations of American corporations are in many instances working to the great detriment of American foreign policy.

Mr. O'MAHONEY. The Senator is correct.

Mr. President, Senators who remain to hear me pay me a great compliment. This is the time of day when committees are not in session. We are approaching the end of the week. After exhausting work during the week Senators are seeking a little relaxation.

GENERAL MOTORS AND ITS INTERLOCKING DIRECTORS

Let me read a few names from the list of the directors of General Motors who are also directors in other corporations:

Donaldson Brown, also a director in E. I. du Pont de Nemours & Co.

Walter S. Carpenter, Jr., also a director in E. I. du Pont de Nemours & Co.

Lammot du Pont Copeland, also a director in E. I. du Pont de Nemours Co.

Henry B. du Pont, also a director in E. I. du Pont de Nemours & Co.

Alfred Pritchard Sloan, Jr., also a director in E. I. du Pont de Nemours & Co.

Donaldson Brown, also a director in Gulf Oil Corp.

Richard King Mellon, also a director in Gulf Oil Corp.

Alfred Pritchard Sloan, Jr., also a director in Kennecott Copper Corp.

George Whitney, also a director in Kennecott Copper Corp.

Lucius D. Clay, also a director in Newmont Mining Corp., one of the largest mining companies in the world.

Lewis W. Douglas, also a director in Newmont Mining Co.

Lewis W. Douglas, also a director in Homestake Mining Co., the great gold mining company in South Dakota.

Robert Samuel McLaughlin, also a director in International Nickel Co. of Canada.

Robert Samuel McL..ughlin, also a director in McIntyre Porcupine Mines, Ltd.

Henry Clay Alexander, also a director in Johns-Manville Corp., American Viscose Corp., Standard Brands, Inc.

Lucius D. Clay, also a director in Continental Can Co., and American Express Co.

Lewis W. Douglas, also a director in International Nickel Co.

Henry B. du Pont, also a director in North American Aviation, Inc.

Henry B. du Pont, also a director in Remington Arms Co., Inc.

Charles T. Fisher, also a director in American Airlines, Inc., Briggs Manufacturing Co., Cunningham Drug Stores, Inc., American Broadcasting-Paramount Theaters, Inc., National Steel Corp., Sheraton-Cadillac Corp.

Edward F. Fisher, also a director in Gar Wood Industries, Inc.

Richard King Mellon, also a director in Aluminum Company of America, Pittsburgh Plate Glass Co., Koppers Co., Inc.

George Whitney, also a director in Continental Oil Co.

Charles F. Kettering, also a director in Mead Corp.

Mr. President, I shall not read the entire list of names. I ask unanimous consent that the entire list may be printed in the Record at this point as a part of my remarks.

There being r.o objection, the list was ordered to be printed in the Record, as follows:

General Motors Corp. Directors

(Directorships held exclusive of General Motors itself (and exclusive of educational and charitable) classified by type of business)

BANKS

Henry Clay Alexander, also a director in J. P. Morgan & Co.

George Whitney, also a director in J. P. Morgan & Co.

Donaldson Brown, also a director in Safe Deposit & Trust Co.

Walter S. Carpenter, Jr., also a director in Wilmington Trust Co.

Lammot du Pont Copeland, also a director in Wilmington Trust Co.

Henry B. du Pont, also a director in Wilmington Trust Co.

Lucius D. Clay, also a director in Marine Midland Trust Co.

Lucius D. Clay, also a director in Marine Midland Corp., Jersey City.

Lucius D. Clay, also a director in Central Savings Bank of New York City.

Lewis W. Douglas, also a director in Southern Arizona Bank & Trust Co.

Charles T. Fisher, Jr., also a director in National Bank of Detroit.

Robert Samuel McLaughlin, also a director in Dominion Bank (Canada).

Richard King Mellon, also a director in Mellon National Bank & Trust Co.

INSURANCE

Lucius D. Clay, also a director in Metropolitan Life Insurance Co.

Lewis W. Douglas, also a director in Mutual Life Insurance Co. of New York.

Richard King Mellon, also a director in General Reinsurance Corp.

RAILROADS AND PUBLIC UTILITIES

Richard King Mellon, also a director in Pennsylvania Railroad.

Lammot du Pont Copeland, also a director in Pennsylvania Railroad.

Charles T. Fisher, also a director in Detroit Edison Co.

Charles T. Fisher, also a director in Michigan Bell Telephone Co.

George Whitney, also a director in Consolidated Edison Company of New York.

Robert Samuel McLaughlin, also a director in Canadian Pacific Railway.

Walter S. Carpenter, Jr., also a director in Diamond State Telephone Co.

FINANCE

Walter S. Carpenter, Jr., also a director in Christiana Securities Co.

Henry B. du Pont, also a director in Christiana Securities Co.

Lammot du Pont Copeland, also a director in Christiana Securities Co.

Lucius D. Clay, also a director in Lehman Corp.

Richard King Mellon, also a director in Pennsylvania Co.

George Whitney, also a director in Discount Corporation of New York.

INDUSTRY

Donaldson Brown, also a director in E. I. du Pont de Nemours & Co.

Walter S. Carpenter, Jr., also a director in E. I. du Pont de Nemours & Co.

Lammot du Pont Copeland, also a director in E. I. du Pont de Nemours & Co.

Henry B. du Pont, also a director in E. I. du Pont de Nemours & Co.

Alfred Pritchard Sloan, Jr., also a director in E. I. du Pont de Nemours & Co.

Donaldson Brown, also a director in Gulf Oil Corp.

Richard King Mellon, also a director in Gulf Oil Corp.

Alfred Pritchard Sloan, Jr., also a director in Kennecott Copper Corp.

George Whitney, also a director in Kennecott Copper Corp.

Lucius D. Clay, also a director in Newmont Mining Corp.

Lewis W. Douglas, also a director in Newmont Mining Corp.

Lewis W. Douglas, also a director in Homestake Mining Co.

Robert Samuel McLaughlin, also a director in International Nickel Company of Canada.

Robert Samuel McLaughlin, also a director in McIntyre-Porcupine Mines, Ltd.

Henry Clay Alexander, also a director in Johns-Manville Corp.

Henry Clay Alexander, also a director in American Viscose Corp.

Henry Clay Alexander, also a director in Standard Brands, Inc.

Lucius D. Clay, also a director in Continental Can Co.

Lucius D. Clay, also a director in American Express Co.

Lewis W. Douglas, also a director in International Nickel Co.

Henry B. Du Pont, also a director in North American Aviation, Inc.

Henry B. Du Pont, also a director in Remington Arms Co., Inc.

Charles T. Fisher, also a director in American Airlines, Inc.

Charles T. Fisher, also a director in Briggs Manufacturing Co.

Charles T. Fisher, also a director in Cunningham Drug Stores, Inc.

Charles T. Fisher, also a director in American Broadcasting-Paramount Theatres, Inc.

Charles T. Fisher, also a director in National Steel Corp.

Charles T. Fisher, also a director in Sheraton-Cadillac Corp.

Edward F. Fisher, also a director in Gar Wood Industries, Inc.

Richard King Mellon, also a director in Aluminum Company of America.

Richard King Mellon, also a director in Pittsburgh Plate Glass Co.

Richard King Mellon, also a director in Koppers Co., Inc.

George Whitney, also a director in Continental Oil Co.

Charles F. Kettering, also a director in Mead Corp.

Mr. O'MAHONEY. This list shows that in this one corporation, the greatest manufacturing corporation in the world, there are mingled the directorships of more than a score of the great corporations which carry on the trade and business, not only of America, but of the entire world.

We have been drifting. However, the time is coming, and coming rapidly, when we may realize that the loss of American principles will be the result of failure to act.

DEPARTMENT OF JUSTICE SPEAKS

Assistant Attorney General, Mr. Stanley N. Barnes, was interviewed by Mr. Anthony Lewis, of the New York Times, last month. In the interview published on March 9 he indicated that there was undue concentration in General Motors. I understand that the Department of Justice, through its Antitrust Division, is presently considering bringing an antitrust suit against General Motors in order to divest it of its bus-manufacturing division. General Motors makes about 80 percent of the motor buses built in the United States, and all competition has been wiped out.

Mr. President, do we want to live in a free economic world, or do we want to live in a controlled economic world?

Judge Barnes, for whom I have great admiration, and who is a man of great integrity and ability, said in the interview that he thought General Motors ought to give up one or more of its divisions. He even went so far as to indicate that it might divest itself of its ownership of Frigidaire and of its financing operations.

My belief is that it ought to give up its financing operations, because GMAC is the money instrument by which competiton is bound and tied and made unable to move.

Mr. President, I ask unanimous consent that there may be printed in the Record at the conclusion of my remarks, the interview given by Assistant Attorney General Judge Barnes to Mr. Anthony Lewis and published in the New York Times of March 9, 1956, and the interview which I gave to Mr. Lewis a day afterwards, which was published in the New York Times of March 11, 1956.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times of March 9, 1956]

United States Aide Suggests GM Give Up Unit—Barnes Offers, Without Any Advocacy, a Step To Ease Undue Concentration

(By Anthony Lewis)

Washington, March 8.— Stanley N. Barnes, Assistant Attorney General, suggested today that the General Motors Corp. could stop the trend toward economic concentration in the automobile industry by giving up one or more of its divisions.

The Government's antitrust chief said in an interview that General Motors could set Oldsmobile up as an independent company, for example, or divest itself of its Frigidaire, truck, or financing operations.

"I offer these purely as examples, without any advocacy," Mr. Barnes said. But he added pointedly that if concentration continues in the automobile business and General Motors does not take action on its own, "somebody's going to do something."

General Motors produced about 55 percent of the automobiles that have been made in this country since January 1, according to industry figures. During the same period the 2 remaining independent companies—Nash-Hudson and Studebaker-Packard—accounted for 5 percent of production. Ford's share was about 25 percent, and Chrysler's 15 percent.

Last month in a speech Mr. Barnes charged that "an undue concentration" of economic power "is becoming more and more recognizable each day in the automotive industry." He noted especially that the independents had accounted for 15 percent of auto production in 1949 but were now down to a third of that.

Some persons critical of Mr. Barnes' speech said he seemed to be suggesting that the Government could force people to buy automobiles makes they did not want. If the public prefers General Motors cars, these critics said, what could the Government do about it?

Mr. Barnes answered that question today with his suggestion that one or more of the General Motors' five automobile divisions—Chevrolet, Pontiac, Oldsmobile, Buick, Cadillac—be divided off as independently owned companies.

"You could spin off several divisions each one of which would have the ordinary advantages of business concentration," Mr. Barnes said. Establishing one or more of the General Motors lines as independents, he said, would accomplish the aim of increasing competition without in any way using Government pressure on the public's choice of automobiles.

Asked whether he or his staff had conveyed any suggestion to General Motors that it voluntarily divest itself of any division, Mr. Barnes said:

"Well, I can't talk about that."

"NONSENSE," SAYS CURTICE

Harlow H. Curtice, president of General Motors, called the suggestion "nonsense" when questioned about it today. He said General Motors has violated no antitrust laws.

There have been some recent indications of concern on General Motors' part about antitrust matters. The company revised its dealer contracts after public complaints that they gave the corporation too much power over the dealers.

Aside from voluntary action by General Motors, Judge Barnes saw two possibilities for antitrust action—a suit or suits by his Antitrust Division, or new legislation by Congress.

The Antitrust Division has had under active study for months a proposed civil antitrust suit asking that General Motors be divested of its bus-manufacturing division. The suit is now reported ready for filing, but Mr. Barnes said today that no final decision has been reached on the matter.

The broad situation in the automobile industry is getting "serious consideration at the highest levels of the Justice Department," he said. He indicated that any action aside from the bus suit would require rearrangement of the division's limited manpower for a concentrated automobile study—perhaps a "crash program"

No such study has been ordered yet, he said.

Indications are that failure of either of the two remaining auto independents might provide the impulse for drastic antitrust action in the automobile field. Banks and insurance companies that hold the independents' securities would probably join in pressure on the Justice Department and Congress to do something.

Mr. Barnes said today that in such a situation—if concentration continues—there would be possibilities for "extreme action," including the chance of "some rather stringent legislation."

For example, the antitrust statutes now provide that proof of a dominating position in a market is not enough for the Government to win its case. It must also prove that the company has a tendency to use this monopolistic position in a monopolistic way.

Mr. Barnes noted that Congress could amend the law to provide that acquisition of more than a certain share of any market—say 50 percent—would be ground for antitrust action. Or, he said, Congress could pass a law that would force automobile companies to divest themselves of subsidiaries that finance installment purchases. The General Motors Acceptance Corporation has grown to one of the world's largest in the field.

Mr. Barnes has been nominated to the United States Court of Appeals. But he indicated that if he is confirmed, his departure will not change the Justice Department's concern about the automobile situation.

"I don't want to give the impression that I'm sitting around here thinking up ways of slapping a sensational suit on General Motors," he said. "But if concentration continues, somebody's going to do something—maybe not me, but somebody."

[From the New York Times of March 11, 1956]

Senator Bids General Motors Reduce Its Units—O'Mahoney Urges Dropping Financing Division and Bus Manufacturing

(By Anthony Lewis)

Washington, March 10.—Senator Joseph C. O'Mahoney called today for separating the installment financing, bus and perhaps other divisions from the General Motors Corp. He excepted from his proposal the company's five automobile lines.

The Wyoming Democrat, who headed a Senate Monopoly Subcommittee investigation of General Motors last fall, said he would favor legislation to make the company give up its financing operations if it did not do so voluntarily. The General Motors Acceptance Corp., which handles financing of General Motors cars, is one of the country's three largest installment borrowing concerns.

"I think it would be a great stimulus to the economy and would counteract a concentration of economic power if General Motors would strip itself, first of all, of its financing company," Senator O'Mahoney said. "Financing operations have nothing in the world to do with the manufacture of automobiles.

"UNDUE ADVANTAGE" CITED

"The union of financing and an automobile company gives the company an undue advantage over all other competition because it can borrow money at a much cheaper rate than any independent financing concern. The larger a company is, the cheaper it is to borrow money and use it to expand its control."

Senator O'Mahoney made his statement in commenting on suggestions by Assistant Attorney General Stanley N. Barnes that General Motors could stop a trend toward "undue concentration" in the automobile industry by giving up one or more of its divisions. Mr. Barnes heads the Justice Department's Antitrust Division.

Mr. Barnes said that any one of General Motor's automobile divisions, or the Frigidaire or truck or financing operations, could be set up as an independent company. He noted that General Motors now made 55 percent of this country's automobiles, while the so-called "independents" were down to 5 percent. He also said that if the trend to concentration continued and General Motors did nothing on its own, "somebody's going to do something."

"Mr. Barnes has made a distinct contribution to the solution of the problem of the concentration of economic power," Senator O'Mahoney said today.

"As a matter of fact, he reminds me of the recommendations that were made by the Temporary National Economic Committee in 1941," the Senator added. "That report recognized the fact, which Mr. Barnes has now expressed, that there can be too much power in one group.

"General Motors is an excellent example of that fact, and the suggestion of Mr. Barnes that it might be persuaded to spin off some of its operations—like GMAC financing, Frigidaire or the manufacture of trucks—is excellent."

"LIKE O'MAHONEY TALKING"

The Senator added this reference to Mr. Barnes:

"He sounds like O'Mahoney was talking."

The monopoly subcommittee has not yet turned in a report on its General Motors hearings. The staff has made some suggestions, and they may be acted on by the committee next week.

Senator O'Mahoney said he personally would favor legislation prohibiting automobile companies from engaging in the financing business. He added that he felt it would be "a benefit to the economy if the manufacture of buses were separated from General Motors, and perhaps the manufacture of diesel engines."

"Whether General Motors should be asked to split up its motor divisions is a question I'd be inclined to answer in the negative," the Senator said, however.

"We have competition within the divisions."

Senator O'Mahoney himself drives a 1950 Cadillac. A staff assistant said he thought the Senator prefers General Motors cars actually.

RECOMMITTAL OF THE BILL TO COMMITTEE

Mr. O'MAHONEY. Mr. President, there was filed this morning from the Committee on Interior and Insular Affairs a report on the bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydroelectric power benefits realized by the United

States therefrom, and for other purposes. The bill cannot be taken up today, or, in all probability, on Monday. The committee will meet in regular session on Tuesday.

I was absent from the committee meeting at which the committee voted to report the bill. Because I had notified the chairman of the committee that I could not be present at the meeting, after I had understood that no controversial measure would be acted on, and because I should like to have an agreement reached on this important measure, which deals with waters of the West, I ask unanimous consent that the bill may be recommitted with the report for further consideredation by the committee on Tuesday next.

The PRESIDING OFFICER (Mr. Bible in the chair). Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, may I inquire what the calendar number of the bill is?

Mr. O'MAHONEY. It was reported only about an hour ago.

The PRESIDING OFFICER. The Chair is advised that the bill was reported today.

Mr. O'MAHONEY. It is not on the calendar.

Mr. KNOWLAND. I should like to ask the distinguished Senator from Wyoming whether the minority members of the committee were advised of this proposed action?

Mr. O'MAHONEY. I sought all day to get in touch with the Senator from Arizona [Mr. Goldwater], but was unable to do so. I understand he is out of the city. I wish to say that the Committee on Interior and Insular Affairs has done a remarkable job from the standpoint of cooperation on most of the bills it has reported. There has been some disagreement about certain investigations it has carried on, but there has been remarkable unanimity on bills which have been reported by the committee.

Mr. KNOWLAND. Mr. President, would the Senator mind waiting until I have had an opportunity to get in touch with minority members of the committee? In the meantime I should like to suggest the absence of a quorum.

Mr. O'MAHONEY. I would be happy if the Senator would do that.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I have a unanimous-consent request pending, and the quorum call was for the purpose of bringing to the floor the Senator from Arizona [Mr. Goldwater].

I say to the Senator from Arizona that last week, when the Committee on Interior and Insular Affairs met, I called up the Senator from Montana [Mr. Murray] who wanted some action taken, and told him of the status of the business before the committee. I got the impression that there would be no controversial matter coming up this week. I wrote him a letter stating that I understood no controversial matter was coming up. I hoped the report on Senate bill 1574 would not be filed until I had the opportunity of discussing the bill with the full committee on next Tuesday, which would mean a delay of only 2 or 3 days. Of course, the Senate cannot go behind the records of the committee. The assumption is that a quorum was present, but it may be seriously doubted whether a quorum was present when the bill was ordered reported.

I hope the Senator from Arizona will concede to me an opportunity of discussing the bill with him in the full committee.

Mr. GOLDWATER. Mr. President, this is the first I have known of the Senator's desire to have the bill discussed further.

Mr. O'MAHONEY. I tried to reach the Senator today.

Mr. GOLDWATER. I have been busy in other committee work today.

Hearings were held on the bill on May 27, June 29, and July 13 of last year. Open public hearings were held.

Mr. O'MAHONEY. There is no doubt about that.

Mr. GOLDWATER. The bill has been before the full committee twice this year. I do not recall that the Senator from Wyoming was present at the first full committee hearing this year, but suggestions were made to change the language of the bill.

The bill came before the committee last week, and suggestions were made to perfect the bill. All who were present agreed to the suggestions, and the bill was reported. On the question of reporting the bill the chairman said "The ayes have it, and the bill will be reported as amended."

I shall be perfectly honest with the Senator from Wyoming. We have always enjoyed mutual kind feelings. The bill has been in the committee for the second year, and I think the place to conduct the argument on it is on the floor of the Senate.

Mr. O'MAHONEY. I shall not argue the bill with the Senator now. I have been counting upon the harmonious relationship which has existed between us on all legislation, with this exception.

Mr. GOLDWATER. I hate to find an exception in those cordial relationships.

Mr. O'MAHONEY. The Senator may be able to convince me.

Mr. GOLDWATER. I am confronted with a long meeting of the lobbying committee. I do not like to see this bill held up any further. I would not want to have it die. I suggest that we allow it to go on the calendar as reported today, and let us argue it on the floor of the Senate. It is a bill which was recommended by the President; it is a part of the administration's program.

Mr. O'MAHONEY. I think the Senator will agree with me that if we argue it on the floor it will do more harm to the bill than if we argue it in the committee. Because of the character of the bill there will be only the attendance of the committee members, and we can do a much better job in the committee. Let it go back to the committee, where the work of the Senate is done.

Mr. GOLDWATER. I feel that the work of the committee has been done on this bill. It has been before the committee for over a year. There have been hearings held on it and there have been reports printed. The members of the opposition have expressed themselves very well and thoroughly, as have the proponents.

I cannot honestly imagine what more could be brought out for or against the bill in committee. To be perfectly honest with the Senator, I am most reluctant in taking this stand, because if there is a Senator on the opposite side of the aisle or on this side of the aisle with whom I have enjoyed working, it is the distinguished Senator from Wyoming.

Mr. O'MAHONEY. I am very grateful to the Senator. Let us keep the record going for another week.

Mr. GOLDWATER. I am sure we can keep it going, even if the bill is sent back to the committee.

Mr. O'MAHONEY. Is the Senator adamant on that point?

Mr. GOLDWATER. I am most adamant on that point.

Mr. O'MAHONEY. There are many steps which can be taken in the parliamentary procedure.

Mr. GOLDWATER. I realize that thoroughly.

Mr. O'MAHONEY. I think if the Senator will allow me to analyze the bill paragraph by paragraph in the committee, the result in the end will be better.

I am not going to talk any more about it, Mr. President. I hope my unanimous-consent request will be submitted, and I hope the Senator from Arizona will follow my example and graciously take his seat.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. GOLDWATER. Mr. President, reserving the right to object—and I shall object—the Senator from Arizona will graciously take his seat, but before doing so he graciously objects to the request.

The PRESIDING OFFICER. Objection is heard.

FOREIGN AFFAIRS PROBLEMS

Mr. MORSE. Mr. President, today I wish to release certain correspondence which I, as a member of the Committee on Foreign Relations, have received from Mr. James P. Warburg, of New York. Mr. Warburg is a well-known financier, a prominent citizen, and a leader in foreign affairs problems.

The first is a letter addressed originally to the chairman of the Committee on Foreign Relations, the distinguished senior Senator from Georgia [Mr. George]; but it is a mimeographed letter which was sent to each member of the Committee on Foreign Relations and also, I understand, to other persons.

I discussed the matter with Mr. Warburg, and he said he would welcome a public discussion of the point of view expressed in the letter which he sent to the chairman of the committee, to other members of the committee, and to other persons, for the purpose of eliciting some public interest in his point of view.

I also wish to have printed in the Record, together with the letter I have just mentioned, a pamphlet entitled "Turning Point Toward Peace," written by Mr. Warburg, which is on the subject of American foreign policy.

Also, I desire to have printed in the Record a letter written by Mr. Warburg to me, dated April 16, 1956; and also a letter entitled "Our China Policy," written by Mr. Warburg, and published in the Washington Post and Times Herald of recent date.

I ask unanimous consent that this material be printed in the Record as a part of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

New York, N. Y., *April 9, 1956.*

Hon. Wayne Morse,
Committee on Foreign Relations,
United States Senate,
Washington, D. C.

Dear Senator Morse: Attached hereto is a copy of my today's letter to Senator George, as chairman of the Foreign Relations Committee. I should be most grateful for your comment or criticism. In any case I hope that you agree that the situation is now so serious that no time can be lost without great danger.

Yours sincerely,
James Warburg.

April 9, 1956.

The Honorable Walter F. George,
Chairman, Committee on Foreign Relations, United States Senate,
Washington, D. C.

Dear Senator George: Since our correspondence last autumn concerning my published proposals for a basic revision of United States foreign policy, matters have gone from bad to worse. Not only has the predicted Soviet diplomatic and economic offensive materialized but affairs in the Middle East have taken an even more serious turn than anticipated. This letter is prompted by a deep concern over the fact that the mounting crisis does not as yet seem to have stirred either Congress or the administration to effective action.

It is now perfectly clear that the two immediate aims of Soviet policy are:

1. To win the friendship or at least the benevolent neutrality of the uncommitted peoples of Asia and the Middle East, thereby outflanking the Atlantic community and eventually encircling it.

2. To weaken the Atlantic alliance at its vital center by encouraging neutralism, fostering cleavages among the participants and, if possible, isolating the United States.

In recent months, Soviet leadership has made dangerous progress in both directions.

Is it not apparent that the present bipartisan foreign policy of the United States is inadequate to meet this challenge and that, in fact, some of its aspects play directly into the Kremlin's hands?

In the Far East we are frozen into immobility by our stubborn refusal to recognize the unpalatable but immutable fact that there is no way to settle the questions of Korea, Indochina, and Formosa by peaceful means, except through negotiations with the Chinese People's Republic. You yourself have issued several statesmanlike appeals for such negotiations. Meanwhile, in the absence of direct, highlevel negotiation, we remain poised indefinitely at the brink of war. Not only that, but we increasingly alienate our allies and potential friends by a policy which seems dangerous and unreasonable to all except Chiang Kai-shek and Syngman Rhee, both of whom openly desire war.

Last July, you wisely warned against our allowing our support of our European allies to place us in a false position with respect to the emerging peoples of Asia, Africa and the Middle East. The disregard of that warning has had disastrous consequences. The subordination of political considerations to the attempt to complete an encircling band of military pacts and alliances has failed to create military strength and has, on the other hand, created precisely that political weakness and dissension which the Communists desired to exploit.

The SEATO alliance has weakened rather than strengthened the anti-Communist front in Asia by antagonizing India and Burma, creating an atmosphere throughout southeast Asia dangerously receptive to Soviet propaganda. Our insistence upon Japanese rearmament, in violation of the constitution which we imposed, is turning Japanese sentiment against us. A recent report to the Japanese Economic Planning Commission expressed the opinion that the West is in the process of losing southeast Asia. As southeast Asia goes, so, inevitably, goes Japan. If southeast Asia goes Communist, Japan will be unable to live except by trade with countries under Sino-Soviet domination.

In the Middle East, the abortive attempt to erect a military barrier against Russia has merely opened the door to Communist political penetration. The Baghdad Pact has split the Arab world, brought Israel and the Arab states to the verge of war and made Egypt into the focal center of an anti-Western revolt which has spread from Asia Minor into north Africa. Our two major allies, France and Britain, now face the loss of possessions which would render the one politically impotent and the other financially bankrupt.

Perhaps most serious of all is the effect of this disaster upon the organization of states which forms the heart and soul of the anti-Communist coalition. The southeastern flank of the NATO alliance has disintegrated. Greece is disaffected because of its quarrel with Britain over Cyprus. Greece and Turkey are no longer on speaking terms. Tito has withdrawn into neutralism.

Worse yet, on the vital central front of NATO, the cream of the French contingents have been withdrawn into north Africa. The 12 West German divisions, for the sake of which we have wrecked our European policy and foreclosed the hope of a German peace settlement, will not exist for 3 years—if, indeed, they ever come into existence as a reliable reinforcement of NATO. German sentiment is rapidly veering away from Chancellor Adenauer's leadership.

The British, the French, the Italians, and the Germans are openly demanding a basic revision of coalition policy. The bankruptcy of that policy is apparent in every part of the world.

What more could the Russians desire? What more is required to make the United States undertake a serious reexamination of the premises upon which it has been operating?

The fact is that Stalin's aggressive tactics originally frightened us into making two assumptions which I ventured to challenge on several occasions in the past when I was invited to testify before your Committee. These assumptions were:

1. That Western Europe constituted the primary target of Soviet expansionism; and

2. That the aggressive designs of international communism would be carried out primarily by military means.

These assumptions led us into twofold error. They led us to adopt a Europe-oriented policy in Asia and the Middle East, instead of a policy based upon the conditions existing in those areas. They led us to attempt the building of a worldwide anti-Communist coalition upon the sole foundation of military defense against physical invasion.

To undermine such a structure, Stalin's heirs needed only to make a convincing show of renouncing warlike intentions and to support Asian and Arab nationalism. The first move was easy because the Russians themselves had never wanted a major war. The second was made possible by our failure to lay the political, economic, and psychological foundations for an effective anti-Communist coalition.

The situation is not yet hopeless, but it is rapidly deteriorating and may well become hopeless unless the United States takes remedial action within the next few months.

Since the administration seems unwilling or unable to undertake the necessary revision and revitalization of American policy, could not such action be initiated by your committee?

With warm personal regards, I am,
Respectfully yours,
James P. Warburg.

Turning Point Toward Peace

(By James P. Warburg)

(Foreword)

The "Summit Meeting" at Geneva, held in the 10th year of the Atomic Age, marked the belated recognition of the outstanding fact of the era which had dawned at Alamagordo—namely, that war had ceased to be even a last resort instrument of national policy and that, in President Eisenhower's phrase, there no longer existed "any alternative to peace."

The meeting resulted in no compromises or agreements, no relinquishments of aims or abandonment of principle by either side. Yet, if more of history remains to be recorded than human history's end, this meeting, presided over by the grim specter of the hydrogen bomb, may well mark the birth of a new age of peace. What happened at Geneva in July 1955 was that the major potential combatants in a final catastrophic conflict recognized that they had no choice but to settle their disputes by peaceful means or, failing that, to find a way of getting along together with their differences unresolved.

The bright hopes raised at Geneva can be fulfilled only if we, the people of the United States, do our part. We alone cannot prevent the holocaust and bring lasting peace to a strife-torn world; but unless we do our full share of the work to be done, the world cannot be safely guided through the present perilous period of transition into what promises to be an age of almost unimaginable progress and prosperity.

Not only our country but the whole world suffered a severe and tragic blow when illness incapacitated a leader who, more than any other single individual, had recently come to personify the new spirit of conciliation and the world's hope for peace. Yet our country can and must rise to the great opportunity which lies before it.

Now more than ever, the extent to which our Nation fiulfills its responsibilities depends upon us as individual citizens. It is true that the future hangs upon the wisdom and skill of the leaders whom we shall elect to office in the coming year; but we, the citizens of the United States, are going to determine the standards by which the fitness of candidates will be measured and to which the candidates will have to conform in order to be elected.

As we approach this test, there are hopeful signs that we are awakening from the long nightmare of irrational fear and self-destructive impulse which has for a time submerged our common sense and paralyzed or perverted our great, creative potential. If this convalescence continues—as the writer firmly believes it will—the anxious months through which we are now living may well go down in history as the turning point toward peace.

We are privileged to live in a time in which politics as "the art of the possible" has assumed wholly new dimensions, when the impossible is often only that which has not been attempted and when, as Justice Brandies once said, "the irresistible is often only that which is not resisted."

There are already in the Congress of the United States men and women able and eager to face not only the dangers but the vast opportunities for creative work which lie before us. You will meet some of them in this book. They were sent to Congress by constituencies in which the citizens demanded above all else constructive leadership toward peace. These citizens and the representatives whom they have elected set the pattern for all of us to follow. Let them tell their own story.

James P. Warburg.
Greenwich, Conn., *October 1955.*

PART I

Chapter 1. Fresh from the people

On March 16, 1955, an unusual event took place on Capitol Hill. Seventeen freshmen Congressmen, recently elected from districts widely scattered across the country, joined together in a 2-hour plea for a "revitalized foreign policy which would put some political, social, economic and spiritual flesh on the bare bones of our present military measures against communism." The group represented not only 30 out of the 35 first-year Democrats in the 84th Congress but a number of first-year Republicans as well.

This violation of the unwritten rule that freshmen are to be seen but not heard was committed with the advice and consent of the House majority leadership and, far from arousing resentment, was enthusiastically applauded by many of the veteran legislators on both sides of the aisle. Henry S. Reuss, of Wisconsin, the leader of the freshman group, was afterwards personally congratulated by no less than 50 colleagues. The venerable Barratt O'Hara of Illinois praised the novice group as having come "fresh from the people" with the courage to defy custom and to speak out at a moment "when the whole world is resting on a concentration of atomic power needing only the winking of an eye to set it ablast." There could be no question that many of the older Members of the House listened sympathetically to Congressman Charles Vanik of Ohio when he said:

"I have sat here day after day and patiently listened; I have listened for hour after hour to tedious eulogies of Congressmen who were and no longer are. I spent, I believe, a portion of 1 day listening to a eulogy of the groundhog of Pennsylvania. Entire sessions of this Congress have been consumed in a mutual exchange of birthday greetings. We have spent more time debating the service of food and the quality of the food in the Capitol cafeteria and restaurant than we did in toto on the Formosa resolution."

James M. Quigley, of Pennsylvania, told a reporter that "the whole thing wouldn't have occurred if this group had not felt that the people back home wanted something done," that "you can almost reach out and touch their sense of uneasiness." Thomas Ashley, of Toledo, spoke of "the misgivings and confusions with respect to the conduct of our foreign policy, which I often hear in my own district," expressing the view that the uneasiness derived "from an inability to sense a broader purpose in the conduct of our effort to contain communism." Edith Green, recently elected from Portland, Oreg., was sure that her constituents were more concerned over the dangerous drift in diplomacy than over any other issue.

These young legislators were indeed fresh from the people. Arriving in Washington conscious of the anxiety of their constituents and hoping to take part in remedial action, they were shocked to find Congress floundering in trivialities while the Secretary of State piled up air mileage in lieu of diplomatic achievement and foreign policy, to use Reuss' phrase "zigzagged into the wayward paths of agonizing reappraisal, unleashing Chiang, massive retaliation, the New Look, liberation, and other tired slogans" only to return to the Truman policy of containment which at best had been merely an expedient.

Were these novices wrong in their conviction that the folks back home wanted a fresh and more creative approach to foreign policy? Or were they more nearly right than their elders who, if not wholly content with the stagnant and inflexible bipartisan policy, had certainly not seen fit to criticize it?

Within a week of the freshman revolt, Senator Walter F. George, of Georgia, the powerful and widely respected chairman of the Senate Foreign Relations Committee, came out with a statement urging a four-power conference and, by implication, chiding the administration for its reluctance to explore the possibilities of negotiation. On April 11, 1955, Adlai Stevenson, the until then strangely silent titular head of the Democratic Party, raised his voice in protest against risking war over Matsu and Quemoy. Prior to that time, Senator Wayne Morse, of Oregon, one of the handful of Senators who had taken a stand against the Formosa resolution in January, had filled 12 pages of the Congressional Record with short extracts of letters he had received expressing anxiety and discontent with the administration's conduct of foreign affairs.

The freshmen Congressmen were not wrong. Little as their unconventional effort was noted in the press, they correctly sensed the mood of the American people. To say that they touched off a nationwide revolt would be a gross exaggeration, but it is no exaggeration to say that they articulated, sooner than their veteran colleagues, a revolt which was definitely stirring and which, though still largely silent, made it possible for President Eisenhower to break more and more openly with the belligerent rightwing of his own party. It was Congressman Udall, of Arizona, who said, during the debate of March 16:

"Mr. President, be a little less fainthearted. Perhaps you have more support here than you know of."

Summary of Debate

What did the freshmen Congressmen propose? Let their leader, Henry S. Reuss summarize the debate in his own words:[1]

"The theme running through the House debate was a simple one. Since nuclear war is capable of destroying civilization, this country can no longer ignore some of the tensions, which quite apart from the centers of Communist power in Moscow and Peking, threaten world peace.

"Military containment is not enough. It must be accompanied by efforts to unite Germany, to permit free governments in Central and Eastern Europe, and to back the fight of underdeveloped peoples of Asia, Africa, and the Middle East for freedom from colonialism and feudalism, their hope for economic aid on an international basis, and their desire for a position of noninvolvement in great-power rivalry.

"What would be the effect on the hearts and minds of Americans everywhere, I asked in the debate, if the President were to come before Congress and offer a constructive program to ease some of the current causes of world tension? If, for example, the President were to speak out before Congress in this vein:

" 'We Americans want peace, and we want to do our part to secure the peace.'

"To the people of Asia, Africa, and the Middle East who are about to meet at Bandung, we say this: If you agree, we will ask the United Nations to take over Formosa as a trusteeship, to assume its defense against the aggression that threatens it, and to promote the development of self-government by the Formosan people. If you agree, we will reverse our refusal to join the Special United Nations Fund for Economic Development, and will work with you, both inside and outside the United Nations, for social and economic advancement and against colonialism and feudalism.

"To the people of Europe, we say this: West German rearmament is under way, because Russia leaves the West no alternative. But if you agree, and if Russia will carry out her part of the bargain by withdrawing to her historic borders, we will welcome a unified and independent Germany, a free Poland, Czechoslovakia, Hungary, Austria, Rumania, Bulgaria, and the Baltic States, each independent but part of a larger central European community based upon a respect for human rights; all without the capacity to make aggressive war, but with their security guaranteed by the United Nations.

"To all people of all nations, we say this, We reaffirm our hope to end the destructive phase of nuclear development and to seek man's advancement through science. We rededicate ourselves to work in humble hope with the rest of the world toward the goal of permanent peace, for our own continued survival is hinged to the prospect of permanent peace.

"Such a proposal would recognize the limits of our power to deal with Red China, and would instead concentrate on winning the friendship of the uncommitted peoples of Asia, Africa, and the Middle East. The U. N. trusteeship suggested involves no recognition of Red China or admission of Red China to the U. N., no de-recognition of Chiang, and no weakening of our determination to defend Formosa. A trusteeship proposal could well be accommodated to the continued defense of Formosa by Chiang's troops, and the right of Chiang to seek democratic office in Formosa under a U. N. trusteeship. A U. N. trusteeship would enable us to get out from under our current untenable position, whereby we maintain Formosa as a United States province and foist upon it the Government of Chiang without the consent of the 7 million Formosans. A trusteeship would give India and other Asian countries an opportunity through the U. N. to participate not only in the administration of Formosa but in its defense.

"In Europe, the proposal of an unarmed area stretching from the Rhine to Russia's historic boundaries answers whatever is legitimate in Russia's age-old complaint against armed and hostile nations on her borders. By any rational standard, Russia would gain greatly by acquiring such realistic security in exchange for allowing a united Germany and liberation, under some sort of Federal arrangement, for the countries of central and eastern Europe. If Russia turned down such a proposal, it would give us the incalculable advantage of making our side the champion of German unification of liberation for the satellites, and of a united Europe. Armed with this moral advantage, the West could then go forward with German rearmament, for which ratification is now almost completed, with a whole heart.

"As tensions disappear, and not until then, will real disarmament be possible."

In the May 1955 issue of the Progressive, Robert Bendiner commented:

"Reuss and his colleagues will probably get nowhere with their particular plan, but, if they have done nothing else, they have served the country well by making it again respectable to talk of genuine negotiation and of large-scale aid to remote nations of the earth. Opponents rose to cry 'appeasement' and to mutter about 'glo-boloney.' But their views seemed more shriveled and pointless than ever in the glare of a test explosion in Nevada that lit up the sky from Montana to Mexico."

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[1] Henry S. Reuss in the New Leader of April 11, 1955.

This study proposes to carry forward the initiative of the congressional group. The writer, having advocated similar ideas during the years when it was not yet respectable to do so, does not agree that Reuss and his colleagues will probably get nowhere, provided that they follow up their initial effort.

The American people have been behaving, during the first decade of the atomic age, very much like a group of passengers in an airplane flying blind through a snowstorm and groping for an airport encircled by unseen barren mountains. They have acted like helpless individuals sealed into a metal tube, strapped into their seats, unable to escape and unable to communicate with the pilot. Some have sweated out the landing; some have unconcernedly read westerns or comic books; quite a few have taken sleeping pills hoping not to wake up until the wheels touched ground.

But, unless all the signs fail, this period of passivity is about over. The people are beginning to realize that they are not helpless, that they can communicate with the pilot, and that they know what they want to say to him. The people are going to demand of those who stand for office in 1956 precisely what Congressman Reuss and his colleagues are seeking to develop, namely, a revitalized foreign policy which will put some political, social, economic, and spiritual flesh on the bare bones of our present military measures against communism.

If the chapters which follow serve to throw some light upon how this may be done, this book will have served its purpose. In order to avoid any confusion between what was said in the congressional debate of March 16, 1955, and what the writer has added by way of expansion and elaboration, excerpts from the record of the debate are included in the appendix.

Chapter 2. The fleshless bones of bipartisan policy

Before considering how our foreign policy might be revitalized, let us see why the congressional group felt so strongly that it needed overhauling.

First of all, there was the fact that some $350 billion of cold-war expenditures had neither assured the United States of victory in the event of another world conflict nor provided any guaranty that such a conflict would not take place. On the contrary, it seemed in March 1955, that there was actually a greater danger of a catastrophic war than ever before.

Secondly, because our foreign policy had not brought us peace, it had prevented the resumption of "normal" peaceful progress here at home. The cold war had distorted our economy, creating a dangerous pseudoprosperity based upon huge Government expenditures for armament.

Peace and peaceful progress are, after all, the basic objectives of national policy. Why had we not attained them?

The Misleading Scapegoat Analysis

Many Americans would be inclined to answer: "Because of the Communists." Unless we realize that this is a very incomplete answer, we shall not get very far with any attempt to revitalize and reorient our foreign policy.

The truth of the matter is that President Roosevelt and President Truman based their wartime policy upon an assumption which turned out to be false. This was the assumption that Soviet Russia, having been a loyal if at times difficult ally during the war, could be counted upon to cooperate with equal loyalty in making and preserving the peace. When it became apparent to Mr. Truman that such was not the case, he did a very natural thing; in his disappointed realization that his hopes for a just peace settlement and a smoothly working peace enforcement machinery had been based upon an over-optimistic appraisal of Soviet intentions, he swung full circle to the conclusion that Soviet intransigence was practically the sole reason why peace had not been achieved. When Soviet refusal to allow free elections in Eastern Europe, Soviet obstructionism in Germany and Communist pressure on Greece and Turkey were capped by Russian rejection of the Marshall plan, and, finally, by the rape of Czechoslovakia, in February 1948, Mr. Truman said to Congress:

"The situation in the world today is not primarily the result of natural difficulties which follow a great war. It is chiefly due to the fact that one nation has not only refused to cooperate in the establishment of a just and honorable peace, but—even worse—has actively sought to prevent it.

"The agreements we did obtain, imperfect though they were, could have furnished the basis for a just peace—if they had been kept.

"But they were not kept. They were consistently ignored and violated by one nation.

"One nation has persistently obstructed the work of the United Nations." (Message to Congress, March 17, 1948.)

This explanation was true insofar as it alleged that a powerful and power-hungry Soviet dictatorship, apparently aiming at the ruthless achievement of world dominations, was challenging the fundamental belief and principles of western civilization. It was not true that only the Soviet Union had violated the wartime agreement[2] and we know now that these agreements—Teheran, Yalta, and especially Potsdam—would not, if kept, have ensured a just peace. Moreover, even had it been true, this explanation would have presented only a small part of the truth; it failed to mention all the other threats to peace which existed at the conclusion of World War II—threats which would have existed even if Russia had been governed by a friendly and cooperative democratic regime, instead of by a hostile, Communist dictatorship. By ignoring all but one of the major factors which combined to create the midcentury world crisis, this oversimple scapegoat explanation of failure led to the logical conclusion that, if only Soviet imperialism could be checked or destroyed, no other serious obstacles would stand in the way of the establishment of enduring peace. Both the analysis and the conclusion were dangerously inconsistent with the facts. Let us recall just a few of them.

Basic Causes of the Postwar Crisis

World War II had accelerated the decline of Western Europe and completed the 50-year process which gradually transferred the center of gravity of the Western World from one side of the Atlantic to the other. This shift left the West European nations with the habit of exercising a world power they no longer possessed, while placing the United States in possession of world power which it was ill-prepared to exercise.

The decline of Western Europe and the total elimination of German and Japanese power by the policy of unconditional surrender had removed or weakened the former barriers to Soviet expansion, leaving vacuums into which Russia proceeded to push but which Russia had not created. Russian pressure, plus the suction of the vucuum itself, had forced the United States to exert counterpressure.

With power concentrated in only two surviving superpowers, the traditional European method of preserving the peace by balance-of-power maneuvering on the part of a number of more or less equal "great powers" had finally become totally obsolete. In the absence of a world organization endowed with the power to enforce universal disarmament, there could now be only peace by agreement between the two superpowers or a race for preponderance of power leading, in all probability, to war.

Finally, the invention of atomic and superatomic weapons had invalidated the traditional concept that "war is the extension of policy by other means." Overnight, instruments of defense had become instruments of self-destruction.

These four facts were at least as important as the existence of an aggressive, expansionist Soviet dictatorship. They called for a realization that the world was confronted with a wholly new set of problems in making and preserving peace. Apart from these changes in the nature and distribution of power, there were two other even more important elements in the world crisis which the simple, scapegoat explanation ignored:

World War II had touched off the long-smoldering revolution against European colonialism. Japanese defeat of European power in Asia and then the destruction of Japanese power by the United States had left the peoples of Asia more on their own than they had been since the first European footholds had been established. The news that the end of the white man's rule in Asia was at hand spread to the Middle East and to Africa. The dawn of freedom on two vast continents produced the inevitable strains and tensions of emerging nationalisms and the inescapable internal conflicts between the old power groups and the new. This in itself would have been enough to create a world crisis.

In addition, however, and quite apart from the revolt against colonialism, two-thirds of the human race was in a rising state of rebellion against conditions of life hitherto patiently accepted as immutable. As the news of scientific and technological progress spread among the world's backward peoples, there spread with it the revolutionary knowledge that hunger, poverty, and pestilence were evils to be conquered rather than burdens to be borne. This, too, sufficed in itself to produce a crisis in world affairs.

Looking back, we can see that the Soviet dictatorship had had very little to do with the decline of Western Europe, with the gradual polarization of power, with the obsolescence of colonialism, or with the technological revolution. The United States, not Soviet Russia, had been the nation to penetrate the secrets of atomic fission and thus to lead the world into a wholly new era for which it was politically, psychologically, and spiritually unprepared. Certainly, it was true that a ruthlessly cynical Soviet regime had exploited every aspect of this many-faceted world crisis and that, in so doing, it had made the establishment of peace infinitely more difficult. To state this fact in the context of other facts would have been to present a true picture. To hold the Soviet Union almost solely responsible for the crisis, for the failure to reach a solution and for the resulting struggle between two hostile power orbits was a perhaps natural but nevertheless dangerous distortion of the truth.

The Bipartisan Containment Policy

Both of our two major political parties shared in adopting the scapegoat explanation of disappointment. The result of this bipartisan loss of perspective was the evolution of a policy which did not aim at the positive achievement of goals consistent with the American character, tradition, and national interest but which aimed almost solely at the frustration of Soviet ambitions. This involved a surrender of initiative unsuited to the American temperament. Moreover, this negative policy orientation was not only unlikely to generate creative enthusiasm at home; it was even more unlikely to attract friends and allies abroad, except among ruling groups primarily interested in preserving the status quo.

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[2] The Potsdam agreement was first obstructed by France and later violated by all the signatories.

When, in addition, this bipartisan policy began to seek the containment of an essentially political threat by military means, it was foredoomed to failure, particularly since it relied upon military power which did not exist and could be created only by a powerful and firmly united coalition.

The containment policy succeeded in Greece and Turkey and, later, in Korea, where actual military threats existed and where the threatened peoples possessed the will to defend themselves. It succeeded magnificently in Western Europe during the years when it was based upon the recognition that the Communist threat was essentially political and when the Marshall plan cut the ground from under Communist penetration by promoting a spectacular economic recovery. It became less successful in Europe from the moment when military rearmament superseded economic recovery and particularly when the proposal to rearm West Germany undermined Europe's solidarity. Elsewhere—notably in Asia—containment failed and was bound to fail because in its preoccupation with military defense, American leadership did not develop the affirmative, creative purposes which alone might have captured and guided the Asian and Middle Eastern revolutions. Emerging nationalism was alienated by support of the remnants of European colonialism. Land reform, next to nationalism the most powerful magnet of political attraction, was left for the Communists to exploit. A futile intervention in the Chinese civil war alined the United States with the past instead of with the Asian future.

Ironical Results of its Failure

Largely as the result of the failure of the containment policy in Asia, there developed, between 1950 and 1952, a curiously ironical situation in our domestic politics. The loss of China made possible the rise of McCarthyism and placed a Democratic administration almost fanatically dedicated to militant anticommunism on the defensive under a charge of being soft toward Communists. The collapse of Chiang Kai-shek followed by the involvement of the United States in a costly, stalemated war in Korea, plus the disclosure of a certain amount of laxity in domestic security, provided the Democratic administration's less scrupulous opponents with material out of which to construct a wholly spurious charge of treason. It is scarcely too much to say that in its last 2 years the Truman administration was almost completely paralyzed by the rantings, investigations, and charges of the junior Senator from Wisconsin.

At the end of its incumbency, the Truman administration was bogged down in Asia in a war which it could neither win nor settle by negotiation. It was frustrated in Europe by a revolt against ratification of the treaties which would make the rearmed two-thirds of a permanently partitioned Germany into the keystone in the arch of West European defense. Yet, before it became the prisoner of its own mistakes and of its critics, the Truman administration had saved Greece, Turkey, and Western Europe. It had gallantly stood off the Russians at Berlin, and even more gallantly gone to the defense of the Republic of Korea. Psychologically perhaps most important of all, it had convinced the majority of the American people that their future was inextricably interwoven with the future of the rest of mankind. The Marshall plan and the point-4 program, though the latter was far from living up to its advance billing as a bold new program of aid to the underdeveloped areas, were the outstanding symbols of a new era in American foreign policy. So, in another sense, was the North Atlantic Alliance, before the rearming of West Germany became an end in itself, rather than a means toward reaching a European settlement.

Republican Promises of 1952

In the 1952 campaign, there was no real debate over foreign policy. Republican leadership sought to make capital out of the failure of a containment policy which, on the whole, had enjoyed bipartisan support. However, far from recognizing the basic causes of the failure, the Republicans undertook to outdo the Democrats at their own game. The foreign policy plank in their 1952 platform, drafted chiefly by John Foster Dulles, promised a program that would mark the end of the negative, futile, and immoral policy of containment which abandons countless human beings to a despotism and godless terrorism which in turn enables the rulers to forge the captives into a weapon for our destruction.

The meaning of this rather bombastic language was that the Republican leadership would undertake, if elected, not merely to contain but to roll back Communist power; that it would recognize the permanence or legitimacy of the Communist dictatorships, since to do so would be to "abandon countless human beings to * * * despotism and godless terrorism."

The Republican leadership was apparently thinking more of domestic politics than of formulating foreign policy. Its platform promised to repudiate all commitments contained in secret understandings, such as those of Yalta, which aid Communist enslavements. In a Pulaski Day statement, issued from Denver, on October 11, 1952, General Eisenhower personally endorsed this promise, declaring presumably for the benefit of Americans of Polish descent, that the Republican Party "pledged repudiation of the Yalta agreement which * * * has resulted in the enslavement of Poland." (It was, of course, not the Yalta agreement but its violation by the Soviet Union which had enslaved Poland. Repudiation of the Yalta agreement, as Mr. Dulles was to discover after he had become Secretary of State, would not liberate any of the Soviet satellites; it would merely expunge Stalin's promise to permit the free election of democratic governments in Eastern Europe.) Otherwise, practically no mention was made of European problems. The one significant foreign policy promise made by General Eisenhower was to end the war in Korea.

The Difficulties of Fulfillment

In attempting to redeem its campaign pledges after winning the election, the Eisenhower administration ran into several kinds of trouble. At home, it ran into difficulties because it attempted to compromise an irreconcilable conflict betwen its own intrinsically moderate, though carelessly formulated, position and the intransigent nationalism of the Republican right wing. The moderate Republican leaders had found it expedient to make extravagant campaign charges and promises; the right-wing Republicans appeared actually to have believed them. In addition, the new administration faced the problem of fulfilling inherently contradictory promises. It had undertaken not merely to contain but to roll back Communist imperialism, while at the same time cutting down military establishments, "detaching" overseas garrisons, balancing the budget and reducing taxes.

Abroad, the Eisenhower administration encountered an open revolt against its so-called "policy of liberation" on the part of the European and Asian nations from which it had expected support. It soon became apparent that the administration would have to choose between "going it alone" in a belligerent policy of "unleashing Chiang Kai-shek," threatening "massive retaliation" and waging amateurish but inflammatory "psychological warfare" against the Communist regimes in Eastern Europe, or adopting a more moderate policy which the allied nations would support. This choice involved a decision on the part of the administration to break with or be dominated by the ultranationalist Republican right wing.

Faced with this dilemma, the administration backed away from "liberation" in Europe while maintaining a show of belligerence as to Asia. The promise to repudiate the wartime agreements was allowed to fizzle out in a meaningless congressional resolution. More significantly, President Eisenhower decided, against the advice of the embattled psychological warriors, to maintain a hands-off position as to the East German uprisings of June 1953. He did not, however, seize upon the opportunity presented by Stalin's death to hold the "conversations at the summit" proposed by Sir Winston Churchill.

With respect to the central problem in European policy—namely, whether to insist upon rearming West Germany without first making a sincere effort to reach an all-German settlement—Secretary Dulles took over his predecessor's inflexible insistence upon the ratification of the treaties which were to bring a rearmed West Germany into NATO. Where Mr. Acheson had sought without success to obtain ratification by persuasion, Mr. Dulles openly threatened an agonizing reappraisal of American policy, implying that the United States would withdraw from Europe altogether unless the treaties were promptly ratified. Again and again, Secretary Dulles declared that there could be no alternative to the EDC treaty, insisting that it provided the only means of preventing the creation of a national German Army which would be a terrible threat to peace. Within 2 months of the French rejection of the European army, Mr. Dulles agreed to a substitute proposal which involved creating precisely that terrible threat to peace. Upon the Secretary's return to Washington in October 1954, President Eisenhower hailed his action as the greatest diplomatic achievement of our time.

The Unusual Role of a President

The inconsistencies in Far Eastern policy were even more striking, with the President gradually emerging in the unusual role of a Chief Executive determined to save the country from the advice of his own appointees. The fighting was brought to an end in Korea by a compromise truce, which the Republicans would have denounced as appeasement a year earlier and which the Republican Senate majority leader did actually denounce as a peace without honor. The Korean truce was offset, for the benefit of the intransigents, by the unleashing of Chiang Kai-shek.

When, as might have been expected, the peace without victory in Korea strengthened the growing French desire to negotiate a settlement in Indochina, Washington declared that all of southeast Asia would be lost if the French failed to hold the Red River delta and Mr. Dulles talked of "massive retaliation." Then, in April 1954, with the cream of its forces trapped in Dienbienphu, Paris sent out a desperate, last-minute cry for help and the majority of the President's advisers favored intervention. At this crucial point, the President overruled his own Chiefs of Staff, Dien Bien Phu fell, and a negotiated settlement became inevitable. But, instead of helping to bring about such a settlement, the United States remained aloof, leaving the work of mediation to Britain and the Soviet Union, so that the Geneva Conference took on the appearance of a defeat for American diplomacy.

Again, when the signing of a mutual defense pact with the Chinese Nationalists led to a crisis over the offshore islands, the President's top advisers favored risking war over Matsu and Quemoy; and, again, the

Chief Executive exercised a restraining influence.

After 2 years in office the Eisenhower administration had, to all intents and purposes, fallen back upon the foreign policy of its predecessor, concerning which John Foster Dulles had said that it "put our Nation in the greatest peril it has ever been in in the entire course of our national history." By this time the President had apparently come to the conclusion that he could not pursue the moderate, patient policy which he now knew the national interest demanded and, at the same time, unite his own party. Not only the brutish behavior of Senator McCARTHY but also the wilfull dessidence of Senate Majority Leader KNOWLAND helped to force this long-overdue decision. When, in November 1954, the Democrats captured control of both House and Senate, it became a certainty that, for the remainder of his term, President Eisenhower would have to rely upon bipartisan support.

Uncertain Results of 1954 Elections

It was not at all clear, however, that this situation would result in congressional support for a more moderate policy. There were intransigent fire-eaters among the Democrats in Congress as well as among the Republicans. All of the Democrats, moreover, were still smarting under the charge of "20 years of treason" which had irresponsibly been hurled at them during the election campaign. Many of them were impelled toward belligerence by sincere belief in Mr. Truman's scapegoat analysis of the world crisis and a consequent commitment to militant anticommunism as the major if not the sole dynamic of American foreign policy.

Ironically enough, Mr. Truman himself had long since outgrown his earlier, oversimplified views. This was strikingly evident in his testimony before the Senate subcommittee on revision of the United Nations Charter, given on April 18, 1955. The majority of the Democrats in Congress, however, had not kept pace with the former President's broadening conceptions, nor had they been greatly influenced by the perceptive analysis of the world crisis presented by Adlai Stevenson in his Godkin lectures given at Harvard University in May 1954.[3]

Thus, in the 10th year of the atomic age, as the United States appeared to be drifting into another explosive crisis in the Far East, the predominant bipartisan mood in Congress remained essentially that created by Mr. Churchill and Mr. Truman in 1946–48. United States foreign policy remained based upon promises which had either gone up in smoke over Hiroshima or else had been invalidated by rapidly changing circumstances. If ever there was to be nationwide discussion and debate, the time for it had come when the freshman Congressmen fired off their first broadside.

The congressional group clearly understood that the first imperative must be the prevention of a war which would extinguish civilization, if not all human life upon this planet; but the group was also keenly aware that the mere prevention of a catastrophic conflict would not establish enduring peace nor assure the future welfare of the American people.

In the next six chapters (part 2), we shall examine some of the major questions relating to the development of a more imaginative approach to the patient building of enduring peace. This involves, first, a consideration of what might be accomplished through a revitalized foreign economic policy; and, second, a discussion of the two most pressing political problems of our time—namely, colonialism and disarmament.

In part 3, we shall then explore some of the possible means of reducing existing tensions and thus gaining the time in which to put a more creative long-range policy into effect.

PART II

Chapter 3. Building toward peace in the atomic age

Not long before he died, Albert Einstein, whose genius had unlocked the door into the atomic age, wrote these two poignant sentences:

"Our world faces a crisis as yet unperceived by those possessing the power to make great decisions for good or evil. The unleashed power of the atom has changed everything save our modes of thinking, and thus we drift toward unparalleled catastrophe."

To change our modes of thinking is the first and infinitely difficult task.

We are living in a new physical environment in which our existence depends upon rapid adjustment to a host of unfamiliar factors as yet only dimly perceived. We are living in an age in which the nation-state has acquired undreamed of power and yet has become suddenly powerless. The sovereign right of a people to determine its own destiny has become a nostalgic illusion, while at the same time it has suddenly become possible for a single national government to destroy the entire human race. Peace has become indivisible. Prosperity will soon be as indivisible as peace. Yet national sovereignty remains a fetish and the majority of mankind goes on living in the illusions created by past centuries, not realizing that the time is fast approaching when the brotherhood of man must become a reality, or else man must perish.

We are living in a perilous period of transition in which it is apparently too soon for world government and too late for anything less.

On June 26, 1945, the signers of the charter of the United Nations affirmed their determination to save succeeding generations from the scourge of war. The only wars they knew were wars waged with what we now call conventional weapons. Less than a month later, their carefully drawn charter had become obsolete. What had been a scourge had become a threat of extinction. The powers given to the new world organization were wholly inadequate to save succeeding generations from suicidal conflict.

We are faced with the fact that the scientific and technological revolution of our time must be matched by a political revolution of equal magnitude and equal imagination. Nothing less will defuse the inhuman weapons which man has invented. Nothing less will save modern superman from destroying himself along with his enemies.

It is easy enough to state the answer in quite precise terms. The two revolutionary changes which must be brought about are the renunciation by all nations of the sovereign right to use force or the threat of force as an instrument of national policy; and the renunciation by all nations and peoples of the sovereign right to seek advantage for themselves at the expense of others. Stated in positive form, the nation-state system must be superseded by supranational universal law enforced by supranational authority.

But to state the answer in this way is like demanding of a 12-year-old boy whose parents have just been killed in an accident that he mature overnight and take charge of his younger brothers and sisters as well as of his father's business. There can be no universal world law until there is a universal concept of justice. There can be no world government until the world's peoples recognize that they are all members of a single world community with common aims and common interests.

The atomic age has come upon us too soon and too swiftly. Yet the fact remains that it has come and that we face its inescapable imperatives.

What Can We Do About It?

Broadly speaking, we can strive to the best of our limited ability in two directions: toward the abolition of national armaments; and toward worldwide cooperation in social and economic development, aimed at giving all the members of the human race a fair share in the benefits of the world's total productive capacity.

These are the two long-range aims toward which the policy of the United States and the policy of all enlightened nations must be directed. So to direct our national policy requires more than lip service; it requires an intense educational effort among ourselves, an effort which openly faces obstacles and opposition and which does not take refuge behind the pretense that only Communist intransigence prevents progress in the direction of ending the present precarious state of international anarchy.

Communist intransigence is a fact. Until it is overcome, there can be no worldwide economic cooperation, no world community and certainly no universal disarmament under world law. But what we must ask ourselves is this: If there were no hostile and uncooperative dictatorships in the world—if every other nation in the world were ready to disarm and to substitute fair rivalry for cutthroat competition, and cooperation for the ruthless exploitation of the weak by the strong, would we, the people of the United States, be ready and willing?

The answer might well be negative, chiefly because, being the wealthiest and most powerful among the nations, we think that we have more to lose by abandoning any part of our sovereign rights than any other nation.

The first step on the road toward enduring peace—a step in which every individual American can participate—is to educate ourselves to the point of recognizing that our own best interest demands that we join the other nations of the world in transferring to a greatly strengthened United Nations those sovereign rights which, when exercised by any one nation, affect the security and welfare of the peoples of other nations. Chief among these sovereign rights are the power to make war and the power to obstruct or interfere with the economic progress of other nations.

Once we have reached this reasoned conclusion, we shall begin to surmount the obstacles that stand in the way. Until we reach it, we shall continue to make only half-hearted and ineffective efforts to achieve the twin goals of disarmament and economic cooperation, using the exising obstacles as a rationalization for our own ambivalence.

Coexistence or No Existence

Looking at the world as it is today, we see roughly one-third of humanity living under regimes which are less concerned with abolishing war than with remaining aloof from a major conflict, if such a conflict should arise. The remainder of the human race is living under national governments which have alined themselves in two camps now locked in an arms race. The leaders on both sides know that there can be no such thing as victory in any future war, yet they seem to know of no better way to prevent that war than to prepare for it. Communists and anti-Communists alike are still dominated by the obsolete Roman precept: "If you want peace, prepare for war."

With the exception of such leaders as Nehru of India and U Nu of Burma, the uncommitted third of the human race is for the most part too weak, too poor, and too preoccupied with the struggle for existence to pay much attention to the danger which threatens it because of the power struggle between the Communist and anti-Communist orbits. Yet these uncommitted peoples are perhaps doing more toward the preservation of peace than the embattled rival power groups. Merely by remaining uncommitted to either side in the cold war, they are forcing both the Communist and the anti-Communist powers to compete for their allegiance. What little is being done in the world today in the direction of curing and preventing disease, reducing poverty and raising food production to keep pace with population pressures is largely the result of competitive wooing of the uncommitted third of humanity. Yet this constructive byproduct of the cold war is wholly inadequate to offset the danger to all of mankind inherent in that struggle.

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[3] Published in book form under the title Call to Greatness; Harper, 1954.

The two rival power groups are today coexisting in a precarious state of open hostility, with each side viewing the existence of the other as a threat to its survival. Each would like to exterminate the other. Each is restrained from attempting the other's annihilation by fear and a slender margin of reason over irrational impulse.

The immediate problem is how to prevent coexistence from ending in no existence. The first step is to change the nature of the struggle between the two hostile orbits so that coexistence will gradually become safer and more tolerable. The essence of this task lies in mobilizing the vast latent forces for peace which reside in human beings everywhere, including those peoples who now live under tyranny and oppression.

"Free World" Weakness and Its Cure

The present weakness of the so-called free world is that so large a part of it, having as yet no real stake in freedom, seeks change, while the leaders of the active anti-Communist coalition are industrialized nations with relatively high living standards more concerned with the preservation of the existing order than with promoting change and progress.

The greatest strength of the Communists is their identification in the minds of unhappy peoples with change—with any sort of change from an intolerable present. This makes their promises attractive even to those who half suspect them of being false. The Communists are showing people how to break with a hated past. They promise change, while we promise freedom to choose—a freedom which is meaningless to the illiterate and hungry poor. The Communists offer land, while we all too often support feudal rulers. The Communists pretend to support national independence, while we shore up the rickety remnants of the colonial past. Above all, no matter how false the promise, the Communists promise peace, while we urge rearmament and preparedness for defense in war.

The key to the establishment of enduring peace is the creation of conditions in which the majority of mankind will no longer be driven by despair to seek change by violence, in which the majority of mankind will be aware of and satisfied with steady, gradual progress and, hence, will have acquired a stake in preserving peace.

Our first task is to help create those conditions in that part of the world which is not now under Communist distatorships. The strength and solidarity of the anti-Communist coalition depend upon the rapid growth of a sense of cooperative progress toward common aims not only among the present members of the coalition but among the uncommitted peoples whose ultimate moral allegiance will determine the final balance of power. The way to create that sense of progress is through joint efforts in fighting hunger, poverty, disease and ignorance, through self-help and mutual help in developing natural resources, and through cooperation in freeing the exchange of goods and services from artificial restrictions imposed by national governments for reasons of national self-interest.

Our Own Potential Contribution

The United States has a great role to perform in laying this foundation of strength in the non-Communist world. The vast majority of the American people would be eager to follow leadership which recognized both the opportunity and the obligation. Yet, the sad truth is that, while the United States Government is spending billions upon armaments which can at best merely protract a precarious coexistence, it is spending only reluctant millions in laying the foundations of a safer coexistence which might eventually lead to enduring peace. Our Government says—and this has been true under both Democrats and Republicans—that, if the arms race could be halted, the United States would devote the resulting savings to fostering worldwide economic development. This is a noble promise. But starving people cannot eat promises. Nor are the Communists waiting for a disarmament agreement to be signed before they launch their own program of economic development.

Here the freshman group in the House of Representatives displayed a shrewd instinct for the crucial issues. Listen once more to its chief spokesman during the debate of March 16, 1955:

"We forget that the stakes of the game are the hearts and minds of the people in Asia, the Pacific, the Middle East, Africa, Europe, and Latin America who as yet remain outside the net of Communist power; who want to live in peace, to be the authors of their own history; who will respond to any leadership which raises the banner of hope that what they want, so desperately, can be theirs to have.

"We are not now raising that banner of hope. We seem bent on vetoing it * * * when we side with the colonial against the anti-colonial countries in the United Nations, we lose the respect of half the world struggling to be free. Our refusal last May to join the Special United Nations Fund for Economic Development (SUNFED) on the ground that we could not afford the 80 million annual cost until there was disarmament sounds thin to the world."

Supporting Congressman Reuss, Edith Green of Oregon, a former schoolteacher, said:

"If we cannot fight economic injustice and disease because we hate them as we hate communism, then let us fight them because healthy men and secure men make better friends of democracy than do desperate men. If we cannot be generous, then let us be prudent * * * To those who would say that we cannot maintain the level of our foreign aid because it is too expensive, I would suggest that they contemplate for a while the figure of the richest man in the graveyard."

Chapter 4. Food, fuel, and power

Hunger in the Midst of Plenty

One of the basic facts which we in this country tend to overlook is that different parts of the world are living in such different stages of economic development that one might actually say that they live in different centuries. Latin America, largely because of its feudal Iberian background, lags a century behind Canada and the United States. Except for Japan, most of Asia and the Middle East lags at least a century behind Latin America. Yet many of the peoples of these economically retarded countries have a background of culture older than our own.

Food, fuel, and water are the basic minimum essentials of the primitive economies in the backward areas. Even these are often in short supply, causing malnutrition, disease, and a vicious circle of poverty. In order to catch up to the 20th century in economic development, which most of the retarded areas now urgently desire to do, the additional essentials are technical knowledge, capital, access to a variety of raw materials, and the opportunity to exchange any surplus production for the needed products of other lands.

Let us begin with food, the most basic of all necessities, and consider the position of the United States in relation to the rest of the world.

More than half of the world's population is engaged in raising food. In the so-called underdeveloped areas 80 to 90 percent of the population works in the fields. Yet two-thirds of the world's inhabitants are undernourished and millions are constantly threatened by famine, while in a few highly developed nations, where only a small part of the population is engaged in agriculture, great surpluses of food accumulate for which there is no apparent use. Hunger and a sense of injustice arising out of starvation in the midst of plenty are among the major causes of revolutionary discontent.

Food Production Is Not the Main Problem

The problem of adequately feeding the growing population of the earth is not, as is commonly supposed, primarily a problem of production. Nor is hunger, as is commonly supposed, a result of overpopulation. China has a population density of 105 per square mile, India of 261. Both are almost constantly threatened with famine. Yes England and Holland, where food is plentiful, have a population density of 718 and 717, respectively.

The Malthusian specter that population growth would outstrip possible food production has again and again obsessed the minds of men, particularly at times when abnormal conditions have created an actual undersupply of foodstuffs. Great droughts and floods, exceptionally severe climatic changes and, above all, wars have in the course of history from time to time created food scarcities and aroused the fear that ultimately population growth would outrun the earth's capacity to nourish its inhabitants. The devastation and dislocations incident to the last great World War produced one such period.

Farmlands had been laid waste. Manpower had been drawn from the fields and factories into military service or arms production. The manufactuer of farm machinery and other necessities for agricultural production had been curtailed or abandoned. Seed was scarce and had deteriorated. Fertilizer was in short supply. Millions of human beings had been displaced. Ten million Germans alone were expelled from the agricultural East and driven into the rump of industrial West Germany. (These people had formerly produced not only their own food supply but enough of a surplus to feed, in all, about 25 percent of the total German population.) All this meant that, at the end of the war, there was an actual shortage of food, that there were fewer people producing food, and that, in spite of the mass slaughter of human beings, there were more mouths to feed than ever before.

In 1945, when the United Nations and its Food and Agriculture Organization (FAO) came into being, the great need was for increased food production. Not only the FAO but most national governments energetically addressed themselves to the problem. The success of these endeavors, viewed from the global point of view, was spectacular. The FAO reported that, in 1954, the world's food production increased by 3 percent, while the world's population grew by only 1½ percent,[4] and that, given peace, the prospects for 1955 and succeeding years were equally encouraging. This prognosis did not even take into account recent developments in atomic science and in chemistry which open up entirely new sources of food supply. Artture Virtanen, the noted Finnish chemist and Nobel prize winner, has expressed the opinion that, if we could fully apply existing knowledge, we could produce enough food for 4 billion as against the present world population of 2,400 million.

The Emergence of Useless Surpluses

But, while it is evident that food supply can keep pace with population growth for the foreseeable future, this encouraging fact does not solve the problem of hunger in the midst of plentiful supply. As early as 1945, the FAO noted the emergence of food surpluses in some parts of the world, while elsewhere millions were still undernourished or dying of starvation. Lord Boyd-Orr, the FAO's first chairman, proposed to attack the problem of food distribution by creating a World Food Board charged with the task of adjusting world food prices to a level at which the law of supply and demand would insure the equitable global distribution of surplus production. More recently his successor, Dr. Josue de Castro, proposed a World Famine Board. Both of these projects, as well as a number of plans to deal with surpluses by a system of international commodity agreements have failed of adoption.

In the winter of 1954–1955, with millions of people suffering from malnutrition in other parts of the world, the United States Government held $7 billion worth of food surpluses in warehouses. It held enough corn to fill a string of boxcars stretching from Miami to Seattle—enough wheat to give every man on earth 15 loaves of bread. By the end of 1955 the surpluses had risen to $8,700,000,000, and the cost of storage amounted to $20,000 an hour.

The reason for the accumulation of useless surpluses is that the majority of national governments have approached the food problem solely from the point of view of the producer, rather than from the point of view of the consumer.

The Forgotten Consumer

Practically all the governments of the major food-exporting countries now take a hand in fixing world food prices. In the interest of their agricultural producers, governments support farm prices by subsidy, by tariffs, by import quotas, by acreage reduction and by withholding surpluses from the market. The law of supply and demand has practically ceased to operate in these commodities. The fact that a huge surplus of wheat or potatoes or butter overhangs the market does not correspondingly reduce the price to the consumer. As a result of national policies which aim almost exclusively at supporting farm prices, more and more consumers are priced out of the market. This is true not only with respect to the overproduction of one part of the world as against the underconsumption of another; it is also true within some of the surplus-producing nations, notably the United States.

A study by the House Committee on Agriculture[5] showed that between 1951 and 1954 American farm prices fell by 20 percent. (They would, of course, have fallen much further but for the Government's farm price support program.) But, in the words of the committee report: "Almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail prices." In June 1954, the dairy farmer was receiving 10 percent less for milk and butterfat than in 1947–1949, but the consumer was paying 3 percent more. From 1948 to 1954, the farm price of wheat dropped 32 percent, but the price of a loaf of bread increased by 23 percent.

The House Committee on Agriculture found that out of every dollar spent for food by the American housewife only 44 cents went to the farmer, while processing, marketing, and transportation accounted for the remainder.

In 1953, 6 percent more milk was sold by American dairy farmers than in the previous year, yet dairy-farm income was $4 billion less. On the other hand, the 1953 profits of two of the largest processors—National Dairy Products Corp. and Borden's—more than doubled over 1952.

Failure of Producer-Oriented Policies

This farmer-consumer dilemma is almost a worldwide phenomenon. National governments, seeking to stimulate agricultural production, adopt various means for guaranteeing the farmers a stable price in order to protect them against the dangers of overproduction. The farmers then produce more than consumers can buy at the existing levels of prices and incomes, surpluses accumulate, governments buy the surpluses and warehouse them, while warehouse facilities suffice. When the surpluses become unmanageable, the governments destroy the food or degrade it so as to make it inedible. Brazil destroyed 75 million bags of coffee—a third of its production—in 11 years. The United States has plowed under potatoes and destroyed pigs.

In spite of all this costly and wasteful manipulation, the existence of the surpluses gradually depresses farm prices. The FAO reports that in recent years world farm prices have steadily declined. On the other hand, a study published by the International Labor Organization in August 1954 showed that in spite of falling farm prices 44 nations reported that food prices remained "remarkably stable."

The present Government policies fail in two directions. Within the surplus-food-producing countries they support overproduction without actually stabilizing farm incomes, since the resulting surpluses do, in time, depress farm prices. At the same time, the consumer pays for the price supports in two ways—through taxation to defray the cost of subsidies and through high prices which are more than doubled in the United States by the high cost of processing and distribution.

Present policies, and especially our own, fail to undertake those moves which alone could assure farmers of stable incomes—namely, those moves which would guide agricultural producers to adjust to changing demand and which would enable consumers who are now priced out of the market to become steady customers.

So far as our own domestic market is concerned, it is apparent that a part of the remedy at least should be sought in a reduction of the 56 cents in every food-buying dollar which now goes to processors and middlemen. A wider development of consumer cooperatives and a serious attack upon the monopolistic practices of the great food processors and manufacturers of farm machinery would go far in this direction. Basically, of course, the maintenance of full employment and social security is the best answer to domestic underconsumption. These questions lie beyond the scope of a reexamination of foreign economic policy, but the problem of dealing with food surpluses in the world market is so intimately related to domestic farm and food policy that some note must be taken here of our present farm price-support program.

Our Policy Unfair as Well as Ineffective

Our present farm policy not only falls far short of stabilizing the agricultural economy because it is producer-oriented; it is also wholly inequitable.

For the past 20 years, there has been an extraordinary growth of big-business agriculture. Since 1935, the number of farms operating 1,000 acres or more has increased by 37 percent, until now such farms comprise 494 million acres, or 42.6 percent of all farmland in the United States.

According to the most recent figures, 9 percent of the Nation's farmers now receive more than 50 percent of the price-support payments made by the American taxpayer. (Less than 2 percent of the Nation's farmers, operating the largest agricultural enterprises, receive over 25 percent of the Government subsidies!) This means that 91 percent of the Nation's agricultural producers—the real farmers—receive in the aggregate less than half of the price-support benefits. The remainder is actually a subsidy of big business in agriculture.

Paradoxically, in some of its more enlightened dealings with the outside world, the United States stands for "land reform"—for the breaking up of great feudal landed estates in countries seeking economic assistance. Yet at home, the American Government is pursuing a policy which promotes the squeezing out of the small farmer and places a premium upon the concentration of agricultural production in the hands of a few gigantic corporate enterprises. This inequitable and ineffective farm policy stimulates the depopulation of rural America and the even greater concentration in our overcrowded cities, each year adding displaced rural workers to the ever-growing number of those who seek industrial employment.

An interesting proposal for a revision of our farm policy has been put forward by Mr. E. G. Shinner, the retired head of a successful chain of meat markets.[6] Mr. Shinner proposes that we replace our present system of Government purchases of agricultural products with a system of direct subsidy payments to individual farmers. Under his plan the farmer would receive from the Government the difference between the free market price he obtains for his production and the parity price, but only on the first $7,000 of gross annual production, with a maximum subsidy of $2,000 per annum. The exact figures suggested are less important than the principle, so long as the change would effectively divert the benefits from big business in agriculture to the 91 percent of small farmers who need them.

The Need for Basic Revision

All this may seem a far cry from foreign economic policy. Actually it is not. Our domestic farm policy constitutes as great an obstacle to the development of an effective program of international cooperation as our outworn protective tariff. We, who preach free trade and free markets, have eliminated the free markets so far as our largest item of production is concerned. Our subsidies promote overproduction. If we give away wheat, we injure the economy of Canada. If we give away dairy products, we hurt the Netherlands and Denmark. While we struggle for export markets to absorb our manufacturers, our agricultural surpluses overhang the economies of our best customers.

Giving away food is, of course, a better way of disposing of surpluses than dumping milk into sewers, burning up coffee, plowing under wheat or blueing potatoes. Gifts or long-term loans of surplus food to countries threatened with famine or to disaster areas furnish helpful temporary relief, but gifts of food to countries in which there is a chronic food shortage serve a useful purpose only if combined with measures which increase employment and consumer purchasing power. One of the most promising possibilities to be explored is the use of surplus food as capital in a program of economic development. This can be more appropriately discussed in a later chapter.

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[4] The State of Food and Agriculture, 1954; Review and Outlook, published by FAO, 1954. See also FAO report issued in September 1955.

[5] Farm Prices and the Cost of Food; G. P. O., 1954.

[6] See April 11, 1955, special supplement of the New Leader.

An effective farm and food policy must aim not merely at increased production of food but at wider distribution at lower prices. To accomplish this purpose, it must discriminate in stimulating the production of only those foodstuffs for which there is a demand. It must take into consideration that with the more widespread knowledge of what constitutes a healthy diet, people are turning from cereals to animal and dairy products; that, for reasons of economy, consumers are turning from butter to margarine; that fear of lung cancer may reduce the consumption of tobacco—at least in the form of cigarettes; and that synthetic fibers are steadily reducing the demand for cotton.

The basic answer to hunger in the midst of plenty is to raise the purchasing power of the presently undernourished populations and to increase the efficiency of their own agricultural production. Before dealing with this broader subject it may be useful to note three specific actions which might be taken in the narrower field of food production and distribution.

One such action would be to foster international cooperation in working out commodity production agreements designed to increase production of the foodstuffs most needed—such as milk and animal products—and to decrease or limit production of foodstuffs—such as wheat and potatoes—for which there appears to be a declining demand.

A second action would be to increase our support for the excellent work already being done by FAO in stimulating production in the food-scarcity areas.

A third action—and one which we should undertake in any case for domestic reasons—would be the overhauling of our wasteful and inequitable program of farm-price supports. Three facts demonstrate the need for such revision:

1. Losses incurred by the United States Government in price-support operations during 1953, 1954, and 1955 exceeded total losses from such operations in the preceding 20 years.

2. In spite of these great expenditures, farm prices have dropped, during this 3-year period, by about 15 percent.

3. Farm surpluses in the hands of the Government have tripled in size since the end of 1952.

Surely, these questions of farm and food policy should be fully ventilated if we wish to develop a program of action designed to lay the foundations of enduring peace.

Fuel and Power

Fuel comes next after food in the importance of its bearing upon economic development. The three major sources of heat and power are coal, oil, and atomic energy.

Since coal presents no serious problem in foreign policy for the United States—although it does for Europe and other parts of the world—we shall confine ourselves here to a brief discussion of American policy with respect to oil and atomic energy.

The United States and the World's Supply of Oil

Oil is vital for the creation of heat and power for transport and especially for aviation. In wartime it has a strategic significance beyond almost any other single product.

In 1954, North America accounted for 48.6 percent of the world's production, Latin America for 18.5 percent, the Middle East for 19.4 percent, and the Soviet orbit for 10.3 percent with the remainder scattered.

North America consumes about 57 percent of the world's production. Western Europe 11 percent, the Communist orbit 9½ percent.

The chief exports of surplus production are Venezuela (37 percent of total world exports), Kuwait (21 percent), Saudi Arabia (16 percent), and Iraq (14 percent).

In addition to consuming its own tremendous production, the United States imports 16 percent of the total world imports.

The figures show the extent to which the United States dominates the world oil picture, but not nearly as clearly as the following facts:

Eight giant oil companies, five of them American, control the production, refining, and distribution of the non-Communist world's oil supply. These companies are: Standard Oil Co. (New Jersey), Standard Oil Company of California, the Texas Co., Socony Vacuum Oil Co., and Gulf Oil Co., along with Royal Dutch Shell, Anglo-Iranian (the British Petroleum Co.) and Compagnie Francaise des Petroles.

Each of these giant companies is a vertical combination embodying production, transportation, refining, and distribution. The way the great combines work together was demonstrated by Iran's failure to sell any appreciable amount of oil until its dispute with the Anglo-Iranian Co. was settled.

The world price of oil is to all intents and purposes fixed by the American companies in cooperation with American governmental authorities, notably the government of the State of Texas. Prices set by Government conservation action within the United States to maintain profits on high-cost production within the United States virtually determine world prices and have practically no relation to the much lower cost of production of oil in Venezuela and the Middle East.

Like world food prices, the price of oil bears no relation to demand and supply, but in this case Government intervention does not result in surpluses overhanging and eventually depressing the market. Production is carefully restricted in the interest of maintaining high profits.

American oil policy, like American farm policy, is shaped to serve the interests of the producers. The American consumer pays a large part of the price without being aware of any great hardship, but for the oil-hungry countries of Europe oil is the largest single item of import expense. For the underdeveloped countries which lack domestic sources of supply, the high cost of oil is a serious impediment to economic development.

The cost of exploring for oil and of bringing in production has, in the case of many underdeveloped countries, prevented or delayed the discovery and exploitation of existing oil deposits. Some of these countries have welcomed foreign capital, others—notably Brazil—have been afraid to permit foreign capital to enter. Usually, when the doors have been opened to foreign exploration, the result has been to increase the dominance of the giant companies. This has been the case in Venezuela and the Middle East. The usual arrangement is for a long-term concession to the oil companies and approximately 50 percent of their profits from the sale of crude oil to the country under whose soil the oil is found. This does not affect the companies' additional profits from refining, transportation, and distribution.

Due to the fixing of world prices with high-cost United States production as the basic determinant, the profit of the American companies in their low-cost foreign production has been very large. According to United States Government figures the profits of the American companies in the Persian Gulf area rose from $115 million in 1947 to $300 million in 1951. It has been estimated that the American profits on the sale of crude oil produced in Saudi Arabia alone amounted in 1952 to something like $425 million on a production of about 300 million barrels. This would represent a profit in the neighborhood of $1.40 per barrel or 500 percent.[7]

Protests Against American Policy

While Government influence has been exerted in favor of the oil producers, there has also been no Governmental action to protect the consumer's interests.

One nongovernmental approach to consumer protection, by pricing based on cost, was undertaken by the International Cooperative Movement. In 1947 the International Cooperative Alliance asked the United Nation's Economic and Social Council to consider creating a United Nations Petroleum Commission to "safeguard access to the resources on fair and equal terms to all buyers willing and able to pay the market price, also freedom to transport it on fair and equal terms to port refineries." The ICA said:

"Experience has proved that international rivalry over raw material resources, either on the part of predatory private monopolists or on the part of imperialistic governments, or both, lead to an unbalance in economic affairs, inevitable conflicts and the jeopardizing of peace, such as we have witnessed recently, for example, in the struggle for control of oil resources in the Middle East. Development of such natural resources by consumer-owned cooperatives will operate to checkmate monopolistic concentrations and tend to lead away from rather than toward war, conflicts over oil resources being an ever-present threat to world peace. With a view to implementing the Atlantic Declaration and safeguarding the supply of this vital raw material for all national households, the Sixteenth Congress of the International Cooperative Alliance emphasizes in the strongest terms the immediate need of placing control and administration of the oil resources of the world under an authority of the United Nations, and as a first step in that direction, the oil resources of the Middle East, by and with the consent of the States involved, these resources to be administered in such a way that cooperative organizations can be assured of receiving an equitable share."

The Economic and Social Council took no action other than to note the ICA proposal. The Cooperative Alliance's next move in the United Nations was to ask the ECOSOC to undertake a study of the world oil situation. This request, made in 1949 and repeated in following years, the ECOSOC refused to discuss.

The world cooperative movement is as yet not a large factor in the world's oil business and exerts little influence. The International Petroleum Cooperative Association's effort, in 1950, to come to an agreement with the Mossadegh Government in Iran for the operation of the Abadan refinery collapsed in the face of pressures exerted by the interested governments and oil concerns.

It is obvious that the conservation of oil resources and the widest possible use of oil production consistent with sound conservation are of global interest. It is equally obvious that the widest possible use cannot be made of the world's oil production unless prices are brought into some sort of relation to costs. A search for some effective method of protecting the consumer will inevitably be instituted if not by our Government then by the nations which have no production of their own. The nations of Western Europe, which have taken collective action to assure an equitable allocation of coal through the European Coal and Steel Community, are already restless.

The United Nations Economic Commission for Europe published a report in 1955, The Price of Oil in Western Europe, which has aroused considerable controversy. The report charged that the oil cartel was unfairly exploiting the European market by selling Near Eastern oil which cost 35 cents a barrel at $1.75, while at the same time using its political influence in the Near East to bar European groups from a share in the development of Near Eastern oil resources. The American oil corporations not only attempted to suppress this report but some oil interests have apparently started an anti-United Nations campaign, charging "Communist influence."

The Need for Revision

The conservative Wall Street Journal has warned that the practices of the oil companies are bringing disrepute upon American business, but the American Government has dropped the antitrust proceedings against them which were brought into the courts some years ago.

Oil may be a touchy subject in Washington these days, but the fact remains that our present policy of subservience to the international oil cartel casts doubt upon the sincerity of our professed belief in free competition as well as upon the sincerity of our Atlantic Charter promise of equal access to raw materials for all the world's peoplea.

Atomic Energy

All nations capable of mounting the effort are engaged in a race to develop the peaceful uses or nuclear energy. To date, these efforts concern the harnessing of energy derived from atomic fission, but the use of energy derived from the fusion of nuclei—the process used for making the hydrogen bomb—is already under careful study.

The United States Navy's atom-powered submarine *Nautilus*, which made its trial run in January, 1955, was the first example of atomic motive power. The United States is not yet producing electric power from atomic energy on a full-scale commercial basis. The first experimental plant, at Shippingport, Pa., will not be in operation until 1957, but private utility companies have projects for the construction of a number of large powerplants. One of these, with a capacity of 250,000 kilowatts, is to be completed by the Consolidated Edison Company of New York in 1960. The president of the General Dynamics Corp. has predicted that in the next 45 years 50 percent of all electric powerplants in the United States will draw their energy from nuclear reaction. Mr. F. K. McKune of General Electric estimates that atomic power can eventually be produced without Government subsidy at 6.7 mills per kilowatt hour. The average cost of power in the United States today is about 7.5 mills. The former chairman of the Federal Power Commission, Leland Olds, calculates that the Government, paying 2½ percent for its money, could cut the cost of atomic power to 4.2 mills.

The implication of large-scale atomic power production for power-poor countries is obvious.

The English Electric Co. has set the date for the completion of its full-scale Calder Hall plant for the end of 1956. This would put Britain considerably ahead of all the other non-Communist countries in the power-development race.

More than 30 nuclear reactors are now operating in the non-Communist countries and others are planned or being built. Canada and Belgium have projects for large powerplants.

The Soviet Union has had a small atomic powerplant in operation since June 1954, and showed motion pictures of the installation at the U. N. Scientific Conference in August 1955. China is said to be building a reactor with Soviet assistance. Some of the satellite countries are reported to be receiving Russian aid in building reactors.

Development of United States Policy

All the great industrial nations recognize the political importance of supplying atomic powerplants to the underdeveloped areas. Whichever nation is first in this field will greatly strengthen its prestige and influence. Conversely, the industrial nations are aware of the political repercussions of withholding cooperation in atomic development, especially from those countries which supply them with atomic raw material. Secretary Dulles warned in 1954:

"There is a growing tendency among the countries which supply the United States with atomic raw materials to turn to other countries advanced in atomic efforts for nuclear power information because they have been disappointed in our ability to give them significant help."

This statement was made some time after President Eisenhower had given the first great stimulus to international cooperation by his dramatic proposal of December 8, 1953, to the Assembly of the United Nations, asking for the creation of an international pool of fissionable materials to which all the great powers would contribute. The President expressed the hope that nations working together on the peaceful uses of atomic energy would be less inclined to work against each other in preparing for an atomic war.

While this proposal remained under somewhat desultory discussion, the American Government shifted to bilateral action, negotiating a number of agreements for the installation of research reactors with interested nations. However, the much more important matter of supplying power reactors made less headway, chiefly because the United States Atomic Energy Commission refused to declassify essential information. This remained true even after the U. N. Assembly passed a unanimous resolution on December 4, 1954, endorsing the establishment of an International Atomic Energy Agency and calling for an international scientific conference on the peaceful uses of atomic energy, especially its use for creating power.

A considerable number of leading atomic scientists in the United States made public statements pointing out the necessity for opening up the whole field of information relating to atomic energy. On June 19, 1955, Gordon Dean, former chairman of the Atomic Energy Commission, bluntly condemned the Commission's refusal to depart from its extreme policy of secrecy. Speaking at a dinner commemorating the 90th anniversary of the Nation, at which a number of notable speakers discussed "Atoms for Peace," Mr. Dean said:

"We are simply not implementing the President's 'atoms for peace' proposal. I submit that, if we do not soon change our policy and take the secrecy wraps completely off these power reactors, our pretention that we are spreading blessings will have a very hollow ring."

Mr. Dean attacked secrecy concerning nuclear power reactors as ill advised and unnecessary. He urged the Atomic Energy Commission to "declassify with one bold stroke all power reactor technology, face up to the fact that the Russians long ago perfected the bomb, face up to the fact that without such action we will make enemies out of three-quarters of the Western World whose security systems don't match ours, face up to the fact that what we are talking about here is nothing more than a new source of heat for power and that the world wants what comes from cheap power. Unless this is done," he predicted, "the initiative will be taken by England, France, and possibly Russia."

Progress at the U. N. Conference

The United Nations Conference of atomic scientists, held at Geneva in August 1955, marked a distinct turning point toward a freer exchange of information. The freedom with which the representatives of the three leaders in atomic development, the United States, Britain and the Soviet Union, disclosed their past experience and their plans for the future showed that it was now generally recognized that, if each country were to remain walled in by curtains of secrecy, each would have to wend its own tortuous way to success.

The most encouraging revelations at Geneva were those concerning the almost limitless sources of atomic fuel available to the world. It was shown not only that uranium could be extracted from a number of hitherto unsuspected sources, such as granite rock, but that methods had actually been developed by which "breeder reactors" would produce more fissionable material than they consumed. Many of the leading scientists confidently expressed the opinion that mankind had already come within sight of the day when atomic and solar energy would more than supply all needs for power in every part of the world. Some went so far as to predict that the harnessing of energy from fusion as well as fission would be only a matter of time.

The Geneva Conference of scientists served also to highlight the extent to which byproducts of atomic fission were already in widespread commercial use. A great number of papers dealt with the practical use of radioactive isotopes in medicine and in agriculture, of atomic tracers in studying the processes of nature and of atomic sources in certain industrial operations. Yet, inevitably, the discussion returned to the use of atomic energy as a source of power, with special emphasis upon its impact upon food production and fuel reserves.

United Nations experts predict a rise in the world's population from 2,400,000,000 to 4 billion by 1984. This increase will not only place a heavy burden on food production but will also create an unparalleled drain on conventional fuels. Even before the disclosure of new sources of fissionable material and the successs of "breeder reactors," it had been estimated that recoverable uranium and thorium reserves were 25 times greater than the known reserves of coal, gas, and oil combined. Moreover, while conventional fuels must be transported over long distances at great cost, the atomic fuel required to start a powerplant capable of supplying the needs of a town of 10,000 inhabitants can in the future probably be carried in a suitcase. Since power and water are the chief basic requirements for extensive agriculture, the probability that atomic energy may bring both to desert areas, opens up an entirely new prospect for many underdeveloped parts of the world.

Will We Hold Our Leadership?

Whether the United States will hold its position of leadership in the development of atomic energy for peaceful purposes, along with the far-reaching political implications of that leadership, will depend partly upon how its policy develops with respect to the exchange of information and perhaps to an even greater extent upon decisions which lie in the field of domestic policy.

Under a Republican administration, strong pressures have developed to "get the Government out of business"—especially out of the business of supplying or regulating the supply of power. The Tennessee Valley Authority has long been under attack by private utility interests and by conservative politicians who have denounced is as "creeping socialism." Plans for similar developments on the Columbia and Missouri Rivers have, for the time being at least, been sidetracked in favor of permitting private utilities to develop the most favorable projects for hydroelectric power expansion. The natural-gas producers have escaped from Government price control. So far, the trend with respect to atomic energy appears likewise to lie in the direction of giving private business interests a free hand, to the extent that this is deemed consistent with military security.

Should this trend develop into a fixed policy, it may seriously affect the position of the United States in the international field. Other countries, such as Great Britain—not to mention the Soviet Union—will be competing with governmental resources for leadership in supplying the underdeveloped areas with atomic installations. If the United States relies upon profit-seeking American private enterprise to meet this competition in the early stages, it may place itself under a severe handicap.

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[7] International Review Service, Rept. No. 19, April 27, 1955.

American leadership will also depend upon another factor; namely, the extent to which the American Government stands ready to supply the very substantial amounts of capital required for atomic energy installations.

Chapter 5. Know-how and capital

The Position of the United States

Next to food, fuel, and power, the most important needs of the economically retarded areas are technical knowledge, the ability to use it and capital. The emerging peoples are impatient to catch up to two industrial revolutions. They will accept help wherever they can obtain it without loss of self-respect.

The United States has been the leader of the 20th century technological revolution. With only 6 percent of the world's population, it produces 40 percent of the world's goods. Because it enjoys the world's greatest surplus of production over consumption, in spite of having the world's highest living standard, the United States has until now been able to accumulate savings (capital) faster than any other nation in the world. These factors should make our country the natural source of assistance for the retarded countries.

In addition, the United States, as the first colonial area to break away from European domination, should be the one Nation in the industrialized West to which the emerging peoples could confidently turn for guidance and help on the road to national independence.

To a very large extent, this natural affinity has been dissipated by three elements in our postwar policy:

Our obsession with the military containment of communism has caused us to be niggardly with economic aid not directly related to the building of an anti-Communist coalition.

The same obsession has caused us to depart from our traditional anticolonialism and to support the remnants of European colonialism in Asia and Africa.

Our arrested development in race relations has given us the appearance of believing more than any other nation except South Africa in white supremacy.

Taken together, these three elements have caused the emerging peoples to be wary of accepting even the limited aid we have offered.

Looking at the matter from the point of view of our own national interest, our hitherto peculiarly fortunate position is now challenged by three relatively new factors:

1. Our own natural resources have been rapidly diminishing in relation to the demands of our economy. Our expanding production is not only depleting the resources we possess, but the increasingly complicated nature of our economy is making us more and more dependent upon raw materials obtainable only from foreign countries.

2. The less privileged peoples of the earth—largely nonwhite—have awakened to the fact that the knowledge and the means exist by which their lives could be lifted out of the intolerable conditions to which they have long been accustomed. They are no longer willing to accept a position of inequality. They are no longer willing to be the suppliers of raw materials—to be the drawers of water and the hewers of wood for the Western World.

3. The Communist dictatorships have emerged as a new imperialist force, seeking to capture the allegiance of that part of humanity which is in open revolt against the past and the present.

The first two of these three factors alone dictate the course which we should follow in our own self-interest, if not for the sake of the moral convictions which are the foundations of our society. Our increasing dependence upon access to raw materials in all parts of the world and our need for expanding markets demand the adoption of a deliberate program of long-term foreign investment in the underdeveloped areas. Our best customers are industrialized nations such as Great Britain and Canada. Apart from these material considerations our professed belief in the equal rights of all men and in the dignity and perfectibility of the human individual should demand that we extend a helping hand to fellow men struggling to emerge from poverty and oppression.

The Communist Challenge

The challenge of the Communist dictators has actually created no new imperatives. It merely reinforces the dictates of American conscience and of intelligent American self-interest. But, beyond pressing us to do what we ought to in any case, the Communist challenge confronts us with a time limit; it faces us with the necessity of acting before continued inaction strips us of our power to act at all.

The Communist challenge is not merely a challenge of promises. If it consisted of nothing more than skillful propaganda, it would constitute no very serious threat to the gradual and relatively orderly solution of the world's problems. Nor does the greatest danger arise from the fact that Communist propaganda is backed by force or the threat of force. The real challenge lies elsewhere and in a field in which we have smugly considered ourselves supreme.

The primary obstacle to lifting the living standards of countries like India, Indonesia, Egypt, or Chile is the absence of capital. No nation can build schools and hospitals, train teachers, doctors and nurses, build roads, railways and canals, or create electric and atomic power developments without capital.

Capital can be derived only from three sources: from the exploitation of natural resources; from savings; and from foreign aid or investment. Since few natural resources can nowadays be exploited without expensive plant, machinery, and transport facilities, the underdeveloped countries can obtain capital only through their own savings or through foreign assistance.

Savings normally grow either out of the voluntary nonexpenditure of earnings by individuals and private enterprises or out of taxes collected by the government. In the past, there has been a third important source of capital formation; namely, the exploitation of colonial resources and the sweating of "native" labor by the colonial powers. This was how Europe drained vast sums of capital out of Asia, Africa, and the Near East, some of which later flowed into the United States and helped to build our own railroads and industries.

The material prosperity of the western world, including that of the United States, has been built up very largely out of developing for western benefit the resources of native peoples who lacked both the knowledge and the capital to develop them for themselves. If now the western peoples find themselves compelled, for the sake of their own continued prosperity, to reverse the flow of capital without seeking immediate direct profits, there is historical justice in their predicament.

Forced Savings

The advent of the modern dictatorships has introduced a new element into what might have been the natural evolution from colonial exploitation to cooperative development of the so-called underdeveloped areas. That new element consists of forced savings—savings that are not accumulated voluntarily by private individuals or business concerns nor voted, in the form of taxes, by the majority of free citizens. In the modern dictatorships the individual has nothing to say about how much of the national income shall be saved privately or through taxation. Capital formation and capital investment are in the hands of a governing clique employing the coercive powers of a police state. In a sense, the modern police state dictatorship exploits its own people much as the European powers and native feudal rulers exploited colonial populations.

As a rule, capital formation by forced savings in a totalitarian state is more rapid than capital formation through voluntary savings and taxation in a democracy.[8] India, for example, though it is trying to develop a system of taxation which will reach the rich and not impose too heavy a burden upon the poor, is able to accumulate only about 6 percent of its gross national income in public and private savings. In Russia, on the other hand, 20 percent of the gross national income is arbitrarily squeezed out of the people in forced savings and invested by the government in industrial or agricultural development and in the maintenance of a huge military establishment.

The Soviet Union has already progressed far enough with its own industrialization to be able to aid China in a similar process. As a result, China's economic development is in some respects progressing faster than that of India.[9] Already the Soviet Union is offering to put up steel plants in India and Indonesia. It is extending aid to Afghanistan. The time may not be far distant when it will actually be easier for the Communist dictatorships than for the Western powers to provide capital for the capital-starved uncommitted peoples who hold the ultimate balance between the Western democracies and the totalitarian regimes.

Our Present Policy Dissipates Our Potential

The United States alone among the Western powers has the ability voluntarily to create an annual surplus of savings sufficient to provide the seed-money needed by the uncommitted peoples. The United States alone could, without depriving its people of consumer goods or imposing too heavy a burden of taxation, meet the threatened competition of the Communist dictatorships. This is not to say that only the United States among the Western powers should contribute to a greatly enlarged program of economic cooperation. Other developed nations can and should in their own self-interest participate. Above all, the underdeveloped areas themselves can provide much of the labor and material required for their own development, but most of them cannot mobilize their own resources without an injection of foreign starting capital; and, unless the United States does its part, the other countries with some surplus of capital cannot provide enough to prime the pumps in the underdeveloped areas. This is why our refusal to cooperate in setting up a special United Nations Development Fund so aroused the freshman insurgents in Congress.

Time is not on our side. The Soviet Union's productive capacity is fast catching up to that of the United States. Our annual growth averages about 4 percent; Russia is increasing its annual production by about twice that figure.[10] Our annual growth consists to a great extent of increased production of consumer goods, which add to the

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[8] West Germany, from 1948 to 1955, has proved an exception because of exceptional circumstances.

[9] Chinese steel production rose from 200,000 metric tons in 1949 to 2,200,000 tons in 1954. Electric power rose from 4,300,000 kilowatt-hours in 1949 to 10,800,000 kilowatt-hours in 1954.

[10] Soviet statistics are based upon artificial prices and may, therefore, be misleading.

already high American living standard. Russia's forced savings go chiefly into steel plants, heavy industry and producer's goods. Our present advantage in offering aid to the uncommitted peoples will soon vanish, unless we use it.

Pleading poverty and promising increased aid only when we can apply savings from reduced military expenditures not only plays into Soviet hands but actually provides the Soviet Union with the best possible reason for blocking a reduction of armaments. The central theme of long-range Soviet policy is more than likely precisely this:

"Keep the United States sufficiently preoccupied with a possible military threat to prevent it from embarking upon any real program of worldwide economic development."

Our present policy is made to order for the Kremlin.

Technical Aid—Suggestions for Revision

In considering how our policy should be revised, let us discuss first technical assistance and then the provision of capital by public loans or grants and by private investment.

Technical advice and assistance to the retarded areas are currently being supplied in three ways: through the United Nations and its specialized agencies; through regional cooperative organizations, such as the Colombo plan of the British Commonwealth nations; and through bilateral efforts launched by the United States under President Truman's point 4 program.

The United States programs have been strinking and increasingly submerged in strategic considerations. The United Nations programs have been restricted by the unwillingness of the United States to assume its share of the cost of an expanded effort. The 83d Congress, elected in 1952, refused, in fact, to continue the American participation of $8 million a year and its successor, the 84th Congress, has so far approved only a 6 month's appropriation. This, considering the ridiculously small amount involved, is nothing less than a national disgrace.

There is already ample evidence to demonstrate how much can be accomplished even with limited means, especially in the field of disease control, nutrition, and in the care of mothers and infants. Anyone who doubts this should read the report of the British scientist, Ritchie Calder, on his journey through southeast Asia [11] or the reports issued by the United Nations agencies.

Apart from adopting a less parsimonious attitude, a new approach to technical assistance on the part of the United States might consider these changes in present policy:

(a) The substitution of multilateral cooperation through the United Nations, or through the regional organizations such as the Colombo Plan, for single-handed efforts such as the point 4 program. This is to be considered for a number of reasons.

It would save money. The American Technical Aid Administration duplicates to a certain extent the existing United Nations organizations. In any case, it has become a political stepchild subordinated to strategic considerations.

It would lead to better planning. The United Nations and its specialized agencies, composed as they are of experts from all parts of the world, are better qualified than a group of American experts sitting in Washington to assess the needs and to weigh the priorities in a global undertaking.

It would make for more effective execution. Experience has shown that most Asians would rather take advice and assistance from the United Nations than from the United States. The same thing is true of Africans, Arabs, and even some Latin Americans. This is not merely a matter of prejudice but of better natural understanding.

(b) A reduced reliance upon the use of American experts in the field. The reasons for this recommendation are similar to those cited in support of the preceding suggestions. It costs about $20,000 a year to keep an American point 4 expert in Asia. For this sum 2 or even 3 equally qualified Asians or Latin Americans could often be engaged. The notion that only North American technicians know how to plan and carry out technical programs has been exaggerated. The Indians, for example, are experienced in large-scale malaria control. The Japanese know more about increasing rice production on small farms than American farm experts accustomed to working large farms with machinery. The Indonesians have developed fish culture in flooded rice paddies, thus learning to raise protein food simultaneously with cereal.

(c) The divorce of the whole concept of technical assistance from political and military considerations. If it is deemed essential, for strategic reasons, to accelerate the development of certain areas, such programs—essentially political in nature—should not be permitted to intrude upon the planning or execution of a multilateral program of economic development. This divorce would be achieved automatically, to the extent that economic development efforts were channeled through the United Nations or through regional organizations.

President Eisenhower's recommendation to Congress, conveyed in his messages of January 1955, asked merely for the "carrying forward" of American participation in the existing programs. Even this was cut down by Congress. While requesting an appropriation to support the multilateral United Nations programs substantially at their present inadequate levels, the President declared that "the bilateral programs of the United States should be pressed vigorously," thus reemphasizing the tendency toward single-handed action.

Capital Assistance—Development of United States Policy

A few of the underdeveloped nations are sufficiently endowed with natural resources and with adequate labor to need little more than strictly technical assistance in developing their potential and thus acquiring a higher standard of living. In others, such as the feudal, oil-rich countries of the Middle East, the need is for social reform and technical assistance, rather than for capital. By far the greater number of the underdeveloped countries, however, require not only to be shown how to accomplish what they desire but to be aided with capital in the form of loans, outright grants, and long-term investment of foreign funds. To show them how to proceed and then to leave them without the means of proceeding is worse than ignoring their needs altogether.

The first approach to this problem was made at Bretton Woods in July 1944, when it was decided to create the International Bank for Reconstruction and Development. This institution, known as the World Bank, was authorized to grant loans to governments, or guaranteed by governments, deemed likely to create sufficient income to provide for repayment. The bank was authorized to obtain its loanable funds by selling its own obligations in the existing capital markets. Most of its outstanding bonds have been sold to American investors. The Import-Export Bank, an arm of the United States Treasury, was organized to make similar loans in the interest of promoting United States foreign trade.

While the work done by these two lending institutions has been useful and important, it has served to meet only a fraction of the need. This has been partly because the banks' available resources were limited, but even more because so few development projects could qualify under their requirements. Malaria control, for example, requires a capital outlay for insecticides, spray-guns and vehicles, but it produces no direct income. The same is true of flood control or the building of roads, harbors, schools, and hospitals. Such projects require outright grants in aid or long-term loans to governments with no positive assurance of repayment.

The United States Government has made a few grants in aid, such as $20 million given to India for DDT. But, so far as providing capital for the underdeveloped areas is concerned, the United States has undertaken no action remotely comparable to the generous assistance extended to the countries of Western Europe through the Marshall plan. It is true that, in 1947, Western Europe had to be saved from economic disaster and probable Communist subversion. It is also true that the West European problem was one of reconstruction rather than development, and that at that time Western Europe was the area through which maximum leverage could be exerted toward world recovery. But, once West European recovery had been almost miraculously achieved, the United States failed to follow up the initial success by undertaking similar efforts in Asia, the Middle East and Latin America.

It must also be noted that Marshall Plan aid Western Europe, while highly effective in stimulating production and employment, did not materially improve the maldistribution of income and purchasing power. The fact that Marshall aid was essentially producer-oriented diminished its impact upon the low-income groups. This is undoubtedly one reason for the continued strength of the Communist parties in France and Italy.

During the last 5 years, the American Government has been so preoccupied with the Communist threat of military aggression that it has diverted its thoughts and its resources from economic aid to military assistance. In so doing it has not only ignored the growing Communist threat of economic penetration but has alienated many of the uncommitted peoples by identifying itself with such symbols of the past as the Nationalist Government of China and French colonial rule in Viet-Nam.

It would not be correct to say that the American Government has given no thought to the capital needs of the underdeveloped areas. President Truman not only launched the point 4 program in 1949 but subsequently appointed 2 commissions to study the problem, the first headed by Gordon Gray and the second by Nelson Rockefeller.

The Rockefeller Commission recommended the establishment of an International Development Authority with an initial capital of $500 million, empowered to make long-term low-interest loans and grants in aid. It further recommended the creation of an International Finance Corporation with a capital of $100 million as an affiliate of the World Bank, empowered to participate in equity financing or in loans to private enterprises without the guarantee of national governments. The purpose of these recommendations was to create both a mechanism by which public funds might be made available to the governments of underdeveloped countries and a channel through which private investment in these countries might be stimulated.

Unfortunately, both of these projects ran into a political dead-end street. Not only the "economizers" in the American Congress but the United States Treasury looked askance at any further "giveaway programs." Having itself evolved the idea of an International Development Fund, the United States refused to subscribe its share when a majority of the members of the United Nations attempted to set up a special U. N. Fund for Economic Development

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[11] Men Against the Jungle, Unwin, 1954.

(SUNFED) with an initial capital of $250 million.[12]

Apart from stating that the United States could not presently afford to contribute its share of $80 million, the United States representatives expressed misgivings that the existence of such a fund would subject the United States to continual pressure from other nations. This pressure materialized, especially from Latin America at the Rio Conference of November 1954, even though the fund had not been created. So far, the United States Government has not changed its position with regard to SUNFED but, under Latin American pressure, has taken up once more the proposal for an International Finance Corporation. This institution, with a capital of only $100 million, can scarcely be expected to stimulate the flow of private capital into the underdeveloped areas unless the seed money is furnished through public funds.

Some of the major potential contributors to an International Development Fund—notably the United Kingdom, Canada, New Zealand, Switzerland, Sweden and West Germany—have supported the negative position of the United States. The Soviet Union has also so far opposed the creation of the fund. On the other hand, not only all the underdeveloped countries but an important group of potential contributors, including France, Denmark, Belgium, The Netherlands, Norway, Italy and Japan, has favored the creation of SUNFED with or without prior savings from disarmament. The Belgian Government's official position included this statement:

"The effect of American policy on the world economic and financial situation is, in fact, so great that, at least in the opinion of the Belgian Government, the fund would not be fully effective without American support. That is a question of fact."

There can be little doubt that, if the United States were to reverse its basic position, the United Kingdom, Canada, New Zealand, Sweden, Switzerland, and West Germany would follow suit, leaving the Soviet Union and its satellites as the sole objectors.

On July 13, 1955, on the eve of the four-power conference at Geneva, Premier Faure of France, launched a proposal for reducing military budgets and applying the resulting savings to economic development of the underdeveloped areas. The same idea had been proposed in 1950 by the late Senator Brien McMahon, of Connecticut, and again in 1953, by President Eisenhower.

In his message to Congress of January 10, 1955, however, President Eisenhower ignored the need for the investment of public funds to create the basis for private investment. Declaring that "the whole free world needs capital" and that "America is its largest source," the President stated that "the flow of capital abroad from our country must be stimulated and in such a manner that it results in investment largely by individuals and private enterprise rather than by government."

To stimulate the flow of private capital, the President recommended that Congress reduce taxation on business income from foreign subsidiaries or branches of American concerns to a rate 14 percent lower than the rate applicable to income from domestic sources. (This recommendation, upon which the 1st session of the 84th Congress failed to act, would no doubt be a boon to the oil and copper companies and to large concerns such as General Motors which operate branches in Europe and Canada, but it is hard to see how it would stimulate the industrialization of the underdeveloped areas.) In addition, the President proposed to explore the possibilities of negotiating tax treaties and other means of encouraging "a climate favorable to the private enterprise concept in investment"—a concept not shared by many of the countries seeking economic development. Finally, "as a further step to stimulate investment abroad," the President recommended and Congress approved United States membership in the proposed International Finance Corporation.

The Special U. N. Development Fund (SUNFED) was not mentioned.

Suggestions for Revision

If the United States is to extricate itself from its present negative and politically untenable position, two basic decisions will have to be reached.

1. The notion that the necessary capital can be supplied to the underdeveloped areas by self-liquidating bank loans and private equity investment must be abandoned. There are only a limited number of projects which could qualify for loans from the World Bank or from similarly organized regional lending institutions. As for private investment, the following figures are significant.

Since World War II private investment of capital within the United States has averaged about $46 billion a year. Total private American investment abroad during the entire post-war period has reached only about $10 billion, most of which represents oil expansion in South America and the Middle East or the local re-investment of profits earned in Canada or Western Europe by American corporations. Total private American investment in the underdeveloped areas during the post-war period outside of oil expansion, has been less than $1 billion—an average of about $100 million a year.

The reasons for this merger flow of private capital are abvious. Conditions in most of the underdeveloped areas are not such as to attract profit-seeking venture capital, especially at a time when the domestic market offers a wide choice of opportunities. The economic preconditions for private enterprise have not yet been created. The political conditions are often far from favorable, chiefly because the nations emerging into independence are suspicious of private foreign investment, having learned from past experience that it can lead to foreign political influence and control.

Both obstacles to the flow of private capital can be overcome by long-term, nonprofit-seeking loans, or grants of public funds administered through the United Nations or through regional organizations. Such loans or grants will create the economic conditions in which private investment will become attractive; at the same time they will remove suspicion and help to create a more favorable political climate.

2. The notion that the United States cannot afford to contribute substantially to an international fund out of which loans and grants would be made, unless and until savings can be realized from a reduction of armaments, must be recognized as dangerously false. It would be more nearly correct to say that the United States cannot afford not to make such contributions, with or without disarmament.

The highest estimate of the amount needed to raise incomes in the underdeveloped areas by 2 percent each year is about $10 billion per annum, of which the American share would be roughly $3½ billion. In all probability the actual figures would be considerably lower. The amounts involved for the American people during the initial stages would be less than they now spend annually on cosmetics. After the first few years the need for public funds would be reduced, not only by an increased flow of private capital but by the mobilization of the latent potential of the underdeveloped areas themselves.

Failure to reverse the present position of the American Government will not only play into the hands of the Communists but will tend more and more to isolate the United States from its friends.

If these two basic decisions are made, a number of important subsidiary problems remain to be solved.

The Need for a Multilateral Approach

The same reasoning which leads to the recommendation that most technical assistance be channeled through the United Nations applies even more to the provision of capital. Assessing the merits and relative priority of the various requests from national governments for loans and grants in aid requires not only competent practical judgments but political judgments as well. Were the United States, acting through bilateral negotiations, to attempt to make such judgments, it would frequently find itself in an invidious position.

For example, let us suppose that the government of country X applied for a large loan or grant to build harbor facilities and that it were known that the finances of this country were being administered by a corrupt regime. If the United States were to decline assistance, unless the government of country X undertook reforms or until a new government came into power, it would open itself up to severe criticism. The same thing would be true if the United States refused a loan or grant to finance irrigation in country Y, whose arable land was known to be held in large tracts by oppressive feudal landlords, on the ground that land reform would have to be undertaken before such a project could be considered.

If the living standards of the peoples of the underdeveloped countries are to be raised, this purpose can obviously not be accomplished through loans or grants to governments which are feudal, corrupt, inefficient, or unrepresentative of the interests of their people. Were the United States to set itself up as the sole judge of such politically explosive questions, it would justly be accused of interference in the internal affairs of other countries. If, on the other hand, such decisions were made by an international development authority representing the combined judgment of the participating nations, it would be far easier to apply rigorous standards.

The charter of the Development Authority might also provide for the possibility of making certain loans or grants to consumer or producer cooperatives which could qualify under carefully drawn eligibility requirements. The power to make such loans or grants might occasionally enable the Authority to extend aid to people living under a government which could not itself qualify for assistance.

The time factor is another reason for adopting the United Nations multilateral approach to supplying public funds to the underdeveloped areas. Economic development is a slow process at best. A nation cannot be transformed overnight from the colonial raw-material producing status to that of a self-supporting balanced economy. Commitments of capital, if they are to be effective, will have to be made on at least a 5-year basis in order that the beneficiary countries may be able to proceed according to an orderly and carefully planned program. It is far easier for the American Congress to agree to annual contributions to an International Development Fund than to appropriate separate amounts each year for individual countries and projects.

Food as Capital

The idea of using surplus food as capital has already been noted as one which should be thoroughly explored. This might greatly ease the strain upon food surplus producing capital contributors, especially the United States. The execution of the idea requires careful planning so that, concurrently with the sale by the recipient government of, let

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[12] See Report on Special U. N. Fund for Economic Development (SUNFED) by Raymond Scheyven; U. N. Assembly Official Record, 9th Session, Supplement No. 19.

us say, a grant of surplus wheat, unemployed workers or seasonally unemployed farmers would be put to work on development projects which require little or no capital. The proceeds of the sale of the wheat could then be used to pay the wages of the workers newly employed on dams, roads, or irrigation canals. Thus, development work would be paid for without strain upon the internal economy, purchasing power would be increased through increased employment, and food consumption would be raised.

The limited use of surplus food stocks as capital contributions to an International Development Fund could in this way narrow the existing gap between effective demand and adequate nutritional standards. The end result would be to provide seller countries with wider markets for the future as well as to raise living standards in the underdeveloped areas.

It goes without saying that this device can be used only where local conditions are favorable. If wheat is donated to a country where its consumption will lead to a reduction in the consumption of wheat from other sources or of rice or other foodstuffs, the plan will defeat itself. It can be used only where increased employment will simultaneously bring about increased food consumption.[13]

The Myopia of Business Leadership

Although the Truman administration was slow to recognize the vital importance of technical and capital assistance to the economically retarded areas and failed to match its belated pronouncements with adequate deeds, the Eisenhower administration has actually moved backwards in this area of foreign policy. Some elements within the administration, notably Mr. Harold Stassen, have made an effort to launch an adequate program for Asia. Others, among them President Eisenhower's brother, have tried to bring about more generous aid to Latin America. Secretary of the Treasury, George Humphrey, the "strong man" of the Eisenhower cabinet, seems, however, to have succeeded in blocking all such moves, partly because of his preoccupation with balancing the budget and partly because of his Hooveresque predilection for laissez-faire economics. Secretary of State Dulles, while at times rendering lip service to more liberal policies has, on the whole, evinced little interest in opposing his powerful Treasury colleague.

It is a curious fact that an administration dominated by big business[14] has seemed almost wholly unaware of one of the basic requirements of American prosperity. Our economy is geared not only to continuous expansion but to the annual production of something like 20 percent more goods than the American people can consume. At present, the surplus production necessary to maintain full employment is consumed by military expenditures. We are spending some $50 billion a year on the cold war. If peace were to "break out" tomorrow, the American economy would fall flat on its face, unless the surplus of production over consumption necessary to keep it going were immediately diverted into other channels.

Such rechanneling cannot be done overnight. If the cold war were suddenly to end, we should find ourselves paralyzed by a major depression long before plans could be devised to drain off our surplus production into a program of creative foreign aid and investment. Failure to develop such a program now—at the very least in pilot-plant form—means the creation of a national interest in not making peace.

Defense Secretary Charles Wilson once proclaimed: "What's good for General Motors is good for the United States." Leaving aside the question whether this or the reverse is more nearly correct, would it not be good for General Motors and all the other Government suppliers to be prepared for an instant switchover from war production to the manufacture of those types of motors, pumps, generators, powerplants, tractors, and earthmoving equipment so urgently needed to develop the underdeveloped parts of the world? Would it not be good for General Motors and our great industries to have done the preliminary research and engineering, and to be making some of these goods now, so as to be tooled up and ready to enter upon mass production for peace?

The men of big business have been so busy preparing for a war which they hope to avert that they seem to have neglected almost altogether planning for the peace which they hope to achieve.

Chapter 6. Trade among nations

The economically retarded nations, especially those recently freed from colonial dependency or seeking independence, would far rather pay for their own progress than achieve it through foreign assistance. To undertake their own development, most of the underdeveloped nations must, however, be able to buy abroad a variety of materials and products, from food and DDT to road-building machinery, automobiles and powerplants. This they can do only if they are able to earn a steady income in foreign exchange, particularly in American dollars, since the United States is the chief source of most of the things they need.

The underdeveloped countries can earn a steady flow of foreign exchange only if they can sell their own products—as yet mostly raw materials—at reasonably stable prices to the industrialized countries.

The easier we make it for the underdeveloped countries to sell to us and the less the fluctuations in our demand for what they have to sell, the less will be their need for loans and grants.

Because of our preponderant position in world trade, the recent statement of a foreign diplomat that "when the United States sneezes, the world gets pneumonia" was no great exaggeration. Any recession in the United States which affects its purchases of raw materials depresses the economies of the countries which supply those materials. Conversely, any inflationary boom which raises prices in the United States reduces the ability of other countries to buy American goods. In 1946, for example, the inflationary price rise in the United States reduced by one-third the purchasing power of the dollars we had agreed to loan Britain before the British could even lay their hands on the proceeds of the $3,500,000,000 loan.

Recognition of the tremendous impact of our economy upon the rest of the world presents an added reason for the responsible planning and execution of our domestic economic policies. A discussion of these policies would carry us too far afield from the subject of this study, but there are two aspects of our domestic affairs which require consideration. These are our methods of stockpiling raw materials and the devices we use to protect American producers against foreign competition.

Our Raw Materials Policy

The manner in which we handle our purchase of raw material is particularly important in our relations with Latin America. Five of the twenty Latin American Republics depend for more than 75 percent of their exports upon a single commodity. Six others depend upon a single commodity for over 55 percent. In another six, two commodities account for more than half of the exports. The whole area is at the mercy of price fluctuations in a relatively small number of commodities for which the United States supplies the largest demand.

On the other side of the picture, we are becoming more and more dependent upon Latin American raw materials. Out of 12 raw materials listed as strategic in World War II, 11 are abundantly available in Latin America. Chilean copper, Bolivian tin, Venezuelan oil, Latin American chromium, bauxite, antimony and wood are essential not only to our military security but to our peacetime prosperity; and, of course, without access, to Latin America, we should lack coffee, bananas, and cane sugar.

In the postwar period, Latin America has faced a triple problem of explosively rapid population increase, urbanization, and industrialization. Its growing populations require expanded production, enlarged markets and greater foreign trade. Its growing cities demand housing, transport, and sanitation. Its growing industries require not only capital but adaptation to domestic consumer needs and the procurement or manufacture of machinery. Its predominantly pastoral people need education and training in modern methods of agriculture and production. Much of this development has come suddenly, in part as the result of increased demand for Latin American raw materials generated by World War II. When the demand slackened, the major source of capital dried up. This led in most of the Latin American Republics to resort to the printing press and disastrous inflation.

Chile, for example, fell into a state of economic and political chaos because of the fall in the price of copper after the fighting ended in Korea. Living costs rose by one-third in 1953–54. Similarly, any drop in the price of tin disastrously affects Bolivia while Brazil's economy is at the mercy of coffee prices and Cuba depends upon a demand for sugar.

The United States does not alone control the world price of these commodities, but with respect to many of them, the United States is the largest buyer. When the United States goes on an abnormal buying spree, as it did in 1950 after the outbreak of the Korean war, it raises inflationary havoc in the raw material producing countries. When American purchases drop below normal because of an overaccumulation of stockpiles, sudden and painful deflation is the result.

A new approach to foreign economic policy should, therefore, include a serious effort to develop a more orderly program of raw material purchasing and to establish a system by which stockpiling would be increased in falling markets and decreased when world prices show an inflationary trend.

The Latin Americans must, of course, do their part in curbing inflation and in adopting more orderly plans for growth and development. If they need foreign capital, as most of the republics do, they must create a political climate which will attract investment. But the crying need of the whole area is for a reduction in the fluctuations of raw material prices. The absence of aid from us in that direction, creates continuing resentment and the fallacious assumption that Latin America's plight is all, or nearly all, the fault of the selfish "colossus of the North."

Liberalizing Import Restrictions

The second aspect of our foreign trade policies which demands attention is that of relaxing the restrictions which keep foreign goods out of our domestic market. This is primarily a matter of concern to the other industrialized nations but will, in time, affect our relations with more and more other countries as industrialization progresses. At present, the most acute problems relate to Western Europe and Japan.

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[13] See Report issued by FAO in May, 1955, on pilot-plant experiments conducted in India.

[14] In the early days of the Eisenhower administration, Secretary of the Interior Douglas McKay declared: "We are here in the saddle as an administration representing business and industry."

Generous American aid extended under the Marshall plan made it possible for the West European countries to restore their productive capacity and even to increase it over prewar levels, but most of them continue to be plagued by a "dollar shortage" which prevents them from reaching complete independence of continuing American subsidy. The chief reason for this "dollar shortage" (at present concealed by American military assistance grants) is that the West European countries find it difficult to dispose of their production in foreign markets where they can earn dollars. This is due partly to cold-war trade restrictions but even more to the inaccessibility of the American market.

Similarly, American aid has enabled Japan to rebuild its industrial capacity but Japan remains and will remain dependent upon American subsidy in one form or another until it can earn the foreign exchange to pay for its needed imports.

The extent to which military security actually demands restriction of trade with the Sino-Soviet orbit is a political question. From the strictly economic point of view, it is doubtful whether the anti-communist coalition gains more than it loses through the present state of economic warfare.

The United States suffers less directly than its European allies from the ban on trade with the Sino-Soviet orbit, but, in the final analysis, the United States foots a large part of the bill in the form of subsidies to the market-hungry countries of Western Europe. In the case of Germany and Japan—two countries of crucial importance in maintaining a balance of power—it seems very doubtful whether the ban on trade with the Communist orbit can in the long run be maintained. Our present policy urgently requires cool-headed reexamination.

Apart from the needs of other countries, it is a truism that we cannot hope to maintain, much less expand our present level of exports unless we are willing to increase our imports; and that a substantial drop in our exports would bring on a serious recession.

The most recent study of our superannuated protective tariff structure by the Commission on Foreign Economic Policy (Randall Commission) appointed by President Eisenhower, while not as far-reaching as earlier studies undertaken by the Truman administration, showed the urgent need for reducing American import restrictions and for simplifying and clarifying customs procedures. The Eisenhower administration, though endorsing most of the findings of the Randall Commission, has not been very successful in inducing Congress to enact the necessary legislation.

The struggle centered about a renewal of the Reciprocal Trade Agreements Act of 1934, and participation in the General Agreement on Tariffs and Trade (GATT) entered into by the United States and thirty-odd other nations in 1947. President Eisenhower sought and finally obtained a 3-year extension of the Reciprocal Trade Agreements Act, though not without accepting certain protectionist amendments inspired chiefly by the oil industry and the textile interests.

Under the act of 1934, Presidents Roosevelt and Truman entered into a large number of bilateral treaties which, in exchange for reciprocal benefits, gradually reduced the prohibitive rates imposed by the Smoot-Hawley Tariff Act of 1930. In 1947, these individual bilateral agreements were replaced by the multilateral General Agreement on Tariffs and Trade which provided for further reciprocal tariff reductions.

The multilateral general agreement (GATT) differed from the previous bilateral agreements in that a tariff concession made to any country, and extended to all others under the most favored nation clause, was no longer granted to others for nothing, but only in return for a reciprocal concession. This provision eliminated a feature of the original legislation which had been criticized by the protectionist spokesmen.

President Eisenhower asked for a 3-year extension of the Trade Agreements Act, which would authorize, subject to the present peril and escape clause provision":

1. Reductions, through multilateral and reciprocal negotiations, of tariff rates on selected commodities by not more than 5 per cent per year for 3 years.

2. Reductions, through multilateral and reciprocal negotiations, of any tariff rates in excess of 50 per cent to that level over a 3-year period; and

3. Reduction, by not more than one-half over a 3-year period, of tariff rates in effect on January 1, 1945, on articles which are not now being imported or which are being imported only in negligible quantities.

The President's message included no request for authorization to exchange tariff reductions for a reduction of import quotas or other restrictions. It contained no reference to a modification of our own quotas and restrictive devices except a recommendation to simplify further United States Customs procedures and administration.

The President observed that "programs designed to promote the prosperity of agriculture should be consistent with our foreign economic program" and that "we must take due account of the effect of any agricultural program on our foreign economic relations to assure that it contributes to the development of healthy, expanding foreign markets over the years." Beyond this, there was no reference to the growing problem of food surpluses resulting from the existing policies and no recognition that these policies were, in fact, wholly inconsistent with a program of liberalizing world trade and stimulating economic development

The White House ignored a number of excellent suggestions for liberalizing amendments put forward by the Committee for Economic Development, a conservative nonpartisan organization of business and educational leaders. The report of this committee, isued in November 1954, recommended a 5- instead of 3-year extension of the Reciprocal Trade Agreements Act and the exchange of tariff reductions for liberalizing concessions of various nature, such as the reduction of import quotas. It recommended that the withholding of tariff-rate reduction under the peril-point provision, or its withdrawal as the result of escape-clause proceedings, should ordinarily be temporary and not permanent, making it clear that the purpose of these provisions is to prevent any reduction of domestic output. All these recommendations were rejected by the President.

On the other hand, the President accepted without much of a fight a number of Senate amendments which opened glaring loopholes in the program. One such amendment allowed an industry to ask for escape-clause relief if any one of its products, rather than its whole business, was being injured by foreign competition. Another permitted any industry which considered itself essential to the national defense to ask for relief. Both clauses are permissive and call for no mandatory action by the President. Whether or not these amendments wreck the program will depend upon how the White House reacts to the flood of appeals which are sure to result.

The indications in this respect are not promising. President Eisenhower sanctioned a 50-percent increase in the tariff on Swiss watches while the debate in Congress over the extension of the Reciprocal Trade Treaties Act was still in progress. After its passage, in August 1955, the President approved a similar 50-percent rise in the tariff on bicycles. In the same month, the United States Government for the second time rejected the bid of a British concern for the supplying of generators to the Chief Joseph Dam project in favor of the higher bid of American contractors. These actions occasioned strong European protest, especially from Switzerland, the Netherlands, and Great Britain, where it was pointed out that the President's actions seemed to be in sharp contradiction to his professed interest in freeing international trade from artificial restrictions.

The Defense Department's reason for rejecting the British generator bid was that it was necessary to give the work to American contractors who had plants in the Pittsburgh area where there was unemployment. The London Times commented as follows:

> It (the decision) is made at a time when the numbers of persons employed in the United States has reached a higher figure than ever. If unemployment, even localized, can be deemed an appropriate argument for special protection now, it is hard to imagine the occasion on which it will be inappropriate.

Conclusion as to Foreign Economic Policy

Summing up the five elements of economic policy discussed (food, fuel, technical aid, capital investment and international trade) it is apparent that our present course of action leaves much to be desired, both from the point of view of national self-interest and building toward a world community and enduring peace. Much of our present policy is based upon obsolete conceptions of the national interest, much of it upon dangerously false notions of economy which lead first to pennypinching and, ultimately, to unnecessary great expenditures. Some of its worst features are not the result of deliberate decisions, but simply the product of pressures exerted upon a complacent government by well-heeled special-interest lobbies.

Taken as a whole, the field of foreign economic policy presents almost limitless opportunities for improvement, if we, the people, are prepared to back representatives in Washington who are neither hopelessly committed to outworn concepts nor subservient to vested-interest pressure groups.

Chapter 7. Colonialism—The challenge of Bandung

We come now to the political aspects of building toward lasting peace.

The Asian-African Conference held at the Indonesian resort town of Bandung in the latter part of April 1955, marked a milestone in the development of the formerly dependent peoples. Here, for the first time, the future of Asia and Africa was discussed without the presence of a single Western Power. Of the 29 nations represented, 2—the People's Republic of China and North Vietnam—belonged to the Communist orbit. Turkey, Iraq, Pakistan, Thailand, and the Philippine Republic were allied to the West. The remainder, led by India, Burma, and Indonesia, represented the bloc of uncommitted peoples.

Western diplomats, particularly the American State Department, anticipated that the Bandung Conference would provide a sounding board for Communist and neutralist anti-American propaganda. The fact that Nationalist China was not invited, while Chou En-lai, the Premier of the Chinese People's Republic, was scheduled to be one of the principal figures, caused Washington to view the whole affair with a hostile and distrustful eye. Actually, the result was quite different from what had been expected.

The Conference concerned itself less with the differences which existed between its Communist and anti-Communist participants than with exploring the interests common to the Asian and African peoples as a whole. Colonialism and racial discrimination came in for more bitter attacks than communism or militant anticommunism. Somewhat surprisingly, Sir John Kotelawara, prime minister of neutralist Ceylon, launched an attack upon communism as a new form of colonial imperialism more bitter than any of the speeches made by the representatives of nations allied to the West. In the face of this and other attacks, Chou En-lai maintained a conciliatory attitude throughout, refraining from throwing into the discussion the explosive question of Formosa and even using the Conference as a sounding-board for an offer to settle outstanding differences with the United States by direct negotiation.

We shall deal presently with the relations between Washington and the Peking government. The basic challenge of Bandung with which we are concerned here was the assertion by the peoples there represented of their determination to be masters of their own destiny. Translated into a message to the United States, this challenge might have read something like this:

"If you want our friendship and respect, respect us and trust us as equals.

"If you believe in your own Declaration of Independence, help those of us who, like you, have achieved freedom from foreign rule to catch up to the industrial revolutions which have passed us by and to free our people from hunger, poverty and pestilence. But, above all, help those of us who are still under colonial rule to win our freedom, instead of supporting the colonial powers in their stubborn effort to hold on to what is left of their empires."

The challenge to take a stand with respect to colonialism is one which we shall ignore at our peril. Already, our intervention in the internal affairs of China and our support of benighted French colonialism in Indo-China have cost us dear. Our wiser policy with respect to Indonesia was adopted when it was already too late to win us the friendship of the Indonesians. We, who led the way in freeing Asians from foreign rule, have in recent years come to be regarded as the chief defenders of the colonial past.

The mistakes of the past cannot be undone, but while we have missed the bus in Asia, there are other areas where we can still redeem ourselves. Africa is approaching the condition in which Asia found itself at the conclusion of World War II. Unlike the situation in Asia, communism plays little if any part in the growing independence movements among the 100 million dependent people of Africa, but the Asian revolution has fired the imagination and the hopes of the inhabitants of the Dark Continent.

The Problem of French Colonialism

Our problem is primarily one of our relations with France. In Anglo-American relations, the colonial question causes no very serious complications since British policy is deliberately oriented toward the gradual conversion of a colonial empire into a commonwealth of independent nations. French colonialism, on the other hand, presents a very real problem, especially in North Africa.

The most serious situation probably exists in Morocco, although plenty of trouble is also brewing in Tunisia and Algeria. Let us consider Morocco as a laboratory case.

The present Sultanate is the remnant of the great Sherifian Moorish empire which at one time included most of North Africa and Spain. Its people have a proud history. One of the earliest commercial treaties which Franklin, Jefferson, and John Adams were able to negotiate for the struggling confederation of the American colonies, before the United States became a Nation, was the treaty signed with the friendly Sultan of Morocco in 1787. One of George Washington's first acts as President was to write a formal letter of grateful acknowledgement, to "The Emperor of Morocco, His Majesty Sidi Mohammed Ben Abdellah," (sic) whom he addressed as "Great and Magnanimous Friend." This was the great-great-great-great grandfather of the Sultan whom the French deposed and exiled to Madagascar in 1953.

The former Empire of Morocco is now divided into three protectorates. The enclave of Tangier is under international protection; a small strip of coast is under Spanish influence; and the remainder is a French protectorate established after the Algeciras Conference of 1911, in which President Theodore Roosevelt acted as mediator.

The population of French Morocco is roughly 9,000,000, of which 350,000 are French and other European settlers. This European minority manages, controls, and ruthlessly exploits the Moorish majority. During their 40 years of occupation, the French have made many physical investments and improvements, but their development schemes have been designed exclusively for their own benefit. They have built an economy based upon discrimination, in which the Europeans own the best land, most of the mines, and practically all the industries. The Moors are the serfs, living in slums, and performing menial labor. Wage scales are, with few exceptions, openly discriminatory. There are only about 2 dozen primary schools for the entire Moorish population. Child labor is viciously exploited. Education, like every other sort of privilege is reserved for the French. In the words of Justice William O. Douglas, written after a visit to North Africa, "The French have fastened a milking machine on Morocco for their own benefit." [15]

In 1950, Sultan Sidi Mohammed V proposed some mild and long overdue reforms. He did not seek to expel the French; in fact, he proposed to guarantee them against expropriation. He demanded an educational program, a free press, freedom of assembly and freely elected representative government, leading eventually to independence. He asserted the right of Moorish labor to form trade unions.

The French broke with the Sultan over these moderate demands, using force and terror to repress a strike and to maintain their police-state rule. The Istiqlal nationalist party was outlawed and many of its leaders jailed. In 1953, Marshal Juin, appointed as resident-general to suppress the growing revolt, arranged a coup d'etat with the help of Thami El Glaoui, the powerful Berber pasha of Marrakesh. The Sultan was deposed and sent into exile; his unpopular cousin, Moulay Mohammed ben Arafa, was installed in his place. From then on, relations between the Moors and the French went from bad to worse, leading eventually to the bloody disorders of August 1955. The new Sultan agreed to "reforms" which were purely nominal and served merely to increase the spirit of revolt. New "popular assemblies" were, for example, created in which the French minority was given the right to elect half the members. The French continued to control the bureaucracy and the police, backed by ever greater military forces. Probably the only reason why the French colonies refrained from demanding the establishment of complete French sovereignty was that this would have subjected their profits to French taxation.

From Morocco, the spirit of revolt spread to Algeria and Tunisia. Algeria is not a protectorate but a part of metropolitan France. The 8 million Algeria Moslems are theoretically "French citizens," but of the 30 representatives Algeria sends to the National Assembly in Paris, 15 are elected by the French settlers. So also in the logal Algerian assembly, half the delegates are elected by the colons. The law establishes "equality" but one Frenchman's vote is equal to that of eight Moslems. Like the Istigial in Morocco, the Algerian MTDL [16] and the Tunisian Neo-Destour were outlawed. A French army of some 200,000 soldiers, equipped with tanks and artillery held down the three nationalist movements. French North Africa became another Indochina in the making.

None of the postwar French Governments made any serious effort to deal with this explosive situation until Pierre Mendes-France came into office in May, 1954. Many political leaders publicly condemned the deposition of the Sultan of Morocco. The majority of the French people have been as unsympathetic toward their government's north African policy as they weretoward its policy in Indo-China. Yet, the power of the colons, of the business and financial interests allied to them, and of their political lobby has been such that no French Government could see its way clear to break with the past.

In 1954, with Tunisia momentarily the focus of rebellion, Mendes-France moved to grant the protectorate autonomy within the French Union. Even this moderate proposal infuriated the colons. One of the key figures in the parliamentary intrigue which brought about the fall of Mendes-France was a former premier whose constituency lies in Algeria. Edgar Faure, succeeding Mendes-France, eventually managed to put through Tunisian autonomy, but by this time—April 1955—all of French North Africa was seething with revolt and demanding independence. When, after months of bloody incidents in Morocco, Faure finally moved to depose the unpopular Moulay ben Arafa and to reach a compromise, the colon lobby succeeded in so watering down the proposal as to make it once more an offer of "too little too late."

United States Policy as to North Africa

American policy in North Africa—like American policy in Indochina—has been dominated by strategic considerations arising out of the cold war. El Glaoui is an old favorite in the Pentagon because of his assistance to the invasion of 1942. Five of our most important bases are in Morocco. Hence the view that "this is no time to fool around with any political compromises which might weaken our French ally or endanger the safety of our United States Air Force bases."

The fact is that even on these grounds our policy has made no sense. Had we exercised our influence in the direction of a political settlement in Indochina before it was too late, instead of urging the hard-pressed French to continue their obsolete policy of seeking to suppress revolt by military force, France would not, for 8 long years, have been drained of its best military manpower. The present French policy in North Africa has already necessitated the transfer of several French divisions from NATO to Algeria and Morocco.

If we were to exert only a fraction of the pressure which we have not hesitated to employ in order to prsuade the French to agree to German rearmament, we could still probably help France to prevent north Africa from becoming another Vietnam.

Our bases in Morocco—whatever may be their rapidly diminishing value in this age of guided missiles—are far more seriously threatened by the present trend of events than they would be by Morocco's regaining its right to self-government. The present trend leads only to a vicious circle of more and more determined revolt and more and more uncompromising suppression by force and terror.

This, however, is only one aspect of the question. Even if our present policy made sense from the military point of view, it would still be disastrously wrong from the point of view of meeting the challenge of Bandung. One third of the world's population is asking us:

"Where do you stand on the question of colonialism?"

If we wish to win the moral allegiance of Asia, Africa and the Arab world, we had better ask ourselves that question.

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[15] Look, October 19, 1954.

[16] Movement for the Triumph of Democratic Liberties.

Other Aspects of Colonialism

The colonial problem is, of course, broader and more complicated than it might appear from this brief consideration of French North Africa. For example:

The discovery of uranium in the Belgian Congo and in Portuguese Africa suddenly gave these colonial possessions a strategic significance which, rightly or wrongly, overshadows all other aspects of colonial policy and tends to work against the realization of native aspirations to self-government and independence.

The case of Cyprus illustrates both the complexities of strategic colonialism and the problem of dual citizenship. The Greek claim to Cyprus does not rest upon past Greek ownership but upon the fact that four-fifths of the island's population is Greek. The British reject self-determination by plebiscite on the grounds that the islanders have no legal right to change overlords. The Turks want the island to remain a British colony because of its large Turkish minority. Back of all this is the fact that Cyprus, Malta, and Gibraltar are the keys to Britain's weakened defense position in the Mediterranean, and beyond strategic considerations, the Cypriotes' claim to self-determination would, if granted, set a dangerous precedent. For, if the Cypriotes are held to be entitled to joint Cyprus to Greece, the Chinese in Malaya might raise a similar demand to join China. Meanwhile, the dispute over Cyprus threatens to disrups the Greco-Turkish alliance which forms the southeastern cornerstone of NATO.

Finally, the fact that some of the colonial peoples are actually far from ready for self-government, let alone independence, stands as a very real obstacle in the way of any sudden and dramatic end to all colonialism. The U. N. Charter clearly looks forward, however, to the abolition of colonialism. The United Nations itself is responsible for the development of 11 trust territories toward self-government or independence as may be appropriate to the particular circumstances of each territory and its people and the freely expressed wishes of the people concerned." The nations appointed as administering authorities are asked to report progress each year.

In addition, all United Nations members have pledged themselves to render to the United Nations an annual accounting of their stewardship of their non-self-governing possessions. Since these reports are discussed and voted upon by the General Assembly, they serve the important purpose of focusing world attention upon the problem and upon the amount of progress being made toward its solution. However imperfect the United Nations machinery in this respect, the fact remains that the United Nations was given the task of liquidating the colonial pattern[17] and that world opinion has been mobilized toward its accomplishment.

The Weak Position of the United States

Unfortunately, the voting record of the United States in the United Nations looks more like that of a colonial power than like that of the Nation which has freed the Philippines and given self-government to Puerto Rico.

On July 2, 1955, Senator Walter F. George, Chairman of the Senate Foreign Relations Committee, commented upon this problem in a preface to a staff paper on colonialism. Calling for a great and continuous effort on the part of the colonial powers to prepare the dependent territories for self-government, Senator George declared that independence must be granted as soon as peoples are able to protect their own freedom and to govern themselves. The administering nations must, he said, help them to develop those capacities.

The Senator conceded that the policies followed by the United States "too often * * * have seemed to put the United States on the side of colonialism" but added: "Despite the fact that throughout many of the dependent areas of the world there is a tendency to associate the United States with the policies of colonial powers, the action of this nation in giving independence to the Republic of the Philippines is good evidence of the sincerity of our desire to advance the cause of human freedom everywhere."

Unhappily, this good evidence applies to our attitude of 1934 but scarcely certifies our present desire to advance the cause of human freedom.

One of the most important realities in the present-day world is that, as Sir John Kotelawara pointed out at Bandung, Sino-Soviet communism is indeed a new form of colonialism. So long as we support an older form of the same evil, we shall not be able to exploit what is perhaps the greatest weakness of our enemies.

Chapter 8. The United States, the United Nations and disarmament

Ambivalence Toward World Organization

The relationship of the United States to supranational world organization and control of armaments reflects a long-standing inner conflict between isolationism and world-mindedness. No nation has done more than the United States to create world organization. No nation has been more reluctant to participate in it.

At the conclusion of World War I, it was an American President who took the initiative in founding the League of Nations only to be repudiated by his own people. Again, toward the conclusion of the second great world conflict, the initiative for the founding of the United Nations emanated from Washington. It was Secretary of State Cordell Hull who, in 1943, flew to Moscow and obtained Marshal Stalin's agreement to participate in a new world organization to preserve peace. The drafting of the United Nations Charter took place at Dumbarton Oaks under American leadership. Yet so strong was President Roosevelt's fear that the American people might once more repudiate a proposal put before the world by their own leadership that the Charter was shaped as much from the point of view of assuming approval by the United States Senate as from the point of view of creating a world organization actually capable of "saving future generations from the scourge of war."

The antithesis between American leadership toward creating a world organization and American reluctance to participate in it reflects an inner contradiction which dates back to the earliest days of the Republic. Thomas Jefferson was the author of a Declaration of Independence which enunciated the principles of a philosophy applicable to "all men everywhere"; yet he asserted no less forcefully than George Washington or John Adams the belief that the United States should avoid foreign entanglements. Since the birth of the Nation, United States foreign policy has reflected the opposite extremes of idealistic universalism and pragmatic self-sufficiency.

Franklin D. Roosevelt was a less idealistic universalist than Woodrow Wilson. His worldmindedness was tempered by cautious appraisal of the limits of the attainable. Where Wilson overestimated, Roosevelt probably underestimated the extent to which the American people might have been induced to abdicate sovereign rights and assume world responsibility. Where Wilson stubbornly refused to consider modifications of his League Covenant in order to make it acceptable to the United States Senate, Roosevelt preferred to weaken the United Nations Charter rather than run the slightest risk of repudiation. The result was the creation of a world organization readily acceptable to the United States Senate and to the American people but not nearly strong enough to be able to enforce peace.

The American people agreed to enter the United Nations in the widespread belief that, if they did so, they would be assured of enduring peace. When peace failed to materialize, they were bitterly disappointed. Those who did not blame Russia blamed the United Nations. And those who saddled the Soviet Union with all the blame were ready to write off the United Nations because Russia "had destroyed its usefulness." Few Americans gave the matter enough serious thought to realize that, in putting their faith in the United Nations as constituted at San Francisco they made the mistake of expecting a toy engine to pull a full-size passenger train. Even when the invention of atomic weapons wholly altered the nature of war and vastly increased the discrepancy between the assignment and the powers given to the United Nations, few Americans attributed its inadequacy to this cause. On the whole, disappointment created an inclination to write off, ignore, or withdraw from the world organization rather than a determination to strengthen it.

This tendency was reflected in the course pursued by the American Government. In the postwar period, a succession of American Secretaries of State issued declarations asserting that support of the United Nations must be the cornerstone of American policy. Yet, with few exceptions, the major actions of the United States in the field of foreign affairs were undertaken unilaterally or at least outside of the United Nations. This was due in part to the fact that the United Nations was not charged with making but only with preserving the peace; and that many of the postwar problems were peacemaking problems (e. g. Germany) for which the responsibility rested upon the great-power Council of Foreign Ministers.

This limitation upon the jurisdiction of the United Nations does not, however, account for such unilateral American actions as the intervention in Greece, Turkey and China, nor for the failure to channel economic assistance through the United Nations. These actions can be explained only on the ground of dissatisfaction with or lack of confidence in the United Nations machinery, or else on the ground of impatience with consultative processes and an inclination to "go it alone."

Russian obstructionism and abuse of the Security Council veto have, to be sure, provided a rationalization for taking action outside of the United Nations, especially when time has been of the essence. Russian intransigence might, however, just as readily have stimulated a demand for charter revision. It is significant that, apart from Secretary of State Acheson's initiative in proposing and putting through the "Uniting for Peace Resolution" after the experience gained in the Korean intervention, no such demand for strengthening the United Nations has developed as the result of Communist obstruction. The trend has been in the opposite direction, toward unilateral action or toward regional defense organizations permitted by the United Nations Charter but scarcely expected by its founders to replace the United Nations as the chief instrument of preserving peace. One might sum up the official United States Government attitude toward the United Nations in something like the following paraphrase:

"Soviet obstruction makes it impossible to use the United Nations as more than a forum for discussion. Therefore, other means must be used to prevent aggression. There is no use in discussing a strengthening of the United Nations because the Communists would veto any strengthening Charter amendments that might be put forward."

This somewhat defeatist attitude almost certainly does not derive solely from discouragement; it derives at least as much from a reluctance to subordinate American foreign policy to external influence. The widespread support of the Bricker amendment, the coercive tendencies in legislation such as the Battle Act and the overt attacks upon the United Nations and UNESCO by patrioteering groups provide clear evidence that an important segment of American public opinion resents any outside interference in American pursuit of American objectives. Were this superpatriotism to become dominant in determining United States foreign policy, it would logically result either in a retreat into neo-isolationism (Fortress America) or in a reluctant but nevertheless ruthless American imperialism (The American Century). As it is, the influence of the isolationist imperialists has been sufficiently strong to give American policy overtones of arrogance and a tendency toward coercion rather than cooperation.

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[17] See XI and XII in the charter's declaration of non-self-governing territories.

Parallel to the trend toward writing off the United Nations, there has developed a contradictory trend toward attempting to convert it into an anti-Communist coalition. The outstanding manifestation of this tendency has been the American attitude toward the admission of Red China and of the European Soviet satellites which, because they had participated in World War II on the side of Germany, did not become original members of the United Nations. This refusal to admit additional Communist nations to membership has been matched by Soviet refusal to admit additional non-Communist members. Both sides have apparently forgotten that the United Nations was created as a universal organization, and that it can fulfill its function only if its membership includes all nations, irrespective of their systems of government.[18]

The Influence of John Foster Dulles

The attitude of Secretary of State Dulles toward the United Nations, which is obviously an important factor in determining the present policy of the United States, can be traced back to the year before the world organization was founded. Mr. Dulles began, in 1944, to represent the Republican Party—more accurately, Governor Thomas E. Dewey—in the inner councils of the Department of State. In that year, he commented as follows upon the draft of the United Nations Charter just formulated at the Dumbarton Oaks Conference:

"The plan to impose peace presupposes a political unity of the great powers which has rarely occurred and which, if it prevails, will itself assure peace. While the Security Council can be useful as a forum where controversial matters are discussed and where public opinion may focus its pressures, the force proposals are little more than scenery."

This was a sharp challenge to President Roosevelt's concept of peace enforcement by the great powers and his declaration that the Security Council "must have the power to act quickly and decisively to keep the peace by force is necessary" and "must be endowed in advance * * * with authority to act.'

Mr. Dulles correctly foresaw that the wartime coalition would not last and that the idea of peace enforcement based upon the assumption of great power cooperation was an illusion. From the conviction that "the teeth" in the proposed charter would not bite, Mr. Dulles did not, however, draw the conclusion that a better way must be devised to give the new world organization the power to enforce peace. He concluded, on the contrary, that the new world organization should be toothless and that peace enforcement should be left to regional military organizations. Thus, in 1947, Mr. Dulles, then a member of the United States Delegation to the United Nations, recalled his disagreement with President Roosevelt and wrote with smug satisfaction:

"It has not discouraged us to discover that there would not be an indefinitely continuing war alliance to impose peace by force, for we did not believe in that. On the contrary, we redoubled our efforts to make the United Nations a moral mechanism."

In his later book,[19] Mr. Dulles declared that he personally drafted article 51 of the United Nations Charter in 1945 at San Francisco, in consultation with the late Senator Vandenberg and Mr. Nelson Rockefeller. (This is the article which permits regional military alliances and under which the United States has sponsored the Organization of American States, the North Atlantic Treaty Organization, the Southeast Asia Treaty Organization, etc.) Mr. Dulles relates in his book how he conceived of the United Nations as a "town meeting of the world" while laboring to develop regional military alliances "within the Charter but outside the veto."

As for the Security Council veto, commonly attributed to Soviet insistence, Mr. Dulles makes it clear that he and the Republicans with whom he worked at San Francisco were convinced that the United States must insist upon the right to veto any enforcement action involving the use of American troops.

Mr. Dulles' actions and pronouncements as Secretary of State supply no indication that his attitude toward the United Nations or toward peace enforcement has changed. His negative attitude toward Charter revision in 1956, is wholly consistent with his earlier work as one of the drafters of the Charter. There has been no indication that President Eisenhower differs from his Secretary of State. The present attitude of our Government is to "leave well enough alone" and not "rock the boat." This is all very well except that the United Nations boat is already rocking and will continue to rock dangerously until the basic question as to its reason for existence is decided; namely, whether it is ultimately to be strengthened into an effective organ for the preservation of peace or to remain merely a "town meeting of the world."

At this moment of history, what we do about the future of the United Nations is less important than what we set as our ultimate aim. It is evident that, even if we wished greatly to increase the powers of the world organization, there is not much that we could do about it at the present time. But it makea a vast difference whether we clarify our ultimate aim or continue to wander in the fog of our own ambivalence, rendering lip-service to supranational peace enforcement while playing the old-fashioned game of balance-of-power politics. This is nowhere more painfully apparent than in our present efforts to achieve disarmament.

The Disarmament Delusion

On November 15, 1945, the governments of the United States, Great Britain and Canada proposed the establishment of a United Nations Commission to study methods of controlling the newly invented atomic weapons and to promote the peaceful use of atomic energy. The Soviet Union, France, and China joined in sponsoring the resolution which the General Assembly adopted on January 24, 1946, creating the Atomic Energy Commission.

At the commission's first meeting, in June 1946, the Baruch plan—subsequently adopted by the United Nations and renamed the United Nations plan—was proposed by the United States. This plan, rejected by the Soviet bloc, called for the establishment of an international control authority, within the framework of the United Nations Security Council, which would own, operate, and manage all atomic fuel facilities from mine to finished product. In addition, the authority would conduct continuous inspection of all phases of production of fissionable materials, have the sole and exclusive right to carry on atomic weapons tests and promote the peacetime benefits of atomic energy. National relinquishment of atomic power would proceed in stages, the last of which would be the destruction of all bomb stockpiles.

Five days after the Baruch plan was introduced, the Soviet Union proposed a convention to prohibit the production and use of atomic weapons and to order the prompt destruction of existing bomb stocks. Then and later, the United States ruled out immediate and total prohibition of nuclear weapons on grounds that the West, in the face of Russia's greater strength of land forces, would, without the atom bomb, be left defenseless.

The U. S. S. R. objected to the Baruch plan's provisions for continuous—as opposed to periodic—inspection, as well as to international ownership and management of mines and factories, contending that to vest these powers in the United Nations would violate national sovereignty.

The positions of the East and West remained static through 3 years of Atomic Energy Commission meetings. Meanwhile, Russia succeeded in breaking the American monopoly.

A Commission for Coventional Armaments was set up by the United Nations in February 1947, but accomplished nothing. The present Disarmament Commission emerged in January 1952, when the General Assembly combined the two stalemated commissions into a single body.

When disarmament talks in the Commission remained at a standstill, the General Assembly suggested on November 18, 1953, that the five big atomic powers (U. K., United States, France, U. S. S. R., and Canada) meet as a subcommittee to negotiate a disarmament agreement. The subcommittee met in London in May and June 1954, and produced a compromise, prepared by the United Kingdom and France, declaring that nuclear weapons would not be used except in defense against aggression. What would constitute aggression was left for later definition. This Anglo-French plan projected a 3- (instead of 5-) stage prohibition of bombs (first a ban on use, then on manufacture, then on stockpiles). It proposed to reduce the frequency and freedom of international inspection as envisaged under the Baruch plan and proposed to give the international control organ managerial powers, but not ownership status.

The United States delegate at the London meetings gave his approval to the English-French proposal; the Soviet delegate did not.

When the full Disarmament Commission met in September 1954, it had before it two proposals.

The Anglo-French plan projected a three-stage program:

1. Establishment and effective introduction of a control organ; freezing of troops, conventional weapons and military budgets at December 31, 1953, levels; prohibition of use of weapons of mass destruction except for defense against aggression.

2. Strengthening of control, reduction of troops and conventional weapons by half the difference between the levels previously fixed and future levels mutually agreed upon; prohibition of manufacture of weapons of mass destruction.

3. Reduction of the second half of the existing troops and conventional weapons; prohibition of possession of weapons of mass

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[18] The Soviet Union has vetoed Austria, Ceylon, Finland, Ireland, Italy, Japan, Jordan, the Republic of Korea, Nepal and Portugal. The Western Powers have excluded Albania, Bulgaria, Hungary, Rumania, the Mongolian People's Republic, and the Chinese People's Republic.

[19] War or Peace, Macmillan, 1950.

destruction and transformation to peaceful use of accumulated stocks of fissionable materials.

The second proposal before the Commission was a United States project for a United Nations Disarmament and Atomic Development Authority, empowered to organize and conduct field inspections and aerial surveys to verify information, to report installations and to determine whether all installations and facilities had been disclosed, to station personnel permanently in countries to ensure continuous verification and to take emergency action upon discovery of violations or infractions.

"Emergency Action" was stated to mean—in this order—calling upon the offending state to remedy the violation within a reasonable time, suspending the supply of nuclear materials to the offending state, closing down plants using nuclear materials and reporting the violation to the Security Council, General Assembly and all states.

On September 30, 1951, Andrei Vishinsky announced to the General Assembly that his country accepted as a basis for discussion the plan submitted by France and Britain. On October 9, the Soviet delegate introduced a draft resolution proposing that the arms reduction contemplated under the Franco-British plan be undertaken in 2 stages instead of 3. The Soviet resolution provided that the control organ should be given supervisory and inspection powers but that enforcement should be left to the Security Council. The United States objected to this on the grounds that enforcement should not be subject to the veto.

In the course of the debate, from October 11 to 27, positions which had been frozen since 1947 began to thaw. Previously, the Soviet Union had always insisted that a categorical banning of atomic and thermonuclear bombs must be the first step in any disarmament agreement. By 1954, having acquired a considerable stock of such weapons, the Soviet Union was prepared to accept the American demand that conventional and atomic disarmament should proceed simultaneously.

The Anglo-French plan provided a middle ground between the previous extreme United States and U. S. S. R. positions. According to the plan, as accepted by both sides, prohibition of nuclear weapons would come in three stages, each with a simultaneous reduction of conventional arms. The use of atomic and nuclear bombs would be banned first. Bans would then be instituted on the manufacture of bombs, and finally on the possession of nuclear raw material which could be put to destructive purposes.

The Anglo-French plan did not, however, resolve two other major points on which differences remained acute. One of these was over veto power. This major disagreement came to the surface in considering which United Nations organ should control a disarmament convention and what power that organ should have. The other important point of difference lay in the choice of a method for reducing armed forces. The Soviet Union favored percentage cuts, which would mean that its army would remain the largest. The western coalition advocated reduction to numerical ceilings, which would equalize landpower between the two blocs.

The differing points of view on these two questions were not held as rigidly as in previous years. The debate culminated in the first unanimously sponsored resolution since 1946, charging the subcommittee with the task of carrying forward the negotiations.

The new and better climate surrounding the disarmament talks was no doubt influenced by the fact that the United States and Russia had reached a point where each presented a threat of total desruction to the other. The worldwide fear of further experimentation with weapons which might spread fatal radioactivity had, moreover, created pressure for disarmament on the part of the less heavily armed nations. And, finally, the emergence of China, as a great military power allied to Russia put pressure upon the United States, while the threatened rearming of Germany and Japan put pressure upon the Soviet Union.

In a memorandum submitted to Mr. Harold E. Stassen shortly after his appointment—in March 1955—as Secretary of Peace, the writer made the following observations concerning the disarmament negotiations:

"While it is reassuring to note the more constructive turn taken by the United Nations disarmament negotiations in 1954, it is also necessary to emphasize that these negotiations contain a grave element of danger. The current discussions concerning inspection and enforcement machinery have so far avoided rather than faced the real issue. The debate has centered upon three major issues:

"1. The number of stages by which national armaments are to be reduced;

"2. Whether successive reductions are to be made on a percentage basis or to fixed numerical ceilings; and

"3. Whether the United Nations Security Council (where the veto prevails) or some other United Nations organ (where the majority prevails) is to be endowed with the inspection and enforcement powers.

"Assuming that agreement were reached on each of these three points, the basic question would still remain unanswered. That question is: Can there be effective enforcement through 'collective action'?

"Another way of putting this question is:

"Can partial or complete disarmament of the nation-states be enforced by an agency which has no military power of its own and which must rely upon the willingness of national governments to use their military power in a collective effort to restrain or suppress aggression?"

Surely, all past experience, especially that of the League of Nations from 1931 to 1939, suggests that this question must be answered in the negative. The aggressive designs of Japan, Germany, and Italy could have been halted on any number of occasions, beginning with the Japanese invasion of Manchuria in 1931, if the majority of peace-loving nations had been willing to act in concert. The Axis aggressions in Asia and in Europe were not halted, because neither the United States nor the majority of the League members were willing to risk war over Manchuria, Ethiopia, the Rhineland, Austria, or Czechoslovakia.

The United Nations intervention in Korea provides no support for the efficacy of collective security, because there could have been no collective action in Korea but for two fortuitous circumstances. The aggression happened to take place in an area where the United States had immediately available air, land, and naval forces, which it was willing to employ, if necessary, alone. The Security Council of the United Nations happened to be able to support American intervention because Russia failed, through its boycott of the Council, to exercise the veto.

It is true that the subsequent enactment of the uniting-for-peace resolution has given the Assembly the power to act, if the Security Council fails to suppress aggression. But even had that power existed in June 1950, it is almost certain that the United Nations would either have failed to act or else would have acted too late, had it not been for American willingness to act with or without United Nations support. Had the Communists accomplished the conquest of South Korea—and their failure to do so was only a matter of days—the United Nations would have been as dead as the League of Nations.

Moreover, the long-run value of the informal charter amendment of 1950 is extremely doubtful. The idea was attractive to the United States at a time when it could count upon the support of a clear majority of the United Nations members. It has become less attractive in a period in which American policy does not always command clear majority support, as, for example, in the dispute over Quemoy and Matsu or even in the matter of defending Formosa. In any case, the device does not go to the root of the problem of enforcement. Neither the Security Council nor the Assembly can enforce peace so long as the United Nations must rely for enforcement power upon the sovereign nation-states.

The evidence strongly suggests that there can be no such thing as "collective security" unless that term is redefined. There can be no such thing as security against aggression through a multilateral treaty obligating all soverign nation-states to come to the aid of a victim of aggression. History clearly shows that such a treaty may be successfully invoked against a relatively weak aggressor but that, if aggression is committed by one or more of the major powers, the majority of national governments will simply fail to carry out their treaty obligations.

The fact is that "collective security" is possible only if all the nations agree to disarm and collectively to pay for an armed policeman to enforce the agreement.

"The danger lurking in the current disarmament discussions is that they do not contemplate an enforcement agency standing above the nation-states and possessing military power of its own. If the Russians (and Chinese) were suddenly to agree to our own proposals, the result would be nothing more than another multilateral treaty between fully sovereign nation-states. For the United States to disarm in reliance upon such a treaty would be foolhardy in the extreme."

On May 10, 1955, after several months of secret negotiations at London, the Russians suddenly announced a new disarmament proposal which actually did go a long way toward meeting the Western position. The outstanding feature of this proposal was that it accepted the Western idea of reducing conventional forces to numerical ceilings. This removed 1 of the 2 major points of disagreement, leaving in dispute only the questions of inspection and enforcement.[20]

The Soviet disarmament proposal agreed that conventional forces should be reduced to 1,000,000–1,500,000 for the United States, the U. S. S. R. and the Chinese People's Republic, 650,000 for Great Britain and France, and 150,000–200,000 for other countries. It was not immediately realized that "other countries" included Germany and Japan. These reductions were to be accomplished within 2 years; when they were 75 percent completed, the use of atomic and thermonuclear weapons, as well as their manufacture was to be prohibited. The proposal provided for somewhat more in the way of inspection than the Russians had previously been willing to permit, agreeing that international officials should have unimpeded access to ports, railway junctions, airports and other "objects of control," so as to facilitate the detection of any breech

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[20] The Russian proposal was embodied in a lengthy press release which raised a considerable number of questions not directly related to the previous discussions, such as the withdrawal of forces from bases on foreign soil, cessation of "war propaganda" and withdrawal "except for limited contingents" of occupation troops from Germany. The release was intimately linked to the reversal of Soviet policy as to Yugoslavia and Austria and the pressure thereby exerted toward the neutralization of Germany. The full text of the proposal was published by the New York Times, on May 11, 1955.

of the agreement and thus to make impossible a surprise attack by either side.

The Western Powers countered the Russian move with a release of their side of the supposedly secret negotiations. This revealed that the Western Powers had apparently abandoned their previously held position demanding "foolproof enforcement" of any disarmament agreement, and that they were about to agree to a ban on nuclear weapons without effective enforcement, provided that conventional forces should first have been reduced to the numerical ceilings now accepted by the Russians. Instead of enforceable disarmament they seemed to be contemplating a system of inspection designed merely to give early warning of violation or preparation for attack. The gap had apparently narrowed to a debate over what kind and degree of inspection would assure the working of such a warning system. There was no longer any question of providing effective machinery to deal with violations.

In an article published in a number of leading newspapers across the country in the first week of July, the writer ventured to call public attention to what seemed to him a grave danger overhanging the imminent Big Four meeting at Geneva. The following is a partial quotation:

"As we approach the Geneva meeting of the four chiefs of state, a serious danger looms upon the horizon.

"In recent months, realization of the utter futility of war has grown on both sides of the Iron Curtain, producing a probably sincere desire on both sides to reduce the burden of armaments and the likelihood of conflict. The danger lies in the possibility that we may either fall for a delusive disarmament agreement or be forced into an invidious and ultimately disastrous position. By conceding that 'conventional forces' should be reduced to fixed numerical ceilings as suggested by the West, instead of by percentage cuts, the Russians have removed 1 of the 2 major obseacles to agreement, leaving in debate only the question of enforcement. Were the Russians now to accept our own proposals with regard to inspection and enforcement, we should face the choice of repudiating our own proposal or signing an agreement which might well deliver the whole world to Communist blackmail and eventual domination.

"This danger has arisen because, in reaching for disarmament, we have ignored two vitally important facts: (1) that, as General MacArthur once pointed out, there can be no effective limitation or control of armaments short of their total abolition; and (2) that there can be no reliable enforcement except by a supranational agency possessing adequate power of its own.

"Bluntly stated, there can be no reliable disarmament agreement without the establishment of a world government of defined and limited powers. The fact is that we are living in a time when it is too soon for world government and too late for anything less. It is too soon for world government not only because of Communist intrasigence but because we ourselves are not ready to surrender to a supranational agency the exclusive right to maintain and, if necessary, to use armed force. This being the case, we court disaster when we seek to achieve the blessings of disarmament without paying the price in the necessary sacrifice of national sovereignty."[21]

Retreat From Disarmament

President Eisenhower's remarks on July 18, 1955, the opening day of the summit meeting at Geneva, revealed that the President himself had sanctioned the basic shift in the Western position. This became even more evident through the dramatic offer made by the President to Marshal Bulganin toward the close of the conference. The proposal to exchange "blueprints of military installations" and to extend mutual permission for aerial reconnaissance and photography was manifestly aimed at two objectives: to convince the Soviet leaders and the world at large of American sincerity; and to provide each side with maximum assurance against surprise attack by the other.

As a dramatic demonstration of the peaceful intent of the United States, the President's move scored a spectacular success. From the point of view of making progress toward peace through disarmament, the proposal seemed to foreshadow a retreat rather than an advance since it implied the abandonment of the idea of abolishing armaments in favor of a system of inspection designed merely to prevent the use of armaments for surprise attack. That such was indeed the case became apparent from Mr. Stassen's restatement of the American position before the U. N. subcommittee in September 1955. These discussions showed that, while the Russians wanted disarmament without effective inspection, the United States sought the establishment of a system of inspection without disarmament.

Mr. Walter Lippmann hailed this new American approach as more realistic and more likely to achieve results, declaring that an agreement for mutual inspection would mean the establishment of "a great and new principle," namely, "the right of the nations to be forewarned if any nation is preparing to strike." "It would no longer," said Mr. Lippmann, "be the sovereign right of a nation to arm in secret."[22]

But did this new approach actually mean the establishment of "a great and new principle?" In the League of Nations Covenant, in the Kellogg-Briand Pact and, again, in the United Nations Charter, the nations renounced this sovereign right to strike at all, unless attacked. This verbal renunciation has not prevented unprovoked aggression.

From a practical point of view, former Air Force Secretary Thomas K. Finletter has pointed out[23] that no mere system of inspection can with any certainty give warning of a sneak attack. Such a system might, he said, detect the building of guided missiles and long-range bombers but "it would not warn us of a Russian or Chinese move to use their existing commercial aircraft to carry their concealed A- and H-bombs in a sneak attack," since commercial aircraft "of a short time from now * * * will be capable of mounting a sneak atomic blast at any part of the free world." This led him to the conclusion that "an enforced system will need effective international control, which will probably connote international operation, of all civilian aircraft over a certain size."

Mr. Finletter was speaking here of the kind of system required to enforce disarmament. The warning applies with even greater cogency to a system of inspection designed merely to prevent the use of armaments for surprise attack.

In the same article, Mr. Finletter stated three conclusions almost identical with those contained in the writer's unpublished memorandum to Mr. Stassen:

1. "Collective security cannot enforce a disarmament treaty."

2. "Inspection is not enforcement; it is the fire alarm, not the fire department."

3. "Effective enforcement requires: a U. N. military force strong enough to compel any law-abiding state, including the largest, to stop any violation; and that all countries disarm down to the level needed for domestic policing."

Fish or Cut Bait

Thomas Finletter, almost alone among our political leaders, accepts the two basic facts of the atomic age; namely, that nothing short of enforced universal disarmament will insure lasting peace; and that nothing short of an independently armed U. N. can provide effective enforcement. He does not share the view that any such idea is visionary. He would like, he says, to see the Executive "abandon the idea that it knows for certain that the people of our country would not accept enforced disarmament, including that objectionable U. N. police force and all the other disagreeable elements of such a system." He would like to see the Executive "put forward an enforceable plan in the normal U. N. discussions and at the same time cause to be proposed in Congress a joint resolution * * * calling for a vote by Congress on the policy of enforcement."

"We cannot," says Mr. Finletter, "be sure what the response of the American people would be. It may be that, in this matter of peace, the impossible is only that which we are too timid to try."

The writer has long held the same point of view. Is it too much to hope that at least one aspirant to the Presidency in 1956—be he Republican or Democrat—will have the courage to give the American people an opportunity to understand and say what they think about this basic question?

Danger in New Approach

Meanwhile, there is this to be said for the retreat. Our Government now seems to recognize that unless and until an effective enforcement agency is established any weakening of the military posture of our country will constitute a hazardous gamble on the good faith of the Communist dictators. A system of limited inspection designed to prevent surprise attack, such as our Government is now striving to achieve, may perhaps relax fear on both sides of the Iron Curtain; but there is the danger that it may also relax the vigilance on the part of the democracies which will be required so long as peace rests upon a balance of national armaments rather than upon their abolition. Democracies are notoriously slow to assume a military posture and overready to abandon it at the first sign of diminishing danger. The system now under contemplation may have the virtue of creating the climate in which progress can be made toward enforced universal disarmament. If explicitly undertaken for that reason and recognized to be nothing more than a first step toward enforced disarmament, it may prove useful. If undertaken as a substitute for disarmament, it is likely to comprise more risk than insurance.

Unfortunately, our policymakers seem to think that the development of a plan of foolproof enforcement must wait until a more favorable climate of opinion prevails both at home and abroad. The writer believes that the mere projection of such a plan by the Government of the United States for discussion at home and abroad would materially contribute to the creation of the climate necessary for its adoption. Anyone who doubts that such a plan can be devised should study the testimony submitted to the Senate Subcommittee on U. N. Charter Revision and especially Mr. Grenville Clark's concrete proposal.[24]

Short of clearly defining its ultimate aim and coming forward with a specific plan for Charter revision, there are many things our Government could do to strengthen the authority and prestige of the United Nations. As already suggested, we could channel through the United Nations more and more of our foreign economic assistance and investment. We could contribute more generously to the U. N. specialized agencies. We could revise our attitude toward the admission of nonmember nations and endeavor to make the United Nations into a universal organization. Above all, we could make up our minds to refrain from unilateral or group action outside of the United Nations unless compelled to such action by an emergency which brooks no delay.

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[21] This article appeared in the Washington Post, the Minneapolis Star, the St. Louis Post-Dispatch, the Christian Science Monitor, the Denver Post and the San Francisco Chronicle.

[22] New York Herald Tribune, September 1, 1955.

[23] In the New Republic of July 25, 1955.

[24] Grenville Clark, Plan for Peace, Harper, 1950, also C. G. Bolte's forthcoming Plans for Disarmament: Beacon, 1956.

Finally, there is certainly no reason why limited, enforceable steps in the direction of universal disarmament cannot be taken before the ultimate goal becomes attainable. Prime Minister Eden's suggestion of a demilitarized buffer zone in Central Europe is one which could be adopted and enforced without the existence of a supranational enforcement agency. The same principle might possibly be applied in other parts of the world.

This brings us to a consideration of some of the more immediate questions involved in a policy of relaxing existing tensions, preventing war, and thereby gaining the time to lay the long-range foundations of lasting peace. The chapters which follow comprise a brief review of the background out of which these tensions have arisen, a tentative analysis of the most likely causes of world war III, and an exploration of possible preventive action.

PART III

Chapter 9. Background of today's tensions

There is a long and significant historical background to the tensions which exist between the United States and the Soviet Union. Chinese-American tensions, on the other hand, are of recent origin and may be accounted for primarily by 2 actions—1 by the United States and 1 by China—the wisdom or justification for which we need not discuss here. The first was American intervention on behalf of the Nationalist regime in the postwar, Chinese civil conflict. The second was Chinese intervention in the Korean war. The American intervention incurred the lasting hostility of the Chinese regime which the United States had unsuccessfully attempted to keep from coming to power. Chinese intervention in Korea reinflamed American hostility at the very moment when it seemed likely that the United States would reluctantly accept the finality of Chiang Kai-shek's defeat. Two years of armistice have not yet erased the memory of Chinese soldiers killing Americans and of Americans killing Chinese. Meanwhile, the Communist dictatorship has transformed a weak, disunited China into the strongest military power in Asia. About this new, powerful and hostile China we know very little. The past is but a poor guide to the present.

About Russia, on the other hand, we know considerably more. Soviet diplomacy has deep roots in the past. A large part of what we now call "Soviet imperialism" was a fixed policy of the Tsars, long before the United States became a Nation. Inhabiting a land which possessed few if any natural defenses, the early Russians pursued a consistent policy of pushing forward their frontiers in order to be able to use space in defending their homeland against invasion. To accomplish this expansion, they fought wars with the Swedes, Poles, and Teutons in the west, with the Turks in the south, and with a series of Asiatic invaders from the east. This originally defensive expansionism gradually assumed the aspect of aggressive imperialism as the landlocked Eurasian empire of Tsars sought outlets to the open seas.

At the time when the American colonies revolted against George III, Great Britain had become the chief obstacle to the Russian thrust into the Baltic and into the Mediterranean by way of the Dardanelles. For this reason, Tsar Alexander I looked with favor upon the American revolution and was among the first of the European rulers to recognize the United States. In 1809 he welcomed John Quincy Adams as the first American minister to St. Petersburg.

Early Russo-American relations were friendly but remote. Russian eagerness to sell Alaska to the United States in 1867 derived less from friendship for this country than from a desire to prevent that outpost from falling into the hands of the British Empire. Russia, at the time, was still smarting from her defeat at the hands of Britain in the Crimean War.

Our First Clash With Russia Was Over China

Until the end of the 19th century, the United States remained aloof from European affairs. American diplomacy did not, in fact, first encounter Russia in Europe but in Asia. In view of the present Sino-Soviet alliance it is an interesting fact that the first rift in American-Russian relations was caused by Russian intrusion into Chinese territory and American interest in preserving China's territorial integrity. Briefly, this is how that clash arose.

While we were traditionally inclined to turn our backs upon Europe, our attitude toward the Far East was anything but isolationist. In part, this may have been due to the momentum of the westward drive of "manifest destiny" which carried our ancestors across plains and mountains to the shores of the Pacific. In part, it seems to have been due to a persistent belief that trade with the Orient would some day develop into an American bonanza. Actually, trade across the Pacific has never amounted to more than a small proportion of our foreign commerce.

When John Jacob Astor and others established trading posts in the Vancouver area, commerce with the Orient first became highly profitable. There was little or no demand in China for New England manufactures, but a ready market for some of these products developed among the fur traders of the Northwest; and furs, in turn, could be profitably exchanged in China for tea, silks, and spices. While this triangular trade never assumed great proportions, a single voyage often yielded as much as 200-percent profit.

The New England merchants competing with Britain for this trade became the first China lobby, demanding that the government take measures to assure them of equal access to oriental trade. When Great Britain, after defeating China in the Opium War of 1839–42, obtained important concessions. President Tyler sent Caleb Cushing to negotiate the first Chinese-American treaty. Cushing's Wanghia Treaty of 1844, essentially a "me too" agreement, marked the beginning of the American open door policy.

In 1855, President Pierce sent Commodore Matthew Perry on a mission which resulted in the opening up of Japan to Western trade. In 1880, President Garfield sent Commodore Schufeldt on a similar expedition to open the ancient Hermit Kingdom of Korea. Both of these actions were undertaken without the slightest realization of their political consequences.

Japan quickly developed as an aggressive, expansive power and, in 1895, went to war with China, defeating the Manchu Empire and seizing the island of Taiwan which it renamed Formosa. By this time, Britain, Russia, France, and Germany were all scrambling for concessions from the weak Manchu regime.

The United States, which had carefully avoided entanglement in Europe's quarrels, now suddenly became involved in the Far Eastern backyard of European power politics through two aberrations from its traditional policy.

The first of these was President McKinley's annexation of the Philippines in 1898, an action wholly inconsistent with American anticolonialism and difficult to justify on any grounds of rationally conceived national interest. The extension of the American frontier across the Pacific represented a commitment out of all proportion to the Nation's military and naval power. In acquiring territory on Japan's doorstep which it was unable to defend, the United States unwittingly gave a hostage to the increasingly aggressive Nipponese empire.

The second aberration from a policy of avoiding foreign entanglements was President Theodore Roosevelt's assumption of what amounted to a guaranty of Chinese territorial and administrative integrity. Secretary of State John Hay was drawn into this undertaking by the British, at that time anxious to find an ally in checking Russian designs upon Manchuria. This, too, was a commitment which the nation lacked the power to enforce and which antagonized both Russia and Japan.

Whatever good will might have been created among the Chinese people by American protection of Chinese integrity was largely dissipated when the United States participated with Japan and the European powers in suppressing the Boxer Rebellion of 1900—a patriotic revolt against the Manchu regime because of its concessions to foreign powers.

In spite of Anglo-American efforts, Russian penetration of Manchuria continued. Japan, meanwhile, was establishing a sphere of influence in the independent Kingdom of Korea. Russian advances in Manchuria threatened the Japanese hold on Korea, while Japan's penetration of Korea threatened Russian ambitions in Manchuria. Having previously contracted an alliance with Britain, Japan declared war upon Russia in 1904. British support of Japan was intended to reestablish the balance of power in the Far East, but Japan's unexpectedly rapid and decisive victories resulted in a peace which destroyed the balance and made Japan the dominant power in East Asia. President Roosevelt acted, at Japan's request, as the mediator of the Peace of Portsmouth which deprived Russia of Dairen and Port Arthur and gave to Japan half of the large Russian island of Sakhalin. Thus, the backing of Japan against Russia became the first ransom payment for the safety of the Philippines. But this was not all.

While the Russian and Japanese peace envoys were on their way to the United States, Theodore Roosevelt had sent an emissary to Tokyo to negotiate a secret agreement with the victorious Japanese. The Taft-Katsura Agreement provided that, in exchange for a free hand in Korea, the Japanese would respect the vulnerable American position in the Philippines. And so the betrayal of Korea, which the United States had opened up to foreign trade and influence, became the second ransom payment for the Philippine hostage. In 1910, Japan formally annexed the ancient Hermit Kingdom, converting it into the Japanese province of Chosen.

Thus the United States and Russia, originally friendly because of a common hostility to Britain, came into a conflict of interest in Asia chiefly for two reasons:

1. Because the annexation of the Philippines forced the United States to maintain friendly relations with Japan, whose interests clashed with those of Russia; and

2. because subservience to British diplomacy drew the United States into Far Eastern involvement in a then British policy of "containing" Russian imperialism.

American public opinion, originally sharply divided over the annexation of the Philippines, supported Theodore Roosevelt's pro-Japanese and anti-Russian policy because of a romantic popular concept of Japan as a land of cherry blossoms and a strong antipathy to Tsarist absolutism magnified by Russian persecution of the Jews.

These events of the early 20th century are not without bearing upon our present problems.

Two Forgotten Facts About World War I

It is not necessary to review here either the accidental 6 months' alliance between the United States and Russia in World War I or the period of 16 years following the Bolshevik revolution during which diplomatic relations between the two countries were nonexistent. Two facts should, however, be recalled:

The United States did not become a belligerent in World War I until the overthrow of the Tsarist regime, in March 1917, enabled President Wilson to convince himself and the American people that the conflict had become a struggle between democracy and autocracy.

The second and more important fact—if we wish to understand the deep-rooted Soviet hostility toward the West—is that the abortive Allied military intervention in Russian internal affairs, in which American troops eventually participated both in Europe and in Asia, did not begin after the Bolshevik revolution of October-November 1917 but while the moderate, democratic Russian regime established in March was still loyally fighting with the Allies against the central powers. It is true that the United States did not join in the attempt to overthrow the new Soviet government until after the Bolsheviks had made a separate peace with Germany, but the fact which we tend to forget and which the Russians remember is that Britain and France began the ill-fated intervention as an effort to restore Tsarism.

Prelude to World War II

We come now to the period, beginning with the Japanese invasion of Manchuria in 1931, when, time after time, the Western Powers failed to act in concert to halt the unprovoked agression of Germany, Italy, and Japan. Every American schoolchild knows that this period ended with the Molotov-Ribbentrop pact, in which Russia threw in its lot with Nazi Germany to join in the conquest and dismemberment of Poland and to annex the three Baltic States of Latvia, Lithuania, and Esthonia. The memory of Finland's brave resistance to Soviet demands is still very much alive. But what the Russians remember is that, prior to the outbreak of war, they alone stood up in the League of Nations to demand collective action against Axis aggression, that they alone were willing to fight for Czechoslovakia in 1938 and that their offer of help was ignored. They remember that, even after the "peace at Munich," they again offered to join the West in defense of Poland, provided that Poland would accept their help and Rumania permit the passage of their troops. As for the three Baltic States, the Russians remember, though most of us have forgotten, that in August 1939, Molotov demanded that Britain and France extend their guaranty to Poland to cover these three small states as well and that the Baltic countries refused to accept such a guaranty for fear of offending Hitler.

These are some of the bits of history we must recall, if we seek to understand the sources of Russian hostility to the West which existed before Russia and the United States for the second time became accidental allies in a war against Germany.

Our pre-World War II hostility to the Soviet regime, on the other hand, derived chiefly from the fact that the Bolshevik revolution was not just an internal affair but an explicit challenge to the political and economic system of Western civilization and to the fundamental ethical and religious beliefs upon which that system was founded. The Bolshevik revolution was not, like the American revolution, a challenge by example to an existing order; it was an overt declaration of ideological war against an existing order, carried on by the conspiratorial activity of Moscow-directed fifth columns within the component parts of Western society. The Soviet system was thus not only repugnant to the Western mind but resented because of its avowed expansionist aims which overlapped and reinforced traditional Russian imperialism.

When, after 16 years of nonrecognition, President Roosevelt resumed diplomatic relations upon the explicit Soviet promise to refrain from subversive activity in the United States, that promise was callously disregarded. The opposing policies of Washington and Moscow in the Spanish Civil War, the Molotov-Ribbentrop Pact and the Soviet attack upon Finland deepened American distrust and dislike of the Soviet regime.

Small wonder, then, that the World War II alliance forged by Hitler and Tojo did not create a bond strong enough to survive the destruction of the common enemy.

The Second Accidental Alliance

When the news of Hitler's attack upon Russia reached the United States, a Senator from Missouri named Harry S. Truman expressed the sentiments of many Americans in the following comment:

"If we see that Germany is winning, we ought to help Russia, and if Russia is winning we ought to help Germany and that way let them kill as many as possible, although I don't want to see Hitler victorious under any circumstances. Neither of them think anything of their pledged word."

Between Pearl Harbor and V–J Day, American sentiment veered from hostility to reluctant admiration of Russia and finally to something very like friendly feeling. Soviet resistance bought the time in which American power could be mobilized and brought to bear. American supplies, perilously convoyed to Russia, sustained Soviet resistance. For a short time the American people almost forgot their deep-seated hostility to the Communist regime, or else persuaded themselves that Soviet communism was actually evolving into something like Western democracy. The much-discussed war-time agreements were based upon President Roosevelt's belief that postwar cooperation with the Soviet Union should and could be made the cornerstone of peace.

Sir Winston Churchill, who had been no less eager than Franklin Roosevelt to welcome Russia as an ally, shared no such illusion as to the future. Once the tide of war had turned in 1943, Churchill began to entertain grave misgivings as to Soviet intentions. The British leader's distrust of Stalin doubtless nourished the growth of similar suspicions in the mind of the Soviet dictator. Whether Roosevelt, had he lived and remained in full possession of his powers, might have allayed this mutual distrust and preserved the harmony of the Big Three remains open to argument. The crucial question which will forever remain unanswered is whether Roosevelt would have proceeded, as Truman proceeded, with respect to the disclosure and use of the atomic bomb.

Postwar Disillusionment

Prior to August 6, 1945, when the first atomic bomb fell on Hiroshima, the Soviet leaders had been able to envision a postwar world in which Russia and the United States would be the world's surviving superpowers, widely separated from each other and with few clashing interests. With Germany and Japan eliminated and the United States withdrawing its forces from Europe after 2 years (as indicated by Roosevelt at Yalta) they could imagine Soviet land power dominating the Eurasian land mass, with access to warm water ports on the Baltic, in the Mediterranean through the Turkish Straits and in the Pacific through Dairen and Port Arthur. The ancient Russian dream would be fulfilled.

As of August 7, 1945, all this was changed. Russian help against Japan was not only unnecessary but unwelcome and, in any case, too late. Air power had suddenly been lifted into a wholly new predominance over land power. So long as the United States might hold a monopoly of the new weapons, its power would be vastly greater than that of Russia—greater, in fact, than that of all the other nations of the world combined.

This revolution in the balance of power might have made a weaker man than Joseph Stalin more tractable. In the Soviet dictator it evoked the grim determination to acquire the secrets of atomic fission, to catch up to the United States in atomic power and, meanwhile, to push even further away from the Soviet homeland the frontiers of its expanding empire.

There was another now forgotten factor which no doubt contributed to the hardening of Soviet hostility toward the United States. After President Truman had abruptly terminated lend-lease, Russia, like Great Britain, applied for an American loan to finance reconstruction and reconversion. Britain asked for $7 billion and received roughly half that amount. The Russian application for $6 billion was first "lost" for 6 months in the files of the American Government and ultimately rejected.

On the other side of the picture, Soviet refusal to allow free elections in Poland, the imposition of Communist regimes throughout Eastern Europe, Russian pressure on Turkey and Iran, Communist conspiracy in Greece and Soviet intransigence in Germany disillusioned the Western Powers, causing the United States to promulgate the Truman doctrine and to give military assistance to Greece and Turkey.

When the United States made the conciliatory offer of the Marshall plan, Russia committed the grave error of rejecting it, thereby converting a generous project to promote all-European recovery into a West European anti-Communist alliance.

By the time Soviet spies and scientists had broken the American atomic monopoly, the United States had committed itself to an active policy of global resistance to Communist encroachment. Traditional Russian expansionism, employing the new instrument of Communist conspiracy and accelerated by resentment of the unexpected American supremacy in long-range power, had begun to create the very encirclement which Russia had always feared and sought to prevent.

At this point—September 1949—the American-supported Chinese Nationalist regime was crumbling and the anti-Communist coalition in Europe existed mostly on paper, although its will to resistance had already been tested by the Berlin blockade. This would have been the time for Soviet leadership to realize the wisdom of adopting a more conciliatory policy so as not to provoke the west into serious rearmament. This was the period when Secretary Acheson was "waiting for the dust to settle" after Chiang's collapse, when the "China Lobby" in Washington had reached the lowest ebb of its powers and when it seemed likely that the United States would disentangle itself from its disastrous intervention in the Chinese civil war. Had it not been for the outbreak of the Korean war, the whole course of history might have been changed.

The Korean War a Turning Point

Whatever may have been the American mistakes which "invited" North Korean aggression, it is difficult to see why Soviet leadership committed the grave error of supporting if not actually launching an adventure which led to a crash program of western rearmament, including the decision to rearm West Germany and Japan.

Very likely, the withdrawal of American troops before an adequate South Korean defense force had been created gave the Republic of Korea the appearance of a plum ripe for the plucking. Possibly, the victory of the Chinese Communists and the emergence of the People's Republic as a powerful military factor in the Far East may have appeared to the Kremlin as a threat to its interests and stimulated the desire to gain Korea as a Soviet satellite. Perhaps also, the Kremlin figured that, if the coup were to succeed, as it very nearly did, the United Nations would be discredited and the United States shown up as a "paper tiger." If such were the Soviet calculations, they went wrong in every respect.

Instead of dealing a mortal blow to the prestige of the United States and the United Nations, the adventure resulted in increasing the prestige of both. Instead of splitting the anti-Communist coalition, it solidified it and stimulated its rearmament. And, in the final outcome, instead of making all of Korea into a Soviet satellite, the adventure ended with China rather than Russia controlling the North Korean Communists.

What saved Communist leadership from a complete fiasco was a development which the Kremlin had certainly not foreseen; namely, the failure of the United Nations forces to halt their advance and offer peace after the great victory at Inchon. MacArthur's advance to the Yalu River not only encouraged Syngman Rhee's ambition to impose his regime upon all of Korea but brought China into the war, alienated most of the uncommitted Asian peoples and split the anti-Communist coalition just when it had been firmly united by the original North Korean aggression.

The Malenkov Period

One might have expected that the election of a President committed to end the Korean war, together with the death of Joseph Stalin on March 3, 1953, would bring about a general reappraisal on both sides and a relaxation of tensions. Unfortunately, however, the Eisenhower administration came into office in no mood to explore the possibilities of conciliation. Its Korean truce was achieved at the cost of unleashing Chiang Kai-shek in order to mollify the Republican right wing, thereby foreclosing for the time being any hope of an all-Korean settlement or of any other kind of accommodation between Washington and Peking. As for tensions in Europe, Sir Winston Churchill's recognition that the cold war had become obsolete and his demand for "conversations at the summit" fell upon deaf ears in Washington.

It was not until the end of the year that Mr. Dulles began seriously to consider even a four-power meeting at the Foreign Ministers' level. By the time the Berlin Conference of Foreign Ministers convened, in January 1954, Soviet policy had already swung back to a harder line. The unrest in East Germany and elsewhere in the Soviet orbit following the first relaxation of restrictions on consumer goods was undoubtedly one factor contributing toward this change. The overwhelming victory of Chancellor Adenauer in the West German elections was another. Whatever the Russian motivation, Mr. Molotov's proposals as to the constitution of an all-German government made a mockery of free elections. The West, for its part, was prepared to accept nothing less than unconditional surrender, insisting that a reunited Germany must be free to rearm and join the NATO alliance.

It was clear that neither side was at the moment prepared to negotiate seriously for an all-German settlement.

The Berlin Conference did, however, develop the fact that the new Soviet leaders were worried about the possibility of war in the Far East and anxious to bring about a peace settlement in Indochina. It was chiefly due to Soviet initiative at Berlin that the Geneva conference of 1954 was called.

At this meeting, two badly frightened statesmen, Britain's Eden and Russia's Molotov, worked hard and successfully to help the new French premier, Pierre Mendes-France, reach a settlement with Chou En-lai and the Vietminh representatives. Secretary Dulles sulked in the background, not only avoiding all responsibility for the negotiations but actually priding himself upon his refusal to shake hands with or talk to Chou En-lai. Thus the administration sought to meet the cry of "Far Eastern Munich," which the extremists at home would be sure to launch against the settlement, by disclaiming any major part in making it. Under Secretary of State Walter Bedell Smith, however, did not hesitate to state on his return from Geneva that the agreement which ended the war, even though it surrendered half of Vietnam to the Vietminh, was "the best settlement that could possibly have been obtained in the existing circumstances." While this was doubtless true, Geneva nevertheless marked a setback for American leadership and the emergence of Britain as a strong and active moderating influence.

Scarcely had the Indochinese crisis been resolved, when American prestige suffered another and even more serious blow. On August 30, 1954, the French National Assembly rejected the rearmament of West Germany under the European Defense Community Treaty, thereby repudiating the essential core of the Acheson-Dulles-Adenauer policy. Washington's first angry reaction was to proceed with rearming West Germany without French consent. This would have disrupted the whole NATO alliance. Fortunately, wiser counsel prevailed, with President Eisenhower asserting that it was time for the United States to assume the role of partner rather than leader in European affairs. This enabled Foreign Secretary Eden to take the initiative in devising a substitute for the defunct EDC Treaty. At the critical conferences held in London and Paris, in September and October, it was again British diplomacy which saved the day—this time for the NATO alliance.

Secretary Dulles had worked feverishly to organize a counterpart to NATO in Southeast Asia prior to any Indochina settlement. His efforts had been blocked by the insistence of Britain, Australia, and New Zealand that no such move be undertaken without the cooperation of the Colombo powers. When invitations were finally issued for a conference to be held at Manila in the first week of September, India, Burma, and Indonesia declined to send representatives. Of the Colombo powers, only Pakistan agreed to participate. Thus SEATO came into being during the height of the European crisis, with Pakistan, Thailand, and the Philippines as the only Asian signatories along with the United States, Great Britain, Australia, New Zealand, and France. Clearly, such an organization was too much of a "white man's club" to have any significant influence upon the Asian future. This became all the more evident when India and Indonesia took the lead in calling the Bandung conference of 29 Asian and African nations, including the Chinese People's Republic and excluding all the Western Powers.

On December 2, 1954, the United States signed a mutual defense pact with the Chinese Nationalists, formally committing itself to the defense of Formosa and the Pescadores. This treaty, deliberately ambiguous as to the "offshore islands" held by the Nationalists, provoked a renewed far eastern crisis.

Meanwhile, at the autumn session of the United Nations, a somewhat better atmosphere had prevailed between the United States and the Soviet Union, especially, as we have already noted, in the Disarmament Commission. This favorable trend was, however, thrown into reverse by the Formosa crisis and by the final ratification by the German and French parliaments of the treaties providing for the inclusion of West Germany in the NATO alliance.

Early in February 1955, the Malenkov regime came to a sudden end. The indications were that the change of Kremlin leadership betokened a return to a more restrictive internal policy and to a less conciliatory attitude in foreign affairs. The "softer" line of the Malenkov period had certainly brought the Russians no satisfactory results. Soviet diplomacy had helped to bring about a truce in Korea and Indochina, only to see the danger of a general war breaking out in the Far East revived in more acute form over Formosa and the Nationalist-held islands. In Europe, Western policy with regard to the rearming of Germany had remained inflexible, even when Moscow had indicated, as it finally had on January 15, 1955, that it would accept the Eden plan for free all-German elections which it had rejected a year earlier. The failure of Soviet diplomacy to prevent German rearmament may have been one of the factors which contributed to Malenkov's downfall. In any case, the ratifications of the London-Paris agreements ended that chapter in postwar history which had begun with Secretary Acheson's demand for West Germany rearmament in September 1950.

This, in brief, was the background of Sino-Soviet-American relations up to the moment when the freshman group in the House of Representatives made its plea for a reexamination of United States foreign policy.

Chapter 10. Most likely causes of world war III

In the Harvard Alumni Bulletin of June 4, 1955, there appeared an article by Robert Cutler, former special assistant to President Eisenhower in the field of national security. The article dealt primarily with questions affecting the publication of "security information" in a time of cold war, but it contained an appraisal of Sino-Soviet intentions which is interesting because there is probably no one more familiar than Mr. Cutler with the intelligence, the evaluations and the assumptions upon which the Eisenhower administration has based its foreign policy. Here is the view Mr. Cutler expressed:

"The Soviets do not intend to wage a shooting war against the free world so long as the free world remains strong. The subtler ways of subversion, overload, overextension, neutralization, threat, bluster and cunning deception are cheaper for the Communists; and, if their ways take longer, they leave for conquest a far more desirable prize than a land ravaged by shooting war. Europe going full blast industrially is the prime target. Europe destroyed in a nuclear war would be a hollow shell. * * *

"May I interpose to differentiate the Chinese Communists from the Soviet leaders? The sleeping giant of China has awakened into a braggart and a bully. Red China has much to gain and little to lose. In the running sap of her violent spring, she may choose to take incalculable risks. We do not understand the Chinese mind. But we can certainly understand that the same amount of force that could lay waste industrial America would do but little potential hurt to peasant China."

The assumptions underlying the ideas presented in this book are very similar. They be summarized as follows:

Soviet Intentions

1. Soviet leadership does not want a major conflict. Soviet leadership appears to be firmly convinced of the Marxist thesis, reaffirmed by Stalin in his last major public utterance,[38] that "capitalist-imperialism must inevitably destroy itself."

Holding this belief, it seems evident that Soviet leadership has been pursuing a policy of seeking to divide the anti-Communist coalition and of keeping it off balance by alternating threatening belligerence with "peace offensives." Considering the degree of success which has so far attended these efforts, there would appear to be every reason for Soviet leadership to shrink from the unpredictable hazards of a major conflict.

It is a fact that Soviet leadership worked for a ceasefire in Korea and in Indochina.

2. Soviet leadership realizes that its aggressive expansionism has aroused the West to a point where further overt expansionist moves entail the definite risk of major war. It is, therefore, shifting from overt expansionist tactics to the strategy of wooing the unalined nations, especially India, and of seeking to create neutralized areas open to later seduction or subversion. The latter aim applies particularly to Germany and Japan.

3. In spite of its desire to avoid a major conflict, Soviet leadership had—at least until the "Summit Meeting" at Geneva, in July 1955—become increasingly uncertain whether such a conflict could ultimately be avoided. This hypothesis is supported by the reconcentration of Soviet production upon heavy industry and by the increase in the Soviet military budgets.

4. If uncertainty should ever become conviction that war is inevitable, Soviet leadership will strike first and without warning, wherever and whenever it sees its best chance of delivering an initial knockout blow. This assumption is dictated by ordinary commonsense and by the established fact that moral restraints exercise little or no influence upon the Kremlin's decisions.

5. Soviet anxiety derives primarily from: (a) the unpredictability of Chinese policy, which Moscow does not control but by which Moscow may find itself committed; (b) the threatened resurgence of German and, more remotely, of Japanese military power; and (c) the proximity of American bomber bases and the fear that the United States may use them to deliver a sudden knockout punch.

Chinese Intentions

In guessing at the intentions of the Peking regime we have considerably less evidence at our disposal. We cannot, for example, say with any degree of certainty that Peking wants to avoid a major war, although it seems reasonable to make that assumption. Nor have we any evidence by which to judge whether Mao Tse-tung and Chou En-lai consider world war III unlikely, probable, or inevitable. What we do know with reasonable certainty is:

1. That the Peking government will not shrink from war if it considers its vital interests threatened. This was clearly demonstrated in Korea.

2. That the Peking government considers the Nationalist possession of the offshore islands a threat to its vital interests which it will not long tolerate.

3. That the Peking government considers itself legally entitled to Formosa and the Pescadores and intends to obtain possession of them.

4. That the Peking government will in no circumstances rest content so long as Formosa is held by a Nationalist regime which does not recognize the finality of its defeat and intends, whenever possible, to reconquer the mainland.

From Chou En-lai's conciliatory behavior at and since the Bandung Conference, we may tentatively deduce two further hypotheses:

(a) That Peking seeks the friendship and respect of the Asian peoples and does not intend, for the time being at least, to attempt the physical conquest or political subversion of any of its neighbors on the mainland; and

(b) That Peking will probably avoid war with the United States in any circumstances which do not clearly place the United States or the American-supported Nationalist regime in the role of aggressor.

The Most Probable Causes of War

What conclusions may be drawn from these hypotheses as to the most likely causes of world war III? Mr. Cutler has given us the following warning:

"I say that the Kremlin leaders do not intend or wish a world war now or in the foreseeable future. But we must never overlook miscalculation. War may come through error. Hitler's gross miscalculation of the 'Bulldog Breed' was a potent factor in bringing World War II. I am as sure that general war will not in the near future spring from Russian intent as I am sure that it might grow out of mistake, or unbridled action and counteraction or loose talk that war is inevitable. There's nothing good or bad, but thinking makes it so. There's nothing makes war so inevitable as often intimating its inevitability."

Drawing our own somewhat more specific conclusions from the hypotheses just stated, we might say:

The point of greatest danger at the present time appears to lie in the possibility that the United States may become involved in war with the Chinese People's Republic over an issue in which Russia will back China's position. This could happen through "unbridled action and counteraction" on the part of either the Communists or the allies of the United States. The danger is magnified by the fact that both Chiang Kai-shek and Syngman Rhee openly desire to involve the United States in a major war.

The next most likely cause of world conflagration seems to us (though here Mr. Cutler would doubtless disagree) to derive from that process by which more and more nations are being rearmed and drawn into military alliances. Specifically, the rearming of Germany and Japan as well as the rearming of the Moslem countries could result in the outbreak of "local wars" which would eventually involve the vital interests of the major antagonists and thus trigger the holocaust.

A third danger lurks in the possibility that the Soviet regime may at any time come to the conclusion that war is inevitable and launch a sneak, air-atomic attack upon the bases of American retaliatory power.

In the light of these tentative conclusions, let us now examine the possibilities of preventive action, bearing in mind that the unpredictable developments of the next weeks and months may well alter some of the premises upon which the following chapters have been written.

Chapter 11. Preventive action in Europe

In approaching the problem of reducing tensions in Europe, Congressman Reuss and his colleagues cut straight to the heart of the existing difficulties. Recognizing that the continued partition of Germany and the threatened resurgence of German military power constituted the greatest sources of tension and danger in Europe, the first-year legislators boldly suggested a drastic departure from a bipartisan policy which had for 5 years given the rearmament of West Germany priority over an all-German peace settlement. What they suggested was nothing less than the abandonment of the idea of obtaining a substantial German military contribution to the NATO alliance, proposing instead the creation of an unarmed area stretching from the Rhine to Russia's historic borders, with its security guaranteed by the United Nations.[39]

If Congressman Reuss and his associates had been directing American foreign policy on March 16, 1955, instead of pleading for its revision, the United States might well have seized the initiative and forestalled at least in part the Soviet diplomatic offensive which developed during the next 60 days. In that case, considerably more progress might have been made at the Big Four meeting at Geneva in July.

The Soviet Diplomatic Offensive

As it was, the new Bulganin-Khrushchev regime lost no time in seizing the initiative. Reversing its previous, stubbornly held position, the Kremlin suddenly summoned the Austrian Chancellor to Moscow and offered him the long-delayed Austrian State Treaty and the withdrawal of Russian forces, provided only that Austria would agree to accept a status of guaranteed neutrality. The Western Powers, caught flat-footed by this maneuver, had no choice but to welcome the Austrian Treaty, although they were uncomfortably aware that, by this action, the Russians had made it clear to the German people that they, too, could achieve unification and freedom if they would accept a similar condition.

Next, the Soviet regime came forward with the new disarmament proposal of May 10, which suggested, among other things, the withdrawal of all military forces from bases on foreign soil.

Finally, the Soviet leaders made a pilgrimage to Belgrade, there to confess abjectly that their denunciation of Titoist deviationism in 1948 had been founded on error and to attempt the reestablishment of friendly relations.

These moves, together with Chou En-lai's unexpected declaration at Bandung of Peking's willingness to negotiate outstanding differences with the United States, opened a new chapter in diplomatic history—a chapter in which the next moves in both Europe and Asia were squarely up to the Western Powers.

Upon the urgent demand of its European allies—particularly of Sir Anthony Eden who was then in the midst of an election campaign—the Eisenhower administration agreed with ill-concealed reluctance to join Britain and France in proposing to Moscow the four-power meeting at the summit so long desired by Sir Winston Churchill. Moscow accepted, agreeing to a top-level meeting at Geneva on July 18.

Meanwhile, the Soviet diplomatic offensive continued. Peace talks with Japan were begun at London. Prime Minister Nehru of India paid a lengthy visit to Moscow. Dr. Adenauer, hitherto denounced by the Russians as a militarist and a warmonger, was invited to visit the Soviet capital in order to discuss a "normalization of relations" between the Soviet Union and the Bonn Republic.

The dangerous effect of the Russian initiative upon the German problem was analyzed by the writer in the following letter to the New York Times, dated April 18, 1955:

"The sudden Russian reversal as to the Austrian treaty spotlights for all the world, and especially for the Germans, the dilemma into which a stubbornly inflexible diplomacy has taken the Western Powers. By agreeing to free Austria from occupation, provided that Austria agrees to become a neutralized buffer state, the Russians are saying to the Germans in deeds rather than words that, so far as Russia is concerned, they too can have unification and freedom, provided only that they forgo the right to make military alliances with either East or West. The generous terms offered by Russia, and especially the absence of any attempt to plant a Communist Trojan horse within Austria, will have a profound effect upon German opinion.

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[38] In the October 1952 issue of Bolshevik.

[39] The author, who has consistently opposed the partition and rearmament of Germany, put forward a very similar proposal at the time when the North Atlantic Treaty was under negotiation. This proposal was published in the Nation of March 19, 1949, and subsequently in the author's Last Call for Common Sense (Harcourt Brace, 1949) pp. 219–225.

"Having refused to discuss an all-German settlement until the treaties binding West Germany into the NATO alliance were ratified, the Western Powers now find themselves in this predicament:

"They cannot negotiate without being willing to abandon the very treaties whose ratification they made a condition precedent to negotiation.

"On the other hand, continued refusal to negotiate would constitute an open admission of caring more for rearming West Germany than for making an all-German peace settlement. It would mean assuming the full onus for the continued partition of Germany and of Europe.

"This dilemma has existed for the past 5 years. Western leadership has refused to recognize its existence, insisting that the Russians did not really want an all-German settlement—that their various overtures were mere propaganda. In this belief the Eisenhower administration took the position that it would not discuss an all-German settlement unless and until Russia proved its sincerity by agreeing to internationally supervised, free all-German elections and by ceasing to obstruct an Austrian treaty.

"Both proofs have now been delivered. Last January the Russians declared that they were ready to accept the Eden plan for supervised all-German elections which they had rejected a year earlier at the Berlin conference. The Austrian move completes the picture.

"The western hand has now been called. It is now not Russian but western sincerity in seeking an all-German settlement that is on trial, especially in Germany.

"It goes without saying that Russian sincerity is far from proved by compliance with the criteria set by western leadership. Russian intentions remain very much of a question mark. But by setting these criteria and by their failure to take the initiative in seeking an all-German settlement, the Western Powers have allowed themselves to be put on the defensive. Through their obsession with the need for a German military contribution to their own defense, the Western Powers have permitted the Russians to gain a dangerously advantageous position in the political struggle for the allegiance of the German people.

"This is precisely the eventuality against which the writer has frequently warned in your columns and elsewhere. The answer remains what it has been all along—a specific western proposal for an all-German settlement, designed to immunize a neutralized Germany against Soviet seduction or subversion. Such a proposal, if it skillfully reopens the question of the Oder-Neisse frontier, could even now recapture the initiative from the Russians." [37]

Washington's Reaction

When President Eisenhower was asked at his press conference of May 18, to comment upon the neutralization of Austria and its possible effect on Germany, he said: "There seems to be developing the thought that there might be built up a series of neutralized states from north to south through Europe." The fact that the President neither approved nor rejected this idea was enough to throw Chancellor Konrad Adenauer into a panic. The German Ambassador was instructed to call upon Secretary Dulles to make clear that the Bonn government would have no part of an Austrian solution.

On May 24, Mr. Dulles disclosed that, acting on the President's instructions, he had reassured Chancellor Adenauer and added that the President himself would no doubt make his position clear at his regular press conference. That conference, scheduled for the next day, was, however, called off, and thus the Dulles statement of May 24 was allowed to stand as the definition of United States policy.

What Mr. Dulles said, in essence, was this: "It is the view of the United States that a policy of neutrality has no application to a country of the size and character of Germany, no matter how applicable it is to Austria, a small country with 7 million people. But I do not believe that anybody really believes that the German people, seventy-odd million of them, are designed to play the role of a neutral country."

Noting that the Austrian treaty placed no limit on the size of the Austrian Army, the Secretary added: "I do not think that the German people or the Soviet people or the West European people want to see applied to Germany the concept of its being an independent state with an unlimited army."

Now the fact is that no one, least of all the Russians, had suggested that Germany become an independent state with an unlimited army—no one, that is, except certain Germans, such as the former Chancellors Bruening and Luther, who frankly avowed the desire to see a rearmed, independent Germany pursue a neutral policy as between Russia and the West. The Russians had wanted originally to limit the size of even the Austrian Army; they would certainly insist on restricting German rearmament if Germany, like Austria, were to be neutralized.

Moreover, there was a vastly important difference between "neutrality" and "neutralization." Mr. Dulles rightly rejected the notion that an independent and fully rearmed Germany should be permitted voluntarily to pursue a policy of "neutrality." But, again, that was not the issue. Austria had obtained its freedom by renouncing a part of its "independence"—a very important part, namely, its right to enter into military alliances. The Russian idea as to Germany was apparently that an all-German government should make a similar renunciation, and this was precisely the point to which the Adenauer government objected.

The German Chancellor's objection to neutralization rested upon entirely different grounds than those put forward by Mr. Dulles. Dr. Adenauer rejected neutralization as incompatible with the dignity and full sovereignty of the German people. A more subtle argument advanced by the Chancellor was, however, that "a neutralized Germany will inevitably become a Soviet satellite." Dr. Adenauer produced no evidence or logical support for this contention, any more than he produced supporting arguments for his frequently asserted conviction that the reunification of Germany could be brought about only by the actual rearmament of the Bonn Republic.

It was a curious fact that Mr. Dulles sought to bolster his position by conjuring up American fears of a resurgent, nationalist Germany, while Dr. Adenauer sought to arouse American fears of a bolshevized Germany, and made his appeal to German nationalism.

In his statement to the press of May 24, 1955, Secretary Dulles also expressed a strangely complacent view of the whole Soviet diplomatic offensive, declaring:

"It is clear that we are seeing the results of a policy of building unity and strength within the free world. It is that policy, the failure of the Soviet Union to disrupt it and the strains to which the Soviet Union itself has been subjected, which undoubtedly require a change of tactics."

A month later at San Francisco, after Foreign Minister Molotov had once more outlined the new Soviet proposals before the United Nations delegates, Mr. Dulles repeated his earlier conviction, saying:

"It is not unprecedented to see men make a virtue of necessity. * * * If we want to see that virtue continue, I suggest that it may be prudent to continue what has produced it."

This observer's misgivings concerning the assumption that the dramatic shift in Soviet strategy was to be construed as a retreat forced by wise western diplomacy and concerning the conclusion that more of the same inflexibility would produce further beneficial results were expressed in an article published on July 5, 1955,[38] from which the following is a partial quotation:

"Both sides realize that there can be no peace in Europe so long as Germany remains partitioned. Both sides are convinced that control of a unified Germany means control of Europe. Each side has, therefore, sought reunification on terms which would bring Germany under its control. It has become clear that neither side can succeed.

"In a dramatic reversal of political strategy, the Kremlin has now shifted from overt expansionism to an attempt to create neutral buffer areas in Europe and in Asia which it no doubt hopes will be susceptible to later seduction or subversion. This forces the Western Powers either to reject neutralization altogether or to devise a formula of neutralization which will effectively immunize buffer areas against later Soviet seduction or Communist penetration.

"The danger which looms upon the horizon is that the West will flatly reject neutralization, seeking instead to devise a disarmament agreement between the NATO and anti-NATO blocs which will leave Germany partitioned. Such an arrangement would play directly into Russian hands; first, because it would rest upon little more than good faith; second, because it would freeze the status of the Soviet satellites; and, third, because, by leaving Germany partitioned, it would make almost certain that German reunification will eventually come about as the result of a Russo-German deal in which the West will have little if any voice.

"The alternative is to devise a formula of neutralization acceptable to the Germans and compatible with both Western and Soviet security. The writer has suggested that such a formula might be found in a temporary neutralization which would not affect Germany's right to enter such political and economic affiliations as the Coal and Steel Community, but which would prohibit it from joining any military alliance for a fixed period of 10 to 15 years. Leading Germans who reject permanent neutralization have told the writer that they would find such a formula acceptable. Were the West to make such a proposal and were Russia to reject it, the onus for Germany's continued partition would rest squarely upon the Kremlin.

"Secretary Dulles holds that the shift in Soviet tactics is a victory for Western diplomacy and that more of the same medicine will bear further fruit. It is respectfully suggested that a mere continuation of past policy will not avert the danger of letting the Communists become the champions of disarmament and nonalinement in a world hungering for a surcease from war. Nor will it enable the West to end the partition of Germany and to hold the allegiance of the German people."

In the July 15, 1955, issue of the Foreign Policy Bulletin, published by the Foreign Policy Association, the writer made these further observations:

"It has been clear for a long time that, if the Western Powers continued their refusal to negotiate seriously with Russia about Germany, Russia would sooner or later offer to negotiate with Germany, and that not even Dr. Adenauer would be able to decline such an invitation. In view of Dr. Adenauer's stanch loyalty to the West, we may view his impending trip to Moscow with complacency, but the 80-year-old Chancellor cannot hold the fort for us forever. If we do not negotiate German reunification on our terms while we still have the power to do so, the Germans, once they are rearmed, will eventually negotiate it on their terms, which will not necessarily take our interests into consideration.

"It is time to stop congratulating ourselves and to face facts. One of these facts is that an attack on Western Europe would now launch an atomic war in which Europe would be destroyed no matter what the eventual outcome. In these circumstances 12 German divisions will be about as useful as was the Maginot line in 1940."

The Big Four Meeting

At the Geneva meeting of July 18–23, 1955, two important things were accomplished.

Largely because of President Eisenhower's natural tact, his geniality, and his transparently sincere desire for peace, the conference took place in a climate of conciliation and of mutually expressed belief that existing differences should and could be settled by patient effort. The spirit of Geneva was better than that of any postwar conference—better even than that of the wartime meetings of Roosevelt, Churchill, and Stalin, because it was based upon few illusions as to the complexity of the problems to be solved or as to the width of the gaps to be bridged.

Secondly, the Big Four discussions served to clarify the divergent positions to be reconciled by negotiation, as they had not been clarified since the Moscow conference of March-April 1947. If the result of this clarification was discouraging in that it showed how far apart were the demands of West and East, it was a hopeful sign that both sides gave evidence of greater flexibility.

Contrary to the urging of Chancellor Adenauer, President Eisenhower did not make immediate German reunification on western terms a sine qua non of any progress toward a mutual-security agreement. On their part, the Russians retreated from their previous position that the ratification of the Paris-London accords would shut the door upon any discussion of German reunification.

The British and French delegations put forward a number of proposals for a five-power security pact. The essence of these proposals was that Russia should agree to the reunification of Germany within the Potsdam frontiers and to German membership in NATO in exchange for a western guarantee against any German attempt to alter the Oder-Neisse frontier by force. Sir Anthony Eden threw out the suggestion that Russian security might be further safeguarded by the creation of a demilitarized zone between the opposing forces in East Germany and Central Europe. Premier Faure volunteered the additional inducement that a reunified Germany's rearmament might be held down to the same level as that contemplated for West Germany under the London-Paris accords.

Marshal Bulganin rejected any proposal involving German participation in NATO and put forward a general all-European security pact in which both East and West Germany would participate. In a move obviously addressed less to his colleagues at Geneva than to the absent Germans, the Russian Premier demanded the liquidation of NATO as the price for German reunification.

These moves and countermoves indicated precisely those developments which this observer had feared. The three Western Powers, while demanding German reunification, continued to set a condition—all-German participation in NATO—which they knew the Russians could not accept. The Russians, while demanding unification, asked a price—the liquidation of NATO—which they knew the West could not pay. The most likely consequence would be that unification would be postponed and eventually negotiated not by the Western Powers but by the Germans and the Soviet authorities. This was clearly what the Russians wanted.

Oddly enough, the German Chancellor, who had insisted that German reunification be made the No. 1 topic at Geneva, also wished a postponement of the decision. Recognizing that the Russians were not prepared to permit a united Germany to join the NATO alliance, Dr. Adenauer desired to stall until the actual creation of a West German Army should have strengthened both his dominance of western policy and his bargaining position vis-a-vis the Soviet Union. Thus a curious picture was unfolded, with the Germans and the Russians each assuming time to be on their side and the Western Powers actually less interested in German unification than in obtaining German contingents for the NATO alliance. The Russians were gambling upon Dr. Adenauer's physical or political demise, while the aged German Chancellor was gambling not only upon his own longevity but upon his ability to remain in power without satisfying the German people's growing demand for progress toward unification.

In backing Dr. Adenauer's gamble, the West was taking an extremely dangerous chance. It was staking its hope not only upon the Chancellor's remaining alive and in power but also upon the soundness of his highly dubious assumption that the Russians would agree to unification on western terms, once they were confronted with 12 West German divisions. Yet, if the new spirit of Geneva meant anything at all, it meant the renunciation by both East and West of any hope of changing the status quo by the use or threat of force. This would make nonsense of the assumption that the creation of a West German army would induce the Russians to relinquish their hold on East Germany. If the western statesmen failed to see the fallacy in Dr. Adenauer's policy, a growing number of Germans did.

The Social Democrats, representing about one-third of the West German electorate, declined to have anything to do with the Chancellor's impending visit to Moscow. Doubts concerning the wisdom of the Chancellor's policy were expressed in newspapers which had previously supported him, such as the influential Frankfurter Allegemeine Zeitung. The almost universally gloomy West German editorial comment could be summed up in a single sentence: "It looks as if peace will be achieved at our expense"—meaning at the cost of the continued partition of Germany.

In a speech to the American Bar Association on August 24, President Eisenhower sought to dispel German pessimism by asserting that "the division of Germany cannot be supported by any argument based upon boundaries, language, or racial origin." Prime Minister Eden reaffirmed Britain's interest in unification. So did French Ambassador Francois-Poncet. There were rumors that the Western Powers were developing "a new plan" for Germany providing for a demilitarization of the Soviet zone.

The Chancellor's discussions at Moscow in the second week of September should have convinced him that he would never obtain unification on any terms permitting a united Germany to enter the NATO alliance, even if the Soviet zone were to be demilitarized. The Russians had invited Dr. Adenauer for one purpose only; namely, to open a channel for eventual direct Russo-German negotiations. The Chancellor went to Moscow declaring that he would agree to the establishment of diplomatic relations only on certain conditions: (1) if his right to speak for all of Germany were conceded; (2) if an exchange of Ambassadors would in no way involve his recognition of the East German government; (3) if it were agreed that the German-Polish frontier remained subject to final settlement in the peace treaty; (4) if a timetable for German unification were agreed upon; and (5) if the Soviet Government would first have released all German war prisoners.

At Moscow, Dr. Adenauer was bluntly told that he could speak only for West Germany; that the East German Government would have to be a party to any discussion of German reunification; that there could be no reunification so long as West Germany remained in the NATO alliance; that the Polish-German frontier had been fixed at Potsdam and that, in any case, it concerned the East German and not the West German Government; and that the release of war prisoners concerned both the German Democratic Republic and the Federal Republic of West Germany.

Having obtained nothing more than an oral promise that both East and West German war prisoners would be released—a concession for which the credit was pointedly given to the East German Government—the Chancellor nevertheless agreed to the establishment of diplomatic relations.

The State Department hailed this meager result as a diplomatic triumph demonstrating "the bankruptcy of Soviet policy with respect to Germany." [39] Dr. Adenauer's own explanation of his surrender was, in effect, that he had been compelled to bow to the superior strength of the Soviet position and that it had seemed the better part of wisdom to establish a channel of direct communication with the powerful Kremlin, instead of depending solely upon negotiations through the Western Powers. If this proved the bankruptcy of any policy, it would seem to have proved the futility of the Acheson-Dulles-Adenauer policy of seeking to negotiate from positions wrongly assumed to be situations of strength.

Upon the unfortunately somewhat improbable assumption that the western foreign ministers will seriously attempt to break the deadlock in the near future, let us now consider what sort of a proposal for reunification they might put forward with a reasonable hope of having it accepted.

Temporary Neutralization as the Solution

It is true that, in the long run, Germany is too important a factor in Europe to be denied any of the attributes of full sovereignty enjoyed by its neighbors. If Europe is to remain a continent divided into the traditional, fully sovereign nation-states, the permanent denial to Germany of the right to rearm and to enter into military alliances is as impossible and as dangerous to attempt as its permanent partition.

Most Europeans, however, recognize that the traditional nation-state system is outworn and that the Continent must unite both politically and economically, if it is to survive and enjoy reasonable prosperity. This realization has already produced the organs of cooperation created by the Marshall Plan, the Coal and Steel Community and the Council of Europe. The trend toward unification, necessarily involving the surrender of certain sovereign rights to supranational authority, was progressing rapidly until it was thrown into reverse by the ill-advised proposal to form a European army before there was a politically united Europe. The French rejection of the European army and the substitution of an old-fashioned military coalition of national armies (Western European Union) set back but by no means killed the European idea. "Europeanism" is still at least as strong a sentiment in many parts of the continent as nationalism, especially among the youth of Germany.

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[37] The writer's specific plan for such a proposal, submitted to President Eisenhower at the time of his inauguration, was published in 1953 as a pamphlet (France, Germany, and NATO—Current Affairs Press) and later in the author's Germany—Key to Peace, Harvard University Press, 1953.

[38] In the Washington Post, the Minneapolis Star, the St. Louis Post-Dispatch, the Christian Science Monitor, the Denver Post, and the San Francisco Chronicle.

[39] See New York Times September 16; also the report of its Bonn correspondent, M. S. Handler, and the comments of its Washington Bureau Chief, James Reston, during the days immediately following.

This suggests that, if military neutralization can be made to represent a step toward Europeanization, it can be made not only acceptable to the majority of Germans, but actually desirable. As already indicated, this might be accomplished by a plan of temporary neutralization.

Suppose that the peace treaty to be negotiated with a freely elected all-German Government were to provide that for a period of years, not less than 5 and not over 15, Germany should bind itself not to enter into any military alliances, while the other signatories, including not only the four original occupying powers but all of Germany's neighbors, would undertake to respect and guarantee Germany's military neutrality.

The treaty would explicitly affirm the determination of all the signatories to cooperate in the limitation and eventual abolition of all national armaments other than those required for the maintenance of internal security; it would state explicitly that, in the event that this goal should not have been substantially attained prior to the expiration of the period of Germany's neutralization, then Germany would be automatically released from any restriction upon its sovereignty.

Thus a premium would be placed upon rapid progress toward disarmament; and Germany, far from being treated as a second-class nation would be set up as an example for other nations to follow.

The treaty should provide for the disbanding of the East German Volkspolizei and other military or paramilitary organizations set up by the Communist regime, and for the abandonment of the West German rearmament contemplated under the London-Paris agreements of October 1954. It should prohibit Germany from manufacturing heavy offensive weapons, including nuclear weapons, during the period of its neutralization. It should permit the creation of a limited defense force to stand nominal guard over Germany's frontiers.

The provisions should satisfy the Russians, if they are sincere in wishing to work toward disarmament. They would encounter opposition in Germany on the part of the extreme nationalists but would probably be welcomed by the majority of the German people, especially by the German workers and German youth. Whether or not they would be acceptable to the present West German government depends upon the degree of sincerity with which it actually wants reunification. There are elements within the Adenauer regime whose desire for reunification is, to say the least, doubtful.

German fear of demilitarized neutralization could be considerably reduced if a similar status were agreed upon for those of the Soviet satellites which are Germany's neighbors; namely, Poland, Czechoslovakia, and Hungary. Although it appears doubtful whether Russia would agree to the outright demilitarization of these countries, the Western Powers should certainly try to obtain at least a drastic reduction of their military forces.[30]

The German Peace Treaty should provide that, within 1 year of its going into effect, all foreign troops should be withdrawn from that part of Germany which lies between the Oder-Neisse frontier and the Rhine; and that a United Nations Commission should take over the task of seeing to it that German military forces and the manufacture of arms remained within the treaty limitations. The arms reductions on the part of Poland, Czechoslovakia, and Hungary should be supervised by similar United Nations Commissions.

The German-Polish Frontier

We come now to a question which probably presents the greatest obstacle to an all-German settlement; namely, that of immunizing a reunited and temporarily neutralized Germany against Soviet seduction.

There is very little likelihood that the Communist ideology would make any appreciable headway in a free and reunited Germany. Even the most pessimistic observers agree that, if a free, all-German election were held under present circumstances, the Communists would not poll as much as 10 percent of the total vote. For the time being, the danger is not that of ideological subversion. That danger is more likely to arise if Germany remains partitioned than if it is reunited; for, in a partitioned Germany, it is always possible that the West German boom may collapse while East Germany may gradually enjoy a greater degree of prosperity.

If Germany is reunited and neutralized, the greatest danger of Soviet seduction will arise out of Russia's retaining the ability to give back to Germany all or part of the East German lands from which some 10 million Germans were ruthlessly expelled in 1945. In order to deprive the Kremlin of this instrument of seduction—and perhaps even more in the interest of a just settlement—the Western Powers should insist that the peace treaty provide for a reexamination of the Polish-German frontier provisionally fixed at Potsdam.

Various solutions to this problem are possible. An outright revision of the frontier was suggested by the writer some years ago; this would have called for a return to Germany of all the territories annexed by Poland, except East Prussia and Upper Silesia. East Prussia, according to this proposal, would have been permanently amputated from Germany, because the Treaty of Versailles had made it into a strategically provocative German island in the Polish sea.[31] Upper Silesia would have been left to Poland on the theory that a peaceful Germany did not need the so-called "Eastern Ruhr," if it retained its western coal and industry, while Poland did need the industrial complex of Upper Silesia, if it was to have an economy balanced between agriculture and industry. The remaining German lands east of the Oder-Neisse frontier, which used to produce most of Germany's grain crops and which, when this proposal was made, were sparsely settled by Poles and in part uncultivated, would have reverted to Germany.

This formula may now be outdated. Polish resettlement seems to have progressed to a point where there is danger of curing one injustice by creating another, although the Polish and German statistics give conflicting evidence. The best solution would probably be to have the peace treaty provide for a Polish-German renegotiation under impartial arbitrators appointed by the United Nations, to be conducted without interference by either Russia or the Western powers. Such negotiations might develop a formula under which the disputed lands would be open to both Poles and Germans under some form of condominium, with fair and equal treatment guaranteed to local minorities.

Whatever the method adopted, the question of the Oder-Neisse frontier cannot be ignored. No German Government can be expected to accept the Potsdam frontier as a finality. The Western Powers dare not leave Russia in the position of being able to dangle the bait of frontier revision before the German eyes. Whether the Russians, who are well aware of the value of their present position, will be willing to sacrifice it in the interests of a German settlement remains to be seen. This could well be the crucial point in the negotiation.

The Limits of Withdrawal

The Russians have indicated that, in the event of an all-German settlement, they would be willing to withdraw their troops not only from Germany but also from Poland. (The first announcement to this effect was made by the Soviet-controlled Interparliamentary Group on Germany at Warsaw in January 1955.) They have also proposed, in their disarmament plan of May 10, 1955, that Anglo-American forces withdraw from the European continent and that the United States withdraw from its bases on foreign soil.

Congressman Reuss and his colleagues proposed an "unarmed area between the Rhine and Russia's historic frontiers. By this they meant that Russia was to withdraw not only from Germany and the satellites but also from the three Baltic states—Latvia, Lithuania, and Estonia—which have actually been incorporated in the U. S. S. R. Meanwhile, Anglo-American forces would, according to this proposal, presumably remain west of the Rhine.

The Big Four meeting at Geneva made it clear, if it was not apparent before, that the limits of the practically obtainable lie somewhere between these two extremes. The Russians will certainly not evacuate the Baltic States. The Western Powers will not agree to any plan in which withdrawal of the occupation forces means that the Russians withdraw to the Soviet frontier while Anglo-American forces withdraw across the Channel or across the Atlantic Ocean.[32]

The Western Powers would face a serious problem if the American and British troops now stationed in Germany were to be quartered in Holland, Belgium, and France. A possible first step would be to station the Anglo-American forces in that part of Germany which lies west of the Rhine, while an equivalent Russian force would remain in that part of the trans-Oder-Neisse territory which might be returned to Germany or placed under some form of Polish-German condominium. In addition, the treaty might provide that for the period of Germany's neutralization or until a general disarmament agreement were concluded, Russian troops should continue to maintain a garrison at Stettin, while Anglo-American forces would continue to occupy Bremen.

Admittedly, a treaty drawn along the lines of the foregoing tentative suggestions would entail risk and difficulties, but a proposal of this nature might at least serve to break the deadlock and to provide a basis for serious negotiation. It would remain to be seen whether the Russians would agree to neutralization on a basis which would clearly deprive them of any hope of later seducing Germany into an eastern alliance. Were they to refuse, their refusal would, as Congressman Reuss said, "give us the incalculable advantage of making our side the champion of German unification."

One thing seems certain. Unless the Western Powers take the initiative in putting to the Russians some proposal involving the surrender of their demand for German troop contingents, the Russians will sooner or later make a proposal directly to the Germans—a proposal which the Western Powers will be unable to accept without incurring the likelihood of eventual Soviet seduction, but which they will be unable to veto without alienating the majority of the German people.

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[30] Minor reductions in the troops strength of Poland, Hungary, and Czechoslovakia have already been announced, along with the Soviet announcement of a reduction of its own forces by 640,000, in August 1955.

[31] The Koenigsberg area, comprising almost half of East Prussia, was annexed by Russia without the slightest legal or moral justification. Its possible cession to Poland is a matter between the Russians and the Poles.

[32] Actually, such a withdrawal has been advocated by British Air Marshal Sir John Slessor, but only on condition that a rearmed Germany is included in NATO. See his article in The Reporter of September 8, 1955.

What Have We To Lose?

What has the West to lose in taking the initiative with a proposal which, at long last, recognizes the futility of demanding over and over again that the Russians surrender East Germany merely in order to let it, too, become a part of the anti-Soviet military coalition?

The only reason for rearming Germany is the belief that Western Europe cannot be defended against Russian invasion without German troops. This is, no doubt, true. But it is also true that Western Europe cannot be defended against a Russian invasion with German troops—least of all if the German contribution to western defense is limited to 12 divisions in order to prevent the German army from outweighing that of France. The fact is that the only way to defend Europe against a Russian invasion is to prevent that invasion from being launched.

The only reasonable case for maintaining that 12 German divisions would make the difference between a defensible and an indefensible Western Europe rested upon an assumption which has been invalidated; namely, that, with both sides in possession of nuclear weapons, neither side would use them, for fear of reprisal. Therefore, it was argued, conventional ground forces would regain their former importance. This never very realistic assumption was knocked into a cocked hat when the NATO Council declared on December 8, 1954, that, in the event of a Russian attack, the NATO forces would at once use tactical atomic weapons to offset superior Russian conventional strength. Field Marshal Montgomery had already made this quite explicit in a lecture delivered on October 12, 1954, in which he had said:

"I want to make it absolutely clear that we at SHAPE are basing all our operational planning on using atomic and thermonuclear weapons in our defense. With us it is no longer: 'They may possibly be used.' It is very definitely: 'They will be used, if we are attacked.'"

It is, therefore, perfectly clear that, if Russia launches an invasion of Western Europe, world war III, fought with atomic and hydrogen bombs, will have begun. Of what use will 12 German ground divisions be in such a war?

Speaking at Bismarck, N. Dak., on February 22, 1955, General Gruenther, the Supreme NATO Commander, stated that the importance of the West German military contribution consisted of making it possible for the West to adopt a forward strategy, instead of a defense based upon holding the line of the Rhine. The addition of the German air and ground forces would, the general said, help to create a sufficiently strong shield to prevent an enemy from advancing in widely dispersed formation, compelling him to concentrate his forces, and thus to make them vulnerable to destruction by atomic weapons.

No doubt this is true; but, in order to force the enemy to concentrate, would not the German forces themselves have to concentrate to some extent and become vulnerable to atomic attack? Moreover, the fact that the frontlines might be 150 miles farther to the east would not materially affect the enemy's ability to lay waste by air not only the Ruhr and the whole of West Germany but also the great cities and vital centers of Western Europe and the British Isles.

One can readily sympathize with the point of view of a military commander who has been assigned the task of defending Western Europe. He will obviously want every battalion and every air unit he can muster. West German contingents—assuming their willingness to fight in the circumstances which would prevail in the event of war—would doubtless enable the NATO commander to put up a stronge initial resistance. The fact remains, however, that, if war comes, Western Europe will be finished, irrespective of whether or not it is overrun by the enemy and irrespective of the war's final outcome.

The point to remember is that we are not discussing how to prepare for a war assumed to be inevitable. We are discussing how best to prevent that war from taking place. German contingents might conceivably be useful to us in the early stages of a fight to the finish with Russia, though it is hard to see how they would serve the interests of Europe or of Germany itself. From the point of view of preventing war, the rearming of a partitioned Germany is more of an irritant than a deterrent. Because all this is quite clear to the majority of Europeans, including the Germans, our present policy has no firm support in popular opinion. Unless and until the people of Europe are convinced, as they are not now convinced, that there is no alternative, the Western European Union structure and NATO itself will remain not "a position of strength" but a position of dangerous weakness.

Chapter 12. Preventive action in Asia

In the debate of March 16, 1955, Congressman Reuss and his colleagues suggested that we "ask the United Nations to take over Formosa as a trusteeship, to assume its defense against the aggression that threatens it and to promote the development of self-government by the Formosan people." Explaining the purpose of this recommendation, Mr. Reuss said:

"The U. N. trusteeship suggested involves no recognition of Red China or admission of Red China to the U. N., no de-recognition of Chiang and no weakening of our determination to defend Formosa. A trusteeship could well be accommodated to the continued defense of Formosa by Chiang's troops and to the right of Chiang to seek democratic office in Formosa under a U. N. trusteeship. A U. N. trusteeship would enable us to get out from under our current untenable position whereby we maintain Formosa as a United States province and foist upon it the government of Chiang without the consent of the 7 million Formosans. A U. N. trusteeship would give India and the other Asian countries an opportunity through the U. N. to participate not only in the administration of Formosa but in its defense."

In one respect this proposal was ambiguous. If it implied that, under U. N. supervision, the people of Formosa were to have the opportunity freely to elect a government of their choice, it necessarily involved the possible "de-recognition of Chiang." In the event that the people of Formosa should freely decide to adhere to the Chinese mainland, the proposal would also involve not a "weakening" but an "abandonment" of our determination to defend Formosa.

It goes without saying that any proposal to "de-recognize Chiang" or to abandon the American defense of Formosa would have aroused a storm of protest. But the fact that these questions were and still are "hot potatoes" in our domestic politics does not mean that we can indefinitely avoid facing them. If we favor a U. N. trusteeship and, ultimately, a free choice by the Formosans as to their own future, we must be prepared to accept that choice, even if it means surrendering the island to the Communists and providing an asylum elsewhere for the Nationalist leaders.

The Reuss proposal, while admirable so far as it went, did not reach the heart of the question which bedevils American policy in the Far East. That question, which sooner or later will have to be faced, is whether the United States accepts the Chinese revolution as a fact and seeks a modus vivendi with the Peking Government, or whether the United States does not accept the revolution as a fact and seeks to overthrow the Peking Government.

This question arises in its most acute form over Formosa and the Nationalist-held islands, but it is also basic to reaching peace settlements in Indochina and Korea.

It seems apparent that we cannot overthrow the Peking Government by any means short of a major war, least of all by attempting to restore Chiang Kai-shek. It seems equally apparent that in any attempt to overthrow Mao Tse-tung by war, the United States would have no allies other than Chiang Kai-shek and Syngman Rhee. The American people have already made it clear that they would support no such adventure.

Why, then, continue the pretense? If we seek a modus vivendi with a government which rules 600 million people—one-quarter of the world's population—why continue the stubborn farce of nonrecognition?

Apart from pleasing Senators Knowland, Bridges, McCarthy, and Jenner and their steadily shrinking group of adherents, our present policy serves only to isolate us from those who might be our friends in Asia and to cement the ties between Moscow and Peking.

As for admitting the Chinese People's Republic to the United Nations, how can we expect it to agree to a U. N. trusteeship for Formosa or to disarmament under U. N. auspices, if it continues to be excluded from that organization? There is no longer any question of "Red China shooting its way into the United Nations." The only shooting going on since 1954 is a purely internal Chinese affair. The Chinese Communists are shooting at Nationalist garrisons on offshore islands which are indisputably Chinese. The Nationalists are shooting at the mainland. Neither the United States nor the United Nations has any right to interfere in the determination of which faction in the Chinese civil war gains control of Matsu and Quemoy.

There is only one legitimate basis for maintaining that the Chinese People's Republic has not purged itself of aggression; namely, its violation of the terms of the Korean armistice. Rectification of such violation should, of course, be made a precondition for Peking's admission to the United Nations.

The United Nations was conceived as a universal organization. Several Communist dictatorships were among its founding members and retain membership today. The United States must dissipate the impression, created by its present attitude, that it desires to make the United Nations into an anti-Communist association, or into a sort of club whose members must conform to Anglo-Saxon standards of behavior or to the idiosyncracies of certain United States Senators and Congressmen. Unless the United States changes its attitude in this respect it is likely not only to destroy the United Nations but to destroy the anti-Communist coalition. In this respect, the following quotation may be of interest:

"I have now come to believe that the United Nations will best serve the cause of peace if its Assembly is representative of what the world actually is, and not merely representative of the parts which we like. Therefore, we ought to be willing that all nations should be members without attempting to appraise closely those which are 'good' and those which are 'bad.' Already that distinction is obliterated by the present membership of the United Nations.

"If the Communist government of China in fact proves its ability to govern China without serious domestic resistance, then it, too, should be admitted to the United Nations."

These were the views of Mr. John Foster Dulles before he became Secretary of State, as expressed in his book, War or Peace, published in 1950.

We must conclude, then, that Congressman Reuss and his colleagues, though on the right track, did not grapple with the issues which are fundamental to a relaxation of tensions in the Far East. To eliminate or substantially diminish the liklihood that world war III may be triggered by an American conflict with China in which Moscow will feel bound to support Peking, the following actions seem indicated:

1. Ending the farce of nonrecognition, bearing in mind that recognition does not involve approval and that the United States recognizes and maintains diplomatic relations with a number of governments, including that of the Soviet Union, of whose nature and conduct the American people do not approve.

2. Withdrawing our objections to seating the Chinese People's Republic in the United Nations on condition that it shall previously have rectified its violation of the Korean armistice terms and on condition that it shall previously agree to the following procedure as to the islands held by the Nationalist regime:

(a) Evacuation of the off-shore islands by the Nationalists on condition that Peking renounce any intention to seize Formosa and the Pescadores by force.

(b) Turning over to the United Nations as trustee Formosa and the Pescadores, with the understanding that the United Nations will in due course provide the inhabitants with an opportunity to decide in a free election whether they wish to govern themselves as an autonomous state, or to become a state or province of the Chinese People's Republic. In the event that the inhabitants choose an autonomous status, the Nationalist leaders shall be free to seek office by democratic procedure but only on condition that they shall first renounce their Chinese citizenship and become citizens of Formosa.

(c) Assumption by the United Nations of the responsibility for the defense of Formosa and withdrawal of all American military and naval forces except insofar as these may be furnished to the United Nations at its request.

(d) Disbanding of the Nationalist armed forces except insofar as contingents may be requested by the United Nations to serve under its command.

It is by no means certain that Peking would agree to a peaceful settlement on these terms. Whether it would or not is relatively unimportant from the point of view of preventing world war III from arising out of the present Chinese-American tensions. For, if the United States were to make these proposals, it would gain the respect and support of the Asian peoples. Were China to reject these proposals and to threaten a resort to force, it would clearly place itself in the role of the aggressor, in which case it would find itself without friends in Asia and could not count with certainty upon Soviet support.

Apart from having to face a few weeks of right-wing rhetoric, what have we to lose by taking such a course?

We have no legal or moral right whatever to Matsu or Quemoy. We have no right to Formosa, except as one of the 48 nations to whom, under the Peace Treaty of April 28, 1952, Japan surrendered title. This treaty contains two provisions about the islands taken from Japan. One establishes a large area in which the former Japanese possessions are placed under U. N. trusteeship, with the United States as the sole administering authority; this includes Okinawa, where we have a major base. Under a second provision Japan relinquished title to Formosa and the Pescadores, but the treaty does not say to whom. The title, therefore, rests in the 48 nations, who signed the treaty, some of whom, like Australia, New Zealand, the Philippines and Indonesia, have every bit as much interest as we in the future of the islands. In taking the position that Formosa is an essential link in the American defense perimeter, we have all along ignored the fact that we have no legal title to it.

This is what Congressman Reuss undoubtedly had in mind when he said that his proposal of the U. N. trusteeship would get us out from under our current untenable position whereby we maintain Formosa as a United States province and foist upon it the government of Chiang without the consent of 7 million Formosans.

The foregoing proposals, though more far-reaching than those of the Congressional group, do not by any means constitute a program for peace in Asia. They represent merely a course of action designed to reduce tensions, to diminish the likelihood of a major conflict and to make possible the eventual peaceful settlement of the disputes outstanding between the rival power orbits. One such dispute concerns the reunification of Korea. President Syngman Rhee is scarcely less of an obstacle than the communists to a settlement which will give the long-suffering Korean people the independence and freedom of which they have been deprived for the past 50 years by great-power maneuvers. A second issue concerns the drawing of a mutually respected frontier between the rival orbits in Indo-China. The future of Japan is a third major issue requiring settlement. None of these questions can be approached until the pathway to direct negotiations between Washington and Peking has been cleared of obstacles.

What we must recognize is that the existing obstacles have been created not merely by the sins of the new regime in China but also by an historical process in which, as we have seen, our own aberrations, past and present, have played a considerable part.

Certainly no progress toward a relaxation of tensions in the Far East can be made so long as our Government refuses to discuss the outstanding issues with Peking. The State Department's reaction to Chou En-lai's offer of direct negotiations in April 1955 was a flat rejection of any talks in which the Chinese Nationalists would not also participate. The Nationalists promptly declared that they would in no circumstances sit down at the same table with representatives of the Chinese People's Republic. The State Department's declaration thus, for the time being, placed Chiang Kai-shek in a position to block any progress toward peaceful settlement.

Although President Eisenhower subsequently somewhat softened the State Department's hasty declaration of policy, no moves were made by Washington during the ensuing months toward opening up a direct channel of communication. India's efforts to bridge the gap between Peking and Washington received a cool reception. In spite of the waning power of the intransigent right wing, the administration felt itself compelled, for the sake of party harmony to promise Senator Knowland that Far Eastern affairs would not be discussed at the summit meeting to be held at Geneva in July.

No sooner, however, had the Geneva Conference come to its conclusion, than Senator George once more took the initiative. Just as, in March, he had broken the ground for top-level talks with Russia, so now the outspoken chairman of the powerful Senate Foreign Relations Committee took the lead in demanding that Secretary Dulles meet face to face with Chou En-lai within 6 months, warning that he expected "an acute flare-up in the Formosa Strait" unless the United States should promptly indicate its willingness to discuss outstanding differences with the Peking government.

The favorable reception accorded the Senator's initiative showed the extent to which the popular mood had changed. Among his colleagues, only a dwindling handful expressed misgivings or dissent. Nevertheless, the administration moved with the utmost caution to take up negotiations far below the level of the Foreign Ministers. Announcing that Mr. U. Alexis Johnson, American Ambassador to Czechoslovakia would shortly meet with a representative of the Chinese People's Republic at Geneva to discuss the release of prisoners, the State Department emphasized that these talks would not involve recognition, while Senator Knowland declared that these conversations would signify "no change in American policy."

On August 1, 1955, the day of Mr. Johnson's first scheduled meeting with Ambassador to Poland, Wang Ping-nan, Peking announced the freeing of 11 Americans fliers accused of espionage. A day later, commenting upon a conciliatory speech by Chou En-lai, Mr. Dulles told a news conference that it was possible that the talks might be carried to a higher level, if the Peking regime would renounce the use of force.

Thus it began to appear that, at long last, Mr. Dulles might think it politically safe to shake the hand of Mr. Chou En-lai and engage in direct conversation. A year earlier, he had feared the uproar which would no doubt have taken place in the Congress and in the press at the mere suggestion of any such meeting. When Congress adjourned in early August 1955, there was scarcely a murmur of criticism or dissent. This did not mean that the administration was now prepared to pick up the "hot potatoes" of recognition and ultimate admission to the United Nations, but it certainly indicated that popular support for those moves could now be won by bold leadership.

Whether such leadership would be forthcoming remained to be seen.

Chapter 13. Relaxing tensions in the uncommitted areas

Assuming that the most dangerous tensions in Europe and the Far East can be reduced by give-and-take negotiation, then the most serious remaining risk of world war III probably arises from the likelihood that a little local war may trigger the atomic holocaust. This risk will increase so long as the buildup of opposing conventional forces continues and so long as the expansion of military alliances continues to create new areas of potential conflict.

As matters stand today, it is extremely dangerous to assume that there can be any local brush fires which can be put out with conventional weapons and which will not ultimately involve the vital interests of either or both of the two centers of polarized power. If, for example, war were to break out again between North and South Korea, it is highly improbable that Russia would tolerate a South Korean conquest of the North or that the United States would permit the south to be overrun by the Korean Communists. Only a stalemated, small-scale border conflict could reasonably be expected to remain localized. Nor is it likely, if war were to break out between the Arab States and Israel or between India and Pakistan, that such a conflict would not sooner or later involve the rival power orbits.

These considerations suggest a revision of our present attitude toward neutral nations. Our policy has hitherto been based upon the somewhat primitive thesis that whoever is not with us is against us. Faced with aggressive Communist expansionism, our Government has openly exerted pressure upon India and Pakistan, upon the Arab states, upon Germany and Japan, and even upon traditionally neutral Sweden to line up with the anti-Communist coalition. Its purpose has, of course, not been to build up a satellite empire but merely to prevent additional nations from becoming satellites of

Moscow or Peking. In most of the cases where American pressure has succeeded in drawing previously unarmed or uncommitted nations into military alliance, tensions have been increased. This alone should warrant a reexamination of our Government's policy toward the uncommitted nations.

In addition, however, the recent switch in Soviet tactics urgently demands the formulation of a coalition policy which will not permit the Kremlin to make itself the champion of neutralization of nonalinement in a world whose peoples are increasingly determined to escape from the horrors of atomic war.

One alternative to the expansion of military alliances has already been suggested with respect to Germany; namely, a negotiated neutralization on terms which so far as possible immunize the neutralized area against later Communist seduction or penetration. Where a negotiated agreement between the rival power orbits seems impracticable, another alternative might be found in a unilateral assertion by the leaders of the anti-Communist coalition of a vital interest in the continued freedom and independence of certain nations lying on or near the Sino-Soviet periphery, accompanied by an explicit voluntary renunciation of any intention to draw such nations into military alliance or to establish bases upon their soil. This would be an extension of the principle of the Monroe Doctrine, which would, however, combine a hands off warning with a countervailing self-denial.

Some of the crucially important uncommitted nations, such as India and Burma, resent pressure to rearm and join the anti-Communist alliance, not because they are neutral as between democracy and communism, but because they do not see the primary threat to their newly won independence as being that of military invasion. They reject rearmament and alliance not so much because they are inherently pacifist but because they cannot afford both rearmament and the massive programs of economic development which they consider to be their best defense against Communist penetration. Such countries might well be willing to accept the protection of the unilateral declaration here suggested.

To the extent that a neutralized belt might be created in Europe and Asia, either by agreement or by unilateral action, one might reasonably expect tensions to be relaxed and the danger of armed conflict to be diminished.

It is particularly important to reexamine our Government's policy in the Near and Middle East, where strenuous efforts are being made to create an anti-Communist military front by rearming the Moslem nations. The first thing to recognize here, is that arming an area against a danger which threatens it can be effective only if its inhabitants recognize that the danger exists and wish to defend themselves against it. With the exception of the Turks, who have a long tradition of hostility toward Russia and an active desire to defend themselves against Soviet aggression, most of the peoples of the Moslem crescent are more concerned with shaking off the remnants of European colonialism than with fending off a possible Communist encroachment. They are more resentful of western collusion with their rapacious feudal rulers than alarmed by the machinations of Moscow-directed fifth columns; more aware of their poverty than of their lack of political democracy; more conscious of American bomber bases and British military installations on their soil than of the Red army lurking behind the mountains of the Caucasus.

A second consideration is that arming nations which have outstanding disputes with their neighbors—especially boundary disputes such as exist between India and Pakistan, and, in more explosive form, between Israel and the Arab States—is more likely to lead to war than to peaceful settlements. Secretary Dulles showed his awareness of the danger, when he offered, on August 26, 1955, to help bring about a peace settlement between the Arab States and Israel. He did not, however, recognize that American pressure upon the Arab states to rearm and American aid to Arab rearmament have endangered the peace more than they have strengthened the Near East against Communist invasion.

Finally, there is still another point of view from which our policy toward the uncommitted nations should be reexamined; namely, that its weakness as a deterrent to aggression arises from the fact that it lacks precise definition and that it is, therefore, unconvincing. The threat of massive retaliation must be believed, if it is to deter an aggressor. In Indochina it was shown to have been empty bluff. The Communist dictators are by this time fully aware that the American people are not willing to support "massive retaliation upon the sources of aggression," unless that aggression threatens interests so vital as to make them willing to enter upon world war III. The Communist rulers know also that the United States will not risk engaging itself in a major conflict without strong allies and that its major allies will not expose themselves to atomic retaliation over Matsu or Quemoy, or even over South Vietnam.

The proposal here put forward for discussion might provide middle ground between two undesirable extremes; that is to say, between our present policy, which is dangerous because it lacks precision, and coexistence based upon acceptance of the present status quo as permanent, which would constitute an immoral abandonment of the presently enslaved peoples.

It must be admitted that the policy here suggested will not in itself halt Communist political penetration of the countries to which the hands-off warning would apply. But neither will rearmament halt political penetration. The only insurance against political subversion is that provided by social reform and economic development. These are impeded rather than promoted by rearmament.

Chapter 14. Responsibility of an election year

The anxiety aroused throughout the world by President Eisenhower's sudden, tragic illness and the worldwide solicitude for his speedy recovery show to how great an extent the world's hope of peace depends upon the future course of the United States.

The nature of the American Presidency is unfortunately such that by the time a new incumbent has mastered the job of being President—especially in a time of crisis—his term is often half over and his health likely to be impaired. Even if such is not the case, the 4th year of an American President's term of office tends to be overshadowed by domestic politics.

In the past, our Nation has had a bad habit of almost totally absenting itself from world affairs while it indulged in the domestic Donnybrook of a presidential election. The 1940 campaign between Roosevelt and Willkie was a notable exception in that it did not interrupt the steady development of a policy of aiding the nations resisting Axis aggression. Had this not been the case, the United States might have been compelled ultimately to fight for its own survival without allies and without adequate preparation for its own defense.

At this particular moment of history, uncertainty as to where the United States stands, or even the mere stagnation of American foreign policy, could easily throw into reverse the worldwide trend toward peaceful settlements which has only just set in.

Throughout the first year of the Eisenhower administration, especially while the ineffable Messrs. Cohn and Shine were gallivanting about Europe, many of our friends abroad were asking whether the President or the junior Senator from Wisconsin was actually the determining factor in American foreign policy. Apart from the influence of the Wisconsin demagogue, there were times when it appeared to the world as if some sort of a "war party" existed within the administration's inner councils of whose activities the Chief Executive seemed only dimly aware.

The comparatively rare and sometimes ambiguous utterances of the President during his first years in office were often variously interpreted by his official family, not infrequently in such a way as to give them a more belligerent meaning. The Secretary of State, in particular, seemed given to making such interpretations. At other times, the Secretary of State created ambiguity and confusion by his own pronouncements, as, for example, by his reinterpretations of his original statement of the doctrine of massive retaliation. Vice President Nixon, on one occasion at least (intervention in Indochina), expressed views at variance with those of the President. Senator Knowland, supposedly the administration leader in the Senate, often raised his voice in direct opposition to the views expressed or implied by the Chief Executive.

The result of this early confusion was that official statements intended to deter the Communist dictators from aggression sometimes merely had the effect of frightening our friends and arousing the suspicion among our enemies that important elements in the administration were actually planning a preventive attack. At other times, a deliberate ambiguity—as in the case of defending Matsu and Quemoy—tended to provoke rather than to frighten off aggression. It became all too apparent that what was needed to make a policy of deterrence effective was not cleverness and bluff but clarity and convincing determination.

The tragedy of the President's being stricken with a heart attack was that these earlier defects were rapidly being remedied at the very time when he was incapacitated. During 1955, and especially at and after the July conference at Geneva, President Eisenhower had emerged more and more clearly as the dominant factor in American foreign policy, reacquiring the serene confidence in his own judgment which had distinguished his bearing as wartime military commander. At the same time, it became clearly apparent to the world that this former military leader was a deeply sincere man of peace—that so long as he remained President, the United States would pursue a policy of seeking by every possible means to achieve a just, honorable, and lasting settlement.

The danger that there will be a hiatus in American foreign policy until after the 1956 elections is all too apparent. On the other hand, an election year coming at just this time provides the ideal opportunity for that nationwide ventilation of the great issues without which we can scarcely hope to "put political, social, economic and spiritual flesh on the bare bones of our present military measures against communism."

If we, the people of the United States, want peace for ourselves and for our children and grandchildren, this is our chance—perhaps our last chance—to act effectively toward the realization of our hopes. There can be no doubt whatever that, if a sufficient number of citizens share the desire to revitalize our foreign policy, the job can be done and done within the next critical months. If the voters in some 30 congressional districts scattered across the country were able, in 1954, to elect representatives imbued with the spirit which produced the debate on March 16, 1955, the same thing can be accomplished by voters in other districts in the nationwide elections of 1956.

The question is not necessarily one of partisan politics. While it is true that the Democratic freshmen in the 84th Congress have been the ones to take the lead, there were a considerable number of Republican freshmen who, though silent during the debate, privately expressed an attitude sympathetic to that of the insurgents. If it is possible to have an inflexible and unimaginative bipartisan foreign policy which leans too heavily upon military means, it is also possible to have a well-rounded, flexible and imaginative policy firmly backed by both parties.

Whether or not a bipartisan foreign policy is a thing to be desired is another matter. This depends upon whether "bipartisanship" grows out of a real sense of national unity behind a clearly understood purpose which overrides all other considerations, or whether it is the product of fear, frustration and apathy on the part of the people and timid avoidance of controversial issues on the part of leadership.

The "bipartisanship" of recent years has all too often been the product of cynical expedience on the part of both Democratic and Republican leadership and of frightened conformism on the part of the electorate. As a result, vocal minority groups have exercised an altogether disproportionate influence.

Nothing could, for example, be clearer than that the overwhelming majority of the American people has all along rejected the idea of becoming embroiled in world war III for the sake of restoring Chiang Kai-shek to power over the Chinese people. Yet the handful of fanatical supporters of the Nationalist cause has at various times so intimidated both the Democratic and Republican leadership as to bring the Nation to the brink of war.

At no time, and least of all after General Eisenhower's election to the Presidency, could it be said that Senator McCarthy represented majority opinion. Yet this reckless headline hunter was able to frighten a compliant Secretary of State into hiring his henchmen, firing well-tried veterans of the foreign service and totally demoralizing the "Voice of America." As Wisconsin's freshman Congressman Reuss put it:

"For 3 or 4 wasted years, our foreign policy concerned itself largely with reacting to McCarthyism. Now the junior Senator from Wisconsin is, at least for the moment, sulking in the wings. But the vacuum in our foreign policy, which his commotion has created, remains."

The vacuum can be filled, if we, the American people, make up our minds to fill it. Congressman Reuss and his colleagues have raised the questions which need to be asked. In the opinion of this deeply concerned citizen, they have done more; they have pointed out the direction in which most of the answers are to be sought. If every candidate for office in 1956, from the Presidency down, can be induced to take a clear stand on these issues, we shall have a revitalized foreign policy worthy of our great country and firmly rooted in majority opinion.

Whether the candidates can be induced to define their positions with respect to these basic issues will depend in part upon their political courage. To an even greater extent, it will depend in most cases upon the attitude shown by their constituents; this, in turn, will be largely determined by the extent to which the electorate is informed and interested. To make readily available at least some of the required background material and to stimulate interest in the decisions which lie before us is the purpose of this study.

The question which confronts us in the coming year is not whether these decisions shall or shall not be made. They will be made by conscious choice or by default. If made by procrastination or evasion, the decisions of 1956 are sure to leave us wandering in the fog of uncertainty and anxious apprehension. If made by the conscious choice of the American people, they are almost equally certain to bring us nearer to the distant but attainable goal of an enduring peace.

APPENDIX

EXCERPTS FROM THE REMARKS IN THE HOUSE OF REPRESENTATIVES, WEDNESDAY, MARCH 16, 1955

Mr. Reuss. Mr. Speaker, I speak this afternoon for myself alone. But what I have to say has been discussed with many of my colleagues, and I believe that the general thoughts expressed are theirs as well as mine.

This Congress and this Nation must once again attempt what mankind throughout its history has tried but failed to do. We must move swiftly now to set in motion forces which will insure peace. For we now confront humanity's annihilation by the A bomb, the H bomb, the U bomb, the C bomb, on hand or being perfected.

We had a warning of this several weeks ago in the Atomic Energy Commission's report on the effects of the H bomb. We had a sign of this just a few days ago in the Nevada tests of what the press hinted was a possible trigger mechanism for the H bomb. The explosion shook the earth, and the flash lighted up the sky of 13 Western States. How many more would be shaken and bathed in the deadly light of what the trigger mechanism itself was designed to set off.

AGE OF NUCLEAR WEAPONS

We know, of course, how to wage war. We have the means to wage it. We know, too, that America and the free world have suffered unconscionable abuses from the Communist powers, abuses which in a former day would have justified a stand to arms for redress. Yet we do not live in a former day when the musket over the fireplace was the answer to tyranny, or when the fleet alone seemed sufficient to keep the enemy at bay. We live in the year 1955, in the age of nuclear weapons.

We delude ourselves if we think that a war between America and the centers of Communist power could be limited to the conventional weapons which brought us victory in the past. Our tactics are shifting rapidly to nuclear weapons. We may assume that the same is true of the enemy. Even if leaders of both sides showed a moment of qualm before they used nuclear weapons, they might be compelled by the force of popular passions to use at once what they themselves have proclaimed all along to be the guarantor of a swift, easy, and decisive victory.

There is only one avenue away from the dead-end of worldwide destruction. It does not lie in any agreements to limit the use of atomic weapons if war should come, important as such a limitation may be. It lies in trying to clear up some of the gathering tensions which lead, often by accident, to war.

The tensions of the world today are not of our making. We did not invent colonialism. We came to birth as a Nation because we fought colonialism. We did not invent disease, ignorance, and poverty. We came to greatness as a Nation because we set ourselves the task of fighting all that lays a blight on human existence. And we have every reason to be inflamed when we hear that the best of what we try to do is often portrayed abroad as merely grasping and selfish. But the question for us is not what they ought to do, but what we ought to do; not whether it is just and wise for them to complain when they suffer no wrong from our hands, but whether it is wise in us to invite the distrust of other peoples because of what we, as a great power, have the responsibility and the capacity to do—but have failed to do.

AIR GRIEVANCES

For example, 30 nations of Asia, Africa, and the Middle East, representing more than one-half of mankind, will confer at Bandung, Indonesia, a month from today—and for what purpose? In part, at least, to air their grievances against the United States because we have failed to take the lead in their common fight for freedom from colonialism and feudalism, in their common hope for economic aid on an international basis, in their common desire for a position of noninvolvement in great power rivalry.

In Europe, Germany is still cut in two. One hundred million people groan under Soviet rule in the enslaved states of central and eastern Europe. The partial rearmament of Western Germany is underway, despite the bitter opposition of half the people of Germany and France.

Short of war—if then—it is not within our power to overturn the present rulers of Moscow and Peiping. Yet the main game is still to be played for around the globe. All too often we forget this to our disadvantage, while Moscow and Peiping keep their thoughts focused all along on what we forget. We forget that the stakes of the game are the hearts and minds of the people of Asia, the Pacific, the Middle East, Africa, Europe, and Latin America, who as yet remain outside the net of Communist power; who want to live in peace, to be the authors of their own history; who will respond to any leadership which raises the banner of hope that what they want so desperately can be theirs to have.

POLICY HAS ZIGZAGGED

We are not now raising that banner of hope. We seem bent on vetoing it, not by design but unwittingly. For our foreign policy in the recent past has zigzagged into the wayward paths of agonizing reappraisal, unleashing Chiang, massive retaliation, the New Look, liberation, and other tired slogans. Now at last we are back to the policy of containment developed by the last administration. To that policy of containment we are adding German rearmament; we have a military agreement with Spain; we have formed the Southeast Asia Treaty Organization; and we have exchanged mutual guaranties with Chiang.

These military alliances should not be viewed as ends in themselves. In the nature of the case, the weaker partners in these alliances will always be suspicious of the stronger ones. Unless all are bound together by vital economic, political, or social interests, military alliances tend to come apart at the seams when they are subjected to the acid test of war.

Our view of a policy of containment ought to be that it is merely an expedient. It is to gain through strength a margin of time in which to do the real work before us of removing the causes for worldwide tensions. We have instead viewed that policy as the end itself, while the tensions continue to pile up unattended to, to hammer against and sometimes breach the military retaining wall we have built against them. When we side with the colonial against the anticolonial countries in the U. N. we lose the respect of half the world struggling to be free. Our refusal last May to join the special United Nations Fund for Economic Development on the ground that we could not afford the $80 million annual cost until there was disarmament sounds thin to the free world. In Europe no rhetorical flourishes can disguise that fact that, although we cry "unification" for Germany and "liberation" for Eastern Europe, we have offered no method to achieve either aim.

BEGINNING MUST BE MADE

If there is no desire to ease tensions of this sort, then a thousand plausible reasons can be found to explain why this failure of will is really the highest form of statesmanship.

Yet a beginning of some sort must be made; and the time to do it is now. For every day that passes increases the mining of uranium for military use, increases the stockpile of atomic weapons, and brings us 1 day closer to the abyss of nuclear disaster.

Somebody has to make a start. In June 1947 Gen. George Marshall, in his speech at the Harvard commencement, spoke 3 or 4 sentences that inspired the world with their universal promise of a better day. Can anyone doubt today that those 3 or 4 sentences, when translated into concrete yes-and-no decisions, at least temporarily saved Western Europe for the free world?

President Eisenhower can continue this same work. He may not have the power to impose the American national will for peace on Moscow and Peiping. But backed by the national will, he has the power to ease age-old causes for tensions which now keep the world in a constant state of alarm, and which Moscow and Peiping exploit to their own advantage.

SPEAK OUT BOLDLY

The time has come for President Eisenhower to speak out boldly and constructively before the Congress and before the United States in this vein—let him say to the world:

"We Americans want peace, and we want to do our part to secure the peace.

"To the people of Asia, Africa, and the Middle East who are about to meet at Bandung, we say this. If you agree, we will ask the U. N. to take over Formosa as a trusteeship, to assume its defense against the aggression that threatens it, and to promote the development of self-government by the Formosan people. If you agree, we will reverse our refusal to join the Special United Nations Fund for Economic Development, and will work with you, both inside and outside the U. N., for social and economic advancement, and against colonialism and feudalism.

"To the people of Europe, we say this. West German rearmament is under way, because Russia leaves the West no alternative. But if you agree, and if Russia will carry out her part of the bargain by withdrawing to her historic borders, we will welcome a unified and independent Germany; a free Poland, Czechoslovakia, Hungary, Austria, Rumania, Bulgaria, and the Baltic States, each independent but part of a larger central European community based upon a respect for human rights; all without the capacity to make aggressive war, but with their security guaranteed by the U. N.

"To the people of all nations, we say this. We reaffirm our hope to end the destructive phase of nuclear development, and seek man's advancement through science. We rededicate ourselves to work in humble hope with the rest of the world toward the goal of permanent peace, for our own continued survival is hinged to the prospect of permanent peace."

Let our President speak in that vein.

OUR HISTORIC MISSION

Perhaps the details are not exactly these. Perhaps more should be said, and perhaps less. But what is said must be in the main current of our historic mission. It must reflect the American genius for ideas and action, the American tradition for independence and justice, the American hatred of war. What is said must ask for action by the Communists, not for paper promises. It must be based on what the Communists themselves could not reject without the risk of being rejected by their own peoples.

Whatever the outcome, this Nation could then face the future secure in conscience that we are striving to do that which is responsible and right.

What the President says will be rendered meaningless unless it is backed in depth, in the halls of Congress, on the streets and farms of this country, in the hearts and minds of every American. I am confident that if he does speak in his way, he will have that backing in depth. The people are hungry for dynamic leadership.

Mr. Udall (Arizona). I wish to commend the gentleman from Wisconsin for this fine, bold presentation. I think he echoes the hopes and beliefs of a great majority of the people of this country. I would like, if I may, to make a few observations and to comment on what seems to me to be one of the large points made by the gentleman. I refer to an issue that is currently in the news, that of the proposal for a foreign-aid program for Asia.

As we all know, a trial balloon was sent up by the State Department people, by Mr. Stassen, 2 or 3 months ago, before Congress convened, and it was indicated that a substantial program of aid for Asia would be proposed. * * *

I do not pretend to know the temper of the Congress here, as a new Member, but I think I do know somewhat the disposition of some of the new Members of Congress on this side of the aisle. It is our belief that we are ready to go ahead with such programs and that the President and the Secretary of State have more support here than they realize if they want to go forward. I think they would have to come up here and fight for such programs, that they might risk defeat; but there is support for substantial programs of this kind if they want to come up here and ask for them. They have been too fainthearted in shaving them down, in emasculating these proposed programs and ideas.

I should like to make one other comment here, as I see some of our veteran Members are with us. Many of you may feel that it is presumptuous on the part of some of us newcomers to discuss a subject of this kind. Certainly, it is presumptuous. We must admit that. But traditionally if freshmen have any assets they can offer a body, whether they are in college or coming into a new body, it is usual that they have a little excess energy and occasionally a fresh point of view. That is what I think the gentleman from Wisconsin is trying to offer us here today and what I would like to offer as a fresh point of view, and to say to the President and the Secretary of State: Be a little bolder, be a little less fainthearted; perhaps you have more support here than you know of.

Mrs. Green (Oregon). Mr. Speaker, may I first say that I am in agreement with the gentleman from Wisconsin in his statement that in the age of nuclear weapons we have no alternative but to move swiftly to put into effect those activities which will insure peace. * * *

To those who would say that we cannot maintain the level of foreign aid because it is too expensive, I would suggest that they contemplate for awhile the figure of the richest man in the graveyard. * * *

But let's not forget one thing. We are sometimes apt to feel that the money we send abroad for either economic or military aid is going to defend someone else. I don't think we should ever lose sight of the fact that in building the strength of the free world, we are building our own. * * *

Let us strengthen the economic-aid programs and the point 4 program. Let us increase technical assistance; let's show the people of Asia and Africa that we are anxious to see them achieve the status they so badly want. Let us never lose sight of the fact that the biggest single factor in world politics today is the desire—the needs of millions upon millions of human beings who have just emerged from colonial status or who are still in that status. There are several things those people want. They want first—to be treated with common decency—to be treated as equals—if not brothers.

They want economic stability. * * *

If we cannot find it in our hearts to urge independence for an Asiatic group simply because we believe that men have a right to be free, then let us back it because we know that freemen will fight harder than men who have a grievance. If we cannot fight economic injustice and disease because we hate them as we hate communism, then let us fight them because healthy men and secure men make better friends of democracy than do desperate men. If we cannot be generous, then let us be prudent. Whatever our motives, it cannot help but be to our profit.

Mr. Lankford (Maryland). Mr. Speaker, I have listened with great interest to the gentleman from Wisconsin and I wish to commend him on a most forceful and hopeful statement. With his permission, I would like to associate myself with him in the ideas he has propounded. Particularly, I agree with my distinguished colleague in his statement that the policy of containment, achieved in a large measure by the formation of treaty organizations and military alliances should not be viewed as an end in itself. * * *

Containment, as evidenced by our preparedness to meet the threat of armed aggression with arms, is at best an expedient, a means to an end.

We must never lose sight of the fact merely containing in a given area of the world those ideologies which are inimicable to the free and democratic world is not the end we seek. The end we seek is world peace and security. * * *

Mr. Roosevelt (California). Mr. Speaker, I welcome the opportunity to join with my colleague from Wisconsin in urging leadership by the American people and their Government in a positive plan for peace. * * *

Our Government has not been using all of the machinery available to it in its fight for peace. The time has come to recognize that we have bypassed, ignored and in many cases halfheartedly supported the facilities of the United Nations, a body specifically established to promote world peace. On rare occasions such as the address of the President of the United States in 1953 on the sharing, for peaceful use, of atomic energy, our Government has made a great world impact. But we seem to deliver one blow for peace, and then duck back into our shell. Indecision and contradictory statements bring disillusionment in their wake.

The United Nations is the place where we can work for the support—active, vocal, and insistent—of all of the nations who believe in freedom and justice. The United Nations is the place where the machinery exists to attack poverty, disease, the lack of individual opportunity, and the mangling of human rights. These are the root causes of war.

It is in the U. N. that we can meet those who have high hopes for their own economic and spiritual development * * *.

Mr. Quigley (Pennsylvania). May I say to the gentleman from Wisconsin, apropos of the excellent remarks made here today, particularly those that detail so correctly the manner in which our State Department for the last 2 years has gone all the way round the barn only to come back to the once bitterly denounced policy of containment. I am reminded and would like to point out that the author of that particular policy, the Honorable George F. Kennan, is a distinguished constituent who resides in the 19th District of Pennsylvania * * *.

I believe Mr. Kennan would be the last to contend that in devising the containment policy for Soviet Russia he was thereby suggesting anything that was to be or to become a permanent way of life. The containment policy at its best was a brilliantly conceived but badly misunderstood passing phase of a dynamic foreign policy * * *.

The hope of this Congress, the hope of this Nation, and the hope of freemen everywhere is to look to the future and not to be afraid of a new idea but to earnestly seek new ways and new means to solve the problems which we face. I believe in this way we can hope to gain the long-sought—the everlastingly sought—goal of peace in this world. Insofar as the gentleman from Wisconsin and others who spoke here today have made a small contribution toward that goal, I firmly believe they deserve the gratitude of the Members of this House and the people of this country.

Mr. HAYWORTH (Michigan). Mr. Speaker, I compliment the gentleman from Wisconsin for his thought-provoking and incisive report. There have been many times in our history when the administration and the Congress were not united. I would like to point out that one of the very encouraging things about the situation at present is the fact that the administration can depend upon the wholehearted support of both parties in the House of Representatives, whether of the majority party or the minority. We today, without question, are facing not only as a Nation but as a part of the free world itself, the greatest menace that civilization has ever known. Only by this wholehearted cooperation of both parties and of the administration can we be sure of our life as a Nation * * *.

Mr. SISK (California). Mr. Speaker, I commend the gentleman from Wisconsin on his very courageous stand. I can appreciate the courage it took to come before this body with some ideas which, to my mind, pose a new and refreshing thought. Whether or not we may all agree entirely with everything the gentleman has said, certainly I commend him on the excellency of his speech and upon the fact that it may cause some soul searching on the part of the American people relative to what our position should be as leaders of the world.

Mr. DAVIDSON (New York). I shall be very brief. I congratulate the gentleman from Wisconsin and others who have spoken today for the sober, serious, and conscientious considerations expressed. Implicit in the statement of each is a plea for inherent morality in our foreign policy * * *.

Mr. ASHLEY (Ohio). Mr. Speaker, I am very much interested in the remarks of my colleagues because they reflect many of the same hopes and doubts, misgivings and confusions with respect to the conduct of our foreign policy which I often hear in my own district.

With the present tenuous balance between an uneasy peace and a catastrophic war, I believe there is an increasing effort on the part of people everywhere to find, in our foreign policy, positive and constructive goals which offer some hope of a permanent peace * * *

Our foreign policy must have a broader goal than simply drifting from crisis to crisis in our effort to contain communism. If I judge the uneasiness of the men and women in my district with any degree of accuracy, it comes from an inability to sense a broader purpose in the conduct of our foreign affairs * * *

I submit that there has never been a time in our history when it was more essential for us as a Nation to apply our powers of imagination and determination in the establishment of a foreign policy which is truly constructive and positive and which has as its goal, not the prevention of seemingly isolated wars, but the winning of a peace as broad as the world itself.

Mr. MCDOWELL (Delaware). Mr. Speaker, I wish to add my remarks to those of my colleagues who have already expressed their views on this most important subject. The need for a positive approach to this complex problem has become more and more obvious with each passing day. However, even though obvious, nevertheless, ignored. Concrete suggestions to bring this ideal about have been very ably presented to this body. I refer specifically to the need for a more efficient use of the United Nations and the wining of the uncommitted people of Asia. In the interest of peace for the world, the threat of complete annihilation must be admitted and not ignored.

No peril has ever before confronted mankind to compare with the fear of atomic war. This fear of war is today universal in the minds of humanity. No amount of bluster on the part of statesmen nor the pratings of dictators can force the peoples of any nation to voluntarily start a war today.

Are all the centuries of civilization to end because man finds himself so fear crazed that he can only find a way out of the cage by fighting, tearing, and rending himself and all others to eternity? The will to overcome such a fatal solution must predominate all other thinking now. It is not safe to wait for time to find the solution. The will to work for peace must be unleashed throughout the world. * * *

Mr. FLYNT (Georgia). Mr. Speaker, I would like to commend and congratulate my distinguished friend and colleague from Wisconsin not only for his ability in the presentation of the remarks which he has made but on the courage which he has displayed in bringing to the floor of this House this all-important subject. It is a subject which I feel must be discussed. * * *

For too long, especially during the last 2 years or so, we have been in an abysmal fog as far as our foreign policy is concerned. The people of the United States are entitled to know in which direction we are headed. * * *

Mr. RHODES (Pennsylvania). Mr. Speaker, I, too, wish to commend the gentleman from Wisconsin for his excellent statement which reflects deep conviction and a thorough understanding of our foreign-policy problems. It offers a positive approach in these crucial days as we hover perilously near the brink of atomic disaster and the horrors of worldwide nuclear war. I wish to associate myself with him in his observations and with the remarks of other colleagues who express similar views on this vital subject.

Mr. Speaker, the people in many areas of the world are looking for a way to free themselves from colonialism and its brood of poverty, misery, and disease. They seek a better life for themselves and their children and the opportunity to enjoy the blessings of freedom. We all know and understand how the seeds of Communist imperialism have been able to take root and grow in such fertile areas of the world, feeding on the hopelessness and despair of millions and millions of these unfortunate people.

We of the free world should take positive steps to prove our sincerity of purpose and dedication to the principles of decency and human freedom which have made our Nation great.

In the past decade we have taken our first hesitant steps on the road toward international cooperation and understanding relations with other nations. Our participation and support of the United Nations, the genius of the Marshall plan, and the bold new point 4 program are milestones on the road to world peace and justice of which we can be justly proud. But when we view the vast scope of the job which remains to be done, this pride becomes tempered with the realization of the pitiful inadequacy which these approaches have achieved and the opportunities which have been lost to make more significant progress.

Mr. Speaker, the effectiveness of our foreign policy cannot be measured in the number of TV speeches by our Secretary of State or the air-mileage records he sets in his trips around the globe. Nor can it be described in slogans or broad policy declarations which seem to change every hour, on the hour. * * *

A broad and vital technical-assistance program has been envisioned in the establishment of the Special United Nations Fund for Economic Development—SUNFED. The proposed SUNFED program was to be financed by a $250 million fund. Our share was to have been $80 million, an insignificant amount when we consider that our defense expenditures cost about $1 billion a week.

But the United States delegate to the United Nations refused to participate in SUNFED at the 1953 fall meeting of the U. N. Economic and Financial Committee, citing our heavy burden of defense. This was in line with President Eisenhower's speech of April 16, 1953, in which he outlined our policy with respect to international economic cooperation. He said:

"The Government is ready to ask its people to join with all nations in devoting a substantial percentage of the savings achieved by disarmament to a fund for world aid and reconstruction."

Thus our participation in SUNFED-type program was put on an either/or basis—we will spend money either for military defense or for increased economic aid, but not for both. Mr. Speaker, this either/or policy is a tragic mistake in judgment. * * *

It is imperative that we reverse our shortsighted opposition to the objectives of SUNFED before next month's meeting in Bandung, Indonesia, of some 30 have-not nations of Asia, Africa, and the Middle East. It is not too late for us to supply the necessary positive leadership to demonstrate to the people of the underdeveloped areas of the world that we are sincerely and humanely interested in their welfare. * * *

The stakes are large and the cost of failure fearsome to contemplate. We must not, by default, pass up this opportunity to strike a severe blow at the rulers in the Kremlin and their plans for subversion and conquest of the most populous areas of the world. At the same time, in the same blow, we can prove to the world our determination to wage a continuous war against disease, poverty, suffering and misery among the peoples of these exploited countries. * * *

Mr. THOMPSON (New Jersey). Mr. Speaker, I would like to commend the gentleman from Wisconsin for his able presentation and especially for the effort to which he has gone in the preparation of his remarks. I think that his approach is sound and I find myself in agreement with much that he has said.

We, in the United States, are concerned with the threat of aggression from the Soviet Union, but large areas of the world are concerned with getting enough bread and butter from day to day. Nor are they enthusiastic over the idea of becoming expendables in a power fight between the Soviets and ourselves. From our point of view, defense against Soviet aggression is one barrel of this double-barreled threat. We are keeeping it well oiled and loaded with ammunition. The other barrel is the economic problem. We cannot allow rust to settle here either. SUNFED is a proposal for great and positive help in this area. It is of great importance in the fight against Soviet communism. It would also mean gains for the American economy in a more direct sense. As these primitive economies, based on simple agriculture and mining, change under impact of the technical assistance programs, we may look for ever greater markets for our own products.

Though this fact is not the most important reason for the adoption of this program, it is worth considering in connection with the cost of SUNFED. Our military program is already bold and dynamic. Now is the time to bring our diplomatic and economic leadership up to the same level.

The program I advocate here today is not one which would immediately solve all our problems or those of the world. To think so would be an idle and dangerous hope. But it would be a tremendous step in the right direction, not only in terms of the global struggle in which we are now engaged,

but in terms of the peaceful world we all hope and pray will one day be ours to live in. We still have a choice. Will it be sunfed or unfed, for the underdeveloped nations of the world? The decision is in our hands.

Mr. BOYLE (Illinois). * * * The people all over the United States want peace. They are tired; they are discouraged; they are not interested in anything but the brotherhood of man, and that universal feeling represents the hopes and longings of the whole world. With the ground right under us now trembling from all of those recent atomic assaults and tests in Nevada, it is about time that a new generation with a new look add its little bit to retelling the age-old story that men everywhere believe in fellowship, in brotherhood, in peace under God * * *

In the old days wartime objectives were generally limited and practical ones. It was common to measure the success of our military operations by the extent to which they brought you closer to your military objectives. But when your objectives are moral and ideological ones and run to changing the attitudes and the traditions of an entire people or the personality of a regime, then victory is probably something not to be achieved by military means or, indeed, in any short space of time at all, and perhaps that is a source of our confusion.

In any case I think there is no more dangerous delusion, none that has done us a greater disservice in the past or threatens to do us a greater disservice in the future, than the concept of total victory * * *

Mr. O'HARA (Illinois). Mr. Speaker, I have listened to the distinguished gentleman from Wisconsin and to the others who have spoken here today. I have been deeply moved.

The significance of this memorable and historic debate I know will be grasped by the American people. We are living nervously not on a keg of dynamite, as was expressed in earlier times, but upon a vast concentration of the product of atomic energy. For generation after generation the challenge has been to the youth of each succeeding generation to find the way to permanent peace. Each generation, one after the other, has failed to meet the challenge. To this generation again has been given the challenge. If again there is failure to meet the challenge, we have reached the end of our present civilization. Everything man has builded in the long stretch of years that has perfected our present civilization will go down in ruinous debris. Then mankind will have to begin again the long and tortuous climb of the centuries from the caves to a new civilization.

In such a period of crisis, involving the endurance not alone of one nation but of all civilization, there have come to this Congress some new faces * * *

They have come fresh from the people. They know, as do all of us older in service in this Chamber, that what the American people and indeed the peoples of all the world most want is security against war and security against poverty. When you remove from this old world of ours poverty you have brought to all mankind the certainty of continuing peace.

The significance of this memorable and historic debate of today is that the freshman Democratic Members of this body are not contenting themselves by remaining silent and inactive when the whole world is resting on a concentration of atomic energy power needing only the winking of an eye to set it ablast. They may not have the perfect blueprint. I do not think that anyone has a perfect blueprint. But that blueprint will be found in the commonsense of the American people when the thinking of men and women in the homes of the Nation are kindled and inspired by such debates as we have been listening to today * * *

Mr. VANIK (Ohio). I do not concur in all the things that have been said this afternoon by the gentlemen from Wisconsin, and Illinois and New Jersey, and the others who have preceded me. But I do appreciate their enthusiastic and energetic approach to a plan for a peaceful world to which these gentlemen have subscribed. I want to say that there are great areas for agreement available to all Members of the Congress. The debate that has taken place this afternoon has indeed been refreshing. It has been one of the most worthwhile afternoons that I have spent on the floor of this Congress.

As a Member of this Congress I feel that this afternoon's beginning—and I hope it is just a beginning—will afford every Member—every new Member particularly—of this Congress an opportunity to take a more active part in the determination of the foreign policy of this country. This afternoon has been well spent and I hope that it has given every Member of this Congress an opportunity to recheck his own thinking on the foreign policy of our Government.

APRIL 16, 1956.

Hon. WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Thank you for your friendly and heartening letter. Admittedly, the situation has now become so serious that it is extremely difficult to say just what should and still can be done to prevent further deterioration. Last October, I published and, I believe, sent to you a pamphlet entitled "Turning Point Toward Peace," in which I set forth a rather full proposal for policy revision. Although much has happened since then, the major lines of the argument seem to me still valid. However, since we agree upon the basic premises and since I do not want to bother you to read a pretty long pamphlet, I shall try as best I can to answer your question in a series of brief paragraphs.

It seems to me obvious that the situation cannot be remedied without serious and probably protracted negotiations conducted at the highest level and not in the usual goldfish bowl. Before such negotiations can be undertaken, it would seem to me necessary to take the following preliminary steps here at home.

1. A frank explanation to the American people of the need for a drastic revision of the United States policy, clearly foreshadowing a reversal of present policy with respect to the recognition of the Chinese People's Republic, the rearmament of Germany, Japan, and the Arab States, and a major revision of the relative emphases placed upon military and political-economic action.

2. The careful development of a new approach to world economic development, channeled primarily through the United Nations and divorced from the strategic or military considerations. Such an approach to be based upon the realization that economic development cannot wait upon savings derived from disarmament; and that it is idle to expect private capital to undertake the job until public policy and public funds shall have created the political-economic conditions which may reasonably be expected to attract private investment.

3. The development of an honest approach to disarmament which recognizes that armaments cannot be effectively limited or controlled; that their total abolition is the only alternative to a continuing balance of terror; and that total universal national disarmament can be effectively enforced only by an armed, supranational enforcement agency standing above the disarmed nations.

Assuming that any political leader, Republican or Democrat, would muster the courage to undertake the first step of telling the people the whole truth and the wisdom to initiate the second and third steps of developing a creative policy with respect to world economic development and disarmament, one might then visualize further procedure somewhat along the following lines:

(a) Official recognition of the Chinese People's Republic without prejudice to the future status of Formosa, accompanied by an expressed willingness to negotiate settlements of outstanding disputes.

(b) Quietly conducted diplomatic negotiations with Britain, France and Canada, aimed at reaching a common policy in all parts of the world, especially with respect to winning the friendship of the peoples emerging or seeking to emerge into national independence.

(c) A joint Anglo-American approach to Prime Minister Nehru, asking him to act as host and moderator at a top-level, five-power conference, the conferees being: India, the United States, Great Britain, the Soviet Union and the Chinese People's Republic.

The proposed agenda for this conference might be:

I. The admission of the Chinese People's Republic to the United Nations on condition that a peaceful settlement can be reached as to Formosa and the offshore islands, and on the further condition that any violations of the Korean armistice agreement be rectified.

II. The admission to the United Nations of Japan and Outer Mongolia.

III. An all-German peace settlement providing for the unification of Germany under free elections and the establishment of conditions which will ensure that Germany shall not again become a prime mover, partner or pawn in aggression toward either East or West.

IV. An agreement to embargo arms shipments to the Arab States and Israel and to cooperate in safeguarding the peace throughout the area.

V. Consideration of a new approach to total, universal national disarmament, enforced by a supranational enforcement agency endowed with the exclusive right to maintain armed force, the sole exception being lightly armed police forces required by the individual nations for the maintenance of internal order.

VI. An agreement to cooperate through the United Nations rather than to compete as two hostile orbits, in rendering assistance where required to promote world economic development.

VII. The creation of a continuations committee or other suitable machinery to insure uninterrupted progress and to call further high-level conferences as required.

There, my friend, is a rough outline of what I think needs to be done to arrest the disintegration of the so-called free world and the decline of American prestige and leadership.

How it is to be done, especially in an election year, is another matter upon which your judgment is infinitely better than mine. I can only suggest that the first, necessary step is to break through the sound barrier of bipartisan silence. It was to that end that I urged the Foreign Relations Committee to call for a thoroughgoing reexamination of our foreign policy.

If the foregoing is too sketchy, I should be only too glad to try to fill in any gaps either by letter or by coming down to see you at your convenience.

With warm personal regards.

Sincerely,

JAMES WARBURG.

[From the Washington Post and Times Herald]

OUR CHINA POLICY

President Eisenhower is reported to have told the Canadian Foreign Minister at the recent White Sulphur Springs conference that American public opinion would not tolerate the recognition of Communist China, "whose hands were dripping with the blood of Americans killed in Korea."

This appraisal of American sentiment is probably correct so long as the President himself and other leaders continue to speak about this subject in highly emotional terms and so long as no leader of either party undertakes to give the American people the facts upon which to base a cool-headed, rational judgment as to what constitutes their own best interest.

The simple facts are:

1. That the Peking regime is, whether we like it or not, firmly established as the government of a nation containing almost one-quarter of the world's population.

2. That there can be no peace settlements as to Korea, Indochina or Formosa except through war or negotiation with Peking.

3. That we cannot negotiate with a government the existence of which we decline to recognize.

The American people want neither war nor to live forever "at the brink of war." They want peace—real peace, not a precarious balance of terror—if real peace can be achieved with honor. This being the case, the American people would wish their Government to enter upon the only course that can lead to real peace, provided that they were given a chance to understand the facts, instead of being inflamed to intransigence by constant appeals to inevitable postwar emotions.

After all, is not every peace made with an enemy whose hands were recently "dripping with blood?" The President does not speak in these inflammatory terms of the Germans or the Japanese.

Keeping alive the hatred and resentment quite naturally engendered by war confuses the issue and beclouds the true meaning of both "recognition" and "negotiation."

Recognition of Peking would not constitute approval any more than our maintenance of diplomatic relations with Moscow implies that we like or respect the Soviet Government. Nor would recognition of Peking necessarily mean the derecognition of the Nationalist Government of Formosa. Most certainly, it would not mean abandoning Chiang Kai-shek to the tender mercy of the Communists.

Similarly, negotiation with Peking would not imply appeasement, much less surrender. Negotiation would constitute nothing more than an honorable and sensible attempt to settle such questions as Korea, Indochina, and Formosa by peaceful means or, failing that, to find a way of living at peace with some of our differences unresolved.

A continued, ostrich-like refusal to face the unpleasant but immutable facts in the Far East will not only keep the United States indefinitely at the brink of war with China but will very soon lead to the fulfillment of the Kremlin's most cherished hope; namely, the complete isolation of the United States. Our China policy is rapidly alienating both the uncommitted peoples and most of our allies, the exceptions being Chiang Kai-shek and Syngman Rhee, both of whom openly hope to involve the United States in war.

President Eisenhower is well aware of these facts. He is, moreover, a deeply sincere man of peace. Has he, then, so little confidence in the commonsense of the American people that he dares not put them to the test? Or is it simply that in an election year, both Republicans and Democrats lack the political courage to open up the question of our China policy to rational discussion?

If the latter is the case, the leadership of both of our major political parties is taking a reckless gamble with the future of our Nation and of the human race. History will not stand still while the United States takes a 6-month leave of absence from world affairs in order to elect a President.

James P. Warburg.

Greenwich, Conn.

Mr. MORSE. Mr. President, the leadership which Mr. Warburg is giving on the citizenship level to a thorough appraisal of American foreign policy shows very clearly that irrespective of what the politicians do by way of debating or not debating all phases of American foreign policy, there is rising among our citizenry a tidal wave of discussion and debate on the pros and cons of American foreign policy. One of the outstanding leaders in this public discussion is James Warburg, of New York. He is recognized as a keen scholar of foreign affairs, a highly respected economic conservative, and a very intelligent and patriotic critic of some of the trends in American foreign policy.

Even though one may not agree with all of Mr. Warburg's criticisms and suggestions of American foreign policy, and I certainly do not agree with him in some respects, there is no doubt about the fact that the Congress of the United States and the Republican administration should weigh very carefully the views of that segment of American public opinion for which Mr. Warburg unquestionably speaks and writes.

Although I do not agree with Mr. Warburg's recommendation that the United States should recognize Communist China at this time, I do appreciate the fact that, as a member of the Foreign Relations Committee, our foreign policy in respect to Communist China cannot continue to drift in a rudderless fashion in Asia and avoid going on the rocks.

I do not agree that recognition of Red China should be considered a condition precedent to negotiating a peace in Asia. It should be recognized by all that the fact that there is no hot war at the present time in Asia does not mean that there is any peace in Asia. Although little attention is being paid to it by the American people at the moment, the fact is that the military buildup in Red China is a growing threat to the security of the United States and her interests in the Pacific. We are in a cold war with Red China as well as with Red Russia and our position in Asia is not improving.

Although I do not agree with Mr. Warburg that we should recognize Red China and consent to her admission into the United Nations at the present time, I recognize that there is great merit in the point of view that the free nations of the world must face up to the reality that Red China exists and must be reckoned with in the contest between freedom and totalitarianism in Asia. I have urged for a long time that as a part of our Asiatic foreign policy we should support the exercise of greater jurisdiction by the United Nations in the settlement of Asiatic issues, which sooner or later will threaten the peace of the world if they are not settled in the meantime through negotiation and juridical determination.

One of the principal reasons for my being unalterably opposed to the recognition of Red China at the present time is that she has conducted herself as an enemy of the United States. In fact, she has waged war against the United States, as is proved by the thousands of American casualties in the Korean war. That war has never been terminated by a satisfactory peace treaty. It has been terminated only by a truce, and the Communist Chinese have violated the terms and conditions of that truce time and time again. It seems to be overlooked by too many persons that the Korean truce is fundamentally a United Nations truce and the carrying out of the truce is a United Nations responsibility.

It seems to me that those who advocate the recognition of Red China at this time do not give sufficient weight to the desirability of requiring an outlaw nation, which Red China has proven herself to be, to become a law-abiding nation before she can expect to be received into the family of peaceful nations. Red China's admission to the United Nations cannot be considered before she demonstrates by actions and proven conduct that she can be counted upon to keep her international commitments within the framework of the United Nations. That is, in my opinion, an essential minimum condition precedent to her being recognized diplomatically by the United States and to her admission to the United Nations.

I appreciate the fact that there are those in our country, such as Mr. Warburg, who do not share my point of view on this particular issue. However, it seems to me that we should attempt through the United Nations to negotiate any desirable settlement of war-threatening issues in Asia by making use of the negotiating procedures of the United Nations.

If we do not do so, then I think we may wake up some day, as Mr. Warburg forewarns, to discover too late that peace in Asia has been lost, and that freedom for millions of people in Asia will be regained only at the ghastly cost of war.

I am glad that we have James Warburgs in America, and I hope their numbers will increase by the thousands, who recognize that the all-important issue that faces the American people in the year 1956 is framed in the question: In what directions is American foreign policy traveling?

I yield the floor.

AUTHORIZATION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO FILE REPORTS DURING RECESS OF THE SENATE

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be authorized to file reports during the recess of the Senate following today's session.

The PRESIDING OFFICER (Mr. Bible in the chair). Without objection, it is so ordered.

AUTHORIZATION FOR THE VICE PRESIDENT OR THE PRESIDENT PRO TEMPORE TO SIGN BILLS AND RESOLUTIONS AND TO RECEIVE MESSAGES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that during the recess of the Senate the Vice President or the President pro tempore be authorized to sign bills and resolutions passed by the two Houses and found to be duly enrolled, and to receive messages.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL MONDAY

Mr. KNOWLAND. Mr. President, under the previous order of the Senate, I move that the Senate stand in recess until Monday next.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess, the recess being, under the order entered yesterday, April 25, 1956, until Monday, April 30, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 26, 1956:

United States Coast Guard

The following-named persons for appointment in the United States Coast Guard:

The nominations of William L. Maloney and 749 other persons for appointment in the United States Coast Guard, which were received by the Senate on April 16, 1956, were confirmed today, and full list thereof may be found in the Senate proceedings of the Congressional Record for April 16, 1956, under the caption "Nominations," beginning with the name of William L. Maloney, which is shown on page 6347, and ending with the name of Joseph Henry Wubbold III, which occurs on page 6349.

HOUSE OF REPRESENTATIVES

Thursday, April 26, 1956

The House met at 11 o'clock a. m.

Rev. J. Sanford Lonsinger, Third Presbyterian Church, Newark, N. J., offered the following prayer:

Almighty God, we make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of our citizens to cultivate a spirit of subordination and obedience to government. Dispose us all to do justly, to love mercy, and to walk humbly with God.

May this Nation be great not only in things material, but in things spiritual. Not flouting her strength as a giant, but bending in helpfulness over a sick and wounded world like a good Samaritan. Not in pride, arrogance, and disdain of other races and peoples, but in sympathy, love, and understanding. Not in treading again the old bloody path of war, but blazing the way to a just and lasting peace.

Bless with wisdom and courage the President and those associated with him in authority. Direct and prosper the consultations of the Congress here assembled, to the advancement of Thy glory and to the safety, honor, and welfare of the people. Amen.

The Journal of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10754. An act to authorize the Honorable Sam Rayburn, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6227. An act to provide for the control and regulation of bank holding companies, and for other purposes.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 76. Concurrent resolution amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens.

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 31. An act for the relief of Shih Ming Wang;

S. 83. An act for the relief of Ottilie Hitzlberger Lachelt;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski;

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.; and

S. Con. Res. 67. Concurrent resolution favoring the suspension of deportation in the cases of certain aliens.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 3996) entitled "An act to further amend the Military Personnel Claims Act of 1945," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Daniel, Mr. McClellan, and Mr. Welker to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 5862) entitled "An act to confer jurisdiction upon the United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Neely, Mr. Daniel, and Mr. Watkins to be the conferees on the part of the Senate.

SALUTE TO OKLAHOMA JOURNALISM

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, a signal honor came to Oklahoma last week with the election of Jenkin Lloyd Jones, editor of the Tulsa Tribune, as 26th president of the American Society of Newspaper Editors.

The Tulsa editor succeeds Kenneth MacDonald, editor of the Des Moines Register and Tribune, and thereby becomes the second Oklahoma newspaperman to hold the post of national leadership among America's editors.

Oklahoma's Jenkin Lloyd Jones thus joins a distinguished company of ASNE presidents, among whom the public will readily recognize such journalistic giants as William Allen White, of the Emporia Gazette; Erwin Canham, of the Christian Science Monitor; and James S. Pope, of the Louisville Courier-Journal.

It is a ringing tribute to the quality and the leadership of Oklahoma journalism in general to be added to the small group of five other States which have been awarded the ASNE presidency more than once. Only New York and Ohio have won this distinguished place more than twice. Only Illinois, Missouri, and Kentucky share the double honor with Oklahoma.

As a former newspaperman in Oklahoma, I have long been proud of the initiative, the vigilance, the abiding interest in public matters, and the crusading spirit of many great Oklahoma newspapers. The press services have shared fully in these qualities and have joined our newspapers in sending to Washington and other world capitals some of America's greatest correspondents.

Jenkin Lloyd Jones, of Tulsa, the son of a pioneering newspaper editor who founded the Tulsa Tribune, is a man who exemplifies these refreshing qualities of Oklahoma journalism.

Among the enterprising editors of our State's most vigorous newspapers, he has become widely known for his initiative in editorial policy, his vigilance in news gathering, his continuing interest in public questions, and his courageous leadership of causes in which he becomes concerned.

While I have sometimes disagreed with his position on political questions, I have never doubted his sincerity—nor failed to admire his courage in taking an open and unequivocal stand on controversial questions.

The Tribune editor has also demonstrated on more than one occasion his keen curiosity and determination to get the facts at firsthand when necessary. His recent trip around the world, on which he based his compilation of articles, A Proud Thing, is a fine case in point. This series is worthwhile reading for all Americans who are interested in world problems. It is also a splendid demonstration of Jenkin Jones' writing ability.

Along with other Oklahomans, Mr. Speaker, I am proud of the recognition which America's editors have again extended to our State and to our newspaper editors. We appreciated the honor when it was extended to Walter M. Harrison, of the Daily Oklahoman, in 1928. We appreciate it in 1956 as it is conferred on Jenkin Lloyd Jones, of the Tulsa Tribune.

Jenkin Jones will follow in the footsteps of some big men on the Nation's journalistic scene. We have no doubt he will add distinction to a distinguished position.

MINORITY VIEWS ON THE BILL H. R. 8901

Mr. HESELTON. Mr. Speaker, I received unanimous consent to file a minority report on the bill H. R. 8901, the Capital Transit bill. That time expires tonight. I ask unanimous consent that that time may be extended until tomorrow night.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL HIGHWAY AND HIGHWAY REVENUE ACTS OF 1956

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 485) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 5 hours, 3 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, and 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the 5-minute rule. No amendments shall be in order to title II of the bill except amendments offered by direction of the Committee on Ways and Means which shall be in order notwithstanding any rule of the House to the contrary, but shall not be subject to amendment. At the conclusion of the consideration of the bill, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. Allen].

Pending that I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the bill H. R. 10660, the so-called Federal Highway Revenue Act of 1956. The resolution provides for an open rule, with 3 hours of general debate on titles I and III of the bill, to be controlled by the Committee on Public Works, and a closed rule with 2 hours of general debate on title II containing the revenue provisions, to be controlled by the Committee on Ways and Means.

Mr. Speaker, with reference to the closed portion of the rule, I merely want to make this observation: I realize that it is the tradition and custom of this House to consider all revenue matters under a closed rule. I have gone along and I am going along with that precedent and that tradition. I am not in love with either. I would much prefer if we could consider this bill in all of its phases under an open rule, where the House would be able to work its will. I know the answer that is made to that position, that it would involve a lot of debate and a lot of amendments, and some even go so far as to say it would bring about chaos. I am just not willing to concede that this House, composed of responsible representatives of the people, cannot consider legislation under an open rule. Over in the other body it is always done. As I say, I am making no point of that; I am merely making the observation.

Mr. Speaker, this bill is a momentous one; it authorizes the expenditure of gargantuan sums of money. A good feature of this bill is that it provides for a pay-as-you-go program. While there will be additional and substantial taxes, yet in the end if the matter works out as the proponents hope and provide for it to work out we will not add to the already staggering national debt.

I personally would prefer to see these so-called expressways, thruways, on a toll basis. I raised this question last year and I raise it again this year; but again there is overwhelming opposition to such a program. With such a program most of your money is going into these express highways; under my proposal the people who use the highways would pay for them. But again this bill has been brought out here after many months of consideration, and I suspect if we are going to have a highway program we are going to have to go along with it.

There are other features of the bill I might discuss, Mr. Speaker, but they will be considered at the appropriate time.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. BASS of Tennessee. Under this rule is it possible to pass a highway bill and omit that section that includes the tax feature?

Mr. COLMER. Let me answer my friend this way: I certainly hope that if the rule is broad enough to cover what the gentleman has in mind it will not be done.

Mr. BASS of Tennessee. That is my attitude, and that is the reason I asked the gentleman if it would be possible to do that under this rule.

Mr. COLMER. Let me say to my friend from Tennessee that that question was raised and discussed in the Committee on Rules. There was a division of opinion. I prefer not to give a categorical answer to the gentleman for that reason. But I do not think the rule would permit the section to be stricken.

Mr. BASS of Tennessee. I thank the gentleman from Mississippi.

Mr. COLMER. But I should certainly hope that no such action would even be attempted, because we cannot afford to burden future generations with these additional billions of dollars. It would add to the national debt and to the inflation and to the eventual collapse of the economy of this country, if that reckless spending and irresponsible financial theory is followed.

Title I of the bill contains the authorization for the Federal-aid highway program for primary, secondary, and urban road systems. In addition to the 700 million authorized in the 1954 act for 1957, $25 million more is authorized, and additional increases of $25 million each year in the total amounts to be authorized for the fiscal years 1958 and 1959 are provided.

Thirty million dollars is authorized for an emergency fund for highway repairs in disaster areas. The authorization for the Interstate System of Highways totals $24,825,000,000 over a 13-year period—1957 through 1969. The matching ratio is 90 percent Federal funds and 10 percent State funds.

The bill contains a new provision pertaining to maximum axle weight limitations as an investment against damage caused by heavy loads on the highways.

Another provision of the bill declares that it is the intent of Congress to provide for the reimbursement by the Federal Government to States that have completed sections of the Interstate System and directs the Secretary of Commerce to make a study to determine the method and amount of such reimbursements.

A further provision provides that the Secretary of Labor shall determine the prevailing wages to be paid on all contracts involving the Interstate System under the provisions of the Davis-Bacon Act. The Federal Government is also authorized to reimburse the States for the cost of relocation of utility facilities according to the Federal pro rata share applicable to the project.

Title II incorporates the recommendations of the Ways and Means Committee as contained in the Boggs bill, H. R. 9075. It provides for a 1-cent tax increase on gasoline, diesel and special motor fuel, raising the taxes to 3 cents; an increase of 3 cents a pound in the tax on tires, as well as a tax of 3 cents a pound on camelback for retreading tires; a 2 percentage point increase in the 8 percent manufacturers' tax on trucks, buses, trucks and trailers, and so forth, and a new annual tax of $1.50 per 1,000 pounds of taxable gross weight for trucks and buses weighing over 26,000 pounds, if registered for use on the highways. A highway trust fund is established and provision made for the appropriation to the trust fund of amounts equal to the collections from certain taxes for a 16-year period from June 30, 1956 to July 1, 1972. The receipts set aside for highway purposes during this period will amount to approximately $38½ billion.

Finally, Mr. Speaker, I am not in agreement with the committee on the utility and labor provisions of the bill. But I understand that committee amendments will be offered to improve these provisions. It is to be hoped that such action will be had.

Mr. ALLEN of Illinois. Mr. Speaker, I believe the gentleman from Mississippi has fully explained the rule. I know of no one who is opposed to the rule but I just want to make an observation and compliment the committee having jurisdiction of this bill on section 113 with

regard to the relocation of utility facilities. It provides that Federal funds may be used to assist the States on such costs at the ratio the Federal funds are expended on existing projects, which is 90 percent. I know of few who oppose that part of the bill. All of us have small telephone lines in our districts.

Mr. Speaker, may I say that I have received considerable mail from the stockholders of those small independent lines. I have also received letters which stated that in the event this section is stricken they will find themselves in a bad financial situation. So I am hoping that the House will retain especially that part which will take care of these independent lines where they have put their poles along single highways which are proposed to be widened and the poles moved. Some of this work has just recently been completed.

Mr. Speaker, I reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from North Carolina [Mr. Barden].

Mr. BARDEN. Mr. Speaker, of course I am not opposed to the rule. I am for adoption of the rule and certainly expect to vote for this highway bill.

There is one little matter in the bill, though, that I think should be given very serious consideration by the House and I bring this to your attention because during the past few years I have had considerable experience with the subject matter which I will discuss. I notice on page 24 of the highway bill, section 112 entitled "Prevailing Rate of Wage" is as follows:

> The Secretary of Commerce shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 108 of this title shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined—

Here is the part the House should be more than cautious about—

> by the Secretary of Labor in accordance with the act of August 30, 1955, known as the Davis-Bacon Act (40 U. S. C., sec. 276–a).

Mr. Speaker, the first part of the paragraph is perfectly proper and all right. Since the Department of Commerce is the principal Government Department involved in this matter, it should be charged with the responsibility of the payment of prevailing wages in the community where the construction is being done.

There is another partner, however, in this highway work and that is the various States of the Union, the 48 States of the Union. A portion of the money authorized—50 percent of it—is furnished by the States, 50 percent by the Federal Government. The major portion of the money, however, is on a 90 percent United States and 10 percent State matching basis. This further invasion of the control of States should be viewed with caution. When you control the State's money you are coming pretty close to control of the States themselves. In my opinion, it is asking right much of the governor of any State to so abdicate his position and authority that he will say: "Here is the money, I will not have anything to do with its expenditure."

To me the inclusion of the Davis-Bacon Act in here is highly improper and will lead to not only waste but confusion, because I say to you without any reluctance whatever, and the record will disclose this, that the Davis-Bacon Act has probably been the worst administered piece of law on the statute books. There is no reason for the trouble and confusion—for in the first place it is a very simple operation to get an honest prevailing wage figure, and in the second place no one could get labor without paying the prevailing wage of the community.

You are bringing in a third Department, the Labor Department. They will determine what the wages shall be in the expenditure of the funds.

Now, there is no protection for the contractors, and you may rest assured that when they place a bid on a road all of the contractors have learned and learned through bitter experience that they better leave a margin in there, because the Department can change those wages and make orders that will make the project cost millions of dollars more. Now, I would like to suggest to this House, in all seriousness, that an amendment be included so that the Department of Commerce, which is a Federal Department, in conjunction with the State highway department, fix and establish the prevailing wage in a community. The prevailing wage in a community is not difficult to establish. It is about the simplest thing if done properly, but it can be a very difficult thing if it is done improperly.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Illinois.

Mr. MASON. The crux of this whole prevailing wage thing is this: Some thirty-odd States have prevailing wage laws adopted by their legislatures. They are carrying out those laws. But, if this amendment is not adopted, then the Secretary of Labor, sitting in Washington, will tell each State what the prevailing wage should be in that State, and that, it seems to me, is another violation of States' rights.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. The gentleman said that the matching is on a 50–50 basis, 50 State and 50 Federal. Where the Davis-Bacon Act applies it is on a 90–10 basis, 90 State and 10 Federal. It does not apply to the other categories.

Mr. BARDEN. I will say to the gentleman that I just read the language, and it was my impression that this section 112 applied to the construction of highways.

Mr. DEMPSEY. Just on the interstate system, which is 90–10.

Mr. BARDEN. Can I reply upon that?

Mr. DEMPSEY. Yes.

Mr. FALLON. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Maryland.

Mr. FALLON. It is only on the interstate system; only on initial construction.

Mr. BARDEN. Then, it is only 10 percent bad. Frankly, I do not think it is a good policy to continue to expand the coverage of the Davis-Bacon Act.

Now, I just want to talk a little practical sense here about your Davis-Bacon situation. If this Congress is going to establish a policy of carrying the fixing of wages by the Secretary of Labor to every single Federal program, whether it it be for housing, veterans housing, farm loans or anything else, then let us enter the field through the front door and let the Davis-Bacon Act be reworked and write the law if the Congress so desires.

Frankly, in my opinion, that is the wrong approach to it. It is definitely wrong. In my opinion, it is not the intent of Congress to carry that provision all the way through. If it is going to apply to matters involving as much as $26 billion and the money from the States, then it should be reworked and some teeth put in it so that somebody will have some kind of control over and protection from the folks who are fixing these wages. I know this from practical experience and from my association with folks. The average laboring man does not want the Government to fix his wages. Government fixing of wages is distasteful to every labor man and labor leader that I know of. I think the only reason they are interested in this particular situation is for the moment. I think they feel that they control the man who fixes the wage. That is very poor policy, in my opinion, and not the type that we want to make a permanent part of this Government. So I should like to see this operated by the Department of Commerce which is the interested Department, in conjunction with and in cooperation with the States.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman.

Mr. WIER. I think the gentleman made the statement that those whom he has met and talked to are opposed to Government fixing of wages.

Mr. BARDEN. Surely.

Mr. WIER. That is probably true, but all that is done here under the Bacon-Davis Act is to fix a floor, the same kind of floor that we have under the wage and hour law.

Mr. BARDEN. Let me say to the gentleman that he has never heard of a wage being fixed by the Bacon-Davis Act as was not the ceiling.

Mr. WIER. Oh, yes.

Mr. BARDEN. Then the gentleman has heard something that I have not heard.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. Brown].

Mr. BROWN of Ohio. Mr. Speaker, I rise to discuss for a few moments another controversial section of this bill.

I refer to the section of the measure which deals with the reimbursement of utilities for relocation costs incurred in connection with construction of highways. I know that this section is quite controversial. There are divergent views upon it.

However, I am especially concerned with the fate of some of the smaller utilities and some of the smaller communities under the highway-construction bill if some provision is not contained in the measure to reimburse them for expenses incurred in relocation activities as may be required by the highway-construction authorities, whether they be State or Federal.

I appreciate the fact that in the bill which was before the Congress last year, it was mandatory that the various States compensate or reimburse public utilities for expenditures required in connection with relocation. However, this particular bill has an entirely different provision. It provides that the States may, according to their custom and their past practice, reimburse where, in their own discretion, they believe such reimbursement is fair and necessary.

The argument is made against this section, or was made before the Committee on Rules, that this would be a great benefit to a large utility. Let me answer that simply by saying that I do not believe, whether large or small, we should be unfair to any property owner in the country in connection with highway construction.

However, I want to point out that unless the State legislatures, the governors, the highway directors, or the highway commissions of the various States coming under this provision are corrupt, they will of course provide that compensation will be allotted only on a fair and substantial basis according to actual expenditures required, and will not approve of any kind of reimbursement where it would result in gain for the utility affected, but only for the replacement of the actual cost incurred.

In Ohio for instance we have some 75 percent of our State, geographically speaking, served by small independent telephone companies. There is hardly a one of them but what, if they were compelled to meet the expense of relocating lines because of the widening or construction of a highway, would not be forced into bankruptcy. They are in such financial situations that they simply cannot afford to meet such expenses. They cannot do it. There is no way they can recover the money that they would be called upon to spend.

Then there are all kinds of small communities—and I want you to think about it, for the matter applies not only to Ohio but to your own State as well—where highways go through small communities. They may be interstate highways, connecting one coast with the other. They may be State highways. But those highways and streets will be widened and those local communities, unless we have a section of law like this, something of the type that is included in this bill, would be required to meet the cost of moving their water mains, their sewage systems, their gas mains, and the lighting equipment for their streets, and most of those communities are already bonded to the limit. They have spent their money putting these local utilities into the streets. Now along comes the Federal Government with legislation that says, "We are going to come in and widen your streets and we are going to force you to tear up your utilities and move them without compensation."

I think this Committee on Public Works has been very fair in this matter. They have provided in the bill that where the States find that the local communities or the local telephone companies, whatever you want to call them, a little utility or a big utility, for that matter, is required by the order of the State itself in the construction of a highway to move a utility, it should be compensated for the cost thereof. I think it is just fairness and justice that this provision be included in the bill.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Connecticut.

Mr. MORANO. I agree with the gentleman. I think it is a very fair provision in the bill and it should not be stricken. I should like to associate myself with the gentleman on that.

Mr. BROWN of Ohio. I thank the gentleman very much. Unless we have no faith at all in our State and local officials, I feel that this section of the bill should remain about as it is. If there is any amendment needed, I will accept it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HOFFMAN of Michigan. Does the bill require the States to reimburse the local communities?

Mr. BROWN of Ohio. The bill does not require the States to reimburse anybody. It permits the States to reimburse if that has been the practice within the States in the past and the States so provide. It places the responsibility for saying that the reimbursement is on a fair and equitable basis directly on the State officials who are in charge of the construction of the highways.

Mr. HOFFMAN of Michigan. Under the bill as written, who pays the cost of the relocation of municipal lines, light and power?

Mr. BROWN of Ohio. It would depend entirely on whether the State law provides for reimbursement in such construction.

Mr. HOFFMAN of Michigan. Even if they shove an interstate highway through the municipality?

Mr. BROWN of Ohio. That is right, because the interstate highway comes under the construction authority of the State itself.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. I was interested in what the gentleman said with reference to these small utility companies. It is the truth that they just cannot operate under those circumstances.

Mr. BROWN of Ohio. It would bankrupt half of them.

Mr. JENKINS. If we do not adequately take care of these public utilities at this time, we will work an injustice that will be difficult to remedy. Let us do what is right to all those interested groups.

Mr. BROWN of Ohio. I thank the gentleman from Ohio.

Mr. DONDERO. Mr. Speaker, will the gentleman yield.

Mr. BROWN of Ohio. I yield.

Mr. DONDERO. I think it is fair to say that the bill substantially does what we are doing now throughout the United States.

Mr. BROWN of Ohio. It continues the practice we have in the various States now, or at least in many of them—I think in 24 States.

Mr. DONDERO. Might I ask the gentleman a further question? Who paid for the construction of these utilities in the first place?

Mr. BROWN of Ohio. Of course, the local taxpayers or the local investors in these little telephone companies paid for them, if they are private utilities, or the citizens and the taxpayers of the community if they happen to be owned by a village or a city.

Mr. DONDERO. In my State of Michigan as in the State of Ohio, we have many independent telephone companies. I understand there are some 130 of them in my State that could not stand the expense of removing their utilities, if they were required to do so without reimbursement.

Mr. BROWN of Ohio. The same situation by the way applies to the Rural Electrification Administration lines where the bonds have been issued and the lines have been constructed. There are no funds available to meet the cost of relocating these lines and, perhaps, many of these cooperatives will be placed in a very difficult position if we do not keep this particular section in the bill.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. REES of Kansas. From what the gentleman has just said is there a possibility then of a utility running through two States, where in one State they may be reimbursed and in the other one not be reimbursed?

Mr. BROWN of Ohio. I think that could happen. That happens now under the present law. Of course, it should not happen and I hope every State by some act or proper legislation under the provisions of this bill will see that fair reimbursement is made.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. GROSS. I will say to the gentleman that I have not had a single communication from the Rural Electrification people in the State of Iowa where they ask for any such treatment.

Mr. BROWN of Ohio. They are probably in such financial situation that they cannot even afford the postage. I have heard from many and I think most other Members of Congress have heard from them.

Mr. SCHERER. The fact is this section in the bill merely writes into law what the existing practices have been between the Bureau of Public Roads and the States for many years.

Mr. BROWN of Ohio. That is right. It leaves the question of reimbursement entirely up to the State.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. LONG. I just wonder what the position of the railroad is under this bill as to reimbursement?

Mr. BROWN of Ohio. I cannot answer that question for a certainty.

Mr. SCHERER. Will the gentleman yield so that I may answer that question?

Mr. BROWN of Ohio. I yield to the gentleman who is a member of the Committee on Public Works to answer the gentleman.

Mr. SCHERER. Today, the railroads are reimbursed under the law whenever there is cost arising as a result of grade separation.

Mr. BROWN of Ohio. That is under the present law.

Mr. LONG. The point I wanted to make is that if we are going to reimburse the railroads, we ought to reimburse the telephone companies.

Mr. BROWN of Ohio. I believe that is correct.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. VANIK. If this provision remains in the bill, how much less than $51½ billion will remain available for highway construction and improvements?

Mr. BROWN of Ohio. Based on past experience, the cost would be less than 1 percent, as I understand it.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HENDERSON. What would be the effect of this provision upon the municipally owned utilities of the villages such as sewage and water utilities.

Mr. BROWN of Ohio. Under the provisions of this law, if the State law so provides or the State highway regulations so provide, they would be reimbursed for the cost of removing the water mains.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Rhode Island [Mr. Fogarty].

Mr. FOGARTY. Mr. Speaker, I presume we are going to have the same fight this week on the provisions of the Bacon-Davis Act in this bill as we had a year ago when we passed a similar bill in the House. As you remember, a year ago the membership of the committee at that time by a 2 to 1 vote voted to retain in the bill, as we passed it in the House, the provisions of the Bacon-Davis Act. I hope when we reach that part of the bill, when the amendment is offered to strike it from the bill, we will have the same record majority as we did a year ago in the retention of this provision providing for the payment of prevailing wages on the work on the interstate highway system. As was stated a while ago, this only applies to that part where the Federal Government is contributing 90 percent of the cost of the highway. If the Federal Government is contributing 90 percent of the cost of the highway in that State, it seems to me we ought to at least guarantee to the workers on that construction job a living wage. That is all it is. The payment of the prevailing wages in local communities is by no means the highest payments made. They are in most areas minimum wages paid for work in that particular area. A minimum wage is just about a livable wage. Contractors who find fault with this provision are contractors who do not want to pay a living wage in this country at the present time. So the contractors who are finding fault with the provisions of the Davis-Bacon Act are the contractors which history will show have been wanting to pay less than minimum wages in this country. If they did a job for 75 cents an hour they would be trying their best to get as many men as they could to work for 40 cents an hour, or if they could get them to work for 10 cents an hour they would do that. That is the kind of contractors, not only in highway construction but in the construction of Federal buildings and the repair and maintenance of Federal buildings that we have at this time, and that are causing all the trouble in the industry. I have had some experience with painting contractors in my own State. When they come from other States they say they are paying the prevailing wages. It is almost impossible to determine whether they are or not, but after they leave and some painter has a fall from a scaffold and has his back broken, we find after the contract is finished that this contractor had no workmen's compensation and this man is on relief for the rest of his life with a broken back. It is about time, I think, we had more supervision than we have at the present time. One of the faults I find with the law is that it has not been enforced. In my opinion, the Department of Labor ought to have more help, and if this law were enforced, I think everyone who is working for a living would be much better off. At least we would be guaranteeing some of these men a living wage and not a starvation wage.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. BOLAND. I wish to associate myself with the gentleman's remarks.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I want to associate myself with the remarks made by the distinguished gentleman from Rhode Island [Mr. Fogarty]. I compliment him for the fight he waged in the last session of the Congress in retaining in the bill, then under consideration, the provisions of the Davis-Bacon Act. I commend him for carrying that effort on the floor today to accomplish what was done in the last session.

Mr. Speaker, the Committee on Public Works by a majority vote has seen fit to write the provisions of the Davis-Bacon Act into the proposal now before us. This decision came after lengthy hearings and much testimony. It appears to me that the committee was on solid ground when it stated that it saw no reason why the act should not apply to the highway construction program when it now applies to all direct Federal construction as well as to contracts for school, hospital, housing, and airport projects constructed with Federal-aid funds. The highway program is to be financed by 90 percent Federal funds and I believe that, under this circumstance, the Congress ought to declare that the prevailing rate of wages in the immediate locality ought to be paid those employed under contracts let as a result of the Federal Highway Act.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. Smith].

Mr. SMITH of Virginia. Mr. Speaker, I want to discuss briefly the question of the application of the Davis-Bacon Act. The time is very limited. I may get a little more time later. But I want to call one or two things to your attention now, and I will do it as briefly as possible.

In the first place, if you adopt the Davis-Bacon provision, what you are doing is to impose another step on the march to do away with the powers and the sovereignty of the States, because under this bill you not only impose the provisions of the Davis-Bacon Act on the Federal money which you are disposing of, but you are requiring the States, out of their 10 percent, to fix the same wage that is required under the Davis-Bacon Act. There is a direct and positive invasion of the sovereignty of the States in telling them how they shall spend their own money and what rate of wage they shall pay.

I shall not go into it further because I do not have the time. But I call attention to the abuse of the application of the Davis-Bacon Act, which is the greatest difficulty in the way of its use in this work.

I have had experience here and many of you have. Let me tell you of one experience with the fraudulent manner in which the Bacon-Davis Act is applied by the Department of Labor throughout the country.

A hospital was built in Winchester, Va. Winchester is some 60 or 75 miles from Washington, and in that instance there was a rate of wage in Winchester, a well-known and settled rate of wage; yet the Department of Labor fixed the wage prevailing in the District of Columbia 75 miles away.

That is not an honest administration of the act.

In my own district, Warrenton, 50 miles from Washington, there was a distinct rate of wage, well established and in operation. They fixed there the rate in the District of Columbia, which increased the cost of that project tremendously.

In the city of Charlottesville, which is 60 or 75 miles from the city of Richmond, Charlottesville being a city of 25,000 or 30,000 people, where they had an actual prevailing rate of wage, well known to everybody there, workers and contractors alike, agreeable to everybody, satisfactory to everybody, yet the Department of Labor here in Washington undertook to fix the rate of wage there that existed in the city of Richmond.

That is not an honest administration of the act. Everybody knows it is not an honest administration of the act. Many of you have had similar experiences to those I have had.

Now, why impose in this bill where you are supposed to be building roads, why impose on this an added cost, a considerably added cost?

Are we setting out here to build roads? Or are we setting out here to do something for the utilities on the one hand and the labor unions on the other? If we are going to pass a bill let us build roads and let us forget these minority pressure groups that are coming in here trying to make us spend more money and build fewer miles of roads. That is what it comes down to in the last analysis.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. If I have any more time, but I have a number of other things I want to say.

Mr. WITHROW. I think this Bacon-Davis provision is different than the other Bacon-Davis provisions; I doubt very much if they could do the things that you are stating here under the provision in this bill.

Mr. SMITH of Virginia. My friend, if they can do what they have been doing, they can do anything. We have been saying all along that the Supreme Court could not do this or that, but it looks to me like they are doing everything.

Now, this same crowd down in the Labor Department will work the same way. I know of one instance involving the Army. I went to the Army and called it an outrage. The Army agreed with me that it was just as much of an outrage as I had said. I asked them why they did not do something about it. He said he had gone to the Secretary of Labor and told him that what he was doing was not related to prevailing wages in the vicinity and the Secretary of Labor said to him: "This is our business assigned to us by the Congress. You people just keep your nose out of it."

Now, how can you ever trust such administrators? Are you going to yield merely to the insistence of these pressure minority groups such as the utilities and the labor unions?

Now, if you expect to build roads with this money do not expect to hand out favors, do not expect to put additional expense on the construction of these roads so that you will get the distribution of more favors and the construction of fewer roads.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from Virginia [Mr. SMITH] was talking about wage rates in Winchester. Within the last 2 or 3 days a representative of some of the workers who expect to be employed under this bill came to see me at my office. I asked him what the prevailing rate of wage was in his line. He said $3.60 an hour. Assuming that the wage in Winchester was $2 an hour, as I understand the gentleman, the Secretary here can, and probably would, because that Department is created to look after the workers, fix the wage at $3.60.

Now, one more question. Do the taxpayers in the vicinity of Winchester contribute toward the construction of these highways?

Mr. SMITH of Virginia. If the gentleman will yield to answer, of course, that is exactly what is going to happen, just as the gentleman has described it, because that is what has been happening ever since the Davis-Bacon Act was passed. Because of the interruption a while ago, I did not get the opportunity to say that it not only has the effect which I have mentioned but these roads are going to be built in the rural areas. They are a source of work for your country folks. Some of you represent city folks, but a whole lot of you represent country folks, and those country folks expect to get the right to work in that neighborhood. They are not going to get it if you fix the prevailing rates in the metropolitan area and the metropolitan contractor gets the work to the exclusion of the rural contractors and rural labor.

Mr. HOFFMAN of Michigan. Do those people who live in Winchester help pay for the construction of these highways?

Mr. SMITH of Virginia. Yes; they pay 10 percent of it.

Mr. HOFFMAN of Michigan. All right. What is their wage, who fixes it, how much is it? Do they get the $3.60 fixed by the Secretary of Labor?

Mr. SMITH of Virginia. The prevailing wage in California is going to be fixed by somebody sitting down here in the District of Columbia.

Mr. HOFFMAN of Michigan. My point is this: The taxpayers in Winchester contribute toward the construction of the highway and help pay the wage fixed by the Secretary of Labor. Now, do they get the same wage that the fellows from the outside who are working on the highway get?

Mr. SMITH of Virginia. They may or may not, I do not know.

Mr. HOFFMAN of Michigan. Of course, they will not, unless they are members of the union. They will be discriminated against because they may not be members of the union, or because their dues or special assessments have not been paid to date. The result is that though they will be taxed to build the highway, they would be denied the right to work on the job, that is, unless the provisions of the Virginia statute, that is, the right-to-work law, are correctly interpreted and adequately enforced.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, I did not get the opportunity to complete my question which I was endeavoring to ask the gentleman from Virginia [Mr. SMITH]. I would like to call his attention to the fact that this Davis-Bacon Act differs from the other Davis-Bacon Act in that it contains this language: "in the immediate locality." Now by any stretch of the imagination can you presume that the Secretary of Labor will say that the wages in the Washington, D. C., area shall be the prevailing wages in Richmond, Va., or likewise, that he will say the prevailing wage in Washington is the prevailing wage in the immediate locality of Winchester? I think that is bordering on the ridiculous and I am sure it will not happen. I do not think you will have that sort of abuse. It is manifestly unfair to make such a statement or to take that position in this particular case. I do not think those abuses will prevail under the Davis-Bacon Act as it is written into this bill.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. WITHROW. I yield to the distinguished gentleman from Rhode Island.

Mr. FOGARTY. The gentleman is 100 percent right. Another point I had hoped the gentleman would make is that the Secretary of Labor will not arbitrarily state what these prevailing wages are to be. The only way he can do that is on advice from these local communities State by State. He accepts their recommendations. So it is the State recommendation that he is putting into effect. That is the only way he sets these wages.

Mr. WITHROW. I thank the gentleman and am in complete agreement with him.

Mr. Speaker, I want to take this opportunity to commend the chairman of our committee [Mr. FALLON], the distinguished gentleman from Maryland, and the other members of our committee for the remarkable manner in which hearings on the highway measure have been conducted. Although, I am not entirely in agreement with the bill as recommended by the committee, I am supporting H. R. 10660 and will vote for it.

February 22, 1955, President Eisenhower delivered his message asking for an expanded Federal highway system. In 1944 the Congress recognizing the necessity for an expanded highway system, authorized the selection of a special network not to exceed 40,000 miles in length which would be so located as to connect by routes as direct as practicable, the principal metropolitan areas, cities, and industrial centers, to serve the national defense, and to connect at suitable border points with routes of continental importance in the Dominion of Canada and the Republic of Mexico.

The result was the creation of the national system of interstate highways embracing about 1.2 percent of total road mileage, joining 42 State capital cities and 90 percent of all cities over 50,000 population. The interstate system carries more than a seventh of all traffic, one-fifth of the rural traffic, serves 65 percent of the urban and 45 percent of the rural population, and is the key network from the standpoint of Federal interest in productivity and national defense. Approximately 37,600 miles have been designated to date, the remaining 2,400 miles are reserved for future additions.

The capacity of the interstate highways to evacuate urban populations in an emergency is of the utmost importance. No urban areas in the country today have highway facilities equal to this task. The rapid completion of this 40,000 mile interstate system, including

the necessary urban connection, is, therefore, vital as a civil-defense measure.

We now have more than 58 million motor vehicles registered, which is one for every 700 feet of every lane in both directions on all streets and highways in the Nation. Vehicle registrations are expected to continue their upward surge, reaching 81 million by 1965, an increase of 40 percent. These estimates, I believe are conservative, and represent the basis upon which the Nation's highway improvement program should be planned. To implement the expanded road program, our committee has recommended the passage of H. R. 10660.

The measure contains two sections. Section 1 has to do with the actual program, while section 2 deals almost entirely with the finances of the program. Section 1 was considered by the Public Works Committee, while section 2 was considered by the Ways and Means Committee. Section 2 containing the tax features is being considered under a closed rule, which will permit only committee amendments. Section 1 is being considered under an open rule, which will permit amendments.

I am including a table—table 1—which outlines (A) the regular Federal aids for the next 13 years, which will be made the same as they are today; namely, the State contribution of 50 percent as matched by the Federal Government's 50 percent. Table (B) has to do with the interstate system, which likewise is a table extending over a period of 13 years. However, the yardstick now used for Federal aid on the interstate system is now 40 percent contribution on the part of the State and 60 percent on the part of the Federal Government. This has been changed in H. R. 10660 so that the contribution is 10 percent on the part of the State and 90 percent on the part of the Federal Government.

TABLE 1.—*H. R. 10660, authorizations and proposed authorizations*

(A) Regular Federal aid (13 years, 1957 to and including 1969):

1957 (in addition to the $700 million already authorized for 1957 in the 1954 act)	$25,000,000
1958	750,000,000
1959	775,000,000
1960	800,000,000
1961	825,000,000
1962	850,000,000
1963	875,000,000
1964	900,000,000
1965	925,000,000
1966	950,000,000
1967	975,000,000
1968	1,000,000,000
1969	1,025,000,000
Total	10,675,000,000

H. R. 10660 only authorizes funds for 1957, 1958, and 1959, but expresses an intent of Congress with respect to future authorizations to increase progressively at $25 million per year.

(B) Interstate system (13 years, 1957 to and including 1969):

1957 (in addition to the $175 million already authorized for 1957 in the 1954 act)	$1,025,000,000
1958	1,700,000,000
1959	2,000,000,000
1960	2,200,000,000
1961	2,200,000,000
1962	2,200,000,000
1963	2,200,000,000
1964	2,300,000,000
1965	2,300,000,000
1966	2,200,000,000
1967	2,000,000,000
1968	1,500,000,000
1969	1,000,000,000
Total	24,825,000,000
Federal domain roads at $81 million each year (13 years, 1957 to and including 1969): $81,000,000 for 13 years	1,053,000,000
Total	36,553,000,000

H. R. 10660 only authorizes funds for 1958 and 1959, but expresses an intent of Congress to continue these authorizations for future years at not less than the amounts authorized.

Section 2 of H. R. 10660, which is being considered under the closed rule, has to do with the financing of the expanded highway road program. The following table—table 2—points out the taxes involved and the tax increases. The taxes are collected on a 16-year program. It is truly a pay-as-you-go program.

TABLE 2.—*Estimated tax receipts allocated to highway trust fund, fiscal years 1957–72*

[In millions of dollars]

Fiscal year	Present law taxes					New or increased taxes								Total receipts	
										Trucks, buses, truck trailers, etc.					
	Gasoline, 2 cents per gallon	Diesel fuel, 2 cents per gallon	Tires, 5 cents per pound	Inner tubes, 9 cents per pound	Total, present law taxes	Gasoline, 1 cent per gallon	Diesel fuel, 1 cent per gallon	Tires, 3 cents per pound	Tread rubber, 3 cents per pound	3 percent of manufacturers' price (from 5 to 8 percent)	2 percent of manufacturers' price (from 8 to 10 percent)	Trucks, etc., over 26,000 pounds, $1.50 per thousand pounds annual tax	Total, new or increased taxes	Annual	Cumulative
1957	846	22	----------	----------	868	407	10	95	8	----------	47	45	612	1,480	1,480
1958	994	27	184	18	1,223	472	13	98	9	75	50	46	763	1,986	3,466
1959	1,031	28	191	18	1,268	489	13	100	11	81	54	47	795	2,063	5,529
1960	1,064	29	197	9	1,299	505	13	103	9	78	52	48	808	2,107	7,636
1961	1,099	30	204	9	1,342	522	14	108	11	84	56	49	844	2,186	9,822
1962	1,133	31	210	9	1,383	538	15	111	8	84	56	50	862	2,245	12,067
1963	1,169	32	217	9	1,427	555	15	111	12	87	58	52	890	2,317	14,384
1964	1,203	33	223	9	1,468	571	15	116	11	90	60	53	916	2,384	16,768
1965	1,237	34	229	9	1,509	589	16	124	14	87	58	55	943	2,452	19,220
1966	1,269	35	235	9	1,548	604	17	127	11	96	64	56	975	2,523	21,743
1967	1,307	36	242	9	1,594	622	17	129	12	96	64	57	997	2,591	24,334
1968	1,341	37	248	9	1,635	638	17	132	14	96	64	59	1,020	2,655	26,989
1969	1,375	37	255	9	1,676	654	18	135	11	99	66	60	1,043	2,719	29,708
1970	1,407	38	261	9	1,715	669	18	135	14	99	66	62	1,063	2,778	32,486
1971	1,436	39	266	9	1,750	683	18	140	11	99	66	63	1,080	2,830	35,316
1972	1,650	47	273	9	1,979	777	22	145	14	105	76	64	1,203	3,182	38,498
Total	19,561	535	3,435	153	23,684	9,295	251	1,909	180	1,356	957	866	14,814	38,498	----------

I would much prefer to finance the program by a bond issue for a portion of the cost for the following reason. Seventy percent of the building of a road is the cost involved in acquiring and constructing the right-of-way. This is permanent—this is lasting. Thirty percent, or the balance, is the cost of surfacing the right-of-way. This is the only portion of road construction that can, by any stretch of the imagination, be considered as temporary. I was very much in agreement with President Eisenhower that a major part of the highway costs should be paid through a bond issue.

I would like to call your attention to table 2. The 2-cent Federal gas tax now raises more than $19 billion over this 16-year period. The additional 1-cent gasoline tax called for in H. R. 10660 would add more than $9 billion more over the 16-year period. Gasoline taxes, namely, the 2-cent present gasoline tax and the additional 1-cent gasoline tax to be imposed, produces more than $28 billion of the $38 billion called for in this measure. Gasoline is a commodity which is already being taxed at a staggeringly high rate when compared with all other automobile products and supplies. Why should the tax on gasoline constantly go up and up—to 40 and 45 percent of the retail price, while all other automotive excises—which are not duplicated at State level—must be held so sacredly to a conservative level of 10 percent or less. Although, I shall vote for this measure, I feel very deeply that by levying this additional 1-cent tax per gallon on gasoline, we are further invading a field of taxation that rightfully belongs to the several States.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. Holland].

Mr. HOLLAND. Mr. Speaker, the requirements of the Davis-Bacon Act specifying that all contractors on Federal construction must pay their employees the prevailing wage existing in the community in which a Federal project is located is an accepted requirement of all legitimate contractors.

There has been some opposition by those unprincipled contractors who would like to underbid on Government work by paying their employees far below livable wages. Naturally, their bid would be much lower than that of a conscientious contractor who desires to give his employees the high standard of living to which they are entitled in a country of great wealth such as the United States.

In this day of large surpluses on the farm, the purchasing power of the worker plays even a more important part in helping the farmer than the question of parity. If the workers of America receive a sufficient wage they will purchase the products of the farmers in quantities required to feed their families. Much of the surplus of the farmer would then disappear.

Too much stress has been put upon this section of the road bill, implying that labor unions are trying to impose upon the American taxpayers a schedule of wages far beyond the amount that should be paid. This is far from the truth.

In the States where State contracts are denied bidders who do not meet the State-established going wage of the community in which their factory, mill, or project is located, this program has met with great success.

In the great Commonwealth of Pennsylvania where I had the honor of being a member of the general assembly for over 21 years, this practice has existed under both Democratic and Republican administrations. It has been warmly received by the general contractor and by the bidders of material used by the Commonwealth.

As an example, in the western part of Pennsylvania, the head of the highway department meets with the American General Contractors Association and representatives of labor—both organized and unorganized. Then agreement is reached on what should be the minimum wage considered for all classes of labor required under the contract. They also meet in the eastern part of Pennsylvania with the American General Contractors Association and labor and follow the same procedure.

In other parts of the State the highway department meets with the Pennsylvania Constructors Association and representatives of labor. Many members of this association have no union contract, but they agree on the standard of wages that should be paid in their community.

In counties not represented by any of the above organizations, the highway department makes a sampling of wages paid by local employers and then establishes the rate to be paid to workers in these communities.

I am surprised that some Members of the House oppose this section of the highway bill. It is not merely a protection for labor but a protection to the respectable contractors against the fly-by-night contractor who has no ethics and merely enters the picture to use an underworld expression "to make a quick buck." This type of individual is not concerned with human welfare. He knows nothing about the economic problems of America. Neither is he concerned with the purchasing power in relation to productivity of the worker.

Mr. Speaker, I believe that the Members of this House who oppose this section of the bill will be committing a great disservice, not only to the workers but also to the legitimate responsible contractors who take pride in their work and who, over the years, have striven to establish a reputation of the highest workmanship and service.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. FALLON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10660, with Mr. Walter in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. FALLON. Mr. Chairman, I yield myself such time as I may require.

Mr. DONDERO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirty-five Members are present, a quorum.

The Chair recognizes the gentleman from Maryland [Mr. Fallon].

Mr. FALLON. Mr. Chairman, the Public Works Committee has approved a bill—H. R. 10660—to authorize a vast highway program which our country needs so urgently.

A separate bill—H. R. 9075—was introduced in the House this year by Mr. Boggs, of Louisiana, and then referred to the Ways and Means Committee which, after extensive public hearings conducted by that Committee in the usual manner, was approved unanimously by the Ways and Means Committee and ordered reported to the House on March 19. That bill—H. R. 9075—as reported to the House has been consolidated, without change, into the Public Works Committee highway authorization bill, and the combined measure—H. R. 10660—is now before us for consideration. Title I of H. R. 10660 provides authorizations for the highway program and will be handled by the Public Works Committee. Title II of H. R. 10660 is the tax revenue section and will be explained and handled here today by the Ways and Means Committee under Chairman Cooper, of Tennessee. The committees will jointly handle this combined bill and divide up the time allotted for debate on the bill. Questions concerning title II of the bill—the revenue section—should be held by the Members for explanation by the gentlemen from Tennessee [Mr. Cooper], and I will confine myself to the authorization portion of the bill—title I.

Title I provides for authorizations to construct the Interstate System over a 13-year period to bring this 40,000-mile system of controlled-access roads up to a standard of construction which our engineers consider will be adequate to meet the traffic needs of the year 1975. This system, limited to 40,000 miles, was authorized by the Congress in the Federal Aid Act of 1944. It was developed and practically all of the mileage selected by the States, the Bureau of Public Roads, and the Department of Defense in 1947. It connects all of our important producing centers, 90 percent of all our cities over 50,000 population, and directly serves more than half our total population. A key feature of the system's concept is that it will be built for complete adequacy over a reasonable future period with provisions whereby these facilities can thereafter be further expanded as growth continues to occur, with a minimum of cost and a maximum of salvage of the facilities already in place.

We must build this system of highways if we are to continue our economic growth and expansion. In recent years, our committee has heard almost continuous testimony from all the responsible groups in our society about the urgent, almost emergency, need for initiation of a program of highway modernization to prevent our highways from becoming jammed and choked with traffic to such an extent that our economy will become stagnated. The growth of highway use has skyrocketed and continues to increase at a much faster rate than our current measures are keeping highway improvements abreast of highway use. Only 10 years ago we had 34 million registered motor vehicles on our highways, but today we have 62 million and can expect to have 85 million in another 10 years—even before this program which we are proposing is finished. This growth in vehicle numbers has been occurring with almost no growth in the miles of highways on which to drive them, and this is the basic reason for the congestion about which you know and hear as much as I. Just to illustrate for you what has happened, it has been calculated by our committee staff that since the end of World War II we have built more automobiles and put them onto our highways than could be parked bumper to bumper on all the new highway miles

which we have added to our systems in the same period of time.

But congestion of itself, while annoying and irritating to all of us, is the least part of the price we are paying for the substandard highway system on which our economic life is so dependent. The tragedy of 38,300 highway deaths last year and 1,350,000 injuries with 100,000 disabled for life cannot truly be measured with a dollar sign, but if we should put a cold, impersonal price tag on last year's highway accident costs we would have to produce $4,700,000,000 to cover it, according to the National Safety Council. But the most alarming thing about this picture is that last year's high toll is still increasing—traffic deaths are running 16 percent ahead of last year and have been increasing for each of the last 12 months. At this rate we shall reach the tragic alltime record of 42,000 highway deaths in 1956. The monetary cost alone is more than two times the annual expenditure which this bill proposes for the purpose of saving many of these lives and reducing the wastage of our resources from this cause. The annual savings from this source alone will more than equal the annual expenditure. Even without capitalizing, this is a 100-percent annual dividend, which is unquestionably a good investment anywhere.

It is estimated by competent authorities that when a vehicle is operated on the type of highway systems proposed in this bill as contrasted to our present inadequate systems, the operator of a passenger car will save a cent a mile and a trucker 4 cents a mile. The expenditures proposed in the bill will cost the average motorist less than the amounts which he will save in reduced operating cost. The program which our committee is recommending to you will give our Nation the highways we need for economic growth, national military defense, and the public safety and welfare.

While I have emphasized this interstate system, because of its closer relationship to the national responsibility as distinguished from the individual State interests, the bill continues authorizations for the long-established regular Federal-aid programs on the primary and secondary Federal-aid systems and their extensions into urban areas, at annual rates which are slightly higher than in the last such bill enacted in 1954. In such a joint Federal-State program the Federal Government will carry the major responsibility for the road system of predominant national concern and the States will continue to carry the major load of responsibility for the road systems which are primarily of local concern. Thus the proven and satisfactory Federal-State partnership in the highway field is continued and no major change is contemplated in this well-established relationship.

I will now go through the bill with a comment on each section to explain its principal features.

This is a clean bill superseding H. R. 8836. Title I of H. R. 10660, as reported favorably by the House Committee on Public Works, contains the authorizations for the Federal-aid highway program. Title II contains the substantive provisions of H. R. 9075 as reported unamimously by the Committee on Ways and Means to provide the tax revenues necessary to finance the highway program. Title III contains separability provisions.

A brief section-by-section summary of title I is as follows:

Section 101, short title for title I: Title I of the bill may be cited as the "Federal Highway Act of 1956."

Section 102, Federal-aid highways: This section authorizes for the Federal-aid primary and secondary systems and extensions thereof within urban areas, the following: $25 million additional for 1957, $750 million for 1958, $775 million for 1959. These funds would be expended in line with existing procedures. The existing authority to make 10-percent transfers of apportionments is increased to 20 percent. The section expresses the congressional intent to increase the above annual authorizations by at least $25 million annually over a 10-year period ending in 1969.

Sections 103, 104, 105, and 106, Federal domain roads: These sections grant the following authorizations for Federal domain roads for each of the fiscal years 1958 and 1959:

Forest highways from $22.5 million to $25 million.

Forest development roads from $24 million to $27 million.

Park roads from $12.5 million to $16 million.

Parkways from $11 million to $16 million.

Indian roads $10 million.

Public lands highways $1 million.

Contract authority is granted for these authorizations. It is declared to be the intent of Congress to continue these authorizations at not less than the annual rates above indicated.

Section 107, emergency fund: This section increases the present $10 million emergency relief authorization to $30 million. This is standby authority for disasters.

Section 108, National System of Interstate and Defense Highways: This section changes the name of the National System of Interstate Highways to the National System of Interstate and Defense Highways referred to in the bill as the Interstate System. It authorizes annual authorizations for the Interstate System totaling $24,825,000,000 for the 13-year period ending June 30, 1969. These funds would be apportioned for the first 2 years on the basis of House Document 120, which is a report of highway needs in the individual States as called for by section 13 of the Federal Aid Highway Act of 1954. Beginning in 1956, the States and the Bureau of Public Roads would commence another study based on standards adopted cooperatively by the States and the Bureau of Public Roads, and this new report when approved by the House and Senate Public Works Committees in the 1958 session would be used as the basis of apportioning the funds authorized for the fiscal years 1959, 1960, 1961, and 1962. Similarly, another report approved by the Senate and House Public Works Committees would form the basis of apportionments for the fiscal years 1963, 1964, 1965, and 1966. Similar reports approved annually in 1967, 1968, and 1969 would govern the apportionment of funds authorized for those years. Thus there would be constant review, approval, and control of the apportionment formula by the Congress, so that each State would receive its proportional share of the total funds in such amounts as to insure the same relative rate of progress in every State to permit completion in all States at the same time by the year 1972. These funds will be expended on a 90–10 Federal-State matching basis. This section prescribes maximum axle weight limitations to protect the Interstate System, but without affecting vehicles that could be lawfully operated on July 1, 1956. It directs the Secretary of Commerce to expedite tests being conducted for the purpose of determining maximum desirable dimensions and weights, and to make a report to Congress by March 1, 1959.

Section 109, declaration of policy with respect to reimbursement for certain highways: This section declares the intent and policy of Congress to equitably reimburse States for toll or free roads already constructed on the Interstate System to the required standards. The Secretary of Commerce is directed to make a study and report by January 1958 in order to provide Congress the information it would need in determining the time, method, and amounts of such reimbursement.

Section 110, acquisition of rights-of-way: This section authorizes the Secretary of Commerce, when requested by a State, to acquire rights-of-way for the Interstate System. Such rights-of-way would be later deeded back to the States.

Section 111, availability of funds to acquire rights-of-way: This section makes any of the Federal-aid funds available for advance acquisition of rights-of-way by the States.

Section 112, prevailing rate of wage: This section applies the Davis-Bacon Act, which requires minimum wage-rate determinations by the Secretary of Labor, to projects on the Interstate System.

Section 113, relocation of utility facilities: This section permits Federal funds to pay the regular Federal pro rata share of the cost of utility relocation on any of the Federal-aid systems whenever a State pays for such costs.

Section 114, progress reports on Interstate System: The Secretary of Commerce is directed under this section to make progress reports for each Congress beginning with the calendar year 1958.

Section 115, agreements limiting use of rights-of-way: This section includes safeguarding provisions to insure retention of control of access on the Interstate System and that the users thereof will receive the benefits of free competition in purchasing supplies and services.

Section 116, toll roads, bridges, and tunnels: This section permits toll roads, bridges, and tunnels to be incorporated into the Interstate System for integration purposes, but makes no change in existing law which requires highways constructed with Federal aid to be free from tolls. In doing this, funds are conserved through making the fullest use of all existing highway facilities on the Interstate System which meet the standards for this system. This avoids the necessity for construction of duplicating roads which would deplete the funds so badly needed for other sections of the system and protects and preserves the large investments which have been made in toll facilities during the past few years.

Section 117, definition of construction: This section broadens the existing definition to include geodetic markers and certain relocation costs incidental to construction or acquisition of rights-of-way.

Section 118, archeological salvage: This section permits Federal-aid funds to participate in archeological salvage.

Section 119, mapping: This section provides that the Secretary of Commerce shall authorize the use of commercial photogrammetric methods to the fullest extent practicable.

Section 120, information from States: This section provides that any State or Federal agency shall furnish information relating to the Interstate System to the Senate and House Public Works Committees at their request, and provides a penalty of withholding Federal-aid funds for noncompliance.

Section 121, relationship of this title to other acts: All provisions of existing Federal-aid road legislation not inconsistent with this title shall remain in full force and effect, and inconsistent provisions are repealed.

There are of course differences of opinion about certain sections of the bill, and many of you have different ideas about how certain sections should be phrased However, the bill is the result of our joint efforts as a committee, and so naturally will reflect in varying degrees the different thinking of 34 different Members. We think it is a good bill because it, in our opinion, will build for our country the system of roads we so urgently need. Significantly, we have had no dissent on the central point of the bill—that is, the authorization of a program to build these highways—and neither have we had any dissent from this point in our committee mail, our individual mail, or in the public press. The authorizations contained in this bill on a self-financing basis, are the really important points upon which we must concentrate. This is a program which will provide substantial savings in human life and property and benefits to the national security and the national welfare. I urge most earnestly the passage of this bill.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. FALLON. I yield to the gentleman from North Carolina.

Mr. BONNER. With respect to the Bacon-Davis Act I am, of course, not opposed to fair conditions, but I am opposed, as the gentleman from Virginia has stated, to going off somewhere and using wage rates that would be disturbed by the wage rates in another locality 60 or 75 miles away. What is the definition of the word "immediate"?

Mr. FALLON. I did not offer that amendment to the bill.

Mr. BONNER. I think it is a fair question to ask.

Mr. FALLON. My definition of "immediate" would be within a reasonable mileage around the area in which the project is being constructed.

Mr. BONNER. But what is a "reasonable" mileage?

Mr. FALLON. My definition of "reasonable" would be not more than 50 miles.

Mr. BONNER. Would be what?

Mr. FALLON. Not more than 50 miles.

Mr. BONNER. For instance, there have been instances where a project in city A was being constructed, between A and C. There was a city B that had a wage rate. They went all the way over from A to set up the wage rate existing in C and bypassed B. It disturbs the local business, local construction, and other things.

Mr. FALLON. I might say to the gentleman that the author of the amendment will speak on the bill and probably emphasize the Bacon-Davis Act.

Mr. BONNER. I would be perfectly in accord with an interpretation which meant within the immediate vicinity, but certainly not a foreign vicinity.

Mr. DONDERO. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the gentleman from Maryland, the acting chairman of our committee, has made a very detailed explanation of this bill and all the sections in it. There is very little I could add to what he has already said by way of information and as to what the bill contains.

I do, however, want to say a few things very briefly in regard to the subject before the House today, namely, the subject of roads. This subject is as old as civilization itself. Not long ago, in fact last October, six members of the Committee on Public Works attended a world conference on roads in the city of Rome, Italy. While there we had the opportunity to ride over a road that has been in use 2,267 years; is still in use; and is still a good road. I refer to the road that was built by the Roman Emperor Claudius Appius, who gave his name to the road. It is known to the world as the "Appian Way." It was built with slave labor. It was built in order to have a highway or an easy passage from what then practically amounted to the capital of the world to other sections of Italy and outlying areas. As I say, it is still a good road.

Centuries later, and long before the day of the automobile even was dreamed about, a philosopher and statesman of another country of Europe believed that good roads occupied a place among the important things essential in keeping a nation alive in this world. I refer to Lord Bacon of England who made a statement that I have quoted from time to time. I think it should be quoted again. He said:

> There be three things that make a nation great and strong, namely, a fertile soil, busy workshops and the easy conveyance of men and goods from place to place.

The last one, of course, refers to good roads. If good roads were important more than 200 years ago to the people who then lived in this world, how much more important are they today in this motor age; this automobile age, in which you and I live? So with greater force we apply what Bacon had to say, namely that the easy conveyance of men and goods from place to place is one of the three essentials to make a nation great and strong.

The bill before us today has for its purpose the building of better and safer roads throughout our country in order that we might remain a large, strong, and a greater nation.

As the chairman has already pointed out, with 62 million cars on the roads, and adding about 3 million more every year, we can well understand the congestion that you and I are compelled to encounter when we drive on the highways of the United States. A test was made in a metropolitan area as to how much gasoline is wasted and how much time on the part of our people who must travel from place to place, either to their place of employment or their place of business. It was found that 25 percent of the gas consumed was lost or wasted waiting for traffic lights; waiting at stop signs; and waiting for the traffic to move because of the congestion on the highway. One of the objects of this bill is to try to remedy or relieve that very grave situation so that there may be some saving to the man who drives an automobile no matter where he lives or what business he is engaged in.

As the chairman has already pointed out, the system of highways that we propose to build under this bill, the 40,000 miles in the interstate system, will pay for themselves within a reasonable length of time and give our people safer, more adequate highways.

We are told that about 70 percent of the economy of the United States now moves by motor vehicle. That is a tremendous amount of the business of the country. It can only move on good roads. While there may be some portions of this bill I do not like, nevertheless I am supporting the measure and hope it will be passed and become the law for the benefit of the American people.

I can be a little selfish about this matter also, coming from the automobile capital of the world. The five or six million cars that the industry builds every year must operate on the highways of this country. If we do not have those highways, of course, they cannot be operated. Out of 6 million cars built each year, about 3 million are added to the gross total of the cars upon our roads, while 3 million old or destroyed cars leave the highways each year. A net of 3 million cars added to the total each year means that in 10 years we will have 30 million more cars on the highways than we have today or about 50 percent more. Well, you are as good a judge as I am as to what the conditions will be if the highways of the country are not improved over what they are today. It would be almost impossible to drive.

Now, touching on the human equation involved in this bill, we are killing more than 4 people every hour. Before this debate ends at 5 o'clock this afternoon 20 more of our people will be dead from accidents on the highways of our country. We are now injuring more than 9 million of our people every year. Some

of them will be permanently disabled. Besides the loss of life and those who are injured, consider the cost of the hospital bills and the destruction of property. The amount is almost unbelievable, fantastic, and incredible. We are destroying more property in value than we are spending upon the roads of the United States today. Forty thousand miles is only about 1 or 2 percent of the total highways in the country. We have a little over 700,000 miles, as I am informed, of hard-surface or paved highways. We have 3 million miles of highway in the country, paved and unpaved. This system, as we all know, will connect 42 out of the 48 State capitals and will touch about 90 percent of very city of the United States of 50,000 population or more. This indicates the tremendous network involved in this bill and what it will do to provide safer and better highways for our people throughout the entire country. No State is omitted.

Mr. Chairman, I have said about all I care to say by way of a preliminary statement. We will have some debate upon the Davis-Bacon provision of the bill. I think it is a great mistake to include this section in the bill. There is no intention or even a desire on the part of anybody in this House, certainly not myself, to prevent the laboring people of our country from receiving a fair wage. They are now being paid the prevailing wage as fixed by the States. This amendment, which I will offer at the proper place, proposes to strike out Federal wage fixing and leave the question of the determination of the prevailing wage to the States, where it has been for the last 40 years.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Ohio.

Mr. SCHERER. The gentleman said that there are a number of provisions in this bill to which he is opposed. Now, the fact is that the main features of the bill are agreed upon by most interests; the features that will actually build the roads. Can we not say that the disagreement extends to what we might call fringe provisions of this bill?

Mr. DONDERO. As I understand, a compromise has been worked out, or will be worked out, so that practically the only section that we are in violent disagreement about is the Davis-Bacon provision.

Mr. SCHERER. In the main provision of this bill there is no objection to, namely, the distribution of funds on the basis of need to build the highways where the traffic exists.

Mr. DONDERO. None whatever, and that is the only reason, may I say, involving the question of national security and safety, why the Federal Government is now providing 90 percent and the States only 10 percent of this 40,000-mile system or the 40,000 miles provided in the bill.

Mr. SCHERER. In other words, the controversy that existed last year on the floor of this House with reference to some of the major provisions of the bill, which provisions actually did prevent us getting a bill, have now been resolved by all interests concerned.

Mr. DONDERO. I believe so. I just want to add one thing before I sit down, and that is this: The Committee on Public Works spent, I think, 5½ months of this year and last year combined in trying to bring to the floor of the House a road bill which would be satisfactory to our people and to every interest represented in our economy. We went over it carefully. There is great need for this legislation and I hope the bill will pass unanimously.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FALLON. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. Steed].

The CHAIRMAN. I think it might be well for the Chair to state at this time that the Chair believes it would be more orderly to dispose of the Public Works interest in this bill before turning to that part of the bill to be handled by the Committee on Ways and Means. If that meets the approval of the committee, we shall recognize the gentleman from Maryland [Mr. Fallon] and the the gentleman from Michigan [Mr. Dondero] until the 3 hours that they control have been consumed.

Mr. STEED. Mr. Chairman, my purpose in taking the floor to discuss the bill now before the committee is in the hope that I may be able to add a few remarks that will be helpful to the Members who have not had the opportunity to know the bill as those of us on the committee have known it through giving consideration to the bill and its various provisions.

To me, after having gone through the lengthy hearings and discussions both in the subcommittee and the full committee it seems that the one important thing to keep in mind is not to lose sight of the over-all scope of this bill and what it proposes to do. The intensity with which some of the side issues or collateral issues have been discussed serves sometimes to take our attention from the main purpose involved; and I hope that the Members as we proceed with consideration of the bill, will keep in mind the major premise involved herein and not permit themselves to be sidetracked by some of these side issues.

I think most of us on the committee found ourselves in the position of having to make concessions on points here and there to the end that we would get a bill of this nature in shape to bring to the House.

I know of no piece of legislation of such magnitude as this since I have been in the House. I know of no piece of legislation that has received the close and careful scrutiny that this bill has received. I think the members of the committee will agree that our chairman was a most patient and considerate chairman and that the members devoted many, many hard and tedious hours in their efforts to bring a bill in here that would do the job that needs to be done and do it with the least amount of harm or friction.

There are some things in the bill that I think are very important and I should like to call attention to them. We know that we have not drafted a perfect bill. We know that we are not wise enough to bring in a pattern, a blueprint, that can do the job of building roads for 13 years, and have in it all the answers. We know that like the highway legislation we enacted in years gone by, amendments have to be made. I believe that since the first Federal highway legislation was enacted by Congress in 1914 up to the present time, Congress has seen fit at one time or another to make some 69 amendments to that original law. I think the House may rest assured that as we go along with this program, some of the fears and some of the problems we are discussing here today and to which we may not have the best answer today will be answered by Congress as the situation will require in the years ahead. We have kept that very much in mind in writing this bill. We have in it provisos to give the Congress the information it will need so that we can take advantage of all the experience that we get as we proceed with the program; and we will have access to all the facts that will reveal how this program works.

There will be no time that I can see when the Congress will not be able to make whatever adjustments experience dictates should be made. We have here, for instance, a proviso that an annual report in detail will be made to the Congress showing what has happened, where the money is going, and how it is being spent. We have reevaluation studies to be made that will be available to the Congress. So we have tried the best we can to set up a system here so that we can have the advantage all the time, every year Congress is in session, of knowing how the program is working and what needs to be done to make it work better.

One other thing I think we ought to reemphasize is this: Since the most glamorous part of this bill is the section which provides for this 40,000-mile system of superhighways, it is easy to lose sight of the fact that the bill does many other things besides providing for the construction of superhighways. Not only are we setting up a superhighway system but at the same time we are going ahead with an increased and enlarged program for all the other roads in this country in which Federal legislation is involved and with which it deals.

For instance, we are providing an increasing amount each year for farm-to-market roads, secondary roads, primary roads, and all other roads. As the program develops and as we come to the end of the time when the superhighway system is completed, we will then have built up the remainder of the road program of this Nation to an all-time high. So I think it is important for you to keep in mind that we are building all roads in this bill and that we are not making secondary or primary roads sacrifice for the sake of building these superhighways.

I find that many people are inclined to believe that we have forgotten all the other roads in the interest of superhighways, but if you will read the bill and study it you will find we are doing more here for all roads than ever was proposed be done before in any legislation that has ever come before the Congress.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I want to compliment my colleague upon his fine statement and also upon the job he has done during the course of the hearings on this bill. I know personally that he has worked diligently many hours and many days. I think he and his colleagues on the committee are to be commended on the extent to which they have worked out the major difficulties and the manner in which they have brought this piece of legislation before the House.

Mr. STEED. I thank the gentleman.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I should like to join my colleague from Oklahoma in expressing the appreciation which I am sure all the Members have in their hearts to the members of this committee and particularly to my good friend, who represents the Fourth District in Oklahoma, and who I know has put in long hours, many tedious hours of study and of work on this bill. I think you have done an outstanding job of legislating. I certainly want to salute the gentleman, too, for the courageous fight he has conducted in the committee to give credit to Oklahoma for her turnpike program in connection with the Interstate System.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. McGREGOR. I concur in what has been said with regard to my distinguished colleague on the committee, the gentleman from Oklahoma. I recognize the fact that he has put in many, many hours on various sections of the bill. Especially he has been most helpful to all of us in our endeavor to arrive at a compromise and an equitable solution relative to the toll road and freeway proposals. We can give a lot of credit to him for getting a compromise on this section relative to reimbursement. We were all in accord that reimbursement possibly should be made, but he joined with us in saying and feeling and recommending that before we made a definite commitment on reimbursement we would cost either in dollars and cents or in mileage.

I join with the gentleman in paying compliment to the distinguished Member from Oklahoma.

Mr. STEED. I thank the gentleman. I appreciate these kind words, but I think it is only fair to point out that this bill contains contributions from most of the members of the committee. We have also had the benefit of the advice and help of, as I figured it out one day, about 160 organizations and firms who have shown an interest in this bill in one way or another and made contributions to the committee in bringing it out. Furthermore, there are many important things in this bill which are direct contributions by the members of the committee themselves. I think by-and-large there is one thing that can be said and that is that this is truly a bill which was put together by our chairman and the members of his committee in the finest sense that legislation can be prepared and brought to the floor of the House.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. DONDERO. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. McGregor].

Mr. McGREGOR. Mr. Chairman, I think we could take all afternoon in eulogizing not only the various members of our particular Committee of Public Works but also that group which possibly might be categorized as "special interests" in submitting to the Committee on Public Works and the subcommittee on roads their position. Some of us felt possibly at times that it was a little hot and probably but if we were in their position, we would be a little hot too—yet, every single one of them that submitted information to us did so in a spirit of helpfulness. I am sure I speak for all the members of the committee when I say we do appreciate it even if at times we were possibly a little aggravated—but to you all many thanks—you helped a lot.

I would like to say a word relative to a chap who had the patience of Job. It was my privilege many times to be sitting next to him, and it was the privilege of another gentleman on the other side to be sitting next to him. That other gentleman and the Member from Ohio differed on many, many occasions and George Fallon, who was the acting chairman and between us, had a tremendous job on his hands when he was listening to the Member from Ohio, trying to keep his Irish temper down; and the other Member who was sitting on the other side, trying to keep him quiet. So I certainly want to join with the group in eulogizing Chairman Fallon.

Mr. Chairman, I want to read an editorial, if I may, to make certain that it gets in the proper place. This is an editorial appearing on the editorial page of the Pittsburgh Sun-Telegraph of Friday, April 20, 1956. It is entitled "Earned Praise."

Earned Praise

> Representative George H. Fallon, Democrat, of Maryland, deserves a national round of applause for the Federal highway bill just reported out by the House Committee on Public Works.
>
> Fallon wrote the bill and introduced it in January.
>
> Since then he has guided it patiently through his own Subcommittee on Roads and through the full committee.
>
> We use the word "patiently" in its fullest sense.
>
> A less patient and fair legislator would have thrown up his hands weeks ago.
>
> Fallon's method was to give everyone concerned a hearing, whether he were in or out of Congress, on or off his committee.
>
> The pace at which the highway bill went through the legislative processes frequently was exasperating to those who regard the reconstruction of the Nation's roads as a national emergency.
>
> Yet it is doubtful if the bill which finally emerged would have been as good a bill as it is if Fallon had tried to gavel it past his colleagues.
>
> Now that it is before the House for a vote, it must be regarded as a bill that has been written and rewritten, studied and restudied, explained and reexplained.
>
> The Hearst newspapers think it's as good a bill as could have been written, and we applaud Representative Fallon for it.

So I join the many applauding our chairman, Hon. George Fallon, of Maryland.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the distinguished ranking minority member of our committee.

Mr. DONDERO. I want to join my colleague from Ohio in everything he has said with reference to our acting chairman [Mr. Fallon], and also to our able friend from Oklahoma [Mr. Steed], in the part they have played in bringing about this legislation. It has not been an easy matter. It was difficult. Both of them poured oil on the troubled waters during the consideration of the bill, and it is a pleasure for me to add that I confirm every compliment paid to them.

Mr. McGREGOR. I thank the gentleman for his contribution.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. I want to join in paying tribute to our chairman and the members of the subcommittee who did such a fine job on this bill, as well as all members of the committee who took their time to bring out a bill that has great merit. Particularly I want to emphasize the fact that our chairman has shown great patience, as stated earlier by the gentleman, in the handling of this bill and in allowing each member time to fully explore all the possibilities in the legislation.

Mr. McGREGOR. I thank the gentleman.

Mr. Chairman, I also want to pay respect to the senior minority member of the committee, the distinguished gentleman from Michigan [Mr. Dondero] who has shown a great deal of patience. He has been a hard worker for an adequate highway legislation for many years. I am sure that we appreciate his endeavors and we certainly will miss his calming words and guidance.

I see two other Members present who I think are deserving of a great deal of credit. That is the chairman and the ranking minority member of the Ways and Means Committee, the gentleman from Tennessee [Mr. Cooper], and the distinguished gentleman from New York [Mr. Reed]. Those gentlemen, along with the subcommittee chairman, the gentleman from Louisiana [Mr. Boggs]. These gentlemen, in my opinion, have done a very fine job with a very difficult problem. It is not pleasant to put taxes on anyone, but when they directed this revenue-raising feature of this bill through their committee by unanimous vote, I think the country as a whole will accept it, and I want to publicly thank those gentlemen, as well as the members of their committee—a job well done.

Now, Mr. Chairman, I would like to take a few minutes to talk about this bill. This is a good bill. There are a lot of things in it that possibly I do not like in their entirety. If I had my full way and brought out a bill, there are many members of this committee who would disagree with me and what I recommended. But this bill as written is a compromise, as we have suggested in the legislation. Various sections are the result of study and "give and take." The compromises that will be presented to you for your consideration are the privileges of this great Republic that we live in, where those with differences of opinion can get together and agree on something we can present to the people and will be of benefit to all.

We have heard so much about the scraps and differences between the various groups of transportation. I have been contacted at least 20 times since entering this chamber. They say, "Congressman, what is the final result of the weight limits," and so forth, because I am getting so many wires from people back home. I want to refer to a letter from Mr. John V. Lawrence. The gentleman from Louisiana has a statement which is in conformity with this, and I think it will be placed in the Record. This letter is signed by the president of the American Trucking Association, and he says:

> We want you to know that the trucking industry is perfectly willing to accept and, in fact, supports section 108 (J) of the highway bill reported out by the House Public Works Committee, having to do with truck weights.
>
> We were opposed to this section as originally written because it would have created endless difficulties for truck operators, the States, and the Bureau of Public Roads. Therefore, we had advocated complete elimination of the section, and we were joined in this position by numerous interests, including the Bureau of Public Roads, the American Association of State Highway Officials, the American Municipal Association, and the American Automobile Association.
>
> However, the revised section as reported by the Public Works Committee accomplishes the objective—protection of the highways—without getting involved in other factors that would have caused the difficulties. The new provision limits the axle weights and, as the Bureau of Public Roads stated, "The axle load of vehicles is the principal determinant of the supporting capacity that must be provided in the surfaces and foundations of roads."
>
> Interests which are unfriendly to the trucking industry and are, in fact, unfriendly to the entire highway program may attempt to have the section amended to affect such factors as dimensions and gross weights which, as any highway engineer will testify, have nothing to do with protecting highway surfaces. Regulation of these other factors should be left in the hands of the States, which know best how to deal with the complications that arise.
>
> Therefore, we urge you to support the section as it was reported by the Public Works Committee and resist changes designed, not to protect the highways, but to create difficulties.
>
> Very truly yours,
>
> John V. Lawrence.

I was contacted by some folks who were supposed to have been in opposition to that particular section and I asked: "What is your position?" and I am not carrying the ball for any one group any more than I am carrying the ball for all of you because I hope that we can work out a compromise. That is what we want to do, get a good road bill. I read this statement as given to me:

> I have been advised by an authorized representative of the railroad industry that in their opinion the interest of the American taxpayer would have been better served had the original wording of section 7J been retained.
>
> The Public Works Committee, after due consideration, decided to delete from the section those limitations pertaining to total weight and dimensions of vehicles. The single and tandem axle limitation remains the same, statements to the contrary notwithstanding.
>
> The railroad industry has no intention of seeking modification or change in the wording of section 108J as reported by the committee, when the measure comes before the House.

That is the result of the various segments of the transportation world getting together and exchanging views, so a program might be put into effect. That exchange of views you now have in this particular bill—a compromise that as far as they are concerned there will be no attempt to amend or strike from the bill that section, here on the floor of the House today or tomorrow.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Ohio.

Mr. VANIK. I wish to ask my distinguished colleague from Ohio a question relating to lines 19 and 20 on page 29 of the bill, where provision is made for the elimination of the hazards of railroad grade crossings. Does this bill disturb the present law under which railroads are contributing to the cost of the elimination of railroad crossings? Does this provision disturb that section of the law?

Mr. McGREGOR. I might say to the gentleman that the amendment to which he refers on page 29, section 117, contains a new definition of construction that was presented by a Member and it does completely change the term "construction."

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. JONES of Alabama. May I say to the gentleman that this does not change the basic act with respect to the allocation of funds with reimbursement of the railroads; it carries the traditional 90–10 formula. I think that is what the gentleman is interested in.

Mr. McGREGOR. The gentleman says it does not change the formula.

Mr. JONES of Alabama. No, it does not; the section here read does not refer to the apportionment formula whatsoever, so there is no change in respect to that. Under the Ramseyer rule changes must be set out in the report. None is indicated; therefore, there is no change, and I can assure the gentleman from Ohio that he need not be apprehensive over that section.

Mr. McGREGOR. The Ramseyer rule is still in effect. In this particular section we are only amending section 1 of the Highway Act which has to do with the definition of construction. As of now, in my opinion, it in no way interferes with existing law as it affects the allocation of cost formula, but I certainly will be glad to check for sure and advise the gentleman.

Mr. VANIK. I thank the gentleman from Ohio.

Mr. McGREGOR. Mr. Chairman, I would like to make a brief summary of portions of H. R. 10660.

The highway bill is H. R. 10660. This is a combination of H. R. 8836, the Fallon bill, which is the highway authorization bill reported by the Public Works Committee, and H. R. 9075, the revenue-raising bill, the Boggs bill which was reported by the Ways and Means Committee. The first title of H. R. 10660 relates to the authorization as contained in the Fallon bill as amended.

PRIMARY, SECONDARY, URBAN

Sections 101 through 107 of the bill are approximately the same as the 1954 Highway Act which deals with the primary, secondary, and urban systems of roads as now in effect, with the exception that the funds involved are increased in the new legislation. The amount authorized for the primary, secondary, and urban systems, in addition to the $700 million already authorized for 1957 by the 1954 act is increased by $25 million.

It is established as the intent of Congress that starting in 1957 and continuing through 1969 the total amounts intended for the primary, secondary, and urban systems be progressively increased in the amount of $25 million per year. Thus the total Federal funds involved for these systems during this period is $11,375,000,000.

CONGRESSIONAL REVIEW

It was the opinion of the committee that the Congress should review every 2 years the authorization on the primary, secondary, and urban systems.

Included in the sections up to 107 are increases for forest highway roads, trails, national parks, and so forth, and also some clarifying amendments relative to Indian land and other Federal-domain roads. These sections also include a $30 million authorization for an emergency fund for highway repairs in disaster areas.

INTERSTATE SYSTEM

Section 108 to section 201 deals with the interstate system as set forth in H. R. 8836, the Fallon measure as amended. The authorizations of this section establishes a Federal expenditure, over the 13-year period 1957 up to and including 1969, for the interstate system of $24,825,000,000. The matching as it deals with the interstate system is 90 percent Federal funds and 10 percent State funds. In reality the total expenditure of the two programs as far as Federal funds are concerned is approximately $36,500,000,000.

MAXIMUM AXLE WEIGHT LIMITATIONS

In the bill will be found new subject matter relating to Federal axle weight limitations on vehicles using the highways. From available information, and taking into consideration the sponsor of the amendment, it would be my opinion that it was submitted upon the recommendation, and with the approval of, the trucking industry. This section would deny Federal funds to the interstate system in any State which permits single axle loads in excess of 18,000 pounds or tandem axle loads in excess of 32,000 pounds, or which exceeds present State statutory regulations in effect July 1, 1956, whichever is the greater. The enactment of this provision will not deprive any vehicle of any legal right it presently enjoys. It is an effort on the part of the Federal Government to insure that the highway facilities to be constructed with this large sum of Federal money shall serve out their economic life and not be prematurely destroyed by excessive loads and the question of safety for the traveling public shall be properly recognized. The bill takes into consideration the research that is now going on, the results of which will be known to the Congress not later than March 1, 1959, and instructs the Secretary of Commerce to make recommendations to the Congress not later than March 1, 1959, with respect to maximum desirable dimensions and weights of vehicles using the public highways.

REIMBURSEMENT FOR CERTAIN HIGHWAYS

The bill contains a section instructing the Secretary of Commerce to do necessary research regarding reimbursement of funds by the Federal Government to those States that have completed sections of the interstate system whether toll or free, subsequent to August 2, 1947, and meeting standards required on the interstate system and to report to the Congress his findings not later than January 2, 1958. It was recognized by the Committee that possibly there was equity in the reimbursement feature but sufficient factual data was not available to permit the establishment of a fair formula either in dollars or miles credited.

PREVAILING RATE OF WAGE

The bill contains a provision for bringing under the provisions of the Davis-Bacon Act contract work performed on the interstate system. This provision requires that the Secretary of Labor determine the prevailing wages to be paid on all contract involving interstate sections of the program.

RELOCATION OF UTILITY FACILITIES

The bill as written sets forth that whenever a State shall pay for the relocation of utility facilities necessitated by the construction of a project in the Federal-aid primary or secondary system, or on a national system, Federal funds may be used to reimburse the State for such costs in the same proportion as Federal funds are expended on the project. The term utility includes publicly, privately, cooperatively owned utilities, which, of course, includes sewer systems, water systems, gas, telephone, including REA, light, and power. This leaves the determining power entirely in the hands of the States.

FREE COMPETITION

Other provisions relate to the filing of periodic reports on the progress of the interstate system; the use of right of ways incident to the interstate system and provisions which will insure that the users of the interstate system will receive the benefits of free competition in purchasing supplies and services at, or adjacent to, highways in such system.

CHECK BY CONGRESS

The bill provides that departments and agencies of any State and the executive branch of the Government shall furnish to the Committee on Public Works of the Senate or the House, or a subcommittee of each, such information as may be requested relating to the construction of the new interstate system.

TITLE II. REVENUE FEATURES

Incorporates the recommendations of the House Ways and Means Committee as contained in H. R. 9075 by Congressman Boggs. This revenue section, which in all probability will come to the floor of the House under a closed rule, contains provision for a 1-cent gas tax increase; a 1-cent diesel and special fuels increase; a 3-cent increase on all rubber used by highway vehicles; 2-percent ad valorem tax increase on trucks, buses, and trailers, which makes a total of 10 percent as now being paid by automobiles.

The bill places a new tax of 3 cents a pound on camelback or retreading material and a new permit fee of $1.50 per thousand pounds on vehicles in excess of 26,000 pounds.

The total yield anticipated from the revenue measure over a 15-year period is approximately $38 billion. It is to be noted that nonhighway users on all of the above taxes are exempt.

This revenue section recognizes the withdrawal from general revenues after July 1, 1957 of one-half of the total yield of the 10-percent ad valorem tax on trucks, buses, and trailers and the total yield of the rubber tax on tires and the assignment of these revenues to the highway program. Prior to July 1, 1957, the revenue measure recognizes the dedication of only the 2-percent increase in ad valorem tax on trucks, buses and trailers and the 3-percent increase in rubber taxes.

This means, in a general statement, that a large amount of money that is now going to the general revenue fund will be designated to the highway trust fund after 1957.

PAY AS YOU GO

After study and attempting to analyze whether or not the revenue-raising feature will meet the authorization, it is the considered judgment that in the overall program we will be short about $3.5 billion. However, it is the belief that possibly this amount can be collected by increased sales and use of the highways so I think, in all fairness, it should be said that the revenue bill as submitted by the Ways and Means Committee and incorporated in title II of this bill will meet the authorization and expenditures as set forth in title I.

In summary, the proposed legislation has the merit of providing for review by the Congress and the correction of any inequities that may develop as the program progresses. The bill is not perfect but I think the general public wants a highway bill and, in my opinion, the controversial features contained in this legislation are the results of various segments of our society compromising to obtain that which the people are asking, namely, better roads.

Mr. Chairman, I would like to include a chart showing the approximate apportionment of the Federal highway funds pursuant to the present bill, H. R. 10660, of the Federal Highway Act of 1954. This shows the old allotment of Public Law 350, which it was my privilege to author, and the allotment for 1957, plus the $25 million included in this bill. It also includes, Mr. Chairman, the $175 million for the interstate system in the fiscal year 1957.

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal-Aid Highway Act of 1954

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 168 (F) OF H. R. 10660

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725.0)	Interstate ($1,200.0)	Total ($1,925.0)	Primary, secondary, and urban ($750.0)	Interstate ($1,700.0)	Total ($2,450.0)	Primary, secondary, and urban ($775.0)	Interstate ($2,000.0)	Total ($2,775.0)
Alabama	14.7	19.6	34.3	14.9	26.7	41.6	15.5	31.4	46.9
Arizona	9.0	11.2	20.2	9.2	15.3	24.5	9.6	18.0	27.6
Arkansas	10.9	11.4	22.3	11.1	14.8	25.9	11.5	17.4	28.9
California	38.8	112.1	150.9	40.1	160.7	200.8	41.4	199.6	241.0
Colorado	11.3	9.2	20.5	12.0	11.4	23.4	12.3	13.4	25.7
Connecticut	6.6	26.2	32.8	6.9	40.6	47.5	7.1	47.8	54.9
Delaware	3.0	4.0	7.0	3.1	4.8	7.9	3.3	5.6	8.9
Florida	12.0	24.7	36.7	12.3	36.2	48.5	12.8	42.6	55.4
Georgia	16.9	34.9	51.8	17.2	51.2	68.4	17.7	60.2	77.9
Idaho	7.3	6.4	13.7	7.5	7.8	15.3	7.7	9.2	16.9
Illinois	32.1	55.1	87.2	33.0	77.9	110.9	34.1	91.6	125.7
Indiana	17.4	42.4	59.8	17.7	63.4	81.1	18.3	74.6	92.9
Iowa	15.9	15.7	31.6	16.1	20.2	36.3	16.6	23.8	40.4
Kansas	15.1	12.3	27.4	15.3	15.1	30.4	15.9	17.8	33.7

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal-Aid Highway Act of 1954—Continued

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 108 (F) OF H. R. 10660—continued

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725.0)	Interstate ($1,200.0)	Total ($1,925.0)	Primary, secondary, and urban ($750.0)	Interstate ($1,700.0)	Total ($2,450.0)	Primary, secondary, and urban ($775.0)	Interstate ($2,000.0)	Total ($2,775.0)
Kentucky	13.0	24.9	37.9	13.3	36.0	49.3	13.8	42.4	56.2
Louisiana	11.5	24.5	36.0	11.9	36.0	47.9	12.2	42.4	54.6
Maine	5.5	7.9	13.4	5.6	10.7	16.3	5.8	12.6	18.4
Maryland	7.8	21.3	29.1	8.0	31.8	39.8	8.3	37.4	45.7
Massachusetts	13.2	40.6	53.8	13.7	61.2	74.9	14.1	72.0	86.1
Michigan	24.9	63.3	88.2	25.5	94.7	120.2	26.3	111.4	137.7
Minnesota	17.6	25.2	42.8	17.8	35.4	53.2	18.4	41.6	60.0
Mississippi	11.7	13.7	25.4	11.9	18.0	29.9	12.3	21.2	33.5
Missouri	20.4	31.1	51.5	20.7	43.7	64.4	21.4	51.4	72.8
Montana	11.5	9.2	20.7	12.2	11.2	23.4	12.6	13.2	25.8
Nebraska	11.9	7.1	19.0	12.5	7.8	20.3	13.0	9.2	22.2
Nevada	7.1	5.1	12.2	7.5	5.4	12.9	7.7	6.4	14.1
New Hampshire	3.2	4.1	7.3	3.3	4.9	8.2	3.4	5.8	9.2
New Jersey	13.5	63.7	77.2	14.0	99.3	113.3	14.4	116.8	131.2
New Mexico	9.5	12.5	22.0	9.9	17.2	27.1	10.3	20.2	30.5
New York	45.6	71.1	116.7	47.1	97.8	144.9	48.7	115.0	163.7
North Carolina	17.5	15.3	32.8	17.9	18.0	35.9	18.5	21.2	39.7
North Dakota	8.6	6.6	15.2	8.6	7.8	16.4	9.0	9.2	18.2
Ohio	28.7	67.3	96.0	29.6	99.5	129.1	30.6	117.0	147.6
Oklahoma	14.1	19.7	33.8	14.3	27.5	41.8	14.8	32.4	47.2
Oregon	11.0	16.3	27.3	11.3	23.3	34.6	11.7	27.4	39.1
Pennsylvania	34.1	42.7	76.8	35.7	55.6	91.3	36.8	65.4	102.2
Rhode Island	3.9	6.5	10.4	4.1	9.0	13.1	4.2	10.6	14.8
South Carolina	9.3	10.4	19.7	9.5	13.4	22.9	9.7	15.8	25.5
South Dakota	9.2	6.3	15.5	9.2	7.0	16.2	9.5	8.2	17.7
Tennessee	15.3	20.4	35.7	15.6	27.7	43.3	16.1	32.6	48.7
Texas	44.2	48.3	92.5	45.4	63.7	109.1	46.9	75.0	121.9
Utah	7.0	12.1	19.1	7.3	17.3	24.6	7.6	20.4	28.0
Vermont	3.0	8.9	11.9	3.0	12.9	15.9	3.2	15.2	18.4
Virginia	13.8	28.6	42.4	14.4	41.7	56.1	14.8	49.0	63.8
Washington	11.7	23.4	35.1	12.2	34.2	46.4	12.6	40.2	52.8
West Virginia	7.9	13.5	21.4	8.1	18.9	27.0	8.4	22.2	30.6
Wisconsin	16.6	18.1	34.7	17.0	23.6	40.6	17.6	27.8	45.4
Wyoming	7.1	14.7	21.8	7.5	21.6	29.1	7.7	25.4	33.1
Hawaii	3.3		3.3	3.4		3.4	3.5		3.5
District of Columbia	4.2	7.8	12.0	4.4	11.1	15.5	4.5	13.0	17.5
Puerto Rico	5.1		5.1	5.2		5.2	5.3		5.3

Mr. Chairman, I know of no concentrated effort to defeat the general principles of this legislation. As stated before, there are many controversial issues, one of them being the matter of reimbursement for existing highways, toll or free. I am including in my remarks a telegram that I have just received from the American Association of State Highway Officials.

This association, I believe, is comprised of every highway department in every State of these United States. They carefully analyze legislation affecting highways and their records show that they give very serious and careful study before any recommendations are made. Our committee carefully analyzed the particular section to which this telegram refers, giving full recognition to the fact that many of our States possibly were entitled to reimbursement, but neither the committee nor the highway departments of the various States, nor the Bureau of Public Roads, had definite information on how to establish a formula of reimbursement. Without such formula, they had no idea what the costs might be in dollars or in mileage. Therefore, your committee in this bill has a section which is a compromise, and which in turn will give us an equitable formula under which we can operate.

I am most happy to include in these remarks the telegram from Mr. Whitton, president of the American Association of State Highway Officials, who, I note, states that his organization considers our proposal in this bill an orderly approach to the problem:

WASHINGTON, D. C.

Hon. J. HARRY MCGREGOR,
House Office Building:

Regarding the matter of reimbursement for existing highways, toll or free, the proposal in H. R. 10660 offers an orderly approach to the problem, especially in light of the lack of current specific information as how well existing highways will serve as part of the Interstate System and what the impact of financing might be. The highway departments will cooperate and work every way possible to expedite a complete study and analysis of the matter so that the Congress may have complete information upon which to consider reimbursement.

REX M. WHITTON,
President, American Association of State Highway Officials.

I would like to include at this point an editorial entitled "Pass the Highway Bill":

[From the Pittsburgh Sun-Telegraph of April 23, 1956]

PASS THE HIGHWAY BILL

The American people are on the verge of having their highway congestion problems settled.

The House Committee on Public Works has produced an excellent highway bill and the House will soon pass judgment on it.

The Hearst newspapers urgently recommend the passage of this legislation.

Its fundamental provisions—the allotment of Federal aid to the several road systems of the 48 States and the tax schedule which will finance that aid—have been intelligently prepared and are almost unanimously approved by everyone who understands the highway problem and its solution.

Other provisions, the fringe provisions, are more controversial because of the special interests concerned, but in no case do they warrant a vote against the bill.

In the opinion of the Hearst newspapers, which have carefully followed and enthusiastically supported this legislation from its inception, the passage of this bill is in the national interest.

Any reasons that still exist to oppose it are based on such petty, narrow, self-serving reasons that those representatives who vote against it become subject to appraisal as petty, narrow, self-serving individuals.

We believe they will be so appraised by the public they are elected to serve.

Out of our knowledge of this subject may we say this:

A vote against this bill is a vote for chaos in the highway field.

A vote for it is a vote in the national interest of the United States and its people.

Mr. Chairman, I am just in receipt of a letter from one of the large farm organizations, and although this endorsement does not cover anyways near all of the various endorsements that have been given to this bill, yet I do feel it certainly covers a cross-section of our economy and under leave to extend my remarks I am enclosing that list:

THE NATIONAL GRANGE,
Washington, D. C., April 24, 1956.

Hon. J. HARRY MCGREGOR,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN MCGREGOR: Because adequate highways will mean so much to the people of this Nation, a number of nationally known individuals reflecting the views of many others, have joined in expressing the urgent need for prompt action on pending highway legislation. Grim confirmation of the need is contained in the most recent safety statistics which show an increase of 16 percent in deaths on the roads last month. I have the privilege of transmitting this message to you and to all other Members of Congress.

Differences of opinion exist among supporters of adequate highway legislation over vital secondary issues, but, nevertheless, as a group we are all ready to submit our cause to the final stages of democratic processes at this time.

Respectfully yours,

HERSCHEL D. NEWSOM,
Master.

AN URGENT HIGHWAY MESSAGE TO MEMBERS OF THE 84TH CONGRESS

Adequate highways are desperately needed in the United States and they are needed now.

They are needed for the defense and the economic development of this Nation.

They are needed to permit the continued advancement of the American way of life in all its cultural, social and spiritual aspects.

They are needed in the interest of the safety of the motor vehicle user and the pedestrian alike.

They are needed for peace or for war.

Good roads, or the lack of them, affect every man, woman and child in this country, directly or indirectly. Your own life, the lives of your children may depend upon safe and adequate roads—in your every day movements or in the event of atomic attack.

The President and congressional leaders on both sides have placed their support solidly behind action for an expanded, balanced Federal highway program.

There is now pending before Congress a proposal to meet these needs.

Under its terms, Federal funds will be authorized for a 13-year building program which will:

Provide the Nation with a modern 40,000 mile interstate system built to meet traffic needs of 20 years ahead.

Reduce congestion in our cities.

Step up the continuing program of improvement of farm-to-market roads.

Accelerate development of the entire Federal aid system, totaling 700,000 miles of roads, of both national and local importance in the United States.

Release State and local funds for the more rapid improvement of roads and streets of lesser traffic use, but still vital to our economy.

Reduce the cost of distribution.

Continue the partnership between Federal and State authorities which has protected States' rights and given us roads rendered obsolescent only by an ever upsurging traffic.

Every day of delay in the passage of this vitally required legislation:

Increases the chances of death, injury and property losses on our highways, figures which today reach the staggering total of 38,300 lives, 1,350,000 injuries, and economic losses of $4.75 billion annually.

Adds to the final cost of rights-of-way which are going up in huge amounts as property valuations rise.

Creates indecision and delay on the part of highway officials everywhere who cannot go ahead with plans for construction until they know what the Congress is going to do.

Adds to the mounting deficiencies in the sheer capacity of our roadways to handle a constantly growing traffic.

Further delay is intolerable.

We urge you to join in carrying forward this all-American program now.

W. E. Adams, master, Idaho, State Grange, Eagle, Idaho.

Harold J. Arthur, master, Vermont State Grange, Burlington, Vt.

Fred W. Asay, president, Capital Stores, Inc., Topeka, Kans.

Murray A. Baldwin, director, Citizens Highway Committee, Fargo, N. Dak.

Thomas A. Ballentine, president, Louisville Taxicab & Transfer Co., Louisville, Ky.

Walter R. Bimson, chairman, Valley National Bank, Phoenix, Ariz.

W. Blackie, executive vice president, Caterpillar Tractor Co., Peoria, Ill.

Warren B. Bledsoe, president, National Rural Letter Carriers' Association, Washington, D. C.

C. R. Brock, president, Milk Industry Foundation, Washington, D. C.

Charles H. Brower, executive vice president, Batten, Barton, Durstine & Osborn, Inc., New York, N. Y.

Leo Burnett, chairman, Leo Burnett Co., Inc., Chicago, Ill.

Charles S. Burr, C. R. Burr Co., Manchester, Conn.

Harry B. Caldwell, master, North Carolina State Grange, Greensboro, N. C.

Dean Chaffin, director, Montana National Automobile Dealers Association, Bozeman, Mont.

Frank L. G. Clement, Governor of Tennessee, Nashville, Tenn.

Emil C. Chervenak, Service Fire Insurance Company of New York, New York, N. Y.

Albert E. Cobo, mayor, city of Detroit, Detroit, Mich.

L. L. Colbert, president, Chrysler Corp., Detroit, Mich.

Harry J. Cooper, director, public relations, Lions International, Chicago, Ill.

Walter B. Cooper, president, Colorado Good Roads Association.

Gardner Cowles, president, Cowles Magazines, Inc., New York, N. Y.

Charles T. Cownie, chairman, good roads commission, Greater DesMoines Committee, DesMoines, Iowa.

H. A. Crockard, chairman, Motor Vehicle Advisory Committee to California State Legislature, Berkeley, Calif.

C. H. Diefendorf, chairman, executive commission, Marine Trust Co. of Western New York, Buffalo, N. Y.

Arthur O. Dietz, chairman of the board, Commercial Investment Trust, Inc., New York, N. Y.

John W. Emeigh, secretary, National Rural Letter Carriers' Association, Roaring Spring, Pa.

Charles C. Freed, president, Freed Motor Co., Salt Lake City, Utah.

Lawrence FitzLee, president, Occidental Life Insurance Co. & Peninsular Life Insurance Co., Raleigh, N. C.

Roy Fruehauf, president, Fruehauf Trailer Co., Detroit, Mich.

Walter D. Fuller, chairman, Magazine Publishers Association, New York, N. Y.

H. L. Galles, Jr., Galles Motor Co., Albuquerque, N. Mex.

Herbert Garrecht, president, Klinke-Reed Dairies, Memphis, Tenn.

A. M. Ghormley, vice president, Carnation Co., Los Angeles, Calif.

Abe Goldstein, Georgia State Tire Dealers Association, Atlanta, Ga.

H. E. Hartfelder, president, Oak Farms Dairies, Dallas, Tex.

L. Roy Hawes, commissioner, Massachusetts Department of Agriculture, Boston, Mass.

W. R. Hearst, Jr., editor in chief, Hearst Publications, New York, N. Y.

Ernest Henderson, president, Sheraton Corporation of America, Boston, Mass.

Christian A. Herter, Governor of Massachusetts, Boston, Mass.

Conrad A. Hilton, president, Hilton Hotels Corp., Chicago, Ill.

Paul G. Hoffman, chairman of board, Studebaker-Packard Corp., Los Angeles, Calif.

Gilbert H. Hood, Jr., H. P. Hood & Sons, Inc., Boston, Mass.

Frederick L. Hovde, president, Purdue University, Lafayette, Ind.

Mrs. J. Howard Hodge, safety chairman, General Federation of Women's Clubs, Midland, Tex.

William P. Howe, president, Howe Nurseries, Pennington, N. J.

Ray L. Hulick, vice president, National Rural Letter Carriers' Association, Albuquerque, N. Mex.

Lewis Webster Jones, president, Rutgers University, New Brunswick, N. J.

William G. Karnes, president, Beatrice Foods Co., Chicago, Ill.

Ridgway Kennedy, Jr., president, Abbotts Dairies, Inc., Philadelphia, Pa.

R. R. King, president, American Body & Trailer Corp., Oklahoma City, Okla.

Ezra C. Knowlton, Utah Sand & Gravel Association, Salt Lake City, Utah.

Walter J. Kohler, Governor of Wisconsin, Madison, Wis.

Arthur B. Langlie, Governor of Washington, Olympia, Wash.

Charles R. Lawson, National Rural Letter Carriers' Association, Bertrand, Nebr.

William G. Laffer, president, Clevite Corp., Cleveland, Ohio.

S. F. Laskey, president, Associated Equipment Distributors, Chicago, Ill.

Paul R. Lauritzen, director, Virginia National Automobile Dealers Association, Richmond, Va.

Kenneth Lindsay, president, Construction Industry Manufacturers Association, Inc., Chicago, Ill.

Henry Little, president, Campbell-Ewald Co., Detroit, Mich.

J. Saxton Lloyd, past president, National Automobile Dealers' Association, Daytona Beach, Fla.

E. J. Lucas, vice president, Kingham Trailer Co., Louisville, Ky.

Charles F. McCahill, senior vice president, Forest City Publishing Co., Cleveland, Ohio.

Mrs. Samuel J. McCartney, president, Pennsylvania Federation of Womens Clubs, Narberth, Pa.

H. J. McGinn, president, Eaton Manufacturing Co., Cleveland, Ohio.

R. D. McKay, president, R. D. McKay Motors Co., Inc., Wichita, Kans.

Vernon Marshall, president, American Association of Nurserymen, Arlington, Nebr.

J. Paul Mather, president, University of Massachusetts, Amherst, Mass.

F. C. Matthaei, chairman of board, American Metal Products Co., Detroit, Mich.

Geo. J. Meuhort, Mid-Continent Distributing Corp., Des Moines, Iowa.

John Moren, National Rural Letter Carriers Association, Howe, Okla.

Paul W. Morton, treasurer, National Rural Letter Carriers' Association, Freeport, Ohio.

Gilbert C. Morris, Fuller & Smith & Ross, Inc., New York, N. Y.

Robert Moses, head, New York City and State Park Agencies, New York, N. Y.

Timothy J. Murphy, commander in chief, Veterans of Foreign Wars, Kansas City, Mo.

Ross R. Ormsby, president, Rubber Manufacturers Association, New York, N. Y.

Ralph F. Peo, president, Houdaille Industries, Inc., Buffalo, N. Y.

Guy S. Peppiatt, president, Federal-Mogul-Bower Bearings, Inc., Detroit, Mich.

Carl A. Peterson, vice president, Country Club Dairy Co., Kansas City, Mo.

Carlton S. Pisch, president, American Institute of Consulting Engineers, New York, N. Y.

Datus E. Proper, vice president and general manager, Pearl Brewing Co., San Antonio, Tex.

Dr. Dorothea F. Radusch, D. D. S., international president, Zonta International, Minneapolis, Minn.

John A. Riggs, Jr., president J. A. Riggs Tractor Co., Little Rock, Ark.

W. F. Rockwell, chairman, Rockwell Manufacturing Co., Pittsburgh, Pa.

George Rommey, president, American Motors Corp., Detroit, Mich.

Chas. E. Sands, chairman, Wyoming Tire Dealers & Retreaders, Cheyenne, Wyo.

A. Sevaner, director, Milk Industry Foundation, Iowa City, Iowa.

Harold F. Schnurle, vice president, Central Maine Power Co., Augusta, Maine.

George B. Schotte, chairman, Montana Fact Finding Committee for Highways, Streets, and Bridges, Helena, Mont.

Donald J. Simons, National Rural Letter Carriers' Association, Green Bay, Wis.

Clyde H. Stocking, vice president, American Association of Nurserymen, San Jose, Calif.

J. Earl Stowe, president, Earl Stowe Tire Co., Phoenix, Ariz.

S. D. DenUyl, president, Bohn Aluminum & Brass Corp., Detroit, Mich.

Louis J. Taber, chairman, Farmers and Traders Life Insurance Co., Syracuse, N. Y.

Ralph Veenema, Veenema & Wiegers, Inc., Paterson, N. J.

Joseph P. Tacconelli, owner, Joseph P. Tacconelli Co., Ardmore, Pa.

John J. Verschoor, vice president, South Dakota Retailers, and director of South Dakota National Automobile Dealers Association, Mitchell, S. Dak.

P. M. Talbott, president, National Retail Dry Goods Association, Washington, D. C.

Robert F. Wagner, mayor of New York City, and president, American Municipal Association.

Ray Teagarden, master, Kansas State Grange, LaCygne, Kans.

George B. Wallace, director, Oregon National Automobile Dealers Association, Portland, Oreg.

M. B. Terrey, president, American Brakeblok Division, American Brake Shoe Co., Detroit, Mich.

Martin W. Watson, owner, M. Watson General Construction, Topeka, Kans.

C. G. Titus, president, Titus Motor Co., Tacoma, Wash.

R. E. Weaver, president, National Sand & Gravel Association, Washington, D. C.

Ben West, mayor of Nashville, and chairman, committee on highways, American Municipal Association, Nashville, Tenn.

Mrs. Beulah Williams, chairman, midwest conference of women's divisions, chambers of commerce, St. Louis, Mo.

Mrs. Ashmead White, national chairman, Americanization Committee D. A. R., Bangor, Maine.

William L. Wilson, vice present, Universal CIT Credit Corp., New York, N. Y.

John Whickham, president, New York Good Roads Association, Albany, N. Y.

I. W. Wilson, president, Aluminum Company of America, Pittsburgh, Pa.

Will M. Whittington, former chairman, House Public Works Committee, Greenwood, Miss.

K. B. Woods, chairman, highway research board, Purdue University, Lafayette, Ind.

Mr. Chairman, I repeat, this bill is not perfect but I hope you all will listen attentively to the debate and recognize that we are endeavoring to at least make a start in the direction of an adequate highway bill which will be equitable and fair and certainly will save many fatalities, many accidents, many repair bills and many hours of time. I sincerely hope that this bill will pass this Congress by a large majority vote.

Mr. FALLON. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, I am exceedingly happy today to be on this floor with a highway bill before us. We in the Roads Subcommittee have been working on it for about a year and a half and I think we had about as much trouble as any committee ever had handling such controversial bills as this has been.

Last year we had not only the operational part of the bill but we also had the financial provisions to consider. As I look back I think we discriminated somewhat, although I did not think so at the time, because I voted for the bill. As a matter of fact, I believe we have to vote for almost any bill because the need is so great that we cannot let little squabbles, we cannot let little differences, interfere with the principal objective of getting this bill out.

I agree with what other members of this committee have said about our chairman, the gentleman from Maryland [Mr. FALLON]. He is a man who does not especially like praise and most certainly does not seek it; he is a very modest person or I would have a lot more to say about his ability. We had our ups and downs in the committee, but I think it was because the members of the committee freely and candidly expressed themselves. That is what we are here for, if we are to properly represent the people of the Nation. I congratulate all members of the committee because I think on both sides they have done a magnificent job. I do not have to tell you that I may and do disagree a great many times, but when the final call comes, in whatever form the bill may be, I am going to vote for it. When there are more than 100 persons a day dying on the highways, some of them through almost criminal negligence, virtually murder, it is about time the Congress of the United States exercises the power it has, and that we as the Representatives in the Congress do something about the cause of this shameful carnage. There are being sent to the hospitals about a million and a half maimed human beings a year due to injuries received in highway accidents. That is something that should not occur. I am advised by the specialists, who are supposed to know and who do know, that a large percentage of these accidents will be eliminated when we get 4-, 6-, or 8-lane roads. Certainly there will be many less accidents when we get rid of these 9-foot lanes and instead install lanes of not less than 12-foot width. When we come to that time we are going to eliminate a great many accidents.

Aside from the cost in human lives there is an enormous money and property loss suffered by the American people every year as a result of our deteriorated highways. A conservative estimate contained in the report by our committee places that annual loss at a figure in excess of $4 billion. I have seen other estimates nearly twice as great as that, but we can be sure that the financial loss over the construction period authorized by this legislation would be more than double the amount we propose to invest in these better and more modern traffic arteries.

There is one highly essential feature in this legislation which I feel has been overlooked in some degree, due to the tendency to consider the legislation purely from the standpoint of dollars and of miles of road to be built. That has to do with the Nation's defense and the protection of the people of the country in event of all-out emergency such as war. I trust the day will never come when we will find it necessary to take the precautionary measures which this program is intended to implement, but I am sure that this Congress is taking a great forward step when it has the foresight to provide better and more adequate means for evacuation of our population from congested centers. In event for need of that evacuation I believe this legislation will be responsible for saving literally millions of lives.

We encountered serious difficulties and bottlenecks in transportation during World War II. Our defense effort and military potential were seriously handicapped. We were forced to resort to many makeshift transport plans because of our highway deficiencies. Failure to pass this legislation would put upon the Congress the responsibility for such widespread disaster as might engulf this Nation in event of another emergency of that kind. I, for one, want no part of such a failure to be ascribed to me. I am sure that every Member of this House feels the same way about it.

I feel that our committee has included in this bill some provisions which can be considered as necessary safeguards. We have provided that additional surveys shall be made at intervals and that the Congress shall be provided with proper information on which to base an intelligent and thorough reappraisal of this highway program. Of course, we do not have the authority that would foreclose to subsequent Congresses the right to make changes in either the construction program or the financing provisions. What we have done in this legislation is to make sure that during its period of authorization the Congress shall be kept informed to the end that proper adjustments or changes can be made. Every effort has been made to avoid what might be construed as any intention on our part to usurp the prerogatives of any future Congress.

We have, however, worked out what I believe will result in completion of the overall road-building program, which will do the necessary job of providing at least the minimum required highway facilities for the entire Nation. If there should be an oversight in any regard it can be corrected.

The groundwork for this modernization of our highway system was laid 40 years ago with the passage of the first Federal-aid highway legislation. Another forward step was taken in 1944 when Congress authorized the interstate system. Again in 1954 we made progress by providing the largest authorization for construction of interstate highways up to that time. This is still another giant stride—the greatest to date—in our Nation's highway progress.

I want to congratulate the Ways and Means Committee for the magnificent job it has done. Last year was the first time when in any committee on which I had ever served I was permitted to say something about taxes. Frankly, I do not want to have any more to say about that matter in committee again. I will leave that to the gentleman from Tennessee [Mr. COOPER] who has been handling this so well during all of these years, and also to his associates on the Ways and Means Committee. I would make no suggestion about taxes, because practically everything I said I find was wrong. I think this bill should be passed unanimously because the entire United States needs the bill. It is not 1 State—it is not 47 States—that needs this legislation, but all 48 States that need it. The quicker we get it passed, the earlier we get it to conference and get the conference report agreed to, the better off the people of this Nation will be.

We have been doing our highway building at such a slow rate that we are now about 20 years behind in the construction of roads when compared to other economic progress in this Nation. We are getting more powerful cars, they make greater speed, but they do not have very much space on the highways in which to perform. When this measure passes we can be very thankful that we have gotten out such a good bill. As the gentleman from Ohio [Mr. McGregor] has told you, all the organizations that were in opposition to it last year now say there is no opposition on their part, in fact they favor the bill. That applies not only to the railroads but to the truckers, the American Automobile Association, and the farmers' organizations. I think the committee has done a reasonably good job. As a matter of fact, that is putting it rather mildly.

There are some features of this bill with which I do not agree, and probably I will vote for some amendments that are to be offered, but I am for the main portion of the bill and, whether the amendments are agreed to or lost, I shall vote for the bill. That is what I propose to do. I voted for it last year and I certainly am going to vote for it this year because this is a much better bill. Everyone is satisfied. The people I hear from who will pay the taxes tell me: We do not object to the taxes if you will put the money in roads.

That is where we are going to put all the money this time. So I think they will all be very happy about the whole matter. The thing to do is to get this program started as quickly as possible.

Mr. McGREGOR. Mr. Chairman, I yield 6 minutes to the gentleman from Washington [Mr. Mack].

Mr. MACK of Washington. Mr. Chairman, the gentleman from Ohio [Mr. McGregor] mentioned an editorial which lauded the able work on this committee of our distinguished chairman, the gentleman from Maryland [Mr. Fallon]. That editorial, may I say, appeared not only in the one paper that the gentleman from Ohio mentioned, but was published in all Hearst newspapers from coast to coast, including those in my own State.

Mr. Chairman, the expanded highway bill now under consideration, if it becomes law, will launch on next July 1, only 60 days from now, the most gigantic and colossal public-works program ever undertaken in all the history of mankind. Even the enormous works programs of the Franklin Roosevelt era were pygmies compared to the gargantuan multibillion dollar public works undertakings that will be inaugurated by passage of this bill.

Passage of this bill will result in the entire 40,000 miles of the Nation's interstate highway system being built to perfection standards capable of adequately carrying the traffic of 1980. Most of this interstate highway mileage will be developed into four-lane divided highways. These four-lane divided highways will connect 90 percent of all the Nation's cities that have 50,000 or more inhabitants and will tie together 42 of the Nation's 48 State capitals.

When this interstate highway program is completed 13 years from now, the American motorist can travel from the Canadian border in northern Maine to the Mexican border south of San Diego, Calif., a distance of 4,500 miles, over four-lane divided highways on which traffic will not be interrupted by a single stop light or endangered by a single cross road. Everywhere there will be overpasses and underpasses to handle cross highway traffic and limited access roads to assure safety on the heavily traveled highways near cities. The motorist, when these highways are completed, can travel from the Canadian border in Minnesota, Montana, Wisconsin or Michigan south to the Gulf of Mexico or the Mexican border over four-lane divided highways that have no cross roads or traffic lights.

The first benefit to the traveling public of this gigantic roads program will be a reduction of traffic accidents. Last year, 38,300 Americans, many of them children, were killed in traffic accidents and another 1,300,000 Americans were injured, some of them being permanently crippled. By 1965, because we will have 20 million more automobiles on our highways then than now, the experts say that the traffic death toll will increase to 50,000 a year and the injured to 2 million a year unless highways are improved.

Traffic experts told our committee that if the highways proposed in this bill were in use today, that at least 1 out of every 10 highway deaths and injuries would be prevented. If Congress builds the highways this bill proposes, Congress will save by 1965, according to highway safety engineers, not less than 5,000 lives a year and will save 200,000 persons a year from suffering injuries in highway accidents.

Also, the highways proposed in this bill will save motorists millions of dollars of excessive wear and tear on tires and motor equipment, other millions of expenditures for costly automobile repairs necessitated by collisions and also save millions now spent on hospital and medical bills.

Also, as better highways lessen the number of accidents, automobile insurance rates will come down and the motorist will save on his insurance premiums.

These savings will go a long ways to offsetting for motorists any additional taxes that will be imposed on them by this bill.

This bill, however, will provide other benefits than these I already have mentioned. Enactment of this bill will help to insure a long era of high employment for American workers and great prosperity for the Nation's people.

Under this bill, the Federal Government will spend $25 billion more on highway construction during the next 13 years than would be spent at the present rate of Federal highway spending.

Think of the impact on employment and prosperity this additional spending of $2 billion a year is certain to have. For one thing, this spending will provide full-time employment to an additional 200,000 highway workers throughout the next 13-year period. In short, there are 200,000 new jobs in this bill for the construction workers of America. When working people are fully employed at good wages the Nation as a whole is prosperous.

The placing of the $25 billion of increased spending power in this bill in the hands of the President in itself will help create that assurance of full employment and confidence in the future of America that is essential to continue prosperity.

Enactment of this bill will not only provide the Nation with more, wider, better, and safer highways; enactment of this bill, also, will assure continuance of the present high level of employment and general prosperity.

Mark Twain once said, "Everybody talks about the weather but nobody does anything about it." That statement, aptly, can be applied to roads. Everybody has talked for years about the need for more, better, and safer highways but nobody until now has done much about it. Our roads, all experts are agreed, have been wearing out faster than they have been rebuilt. They still are.

Until President Eisenhower entered the White House a little over 3 years ago, discussions of road-building programs were largely a procedure employed by politicians to levy more taxes on highway users without providing these highway users much improvement in roads to compensate them for these extra taxes they were compelled to pay.

During the 10 years prior to the Eisenhower administration, our Federal Government collected, on the average, more than two billion dollars a year in taxes from highway users but never spent, in any year, more than $550 million for highway construction.

In short, every time our Federal Government collected $4 from motorists in motor-vehicle taxes levied, and levied on them exclusively, it spent only 1 of those 4 tax dollars on highway construction. Of each $2 billion collected each year in highway-user taxes, about one and one-half billion were spent for other things than building roads, including foreign aid programs.

Now, at long last, President Eisenhower has laid down a new, long overdue highway policy which says motorists will receive more roads for their tax dollars.

The general provisions in this bill, with some minor modifications, are those proposed to Congress 15 months ago by the Clay Commission report and by President Eisenhower in his highway message to the Congress. This is President Eisenhower's program which we are discussing today in debating this bill.

If this bill is passed by the Senate and the House and becomes law, I believe the highway construction program inaugurated will be regarded in future years as one of the greatest, if not the greatest, achievements of Congress in half a century.

Five years from now when the Eisenhower administration has completed its

second term and become past history, historians looking backward to the Eisenhower era will refer to this highway bill, I am sure, as one of the three greatest achievements of the Eisenhower administration. The other two great Eisenhower administration achievements, of course, will be his having kept our Nation out of war and at peace, and his having provided the American people with the greatest era of prosperity in the history of our Nation.

There are provisions in this bill I do not like. On the whole, however, it is a good bill and should, with reasonable amendments, be adopted.

President Eisenhower did not propose the tax provisions which are in this bill. He proposed that the highway construction authorized by this legislation should be completed in 10 years and financed by a bond issue that would be paid off in 30 years, by earmarking all present and future revenues from the present 2-cent-a-gallon Federal gasoline tax for use in bond retirement. Thus, under the Eisenhower bond proposal, the highway program would be carried out without any increase in present Federal highway user taxes.

Cabinet members indicated to our committee that the President would veto any highway bill that did not carry with it a plan for financing the roads program proposed. The financing could be done acceptably, the Cabinet members indicated, either by the President's bond issue plan without additional taxes or if not by a bond issue then by the levying of new and additional taxes.

The President's Cabinet members indicated that the President believed the bond issue to be the better of the two financing ways suggested.

The choice between the bonding plan and the levying of new and additional taxes came to a vote in the House of Representatives last year. The Democrats, by almost unanimous vote of the House Members of their party, rejected the President's bonding plan and insisted that the program be financed by new and additional taxes levied on highway users.

I, personally, believe that the President's bonding plan is the better way to finance this expanded highway program. Most Republicans feel about this as I do. But, we are confronted with a condition not a theory. The Democrats have said, in effect, that the House must vote for new and additional taxes of about $850 million a year on motor users or there will be no highway bill at this session of Congress. They, the Democrats, have the votes to carry out this threat.

If we want this highway program enacted now, and most of us do, we Republicans must vote for these new and additional Democratic taxes even if we do not like them or otherwise there will be no highway bill this year.

I, like many of my Republican friends, do not like to vote for these new and additional taxes. I do not think these additional taxes are necessary. However, if I and others do not vote for these new and additional taxes, there will be no highway bill this year and the 40,000 deaths and about 1,500,000 bodily injury cases which are occurring annually on our highways will continue unreduced.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. I am very much interested in this tax proposal. The gentleman says that for the past 10 years only $1 in $4 of taxes collected were dedicated to road building; is that correct?

Mr. MACK of Washington. That is correct.

Mr. GROSS. How does this bill change that situation? How much more money will go into roads, money that is collected in taxes?

Mr. MACK of Washington. There will be approximately $850 million a year derived from the additional taxes in this bill. This all will be spent on this expanded highway program.

I should like to say this. We are up against a condition and not a theory. The members of the Cabinet indicated that the President will veto a highway bill unless it has tax provisions or a bond issue to provide for financing this roads program. Unless Congress passes a bill that has either a bond issue financing plan or a tax financing plan Congress will not get a highway bill that the President will sign. On the other hand, the majority party has indicated it will not approve the bond plan of financing. Therefore we are confronted here today with the question, Shall we vote new and additional taxes or shall we abandon this proposed highway program?

Mr. GROSS. My question is this. How much more than $1 in $4 will go into this program?

Mr. MACK of Washington. All of the gasoline and diesel fuel tax money, as well as the increased taxes to be derived from a 1-cent increase in the taxes on gasoline and diesel fuel, will go into a trust fund to pay for the new highways as built.

Also receipts from the proposed 3-cent-a-pound increase in the tax on tires and the 3-cent-a-pound tax on camelback will go into this highway trust fund. Also, into the fund will go the revenues from the weight tax on heavy trucks, above 26,000 pounds, and the additional 2-percent excise tax on the wholesale price of trucks.

All of the money derived from the present 10-percent excise tax on new automobiles, from the present 8-percent excise tax on new trucks, and from the present 5-cent-a-pound tax on rubber will go, as heretofore, into the General Treasury, not into the highway trust fund. The motorists still under this bill will be paying huge sums of tax money that will not go into highway construction.

Mr. Chairman, I repeat that this highway bill provides for the greatest public-works program in the history of mankind, and is so vast as to baffle the imagination of man. The interstate highway funds which will be spent in the 11 Western States during the next 12 years under this bill total $4,883,078,000. Here is what each of the 11 States will receive during this 12-year period:

Arizona	$223,435,000
California	2,477,535,000
Colorado	166,327,000
Idaho	114,195,000
Montana	163,845,000
Nevada	79,440,000
New Mexico	250,732,000
Oregon	340,102,000
Utah	253,215,000
Washington	498,983,000
Wyoming	315,278,000

At the present time, Washington State is receiving slightly less than $13 million a year in Federal highway grant money. Under the bill we are now considering, Washington State will be allocated more than $30 million a year during the next 2 years and about $40 million a year by 5 years from now in place of the present $13 million a year.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. McGREGOR. Mr. Chairman, I yield the gentleman from Illinois [Mr. Springer] such time as he may require.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Chairman, I advocated a Federal highway program when I first came to Congress in 1951.

I have been for such a program ever since. It was apparent then as it is now to anyone driving over the highways of the country that there are serious inadequacies and deficiencies.

This has been piling up to such an extent that in 1954 Congress increased Federal aid for highway construction to the largest total in history.

There are several provisions in this bill which will expedite the highway building program to help remove some of the bottlenecks. In the first place the interstate funds authorized for the fiscal years 1957 and 1958 are to be given to the State immediately upon enactment of this act. The apportionment of the same funds for fiscal 1959 through 1969 are to be made as far in advance of the beginning of the fiscal year but not more than 18 months prior thereto. This is a far-seeing move which will help a great deal.

In the second place the advance acquisition of rights-of-way is essential and in the public interest. This will also allow the lands to be acquired at the most reasonable cost. Past experience indicates that delay in acquisition always results in much higher acquisition costs. A provision is included in this bill authorizing the Secretary of Commerce to make available any of the Federal aid system funds, including the interstate funds, for the reimbursement of the cost of such acquisitions, providing that actual construction follows within 5 years.

Thirdly, a provision has also been included whereby funds may be advanced to the States to finance the acquisition of rights-of-way as well as the cost of construction as it proceeds.

I could hardly believe the report of the National Safety Council's estimate that 42,000 people will be killed this year in traffic accidents in the United States. Also there will be approximately 1½ million who will be injured or crippled. The economic costs last year were almost $5 billion which included wage loss, medical expense, property damage, and the cost of insurance.

It is almost an assured fact that a great reduction can be made percentagewise in the number of traffic accidents in a year, once the Federal highway system is fully instituted.

We are rapidly entering a full atomic age. All of us hope there will never be a world war III, but if such an event does occur it would be possible for an enemy to knock out our major railroad centers. Our only possibility of getting troops and materiel from one part of the country to the other would be by fast highway express such as is planned in this bill. The building of this Federal highway program will seriously relieve this one major deficiency in our national defense.

Mr. Chairman, for all of these reasons this bill is not only one which we can all support, but it is definitely in the national interests.

Mr. McGREGOR. Mr. Chairman, I yield to the gentleman from Ohio [Mr. Henderson] such time as he may require.

Mr. HENDERSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HENDERSON. Mr. Chairman, America is driving modern motor cars on antiquated roads. No matter how safe the manufacturer constructs a vehicle, accidents caused by poor roads and narrow bridges and blind alleys and dangerous intersections will continue to take an appalling toll of lives. People at home have clamored for a better system of roads and the local, State and Federal Governments have been tardy in responding to that clamor. The day of reckoning has come. The point has been reached where the effectiveness of any developments in motor vehicles, their features of comfort, safety, power, and beauty can contribute little to the future of vehicular transportation until an adequate system of roads is built. The responsibility for building roads has been recognized traditionally to assume a local, a State, and a Federal character.

There are some features of the legislation before this Congress today which leave unanswered questions. Representing the southeastern part of Ohio as Congressman for the 15th District, I am most hopeful that this legislation, if enacted, will be beneficial to that district, that it will provide for improved and safer roads in the hilly country of rural Ohio as well as in the flatlands of that great State, that it will connect the hamlets and villages which I represent, as well as the metropolitan areas further to the north and to the west of my district.

It will be the responsibility and the duty of the people of my district to pay a proportionate share for the roads provided by this bill. As they drive their cars, as they purchase gasoline and tires, the additional taxes added to their purchases by the provisions of this legislation will be used for the building of roads in America. I want to see that the people of southeastern Ohio benefit to as great an extent as possible from the expenditure of their tax dollars. The thought has come to my mind many times that a Federal highway program exacts far more from the people of the State of Ohio than does a State highway program. But I recognize also that we are not a single State, that our commerce, which has caused our factories and industries to prosper, is not confined within our borders as a sovereign State, but rather is conducted with the other States of the Union. Ohio, because of its position along the natural traffic routes between the east coast and the west coast, has gained industrywise with the flow of traffic through the State.

I have listened to my colleagues here on the floor point out the areas of agreement and the areas of disagreement in this legislation, and the need which they found for compromise and adjustment. They have brought to the floor after months of study a highway bill which, in their opinion, will best meet the needs of all America. I regret that in this era of high taxes and expensive government, that in order to finance this measure it is necessary to increase the tax on gasoline and other vehicles, as well as upon tires and retread material.

Quite recently I conducted a poll of the people of my 15th District of Ohio. One of the questions was this:

> Do you favor increased Federal aid for new highways financed by increased taxes (on gasoline, tires, etc.) for highway users?

To that question I received 4,229 responses and of those responses, 2,377 voted in the affirmative, which is a percentage of 56.2 percent.

The bill before us is probably the only type of legislation which can be successfully enacted in this Congress. Congress has many diverse points of views. Some are economic while others are political. Both seem to have been at work here.

The financing of this broad program has been the point of controversy which defeated our efforts last year. The committees which considered this bill have now recommended that the burden of cost should be applied in accordance with the extent of the use of our road system. Undeniably, this will result in an increase in taxation on those items which are directly required by highway users.

The plan which had been advanced by the administration had geared highway costs to our national economy rather than to a strict formula of use. The financing would have come from a growing America which it is hoped will continue to receive governmental revenue in excess of its expenditures as we seek to economize in other fields. This would have been accomplished because of increased productivity which will provide for more tax revenue. Thus, the plan envisioned not higher and additional taxes, but simply more tax revenues.

The majority party has seen fit to insist that additional taxes be levied in accordance with the amount of fuel used when the administration's measure would not have disturbed the established tax pattern. If we are to have a highway program this year, it seems, we must abide by the Democrat determination to have a new tax as well.

Mr. FALLON. Mr. Chairman, I yield the gentleman from Alabama [Mr. Jones] 5 minutes.

Mr. JONES of Alabama. Mr. Chairman, this bill carries forward the traditional and historic authorization for the construction of the so-called ABC roads, or farm-to-market roads, the urban roads and the primary system. In addition, it carries the largest authorization yet made for the Interstate System of roads which were the result of the 1944 Road Act. That Road Act recognized a new principle in road construction and a new philosophy. It recognized that we must have a network of highways that were adequate to be implemented with the continental defense program.

We authorized in a subsequent act a designated network of 40,000 miles of roads which would carry approximately 14 percent of all the traffic. Since that authorization, we have seen the number of vehicles increase by leaps and bounds until at the present time we have 55 million vehicles. We are increasing that number at the rate of 3 million per year. So it has become an acute problem; acute not only for the orderly flow of traffic, but acute also for the defense need. Indeed, it becomes a matter of necessity that the Federal Government devote large sums of money to aid the States in the construction of highways that would connect the principal large, metropolitan centers of population, one with the other.

Some of you, I am quite sure, are apprehensive in view of the fact that there is an authorization of 40,000 miles of road. Under the act of 1954 we authorized for the first time $175 million to accelerate and to encourage the States to make the matching on a 50–50 basis on their Interstate System. As a result of the construction by the States of the Interstate System either by toll roads or freeways the total mileage has been reduced under this bill to 34,500 miles, but we are hopeful, since the road bill is a biennial matter, that we will take into account the experience of the Bureau of Public Roads with other roads acts, together with what they have done in the preceding 2 years, in trying to rectify any mishaps that may come either with the law or the administration of the law.

I think this bill is a vast improvement over the bill that you had for consideration last year and which you rejected, not only with regard to the highway provisions but also the financing section of the bill. I see no major objections to the bill. We have had our differences in the committee but I think those differences are at the threshold of being resolved.

Let me call your attention to one section of the bill that has been a source of great controversy and misunderstanding. That is section 113, relating to the cost of relocating utilities. A number of Members have talked to me

about the small utilities, about the reimbursement by the Federal Government.

I hope you will keep this in mind. There are some 20 States in the Union that have statutes that provide that if a utility or utilities occupy the public thoroughfare they do so without cost to themselves and, in the event there is need for enlargement of the highway that will require the utilities to remove their poles and other appurtenances remaining on the highway they will do it at their own expense.

There are five additional States that have statutes that are silent as to whether or not the utilities will pay the relocation cost, but in each of those States the State supreme court has held that under the common law the utilities were bound to pay the relocation cost.

The remaining States of the Union up to a total of 42 States provide that the occupancy of the highway by a public utility must be a matter of contract between the State and the utility, and in each instance the burden is on the utility to pay any relocation cost made necessary by enlargement of the highway. The remaining 6 States in the Union have situations either by contract or by agreement. That is the situation we find ourselves in.

Let us not forget that under the existing law and the policy of the administration, both this administration and past administrations, the States may reimburse the utilities for relocation costs, and if that is a proper charge to be participated in by the States, the Federal Government can put up its share of the money. That is existing law and the practice and policy of matching State funds for relocation.

In the fiscal years 1949 through 1953, the Federal Government has expended to reimburse the States the sum total of only $652,000. The problem raised in section 113 we hope will be resolved by an amendment which I expect to offer tomorrow which will leave the question remaining with the State. It will provide that the State statutes will not be violated by the provisions of section 113, nor would that section place in jeopardy the contracts that the States presently have with the utilities. I am quite sure that every member of the committee wants to preserve the integrity and sovereignty of the States and leave it up to them to resolve this question rather than to defer it to us to write in every possible contingency that may be expected from every quarter with reference to the problems that may arise in the relocation of utilities.

That leaves only one outstanding controversial problem, as I understand it, and that is the provision of the Bacon-Davis Act.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. McGREGOR. Mr. Chairman, I yield 2 additional minutes to the gentleman.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. SCHERER. If the amendment, which you say you are going to introduce, is adopted, then, as I understand it, you will favor the present section as written.

Mr. JONES of Alabama. Yes, because I think that will clarify the situation and permit the States to carry out the practices they think are necessary, wise, or prudent rather than defer the problem for us to settle here. Also, let me remind you once again, the Federal Governmnet does not construct any highways. This bill is an assistance or aid program to the States. The States can either elect to build roads under the provisions of this law or they can reject them. I hope we do not do violence to the authority of the State to exercise its own discretion in this matter—which history has proven under existing law is a wise provision of the law. There have been no complaints raised against the administration of the act nor of its application. So I think that the experience of the Bureau of Public Roads is sufficient evidence to demonstrate to us that it is a field which we should not invade.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. McGREGOR. I concur in the statement made by the gentleman from Alabama, and I wish to make public the statement that he has sincerely endeavored to compromise whatever differences and misunderstandings have arisen relative to this particular section. I am sure he will agree with us that it was certainly never the intent of anyone to take away from the States that which belongs to them. I am certain that the amendment which the gentleman intends to offer will provide for a continuation of the program that is now the practice and certainly will preserve to the States the rights which they now have.

Mr. JONES of Alabama. That is my objective, and I assure the gentleman the amendment which I am going to offer will further that purpose.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Scudder].

Mr. SCUDDER. Mr. Chairman, I believe the bill we have before us today is truly a bipartisan approach to the biggest problem that has ever confronted our country. I could well say, as others have, that in this committee which has considered the legislation for the past 2 years we have had many very vexatious situations confront us. But we have a chairman who has a great deal of tolerance. He bided his time until finally we come to you with a bill which I believe can stand the test of time and do the job which has been needed so much in this country for many years.

Our highway construction was practically brought to a standstill during World War II, and has never been able to build up again the proper momentum necessary to keep up with the increased automobile traffic on our highways. It has been said that we are not only building highways but we are protecting the lives of our people. Thousands of people are being killed on our highways every year. Untold billions of dollars of damage are being wrought on property through various types of losses, that run into a figure at least as large as the cost of the projects, over a period of years. I believe that we should look again at our local situations, as it will reflect itself in construction in our various States, because the cost of the interstate highway system as such only amounts to about one-half of the money which will be expended over the next 13 years in highway construction. All of the highways now in the interstate system, being built with State and Federal matching funds, will be shifted to the cost of this interstate program, making available to the States all of their own gas-tax money for highway construction. In my State of California, 40 percent of all the taxes collected from gasoline are now being expended on interstate highways. This money will be released to be expended on primary, secondary, and urban highways.

I believe we have brought to you a bill which you can support. I know there are two controversial subjects in the bill which more than likely will precipitate amendments on the floor. However, I would recommend that we stay with our guns and accept the bill as the committee has recommended.

Mr. Chairman, we are today considering H. R. 10660, which is the result of long study by the Public Works Committee of the House. Last year this committee was given the responsibility of passing an authorization bill and providing for the financing of the program. The bill we have before us today is in two parts. Title 1 adopted by the Public Works Committee, carries the authorizing program and title 2, which was passed unanimously by the Ways and Means Committee, provides for the funds to carry out this program.

HIGHWAYS INADEQUATE

There are two basic facts which are recognized and agreed upon by all concerned. First, the whole economy of the United States is directly dependent upon motor-vehicle transportation. Secondly, we are failing to keep our highway systems adequate to meet our needs and the backlog of deficiencies required to be overcome has been and is constantly piling up at an alarming degree. Unless drastic steps are taken immediately, we will fall further and further behind and traffic jams will soon stagnate our growing economy.

Our committee believes that H. R. 10660 represents the best immediate step which can be taken by Congress to solve the highway problem on a pay-as-you-go basis which should not result in increasing the national debt. It is the result of the combined ideas of the members after considering carefully various solutions which were proposed to the committee. It is believed to be a workable program and sound in all respects.

STUDY DIRECTED IN 1954

In 1954 Congress was conscious that the Nation's highway problem was reaching gigantic proportions. As a result the Public Works Committee, on which I am privileged to serve, authorized expenditure of an amount equal to all funds collected from highway users.

The Federal-Aid Highway Act of 1954 increased Federal aid to the largest sums in history and the Secretary of Commerce was directed, in section 13 of that act to prepare a study of all highway needs. The President likewise recognized the problem as did the governors of the States at the governors conference at Bolton Landing, N. Y., in July of 1954 when the President directed attention to the problem and, subsequently, took a further step by appointment of an Advisory Committee on a National Highway Program headed by Gen. Lucius D. Clay. This special committee submitted its report in January 1955, entitled "A Ten-Year National Highway Program," House Document No. 93, 84th Congress.

LOSS TO LIFE AND PROPERTY

Highway construction was greatly curtailed during World War II and subsequently has not progressed in accordance with motor vehicle registration. In 1946 there were 34 million vehicles registered in the United States. Today there are 62 million and it is anticipated within 10 years the registration will reach 85 million. It is imperative that legislation such as we here present be enacted. Highway accidents are claiming 100 lives daily and 3,000 people are being injured every day on our highways.

The National Safety Council reported deaths in February 1956 at 2,630, an increase of 16 percent over the same month a year ago. Deaths continue to increase and from a previous peak of 39,969 fatalities, it is expected that 42,000 people will be killed during the present year. Approximately another 1½ million will be crippled. The economic loss from highway accidents is approaching $5 billion a year and is broken down as follows:

Wage loss	$1,250,000,000
Medical expense	100,000,000
Property damage	1,600,000,000
Overhead cost of insurance (not claims)	1,400,000,000

Good, safe highways will eliminate a great portion of this loss.

INCREASED ALLOCATIONS

The construction of primary, secondary, and urban highways will be greatly accelerated. House bill 10660 provides for an increase of $25 million in present authorizations for the fiscal year ending June 30, 1957 and additional increases of $25 million for fiscal 1958 and 1959 allocated at the prevailing matching basis ratio of, namely, 45 percent for the primary system, 30 percent for the secondary, and 25 percent for the extensions of these systems within urban areas. For instance, the amount of money that will be allocated to California under this proposal for fiscal 1957 and 1958 will be $41,485,000. Moneys provided for the interstate system will amount to $271,955,000 for the same fiscal years, making a grand total of Federal funds that would go to California for fiscal years 1957 and 1958 of $313,440,000.

The previous law has provided there may be transfers from 1 of the 3 categories, primary, secondary, and urban highways, where such transfer is necessary. The committee has seen fit to increase this to 20 percent, which will give more flexibility to the highway commissions of the various States to more efficiently cope with the highway needs.

FOREST ROADS AND HIGHWAYS

We gave particular attention to the forest highways and roads and trails. Federal highway forest funds are increased from $22½ million to $25 million annually, and the forest-development roads and trails have a corresponding increase from $24 million to $27 million a year. This will encourage development on roads for facilities to further tap our natural resources. Funds have been increased for our parkways and other public highways.

EMERGENCY DISASTER FUNDS

Of great interest to the areas that were stricken by floods throughout the United States, the emergency funds for highway damage resulting from disaster have been increased from $10 million a year to $30 million. The funds will be appropriated annually and allocated to the States on a 50–50 basis for disaster relief.

INTERSTATE HIGHWAY SYSTEM

This bill authorizes completion of the 40,000-mile National System of Interstate and Defense Highways. The interstate system is the backbone of our Nation's highways. It comprises routes of greatest importance to the economy and welfare of our country in that it connects 42 State capitals and 90 percent of all cities over 50,000 in population. While it only represents 1.2 percent of the total road mileage in the United States, it will carry 20 percent of the Nation's traffic load.

This is a long-range planning program. The construction will extend over a period of 13 years and is expected to cost $24,825,000,000. This is the largest public works program that has ever been developed and more than likely will be the largest program of its type. It will be started immediately upon the passage of the legislation. It is expected that in the fiscal years 1957 and 1958 there will be expended on the interstate system in California $271,955,000. The law also provides that load limits will be restricted so that the highways will be protected from unnecessary overloading.

There is a provision in the bill which provides for the reimbursement to States for highways and toll roads constructed subsequent to August 2, 1947. A 2-year study will be necessary, at which time the recommendations will be made to Congress.

DAVIS-BACON ACT

There are two provisions in the bill that may cause controversy, but I believe that the committee has developed recommendations which should be supported. One of these is section 108, containing the provision of the Davis-Bacon Act that wages shall not be less than the prevailing wage of similar construction in the immediate locality. The provisions of the Davis-Bacon Act now apply to contracts for schools, hospitals, housing and airport projects constructed with Federal aid funds.

UTILITY RELOCATION

The other provision in conflict was the relocation of utilities as the result of highway projects. These utilities, both privately and publicly owned, serve the general public. Under the provisions of this act, the State authorities will be privileged to reimburse, in accordance with their own agreements, a portion of the cost of removing and relocating the utilities such as water, sewer, telephone and power lines.

In the State of California we have for years assisted in the relocation of utilities along our highways.

HIGHWAY TRUST FUND

Last year the highway bill was defeated, largely because of the matter of financing. This year I believe we have developed a bill which is reasonable and well thought out and one which will meet the challenge of our increasing population.

The proposed tax increases on highway users are minor compared to the overall benefits which will be derived.

An important section of title II, the revenue portion, specifies that all moneys collected under this act shall be placed in a highway trust fund and be expended only on highway development.

GREATEST PEACETIME PROGRAM

This bill represents the cross section of thinking of the most interested groups in our country. It is the result of many weeks and months of study and consideration of testimony.

The committee has recognized that there must be honest and efficient administration of the program. I personally feel that with such administration we can go forward with the greatest peacetime highway program ever undertaken.

Mr. FALLON. Mr. Speaker, I yield to the gentleman from Ohio for a consent request.

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Chairman, while I am committed to support this legislation in almost any form in which it may develop before passage, I am in hearty disagreement with many phases of the bill which is before the House. It seems to me that the bill represents just about all of the interests of the various lobby groups which are affected by this legislation.

MAXIMUM AXLE WEIGHT LIMITATIONS

Subsection (j) of section 108 in the bill provides that no authorized funds shall be apportioned to any State within the boundaries of which the interstate system may lawfully be used by vehicles with weight in excess of 18,000 pounds carried on any one axle, or with a tandem axle weight in excess of 32,000 pounds, or the maximum corresponding axle weight permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater. This section in effect supersedes the authority of any State to provide for a lesser maximum axle weight limitation.

This legislation also fails to place any limitation upon overall width or length of trucking equipment on the interstate

highway system. While it is worded in the nature of a limitation I am seriously afraid that the purpose of this language is to provide an authority. There is nothing in this section which limits the number of axles which may lawfully be used by vehicles, the only requirement being that the weight on one axle must not exceed 18,000 pounds.

I appreciate the plight of the trucking industry and its effort to bring about a standardization of road use laws throughout the Nation. In my judgment, standardization, even if in the form of limitation, would be useful to the entire industry. It seems to me, however, that this subject should be covered by comprehensive legislation on the trucking use of the highways of the interstate system.

DEFINITION OF CONSTRUCTION

The definition of the term "construction" in section 1 of the Federal-Aid Highway Act of 1944 by adding after the language "cost of rights-of-way" the following language: "cost of relocation of building tenants, cost of demolition of structures or removal of usable buildings to new sites, including the cost of such sites" create new and costly elements of damage heretofore limited in the term "cost of rights-of-way."

At the present time the cost of rights-of-way include most of these elements in accordance with the laws of the several States. The insertion of the language in question gives to persons seeking damages for condemnation elements of damage which go far beyond established concepts on the cost of rights-of-way, providing the owner of such property with the cost of demolition or the cost of moving his building to another location including a new site. This legislation goes so far as to give to the tenant of a room in an appropriated building a cause of action based upon the cost of his finding a room elsewhere. The language in question would impose severe and tremendous added costs to the already high cost of rights-of-way acquisition. It seems to me that while the language may be very useful in several urban communities including my own city, the overall effect would be very harmful in that it would supplement the Eminent Domain law of the several States with new causes for claim and new standards for evaluating damage resulting from rights-of-way acquisition.

LIMITED USE OF RIGHTS-OF-WAY

Section 115 very properly provides that all agreements between the Secretary of Commerce and the State highway department for the construction of projects on the interstate system shall contain a clause providing that the State will not add any points to, or exit from, the project in addition to those approved by the Secretary of Commerce in the plans for such project. This language is properly designed to protect the development of a limited access system.

However, in the second sentence of section 115 this language is almost completely abrogated by the following language:

> Such agreements shall also contain provisions to insure that the users of the Interstate System will receive the benefits of free competition in purchasing supplies and services at or adjacent to highways in such system, and such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System.

The second part of this sentence is very satisfactory, eliminating automotive service stations or other commercial establishments from the rights-of-way. The ostensible purpose of the first part of this sentence is to preclude a State from setting up a monopoly system of service along the Interstate System of Highways. While I have no disagreement with the ostensible purpose of this provision, it seems to me that the insertion of this language providing that the users of the system will receive the benefits of free competition at or adjacent to highways in such system, defeats the purpose of the first sentence of that section which seeks to establish limited access highways.

It would seem to me that it would be in the interest of sound legislation if the Interstate Highway System provided for under this act were planned as a limited access highway in its entirety. With the language of the second sentence of section 115 in the bill, it is entirely possible that fee holders of property adjacent to the highway right-of-way will develop billions of access points to the highway and therefore defeat its purpose as a free-moving artery.

In acquiring highway rights-of-way, it should be provided by law that when a portion of a parcel of property is purchased, the purchase agreement should include the purchase of reservations on the remainder of the property, that portion which will abut or remain adjacent to the highways to restrict its use for agricultural or noncommercial purposes and with the specific reservation that it shall not have access to the new interstate highway. For further protection, the State should be compelled to provide firm zoning authority by local political subdivisions during which interstate highways may pass providing that the area shall be zoned against all forms of business or local enterprise which would acquire access to the highways or derive business therefrom. Otherwise, we will build new interstate highways which will have the ultimate fate of Highway No. 1 from Richmond to Baltimore—a maze of neon and other distracting highway nuisances.

There is a definite relationship between good highway construction and zoning. A beautiful broad new highway built at tremendous expense can end up as a local business street with drive-in markets, supermarkets, drive-in theaters and hot dog stands. It seems ridiculous for the State to buy land for highway improvement at gravel-pit and oil-land prices only to have the abutting owner reap a harvest by selling or renting his land to businesses which desire to locate along the highway. While I do not believe that local zoning authorities should lose control over the zoning of lands adjacent to the roads of the highway system, I feel that it would be a very desirable exercise of legislative power to make the granting of funds contingent upon restrictions being made on the use of land abutting or adjoining the land of the Interstate Highway System which will provide that such land shall not be used in conflict with the purpose of the free-moving highway. This type of legislation would permit State highway departments to bypass urban communities with an assurance that a new community will not grow up along the new highway. It would serve the highway program well to provide for the purchase of covenants by the owners of highway abutting real estate to insure that no business or commercial use will be made of the abutting land as well as any other use which may be adverse or nonconforming to the free and uninterrupted use of the highway.

If local retail business and commercial establishments will find their way into the new and improved Interstate Highway System, traffic lights and access points which will be established will be far more hazardous than intersecting highways. This legislation should strongly state that the purpose of the Interstate Highway System is to principally transport people. Let the highway traveler turn off of the interstate system if he requires food, motor-vehicle service, lodging or Stuckey's pecans. The finest example of a preserved limited-access highway that I know of is the Queen's Highway, which extends from the Buffalo Peace Bridge to the city of Toronto. The only business activity permitted on this highway is the sale of agricultural products at stands established at regular points and several motor-fuel areas.

Another great advantage in limiting the use of land abutting or adjacent to the use and access of the Interstate Highway System is that it will keep the value of such adjacent or abutting land at a low valuation in the event additional lanes of highway must be established and additional rights-of-way land must be acquired. There is a definite connection between the nature of the zoning along the highway right-of-way, the extension of the limited-access principle and the success of this entire program.

In most of the larger urban communities, there are current drives to provide adequate low-cost housing, clear the slums, and provide urban redevelopment as well as off-street parking. Several separate agencies are condemning and acquiring land for their specialized purposes. In the acquisition of the land or right-of-way through cities, it would seem to be in the interest of efficiency that a sense of coordination be developed between the several land acquisitions involved—that there be some linking together of these efforts so that in a single sweep, the land or right-of-way be simultaneously acquired for as many of these purposes as practicable. This will permit a planned redesign of the city with a single relocation of utility facilities and functions which have to be moved. There is a definite relationship between planning for highways and planning for slum clearance, for off-street parking, and urban redevelopment. These relationships must be recognized.

RELOCATION OF UTILITY FACILITIES

Perhaps the most objectionable language in the bill as recommended out of committee is the language which makes Federal funds available for reimbursement for the relocation of utility facilities. This language is in the nature of a gift of Federal funds to the private and a few public utilities in America.

The public utilities generally use the highway right-of-way without cost and therefore receive a considerable subsidy from the public. If it were not for the public-utility use of highway rights-of-way, they would be compelled to buy rights-of-way along their surface transmission lines. In addition, by constructing their facilities along highway rights-of-way, they are provided at public expense with access roads which permit them to service and maintain their utility facilities. The utilities in many instances will receive great benefit in the relocation of their transmission facilities along highway rights-of-way necessitated by highway improvement. Why should the highway user assume the added cost of relocating their facilities?

Most public utilities operate on a cost-plus basis and are permitted to charge utility rates based upon the cost of operation, and in many cases the reproduction new cost of their facilities which may be many times the cost of their original investment. The highway user group is not always the same as the utility user group. The effect of these provisions would be to charge the highway user of 47 other States for the relocation of a utility in one State. Furthermore, there are highway users who may derive no benefit whatsoever from the relocation of public utilities along the public highway system.

There is an even more important objection against this legislation. This language would create pressure for new and unseen obligations on the part of all governments throughout the country to assume all costs of utility relocations, and the burden may ultimately become billions of dollars.

After a diligent search of the testimony before the House committee on this legislation this year, I failed to find any testimony which supports the inclusion of the language to make Federal funds available to the States for the relocation of utility facilities. In a question which I addressed to my distinguished colleague from the State of Ohio, Hon. CLARENCE BROWN, this afternoon on the cost in dollars of relocation of utility facilities, his reply was "not more than 1 percent." It is my judgment that the cost may be closer to 10 percent and that with the inclusion of this language, the highway construction program may result in a $41 billion program instead of a $51½ billion program. It stands to reason that whatever funds are not dissipated for this purpose will be available for more extensive highway construction and reconstruction, and the removal of this language from the bill would provide for more highways by at least 10 percent. The utilities of America have done a pretty good job of looking out for themselves and this legislation is no exception.

I hope that before this committee concludes its work, this bill will be made more palatable.

Mr. FALLON. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, the bill we have before us today is, as has been pointed out by previous speakers, an authorization for contractual obligations that will have to be honored by the Congress for the largest public-works program in the history of the United States, and presumably in the history of the world. It is the largest authorization of expenditure ever approved by the Congress other than military appropriations.

I think there is nothing at all improper in the time that has been devoted by this Congress to the very serious study of this issue, especially in view of the enormous expenditure involved.

The major effort in the 1st session of the 84th Congress was to determine the feasibility of the plan submitted by the President of the United States, the so-called bond plan for highway construction. That plan was rejected. An alternative plan was submitted to the House at that time, but because it was thrust upon us so quickly without sufficient opportunity to consider all of its ramifications is was also rejected by the House last year.

I think the bill we have before us today makes it clear that the House was wise in rejecting the bill last year, because the current bill contains many decided improvements over the 1954 bill that came to a final vote in the House.

CONGRESSIONAL CONTROL

The most important improvement is the greater control of the funds and the allocations under the present bill. We have a better understanding of the control the Congress will be able to exercise.

Our hearings this year made it clear that the allocations as submitted in the so-called Clay plan could not be relied on as accurate; that there were some major errors involved and that if we had passed the plan submitted to us last year we would have been tied down to those errors and would have had a hard job extricating ourselves from the trouble.

The pending bill provides that the allocations to the States of approximately $25 billion for the interstate road program will be restudied and resubmitted to the Congress on or about the first of January 1958. They will not go into effect until they have been submitted and affirmatively approved by the Committee on Public Works.

There is no question in my mind that there will be some major corrections in some of these allocations as a result of this resurvey.

The bill provides also that new estimates must be submitted twice more at 4-year intervals, in 1962 and in 1966.

We will have a continuing check upon the way the program works.

I could elaborate on the necessity for these checks and the greater control that Congress should take over the workings of the program, but I think that what I have already outlined gives a clear picture of the improvement this bill presents in comparison with the previous program.

OTHER IMPROVEMENTS

There are other improvements not quite as important: There is a better allocation, for instance, for forest roads, and trails, and highways that will help the long-range program in that field.

I think we have in this bill resolved the issue with regard to utility reimbursement that has been debated to some extent. We are approaching a solution to this program that I believe will satisfy those who have participated in the discussion of the issue, both for or against reimbursement authorization.

Then, too, in the discussion we have heard reference to the application of the Bacon-Davis law. Certain Members who have spoken on this point seem to be of the opinion that the application of the Davis-Bacon Act as provided in the bill before us is a complete and blanket authority along the lines as that act now applies in connection with other Federal construction today. The debate on that amendment when it is offered will, I believe, clarify the situation. It will make clear the restrictions that have been put in to take care of the various situations. The debate will show that the proposed substitute for the Davis-Bacon Act which it has been indicated will be offered by some of my colleagues involves some very dangerous precedents for our States that are not at present engaged in wage fixing operations and it would, I think, be more violative of the principles of States rights than the present Davis-Bacon Act.

SHORTCOMINGS

This overall road program that we have provided in this bill does have some major defects. For instance, there is too much emphasis on the immediate application of an interstate system with a tendency to hold back the development of primary and secondary roads that should, in my opinion, go hand-in-hand with the interstate system. Unfortunately, my views of that particular point did not prevail. I will continue to try to work for greater emphasis on primary and secondary roads. For the time being we have to make a start under the best agreement that can be worked out.

I hope that we will not accept the idea that the authorization of this program as contained in the bill before us solves all of our highway problems. It is a major step in that direction, but it is by no means a permanent solution. Some three-quarters of the traffic of the country today will be on roads that are not a part of the interstate system. Perhaps the percentage is more than that. Those highway users will get some major benefits from this bill, but I do not think they get the proper attention from the Congress in the way of an accelerated road program that they should. Therefore, 2 years from now when we come to reconsider and renew the Federal aid program for primary, urban, and secondary roads, I hope that we can make some changes in that program which will help accelerate the type of road program that is needed to complement our interstate system. The interstate system will at that time be just beginning, so far as construction is concerned.

I want to express my appreciation for the good work of all of the members of the committee who have collaborated in bringing in this bill. This bill contains the imprint of the various members of the committee. We had some rather severe and hard fights among ourselves over various issues, but I do believe we have before you the best legislative result that can under the circumstances be achieved at this time.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Referring to section 113, being one of the so-called controversial sections, there appears to be the possibility under this section that in one State a utility will have to pay for the removal of its own lines, or whatever property may be involved, and that in other States the same uiltity might not have to pay for such removal or relocation.

Mr. SMITH of Mississippi. That is true, but it is a condition that exists today. We leave the decision up to the States. What we are attempting to do under the present language of the bill and under an amendment that I understand will be offered is to confirm that right of the States to make their own decisions. Of course, that means utilities will be treated differently in various States; however, that is something that we decided in the interest of the States the States should decide for themselves.

Mr. REES of Kansas. What would a State gain by reason of the utility taking care of its own expenses?

Mr. SMITH of Mississippi. Some States believe that the utility should pay for it, that it is an obligation on the part of the utility. They believe that large sums of money can be saved which may be used for highway purposes. Other States believe the opposite.

Mr. REES of Kansas. I am thinking Federal funds would be used in either situation.

Mr. SMITH of Mississippi. Federal funds are available for that now.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Mississippi. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Notwithstanding the fact the State has a State statute that the utilities might relocate their facilities, may still reimburse the utilities for relocation, particularly in those communities or unincorporated communities that do not have a corporate function, therefore they can relieve those hardship or distress cases, so what the gentleman from Kansas has in mind, if he insists on that kind of a proposition, the States will be precluded from doing the things that he wants to be done.

Mr. REES of Kansas. What I am thinking of, and as I understand, is that a good share of the funds expended are Federal funds in any event. I am wondering if the States would, as such, gain anything if they require the utility to pay its own expenses, since most funds allocated to the States are Federal funds.

Mr. SMITH of Mississippi. It is not assumed that Federal funds would be used to pay the entire cost of relocation, and a good part of this relocation matter concerns problems off the interstate system, too, where it is a 50–50 proposition. It was not the intent of the sponsors of the amendment in the bill to ever provide that the Federal Government would pay the entire cost of the relocation or perhaps even 90 percent.

Mr. REES of Kansas. I thank the gentleman from Mississippi.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SCHERER].

Mr. SCHERER. Mr. Chairman, at this time in the debate we are wont to become repetitious, but I just want to make this observation. I think the heart of this bill is in the fact that for the first time in the history of this country we are distributing funds on the basis of need; that we are going to build the roads where they are needed and where the traffic is. We are not distributing funds to New York or California or Florida as such, but we are distributing them as I have said on the basis of need.

Mr. Chairman, I do not think that there should be but a handful of votes, if that many, against this bill, because I want to point out, that the controversies existing over the major provisions of this bill have been fully reconciled. There are only, as I said before, two fringe provisions in this bill that are still in controversy.

Now, let us look at the major provisions that have been reconciled. The method of financing the program has been agreed upon, and that was the reason this bill was defeated the last time, because there was violent disagreement over the method of financing this road program. I know of no persons either in the committee or outside the committee who disagree seriously with the financing provisions in this bill. Secondly, there is no disagreement over the distribution and apportionment of the fnuds among the several States or between the different Federal-aid systems. The proposed method of reimbursing the States which have built toll and freeways has also been reconciled. For a while we thought in committee that that question would prevent a bill from even reaching the floor, but now that highly controversial provision has been resolved. In the last few days the question of maximum weights and size of trucks has also been reconciled. With the statement by the gentleman from Alabama a few minutes ago, who led in the committee, along with the gentleman from Texas [Mr. GENTRY], the opposition to the reimbursement of utilities for relocation costs, it appears as if that controversy has now been resolved. This leaves only one major controversy for this House to decide, and that is the question over the Davis-Bacon amendment.

As I see it, as I said in the beginning, there should be practically no votes against this highway bill. I think we should point out at this time to the rest of the Members of the House the fact that the main controversial provisions of this bill have now been reconciled.

Mr. FALLON. Mr. Chairman, I yield such time as he may require to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KLUCZYNSKI. Mr. Chairman, as a member of the House Committee on Public Works and a member of the Subcommittee on Roads, I am very happy to have before this august body today, H. R. 10660 known as the Federal Highway Act of 1956.

Extensive hearings were held on this important legislation, considered to be the largest road-building program in the history of the world.

The gentleman from Maryland [Mr. FALLON], the sponsor of H. R. 10660, and chairman of the Subcommittee on Roads, should be congratulated for making it possible to consider this important measure and afford us an opportunity to consider and debate the bill.

The chairman of the subcommittee has been fair at all times with the hearings. He gave everybody an opportunity to be heard who expressed a desire so to do.

It is generally believed that we must build adequate roads. By the word "adequate" is meant a highway system constructed to handle modern traffic safely. It means straight, wide, graded, divided highways, with control of access wherever this is needed.

If highways could be built by direct appropriations that would be favored. If they could be constructed through the issuance of revenue bonds that would be favored. If they could be established by increased taxation that also would be favored.

All of these plans were given consideration and it was the general belief that the only way a bill of this kind can be enacted is through the medium of taxation. This seemed to be the least objectionable of all the plans considered.

The Fallon bill levies tax increases and will pay 90 percent of the cost. Because the House Public Works Committee, despite crushing pressure, has had the courage to report it favorably after many days of intense and sometimes heated private discussions, I am in favor of the enactment of the measure for adequate Federal highways, no matter how it is financed.

When the pressure was at its heaviest, one of the committee members made this remark: "We have heard from everyone except the public." No one can speak adequately for the public except their Representatives in Congress. The public has no organized lobby or pressure groups and I am confident that we will give the public proper representation in the consideration of H. R. 10660 on the floor of the House today and tomorrow.

The public realizes it will have to pay the increased taxes no matter upon what industries or articles they may be levied. The public also knows that you spend the money in building the roads and they will pay for them and nonetheless will bless you for the benefits conferred upon them in according them safe means of highway transportation.

The American people are on the verge of having their highway problem settled.

Its fundamental provisions—the allotment of Federal aid to the several road systems of the 48 States and the tax schedule which will finance that aid—have been intelligently prepared and are almost unanimously approved by everyone who understands the highway problem and its solution.

The passage of this bill is in the national interest.

The House Committee on Public Works has produced an excellent highway bill and you, the Members of the House, will now pass judgment thereon.

Mr. Chairman, I sincerely hope this measure is passed by an overwhelming majority; and stop the slaughter on the highways.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. Cramer], a member of the committee.

Mr. CRAMER. Mr. Chairman, this is perhaps one of the most important and constructive pieces of legislation to come before this session of Congress. There is no question that this is the greatest public works program in the history of the world; in excess of $51 billion to be spent in the next 13 years; a construction program for the first time in the history of America that will give us a consolidated and well-rounded nationwide highway program; 40,000 miles of interstate highways alone to be constructed, as one of the principal reasons, to give us an adequate national defense highway system.

That is important not only from the standpoint of transporting civilians and their goods and national defense materiel, but also from the standpoint of the evacuation of the cities, if necessary, in time of attack by the enemy. These are matters with which we must be concerned today and vitally concerned. In addition to that, this highway system will connect 90 percent of all the cities in the entire United States with a population in excess of 50,000. It will connect 42 of the 48 State capitals. It will help prevent in the future the killing on our highways which in this particular year will come to some 42,000 people, it is estimated.

These are some reasons why this program is so tremendously important to all of the people of the Nation.

It has been said that this is a measure in which most of the controversial differences have been compromised up to date. I believe that is true. As the gentleman from Ohio [Mr. Scherer] has just pointed out, practically every controversial provision has been worked out on a compromise basis. And when I say compromise, we have sat in the Committee on Public Works not for 1 year but for a period of 2 years and discussed and debated this matter. We have tried to work out the differences. And today there seems to be but one issue left on which there is any question of debate, and that is the question of the Davis-Bacon provision.

Mr. Chairman, I say to you in all sincerity that this is a good bill. This is a good bill because it is a bill that is born out of lengthy hearings, fair compromise and out of understanding, understanding of the great purpose that it is intended to serve. It is a good bill, because it has a great many new and beneficial provisions. Today, your State road department is not authorized to do many things that the State road department and the Federal Government can do under this bill, which means better highways. Let me cite just one example of that. Today, for instance, you cannot purchase rights-of-way in advance of construction. Today, when you purchase rights-of-way you must do so only with reference to a given project approved for the present fiscal year.

This bill provides in section 111 which incorporated H. R. 8829, a bill which I introduced, into H. R. 10660 now under consideration that the State road departments may purchase rights-of-way for as much as 5 years in advance of construction. My bill was unanimously approved by the committee when incorporated as section 111 of this bill. What does this mean in such States as Florida, which is growing so rapidly? It means that it is estimated that in this one provision alone there can be saved throughout the country during the 13-year period of construction, as much as $1½ billion it has been estimated, just by giving the States authority to purchase rights-of-way in advance of construction. I am proud to have authored this section and I call it to your attention as one of the many new and beneficial provisions of H. R. 10660.

So we have a good bill and I believe practically all the Members of this House are going to support it.

As a specific example of what this bill will mean to the respective States and to the individual districts, I call to your attention that for fiscal 1957 and 1958 the State of Florida will receive beginning July 1 of this year a total for both years of $70,796,000 in Federal allocation as compared to approximately $28,500,000 in the past 2 years for highway systems within the State with the following allocations as to systems:

Interstate system	$58,420,000
Primary system	5,640,000
Secondary system	3,686,000
Urban system	3,428,000

Further, the bill means in Federal contribution for all roads approximately $50 million a year as an average, over the 13-year period of construction assuming that the $25 million per year increase in other than interstate system road authorizations is carried out.

Over the 13-year period of construction, it means, so far as the interstate system is concerned, the completion of 1,173 miles of four-lane highways in Florida, including the links from Jacksonville to Miami—U. S. 1—a northern entrance to the State southward to Tampa-St. Petersburg—U. S. 301 or U. S. 41—a route from Daytona through Orlando and to Tampa—U. S. 92—and the cross State northern artery from Jacksonville through Lake City, Tallahassee, Pensacola, and on to New Orleans—U. S. 90—and a total expenditure of over the 13-year period on the interstate system alone approximately $528,772,000.

With regard to the improvements of other highways, the present allocation will be increased to $12,334,000 and proportionately thereafter to the extent of some $60 million more during the 13-year period for the construction of other than interstate highway construction than is presently being allocated.

This in effect means a total of approximately $700 million of Federal matching funds for all road systems to be made available to the State of Florida for construction in the next 13 years and an increase of over $500 million in excess of the present Federal program for these 13 years.

This demonstrates the magnitude and importance of this legislation to all the States with Florida as a typical example.

With regard to the first district and the Tampa Bay area, it will mean two 4-lane highways, one approaching from Orlando and one approaching from the north through Ocala. It will further make it possible for a connecting link between Tampa-St. Petersburg and Miami to be planned as a part of the interstate system. It further assures the construction of a third bay bridge across Tampa Bay from Tampa to St. Petersburg.

This highway legislation thus promises not only to open up the State of Florida to many more thousands of tourists per year but also to provide a great impetus for the State's future growth by providing adequate highways for transportation of Florida's products to market and the import of other States' products to Florida. It is certain to add considerable impetus to the already expanding economy of the State and the expansion of industry as well as agriculture in the growth of our great State.

It also means that for the first time under any road legislation, Florida receives in return an amount approximately equal to its contribution to the Federal Government in road-user taxes.

Mr. DONDERO. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. Bates].

Mr. BATES. Mr. Chairman, we have spent billions of dollars to defend our Nation against aggression in the fervent prayer that war will thus be avoided and the lives of our citizens spared. Each year we spend millions of dollars and the best specialists in medical science dedicate themselves in an effort to eliminate or diminish the number of deaths caused by cancer, heart conditions, and other diseases which afflict our people. Yet, to a large degree our efforts have been insufficient to preserve the lives of those who ride our highways.

The demands of two wars in the last 15 years prevented the Nation from keeping up with the new and greater demands of our motorists. An expanded bold program must be inaugurated in the interests of our people.

Accidents on the highways in this century have killed more Americans than in all the wars since the Revolution. Since 1900, 1,149,414 deaths have occurred on our highways. Since 1775, 1,130,390 were killed in battle. Last year

alone, over 38,000 died in automobile accidents. This year, it is estimated that 42,000 will so lose their lives. One and one-half million persons were injured last year.

Improvements in some roads have already cut the accident rate 66 percent in those areas. Vigorous action is required to accomplish the tremendous task before us.

While this is an expensive program, even without the consideration of the tragic human losses, present-day accidents cause economic losses which are much greater. Last year alone, those losses in medical expenses, property damage, lost wages, and insurance overhead, exclusive of claims, amounted to $5 billion.

We can no longer afford to ignore this problem. I strongly urge the enactment of this legislation.

Mr. FALLON. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana [Mr. Thompson].

Mr. THOMPSON of Louisiana. Mr. Chairman, I am not going to take up much time indicating whether I am for or against the many points in this highway legislation. We need highways in America and we need them badly. I had hoped last year we would bring out such a bill as would take care of a great part of the need we know exists.

I shall not belabor you or take your time discussing the points on which I agree and those on which I disagree with some members of the committee. I do feel that it should be made clear that the members of the committee on Public Works have worked long and hard, they and the members of The Committee on Ways and Means have earned the respect of everyone in the work they have done on this bill. The American people want a highway bill. Some think that highway users are now paying enough to build adequate highways.

In trying to ease off the competition of ideas on this bill, as the gentleman from Florida has just said, there are many compromises that have been reached in proper fashion and with propriety by the members of the committee. One such compromise that has helped to make this a better bill is the one having to do with the protection of highways insofar as weights and other dimensions are concerned. This agreement was made as a result of a committee amendment offered by me in Committee. I think each Member of the House of Representatives has received a letter from the American Trucking Association. The one I received reads as follows:

April 19, 1956.

The Honorable T. Ashton Thompson,
United States House of Representatives,
Washington, D. C.

My Dear Mr. Thompson: We want you to know that the trucking industry is perfectly willing to accept and, in fact, supports section 7 (j) of the highway bill reported out by the House Public Works Committee, having to do with truck weights.

We were opposed to this section as originally written because it would have created endless difficulties for truck operators, the States and the Bureau of Public Roads. Therefore, we had advocated complete elimination of the section, and we were joined in this position by numerous interests, including the Bureau of Public Roads, the American Association of State Highway Officials, the American Municipal Association and the American Automobile Association.

However, the revised section as reported by the Public Works Committee accomplishes the objective—protection of the highways—without getting involved in other factors that would have caused the difficulties. The new provision limits the axle weights and, as the Bureau of Public Roads stated, "The axleload of vehicles is the principal determinant of the supporting capacity that must be provided in the surfaces and foundations of roads."

Interests which are unfriendly to the trucking industry and are, in fact, unfriendly to the entire highway program may attempt to have the section amended to affect such factors as dimensions and gross weights which, as any highway engineer will testify, have nothing to do with protecting highway surfaces. Regulation of these other factors should be left in the hands of the States, which know best how to deal with the complications that arise.

Therefore, we urge you to support the section as it was reported by the Public Works Committee and resist changes designed, not to protect the highways, but to create difficulties.

Very truly yours,
John V. Lawrence.

I called on the Bureau of Public Roads to find out what their attitude was as to the measure of protection we would receive by this section as the committee reported it out. I received an answer from Mr. Kaltenbach, the Acting Commissioner of the Bureau of Public Roads, which reads as follows:

April 23, 1956.

Hon. J. Ashton Thompson,
House of Representatives,
Washington, D. C.

Dear Mr. Thompson: Reference is made to your telephone call requesting information with respect to the limitations of axle weights proposed in section 108 (j) of H. R. 10660.

The axleload of vehicles is the principal determinant of the supporting capacity that must be provided in the surfaces and foundations of roads. All roads, of whatever design, are limited in their axleload supporting capacity. A particular road will support some particular magnitude of axleload in indefinite repetition. Axleloads in excess of this particular magnitude sufficiently repeated cause a fatigue of the road structure and eventually result in failure of the road.

To aid the States in designing highways and developing regulations with respect to sizes and weights of vehicles, the American Association of State Highway Officials, on April 1, 1946, adopted the Policy Concerning Maximum Dimensions, Weights, and Speeds of Motor Vehicles To Be Operated Over the Highways of the United States, and recommended the policy for uniform incorporation in the laws of all States. The Bureau of Public Roads subscribed to that policy.

The limitations of section 108 (j), namely 18,000 pounds for 1 axle and 32,000 pounds for a tandem axle, are taken from the abovementioned policy. The single axle and tandem axle limitations are the limitations that are significant in the preservation of the highway structure, and consequently of the investment in it.

On the basis of present knowledge, and subject to possible changes upon the completion of the tests referred to in section 108 (k) of H. R. 10660, the Bureau of Public Roads believes that the limitations of single axle and tandem axle weights in section 108 (j) are adequate for the preservation of the Federal investment in the Interstate System.

Very truly yours,
Henry J. Kaltenbach,
Acting Commissioner of Public Roads.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Baldwin], a member of the committee.

Mr. BALDWIN. Mr. Chairman, it has been my privilege during the past 2 years to serve as a member of the Committee on Public Works on this highway bill which is going down in history as the largest public-works bill ever to have come before this Congress. It has been a privilege to sit in a committee which has been able to compromise so many differences as it has proceeded through this bill.

The bill provides for the inauguration of a new formula for allocation of funds between the States, the needs formula, and that formula recognizes the fact that our major job is to complete this Interstate Highway System, and that the amount of funds allocated to each State should be the funds required to bring the interstate highways in that State up to the standard at which we are aiming, a standard of four-lane, divided highways with controlled access. This means to every section of the country a tremendous opportunity to have improved roads.

In northern California, the section of the country with which I am the most familiar, this will mean that Highway No. 40 as it crosses the Sierra Nevada will be expanded during the period of construction under this bill from a 2-lane road to a 4-lane road. Those who may be familiar with the northern part of the State of California know that this expansion from a 2-lane to a 4-lane highway across the Sierra Nevada will be of untold benefit to that whole area. At the present time, in the middle of the winter, we have at most only two through highways across the Sierra Nevadas. At the time of severe weather conditions sometimes this is reduced to one road, and sometimes neither road is open. This four-lane road across the Sierras will greatly improve winter traffic conditions plus the fact that it will greatly improve our defense standards in that area in case we may ever have to use the road for mass evacuation back into the interior.

There is a section of this bill that has not received much discussion as yet because there are other sections involving much larger monetary expenditures, but I would like to touch briefly on this section of the bill, which provides for funds for the national parks roads and trails and for parkways. This section provides an approximately 33⅓ percent increase for national parks roads and trails and for parkways over the authorization of the bill 2 years ago. It was my privilege on the Roads Subcommittee to submit the amendment providing for this increase and this amendment received practically unanimous support in the subcommittee and then in the full committee. This is going to mean a great deal to those people, and there are millions of them, who go to the national parks each summer for recreation and enjoyment of the out-of-doors. The pressure on the parks will steadily be greater. We certainly should take the required steps to see that the roads in the parks are adequate to accommodate the needs of our people. I think our expenditures per dollar are better spent on improvements in park facilities, perhaps, than for any other things for which we authorize funds.

One last thing, and that is the Bacon-Davis prevailing-wage provision. We have had numerous tests of support both here in the House and in our committee on the provision. Last year, by a decisive vote the House of Representatives twice voted for the Bacon-Davis provision. It was approved this year first in the roads subcommittee and then in the Committee on Public Works. In the roads committee, as I recall, the vote was about 3 to 1 in favor of the Bacon-Davis provision and in the full committee approximately 2 to 1. It seems to me there has been a clear expression of opinion as to the will of the House. I think this provision should be adopted exactly as it stands in the bill at the present time. Some question has been raised here today as to whether it will require increased costs to complete the roads with this provision in the bill. I can say from the standpoint of the State of California, which has about 2,000 miles of the 40,000 miles in the interstate system, that I checked both with the department of highways and the department of public works in that State and, according to the best estimates, it will make no difference in cost whatsoever in the construction of roads in the State of California. So I hope the House tomorrow, when we reach that section, will sustain the Bacon-Davis provision exactly as it now appears in the bill.

Mr. FALLON. Mr. Chairman, I yield to the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Chairman, this is a good bill. It is the result of many weeks and hours of careful study by our Public Works Committee in both sessions of the present Congress.

I pay tribute to the membership of that committee and to their conscientious staff. All members, the distinguished chairman [Mr. Buckley], and the author of this bill, the gentleman from Maryland [Mr. Fallon], have given the most careful consideration to the whole bill. The members of the committee had many differences of opinion on portions of H. R. 10660. Those differences we resolved in the best traditions of this House. The compromises which are found in the bill are a sincere and intelligent effort to bring onto the floor of the House the very best bill possible.

The bill provides in section 108 (j) for a freeze of weight of vehicles to 18,200 pounds per axle and 32,000 pounds for tandem axles, or such other weight as may be prescribed by the States on July 1, 1956, whichever is greater. I am informed by the trucking industry that this provision is entirely satisfactory to them. At the same time it protects the highways until the completion of a study now being made to determine the effect of heavy truck traffic on road surfaces and the need for a change in present regulatory practices.

In section 112 the bill provides for payment of the prevailing wage in the immediate locality, as determined by the Secretary of Commerce. That provision serves a most significant function by giving important protection to the working men and women of this country. It protects them from exploitation by unscrupulous contractors and from low wages in the greatest single public-works program to date.

One vital function of this provision is to guarantee that people in areas which have high standards of living like the people of my own district—in the city of Detroit—will be protected from importation of cheap labor to reduce the living standards and break the wage scale which means so much to the worker and his family.

Now I hope my colleagues will remember that for many years almost every Federal contract has included this provision.

I have heard several of my distinguished colleagues argue that section 112 of the bill, providing for the payment of the prevailing wage, will be so administered by the Secretary of Commerce that wages paid by contractors working on projects under this program will be higher than those rates paid in the area by other contractors governed by State agencies, under similar provisions of State law. I do not agree with this contention, which experience proves is almost universally without merit.

This argument is plainly a charge of wrongdoing on the part of someone. Ordinarily I do not take up the cudgels on behalf of the present administration. But we in Congress must place some degree of reliance in the integrity of administrative and executive officers in our consideration of legislation of this sort.

But if there is such difference in wage scales, and if it favors the workers, I am for it. If true, that argument is the best proof in the world for the prevailing wage or so-called Bacon-Davis provision of this bill as set out in section 112.

To vote against this provision is to vote against creating an adequate wage scale in some of the low-wage areas, or to vote to make it possible to permit low-priced labor to come in to break the wage scale in high-wage areas.

Moreover, this provision as it is now is a guarantee for fair and uniform administration, together with recognition that wage scales vary throughout the country. It is only an effort to adhere to the scale prevailing in individual areas.

I have heard the utility relocation provision characterized as a giveaway to the big utilities. I am no advocate of giveaways to utilities, and I believe I have opposed them on every occasion, but I do recognize simple justice.

If the utilities are compelled to foot this cost of relocating facilities which must be moved under this program, they will merely go to the various State regulatory bodies and obtain a rate raise which will be passed on in turn to their ratepayers.

Section 113 affects not only the large utilities, but also small utilities, municipalities, large and small, and their taxpayers. Farm and REA co-ops, selling both electric power and telephone service, the TVA, and every sewer and water main owned by a municipality are equally affected.

This provision does not affect States rights, nor does it in any way change the organic law of any State. In effect, it recodifies into law the existing Federal practice of reimbursing States for such expenditures as they make in connection with compensating utilities for relocation of facilities on the same ratio as the Federal Government participates in other highway costs.

As we know, this bill is primarily a bill for construction of new highways, and not repair of old roads. For this reason, the utility facilities which are most affected are not those which are presently using highway rights-of-way without cost, but rather facilities now located on other lands which must be relocated for new roads. This is not an expense which can be reasonably anticipated by the utilities.

This is not a burden which ratepayers and municipal taxpayers should bear. I repeat, I do not very often side with the utilities, but the hardship this provision will alleviate is substantial, and it affects not the giants of the industry or their stockholders, but the ratepayers and taxpayers of the utilities and municipalities.

The bill is one which is gravely needed. The cost which an inadequate road program imposes upon us is far in excess of what this bill will cost. The need for highways is so clearly recognized by all of us that no testimony was taken on that subject in the committee during hearings on this bill.

I urge the membership of this House to support and pass H. R. 10660 unchanged for the good of all the people of this country.

Mr. FALLON. I yield such time as he may desire to the gentleman from Alaska [Mr. Bartlett].

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BARTLETT. Mr. Chairman, every place—almost—will benefit by having more and better highways if the bill now being considered is enacted into law.

Every place—almost—will gain as a result of the expanded highway program contemplated by H. R. 10660.

The 48 States will benefit.

Hawaii and Puerto Rico will benefit. Additional taxes will be assessed against the residents of the States and of Hawaii and Puerto Rico to pay for highway construction.

Alaskans will pay more taxes too.

But their taxes will go to pay for roads elsewhere.

They will not benefit by H. R. 10660. They are not included within its provisions—except as they relate to taxation.

Mr. Chairman, the other day a Federal jury in Alaska acquitted a man who had been charged by the Government with willfully failing to file income tax returns and pay his taxes. His principle plea in defense was that taxation without representation runs counter to the fundamentals of our democracy and too long continued is in direct violation with the basic principles which first caused the organization of the Republic.

Alaskans are becoming restive, Mr. Chairman. They feel themselves to be, and they are, the equals of Americans anywhere. Yet their pleas for more home rule, for statehood if you please, have been ignored, or shoved aside for so long that I detect among them a welling up as it were over the political injustices to which they have been subjected.

This very measure offers further proof, sadly enough, that there is a lamentable lack of concern over a situation which should command the immediate attention of the Nation and of the administration and of the Congress.

I appreciate very deeply indeed the efforts of those who sought to add to H. R. 10660 an amendment which would have given Alaskans roads together with taxes instead of just taxes without roads, as is the case now. I am sensible of the fact that the departments concerned with the administration of this program and of the Territories did not seek inclusion of Alaska, and my efforts and the efforts of those who joined with me were thereby handicapped. The Department of Commerce made no statement whatsoever on this subject. The Department of the Interior asked only for general language which if adopted would merely have been an expression that it was the sense of the Congress that road building in Alaska should be stepped up. This, however, would have been within the framework of the existing organizational pattern and would not have meant that Alaska would be brought within the Federal Aid Highway System. Actually, there is no need for an expression of that sort. All that is needed is submission and approval of larger budgetary requests.

What Alaskans are seeking, Mr. Chairman, is identity with and a partnership in the road program which applies to the States, to the Commonwealth of Puerto Rico and to the Territory of Hawaii. Without it, we can never hope to have a highway system which will open Alaska up for the development to which its resources entitle it.

Let us assume, Mr. Chairman, that when the first Federal aid highway bill became law there had been excluded from its provisions one-fifth of the area of the entire United States. Let us further assume that the road needs of that part of the country had been served only by hit and miss appropriations for a period of 30 years or so, large enough only to build about 250 miles of new roads and to maintain the few existing miles. What would have happened? The answer is obvious. There would have been no development. Not only would people not have been attracted there but the resident population would have moved elsewhere. Transportation is a vital key in the astounding progress America has made. No element of the transportation system, surely, is more important than highways. That is just the way it is in Alaska. It does contain 586,000 square miles or 365 million acres or just about one-fifth the land area of the 48 States combined. We had only about 250 miles of new roads—and these of the pioneer type—built between 1920 and 1940. A few hundred miles of new roads were added in the following decade but now new construction has virtually ceased.

If the Federal Government had deliberately decided to maintain Alaska as a wilderness, it could not have chosen a more effective means than to make sure no roads were built.

What is the situation now? It is that after having been under the American flag for 89 years there are less than 4,000 miles of roads of all sorts and descriptions. I submit that that is shocking proof of the failure of the system we have been using, and is proof likewise of the terrible neglect which Alaska has suffered. It has been treated not as it should have been as an organized, incorporated Territory of the United States and as such a constitutional member of this Union of ours but, if you please, as a distant, unwanted, uncared for colony.

How could it be expected that people would flock to Alaska to settle when after almost a century of United States rule they are substantially without surface transportation? Everywhere else in the United States—in Puerto Rico and in Hawaii—we have recognized and especially in this automobile age that development is so closely geared to adequacy of highway transportation that in many ways the two are synonymous. We have given no such recognition to the Alaska situation.

Mr. Chairman, the highways we do have have been improved, most of them, incredibly since the end of World War II. The Federal Government expended very considerable sums of money to surface the trunk highways. However, this was not done as it would have been elsewhere in the normal course of improving the highway system but only because military authorities insisted upon more adequate appropriations so there would be available for military traffic roads between the principal communities serving as defense centers which were at least black topped.

There are three principal road agencies in Alaska. The most important is the Alaska Road Commission, an operating agency of the Department of the Interior. It constructs and maintains roads on the public domain through direct congressional appropriations made to the Department of the Interior. The Bureau of Public Roads is responsible for forest highways in the two national forests of Alaska, comprising about 5 percent of the total land area. Then there is the Territorial Highway Department. As a matter of operating expediency, the Alaska Road Commission and the Bureau of Public Roads provide construction and maintenance services for the Territorial Highway Department on a reimbursable basis.

Direct congressional appropriations to the Alaska Road Commission totaled in the years from 1913 through 1941 only $18,197,389. In addition, during that period the Alaska Road Commission performed work for the National Park Service in the amount of $1,517,583.07. Additionally, the Alaska Road Commission expended something over $4 million in appropriated funds derived by imposition of license taxes on Alaska businesses collected by United States Clerks of the Court and deposited in the United States Treasury. In the last 10 years we have made one gain at least. Now Alaskans are permitted through their own legislature to collect these taxes locally and to appropriate highway funds more directly.

For many years there was a constitutional limitation on forest highway funds in Alaska. The Territory was denied its rightful share of such appropriations. That prohibition since has been removed.

Highway widening, black-topping and other improvements have naturally been of great assistance to the development of the civilian economy, including tourism, in the regions traversed by the highways. It is important to note, however, that actually even with these improvements there have been few additions to the total road mileage. And only the public domain has benefited. With the exception of one special-purpose appropriation, southeastern Alaska, the geographical boundaries of which are almost synonymous with Tongass National Forest, has continued on a starvation diet in respect to road money.

This random policy has had evil consequences not only for the Territory of Alaska but for the Nation. The valley and peak appropriation history for public domain roads, with the peak being visible for only a few years and then only to satisfy national defense needs, leaves Alaska in 1956 with only 3,700 miles of public domain highway of which 800 are paved. This is an area one-fifth as big as the United States. Alaska's area covers 586,000 square miles. Nevada, 110,540 square miles in extent, has 25,545 miles of rural roads. Delaware's 2,057 square miles have 3,842 miles of rural roads.

Had the Federal aid laws been extended to Alaska at the time of their inception it follows that the Territory now would have a comparable road system, that there would not have been the need for such heavy expenditures in the postwar years, and that the development of Alaska with a functioning highway system would long since have brought about a larger population.

In the national forests, over 35,000 square miles in area, there are only about 300 miles of roads.

Aside from the larger sums which would be available for road building were Alaska under the national system, there would be another great advantage.

Road building could proceed under a planned program. No such planning is possible now because of the ups and downs, chiefly downs, of the annual Interior Department appropriations. For example, the budgetary requests for the 1957 fiscal year calls for only $500,000 for new road construction. This is the second year for which no appropriation request has been made for a highway already started to connect Cordova with the Richardson Highway.

The time has come to place Alaska under the Federal Aid Highway System.

We recognize the fact that despite our just entitlements there may be some concern over admission of Alaska to the system immediately on a basis of full equality because of the very considerable sums which Alaska would receive on account of its public domain area. Likewise, we recognize the fact that because the Federal Government has failed to give Alaska autonomy in ever so many fields, a fiscal problem would confront the territorial legislature if it were required to appropriate the considerably increased funds which would be necessary for carrying on maintenance and providing matching construction funds.

Before the committee I had proposed a formula which would have brought the Territory of Alaska within the scope of the Federal Aid Highway System in recognition of the factors above mentioned.

It is my earnest hope that the other body will consider this proposition and will adopt it. The benefits which will come from planned, accelerated highway construction in Alaska will not be only for the benefit of the Territory. They will flow back to the States. In any case, simple justice demands that Alaska no longer be excluded from laws which apply elsewhere. The era of neglect should be ended. The era of constructive action should begin.

Mr. Chairman, Alaskans are loyal, patriotic Americans. They are also direct descendants of the pioneers of our West who moved against great odds in the march to the Pacific. In the great Northwest Territory they are carving out a new American homeland. In their battle against the obstacles which always confront those in the far places they should not have to contend also against obstacles raised by their fellow citizens. They should be aided, not hindered. They should be treated as equals, not discriminated against. For them, taxation without representation is not just a sentence in the history books. It is very real. It is that which they are obliged to live with daily. Is it any wonder they have become impatient? Is it any wonder a jury listens to a plea based upon taxation without representation?

Mr. Chairman, if Alaskans are given the tools long since handed to their fellow Americans, if they are treated as equals and not as distant outlanders, they will make of this northern rampart, so essential to our defense, a great American community.

Mr. DONDERO. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. Schwengel], a member of the committee.

Mr. SCHWENGEL. Mr. Chairman, it has been a great pleasure to have had the opportunity to work with the distinguished gentlemen who make up the Public Works Committee who have had under discussion the road bill for the past 2 years. I want to say for the benefit of the membership and as a freshman that it was a matter of great satisfaction for me to have an opportunity to sit with men who were of different political faiths who could discuss openly, reasonably, and honestly the great measures and questions involved in this important legislation.

I want to pay a special tribute to the ranking minority member of the committee, the gentleman from Michigan [Mr. Dondero], who always has been very helpful to us, especially to me.

I would like also to pay a special tribute to the chairman of the Roads Committee whose patience at times must have been almost completely exhausted, but who served us very well and gave every member an opportunity to be heard. I think it is because of that, and his patience and demonstration of good will, and his interest in the final objective of the bill that made it possible for us to have such a good bill as we have and made it possible to find an area of compromise.

The subject of my remarks on this occasion is roads. Secretary of the Treasury Albert Gallatin in 1808, had this to say of highway construction:

> No other single operation within the power of government can more effectively tend to strengthen and perpetuate that union, which secures external independence, domestic peace, and internal liberty.

Today we can add that adequate highways help insure, yes, they are necessary too, ever-expanding economy. One of the secrets of the great success of our economy is an almost complete freedom from impediments except for inadequacy, to the flow of people and goods. Men and goods move across State lines with the facility of intrastate movements. This freedom, combined with what is probably the most complete and most efficient transportation system in the world, are most important factors in maintaining our great prosperity.

One of the most pressing issues facing the Nation and its government at all levels today is that of a growing inadequacy of our highways. In fact, a recent comprehensive survey of all of the Nation's streets and highways indicates that we have an enormous backlog of needed improvements. Volumes could be said on this.

The inevitable question which follows is, How did we get that way? In the first place we have lagged farther and farther behind in the relative amount of highway work undertaken. During World War II and afterward, shortages of manpower and materials restricted the total street and highway effort. And during the postwar period an important factor has been the impact of inflation on highway construction. The net effect has been that we get less and less construction, relatively, for the actual dollars spent. What we are doing now nationally, is spending 7 mills on highway construction for each mile traveled. This is but half the rate we were spending during the 1920's.

The need for improved highway facilities has increased markedly year after year, particularly during the years following the war. Each year sees a significant advance in the total number of vehicles in use. The Bureau of Public Roads forecast for the end of this year is 61 million vehicles, an increase of nearly 3 million vehicles over 1954, or 4.6 percent. The Bureau estimated that total registrations will reach 81 million 10 years hence. And it follows without question that such increases in the number of vehicles will result in significant surges in the vehicle-mileage totals. Thus, we are literally wearing out many of our roads physically, as well as outgrowing them numerically and from an engineering standpoint.

President Eisenhower recognized the seriousness of the general highway situation. At the 1954 governors' conference held at Lake George, N. Y., the Vice President delivered the President's highway proposal to the governors in attendance. The President requested the governors to study their respective highway needs and to make recommendations concerning those needs.

In September 1954, the President appointed the Advisory Committee on a National Highway Program, headed by Gen. Lucius D. Clay. The Committee was to cooperate with the governors and to propose a plan of action for submission to Congress.

The Advisory Committee's report was made public early in 1955. The report emphasized the urgency of the problem, and admonished that the state of inadequacy will be cumulative until we take major steps to meet it.

Much has been said of the necessity for this bill. I want to point out just two more things that I think are important. Although they probably have been called to your attention I want to mention them. One is this: We are going to pay for this highway system whether we build it or not. We will pay for it in lack of business and the slowing up of the economy of America if we do not build it; and, more important than that, it is not hard to imagine that we could pay for it in the lives and property saved by the increased safety facilities of this highway system.

One other point: Every group that testified before our committee testified to the need, the urgent need of this important system for America. There was no disagreement on that question that I recall. There was some disagreement on how to attain the goal, but on the question of need there was no disagreement.

So I say to you in the interest of the growing, expanding economy of America we should support this bill and see to it that it becomes a part of the law of America at a very early date so we can get started on the program.

A great seer left these words to mankind many years ago, and I want to share them with you:

> No doctrine, faith, or knowledge is of value to man except as it bears fruit in action.

The American people demand action of you on this bill today.

Mr. DONDERO. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. Alger].

Mr. ALGER. Mr. Chairman, my colleagues have said in praise of the work of the chairman and other members of the committee and thank them for their patience with me and also express my satisfaction in the 2 years I have spent on this committee. I, too, want a highway bill. Unfortunately I may have to differ with several members of the committee, but I do it only as a matter of principle. The statements and objections I make I will support by reference to the printed hearings which, unfortunately, were only made available to the membership at 9 o'clock this morning, which is unfortunate.

First, I think the Public Works Committee has considered a Labor Committee matter.

Second, there is no precedent for this bill we are considering today, that is, for the Bacon-Davis provision particularly, and I am directing my remarks to section 112. There is no precedent for the Davis-Bacon Act in relation to the building of highways.

Third, I want to tell you without bitterness but with disappointment that misrepresentations were made to our committee by representatives who appeared before it from a labor organization. Possibly they were misinformed.

Next I would like to say to you that none of us disagree about the prevailing wage matter. We all want the workers to have the prevailing wage, myself included. The amendment that will be proposed by the ranking minority member of the committee, the gentleman from Michigan [Mr. Dondero] will include a prevailing wage set at the State level, not by a one-man bureaucracy here in Washington, the Secretary of Labor and the Department of Labor.

I want to mention another thing also. Is there anyone here who seriously believes that our States, which will spend 90 percent of the Federal money, are going to underpay their own people? Beyond that, may I say that I do not fear any labor retaliation. I do not think anyone on the floor of this House needs to be concerned about what labor is going to say when we direct our attention solely to the facts. Surely, no one can take exception to a presentation of the facts.

I shall direct myself specifically to several matters. The hearings have in them the information to which I shall refer. I want to refer if I may, to page 302, and I shall mention various pages, referring to them specifically. Further I will be glad to give you the documentation on anything I say.

At page 302 we are told that there are "inhuman working conditions" existing today similar to the twenties, and so forth, for our construction workers on highways; that there are ten caravans, predatory contractors, and so forth. This is directly contrary to the facts. In our committee we were never given a case that was substantiated.

This absurd statement was only exceeded by one made in reference to my beloved State of Texas, although that is not the reason for my feeling against some of the other things that were said. As I recall the remark made about my State, it was this—the very worst labor laws that exist in this entire country, which would actually drive us back to slavery, exist in Texas today. That situation, it was stated, exists in Texas today. As a matter of fact, we have a marvelous State highway department, and we have no slavery conditions.

As to specific examples, and I shall be brief, one contractor was accused of malpractice in New Hampshire. He was never there. Page 383 of the hearings.

Another incident, a contractor was accused by the workers of a condition in Massachusetts. That was not so and it was so disputed in the hearings.

Thirdly, and the most important example, since it was the witnesses' prime example, was the Aliquippa case in Pennsylvania. I direct my remarks to the court records. You will find this on pages 374 to 380. This was brought up by labor itself to prove what inequities were being worked on construction workers. What were the claims? Workers were being imported from a low-wage area, namely North Carolina. The fact: Five key personnel were brought in.

Secondly, the unions were discriminated against, the contractor would not deal with the unions. The fact: The contractor had a bona fide contract with the United Construction Workers of the United Mine Workers, District 50, which is in the record.

No. 3: Workers were paid less than the prevailing or union wages. The fact is they were paid union wages and prevailing wages or more, and never was the matter of pay brought up during the court dispute, but only when the labor representatives first appeared before our committee.

I can give more illustrations. We found out that this Aliquippa example had no substance at all, that it was a jurisdictional dispute between two unions, the AFL–CIO and the United Mine Workers. This bill should not be used as a vehicle for inter-union warfare. Let the unions work out their own problems in other ways without violence and through collective bargaining.

Next, this is a dangerous precedent since highway construction has never been performed under the Davis-Bacon provision when the 48 States are the contracting party. This State contract work never used or included the Davis-Bacon provisions. There are other Federal contracts that did. There are other Federal contracts entered into by the executive department, by the Government, the Army, the Navy, and post offices. There are others in grants-in-aid, those covering airports, hospitals, defense housing, multifamily rental housing. In none of these are the States contracting parties in highway construction. And highway construction is quite different than the other construction under the Davis-Bacon Act.

The present operation of our existing law, which certainly is true in Texas and I think it is true throughout the Nation, is excellent. The prevailing wages that now pertain in the various States as well as collective-bargaining agreements you will find on page 291. We have not found any legitimate wage complaints, and I want to call your attention to something else that we are overlooking. Highways cover a broad area of our country, not just localities like various building projects concerning which the Davis-Bacon Act has been applied in the past. They cover the entire country as well as the rural areas.

Next, how about the Labor Committee being side-stepped? Last year in our Committee on Public Works we endeavored to write a tax provision that met with disastrous results. This year we have a good tax bill, better than we had last year. The proper committee, Ways and Means, is now responsible. This year in our hearings we rather abruptly cut off the chairman of the Labor Committee, the gentleman from North Carolina, by telling him that the Davis-Bacon Act was not before us, and therefore he did not direct additional remarks on the Davis-Bacon Act at that time, but I might say to you that one of the finest statements made is on page 354 of the hearings, if you would like to refer to it.

Now, there is further investigation needed by the Committee on Labor. We found evidence of violence and wanton lawlessness where the State police stood by because they felt they could not interfere, it being a labor matter. This I could not understand. I am not a member of the Labor Committee, but I think they should investigate it. There are other things that ought to be examined by the Committee on Labor as to the violation of constitutional principles. In the interest of time, I will simply say this: Here we are about to put into effect a law which will give great authority to the Secretary of Labor, a law from which our people have no recourse in court. I do not think that is right. Surely it is not our intention to deny our people the right of court protection. There is no appeal from the decision of the Secretary of Labor, and for that reason, if the Dondero amendment fails, keeping wage matters within the States, it seems to me we should amend the Davis-Bacon Act, giving the right of judicial review. Even the Walsh-Healey Act now has been amended by Congress.

What is it that the unions want? I can refer you to pages 370 and 381 of the hearings. The Aliquippa case was purely a jurisdictional dispute. Could it be that the AFL wants to organize the entire country, and it is a fight between the AFL-CIO and United Mine Workers whether or not they can squeeze somebody out. I do not think that in the 48 States we want to put the Davis-Bacon Act into this highway bill. This is not an example of collective bargaining, as the representative of labor said. He said this is to protect the local wages that have been won by collective bargaining. At another place he said that the unions are not needed locally. See pages 340 and 336. Now, I do not believe that any State that is going to spend 90 percent of the Federal money is going to underpay its workers in their respective States. I submit they will not.

Now as to the higher cost. Some higher costs will not go into the pay envelopes, as so many here seem to be concerned about and whose concern I share. It is estimated that there are 20,000 rulings a year right now that the Secretary of Labor is putting out. Further, this bill will require 10,000 more contracts every year. Each contract will have 230 job classifications, more or less, and they will have to have persons to administer, inspect, and enforce it, and with reference to that I would like to call your attention to page 13 of the report. On page 13 of the report the Secretary of Labor is given the authority to enforce the Davis-Bacon Act. Yet this bill itself, section 112, gives this job to the Secretary of Commerce. Here again is a conflict which I do not think was intended.

Economically our localities will be greatly affected by Federal wage fixing. I, in a small way, was in the developing business, and have actually had roads put in. I know a little something about it. It occurs to me that when you have the Interstate System under the provisions of the Bacon-Davis Act, and you have localities under other contracts, you are going to have a man riding a scraper or other equipment going from one job to another under two pay systems. That is the way it is in practice. The answer is that Davis-Bacon is a lever to get the Federal wage rate fixed throughout the entire country, in all of our road programs. You cannot have these two systems existing side by side simultaneously. It seems to me that we need an amendment. The gentleman from Michigan [Mr. Dondero] will offer an amendment. I think we should get behind it and pass it, and it provides for the prevailing wage.

Let me stress that. There are some who infer we are not interested in the workers. We are interested in the workers. We want them to have the prevailing wage and they will get it. There is no question about workers being underpaid, because these cases that they brought to us in which they said they were underpaid, have been found wanting for lack of evidence.

Mr. Chairman, I should like to call your attention to the Davis-Bacon minority views in the report, for your further understanding. If I am given more time later, I should be glad to answer questions, and also to document what I have said.

It seems to me that we are extending this far beyond the Interstate. We are giving the Secretary of Labor far more power than we intended to. I certainly recommend to your earnest consideration that we adopt the Dondero amendment replacing section 112; and failing that, let us revise the Davis-Bacon Act so that we may have judicial review, so that every one of our citizens will have his day in court, something he does not now have under the bureaucratic operation of the Davis-Bacon Act.

Mr. FALLON. Mr. Chairman, I yield 4 minutes to the gentleman from West Virginia [Mr. Bailey].

Mr. BAILEY. Mr. Chairman, I feel I would be remiss in my duty if I did not register a protest against some of the provisions of this bill. I want to congratulate the committee for the excellent job that they have done, but the bill is not perfect.

First of all, I want to protest the allocation of mileage to the State of West Virginia and to say to you that as is the case in a lot of other matters in legislation approved by Congress, West Virginia is just a mere stepchild. We get a little less than 200 miles out of 40,000 miles. That cannot be justified either on the basis of an equal distribution of mileage, nor can it be justified on a money basis, nor can it be justified on a population basis.

The only answer they can give me is that it costs about twice as much to build a mile of highway across West Virginia as it does to build a mile of highway in some of the other States such as Ohio, Indiana, or some others that have a more favorable topography.

Mr. Chairman, let me call your attention to this fact. It provides no north-south highways for the State of West Virginia. It provides not a single mile on Route 50, with over 170 miles across the northern part of the State. It does give 11 miles to a section on Route 11 for the benefit of Pennsylvanians and Virginians who want to get north or south on Route 11, around Winchester, and it approves 12 miles on Route 40, east-west, so that people may cross the northern panhandle of the State from Pennsylvania to Ohio.

There are 178 miles of this route from White Sulphur Springs on the Virginia border over the Midland Trail to Huntington, W. Va., on into Ohio. They propose to relocate 138 miles of that road from White Sulphur Springs to Charleston. The road follows the present right-of-way only approximately 3 miles. In some of the places they are 15 miles off the present right-of-way.

If you figure this on a dollar basis, West Virginia would get $135 million out of the $25 billion of Federal funds that is put in the program. Do you know that by the changing of that route from the present Route 60 you will destroy over $200 million of property that is invested on Route 60 now in gasoline stations, automobile agencies, automobile service stations, motels, and restaurants? They have no recourse at all.

Do not tell me that when a man is coming from the West toward Washington and he crosses the Gauley River down in West Virginia 8 miles above Gauley Bridge he is going to turn off the highway and drive down to Gauley Bridge in order to spend the night there with a man who has a $80,000 tourist installation. Everybody stops there now, almost. But that man will not have any business and his $80,000 investment in it will be just wiped out.

The loss of property values in the State of West Virginia alone will more than offset the benefits that will come to West Virginia through the building of this expressway. It is going to be fenced in with access roads only about every 20 miles. It is not going to mean anything to the State of West Virginia.

Mr. Chairman, it is my present intention to vote against the legislation despite the fact that I am an advocate of better roads. I cannot justify my position with the people back in West Virginia under the circumstances.

Mr. DONDERO. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Sheehan].

Mr. SHEEHAN. Mr. Chairman, I should like to direct some questions to the ranking minority member of the committee in order to clarify section 109 of the bill, the section on the declaration of policy with respect to reimbursement for certain highways. This section is as follows:

> It is hereby declared to be the intent and policy of the Congress to equitably reimburse those States for any portion of a highway which is on the interstate system, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the interstate system. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the interstate system measure up to the standards required by this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958. It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

The State of Illinois through legislation has set up the Illinois Toll Road Commission, which is in the process of constructing toll roads in the State of Illinois. One of the toll roads will go through my congressional district, going out on a 25-mile stretch to O'Hare International Airport from the Chicago Loop.

This section very vitally affects my 11th Congressional District on the North West side of Chicago, and the county of Cook, because of the construction of the northwest superhighway under the jurisdiction of the Illinois Toll Road Commission.

One of the outstanding accomplishments under Gov. William S. Stratton's administration was the legislation to set up the Illinois Toll Road Commission as an independent agency to provide Illinois with modern superhighways.

Many years ago the city of Chicago and the county of Cook made plans for a Northwest superhighway which was to serve the residents of the northwest side, and which was at all times contemplated to be a public toll-free highway. When the Illinois Toll Road Commission was set up they agreed with the county of Cook to purchase part of this

original northwest highway to be incorporated into the toll road system. Approximately 14 miles of the northwest highway extends from the Loop to the boundaries of the 41st ward, at Cicero and Lawrence Avenues. In the original agreement with the toll road commission the commission was to take over the building of the road at that point, extending it approximately 7½ miles out to O'Hare Airport and then continuing as a part of the toll road highway system up to the Wisconsin boundary.

The residents of the 41st ward and the residents of the country towns objected to paying a toll as being discriminatory against the residents of the 41st ward and the adjoining suburbs.

Governor Stratton, Austin Wyman, and the other members of the Toll Road Commission, in order to provide the public transportation out to O'Hare Airport and in order to meet the objections of the northwest side residents, effected a compromise plan in which the Toll Road Commission would construct that part of the northwest superhighway from Cicero Avenue out to O'Hare Field and on the day of completion would sell it to the county of Cook and the city of Chicago, so that both of those local governing units could then make it a freeway. There does not seem to be much question in my mind that both of these agencies will cooperate with Governor Stratton and the Toll Road Commission's plans.

To clarify the situation for the people of Illinois, I should like to know if this bill definitely provides for the incorporation of either a part or the whole of this toll road into the Federal Highway System if it meets the requirements.

Mr. DONDERO. It would if the road which is being built now is a part of the designated Interstate Highway System. That system was designated by Congress in 1944. If it is a part of it, it would be considered.

Mr. SHEEHAN. On page 19, in section 109, provision is made as follows:

> It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

Due to the fact that the Illinois Legislature has set up a separate toll road commission which is independent of the State, would the money then be payable to the toll road commission or its bondholders so that the commission would be reimbursed?

Mr. DONDERO. I am quite sure such a report will be made, but I want the gentleman to understand that the provision in the bill on page 19 provides for a study to be made between now and January 2, 1958, with a report made to Congress with a recommendation as to what should be done and how it should be done. I am satisfied that the problem the gentleman presents will be considered favorably.

Mr. SHEEHAN. In other words, if the Secretary of Commerce recommends that this toll road system be taken over, the Congress ordinarily would O. K. it?

Mr. DONDERO. I would say so.

Mr. SHEEHAN. The toll road commission is going to build a toll road from the beginning of the 41st ward out to O'Hare Airport, a distance of about 8 miles. If this connects with other Federal highways under the plan, could the Congress, under this bill, appropriate the money to buy that section connecting with other State and Federal highways?

Mr. DONDERO. Not under this bill, unless that stretch of 8 miles was a part of the Interstate System.

Mr. SHEEHAN. As I recall, it provides for connecting roads to the Interstate System, bridges, and so forth.

Mr. DONDERO. That would come under the interstate highway system.

Mr. SHEEHAN. That would come under the interstate highway system. It looks to me as if in the subject bill there unquestionably is provision for reimbursement to those States that have a toll road system or who have highways already constructed—providing such meet the specifications and also the requirements of the 1944 act—upon the recommendation of the Secretary of Commerce that such roads or portions of them be incorporated into the Federal Highway System.

Mr. DONDERO. The very provision in the bill is to give time to study the situation in the various States including the gentleman's State in order to make a recommendation which would satisfy the situation.

Mr. SHEEHAN. I thank the gentleman.

Mr. FALLON. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. Burnside].

Mr. BURNSIDE. Mr. Chairman, I rise to make known my support of the bill we are now discussing H. R. 10660, the highway bill of 1956. This legislation, I firmly believe, is as important as any this House will be called upon to consider this session. Our national economy, our national military strength, and the happiness and prosperity of the citizens of this Nation for generations to come depends in large measure, I believe, upon whether this House sees fit to pass the bill now before us. No one, I am sure, will take issue with the proposition that we are totally and completely dependent upon highway transportation today. No one, I am sure, will take issue with the proposition that this dependence will increase with each passing year. Likewise, we are agreed, I believe, that our highway system, by today's standards, is inadequate. It follows then, that in the future, it will prove inadequate in a much larger degree. Failure on our part to act today will not only prove disastrous for this Nation in our time, but the tragedy will be multiplied many times over in the years to come, and should the future thrust this Nation into combat with its enemies, our failure to act on this important measure could prove to be the difference between victory and defeat.

Mr. Chairman, it has been said that this problem is one which should be, and could be, properly left to the States. It has been said that roads are local and State problems, in which the Federal Government should take no part.

Mr. Chairman, the presence of the very need which I have just mentioned, disproves that point without the slightest shadow of a doubt. It is proved that good roads and highways are a local problem. They are a problem of the municipalities, and they are the problem of the States. But they are in equal measure a problem of the entire Nation. If we pass the legislation which is before us now, we will, I think, have done our share toward meeting the problem faced by the Nation as a whole. We will not have solved conclusively and for all time the problem of good roads; there will still be a necessity for State action and there will be a need for municipal and local action. We are here dealing with the national highway system, which is interstate in character and upon which our national welfare depends. Let us not then deceive ourselves by avoiding our responsibility in an attempt to thrust it entirely upon the shoulders of those who determine State and local policy.

Mr. Chairman, I emphasize the need for this legislation and our responsibility with respect to it for a particular reason. That reason involves the difficulty of drawing up an act of this nature. We all know that this bill was not an easy one to prepare. There are problems of every kind connected with it and at times these problems seemed nearly insurmountable. The bill which the Public Works Committee, of which I am a member, has presented to the Congress, is one, which I believe, effectively solves or compromises these various incidental problems. Certainly I do not think that we can reach unanimity with respect to each and every one of them. I am sure that many of us would have preferred a stronger section here, a weaker section there, a little more protection here, a little less there.

But, Mr. Chairman, we cannot let ourselves become so ensnared with these minor, though-important problems, as to overlook the pressing, the urgent, and the undiminishing need for good highways. To the best of my knowledge, the bill which has been reported is largely satisfactory to all the groups and elements who are most concerned and most directly interested.

In the interests of our Nation's welfare, we must therefore each yield in some respect for the common good. It is with this spirit that I hope we can discuss this bill. It is with this spirit that I hope we can pass it. Perhaps there is room for improvement. If so, I shall be happy to see this bill amended, but let us not amend rashly or selfishly.

Mr. Chairman, I wish to mention one other point before I conclude: it is very important, I think, that this bill is on a pay-as-you-go basis. We are recognizing our responsibility in title 1, to build a modern Federal highway system. By the same token, in title 2, we are facing up to our responsibility to finance the construction of this system. We do not, and this legislation does not, increase the national debt beyond its present level. Sufficient revenue is provided by title 2, to enable these roads to be constructed over the period required without incurring additional debt, and without endangering our national solvency. This revenue is provided in a way which I hope will be regarded as fair by those who will be required to contribute it. Certainly those who travel upon our highways for commercial or private purposes will reap a large harvest from this legislation, should it pass.

Therefore, Mr. Chairman, in the hope and in the belief that this legislation is as fair to all concerned, as liberal as is needed, and as financially prudent as is possible to make, I strongly recommend its passage.

Mr. FALLON. Mr. Chairman, I yield to the gentleman from Illinois [Mr. Gray].

Mr. Chairman, the gentleman from Illinois [Mr. Gray] does not seem to be on the floor. I yield to my colleague.

Mr. DONDERO. Mr. Chairman, I yield to the gentleman from Ohio [Mr. Schenck].

Mr. SCHENCK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHENCK. Mr. Chairman, it is always difficult to objectively appraise the relative value and need for legislation to be considered here in the House of Representatives, because our reasons and points of view are frequently influenced by our own knowledge of various needs.

There is scarcely a person in this Nation, however, who is not directly concerned with our highway uses and program. Proper interstate transportation of people and commodities is a matter of deep concern to all our people. The interstate highways of our Nation are of special significance to our program of national defense. The terrible loss of life and injuries to people using our inadequate highways is a cost that cannot be estimated or assessed in dollars and cents. It is, therefore, quite impossible to overemphasize the importance and urgent need for a well-considered program for highway construction.

The legislation we are now considering, Mr. Chairman, is the result of extensive and thorough consideration for a period of months by two great committees of this House. The Committee on Public Works has held extensive hearings over a period of months during which a large number of highly qualified witnesses testified. This testimony properly represents all points of view. The committee then held weeks of executive sessions during which all this testimony was thoroughly studied and reviewed. The resulting construction program and provisions which came into being can, therefore, be viewed with great confidence by all Members of Congress.

Such a construction program, the largest single program ever included in one bill, will cost tremendous sums of money and this money must be provided by the most equitable means possible. The great Committee on Ways and Means considered each and every point of view with great care. The basic philosophy of pay as you ride was adopted as being the most sound method to finance this program. It was also determined, Mr. Chairman, that each of the users of the highways should pay their proportionate and proper share of the cost of this program.

As a Member of this House, Mr. Chairman, I want to express my sincere thanks to all the members of these two great committees all of whom have labored so hard and so long so that we here today may have this legislation before us for consideration.

Mr. Chairman, the urgent need for a proper highway program cannot be overemphasized. The tremendous increase in highway traffic of all kinds compels the construction of adequate highways. Many present highways must be widened, straightened, and otherwise improved and made more safe. Many miles of new highways must be built. Thus the establishment of a properly considered, planned, and constructed network of adequate interstate highways is of special concern to everyone in this Nation, so that travel and business can be properly facilitated throughout the Nation.

It is my firm conviction, Mr. Chairman, that we will pay for these highways in many ways whether or not we build these roads. Therefore, Mr. Chairman, it is my sincere hope that this legislation will be approved promptly so that necessary engineering and planning can be started at the earliest possible date.

Mr. FALLON. Mr. Chairman, the gentleman to whom I had intended to yield time has left the Chamber. I do not know whether he will be back, but I have no further requests for time at this moment. I would like to use a minute, Mr. Chairman, to express my thanks to the minority side and the majority side of our committee who have worked so diligently and so hard for many, many weeks on this bill. I compliment the chairman of the Committee on Ways and Means and his committee for bringing such a comprehensive tax bill to us. I also compliment the Bureau of Public Roads who were with us on this legislation from the very beginning. They were helpful and contributed much to this bill. Also, I want to express my thanks to the State highway officials who were in contact with us almost daily not only during the hearings but also in many conferences. My thanks go to the municipal officials and also the American roadbuilders for the information which they furnished us through their task force.

Mr. DONDERO. Mr. Chairman, I want to confirm the statement made by the chairman of the committee in everything that he has said on behalf of all those who took part and furnished information to our committee in preparing this bill.

Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Fulton].

Mr. FULTON. Mr. Chairman, I strongly favor President Eisenhower's highway program and hope the highway bill promptly passes. May I congratulate the committee on the good job that they have done in adjusting the various differences of opinion as to method of implementing and financing the program. Particularly to be complimented are the gentleman from Michigan, my good friend, George Dondero; the gentleman from Maryland [Mr. Fallon]; and the gentleman from Ohio, Mr. Harry McGregor; and others who have gone out to the country and explained the program, that has made this legislation possible.

The Federal highway program is the dawn of a new era for all of America, and we should all be willing to do our share to obtain safe and efficient roads and highways for our good country.

Mr. DONDERO. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. George], a member of the committee.

Mr. GEORGE. Mr. Chairman, 6 years ago I started service on the Public Works Committee, after completing 12 years of service in the Kansas Highway Department in various executive capacities. Frankly, at the first meeting of the Public Works Committee to consider the highway financing bill of 1950, I was shocked to discover that the Bureau of the Budget was recommending $400 million Federal aid appropriation, when at that time we were collecting $1.2 billion from the automobile users of the United States in gasoline and oil taxes. All of these State highway departments, all of the cities, and all of our governors knew that our highway systems were gradually slipping behind in highway construction. We were not anywhere near keeping up with the automotive expansion, traffic, travel, and speeds, nor were we building adequately to support weights of trucks. One thing that was stymieing the people of the country was not the fact that they were not paying enough taxes for highway construction, but the big end of our trouble was gasoline taxes were being diverted on the national level to pay general operating expenses.

This committee, in the last 6 years, has made rapid strides toward correcting that situation. Our committee increased the appropriation in 1950 $100 million. The next time we considered it we increased it over $800 million. Now today we are considering a bill which will give us a construction program of $27 billion, which will take care of traffic to and through the major industrial centers of the United States. It is true that one-half of this money is going to be spent in the eight larger States of the country, but they also furnish half of the tax money that we are going to provide to build this system. This system is being built where the traffic load is greatest, and where the need on the basis of that load says that the highway system should be.

I am happy to have had an opportunity in helping this committee bring this program to the floor. We have had a tremendous time resolving our differences. I found myself at times in conflict with my experience as an administrative highway official and my duties as a Congressman, because I thought our committee was trying to write some things into this bill which, from an administrative standpoint, would make it tough on our highway departments and the Bureau of Public Roads to administer. But we are making rapid strides

toward solving this problem. I think we are on the right road. I hope we can push this bill through to a successful conclusion and build a good adequate highway system for the Nation. At least we are on the road toward such a program at the present time.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. George] has expired.

Mr. FALLON. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Burnside].

Mr. BURNSIDE. Mr. Chairman, I want to compliment the chairman of our subcommittee, a man who has been most patient. At times when tempers of people were quite high, he was very, very gracious, and we were able, through his excellent direction, to resolve those differences. It is very nice that the atmosphere of the committee when we passed the bill was in very good accord. I want to thank our chairman for the excellent work he has done on this committee.

Mr. McGREGOR. Mr. Chairman, I yield myself 2 minutes.

While we are passing out compliments I think the membership of our committee on both sides of the aisle will agree with me when I pay my respects and thanks to the members of the staff of the Public Works Committee, and our own office staff. They worked long hours. They were very patient with us. I want them to know that we as members of that committee appreciate it. While I am doing that I want to say many thanks to the staff of the Ways and Means Committee for the patience that they have shown, particularly to this Member from Ohio. A number of times I called them at most all hours of the day and night.

Mr. FALLON. I would like to reemphasize everything the gentleman from Ohio has said. I do not know of any group of people on Capitol Hill who have worked harder than the staff of the Committee on Public Works and the Committee on Ways and Means, and I want to express on behalf of our subcommittee and the full committee, our deep appreciation.

Mr. McGREGOR. Mr. Chairman, I yield back the balance of my time.

Mr. DONDERO. Mr. Chairman, I yield to the gentleman from Texas [Mr. Alger].

Mr. ALGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Chairman, the overall evaluation of H. R. 10660 must include the following general observations and criticisms, as I see it. We need new and improved highways; of this there is no doubt. Yet the staggering scope of this bill involving huge expenditures means that any defect or poor provision within the bill will be multiplied greatly. It is not enough, therefore, to legislate a highway bill; it must be the right kind of bill. To evaluate this highway bill and its provisions during 2 years of deliberations, I used two yardsticks to determine if the bill should be approved, amended, or rejected. These two yardsticks are:

First. No violation of States rights. Self-explanatory.

Second. Pay-as-you-build financing. Not deficit financing or charge it to the future.

How, therefore, does this bill measure up?

As to the first yardstick:

(a) For the first time in highway building history the right of the State to construct the highways determining wages and working conditions, as necessary, is now transferred to the Secretary of Labor of the Federal Labor Agency. All such jurisdiction now reposing in 48 States, will be centrally lodged in one man—without the right of appeal and court protection which the constitutional separation of powers has always guaranteed our citizens. The provision accomplishing this is know as the Davis-Bacon Act and is included now as part of the highway bill.

(b) The cost of utility relocation, always a State matter, will now be borne by the Federal Government, the effect of which will be to nullify and replace existing State law and contracts with utilities. States necessarily will take the dollars offered by Uncle Sam.

(c) The definition of highway construction has been changed, adding the phrase "cost of relocation of building tenants," which means the Federal Government will now pay the cost, the payment of which will alter and delay present State condemnation procedures and jurisdiction. There is even some doubt as to the meaning of this new language.

(d) Truck weights and sizes are frozen at the present level, preventing State legislatures from doing as they see fit within their respective States.

The second yardstick, the pay-as-you-build principle, has been abandoned in two ways:

(a) The House Ways and Means Committee earmarked $5 billion of Federal highway users' taxes which now pay other Government expenses and did not increase taxes in the new revenue measure so that the final deficit of the entire program, even with increased highway use and revenue, is estimated to be $2 billion.

(b) After the financing features of the bill were completed, the Public Works Committee increased authorizations by adding the above-mentioned new provisions—see first yardstick, a, b, and c—in the bill thereby increasing the cost of the highway program an additional amount, tentatively estimated at $5 billion.

Therefore the total deficit in the program is conservatively estimated at $7 billion even though increasing highway traffic is expected to produce more revenue.

Considering the shortcomings clearly shown by these two yardsticks, there is serious doubt in my mind that this highway bill should be passed in its present form. As I see it, the bill could be changed and made an outstanding piece of legislation through the omission or amendment of the various above-mentioned detrimental provisions. Surely it is not too much to expect that our States' jurisdiction should be maintained and that we pay for what we want. That is the kind of highway bill we should have.

I am opposed to the inclusion of the Davis-Bacon provision in the highway bill. There is no precedent in the 40-year highway construction history of this country for the fixing of wages by the Secretary of Labor in Washington, since never has the Davis-Bacon provision applied to any highway construction of which the individual State was a party. Rather, the wages and working conditions have been prescribed by the fine State highway departments or other appropriate State agencies of these 48 sovereign States in conformance with the local economies, known better by them than by a Federal agency. Such procedure has resulted in the very definition of "prevailing wage."

The proponents of the Davis-Bacon provision claim that all they want is the prevailing wage to be paid to workers on highways throughout the Nation. We submit that prevailing wages are being paid on highway construction today, by economic necessity, by collective-bargaining agreements, or by State prevailing wage laws or regulations. Today in addition to the Fair Labor Standards Act, which certainly applies to interstate construction programs, there are prevailing wage laws or regulations in 30 States. There are collective-bargaining agreements with highway construction unions in 25 States, some of which are also covered by prevailing wage laws. Altogether the States are doing a fine job in protecting the labor standards of our citizens on highway construction work. There is no need for "Federal protection." Members of Congress may well be alarmed at this attempt to put Federal wage fixing on the highway program as a violation of States' rights and the spirit underlying our Constitution.

The bureaucratic determination of wages by the Secretary of Labor is far from the declaration of principle underlying our Government which up to this point has permitted the individual States to construct their own highways. The testimony presented to the committee does not dispute the excellent highway construction by the States, although labor's representatives began their statement with blanket accusations against contractors and existing practice.

Why was this labor legislation not considered by the proper committee, the Committee on Education and Labor? Was it because the proponents of this Davis-Bacon rider lacked confidence in the ability and knowledge of the members of the Labor Committee? Did we permit ourselves to be led into a field in which the Public Works Committee members have no special knowledge? Not a single member of the Labor Committee is a member of our Public Works Committee. Here are the rosters of both committees:

Education and Labor: Graham A. Barden; Augustine B. Kelley; Adam C. Powell, Jr.; Cleveland M. Bailey; Carl D. Perkins; Roy W. Wier; Carl Elliott; Phil M. Landrum; Lee Metcalf; James B.

Bowler; Earl Chudoff; Edith Green; James Roosevelt; Herbert Zelenko; Harris B. McDowell, Jr.; Frank Thompson, Jr.; Stewart L. Udall; Samuel K. McConnell, Jr.; Ralph W. Gwinn; Wint Smith; Carroll D. Kearns; Harold H. Velde; Clare E. Hoffman; Albert H. Bosch; Joe Holt; John J. Rhodes; Stuyvesant Wainwright; Peter Frelinghuysen, Jr.; Sam Coon; Orvin B. Fjare.

Public Works: Charles A. Buckley; George H. Fallon; Clifford Davis; John A. Blatnik; Robert E. Jones; John J. Dempsey; Frank E. Smith; Thaddeus M. Machrowicz; John C. Kluczynski; Tom Steed; T. Ashton Thompson; Brady Gentry; M. G. Burnside; Iris F. Blitch; James C. Wright, Jr.; W. R. Hull, Jr.; Kenneth J. Gray; Frank M. Clark; Paul G. Rogers; George A. Dondero; J. Harry McGregor; James C. Auchincloss; Russell V. Mack; Hubert B. Scudder; Myron V. George; Frank J. Becker; Gordon H. Scherer; Gardner R. Withrow; William C. Cramer; John F. Baldwin, Jr.; Fred Schwengel; Bruce Alger; Alvin R. Bush; Donald W. Nicholson.

The House Rules and Manual, describing the functions of both committees under subsection 687 on rules, establishes wages and hours and labor standards as within the jurisdiction of the Labor Committee.

Considering labor matters is not the prescribed field for the Public Works Committee, which, of course, only weakens the argument of those who now hold that these hearings should be the basis on which to adopt the Davis-Bacon provision as a part of this highway bill. It would be as appropriate for the Labor Committee to pass public-works legislation as a rider to a labor bill as our action in evaluating labor legislation. This is not the first time, however, that this Public Works Committee has invaded the field of another committee, for as we all know last year the Public Works Committee usurped the functions of the House Ways and Means Committee, with wasteful and unproductive results. Further, meetings of the Public Works Committee on this subject were hurried and brief and by no means exhaustive.

What did come out of these hearings? Was this a question of paying highway construction workers the prevailing wage rate? No. It was simply part of a jurisdictional dispute between the powerful AFL–CIO, on the one hand, and John L. Lewis' United Construction Workers on the other. Further, the AFL–CIO intended to organize the unorganized by means of Federal wage fixing. This would embrace all rural areas not now touched by labor's jurisdiction throughout the 48 States. We challenge and call to the attention of Members of Congress the question now posed—Is the highway bill to be used as a vehicle for promoting union welfare and an AFL–CIO organizational drive on the open shop and unorganized areas of the country, particularly the South and West?

All Members will be interested to know that the hearings actually contain court records and examples cited by the proponents of this Federal wage-fixing rider showing their questionable objectives. This is mentioned because of the shortness of time between the end of the hearings and this debate with the hearings only recently being printed.

Taking the representatives of AFL–CIO at face value, what was our committee told? Stripped to essentials the accusations of the four powerful international unions, which were widely circulated in this Congress and represented before the committee, charged, first, that highway construction contractors exploited their workers by the payment of starvation wages; second, that contractors imported workers from low-wage areas and dislocated the local economy; and third, that they refused to be organized by the unions. Or to quote them:

> With accelerated highway construction, intensified competition and entry of new firms into the field, we have witnessed the revival of the same inhuman conditions of the 1920's, for already these predatory contractors' tent caravans have dotted the landscapes of Federal-aid highway projects in Maine, New Hampshire, Massachusetts, Maryland, Pennsylvania, Indiana, Delaware, New Mexico, Arizona, and other States, solely because of their ability to obtain jobs by undercutting prevailing wage rates and importing distant cheap labor. Not only are some localities distressed with serious unemployment problems because of industry emigrating to low-wage areas, but this unemployment has been intensified by these construction crews immigrating from low-wage areas.

Or, as was further testified concerning Texas:

> The very worst labor laws that exist in this entire country, and which would actually drive us back to slavery, exist in Texas now.

The absurdity of such statements must be self-evident to every Member of this Congress who is aware of the relatively high wages and earnings of highway-construction workers today, whether union or nonunion, as compared with workers in other industries. In support of this statement, we call your attention to information in the record of these hearings containing wage studies by the Bureau of Labor Statistics and information from the Department of Labor and the Department of Commerce on wages and earnings in highway construction. The specific examples cited by labor in the testimony completely repudiate the allegations. But, before treating such an example, the Members should also know that in many instances the hearings contain flat contradictions, plain misstatements of fact, evasive answers, and failure to provide additional information as promised. But most serious and disturbing of all, which the Members of Congress should know, was the misrepresentation of information contained in court records, to which the labor witnesses continually referred, knowing all the time these documents contained information to the contrary.

However, it would be that labor's lawyer and spokesman at these hearings was misinformed and did not intend to maliciously misrepresent and distort the facts when testifying before our committee in citing their foremost example of employer exploitation; but the record speaks for itself, and your attention is respectfully called to the printed hearings.

In particular, the foremost example presented was Pennsylvania highway project F–161 (7) at Aliquippa, Beaver County, Pa., whose contractor was the Nello Teer Co. The basic charges made against the contractor were: First, using workers imported into Pennsylvania from low-wage areas; second, discriminating against union labor; and, third, paying wages which were less than local union rates. The court record showed the facts to be just opposite to the representations made by the witness, and are as follows: First, 300 workers were not imported from North Carolina to this job to be paid lower wages, as charged, but rather only 5 persons were brought to this job, and they were key personnel. The rest of the workers were local residents. Second, the record showed no discrimination against union labor, but that the contractor had a contract with the United Construction Workers of District 50, affiliate of United Mine Workers of America, and not the AFL–CIO, which evidently is the cause for the entire grievance of the AFL–CIO. Third, the court record showed wages were not less than the prevailing wage, but equal to union scale or higher, and complied with the laws of the State of Pennsylvania.

The record further showed that the AFL–CIO imported 300 pickets from other areas, mainly Pittsburgh, who picketed the job and who through violence and wanton lawlessness forced the contractor's employees of district 50 to leave their equipment and the job.

The violence and lawlessness arising in this jurisdictional warfare brings to focus again that the consideration of this entire wage-fixing provision should be before the Labor Committee and should be investigated at greater length. The court record also shows that the contractor, Nello Teer, was forced to get an injunction stopping the violence and permitting the resumption of work. When the union refused to abide by the injunction, an NLRB ruling was requested which then forced the AFL–CIO to a consent decree. As another self-contradiction before our committee the AFL–CIO labor lawyer never protested nor charged that any employee received less than the prevailing wage until coming before our committee. It is readily apparent that it is not the prevailing wage they want as they so frequently proclaim, but rather the complete organization of highway construction work by the AFL–CIO, even to the point of throwing out another union.

Based on this example at Aliquippa, which labor selected as exemplary, we on the committee and other Members of Congress may well ask why the Davis-Bacon provision should be included in the highway bill. The Aliquippa case was presented by labor itself as a good example of why Federal wage fixing was needed. The court record proves just the contrary. Further, it leaves unanswered why the AFL–CIO has the temerity to appear before a committee of Congress and mislead the committee. Further, the witness leaves unanswered, but the record does not, why the AFL–

CIO is dissatisfied. The reason, as borne out in the testimony, is simply interunion warfare. The record shows that the AFL–CIO disapproves the contractor's making a contract with the construction workers of the United Mine Workers Union. Could it be that the AFL–CIO further believes that the adoption of the Davis-Bacon provision would permit the AFL–CIO, a nationwide union, to extend union control throughout the rural districts of our several States in competition with the United Mine Workers construction workers? Surely the highway bill now under consideration is not to be the vehicle to provide such competitive union expansion with disregard for what is right and decent and has so successfully operated in the past. Nor should legislative action be taken based on such contradictory evidence. Is, therefore, the Davis-Bacon provision needed in the construction of highways? The answer is obviously "No."

Looking to the details of the Davis-Bacon provision itself, it is obvious that, first, it could well destroy the authority and present excellent operation of the 48 State highway departments. Certainly it would violate a time-honored State right. Further, the multitudinous job classifications, 250 and more, which the AFL–CIO want in order to protect their jurisdictional claims, would require many additional Government administrators, requiring time, and resulting in delay in the construction of highways.

It appears there would be, without question, many jurisdictional disputes over job classifications and work assignments. Thousands of rulings by the Secretary of Labor would result in many protests which could require Labor Department hearings, resulting in further delay. Should a contractor classify a worker contrary to the Labor Department's ruling, the result would be the blacklisting of the contractor and the possible cancellation of contract.

Most dangerous of all, there is no appeal from the ruling of the Secretary of Labor which violates the most basic of American principles, the constitutional separation and balance of powers. This is bureaucracy in its most dangerous form and is antithetical to all that Americans hold dear concerning freedom and the role of Government. Congress saw fit to amend the Walsh-Healey Act—a law similar to the Davis-Bacon Act—providing for judicial review of actions of the Secretary of Labor, but his decisions under the Davis-Bacon Act go unrestrained and unchecked, regardless of how capricious or arbitrary they may be. It cannot be said that the Labor Department hearings are equivalent to judicial review, for the Secretary of Labor in such hearings is at the same time the prosecutor, the judge, and jury. This again proves that the subject matter of Davis-Bacon or Federal wage fixing should be handled by the House Labor Committee which might well investigate the lack of jurisdictional review and the maladministration of this labor law by the Labor Department.

How about the increased cost of highways if the Davis-Bacon were added? It is variously estimated at two or four billion dollars, which means less highway for the money expended. The unfortunate part is that the administrative and bureaucratic red tape, which Federal wage fixing entails, causes waste from which no one benefits and for which the taxpayer must bear the burden. Even as many Members of Congress understand that the Public Works Committee would not increase authorizations, it is equally true that the Public Works Committee does not intend and should not cut the mileage of highway construction, which we feel will result from the increased cost of the Davis-Bacon provision.

Also, the local economies of our Nation would be knocked out of balance with the imposition of incorrect wage rates from Washington. No Federal administrator can be as accurate as the State and local authorities determining the prevailing wages. In this huge highway expenditure of money, 90 percent of which comes from the Federal Government, can anyone seriously and honestly contend that the States would underpay their own people by predetermining less than the prevailing wage?

Finally, as to labor itself, where is collective bargaining at this point? Is wage setting by the Secretary of Labor the good example of collective bargaining which the union witness proclaimed, or is it the reverse and destroys collective bargaining? Do workers want this, really? If wages are set by the Secretary of Labor and not by bargaining—since the wages would be set with or without union activity at the job site—cannot the Secretary also bureaucratically dictate wages to labor not of their liking? Could it be that the proponents of Davis-Bacon rider want to put the power of wage fixing in highway work in the Secretary of Labor and have "this Federal administrator fix their wages because they can control the fixer," as a most prominent Member of Congress and foremost authority speculated in testifying before our committee?

Members of Congress should bear in mind that the proponents of the Davis-Bacon rider have not only the present wording of the Davis-Bacon Act in mind but also some dangerous amendments to this law which are contained in H. R. 4566 now pending before the House Labor Committee. Among other things this bill not only would require the payment of prevailing wage rates as determined by the Secretary of Labor but also all sorts of fringe benefits, welfare payments, pension payments, and working conditions which may be found to be prevailing by the Secretary of Labor. His power would be greatly increased under this bill. Under such amendments to Davis-Bacon a powerful union could have its wage rates and working conditions complied with as a condition of obtaining Federal or Federal-aid contract regardless of whether that union represented the workmen in the area. Further, H. R. 4566 would require the payment of time and one-half after 8 hours a day and would extend the Davis-Bacon Act, as amended, to the entire Federal-State highway system and not just to the interstate system as the union witness assured the committee.

It is not a question alone of misadministration or maladministration by the Labor Department. This is simply a field better left to the States.

If there is any doubt left as to what the real purpose of the proponents of the Davis-Bacon provision is, may I call to your attention a significant development in the Public Works Committee in which the principle of prevailing wages was rejected in a States rights proposal. Specifically, this States rights amendment would have required the payment of prevailing wages on the Interstate System as determined by the appropriate State authority. Because this would protect States rights and the individual worker it was rejected in favor of Federal wage fixing by a Washington official. This States rights amendment reads:

> All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the interstate system authorized under section 108 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of contract covering each project.

DAVIS-BACON NOT NEEDED

The setting of wage rates on State highway contracts is not in the realm of Federal Government and experience shows, documented by the testimony we heard, that the Davis-Bacon provision should not be a part of this highway bill. Therefore, it should be stricken from the bill.

Mr. DONDERO. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. POFF].

Mr. POFF. Mr. Chairman, I take this time only to direct a question to the ranking minority member of the committee. I believe the answer is known to all, but I want to clarify the record as to whether or not a new highway cutting across a right-of-way owned by a utility would not require reimbursement of the utility. As I understand it, whether section 113 is in or out of the bill the utility would be reimbursed just like any other private property owner. Is that correct?

Mr. DONDERO. I think they would be.

Mr. POFF. And in such case would not reimbursement include the cost of acquiring a new right-of-way and the cost of relocating the facilities less salvage, of course?

Mr. DONDERO. It all depends upon the situation. I look upon it this way, that this bill proposes to reimburse costs where costs were incurred by the establishment of the interstate system and no doubt the gentleman's proposal would come under that interpretation.

Mr. POFF. Yes; the utility owning the property right in the right-of-way, would be treated as a private individual owning a house situated on the proposed right-of-way of a new highway.

Mr. DONDERO. Approximately that is correct. We have no further requests for time, Mr. Chairman.

The CHAIRMAN. Under the rule, the gentleman from Tennessee [Mr. Cooper] will be recognized for 1 hour, and the gentleman from New York [Mr. Reed] for 1 hour to control time allocated to the Committee on Ways and Means.

Mr. COOPER. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Tennessee is recognized.

Mr. COOPER. Mr. Chairman, I would like to discuss and explain the provisions of title II of H. R. 10660. As you know, title II of the bill had its origin in H. R. 9075 which was introduced by the gentleman from Louisiana [Mr. Boggs]. As amended by the Committee on Ways and Means, H. R. 9075 was ordered reported unanimously on March 19, 1956—House Report 1899. In rewriting the bill in executive session, the Committee on Ways and Means gave full consideration to the testimony of the Secretaries of the Treasury and Commerce and of the interested public witnesses who appeared during the course of the five days of public hearings held in connection with the bill.

H. R. 9075 was combined with H. R. 8836, as amended by the Committee on Public Works, in H. R. 10660 which was introduced by the gentleman from Maryland [Mr. Fallon] on April 19, 1956.

Title II is substantively identical to the provisions of H. R. 9075 as it was reported by the Committee on Ways and Means. On April 20, 1956, I furnished the Chairman of the Committee on Public Works an explanation of title II for inclusion in the report on H. R. 10660. This explanation is the same as the report of the Committee on Ways and Means on H. R. 9075, except for certain changes to reflect the fact that H. R. 9075 has been included in H. R. 10660, and that two bills affected by title II of H. R. 10660 have become law since the Committee on Ways and Means reported H. R. 9075. These bills are now Public Laws 458 and 466, which relate to the Tax Rate Extension Act of 1956 and the farmers' gasoline tax refund respectively.

Title II of H. R. 10660 is designed to raise sufficient revenue from new and existing highway-user taxes to approximately match estimated Federal highway expenditures under H. R. 8836, the Federal highway bill of 1956, as it was introduced by the Honorable George Fallon. Therefore, the proposed highway program is self-financing. In this connection it is important to note that the Committee on Public Works has made no change in the provisions of H. R. 8836 as it now appears as title I of H. R. 10660 which requires changes in the revenue estimates contained in the original report of the Committee on Ways and Means on H. R. 9075 and in the explanation furnished by the Committee on Ways and Means and incorporated in the report accompanying H. R. 10660—House Report No. 2022.

To this end, title II of H. R. 10660 embodies a financing program which utilizes certain existing or basic highway taxes, increases in such taxes, and certain new taxes. As I will shortly explain, provision is made in title II for a highway trust fund into which will be paid amounts equivalent to the designated existing highway-user taxes, the increases in such taxes, and the new taxes.

EXISTING TAXES

The existing or basic highway-user taxes which will be utilized for financing the proposed Federal highway program under the provisions of title II are:

First. Gasoline, diesel fuel, and special motor fuels, which are taxed under existing law at 2 cents per gallon;

Second. Tires and inner tubes, which are taxed under existing law at the rate of 5 and 9 cents per pound, respectively.

NEW AND INCREASED TAXES

The new revenue sources are:

First. A 1-cent-a-gallon increase in the gasoline, special motor fuel, and diesel fuel taxes, raising these taxes to 3 cents;

Second. An increase of 3 cents a pound in the tax on tires of the type used on highway vehicles, as well as a new tax of 3 cents a pound on camelback for retreading such tires;

Third. A 2 percentage point increase in the manufacturers' tax on trucks, buses, and truck trailers; and

Fourth. A new annual tax of $1.50 per 1,000 pounds of taxable gross weight on the use of trucks and buses weighing over 26,000 pounds which are registered—or required to be registered—for use on highways.

The rate changes made by the tax increases detailed above, and the rates applicable to the new taxes as well are effective for the 16-year period July 1, 1956, through June 30, 1972.

The provisions of Public Law 458, H. R. 9166, the Tax Rate Extension Act of 1956, which extends the rates on gasoline, diesel fuel, and special motor fuels of 2 cents per gallon, together with the existing rate of 8 percent on trucks, buses, and truck trailers, to April 1, 1957, are taken into account.

I would like to say just a few words in explanation of each of the increased or new taxes:

1. DIESEL AND SPECIAL MOTOR FUELS

The tax on diesel fuel already applies only in the case of diesel-powered highway vehicles. Title II makes no change in this. The tax on special motor fuels at the present time applies in the case of fuel used for the propulsion of motor vehicles, motorboats, and airplanes, however, the bill provides that the new 3-cent tax is to apply only to special motor fuel used in the propulsion of motor vehicles. The tax on special motor fuel used in the propulsion of motorboats or airplanes will remain at 2 cents. The effect of these provisions is to relieve nonhighway type vehicles and other equipment from the additional 1-cent-a-gallon tax in the case of both the diesel fuel and special motor fuel taxes.

Under the bill, the tax rates applicable to diesel and special motor fuels will revert to 1½ cents a gallon on July 1, 1972, the same rate which under Public Law 458 will be effective on April 1, 1957.

2. GASOLINE

Title II increases the tax on gasoline from 2 to 3 cents a gallon. However, this 3-cent-per-gallon rate will apply only in the case of gasoline for use in highway type vehicles. As in the case of diesel and special motor fuels, nonhighway type vehicles and equipment will be relieved from the additional 1-cent-a-gallon tax.

The 3-cent-a-gallon tax on gasoline will revert to 1½ cents a gallon on July 1, 1972.

3. TIRES, INNER TUBES, AND TREAD RUBBER

The bill divides tires into two categories:

First. Those of the type used on highway vehicles, which would be taxed at the rate of 8 cents a pound; and

Second. Tires used on nonhighway vehicles, such as tractor tires, which will continue to be taxed at 5 cents a pound.

No change is made in the 9 cents a pound rate on inner tubes.

The new tax on tread rubber is levied at the rate of 3 cents a pound. However, an exemption is provided for tread rubber which is sold for use otherwise than in the retreading of tires of the type used on highway-type vehicles.

In general, a highway vehicle is a vehicle which, if new, would be subject to the manufacturers' excise on trucks, buses, passenger cars, and so forth, or which is a motorcycle. This, of course, means that tires, such as bicycle tires, will not be subject to the increased tax of 3 cents per pound proposed under the bill. This will also be the case with respect to tread rubber since that tax will apply only in the case of tread rubber sold for use in the retreading of tires of the type used on highway vehicles.

On July 1, 1972, the tax on highway vehicle tires will revert to 5 cents a pound, and the new tax on tread rubber will become inapplicable.

4. TRUCKS, BUSES, TRUCK TRAILERS, ETC.

At the present time the ad valorem tax on trucks, buses, and truck trailers is 8 percent of the manufacturers' sales price. The bill raises this rate to 10 percent for the period June 30, 1956, to July 1, 1972, when a 5-percent rate becomes effective.

5. SPECIAL TAX ON HEAVY HIGHWAY VEHICLES

The new tax on the use of heavy trucks and buses will be applicable to vehicles which are registered or required to be registered for use on the public highways and which weigh more than 26,000 pounds. The rate for this tax is $1.50 per year for each 1,000 pounds of taxable gross weight, or fraction thereof. Thus, a truck having a taxable gross weight of slightly more than 26,000 pounds would pay the minimum tax of $40.50.

An exemption is provided from this transit buses if the bus in question is of use tax in the case of mass or local the transit type, and at least 60 percent of the passenger fare revenue of the bus system involved is attributable to fares which are exempt from the excise tax on transportation of persons on the grounds that such fares do not exceed 35 cents or are commutation fares.

6. FLOOR-STOCK TAXES

Floor-stock taxes are provided with respect to the additional taxes and the new tax on tread rubber. They apply to inventories of dealers on hand on July 1, 1956, of—first, trucks, truck trailers, buses, and so forth, 2 percent; second, tires of the type used on highway vehicles, 3 cents a pound; third, tread rubber, 3 cents a pound; and fourth, gasoline, 1 cent a gallon but not applicable to retail inventories.

The floor-stock tax imposed on tread rubber will not apply to tread rubber used otherwise than in the retreading of tires of the type used on highway vehicles.

Floor-stock refunds are provided in the bill with respect to inventories, on hand on July 1, 1972, of the same items on which the floor-stock taxes are imposed.

To the extent administratively feasible, the new taxes and the increased taxes are limited to highway users. Generally, this is accomplished in the bill by basing the new and additional taxes upon fuels, tires, and so forth, sold for use in connection with highway-type vehicles. If this were not the case, extremely difficult apportionment problems would result. For example, it would be impossible to determine how much of a tire's life had been used on the public highways until the tire was entirely worn out. Complicating this difficulty is the fact that tires are often retreaded until the carcass is incapable of further use.

REFUNDS OR CREDITS

Special refunds or credits have been provided in the bill to cover cases where gasoline, diesel fuel, or special motor fuel, which is sold at the rate of 3 cents a gallon on the assumption that it would be used in highway vehicles or motor vehicles is used or resold for use for other purposes which, therefore, should be taxed at 2 cents a gallon. Similarly, a refund or credit is provided to cover the case of tread rubber which is taxed at 3 cents a pound, and subsequently used or resold for use otherwise than in retreading tires of the type used on highway vehicles.

The bill also provides a refund or credit for the additional 1-cent-a-gallon tax on gasoline, diesel, and special motor fuels used by local transit systems, but only if at least 60 percent of the total passenger fare revenue—excluding tax—of the system is derived from fares which are exempt from the transportation tax under section 4262 of the Internal Revenue Code of 1954. Under section 4262, commutation and season tickets and single fares of 35 cents or less are exempt from tax. The refund or credit thus allowed to local transit systems will be at the same ratio as the passenger fare revenues exempt from tax bears to the total passenger fare revenues of the transit system. As mentioned above, transit buses are also exempt from the tax on heavy trucks and buses.

TRUST FUND

The bill creates a fund to be known as the highway trust fund. In most respects, the highway trust fund thus established is to be handled in a manner similar to that provided for the trust fund for the old-age and survivors insurance program. Generally, the highway trust fund will consist of the receipts of all of the basic, additional, and new taxes imposed by title II of H. R. 10660 for the period beginning July 1, 1956, and ending June 30, 1972. These include, first, the 2-cent basic and the 1-cent per gallon increase in the tax on gasoline, diesel, and special motor fuels; second, the 5-cent basic and 3-cent per pound increase in the tax on tires; third, the 2 percentage point increase in the manufacturers' excise tax on trucks, buses, and truck trailers; fourth, the new tax on tread rubber; fifth, the use tax on heavy trucks and buses; and sixth, the floor stock taxes imposed by the bill.

The bill further provides that funds may be appropriated from the general fund of the Treasury to the trust fund, as repayable advances, when required to meet the expenditures incurred under the highway program proposed in title I of H. R. 10660. Provision is also made for the repayment of such advances out of the trust fund to the general fund at such time as the Secretary of the Treasury determines that moneys are available in the trust fund for such purpose. Excess funds in the trust fund are to be invested in Government obligations at interest and advances are to be repaid with interest.

Since the administration has taken the revenues derived from the basic taxes on motor fuels, tires, tubes, and trucks, buses, and truck trailers into account in its budget estimates for the fiscal year 1957, it was necessary to make certain adjustments with respect to these basic taxes to avoid an adverse effect on the budget for that year. To this end title II of H. R. 10660 provides that only those amounts which are received from such taxes after June 30, 1956, and attributable to liabilities incurred after that date are to be paid into the trust fund. In addition, it is provided that the basic tax of 5 cents per pound on tires and the 9 cents per pound basic tax on tubes will not be paid into the trust fund until after June 30, 1957.

Another adjustment is made necessary by the fact that the bill fixes the manufacturers' excise tax on trucks, buses, and truck trailers at 10 percent of the manufacturers' sales price until June 30, 1972. The present rate of this tax is 8 percent and, while it was scheduled to revert to 5 percent on April 1 of this year, Public Law 458, the Tax Rate Extension Act of 1956, extends the 8-percent rate until April 1, 1957. Therefore, for the fiscal year 1958 and subsequent years the trust fund receipts will also include 3 percentage points of the ad valorem tax on trucks, buses, and truck trailers, or a total of 50 percent of the receipts derived from that tax.

Because of the adjustments referred to above, the provisions of title II will have no adverse effect upon the budget for the fiscal year 1957.

Under the bill, amounts in the trust fund are to be available, to the extent provided by appropriation acts, for expenditures after June 30, 1956, and before July 1, 1972, to meet obligations of the United States incurred under title I to the extent the expenditures are attributable to Federal-aid highways. The total of such expenditures is estimated at $37,308 million. Tax receipts under title II are estimated at $38,498 million for the 16-year period covered by the bill. Thus, tax allocations into the trust fund are expected to exceed highways expenditures by $1,190 million. However, since it is estimated that interest to be paid on repayable advances made from the general fund of the Treasury to the trust fund will amount to $674 million, a net balance of $591 million will remain for additional highway expenditures in 1970 and subsequent years.

I should point out that revenues have been forecast on a conservative basis, while expenditures have been estimated on a liberal basis so that in all probability an even larger balance may result and be available for additional highway expenditures.

Title II contains a declaration of policy to the effect that it is the intention of Congress to bring about a balance of total receipts and total expenditures of the trust fund for the entire period involved, and states that if it hereafter appears that this balance will not be obtained, then Congress is to enact legislation in order to bring about such balance.

STUDIES

While the Committee on Ways and Means believes that the existing taxes, the new taxes, and the additional taxes reflected in title II of H. R. 10660 is the most equitable distribution of the tax burden among classes of highway users which can be obtained on the basis of present information, and while the bill imposes a special tax on heavy vehicles, the inadequacy of present data makes it difficult to determine with certainty whether or not more of a differential between classes of highway users is desirable. Therefore, the Committee on Ways and Means has called for the preparation of studies which will make such determinations possible in the future. To this end, title II requires the Secretary of Commerce, in cooperation with other Federal agencies, and with the State highway departments to make a study of the effects of highway use by various classes of users; and based on such effects the proportionate share of design, construction, and maintenance costs attributable to each of the various classes of highway users, together with the direct and indirect benefits derived by each class of users.

The Committee on Ways and Means has agreed to establish a subcommittee to receive this study, to examine its conclusions and make such recommendations for the redistribution of the tax burden as appears advisable in the light of this study.

I urge the House to pass H. R. 10660. The roads which will be built by the revenues which will be produced under title II are long overdue. The American people will derive large benefits in personal safety, convenience and an increased flow of goods and commerce under the provisions of this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Iowa.

Mr. GROSS. On page 72 of the report I find this language:

> Under H. R. 9075 all of the present tire and tube taxes and 37½ percent of the present manufacturers' excise taxes on trucks and buses will be diverted from the general revenue to the highway fund after July 1, 1957.

What becomes of the rest of the tax?

Mr. COOPER. Up until the time that the trust fund comes into operation it continues as at present, but after that date, generally speaking, all of the new increased taxes go into the trust fund. The tire and tube taxes together with half of the tax on trucks, buses, and trailers, will go into the trust fund, effective July 1, 1957.

Mr. GROSS. But only 37½ percent.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Arkansas.

Mr. MILLS. The answer, I think, to the gentleman's question is that the remaining 50 percent of the overall excise tax on trucks, buses, and trailers, goes into the general fund, as all of it does now.

Mr. COOPER. Just as at present.

Mr. GROSS. That is what I feared. You are continuing the old policy of not earmarking all the funds which come from the various taxes upon the operators of motor vehicles. We are not dedicating all of that to road-building purposes, are we?

Mr. MILLS. The gentleman from Iowa will be interested in knowing that the tax on trucks and heavy vehicles of that sort which is now 8 percent reverts to 5 percent on April 1, 1957, under existing law. We are making that tax 10 percent for a period of 16 years. We are leaving in the general fund that part of the tax that under permanent law goes to the general fund at the present time, but the extra 50 percent we are earmarking and putting in this trust. We are earmarking and putting in the trust the 3 cents on gasoline. We are doing that for motor fuels. We are doing that after July 1, 1957 for the tax on tires and tubes. So that we are earmarking actually more for this fund than the Secretary of the Treasury suggests that we should earmark for it.

Mr. GROSS. Is the gentleman going to speak on this proposal?

Mr. MILLS. I did not intend to.

Mr. REED of New York. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, our distinguished chairman of the Committee on Ways and Means [Mr. Cooper] has made a very exhaustive presentation of the technicalities of the bill. At this point I want to say to the House that he deserves great credit for the fine way in which he conducted the hearings on the revenue features of this bill. I also want to commend the members of both the minority and majority for their patience and hard work on this bill.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Arkansas.

Mr. MILLS. I would like the House to know that the able and tireless assistance of the gentleman from New York was most valuable in framing the revenue features of this bill. He offered several amendments in the committee during executive session that helped considerably to improve the revenue features of this program. The House should know that and I want to take this opportunity of so advising the House.

Mr. REED of New York. I thank the gentleman very much.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. COOPER. I certainly concur in the remarks that have just been made. I know my good friend, the distinguished gentleman from New York, the ranking minority member and former chairman of our committee, joins with me in feeling a great degree of pride in the fact that this bill was reported unanimously by our committee. This was due in no small part to his constructive work.

Mr. REED of New York. I am happy that it was so reported. I thank the gentleman very much.

Mr. Chairman, I strongly support President Eisenhower's recommendations for an interstate highway system. I believe that legislation to give effect to his recommendation has already been too long delayed. For this reason, I support H. R. 10660 because it appears to form the only practical basis for legislation at this time.

The Nation badly needs the bold approach to the highway program which President Eisenhower's recommendations represent. We all know that our highway system is badly out of date. Its present inadequacy is stifling the natural growth of our economy. Our present road system is taking a tragic toll of human lives. It is high time that this Congress take vigorous action to correct this situation.

Those of us from New York State know from personal experience the tremendous advantages of a modern highway system. The New York State Thruway will cover 427 miles when completed. Already, it has been estimated that the throughway has resulted in the construction of more than $150 million worth of new enterprises, with an annual payroll of more than $100 million. These new enterprises have been estimated to employ about 30,000 people, and they range from a $4 million television assembly plant at Batavia, N. Y., to a $30 million shopping center at Yonkers, N. Y. This impetus to the economy of our State is truly extraordinary when it is realized that the throughway has not yet been completed.

Moreover, the thruway has resulted in greater speed and efficiency of transportation, combined with more economical operation. Not only has this been accomplished, but the accident rate has dropped in a truly extraordinary fashion. The accidental death rate on the Thruway for 1955 was 2.8 per 100 million vehicle-miles, compared to a rate of 5.3 for New York State as a whole, and 6.5 for the United States. In other words, Mr. Chairman, this great new road has on the average cut in half the terrible accident toll which is occurring on our Nation's highways. Therefore, in terms of the preservation of human values, the proposed highway program of President Eisenhower deserves the support of all.

As has already been explained to the membership of this House, this bill contains a tax program designed to pay for the proposed highway system. I do not like to impose any new taxes upon the American people who are already overburdened in this regard. However, I support the tax program contained in this bill, although reluctantly, because I have become convinced that it forms the only basis upon which this essential highway program can be enacted. I do find some consolation in the fact that the increased tax costs to the average American will be more than made up by savings derived by him from the increased efficiency and safety of our roads.

The Committee on Ways and Means endeavored to distribute this new tax burden in as fair a manner as possible. When the bill was introduced, the new taxes fell equally on all highway users. The same tax increases applied to small tires and large truck tires equally. The same tax increase applied to gasoline and diesel fuel. In other words, exactly the same tax increase applied to the heavy-truck operator as applied to the average motorist. In my opinion, this was unfair. I do not think there can be any argument over the fact that big trucks wear out the roads faster than does the average passenger car. For this reason, I offered an amendment to require the heavy interstate type of truck to pay a somewhat larger portion of the cost of this program. This amendment which the committee adopted and which is contained in H. R. 10660, simply imposes a tax of $1.50 for each thousand pounds of weight of trucks whose gross weight is 26,000 pounds or more. This new tax will bring in between $800 million and $900 million over the life of the program.

I would like to summarize briefly the other tax provisions in the bill. First, the present 2 cents per gallon tax on gasoline, diesel fuel, and special motor fuels, is increased to 3 cents. Secondly, the present 5 cents per pound tax on tires is increased to 8 cents. Third, a new tax of 3 cents per pound is imposed on tread rubber. It will be seen that this new 3 cents tax is equal to the 3 cents increase in tax on new tires. The committee was of the opinion that this action would serve to maintain the present competitive relationship between new tires and retread tires. Fourth, the present 8-percent manufacturer's excise tax on trucks, busses, trailers, and so forth, is increased to 10 percent. Finally, the bill imposes the new use tax on heavy trucks which I have already described.

I believe that it is important to emphasize that the bill provides for the establishment of a highway trust fund. The receipts from the taxes levied to finance this program will be required to

be placed in this trust fund. The existence of this fund will insure that these receipts will not be diverted to other purposes. Moreover, it will make it easier for the Congress as well as the public to know exactly how much the program is costing and to determine to what extent the costs are being met on a pay-as-we-build basis.

One aspect of this bill has given me as well as other members of our committee considerable concern. The majority has described this bill as a pay-as-we-go program. To some extent, it is. However, in certain important respects, it is not. For example, all of the present tire and tube taxes and a substantial portion of the present excise tax on trucks and busses will be diverted from the general revenue to the highway fund after July 1, 1957. These taxes together amount to about $5 billion over the remaining life of the trust fund ending in 1972. The diversion of these taxes, which have always been regarded as ordinary excise taxes available for general purposes, will require new taxes of an equivalent amount to make up the deficiency in the general fund or will prevent general tax relief of this same amount. Therefore, the Congress must recognize that the diversion of these taxes to the highway fund represents a departure from the pay-as-we-build theory of raising new money to pay for the new expenditures required by the highway program.

I am heartily in favor of this bill and I hope it will pass the House by unanimous vote.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman.

Mr. SIMPSON of Pennsylvania. I was able to attend most of the meetings held in connection with the tax provisions of this very important piece of legislation. Every moment I was there the distinguished former chairman of the Ways and Means Committee, now the ranking minority Member, was present, and he contributed greatly to the proceedings in connection with this vital proposal of national interest. I commend him to the country for the continued sacrifices he is making on behalf of good government for all of the people of our country.

Mr. REED of New York. I thank the gentleman.

Mr. Chairman, I yield back the remainder of my time.

Mr. COOPER. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS. Mr. Chairman, I do not plan to take all of this 15 minutes, as it is quite obvious that most of the Members of this body understand this legislation and seem to be in favor of it. By way of a review, however, I should like to point out some of the steps which have finally brought us to this happy state.

Last year you will recall the other body passed a bill which did not incorporate any revenue measures. Legislation was then introduced in this body and was referred to the Committee on Public Works. Thereupon the Chairman of the Ways and Means Committee appointed a subcommittee which met with the Public Works Committee in an effort to draft the revenue provisions of the then Fallon bill.

Serving as chairman of that subcommittee it soon became rather obvious to me what the main problems were. No. 1 was whether or not we should consider or accept the bond proposal.

No. 2 was: If we accepted a pay-as-you-go proposal, what type of proposal should it be? And that involved a discussion of rate differentials and of other matters. Both in committee and subsequently on the floor of this body the bond proposal was rejected. I think this body was wise in so rejecting that proposal, because had we adopted it we would have spent about $11 billion or $12 billion in interest over a 30-year period and in addition we would not have gotten as many roads as we will get under this proposal. At the same time we also rejected the financing proposals incorporated in the Fallon bill last year.

This year, starting over again, the authorization proposals went to the Public Works Committee and the taxing proposals went to the Ways and Means Committee. We conducted very extensive hearings on the taxing proposals. I have been very pleased to note all of the compliments which have been paid here this afternoon. I think it is in order to compliment the members of the staff of the Treasury Department, of the respective committees, of the Joint Committee on Internal Revenue Taxation, and the Department of Commerce, and the Bureau of Roads. Those gentlemen had a very difficult task indeed: The problem of estimating revenues over a 15- or 16-year period to say the least is a unique one. The problem of estimating contractual costs and construction costs over a similar period of time was equally difficult. The problem of estimating cost differentials between different types of users of the highway was another problem that was certainly very difficult. And all of these other items, the exemptions particularly which we have written into this bill were matters that required the most astute technical knowledge, and in that endeavor we also had, as usual, the very able assistance of the Legislative Counsel's office.

So I believe this legislation is in its rather happy state today as compared to last year because: No. 1, there has been a general recognition on the part of Members of this body that one of the things that this Nation needs in its economic development and in its vast expansion is a highway program.

No. 2: The sound way to get that program is to pay for it over the period during which we are building it.

So, having reached that fundamental agreement our problem was not too difficult thereafter. I must say also that generally the industries that are being taxed, as well as the motorists, have come in through their spokesmen and have given their assent and their approval to this legislation. The rubber manufacturers, the automobile manufacturers, the truckers and the others have all recognized the vital importance of this legislation to our country and to our pepole. I repeat, that we find ourselves more or less in agreement this afternoon because there has been general agreement in the country and a general recognition of the necessity for facing this problem.

Just by way of emphasis, I should like to point out several things that we have done in this legislation which I think mark very significant steps in the right direction.

No. 1: The creation of the so-called highway trust fund. For a great many years now highway users have complained, and I think with some justification since the conclusion of World War II and the Korean conflict, that vast revenues were being collected from them but were not being used for purposes of building highways. This bill recognizes that complaint and it establishes the highway trust fund which dedicates most of these funds to highway construction and for that purpose only.

The fund is set up by and large on the same theory and under the same type of basic administration as the social security trust fund. It is fiscally sound and is solvent over the 16-year period.

The other points of great significance have been the fact that we have ordered a fair and comprehensive study of highway costs as compared to use. I would like to pay particular tribute to the gentleman from Arkansas [Mr. Mills] who suggested that study. In my opinion, it will be invaluable to the Congress in years to come because we provide in the bill before us that succeeding Congresses will take a look at this program from time to time.

I might point out also, that throughout, in the matter of financing we have been highly conservative. It is very difficult, of course, to estimate revenues over a 15- or 16-year period, but throughout those estimates we have used averages which the respective industries tell us are highly conservative. It is not improbable, it is even probable, that our estimates are very low and the yield from these revenues will exceed our expectations. I might remind the Members of this body that we have been off on estimates in many things.

The Treasury Department estimates of revenue receipts this year, for fiscal 1956, prove to be off by $4.5 billion, and it now appears that the estimates for next year will also be off. So, if our economy continues to expand—and I have every reason to believe that it will—financially we will be in very good shape to pay for these roads and we will not be mortgaging our future to pay for them.

In addition to that, we were informed by the Committee on Public Works, by their experts, that their estimates were considered liberal. By that I mean that in projecting the costs over a period of 10 or 12 or 13 years they anticipated certain increases in those costs which in their judgment were liberal. So, we figured the costs high and the revenues low in order to produce a sound piece of legislation.

Now, one final point, and I should like to read these figures to all of you.

The average motorist today is paying only 10 cents out of each dollar spent during the course of the year, because he owns an automobile, for highways. He is paying the other 90 cents for other costs. Yet, the average motorist is today paying for the roads which he ought to have and does not in the form of increased insurance costs which amount to far more to the individual motorist than all of the Federal and State highway users' taxes paid by him combined. I think few people realize that our safety rate on the American highways has dropped so low. I believe there were something like 40,000 Americans killed on the highways last year and billions and billions of dollars of property damage and other casualty losses. But the rates have sunk so low that the average motorist today is paying much more for insurance than he is paying in user taxes for his vehicle. Property damage, loss of life, personal injuries, doctor and hospital bills, loss of wages, increased costs which the creeping pace of commerce imposes, represent a fantastic burden upon the commerce of our country today. Now, it is estimated that these new revenue measures will cost the average motorist $8.83 a year. In exchange therefor he will gain about $20 or a net of about $12 in savings in insurance, maintenance, less damage, less loss of time and wages, and other reduced costs. So, believe it or not, by building this highway system the average motorist can pay for it and save money at the same time by reducing his other costs which have become tremendous because of our present antiquated highway system.

Mr. Chairman, I am very pleased, indeed, that as the result of the joint effort of these two great committees and the work of the staffs of these committees, and the Treasury Department, and the Commerce Department, and of both parties working jointly we can soon, I hope, present to the American people a highway program which will spell progress for many years to come.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Virginia.

Mr. HARDY. I am grateful to the gentleman for his comment about the self-financing features of this program, and I was particularly glad to hear the observation that the revenue estimates were figured on the conservative side.

I would like to have an explanation of something I do not quite understand in the tabulation on page 53 of the report. Do I understand from the last column that it is anticipated that beginning in the fiscal year 1962 there will be a deficit in the financing of a little over half a billion dollars, which will increase and continue until 1972?

Mr. BOGGS. Yes; the gentleman is correct.

Mr. HARDY. So that the effect will be to temporarily increase the national debt, in order to finance the highway program?

Mr. BOGGS. That deserves a considerable amount of explanation. Let me put it this way to the gentleman: Using the estimates to which I have just referred as being highly conservative, the program is fiscally sound over the 16-year period. Of course, there will be years in this program, unless it is changed somewhere down the line, when construction is at its peak, when we may have temporary deficits. But under the trust fund, in the surplus years—if the gentleman will refer again to that same chart at page 53, he will note that 1957, 1958, 1959, 1960, and 1961 are all surplus years. In 1 year it amounts to over $1 billion. That money is invested in Government bonds at interest. In the deficit years it is borrowed from the general fund of the Treasury at interest. The net, however, is a surplus over the 16-year period, under our present estimates, of over $½ billion.

Mr. COOPER. There will be an excess of receipts over expenditures of $1.19 billion not taking into account interest.

Mr. HARDY. I thank the gentleman for that explanation. But on the assumption that these estimates are conservative and that the revenues will probably be in excess of what has been estimated, it presents a very pretty picture. Suppose, however, we should run the other way. I wonder if there should not be some tie-in between the amounts authorized and the receipts into the trust fund in the event the trust-fund income should fall down.

Mr. BOGGS. I might say to the gentleman that the authorizations are still on an annual basis—the authorizations in title I of the bill. For instance, there would be an intent for an annual increase of $25 million through 1969. But that requires additional implementation.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Arkansas.

Mr. MILLS. I want the gentleman from Louisiana [Mr. Boggs] to call to the attention of the gentleman from Virginia [Mr. Hardy] the provision of the bill, which is there for the very purpose of the Congress being abreast of these developments. In the event that we have miscalculated for, say, fiscal year 1965 and thereafter, we shall look at the entire program again. We commit ourselves in this bill by a policy statement to provide such revenues as may be needed, additional revenues in the future, if necessary, to keep the program self-financing.

The gentleman, I think, may be assured that the statement of the gentleman from Louisiana [Mr. Boggs] is correct, that over the 16-year period these revenues going into the trust fund will at least equal if not exceed the amount of the expenditures. There will be periods, in all probability, certain fiscal years, when expenditures will exceed the receipts in those fiscal years. That is the way the highway program, by its nature, will work. Apparently that is what disturbs the gentleman from Virginia.

Mr. HARDY. Mr. Chairman, I am sure that these distinguished colleagues of mine are exercising their best judgment in projecting these figures into the future. But that is a rather difficult thing to do. I certainly hope that the projections are on the conservative side. But I am wondering what would happen if they are not.

Mr. BOGGS. The gentleman from Arkansas [Mr. Mills] has answered the gentleman from Virginia.

Mr. HARDY. He has answered the gentleman from Virginia except for this: The policy of taking a look at the situation would require an affirmative action on the part of the Congress to undo the authorizations which this bill provides.

Mr. MILLS. No; not to undo the authorization. It might require affirmative action of Congress to provide some additional revenue in the future if these estimates do not develop to be correct. However, I remind the gentleman that our expenditures estimates include those where there is only an expression of intent and would require implementing legislation.

Mr. HARDY. Then the gentleman is taking the position that the authorization would be inflexible and we would have to find the revenue some other way.

Mr. MILLS. Well, in one way or another, if we go through with the expressed intent and we do not have the money, again I say that there is an expression of intent that the program is to be self-financing. We believe that it is as contained in the bill.

Mr. BOGGS. Mr. Chairman, the distinguished chairman of the Committee on Ways and Means, the Honorable Jere Cooper, has given an excellent technical discussion of title II of the bill, H. R. 10660. I would like to point out some of the advantages which will accrue to the various classes of highway users under title II of the bill.

As you will recall, Mr. Chairman, I was appointed chairman of the subcommittee of the Committee on Ways and Means designated to attend the sessions of the Committee on Public Works held last summer in connection with the original Fallon bill, for the purpose of offering such advice and cooperation as members of the Committee on Ways and Means and the staff of the committee could supply in connection with the financing plan then under consideration. As a result of my connection with this subcommittee, I became very familiar with the highway needs of the American people and the interests of the various classes of highway users who benefit from our highways. Let me say that I discovered that virtually every highway user group—from the American Automobile Association to the various trucking organizations—has for years recommended that the Federal excise taxes levied upon highway users be dedicated and set aside for the purpose of financing the improvement and extension of the Federal highway system. This recommendation is premised upon the intense feeling of highway groups that it is only fair to utilize the Federal excise taxes on gasoline, diesel fuel, special motor fuel, lubricating oil, passenger automobiles, trucks, buses and trailers, automobile parts and accessories, and tires and tubes, for the purpose of constructing roads.

Section 209 of title II of H. R. 10660, which establishes the highway trust fund, will carry this recommendation into effect. By its terms, the 38 billion, 498 million dollars in highway users' revenues, which will be raised over the 16-year period, from June 30, 1956, to July 1, 1972, will be dedicated to the building of highways. The specific taxes dedicated under the highway trust fund provision include the existing taxes on gasoline, diesel and special motor fuels, and tires and tubes, the increases in such taxes imposed by the bill, and the new taxes on tread rubber and the use of heavy trucks and buses, and the additional taxes on the sale of trucks, buses, and trailers. Thus, for the first time, the American motorist will pay these taxes with the assurance that he will be the direct beneficiary of every penny which he pays and he will pay with the knowledge that every cent derived from these taxes will be devoted exclusively to his personal convenience and safety.

In this connection, I think the Members of the House will find table 4 of the House Report No. 2022 accompanying H. R. 10660 of interest. As shown in this table, the burden of taxation imposed upon the highway users groups from existing Federal highway users taxes will amount to $40,948,000,000 alone over the next 16 years. When the new and increased taxes imposed under the provisions of the bill are added to the existing tax burden, the figure rises to the tremendous sum of $55,756,000,000. The difference betwen this figure and the $38,498,000,000 figure, which will be dedicated to the highway trust fund, results from the fact that the existing highway users taxes on lubricating oil, the sale of passenger automobiles and automobile parts and accessories and the pre-Korean tax on trucks, buses, and trailers are not dedicated to the highway trust fund. The revenue from these taxes will continue to be paid into the general fund of the Treasury for other purposes.

In addition to the dedication of the present 2 cent per gallon tax on gasoline and other motor fuels, which was recommended by the President, the Committee on Ways and Means believes it only proper to use the existing taxes on tires and inner tubes in the financing of the expanded highway program envisioned by the bill. These taxes are just as clearly highway users taxes as the motor fuels which Congress has traditionally recognized as such. The dedication of the existing taxes on tires and inner tubes amounts to no more than a recognition of the fact that substantial benefits from the highway program will accrue to the economy as a whole. In addition, I need not recall to my distinguished colleagues that this highway program has been advocated because it is essential to the country's national defense.

The dedication of the tax on tires and tubes to the highway trust fund is made necessary for another reason. Up to now, the Federal Government has assisted in the financing of the highway program by matching State funds on a 50–50 basis. Since the interstate program will be financed under the bill by matching State funds on a 90–10 basis, the dedication of more of the existing highway users taxes becomes imperative.

Because the revenues raised by this bill are to be dedicated to the highway program, the additional motor fuel taxes; the taxes on tires; tread rubber; the manufacturers tax on the sale of trucks, buses, and trailers; and the tax on the use of heavy trucks and buses have been limited to apply to highway users insofar as it is administratively practical to do so. In addition, special relief is provided in the case of increased motor fuel taxes and the tax on the use of heavy trucks and buses for mass transportation systems. This relief is provided because many such systems are already operating near or below the break-even point, and it was feared that the imposition of additional taxes upon these systems would adversely affect the continued provision of such transportation which is essential to the large urban and suburban population of the country.

Important as the point which I have been discussing is, Mr. Chairman, the most important attribute of the financing plan envisioned in title II of this bill is the fact that the American motorist will purchase exactly $38,498,000,000 worth of roads for the same amount of taxes. This is to be contrasted with the President's bond financing program which would have provided only $31,225,000,000 worth of roads at the cost of $42,773,000,000. The interest charges which would have resulted from the President's proposal alone amounted to $11,548,000,000, and the program proposed by the President would have tied up the revenues derived from the various motor fuel taxes for a 30-year period.

Another feature of the financing program of this bill, of which I am pleased, is that by reason of the self-financing nature of the proposal it pays for today's roads today. This leaves future generations of Americans free to provide for their own road needs unlike the President's proposal which would have saddled the next generation with the roads which the citizens of today will use and perhaps wear out.

I am also happy to be able to point out to the Members of this distinguished body that the financing proposal under discussion here today parallels the recommendation of the President's Commission on Intergovernmental Relations. The Commission recommended that the expanded highway program be financed on a pay-as-you-go basis and that Congress provide additional revenues for this purpose. This recommendation was buttressed by the Commission in pointing out that increased taxes are preferable to deficit financing as a means of supporting larger highway outlays by the National Government, because deficit financing can only result in high interest charges and operates to shift the burden of existing road needs to future generations who will have continuing highway and other governmental responsibilities of their own to worry about.

I believe the distribution of the tax burden which will be established under title II of H. R. 10660 to be the fairest obtainable on the basis of present information. It takes into account the benefits enjoyed by each class of highway user and establishes a differential at an annual ratio of from 25 to 30 to 1 in favor of the motorist as compared to the operators of large trucks. This differential recognizes the fact that the use of our highways by trucks increases the total cost of the program in the form of higher construction and maintenance costs and that the trucker receives substantial commercial benefits from our highways not enjoyed by the average motorist.

Interestingly enough, the average motorist is today paying only 10 cents out of each dollar spent during the course of the year because he owns an automobile for highways. Yet, the average motorist is today paying for the roads which he ought to have and does not in the form of increased insurance costs which average far more to the individual motorist than all of the Federal and State highway users taxes paid by him combined. Property damage, loss of life, personal injuries, and the resulting doctor and hospital bills, loss of wages, and the increased cost which the creeping pace of commerce imposes are also hidden cost items representing motorist payments for the roads which he does not have.

The increase of 1 cent per gallon in the tax on gasoline which will be imposed under title II of H. R. 10660 will represent only a 1-percent increase in the cost of owning an automobile for the average motorist who drives 10,000 miles a year. The total cost per year from all of the new increased and existing taxes utilized in the financing program of this bill to the average motorist will amount to only $8.83 per year, 65 to 70 cents per month, or 2 cents a day. On the other hand, the savings which will accrue to the average motorist from the use of the interstate system alone will average $20 per year. These savings come in the form of savings in insurance costs, depreciation, gasoline cost, and does not take into account the shorter time needed nor the real pleasure to be derived from an open, unobstructed, and safe highway on every trip taken.

Mr. Chairman, I believe the financing program envisioned in title II of this bill is not only fair and equitable, but is the best obtainable. I, therefore, urge its adoption by the House of Representatives.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. Jenkins].

Mr. JENKINS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include certain tables.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. Chairman, I have been here all afternoon and heard all the speeches.

It is very evident that this heretofore very complicated legislation is going to pass. It is very evident that those who have been responsible for its preparation believe that it is adequate, at least as near adequate as they can now make it. I am sure they feel in a whole-souled way that we have come now to a solution of this very important matter. I am glad that I had a very active part in its preparation.

We in Ohio probably have felt the necessity for the legislation coming on longer than almost any other State, and I will tell you why. If you have ever noticed the geography of Ohio, located right south of the Great Lakes, you will note that anybody wanting to come by automobile from New York or Pennsylvania or New England going west has to go through our great State of Ohio. Anybody coming back from Milwaukee or Chicago, going east, would come through our State of Ohio.

For many years, 30 years at least, that I can remember, we in Ohio tried to prepare our roads to carry that traffic. We had many miles of brick-paved roads. Along in the spring of the year, after the winter frost would be coming out of the ground, along would come a big truck from the east or west and away to one side our bricks would fly and we would have to fix the roads, with nobody to help pay for it. We had to do that ourselves.

Now we have come to the place where the local governments should have to pay for their road repairs.

This program has ripened into a useful program, a national program. Every State will pay its part and those who use the roads will pay their part. I am not going to go into detail about that, Mr. Chairman.

I should like to stress one thing, however. I do not believe that in the debate today we have clarified absolutely this matter of what we are going to do for these public utilities. The purpose, I am sure, is to take care of them. But their problem is a rather personal and serious one. As we come along with the road program, going east, west, north, and south, we are going to run into them. We are going to run into the telephone poles and electric light poles, and so forth. They do have a just complaint. We ought to listen to them and give them assistance and protection.

I think we can safely say from the debates today that the Congress has a right spirit toward the public utilities. We think the language is proper; at least, I hope so. If it is not, I for one will be ready to come forward with language that will relieve the situation if the need develops.

Mr. Chairman, I wish to insert a few tables that I think are very pertinent to the matter under discussion.

Mr. Chairman, I believe that the following tables with regard to the highway-tax program will be of interest to the Members of the House.

Title II of H. R. 10660 provides new or increased taxes from several different revenue sources. These are as follows:

Article	Unit of tax	Rates under—			Increase under H. R. 10660
		Present law		H. R. 10660	
		Before Apr. 1, 1957	On and after Apr. 1, 1957		
Gasoline	Gallon	2 cents	1½ cents	3 cents	1 or 1½ cents.
Diesel fuel	Gallon	2 cents	1½ cents	3 cents	1 or 1½ cents.
Special motor fuel	Gallon	2 cents	1½ cents	3 cents	1 or 1½ cents.
Tires	Pound	5 cents	5 cents	8 cents	3 cents.
Tread rubber (camelback)	Pound	0	0	3 cents	3 cents.
Trucks, buses, truck-trailers, etc	Manufacturers' price.	8 percent	5 percent	10 percent	2 or 5 percent.
Use tax on vehicles and maximum load, where total weight is over 26,000 pounds.	1,000 pounds	0	0	$1.50	$1.50.

Estimated tax receipts allocated to highway trust fund, fiscal years 1957–72 [1]

[In millions of dollars]

Fiscal year	Present law taxes					New or increased taxes								Total receipts	
										Trucks, buses, truck trailers, etc.					
	Gasoline, 2 cents per gallon [3]	Diesel fuel, 2 cents per gallon	Tires, 5 cents per pound	Inner tubes, 9 cents per pound	Total, present law taxes	Gasoline, 1 cent per gallon [3]	Diesel fuel, 1 cent per gallon [4]	Tires, 3 cents per pound [5]	Tread rubber, 3 cents per pound [6]	3 percent of manufacturers' price (from 5 to 8 percent) [7]	2 percent of manufacturers' price (from 8 to 10 percent)	Trucks, etc., over 26,000 pounds, $1.50 per thousand pounds annual tax	Total, new or increased taxes	Annual	Cumulative
1957	[8] 846	[8] 22			868	407	10	95	8		47	45	612	1,480	1,480
1958	994	27	184	18	1,223	472	13	98	9	75	50	46	763	1,986	3,466
1959	1,031	28	191	18	1,268	489	13	100	11	81	54	47	795	2,063	5,529
1960	1,064	29	197	9	1,299	505	13	103	9	78	52	48	808	2,107	7,636
1961	1,099	30	204	9	1,342	522	14	108	11	84	56	49	844	2,186	9,822
1962	1,133	31	210	9	1,383	538	15	111	8	84	56	50	862	2,245	12,067
1963	1,169	32	217	9	1,427	555	15	111	12	87	58	52	890	2,317	14,384
1964	1,203	33	223	9	1,468	571	15	116	11	90	60	53	916	2,384	16,768
1965	1,237	34	229	9	1,509	589	16	124	14	87	58	55	943	2,452	19,220
1966	1,269	35	235	9	1,548	604	17	127	11	96	64	56	975	2,523	21,743
1967	1,307	36	242	9	1,594	622	17	129	12	96	64	57	997	2,591	24,334
1968	1,341	37	248	9	1,635	638	17	132	14	96	64	59	1,020	2,655	26,989
1969	1,375	37	255	9	1,676	654	18	135	11	99	66	60	1,043	2,719	29,708
1970	1,407	38	261	9	1,715	669	18	135	14	99	66	62	1,063	2,778	32,486
1971	1,436	39	266	9	1,750	683	18	140	11	99	66	63	1,080	2,830	35,316
1972	[9] 1,650	[9] 47	273	9	1,979	[10] 777	[10] 22	[10] 145	[10] 14	105	[10] 76	[10] 64	[10] 1,203	3,182	38,498
Total	19,561	535	3,435	153	23,684	9,295	251	1,909	180	1,356	957	866	14,814	38,498	

[1] Essentially based on an assumed average rate of growth of about 3 percent compounded for the entire period. The rate of growth is not uniform, however, over the period. In the earlier years it is above 3 percent and in the later years below 3 percent.

[2] After deduction of refunds of tax on farm gasoline, estimated at 6 percent.

[3] After deduction of all use in other than highway-type vehicles, estimated at 10 percent, and use by transit systems estimated at $4 million annually.

[4] After deduction for transit use estimated at $1 million annually.

[5] After deduction of tires for non-highway-type vehicles, estimated at 12 percent.

[6] After deduction of rubber for tires for non-highway-type vehicles, estimated at 6 percent.

[7] This is shown as an increased tax because the present rate does not extend beyond Mar. 31, 1957.

[8] Excludes receipts from taxes accrued prior to July 1, 1956.

[9] Including receipts after June 30, 1972, of taxes accrued on or before that date.

[10] Including receipts after June 30, 1972, of taxes accrued on or before that date, less floor stocks refunds paid in 1973.

NOTE.—Derived from data presented to the Committee on Ways and Means by the Treasury Department and Bureau of Public Roads.

Estimated expenditures, receipts, and balances of the highway trust fund for the fiscal years 1957 to 1972, inclusive

[In millions of dollars]

Fiscal year	Highway expenditures [1]					Total tax receipts	Excess (+) or deficit (−), tax receipts over highway expenditures	Interest credit (+) or charge (−) to trust fund [3]	Net annual credits (+) or charges (−) to trust fund	Trust fund balance, credit (+) or debit (−) at end of year
	From existing authorizations and those made under H. R. 8836	Anticipated from expression of intent in H. R. 8836	Total expenditures under existing law and H. R. 8836 (including expression of intent)	Funds in excess of requirements, available for additional highway expenditures in 1970–72 [2]	Total funds available for highway expenditures					
1957	1,025		1,025		1,025	1,480	+455	+5	+460	+460
1958	1,480		1,480		1,480	1,986	+506	+16	+522	+982
1959	1,993		1,993		1,993	2,063	+70	+23	+93	+1,075
1960	2,190	285	2,475		2,475	2,107	−368	+20	−348	+727
1961	2,175	525	2,700		2,700	2,186	−514	+11	−503	+224
1962	2,360	665	3,025		3,025	2,245	−780	−4	−784	−560
1963	2,260	790	3,050		3,050	2,317	−733	−21	−754	−1,314
1964	2,225	850	3,075		3,075	2,384	−691	−37	−728	−2,042
1965	2,200	900	3,100		3,100	2,452	−648	−53	−701	−2,743
1966	2,200	925	3,125		3,125	2,523	−602	−68	−670	−3,413
1967	2,300	950	3,250		3,250	2,591	−659	−84	−743	−4,156
1968	2,100	975	3,075		3,075	2,655	−420	−98	−518	−4,674
1969	1,700	1,000	2,700		2,700	2,719	+19	−105	−86	−4,760
1970	1,000	600	1,600	425	2,025	2,778	+753	−99	+654	−4,106
1971	800	330	1,130	166	1,296	2,830	+1,534	−75	+1,459	−2,647
1972	325	180	505		505	3,182	+2,677	−30	+2,647	0
Total	28,333	8,975	37,308	591	37,899	38,498	+599	−599	0	0

[1] Including planning and administration expenditures.

[2] By "requirements" it is meant expenditures authorized under existing law, expenditures provided for (including an expression of intent) under H. R. 8836, and estimated interest payments to be made with respect to advances from the general fund.

[3] Computed at 2¼ percent, current applicable interest rate.

NOTE.—Derived from data presented to the Committee on Ways and Means by the Treasury Department and Bureau of Public Roads.

Estimated tax receipts, fiscal years 1957–72

Fiscal year		New or increased taxes under this bill						Total, all taxes
	Gasoline	Diesel fuel	Tires	Tread rubber	Trucks, buses, and trailers	Trucks over 26,000 pounds	Total, new taxes	
	Rates of tax							
	Cents per gallon	*Cents per gallon*	*Cents per pound*	*Cents per pound*	*Manufacturers' price, percent*	*Per thousand pounds*		
1957	1	1	3	3	2	$1.50		
1958–72	1	1	3	3	5	1.50		
	In millions of dollars							
1957	407	10	95	8	47	45	612	2,789
1958	472	13	98	9	125	46	763	2,895
1959	489	13	100	11	135	47	795	3,022
1960	505	13	103	9	130	48	808	3,075
1961	522	14	108	11	140	49	844	3,183
1962	538	15	111	8	140	50	862	3,247
1963	555	15	111	12	145	52	890	3,349
1964	571	15	116	11	150	53	916	3,430
1965	589	16	124	14	145	55	943	3,515
1966	604	17	127	11	160	56	975	3,609
1967	622	17	129	12	160	57	997	3,696
1968	638	17	132	14	160	59	1,020	3,779
1969	654	18	135	11	165	60	1,043	3,856
1970	669	18	135	14	165	62	1,063	3,941
1971	683	18	140	11	165	63	1,080	4,001
1972	777	22	145	14	175	64	1,197	4,369
Total	9,295	251	1,909	180	2,307	866	14,808	55,756

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal Aid Highway Act of 1954

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 108 (F) OF H. R. 10660

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725.0)	Interstate ($1,200.0)	Total ($1,925.0)	Primary, secondary, and urban ($750.0)	Interstate ($1,700.0)	Total ($2,450.0)	Primary, secondary, and urban ($775.0)	Interstate ($2,000.0)	Total ($2,775.0)
Alabama	14.7	19.6	34.3	14.9	26.7	41.6	15.5	31.4	46.9
Arizona	9.0	11.2	20.2	9.2	15.3	24.5	9.6	18.0	27.6
Arkansas	10.9	11.4	22.3	11.1	14.8	25.9	11.5	17.4	28.9
California	38.8	112.1	150.9	40.1	169.7	209.8	41.4	199.6	241.0
Colorado	11.3	9.2	20.5	12.0	11.4	23.4	12.3	13.4	25.7
Connecticut	6.6	26.2	32.8	6.9	40.6	47.5	7.1	47.8	54.9
Delaware	3.0	4.0	7.0	3.1	4.8	7.9	3.3	5.6	8.9
Florida	12.0	24.7	36.7	12.3	36.2	48.5	12.8	42.6	55.4
Georgia	16.9	34.9	51.8	17.2	51.2	68.4	17.7	60.2	77.9

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal Aid Highway Act of 1954—Continued

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 108 (F) OF H. R. 10660—CONTINUED

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725.0)	Interstate ($1,200.0)	Total ($1,925.0)	Primary, secondary, and urban ($750.0)	Interstate ($1,700.0)	Total ($2,450.0)	Primary, secondary, and urban ($775.0)	Interstate ($2,000.0)	Total ($2,775.0)
Idaho	7.3	6.4	13.7	7.5	7.8	15.3	7.7	9.2	16.9
Illinois	32.1	55.1	87.2	33.0	77.9	110.9	34.1	91.6	125.7
Indiana	17.4	42.4	59.8	17.7	63.4	81.1	18.3	74.6	92.9
Iowa	15.9	15.7	31.6	16.1	20.2	36.3	16.6	23.8	40.4
Kansas	15.1	12.3	27.4	15.3	15.1	30.4	15.9	17.8	33.7
Kentucky	13.0	24.9	37.9	13.3	36.0	49.3	13.8	42.4	56.2
Louisiana	11.5	24.5	36.0	11.9	36.0	47.9	12.2	42.4	54.6
Maine	5.5	7.9	13.4	5.6	10.7	16.3	5.8	12.6	18.4
Maryland	7.8	21.3	29.1	8.0	31.8	39.8	8.3	37.4	45.7
Massachusetts	13.2	40.6	53.8	13.7	61.2	74.9	14.1	72.0	86.1
Michigan	24.9	63.3	88.2	25.5	94.7	120.2	26.3	111.4	137.7
Minnesota	17.6	25.2	42.8	17.8	35.4	53.2	18.4	41.6	60.0
Mississippi	11.7	13.7	25.4	11.9	18.0	29.9	12.3	21.2	33.5
Missouri	20.4	31.1	51.5	20.7	43.7	64.4	21.4	51.4	72.8
Montana	11.5	9.2	20.7	12.2	11.2	23.4	12.6	13.2	25.8
Nebraska	11.9	7.1	19.0	12.5	7.8	20.3	13.0	9.2	22.2
Nevada	7.1	5.1	12.2	7.5	5.4	12.9	7.7	6.4	14.1
New Hampshire	3.2	4.1	7.3	3.3	4.9	8.2	3.4	5.8	9.2
New Jersey	13.5	63.7	77.2	14.0	99.3	113.3	14.4	116.8	131.2
New Mexico	9.5	12.5	22.0	9.9	17.2	27.1	10.3	20.2	30.5
New York	45.6	71.1	116.7	47.1	97.8	144.9	48.7	115.0	163.7
North Carolina	17.5	15.3	32.8	17.9	18.0	35.9	18.5	21.2	39.7
North Dakota	8.6	6.6	15.2	8.6	7.8	16.4	9.0	9.2	18.2
Ohio	28.7	67.3	96.0	29.6	99.5	129.1	30.6	117.0	147.6
Oklahoma	14.1	19.7	33.8	14.3	27.5	41.8	14.8	32.4	47.2
Oregon	11.0	16.3	27.3	11.3	23.3	34.6	11.7	27.4	39.1
Pennsylvania	34.1	42.7	76.8	35.7	55.6	91.3	36.8	65.4	102.2
Rhode Island	3.9	6.5	10.4	4.1	9.0	13.1	4.2	10.6	14.8
South Carolina	9.3	10.4	19.7	9.5	13.4	22.9	9.7	15.8	25.5
South Dakota	9.2	6.3	15.5	9.2	7.0	16.2	9.5	8.2	17.7
Tennessee	15.3	20.4	35.7	15.6	27.7	43.3	16.1	32.6	48.7
Texas	44.2	48.3	92.5	45.4	63.7	109.1	46.9	75.0	121.9
Utah	7.0	12.1	19.1	7.3	17.3	24.6	7.6	20.4	28.0
Vermont	3.0	8.9	11.9	3.0	12.9	15.9	3.2	15.2	18.4
Virginia	13.8	28.6	42.4	14.4	41.7	56.1	14.8	49.0	63.8
Washington	11.7	23.4	35.1	12.2	34.2	46.4	12.6	40.2	52.8
West Virginia	7.9	13.5	21.4	8.1	18.9	27.0	8.4	22.2	30.6
Wisconsin	16.6	18.1	34.7	17.0	23.6	40.6	17.6	27.8	45.4
Wyoming	7.1	14.7	21.8	7.5	21.6	29.1	7.7	25.4	33.1
Hawaii	3.3	------------	3.3	3.4	------------	3.4	3.5	------------	3.5
District of Columbia	4.2	7.8	12.0	4.4	11.1	15.5	4.5	13.0	17.5
Puerto Rico	5.1	------------	5.1	5.2	------------	5.2	5.3	------------	5.3

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, this is, indeed, a day I have looked forward to with great anticipation. A day when the Congress would finally be able to pass judgment upon the work done by the Committee on Public Works and the Committee on Ways and Means and their extensive hearings and deliberations on a much needed Federal highway construction program. I have heard various Members go into detail on this bill here today. In the time allotted to me, of course, I will not have the time to discuss this very important piece of legislation in detail. Instead, I will try to summarize it. I want to use this bouquet here in front of me as an illustration of my thoughts on this important piece of legislation. I first want to give a bouquet to the distinguished chairman of the Subcommittee on Roads, the gentleman from Maryland [Mr. FALLON], to the distinguished minority member of the committee from Michigan [Mr. DONDERO] who, incidentally, is leaving the House at the end of this session, and I would like to give a bouquet of roses to him and wish him much success and happiness throughout the rest of his life as he retires from the House. I would also like to give roses to the distinguished gentleman from Tennessee [Mr. COOPER] the chairman of the Committee on Ways and Means for his diligent efforts on behalf of this bill, and the distinguished gentleman from Louisiana [Mr. BOGGS], chairman of the subcommittee handling title II of the bill and to all the members of the House Committee on Public Works and the Committee on Ways and Means. I want to say this very sincerely. I think all of these Members are entitled to a bouquet because for many, many months they have sat intently and have worked hard and listened to testimony and tried to work out a good bill to give the American people better roads.

I want to further use this bouquet here in front of you to illustrate what has transpired concerning a highway bill here in the House of Representatives. Last year our Committee on Public Works worked very hard and reported out a bill we believed acceptable to the people because we knew and the Congress knew that America needed better roads that would cut down highway fatalities, help alleviate crowded conditions, and provide jobs for the people in constructing those roads.

I made numerous speeches back in my congressional district and at each meeting, without exception, interest was expressed in behalf of the proposed highway bill. Everything looked rosy. But what happened? When the bill was referred to the floor of the House for debate we heard from the powerful interests of the trucking lobby and that removed one rose from our bouquet. Then we heard from the utility companies who had a complaint and their pressures removed another rose from our beautiful bouquet. Then, we heard from the people who were opposed to the Davis-Bacon prevailing wage provision who took another rose from our bouquet. Then, we heard from the administration who wanted to pay $11 billion in interest on a bond proposal for financing the highway program and that took another rose from our bouquet. Then, we heard from the airlines who wanted to be exempt from any tax and that took another rose from our beautiful bouquet. Then, we heard from those people who wanted better highways but who were not willing to pay for them with increased gasoline tax and that removed another rose from our bouquet. So, my friends, when we were all finished what did the bouquet look like? Nothing but stems that were completely barren. Now, what has happened to our bouquet since the highway bill was defeated last year?

The high rate of traffic fatalities on the small, crowded highways has continued. Instead of helping prevent the slaughter on the highways, it has increased. I hold here a clipping I received in this morning's mail from the Marion Daily Republican, a newspaper in my congressional district which carries a headline as follows: "Twenty-three killed in automobile crashes over weekend."

My friends, this staggering figure was just for the State of Illinois over one weekend. I dread to think what the total was in the 48 States. At the very

moment I was speaking on the floor of Congress last year urging the passage of the Federal highway construction bill, my aunt and uncle were preparing to go on a church class picnic and as they proceeded down one of our small, crowded two-lane highways, a carload of drunks pulled from behind a truck in the opposite lane and hit the car head on, killing both my aunt and uncle and the third party in the car.

I will not be foolish enough to try to tell you that 40,000 miles of superhighways throughout the United States will stop all fatalities. Of course, it will not, but I want to say without reservation that the building of a four-lane expressway with a divider between the two directions of traffic will definitely cut down on the spilling of human blood.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAY. Would the gentleman be so kind as to yield me 5 more minutes?

Mr. COOPER. Mr. Chairman, I yield 5 additional minutes to the gentleman.

Mr. GRAY. In addition to helping save lives, these new roads will help relieve some of the congestion.

And last but not least by any means, it will provide jobs for many of our unemployed people in the construction of these highways. We have 51,000 people receiving Government surplus food in 15 southern Illinois counties and these proposed highways will do much in cutting down public assistance and giving good American people an opportunity to provide a livelihood for themselves and their families.

Friends, the American people want and are entitled to good roads and we should give them the bouquet of roses to which they are entitled and need by voting unanimously for the passage of this highway bill and after you do this you can see the bouquet that was once only barren stems will be transformed into a beautiful and growing bouquet of roses.

Thank you very much.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I take this time to address myself to certain of the fiscal aspects of this bill. First, I want to commend the previous speakers from the Ways and Means Committee in their explanation of the financing of this bill, and join with them in their statements.

There were supplemental views filed to the Ways and Means Committee's report in which it was stated that as of the date that we passed the revenue features, the Public Works Committee had not yet completed the authorization bill. There were serious doubts in the minds of many of us whether or not the Public Works Committee would keep the bill itself within the revenue that was being raised under the revenue aspects of the bill. At this time I want to say I am very happy to state that the Public Works Committee has done as we really anticipated they would do, kept within the revenue raised in the other feature of the bill.

The reason I wanted to take this time is because there has been talk about two aspects of the authorization bill which might raise the cost of this highway program beyond the thirty-seven plus billions of dollars anticipated revenues. Those two particular provisions are: One, the utility relocation provision, and the Bacon-Davis provision.

I have seen many statements made recently of the cost to be paid out of Federal funds as a result of section 113.

The supplemental views filed to the report of the Committee of Public Works accompanying this bill H. R. 10660 made the statement that it would cost one and one-half billion. Newspaper articles estimated the cost might be from 2 to 4 billion dollars. I think this is a gross exaggeration. Actually we have studies that reveal the limit of these costs as a result of utility relocation, to be at the most one-half billion dollars.

In 1954 a study of utility relocation costs was made by the Secretary of Commerce at the direction of the House. The report of the Secretary—it appears in House Document 127 of the 84th Congress, shows that the total utility relocation cost before any reimbursement was 2.6 percent of the total road construction cost. Two-fifths of this amount or 1 percent of total road construction costs is paid under existing State law or practices, leaving 1.6 percent to be paid by the utilities.

To the extent that the States already pay relocation costs—and there are a few States that do—these costs are a reflection of the estimates of the cost of the roads to be built in the future and therefore were incorporated in the budget figures submitted to the Public Works Committee.

H. R. 10660 authorizes the appropriation of something like $37.6 billion over a period of 13 years, or an average of $2.89 billion annually. 1.6 percent of this amount would be an average of about $46 million annually. You can multiply that out by 13 years. That is why I say the total amount that could possibly be required for utility relocation would be at the very highest $600 million and not $1½ billion.

This estimated cost is the cost of relocating the facilities that utilities are presently required to pay by various State laws and practices. It is the maximum amount that could possibly be expended out of Federal funds. In order for any of this amount to be paid out, of course, the States would have to change their existing laws or practices; and it is obviously impossible for 100 percent of the utility to be paid under State laws and practices in the foreseeable future. So in considering the question of the relocation of the utilities I do not believe the fiscal aspects of it have much bearing, although there are other important policy features that enter into the picture. I am only directing attention to the fiscal aspect of it.

The same argument prevails in regard to the Bacon-Davis provisions as they have been watered down in the present bill to reflect the prevailing local wage. The budgets that have been prepared by the States upon which the Public Works Committee based its figures do take into consideration prevailing local wages, and for that reason, too, I am satisfied that the cost aspects of the Davis-Bacon amendment as amended by the Public Works Committee will not have any great bearing on the revenue features of this bill. I am not attempting to discuss the policy questions involved in Davis-Bacon, only the limited fiscal aspects of it.

So to reiterate, I am satisfied that the qualms of the minority set forth in our supplemental views have no basis. The Public Works Committee has done a good job; they have given us a bill that is well within the revenues provided by the Ways and Means Committee. The bill is well balanced in my judgment, and should be enacted into law.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, this is the first highway bill since I have been a Member of Congress that I can support wholeheartedly because it is the first one in which urban States like New Jersey has shared fairly. Usually we in New Jersey pay twice as much in taxes as we ever get back in Federal grants.

Mr. Chairman, I want to say a word about the trust fund. As you know, all the tax revenues provided by this bill will go into this trust fund which is roughly set up to operate in the same way as does the trust fund under the old-age and survivors insurance act.

There are several advantages in handling the money from the taxes provided for in the bill in this way:

First. It will assure that the new taxes be used for roads alone.

Second. Congress will know whether the taxes levied for this purpose are sufficient. We can in future years increase these taxes if necessary, or reduce them if the revenue is greater than estimated.

Third. All of these taxes are easy ones to collect. Historically we find that easy-to-collect taxes have been left on the books long after the purpose for which they were levied had ended. We want to get rid of these taxes after the roads are built and this trust fund procedure should make it much easier to eliminate them then.

Fourth. If the proceeds of these taxes went into the general revenue fund there would be a false budget picture. We do not want to balance the budget with these taxes. In the early days of the program it is probable that more money will be collected than will be needed, but in the long run every nickel will be necessary. If these taxes went into the general revenue, it would result in a false picture of the budget. These taxes might serve to balance the budget in the next couple of years, and then unbalance it when the money to actually build the roads was called for. We do not want to do this.

In general, putting all of the proceeds of these taxes in such a trust fund to be used for the road program only should make us at all times know exactly where we stand.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions. I want to commend the statement of the gentleman from New Jersey [Mr. Kean] who just preceded me.

I know we need an expanded highway program, but I am interested in what this is going to cost the taxpayers and where the money is going to go that is taken from the taxpayers. I am glad that the Committee on Ways and Means and the Committee on Public Works agreed upon a highway trust fund; but I should like to know just how much of the taxes collected from the operators of motor vehicles, all of the use taxes and so forth will actually go into the highway trust fund? I wonder if some one on the Committee on Ways and Means can tell me.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the able gentleman from Arkansas.

Mr. MILLS. If my friend from Iowa will turn to page 56 of the committee report he will find table 4 which sets forth the estimated tax receipts from selected excise taxes for the fiscal years from 1957 through 1972. He will see the amount that is estimated to be derived in each of the fiscal years with a total for each of the existing Federal excise taxes imposed on highway users. For example, gasoline would bring in over that period of time $19,561 million.

Mr. GROSS. To what column is the gentleman referring?

Mr. MILLS. That is in the first column of table 4, page 56. Diesel fuel would bring to the fund $535 million, lubricating oil $759 million, the manufacturers' tax on passenger cars would bring in during that period of time to the general fund, not to the highway fund, $11,284 million.

Mr. GROSS. Let me ask the gentleman at this point. Does that include revenues from the old taxes plus the new and additional taxes?

Mr. MILLS. There is no additional tax provided in this bill on passenger automobiles.

Mr. GROSS. No. But on gasoline there is and on lubricating oil there is.

Mr. MILLS. Yes; that is right.

Mr. GROSS. Does that include both?

Mr. MILLS. No, it includes only gasoline.

Mr. GROSS. What I want to get at is this: Do all the taxes presently being levied, all of the revenues derived from the taxes presently being levied under the old and new formulas, go into this trust fund?

Mr. MILLS. Just a moment. Let me set you straight. The first part of table 4, page 56, refers to the amount to be derived from all Federal excise taxes connected with highway use on the basis of existing law for the fiscal years 1957 through 1972. Now, at the bottom of the table, page 57, the amounts that are provided under the new and additional taxes provided in the bill presently before the Committee of the Whole are shown. You will notice that the existing tax of 2 cents per gallon on gasoline brings in $19,561 million. The additional 1 cent brings in $9,295 million, but the trust fund will receive the benefit of both the present 2-cents-per-gallon tax and the additional 1-cent-per-gallon tax on gasoline. You can add those together in the case of gasoline, diesel fuel, your truck taxes, and your tire and tube taxes.

Mr. GROSS. And all of those funds are earmarked for the trust fund; is that correct?

Mr. MILLS. Lubricating oil is not earmarked for the trust fund. That goes into the general fund.

Mr. GROSS. Let me ask the gentleman why. Why is it not earmarked?

Mr. MILLS. I pointed out to the gentleman that the automobile tax was not, either. It was not thought by the committee that it was necessary to earmark all of the excise taxes that are presently levied on all highway use items for this particular fund. If we did that, we would have had far more money than could possibly have been utilized in the trust fund, and we would have been far short, on the basis of the estimates given us by the Secretary of the Treasury, in the general fund, so that we would have been taking from the general fund that which will be needed in the general fund and putting in the trust fund for highway purposes that which was not needed for highway purposes.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. KEAN. With reference to lubricating oil, the reason we did not put it in the bill for the trust fund was that so much lubricating oil is not used for highway purposes.

Mr. MILLS. The gentleman is right.

Mr. KEAN. It was impossible to allocate the amount used for highway purposes against the amount used for other purposes, and that is the reason why we did not put lubricating oil in the trust fund.

Mr. MILLS. The gentleman from New Jersey called attention to a very important point. Fifty percent of the lubricating tax is supposed to come from sources other than highway use.

Mr. GROSS. But I seem to get the impression here that somehow or other the Committee on Ways and Means is seeking to protect the Treasury against a deficiency that might accrue if revenues derived from the operators of motor vehicles were used for the building of highways. Is that correct?

Mr. MILLS. Mr. Chairman, will the gentleman yield on that one point?

Mr. GROSS. Yes.

Mr. MILLS. The committee is, it is true, endeavoring to protect the general fund against the entire road program being charged to existing revenues presently going into the general fund. Now, we were told by those who spoke for the President that if the Congress was not willing to take the bond proposal suggested by the President, the President would go along with us on a pay-as-you-go, but he did not want the cost of this road structure charged to existing revenues. Then the question came up in the committee what new revenues will we raise, depending upon how much of existing revenues the Treasury and others speaking for the administration thought should be transferred from the general fund into the special fund. The Secretary of the Treasury did not want us, for example, to take the tax on trucks in excess of 2 percent. We did more than that. The Secretary did not want us to take the tax on tires and tubes, but we did do that. That is, any part of the old tax. He did not want us to take anything except the tax on gasoline presently levied and on other types of motor fuel such as diesel fuel. He was perfectly willing to give us that in the general fund. So actually this whole thing results more or less in a compromise on what we take from the general fund and put into this special fund.

Mr. GROSS. I will say to the gentleman that it is a little difficult for me to understand why, if as predicted there is to be a $2 billion surplus in the Treasury this year, and no one is talking about paying anything on the public debt with that surplus—why we should continue to load the motorist with taxes to support the general fund of the Treasury. I do not understand it.

Mr. MILLS. The amount that the gentleman is talking about, if it is $200 million or $2 billion——

Mr. GROSS. $2 billion, not $200 million.

Mr. MILLS. It is my sincere hope will be applied to the reduction of the public debt.

Mr. GROSS. I hope so, too. But I hear no talk to that effect.

Mr. MILLS. I am satisfied on the basis of what the Secretary of the Treasury said to our committee both in public session and in executive session that he joins the gentleman and me in that hope. That is his hope; that whatever the surplus for this fiscal year may be it be utilized in reducing the public debt.

Mr. GROSS. I am concerned with the way we are loading down the operators of motor vehicles with taxes. I know that we need roads, but certainly we are loading the motorist down with taxes, and for a long time to come.

Mr. MILLS. There is no doubt but that the motorists of the country will be paying over this period of time more money in dollars than will be going into this trust fund and many more dollars than will be needed to carry out this new program.

But I should like to point out to the gentleman that our committee and Congress never heretofore have connected revenues and expenditures for road purposes as we are doing in this bill. It would be of interest to the gentleman I think to know that the original gasoline excise tax, and the original manufacturer's excise tax, and the original manufacturer's excise tax on automobiles and trucks and on tires and tubes were not levied in a road program initially. They were levied because the general fund of the treasury needed that revenue and it was obtainable from those sources.

Maybe that was wrong, but that is why it was done. Now we are directly relating to road purposes certain of the highway user excise taxes and to the extent that we need those user excise taxes that now exist we are taking them from the general fund of the treasury in the future and putting them into this road fund so that we can say that we are paying this load as we build these roads.

Mr. GROSS. I thank the gentleman from Arkansas.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Iowa [Mr. Cunningham].

Mr. CUNNINGHAM. Mr. Chairman, as one who has spent 10 years on the Committee on Roads, later the Committee on Public Works, I have a little idea how difficult it is to get a road bill that will satisfy everyone. I recall during my service on that committee that oftentimes the very organizations and companies in the United States that could not exist, could not sell their products were it not for the highways, would object to a highway bill. And I am not referring to the trucking industry in that statement, either. I am referring to other segments of our economy.

I know it is practically impossible to bring forth a bill that will satisfy everyone, particularly every organization or group interested in our highways. But at this time I should like to pay tribute to the Committee on Public Works and its members and to the Committee on Ways and Means and its members for bringing out what, in my opinion, is the best, most workable, most satisfactory highway bill that has ever been presented to this Congress in the history of our country. I know that there are provisions in this bill that will not satisfy everyone. In fact, I doubt if anyone would be completely satisfied with all of it and I doubt that any company or any segment of our industry primarily interested in the highway program is wholly satisfied with this bill. But I say this to you, if we start tampering with this bill or changing it in any appreciable or material way, you will find more dissatisfaction with it than there is now. The miracle to me is that these two committees have been able at last to bring forth a bill as workable and as satisfactory as this one is, and at the same time return to the highway user the greatest percentage of the money collected from him that has ever been returned in the history of our country.

As I understand, this bill will return to the benefit of those who use the highway, including the drivers of passenger cars as well as trucks and other vehicles, more for the building and rebuilding of our highways than has ever been returned from the Federal Treasury in the past.

So, in conclusion, I hope that this bill passes substantially in the form in which it was reported to this House. I again commend and thank the members of these two great committees.

Mr. REED of New York. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, I am deeply interested in this, and I want to emphasize something that was in my speech this afternoon. Each Member here represents many communities in his congressional district. These highways are going to go through those communities. Almost every one of these communities has a chamber of commerce trying to promote industrial expansion, trying to bring business and industry into their sections.

I just want to repeat an example which has happened on the thruway in the State of New York. I want you to think this over, because the thruway is not completed. It is well on its way but it is not completed. It has brought in construction in the various municipalities of more than $150 million worth of new enterprises, a payroll of $100 million in these towns, and the employment of 30,000 people. When these highways are built, every community is going to have more taxable property. You are going to have more revenue as a result of it. You are going to have an expansion of enterprise that is going to be a credit and a great monument to the work of these two committees here today.

Mr. Chairman, I have no more requests for time.

GENERAL LEAVE TO EXTEND

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all Members may be allowed to extend their remarks in the Record before the vote on the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. KARSTEN. Mr. Chairman, in addressing this distinguished committee today, I would like, first of all, to pay tribute to the esteemed chairman of the Committees on Ways and Means and on Public Works for the able explanations they have made of the portions of H. R. 10660 for which their respective committees were responsible. The legislation before the committee today is, in my judgment, an outstanding example of two great committees of the House of Representatives working in cooperation toward a common objective, namely, the establishment of a pay-as-you-go Federal highway program.

H. R. 10660 provides a sound, long-range program for the pay-as-you-go development of our Federal highways. It will provide a blueprint for the establishment of a basic highway system that will be adequate for our present needs and will serve as a nucleus for the Nation's future development.

H. R. 10660 will provide a major contribution to our national security, it will enhance the economic well being of all our citizens and will improve the social welfare of our Nation.

In my remarks today, I would like to confine myself to a discussion generally of title II of the bill, relating to the financing features and specifically I would like to disclose why this legislation is not the President's highway program.

Parenthetically, I would like to add that despite the fact that this highway program is not the President's program, it is my prediction that there will be no rash, ill-considered veto of the legislation. At least my colleagues on the other side of the aisle have not spoken of any threatened veto if this measure is not amended so as to be in conformity with the President's highway proposal.

H. R. 10660 is Congress' program for providing the American people with an adequate national highway system on a pay-as-you-go basis at a minimum cost to the American taxpayer. It is a program developed by the appropriate committees in the House of Representatives during this 84th Congress to give the people a highway system in keeping with the American standard of living and our Nation's economic needs. This highway program of the 84th Congress is in marked contrast to the highway program suggested by the President. H. R. 10660 will provide greater highway mileage at less expense than would be provided under the administration's proposal.

The Highway Revenue Act of 1956, as provided for in H. R. 10660, over the period from 1957 through 1972, would raise $14.8 billion in new or increased taxes to be dedicated to highway development. In my service in the House of Representatives I have never known a tax-increase measure to receive more general support on the basis of its equity and fairness than has been given to this legislation. For this $14.8 billion in new or increased taxes, plus the dedication to highway purposes of certain existing taxes, the Nation will receive approximately $40 billion in badly needed new highways.

Let us turn now to an examination of the method by which the administration proposed to finance $25 billion in new highways. In the President's message to the Congress of February 22, 1955, calling for legislation to authorize a national highway program it was proposed that motor fuel and lubricating oil taxes levied by the Federal Government be earmarked for the next 30 years in order to finance a 10-year highway development program. The dedication of these tax receipts for 30 years was for a 10-year development program that the President is quoted as having described as only being a "good start" in the development of the Nation's highways. If it is only a good start, we might well ask ourselves from what source we would obtain the necessary revenues to continue our highway program after the 10-year period in view of the fact that our motor fuel taxes would be committed for an additional 20 years.

Mr. Chairman, pay-as-we-go financing, as provided in H. R. 10660, as opposed to the 30-year mortgaging of our tax receipts from motor fuels, is not the only difference between the financing provisions of this bill and the program proposed by the administration. Included in the cost of the administration's program was $11.5 billion in interest charges on the indebtedness that would have been sustained under the proposal. This $11.5 billion was in excess of 50 percent of the principal that would have been used to build highways. These interest charges would not have added 1 mile of road to our highway system. These interest charges would not have prevented one death or other tragedy on our highways. These interest charges would have contributed little, if anything, to our economic development.

In appearing before the Committee on Ways and Means during the committee's deliberations on the Highway Revenue Act of 1956, the Secretary of the Treasury criticized the legislation then under consideration as being $7.9 billion short of the amount needed to make the highway system self-financing. He made this assertion despite previous testimony before the Public Works Committee and before the Ways and Means Committee that it was impossible to project revenue estimates 15 years in advance. He acknowledged the fact that in less than a 12-month period the Treasury Department had been over $4 billion off in estimating budget figures for the immediately preceeding fiscal year. The effect of the Secretary's charge that the Highway Revenue Act of 1956 provided insufficient revenues to make the highway program self-financing may be analyzed as follows: Under present law, for the 16-year period from 1957 through 1972 revenues from motor-related sources would equal approximately $40 billion. The Secretary proposed raising an additional $19 billion. The Secretary's position was that we should raise $60 billion from motor-related sources in order to finance a highway-construction program of approximately $40 billion.

Because of the urging by the Secretary of the Treasury for higher taxes to finance the highway-development program, inquiry was made of the Secretaries of the Treasury and Commerce as to the ways in which this additional revenue might be obtained. Neither had any suggestions to offer. Indeed, the Secretary of Commerce informed the committee that he had no data on which to base any recommendations that would apportion the tax burden among highway users in accordance with the cost they impose on our highway system. This statement came from the man who is responsible for the Federal highway program.

It is significant to note that by providing for pay-as-we-go financing it will be possible for Congress to periodically review the adequacy of tax collections to assure that they will be sufficient to defray the cost of the highway system. Under the administration's proposal, we would have been committed to a 30-year dedication of funds with little opportunity to make adjustments required by subsequent developments in the program. This is another aspect of the highway program as developed by the Congress that represents a substantial improvement over the recommendations of the administration.

To make sure that the highway program is soundly financed, H. R. 10660 creates a trust fund in which tax collections will be deposited and from which highway expenditures will be paid so that the Congress and the people may know at all times where we stand. It will be the policy of the Congress to reexamine periodically the adequacy of the highway financing legislation.

Mr. Chairman, we have heard a great deal of discussion in recent years from Republican sources about the dangers of inflation. Republican spokesmen claim to have stopped inflation but every time anyone suggests tax reduction, the specter of inflation is raised by the administration spokesmen as an argument against reducing the tax burden of our American citizens. These same Republican spokesmen have been strangely silent about the inflationary effects that would have stemmed from the administration's bond-financing proposal for the development of our highway system. The Republican administration was in effect advocating the expenditure of $20 billion in 10 years to be financed by the issuance of bonds to be paid off in 30 years. Mr. Chairman, if that is not deficit financing of the worst sort, then I do not know what deficit financing is.

Mr. Chairman, H. R. 10660 will provide our American citizens with the highway system they need. It will do so on the basis of a soundly financed program that will help provide economic prosperity and growth to our Nation without creating inflationary pressures, without resorting to deficit financing, and without dedicating our tax collections for the next 32 years. This important legislation, Congress' highway program, should receive the support of every Member of this distinguished body.

Mr. MILLS. Mr. Chairman, the financing plan incorporated in title II of H. P. 10660 is self-financing over the 16-year period from June 30, 1956, to July 1972. The total revenues which will be paid into the highway trust fund for the 16-year period amount to approximately $38.5 billion, of which about $14.8 billion represents new or increased highway-user taxes. The remaining $23.7 billion is derived from existing highway-user taxes. Expenditures from the fund for the same period are estimated at $37.3 billion, leaving a balance of $1,190,000,000. However, because of interest payments on repayable advances from the general fund of the Treasury, a net balance of $599 million will remain for additional highway expenditures in 1970, and later years. In all probability this balance will be much larger since receipts are estimated on a conservative rate of growth, while highway expenditures are estimated on a liberal basis.

Like all tremendous undertakings, the highway-building program envisioned in title I of H. R. 10660 will not spring into full effect on July 1, 1956. The planning stage which will initially ensue the problem of letting contracts and making land acquisitions will cause expenditures from the highway trust fund to lag behind revenue collections representing the receipts of the trust fund during the first years of the program. During this period, except for the first few months, the trust fund will show a surplus after which, as the program gets underway and construction accelerates, expenditures will exceed receipts. This swing from an excess of receipts over expenditures to an excess of expenditures over receipts will result in the need for temporary advances from the general fund of the Treasury to the trust fund to be repaid in the last stage of the cycle when receipts again exceed expenditures as construction costs begin to fall off and until they ultimately disappear. The trust fund will thus experience three stages: surplus to deficit to surplus. Provision has been made in title II for the Treasury to borrow from the trust fund during the initial surplus stage. It is expected that interest on these loans will produce interest receipts for the fund amounting to $75 million. To provide for the second stage, provision is made for the trust fund to secure repayable advances from the general fund of the Treasury which are expected to result in interest charges against the fund amounting to $674 million, or $599 million in excess of the interest earned on the initial fund surplus. It is the belief of the Committee on Ways and Means that the expenditures and the receipts will balance over the 16-year period covered by title II of the bill and, in addition, a substantial surplus will result. In any event, section 209 of the bill, which establishes the highway trust fund, contains a declaration of policy to the effect that if it appears that the total receipts of the fund will be less than the total expenditures from the fund that Congress shall enact legislation to bring about a balance.

In considering title II of this bill, I would like you to compare the financing plan incorporated herein with the President's proposal for financing the roads program. As you will recall, the President's financing program was premised upon the issuance of $20,235,000,000 in bonds, with maturity dates running over a period of 30 years. To pay off these bonds and provide the additional $11,020,000,000 needed for his construction program, the President's proposal would have tied up the revenues produced by the Federal motor fuel taxes for 30 years and saddled not only this generation but the next one as well with interest charges totaling $11,548,000,000. In other words, the President was asking the American people to pay a total of $42,773,000,000 in taxes for only $31,225,000,000 worth of roads.

In addition to the existing 2 cents per gallon tax on gasoline and other motor fuels which is allocated to the highway trust fund, title II also dedicates the existing tax of 5 cents per pound on tires and the existing tax of 9 cents a pound on inner tubes to the trust fund. As you know, the President recommended that the existing taxes on gasoline and motor fuels be set aside to pay for his roads program.

The fact that the Committee on Ways and Means believes it proper to dedicate existing taxes on tires and tubes to aid in the financing of the roads program envisioned in title I of this bill has been the occasion for some comment. These taxes at existing rates will produce $3,588,000,000 under the 16-year period covered by the financing program, or approximately $223 million per year. The fact that 37½ percent of the existing tax on the sale by manufacturers of trucks, buses, and truck trailers is dedicated to the trust fund has also been the occasion for comment.

I would like to direct the attention of the House to the fact that title II of this bill is so drawn as to have absolutely no effect upon the budget for the fiscal year 1957. This is true because only the new or additional taxes imposed under title II of the bill will be paid into the trust fund beginning July 1, 1956. The additional existing taxes on motor fuels dedicated to the trust fund under the bill will be paid into the trust fund only to the extent that they represent liabilities accruing after July 1, 1956. Only for the fiscal year 1958 and subsequent years will the trust fund receive any revenues derived from the existing tax on tires and tubes. Nor will the trust fund receive any revenues from the ad valorem tax on trucks, buses, and truck trailers which can be denominated as revenue from existing taxes on this source of revenue. The explanation for this lies in the fact that the present ad valorem tax on trucks, buses, and truck trailers at 8 percent expires on April 1, 1957, and reverts to 5 percent. The President has not asked that it be extended beyond that date. Since title II provides a 10-percent tax in the case of such trucks, buses, and truck trailers sold on or after July 1, 1956, it in reality raises the tax 5 percentage points above what it would otherwise be under existing law. Therefore, it can be seen that only $223 million per year of existing taxes are dedicated to the highway trust fund for the 16-year period in question. This dedication is justified because of the expanded nature of the proposed highway program which will involve matching State funds on a 90–10 basis for about two-thirds of the proposed program's entire cost, instead of the traditional matching on a 50–50 basis heretofore followed.

The certainty resulting from the trust fund concept permits the administration to plan future budgets in reliance upon fixed highway expenditures and with the knowledge that revenue will be provided without resort to deficit financing.

Because all the new, increased, and existing taxes involved are dedicated to the financing of the highways proposed in title I of the bill, limitations are provided which, for the most part, have the effect of restricting the application of the new or increased taxes to vehicles used on or suitable for use on highways. In general, a highway vehicle is a vehicle which, if new, would be subject to the manufacturers' excise tax on the sale of trucks, buses, passenger cars, and so forth, or which is a motorcycle. Accordingly, much of the heavy equipment used in mining, logging, and other off-highway operations, is not considered to be highway-type vehicles.

Because the base of each of the new or increased taxes imposed under title II of the bill is different, it is necessary to discuss each of them.

1. DIESEL FUEL

The existing 2 cents a gallon tax on diesel fuels already applies only in the case of liquids sold for use or which are used as a fuel in a diesel-powered highway vehicle. Accordingly, the entire 3-cents-a-gallon tax will apply to a liquid sold for use or used in a diesel-powered highway vehicle whether or not such vehicle is in fact used on the highway. Tractors, earth-moving equipment, and bulldozers are not considered diesel-powered highway vehicles, and diesel fuel used in such equipment will not bear the increased tax.

2. SPECIAL MOTOR FUELS

In the case of special motor fuels, such as benzene, benzol, and liquefied petroleum gas the 2 cents a gallon tax under present law is imposed with respect to such fuel sold for use in the propulsion of a motorboat, airplane or motor vehicle. The increased tax of 1 cent a gallon imposed by title II will apply only to such fuels used for the propulsion of a motor vehicle. According to the long-established interpretation of the Internal Revenue Service, a motor vehicle does not include a vehicle ordinarily used to pull or push, but not to carry, a load. Accordingly, vehicles, such as farm tractors, construction equipment, and bulldozers are not motor vehicles for purposes of the special motor fuels tax. However, if a vehicle is designed to carry a load, it is now considered to be a motor vehicle, and fuels used in its propulsion, under this interpretation will be subject to the increased tax on special motor fuels, regardless of the fact that the vehicle is not used on highways.

Both of the foregoing taxes are retailers' taxes imposed at the time of the sale to the user.

3. GASOLINE

The existing tax on gasoline is a manufacturers tax imposed at the time of the sale by the manufacturers at the rate of 2 cents per gallon. A refund is provided under the provisions of Public Law 466, approved April 2, 1956, for gasoline used on a farm for farming purposes. The farm refund is not affected by title II of this bill. The increased tax of 1 cent per gallon imposed under the provisions of title II will apply when such fuel is sold for use in highway-type vehicles. As stated above, generally a highway-type vehicle is a vehicle subject to the manufacturers excise tax on trucks, buses, and automobiles. This means that the increased tax will apply to fuels sold for use in a highway truck, regardless of the fact that the truck is not used on highways. Much of the heavy equipment used in mining, logging, and other nonhighway operations will not bear either the increased manufacturers sales tax or the 1-cent increase in the tax on gasoline. Nor will gasoline used in stationary engines, tractors, bulldozers, or equipment such as road graders, bear the increased tax.

4. TIRES

The increased tax of 3 cents a pound imposed under title II on tires of the type used on highway vehicles applies to tires of that type, even though they are used on nonhighway equipment. Tires other than tires of the type used on highway vehicles, such as bicycle and tractor tires, will not be subject to the increased tax. The foregoing applies to the new tax on tread rubber when such tread rubber is sold for use or used in the recapping or retreading of tires of the highway type.

5. USE OF HEAVY TRUCKS AND BUSES

The tax on the use of heavy trucks and buses will apply only to the use of vehicles which are registered, or required to be registered, for use on highways. For this reason, nonhighway equipment and highway equipment which is not registered, or required to be registered, for use on the highway will not bear this tax.

As I have pointed out, the increased and new taxes imposed by the title have been restricted to the extent administratively feasible to highway vehicles—motor vehicles for the special motor fuels tax—because the revenues under this bill are devoted to the highway program. Some nonhighway use will be subject to the new and increased taxes because of the difficult administrative problems which would result from an attempt to base the taxes on the actual use to which either the vehicles, motor fuels, or tires are put. For example, it would be impossible to finally determine the use to which a tire is put until the tire is actually worn out, since, although initially placed on a nonhighway vehicle, it could be readily transferred to a highway vehicle. Complicating this problem is the fact that modern tires are often recapped until the carcass is unusable and the tire's useful life is thus extended, lasting, perhaps, 3 or 4 years. These, and other administrative difficulties, were considered by the Committee on Ways and Means in reaching its decision to base the new and increased taxes where possible on the type of vehicle, the type of tire, and the type of vehicle in which the motor fuels subject to tax would be used. The testimony of all interested parties, such as representatives of the mining, forestry, gasoline, tire, and automobile industries, were taken into account in reaching the committee's decision.

The manner in which relief provisions for nonhighway users are to be allowed, such as the benefit of the 2 cent rate on motor fuels, as well as the manner in which the exemption for transit systems is to be administered, are left to the regulatory authority of the Secretary of the Treasury and the Internal Revenue Service. This is in accordance with the traditional practice followed in revenue statutes. The Treasury and the Internal Revenue Service are in a better position to work out solutions satisfactory to all parties concerned under the latitude afforded by the regulatory power than they would be under a specific legislative proposal which, because of changing circumstances, might prove too restrictive. For example, it is possible, if thought feasible, for the Secretary of the Treasury's regulations to provide for direct purchases of gasoline at the 2 cent rate by nonhighway users.

Mr. Chairman, it is my belief that the taxes reflected in title II of H. R. 10660 represent the most equitable distribution of the tax burden among classes of highway users it is possible to obtain on the basis of presently available data. However, in order to be assured of this for the future there was written into the bill the requirement, now found in section 209 of title II, that the Secretary of Commerce make a study in cooperation with the

Interstate Commerce Commission and the State Highway Departments for the purpose of determining what, if any, changes should be made in the distribution of the tax burden in order to assure as equitable a distribution of the tax burden among the various classes of persons using the Federal-aid highways or otherwise deriving benefits from such highways as possible.

There was also incorporated in the bill a provision calling upon Congress to enact additional legislation if at any time during the course of the 16-year period covered by the bill it appears that the receipts of the trust fund and the expenditures from the fund will not balance.

It is my belief that these and other features of title II make this highway financing proposal the best that can be achieved by Congress at this time. I urge its adoption by the House.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

No amendments to title II are in order except those offered by the Committee on Ways and Means.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I—FEDERAL HIGHWAY ACT OF 1956

SEC. 101. Short title for title I.

This title may be cited as the "Federal Highway Act of 1956."

Mr. FALLON. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

According the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916 to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

RENEGOTIATION ACT AMENDMENTS TO ASSIST SMALL AND INDEPENDENT BUSINESS

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, today I am introducing a bill to amend the Renegotiation Act of 1951, as amended, for the purpose of assisting small and independent business. In this action I am joined by my Republican colleagues on the Select Committee on Small Business who are introducing identical bills. These Members, as you know, are the gentleman from New York [Mr. RIEHLMAN], the gentleman from Connecticut [Mr. SEELY-BROWN], the gentleman from Ohio [Mr. MCCULLOCH], and the gentleman from Illinoios [Mr. SHEEHAN]. The purpose and the effect of the amendments is, first, to encourage subcontracting in Government procurement and to provide incentives for small and independent business, secondly, to encourage prime contractors and subcontractors to subcontract the maximum proportion of their contracts and subcontracts and to provide the proper profit motives for small and independent business concerns, and thirdly, to expand the Government procurement base by providing much needed incentives and encouragement to small and independent business.

When these amendments become law, the Congress will have reaffirmed its long standing policy of assuring to small and independent business concerns a maximum proportion of the contracts for goods and services awarded by the various departments and agencies of the Federal Government.

In the midst of efforts to increase the small business share of military procurement, it has become evident that numerous phases of the Renegotiation Act operate to harm small business.

Since its enactment, the Renegotiation Act of 1951 has created inequities in the small business position and has served to deny to small business a fair opportunity to contribute its well recognized cost-savings skills in subcontracting operations.

It is the purpose of our amendments to reduce these unfair burdens upon small business and to stimulate small business participation in Government contracting, thus helping to reduce the net total cost of military procurement.

ENCOURAGEMENT OF SUBCONTRACTING

Many Members of Congress have been disturbed to find that the Renegotiation Act criteria for judging a contractor's performance, specifically, the requirement to consider the "extent of subcontracting," appears to have been interpreted so as to penalize a military contractor who, to any great extent, utilizes the skills of small-business subcontractors in an effort to reduce costs. It is evident that a clear expression of congressional intent to encourage efficient subcontracting would not only operate in the interest of small business, but would serve as incentive to reduce net costs in our national defense program.

The amendment offered to section 103 (e) of the Renegotiation Act of 1951, as amended, is designed to accomplish the purpose of encouraging subcontracting with small business by providing rewards to contractors in the form of proportionately higher profit allowances where it is evident that their small business subcontracting efforts are aimed at reductions in the net cost of total production.

AWARDS TO LOW BIDDERS

Another serious consideration in the drafting of our proposals was the extent to which certain operating phases of the act tend to penalize the contractor who demonstrates the most efficiency. Thus, in the area of military procurement which is most highly competitive—that is, the type of procurement in which small business participates most actively—the successful low bidder for a contract continues to find himself exposed to the burdens of extra recordkeeping and a Damocles sword of potential renegotiation liability.

We are all aware that active competition in our free-enterprise system is the most certain guaranty for economy in Government procurement operations. Therefore, our proposal is designed to encourage increased competition and bring the benefits of resulting lower prices to the Government by offering protection to the successful low bidder. By an addition to section 106 (a) of the act, we propose to make mandatory the exclusion of any contract or subcontract which has been awarded to the low bidder among three or more responsive bidders.

PRICE REDETERMINATION AND REVISION

As you know, many current contracts contain provisions for price redetermination or revision. Such types of contracts are generally used in the procurement of items for which there is insufficient production experience prior to the purchase of a particular item. Initial pricing in such contracts is based upon best estimates, but the contractor and military procurement agency agree to be guided by actual experience in making one or several subsequent price revisions to establish levels at which no more than reasonable profits shall accrue to the contractor. Obviously, the review and repricing procedure parallels the type of study made by the Renegotiation Board. The purpose of both procedures is identical. The requirement that a contractor who has been subjected to price redetermination repeat the process under renegotiation is to expose him to a form of double jeopardy and to impose upon him a further burden of excessive recordkeeping and financial insecurity.

Without question, this requirement is most burdensome on smaller businesses and discourages such firms from engaging in more active competition for Government contracts which they are well qualified to perform. Therefore, this amendment is designed to relieve such burdens and make mandatory the further exclusion of those contracts or subcontracts which, by their terms, are subject to price redetermination or price revision.

MINIMUM AMOUNTS SUBJECT TO RENEGOTIATION

It has become increasingly apparent that whatever degree of protection the Renegotiation Act currently affords is concentrated in the area of the most highly complex production, for example, the multimillion-dollar procurements of such items as supersonic missiles—the areas of procurement where secrecy and complexity tend to limit direct competition. In spite of this, thousands of smaller firms engaged in the very highly competitive fields of components production, toolmaking, instrument manufacture, and the like, continue to bear the additional administrative costs and uncertainties which renegotiation procedures necessarily impose.

It is our considered opinion that such burdens on these smaller firms are unwise and unwarranted. We propose, therefore, that the minimum dollar value of nonexcluded contracts to which renegotiation is applicable be raised from the current level of $500,000 to a new level of $1 million. We do not believe that the profits of any firm at this level of business would be sufficient to warrant the costs involved in renegotiation from either the Government's viewpoint or from that of the concern which undergoes the renegotiation. Our present tax levels are assurance that no inordinate profits will be retained. In fact, it is very doubtful whether present taxes allow the smaller concerns to retain sufficient funds for growth and expansion.

We sincerely hope in the consideration of an extension of the Renegotiation Act, if it is decided to extend that act, that the Ways and Means Committee will afford small business concerns an opportunity to be heard. We especially request sympathetic consideration on the points which we have raised. In making our proposals we are aware that Public Law 216 of the 84th Congress, 1st session, authorizes and directs the Joint Committee on Internal Revenue Taxation to make a complete study of the Renegotiation Act in order to determine "whether there is any necessity of extending the Renegotiation Act of 1951 beyond December 31, 1956" and also "if any further extension is found necessary, the extent to which renegotiation of Government contracts should apply after such date."

It is because of the alternatives provided in the Renegotiation Act extension, as approved August 3, 1955, that we have offered for consideration proposals which we believe to be both necessary and desirable in any further extension of the Renegotiation Act.

The complete text of the bill follows:

A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes

Be it enacted, etc.—

DECLARATION OF PURPOSE AND POLICY

SECTION 1. It is hereby declared to be the policy of the Congress, and the purpose of this act—

(1) to encourage subcontracting in Government procurement to provide incentives for small and independent business concerns,

(2) to encourage prime contractors and subcontractors to subcontract the maximum proportion of their contracts and subcontracts to provide the proper profit motives for small and independent business concerns as the cornerstone of our free enterprise system, and

(3) to expand the Government procurement base by providing incentives and encouragement to small and independent business concerns.

The Congress hereby reaffirms its long-standing policy of assuring to small and independent business concerns a maximum proportion of the contracts for goods and services awarded by the various departments and agencies of the Federal Government.

ENCOURAGEMENT OF SUBCONTRACTING

SEC. 2. Section 103 (e) of the Renegotiation Act of 1951, as amended (setting forth factors to be taken into account in determining whether profits are excessive), is amended by adding at the end thereof the following: "In determining excessive profits, favorable recognition must be given to subcontracting to small and independent business concerns; and a contractor or subcontractor who achieves economies through the program of the Department of Defense and the Small Business Administration to increase the share of small and independent business concerns in military procurement shall, subject to other considerations set forth in this subsection, be provided incentive rewards through proportionately higher profit allowances. For purposes of the preceding sentence, the term 'small and independent business concerns' as of any time has the meaning then agreed to by the Department of Defense and the Small Business Administration."

MINIMUM AMOUNTS SUBJECT TO RENEGOTIATION

SEC. 3. (a) Paragraph (1) of section 105 (f) of the Renegotiation Act of 1951, as amended (relating to minimum amounts subject to renegotiation), is amended by striking out "or $500,000 in the case of a fiscal year ending on or after June 30, 1953" each place it appears therein and inserting in lieu thereof "$500,000 in the case of a fiscal year ending on or after June 30, 1953, and before July 1, 1956, or $1,000,000 in the case of a fiscal year ending after June 30, 1956."

(b) The second sentence of paragraph (3) of such section 105 (f) is amended by inserting "the $1,000,000 amount," after "the $500,000 amount,".

EXEMPTION OF CERTAIN CONTRACTS AND SUBCONTRACTS SUBJECT TO PRICE REDETERMINATION OR AWARDED TO LOW BIDDERS

SEC. 4. Section 106 (a) of the Renegotiation Act of 1951, as amended (relating to mandatory exemptions from the act), is amended by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and the word "or" and by adding at the end thereof the following new paragraphs:

"(10) any fixed price or incentive-type contract or subcontract which, by its terms, is subject to price redetermination or price revision; or

"(11) any contract or subcontract which has been the subject of competitive bidding and has been awarded to the low bidder among three or more responsive and competitive bidders."

EFFECTIVE DATE

SEC. 5. The amendments made by sections 2 and 4 of this act shall apply only in respect of contracts with the Departments and subcontracts made after June 30, 1956.

BANK HOLDING COMPANY ACT OF 1956

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6227) to provide for the control and regulation of bank holding companies, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Strike out all after the enacting clause and insert: "That this act may be cited as the 'Bank Holding Company Act of 1956.'

"DEFINITIONS

"SEC. 2 (a) 'Bank holding company' means any company (1) which directly or indirectly owns, controls, or holds with power to vote, 25 percent or more of the voting shares of each of two or more banks or of a company which is or becomes a bank holding company by virtue of this act, or (2) which controls in any manner the election of a majority of the directors of each of two or more banks, or (3) for the benefit of whose shareholders or members 25 percent or more of the voting shares of each of two or more banks or a bank holding company is held by trustees; and for the purposes of this act, any successor to any such company shall be deemed to be a bank holding company from the date as of which such predecessor company became a bank holding company. Notwithstanding the foregoing (A) no bank shall be a bank holding company by virtue of its ownership or control of shares in a fiduciary capacity, except where such shares are held for the benefit of the shareholders of such bank, (B) no company shall be a bank holding company which is registered under the Investment Company Act of 1940, and was so registered prior to May 15, 1955 (or which is affiliated with any such company in such manner as to constitute an affiliated company within the meaning of such act), unless such company (or such affiliated company), as the case may be, directly owns 25 percent or more of the voting shares of each of two or more banks, (C) no company shall be a bank holding company by virtue of its ownership or control of shares acquired by it in connection with its underwriting of securities and which are held only for such period of time as will permit the sale thereof upon a reasonable basis, (D) no company formed for the sole purpose of participating in a proxy solicitation shall be a bank holding company by virtue of its control of voting rights of shares acquired in the course of such solicitation, and (E) no company shall be a bank holding company if at least 80 percent of its total assets are composed of holdings in the field of agriculture.

"(b) 'Company' means any corporation, business trust, association, or similar organization, but shall not include (1) any corporation the majority of the shares of which are owned by the United States or by any State, or (2) any corporation or community chest, fund, or foundation, organized and operated exclusively for religious, charitable, or educational purposes, no part of the net earnings of which inures to the benefit of any private share holders or individuals, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, or (3) any partnership.

"(c) 'Bank' means any national banking association or any State bank, savings bank, or trust company, but shall not include any organization operating under section 25 (a) of the Federal Reserve Act, or any organization which does not do business within the United States 'State member bank' means any State bank which is a member of the Federal Reserve System. 'District bank' means any State bank organized or operating under the Code of Law for the District of Columbia.

"(d) 'Subsidiary', with respect to a specified bank holding company, means (1) any company 25 per centum or more of whose voting shares (excluding shares owned by the United States or by any company wholly owned by the United States) is owned or controlled by such bank holding company;

or (2) any company the election of a majority of whose directors is controlled in any manner by such bank holding company; or (3) any company 25 percent or more of whose voting shares are held by trustees for the benefit of the shareholders or members of such bank holding company.

"(e) The term 'successor' shall include any company which acquires directly or indirectly from a bank holding company shares of any bank, when and if the relationship between such company and the bank holding company is such that the transaction effects no substantial change in the control of the bank or beneficial ownership of such shares of such bank. The Board may, by regulation, further define the term "successor' to the extent necessary to prevent evasion of the purposes of this act.

"(f) 'Board' means the Board of Governors of the Federal Reserve System.

"(g) 'Agriculture', as used in section 2 (a), includes farming in all its branches including fruitgrowing, dairying, the raising of livestock, bees, fur-bearing animals, or poultry, forestry or lumbering operations, and the production of naval stores, and operations directly related thereto.

"ACQUISITION OF BANK SHARES OR ASSETS

"SEC. 3. (a) It shall be unlawful except with the prior approval of the Board (1) for any action to be taken which results in a company becoming a bank holding company under section 2 (a) of this act; (2) for any bank holding company to acquire direct or indirect ownership or control of any voting shares of any bank if, after such acquisition, such company will directly or indirectly own or control more than 5 percent of the voting shares of such bank; (3) for any bank holding company or subsidiary thereof, other than a bank, to acquire all or substantially all of the assets of a bank; or (4) for any bank holding company to merge or consolidate with any other bank holding company. Notwithstanding the foregoing this prohibition shall not apply to (A) shares acquired by a bank, (i) in good faith in a fiduciary capacity, except where such shares are held for the benefit of the shareholders of such bank; or (ii) in the regular course of securing or collecting a debt previously contracted in good faith, but any shares acquired after the date of enactment of this act in securing or collecting any such previously contracted debt shall be disposed of within a period of 2 years from the date on which they were acquired; or (B) additional shares acquired by a bank holding company in a bank in which such bank holding company owned or controlled a majority of the voting shares prior to such acquisition.

"(b) Upon receiving from a company any application for approval under this section, the Board shall give notice to the Comptroller of the Currency, if the applicant company or any bank the voting shares or assets of which are sought to be acquired is a national banking association or a District bank, or to the appropriate supervisory authority of the interested State, if the applicant company or any bank the voting shares or assets of which are sought to be acquired in a State bank, and shall allow 30 days within which the views and recommendations of the Comptroller of the Currency or the State supervisory authority, as the case may be, may be submitted. If the Comptroller of the Currency or the State supervisory authority so notified by the Board disapproves the application in writing within said 30 days, the Board shall forthwith give written notice of that fact to the applicant. Within 3 days after giving such notice to the applicant, the Board shall notify in writing the applicant and the disapproving authority of the date for commencement of a hearing by it on such application. Any such hearing shall be commenced not less than 10 nor more than 30 days after the Board has given written notice to the applicant of the action of the disapproving authority. The length of any such hearing shall be determined by the Board, but it shall afford all interested parties a reasonable opportunity to testify at such hearing. At the conclusion thereof, the Board shall by order grant or deny the application on the basis of the record made at such hearing.

"(c) In determining whether or not to approve any acquisition or merger or consolidation under this section, the Board shall take into consideration the following factors: (1) the financial history and condition of the company or companies and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of such acquisition or merger or consolidation would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

"(d) Notwithstanding any other provision of this section, no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly or indirectly, any voting shares of, interest in, or all or substantially all of the assets of any additional bank located outside of the State in which such bank holding company maintains its principal office and place of business or in which it conducts its principal operations unless the acquisition of such shares or assets of a State bank by an out-of-State bank holding company is specifically authorized by the statute laws of the State in which such bank is located, by language to that effect and not merely by implication.

"INTERESTS IN NONBANKING ORGANIZATIONS

"SEC. 4. (a) Except as otherwise provided in this act, no bank holding company shall—

"(1) after the date of enactment of this act acquire direct or indirect ownership or control of any voting shares of any company which is not a bank, or

"(2) after 2 years from the date of enactment of this act or from the date as of which it becomes a bank holding company, whichever is later, retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company or engage in any business other than that of banking or of managing or controlling banks or of furnishing services to or performing services for any bank of which it owns or controls 25 percent or more of the voting shares.

The Board is authorized, upon application by a bank holding company, to extend the period referred to in paragraph (2) above from time to time as to such bank holding company for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest, but no such extensions shall extend beyond a date 5 years after the date of enactment of this act or 5 years after the date as of which a company becomes a bank holding company, whichever is later.

"(b) After two years from the date of enactment of this act, no certificate evidencing shares of any bank holding company shall bear any statement purporting to represent shares of any other company except a bank or a bank holding company, nor shall the ownership, sale, or transfer of shares of any bank holding company be conditioned in any manner whatsoever upon the ownership, sale, or transfer of shares of any other company except a bank or a bank holding company.

"(c) The prohibitions in this section shall not apply—

"(1) to shares owned or acquired by a bank holding company in any company engaged solely in holding or operating properties used wholly or substantially by any bank with respect to which it is a bank holding company in its operations or acquired for such future use or engaged solely in conducting a safe deposit business, or solely in the business of furnishing services to or performing services for such holding company and banks with respect to which it is a bank holding company, or in liquidating assets acquired from such bank holding company and such banks;

"(2) to shares acquired by a bank holding company which is a bank, or by any banking subsidiary of a bank holding company, in satisfaction of a debt previously contracted in good faith, but such bank holding company or such subsidiaries shall dispose of such shares within a period of 2 years from the date on which they were acquired or from the date of enactment of this act, whichever is later;

"(3) to shares acquired by a bank holding company from any of its subsidiaries which subsidiary has been requested to dispose of such shares by any Federal or State authority having statutory power to examine such subsidiary, but such bank holding company shall dispose of such shares within a period of 2 years from the date on which they were acquired or from the date of enactment of this act, whichever is later;

"(4) to shares which are held or acquired by a bank holding company which is a bank or by any banking subsidiary of a bank holding company, in good faith in a fiduciary capacity, except where such shares are held for the benefit of the shareholders of such bank holding company or any of its subsidiaries, or to shares which are of the kinds and amounts eligible for investment by national banking associations under the provisions of section 5136 of the Revised Statutes, or to shares lawfully acquired and owned prior to the date of enactment of this act by a bank which is a bank holding company, or by any of its wholly owned subsidiaries;

"(5) to shares of any company which are held or acquired by a bank holding company which do not include more than 5 percent of the outstanding voting securities of such company, and do not have a value greater than 5 percent of the value of the total assets of the bank holding company, or to the ownership by a bank holding company of shares, securities, or obligations of an investment company which is not a bank holding company and which is not engaged in any business other than investing in securities, which securities do not include more than 5 percent of the outstanding voting securities of any company and do not include any single asset having a value greater than 5 percent of the value of the total assets of the bank holding company;

"(6) to shares of any company all the activities of which are of a financial, fiduciary, or insurance nature and which the Board after due notice and hearing, and on the basis of the record made at such hearing, by order has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this act;

"(7) to any bank holding company which is a labor, agricultural, or horticultural organization and which is exempt from taxation under section 501 of the Internal Revenue Code of 1954; or

"(8) to shares held or acquired by a bank holding company in any company which is organized under the laws of a foreign country and which is engaged principally in the banking business outside the United States.

"ADMINISTRATION

"SEC. 5. (a) Within 180 days after the date of enactment of this act, or within 180 days

after becoming a bank holding company, whichever is later, each bank holding company shall register with the Board on forms prescribed by the Board, which shall include such information with respect to the financial condition and operations, management, and intercompany relationships of the banking holding company and its subsidiaries, and related matters, as the Board may deem necessary or appropriate to carry out the purposes of this act. The Board may, in its discretion, extend the time within which a bank holding company shall register and file the requisite information.

"(b) The Board is authorized to issue such regulations and orders as may be necessary to enable it to administer and carry out the purposes of this act and prevent evasions thereof.

"(c) The Board from time to time may require reports under oath to keep it informed as to whether the provisions of this act and such regulations and orders issued thereunder have been complied with; and the Board may make examinations of each bank holding company and each subsidiary thereof, the cost of which shall be assessed against, and paid by, such holding company. The Board shall, as far as possible, use the reports of examinations made by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, or the appropriate State bank supervisory authority for the purposes of this section.

"(d) Before the expiration of 2 years following the date of enactment of this act, and each year thereafter in the Board's annual report to the Congress, the Board shall report to the Congress the results of the administration of this act, stating what, if any, substantial difficulties have been encountered in carrying out the purposes of this act, and any recommendations as to changes in the law which in the opinion of the Board would be desirable.

"BORROWING BY BANK HOLDING COMPANY OR ITS SUBSIDIARIES

"SEC. 6. (a) From and after the date of enactment of this act, it shall be unlawful for a bank—

"(1) to invest any of its funds in the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary, or of any other subsidiary of such bank holding company;

"(2) to accept the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary or any other subsidiary of such bank holding company, as collateral security for advances made to any person or company: *Provided, however*, That any bank may accept such capital stock, bonds, debentures, or other obligations as security for debts previously contracted, but such collateral shall not be held for a period of over 2 years;

"(3) to purchase securities, other assets or obligations under repurchase agreement from a bank holding company of which it is a subsidiary or any other subsidiary of such bank holding company; and

"(4) to make any loan, discount or extension of credit to a bank holding company of which it is a subsidiary or to any other subsidiary of such bank holding company.

"Non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance to the bank or deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance to the depositing bank.

"(b) The provisions of this section shall not apply (1) to the capital stock, bonds, debentures, or other obligations of any company described in section 4 (c) (1) of this act, or (2) to any company whose subsidiary status has arisen out of a bona fide debt to the bank contracted prior to the date of the creation of such status, or (3) to any company whose subsidiary status exists by reason of the ownership or control or voting shares thereof by the bank as executor, administrator, trustee, receiver, agent, or depositary, or in any other fiduciary capacity, except where such shares are held for the benefit of all or a majority of the stockholders of such bank.

"RESERVATION OF RIGHTS TO STATES

"SEC. 7. The enactment by the Congress of the Bank Holding Company Act of 1956 shall not be construed as preventing any State from exercising such powers and jurisdiction which it now has or may hereafter have with respect to banks, bank holding companies, and subsidiaries thereof.

"PENALTIES

"SEC. 8. Any company which willfully violates any provision of this act, or any regulation or order issued by the Board pursuant thereto, shall upon conviction be fined not more than $1,000 for each day during which the violation continues. Any individual who willfully participates in a violation of any provision of this act shall upon conviction be fined not more than $10,000 or imprisoned not more than 1 year, or both. Every officer, director, agent, and employee of a bank holding company shall be subject to the same penalties for false entries in any book, report, or statement of such bank holding company as are applicable to officers, directors, agents, and employees of member banks for false entries in any books, reports, or statements of member banks under section 1005 of title 18, United States Code.

"JUDICIAL REVIEW

"SEC. 9. Any party aggrieved by an order of the Board under this act may obtain a review of such order in the United States Court of Appeals within any circuit wherein such party has its principal place of business, or in the Court of Appeals in the District of Columbia, by filing in the court, within 60 days after the entry of the Board's order, a petition praying that the order of the Board be set aside. A copy of such petition shall be forthwith served upon the Board, and thereupon the Board shall certify and file in the court a transcript of the record made before the Board. Upon the filing of the transcript the court shall have jurisdiction to affirm, set aside, or modify the order of the Board and to require the Board to take such action with regard to the matter under review as the court deems proper. The findings of the Board as to the facts, if supported by substantial evidence, shall be conclusive.

"AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

"SEC. 10. (a) Subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new part:

"*'Part VIII—Distributions pursuant to Bank Holding Company Act of 1956*

"'Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1956.
"'Sec. 1102. Special rules.
"'Sec. 1103. Definitions.

"'Sec. 1101. Distributions pursuant to Bank Holding Company Act of 1956.

"'(a) Distributions of certain non-banking property.—

"'(1) Distributions of prohibited property.—If—

"'(A) a qualified bank holding corporation distributes prohibited property (other than stock received in an exchange to which subsection (c) (2) applies)—

"'(i) to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such corporation; or

"'(ii) to a shareholder, in exchange for its preferred stock; or

"'(iii) to a security holder, in exchange for its securities; and

"'(B) the Board has, before the distribution, certified that the distribution of such prohibited property is necessary or appropriate to effectuate section 4 of the Bank Holding Company Act of 1956,

then no gain to the shareholder or security holder from the receipt of such property shall be recognized.

"'(2) Distributions of stock and securities received in an exchange to which subsection (c) (2) applies.—If—

"'(A) a qualified bank holding corporation distributes—

"'(i) common stock received in an exchange to which subsection (c) (2) applies to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such corporation; or

"'(ii) common stock received in an exchange to which subsection (c) (2) applies to a shareholder, in exchange for its common stock; or

"'(iii) preferred stock or common stock received in an exchange to which subsection (c) (2) applies to a shareholder, in exchange for its preferred stock; or

"'(iv) securities or preferred or common stock received in an exchange to which subsection (c) (2) applies to a security holder in exchange for its securities; and

"'(B) any preferred stock received has substantially the same terms as the preferred stock exchanged, and any securities received have substantially the same terms as the securities exchanged, then, except as provided in subsection (f), no gain to the shareholder or security holder from the receipt of such stock or such securities or such stock and securities shall be recognized.

"'(3) Non pro rata distributions: Paragraphs (1) and (2) shall apply to a distribution whether or not the distribution is pro rata with respect to all of the shareholders of the distributing qualified bank holding corporation.

"'(4) Exception: This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (b).

"'(5) Distributions involving gift or compensation.—

"'In the case of a distribution to which paragraph (1) or (2) applies, but which—

"'(A) results in a gift, see section 2501, and following, or

"'(B) has the effect of the payment of compensation, see section 61 (a) (1).

"'(b) Corporation ceasing to be a bank holding company.—

"'(1) Distributions of property which cause a corporation to be a bank holding company: If—

"'(A) a qualified bank holding corporation distributes property (other than stock received in an exchange to which subsection (c) (3) applies)—

"'(i) to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such corporation; or

"'(ii) to a shareholder, in exchange for its preferred stock; or

"'(iii) to a security holder, in exchange for its securities; and

"'(B) the Board has, before the distribution, certified that—

"'(i) such property is all or part of the property by reason of which such corporation controls (within the meaning of section 2 (a) of the Bank Holding Company Act of 1956) a bank or bank holding company, or such property is part of the property by reason of which such corporation did control a bank or a bank holding company before any property of the same kind was distributed under this subsection or exchanged under subsection (c) (3); and

"'(ii) the distribution is necessary or appropriate to effectuate the policies of such act, then no gain to the shareholder or security holder from the receipt of such property shall be recognized.

"'(2) Distributions of stock and securities received in an exchange to which subsection (c) (3) applies: If—

"'(A) a qualified bank holding corporation distributes—

"'(i) common stock received in an exchange to which subsection (c) (3) applies to a shareholder (with respect to its stock held by such shareholder), without the surrender by such shareholder of stock in such corporation; or

"'(ii) common stock received in an exchange to which subsection (c) (3) applies to a shareholder, in exchange for its common stock; or

"'(iii) preferred stock or common stock received in an exchange to which subsection (c) (3) applies to a shareholder, in exchange for its preferred stock; or

"'(iv) securities or preferred or common stock received in an exchange to which subsection (c) (3) applies to a security holder, in exchange for its securities; and

"'(B) any preferred stock received has substantially the same terms as the preferred stock exchanged, and any securities received have substantially the same terms as the securities exchanged,

then, except as provided in subsection (f), no gain to the shareholder or security holder from the receipt of such stock or such securities or such stock and securities shall be recognized.

"'(3) Non pro rata distributions: Paragraphs (1) and (2) shall apply to a distribution whether or not the distribution is pro rata with respect to all of the shareholders of the distributing qualified bank holding corporation.

"'(4) Exception: This subsection shall not apply to any distribution by a corporation which has made any distribution pursuant to subsection (a).

"'(5) Distributions involving gift or compensation.—

"'In the case of a distribution to which paragraph (1) or (2) applies, but which—

"'(A) results in a gift, see section 2501, and following, or

"'(B) has the effect of the payment of compensation, see section 61 (a) (1).

"'(c) Property acquired after May 15, 1955.—

"'(1) In general: Except as provided in paragraphs (2) and (3), subsection (a) or (b) shall not apply to—

"'(A) any property acquired by the distributing corporation after May 15, 1955, unless (i) gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b), or (ii) such property was received by it in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or (iii) such property was acquired by the distributing corporation in a transaction in which gain was not recognized under section 305 (a) or section 332, or under section 354 with respect to a reorganization described in section 368 (a) (1) (E) or (F), or

"'(B) any property which was acquired by the distributing corporation in a distribution with respect to stock acquired by such corporation after May 15, 1955, unless such stock was acquired by such corporation (i) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b), or (ii) in exchange for all of its stock in an exchange to which paragraph (2) or (3) applies, or (iii) in a transaction in which gain was not recognized under section 305 (a) or section 332, or under section 354 with respect to a reorganization described in section 368 (a) (1) (E) or (F), or

"'(C) any property acquired by the distributing corporation in a transaction in which gain was not recognized under section 332, unless such property was acquired from a corporation which, if it had been a qualified bank holding corporation, could have distributed such property under subsection (a) (1) or (b) (1).

"'(2) Exchanges involving prohibited property.—If—

"'(A) any qualified bank holding corporation exchanges (i) property, which, under subsection (a) (1), such corporation could distribute directly to its shareholders or security holders without the recognition of gain to such shareholders or security holders, and other property (except property described in subsection (b) (1) (B) (i)), for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock in a manner prescribed in subsection (a) (2) (A); and

"'(C) before such exchange, the Board has certified (with respect to the property exchanged which consists of property which, under subsection (a) (1), such corporation could distribute directly to its shareholders or security holders without the recognition of gain) that the exchange and distribution are necessary or appropriate to effectuate section 4 of the Bank Holding Company Act of 1956,

then paragraph (1) shall not apply with respect to such distribution.

"'(3) Exchanges involving interests in banks.—If—

"'(A) any qualified bank holding corporation exchanges (i) property which, under subsection (b) (1), such corporation could distribute directly to its shareholders or security holders without the recognition of gain to such shareholders or security holders, and other property (except prohibited property), for (ii) all of the stock of a second corporation created and availed of solely for the purpose of receiving such property;

"'(B) immediately after the exchange, the qualified bank holding corporation distributes all of such stock in a manner prescribed in subsection (b) (2) (A); and

"'(C) before such exchange, the Board has certified (with respect to the property exchanged which consists of property which, under subsection (b) (1), such corporation could distribute directly to its shareholders or security holders without the recognition of gain) that—

"'(i) such property is all or part of the property by reason of which such corporation controls (within the meaning of section 2 (a) of the Bank Holding Company Act of 1956) a bank or bank holding company, or such property is part of the property by reason of which such corporation did control a bank or a bank holding company before any property of the same kind was distributed under subsection (b) (1) or exchanged under this paragraph; and

"'(ii) the exchange and distribution are necessary or appropriate to effectuate the policies of such act,

then paragraph (1) shall not apply with respect to such distribution.

"'(d) Distributions to avoid Federal income tax—

"'(1) Prohibited property: Subsection (a) shall not apply to a distribution if, in connection with such distribution, the distributing corporation retains, or transfers after May 15, 1955, to any corporation, property (other than prohibited property) as part of a plan one of the principal purposes of which is the distribution of the earnings and profits of any corporation.

"'(2) Banking property: Subsection (b) shall not apply to a distribution if, in connection with such distribution, the distributing corporation retains, or transfers after May 15, 1955, to any corporation, property (other than property described in subsection (b) (1) (B) (i)) as part of a plan one of the principal purposes of which is the distribution of the earnings and profits of any corporation.

"'(3) Certain contributions to capital: In the case of a distribution a portion of which is attributable to a transfer which is a contribution to the capital of a corporation, made after May 15, 1955, and prior to the date of the enactment of this part, if subsection (a) or (b) would apply to such distribution but for the fact that, under paragraph (1) or (2) (as the case may be) of this subsection, such contribution to capital is part of a plan one of the principal purposes of which is to distribute the earnings and profits of any corporation, then, notwithstanding paragraph (1) or (2), subsection (a) or (b) (as the case may be) shall apply to that portion of such distribution not attributable to such contribution to capital, and shall not apply to that portion of such distribution attributable to such contribution to capital.

"'(e) Final certification.—

"'(1) For subsection (a): Subsection (a) shall not apply with respect to any distribution by a corporation unless the Board certifies that, before the expiration of the period permitted under section 4 (a) of the Bank Holding Company Act of 1956 (including any extensions thereof granted to such corporation under such section 4 (a)), the corporation has disposed of all the property the disposition of which is necessary or appropriate to effectuate section 4 of such act (or would have been so necessary or appropriate if the corporation had continued to be a bank holding company).

"'(2) For subsection (b)—

"'(A) Subsection (b) shall not apply with respect to any distribution by any corporation unless the Board certifies that, before the expiration of the period specified in subparagraph (B), the corporation has ceased to be a bank holding company.

"'(B) The period referred to in subparagraph (A) is the period which expires 2 years after the date of the enactment of this part or 2 years after the date on which the corporation becomes a bank holding company, whichever date is later. The Board is authorized, on application by any corporation, to extend such period from time to time with respect to such corporation for not more than 1 year at a time if, in its judgment, such an extension would not be detrimental to the public interest; except that such period may not in any case be extended beyond the date 5 years after the date of the enactment of this part or 5 years after the date on which the corporation becomes a bank holding company, whichever date is later.

"'(f) Certain exchanges of securities: In the case of an exchange described in subsection (a) (2) (A) (iv) or subsection (b) (2) (A) (iv), subsection (a) or subsection (b) (as the case may be) shall apply only to the extent that the principal amount of the securities received does not exceed the principal amount of the securities exchanged.

"'SEC. 1102. Special rules.

"'(a) Basis of property acquired in distributions: If, by reason of section 1101, gain is not recognized with respect to the receipt of any property, then, under regulations prescribed by the Secretary or his delegate—

"'(1) if the property is received by a shareholder with respect to stock, without the surrender by such shareholder of stock, the basis of the property received and of the stock with respect to which it is distributed shall, in the distributee's hands, be determined by allocating between such property and such stock the adjusted basis of such stock; or

"'(2) if the property is received by a shareholder in exchange for stock or by a security holder in exchange for securities, the basis of the property received shall, in the distributee's hands, be the same as the adjusted basis of the stock or securities exchanged, increased by—

"'(A) the amount of the property received which was treated as a dividend, and

"'(B) the amount of gain to the taxpayer recognized on the property received (not including any portion of such gain which was treated as a dividend).

"'(b) Periods of limitation: The periods of limitation provided in section 6501 (relating to limitations on assessment and collection) shall not expire, with respect to any deficiency (including interest and additions to the tax) resulting solely from the receipt of property by shareholders in a distribution which is certified by the Board under subsection (a), (b), or (c) of section 1101, until 5 years after the distributing corporation notifies the Secretary or his delegate (in such manner and with such accompanying information as the Secretary or his delegate may by regulations prescribe) that the period (including extensions thereof) prescribed in section 4 (a) of the Bank Holding Company Act of 1956, or section 1101 (e) (2) (B), whichever is applicable, has expired; and such assessment may be made notwithstanding any provision of law or rule of law which would otherwise prevent such assessment.

"'(c) Allocation of earnings and profits:

"'(1) Distribution of stock in a controlled corporation: In the case of a distribution by a qualified bank holding corporation under section 1101 (a) (1) or (b) (1) of stock in a controlled corporation, proper allocation with respect to the earnings and profits of the distributing corporation and the controlled corporation shall be made under regulations prescribed by the Secretary or his delegate.

"'(2) Exchanges described in section 1101 (c) (2) or (3): In the case of any exchange described in section 1101 (c) (2) or (3) proper allocation with respect to the earnings and profits of the corporation transferring the property and the corporation receiving such property shall be made under regulations prescribed by the Secretary or his delegate.

"'(3) Definition of controlled corporation: For purposes of paragraph (1), the term "controlled corporation" means a corporation with respect to which at least 80 percent of the total combined voting power of all classes of stock entitled to vote and at least 80 percent of the total number of shares of all other classes of stock is owned by the distributing qualified bank holding corporation.

"'(d) Itemization of property: In any certification under this part, the Board shall make such specification and itemization of property as may be necessary to carry out the provisions of this part.

"'SEC. 1103. Definitions.

"'(a) Bank holding company: For purposes of this part, the term "bank holding company" has the meaning assigned to such term by section 2 of the Bank Holding Company Act of 1956.

"'(b) Qualified bank holding corporation:

"'(1) In general: Except as provided in paragraph (2), for purposes of this part the term "qualified bank holding corporation" means any corporation (as defined in section 7701 (a) (3)) which is a bank holding company and which holds prohibited property acquired by it—

"'(A) on or before May 15, 1955,

"'(B) in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, or

"'(C) in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (c) (3).

"'(2) Limitations:

"'(A) A bank holding company shall not be a qualified bank holding corporation, unless it would have been a bank holding company on May 15, 1955, if the Bank Holding Company Act of 1956 had been in effect on such date, or unless it is a bank holding company determined solely by reference to—

"'(i) property acquired by it on or before May 15, 1955,

"'(ii) property acquired by it in a distribution in which gain to such corporation with respect to the receipt of such property was not recognized by reason of subsection (a) or (b) of section 1101, and

"'(iii) property acquired by it in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"'(B) A bank holding company shall not be a qualified bank holding corporation by reason of property described in subparagraph (B) of paragraph (1) or clause (ii) of subparagraph (A) of this paragraph, unless such property was acquired in a distribution with respect to stock, which stock was acquired by such bank holding company—

"'(i) on or before May 15, 1955,

"'(ii) in a distribution (with respect to stock held by it on May 15, 1955, or with respect to stock in respect of which all previous applications of this clause are satisfied) with respect to which gain to it was not recognized by reason of subsection (a) or (b) of section 1101, or

"'(iii) in exchange for all of its stock in an exchange described in section 1101 (c) (2) or (3).

"'(C) A corporation shall be treated as a qualified bank holding corporation only if the Board certifies that it satisfies the foregoing requirements of this subsection.

"'(c) Prohibited property: For purposes of this part, the term "prohibited property" means; in the case of any bank holding company, property (other than nonexempt property) the disposition of which would be necessary or appropriate to effectuate section 4 of the Bank Holding Company Act of 1956 if such company continued to be a bank holding company beyond the period (including any extensions thereof) specified in subsection (a) of such section or in section 1101 (e) (2) (B) of this part, as the case may be. The term "prohibited property" does not include shares of any company held by a bank holding company to the extent that the prohibitions of section 4 of the Bank Holding Company Act of 1956 do not apply to the ownership by such bank holding company of such property by reason of subsection (c) (5) of such section.

"'(d) Nonexempt property: For purposes of this part, the term "nonexempt property" means—

"'(1) obligations (including notes, drafts, bills of exchange, and bankers' acceptances) having a maturity at the time of issuance of not exceeding 24 months, exclusive of days of grace;

"'(2) securities issued by or guaranteed as to principal or interest by a government or subdivision thereof or by any instrumentality of a government or subdivision; or

"'(3) money, and the right to receive money not evidenced by a security or obligation (other than a security or obligation described in paragraph (1) or (2)).

"'(e) Board: For purposes of this part, the term "Board" means the Board of Governors of the Federal Reserve System.'

"(b) The table of parts for subchapter O of chapter 1 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"'Part VIII. Distributions pursuant to Bank Holding Company Act of 1956.'

"(c) The amendments made by this section shall apply with respect to taxable years ending after the date of the enactment of this act.

"SAVING PROVISION

"SEC. 11. Nothing herein contained shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any prohibited antitrust or monopolistic act, action, or conduct.

"SEPARABILITY OF PROVISIONS

"SEC. 12. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby."

Amend the title so as to read: "An act to define bank holding companies, control their future expansion, and require their divestment of their nonbanking interests."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN. Mr. Speaker, reserving the right to object, do these Senate amendments make any material changes in the legislation as it was passed by the House?

Mr. SPENCE. I think not. They make some change, but no material change. I can say that the independent bankers are very much interested in the bill and are anxious to have the bill passed.

Mr. MARTIN. Is the gentleman from Michigan [Mr. WOLCOTT] in favor of this?

Mr. SPENCE. I have spoken with the gentleman from Michigan [Mr. WOLCOTT] and he was in favor of this procedure.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HYDROGEN BOMB TESTS

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, last Saturday, April 21, the titular leader of the Democratic Party, former Governor Adlai E. Stevenson made a rather astounding proposal in a speech before the American Society of Newspaper Editors. He severely criticized the foreign policy of the United States as administered by the Eisenhower Republican administration and climaxed his talk with the suggestion that the United States "give prompt and earnest consideration to stopping further tests of the hydrogen bomb."

I do not know how much Governor Stevenson knows about nuclear warfare or the development of nuclear weapons.

I do not know whether he has information on the relative position of the United States and Russia in this respect.

But millions of Americans must have been disturbed and shocked to hear his proposal—made so blithely—and yet possessing such dangerous and far-reaching potentialities.

Now it is interesting to note what kind of reaction Governor Stevenson's speech received in Communist Russia and I have here in my hand a news dispatch from the United Press this morning. It was sent at 10:21 a. m. and it reads as follows:

> Moscow.—Today's issue of the Communist organ Pravda contained extensive excerpts from Adlai Stevenson's speech attacking President Eisenhower's foreign policy.
>
> Pravda did not comment on the speech, contenting itself with quotations of Stevenson's demand that the United States halt its hydrogen-bomb tests, his criticisms of the President and Secretary of State John Foster Dulles and his description of successful Soviet penetration of underdeveloped nations.
>
> Yesterday's Pravda published a critical report of Mr. Eisenhower's ASNE speech in less than half the space it devoted to Stevenson today.

CERTAIN ACTIVITIES REGARDING POWER, DEPARTMENT OF THE INTERIOR

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. Chudoff] is recognized for 15 minutes.

Mr. CHUDOFF. Mr. Speaker, I have today introduced two bills designed to carry out the two legislative recommendations made by the Committee on Government Operations on its 13th Intermediate Report to the 84th Congress. This report is titled "Certain Activities Regarding Power, Department of the Interior—Changes in Powerline regulations."

The first bill is one to provide for the publication of advance notice of rules and regulations relating to lands and natural resources owned by the United States.

An investigation of the Subcommittee on Public Works and Resources of the Committee on Government Operations, described in the report, disclosed that certain very important changes in the Interior Department's powerline regulations, were obtained from the western power companies for Under Secretary of the Interior Clarence A. Davis, at his request, by a lobbyist of the Pacific Gas & Electric Co. These changes were highly detrimental to rural electric cooperatives and to public agencies which have a statutory preference right to federally generated power. They were then quietly engineered through the Department by Mr. Davis so that even the heads of the agencies in the Department which deal with land and power did not know what was going on. Preference customers and their representatives were kept completely in the dark until after the regulations were put into effect.

All this was possible because the provisions of the Administrative Procedure Act which provide for notice in the case of rulemaking do not apply to lands and natural resources owned by the Government. These lands and resources, involving mining, oil and gas production, timber, grazing, recreation and hunting and fishing, to name only a few uses, are continually increasing in importance to our citizens and our economy. They must not be administered behind closed doors or through quietly arranged deals.

The first bill I have introduced will help to bring their administration into the open, where it should be, and will provide a definite step forward in the democratic administration of our public domain.

The second bill I have introduced is entitled "To facilitate the transmission of electric power by the United States."

This bill is designed to restore in the form of law a very important regulation which Mr. Davis repealed at the request of the Pacific Gas and Electric Co. The bill provides, as did the repealed regulation, that anyone who gets permission to build an electric power line, other than a low-voltage distribution line across lands of the United States must agree to let the Government utilize for the transmission of Government power any excess capacity in the line not needed by its owner so long as the owner does not need the capacity. It also allows the Government to increase the capacity of the lines to carry its power. In each case, of course, the Government must pay its share of the original and maintenance costs of the line. The bill gives reciprocal use of Government lines to the power companies on the same terms. It contains provisions to protect the power companies against pirating of its private customers by the Government.

I am sure that most, if not all, of us are aware of the great difficulties the Government has in securing reasonable wheeling agreements with the power companies who wish to monopolize and control power generated at Federal dams. Time after time Congress has had to appropriate or threaten to appropriate funds for duplicate lines before the companies have agreed to wheel. The repealed regulations provided an effective tool in securing reasonable wheeling arrangements. Under Secretary Davis, at the power companies' request, destroyed the tool. This bill will restore it and protect it from destruction by administrators who are bent on destroying the power policies established by Congress.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. Scott (at the request of Mr. Simpson of Pennsylvania), for balance of week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to Mrs. Rogers of Massachusetts, for 5 minutes tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Saylor.

Mr. Engle and to include extraneous matter.

Mr. McGregor, the remarks he will make in the Committee of the Whole today and to include various charts and extraneous matter.

Mr. Dondero, the remarks he will make in the Committee of the Whole today and to include charts and extraneous matter.

Mr. Bailey.

Mr. McCormack (at the request of Mr. Albert) and to include a letter.

Mr. Eberharter (at the request of Mr. Chudoff).

Mr. Fjare.

Mr. Price.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 76. Concurrent resolution amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 10754. An act to authorize the Honorable Sam Rayburn, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines; and

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

ADJOURNMENT

Mr. GRAY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 21 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, April 27, 1956, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1786. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to authorize an appropriation to provide for certain costs of United States participation in the International Bureau for the Publication of Customs Tariffs"; to the Committee on Foreign Affairs.

1787. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill relating to the management of the Red Lake Indian Forest and Sawmill"; to the Committee on Interior and Insular Affairs.

1788. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the cases of Sang Cheng Dwu, A-6849387, and Mary Hsiang-Yuin Dwu nee Kwei, A-6620858, involving the provisions of section 6 of the Refugee Relief Act of 1953, as amended, and requesting that they be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1789. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of James Henry, A-4932265, involving suspension of deportation, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1790. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting additional information relative to the case of Sing Sung Poa, A-9767561, involving the provisions of section 6 of the Refugee Relief Act of 1953, as amended, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

1791. A letter from the Secretary of Defense, transmitting a report received from the Department of the Air Force covering a violation of section 3679, Revised Statutes, and Department of Defense Directive 7300.1 entitled "Administrative Control of Appropriations Within the Department of Defense," pursuant to section 3679 (i) (2), Revised Statutes; to the Committee on Appropriations.

1792. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend the act of August 5, 1953 (ch. 321 (67 Stat. 363)); to the Committee on Armed Services.

1793. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented"; to the Committee on Post Office and Civil Service.

1794. A letter from the Secretary of Commerce, transmitting the annual report of the Foreign-Trade Zones Board for the fiscal year ended June 30, 1955, together with the reports covering the operations during the same period of Foreign-Trade Zones Nos. 1, 2, 3, 4, and 5, located, respectively, at New York City, New Orleans, San Francisco, Los Angeles, and Seattle, pursuant to section 16 of the Foreign-Trade Zones Act of June 18, 1934, as amended by Public Law No. 566, 81st Congress, approved June 17, 1950; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARDEN: Committee on Education and Labor. H. R. 10765. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; without amendment (Rept. No. 2067). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. House Joint Resolution 516. Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming; with amendment (Rept. No. 2068). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Joint Resolution 569. Joint resolution to provide for a joint session of the Congress to honor the surviving veterans of the War Between the States, and to provide for a medal to be struck and presented to such veterans; with amendment (Rept. No. 2069). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOWDY: Committee on Post Office and Civil Service. H. R. 9842. A bill to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases; with amendment (Rept. No. 2073). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Miss THOMPSON of Michigan: Committee on the Judiciary. House Joint Resolution 609. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 2070). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 605. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 2071). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 877. A bill for the relief of Mrs. Rose Amoresano and her children; with amendment (Rept. No. 2072). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. FARRINGTON:

H. R. 10829. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to provide for the designation of a Hawaii defense highway system; to the Committee on Public Works.

By Mr. GEORGE:

H. R. 10830. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. HAYWORTH:

H. R. 10831. A bill to amend the Federal Credit Union Act with reference to procedure as to making loans by Federal credit unions and to provide authorization for loan officers of Federal credit unions; to the Committee on Banking and Currency.

H. R. 10832. A bill to amend the Federal Credit Union Act so as specifically to authorize the organization of Federal central credit unions and to authorize Federal credit unions to invest in the shares of, and become members of, central credit unions organized under such act or other laws; to the Committee on Banking and Currency.

By Mr. SIMPSON of Pennsylvania:

H. R. 10833. A bill to recognize for income-tax purposes prepaid income accounting and reserves for estimated expenses; to the Committee on Ways and Means.

H. R. 10834. A bill relating to the definition of a personal holding company in the case of corporations filing consolidated income-tax returns; to the Committee on Ways and Means.

By Mr. TABER:

H. R. 10835. A bill to transfer the operation of the Continental Air Command from Mitchell Air Force Base to Sampson Air Force Base; to the Committee on Armed Services.

By Mr. BROYHILL:

H. R. 10836. A bill to amend Public Law 874, 81st Congress (relating to assistance to schools in federally affected areas) to provide an alternative method of computing local contribution rates; to the Committee on Education and Labor.

By Mr. CHUDOFF:

H. R. 10837. A bill to provide for the publication of advance notice of rules and regulations relating to lands and natural resources owned by the United States; to the Committee on the Judiciary.

H. R. 10838. A bill to facilitate the transmission of electric power by the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. HYDE:

H. R. 10839. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of surplus property to volunteer fire-fighting organizations; to the Committee on Government Operations.

By Mr. MILLS:

H. R. 10840. A bill to amend the Agricultural Adjustment Act of 1938 with respect to rice acreage allotments; to the Committee on Agriculture.

By Mr. PATTERSON:

H. R. 10841. A bill to amend paragraph 1541 of the Tariff Act of 1930, as amended, to provide that the rate of duty in effect with respect to harpsichords and clavichords shall be the same as the rate in effect with respect to pianos; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 10842. A bill to provide outpatient treatment for non-service-connected disability for certain veterans; to the Committee on Veterans' Affairs.

By Mr. SADLAK:

H. R. 10843. A bill to amend the Tariff Act of 1930 to place certain handmade and moldmade paper on the free list; to the Committee on Ways and Means.

By Mr. WIER:

H. R. 10844. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WILSON of California:

H. R. 10845. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ENGLE:

H. R. 10846. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H. R. 10847. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. METCALF:

H. R. 10848. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H. R. 10849. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

H. R. 10850. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of Nebraska:

H. R. 10851. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR:

H. R. 10852. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG:

H. R. 10853. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DAWSON of Utah:

H. R. 10854. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WESTLAND:

H. R. 10855. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. RHODES of Arizona:

H. R. 10856. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FERNANDEZ:

H. R. 10857. A bill to establish as a policy of Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GAVIN:

H. R. 10858. A bill to establish as a policy of Congress public use of public-domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HILL:

H. R. 10859. A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes; to the Committee on Ways and Means.

By Mr. RIEHLMAN:

H. R. 10860. A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes; to the Committee on Ways and Means.

By Mr. SEELY-BROWN:

H. R. 10861. A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes; to the Committee on Ways and Means.

By Mr. McCULLOCH:

H. R. 10862. A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes; to the Committee on Ways and Means.

By Mr. SHEEHAN:

H. R. 10863. A bill to amend the Renegotiation Act of 1951 to assist small business, and for other purposes; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H. Res. 487. Resolution to provide funds for the investigations and studies made by the Committee on Veterans' Affairs pursuant to House Resolution 63 and House Resolution 376; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10864. A bill for the relief of Jozef Golinowski; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10865. A bill for the relief of Antonetta Fede Garretto; to the Committee on the Judiciary.

By Mr. MILLS:

H. R. 10866. A bill for the relief of White River Distributors, Inc., and certain other creditors of the Westmoreland Manganese Corp.; to the Committee on the Judiciary.

By Mr. PATMAN:

H. R. 10867. A bil for the relief of Ardella Parsons, Billy Mac Parsons, Danny Leroy Parsons, Charles Ray Parsons, and Marilyn Ann Parsons; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 10868. A bill for the relief of Atsuko Suzuki Dickson; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 10869. A bill for the relief of Tullio Stabilito and Ida Stabilito; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 611. Joint resolution for the relief of certain relatives of United States citizens; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. Res. 488. Resolution referring the bill H. R. 10826 to the United States Court of Claims; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address Delivered by Hon. John Marshall Butler, of Maryland, at Goucher College

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, April 26, 1956

Mr. BUTLER. Mr. President, this is the season of mock political conventions in many of our schools, colleges, and universities, and such enthusiasm on the part of our young people is most refreshing, and portends good for the future.

Last Saturday, April 21, 1956, it was my great pleasure to participate in a mock convention at Goucher College, in Towson, Md. Goucher College is one of our State's leading institutions of learning, and we of Maryland are proud of its many graduates who have distinguished themselves in the arts and sciences. The students of Goucher College are indeed alert to the problems of today and tomorrow.

Mr. President, I ask unanimous consent to have included in the CONGRESSIONAL RECORD a speech which I delivered at this convention.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, honored guests, members of the convention, ladies and gentlemen, 1956 will be recorded in history as another year of reawakening and resurgence—a year of purpose and action. This climate is not accidental; it is the product of vision, leadership, and determination. It typifies the present strength, unity, and vitality of the American people in support of President Eisenhower and the Republican administration. It offers the opportunity of even greater accomplishments.

Yes, my friends, we can face the future with optimism—with even greater determination—and with even greater dedication to those principles of integrity and of economy and efficiency in government on which our Nation was founded.

The lessons of the past have been fruitful. Unity of purpose and action has developed a cohesive spirit of Republicanism which has been successfully demonstrated in the administration of the Federal, State, and local governments.

I have already stated that this favorable climate did not occur by chance. On the contrary, it has been precisely calculated. It marks a crescendo of energy and wisdom, whose dictating force has been the halting and reversal of dangerous socialistic tendencies at all levels of government. The full volume of this crescendo is unlimited and the promise of the future for our Nation is bright. The national posture of the opposition party has been confounded by a babble of political counsels, resulting in many cleavages. With our critics thus operating in a vacuum of confusion and discord, the solidarity of purpose within the Republican Party assumes greater significance.

You might ask—and the people of America might rightfully demand—"What are the accomplishments of the national administration, under President Eisenhower's leadership, which justify a continuation of Republican management in government?" The record of the past 4 years is truly filled with undeniable successes of lasting impact, and a few of these historic milestones are deserving of special emphasis.

The Eisenhower administration is to be commended for its constructive achievements. It has dispatched the public business with efficiency. It has restored the people's confidence in the integrity of their Government. No longer are we compelled to tolerate the miserable displays of arrogance, scandalous behavior, waste, and inefficiency which characterized 20 years of the New Deal and the Fair Deal.

The sacrifice of American lives in Korea has been ended. Russian imperialism and Communist aggression have been confronted with our firm determination to safeguard freedom and attain genuine peace. The devious Communist conspiracy, as inspired and carried out by the Kremlin, has been exposed in its true, ugly light. Without any weak-kneed surrender of basic principles, the Eisenhower administration has met this threat to freedom and liberty with a determination of lasting vigor. We shall not, and must not, lose sight of our cherished heritage and our pledge to freedom-loving people everywhere.

Today, able men and women are striving to undo the damage created by the incompetency of the unrealistic foreign policy of the New Deal and the Fair Deal.

Our national-defense program has been reorganized and strengthened by policies capable of providing long-range security at substantial savings and without disruption of the national economy.

Unification of the armed services has been effectively advanced through efficient management and careful coordination.

We have taken decisive action to safeguard the Nation from enemies within its borders and to remove Communist infiltration and subversion from all phases of our society. This serious threat has been illuminated to the extent that there is now wide public awareness of the potential menace to our traditional American way of life.

The trend toward destructive socialistic tendencies in Government has been arrested by the encouragement of private competitive enterprise, thrift, and the self-reliance of our people. Labor and private enterprise have been urged to solve their own problems without Government interference.

The States have been encouraged to meet their proper responsibilities. Their inherent rights to develop submerged lands and other resources within their boundaries have been restored, and we have rededicated ourselves to the concept of States rights.

The fundamental belief that Government should do only those things which the people cannot best do for themselves has been restored to its rightful ascendency in our way of life.

The difficult transition from war to peace has been successfully bridged without disrupting the Nation's economy. National controls of prices, wages, and rents have been ended, freeing American enterprise from undue Government interference. The nation's economy has been stabilized and the value of the dollar strengthened, ending the cheating of our people by inflation and avoiding the distress of deflation, while employment, production, wages, and earnings have remained high. The solvency of America is one of our greatest weapons in combating those forces which are bent on destroying our free way of life.

Under this prudent administration, taxes have been cut, thereby reducing income-tax payments, excise taxes on goods consumers buy, and providing substantial benefits in other deductions and allowances for individuals and enterprises.

All Americans look to the day when their individual and collective tax burdens will be reduced. For the first time in many years, the Eisenhower administration made possible a tax cut of some seven billion dollars.

For the first time in almost 80 years, our internal-revenue laws have been broadly revised. The continued economic growth of our country has thus been stimulated.

By way of contrast, let us look at the record of the Democratic Party. Since 1913 there have been 15 income-tax increases. All but one of these were voted by a Democratic Congress.

On the budgetary side, in the 1932–52 period, our Government lived within its income on only three occasions. Two of these three times, the budget was balanced only as a result of action by the Republican 80th Congress.

The Republican administration has acted courageously to end the shameful waste of farm surpluses, to reduce the high cost of subsidies, and to provide farmers with a long-range program for an independent, self-reliant agriculture, with Government providing a shield against destructive forces beyond farmer control.

Political courage, the likes of which have seldom been witnessed in our history, best describes President Eisenhower's action of last week in vetoing a hodge-podge, unworkable farm bill.

It has continued and enlarged the program to meet human needs, to strengthen civil rights, to aid our veterans to become established in civilian life and to provide adequate care for the disabled, to expand social security, and to assist the aged, the blind, and dependent widows and children.

In these and all other respects, the Eisenhower administration has fostered the forward progress of a free nation under a government without favoritism, without corruption, without waste or extravagance, but efficient, economical, trustworthy, and fair to all.

The essential task of removing New Dealers, Fair Dealers, and their ilk, from policymaking and confidential governmental positions, has progressed steadily. I prefer to describe this group as "Cryptosocialists."

They seek to subvert the American system of limited government, free enterprise and democracy and to replace it with a system hostile and alien to our traditions as a nation. In striking at this cancer, which is gnawing at the very vitals of our government, we must, and shall, continue to rid the Federal payroll of those "crypto-socialists" and other political hacks. In spite of efforts by the previous administration to preserve these purveyors of destruction and scandal, their replacement by competent men and women has accelerated and continues rapidly.

The evidence of accomplishment by the Eisenhower administration cannot be disputed. The record is clear and positive. Even our severest critics must concede this. The Nation and the world can give grateful thanks to President Eisenhower for his forceful leadership. If the accomplishments of the Republican Party are to continue in the service of the American people, President Eisenhower needs a stronger Congress through the election of Republicans this fall.

Why a Republican Congress?—you might ask. In the political sense, the legislative and executive branches of our Government must respond to the voice of the people. I have already recited some of the main accomplishments of the executive branch under the leadership of President Eisenhower and the stewardship of the Republican Party. But, these attainments have not been realized without a considerable amount of legislative frustration activated by the party in opposition. It has long been true that for effective and continued progress, the legislative and executive branches of our Government must function like two gears in a finely balanced, expensive timepiece. Much can be said on this point.

It has been my very great privilege to represent the people of Maryland in the United States Senate for nearly 6 years. Thus I have been a part of 3 Congresses—the 82d, the 83d, and now the 84th. The 82d Democratic-controlled Congress had such a wretched record that the voters, in their indignation, cast the Democrats out.

Much different indeed were the legislative achievements of the 83d GOP Congress, the record of which will long be regarded as one of the finest in history. Unfortunately, and to our sharp regret, a good job in acquainting the people with those achievements was not done. Candidly, we lost by default.

Strange as it may seem, many of these Democratic Senators and Representatives campaigned for office on a promise to support President Eisenhower. Luminaries in the party of Andrew Jackson mesmerized the people into believing that they would give the President more cooperation than he received from the Republicans.

The results of that duplicity are self-evident in all quarters. The 84th Congress has truly become the Congress of obstruction. The Eisenhower legislative program has been roadblocked. It is a legislative program designed to build upon the successes already forged with vision, leadership, and determination since 1952. Yet, in the United States Senate, at this session, only four major bills have been completed. They are the Upper Colorado River project, the natural gas bill, extension of corporation and excise taxes, and the farm bill. Two have become law. Two were vetoed. The record of the House of Representatives is equally unimpressive. A deliberate political conspiracy seems to exist to deny the American people the benefits of President Eisenhower's great leadership. And quite obviously his farsighted and constructive program for the good of the Nation will not be achieved until the legislative branch is again controlled by the Republicans.

I predict that the American people will remove this roadblock to national progress by overwhelmingly reelecting the President in November, and further by giving him a Republican Senate and House of Representatives. The American people will no longer tolerate a Congress that wastes its time and the taxpayers' money on partisan political speeches. They want deeds not words. They want action not excuses. But above all, they want a Congress whose Members will subordinate personal political ambitions to the common good of all of the people of the United States of America.

Now, I am not going to tell you that we have reached that long-sought utopian state—or that all of the ills of our Nation and the world have been solved. Indeed not. Peace, prosperity, and progress are well on the way. But there is still much to be done. It is going to be a long, difficult, and trying journey. But as an ancient sage once remarked, "The longest journey begins with a single step." It is my firm conviction that we have taken the first step.

With your help, and God's blessing, we can face the future with continued optimism—with even greater determination in providing honest government, better government, and more economical government to the people of our Nation.

Thank you very much.

Freedom for Slovakia

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 1956

Mr. PRICE. Mr. Speaker, on behalf of myself and at the request of many of my constituents of Slovak descent, I wish to urge the Congress to approve House Concurrent Resolution 231, resolving that it is the sense of the Congress of the United States that the Slovak nation, is entitled to and should no longer be denied the right of national self-determination. I introduced this resolution in the House on April 12, 1956.

The Slovak nation lost all possibility for its freedom and independence when the Soviet troops marched into Slovakia early in 1945 and when the so-called people's democracy was introduced in that unfortunate country, before the coup of February 1948, totalitarian communism became the ruler.

Since that time Slovakia suffered as much as any other enslaved nation or even more, behind the iron curtain. But there is no country in the Soviet orbit which has a better underground movement than heroic Slovakia, resisting communism through its two underground organizations; the Liberty Legion and the White Legion.

The stirring cry for the freedom of the Slovak nation has the sympathy and friendship of the American people who have always been ready to assist the downtrodden and the oppressed. Since the Slovaks stand on self-determination and since they demand free elections or a plebiscite under United Nations supervision, as clearly stated on many occasions by the leading Slovak exiles and as confirmed by the leading Americans of Slovak derivation, in order to choose their own form of government and to reestablish their own state or its association, if any, with other nations.

We place the Slovak nation in every respect on the same basis of equality enjoyed by any nation of Central or Eastern Europe whether they are Poles, Rumanians, Hungarians, Lithuanians, or Bohemians. Each of them has the basic right for self-determination and the right to set up its own government.

We urge the Foreign Affairs Committee and the Senate Committee on Foreign Relations and the President of the United States and the Secretary of State to give favorable consideration to this resolution in order to formulate a practical program of assistance to the oppressed Slovak nation, and to direct the United States Representatives at the United Nations to demand that free elections or plebiscite be held in Slovakia under police supervision of the United Nations so that the Slovaks may freely decide their national future without any outside pressure.

We shall not fail the Slovak nation in its struggle for the same freedom and independence we enjoy. From every viewpoint the Slovak nation is entitled to the enjoyment of full freedom and independence. World peace is unattainable without granting the Slovak nation freedom and independence, the basic and elemental right of every nation.

Politics Should Be Fair

EXTENSION OF REMARKS
OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 26, 1956

Mr. BAILEY. Mr. Speaker, under leave to extend my own remarks in the CONGRESSIONAL RECORD, I desire to keep the record straight.

I do not refer to the CONGRESSIONAL RECORD but to the record of my distinguished colleague, the Honorable HARLEY STAGGERS, of the Second West Virginia District.

Mr. Speaker, in the heat and stress of interparty political primary battles for party preference, some individuals often distort the facts. Some even resort to half truths and still others are not averse to using untruths in their desire to win political advantage.

I do not subscribe to the old axiom, "Everything is fair in love and politics." It is not a question of whether you win or lose but a question of how you played the game. In this instance, it is a question of keeping the record straight.

Practically every newspaper in my State of West Virginia, both daily and weekly, find their way to my desk. These include the papers from the counties and cities in the Second West Virginia District represented by my colleague, Mr. STAGGERS.

Political news from this area points to systematic and well-planned campaigning by his political opponent to discredit and belittle the record of Mr. STAGGERS on farm and conservation issues. A large part of Mr. STAGGERS' district is the Monongahela National Forest area which is the pride of all West Virginians.

The charge is being made that Mr. STAGGERS has neglected to properly safeguard the interests of this and other forest areas in his district. This I want to disapprove.

I, too, am interested in conservation. Every year since Mr. STAGGERS became a Member of the Congress he has personally accompanied me in appearances before the appropriate House committees interested in conservation and pleaded fŏr increased amounts for improved facilities for both the Monongahela National Forest and the George Washington National Forest within his district.

Some years ago we appeared before the House Appropriations Committee and secured an item of $36,000 for improvements on Camp Horseshoe at Parsons, within the national-forest area. In recent months Mr. STAGGERS accompanied me to a hearing and joined in a plea that the item for replacement of physical facilities and campsites on our national-forest lands be increased by approximately $9 million. This increased amount was approved and is a part of the current budget which will be made available for fiscal 1957.

In 1955 the gentleman from the Second West Virginia District accompanied me before the House committee to secure $1,800,000 increase for fire protection on State and privately owned property surrounding the national forests so as to better remove a hazard in the national-forest holdings.

The charge has been made that the Monongahela National Forest "is being permitted to run to rack and ruin," and that "money for upkeep has been cut drastically and money for improvements has been cut off entirely." Let us look at the official record of the Forest Service. This shows that during Mr. STAGGERS' tenure in Congress—1949 to 1956—the funds appropriated and made available for expenditure on this national forest were increased from $294,000 to $482,000, an increase of from 60 to 70 percent, or an average of almost 10 percent each year.

The charge has been made that "forest roads and tourist facilities are so run down that they are of little, if any, practical use." As a matter of record, the road and trail construction and maintenance funds for the Monongahela National Forest have increased from $110,000 in his first year in Washington to $236,500 during this year, an increase of 114 percent within 8 years.

The charge has been made that the national forests of New England and the Western States have received an unfair share of the national forest recreational funds at the expense of our Monongahela Forest. Forest Service officials in Washington have assured me that the recreational use funds appropriated to the Forest Service are distributed among their national forests based on a careful and impartial analysis of actual use and the number of recreational areas and facilities.

One of the untruths I refer to above is that while the Forest Supervisor at Elkins and his crew on the Monongahela National Forest are doing a good job, one cannot trust the Forest Service officials in Washington in their distribution of funds. All year-long Forest Service officials in Washington—from Chief McArdle on down—are career, technically trained men devoted to their job. I know many of them personally and hope that this will clarify the unfair statements and inferences made which reflect on the fairness and ability of our Forest Service officials whether at Elkins or at Washington.

HARLEY STAGGERS has honestly and efficiently served his district for 8 years. His untiring efforts in behalf of his constituents must not be sacrificed by unfair and unethical political tactics.

Forest and Woodlands Recreation and Wildlife Use Legislation

EXTENSION OF REMARKS
OF

HON. CLAIR ENGLE

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 26, 1956

Mr. ENGLE. Mr. Speaker, I am today introducing, along with a number of my colleagues, legislation which has as its broad objective assuring greater public multiple resource use of more than 160 million acres of public domain lands in the United States and Alaska classified as commercial forest areas and woodland areas, and administered by the Department of the Interior.

These vast areas of public domain—whether known or unknown in all respects, and whether developed or undeveloped—contain valuable public resources: land and water resources, mineral and material resources, timber and grazing resources, fish and wildlife resources, recreational, scenic, and wilderness resources.

PRESENT RESOURCE DEVELOPMENT

The public land laws provide for entry on these areas for resource utilization. The Secretary of the Interior has authority to permit harvesting of timber; the lands embraced within the proposed legislation contain an estimated 411 billion board feet of timber, nearly half of it—199 billion board-feet—located on lands classified as commercial forest land. The bulk of the lands covered in the bill—125 million acres—are located in Alaska, but 22 States contain a total of 4.1 million acres of commercial forest lands and 13 States contain nearly 30 million acres of woodlands.

Grazing is presently permitted on substantial acreages of the lands covered by the bill through operation of the Taylor Grazing Act; water resources development is authorized under the general reclamation law; the Flood Control Acts assure necessary activity in the field of navigation and flood control; and watershed management and development is assured through joint activities of the Departments of the Interior and Agriculture. The lands are, in the main, subject to entry under the general mining law, Mineral Leasing Act, and the Materials Disposals Act.

NEED FOR THE BILL

Notwithstanding the foregoing, I feel, as do many of my colleagues, that there is not presently clear-cut and sufficient enough authority in the Secretary of the Interior to assure full utilization of certain other resource values on these lands, nor are sufficient funds made available.

Congress, through enactment of public land laws now on the statute books, has provided for substantial multiple resource use of Interior-managed woodlands and forest lands, but has not to date authorized expenditure of funds for maximum public recreational uses, for improvement and maintenance of wildlife habitat values, and for providing adequate safety, sanitation, and health measures and facilities.

The legislation introduced today, would, in my view, remedy the present situation, and at the same time would permit continuation of present multiple resource utilization under the general public land laws. As introduced, the bill would authorize the appropriation of not to exceed $3.5 million annually, from the share of the United States' receipts from these lands, to carry out the program envisaged.

WHAT THE BILL WOULD NOT DO

Before turning to an analysis of what the bill will do, I should like to make some brief observations of what I intend the bill to not do.

It is not intended that the bill operate to disturb or diminish the share of receipts from the lands involved which are presently credited to the States and counties; the basic funds to be expended would come from the share of the United States.

It is not intended that the recreational program or wildlife habitat development program authorized shall interfere in any respect with presently authorized development and utilization of these areas under existing public land laws. In short, the newly authorized programs would have to go forward compatible with presently authorized activities; mining, mineral leasing, and materials development; timber harvesting; grazing; water resource utilization; and related activities.

It is not intended that the legislation interfere with, or modify, operation of present laws providing for the selection of lands by States under the school land selection, lieu selection, and related laws.

It is not intended that the legislation, as proposed, be construed as authorizing the Secretary of the Interior to levy charges and fees not presently authorized by law.

Finally, it is not intended that the legislation proposed be construed as authorizing further land acquisition by the United States; on the contrary, the bill explicitly prohibits land acquisition.

WHAT THE BILL WOULD DO

There follows an analysis of the provisions of the forest and woodlands use legislation introduced today; there is also included information indicating the statistical scope, by States, of the legislation:

SECTIONAL ANALYSIS

1. Section 1 constitutes a congressional policy declaration that—

(a) All of the resources of the public domain shall be so managed, conserved, utilized and developed as to assure maximum public use thereof.

(b) Public use for purposes of recreation is a beneficial use of public domain forest lands and woodlands.

(c) Development and maintenance of such areas for maximum safety, sanitation, and wildlife habitat values, and the concurrent maintenance of timber, wood, and forest values, including sources of water, is a proper function of the Federal Government.

2. Section 2 would authorize an annual appropriation of not to exceed $3.5 million in any year, such sum to be made available to the Department of the Interior—which administers the forest lands and woodlands areas covered by the bill—until expended as provided in section 3.

The moneys authorized would be appropriated from the United States share of the receipts from these lands; the intent of the language is to assure that the share of such receipts presently earmarked for States and counties will not be diminished or affected by this legislation.

3. Section 3 directs the Secretary of the Interior to prescribe such regulations governing the expenditure of the funds authorized as will assure—in accordance with current and prospective public mutiple use—

(a) development, maintenance, and operation of public domain forest lands and woodlands for recreational use;

(b) improvement and maintenance of wildlife habitat thereon; and

(c) provision for adequate safety, sanitation, and health measures and facilities.

A proviso in this section would prohibit expenditure of funds appropriated by the legislation for land acquisition.

4. Section 4 relates to use fees and charges collected by the United States for improved forest lands or woodlands recreational areas, and provides that amounts so collected shall be set aside as a special fund to carry out the purposes of the legislation, and in turn set off against any amount in excess of the $3.5 million annual appropriation authorized.

ESTIMATED AREA OF PUBLIC DOMAIN FOREST LANDS AND WOODLANDS ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR [1]

Twenty-two States contain a total of 4,136,190 acres of commercial forest lands administered by Interior, and covered by the proposed legislation; 13 States contain a total of 29,985,000 acres of woodlands, covered by the proposed legislation.

Alaska alone has 40 million acres of commercial forest lands and 85 million acres of woodlands, administered by Interior, and within the scope of the proposed legislation.

Total United States and Alaska, forest lands, 44,136,190.

Total United States and Alaska, woodlands, 114,985,000.

Acreage breakdown, by State, of areas affected by proposed legislation

State	Forest lands	Woodlands
Alabama	23,000	----------
Arizona	3,000	1,329,000
Arkansas	124,000	----------
California	275,890	1,500,000
Colorado	605,000	2,709,000
Florida	19,000	----------
Idaho	381,000	1,070,000
Louisiana	7,000	----------
Michigan	10,000	----------
Minnesota	93,000	----------
Mississippi	15,000	----------
Missouri	(1)	----------
Montana	604,000	210,000
Nevada	100,000	10,000,000
New Mexico	91,000	1,974,000
Oklahoma	300	3,000
Oregon	533,000	1,722,000
South Dakota	6,000	10,000
Utah	633,000	8,755,000
Washington	182,000	46,000
Wisconsin	5,000	----------
Wyoming	426,000	657,000
Alaska	40,000,000	85,000,000

(1) Less than 1,000 acres.

The Coal Industry and H. R. 5550

EXTENSION OF REMARKS
OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 26, 1956

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

THE COAL INDUSTRY AND H. R. 5550

H. R. 5550, authorizing United States participation in the Organization for Trade Cooperation, has been favorably reported out of the Ways and Means Committee by a vote of 17 to 7, and will shortly come before the House of Representatives. This memorandum sets down some facts about the American coal industry and why it has everything to benefit from United States membership in OTC, and nothing to lose from the passage of H. R. 5550.

Although representatives of the coal industry were opposed last year to the enactment of H. R. 1, the 3-year extension of the Reciprocal Trade Agreements Act, no spokesmen either from the management or labor side of the coal industry came before the Ways and Means Committee to oppose enactment of this bill. This shows that even though the representatives of the coal industry were opposed to further reduction of tariffs, that they recognize that H. R. 5550 will not lower tariffs by one iota, but would, on the contrary, help to get the greatest benefits for American export trade from foreign countries.

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[1] Source: Table 10, p. 14, Report of the Director of the Bureau of Land Management, Statistical Appendix, 1955.

This is so because OTC would be an organization to administer the General Agreement on Tariffs and Trade. GATT is the multilateral trade agreement negotiated in 1947 by which 33 other free world countries have committed themselves to reciprocal tariff reduction in exchange for the tariff reductions that we have made under the reciprocal trade agreements program. OTC would help get effective reciprocity for us from the GATT trade agreement.

The American coal industry has already experienced great benefits from export trade and will experience even greater benefits if it can have assurance of stability in the treatment that American coal receives in foreign markets. In 1955 we saw a great improvement in coal production in the United States. Bituminous coal production reached a level of about 470 million tons in 1955. This was an increase of 73 million tons above the level of production in 1954. Increased exports accounted for over one-quarter of that increase in production. In 1955 exports of bituminous coal amounted to 51 million tons, an increase of 20 million tons above 1954 exports. In dollar terms, the value of bituminous coal exports in 1955 was $436 million as compared with $253 million in 1954. Thus, the bituminous coal industry depended on exports for the sale of 11 percent of its total production in 1955 as compared with 8 percent in 1954.

GATT has helped achieve this good export record, and OTC, by making GATT more effective, will be even more helpful. For example, in the last 2 years there has been remarkable progress made by Western European countries in eliminating import quotas which discriminated against the sale of American goods in Europe. Whereas in 1953 only 2 of the 13 Western European governments had liberalized their restrictions on imports from the United States to any extent, today 8 of these governments have completely removed quota restrictions on more than 50 percent of their imports of goods from the United States. As a result, American exports to Western Europe in the last couple of years have been booming, and the coal industry has participated in that expansion.

In addition, by using the machinery of GATT, we were successful last year in getting Belgium and Germany to reduce their restrictions against United States coal. In the case of Belgium the situation was that late in 1953 Belgium began to reduce the tonnages of American coal permitted to come into that country. Belgium had been a very important market for United States coal. In 1952, for example, Belgium imported 711,000 tons of American coal, valued at about $7 million. The United States, therefore, tried to get these restrictions that were imposed in 1953 eliminated by Belgium, but Belgium refused. The United States then placed its complaint against Belgium on the agenda of the ninth session of GATT in October 1954. We pointed out that Belgium was not living up to the terms of the GATT trade agreement. By negotiating with Belgium we were able to get her to agree to permit larger imports of American coal. At the present time, American coal is moving into Belgium virtually without any control whatsoever. As a result of that, coal exports to Belgium amounted to over a million tons in 1955 compared to about a quarter of a million tons in 1954.

In the case of Germany, the United States, in the ninth session of GATT, drew attention to certain German regulations which had the effect of reducing imports of coal from the United States. It was the view of the United States that these restrictions were inconsistent with the obligations of West Germany to the United States under the GATT. Consultations between the two governments followed. West Germany began to relax its restrictions and permit the entry of more United States coal. As a result, in 1955, coal imports of the United States into West Germany amounted to 7.7 million tons as compared to 1.4 million tons in 1954.

Thus, taking these two cases of Belgium and Germany together, it can be said that through the GATT the United States succeeded in having these countries remove restrictions on imports of United States coal that resulted in an increase in our coal exports to these countries by over 6 million tons in 1955.

The thing that has troubled the American coal industry so far as its foreign markets are concerned has been the instability that has existed in these markets. There has been a feast or famine situation in exports, but what we can accomplish through GATT, and what can be accomplished even better through OTC is to remove that instability by getting foreign countries to agree to treat American coal fairly and in a stable way. The accomplishments of GATT to date will be multiplied in the future if OTC comes into being.

The coal industry has much to gain from this. For example, the Wall Street Journal for April 19, 1956, carried an article on a statement by George H. Love, president of the Pittsburgh Consolidation Coal Co., made at its annual meeting. The Wall Street Journal says, "Mr. Love predicted soft coal production in 1956 will reach or slightly exceed 500 million tons, compared with 470 million tons in 1955. * * * Mr. Love predicted coal's usage in the energy market could well double in the next 10 years."

For the long run, therefore, the coal industry has a great stake in expanding exports. OTC will help to see to it that American coal will have a fair chance to be sold in the markets of the world without discriminatory restrictions being imposed against it.

Since H. R. 5550 would not involve any tariff reductions, would not require any change in United States laws, would not in any way affect the ability of the Congress to legislate on matters of trade and tariffs, would not in any way affect the safeguards of our domestic legislation, such as the escape clause and the peril point, it can be concluded that the coal industry has nothing to lose and everything to gain from its passage.

The Nickel Situation

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 1956

Mr. McCORMACK. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include a letter I wrote to Dr. Arthur S. Flemming, Director of the Office of Defense Mobilization, regarding the nickel situation.

Mr. Speaker, a number of reputable businessmen complained to me that they were caught in a squeeze whereby they were forced to pay 300 percent of the market price of nickel—64.5 cents—in the black or gray markets or go out of business.

With the assistance of some of these individuals, I wrote to Dr. Flemming, Director of ODM, on January 11, 1956, and asked him 11 questions—see CONGRESSIONAL RECORD of March 15, 1956. It was necessary for him to get information on some of the questions from other agencies, chiefly, I presume, the Departments of Commerce and Defense.

Yesterday, I received a classified document from Dr. Flemming's office which I understand contains the answers to my questions. Since one bit of classified material in a document renders the whole classified, I have returned it, unopened, to Dr. Flemming with the request that it be declassified as much as possible as I want to place it in the RECORD for the benefit of all of those concerned. My letter of April 26, 1956, to Dr. Flemming, follows:

APRIL 26, 1956.

DR. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization,
Washington, D. C.

DEAR DR. FLEMMING: On January 11, 1953, I wrote to you concerning the current nickel situation in the United States. The letter propounded 11 questions several of which had been suggested to me by responsible business concerns who are directly affected by the situation which has developed in obtaining nickel for industrial purposes. On March 15, 1956 I placed my letter with the questions in the CONGRESSIONAL RECORD because of the widespread interest in the subject. Yesterday, April 25, 1956 I received a classified document from you which I understand contained the answers to my questions. I have, however, returned the envelope to you unopened since I consider that this subject generally is a public matter and would be restricted from making available any portion of your answers so long as the material is classified. Furthermore, I much prefer not to have classified material in my office files.

Inasmuch as there are a large number of business concerns and others in the United States who are interested in the answers to the questions I propounded I planned to put your answers in the CONGRESSIONAL RECORD for the benefit of all concerned. Will you be so kind as to send me a letter which is declassified as much as you consider proper in order that I may place it in the RECORD?

I do not wish you to consider my return of the classified material as being critical of your action but I firmly believe that the current nickel situation needs a healthy, effective public scrutiny and comment to the greatest extent possible. I believe that the confusion and suspicion caused by unnecessary classification leads to an unhealthy situation.

United States Jaycees Conduct Nationwide Program To Create Greater Public Interest in Hoover Commission Recommendations

EXTENSION OF REMARKS

OF

HON. ORVIN B. FJARE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 1956

Mr. FJARE. Mr. Speaker, the United States Junior Chamber of Commerce, through its 3,000 community locals in all 48 States, Hawaii, and Alaska, is now completing a most successful nationwide program to encourage public interest in the efficiency and economy recommendations of the second Hoover Report. I

think that they are to be highly commended for their work in this field.

Tomorrow morning the Honorable Herbert Hoover will address a congressional banquet-breakfast, which will climax a 3-day visit to our Nation's Capital by 56 Jaycee members, selected from the chapter in each State deemed to have conducted the best Hoover Report program. These men have received an opportunity to see the Federal Government in operation and to meet some of the men who make it function. Undoubtedly when they return to their respective States and communities, they will draw upon their Washington experience to increase public interest in governmental affairs.

One of the highlights of their visit in Washington, D. C., is today's opportunity for them to watch the House of Representatives in session. Congressional leaders were honored this morning in a series of presentations made on the Capitol steps on behalf of all Jaycees.

The following is a list of the Jaycee participants who have been honored by their State organizations, and who are participating in the present Meet Your Government program.

George M. Yeager, 113 Ina Street, Fairbanks, Alaska.

Robert Fleming, 3550 Princeton Drive, Montgomery, Ala.

Frank W. Fletcher, 309 Cooper, West Memphis, Ark.

John W. Hamilton, 1638 Walnut Creek Parkway, West Covina, Calif.

Louis P. Martinez, 305 Maplewood Drive, Colorado Springs, Colo.

Gordon C. Smith, 1025 Lincoln Street, Denver, Colo.

Vincent Simko, 57 Dover Street, Bridgeport, Conn.

Lucian H. Vandoren, Jr., Washington, D. C.

Webb H. Vermilya, 1956 Richwood Drive NE., Atlanta, Ga.

Dr. G. W. Atwood, 944 Fair Street, Buhl, Idaho.

Gordon S. Peters, 302 Bigelow, Peoria, Ill.

John B. Hilkin, 9120 Major Avenue, Morton Grove, Ill.

William F. Radcliff, 18 Kimberly Lane, Muncie, Ind.

Gordon J. Forsyth, 1214 North Sixth Street, Estherville, Iowa.

George A. Lowe, 522 East Cedar, Olathe, Kans.

John Coleman Scott, 203 Pinewood Drive, Frankfort, Ky.

F. J. Lungaro, 606 Clarence Street, Lake Charles, La.

Robert Easton, Pleasant Street, Norway, Maine.

Albert D. Darby, Jr., 212 South Allegany Street, Cumberland, Md.

Frank H. Wooton, Holyoke, Mass.

John L. Deal, 1019 Pinehurst Boulevard, Kalamazoo, Mich.

William D. Hurley, 91 Crocus Place, St. Paul, Minn.

Thomas K. (Pete) Griffis, 404 22d Avenue, Meridian, Miss.

Donald C. Woodside, 417 North Washington, Butte, Mont.

Arthur D. Bradley, Jr., 7416 North 28th Avenue, Omaha, Nebr.

David P. Boyer, 1342 Douglas Drive, Las Vegas, Nev.

A. Arthur McKew, Jr., High Street, Troy, N. H.

R. Donald Quackenbush, 372 Owen Avenue, Fair Lawn, N. J.

John A. Voller, 1600 Gonzales Road, Albuquerque, N. Mex.

Walter P. Quinn, Melrose Road, Auburn, N. Y.

Merril Berg, 1526 First Avenue Southeast, Minot, N. Dak.

P. J. Cole, Logan, Ohio.

William G. Boykin, 2624 Southwest 46 Terrace, Oklahoma City, Okla.

Gerald L. Denton, 853 Washington, McMinnville, Oreg.

Don M. McCutcheon, 1301 West Sherman, Hood River, Oreg.

David L. Emrey, 2246 Fairview Avenue, Easton, Pa.

A. Arthur Rosenblum, 83 A Peachtree Street, Charleston, S. C.

Henry G. Harris, 14 South Main Street, Abbeville, S. C.

Paul Hammerquist, 135 Meade Street, Rapid City, S. Dak.

Gordon A. Walhood, 605 Circle Drive, Tullahoma, Tenn.

Don Greaves, 10940 Snow White Drive, Dallas, Tex.

Jack Childress, 755 West 255 North, Orem, Utah.

Walter E. Dunham II, 109 Spring Street, Bennington, Vt.

Samuel Mason Cole, Jr., Conduit Road, Colonial Heights, Va.

Joseph W. Brinkley, Semple Quarters, Williamsburg, Va.

James A. Marks, 1733 Capital Avenue, Madison, Wis.

Robert L. Lawless, 310 East Third Avenue, Cheyenne, Wyo.

All Aboard for the Atomic Age

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, April 26, 1956

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled "All Aboard for the Atomic Age," which I wrote for the April 1956 issue of Steelways magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALL ABOARD FOR THE ATOMIC AGE?—A PROPOSED ATOMIC LOCOMOTIVE MAY FORESHADOW A NEW ERA IN RAILROADING

(By JOHN MARSHALL BUTLER, United States Senator from Maryland, participant in last year's Atoms-for-Peace Conference and sponsor of proposed legislation to build an atomic locomotive. Senator BUTLER is especially qualified to write this article, an exclusive for Steelways)

The age of the atom has only begun and no one knows what exciting developments may yet unfold from the atomic research now in progress or already completed. But from the vantage point of the United States Senate, and as a member of the delegation to last year's Atoms-for-Peace Conference in Geneva, one fundamental hypothesis has been reaffirmed in my mind: that the understanding of the atom brings great promise of good. That, having faith in the future of man and of America, its potential for good far outweighs its potency for destruction

Nuclear reactors are already in operation here and abroad generating electricity for peaceful uses, and the powerplant aboard the submarine *Nautilus*, while placed in a warship, points the way toward the use of atomic power in our national transportation system.

To aid further in speeding the development of "atoms for peace" a bill of my sponsorship has been introduced in the Congress this year calling for immediate construction of an atomic powered locomotive. Of this proposal, Senator CLINTON P. ANDERSON, chairman of the Joint Committee on Atomic Energy, has said: "A railway locomotive, where weight is not such a problem, seems to offer more and more promise as our reactor technology advances."

Such a locomotive can serve two purposes. First, it could furnish the motive force to pull an "atoms for peace" train to every corner of America. Such a train would carry varied exhibits showing peacetime applications of atomic energy and would vividly emphasize the benefits which atomic energy is bringing, and will continue to bring to all Americans.

Second, there is a coldly practical purpose in building such a locomotive. It would indeed be a pioneering step. The knowledge and experience so gained would spur the economic development of commercial atomic energy by private capital and assure its growth and utilization in keeping with the traditional American free enterprise system.

Since the construction of the atomic locomotive has been proposed, two questions are often asked: Is it possible and practical to build such a locomotive now * * * and can it be designed so it will not expel dangerous radiation or disintegrate like an atomic bomb?

The answer to both is an unqualified "Yes."

The explosion in an atomic bomb is an uncontrolled reaction: the reaction which produces nondestructive atomic energy, as in an atomic locomotive, is a controlled one. More than 50 safety devices can be employed to maintain this control, and special rods activated by the force of gravity would automatically neutralize the locomotive's reactor in event of sudden acceleration or deceleration. Furthermore, it is envisioned that the reactor will be sheathed in a sealed housing of four-foot-thick laminated steel to absorb radioactive rays.

As for its feasibility, engineering studies have already been completed which show us how to go about building an atomic locomotive today. Work is already progressing on the actual manufacture of many of the component parts which would be needed. Engineers and other experts from locomotive manufacturing companies, steel companies and operating railroads are working together on specific design problems. The artist's drawing of an atomic locomotive on these pages is taken directly from practical engineering diagrams: it is not a futuristic dream.

Even now, we know enough about the problem to say that an atomic locomotive would be no heavier or longer than the present-day giant diesels, and therefore suitable for use on any major railroad. And, by its very nature, it would possess certain advantages. Like the highly efficient electric locomotive, the atomic counterpart would be capable of tremendous overloads of energy for short periods. And this means a real economic reward on roads where quick starts and stops with heavy loads spell the difference between profit and loss.

At the same time, an atomic locomotive should prove itself equally efficient operating at high speed over long distances since refueling will be necessary only every few months. Such refueling would be accomplished by skilled technicians at a central point and thus atomic rail power may ultimately eliminate today's complex of fueling stations, just as the diesel locomotive made obsolete the extensive watering stations required in the days of steam power.

If such a locomotive is practical today, what, then, is the future of atomic power on our Nation's railroads? Certainly none of us expects to see atomic energy revolutionizing rail operations overnight. More accurately it will be the continued evolution of man's ingenuity.

The price of atomic fuel is still high and the cost of the initial unit, not even including developmental costs, will exceed $1 million. Yet experts predict that the railroads can have their first atomic locomotives in operation by 1960, and by 1970 they should be justifying their existence, economically, in long-haul, high-speed service. Not long thereafter they should be able to compete with conventional locomotives under all heavy-duty operating conditions.

The atomic locomotive is only a glimpse into one facet of the future being shaped by the atomic age; one glimmer of the effects it will have on our economy. Certainly the ever-increasing peaceful uses of this energy source will attract tremendous private capital investment, thus expanding the entire economy. In industry, in agriculture, in medicine, in countless ways, the energy of the atom will serve mankind.

The application of atomic energy to rail transportation may, in a sense, be symbolic, for this new age can usher in an era of solidly expanding prosperity which will rival or surpass the great period of expansion which the railroads brought to America in the last century.

Dinosaur National Park Bill

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 26, 1956

Mr. SAYLOR. Mr. Speaker, with our growing population and the added freedom of movement of our Nation's people, and with the National Park System finding itself hard pressed to meet these growing demands, I wonder at the position taken by Senator WATKINS, of Utah, in creating a stumbling block to a proposal for a new national park. Last week, Congressman WAYNE ASPINALL and myself introduced a bill to make the Dinosaur National Monument a fully accredited national park concluding that this was the natural and honest thing to do for this area that Congress and the President have decided is no longer a part of the upper Colorado River storage project. The many thousands of conservationists who fought the battle to resist invasion of the area are convinced that it is of national park caliber and needs to be given the protection as well as the advantages of national park status.

Senator WATKINS, of Utah, has found it necessary to express himself about the Dinosaur National Park bill, according to the Salt Lake Tribune, of April 19, by making a statement that the conservationists in supporting this bill acted in a "disturbing breech of faith." Senator WATKINS reportedly said that the conservationists had agreed to a review by the Interior Department of possible alternative sites—"yet before this program had a chance to get off the ground the conservationist-sponsored bill was offered to remove the necessity for any review."

The good Senator from Utah went on to say that Echo Park Dam had been shelved for the indefinite future, and he hopes the conservationists would show their good faith and withdraw their support of any such legislation prior to the completion and review of the Secretary's study of alternatives.

There is obviously no basis of truth to this silly accusation and it is perfectly obvious that the conservationists would never have agreed to a temporary withdrawal of Echo Park Dam which is what Senator WATKINS' proposal amounts to. The conservationists emphatically deny that they have ever considered awaiting the study of alternative sites. They are interested only in Dinosaur and only as a site for a national park. Senator WATKINS is apparently determined to take whatever steps are necessary to prevent Dinosaur from getting national park protection because it appears that he is still determined to thwart the will of the people and the express desire of Congress by flooding out the most impressive part of Dinosaur National Monument.

In this connection I would like to present for the RECORD a telegram from David R. Brower, executive secretary of the Sierra Club, in answer to the article in the Salt Lake Tribune of April 19.

SAN FRANCISCO, CALIF., *April 24, 1956.*

Telegram to Senator WATKINS and the Salt Lake Tribune:

The proposal to establish the Dinosaur National Park is completely consonant with the agreement between conservationists and proponents of the Colorado River storage project. Your comments on the agreement, as reported in the Salt Lake Tribune April 19, are not correct. Here are the facts:

1. Last July the Colorado project bill was doomed, according to whip pools, to inevitable defeat in the House of Representatives because Echo Park Dam was not clearly eliminated. The so-called time-bomb amendment, calling for a study of Echo Park and alternatives, was not acceptable to conservationists and was rejected by the House Interior Committee.

2. In a full page ad in the Denver Post, which appeared the day before you and other project proponents held your Denver strategy meeting, the council of conservationists called for elimination of Echo Park Dam or "any secret hopes" for it.

3. On November 1 the project proponents announced after the Denver conference ended that Echo Park Dam was eliminated. Senator ANDERSON added, "in any form."

4. On November 29 Secretary McKay acquiesced in the Denver action. In answer to my question he said that the project was feasible without Echo Park Dam. In his public statement he added that the Department would "be prepared to recommend alternate action."

5. To underline the sincerity of the action in dropping Echo Park, you and the other proponents in Congress agreed to put in the Colorado Project Act the provision that "it is the intention of Congress that no dam or reservoir constructed under the authorization of this act shall be within any national park or monument."

6. Thereupon the conservation organizations withdrew their opposition to the Colorado project bill. It passed the House March 1 by a 120-vote margin. You will recall hearing in the final debate on the floor of the House, when you came in to observe, the repeated assurance that Echo Park was really out. This assurance, we feel, brought you victory. The Senate House conferees stood firm, and S. 500, with Echo Park eliminated without qualification, became law.

Considering these facts, I believe you can understand the concern caused by the statement you are reported to have made that you would strongly oppose the creation of the Dinosaur National Park and that you question the good faith of conservationists supporting the proposal. We ask what restriction would be imposed by a Dinosaur Park that you did not accept when you joined your colleagues in agreeing that Echo Park Dam was out, and that neither that dam nor any other Colorado project dam would be in any national park or monument.

Conservationists have held all along that Dinosaur deserves national park status. The Salt Lake Tribune has editorialized that the "time is ripe for developing Dinosaur Park." It can be one of the finest parks in the entire national park system.

At no time did I pledge, as executive director of the Sierra Club or as chairman of the Natural Resources Council of America or in any other capacity that the park status move would await a study of alternatives by the Secretary, as you are reported to have said. To my knowledge, no other conservationists have urged or indicated this. Nor can I understand why you should raise such a question in view of your having joined the agreement to drop Echo Park Dam and to add to the act the conservation proviso mentioned above. We hope you will not jeopardize the appropriations necessary to get your historic project under way by allowing Congress and the Nation's citizens to infer that Echo Park Dam is still so much alive in your mind that you would oppose creation of a great Dinosaur National Park. I hope that you will instead give this park your full support, as a primeval scenic asset to be appropriately developed for Utah and the Nation.

DAVID R. BROWER,
Executive Director, Sierra Club.

I would also like to insert for the RECORD a telegram to the editor of the Salt Lake Tribune signed by the three conservation groups who led the upper Colorado fight to protect Dinosaur:

APRIL 24, 1956.

SALT LAKE TRIBUNE,
Salt Lake City, Utah.

Letter to the Editor:

We see by statements attributed to Senator WATKINS in the April 19 edition of the Salt Lake Tribune, that he has attacked the conservation organizations that stopped the invasion of Dinosaur National Monument and accused them of acting in bad faith on their recent support of Congressman ASPINALL's bill to give Dinosaur national park status. The undersigned groups who represented the united conservationists' effort would like to keep the record straight by outlining three simple facts:

1. The drive to get park status for Dinosaur is the joint effort of all conservation organizations who supported the previous fight. None of the original organizations has any intention of withdrawing from this position.

2. Any statement that the conservationists have agreed to await the study of alternative sites (as Senator WATKINS was reported to have said) is a complete fabrication—throughout this controversy, conservationists have had no direct concern with any dam or reservoir site which did not involve protected land and have never compromised their determination to remove Echo Park Dam from the project once and for all.

3. Any determined effort on the part of Senator WATKINS to prevent national park status for Dinosaur can have only one motivation—that is to make it easier to restore Echo Park Dam in spite of the public will and the express desire of Congress that no dam or reservoir shall be constructed within any national park or monument in connection with the upper Colorado project. We confidently believe that the Watkins subterfuge will not work now or at any subsequent time and we further believe that it is in the best interest of everyone that this remarkable area be properly developed.

IRA GABRIELSON,
Citizens Committee on Natural Resources, Washington, D. C.
FRED SMITH,
Council of Conservationists, New York City.
ANSEL ADAMS,
Trustees for Conservation, San Francisco, Calif.

I would also like to include in my remarks the resolution of the Izaak Walton League of America passed during their 34th annual convention in Sioux City, Iowa, April 19 to 21, 1956, just 3 days after the introduction of the Dinosaur National Park bill. I am sure that the members will also be interested in the statement of J. W. Penfold, the league's national conservation director, indicating the unanimous endorsement of this resolution by the delegates to the convention.

ENDORSEMENT OF IZAAK WALTON LEAGUE OF AMERICA

RESOLUTION PASSED BY THE 34TH ANNUAL CONVENTION OF THE IZAAK WALTON LEAGUE OF AMERICA, SIOUX CITY, IOWA, APRIL 19-21, 1956

The Izaak Walton League of America, Inc., in annual convention assembled in Sioux City, Iowa, April 21, 1956, heartily commends the congressional delegations of Colorado, Utah, New Mexico, and Wyoming for their successful leadership in securing enactment of an upper Colorado River storage project which excludes Echo Park Dam and firmly protects national parks and monuments from dams and reservoirs constructed under the project authorization.

The Izaak Walton League further heartily commends the Honorable WAYNE N. ASPINALL, of Colorado, and the Honorable JOHN P. SAYLOR, of Pennsylvania, for having introduced legislation in the House of Representatives (H. R. 10614 and H. R. 10635) which will create of Dinosaur National Monument a great new national park and thereby assure the permanent protection and preservation of the unique and irreplaceable natural values of this magnificent river, canyon, and benchland area and provides for the orderly development of this new national park for the full use and enjoyment of the American people.

The Izaak Walton League of America therefore calls upon all conservationists throughout the land to support this legislation and assure its speedy enactment.

STATEMENT OF J. W. PENFOLD, NATIONAL CONSERVATION DIRECTOR OF IZAAK WALTON LEAGUE OF AMERICA

DENVER, COLO.—The Izaak Walton League of America heartily endorses and supports the Aspinall-Saylor bill which would create a great new national park in the Green and Yampa canyon area of Colorado and Utah now included in Dinosaur National Monument. The statement was issued by J. W. Penfold, Denver, the league's national conservation director, upon his return from the league's 34th annual convention held last week in Sioux City, Iowa.

"Over 600 delegates from every State in the Nation, and Alaska voted unanimously for this resolution," Penfold said, "and they are prepared to urge their representatives in Congress to take favorable action on the bill as speedily as possible.

"The Izaak Walton League," Penfold continued, "has urged this action for several years, although we realized that specific bills would be premature until after Congress had disposed of the Echo Park Dam controversy. It is most encouraging, and a source of pride to Pennsylvanians, that Congressman JOHN SAYLOR has taken the lead to secure authorization for Dinosaur National Park. As a national park this magnificent area will be assured of adequate funds for its development for full use and enjoyment by the public.

"Congressman SAYLOR has made an enviable record among conservationists the nation over for his able, effective battling to preserve the national park system and to perpetuate the natural resources upon which healthful outdoor recreation depends. His vigorous defense of Dinosaur National Monument, in which the Bureau of Reclamation sought to construct Echo Park Dam, in no small measure was responsible for deletion of this objectionable feature of the upper Colorado River project. The solid ranks of conservationists in opposition to Echo Park Dam convinced project proponents that a project containing Echo Park Dam could not pass Congress. Echo Park Dam, consequently was deleted.

"The resolution adopted by the nationwide conservation group," Penfold concluded, "commends Mr. SAYLOR and Mr. ASPINALL for their introducing this national park legislation and calls on all conservationists to support it."

The final insertion that I would like to have permission to present for the RECORD is a statement from an advertisement appearing in today's issue of the Washington Post signed by the Council of Conservationists:

NOW IS THE TIME TO MAKE DINOSAUR A NATIONAL PARK

Last week, Representative WAYNE ASPINALL, of Colorado, took the floor in the House of Representatives to introduce a bill:

"*Be it enacted, etc.*, That, in order to preserve in a natural condition as a national park for the benefit and inspiration of present and future generations, the nationally important scenic grandeur, geologic phenomena, and scientific features of those portions of the canyons of the Yampa and Green Rivers that are now contained in the Dinosaur National Monument, Colorado and Utah, there is hereby established * * * the Dinosaur National Park."

At the same time an identical bill was introduced by Representative JOHN SAYLOR, of Pennsylvania.

Thus was voiced the cherished desire of millions of Americans whose determination made it utterly impossible to bring the mammoth upper Colorado River Basin project into being until it was stripped of Echo Park Dam and Reservoir, which threatened to ruin Dinosaur National Monument—the priceless area which, it is now proposed, should "be preserved, protected, and administered by the Secretary of the Interior for the benefit of present and future generations in accordance with the basic policies established by the Congress for the preservation of the national parks."

FURTHER PROTECTION IS ESSENTIAL

Never before has a national park been established by nationwide popular demand; but there is more than popular sentiment behind the determination to secure permanent national park protection for this incomparably beautiful, historically important, area; in Congress itself there is a determination to protect it permanently from invasion by private interests, and from the threat which is hard to kill: the still persisting effort, in some parts of the West, to get Dinosaur dammed and flooded. A local Utah politician is reported to have promised that the bitterly fought Echo Park Dam is "surer now than ever before." Only this week, there is reported the beginning of a drive planned to stop Dinosaur National Park in its tracks. Senator WATKINS, of Utah, arch foe of conservationists and national park friends in the Echo Park battle, is now quoted in Salt Lake City papers as accusing conservationists of bad faith in promoting national park status for Dinosaur. He says that conservationists agreed to do nothing until alternative sites for his dam could be studied. This is a false, trumped-up charge, which has no basis whatever in fact.

With Dinosaur a bona fide national park, all potential invaders would have to face a most powerful weapon: the congressional protection afforded a national park. The battle would finally be won.

THE LEGISLATORS KEPT THEIR WORD

Victory (for the time being) came in the Echo Park struggle because men of stanch integrity in the House and Senate (even though many of them favored Echo Park Dam), listened to the persistent pleas of conservationists, women's club leaders, national park lovers, outdoor club leaders, and thousands upon thousands of independent, unaffiliated people, who begged and pleaded, in letters, in telegrams, on the telephone, and in person, "Don't dam Dinosaur." These legislators, led by New Mexico's Senator ANDERSON, and California's Representative CLAIR ENGLE, and ably assisted by such directly interested western leaders as Montana's Senator MURRAY, Congressmen ASPINALL, of Colorado, DAWSON, of Utah, and METCALF, of Montana, and nonwesterners like JOHN P. SAYLOR, of Pennsylvania, agreed that Echo Dam was not essential to the plan, and therefore it was unnecessary to invade Dinosaur Monument. As a result of public reaction these men assured conservationist leaders that Echo Park Dam would be dropped from the project, and it was. The American people owe a debt of gratitude to Senator ANDERSON and his Senate colleagues, and to Representatives ASPINALL and ENGLE and their House colleagues, for carrying out their word in spite of heavy political pressures from several sides. It was not easy to do.

HELP US PRESERVE THIS REMARKABLE AREA

The Nation needs more national parks—more natural areas that provide retreat and escape from the strains and trials of city life. Our national parks are a vital resource—and one we are rapidly outgrowing. There are too few natural recreational areas left—and too many people who need them.

The present Dinosaur National Monument, which under the new bills would become a park, is not only an area of scenic splendor. True, it is one of the world's most wondrous sites—hills, terraces, massive and colorful rock formations that tower high as a skyscraper, raging rivers, and all the rest. But Dinosaur is far more; it is the whole story of millions of years of the earth's life. The story is all there for anyone to see, more complete and more graphic, perhaps, than in any other place on earth.

The remains of long-extinct, 50-ton dinosaurs are the start of the story, the record of what life was like a million centuries ago. The erosions of the wild, foaming river, the mountain that it gnawed in two, the hogback ridges that nature left, the sharp vertical cliffs and the flat mesas—all these are chapters in a long, uninterrupted tale of the earth and its inhabitants adapting to changing conditions. The pictographs of prehistoric Pueblo basket-makers, scratched 3,000

> years ago on the sides of canyons, unfold a story of a too-contented life that drifted into nothingness in a dim, distant era—a story that even a school child can read, in a general way, just by walking past a wall. The full record of animal life in Dinosaur's canyons has yet to be established—even by the experts; but when the park is improved, many of the almost-extinct creatures which we know once lived there will be back, protected by the National Park Service. Dinosaur was explored only a few years ago, and perhaps it never was explored completely; but the far reaches of this surprising area already have turned up random chapters of the old West, such as the placard that reads: "To all who this may consarn that I Pat Lynch do lay claim on this botom for my home and support. Wrote the 8th month of 1836 by P. Lynch."
>
> Who can describe even sketchily the incredible world of man and nature that lies within Dinosaur's remarkable acres? What can one really say about it—except that it straddles the Utah-Colorado border, a little south of where that border meets Wyoming, and there it should stay, unharmed, for our children, coming in jet planes and gas-turbined speedsters, to wonder at. Wallace Stegner, in "This Is Dinosaur" (a brilliantly illustrated book well worth enjoying) has this to say:
>
> "To this moment, at least, the Green and Yampa Canyons (in Dinosaur) have been saved intact, a wilderness that is the property of all Americans, a 325-square-mile preserve that is part schoolroom and part playground and part—the best part—sanctuary from a world paved with concrete, jet-propelled, smog-blanketed, sterilized, overinsured, aseptic, a world mass-produced with interchangeable parts, and with every natural beautiful thing endangered by the raw engineering power of the 20th century."
>
> If only because everywhere we turn progress is taking so great a toll, it is essential that we cling desperately to the little natural wilderness beauty we have left. Dinosaur's beauty is unmatched, its charm incredible.
>
> Will you join us in urging Congress to enact the Dinosaur National Park bill in this session—before it is too late? Your Senators and Congressmen will be glad to hear from you about this.
>
> Council of Conservationists, 588 Fifth Avenue, New York 36, N. Y., Executive Committee: Fred Smith, Director, New York, N. Y.; Horace M. Albright, New York, N. Y.; David R. Brower, San Francisco, Calif.; Ira N. Gabrielson, Washington, D. C.; Joseph Penfold, Denver, Colo.; Howard Zahniser, Hyattsville, Md.

These statements prove conclusively that the conservationists will go all out to give Dinosaur park status and assure that a dam will never be built within its boundaries.

An editorial challenge in the Denver Post of April 22 in support of the proposal to make Dinosaur a park states:

> Will all the Congressmen who opposed Echo Park Dam line up with alacrity to support the Aspinall-Saylor bill? Will garden clubs and bird clubs and hiking clubs and other groups pass resolutions, write their Congressmen, and testify on behalf of the bill? Will outdoor writers deluge magazines and newspapers with articles about the importance of developing Dinosaur, now that it has been saved?
>
> They will unless most of the opposition to Echo Park Dam was phony. We will just have to wait and see.

I can assure the Denver Post that the same conservationists are committed to finish the job they started.

When Congressman ASPINALL and myself introduced the Dinosaur Park bill we thought, as did conservationists, that it was a natural culmination—but we suddenly found ourselves confronted with Senator WATKINS who, if his statements are correctly reported in the Salt Lake Tribune, has no intention of allowing the area to become a park because he still believes, contrary to the will of the people and the Congress of the United States, that Echo Park Dam will be built. This seems to be a private project of Senator WATKINS and only when viewed in the light of a private project could one realize his intentions. He knows that the bill authorizing the upper Colorado River storage project was passed because conservationists withdrew their opposition when he, along with other upper basin legislators, agreed that Echo Park Dam would not be built. Why then does Senator WATKINS seemingly continue to fabricate opposition for the park bill?

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United States
of America

PROCEEDINGS AND DEBATES OF THE 84*th* CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 27, 1956

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, grant that in these days of stress and strain, of uncertainty and confusion we may have an unfaltering trust in Thy kind and gracious providence.

We humbly confess that we are often disquieted and very cowardly when confronted by new and difficult tasks and trying circumstances.

Give us a larger measure of those moral and spiritual resources which are sufficient for our many needs and adequate for all the demands that are daily made upon us.

Help us to bring our whole life under such a complete control and glad commitment to Thy Spirit that we shall always be steadfast in the face of temptation, unafraid in times of peril, and unwearied in hope.

Now unto Him, who is able to keep us from falling and present us faultless before Thy presence, be glory and honor, dominion and power, both now and forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1774. An act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 7678. An act to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation (International) Conference and Exhibit, New York, N. Y., to be admitted without payment of tariff, and for other purposes; and

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 497. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California;

S. 977. An act to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the Valley Division, Yuma reclamation project, Arizona, and for other purposes;

S. 2705. An act to authorize the Philadelphia, Baltimore, & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia;

S. 3025. An act to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended;

S. 3295. An act to amend the act of April 28, 1953, relating to daylight saving time in the District of Columbia; and

S. 3498. An act to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 35]

Ashley
Bailey
Barden
Boykin
Chatham
Davis, Tenn.
Donovan
Eberharter
Gamble
Grant
Haley
Healey
Hébert
Hoffman, Ill.
Jackson
Johnson, Calif.
Kilburn
Knutson
Laird
Lankford
McCulloch
McDowell
Matthews
Miller, Calif.
Mollohan
Morrison
O'Hara, Minn.
Phillips
Powell
Quigley
Rogers, Tex.
Scott
Sisk
Thompson, La.
Tumulty
Udall
Vursell
Williams, N. Y.
Willis

The SPEAKER. Three hundred and eighty-four Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL HIGHWAY AND HIGHWAY REVENUE ACTS OF 1956

Mr. FALLON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10660, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first section of the bill.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that the bill in its entirety be considered as read and open for amendment at any point except with respect to amendments to title II, since the rule which has been adopted by the House prohibits amendments to this section unless offered by direction of the Committee on Ways and Means.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

(The bill reads as follows:)

Be it enacted, etc.—

TITLE I—FEDERAL HIGHWAY ACT OF 1956

Sec. 101. Short title for title I.

This title may be cited as the "Federal Highway Act of 1956."

Sec. 102. Federal-aid highways.

(a) (1) Authorization of Appropriations: For the purpose of carrying out the provisions of the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1957, $25 million in addition to any sums heretofore authorized for such fiscal year; the sum of $750 million for the fiscal year ending June 30, 1958; and the sum of $775 million for the fiscal year ending June 30, 1959. The sums herein authorized for each fiscal year shall be available for expenditure as follows:

(A) 45 percent for projects on the Federal-aid primary highway system.

(B) 30 percent for projects on the Federal-aid secondary highway system.

(C) 25 percent for projects on extensions of these systems within urban areas.

(2) Apportionments: The sums authorized by this section shall be apportioned among the several States in the manner now provided by law and in accordance with the formulas set forth in section 4 of the Federal-Aid Highway Act of 1944, approved December 20, 1944 (58 Stat. 838): *Provided*, That the additional amount herein authorized for the fiscal year ending June 30, 1957, shall be apportioned immediately upon enactment of this act.

(b) Availability for expenditure: Any sums apportioned to any State under this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized, and any amounts so apportioned remaining unexpended at the end of such period shall lapse: *Provided*, That such funds shall be deemed to have been expended if a sum equal to the total of the sums herein and heretofore apportioned to the State is covered by formal agreements with the Secretary of Commerce for construction, reconstruction, or improvement of specific projects as provided in this title, and prior acts. Any Federal-aid primary, secondary, or urban funds released by the payment of the final voucher or by modification of the formal project agreement shall be credited to the same class of funds, primary, secondary, or urban, previously apportioned to the State and be immediately available for expenditure.

(c) Declaration of intent: Recognizing it to be in the national interest to foster and accelerate the construction of a safe and efficient system of Federal-aid highways in each State, it is hereby declared to be the intent of Congress progressively to increase the annual sums herein authorized, for construction of projects on the Federal-aid primary and secondary systems and approved extensions thereof in urban areas, by amounts which in each succeeding year shall provide an increase over the total amounts authorized for each immediately preceding year of not less than $25 million, commencing with the fiscal year ending June 30, 1960, and continuing such progression in each of the succeeding fiscal years, through the fiscal year ending June 30, 1969. It is further the intent to allocate the total funds thus provided to the three categories in the same relative ratio as hereinabove provided for projects on the Federal-aid primary and secondary systems and approved extensions thereof in urban areas.

(d) Transfers of apportionments: Not more than 20 percent of the respective amounts apportioned to a State for any fiscal year from funds made available for expenditure under clause (A), clause (B) or clause (C) of subsection (a) (1) of this section, may be transferred to the apportionment made to such State under any other of such clauses, except that no such apportionment may be increased by more than 20 percent by reason of transfers to it under this section: *Provided*, That such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary of Commerce as being in the public interest: *Provided further*, That the transfers hereinabove permitted for funds authorized to be appropriated for the fiscal years ending June 30, 1958, and June 30, 1959, shall likewise be permitted on the same basis for funds which may be hereafter authorized to be appropriated for any subsequent fiscal year: *And provided further*, That nothing herein contained shall be deemed to alter or impair the authority contained in the last proviso to paragraph (b) of section 3 of the Federal-Aid Highway Act of 1944.

Sec. 103. Forest highways and forest development roads and trails.

(a) Authorization of appropriations: For the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921 (42 Stat. 218), as amended and supplemented, there is hereby authorized to be appropriated (1) for forest highways the sum of $25 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959; and (2) for forest development roads and trails the sum of $27 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959: *Provided*, That with respect to any proposed construction or reconstruction of a timber access road, advisory public hearings shall be held at a place convenient or adjacent to the area of construction or reconstruction with notice and reasonable opportunity for interested persons to present their views as to the practicability and feasibility of such construction or reconstruction: *Provided further*, That hereafter funds available for forest highways and forest development roads and trails shall also be available for vehicular parking areas: *And provided further*, That the appropriation herein authorized for forest highways shall be apportioned by the Secretary of Commerce for expenditure in the several States, Alaska, and Puerto Rico in accordance with the provision of section 3 of the Federal-Aid Highway Act of 1950.

(b) Repeal of certain apportionments: The provision of section 23 of the Federal Highway Act of 1921, as amended and supplemented, requiring apportionment of funds authorized for forest development roads and trails among the several States, Alaska, and Puerto Rico, is hereby repealed.

Sec. 104. Roads and trails in national parks, etc.

(a) National parks, etc.: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of $16 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

(b) Parkways: For the construction, reconstruction, and improvement of parkways, authorized by acts of Congress, on lands to which title is vested in the United States, there is hereby authorized to be appropriated the sum of $16 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

(c) Indian reservations and lands: For the construction, improvement, and maintenance of Indian reservation roads and bridges and roads and bridges to provide access to Indian reservations and Indian lands under the provisions of the act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of $10 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959: *Provided*, That the location, type, and design of all roads and bridges constructed shall be approved by the Secretary of Commerce before any expenditures are made thereon, and all such construction shall be under the general supervision of the Secretary of Commerce.

Sec. 105. Public lands highways.

For the purpose of carrying out the provisions of section 10 of the Federal-Aid Highway Act of 1950 (64 Stat. 785), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations the sum of $1 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

Sec. 106. Special provisions for Federal domain roads, etc.

(a) In general: Any funds authorized herein for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be available for contract upon apportionment, or a date not earlier than 6 months preceding the fiscal year for which authorized if no apportionment is required: *Provided*, That any amount remaining unexpended 2 years after the close of the fiscal year for which authorized shall lapse. The Secretary of the department charged with the administration of such funds is hereby granted authority to incur obligations, approve projects, and enter into contracts under such authorizations, and his action in doing so shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and such funds shall be deemed to have been expended when so obligated. Any funds heretofore, herein, or hereafter authorized for any fiscal year for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be deemed to have been expended if a sum equal to the total of the sums authorized for such fiscal year and previous fiscal years since and including the fiscal year 1955 shall have been obligated. Any of such funds released by payment of final voucher or modification of project authorizations shall be credited to the balance of unobligated authorizations and be immediately available for expenditure.

(b) Declaration of intent: It is further declared to be the intent of Congress to continue until June 30, 1969, the authorizations for roads in the Federal domain at annual rates not less than those contained in sections 103, 104, and 105 of this act.

Sec. 107. Emergency fund.

Section 7 of the Federal-Aid Highway Act of 1952 (66 Stat. 158) is hereby amended to read as follows:

"Sec. 7. There is hereby authorized an emergency fund in the amount of $30 million for expenditure by the Secretary of Commerce, in accordance with the provisions of the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, after receipt of an application therefor from the highway department of any State, in the repair or reconstruction of highways and bridges on the Federal-aid highway systems, which he shall find have suffered serious damage as the result of disaster over a wide area, such as by floods, hurricanes, tidal waves, earthquakes, severe storms, landslides, or other catastrophes in any part of the United States. The appropriation of such moneys as may be necessary for the initial establishment of this fund and for its replenishment on an annual basis is hereby authorized: *Provided*, That pending the appropriation of such sum, or its replenishment, the Secretary of Commerce may expand, from existing Federal-aid highway appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made: *Provided further*, That no expenditures shall be made hereunder with respect to any such catastrophe in any State unless an emergency has been declared by the Governor of such State and concurred in by the Secretary of Commerce: *Provided further*, That the Federal share payable on account of any repair or reconstruction project provided for by funds made available under this section shall not exceed 50 percent of the cost thereof: *And provided further*, That the funds herein authorized shall be available for use on any projects programed and approved at any time during the fiscal year ending June 30, 1956, and thereafter, which meet the provisions of this section, including projects which may have been previously approved during the fiscal year ending June 30, 1956, from any other category of funds under the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented."

Sec. 108. National System of Interstate and Defense Highways

(a) Interstate System: It is hereby declared to be essential to the national interest to provide for the early completion of the "National System of Interstate Highways," as heretofore authorized and designated in accordance with section 7 of the Federal-Aid Highway Act of 1944 (58 Stat. 838). Because of its primary importance to the national defense, the name of such system is hereby changed to the "National System of Interstate and Defense Highways." Such National System of Interstate and Defense Highways is hereinafter in this title referred to as the "Interstate System."

(b) Authorization of appropriations: For the purpose of expediting the construction, reconstruction, or improvement of the interstate system, there is hereby authorized to be appropriated the additional sum of $1,025,000,000 for the fiscal year ending June 30, 1957, which sum shall be in addition to the authorization heretofore made for that year, the additional sum of $1,700,000,000 for the fiscal year ending June 30, 1958, the additional sum of $2,000,000,000 for the fiscal year ending June 30, 1959, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1960, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1961, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1962, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1963, the additional sum of $2,300,000,000 for the fiscal year ending June 30, 1964, the additional sum of $2,300,000,000 for the fiscal year ending June 30, 1965, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1966, the additional sum of $2,000,000,000 for the fiscal year ending June 30, 1967, the additional sum of $1,500,000,000 for the fiscal year ending June 30, 1968, and the additional sum of $1,000,000,000 for the fiscal year ending June 30, 1969.

(c) Apportionments for 1957 and 1958: The additional sum herein authorized for the fiscal year ending June 30, 1957, and the sum authorized for the fiscal year ending June 30, 1958, shall be apportioned immediately upon enactment of this act. The sums herein authorized for the fiscal years 1957 and 1958 shall be apportioned in the ratio which the estimated cost of completing the interstate system in each State bears to the estimated total cost of completing the interstate system in all of the States as set forth in the computations compiled by the Bureau of Public Roads on pages 6 and 7 of House Document No. 120, 84th Congress.

(d) Apportionments for subsequent years: All sums authorized by this section to be appropriated for the fiscal years 1959 through 1969, inclusive, shall be apportioned among the several States in the ratio which the estimated cost of completing the interstate system in each State bears to the estimated total cost of completing the interstate system in all of the States. The estimated costs shall be those set forth in the reports required to be filed by subsection (f) of this section and shall be those contained in the latest report so filed. Each apportionment herein authorized for the fiscal years 1959 through 1969, inclusive, shall be made on a date as far in advance of the beginning of the fiscal year for which authorized, as practicable, but in no case more than 18 months prior to the fiscal year for which authorized.

(e) Geometric standards: The geometric standards to be adopted for the interstate system shall be those approved by the Secretary of Commerce in cooperation with the State highway departments. Such standards shall be adequate to accommodate the types and volumes of traffic forecast for the year 1975. The right-of-way width of the interstate system shall be adequate to permit construction of projects on the interstate system up to such standards. The Secretary of Commerce shall apply such standards uniformly throughout the States. Such standards shall be adopted by the Secretary of Commerce in cooperation with the State highway departments as soon as practicable after the enactment of this act.

(f) Studies and estimates; use of revised estimates for apportionment formulas: As soon as the standards provided for in subsection (e) have been adopted, the Secretary of Commerce shall request each State highway department to make and furnish to him before July 1, 1957, a further study of the Interstate System within its boundaries and a detailed estimate of the cost of completing the same based upon such standards. Such study and estimate shall be made in accordance with such rules and regulations as may be adopted by the Secretary of Commerce and applied by him uniformly to all of the States. Upon approval of such estimate by the Secretary of Commerce, he shall within 10 days subsequent to January 2, 1958, transmit to the Committees on Public Works of the Senate and the House of Representatives a report of such study and estimate. Upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives the Secretary of Commerce shall use such estimate in making apportionments for the fiscal years ending June 30, 1959, June 30, 1960, June 30, 1961, and June 30, 1962. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Committees on Public Works of the Senate and the House of Representatives within 10 days subsequent to January 2, 1962, and upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal years ending June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Committees on Public Works of the Senate and the House of Representatives within 10 days subsequent to January 1, 1966, and annually thereafter through and including January 2, 1968, and upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal year which begins next following the fiscal year in which such report is filed. Whenever the Secretary of Commerce, pursuant to this subsection, requests the State highway departments to furnish studies and estimates to him, such highway departments shall furnish copies of such studies and estimates at the same time to the Committees on Public Works of the Senate and the House of Representatives.

(g) Federal share: The Federal share payable on account of any project on the Interstate System provided for by funds made available under the provisions of this section shall be increased to 90 percent of the total cost thereof, plus a percentage of the remaining 10 percent of such cost in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, equal to the percentage that the area of such lands in such State is of its total area: *Provided*, That such Federal share payable on any project in any State shall not exceed 95 percent of the total cost of such project.

(h) Availability for expenditure: Any sums apportioned to any State under the provisions of this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized: *Provided*, That such funds for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State specifically for the Interstate System for such fiscal year and previous fiscal years is covered by formal agreements with the Secretary of Commerce for the construction, reconstruction, or improvement of specific projects under this section.

(i) Lapse of amounts apportioned: Any amount apportioned to the States under the provisions of this section unexpended at the end of the period during which it is available for expenditure under the terms of subsection (h) of this section shall lapse: *Provided*, That any Interstate System funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the Interstate System funds previously apportioned to the State and be immediately available for expenditure.

(j) Maximum axle weight limitations: No funds authorized to be appropriated for any fiscal year by this section shall be apportioned to any States within the boundaries of which the Interstate System may lawfully be used by vehicles with weight in excess of 18,000 pounds carried on any 1 axle, or with a tandem axle weight in excess of 32,000 pounds, or the maximum corresponding axle weight permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater. Any amount which is withheld from apportionment to any State pursuant to the foregoing provisions shall lapse: *Provided, however*, That nothing herein shall be construed to deny apportionment to any State allowing the operation within such State of any vehicles or combinations thereof that could be lawfully operated within such State on July 1, 1956.

(k) Tests to determine maximum desirable dimensions and weights: The Secretary of Commerce is directed to take all action possible to expedite the conduct of a series of tests now planned or being conducted by the Highway Research Board of the National

Academy of Sciences, in cooperation with the Bureau of Public Roads, the several States, and other persons and organizations, for the purpose of determining the maximum desirable dimensions and weights for vehicles operated on the Federal-aid highways systems and, after the conclusion of such tests, but not later than March 1, 1959, to make recommendations to the Congress with respect to such maximum desirable dimensions and weights.

SEC. 109. Declaration of policy with respect to reimbursement for certain highways.

It is hereby declared to be the intent and policy of the Congress to equitably reimburse those States for any portion of a highway which is on the Interstate System, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the Interstate System. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the Interstate System measure up to the standards required by this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958. It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

SEC. 110. Acquisition of rights-of-way.

(a) Federal acquisition for States: In any case in which the Secretary of Commerce is requested by any State to acquire any lands or interests in lands (including within the term "interests in lands," the control of access thereto from adjoining lands) required by such State for right-of-way or other purposes in connection with the prosecution of any project for the construction, reconstruction, or improvement of any section of the Interstate System, the Secretary of Commerce is authorized, in the name of the United States and prior to the approval of title by the Attorney General, to acquire, enter upon, and take possession of such lands or interests in lands by purchase, donation, condemnation, or otherwise in accordance with the laws of the United States (including the act of February 26, 1931, 46 Stat. 1421), if—

(1) the Secretary of Commerce has determined either that such State is unable to acquire necessary interests in lands, or is unable to acquire such lands or interests in lands with sufficient promptness; and

(2) such State has agreed with the Secretary of Commerce to pay, at such time as may be specified by the Secretary of Commerce, an amount equal to 10 percent of the costs incurred by the Secretary of Commerce, in acquiring such lands or interests in lands, or such lesser percentage which represents the State's pro rata share of project costs as determined in accordance with section 108 (g) of this title.

The authority granted by this section shall also apply to lands and interests in lands received as grants of land from the United States and owned or held by railroads or other corporations.

(b) Costs of acquisition: The costs incurred by the Secretary of Commerce in acquiring any such lands or interests in lands may include the cost of examination and abstract of title, certificate of title, advertising, and any fees incidental to such acquisition. All costs incurred by the Secretary of Commerce in connection with the acquisition of any such lands or interests in lands shall be paid from the funds for construction, reconstruction, or improvement of the Interstate System apportioned to the State upon the request of which such lands or interests in lands are acquired, and any sums paid to the Secretary of Commerce by such State as its share of the costs of acquisition of such lands or interests in lands shall be deposited in the Treasury to the credit of the appropriation for Federal-aid highways or shall be deducted from other moneys due the State for reimbursement under section 108 of this title and shall be credited to the amount apportioned to such State as its apportionment of funds for construction, reconstruction, or improvement of the Interstate System.

(c) Conveyance of acquired lands to the States: The Secretary of Commerce is further authorized and directed by proper deed, executed in the name of the United States, to convey any such lands or interests in lands acquired in any State under the provisions of this section, except the outside 5 feet of any such right-of-way in any State which does not provide control of access, to the State highway department of such State or such political subdivisions thereof as its laws may provide, upon such terms and conditions as to such lands or interests in lands as may be agreed upon by the Secretary of Commerce and the State highway department or political subdivisions to which the conveyance is to be made. Whenever the State makes provision for control of access satisfactory to the Secretary of Commerce, the outside 5 feet then shall be conveyed to the State by the Secretary of Commerce, as herein provided.

(d) Rights-of-way over public lands: Whenever rights-of-way, including control of access, on the Interstate System are required over public lands or reservations of the United States, the Secretary of Commerce may make such arrangements with the agency having jurisdiction over such lands as may be necessary to give the State or other person constructing the projects on such lands adequate rights-of-way and control of access thereto from adjoining lands, and any such agency is hereby directed to cooperate with the Secretary of Commerce in this connection.

SEC. 111. Availability of funds to acquire rights-of-way.

(a) Advance right-of-way acquisitions: For the purpose of facilitating the acquisition of rights-of-way on any of the Federal-aid highway systems and the Interstate System in the most expeditious and economical manner, and recognizing that the acquisition of rights-of-way requires lengthy planning and negotiations if it is to be done at a reasonable cost, the Secretary of Commerce is hereby authorized, upon request of a State highway department, to make available to such State for acquisition of rights-of-way, in anticipation of construction and under such rules and regulations as the Secretary of Commerce may prescribe, the funds apportioned to such State for expenditure on any of the Federal-aid highway systems and the Interstate System: *Provided*, That the agreement between the Secretary of Commerce and the State highway department for the reimbursement of the cost of such rights-of-way shall provide for the actual construction of a road on such rights-of-way within a period not exceeding 5 years following the fiscal year in which such request is made: *Provided further*, That Federal participation in the cost of rights-of-way so acquired shall not exceed the Federal pro rata share applicable to the class of funds from which Federal reimbursement is made.

(b) Advances to States: Section 6 of the Federal-Aid Highway Act of 1944 is hereby amended to read as follows:

"SEC. 6. If the Secretary of Commerce shall determine that it is necessary for the expeditious completion of projects on any of the Federal-aid highway systems, he may advance to any State out of any existing appropriations the Federal share of the cost of construction thereof to enable the State highway department to make prompt payments for acquisition of rights-of-way, and for construction as it progresses. The sums so advanced shall be deposited in a special revolving trust fund, by the State official authorized under the laws of the State to receive Federal-aid highway funds, to be disbursed solely upon vouchers approved by the State highway department for rights-of-way which have been or are being acquired, and for construction which has been actually performed and approved by the Secretary of Commerce. Upon determination by the Secretary of Commerce that any part of the funds advanced to any State under the provisions of this section are no longer required, the amount of the advance which is determined to be in excess of current requirements of the State shall be repaid upon his demand, and such repayments shall be returned to the credit of the appropriation from which the funds were advanced. Any sums advanced and not repaid on demand shall be deducted from sums due the State for the Federal pro rata share of the cost of construction of Federal-aid projects."

SEC. 112. Prevailing rate of wage.

The Secretary of Commerce shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 108 of this title shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the act of August 30, 1935, known as the Davis-Bacon Act (40 U. S. C., sec. 276-a).

SEC. 113. Relocation of utility facilities.

(a) Availability of Federal funds for reimbursement to States: Subject to the conditions contained in this section, whenever a State shall pay for the cost of relocation of utility facilities necessitated by the construction of a project on the Federal-aid primary or secondary systems or on the Interstate System, including extensions thereof within urban areas, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are expended on the project.

(b) Utility defined: For the purposes of this section, the term "utility" shall include publicly, privately, and cooperatively owned utilities.

(c) Cost of relocation defined: For the purposes of this section, the term "cost of relocation" shall include the entire amount paid by such utility properly attributable to such relocation after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

SEC. 114. Progress reports on interstate system.

It is hereby declared to be the sense of Congress that the Interstate System should be improved to standards adequate to meet the needs of the national defense and the national economy at the earliest practicable date. The Secretary of Commerce, in addition to his annual reports, is hereby directed to submit to each Congress, beginning with the calendar year 1958, a report setting forth in complete detail an accounting of all funds expended for construction of the Interstate System, the mileage and type of segments constructed, by States, and provide such other information as will fully advise the Congress regarding the progress being made toward the completion of the Interstate System.

SEC. 115. Agreements limiting use of rights-of way.

All agreements between the Secretary of Commerce and the State highway department for the construction of projects on the Interstate System shall contain a clause providing that the State will not add any points of access to, or exit from, the project in addition to those approved by the Secretary of Commerce in the plans for such project, without the prior approval of the Secretary of Commerce. Such agreements shall also contain provisions to insure that the users of the Interstate System will receive the benefits of free competition in purchasing supplies and services at or adjacent to highways in such system, and such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System. Such agreements may, however, authorize a State or political subdivision therof to use the air space above and below the established grade line of the highway pavement for the parking of motor vehicles provided such use does not interfere in any way with the free flow of traffic on the Interstate System.

SEC. 116. Toll roads, bridges and tunnels.

(a) Approval as part of interstate system: The Secretary of Commerce is authorized to approve as part of the Interstate System any toll road, bridge, or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on the Interstate System, whenever such toll road, bridge, or tunnel forms a logical segment of the Interstate System: *Provided*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll road except to the extent hereafter permitted by law: *Provided further*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll bridge or tunnel except to the extent now or hereafter permitted by law.

(b) Approaches having other use: The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road, bridge, or tunnel to a point where such project will have some use irrespective of its use for such toll road, bridge, or tunnel.

(c) Approaches having no other use: The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road on the Interstate System, even though the project has no use other than as an approach to such toll road: *Provided*, That agreement has been reached with the State prior to approval of any such project (1) that the section of toll road will become free to the public upon retirement of any bonds outstanding at the time of the agreement, (2) that all toll collections are used for maintenance and operation and debt service of the section of road incorporated into the Interstate System, and (3) that there is one or more reasonably satisfactory alternate free routes available to traffic by which the toll section of the System may be bypassed.

(d) Effect on certain prior acts: Nothing in this title shall be deemed to repeal the act approved March 3, 1927 (44 Stat. 1398), or subsection (g) of section 204 of the National Industrial Recovery Act (48 Stat. 200), and such acts are hereby amended to include tunnels as well as bridges.

SEC. 117. Definition of construction.

The definition of the term "construction" in section 1 of the Federal-Aid Highway Act of 1944 is hereby amended to read as follows:

"The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), cost of rights-of-way, cost of relocation of building tenants, cost of demolition of structures or removal of usable buildings to new sites, including the cost of such sites, and the elimination of hazards of railway grade crossings."

SEC. 118. Archeological salvage.

Such part of the funds authorized by this title to be appropriated, as may be approved as necessary by the governor or duly authorized highway officials of any State, may be used for the purpose of archeological salvage in that State in compliance with the act entitled "An act for the preservation of American antiquities," approved June 8, 1906 (34 Stat. 225), and State laws where applicable.

SEC. 119. Mapping.

In carrying out the provisions of this title the Secretary of Commerce shall, to the fullest extent practicable, authorize the use of photogrammetric methods in mapping, and the utilization of commercial enterprise for such services.

SEC. 120. Information from States.

(a) In general: All departments and agencies of any State and of the executive branch of the Government shall furnish, to the Committee on Public Works of the Senate or of the House of Representatives, or to a subcommittee of either such committee, such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as such committee or subcommittee shall request.

(b) Effect of noncompliance: No funds appropriated pursuant to the authorization contained in section 108 shall be paid to any State which has failed or refused to furnish to the Committee on Public Works of the Senate or of the House of Representatives, or to a subcommittee of either such committee, such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as such committee or subcommittee has requested. If, after having once refused such a request, a State subsequently complies therewith, funds authorized for fiscal years beginning after such compliance may be apportioned to such State. Any amount which is withheld from a State under this section shall lapse.

SEC. 121. Relationship of this title to other acts.

All provisions of the Federal-Aid Road Act approved July 11, 1916, together with all acts amendatory or supplementary thereto, not inconsistent with this title, shall remain in full force and effect and be applicable hereto. All acts or parts of acts in any way inconsistent with the provisions of this title are hereby repealed.

TITLE II—HIGHWAY REVENUE ACT OF 1956

SEC. 201. Short title for title II.

(a) Short title: This title may be cited as the "Highway Revenue Act of 1956."

(b) Amendment of 1954 code: Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. Increase in taxes on diesel fuel and on special motor fuels.

(a) Diesel fuel: Subsection (a) of section 4041 (relating to tax on diesel fuel) is amended by striking out "2 cents a gallon" and inserting in lieu thereof "3 cents a gallon."

(b) Special motor fuels: Subsection (b) of section 4041 (relating to special motor fuels) is amended by striking out "2 cents a gallon" and inserting in lieu thereof "3 cents a gallon." and by adding after paragraph (2) the following:

"In the case of a liquid sold for use or used as a fuel for the propulsion of a motorboat or airplane, the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel for the propulsion of a motor vehicle, a tax of 1 cent a gallon shall be imposed under paragraph (2)."

(c) Rate reduction: Subsection (c) of section 4041 (relating to rate reduction) is amended to read as follows:

"(c) Rate reduction: On and after July 1, 1972—

"(1) the taxes imposed by this section shall be 1½ cents a gallon; and

"(2) the second and third sentences of subsection (b) shall not apply."

SEC. 203. Increase in tax on trucks, truck trailers, buses, etc.

So much of paragraph (1) of section 4061 (a) (relating to tax on trucks, truck trailers, buses, etc.) as precedes "automobile truck chassis" is amended to read as follows:

"(1) Articles taxable at 10 percent, except that on and after July 1, 1972, the rate shall be 5 percent—."

SEC. 204. Increase in taxes on tires of the type used on highway vehicles; tax on tread rubber, etc.

(a) In general: Section 4071 (relating to tax on tires and tubes) is amended to read as follows:

"SEC. 4071. Imposition of tax.

"(a) Imposition and rate of tax: There is hereby imposed upon the following articles, if wholly or in part of rubber, sold by the manufacturer, producer, or importer, a tax at the following rates:

"(1) Tires of the type used on highway vehicles, 8 cents a pound.

"(2) Other tires, 5 cents a pound.

"(3) Inner tubes for tires, 9 cents a pound.

"(4) Tread rubber, 3 cents a pound.

"(b) Determination of weight: For purposes of this section, weight shall be based on total weight, except that in the case of tires such total weight shall be exclusive of metal rims or rim bases. Total weight of the articles shall be determined under regulations prescribed by the Secretary or his delegate.

"(c) Rate reduction: On and after July 1, 1972—

"(1) the tax imposed by paragraph (1) of subsection (a) shall be 5 cents a pound; and

"(2) paragraph (4) of subsection (a) shall not apply."

(b) Tread rubber defined: Section 4072 (defining the term "rubber") is amended to read as follows:

"SEC. 4072. Definitions.

"(a) Rubber: For purposes of this chapter, the term 'rubber' includes synthetic and substitute rubber.

"(b) Tread rubber: For purposes of this chapter, the term 'tread rubber' means any material—

"(1) which is commonly or commercially known as tread rubber or camelback; or

"(2) which is a substitute for a material described in paragraph (1) and is of a type used in recapping or retreading tires.

"(c) Tires of the type used on highway vehicles: For purposes of this part, the term 'tires of the type used on highway vehicles' means tires of the type used on—

"(1) motor vehicles which are highway vehicles, or

"(2) vehicles of the type used in connection with motor vehicles which are highway vehicles."

(c) Exemption of certain tread rubber from tax: Section 4073 (relating to exemptions) is amended by adding at the end thereof of the following new subsection:

"(c) Exemption from tax on tread rubber in certain cases: Under regulations prescribed by the Secretary or his delegate, the tax imposed by section 4071 (a) (4) shall not apply to tread rubber sold by the manufacturer, producer, or importer, to any person for use by such person otherwise than in the recapping or retreading of tires of the type used on highway vehicles."

(d) Technical amendment: The table of sections for part II of subchapter A of chapter 32 is amended by striking out

"Sec. 4072. Definition of rubber."

and inserting in lieu thereof

"Sec. 4072. Definitions."

Sec. 205. Increase in tax on gasoline.

(a) Increase in rate: Section 4081 (relating to tax on gasoline) is amended to read as follows:

"Sec. 4081. Imposition of tax.

"(a) In general: There is hereby imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of 3 cents a gallon.

"(b) Reduced rate in certain cases: Under regulations prescribed by the Secretary or his delegate, in the case of gasoline sold by the producer or importer thereof, or by any producer of gasoline, to any person for use by such person otherwise than as a fuel in a highway vehicle, the tax imposed by subsection (a) shall be 2 cents a gallon in lieu of 3 cents a gallon. This subsection shall not apply to gasoline which (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) is sold for use on a farm for farming purposes.

"(c) Rate reduction: On and after July 1, 1972—

"(1) the tax imposed by this section shall be 1½ cents a gallon; and

"(2) subsection (b) shall not apply."

(b) Technical amendment: Section 6420 (a) (relating to gasoline used on farms) is amended by striking out "4081" in paragraph (2) and inserting in lieu thereof "4081 (a)."

Sec. 206. Tax on use of certain vehicles.

(a) Imposition of tax: Chapter 36 (relating to certain other excise taxes) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Tax on use of certain vehicles

"Sec. 4481. Imposition of tax.
"Sec. 4482. Definitions.
"Sec. 4483. Exemptions.
"Sec. 4484. Cross reference.

"Sec. 4481. Imposition of tax.

"(a) Imposition of tax: A tax is hereby imposed on the use of any highway motor vehicle which (together with the semitrailers and trailers customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle) has a taxable gross weight of more than 26,000 pounds, at the rate of $1.50 a year for each 1,000 pounds of taxable gross weight or fraction thereof.

"(b) By whom paid: The tax imposed by this section shall be paid by the person in whose name the highway motor vehicle is, or is required to be, registered under the law of the State in which such vehicle is, or is required to be, registered.

"(c) Proration of tax: If in any year the first use of the highway motor vehicle is after July 31, the tax shall be reckoned proportionately from the first day of the month in which such use occurs to and including the 30th day of June following.

"(d) One payment per year: If the tax imposed by this section is paid with respect to any highway motor vehicle for any year, no further tax shall be imposed by this section for such year with respect to such vehicle.

"(e) Period tax in effect: The tax imposed by this section shall apply only to use after June 30, 1956, and before July 1, 1972.

"Sec. 4482. Definitions.

"(a) Highway motor vehicle: For purposes of this subchapter, the term 'highway vehicle' means any motor vehicle which is a highway vehicle.

"(b) Taxable gross weight: For purposes of this subchapter, the term 'taxable gross weight,' when used with respect to any highway motor vehicle, means the sum of—

"(1) the actual unloaded weight of—

"(A) such highway motor vehicle fully equipped for service, and

"(B) the semitrailers and trailers (fully equipped for service) customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle, and

"(2) the weight of the maximum load customarily carried on highway motor vehicles of the same type as such highway motor vehicle and on the semitrailers and trailers referred to in paragraph (1) (B).

Taxable gross weight shall be determined under regulations prescribed by the Secretary or his delegate (which regulations may include formulas or other methods for determining the taxable gross weight of vehicles by classes, specifications, or otherwise).

"(c) Other definitions: For purposes of this subchapter—

"(1) State: The term 'State' means a State, a Territory of the United States, and the District of Columbia.

"(2) Year: The term 'year' means the 1-year period beginning on July 1.

"(3) Use: The term 'use' means use in the United States on the public highways.

"Sec. 4483. Exemptions.

"(a) State and local governmental exemption: Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any highway motor vehicle by any State or any political subdivision of a State.

"(b) Exemption for United States: The Secretary may authorize exemption from the tax imposed by section 4481 as to the use by the United States of any particular highway motor vehicle, or class of highway motor vehicles, if he determines that the imposition of such tax with respect to such use will cause substantial burden or expense which can be avoided by granting tax exemption and that full benefit of such exemption, if granted, will accrue to the United States.

"(c) Certain transit-type buses: Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any bus which is of the transit type (rather than of the intercity type) by a person who, for the last 3 months of the preceding year (or for such other period as the Secretary or his delegate may by regulations prescribe for purposes of this subsection), met the 60-percent passenger fare revenue test set forth in section 6416 (b) (2) (L) (i) as applied to the period prescribed for purposes of this subsection.

"Sec. 4484. Cross reference.

"For penalties and administrative provisions applicable to this subchapter, see subtitle F."

(b) Mode and time of collection of tax: Section 6302 (b) (relating to discretion as to method of collecting tax) is amended by inserting "section 4481 of chapter 36," after "33,".

(c) Technical amendment: The table of subchapters for chapter 36 is amended by adding at the end thereof the following:

"Subchapter D. Tax on use of certain vehicles."

Sec. 207. Floor stocks taxes.

(a) Imposition of taxes: Subchapter F of chapter 32 (special provisions applicable to manufacturers' excise taxes) is amended by renumbering section 4226 as 4227 and by inserting after section 4225 the following new section:

"Sec. 4226. Floor stocks taxes.

"(a) In general:

"(1) 1956 tax on trucks, truck trailers, buses, etc.: On any article subject to tax under section 4061 (a) (1) relating to tax on trucks, truck trailers, buses, etc.) which, on July 1, 1956, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 2 percent of the price for which the article was purchased by such dealer. If the price for which the article was sold by the manufacturer, producer, or importer is established to the satisfaction of the Secretary or his delegate, then in lieu of the amount specified in the preceding sentence the tax imposed by this paragraph shall be at the rate of 2 percent of the price for which the article was sold by the manufacturer, producer, or importer.

"(2) 1956 tax on tires of the type used on highway vehicles: On tires subject to tax under section 4071 (a) (1) (as amended by the Highway Revenue Act of 1956) which, on July 1, 1956, are held—

"(A) by a dealer for sale,

"(B) for sale on, or in connection with, other articles held by the manufacturer, producer, or importer of such other articles, or

"(C) for use in the manufacture or production of other articles,

there is hereby imposed a floor stocks tax at the rate of 3 cents a pound. The tax imposed by this paragraph shall not apply to any tire which is held for sale by the manufacturer, producer, or importer of such tire or which will be subject under section 4218 (a) (2) or 4219 to the manufacturers' excise tax on tires.

"(3) 1956 tax on tread rubber: On tread rubber subject to tax under section 4071 (a) (4) (as amended by the Highway Revenue Act of 1956) which, on July 1, 1956, is held by a dealer, there is hereby imposed a floor stocks tax at the rate of 3 cents a pound. The tax imposed by this paragraph shall not apply in the case of any person if such person establishes, to the satisfaction of the Secretary or his delegate, that all tread rubber held by him on July 1, 1956, will be used otherwise than in the recapping or retreading of tires of the type used on highway vehicles.

"(4) 1956 tax on gasoline: On gasoline subject to tax under section 4081 which, on July 1, 1956, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 1 cent a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold a retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(b) Overpayment of floor stocks taxes: Section 6416 shall apply in respect of the floor stocks taxes imposed by this section, so as to entitle, subject to all provisions of section 6416, any person paying such floor stocks taxes to a credit or refund thereof for any of the reasons specified in section 6416.

"(c) Meaning of terms: For purposes of subsection (a), the terms 'dealer' and 'held by a dealer' have the meaning assigned to them by section 6412 (a) (3)."

(b) Technical amendment: The table of sections for subchapter F of chapter 32 is amended by striking out

"Sec. 4226. Cross references."

and inserting in lieu therof

"Sec. 4226. Floor stocks taxes.
"Sec. 4227. Cross references."

Sec. 208. Credit or refund of tax.

(a) Floor stocks refunds: So much of section 6412 (relating to floor stocks refunds) as precedes subsection (d) is amended to read as follows:

"Sec. 6412. Floor stocks refunds.

"(a) In general:

"(1) Passenger automobiles, etc.: Where before April 1, 1957, any article subject to the tax imposed by section 4061 (a) (2) has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of tax made applicable to such article on and after April 1, 1957, if claim for such credit or refund is filed with the Secretary or his delegate on or before August 10, 1957, based upon a request submitted to the manufacturer, producer, or importer before July 1, 1957, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before August 10, 1957, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to allowance of such credit or refund.

"(2) Trucks and buses, tires, tread rubber, and gasoline: Where before July 1, 1972, any article subject to the tax imposed by section 4061 (a) (1), 4071 (a) (1) or (4), or 4081 has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale (or, in the case of tread rubber, is intended for sale or is held for use), there shall be credited or refunded (without interest, to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of tax made applicable to such article on and after July 1, 1972, if claim for such credit or refund is filed with the Secretary or his delegate on or before November 10, 1972, based upon a request submitted to the manufacturer, producer, or importer before October 1, 1972, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before November 10, 1972, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to allowance of such credit or refund. No credit or refund shall be allowable under this paragraph with respect to gasoline in retail stocks held at the place where intended to be sold at retail, nor with respect to gasoline held for sale by a producer or importer of gasoline.

"(3) Definitions: For purposes of this section—

"(A) The term 'dealer' includes a wholesaler, jobber, distributor, or retailer, or, in the case of tread rubber subject to tax under section 4071 (a) (4), includes any person (other than the manufacturer, producer, or importer thereof) who holds such tread rubber for sale or use.

"(B) An article shall be considered as 'held by a dealer' if title thereto has passed to such dealer (whether or not delivery to him has been made), and if for purposes of consumption title to such article or possession thereof has not at any time been transferred to any person other than a dealer.

"(b) Limitation on eligibility for credit or refund: No manufacturer, producer, or importer shall be entitled to credit or refund under subsection (a) unless he has in his possession such evidence of the inventories with respect to which the credit or refund is claimed as may be required by regulations prescribed under this section.

"(c) Other laws applicable: All provisions of law, including penalties, applicable in respect of the taxes imposed by sections 4061, 4071, and 4081 shall, insofar as applicable and not inconsistent with subsections (a) and (b) of this section, apply in respect of the credits and refunds provided for in subsection (a) to the same extent as if such credits or refunds constituted overpayments of such taxes."

(b) Special cases: Section 6416 (b) (2) (special cases in which tax payments considered overpayments) is amended by striking out the period at the end of subparagraph (I) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following:

"(J) In the case of a liquid in respect of which tax was paid under section 4041 (b) (1) at the rate of 3 cents a gallon, used or resold for use as a fuel for the propulsion of a motorboat or airplane; except that the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon;

"(K) In the case of gasoline in respect of which tax was paid under section 4081 at the rate of 3 cents a gallon, used or resold for use otherwise than as a fuel in a highway vehicle; except that (i) the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon, and (ii) this subparagraph shall not apply in respect of gasoline which was (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) used or resold for use on a farm for farming purposes;

"(L) In the case of a liquid in respect of which tax was paid under section 4041 or 4081 at the rate of 3 cents a gallon, used in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes; except that (i) this subparagraph shall apply, in respect of any liquid used during any calendar quarter or such other period as the Secretary or his delegate may by regulations prescribe, only if at least 60 percent of the total passenger fare revenue (not including the tax imposed by section 4261, relating to the tax on transportation of persons) derived by such person doing such period from scheduled service along such regular routes was attributable to fares which were exempt from the tax imposed by section 4261 by reason of section 4262 (b) (relating to the exemption for commutation travel, etc.), and (ii) the amount of such overpayment for such period shall not exceed an amount which bears the same ratio to the amount computed at the rate of 1 cent a gallon as the passenger fare revenue derived during such period from such fares exempt from tax for such scheduled service bears to the total passenger fare revenue (not including the tax imposed by section 4261) derived during such period for such scheduled service;

"(M) In the case of tread rubber in respect of which tax was paid under section 4071 (a) (4), used or resold for use otherwise than in the recapping or retreading of tires of the type used on highway vehicles."

Sec. 209. Highway trust fund.

(a) Creation of trust fund: There is hereby established in the Treasury of the United States a trust fund to be known as the "Highway Trust Fund" (hereinafter in this section called the "Trust Fund"). The Trust Fund shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) Declaration of policy: It is hereby declared to be the policy of the Congress that if it hereafter appears—

(1) that the total receipts of the Trust Fund (exclusive of advances under subsection (d) will be less than the total expenditures from such Fund (exclusive of repayments of such advances); or

(2) that the distribution of the tax burden among the various classes of persons using the Federal-aid highways, or otherwise deriving benefits from such highways, is not equitable,

the Congress shall enact legislation in order to bring about a balance of total receipts and total expenditures, or such equitable distribution, as the case may be.

(c) Transfer to trust fund of amounts equivalent to certain taxes.—

(1) In general: There is hereby appropriated to the trust fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the following percentages of the taxes received in the Treasury before July 1, 1972, under the following provisions of the Internal Revenue Code of 1954 (or under the corresponding provisions of prior revenue laws)—

(A) 100 percent of the taxes received after June 30, 1956, under sections 4041 (taxes on diesel fuel and special motor fuels), 4071 (a) (4) (tax on tread rubber), and 4081 (tax on gasoline);

(B) 20 percent of the tax received after June 30, 1956, and before July 1, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.);

(C) 50 percent of the tax received after June 30, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.);

(D) 37½ percent of the tax received after June 30, 1956, and before July 1, 1957, under section 4071 (a) (1) (tax on tires of the type used on highway vehicles);

(E) 100 percent of the taxes received after June 30, 1957, under section 4071 (a) (1), (2), and (3) (taxes on tires of the type used on highway vehicles, other tires, and inner tubes);

(F) 100 percent of the tax received under section 4481 (tax on use of certain vehicles); and

(G) 100 percent of the floor stocks taxes imposed by section 4226 (a).

In the case of any tax described in subparagraph (A), (B), or (D), amounts received during the fiscal year ending June 30, 1957, shall be taken into account only to the extent attributable to liability for tax incurred after June 30, 1956.

(2) Liabilities incurred before July 1, 1972, for new or increased taxes: There is hereby appropriated to the trust fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the following percentages of the taxes which are received in the Treasury after June 30, 1972, and before July 1, 1973, and which are attributable to liability for tax incurred before July 1, 1972, under the following provisions of the Internal Revenue Code of 1954—

(A) 100 percent of the taxes under sections 4041 (taxes on diesel fuel and special motor fuels), 4071 (a) (4) (tax on tread rubber), and 4081 (tax on gasoline);

(B) 20 percent of the tax under section 4061 (a) (1) (tax on trucks, buses, etc.);

(C) 37½ percent of the tax under section 4071 (a) (1) (tax on tires of the type used on highway vehicles); and

(D) 100 percent of the tax under section 4481 (tax on use of certain vehicles).

(3) Method of transfer: The amounts appropriated by paragraphs (1) and (2) shall be transferred at least monthly from the general fund of the Treasury to the trust fund on the basis of estimates by the Secretary of the Treasury of the amounts, referred to in paragraphs (1) and (2), received in the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(d) Additional appropriations to trust fund: There are hereby authorized to be appropriated to the trust fund, as repayable advances, such additional sums as may be required to make the expenditures referred to in subsection (f).

(e) Management of trust fund—

(1) In general: It shall be the duty of the Secretary of the Treasury to hold the trust fund, and (after consultation with the Secretary of Commerce) to report to the Congress not later than the first day of March of each year on the financial condition and the results of the operations of the trust fund during the preceding fiscal year and on its expected condition and operations during each fiscal year thereafter up to and including the fiscal year ending June 30, 1973. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(2) Investment: It shall be the duty of the Secretary of the Treasury to invest such portion of the trust fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at par, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the trust fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Advances to the trust fund pursuant to subsection (d) shall not be invested.

(3) Sale of obligations: Any obligation acquired by the trust fund (except special obligations issued exclusively to the trust fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(4) Interest and certain proceeds: The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund.

(f) Expenditures from trust fund:

(1) Federal-aid highway program: Amounts in the trust fund shall be available, as provided by appropriation acts, for making expenditures after June 30, 1956, and before July 1, 1972, to meet those obligations of the United States heretofore or hereafter incurred under the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, which are attributable to Federal-aid highways (including those portions of general administrative expenses of the Bureau of Public Roads payable from such appropriations).

(2) Repayment of advances from general fund: Advances made pursuant to subsection (d) shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary of the Treasury determines that moneys are available in the trust fund for such purposes. Such interest shall be at rates computed in the same manner as provided in subsection (e) (2) for special obligations and shall be compounded annually.

(3) Transfers from trust fund for gasoline used on farms: The Secretary of the Treasury shall pay from time to time from the trust fund into the general fund of the Treasury amounts equivalent to the amounts paid before July 1, 1973, under section 6420 of the Internal Revenue Code of 1954 (relating to amounts paid in respect of gasoline used on farms) on the basis of claims filed for periods beginning after June 30, 1956, and ending before July 1, 1972.

(4) Floor stocks refunds: The Secretary of the Treasury shall pay from time to time from the trust fund into the general fund of the Treasury amounts equivalent to the following percentages of the floor stocks refunds made before July 1, 1973, under section 6412 (a) (2) of the Internal Revenue Code of 1954—

(A) 40 percent of the refunds in respect of articles subject to the tax imposed by section 4061 (a) (1) of such code (trucks, buses, etc.);

(B) 100 percent of the refunds in respect of articles subject to tax under section 4071 (a) (1) or (4) of such code (tires of the type used on highway vehicles and tread rubber); and

(C) 66⅔ percent of the refunds in respect of gasoline subject to tax under section 4081 of such code.

(g) Apportionments not affected: Nothing in this section shall limit the amount of the apportionments made under any authorization in title I of this act or in any act heretofore or hereafter enacted which amends or supplements the Federal-Aid Road Act approved July 11, 1916.

Sec. 210. Investigation and report to Congress.

(a) Purpose: The purpose of this section is to make available to the Congress information on the basis of which it may determine what taxes should be imposed by the United States, and in what acounts, in order to assure, insofar as practicable, an equitable distribution of the tax burden among the various classes of persons using the Federal-aid highways or otherwise deriving benefits from such highways.

(b) Study and investigation: In order to carry out the purpose of this section, the Secretary of Commerce is hereby authorized and directed, in cooperation with other Federal officers and agencies (particularly the Interstate Commerce Commission) and with the State highway departments, to make a study and investigation of—

(1) the effects on design, construction, and maintenace of Federal-aid highways of (A) the use of vehicles of different dimensions, weights, and other specifications, and (B) the frequency of occurrences of such vehicles in the traffic stream.

(2) the proportionate share of the design, construction, and maintenance costs of the Federal-aid highways attributable to each class of persons using such highways, such proportionate share to be based on the effects referred to in paragraph (1) and the benefits derived from the use of such highways, and

(3) any direct and indirect benefits accruing to any class which derives benefits from Federal-aid highways, in addition to benefits from actual use of such highways, which are attributable to public expenditures for such highways.

(c) Coordination with other studies: The Secretary of Commerce shall coordinate the study and investigation required by this section with—

(1) the research and other activities authorized by section 10 of the Federal-Aid Highway Act of 1954, and

(2) the tests referred to in section 108 (k) of this act.

(d) Reports on study and investigation: The Secretary of Commerce shall report to the Congress the results of the study and investigation required by this section. The final report shall be made as soon as possible but in no event later than March 1, 1959. On or before March 1, 1957, and on or before March 1, 1958, the Secretary of Commerce shall report to the Congress the progress that has been made in carrying out the study and investigation required by this section. Each such report shall be printed as a House document of the session of the Congress to which the report is made.

(e) Funds for study and investigation: There are hereby authorized to be appropriated out of the Highway Trust Fund such sums as may be necessary to enable the Secretary of Commerce to carry out the provisions of this section.

Sec. 211. Effective date of title.

This title shall take effect on the date of its enactment, except that the amendments made by sections 202, 203, 204, and 205 (a) shall take effect on July 1, 1956, and the amendment made by section 205 (b) shall apply only with respect to gasoline purchased after June 30, 1956.

TITLE III—SEPARABILITY

Sec. 301. Separability.

If any section, subsection, or other provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act and the application of such section, subsection, or other provisions to other persons or circumstances shall not be affected thereby.

The CHAIRMAN. The bill is open for amendment at any point except the section specified in the consent request.

Mr. COOPER. Mr. Chairman, there are no amendments to be offered to title II.

Mr. DONDERO. Mr. Chairman, I do not know whether there are any amendments to the bill before page 24, section 112; but if not, I have an amendment on the Clerk's desk to that section.

Mr. MULTER. Mr. Chairman, I have an amendment to a portion of the bill prior to that section.

The CHAIRMAN. The amendment offered by the gentleman from New York can be considered no matter where it is in the bill.

Mr. JONES of Alabama. Mr. Chairman, may I ask the gentleman from Michigan [Mr. Dondero] if he prefers to offer his amendment first?

Mr. DONDERO. Not necessarily.

Mr. JONES of Alabama. Then I will say in order to save time that I will offer an amendment on which there is agreement in the committee and dispose of that amendment if it is agreeable to the gentleman from Michigan.

Mr. DONDERO. That is all right.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of Alabama: On page 25, line 19, strike out the period following the word "project", insert a semicolon, and add the following: "*Provided*, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State."

Mr. JONES of Alabama. Mr. Chairman, this was the amendment that was discussed on yesterday during general debate. It has as its purpose the protection of the States in their statutes and contracts on reimbursement for

utilities whose facilities are required to be removed from the public thoroughfare.

This would mean that the State statutes would remain unimpaired, and so would the contracts between the States and the utilities giving the utilities the use without cost of the rights-of-way of public thoroughfares and requiring their poles, structures, and appurtenances to be removed at utility expense.

As stated on yesterday, there are 42 States which either by statute or contract permit the utilities to locate their facilities on the public rights-of-way, provided that if there is necessity for the enlargement of the highway they will remove the poles and appurtenances of the utility without cost to the State.

The section as now proposed is an invitation for the States to give up their historical and traditional role in the aid program and force them to come in and have the expense borne by the Federal Government. It would abrogate not only States' laws but it would also violate contracts which have been agreed on by the utility and the States. The testimony before our committee and the estimate of cost under the existing section of the bill indicated it would cost the Federal Government approximately $1,500,000,000 during the life of this program and would subject the States to the payment of utility relocation costs in those States where Federal assistance is now being granted. I am quite sure that this committee does not intend to put the States that are already overtaxed and burdened with gasoline and excise taxes to this disadvantage in order to keep up their road system. It would mean that every urban community, and 90 percent of their roads have been constructed with State funds, would become the victim of the cost of relocating utilities. Thereby it would place a tremendous burden on the States, a burden that the States could not hope to fulfill in repayment to the utilities.

Mr. Chairman, my amendment would continue the historical and traditional policy of the Federal Government of having an aid program, and not resort to the uncertainties of the laws in trying to bring about uniformity of State laws with respect to the acquisition of the rights-of-way or the distribution of funds and the repayment of utilities. I assure you that the program has worked well. During the years from 1949 through 1954 we spent some $2 billion in Federal aid programs which meant that there was in excess of $4 billion of road construction during that period. The Federal Government was only charged $652,000 for the utilities' relocation costs.

Mr. Chairman, the States do not want the existing provision in the committee bill. There is not a single highway director in the United States who has not voiced opposition to the provision as it exists. I hope, therefore, that the Committee will accept this amendment and that we will preserve the rights, the authorities, and the sovereignty of the various States.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Tennessee.

Mr. BAKER. Do I understand that under the language of the bill as reported, even if a State in its contract with a utility giving them a license to use rights-of-way provides that in the event of relocation the utility shall pay for it and that under this bill as reported the State, regardless of that contract, would have to pay for relocating that utility?

Mr. JONES of Alabama. No; I do not understand that situation exists.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, at the request of Mr. Jones of Alabama, he was allowed to proceed for 3 additional minutes.)

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Ohio.

Mr. McGREGOR. It is my interpretation of this particular amendment, and it has been given many hours of study, that it is simply a clarifying situation. In the bill as written there was some question as to whether or not we were interfering with any existing law of the various States. If I understand the gentleman's amendment correctly, and we have carefully gone over it, this is simply a reiteration of a practice that is now in existence; is that correct?

Mr. JONES of Alabama. That is entirely correct, because the amendment attempts to keep the status quo. Now, if this amendment does not prevail and the cost is imposed on the States to reimburse the utilities and the cost amounts to $1.5 billion or $2 billion, it is not provided for in the tax section of the bill to pay these moneys for this kind of activity. So, that is one item that you must consider, because the Committee on Ways and Means did not impose taxes for the purpose of reimbursing the utilities.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Michigan.

Mr. DONDERO. This was one of the provisions in the bill that gave the committee a considerable amount of trouble. We argued for many, many hours. The proposed amendment offered by the gentleman from Alabama does two things that the bill does not do. First, it recognizes the law of the State where that State has a provision not to reimburse. We do not in any way violate that. Second, where a State does not have any law to reimburse the utility but does have an agreement which has been carried on through the years, that agreement is recognized by the gentleman's amendment.

Mr. JONES of Alabama. And the Supreme Court decisions of that State.

Mr. DONDERO. So that as written, the bill as amended by the gentleman's proposal meets the many objections of the States who would be otherwise adversely affected. I think it is a good amendment. I am going to support it, and I hope the House supports it.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Maryland.

Mr. FALLON. May I say to the gentleman I think this could almost be considered a committee amendment, because a majority of the committee sat down in the last day or two and prepared this amendment since the bill was reported to the House.

Mr. JONES of Alabama. I want to say this, that this amendment was prepared by the gentleman from Texas, Mr. Gentry.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. Jones].

The amendment was agreed to.

Mr. DONDERO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dondero: Page 24, strike out all of section 112, beginning in line 25, and insert the following:

"All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 108 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project."

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Chairman, section 112 of the bill, known as the Davis-Bacon provision for the payment of prevailing wages, has caused more trouble, longer debate, and more argument, than any other section of the proposed highway bill. The amendment which I offer proposes to continue practically what we are doing today, that is, determination by the several States of the prevailing wage, and not by the Federal Government. Since 1916, 40 years now, the States have determined what the prevailing wage should be. In all of that time, as far as I know, very little difficulty and very little trouble has arisen over that cooperative Federal-State arrangement. Having worked so successfully for the benefit of the people of our country, I certainly cannot see any reason why it should be changed now. The only excuse that is offered for doing so is just this: that we are paying a little more money percentagewise by the Federal Government than we have heretofore for the construction of the Interstate System. That is the only reason. In my judgment, that should not be the determining factor. The determining factor, in my opinion, should be whether or not the present Federal and State arrangement is satisfactory; working successfully; and the roads are being built.

We are now presenting to the people of the country the largest roadbuilding program in the history of the entire world, not alone our own Nation.

If this provision remains in the bill, it will be a further encroachment on the States by the Federal Government. If you vote to retain the provision in the bill, what you are saying to the 48 States is, "You are no longer competent, nor are you the proper body, to fix the prevailing wage."

I want to point out what I think is going to cause a lot of trouble. If the Davis-Bacon provision remains in this bill, the people who work in the building of the interstate system will be working under a wage fixed by Washington, and the people working on the primary and secondary roads being built in the same area or intersecting the interstate highway, will be working for a prevailing wage fixed by the States. The two will not be alike. The result will be confusion, difference of opinion, argument, delay, and strikes. There will be no end of trouble. If the Davis-Bacon Act is made applicable to the interstate system now, it will ultimately be made applicable to the entire highway system.

Who is better able to judge what the prevailing wage is in a certain area? The word "immediate" perhaps will not deceive too many people. The word has a rather flexible meaning. But who is better able to judge, the people living in the area where the road is to be built, or Washington—the Secretary of Labor—hundreds of miles away? When the Secretary of Labor makes a finding in Washington there is no review, there is no appeal. The experience up to the present time of the Federal Government has been that where we are building roads in the forests, in the parks, or through Federal domain where the prevailing wage has been fixed by the Secretary of Labor, it has been about 50 percent higher than the prevailing wage in the area.

Nobody on this floor will argue that the Davis-Bacon provision is going to save money to the taxpayer. Everybody admits that the cost is going to be greater. The lowest figure that has been given to me is that it will increase the cost 5 percent. Other estimates are that it will increase the cost 15 percent. If you take a middle-of-the-road figure, or an average of 10 percent, on a program as large as this, it means that the increased cost of the roads will be $3 billion or more.

What is the necessity for it? There is none, whatever. If the program that we have now were not working as it should, we would look upon this proposal differently. When you vote on this amendment you will determine whether your State is going to continue to say what the wage shall be or whether the Federal Government shall determine it for you. This is the simple issue. It cannot be argued that the Secretary of Labor would determine lower wage rates. They are going to be much higher, and nobody denies it. Why do it? What is the necessity for it?

Oh, you will say, the Federal Government will be putting more money into this. The proportion is 90 cents on the dollar by the Federal Government and 10 cents on the dollar by the States. The Federal Government is now paying 60 cents on the dollar while the States contribute 40 cents without the Davis-Bacon Act. That is the only reason you have why the Davis-Bacon provision should be included in the bill.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. HAYS of Arkansas. I wanted to ask about the significance of the phrase "immediate locality." I believe that "immediate" is generally defined as "nothing intervening." In other words, if the gentleman's amendment prevails, would it prevent the wage-fixing body from jumping over areas and going some distance to relate a local wage to a distant area?

It seems to me that this is consistent with the goal we have all had in mind, that is, of preventing the Federal Government from undermining or failing to do something that would preserve a stable and good wage structure in that it simply says that the wages generally in that area shall prevail without jumping over an area to relate them to a distant area. Is that the gentleman's purpose, and does it not tend to meet some of the objections that have understandably sprung up?

Mr. DONDERO. The gentleman means the amendment just offered?

Mr. HAYS of Arkansas. Yes.

Mr. DONDERO. It is, but I hope the word "immediate" is not going to be interpreted in a flexible manner so that it might be some area 200 miles from the place where the prevailing wage was taken. That is what is now being done here in Washington. We have several cases in Maryland and in Virginia where the prevailing wage fixed by the Federal Government was not the prevailing wage in the area. In one case it was higher by 77 percent.

Mr. HAYS of Arkansas. I thank the gentleman.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Wisconsin.

Mr. WITHROW. I think there ought to be something definitely understood, that in the present Davis-Bacon provisions of the law there is no wording such as "in the immediate locality."

Mr. DONDERO. I think that is correct. The amendment which I offer leaves it to the States to fix the prevailing wage in the area where the work is to be done. The wage should be fixed there.

Mr. WITHROW. In the bill before us today, H. R. 10660, there is the wording "in the immediate locality," so in reality you are not changing that at all.

Mr. DONDERO. We are not changing that wording. However, I might say that has been abused more than once.

There is another thing I want to call to your attention. If this provision remains in the bill, you can bid goodby to the principle of collective bargaining. There will be no such thing back in the States between the contractors, labor, and the State as there is now. I do not know what is done in your State, but certainly in my State they get together; the laboring men, the union, the contractors, and the State highway department or other departments of the States that have jurisdiction over the subject, and agree before work is started. There has never been any trouble worth mentioning.

The States are fully capable of making fair wage determinations, and there has been no showing before us that they are not. State agencies are more familiar with wage and employment conditions within the State than a Federal agency in Washington far removed from the scene. It cannot be claimed that the State agencies determine wages lower than the prevailing rate, as I have said before. A frequent occurrence in the past has been that wage determinations by the Federal Government follow the wage structures in the metropolitan areas.

I hope this amendment will be adopted. I think it is to the interest of the wage earner, the American people, and this fine road program.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a strange analogy for me to be rising apparently in support of one of the so-called labor proposals. But, I want to speak primarily in order to get the legislative history of this amendment straight. If you were to hear some of the opponents of this provision of the bill talk, this is a bugaboo which would allow the Secretary of Labor to act without any restrictions. I want to make it clear that the provision, as written in this bill, has a number of qualifications that do not exist in any existing provision in regard to Bacon-Davis. I also want to make clear some of the dangers involved in the substitute offered by the gentleman from Michigan. I will not quarrel with anyone who proposes to strike out this entire paragraph, but I will quarrel very strongly with anyone who proposes to substitute the language offered by the gentleman from Michigan, which, when you talk about States' rights, would impose a requirement upon all 48 States to set up wage-fixing agencies in those States to establish prevailing wage scales whereas 20 some States have no such department or no such ability to do so today. This would be required by law if you write in the proposal of the gentleman from Michigan. I suggest that each one of you who is disturbed about what would be done by the so-called Bacon-Davis provision, turn to page 32 of our report and read the proposed substitute offered by the gentleman from Michigan.

Mrs. ST. GEORGE. Will the gentleman yield for just a very brief question. I want to ask the gentleman whether it is not a fact that the Davis-Bacon provision has been in the law for many years, and we have never heard any objection to it until now.

Mr. SMITH of Mississippi. All of our committee, including the gentleman from Michigan has voted many times for bills which include Bacon-Davis on items where there was far larger local participation.

Mrs. ST. GEORGE. I thank the gentleman.

Mr. DONDERO. Mr. Chairman, will the gentleman yield since he has mentioned my name? Would the gentleman yield to me for a question?

Mr. SMITH of Mississippi. I cannot yield unless I get more time. I would like to make a statement for the RECORD.

Mr. DONDERO. I will be glad to help the gentleman to get more time. May I ask this question? Is there a dollar's worth of a Federal contract in this entire program?

Mr. SMITH of Mississippi. Mr. Chairman, I have declined to yield.

Mr. MACHROWICZ. Mr. Chairman, a point of order, the gentleman has declined to yield.

Mr. SMITH of Mississippi. As I was saying, this amendment offered by the gentleman from Michigan says that, "Such prevailing wages shall be predetermined by the State highway department or by the proper State agency and shall be set out in each project advertising for bids and in each bid proposal form and shall also be made a part of the contract covering each project."

The Bacon-Davis provision which is in this bill is limited to the interstate system. This limits the State action to the interstate system, but every one of you knows that if a State agency or a State highway department had set up prevailing wages for any type of work on the highways within the State that it would be a matter of acceptance—and a matter of pressure which within a very short time would bring about a situation—perhaps, in point of time, immediately—where the States would have to set up a prevailing wage for all types of work within the State and would be spread down to the counties and the municipalities, and there would soon be a situation where it would also extend to all local construction or any type of construction within the State where the State participated in any form through State aid or any type of authorization. That is the danger involved of trying to buy this new substitute blindly. I think it imposes far more upon the rights of the States by requiring them to use this procedure than any proposal which is included in the bill.

But, to go back again to this abuse, alleged or real, of Bacon-Davis. I do not doubt but that there have been some very serious abuses. But let me point out in the abuses that have occurred in regard to the Bacon-Davis provision with the sort of qualifying limitations that are in this bill—the abuses under Bacon-Davis which have been mentioned come under a law where there is no provision in regard to the phrase "immediate locality."

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SMITH of Mississippi. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SMITH of Mississippi. Let me set forth the limitations that have been put in here. I want them set forth so that they will be in the legislative history, so that if there are any abuses in the future it will be clear what the intent of the committee was in writing in those limitations.

First of all, the application is limited to the Interstate Highway System.

Second, it is limited to the initial construction of that highway—not the maintenance or repair of the highway.

Third, the words "immediate locality" are added. That is not in the law where we have had these so-called abuses before.

Fourth, "similar construction" is added.

The last limitation that was put in before the bill was voted out is contained in the words "on the same type of work," in line 6.

I think it should be made clear that these amendments will limit some of the actual abuses that may have occurred under the Davis-Bacon law in the past, but I want to make it clear that these bugaboos that have been raised may have been in regard to other types of Davis-Bacon contracts but not this.

I do not want the implication to go out here to give some future Secretary of Labor any idea that he can override these limitations. I think we should carefully check and make sure that it is spelled out and written out, in order to avoid any unnecessary abuses in the future.

I hope the committee will think very carefully before they blindly accept the substitute offered by the gentleman from Michigan [Mr. DONDERO].

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. MACK of Washington. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, I am very much surprised that the gentleman from Michigan, the ranking Republican member on this committee, should introduce this amendment. I am surprised because the Davis-Bacon law is an old Republican statute and not a Democratic one. The Davis-Bacon law was enacted in 1931, during the Hoover administration. The two authors of the Davis-Bacon law were Senator Davis, a Republican of Pennsylvania, and Representative Bacon, a very conservative Republican Congressman from the State of New York. A Republican House and a Republican Senate passed the Davis-Bacon law and a Republican President, Herbert Hoover, signed it.

So the Davis-Bacon provision we are talking about today is a 25-year-old Republican law.

When the first Davis-Bacon law was enacted 25 years ago it applied only to Federal hospital construction. Today, this Davis-Bacon law has been extended until it applies to almost all types of Federal construction works.

There are a dozen different types of Federal construction that I can think of at this time on which this prevailing wage provision of the Davis-Bacon law apply. These include:

First. The Federal Airport Act.

Second. School Survey and Construction Act of 1950.

Third. Hospital Survey and Construction Act.

Fourth. Slum clearance and urban-renewal program in the Housing Act of 1954.

Fifth. National Housing Act.

Sixth. Multifamily rental housing under the FHA.

Seventh. Defense Housing and Community Facilities and Services Act of 1951.

Eighth. Lease Purchase Contracts Act of 1954.

The Davis-Bacon prevailing-wage provision also operates where Federal forest roads, or trails are built and it is enforced by statute wherever Federal parkway roads are built. Also the Davis-Bacon provision applies to contracts let by the United States Army engineers for flood-control and navigation projects. These flood-contract navigation projects during the past 10 years cost billions of dollars.

The Davis-Bacon prevailing-wage provision has been in force in some cases for 25 years and it has not hindered in any way the carrying out of Federal works in the many fields in which it is in effect. Why discard from this legislation a provision, as the Dondero amendment would do, that has worked so well for so long a period of time.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. Yes, I yield.

Mr. DONDERO. Why has it not been placed in the contracts for the building of roads within the last 40 years?

Mr. MACK of Washington. It for years has been in all contracts for the construction of forest highways, and for the building of Federal park roads.

Mr. DONDERO. Those are Federal contracts, but there is not a dollar's worth of Federal contract in this whole program.

Mr. MACK of Washington. The Federal Government will supply 90 to 95 percent of all the money that goes into interstate road construction jobs. If the Davis-Bacon provision is a good law where the Federal Government provides 100 percent of the money, it certainly is a good law where the Federal Government supplies 90 or 95 percent of the money.

The gentleman from Michigan manifests concern that this law will promote strikes and cause labor unrest and dissension.

In all veterans' hospitals construction contracts the Davis-Bacon statute has been the law of the country for 25 years. There have been no strikes in the construction of these veterans' hospitals. The Davis-Bacon provision will not raise the cost of this roads program. The wages paid on road construction on county roads and State roads are the prevailing wages. The wage now paid is the wage that the Secretary of Labor will determine to be the prevailing wage.

What this Davis-Bacon provision really does is to keep wages where they are—keep wages at the prevailing rate—but it does have the salutary effect of preventing wage-cutting contractors from coming into a high-wage area from a low-wage area and breaking down the existing or prevailing wage rates. The Davis-Bacon provision does not raise wages but it does prevent wage cutting and it is wage cutting and labor standard lowering that we wish to prevent. That is why many of us favor a Davis-Bacon clause in this bill.

I am against this amendment because I think its passage will promote labor trouble rather than lessen it. I also am against this amendment because every member of the State highway commission in the State of Washington is opposed to this amendment and wants the Davis-Bacon provision retained in this bill.

Let me read a letter signed by the five members of the highway commission of the State of Washington:

> Washington State
> Highway Commission,
> Department of Highways,
> *Olympia, January 18, 1956.*
>
> Hon. Russell V. Mack,
> *Member of Congress,*
> *House Office Building,*
> *Washington, D. C.*
>
> Dear Sir: With the matter of a Federal highway bill again under congressional consideration, the Washington State Highway Commission at this time wishes to compliment you for your vote upon this issue at the first session of the current Congress and for your stand in support of prevailing wage provisions.
>
> The application of predetermined prevailing wage rates in the contracting procedures under any such highway program will contribute to the provision of a fair and uniform basis for bidding. We feel this is an important principle and urge that you maintain your stand on this issue.
>
> Very truly yours,
> Washington State Highway Commission,
> E. C. Huntley.
> R. E. Hensel.
> H. E. Morgan.
> O. E. Stone.
> R. A. Mosio.

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. This letter, endorsing the Davis-Bacon provision, is signed by all five members of the highway commission of the State of Washington. The Washington State Highway Commission is not composed of labor leaders. One of the members of that commission until his recent retirement from business was manager of one of the world's largest lumber mills which employs several thousand workers. Another is a large grain grower and for many years a State senator. A third is a retired engineer and a leader in the good-roads movement in our State. Another is the head of a great labor organization.

The members of this board have seen the Davis-Bacon provision in actual operation in our State. Washington has a large stake in this bill for under its provisions the Federal Government will spend $496 million in Washington State during the next 13 years on highway projects. Few States receive so much in this bill in Federal grants. The highway commissioners of Washington, most of them businessmen, want as many highways built in our State as these millions will build. They tell me in their letter that the Davis-Bacon provision will help our State not harm it and urge me to support this Davis-Bacon provision which I am glad to do.

I will point out to you that the Davis-Bacon issue now before us has been fought out 5 times by this Congress in the past 16 months. Last year the highway bill was considered in full committee and the full committee overwhelmingly voted the Davis-Bacon provision into the bill. When the highway bill came to the floor last year, the gentleman from Michigan [Mr. Dondero] offered a substitute bill that did not include the Davis-Bacon provision. I offered a Davis-Bacon provision amendment to the Dondero substitute and my amendment carried overwhelmingly.

The Dondero substitute was defeated and then the House considered the original committee, or Fallon bill, which did have a Davis-Bacon provision in it. An amendment was offered to strike out the Davis-Bacon provision in the Fallon bill of last year. The House rejected this amendment. Thus, three times last year the House affirmatively said it wanted the Davis-Bacon provision in the highway bill.

This year the Subcommittee on Roads approved inclusion of the Davis-Bacon provision in the highway bill and later the full Committee on Public Works voted the Davis-Bacon provision into the highway bill that is here today.

I hope this sixth attempt to kill inclusion of the Davis-Bacon prevailing wage law in the pending highway legislation will be defeated here today so that labor may know that it is the intent of the Congress to treat it fairly in all contracts let to carry out this $51 billion highway program, which is the greatest public-works undertaking in history.

The Davis-Bacon provision has been on the statute books for 25 years in its application to most types of Federal construction. It is time tested and has worked well. The Davis-Bacon provision should remain in the bill as recommended by a large majority of the committee.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mr. NICHOLSON. These State highway contracts are signed by the States, are they not?

Mr. MACK of Washington. The State makes the contract; yes.

Mr. NICHOLSON. Why then should the State not have the opportunity of establishing what the minimum wage shall be on its highways?

Mr. MACK of Washington. The Federal laws and their enforcement should be uniform all over the country, especially in view of the fact that the Federal Government is supplying from 90 to 95 percent of the cost.

Mr. NICHOLSON. Does the gentleman want to hand over to the Federal Government the prerogatives of the States in highway matters?

Mr. MACK of Washington. What about veterans' hospitals? The Davis-Bacon provision has been enforced in bills authorizing Federal VA hospital construction.

Mr. NICHOLSON. The Federal Government pays all the expense of those and maintains the buildings after they are built, but the States will have to maintain the highways after the highways are completed.

Mr. MACK of Washington. The State maintains them.

Mr. NICHOLSON. And we have to then say what the minimum wage or prevailing wage rate will be when we have to repair the roads, and that will mean that we will have to take whatever the Federal Government says and make that the low figure after we take it over.

Mr. MACK of Washington. This Davis-Bacon provision has been in the law covering Federal construction work for 25 years, and in my estimation it has worked well and should be continued here.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Indiana.

Mr. MADDEN. I want to commend the gentleman for his stand on the Bacon-Davis Act. I would like to have him also comment on the fact that when the Federal Government constructs these highways they will issue contracts for maybe 5 or 10 mile strips to various contractors. What confusion it would bring about if one contractor had a certain salary scale but the next contractor 5 miles away had another salary scale, and a third contractor 15 miles away had still a different salary scale. It would completely confuse the whole Federal highway operation.

Mr. MACK of Washington. The gentleman is correct.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would like to commend the gentleman from Washington for his stand on the Davis-Bacon provisions. Would he explain what the difference is in this particular provision submitted by the committee from his own provision in his amendment last year?

Mr. MACK of Washington. My amendment is the same provision that is in the highway bill presented before us today.

Mr. FULTON. Do you have it limited to the immediate vicinity in your amendment?

Mr. MACK of Washington. Yes.

Mr. ALGER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan [Mr. Dondero] and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Chairman, I am for the amendment offered by the gentleman from Michigan [Mr. Dondero] and opposed to the Davis-Bacon provision in this bill, to clear that up in your mind if you have any doubt.

Mr. Chairman, I shall direct my remarks solely to what appears in the hearings. It is a pity that these hearings were made available only yesterday morning at 9 o'clock. I can assure you that many Members would feel differently than perhaps they do today, if they could read those hearings and become informed of what we were privileged to hear. Therefore, I direct my remarks solely to what was learned as I sat as a member of the Committee on Public Works. Apparently we erroneously consider ourselves experienced in labor matters and we are now bringing that wisdom here for your consideration.

Yesterday I endeavored to point out that the Committee on Education and Labor should have held hearings on this bill. Further, there is no precedent in United States history to have the Davis-Bacon Act provision included in situations where the States under contracts order highway construction. That is a matter of fact.

Mr. Chairman, as I stated previously yesterday, there were extreme misrepresentations in the hearings before our committee. They may have a good case, I do not know. I was there to learn and what I learned assured me they did not. The facts as presented were contrary to inclusion of the Davis-Bacon Act provision and that prompts me to support the Dondero amendment at this time. I do not believe that Congress should be subjected to the testimony to which we were subjected in our ignorance as members of the Committee on Public Works in place of members of the Committee on Labor. I submit the hearings to you to read. I will furnish, if any of you are interested, the page number and reference to any of the things on which I shall dwell now as well as yesterday.

Furthermore, it looks to me that we are now replacing collective bargaining, if we are really for the worker, with Federal mandate. I do not believe that is good for labor, and I believe we will live to regret this day if we do not adopt the Dondero amendment.

Mr. Chairman, I wish to direct my attention to several things that were stated yesterday. There were a number of slurs cast on the contracting business. Now, I have no affiliation with contractors, I am not a contractor myself. It was said yesterday that the contractors were paying less than a living wage. The contractors of this country do not pay less than a living wage. As a matter of fact, they are glad to pay good wages. To support that argument I refer to testimony in the hearings, pages 292 to 294 where there appears Bureau of Labor statistics pointing out what the wages in this country are today, if you are really interested. I can tell you flatly and without contradiction that the workers on highway construction are getting equal to or more than the workers in industry throughout this country. The figures appear on those pages if you care to look at them. You know too that these contractors are paying good wages and the workers in your districts throughout this country are getting good wages. We have never had it so good and this includes highway construction workers.

Mr. Chairman, everyone agrees these workers ought to have the prevailing wage, but apparently we are getting ourselves at cross purposes simply over who is going to set the prevailing wage. There is no dispute about the fact that the men should get the prevailing wage.

The labor representatives themselves testified on pages 344 and 365 that prevailing wage is all they want—the setting and the proper determining of a prevailing wage. The Dondero amendment includes this language. It seems to me that we would really want to keep our State sovereignty. Maybe that is not the case, but I really believe it is up to the States to set these wages; we do not want to shrink our various State departments by putting the authority in Washingon. Think of the wage classifications to be set by the Secretary of Labor on 10,000 or more contracts every year, what it will require in manpower that does not go into the pay envelopes of the workers. Correspondingly, we shrink the State's powers when we do that. We could be destroying our State highway departments who are now the ones that set the wages, if there is not a wage-fixing official in the State. I call that to your attention so that the argument proposed by the gentleman from Mississippi, stating that we would have to set up a State wage-setting official or bureau, is not supported by the evidence. Does anyone here or does anyone in this country really believe that our States, using Federal money, will underpay their own people? It seems to me that this one thought alone would demonstrate that our State agencies can take care of the proper paying of prevailing wages.

Now, I might call your attention to the discrepancy that exists even now. I mentioned it yesterday to a limited attendance, and I want to call it to your attention again and repeat it. Section 112 begins this way:

> The Secretary of Commerce shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors—

And so forth. The Secretary of Commerce, as I read this, is the man to enforce the payment of these wages.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Michigan.

Mr. DONDERO. I think it should be pointed out—and I forgot to do it—that every contract issued under this program will be a State contract. The State must see to it that the contract is carried out, fulfilled and enforced, not the Federal Government. The Federal Government will not build a foot of road, and neither is there $1 worth of Federal construction in here.

Mr. ALGER. I appreciate the remark of the gentleman from Michigan.

I want to continue to point out to you that contrary to the language of the bill authorizing the Secretary of Commerce to enforce wage payments, on page 13 of the report you will see in the final paragraph this wording:

> In discharging his responsibilities, the Secretary of Labor will have, with respect to the labor standards specified in the bill, the authority and functions set forth in Reorganization Plan No. 14—

And so forth. It states here that the Secretary of Labor is charged with the enforcement of the policy of construction under the Davis-Bacon Act, and the bill says the Secretary of Commerce. So, we already have a discrepancy in the interpretation of the law. This is further evidence of the inapplicability of the Davis-Bacon Act to the interstate highway construction and consequently the Dondero amendment should carry.

Finally, let me call to your attention that we have a precedent here, in one sense, of what we are doing. In fact, Congress has seen fit in its wisdom to amend the only other law on the subject, the twin law known as the Walsh-Healey Act. The Walsh-Healey Act sees to it that the Secretary of Labor requires certain wages to be paid in the case of Government contract on procurement, whereas the Davis-Bacon Act provides to construction. The Walsh-Healey Act has already been amended so that people who have a just grievance can go into court. Do you realize that in this act, providing for the biggest single appropriation bill in the country, we are not permitting the people the right to go to court in cases of dispute? I suggest to you that if we do not pass the Dondero amendment so that we can let our people have a court review, then we ought to amend the Davis-Bacon Act entirely so that we could have a court review. Is that asking too much? We have three branches in our Government, the executive, the legislative, and the judicial. Is it our intention to saddle the kind of a proposition onto a bill that will affect the lives of all of us, not to let our people go into court? This is further reason why the Davis-Bacon provision should be removed from this bill and the Dondero amendment substituted. If there are any disputes by contractor or worker alike, who is going to arbitrate them? Mr. Chairman, think of this. The Secretary of Labor is the prosecutor, the judge and the jury in a matter of wage determination. To you it may not seem important as we look at the overall scope of this bill, but if you direct your attention to that feature, I think you will agree that we do not intend to deny to our people their right of access to the courts. The Davis-Bacon denies such access to the courts. Therefore I urge that you support the Dondero amendment which would replace the Secretary of Labor in setting the prevailing wage and leave that to the States where it now resides and is so adequately taken care of.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Michigan.

Mr. JOHANSEN. If I understood the gentleman's answer to the question of the gentleman from Michigan [Mr. Dondero], there are no contracts to be awarded under this highway bill by the Federal Government, is that correct?

Mr. ALGER. That is correct.

Mr. JOHANSEN. Does the gentleman know of any instance where the Davis-Bacon Act applies to contracts awarded solely by the States?

Mr. ALGER. Not in highway construction. In answer to the gentleman's question let me point out that these highways are going to be built in our rural areas. The other projects were limited just to a particular locality, where it is easier to set a wage rate.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from New York.

Mr. COLE. I should like to compliment the gentleman on his fine presentation and his attitude toward this problem. It is my understanding—and I ask the gentleman to say whether it is not correct—that this is the first time that any Federal law has sought to attach to Federal aid given to the States the principle of the Davis-Bacon Act. There has been no other Federal aid bill—that word is used advisedly—Federal assistance to the States in the matter of construction, or anything else, where the Davis-Bacon Act has been attached. I understand this is the first time.

Mr. ALGER. Let me point this out. I have limited my comments yesterday and today solely to what I know to be the facts. If the gentleman wants to go historically into what has happened under the Davis-Bacon Act, I cannot answer the question. But here you have the 48 States as the contracting parties in the building of the highways. Never before have the 48 States been the contracting parties in the building of the highways using the provisions of the Davis-Bacon Act. Therefore, I ask for support to the Dondero amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GENTRY. Mr. Chairman, I rise in support of the Dondero amendment.

Mr. GENTRY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes additional.

The SPEAKER. Is there objection to the request ofthe gentleman from Texas?

There was no objection.

Mr. GENTRY. Mr. Chairman, just who wants section 112 of this bill to become law? Do the highway departments of the States want it? There is only one highway department in all the United States that wants this provision, and that is the Washington State Highway Department. They have endorsed it solely because one of the members of the highway commission is an A. F. of L. official. All highway departments except 3 or 4 are strongly opposed to it.

Do the citizens of the States want section 112 of this bill? I have seen no indication of that, as a member of the Committee on Public Roads. Does the Bureau of Public Roads, a Federal agency which has worked for decades with the States want it? The Bureau of Public Roads is opposed to it and its officials so testified before our committee. Do the contractors of our country who build our roads want it? Literally hundreds of telegrams and letters have been received from contractors by our committee in which there is unanimous expression of disapproval of section 112 of this bill. I wonder if either of the major parties want this provision. I doubt it. At least the present administration does not want it because the Secretary of Commerce testified in opposition to any change in the historic relationship between the Federal Government and the States with regard to this program.

It is worthy of note that it is also opposed by the public works and highway departments of States which generally accept the unions' recommendations regarding wages because they feel it would seriously interfere in securing decisions with dispatch on wage rates to be inserted in contracts. That is true in a State like Massachusetts, which has a very fine labor department, as do many other States. Mr. Volpe, the public works director of the State of Massachusetts, testified before our committee that he could get a wage decision from his State labor department within 24 hours, whereas if it were transferred to the Federal Government under the historic pattern of Federal Government decisions it might take even weeks.

So far as I am able to understand, it appears that the only people, almost, outside of Congress supporting this proposal are the four international labor unions which testified for it. I wonder if each of us should not ask ourselves the question, Who in my district and in my State has asked me to begin stripping my State of its authority in highway matters? Who, in fact, has asked us to take this authority from Minnesota, from Pennsylvania, from North Carolina, from Tennessee, and exile it to Washington? Are Minnesota, Pennsylvania, North Carolina, and Tennessee, and all the other States, asking to be stripped of their authority of having anything to say about what their own employees, their own State citizens, under their own State contracts are paid? Just why should we in this House want to start the disintegration of our State highway departments? Today we are asked to give Washington the sole authority to establish wages in a particular part of the highway program. If we do so, tomorrow we will be giving Washington the same authority in the regular Federal-aid program. And if you do not think so, just wait 1 or 2 years, and on some distant day we will give Washington such authority on any highway program, regardless of how small the contribution of the Federal Government.

Then what if the international labor unions want Washington instead of the States to select the workers who get the wages? If Washington can set the wages, certainly there is no reason why it cannot select the men who are paid the wages. That is even more important. You see, the international labor unions might want Jim and Dan to be employed instead of Ivan and Fritz, or it might just happen that the international labor unions might want Ivan and Fritz, instead of Jim and Dan. And they also might want Washington to select the workers on the job in order to see that they belong to the right organization, particularly a union and the right union, and even more particularly one of the 4 international labor unions, instead of the United Mine Workers. If you had heard the testimony before our committee and you had been impartial, you would certainly be impressed with this.

Maybe someone will say that we would not do that. Before deciding that, I would suggest that we had better wait at least until the international labor unions are heard from. We may want to do it.

Just why should we take this authority from the States in this good year of 1956? Have not the States shown the capacity to do the highway job to the satisfaction of practically everyone? Are they not doing it at least as well as that being done by the Government? Just what has happened in the highway field in 1940 or 1945 or 1950 or 1955 to cause this 84th Congress to take an important, traditional, and constitutional authority of the States away from the States and give it instead to Washington, to be exercised by one man, a Federal official of temporary tenure? This official usually occupies a hot seat, and the political weather surrounding him is such that he sometimes does not occupy it very long.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield for a question?

Mr. GENTRY. I yield.

Mr. McGREGOR. I wonder if the gentleman would go into detail and explain the fact that the Davis-Bacon provision prevails only on the Interstate System and it is not applicable under this existing law or any law which is now on the statute books, to the intrastate system. So you would have possibly two different wage rates and possibly more.

Mr. GENTRY. That is eminently correct. But, of course, it would be applied to them. When the next Congress meets, if it is applied here, it is going to be applied all the way down the line as far as Federal aid is concerned but, naturally, it would not apply as far as existing contracts are concerned and there would be conflict there which would cause a lot of confusion and a lot of difficulty in many localities over the States.

The passage of this provision would establish a precedent in the application of Davis-Bacon. It has not yet been applied in any case where the 48 States, as States, were primarily affected. It had not occurred to me that an attempt would ever be made to make this application when the States were primary parties, and especially so when their highway departments were the delegated contracting agencies. I had thought that the constantly improving record of service to the people by these highly stable and efficient departments of the States would be sufficient to thwart any attempt to take away their sovereignty.

The representatives of the four international labor unions appearing before our committee emphasized that they requested this because of the 90 percent contribution of the Government to the interstate program. Since their concern regarding it solely relates to wages, is not the Government's 90-percent contribution all the more reason why any such concern is unjustified? In the first place it is a little difficult to conceive at this late date of a State being less interested in the welfare of its citizens than is Washington. But beyond that, why would a State unjustly treat its own citizens when the Federal Government is paying more than 90 percent of the bill and when Congress is obligated to keep the money coming until all the Interstate System is completed. The allocation in this program is by need and not by formula which ought to remove all elements of doubt concerning the ampleness of wages that will be paid. Does not this one basic fact remove all purported reasons for the inclusion of this provision? It would seem that no reason for its passage might remain except possibly to please the 4 international labor unions.

There is still one more aspect of this situation that should be considered. The State highway departments construct and maintain highways in every county of every State of the Union. These departments have employees in every county of the United States. The officials and employees of the departments have intimate knowledge of wages and working conditions in all parts of their States. We have in this country vast expanses far removed from metropolitan areas and, in many cases, considerable distances from cities and towns of any size. Certainly officials and employees of State highway departments, by the very nature and scope of their work, have more knowledge of wages in these areas than the Secretary of Labor can possibly have. On this basis alone, irrespective of issues of State sovereignty and overcentralization of Government, this amendment should prevail.

I must admit that Washington is not quite the endearing name to me that it seems to some. There is one thing I have decided about Washington and about Congress which I am prompted to say because of this and other recent legislation. Something had better be done about the lobbying situation here. You almost have to fight your way into a committee and into this House these days through a swarm of lobbyists. The doors are becoming blocked everywhere. One day it is the truckers who bar your way. The next day it is the railroads, and still the next one it is the four international labor unions. And every day it is the utilities. I hope the time will not come when we have to have legislation entirely by lobby.

Mr. Chairman, the authority in any highway program should rest with the States. If Congress is determined to transfer important authority to Washington, because it thinks the Government can do a better job, then it ought instead to confiscate the program, remove the States from any operation concerning it, and have a Federal agency do it. We should not make a mongrel of State highway departments, neither should we make them a mere appendage of the Federal Government at the behest of anybody.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the Dondero amendment.

Mr. Chairman, yesterday I made the point that this measure, H. R. 10660, relating to the Bacon-Davis provision, had been greatly improved in that the words "in the immediate locality" had been added. I do not believe any responsible governmental agency would now attempt to set up a prevailing wage scale in Washington for Richmond, Va. That was the contention which was made yesterday. I believe that argument is ridiculous and that the addition of the words "in the immediate locality" is a great improvement over the present Bacon-Davis Act. Now, as to the abuses, which in reality are possibly mistakes.

I remember that in the committee there were about seven so-called abuses or mistakes called to our attention made in the administration of the Davis-Bacon Act. I call to your attention that under the Davis-Bacon authority there have been thousands of determinations made every year. So, in reality, the fact that they have made only 7 or 8, possibly, mistakes that have been brought to our attention, that possibly are not mistakes at all when we know the facts, it seems to me they have made an excellent record.

As to cost, it has been stated by the gentleman from Michigan [Mr. Dondero] that the additional cost would probably amount to 10 percent. I am entirely in agreement with the distinguished gentleman from Washington [Mr. Mack] when he told you that his highway commission had determined that the cost would not be any greater than it is now. I desire to join him at this time in telling you that the responsible road people in the State of Wisconsin declare that the cost under the Davis-Bacon Act as it is at the present time would not be any more than it is now. So the argument that it would greatly increase the cost of building roads is entirely a ghost and a phantom and is not substantiated by the facts.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield to the distinguished gentleman.

Mr. MORANO. I wish to associate myself with the remarks of the gentleman from Washington [Mr. Mack] and the gentleman from Wisconsin, and to say that I am opposed to this amendment offered by the gentleman from Michigan [Mr. Dondero], and favor the Davis-Bacon provision as written in the bill.

Mr. WITHROW. I thank the gentleman.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield to the distinguished gentleman.

Mr. JONES of Alabama. The gentleman never heard any complaints about the administration of the Davis-Bacon provision on flood control and river and harbor projects being constructed throughout the country?

Mr. WITHROW. No. I have not heard any complaints.

Mr. JONES of Alabama. So all that work has been done with the Davis-Bacon provision throughout the years, and we have had no complaints about the administration of that act?

Mr. WITHROW. I think it is a remarkable act. I think it is realistic. I believe that these arguments as to costs and abuses are greatly exaggerated by people who desire to defeat the Davis-Bacon Act.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. NICHOLSON. Has the gentleman heard any complaints from State highway commissioners in his State, or any other State, relative to the price they set?

Mr. WITHROW. I have not heard any complaints, no.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. MACK of Washington. There has been discussion that the Davis-Bacon provision transgresses States rights. In this bill there is a provision that the Secretary of Commerce shall enforce standards as to the width of these highways, the kind and quality of material used on these road jobs. Is it not just as important that the Secretary of Labor should insist upon reasonable wages being paid on these construction projects as it is that the Secretary of Commerce insist that certain standards in their construction be observed?

Mr. WITHROW. I think the gentleman is entirely right.

I have listened with keen interest to the argument that a Federal prevailing wage requirement would increase the present costs of highway construction.

This argument has no foundation in the Record or otherwise. The committee's bill provides that prevailing rates of wages for laborers and mechanics must be determined, i. e., the rates of wages actually being paid to local craftsmen on highway-construction projects in the immediate locality of the project, in accordance with the provisions of the Davis-Bacon Act, which provides that the area shall be the village, town, county, or other civil subdivision of the State in which the work is to be performed. Certainly, this cannot increase the cost over present highway costs, for if the project is constructed in an urban area the urban rates shall be determined, and with equal force rural rates in rural areas.

We have lived with a Federal prevailing wage requirement for the past quarter century. It is a part of all direct Federal construction programs, and all federally assisted programs developed since 1931. We watched it facilitate the building of gigantic cantonments and other defense projects during the Second World War, in record time, without dispute. It applies now and shall apply to highway construction where the Government contributes 100 percent of the funds. We have heard no complaints. We know it has protected the living standards and livelihood of the worker, regardless of whether he lived in the city or country. We know that it provides equality of bidding opportunity for all contractors. Here is a time-tested and accepted humanitarian method in operation now, issuing thousands of determinations a year, directly responsible to the President and the Congress of the United States.

We are prepared to embark on the greatest peacetime construction program in the entire history of mankind where Congress recognizing that local and State resources cannot cope with an emergency of national proportions, shall assume primary responsibility for the development of the Interstate System, and contribute 90 percent of the funds. This is a Federal program and Congress has the responsibility of insuring that all craftsmen, contractors, and local communities alike be afforded the equal protection of the Federal prevailing wage.

The proposed amendment calls upon the Federal Government to abdicate its long-standing and time-tested policy, and delegate the responsibility to 48 State highway departments, with no standards at all for determining the rates, and no standards for enforcement.

It is a sad fact which the present State wage requirements point up glaringly that many State highway departments are in no way sympathetic to protecting the standards of a working man, and would completely emasculate any expression of congressional intent. We would have a multiplicity of highway commissions and a diversity of procedures which would produce conflicting decisions just as certainly as if we had different laws.

Let us look at the record of present State wage determinations for highway work. Some States determine a minimum rate as low as 40 cents per hour, others designate none at all. Some States determine only three rates while others establish rates on a craft or intercraft basis. Most States have neither the facilities, staff, budget, nor experience to determine prevailing wages. Entire new departments will have to be created, and confusion would be compounded. This must not be permitted.

Congress must not shirk its responsibility. It must keep faith by preserving and affirming its long-standing policy of the last quarter century. It must not turn the clock back to the 1920's.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Withrow] has expired.

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Chairman, the Federal prevailing wage principle was adopted by Congress in 1931 as its public policy in the expenditure of Federal funds. It was selected as the means best suited to promote the welfare of contractors, craftsmen, communities, and the Nation as a whole. It provided equality of bidding opportunity to all contractors. It enabled fair contractors, recognizing local wage conditions built up as a result of private collective bargaining or practice through the years, employing local labor to compete on a truly competitive level. It removed the price of labor from the area of competition and restricted competition to ability and know-how. It prevented the exploitation of craftsmen by maintaining the local wage structure. It protected the livelihood of the construction worker in the community, eliminating the cause for importing distant cheap labor. It encouraged collective bargaining and promoted industrial peace. It protected the community by insuring employment of its citizens and guaranteeing to it the benefits of its citizens' earnings. In short, it stabilized the industry in the areas affected by Federal construction.

The law requires that all contracts include in their specifications the condition that wages must be paid to the various classifications of laborers and mechanics at rates not less than those prevailing in the locality where the work is to be performed.

The law worked well, as the experience of a quarter century readily demonstrates, for it has been applied—time and again—to every federally assisted program developed in the past quarter century, including contracts for school, hospital, housing, and airport projects constructed with Federal-aid funds.

Prevailing wages will be required on the Interstate Highway System where the Government will be contributing 90 to 95 percent of the funds. Labor standards normally applicable to Federal construction should also apply to this great arterial system. Federal prevailing wage requirements apply presently to highway construction where the Government absorbs the entire cost. Five to ten percent less does not distinguish the situation, because the Federal contribution is much less percentagewise on the other federally assisted programs where Federal prevailing-wage requirements apply now. On the insured programs, subject to prevailing wages, the Government absorbs none of the actual construction costs. This is a Federal program, and the Federal Government has the responsibility of insuring that all craftsmen, contractors, local communities, and States affected by this program should be afforded the equal protection of the prevailing-wage principles. Congress must not abandon this time-tested and accepted prevailing wage principle in the greatest peacetime program in the history of mankind, but should preserve and affirm its long-standing policy in matters of Federal expenditures. The Government should not employ its purchasing power in a manner that would depress the purchasing power of its citizens. A prevailing-wage requirement would furnish a vigorous crop of purchasing power to our dynamic economic system.

There is a continuing need for prevailing-wage safeguards. If prevailing-wage requirements are omitted, it will enable contractors to come into an area and upset stabilized relations, built up over a long period of years, between craftsmen and contractors, by undercutting the prevailing wages and conditions in that locality, and importing cheap labor to complete the project. In other areas, there is no prevailing wage at the present time with many different rates being paid in the same locality on highway projects.

The machinery for determining wage rates is in existence at the present time in the Department of Labor, supported by a quarter century of experience in developing and applying uniform standards of determination and enforcement. Hundreds of thousands of determinations have been issued over the years with only a handful of protests distributed between labor and management.

The response to all the arguments raised against the time-tested prevailing-wage requirement lies in the quarter century of experience. It has not delayed any program, and will not delay the highway program. During World War II, the construction industry marshalled its forces to build gigantic cantonments and other defense facilities throughout the land in record time. Credit for facilitating this amazing performance and avoiding disputes was in great measure attributed to the prevailing-wage requirement.

The increased cost argument is fallacious, for the cost would not be increased over present highway construction costs, since the Secretary of Labor would be required to determine the prevailing rates on highway construction in the immediate locality where the work is to be performed.

It would not infringe upon States rights. The interstate system under the Constitution, is so closely related to commerce as to be in fact a part of commerce itself. A labor dispute on the system will be governed by the processes of the National Labor Relations Act.

A prevailing wage provision will benefit contractors, craftsmen, and communities alike. It will benefit union, nonurban, urban, and rural craftsmen without distinction.

Congress should affirm its time-tested policy because it is the only proven method by which the Federal Government can eliminate the clear and present threat to existing wage standards.

So, Mr. Chairman, I think the arguments on the Davis-Bacon provision are quite clear. It has been the law of the land for about a quarter of a century, a law which has been repeatedly not only affirmed by the Congress of the United States but continually expanded as additional Federal participation in construction projects has been approved by the Congress. The need for it and its purpose is well known and old history; in view of the miserable conditions, predatory unscrupulous operators exploiting labor unfairly undercutting responsible contractors, and raising havoc with the economies of localities throughout the country. It was a Republican administration and Republican authors who initiated this legislation and enacted it at the insistence of reliable contractors, craftsmen, workmen, organized and unorganized, and communities and States throughout the country. That is the reason we have the Davis-Bacon Act as the law of the land for 25 years.

The question was raised: Who wants it? Those are the people who want it and those are the people who had their Representatives put it on the law books.

What is the record? The Davis-Bacon Act has been applied in project after project regardless of the amount of money involved, whether the Federal funds were 100 percent, 60 percent, 40 percent, or zero as long as the Federal Government is a party to any undertaking, even in the guarantee of construction loans, or lease-purchase, the Davis-Bacon Act applies in the matter of wage rates with one lone exception, and that exception is the State highway program. So this is the picture, Mr. Chairman.

On page 27 of the minority report in opposition to the Davis-Bacon provision the statement is made that this Davis-Bacon provision will be used as a vehicle for promoting union warfare in the South and the West particularly.

As a member of the Public Works Committee for the past 10 years and chairman of the Rivers and Harbors Subcommittee for the past 2 years I have had occasion to go through most of the South and much of the Far West. Here we saw panoramic picture after picture of the following scene: a large river winding through several States in the South and West with civilian workers deepening channels for navigation, being paid prevailing wages determined by the Secretary of Labor. The workers on the levees on the banks in flood control work, civilian workers, being paid prevailing wages determined by the Secretary of Labor. Just across over yonder lies a civilian or municipal airport in which State, local, and Federal funds are involved. The concrete workers, the pipefitters, the carpenters and all other workers are getting wages determined by the Secretary of Labor. A few miles away is one of the most gigantic military air base installations in the continental United States, and that military construction is on a prevailing wage base determined by the Secretary of Labor.

Then there is Veterans' Administration hospital, a huge apartment building down here, a low-income housing project, slum clearance projects, and in every case the wages were determined by the Secretary of Labor as directed on the basis of the Davis-Bacon provision.

No one has raised objections that the use of the Davis-Bacon provision in the construction of this great multiplicity of federally aided projects of great magnitude has been responsible for any union warfare, or has detracted from or infringed on the rights of any State. So why this fuss about the interstate highway construction infringing on States rights? I ask the opposition to name just one instance of any such infringement, and I am sure they cannot do so.

This is not a question of taking away from the States any of their rights, Davis-Bacon protects the States rights. It protects those States and their responsible contractors that have maintained decent conditions within their boundaries and keeps out the unscrupulous, predatory contractors that made such a miserable record in the 1920's. Davis-Bacon also protects human rights, and I think that is the issue here.

Mr. Chairman, to say that this is going to increase the organizational activities of labor is a clear and utter misstatement of fact. The Davis-Bacon Act has nothing to do with jurisdictional disputes or with the organization of labor. The men who will get the primary benefits of it will be the most helpless people in the world, those on the lowest rung of our economic ladder, those who have no other place to go except to the Congress of the United States for help—the unorganized construction workers of the country.

Areas in the South and West have benefited most by such Federal or federally aided construction, and all of this had the Davis-Bacon Act provision. So if all of this previous construction never gave rise to any complaints of "union warfare," how can it be said today that this additional Federal construction—the interstate highway program—will bring any such problems?

I urge the Congress to continue this time-tested and time-after-time reaffirmed principle of protecting the working men and women who need our protection.

In conclusion may I say that there is a great responsibility resting upon the shoulders of all of us. I hope this great body this afternoon will not become party to an operation that will use the tremendous economic impact of this gigantic civilian construction program, involving an expenditure of over $35 billion in a period of 13 years, and when added to the State responsibility resulting in a total of $52 billion, the biggest economic potential in the history of peacetime America, to bear down upon these people of America, the unorganized construction workers, and permit them to be beaten down to minimum subsistence levels with the few unscrupulous contractors exploiting all and everyone they can only for their own selfish ends.

Mr. Chairman, there have been more millionaires made during the recent war and after the war on Government contracts than at any time in our history. I have yet to see any working man or woman become a millionaire by taking part in any construction paid for by the Federal Government.

Mr. Chairman, I believe we should include this Davis-Bacon Act provision in the highway bill. Let us keep it as we have during a quarter century of progress.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would like to associate myself with the gentleman's argument and with his sterling appeal just made. May I say to him that I shall support him in opposition to the Dondero amendment.

Mr. BLATNIK. I thank the good lady from Illinois.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Chairman, I rise in opposition to the Dondero amendment and in favor of the bill including the Davis-Bacon amendment. A great deal has been said on this floor in opposition to the inclusion of the provisions of this act in this highway bill, but it appears to me that the fears that have been expressed are ill-founded and without justification in fact.

The Davis-Bacon bill has been on the books as the law of the land, as applied to contracts where Federal funds are used, for about 25 years. It has worked well and with the least amount of trouble or dispute. In my own State of Connecticut not only has it worked well in the construction of many institutions, buildings, and projects with Federal funds, but has been accepted and desired by the general contracting business.

I think it is shameful to jeopardize this highway program with the inclusion of such a provision, as the amendment would undertake to do. For many years roads which have been built entirely with Federal funds and those that have been built through national parks have all been subjected to provisions of this bill, and in none of those situations has there been any cause for criticism or complaint.

I heartily endorse the inclusion of the Davis-Bacon bill in H. R. 10660 and shall oppose the Dondero amendment when we vote on it.

Mr. BALDWIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to oppose the amendment submitted by the gentleman from Michigan [Mr. Dondero]. It seems to me that the principle that was recognized by this Congress many years ago that it is our obligation to protect the wages paid to laborers and workingmen when Federal funds are primarily involved is a principle that we must recognize today. Certainly, if it was recognized by this Congress in expenditures made on much smaller projects, as it has been recognized over the past 20 years, we would be negligent in our duty if today, when we have a project before us that involves $24.8 billion of Federal expenditures on our Federal Interstate System, we then turned our backs and said that we should not take the same precautions to protect the wages of the workingmen that we have taken time and time again on much smaller projects. This is the largest case that we have ever had, other than defense expenditures, involving the Davis-Bacon provisions. We have today a situation where we are embarking upon a program that is going to extend over 13 years, that is going to involve hundreds of thousands of workingmen over that period of time, and it seems to me that we have an obligation to those workingmen to see that they are paid fair wages and that their working conditions are protected.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Minnesota.

Mr. BLATNIK. I agree with the excellent statement made by the gentleman. In referring to those hundreds of thousands of workmen, is it not a fact that of the 48 States only 15 now have prevailing-wage laws that apply to highway construction? How is it going to be determined in the other 33 States what the prevailing wage is to be? There is such a variety and irregularity among States that no clear pattern exists today. Furthermore, some of the State laws provide for judicial review. There will be an endless array of a whole variety of cases bringing about litigation and delay and jurisdictional conflicts, so that all of the confusion to which the opposition makes reference in connection with Davis-Bacon will instead be brought about by their very own amendment, offered by the gentleman from Michigan, if it is adopted.

Mr. BALDWIN. I thank the gentleman and agree with the statement he has made.

The main point that has been made by the people who are supporting the Dondero amendment is the point that the Davis-Bacon provisions in this bill might increase the cost of highway construction. It seems to me that the Davis-Bacon provision boils down to this: If the workmen in your State on a highway job are now paid prevailing wages, then it will not increase the cost of construction of that highway over what they are now paid. If, for any reason, in any State, there now exists a condition where the workers on highways are not paid prevailing wages, then the Davis-Bacon provision says we will not be a party to that condition, and if it is necessary for us to increase the cost of construction to some degree to bring the wages up to proper prevailing wages, then it is our obligation and duty to recognize that we should do that. If the State now has proper laws under which prevailing wages are paid to these workmen, there will not be a dime increase in the cost of these highways under the Davis-Bacon provisions as set forth in this act. As I mentioned yesterday, the best estimate of both the highway department and department of public works of the State of California is that there will not be a single cent increase in cost under the Davis-Bacon provisions in the highways constructed in that State.

As I say, we have an obligation here when we are setting forth on the most tremendous public works program in the history of this country. We have an obligation to say we will pay prevailing wages and be fair to all segments of our country; we will not only be fair to the motorists who will use this road, we will not only be fair to the contractor who is going to construct the road, but by all means we must be fair to the laborer, the man upon whom we have to rely for the completion of this highway program so that the rest of the people of this country may use these roads.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from New York.

Mr. BECKER. The question has been asked many times, Has this Davis-Bacon provision been written into any other Federal act? Now, I sought the information, and I now have here 6 or 7 different acts of the Federal Government, starting with the Hill-Burton Hospital Construction Act, public school construction aid money, Defense Housing Act, Airport Defense Act of 1946—at least 6 or 7 other different acts, in which we have the Davis-Bacon provisions now in the law.

Mr. BALDWIN. I thank the gentleman.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. FOGARTY. Mr. Chairman, I object.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 45 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. FORAND. Mr. Chairman, I object.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

Mr. FALLON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto conclude in 45 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Maryland.

The motion was agreed to.

Mr. McGREGOR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McGREGOR. It is my understanding that there are 1 or 2 amendments now on the Clerk's desk relative to this particular section. Did the motion of the gentleman from Maryland [Mr. Fallon] include those two amendments?

The CHAIRMAN. The motion of the gentleman from Maryland related only to the pending amendment and amendments thereto.

Mr. McGREGOR. I thank the Chair.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Hoffman of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes on his preferential motion.

Mr. HOFFMAN of Michigan. Mr. Chairman, presumably the basic purpose of the highway legislation is to get the greatest number of miles of the best possible highway out of the tax dollars authorized to be levied by the bill.

Permit me to compliment our colleague from Texas [Mr. Alger] on the statement he made to the House. All will recall that several times during his statement he said that he was talking only about facts disclosed by the evidence given before the committee and only about things he knew.

Our colleague courageously gave us a clear, concise, logical argument in support of the amendments he favored. No doubt had we all heard the testimony, as did he, had we given that testimony the careful consideration which he gave it, did we exhibit like courage, we might well have accepted his views.

By his statement on this occasion, he has undoubtedly expressed the views of his constituents, had they the same opportunity to be acquainted with the facts—the merits, the demerits, the implications carried in this bill as it is written and presented here today.

One basic issue back of this proposed legislation is whether the Congress by its action shall extend the power of the Federal Government. During the last few weeks we have heard a great deal about the decisions of the Supreme Court. Many Members seem to have been very greatly disturbed because the Court was taking away what has heretofore been assumed to be the authority of the States.

Is it not true that, if the Court sticks to its present line of reasoning, and we provide here in this bill that the Federal Government shall through an agency fix the wages, all State laws which have anything to do with, which have any bearing at all upon, the construction of the highways, will be declared by the Supreme Court to be invalid because the Congress has legislated in that field?

Somebody said something about the desires and welfare of the unions or of the members of organized labor. I realize that some of us do not exactly fear but take into consideration the power of the unions at the polls. I know I am very, very greatly disturbed about the political effect of the unions' pronouncements.

Someone suggested a while ago that this amendment was unfair to organized labor. Organized labor is not a little man. It is a great and powerful corporation not subject to antitrust laws—many times exercising monopolistic power.

Do not forget that one union which operates out of Michigan more extensively than in any other State has a liquid surplus of more than $40 million, and that through their affiliates they use that money as they please, much of it for political purposes. You see why I am fearful of the political power of some unions?

Do not worry about hurting the unions' power in politics if this amendment is adopted. Nor about the income of those who work on the projects authorized. I recall very distinctly that not so long ago organized labor in Michigan, more accurately, 1 or 2 of the leaders of the UAW–CIO, by force, took over the conventions, county and district, of the Democratic Party. I make this statement and I challenge anyone to dispute it from the record.

In Michigan there is no real Democratic organization. The work there, the political maneuvering, the real effective work, is under the control of the CIO-UAW's political leaders.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. The gentleman can speak on his own time. I have only this very brief time. I refuse to yield. Gus Scholle is the boss—and everyone who comes from Michigan and participates in political activities knows that to be a fact.

Mr. DINGELL. Mr. Chairman, will the gentleman yield? We have had considerable distortion of fact here today.

Mr. HOFFMAN of Michigan. What was that? The gentleman made some

statement about distorting the facts, and I want those words taken down, if that is what he said.

Mr. DINGELL. Mr. Chairman, will the gentleman yield now?

Mr. HOFFMAN of Michigan. No, I do not, but he made a statement here that I was distorting the facts.

The CHAIRMAN. The Chair did not hear it.

Mr. HOFFMAN of Michigan. Oh, thank you. It is all right with me if no one heard such a statement.

Now let us go back. The basic issue here is whether we are to legislate so as to enable the court to hold that it is our purpose to give the Federal Government authority to take over more of the functions, contractual and administrative of the States.

That seems to be a logical conclusion because the present trend of the thinking of the Supreme Court seems to be that, if the Congress has entered any field of legislation, that field of legislation cannot be entered by the State; that any legislation existing or enacted in that field would be unconstitutional.

Permit a reference to the arguments offered in opposition to some of the amendments which have been or will be proposed, and which probably will be rejected by the committee.

The purpose of the Dondero amendment, if my understanding is correct, is to give to the States, through their highway departments, the authority to establish the prevailing wage which shall govern those who construct the highways which will be built under the provisions of this legislation.

The bill provides—page 25, lines 3 to 9, inclusive—that those employed on the initial construction work performed on the highways authorized under the bill "shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor, in accordance with the act of August 30, 1935, known as the Bacon-Davis Act."

If memory serves correctly, the words "immediate locality" have not been carried in previous legislation which made the act applicable to construction work.

The volume of work imposed upon the Secretary of Labor by this provision is appalling. No one has offered any figures which would in any way indicate the number of new employees who will be required to comply with this provision. It will either be necessary for the Secretary of Labor to accept the judgment of some individual or official in the "immediate locality" or to send his own man into that locality to make inquiry; then pass on his, the subordinate's, judgment of what he thinks the local individual he contacted meant, whether that local individual's experience and judgment were sufficiently wide and sound to enable him to come up with a fair and accurate opinion.

How much easier it would be to have this duty of determining the prevailing wage—and no one is asking that that provision be eliminated—determined by those already in the field, already authorized by each of the 48 States to collect and coordinate the facts bearing upon an accurate solution of the issue.

Let us look for a moment at one of the reasons which apparently is back of the demand of the leaders of organized labor.

The Department of Labor was created in 1913 by act of Congress—Thirty-seventh United States Statutes at Large, page 736; title 5, United States Code, section 611—which expressly provides that:

> The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.

Inasmuch as this statute makes it the duty of the Department—and the Secretary of Labor is its spokesman—to protect and advance the interests of the worker, it is only natural and to be expected that the worker's desires, his welfare—and that seems to be inevitably tied up with an ever-increasing wage—will receive favorable consideration.

The leaders of organized labor recognize that, with their headquarters here in Washington, with their lobbyists, their spokesmen, their legislative agents always on the job, through their daily contact with Members of the Congress—and organized labor employs only the most able and experienced lobbyists and attorneys for it has unlimited funds to pay professional fees—it is far easier, far more effective, to present convincing arguments, exert, if you please, political pressure, and to influence the judgment of the Congress than it is to follow a like course in 48 States before the legislatures of those States. It might well be said and, as a matter of fact, it is admitted, that legislation can be more easily influenced—shaped so as to meet the desires of the representatives of organized labor by argument and pressure here at Washington, than at the State Capitol.

One has but to refer to the recent statements showing the thousands of dollars contributed by organized labor or its affiliates toward the reelection of Members of the other body to understand at least one of the reasons why organized labor's officers and legislative representatives and lobbyists want questions such as this resolved here in Washington by the Congress, by the head of an executive department, instead of in the 48 States by officials more directly responsible to the voters.

Two or three times during the debate it has been charged that those supporting the Dondero amendment are charging the Secretary of Labor with being dishonest. That is not a fair nor is it a logical argument. If it were, then well might it be said that those opposed to the amendment—those supporting the provision that the Secretary of Labor determine the prevailing wage in the immediate locality—are charging the officials of each of the 48 States with being dishonest. That apparent argument as made by the opponents of the pending amendment is not sound.

No one, so far as I know, is charging the Secretary of Labor with being dishonest or even unfairly biased. As stated, he has duties to perform and one of those duties is to "foster, promote, and develop the welfare of the wage earners" and that, of course, as construed by practically all, means an increase whenever possible in the wage paid the worker.

Another statement made in opposition to the adoption of the amendment was that on several, if not many, occasions, contractors—I think it was said, from the South—went into certain localities with workers they had recruited, bid on, were awarded, and constructed a section of highway for less than it would have been built for had what was said to be a prevailing wage been paid.

Our colleague from Texas [Mr. Alger], cited the record, the hearings, to prove that such a charge had been recklessly made, was not accurate. To him we are indebted for that repudiation of an assumption not justified.

But assume that some contractor was, because his bid was lower, and because it was lower because of a lesser wage, awarded a contract and constructed a section of the highway at less cost to the taxpayer, does it follow that such a procedure was not proper? Is it not the purpose of the bill to, as stated in the beginning, get the most miles of the best highway for the least possible cost to the taxpayers, provided, of course, that no coercion or undue pressure is exerted? The argument that someone has been or will be forced to work for a substandard wage appeals to the emotion but it has no basis in fact, nor is there reason to fear it.

Does this argument not resolve itself into the question of whether we are appropriating money to build highways or whether we are appropriating money to provide jobs? If the latter be the purpose, then we are back to the boondoggling days with only this difference that the construction of highways will give the taxpayer more out of his dollar than he was ever able to receive in the leaf-raking, picture-making, storytelling days.

Permit me here again to repeat the argument that this legislation which permits the Department of Labor to prescribe at least one of the terms of every contract entered into between a State and an individual or corporation for the construction of a highway may well be used by the Supreme Court of the United States as the basis for a decision that the Federal Government—not the States—has exclusive jurisdiction over the construction of these highways.

In my judgment, the bill is inflationary, under its terms the cost will be excessive; it does not provide within several billion dollars funds sufficient to pay for its construction; it saddles upon future generations a tax burden for a facility designed for present use.

It is with extreme reluctance that I will vote for it, if I do—and if I do, only because the money is the money of the taxpayers and apparently they are demanding its contruction.

In my judgment, a system of toll roads. constructed and operated by either the States or private enterprise, would be far better, but apparently there is no prospect of such a program being adopted.

Mr. FOGARTY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the basic issue involved here today is whether or not we are going to repeal the Davis-Bacon Act. That is the basic issue that we are talking about this morning, and let us make no mistake about it. I say to my colleagues on the Republican side that this is one of the good things that was done in your administration in 1931. If you vote for the Dondero amendment today, you are voting to repudiate the Republican Senator and Representative who sponsored this law in 1931. You are voting to repudiate your Republican President who was President in 1931, and you are voting to repudiate your own administration here in Washington at the present time under the Secretary of Labor, Mr. Mitchell. I have never heard it claimed that he was the captive employee of any international labor union in this country. In my experience with the Secretary of Labor, I have found him to be a fair, honest individual doing his best for all the people of the country. When the insinuation is made here today that these wage determinations are going to be made by Washington, you are implying that they are going to be made by a dishonest individual, the Secretary of Labor, who is your Secretary and mine. He is the Secretary of Labor for all the people in this country. As long as he maintains the office that he has, and as long as this responsibility rests with him, I am sure that he is going to give fair and honest consideration to all of these wage determinations for which he is responsible. Wage determinations are not made by Washington. They are made in the local community where the work is being done.

Why did we have this law enacted in 1931? We had it enacted because of a few unscrupulous contractors in this country—just a few.

And we have some of them today in our country at the present time despite what the gentleman from Texas represented here a little while ago. I know because I have dealt with them and I have worked with them. I know the price they pay on some of these jobs. That was the reason this law was passed in 1931. I say to every State in the Union, if you adopt the Dondero amendment today, you are issuing an invitation to every unfair and unscrupulous contractor in the country to come into your State and gobble up all these contracts and not pay the prevailing wage—no, not even a minimum wage. What will you be able to do about it? Nothing. The only thing you can do about it is to allow him to complete the job—steal all the work away from your local contractors—steal all the work away from the legitimate contractors in this country, and at the same time exploit the men who are working for him in order to do what? To save the Federal Government any money or the taxpayers? No. Every dime that he takes out of the pockets of his employees goes into his own pocket, not back to the taxpayers or back to the States. The illegitimate, unscrupulous contractor is the only one who will gain by such action as is being proposed here this morning. If you want that condition to exist in your State, if you want a contractor from a low-pay area in our country to come into your State and into my State and import 200 or 300 of his low-paid employees and prevent that work from going to your people and your State, then vote for this amendment. If you want to keep on the statute books of this country an amendment that has worked for the benefit of all for 25 years, vote against the Dondero amendment.

The Bacon-Davis Act applies to many other Federal contracts. In the field of hospital construction with which I have had some experience it has worked very well. The States award the contracts. The State is the awarding, contracting agency in many of these projects.

When we have had the provision in these contracts that they pay the prevailing wage, we have had no trouble. Hospitals have been built with no labor trouble, and the Davis-Bacon provisions have given protection to the State and to the taxpayer.

Because of the fine history of the operation of the Davis-Bacon Act over the past 25 years, I have long been convinced that its provision should be greatly extended. As a result a year ago, on March 2, 1955, I introduced in the House of Representatives a bill for that purpose, H. R. 4566. This bill reads as follows:

A bill to amend the Davis-Bacon Act, and for other purposes

Be it enacted, etc., That the act of March 3, 1931 (46 Stat. 1494), as amended August 30, 1935 (49 Stat. 1011), June 15, 1940, (54 Stat. 399), and as amended act of March 23, 1941 (55 Stat. 53) (U. S. Code, title 40, sections 276a to 276a–7 inclusive), and as may have been heretofore amended from time to time, is hereby amended to read as follows:

"SECTION 1. The specifications for every contract in excess of $2,000 for construction, alteration, repair, installation, painting, decorating, completion, demolition, conditioning, reconditioning, or improvement of public buildings or public works of the United States or the District of Columbia within the geographical limits of the States of the Union, the Territory of Alaska, the Territory of Hawaii, or of the District of Columbia or other building, structure, improvements, or works financed in whole or in part from Federal funds or in accordance with or as a result of guaranties or insurance of a Federal agency or undertaken for the purpose of carrying out an agreement with a Federal agency or financed from funds obtained as a result of any agreement of a Federal agency to make loans, payments, grants, or contributions, and which requires or involves the employment of mechanics and/or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics which shall be based upon the wages that will be determined by the Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State, or the Territory of Alaska, or the Territory of Hawaii, in which the work is to be performed, or in the District of Columbia if the work is to be performed there and every contract based upon these specifications shall contain a stipulation that—

"(1) the contractor or his subcontractor shall pay all mechanics and laborers employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at rates not less than those stated in the specifications; and, with respect to hours of work in excess of specified hours in any 1 calendar day or on more than specified consecutive days or in excess of specified hours in any workweek or for hours worked on Saturday or Sunday or holidays or at specified periods during the day, such payments shall at least include amounts computed at a rate not less than 1½ times the basic rate of pay for all hours worked in excess of 8 hours in any 1 calendar day or on more than 5 consecutive days or in excess of 40 hours in any workweek or for hours worked on Saturday or Sunday or holidays; and

"(2) with respect to all remuneration for employment paid in any medium other than cash and with respect to the reimbursement for expenses or any payments which are not wages within the meaning of this act, the contractor or his subcontractor shall conform to the practices prevailing for the corresponding classes of laborers and mechanics employed on projects similar to the contract work in the city, town, village, or other civil subdivision of the State, or the Territory of Alaska, or the Territory of Hawaii in which the work is to be performed, or in the District of Columbia if the work is to be performed there. Such stipulation shall also specify that such amounts shall be paid regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics, and that the scale of wages to be paid and practices to be followed shall be posted by the contractor in a prominent and easily accessible place at the site of the work; and the further stipulation that there may be withheld from the contractor so much of accrued payments as may be considered necessary by the contracting agent to pay with respect to laborers and mechanics employed by the contractor or any subcontractor on the work the difference between the amounts required by the contract to be paid with respect to laborers and mechanics on the work and the amounts received and not refunded to the contractor, subcontractor, or their agents; and a further stipulation that the Secretary of Labor or his authorized representatives may enter and inspect such places and such records (and make such transcriptions thereof), question such employees and investigate such facts, conditions, practices or matters as he may deem necessary or appropriate to determine whether any person has violated any stipulation of a contract required by this act or which may aid in the enforcement of the provisions of this act.

"SEC. 2. Every contract within the scope of this act shall contain the further provision or stipulation that, in the event it is found by the Secretary of Labor or his authorized representative that with respect to any laborer or mechanic employed by the contractor or any subcontractor directly on the site of the work covered by the contract, amounts paid or being paid are less than the amounts required by the contract to be paid as aforesaid, or that any other breach or violation of the stipulations required by this act has occurred, the contracting agent may, by written notice to the contractor, terminate his right to proceed with the work, or such part of the work as to which there has been a breach or violation of the stipulations required by this act and prosecute the work to completion by contract or otherwise, and that the contractor and his sureties shall be liable to the contracting agent for any excess costs occasioned the contracting agent thereby.

"SEC. 3. (a) The Comptroller General of the United States is hereby authorized and directed to pay directly to laborers and mechanics from any accrued payments withheld under the terms of a contract of a

Federal agency any amounts found to be due laborers and mechanics pursuant to this act and, as a condition of any financing guarantee, insurance, loan, payment, grant, or contribution, each Federal agency shall ensure that the contracting agent other than a Federal agency shall similarly make or cause to be made such payments from amounts similarly withheld; and the Secretary of Labor is authorized and directed to distribute a list to all Federal agencies giving the names of all persons or firms whom he or his authorized representative has found to have disregarded their obligations to laborers or mechanics or subcontractors as assumed or imposed pursuant to this act or whom he has found to have breached or violated the contract stipulations required by the provisions of this act. No contract shall be awarded by any Federal agency or entered into pursuant to financing, guarantees, insurance, loans, grants, payments or contributions by any Federal agency, with respect to persons or firms appearing on this list or with respect to any firm, corporation, partnership, or association in which such persons or firms have an interest until 3 years have elapsed from the date of publication of the list containing the names of such persons or firms.

"(b) If the accrued payments withheld under the terms of the contract, as aforesaid, are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the amounts required pursuant to this act, such laborers and mechanics shall, in the case of a contract of a Federal agency, have the right of an action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or payments or voluntarily made refunds. Each Federal agency shall as a condition of any financing, guaranty, insurance, loan, payment, grant, or contribution insure that the contracting agent, other than a Federal agency, has adequately provided for a similar right of action against the contractor and for satisfactory sureties with respect to labor and materials.

"SEC. 4. (a) The Secretary of Labor is hereby authorized and directed to administer the provisions of this act and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees as he may find necessary to assist in the administration of this act and to prescribe rules and regulations with respect thereto. Subject to applicable civil-service laws and any other laws applicable to the employment and compensation of officers and employees of the United States, the Secretary of Labor shall appoint such officers and employees as he may from time to time find necessary for the administration of this act. The Secretary of Labor or his authorized representatives shall have power to make investigations and findings and prosecute any inquiry necessary to his functions. The Secretary of Labor shall have such authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act or to aid in the enforcement thereof.

"(b) Every Federal agency shall require compliance with this act as a condition of any agreement to finance in whole or in part any contract specified in section 1 of this act, or as a condition of an agreement to guarantee or to insure or to make loans, payments, grants, or contributions enabling any such contract.

"SEC. 5. Except as otherwise specifically provided, this act shall not be construed to supersede or impair any authority otherwise granted by Federal law to provide for the establishment of specific wage rates.

"SEC. 6. (a) The fact that any contract authorized by this or any other act is entered into without regard to section 3709 as amended of the Revised Statutes of the United States, or upon a cost-plus-a-fixed-fee basis or otherwise without advertising for proposals, shall not be construed to render inapplicable the provisions of this act if otherwise inapplicable to such contract.

"(b) As used in this act—

"(1) The terms 'wage' and 'wages' means all remuneration for employment but shall not include remuneration paid in any medium other than cash;

"(2) The terms 'Federal' and 'Federal agency' means the United States and the Territories of Hawaii and Alaska, the District of Columbia, all executive departments, independent establishments, administrative agencies, and instrumentalities of the United States, such Territories and of the District of Columbia, including corporations, all or substantially all of the stock of which is beneficially owned by the United States, or such Territories, or by the District of Columbia or any of the foregoing departments, establishments, agencies, and instrumentalities.

"(3) The term 'contracting agent' includes any Federal agency and means any person, firm, corporation, partnership, association, or public authority entering into a contract subject to this act with a contractor, as such term is used in this act.

"SEC. 7. In the event of a national emergency the President is authorized to suspend the provisions of this act.

"SEC. 8. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

SEC. 2. (a) This act shall take effect 90 days after its date of enactment. Nothing in this act shall in any way affect the validity or continuing applicability of the act of March 3, 1931 (46 Stat. 1494), as heretofore amended (the Davis-Bacon Act), or of the acts of August 1, 1892, June 19, 1912, March 3, 1913, March 4, 1917, September 9, 1940 (27 Stat. 340; 37 Stat. 137, 138; 37 Stat. 726, 727; 39 Stat. 1192; 54 Stat. 884) (the 8-hour law), or of any statutes heretofore applying or extending such laws or acts to additional laborers and mechanics or otherwise providing for the determination by the Secretary of Labor, of prevailing wages for additional laborers and mechanics as any such acts, laws, or statutes relate to any contract existing on the effective date of this act or to any contract entered into pursuant to invitations for bids outstanding on the date of enactment of this act, but any such acts, laws, or statutes shall, notwithstanding the enactment of this act, continue in full force and effect with respect to such contracts.

(b) Except as otherwise provided in subsection (a) of this section, any provision of law applying or extending the act of March 3, 1931 (46 Stat. 1494), as heretofore amended (the Davis-Bacon Act), to laborers and mechanics to whom apply the provisions of this act, or otherwise providing for the determination by the Secretary of Labor of prevailing wages for such laborers and mechanics, are hereby repealed.

(c) Except as otherwise provided in subsection (a) of this section, the acts of August 1, 1892, June 19, 1912, March 3, 1913, March 4, 1917, September 9, 1940 (27 Stat. 340; 37 Stat. 137, 138; 37 Stat. 726, 727; 39 Stat. 1192; 54 Stat. 884) (the 8-hour law), shall not apply with respect to laborers or mechanics to whom apply the provisions of the act of March 3, 1931 (46 Stat. 1494), as amended by this act.

(d) Nothing in this act shall be construed to repeal Reorganization Plan No. 14 of 1950 (Public Law 109, 81st Cong.), or to diminish the authority of the Secretary of Labor thereunder.

I would like to point out that this bill which I have sponsored is designed to accomplish four major objectives:

First. Insure that the Federal Government on direct Federal construction projects and other construction projects made possible by Federal loans, grants, and lease purchases—Federal buildings and post offices constructed through lease-purchase contracts—and so forth, does not become a party to or lend itself toward breaking down existing prevailing practices regarding wages, hours of work, health, welfare and retirement benefits, overtime payments and working conditions which have been privately negotiated between contractors and construction craft unions.

Second. Correct existing inequities of the Davis-Bacon Act and the prevailing wage provisions of various Federal construction laws.

Third. Confer full enforcement authority upon the Secretary of Labor.

Fourth. Eliminate existing unfair bidding advantage of unscrupulous contractors over fair contractors on direct Federal construction and federally assisted construction projects.

Specifically the bill would broaden the scope of applicability of the Davis-Bacon Act so that the Secretary of Labor would predetermine prevailing wages of construction laborers and mechanics not only on direct Federal construction but also on other construction projects financed from Federal funds. Federally assisted programs not now subject to the act, such as the multi-billion-dollar road program, to multibillion rural electrification program, and other similar federally assisted construction programs would be subject to the act.

This provision is aimed at making the Federal Government construction prevailing wage policy uniform in its application. For example, the School Construction Act of 1950, the Federal Airport Act, and the Hospital Construction Act all require the Secretary of Labor to predetermine wage rates. Why not the construction of roads which are also to be built with Federal funds under this bill which we are today debating?

The bill requires the Secretary of Labor to predetermine not only the hourly prevailing wage of each laborer and mechanic but also all other cash remuneration found to be prevailing practice in the area. This would include when found to be the prevailing practice, such cash payments as travel time, subsistence allowances, vacation pay, and so forth, which have been established as a result of collective bargaining between contractors and craft unions.

In addition, all contractors subject to the act would be required to conform to prevailing practices regarding wages other than cash remuneration. This includes such items as employee health, welfare, and retirement contractor financed plans. The bill does not specifically require the Secretary of Labor to predetermine such noncash employee remuneration.

It requires the Secretary of Labor to predetermine prevailing practices regarding hours of work and overtime payment with the specific provision that at least time and one-half the basic hourly wage rate shall be paid for (a) hours in excess of 8 per day, (b) hours in excess of 40 per week, (c) work in excess of 5 consecutive days, (d) work on Saturday, Sunday, or legal holidays.

These provisions are aimed directly at placing all Federal contractors on an equal bidding basis and also to prevent the Federal Government from becoming a participant in destroying prevailing employee benefits arrived at through privately negotiated collective bargaining.

Lastly, the bill confers authority upon Secretary of Labor to make investigations with full and complete enforcement power to carry out the provisions of the act. Such authority which is now vested in each Federal contracting agency has been so lax as to encourage widespread violations.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the motion offered by the gentleman from Michigan [Mr. Hoffman].

The motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. McConnell].

Mr. McCONNELL. Mr. Chairman, I had intended to go into this whole matter a little more in detail, but it has been pretty well covered and I find it is not necessary.

At the outset I want to say I am opposed to the Dondero amendment. The Davis-Bacon Act has been in operation for many years. First of all, I know of no one who is opposed to paying workers on Federal projects the prevailing wage in the locality as a minimum rate. That is No. 1.

No. 2: The reason that the Davis-Bacon provisions are considered in this particular bill is that for the first time the Federal Government will be paying 90 percent of the cost of the construction of the interstate highway system. You will find, if you will analyze the general theory back of all this, that on Federal construction work; on types of work where the Federal Government is putting up at least more than 50 percent of the money, then it is believed that the Government should be supervising the minimum rate of wages being paid. It is no desire to control the project. It is based on the fact that in 1931 Congress said in a law that on Federal construction work workers are to be paid not less than the prevailing wages in the vicinity, the town, or the village, of the State where the work is to be performed. Therefore, when the Federal Government starts to move predominantly in a financing way into the field, as they will be doing in the interstate highway system under this bill, then I think it is important that we place in there the provisions of the Davis-Bacon Act.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. McConnell] has expired.

Mr. WIER. Mr. Chairman, I ask unanimous consent to yield the gentleman the time allotted to me.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order. They gagged us on debate. So I object.

The CHAIRMAN. The gentleman from Pennsylvania has been recognized.

Mr. MACK of Washington. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the distinguished ranking member of the House Committee on Labor.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that that is not the proper procedure.

The CHAIRMAN. Then the gentleman objects?

Mr. HOFFMAN of Michigan. I do.

Mr. McGREGOR. My name is on the list as one to be entitled to recognition. I thoroughly have enjoyed the statements made by the gentleman from Pennsylvania and I yield to him.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make objection that the gentleman cannot do that unless he takes the well of the House.

The CHAIRMAN. The gentleman from Minnesota [Mr. Wier] made request, and there was no objection to his request, that his time be allotted to the gentleman from Pennsylvania. Therefore the gentleman from Pennsylvania is recognized for an additional 1½ minutes.

Mr. McCONNELL. Mr. Chairman, I think it is important to state something else that I think was not mentioned earlier, or if it was it was not mentioned correctly. There was discussion of school construction. The Davis-Bacon provisions apply to the Federal-impacted-area type of school construction. Last year and more recently the administration sent to the Education and Labor Committee the administration school construction bill. It is now pending before the Committee on Rules.

In that administration school construction bill were the provisions of the Davis-Bacon Act. It has been stated here that they had not been in the highway construction bill that came from the administration. I can say very definitely that they were in the administration school construction bill.

This act has been on the books since 1931. It does give discretion to the Secretary of Labor. That I admit.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from California [Mr. Roosevelt] is recognized.

Mr. ROOSEVELT. Mr. Chairman, I would be glad to yield to the gentleman from Pennsylvania.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

The CHAIRMAN. The objection is not in order because the gentleman from California was recognized and has a perfect right to yield to anybody he desires.

The objection is not sustained.

Mr. McCONNELL. I am certainly sorry I am causing all this controversy; I do not mean to be controversial, but I think it is very important that we look at some of the laws that have been passed here in Congress and apply them to the present situation. In those laws the Federal Government provides the money along with the States, but the States and local areas handle the contract arrangements with the contractors. In this bill the Federal Government is not contracting directly with contractors; the Federal Government is providing money either to the district or to designated agencies or officials of a State, and those officials are the ones who let out the contracts. I think that should be remembered.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. McCONNELL. I will be glad to yield to the gentleman from Kentucky.

The CHAIRMAN. The gentleman from Pennsylvania does not have the right to yield. The gentleman from California may yield if he wsihes.

Mr. ROOSEVELT. Mr. Chairman, I will be happy to yield to the gentleman from Kentucky.

The CHAIRMAN. The gentleman from California yields to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to compliment the distinguished gentleman from Pennsylvania [Mr. McConnell] and associate myself with him in opposing the amendment offered by the gentleman from Michigan [Mr. Dondero]. I am glad the gentleman from Pennsylvania pointed out that the Davis-Bacon provision has worked well in the school-construction legislation. Our Government has expended more than $600 million since Public Law 815, 81st Congress, was enacted, providing for school construction in certain Federal affected areas. In addition to the $600 million, the non-Federal share amounted to approximately $250 million. It seems to have been the policy many years for the Government to accept the Davis-Bacon provision where more than 50 percent of the funds have been provided by the Federal Government. Many of these school buildings have been constructed off of Federal property and the contracts awarded by the local school districts. The Davis-Bacon provision was applicable in every school district where the local school district awarded contracts for construction of the school buildings. I must say there has not been any complaints against the Davis-Bacon provision from the local school districts receiving Federal money for school construction. The provision should be in the present highway-construction bill, and the amendment of the gentleman from Michigan should be turned down.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from Indiana [Mr. Madden] is recognized.

Mr. MADDEN. Mr. Chairman, I do not want to go into the fact that our past President, Mr. Hoover, was President when this Davis-Bacon law was passed, but he also had the help of Democratic Members of the House. Nor do I want to take up my time reiterating all of the Government projects to which the Davis-Bacon Act has been applied, or the fact that 90 percent of this money is paid by the Federal Government. I would like to call the attention of the Members to a situation in road construction that happened in my district this year. The Indiana toll road construction is now in Congress. Thousands of workers and their trucks have migrated to this road work from all over the Nation. When this great $30 billion project gets underway contracts will be let to a great number of contractors. Inexperienced road contractors will spring up by the thousands. Some of them will underbid the wage scale of the contractor who has contruction adjoining him. Maybe one contractor will take 10 miles, another 20 miles, a third 5 miles. Just imagine what turmoil there would be if we did not have some kind of formula like the Davis-Bacon Act to compel contractors to pay the prevailing wage. In my district we have thousands of wetbacks and other immigrant labor who would be glad to work for a few dollars a day. This work will last for the next 15 years. If unemployment should become general a low wage State might lose its highway labor to an adjoining high wage State. Let us keep our standard of living high. This Davis-Bacon Act was originally sponsored by legitimate contractors who lost money by unnecessary strikes and work stoppages caused by contractors competing for low wage labor. I wish to commend the public works committee for its long and productive work on this much needed highway construction bill. The Dondero amendment which would bill the application of the Davis-Bacon Act in this bill should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Dondero].

Mr. ALGER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Texas.

Mr. ALGER. Mr. Chairman, I would like to call to the attention of the membership that I see no reason to discuss this historically.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that the gentleman from Michigan [Mr. Dondero] will have to retain the floor.

The CHAIRMAN. That is true.

Mr. HOFFMAN of Michigan. Mr. Chairman, may the gentleman retain the floor by sitting down?

The CHAIRMAN. No.

Mr. ALGER. Mr. Chairman, I would like to cite an example that happened before our committee and this appears on pages 275, 318, and 346 to 370, also the court record appears on pages 374 and 380.

I am directing my remarks just to the facts in the so-called Aliquippa case. Contentions of similar nature were given here today as were given by AFL–CIO representatives before our committee that a company brought in 300 men from a low-wage area in North Carolina. The fact is that 5 key men were imported. The charge was made, secondly, by the AFL–CIO that the contractor refused to deal with unions. The fact of the matter is that the contractor had a contract with the United Construction Workers of the United Mine Workers in district 50. The charge of low wages was erroneous since union wages were paid.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from California [Mr. Younger].

Mr. YOUNGER. Mr. Chairman, a question has been raised as to participation in other Federal-aid programs. The Hill-Burton Act has been passed by this House more than once and almost by unanimous vote. It requires every State in presenting its plan for funds to provide for prevailing wages in its contracts.

A question also has been raised about the States objecting to this program. I hold in my hand a telegram which is as follows:

> SACRAMENTO, CALIF., *April 24, 1956.*
>
> Hon. J. ARTHUR YOUNGER,
> *House of Representatives,*
> *Washington, D. C.:*
>
> We approve and endorse Federal highway bill H. R. 10660. The allocation formula for the interstate system is fair and equitable and should not be changed. Passage of the bill is vital to California. We urge your favorable support.
>
> GOODWIN J. KNIGHT,
> *Governor of California.*
> RANDOLPH COLLIER,
> *Chairman, Senate Transportation Committee.*
> LEE BACKSTRAND,
> *Chairman, Assembly Committee on Transportation Commerce.*
> FRANK B. DURKEE,
> *Director of Public Works and Chairman, California Highway Commission.*
> GEORGE T. MCCOY,
> *State Highway Engineer.*
> CHARLES P. SALZER,
> *President, County Supervisors Association of California.*
> O. W. CAMPBELL,
> *President, California League of Cities.*

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. Zablocki].

Mr. ZABLOCKI. Mr. Chairman, I wish to rise in support of section 112 of the highway bill, which contains the prevailing rate of wage provision, known as the Davis-Bacon provision.

This section is intended to preserve the labor standards that have been achieved in the various communities throughout our Nation, by requiring that all laborers and mechanics employed on the interstate highway projects financed with Federal funds be paid at wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality.

This provision is fully consistent with the principle which was outlined by Congress over a quarter of a century ago. At that time, Congress clearly stated that the Federal Government ought not to be a party to the lowering of labor standards throughout the Nation. The original Davis-Bacon Act applied to construction contracts to which the Federal Government was a party, and this application continues to this very day.

In addition, however, the provisions of the Davis-Bacon Act have been applied to several acts of Congress where the Federal Government is not directly a party. These acts included the Housing Act of 1937 and 1949, the Defense Housing and Community Facilities and Services Act of 1951, the National Housing Act, the School Survey and Construction Act, the Hospital Survey and Construction Act, and the Federal Airport Act.

Our long experience with the application of the principle embodied in the Davis-Bacon Act has proved, I believe, beneficial to the country as a whole. It has prevented the Federal Government from contributing to the breaking down of existing prevailing rates. It helped to stabilize the industry and promoted better labor-management relations by eliminating unfair competition based on substandard wage rates. It put a brake on the activities of those shortsighted contractors who would attempt to secure contracts either by importing cheap labor to given localities where the work was to be performed, or by otherwise disrupting the wage scales prevailing in such localities.

It is my belief that the provisions of the Davis-Bacon Act ought to be incorporated in the highway bill before us. The projects to which these provisions would apply are to be financed to the extent of 90 percent by Federal funds. It is proper, therefore, that the Federal Government apply the same standards to this construction that it has applied to other projects financed with public funds.

The Congress will be turning the clock back if it fails to apply the Davis-Bacon provisions at least to the interstate portion of the highway bill before us. This must not be allowed to happen. The Federal Government ought not to become a party to the disruption of labor relations and human relations presently existing in the communities throughout our land.

I earnestly urge my colleagues to support section 112 of the highway bill of 1956.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. Burnside].

Mr. BURNSIDE. Mr. Chairman, I oppose the Dondero amendment.

Mr. Chairman, I also have a wire from the State highway department saying that it is the prerogative of Congress to set the standard of fair labor practices; that they do not wish to try to interfere with the prerogatives of Congress. I feel that this is the attitude of many of the State highway departments. This is quite in contrast to what the gentleman from Texas [Mr. Gentry] said.

I want to ask this one question: Do the Members—and I am sure they do not—want to pay less than prevailing wages to people all over this country? Of course they do not.

Now, here is one other thing we have experienced in this country, the unscrupulous contractors doing what is known in the contracting business as skinning. They go out and get subcontractors to bid; they use this subcontractor's bid which is incorporated in their own bid. They make the bid and get the contract. Then they go to unscrupulous contractors that are known as skinners and get them to bid lower than legitimate contractors. Well, the prices of goods are already set, so the skinners take it out of the hides of the workers that will take these low wages, and that is what we are trying to prevent by setting prevailing wages in the different localities.

The Davis-Bacon Act is used in flood control, and it has been very successful; no opposition. And it has been well administered. We have used it in airport construction as well as in hospital construction and military construction.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Murray].

Mr. MURRAY of Illinois. Mr. Chairman, I rise in opposition to the Dondero amendment and in support of the Davis-Bacon provisions as written within the proposed legislation. The argument that the Davis-Bacon provisions encroach upon the authority of the State in contracting for the construction of the Federal highway system is destitute of substantive merit. The Dondero amendment, in effect, says that the financer of a construction project has no right to control his investment. It is like saying that the bank which finances the construction of a home ought not to be allowed to establish building loan requirements. Labor is a most important contribution to a good highway system. We ought to insure the safety of our Federal investment and the adequacy of our Federal highway system. We must be sure that skilled craftsmen and laborers construct our highways. The enactment of the Davis-Bacon provisions in this highway-construction bill will accomplish that end.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. Bray].

Mr. BRAY. Mr. Chairman, I want to speak in opposition to the amendment offered by the gentleman from Michigan [Mr. Dondero] to the highway bill now before us. This bill includes a provision commonly called the Davis-Bacon provision which requires the Secretary of Labor to determine the prevailing wage rate to be paid on all contracts for the construction of the interstate sections of this road-construction program. The Public Works Committee of this body placed the Davis-Bacon provision in this bill by a 2 to 1 vote, 18 to 9.

This amendment offered by Mr. Dondero would strike this Davis-Bacon provision from this measure. To listen to some of the debate on the floor one might be inclined to believe that the Davis-Bacon provision is an untried, revolutionary and dangerous provision. Many of my colleagues seem to view its effect with great fear and foreboding to the future of the American free-enterprise system and as a vicious assault upon States' rights. I do not intend to attempt to trace in detail the history of the Davis-Bacon Act and its application in construction throughout our Nation.

But first, I would like to point out the identity of these gentlemen, Bacon and Davis, for whom this legislation was named 25 years ago.

Bacon was Robert Bacon, a Republican Congressman from Long Island, N. Y. He was generally recognized as a very able and conservative statesman. Davis who is mentioned in the Davis-Bacon bill was Senator Davis, Senator Jim Davis, from Pennsylvania, who served as Secretary of Labor under President Hoover. I am proud to say that he lived a considerable part of his life in my State and worked in the mills at Elwood, Ind. He was affectionately known among the Hoosiers as Puddler Jim Davis.

The Davis-Bacon bill was signed by President Herbert Hoover. Frankly, I failed to find any great revolutionary tendencies in the history or application of this provision. Incidentally it might be of interest as to why the Davis-Bacon bill was originally passed.

I understand that there was a veterans' hospital constructed in Robert Bacon's district in New York. An irresponsible contractor received the contract and he imported generally cheap and incompetent labor. Later many of these laborers remained in that district and became a charge on the community. The purpose of the Davis-Bacon provision in this highway bill is only to cause contractors on the interstate parts of the highway construction to pay the prevailing wage of that community.

It does not even apply to the construction within the State where the Federal Government only pays 50 percent of the costs.

I believe I am correct in stating that all Federal construction is under this provision. I believe the Hill-Burton Act, which provides the construction of hospitals has incorporated it in the provisions of the Davis-Bacon Act.

Not only are the provisions of the Davis-Bacon Act used in all Federal construction, they are being used in construction where the Federal Government does not put up any of the money. A specific example of this is in the Federal Housing Act where the Federal Government merely guarantees the mortgages for multifamily rental housing. I could go on and on using incidents similar where the provisions of the Davis-Bacon Act have been successfully used for many years, but my time is limited.

The State of Indiana has for many years followed generally the intent of the Davis-Bacon Act where the State fixes the prevailing wage. Labor, the contractors, and the officials of the highway department of Indiana would be against going back to the old cutthroat fighting between contractors where the low bidder succeeded in getting the contract by cutting the pay of the laborer so that they could underbid contractors who paid decent wages.

If the Davis-Bacon provision becomes a part of this Federal road construction program a contractor on any section of our interstate highway will know exactly what he will pay for any type of labor. Competition will be just as strong; the selfish contractor cannot get contracts by merely cutting wages below the prevailing wages of that community. A legitimate contractor will not be in the difficult and untenable position of making a construction bid at the prevailing wage in that immediate locality with the constant fear of having a competitor come from other States and bring in labor at a greatly reduced pay. Opponents of the Davis-Bacon provision state that it will unnecessarily raise labor costs on highway construction. I do not see how this could be the case unless they expect contractors to vie against each other cutting the pay of the workmen down and down. Others maintain that this Davis-Bacon provision in the bill would make a uniform labor rate of pay throughout the country or at least throughout the State. The very wording of this provision eliminates that possibility for it states that the wage shall be fixed at the prevailing wage in the immediate locality of the section of the interstate highway in question. Still other opponents to the Davis-Bacon provision state that the matter of all wage regulation should be left entirely to the State. I cannot see the justification to this stand when the Federal Government is putting in 90 percent of the money in these interstate highways. Another argument against this provision is that the Secretary of Labor would be unfair and would not arrive at a fair wage rate but instead would place a wage rate unfairly high. Those who are opposed to the Davis-Bacon provision for this reason certainly lack a confidence in the Government which I do not feel is justified. This provision has worked successfully in Federal construction for 25 years.

I doubt that this provision will change the situation a great deal in Indiana for we operate generally under similar provisions to the Davis-Bacon provision. But I certainly do not want to deny the Federal Government the right of this provision to insure fair pay when the Federal Government is putting up 90 percent of the money.

The Davis-Bacon provision in this Federal highway bill will, in my opinion, not only insure fair pay to labor, but will eliminate the unfair competition of irresponsible contractors who want to make their profit out of and unfairly compete against other contractors by cutting the wage rate lower than that prevailing in that immediate locality.

The Davis-Bacon provision in this bill will benefit both labor, contractors, and the community generally; and it will lend stability to our roadbuilding program.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Bennett].

Mr. BENNETT of Michigan. Mr. Chairman, I rise in opposition to the amendment by my colleague from Michigan [Mr. Dondero].

I have always favored the provisions of the Davis-Bacon Act and have voted to include it in many Federal aid programs during my years of service in the House of Representatives.

I think the provisions of the Davis-Bacon Act should be retained in the pending bill exactly as it was written by the committee.

The Davis-Bacon Act has worked satisfactorily in Federal construction programs for more than 25 years. It will help rather than hinder the highway construction program. These provisions were designed to protect the workingman against unjust discrimination in wage rates and our workers are entitled

to that protection under this program. Therefore, I shall vote against the pending amendment. I hope it will be rejected, and that this vital legislation, which is so badly needed to improve the Nation's highways, will be passed by an overwhelming majority.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Dingell].

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment now before us.

I preface my remarks by expressing my great personal affection for the distinguished gentleman from Michigan [Mr. Dondero] who I know yields to no one in his affection for service to the common man of this country.

It has been said on the floor of this House that this will mean a $2 billion to $4 billion increase in the cost of the road system. I do not agree that the cost would be raised. But, if that argument is valid, it means to me that people could be compelled to work for less than fair wages. And that is the best argument in the world for the enactment of the bill as it stands now with the Davis-Bacon provision.

The argument makes it clear that we must have this provision to protect the people of our country from unscrupulous contractors who would otherwise construct roads with underpaid labor. Those who use this argument as justification to vote against the bill as it is today are voting against the best interests of our people. This amendment or similar amendments make it possible for a few unscrupulous contractors to squeeze excessive profits from the greatest public-works program of all time and for a minority of unscrupulous contractors to sweat those excessive profits out of the hides of the working people of this country.

I cannot conceive how this great country, in expending $23.5 billion on such a huge road program could be so fearful that the small working people of this country should receive proper compensation for their honest labor.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record; and I also ask unanimous consent that all Members desiring to do so may extend their remarks on this amendment at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RIEHLMAN. Mr. Chairman, I am opposed to the Dondero amendment which seeks to strike from this legislation the Davis-Bacon provision. I believe I am correct in saying that this provision, as now incorporated in the bill, pertains to the construction of interstate highways and does not affect our present State authority to regulate prevailing wages on all other federally supported highway projects. It has never been my desire to allow the Federal Government to usurp any of the States rights. This, however, appears to me to be an entirely different situation. Although my State of New York has the proper facilities now in being to deal with this matter, it is my understanding that many other States would have to set up the proper machinery to handle this type of situation. In this case, it appears to me to be a burden and additional work cast upon these States.

Mr. Chairman, I enthusiastically support this legislation as it originally came from the committee. I think it is one of the most important matters this Congress will act upon. Our President, last year, requested such legislation so that we might start immediately to construct a highway system in this Nation which would meet the needs of our people. With the death toll constantly climbing on our crowded highways, I can think of nothing that we can do in a more effective way to eliminate this problem than by the Federal Government bringing into being this great highway program. Not alone will it be of assistance in the abovementioned problem, but it certaintly will add to the defense of our Nation and to our economy. I hope that this legislation passes the House unanimously, and will be concurred in by the other body, and soon sent to the White House for the President's signature so that it may become law.

Mr. FEIGHAN. Mr. Chairman, I am opposed to, and urge the defeat of the amendment offered by our distinguished, able colleague from Michigan [Mr. Dondero]. The provisions of the Davis-Bacon Act which has been in effect during the past 25 years have proved to be fair and equitable and have contributed to the maintenance of a fair standard of living in every community in which its provisions have been operative. Elimination of the provisions of the Davis-Bacon Act would tend to upset and adversely affect the living standards in communities by permitting the use of cutrate labor which might be imported to work in a community, thus also depriving the local workers of an opportunity for employment.

Several years ago a committee of Congress uncovered a situation where a construction contractor in New Jersey employed foreign ship-jumpers at a wage level far below the prevailing wage rate. We should not permit contractors to exploit wage earners either by threat of exposure or by bidding for workers in an economic slave market.

I not only oppose the amendment by the gentleman from Michigan [Mr. Dondero] but I also feel that in ascertaining what is the prevailing wage, there should be taken into account and included therein, fringe benefits that accrue to workers. It is my hope that this amendment will be defeated.

Mr. VANIK. Mr. Chairman, I rise in opposition to the Dondero amendment—its enactment would constitute a backward step in employment on public construction.

Congress has long recognized the need of prevailing wage legislation on Federal grant-in-aid construction programs and insured or guaranteed programs. The Davis-Bacon Act has been made applicable to the Federal Airport Act, School Survey and Construction Act of 1950, Hospital Survey and Construction Act, Slum Clearance and Urban Renewal Act of 1954, National Housing Act, multifamily rental housing under FHA, Defense Housing and Community Facilities and Services Act of 1951, Lease Purchase Contract Acts of 1954.

The provisions of the Davis-Bacon Act are fair and essential legislation which must be retained in this highway act. The Dondero amendment must be defeated.

Mr. TOLLEFSON. Mr. Chairman, I consider it essential that sound Federal-aid highway construction legislation include a provision requiring prevailing wage standards as outlined by the Davis-Bacon Act. This act provides a sound and fundamental concept of the role of Government in Federal programs sponsoring construction. The principle of the law is time-tested and has been valuable as a remedial measure to protect contractors and craftsmen from unfair contract bids. Failure to include it is manifestly unfair to law-abiding contractors who may be underbid by other contractors paying below local existing wages. It is a necessary measure to eliminate existing unfair bidding advantages of contractors who pay low wages in areas where union rates prevail. The Davis-Bacon provision in the highway-construction measure would provide a proper wage scale.

This provision would prevent the Federal Government from becoming a party to the breaking down of existing prevailing practices regarding wages, hours of work, health, welfare, pensions, overtime provisions, and other working conditions which have been privately negotiated between contractors and construction craft unions.

Originally, the Davis-Bacon Act was enacted in 1931 because the Congress of the United States realized the seriousness of the labor problems created by Government construction contracts which, at that time, were operating to the advantage of the lowest bidder and creating an imbalance in the labor market when nonunion workers were brought into a State to work for exceedingly low wages.

Since 1931, however, when the Davis-Bacon provision has been applied by the Congress it has to its credit the following accomplishments:

First. Equality of bidding opportunity has been guaranteed to all contractors. It protects them against unfair competition and restricts the area of competition to economy and efficiency.

Second. Local employment has been assured by the provision because no advantage can be gained by importing workers from lower wage rate areas.

Third. It protects the standard of living of the local craftsmen.

Fourth. It has fostered industrial peace wherever it has been applied because it removes the prime cause of disputes on these projects.

Fifth. Collective bargaining has been encouraged by it.

Sixth. It has prevented the disturbance of local economies.

Seventh. Through this provision contractors have been able to receive an adequate supply of skilled, experienced, and competent construction craftsmen at the wage rate contained in the contract specifications.

Federal acts which have provided for a prevailing wage clause include the following:

Housing Act of 1937, as amended by the 1949 act;

Federal aid for public airport development of 1946;

Hill-Burton Facilities and Hospital Construction Act of 1946;

School survey and construction of school facilities in federally affected areas of 1950;

Defense Housing and Community Facilities and Service Act of 1951;

Slum clearance and urban renewal program in the Housing Act of 1954;

Multifamily rental housing under the Federal Housing Administration Lease Purchase Contracts Act of 1954.

In my opinion, it would be an act of gross neglect for the Congress, in the light of these facts, to enact legislation for a large highway-construction program without the Davis-Bacon provision. This would seriously hamper the program and the interests of labor.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCormack] for 1½ minutes.

Mr. McCORMACK. Mr. Chairman, I want to congratulate the full Committee on Public Works for the wonderful work they have done in bringing out this very difficult bill and particularly to pay tribute to the gentleman from Maryland [Mr. Fallon] and the members of his subcommittee, upon whom that arduous task in particular devolved.

We all know the history of this bill, the journey that was taken last year. I want to congratulate both sides of the aisle for the bipartisan support of this very important bill for the best interests of our country, which bill incorporates the Democratic policy of last year.

With respect to the Dondero amendment, may I say that while I know that my friend from Michigan does not intend it—there is no finer Member of Congress with whom I have served than my friend the gentleman from Michigan [Mr. Dondero]—the result of his amendment would be to bring about cheap labor so far as this great program is concerned. The Committee on Public Works wisely considered this, and by a great majority of the members of the committee the provisions of the present bill were favorably reported.

I sincerely hope that all amendments that may be offered to the provisions of the bill will be defeated and that the bill will be adopted by the House.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Several Members who were recognized by the Chair yielded back their time. Is that time to be divided among those who have not been called?

The CHAIRMAN. There was a time limit fixed in the motion of the gentleman from Maryland [Mr. Fallon]. When that time is reached, debate will conclude. We have endeavored to divide the time so that each Member desiring to speak would be recognized for approximately 1½ minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. What then becomes of that unused time?

The CHAIRMAN. I am sure there will not be any unused time. The Chair recognizes the gentleman from Washington [Mr. Mack] for 1½ minutes.

Mr. MACK of Washington. Mr. Chairman, in my earlier statement on this amendment I said that this Davis-Bacon prevailing wage provision was a Republican law. The authors of that act were two Republican Members of Congress. The bill was passed by a Republican Congress. It was signed by a Republican President. I think the gentleman from Indiana [Mr. Madden] unwittingly was in error when he said that the Davis-Bacon law was passed by a Democratic Congress while John Nance Garner was Speaker. The Davis-Bacon law was enacted by the Congress in February 1931 during the first Congress of the Hoover administration. That first Congress of the Hoover administration was a Republican Congress.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Indiana.

Mr. MADDEN. I will accept that correction because the Congress did not change until March 4.

Mr. MACK of Washington. It was in February 1931 that the Davis-Bacon Act was passed.

I have been a member of the Committee on Public Works for 10 years. During that period about $7 billion has been expended by the Federal Government on flood-control and river-and-harbor work. All of this work has been carried out under the Davis-Bacon provision of the law, and there has been no strife and no complaints from the Army engineers or from any Member of Congress that the Davis-Bacon provision created labor trouble or that it increased costs.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Holifield].

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the Dondero amendment and in support of the section which provides that the Davis-Bacon Act shall be in the bill.

In the time allotted to me I can answer only one argument that has been made. I believe the gentleman from Texas [Mr. Alger] said that the Davis-Bacon Act was to substitute a Federal mandate for collective bargaining. I can answer that argument by saying that, in those areas where collective bargaining obtains, the prevailing wage rate has already been set by the collective-bargaining method and only then can it be recognized by the Federal Government. In those areas where the wages have not been set by collective bargaining, a perusal of the wage records paid for that type of work is the criterion the Federal Government uses in determining the wage rate of the local area.

Therefore, the adoption of the Dondero amendment would guarantee that every area which had a lower rate of wage than the community involved would have a labor-use advantage, and the prevailing wage would not be paid in each particular locality. Cheap labor would be transported from a cheap-labor area into a higher labor-cost area. Thus each area would be at the mercy of a cheaper labor area.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Chairman, in debating the issue of applying the Davis-Bacon principle to the construction of highways built largely or substantially with Federal funds, we are discussing a very simple issue. It is whether we shall allow the use of Federal fund in operations that, unless safeguarded, will depress the actual prevailing wages for highway projects area by area all over the country.

We are not discussing whether "local labor" shall be employed on the highway projects. We are not discussing whether farmers who want to get temporary jobs on such projects shall or shall not be employed. The only thing we are discussing is whether, if employed, they shall be paid substandard wages or adequate wages, equal to those already prevailing in their communities and areas. It is simply whether they shall be underpaid or paid decently.

The Davis-Bacon Act does not require the employment of union labor or nonunion labor. It does not say who shall or shall not be employed. It says that a contractor who wins a contract for certain Government-financed construction projects must pay the going prevailing wage in the area of construction, as determined after findings of fact.

The logic behind the law is clear and it is well-established. It has been deemed socially undesirable for Federal funds to be spent in operations that might tend to lower wages, depress purchasing power and undermine the established pattern of wages in local areas.

This same principle is embodied in the Walsh-Healey Act that governs Federal expenditures for the vast quantities of material the Government, through its many branches, buys from private industry. These laws have been on the statute books for many years and they are essential to the protection of the American standard of living. The impact of Federal expenditures is great. Without the safeguard of the prevailing-wage concept of the Davis-Bacon and Walsh-Healey Acts, a corner-cutting contractor could underbid all competitors and take the cost out of his workers' hides. And the effect would be to burrow under the wage standards carefully developed, out of experience and mutual agreement, in community after community as right and fair.

What would happen if we refuse to apply the Davis-Bacon principle to this highway-construction program? We would be giving a license to unscrupulous contractors to roam the country, bidding on project after project with the clear knowledge that they intended to underpay their workers, and win the bids. Then they would either import labor from other sections—labor allegedly willing to work for their substandard wages—or they would hire local labor and underpay these local workers, too.

What would happen if, as we should, we retain the Davis-Bacon principle in the bill? All contractors, whether or not they employ union workers, would still be free to bid. They could still hire local labor, still hire farmers who want to pick up some money by working on these projects we are proposing to finance with enormous outlays of Federal funds. They would be forbidden just one thing: They would be forbidden to undercut the prevailing construction wages in paying their workers. A contractor would be given fair notice that he has to pay prevailing wages, that he cannot cut corners in his bids by scheming to pay substandard wages, that he must invent his efficiencies and economies in some other field.

Let us face a simple fact: American prosperity depends very largely on widespread purchasing power. It depends on the take-home pay of millions and millions of people, who are eager consumers of the products of American industries and farms. Slash their pay, take away from them the prevailing wage scales they have won, and you deprive them of the power to buy food and fibers, refrigerators, washing machines and television sets. If we want to vote the country into a recession that becomes a depression, the way to do it is to pass laws that undermine wage scales.

It is morally, socially, and economically desirable for the Federal Government to regulate its expenditures so that they will not have a depressing effect on wages. And we are involved now in a discussion of the expenditure of billions of dollars in Federal funds over a long period.

These expenditures should be regulated in such a way that they will not undermine area-by-area prevailing wages that already exist. And the way to do this is simply to apply the Davis-Bacon principle.

If the principle is right on other construction projects financed with Federal money, it is right on the construction of highways. If the Walsh-Healey provision of prevailing wages on Government purchases from private industry is right, it is right and correct for highway building. There is nothing special about highway construction that justifies us in saying to a contractor, "Oh, all right, go ahead and undercut your competitors in your bids, and we shall just close our eyes to the fact that you intend to do it by depriving your workers of an adequate wage."

A vote against the Davis-Bacon provision for highway construction is simply a vote to undermine existing wages, no matter how sincere a person may be in thinking that way. A vote to retain the Davis-Bason principle in this bill is a vote in favor of decent wages, as worked out voluntarily in areas, and it is a vote to say that Federal expenditures shall not be used to scuttle decent wages.

I hope very much that local labor and farmers shall benefit generously from the vast road-construction program we seek to authorize and finance. I hope workers and farmers in the district I have the honor to represent will obtain their fair share of the expanded employment this bill would provide. But I want them to be adequately paid for their toil. I want them to get what they are entitled to in wages, not to be victimized by corner-cutting on contractors' bids. I very much hope that this House will not make the tragic mistake of striking out the Bacon-Davis protection of workers contained in the bill as it came from committee.

I urge the defeat of the Dondero amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. McGregor].

Mr. McGREGOR. Mr. Chairman, I yield to the distinguished gentleman from Michigan [Mr. Dondero].

Mr. DONDERO. Mr. Chairman, in answer to what seems to be a point of confusion in the minds of many people, may I say that there is nothing in this amendment which takes away the rule of the prevailing wage. We all want the prevailing wage to be paid to labor. Nobody in this House on either side of the aisle desires otherwise. All we ask is that the States do it as they have in the past, and not the Federal Government. That is the only difference. You want one man to do it. I want the 43 States to do it. They have done it for the last 40 years on road construction, fairly and successfully.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I might say that I know my good friend has a water pollution bill before our committee with the Davis-Bacon law in it.

Mr. McGREGOR. I yield to the gentleman from Minnesota.

Mr. BLATNIK. The point was raised earlier that only 15 States of the 48 today have prevailing wage laws that apply to this kind of construction. How will wages be predetermined in the rest of the States? You are going to ask the Federal Government to turn over this tremendous responsibility to the States without knowing?

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Gray].

Mr. GRAY. Mr. Chairman, I stood in this well yesterday and gave a bouquet of roses to my distinguished friend, the ranking minority member on our committee, the gentleman from Michigan [Mr. Dondero], for his distinguished service in this House. However, I feel today that he has offered an amendment that is not in the public interest. I ask all my colleagues to oppose it because if the Dondero amendment is adopted you are opening up the door, you are taking the chance of displacing laborers in your own congressional districts. If they do not have a good State prevailing wage, they can import Mexican wetbacks or anyone else they want to into your districts to build highways. I have 51,000 people in my district on relief. We need the work. We need southern Illinois people building roads in southern Illinois. We do not need somebody imported from somewhere else.

I ask you to vote down the Dondero amendment. Let us give a prevailing wage that will be equal throughout the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. Fisher].

Mr. FISHER. Mr. Chairman, I would like to ask the gentleman from Michigan [Mr. Dondero] for some further clarification of his amendment. There seems to be some misunderstanding. I have heard it said here that, if his amendment is adopted, it would result in starvation wages being paid. Somebody said that they would be paying $2 a day to build highways. Could the gentleman reiterate just what his amendment does with respect to prevailing wages?

Mr. DONDERO. Yes, sir; it leaves to the States the fixing of prevailing wages. And anybody who says that if the amendment is adopted the States will allow the payment of low wages, is certainly indicting every State in the Union and every labor organization of his State, that is, the labor departments and also the highway departments. I have never heard that claim made as to the 48 States, and it will not be made now.

Mr. FISHER. In other words, the gentleman feels that the States are in a better position to determine the prevailing wage for their own people in their own States where the labor is recruited than would be possible through Washington.

Mr. DONDERO. That is exactly so.

Mr. FISHER. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Hoffman].

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Michigan [Mr. Dingell] has already obtained that permission for the gentleman.

Mr. HOFFMAN of Michigan. I understood the gentleman from Michigan to say all those who so requested.

The CHAIRMAN. The gentleman is now making the request and the Chair assumes that the permission granted would cover the gentleman's request as well.

Mr. HOFFMAN of Michigan. Then I get both?

The CHAIRMAN. Yes. Without objection, it is so ordered. There was no objection.

Mr. ALGER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. ALGER. Mr. Chairman, I have heard a lot of talk——

Mr. LONG. Mr. Chairman, I object.

Mr. HOFFMAN of Michigan. You cannot do that.

Mr. ALGER. Mr. Chairman, I have heard a lot of talk reflecting the wisdom of the Members of this House. I am not going to name any. I have no bouquet to present to this House, as was presented yesterday. But, I do present the galley proofs of the hearings which I have read three times in addition to not having missed a hearing. These contain the facts substantiating our legislative efforts. Here are the hearings and yet I am hearing arguments today different from what was actually presented before our committee. How about the alleged "unscrupulous contractors"—there was not one case substantiated in our committee. It is all here in the record. How about some of the other cases relative to jurisdictional disputes? I say again read page 370 through 380 which includes the court records which I think may be illuminating, which may give some illuminating information. How about the New Hampshire unscrupulous contractor? It turned out that the accused contractor was never in the State at all. Then there was the Massachusetts case of 300 workers who were imported. It turned out later there was no case at all. On page 318, and on page 365. Now about the misrepresentation. Maybe labor has a good case and I will go with them if they have. I am a newcomer. I listened to the facts in my committee and I hear distortions and I hear outright lies as far as I can determine. I merely feel myself that the kind of organization behind intentional misstatements to this great body, this national forum, must have an ax to grind that they have not told us about. Necessarily I must believe the facts. Further than that, how about the local economies? There will be a great disrupting influence by the imposing of Federal wage fixing alongside the existing State law. Obviously the two cannot exist together. Therefore the proponents of Davis-Bacon Federal wage control will extend their influence to all roads. In this and in other measures we do not confront the problem squarely but legislate obliquely away from what is right and fair.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Louisiana [Mr. Long].

Mr. LONG. Mr. Chairman, I rise in opposition to the Dondero amendment.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield.

Mr. ROOSEVELT. I appreciate the gentleman yielding to me. I wanted to make sure it was understood that I rose previously in opposition to the amendment, but I did not get the time to say it. I do also want to point out something I think we should emphasize—and that is, this Dondero amendment would mean that each of the 48 States, except for the 15 that now have the machinery, would have to put up machinery in order to comply with the proposed amendment. Many of the States only have machinery which is confined to minimum wages.

Thus, instead of having a prevailing wage, they would have a minimum wage. I am sure the gentleman does not want that, and I am sure this House does not want that. Therefore I think it strikes a deadly blow to the amendment offered by the gentleman from Michigan [Mr. Dondero]. There is a real moral question here. This proposed amendment would destroy all the great gains made under the Bacon-Davis Act. We must continue to protect the employment and purchasing power of all craftsmen without distinction. We must protect local citizens and local communities. We must protect the overwhelming majority of honest contractors. Finally, we must discourage industrial disputes and encourage sound collective bargaining. All this the Bacon-Davis Act, with a quarter of a century of experience proves it does. Defeat of this proposed amendment keeps us from turning the clock back to some of the worst of the worst evils of the 1920's.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. Long] has expired.

The Chair recognizes the gentleman from Michigan [Mr. Machrowicz].

Mr. MACHROWICZ. Mr. Chairman, last year when I was still a member of the Public Works Committee it was my pleasure to introduce the Davis-Bacon amendment that is now being considered. I agree wholeheartily with what our majority leader has said. I have a high respect for my colleague, the gentleman from Michigan [Mr. Dondero], who has a very honorable record in this House. Less than a year ago he supported the very Davis-Bacon amendment which he is now opposing.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. DONDERO. I think the gentleman is mistaken. I rose on the floor and simply said I had no objection.

Mr. MACHROWICZ. That is correct. And in the committee the gentleman voted for it, and in the bill which he introduced he included the Davis-Bacon amendment.

Of course he is not here to oppose any prevailing wage legislation, but the effect of his amendment is to do that. All those who are opposing the prevailing wage to be paid are also supporting the Dondero amendment. It is very evident that this amendment would kill the Davis-Bacon amendment. I note also that some brickbats have been thrown at the building contractors' profession. I am happy to say that I have many letters from honorable contractors in my area supporting the Davis-Bacon amendment.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Machrowicz] has expired.

The Chair recognizes the gentleman from California [Mr. McDonough].

Mr. McDONOUGH. Mr. Chairman, I am opposed to the Dondero amendment and rise in favor of retaining the provisions of the Davis-Bacon Act in the highway bill we are now considering.

The vast scope of this highway bill which will extend to all parts of the Nation, and the large sums of Federal funds which will be expended will require that the Secretary of Labor must act as the administrator and enforcing officer of the Federal Government to see that fair and prevailing wages are paid to the workers and thus remove the confusion that would otherwise prevail if it were left to the States as proposed by the gentleman from Michigan [Mr. Dondero].

I have always favored fair and adequate wages for employees and I believe that the only certain way that this can be done under this bill will be to retain the provisions of the Davis-Bacon Act.

This act was authorized by two outstanding Republicans and passed by a Republican Congress, and whenever it has been applied where Federal funds have been used in construction work it has been a great help to the workers and has removed chiseling by unscrupulous contractors and reduced confusion to a minimum. For this reason I am opposing the Dondero amendment and supporting the Davis-Bacon Act provisions in this bill. I urge the Members of the House to do likewise.

The CHAIRMAN. The gentleman from Michigan [Mr. Knox] is recognized.

Mr. KNOX. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KNOX. Mr. Chairman, on February 23 I introduced H. R. 9498, which would, in effect, increase the total mileage of the Interstate Highway System to 42,300 miles, which would be an increase of 2,300 miles beginning at some point on the existing highway system in the eastern portion of the northern peninsula of Michigan and extending across that peninsula running in a general westerly direction through Wisconsin, Minnesota, North Dakota, Montana, and Idaho and ending in Everett, Wash.

Since I introduced my bill I have been joined by Congressman John Bennett, of Michigan; Alvin O'Konski, of Wisconsin; Mrs. Coya Knutson, of Minnesota; and Lee Metcalf, of Montana, as well as all of the Senators in the States along this proposed route.

This proposed route would run parallel with the northern border of the United States and have a direct connection with the Alcan Highway. This entire area along the northern perimeter of the United States was not included in the designation of the Interstate Highway System.

In recent years there has been a tremendous growth of industries—lumber, minerals, oil, and nuclear in the States along this route.

In justification of this authorization to increase the Interstate Highway System by 2,300 miles is a 4-lane highway bridge under construction across the Straits of Mackinac connecting the 2 great peninsulas of the State of Michigan. The only highway designated under the Interstate Highway System in northern Michigan is from this bridge across the Straits of Mackinac to Sault Ste. Marie, Mich., where such highway terminates at the international border.

It is a well-known fact that the northern perimeter of the United States is the defense line of our country. Located along the northern perimeter are vast installations of radar stations that, in my opinion, should be directly connected through this proposed route in order that we may have adequate access to these installations in time of emergency.

I request favorable consideration by the Public Works Committee for an early hearing on this new authorization to provide additional mileage to the Interstate Highway System which we are considering on the floor of the House today. The proposal is in the best interest of the traveling public and the military in periods of peace or emergency.

On behalf of myself and my colleagues sponsoring this bill, I urge that this proposal be given every consideration and approval so additional mileage can be added to the strategic highway system in the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. McGregor].

Mr. McGREGOR. Mr. Chairman, I agree in a portion of the statement made by the gentleman from Michigan [Mr. Machrowicz]. I feel certain that no one has intentionally accused the overall contracting group of being unfair. There are possibly some people in most every organization who do not do everything they are supposed to do. I concur in the statement made by the gentleman from Michigan as to the profession of contractors generally—they are a fine, honest group of people—and are doing their part to make an honest living, and giving the people dollar value for dollar received.

The CHAIRMAN. The Chair recognizes the gentleman from New York, [Mr. Keating].

Mr. KEATING. Mr. Chairman, I am opposed to the Dondero amendment. My opposition stems from several sources.

In the first place, there are definite, well established and sound precedents for the inclusion of Davis-Bacon provisions in this bill. The Davis-Bacon Act now applies to all direct Federal construction as well as to Federal-aid projects involving schools, hospitals, housing, and airports. Federal prevailing-wage requirements at present apply to all highway construction where the Government is the contracting party.

It seems logical, therefore, that since the greatest part of the interstate system is to be financed by Federal funds, the labor standards normally applicable to Federal construction should also apply to this great undertaking in highway construction. My conviction is doubly strengthened by the fact that the Federal contribution in this case is greater, percentagewise, than in other federally assisted programs where Federal prevailing-wage requirements now apply.

Secondly, it is manifestly clear to me that since the Federal Government is so deeply involved, we should guarantee equal application of the laws in all States. This safeguard is provided for in the highway-construction bill by inclusion of the Davis-Bacon Act provision.

Mr. Chairman, I see no reason for departing from precedent or from rules of fair play and justice in the legislation under consideration. Therefore, I oppose the amendment offered, without doubt in all sincerity, by the gentleman from Michigan.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. Burnside].

Mr. BURNSIDE. Mr. Chairman, I want to agree with my colleague from Ohio in his statement. There are only a few of them who are causing this trouble, most of the contractors have a good record.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Boyle].

Mr. BOYLE. Mr. Chairman, I, too, rise in opposition to the Dondero amendment. Since that great friend of labor, the gentleman from Indiana [Mr. Madden], did not have an opportunity to develop his argument, I yield to him now.

Mr. MADDEN. Mr. Chairman, when I was interrupted by the termination of time I wanted to call attention to a situation which arose in Indiana. We are building a large toll road through my district, and thousands of workers are coming from all over the Nation, some with trucks, to work on that toll road. We have already had wage trouble between contractors on that toll road. On a 15-year project like this, with $30 billion being expended, there will be more building road contractors than there are lawyers and doctors in this country, because they will bob up overnight, and if unemployment should go down you will find competition among those contractors to see how cheap they can hire labor. You would be surprised at the hundreds of thousands of people who may want to go into the road-building business on a $30 billion project like this.

Unless the provisions of the Davis-Bacon Act are applied in order to control certain unscrupulous contractors, one State may tie up work in another State because of wage differentials in the two States. It is difficult to estimate the hundreds of thousands of workers who will work on this National Highway System over the next 15 years. Let us not hamper the great program at the start by allowing certain unscrupulous contractors to take advantage of a possible heavy labor market by underbidding their fellow contractors for cheap labor.

The CHAIRMAN. The gentleman from California [Mr. Shelley] is recognized.

Mr. SHELLEY. Mr. Chairman, I rise in opposition to the amendment proposed by my distinguished colleague from Michigan, and in support of the Davis-Bacon provisions contained in section 112 of the bill. I intend to vote against this amendment and I urge all my colleagues on both sides of the aisle to do likewise.

Mr. Chairman, the Committee on Public Works by a majority vote has seen fit to write the provisions of the Davis-Bacon Act into the legislation which we are now considering. This decision was arrived at after lengthy hearings and much testimony. It would seem to me that the committee was totally correct when it stated that it could not see why an exception should be made in the highway-construction program when the Davis-Bacon provisions apply to all direct Federal construction as well as to contracts for schools, hospitals, housing, as well as other projects built with Federal money. The highway program is to be largely financed by Federal funds and I am convinced that, under these circumstances, the Congress should state here and now that the prevailing rate of wages in the immediate locality must be paid to people employed under contracts which come into existence as a result of the Federal Highway Act.

The provisions of the Davis-Bacon Act as they are written into this bill are of benefit both to the contractors as well as to the workers engaged in highway construction. They specify that contractors holding Government contracts must pay their employees the prevailing wage existing in the community in which they are working on a given project. This is now a generally accepted requirement among all legitimate contractors who deal with the Federal Government. Any opposition to this requirement generally stems from a certain few unprincipled operators who attempt to submit low bids for Government contracts at the expense of their badly paid employees. Naturally, their bids are a good deal lower than that of the conscientious businessman who is making a real effort to see that his employees are enjoying the same high standard of living as they are entitled to in a country such as this.

The Davis-Bacon provisions offer important protection to the working people of the United States—and I happen to believe what benefits the majority of the people in this country benefits the country as a whole. It protects workers as well as employers from exploitation by a few unscrupulous operators as well as from low wages in the largest single public-works program which this country has seen to date. The merit of such a formula is proved by the fact that almost every Federal contract in operation for a number of years now has included this provision. Moreover, the Davis-Bacon provisions in section 112 guarantee a fair and uniform administration, as well as the recognition that wage scales vary throughout the country. It can be looked at as merely an attempt to adhere to the scale prevailing in given areas.

The CHAIRMAN. The gentleman from California [Mr. Scudder] is recognized.

Mr. SCUDDER. Mr. Chairman, as I advised the House yesterday during general debate, I feel that the committee has given to the Congress a good bill, one which we can support, a bill which will give us the highways we need in the country. I do not believe that the pending amendment is conducive to good relationships in this program. I believe that the provision should remain and I am against the adoption of the pending amendment.

The CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. Dondero].

The question was taken; and on a division (demanded by Mr. Fogarty) there were—ayes 77, noes 192.

So the amendment was rejected.

Mr. ALGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 24, line 25, immediately before "The" insert:

"(a) Prevailing wages."

On page 25, immediately after line 9, insert:

"(b) Judicial review under Davis-Bacon Act: Section 7 of the Davis-Bacon Act (40 U. S. C., sec. 276a–6) is amended to read as follows:

" 'Sec. 7. (a) Notwithstanding any provision of section 4 of the Administrative Procedure Act, such act shall be applicable in the administration of section 2 and the first section of this act.

" '(b) All wage determinations under the first section of this act shall be made on the record after opportunity for a hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made in the manner provided in section 10 of the Administrative Procedure Act by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor who is in any industry to which such wage determination is applicable.

" '(c) Notwithstanding the inclusion of any stipulations required by any provision of this act, any interested person shall have the right of judicial review of any legal question which might otherwise be raised, including, but not limited to, wage determinations and the territorial applicability of determinations of the Secretary of Labor.' "

Mr. MACHROWICZ. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MACHROWICZ. Mr. Chairman, I make the point of order that this proposed amendment tends to amend another act of this Congress, namely, the Davis-Bacon Act.

The CHAIRMAN. What is the point of order?

Mr. MACHROWICZ. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MACHROWICZ. Mr. Chairman, is this amendment in order in that it attempts to amend other legislation collateral in this bill?

The CHAIRMAN. Is the gentleman making the point of order that this amendment is not germane to the bill?

Mr. MACHROWICZ. That is correct.

The CHAIRMAN. Does the gentleman care to be heard on the point of order?

Mr. MACHROWICZ. Mr. Chairman, as I read the amendment, it attempts to make new provisions in the Davis-Bacon Act, an act which is not germane to the bill which we are now considering.

Mr. BLATNIK. Mr. Chairman, this amendment is completely out of order. It is an attempt to amend basic labor legislation which originated in the Labor Committee.

The CHAIRMAN. Does the gentleman from Texas [Mr. ALGER] care to be heard on the point of order?

Mr. ALGER. Briefly, Mr. Chairman.

There are two acts of Congress at the present time that are primarily important in the field of Government contracts, the Davis-Bacon Act which relates to contracts for construction, and the Walsh-Healey Act which relates to procurement contracts. Both acts are substantially similar in content in that they require that Government contracts contain a stipulation that contractors with the United States pay wages at rates determined by the Secretary of Labor to be the rates prevailing in the locality with respect to which the determination is made.

In 1939 the United States Supreme Court, in the case of *Perkins* v. *Lukens Steel Company* (310 U. S. 106), held that certain persons challenging the validity of wage determinations made by the Secretary of Labor under the Walsh-Healey Act did not have standing to sue. Because of this decision, section 4 of the Administrative Procedure Act provided that matters relating to public contracts were to be excluded from the operation of that act.

On June 30, 1952, the Defense Production Act Amendments of 1952 became law. Section 301 of that act, commonly known as the Fulbright amendment provided, by an amendment to the Walsh-Healey Act, that the Administrative Procedure Act should be applicable in the administration of the Walsh-Healey Act, and provided for judicial review of determinations made under that act. The Fulbright amendment has been held to confer standing to sue upon certain parties challenging wage determinations of the Secretary of Labor in the case of *Mitchell* v. *Covington Mills* (229 F. 2d 506), and to that extent, overrides the decision of the Supreme Court in Perkins against Lukens Steel Co.

H. R. 10660, in section 112, provides that the prevailing rate of wages, as determined by the Secretary of Labor, shall be paid in the case of certain construction on the interstate system. The amendment proposed to section 112 is substantially identical in form to the Fulbright amendment to the Defense Production Act Amendments of 1952, and will make the procedures presently applicable to determination under the Walsh-Healey Public Contracts Act also applicable to determination under the Davis-Bacon Public Contracts Act.

In other words, the amendment will bring symmetry into the law of Government contracts.

The CHAIRMAN. The Chair is ready to rule.

The effect of the amendment would be to amend two acts of the Congress, one reported by the Committee on Education and Labor, and the other the Administrative Procedure Act which, it so happens, I was responsible for. The Chair feels that the orderly, proper, and legal way to amend this act is by an amendment to the act itself and not indirectly by amending collaterally.

The Chair therefore sustains the point of order.

Mr. ALGER. I made that statement simply because I knew it had been done that way before, and apparently a point of order had not been raised in the other body.

The CHAIRMAN. There had been no point of order raised, and I am sure, had it been raised in the instance cited by the gentleman as a precedent, the point of order would have been sustained.

Mr. ALGER. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. ALGER:

On page 24, line 25, immediately before "The" insert:

"(a) Prevailing wages."

On page 25, immediately after line 9, insert:

"(b) Procedure for wage determinations:

"(1) Applicability of Administrative Procedure Act: Notwithstanding any provision of section 4 of the Administrative Procedure Act, such Act shall be applicable to the wage determinations by the Secretary of Labor under subsection (a) of this section.

"(2) Hearings and judicial review: All wage determinations under subsection (a) of this section shall be made on the record after an opportunity for a hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made, in the manner provided in section 10 of the Administrative Procedure Act, by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor who is in any industry to which such wage determination is applicable.

"(3) Questions reviewable: Notwithstanding the inclusion of any stipulations required by the Secretary of Commerce in any contract subject to this section, any interested person shall have the right of judicial review of any legal question which might otherwise be raised, including, but not limited to, wage determinations and the interpretation of the term 'immediate locality'."

Mr. BLATNIK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLATNIK. The amendment is out of order on the ground that it applies to basic legislation which originated in another committee of the House, the House Committee on Education and Labor, and this manner of amending that basic legislation should not be allowed to prevail. The amendment is not germane to the bill under consideration, the title of which reads in part "To amend and supplement the Federal-Aid Road Act."

Mr. ALGER. Mr. Chairman, this amendment is quite different from the preceding amendment in that the preceding amendment would have amended the entire Davis-Bacon Act. This amendment is directed solely at this bill and the wages paid on the Interstate System, which is all the Davis-Bacon provision is to apply to. Therefore, it seems to me that it is very much germane and certainly should be considered by this body, since it extends to the American people the thing which I believe we all must agree to, that they ought to have the right of court review; that the Davis-Bacon Act should not deny them the right to be heard in court, a right which they do not now have, and I challenge the membership to cite me to the contrary and to so prove it.

The CHAIRMAN. The Chair is of the same opinion with reference to this proposed amendment as it was with respect to the last one, and therefore the point of order is sustained.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last word.

Mr. DEMPSEY. Mr. Chairman, as a member of the Committee on Public Works, I thought it advisable to make an explanation of a portion of this bill.

There has been a lot of controversy over the relocation of utilities. I have had several people ask me today on the floor how far it went, who had authority, and so forth. Our committee made a report, which was written by our staff, in cooperation with the Bureau of Public Roads. The Bureau of Public Roads had the belief, in which I concur, that it should have some authority from Congress to continue the cooperation with the States in using road funds for the moving of utilities. The Bureau thought that in this bill, which I think is one of the best road bills this Congress has ever had before it, we should clarify this situation and that is what we tried to do in our report. I shall read just the last two lines of the report, which was unanimous. This report reflected the unanimous feeling of the members of the committee and the Bureau of Public Roads. I think everyone who spoke here today tried to emphasize that. But I want to be sure that our chairman feels that none of the amendments offered would in any way change the intent of the language of this report. This is what our committee said unanimously:

> There is no requirement in this section, either express or implied, that a State must pay all or any part of utility relocation costs.

That statement is clear. It means that the State determines what percentage, if any, the State shall pay and what percentage the Federal Government shall pay in the matter of relocation of utilities. I do not think anything could be less objectionable than what we say in our report, and I am sure what was said in the report is what we mean.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Maryland.

Mr. FALLON. I think the gentleman is concerned with whether the Jones amendment would change the intent as outlined in the report. The Jones amendment makes it even more clear that the language of the report shall be carried out.

Mr. DEMPSEY. Mr. Chairman, the statement I have just read from our committee report, as I understand it, means that the States determine whether or not they shall contribute and to what extent.

Mr. FALLON. That was the reason for the Jones amendment. It made even clearer the language we reported out of the committee.

Mr. DEMPSEY. I think that is as plain as we can make it. I thank the gentleman very much.

Mr. BALDWIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BALDWIN: On page 26, after line 4, insert the following new subsection:

"(d) Maximum limit on Federal reimbursement: It is provided, however, that in no case shall Federal reimbursement under the provisions of this section exceed 50 percent of the cost of relocation of utility facilities involved."

Mr. BALDWIN. Mr. Chairman, during the deliberations by the Subcommittee on Roads and by the Committee on Public Works relative to the utility section, two problems were raised at various points that have been of concern to some of the members of the committee. One of the questions raised has been solved by the Jones amendment. That is the question that we want to be sure that we do not do anything that would cause any violation of State laws or State contracts. That has been solved by the Jones amendment and I supported that amendment today.

The other question that some of us raised in the subcommittee and in the full committee is that this section on reimbursement of utilities is expanding the available Federal contribution on Federal interstate roads from a lower limit that now exists to a 90-percent limit. At the present time, if a State reimburses utilities, the Federal Government, on primary and secondary roads, under present procedure of the Bureau of Public Roads, may reimburse up to 50 percent. We have a 50-percent provision in our presently existing highway laws. On interstate roads at present the Federal contribution is limited to 60 percent if the State does reimburse the utilities, but this section in the present bill is now making an increase available of Federal funds up to 90 percent in case the State does provide in its State laws for 100-percent reimbursement.

The thing that has concerned me about this, and I think it has been of concern to some others, is the fact that we are setting up a situation where there can be great pressure upon the State legislatures from people representing utility companies who can go to those State legislatures and say, "If you pass a law providing for 100-percent reimbursement of utility relocation on Federal interstate highways it will only cost your State 10 cents on the dollar. The other 90 cents will come from the Federal Government. Therefore, under those circumstances we would like you to pass that type of law."

The purpose of the amendment I have submitted is similar to set a maximum ceiling beyond which the Federal reimbursement cannot go, that maximum ceiling being 50 percent. I would like to point out that this amendment does not in any way change the fact that we are limiting the remainder of the section to State laws. This maximum-ceiling limitation will not in any way contravene any State laws. This states the limitation beyond which the Federal contribution will not go.

If the State at the present time is only reimbursing a utility 50 cents on the dollar, then under our highway formula of 90 percent reimbursement on interstate highways we would still reimburse 45 cents out of the 50. But if the State has pressure brought to bear on it to go up to 100 percent reimbursement, the Federal contribution will be restricted to a maximum of 50 cents and no more. Therefore, in my opinion, this amendment would reduce the pressure that is going to occur on the State legislatures to modify their laws and go up to 100 percent reimbursement on Federal interstate highway utility relocations.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield.

Mr. SMITH of Mississippi. The gentleman's amendment would have the effect of invalidating State laws in certain States where they now make complete reimbursement, such as the State of New Jersey. Would it be proper for you, just to take care of a situation of possible pressure in California, to set down a rule for all the other 47 States, including the fact that you would invalidate laws among a large number of States? I think the gentleman's amendment is very discriminatory. It is an attempt to write in provisions for all the other 47 States to take care of a situation that might develop in Califronia.

Mr. BALDWIN. This in no way modifies any State law. It simply is limited to the Federal contribution. A State that provides 100 percent reimbursement now can continue to have that law stand as it is at 100 percent reimbursement. All this does is say that the Federal contribution will be limited to a maximum of 50 percent and no more. The State can continue its law at 100 percent from now on. There is nothing in this wording that in any way imposes this law on the 48 States.

Mr. JONES of Alabama. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, the committee this morning adopted an amendment which would leave the whole problem to the States. If this amendment is adopted, you undo all that the committee has done in adopting the amendment which I offered this morning. Here is the situation. We gave recognition this morning to the principle that the States would resolve this question and the Federal Government would keep out of the field of deciding whether or not the State wanted to reimburse the utilities that have to be removed from public thoroughfares. This amendment proposes that the State reimburse them in the amount of 50 percent. This is almost the same amendment which was rejected unanimously last year by the committee with the exception that there is no limitation in the amendment to the 2 percent of the total amount of funds made available which was carried in last year's bill.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. BALDWIN. I would like to read the provision again to the gentleman because I do not believe you followed the wording carefully. It does not modify State laws whatsoever. It says:

> *Provided, however,* That in no case shall Federal reimbursement under the provisions of this section exceed 50 percent of the cost of relocation of the utility's facilities involved.

It does not state that any State should make any changes in its laws. It is simply limited to the proposition that the Federal contribution shall not exceed 50 percent.

Mr. JONES of Alabama. Of course, I disagree with the gentleman because this is an invitation for the utilities to go to the States and to have the State change its statutes and modify its contracts in order that they can get 50 percent participation of the funds made available and apportioned to the State through the Federal aid assistance program for the construction. Now the committee has gone over this. It went over it last year and it is going over the same thing this year. If this amendment prevails, it will mean that the amendment which you heretofore adopted will be vacated and that we will have a 50 percent formula in matching. Let me say to the gentleman from California, and I presume the reason he offered this amendment is that you have a State statute in California on contracts permitting a 50 percent relocation reimbursement to the utilities, that I think the committee was very generous in reserving to the States their own formulas as to how they wanted to apportion the payments to the utilities for relocation. Why do you insist on this formula which already applies in your own State and try to impose it on other States?

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. DEMPSEY. Do not many States have agreements with municipalities when they build a road over existing utilities, the State and Federal Government must pay for the entire moving of the utility?

Mr. JONES of Alabama. Of course, as I explained yesterday, we took a sample year—the fiscal year 1953 and we made inquiry of the State highway departments as to how much the States had reimbursed the utilities during that period of construction. It cost the utilities for relocation $35 million. The States reimbursed the utilities for better than $8 million. Yet, the Federal charge was only $260,000. Here you come back here with this amendment and you would make the States liable for approximately $17½ million under this provision. The gentleman is defeating the very thing that he states he is advocating here, and that is leaving it with the States.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. CRAMER. Is it not true under the present provision, as adopted by the committee, the States can put up more than 50 percent if they see fit in fixing how much shall be reimbursed?

Mr. JONES of Alabama. They can decide on 5 percent, 10 percent, or 100 percent. But let us leave that to the States. You want to come in and undo what you have already done.

Mr. CRAMER. Now, will the gentleman answer the question which I directed to the gentleman from California [Mr. Baldwin] previously. Is it not true that the amendment adopted by the committee would have the effect initially of limiting it to 50 percent and make it possible for the States which do not now reimburse and have laws against it, to reimburse 50 percent?

Mr. JONES of Alabama. Oh, there is no attempt to deal with laws that have been passed heretofore.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. Jones] has expired.

Mr. McGREGOR. Mr. Chairman, I rise in opposition to the amendment. I regret exceedingly to take the floor in opposition to the amendment offered by my colleague, the gentleman from California [Mr. Baldwin], who has sincerely and honestly worked hard on this legislation, but I want to call attention to the fact that this morning we adopted an amendment after some debate. It was clearly brought out in that debate that by the adoption of the Jones amendment we were leaving it entirely to the States.

I would like to call your attention to page 14 of the report:

> There is no requirement in this section, either expressed or implied, that a State must pay all or any part of utility relocation costs.

In order to clarify the situation to a greater degree so that there would be no question about it, there were a number of members of our committee who worked hours and hours to get an equalization of minds, so to speak, so that we would make certain that the entire control would be in the hands of the States. That is exactly what we did when we adopted the Jones amendment this morning, and I read the amendment that this committee adopted by a very, very large majority. The Jones amendment we adopted provided that:

> Federal funds shall not be apportioned under this section when the payment to a utility violates the law of the State or violates a local contract between the utility and the State.

Now if we accept the amendment offered by the gentleman from California [Mr. Baldwin], we are in my opinion taking negative action on the very thing that we did this morning when we accepted the Jones amendment.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. WRIGHT. In the midst of all this talk about States rights, it seems to me we are losing the point of the amendment. Is it not true that all this amendment does is to limit the amount the Federal Government can pay on a utility bill, whereas, under the present law, the Government could pay 90 percent? Is that not the fact and is that not the only difference?

Mr. McGREGOR. No; not in my opinion, for the reason that the amendment offered by the gentleman from California [Mr. Baldwin], according to the interpolation of some attorneys is making the States that are paying 100 percent or those that are not paying anything come under the provision of the 50 percent.

May I again read the amendment adopted this morning:

> Federal funds shall not be apportioned under this section when the payment to a utility violates the law of the State or violates a local contract between the utility and the State.

Mr. McGREGOR. There is no question that if you adopt this amendment you are making null and void the very amendment we adopted this morning.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. BALDWIN. I do not believe either of the gentlemen who are opposing this have read this amendment very carefully. It says it is strictly limited. It says Federal reimbursement cannot go beyond 50 percent.

Mr. McGREGOR. I disagree with the gentleman and I compliment him in his fine work in our committee—he is most sincere in his endeavors.

I hope that we defeat this amendment. It certainly will confuse the issue of States rights, and who has the authority.

Mr. Chairman, under leave, I would like to insert at this point letters and views on this subject:

National Association of Railroad
and Utilities Commissioners,
Washington, D. C., April 24, 1956.

Hon. J. Harry McGregor,
House Office Building,
Washington, D. C.

Dear Mr. McGregor: I am writing to call attention to the concern of our members, the regulatory commissions of the country, over the importance of section 113 of H. R. 10660 to utility users. It is the responsibility of these commissions to protect the utility users from unjust charges. Therefore, it is a matter of grave concern whether or not the construction of Federal-aid highways will result in higher rates having to be charged to users of utility services because of the necessity of relocating facilities.

Unless section 113 or some comparable provision is included in the bill, there is serious danger that the ability of some utilities to provide adequate service will be impaired and only through substantially increased rates could they survive financially.

Our position on this problem has been presented to the Congress by resolutions and by testimony presented to the Public Works Committee of both the House and the Senate by our General Solicitor and myself. In brief we submit that:

1. Public rights-of-way are owned and maintained by the public for all of the purposes that the public necessity requires. These purposes include the provision of utility services as well as transportation over the highways. The improvement of highways for the benefit of surface transportation should not be at the expense of the other public services which do not benefit from having to relocate their facilities.

2. The absence of a provision for reimbursement will mean that the ratepayer—the user of the service—will be forced to pay twice for the proposed improvement of highways, once in taxes and again in utility rates.

3. The burden of relocation costs falls inequitably. Less than 3 percent of the utility operations of the country suffered costs approximating $24 million in 1953. Since highway improvements are for the benefit of the public as a whole, relocation costs should be paid by those who benefit and not by comparatively few utility users whose service is not improved by road construction.

4. The Federal Government is causing roads to be constructed in the interest of national defense and interstate commerce. Section 113 would merely authorize the use of Federal funds appropriated for construction of these roads to pay for the utility facilities, whenever a State in its discretion decides to pay such costs.

Respectfully yours,
H. Lester Hooker,
Chairman, Committee on Legislation.

Chicago, Ill., *April 24, 1956.*

Congressman J. Harry McGregor,
House Public Works Committee,
Washington, D. C.

Dear Congressman McGregor: Because of our deep belief that many of the 4,991 independent telephone companies and their subscribers will suffer if the Federal highway construction bill does not provide for reimbursement of a utility company's expense of relocating facilities on public rights-of-way we have prepared the attached editorial for publication in the May issue of Telephone Engineer and Management.

I am taking the liberty of sending you an advance copy of this editorial as I believe its contents will be of interest to you as a member of the House Public Works Committee.

Best personal regards.

Cordially,
John G. Reynolds,
Managing Editor.

[From the Fortnightly Telephone Engineer of May 1, 1956]

TIME TO STATE YOUR POSITION

Like many others we have no bone to pick with those who favor the Federal aid highway construction program. It takes nothing more than a Sunday drive to convince us the time for modernizing our Nation's highways is long overdue.

But there is one part of the program that in our opinion represents a real threat to independent telephone companies and the subscribers they serve.

That threat, as we see it, lies in the fact that unless the present reimbursement provisions are retained in the Fallon bill (H. R. 8836), the full cost of necessary relocation of telephone facilities must be borne by telephone companies.

Last year the provision covering reimbursement costs for relocation of public utility facilities failed to pass the House. The evidence indicates the measure failed because of an apparent lack of knowledge by Members as to the impact of relocation costs on users of utilities.

This year the House Public Works Committee has reinstated in the highway construction bill a provision covering reimbursement costs for relocation of public utility facilities. This provision was reinstated last month on a motion by Representative George A. Dondero (Republican, Michigan) ranking Republican member of the committee.

It would provide, in cases where the interstate highway system forces utilities to relocate, that the Federal Government pay 90 percent of the cost if the State agrees to pay the other 10 percent, and in the case of other Federal-State financed roads, the Federal share would be 50 percent if the State agrees to pay the other 50 percent.

As we see it the new reimbursement provision deserves more than casual attention from members of independent telephone industry.

In reality it is a second breathing spell—one that might well end unless all industry members contact their Senators and Representatives and explain the true position of their companies and their subscribers.

That position may be summarized as follows:

Any expanded program of Federal aid for highways should provide for reimbursement of utilities' expense of relocating facilities on public rights-of-way because—

(a) The program of Federal aid is for the benefit of the public as a whole—all costs, including relocation costs, should be borne by those who benefit.

(b) The burden of relocation expense should not fall only on users of the service of a utility.

(c) Unless reimbursement is provided these users of utility services will contribute twice to the cost of new highways—once in taxes and again in rates.

(d) This expense of relocation as a percentage of highway program is insignificant, but the impact on affected utilities can be disastrous. It could wreck some utilities.

(e) Use of public rights-of-way, in countless instances, makes possible the rendition of vital utility services that could not otherwise be provided if private rights-of-way had to be purchased. Therefore, utilities should not be required to subsidize highway projects because of such use.

(f) Without this expanded Federal-aid program to promote national defense and interstate commerce, the utility users would not be faced with these burdensome relocation costs.

(g) Existing State requirements that utilities must pay their own relocation expense are the products of another era. Today's changed conditions place a crushing burden on utility users and relief from this burden through reimbursement constitutes no intrusion upon State sovereignty.

We well know many industry representatives have passed such facts on to their Congressmen. However, the evidence indicates the good work of those who have spoken now needs the added voice and support of those who have remained silent. We hope that support will be quickly forthcoming.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GROSS. Mr. Chairman, I move to strike out the last word. I take this time to see if I can clarify some language in the Jones amendment since it is a continuing topic of discussion.

The Jones amendment reads as follows:

> *Provided*, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State—

I emphasize those words "the law of the State"—

> or violates a local contract between the utility and the State.

The question I should like to ask the gentleman from Michigan [Mr. Dondero] and the gentleman from Maryland [Mr. Fallon] is whether this language "the law of the State" means that a State would be precluded from hereinafter enacting a law that would be binding in dealing with the apportionment of funds.

Mr. DONDERO. I do not think that would be so.

Mr. GROSS. The gentleman says, "I do not think." I have been talking with several attorneys about this thing and I get the same answer: "I do not think" the language of the amendment would preclude future binding action by a State legislature. Cannot the gentleman from Michigan give me a firmer answer?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. In just a moment I will yield.

Mr. DONDERO. After reading the amendment I think the answer I gave the gentleman is the correct answer. No one knows what a State will do. We do not preclude a State from passing a law after this bill is passed by the Congress.

Mr. GROSS. And the gentleman is confident, then, that this would not invalidate a law hereinafter enacted by a State legislature dealing with this proposition?

Mr. DONDERO. No, sir.

Mr. HOFFMAN of Michigan. What the gentleman is doing is asking those who have been licensed to practice law and who also serve in the House what some court will hold. In view of what the Supreme Court has been doing how can anyone answer that question?

Mr. GROSS. Let me say to the gentleman that I have taken the floor specifically for the purpose of getting into the Record the intent of Congress so that the courts, if called upon to act may, if so minded, take cognizance of that intent. I simply ask the question and ask the gentlemen on each side of the aisle, who are in charge of the bill, to go on record as saying that a law could be enacted by the States and such law would be binding.

I now yield to the gentleman from Maryland [Mr. Fallon] to answer the same question. I want to get on record the sentiment of this Committee with respect to the Jones amendment in regard to those particular words.

Mr. FALLON. The Jones amendment does not preclude any State from enacting any law.

Mr. GROSS. Then it is the gentleman's opinion that any law hereinafter enacted by any State legislature dealing with this subject matter would be binding.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JONES of Alabama. I would like to point out to the gentleman that the amendment which I offered and which was debated in the Committee this morning places us in the same situation as we were under the existing laws, laws that have been in effect since 1916.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. McGREGOR. I think it was the intent of our committee not to preclude any other laws, and I am not an attorney as the gentleman knows; but you would say then to the utility: "Well, it is the existing law." We have left out the word "existing" which certainly, then, leaves it wide open for any future legislation.

Mr. GROSS. Of course the gentleman understands that the Jones amendment was not a committee amendment and probably never was considered in committee.

Mr. McGREGOR. I am sure the content of the amendment was considered in the committee a number of times, because we went over this particular subject hour after hour.

Mr. GROSS. I am glad to have the assurance that the words "the law of the State" does not preclude any State legislature from approving legislation in the future which would be binding with respect to apportionment or nonapportionment of funds under section 113 of the bill and the Jones amendment thereto.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Vanik: Strike out section 113 on pages 25 and 26 of the bill.

Mr. VANIK. Mr. Chairman, the amendment which I have proposed strikes out the entire section relating to the payment of Federal funds for utility relocation.

I do not believe that the issue of States rights is involved in this matter. The rights that are involved are the rights of the people who are going to pay the new highway taxes. The only question is: Should the highway users be taxed to pay the expenses of public utilities in relocating their facilities in order to carry out a highway improvement?

Without this amendment this bill provides that the Federal Government would pay 90 percent of utility relocation. Some publicly owned utilities would benefit, but the large group of privately owned public utilities would benefit most.

The public utilities use the highway rights-of-way without cost, and if it were not for the license which they get from the public authorities, they would not have the right to use the right-of-way to repair and service their lines. By constructing their facilities along the highway right-of-way, they have access roads to their facilities. I think we are doing enough for the public utilities of this country.

Why should the highway user assume the added cost of relocating these public-utility facilities? Most public utilities operate on a cost-plus basis. They simply pass their charges on to the consumer. It is said that the highway user and the utility user are one and the same persons. That is not so, because the people of 47 States are made to pay for a utility relocation in one State. Furthermore, there are highway users who derive absolutely no benefit from the relocation of public utilities along the public highway system.

There is an even more important objection to this legislation. This legislation would create new and unseen obligations on the part of all of the governments throughout the country to assume all costs of public utility relocation and the burden ultimately will result in the public expenditure of billions of dollars. I have read through the testimony before the committee, and I fail to find testimony which supports this language in the bill. It is my judgment that the cost to the highway users of America may be close to 10 or 15 percent instead of the 1 or 1½ percent that is mentioned. Instead of this being a $51 billion highway program, it may end up as a $41 billion highway program, with $10 billion being used to relocate public utilities.

The Jones amendment which was submitted to sweeten this bill does not cover the bitter principle involved.

The Jones amendment still makes it incumbent upon the highway users of America to contribute to the cost of relocating the public utilities of the country necessitated by highway improvement.

My amendment simply eliminates the use of funds of the Federal Government toward the relocation of the public utility facilities along the highway. I know that my colleague, Mr. Feighan, of Ohio, concurs in this position and has inserted a statement of his views which appears in yesterday's Congressional Record.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The municipalities also have utilities. I would like to point out to the gentleman they do not participate. The unincorporated cities of the States may contribute to the relocation cost of utilities. Would the gentleman preclude those communities from having any State funds with Federal matching, because the gentleman's position is based upon the apprehension and fear that a great amount of money will go to relocation cost under my amendment?

Mr. VANIK. In my own city we have a waterworks that is going to be affected. If that waterworks must go to the expense of relocating its facility, that is a proper charge assessable to the water users of the community. I certainly think that the Federal Government should not pour its money into that relocation.

Mr. JONES of Alabama. Does the gentleman want to decide that question here or let the local people decide it out there?

Mr. VANIK. I do not want Federal moneys dissipated all around the country to pay for a lot of public utility relocations. I want the money used for roads.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Ohio.

Mr. McGREGOR. I happen to have the privilege of living in a small town. We had about an 18-foot highway through the village. We have on one side of the street a storm sewer and on the other side of the street waterworks lines. I am sure nearly every Member within the sound of my voice has a similar situation. If the gentleman's amendment were to carry, you would be forcing every one of those small villages to assume every dollar of cost of the moving of the storm sewers and the waterworks, and, in my opinion, that would be most unfair. They are not responsible for this new highway and yet my friend from Ohio [Mr. Vanik] wants to force them, the property owners, to pay for the relocation. Now, I understand that is what the gentleman from Ohio wants; is that correct?

Mr. VANIK. In answer to the gentleman from Ohio, I would like to say that I hope it will be the plan of the Federal Bureau of Roads to route the highways around the little towns, if it is going to do a good job, in building the highway system which we need.

Mr. McGREGOR. Then my friend from Ohio is recommending that small towns be bypassed, forgotten if you please. That philosophy certainly is not fair to the residents and business places located in small towns of this country. They are loyal American citizens and should be treated as such.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the committee is fully acquainted with the facts. We could go on for hours and point out the inconsistencies of the amendment offered by the gentleman from Ohio [Mr. Vanik] which strikes out the entire section relative to paying any costs of relocating any utilities, small telephone companies or small municipal utilities. The gentleman from Ohio [Mr. Vanik] does not want to help them in any way.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Maryland.

Mr. FALLON. Mr. Chairman, the committee sat for many, many hours listening to testimony on this very subject, and I do say that it was a hard thing to resolve. We had many amendments offered in committee trying to work out the situation that is taken care of under the Jones amendment. This committee almost unanimously decided that the Jones amendment was the best language that we could come up with after many, many weeks of study. The committee has decided on it once today, and I urge the defeat of the amendment.

Mr. Chairman, I too, urge the defeat of the amendment of the gentleman from Ohio [Mr. Vanik]. Let us give the small utilities—telephone companies and people living in small villages the same opportunities and same consideration that others enjoy.

Mr. Chairman, I would like to insert an editorial from the Cleveland (Ohio) Plain Dealer on this very subject:

> The Public Always Pays
>
> Who should pay the cost of relocating utilities in the proposed $51½ billion Federal road network? Should Federal funds be used to meet 90 percent of the cost, as the bill provided when it went to the House, or should the utilities be required to pay the cost themselves?
>
> This issue promises to evoke heated debate in the House, with one faction contending it would be a horrible giveaway if Federal funds were used to finance the utilities' relocation.
>
> We are not greatly concerned over this issue, however, because, regardless of the outcome, the public will pay the bill, as it always does.
>
> The cost of relocating utilities has been estimated at $1½ billion. If this money came out of Federal funds, the cost would be paid by Federal taxpayers. If the utilities were required to foot the bill, the cost would become part of their operations and would be reflected in their rate structures, in which case the utility users eventually would pay the relocation cost.
>
> Nowadays there is no difference between utility users and Federal taxpayers. They're all members of the public. But there are demagogs who like to pretend that they are doing the public a service if they can "soak" utilities for something for which the public is going to pay anyhow. So let them have their fun.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it bothers me as much as anyone else in this House to give the utilities one red cent, and I would

like to start out my remarks in that particular vein.

Mr. Chairman, I rise in opposition to the amendment. Our Public Works Committee in this Congress is as conscientious a group of men as you will find anywhere in the world, and there is not a man on that committee who is influenced one way or the other by the public utilities. I want to tell you why we put this particular section in the bill and why it should stay in. First of all, as it stands now, this bill does not offer any bonanza to the big utilities.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. If I thought it did, I certainly would not support the amendment I offered, because the amendment I offered assures the committee that there will not be a dissipation of Federal funds to pay the utilities of this country, and it leaves with the States entirely the question of whether or not the utilities will be reimbursed.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. DONDERO. Is it not a fact that in our State of Michigan we have some 130 small telephone companies, some of whom will be affected by this relocation of the road system? How can they pay for relocating their lines without any reserves whatever? And we know they do not have any.

Mr. DINGELL. I agree with the gentleman. All of these small utilities will be affected.

Now let us analyze this. The big utilities are strictly regulated in our country. The big utilities will simply go to the regulatory bodies of the States and say, "We are compelled to raise our rates because of additional cost because of relocation of facilities." And they will get their rate raise. I want the Membership of this House to remember that this does not only apply to those utilities which occupy rights of way free of cost; it also applies to those which go across the country today and which will be affected by new roads cut through, and there will be a substantial number of those new roads cut through. Let us all remember that this will affect the small municipalities; it will affect the TVA; it will affect the REA co-ops; as my distinguished colleague, the gentleman from Michigan [Mr. Dondero] has said, it will affect the small telephone companies as well as the small co-ops. All of these people will be affected. There is not a sewer or water main in the country or my State of Michigan which will not be affected.

Mr. Chairman, I ask the membership of this committee to see to it that the bill is passed in exactly the form that it is now in regard to relocation of utilities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Vanik].

The amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Multer: Page 4, line 14, insert: "It being in the national interest to preserve and expand full and free competition, it is further declared to be the intent of Congress to realize this goal that the actual and potential capacity of small business be encouraged and developed by permitting this segment of our economy to aid in the construction of such a safe and efficient system of Federal highways, and that in order to carry out these policies and the intent of Congress the Government should aid, counsel, assist, and protect, insofar as possible, the interest of small business concerns in order to preserve free competitive enterprise, to assure that a fair proportion of the contracts awarded in the construction of a safe and efficient system of Federal-aid highways, and that a fair proportion of the total contracts and purchases for supplies and services for such Federal-aid highways be placed with small business enterprises to maintain and strengthen the overall economy of the Nation."

Mr. FALLON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FALLON. Mr. Chairman, I might say that the language in the gentleman's amendment is certainly about as inoffensive as one could write. It states a policy which I think is very good. But my point of order is that these contracts are not let by the Federal Government; they are let by State governments and here we are directing the State governments on how they should award contracts.

The CHAIRMAN. Does the gentleman from New York [Mr. Multer] desire to be heard on the point of order?

Mr. MULTER. Yes, Mr. Chairman. The bill before the House already has a similar provision affecting what will be done with these highways after they are constructed. I refer you to page 27 of the bill and pages 14 and 15 of the report. In the report under "Free Competition" you will find recognition of the principle in part. This is merely an extension of that same principle, and a further declaration that we should aid small business.

The CHAIRMAN. In the opinion of the Chair this is not a direction. It is merely an indication of the intention of the Congress. It is not binding on anybody and for that reason the point of order is overruled.

The gentleman from New York [Mr. Multer] is recognized on his amendment.

Mr. MULTER. Mr. Chairman, this amendment to the second section of the bill is an additional policy statement, indicating the desire of Congress to aid and assist small business, the backbone of our economy. It is my opinion that when this great highway bill is enacted into law, small business must be given an opportunity to participate in this important program. Small business should be given a fair proportion of the contracts and subcontracts by which these vital highways will be built.

The Federal highway bill and its various ramifications have received my careful consideration. All agree that its enactment into law is vital to the future of America, both to the national defense and the national economy.

It has always been the declared policy of Congress that our Government aid, assist, and protect, insofar as possible, the interest of small business. It is in the Nation's interest to preserve and expand full and free competition. It is also in the Nation's interest that the free-enterprise system be encouraged in connection with the construction of a safe and efficient highway system.

To accomplish this important objective the potential of small business must be encouraged and utilized. This bill, when enacted into law, will have a great impact on our industry and economy. Every industry throughout the length and breadth of the Nation will be affected. It is because of this great impact that I have proposed this amendment. It will indicate that the small-business concerns, a most important segment of our American economy, will be permitted to share in this program.

Small business has failed to share on a relatively equal basis with big business in this allegedly boom period. There is no evidence that the future holds out to the small-business concerns any substantial hope that they will fare any better. It is urgent that these highways be built quickly and efficiently, but it is also essential that our small-business concerns participate in this vital project. To accomplish that the Congress must unequivocably state its desire that a fair proportion of the total contracts and subcontracts for purchases and supplies and services for such federally aided highways be placed with small-business enterprises, and in that way maintain and strengthen the overall economy of the Nation.

The members of the House Small Business Committee have approved this amendment.

Mr. Chairman, this proposed amendment has been submitted to the members of the House Small Business Committee and they all agree that this is a good amendment.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Maryland.

Mr. FALLON. I made the point of order to get a ruling from the Chair on whether this is binding on the States. Since the ruling on the point of order that it is not binding on the States, we have no objection to the gentleman's amendment.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. HILL. Mr. Chairman, I am thoroughly in accord with the proposal of the gentleman from New York [Mr. Multer] to include a declaration of policy with respect to small and independent business in this vitally important highway bill.

We should in our action here reaffirm the policy of the Congress that small and independent business concerns have every consideration as well as opportunity to participate in the building of our national system of Federal-aid highways.

The Congress has consistently included strong declaration of policy with respect to small business in every important piece of legislation for many years past.

We should always remember and be guided by the fact that under our system of free enterprise the broadest possible participation of small business concerns in all public works is fundamental and essential to our total economy.

I understand that the proposed amendment is acceptable to the committee which has brought this legislation before us, and I sincerely hope it will meet with the approval of the House.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Ohio.

Mr. McGREGOR. I should like to get the gentleman's interpretation of this part of the amendment. Certainly I do not think anyone here is opposed to the intent, but I should like to call to his attention this language: "That a fair proportion of the total contracts and purchases for supplies and services for such Federal-aid highways be placed with small-business enterprises to maintain and strengthen the overall economy of the Nation."

Is that a commitment that we are saying to the States they have to give small business a fair proportion, and who is to determine that fair proportion?

Mr. MULTER. It is a suggestion to the States that they should follow the same policy statewide as we do nationwide and help small business.

Mr. McGREGOR. It is just suggested that a fair proportion of the total contracts and purchases of supplies be awarded to small business rather than making it an intent?

Mr. MULTER. As already indicated, we cannot compel the States to do this; we can only suggest to them that they do it. That is why this is a declaration of policy only.

Mr. McGREGOR. Then the gentleman is saying that the States are not being bound, it is only an expression of intent, such, for instance, as that we are all against sin?

Mr. MULTER. I hope it will amount to more than that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. BOGGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the question has been raised as to when the floor stock taxes imposed by this bill are to be paid. The point was discussed before the Committee on Ways and Means and it was generally agreed by the members of the committee that sufficient time would be permitted for the dealers and others to pay this floor-stock tax under the regulations prescribed by the Treasury Department and the Internal Revenue Service. My recollection of the matter in executive session was that it was pretty generally understood that these people would have from 60 to 90 days in which to pay those taxes.

The fact that H. R. 9075 does not contain a specific provision relating to the time when the floor-stock taxes imposed by the bill are to be paid is not unusual. As a matter of fact, this problem has seldom been dealt with specifically by statute in past legislation. For example, the floor-stock taxes on matches, tires, and inner tubes in the 1941 act, and on gasoline in the 1951 act, contained no provision designating the time of payment for such taxes, but the regulations required payment to be made within the same 2-month period then required for tobacco products. This follows because of the one-shot nature of floor-stock taxes, which, as you know, are generally required to be reported in a special return.

The time for payment and the nature of the return required for the reporting of floor-stock taxes have by custom been left to regulations issued by the Secretary of the Treasury. The Treasury and the Internal Revenue Service are in a better position to work out a solution satisfactory to the parties concerned under the latitude afforded by the regulatory power than they would be under a specific legislative provision, which, because of it, changing circumstances might prove too restrictive.

I understand and appreciate the desire of tire dealers to have at least 90 days, or until October 1, 1956, to pay the floor-stock taxes imposed by H. R. 9075, and I understand from conversation with the staff that neither the Treasury nor the Internal Revenue Service is presently considering any period shorter than 60 days. However, until the bill becomes a law, and the Treasury and the Internal Revenue Service have been given an opportunity to study the question, no assurance can be given on the question unless the bill is amended.

No further action is contemplated by the Committee on Ways and Means on H. R. 9075 and, as you point out, it is customary to secure a closed rule on a revenue measure of the magnitude of H. R. 9075. Nevertheless, it occurs to me that the Senate Finance Committee might want to add a specific provision to the bill requiring at least 90 days in which to pay the floor-stock taxes imposed by the bill.

It was my understanding from the information developed during the course of the executive sessions held in connection with the bill that at least 90 days would be permitted in which to pay the floor-stock tax. During the course of floor action on the bill I plan to provide the necessary legislative history on which to base the 90-day period. Therefore, even if the Senate fails to include a specific provision in the bill on this point the record will at least make specific my intent.

It was not my intention, and I am sure that it was not the intention of any other member of the Committee on Ways and Means, that anything less than a reasonable time be granted to dealers in which to pay the floor-stock tax cn tires. I am sure that the Treasury and the Internal Revenue Service realize the need for a reasonable length of time, and I have every confidence that the regulations under H. R. 9075 will provide a period of time satisfactory to all concerned.

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RAYBURN:
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> On page 14, line 20, strike out "Committee on Public Works of the."
>
> On line 23, strike out "on Public Works."
>
> On line 24, after the word "Representatives", insert "to which referred."
>
> On page 15, lines 4 and 5, strike out "Committees on Public Works of the."
>
> On lines 7 and 8, strike out "on Public Works."
>
> On line 3, after the word "Representatives", strike out the comma and insert "to which referred."
>
> On lines 14 and 15, strike out "Committees on Public Works of the."
>
> On lines 18 and 19, strike out "on Public Works."
>
> On line 19, strike out the comma and insert "to which referred."
>
> On page 16, line 2, strike out "Committees on Public Works of the."
>
> On page 30, strike out lines 12 through 18 and insert "furnish to the Congress such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as the Committee on Public Works of the Senate or of the House of Representatives, or any subcommittee thereof, shall request."
>
> Strike out beginning with line 21 through the period in line 3 on page 31, and insert "shall be paid to any State which has failed or refused to comply with a request made pursuant to subsection (a)."

Mr. RAYBURN. Mr. Chairman, this amendment has been very carefully drawn—I hope. Its purpose is not to rob anybody of any authority which they think they should have. But a short while ago there began to grow up in the House the practice of including provisions in bills saying that the departments should report to committees of Congress. The only thing this amendment does is to provide that they shall report to the Congress. Then whoever may be Speaker of the House will refer them to the proper place. I just feel that it would be a little more dignified if these matters were referred to 435 Members instead of 25 or 30.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. McGREGOR. As ranking Member on the minority side of the committee, I would certainly concur in the fairness of the distinguished gentleman from Texas and our Speaker, and that we recognize that it should be within his jurisdiction. At this point, if the gentleman will yield further, I want to personally pay my respects to the leadership of the House, both to the gentleman from Texas and his assistants, as well as to our minority leader on this side, for the patience they have shown, not only to the gentleman from Ohio but to the committee as well, in endeavoring to bring this legislation on the floor of the House for consideration.

Mr. RAYBURN. I might say also that before I offered this amendment I conferred with the gentleman from Massachusetts [Mr. MARTIN], the ex-Speaker, and it is agreeable to him.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. COOPER. I merely want to point out that in title II of the pending bill it is provided that reports are to be made to the Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The amendment was agreed to.

Mr. McCARTHY. Mr. Chairman, I move to strike out the last word.

Mr. McCARTHY. Mr. Chairman, I supported committee action on the financing provisions of this bill but with reservations. Although there is some record of Congress appropriating funds for roads in the early days of the Nation, it is generally accepted that the Highway Act of 1916 represents the pioneer legislation in the field, and the act which set up the principle of Federal grants for highways. The 1916 bill was reported by a House Committee on Roads. It empowered the Secretary of Agriculture on behalf of the United States to aid the States in the construction and maintenance of rural post roads, roads over which rural mail is or might be carried outside of towns or cities over 2,000 population. The report on the bill emphasized that it was constitutional for the Federal Government to assist in the building of roads.

It was established that expenditures for highway construction are a legitimate use of the general revenue and that funds should be made available from the Federal treasury for this use regardless of the source of these funds.

This use of the general revenue for this purpose was defended by many Members of the 64th Congress.

Congressman Farr, Republican, of Pennsylvania:

> Indeed, good roads are of such inestimable value to all classes that it is folly to attempt to particularize as to whom they will benefit.

Congressman Byrnes, Democrat, of South Carolina, later to enjoy such a full career of public service in every branch of Government called the law one "which will do more to promote the prosperity and the happiness of the people of the country as a whole than any other measure pending before this Congress."

The committee report on the bill and the discussion in the House made it clear that the common good was being advanced by the passage of highway legislation, not the particular good of certain segments of our society. In fact, speaking specifically to this point, Congressman Wood, Republican, of Indiana, had this to say:

> It has been offered as an objection to this character of legislation that the rich automobilist is the one most interested in the construction of good roads, but I undertake to say that this gentleman has not as much real interest in the construction of roads as the workingman in the great commercial centers, who, perchance, never travels upon country roads at all.

The Members of the 64th Congress seemed agreed that the cost should be met out of the general revenue fund.

The so-called user tax was only obliquely referred to by Mr. Saunders, Democrat, of Virginia, when he rejected that principle by saying:

> I do not know of any system of taxation under which the expenditures in a community are limited to the taxes paid by the community.

Nevertheless it is quite clear that general revenue from all sources would finance the road improvements which would bring general benefit to the whole society.

In 1921 another road bill was passed, but it is not regarded as a milestone since it was largely an extension of the 1916 act. The 1944 act definitely enlarged the highway program, made more classes of roads eligible for Federal money, and authorized greater expenditures.

The lack of highway construction during the war years had, of course, placed a severe strain on our national highways. There was general agreement on the need for accelerated construction and repairs. It was also acknowledged that improved highways would assist any future defense effort. As to financing highway construction, the idea that general revenue would take care of the expense was then accepted. Many references were made to amounts collected by the Treasury from the gasoline taxes, apparently in order to show that more was being contributed to the general revenue fund through the gasoline tax than would be taken out through the construction of highways. The user tax principle was hinted at, but was not accepted by the Congress in any formal sense.

Cost of road improvement, or road system improvement has been accepted as a legitimate expenditure of Government funds derived from the general revenue and subject to established appropriations procedures of the Congress.

In 1955, the President, in his budget message proposed a 10-year expanded highway program and stated his belief "that as large a proportion as possible of the expenditures of the Government should be borne by those directly benefiting therefrom." He recommended that the user charge principle should be further extended. Later the President sent a special highway message to the Congress and stated:

> A sound Federal highway program, I believe, can and should stand on its own feet, with highway users providing the total dollars necessary for improvement and new construction.

In my opinion, the press of the country did not give this departure from traditional policy as much attention as it deserved.

Now the President's proposal became known as the Clay Committee report. This report was much heralded as a $101 billion plan and was considered by the Senate Committee on Public Works. In the Senate the financing program in the plan came under serious fire from such fiscal experts as the chairman of the Senate Finance Committee. The Senate agreed that the financing provisions were unworkable, and possibly unconstitutional and possibly largely for that reason, the Clay Committee report and its highway program was rejected by the Senate. While testifying in support of the Clay report the President's Secretary of the Treasury made reference to the exclusive use of certain tax receipts for road financing. The Secretary made these statements before both Senate and House committees.

Of course, as we all know, the Fallon bill reported last year contained financing provisions. That bill was defeated in the House. This year the financing section of the bill was drawn up in the Ways and Means Committee. It contains provision for setting aside revenues from certain taxes for highway purposes.

Mr. Chairman, although the word is not used, I consider this to be a step toward earmarking of tax revenues. This is a step to be considered carefully.

First, earmarking substitutes an indefinite yield from a single tax for a specific appropriation from general revenues based upon current needs.

Second. Earmarking gives excess revenues to some functions and starves others.

Third. Earmarking destroys the flexibility of the revenue structure, making it difficult for legislatures to adjust financing to meet changing conditions.

Fourth. Earmarking infringes on the policymaking powers of legislative bodies by removing certain governmental activities from periodic review and control.

At least some of the fiscal difficulties in which our State governments find themselves are accounted for by the tendency to earmark funds. According to a publication by the Tax Foundation, in 1954 50 percent of the total State tax collections were earmarked. This means that State legislatures exert control over only 50 cents of each tax dollar, and imparts an unhealthy rigidity to State budgets. In my opinion, the Congress should seriously inquire if earmarking or fiscal straitjacketing is to be adopted in the Federal tax system.

There is a second important consideration involved. No matter how carefully stated, user taxes are plain and simple excise, consumption, or sales taxes. Sales taxes are known to be regressive. User taxes are also regressive. The effect of having a substantial outlay of Government funds financed by user, or sales taxes is to cause the burden to fall on those less able to pay to a greater degree than at present. This step, when the expenditure of funds for highway improvement has been long recognized as a legitimate expenditure of general revenue is indeed a radical one.

While the adoption of the principle of earmarking at the Federal level is a serious step, and while the adoption of sales taxes on a vastly increased scale at the Federal level is a serious step, the combination of the two present us with a new problem. Suppose the time comes when the Federal tax collections are higher than the Federal expenditures. With the high level of taxes these days we should not be surprised if agitation follows for a tax reduction. As we all know, that possibility has crossed all of our minds as we scan the reports of the Secretary of the Treasury on the relation of receipts to expenditures. Should a tax reduction be voted, we can expect that it would be in the general revenue section of the receipts. The highway financing fund would probably be untouched. Now since the majority of the revenue for the general fund comes from the income tax which is proportional, any reduction in taxes would probably come from decreases in the income tax. The highway fund revenue comes exclusively from sales taxes but no reductions are forthcoming here. That means that tax reduction would be progressive, but tax retention would be regressive.

This is a serious question. Income-tax rates as now provided by law increase from 20 percent on the first $2,000 of income to 91 percent on an amount over $200,000 for single taxpayers and over $400,000 for married taxpayers filing a joint return. This tax rate is based on the principle of increase in ability to pay. But these high marginal rates give an improper notion of the true impact of our tax laws on those taxpayers whose unadjusted gross income is in these higher brackets. The fact is that as the ability to pay taxes increases the ability to avoid payment of taxes is also increased. This phenomenon is explainable by the fact that persons in the higher brackets may retain counsel to advise them on the best tax-cost policies for them to follow in their affairs. In addition there are certain leakages in the rate structure which allow certain kinds of income to escape taxes or to be subject to lower taxes than the so-called normal. A few examples of these leakages are the exemption of interest earned on State and local bonds, the exemption of interest upon savings invested by individuals through life-insurance companies, the percentage-depletion provisions for income earned in certain kinds of occupations, the deduction for the taxpayer of a number of personal consumption expenditures, the splitting of family income and family partnerships, and the capital-gains treatment accorded some income. Because of these devices Mr. Randolph Paul, noted tax authority, estimated that the effective rate for taxpayers with earnings above $100,000 is on the average about 45 percent, and maybe even lower.

What this means, of course, Mr. Chairman, is that our progressive tax system is really not as progressive as we sometimes think. Further data in support of this statement can be found in the careful study by Musgrave on the incidence of the taxes prepared for the Joint Committee on the Economic Report and published in the excellent compendium put out by that committee. According to the Musgrave study based upon 1954 income figures, the Federal system is progressive throughout the scale, although the degree of progression appears to be quite moderate over the lower and middle ranges. The addition of a new series of sales taxes to raise an additional $12 billion as contemplated in this bill would have the effect of moderating progression in the lower income range and perhaps causing it to become regressive.

The study of tax burdens on persons in the various income groups cannot be restricted to the Federal taxes alone. Any such study must consider total tax burden and include State and local taxes as well. In the Musgrave study we find that the State and local taxes are distinctly regressive so that the progressive effect of the Federal system is lessened. This tending must be resisted at the Federal level especially because of the announced policy of this present administration to transfer to lower echelons of government responsibilities for services formerly borne by the Federal Government. If the State and local tax burden is increased the compensating progressivity of the Federal system will be needed even more than now. Under these conditions, the increase of the Federal Government excise taxes on such a large scale is extremely dangerous.

Taxes, as we know, Mr. Chairman, are most equitable if levied either on the basis of ability to pay or benefits received. The case in favor of the benefits-received theory would be clearer if it could be established as to who actually benefits from a modernized highway system. Of course, those who view tax legislation merely as a result of a contest among private interests have no difficulty with this problem. The interests concerned are primarily the railroads, the trucks, and the private-car drivers. If the result comes out a heavy tax on trucks, the rails win. If the result is a decision to pay the highway expenses from the general fund, the truckers have won. I am sure I do not have to emphasize that taxes are not that simple.

Sound taxation still demands that consideration be given to the demands of justice, to the economic effects of the taxes, to the ease of administration and compliance, and to the revenue. Even if it is decided that the benefits-received theory should be the basis for tax imposition, we must then be certain we know who benefits. Taxes for duck stamps are used for the benefit of hunters. This can be quite easily established. Social-security taxes are used for protection in our later years. Highway improvement benefits many. The man who did not become a fatality because of better traffic control is a beneficiary. The man who drives to work, and because his ride to work is faster and more pleasant, benefits. The producer whose goods are sped to market more rapidly, causing him to save on transportation and storage costs, benefits. Consumers benefit; all citizens benefit. Any attempt to make those who benefit from highways pay the cost would have to take into consideration many more factors than ton-mile statistics.

In view of the difficulty of validly determining benefits received, I believe that the policy of financing highway-assistance bills from general revenue should not have been so completely abandoned. I fear that the Congress has been too ready to adopt the earmarking principle in order, apparently, to obtain the support of an administration which has shown remarkably little understanding or appreciation for sound taxation principles. The Federal tax system should continue to depend principally on progressive taxes to compensate for regressiveness at lower levels of government instead of abetting this regressiveness through the imposition of additional exoise taxes.

Mr. BLATNIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Blatnik: On page 29, after line 20, insert a new section, as follows:
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> "Sec. 118. The Secretary of Commerce is hereby authorized and directed to conduct a comprehensive study on all phases of traffic safety, which study shall embrace the causes of accidents on streets and highways, the adequacy of accident records, the economic losses resulting from such accidents, and various factors contributing to the advancement of safey on streets and highways, including, but not limited to, the design and physical characteristics of highways, uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, and traffic conditions. The Secretary of Commerce may carry out the authority granted in this section, either independently or in cooperation with any other branch of the Government, State agency, authority, association, institution, corporation, or any other organization or person. For the purposes of carrying out the provisions of this section there shall be available from funds authorized for administrative and research purposes under section 21 of the Federal Highway Act approved November 9, 1921 (42 Stat. 212), as amended, an amount not to exceed $500,000 in fiscal year 1957 and like amounts in fiscal years 1958 and 1959. A report setting forth the results of such study, together with recommendations concerning measures which may be taken to assist in eliminating such accidents or reducing their frequency and severity, shall be transmitted by the Secretary of Commerce to the Congress as soon as practicable, but not later than March 1, 1958, and a final report by or before June 30, 1959."
>
> Renumber the remaining sections of title I accordingly.

Mr. BLATNIK. Mr. Chairman, the number of American men, women, and children killed and being killed on our Nation's highways, roads, and streets is appalling.

Since 1900, more than twice as many Americans have lost their lives in automobile accidents in 56 years than have American soldiers in all wars in the 180 years of our history—since 1776.

In the past 7 years, more Americans were killed and maimed in auto accidents than were soldiers in the entire World War II.

Each year we now continue to kill and maim more Americans than were soldiers in the 2½ years of the Korean war. In fact, except for the gas rationing years of World War II, highway accidents have been killing between 30,000 and 40,000 a year for the past 22 years.

These tragic kills are not only continuing, but do so in steadily increasing numbers.

The recent monthly release from the National Safety Council reports that traffic deaths in February totaled 2,630—an increase of 16 percent over the same month 1 year ago. The March figures continue this trend, and may reach 12 percent over a year ago.

Furthermore, February represented the 12th consecutive month in which traffic deaths have increased over the comparable month a year ago. Unless there is a drastic improvement in the accident situation, this year of 1956 will record the highest traffic death toll in history—surpassing the previous peak of 39,969 fatalities in 1941. At this present rate, 42,000 Americans will be killed this year in traffic accidents, compared with last year's 38,000; to say nothing of the almost 1½ million who will be wounded or crippled, many for life.

In addition to these tragic human losses, the economic losses are nearly $4.5 billion each year—almost double the annual cost of the highway program before us.

The death rate per 100 million vehicle miles of travel, which reached an all-time low of 6.3 in 1954, and moved up a fraction last year, has started to climb for the first time since 1949.

If, as has been estimated, traffic volume increases by 50 percent in the next 10 years, accidents at the present rate will take 55,000 lives a year.

Even when the proposed "up to standard" highways and roads are completed, some 12 years from now, auto fatalities will probably be reduced only by some 40 percent on the interstate network. There are many other accident factors involved, especially the complex "human factor," about which too little is known today. Only further research and study can give us the information necessary from which to develop an effective, broad, long-range, safety program.

I am convinced, Mr. Speaker, that this Congress, in authorizing the investment of billions of dollars in the rebuilding of our highway network—which I earnestly hope it will do without delay—desires at the same time to do everything it properly can to insure the safest possible use of that network by the American public. The attitude of this House on the subject already has been demonstrated, I think, in the enactment, without dissent, of the excellent resolution sponsored by my distinguished colleague from Alabama, Mr. Roberts, calling for an investigation of the accident problem by the Committee on Interstate and Foreign Commerce. I am in complete accord with the purpose of that resolution. The amendment I am proposing today would make available for such research competent personnel resources, and additional facts without the necessity for any new appropriations. It also would provide more time for a thorough and comprehensive investigation.

The amendment, which was drafted at my request by the Bureau of Public Roads of the Department of Commerce, makes available for these important studies funds which are authorized for administrative and research purposes in the Federal Highway Act, limiting expenditures for this purpose under the amendment to $500,000 per year for 3 years. In response to my inquiries, the Bureau has assured me that the study is feasible, and that personnel and facilities are available.

I am proud of the fact that my own State of Minnesota consistently has been a leader among the States in the reduction of traffic accidents. It has a good program. But it is still far from good enough. I have been advised by Governor Freeman, who is giving the program dynamic leadership, by my good friend Art Rohweder, the president of the Minnesota Safety Council and others at home that the research which this amendment would make possible is of paramount importance in the development of an adequate safety program.

All recognized national experts and organizations active in highway safety say the same thing—so far as I know without exception. On March 27, 1956, the Research Committee of the Advisory Council to the President's Committee for Traffic Safety adopted a resolution asking this Congress to provide in current highway legislation for such research. With 21 of its 28 members in attendance, this distinguished group specifically recommended that the project be undertaken by expansion of the research activities of the Bureau of Public Roads.

Represented in this committee are major business and industry organizations, highway user associations, virtually all leading safety agencies and institutions, as well as universities active in safety research. This resolution is significant.

It was adopted on March 27, 1956, by the Committee on Research of the Advisory Council to the President's Committee for Traffic Safety, calling upon the Congress to provide in highway legislation an expanded program of safety research by the Bureau of Public Roads.

The text of this resolution was as follows:

> It is the consensus of the Research Committee that the Bureau of Public Roads should broaden its current activity in the field of traffic safety research; and further, that this expression be conveyed to the appropriate committee of Congress, and that they be asked to make specific provision for this in current highway legislation, so that traffic safety research may keep pace with the contemplated acceleration in the national highway program.

The chairman of this committee is Mr. Merwyn A. Kraft, director of the department of personnel and accident prevention of the American Transit Association. Other members of the committee are as follows:

Secretary, Charles W. Prisk, Bureau of Public Roads.

S. A. Abercrombie, National Commission on Safety Education.

Earl Allgaier, American Automobile Association.

J. Stannard Baker, Northwestern University Traffic Institute.

Don Blanchard, Society of Automotive Engineers.

Dr. Mark Blumberg, Acting Chief, Health Conservation Section, Department of Health, Education, and Welfare.

Thomas N. Boate, Association of Casualty and Surety Companies.

Dr. Joseph M. Bobbitt, National Institute of Mental Health.

Dr. Leon Brody, New York Center for Safety Education, New York University.

Norman Damon, Automotive Safety Foundation.

Dr. P. N. DeVere, American Optometric Association.

James P. Economos, American Bar Association.

Dr. Theodore W. Forbes, American Institute for Research.

Harold V. Gaskill, representing National Research Committee.

L. S. Harris, American Association of Motor Vehicle Administrators.

Fred W. Hurd, Bureau of Highway Traffic.

A. E. Johnson, American Association of State Highway Officials.

Dr. Colin MacLeod, New York University School of Medicine.

Prof. J. H. Mathewson, Institute of Transportation and Traffic Engineering.

Kenneth G. McWane, Highway Research Board.

Thomas C. Morrill, State Farm Mutual Automobile Insurance Co.

Karl Richards, Automobile Manufacturers Association.

William J. Simon, National Highway Users Conference.

G. D. Sontheimer, American Trucking Association, Inc.

J. C. Stennett, National Association of Automotive Mutual Insurance Companies.

Sidney J. Williams, National Safety Council.

Dr. Fletcher D. Woodward, American Medical Association.

I am advised that 21 of the 28 members of this group attended the committee meeting, and that the above resolution was approved unanimously.

The amendment to the pending Federal highway bill which I have submitted is directed to this worthwhile purpose.

The amendment provides that a comprehensive study shall be made of highway traffic safety problems, and authorizes the amount limited to $500,000 for the next 3 years for this research work, which will be undertaken by the Federal Bureau of Public Roads, in cooperation with the many existing agencies and safety organizations, private, independent, and public.

The purpose of this amendment is merely to provide for further research and coordinating the research activities that are going on, to give us additional facts, now still unknown.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. ROBERTS. I would like to say to the gentleman that the House passed House Resolution 357, which authorizes an overall study by the Committee on Interstate and Foreign Commerce. Your amendment does not conflict with that resolution. In fact, I want to commend the gentleman for his amendment and to say that I will support it. We realize that in this bill which we will pass we will be spending over $50 billion, and the gentleman's amendment would spend about one one-hundred-thousandth of that amount for research. When we realize we are killing 40,000 people a year, and we are crippling more people in 1 year than we have had casualties in all of our wars from the Revolution down through the Korean conflict, I certainly feel the gentleman's amendment has merit.

Mr. BLATNIK. I thank the gentleman for his splendid statement.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. BOGGS. I am sure the amendment has merit, but I am interested in the gentleman's cost estimates on it.

Mr. BLATNIK. The cost estimates are $500,000 per year for 1957, 1958, and 1959, whereupon it is terminated, and the reports of the findings shall be submitted to the Congress.

Mr. BOGGS. But the amount comes out of administrative funds?

Mr. BLATNIK. Yes. These do not come out of these funds. They come out of the administrative and research funds.

Mr. BOGGS. So it would not have any effect on the totals we have set forth in the studies?

Mr. BLATNIK. That is correct.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. Blatnik] has expired.

Mr. DONDERO. Mr. Chairman, I do not intend to detain the Committee unduly, but it seems to me that the subject that has been discussed by the gentleman in his amendment was before our committee and we considered it at length and concluded that we had enough agencies in the country now studying the subject of safety, and that there was no need for this amendment at this time and the expenditure of more money.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. BLATNIK. These agencies are the ones represented on the President's Advisory Committee, and are the ones who are asking for this Federal participation.

Mr. DONDERO. However, we did discuss this quite fully in our committee.

Mr. FULTON. I would like to ask whether the committee took action, and if so what it was.

Mr. DONDERO. We rejected it.

Mr. BLATNIK. The vote was 14 to 15, because there was no limitation on expenditures. Several members who voted against it at that time said that if there was a limitation on it, such as we now have, they would go along with me.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, insofar as the alinement of highways within a State connecting up with the Federal highway system is concerned, it is my understanding that such is a prerogative of the State; in other words, the various State highway or road commissions determine the alinements of these highways through their respective States.

Will the chairman of the committee comment on that at this point for the purpose of the record?

Mr. FALLON. I will say to the gentleman that all plans of location for highways are first made by the bureaus in the States, in many States the State road commission. The plan then is submitted to the Bureau of Public Roads. Unless there is something wrong in the engineering or something like that it is usually agreed to.

In the case of the interstate system it operates as it has for the past 40 years: It originates in the State, comes to Washington for decision and in the matter of contracts the contracts are made by the State or the highway commission.

Mr. CANFIELD. That is my understanding and the Bureau of Public Roads here in Washington has always made it clear it respects and accepts a State's alinement unless it is patently objectionable and infeasible on engineering and economical grounds.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Tennessee.

Mr. PRIEST. The amendment offered by the gentleman from Minnesota, I feel, is a good amendment. The House very recently authorized and directed a subcommittee of the Committee on Interstate and Foreign Commerce to make a study of safety on our highways. That subcommittee will undertake that job in the near future.

I feel since this has become such a tremendous national problem that the approach made by the gentleman from Minnesota in this amendment is a very sound one. I think it would be helpful to the subcommittee which is to be set up to study it.

I hope the amendment will be adopted.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to know what the gentleman from Maryland can tell us about the impact of this accelerated construction program on the production of cement and steel? Is there the capacity to meet this program without causing serious dislocations in distribution and prices?

Mr. FALLON. I may say to the gentleman from Iowa that before this bill was reported by the committee we had a report of a task force which studied this situation since the Clay report was written. That consisted of interviews with producers, engineers, contractors, and all groups of industry that would produce material needed for this highway; also the availability of engineers and the skilled know-how of contractors. This task force reported to us and has given us assurance that every segment of business and industry that will have to do with the construction of these highways will be available when necessary.

Mr. GROSS. What brought this to my mind is the fact that in the State of Iowa last year the paving program was retarded through lack of cement, and I am wondering what effect this accelerated program will impose upon cement manufacturing facilities in particular.

Mr. FALLON. I might say to the gentleman that in the first 2 years there will not be very much pavement laid. Most of that time will be required in the acquisition of rights-of-way and planing. We have notified the manufacturers and suppliers of this country that we are launching this program and they will be able to set up the necessary equipment so that they can furnish what is needed to carry out the program.

Mr. GROSS. .Does the gentleman expect that in the near future cement companies and perhaps steel companies will be asking for rapid tax writeoffs to expand their facilities?

Mr. FALLON. No, I do not expect that.

Mr. GROSS. That would be an additional, indirect charge upon the taxpayers.

Mr. FALLON. I do not think that will happen.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. Smith of Mississippi) there were—ayes 67, noes 163.

So the amendment was rejected.

Mr. DONOHUE. Mr. Chairman, I earnestly hope that this House will give concentrated study and keen attention to improve, as much as possible, by proper amendment this vitally important Federal highway construction legislation before us and then enact it.

The foremost authorities in the Nation on this problem have all been currently heard in testimony before the House Committees on Public Works and Ways and Means. Unanimously, they have emphasized the absolute need of improving the roads and highways of this country and urged immediate legislative action.

There are 3,343,000 miles of roads in the United States and less than half of these miles are in adequate condition. Of the 672,000 miles that are included in the Federal highway-aid system over 429,000 miles required repairs in November of 1953, according to the American Association of State Highway officials. With the estimated 58 million vehicles on the roads now, which is expected to jump to at least 70 million by 1965, it is obvious that the highway problem is going to become progressively more acute.

There are three fundamentally important factors involved in this overall highway problem, the safety factor, the defense factor, and the economic factor.

With respect to the safety factor, we have already killed more than a million people in 50 years with automobiles. Thirty million more have been injured. Automobile accidents have taken twice as many American lives as we have lost in all our wars. The number injured in traffic accidents is 25 times the number of men wounded in wars since the first Minutemen fell at Lexington, 179 years ago. It would, therefore, be un-Christian, uncivilized, and inhuman to continue to disregard the appalling loss of life and limb to American citizens by any further delay in taking steps to prevent this mounting holocaust on the Nation's highways.

With respect to the defense factor, let us dwell for a moment on what would happen if war suddenly broke out. In this age of the H-bomb there is no longer safety in digging in. It would be necessary to evacute the great industrial cities within range of the Communist air force. How could they possibly be evacuated when, even on a normal peacetime day, our roadways and highways are jammed.

If the bomb ever comes our chances for survival will depend on our mobility, the speed with which we can evacuate these urban areas and the facility with which we can shift our defense forces and get our battered industrial plants back into operation. It is obvious then that if we want to call ourselves truly prepared for any threatening atomic aggression we must promptly improve our highways.

With respect to the economic factor, a huge and sensibly planned increase in road building is necessary if the national economy is to continue expansion and if the Nation's living standards are to continue upward.

Future highway construction must be planned to serve an economy which the President has estimated will rise to $500 billion worth of goods and services annually within 10 years. At present it is conservatively estimated by the authorities that the lag in highway construction is costing the Nation about $5 billion a year.

In consideration of our progressing economy and this tremendous financial loss, the obvious answer is that we cannot continue to afford to throw away $5 billion annually by failing to provide safe-guarded highways for the more than 70 million motor vehicles that most probably will be on our United States highways by 1965. It is time for action.

Mr. Chairman, a year ago this House rejected a proposed Federal highway bill because of a background of committee jurisdictional dispute, vague and objectionable finance provisions, Senate disregard of Davis-Bacon Act prevailing wage inclusion and the harried and hurried atmosphere surrounding the debate and consideration of the measure.

Happily now the committee jurisdictional uncertainy has been completely adjusted with the cooperation of the House Ways and Means and the House Public Works Committee. In the writing of this present bill both of these committees have worked long and earnestly to place before us the best program possible for the majority of both committees to agree upon.

While I am appreciative of the intense study Committee members devoted to the measure, I earnestly hope that improving amendments and suggestions for a more equitable financing of the necessary revenue will be offered and approved. The recommended imposition of additional sales taxes instead of financing from the general revenue is to my mind of seriously questionable merit, because it would appear to inflict a greater proportionate burden upon the low-income groups than seems just and rightful.

I also earnestly hope and urge that this House will whole-heartedly approve of the retention in this measure of the Davis-Bacon Act formula requiring minimum prevailing wage-rate determinations by the Secretary of Labor to projects on the Interstate System. Any other course would be a shocking denial and repudiation of the established fair labor standards of which we so proudly boast to the rest of the world.

Section 113 permitting Federal funds to be used to pay Federal pro rata share of the cost of utility relocations on any of the Federal-aid systems whenever a State pays for such cost should be analyzed and clarified before any consideration of its acceptance should be extended by this House. It would equitably appear that there is no just or substantial reason why this section should be retained. Basically the money to be appropriated here is for Federal aid to the States for the improvement and completion of the Federal-aid road systems and I believe every taxpayers' dollar so appropriated should be strictly conserved and applied to the purpose for which it is intended.

In summary, the urgent and paramount need for an immediate beginning on the improvement of our national highway system is undeniable. It is unquestionably in the greater interest of the Nation as a whole and for the good of all Americans. Its primary objectives are designed for the safety of American lives, for the security of the Nation, and for the progress of our economy. We should then here this afternoon strive our utmost to agree upon a reasonable and equitable bill, and without further prolonged delay grant it our conscientious approval.

Mr. OSTERTAG. Mr. Chairman, I want to take this opportunity to commend the Public Works Committee and the Ways and Means Committee on having developed a sound highway program. This much needed legislation will provide funds and machinery for an expanded highway program which is so essential to our economy and vital to the safety of our millions of highway users.

Specifically referring to the question of labor standards and the application and effect of the Davis-Bacon Act, I believe it to be fair and proper to retain these provisions in H. R. 10660. In the absence of uniform and sound prevailing wage laws among all the States of the Union, I do not see how we can accept the proposed amendment as offered by the gentleman from Michigan [Mr. Dondero]. The Interstate System as provided in this program is the responsibility of the Federal Government to the degree of 90 percent of all costs. To open the door for exploitation or disregard to the principles of the Davis-Bacon Act would be most unfortunate. This is a national highway program and we must therefore make certain that no State or section of the country departs from the intent and purpose of the prevailing wage act which has so successfully worked over the years in the use of Federal funds.

Mr. Chairman, I feel compelled to oppose this amendment and support the labor standards provision embodied in H. R. 10660.

Mr. WHARTON. Mr. Chairman, the highway bill now under consideration in the House is undoubtedly one of the most important measures that has been debated before this body during my experience in Congress. It not only provides for an estimated 40,000 miles of improved interstate roads, but also takes into consideration much needed improvements for our vast system of secondary roads. We have been told that the country has 3 million miles of highways, 700,000 miles of which are paved and that 70 percent of the country's economy now moves on our highway system.

Our alarming and ever-increasing death rate of four persons in each hour of the day, plus numerous injury cases of all degrees speaks for itself. The latter, of course, involve lost time, medical and hospital expenses running into the millions of dollars.

It is astounding to learn that reliable surveys show that 25 percent of the operators' gasoline is wasted in congested areas waiting for traffic lights and in traffic bottlenecks. This item alone would justify the present bill which I have computed roughly to cost the average motorist about $10 per year while the person who drives his car very little could count the cost in pennies.

Revenue of $51.5 billion for this 13-year project is to be derived mainly from a 1-cent increase in the Federal gas tax and the funds are earmarked for highway purposes which is a fact that the people of my State have wanted for many years. There are other taxes for heavy trucks which also meets with general approval.

I note that this bill provides for approaches and bridges in connection with the Interstate System and I can think of half a dozen locations in my district that are in urgent need of improvements of that nature at the present time. Then we have community growth and the ever-increasing number of motor vehicles on the highways.

I am not in complete agreement with some provisions of this legislation but the good features in my opinion outweigh its defects.

In supporting this bill in which even a small tax increase of any nature has been most carefully scrutinized, I am frank to say that I intend to continue my efforts toward a reduction in personal income taxes all along the line and the prospective savings to the budget hereunder, will encourage such action in the not far distant future.

Finally I should like to point out that a recent survey in my district has favored a Federal highway bill and the supporting tax by a 2 to 1 margin, and I am happy at this time to be able to support the majority of my constituents by an affirmative vote for this measure.

Mr. ANFUSO. Mr. Chairman, I am going to vote for the highway bill, because the national highway system is needed for our traveling public and also as a matter of defense. I know also that it will be paid for only by those who use our highways. However, these motorists should not be taxed twice, nor should States which proceeded without Federal aid to construct interstate highways meeting Federal standards be now required to support other States which did not show the same initiative.

New York State was one of those pioneering States. It spent more than $1 billion for its State Thruway alone. The distinguished chairman of the Public Works Committee, the Honorable Charles A. Buckley, a native New Yorker, knows this, and I admire him for having previously asked that New York State receive a $650 million credit for its highway construction. I am told, however, that the bill's $25 billion appropriation for Federal authorization for new interstate highways did not cover such credits. I know that the Public Works Committee worked diligently for several months to bring out a highway bill acceptable to the Nation, and arrived at a compromise which is found on page 18 of the bill under section 109. This section provides:

> It is hereby declared to be the intent and policy of the Congress to equitably reimburse those States for any portion of a highway

> which is on the Interstate system, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the interstate system. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the interstate system measure up to the standards required by this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958.

For the time being I shall accept this compromise, but I shall watch carefully that the study is made and soon completed. The people of the State of New York will hold to account anyone connected with this bill who has promised these reimbursements if they are not forthcoming.

Our New York State Democratic delegation in Congress has shown consistency in support of legislation, which is not only good for the State of New York, but for the entire country as a whole. We have never been provincial in the matter of national legislation, but the people of the State of New York who contribute nearly one-fifth of the tax collections of the United States cannot and will not surrender rights and privileges which are inherently theirs. They have no intention of playing Santa Claus. Here are the actual figures:

Internal revenue collections for the entire country in 1954 were $69,920,000,000, of which New York State contributed $13,169,000,000, amounting to 19 percent of the total.

This highway bill will be an issue in the New York State gubernatorial and senatorial elections in 1958, and I will make it such unless the refunds rightfully due the State of New York are made before that time under the declared intention of this bill.

To protect our laboring people from New York State, I wish to also register my opposition to the Dondero amendment, although I have the highest respect for the gentleman who introduced it.

Mr. FLOOD. Mr. Chairman, a quarter of a century ago Congress determined that it would be the policy of the United States to preserve the labor standards that have been achieved in each community in the United States, and that the Federal Government would not be a party in the deterioration of these standards. To accomplish this desirable end Congress passed the Davis-Bacon Act. This act has consistently received bipartisan support. It bears the name of two past Republican Members of Congress and was approved by a Republican President, but it received the support of Democrats and was amended and expanded under a Democratic President. The original application of this act has been expanded under both Republicans and Democrats.

ACHIEVEMENT OF DAVIS-BACON ACT

Briefly, the act has achieved two purposes.

First, it has helped construction workers by assuring that the prevailing rates which they have been receiving in their communities would be paid to them on Federal Government projects.

Second, it has helped contractors by providing for a predetermination of the prevailing wages on contracts, so that they could ascertain the approximate labor costs on Government contracts prior to submission of their bids. This helped in the stabilization of the construction industry and in the achievement of better labor-management relations in industry. The Davis-Bacon Act has thus not only received bipartisan support, but it has been favored by labor as well as by fair-minded contractors.

It also helps the community. Unscrupulous contractors frequently achieve their nefarious ends by importing cheap labor in the communities where higher wage standards prevail. The importation of low-cost labor not only affects the wages of the local workers who would be engaged in the construction contracts, but causes general deterioration of wage standards in the community. Furthermore, workers who are imported to new areas create social and economic problems in the localities where they are working, and frequently become drags on the community when the temporary construction jobs are completed.

We must not allow the extensive federally sponsored interstate highway construction program which we are planning to become a source for disturbing labor standards throughout the country.

MANY PRECEDENTS EXIST FOR APPLICATION OF DAVIS-BACON

I, therefore, believe that the Davis-Bacon provisions must be applied at least to the interstate portion of any highway program which we are going to adopt.

There is nothing new in this proposed legislation. Ample precedent exists for the extension of the Davis-Bacon Act to the interstate highway program. The act has been rightly applied to the Federal Airport Act, School Service and Construction Act of 1950, National Housing Act, urban renewal program of 1954, and many other items of legislation.

Furthermore, we have close to a million blue-collar workers on the Federal payroll. The executive agencies employing these workers are required by act of Congress to review their wages periodically and to assure that wages paid to these Federal employees did not lag behind the wages received by comparable workers in private industry. Now that we are embarking on an extended highway program, I cannot see why we should not apply the same minimal fair and just rules to the men who build our interstate roads, even if the States contribute about a dime on every dollar to the building of these highways.

Indeed, we would be guilty of turning the clock back if we did not apply the excellent and sound provisions of Davis-Bacon to the interstate highway program.

PRESENT LEGISLATION UNREALISTIC

You may ask, but why not leave the regulation of wages in highway construction to the States? This is exactly what we do now. The United States Secretary of Commerce requires that each State determine the rates for skilled, semiskilled, and unskilled workers on federally sponsored highways. We know the results of this system. In some States the required minimum wage is below decent levels and has remained unchanged over the years. Joshua, the Bible tells us, stopped the sun from setting for a few hours, but some of our State highway officials try to improve on this miracle, by trying to stop progress over many years.

Furthermore, wage determination limited to three grades, skilled, semiskilled, and unskilled, is as realistic today as building a bridle path as a means of expediting interstate transportation. Present-day highway construction is a highly complex affair and requires a multitude of skills and occupations. A study of Davis-Bacon rate determination discloses that there are a few dozen distinct and different occupations in the complex business of building a highway.

A realistic wage policy must recognize the distinction between occupations and reward those who do the complex work commensurably with their degree of skill. The decline in the number of skilled workers during recent years has become a matter of concern as far as national policy and national defense are concerned. We must encourage the proper rewards for skills and maintain the differentials between occupations so as to encourage our youth to try to learn more skillful occupations. This means spelling out rates for each job, which is required under the Davis-Bacon Act and ignored under the current Federal Aid Highway Act.

SPURIOUS ARGUMENTS AGAINST APPLICATION OF DAVIS-BACON

The arguments against applying the provisions of Davis-Bacon to the interstate highway program appear to me spurious. They are based upon ignorance, and I am sorry to say, even misrepresentation.

The argument we hear most frequently claims that my proposal would increase costs. This is not correct. It assumes that the Secretary of Labor will not carry out his legal duties. Under the Davis-Bacon Act the determination of wage rates by the Secretary of Labor is guided by rates paid to laborers in similar jobs on comparable projects in the immedate locality. If comparable jobs do not exist in the immediate area, the survey of wage rates is extended as a practical matter beyond the immediate area from which labor will be supplied.

Obviously, this would not increase the cost of labor if contractors would be ready to pay the prevailing rates in each locality. The only way that the application of Davis-Bacon to the interstate highway construction program would increase the cost of labor would be to allow contractors to import low-cost labor to areas where higher rates prevail and thus gain advantage over contractors who pay the established rates in the locality. But even if this were allowed, I still do not believe that the cutting of wages, causing a deterioration in the living standards of communities, would bring about real savings. In the long run, it will increase costs and multiply problems.

I am also told that opponents of Davis-Bacon argue that the application of the act to the interstate highway program would infringe upon State powers. Now, I yield to no one in opposing the Federal Government's taking over the proper areas of control which rightfully belong to the State. But I have shown that most States have not exercised proper authority in this area and have not passed any realistic legislation. Furthermore, this is a Federal program, sponsored with Federal funds in which the States participate only to a very small extent. It is, therefore, a proper area for congressional action.

It is also argued that the application of Davis-Bacon will add Governmental redtape and delay in the building of our highways. Like the previous argument, this one tries to appeal to our general abhorrence of expanding the powers of Government. But we may as well argue against the inconveniences caused by traffic regulations. The application of Davis-Bacon to the interstate highway program is just that. It prevents the improper traffic of cheap labor and the harmful effects that it brings about locally as well as nationally.

CONCLUSION

In summary, I believe that a modern highway construction program needs modern labor relations and human relations. We should not want to build our highways at the cost of the people who are going to construct them and to harm the communities which the roads are to serve.

I urge that we apply the Davis-Bacon provisions to the interstate highway program.

Mr. PHILBIN. Mr. Chairman, the very able, distinguished, and popular gentleman from Maryland [Mr. FALLON], the chairman of the committee, and his colleagues on the committee have rendered a very distinct, commendable public service in bringing this bill to the floor, and particularly in eliminating the grounds for several substantial objections that have impeded consideration and passage of the measure in the past.

By his skillful, able, parliamentary handling of the bill on the floor the gentleman from Maryland [Mr. FALLON] has greatly accelerated the debate and thus insured speedy, expeditious passage in the House.

I am not entirely satisfied with this bill, but, because of its great importance to the Nation, the States, and the American people, I am constrained to give it my solid support.

The House has settled the principal points of difference and controversy. Public utility and labor questions have been discussed and settled by majority opinion.

I do not like the revenue section of this bill.

The Federal Government is conducted on the basis of paying its expenses out of the general revenue. There are many sound reasons for this practice which I will not discuss now. But I want to emphasize that under our system it has not been the theory or the practice to impose use taxes in order to pay the cost of carrying out national policies, projects, and objectives authorized by the Congress.

This Government has disbursed billions of dollars to foreign nations and these huge sums have been paid out of the general revenue. It has never been proposed that special taxes should be levied to acquire these funds.

The Congress has, over the years, voted billions of dollars to support farm prices and these funds have been paid out of general revenue. The same is true of public power, flood control, reclamation, and a multitude of Federal expenditures, in fact, it is true of virtually every Federal expenditure.

Pending in the House Rules Committee is a bill for school-construction assistance to the States, but there are no use-tax provisions attached to this bill—and, of course, there should not be—which would require that the cost of this worthy program be met out of taxes levied against the parents of the children who will use the schools to be constructed by Federal assistance. These funds will, like the others I have mentioned, come out of general revenue. And that is the way it should be.

Why should this bill depart from the time-honored practice of paying the general expenses of the Federal Government, the cost of authorized Federal purposes, out of general revenue?

It is unfair and inequitable, in my opinion, to put the entire burden, the huge cost, of providing a national road system and improving State roads upon certain selected classes of the people alone.

I can find no validity to this practice in legal precedent, in past practice or in the realm of common justice. So far as I am concerned it is entirely indefensible for the Federal Government and this Congress to load the brunt of this heavy burden on to the straining backs of the automobile owners of the country and their families.

The funds involved are really stupendous—exceeded only by very few Federal outlays. New roads confer a national benefit. They help the entire Nation. They expand and develop every section, every State, every community where they pass. New federally aided roads are undoubtedly a distinct benefit to every man, woman, and child in the country—a great boon and stimulus as well as a permanent improvement of the national well-being and prosperity.

Since new roads benefit all, all should pay for them through their contributions to the general revenue. It is a great injustice, I think, to place onerous use and excise taxes upon limited classes of Americans to pay for the cost of this great national program which benefits the whole country.

Notwithstanding these sincerely felt objections, I am so strongly approving of the purposes of this bill that I will wholeheartedly support it, and I express the hope that it will pass the Congress, be signed by the President and implemented at an early date.

Mr. RABAUT. Mr. Chairman, we are discussing here today a most pressing piece of legislation—the Federal highway bill. It seems to me that too many people are not aware of the absolute necessity of some form of comprehensive, long-range building program. Highways are not merely strips of concrete to be used occasionally. They are, in conjunction with the automobile, the very life's blood of our great Nation. Were it not for highways, we would all probably be crowded into a few coastal cities.

In the last 20 or 30 years, there has been a trend for the average family to move to the suburbs. This has been possible only with the aid of the automobile and adequate roads. The exodus to the country was orderly up to the time of the Second World War. The factories and shipyards brought thousands back to the city. However, with the cessation of hostilities, the movement to the suburbs resumed once again and has grown beyond our wildest expectations. Where do we go from here? The people living in the suburbs must have decent roads as 85 percent of workers living 10 miles from their jobs depend on passenger cars. The farmer must be able to bring his commodities to market. The majority of our roads were built many years ago for light traffic and light vehicles. The neglect of war years, coupled with increased traffic of heavier trucks and cars, makes some of our present highway system as out of date as the horse and buggy. We are literally being strangled by our roads.

In addition to traffic congestion and personal inconvenience, many segments of our economy are being injured by poor roads. One of the most important industries affected by this situation is the automobile industry.

When the automobile industry suffers, the whole country will ultimately suffer. Steel is the economic yardstick, and the automobile industry is the largest purchaser of steel. In 1954, the automobile industry consumed 39 percent of sheet steel. When people stop buying cars because there is no place to drive or park them, it will not be long before countless allied businesses are affected.

We must keep the automobile industry healthy for more reasons than I have time to enumerate. Seventy-three percent of the world's passenger cars are in the United States, paying $4,165,000,000 a year in automobile insurance premiums. To give you some idea of the impact the automobile industry has on our economy, 9,800,000 people are employed in highway transport industries, or 1 out of every 7 people employed in the United States. Think of the trucking concerns, gasoline service stations, and auto repair garages that are dependent on good roads and the automobile industry. Do you know there are 45,704 car and truck dealers in communities throughout the country? In addition to the millions of dollars that pour into the Federal tax coffers, from the automobile, special motor-user taxes contribute 30 percent of total State tax revenues. Taxes, of one kind or another, take 24 cents of every automobile dollar. The facts listed here are something to think about. The automobile industry is a vital link in the welfare of this country and must have good roads if it is to prosper and grow.

Mr. MINSHALL. Mr. Chairman, the bill before us has much merit, but it also contains marked deficiencies.

When the Committee on Ways and Means reported out title II of the bill providing revenue for these highways, several members of that distinguished committee advised us that we would be diverting approximately $5 billion from the general fund by taking the revenues now received from highway user's excise taxes and putting them in the highway fund. These foresighted members also predicted that the revenue raised by the provisions of title II of this bill would not be sufficient—even with the diversion of this $5 billion from the general fund—to pay for the construction authorized by title I. This is deficit financing.

It was surmised that these two specific deficiencies would require new taxes of an equivalent amount to make up this loss of revenue in the general fund or would prevent the Congress from reducing individual and business taxes by that amount.

It is my firm belief, Mr. Chairman, that after we raise highway taxes to pay for roads, our people will have no patience with any further attempts to increase any other taxes. We must therefore even further reduce general expenditures by the amount of this anticipated loss and advise the public that by enacting this highway bill we have postponed for some time a like reduction in their taxes.

In this regard, I wish to cite the results of a recent opinion poll mailed to over 60,000 homes in Ohio's 23d Congressional District, which I am privileged to represent in the Congress:

Regarding the proposed 40,000-mile interstate highway system, check one:

	Percent
(a) Approve such a highway program and pay for it by issuing Government bonds	28. 1
(b) Approve such a highway program and pay for it by increasing the highway user's tax, i. e., gas tax, rubber tax, etc	25. 0
(c) Approve such a highway program and finance it with a combination of (a) and (b)	36. 7
(d) Oppose any new Federal interstate highway program	10. 2

These people who responded to the poll are also of the overwhelming opinion that we should balance the budget and reduce the national debt before granting any reduction in taxes, but as the figures I cite would indicate, the consensus of opinion in the 23d District does not favor the methods of highway financing proposed by title II of this bill.

There are several provisions of title I, the part of the bill which sets forth the conditions under which the road program will operate, that also raise serious questions.

We in Ohio, a State which has just completed a large segment of the Interstate Highway System in the construction of the Ohio Turnpike, question section 109 of the bill, which, in nebulous terms, might reimburse States for highways which are a part of the Interstate Highway System that have already been constructed.

We question other provisions of the bill which we are about to vote.

But, Mr. Chairman, the cardinal question we must consider during our debate on this bill is whether we want a highway bill with deficiencies and questionable features, or whether we will once more tell the American people that there will be no road program of any kind.

The latter alternative is entirely unacceptable. Eighty-four and two-tenths percent of the 23d Congressional District residents last year said they wanted Congress to enact President Eisenhower's interstate highway system program. Only 8.6 percent said they did not want such a program and 7.2 percent professed no opinion.

Questionnaires conducted by my colleague showed similar results: The American people need and want better highways.

Our Committee on Public Works graphically told us why our people want more and better highways in quoting figures to show that 42,000 Americans will be killed on the highways this year and that in addition to these tragic human losses, the economic losses—wage losses, medical expenses, property damage, to say nothing of the temper losses—are nearly $5 billion each year.

There is no doubt that we need better highways. There is no doubt that we should approve the bill before us—even with its deficiencies and questionable features. I, for one, am proud to say that I will vote for this bill on final passage.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word to ask the majority leader what the program for next week is.

Mr. McCORMACK. Mr. Chairman, on Monday House Joint Resolution 501, authorizing participation in NATO Conference will be called up, also H. R. 7500, Commission on International Rules of Judicial Procedure, and S. 2972, crimes and offenses, to damage or destroy aircraft.

If any rollcalls result they will go over until Wednesday.

On Tuesday the Private Calendar will be called. Of course, if any of the bills to which I have made reference are not disposed of on Monday, their consideration will follow on Tuesday.

On Tuesday there will also be considered H. R. 2840, libraries, rural areas, Federal aid. If any rollcall is demanded, that will be postponed until Wednesday on account of primaries.

For Wednesday, Thursday, Friday, and Saturday, there will be the Department of Commerce and related agencies appropriation bill for 1957 and H. R. 8901, to establish a District of Columbia transportation system.

Any further program will be announced later. Conference reports may be brought up at any time.

Mr. MARTIN. I notice the gentleman did not mention one subject that is at the forefront of Congress and the country. I refer to the farm legislation. The gentleman did not make any mention as to when that matter will come up? The gentleman's program does not preclude action if either one of the two committees act?

Mr. McCORMACK. It is not on the program I have announced. Of course, any further program will be announced later.

Mr. MARTIN. The planning is still going on.

Mr. McCORMACK. I understand there are hearings and consultations.

Mr. GROSS. Mr. Chairman, may I ask, What would be the purpose of putting over a vote from Monday until Wednesday?

Mr. McCORMACK. There is a primary in Alabama on Tuesday.

Mr. GROSS. That is scarcely applicable to Monday.

Mr. McCORMACK. If the gentleman were a Member from Alabama and he had a primary, I am sure he would appreciate the fact that we gave consideration to him on that day.

Mr. GROSS. There is one bill I would like to have a roll call on that may come up here on Monday and I would not like to be euchered out of that rollcall. I simply want to make my position clear to the gentleman.

Mr. McCORMACK. I assure the gentleman, as far as the gentleman from Massachusetts is concerned, he would not be any party to euchering.

Mr. GROSS. I will say to the gentleman from Massachusetts that that very thing has happened.

Mr. McCORMACK. But the gentleman from Iowa, I am sure, will exonerate the gentleman from Massachusetts.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. The Rules Committee this morning reported out this rule for a continuation of the transportation system in the District of Columbia which does require very prompt and emergency treatment. I was wondering, and I have conferred with the chairman of the subcommittee, if there would not be time on Monday to dispose of that matter.

Mr. McCORMACK. I would not think so. I imagine that is a bill that many Members would be interested in. There is a lot of criticism about the bill. I noticed, in talking with Members, that there is a lot of skepticism about the bill reported out of committee. I think I programed it very rapidly.

Mr. SMITH of Virginia. What the gentleman says is entirely correct. There is a lot of skepticism about the bill and about any bill that you are going to report on that subject. I was just hoping that we might be able to get it over to the other body so that we could get along.

Mr. McCORMACK. I think in programing it for this coming week I am putting it down as early as possible.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I would like to say that a minority report on that particular bill willl be filed before midnight tonight. Another bill has been filed today, and I understand under the rules will be in order as a substitute bill. I hope there will be no scheduling of the bill so that full consideration cannot be given.

Mr. McCORMACK. I am scheduling the bill after the Department of Commerce and related agencies appropriation bill, and I am scheduling that for Wednesday.

Mr. MARTIN. I want to remind the majority leader of something which I am sure he has in mind, that unless we have this soil bank in by May 15, it will not be as useful to the producers of corn as it might.

Mr. McCORMACK. I am sure if there had not been any veto, the farmers would get $3 billion more this year.

Mr. MARTIN. That is simply a statement of the gentleman from Massachusetts.

Mr. McCORMACK. Well, that is my opinion.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, pursuant to House Resolution 485, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

Mr. Speaker, the reason for the demand for the reading of the engrossed bill was that though there was 5 hours general debate yesterday, I was unable to obtain time, and today during the reading of the bill under the 5-minute rule—and we came in at 10 o'clock when the amendment offered by the gentleman from Michigan [Mr. DONDERO] to strike the Davis-Bacon provision from the bill was under consideration—more than 20 Members were limited to a minute and a half in which to express their views either for or against that amendment by the adoption on voice vote of a limitation of the debate. Nor is today the first occasion that such a procedure has been followed. I realize that some of the Members desire to get away on Thursday, have no rollcalls until Tuesday of the following week, thus being enabled to have what amounts to a 4-day recess. While I sympathize with that desire, when the net result is to deprive Members of a fair opportunity to debate an important bill, a bill which in this case is legislation extending over 13 years and calling for an expenditure of better than $50 billion, I cannot go along. It is my purpose hereafter to take advantage of every parliamentary maneuver which will force a recognition of the right of the individual Member to be heard when proposed important far-reaching legislation is up for passage. I just object to being gagged. I do not believe that the application of a gag will save any time.

The SPEAKER. There will not be any time saved in this process, either.

Mr. HOFFMAN of Michigan. That may be true, Mr. Speaker, in connection with the disposal of this particular bill. However, in the future it is my purpose to try out the procedure of asking for the reading of an engrossed copy before a vote is had whenever, in my humble judgment, the Committee considering a bill denies a fair opportunity for debate. That procedure will in my judgment save time and it will in any event give us better legislation. Mr. Speaker, due to the requests and the pressure exerted and the intimation from my minority leader, his assurance that hereafter adequate debate will not be shut off, I withdraw my request for the reading of an engrossed copy of the bill.

The bill was read the third time.

Mr. ALGER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ALGER. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ALGER moves that the bill be recommitted to the Committee on Public Works for further study.

Mr. FALLON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. FALLON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 388, nays 19, not voting 26, as follows:

[Roll No. 36]

YEAS—388

Abernethy
Adair
Addonizio
Albert
Alexander
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Anfuso
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Barrett
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Beamer
Becker
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Blitch
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bosch
Bow
Bowler
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Brownson
Broyhill
Buckley
Budge
Burdick
Burnside
Bush
Byrd
Byrne, Pa.
Byrnes, Wis.
Canfield
Cannon
Carlyle
Carnahan
Carrigg
Cederberg
Chase
Chelf
Chenoweth
Chiperfield
Christopher
Chudoff
Church
Clark
Clevenger
Colmer
Coon
Cooper
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davidson
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Delaney
Dempsey
Denton
Derounian
Devereux
Dies
Diggs
Dingell
Dixon
Dodd
Dollinger
Dolliver
Dondero
Donohue
Dorn, N. Y.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Ellsworth
Engle
Evins
Fallon
Fascell
Feighan
Fenton
Fernandez
Fino
Fisher
Fjare
Flood
Fogarty
Forand
Ford
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Garmatz
Gathings
Gavin
George
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Gubser
Gwinn
Hagen
Hale
Halleck
Hand
Harden
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Hayworth
Healey
Hébert
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hillings
Hoeven
Hoffman, Mich.
Holifield
Holland
Holmes
Holt
Holtzman
Hope
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jackson
James
Jarman
Jenkins
Jennings
Jensen
Johansen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Judd
Karsten
Kean
Kearney
Kearns
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilday
Kilgore
King, Calif.
King, Pa.
Kirwan
Klein
Kluczynski
Knox
Knutson
Krueger
Landrum
Lane
Lanham
Lankford
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McConnell
McCormack
McDonough
McDowell
McGregor
McIntire
McVey
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Mailliard
Marshall
Martin
Mason
Meader
Merrow
Metcalf
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Minshall
Morano
Morgan
Morrison
Moss
Moulder
Multer
Mumma
Murray, Ill.
Murray, Tenn.
Natcher
Nelson
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Osmers
Ostertag
Patman
Patterson
Pelly
Perkins
Pfost
Philbin
Phillips
Pillion
Poff
Polk
Powell
Preston
Price
Priest
Prouty
Quigley
Rabaut
Radwan
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riehlman
Riley
Rivers
Roberts
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Sheppard
Short
Shuford
Sieminski
Sikes
Simpson, Ill.
Simpson, Pa.
Sisk
Smith, Miss.
Smith, Wis.
Spence
Springer
Staggers
Steed
Sullivan
Taber
Talle
Taylor
Teague, Tex.
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Tollefson
Trimble
Tumulty
Udall
Utt
Vanik
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Vursell
Wainwright

Walter
Watts
Weaver
Westland
Wharton
Whitten
Wickersham
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Winstead
Withrow
Wolcott
Wolverton
Wright
Yates
Young
Younger
Zablocki
Zelenko

NAYS—19

Abbitt
Alger
Burleson
Cole
Dorn, S. C.
Flynt
Forrester
Gary
Gentry
Jones, N. C.
McMillan
Passman
Pilcher
Poage
Robeson, Va.
Riley
Smith, Kans.
Smith, Va.
Tuck

NOT VOTING—26

Bailey
Barden
Boykin
Celler
Chatham
Cooley
Deane
Donovan
Gamble
Grant
Haley
Hinshaw
Hoffman, Ill.
Johnson, Calif.
Kilburn
Laird
McCulloch
Matthews
Miller, Calif.
Mollohan
O'Hara, Minn.
Teague, Calif.
Thomas
Thompson, La.
Williams, N. Y.
Willis

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Celler for, with Mr. Bailey against.

Until further notice:

Mr. Donovan with Mr. Johnson of California.
Mr. Deane with Mr. McCulloch.
Mr. Chatham with Mr. Teague.
Mr. Haley with Mr. Williams of New York.
Mr. Boykin with Mr. Gamble.
Mr. Miller of California with Mr. Hinshaw.
Mr. Barden with Mr. Hoffman of Illinois.
Mr. Willis with Mr. Laird.
Mr. Thomas with Mr. Kilburn.
Mr. Grant with Mr. O'Hara of Minnesota.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. FALLON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WESTLAND. Mr. Speaker, in enacting the highway construction bill last week the House of Representatives took a long stride toward making the lives of many Americans safer and more enjoyable.

The prospect of having 80 million cars, a decade hence, jammed together on today's highways was unappealing and frightening. The program we have started will provide a network of improved roads from the interstate to the local level.

In my State of Washington, the Federal Government will be spending $35.1 million in 1957. Primary, secondary and urban roads will receive $11.7 million, which will be matched dollar for dollar by State funds. Highways 99 and 10, our two interstate arteries, will receive $23.4 million plus a 10 percent payment by the State. Highway experts estimate about 4,000 new jobs will be created in my State over a period of the next 13 years. In all, some $498 million will be spent in the State of Washington during the construction period.

I believe one of the salient features of this bill is its provision for more primary and secondary road funds. As the topography of our State and its highway development limit us presently to two interstate highways, much of the beneficial effect of this bill would have been lost without the changes in the State's role. Under the new bill, the States portion of interstate road construction is lowered and the consequent savings can be matched dollar for dollar by Federal money for those roads that our citizens use in traveling from farm to market, from town to home or from town to town.

Our State has done an outstanding job in developing its highway system under the stress of financial limitation prompted by the rapidly expanding need for roads and the slower expansion of the revenue base. We have the best roads, commensurate with construction funds available. Now the State can go ahead with plans for new roads for congested areas and restoration of roads which require expensive renovation projects.

It is my belief that the President's bond-financed program would have been a more sound, better financed, generally superior plan for solution of the highway problem. However, it was obvious that the leadership of the committees which considered this bill would not have brought out another bill had this one been rejected, thus it was this bill or none.

I am not in accord with all of the revenue-producing features of this bill, but I believe in the long run its ultimate benefits will outweigh the poor and in some ways inequitable taxation portions it contains. With this in mind, I joined in support of this measure and am in hope the Senate will see fit to complete early and favorable action on it so our program can be started soon.

Mr. MACK of Illinois. Mr. Chairman, I strongly favor this legislation as it is essential that we have a sound highway system throughout our entire country. It is vital to our commerce and industry, and it is necessary for the Federal Government to take the leadership in developing an adequate system of interstate highways. I have always favored a sound interstate highway system and I have consistently supported all sound proposals to attain this goal. However, I did not feel justified to vote for the highway proposal submitted during the last session of Congress, as the financing provisions of this legislation were not equitable.

I feel that the committee has done a remarkable job in considering this legislation. They have included the best features of the highway proposals and have endeavored to equitably distribute the load to pay for the highway program. They have used extremely sound judgment in including the Davis-Bacon provisions in this legislation as this provision will have a stabilizing effect and will protect the individual communities when the construction program is under way.

Mr. Chairman, our highway system is today entirely inadequate. It has not only contributed to highway accidents but has actually formed a roadblock for commerce throughout the country. This bill with its long-range aspects will eliminate most of the present inadequacies and will contribute much in the further development of our country.

DISTRICT OF COLUMBIA TRANSPORTATION SYSTEM

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 489, Report No. 2075) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8001) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

REFUGEE RELIEF ACT OF 1953

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, last week I introduced a bill which would extend the Refugee Relief Act of 1953. Today I am introducing another bill to do substantially the same thing.

Although the bill I introduce today will do much that the earlier bill will do, today's measure is principally aimed at helping and encouraging those who escape from Communist countries. Its main purpose is to facilitate the entry of those who have escaped or who will escape, and it does this in a number of ways.

It has an important function of showing, by the policy of our country toward refugees, that this country still recog-

nizes her duty to receive those who flee persecution. To further that end, this bill substantially relaxes the requirements for admission of certain refugees, more commonly called escapees, who have fled Communist persecution. It is my hope and prayer that it will not only help those who have already fled, but also those who will flee from Communist persecution in the future. Its passage will furnish encouragement to the peoples behind the Iron Curtain.

It will increase the number of visas which will be issued under the Refugee Relief Act of 1953, and it will enlarge considerably the provisions for adjustment of status of aliens who have heretofore entered the United States as bona fide nonimmigrants.

Provisions for admission of escapees from Communist, Communist-dominated, or Communist-occupied areas would be liberalized in several ways. The allocations of visas for such escapees in different areas would be combined and the total number authorized would be increased from 45,000 to 50,000. These escapees would no longer be subject to the requirement that they must produce assurance from citizens of the United States that they will be suitably employed and housed without displacing other persons.

The allocation of visas for Italian refugees would be increased from 45,000 to 65,000, and for Greek refugees, from 15,000 to 25,000. An additional 1,500 orphan refugees would be admitted, and the age limit for eligible orphans would be raised from 10 years to 12.

To prevent the separation of families, not more than 1,000 refugees who are afflicted with tuberculosis would be admitted to this country. To avail himself of this exception, an alien would have to be a member of a family group consisting of qualified applicants for visas under this act, and arrangements would have to be made to insure that he would not become a public charge or endanger the public health.

Aliens who have heretofore entered this country as bona fide nonimmigrants would be given a new opportunity to apply for adjustment of status until June 30, 1957. The deadline for entrance into this country in order to qualify for such adjustment is changed from July 1, 1953 to July 1, 1954. Adjustment of status would be permitted even if the alien has not continued to maintain the status in which he entered the United States. The number of adjustments authorized would be increased from 5,000 to 10,000.

I call upon the Congress to give early and favorable consideration to this bill.

ON ISRAEL'S EIGHTH ANNIVERSARY

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, it is a privilege and an honor to have this opportunity to join with my colleagues, even though belatedly, to congratulate the people of Israel on the occasion of the eighth anniversary of their independence and establishment of state.

All of us realize how important it is for the security of the free world that democracy be established on a firm and secure basis in the Middle East. But such felicitations would be an empty gesture, indeed, if we ignored the day-by-day developments affecting the security and defense of Israel, the only democracy in that part of the world.

I do not have to emphasize how important peace is not only for the Middle East but for the whole world. But I think that we should take a long, slow look at the latest statement from Moscow on the Egypt-Israel situation. In my judgment, we have to be very careful not to relax just because Moscow has changed its tone at this time. This is not the first time the Russians have tried to take advantage of our desire for peace for a maneuver that they might convert to their own benefit. In spite of the fact that Russia has been trying for centuries to get into the Middle East, this is the first time that they might succeed unless we wake up to what they are doing.

The immediate danger of conflict may have been halted by the Kremlin's statement, but nothing has been changed in the conditions that brought Egypt and Israel to the brink of war. The Russians are still furnishing deadly offensive weapons to Egypt. Only a few days after the statement the press reported the delivery of Czech torpedo boats to Cairo. The Egyptian army now has time to complete its training in the use of Communist torpedo boats and Communist jet fighters and bombers.

There is a kind of parallel in the Middle East today to the Communist pattern that we saw in Korea. At that time it took about 7 months between the delivery of Communist jet MIG fighters and their first appearance on the Korean battlefront. If that timetable is being followed in the Middle East, it means that the greatest danger of war in the Middle East will come this summer. It could mean that the Kremlin's decision to call for the maintenance of the boundaries between Israel and Egypt is nothing more than a stall for more time in which to train the Arabs. This may be of a piece with Moscow's concern over the Arab refugees, for whose relief they have not contributed a single penny.

There is considerable danger that in our eagerness to see nothing but good in the Russian move, we shall hold back from Israel the arms and planes she must have for her defense. We must not allow this to happen. If we are really determined to keep the peace in the Middle East, then now is the time that we should be sending to Israel the jet planes and antitank weapons that will make her strong enough to prevent war. Egypt will not gamble on war if she knows that Israel has the weapons to defend herself.

We know that Israel wants peace as much as we do. We have had ample evidence to convince even the most skeptical persons that when Israel says she wants peace, she means it. We have also had enough evidence that Egypt backed by Communist weapons is the aggressor in the Middle East. There have been times in the last 8 years when Israel had the military power to end the border war that the Arab States were waging against her. But the people of Israel, like ourselves, are a peace-loving people, who want to be allowed to continue without interference the amazing progress they have made since 1948.

Israel needs peace to build the only free democratic nation in the Middle East and to keep it strong. But the truth of the matter is that unless we help Israel to buy the arms she needs to defend herself against the Communist-trained forces of Egypt, there will be war, not peace, in the Middle East. Unless the present administration shows by its actions that it will not stand by and let Israel be undermined by Communist aggression, we shall lose the respect and confidence of the free nations all over the world.

We cannot gain that respect by such action as the report last week that we gave our approval to Japan to sell munitions to Syria. That report says that we have approved the sale, but under controls that would limit Syria to using this ammunition for defense. Syria is a military ally of Egypt. Her guns are trained only on Israel and she has said that she intends to use them to prevent Israel from digging a canal and from fishing in the Sea of Galilee. I would like to know very much how we propose to control Syria's use of this ammunition once she has it.

Time has begun to run out in the Middle East and we can no longer delay in granting Israel's request to buy defensive arms to divert war without endangering our own national interests as well as those of Israel. Egypt stirred up trouble for France in North Africa and played a leading part in the trouble in Jordan that led to the ousting of General Glubb. Egypt has been trying in every way possible to force the United States into turning its back on Israel.

While Communist jet planes and torpedo boats are being delivered to Cairo and while our own country gives permission for Cairo's ally, Syria, to buy howitzer shells and other ammunition, Israel's request to buy arms for defense is still kept on the waiting list. Apparently this administration is not afraid of an arms race where Syria is concerned, but suddently dreams one up when Israel makes her request.

Today Israel stands in the way of a dictator's ambition to dominate the Middle East. Israel stands in the way of an invasion of communism in the Middle East. Israel is fighting our battle in the Middle East. On this eighth anniversary of Israel, we shall be letting ourselves down if we let Israel down. We, as well as Israel, are on the spot today, and the free world is waiting to see what action we will take.

FISHERIES POLICY BILL

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have spoken on this floor on numerous occasions concerning the difficult problems which beset the tuna fisheries of the United States, 70 percent of which lie in my district of San Diego. Many of these same problems face the other great sea fisheries of the Nation in the Pacific Northwest, the Gulf of Mexico, the South and Middle Atlantic area, and in New England.

Since the problems are general to the fishing industry of the country, it is likely that their solution must be general also and applicable to all of it. With this in mind, and in consultation with a number of my colleagues from other coastal districts, I prepared and introduced on January 3 a bill (H. R. 8001) which was designed to meet these needs. Twenty-five of my colleagues from eight States introduced identical bills on succeeding days.

In this legislation we sought to do these things:

First. State a clear and comprehensive policy for the fisheries of the country on behalf of the Congress which could act as a guidepost to the Executive.

Second. Erect in the executive branch of the Government an agency on the policymaking level which would have the primary responsibility for carrying out this policy, and

Third. The granting to this new agency of sufficient functions so that it could carry out and implement this policy.

We did not think that the fishing industry could be brought back into being a thriving, prosperous branch of the economy overnight or by a single piece of legislation, but we did hope by this means to reverse the tide that was sweeping this oldest of all industries in the country toward economic destruction.

H. R. 8001 and the 25 companion bills served most admirably the purpose of stirring up interest in this subject in the administration, in the Congress, and in the fishing industry itself. All of the fishery trade journals have editorialized on the subject and had articles about it for the past 3 months. The Fishing Gazette in particular has conducted an extensive inquiry among all the branches of the fishing industry and for the past 2 months has been publishing the results of its findings.

During February Senators Magnuson and Kuchel introduced legislation—S. 3275—in the Senate which had similar objectives, but sought to meet them in somewhat different ways. The Senate Interstate and Foreign Commerce Committee held extensive public hearings on S. 3275 between March 19 and 24. As a result of those hearings, Senator Magnuson prepared a quite new bill which he caused to be printed as a committee print on March 30 as a substitute for S. 3275.

This new bill was circulated broadly throughout the fishing industry, and expert opinion from every section of the country has been obtained upon it. I am reliably informed that there is a high degree of unanimity of thought in the industry that this new formula will meet the needs of the whole fishing industry about as well as any single piece of legislation can do.

Accordingly, Mr. Speaker, I am most pleased to join with many of my colleagues from other coastal districts in introducing similar legislation today. In doing so I wish to thank all of those Members who joined with me early in January in stimulating interest in this subject by introducing companion bills to my H. R. 8001 and to compliment those Members of the Senate and House who have been working on this subject for the thoroughly bipartisan approach which all of them have brought to this problem.

PROPOSAL ALLOTS $55 MILLION FOR KANSAS ROADS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record concerning legislation approved today, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I am inserting at this point in the Record a newspaper article that appeared in the Wichita Eagle, Wichita, Kans., under date of April 22. It was written by the Washington reporter of the Wichita Eagle Bureau, Mr. William P. Helm. Mr. Helm is one of the highly respected members of the press. He has a reputation for care and accuracy in the preparation of his news articles.

It is observed this statement is also a carefully prepared one. It indicates the manner in which Kansas would fare under the legislation that has just been approved by the House. It is observed Kansas gets a small share of the total allocations provided under this legislation as compared with other States indicated in this article.

Of course, there was no opportunity to amend the present bill to adjust allocations. I hope when this legislation is considered in the other body, Kansas will be treated more equitably.

Washington, April 21.—For Kansas, approximately $55,988,000 in Federal grants has been allotted for roads and highways in the 2-year period starting July 1, next.

The Eagle correspondent was given this figure today by the House Committee on Public Works which has just approved a $51 billion highway bill to be acted on by the House next week. The House figure differs from that which would be provided under the Senate-passed Gore bill of last year, but the difference is not substantial on an annual grant basis.

Here, according to the House figures, are the Federal grants the 2 fiscal years to Kansas by road classifications:

Primary Federal-aid highways, $8,272,000 each year.

Secondary roads, $5,799,000 each year.

Urban highways, $1,797,000 each year.

Interstate Highway System, $24,252,000 for the 2-year period.

Under the House bill, Kansas would have to match the first three allocations named above dollar for dollar. In other words, Kansas would have to put up the sum of the three, or $15,868,000 annually, in order to get those Federal grants.

The interstate allotment would be on a 90–10 basis, the Federal Government contributing 90 percent of the cost and the State 10 percent. To match Uncle Sam's $24,252,000 grant over the 2 years, the State would have to put up $2,695,000.

THIRTY-THREE MILLION DOLLARS

For the 4 separate headings the State's matching funds would amount approximately to $15,686,000 a year for 2 years plus $2,695,000, or a total of $33,431,000.

On that basis, road and highway construction in the State would be financed approximately to the extent of $55,988,000 in Federal funds and $33,431,000 in State funds, or a total of $89,419,000 over the 2-year period; an average annual construction program of nearly $45 million for Federal-aid construction alone.

Because of a new apportionment formula embodied in the House bill, Kansas will be far down the list of States when it comes to grants for the interstate system. Over the 13-year life of the program, fiscal 1957–69, the State would receive Federal grants totaling $220,942,000 for the interstate system alone, according to House figures furnished this correspondent.

Not a great deal of the proposed interstate system is in Kansas. Much more is in certain other States, Eastern and Midwestern plus California. Those States would receive far greater interstate-system grants over the 13 years.

Here, for instance, are some of the proposed grants:

Kansas, $220,942,000.
California, $2,477,535,000.
Illinois, $1,136,985,000.
Michigan, $1,382,752,000.
New Jersey, $1,449,780,000.
New York, $1,427,438,000.
Ohio, $1,452,263,000.

Nearby States would receive the following Federal grants, under the House bill, for the interstate system within their boundaries over the 13 years:

Missouri, $638,002,000; Oklahoma, $402,165,000; Nebraska, $114,195,000; Colorado, $166,327,000; Iowa, $295,417,000; New Mexico, $250,732,000; Texas, $930,938,000.

FORMULA

The wide divergence among these proposed allotments is due, it is explained to your correspondent, because of the new apportionment formula contained in the House bill. The Senate-passed bill retains the present formula.

Present formula of apportionment is based on 3 factors: Population, 4 parts out of 6; area of the State and its postroad mileage, 1 part each. The ratio of apportionment is the State's share, in each factor of the total as related to the entire country.

That formula is retained in the House bill so far as the primary, secondary, and urban highways and roads are concerned.

For the interstate system—the bulk of the $37 billion grant, or $25 billion will be for the interstate system—the formula proposed in the House bill is a so-called "needs" formula. That it considers the needs of each State for interstate system construction according to interstate system mileage within the State, and the needs of the entire country. Each State would be allotted its proportionate share of the money according to its needs as compared with those for the country as a whole.

DISSATISFACTION

This arrangement already has contributed to sharp differences among the various State delegations in Congress. Those receiving small allotments in some cases point to the lavish contributions to be made certain other States and are voicing varying degrees of dissatisfaction over the method proposed for dividing up the grant.

The feeling probably will be more sharply demonstrated in the Senate when the House

bill reaches that body. The apportionment formula promises to be one of the chief bones of contention between House and Senate in adjusting differences and a modification may result when the bill goes to conference. Such a modification, it is said in Senate circles, would be aimed at giving a larger share of interstate system grants to States now marked to receive relatively small shares.

There are other points of differences between Senate and House bills which would have to be adjusted. The former calls for a 5-year program, the latter for 13 years. Adjustment can be made probably without much trouble, Senate informants tell this correspondent.

When the bill comes to the Senate, the Finance Committee will assume jurisdiction, under present planning. The committee will consider the tax provisions of the House bill alone, it is now planned. The other provisions, setting the authorization, the time of the program, conditions of the grant and so on, may be considered by the Senate Public Works Committee and may be modified and made a part of the Finance Committee report to the Senate.

They may not, however. It is entirely possible, according to Senate sources, that the Finance Committee will report its recommendations as to taxes and strike out all provisions of the House bill, substituting the provisions of the Senate-passed Gore bill. In that way the measure could go to conference. It can hardly go to conference otherwise (unless the Finance Committee embodies changes of the Senate Public Works Committee in the report to the Senate) under a quirk in the Constitution that requires all tax legislation to originate with the House.

TECHNICAL ISSUE

As the House bill provides for taxes—the Senate bill does not—it must bear a House bill number, according to present rulings of parliamentarians. Otherwise it is open to attack on unconstitutional grounds. The Gore bill bears a Senate number, S. 1408. Ordinarily the House would use that number, striking out the text of the Gore bill and substituting the text of the House bill. But a tax bill, it is held tentatively, cannot bear a Senate bill number.

Therefore, unless the situation is changed, the House would be debarred from taking the Senate bill number and asking for a conference with the Senate, it is held, immediately after passage of the House bill.

This is a parliamentary gimmick that calls for solution and none other than courses outlined above has occurred as yet to those in authority.

General belief here is that the House will enact the House bill, probably late next week or early in the week following. In the Senate, public hearings probably will be held by the Finance Committee on the tax and debt provisions with attacks from some quarters on both regarded as certain.

In the end, it is believed, there will be highway legislation at this session of Congress. But Senate acceptance of the House bill in all its provisions is regarded as doubtful. A compromise seems more likely.

TERRITORY OF ALASKA

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 234) to authorize the Territory of Alaska to incur indebtedness, and for other purposes.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: In section 4 of the bill strike out the figure "$12,500,000" and insert in lieu thereof the figure $20,000,000."

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week and the following week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

JAPANESE COMPETITION IN THE TEXTILE FIELD

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, with leave to extend my own remarks in the Record, I am asking consent to include therewith a news item from Fall River, Mass., dated April 23, dealing with the liquidation of a textile mill employing 400 persons in that city:

Martin Confirms Luther Manufacturing Co. May Be Liquidated

Fall River, April 23.—Lester Martin, president of Luther Manufacturing Co., today confirmed a report the plant was running out stock in process and probably would be liquidated.

Liquidation, Mr. Martin said, is contingent on whether or not assurance is given from Washington that some relief will be had from Japanese textile imports.

Such assurance must be announced before May 15, Mr. Martin said at his New York office, to avoid liquidation of the plant.

Furthermore, he said, he had failed to receive an answer to two letters written the Secretary of Commerce on the Japanese import situation. The Luther Manufacturing Co. employs 400 operatives. Mr. Martin said it was impossible to compete with Japanese wages of 17½ cents per hour.

Mr. Speaker, I deem it my duty to call the attention of the House once again, as others have done, to the fact that the textile industry of the United States is being liquidated because of fabric and apparel importations from low-wage foreign nations.

The most recent concrete evidence of this most alarming situation comes in the above press report from Fall River, Mass., where the management of the Luther Manufacturing Co. confirmed that the mill is running out stock in process and probably will be liquidated.

Liquidation, according to the plant's ownership announcement to the public, is contingent on whether or not assurance is given from Washington that some relief from the impact of Japanese textile imports will be forthcoming. To avoid the permanent closing of Luther Manufacturing Co., such assurance must be announced prior to May 15, the officials of the firm said.

We are informed, moreover, that the company's owners had failed to receive, as of the 25th of April, any reply to two letters addressed to the Secretary of Commerce with regard to the Japanese import situation. In other words, official Washington apparently stands idly by while a plant which employs some 400 men and women and which has provided jobs in a New England community more than a half a century moves toward the brink of liquidation.

The present management, which has owned and operated Luther Manufacturing Co. for 10 years, states that it is impossible to compete with Japanese wages of 17½ cents an hour.

It should be perfectly obvious, Mr. Speaker, that no company geared to American wages and operating costs, and paying American prices for raw materials, can go on trying to compete indefinitely with the products of an oriental industry which pays Asiatic wages to people who operate western-type machinery and can buy American-grown cotton, or American-type fiber, at firesale rates.

What is happening to the Luther Manufacturing Co. of Fall River is a tangible, tragic warning of what is already happening throughout this country's textile manufacturing industry—even though it is a more gradual and more insidious slow death for the majority.

Imports of velveteen from Japan are now supplying 70 percent of the domestic United States market for that fabric. Japanese producers are taking 30 percent of the cotton-blouse market and about 30 percent of the gingham market. This does not mean, Mr. Speaker, that a corresponding amount of American machinery and employment is lopped off suddenly. Instead, managements try to shift their production to other lines, different kinds of products. Thus the impact of unfair foreign competition is spread out, adding to the burdens and troubles of other manufacturers. But the time is bound to come, as in the case of Luther Manufacturing Co., when a breaking point is reached.

A year ago, when the Congress renewed the Reciprocal Trade Agreements Act, it did so with the understanding and intention of preventing hardship to a basic industry such as textile manufacturing. It did so with assurance from the White

House itself that no American industry would be forced to suffer injury from concessions or decisions made under the reciprocal-trade program.

But even at that time, Mr. Speaker, Japan was being handed a gilt-edged invitation by our Government and by the General Agreement on Tariffs and Trade to help herself to the home markets of the American textile industry. Japan still has that invitation. With the textile tariff structure all but demolished as a result of GATT actions at Geneva last year, Japan is in a position to take over as much, or all, of the United States cloth and apparel market as she wants, and when she chooses.

This is an intolerable situation, which unless corrected can lead only to the needless ruin of an industry basic to our national economy. And I say, Mr. Speaker, that it is a stupid situation, the result of a foreign economic policy which invites the products of low-wage industries overseas to be funneled into the United States, the one region of plenty where they are least needed, while bypassing the areas of scarcity where goods made by cheap labor are desperately needed.

In my opinion, the Congress should see to it that the administration and its agencies of international economic policy, such as the State Department and GATT, take positive steps toward bringing sanity into the foreign trade policies and programs of this Government.

My deep conviction is, also, that the Congress should move promptly to establish a sound, reasonable and workable system of quota controls to regulate the inflow of goods from abroad when any major industry of our country is in serious jeopardy.

TRANSIT LEGISLATION

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. HESELTON] is recognized for 30 minutes.

Mr. HESELTON. Mr. Speaker, yesterday the following statement was made publicly:

> If the Congress falls for the lobbying of the Capital Transit Co., even in the interest of campaign contributions, it will do a great disservice to the people of the District of Columbia.

In my considered judgment that statement should never have been made by anyone who was not able and willing then and there to support it with wholly credible evidence.

It so happens that I have today filed a bill dealing with mass transportation in the District of Columbia, which I intend to offer, if I am recognized, and if it is in order, as a substitute for the bill which has been reported by the Committee on Interstate and Foreign Commerce, of which I am a member. I could not accept the responsibility for having filed that bill or the minority report I intend to file before midnight tonight, in the light of that statement made publicly, if I did not disassociate myself from it emphatically and completely and if I did not express my conviction that there is no foundation whatsoever for the statement and that it should have been recognized that it would have been interpreted as a reflection upon fine, decent, and honorable Members of this body whom I respect and whom I will defend on any occasion if any other statement is made here on the floor of the House or elsewhere to that effect.

When I asked for this special order, I intended to discuss the bill I have filed, which is H. R. 10871, the minority report I intend to file today and certain other factors I believe are relevant and important in connection with the consideration of H. R. 8901, as reported by the Committee on Interstate and Foreign Commerce, which is scheduled for House action next Wednesday.

However, I think this statement of mine should stand by itself. I hope that those who are interested in a possible alternative to H. R. 8901 will send for a copy of H. R. 10871 and of the minority report. If it seems necessary or advisable to discuss the bill or the report or other factors bearing upon the problem before us prior to Wednesday, I shall ask for another special order early in the week.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HIGHER INTEREST RATES—RAISING DISCOUNT RATE BY FEDERAL RESERVE BOARD AGAINST PUBLIC INTEREST

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on Tuesday, April 17, I took the floor to speak critically of the Federal Reserve's drastic interest rate increase approved April 13. For the benefit of my colleagues who were not present at the time I would like to repeat my earlier warning and call upon the Federal Reserve to stop the interest rate spiral before it is too late.

FIFTH RAISE IN YEAR

What are the likely effects of this Federal Reserve action going to be? Is it what the Board has publicly stated it hopes to get? Or is it more likely to produce higher costs, curtail expansion, and thereby increase the inflationary danger? I stated in my original remarks on the floor of this House that I doubted whether the Board's action would accomplish what they set out to do. I was therefore interested to learn that similar doubts are being expressed elsewhere. For example, the current issue of Iron Age—April 26—has a lead editorial titled "It Isn't Necessarily So," which points out that all the previous discount rate increases—this is the fifth raise in the past year "did not check inflation nor did they affect borrowing."

As the editorial notes:

> The Board's move makes it more expensive for the regular everyday businessman to carry on.

It is the small-business man, as the editorial observes, "who usually has a tough time in any period; who has to pay more now to carry what he considers is a proper inventory loan."

In this connection I might point out that the typical interest rate on small business bank loans in the East, prior to this latest Federal Reserve action, was 6 percent.

For the information of my colleagues I am including in the CONGRESSIONAL RECORD the full text of the Iron Age editorial:

> ### IT ISN'T NECESSARILY SO
>
> Everyone hopes—and many people assume—that the recent move of the Federal Reserve Board will be successful. The latest boost in the discount rate on loans to member banks is the fifth such action in the past year.
>
> The theory is that by making it costlier to get a loan there will be less borrowing and perhaps a check on inflation. Federal Reserve people have been worried privately about the increase in debt for some time. These sudden increases in the discount rate are the combined result of the Board's anxieties.
>
> Since the "Fed" isn't—and never should be—what we would called sacred, let's look at the other side of the picture. We can recall that all the discount rate raises did not check inflation nor did they affect borrowing.
>
> It takes a lot of money to keep the economy going. Marginal borrowing may be discouraged but the Board's move also makes it more expensive for the regular everyday businessman to carry on.
>
> Take the case of the small-business man who usually has a tough time in any period; he has to pay more now to carry what he considers is a proper inventory loan. Also, he must pay more when he borrows for legitimate needs.
>
> At present we are in one of the biggest industrial expansion periods in history. Every major business, it seems, is expanding in order to make more products, eliminate shortages and supply what the trade wants—or thinks it needs. This expansion in various industrial areas is increasing capacity—a move that in itself is essentially anti-inflationary.
>
> But all these businesses—large and small—must now pay more for expansion money. And those who use their credit to buy things that keep industry going will also pay more because of the Board's action.
>
> The point here: it isn't necessarily true that what the Board is doing will have the effect it hopes to get. It is entirely possible that these increased rates will produce nothing more than higher cost money for those must expand and carry on their businesses.

Mr. Speaker, in my original remarks I also pointed out that there were a number of weak sectors in the economy which belied the threat of runaway inflation pictured by the Federal Reserve Board.

WHERE IS THE INFLATION?

I called attention to the steady decline in new housing starts since the first quarter of 1955. I pointed to the weak demand for automobiles. Since then the weakness in automobile demand has been aggravated. The New York Journal of Commerce on April 23 states:

> Car producers feel that the car market has been suffering from the tight-money policy of the Federal Reserve which is aimed at checking inflation. * * *
>
> Car makers insist that credit conditions are sound in auto financing. They point to the extremely small number of repossessions as indications that buyers can well afford to buy cars. * * *
>
> It would not be easy to convince executives of Studebaker-Packard Corp. that the auto industry's big problem at present is fighting inflation. Studebaker-Packard is fighting to survive in a keenly competitive market.

Mr. Speaker, Studebaker-Packard has recently been turned down by the bankers for needed capital. What is the use of our passing antimerger legislation when repeated doses of Federal Reserve hard-money policy leaves many independent companies with no other way out but to merge?

In addition to these weaknesses which I said contradicted the Board's picture of inflation I wish to point out certain other facts which suggest that the tight-money policy is restricting economic growth. The Federal Reserve Board's industrial production index for March 1956 stood at 142 of the 1947–49 base. This was below the 143 plateau of the last 6 months and was no higher than September 1955. But since September 1955 business has been investing at record rates in new plant and equipment. They have been steadily expanding productive capacity month after month. This sharp rise in plant and equipment spending took up much of the slack resulting from the tight money cutbacks in housing and autos. But now, although productive capacity has increased, production is lower than it was 6 months ago. This means that our resources are not as fully employed as in the latter part of 1955. In other words it was evident in March before the Federal Reserve tightened up that the result of such action might be to produce a rise in unemployment and adverse business conditions. But the Board apparently was willing to run this risk in order to maintain the fiction of stable prices.

ADEQUATE CREDIT NOT AVAILABLE

Our economy is being starved for adequate credit. Through February 1956 the money supply had increased only 1 percent over the previous year. The maintenance of full employment calls for economic expansion. We cannot expand unless the Federal Reserve permits more growth in the money supply. Instead the Federal Reserve has chosen the opposite course. It has raised interest rates in the expectation that this will curtail bank lending. Some expansion projects have been deferred recently. We may see a repetition of the 1953 recession.

Mr. Speaker not all groups will suffer from this latest Board action. Indeed some will profit handsomely. I call attention to the following quote from the weekly letter of the Aubrey G. Lanston Co., which describes the bonanza yields from United States Treasury securities. Think of it—yields as high as 5.10 percent on riskless Government securities. As bond prices fall these yields will go still higher. And since Government securities set the floor to interest rates all other borrowers will have to pay far higher money costs.

THE BANKERS IN THE KNOW

Mr. Speaker the banks, mainly the big ones, who are in the know will make millions on the fluctuations in bond prices and on the higher interest rates. Small country banks may not do so well. They are somewhat far removed from the New York Federal Reserve Bank—the center of open market operations—and do not get the signals as quickly as the big eastern banks.

INTEREST RATE INCREASE RACKET

The parodoxical situation with respect to rising money rates and falling Government bond prices is reflected in the confused behavior of bank stockholders. The April 23 issue of the Journal of Commerce, which I include in the CONGRESSIONAL RECORD, explains this paradox and in the process reveals some interesting facts which may serve to enlighten my colleagues about this interest rate increase racket.

> [From the New York Journal of Commerce of April 23, 1956]
>
> ### BANK STOCKS—BOND LOSS FEARS REPRESS PRICES
>
> (By Ed Tyng)
>
> Rising money rates are focusing attention upon the bank stock market, which paradoxically persists in going down or barely holding its position when, by all the rules of investing, it should be rising to new highs. Last week's bank stock market could best be described as "dismal."
>
> Current increases in interest rates, sequels to the fifth round of higher rediscount rates, are going to mean millions of dollars of increased gross and net incomes to the Nation's banks. In fact, the changed money market is going to lift bank profits to a new historical high, and probably will result, later this year, in some higher dividends.
>
> #### BUYING POWER LACKING
>
> Yet bank stocks act, marketwise, like proverbial cats and dogs; buying power is lacking; there is some selling in thin markets, and no matter how good the news the bank shares just cannot rally.
>
> The explanation is more interesting than the paradox.
>
> What is happening is that bank stockholders, and particularly those who hold, buy, and sell large blocks of such shares, cannot see the forest for the trees. Their eyes are focused not upon the gross and net incomes but upon the bond losses higher money rates bring.
>
> #### TWO FIELDS OF ACTIVITY
>
> The banking business is primarily concerned with two fields of activity: lending money and investing in securities. When loan demand is high, banks do more lending and less investing. When credit demand is light, they invest heavily.
>
> Today all bank stockholders can see in rising money rates is the depression such an occurrence produces in the Government and corporate bond market. This, in their view, means bigger writeoffs on investments.
>
> That it also means higher profits which eventually will provide the funds for the writeoffs is overlooked.
>
> There are something more than 200,000 directors of commercial and savings banks in this country, and each is circulating actively as an individual bear argument on the stock of the bank of which he is a director. Many of these directors also are on boards of investment companies and insurance companies which, like banks, have security losses to write off (and also the higher income rises in the costs of money bring).
>
> #### TALE OF WOE BUILT UP
>
> As these directors circulate, the cumulative tale of woe that is built up is enough to frighten those who do not pay so much attention to the mechanics of the money market and the banking business.
>
> The facts of life in the banking business, which should be learned by every bank stock investor, is that operating income of banks, rising to new highs every quarter—and promising to take a big leap forward in the second quarter of 1956—is what counts both as regards market value and as to dividends.
>
> What may be won or lost in a given quarter on Government securities or on tax exempt State or municipal and corporate bonds is a side issue.
>
> The reasons, upon analysis, are quite obvious:
>
> 1. Losses do not have to be taken, even though good accounting may require a reserve against them to be set up from earnings. Whether securities are sold at a loss depends upon the advantages that may accrue to a bank in the form of tax credits (the Government pays 52 percent of all losses) and the advantage that may accrue from reinvesting the money at a higher rate which will spell higher current operating income in the future.
> 2. In most banks losses and profits on securities are handled through surplus or undivided profits or reserve accounts, which means that they do not figure in earnings.
> 3. Losses do not have to be permanent. If they are not taken in a given period they will be made up in future years. Today there is a widespread feeling, particularly among country banks, that they cannot win as a result of the various steps taken by the Federal Reserve banks to tighten credit.
>
> The point is that as soon as Federal Reserve objectives are attained and money turns easier, portfolio losses of banks on bonds will be regained, while current income from interest on loans and yields of investments will turn downward.
>
> As conditions are today, the bank stock market is one of the most shellshocked segments of the investment market and can see no further than its nose, which has almost lost the capacity to smell.

I would counsel my colleagues that they heed the advice given here and focus their attention on the "millions of dollars of increased gross and net income that the current increases in interest rates are going to mean to the Nation's banks."

FEDERAL RESERVE NOT REVIEWED IN 40 YEARS

The time has come for Congress to look into the credit control policies that have been introduced by the administration and the Federal Reserve in the past 3 years. I call attention to the fact that we have not reviewed the Federal Reserve in 40 years. The Federal debt is 10 times the size it was 20 years ago. The liquidity of a great many financial institutions is tied into the Federal debt and the prices of Federal securities.

The Federal Reserve is operating under regulations and employing practices that reflected the conditions of the 1920's and the 1930's. Our economy is vastly different today from what it was 20 years ago. New institutional arrangements have sprung up, particularly the increased role of consumer credit. Life insurance companies now control vast amounts of savings—their investment policies strongly affect the money market. Mr. Speaker, the Federal Reserve instruments which include the rediscount rate, reserve requirements, open market purchases moral suasion, and the like all need to be reassessed in the light of present-day requirements of the American economy. Delay may result in unpleasant consequences. It is urged that a congressional commission be appointed to look into the whole debt and credit picture and to subject the Federal Reserve System to a complete and thorough audit. I am inserting an article from the April 23, 1956, New York Times, as follows:

Congress Urged To Start Study To Update Old Policies on Credit

A congressional commission to study the problems of credit control created by the economic, political, and social changes of the last 20 years is proposed in a bulletin titled "A New Approach to Credit Control." Dean G. Rowland Collins, director of the Institute of International Finance of New York University, and Dr. Marcus Nadler, research director, suggest the study.

Federal Reserve authorities formulating credit policies must consider the obligations imposed on the Government by law to prevent a sharp decline in business activity and widespread unemployment, the bulletin says. There are indications, it declares, that the controls at the disposal of the Federal Reserve are inadequate to cope with the problems confronting it.

Despite the sharp changes that the economy of the United States has undergone, the major laws and regulations on which the activities of the system are based are governed by economic and social conditions that prevailed in the 1930's, the bulletin says.

The Federal debt is 10 times the figure of 20 years ago and the liquidity of financial institutions and business corporations today relies primarily on short-term Government obligations, according to the bulletin. The Treasury is faced with the weekly roll-over of bills as well as the problem of refunding other obligations that constantly mature.

Regardless of the degree of independence of the Federal Reserve System, these refunding operations have an impact on the credit policies of the Reserve authorities, the bulletin says.

The Reserve authorities have no power over the lending and investing policies of life insurance companies, the bulletin continues. It says the investment of life insurance reserves has a strong impact on the capital and mortgage markets.

The credit policies of the Reserve have little influence on the activities of the savings and loan associations, except that a tight credit policy may make it more difficult for them to warehouse mortgages with commercial banks. Mutual savings banks are subject to little influence by general credit control, the report says.

Sales finance companies have been able to counteract a Federal Reserve policy of credit restriction by offering easier terms on purchases of automobiles and other durable consumer goods.

Were it not for the record increase in consumer debt and home mortgages, the credit restrictive measures that the Reserve imposed last year could have been milder in form and less adverse to those segments of the economy that were not booming, the bulletin asserts.

A congressional investigation, the report says, should consider the present system of commercial bank reserve requirements, the discount and open market policies of the Federal Reserve System, the restoration of Federal Reserve power to control consumer installment credit, and the strengthening of its powers to regulate real estate credit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Hinshaw, from 1:15 o'clock p. m. today for the balance of the day, on account of urgent family matters.

Mr. McCulloch (at the request of Mr. McGregor), for today, on account of serious illness in immediate family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Heselton for 30 minutes today.

Mr. Holifield on Monday for 30 minutes.

Mr. Dorn of South Carolina on Monday next for 60 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. McGregor to revise and extend the remarks he expects to make in the Committee of the Whole today and include certain charts and graphs.

Mr. Powell (at the request of Mr. Multer) and to include extraneous matter.

Mr. Flood.

Mr. Rains (at the request of Mr. Forrester) and in each to include a speech.

Mr. Fulton (at the request of Mr. Forrester).

Mr. Fascell and to include extraneous matter.

Mrs. Harden and to include a newspaper editorial.

Mr. Bow (at the request of Mr. Martin) and to include an editorial.

Mr. Cannon and to include extraneous matter.

Mr. Sheehan (at the request of Mr. Martin) and to include extraneous matter.

Mr. Davis of Wisconsin (at the request of Mr. Martin) and to include extraneous matter.

Mr. Van Zandt (at the request of Mr. Martin) and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table, and under the rule, referred as follows:

S. 977. An act to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims; to the Committee on the Judiciary.

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the Valley division, Yuma reclamation project, Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

S 2705. An act to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia; to the Committee on the District of Columbia.

S. 3025. An act to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended; to the Committee on the Judiciary.

S. 3295. An act to amend the act of April 28, 1953, relating to daylight saving time in the District of Columbia; to the Committee on the District of Columbia.

S. 3498. An act to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6162. An act to provide for longer terms of office for the justices of the supreme court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members;

H. R. 10754. An act to authorize the Honorable Sam Rayburn, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines; and

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 54 minutes p. m.), under its previous order, the House adjourned until Monday, April 30, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1795. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the District of Columbia Traffic Act, 1925, as amended"; to the Committee on the District of Columbia.

1796. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration"; to the Committee on Interior and Insular Affairs.

1797. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated December 29, 1955, submitting an interim report, together with accompanying papers and illustrations, on a survey of harbors and rivers in southwestern Alaska submitted in partial response to the authority for a preliminary examination and surveys of harbors and rivers in Alaska in the interest of navigation, flood control, hydroelectric power, and related water uses, authorized by the Flood Control Acts approved June 30, 1948, and May 17, 1950. It is also submitted in final response to the authority for a preliminary examination and survey of upper Evichak River, Alaska, authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 390); to the Committee on Public Works and ordered to be printed, with five illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HESELTON: Committee on Interstate and Foreign Commerce. Part 2, minority views on H. R. 8901. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes (Rept. No. 2034). Referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; without amendment (Rept. No. 2074). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 489. Resolution for consideration of H. R. 8901, a bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes; without amendment (Rept. No. 2075). Referred to the House Calendar.

Mr. PRESTON: Committee on Appropriations. H. R. 10899. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2076). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H. R. 10870. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton acreage allotments; to the Committee on Agriculture.

By Mr. HESELTON:

H. R. 10871. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BERRY:

H. R. 10872. A bill to provide for extension of the time during which annual assessment work on unpatented mining claims held in certain portions of the United States may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COON:

H. R. 10873. A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, use, or distribution of water within their geographic boundaries, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CRAMER:

H. R. 10874. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 10875. A bill to enact the Agricultural Act of 1956; to the Committee on Agriculture.

By Mr. POAGE:

H. R. 10876. A bill to enact the Agricultural Act of 1956; to the Committee on Agriculture.

By Mr. DAVIS of Wisconsin:

H. R. 10877. A bill to amend sections 204a and 216 of the Interstate Commerce Act, so as to provide that shippers may designate the routing of property transported by motor carriers in cases where two or more through routes have been established, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. R. 10878. A bill to amend the Refugee Relief Act of 1953 to extend for 1 additional year the period during which visas may be issued thereunder, to increase the number of such visas which may be issued to certain classes of refugees, to permit the admission (subject to adequate safeguards) of certain aliens afflicted with tuberculosis, and for other purposes; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 10879. A bill to amend the Agricultural Adjustment Act of 1938 to provide a 2-price system for rice for 2 years, and for other purposes; to the Committee on Agriculture.

H. R. 10880. A bill to amend the Agricultural Adjustment Act of 1938 with respect to acreage allotments for rice and the reestablishment of the United States historic share of the world rice market; to the Committee on Agriculture.

By Mr. HAGEN:

H. R. 10881. A bill to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces; to the Committee on Banking and Currency.

By Mr. HOLMES:

H. R. 10882. A bill to provide for protecting Soap Lake, Wash., in connection with the Columbia Basin project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 10883. A bill to amend an act entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," approved June 29, 1938, as amended; to the Committee on the District of Columbia.

By Mr. MURRAY of Illinois:

H. R. 10884. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. RAINS:

H. R. 10885. A bill to amend section 404 of the Housing Amendments of 1955 to facilitate the acquisition by the military departments of housing covered by mortgages insured under the military housing insurance program; to the Committee on Banking and Currency.

By Mr. THOMPSON of Louisiana:

H. R. 10886. A bill to amend the Agricultural Adjustment Act of 1938 with respect to acreage allotments for rice for 1957 and 1958, to correct certain inequities in such allotments for 1956, and to reestablish the United States historic share of the world rice market; to the Committee on Agriculture.

By Mr. THOMPSON of Texas:

H. R. 10887. A bill to amend the Agricultural Adjustment Act of 1938 to provide a 2-price system for rice for 2 years, and for other purposes; to the Committee on Agriculture.

H. R. 10888. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG:

H. R. 10889. A bill to amend the Trading With the Enemy Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. PRESTON:

H. R. 10899. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress to pass legislation preserving to the States the right to enforce legislation against treason, sedition, and subversive activities; to the Committee on Un-American Activities.

By the SPEAKER: Memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States relative to bill No. 236 adopted by the Legislature of the Virgin Islands on April 23, 1956; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Massachusetts:

H. R. 10890. A bill for the relief of Lawrence K. Palder; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Wisconsin:

H. R. 10891. A bill for the relief of Col. Jack C. Jeffrey; to the Committee on the Judiciary.

H. R. 10892. A bill for the relief of Mrs. Gisela Martin; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 10893. A bill for the relief of Beddo Terzian; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10894. A bill for the relief of Giuseppe Calabro; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 10895. A bill to authorize the advance on the retired list of 1st Lt. Nicholas Mainiero, United States Marine Corps Reserve (retired), to the grade of captain; to the Committee on Armed Services.

H. R. 10896. A bill for the relief of Teruko Iwamoto Bartoli; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 10897. A bill for the relief of Francesco Pizzo; to the Committee on the Judiciary.

By Mr. RAYBURN:

H. R. 10898. A bill for the relief of Mr. and Mrs. Randall McMahon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

962. By Mr. BUSH: Petition of Williamsport Typographical Union, Local No. 141, Williamsport, Pa., protesting the continuance of the 20-percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

963. By Mr. CRETELLA: Resolution of the Connecticut Society of the Sons of the American Revolution, urging return to gold standard; to the Committee on Banking and Currency.

964. By Mr. HENDERSON: Petition of William A. Daugherty, president, and James Burden, secretary, Ohio Glass Workers Protective League, Newark, Ohio, expressing the opposition of the league to H. R. 5550 which would authorize United States membership in the Organization for Trade Cooperation, and instead to bring the General Agreements on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution; to the Committee on Ways and Means.

965. By Mr. HORAN: Petition of P. L. Houts and four others of Spokane County, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

966. By Mr. MORGAN: Petition of Mrs. E. M. Caseber and 123 other residents of Houston, Pa., and surrounding communities in support of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

967. By Mr. SHORT: Petition of H. E. Hurlbut and other citizens of Wright County, Mo., urging immediate enactment of a separate and liberal pension for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

968. By Mr. VORYS: Petition of 45 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

969. Also, petition of 20 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

970. By the SPEAKER: Petition of the assistant city clerk, Los Angeles, Calif., recommending passage of H. R. 10660, relating to highway construction; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Statement by Cecil Harden on Farm Bill

EXTENSION OF REMARKS

OF

HON. CECIL M. HARDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mrs. HARDEN. Mr. Speaker, my personal viewpoint on the farm bill sponsored by the majority party and vetoed by President Eisenhower is contained in the following statement published April 11 on the front page of the Attica (Ind.) Ledger-Tribune. The preliminary remarks were written by that newspaper's publisher, Mr. Don Montgomery. The statement follows:

STATEMENT BY CECIL HARDEN ON FARM BILL

The following telegram was received from Congresswoman CECIL M. HARDEN who not only expresses her own opinion of the pending farm bill but the opinion of many others who have followed this bill closely. The statement follows closely the opinion of Governor Pyle, of Arizona, who addressed the Hoosier State Press Association, last Saturday noon in Indianapolis. The telegram follows:

"LEDGER TRIBUNE,
Attica, Ind.:

"The House just passed the catch-all farm bill approved by House-Senate conferees. I voted against it after first voting to recommit it to committee with instructions to delete most harmful sections.

"I am convinced this bill is a bad bill, that it would hurt Indiana farmers and that the President will veto it if it passes the Senate in the form approved by the House.

"The bill is undoubtedly attractive to the commercial wheat interests in the West, to corporation-size farms and to the big cotton growers in the South. It would be of no help to the family farmer in the 6th Indiana District.

"The Democrats, who control this Congress, deliberately held up action on farm legislation for 15 months. Because of this delay, the good features of the bill, particularly the soil bank, could not now be placed in operation in time for this year's crop season in the Midwest.

"Today's action proves that the interest of the Democrat leaders of this Congress lies not in solving the farm problem but in keeping the farm issue alive for use on election day. They are depending on a Presidential veto. I doubt that Indiana farmers will be misled by these tactics.

CECIL M. HARDEN."

Salute to Capital Airlines and Its Loyal Employees on the Capital Team

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. FULTON. Mr. Speaker, on April 26, 1956, one of America's foremost airlines celebrated its 29th anniversary. Hearty congratulations on this happy occasion, and best wishes for the continued success of this fine organization.

Capital Airlines began its first scheduled operation April 26, 1927, over a 127-mile route from Pittsburgh to Cleveland. Its home base was at Bettis Field, Pittsburgh, an airport that then was little more than cleared pasture land. The fleet of airplanes that this airline operated consisted of three single-engined open-cockpit Waco biplanes.

In those early days passenger business was not solicited. Airmail was the chief source of revenue to all the fledgling airlines. But as aircraft became larger and faster, with comfortable cabin accommodations, travelers began to take advantage of this new type of travel.

Capital Airlines' routes expanded slowly at first. During the 1930's, when air travel began to increase in popularity, Capital spread its system map east and west and south until today close to 6,000 miles of airlanes make up this great company.

Although Capital is noted for many innovations throughout its long history, two events are outstanding contributions to the development of commercial aviation. The first was the introduction of the low-fare aircoach to domestic scheduled travel in 1948.

The second major event was the lead Capital took in bringing the jet age of commercial air travel to United States air transportation. Today Capital Airlines is the only United States airline to fly jet-prop transport airplanes.

The fleet of jet-prop Viscounts serving Capital's routes has brought a new concept in flight to America. This is one of the chief reasons why Capital's 29th anniversary carries such significance. The Viscounts have launched a new era of air transportation promising air travelers more comfort, more speed, and greater dependability than ever before.

Capital Airlines is particularly fortunate in its top-flight management team: Mr. George Hann, chairman of the board, a prominent forward-looking attorney of Pittsburgh, Pa.; President

James H. "Slim" Carmichael, under whose administration Capital Airlines has made such excellent progress; and his assistant, Jennings Randolph, former Congressman from West Virginia. Congratulations to these men on their fine leadership of the Capital team, and congratulations to the employees on their courteous, efficient, and safe air service.

Federal Assistance Is Needed To Deal With the Pockets of Unemployment That Here and There Mar the Nation's General Industrial Prosperity

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. VAN ZANDT. Mr. Speaker, one of the major problems still pending before this Congress is that of providing Federal assistance to depressed areas which represent pockets of unemployment despite the fact that our Nation is enjoying a period of unparalleled prosperity.

As the representative of the 20th Congressional District of Pennsylvania where pockets of unemployment exist, I appeared before the House Banking and Currency Committee, April 26, 1956, in support of my bill, H. R. 8223, designed to provide Federal assistance to depressed areas.

My statement follows:

STATEMENT BY HON. JAMES E. VAN ZANDT, OF PENNSYLVANIA, APRIL 26, 1956, BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY REGARDING THE NEED FOR FEDERAL ASSISTANCE TO DEPRESSED AREAS

Mr. Chairman, it is a pleasure to have the opportunity of appearing before this committee in support of legislation to provide Federal assistance to depressed areas.

As you probably know, over a period of several years I have sponsored legislation on this subject. However, today I am appearing in support of my bill, H. R. 8223, which I introduced on January 9 of this year. In my opinion, H. R. 8223 is an improvement over the bills I introduced previously in the 83d Congress and during the first session of this Congress.

H. R. 8223 is a bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and for other purposes. In a few words, the bill provides a $50 million revolving fund for making loans in areas of substantial and persistent unemployment for industrial development projects worked out on a local level and approved by the State.

The loans would be used for (a) preparing land for industrial use; (b) constructing new factories; and (c) modernizing old factories. In addition, a fund of $1½ million would be authorized to provide technical assistance, including studies evaluating the needs of and developing potentialities for economic growth in such areas.

My interest in legislation of this type stems from the fact that I represent a congressional district in Pennsylvania whose economy is dependent upon the coal and railroad industries. Years ago substitute fuels and modernization of railroads gave indications that unemployment would result in these two basic industries. World War II and the Korean war simply postponed the day of reckoning. However, following World War II and until the Korean conflict, unemployment became a vexing problem with the Korean war absorbing the unemployed until a truce was declared.

Since the end of the Korean war, the stark specter of unemployment again began to rear its ugly head and for a period of over several years 18 percent of our employables were unemployed with the result that the United States Department of Labor classified my congressional district in group 4–B because of having a very substantial labor surplus. This condition brought hardship and suffering to thousands of good Americans.

During the period when my congressional district was classified in group 4–B, thousands of my constituents were forced to exist on unemployment insurance and when their eligibility for such benefits expired, they were compelled to rely on public assistance. To supplement the small benefits received through the public assistance program, thousands of them received surplus commodities and it may be of interest to you to know that at one time nearly 30 percent of the residents of my congressional district were eligible to receive surplus food. Words are inadequate to explain the hardship and suffering caused by this unemployment.

Mr. Chairman, I am happy to report that we have experienced a marked recovery in my congressional district to the extent that unemployment varies between 6 percent and 8 percent of our employables. This unemployment can mostly be found in one of my counties whose basic industry is coal. It truly represents a pocket of unemployment that is distressing in its effects.

At the present time, over 36,000 of the residents of this particular county or about 40 percent of the total population are eligible and are receiving surplus commodities. This is truly a blighted area that is in need of the assistance that would be provided under my bill, H. R. 8223.

While there are smaller areas in my congressional district that represent pockets of unemployment, yet I want you to know that every single community in my congressional district faced with unemployment organized, some years ago with my assistance, an industrial development committee.

These committees were financed by the local citizens who, in addition to cash contributions, gave freely of their time and effort to bring new industries to their communities as a means of providing employment.

These industrial development committees have been instrumental not only in attracting new industries to my congressional district but by their activities and their faith in the future have created an atmosphere of hope and confidence with the result that in the last 2 years existing and new industries have increased the industrial capital investment in that area by over $100 million. These industrial development committees are to be commended for the leadership they have provided in trying to solve the unemployment problem.

Mr. Chairman, our experience in the central Pennsylvania area has convinced us that we cannot do this job alone. If we are going to lick these little depressions that stem from pockets of unemployment, we need State and Federal assistance in coordinating our efforts.

Already the Commonwealth of Pennsylvania has enacted a $5 million industrial-development program to aid communities in their efforts to attract industry. All that is left to be done is for Congress to implement the State action by enacting my bill H. R. 8223, which will provide Federal assistance to distressed areas.

Mr. Chairman, the people whom I represent are good Americans, thousands of whom have suffered as the result of distress in the coal and railroad industries. Modern-day progress in these two industries brought about this distress. By the facts that I have given you, my constituents without Federal or State financial aid have given of their own money as well as their own time and effort to lick this economic problem. As I have stated, some progress has been made down the long, hard road but they need a helping hand to attain their objective.

Mr. Chairman, in concluding this statement and speaking for the people of my congressional district, if this Congress will enact a program similar to the program contained in my bill, H. R. 8223, I am confident that economic stability will be restored to the blighted areas of my congressional district and these little depressions resulting from pockets of unemployment will be a thing of the past.

While not all of the communities have been successful, we can point with pride to the fact that hundreds of new jobs have been created in the central Pennsylvania area through community effort.

Outstanding in the effort is the city of Altoona, Pa., where through the Altoona Enterprises, Inc., a subsidiary of the Altoona Chamber of Commerce, to date 10 new industries have been secured representing employment for 3,500 persons with an increased annual payroll for the area of approximately $15 million.

The $750,000 contributed by Altoona residents to finance this effort represents contributions on the part of a cross section of Altoona's population. In addition, it was necessary to borrow funds from the local banks. At this moment, the Altoona group has exhausted its borrowing capacity and this is a specific instance where my bill, H. R. 8223, will be of assistance.

Besides praising Altoona, Pa., I should like also to commend Curwensville, Coalport, Clearfield, DuBois, Tyrone, Philipsburg, Martinsburg, and Houtzdale, because these communities are also pulling themselves up by their own bootstraps.

Even though the unemployment situation has improved, we still have pockets of unemployment that cannot be ignored; hence, we have a long, hard road ahead of us to build a stable and diversified economy capable of meeting the menace of unemployment.

The Republican Candidates and Union Labor

EXTENSION OF REMARKS

OF

HON. TIMOTHY P. SHEEHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. SHEEHAN. Mr. Speaker, on Saturday, April 21, I had the privilege of delivering the principal address at the luncheon meeting of the Young Republican Organization of Illinois, which had assembled at the La Salle Hotel in Chicago, for its annual convention. Under leave to extend my remarks, I include the text of my address, which was as follows:

In spite of the fact that there are still many problems which the Republican administration has to resolve, no one can gainsay the fact that during the 4 years of Republican administration the country has reached its greatest heights of prosperity, peace has been attained, and we have not been involved in a shooting war. In every direction, we have been making great progress—economically, socially, and in welding our own people together.

Even with prosperity, peace and progress, and with the great popularity of President Eisenhower, there is grave question in many minds that the cumulative effect of all these factors might not be enough to capture control of the next Congress. From a review of the actions of the present 84th Congress, none of us can labor under the delusion that the Democrats will support President Eisenhower's policies. The Democrats only support Mr. Eisenhower's policies when it suits their political advantage, otherwise they are diametrically opposed to him and his program, even though they pay lip service to the principle that they want to support the President.

Knowing this audience is composed of people who are ready, willing, and able to carry a message to the people, I feel it is necessary to talk to you about a phase of the coming election which most politicians and citizens would like to forget about. It is a problem which confronts the Republican Party and all Republican officeholders, and is the opposition to the Republican Party and Republican principles voiced and carried out by union labor spokesmen. Naturally, I am speaking from the standpoint of a resident of Illinois and of the industrial North. I am speaking of the very real problem confronting us whereby labor union leaders distort the truth by means of hoodwinking the labor union workers about the Taft-Hartley Act. And here I want to strongly emphasize that I am speaking only of labor union leaders. By no means are my remarks here today aimed at the rank and file of union membership, because over the years it has been proven that when the working people go to the polls they vote as Americans, supporting the best qualified candidates and keeping in mind the general welfare of the country.

The majority of union labor leaders knowingly try to sell the proverbial "bill of goods" by promoting the false idea that only the Democrats are friends of the working people. When I note the firm grip that labor union leaders like Walter Reuther and James Carey have on the Democrat political leaders, I have grave misgivings regarding the motives of these few men, as it seems to me that they are personally more interested in achieving political power and in taking over control of the Democratic Party than they are in the welfare of labor.

However, in all fairness, it must be noted that some union labor leaders do not follow the herd. Dave Beck, president of the International Brotherhood of Teamsters, in February said he thought organized labor should not get into politics any more than is absolutely necessary on issues confronting it in the economic fields. Maurice Hutchinson, of the International Brotherhood of Carpenters, said that neither political party has "the labor vote sewed up." He stated (February 17, 1956) that "labor will not latch onto the shirttails of any political party in 1956," and further said, "the Democrats have more people in favor of antilabor legislation than the Republicans."

If the majority of union labor leaders were interested in disseminating the truth, they would not continue to hoodwink the rank and file of union workers about the Taft-Hartley Act. They would not continue telling their members and the voters to defeat Republican candidates for the Legislature and to elect Democratic candidates on the promise that the Democrats will repeal the Taft-Hartley Act.

Let us look at the record. The Democratic Party, since the passage of the Taft-Hartley Act back in 1947, has continually promised to have it repealed. You do not have to be reminded that in the Democratic Party platform and in the Democratic campaign speeches of 1948 and 1952, they promised to "tear the Taft-Hartley Act out of the books." I do not have to remind you that in the congressional and senatorial elections of 1950 and 1954, you heard practically every one of the Northern industrial Democratic legislative candidates promising to repeal the Taft-Hartley Act.

Since the passage of the act, the late Senator Taft, various labor unions, and also the general public have recognized that some changes in it were necessary and called for, and on two separate occasions the Republican leadership has considered enacting some of these proposed amendments to the law. On both occasions the solid block of Democratic votes has stopped enactment of those needed revisions. Such action by the Democrats makes it clear that they are willing to sacrifice the best interests of labor in the mistaken belief that the Taft-Hartley Act will provide them with a continuing campaign issue.

On the first occasion, in the 81st Congress, when amendments to the act were presented on the floor of the House in the Wood bill, 193 Democrats voted against the proposed improvements to the law, while nearly every Republican voted to pass them. In 1954, when amendments were considered in the Senate, every Democrat voted for recommittal. The recommittal motion carried, thus killing any chances of improving the law in that session of Congress. Here again, I should like to point out that almost every single Republican Senator voted in favor of those proposed amendments. During that session, extensive hearings on amendments to the Taft-Hartley Act were conducted by the House Education and Labor Committee, but after noting the action in the Senate, the committee realized that there was no chance for clarification or refinement of the act in that Congress and took no further action. The Democrats have again—as you will recall they did before the November 1954 elections—told the people that they would repeal the Taft-Hartley Act. So far while they have controlled Congress during this past 2 years now, there have been no hearings in the House of Representatives to attempt to either clarify or repeal the law as a whole.

The Democrats have controlled the 81st, 82d, and 84th Congresses since the Taft-Hartley Act was passed. In 6 out of the 8 years since the enactment of that law, the Democrats had full control of both Houses of Congress and all committees. The very least they could have done, if they had wanted to be honest with union members, was to bring out of committee and onto the floor a bill for the repeal of the Taft-Hartley Act. They had the necessary control and the opportunity to act—they failed to do so. It is a 100-to-1 bet they will again campaign on this false issue and, I regret to say, they will again hoodwink some of the union people.

In labor legislation, as in civil rights, it seems to me that the Democrats are very long on promises and short on performance. The voters will have to judge this themselves in the coming election, and disregard Democrat promises which do not result in Democrat performance. In my opinion, the Democratic Party is divided on labor issues and will not, in the foreseeable future, repeal the Taft-Hartley Act.

In the 1956 campaign, we will again be faced with the same hoodwinking and the same rash promises by labor-union spokesmen in cooperation with the Democrat politicians.

On Wednesday, April 3, the Cook County Branch of Labor's League for Political Education asked permission to use membership lists of the Chicago Federation of Labor in order to get out the vote on labor's side in the coming national election. The chairman of the league appealed for aid from the federation unions in electing a Congress that would repeal or amend the Taft-Hartley Act. How far can union labor leaders demagog? How can they continue to hoodwink their own membership, especially when you look at the record as it has been recited here today. It seems to me that if the union-labor leaders are really interested in the welfare of their organizations and in the welfare of the workingman, they would face the facts and tell the membership exactly what has happened to the laboring man during the past 4 years of Republican administration. Among a great many things they would—if they were honest—have to bring out:

(1) An alltime high in people employed: At the present time we have the greatest peacetime employment in the history of our country. The 1955 Republican peacetime average of 63.2 million is 3.8 million above the highest Democrat peacetime high of 59.4 million in 1948, and 1.9 million more than the highest Democrat wartime high of 61.3 million in 1952.

(2) Cost of living stability: Since 1933, the cost of living has continuously gone up and in practically every year since that time under a Democrat administration the increase in the cost of living has offset the gains in wages that the workingman received. The stability of the cost of living in terms of real wages, as indicated by the Consumer Price Index for 1955 and up to the present time, has meant that when the workers won wage increases in this period the extra money made it possible for them to buy more consumer items instead of merely being able to buy the same number of consumer items as previously but at a higher price. In the year 1955, there was a 10-cent total increase in wages, which resulted in an actual real increase of 9 cents. This is a record of which the Republicans can be very proud because it clearly demonstrates that the cost of living has been stabilized. The Democrats and the labor-union leaders certainly cannot point to any such record in any comparably recent year of Democratic administration.

(3) Average pay at an alltime high: From the Bureau of Labor Statistics of the United States Department of Labor, the figures show that under the Republican administration and Republican leadership the average weekly earnings of factory workers have reached an alltime high, being at $78.59 in March.

(4) Facts about the Taft-Hartley Act: In all fairness, should not the labor union leaders reveal to the union man the fact that the Democrats have never lived up to their promises to repeal the Taft-Hartley Act, even though they controlled Congress 8 out of 8 years since the law was enacted. In the earlier part of my speech, I detailed the lack of action on the part of the Democrats. Why do not the union leaders give their membership these details? In spite of the fact that union leaders and the Democrats have seen fit to call the Taft-Hartley Act the "slave labor law," why doesn't common honesty force the union labor leaders to reveal to the rank-and-file union workers that union membership rolls have increased year by year and are at a record high; that the loss of time due to strikes is at a minimum; that the union treasuries are more prosperous than they have ever been; that the various unions are building palatial million-dollar structures, as evidenced by the fact that during the past 1 to 2 years seven new million-dollar union buildings have gone up in the Washington area. If the Taft-Hartley Act is destroying labor unions, how come this growth and how come this prosperity of the unions? Why do not the labor leaders reveal these facts to their members?

When President Eisenhower and the Republican administration have given the working people of the United States full employment, a stabilized cost of living, an alltime high in their earnings, and have developed a climate wherein the unions have made their greatest progress, how—in the name of common decency and justice—can

so many of the labor union leaders continue to misrepresent the facts? We can all be thankful that the rank and file of union members have such good sense and are still able to see and know the truth.

I have, as you realize, spent a lot of time on this single issue because I feel it is a very vital one, and unless good citizens like yourselves have the facts you will not be able to intelligently counteract the false propaganda which the labor union leaders, in conjunction with many Democrat politicians, will spread between now and the November election. Those men realize that it will be an impossibility to defeat President Eisenhower and consequently are concentrating on capturing control of both Houses of Congress. You are a vital factor in helping to counteract this false propaganda, and if you will but remember some of these facts you will be of inestimable help to President Eisenhower, the Republican Party and the general welfare of the country in the coming months.

Bradley Commission Endorses Principal of H. R. 10469 Extending GI Home Loan Guaranty Program

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. FASCELL. Mr. Speaker, 2 weeks ago, I introduced a bill which would extend the GI home-loan guaranty program for a maximum of 3 years. This bill, H. R. 10469, is before the Veterans' Affairs Committee and the chairman has already requested reports on the measure from the Veterans' Administration and the Bureau of the Budget.

With reference to this legislation, I would like to call to the attention of the Members a report which is available as House committee print No. 236, titled "Veterans' Benefits in the United States," and which was submitted to the President by Gen. Omar N. Bradley, who served as Chairman of the President's Commission on Veterans' Pensions. This group was appointed last year to conduct a comprehensive study of the laws and policies pertaining to veterans' pensions, compensation, and related nonmedical benefits. The purpose of this study was to bring up to date and correlate these benefits and services so that appropriate legislative action could be taken to insure that our veterans and their survivors will receive equitable treatment in the years to come, "consistent with the orderly development of public policy in this important area."

General Bradley's recommendation No. 45 calls for an extension of our GI home-loan guaranty program "to avoid a last-minute rush and allow an orderly termination of the program," pages 312–313.

These home-loan guaranty benefits for our veterans are due to expire on July 25 next year. The opinion of the Bradley Commission is that this home-loan guaranty program has enabled our veterans to readjust to civilian life by providing them with the opportunity to purchase their own homes and at the same time helped to overcome the national housing deficit we faced at the end of the war. I respectfully submit that H. R. 10469 is in step with the Bradley Commission recommendation toward insuring an orderly termination of this program; offsetting the serious impact which the July 1957 cut-off date will have upon our economy; and allowing our veterans the time they need to take full advantage of these benefits. I am hopeful the Members of the House will share my enthusiasm for this legislation and that the Veterans' Affairs Committee will give speedy and favorable consideration to the bill.

I am not opposed to an overall housing program. Such a program has been suggested by some of my colleagues, recommended in the Bradley report and by others.

But it is extremely doubtful that the extensive study necessary to predicate such legislation can be completed this year in sufficient time to be acted on by the Congress.

It is obvious that a July 1957 abrupt termination will cause a serious setback in our entire economy. Manufacturers, wholesalers and retailers, of furniture, electrical appliances, builder supplies, and all other household items whose business it is to supply the homeowners are undoubtedly already considering cutback of their production. This cutback must begin no later than January of next year if legislation to extend the GI home-loan guaranty program is not enacted before the close of this session of Congress.

H. R. 10469, therefore, eliminates the abrupt ending and provides for a gradual termination over a conservative period of time; thereby allowing ample opportunity for us who want to consider an overall housing program, to prepare adequate and effective legislation for this all important measure.

A Bill To Amend Section 404 of the Housing Amendments of 1955

EXTENSION OF REMARKS

OF

HON. ALBERT RAINS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. RAINS. Mr. Speaker, I am introducing today a bill to amend section 404 of the housing amendments of 1955. This section is to facilitate the acquisition by the military departments of housing covered by mortgages insured under the military housing insurance program, commonly known as the Wherry housing program.

As the new title VIII military housing program rolls into high gear, it will inevitably increase the competitive pressure upon existing Wherry projects with attendant hardship upon the sponsors. We must find some means to prevent this hardship which at the same time will protect the interests of the Government as well.

Existing law governing the purchase of Wherry housing has proved unworkable. Several bills on this subject have been introduced but in my judgment, based upon careful study of the staff of our subcommittee on housing, none of them answers the principal objections being made to these pending bills by the various interested parties.

I must agree with what others have said about the high cost of Wherry housing under the long-term lease arrangement. I also agree with statements made to the effect that tremendous future savings will be made possible if this housing can be acquired by the military departments on an equitable basis.

My bill would clearly establish the intent of Congress in this field for it would make quite clear to the military departments that they should acquire these projects. It also provides authority for the military departments to alter or improve such projects, if necessary, so that the units may be made adequate under appropriate and reasonable standards for use as public quarters. No one can dispute the fact that some of these Wherry projects do not provide the living area that our military personnel are entitled to nor is it comparable with other types of housing operated by the military department.

I feel rather strongly that all housing being used by our military departments on base should be operated as public quarters, and insofar as practical, all such housing should be comparable whether it has been built with appropriated funds, or under any other program. The provisions of my bill would permit the necessary alteration of such housing if and when acquired. In order to give the military departments some latitude in this respect, I have included a provision in the bill which though authorizing the assignment of this housing as public quarters would permit its assignment on a rental basis, without loss of quarters allowance to military personnel if the Secretary of the military departments concerned determined such housing to be inadequate for assignment as public quarters. However, these units could be rented to military personnel for only such time that was required to alter or improve them so that they could be determined acceptable for assignment as public quarters.

Perhaps the knottiest problem is the question of how to arrive at a fair purchase price. I agree with many of the charges made by the sponsors of Wherry projects that the present law does not contain an acceptable formula for determining the value of the sponsor's interest. It is important that any formula for determining the price to be paid for the sponsor's interest in this type of housing must be fair to him. But equally important the interest of the Federal Government must also be protected.

In developing the formula contained in my bill, our studies show that in some instances the fair-market-value formula contained in the present law, although equitable for some projects, would be completely unfair to most of the Wherry projects, particularly those with a high vacancy ratio. On the other hand, a formula using only adjusted cost would not produce the desired results either since we have been reliably informed that a large proportion of Wherry housing was constructed prior to the inauguration of the cost certification requirement, and, in these instances, cost records have long since been destroyed. I believe the formula contained in my bill, developed after consultation with informed persons in this field, will produce a fair price for these properties—fair to the present owners and fair to the military departments.

A number of you have spoken to me regarding the problem of Wherry housing, problems facing both the military and the sponsors under present law. I urge you to examine this proposal carefully and any suggestions you may have to improve this proposed legislation will receive my careful consideration.

I feel that my bill will provide a workable solution to the problem and hope that it will receive early and favorable attention by the Banking and Currency Committee.

Mr. Speaker, I am attaching a brief summary of this bill which follows:

AMENDMENT OF SECTION 404 OF THE HOUSING AMENDMENTS OF 1955

This proposal would amend section 404 of the housing amendments of 1955 by—

1. Establishing the intent of Congress with respect to the acquisition of "Wherry housing projects" by the military departments and authorizing the military departments to acquire them through purchase, donation, or through condemnation.

2. Establishing a formula to determine the price to be paid for the sponsors' interest in such housing. Such formula would make use of the technique of fair market value as determined by an independent appraisal; actual cost of such housing as determined by the Commissioner of the FHA, and adjusted to current costs; or the Commissioner's estimate of replacement cost of such housing at the date of final endorsement for mortgage insurance adjusted to current cost level. Both adjusted actual cost and adjusted replacement cost would be reduced by the value of improvements installed or constructed with appropriated funds and by an appropriate allowance for physical depreciation.

3. Authorizing the Secretary of the military department concerned to rent the housing acquired under this section (where it is not assigned as public quarters) to military or civilian personnel without loss to military personnel of quarter allowances.

4. Authorizing an appropriation up to $50 million for the purposes of carrying out the provisions of this section.

The Class I Milk Price

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. BOW. Mr. Speaker, members of the Ohio delegation are gratified by the prompt action of the Department of Agriculture in accepting our suggestion for an immediate increase in the farmer's class I milk price. The decision announced yesterday may mean as much as $5 million additional income to Ohio dairy farmers in the months of May, June, and July. This is a badly needed adjustment at a time when the normal seasonal decline in prices has added to the difficulties dairy farmers are experiencing.

Immediately following our return from the Easter recess, those of us who represent rural districts met in the office of J. HARRY MCGREGOR to discuss the growing distress we had encountered in our dairy areas. Present in addition to Mr. MCGREGOR and myself were PAUL F. SCHENCK, WILLIAM M. MCCULLOCH, CLIFF CLEVENGER, CLARENCE J. BROWN, JACKSON E. BETTS, OLIVER P. BOLTON, A. D. BAUMHART, JR., WILLIAM H. AYRES, JOHN E. HENDERSON, and the dean of our delegation, THOMAS A. JENKINS, who presided. This was the morning of April 10.

We called in representatives of the Secretary of Agriculture and presented the dairy problem to them, asking for immediate emergency action to suspend the seasonal decline in the Federal milk marketing orders in Ohio. Though precise amounts vary between areas, this request meant a 45-cent increase in the class I price of milk in the Cleveland-Akron-Stark County area served by farmers in my district, and corresponding amounts in the other areas. We presented at this time a telegram from the Ohio Milk Producers Federation in which the same request was made.

On April 13 the Department announced it would hold a public hearing in Columbus April 20 to consider the appeal.

Meanwhile we learned that the situation in Toledo, being near the Detroit area, was critical and that farmers there could not wait for the hearing procedure. When this special problem was presented to the Department, the Department responded with an immediate 65-cent increase for the Toledo area, effective April 16, to bring this area into a better relationship with nearby markets.

I have had extremely complimentary remarks concerning the conduct of the milk hearing in Columbus last Friday. The hearing officer permitted all interested parties to file additional briefs with the Department before midnight April 24. These were received, considered, and action taken on April 25.

To me this demonstrates that the Federal milk-marketing order system can function properly and effectively under emergency conditions. In an orderly fashion, complying with the law, the Ohio dairy farmers and the Republican Members of Ohio's congressional delegation were able to accomplish their objective in just 2 weeks.

On behalf of the delegation, I want to compliment the directors of the Dairy Division at the Department of Agriculture and Roy W. Lennartson, Deputy Administrator for Marketing Services, who must have spent many hours overtime in the past few weeks to take care of the many dairy problems, including those of Ohio.

It may be that additional adjustments will be needed in the various areas as this year's situation develops, and we intend to keep in close touch with our dairy farmers, the producers' associations, and the Department of Agriculture to take care of any new problems that may arise. Meanwhile we trust that the adjustments made will assure a continued orderly and ample supply of milk to all Ohio consumers and a measure of relief to the producers who have done so splendid a job in the past.

Israel Independence Day

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me on the eighth anniversary of the birth of the State of Israel:

ISRAEL INDEPENDENCE DAY, APRIL 27, 1956

It was in 1948 that the new State of Israel was established. Today, on the eighth anniversary of its birth, we pause to commemorate its record of progress and advancement. Examining the course of events which helped mold this record, we are amazed at how much Israel has realized against a backdrop of discord and international tension. We feel a great humility in confronting these great achievements chiseled out of the hard rock of adversity and salute the nation that accomplished them.

We also salute our Government's enlightened decision in 1948 to recognize the new State of Israel promptly. In part this House itself may claim credit for this. In 1945, you will recall, it passed a resolution favoring the establishment in Palestine of a national home for the Jewish people. This resolution, in part, reads as follows:

"*Resolved by the House of Representatives (the Senate concurring)*, That the interest shown by the President in the solution of this problem is hereby commended and that the United States shall use its good offices with the mandatory power to the end that Palestine shall be opened for free entry of Jews into that country to the maximum of its agricultural and economic potentialities, and that there shall be full opportunity for colonization and development, so that they may freely proceed with the upbuilding of Palestine as the Jewish national home and, in association with all elements of the population, establish Palestine as a democratic commonwealth in which all men, regardless of race or creed, shall have equal rights."

As you will all understand, I am proud to have been the author of this resolution.

The resolution, if I may repeat, looked forward to the establishment of Israel as a democratic commonwealth. Our policy of promoting this democratic commonwealth, however, is being rapidly frustrated. Disruptive problems within Israel and outside pressures and conflict have deflected our good intentions and Israeli national aspirations. The State of Israel has never been in greater peril of national annihilation, and it is primarily the responsibility of the United States to prevent such an act. I explained in 1945 that my resolution reflected a long series of "authoritative expressions of American policy and the views of the American people on the subject of Palestine." Today those same American people are faced with the responsibility of advocating yet another authoritative policy regarding Israel. This time, however, our decisions must be based on more than humanitarian desires; we must base them on the imperatives of international politics. The realities of world politics demand strong and immediate action to halt the drift toward war in the Middle East, with all its risks of spiraling into an even bigger war, engulfing, perhaps, the whole world.

The first question we ask is: What are the realities of the international crisis revolving around Israel? Superficially the events leading up to the present crisis consolidate into three major phases: (1) The rise of Israel; (2) the Arab-Israeli war; and (3) the truce.

Accurate as these phases may be, however, they are local and restrictive, whereas the broader political implications involve major world powers whose foreign policies need to be keyed to preserving the balance of power in the Middle East. Our own Government, therefore, must adopt a statesmanlike, constructive policy, providing not only security and peace for Israel but also for the world. In 1945 on the floor of this House I stressed the evolutionary and humanitarian elements underlying our promotion of the creation of the State of Israel. I repeat the words I then used: "As in so many fields of international policy, so here also the issue is not between nations but between emerging world democracy and the forces of reaction, hate, and decay." Numerous historical incidents have buttressed my contention, and I insist, as before, we have had and still do have the mandate of human conscience to promote Israeli national interests. This same mandate compels us today to use every available means to bring peace to the Middle East. Only with peace may Israel develop, advancing further along the road of modernization and democracy.

Eleven years ago the United States Government's primary reason for supporting the creation of the new Israeli state was to seek the establishment of a democratic commonwealth evolved through the trials of time and circumstance. It was never our intention, as I pointed out then, to "create overnight a political entity." Yet from the beginning the United States Government intended that this new nation, once founded, should remain a permanent one within the community of nations. We sensed the potentialities that Israel possessed for serving as an outpost for Western civilization; we felt her existence was a positive affirmation of our own democratic values and concepts. We were aware that a new nation would likely suffer with growing pains, struggling to get on its infant feet. We also were aware that nationalist feelings would probably erupt, causing stresses within the Middle Eastern political framework. After all, the Arab States of the Middle East are also new stars in the firmament of world powers; the head-on collision of Israel and the Arab States was a calculated international risk. Fully aware of the possibilities for international tension another new nationalistic group would doubtless unleash, we, nevertheless, welcomed the rise of Israel as a victory for advancing Western idealism and triumphant democratic idealogy. We espoused the establishment of a new democracy, not as a narrow triumph for a religious or cultural group but as a broad triumph for our own faith in international morality and justice. On Christmas Eve in 1945 I remarked to this House: "The cause of freedom for a race and for a people is at all times a cause to be sponsored and proposed and fought for by Christians." At the present time I repeat that the right for the Israeli nation to exist is a cause we must continue to fight for.

Today the matter of primary concern to the world, however, is not one between nations—nor between religions—but one between ideological doctrines. Before World War I the Middle Eastern area was primarily of strategic or military concern to interested world powers. Since that time the complex ideological forces of nationalism and communism have been added to complicate the picture. Soviet Russia's new and dynamic entrance into Middle Eastern politics is far more dangerous to the underlying democratic objectives of the Western World than many realize. To lose the battle of men's minds in another area of the world could spell final defeat for basic beliefs of Western civilization. Other areas of the world, for example, in which nationalist groups are becoming more articulate and aware may throw in their lot with the Communists if the West, especially the United States, fails to give its support toward stabilizing the fluid power structure of the Middle East. Especially Israel deserves the backing of the United States Government whose firm, decisive foreign policy could act as the realistic guaranty of the triumph of democracy. Our continuing expressions of sympathy for the material and social successes of Israel are no substitute for the diplomatic support our original policy implied when advocating its creation. The United States must exert her influence immediately for the forces of democracy before Soviet Russia makes still another vital area of the world an ideological captive.

"America," I declared in 1949, "will always be a friend at the crossroads of the world—turbulent and seething birthplace of man in the Middle East." I still do not think that our work is done as Christians or as individuals who believe in the victory of the human spirit and the ideals of brotherhood until we face up to our international obligation in this area, effectively implementing our basic democratic goals with a forthright policy. In this way alone can the State of Israel, along with the other Middle Eastern countries, feel the strength of freedom and democracy at the moment when those strengths need most to be felt. It has been truly said that we can strike no more effective blow in defense of our way of life than to do everything possible to make Israel a strong bastion of freedom in the Middle East and through it to reach the Arab World in the true spirit of our freedom. I insist, therefore, that we reaffirm at this time our own faith in democracy by championing it in Israel.

Japan

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. POWELL. Mr. Speaker, April 28, 1956, marks the fourth anniversary of the signing of the peace treaties between the United States and Japan. In observance of the event I wish to extend my sincere felicitations to the people of Japan, Emperor Hirohito, and His Excellency Masayuki Tani, Ambassador of Japan.

There is a new atmosphere in Japan today and it is an atmosphere in keeping with liberal democracy elsewhere in the free world. In the years since the termination of the Second World War, Japan has adopted a new approach in the realm of government, and accordingly has enacted a new democratic constitution based upon the principle of human rights. It seems quite clear that the new constitution has functioned well and that the new postwar democracy has been an educative and enlightening force. Japan is in no danger of reverting to the "good old days." Although the ancient trappings of feudalism are not entirely eliminated, they are mostly on the way out. Political democracy has brought about many valuable changes.

Over 10 years have passed since the end of World War II, and we may now take stock of Japan's amazing recovery from the havoc wrought by that unhappy conflict. Few scars are left today to tell the story of that great catastrophe. Cities and towns have been rebuilt, new factories have sprung up, and the wheels of industry and commerce set in motion. Japanese ships again plough the seas. Japan's recent accession to second place among the shipbuilding nations of the world again puts the country's shipyards in the position of leadership they enjoyed before the war.

Prime Minister Hatoyama outlined the social goals of his government in a speech on January 30, 1956, to the Diet in which he said: "stabilization of national life is indispensable to the attainment of real independence." In addition to the modernization of industry, bringing labor and management closer together, and promotion of international trade, the Prime Minister pledged social-security improvements, tax reduction, housing, and election revision.

Economically, Japan has set her feet soundly in the paths of progress and it is reasonable to expect that her economic advance will be accelerated. It is true that there are still some towering difficulties to be surmounted but when we recall the utter ruin of a decade ago we have good reason to believe that the next 10 years will witness equally great rewards for Japan's efforts.

In the international field, Japan has been received back into the comity of nations. Although Japan has not yet become a member of the United Nations, she is a contributing member of many of the special agencies sponsored by the international organization. There are more than 100 UNESCO associations working in Japan. The Japanese National Commission has cooperated with UNESCO Headquarters in translating representative literary works, carrying out oceanographic research, and conducting studies in social tensions and other matters.

Foreign Minister Shigemitsu in his address to the Diet on January 30, 1956, expressed his conviction that the world's quest for peace will ultimately succeed. In outlining the foreign policy aims of Japan he placed cooperation with this quest at the head of the list:

> We cannot accomplish the task of building up a new Japan as a free and democratic country without cooperating closely with the free and democratic nations of the world. This is why our Government, in conducting the independent diplomacy of its own, considers cooperation with the United States as the basis of national policy.
>
> With the United States we are maintaining cooperation along all lines, including national defense. This cooperative relationship is essential to the consummation of our independence and to the advantage of our international position, and the necessary measures must be carried out under

thorough mutual understanding and intimate contact.

His Excellency Masayuki Tani, Ambassador to the United States in discussing what he had learned at the Bandung Conference has laid particular stress on help to the underdeveloped nations to block Communist opportunity for propaganda and intrigue. Further, Ambassador Tani declares:

> In order to stem the fast-rising tide of communism in these regions military preparedness on the part of free nations is, of course, necessary. But the Communist peace offensive has to be countered with a peaceful campaign of education and with programs for economic development. It is here that Japan can play an important role * * * Japan has joined the Colombo plan. She has plans of her own for contributing to the economic development of Southeast Asia, but she cannot carry them out without cooperation from the United States.

Looking ahead, one feels satisfied that the prospects for an increasingly better life for the Japanese people are good insofar as they are within Japan's own control. The conduct of her neighbors, of course, must needs influence any picture one attempts to draw. Japan's role must be one of peace and we must hope that the signs of lessening of international tension now perceivable on world horizons are not false but will grow greater until they usher in a new era of assured prosperity.

Air Force Under Secretary Douglas Speaks at Third Annual Airpower Banquet at Madison, Wis.

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. DAVIS of Wisconsin. Mr. Speaker, Madison, Wis., the capital of the Badger State, is the host city for Truax Air Force Base. Thanks to a series of commanding officers at Truax who have been community-relations conscious, and to the presence in Madison of a group of younger leaders of the community who have served Truax both in and out of uniform, the Madison-Truax relationship has served as an example for air defense bases throughout the Air Force. A day-to-day understanding between Truax and the city of Madison has probably reached its most solid effectiveness under the present base commander Col. Frederick Nelander. Leaders in fostering community understanding have been Collins Ferris, a Madison banker who doubles as chief of staff of Wisconsin's Air National Guard, and was Truax's first commanding officer after its reactivation following the outbreak in Korea; Arlie Mucks, Jr., of the Madison Chamber of Commerce and Foundation, an Air National Guard officer; and Robert Skuldt, manager of the Madison Municipal Airport, also an Air National Guard officer.

For the past 3 years, the Madison Chamber of Commerce and Foundation has sponsored an annual airpower banquet at which the civilian and military leaders of the community have been brought together. The speaker at the first banquet in 1954 was one of the Badger State's native sons, Air Force Chief of Staff Gen. Nathan Twining. The 1955 speaker was Gen. Benjamin Chidlaw, then commanding general of the Air Defense Command. This year's speaker was the Honorable James H. Douglas, Under Secretary of the Air Force.

I have been honored with an invitation to each of these three airpower banquets, and this year was privileged to introduce Mr. Douglas.

Mr. Speaker, it is my pleasure to insert herewith the text of Secretary Douglas' remarks at Madison on April 24, preceded by my own introductory comments:

Tonight I want to tell you a story.

Once upon a time—it seems so very long ago—when skies were dark and clouds hung low upon the earth, a fair maid named Truax met and kept steady company with a handsome young man named Madison. It was a wartime affair, and when necessity no longer threw them together, it faded fairly quickly. Truax packed her trunks and returned to her mother in Washington. Madison, glad to be free from his wartime obligations, went his carefree, growing way. He grew ever taller, always stronger, happier, and more prosperous than ever before. People liked his company. A well-known national magazine said he was about the finest company to be found anywhere.

But then the skies darkened and clouds hung low upon the earth again. Lightning struck half way around the world in a remote place that few people outside the University of Wisconsin knew much about—Korea.

And one morning a very grim-looking woman with a Washington accent stood on Madison's doorstep. There were no pleasantries, there wasn't time for pleasantries. Her message was brief: "Madison, you remember my daughter Truax. She needs you. you and your neighbors need her. I'm on my way to Korea. Take good care of her."

Madison was a man of honor, and so he and Truax were married. Some folks said it was a shotgun wedding. Others said it was strictly a marriage of convenience. In either case, they said, it couldn't, wouldn't last.

But this has been a most successful union, as those of us gathered in this third family reunion will testify.

The marriage has not always been serene, of course not. But what marriage is?

There have been misunderstandings to be sure. But what marriage doesn't have misunderstandings?

Day by day, and for the most part, there has been understanding, respect, appreciation, determination to make a go of it. And what marriage ever succeeded without them?

This is not a fairy tale, it doesn't have a "they lived happily ever after" ending. This is a story of a successful marriage, the kind that members of the family work at and keep working at.

Madison, like most handsome, high-spirited men, doesn't like to be ignored by his mother-in-law. He didn't like it last month, for instance, when his mother-in-law visited Truax without bothering to look him up or to speak to him. But did he sulk in silence or rant in rage? Happily he did not. Rather he sent two of his favorite and ablest sons, Bob and Arlie, to Washington to call on his mother-in-law, make a few suggestions relating to family etiquette, remind his mother-in-law, first, of his need to be kept informed, and second, that he had some important investments and interests that needed to be protected.

Since that time, another outstanding member of the family, Fred, who is closely tied to his mother, and always wears a favorite uniform furnished by his grandmother—but who is nevertheless a great favorite of his father—called a family meeting which has done a great deal to improve the understanding and good feeling of all the family.

And so as a friend of the family, it is my pleasure to congratulate you on the success of your family relationship and to thank you for inviting me to attend this third family reunion.

Our speaker tonight, in terms of this story, might be referred to Madison's brother-in-law. Certainly he is one of the Air Force's finest, most devoted sons. A native of our neighboring Iowa, he is a resident of our neighboring Illinois. A lawyer by profession, a businessman in practical experience, he is a public servant out of a keen sense of public responsibility.

Along his busy pathway he has followed the course of civic duty. World War I found him in uniform; 1932 found him as Assistant Secretary of the Treasury. World War II found him as a colonel in the Air Force, Chief of Staff of the Air Transport Command.

Among his varied business interests he has found time to serve as a trustee of the University of Chicago, a member of the executive board of the Boy Scouts of America, and other positions of high civic responsibility.

In March of 1953, President Eisenhower designated him as Undersecretary of the Air Force, a position which he has continued to hold under two Secretaries.

He is one of the Air Force's most devoted servants, and it is my pleasure to welcome the Honorable James H. Douglas to the Second District of Wisconsin and to the city of Madison tonight.

REMARKS BY THE HONORABLE JAMES H. DOUGLAS, UNDER SECRETARY OF THE AIR FORCE, BEFORE THE CHAMBER OF COMMERCE ANNUAL AIRPOWER BANQUET, MADISON, WIS., APRIL 24, 1956

Ladies and gentlemen, I am honored by your invitation to attend this annual airpower banquet, and I welcome the opportunity to report on our Air Force, and Air Force problems, to a community that is as airminded as is Madison. For those of us who spend pretty long days in the Pentagon in planning and justifying and explaining requirements, it is always a healthy and rewarding experience to get to an Air Force installation, and to get a little acquainted with the community upon which the officers and airmen of a wing or squadron rely for the neighborly interest and encouragement that we all find essential to satisfactory living. This is particularly so when one finds not only a keen interest in airpower, so evident in this audience, but also the active day-to-day support that you give to Air Force activities at Truax Field. We in the Air Force greatly admire your fine contribution to this cordial and constructive base-city relationship. And we hope you share the pride we take in what has been accomplished. We in the Air Force regard the Madison-Truax partnership as something to be sought after and achieved at scores of bases across the Nation where high-performance aircraft are operated close to residential areas. This community-interceptor base relationship problem recalls a clipping I found on my bureau one evening during the efforts of my wife to instill in me a higher tolerance, and perhaps affection for cats. The clipping read: "No man likes a cat until a smart cat likes a man, then he becomes a cat lover." Perhaps no community likes interceptors until a smart interceptor squadron likes a community, makes its defense mission understood, and makes an intelligent effort to minimize noise and hazards. Then perhaps the community becomes an Air Force lover.

The community-Air Force partnership has never been more at a premium than it is today. The development of atomic weapons and long range aircraft have created a new situation. For the first time in the history of our Nation we find ourselves within range of the atomic striking force of a potential enemy. This potential enemy has an overwhelming strength on the ground, and has little dependence upon sea lanes, so the one instrument of military force upon which we can rely as a deterrent to Soviet military aggression, and for survival in the event of attack is air atomic striking power and air defense.

So long as a potential enemy has the capability to inflict great damage upon us we must accept the heavy burden imposed by the cost of a modern Air Force in terms of manpower, money, and national resource. This is no small matter as at present the service departments account for more than half of the national budget, and the Air Force for nearly half of that amount. The objective of our program is first of all to develop and maintain an air atomic striking force so powerful that no potential enemy can resort to full scale war as a rational means of achieving his goal. We are adding to this deterrent a strong air defense comprising fighter interceptors, and Air Force and Army ground-to-air missiles. And the striking force is supplemented by a tactical Air Force which supports our ground forces and may be particularly useful in meeting limited aggression.

Our organizational or program goal for these forces is 137 wings, including 11 troop carrier wings. Let me review our progress toward meeting this goal. As an Air Force consists primarily of men, bases and aircraft and missiles, we must look at three principal areas of activity. First, the development of a personnel force that is sufficiently large, skilled and dedicated to perform a wide range of difficult and challenging jobs. Second, the development of a system of bases so located and constructed as to support the effective use of our personnel and aircraft; and third, the development and rapid introduction into operational use of new and improved aircraft and missiles.

In the personnel field we are moving ahead with our program to procure, train, and hold the people who have the stamina, aptitude and skill needed to maintain and operate the intricate aircraft and electronic components which provide the basis for modern airpower. We have talked a lot about this increasing skill requirement over the past several years, as there are still those who think of military training as physical training and close order drill. This is no longer the case in any of the services, and I think we find the greatest requirement for technical skills in the Air Force. There are enough tubes and bulbs in one of the F-89 aircraft used by your National Guard squadron here to make 80 home radio sets. The maintenance crews on this plane must deal with an electrical system that is just as complex as the combined circuits of a city power station. In the cockpit of a B-47 the aircraft commander and his copilot have about 350 switches and controls to operate and check compared to 130 for the B-29. There are endless examples, but these will leave no doubt that we have a vastly greater need for technical knowledge and skills than we had 10 years ago. Also, when we consider the increased cost and speed and striking power of today's combat aircraft, we realize that there is less margin for indecision or error in judgment on the part of our pilots and other aircrew members than there has ever been.

Our number one problem is technical skills. In order to bring our newly enlisted airmen into their first productive assignment as quickly and economically as possible, we have streamlined our training programs. For the 65 percent of our recruits who are selected to attend formal technical schools we have shortened the period of formal basic training from 11 to 6 weeks. At the technical schools they are taught to perform specialized duties in the repair and maintenance of specific powerplant or communizations equipment—a procedure which enables them to qualify for productive assignments early in their first enlistment. Those who choose an Air Force career are later selected to attend advanced courses where they can acquire a broader knowledge of career fields in which they can progress to the highest grade.

Our improved reenlistment rates during the past year have produced a tremendous saving in training cost. For instance we were able to reenlist 11,000 more airmen during the first 4 months of this fiscal year than during the corresponding period of the preceding year. It is hard to put a sure cash value on this accomplishment, but I am advised that such reenlistment meant that we were able to retain skills which cost us about $160 million to produce. The cost of the pay raise for the same period was less than $50 million so we may be said to have paid for the pay raise three times over. In addition to the pay raise we have taken many constructive steps over the past year to increase the attractiveness of an Air Force career. Among other things we are providing better choice of assignment, fewer transfers and additional payment for the cost of transfers.

The problem of retention of skilled airmen is far from solved. We have not been able to achieve a satisfactory reenlistment rate among our people who are highly skilled in such technical fields as electronics and aircraft maintenance. Industry competition is too strong. We must continue to provide inducements that will increase the attractions and satisfactions of an Air Force career.

Although the matter of retaining our technically skilled airmen has been and is our most critical problem, we are also trying to reduce the separation rate of commissioned personnel—especially those who are completing their first period of service and represent a large investment as pilots and crew personnel. To keep pace with the increased complexity and performance of aircraft, we have had to raise the level of qualifications and proficiency for our pilots. They receive more preflight instruction; more flying time; and the demands upon them are constantly increasing as faster and more advanced aircraft enter the Air Force inventory. Inducements aimed at this group include better BOQ's and more adequate family housing, more stable assignments and the proposed increase in the number of our regular officers.

As a final comment on the personnel element of our buildup, I want to emphasize that the highly trained, skilled and career-minded, officer and airman are the all important factor in the airpower equation. Today the airmen who operate radar equipment guarding the approaches to cities packed with millions of people are charged with a tremendous public trust. Also, the responsibility of the aircraft commander of a B-52 may well give us pause. His aircraft represents a cost of more than $8 million, and in the event of war he might be called upon to deliver nuclear weapons against the aggressor. There are factors that account for our emphasis on quality as we build to our 137 wings and 975,000 officers and airmen.

One of our most acute problems in carrying out our expansion program is that of developing an adequate base system to support Air Force training and operations at home and overseas. Since 1950 nearly $5 billion of construction has been completed, and nearly $2 billion of work is under contract. The 1957 military construction program will authorize an additional $1.2 billion for Air Force base construction. This immense program serves two vital needs: to support of the Air Force expansion from some 48 wings in 1950 to the programed 137, and also to accommodate conversion from World War II aircraft to the fast, heavy jet aircraft of today. We will have homes for the 137 wings when that goal is reached in June of 1957, but there will be deficiencies in operational facilities, in recreational facilities and particularly in family housing.

Family facilities at most of our bases today are inadequate and many of our people have to rent or buy homes at a considerable distance from their work and often homes unsuitable to their needs. Progress is being made to remedy this situation. Overseas, more than 14,000 units are under construction or planned. And nearly 50,000 are programed in this country. The first of these are under construction under FHA title 8 financing. More than 500 title 8 units are programed for your local base.

In the field of weapons development we have introduced an impressive number of new and improved aircraft into combat units during the past year. Our first B-52 wing is in training at Castle Air Force Base in California. The performance of this plane has exceeded our expectations. Equipped with a nuclear bomb, the B-52 is clearly the single most significant weapon in our whole military arsenal. My respect for the B-52 was enhanced by a flight in one several months ago, which included an effortless climb to 40,000 feet in a matter of minutes and refueling contacts with a tanker at 15,000 feet.

Also during the year we have equipped several tactical wings with the B-57 light bomber and with F-100 Super-Sabres, the first operational model of the century series aircraft, and the fastest of our operational fighters.

The F-101 has completed it testing and is on order. This is the long-range fighter that can carry nuclear weapons, fly escort or reconnaissance missions, or act as a long-range interceptor. It is a big fighter, and weighs about as much as the old B-17, our World War II flying fortress.

The F-102, a Delta-wing interceptor, with electronic equipment that will guide it to bomber aircraft under all conditions of weather, day or night, has shown up well in tests and is getting into substantial production. Armed with rockets which can destroy an attacking bomber, these planes are scheduled for delivery to the Truax interceptor units.

In the day-fighter class we have the F-104. This latest air-superiority weapon has performed well at supersonic speeds in its long period of tests and in the public demonstration this month. I believe it is the fastest, highest-flying fighter in the air.

The F-105 is a supersonic fighter bomber and in flight testing. It will be a highly effective weapon for the tactical mission.

During 1955 the C–123 went into operation as an up-to-date troop carrier aircraft capable of using rough fields for landing and takeoff. This modern troop-carrier plane is being supplemented by the larger turbo-prop C–130.

In the transport field the C–133 will fly shortly. It has a range of 3,500 nautical miles, a payload capacity of more than 50,000 pounds and a speed much higher than that of our C–124 Globemaster. The C–133—in spite of its great size—can use fields suitable for present transports.

Great progress has been made in the guided missile field, and the major share of public interest in recent months has focused on the intercontinental ballistic missile and intermediate range missile development. In the ICBM field the Atlas has been under development by the Convair Division of the General Dynamics Corp., San Diego, Calif., for a number of years. The Titan is being developed by the Denver Division of the Martin Co. of Baltimore, Md. For the IRBM or Thor program, the Douglas Aircraft Co. of Santa Monica, Calif., has been assigned development responsibility.

In the airbreathing category we have under development two intercontinental missiles, the North American Navaho and the Northrup Snark. These have a range and destructive potential comparable to the ICBM's, but might soon be vulnerable to air defense weapons.

Our own progress in relation to Soviet airpower is today receiving careful examination. Particularly serious concern has been expressed regarding our long-range missile program and Soviet developments in that field. And we are not unaware of Khrushchev's statement made only yesterday.

You can be sure that we recognize the tremendous potential which long-range missiles have for the delivery of nuclear explosives, and the importance of having them available in our arsenal at the earliest time. You can also be sure that we are bending every effort to the development of both the intercontinental and intermediate range ballistic missiles, and also toward the early availability of Snark and Navaho. Perhaps the ballistic missile approaches being the absolute weapon. It has our highest priority. But I think it falls into perspective when I say we do not foresee a situation in which it will completely supplant our manned aircraft.

Also it does not appear that achievement of a Soviet IRBM ahead of us would necessarily greatly damage our deterrent position. The Soviet already has sufficient short- and medium-range striking power to accomplish near its borders what could be accomplished with the intermediate-range ballistic missile. Even their achievement of the ICBM would not immediately affect our ability to inflict vast damage with manned bombers. And our striking power should remain an effective deterrent so long as it is judged capable of inflicting unacceptable damage.

Now, let me summarize briefly what kind of airpower, and what level of airpower, we have achieved through the programs I have just discussed.

At the beginning of this calendar year we had 128 wings operational, 116 of which are apportioned among our 3 major combat elements: the Strategic Air Command, the Tactical Air Command, and the Air Defense Command. This force is supported by nearly 300 major bases in this country and overseas.

In the Strategic Air Command, which is our most powerful agent of deterrence, we have today the ability to destroy an enemy's warmaking capacity and his will to fight.

In the Tactical Air Command we have a highly mobile light bomber and fighter-bomber force that can destroy enemy troop concentrations and lines of communications and can employ atomic weapons. These units can also—from forward bases and by refueling—supplement strategic strikes against interior targets with their atomic armament.

In the Continental Air Defense Command we have a constantly increasing capability to detect, intercept, and destroy invading bomber aircraft before they reach our vital target centers. Behind a network of radar which guards our northern approaches and coastal flanks, our manned interceptors, such as those here at Truax and the Army antiaircraft missiles and artillery are ready for instant action against an attacker. The Navy as well as the Army plays an important part in our air defense.

Troop carrier and Military Air Transport Service supplement each other in providing tactical airlift for the Army and an overseas lift to meet the D-day requirements for all the services. The Military Air Transport Service, comprising more than 500 4-engine aircraft, is extremely useful in serving our forces overseas in peacetime and is necessary to meet the logistic requirements of modern warfare.

Your Air Force is making progress in bringing advanced aircraft and weapons into operational units. Its combat potential is expanding. We should not, however, for a moment be complacent about our situation or our program. We have unsolved problems. We have need to reexamine requirements frequently. We are strong today. We must be alert to stay strong for tomorrow. We must move ahead fast in developing new and improved air weapons and in converting them rapidly into operational use. For this task we are fortunate in the experience and wisdom of our Chief of Staff, General Twining, of Secretary Quarles, the Secretary of Defense, and our Commander in Chief, the President.

A Farm Letter

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. CANNON. Mr. Speaker, under leave to extend remarks, I include in the CONGRESSIONAL RECORD a copy of a letter written by my colleague, Hon. PAUL C. JONES, of Missouri.

Mr. JONES represents one of the great agricultural districts of the Mississippi Valley and has long been a member of the Committee on Agriculture and is considered to be an authority on the subject which he discusses in the accompanying letter.

The letter is as follows:

APRIL 19, 1956.

ST. LOUIS GLOBE-DEMOCRAT,
St. Louis, Mo.

DEAR MR. EDITOR: I have just read two of your editorials, A Very Bad Bill and Veto the Farm Bill, both published before President Eisenhower's veto of the farm bill, and I think both of these editorials emphasize the fact that you know as little about the farmer's problems as does the President.

I note particularly your statement, "the reason the overwhelming majority voted for General Eisenhower was because he represented integrity in America." It appears that you omitted two very important words from that statement which should have included the words "they believed" between the words "because" and "he". I say this advisedly, for there is no question but that the farmers of America believed the President when he said at Brookings, S. Dak. on October 4, 1952, "The Republican Party is pledged to the sustaining of the 90 percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90."

How can you justify the use of the word integrity when the President has done nothing to carry out the pledge he made to the farmers in his election campaign of 1952?

Like so many of our city friends you accept the false premise that the high prices paid by the consumer are a result of "high" prices received by the farmer, and there are no facts to bear out this statement. For instance, 10 years ago wheat was selling at $3 per bushel in the United States and the average price of bread was 13.8 cents per pound, whereas today with wheat bringing about $2 per bushel, you are paying approximately 18 cents per pound for bread. This is just one of many examples which could be presented. Never before in the history of the world have consumers been able to buy so much food for an hour's labor, and the farmer's share of this same food dollar was never less.

You, like so many others who have gone off on a tangent, and the further you go the further you are from the truth, insist on referring to 90-percent price supports as "high" supports. If the subscription price of your paper was $10 a year which it is not, would you consider that you were getting a high price if I sent you a check for $9 to cover a year's subscription? Yet, when you ask a farmer to accept 75 percent of parity, he wouldn't even have the $7.50 to pay for a subscription.

Farmers are not asking "parities up to the ceiling" of 100 percent. They are asking that they be treated in a manner that will permit them to at least keep their heads above water. Farmers are not demanding subsidies despite the fact that they have been contributing to subsidies for other segments of our economy, including your own newspaper for many long years. They are giving something in return for a guaranteed price-support program, agreeing to bring production in line with demand. This administration has failed miserably in its efforts—because it has made no effort—to bring about consumption of an overabundance of production. There is no surplus of food in the world today; there is no surplus of fiber, but there is an underconsumption because of an administration that has devoted all of its efforts to prove that a farm program that has enabled the farmer to enjoy some of the comforts of life will not work.

If the President is not playing politics, why did he at the time he vetoed the farm bill which would have helped all farmers, raise the price supports for wheat, grown principally in an area which is traditionally Republican; why did he raise the price supports on corn with no limitation on production to influence the farm vote in Iowa and other traditionally Republican areas; when he stated at the same time that higher supports would encourage greater production and add to the surplus?

And while I am asking questions, why don't you change your masthead to tell the truth that the Globe-Democrat is the same Republican newspaper that it has always been, beating the drums for the GOP?

Democratically yours,

PAUL C. JONES,
Member of Congress, 10th Missouri District.

SENATE

MONDAY, APRIL 30, 1956

(Legislative day of Thursday, April 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Richard L. Collins, Aenon Baptist Church, Elm City, N. C., offered the following prayer:

Eternal God, our Heavenly Father, in humility of soul and spirit we bow to give thanks for the blessings of this life and the hope of the life yet to be. We thank Thee for wisdom which comes from above and for responsibilities which challenge the best in us in the discharge of our duties to Thee and our fellow men. May we be impressed to apply the spirit and rule of Thy Son, our Saviour, in all our deliberations, and activities at home and abroad, with full realization that there is no respect of persons with Thee. May our purpose in living be so to conduct ourselves that when we stand before Thee in the great day of judgment we may hear Thee say, "Well done."

May Thy presence bless and guide the officials and people of this great Commonwealth and may our influence for good be felt to the ends of the earth.

This we ask in the name of Jesus Christ our Lord who taught His disciples to pray:

Our Father which art in heaven, hallowed be Thy name. Thy Kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil: For Thine is the kingdom, and the power, and the glory, forever. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., April 30, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FREDERICK G. PAYNE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. PAYNE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BIBLE, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 26, 1956, was dispensed with.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the 26th instant, the following message from the House of Representatives was received by the Secretary of the Senate:

On April 27, 1956:

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police Force of the District of Columbia shall be not less than 2,500 officers and members.

REPORTS OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE SUBMITTED DURING RECESS

Under authority of the order of the Senate of the 26th instant, the following reports were submitted:

On April 27, 1956:

By Mr. MAGNUSON:

S. 3674. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; without amendment (Rept. No. 1873).

By Mr. POTTER:

S. 3108. A bill to encourage the construction of modern Great Lakes bulk cargo vessels; without amendment (Rept. No. 1874).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 27, 1956, the President had approved and signed the following acts:

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations;

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 234) requesting the return of the enrollment of H. R. 4781 by the President to the House of Representatives for the purposes of reenrollment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

AMENDMENT AND SUPPLEMENTATION OF FEDERAL-AID ROAD ACT—REFERENCE OF BILL

Mr. BIBLE. Mr. President, before the Senate proceeds further with routine business, I ask unanimous consent that the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, just received from the House of Representatives, be considered as having been read twice; that it be referred to the Committee on Public Works for the consideration by that committee of title I, the so-called Federal Highway Act of 1956; that when it is reported to the Senate it be immediately referred to the Committee on Finance for the consideration by that committee of title II, the so-called Highway Revenue Act of 1956; and that when reported by the latter committee the bill be placed on the calendar.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BIBLE, and by unanimous consent, the Air Forces Subcommittee of the Committee on Armed Services was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. BIBLE. Mr. President, I ask unanimous consent that, following a brief executive session, there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements in connection therewith be limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up the nominations on the Executive Calendar, starting with "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Canada, vice R. Douglas Stuart; and

Kenneth A. Byrns, of Colorado, and sundry other persons, for appointment and promotion in the foreign and diplomatic service.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents, to fill an existing vacancy.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Floyd Sherman Bryant to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL CIVIL DEFENSE ADMINISTRATION

The Chief Clerk read the nomination of Lewis E. Berry, Jr., to be Deputy Federal Civil Defense Administrator.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ARMY

The Chief Clerk read the nomination of Lt. Gen. George Henry Decker to be a general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ARMY NOMINATIONS PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read the nominations of Kenneth M. Abagis and 4,888 officers for promotion, transfer, or appointment in the Regular Army of the United States, which nominations had been placed on the Vice President's desk without printing.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Army nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc, and, without objection, they are confirmed.

Mr. BIBLE. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AUTHORIZATION FOR TERRITORY OF ALASKA TO INCUR INDEBTEDNESS — RETURN OF ENROLLED BILL

The ACTING PRESIDENT pro tempore laid before the Senate the concurrent resolution, House Concurrent Resolution 234, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: In section 4 of the bill strike out the figure "$12,500,000" and insert in lieu thereof the figure "$20,000,000."

Mr. KNOWLAND. Mr. President, it is my understanding that this concurrent resolution relates to a bill in which the figures were changed in two places, but that in the third instance the bill was not made to conform with the action already taken. Is that correct?

Mr. BIBLE. That is exactly correct; the purpose is simply to make the correction in the third instance.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 234) was agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Overobligation of an Appropriation

A letter from the Secretary of Defense, reporting, pursuant to law, on the overobligation of an appropriation (with accompanying papers); to the Committee on Appropriations.

Disposition of Government-Owned Synthetic Rubber Research Laboratories, Akron, Ohio

A letter from the Director, National Science Foundation, Washington, D. C., transmitting a draft of proposed legislation to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio (with accompanying papers); to the Committee on Banking and Currency.

United States Participation in International Bureau for the Publication of Customs Tariffs

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize an appropriation to provide for certain costs of United States participation in the International Bureau for the Publication of Customs Tariffs (with an accompanying paper); to the Committee on Foreign Relations.

Conveyance to Indian Tribes of Certain Federally Owned Buildings, Etc.

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Additional Positions in Professional and Scientific Research, Department of the Interior

A letter from the Administrative Assistant to the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the creation of additional positions in the professional and scientific research field in the United States Department of the Interior (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on the Judiciary:

"House Concurrent Resolution 8

"Concurrent resolution making an application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention for proposing an amendment to the Constitution of the United States

"*Resolved by the house of representatives (the senate concurring)*, That the Legislature of the State of Michigan, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States in lieu of article V:

" 'Article —

" 'SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the legislatures of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

" 'SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment, shall not be revocable.

" 'SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

" 'SEC. 4. Controversies respecting the validity of an amendment shall be justiciable and shall be determined by the exercise of the judicial power of the United States'; and be it further

"*Resolved*, That such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved*, That as the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Michigan hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within the limitations and provisions so prescribed; and be it further

"*Resolved*, That such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"(1) That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of application for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"(2) That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"(3) That such convention shall be limited and restricted specifically to the consideration and proposal of such amendment to article V, the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose not have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"(4) That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"(5) That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise; and be it further

"*Resolved*, That this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided; and be it further

"*Resolved*, That proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications; and be it further

"*Resolved*, That as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, it is requested that receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress; and be it further

"*Resolved*, That certified copies of this resolution be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"Adopted by the house March 22, 1956.

"Adopted by the senate April 4, 1956."

A bill (No. 236) petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States, adopted by the Legislature of the Virgin Islands; to the Committee on Appropriations:

"Bill No. 236

"Resolution petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States

"Whereas the dredging of the harbor of Charlotte Amalie, St. Thomas was, upon recommendation made by the Chief of Army Engineers, authorized by Congress in the Rivers and Harbors Act of 1937, pursuant to House Document No. 200, 75th Congress, 1st session, to consist of: (a) Provision of an entrance channel 36 feet deep and generally 600 feet wide; (b) removal of Scorpion Rock to a depth of 36 feet; (c) provision of an anchorage area 33 feet in depth; and (d) breakwater 700 feet long between Rupert Rock and the mainland; and

"Whereas the improvement of the Christiansted, St. Croix Harbor was, upon recommendation of the Chief of Army Engineers, authorized by Public Law 516, 81st Congress, pursuant to House Document No. 771, 80th Congress, to consist of a channel of 25 feet deep, below mean, low, water and 300 feet wide from deep water in the Caribbean Sea to a turning basin of the same depth about 600 feet wide and 900 feet long; and

"Whereas the Appropriation Act for the fiscal year which ended June 30, 1951, appropriated the sum of $1 million for the St. Thomas project, but the appropriation was impounded by the Bureau of the Budget because of the outbreak of war in Korea; and

"Whereas both projects are imperative from both the strategic and economic points of view; and

"Whereas both the Army and Navy have indicated that the improvement of both harbors would contribute materially to the national defense and would improve the value of the harbors as a hurricane refuge in this area; and

"Whereas the improvement of both harbors would be a boon to the ships of the United States Navy as well as to cruise ships which are entering the harbor; and

"Whereas many large commercial cruise ships are anxious to come to the islands, but are unable to do so because of the inadequate harbor facilities; and

"Whereas the improvement of both harbors is of the utmost importance to the economic stability of the islands; and

"Whereas the improvement of both harbors will greatly enhance the development of tourism in the Virgin Islands: Now, therefore, be it

"*Resolved by the Legislature of the Virgin Islands, in session assembled*, That the Congress of the United States be and it is hereby petitioned to appropriate, pursuant to the authorizations provided for in the acts of Congress hereinbefore referred to, the necessary funds for the completion of the aforementioned projects at both Christiansted, St. Croix, and Charlotte Amalie, St. Thomas, Virgin Islands; and be it further

"*Resolved*, That copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, the chairman of the House Subcommittee on Interior Appropriations, the chairman of the Senate Subcommittee on Interior Appropriations, the Secretary of Defense, the Chief of Army Engineers, the Secretary of the Interior, and the Governor of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on April 23, 1956.

"Witness our hands and the seal of the Legislature of the Virgin Islands this 23d day of April A. D. 1956.

"WALTER I. M. HODGE,
"*President.*
"JORGE RODRIGUZ,
"*Legislative Secretary.*"

A resolution adopted by the Alderpoint Grange, No. 516, Humboldt County, Calif., favoring the enactment of legislation to provide funds for flood control on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, and Van Duzen Rivers, Calif.; to the Committee on Appropriations.

A resolution adopted by the Gloversville, N. Y., Chamber of Commerce, relating to the Hoover Commission recommendations (with an accompanying paper); to the Committee on Government Operations.

A resolution adopted by the Zonta Club of Honolulu, T. H., favoring the enactment of legislation to amend the Hawaiian Organic Act, relating to the reapportionment of the Legislature of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the City Council of the City of Los Angeles, Calif., favoring the enactment of House bill 10660, the Federal Aid Road Act; to the Committee on Public Works.

THE NATIONAL HIGHWAY SYSTEM—MEMORIAL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a memorial signed by Byron Knutson, and sundry other citizens of Harlow, N. Dak., remonstrating against the enactment of the so-called Boggs highway bill, relating to the tax on automobiles and trucks, and so forth.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

HARLOW, N. DAK., *April 24, 1956.*

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR MR. LANGER: As a railroad employee, I urge you to oppose the Boggs highway bill. This bill does not appear to be a fair deal, and the millions of owners of private automobiles, small farm trucks, and the like are not being justified by the passage of this bill, as it is upon this class that the extra tax burden would be placed. The aforementioned class receives a much less ton mileage per gallon of gas than do the trucking companies, with their large tractor and trailer-type trucks rolling down the highways creating traffic hazards and being greatly responsible for the short life span of our highways and the increase in maintenance. We desperately need legislation which would provide for a diesel-fuel tax which is at least 50 percent higher than the gasoline tax, a special tax on large truck tires, an increase in their annual license fees, and a reasonable and sensible size and weight limitation on these trucking companies, who are not sharing a fair amount of the expense while at the same time are responsible for the expenses.

I also believe that the railroads should have the right to compete under the free-enterprise system and that the power of the ICC to suspend freight rates be confined to rare and extreme cases. It does not seem to be a fair shake to our railroad system to be 100 percent fully regulated in this respect, while approximately only 35 percent of the trucking firms or truckers are under the Federal regulations.

Today there are about 750,000 less railroad employees and the railroads haul about only 50 percent of the dollar volume of freight than they did 35 years ago, the balance being hauled by trucks, airlines, and barges, which means that we are subsidizing this group with our taxes while the railroads still pay their own way. Therefore, I earnestly plead for your support in taking steps to remedy the situation and to bring forth legislation that will be justifiable to the class of people that make up the majority of the population of our great United States.

Thank you, and with kindest personal regards, I am,

Yours truly,

BYRON KNUTSON.

GRAND FORKS COUNTY (N. DAK.) DEVELOPMENT FARM—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Grand Forks County Farm Development Committee, relating to the establishment of an irrigation development farm in Grand Forks County, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION FOR THE ESTABLISHMENT OF A GRAND FORKS COUNTY DEVELOPMENT FARM ADOPTED BY THE GRAND FORKS COUNTY FARM DEVELOPMENT COMMITTEE, MARCH 14, 1956

Whereas there are about 250,000 acres of potentially irrigable land in Grand Forks County that can be developed under the Garrison diversion project; and

Whereas the Grand Forks County farm development committee consisting of 48 members representing the area proposed for irrigation in said county under the Garrison diversion plan was established to provide an organization through which information on irrigation and the Garrison diversion project could be brought to the farmers in the area; and

Whereas there is a need for the establishment of an irrigation development farm located in the potentially irrigable area in Grand Forks County to provide the farmers in this area an opportunity to see irrigation practiced and to learn of the problems and benefits that will result from this type of farming; and

Whereas there is no development farm that is readily accessible to the farmers in Grand Forks County and that would serve to demonstrate irrigation farming on soil representative in this area; and

Whereas it is desirable that an irrigation development farm be established in Grand Forks County now in order to allow several years of operation prior to the actual development of irrigation in the county during which time the desired information could be obtained and demonstration of irrigation farming conducted; and

Whereas the farmers of Grand Forks County living in the irrigable area in the county are vitally interested in obtaining all information possible pertaining to irrigation in their county: Now, therefore, be it

Resolved by the Grand Forks County Farm Development Committee, That Congress of the United States be requested and urged to authorize that the establishment of an irrigation development farm in Grand Forks County, N. Dak., and appropriate funds for its operation of an irrigation farm; and be it further

Resolved, That copies of this resolution be sent to Senator Milton R. Young and Senator William Langer and Congressman Otto Krueger and Usher L. Burdick, Gov. Norman Burnsdale, the Garrison Diversion Conservancy District, the United States Bureau of Reclamation, and the North Dakota State Water Commission.

ED. EASTGATE,
Secretary, Grand Forks Farm Development Committee.

RESOLUTIONS OF ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the Association of American Physicians and Surgeons, Inc., at their annual meeting at Columbus, Ohio, on April 7, 1956.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC.

OMNIBUS REAFFIRMING RESOLUTION

Whereas the Association of American Physicians and Surgeons, Inc., in one or more regular sessions assembled in the past, has adopted resolutions which clearly stated the association's position on certain legislative proposals and other issues, and gave sound reasons for its position: Therefore be it

Resolved, That we, the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956 reaffirm our actions on the following:

1. Support of the Bricker amendment (S. J. Res. 1 of the 84th Cong.);

2. Unequivocal opposition to legislation for universal military training and any similar type of legislation;

3. Support of legislation to amend the Veterans' Administration Act to provide medical and hospital care to veterans with service-connected disabilities only;

4. Unalterable opposition to mortgage insurance for medical facilities and any other form of direct or indirect Federal subsidy of health plans and facilities;

5. Petitioning the President and the Congress of the United States to amend the Social Security Act to eliminate all compulsory taxation and coverage and place the social security system on a completely voluntary basis;

6. Unalterable opposition to Federal health reinsurance and other legislation which would establish Federal reinsurance or direct Federal subsidization of the voluntary and private health plans;

7. Opposition to medical care for military dependents furnished by physicians in the Armed Forces, except where private care is not available, and support of the American Medical Association's position that dependents receive medical care in military facilities only if private facilities are not available;

8. Support of the proposed 23d amendment (H. J. Res. 123);

9. Recommendation for withdrawal of the United States from the International Labor Organization;

10. Recommendation for the Congress of the United States to investigate the activities of tax-exempt foundations;

11. Request to the President and the Congress of the United States to rescind the provisions of sections 106 and 222 of Public Law 761 and substitute the plan of the American Medical Association for pension rates to be based on the best 10 income years of a worker (this recommendation in no way implies acceptance of the social security system and we reaffirm our opposition to compulsory taxation and coverage of the social security system);

12. Opposition to the principle of Federal subsidies for medical schools, either direct or indirect, and opposition to legislation which would provide Federal subsidies for medical schools, for school construction and expansion, and Federal subsidies for any similar purposes; and

13. Unalterable opposition to H. R. 7225 (social security amendments of 1955); be it further

Resolved, That the Association of American Physicians and Surgeons, Inc., urge all State and county medical societies and all physicians and their fellow citizens to work diligently to accomplish the objectives embodied in this reaffirming resolution.

RESOLUTION ON THE INTERNATIONAL LABOR ORGANIZATION AND SENATE JOINT RESOLUTION 97

Whereas this association is on record as advocating the withdrawal of the United States of America from membership in the International Labor Organization for valid moral reasons; and

Whereas the International Labor Organization is now controlled by the Communists; and

Whereas Senate Joint Resolution 97 proposes to raise the ceiling for the United States contribution to the International Labor Organization from $1,750,000 a year to $3 million a year: Therefore be it

Resolved, That the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956, (1) reaffirm their recommendation that the United States of America withdraw from the International Labor Organization, and (2) that they vigorously oppose Senate Joint Resolution 97; be it further

Resolved, That the legislative committee of the Association of American Physicians and Surgeons, Inc., is hereby directed to work toward this objective.

RESOLUTION ON HOOVER COMMISSION

Whereas the Association of American Physicians and Surgeons, Inc., has complete confidence in the Hoover Commission and in its recommendations; and

Whereas the implementation of these recommendations would result in estimated savings of $7½ billion annually: Therefore be it

Resolved, That the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956 urge both legislative and executive branches of the Government to adopt all possible measures to implement the recommendations at the earliest possible time; be it further

Resolved, That the President and all Members of Congress be informed of this action.

Adopted by the assembly and delegates of the Association of American Physicians and Surgeons, Inc., at their annual meeting held in Columbus, Ohio, on April 5, 6, and 7, 1956.

CHARLES W. PAVEY, M. D.,
President.

Attest:

WILLIAM L. BAUGHN, M. D.,
Secretary.

IRRIGATION DEMONSTRATION FARM, RANSOM COUNTY, N. DAK.—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the board of directors of the Ransom County Crop Improvement Association, favoring the establishment of an irrigation demonstration farm in Ransom County, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the survey in southeastern North Dakota by the Bureau of Reclamation shows that there is a large acreage of irrigable land; and

Whereas farmers in this area are showing more interest in irrigation than any other area in the State; and

Whereas there is no irrigation demonstration farm in southeastern North Dakota and Ransom County is located in the center of a large irrigable area, comprising several counties; and

Whereas the diversity of farming and variations is soil type needed on this kind of a demonstration farm: Now, therefore, be it

Resolved by the board of directors of the Ransom County Corp Improvement Association, That we ask that such an irrigation demonstration farm be established in Ransom County and that copies be mailed to North Dakota's representatives in Congress, the Missouri-Souris Projects Association and the Bureau of Reclamation.

Unanimously adopted by the Crop Improvement Association at their annual meeting at Lisbon, N. Dak.

Dated this 24th day of April 1956.

ALFRED WILLIAMSON,
President.

Attest:

EARL S. SULENED,
Secretary.

ABOLITION OF THE RURAL ELECTRIFICATION ADMINISTRATION—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by members of the Sioux Farmers Union, local 639, of Cartwright, N. Dak., protesting against the abolition of the Rural Electrification Administration, as recommended by the Hoover Commission.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas we, as members of Sioux Farmers Union, Local No. 639, of Cartwright, N. Dak., in meeting here assembled this 14th day of April 1956, hereby wish to voice our opposition to the plan of the Hoover Commission in wanting to abolish the REA and set up a corporation in its place and force the REA co-ops to borrow money for their needs from private banks at a much larger rate of interest.

We believe this plan would mean the failure of many REA co-ops and force their sale to private power companies who would immediately raise the price of electricity to the members, making a hardship upon them. Most of the REA co-op members are farmers and are already hard hit by falling prices for farm products and rising prices for manufactured goods and cannot stand a rise in electric service.

We also believe the preference clause must be kept in the laws so the REA's can be assured of an abundant supply of cheap power. If this is done we believe the local REA co-ops will be able to pay off their obligation to the Federal Government 100 percent.

RAYMOND SKORPIL,
ROY N. JOHNSON,
D. E. NABTAM,
Resolution Committee.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Indianapolis Post, No. 4, the American Legion, Department of Indiana, relating to the Immigration and Nationality Act.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas this post, at its regular February 1956 meeting, in order to have a reasonable understanding of the provisions of the Immigration and Nationality Act, did appoint a committee of five members to study the act and report their findings at the regular March 1956 meeting of the post; and

Whereas this committee was also to study and report on proposed amendments to the act now in process of consideration by Senate and House Judiciary Committees; and

Whereas, after a careful consideration and report by the committee at the March meeting, the membership of this post resolved on the following:

Resolved, That Indianapolis Post, No. 4, American Legion, Department of Indiana, is fully and completely in accord with the intent and purposes of the provisions of the Immigration and Nationality Act, commonly referred to as the McCarran-Walter Act; that the intent and purposes of the provisions of this act, as it now stands, must be preserved; and this post does hereby register its complete opposition to any amendments that would in any way weaken, nullify, or emasculate any of the provisions of this act; be it further

Resolved, That the adjutant and commander of this post be authorized, and they are hereby directed, to send a copy of this resolution with an appropriate letter of transmittal to each member of the Senate and House Judiciary Committees, each Indiana Senator and Member of Congress from the 11th Indiana District.

This resolution was duly passed by membership of Indianapolis Post, No. 4, American Legion, Department of Indiana, assembled in regular meeting this 21st day of March 1956.

William R. Wilson,
Commander.

Official:

Paul H. McGauley,
Adjutant.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Record a petition, signed by Donald Patterson, and sundry other citizens, of Okolona, Ark., favoring the enactment of legislation to prohibit liquor advertising in interstate commerce.

There being no objection, the petition was ordered to be printed in the Record, without the signatures attached, as follows:

Okolona, Ark., *April 22, 1956.*

Senator William Langer,
Washington, D. C.

Dear Senator: We, the undersigned members of the Methodist churches of the Okolona circuit, Okolona, Ark., respectfully request that you give favorable consideration to, and vote for, the banning of interstate advertising of alcoholic beverages, which we have been advised are likely to come before the Senate soon.

Respectfully submitted.

Donald Patterson.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H. R. 6769. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended (Rept. No. 1877).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 1358. A bill to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513–512–R, Richardson County, Nebr. (Rept. No. 1876).

By Mr. RUSSELL, from the Committee on Armed Services, with an amendment:

H. R. 9429. A bill to provide medical care for dependents of members of the uniformed services, and for other purposes (Rept. No. 1878).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 764. A bill for the relief of Robert Gartenberg (Rept. No. 1881);

S. 832. A bill for the relief of Jonas Dercautan (Rept. No. 1882);

S. 2507. A bill for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung) (Rept. No. 1883);

S. 2750. A bill for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik (Rept. No. 1884);

S. 2801. A bill for the relief of Brigitte Lechner Wagner (Rept. No. 1885);

S. 2834. A bill for the relief of Yue Yin Wong (also known as William Yueying Wong) (Rept. No. 1886);

S. 2838. A bill for the relief of Antonia Soulis (Rept. No. 1887);

S. 2843. A bill for the relief of Dr. Shou Soon Kwong (Rept. No. 1883);

S. 2874. A bill for the relief of Ethel Kallins (Rept. No. 1889);

S. 2888. A bill for the relief of Elisabeth Dummer (Rept. No. 1890);

S. 2931. A bill for the relief of Oksanna Oztemel (Rept. No. 1891);

S. 2941. A bill for the relief of Lotte Windschild (Rept. No. 1892);

S. 2953. A bill for the relief of Maria Cedrone De Rubeis (Rept. No. 1893);

S. 3361. A bill for the relief of Egbert Carlsson (Rept. No. 1894);

H. R. 1488. A bill for the relief of Mrs. Esther Reed Marcantel (Rept. No 1895);

H. R. 1913. A bill for the relief of Mrs. Anna Elizabeth Doherty (Rept. No. 1896);

H. R. 2423. A bill for the relief of the city of Sandpoint, Idaho (Rept. No. 1897);

H. R. 3526. A bill for the relief of the estate of Neil McLeod Smith (Rept. No. 1898);

H. R. 4634. A bill for the relief of Lt. Col. George H. Cronin, United States Air Force (Rept. No. 1899);

H R. 5633. A bill for the relief of John L. Boyer, Jr. (Rept. No. 1900);

H. R. 5951. A bill for the relief of Samuel E. Arroyo (Rept. No. 1901);

H. R. 6622. A bill for the relief of certain rural carriers (Rept. No. 1902);

H. R. 6706. A bill for the relief of Gay Street Corp., Baltimore, Md. (Rept. No. 1903);

H. R. 7114. A bill for the relief of Frank G. Gerlock (Rept. No. 1904);

H. R. 8306. A bill for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy (Rept. No. 1905);

H. R. 8307. A bill for the relief of Nathan A. Kahn (Rept. No. 1906);

H. R. 8308. A bill for the relief of Arthur E. Weeden, Jr. (Rept. No. 1907);

H. R. 8310. A bill for the relief of Chief Warrant Officer George C. Carter (Rept. No. 1908); and

H. R. 8311. A bill for the relief of Daniel O. Hulse, Jr. (Rept. No. 1909).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1938. A bill for the relief of Hildegard L. McNabb (Rept. No. 1910);

S. 2048. A bill for the relief of certain former employees of the Inland Waterways Corp. (Rept. No. 1911);

S. 2840. A bill for the relief of Anniemae M. Swanson and Armylee V. Swanson (Rept. No. 1912);

S. 2883. A bill for the relief of Dr. Yong Whan Kim (Rept. No. 1913);

S. 2944. A bill for the relief of William Jeffrey Jonas (Rept. No. 1914);

H. R. 1016. A bill for the relief of Mrs. Ida Bifolchini Boschetti (Rept. No. 1915);

H. R. 2284. A bill for the relief of Maj. Robert D. Lauer (Rept. No. 1916);

H. R. 2893. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio (Rept. No. 1917);

H. R. 2904. A bill for the relief of Maj. Orin A. Fayle (Rept. No. 1918);

H. R. 3268. A bill for the relief of Comdr. George B. Greer (Rept. No. 1919);

H. R. 3957. A bill for the relief of Pauline H. Corbett (Rept. No. 1920);

H. R. 4026. A bill for the relief of James C. Hayes (Rept. No. 1921);

H. R. 4640. A bill for the relief of James M. Wilson (Rept. No. 1922);

H. R. 5237. A bill for the relief of Mrs. Ella Madden and Clarence E. Madden (Rept. No. 1923);

H. R. 5535. A bill for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr. (Rept. No. 1924);

H. R. 6184. A bill for the relief of Lt. P. B. Sampson (Rept. No. 1925); and

H. R. 7164. A bill for the relief of Lt. Michael Cullen (Rept. No. 1926).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 422. A bill for the relief of William C. Irvine, chief warrant officer, United States Air Force (Rept. No. 1927);

S. 2785. A bill for the relief of Elsa Emelina Rosado y Rodriguez de Brower (Rept. No. 1928);

H. R. 6137. A bill for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers (Rept. No. 1930); and

H. Con. Res. 201. Concurrent resolution approving the granting of the status of permanent residence to certain aliens (Rept. No. 1929).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week (Rept. No. 1931).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with an amendment:

H. R. 2057. A bill for the relief of Edwin K. Stanton (Rept. No. 1932).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

H. R. 3366. A bill for the relief of Mary J. McDougall (Rept. No. 1933).

By Mr. GEORGE, from the Committee on Foreign Relations, without amendment:

H. R. 8547. A bill to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the Saint Lawrence River at or near the city of Ogdensburg, N. Y." (Rept. No. 1939); and

H. R. 8807. A bill to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress (Rept. No. 1940).

IMPERIAL AGRICULTURE CORPORATION—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution to refer the bill (H. R. 5285) for the relief of the Imperial Agricultural Corp., to the Court of Claims, and I submit a report (No. 1880) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 252) was placed on the calendar, as follows:

Resolved, That the bill (H. R. 5285) entitled "A bill for the relief of the Imperial Agriculture Corp.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

CITATION OF ROBERT SHELTON FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Robert Shelton for contempt of the Senate, and I submit a report (No. 1934) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 253) was placed on the calendar, as follows:

Resolved, That the president of the Senate certify under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Robert Shelton may be proceeded against in the manner and form provided by law.

CITATION OF SEYMOUR PECK FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Seymour Peck for contempt of the Senate, and I submit a report (No. 1935) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 254) was placed on the calendar, as follows:

Resolved, That the President of the Senate, certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Seymour Peck, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Seymour Peck may be proceeded against in the manner and form provided by law.

CITATION OF PAULINE FEUER FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify, and I submit a report (No. 1936) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 255) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Pauline Feuer before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Pauline Feuer may be proceeded against in the manner and form provided by law.

CITATION OF ALDEN WHITMAN FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Alden Whitman for contempt of the Senate, and I submit a report (No. 1937) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 256) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Alden Whitman, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Alden Whitman may be proceeded against in the manner and form provided by law.

CITATION OF WILLIAM A. PRICE FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing William A. Price for contempt of the Senate, and I submit a report (No. 1938) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 257) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on the Judiciary of the United States Senate as to the refusal of William A. Price to answer questions before the Senate Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, said refusal to answer being pertinent to the subject matter under inquiry together with all the facts in connection therewith, under the Seal of the United States Senate to the United States attorney for the District of Columbia, to the end that the said William A. Price may be proceeded against in the manner and form provided by law.

REPORT ENTITLED "INTERNATIONAL AIR AGREEMENTS" (S. REPT. NO. 1875)

Mr. SMATHERS. Mr. President, last week, the Committee on Interstate and Foreign Commerce strongly endorsed and adopted as its own a report on international air agreements submitted by a special subcommittee consisting of myself, as chairman, the Senator from Nevada [Mr. Bible] and the Senator from Ohio [Mr. Bricker].

This report is highly critical of the handling by the State Department and the Civil Aeronautics Board of negotiations leading to international air agreements. The matter was brought to a head by the granting of routes to the German airline Lufthansa for which the Germans had not even asked. It was brought to the attention of the committee by strongly worded protests from our domestic air carriers. The full committee, and then later the special subcommittee, held extensive hearings.

We found that the United States had given away, we believed needlessly, valuable rights with little, if any, consideration to their effect on the United States flag carriers. We also found that American industry had been treated brusquely and in fact brushed aside. This attitude on the part of our Government, when we consider that foreign airlines are arms of their governments, as compared to our independent privately owned and operated carriers, is shocking to say the least. This report which I am submitting makes specific recommendations for handling these international negotiations. The principal ones being that an industry representative be a member of the negotiating teams and that the industry be kept informed of the progress and of the possible routes involved.

The United States is the most sought-after air-traffic market in the world. As an example, 70 percent of all travelers to and from the United States are residents of the United States, yet our carriers handled only 51 percent of the trans-Atlantic passengers in 1954 as compared with 83 percent in 1946. It seems obvious to the committee that the giveaway attitude of our Government officials in this field of transportation is seriously jeopardizing the future of our air industry.

It pleases me, Mr. President, to report to the Senate that when the Interstate and Foreign Commerce Committee adopted this report as its own, it also instructed the staff of the committee to prepare proposed legislation effectuating our recommendations. This we hope to present to the Senate in the very near future.

The ACTING PRESIDENT pro tempore. The report will be received and printed.

REPORT ENTITLED "A STUDY OF THE ANTITRUST LAWS" (S. REPT. NO. 1879)

Mr. O'MAHONEY, from the Committee on the Judiciary, pursuant to Senate Resolution 61, 84th Congress, 1st session, as extended, submitted a report entitled "A Study of the Antitrust Laws," containing the staff report of the Subcommittee on Antitrust and Monopoly, which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SYMINGTON (for himself, Mr. Hennings, Mr. Douglas, and Mr. Dirksen):

S. 3749. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

(See the remarks of Mr. Symington when he introduced the above bill, which appear under a separate heading.)

By Mr. COTTON:

S. 3750. A bill to amend section 207 of the Legislative Reorganization Act of 1946 to provide that boards for the correction of military or naval records shall take into account evidence relating to the character and conduct of persons subsequent to their discharge from the service in determining whether their records should be corrected; to the Committee on Armed Services.

By Mr. DOUGLAS:

S. 3751. A bill for the relief of Berta Cabrera Vigil Frohlich; and

S. 3752. A bill for the relief of Cacilie Emilie Eichmann; to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 3753. A bill to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. WELKER:

S. 3754. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder; to the Committee on Armed Services.

By Mr. GREEN:

S. 3755. A bill for the relief of Nazzarena Mancini; to the Committee on the Judiciary.

By Mr. FULBRIGHT.

S. 3756. A bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice; and

S. 3757. A bill to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Fulbright when he introduced the above bills, which appear under separate headings.)

By Mr. MUNDT:

S. 3758. A bill to assist the American farmer by providing for the use of motor fuels of alcohol manufactured from agricultural products grown upon farms in the United States; to utilize grains in surplus; to balance consumption with production of certain agricultural products; to the Committee on Finance.

By Mr. SMATHERS:

S. 3759. A bill establishing certain qualifications for persons appointed to the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL (for himself, Mr. O'MAHONEY, Mr. EASTLAND, Mr. WELKER, Mr. BUTLER, and Mr. PAYNE):

S. 3760. A bill to provide for a more effective control of narcotic drugs, and for other related purposes; to the Committee on the Judiciary.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN (by request):

S. 3761. A bill for the relief of the Florida Dehydration Co.; to the Committee on the Judiciary.

RESOLUTIONS

The following resolutions were submitted or reported, and referred, as indicated:

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "STUDY OF THE ANTITRUST LAWS"

Mr. O'MAHONEY submitted the following resolution (S. Res. 251), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 10,000 additional copies of the Report No. 1879, 84th Congress, of the Committee on the Judiciary to the Senate on its study of the Antitrust Laws.

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolutions, which were placed on the calendar:

S. Res. 252. Resolution to refer the bill (H. R. 5285) for the relief of the Imperial Agricultural Corp., to the Court of Claims;

S. Res. 253. Resolution citing Robert Shelton for contempt of the Senate;

S. Res. 254. Resolution citing Seymour Peck for contempt of the Senate.

S. Res. 255. Resolution certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify;

S. Res. 256. Resolution citing Alden Whitman for contempt of the Senate; and

S. Res. 257. Resolution citing William A. Price for contempt of the Senate.

(See the remarks of Mr. EASTLAND when he reported the above resolutions from the Committee on the Judiciary, which appear under the heading "Reports of Committees.")

MISSISSIPPI RIVER DAM AT CHAIN OF ROCKS ABOVE ST. LOUIS, MO.

Mr. SYMINGTON. Mr. President, on behalf of myself, the senior Senator from Missouri [Mr. HENNINGS], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Illinois [Mr. DIRKSEN], I introduce, for appropriate reference, a bill to authorize modification of the existing navigation project for the Mississippi River between the Ohio and Missouri Rivers by construction of a rock-fill dam across the Mississippi River at the upper limits of the Chain of Rocks above St. Louis, Mo.

I ask unanimous consent to have printed in the RECORD a statement prepared by me explaining the purpose of this proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 3749) to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks, introduced by Mr. SYMINGTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. SYMINGTON is as follows:

STATEMENT BY SENATOR SYMINGTON

On behalf of myself, the senior Senator from Missouri [Mr. HENNINGS], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Illinois [Mr. DIRKSEN], I introduce, for appropriate reference, a bill to authorize modification of the existing navigation project for the Mississippi River between the Ohio and Missouri Rivers by construction of a rock-fill dam across the Mississippi River at the upper limits of the Chain of Rocks above St. Louis, Mo.

The estimated cost of the proposed dam is $5,810,000, and the bill authorizes the necessary appropriation to complete the project.

The report of the Chief of Engineers is being prepared in accordance with the authority of a resolution by the Committee on Public Works of the United States Senate adopted December 6, 1955.

After receipt of that resolution, the district engineer of the St. Louis district, Corps of Engineers, held a public hearing at St. Louis on January 17, 1956, to determine the views and desires of local interests relative to the needs of navigation in the river section between St. Louis and lock and dam No. 26 at Alton, Ill.

The district engineer has completed his studies and investigations of this project. His report thereon was approved by the division engineer of the Lower Mississippi Valley Division and is now before the Board of Engineers for Rivers and Harbors for review as required by law. After completion of that review and receipt of the comments of the affected States, the interested Federal agencies, and the Bureau of the Budget, the report will be transmitted to Congress.

Since this is an urgent matter, I am introducing this bill in order to expedite authorization of the project and its eventual completion, and to permit the people using our Inland Waterway System to plan for the future.

This emergency condition has been created by erosion of the river channel below lock and dam No. 26 on the Mississippi River, which during periods of low flows reduces the clearance over the lower lock sill to below the authorized 9-foot depth, thereby necessitating loading barges to drafts of 6½ to 7 feet, with consequent loss of cargo capacity.

To alleviate this condition, the Corps of Engineers recommends construction of a rock-fill dam across the Mississippi River about 900 feet below the Chain of Rocks Highway Bridge. The dam would form a broad-crested weir with a depressed spillway section capable of passing the minimum recorded flow of 40,000 cubic feet per second at a stage that would provide project depth of 9 feet over the lower sill at lock No. 26. The estimated first cost of this improvement is $5,810,000 with annual maintenance of $302,000. Construction of the project at Federal expense is recommended and no local contribution will be required.

The public hearing at St. Louis was attended by 165 persons, representing State and municipal agencies, shippers of grain, petroleum products, bulk chemicals, and coal; Inland Waterways operators; small-boat club officials and riparian landowners.

Those present expressed deep concern over the existing obstruction to navigation presented by inadequate water depths over the lower lock sills at lock and dam No. 26 during periods of low water, such as have been experienced in the past, and which have persisted during the latter part of 1955. This deficient channel depth causes light loading of barges with resultant loss of efficiency in barge loading; causes some increased damage to barges; requires use of more barges to maintain normal delivery schedules, thus creating a scarcity of barges; and causes serious delay in passing through lock No. 26 by reason of lightering loads and double tripping.

Other direct results of deficient channel depths at Alton have been a shortage of materials and supplies in certain localities, either because of inability to ship or because of delayed shipments, and loss of revenue to waterways operators because of diversion to other means of transportation and, in some instances, reallocation of tonnages from original shipping point to an alternate shipping point.

These low water conditions have prevailed many times over the past few years, principally during the late summer, fall, and winter months, when the main stem dams on the upper Missouri River are only discharging

the power flows. During late 1955, these low water flows and channel deficiencies occurred over a period of 100 consecutive days.

The waterway operators and the District engineer report the revenue losses during low water approximate $1 million per month. The Federal Barge Lines have estimated their loss alone at approximately $166,000 per month during these periods.

These losses are occasioned by either bringing a loaded barge to the vicinity of lock and dam No. 26, where a portion of the cargo is placed on another barge or transshipped, or by partially loading the barge at its original shipping point to a draft sufficient to pass through the lock.

It can very easily be seen how much cargo capacity is lost by loading a 9-foot barge to 6½-foot draft at Houston, Tex., for shipment to Chicago, Ill.

The District Engineer estimates the benefit-cost ratio for this project to be 5.0, which is exceedingly high for a project of this magnitude.

It is recognized, however, that with the great growth of water traffic in the past few years, which will probably continue at an increased rate in the future, the project will completely return its investment over a period of a few months of channel deficiencies, by reduction of revenue losses. Continuation of these losses can only result in higher transportation costs to the shipper, who would inevitably pass such charges on to the consumer.

The former bottleneck in the Mississippi River at the Chain of Rocks has been removed by the completion of the Chain of Rocks Canal and lock. Practically all the traffic now passes through that canal. The bottleneck that now exists at lock 26 is the most serious one between New Orleans and Chicago, and between Pittsburgh and Minneapolis.

The recommended low-water dam at Chain of Rocks is not a new proposition. Its construction was recommended by the District Engineer in his report dated December 15, 1938, published as House Document No. 231, 76th Congress. In that report construction of the Chain of Rocks Canal was recommended, and the fear expressed that low-water flows as a result of operations in the basin upstream therefrom would become sufficiently small to limit the draft of vessels using the Alton lock, and would eventually necessitate construction of a movable low-head dam near the Chain of Rocks Bridge. The authorization and construction of the dam, if and when necessary, was recommended.

In view of the urgency of this situation, the early construction of this dam is the necessary solution to the navigation problem in the Chain of Rocks area. The project is urgently needed now. It will take at least 18 months to complete the project after construction is initiated. Its authorization at the earliest practicable date will permit expeditious planning, rapid completion, and realization of the full benefits that will accrue therefrom.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. NEUBERGER. Mr. President, I am deeply concerned that the provisions of the Refugee Relief Act, which have allowed thousands to begin new lives with hope in our country, will expire at the end of this year.

One of the most urgent needs in our world today is homes for thousands of orphans who face a bleak future in their homeland. Many of these orphans should be the direct responsibility of our people and Government, since they were fathered by American military personnel. An excellent recent article in the March 1956 Cosmopolitan magazine reports:

> Few children in the world have futures as bleak as those of the 4,000 GI babies left in Japan by our Army of occupation. Because the Japanese believe that their race is unique and that it has remained unsullied by foreign blood for at least 6,000 years, any child who is of mixed blood faces cruel discrimination and abuse. And illegitimacy worsens the GI babies' plight, for without a father's name on his birth record, it is almost impossible for a person to marry or get a decent job in Japan.

The situation is far more desperate for the estimated 1500 American-Korean orphans fathered by our military personnel. These children are not accepted by the Koreans. They are mistreated, humiliated. Other children point their fingers at them and call them GI babies. I understand that many of these babies have been totally abandoned.

Mr. President, Harry Holt, of Creswell, Oreg., has symbolized to me the Biblical Good Samaritan by his good deed in adopting and bringing to his fine home eight small children of mixed blood from Korea. I had the honor and privilege of sponsoring legislation in the Senate which allowed Mr. Holt to bring these children into the United States. But Mr. Holt has not stopped there, he is helping hundreds of American families make arrangements for these Korean war orphans and he is now in Korea, his second trip this year, making these arrangements.

Mr. President, I ask unanimous consent that an editorial entitled "Mr. Holt 'Moves the World' " from the Oregonian of April 9, 1956, appear at this point in my speech.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. HOLT "MOVES THE WORLD"

"Man is the master of his fate," the poet has assured us. But at times it must appear to the individual man of the 20th century that he has precious little mastery of the material things of which life is composed. The elements continue to defy control. Social injustices persist. The very weight of population and the complexity of man's affairs discourage any idea that a single man can work his will against the massive inertia of human society.

A property of greatness is the ability to reject these intimidating forces and push ahead, alone, if necessary, with the tasks that conscience directs. Henry Holt of Creswell possesses such a quality. Sitting in a lecture audience a year and a half ago, he was inspired by what he heard, that hundreds of Korean-American orphans were doomed to a life of misery and early death unless they could be brought to this country.

Unlike so many of us, Mr. Holt did not permit his concern to stop somewhere short of action. Within a few months he was in Korea, and, after a struggle against what seemed an insurmountable mountain of red tape, he tunneled through and returned to America with 12 orphans in tow, 8 of them destined to become full and equal members of Mr. Holt's happy family.

So heartening was the Holt story, that it brought appeals from 1,000 additional American families willing to make homes for orphans. Mr. Holt left his plow and began the enormous task of shepherding the hundreds of remaining half-caste children across the North Pacific before the termination of the Refugee Act December 31. Last Saturday he arrived with his first contingent of 12, to be sent on to foster parents in the East and Midwest. He hopes to have found homes for several hundred more by year's end, for all of the Korean-American waifs if possible.

Of course, Mr. Holt has had considerable help. World Vision, Inc., a missionary service with headquarters in Portland, has administered the program. But the spark of initiative and the flame of determination were Mr. Holt's. Without his personal efforts it can be doubted that more than a few orphans would have been brought to this country. He has virtually given life to hundreds of children. Given his example, can anyone doubt the power of the individual?

Mr. NEUBERGER. Mr. President, our country has always helped the poor and downtrodden and certainly there can be no nobler aim than to help thousands of unfortunate orphans who are born into such a bleak environment and whose futures are so clouded.

Because of the great and urgent need, I introduce, for appropriate reference, a bill to extend the provisions of the Refugee Relief Act as it applies especially to orphans. My bill extends the time for issuing visas under section 5 of the Refugee Relief Act from December 31, 1956, to December 31, 1959. Equally important, my bill would increase the number of visas authorized in section 5 from 4,000 to 9,000, which would mean there would be at least 5,000 authorized visas for the 3-year extension of the section applying to orphans. My bill would also raise the age limitation of eligible orphans from 10 to 14 years. An increase in the age limitation, together with an increase in the number of authorized visas, together with an extension of the time for issuing visas, has been recommended by the American branch of the International Social Service, Inc.

I have felt for some time that the Children's Bureau of the Department of Health, Education, and Welfare should have an official role in administering the orphan provisions of the Refugee Relief Act. I understand that the Children's Bureau has given advice informally to the Refugee Relief Administrator, but I think that their role can be officially formalized by statute.

Many orphans are adopted abroad by American families and subsection (e) of my bill provides an official role for the Children's Bureau and tightens up existing provisions which allow orphan adoptions in foreign countries. Under my proposal, no visa shall be issued to orphans adopted abroad under the laws of a foreign country by a United States citizen and spouse without the prior approval of the Chief of the Children's Bureau, in accordance with regulations prescribed by the Secretary of that Department after consultation with the Administrator of the refugee relief program. It is my feeling that such regulations should take into consideration the urgent needs of these orphans, and such standards must necessarily be flexible.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD as a part of my remarks and I also ask unanimous consent to have printed in the Record, following the bill, an article from the Eugene Register Guard of April 9, 1956, by Jack Brown, entitled "Child Census in Korea Ordered," and an article from the Oregonian of April 8, 1956, headed "Oregon Farmer Brings 12 More Orphans From Korea for New Homes in America." I also desire to have printed in the Record an article by Thomas J. Fleming from the March 1956 issue of Cosmopolitan magazine entitled "The Children We Left Behind," and I regret that the excellent and gripping pictures accompanying the article must be omitted.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and articles will be printed in the Record.

The bill (S. 3753) to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes, introduced by Mr. Neuberger, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) section 5 (a) of the Refugee Relief Act of 1953 is amended (1) by striking out "four thousand" and inserting in lieu thereof "nine thousand", and (2) by striking out "ten years" and inserting in lieu thereof "fourteen years."

(b) Section 5 of such act is amended by adding at the end thereof the following new subsections:

"(d) Any visa issued under this section to any eligible orphan who has been lawfully adopted abroad by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time as the adoptive citizen parent returns to the United States in due course of his service or business.

"(e) No visa shall be issued under this section to any eligible orphan adopted abroad under the laws of a foreign country by a United States citizen and spouse without the prior approval of the Chief of the Children's Bureau, Department of Health, Education, and Welfare, in accordance with regulations prescribed by the Secretary of that Department after consultation with the Administrator of the Refugee Relief Administration. Such regulations shall take into consideration the purpose of this act to alleviate the urgent needs of these orphans."

Sec. 2. Notwithstanding any other provision of the law, visas may be issued under this section to eligible orphans until December 31, 1959.

[From the Eugene Register Guard of April 9, 1956]

Child Census in Korea Ordered—Holt Gains Rhee's Help in Waif Job

(By Jack Brown)

President Syngman Rhee has ordered a door-to-door census of South Korean homes to locate what Harry Holt estimates to be nearly 1,500 American-Korean orphans, the Creswell farmer said Saturday night.

Quite rested up after his flight home from Seoul Friday, Holt said he had every hope that the remaining youngsters could be brought to the United States before the 1953 Refugee Act expires at the end of this year.

"In planning our adoptions," Holt said, "we are not counting on the Refugee Act being renewed. We are going right ahead, cutting as much redtape as we can. And, believe me, it's a difficult situation when you are working in two languages.

FRIENDS IN SEOUL

Adoption papers have to be processed in both American and Korean languages, and carbons can't be used on the Korean papers. The Koreans say that it takes 240 hours to process the papers for 1 child, Holt said. "We're going to have to get that figure down to 2 or 3 hours or we're not going to be able to handle all those children."

At present friends of Holt, Harry Larson and his wife, are in Seoul and are maintaining an adoption office to work with officials there.

In Creswell, Holt says he has received 1,500 applications from parents who want to adopt the mixed-blood children. Each of these families must be screened as part of the adoption procedure, and that's one job Holt cannot do himself.

However, he said that a nationwide investigating service is doing it for him at cost. They're doing an excellent job, Holt said, because the National Korean Foundation in Seoul told him the papers on parents who are seeking adoptions were more complete than those they have heretofore been used to.

WAIFS IN SEATTLE

The Creswell farmer landed in Seattle Friday after babysitting with 12 Korean waifs who are to be adopted by United States families. Holt said he had been asked by International Social Service to accompany the youngsters to America. Holt left the children in Seattle. They will be bound now for homes in New York, Massachusetts, Indiana, California, and Washington State.

Holt will return to Korea late in May. He is taking with him Roy Wolfe, a photographer and worker with World Visions, Inc. Holt feels that pictures of the children still remaining in Korea will give people a better idea of the work that is left to be done there.

More than 600 of the children of American-Korean parentage are in orphan centers and many are in hospitals all over South Korea, Holt said. They are suffering from malnutrition and other diseases, but he believes that they will be well enough before the end of the year to be taken to the United States.

With the new census action by President Rhee, many Korean mothers are bringing their children, fathered by American soldiers, into Holt's office in Seoul. Eight mothers came to him in one day.

"If we can just cut the considerable amount of redtape that has been slowing down the adoption process, we'll take care of every child they bring in," he said.

[From the Oregonian of April 8, 1956]

Oregon Farmer Brings 12 More Orphans From Korea for New Homes in America

Another dozen Korean "GI orphans" arrived at Portland airport Saturday, shepherded by kindly, diaper-changing Harry Holt, the 50-year-old Creswell farmer and mill owner, who has taken on the mission of bringing hundreds of the children to homes in this country.

Holt left the Northwest Airlines plane here to fly to his home, and the children—ranging in age from 3 to 8 years—continued on to homes in various parts of the Midwest and East.

The children and Holt were met by Dr. Frank Phillips, executive secretary of World Vision, Inc., the Portland-headquartered missionary organization which paid the $250 transportation and $50 child placement fee for five of the children. Holt himself is paying for another five. The transportation and placement charges are being paid by foster parents who are able to do so, Dr. Phillips said.

Holt is seeking to bring all the children to the United States that he can before expiration—at the end of this year—of the emergency Federal legislation which allows bringing in more than two orphans.

"The whole Korean Republic, from the President on down, is helping with this project," he said in an airport interview. They're conducting a national census, knocking on every door."

Holt said the American Embassy estimates there may be 1,500 of the babies born to Korean mothers and unidentified United Nations military personnel, but he thought the number might be considerably less than that figure.

"The children are not accepted by the Koreans," he said. "They are mistreated, humiliated. Other children point their fingers at them and call them 'GI babies.'"

GI LABEL STICKS

Holt said orphanage personnel had tried to change the designation of the children to "U. N. orphans," because the fathers are not all United States military forces members, but that the "GI" label is sticking in the public mind.

Holt showed emotion in describing an aspect of the orphan roundup which revealed his devotion to the task and the individual Korean heartbreak behind each child coming to this country.

"I brought in five of the children to the gathering center," said Holt. "I talked to their mothers."

"Did they want to give up the children?" asked a girl reporter at the press conference.

MOTHERS' VIEWS MIXED

"Would you want to give up your baby?" Holt asked gently. "But gradually they are realizing that their children have no chance for a happy life in their home country. They know they'll do better over here, and many of the mothers bring their children to the orphanages."

Holt said that he and Roy Wolfe, director of publications and artist for World Vision, will go to Korea the last of May to bring back another planeload of children.

The Creswell man and his wife made national news last fall when they adopted 8 of the war orphans, and Holt then went to Korea to bring back 12, 4 of them going to other foster parents.

Two of those children were at the airport with their foster parents, Mr. and Mrs. William Collier, 1314 Southeast 55th Avenue, Saturday to see the newcomers.

In addition to the 8 orphans they have taken into their homes, the Holts and their children are supporting 33 others in Korean orphanages at $10 a month for each.

Holt said Harry Larson, an ex-used car salesman, is now working in Korea for him on the "baby lift" project, and Mrs. Larson is doing "baby paperwork" in the Holt home at Creswell.

[From Cosmopolitan magazine of March 1956]

The Children We Left Behind—Americans Are Racing Against Time to Rescue Japan's "GI Babies" Before Their Mixed Blood and Illegitimacy Make Them Embittered Social Outcasts

(By Thomas J. Fleming)

Few children in the world have futures as bleak as those of the 4,000 GI babies left in Japan by our army of occupation. Because the Japanese believe that their race is unique and that it has remained unsullied by foreign blood for at least 6,000 years, any child who is of mixed blood faces cruel discrimination and abuse. And illegitimacy worsens the GI babies' plight, for without a father's name on his birth record, it is almost impossible for a person to marry or get a decent job in Japan.

Some of these children are illegitimate because of moral irresponsibility on the part of their American fathers, but by far the largest proportion of them were born out of wedlock because of the unreasonable and unwise law against marriages between Americans and Japanese which was in effect during the first 7 years of the occupation. Proof of this is the fact that, during the brief periods when such marriages were permitted, almost 8,000 GI's rushed to legitimatize their unions with Japanese girls.

SOME ARE BEING SAVED

Fortunately, many Americans feel we have a moral, if not a legal, responsibility to these children, and have been working hard to rescue them from their tragic future. The American Joint Committee for Assisting American-Japanese Orphans has been scouring Japan to search them out. Last year the International Social Service, an agency which has long specialized in adoptions between different nationalities and races, sent an executive secretary to Tokyo to work with the Joint Committee. Through their efforts the children have been included in the quota established under the Refugee Relief Act, which provides that 4,000 war orphans from all parts of the world may be placed for adoption in the United States. But after the Refugee Relief Act expires in December 1956, bringing the children into the United States will be almost impossible, because Congress will have to pass a separate bill to admit each child—a procedure that now takes from 4 to 12 months.

So far, only a pitiful trickle of these children have been brought from Japan for adoption in the United States. But over 300—like Jimmy-san have been adopted by families of American servicemen and other Government personnel living in Japan. As one chaplain explained: "It takes a little courage to adopt one of these kids. But when you see first hand the problems they're up against, the trouble it will take to save them seems small by comparison."

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—TWO-PRICE PLAN FOR RICE

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice. This plan was included in the farm bill recently vetoed by the President.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3756) to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice, introduced by Mr. Fulbright, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—NATIONAL ACREAGE ALLOTMENT FOR RICE

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice. This bill embraces the same provision which was carried in the farm bill which was recently vetoed, with regard to the freezing of acreage of rice.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3757) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice, introduced by Mr. Fulbright, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

BENEFITS FOR SURVIVORS OF SERVICEMEN AND VETERANS—AMENDMENT

Mr. GREEN submitted an amendment, intended to be proposed by him, to the bill (H. R. 7089) to provide benefits for the survivors of servicemen and veterans, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. STENNIS. Mr. President, I submit an amendment, intended to be proposed by me to the bill (H. R. 7225) to amend title II of the Social Security Act, and ask that it be referred to the Senate Finance Committee which now has this legislation under consideration.

This amendment provides for exemption from coverage under Social Security of part-time agricultural employees who work less than 60 days for the same employer during the calendar year, but would require retroactive coverage for the employee dating back to the first day of employment if the employee has worked over 60 days. This is a modification of my bill, S. 1279, and if adopted would greatly simplify the burdensome and expensive recordkeeping. I strongly feel that this should be the minimum standard for coverage for part-time agricultural workers under the social security legislation.

The $100 a year criterion in the present law brings into the picture a large number of persons who are not really a part of the farm labor force, such as a farm boy working for a neighbor on Saturdays, or a high-school boy working a few weeks during summer vacation, or local people who work for a couple of weeks in helping harvest the cotton crop, or a strawberry crop, and a number of other situations where the work is extremely temporary in nature. I do not believe that any real purpose is accomplished by including this very casual type of employment.

A second major problem is that associated with so-called day-haul labor. For example, during the cotton season or during the very short fruit harvest season, a farmer may need to employ about 20 workers for a period of 4 or 6 weeks. He may send his own trucker, or contract a truck to go to the local city each morning to haul workers to his farm. The daily turnover of such is very heavy—quite normally 50 percent—and on many occasions up to 100 percent. Thus during a 2-month period, a farmer may actually employ 500 or 600 workers, even though the number of workers on his farm at any one time is not over 20.

Therefore, if the farmer is to be certain that he does comply with the law, he must keep a record of how much money is paid out to each of these 500 or 600 workers. This involves a recordkeeping operation extremely difficult to work into the established pattern of harvesting operations in many areas. As a result of all this recordkeeping, the employer may not actually pay any social-security tax at all because no individual worker earns as much as $100. In other instances, the amount of the social security tax will be a few dollars. We have here a situation whereby the cost to the employer of collecting the tax may be many, many times greater than the amount of the tax itself.

In order to provide the basis for a constructive approach to this problem the amendment which I offer at this time provides for what might be called a qualification period; that is, a period of employment that will be completely covered by social-security tax provided the 40-day criterion is fulfilled. Those who qualify by working the required number of days will then be considered to be covered by social security from the very first day of employment. It is my belief that this proposal will eliminate a great bulk of recordkeeping required by the present legislation and yet fulfill the primary objectives of the 1954 amendment.

This certainly appears to be a sound and constructive approach to this important problem, and I urge the Finance Committee to include this provision in their committee bill.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred.

The amendment was received, referred to the Committee on Finance, and ordered to be printed.

OHIO RIVER BRIDGES NEAR CANNELTON AND LAWRENCEBURG, IND.—ADDITIONAL COSPONSOR OF BILLS

Mr. CAPEHART. Mr. President, I ask unanimous consent that my colleague, the junior Senator from Indiana [Mr. Jenner], may join with me in the sponsoring of the bill (S. 3724) creating the City of Cannelton Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., and for other purposes, and the bill (S. 3729) creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boone County, Ky., and for other purposes, the next time the bills are printed. He was to have been a cosponsor, but inadvertently the matter was overlooked.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BEALL:

Address delivered by him at dedication of new synagogue of the Northeast Hebrew Congregation, at Mount Rainier, Md., on April 29, 1956.

NOTICE OF HEARING ON SENATE BILL 3760 BY SUBCOMMITTEE ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

Mr. DANIEL. Mr. President, notice is hereby given that the Subcommittee on Improvements in the Federal Criminal Code, of the Committee on the Judiciary, will hold a public hearing on the bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, in room 424, Senate Office Building, on Friday, May 4, 1956, at 10 o'clock a. m.

NOTICE OF HEARING ON SENATE JOINT RESOLUTION 165 BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that a public hearing will be held on Tuesday, May 15, 1956, in the committee room, on Senate Joint Resolution 165, approving the relinquishment of the consular jurisdiction of the United States in Morocco.

AINSWORTH (NEBR.) UNIT, MISSOURI RIVER BASIN PROJECT

Mr. ANDERSON. Mr. President, on Wednesday, April 26, the Senate passed Senate bill 2206, a bill to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project. At the time we overlooked the fact that a similar House bill was on the desk. I have several requests to make, which have been approved by the Parliamentarian.

The ACTING PRESIDENT pro tempore. The Chair is advised that the House bill was pending in committee, and not at the desk.

Mr. ANDERSON. At least, the House bill is here.

I have several requests to make, which will straighten out the parliamentary procedure.

First, I ask unanimous consent for the reconsideration of the vote by which the Senate on April 26 passed S. 2206, to approve the report of the Secretary of the Interior on the Ainsworth unit, Missouri Basin project.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ANDERSON. I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of H. R. 9132, to approve a report of the Secretary of the Interior on the Ainsworth unit, and that the Senate proceed to consider the House bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate proceeded to consider the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

Mr. ANDERSON. Mr. President, I ask unanimous consent to amend H. R. 9132 by striking all after the enacting clause and inserting in lieu thereof the text of S. 2206, as amended, in the nature of a substitute, with a further amendment as follows: Page 2, line 9, strike "any participating" and insert "the."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 2206 is indefinitely postponed.

MUST AMERICAN AGRICULTURE BE A CONTROLLED INDUSTRY?—ADDRESS BY SENATOR EASTLAND, OF MISSISSIPPI

Mr. AIKEN. Mr. President, on April 19, 1956, the senior Senator from Mississippi [Mr. EASTLAND] delivered an address before the National Institute of Animal Agriculture, Purdue University, at Lafayette, Ind., on the subject "Must American Agriculture Be a Controlled Industry?" The address is one of the clearest expositions I have read of the basic issue confronting American farmers, and the whole country as well. I ask unanimous consent that the address by the Senator from Mississippi be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR JAMES O. EASTLAND BEFORE THE NATIONAL INSTITUTE OF ANIMAL AGRICULTURE, PURDUE UNIVERSITY, LAFAYETTE, IND., APRIL 19, 1956

It is a great honor and privilege to be asked to speak to the Institute of Animal Agriculture. You have assigned me a challenging subject—"Must American Agriculture be a Controlled Industry?"

I am interested in this subject as a farmer, a cotton farmer. I am also interested in this question as a citizen—because whatever political-economic forms are developed in agriculture will have a profound influence on other aspects of our society. And I must necessarily be interested as a Senator and as a member of the Senate Agriculture Committee. In my political capacity I have a serious responsibility—one that I do not regard lightly. However, it is primarily as a cotton farmer that I want to talk to you frankly here this evening.

Let me begin by asking what we mean by "controlled industry." There are many and varying degrees of control. Conceivably Government control of agriculture can extend to the point that production and marketing of all commodities will be regulated. At the present time we have very tight controls of production and marketing for 5 of the 6 basic commodities and these 5 represent about 19 percent of total agricultural production. For the remaining 81 percent no significant degree of centralized control of production and marketing is now in effect. Just exactly what is involved in the term "controlled industry" is somewhat academic. The real question is—which direction are we going? Will national policy involve gradual expansion of Federal authority to new crops? Will Federal policy involve regulation, by one means or another, of the size of farm operations? Or will national policy trend in the direction of reducing the present scope of Federal regulation.

I'm sure that we who have thought through this matter would like to base our solutions on sound economics; however, if we are realistic, we know that this is also a political question. Most Members of Congress vote the way they think their constituents want them to. Right or wrong, most of the Congressmen who voted for or against the farm bill were voting the way they thought their farmer constituents wanted. This is not 100 percent true, since there are some overall political issues involved. Some Congressmen voted with their party. Some Congressmen voted on the farm bill in accordance with the advice of their labor-union advisers. I'm happy to say that most Congressmen try honestly and sincerely to vote their convictions. But in general, most Congressmen are not much wiser than their constituents urge or permit them to be.

This is why I so welcome the opportunity to speak to you. The extent to which agriculture will become dependent upon and controlled by Government in the future will be determined by farm people. Every one of you present can and I hope will participate in your particular field in bringing about a better understanding of the issues and consequences involved.

Part of the answer to the question would appear to be found in the experience we have had to date. It is my judgment that the extreme Federal intervention in the case of the so-called basics has been harmful to the long-time interest of the producers of those commodities. The outlook for producers of these commodities—and I'm sure this is true with regard to cotton—is far more gloomy today than it would be if we had had less Federal intervention in the pricing and marketing of our commodities during the past 10 years. It is not accidental that the big income-depressing surpluses in Commodity Credit stocks consist almost entirely of commodities for which the Federal Government has followed a rigid price-support policy, that has held prices at levels higher than effective demand. Certainly, this is true in the case of cotton, where prices have been and are considerably above those of our competitors.

As to the question, Must agriculture be a controlled industry?—if we look at the economics of the problem it would be my conviction that agriculture will be better off economically if the scope and extent of Federal intervention in the price and marketing picture is reduced rather than expanded.

To me, it is somewhat appalling to note, among many farmers, among much of the press, among many of my colleagues in the Congress, the bland assumption that higher price supports mean higher farm incomes.

It seems to me this is not true—that it is tragically not true. Yes, high price supports help farmers in any particular year. But the long-range consequences of this policy, carried forward year after year, have disastrous effects upon the ability and opportunity of farm people to earn good incomes. We need to distinguished between short-run benefits and long-run consequences.

As farmers, as producers, we must be interested in net income. Farming is a business, it is a most complicated business. The net income of any business is dependent on the volume sold times the price received minus expenses paid. You will note in this formula that price is only one of the components. Admittedly, it is a very important part, but in my judgment we have given entirely too much emphasis to this one part of the formula, with gross neglect of the other parts. I know this is true with regard to cotton. In fact, as far as cotton is concerned, farm policies based only on price will in the long run destroy the industry. Cotton farmers have enjoyed 90 percent of parity. What has been the result of their being in this select category? They have experienced a 40 percent reduction in acreage. On the 60 percent that they are permitted to plant, the 90 percent price support gives them 54 percent of parity income.

Let me review briefly for you what happens when the Federal Government commits itself to support the price of a commodity at a rigid high level, irrespective of the supply-demand situation and the competition it faces.

The first thing that happens is that production of the commodity is stimulated. Don't let anybody sell you the fairy story that the level of farm production, the level of production of any particular commodity—is not affected by price. It was price more than any other factor, which brought about the extraordinary increase in farm production during the war years, despite shortages of labor, equipment and materials. It is Government price supports which have held production of basic commodities high during postwar years. There is no question but what the tremendous expansion of cotton produced in the West was directly the result of extremely profitable prices resulting from Government supports. Not only that the support price was fixed at profitable levels, but that it would remain there sufficiently long to recover the costs of converting to irrigated cotton production from other crops. This same price assurance helped to provide credit to develop new production areas and to expand production in foreign countries who have operated with assurance in the world cotton market under the umbrella of our domestic price supports and cotton export sales policies.

The second thing that happens is that domestic demand is curtailed. Demand is not constant—it varies with price. At each price, demand will be different. Since the discovery of synthetic fibers through 1955 these fibers have displaced 4,800,000 cotton bales equivalent, which now equals one-third of the domestic fiber market. Nine hundred and seventy-eight thousand bales of this was during the last calendar year. This tremendous expansion was brought about because of the fiber price relationship which rayon has enjoyed due to fixed prices of cotton.

The third thing that happens is that foreign production is stimulated. The United States Government has not only held a floor under United States farm prices—but under farm prices in other countries. And they have responded in the most natural way in the world—by increasing acreage and production of those crops for which the United States fixed at high levels the price at which the commodity will move in world trade.

Cotton acreage in foreign countries has constantly expanded during the last 10 years when price supports have been fixed at the high war-time levels in this country. Not only has expansion taken place in the old producing areas, but new areas of production have been brought in. In some countries the acreage is now ten times as much as it was before World War II. During this period the increase in foreign cotton acreage—mind you, just the increase—is more than the total acreage which cotton farmers are permitted to grow in the United States. Foreign production of cotton is expanded to the point where it is within less than two million bales of total foreign demand. A tremendous expansion has also taken place in the production of synthetic fibers in foreign countries, primarily on the basis of the price advantage which they enjoy. During the 6-year period 1949–1955 foreign synthetic fiber production more than doubled, totaling the equivalent of 9 million bales of cotton. In fact, total world consumption of synthetic fibers now exceeds the total American production of cotton for both domestic consumption and the export market. On the basis of average production per acre in the world this synthetic production has displaced almost 25 million cotton acres.

The fourth thing that happens is that export sales decline and the United States becomes the residual supplier for world markets. Inevitably when the United States Government supports the price of farm products at a level which encourages increased production and surpluses result, United States prices are held above the world market. This permits the rest of the world to sell its production just under the United States price leaving the United States farmer only that part of the market which foreign producers do not and cannot fill. Again I can illustrate this best by using cotton, as I know first-hand what has happened in this case.

The increased production of foreign cotton and synthetics already referred to has taken its toll on the traditional export markets for United States cotton. Since the late thirties until recently we normally exported about 5 to 6 million bales. If we go back to the twenties we find our cotton exports averaging 8 to 9 million bales. This year the Department of Agriculture estimates that cotton exports will be below 2 million bales. This would be the smallest quantity exported in the last 100 years, except during the Civil War, World War II and their aftermaths. In the last quarter of a century our share of the world export market has declined from 60 percent to less than 30 percent. This in large part accounts for the fact that the acreage which we grew last year under strict acreage controls was the smallest since 1883. There is a further reduction in cotton acreage allotments this year which again curtail cotton net income, with the outlook for additional drastic cuts in 1957 and 1958.

Put these things together, increased production here and abroad, reduced sales here and abroad, and what do we get? Surpluses. The $12 billion borrowing authority granted to Commodity Credit for price-support programs is inadequate to take care of Federal commitments during the next harvest season. Cotton is a big part of the problem. Today the Commodity Credit Corporation owns or has made loans on a total of 14 million bales of cotton, valued at $2.4 billion. This is equal to what we think of as a normal year's domestic consumption but exceeds by about three million bales the quantity which will be consumed and exported this year. Corn accounts for $1.9 billion, and wheat $2.9 billion. These surpluses were created by our program. They will be created by any program whereby the price of a commodity is fixed by Government—irrespective of demand-supply relationships or cost of production.

These surpluses disastrously affect farm incomes, for a number of reasons. First, they compel production controls, and this reduces farm incomes. We have seen earlier how under 90-percent price-support programs cotton farmers are getting only 54 percent of cotton-parity income because of acreage curtailment. Farmers are denied the opportunity to produce and sell to markets they might have held. Second, the acreage taken out of controlled crops is not left idle—it goes into the production of other crops and primarily into feed and forage for livestock. This tends to create overproduction and reduced prices for these other commodities.

Agriculture is all interrelated. What happens to one commodity inevitably affects other commodities. A farmer's basic resources are soil, water, and his own labor. He can enhance the productive capacity of these basic resources by the application of research information, conversion to mechanical operation, and by adopting improved techniques. If he is prevented from using these resources to produce one commodity, he will divert them to other commodities. Every livestock producer has an interest in the cotton problem, because much of the resources that were used for cotton production have gone into livestock production. During the period of high livestock prices, many southern cotton farmers made this change. If livestock prices had been fixed by Government at high rigid levels, they would have remained in. However, the reduction of prices caused many of these farmers to change back from livestock to price-supported crops, and the livestock industry is back on the road to stable and satisfactory prices. Exactly the opposite is true of the new cotton-growing areas of the West, because, regardless of the supply, Government has fixed a profitable price. The acres coming out of cotton and changing back from livestock in the South are going into price-supported soybeans, feed grains, and, with irrigation, corn production is becoming more profitable, as indicated by the increase in production per acre and also the 300-bushel record established by a Mississippi 4–H Club boy in 1955.

The expenditure of public funds which contribute to the solution of the farm problem can, I think, be justified, provided they really make a contribution. But, unfortunately, our farm-price policy has operated to expand the agricultural plant; whereas any realistic appraisal of the situation indicates that a contraction of our agricultural plant is imperative.

Total agricultural production has been running perhaps 5 percent in excess of total use, even through a great deal has been done to encourage the expansion of domestic and export markets. This 5 percent has been going into CCC stocks.

I am for the soil-bank proposal because I know that before we can improve the agricultural outlook we must bring about a better balance between total supply and total demand for farm products. The soil-bank approach will assist in further reducing production without reducing net farm income by providing rentals to offset sales income.

The basic purpose of the soil-bank program is to bring about at the earliest feasible date a balance between annual supply and effective demand and begin to make some progress toward the liquidation of current surplus stocks.

Long continued Government price fixing and production controls will create an inefficient agriculture. There is a tendency both in the law, in the regulations and in the natural sympathy of the County Committee administrators, to avoid heavy cuts on small farmers and to allocate the right to produce to farmers who have little or no history of a particular crop. This is understandable. But let us note the end result. This is most strikingly illustrated in the case of burley tobacco. The number of farms producing burley tobacco has expanded significantly, and the acreage per farm has declined. Thus to compare 2 years, 1944 and 1955, we find that the total acreage of burley tobacco has declined 47 percent, the number of growers has increased 26 percent, the average allotment in 1955 is 58 percent smaller than in 1944. Three out of four burley tobacco allotments in 1955 were below 1 acre.

This is not an efficient way of producing burley tobacco. It is going to be more and more difficult for the United States burley tobacco industry to compete in foreign markets against competitors who are not hogtied by production control programs.

It seems to me that one of the inevitable consequences of long continued production controls is to divide the right to produce among more and more people on an equal per capita basis.

I do not think this is the road toward an efficient, prosperous agriculture. This is not an agriculture offering an ambitious young man the opportunity to grow and expand his operations.

I am convinced that the economic law of supply and demand will inevitably prevail. It will eventually write the civil law. The Government has partially suspended the operation of the laws of economics temporarily in the price support and production control laws with the resulting confusion in the market and supply situation we face in agriculture today. Faced with the dilemmas created by the farm program, a great many alternative proposals are being advanced.

One which has a great deal of appeal is the idea of production payments, or compensatory payments. Under this proposal each producer would receive a payment on each unit produced equal to the difference between the price standard and the average market price. This proposal has many theoretical advantages. But what happens when we mix up a little politics with the proposal?

Politically the price standard would be fixed at an attractive level. This level would encourage production, lower the market price, and increase the payment per unit. The cost of the program would soon become prohibitive. Under these circumstances an economist would simply reduce the price standard. But this is not the political answer. The political answer is to reduce the maximum payment made to any one farmer. We would seek an equitable means of dividing the payments. And how do you distribute public money to the electorate on an equitable basis? The ultimate and inevitable answer would be on an equal basis—one vote, one share—equal shares.

This is the way to create a peasantry—to convert independent farmers to wards of Government. This is not the ambition I have for the future of American agriculture. The American farmer must come to understand the basic economic facts upon which his welfare depends. He needs to understand that Government cannot assume all of the responsibility and provide all of the answers without his cooperation. The national farm organizations must try hard to get these facts over to their membership. The membership of many of the affiliate State farm organizations refuses to accept sound decisions based upon economics and oppose the position taken by the national organizations with resulting confusion in the Congress.

I want to commend the livestock industry generally for not succumbing to the lure of price fixing by Government. Sound price-support programs are helpful for storable commodities and can contribute to orderly marketing. The original purpose of price support programs was to aid the orderly marketing of farm products rather than for the Government becoming a market. But price supports on livestock products would be administratively impractical and would be harmful to livestock producers. It is particularly imperative in the case of livestock that current production be currently marketed. It takes price flexibility to accomplish this. If action were taken to prevent price from performing its normal function of balancing supply and demand for livestock products, it is apparent that livestock products would pile up in Government hands to high levels in an extraordinarily short period of time.

I don't know what the latest figures are, but I have heard that it takes seven times as much land to feed people an animal protein diet as a grain diet. Confronted as we are with an expanded agricultural plant, it is important to all farmers that every conceivable means be utilized to maintain livestock consumption at a high level. By such means the consumer eats up the products of more acres than he does with a smaller percentage of livestock products in his diet. We need to do everything reasonably feasible to develop imaginative and forceful programs to expand demand for livestock products and in doing so we will be doing a favor to the consumer due to the "protective" value of livestock products in the diet.

I am sure everyone would agree there is a need for a program to expand consumption of animal products. If there is anything I could say to impart a feeling of urgency about this, to stimulate your imagination to acomplish this objective, I would feel my time here to be extremely well spent, not only in the interest of livestock people generally, but in the interest of agriculture.

So in conclusion may I say to you in the most serious way I can—the answer to the question, "Must American agriculture be a controlled industry," is—we who are interested in a free and independent farmer citizenry, we who are for a prosperous agriculture, must do all we can to steer a course away from centralized control and Government intervention in the production and marketing process.

It is not an easy task to change this course. We can only do it a little at a time. And it can be done only with the understanding and support of farm people. We have to start from where we are. It's going to take a geat deal of dedication to pull agriculture out of the swamp of Federal dependence, on the edges of which it is now floundering. Each of us needs to ask ourselves the question, are we going to be a part of the answer, or are we going to be part of the problem? I am confident that all of you can make a contribution toward finding sound answers and that in so doing you will be prompting progress and freedom in America.

SOIL AND WATER CONSERVATION PROGRAMS IN MARSHALL COUNTY, KANS.

Mr. CARLSON. Mr. President, Marshall County, Kans., is carrying on one of the outstanding soil and water conservation programs in the State, and in a recent issue the Marysville Advocate printed a soil conservation section.

Mr. Fred A. Prell of Bremen, chairman of the Marshall County Soil Conservation Committee, presented a very fine report of the work done in the county at a meeting of the Bankers Annual Award Night, at which time six outstanding farmers were honored for outstanding service in soil and water saving practices.

Those receiving the certificates of award were Marvin Roepke, Waterville; Melvin Stohs and his father, Rudolph Stohs of Bremen; Harold Snell of Summerfield; Joel Spiller of Frankfort and August Kathe of Marysville.

The awards were presented by Mr. John Mollinger, representing the bankers of the county and the program was presided over by Frank Stanton, of Vermillion, the association president.

Marshall County, which is in district IV under the soil conservation district law, is one of the five districts in the State. This law was enacted in 1955 for soil and water conservation.

Marshall County was one of the early counties to participate and plan programs which are under construction under the Hope-Aiken Water Facilities Act, which was approved in the 83d Congress. This work is under the direction of Mr. Fred Sykes of the State Soil Conservation Service and local organizations. These projects were listed by Congress as pilot projects and are being watched with great interest as to their effect on soil conservation and flood control.

Mr. Fred A. Prell, chairman of the Marshall County Soil Conservation Committee, made an excellent report to those in attendance at the annual meeting. I ask unanimous consent that the report as submitted be printed in the RECORD as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

"The most important thing that confronts all our people is to conserve our soil, water, and fertility resources," he charged. "We must manage and operate and try to prosper with this remaining good topsoil in nailing down the cultivated acres with good waterways and terraces. We must build more ponds for stock water and build more dams and larger detention reservoirs to impound torrential floods to reduce the damages downstream to lands and roads and stop the erosion and damage by runoff of our upland fields in watersheds."

He said that 25 years ago in Marshall County there were 3,300 farms of 3 acres and up. The last census showed less than 2,300 farms or a loss of 1,000 units. He also cited that the farm population has dwindled along with the change in the farming scene.

"The only other choice we have is to neglect our duty as good stewards of the land we control by permitting the serious erosion on unprotected land to continue, letting the ditches and gulleys grow wider and deeper and causing the land to lose its fertility. Water resources will be diminishing—finally forcing us to lose title to the land and driving us from our homes and possessions. That, in short, is as closely as we are tied to good fertile soil and water resources.

"It is encouraging to note that landowners and tenants in our district and the landowners living in other States or distant from Marshall County fully realize this and the importance of this program. Many are determined to do something about it. Let me assure you your district and neighbors fully appreciate this fine cooperation. Moreover the established conservation practices now on farms are demonstrating and proving that conservation pays good dividends and safeguarding the toil and investment in the lands," he continued.

"When most of the needed practices are established on farms good neighbors embark on the next venture and begin to set up watershed projects in their communities. They are not on a taxed basis, but on a voluntary and combined neighborly approach as is being carried out in the Snipe Creek Pilot Watershed project, where nearly every farm unit in the area is cooperating in completing the conservation job on his farm.

"Here are some of the figures at the close of the year in Snipe Creek: 393 miles of terraces planned, with 362 completed; 532 seeded waterways planned, 459 acres established; 70 stockwater dams planned, and 43 have been built; 70 road-control structures planned, and 44 built; 1,759 acres of pasturelands out of 4,757 acres needing treatment, and 562 acres have been carried out.

"There are now eight large floodwater retarding dams planned. Five of these are completed, except a few are not yet seeded, and the sixth is about 75 percent done. We hope the other two can be finished. The 8 detention dams as originally planned would impound 931 acre-feet of water and 437 acre-

feet are now in them, and we hope the rains will come. It would be a grand achievement indeed if all lands in the district were as far along as Snipe Creek.

"According to latest figures available, there are 2,297 farm units in Marshall County, covering 563,995 acres of farmland. Forty-seven basic plans were written during the year. Forty-five new applications for services were received. Total applications received to date are 1,940, and 1,576 farm plans have been written with cooperators to date.

"I shall now give you the practices applied by cooperators in 1955, to date and remaining to be carried out, and the goals we hope to reach in 1956—this year.

"List of conservation practices

	Unit	Practices SCS last year	Applied now on land	Needs remaining	Goals 1956
Conservation crop rotation	Acre	5,657	178,289	207,056	20,000
Contour farming	do	2,754	84,787	211,891	3,000
Contour strip crop	do	0	916	20,508	200
Improved water application	do	272	1,188	7,630	500
Irrigation water management	do	0	916	7,902	500
Land clearing	do	5	58	145	50
Stubble mulching	do	4,303	214,776	100,975	20,000
Waterway development	do	205	10,181	15,151	200
Brush control	do	205	1,306	106,051	5,000
Deferred grazing	do	1,118	45,687	53,423	1,000
Pasture planting	do	135	9,135	9,865	1,000
Proper use	do	928	91,732	61,920	700
Range seeding	do	153	14,105	23,510	1,000
Tree planting (FS)	do	0	1,000	2,000	15
Tree planting (FS)	do	0	777	954	10
Rotation grazing	do	72	26,013	31,856	500
Fish pond improvement	Number	30	41	470	50
Wildlife area improvement	Acre	0	157	497	200
Diversion construction	Mile	4.6	113	259	5
Irrigation reservoirs and dams	Number	1	1	49	3
Irrigation reservoirs and dams	Acre-foot	18	18	1,000	60
Diversion ditches and dikes	Mile	0	25	250	10
Farm drainage	Acre	68	1,250	2,451	500
Floodwater retention structure	Number	2	5	224	30
Floodwater retention structure	Cubic yard	40,359	138,401	5,159,641	80,000
Floodwater retention structure	Acre-foot	133	450	58,367	500
Open drains	Mile	1	13	24	5
Open drains	Cubic yard	6,400	83,771	193,600	30,000
Pond construction	Number	64	565	4,488	80
Roadside erosion Sont	Mile	0	10	60	1
Sprinkler irrigation system	Number	3	7	87	5
Sprinkler irrigation system	Acre	157	1,077	4,343	100
Stability structure (b)	Number	2	310	3,398	200
Stability structure (f)	do	25	334	3,286	50
Terracing	Mile	158	2,218	13,478	500
Stock wells and springs	Number	1	1,001	499	25
Diversion dams	do	0	50	500	10
Diversion dams	Cubic yard	0	5,000	400,000	8,000
O. E. detention dams	Number	2	5	224	30
Farms benefited	do	8	31		
Acres benefited	Acre	160	335		
Cropland to grass	do	285		17,715	800
Cropland to woods	do	0		560	15
Grass and woods to crops	do	23		121	50
Cropland to wildlife	do	0		1,320	67
Check dams	Number	0	500	2,600	25
Irrigation pumping plants	do	4	9	177	8
Irrigation pumping plants	Acre	115	1,125	8,885	300
Fencing	Rod	0	70,000	192,000	7,600

"The goals we have set for this year are: Increasing waterway development by 200 acres; building [illegible]00 miles of terraces; adding 20,000 acres in crop rotations; moving 80,000 yards of earth for detention dams among the many other conservation measures planned to be established.

"We may well ask ourselves when and how will we get this enormous job done in time to prevent the continued serious erosion on what precious soil we have left? There is only one answer. By people. People living on the land operating their farms, tenants working with landowners, nonresident landowners working with their tenants will do it. People buying land that the former owner sold or neglected through misfortune or otherwise are all doing their part in establishing the conservation practices.

"To quote a few statistics taken from the 1954 farm census and released in August last fall. They are not to prove that farming is big business—which it is, but to show what our agriculture and farming means to the economy—business and employment to our towns and cities in Marshall County and to our country. There were 3,108 tractors and attachments—2,567 automobiles, 1,225 trucks, 1,122 cornpickers, 505 pickup balers, 1,288 grain combines, 2,000 farms had electricity plus modern utensils and equipment, 1,019 feed grinders, 484 home freezers, 1,882 telephones, 988 farms with piped-in water to say nothing of the cattle, swine poultry, and other things. Farmers bought $470,000 worth of fertilizer, and spent $994,880 for gas and oil and paid a goodly portion of the taxes. The average farm consists of 268 acres with buildings and improvements listed at $23,281.

"No average businessman directly or indirectly employs the services and products of so many people as does the farmer. Moreover, these production dollars pass through the hands of mercantile, machinery, car dealers, gas, and other suppliers of goods and services, with the banks performing the intermediate services of extending credit and safeguarding the surplus and profits.

"It is, therefore, true that the town and city dwellers and the farmers are very closely interdependent.

"The townspeople depend upon the farmer for a big share of the market as well as the food they eat and the clothes they wear to say nothing of the added employment that is created to handle the farmers's product.

"It is readily apparent that all our people have a direct interest and stake in conserving our annually new wealth producing soil and ever mounting demands for water resources that have to be met, and the utmost importance to maintain soil fertility in our cultivated lands, and protect our grasslands from overgrazing. Conservation farming and ranching directly enables the farmer in assuring the increased production from these lands, which not only feeds his town and city neighbors, but even more important it enables him to buy more city-made goods and services and manufactured items, thus keeping industry humming and stabilizing labor and our economy. Especially is this true, if the crops are good and his production is on a profitable basis.

"Who is the man that can honestly say all our people do not have a tremendous stake in this program and the need to conserve this God-given heritage over which the farmer first hand holds and exercised stewardship, and produces the new wealth that accelerated all business enterprises and industry in what he buys and what he produces, and supporting the schools and churches that build better communities and utilities that serve them.

"At this time, Mr. Chairman, our board of supervisors wish to express our sincere thanks and the Marshall County Bankers Association of Marshall County for the fine program and banquet you have arranged this evening for the award winners and their wives and the contribution you are making to assist in conserving these precious resources in Marshall County.

"In closing I would like to say in this entire program we are concerned with people—many times we divide them in three classes—the pessimist—the optimist—and the opportunist.

"In citing these three individuals in this program, we shall use the wolf that slowly but surely steals the soil and fertility from the land and widening and deepening the gulleys in the fields.

"Now the pessimist spends all his time worrying about the wolf—how to keep him from his door. The optimist simply refuses to see that wolf that is robbing him until he seizes him by the pants and drives him from his land. The opportunist is the man that knows the wolf is there—works out his plan with the district and so invites him in, and next day comes out with a new fur coat.

"We have set our aims high for 1956 to assist in driving this wolf off the land, we hope good weather will prevail—so that these can be reached, and even more accomplished.

"We must—we will and we are demonstrating that we can do this job for ourselves and our communities."

POLISH CONSTITUTION DAY

Mr. BUSH. Mr. President, May 3 marks the 165th birthday of one of the most remarkable documents known to western civilization, the Polish Constitution. In its aspirations for a free people it compares favorably with this Nation's own great Declaration of Independence and our charter of liberties, the United States Constitution.

Polish people everywhere, people of Polish descent, and friends of Poland will mark this day as a milestone in the long and arduous road leading to a regained freedom.

Those who live outside the Iron Curtain which now surrounds that glorious and tragic country can openly pay tribute to Poland. The others, who are locked behind that Iron Curtain, can only pray once more for their deliverance from Communist slavery.

Perhaps there is just a little glimmer of hope in the announcement on April 23 by the Polish Communist Premier that there would be more democracy and justice through a true parliament with a new spirit of debate, discussion, criticism, and creative scrutiny. In his speech the Premier promised to right the wrongs of those who were unjustly convicted and to compensate them for wrongs done.

We are not being deceived that through such confession of past wrongs and a promise to right these wrongs the Polish people will know freedom as we know it and as they knew it under their own free Polish Government. We are all too aware of the present tragedy in which approximately 60 million people are subjugated to Communist imperialism from which few escape. We are all too aware that nothing is known of the 16 Polish underground leaders arrested 10 years ago after fighting the German Nazis. Communist Russia never made good its promise for the inclusion of resistance leaders in the Soviet-sponsored Lubin Polish Government, nor its pledge for free elections throughout Poland.

Our own Constitution was only 2 years old when May 3, 1791, the first constitution for Poland was enacted—a constitution which proclaimed the principles of religious toleration, the secret ballot, and freedom of thought.

Is it any wonder, then, that with those principles, the glory of Poland so closely parallels the glory of our own country? No doubt, it was because of this love of freedom that great Polish patriots, such as Gen. Casimir Pulaski and Gen. Thaddeus Kosciusko, joined our own patriots in fighting for American liberty.

Poland gave to the world men of arts, such as Chopin and Paderewski, who later became Premier of his native country. Poland gave to the world the great astronomer, Copernicus. In the field of education, the University of Cracow is the second oldest University in Europe.

There is no field of human endeavor that does not find Poland in the forefront, despite her tragic history of division and redivision.

During the last World War, brave Polish sons fought side by side with the Allies from the shores of England and to the shores of Italy; from Normandy to Arnheim.

It has been said that the true measure of a people's greatness is in its fidelity to its native ideals. If this be true, then the Polish people are without peer.

So it is fitting that we recall Poland's magnificent heritage. It has ever been her glory that her people have never ceased their struggles to be free and independent.

Our cause is her cause, and we can never sacrifice her noble people to permanent slavery behind the Iron Curtain.

Let us pray that the day will soon come when we can celebrate this great Polish Constitution Day with a free people, when we can celebrate the day when the flag of Poland will fly from every Polish housetop, when the songs and dances of a free Polish people will echo and reecho across the world.

Then Poland will come into her true heritage, the freedom and liberty which now live within each Polish heart, a flame that can never be destroyed.

ONE HUNDRED AND FIFTY-FIRST ANNIVERSARY OF BIRTH OF HANS CHRISTIAN ANDERSEN

Mr. LEHMAN. Mr. President, April 2 marked the 151st anniversary of the birth of Hans Christian Andersen, the Danish author whose fairy tales and children's stories have made his name immortal. His life is an unparalleled example of a man who rose above poverty and a lack of opportunity to bring endless hours of happiness to children and their elders throughout the world.

Of all of the great American heritage for which we owe thanks to Denmark, none is more treasured or more lasting than that left to us by Hans Christian Andersen. Of course, he was not only a great Dane, he was a universal man, like Dante, Tolstoy, and Shakespeare.

We in America would do well to remember, however, the story of his life, as well as the stories he told. His was a heroic struggle to achieve great heights, starting as he did from the very depths of poverty and difficulty. He left to us all—to the whole world—a legacy of kindliness and delight. The Danish people have a right to be proud on the anniversary of his birth. Would that all the legacies of all great men of all countries were as constructive as that left by Hans Christian Andersen.

To show our gratitude for the great contributions of this great son of Denmark, it is our obligation to advance the cause of the universality—the cause of peace—to which Hans Christian Andersen contributed so much. He knew that in every land there are little children to whom the story of conquest by the forces of good over the forces of evil would give the same thrill of pleasure. We adults of today—the children of yesterday—must renew our resolve to conquer the forces of evil abroad in the world. But at the same time, we must bear in mind that the legacy that we wish to leave to our children is one of peace, justice, and security for all nations, great and small.

For the last century, the Scandinavian nations have been an example to the world of righteous and peace-loving nations. We Americans would do well to study carefully the lessons which can be learned from the people, the institutions, and the way of life of the countries of Scandinavia.

MILITARY LEADERS TAKE TOP POSITIONS IN INDUSTRY

Mr. CHAVEZ. Mr. President, the Evening Star for today contains an editorial entitled "Peanuts for People," the quotation being from Brig. Gen. Horace Wade, who made the statement that the Government has been spending "billions for equipment and peanuts for people."

The first paragraph of the editorial reads:

> General LeMay was not speaking for himself alone when he told Senator SYMINGTON'S subcommittee that the shortage of skilled manpower is the "most critical deficiency" in his strategic air command.

Mr. President, there is only one reason for the existence of West Point and Annapolis; that is, to provide Army officers and Naval officers.

I ask unanimous consent to have printed at this point in my remarks in the body of the RECORD a very appropriate article entitled "Business Taps Generals and Admirals for Top Jobs," published in the U. S. News & World Report for April 27, 1956; and also the editorial entitled "Peanuts for People," published in today's Washington Evening Star.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of April 27, 1956]

Business Taps Generals and Admirals for Top Jobs

Gen. Alfred M. Gruenther, in leaving the job in Europe that Dwight Eisenhower held before running for President, is headed for a high position in American industry.

General Gruenther is to join the long list of generals and admirals who have moved from military service into business and industry over the years since World War II. At 57, after 40 years in the Army, the General will turn over his post as head of the armed forces of the North Atlantic Treaty Organization to Gen. Lauris Norstad, aged 49, of the Air Force.

Large businesses in America are tending more and more to look to the Armed Forces as a recruiting ground for top-ranking executive talent.

In the case of General Gruenther, many job offers are reported to have been received that include salary and stock options running into six figures. A particularly attractive offer is understood to appeal to the General and to have influenced his decision to step out of military service. General Gruenther is one of President Eisenhower's closest personal friends and the President did not feel that he could stand in the way of the General's wish to retire.

CALLS FROM MANY FIELDS

The current interest in military men for nonmilitary jobs is not new and is not confined to business. The American people turned to a general to serve as President. Several high-ranking military officers are holding high positions in the field of education. Some are heading up research organizations. Soon after World War I, generals and admirals began to appear here and there in industry. Large organizations of many kinds have been attracting them for years.

How the trend is accelerating is shown in the lengthy listing of generals and admirals who have retired at relatively early ages and moved into industry jobs, nearly all of them since World War II. Here, on page 56, are about 40 individuals, in a list that is representative but far from complete.

Modern military leaders, industry is discovering, get wide, practical experience in handling large operations. General Gruenther, like General Eisenhower, has had intensive experience in dealing with governments. Diplomacy is developed to a high degree in any successful military leader, at this level. All are trained to operate and get results from a big, diverse organization. Each is used to taking on jobs that might awe most executives.

The result is a big and growing demand by industry for experienced military leaders, to administer nonmilitary organizations at salaries often above $50,000, sometimes above $100,000, and frequently with generous expense accounts and stock options thrown in.

HOW SALARIES COMPARE

The contrast in pay is often spectacular. Base pay of generals and admirals ranges from $11,608 for those with one-star rank to $15,316 for those with four stars. Their maximum allowances, in addition to salary, come to $4,827 in the case of General Gruenther, $6,807 in that of an Air Force officer such as Gen. Curtis E. LeMay, who draws flight pay.

Take Gen. Lucius D. Clay. He retired, after drawing four-star pay, to become chairman of the board of Continental Can Co., at an annual salary and bonus reported to be $108,000 plus "allowances." In addition, the company agrees to pay him $30,000 a year after he retires.

Few military men in industry get this much in "base pay" alone. General of the Army Douglas MacArthur, for example, is reported to draw $68,000 a year in salary, plus other perquisites, as board chairman of Sperry Rand Corp. Lt. Gen. Leslie R. Groves, wartime director of this country's atom-bomb project, is serving as a vice president of the same firm at $42,000 in basic salary.

Some retired officers draw considerably more, however. Adm. Ben Moreell, for one, has a reported salary of $150,000 a year as board chairman of Jones & Laughlin Steel Corp.

Well known military figures, of general and admiral rank, thus are appearing more and more among top level United States business executives, as board chairmen, presidents and vice presidents. But the trend does not stop there.

LOWER RANKS PROFIT, TOO

Lesser-known military leaders, with valuable executive experience in uniform but not so much rank, are being hired in much greater numbers for middle grade administrative jobs in industry.

Some measure of the offers being used by business to attract this ready-trained executive talent is shown in an official study by the Defense Department of comparable salaries of men, at the executive level, in and out of uniform.

Lieutenant generals and vice admirals, for example, draw salaries of only $14,116 in uniform, but can expect $38,000 a year in base salary, on the average, if they get jobs in private industry with comparable responsibilities. That is in addition to expense accounts and devices such as stock options, which may increase the differential considerably.

Major generals and rear admirals, in turn, draw $12,916 in pay now, can expect an average offer of $30,000 in salary alone for a comparable job in industry.

Brigadier generals and commodores, the study goes on to show, get military of $11,608, but can anticipate average salaries of about $24,000 in civilian jobs with similar responsibilities.

Colonels and Navy captains, also in great demand in some segments of United States industry, draw salaries of $9,734 a year, can expect average pay of $14,000 if offered comparable jobs in industry.

MANY FRINGE BENEFITS

Another less-apparent inducement being used by business is the chance to build up an estate, through stock-purchase plans and even outsized insurance benefits. Military officers rarely find themselves able to save much from their incomes. And the widow of even a full general draws a maximum of $69.60 a month if her husband dies while on active duty.

The lures of industry, as a result, are being heeded in this boom period by a large percentage of Army, Navy, Air Force, and marine officers as they retire from active duty, often in their 50's and in robust health.

Resignations from the services by military officers who decide to take lucrative jobs in industry, moreover, are becoming common enough to worry the Armed Forces.

In the last year alone, more than 2,000 "career" officers left the services to take better-paying jobs in industry. They can be found in large numbers in administrative and technical jobs with aircraft firms, civilian airlines, electronics concerns, automobile companies, shipbuilding firms, oil concerns, public-relations organizations, among others.

Military leaders, in other words, are being "discovered" by American industry at this time as a major source of talent for all kinds of jobs calling for executive experience. The military services themselves are beginning to wonder if slogans such as, "Join the Navy and see the world," should not be changed to "Join the Armed Forces and get a top job in industry."

MILITARY MEN WHO NOW HOLD BIG JOBS IN INDUSTRY

Brig. Gen. Milton W. Arnold, vice president, Air Transport Association.

Rear Adm. James D. Barner, vice president, Gyrodyne Company of America, Inc.

Rear Adm. Frederick J. Bell, executive vice president, National Automobile Dealers Association.

General of the Army Omar N. Bradley, board chairman, Bulova Research & Development Laboratories, Inc.

Maj. Gen. Claire L. Chenault, board chairman, Civil Air Transport, Inc.

Gen. Benjamin W. Chidlaw, vice president, Thompson Products, Inc,

Gen. Lucius D. Clay, board chairman, Continental Can Co.

Lt. Gen. Laurence C. Craigie, vice president, Hydro-Aire, Inc.

Maj. Gen. Alden R. Crawford, vice president, Republic Aviation Corp.

Adm. Louis E. Denfeld, consultant, Sun Oil Corp.

Gen. Jacob L. Devers, assistant to the president, Fairchild Engine & Airplane Corp.

Lt. Gen. James H. Doolittle, vice president, Shell Oil Co.

Col. Irving A. Duffy, vice president, Ford Motor Co.

Lieut. Gen. Ira C. Eaker, vice president, Hughes Tool Co.

Vice Adm. E. Dorsey Foster, vice president, Radio Corporation of America.

Lieut. Gen. Leslie R. Groves, vice president, Sperry Rand Corp.

Fleet Adm. William F. Halsey, president, International Telecommunication Laboratories.

Rear Adm. Lloyd Harrison, vice president, McDonnell Aircraft Corp.

Lieut. Gen. Doyle O. Hickey, executive vice president, Continental Motors Corp.

Gen. John E. Hull, president, Manufacturing Chemists Association.

Lieut. Gen. William E. Kepner, executive vice president, Bell Aircraft Corp.

Maj. Gen. Francis H. Lanahan, Jr., vice president, Federal Electric Corp.

Vice Adm. Emory S. Land, consultant, General Dynamics Corp.

Maj. Gen. Charles T. Lanham, vice president, Penn-Texas Corp.

Commodore Robert C. Lee, executive vice president, Moore-McCormack Lines, Inc.

General of the Army Douglas MacArthur, board chairman, Sperry Rand Corp.

Brig. Gen. Alfred W. Marriner, vice president, Federal Electric Corp.

Maj. Gen. Russell L. Maxwell, vice president, American Machine & Foundry Co.

Gen. Anthony C. McAuliffe, American Cyanamid Co.

Gen. Joseph T. McNarney, president, Convair.

Vice Adm. Earle W. Mills, president, Foster Wheeler Corp.

Adm. Ben Moreell, board chairman, Jones & Laughlin Steel Corp.

Maj. Gen. Edward M. Powers, vice president, Curtiss-Wright Corp.

Adm. DeWitt C. Ramsey, president, Aircraft Industries Association of America, Inc.

Gen. Matthew B. Ridgway, board chairman, Mellon Institute for Industrial Research.

Gen. Walter Bedell Smith, vice chairman, American Machine & Foundry Co.

Maj. Gen. Robert L. Walsh, consultant, Fairchild Engine & Airplane Corp.

Maj. Gen. Leroy H. Watson, vice president, Fletcher Aviation Corp.

Gen. Albert C. Wedemeyer, vice president, Rheem Manufacturing Co.

[From the Washington Evening Star of April 30, 1956]

Peanuts for People

General LeMay was not speaking for himself alone when he told Senator SYMINGTON'S subcommittee that the shortage of skilled manpower is the most critical deficiency in his Strategic Air Command.

Only a few days ago Defense Secretary Wilson wrote in similar vein to the President. The Defense Secretary's letter, which the President forwarded to Congress with his own strong endorsement, made it clear that all the services are faced with a critical problem in trying to stem the loss of trained officers and enlisted men. Quite understandably, they are leaving the services for jobs in private industry, where pay is much higher and fringe benefits much better. In effect, the Army, Navy, Marine Corps, and Air Force are becoming a training ground—a very expensive training ground—from which private industry is recruiting its personnel. The question is how to stop this trend.

General LeMay and his personnel chief, Brig. Gen. Horace Wade, had an impressive story to tell. The SAC commander warned that while we are slipping back, the Russians, by making their Air Force a kind of "elite" corps, are improving in technical efficiency. At the rate things are going, he said, the time may come when we are not going to be able to man the planes we have, and that could easily mean the difference between success and failure in event of war.

General Wade said that we have been spending billions for equipment and peanuts for people. He estimated that the Air Force alone, figuring in training costs, lost $634 million last year from this exodus of trained manpower. Both he and General LeMay said that adoption of an adequate program of incentives, designed to encourage reenlistments, could actually save money while making possible a truly professional Air Force.

They advocate such improvements as better pay, adequate family housing, complete care for dependents, restoration of cheap prices at commissaries and post exchanges and greater educational benefits for those electing to stay in the service.

This is something which ought to command the most earnest attention of Congress. For unless military service is made more attractive economically the loss of personnel to civilian industries paying from twice to six times as much is bound to continue. And our national defense is bound to suffer in corresponding degree.

UNITED STATES FOREIGN AID PROGRAMS

Mr. MARTIN of Iowa. Mr. President, the Commission on Foreign Economic Policy, familiarly known as the Randall Commission, made an exhaustive study of United States foreign aid programs. In its report to the President and the Congress the Commission stressed the necessity of furthering the flow of private investment abroad. Their study conclusively shows that economic development in the long run can only be achieved through a greatly expanded flow of private investment. The Commission realized, however, that some economic aid may be required in order to enhance the security of the United

States. The Commission said—and I am now quoting from its report:

> The Commission recommends that economic aid on a grant basis should be terminated as soon as possible. No further aid is justified unless it contributes to the security of the United States. Our security involves defense against Communist aggression or infiltration here and all over the free world. The greatest expenditures are now for military defense, but our security must take into account many political and economic considerations. The security of the United States is bound up with that of the free world (p. 8).
>
> In other sections of this report the Commission recommends steps that should be taken to assist underdeveloped countries in obtaining an adequate flow of capital from the United States without resort to grants-in-aid. In cases where our security is importantly involved the Commission believes that moderate grants-in-aid may serve the national interest of the United States.
>
> The Commission recommends further that where support is needed to maintain military forces or to conduct military operations connected with our own security beyond the economic capacity of a country to sustain, grants should be made, not loans (p. 9).

It is clear that the Randall Commission believes that foreign aid can only be justified where it contributes to our own security. This is the basis for the recent request by President Eisenhower for an expanded long-term foreign aid program for Asia and the Far East.

If these programs are to contribute to our security, it would seem that they must be bilateral. The security of the United States would not be enhanced through participation in a multilateral aid program administered by the United Nations. Such a program necessarily would invite technicians from the Soviet bloc into many of the underdeveloped countries.

For many years there has been constant agitation within the United Nations for the establishment of a Special United Nations Fund for Economic Development, known as SUNFED. Our Government has consistently opposed the formation of SUNFED.

Mr. Robert F. Loree, the Chairman of the National Foreign Trade Council, on February 29, was instructed by the board of directors of the Council to advise Secretary Dulles of the Council's continued objection to United States participation in SUNFED. The question of SUNFED will arise again at the summer meeting of the United Nations Economic and Social Council at Geneva. I wish to have Mr. Loree's letter to Secretary Dulles included in the RECORD at this point. I commend it to the attention of my colleagues, and trust there will be no change in our position on SUNFED. The text of Mr. Loree's letter follows:

> The National Foreign Trade Council is deeply concerned over various steps being taken under auspices of the United Nations to establish a Special United Nations Fund for Economic Development (SUNFED). In this connection, it is noted that the last session of the General Assembly adopted a resolution requesting the Secretary-General to invite governments that are members of the United Nations to transmit to him not later than March 31, 1956, their views as definitely as possible relating to the establishment, role, structure and operations of such a fund.
>
> The National Foreign Trade Council and numerous National Foreign Trade Conventions have expressed strong opposition to participation by the United States in the proposed Special United Nations Fund for Economic Development.
>
> The opposition of the council to the proposal is based both on principle and on the deep-seated conviction that the proposed special fund is not only unnecessary but that its establishment would not be in the best interests of either the United States or of underdeveloped countries. The council holds that private capital provides the best and most effective means of promoting economic development. It believes, further, that the capital required for the economic development of underdeveloped countries can and will be provided by private enterprise if such countries adopt measures and policies designed to assure protection and fair treatment of such capital.
>
> The proposed special fund, by encouraging underdeveloped countries to believe that their needs for development capital would be met from international public funds provided through grants or on easy terms, would remove the compulsion on these countries to establish the proper environment if they are to attract the investment of productive private capital. And, without such capital and its wealth-producing capacities, there is no assurance that underdeveloped countries would ever be able to become economically self-sustaining.
>
> By placing reliance for economic development on private capital underdeveloped countries would gain enormous advantages. Private capital brings with it the managerial and technical resources and skills essential for its productive application; and, in the course of its operations, it trains local workers in managerial and technical skills and thus helps to provide underdeveloped countries with the trained personnel required for their economic development. Private capital possesses the training and experience required to determine whether potential development projects are economically feasible, and thus provides the best assurance that the projects which it undertakes will have the capacity to operate successfully and to cope with any competition which may be encountered.
>
> If underdeveloped countries will give proper encouragement and establish an environment conducive to private enterprise, then private capital, local and foreign, will produce the wealth and establish the credit which will enable such countries to provide the facilities required for their own economic development and social advancement.
>
> The National Foreign Trade Council strongly believes that the United States should not participate in the proposed Special United Nations Fund for Economic Development. It further believes that our Government should not be represented on the ad hoc committee provided for in the above-mentioned General Assembly resolution to analyze the replies and comments of governments concerning the establishment role, structure and operations of the proposed special fund, or participate in any other activities looking to the establishment of such a fund. The council feels that such participation may be regarded by other countries as at least a moral commitment by the United States to accept the special fund proposal.
>
> Such United States Government aid to underdeveloped countries as our national interest requires should be provided directly by this country. Extension of aid in this manner would be under our control and could provide assurance that the aid would be used for productive purposes and that it would promote our foreign policy objectives.

Adlai Stevenson, in addressing the American Society of Newspaper Editors on April 21, proposed that all of our foreign aid should be channeled through the United Nations. This is not a new idea with Adlai Stevenson. He got it from Walter Reuther, who on Saturday, March 24, called on the United States to spend $8 billion a year for a quarter of a century in a global relief program. Walter Reuther proposed that 2 percent of the gross national product be spent for peace, prosperity, and progress. His program contained these points:

First. The 2-percent contribution over a 25-year period; contributions to be made without qualifications.

Second. Program to be administered through the United Nations and multilateral agencies.

Third. Economic aid from the world fund to be available to unalined as well as alined nations.

Fourth. United States aid to be made available at once through existing multilateral agencies such as SUNFED and the Colombo plan, pending the U. N.'s consideration of the creation of the world fund.

Adlai Stevenson's proposal, which he plainly borrowed from Walter Reuther, would place an intolerable burden on the United States taxpayer, without any return in enhanced security. I am convinced that we must help create a climate for private investment if the people of the underdeveloped countries are to really advance their standard of living. If they look to SUNFED, instead of creating the conditions at home to stimulate private investment, they will have missed a golden opportunity.

THE ORGANIZATION FOR TRADE COOPERATION

Mr. MARTIN of Iowa. Mr. President, on many previous occasions I have commended the Secretary of State for refusing to participate in the work of the Commission on International Commodity Trade, which was established in 1954 by the United Nations Economic and Social Council, after we voted to oppose its formation.

The report to the Congress by President Eisenhower on United States participation in the United Nations for the year 1954 reviews our activities in connection with the Commission on International Commodity Trade. This portion of President Eisenhower's report reads as follows:

> The Economic and Social Council at its 18th session, in the summer of 1954, adopted a resolution constituting the Commission on International Commodity Trade, which at its 17th session in the spring it had decided, over United States opposition, to establish. This Commission's main task is to recommend measures "to avoid excessive fluctuations in the price of and the volume of trade in primary commodities, including measures aimed at the maintenance of a just and equitable relationship between the prices of primary commodities and the prices of manufactured goods in international trade." In the United States view, these terms of reference are altogether too broad and vague to make likely effective action on the part of the new Commission. At the resumed 18th session of the Council in December, 18 U. N. member countries were elected to the Commission for staggered terms of 2, 3, and 4 years. Subsequent elections will be held annually for 3-year terms for 6 of the 18 seats.
>
> Though not a candidate for election to the Commission, the United States was elected for a 2-year term. The United States representative in the Economic and Social Council stated after the election that the United States was not prepared to participate in the work of the Commission on International Commodity Trade (CICT) but that it wished to be kept closely informed of this work as it developed, in the hope that the United States might be of assistance. The United States, he added, would be prepared to reexamine the question of its eventual participation after the Commission's terms of reference and its scope of activities had been more clearly defined.

Last summer, at the 1955 meeting of the Economic and Social Council at Geneva, the United States Alternate Representative, the Honorable Nat King, advised the Economic and Social Council that the United States would not accept the seat to which it had been elected on the Commission and suggested that the Council elect another government to take our place. He said:

> Our views with respect to the Commission on International Commodity Trade are well known and were expressed at the 18th session of the Council and also in comment submitted to the Secretary General. Nothing has occurred since then to cause us to change our point of view.
>
> As the committee is aware, my Government has not occupied the seat on the Commission to which it was elected. We continue to question seriously whether the Commission can contribute significantly to the solution of international commodity problems. After most careful consideration, we have regretfully reached the conclusion that we will not find it possible to participate in the work of the Commission. Accordingly, my Government would welcome the election of some other government on the Commission in its place.

Mr. Robert F. Loree, chairman of the National Foreign Trade Council, wrote to Secretary Dulles on February 14, to reemphasize the position of the Council in its opposition to United States participation in the Commission on International Commodity Trade. Apparently the Council became concerned over a newspaper report that the United States Government was considering reversing its policy of nonparticipation in new commodity agreements.

Mr. President, I ask unanimous consent that a copy of Mr. Loree's letter to the Secretary of State be included at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> NATIONAL FOREIGN TRADE COUNCIL, INC.,
> *New York, N. Y., February 14, 1956.*
> Hon. JOHN FOSTER DULLES,
> *Secretary of State,*
> *Washington, D. C.*
>
> DEAR MR. SECRETARY: The National Foreign Trade Council wishes to reemphasize its opposition and that of the National Foreign Trade Conventions to United States participation in attempts that are being made under auspices of the United Nations and other international agencies to stabilize commodity prices through intergovernmental commodity agreements and by other means.
>
> The council is especially concerned over a recent newspaper report that our Government "is understood to be considering reversing its policy of nonparticipation in new commodity agreements." It is also deeply concerned regarding the activities of the Commission on International Commodity Trade, set up by the United Nations early in 1955, whose primary function is to instigate international action designed to stabilize the prices of primary commodities and also to stabilize the relationship of prices of primary commodities to the prices of manufactured products. The council is gratified that the United States has not joined the United Nations Commission on International Commodity Trade, but it regards as undesirable the policy of our Government in having an observer attend meetings of the Commission because of the implication that may thus be conveyed of United States support for the objectives of the Commission.
>
> As the council and national foreign trade conventions have repeatedly declared, agreements and other devices which are designed to establish controls over the production, distribution, or prices of commodities moving in international trade violate the principle of freedom of the market place, and should find neither support nor toleration from the Government of a Nation which is dedicated as the United States is dedicated, to the system of free, private, competitive enterprise. The solution of the problem of either overproduction or underproduction, in a private enterprise economy, is to be found in the operation of the law of supply and demand, and any action in contravention of the principles implicit in that law serves to aggravate, rather than to solve, the very problem with which it seeks to deal.
>
> The council urges in the strongest terms that our Government not only refrain from participating in intergovernmental commodity agreements, but that it maintain its stand in refusing to become a member of the United Nations Commission on International Commodity Trade. The council believes that any serious attempt under auspices of the Commission, not only to stabilize the prices of primary commodities but to stabilize the relationship of prices of primary commodities to the prices of manufactured products, would lead inevitably to regimentation extending over the whole range of the economies of the participating nations. It holds that such regimentation would be damaging both to the economies of the industrially advanced nations and to the economies of countries principally engaged in the production of primary commodities.
>
> The council wonders whether, in light of the experience of the United States program for supporting domestic prices of primary commodities, it has not been conclusively demonstrated that such programs tend to increase artificially the cost of such commodities to such extent that they cannot be disposed of in world markets, to establish surpluses which have a continuing depressive influence, to entail burdensome costs of operations, and to create a situation from which there is no retreat.
>
> Copies of this letter are being sent to Ambassador Lodge, the Secretaries of the Treasury, Commerce, and Agriculture, and to committees of Congress that may be concerned.
>
> Very sincerely yours,
> ROBERT F. LOREE,
> *Chairman.*

Mr. MARTIN of Iowa. Mr. President, the administration has asked the Congress to support the Organization for Trade Cooperation, and has emphasized that it will not deal with commodity agreements. Chapter VI of the defunct Havana Charter providing for these agreements should not be brought back to life by any direct or indirect approval.

On June 20, 1955, in discussing the President's request for congressional approval of United States membership in the Organization for Trade Cooperation on the Senate floor I said:

> I have no doubt whatsoever that the present administration means exactly what it said in the statement explaining the difference between the Organization for Trade Cooperation and the defunct International Trade Organization. However, the OTC agreement provides in part 4, article 16, that "amendments to this agreement shall become effective, in respect of those members which accept them, upon acceptance by two-thirds of the members of the Organization and thereafter in respect of each other member upon acceptance by it."
>
> I have no fear that this administration would ever accept an amendment to the OTC agreement that would compromise its stated position. Unfortunately, some future administration may not be so dedicated to these principles. Therefore, I shall support United States participation in OTC, provided the resolution, which I know we shall adopt, contains a reservation that any new obligation to be imposed upon the United States as an amendment to this agreement can only be accepted by the United States with the concurrence of the Congress.

The House Committee on Ways and Means, in reporting H. R. 5550, adopted an amendment which meets my principal objection to the original OTC bill. The amendment reads as follows:

> (f) Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States accept any amendment to the agreement on the Organization for Trade Cooperation.

This amendment will make it impossible for any future administration to attempt to turn the Organization for Trade Cooperation back into the International Trade Organization.

ADDRESS BY WHEELER McMILLEN

Mr. CAPEHART. Mr. President, Mr. Wheeler McMillen, vice president of Farm Journal, Inc., a fine farm magazine, published in Philadelphia, Pa., addressed 75 Members of Congress, both Senators and Representatives, recently. I ask unanimous consent that his speech be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY WHEELER McMILLEN, VICE PRESIDENT, FARM JOURNAL, INC.

> Prosperous America provides the perfect proof that scientific research pays off.
>
> On every hand we see and enjoy the products of research. Making and selling those products creates the incomes to buy them.
>
> In daily use we command scores of new conveniences. We have seen huge new industries grow up out of research discoveries.
>
> We hear the leaders of very old companies report that most of their sales income derivea from products not in existence a decade or so ago.
>
> Characteristic of every growth industry is a relentless search for new uses for its products, for new products to make, and new markets.
>
> Suppose that the petroleum industry had never sought to make and sell anything except kerosene, gasoline, and lubricants. Suppose the electrical equipment makers had been satisfied to sell motors and light bulbs. Suppose the chemical companies had been content with a few acids and salts.

I mention these things in order to emphasize a comparison between modern industry and modern agriculture.

Agriculture has, indeed, benefited tremendously from research. Tractors, power equipment, rubber-tired machines, electrification, hybrid seed corn, antibiotics, new weed and bug killers, new livestock medicines—all these are products of research which farmers have eagerly accepted.

Every one of these research products helps to increase the total farm output, usually at less cost per unit.

Like an army in action, progress advances in salients. Agriculture has made astonishing gains on the production salient. That is where most research has been directed. It has paid well.

Now the pressing need is to find more ways to consume the output. It is on this utilization salient that equal and in fact greater research effort has become urgent.

That industry itself depends vitally upon research for its own profits and expansion is well known. Industry researches for new products and new uses—researches to sell as well as to produce.

The electrical equipment industries, investing nearly $800 million yearly in research, do not appear to be troubled by surpluses.

The aircraft industries, spending more than $750 million a year for research, do not worry about surpluses.

The chemical industries, investing more than $310 million in research annually, appear to be selling all the products they make.

The petroleum industries spend for research about $150 million a year; the primary metal industries about $60 million; rubber industries about $54 million; stone, clay, and glass products, about $40 million. They are all prosperous.

In comparison, the most liberal estimates indicate that the huge agricultural industry has for all its research purposes not more than $300 millions, originating about equally from public funds and from private expenditures.

A substantial fraction of this goes for routine inspection and similar activities which are not really research.

By far the largest amounts go for purposes which result in increasing the total output without consideration of how the output can profitably be sold.

The privately financed research in agricultural fields has, quite naturally, been directed toward finding products which can be sold to farmers. A very small proportion has been devoted to enlarging the markets for farm output or to finding new uses for crops.

Farmers themselves believe strongly in research. This has been demonstrated by the avidity with which they seize upon new methods and incorporate them into farm practice.

Through cooperatives and by other means farmers themselves finance research out of their own pockets to the extent of 3 or 4 millions annually.

A survey of several thousand Ohio farmers listed 11 different approaches to the surplus problem, and asked that those considered most promising be indicated. Research for new uses and new markets topped the list with approval by more than 70 percent of those who responded.

The American economy has an insatiable appetite for products other than food.

To whatever extent this appetite can be satisfied by organic materials, originating from the annual growth of crops, agriculture has field for expansion. Research can explore these fields in three directions.

It can seek new industrial, nonfood uses for the crops now grown.

It can hunt out new crops to supply materials needed in industry.

It can undertake to find profitable markets for the agricultural wastes and residues which now cannot be sold.

These have been the three basic areas of farm chemurgy.

Without attempting to chart particular studies, it may be noted that the Nation's building industries consume enormous quantities of materials from cellar to roof to paint. There may be new markets here for farm products. Demand presently exceeds supply in the paper industries. May not more abundant and perhaps cheaper sources of cellulose be developed in agriculture, whether by way of more efficient trees, by bamboo, or by annual cellulose crops? The fast-growing plastic industries demand a tremendous variety of materials; lately, thanks to utilization research by USDA laboratories, they have started to use substantial quantities of our inedible fats and oils. Nearly every industry offers some potential market for farm products—the problem of research is to fit the product to the potential.

Nature creates in plants an infinite variety of chemical compounds. A few of these, or substitutes for them, can be synthesized cheaply. Agriculture has lost some markets because its own research failed to beat the synthetics. But the natural compounds—agriculture's starches, sugars, proteins, fats, celluloses, and others—do afford limitless industrial possibilities.

The four utilization laboratories now operated by the Department of Agriculture have produced commercial results justifying their costs many times over. They have been able to scratch the surface. Their studies have developed innumerable new questions which call for exploration. The need now is to do on an adequately large scale what has proven profitable on a small scale. All sorts of fertile scientific minds need to be engaged, whether they work in government, in universities, in independent institutions, or private agencies. Such minds will bring to bear fresh approaches and broad experiences.

Industry has proven its readiness to work hand in hand, and to adopt every advance it can put to economic use.

If you ask me what industrial uses may emerge from greatly multiplied research effort, I must answer that I don't know.

When Du Pont authorized a major research outlay to investigate the behavior of something called long polymers no one there knew that the end product was to be nylon—and still less did anyone expect that in time a lot of nylon would be made out of corncobs.

The priest who, 30 years ago, amused himself by investigating the properties of acetylene gas, was amazed to be told that his discoveries had made possible the first synthetic rubber.

The wartime effort to put oranges into powdered form for the Armed Forces did not anticipate its eventual result—the frozen citrus concentrates that have vastly extended the market for the whole citrus industry.

We do know that science has accumulated an enormous arsenal of facts. We do know that an ever-increasing variety of techniques for discovery has been developed. We know that hundreds of industries constantly expand their sales because they invest liberally in research.

What Golcondas and Spindletops the vegetable kingdom still conceals from man no one can guess.

A dozen plant species yield four-fifths of the food the human race consumes. About 200 species engage all commercial agriculture. Only about 1,500 species are known to have any human use. This leaves about 300,000 species whose potentials are relatively unknown.

Only one important species has been added to agriculture since man began to record his history. That is rubber. Stone Age man, who had few tools and no laboratories, selected all the others.

Except for rubber and soybeans, possibly for cotton and oranges, the full resources of modern science have been brought to bear on very few plant species.

Among the neglected wild plants of the world new riches undoubtedly await discovery—new medicines, new flavors, new aromas, new oil seeds, better livestock feeds, new industrial materials—perhaps a new product as useful and important as rubber.

New crops, sufficiently attractive and profitable to take over a few thousands of our present acres, could prevent surpluses from being grown.

As evidence, look at the soybean, ancient in Asia but new in America—and imagine the surpluses of corn and oats we would certainly have now had not that new crop been established.

The oil industry goes wildcatting for new sources. Other industries seek new markets to supply. Should not agriculture follow such profitable examples?

It is almost redundant for me now to add that I most heartily favor S. 3503, the bill which Senator Capehart and 33 other Senators have sponsored. Every prospering, expanding industry in America testifies that the principles which S. 3503 proposes to apply to agriculture are effective principles. I can assure you that every thoughtful farmer will favor its support.

There is, I believe, no serious criticism of the principle that research for agriculture must be mainly a public responsibility and that it is in the interest of all the people.

The surplus problem will not disappear quickly. Currently agriculture produces around 5 percent above effective demand. Because the techniques of production are improving so rapidly, despite the steady population increase, indications are that 10 years hence production can outrun demand by 10 percent, and that it may take 30 years for population's requirements to overtake agriculture's output.

Even though research results may come slowly, they will still be needed.

If the Congress will adopt the principles of this bill and will provide adequate funds through the years, it will have taken the longest and soundest possible step toward making agriculture a permanently prosperous, expanding industry.

It will add new products for the American standard of living. It will build new factories and create new jobs for the years ahead.

It will provide for American industry unfailing sources of raw materials, materials which will be ever renewable, annually reproducible, as long as soil and water are conserved.

It can in time remove, probably forever, the urgency for agricultural subsidies.

It will work toward making American agriculture the growth industry that farmers want it to be. It will provide expanding opportunity for the family farm. It will make it possible for more of our fine farm boys and girls to live and prosper on the land they love.

This proposal offers, in short, an infallible plan toward a richer rural civilization and, therefore, toward a better America.

ILLINOIS RURAL ELECTRIFICATION COOPERATIVES

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Record a statement which I have prepared relating to the activities of the Illinois rural electrification cooperatives.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Dirksen

Rural electrification is a gigantic enterprise. The REA has been doing business for about 20 years. In that time this amazing business of dispelling darkness in rural America has involved about $3½ billion in loans, the construction of 1½ million miles of line, servicing nearly 5 million rural customers, and selling more than 18 billion kilowatts of electric energy.

One of the very happy attributes of this operation is that delinquencies of all kinds on principal and interest in excess of 30 days is only about $400,000. This is indeed a real record.

Rural electrification brings not only electric power to American farms but telephone service as well. Few services performed with aid of the Federal Government have brought such rich dividends to a vast segment of this Nation in the form of comfort, relief from drudgery, farm modernization, and greater efficiency. But the larger aspect of this program is that it has truly integrated the Nation and made this in every sense a unified land.

While the Federal Government has contributed greatly to the program in the form of loans and administrative expenses to make rural electrification possible, even then this great enrichment of the Nation could not have been consummated and certainly not with such speedy progress had it not been for a great host of dedicated men and women who serve as managers, directors, and advisers of the Rural Electric Cooperatives through which the Federal Government operates.

These cooperatives are created under a charter which enables them to borrow funds, construct generating and transmission facilities and do the other necessary things to make electric and telephone service a reality. In simplest terms they consist of men and women of rural America who have waited long and patiently for the day when the benefits of the electric age could be brought to the farm and who were willing to labor in achieving this objective.

These cooperatives are managed and directed in the main by farm people who with little or no reward have labored early and late to make these enterprises successful and who have but one thought in mind and that is to keep these cooperatives solvent and to expand the facilities to meet rural electric and telephone needs.

In Illinois today there are 27 such rural electrification cooperatives. They have handled more than $85 million in borrowed funds and now serve more than 146,000 rural families by means of 46,000 miles of electric line. They have also made a substantial beginning in the rural telephone field so that every rural family might have the benefit of efficient and up-to-date telephone service.

To make their efforts most effective and to better meet their common problems these cooperatives organized the Association of Illinois Electric Cooperatives. The manager of the association is Mr. A. E. Becker, who has brought to his task a high sense of responsibility and a capacity for sound management in advising the members of the association and giving their joint efforts the best possible direction.

Several years ago the association held a dinner in the Nation's Capital and served as host to the members of the Illinois delegation in Congress. They came to discuss with the Senators and Congressmen the problems and needs of their various cooperatives. It was indeed a fruitful and constructive meeting and since that time this annual dinner has become a regular and pleasant event.

This year the dinner was held on March 26. The association devoted much time to the program which it intended to present, and addressed itself to certain problems and fears which developed as a result of the report of the second Hoover Commission. The commission made a number of recommendations with respect to power and telephone rates, reserves, interest rates, tax exemption, administrative expenses, private financing and certain other items. It was to this that the Illinois group addressed itself, and the meeting was conducted in splendid fashion.

After an introductory statement by Mr. L. C. Groate, manager of the Spoon River Electric Cooperative, who explored the ground carefully, seven other managers and officers of the cooperatives then presented brief statements on these various items, after which the whole program was carefully summarized by Mr. A. E. Becker. To say the least, it was an impressive and persuasive presentation.

Carl Edwards, president of the Coles-Moultrie Electric Cooperative, discussed the question of adequate reserves. One of the most persuasive facts presented by him was a comparison showing that whereas a private utility in that area was servicing 8,000 consumers in a municipal area of 4 square miles, their cooperative was servicing 4,500 consumers in 4,000 square miles, and so pointed up the heavier servicing costs and the difficulty of operating on a basis comparable to a private utility and still expanding their facilities on the basis of present rates. He pointed out also that an increase in rates might tend to reduce rather than increase revenues on a per consumer basis.

Joseph H. Heimann, manager of the Clinton County Electric Cooperative, discussed the question of whether or not the payment of administrative expenses for REA out of the Federal Treasury was justified. Mr. Heimann set forth that rural electrification was the moving force in the expenditure of more than $14½ billion for wiring and electrical equipment and appliances, in addition to the social and economic gains which redounded to the benefit of the whole national economy. Perhaps I should point out in this connection that the Federal Government pays all administrative expenses for the venture in the field of crop insurance, and it was justified on the ground that there would be economic gains generally and that such expenditure contributed to the health of the whole economy.

Mr. Robert Wagner, president of the Western Illinois Electric Cooperative, discussed the subject of the effect on the farmer and brought to the attention of the delegation the many ways in which electrification and rural telephone service was not only bringing comfort to the farm, but making it an efficient way of life.

Mr. Fred Harms, vice president of the Rural Electric Convenience Cooperative, discussed the subject of whether REA lost money on the 2 percent interest charge. His recital was persuasive indeed because he made two very convincing points. The first was that from 1936 to 1954 REA had a net income from all lending operations of more than $47 million. His second point consisted of a comparison of REA interest rates from its inception with the interest rate on marketable securities of the Federal Treasury. In the 20-year period of REA operations, the interest rate has ranged from 3 percent to 2 percent. Rates on Federal securities on the other hand have ranged from a high of 2.525 percent to a low of 1.718 percent over a period of 16 years, and indicated that REA rates are certainly not out of line.

Mr. Floyd Ruble, manager of the Illinois Valley Electric Cooperative, discussed the allegation that because of the so-called 5 year moratorium period on interest payments on borrowed funds by cooperatives that they were thereby being subsidized. Mr. Ruble amply demonstrated from the very language of the contract which cooperatives enter into with REA that this 5-year period was designed to give cooperatives a chance to make a vigorous beginning without too many initial burdens and that over the 35 year life of the contract, interest on the 5-year period would also be paid on the accumulated interest charge.

Mr. H. G. Downey, manager of the Tri-County Electric Cooperative, addressed himself to the effect of higher interest rates on cooperatives and Mr. Everett R. Read, vice president of the Jo-Carroll Electric Cooperative, undertook a discussion of the effect of higher interest rates on generating and transmission loans. Both of them made very effective cases and demonstrated that higher interest rates would certainly mean increased power rates to farm consumers and seriously disturb the continuing development of the Coops as they seek to meet all fixed charges of principal and interest and continue the improvement of lines and facilities to better serve their rural areas.

In connection with the program which was presented, an observation by Mr. Ancher Nelson, Administrator of the Rural Electrification Administration, is certainly in point. Mr. Nelson has brought to his job real ability, fine administrative capacity and a sharp sense of service. In his comment on the proposals of the Hoover Commission, Mr. Nelson said, "The Commission's recommendations would result in termination of the rural telephone loans program with less than half of the Nation's farms having telephones, and slight prospect for alleviating the situation. Further progress in rural electrification through REA loans—connection of unserved farms and system improvements to serve expanding loads—would be drastically curtailed under the Commission's recommendations."

In closing the meeting Mr. A. E. Becker, the Association manager, said, "The 1954 report from REA showed that our Illinois Electric Cooperatives made $18,724,221 in principal and interest payments, and in addition, had made advance payments on their loans in the amount of $4,591,833." Here then is an impressive, well presented case, and I am certain that the Illinois delegation in the House and Senate will make every endeavor to support this program and aid in improving the facilities and capacity of the Illinois Cooperatives in meeting the needs of the rural areas of our State.

FACILITIES FOR PARKING OF AUTOMOBILES NEAR POST OFFICES

Mr. LANGER. Mr. President, I ask unanimous consent that an editorial published in the Seattle Post-Intelligencer be printed in the body of the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

1956 Post Office—1916 Parking

An interesting local tale—with national implications—hangs by a couple of bills now in Congress.

One is H. R. 9135, introduced by Congressman Thomas H. Pelly; the other is S. 3375 introduced by Senators Warren G. Magnuson and Henry M. Jackson. The gist of both bills (they are identical) is that "the Post Office Department shall be required to provide adequate off-the-street automobile parking for patrons and postal employees within a radius of two ordinary city blocks" at any postal annexation requiring a force of 200 or more employees.

The suggested remedial legislation, which the Post-Intelligencer hopes will get favorable action, grows out of an unhappy situation at our recently built Terminal Annex Post Office.

Originally, the parking committee of Seattle Post Office Union Local 28 requested adequate patron and employee parking. With its somewhat customary disdain for the modern facts of life, the Post Office Department ignored this request. Now that the annex has been built, the Department states that it has neither the authority nor the funds to correct the situation.

Meanwhile some 1,400 employees of the annex have a serious problem. So do thousands of regular patrons of the annex. And surrounding business establishments, vital to the economy and services of our community are literally "chocked off" by such postal employees and patrons as are successful in finding parking places.

Now the situation is being complicated further by the gradual and necessary establishment of time zones by the traffic department.

The situation is not restricted entirely to our new terminal annex. As Mr. Clarence Seeliger, chairman of Local 28's parking committee, points out: "Beautiful and adequate streets and highways must be supplemented by adequate off-street parking at destination if our overall traffic problem is to be solved satisfactorily on a national basis."

We must agree with this wise summation, exemplified so clearly in the case of our new post office annex with no place to park.

The Post Office Department can, of course, hide behind its original short-sightedness by pointing to its lack of authority and funds to correct the error.

The bills now in Congress would solve the problem.

THE CALENDAR

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, under the unanimous-consent agreement, the Senate will proceed to the call of the calendar for the consideration of bills and other measures to which there is no objection. In accordance with the agreement, the call will begin where the last call was concluded.

BILL PASSED OVER

The bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, was announced as first in order.

Mr. BIBLE. Mr. President, it is obvious that this measure is not calendar business. Therefore, I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

CONSTRUCTION OF IRRIGATION DISTRIBUTION SYSTEMS

The bill (H. R. 8535) to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems was announced as next in order.

The ACTING PRESIDENT pro tempore. The Chair calls attention to the fact that Calendar No. 1824, House bill 8535, is the unfinished business.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there objection to the present consideration of House bill 8535?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

REFERENCE OF S. 282 TO THE COURT OF CLAIMS

The resolution (S. Res. 247) referring S. 282 to the United States Court of Claims was considered and agreed to, as follows:

Resolved, That the bill (S. 282) entitled "A bill for the relief of the Tom Hollander Co., Superior, Nebr.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

ATHANASE G. POLITIS

The bill (S. 1812) for the relief of Athanese G. Politis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Athanase G. Politis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GREGORIO SPIROS FERENTINOS

The bill (S. 2064) for the relief of Gregorio Spiros Ferentinos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gregorio Spiros Ferentinos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JUSTIN G. MAILE AND THEODORE R. HILBIG

The bill (H. R. 907) for the relief of Justin G. Maile and Theodore R. Hilbig was considered, ordered to a third reading, read the third time, and passed.

ARTHUR K. JEFFERSON

The bill (S. 1143) for the relief of Arthur K. Jefferson was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, I should like to have an explanation of the bill.

Mr. EASTLAND. I suggest that that bill be passed over temporarily.

Mr. ERVIN. I believe I can give an explanation of the bill. This is a case in which a soldier was operated on in an Army hospital and during the operation a towel was sewed up in his stomach. It remained there for 12 months before its presence was discovered. The bill would authorize the payment of $7,500 to the soldier to compensate him for the injury he sustained by reason of the towel being sewed up inside him.

Mr. BARRETT. I note that he has been paid compensation amounting to about $18,000 up to the present time, and that the total amount may approximate $56,000. The question I have in mind is whether the soldier is totally disabled as a result of this malpractice.

Mr. ERVIN. Perhaps we should let the bill go to the foot of the calendar. I am unable to give that information. All I know is that the purpose of the bill is to give compensation to the soldier for the malpractice of the Army doctors in sewing up the towel in his stomach. He is 100 percent disabled.

Mr. BARRETT. I understand he is 100 percent disabled. I wonder whether his disability was occasioned wholly by reason of the malpractice of the doctors.

Mr. EASTLAND. That is correct.

Mr. BARRETT. Is he able to work at the present time?

Mr. ERVIN. He is totally and permanently disabled as a result of the operation.

Mr. BARRETT. Under that explanation, I withdraw any objection I may have had to the consideration of the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "of", to strike out "$20,000" and insert "$7,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur K. Jefferson, of Baltimore, Md., the sum of $7,500 for compensation for permanent injuries sustained by him as the result of an operation performed on him on July 3, 1945, at the Fort Belvoir Hospital, Va., while a member of the United States Army, in which a United States Army Medical Department towel was negligently left in his stomach and so remained until discovered and removed during a subsequent operation on March 13, 1946.

SEC. 2. The sum appropriated by this act to the said Arthur K. Jefferson shall be in addition to any benefits to which he is entitled under the laws providing benefits for veterans.

SEC. 3. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. SYLVIA SIMONSON

The Senate proceeded to consider the bill (S. 1178) for the relief of Mrs. Sylvia Simonson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Mrs. Sylvia Simonson, of East 13216 Fourth Avenue, Opportunity, Wash., in full settlement of all claims against the United States for personal injuries and medical and hospital expenses sustained as a result of an accident while directly serving the Armed Forces as an instructor pilot for the training school rendering training instruction to the 319th College Training Detachment, Pullman, Wash., on December 28, 1943: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrosed for a third reading, read the third time, and passed.

JAMES RICHARD HOGAN

The bill (S. 2240) for the relief of James Richard Hogan was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, I should like to have an explanation of the bill.

Mr. ERVIN. The bill involves the case of a child who was struck and seriously injured by an Army truck. The truck had been loaned to the National Guard, and at the time of the accident was being driven by a National Guardsman. The family of the child sought legal advice, and were informed by counsel that the National Guardsman could not be construed to be an employee of the Federal Government, and therefore the case did not come within the purview of the Federal Tort Claims Act. That was mistaken legal advice, I may say. However, as a result of that advice the family did not bring suit. The purpose of the bill is to permit the bringing of a suit under the Federal Tort Claims Act in behalf of the child, and to waive the statute of limitations in the case.

Mr. BARRETT. I understand the child was about 3 years of age and was injured very seriously and permanently. The Calendar Committee on this side of the aisle is not disposed to object to the bill, but we hope the passage of the bill will not be considered to be a precedent for bills of this character.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "vehicle", to strike out "operated by an employee of the United States Army", so as to make the bill read:

Be it enacted etc., That, notwithstanding any statute of limitation or lapse of time or any provision of law to the contrary, suit may be instituted against the United States in the United States District Court for the District of New Mexico within 1 year after the date of enactment of this act for damages resulting from James Richard Hogan, of Albuquerque, N. Mex., being struck by a Government vehicle on the premises of the National Guard Armory, Socorro, N. Mex., on May 5, 1950. In any such suit brought pursuant to this act proceedings shall be had in accordance with the provisions of law applicable in the case of tort claims against the United States, but nothing in this act shall be construed as an inference of liability on the part of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALOMON BENVENISTE

The Senate proceeded to consider the bill (S. 2271) for the relief of Salomon Benveniste, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Salomon Benveniste shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. AND MRS. THOMAS V. COMPTON

The bill (H. R. 1866) for the relief of Mr. and Mrs. Thomas V. Compton was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Let the bill go over.

Mr. ROBERTSON. Mr. President, will the Senator withhold his objection?

Mr. HRUSKA. I am glad to withhold it.

Mr. ROBERTSON. This bill has twice been passed by the House. It is for the relief of Mr. and Mrs. Compton, for damages sustained by them in the construction of the Buggs Island Dam. No one has ever questioned the fact that they were damaged. As a matter of fact, they were able to prove damages, in the opinion of the junior Senator from Virginia, in excess of what the House allowed and what the Judiciary Committee of the Senate approved.

The Army engineers expressed great sympathy for the Comptons in this matter, and admitted that the Comptons had been damaged. However, they said because the engineers had not actually taken their land, they had no authority to recommend compensation.

Recently, at a hearing conducted by a Subcommittee of the Committee on Public Works I asked Maj. Gen. Emerson C. Itschner, of the Corps of Army Engineers, who has had some 30 years of service with the Army, if in connection with the construction of a reservoir or a dam he had ever known of a similar instance of anyone having been damaged as the Comptons were damaged without the actual taking of land. The general said he had never heard of a similar instance.

The Justice Department objected to the bill on the ground that it would set a precedent for paying damages to an owner who did not have a compensatory interest in the land, or whose land was not actually taken.

The Army engineers have now recommended to the Committee on Public Works that they be given authority to pay damages in such a case as this, even though the owner does not have a compensatory interest in the land itself, but has been damaged nonetheless. The only suggestion made by the Department of Justice was with regard to the highway aspect. The bill would not set any precedent in that regard, because the Federal Government does not build highways, except on federally owned land.

Therefore, according to the General Itschner, this is the first instance of the Federal Government, by the construction of a dam and reservoir, ruining the mercantile business of a small country merchant by relocating a highway in such a way that the merchant practically lost his business.

The amount in the bill is the minimum amount necessary for the Comptons to acquire new land and to build a new store. With all due deference, I suggest that the worst possible precedent the Congress could set would be for the Government knowingly and wilfully to injure a citizen and then refuse to pay him.

Payment is being refused Mr. Compton on the thin technicality that his land was not actually damaged. Army engineers have told me that the man should be paid. They wanted to pay him, but they did not have the authority. On two occasions the House has said, "We will see that he is paid."

Mr. CHAVEZ. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. CHAVEZ. I agree with the Senator from Virginia. Some 2 years ago the Bureau of Public Roads undertook to change the right-of-way in a small town in my State. There was one citizen with a $10,000 home, and another one with a $25,000 home. At one place there was a man with a filling station. If the right-of-way was changed the people involved would have to locate elsewhere and build new houses. That is the reason why a hearing must be had in that community.

I think the Senator from Virginia has something of importance in his bill.

Mr. ROBERTSON. I thank my distinguished colleague.

Mr. President, what I am discussing is really a pathetic case. Here is an old man, a little country merchant, who had a good business, but he had not been able to save very much. His business has been ruined. The land was flooded all around him, but his store was not flooded. His access road has been taken away, and his business has gone. I hope that when we vote, not $6,000, but $6 billion, to help underprivileged persons all over the world, we will not sit here and say, "Although the Government has injured one of our citizens, we will not compensate him." I hope the bill will pass.

Mr. HRUSKA. Mr. President, the point which is bothering us is simply this: There is danger of this bill establishing a precedent which, notwithstanding the merits of the case, will have a tremendous impact, particularly in view of the highway bill which is in the offing, and which will involve a great many instances of relocations of principal highways and a great many locations of highways with limited access, resulting in countless instances such as the one now under discussion. It seems to me it is certainly a sufficiently important subject to be fully debated, and we should not get off to a false start and deal with cases on an individual basis when they could be handled under a general policy.

Mr. ROBERTSON. Mr. President, I have had a great deal of experience with highway work in Virginia. I was a member of the commission whose duty it was to lay out a State highway system. I was a joint sponsor of the bill which created the highway department. I got through the first law under which State roads have been constructed. Never in Virginia, or anywhere else that I know of where, of necessity, we relocated a road and took property away from a filling station, have we failed to pay the filling-station operator.

In the instant case, the man's property is left on an island. He was left one little road affording access to the main highway, where traffic and business are to be found. His business has been ruined. An Army engineer told me that he had never known of a similar instance in 30 years of experience. If this is the first instance in 30 years which involves a flooding operation, it has no relation to highway cases.

We usually do not pay damages to anyone when a road is changed. When a man located on a road he assumed the hazard, and that has been always recognized.

I think my colleague's fears are ungrounded. If we place this man in a position where he can have a store on the new highway we shall not set a precedent. This is probably the last time such a case will arise. The man has been damaged, and there is no question about the damages sought being reasonable, but some are afraid we shall set a precedent.

Mr. HRUSKA. Mr. President, I am sympathetic with the purpose of the bill, but, under the circumstances, I think it should be taken up on motion rather than considered on a call of the calendar. I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

SETTLEMENT OF CLAIMS FOR RESIDENTAL STRUCTURES ON THE GROUNDS OF PUBLIC HEALTH HOSPITAL, CARVILLE, LA.

The Senate proceeded to consider the bill (H. R. 5787) to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service Hospital, Carville, La., which had been reported from the Committee on the Judiciary with an amendment, on page 1, after the enacting clause, to strike out "That there is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, not to exceed $25,000" and insert "That there is hereby authorized to be appropriated not to exceed $25,000, to remain available until June 30, 1958."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

M. P. HUGGINS, JR.

The Senate proceeded to consider the bill (S. 2169) for the relief of M. B. Huggins, Jr., which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after the word "of", to strike out "$5,000" and insert "$8,196.37"; and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. B. Huggins, Jr., of Timmonsville, S. C., the sum of $8,196.37. Such sum shall be in full satisfaction of his claim against the United States for compensation for medical expenses and loss of earnings incurred as the result of a serious injury suffered by him on March 4, 1955, while assisting two investigators of the Alcohol and Tobacco Tax Division of the Internal Revenue Service, United States Treasury Department, in effecting the arrest of an alcohol tax violator: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 202) favoring the granting of status of permanent resident to certain aliens, which had been reported from the Committee on the Judiciary with amendments, on page 2, after line 10, to strike out:

A-7014355, Vujosevic (Vujosevich), Nikola Mirko.

On page 3, after line 15, to strike out:

A-6776849, Choukanoff, Boyan Petkoff.
A-6776848, Choukanova, Ekaterina Boyanova.

And on page 4, line 15, after "A-6438029", to strike out "Gavrilovic" and insert "Gavrilovich."

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved, etc., That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-6954184, Horesovsky, Bohumil Rudolf.
A-7415111, Horesovsky, Jr., Bohumil Rudolf.
A-7415110, Horesovsky, Jan Josef.
A-6938302, Balaits, Janis Alberts or John Alberts Balkits.
A-6848040, Chang, Victor Chao-Lung.
A-6620889, Chen, Pem Ching alias Robin Chen.
A-6361214, Dow, Tsung-I.
A-7086975, Hinko, Ladislav.
A-7439056, Hinko, Ladislav, Gustav.
A-7439057, Hinko, Eva.
A-6442478, Javor, Pal, or Paul.
A-6450409, Javor, Olga (nee Landesmann).
A-3153623, Peros, Peter Milan.
0300-442350, Ting, Ah Wong.
A-6819093, Chalme, Sara Moise (nee Sutton).
A-6472673, Ernst, Adolf.
A-6760795, Moncauska, Julijonas.
A-6472150, Ravasz, Rudolf.
0300-416646, Shing, Sam also known as Lem Shing.
A-6377623, Sneed, Myla also known as Myla Szaladini.
A-6847792, Tung, Cheng-Kang.
A-6377623, Sneed, Myla, also known as Myla Szaladini.
A-6847975, Fang, Theresa Chihsun.
A-6851302, Fu, Chi-Hsiung.
A-6534357, Isakowitz, Robert Meier.
A-9559796, Lam, Yin or Yim Lam.
A-6173176, Li, Pa Chun also known as Pat Li.
A-6703332, Li, Choi Chee Lou also known as Jennie Li.
A-8196502, Lung, Dong Ah.
A-6437027, Mitt, Rudolf.

A-6491926, Mitt, Olga (nee Ulenan).
A-6159696, Papp, Frank.
A-6159698, Papp, Valeria (nee Stritz).
A-6159697, Papp, Jr., Frank.
0300-408013, Roziskovich (Boziskovich), Josep or Joe.
A-6967266, Shen, Florence Tse-Yun Kao.
A-6609116, Tsang, Zue-Tze.
A-6971753, Uustalu, Juri Arnold.
A-2797209, Ching, Chen Pak also known as Manuel Ching.
A-5411126, Chu, Dai Poy also known as Dai Poy Chew; professional name, T. B. Chew, Jr.
A-6848515, Han Paul Shu Tung, formerly Han Shu-Tung.
A-9771293, Lee, Chay Kun also known as Lee, Choy Kun.
A-6415037, Liu, Victor.
A-6847717, Loh, John Chu Fei.
1300-128711, Yuk, Lau also known as James Low.
A-7828457, Moy, Sun Show.
A-6923191, Rannala, Harry.
A-9825276, Tarabocchia, Martin.
A-7863005, Tipans, Ansis.
1300-74259, Wong, Gee Yiao.
A-6702180, Yen, Shee-Mang or Yen Shee Mang.
1300-74263, Yong, Wah Hing.
E-8394, Kroneroff, Geza.
A-8021280, Smits, Paul.
A-7941090, Barbarini, Antonio.
A-6848234, Bergman, Ibolya (nee Lebowitz).
A-7863011, Bondarenko, Vladimir Ivanovich or Vsevolod Ivanovich Abromov.
A-6438029, Gavrilovich, Mira.
E-086531, Cerineo, Branko.
A-8039898, Chan, Mong Chu.
A-68515114, Chang, Ching-Tung.
A-6652186, Cohen, Nadji Murad or Maji Murad Cohen.
0300-308450, Fat, Chang Han.
0300-363107, Fook, Cheong Chung.
A-6438028, Gavrilovich, Oscar.
A-6931603, Iwaniszyn, Helena.
A-6403580, Liang, Florence Kiang.
A-9765847, Lizzul, Giuseppe or Joseph Lizzul.
A-6894879, Philibosian, Emil Herant.
A-9767788, Randoja, Hanus.
A-6772096, Strupl, Milos.
A-6673276, Wung, Tam Bing.
A-6674085, Hung, Loo Shirt.
A-6250123, Zakkay, Victor Haron.
A-6960369, Filipescu, Aurelia.
A-6662152, Fulga, Alfred Dimitru also known as Alfred or Fred Fuuga.
A-8065669, Hong, Ng.
A-6960370, Istrate, Steliana.
A-7962159, Pauska, Aleksander.
A-6594757, Rejlek, Frantisek also known as Frank Rejlek, alias Raym.

WINIFRED A. HUNTER

The bill (S. 2008) for the relief of Winifred A. Hunter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Winifred A. Hunter, of San Antonio, Tex., the sum of $6,500. The payment of such sum shall be in full settlement of all claims of the said Winifred A. Hunter against the United States for reimbursement for damage to her personal and household effects sometime between December 7, 1946, and March 7, 1947, at Bilbao, Spain. Such damage was incurred when the said Winifred A. Hunter, while employed as a clerk in the Foreign Service of the Department of State, was transferred from the American Embassy at Managua, Nicaragua, to the American Embassy at Madrid, Spain: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

WILLIAM F. FRIEDMAN

The bill (H. R. 2068) for the relief of William F. Friedman was considered, ordered to a third reading, read the third time, and passed.

RALPH BENNETT AND OTHERS

The Senate proceeded to consider the bill (H. R. 3639) for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 10, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES EDWARD ROBINSON

The Senate proceeded to consider the bill (S. 1414) for the relief of James Edward Robinson, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after the word "of", to strike out "$500" and insert "$1,000"; and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Edward Robinson, of St. Louis, Mo., the sum of $1,000. Such sum shall be in full satisfaction of all claims of the said James Edward Robinson against the United States for compensation for the injury he sustained to his right hand on February 15, 1954, while performing the duties assigned to him as an inmate of the United States Penitentiary, Terre Haute, Ind., and which necessitated the amputation at the distal joints of the index and middle fingers of his right hand: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1671) for the relief of Clement E. Sprouse was announced as next in order.

Mr. BARRETT. Over, Mr. President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

GEORGE D. HOPPER

The Senate proceeded to consider the bill (H. R. 1989) for the relief of George D. Hopper, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 6, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

Mr. BARRETT. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, Mr. George D. Hopper entered the consular service in 1918. After he had been in it only 6 months, the American consul in Stockholm, Sweden, became ill, leaving Mr. Hopper and 3 Swedish clerks in charge of the consulate at Stockholm. The consulate received a check, with an order from a probate court in Connecticut to pay $710.28 to certain legatees in Switzerland who bore the name of Carlson, which is a name, I understand, that is very prevalent in Sweden. Mr. Hopper made diligent efforts to find the persons to whom the money was due, but while he was so engaged some imposters came forward, with false documents, representing themselves to be beneficiaries of the check, and Mr. Hopper paid the money to them.

This bill is to reimburse Mr. Hopper for the principal amount of what he paid. He was receiving a very low salary and he had to repay the money in installments over a 2-year period. The purpose of the bill is to reimburse Mr. Hopper the principal amount without interest.

In 1930 a bill was introduced to provide for this reimbursement. The bill failed of passage at that time. The committee called on the State Department for its reaction to the bill. The State Department wrote a diplomatic letter. The letter said, in part:

> Mr. Hopper, whose service record is meritorious, was required to make restitution by the Department and the commendatory manner and spirit in which it was done are deserving of attention by your committee, should it be disposed to consider reimbursing him.

The committee at that time took the position that the State Department ought to have recommended one way or the other, so the committee did not act on the bill.

I am informed that in the next Congress another bill was introduced to provide for the repayment of the money to Mr. Hopper. I have not been able to find any record of this, but Representative GEORGE SHUFORD, who introduced the bill in the House, has informed me that Mr. Hopper stated at that time that the committee suggested the bill should be amended so as to provide payment of the principal only, and not the interest, and that he was not willing at that time to accede to that suggestion, so the bill was never acted on.

Mr. BARRETT. The point which is disturbing the minority members of the committee is that the claim originated some 30 or more years ago. Even the committee in its report indicates that the matter was brought rather belatedly to its attention.

I understand that even the records in the State Department have all been disposed of, and that that Department is in no position to make any explanation of the delay and of the facts in connection with the matter.

Did I understand the Senator from North Carolina correctly to say that there were previous bills introduced on the same subject?

Mr. ERVIN. Yes; neither of which was acted upon. The bills, as I understand, died in committee.

Mr. BARRETT. Were they introduced rather shortly after the loss occurred?

Mr. ERVIN. No. The first one was introduced in 1930. The State Department does have a record of its letter at that time, in which the Acting Secretary of State said that Mr. Hopper's record was very meritorious. When the Acting Secretary of State was asked his opinion of the bill, he made a very diplomatic answer, in which he praised Mr. Hopper, and said his record was meritorious. He also said that the Department would like to have the committee know they thought the claim should be approved, should the committee be so disposed. I understand that was the first time Mr. Hopper ever presented his claim. It was never disapproved, as I understand; it simply failed to receive action.

Mr. BARRETT. The point which is disturbing us is that 12 years went by before Mr. Hopper first asked for reimbursement through Congress, and some 35 years have elapsed since the claim was originated.

Mr. ERVIN. Contemporaneous letters bear out my understanding. One was from the Consul General, Albert Halstead, who made a statement to the State Department recommending payment.

I think the State Department originally took the position that the reimbursement of Mr. Hopper was a moral obligation, not a legal obligation.

Mr. BARRETT. I think that is quite true. We are not disposed to object to the bill. However, we do not want to have this action to be taken as a precedent, because such a long period of time has intervened. Furthermore, we are impressed by the explanation which has been given by the Senator from North Carolina.

Mr. ERVIN. I agree with the Senator from Wyoming that this should not set a precedent. This is what we lawyers would call a rather stale claim. In this instance, Mr. Hopper first tried to get reimbursement from the State Department. He did not know until 1930 that he could resort to Congress.

Mr. BARRETT. In any case, he might otherwise be denied relief because of laches.

Mr. ERVIN. That is correct.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HERMAN F. GIERKE, JR.

The Senate proceeded to consider the bill (H. R. 3725) for the relief of Herman F. Gierke, Jr., which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF TITLE 28, UNITED STATES CODE, RELATING TO THE CUSTOMS COURT

The Senate proceeded to consider the bill (S. 584) to amend title 28, United States Code, relating to the Customs Court, which had been reported from the Committee on the Judiciary with an amendment, on page 2, after line 18, to insert:

> SEC. 4. Nothing contained in this act shall be construed in any way to limit or alter the jurisdiction heretofore conferred upon the United States Customs Court by any provision of law.

So as to make the bill read:

> *Be it enacted, etc.*, That section 251 of title 28, United States Code, is amended by inserting after the first sentence thereof a new sentence as follows: "Such court is hereby declared to be a court established under article III of the Constitution of the United States."
>
> SEC. 2. Section 292 of title 28, United States Code, is amended by inserting at the end of such section a new subsection, as follows:
>
> "(f) The Chief Justice of the United States may upon presentation to him by the chief judge of the Customs Court of a certificate of necessity, designate and assign temporarily any district judge to serve as a judge of the Customs Court."
>
> SEC. 3. (a) Section 293 of title 28, United States Code, is amended by inserting at the end of such section a new paragraph, as follows:
>
> "The Chief Justice of the United States may designate and assign temporarily a judge of the Customs Court to perform judicial duties in a district court in any circuit upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises."
>
> (b) The first paragraph of section 295 of title 28, United States Code, is amended by inserting at the end thereof a new sentence, as follows: "No designation and assignment of a judge of the Customs Court in active service shall be made without the consent of the chief judge of such court."
>
> SEC. 4. Nothing contained in this act shall be construed in any way to limit or alter the jurisdiction heretofore conferred upon the United States Customs Court by any provision of law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF BANKRUPTCY ACT TO INCREASE SALARIES FOR PART-TIME AND FULL-TIME REFEREES

The bill (H. R. 4791) to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees was considered, ordered to a third reading, read the third time, and passed.

COL. JOHN A. O'KEEFE

The Senate proceeded to consider the bill (S. 2984) for the relief of Col. John A. O'Keefe, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 2, after the word "purpose", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. John A. O'Keefe (O-277514), retired, the sum of $1,653 in full satisfaction of all claims of the said *John A. O'Keefe* v. the *United States* for compensation for the services performed by him as Adjutant General of the District of Columbia National Guard in the grade of colonel for the period from October 10, 1949, to December 13, 1949, inclusive, no compensation having been received by him for such services because of the unavailability of appropriated funds for such purpose: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH RIGHETTI AND MARJORIE RIGHETTI

The bill (H. R. 1470) for the relief of Joseph Righetti and Marjorie Righetti was considered, ordered to a third reading, read the third time, and passed.

CHARLES F. BRICKELL

The bill (H. R. 1500) for the relief of Charles F. Brickell was considered, ordered to a third reading, read the third time, and passed.

BERNARD L. DENN

The bill (H. R. 2465) for the relief of Bernard L. Denn was considered, ordered to a third reading, read the third time, and passed.

JOSEPH GANGEMI AND ANTHONY GANGEMI

The bill (H. R. 4852) for the relief of Joseph Gangemi and Anthony Gangemi was considered, ordered to a third reading, read the third time, and passed.

MRS. HELEN BARSA

The bill (H. R. 4872) for the relief of Mrs. Helen Barsa was considered, ordered to a third reading, read the third time, and passed.

FRED MAZAN

The bill (H. R. 5626) for the relief of Fred Mazan was considered, ordered to a third reading, read the third time, and passed.

WILLIE C. PICKETT AND OTHERS

The bill (H. R. 5634) for the relief of Willie C. Pickett, George Williams, and Herman L. Looney, was considered, ordered to a third reading, read the third time, and passed.

NATHAN L. GARNER

The bill (H. R. 6282) for the relief of Nathan L. Garner was considered, ordered to a third reading, read the third time, and passed.

CHARLES F. BULLETTE

The Senate proceeded to consider the bill (H. R. 2338) for the relief of Charles F. Bullette, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GILES P. FREDELL AND WIFE

The Senate proceeded to consider the bill (H. R. 2717) for the relief of Giles P. Fredell and wife, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "of", to strike out "$464.78" and insert "$458.17."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DAVID J. DAZE

The Senate proceeded to consider the bill (H. R. 2924) for the relief of David J. Daze, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOSEPH H. WASHBURN

The Senate proceeded to consider the bill (H. R. 3638) for the relief of Joseph H. Washburn, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the word "of", where it appears the first time, to strike out "$2,500" and insert "$1,182.21."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MARTIN F. KENDRIGAN

The Senate proceeded to consider the bill (H. R. 4902) for the relief of Martin F. Kendrigan, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 14, after the word "Act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM H. FOLEY

The Senate proceeded to consider the bill (H. R. 6452) for the relief of William H. Foley, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, at the beginning of line 4, to insert "and hospital."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MARY VIOLA JONES

The Senate proceeded to consider the bill (H. R. 7583) for the relief of Mary Viola Jones, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ROY M. BUTCHER

The Senate proceeded to consider the bill (H. R. 2736) for the relief of Roy M. Butcher, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", to strike out "$1,953.53" and insert "$1,842.95"; and in line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

F. DELIZIA CO., INC.

The bill (H. R. 2898) for the relief of the F. Delizia Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

ALLEN POPE—BILL PASSED OVER

The bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives, was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over to the next call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will be passed over until the next call of the calendar.

STANLEY RYDZON AND ALEXANDER F. ANDERSON

The bill (H. R. 4865) for the relief of Stanley Rydzon and Alexander F. Anderson was considered, ordered to a third reading, read the third time, and passed.

BOARD OF COMMISSIONERS OF SEDGWICK COUNTY, KANS.

The Senate proceeded to consider the bill (H. R. 1835) for the relief of the Board of Commissioners of Sedgwick County, Kans., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 16, after the word "taxes", to insert a colon and "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

Mr. EASTLAND. Mr. President, the bill would pay the sum of $259,925.09 to the Board of Commissioners of Sedgwick County, Kans., for delinquent realty taxes due by the United States for the year 1947.

The land in question was deeded by a Government corporation to the United States, subject to the taxes for the years 1944, 1945, 1946, and 1947.

The Government declined to pay the taxes and on a suit in the Court of Claims was held responsible for the years 1944.

1945, and 1946. This bill is for the taxes for the year 1947.

The Government assumed possession and dominion over the land in April 1947, at which time no taxes for that year were due. The Government's position is that when it assumed dominion the land came off the tax rolls since the State cannot tax the Government. The deed, however, would seem to control, in which deed, as stated the Government took the land subject to the taxes for that year. For this reason the committee believes the Government is responsible and recommends payment of the claim.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REV. BONIFACE LUCCI, O. S. B.

The Senate proceeded to consider the bill (H. R. 3975) for the relief of the Reverend Boniface Lucci, O. S. B., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAYMENT OF CERTAIN IMPROVEMENTS IN THE MISSOURI RIVER BASIN PROJECT

The Senate proceeded to consider the bill (S. 1622) to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 3, after "(a)", to strike out "the Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, the sum of not more than $18,383 for its improvements on parcel No. 10, constituting a church camp owned by said corporation" and insert "The Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, a sum of not more than $18,383 as reimbursable for the removal of its improvements, constituting a church camp on parcel No. 10 and the necessary relocation thereof;", and, on page 3, line 24, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to pay, out of any moneys available for construction of the Rapid Valley unit, South Dakota, of the Missouri River Basin project, to the following-named persons the amounts set forth opposite their names for the purposes there specified, the parcel numbers in each case referring to tracts of public lands of the United States within the boundaries of the said Rapid Valley unit:

(a) The Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, a sum of not more than $18,383 as reimbursable for the removal of its improvements, constituting a church camp on parcel No. 10 and the necessary relocation thereof;

(b) The Pactola Methodist Assembly Park Association, Rapid City, S. Dak., the sum of not more than $14,880 for its improvement on parcel No. 13 constituting a church camp owned by said association: *Provided,* That in order to assist in the relocation of said camp the Secretary may also sell at appraised values or, in lieu of making the payment above provided for, may exchange and sell at appraised values improvements on other lands of the United States acquired or administered by him in connection with the Rapid Valley unit;

(c) Pactola School District, No. 5, the sum of not more than $1,449.79, as reimbursement for the actual cost of moving its school buildings from parcel No. 22 and relocating them on a site outside the area required for the construction, operation, or maintenance of the Rapid Valley unit;

(d) Hilda M. Coon, a widow, the sum of not more than $2,000 for a summer home owned by her on parcel No. 25; and

(e) Berry Marvel O'Harra and Cecile Matrux O'Harra, husband and wife, Wayne G. O'Harra and Mary Bland O'Harra, husband and wife, and Mariam Pollock, a widow, the sum of not more than $2,200 for a summer home owned by them on parcel No. 18.

Said payments, and the ratification hereby of other like payments which have heretofore been made to N. M. Bratton and Mrs. N. M. Bratton, his wife ($2,000 for a summer home owned by them on parcel No. 23) and to L. E. Reemsta and Hanna Reemsta, his wife ($2,000 for a summer home owned by them on parcel No. 24), shall constitute a full and complete settlement of any claims which the said parties may have or assert against the United States with respect to their use or occupancy of the tracts in question, their improvements thereon, or the disposition of such improvements or their removal therefrom but shall not constitute an admission by the United States of the legitimacy of any such claim: *Provided,* That no part of any amount provided for in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and any such payment, delivery, or receipt shall, any contract to the contrary notwithstanding, be unlawful. Any person paying, delivering, or receiving such excess amount shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined in a sum of not more than $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TERMINATION OF PROHIBITION AGAINST EMPLOYMENT OF MONGOLIAN LABOR ON RECLAMATION PROJECTS

The bill (H. R. 1603) to terminate the prohibition against the employment of Mongolian labor in the construction of reclamation projects was considered, ordered to a third reading, read the third time, and passed.

CONVENTION OF GREAT LAKES FISHERIES—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes, was announced as next in order.

Mr. BARRETT. Mr. President, I wonder if we could be informed as to what the cost, annually, would be if the bill should be passed.

The ACTING PRESIDENT pro tempore. An explanation is requested of Senate bill 3524.

Mr. BIBLE. Mr. President, although I am a member of the Committee on Interstate and Foreign Commerce, I am not clear as to what the exact amount of the cost would be. I believe the commissioners under this particular Great Lakes convention between the United States and Canada serve without cost. I am informed that they serve without pay.

Mr. BARRETT. Mr. President, I ask that the bill go to the foot of the calendar.

The ACTING PRESIDENT pro tempore. The bill will go to the foot of the calendar.

AMENDMENT OF MERCHANT MARINE ACT, 1936, RELATING TO COMPUTATION OF 10-YEAR RECAPTURE PERIOD

The bill (H. R. 4118) to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION FOR OFFICERS OF THE COAST AND GEODETIC SURVEY TO ACT AS NOTARIES

The Senate proceeded to consider the bill (S. 3266) to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the continental limits of the United States and in Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 3, after the word "That", to strike out "in Alaska and"; in the same line, after the word "places", to strike out "beyond the continental limits of the United States" and insert "where the Coast and Geodetic Survey is serving which are not within the jurisdiction of any one of the several States"; and on page 2, line 3, after the word "acts", to insert "The powers hereby conferred shall be limited to acts performed in behalf of the personnel of the Coast and Geodetic Survey or in connection with the proper execution of the functions of that agency.", so as to make the bill read:

Be it enacted, etc., That, in places where the Coast and Geodetic Survey is serving which are not within the jurisdiction of any one of the several States, commanding officers of Coast and Geodetic Survey vessels, and such other officers of the Coast and Geodetic Survey as the Secretary of Commerce may designate, may exercise the general powers of the notary public in the administration of oaths for the execution, acknowledgment, and attestation of instruments and papers, and the performance of all other notarial acts. The powers hereby conferred shall be limited to acts performed in behalf of the personnel of the Coast and Geodetic Survey or in connection with the proper execution of the functions of that agency.

Sec. 2. No fee of any kind shall be paid to any officer for the performance of any notarial act herein authorized. The signature without seal together with indication of grade of any officer performing any notarial act shall be prima facie evidence of his authority.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States."

BILL PASSED OVER

The bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended, was announced as next in order.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

The ACTING PRESIDENT pro tempore. An explanation of Senate bill 3113, is requested.

Mr. ERVIN. Mr. President, since the chairman of the Committee on Interstate and Foreign Commerce is not present, I suggest that the bill go over to the next call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will go over to the next call of the calendar.

FILING OF VESSELL UTILIZATION AND PERFORMANCE REPORTS

The bill (S. 3265) to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title II of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1111-1127), is amended by inserting after section 212 (46 U. S. C. 1122), a new section 212 (A) to read as follows:

"Sec. 212. (A) The operator of a vessel in waterborne foreign commerce of the United States shall file at such times and in such manner as the Secretary of Commerce may prescribe by regulations, such report, account, record, or memorandum relating to the utilization and performance of such vessel in commerce of the United States, as the Secretary may determine to be necessary or desirable in order to carry out the purposes and provisions of this act, as amended. Such report, account, record, or memorandum shall be signed and verified in accordance with regulations prescribed by the Secretary. An operator who does not file the report, account, record, or memorandum as required by this section and the regulations issued hereunder, shall be liable to the United States in a penalty of $50 for each day of such violation. The amount of any penalty imposed for any violation of this section upon the operator of any vessel shall constitute a lien upon the vessel involved in the violation, and such vessel may be libeled therefor in the district court of the United States for the district in which it may be found. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this section on such terms as he may deem proper."

SALE OF CERTAIN WAR-BUILT CARGO VESSELS

The joint resolution (H. J. Res. 513) to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes was considered, ordered to a third reading, read the third time and passed.

INSURANCE AGAINST FLOOD DAMAGE—BILL PASSED OVER

The bill (S. 3732) to provide insurance against flood damage, and for other purposes, was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill go over. It is the intention of the acting majority leader to make that bill the unfinished business at the conclusion of the call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydro-electric-power benefits realized by the United States therefrom, and for other purposes, was announced as next in order.

Mr. ERVIN. I request that order No. 1887, Senate bill 1574, go over.

The ACTING PRESIDENT pro tempore. The bill will go over.

EXTENSION FOR 2 YEARS THE ADVISORY COMMITTEE ON WEATHER CONTROL

The bill (S. 2913) to extend for 2 years the Advisory Committee on Weather Control was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 10 (a) of the act entitled "An act to create a committee to study and evaluate public and private experiments in weather modification," approved August 13, 1953 (67 Stat. 559, 561), is amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1958."

PERMANENT CERTIFICATION FOR CERTAIN AIR CARRIERS

The bill (S. 3164) to amend section 401 (c) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska was announced as next in order.

Mr. BARRETT. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, there are certain airlines which have been operating between the United States and Alaska under a temporary system whereby they receive permits of a limited period of time, 3 years. They have been so operating for a number of years. The bill would give them permanent certificates, which are necessary in order to enable them to be financed properly. The bill is similar to the one the Senate passed the last year with respect to the so-called feeder lines in the United States. It puts the airlines to which I have referred on the same basis.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3164) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 401 (e) of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 481 (e)), is amended by adding at the end thereof the following:

"(4) If any applicant who makes application for a certificate within 120 days after the date of enactment of this paragraph shall show that, from January 1, 1956, until the effective date of this paragraph, it, or its predecessor in interest was an air carrier continuous operating as such (except as to interruptions of service over which the applicant or its predecessor in interest had no control) under a temporary certificate of public convenience and necessity authorizing it to engage in air transportation with respect to persons, property, and mail between points in the continental United States and points in the Territory of Alaska, the Board, upon proof of such fact only, shall, unless the service rendered by such applicant during such period was inadequate and inefficient, issue a certificate or certificates of unlimited duration, authorizing such applicant to engage in air transportation with respect to persons, property, and mail between the terminal and intermediate points between which it or its predecessor so continuously operated between January 1, 1956, and the date of enactment of this paragraph."

REGULATION OF INTERSTATE TRANSPORTATION OF MIGRANT FARM WORKERS

The bill (S. 3391) to provide for the regulation of the interstate transportation of migrant farm workers, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 203 (a) of part II of the Interstate Commerce Act, as amended (49 U. S. C. 303 (a)), is further amended by adding at the end thereof the following new subsections reading as follows:

"(22) The term 'carrier of migrant workers by motor vehicle' means any person, including any 'contract carrier by motor vehicle,' but not including any 'common carrier by motor vehicle,' who or which transports in interstate or foreign commerce at any one time three or more migrant workers to or from their employment by any motor vehicle other than a passenger automobile or station wagon, except migrant workers transporting themselves or their immediate families.

"(23) The term 'migrant worker' means any individual proceeding to or returning from employment in agriculture as defined in section 3 (f) of the Fair Labor Standards Act of 1938, as amended (29 U. S. C. 203 (f)), or section 3121 (g) of the Internal Revenue Code of 1954 (26 U. S. C. 3121 (g))."

Sec. 2. Section 204 (a) of part II of such act, as amended (49 U. S. C. 304 (a)) is amended by adding a new subsection as follows:

"(3a) Notwithstanding any other provision of section 203 (b), to establish for carriers of migrant workers by motor vehicle reasonable requirements with respect to comfort of passengers, qualifications and maximum hours of service of operators, and safety of operation and equipment. When such requirements are established, the term 'motor carrier' shall be construed to include carriers of migrant workers by motor vehicle in the administration of sections 204 (c); 205; 220; 221; 222 (a), (b), (d), (f) and (g); and 224."

Sec. 3. Section 13 (b) (1) of the Fair Labor Standards Act, as amended (29 U. S. C. 213 (b) (1)) shall not apply in the case of any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service solely by virtue of section 2 of this act.

PERMANENT CERTIFICATION FOR CERTAIN AIR CARRIERS

The Senate proceeded to consider the bill (S. 3163) to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 9, after the word "service", to strike out "exclusively"; and on page 2, line 4, after the word "service", to strike out "solely", so as to make the bill read:

Be it enacted, etc., That section 401 (e) of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 481 (e)), is amended by adding at the end thereof the following:

"(4) If any applicant who makes application for a certificate within 120 days after the date of enactment of this paragraph shall show that on such date it was an air carrier, furnishing service within either the Territory of Hawai or the Territory of Alaska (including service between Alaska and adjacent Canadian territory) authorized by certificate or certificates of public convenience and necessity issued by the Civil Aeronautics Board to render such service within such Territory, and that any portion of such service between any points or for any class of traffic was performed pursuant to a temporary certificate or certificates of public convenience and necessity issued by the Civil Aeronautics Board, the Board shall, upon proof of such facts alone, issue a certificate or certificates of indefinite duration authorizing such applicant to engage in air transportation within such Territory between the same points and in the same manner and for each such class of traffic as temporarily authorized by such certificate or certificates as of the date of enactment of this paragraph."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3072) to require the inspection and certification of certain vessels carrying passengers was announced as next in order.

Mr. BARRETT. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers was announced as next in order.

The ACTING PRESIDENT pro tempore. That is a companion bill to Senate bill 3072.

Mr. BARRETT. Mr. President, I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will go over.

The bill (H. R. 483) to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps of the Army and Navy, was announced as next in order.

Mr. BARRETT. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF UNITED STATES CODE RELATING TO FRAUD BY WIRE, RADIO, OR TELEVISION

The bill (S. 3674) to amend section 343 of title 18, United States Code, relating to fraud by wire, radio, or television, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1343 of title 18, United States Code is amended to read as follows:

"§ 1343. Fraud by wire, radio, or television.

"Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined not more than $1,000 or imprisoned not more than 5 years, or both."

BILL PASSED OVER

The bill (S. 3103) to encourage the construction of modern Great Lakes bulk cargo vessels was announced as next in order.

Mr. BARRETT. Over, by request.

The ACTING PRESIDENT pro tempore. The bill will go over. That completes the call of the calendar.

Order No. 1880, Senate bill 3524, went to the foot of the calendar. Is there objection to the consideration of the bill?

CONVENTION ON GREAT LAKES FISHERIES

There being no objection, the Senate proceeded to consider the bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 22, after the word "Lakes", to insert "of whom one shall be an official of a Great Lakes State"; on page 3, line 1, after the word "section", to strike out "may" and insert "shall"; and in line 5, after the word "shall", to insert "make its selection for each State from a list proposed by the Governor of that State; and shall", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Great Lakes Fishery Act of 1956."

Sec. 2. As used in this act, the term—

(a) "Convention" means the Convention on Great Lakes Fisheries between the United States of America and Canada signed at Washington, September 10, 1954;

(b) "Commission" means the Great Lakes Fishery Commission provided for by article II of the convention;

(c) "United States Section" means the United States Commissioners on the Commission;

(d) "Great Lakes State" means any of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, or Wisconsin.

(e) "Great Lake" means any of the following bodies of water: Lake Ontario (including the St. Lawrence River from Lake Ontario to the 45th parallel of latitude), Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, or Lake Superior.

Sec. 3. The United States shall be represented on the Commission by three Commissioners to be appointed by the President, to serve as such during his pleasure, and to receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) one shall be an official of the United States Government; and

(b) two shall be persons residing in Great Lakes States, duly qualified by reason of knowledge of the fisheries of the Great Lakes, of whom one shall be an official of a Great Lakes State: *Provided, however*, That the Commissioners appointed under this subsection shall not be residents of the same State.

Sec. 4. (a) The United States Section shall appoint an advisory committee for each of the Great Lakes, upon which committee each State bordering on the lake may be represented by not more than four members. In making such appointments, the United States Section shall make its selection for each State from a list proposed by the Governor of that State; and shall give due consideration to the interests of—

(1) State agencies having jurisdiction over fisheries;

(2) the commercial fishing industry of the lake;

(3) the sports fishing of the lake; and

(4) the public at large.

(b) A member of the advisory committee for one lake may also be a member of the advisory committee for one or more other lakes.

(c) The members of the advisory committees shall receive no compensation from the Government of the United States for their services as such members. Not more than five members of all the committees, designated by the committees and approved by the United States Section, may be paid by the Government of the United States for transportation expenses and per diem incident to attendance at each meeting of the Commission or of the United States Section.

(d) The members of the advisory committee for each lake shall be invited to attend all nonexecutive meetings of the United States Section relating to that lake and at such meetings shall be granted opportunity to examine and be heard on all proposed recommendations, programs, and activities relating to that lake.

Sec. 5. Service of any individual appointed as a United States Commissioner pursuant to section 3 (b), or as a member of an advisory committee pursuant to section 4 (a), shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, and 434 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99) except insofar as such provisions of law may prohibit any such individual from acting or receiving compensation in respect to matters directly relating to the convention or this act.

Sec. 6. In order to carry out the obligations of the United States under the convention, the United States Section is authorized—

(a) to acquire any real property, or any interest therein, by purchase, exchange, gift, dedication, condemnation, or otherwise;

(b) to construct, operate, and maintain any project or works designed to facilitate compliance with the provisions of the convention relating to the sea lamprey control program; and

(c) to enter into contract or agreement with any State or other public agency or private agency or individual for the construction, operation, or maintenance of any such project or works.

Sec. 7. The Secretary of the Interior is authorized, upon the request of the United States Section—

(a) to transfer to the United States Section any lamprey-control project or works under his jurisdiction now existing or now under construction; and

(b) to act for or on behalf of the United States Section in the exercise of the powers granted by this act.

Sec. 8. The United States Section shall, for the purposes of those provisions of title 28, United States Code, Judiciary and Judicial Procedure, relating to claims against the United States and tort claims procedure, be deemed to be an agency of the United States.

Sec. 9. At least 30 days before approving a proposal to utilize a lamprey-control measure or install a device in any stream, the United States Section shall cause notice of such proposal to be sent to the official agency having jurisdiction over fisheries in each of the States through which the stream flows.

Sec. 10. The Secretary of State shall upon the receipt from the Commission of any recommendation of a conservation measure made in accordance with article IV of the convention transmit a copy of the recommendation with his comments thereon to the governor of each Great Lakes State for consideration and such action as may be found to be appropriate. The Secretary of State shall also inform such other public agencies as he may deem appropriate.

Sec. 11. Any agency of the United States Government is authorized to cooperate with the United States Section in the conduct of research programs and related activities and, on a reimbursale or other basis, to enter into agreements with the United States Section for the purpose of assisting it in carrying out the program for the control of lamprey populations.

Sec. 12. Nothing in this act shall be construed as preventing any of the Great Lakes States from making or enforcing laws or regulations within their respective jurisdictions so far as such laws or regulations do not conflict with the convention or this act.

Sec. 13. There is hereby authorized to be appropriated from time to time such sums as may be necessary for carrying out the purposes and provisions of the convention and this act.

Sec. 14. If any provision of this act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

Mr. ERVIN. Mr. President, the distinguished Senator from Wyoming [Mr. BARRETT] asked for an explanation of the bill a while ago. The main object of the bill is to enable some constructive action to be taken to eliminate the lamprey eel in the Great Lakes. It authorizes the Commissioners, who are to serve without pay, to provide plans for eradicating the lamprey eel. It is an authorization measure, not an appropriation bill. The Commissioners cannot tell what the cost will be until after they devise plans. The distinguished Senator from Michigan [Mr. POTTER] is very much interested in the bill.

Mr. BIBLE. Mr. President, I have been advised that the distinguished Senator from Michigan is on his way to the Senate Chamber. If we defer discussion of the bill for a few moments, it may be that he will get here in time to make an explanation.

Mr. BARRETT. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate has under consideration Calendar No. 1880, Senate bill 3524; and the Senator from Wyoming [Mr. BARRETT] has requested an explanation as to the cost of the bill.

Mr. POTTER. Mr. President, the bill implements the Great Lakes Fisheries convention or treaty, which the Senate adopted unanimously in the early part of the present session.

The administrative cost to the American section of the Commission is $15,000. The bill authorizes, for American participation in such research, an appropriation of $600,000, or a little more than was spent last year. Of course, representatives of the Commission will have to appear before the Appropriations Committees, to justify the proposed appropriations, which, if approved by the Appropriations Committees, will constitute an item in the appropriation bill for the Department of State, rather than in the appropriation bill for the Department of the Interior. In the past, this item has appeared in the latter bill.

As I have stated, the bill merely implements the convention or treaty which the Senate adopted in the early part of the present session.

Mr. BARRETT. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I am delighted to yield to the Senator from Wyoming.

Mr. BARRETT. The Republican calendar committee was very much of the impression that the bill proposes desirable legislation, and we appreciate the explanation given by the distinguished Senator from Michigan. Our only concern was with the item of cost.

Mr. POTTER. I thank the Senator from Wyoming. Actually, as a result of the treaty, the cost to the United States will, I believe, be less in the future than in the past, because henceforth there will be a cooperative effort with Canada. In that way, I think it will be possible for us to accomplish much more for a smaller amount of money than has been required in the past.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The ACTING PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3524) was ordered to be engrossed for a third reading, read the third time, and passed.

CERTIFICATION OF REPORT OF SENATE COMMITTEE ON THE JUDICIARY CONCERNING MARY KNOWLES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1784, Senate Resolution 240.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 240) certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles.

Mr. EASTLAND. Mr. President, Mary Knowles appeared before the Internal Security Subcommittee, pursuant to a subpena, on July 29 and September 15, 1955. Although the presiding Senator specifically directed her to answer certain pertinent questions, Mrs. Knowles refused to do so.

Moreover, Mrs. Knowles expressly declared that she was not invoking her privilege against self-incrimination under the fifth amendment.

As a result of Mrs. Knowles' refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Mary Knowles be declared in contempt of the United States Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution. The resolution (S. Res. 240) was agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Mary Knowles, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Mary Knowles may be proceeded against in the manner and form provided by law.

CERTIFICATION OF REPORT OF SENATE COMMITTEE ON THE JUDICIARY CONCERNING HERMAN LIVERIGHT

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1785, Senate Resolution 241.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 241) certifying the report of the Senate Committee on the Judiciary concerning Herman Liveright.

Mr. EASTLAND. Mr. President, Herman Liveright appeared before the Internal Security Subcommittee, pursuant to a subpena, on Monday, March 19, 1956. Although the chairman of the committee, who was presiding specifically directed him to answer certain pertinent questions, Liveright refused to do so.

Moreover, although he submitted a lengthy statement setting forth alleged reasons for his refusal, Liveright expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Liveright's refusal to answer the questions propounded by the chairman and by the chief counsel of the subcommittee, the Internal Security Subcommitte has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the committee on the Judiciary recommends that Herman Liveright be declared in contempt of the United States Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 241) was agreed to, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Herman Liveright, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Herman Liveright may be proceeded against in the manner and form provided by law.

INSPECTION AND CERTIFICATION OF CERTAIN VESSELS CARRYING PASSENGERS

Mr. MAGNUSON. Mr. President, during the call of the calendar, Calendar No. 1893, House bill 7952, was passed over. I ask unanimous consent that we revert to that measure, so that I may explain it to the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, as the Chair well knows, on Wednesday the Senate Committee on Interstate and Foreign Commerce reported a great number of bills, and some of them are on the calendar. I appreciate that there has not been a great deal of time since then for Members of the Senate to examine all those bills.

However, this bill is a very important one. I hope it will be passed today, because it involves inspection by the Coast Guard of ships, over a certain tonnage, which take passengers for hire.

I have just been informed that the Calendar Committee had no objection to the bill but that some inquiries had been made as to what the bill would do.

The Senate will remember the tragedy which occurred on Chesapeake Bay last summer, as a result of which several persons were drowned. Those drownings occurred because of a lack of inspection. A similar tragedy occured off the shores of Long Island. Frequently citizens pay fees so that they may fish from boats which are for hire, and sometimes the boats are overloaded.

Now that the fishing season is commencing, I think it most important that this bill be passed promptly, so as to permit inspection of such vessels by the Coast Guard. In its report, the House committee has listed a number of tragedies of this sort which have occurred.

Enactment of the bill will not work a hardship on ordinary fishing vessels, about which the present occupant of the chair [Mr. Payne] and I were somewhat worried. The bill will affect only vessels which take aboard citizens who pay a fee for the fishing trip.

Mr. POTTER. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. POTTER. I wish to concur in what the Senator from Washington has said. I also wish to state that the Coast Guard has requested enactment of such a measure.

At one time there was some objection from the fishing industry, but I believe the bill now meets that objection in a satisfactory way.

So I wish to say to my Republican colleagues who have received some inquiries from their constituents who are in the fishing business, that I believe they can assure their constituents that the bill now before the Senate meets all the objections which in the past have been raised.

Mr. MAGNUSON. Yes; and the Senator from Michigan will recall that the House amended the bill, and then passed it unanimously. Furthermore, all the objections or suggestions that the bill would affect adversely the fishing industry have been met.

Mr. POTTER. Yes; at the present time they have been met.

Mr. MAGNUSON. Furthermore, the fishing season is now commencing; and we wish to be sure that fishing vessels which take fishermen on board for a fee are inspected so that further tragedies may be averted.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, there are two bills on the calendar which deal with the same subject, namely, Calendar No. 1893, House bill 7952, and Calendar No. 1892, Senate bill 3072. The bills would accomplish the same purpose. I shall ask for the consideration of the House bill. If the House bill is passed, I shall move to postpone the Senate bill indefinitely.

Mr. President, I ask unanimous consent for the present consideration of House bill 7952, Calendar No. 1893.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the committee report be printed in the Record at this point, so that the Record will show an adequate explanation of the bill.

There being no objection, the report (No. 1872) was ordered to be printed in the Record, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of this bill is to require that certain vessels which carry more than six passengers for hire shall be subject to inspection and certification by the United States Coast Guard in the interest of safety. The smaller types of commercial passenger-carrying vessels, such as party fishing boats and small excursion craft, are not now subject to inspection and certification as to seaworthiness. At present the law only requires that mechanically propelled vessels of 15 gross tons and less, carrying passengers for hire, shall be subject to minimum safety requirements. Similarly, sail vessels of 700 gross tons or less and non-self-propelled vessels of 100 gross tons or less must conform only to the very minimum of safety standards.

While the provisions of the Motorboat Act of 1940 and the regulations thereunder are considered to be necessary minimums for pleasure craft, they are deemed to be wholly inadequate for the safety of motor vessels carrying passengers for hire. Yet, there are in the United States well over 8,000 small passenger-carrying vessels of less than 15 gross tons which are not subject to inspection. Two of the most tragic accidents of recent years occurred off Montauk Point, Long Island, in 1951, involving uninspected vessels of this category, resulting in the loss of 56 lives.

The first of these casualties occurred on June 10, 1951, to the uninspected gasoline-propelled motorboat *Jack*, powered with a 40-horsepower motor. The vessel, which was 33 feet in length and of 9 gross tons burden, had been built in 1912 and was purchased by the owner and operator in June 1950. Even though the vessel was found to be structurally defective after its purchase, no effective repairs were made. At the time of the accident, the vessel, with 13 passengers aboard, departed for a fishing excursion, notwithstanding the broadcast of small-craft warnings. Before she could return to port the *Jack* opened up and almost immediately foundered, with the loss of 11 lives. The Marine Board of Investigation found that the hull was in poor condition, and had the vessel been subject to inspection, a certificate of inspection would not have been issued.

The second of these tragedies occurred in September 1951, and involved the motorboat *Pelican* which had been built in 1940 for service as a passenger-carrying vessel in the fishing and recreation business. Since she admeasured only 14 gross tons, she was not subject to annual inspection and certification under the law. Hence, she could be legally operated in the passenger-carrying business without adequate supervision with respect to safety standards.

On the day of the accident the *Pelican* embarked for a fishing excursion with 2 crew members and 62 passengers in the face of impending bad-weather warnings. The

Commandant of the Coast Guard testified that a boat of the *Pelican's* dimensions and type could not ordinarily be expected to carry more than about 30 persons with safety in the service in which she was engaged. After confronting worsening weather conditions it was decided to return to port, but due to difficulty with the propulsive machinery, she made only 6 miles in 2½ hours. While rolling heavily, two successive heavy seas hit the *Pelican*, causing her to capsize. Forty-five lives were lost. Investigation of the disaster disclosed that, although life preservers were located in 2 lockers on the deck of the vessel and were accessible with 1 exception, no life preservers were worn by anyone, due to the suddenness of the capsizing and the lack of safety instructions from the operator. Measurements of the deck space available for passengers disclosed that had the *Pelican* been subject to Coast Guard inspection, she probably would have been permitted to carry not more than 20 passengers.

As a result of these two casualties, several bills were proposed to Congress, calling for increased safety and inspection requirements on small mechanically propelled passenger-carrying vessels for hire. H. R. 7952 evolved from these early bills. Subsequent to the preparation of the legislation, the tragic foundering of the sailing vessel *Levin J. Marvel* in the Chesapeake Bay in August 1955 pointed up the need for requiring inspection and certification of other types of passenger-carrying vessels, such as sailboats and barges. H. R. 8267, introduced by Mr. Lankford, of Maryland, was designed to accomplish this.

The *Levin J. Marvel* was a wooden sail vessel of 183 gross tons, built in 1891 at Bethel, Del. In recent years the vessel was used in carrying passengers for hire on pleasure voyages in the Chesapeake Bay area. Existing law and regulations did not require inspection of such sailing vessels of less than 700 gross tons. None of the crew had any certificates of competency from the Coast Guard, nor were they required to have such certificates under the law. This vessel would not have been permitted to operate in the service in which she was engaged if she had been subject to Coast Guard inspection.

In its consideration of the need for additional safety legislation the committee held its hearings on the broad problem and considered both H. R. 7952 and H. R. 8267, finally consolidating the purposes of the two bills in H. R. 7952, as here reported.

It was clear from the testimony that adequate inspection of small passenger-carrying vessels is needed, because existing requirements are insufficient to provide safeguards against the causes of most marine casualties, i. e., (1) lack of seaworthiness, and (2) overloading. In the words of the Commandant of the Coast Guard, "Lack of seaworthiness and overloading have been the basic causes of some of the more serious casualties—among the small uninspected passenger-carrying vessels." During the course of the hearings, statistics were introduced to show that, in recent years, casualties on inspected vessels have been relatively minor as compared with those on uninspected vessels. In the light of this background, your committee believes that lack of adequate inspection standards for small craft have largely contributed to unnecessary loss of human life. It, therefore, considers that the bill, H. R. 7952, as amended, should be enacted into law.

Estimates show that in 1955 as many as 25 million persons participated in recreational boating throughout the country. At the hearings, some witnesses evidenced concern over the fact that the bill does not cover all vessels carrying passengers, and advocated that Federal inspection extend to "any boat for hire." While your committee is in accord with the principle that the broadest possible coverage is desirable, it does not deem it feasible at this time to recommend that Federal inspection be extended to those vessels which carry six pasesngers or less. However, it is believed that State and municipal governments should devote more attention to the adequacy of their own laws relating to motorboat inspection, particularly since small-boat operation probably represents the largest segment of comparatively unregulated traffic in the country.

During the hearings, the House committee heard from Members of the Congress, representatives of the United States Coast Guard, and the small-boat industry, including private-yacht men. All agreed upon the need for legislation of the kind recommended herein.

ANALYSIS OF BILL AND AMENDMENTS

In order to make provision for inspection of certain sail vessels and barges, the House committee adopted several amendments designed to accomplish broader coverage than the bill, as introduced, which applied only to mechanically propelled vessels. Hence, the bill would require inspection and certification of—

(1) Mechanically propelled vessels of 15 gross tons and less, those of more than 15 gross tons and less than 100 gross tons that do not exceed 65 feet in length;

(2) Sail vessels of 700 gross tons and less;

(3) Barges of 100 gross tons and less.

The bill excepts from the definition of a passenger-carrying vessel, any public vessel of the United States or of any foreign state, or any lifeboat forming part of a vessel's lifesaving equipment.

It should be noted that the inspection envisioned is to be administered triannually, and applies only to those vessels which carry more than six passangers for hire.

Analysis of several of the more important sections of the bill, follows:

Section 1 (a) defines "passenger" as every person carried on board a passenger-carrying vessel with certain exceptions. Among those excluded are the owner or his representative, the master and members of the crew, certain employees of the owner or bareboat charterer, nonpaying guests when the boat is used exclusively for pleasure purposes, and nonpaying persons on board certain vessels documented and used for tugboat or towboat services. The latter category was added in order to exempt from inspection certain tugboats and towboats which occasionally carry more than six nonpaying guests for such purposes as harbor and dock inspection trips.

Section 2 (a) provides for an inspection at least once every 3 years. This subsection does not prevent more frequent inspections, as circumstances may require.

Section 3 vests in the Secretary certain rule-making authority to determine standards designed to make the vessel safe with respect to its condition, type of operation, number of passengers, manning requirements, and qualifications of its operators and crew.

Section 4 (a) prohibits the operation of a passenger-carrying vessel until a certificate of inspection has been issued to the vessel indicating compliance with the act or rules and regulations established thereunder.

Subsection (b) requires that when such certificate is issued, the vessel shall continue in full compliance thereof.

Section 5 imposes a civil penalty of not more than $1,000 for each violation of the act or the rules and regulations established thereunder, upon any owner, master, or person in charge of a vessel subject to inspection. In case the penalty imposed is not satisfied, provision is made for the vessel's seizure.

Section 7 (a) repeals the act of January 18, 1897 (29 Stat. 489; 46 U. S. C., 520), entitled, "An act providing for certain requirements for vessels, propelled by gas, fluid, naphtha, or electric motors," as being obsolete. The provision of this law has been superseded by and incorporated into subsequent laws.

Subsection (b) would except mechanically propelled vessels more than 15 gross tons and not more than 65 feet in length, carrying more than 6 passengers, from section 4426 of the Revised Statutes, as amended (34 Stat. 193; 46 U. S. C., 404). This was done in order that such vessels would be subject to the full provisions of inspection and certification as provided in H. R. 7952.

Subsection (c) amends section 7 of the act of April 25, 1940, as amended (54 Stat. 165; 46 U. S. C. 526f), in order to extend provisions of law concerning operators' licenses for motorboats carrying passengers for hire to cover vessels propelled by machinery other than steam of 15 gross tons or less, which are more than 65 feet in length.

The departmental reports submitted to the House Committee on Merchant Marine and Fisheries are as follows:

Treasury Department,
Washington, January 25, 1956.

Hon. Herbert C. Bonner,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

My Dear Mr. Chairman: Reference is made to the request of your committee for the views of the Treasury Department on H. R. 7952, to require the inspection and certification of certain mechanically propelled vessels carrying passengers, and H. R. 8267, to require the inspection and certification of certain vessels carrying passengers.

The principal purpose of both H. R. 7952 and H. R. 8267 is to provide for the inspection and certification when carrying more than 6 passengers, of mechanically propelled vessels of 15 gross tons and less and those of more than 15 and less than 100 tons that are not more than 65 feet in length. In addition, H. R. 8267 would provide for the inspection of sail vessels when carrying more than six passengers. There are certain differences in the technical provisions of the two bills.

H. R. 7952 is identical to the draft bill transmitted to your committee with a recommendation for its consideration, by the Secretary of the Treasury by letter dated October 14, 1955. The draft bill was submitted in lieu of a report on H. R. 5570, 84th Congress, that had been requested by your committee.

The sinking of the sail vessel *Levin J. Marvel* in Chesapeake Bay on August 12, 1955, with the loss of 14 lives, points up the need for subjecting to inspection sail vessels of 700 tons and less carrying more than 6 passengers, which are not now required to be inspected. Moreover, it is considered essential to bring under inspection barges of 100 and less carrying more than 6 passengers. These barges are not now required to be inspected. Therefore, it is recommended that H. R. 7952 be amended to include the above-described sail vessels and barges. Proposed amendments to H. R. 7952 to effect this inclusion are set forth in the attached memorandum.

The Treasury Department favors the enactment of H. R. 7952 with the proposed amendments, in lieu of H. R. 8267.

In view of the hearings to be held on the bill, it has not been possible to obtain the customary Bureau of the Budget clearance on the submission of this report.

Very truly yours,

David W. Kendall,
Acting Secretary of the Treasury.

JANUARY 24, 1956.

MEMORANDUM RE H. R. 7952, TO REQUIRE THE INSPECTION AND CERTIFICATION OF CERTAIN MECHANICALLY PROPELLED VESSELS CARRYING PASSENGERS

It is recommended that H. R. 7952 be amended as follows:

1. The title of H. R. 7952 is amended to read: "A bill to require the inspection and certification of certain vessels carrying passengers."

Explanation: With the proposed inclusion of sail vessels and barges, the words "mechanically propelled" no longer accurately describe the bill.

2. Section 1 (a) of the bill is amended by deleting the words "mechanically propelled" (line 6, page 1 of the bill), and inserting in lieu thereof the words "passenger-carrying".

Explanation: With the proposed inclusion of sail vessels and barges in the bill, the words "mechanically propelled" are no longer appropriate.

3. Section 1 (b) of the bill is amended to read as follows:

"(b) The term 'passenger-carrying vessel' means any vessel which carries more than six passengers, and which is—

"(1) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of 15 gross tons or less;

"(2) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of more than 15 and less than 100 gross tons and not more than 65 feet in length measured from end to end over the deck excluding sheer;

"(3) propelled by sail and is of 700 gross tons or less; or

"(4) non-self-propelled and is of 100 gross tons or less;

except any public vessel of the United States or of any foreign state, or any lifeboat forming part of a vessel's lifesaving equipment. The term includes (1) any domestic vessel operating on the navigable waters of the United States, or on the high seas outside of those waters and within the normal operating range of the vessel, and (2) any foreign vessel departing from a port of the United States."

Explanation: The *Marvel* disaster has made it clear that certain sail vessels carrying passengers should be brought under inspection and certification. Moreover, certain barges carrying passengers, which are not now subject to inspection, should be brought under inspection. There is a considerable number of these uninspected barges carrying passengers. The sail vessels to be covered by this bill should be limited to those of 700 gross tons or less and the barges to be brought under inspection should be limited to those of 100 gross tons or less. The reason for this is that sail vessels of more than 700 gross tons carrying passengers and barges of more than 100 tons carrying passengers are now subject to inspection under section 4417 of the Revised Statutes. There is no sufficient reason for amending existing law with respect to them.

4. Section 1 (d) of the bill is deleted and section 1 (e) is redesignited as section 1 (d).

Explanation: In view of language changes proposed herein, section 1 (d) is no longer necessary.

5. Section 2 (a) of the bill is amended by striking the words mechanically propelled vessel carrying more than six passengers (lines 12 and 13, p. 3) and inserting in lieu thereof the words 'passenger-carrying vessel."

Explanation: This amendment is required by the changes in the definition of section 1 of the bill.

6. Section 3 of the bill is amended by deleting the words "mechanically propelled vessels carrying passengers" (lines 4 and 5, p. 4), and inserting in lieu thereof "passenger-carrying vessels."

Explanation: This amendment is required because of the change in definition in section 1 of the bill.

7. Section 4 (a) of the bill is amended by striking the words "mechanically propelled" (line 22, p. 4) and inserting in lieu thereof the words "passenger-carrying."

Explanation: This amendment is required because of the change in definition in section 1 of the bill.

THE SECRETARY OF COMMERCE,
Washington, February 1, 1956.

Hon. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in reply to your request of January 12, 1956, for the views of this Department on H. R. 8267, a bill to require the inspection and certification of certain vessels carrying passengers; your request of January 5, 1956, for the views of this Department on H. R. 7952, a bill to require the inspection and certification of certain mechanically propelled vessels carrying passengers; and your request of April 14, 1956, for the views of this Department on H. R. 5570, a bill to require the inspection and certification of certain vessels carrying passengers.

H. R. 8267 would apply to vessels, domestic or foreign, propelled by steam or by any form of mechanical or electrical power, less than 100 gross tons, which are not more than 65 feet in length, and to vessels, domestic or foreign, similarly propelled, of 15 gross tons or less, irrespective of length. The bill would not apply to public vessels of the United States or of a foreign nation and to approved motor lifeboats. The Secretary of the Department in which the Coast Guard is operating would be required to inspect once every 3 years the hull of each such vessel and each vessel propelled primarily by sail carrying more than 6 passengers to satisfy himself that the vessels is (1) of a structure suitable for its employment, (2) is equipped with proper lifesaving and fire-protection appliances, (3) has suitable accommodations for passengers and crew, and (4) may be navigated safely as a passenger-carrying vessel. Existing laws prescribe inspection and safety regulations with respect to larger passenger vessels.

H. R. 7952 and H. R. 5570 would require the inspection and certification of vessels carrying more than 6 passengers, if such vessels are propelled by steam or by any form of mechanical or electrical power, are of 15 gross tons or less, or more than 15 and less than 100 gross tons and not more than 65 feet in length. Domestic vessels operating in the navigable waters of the United States or on the high seas outside those waters, and foreign vessels departing from the United States would be included in the term "mechanically propelled vessels." Public vessels of the United States or of a foreign state, motor-propelled lifeboats, and sailboats would be excepted.

The Department recommends enactment of H. R. 8267 rather than H. R. 7952 or H. R. 5570 in order to require passenger-carrying vessels propelled by sail to be inspected.

H. R. 8267 would also amend section 404 of 46 United States Code which deals with ferryboats, canalboats, yachts or other small craft, propelled by steam, to provide that vessels of above 15 gross tons carrying freight for hire, and vessels of above 15 gross tons and in excess of 65 feet in length carrying passengers for hire, shall be subject to inspection and be navigated by a licensed engineer and a licensed pilot. At present this section includes only vessels of above 15 gross tons carrying freight or passengers for hire, but not engaged in fishing as a regular business.

Section 526 (f) of 46 United States Code (Motorboat Act of 1940) would be amended by adding a provision that no vessel of 15 gross tons or less propelled by machinery other than steam, and no vessel propelled primarily by sail, carrying passengers for hire shall be operated except in charge of a person licensed for such service.

The said Secretary is authorized to prescribe fees for inspection and licenses and to issue rules and regulations with respect to the construction, repair, and equipment of the vessels subject to the provisions of the act. Special provision is made for vessels carrying fishing parties.

Such a provision appears to be in accord with title V of the Independent Offices Appropriation Act, 1952 (65 Stat. 290; 5 U. S. C. 140). The Coast Guard does not at present impose fees for inspection and certification of vessels. Although to impose a fee for such services, in the absence of fees for comparable services to other classes of vessels than the vessels mentioned in the bill, appears to be discriminatory, we recommend this measure as a first step toward a general system of fees for vessel inspection by the Coast Guard in accordance with the above-mentioned policy of the Congress.

No vessel subject to the provisions of the act shall be operated until a certificate of inspection is issued showing compliance with the provisions of this act. The certificate may be suspended or revoked for noncompliance with the requirements of this act or the regulations established thereunder.

This Department supports the intent of H. R. 8267 as a measure to promote safety in marine transportation. Experience gained by the United States Coast Guard in investigating marine casualties indicates that the operation of uninspected vessels presents an unnecessary hazard to passengers for hire.

We understand that requiring inspection of vessels carrying more than 6 passengers (sec. 2 of bill) and the provision requiring inspection of vessels carrying passengers for hire (sec. 6 of the bill) would involve inspection of somewhat more than twice as many vessels as would a provision requiring inspection of vessels carrying 12 or more passengers for hire. Your committee might wish to give consideration to whether the lessened burden on the Coast Guard and the operators would justify limiting the bill to vessels carrying 12 or more passengers for hire.

Subject to your consideration of these comments, we recommend favorable consideration of the bill. The policies of prescribing broad discretionary authority to the officer responsible for administering the law and granting a reasonable period of grace for shipowners to comply with the law are specifically endorsed.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this report to your committee.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

ACT OF JANUARY 18, 1897

(29 Stat. 489; 46 U. S. C. 520)

An act providing for certain requirements for vessels propelled by gas, fluid, naphtha, or electric motors

[That all vessels of above fifteen tons burden, carrying freight or passengers for hire, propelled by gas, fluid, naphtha, or electric motors, shall be, and are hereby, made subject to all the provisions of section forty-four hundred and twenty-six of the Revised

Statutes of the United States, relating to the inspection of hulls and boilers and requiring engineers and pilots; and all vessels so propelled, without regard to tonnage or use, shall be subject to the provisions of section forty-four hundred and twelve of the Revised Statutes of the United States, relating to the regulation of steam vessels in passing each other; and to so much of sections forty-two hundred and thirty-three and forty-two hundred and thirty-four of the Revised Statutes, relating to lights, fog signals, steering, and sailing rules, as the Board of Supervising Inspectors shall, by their regulations, deem applicable and practicable for their safe navigation.]

SECTION 4426 OF THE REVISED STATUTES, AS AMENDED

(34 Stat. 193, U. S. C., 1952 ed., supp. 2, title 46, sec. 404)

4426. The hulls and boilers of each ferryboat, canal boat, yacht, or other small craft of like character propelled by steam, shall be inspected under the provisions of [Title 52 of the Revised Statutes.] *this title.* Such other provisions of law for the better security of life as may be applicable to such vessels shall, by the regulations of the [Commandant of the Coast Guard] *Secretary of the department in which the Coast Guard is operating*, also be required to be complied with before a certificate of inspection shall be granted, and no such vessel shall be navigated without a licensed engineer and a licensed pilot: *Provided*, [however,] That in open steam launches of ten gross tons and under, one person, if duly qualified, may serve in the double capacity of pilot and engineer. All vessels of above fifteen gross tons carrying freight [or passengers] for hire, *and all vessels of above fifteen gross tons and in excess of sixty-five feet in length carrying passengers for hire*, but not engaged in fishing as a regular business, propelled by gas, fluid, naphtha, or electric motors, shall be subject to all the provisions of this section relating to the inspection of hulls and boilers and requiring engineers and pilots, and for any violation of the provisions of title 52 of the Revised Statutes applicable to such vessels, or of rules or regulations lawfully established thereunder, and to the extent to which such provisions of law and regulations are so applicable, the said vessels, their masters, officers, and owners shall be subject to the provisions of sections [494–498 of this title.] *4496, 4497, 4498, 4499, and 4500 of the Revised Statutes, as amended (46 U. S. C. 494–498)*, relating to the imposition and enforcement of penalties and the enforcement of law: *Provided, however,* That until June 30, 1956, no vessel registered or licensed as a vessel of the United States of fifteen gross tons or less on December 31, 1953, shall be deemed to be subject to the inspection provisions of this section notwithstanding the fact that such vessel may thereafter be found to have a tonnage in excess of fifteen gross tons, unless such finding results from an alteration in the length, breadth, or depths effected after December 31, 1953. [All vessels of fifteen gross tons or less propelled in whole or in part by gas, gasoline, petroleum, naphtha, fluid, or electricity, and carrying passengers for hire, shall carry one life preserver, of the sort prescribed by the regulations of the Commandant of the Coast Guard, for every passenger carried, and no such boat while so carrying passengers shall be operated or navigated except in charge of a person duly licensed for such service by the Coast Guard. No examination shall be required as a condition of the obtaining of such a license, and any such license shall be revoked or suspended by the Coast Guard for misconduct, gross negligence, recklessness in navigation, intemperance, or violation of law on the part of the holder, and if revoked, the person holding such license shall be incapable of obtaining another such license for one year from the date of revocation. (As amended August 31, 1954, ch. 1171, 68 Stat. 1047.)]

SECTION 7 OF THE ACT OF APRIL 25, 1940, AS AMENDED

(54 Stat. 165, U. S. C., 1952 ed., title 46, sec. 526)

SEC. 7. No such motorboat, *and no other vessel of fifteen gross tons or less propelled by machinery other than steam*, while carrying passengers for hire, shall be operated or navigated except in charge of a person duly licensed for such service by the [Coast Guard.] *Secretary of the department in which the Coast Guard is operating.* Whenever any person applies to be licensed as operator of any motorboat, *or of any other vessel of fifteen gross tons or less propelled by machinery*, carrying passengers for hire, the [Coast Guard] *Secretary* shall make diligent inquiry as to his character, and shall carefully examine the applicant orally as well as the proofs which he presents in support of his claim, and if [it] *the Secretary* is satisfied that his capacity, experience, habits of [life] *living*, and character are such [as] to warrant the belief that he can safely be entrusted with the duties and responsibilities of the station for which he makes application, [it] *the Secretary* shall grant him a license authorizing him to discharge such duties on any such motorboat, *or on any other vessel of fifteen gross tons or less propelled by machinery*, carrying passengers for hire, for the term of 5 years. Such license shall be subject to suspension or revocation on the same ground and in the same manner [and] with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section [239] *4450* of [this title] *the Revised Statutes*, as amended (U. S. C. 1952 edition, title 46, sec. 239): *Provided*, That motorboats *and other vessels of fifteen gross tons or less propelled by machinery* shall not be required to carry licensed officers except as required in this [subchapter] *Act: And provided further*, That licenses herein prescribed shall not be required of motorboats or *of any other vessels of fifteen gross tons or less propelled by machinery* engaged in fishing contests previously arranged and announced.

Mr. POTTER. Mr. President, I ask unanimous consent that a statement prepared by the Senator from Connecticut [Mr. PURTELL], who has been very much interested in this bill, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PURTELL

This bill would require certain self-propelled or sail vessels carrying more than six passengers for hire, to be subject to inspection and certification by the United States Coast Guard.

The report calls attention to accidents in 1951 involving small passenger-carrying vessels off Montauk Point, Long Island, with the loss of 56 lives; also, the foundering of the sailing vessel, *Levin J. Marvel*, a wooden ship of 183 gross tons built in 1891, in the Chesapeake Bay in August 1955.

Smaller types of commercial passenger-carrying vessels are not now subject to inspection and certification as to seaworthiness, the present law requiring only that mechanically propelled vessels of 15 tons or less carrying passengers for hire shall be subject to minimum safety requirements and sail vessels of 700 gross tons or less and non-self-propelled vessels of 100 gross tons or less must conform to minimum safety standards. While the Motorboat Act of 1940 provided necessary minimums for pleasure craft, the report states these are wholly inadequate for the safety of motor vessels carrying passengers for hire.

There are over 8,000 passenger-carrying vessels of less than 15 gross tons not now subject to inspection.

The report states that the vessel *Marvel* would not have been permitted to operate had it been subject to Coast Guard inspection.

Enactment would tend to provide safeguards against lack of seaworthiness and overloading.

This legislation is favored by the small-boat industry and the Coast Guard.

Mr. MAGNUSON. Let me say briefly, in view of the insertion in the RECORD by the distinguished Senator from Michigan [Mr. POTTER] of the statement prepared by the Senator from Connecticut [Mr. PURTELL], that the Senator from Connecticut has not only been active, but alert with respect to this problem.

The reason why we propose to ask that the Senate bill be indefinitely postponed is that by accepting the House bill which is similar to the original proposal of the Senator from Connecticut, the bill will be passed in time for the opening of the fishing season. However, I wish to give credit to the Senator from Connecticut for doing what he has done in this connection.

Mr. POTTER. The Senator from Connecticut planned to be present, but other official business prevented him from being in the Chamber at this time. The statement which I have had printed in the RECORD is the statement which he would have made if he had been present.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 7952) was ordered to a third reading, read the third time, and passed.

Mr. MAGNUSON. Mr. President, I move that Senate bill 3072, Calendar No. 1892, be indefinitely postponed.

The motion was agreed to.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1816, Senate bill 3073.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. BIBLE. Mr. President, although Senate bill 3073 has been made the unfinished business, it is not the intention of the acting majority leader that the Senate fully consider the bill today.

PAUL CUNNINGHAM, PRESIDENT OF THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS, AND PUBLISHERS

Mr. LANGER. Mr. President, I send a statement to the desk and ask unanimous consent that the clerk may read it to the Senate. I am unable to read it myself because of the condition of my eyes. Both the majority and minority leaders have agreed that this may be done.

The PRESIDING OFFICER. Without objection, the clerk will read the statement.

The Chief Clerk read the statement, as follows:

Mr. LANGER. Mr. President, last Thursday the board of directors of the American Society of Composers, Authors, and Publishers—ASCAP—elected Mr. Paul Cunningham as its president. The election of Mr. Cunningham to this post gives public recognition to his tireless efforts on behalf of the Nation's outstanding composers, to secure for them a measure of economic security and the protection for their creative property to which they are entitled under the Constitution. Along with Mr. Cunningham's numerous friends in Washington, I should like to congratulate the society on the excellent choice it has made.

Mr. Cunningham has been a member of ASCAP since 1921, a director of the society since 1945, and secretary of the board from 1951 to 1953. Since 1953 he has planned and carried out numerous worthy public service projects, in cooperation with the Defense Department, the Veterans' Administration, and other official groups. In 1955, he organized and produced the first ASCAP overseas unit, consisting of 8 ASCAP songwriters and 4 professional entertainers, who took a musical message from home to Americans in uniform at numerous hospitals and bases throughout Germany, France, and North Africa. The response of our boys in uniform, most of whom had never before seen a real, live composer in person, was tremendous. President Eisenhower personally met with the members of this unit and expressed his deep appreciation to them and to ASCAP for the fine job they did.

Among the hundreds of songs Paul Cunningham has written are such outstanding compositions as I Am an American; Please Take a Letter, Miss Brown; Have a Smile for Everyone You Meet; All or Nothing at All; The Bible on the Table and the Flag Upon the Wall; From the Vine Came the Grape; and When I Was Your Age. Among his most effective compositions is the official State song North Dakota, a stirring march with inspiring words dramatically portraying the great State of North Dakota, which it was my privilege to suggest as a worthy subject for his pen.

It is my sincere belief that under the administration of Paul Cunningham, ASCAP will take further steps to foster and safeguard the talents of creators of musical works, while continuing to render important public services to the Nation.

VISIT TO THE SENATE BY LATIN-AMERICAN DELEGATES TO INTER-AMERICAN BAR ASSOCIATION CONFERENCE RECENTLY HELD AT DALLAS, TEX.

Mr. GREEN. Mr. President, I should like to draw the attention of yourself and my colleagues to the fact that we have distinguished guests with us today.

It is well known that there has recently been held in Dallas the Inter-American Bar Association Conference. A group of some forty of the Latin-American delegates to that conference are now in Washington, and have visited the Capitol, and are now here in the gallery of the Senate.

I desire on behalf of the Senate to bid them welcome, and I ask that my colleagues give them a gesture of greeting. [Applause, Senators rising.]

ANNOUNCEMENT OF VISIT TO THE SENATE BY VICE PRESIDENT OF BRAZIL

Mr. KNOWLAND. Mr. President, I should like to make an announcement on behalf of the majority leader and myself. At between 2:30 and 2:45 today the Vice President of Brazil will come to the Senate and will be asked to make some remarks to the Senate. We hope all Senators will be advised. There will be a quorum call shortly before that time. I hope as many Senators as possible will be present, so that we may appropriately welcome the Vice President of Brazil.

QUALIFICATIONS FOR APPOINTMENT TO SUPREME COURT

Mr. SMATHERS. Mr. President, I introduce for appropriate reference a bill relating to the appointment of Justices to the United States Supreme Court. The purpose of this proposed legislation is to require that all future appointees to the Supreme Court have at least 5 years judicial experience in a lower Federal Court, or in the highest court of a State.

At this time I should like to make a brief statement concerning this proposal with respect to its constitutionality, the need for such legislation, and the benefits which will be derived from it.

First, its constitutionality. Is this a proper subject for legislation by statute, or is a constitutional amendment necessary to give it effect?

Article III of the Constitution vests the judicial power of the United States in one Supreme Court and such inferior courts as Congress may from time to time ordain and establish. Article II, section 2, authorizes the President to nominate, and, by and with the advice and consent of the Senate, to appoint judges of the Supreme Court.

The Constitution, then, lays down no qualifications for appointment to the office of Supreme Court Justice. Does this mean that Congress, therefore, is precluded from doing so? This is the only constitutional question that is involved. To my mind the answer to this question is clearly in the negative.

The Constitution recognizes a distinction between the creation of an office and its regulation, on the one hand, and appointments to be made thereto, on the other. While Congress has no control over the appointments to be made to offices other than in the matter of Senate confirmation, it is authorized to legislate concerning such offices by virtue of its power to pass all laws necessary and proper for carrying into execution the powers which the Constitution vests in the Government of the United States.

In this connection I should like to quote from a famous dissenting opinion by Mr. Justice Brandeis in the case of Myers against United States. The issue in this case was whether or not Congress could impose limitations upon the President's power to remove from office certain categories of postmasters. The majority held that it could not, and that an act requiring the advice and consent of the Senate to effect such removals was unconstitutional. The statement of Mr. Justice Brandeis which I am about to quote is not directly concerned with the power of removal which was the issue in that case. It is merely dicta; but it is the most comprehensive statement a member of the Court has made concerning the imposition of qualifications on candidates for appointive office.

The statement appears in 272 U. S. at pages 264–274. Justice Brandeis there stated:

> The assertion that the mere grant by the Constitution of executive power confers upon the President as a prerogative the unrestricted power of appointment and of removal from executive offices, except so far as otherwise expressly provided by the Constitution, is clearly inconsistent * * * with those statutes which restrict the exercise by the President of the power of nomination. There is not a word in the Constitution which in terms authorizes Congress to limit the President's freedom of choice in making nominations for executive offices. It is to appointment as distinguished from nomination that the Constitution imposes in terms the requirement of senatorial consent. But a multitude of laws have been enacted which limit the restrictions imposed, may prevent the selection of the person deemed by him best fitted. Such restriction upon the power to nominate has been exercised by Congress continuously since the foundation of the Government. Every President has approved one or more of such acts. Every President has consistently observed them. This is true of these offices to which he makes appointments without the advice and consent of the Senate as well as those for which its consent is required.
>
> Thus, Congress has, from time to time, restricted the President's selection by the requirement of citizenship. It has limited the power of nomination by providing that the office may be held only by a resident of the United States; of a State, of a particular State; of a particular district; of a particular territory; of the District of Columbia; of a particular foreign country. It has limited the power of nomination further by prescribing specific professional attainments, or occupational experience. It has, in other cases, prescribed the test of examinations.

> It has imposed the requirement of age; of sex; of race; of property; and of habitual temperance in the use of intoxicating liquors. Congress has imposed like restrictions on the power of nomination by requiring political representation; or that the selection be made on a nonpartisan basis. It has required in some cases, that the representation be industrial; in others, that it be geographic. It has at times required that the President's nominees be taken from, or include representatives from, particular branches or departments of the Government. By still other statutes, Congress has confined the President's selection to a small number of persons to be named by others.

In footnotes to this passage Justice Brandeis has inserted several hundred citations to instances in which Congress has laid down qualifications and limitations on the President's power of appointment. Among these is a citation to the Judiciary Act of 1789, which required that the Attorney General and district attorneys be learned in the law—First United States Statutes at Large, pages 92, 93.

While Justice Brandeis' remarks were directed at executive offices, not judicial, the rationale applies with equal vigor to both. Appointments to both types of office are mentioned in the same clause of the Constitution—without any distinction drawn between them. Yet Congress has laid down innumerable qualifications concerning offices in the executive branch of the Government.

The present Judicial Code—title 28, United States Code, section 44 (a)—provides that "except in the District of Columbia, each circuit judge shall be a resident of the circuit for which appointed at the time of his appointment and thereafter while in active service."

The Constitution provides specifically for the existence of the President and Vice President, Senators and Representatives, Judges of the Supreme Court, and Ambassadors, other public ministers and consuls. A distinction may be drawn between these officers, and all of the other officers established by law, by calling the former constitutional officers, and the latter legislative officers.

The ultimate issue upon which the constitutionality of my proposal must be decided is: Whether Congress may legislate concerning the qualifications of constitutional officers. There is no question that it may do so concerning legislative officers.

I would answer this question first by a brief argument drawn directly from the Constitution; and second by citing an instance in the past where Congress has legislated concerning the qualifications of a constitutional officer.

First, the fact that the Constitution specifically provides for the existence of a Supreme Court is no reason to preclude Congress from prescribing standards of qualifications for its members. It was necessary for the drafters of the Constitution to provide specifically in that instrument for a judiciary with one Supreme Court, because to do so was fundamental to their intent to establish a tripartite system of government with a separation of powers. The records of the Constitutional Convention disclose no other purpose.

Second, the Congress has legislated concerning the qualifications of constitutional officers when in the act of March 1, 1855—Tenth United States Statutes at Large, section 9—it required:

> That the President shall appoint no other than citizens of the United States, who are residents thereof, or who shall be abroad in the employment of the Government at the time of their appointment, as envoys extraordinary and Ministers Plenipotentiary, secretaries of legation, dragomen, interpreters, consuls, or commercial agents.

Thus, although Ministers and consuls are constitutional officers, concerning the citizenship and residency of whom the Constitution is silent, Congress has legislated in these matters, and prescribed qualifications for appointment.

Mr. President, the Constitution did not establish the Supreme Court. It merely provides for its existence. It was left up to Congress to put the Court into being. As the Supreme Court itself has said, in *Rhode Island* v. *Massachusetts* (12 Peters, 657, 721):

> It was necessarily left to the legislative power to organize the Supreme Court, to define its powers consistently with the Constitution, as to its original jurisdiction; and to distribute the residue of the judicial power between this and the inferior courts, which it was bound to ordain and establish, defining their respective powers, whether original or appellate, by which and how it should be exercised.

Mr. NEUBERGER. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I shall be happy to yield.

Mr. NEUBERGER. I read with interest in the press this morning the Senator's very original and attention-arresting proposal concerning the Supreme Court, and I wonder if I may ask him several questions about it.

Mr. SMATHERS. I shall be happy to have the Senator ask me questions.

Mr. NEUBERGER. Would the distinguished Senator think it perhaps might be equally advisable to provide, for example, that no one may serve as President of the United States who has not had previous experience as a governor of one of the 48 States?

Mr. SMATHERS. No; I would not think that would be advisable. I would say to the Senator that, obviously, we have by the Constitution ways and means of protecting ourselves with respect to a President who seeks to invade either the legislative field or, perhaps, even the judicial field. The electorate can adequately cope with its elective officers. However, it is a different situation with respect to members of the Supreme Court of the United States with life tenure and who never have to go before the people to receive approval of their acts. Congress may and should prescribe certain qualifications and require that they have experience in the field to which they are assigned.

Mr. NEUBERGER. I thank the Senator.

Would the Senator from Florida believe it to be advisable to enact legislation providing that no person could serve in either House of the Congress of the United States unless he had had earlier experience in a State legislature?

Mr. SMATHERS. No, I certainly would not for the same reasons I have stated. In many instances many Members of the House and many Members of the Senate have had previous legislative experience. However, there are many well qualified exceptions. I believe the distinguished Senator from Oregon is one of them. In any event, that is a case where the people of the States from which Members of Congress come have a right to pass judgment on their qualifications.

In the case of a Supreme Court Justice, the President of the United States chooses a particular person to serve, and the people, of course, have no way whatsoever to pass judgment on that particular person. I think it is an entirely different relationship which exists with respect to Supreme Court Justices on the one hand, and those who serve in the legislative field on the other.

Mr. NEUBERGER. Would the able Senator believe it advisable to provide that no person may be appointed to the circuit court of appeals bench unless he has had experience on an inferior Federal court, such as a Federal district court?

Mr. SMATHERS. No, I would not, because, as the Senator has indicated in his question, I believe there is only one court below on which we could require him to have had experience, and that is the district court or the State supreme court. In addition these are not courts of last resort. Appeals can be taken and often are taken to the Supreme Court of the United States.

Mr. NEUBERGER. Is the distinguished Senator aware that when a Supreme Court appointment by the present President of the United States was before the Senate some time ago confirmation was opposed by a good many distinguished Senators from some of the States of the Union, even though the appointee had had previous experience on the bench?

Mr. SMATHERS. Of course, that will always be true. This particular proposal would not affect the constitutional provision that such appointments must be made by and with the advice and consent of the Senate.

There have been many instances, about which I shall speak later, of able jurists sitting on the Supreme Court who actually did not have previous court experience. Chief Justice Marshall had no previous judicial experience; neither had Chief Justice Hughes or Justice Brandeis.

Nonetheless, I think the Supreme Court would have been of higher caliber if those who sat on that Court had been selected from an area in which they had acquired experience in legal matters and completely understood the function which they were supposed to have performed as members of the Supreme Court.

Mr. NEUBERGER. I was about to ask the distinguished Senator concerning some of those whose names he has mentioned and who had been appointed to the Supreme Court without previous judicial experience, but he himself has premeditated me on that point. I was going to add such names as Justice

Brandeis, Chief Justice Warren, and others.

I thank the distinguished Senator for his courtesy in yielding to me in the middle of his very interesting speech.

Mr. SMATHERS. I thank the distinguished Senator from Oregon for asking me these questions, because they are points with which we ought to be particularly concerned.

In the case of *Chisholm* v. *Georgia* (2d Dallas, pp. 419 to 432), there is the following statement, referring to the Supreme Court:

> None will deny that an act of legislation is necessary to say, at least, of what number the judges are to consist; the President, with the consent of the Senate, could not nominate a number at their discretion. The Constitution intended this article so far, at least, to be the subject of a legislative act. Having a right thus to establish the Court, and it being capable of being established in no other manner, I conceive it necessarily follows that they are also to direct the manner of its proceedings.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Nevada.

Mr. MALONE. Does the Constitution provide that the members of the Supreme Court shall be attorneys?

Mr. SMATHERS. There is no limitation whatsoever as to qualifications of persons who are appointed to the Supreme Court.

Mr. MALONE. Then the limitation of 5 years experience on the bench would amend the Constitution. I thank the Senator.

Mr. SMATHERS. No. A constitutional amendment is not necessary. Legislation as I propose is adequate.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Michigan.

Mr. POTTER. Is it not true, as the Senator himself stated, that in the past many distinguished members of the Supreme Court were men who had no prior experience on a court?

Mr. SMATHERS. Yes, the Senator is correct.

Mr. POTTER. I think it will be found, in examining the records of the bar profession today, that many of the most distinguished lawyers have never served on any court. Although the Senator is making an excellent speech, it seems to me that his bill would disqualify a very well qualified and eminent portion of the bar for appointment to the Supreme Court, where they could render great service.

Mr. SMATHERS. I appreciate the remarks made by the able Senator from Michigan; I have great respect for his judgment. However, I believe and hope that I shall be able to answer the point raised by the Senator from Michigan as I proceed with my argument. I might anticipate a little, in the event the Senator is unable to wait to hear all of it.

It is true there have been very distinguished members of the Supreme Court who had no previous judicial experience. I named some of them a moment ago: Chief Justice Marshall, Chief Justice Hughes, and Justice Brandeis.

On the other hand, some very able justices were experienced jurists. Justice Oliver Wendell Holmes was a member of the Massachusetts Supreme Court and Justice Benjamin N. Cardozo, one of the outstanding jurists in the history of the United States, was a member of the New York Court of Appeals.

I cannot help believing that it would be desirable to narrow the area of appointment, so as to exclude any political consideration whatsoever, and to limit the selection of justices of the Supreme Court to those who have proved to be able jurists on either the lower Federal courts or on the highest court of a State. Where else can they be found than among those who have a prior record of service on the bench of these courts?

It is true that by such limitations it will not be possible to reach into the Senate and to appoint an able Senator who, during his service in the Senate, demonstrated that he had a very fine legal mind. It is true that the bill would make it impossible to appoint such an eminent practicing attorney as the late John W. Davis, or someone else of his caliber, who had a great legal mind.

But the improvement which would be brought about, I think, would be that at no time would the President of the United States feel that he was under a political obligation to appoint a Member of the Senate or a good friend or a good friend of a good friend, or someone in that category, because he would be limited in his selection to persons who had proved and established records as capable jurists on the bench.

Mr. POTTER. Does the Senator's bill provide that the selection or appointment must be of a person who is a sitting judge, or does the bill provide that the person appointed must have had tenure on the bench?

Mr. SMATHERS. He must have had tenure of 5 years on the bench of the lower Federal courts or the highest court of a State.

Mr. POTTER. The bill does not necessarily provide that such a person must be a sitting judge, does it?

Mr. SMATHERS. It contemplates that the person so appointed may have been a judge, but may have returned to the practice of law, or have sat in a legislative body, thereby educating himself further. He will know there are three separate and distinct branches of the Government. He will understand completely that it is not the province of the judge to intrude into the legislative field and to undertake to establish policy or to legislate from his court bench, thus infringing on the prerogative of the legislature. He will understand, if he has had judicial experience of 5 years on any Federal or State supreme court, that his function is merely to interpret the Constitution and the laws passed in relation thereto. In other words, he will understand that he is to be a jurist and not a politician.

Mr. POTTER. Mr. President, will the Senator further yield?

Mr. SMATHERS. I yield.

Mr. POTTER. I plan to remain to hear the rest of the remarks of the distinguished Senator, because when the junior Senator from Florida speaks, there is always much good to be gained from listening to what he says.

Mr. SMATHERS. I thank the Senator.

Mr. POTTER. What I am about to suggest may be answered by the Senator later in his remarks. Nevertheless, I shall propound my question. Not only would the Senator's bill discriminate against some very able members of the legal profession who have never served on the bench, but also it would discriminate against professors of law, would it not? Have not some of our able Supreme Court judges in the past been drawn from some of the great universities and other institutions of learning? Would they not also be discriminated against by the Senator's bill?

Mr. SMATHERS. I am certain that Senators who have had judicial experience would agree that while one may have a very brilliant legal mind and may have served as the dean of Harvard Law School or, possibly, of the Law School of the University of Michigan, or an institution of that type, nevertheless, such experience, in and of itself, would not necessarily qualify such a person as an able member of the Supreme Court bench, or even as a member of a lower court.

The purpose of the bill is to provide the Supreme Court of the United States with the best trained judicial minds it is possible to obtain, because that Court decides cases involving the most important questions of the day. For that reason, I think the selection of persons for the Supreme Court should be from an area of proven experience, namely, the lower courts of the judiciary.

My proposal might be compared somewhat with the farm system in baseball. I may compare it with a farm system, such as the New York Yankees employ, to bring up new players. I dislike to make such comparison; but it is somewhat apropos. Men appointed to the bench of the Supreme Court need previous judicial experience, so that they know what their functions are and are trained to perform their duties.

That is not to say that all men who have not had such experience are not good men, but I think we could help the President of the United States appoint men of a generally higher caliber if we made it incumbent upon him to select men who had prior judicial experience.

Mr. POTTER. Mr. President, will the Senator from Florida yield for a question?

Mr. SMATHERS. I am happy to yield.

Mr. POTTER. Is it not a fact that the Supreme Court gains by having diversification of background and experience on the court? If there is on the court a person who has had experience as a professor in the legal profession, he can make a contribution to the court because of his vast experience. Another member of the court may have extensive administrative experience, which can also be of great value to the court as a whole. I am wondering if the limitation proposed by the distinguished Senator from Florida would result in the

Court's losing some valuable experience which could be given to it.

Mr. SMATHERS. I appreciate very much the remarks of the very able Senator from Michigan. I think I am correct when I state, and I believe the Senator from Michigan will agree with me, that, after all, in the case of the Supreme Court we are not looking for broad experience in the sense that we look for broad experience here in the Senate, where Senators make policy, create new programs, or act in matters of that nature. In the Supreme Court, as a specific part of the three branches of our Government, interprets the Constitution and the laws which Congress enacts in relation to the Constitution. I think it might be said that what is needed is a Supreme Court comprised of the finest legal talent available. The most essential element ought to be that individuals appointed have a background of judicial experience, because that is their primary function. If we are looking only for men of broad wisdom, men to help determine policy, men to legislate, those are the men who ought to run for public office. In the legislative field they are required to go before the people of the country and have their judgment passed on periodically. Supreme Court Justices have a life tenure and of course are not required to do this. There is great danger that men who do not understand their functions as jurists will begin to invade the other branches of Government, if there is no control over their actions for the rest of their lives. Therefore, it is important that those who compose the Supreme Court, which is a specialized type of job, should understand clearly what their job is, and should be trained in that job. By considering men from that area of trained personnel, we would have a higher caliber of men, and it would result in our Government working even better than it has up to this time.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. MALONE. I believe the distinguished Senator from Florida said the Constitution does not require the appointment of lawyers as members of the Supreme Court.

Mr. SMATHERS. That is correct.

Mr. MALONE. Would it require a constitutional amendment to provide that anyone appointed to the Supreme Court would have to be a lawyer?

Mr. SMATHERS. No. I have been reading about six pages which set forth what I believed to be persuasive precedents and legal decisions as to why the Congress does have authority to prescribe limitations as to men who are going to serve on the Federal judiciary.

Mr. MALONE. Nevertheless, the Constitution of the United States does not specify that they must have legal training?

Mr. SMATHERS. No, it does not.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. STENNIS. I wish to commend the Senator from Florida highly for the very fine bill he has prepared and the splendid argument he is making in connection with the subject matter. I agree wholeheartedly with the purposes of his bill. I think some of the arguments made against the bill, arguments which have some logic and point, can be met in a practical manner by yielding in part with respect to the provision that all the men to be appointed to the Supreme Court shall be men of judicial experience and seasoning, and providing that at least half of the number must meet those requirements. That would not detract one bit from the Senator's bill.

I think the great problem the Senator is presenting is that of giving the Supreme Court, and perhaps the other courts, the benefit of men who have had some seasoned judicial experience. Such experience is gained the slow, hard way. No man can be picked out even from among good lawyers with any assurance that he is capable of becoming an outstanding justice, any more than a man can be picked out from among a group of doctors with assurance that he will make a fine surgeon. It is not done that way.

I commend the Senator, and urge him to follow through with his ideas. I shall help him in every way I can, and also as author of a bill on the same subject matter, which has a little different approach and a little different avenue of solution. I hope he will continue his very fine undertaking.

My studies have led me to realize very clearly that the selection of judges is the most neglected subject matter in connection with our entire constitutional history. We have had no system. It is strange that we have gotten along as well as we have.

I have no derogatory remarks to make of the members of the Supreme Court. They are eminent men who have made fine marks in various fields. But at least a majority of them should have gone through the process of judicial seasoning and judicial experience, which is almost the only way to make an outstanding jurist who is wedded to the system of precedents, for without that, the common law, as we know it, has no meaning.

Mr. SMATHERS. I thank the able Senator from Mississippi for his remarks. I think they are particularly persuasive in view of the fact that the Senator from Mississippi himself was a great jurist for a number of years in his own State, and very fully understands and very much appreciates the fact that, as a general proposition, in order to become a great jurist, one must have experience.

Mr. MORSE. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Florida yield to the Senator from Oregon?

Mr. SMATHERS. I yield.

Mr. MORSE. I do not intend to debate this question today; but let me say that I am very glad the Senator from Florida has raised this issue. It is one which has been raised from decade to decade in the past.

I suggest that we study the Constitutional Convention, and recognize that, by design, the constitutional fathers did not require that members of the Supreme Court even be members of the bar, much less that they be judges.

I am always interested in the tendency for us to read mystery into the judicial process, and to assume that only by means of wearing the robe for a period of time, does one obtain judicial ability.

Of course, as the Senator from Florida knows, I do not think much of the rule of seniority, anyway. Certainly I would not wish to have a rule of seniority applied in the case of qualification for membership on the Supreme Court of the United States, nor do I agree at all with my very dear friend, the Senator from Mississippi [Mr. STENNIS], who stated that the correct application of the judicial process is obtained by following precedent. I do not agree, because that would mean the dead hand of the law—the idea that stare decisis has to be given some mysterious shibboleth or almost the standing of an idol, in connection with American jurisprudence.

I thank God that the Founding Fathers had the vision to keep our Constitution a dynamic instrument, not the dead hand of the law.

The thesis of the Senator from Florida is threshed out in every law school, year in and year out; and it is always a fascinating subject.

I wish to say that when we come to consider the bill, I shall be glad to participate in the debate and to present the other point of view. I am quite confident there is no danger that the Senate will pass a bill which in my judgment would sanction the adoption of a rule which I believe would be based on an undesirable interpretation of the Constitution, under a rule of seniority.

Mr. SMATHERS. Mr. President, I am always glad to have the benefit of the remarks of the distinguished senior Senator from Oregon. Of course, he has been a law school professor, and has had a great deal of experience in the legal field. However, I think it is well established that our good friend, the Senator from Oregon, is almost always one of the dissenters. He has an original and a brilliant mind, but I think it is obvious that on many occasions those who know him and love him best do not agree with him. In fact, I think that in many instances a majority of the Senate disagrees with him, although it has great respect for him as a person.

So I think that in this case it will be found that a majority of the Senate disagrees with him.

I think we have reached a point where most Members of the Senate and certainly many of the American people would prefer that we begin to get better trained legal minds to serve us on the Supreme Court of the United States.

Mr. MORSE. Mr. President, will my good friend, the Senator from Florida, yield to me, to permit me to make a brief comment?

Mr. SMATHERS. Certainly.

Mr. MORSE. Of course I deeply appreciate the remarks of the Senator from Florida. Although I may be a dissenter on this particular matter, I think he will have to agree with me that I am standing with the decision of the constitutional fathers. If that is dissension in

1956, let me say I am proud of that kind of dissension.

Mr. SMATHERS. Mr. President, let me say to the Senator from Oregon that it is true the constitutional fathers made no provision of this sort. They simply provided for the existence of the Supreme Court, and left it to the Congress to bring it into being.

As I shall state in a few moments, on numerous occasions in the past, Congress has changed the number of justices on the Supreme Court, and has provided qualifications for those who serve as circuit court judges. Evidently, the Founding Fathers intended that Congress should have something to say about those matters. I think that logically—and I have tried to point it out thus far in my remarks today that since they left to the Congress the important matter of determining the number of members of the Supreme Court, I believe they also left to Congress the right to enact legislation prescribing qualifications of membership on the Supreme Court.

It has been argued—and can be argued now, as the Senator from Oregon has pointed out—that by not making definite provisions in that connection, the constitutional fathers did not intend that any qualifications should be imposed. However, as we study this matter, we see there is considerable authority for holding that the constitutional fathers intended that Congress should take some action with respect to the qualifications of those appointed to the Supreme Court.

Mr. CARLSON. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am happy to yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I wish to commend the Senator from Florida for bringing up the question of the qualification of members of the judiciary.

I do not wish to let this opportunity pass without saying that, although I realize the importance of this matter, I believe we must keep in mind the fact that the President of the United States must fulfill his responsibility in selecting good men for membership on the judiciary; and I would not wish to place myself in the position of attempting to draw so limited a line that the appointment of outstanding men who have not served in the courts would be prohibited.

The Senator from Florida has referred to a very important matter; but I wish to say that in the United States there are outstanding attorneys who have judicial minds, and I would not wish anything done to make it impossible for them to be appointed to the judiciary. Certainly I believe it to be important to have good men on the bench.

Mr. SMATHERS. Mr. President, I thank the Senator from Kansas. Of course, I appreciate very much his remarks, and I have a very high respect for him.

I may say to him that we both know of many outstanding Justices of the Supreme Court who did not have previous experience on the bench; but we also know of many, many instances of men who have served on the Supreme Court of the United States without previous judicial experience who have not been particularly outstanding Justices of the Supreme Court. We cannot help but believe that the overall caliber of Justices would be raised if there were selected as members of the Supreme Court men who actually had at least some judicial experience on either the lower Federal courts or the highest court of a State. There are some 600 well-qualified jurists who are today active in those particular fields. I cannot help but think that if we had been appointing men to the Supreme Court for a long period of time from that particular category we would probably not have some of the difficulties we have today. We would probably have a more efficient Supreme Court thus far. However, I thank the Senator very much for his remarks.

Mr. CARLSON. Mr. President, will the Senator further yield?

Mr. SMATHERS. I yield.

Mr. CARLSON. It occurs to me that judicial temperament is most important in the selection of a judge. I think there might be those outside the courts who would not only be capable, but have the judicial temperament to decide the issues, based upon many factors, not absolutely all in the law. There must be the necessary judicial temperament to deal with these problems.

Mr. SMATHERS. The best way to determine whether a person is possessed of judicial temperament is by examining his prior judicial experience on the bench. We can look at the record of a judge and say, "This man was an outstanding judge on the State Supreme Court of Kansas, or the State Supreme Court of Michigan, or he was an outstanding United States circuit court of appeals judge." A man with such a record would be one of whom we could feel proud. From his record we could be fairly certain that he would be an intelligent jurist who would understand the functions he must perform as a Supreme Court Justice.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. MORSE. This discussion fascinates me. I should like to invite the Senator's attention to two points.

First, it seems to me that he is proceeding upon the very general assumption that we have not fared well with the process and procedure we have been following. I think that calls for a bill of particulars. I think we should have from the Senator, as the debate progresses, the names of judges who have not risen to the responsibilities of their roles. I happen to be one who has never taken the point of view that judges should be selected on the basis of a certain political philosophy, whether conservative or liberal. I have always said, and I say today, that if we consider one person in a list of selectees for the bench, if we assume that we are starting with a pretty high caliber person, when we put the robes on him and repose him in the great trust of the bench, we find that he does a very responsible job. I think that is the record of the Justices of the Supreme Court. So before I am asked to vote for some change in the procedure, I must see a bill of particulars with respect to the bad judges and the decisions they have made which were so bad.

The second point I wish to make in this part of the discussion is that, as the Senator from Kansas [Mr. CARLSON] implied, it is very important that we select men for the bench who have the judicial temperament. It does not follow, as the Senator from Florida seems to imply, that we must therefore select someone who has already sat on the bench.

Let me point out some of the dangers of that policy. Take, for example, some member of the circuit court of appeals, the district court, the State supreme court, or whatever bench we may take him from. He has behind him a line of decisions on constitutional questions. When he is selected, we know pretty well the position he will take on certain constitutional questions.

I do not believe that a President should be placed under that kind of handicap. We talk about political influences in the selection of the judiciary. If we adopt the proposed requirement there will be a tendency for a President to go shopping among the decisions of judges on constitutional questions; and if the President is of a certain school of political thought in the field of constitutional law, there will be a tendency to weigh the court with that particular point of view.

I do not think that is what the constitutional fathers intended. If the Senator will consult the constitutional debates, he will see that the Founding Fathers were pretty clear in their discussions that they did not want to lay down any hard and fast rules with respect to these qualifications.

Let me make one further point, in conclusion. We talk about political factors. When judges are selected in the first instance, whether on the State level, or for the district court, or a Federal court, they make a record of decisions. If there is a political factor, it enters at that point. However, let me say again that I think it is to the everlasting credit of the American judiciary that, by and large, it rises above political considerations. Nevertheless, to the extent that there is a political philosophy in the field of constitutional law, when men who sit on the bench lay down that philosophy, and the President is required to select from among members of the bench, it seems to me that we give greater assurance that there will be a play of politics, than if we adopt the position of the constitutional fathers and select to serve on the Supreme Court anyone in the American citizenry who has the judicial temperament, even though he may not be a member of the bar.

Mr. SMATHERS. Mr. President, as I said earlier, I always appreciate the fine contributions of the Senator from Oregon to a discussion of this nature. Having had the experience which he has had, he is particularly well qualified to present his views on a question of this kind.

In advocating the proposed legislation, I am merely saying that I think the time has come when we should obtain the very best Supreme Court it is possible for us to obtain. We should

select the best qualified men to sit upon that body. I think the able Senator from Oregon will agree that in some instances certain members who have served on the Supreme Court were probably not the best men who could have been selected for the particular job. If we were to go through the entire list, we could find some among the 87 who have thus far served who were probably not the best qualified men available.

If we had always drawn the membership of the Supreme Court from the lower Federal courts, or the highest courts of a State, and had always obtained well qualified, proven men, we would probably have had a more efficient operation of the Supreme Court.

Mr. MORSE. Mr. President, I wish to make it perfectly clear that I am satisfied. I do not share the dissatisfaction of the Senator from Florida. I believe that throughout American history a remarkably good job has been done in the selection of members of the Supreme Court. I do not think there is cause or justification for the proposed change. All I am suggesting to the Senator from Florida is that he give me a bill of particulars as to the great shortcomings of members of the Supreme Court. I do not know exactly what he means by "best qualified men." I deny his major premise that the best qualified men are necessarily men who have worn the judicial robes. I do not accept that premise. I still insist that we ought to find out who are the bad judges and how frequently we have had bad judges, before being asked to vote for a change. I think the burden of proof is on the Senator from Florida to show that the selective process we have been following throughout our history has given us bad judges.

(At this point Mr. SMATHERS yielded to Mr. KNOWLAND, and there ensued ceremonies incident to the visit to the Senate of the Vice President of Brazil, the report of which appears in today's RECORD following the remarks of Mr. SMATHERS.)

Mr. SMATHERS. Mr. President, prior to the visit of the Vice President of Brazil, the senior Senator from Oregon [Mr. MORSE] was making the argument that, in view of the fact that the Constitution of the United States made no provision for limitations with respect to qualifications of men to be appointed to the Supreme Court, it necessarily followed that they intended that there should never be such limitations.

It is clear that at the time the Constitution was adopted a requirement such as that which I now propose could not have been made, because at that time the Congress of the United States had not created any district courts or circuit courts. No judicial system had been created by the Congress. The clear inference was that the Congress of the United Sates was to do something about it. It was for that reason that between 1789 and 1869, by various statutes, the Congress of the United States changed the number of members who comprised the Court. The number varied from 5 to 10.

The act of September 24, 1789—First United States Statutes at Large, page 73—fixed the membership of the Court at 6.

The act of February 15, 1801—Second United States Statutes at Large, page 89—reduced the number to 5.

The act of February 24, 1807—Second United States Statutes at Large, page 421—increased the membership of the Court to 7.

It was increased to nine members by the act of March 3, 1837—Fifth United States Statutes at Large, page 176. The act of March 3, 1863—Twelfth United States Statutes at Large, page 794—further increased the membership of the Court to 10.

By act of July 23, 1866—Fourteenth United States Statutes at Large, page 209—the membership was reduced to seven.

The latest statute dealing with the membership of the Court was enacted on April 20, 1869—in Sixteenth United States Statutes at Large, pages 44, 45. This act, among other things provided that the Court be comprised of 9 members, 1 of whom shall be a Chief Justice.

The only difference between the Supreme Court and the inferior courts, which were to be established by the Congress pursuant to article III, with respect to the power of Congress to create and establish, is that Congress was required to establish a Supreme Court, but only such inferior courts as it saw fit, and, as Justice Story pointed out in *Martin v. Hunter*, 1 Wheaton 304, Congress was required to establish some inferior courts. The difference then is not that the Constitution created and established a Supreme Court, and left it to Congress to create and establish other courts, but that the Constitution required Congress to establish a highest or Supreme Court and lower or inferior courts, but allowed Congress to determine how many lower courts should be established, and in what manner the judicial power should be distributed among them. Since Congress created and established both the Supreme Court and lower courts as required by the Constitution, it can prescribe reasonable qualifications for persons appointed to any of such courts as an incident of its power to create and establish.

I turn now to a discussion of the need for this legislation and the benefits which will be derived from it by both the Court and the country.

Alexander Hamilton, writing in the Federalist, No. 78, predicted that there would be "but few men in the society, who will have sufficient skill in the laws to qualify them for the stations of judges." He made this statement in the course of arguing in defense of lifetime appointments for Federal judges—that is, for good behavior as the tenure of office. One of the reasons Hamilton put forward was the accumulation of laws and precedents which would develop with the passage of time, which would have to be mastered in order to have a sufficient command of the law to administer it. These were prophetic words, indeed, when one considers the great bulk of American law as it exists today. Superimposed upon 48 systems of codes and common law, there exists a Federal law of ever-increasing scope, magnitude, and complexity. Each member of the United States Supreme Court must be ready to assume the burden of giving judicial attention to this great storehouse of knowledge. The duties of this high office require that we exert all efforts to obtain individuals possessing the highest legal qualifications.

In addition to the development in the great body of the law, consideration should be given to the role the Supreme Court has come to play in our present day affairs. Most of the great cases it has decided in recent years have been concerned with matters touching the rights and privileges of the private individual, emanating from the Bill of Rights, and the 14th amendment. At the same time it still has the responsibility of deciding the outcome of issues of great national importance.

The responsibility resting upon each individual sitting upon the court is all the more startling when one considers that the great issues laid before it may be, and often are, decided by a majority of one, or, in some instances, where a judge disqualifies himself, by an equally divided court.

The responsibility which rests in the Supreme Court has grown, along with those of the legislative and the executive, as the country has grown, from 13 young States almost isolated in the wilderness to 48 States, possessing an integrated and complex national economy. Some action has been taken to assure that the Congress and the executive branch of the Government are equipped to meet these increased responsibilities. The Congress has worked out a system of rules and acquired expert staffs to aid it in its duties. The Executive Department is in a constant state of reorganization. But what of the Supreme Court? Granted, it too has been diligent in adopting its own housekeeping rules. But what action has Congress taken to improve the Court? It has taken no action, other than in the matter of defining the Court's appellate jurisdiction, and in establishing the size of the Court.

We are living in an age of specialization and selectivity. Witness the great lengths to which industry and Government have gone in developing the personnel policies and procedures. This spirit has even permeated the armed services. There is so much emphasis on placing the right person in the right position. Of course, I do not advocate selecting Supreme Court Justices on the basis of aptitude tests. But I am for doing whatever is legitimate and proper to ensure that these positions will be filled by the best legal minds available.

What, then, is a good standard for judging the qualifications of a candidate for the office of a Supreme Court Justice? I can think of none better than his conduct and experience in another judicial office.

The proposal which I am offering today will not hinder the President in the exercise of his appointing power. It will be of great benefit to him, for it will take the exercise of the power out of the political arena, where it has all too often fallen. It will relieve the President of any obligation which he might feel compelled to satisfy with a Supreme Court appointment. He will be free to make his appointments solely on the basis of merit from the best qualified group of men in the country—those who have acquired mature judgment through years of judicial experience. I am sure that any President would welcome the opportunity to be able to make his appointments to the court on this basis, with politics wielding little or no interference in the exercise of his judgment.

There have been many regrettable instances in the past in which the finest types of men, who had proven themselves in the lower courts, have of necessity been overlooked and passed over because of political expediency. It is a pity that it had to be so. I need cite only the single example of Learned Hand, retired circuit judge of the United States Court of Appeals for the Second Judicial Circuit, and who is recognized as one of the greatest of all English-speaking jurists, who should have been but was never appointed to the Supreme Court.

It has been common throughout the history of the country to appoint men with prior judicial experience to the Court. This practice has been followed in well over half of the vacancies which have been filled. However, it has been less noticeable in recent decades. There are only three members of the present Court who had any judicial experience before their appointment. Together, their prior judicial experience totals approximately 10 years. One was a Federal circuit court judge for 8 years, another held a similar post for a year, and a third member was a minor court judge for a year and a half.

Mr. President, our Supreme Court, with its tremendous undefined powers should be staffed with the finest judicial talent this country has to offer. It should be composed only of men who have the greatest facility in the law and the utmost in respect for it. I am confident that my proposal, if adopted, would result in vast benefits to the judiciary and the country as a whole. After all, judges are only human. The morale and performance of the members of the bench, Federal and State, would improve, with the realization that the judicial efforts might be recognized and rewarded by an appointment to the Supreme Judiciary of the Nation. The chance may be small in any given case, but the principle should be firm. I submit that if we want judges on our Supreme Court, we do not have to trust to luck, for the bench both Federal and State is full of men who have already proven their capacity and fitness for higher responsibility.

Since it is true that many of the outstanding Justices of the Supreme Court, numbered among them being the great minds of Chief Justice John Marshall, Chief Justice Charles Evans Hughes, and Justice Louis Brandeis, did not have judicial experience prior to their appointments, the argument is advanced—and has been advanced this afternoon on the floor—that the qualification which I propose with respect to future appointments would deprive the Court of the valuable services of this type of individual. While this is true to a degree, the danger of staffing the Court with mediocre talent is too great a risk to run under present-day conditions. I believe that had we always required an experienced judicial background for our Justices, we would have had an even more illustrious Court, and one in which the people of the Nation would have had even more pride.

The Court is presently composed of nine members. From its inception there have been a total of 87 appointments, 55 of which had prior judicial experience. Under existing conditions, the President's power of appointment is, of course, unlimited. My proposal would narrow his selection of individuals to a field of eligible jurists sitting on the lower Federal courts and the highest courts of the State. There are today a total of 212 United States district court judges, and 65 United States court of appeals judges. The total number of judges sitting on the highest courts in the States is 307. The grand total of jurists sitting on the Federal courts and the highest courts of a State is 584. This number appears to me more than adequate from which to select future Supreme Court Justices.

For the sake of preserving unlimited freedom in the President's power of appointment, I do not subscribe to the theory that we should run the risk of taking mediocre justices along with the good ones and the great ones. In my opinion, it is the duty of the Congress to strive toward reducing this risk to a minimum, and it can do this by adopting the qualifications herein proposed. The President then would have a choice of selecting from some 584 Federal and State court judges whose record of service on the bench and judicial capabilities is a matter of public knowledge. From this wide selection I feel confident that only those jurists of outstanding qualifications would be nominated. When such men as Oliver Wendell Holmes, Benjamin N. Cardozo, William Howard Taft and others, all of whom had prior judicial experience of the type called for in this proposal were nominated for appointment, the President, the Congress, and the country, all knew, that there was no risk involved in that each of them had well-known and established reputations for service on the bench. All of us know that their outstanding service on the Supreme Court attests to that fact.

I feel that the advantages to be gained by requiring that subsequent appointments be limited to men of prior judicial experience far outweigh those that could be derived from the preservation of the freedom which the President now enjoys in this field.

The Supreme Court should not be a refuge for political appointees drawn from the ranks of politicians, of good friends of good friends, be they scholarly theorists, economists, or just plain professors. It should be comprised of the finest collection of trained and experienced jurists capable of being assembled. Men who desire to determine policy and legislate should seek endorsement of their views from the people by running for public office. Men of that disposition should seek seats in the United States Senate. The men who serve on the Supreme Court of the United States should clearly understand the theory of our three separate and distinct branches of Government, with each one having its specific functions. Certainly the men who constitute the Court should not labor under the erroneous belief that it is their duty to legislate or determine policy, or in any way invade the legislative field. That job, of course, is for the Congress. The Court members should understand the danger to our system of Government when men who are appointed for life, who do not have to seek the endorsement of the voters, go into the field of writing the law. The great jurists of the past have always evidenced an understanding that the Court's sole function is to interpret the law in the light of the provisions of the Constitution. The Court should be reserved for judges; politicians should remain in the Senate, or in the Governor's chair, or in the legislative field where periodically their views are up for approval or disapproval on the part of the people they represent.

The time has come when some effort should be made to guarantee that our judiciary will be led by none but the ablest of jurists. I trust and hope that this matter will receive the consideration of the Congress which it deserves, and that action will be taken on it soon.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3759) establishing certain qualifications for persons appointed to the Supreme Court, introduced by Mr. Smathers, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That section 1 of title 28, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"From and after the date of enactment of this paragraph no person shall be appointed to the office of Chief Justice of the United States or to the office of Associate Justice of the Supreme Court, unless, at the time of the appointment, he shall have had at least 5 years of judicial service. For the purpose of this paragraph, 'judicial service' means service as a justice of the United States, a judge of a court of appeals or district court, or a justice or judge of the highest court of a State."

Sec. 2. (a) The title of section 1 of title 28, United States Code, is amended to read as follows:

"Sec. 1. Number of justices; quorum; qualifications."

(b) The analysis of chapter 1 of title 28, United States Code, is amended by striking out "1. Number of justices; quorum.", and inserting in lieu thereof "1. Number of justices: quorum; qualifications."

VISIT TO THE SENATE BY HIS EXCELLENCY JOAO GOULART, VICE PRESIDENT OF BRAZIL

During the delivery of Mr. Smather's speech,

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield to me with the understanding that he will not lose his right to the floor, in order that I may suggest the absence of a quorum? The Vice President of Brazil is now at the Capitol Building.

Mr. SMATHERS. I yield with that understanding.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Bible in the chair). Without objection, it so ordered.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the senior Senator from Georgia [Mr. George] and the senior Senator from California [Mr. Knowland] be appoined as a committee to escort the Vice President of Brazil into the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Chair appoints the President pro tempore, the senior Senator from Georgia [Mr. George], and the minority leader, the senior Senator from California [Mr. Knowland], as a committee to escort our distinguished visitor into the Chamber.

Mr. FULBRIGHT. Mr. President, I move that the Senate now stand in recess, subject to the call of the Chair.

The motion was agreed to; and (at 2 o'clock and 34 minutes p. m.) the Senate took a recess subject to the call of the Chair.

At 2 o'clock and 40 minutes p. m., the Senate reassembled when called to order by the Vice President.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I move that the Senate now stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 2 o'clock and 47 minutes p. m.) the Senate took a recess subject to the call of the Chair.

The Senate being in recess,

His Excellency Joao Goulart, Vice President of the United States of Brazil, escorted by the committee appointed by the Vice President, and by the State Department interpreter, Mr. A. José de Seabra, entered the Chamber and took the seat assigned to him immediately in front of the Vice President.

[Applause, Senators rising.]

The members of the party accompanying the Vice President of Brazil, including His Excellency the Honorable Jaoa Lima Teixeira, senator from the State of Bahia; Hon. Roberto Silveira, lieutenant governor of Rio de Janeiro; Senor Geraldo Eulalio Nascimento e Silva, Foreign Service officer, Ministry of Foreign Affairs; were escorted into the Chamber and took the seats assigned to them to the left of the Vice President's desk.

The VICE PRESIDENT. Members of the Senate, and our guests in the galleries, it is my great privilege to present His Excellency Joao Goulart, Vice President of the United States of Brazil.

[Applause, Senators rising.]

ADDRESS BY HIS EXCELLENCY, JOAO GOULART, VICE PRESIDENT OF THE UNITED STATES OF BRAZIL

Vice President GOULART. Senhor Vice Presidente, Dignissimos Membros do Senado Norte Americano, profundamente sensibilizado, agradeço a acolhida que neste momento me faz o Senado Norte Americano—e estendo êsse agradecimento às autoridade e ao povo dêste país, que quizeram testemunhar, de maneira tão significativa, a sua simpatia pelos brasileiros na pessoa do seu Vice Presidente da República.

Como sabem VV. Excias., Srs. Senadores, sou um modesto representante, na política a na administração de meu país, de novas tendências de ação e de idéias. Por isso mesmo, trago comigo uma nova mensagem que, confirmando a nossa tradição secular de amisade, une mais ainda—consciente e deliberadamente—brasileiros e americanos de hoje, não só para as tarefas presentes, como naquelas que o futuro vier a reservar aos nossos povos e governos.

Sr. President, Srs. Senadores:

Fomos sempre unidos pela geografia, pela história, pela formação política, pela convivência panamericana e até mesmo pelos sentimentos. Fomo amigos na paz e irmãos na guerra. A ordem antiga nos somou na unidade continental: a nova ordem nos terá de multiplicar na comunhão mundial.

Mas os laços que nos unem não serão ùnicamente os da herança—terão de ser também os da consciência, pois uma missão comum nos chama e nos espera. Dada a organização politica dêste grande país, de que a nossa é igual, o êxito da liderança que exercem os Estados Unidos reside em grande parte na sabedoria e na visão de VV. Excias., Srs. Senadores. É o Senado, em nossas instituições, a agente maior e responsável do povo e ante o povo, da política exterior dos governos. E é porisso que reconyecemos e proclamamos—nós, os brasileiros—que esta tem sido uma Casa a serviço da confraternioaçao internacional. Aqui, grandesie generosas iséias, custosas iniciativas, sacrifícios incontáveis da economia e da vida do povo americano, foram deliberados e adotados por VV. Excias., visando ao bem estar, à dignidade e à independência dos demais povos. Essas atitudes do Senado Americano e essas iniciativas do Govêrno desta Nação tiveram sempre profunda repercussão e acolhida na opinião pública do Brasil—e são olhadas com sincera esperanca pelas novas geraçoes marcadas pela inquietacão contemporânea, eminentemente nacionalista e social.

Srs. Senadores:

O meu país ingressou num período fecundo de renovação política, econômica e social, inaugurado pelo grande e inesquecível Presidente Getúlio Vargas. Nos últimos trinta anos uma substancial modificação de estrutura se vem processando na sciedade brasileira, que deixou de ser formada por uma pequena classe proprietária e dirigente e por uma populacão politicamente passiva e econômicamente dependente. Somos hoje um povo onde o operariado dos campos e das cidades, juntamente com as classes médias, toma ciência dos problemas coletivos, defende os seus direitos dentro da lei e do respeito à liberdade—e assim participa ativamente da vida política e econômica do país, apresentando suas reivindicações com a consciência cada vez mais clara dos interêsses comuns.

Não é difícil aos Nobres Senadores avaliar o quanto de dificuldade temas à nossa frente. O problema comunista, por exemplo, que para os Estados Unidos constitui sobretudo uma ameaça externa—a ser constantemente afastada pela ação conjunta de sua diplomacia e de sua organização de defesa civil e militar—para os países latino-americanos, como o Brasil, afigura-se mais de ordem interna, já que deita suas raízes nas afições popularies a se fortalece à custa das desigualdades sociais.

Entendo que o modo específico e mais eficás de enfrentarmos o problema, no campo da política externa, está em unirmo-nos sinceramente às nações democráticas amantes da paz. Ao mesmo tempo, no campo interno, lutarmos pelo desenvolvimento econômico intensivo do nosso país, acelerando o crescimento da renda nacional e praticando uma política de amplas oportunidades para todos e de salários dignos, que nos permita inclusive colher os frutos da extraordinária experiência dos Estados Unidos na fase de sua industrialização.

Tenho lutado sempre, ao lado do meu Partido—o Partido Trabalhista Brasileiro—como lutei ao lado do seu grande Chefe e fundador—contra as formas de dominação econômica que criam obstáculos ao desenvolvimento e fortalecimento geral de nossa Pátria. Essa luta é a mesma que tantas vezes tem sido conduzida, dentro dos Estados Unidos, pelas suas duas Casas do Congresso e pelos grandes Presidentes que lhe têm liderado os destinos.

Nesta oportunidade, Sr. Presidente e dignos Senadores, entre aqueles grande homens, seja-me dada a honra de saudar, em nome do Govêrno e do povo brasileiro, resumindo na sua figura tantos outros que desejaria evocar, o extraordinário Chefe republicano General Eisenhower, a quem o mundo livre está ligado por imorredoura dívida de gratidão. E ao fazê-lo, quero também reverenciar a memória do inesquecível Chefe democrata Franklin Roosevelt, com quem o povo e o Govêrno do meu país tão estreitamente colaboraram nos anos decisivos da luta contra as potências totalitárias.

O povo brasileiro acha-se ligado ao povo norte-americano por uma indestrutível afinidade de princípios e de ideais politicos. A nossa história, desde as lutas da independência, sofreu a salutar influência das idéias e das atitudes dos grandes homens que fundaram a soberania e a grandeza dos EE.UU. E ainda hoje, num munda dividido entre tendência totalitária e tendências democráticas, é nesse último campo que se inscrevem os brasileiros de tôdas as classes e partidos, irmanados pelo anseio de preservação das liberdades públicas.

Sr. Presidente, Srs. Senadores:

Para um homen simples como eu, constitui uma grande honra estar nesta Casa—um dos mais augustos recintos da vida política do Ocidente—hóspede da vossa hospitalidade e da generosa acolhida do meu ilustre e presado colega, o Vice Presidente RICHARD NIXON. Trago a VV.Excias., Srs. Senadores, as efusivas saudações do Presidente de meu país, o eminente Sr. Juscelino Kubitschek de Oliveira, a quem ainda recentemente o povo e o govêrno desta grande Nação tributaram o mais caloroso acolhimento, numa reafirmação da tradicional amizade que une americanos e brasileiros. Trago, também, a mensagem fraternal de um povo bravo e bom, que na luta inclemente dos trópicos constrói com sacrifício uma civilização cristã e democrática.

Agradecendo a VV.Excias., Sr. Presidente e Srs. Senadores, do fundo do coração, em nome de todos os brasileiros, formulo os meus mais sinceros votos pela felicidade do povo norte-americano e pela grandeza dos EE.UU. da América.

The address delivered by the Vice President of Brazil was interpreted by Mr. A. José de Seabra, of the State Department, as follows:

Mr. Vice President and honorable Members of the Senate of the United States of America:

I feel deeply moved, as I express my thanks for the welcome being given me by the Senate of the United States. I extend those thanks both to the people and to the Government of the United States for the significant manner in which they are showing to the Vice President of the Republic of Brazil their friendliness toward the Brazilian people.

As you know, honorable Members of the Senate, I represent, though in a modest way, in the administration and the political life of my country, the new trends and tendencies in actions and ideas. For that very reason, I bring with me a new message, a message which, confirming our great tradition of friendship, will unite in a more conscious and a more deliberate way Brazilians and Americans of today, not only to undertake the tasks of the present, but any other tasks, as well, as the future may hold them in store for our peoples and our Governments. [Applause.]

Mr. President of the Senate and honorable Senators, our countries have always been united because of geography. We have been united in the pages of our history, in our political traditions, in the pan-American ideal which we share; and we have always been united by our common feelings.

We have been brothers in peace, and we have been brothers on the battlefield. The ancient order has joined us in a continental unity. The new order will make us ever greater and more significant in the world community. But the ties which bind our countries are not merely those of historical heritage. We must also be united by the bonds of our conscience, because we are answering a common call.

Considering the political organization which is typical of your great country, to which our own political organization is similar, the degree of success which the United States has achieved and the leadership which it wields in the world today are a direct consequence, to a very great extent, of the wisdom and the foresightedness of the Members of the Senate.

In our Government, it is the Senate which bears the greatest share of responsibility on behalf of the people and before the people in achieving the foreign policy of our Government. For that reason, we Brazilians recognized with admiration the guidance which this very Senate, where I am today, has always given on behalf of international brotherhood and understanding. Here great and generous ideas, noble undertakings, numberless sacrifices, which created hard tasks for the economy and the lives of the American people, were deliberated and adopted by Senators, always keeping in mind the lofty ideals of the well-being, dignity, and independence of the other countries. Those tasks carried out by the American Senate, and those initiatives taken by the Government of this Nation, have always had great repercussion in and have always been favorably welcomed by the public opinion of Brazil, and they are being considered and looked up to with sincere hope by the new generations in the world of today, generations which are restless and imbued of a deep sense of social welfare.

Honorable Senators, my country has just entered upon a fruitful era of political renovation, and also of renovation in certain economic fields, which had been started by the great and unforgettable President Getulio Vargas. In the last 30 years, Brazilian society has experienced deep changes in its structure. This society of Brazil is no longer formed, on the one hand, by a small class of wealthy owners and leaders, and, on the other hand, by a large population which is, from the economic standpoint, politically passive, indifferent, and dependent. Honorable Members of the Senate, today we are a nation where the workers of the fields and the cities, together with the great middle class, are fully aware of the collective problems and are defending their rights within the limits of the law and the respect for liberty, and thus are taking an active part in the political and economic life of the country. They are presenting their claims and their aspirations with an ever greater realization of the common interests.

Of course, it is not difficult for you gentlemen to realize the great number of difficulties which lie on our path. Let us take, for example, the problem of communism. For the United States it is mostly an external effort, which can be and is being kept away from the shores of this country by the joint action of our diplomacy and the organization of our military and civil defense; whereas for the Latin-American countries, such as Brazil, it is chiefly a domestic problem, because it has roots in the hardships which beset large segments of the population, and which draws much of its strength from certain unavoidable social inequalities.

I understand that the most specific and efficient way of opposing that problem and fighting it in the realm of foreign policy is to become sincerely united together with the democratic, peace-loving nations. At the same time, in the realm of domestic policies, we must fight and struggle for an intensive economic development of our country, trying to build up, as fast as possible, national income, and carrying out policies which will give ample opportunities to all, and which will give decent wages, so we shall be in a position to harvest the rich fruits of the great experience gathered by the United States during its ever-growing industrialization.

I personally have always been a fighter within our party, as I had always been fighting right next to its great leader, the Federation of the Brazilian Workers Party, against all forms of economic domination, which can only create obstacles to the development and the general strengthening of our country.

That struggle is the same struggle that has always been carried in the United States within both Houses of Congress, and which has been led and inspired by the great Presidents who have been entrusted with the defense of this Nation.

At this time, Mr. President and honorable Senators, I would like to salute among those great leaders of the United States—and I would like to salute him on behalf of the Government and the people of Brazil—the great Republican chief, General Eisenhower, who embodies in his person all those whom I also want to salute at this time—a man to whom the free world owes a great, imperishable debt of gratitude. [Applause.] And in doing so I also want to pay reverent tribute to the not forgotten Democratic chief, Franklin Roosevelt [applause], with whom both the people and the government of my country worked in such close association in those decisive years of the struggle against the totalitarian powers.

The Brazilian people are bound to the American people by very strong affinities in the principles of political ideas. Our history, from the very beginning of our struggle for independence, was along the lines of the constructive influence of the ideas and attitudes of the great men who founded the sovereignty and the dignity of the United States.

And even today, in a world that is divided between totalitarian and democratic tendencies, of course we are in the camp of the democracies. All Brazilians of all classes and all parties are joined by the hope of preserving and strengthening civic liberties.

Mr. President and honorable Senators, for a humble man like myself, it is indeed a very great honor to be here on the floor of this House, one of the most important and revered forums of political life in the western world, and to be here enjoying your hospitality and the most generous welcome which was given to me today by my very distinguished and esteemed colleague, the

Vice President of the United States, RICHARD NIXON.

I bring to you honorable Senators the most cordial salutations from President Juscelinko Kubitschek, to whom very recently the people and the Government of this great Nation rendered a most enthusiastic and warm tribute, reaffirming once more the traditional ties of friendship which unite Americans and Brazilians.

I also bring to you a fraternal greeting from a noble and good people, a people who, under the hardships of the tropics, and at the cost of great sacrifices, are waging a struggle to build a democratic and a Christian civilization.

Thanking you gentlemen, and you, Mr. Vice President, from the very bottom of my heart, on behalf of all Brazilians, I bring you my most sincere wishes for the happiness and prosperity of the people of the United States and its everlasting greatness.

[Applause, Senators rising.]

The VICE PRESIDENT. Mr. Vice President, I know I speak for all the Members of this body and our guests in the gallery when I say we are deeply appreciative of your very eloquent words, setting forth the traditional bonds of friendship between the largest and most populous country in North America and the largest and most populous country in South America, the United States of Brazil.

We know that this is your first visit to our country. We are happy that not only are you to see our Nation's Capital, as you are doing today, but that you will visit other parts of our country, as well. We wish to have an opportunity to know you better, as we have begun to do today, as a result of hearing your words and the expression of some of your philosophy; and we also want you to know our country and our people better than you do at this time.

Consequently, as you travel throughout our Nation, I am sure you will receive a warm greeting and hospitality everywhere you go; and I know that at this time you will welcome the opportunity to meet each Member of this body, all of whom represent States of the Union, some of which you will visit and some of which you will not have an opportunity to visit. All Members of the Senate will be most happy to meet you personally and to extend their best wishes to you and to the people of your great country.

The President pro tempore and the minority leader of the Senate will now escort you to the floor of the Senate, where all Members of the Senate will be pleased to greet you personally.

Thank you very much.

The Vice President of Brazil, escorted by Senator GEORGE and Senator KNOWLAND, proceeded to the floor of the Senate, and was greeted by the Members of the Senate.

Following the informal reception, the Vice President of Brazil and the distinguished visitors accompanying him were escorted from the Chamber.

At 3 o'clock and 19 minutes p. m., the Senate reassembled, when called to order by the Presiding Officer (Mr. GORE in the chair).

THE CONTROL OF THE ILLICIT DRUG TRAFFIC

Mr. DANIEL. Mr. President, by Senate Resolution 67, adopted March 18, 1955, the Senate authorized the first nationwide investigation of the illicit narcotics traffic, including foreign sources, narcotic smuggling operations, drug addiction, treatment of drug addicts, and related matters.

The aim of the inquiry was to find "ways and means of improving the Federal Criminal Code and other laws and enforcement procedures dealing with the possession, sale, and transportation of narcotics, marihuana, and similar drugs."

The task was assigned by the chairman of the Senate Judiciary Committee, the late Senator from West Virginia (Mr. Kilgore), to the Subcommittee on Improvements in the Federal Criminal Code, of which the junior Senator from Texas has had the honor to serve as chairman. Other members of the subcommittee are the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. WELKER], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Maryland [Mr. BUTLER].

Mr. President, since its initial organization meeting on May 27, 1955, the subcommittee has conducted 37 days of open hearings in Washington, Philadelphia, New York, Austin, Fort Worth, Dallas, Los Angeles, San Francisco, Chicago, Detroit, and Cleveland. Special hearings, lasting 3 full days, were held in New York, devoted exclusively to the causes, treatment, and rehabilitation of drug addicts. In addition, the subcommittee examined the Mexican border situation in hearings held in San Antonio and Houston.

The subcommittee has heard 345 witnesses, including Federal, State, and local officials, and many addicts, smugglers, and other narcotic violators, for a total of 8,667 pages of testimony.

In addition, evidence and innumerable practical recommendations have been obtained through a series of questionnaires mailed to 52 attorneys general of the States and possessions; 94 United States attorneys; 1,120 county sheriffs; and 1,336 chiefs of police in cities and towns over 10,000 population.

Based on the authoritative testimony we heard, and on all the evidence before us, the subcommittee has drafted legislation which it is my privilege to introduce at this time on behalf of myself and the other members of the subcommittee named and the Senator from Maine [Mr. PAYNE]. We are convinced that the proposals included in our bill—which was prepared with the active counsel and assistance of Federal departments and agencies—will be the greatest assault on traffickers in illicit drugs since the passage of the Harrison Anti-Narcotic Act in 1914.

The subcommittee's proposed legislation—cited as the "Narcotic Control Act of 1956"—provides for the establishment of an entirely new chapter in title 18 of the Federal Criminal Code. This chapter—chapter 68, entitled "Narcotics"—includes substantial new controls and penalties for persons who deal in the illicit narcotics traffic. Briefly, some of the more significant provisions of this bill are as follows:

Heroin would be outlawed completely in the United States. Our subcommittee has found that heroin is the most deadly of all narcotic drugs and that it is used by 80 percent of all drug addicts in the United States. Moreover, we have found that it has no medical use which cannot be served better by other drugs. Our bill provides, therefore, that heroin now lawfully held must be surrendered to the Federal Government and the owners fairly and justly compensated. If it is not surrendered, the heroin is to be declared contraband and seized and forfeited to the United States.

Penalties for the smuggling and sale of heroin would be increased. A first offender, convicted of smuggling heroin into the United States or convicted of selling heroin smuggled into the United States, would receive from 5 to 10 years imprisonment; a second offender from 10 to 30 years; and a third offense would be punishable by life imprisonment or death upon the recommendation of the jury.

The subcommittee found that heroin purchased abroad for $3,000 will bring $300,000 when finlly cut, packaged, and sold in the United States. Our hearings brought out the fact that with the prospect of such enormous profits, criminals are exploiting every weakness in our national and international control systems and the only thing they respect is high, mandatory penalties for narcotic law violations.

A special penalty is provided for the sale of heroin to juveniles. Our subcommittee came to the unanimous conclusion that extraordinarily severe sentences were justified after hearing direct testimony of juvenile addiction to heroin, and after testimony by Sheriff Owen W. Kilday, of Bexar County, Tex., disclosed that a drug peddler in San Antonio had systematically enticed 40 to 50 boys and girls of high-school age to begin using heroin. The bill we are introducing, therefore, calls for a $10,000 fine and a minimum sentence of 10 years' imprisonment and a maximum death penalty upon the recommendation of the jury in specially aggravated cases, for any person who sells or gives heroin to any person under 18 years of age.

Smuggling of marihuana into the United States would be punishable as a distinct offense, carrying a minimum penalty for the first offense of 5 to 10 years' imprisonment as compared with the present penalty under the general smuggling statute of 1 day to 5 years. The members of our subcommittee were considerably disturbed to learn that narcotic traffickers could smuggle marihuana into the United States and, if caught in the act, be charged under the provisions of the general smuggling statute which provides for totally unrealistic penalties in view of the seriousness of the crime. This particular weakness in the law fails to discourage a thriving marihuana smuggling racket along the Mexican-American border.

Authority for Federal law-enforcement officers to intercept telephone calls between narcotic traffickers, providing that prior permission is obtained from a Federal court. Senators will recall that the subcommittee reported in January that "the big-time traffickers in illicit narcotics are seldom caught and convicted, because their operations are almost wholly limited to the telephone. Federal agents are not permitted to intercept their communications or to use such evidence in court. As a consequence, the United States Government is unwittingly giving narcotics violators, especially the large racketeers and wholesalers, a great advantage over Federal law-enforcement officers in their effort to stamp out the illicit narcotics traffic." The authority which our bill would grant is strictly controlled by administrative and judicial safeguards, including a sealed court order to insure its limited and proper use.

Additional authority for the Bureau of Narcotics and the Bureau of Customs, including the right to carry firearms, execute and serve search and arrest warrants, and make arrests without warrant for violations committed in their presence. The purpose is to give these law-enforcement officers status comparable to that now held by agents of the Federal Bureau of Investigation and other Federal enforcement officers.

Along the same line, our bill would speed and effectuate the issuance of search warrants in narcotics cases. As Senators know, under present rules, a Federal law-enforcement officer cannot obtain a night search warrant unless he can swear to an affidavit that he is positive that narcotic drugs are in the place to be searched. It is obvious that with 9 out of 10 narcotic violations occurring after dark, this rules, as it applies to narcotic cases, is totally unrealistic and gives the drug peddler a distinct advantage over the officers in their efforts to apprehend him.

The bill would give the Government the right to appeal from lower-court orders suppressing evidence in narcotic cases. The subcommittee found, during its investigation, that the liberal grant of motions to suppress the evidence has lost the Government many good cases against flagrant narcotic violators. The Government now has no right of appeal if it believes the suppression of evidence was in error.

Drug addicts and narcotic-law violators would be prohibited from crossing the borders of the United States without obtaining special permits at border customs stations upon leaving the country, and surrendering the permits upon reentry. This would give legal effect to the records now being kept at some customs stations, and the subcommittee strongly believes that such registration would stop much of the overland smuggling of heroin and marihuana by known drug addicts who are now crossing the borders in great numbers.

Mr. President, other provisions in our bill include an amendment to the Immigration and Nationality Act to make the illegal possession of narcotic drugs, as well as the conspiracy to violate any narcotic law, additional grounds for excluding or deporting alien narcotic offenders from this country.

The bill provides for the establishment of a central unit in the Federal Bureau of Narcotics to gather and maintain records on all narcotic addicts and violators. Such information would be made available to Federal, State and local law enforcement agencies engaged in efforts to stamp out illicit narcotics trafficking. Moreover, the Bureau of Narcotics would be authorized to set up special training programs as needed throughout the country to train State and local law enforcement officers in narcotics investigation and control.

Finally, the subcommitee's bill would correct and improve present laws with respect to venue in marihuana cases.

Mr. President, it is high time that the Congress and the country declared the type of open warfare on the illicit narcotics traffic that will stop the destruction of lives and commission of crimes now attributable directly to this cancerous menace within our country. Our new proposals are designed to accomplish this result.

As I have previously stated, this legislation is the result of hearings on the entire narcotics problem. It is based on recommendations developed from departments and agencies of the Federal Government and from law enforcement officials throughout the Nation. For this reason, certainly we have every reason to expect early action on the bill in the Committee on the Judiciary and, when it is reported, early action in the Senate.

Moreover, the Senate subcommittee has worked closely with the House Ways and Means Committee which has conducted a similar investigation under the able chairmanship of Congressman HALE BOGGS, of Louisiana. It is anticipated that as a result of its own extensive investigation, the Boggs committee will introduce similar legislation in the House. With both Senate and House committees working together on this problem, there is every reason to expect action at this session which will assist our law enforcement officers in the detection and punishment of narcotics offenders.

I ask unanimous consent that the text of the bill may be printed in the RECORD at this point, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, introduced by Mr. DANIEL (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Narcotic Control Act of 1956."

TITLE I

SEC. 101. Part I of title 18 of the United States Code is amended by inserting after chapter 67 the following new chapter:

"CHAPTER 68—NARCOTICS

"Sec.
"1401. Definitions.
"1402. Heroin—penalties.
"1403. Sale of heroin to juveniles—penalties.
"1404. Smuggling of marihuana—penalties.
"1405. Second or subsequent offenses—procedure.

"CHAPTER 68—NARCOTICS—Continued

"Sec.
"1406. Surrender of heroin—procedure.
"1407. Telephonic interception, evidence.
"1408. Additional authority for the Bureau of Narcotics and Bureau of Customs.
"1409. Motion to suppress—appeal by the United States.
"1410. Issuance of search warrants—procedure.
"1411. Border crossings—narcotic addicts and violators.

"§ 1401. Definitions

"As used in this chapter—

"The term 'heroin' shall mean any substance identified chemically as diacetylmorphine or any salt thereof.

"The term 'marihuana' shall have the meaning given such term in section 4761 of the Internal Revenue Code of 1954.

"The term 'United States' shall include the District of Columbia, the Territory of Alaska, the Territory of Hawaii, the insular possessions of the United States, the Trust Territory of the Pacific, and the Canal Zone.

"The term 'person' shall include any partnership, association, company, corporation, or one or more individuals.

"§ 1402. Heroin—penalties

"Notwithstanding any other provision of law, whoever knowingly imports or otherwise brings any heroin into the United States, or causes any such heroin to be imported or otherwise brought into the United States, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of any such heroin after being imported or brought in, knowing the same to have been imported or brought in contrary to law, or conspires to commit any such act or acts shall, except as provided in section 1403 of this chapter, be fined not more than $3,000 and imprisoned not less than 5 nor more than 10 years. For a second offense, the offender shall be fined not more than $5,000 and imprisoned not less than 10 nor more than 30 years. For a third or subsequent offense the offender shall be fined not more than $10,000 and imprisoned for life, except that the offender shall suffer death if the jury in its discretion shall so direct.

"Whenever on trial for a violation of this section, the defendant is shown to have or to have had the heroin in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"§ 1403. Sale of heroin to juveniles—penalties

"Notwithstanding any other provision of law, whoever knowingly sells, gives away, furnishes, or dispenses, facilitates the sale, giving, furnishing, or dispensing, or conspires to sell, give away, furnish, or dispense any heroin unlawfully imported or otherwise brought into the United States, to any person who has not attained the age of 18 years, shall be fined not more than $10,000 and imprisoned for life, or for not less than 10 years, except that the offender shall suffer death if the jury in its discretion shall so direct.

"Whenever on trial for a violation of this section, the defendant is shown to have had heroin in his possession, such possession shall be sufficient proof that the heroin was unlawfully imported or otherwise brought into the United States unless the defendant explains his possession to the satisfaction of the jury.

"§ 1404. Smuggling of marihuana—penalties

"Notwithstanding any other provision of law, whoever, knowingly, with intent to defraud the United States, imports or brings into the United States any marihuana contrary to law, or smuggles or clandestinely introduces into the United States any marihuana which should have been invoiced, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of such marihuana after importation, knowing the same to have been imported or brought into the United States contrary to law, or whoever conspires to do any of the foregoing acts, shall be fined not more than $3,000 and imprisoned not less than 5 nor more than 10 years. For a second offense, the offender shall be fined not more than $5,000 and imprisoned not less than 10 nor more than 20 years. For a third or subsequent offense the offender shall be fined not more than $10,000 and imprisoned for life.

"Whenever on trial for a violation of this section, the defendant is shown to have or to have had the marihuana in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"§ 1405. Second or subsequent offenders—procedure

"(a) Upon conviction of any of the offenses defined in section 1402 or 1403 hereof, or upon a second or subsequent conviction of the offense defined in section 1404 hereof, execution of sentence shall not be suspended, and the provisions of section 4202 of title 18 of the United States Code shall not apply, and in the District of Columbia the provisions of the Act of July 15, 1932 (47 Stat. 697, D. C. Code 24–201 and the following), as amended, shall not apply.

"(b) For the purpose of this chapter, an offense shall be considered a second or subsequent offense, as the case may be, if the offender previously has been convicted of any of the offenses defined in section 1402, 1403, or 1404 hereof, or if he has been convicted of any other Federal offense involving the unlaw importation, transportation, purchase, dispensing, distributing, sale, or concealment of heroin or marihuana or of conspiracy to commit any such act or acts. After conviction, but prior to pronouncement of sentence, the court shall be advised by the United States attorney whether the offense is a first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth any prior convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies such identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in this chapter.

"§ 1406. Surrender of heroin—procedure

"(a) Any heroin lawfully possessed prior to the effective date of this act shall be surrendered to the Secretary of the Treasury, or his designated representative, within 120 days after the effective date of the act, and each person making such surrender shall be fairly and justly compensated therefor. The Secretary of the Treasury, or his designated representative, shall formulate regulations for such procedure. All quantities of heroin not surrendered in accordance with this section and the regulations promulgated thereunder by the Secretary of the Treasury, or his designated representative, shall by him be declared contraband, seized, and forfeited to the United States without compensation. All quantities of heroin received pursuant to the provisions of this section, or otherwise, shall be disposed of in the manner provided in section 4733 of the Internal Revenue Code of 1954, except that no heroin shall be distributed or used for other than scientific research purposes approved by the Secretary of the Treasury, or his designated representative.

"(b) Any heroin or marihuana introduced into the United States in violation of section 1402, 1403, or 1404 hereof shall be summarily forfeited to the United States without the necessity of instituting forfeiture proceedings of any character. All quantities of heroin so forfeited shall be disposed of in the same manner as provided in subsection (a) hereof, and all quantities of marihuana so forfeited shall be disposed of in accordance with the provisions of section 4745 of the Internal Revenue Code of 1954.

"§ 1407. Telephonic interception, evidence

"Notwithstanding any other provision of law, information obtained by any Federal law enforcement officer or agent, authorized individually or by regulation by the Secretary of the Treasury, as a result of the interception of any telephonic communication in the course of any investigation to detect or prevent a violation of section 1402, 1403, or 1404 hereof, or section 2 of the Narcotic Drugs Import and Export Act, or a violation of the Internal Revenue Code of 1954 the penalty for which is provided in section 7237 (a) of such code, as amended, shall be deemed admissible in evidence in any criminal proceedings involving any such sections: *Provided*, That prior to such interception (1) such officer or agent shall make application to the United States attorney or his designated assistant in the district where the contemplated interception is to be made, for approval of such interception, such application to be supported by affidavit showing sufficient facts to warrant reasonable belief that the contemplated telephonic interception is necessary to obtain evidence relating to the violation of any such sections, and (2) upon such approval, such application and affidavit accompanied by a petition alleging that there exists reasonable grounds to believe that the contemplated interception is necessary in the public interest to gather information of a violation of any such sections, shall be brought to the attention of a judge of the courts of the United States within his territorial jurisdiction by the said United States attorney or his designated assistant. Said judge shall consider such petition and issue an order authorizing such interception to be made if satisfied that reasonable grounds do exist. Said order shall specify therein the particular telephone number or numbers to be intercepted if known, the name of the subscriber or subscribers if known; and the address, or the addresses of the premises from which any telephonic communication to be intercepted shall either emanate or be received.

"Any order authorized pursuant to the provisions of this section shall be effective for 90 days from the date of issuance unless renewed for an additional period of 90 days, after a determination that reasonable grounds for continued interception have been shown.

"Within 5 days of the date set for the trial of a defendant charged with a violation of any of the above enumerated acts, the Federal law-enforcement officer or agent to whom an order has been granted to gather information of such violation in accordance with the provisions of this section shall file with the court a verified report listing the number of interceptions made and the dates thereof.

"The judge issuing an order pursuant to the provisions of this section shall direct that it, and all papers and documents pertinent thereto, be sealed and impounded by the clerk of the court in a suitable place, and its contents disclosed by no person until such time as the Federal law enforcement officer or agent shall file his report as required by this section, or unless pursuant to a direct order of the court.

"Any Federal law enforcement officer or agent who intercepts and divulges any telephonic communication in any manner not in accordance with the provisions of this section shall be liable under any existing Federal statute prohibiting the interception and divulging of any such communication, and nothing contained in this section shall be construed to give authorization to any person to intercept and divulge any such communication contrary to existing law for any purpose other than the purpose of detecting or preventing a violation of sections 1402, 1403, or 1404 hereof or section 2 of the Narcotic Drugs Export and Import Act or a violation of any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such code, as amended.

"§ 1408. Additional authority for the Bureau of Narcotics and Bureau of Customs

"The Commissioner, Deputy Commissioner, Assistant to the Commissioner, and agents of the Bureau of Narcotics and Bureau of Customs may carry firearms, execute and serve search warrants and arrest warrants at any time of the day or night, serve subpenas and summonses issued under the authority of the United States, and make arrests without warrant for violations of any law of the United States relating to narcotic drugs (as defined in the first section of the Narcotic Drugs Import and Export Act (21 U. S. C. 171)) or marihuana (as defined in section 4761 of the Internal Revenue Code of 1954) where the violation is committed in the presence of the person making the arrest or where such person has reasonable grounds to believe that the person to be arrested has committed or is committing such violation.

"§ 1409. Motion to suppress—appeal by the United States

"In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion to suppress evidence or return seized property made prior to the trial of a person charged with a violation of sections 1402, 1403, or 1404 hereof or section 2 of the Narcotic Drugs Import and Export Act, or of any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such Code, as amended: *Provided*, That the United States attorney shall certify to the judge granting such motion that the appeal is not taken for purposes of delay and that the prosecution is unable to go forward without the evidence suppressed. Any such appeal shall be taken within 30 days after the decision or order has been entered and shall be diligently prosecuted.

"§ 1410. Issuance of search warrants, procedure

"Notwithstanding the provisions of rule 41 (c) of the Federal Rules of Criminal Procedure, in any case involving a violation of sections 1402, 1403, or 1404 hereof, or section 2 of the Narcotic Drugs Import and Export Act, or any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such code, as amended, (1) a search warrant may be served at any time of the day or night if the judge or the commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist; and (2) a search warrant may be directed to any officer of the Metropolitan Police of the District of Columbia authorized to enforce or assist in enforcing a violation of any of such sections.

"§ 1411. Border crossings—narcotic addicts and violators

"(a) In order further to give effect to the obligations of the United States pursuant to the Hague convention of 1912, proclaimed as a treaty on March 3, 1915 (38 Stat. 1912), and the limitation convention of 1931, proclaimed as a treaty on July 10, 1933 (48 Stat. 1571), and in order to facilitate more effective control of the international traffic in narcotic drugs, and to prevent the spread of drug addiction, no citizen of the United

States who is addicted to or uses narcotic drugs, as defined in section 4731 of the Internal Revenue Code of 1954, as amended (except a person using such narcotic drugs as a result of sickness or accident or injury and to whom such narcotic drug is being furnished, prescribed, or administered in good faith by a duly licensed physician in attendance upon such person, in the course of his professional practice) or who has been convicted of a violation of any of the narcotic or marihuana laws of the United States, or of any State thereof, the penalty for which is imprisonment for more than 1 year, shall depart from or enter into or attempt to depart from or enter into the United States, unless such person registers, under such rules and regulations as may be prescribed by the Secretary of the Treasury, with a customs official, agent, or employee at a point of entry or a border customs station. Unless otherwise prohibited by law or Federal regulation such customs official, agent, or employee shall issue a certificate to any such person departing from the United States; and such person shall, upon returning to the United States, surrender such certificate to the customs official, agent, or employee present at the port of entry or border customs station.

"(b) Whoever violates any of the provisions of this section shall be punished for each such violation by a fine of not more than $1,000 or imprisonment for not less than 1 nor more than 3 years, or both."

"Sec. 102. The analysis of part 1 of title 18 of the United States Code, immediately preceding chapter 1 of such title, is amended by adding "68. Narcotics" after "67. Military and Navy."

TITLE II

Sec. 201. (a) Section 212 (a) (23) of the Immigration and Nationality Act is amended to read as follows:

"(23) Any alien who has been convicted of a violation of, or a conspiracy to violate any law or regulation relating to the illicit possession of, or traffic in narcotic drugs, or who has been convicted of a violation of, or a conspiracy to violate any law or regulation governing or controlling the taxing, manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, or any salt derivative or preparation of opium or coca leaves, or isonipecaine or any addiction-forming or addiction-sustaining opiate; or any alien who the consular officer or immigration officers know or have reason to believe is or has been an illicit trafficker in any of the aforementioned drugs;".

(b) Section 241 (a) (11) of such act is amended to read as follows:

"(11) is, or hereafter at any time after entry has been, a narcotic drug addict, or who at any time has been convicted of a violation of, or a conspiracy to violate any law or regulation relating to the illicit possesssion of or traffic in narcotic drugs, or who has been convicted of a violation of, or a conspiracy to violate any law or regulation governing or controlling the taxing, manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, any salt derivative or preparation of opium or coca leaves or isonipecaine or any addiction-forming or addiction-sustaining opiate;".

(c) Section 241 (b) of such act is amended by adding at the end thereof the following additional new sentence: "The provisions of this subsection shall not apply in the case of any alien who is charged with being deportable from the United States under section 241 (a) (11) of this act."

Sec. 202. Section 8 of the act entitled "An act to create in the Treasury Department the Bureau of Narcotics, and for other purposes", approved June 14, 1930 (46 Stat. 587), as amended, is amended to read as follows:

"Sec. 8. (a) The Secretary of the Treasury shall cooperate with the several States in the suppression of the abuse of narcotic drugs in their respective jurisdictions, and to that end he is authorized (1) to cooperate in the drafting of such legislation as may be needed, if any, to effect the end named, (2) to arrange for the exchange of information concerning the use and abuse of narcotic drugs in said States and for cooperation in the institution and prosecution of cases in the courts of the United States and before the licensing board and courts of the several States, (3) to conduct narcotic training programs, as an integral part of narcotic law enforcement for the training of such local and State narcotic enforcement personnel as may be arranged with the respective local and State agencies, and (4) to maintain in the Bureau of Narcotics a 'Division of Statistics and Records' to accept, catalog, file, and otherwise utilize narcotic information and statistics, including complete records on drug addicts and other narcotic law offenders which may be received from Federal, State, and local agencies, and make such information available for Federal, State, and local law-enforcement purposes. Any law to the contrary notwithstanding, Federal agencies of the United States shall make available to the Bureau of Narcotics the names, identification, and any other pertinent information which may be specified by the Secretary of the Treasury, or his designated representative, of all persons who are known by them to be drug addicts or convicted violators of any of the narcotic laws of the United States, or any State thereof. The Commissioner of Narcotics shall request and encourage all heads of State and local agencies to make such information available to the Bureau of Narcotics.

"(b) As used in this section, the term 'Federal agencies' shall include (1) the executive departments, (2) the Departments of the Army, Navy, and the Air Force, (3) the independent establishments and agencies in the executive branch, including corporations wholly owned by the United States, and (4) the municipal government of the District of Columbia.

"The Secretary of the Treasury is hereby authorized to make such regulations as may be necessary to carry this section into effect."

Sec. 203. Section 4744 (a) of the Internal Revenue Code of 1954 is amended to read as follows:

"(a) Persons in general: It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 4741 (a) to acquire or otherwise obtain any marihuana without having paid such tax, or to receive, conceal, buy, sell, or in any manner facilitate the transportation, concealment, or sale of any such marihuana, knowing the same to have been acquired contrary to law, or to conspire to commit any of such acts in violation of the laws of the United States; and proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the Secretary or his delegate, to produce the order form required by section 4742 to be retained by him shall be presumptive evidence of guilt under this section and of liability for the tax imposed by section 4741 (a)."

Sec. 204. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remaining provisions of this act, or the application of such provisions to other persons or circumstances, shall not be affected thereby.

Mr. DANIEL. Mr. President, in view of the fact that we have held extensive hearings over the entire United States, and have heard from all Government departments concerned and have heard from all the witnesses already enumerated, it is not contemplated that the subcommittee will have any extensive hearings before action by the full Senate Judiciary Committee. However, in order that anyone who cares to be heard further in reference to this bill, especially anyone who is in opposition, may have such an opportunity, the Subcommittee on Improvements in the Federal Criminal Code has set a hearing for 10 o'clock next Friday morning, at which time we will hear anyone who cares to be heard on this proposed legislation.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

AUTHORIZATION FOR SIGNING OF BILLS AND RESOLUTIONS AND FOR RECEIVING MESSAGES DURING RECESS

Mr. BIBLE. Mr. President, I ask unanimous consent that during the recess of the Senate following today's session, the Vice President or the President pro tempore be authorized to sign bills and resolutions passed by the two Houses which have been duly enrolled, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING RECESS

Mr. BIBLE. Mr. President, I ask unanimous consent that committees be permitted to file reports during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON RUBBER REQUIREMENTS AND RESOURCES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, relating to the Nation's rubber requirements and resources which, having been read in the House of Representatives, with the accompanying report, will be

referred to the Committee on Banking and Currency.

(For President's message, see House proceedings of today.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 30, 1956, he presented to the President of the United States the following enrolled bills:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

CONSIDERATION OF UNFINISHED BUSINESS ON THURSDAY—RECESS TO THURSDAY

Mr. BIBLE. Mr. President, as was stated earlier, at the conclusion of the call of the calendar, the pending business on Thursday next will be the District of Columbia transit bill. It is the hope of the leadership that an early disposition of this important measure may be possible. If successful in disposing of the transit bill on Thursday, it is the hope of the Senate leadership that the Senate will then go over until Monday next.

It is my present intention to make a motion to recess until next Thursday. It is certainly the hope of the majority leadership, and, I am sure, it is equally the hope of the minority leadership, that during the recess committees will report as many bills as may be possible so that the Senate can move steadily forward in this legislative year. I think it should be commented that many, many bills have been acted upon up to this time.

Mr. President, if no other Senator desires to address the Senate at this time, I move that the Senate stand in recess until next Thursday at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 50 minutes p. m.) the Senate took a recess until Thursday, May 3, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 30, 1956:

DEPARTMENT OF DEFENSE

Floyd Sherman Bryant, of California, to be an Assistant Secretary of Defense.

FEDERAL CIVIL DEFENSE ADMINISTRATION

Lewis E. Berry, Jr., of Michigan, to be Deputy Federal Civil Defense Administrator.

ARMY OF THE UNITED STATES

The following-named officer, under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. George Henry Decker, O15950, Army of the United States (major general, U. S. Army), to rank as general.

IN THE ARMY

Promotions, appointments by transfer, and appointments in the Regular Army of the United States:

The nominations of Kenneth M. Abagis and 4,888 other officers for promotion, transfer, or appointments in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on April 18, 1956, and may be found in a complete list, in the Senate Proceedings of the CONGRESSIONAL RECORD for that date, under the caption, "Nominations," beginning with the name of Kenneth M. Abagis, which is shown on page 6514, and ending with the name of James Zoubandis, which appears on page 6532.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 30, 1956

The House met at 12 o'clock noon.

The Reverend George Bean, chaplain, United States Military Academy, West Point, N. Y., offered the following prayer:

O God, give us strength to change what can be changed. Serenity to accept what cannot be changed and wisdom to know one from the other.

Make us instruments of Thy peace.
Where there is hatred, let us sow love.
Where there is injury, pardon.
Where there is discord, union.
Where there is despair, hope.
Where there is doubt, faith.
Where there is darkness, light.

O Divine Master, grant that we may not so much seek to be consoled, as to console; to be understood, as to understand; to be loved, as to love; for it is in giving, that we receive.

It is in pardoning, that we are pardoned.

It is in dying, that we are born to eternal life. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, April 27, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 23, 1956:

H. R. 8107. An act to amend the Armed Forces Reserve Act of 1952, as amended.

On April 27, 1956:

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 2793. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritselis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 6078. An act for the relief of Alison MacBride;

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested.

S. Con. Res. 72. Concurrent resolution favoring appropriate observance of National Hospital Week; and

S. Con. Res. 73. Concurrent resolution relative to the fight against mental illness and to observe National Health Week.

NARCOTICS

Mr. POFF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, I have today introduced a bill as a companion to S. 1043 previously introduced in the Senate. This bill would add a new chapter to the criminal section of the United States Code which would provide increased penalties for violations of the present narcotics laws, increase the authority and jurisdiction of enforcement officials and make certain other changes in the organic law.

Drug traffic in the United States has trebled since World War II and today exceeds $500 million a year. Addicts were in the ratio of 1 to 10,000 persons at the end of World War II. At the present time, the incidence is about 1 to every 3,000 persons, with an average of 2,000 persons arrested in the United States each month on narcotics charges. We have today about 60,000 narcotic addicts, 13 percent of whom are under the age of 21 years. The human misery of the individual addict is not the only tragedy reflected in these statistics. Indeed, the real national tragedy is the terrible impact of drug addiction upon the social, cultural, and economic fabric of the country. It has been estimated that at least 50 percent of the major crimes committed in America can be traced, either directly or indirectly, to narcotics traffic. Drug addiction has also been responsible in some measure for the growing incidence of divorce, child abandonment and other domestic difficulties.

Moreover, sworn testimony before congressional committees, setting forth names, dates, secret codes, methods of smuggling, and drug seizures chemically analyzed, prove beyond any doubt that Red China is producing and exporting opium and heroin as an established policy of its governing officials. This is further confirmed by reports of the United Nations Commission on Narcotic

Drugs. The United States is one of the principal targets of this vicious illicit traffic in drugs as the Peiping regime seeks, first, to obtain dollars to purchase strategic materials and to pay foreign operatives; and, second, to demoralize susceptible individuals in our military services and in the general population.

While the Federal Bureau of Narcotics has done and is doing a most commendable job with the tools available, the tools are too few and too dull. For instance, narcotics agents have no statutory authority to carry firearms, serve search warrants, or make arrests in certain circumstances. Present penalties for narcotics violations, which are only 5, 10, and 20 years, respectively, for first, second, and third offenses, are not commensurate with the gravity of the crimes and are insufficient deterrents to future violations. The purpose of a good criminal law is not only to punish but to discourage the commission of a crime.

To increase the number and to sharpen the tools available to our narcotics agents, my bill includes the following provisions:

First. Whoever participates in the importation or sale of a narcotic drug would be subject for the first offense to a fine of not more than $3,000 and a jail sentence of not less than 5 nor more than 10 years. For a second offense, the penalty would be a fine up to $5,000 and a jail sentence of 10 to 20 years. For a third offense, the penalty would be life in prison. For second and third offenders, the penalty would not be subject to suspension and the offender could not be considered for probation.

Second. Whoever sells a narcotic drug to a person under the age of 21 years would be subject to imprisonment for 20 years for the first offense. For a second offense, the penalty would be death unless the jury recommended clemency, in which case, the penalty would be life imprisonment not subject to probation.

Third. Officers and agents of the Bureau of Narcotics would be authorized to carry firearms, execute and serve search warrants and arrest warrants, serve Federal subpenas and summonses and make arrests without warrants when a drug law violation is committed in their presence or where there are reasonable grounds to believe that such a violation has been committed or is being committed.

If passed, this bill should put some teeth in our antidrug laws. It would enable the enforcement officers to apprehend criminals who are now beyond their reach. It would enable prosecutors to convict criminals who can now avoid punishment. It would make the punishment commensurate with the gravity of the crime committed. It would serve as a real deterrent to those contemptible human scavengers who feed on the flesh of human weakness and adolescent gullibility.

INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 477 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, the resolution provides for an open rule and 1 hour of general debate on the bill H. R. 7500.

This bill would create a Commission composed of 7 members—3 public members to be appointed by the President, 2 representatives of the State Department, and 2 representatives of the Department of Justice—to investigate and study existing international judicial procedure and make recommendations for the improvement of international legal practices and methods of procedure.

The bill also provides for the establishment of an Advisory Committee of 15 members to be drawn from lawyers, judges, and other persons whose backgrounds qualify them for Advisory Committee membership.

The 3 members appointed by the President shall receive $50 per diem when actually performing Commission duties. The governmental members will receive no compensation other than their salaries as regular members of Government departments. The members of the Advisory Committee will serve without compensation but shall receive travel and subsistence expenses.

Since 1945 there has been a large volume of litigation with international ramifications and it has been found that due to the conflict of laws in foreign countries many procedural problems arise. These have emphasized the need in the international field of the same study and codification as has been completed in recent years in Federal civil, criminal, and administrative law.

The enactment of this legislation has been recommended by the Secretary of State and the Attorney General, and the Bureau of the Budget has indicated no objection to its enactment.

I urge the adoption of House Resolution 477 so the House may proceed to the consideration of H. R. 7500.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, there is no opposition on this side to the rule.

Mr. THORNBERRY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to; and a motion to reconsider was laid on the table.

RUBBER REQUIREMENTS AND RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 391)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

Section 10 of the Rubber Producing Facilities Disposal Act of 1953 requires that "at the expiration of 1 year after the transfer period or as soon thereafter as the Congress is in session, the President shall report to the Congress concerning the Nation's rubber requirements and resources, and the need, if any, for further research by the Government relative to the production or use of synthetic rubber and its component materials."

DISPOSAL OF SYNTHETIC RUBBER PLANTS

A year has now elapsed since the transfer to private owners, April 29, 1955, of 24 of the 27 Government-owned synthetic rubber producing facilities. During this year two additional facilities have been disposed of, in accordance with amendments to the Disposal Act, and legislation has recently been enacted which authorizes sale of the only remaining Government plant, now under lease.

In my message to the Congress of April 14, 1953, recommending rubber producing facilities disposal legislation, I pointed out that such disposal must be consistent with three objectives:

> In the first place the Government should realize their full fair value; secondly, disposal should be effected in such a way as to insure to the consuming public, and to large and small rubber fabricators, the benefits of fair competition; and, finally, to insure against the hazards of unforeseeable contingencies, the facilities must be sold on such terms as will guarantee their ready availability for the production of synthetic rubber in time of emergency.

I am pleased to be able to report to the Congress that all three of the above objectives of the disposal program appear to have been achieved to a highly satisfactory degree.

As respects the first point, the synthetic rubber facilities were built during World War II at a cost of approximately $700 million. After plant operations over the years and disposal of some of the facilities in the 1946–50 period had recovered more than half of this investment, the recent disposal of 26 plants for $285 million has resulted in the recovery of the entire remaining investment, and, beyond this, yielded to the United States Treasury an additional $22,500,000. This does not include such additional returns as may come from the sale or lease of the alcohol butadiene plant at Louisville, and disposal of the Government laboratories at Akron. Plant disposal, signaling the end of Government production and marketing of synthetic rubber, has also freed approximately $162 million of working capital formerly committed to plant operations.

From the all-important security angle, not only have all sales been made with a national security clause which guarantees availability for rubber production in time of emergency, but the plants, in general, are now operating intensively and already have effected marked increases in capacity. Synthetic rubber has become a highly viable private industry; facilities are being expanded and technical advances and progress toward the development of new rubbers are being made.

Government agencies having responsibilities relative to this industry and its consuming public have been alert to note any adverse effects of the substitution of private for Government supply. To date, only two requests for assistance have been received. Both of these were handled with suppliers to the satisfaction of the customers.

The details of the Nation's rubber requirements and resources have been reviewed, as background for this report, by an ad hoc Rubber Committee of the Office of Defense Mobilization, on which were staff members of the Departments of Commerce, Defense, Interior, and Treasury, the Rubber Producing Facilities Disposal Commission, and the National Science Foundation. The findings of this committee constitute appendix A of the attached report to me from the Director of the Office of Defense Mobilization.

Appendix B is a report on research needs and the future relationship of the Government to rubber research. This report was made to the National Science Foundation by its Special Commission for Rubber Research and was approved by the National Science Board in December 1955.

RUBBER REQUIREMENTS AND RESOURCES

According to the estimates prepared by the ODM ad hoc Rubber Committee, total United States requirements for new rubber—natural and synthetic—may by 1960 reach a level of about 1,700,000 long tons annually. As of December 31, 1955, the United States productive capacity for synthetic rubber was already more than 1,250,000 tons. By January 1, 1958, reported planned expansions would bring synthetic capacity to about 1,700,000 tons—or equal to total new-rubber requirements, for both synthetic and natural, as estimated for 1960.

The planned expansions referred to are to some degree dependent on the growth of demand in this country and overseas. They include commitments already reduced to definite contracts; but also less definite expectations which may not come to fruition. In a broad sense, however, these steps reflect the policy of the industry to assure that the future supplies of synthetic rubber will be ample to meet all demands.

At the present time a part of the rubber requirements of the United States can be met only by natural rubber. Use of natural rubber in the United States has become of secondary magnitude, however, compared with its use abroad. Should the world natural rubber supply not be large enough to meet both United States and foreign requirements, there are such possibilities for increasing foreign use of synthetic rubber, either through larger export from an abundant American supply or through construction of foreign capacity, that there should be no enduring shortage of natural rubber available for the United States. If such a shortage should nevertheless occur, American industry would have the alternative of further increasing its use of synthetic rubber.

Under the Strategic and Critical Materials Stock Piling Act, the United States is maintaining a stockpile of natural rubber adequate to supply military and essential civilian requirements during an emergency notwithstanding interruptions of supply. This stockpiled natural rubber, plus the potential output of our synthetic plants, will be ample for rubber mobilization needs as very recently estimated by ODM.

Although the United States has overcome one of its gravest pre-World War II strategic weaknesses by establishing an industry for producing synthetic rubber and a strategic stockpile of natural rubber, it must not be overlooked that natural rubber is still the world's chief rubber resource, supplying over two-thirds of the world's new rubber requirements. Even the United States, where 60 percent of the rubber now used is synthetic, imports and consumes as much natural rubber as before World War II.

In view of the ever-expanding needs of rubber consumers, the synthetic-rubber industry is bound to continue rapid growth in the immediate future; because new synthetic capacity can be created in one-third the time required to bring rubber trees to maturity, and some of the demand for additional rubber will come too early to be met by expansion of natural rubber production. In the long run, however, the greatly improved techniques now available for natural rubber production should make it possible for producers of natural rubber to share in supplying the ever-growing rubber demand.

RUBBER RESEARCH

The report to the National Science Foundation from its Special Commission for Rubber Research—entitled "Recommended Future Role of the Federal Government With Respect to Research in Synthetic Rubber"—is addressed primarily to the question as to what should be done with respect to two phases of the Government's synthetic-rubber program, both presently the responsibility of the Foundation: First, Government support of rubber research conducted by universities and other research organizations; and second, the Government Laboratories at Akron, which have been engaged in developing the production characteristics and feasibility of new types of rubber.

The National Science Foundation's Special Commission holds that increasing financial support of fundamental research by the Federal Government is essential to the national interest, but that the Foundation should not request funds from the Congress for research specifically for rubber or the rubber industry. It feels that a far better focus for Government research would be polymers in general (of which rubber and elastomers generally are only examples).

The Commission therefore recommends termination of National Science Foundation's program of Government-sponsored rubber research projects as such, but conservation of some of the human and scientific assets developed, through early inauguration by National Science Foundation of a more general research program.

The Commission found that, although the Akron Laboratories include large-scale pilot plant facilities, these are not unique in the rubber industry. The Commission therefore recommended disposal of the laboratories.

This recommendation and that to terminate the Government-sponsored rubber research program now administered by the National Science Foundation have my approval.

SYNTHETIC "NATURAL" RUBBER

In its report, the special Commission goes beyond the subject of research and urges that immediate consideration be given, at the highest Government levels, to the questions as to whether the national security requires governmental action to foster the industrial development of the new processes of synthesizing natural rubber. The Commission had earlier observed that three companies have reported success in synthesizing material with composition and properties similar to natural rubber.

Inasmuch as the United States already has an adequate stockpile of natural rubber, there is, in this connection, no immediate security problem. In the long run, however, maintenance of security would be vastly simplified if we could—if need be—produce types of rubber domestically which could take the place of natural rubber in large truck, bus, and airplane tires. The newly synthesized rubbers hold this promise.

It is believed that we can rely upon the private synthetic rubber industry to move from laboratory synthesis to commercial production of synthetic "natural" rubber. Pilot plants are already being constructed on private initiative. The nature of the problems which may arise when quantity production is contemplated is as yet undefined.

The Government has available a number of means for assisting industrial development and expansion where such aid is found to be essential to national security. It is not now expected that any unique measures, such as would require new legislation, will need to be taken with reference to the development of capacity to produce synthetic "natural" rubber.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 30, 1956.*

ESTABLISHING A COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

State of the Union for the consideration of the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7500, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. CELLER] will be recognized for 30 minutes and the gentleman from New York [Mr. KEATING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill aims to set up a Commission on International Rules of Judicial Procedure.

The end of World War II saw an avalanche of litigation in our Federal and State courts, many of them with international complications. There were cases where judicial documents had to be served abroad. Great difficulties attended upon that type of service. There were cases where witnesses had to be examined within foreign states, and great difficulties attended upon that procedure. There were cases where proof had to be offered of the law prevailing in foreign jurisdictions. This involved great difficulties. They were all baffling problems. Those difficult problems alone emphasize the need of some expert study and codification of the kind that was so helpful to litigants in the domestic field. That was manifest in such historical reforms in Federal procedure over the last two decades. An illustration of that is the publication of the Federal Rules of Civil Procedure in 1938. Those Federal rules were evolved as a result of a study commission of the type we aim to set up in the instant bill.

Then there are the Federal Rules of Criminal Procedure enunciated in 1945. Likewise those Federal Rules of Criminal Procedure were the result of a study by a commission set up by this Congress. Then there was the very important, the highly important Administrative Procedures Act of 1946, likewise set up after an exhaustive study made by a commission established by this Congress. It is appropriate that the benefit of simplified and codified procedure should now be extended to the international practice.

The Marshall plan and similar agencies and activities concerning foreign aid resulted in closely involving the citizenry of the United States in the commercial and financial life of Europe and deeply involved Americans in private ventures and enterprises abroad.

For example, to give you an idea of this situation, be advised that in 1939 there were resident in Europe 13,239 American citizens. By 1952 that number of a little over 13,000 increased to more than 500,000, and I venture the assertion that in 1956 the number will reach 650,000. These Americans abroad and our position as a world power cause and will continue to cause endless litigation of international ramifications. There were and still are myriads of alien property disputes in which the United States is a party. Lawyers have found that procedural problems in these various countries of Europe to which we have extended our activities and where so many Americans reside are obnoxious and costly. These countries have different procedures, their law is founded on different precepts than ours. We have in this country the basic Anglo-American common law system while Latin America and various continental countries have developed under various modifications of the civil law. The civil law system has at its base the ancient Roman law and the Code Napoleon.

These differences have served to point out the difficulties of lawyers and judicial officers operating under these various systems, for they are bound to misunderstand each other's procedures.

The international group this bill envisages would help untangle the procedural mess.

In addition some countries operate under Islamic law, while for instance, India, Indonesia, Pakistan, Burma, and Israel have adopted procedural systems quite different than ours; they are a combination of several different systems. I would say that in Israel, for example, they have a combination of the French, the English, and the American systems.

This same commission must be established with sufficient prestige and authority to make a comprehensive study of this aspect of international law, this conflict of laws. It is too important to be accomplished by some foundation or some law school or some institute. As I said before, the Commission must have standing and importance to be able to win the confidence of the lawyers and representatives of the various governments and bar associations concerned in various countries. Be advised that no powers are granted to this commission. It only has the right and it is suggested to the commission that it in turn propose treaties or conventions or executive agreements or legislation so as to unravel the difficulty to which I have adverted. It has no power at all to legislate, actually make treaties. Its functions are purely advisory. It can only recommend.

The commission is to be composed of 7 members, 3 to be appointed by the President, 2 from the Department of Justice, and 2 from the Department of State. There is to be a director and his staff. There is also to be an advisory committee of 15, to be composed of lawyers and judges appointed by the commission.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Iowa.

Mr. GROSS. While I do not agree with all the provisions of this bill, and I think it is rather loosely drawn in some places, I do want to commend the gentleman for the statement he has made pointing out the complexities and the wide divergence in legal procedures as between the United States and foreign countries. I say again the complexities and our lack of understanding and our knowledge of the legal procedure in various foreign countries. Certainly the gentleman from New York, wise and intelligent as he is, has no sinecure upon legal knowledge, and in view of his knowledge of the situation I am unable to understand how the other body could possibly have ratified the Status of Forces Treaties and Agreements, knowing as little as it did at that time about legal procedures in foreign countries. I am glad the gentleman pointed up that fact.

Mr. CELLER. I thank the gentleman.

Also there is grave difficulty, procedurewise concerning prosecution of our security cases.

It appears that the provisions of the Federal Judicial Code and of the practice acts of the States for the personal service of judicial documents abroad cannot be utilized in many countries. Inability to serve judicial documents and to take depositions abroad may seriously impede the prosecution of crimes against our internal security. More than in the case of ordinary crime, prosecutions for security violations may require the service of documents and the procuring of evidence abroad. Prosecutions could be impeded or frustrated by any of the following:

First. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders to show cause upon witnesses found in their territory.

Second. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

Third. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

Fourth. Lack of means in all civil-law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil-law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

Fifth. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

Sixth. Difficulty or impossibility of proving foreign private records under sections 3491–3494 of the Criminal Code.

The American Bar Association, through its president, Lloyd Wright, in a letter addressed to me April 26, 1955, said in part as follows:

> A primary condition of that proof is that it must be usable in the court in Illinois, or the effort to secure it will be wasted. If the testimony is taken solely in accordance with the law of Holland, and in such fashion that it would be usable in the courts of Holland, but not in a fashion which will make it admissible in the courts of Illinois, it might just as well not be taken. How then can the testimony be taken in Holland so as to conform to the procedural requirements of Illinois?
>
> The converse of the case presents the identical problem. If the action is pending in Amsterdam and the testimony is to be taken of witnesses in Chicago, how can the testimony be taken so as to conform to the procedural requirements of Holland?

> This simple, normal, and intensely practical procedural question illustrates the type of material with which the proposed Commission must deal. Can these problems be solved other than by international agreement? What kind of agreement should be proposed? What machinery and techniques should be provided?
>
> The need for an integrated study is obvious. With 49 separate procedural jurisdictions in the United States (48 State courts systems and the Federal system) a unitary approach is the only solution. We can hardly expect the Government of Holland to look favorably on a program of separate negotiation with the representatives of each of the 48 States and with the representatives of the Federal Government. The problems must be solved through a single, unified set of discussions, the results of which will be effective for all of the 49 jurisdictions.
>
> The practical importance of the problem to the private practitioner is easily illustrated. Assume that an action is brought on a commercial transaction in the State courts of Illinois. The plaintiff is a Netherlands corporation, and the action involves a claim for breach of contract arising out of an international purchase and sale of goods. A basic issue of fact revolves around the inspection of the goods on arrival in Holland, the discovery of the alleged defects, and the giving of notice to the vendor. The amount in controversy cannot justify the expense of travel of 10 or 12 essential witnesses from Amsterdam to Chicago. How will the plaintiff prepare his proof for submission at the trial?
>
> A primary condition of that proof is that it must be usable in the court in Illinois, or the effort to secure it will be wasted. If the testimony is taken solely in accordance with the law of Holland, and in such fashion that it would be usable in the courts of Holland, but not in a fashion which will make it admissible in the courts of Illinois, it might just as well not be taken. How then can the testimony be taken in Holland so as to conform to the procedural requirements of Illinois?
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> This simple, normal, and intensely practical procedural question illustrates the type of material with which the proposed Commission must deal. Can these problems be solved other than by international agreement? What kind of agreement should be proposed? What machinery and techniques should be provided?
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> The need for an integrated study is obvious. With 49 separate procedural jurisdictions in the United States (48 State court systems and the Federal system) a unitary approach is the only solution. We can hardly expect the government of Holland to look favorably on a program of separate negotiation with the representatives of each of the 48 States and with the representatives of the Federal Government. The problems must be solved through a single, unified set of discussions, the results of which will be effective for all of the 49 jurisdictions.

Foreign courts are said to find equally unsatisfactory the judicial assistance which American courts render them. They would ask for reciprocity, if they are to help us. Neither the Federal Rules of Civil Procedure nor the Federal Rules of Criminal Procedure contain any provision relating to assistance to foreign courts.

Many bar associations approve, among them the American Society of International Law, the Maritime Law Association, International Bar Association, Chicago Bar Association, Philadelphia Bar Association, and finally, both the Department of Justice and the State Department approve.

Mr. KEATING. Mr. Chairman, I yield myself 5 minutes.

Mr. KEATING. Mr. Chairman, in view of the great increase in business and commercial ties which our citizens have throughout the world because of the way our world is shrinking, this legislation seems to be very desirable, particularly since the end of World War II.

Our citizens have increased their business and commercial ties with the rest of the world in this period.

As a direct result, and particularly since the end of World War II, there has been an enormous development of private international litigation and international claim cases. Naturally, this global aspect of legal activity has made it necessary for American lawyers to seek evidence or judicial documents abroad and to obtain proof of foreign law suitable for introduction in our courts.

Unfortunately, all too often our lawyers have found that procedures to procure this information or to perform such acts are cumbersome and time consuming. Occasionally, the result has been that from a practical standpoint there is no workable procedure available.

The situation is further complicated by the fact that foreign legal systems often involve procedures which differ markedly from those followed in the United States. That which appears to be simple and direct to an American lawyer may, therefore, be misunderstood or completely unheard of in another country. The conclusion to be drawn is that available forms of international legal procedure have not kept pace with the needs of our lawyers today.

It is my feeling that the measure before the House today presents the best means for unravelling the many and complex problems presented by the varying legal systems of the world. H. R. 7500 provides for the establishment of a Commission and Advisory Committee to study existing practices of judicial assistance and cooperation with a view to bringing about improvements.

The Commission is to consist of seven members, representing the public, the Department of State and the Department of Justice. It will have no power other than to gather information and do research necessary for the drafting of recommendations it deems appropriate to meet and solve the problems of international legal procedure.

The Advisory Committee is to be made up of qualified lawyers, judges, and other persons who, because of their knowledge and experience, are competent to advise the Commission in its work. The committee will play an important role in the formulation of the Commission's proposals and will closely supervise and consider the work of the Commission.

It is also contemplated that tentative drafts of proposed rules of procedure will be given wide circulation in legal circles in order that suggestions and comments may be elicited. I feel this is the best way to assure that the Commission's proposals for improvements in international legal procedure will best serve the interests of our citizens and implement the expeditious conduct of legal matters in the courts of the land.

The approach provided for in H. R. 7500 has been urged by the American Bar Association and is supported by the Department of State and the Department of Justice.

I feel that this proposed legislation is sound and is the positive approach which must be taken to solve the difficult problems now being encountered by our lawyers in the international field.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, I think that we might well compare the legislation before us with the procedures that we adopted at the time the rules of civil and criminal procedures were adopted. As you recall, with those measures there was a commission consisting of judges and others learned in the law who prepared recommendations for legislation. These recommendations were subsequently submitted to the Committee on the Judiciary where we considered them carefully, reading each word in each of the recommendations, and then at the end of the time fixed, these recommendations, as amended by our committee, became the law.

The purpose of this bill is to establish a commission and advisory committee on international rules of judicial procedure.

The bill would not in itself effect any particular reform or change of procedure. It will merely create an agency for the study of existing problems of international judicial assistance, and to make recommendations for the improvement of international practice and procedure. After its investigation the Commission would report its recommendations along with draft treaties proposed, procedures, model conventions, or draft statutes to the President for appropriate action.

As the distinguished chairman of our committee and the distinguished minority member pointed out, we have participated in all kinds of activities everywhere in the world, and unless we know where we are going—that is, when I say "we," I mean the citizens of the United States who are involved in activities throughout the world—then, of course, there will be confusion, and worse than that, our people will suffer largely through ignorance of the laws.

The foreign commerce and investments of the United States have increased tremendously in the postwar period. As a result the lawyers of the United States have found that to an increasing degree they are involved in litigations which have some international facet. However, the very fact that foreign law and procedure must be considered in connection with litigation has proven a very serious stumbling block. This is significant not only for the American lawyer who is faced with the immediate problem of trying to serve his client, but it is also important to the American businessman and to the Nation. We have a large stake in the strength and economic well-being of the free world. American trade and investment abroad are an important source of economic strength for all of the free nations. The fact that legal arrangements, negotiations, and litigation are a necessary part of the orderly conduct of American business abroad demonstrates the importance of the study as is contemplated by this legislation.

The bill originated as a proposal by the Attorney General. In his communication to the Congress, the Attorney General referred to some of the difficulties being encountered in these matters. As an example of instances where these difficulties occur, the Attorney General listed the following:

First. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders to show cause upon witnesses found in their territory.

Second. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

Third. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

Fourth. Lack of means in all civil law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

Fifth. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

Sixth. Difficulty or impossibility of proving foreign private records under sections 3491–3494 of the Criminal Code.

Problems in connection with international legal procedure are compounded by the fact that almost every nation of the world has a slightly different procedural system. When we consider how each State of our Union has differences in its legal procedures it is not very hard to understand the complexity of the problems involved. The study-commission approach is the only practical way to deal with these questions, and to formulate proposed procedural rules. The bill has the support of the Department of Justice and the Department of State. The American Bar Association, speaking for its membership of lawyers throughout the country, has given the bill its unqualified support.

Mr. Chairman, this Commission, as anticipated, has no authority whatsoever. It will be advised by the larger advisory committee consisting of the leading legal lights in the Nation, and then it will, in turn, make the kind of recommendations that in the judgment of these experts are so essential.

In that connection I would like to call your attention to a letter written on the 25th of January by an Assistant Attorney General of the United States to the chairman of the joint legislative committee on interstate cooperation in the State of New York. In this letter the assistant to the Attorney General makes it very plain that the President will appoint people from all sections of the United States and will make an attempt to put together the finest kind of an advisory board possible. The letter reads as follows:

JANUARY 25, 1956.

ELISHA T. BARRETT,
Chairman, Joint Legislative Committee on Interstate Cooperation, State of New York, New York, N. Y.

DEAR MR. BARRETT: This is in reply to your letter of December 8, 1955, to the Attorney General, concerning H. R. 7500, 84th Congress, to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

We have given careful consideration to your suggestions with respect to the composition of the Commission and Advisory Committee for which the pending bill provides. We are in full accord with your view that the States have an important and substantial interest in the work of those bodies, which necessitates the active participation of persons fully familiar with State procedural problems. We agree, too, that such participation will tend to obviate unwarranted fears or concern over State-Federal relationships, which should have no place in this unitary project looking toward the improvement of international judicial procedures.

To meet those objectives we would be willing to recommend to the President, if the legislation is enacted, that 1 of the 3 public members be selected from persons qualified to afford direct State representation. In that event, we would also be pleased to have you and the Council of State Governments, which has made a similar suggestion, submit for consideration recommendations of persons so qualified. It may be assumed that the Advisory Committee to be appointed by the Commission would be similarly constituted. We think that such procedure would insure full representation of State interests and at the same time avoid either enlargement of the Commission or restrictive requirements on presidential appointments, both of which seem undesirable to us in this legislation.

We shall be glad to have your reaction to this suggestion.

Sincerely yours,

J. LEE RANKIN,
Assistant Attorney General,
Office of Legal Counsel.

I reported this proposed legislation to the House at the request of the Department of Justice, only after I made a very complete study of what they said their objectives were and was convinced that in nowise will any commission usurp any of the authority of the Congress of the United States.

The fears that the Department of State might negotiate under this legislation a bad treaty and submit it to the United States Senate for ratification, are entirely groundless. As a matter of fact, the Department of State could negotiate a good or a bad treaty today and submit it to the United States Senate for ratification.

However, under this legislation, recommendations for a treaty, if found advisable to be negotiated, would be made by a body infinitely better qualified than our regular State Department negotiators, and the Senate will have the benefit of this Commission's study.

It seems to me, and I am thoroughly convinced, that the enactment of this proposed legislation will lessen the possibility of the Senate of the United States entering into the kind of treaty that many of us think is improper and not in the best interests of the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I am glad to yield to my distinguished friend from Iowa.

Mr. GROSS. Is it not also true that without this legislation, the Department of State today could iron out the difficulties which it is sought to iron out by virtue of this Commission?

Mr. WALTER. No; the Department of State by itself could not, because, as we envisage what would happen here, this committee will come up with proposals with respect to the methods of production of certain records in foreign nations; and that is the principal objective. It might recommend through our State Department to all of the nations with which we are doing business that these nations adopt the kind of practice recommended. If this Commission makes the kind of a recommendation to the United States, that will go through orderly procedures, meaning that if there is any legislation to follow, it would be considered in the usual way. The Committee on the Judiciary would then probably recommend amendments either to the Administrative Procedure Act or the provisions of the other titles of the United States Code.

Mr. GROSS. If the gentleman will yield further, the gentleman surely is not saying that the only part of the State Department will play in the activities of this Commission is to furnish records?

Mr. WALTER. I did not say that the Department of State would furnish any records. I am now thinking of a case of the settlement of a decedent's estate where it would be necessary to furnish proof of the heirs, for example, in a court of the United States. Then this Commission will have worked out the best methods to furnish documentary proof that would be acceptable assuming, of course, that the United States would accept their recommendations. Then the presentation of that evidence would have the same force and effect as the production of a deposition taken in a court in some State of the United States.

I wish to include now in the RECORD a memorandum prepared by the American Bar Association:

H. R. 7500

WHO IS SPONSORING THIS BILL

This bill has the sponsorship of the Secretary of State, the Attorney General, the American Bar Association, and many State and local bar associations.

The impetus of the bill has come from the practicing lawyers of the United States who need assistance in connection with their private litigation in which acts have to be done outside the United States. The Department of Justice is also interested in its capacity as the trial counsel in cases in which the United States is a party and where acts have to be done outside the United States.

WHAT KIND OF FOREIGN ACTIVITIES ARE WITHIN THE SCOPE OF THE BILL?

The bill concerns itself with a very limited field of activity outside the United States. It deals only with questions of judicial assistance. This means securing the assistance of foreign courts and lawyers to help in connection with cases pending in the United States. In reverse, it also means help from United States courts and lawyers to foreign lawyers in connection with their cases pending in their courts.

WHY IS ANY LEGISLATION NECESSARY IN THIS FIELD?

Excellent statements of the need for the legislation can be found in the statement of

the Attorney General, the statement of the Secretary of State and the statement of Mr. Lloyd Wright, then president of the American Bar Association which appear in the record of the Judiciary Committee hearings, and are published as part of Report No. 1363 on this bill. Additional support for the bill can be found in the testimony of representatives of the Attorney General, the Secretary of State, and the American Bar Association who testified before Subcommittee No. 1 of the Judiciary Committee.

In substance, these statements point out the very large amount of judicial assistance of various kinds which is needed in connection with litigation where something must be done in a foreign jurisdiction. For example, it may be necessary to serve a paper on someone residing abroad. It may be necessary to secure the testimony of a witness, either an American citizen or an alien who resides somewhere abroad. It may be necessary to get proof of foreign law for use in a case pending in the United States.

Perhaps the problem of taking testimony abroad presents the most striking illustration. Certain countries in Western Europe forbid any taking of testimony of their nationals in the absence of formal treaty arrangements. Other countries forbid examination of witnesses by the methods normally used in the United States courts. Many countries insist that the testimony must be taken in the form required by their own local procedure even though this may mean that the testimony will be useless when it is returned to the United States because its form will violate the rules of evidence of the court where the action is pending.

The principal difficulty arises because of fundamental differences in the concept of legal procedure in the common law countries, in the civil law countries, of the Roman law tradition, of the Islamic law countries, and of the countries of the Far East. The problem is further complicated, in federal countries like the United States and Canada, by the fact that there is both a federal system of procedure as well as State and local systems of procedure which are often quite different.

All who have worked in this field are agreed unanimously that the matter can be effectively handled, in the United States, only on a national scale since the problem is necessarily national in scope and must deal both with procedures in the Federal courts as well as procedures in the State and local courts.

WHAT IS THE PURPOSE OF THE COMMISSION SET UP IN THE BILL?

If, as has just been pointed out, this matter can be handled only on a national level, the best and most obvious method is to follow the highly successful technique that was used in drafting the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure.

The Commission proposed by the bill with representatives of the Department of Justice, the Department of State and the legal profession, with the assistance of a competent staff and an advisory committee of experts in the field, will devote itself to the whole basic problem of judicial assistance in all its ramifications, will study all available proposals for practical solutions of the problems and will propose suggested Federal legislation, suggested State legislation, and suggested treaties which they will recommend to the appropriate bodies for passage.

WILL THE COMMISSION HAVE ANY POWER EXCEPT TO STUDY AND RECOMMEND?

Absolutely none. The Commission will have no power except to gather the necessary information, to do the necessary research and drafting, to reach conclusions as to the most effective devices which the Federal Government and the State governments might adopt and to recommend their adoption. Other than this the Commission will be without any power or authority.

DOES THIS BILL HAVE ANY IMPACT ON THE TREATY POWER OF THE UNITED STATES?

None whatever. As just mentioned, all that this Commission can do is study and recommend. If it recommends that, for example, a treaty should be made with Switzerland providing methods for the taking of testimony in Switzerland in aid of American litigation or for the taking of testimony in the United States in aid of pending Swiss litigation, the actual negotiation of such a treaty would be carried out in routine fashion by the Department of State and it would come before the Senate for ratification in normal course.

The only connection which the Commission would have with such a treaty would be a Commission recommendation or perhaps even a tentative or proposed draft which the Commission might prepare.

WOULD THE SCOPE OF THIS BILL BEAR ON ANY SUCH QUESTIONS AS THOSE RAISED BY THE STATUS OF FORCES TREATY?

None whatever. The work of this Commission has nothing to do with the jurisdiction of courts. It has nothing to do with the powers of courts in the United States or elsewhere.

This Commission deals only with legal procedure in connection with pending lawsuits and deals only with problems which may arise because something must be done in connection with that lawsuit in some foreign country where you may have a conflict of systems which will create procedural difficulties. A careful reading of section 2 of the bill makes this very clear.

DOES THE BILL ALSO DEAL WITH CRIMINAL PROCEDURE?

Certainly. There may be many instances where a prosecution may be pending, for example, in a State court in Missouri where an essential witness is, for example, in Costa Rica and refuses to appear in the local court to testify. He is, however, willing to have his testimony taken in Costa Rica for use either by the prosecution or the defense in the pending Missouri proceedings. It is expected that the work of the Commission would also propose techniques by which the testimony of that witness in Costa Rica could be taken in such a way as to make it admissible in the pending Missouri criminal proceedings.

It would be entirely unjustified and unreasonable to propose a comprehensive and competent method to take testimony abroad in civil cases pending in the United States and provide no method at all for taking testimony in criminal cases.

However, as pointed out above, this has absolutely nothing whatever to do with the question of the jurisdiction of courts in criminal cases. It deals only with the question of assistance in one country with respect to legal proceedings pending in another.

WHAT ARE THE DIFFERENCES BETWEEN H. R. 7500 AND THE ORIGINAL BILL SUBMITTED BY THE DEPARTMENT OF JUSTICE AND THE DEPARTMENT OF STATE?

Most of the differences are minor. The principal difference is in the makeup of the Commission. The original proposal was for a Commission of 5 members of which the Attorney General would designate 3 and the Department of State 2. In addition, the Commission was described in the original bill as "the Attorney General's Commission." H. R. 7500 broadens the scope of the Commission by providing for 7 members, 2 appointed by the Attorney General, 2 appointed by the Department of State, and 3 public members appointed by the President.

Similarly, the original bill provided that the director of the Commission, as well as the advisory committee, were all to be appointed by the Attorney General. H. R. 7500 provides that the director and the advisory committee are to be appointed by the Commission itself.

The original bill provided for an indeterminate life for the Commission with power in the President to terminate its activities whenever he deemed that the Commission was no longer necessary. H. R. 7500 provides for a specific terminal date.

HAVE THE ATTORNEY GENERAL AND THE SECRETARY OF STATE APPROVED THESE CHANGES IN THEIR ORIGINAL BILL?

Yes.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland, [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HYDE. Mr. Chairman, I have in my hand a pamphlet which I assume all of us have recently obtained called A Guide for Positive Action. It is put out by the National Small Businessmen's Association. In the pamphlet are the legislative recommendations of the National Small Businessmen's Association. For many, many months, I might say for years, our friends on the Democratic side have said that they, not the Republicans, are the champions of small business. Only they really have the interest of small business at heart.

Here are some of the legislative recommendations of the National Small Business Men's Association. Let us look at some of them.

Under the head of "Labor" they recommend that we ban industrywide collective bargaining, on a national basis.

That membership or nonmembership in a labor organization shall not be a condition of employment.

That all antitrust and monopoly laws be amended to cover labor organizations when acting in restraint of trade.

To prohibit secondary boycotts.

Under "Taxes" they advocate the elimination of double taxation on corporate dividends, and the amendment of the Constitution of the United States to provide a maximum rate for all taxes.

They recommend that the Federal Government be prohibited from engaging in any business in competition with private enterprise.

They recommend a return to the gold standard.

They recommend that the Constitution be amended to provide that all treaties shall be subordinate to the laws of the United States.

They recommend the elimination of Federal aid to education.

They oppose all forms of Government subsidies.

These, Mr. Chairman, are the legislative recommendations of the National Small Businessmen's Association. So my query to my friends on the Democratic side is: Just how many of these legislative recommendations of the small-business men do you support? Here is your chance to tell them. You have said you are the champions of the small-business men and opposed to the big-business men, that we Republicans are the ones who are fighting the small-business men. Here are their recommendations. You have your chance now to tell them just how many of these recommendations you support. That will indicate just how much you are in favor of the small-business men.

It is no answer, I may say, to come back to me and ask me how many of these recommendations I support. I have not been one of those who have been standing up here with my heart bleeding and protesting that I am the only one that supports the small-business men. No, I would say to my friends on the Democratic side of the aisle that you are the ones who say you are the friends of the small-business men. Here is their legislative program. How much of it do you stand for?

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask the gentleman if he knows how many or how much of small business this particular organization represents?

Mr. HYDE. I have no way of knowing that, but it is the National Small Businessmen's Association, with national headquarters and executive office in Evanston, Ill., and other offices in Washington and New York. I assume that it represents the usual proportion of this business that most of these national organizations represent.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will be glad to yield to my distinguished chairman.

Mr. CELLER. I take it the gentleman is in favor of small business, but would he say that all those proposals would be in aid of small business?

Mr. HYDE. I imagine the small-business men are probably the best judge of what is best for them, and this is what they recommend.

Mr. CELLER. Mr. Chairman, I have no further requests for time on this side.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Michigan [Miss THOMPSON].

Miss THOMPSON of Michigan. Mr. Chairman, I wish to associate myself with the passage of the bill H. R. 7500. I believe it is a good bill and hope it will be enacted.

Mr. KEATING. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

SECTION. 1. There is hereby established a Commission to be known as the Commission on International Rules of Judicial Procedure, hereinafter referred to as the Commission."

PURPOSE OF THE COMMISSION

SEC. 2. The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. To the end that procedures necessary or incidental to the conduct and settlement of litigation in State and Federal courts and quasi-judicial agencies which involve the performance of acts in foreign territory, such as the service of judicial documents, the obtaining of evidence, and the proof of foreign law, may be more readily ascertainable, efficient, economical, and expeditious, and that the procedures of our State and Federal tribunals for the rendering of assistance to foreign courts and quasi-judicial agencies be similarly improved, the Commission shall—

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall consist of seven members. The President shall appoint 3 public members, the Secretary of State shall appoint 2 representatives of the Department of State, and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members.

(b) Vacancies in membership of the Commission shall be filled in the same manner as in the case of original designation.

(c) Five members shall constitute a quorum.

(d) Members of the Commission who are appointed by the Secretary of State and the Attorney General shall serve without compensation in addition to that received for their services in the Government.

(e) The public members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other expenses incurred by them in the performance of such duties.

(f) Service of an individual as a member of the Commission or employment of an individual by the Commission shall not be considered to be service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask some member or members of the committee a question or two concerning this bill. On page 2 it is provided:

> (a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;
>
> (b) draft and recommend to the President any necessary legislation;
>
> (c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and
>
> (d) perform such other related duties as the President may assign.

I would like to ask the chairman of the committee if that is not broad language.

Mr. CELLER. All that the language implies is that the Commission would draft for the assistance of the Secretary of State. That is simply making a recommendation and putting it in the form of writing.

Mr. GROSS. I understand that perfectly, but I do not find that it is very well tied down to the purpose of this bill, which is apparently to straighten out certain legal procedures between this country and foreign countries.

Mr. CELLER. If the gentleman will read section 2, on page 1, under the heading "Purpose of the Commission":

> The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements.

Nowhere do we find any authorization to bind the Congress or to bind foreign countries. It is purely exploratory. That is, their powers, if there are any, are purely exploratory, and then to make recommendations.

Mr. GROSS. But these would be recommendations. I assume some recommendations were made by somebody when the other body ratified the Status of Forces Treaties and Agreements.

Mr. CELLER. I cannot conceive that the State Department would be a rubber stamp or the President would be a rubber stamp or the Congress would be a rubber stamp. In line 14 we have the words "the Commission shall draft and recommend to the President any necessary legislation"; and in line 16 "recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings."

It is purely in the nature of recommending and advising; nothing more than that.

Mr. GROSS. I will say to the gentleman that I think there was a great deal of rubber stamping, perhaps 100 percent rubber stamping, when the Status of Forces legislation was ratified. I do not know who recommended those treaties and agreements. I assume it was the State Department, and there was rubber stamping, because it was not until after the other body ratified and gave authority to foreigners to try American servicemen and their dependents in foreign courts and incarcerate them in foreign prisons that there was any thought of a mission going abroad to find out the nature of foreign legal procedures and the condition of foreign prisons in which Americans would be incarcerated.

Mr. CELLER. Would the gentleman not say that this colloquy we are having certainly nails down and limits whatever powers this Commission would have?

Mr. GROSS. I would hope so, but I rose to ask the question whether it does or not. A representative of the American Bar Association who, I believe, appeared before your committee in behalf of this legislation did call to your attention that this language on page 2 is broad and in his opinion might not be confined exclusively to the implementation of what you here seek to do, but could go further than that.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. WALTER. I think the gentleman is referring to the testimony of Mr. Amram. That related to the original bill, H. R. 5061. The bill before us now is the amended superseding bill, what

we call clean bill. Instead of amending the old bill we introduced a new bill, H. R. 7500. We thought we met the objection he made. After all the recommendations of this Commission will be to two different branches of the Government, the legislative and the executive branches. It was necessary to extend the membership of the Commission.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

(By unanimous consent, Mr. GROSS was granted 5 additional minutes.)

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CELLER. I would like to say to the gentleman that we followed this language on previous occasions when we set up the commission to devise Federal rules of civil procedure, for instance; and that was the bill of the gentleman from Pennsylvania [Mr. WALTER].

We have used substantially this language in the setting up of the commission to establish rules of civil procedure. We did the same thing and used similar language with reference to the Administrative Procedure Act; and the commissions that recommended those three procedures were empowered exactly as we are now intending to empower this commission which will work in the international field.

I do not think the gentleman should have the slightest qualms about this. They have no power to do anything except make recommendations.

If the gentleman is worried about the use of the word "draft" they do not make any final draft, they suggest certain procedures in a draft that would have to be submitted either to the State Department or the Department of Justice or the President or to Congress.

Mr. GROSS. I understand that perfectly.

Mr. CELLER. I do not think the gentleman need have any concern with that whatsoever; and this debate, I am sure, is an indication that is could not go beyond that type of recommendation.

Mr. GROSS. I appreciate the gentleman's statement. I am glad to have it in the RECORD.

Now I should like to ask the gentleman from Pennsylvania to clarify in my mind whether it was this bill, H. R. 7500, which was on the Consent Calendar.

Mr. WALTER. Yes, this is the bill which was on the Consent Calendar. The bill was reported out by the Judiciary Committee unanimously, and it was objected to by the gentleman from Iowa.

Mr. GROSS. Then I may say to the gentleman that this is the same bill which the representative of the American Bar Association spoke of. He agreed with me that this language on page 2, in his opinion, was rather loosely drawn in relation to the stated purpose of the bill.

Mr. WALTER. I think the gentleman must have misunderstood Mr. Wright, the president of the American Bar Association, because he submitted a statement to our committee on behalf of this bill.

I wish again to call the gentleman's attention to an additional fact: The bill that the Department of Justice sent up here originally, H. R. 5061, did not provide for any public member of the Commission. That was another very important change that we made.

Mr. GROSS. I thank the gentleman.

Mr. WALTER. May I read part of the letter from Loyd Wright, president of the American Bar Association, the man to whom the gentleman from Iowa referred. He said:

> Representatives of the section of international and comparative law of our association will be available to present the views of the association in greater detail and to discuss some of the specific aspects of the broad problem.
>
> May I respectfully urge the prompt approval and passage of the legislation.

That is the man about whom the gentleman from Iowa was talking.

Mr. GROSS. I do not recall the name of the representative of the American Bar Association with whom I discussed this matter. I still think the language on page 2 goes beyond the requirements of this bill to accomplish the result the committee seeks.

Of course, the whole bill is the outgrowth of a foreign policy that finds us meddling in the affairs of foreign countries all around the globe. If we were not cast in the role of being the fairy godfather and godmother of every country all over the world we would not be called upon to pass this kind of legislation; and the sooner we get out of the business of thinking we can take care of the affairs of all the people all over the world, and maintain an increasing army of American citizens all over the world at taxpayer expense, the sooner we will be able to dispense with this kind of legislation.

Mr. Chairman, I yield back the balance of my time.

The Clerk read as follows:

THE DIRECTOR AND STAFF

SEC. 4. (a) The Director of the Commission shall be appointed by the Commission without regard to the civil-service and classification laws, and his compensation shall be fixed by the Commission without regard to the Classification Act of 1949, as amended.

(b) The Director shall serve as the Commission's reporter, and, subject to the direction of the Commission, shall supervise the activities of persons employed under the Commission, the preparation of reports, and shall perform other duties assigned him within the scope of the functions of the Commission.

(c) Within the limit of funds appropriated for such purpose, individuals may be employed by the Commission for service with the Commission staff without regard to the civil-service and classification laws, and services may be procured as authorized by section 15 of the act of August 2, 1946, as amended (U. S. C. 55a), but at rates for individuals not in excess of $50 per diem.

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 5. (a) There is hereby established a Committee of 15 members to be known as the Advisory Committee on International Rules of Judicial Procedure (hereinafter referred to as the "Advisory Committee"), to advise and consult with the Commission. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation. Members of the Advisory Committee who are not otherwise officers or employees of the United States shall be entitled to travel and subsistence expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b–2), for persons serving without compensation, in accordance with the provisions of the Travel Expense Act of 1949, as amended (5 U. S. C. 835–842).

GOVERNMENT AGENCY COOPERATION

SEC. 6. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the Chairman or other member designated to act as Chairman.

ADMINISTRATION

SEC. 7. (a) For administrative purposes only, the Commission and the Advisory Committee shall be attached to the Department of Justice.

(b) The Commission shall render to the President annual reports for transmission to the Congress.

The Commission shall submit its final report and the Commission and Advisory Committee shall terminate and wind up their affairs prior to December 31, 1957.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask 1 or 2 questions of the chairman of the Committee on the Judiciary about section 5, and I quote from that section:

> The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

Is it assumed by the chairman that this advisory committee will be independent of the Commission?

Mr. CELLER. It will be appointed by the Commission. I take it that the type of individuals who would be appointed will be from among a roster of distinguished lawyers and judges. I take it that they would not bow in slavish obedience to the Commission and would be independent.

Mr. SPRINGER. Is it assumed—it is rather indefinite from a reading of this language—that they shall meet separately from the Commission?

Mr. CELLER. Yes, they would meet separately from the Commission, but they will be in constant liaison with the Commission. According to lines 22 and 23 of the bill they are to advise and consult with the Commission.

Mr. SPRINGER. I did not see anything in this bill which provided that they were to meet separately. That is what gave rise to these questions.

Mr. CELLER. I take it that they would certainly meet separately. They would probably subdivide into subcommittees; then after they came to conclusions and were ready to recommend they would then consult with the Director of the Commission first, then with members of the Commission.

Mr. SPRINGER. I take it then this is to be the group that does the intellectual thinking and if any differences arise their duty would be to keep the Commission straight on this problem, is that right ?

Mr. CELLER. They would do the real intellectual spadework; yes.

Mr. SPRINGER. I thank the gentleman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Bolling, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure, pursuant to House Resolution 477, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture of the House may have until midnight tonight to file a report on the bill (H. R. 10875) to amend the Agricultural Act.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CIVIL-RIGHTS LEGISLATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I urge early action on the part of the Committee on Rules as soon as H. R. 627 is reported to them. May I make clear that, while full opportunity should and will be given to the Committee on Rules to act on the measure, if such action should fail to be forthcoming from the Committee on Rules, necessary steps to initiate a discharge petition will be taken in order to insure an opportunity for the House to vote on H. R. 627. It is also well to point out that action must be early enough to enable the Senate to have ample opportunity to consider the measure at this session of the Congress.

In this connection, last Friday I delivered to the White House a letter, a copy of which, under unanimous consent, I insert at this point in the Record:

His Excellency the President of the United States,
White House, Washington, D. C.

Dear Mr. President: In spite of every possible delaying tactic, the House Committee on the Judiciary has favorably reported H. R. 627 by the Honorable Emanuel Celler of New York as amended by the proposals of the Honorable Kenneth B. Keating, of New York.

You are undoubtedly aware that this proposed civil rights legislation contains practically all of the recommendations made to the Congress by your Attorney General, together with some of the less controversial of Mr. Celler's excellent proposals. This bill is in fact, a bipartisan compromise measure by reasonable men. It is now before the Committee on Rules from which it can be successfully reported only if a majority of the Republican Members join with the four Democratic Members who are unquestionably in favor of this legislation.

In view of the fact that your Attorney General's recommendations did not carry any direct endorsement from you, may I respectfully urge and request full Republican support in both the House and the Senate to secure passage of this civil rights legislation.

In our overall fight against the fallacies of the propaganda of communism there is no single weapon that would be more convincing and more effective to sustain our leadership of the free people of the world than the enactment of this legislation.

Partisan politics have been and will be played with this measure unless you as President of the United States exert your individual leadership to prevent it. Lack of affirmative action by the Republican members of the Committee on Rules and by the Republican leadership of both the House and the Senate would be a clear indication to the people of this country of a callous disregard for the basic rights of human dignity and the privileges of American citizenship for some of our people which are guaranteed by the Constitution for all of our people.

May I sincerely say, Sir, that I am but one of millions of Americans who look to you for early and decisive action.

Respectfully and sincerely,
James Roosevelt,
Member of Congress.

PRESIDENT OF THE REPUBLIC OF INDONESIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, May 17, 1956, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in joint meeting the President of the Republic of Indonesia.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

KHRUSHCHEV—H-BOMB THREAT—CIVIL DEFENSE

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. Holifield] is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, the Russian bear is a temperamental animal. At the present time, in the persons of Khrushchev and Bulganin, it is ambling through Europe, as it ambled through Asia, in a seemingly friendly manner. It has a terrible temper, however, and flashes of this temper crash through the surface smiles often enough to warn the prudent against getting within close range of its sharp claws. We remember many occasions when the smile, lately assumed at Geneva, has been suddenly replaced by the growl of the bear.

We were again given a demonstration of the real temper which lies behind the smiles of Khrushchev and Bulganin on April 23 in London. Nettled by the jeers of British citizens, who are not deceived by the Geneva smiles, the Communist Party boss, Mr. Khrushchev, lashed out at his British hosts. Here are the words as reported by the Tass Soviet News Agency:

> We have seen fists shaken at us. I would remind the man with the fist that attempts have been made previously to speak to us in that manner. Never shake your fist at a Russian. Hitler tried to attack us with a clenched fist and now he is in his grave.

And then Khrushchev showed the full venom of his real feelings:

> We shall have in the near future a guided missile with an H-bomb which can hit every point in the world.

There you have the real temper of the Russian bear. The temper that operates ruthlessly behind the Iron Curtain in the periodic purges of its own leaders who fall into disfavor.

The temper which operates the slave-labor camps behind the Urals.

The temper that lashed out at the capitalist imperialists throughout their recent Asiatic tour and now is again displayed in hot-tempered resentment against the British crowds who apparently are skeptical of the smiling bear.

The great British poet, Rudyard Kipling, many years ago wrote a gripping poem whose title was "The Truce of the Bear." It told of the warning voice by a blind and mutilated beggar who had followed a marauding bear for 2 long days until finally he was at his heels. But let Rudyard Kipling's verse tell the story:

Two long marches to northward, at the fall of the second night,
I came on mine enemy Adam-Zad all panting from his flight.
There was a charge in the musket—pricked and primed was the pan—
My finger crooked on the trigger—when he reared up like a man.

Horrible, hairy, human, with paws like hands in prayer,
Making his supplication rose Adam-Zad the bear!
I looked at the swaying shoulders, at the paunch swag and swing,
And my heart was touched with pity for the monstrous, pleading thing.

Touched with pity and wonder, I did not fire then * * *
I have looked no more on women—I have walked no more with men.
Nearer he tottered and nearer, with paws like hands that pray—
From brow to jaw that steel-shod paw, it ripped my face away!

Sudden, silent, and savage, searing as flame the blow—
Faceless I fell before his feet, 50 summers ago.
I heard him grunt and chuckle—I heard him pass to his den.
He left me blind to the darkened years and the little mercy of men.

When he shows as seeking quarter, with paws like hands in prayer,
That is the time of peril—the time of the truce of the bear!
Over and over the story, ending as he began:
There is no truce with Adam-Zad, the bear that looks like a man!

So today, as we see the nation whose national characterization is the Russian bear, let us remember the warning of Kipling's blind beggar. Let us not be beguiled by smiles, handshakes, and "with paws like hands in prayer."

We deal with a cunning and clever foe to the cause of freemen wherever they may be.

We deal with the most powerful foe to human dignity, to the principles of human liberty and freedom, which has—to this day—been organized.

It is because I am convinced that our Nation is not prepared as it should be to meet the threat implied in Khrushchev's impetuous and intemperate words of April 23 that I rise to speak today on a subject which has long burdened my mind and, yes, my conscience.

I say my conscience because the responsibility which knowledge lays upon my conscience as a United States Representative in the Congress must be discharged.

During the month of March 1952 on an island in the South Pacific, our scientists and engineers proved the fact that it was possible to explode an atomic-hydrogen bomb.

In August 1953, somwhere behind the Iron Curtain, the Soviets exploded a hydrogen weapon or device.

These two events brought into existence, in the free world and in the Communist world, a new and terrible group of mass-destruction weapons. The ability to release energy jumped from a few thousand tons of TNT to millions of tons of TNT.

In World War II, 40,000 allied bombers dropped a total of so-called blockbuster-type bombs estimated to have released energy amounting to 2,650,000 tons of TNT. One of our hydrogen bombs, which was exploded in the recent South Pacific weapon tests, released approximately 4 times this amount of energy—over 10 million tons of TNT equivalent power.

Bombs which release destructive energy measured in millions of tons of TNT power can destroy large cities like Los Angeles in a single explosion.

This is the grim reality facing the people of the world should atomic-hydrogen war break out. I speak authoritatively on this hazard, as I have served for 10 years as a member of the Joint Committee on Atomic Energy of the United States Congress. The development of atomic energy for both wartime and peacetime use has been one of my heaviest responsibilities on that committee.

As I have watched the development of man's ability to destroy millions of people in a single surprise attack, I have realized that the greatest and most urgent goal for men everywhere must be the establishment of universal peace. There is no alternative in the face of these terrible mass-destruction weapons if the human race is to survive; if civilization, built to its present state through centuries of human endeavor, is to survive.

Our diplomats are negotiating for peaceful agreements daily. Up to now we have no firm agreements which include safeguards guaranteeing that war will not occur.

In the meantime, the race for weapon advantage in numbers, variety and maximum destructive power goes on. Stockpiles of atomic-hydrogen weapons grow in the free nations and in the Soviet Union and its satellites.

In the face of this arms race and in the absence of a guaranty against atomic-hydrogen war, we must take every precaution to protect our Nation. This means our military strength must not and cannot be weakened in the face of the increasing Soviet strength. It means that our defensive military barriers against enemy attack must be maintained.

However strong we may be militarily we know, from the testimony of our military chiefs of staff, that we cannot prevent the breakthrough of many enemy planes carrying atomic-hydrogen bombs.

There remains, besides the two areas of military offense and defense, a very important gap in our posture of national preparedness against a potential attack by a first rate airpower using atomic-hydrogen weapons.

I speak of the area of nonmilitary defense—commonly referred to as civil defense.

Civil defense, as I refer to it, means the establishment, by wise planning and proper implementation, of a program designed to save the lives of millions of men, women, and children who now live in metropolitan areas—and the surrounding countryside—of great target complexes. It is estimated that 56,928,098 people reside in 33 thickly populated metropolitan areas. Most, if not all, of these populated centers are considered targets for enemy air attack. Attacks on these centers of population, transportation, and industrial production would be disastrous if the people remain in their present state of unpreparedness. Casualties would inevitably run into millions. On the other hand, if we had a well organized and implemented civil defense program 70 to 80 percent of these casualties could be prevented.

The Subcommittee on Military Operations, of which I am chairman, has been holding exploratory hearings since January 1956 on our Federal civil defense program. Our witnesses have been of the highest caliber of scientists, doctors, industrialists, and all of the chiefs of staff of the Department of Defense. We have also received written statements from the governors of many of our States, and the mayors and civil defense directors of most of our great cities and States.

Their letters, statements, and testimony has given us a large and valuable mass of information on the problems of civil defense and the plans to meet these problems. Our subcommittee has visited the Strategic Air Command Headquarters at Omaha, Nebr., where for 10 hours we were briefed by Gen. Curtis LeMay and his staff on the missions of our great, offensive striking force of nuclean weaponed longrange airplanes. We also visited our Continental Air Defense Command at Colorado Springs, Colo., where again we were briefed for a full day on the mission of that part of our Air Force, whose duty it is to defend our country against enemy attack to the best of their ability.

We have been thoroughly briefed, both at the Air Force headquarters in the Pentagon and at our greatest air-missile base at Patrick Air Base in Florida, on the status of our guided- and nonguided-missile program. As a member of the Joint Committee on Atomic Energy, I am fully informed as to the status of atomic-hydrogen-weapon development in being and our probable developments in the next few years.

Based on this background of research, information, and testimony from knowledgeable and unimpeachable witnesses before our subcommittee, I believe that I can make a series of categorical statements which are factual and cannot be refuted:

First. The United States and the Soviet Union possess now both atomic and hydrogen weapons which range in power from a few thousand tons of TNT energy release to many millions of tons of TNT equivalent energy release.

Second. A full-scale atomic-hydrogen-weapon type of war between these two great air powers would destroy the principal cities of both nations and casualties would probably exceed 100 million people.

Third. No guaranty exists today that will insure the people of both nations that such a war will not occur.

Fourth. There is no adequate defense in a military sense against the overwhelming power of a full-scale offensive attack by either the United States on the Soviet cities or a similar Soviet attack on the cities of the United States.

Fifth. Surprise attacks could be launched by either the United States or the U. S. S. R. which would entail only 2 or 3 hours' warning if launched by air and probably only a few minutes if launched by submarine air missile.

Sixth. No adequate civil-defense program exists in our Nation today for orderly evacuation of target-area populations to shelter or safe distances.

Seventh. No adequate civil-defense program to shelter the 56 million people in our largest 33 metropolitan areas from the blast, heat, or lethal radiation of atomic-hydrogen weapons is in existence in our Nation today.

The same shelter deficiency no doubt exists in the U. S. S. R. as far as their metropolitan centers are concerned, but we must realize that their planned dispersal of industrial centers, their larger land areas, and so forth, gives them a comparative advantage on this point over our situation.

Eighth. Our vulnerability to atomic-hydrogen weapon attack can be appreciably reduced so that our casualties would decrease by a factor of 70 to 80 percent. These percentages are estimates based on evasive and protective methods approved by our scientists, military, and civil-defense experts.

Ninth. The cost of giving millions of people in our urban population centers a 4-to-1 chance to survive instead of possibly a 100-to-1 chance of sure death would be about one-third of our military budget for 1 year.

Tenth. Unless leadership of an unusual type is exerted soon to develop a program of civil defense which meets the challenge of atomic-hydrogen war directed against urban centers, there will be a gap in our ring of total defense which will be disastrous when and if war should come.

Someone must take that necessary leadership soon. The responsibility now rests in the executive department. If an effective program of civil defense is not brought forth soon by the executive branch, it must be developed by Congress.

Congress has its responsibility too and we cannot stand idly by in the face of possible nuclear war. We are also responsible for the lives of 50 to 60 million people now living in primary target areas. The Subcommittee on Military Operations will continue its hearings on the status of our civil defense and will bring before the Congress a complete set of hearings and a carefully considered report before adjournment.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to my distinguished colleague from California.

Mr. ROOSEVELT. May I first congratulate my colleague on the very encouraging and very inspiring message on a subject which I feel has been long overlooked in the national planning of our security. The gentleman will perhaps remember that some 6 years ago, during a political campaign in California, some of these subjects were touched upon. At that time I had the privilege of outlining a proposal which would go to the heart of your points 6 and 7. I cannot help but believe that this House having just passed a long-range national road building program could well emphasize that this would be the time to tie that road program in to an overall program of what we are going to do with the civilian population of our country in the case of a massive attack such as you have described. I hope the suggestions the gentleman has made today will be acted upon and that a concrete program, either by the Executive or by the Congress may be forthcoming shortly.

Mr. HOLIFIELD. I thank the gentleman for his contribution. I know of the gentleman's interest in this matter, as he says, as far back as 6 years ago.

I might point out that in February 1950 I introduced House Joint Resolution 419 to take care of this matter. Again in 1951 I introduced a resolution on this subject. In the intervening years I have introduced resolutions. I introduced a resolution in April 1954, and again in January 1955. Hearings have not been held in connection with those resolutions, but as we go into this atomic hydrogen age we are spending $35 billion every year on military offense and defense, and certainly 60 million people who live in the target area, which would be the target area that the enemy would attack, are now in the frontline of the battle. No longer can the people of America in their cities hide behind the fancied security of the ocean and distance. The advent of the supersonic devices and bombers and the delivery of city vaporizing weapons by these instruments of transportation, has occurred within the last 3 years. It was only in the middle of 1953 when the first hydrogen weapon was exploded behind the Iron Curtain. We saw in the May Day flight over the red square in Moscow bombers of the most advanced type, as advanced as our B–52's, which are continent-spanning. So we have no further right to hide behind the fancied security of distance.

In Sunday's paper there was a picture of a submarine launching a missile and a story of our own Navy's ability to launch a missile up to 400 miles from a submarine. I do not comment on whether this is true or not, but we do know we are entering into the age of the missile, both guided and nonguided.

We know that the German V–1's and V–2's that were sent over into England came a distance of 100 to 150 miles in 1944 and 1945. It would be foolish to think that we have not advanced from that stage over the past 10 years with the hundreds of millions of dollars we have spent and are spending on this development.

So we sit here in Washington today whether we realize it or not, a possible target for a guided missile or a nonguided missile from a submarine out off the continental shelf in the Atlantic, with no warning time. And I say to you today that there are inadequate picket ships, there is inadequate submarine patrol, there are an inadequate number of Texas towers, and the so-called Warning Dew Line across the north is also incomplete. So you have no guarantee of apprehension or of interception.

Our Nike batteries and our interceptor fighters can knock down only a few of a possible attacking force. I know of no military expert that would hazard the estimate that we could knock down over 20 percent of the planes of an incoming attack by air. That means that 30 percent will get through and in this day and age with 80 percent getting through, if one gets through for each of the 33 target centers you have chaos in America. There is no full defense, as I say, against this type of attack; but there are things that can be done. Testimony before my committee has shown that at this time shelters can be made, shelters that have been tested in the Nevada explosions—and we have estimates ranging from $62.50 per person to $120 per person—to give the population of the cities in the United States a chance to survive. That would mean an expense to protect the people in 33 key cities of approximately $10 to $13 billion for concrete shelters 3 feet underground which would give them an 80 percent chance to survive.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I gladly yield to the distinguished gentleman from Pennsylvania.

Mr. FLOOD. The gentleman from California has been one of the leading advocates of this whole subject of civil defense from the beginning. As the gentleman knows, I sit on the Defense Subcommittee for Appropriations. In view of the nature of the attack that the gentleman describes having the result he forsees, if—God forbid—this Nation were attacked by enemy action, in view of the nature and quality of that attack and the nature of the weapons we have in mind, what does the gentleman have to say with reference to the declaration of martial law if and when such a situation did arise? And whether or not the chaos and the disaster would be of such widespread catastrophic nature that perhaps the best interests possibly could be served by a declaration of martial law either for offensive or defensive action?

Mr. HOLIFIELD. I am glad the gentleman brought that question up because this has been a matter of consideration by our committee. In Operation Alert of 1955 when the national civil defense exercise took place, suddenly without warning martial law was declared by the President. There has been great interest in this matter since that occurred, and for that reason I had before our committee Dr. Charles Farman, professor of law at Harvard University, who has written books on the subject. He was very much disturbed by this declaration of martial law, the way it was handled, and the attitude which the military took at the time and have taken since.

I also had before me Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff; Gen. Nathan F. Twining, Chief of Staff, Department of Air; Adm. Arleigh A. Burke, Chief of Naval Operations; Gen. Maxwell D. Taylor, Chief of Staff, Department of the Army. They testified on this and related subjects and I can give you in a capsule the result of their testimony.

The result of their testimony was they had not anticipated this declaration of martial law, they had made no preparations for it and since that time they have not built up a military organization capable of taking over the civil defense responsibilities of the Nation. They also say that they cannot build up a military organization without impairment of their primary mission, which is military offense and defense. They were unanimous in the position that this is a job that must be built up as a civilian type of organization. They say that when the bill rings the military, land, sea and air, will have a primary mission to carry the offense to the enemy and to defend in a military sense the Nation and that they will not have the personnel, organization or equipment to give to the civilian economy. Therefore, to this good day I can tell you they have not built up any military department and

organization to do this. They are studying it, they are thinking about it, but their testimony remains on my record that they do not want the job, they are not equipped to handle it, they will have all they can do in a military way and if civil defense is to be effective it must be done by a civilian organization which will perform all of the complicated duties which pertain to our great modern cities.

Mr. FLOOD. Some months ago I was on one of these national panels with Mr. Peterson, the Administrator of the Civil Defense operation. During the course of our discussion we were touching upon massive evacuation. Keeping in mind what the gentleman has just said with reference to the military defense and martial law, keeping in mind the experience of Western Europe over 100 years under enemy attack, keeping in mind the refugee evacuation problem and the fact that our great arteries, important roads and communication are jammed with hundreds of thousands of refugees, I wonder if the gentleman in his study of this problem with the military is giving attention to what may and undoubtedly would develop in the great centers of population in continental United States under enemy attack and how, under what circumstances and who would handle this appalling jam of military highways that are communication areas, this massive evacuation with or without control of civil defense or of the civilian refugees.

Mr. HOLIFIELD. The question of evacuation, of course, has been before our committee, and while our committee is not as yet ready to come forward with its conclusions and findings, because we have some 2 months of hearings yet on certain phases of the matter, I can say to the gentleman that there is less and less enthusiasm for the theory of evacuation of large cities.

In the first place, you have this traffic problem, this traffic-jam problem, which the gentleman from Pennsylvania has so graphically described. Anyone who knows anything about the movement of millions of people on our holidays and the breakdowns that occur on highways and the bottlenecks that jam our traffic in time of peace can imagine what terrible confusion and chaos would exist in time of panic, with millions of people trying to flee from a populated center on the few roads that might be open to them.

I hold in my hand a map of the city of Los Angeles. It shows that there are only 2 main highways leading north out of the city and 2 main highways leading south out of the city and county of Los Angeles. If you were to try to evacuate that many people, you would find it impossible to move 4 or 5 million people out of the city on the 4 or 5 highways to get them any distance from the city in 2 or 3 hours. This, of course, is just sheer fantasy. It could not happen. And we are facing the rapid development of missile warfare—the 5,000-mile rocket, the ICBM, intercontinental ballistic missile, which is supposed to span the distance from Moscow to New York in a period of less than an hour in the air. So the time of warning is decreasing each hour as we go by, and the likelihood of evacuation is decreasing just as rapidly. It will be impossible to evacuate these large cities, in my opinion, in the available warning time, and that means that we are going to have to look for something else, and I think it must be in the field of shelter. I think the best possible shelter must be devised.

The SPEAKER. The time of the gentleman from California has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Holifield] may proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I congratulate the gentleman from California [Mr. Holifield] and his subcommittee on the very searching inquiry his subcommittee is making in this important field. I am well acquainted with it. I would like to ask my friend a question that seems very pertinent to me. What is the gentleman's view as to the public opinion in America? Does the gentleman think that the American people have an appreciation of the potential and imminent danger that confronts us?

Mr. HOLIFIELD. I certainly do not. I think that the people of America do not have a realization of the facts which I have given today, and I dare any person to challenge the facts, the 10 points that I have given here. I say that the people of the United States do not know those, and I sometimes wonder if the Members of Congress, who undoubtedly know these facts, really appreciate their significance, when I see the lack of interest on the part of the people of the Nation and the executive branch and up to this time even Congress on this particular matter.

Mr. McCORMACK. We have been pretty much lulled to sleep and complacency in the last several months.

Mr. HOLIFIELD. Yes. I think the smiles at Geneva, the so-called smiles of the Russian bear, as I said at the beginning of my remarks, have deluded too many people, and I think we are in more danger today than we have ever been. The potential danger has increased tremendously in the last 3 years.

Mr. McCORMACK. How we can enter into any understanding or harmonious or compatible relationship with atheistic communism, as long as it adhers to its policy of world revolution, is beyond my power to understand. They are still intent on world revolution and world domination; they have shown no departure from that; they have handed out a few smiles and some pats on the back, and then they leave the people to respond to their hopes and not to a realism or their objective judgment.

I am very much disturbed with the complacency, as the result of lack of interest, that has developed in the last several months in the minds of so many of our American people. They are responding to hopes, not to realism. The same old sinister mind is still bent upon world revolution, yet you cannot argue it, you cannot debate it. I recall back in the days before World War II, when Hitler was in power, when those of us who recognized the immediate danger, tried to warn the people, we were accused of being this or that. We have pretty much the same situation now, except we have more powerful weapons of destruction. And, I am very much concerned with the attitude of complacency. Why, I was visiting a college recently, and I learned to my amazement, for example, that in the freshman class there was 30 precent less enrollment in the ROTC at the college than there had been in past years. That is a voluntary enrollment college. I wonder how extensive that is among other voluntary enrollment colleges and universities. I wrote a letter to the Secretary of Defense seeking information on that matter. That happened only this year; and I am referring to the freshman class.

Mr. HOLIFIELD. Along that same line, the gentleman knows that only 20 percent of the young men expected under the 6-month voluntary enlistment program have materialized.

Mr. McCORMACK. Exactly.

Mr. HOLIFIELD. Twenty percent instead of the 100 percent that we expected. This same feeling of complacency and apathy and indifference pervades the whole area of our American life today. Unless leadership is given at a top level to stir the people out of their apathy and indifference, in my opinion we stand unprotected in the face of the greatest hazard this country could face. I agree with the gentleman with reference to the hazard of the Soviet purpose. I believe it is more hazardous today than ever before because they are hiding it behind a smile today. The American people are prone to look upon a smile as a genuine evidence of friendship. We know in this case it is not.

Mr. McCORMACK. As a matter of fact, from the top leadership utterances have been had which have produced the complacency.

Mr. HOLIFIELD. I regret to say that the so-called spirit of Geneva which was hailed as a great diplomatic triumph has, in my opinion, caused our allies in NATO and the people of the United States to put down their guard and to relax. We see evidences of it in the failure of the implementation of the NATO military agreements by Germany, by France, by Italy. We see a drawing back from their NATO commitments of a strong, unified free world force. We see that every day.

The SPEAKER. The time of the gentleman from California has again expired.

SURPLUS FOOD CERTIFICATE ACT OF 1956

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Dingell] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, it is a pleasure to sponsor a bill which faces up to one of the most distressing enigmas of our time, namely, the existence of inadequate food in millions of American homes at a time when great surpluses are stored in warehouses throughout the land. The Surplus Food Certificate Act of 1956, as outlined in the bill which I am introducing today, would provide a means for moving these surplus stocks of food directly to the people who most need them, namely, to persons who are in need, are dependent upon public assistance or are receiving unemployment insurance payments. Under this bill such low-income families would receive an additional $10 per month in the form of food certificates which can be used through normal channels of trade to buy food which has been declared to be in surplus by the Secretary of Agriculture.

In this manner we will be helping about 7 million low-income families in this country who now have inadequate diets, a purpose which is, of course, the most important aspect of the proposal. At the same time, according to estimates which have been prepared, we would increase purchasing power by between $1.5 or $2 billion, increase dollar sales volume of grocery and other food and retail stores, and raise the total net income of farm operators by more than 5 percent. Finally, it would provide another built-in stabilizer which, like our unemployment insurance plan, would buttress purchasing power when need increases and decline in periods of prosperity.

In my opinion this proposal richly deserves the wide support it has received from farm groups, from labor groups, from State welfare officials, and from the American people. Indeed, the only opposition which has so far appeared comes from the Department of Agriculture, the Bureau of the Budget, and the Department of Health, Education, and Welfare. This opposition if, I may say so, rests on the flimsy argument that surplus foods are already available in bulks form to those States which ask for them.

Now what is wrong with the present plan? We have had some experience with it in Detroit. Indeed, we are one of the 4 cities which have tried to put these bulk surpluses into the homes of our needy people, and we are continuing to do so in spite of the many difficulties which are involved in the present process. Under the present plan limited supplies of storable surplus food are made available at a warehouse. The Welfare Department is thus made responsible for the packaging, the storing, the refrigeration, and the distribution of this food to retail outlets. Surplus foods thus received are available only twice a month in Detroit, because of the difficulties in getting the commodities out of the warehouse and into the stores. According to figures presented by Daniel J. Ryan, superintendent of welfare of the city of Detroit, the cost to the city of Detroit of going through this process in 1955 was $172,000 or about 10 percent of the value of the food distributed. Moreover, because of this involved process, only 139 of the 7,000 grocery stores in the Detroit area are participants. I agree with Mr. Ryan that the present cumbersome arrangement is responsible for the fact that only four cities are trying to administer this program whereas, under the method proposed in my bill, all large cities and small communities as well would find it possible to distribute a wider variety of foods to those who need them. All stores could participate every day of the week, and more surplus products would be available because the plan is keyed to normal retail stocks.

Mr. Speaker, the stamp plan proposed in my bill is sound and equitable because it uses the normal trade channels, thus bringing the food within the reach of all eligible persons without setting up a cumbersome and expensive government operated distribution channel. Secondly, it has the advantage of not being limited to storable commodities, but of being applicable at any time to any farm products which are in surplus.

Finally, the stamp plan makes it possible to increase consumption of food because food stamps are spendable as increased income.

As the Reverend James L. Vizzard, of the National Catholic Rural Life Conference has said, in endorsing this proposal:

> We have the food. Our brethren are hungry. The demands of justice and charity we believe are clear and urgent. On very few issues do the dictates of our conscience and of our self-interest coincide as strongly as here.

Surely in such a cause the Congress must act speedily and with good conscience so that our abundance can be shared with those of us who need it most.

ALGER HISS

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. Hoffman] is recognized for 30 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, following along the line on which our colleague from California [Mr. Holifield] was speaking, I wish to make a few remarks.

When it was my privilege to come to Washington as a Representative from the Fourth Congressional District of Michigan, I made the acquaintance of Willard Edwards who was a reporter on the Washington staff of the Chicago Tribune, then published by that great American, Colonel McCormick.

Then, as today, Willard Edwards possessed those qualities which are characteristic of all great reporters. He was able. He was conscientious. He was a competent observer. His ability to distinguish facts from rumors, to recognize the truth, to give proper perspective to current events was outstanding. His memory was prodigious. He had a keen insight into human nature and he, without exception, clearly, concisely, and as he saw it, accurately reported the facts as distinguished from personal comment.

Because of his assignment to activities carried on by those who, for one reason or another, were dissatisfied with the constitutional government inherited from our forefathers, he worked in a reportorial field which gave him an opportunity to learn and judge the activities of the Communists.

That task he performed faithfully and today he is probably the outstanding authority on the activities of the Communists in our Federal Government in Washington.

Recently he made a fair, factual evaluation of Alger Hiss and his sayings and doings when Hiss was connected with the Federal Government here in Washington.

Speaking at Princeton on April 25 last, where the next day Hiss was to deliver a lecture, Edwards warned the students of Hiss' ability, his powers of persuasion, and gave them facts sufficient to enable them to discount whatever false statements Hiss might make.

On that occasion, among other things, as is reported by William Fulton in the April 26 issue of the Chicago Tribune, Edwards said, and I read:

> WARNS PRINCETON TO BEWARE OF HISS—WILLARD EDWARDS CALLS HIM MAN OF INFINITE GUILE
>
> (By William Fulton)
>
> PRINCETON, N. J., April 25.—Willard Edwards, of the Chicago Tribune, in a speech prepared for delivery tonight, warned Princeton students to beware of Alger Hiss, former key figure in the State Department, as a convicted liar and man of infinite guile. Hiss will speak here tomorrow night.
>
> Edwards, assistant chief of the Tribune's Washington bureau, was invited here to deliver an Aquinas Foundation lecture on the Meaning of Alger Hiss before a meeting open to the entire university community. The foundation is a Catholic organization directed by the Reverend Hugh Halton, who has criticized the proposed Hiss appearance.
>
> ### QUESTION OF HONESTY
>
> Declining to enter into the raging controversy over whether Hiss should be allowed to speak here, Edwards said the question still remained whether the convicted felon was a truth-telling, honest, and trustworthy witness on foreign affairs.
>
> Edwards charged Hiss had damaged the prestige of the State Department as no other man in history. He recalled that Hiss was an adviser at the 1945 Yalta Conference which resulted in generous concessions to the late Generalissimo Stalin, of Russia, laying the groundwork for many of this country's troubles in international affairs during the last decade.
>
> "So I do not think it unfair or heartless to utter a warning of caution when a man convicted of lying to conceal complicity in Soviet espionage chooses a career in which he seeks to instruct the American people in the meaning of our relations with the Soviet Union," stated Edwards.
>
> ### ASKS SIGNS OF REPENTANCE
>
> The speaker said he sympathized with any efforts by Hiss to rehabilitate himself, but added he wished the felon would express "repentence for the crime."
>
> Edwards also expressed the hope that tomorrow night's appearance would not furnish the precedent for a parade of men with prison records and convicted Communist leaders on Princeton's lecture forums.
>
> Hiss, making his first public appearance after serving 3 years and 8 months of a 5-year sentence for denying he passed Government secrets to a Soviet espionage ring, will talk on the Meaning of Geneva. The invitation was issued by the American Whig-Cliosophic Society, a debating group. A violent storm of protests followed.
>
> Princeton officials, uncomfortable over the publicity, have restricted broadcasts of both talks to local closed-circuit radio. It was learned two large national networks were

> turned down on requests to film the appearance for television.
>
> As excitement spread over the campus, Princeton's President Harold W. Dodds delivered a public plea that students behave with reasonable conduct during the next 2 days while the institution has the national spotlight fixed on it.
>
> Meanwhile, extraordinary precautions were being taken against any demonstration that might mar the ancient dignity of Old Nassau.
>
> ### HALL AREA CORDONED
>
> It was announced that the doors and windoys of both McCosh Hall, where the Edwards speech was scheduled to be given, and Whig Auditorium, where Hiss is to speak, would be locked until an hour before the programs were to start. McCosh Hall was cordoned off with ropes tonight and cars were not allowed to park in the immediate area.
>
> A spokesman for the university said a careful search would be made of Whig Hall immediately after it is opened tomorrow night. He did not state the object of the search.
>
> ### RECALL GRAHAM INCIDENT
>
> However, it was recalled that last April 8 local police and university proctors made a hurried search of Alexandra Hall when a report was circulated that a time bomb was set to go off there while Billy Graham, the evangelist, was speaking.
>
> University authorities said no local or State police would be called in tonight or tomorrow night. The eight campus proctors under Michael C. Kopliner, head proctor, and the normal staff of campus guards would be responsible for security, it was said.
>
> ### PARTIAL TEXT OF SPEECH
>
> A partial text of Edwards' speech follows:
>
> "I come here as a reporter of facts gathered from official records. It is my assignment to appraise, in the light of those facts and my own observations over a period of years, the credibility of Alger Hiss who comes to Princeton tomorrow night to discuss The Meaning of Geneva.
>
> "Those who have sponsored this meeting think it proper that the opinions of Hiss be considered in the reflection of his background and character. They believe that the context should be set for his remarks so that listeners may judge his qualifications as an unbiased and truthful expert on American foreign policy."
>
> ### CONVICTED PERJURER
>
> "I think this review of Alger Hiss' career and a study of his moral attitudes is important. It has been proposed that I confine my discussion to the Yalta Conference and ignore an analysis of the Hiss record with which, it is implied, everyone is familiar. I could not agree to that restriction.
>
> "When Hiss appears to present his views on foreign policy in a public forum, there should be recalled not only the fact that he is a convicted perjurer but a man of infinite guile—a perilously plausible advocate who has proved to the satisfaction of many supporters to this day that black is white.
>
> "I assure those of you who will see Hiss in action tomorrow night that he will give a dramatic performance. You will be observing as brilliant, as adroit, as charming a personality as I have witnessed in more than 30 years of newspaper experience. He will fascinate you. He will be plausible and seemingly sincere."
>
> ### RETAINS BOYISH APPEAL
>
> "Although he is now 51 years of age, he retains a certain boyish appeal of which he is not unconscious. He is the very picture of the All-American boy grown up. You will find it difficult to believe that you are listening to a man convicted by a jury of willful perjury to conceal his role as a traitor and a spy.
>
> "The lean good looks of Alger Hiss, coupled with a winsome personality and a pleasing voice, have been among his most valuable assets in a career which led him to high places before his downfall.
>
> "Alger Hiss and I came to Washington about the same time in the early thirties. We did not move in the same circles. He was one of the brightest of the bright young men imported into the Government on the recemmendation of Professor Frankfurter, who himself joined Washington society as a Supreme Court Justice in 1939."
>
> ### CHAMBERS TRIES TO TELL
>
> "Neither I nor any other newspaperman knew that in 1939 another man came to Washington—a fugitive from the dark underworld of Soviet espionage. This was Whittaker Chambers who had revolted a year earlier from service as a spy for the Russian secret police.
>
> "Chambers came to the capital to unburden his conscience. He tried to see the President but was shunted off by a White House secretary to Assistant Secretary of State A. A. Berle, then in charge of State Department security. To the astounded Berle, Chambers gave his story of communism in the Government. He named names and one of those names was that of Alger Hiss.
>
> "Berle did not know whether to believe Chambers but he thought that the charges should certainly be investigated. But influential friends of Hiss rallied to his defense, as they again rallied many years later, and joined in enthusiastic indorsements of the rising young diplomat. An unbelieving President, who thought Communists were something you saw under the bed at night, scoffed at Berle's report."
>
> ### NOTHING SLOWS HIS RISE
>
> "Nothing can really be kept secret in Washington for long and inevitably rumors about Hiss were whispered in the years that followed. But nothing disturbed his rise to power. Dumbarton Oaks, Yalta, San Francisco—Hiss pursued his smiling career. He became principal adviser to the American delegation at the United Nations. Then, in 1947, he resigned to become president of the Carnegie Endowment for International Peace, a position carrying great prestige and a $20,000 salary.
>
> "Eighteen months later, the storm broke over his head. The House Committee on Un-American Activities stumbled accidentally upon the existence of Chambers and summoned him to testify, utterly unaware of the bombshell he carried with its 9-year-old sputtering fuse.
>
> "Wearily, knowing that he was destroying his own career, Chambers repeated his charges against Hiss, this time in public before a congressional committee where no Government censorship could apply."
>
> ### CONVINCING AS WITNESS
>
> "It was my duty in the next 3 years to cover the Hiss affair in all its dramatic ramifications. I have calculated that I spent more than 500 hours in that period, watching Hiss in action, listening to him testify at hearings and court trials.
>
> "I watched him as he made an impressive first appearance before the House committee, evoking almost unanimous sympathy as he indignantly denied the Chambers allegations. I never witnessed a more convincing display of righteous wrath as he swore that he had never laid eyes upon Whittaker Chambers. He blinked at a photograph of Chambers in utter amazement. He had never laid eyes on this man. The whole story was a monstrous fabrication.
>
> "Less than a month later, Hiss, confronted with Chambers himself, was to confess that he had, indeed, known the man and known him intimately. He had entertained him a number of times as an overnight guest in his home and had given him an automobile."
>
> ### INJURED INNOCENCE
>
> "But where another man would have been covered with confusion, near a breakdown, Hiss was unembarrassed, the picture of injured innocence, profuse in explanations of why he had failed to recall a man whose appearance was exactly that of the man in the photograph shown him.
>
> "It was at this point that I began to realize that Alger Hiss was a dangerous man. Despite this devastating exposure of his own prevarications, his protests were plausible enough to keep many persons convinced that the Chambers' charges were false.
>
> "This is why I think these details are highly important. You might remember that Hiss is a convicted perjurer as he talks to you tomorrow night but your memory should also be refreshed about the many lies he told before he was finally brought before the bar of justice. The denial that he knew Chambers was the first big lie in the frantic campaign of Hiss to avoid exposure. It set the pattern for what was to follow."
>
> ### A BOLD GAMBLER
>
> "When Hiss tells you tomorrow night, as he will tell you on the basis of his published writings, that the Russians, not the western powers, made concessions at the Yalta Conference; that we gained a great diplomatic triumph instead of suffering a disastrous defeat, let his first denial that he ever laid eyes upon Whittaker Chambers be remembered.
>
> "Hiss proved himself also to be a bold gambler. In a calculated bluff, which well might have proved successful, he challenged Chambers to repeat, outside the immunity of the committee room, the charges he had made. If this was done, there would be a suit for libel and slander, he said, which would forever clear his record.
>
> "Unfortunately for him, Chambers called the bluff and promptly repeated his charges on a radio program. There followed a period of 4 weeks during which Hiss took no action. Editorial murmurs began to arise, even among the pro-Hiss newspapers. Where, they asked, was the libel suit? Finally, a $75,000 action was filed in Baltimore."
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> ### DIGS OUT PROOF
>
> "Up to this point, Chambers had testified only that he knew Hiss as a Communist. He had never mentioned espionage. Now, faced with possible loss of his property and savings, Chambers dug out of a dusty hiding place 65 typewritten pages of secret State Department documents and 3 rolls of microfilm, laid away 10 years earlier against just such a contingency.
>
> "The typewritten copies, according to evidence later at the trial, were proved to have come from a typewriter in the Hiss home. Chambers also produced four memoranda in Hiss' handwriting, conceded as such by the defense when they were placed before a jury.
>
> "The typewritten pages were produced by Chambers at a pretrial hearing of the libel suit which promptly began to wither away. He hid the microfilm temporarily in a pumpkin on his farm, producing it later for the House committee amid a national uproar."
>
> ### GUILTY, JURY DECIDES
>
> "The powerful corps of believers in Hiss could no longer help him stave off the inevitable outcome. Some 15 months and 2 trials later, in January 1950, he heard a jury pronounce him guilty.
>
> "There is no need to review here the exciting developments of those two trials. They constitute an absorbing chapter in the history of espionage in the United States.
>
> "But the behavior of the defendant in the courtroom is worthy of discussion as we now examine his qualifications to speak out on matters of public policy, affecting the welfare of the United States.
>
> "Hiss was consistently contemptuous of the evidence against him. He had the best

lawyers in the land and a defense fund reported at $40,000 contributed by secret donors. He had, at the first trial, a jurist who was openly hostile to the Federal prosecutor and his witnesses. When the jury deadlocked, he was calmly confident that his innocence would soon be established."

EXPLAINS CONTRADICTIONS

"As the evidence piled up against him at the second trial, presided over by a veteran jurist of utter impartiality, Hiss remained smiling and assured. Confronted in cross-examination by discrepancies in his own testimony, he was the urbane man of charm, flashing his smile at the jury as he explained away annoying contradictions.

"There was much testimony at the trial about the psychopathic personality of Chambers, a man, the Hiss experts said, with an irresistible tendency to make false accusations. The typewritten documents, the typewriter itself, the handwritten notes, the microfilmed evidence—all could be ignored. Chambers somehow had forged them.

"The Government called no psychiatrists. But surely one of these experts, after questioning and observing Hiss, would have come up with a verdict that he was a man of passionate and almost pathological convictions of his own rectitude regardless of overwhelming evidence of guilt."

YALTA VIEW PUBLISHED

"After he had been sentenced, he stood up and announced in loud, clear tones, tinged with scorn: 'I am confident that in the future the full facts of how Whittaker Chambers was able to carry out forgery by typewriter will be disclosed.' He was still making that claim when discharged from prison 17 months ago.

"I do not know what Hiss will have to say about Geneva but there is no mystery about his views on Yalta. He has written a lengthy article, published in pocketbook form last October, entitled 'Yalta—Modern American Myth.'

"The theme of this work is that the American people have been deluded for 10 years about the Yalta Conference. Instead of doleful conclusions that the decisions of Yalta paved the way to the Soviet conquest of China and Eastern Europe, there should be jubilation, Hiss says. It was a famous victory.

"Just as Hiss lightly dismissed the weighty evidence at his trial as psychopathic in origin and forged in content, he now pictures this Nation as the victim of a grand hallucination about the deal at Yalta.

SHINING FEAT, HISS SAID

"When Mr. Roosevelt made vast concessions to Stalin to secure Russia's entry into the war against Japan, at the price of a betrayal of our ally, China, it was in reality, Hiss tells us, a shining diplomatic feat.

"Incredible? I assure you that all this will be made to seem very plausible tomorrow night.

What did we give and what did we receive at Yalta? In the Far East, Russia was given the south half of Sakhalin Island, the Kuriles, restoration of the Soviet lease on Port Arthur, a joint share in the Chinese eastern and south Manchurian railroads, and the intenationalized port of Dairen.

"Germany was to be dismembered and jointly occupied by the victorious powers, a decision from which we are suffering deeply to this day. Poland was carved up and the Soviet-sponsored Lublin government, already installed in the ruins of Warsaw, was endorsed. Plans for the founding of the United Nations were laid and the United States agreed that the Soviet Union should have 3 votes to its 1."

FOUGHT LAST 6 DAYS

"In return for all this, Russia agreed to enter the war against Japan at some vague future date, fixed as 'within 2 or 3 months' after Germany surrendered. As we know, Russia belatedly rushed into the Pacific war to fight the last 6 days of a conflict that lasted 1,347 days. That was the service it rendered for one of the great bribes of history.

"The main argument in behalf of this bribe, coupled as it was with the sell-out of China, was that military leaders at the conference believed that the war against Japan would last another 18 months and that Soviet participation was absolutely essential.

"If this was true, was the bribe necessary? The record now discloses that Stalin, 2 years earlier, at the Moscow Conference of 1943, had promised Secretary of State Hull that he would join the war against Japan when Germany was defeated. Even Stalin, keenly aware as he was of American gullibility, did not think at that time of exacting a price for this pledge of support to a nation which had helped save Russia from the German hordes with a tremendous outpouring of arms and materials. He repeated this pledge, again without naming a price, in October 1944, 4 months before Yalta."

NO ONE REMINDED HIM

"No one reminded him of those pledges at Yalta and it can be imagined with what secret amusement Stalin placed his services on the auction block and listened to the bidders. The Kremlin must have rocked with laughter when Stalin gave his reasons for demanding concessions. Gravely, the great dictator told Roosevelt and Churchill that it would be hard for him to 'persuade' the Russian people to war against Japan.

"Thus, Stalin was given the gains, which enabled the spread of Soviet dictatorship to one-third of the human race, in return for a pledge already freely given—and never necessary.

"Hiss now makes the astounding contention that Nationalist China's interests were 'furthered' at Yalta because a basis was laid there for a Chinese-Soviet treaty that Chiang Kai-shek 'greatly desired for the enhanced domestic and international prestige that it gave him.'

"It is hard to understand why, if Chiang was to be transfixed with delight by the Yalta agreements, that it was thought best to keep those agreements secret from him, with Mr. Roosevelt engaging to persuade him eventually of their desirability."

WHY WITHHELD?

"Why the dark secrecy which enveloped Far East agreements at Yalta for so long? If it was a superb triumph of diplomacy, as Hiss contends, why was the full text of the agreement withheld for 2 years, long after the shooting had stopped, and why were the details of the negotiations themselves withheld for 10 years?

"As I read the statements of Hiss about Yalta, I thought back to the many scenes in courtrooms and committee rooms in which I heard him defend himself against charges of treason. There is a reminiscent flavor about his present writings. Just as he fumed about psychopathic accusers then, charging them with grotesque and lurid tales, he now writes that the American public has been 'lured to confusion and panic by fanciful dark tales of duplicity and greed' at Yalta.

"The pattern is consistent. The evidence at his own trial was forged and the product of diseased minds. The evidence at Yalta has been twisted and distorted into a myth and delusion. In Hiss' mind, the Crimean folly was a magnificent effort at a sound postwar peace. American statesmen bamboozled Stalin into entering a war against his own convictions. Black is white. War is peace. Freedom is slavery. Ignorance is strength. The slogans of Orwell's totalitarian world of 1984 are coming upon us.

"The whole truth about Yalta is yet to be told. Last October, an attempt was made to forcibly retire two State Department historians, men of the highest standing in their field. One of them, Prof. Donald M. Dozer, is still fighting to retain his post. The Civil Service Commission ordered him reinstated but he was again fired and is arguing his second appeal. The other historian was Bryton Barran, a State Department veteran of 30 years, who eventually accepted retirement on a pension.

"I believe that the controversy and dispute which have arisen over this affair have done much to alleviate the danger that Hiss' statements will be swallowed unthinkingly and without consideration of his past record and present motives. I hope this meeting and this review of his past career will complete the job of removing that danger.

"It may be said that he has paid the price for his crime and should be listened to in a spirit of forgiveness. I am completely sympathetic with the efforts of Hiss to make a living and to rehabilitate himself in society.

"In this country when a man takes the platform to advise us on matters affecting our national security we give that amount of respect to his words which he has earned by his deeds. Surely it is not inhuman to suggest that Alger Hiss be judged by this standard."

ANTI-STALIN MOVEMENT IN RUSSIA AND HER SATELLITE AREAS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, we are now advised that there is some kind of a change in atmosphere in the Soviet and satellite areas with reference to an anti-Stalinist movement. As you know, Mr. Speaker, several years ago I served upon the House Committee To Investigate the Katyn Massacre. For 9 months in this country and various part of Europe that committee of this House investigated the massacre of some 15,000 Polish reserve officers in Europe, in the early years of the war. This committee of this House placed the blame for that massacre upon Communist Russia.

The testimony we took in Frankfurt, Germany, and London, England, from members of the London-Polish Free Government in exile detailed conversations that members of that government had with Stalin himself in the Kremlin.

Mr. Speaker, I propose that the Secretary of State direct and order the American delegation to the United Nations to bring, as this House requested in its report, to the United Nations the resolution of this House and submit it to the United Nations with the request and the demand of our delegation that the United Nations consider the report and the resolution of this House on the Katyn Massacre Committee findings and that we recommend to the Polish Red Government at Warsaw and to the Russian Soviet Government at Moscow that we will place in their hands, especially the Red Polish Government, who now are preparing to conduct an investigation of the Katyn massacre, the report, the testimony, and the findings of this House with our compliments.

Nikita S. Khrushchev's desanctification of Stalin offers the free world its greatest opportunity since the Bolshevik Revolution.

If the American Government does not avail itself of the tremendous possibilities which range from the propaganda field to the possibility to roll back the Iron Curtain, the United States of America, the leading Nation in the world today, will rightly have lost its claim as the leader of the free world.

This is the situation in a historical moment which calls more than any other moment in the history of American-Soviet relations for the greatest vision, initiative, and the swiftest action on various fronts of the cold and semihot war. Let Mr. Dulles state directly to Mr. Khrushchev that if he really wants to undo Stalin's betrayal, which he surely must if the world is to believe in the sincerity of his exposure of Stalin, then permit the satellite peoples of Lithuania, Estonia, Latvia, Bulgaria, Rumania, Poland, Albania, and East Germany to freely elect their own governments and to further give us the entire history and the whole truth about the phony confessions of the Moscow trials of the 1930's.

But beyond these matters, Mr. Speaker, I stress today Stalin's guilt in ordering the Katyn massacre of the Polish officers, and also, Mr. Speaker, I ask that the Secretary of State invite Mr. Khrushchev to admit Stalin's and Beria's guilt in the massacre of 15,000 brave Polish officers during the war, of whom more than 4,000 were found in the mass graves of Katyn, a guilt established beyond the shadow of any doubt by the great investigation undertaken by the select committee of this House, of which I have the honor to be a member.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Machrowicz, for 30 minutes, on May 3.

Mr. Bailey, on tomorrow, Tuesday, for 30 minutes.

Mr. Hoffman of Michigan, for 30 minutes, today, and to include additional remarks.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Machrowicz and to include extraneous matter.

Mr. Pelly.

Mr. Thompson of New Jersey (at the request of Mr. Wier) and to include extraneous matter.

Mr. Gubser (at the request of Mr. Teague of California).

Mr. Anfuso (at the request of Mr. McCormack) and to include extraneous matter.

Mr. Vanik.

Mr. Celler.

Mr. Hays of Arkansas.

SENATE CONCURRENT RESOLUTIONS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 72. Concurrent resolution favoring appropriate observance of National Hospital Week; to the Committee on the Judiciary.

S. Con. Res. 73. Concurrent resolution relative to the fight against mental illness and to observe National Mental Health Week; to the Committee on the Judiciary.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nicholas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on April 27, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes; and

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. HOLIFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 1, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1798. A letter from the Acting Chairman, Federal Power Commission, transmitting a copy of its newly issued publication entitled "Regulations under the Natural Gas Act"; to the Committee on Interstate and Foreign Commerce.

1799. A letter from the Director, the American Legion, transmitting the final financial statement of the American Legion up to and including the period ending December 31, 1955, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 10875. A bill to enact the Agricultural Act of 1956, with amendment (Rept. No. 2077). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON:

H. R. 10900. A bill to amend the act of August 5, 1953, chapter 321 (67 Stat. 363); to the Committee on Armed Services.

By Mr. AUGUST H. ANDRESEN:

H. R. 10901. A bill to provide that rental income from farming, and amounts received under the soil bank program, shall constitute net earnings from self-employment for purposes of the Federal old-age and survivors insurance system; to the Committee on Ways and Means.

By Mr. BENNETT of Florida:

H R. 10902. A bill to provide that enlisted men shall be retired by the Navy, Marine Corps, and Coast Guard in the highest grade or rank satisfactorily held by them in any of those services, and for other purposes; to the Committee on Armed Services.

By Mr. DINGELL:

H. R. 10903. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of certificates to be used in the acquisition of surplus agricultural food products; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 10904. A bill to provide for the modification of the White River Backwater project, Arkansas; to the Committee on Public Works.

By Mr. HAYWORTH:

H. R. 10905. A bill to authorize a program of grants for the construction of medical and dental educational and research facilities; to the Committee on Interstate and Foreign Commerce.

By Mrs. KEE:

H. R. 10906. A bill to provide for the establishment of a fish hatchery in the State of West Virginia; to the Committee on Merchant Marine and Fisheries.

By Mr. MAGNUSON:

H. R. 10907. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 10908. A bill to provide for protecting Soap Lake, Wash., in connection with the Columbia Basin project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. MARSHALL:

H. R. 10909. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian

Administration, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 10910. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. POFF:

H. R. 10911. A bill to amend title 18 of the United States Code by adding a new chapter defining crimes and providing penalties for possession, transportation, and sale of narcotics, and for other related purposes; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 10912. A bill to amend the Internal Revenue Code of 1954 to establish corporate tax rates of 22 percent normal tax and 32 percent surtax, and to increase the amount of the exemption from such surtax; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H. R. 10913. A bill to amend sections 2 and 3 of the act of October 30, 1951 (39 U. S. C., secs. 289a and 290a-1) with respect to certain rates of postage on second- and third-class mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROBSION of Kentucky:

H. R. 10914. A bill to amend the National School Lunch Act so as to permit donations of agricultural commodities, in certain cases, to schools above the high school level; to the Committee on Education and Labor.

By Mr. SISK:

H. R. 10915. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Mississippi:

H. R. 10916. A bill to provide a library of captioned films for the deaf and hard-of-hearing; to the Committee on House Administration.

By Mr. MASON:

H. J. Res. 612. Joint resolution proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States, relative to article V of the Constitution of the United States for a convention for proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 10917. A bill for the relief of Luis Torres; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 10918. A bill for the relief of Samuel John Edgecombe; to the Committee on the Judiciary.

H. R. 10919. A bill for the relief of Peter O'Hara; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 10920. A bill for the relief of Dudley Cheesman (also known as Dudley T. Whittaker); to the Committee on the Judiciary.

By Mr. ROBSION of Kentucky:

H. R. 10921. A bill to extend Federal recognition posthumously to Lt. Col. Lee J. Merkel, Air National Guard of the United States, as a colonel, Air National Guard of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. YATES:

H. R. 10922. A bill for the relief of Mrs. Georgia Pulos; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 490. Resolution providing that the bill, H. R. 6365, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

971. By Mr. BUSH: Petition of Skiff-Bower Post 1536, Veterans of Foreign Wars, Sayre, Pa., containing 584 signatures, urging immediate enactment of a separate and liberal pension program for veterans of World War I, and their widows and orphans; to the Committee on Veterans' Affairs.

972. By Mr. DAGUE: Petition of Isabel P. Tyson and 38 other residents of Pottstown, Parker Ford, Spring City, and Glen Moore, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

973. Also, petition of Mr. and Mrs. William H. McGlaughlin and 64 other residents of Pottstown, Paoli, Royersford, Parker Ford, Phoenixville, and Spring City, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

974. Also, petition of Marian Scholten and 50 other residents of Pottstown, Douglassville, Chester Springs, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

975. Also, petition of Mr. and Mrs. George Mohler and 55 other residents of Spring City, Pottstown, Phoenixville, Glen Moore, Kimberton, and Parker Ford, urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

976. By Mr. DONDERO: Petition of citizens of Oakland County, Mich., protesting the advertising of liquor on radio, television, and in magazines and urging the enactment of H. R. 4627; to the Committee on Interstate and Foreign Commerce.

977. By Mr. GROSS: Petition of W. L. Powers and 40 other residents of Marshall County, Iowa, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

978. Also, petition of R. L. VanNote and 116 other residents of Mason City, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

979. Also, Cliff H. Doly and 29 other residents of Charles City, Iowa, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

980. Also, petition of Mr. and Mrs. H. O. Robinson and 43 other residents of Marshalltown, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

981. By the SPEAKER: Petition of Cecilia Perez Sandoval, Guadalajara, Jal., Mexico, requesting that she be permitted to reenter the United States in order to support her children; to the Committee on the Judiciary.

982. Also, petition of Monico Ornelas Ramirez, Guadalajara, Jal., Mexico, requesting that he be permitted to reenter the United States in order to support his wife and children; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The German-Polish Boundaries

EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. MACHROWICZ. Mr. Speaker, in his remarks published in the Congressional Record of February 8, 1956, which were called to my attention recently, the gentleman from Tennessee [Mr. Reece], while criticizing the separation from Germany of territories to the east of the Oder and Neisse Rivers, deals at length with the particular problem of East Prussia. He supports in this connection the views expressed in an attached memorandum of Dr. Richard Sallet, a native of that province. Congressman Reece's conclusion is:

> That the Government of the United States as well as the Governments of the United Kingdom and the French Republic, should not leave the shadow of a doubt that East Prussia and the other German provinces east of the Rivers Oder and Neisse are, according to international law, a part of Germany within her boundaries of December 31, 1937, that are today still under wartime Red Polish and Soviet administration. The Government of the United States should seize upon a proper moment to restate the legal position in no uncertain terms.

As a general remark may I remind my colleague that the actual territorial changes between Poland and Germany have taken place as a result of the outcome of World War II. This war was provoked on September 1, 1939, by Hitler's brutal assault on Poland. In violation of international law, large parts

of Poland were incorporated to the Reich and the population expelled from there to the so-called General Government, formed out of the remaining parts of the country then under German occupation. An unprecedented reign of terror prevailed throughout the whole war in German-occupied Poland during which over 3½ million people were tortured in concentration camps and executed. Warsaw, the capital of the country, was razed to the ground, private property confiscated, and Polish culture systematically destroyed.

At Potsdam the United States, United Kingdom, and the U. S. S. R. arrived at the decision to place under the administration of the Polish state the territories east of the Oder-Neisse. They recognized at the same time in article XII the right of transfer of the German population to Germany.

In execution of the latter provision the Inter-Allied Control Committee in Berlin accepted, on November 20, 1945, a detailed plan which stipulated in article 1 that the entire German population to be removed from Poland—3½ million persons—should be admitted to the Soviet and British zone of occupation. In article 3 points (a) and (b) it was further stated that 2 million Germans should be directed to the Soviet zone and 1½ million to the British.

Millions of Germans having already left the country at the approach of the Soviet armies, the number of 3½ millions indicated by the Inter-Allied Committee covered practically the majority of those who had so far remained on those territories.

It is therefore evident that a de facto situation has been thus created with the consent of the three major powers.

The final settlement of boundaries at the Peace Conference can therefore be only envisaged as a formal recognition of the existing state of affairs. The more so, as since 1945 those lands have been repopulated by millions of Poles who have contributed through their efforts to the economic postwar reconstruction and industrial development of this territory.

To ask the United States Government—as suggested—for a declaration on German frontiers, based on the status of 1937, seems to be outside the scope of a realistic approach. Such a declaration would in fact alienate the people of Poland and other captive countries while playing in the hands of Communist propaganda.

It would do no good to our international position and be a heavy blow to our prestige.

It seems strange that the case of East Prussia has been chosen to support German revisionistic aims in the United States, as the history of that province was marked by the "Drang nach Osten" policy, one of the main causes of both World Wars.

Concentration of Economic Power

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith an address I made before the Economics Society, the City College of New York, on April 27, 1956:

CONCENTRATION OF ECONOMIC POWER

(Speech of Representative Emanuel Celler, Democrat, New York, before Economics Society, the City College of New York, April 27, 1956)

I am pleased to discuss with you the problems posed to both our competitive economy and to our political institutions by the increasing concentration of economic power in the United States. Increasing control over a growing percentage of American business life by a relatively few corporate empires is one of the critical developments in our postwar society.

As Chairman of the House Committee on the Judiciary, at the beginning of this session of Congress, I established a subcommittee concerned exclusively with antitrust problems. Early in the first session, the Antitrust Subcommittee, of which I am chairman, conducted extensive hearings into current antitrust problems facing the country.

During these hearings the subcommittee heard testimony from 52 witnesses representing all points of view on numerous economic problems. Nearly every one of these witnesses discussed in some degree the problems flowing from the economic fact that today a preponderance of the economic life of the country in many fields has been garnered by a few large corporate organizations.

There are two main reasons why I am concerned about the concentration of economic power in the United States. First, is that concentration of business, if it progresses sufficiently far, unavoidably will lead to some kind of state socialism, dictatorship, or some other form of excessive governmental control over the lives of individuals. Such extensive governmental supervision and regulation is not in the heritage of the American people and, I am convinced, it is not the desire of the American people. The other reason for my concern is that a concentrated industrial system is inefficient when compared with the flexibility which this country has demonstrated flows from a business community competitively organized.

We have only but to look at the history of the other industrial countries in the Western World to ascertain the political results caused by the channeling of the business life into the hands of a few. The unrestrained growth of monopolies and cartels inevitably has resulted in the development of private concentrations of power so strong that necessarily the issue became whether big business would control the government or whether the government would have to seize control of big business. This was the history in Germany and in Italy. In Germany the business interests thought they could take over the government by using Adolf Hitler as the puppet. As a result, the German people found that a system of private monopoly led to dictatorship and ultimately to disaster.

As to the efficiency argument, I believe it is misleading to argue that a high degree of industrial concentration is the price of technological progress. This is illustrated by Mr. T. K. Quinn, a former vice president of the General Electric Co. in charge of the appliance division, in his book, Giant Business, Threat to Democracy. Mr. Quinn says "original inventions are no more plentiful, proportionately, in big than in small organizations." Citing concrete examples, Mr. Quinn argues that "in the electrical appliance industry, the better clothes-washing machines have not been produced by the monster companies but by the relatively small, independent companies specializing in one or two products. This is also true of ranges, vacuum cleaners, radios, toasters, mixers, home freezers, fans, clocks, heaters, air conditioning units, etc." The accomplishments of the giants lie not in the field of inventing, but in using their capital advantage for the purpose of moving in, buying out, and absorbing the smaller creators. In Mr. Quinn's opinion the prospects of technical progress are greater where the centers of initiative are diffused, where thousand of individuals and organizations have the incentive to work and think for the future.

Following World War I the economic growth of the country during the 1920's led to increased concentration in business. That pattern has been followed in the industrial expansion succeeding World War II.

Since the war numerous studies have been made which demonstrate that our economy is tending to become more controlled by a handful of giant corporations.

The Senate Judiciary Committee in the 81st Congress reported an industrial concentration in the United States as follows:

"The extent to which the American economy has become concentrated and centralized in the hands of a few giant corporations was strikingly revealed before this committee in figures presented by Dr. Wilfred I. King, professor emeritus of economics at New York University. The figures which he presented reveal an extraordinary level of concentration. Thus, his figures show that in 1946, the latest year for which such data are available, one-tenth of 1 percent of the total number of all American corporations—the giant firms with assets of $100 million and over—owned 49 percent of the assets of all American corporations; 2 percent of the number of corporations owned 78 percent; 8 percent of the number owned 89 percent of the assets; and 12 percent owned 92 percent of the assets. At the other end of the scale, 45 percent of the number of corporations—the small firms with assets of $50,000 or less—owned less than 1 percent of the assets."

At the end of 1952, corporations with more than $100 million of assets had 52 percent of all the assets of manufacturing corporations. Two and one-half years later, 57 percent of the assets were held by corporations of this size. If this rate is not checked it will take about 20 years for all of the manufacturing assets of the country to become concentrated into such giant corporations.

The growing domination of the marketplace by larger corporations and its effect on small business was recently highlighted by the Senate Small Business Committee which reported these facts: "While the prosperity of 1955 brought a profit rate of 14.4 percent to the biggest corporations (those of assets over $100 million) the smallest corporations (those with assets of less than $250,000) reported earnings in the first 6 months of 4.5 percent. * * * Between the first halves of 1952 and 1955, while the giant companies' earnings 'went through the roof' the smallest manufacturing plants' profits headed for the cellar. Expressed in percentages the earnings of the small concerns fell off 27.4 percent between the two periods while the earnings of the large companies increased by 58.5 percent. * * *

"There is an ominous significance" the report concludes, "in an economic atmosphere which makes it possible for the Nation's mammoth corporations to reap profits while the general run of small enterprises are worse off than they were 3 years ago."

This industrial concentration is perhaps most graphically expressed by the following:

At the present time 3 companies make more than 90 percent of all our silk; 3 companies make over 95 percent of our tin cans and tinware; 3 companies make 90 percent of our linoleum. Three huge corporations control cigarettes, whisky and automobiles.

Prof. Adolph Berle in the statement to the Antitrust Subcommittee remarked on the industrial structure becoming characteristic of American business. He said: "In industry you find a standard pattern of not less than 2, nor more than 5, large corporations which have 50 percent or more of the volume of that industry between them." This pattern Mr. Berle said "is typical of more than half of American industry, and the most important half."

An important aspect of the pattern of concentration in the United States is that rarely is an industry controlled by a single firm, a monopoly in the popular or classical sense of the term. Where an industry is dominated by a concentrate of a few large companies, however, their actions in many instances result in the same bad effects as a true monopoly.

More and more it is apparent that in those industries in which relatively few, large-scale, heavily financed companies of comparable size are dominant in production and distribution, there is not active price competition in the industry. In many industries where this condition prevails there appears to be a "follow the leader" policy in pricing and selling. Each member of the industry, both the large and smaller concerns, individually elects to follow the policy of not changing his prices until the "leaders" change their prices. When prices do change, each company, strangely enough, individually elects to charge precisely the same prices as the leaders.

Although the effect upon the consumer of this practice is the same as in the case of a monopoly, it is a difficult condition to correct under the antitrust laws. If the Government can establish the existence of an actual or tacit agreement among the various companies in the industry to adhere to and to follow the prices or other market practices of a leader, then the companies can be charged with conspiracy or combination to monopolize or restrain trade. In many instances, however, it is not possible to find evidence of an actual agreement and the courts have been reluctant to infer the existence of a conspiracy in the absence of some direct evidence of an agreement. This is one of the problems of concentration that has been plaguing antitrust enforcement officials in dealing with this problem.

Because of the difficulties surrounding attempts to correct abuses of concentration by means of antitrust laws, some people have advocated alternative proposals to deal with the problem of concentration. It is significant to note that most of these alternative proposals, although emphasizing the benefits of competition, nevertheless call for an increase in the supervision and regulation by the Federal Government over economic behavior.

Prof. Louis B. Schwartz, of the University of Pennsylvania, for example, recommends the creation of a free enterprise commission to take over the antimonopoly functions of the Federal Trade Commission. Such a free enterprise commission would have the power by regulation to define and prohibit anticompetitive practices; and to prohibit integration and mergers unless specifically approved. Such a commission also would have the power to compel reorganization of excessively large enterprises as well as other broad regulatory powers over the economy.

Other witnesses before our subcommittee recommended legislation comparable to the Public Utilities Holding Company Act be enacted in order to empower agencies of the Government to compel, in appropriate instances, the dissolution of the giants in the economy to smaller economic units.

Whether concentration has progressed to a degree which requires such far-reaching proposals at this time is debatable. I would much prefer that the solution to the problem of concentration be reached within the basic framework of our existing antitrust legislation. I am reluctant to impose additional supervisory, regulatory, or planning authority over the economy unless the growth of large-scale firms precludes any other solution for adequate protection of the public.

Another aspect of the problem of consolidation of economic power which needs emphasis is the role of the Government itself in contributing to increased concentration. The Government, by its administrative decisions, influences in a significant manner whether industrial capacity shall be concentrated in the hands of a few or whether economic power shall be sufficiently dispersed so as to provide a favorable climate for free enterprise. The procurement policies in both World War II and the Korean war are cases in point.

During World War II, for example, in military procurement the 100 largest corporations received 66⅔ percent of the prime contracts awarded. More than 51 percent of such contracts went to the top 33 corporations. During this period the top 10 corporations got fully 30 percent of the war contracts.

Moreover, the major portion of subcontracts also went to the largest companies. It is significant that in 1943 prime and subcontract records of 252 of the nations largest corporations, receiving the bulk of the prime contracts, showed that these companies subcontracted only 34 percent of the value of their contracts and three-fourths of the value of those subcontracts went to firms with over 500 workers.

In the first year of the Korean war the concentration of defense contracts was even greater. According to the findings of the Senate Small Business Committee, the top 50 corporations got almost two-thirds of the dollar volume of defense contracts while the top 10 corporations got 40 percent of the total. For the 5-year period from July 1950 through June 1955, 100 companies and their subsidiaries received 62.6 percent of the military prime contract awards. In the 2-year period from July 1953 through June 1955 the top 100 companies received 65.4 percent of military prime contract awards. And in the 6-month period from January through June 1955 the top 100 companies received 68.4 percent of the military prime contract awards.

There are several reasons underlying the flow of Government defense contracts to the larger corporate organizations. Defense orders, for one thing, tend to be heavy in industries already dominated by a handful of large companies. In the short run at least, procurement officials have little choice but to make use of the facilities and know-how of the giant organizations. Moreover, it is the easiest course for military procurement officials to deal with one large firm than it is to deal with a multitude of small firms.

Further, large enterprises enjoy certain obvious advantages in getting Government business. They can afford to employ agents in Washington who keep them informed about pending governmental action, the considerations that are likely to influence such action, and, most important, the persons who are likely to make important decisions. Unlike smaller operators, they can afford to assemble information to support their interests and make sure this data is in the hands of appropriate people at the proper time. The consequence is that Government officials become more familiar with the point of view of big business and imperfectly informed about the point of view of smaller concerns.

Another illustration of the type of Government action which contributes to increasing industrial concentration is found in the surplus-property-disposal programs following World War II. The War Assets Administration reported that the 250 largest manfacturing corporations in 1946 had acquired 70 percent of the total surplus disposals. Since these companies owned and operated 67 percent of the Nation's manufacturing facilities before the war, it is apparent that the agency's plant disposals helped increase industrial concentration above the already excessive 1939 level.

In the field of antitrust enforcement itself administrative decisions sometimes result in weakening the volume of competition in the economy and crystallizes the pattern of industrial concentration. The recently negotiated consent decree between the Government as plaintiff and the American Telephone & Telegraph Co. and the Western Electric Co. as defendants is a case in point.

In that case, the Government in 1949 filed an antitrust complaint designed to put an end to the Western Electric's illegal manufacturing monopoly which had been developed and existed under the protection of the monopoly enjoyed by the American Telephone & Telegraph as a public utility. While the operations of American Telephone & Telegraph are subject to public utility regulation, the manufacturing functions of its wholly owned subsidiary, Western Electric, were not so regulated.

In its complaint the Government charged type of activity least susceptible to effective regulation. The benefits flowing from competition in a free enterprise system are generally considered to be most readily realized in the manufacturing area of the economy.

In its complaint the Government charged that Western Electric manufactured and supplied more than 90 percent of all telephones, telephone apparatus, and equipment sold in the United States. It also charged that American Telephone & Telegraph required its operating companies as well as its long lines department to buy substantially all of its equipment from Western Electric. The significance of this is indicated by the fact that American Telephone & Telegraph owns and operates more than 98 percent of the long distance telephone facilities in the United States, and owns and controls operating companies which furnish approximately 85 percent of the country's local telephone service.

To remedy the almost complete lack of competition in the manufacture, distribution, and sale of telephone equipment, the complaint sought a separation of Western Electric from American Telephone & Telegraph and a dissolution of Western Electric through competing manufacturing concerns. Relief of this kind was the principal reason the case was brought.

In the consent decree terminating this case on January 23, 1956, however, attempts to secure this kind of relief were abandoned. Instead of separating Western Electric from A. T. & T., the decree solidifies Western Electric's subordination to A. T. & T. and gives Government sanction to the very monopoly which the complaint was designed to break up. Western Electric is left with some 80 to 90 percent control of the manufacture and sale of telephonic equipment, and A. T. & T. will purchase its equipment only from Western Electric.

If Western Electric had been separated from the domination and control of A. T. & T., being a strong, substantial entity in its own right with ample resources for independent research and development, it would have been in a position to give effective competition to RCA and to Westinghouse in many electronic manufacturing

fields. Competitive rivalry in these fields could not but have resulted in benefits to the public.

Under the decree, however, we are faced with the specter of these corporate organizations of planetary magnitude by Government fiat restricted to separate majestic orbits in their own spheres of the economy. Further, by extending the public utility concept from A. T. & T. to include Western Electric's manufacturing operations, the decree requires the Antitrust Division of the Department of Justice and the courts to take the role of regulatory bodies. This is a role foreign to their primary functions and which they are ill equipped to perform. By extending such regulatory functions to manufacturing, the decree abandons the competitive principles underlying our free enterprise system and is contrary to the most basic philosophies of antitrust enforcement.

Another instance where Government antitrust action contributed to maintenance of monopolistic condition and increased concentration of economic power is found in the Attorney General's approval, in September 1954, of the Iranian Consortium. In his approval the Attorney General permitted the same companies named as defendants and participants in a pending monopoly case to combine and carry out a joint operation in Iran. In the Oil Cartel case, filed April 21, 1953, the Attorney General charged these companies have since 1928 engaged in a conspiracy to control the petroleum trade of the world. According to the complaint the defendants have: Agreed to eliminate competition among themselves by establishing market quotas, fixing prices, curtailing production, and limiting facilities, secured and maintained control of foreign petroleum production; divided among themselves foreign production and marketing territories; and monopolized pipeline transportation facilities, tankers and patented processes relating to refining.

The Iranian Consortium is an organization composed of the major international oil companies, who produce at least 87 percent of the free world's oil, created to reestablish the Iranian oil-producing industry.

In essence, what occurred was this: The Iranian Government decided to nationalize the properties of Anglo-Iranian Oil Co. (now renamed British Petroleum Co.) which for years had an exclusive concession to produce oil in Iran. The British Government owns more than 50 percent of the stock of that company.

Nationalization culminated the disagreement over the amount to be paid Iran and other terms of the concession. Western oil governments and the other oil companies having concessions in the Middle East countries, supported the British.

Iranian public feeling, however, made it necessary that the British monopoly be at least partially displaced. The new international cartel was the answer. Perhaps it was the right answer, from the military-diplomatic point of view, despite some indications that we may have succeeded in diverting a portion of Iranian ill will from the British to ourselves, and despite rumblings of protest heard in Europe against the economic consequences of the Near-East oil cartel.

Prof. Louis Schwartz described the effect of the approval of the consortium to both the Antitrust Subcommittee and the Attorney General's Antitrust Committee as follows:

"Objections to the plan from the standpoint of American antitrust policy are formidable. Here were huge enterprises already established on various concessions in the Middle East with more than adequate reserves of oil. Some of them had already been officially accused of conspiring to maintain an artificially high price for this cheap middle eastern petroelum. The Wall Street Journal reported the open secret that one of their main concerns in entering this pool was to see to it that Iranian production should not return to the world market too rapidly so as to hurt the world price. Only the antitrust laws stood in the way. This obstacle was surmounted by an extraordinary dispensation granted by the executive department, without sanction of any statute of Congress. Moreover this executive exemption contained no conditions designed to safeguard the public interest or the interest of American oil refiners who must buy foreign crude. When the American Five and their European partners meet to discuss Iranian production policy they must inevitably take into account their production and sales from other concessions and even at home. Discussion of production becomes in the end discussion of the market and of price. No representative of the American public sits in on these discussions. There is no guarantee of any sort that this private cartel coordinating production of the world's cheapest oil will give the public the benefits of its low costs."

During our investigation into current antitrust problems, our subcommittee attempted to evaluate the arrangements made in the Idanian consortium. The subcommittee, however, has been unable to secure copies of the contracts and arrangements among the oil company participants in the consortium necessary for such an evaluation. Even though the contracts are between private companies, distinguished from governments, the Secretary of State informed the subcommittee, "it would not be in the interest of the United States to divulge their contents at this time, since making them public would affect adversely the foreign relations of the United States."

The Secretary of State informed the subcommittee that he had conferred with the Governments of Iran, Great Britain, France, and the Netherlands and has ascertained that all of these Governments strongly objected to the disclosure of the various documents among the oil company participants. In view of this objection the subcommittee has been unable to make a definitive analysis of antitrust aspects of this matter. It is clear, however, that approval of the consortium has reinstituted the control of the major internation oil companies over this important natural resource in Iran.

During this session of Congress, the Antitrust Subcommittee is conducting an investigation of monopoly problems in industries which are under the jurisdiction of the Federal regulatory agencies. These hearings were instituted as a result of the frequent allegations made in our hearings on current antitrust problems, that, in operation, Federal regulatory agencies had become unduly industry-oriented and had sanctioned excessive economic concentration in the industries subject to their jurisdiction. The purpose of the investigation is to determine whether or not it is true that public regulation has gradually shifted its objective from protecting the public interest to protecting the monopolies created under its aegis.

Thus far, the subcommittee has received information from representatives of the Department of Justice, and from various academic experts in this field. We have also probed deeply into the activities of the airlines industry and its regulatory agency, the Civil Aeronautics Board. Since the investigation is incomplete with additional evidence still to be received, the subcommittee is not in a position to come to any conclusions as to these problems. Sufficient testimony has been adduced thus far, however, to make one question the wisdom of increasing the scope of regulation by the Government in additional areas of the economy.

The problems involved in maintaining effective supervision in the public interest over the operations of regulated industries by public agencies are formidable. While it is still too early to assert that governmental regulation by commission or board has failed to adequately protect the public interest, I am firmly convinced that to the maximum extent possible, the public interest in the long run will be better served if the impersonal forces of competition are the determining factors in establishing prices and controlling the growth of business opportunities.

One of the most basic values of free competition is that it minimizes governmental intervention. Competition is a viable, self-perpetuating system within which men conduct their economic activities free from dictation by the government. It is an institutional arrangement consistent with our historical concept of limited government. In view of our experience with direct government intervention in economic matters, it doesn't seem to me that the best answer to the problem of economic concentration is to broaden government regulation over industry. A far less dangerous course would be to assure that automatic forces of competition in the market place be the determining factor in the solution of this problem.

In conclusion, I think that you will all agree that the problems presented by increasing concentration of economic power in the United States, are most intricate. Further, the problems are of such gravity that no precipitous action should be undertaken on any particular phase. Tinkering with the economic processes without a full comprehension of the results likely to ensue could create more problems than are solved.

I am convinced that it is essential to maintain in full vigor enforcement of the antitrust laws to cope with these problems even though in some respects results to date have not been fully satisfactory. It is clear that without the existence of antitrust legislation and enforcement, the problem of concentration would be much more acute than it presently is. Monopolies in the classical sense long since would have become the rule in most of our major industries.

I am also convinced that much can be done under existing antitrust legislation to solve the special problems presented by the current pattern of economic development we have discussed. If proceeding in this manner is inadequate, however, and further Government regulation is required, I am convinced a great deal more consideration must be given to assure that the regulatory bodies are surrounded by sufficient safeguards to protect the interest of the general public.

Tenth District, California: A Story of Growth and Growing Pains

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. GUBSER. Mr. Speaker, this is a story of progress, growth, and growing pains. Some time ago, I requested various communities in my congressional district to furnish me with statistical information to help me keep my records up to date. I was much intrigued by a brochure issued by the Chamber of Commerce of the City of Sunnyvale which, at the bottom of a list of figures, carried this notation: "Warning: Sunnyvale statistics become obsolete hourly."

This, Mr. Speaker, is literally true, and it applies not only to that one locality, but to all of the county of Santa Clara in which it is located, and to the wonderful, amazing tricounty district I have the honor to represent. So rapid is the progress in almost every phase of human endeavor, so staggering the changes that are taking place before our wondering eyes from day to day, that I know my colleagues are interested in hearing about it. To illustrate the miraculous progress of the 10th Congressional District of California, I will have to quote figures. I assure you that they are as recent as I have been able to obtain. In all fairness, however, I, too, wish to add this paraphrased warning: Statistics pertaining to the 10th District of California become obsolete hourly.

Growth and progress are expressed in many ways. The use of land, the modernization of communications, greater soil productivity, and increased output of our manufacturing plants are some of them. So are the quality of housing, the availability of schools, and the whole list of items that come under the general heading of "Standard of Living." Progress can be quantitative and qualitative. In the 10th District of California you will find all of these.

Above all, growth is measured in people. Let me tell you about the fantastic migration of population to our area. In 1940, a year before Pearl Harbor, there were 175,000 people living in Santa Clara County which reaches from the south shore of San Francisco Bay up the green and fertile Santa Clara Valley. It is separated from California's great Central Valley by the Mount Hamilton Range of mountains on the east, and protected from the Pacific by the Santa Cruz Mountains on the west. During the war and immediate postwar years, our population climbed from 175,000 to 290,000, but this proved merely a beginning. By 1953, there were 355,000, in 1954 there were 370,000. Santa Clara County had 407,000 residents on January 1, 1955, just a little over a year ago. On January 1, 1956, our population exceeded 456,000, a growth of 12 percent in a single year and 57.2 percent since April 1950. The estimate on the 1st of April of this year was 461,900.

People, needless to say, are not merely statistics. They are human beings who work and earn and produce and create assets. Taxes provide a good yardstick for the latter. In 1940, the assessed valuation of property in Santa Clara County, Calif., was a little over $159 million. In 1950, it was nearly $350 million. The net assessed valuation for the current 1955–56 fiscal year is $623,921,820. And as industry keeps coming into the county the valuation keeps growing steadily, too.

Industry—that more than probably anything else is the word that changed the face of Santa Clara County and is still changing it. In a way, all the other changes are byproducts of industrialization. Yet, Santa Clara County is historically an agricultural region, and even today it ranks 20th in the entire Nation, with an agricultural production of $88 million in 1954. More than 80,000 acres alone are still covered with orchards which have made this area one of the greatest fruit and nut growing centers in the world. Of all the fruit crops, prunes account for almost one-fifth of the dollar value, followed by strawberries, pears, cherries, and apricots. More than 18,000 acres are planted in vegetables. Other important crops are hay, barley, sugar beets, and, to a lesser degree, wheat, oats, and alfalfa.

The orchards still fill the valley with bloom in spring, but nearer the bay of San Francisco, along the rail lines of the Southern Pacific and Western Pacific railroads, an industrial community is growing with giant strides. For years, the city of San Jose, hub of this empire, has been a cannery center unequaled anywhere. In addition, such industries as Food Machinery & Chemical Corp. and Permanente Cement Corp. have provided industrial payrolls and are contributing immensely to the economy of the area. To these we can now add a continuously growing list of corporations whose names read like the Who's Who in American Industry: Ford Motor Co., General Motors, Westinghouse Electric, Lockheed Aircraft, IBM, Eastman Kodak. With them come supplier industries and service organizations. With them, too, come work forces, men and women and their children, people who build homes and buy food and clothing and attend churches and who belong to service clubs, lodges, and the PTA.

Stanford University is fast becoming the medical center of the West, with a $21 million VA hospital scheduled for construction, and the Stanford Medical School expanding its activities. Stanford Research Institute is called upon for work by all of the American industry. The electronics industry is gravitating more and more to the Palo Alto area.

Mr. Speaker, this growth, astounding as it is, is only beginning. Contrary to many other areas, we have a long way to go before we reach the saturation point. Just to cite one example, of nearly 600 acres zoned for light industry in the city of Mountain View, about 65 percent is still vacant and available.

Growth cannot take place without also creating problems. One of our most pressing problems is that of water. The fertile soil of our valley needs water to produce its crops. Water, too, is needed by the industries moving in. And water—in ever-increasing quantities—is needed by the rapidly increasing population for domestic use. With characteristic vigor, the people of my district have taken measures to conserve every drop of water that can be stored during the short months of winter rainfall. Two great water-conservation districts, formed many years ago, have with their own resources constructed reservoirs and dams. The northern district alone has invested some $10 million to date in water-conservation works. At the present time their total storage capacity is 143,700 acre-feet, but only 91,000 acre-feet per year can be percolated, and current pumping amounts to some 125,000 acre-feet per year. This rate is rising. Back in 1945, 85 percent of the water used in the district was for agricultural use. This is now down to 70 percent, since industry and domestic use takes an even larger share of the water resources.

Yet, the water table continues to sink. Where in World War I days, the water table was less than 40 feet below the ground, it has fallen more than 150 feet at the end of recent irrigation seasons. With local efforts at a maximum, importation of water has become a necessity. Even now, the Army engineers are constructing a model of San Francisco Bay and its tributaries as part of a comprehensive survey to study barrier plans. The Bureau of Reclamation of the United States Department of the Interior has requested funds for an engineering survey to determine the feasibility of integrating Santa Clara County and neighboring San Benito County to the south in the Central Valley project. I have also introduced legislation which would modify the 1914 Raker Act to permit sale of Hetch Hetchy water, now in surplus supply, to utilities in my district.

Mr. Speaker, water may be the gravest single problem. There are, of course, many others. The new population centers pose growing demands on transportation and communications, too. State and counties are doing what they can to construct highways which are adequate to carry the enormous traffic flow of our motorized society. The city of San Jose, with aid from the Federal Government, has developed a first-class airport which is rapidly becoming the third major landing field in the San Francisco Bay area. And even here, there are problems since every parcel of land needed to lengthen the runways and to construct maintenance and passenger facilities is also coveted by industry ready to move into every available parcel of vacant land. Recent floods created another serious problem that will be solved by cooperative efforts of local, State, and Federal agencies.

And again, the human problem gains overriding importance. The tanned, healthy children growing up in our sunny climate require schools, and in spite of almost constant school construction, our school districts are hard put to provide sufficient classroom space. More than 13,500 elementary pupils attended double sessions in Santa Clara County this last term. Total elementary school enrollment was 72,800 last fall, as compared to just 39,400 in 1950. Similar problems confront our high schools, junior colleges, and the four major institutions of higher learning, Leland Stanford, Jr. University, the University of Santa Clara, San Jose State College, and Lick Observatory of the University of California.

One would think that the huge influx of industrial workers would also find reflection in organizational ferment. I am very happy to state that the contrary is true. Labor-management relations in the 10th district of California set an excellent example of sensible moderation and mutual respect. Organized labor is as much a part of our community and industrial life as is any other form of organization. Employment is high. So are wages. Practicing wise moderation, both labor and management have achieved a harmony which has greatly aided the continued prosperity of our area.

The face of the valley changes from day to day. Thousands of new homes

now cover many areas which were meadows or woods or orchards only a scant few years ago. Shopping centers flank brand-new roads. New plants, new churches, new hospitals, new recreation areas and parks, indeed, entirely new cities have grown and incorporated and continue to grow. In the eastern foothills and along the west valley slopes, new residential districts offer the livability which is not the least of the attractions our area offers to individuals and corporations alike.

All these things, Mr. Speaker, are indications of the explosive growth of Santa Clara County, Calif. It stands to reason, that the shockwaves travel well across county lines. In this age of high-speed transportation and communications, events cannot take place in one city or sector without causing repercussions in others which are within easy driving distance. It certainly is true in the 10th District of California. Beyond the range of the Santa Cruz Mountains, washed by the waters of the Pacific Ocean and Monterey Bay, lies Santa Cruz County. To the south, between the Diablo and Gabilan Ranges, stretch the rich pastures and agricultural lands of San Benito County. Here, too, progress is felt wherever you go.

This is a brief sketch of the 10th Congressional District of California, the area in which I was born and reared and which I have now the honor to represent in this House. Those of us in and out of public life who take an active part and interest in the development and growth of these counties are, of course, attempting to project the events of the past and the trend of the present into the future. We know that only far-sighted planning and long-range preparation will eventually help us to meet all the challenges confronting us as a result of the changes now taking place. Yet, while we are able to project ourselves into 1960 or even 1975, there is no ceiling, no limit in sight.

We can easily visualize our district as part of a solid urban and suburban metropolitan area extending in the shape of a "V" along both sides of San Francisco Bay, with San Jose as the southern hub, and San Francisco and Oakland, respectively, forming the northern points. We can foresee the need for rapid transit, for additional 6-lane or 8-lane freeways, for jet-age airports, and for the water, the utilities, the housing and schools for 600,000–700,000 or even 800,000 people.

A few years ago, I expressed the conviction that some day, San Francisco could be referred to by the people of my district as the little city to the north of San Jose. Facetious as this may sound, the phrase is well on the way of becoming true. No other area in northern California has had the rate of growth we have experienced, and few other areas have the potential we possess for the future. Santa Clara County, Santa Cruz County, and San Benito County, Calif., are not resting on the laurels of the past. With confidence, they are looking toward a future which we all feel can be described in two words: "Opportunities unlimited."

The Administration at Last Seems Ready To Support SUNFED

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, this morning the Associated Press reports an interview with United States Ambassador to the United Nations, Henry Cabot Lodge, which is most heartening to those of us who have urged United States support for the Special United Nations Fund for Economic Development—SUNFED. Long urged by the Scheyven Committee in reports to the U. N., it was asked for repeatedly but in vain by the representatives of the "have not" nations who comprise the majority of the world's population, now determined to achieve economic development in the shortest possible time.

Ambassador Lodge's statement, spelling out as it does a similar statement made April 10 by Assistant Secretary of State Francis O. Wilcox, seems to mean that the United States is now prepared to support the financing through the United Nations, by grants and loans, of basic development projects, such as harbors, highways, water and sewage systems, irrigation, schools, and hospitals, and so on, which are essential to carry agricultural and industrial development programs beyond the preparatory education and training stages.

As I stated December 15, 1955, in a letter addressed to President Eisenhower:

> Without SUNFED, point 4 and other technical assistance programs may turn out to have educated, trained, and improved the health of millions and dressed them up with no place to go to work, either on the land or in industry.

I include in the CONGRESSIONAL RECORD the text of my letter to President Eisenhower under date of December 15, 1955, and a report from the Washington Post and Times Herald of April 30, 1956. Also, because of their long and steadfast advocacy of SUNFED, I am including here excerpts from the 1955 resolutions adopted by the United Auto Workers as well as the AFL–CIO. These great labor organizations, along with many other national organizations devoted to the support of international economic cooperation, have seen the vital importance of SUNFED as part of the necessary kit of tools for building a durable peace of, by, and for free men.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 14, 1955.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I am taking the liberty of writing to you to call to your attention the need for strong support on the part of the United States of the Special United Nations Fund for Economic Development (SUNFED), a proposal which has lacked the endorsement of our country and in which the United States has not participated. Members of the U. N. are again being asked to state their position in regard to the proposed special U. N. body and members of the New Jersey Delegation are interested in having the United States give wholehearted support to the early establishment of this very worthwhile organization.

With billions of dollars being appropriated for military security and military aid to other nations, the United States should immediately make known to the world its support of SUNFED as a prime essential for providing more production, more jobs, more purchasing power and higher standards of living for the people of the underdeveloped areas of the world. Without SUNFED, point 4 and other technical assistance programs may turn out to have educated, trained, and improved the health of millions and dressed them up with no place to go to work, either on the land or in industry.

The recent course of Soviet Russia in its relations with other nations make two things abundantly clear. One, we can expect no relaxation of Soviet efforts to achieve their objective of world domination and, two, they are making every effort to win the minds and hearts of the uncommitted people of the world by a whole complex of methods, among the most important of which is economic aid on a large scale. We can, and indeed must, block their efforts in this direction, even as we have thus far succeeded in blocking their attempts at domination through a preponderance of military power.

SUNFED is not a new idea, since last session I joined with other Members of Congress in asking support for the proposal. SUNFED and other multinational programs, by their very nature, cannot be smeared as vehicles for new efforts at colonialism. In fact, as compared with bilateral proposals being made by Communist traveling salesmen, such programs can fairly be recommended as anticolonial and essential for strengthening and maintaining healthy nationalist movements of liberation, self-determination and self-government.

Therefore, I do feel that it is of the utmost importance that the United States lift its long-standing veto against SUNFED, which is most desired by the so-called "have-not" nations in those areas of the world where the contest between Communist imperialism and Democracy is going to be won or lost in the months and years immediately ahead.

At this time when major administration policy for the coming year is being drafted and approved, I earnestly hope that you will find it possible to recommend United States participation in this program. Such participation by our country would be strong evidence that we stand ready to do our share in fighting communism with adequate measures for military security and, of equal importance, with economic means as well.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

[From the Washington Post and Times Herald of April 30, 1956]

LODGE ASKS AID THROUGH U. N.

(By Rex Harrelson)

UNITED NATIONS, N. Y., April 29.—Ambassador Henry Cabot Lodge, Jr., said today the present world situation requires the United States to channel a larger share of its foreign aid through the United Nations.

In meeting the challenge of the new Soviet competition, he said, such a move would offer "some real advantages over a program sponsored by the United States alone."

"Multilateral aid," Lodge added, "offers a way to prevent the so-called auction which some are trying to promote between the United States and the U. S. S. R. as to which will spend the most in an underdeveloped country."

The chief United States delegate outlined his views when asked about the current reappraisal of the foreign aid program now under way in Washington. His statement was the strongest indication to date that the Eisenhower administration might divert substantial amounts of economic aid through the U. N.

UNITED STATES CHIEF SUPPORTER

It had been known, however, the administration was concerned both by the stepped-up program of Communist economic aid and by increasing criticism of the United States bilateral aid program.

Asian leaders have been pressing for a new emphasis on multilateral programs, particularly those of the U. N. technical-assistance program and the proposed special U. N. Fund for Economic Development.

Up to now the United States, although the major supporter of the U. N. aid program, has channeled only a tiny segment of its foreign aid through this medium. Russia has given little more than token contributions.

The United States, for example, gave $15.5 million toward the 1956 U. N. technical-assistance program in comparison with $153 million spent on its bilateral point 4 program. Russia contributed nothing to the program until 1953 and has since given only about $1 million a year.

BID TO RUSSIA TOO

Lodge's statement was a bid for Russia, as well as the United States, to join in pooling more of their aid under U. N. supervision. He expressed the belief the proposed move would offer special benefits to the recipient countries.

One advantage, he said, is that a sound multilateral program would provide "no cover for engaging in political penetration, which is what the Communists do and which we are unjustly suspected of wanting to do."

Lodge suggested that U. N. technicians, sent into the underdeveloped countries, might be given special uniforms which would make it difficult for them to engage in "surreptitious political activity."

The Russians have supplied few technicians under the U. N. program. In 1955, for example, out of 564 experts supplied by the U. N. only 5 were Russian. The United States supplied 95 and Britain 84.

Lodge said the United States should maintain both bilateral and multilateral programs.

POINTS TO WORLD STATUS

"But," he added, "the present world situation is one which requires our giving new emphasis to multilateral programs. We can do this without any additional expense by diverting a percentage of our foreign aid funds to multilateral channels."

Allocation of substantial increases to the U. N. would raise several questions in Washington and in the world organization.

In the past, the United States has insisted on a matching arrangement under which it would contribute no more than 53 percent of the total technical assistance. A question, therefore, would be whether the United States would raise or abandon this ceiling in the event other countries would match larger United States contributions.

Another would be whether the United States would drop its opposition to the U. N. Special Development Fund and start it off with a substantial contribution. Refusal of countries like the United States and Britain to support the fund has been responsible for the long delay in its establishment.

From UAW International Relations Resolution Adopted April 1, 1955, Cleveland, Ohio

It should be abundantly clear that our chances of avoiding atomic war, or, if such war should come, our chances of winning it, will depend upon the kind of leadership which the free world is able to provide to the millions of people who are at this moment in open revolt against hunger and oppression: We must make obvious by deeds and action that there is a democratic alternative to the false hopes held out by Communism. We must establish again by deeds and action our faith and our belief in the right of all people to win freedom from despotism, whether it be imposed by other nations which bind them to colonial status or by foreign corporations which extract their wealth without just compensation or by their own ruling classes which monopolize their land and exploit their workers. To the struggling people of the Middle East, Africa and Asia, we must demonstrate that we are on their side in support of their aspirations for genuine political and national independence.

Representatives of 30 Asian and African nations will soon gather in Bandung, Indonesia, to consider these vital matters. We urge the President of the United States and the Congress to continue and expand our technical and economic aid directly and through the United Nations to the underdeveloped and uncommitted countries of the world. Such concrete action will be fresh proof that the American people do not look upon these peoples as merely forces against Communist imperialism but that we have a deep and genuine concern with their well-being.

We strongly urge Congress to approve and provide the $30 million for the Special United Nations Fund for Economic Development (SUNFED) in order to further demonstrate the deep concern of the people of America to take immediate and practical steps toward world peace.

From AFL–CIO 1955 Convention Resolution on Foreign Policy Adopted December 7, 1955

Resolved, conscious of our responsibilities at this crucial period, the AFL–CIO herewith declare their support of the following guiding principles for an effective American democratic foreign policy and sound international labor relations:

1. Effective foreign policy cannot be improvised and piecemeal. It must have a clear and definite orientation and be consistent, sustained, and vigorous in its application. Its motivating and paramount aims must be the mobilization of all our moral and material resources for developing a system of international relationships to maintain peace, protect freedom and national security, and enable a growing population to enjoy a rising standard of living.

2. Integration of our foreign political and economic policies is essential, if the great technical resources and mighty industrial potential of the United States are to be geared to increasing the productivity, raising the purchasing power, and improving the living standards especially of those economically underdeveloped countries which are devoted to human liberty and peace.

3. Undeveloped and underdeveloped continents and regions where many hundreds of millions nurse their grievances and their hopes constitute a fertile field for Communist operations. In dealing with rudimentary human problems the world over, we must be concerned primarily with two immediate needs—the need for food, health, and irrigation in the underdeveloped countries and the burning desire for independence and equality. By ministering to such fundamental needs we will be on firmer ground as we seek to win new adherents to the free world.

4. We know that communism is a false solution; we believe that democracy is the true solution. Communism is weakened when democracy is strengthened. The representatives of democracy must go out into the underdeveloped regions with specific plans, programs, and projects to help raise living standards, for helping to end all colonialism, for winning these peoples as equal members of the free-world community. Thus, we will make it possible for them to have a stake in the defense of a civilization worth defending.

5. Our country has done some of this. UNRRA was a beginning. American labor supported the Marshall plan because it was conceived and largely administered in this spirit. Point 4 was an imaginative gesture in the same direction, but tragically all too little. Toward the same end, the Special United Nations Fund for Economic Development (SUNFED) provides real possibilities for developing and expanding worthy projects for the fundamental improvement of the economic conditions of the needy peoples. Our responsibilities include, but are not limited to, a firm and effective military defense of established positions against Communist subversion and aggression. Positive measures for social and economic betterment are an indispensable part of the program for the defense and victory of the free world.

Underemployment in Rural Sections as Well as Unemployment in Industrial Localities Should Be Embraced in Legislation for Government Aid to "Distressed Areas"

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. HAYS of Arkansas. Mr. Speaker, there is pending before the House Banking and Currency Committee a bill introduced by the distinguished chairman, the gentleman from Kentucky, Mr. Spence, to provide Government aid for distressed areas. The bill, while containing many admirable features, does not include rural areas suffering from underemployment but in its present form is confined to industrial situations. On previous occasions I have called the attention of the House to the economic difficulties of rural areas caused by underemployment, and yesterday I was given the privilege of appearing before the Committee on Banking to urge that economic difficulties in the rural sections be embraced in pending legislation. Under leave to extend my remarks, I include excerpts from my statement to the committee as follows:

Mr. Chairman, I am happy to appear in support of the bill to provide Government aid to industrial regions which are not sharing in the general economic advance of the country. I appreciate the courtesy of the Committee in giving me this opportunity. I am most concerned, however, over the fact that the bill's present wording does not give significant attention to the very real problems of rural areas of underemployment as distinguished from unemployment. Before I go into a detailed discussion of this matter, I wish to make it very clear that I would not lend my support to any measure that would cause unemployment in any other region of the country by providing Federal funds to redistribute existing industrial potential. The rural areas, however, are entitled to share more equitably in the continuing expansion of American industry and they do

not wish to profit at anyone's expenses by taking away something he now has.

The Joint Committee on the Economic Report has pointed out the paradox of modern economic society, that geographic pockets of chronic unemployment and underemployment remain during periods of full employment. This problem is particularly acute in certain agricultural regions of the country where the farmers are unable to earn an adequate income from their small holdings. Available data from the Bureau of Agricultural Economics, Information Bulletin No. 108, June 1953, indicates that 37.7 percent of the commercial farms of the United States are classified as low-production farms, defined as farms with a $250 to $2,499 value of sales in 1949 with the operator working off farm less than 100 days and farm sales exceeding the value of other farm incomes. The percentage of farm-operator families receiving under $1,000 per year net money income (in 1949) was 28.1 percent with an additional 24.8 percent receiving between $1,000 and $1,999 (Columbia University Study, 1955). Whatever income increase has taken place since 1949 has easily been offset by the rise in the cost of living and therefore from 25 to 50 percent of our farm families are in a relatively low-income bracket, with regard to constant dollar purchasing power.

I should like to propose an amendment to the Spence bill to include such rural underemployed areas within the bill's coverage. With loan funds made available as well as technical assistance, rural areas could be aided in increasing their per capita or family incomes. This would be in accord with the joint committee's recommendations in its report of January 5, 1956, on low income population that the Federal Government aid, by means of technical assistance and Federal loan guarantees, recognized and approved local groups engaged in attracting new industry into the area, and also develop other ways of providing off-farm employment. It is my belief that such loan funds would provide a real stimulus to private investment in such areas which have particular economic advantages not now being realized. The industries I have in mind are the food-processing ones which could be designed for part-time labor in conjunction with farm operations. The establishment of such small industries would not only give employment to people who prefer to live on the farms, but would also provide ready markets close to the farmer. A good example of this in Arkansas is the Atkins pickle plant which enables the farmers to enjoy extra income from a good crop of cucumbers. The payroll has been a boon to farm people and the business interests of the community. Encouragement of more such activity would benefit the entire country without causing any damage to any existing industries. The Secretary of Agriculture, in his report on the problems of low-income farmers in April 1955, said that "measures should be taken to bring low-income-farms areas into full consideration in industrial expansion," and I can see no better way to start this process than by including underemployed agricultural regions in the assistance provided by this bill.

Mr. Chairman, a few days ago a distinguished constituent of mine, Mr. Winthrop Rockefeller, was in Washington. He is chairman of the Arkansas Industrial Development Commission and in describing the commission's work he emphasized the fact that he shares my views regarding food and timber processing plants. He stressed the lack of capital for this purpose now available in Arkansas and other States.

I am joined in this effort by Senator Flanders, of Vermont, who, I am advised, will introduce a similar amendment to bills pending in the Senate dealing with the problems of unemployment. This should be convincing evidence that there are no elements of sectionalism in this proposal. Above everything, Mr. Chairman, I am eager for the committee to understand that we do not wish to take away from any area any part of the industrial strength that they enjoy. We believe that the industrial areas have a stake in the sound and balanced economic life for the agricultural sections, and it is in that spirit that we press for consideration of the rural industries idea.

Address by Hon. J. Glenn Beall, of Maryland, at Dedication of Northeast Hebrew Congregation Synagogue

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, April 30, 1956

Mr. BEALL. Mr. President, I recently had the great privilege of participating in the dedication of the new synagogue of the Northeast Hebrew Congregation, in Mount Rainier, Md. Although the event was a happy one, and our prayers were for peace, our thoughts were inevitably drawn to the sorrow and tension of the Middle East. Perhaps some day we shall be able to dedicate our synagogues and churches in an atmosphere untainted by trouble and hatred. At present, however, we must face the existence of such things, and must determine that all of our places of worship shall stand as symbols of our continuing hope for friendship and peace. I ask unanimous consent to have my remarks included in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Beall at Dedication Ceremonies for the Synagogue of the Northeast Hebrew Congregation, 4601 Eastern Avenue, Mount Rainier, Md., on April 29, 1956

I am very happy to be here at the dedication ceremonies of your new synagogue and religious school.

I understand that although you were organized about 7 years ago, you will now for the first time be occupying a building of your own—in which, however, some bank or mortgage company may have a slight interest.

The addition of a house of worship to any locality is a cause for celebration, not only by the members of that congregation, but also by the whole community which it serves.

No principle is more fundamental in our system of government than the one expressed in the phrase: "separation of church from state."

Its meaning, however, must not be misunderstood or misinterpreted.

What our Constitution guarantees is that no church shall become the state; that no form of religious worship is to be hindered or prejudiced; and that no church or denomination is to be extended benefits and privileges not offered on an equal basis to others.

It was never intended, however, that the state should or would separate itself from the moral principles which religion teaches, nor from the ethical ideals which the church or synagogue or temple—each in its own way—seeks to impress on its members.

Such a view would be contrary to the entire historical development of our country.

Our Founding Fathers received a great deal of inspiration and guidance from the Bible, and our American tradition is rooted in its teachings.

To the extent that the church or synagogue performs its functions of introducing into the lives of its people the divine purpose in life, the state—which means in essence your neighbors of whatever faith—is a direct beneficiary.

As you create in the minds and hearts of your worshipers an appreciation of spiritual values and higher ethical conduct, the moral tone of the community as a whole rises, and it becomes a better place to live in.

By its own means, the state can only exercise a negative influence in raising standards of conduct.

It can threaten punishment for violations, and it can then punish those violators which are caught.

Therefore, to some degree it might reach the conduct of the individual, but very rarely, if at all, does it affect the standards.

The synagogue and the church, on the other hand, have the capacity to exert a positive influence.

Their task is to develop the proper moral and ethical beliefs which will reject a course of conduct which is contrary to them.

Put into practical terms, that means less crime, less juvenile delinquency, less unethical business conduct, and less conflict between economic classes, or between any groups which divide along lines of race, religion or color.

It means less meanness and less oppression, and greater tolerance and understanding of your fellow man.

In a world now dominated in large part by a Godless faith, communism, where true freedom of worship and religious teachings are denied, and where only recently we saw countries in which every synagogue was gutted and destroyed, the dedication of a Jewish house of worship represents a triumph of our Bill of Rights and our democratic principles.

The struggle for liberty is a never ending one.

Undoubtedly you are all acquainted with the great fight which was made in the Maryland Legislature by Thomas Kennedy, of Washington County, to remove the bar against Jews holding office.

The struggle, initiated by Solomon Etting and Barnard Gratz, in 1797, was taken up by Christian legislators in 1816, and for 10 long years Tom Kennedy, with his valiant band of devoted and dedicated men with a passionate love of liberty, kept up the battle.

In 1826, the bill was finally passed, thereby advancing the cause of religious freedom everywhere.

While we are accustomed to measuring achievement and progress in terms of industrial growth, increased productivity, economic expansion, or scientific development, such conquests gained in the realm of the spirit are the lasting ones.

Today the battle for liberty is on another front.

As men and women in a free country with individual opinions, we are bound to have differences.

Uniformity and unanimity exist only in a totalitarian state.

It is of the essence of a democracy that a diversity of views may exist.

However, under our system of government, our Constitution, as interpreted by the Supreme Court, is the law of the land.

When that Court has ruled, we obey, regardless of how violently we may disagree with the opinion.

I know, and I can well understand, the great revolution which the recent decision of the Supreme Court represents in the customs, habits, and beliefs of many of our fellow Americans.

Consequently, we should not ignore the great progress which the enlightened citizens of our great Nation have already made in advancing the civil rights of their colored population.

I believe, too, that the Supreme Court recognized the problems involved and, therefore, directed that we must aim toward the change; but that it need not be made—in fact, should not be made—with such haste as to destroy the very objective we seek to achieve.

I believe that the position taken by the Honorable Simon E. Sobeloff, Solicitor General, in recommending this procedure to the Supreme Court, was a very sound and sensible one.

It followed neither the course of those who would nullify the decision of the Supreme Court nor of those who would seek to put it into effect at once, without giving the communities involved the opportunity to adjust and condition themselves to the change over a period of time.

I have, therefore, fought for the confirmation of Solicitor General Sobeloff as a Judge of the Court of Appeals for the Fourth Circuit, and I shall continue to fight for that confirmation.

I believe that the opposition has been unfair to a man who is not only a great jurist, but who also possesses an enormous amount of common sense and an abundance of the human quality.

A few days ago marked the eighth anniversary of the independence of the State of Israel.

Speaking on an occasion such as this, it could hardly be proper not to allude to that event.

According to recent newspaper reports, a cease-fire has apparently been agreed upon between Egypt and Israel.

However, let us not delude ourselves.

Unless there is some radical change, this will be only one more temporary armistice which will falter because the basic conditions for its permanence have never been satisfied.

For 7 years since the armistice, Israel has been trying to sit down at a peace table with its antagonists to arrange for a just settlement of grievances, but to no avail.

We all know too well of the various economic and military pressures against which the fledgling nation had to contend in its early days.

Now the situation is infinitely more menacing.

Each week we hear new reports that the Communists are sending arms to the Arab nations, and each day we feel the tension mounting.

There is no need to ask ourselves why Russia is interested in the Middle East.

The motives of the Reds are frightfully obvious.

Behind the friendly overtures which are flowing from the Kremlin to Cairo and its sister cities is one central purpose—Communist expansion.

The roadblock is Israel, conceived in a spirit of freedom and dedicated to its preservation.

From the very beginning I have made my position clear.

I am, and have been, an advocate of mutual security pacts between our country and any nations in the Middle East that are willing to refrain from aggression.

I am not speaking in generalities.

Although the words I use might have lost some of their original impact through constant repetition, they nevertheless express the hard fact that this Nation must supply help—and I mean that word to include the very latest arms—to offset whatever aid is poured into the area for purposes of aggression.

This is not merely the only just thing we can do; it is also the only practical thing we can do.

Such a combination of incentives should leave us without the slightest doubt concerning our path.

Our thoughts during the past few minutes have been turned to turmoil, but behind them have been our hopes and prayers for peace.

This beautiful edifice that you are dedicating today is a symbol of the peace which we are seeking, and I therefore congratulate you and wish you Sholom.

What the Postal Workers Want and Should Get

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. ANFUSO. Mr. Speaker, it was my distinct privilege and personal pleasure to address the annual rally of the joint conference of Affiliated Postal Employees, held in New York City on Sunday afternoon, April 29. I discussed some of the current problems and the objectives presently being sought by the postal workers, as well as the need for early enactment of these measures.

Under leave to extend my remarks in the RECORD, I want to insert the text of my address on the above occasion:

ADDRESS BY CONGRESSMAN VICTOR L. ANFUSO AT JOINT CONFERENCE OF AFFILIATED POSTAL EMPLOYEES, NEW YORK, SUNDAY APRIL 29, 1956

President Dave Silvergleid, Roy Hallbeck, and all my good friends in the postal service, it is always a great delight for me to join with you at these public rallies and to have the opportunity to exchange a few thoughts. Let me thank you first for extending the invitation to be here with you today and to address this fine gathering.

During the years that I have come to know your leaders and your membership more intimately, I have found that you are an alert group, always prepared to speak your mind freely, forcefully and intelligently. You do not hesitate to speak up and to criticize where criticism is needed. And this is the way it should be in a democracy.

You may have heard the story of the two German fishermen who were trying their luck on opposite banks of the Rhine River. The one on the bank of the American zone was hauling in plenty of fish, but the one on the Russian side couldn't get a bite. Finally, the fisherman on the Russian side got disgusted and he shouted:

"How do you manage to catch so many fish, while I get none?"

"Very simple," replied the man on the American side. "The fish over here aren't afraid to open their mouths."

In a democracy like ours we are not afraid to speak our minds and to say what we please—Even if we are Government workers. Your rally today is an excellent example of that freedom, of bringing your gripes into the open, of criticizing, and of seeking the means to improve your lot, your working conditions, your benefits, and your security in life.

Last year, the question of a salary increase was uppermost in your mind. That matter has been resolved, though not as satisfactorily as I had hoped. You may recall that I advocated an $800 increase for all postal and Federal employees, and I voiced the opinion that anything less than a 10 percent pay increase would be inadequate. I still feel as strongly about it today as I did a year ago, and it is my sincere hope that in the not too distant future Congress will rectify the shortcomings of last year's pay increase. Your request for a $600 increase is justifiable. I need not tell you that I shall be glad to support it. It will not be an easy task to reach this goal. As a good friend of yours I must tell you that you are facing an uphill fight, and you must therefore gird yourself well if you want to be successful.

This year, other problems and other objectives are holding your attention. I refer specifically to such matters as the need for a better and more liberal retirement system, recognition of employee organizations, the establishment of a system for merit promotion, and seniority established by law. Every one of these objectives is a good one and should have been enacted a long time ago. I know that you and your families are vitally interested in achieving these objectives in the near future. With the proper campaigns and push—as I know from experience that you postal workers can do—you ought to be successful before very long.

The one that stands the best chance for early achievement, it seems to me, is the retirement bill (S. 2875) by Senator OLIN JOHNSTON, chairman of the Senate Post Office and Civil Service Committee. As you undoubtedly know, the committee gave its unanimous approval to this measure recently, and the chances appear to be quite good that it may still be enacted during this session of Congress.

I don't want to go into a lengthy discussion of the major provisions of this bill. I am sure that most of you are by now generally familiar with these provisions. Suffice it to say, that the average retirement annuities would be increased by about 25 percent; retirement would be possible at any age after 30 years of service; benefits for the disabled would be increased substantially; survivors benefits would also be considerably increased, and a number of other important benefits. Let me assure you that there is not an employee in the Federal service, regardless of his salary or his age, who would not benefit greatly through the enactment of this bill.

No wonder the measure is described as "the greatest forward step in Federal employee legislation in 30 years." I regard it as the most far-reaching step in the revision of our retirement system in many years. This measure meets head-on most of the retirement needs of all those who are now on the Government payroll.

Let me caution you, however, as a good friend, that as long as the bill has not been enacted there are always dangers. In this instance, too, there are some hurdles which must still be crossed before it becomes law. The biggest of these is the fact that the Republican administration is opposed to the retirement bill, primarily on the old lame excuse of economy.

You must remember also that we still have to push it through Congress. I want you to know that I am not only for it and will strongly support it when it comes before the House of Representatives, but I have done more than that. I have personally talked to Congressman MURRAY, the chairman of the House Post Office and Civil Service Committee, and to several members of the committee regarding the bill. I have their assurance it will be given prompt and proper consideration. This measure is among the top bills on my list for this session.

Incidentally, let me assure you that in my talks with Mr. MURRAY and other committee members, I also mentioned other legislation in which postal workers are vitally interested. For example, I stressed the importance of recognizing employee organizations, like yours and others of similar type. It is most unfortunate that Federal employees do not enjoy certain rights in the field of labor-management relations as do employees in private industry. Government workers have a right to join unions of their choice, but the unions cannot impose upon them an obligation to strike against the Government. There is also no requirement that the Government recognize such unions as spokesmen for Federal employees. Thus, effective labor-management relations are practically nonexistent in Government service.

This is an injustice which needs to be corrected. Several bills have been introduced which call for practical machinery to deal adequately and fairly with labor-management problems which come up in Government service. They provide official recognition of employee unions, the requirement that departments and agencies deal with the unions on personnel matters and employee grievances, and also recommend arbitration of disputes. While as yet there has been no action on these bills, I am happy to know that the Senate Post Office and Civil Service Committee will begin hearings on May 15. I do hope such legislation will be enacted at an early date. The principles and objectives of union recognition are reasonable and just. I regard this legislation as among the most important Federal employee measures now before the Congress.

As for the question of merit promotion, all I will say at this time is that we should have had it a long time ago. A sensible and workable program for the promotion of employees on the basis of merit is long overdue. Unfortunately, there is a disposition in certain quarters to discredit the civil service merit system and to wreck it by filling positions on the basis of political endorsement. It is wrong and it is harmful all around. The whole present system is not working satisfactorily. I know this from the letters I receive at my office, and I know it from the views expressed to me by employee organizations which are sponsoring this legislation. Senator JOHNSTON has recently introduced a bill (S. 3456) along these lines, and I am all in favor of its enactment into law.

In conclusion, let me assure you that Congress is working hard on various phases of legislation and I am certain that the end of the session will show a fine record of accomplishments. Gradual progress is being made in the field in which you are interested, not only in the problems I discussed with you today, but also in others, such as the question of seniority, health insurance for Government employees at no additional cost to you, and other matters.

You have many good friends in Congress who are constantly on the alert for your interests. But your organization and similar organizations cannot let up for a minute. You too must pitch in and get behind us with enthusiasm. I know you can do it, when you want to. It is like the old saying: Even if you are on the right track, you will get run over if you just sit there.

The Dedication of the New Passenger Terminal at the Cleveland Hopkins Airport, April 28, 1956

EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. VANIK. Mr. Speaker, permit me to call the attention of my colleagues in Congress to the dedication of the new passenger terminal at the Cleveland Hopkins Airport in Cleveland, Ohio, on April 28, 1956. This new $3,500,000 passenger terminal is the latest phase of a $22 million modernization program which is designed to place Cleveland's air terminal in the front ranks of America's airports.

The city of Cleveland has every right to be proud of this new terminal. It is an exemplary step forward in the field of air travel in our rapidly shrinking world. The construction of this terminal was made possible by the passage of a local bond issue paid for by the citizens of Cleveland although the airport serves the entire metropolitan area.

Of particular interest to the air traveler is the big new parking lot providing adequate accommodations for the commuter who leaves his motorcar at the airport for a day's business in another city.

The next items for construction on the agenda at the Cleveland Hopkins Airport are two privately financed airplane hangars estimated to cost $4 million and a new north concourse soon to get underway.

Federal contributions have been a great factor in the construction of the airport facilities in Cleveland, but the local citizens have made every effort to contribute their fair share toward this important community asset.

The Discharge Petition and Home Rule

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. PELLY. Mr. Speaker, occasionally I have found constituents who desired information on the procedure in the House of Representatives to prevent a House committee having absolute control over legislative bills referred to it.

It is generally known that the rules of the House of Representatives provide for discharging a committee from consideration of a bill, but the details of this rule and how it works are not always fully understood. In essence, of course, a discharge petition is a House motion to order a standing committee to desist from holding a particular bill for consideration and calling the measure to the floor of the House for deliberation so the will of the majority of the House may prevail as against the will of a committee.

Under unanimous consent, of course, any Member if recognized by the Speaker for that purpose, may make a motion to discharge any committee from further consideration of a bill. To supplement this procedure and force bills out of reluctant committees there is the so-called discharge rule XXVII, clause 4, of the Rules of the House.

Under this latter parliamentary procedure the first and only bill ever to become law, I am advised, was the wage and hour bill in 1938 in the last session of the 75th Congress. Others, however, have been passed under such a threat. The Bill Digest Section of the Legislative Reference Service of the Library of Congress at my request compiled some statistics on the motion-to-discharge rule. From the 61st Congress to date, 788 discharge motions have been filed; 29 motions obtained sufficient signatures to be printed on the Discharge Calendar; 21 of these were granted discharge hearings under the rule; 19 bills were discharged from committees, and 15 of these passed the House.

Six distinct forms of discharge rules have been adopted since the first one in 1910. The present one was adopted in 1931.

When any Member wishes to discharge a committee from further consideration of any bill, he or she must file a written petition at the Clerk's desk. A majority of the House membership or 218 signatures are required before discharge may be successful. When the necessary signers are obtained the petition and names of signers are printed in the RECORD and referred to Calendar of Motions to Discharge Committees.

Any bill or resolution must have been referred to a committee at least 30 days before a motion to discharge the committee from further consideration can be filed; or in connection with a resolution to discharge the Committee on Rules the bill must have been referred at least 7 days prior to such referral.

When a motion to discharge a committee is brought up before the House, it will be debated for 20 minutes—10 minutes for proponents, 10 minutes for opponents—hardly sufficient time, I submit, to make a full argument pro and con.

Discharge rules must be printed on the calendar at least 7 days, and during this time the committee having jurisdiction of the bill can make a report on the bill to the House and thereby block consideration of the discharge petition unless it is the Rules Committee. After such a report, if a bill is not otherwise privileged, it may stay on the calendar until adjournment unless a resolution to grant privileged status is introduced and then discharged from the Rules Committee by the regular procedure.

Furthermore the leadership by arranging a plan of recessing day by day instead of adjourning before discharge day arrives can block consideration.

What does this amount to? It means the House of Representatives has a unique procedure in case a committee refuses to make a report on a measure at least 30 days before the committee, and on which a majority of Members desires a vote. The purpose is to retain for the majority a possible power as against the program of leaders—committee or otherwise.

To sum up, the operation of the discharge rule works like this. Any Member may file a petition at the Clerk of the House's desk requesting recall of a measure from a committee to which it was referred when such committee refuses to make a report on that measure after it has been before it for 30 days—or 7 days if it is the Rules Committee. If and when 218 Representatives sign the petition, it is placed on the Discharge Calendar. After 7 days on that calendar, any signer may move, on the 2d and 4th Mondays of the month, that the House consider the motion. Then if the vote is affirmative the measure is recalled and either goes on the House Calendar or is immediately considered as previously explained.

The discharge rule is subject to wide conflict of opinions by the membership. Experience indicates that the rule gives leadership a means of obtaining consideration for bills it favors, but where leadership opposes a measure which is favored by a large segment of House membership, the procedure generally fails.

Many legislators oppose the procedure of the discharge rule as dangerous, and many Members personally observe a practice of not signing any discharge petitions. Why?

One reason given against signing discharge petitions is that consideration of bills without public hearing and full committee consideration is believed to lack proper safeguards and to constitute a dangerous practice.

It seems to me, Mr. Speaker, that an exception to the above as far as safeguards is concerned would be a bill such as S. 669, the home-rule bill for the District of Columbia which the Senate passed 59 to 15 on June 29, 1955, after committee consideration and public hearing. Now the bill reposes in the House committee as it has in past years with no action scheduled. Since it could be that the southern Democratic-dominated House committee is not representative of the thinking of the full House membership—and I judge this to be the case—and since a similar measure has been given hearings on three separate occasions and passed the Senate in 1949, 1951, and 1955, I think every other avenue has failed. It is time to force the Democratic leadership to live up to its platform and Republican like myself who favor home rule should act.

Therefore, Mr. Speaker, after much thoughtful consideration I have determined, in this instance, to sign the petition at the Clerk's desk to discharge the Committee on the District of Columbia from consideration of S. 669. I have previously declared my support for this legislation.

If other Republicans would join me and with liberal Democrats we succeeded in securing the necessary signatures, it would soon smoke out who is responsible for burying this legislation.

Today, May 1, 1956, after 82 years of disenfranchisement the residents of the District of Columbia have enjoyed limited voting rights and are balloting for delegates to their respective national political conventions.

It has seemed to me an appropriate day, believing as I do in the right of self-government, to sign the discharge petition on S. 669, the so-called home-rule bill.

At least I have felt it a symbolic act signifying personal belief in the constitutional right of suffrage and civil rights even though I have some objection to the parliamentary procedure necessary to accomplish the objective.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 1, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, we beseech Thee to give us this day the wisdom to make the right decisions and courage to maintain them steadfastly.

Inspire us with the glad assurance that Thou art our refuge and strength, a very present help in time of trouble, and that righteousness cannot fail.

Show us how we may keep sacred and inviolate our glorious heritage and may we be blessed with that sense of serenity and security which comes to those who put their faith in Thee.

Grant that we may be true for there are those who trust us; may we be pure for there are those who care; may we be strong for there is much to suffer; may we be brave for there is much to dare.

We thank Thee for the life and character of Thy servant who has entered the house of the Lord and now dwells with Thee in eternal blessedness. Thou hast opened unto him the doorway to the larger life and received him into Thy nearer presence.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems;

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes; and

H. Con. Res. 234. Concurrent resolution requesting the return of the enrollment of H. R. 4781 by the President to the House of Representatives for the purposes of reenrollment.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Daze;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project; and

H. Con. Res. 202. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 584. An act to amend title 28, United States Code, relating to the Customs Court;

S. 1143. An act for the relief of Arthur K. Jefferson;

S. 1178. An act for the relief of Mrs. Sylvia Simonson;

S. 1414. An act for the relief James Edward Robinson;

S. 1622. An act to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes;

S. 1812. An act for the relief of Athanase G. Politis;

S. 2008. An act for the relief of Winifred A. Hunter;

S. 2064. An act for the relief of Gregorio Spiros Ferentinos;

S. 2169. An act for the relief of M. B. Huggins, Jr.;

S. 2240. An act for the relief of James Richard Hogan;

S. 2271. An act for the relief of Salomon Benveniste;

S. 2913. An act to extend for 2 years the Advisory Committee on Weather Control;

S. 2984. An act for the relief of Col. John A. O'Keefe;

S. 3163. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska;

S. 3164. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3266. An act to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States;

S. 3391. An act to provide for the regulation of the interstate transportation of migrant farmworkers;

S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington September 10, 1954, and for other purposes; and

S. 3674. An act to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television.

COMMITTEE ON RULES

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE LATE HONORABLE ALBEN W. BARKLEY

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, it is my very sad duty to announce the death on yesterday of Kentucky's most distinguished citizen, Senator ALBEN W. BARKLEY. Senator BARKLEY served his State and his Nation with great ability and great distinction for 43 years. He was a superb statesman and an unselfish patriot. Death came while he was addressing a college audience which was holding a mock Democratic convention.

Senator BARKLEY, like Abraham Lincoln, was born in a log cabin in Kentucky. And, like Abraham Lincoln, he had to overcome these disadvantages. Because of his poverty he was compelled to earn his bread while he received his education. His genial personality, his kindly and companionable nature endeared him to all the people of Kentucky. He had a delightful wit that loved to play, not wound. Today Kentucky has a heavy heart because of his death. He had lived more than 3 score years and 10, but it is sad that men of his character and his ability should pass away while they are in possession of their fine faculties and judgment.

He served in this House for 14 years, and then he went to the Senate where he was serving his fifth term. In the Senate he became the majority leader where he displayed splendid ability and highest quality of leadership. He then became Vice President of the United States, which gave the people of the Nation an opportunity to know him. I am sure they had somewhat the same affection for him as the people of his native State. We have indeed sustained a great loss. He died as I know he would like to have gone—not from a bed of pain and suffering and sickness, but with his spirits high and the applause and laughter of his audience ringing in his ears. He fell as the mighty unbending oak falls before the whirlwind in the forest.

His last words were a prayer. He said, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." He was a faithful servant to the people he represented through his long career. He will be a faithful servant in the house of the Lord, and I know that the light of the countenance of his Master will shine upon him and give him peace.

To his devoted wife and his family, I extend my deepest sympathy.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. CHELF. Mr. Speaker, this is a sad day for Paducah, a sorrowful day for McCracken County, an unhappy day for all of Kentucky, and a horrible blow for the Nation and the world. We down in Kentucky have lost not only a great man, an outstanding citizen, a foremost American, an extraordinary legislator, but one of the finest, one of the sweetest, one of the most lovable persons who ever walked under the broad, blue canopy of God's own heaven.

Senator BARKLEY's life was indeed a story of Horatio Alger. Born of humble parents in a log cabin down in western Kentucky, his father in the great panic of 1890 lost his farm and became a tenant farmer. Young BARKLEY was inspired by reading the lives of Lincoln, Washington, and other great Americans. He wanted to make something of his life, and his friends encouraged him and they advised his father to send him away to school. Since his father was not able to do so Alben worked his way through by doing the job of janitor on the school buildings. One of the old buildings of the college, that is today being used as a hotel, now has a sign out that reads: "BARKLEY swept here." At the age of only 20 years he won his first oratorical contest.

Shortly thereafter his good friends and neighbors, the people of McCracken County, honored him by electing him their county attorney, then their county judge. Later he ran for a seat in this great body and was sent here for 14 years—7 different terms. Then he decided he would try for the governorship of Kentucky, and that, Mr. Speaker, is the only race in which he ever suffered a bitter disappointment. He was nosed out by a few votes. But he came back the very next year with his determination, his grit, with his ability, and by that time he was better known statewide, and he won the Democratic nomination for United States Senator and was elected in that November by one of the greatest majorities any Kentuckian has ever rolled up running for office.

He served in the Senate for 22 long, fruitful years, during 11 of which, Mr. Speaker, he bore upon his back and upon his conscience the majority leadership. This was during the war years, when it was necessary to get the money for planes, tanks, and the guns to equip our boys. He was fighting for our freedom and Christianity and all that it means, just as surely as our boys were fighting in the war for it. His assignment as majority leader was enough to kill any 10 men, but, Mr. Speaker, ALBEN BARKLEY put his shoulder to the task and his heart to the challenge, and he came through, as you know, with flying colors, and history has so recorded it.

Mr. Speaker, there is very little I can add. The people of Kentucky loved him, the people of the Nation respected and admired him because they elected him Vice President of the United States, and he served ably and well in that high office.

Mr. Speaker, somehow I feel today that but for his character, his honesty, he could have been President of the United States. Why? Because when the challenge came, when courage was needed, he saw fit to take issue with the then President. He did so and he was unafraid. He made a speech on the floor of the Senate in which he violently disagreed with the then President over a tax veto. In my humble opinion, from the bottom of my heart, I believe that this cost him the Vice Presidential nod and therefore later the very Presidency itself. I later said to him when I was talking to him about it: "Senator, you could have been President if you had not made that speech, and if after making it you had not resigned as majority leader of the United States Senate." He said: "Frank, I know in my heart that I was right, and I would rather be right than to be President of the United States of America."

That was the creed and that was the belief that was the life of ALBEN W. BARKLEY. And as my great and distinguished friend the gentleman from Kentucky [Mr. SPENCE] has just said, the folks wanted him to continue in office. He wanted to retire back home in Kentucky with his friends and his family. Friends of Mr. SPENCE and myself, friends of every Member of the Kentucky delegation were asking us to ask him to run again. They wanted to see him back on the Hill, they felt that they needed at this time, of all times in our history, a man of courage, honor, one of ability; one with know-how—he did run. He was nominated by an overwhelming majority and he defeated a fine Kentucky Republican to win back again his old Senate seat.

Senator BARKLEY, the one and only great "Veep," died as I know he wanted to, with his boots on. He had almost finished his speech. And there is another thing that stands out indelibly on his magnificent record of achievement—with diamond words emblazoned in a golden book on silver pages, his great love for his fellow man, his love for young people. He was appearing at a mock convention to help these young college students to learn more about the government of our great country—how our great two-party system operates and how it has succeeded.

Mr. Speaker, I could go on, but suffice it to say that we have lost a great American. I would like to say to you that when he came down to campaign in my great Fourth District in 1954, I went with him on every stump. Yes, we campaigned together. We had a lot of fun. He was a wonderful companion and my dear friend, and I like to call him not only my friend, but also my buddy. To show how considerate he was of others—he often told me that I should not work so hard making so many speeches for him. He would say: "Frank, you have no opposition at all—you are just out of the hospital and major surgery—take it easy, my boy." It was an inspiration to just be with him. I would hold my side and my scars when he was not looking—and proceed to pour it on as best I could for him. He carried my district by over 10,000 votes. We both were so pleased over it.

One of the stories he told I think is apropos to tell here because everyone knows how he would feel if he were here now. He would want us not to feel bad today, believe me, and I say that from the bottom of my heart. This is one of the stories he told that everyone loved so well, and it was one of his favorites.

Back many years ago when he was a boy on the farm, his father needed a timepiece, a clock. It was a long way to the county seat, Paducah. In those days you had to use a horse and buggy to get there. So his father sent him over to the adjoining farm to borrow a clock from one of his neighbors who had several clocks. He brought it back home. But they were always in a state of confusion over the clock. They could not tell the time by that clock. Finally Senator BARKLEY took the clock back to the neighbor and told him about it. His neighbor said, "Alben, I am sorry about that clock. You know, I forgot to tell you that when both hands point to high noon and the clock strikes 3, that means it is 6 o'clock."

Yes, that was one of his favorite stories. I could go on and tell you many great things about this great individual. He has so conducted himself amongst his fellow man, he has let his light so shine, that his fellow man might plainly see his good works and glorify our Father who is in heaven. He has created with his own hands, his high station in life. He has built a monument higher, brighter, whiter, and more beautiful, if you please, than the Washington Monument, in my opinion.

Mr. Speaker, I extend to his good wife, Mrs. Barkley, to his children and his grandchildren my deepest sympathy and may God rest him and keep him in peace. The Master would say: "Well done, thou good and faithful servant; enter into the kingdom. I have a special place for you."

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, the news of ALBEN BARKLEY's death last night was a shock to the whole world. Senator BARKLEY was a dear friend to all peace-loving nations.

I, like all Kentuckians, received this news with the deepest of sorrow. I readily realized not only the great loss the State of Kentucky had sustained but also the Nation. The same feeling was being expressed by every Kentuckian that I met last night in Ashland after we received this sad and shocking news. All Kentuckians loved ALBEN BARKLEY. They loved him because he was a man of principle and an individual the ordinary layman could look to for inspiration.

It will serve no useful purpose for me to mention the outstanding and unexcelled contributions that ALBEN BARKLEY has made in the field of government, except I want to say that, in my judgment, this country has never produced a greater public servant and statesman than Senator BARKLEY, or a man that has contributed more to the general welfare of all the people in this Nation.

Kentucky, as well as the Nation, has suffered an irreparable loss. Senator BARKLEY's last words, "I am willing to be a junior. I am glad to sit on the back row, for I had rather be a servant in the house of the Lord than sit in the seat of the mighty," preceding his untimely and unexpected death, discloses not only his Christian qualities but that he was a man of unimpeachable integrity.

I have been a close personal friend of ALBEN BARKLEY's since 1932, and I loved him just like hundreds of thousands of other Kentuckians. I recall distinctly when he first displayed his oratorical ability in my hometown in the year of 1923 when he was a candidate for the Democratic nomination for governor. He was a companionable person, which I feel is a great asset to one in public service; a public servant that you could go to for advice and always receive wise counsel.

Mr. Speaker, the untimely passing of Senator BARKLEY has not only aggrieved and left me with an overwhelming sense of personal loss but has brought the same feeling to all the people in Kentucky, which ALBEN BARKLEY loved with all his heart.

We all take pride in paying tribute to our great public servants. America and Kentucky never have had a more sincere or devoted public servant.

To his wife and all the members of his family I extend not only my deepest sympathy but the deepest sympathy of all the people that I am privileged to represent who knew and loved Senator ALBEN BARKLEY better than any other man in public life in this day and age.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Speaker, I rise to pay humble tribute to the memory of my friend and fellow Kentuckian, ALBEN W. BARKLEY. His death removes from this earth one of Kentucky's great statesmen, and a man recognized throughout the world as a leader of men and a man of public spirit. He was a great orator, and a perfect gentleman. A kind, considerate man whose exemplary life influenced his own generation and succeeding generations.

Senator BARKLEY served for over 40 years in the Congress of the United States before being elected Vice President on November 2, 1948, for the term beginning January 20, 1949. A man of fine judgment with the courage to carry out his convictions, a true public servant. As a great Kentuckian and public servant he again answered the call of his people after his term for Vice President expired when he was elected to the United States Senate for the term beginning January 3, 1955. Throughout his long career as a legislator he was a friend of the farmer, the working people, small business, industry, our professions, and the veterans. In private life he gained success as a lawyer and a farmer. In every position he held, either private or public, he achieved distinction. His service in all of his assignments was marked by a high sense of conscience and duty. He loved people, and they, in turn, loved him. The qualities which endeared ALBEN W. BARKLEY to those who knew him were his devotion to his family and friends, his rugged integrity, and his unfailing sense of humor and good commonsense. His contributions to better government were many and will long be remembered.

The Commonwealth of Kentucky and the United States have lost a great statesman and leader. I have lost a true friend. A friend who lived his life fully and served his country well. To his wife, his children, and grandchildren, Senator ALBEN W. BARKLEY left a proud heritage. I extend to them my deepest sympathy in their bereavement.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. GREGORY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GREGORY. Mr. Speaker, you know that the hearts of all Kentuckians are heavy and our heads are bowed in grief over the passing of our most illustrious native son. I particularly am grieved over the loss of this great and good friend. He was a resident of the great First District of Kentucky, which I have the honor to represent and which he made a great district as an illustrious Member of the House, as a distinguished Senator from Kentucky, and later as the Vice President. His last words were typical of him and typified his life both as a citizen, as a neighbor, and as a public official. I am sure that I have known him longer than any Member of either body as I knew him when I was a small boy and witnessed his climb in public affairs from county office to the pinnacle in national affairs in his party and in his Nation.

ALBEN BARKLEY was born in the small community of Lowes, in Graves County, Ky. He never forgot his beginning in humble surroundings and his loyalty to that community and his devotion never wavered.

I felt that it would be appropriate that the flag which was flown at half mast over the House from which he started his rise to fame should be sent to the high school at Lowes, Ky. I have sent this flag to the Lowes, Ky., High School with the accompanying letter:

To the Students of Lowes High School, Lowes, Ky.:

> The hearts of all of us in Kentucky and, in fact, throughout the Nation are heavy and our heads are bowed in sorrow over the sudden passing of the late Senator ALBEN W. BARKLEY whose life has for so many years been dedicated to unselfish public service to his fellow man.
>
> I know that in his birthplace of Lowes his loss is probably felt more keenly, if possible, than elsewhere. His loyalty and devotion to the Lowes community never wavered. Your forebears knew him as a schoolboy and knew of his ambition, character, and determination to be of service to his fellow man. He realized this ambition and achieved the second highest honor in the world in becoming the most popular Vice President in the history of the United States.
>
> Coming from a modest beginning and having achieved these many great honors by the application of industry and honesty—fortified by character and unselfishness, his life was and will always be a beacon light of inspiration to young men and women possessing these traits.
>
> The Congress of the United States paid just tribute to him. All flags were flown at half mast when his passing was announced. Since he started his rise to fame as a Member of the House of Representatives, I feel that the flag flown over the House of Representatives at half mast should be presented to you to hang in your school as a constant reminder to you and the students of the generations yet to come that great good can be achieved by you if you emulate his great life. I am sure that this will be an inspiration to you.
>
> I have secured this flag and am sending it to you today together with a certificate of the Clerk of the House that this is the authentic flag flown over the House at half mast as a token of grief and deep respect which not only the Congress felt but which was shared by peoples of the entire world.

So long, Mr. Speaker, as character and devotion are honored among men, so long as courage of conviction may be cherished among men, so long as unselfish service to humanity is appreciated—just so long will the memory of ALBEN W. BARKLEY occupy a hallowed place in the minds and hearts of all Americans.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. SILER].

Mr. SILER. Mr. Speaker, it was the poet, Alfred Tennyson, who gave us those lines Crossing the Bar:

Sunset and evening star,
  And one clear call for me!
And may there be no moaning of the bar,
  When I put out to sea.

But such a tide as moving seems asleep,
  Too full for sound and foam,
When that which drew from out the boundless deep
  Turns again home.

Twilight and evening bell,
  And after that the dark!
And may there be no sadness of farewell,
  When I embark;

For though from out our bourne of Time and Place
  The flood may bear me far,
I hope to see my Pilot face to face
  When I have crossed the bar.

Mr. Speaker, my fellow Kentuckian was a good man and I am confident that as he goes out to meet his Pilot face to face, he will be able to give a good accounting of his stewardship and of a life well spent and work well done.

Mr. SPENCE. Mr. Speaker, at this time I yield to the distinguished gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, all of us here today, on both sides of the aisle, are touched with sadness at the death of one who had been a beloved colleague for so many years, first in this Chamber and then in the other body.

ALBEN BARKLEY was a stalwart and honorable warrior of the political arena whose devotion to his country was unquestioned by all who knew him.

ALBEN BARKLEY took the responsibilities of his office seriously, which was fitting and proper.

But he never let the burdens of public service overwhelm his wonderful sense of humor.

He was a charming companion, whose colorful personality and gift for story telling will long be remembered by all who were fortunate enough to enjoy his acquaintance.

Those of us who have fought this battle longest will best appreciate ALBEN BARKLEY's loyalty to the cause in which he believed.

We will best appreciate and understand his rugged partisanship, which gave way only when, in his opinion, such deviation was dictated by the national welfare.

We on the Republican side honored and respected ALBEN BARKLEY as a fair and worthy opponent.

We admired his many talents, and we felt a great affection for him as a generous, kindly, and thoughtful friend.

We shall miss ALBEN BARKLEY. Yet the shock of his sudden passing is eased somewhat in the knowledge that his was a long and distinguished career—which is a privilege not all of us can hope to enjoy—and that the end, when it came, was apparently without great suffering or heavy pain.

Mr. SPENCE. Mr. Speaker, Senator BARKLEY and the Speaker of this House served long together. I know Senator BARKLEY had a very great devotion and warm friendship for our Speaker. I know that was reciprocated by Speaker RAYBURN.

At this time I yield to our distinguished Speaker.

Mr. RAYBURN. Mr. Speaker, in 1913 ALBEN BARKLEY and I stood in this well and took the oath of office. We were assigned to the same committee, the Committee on Interstate and Foreign Commerce, where he served with me for 14 years. He went to the Senate, and in 1937 when I was elected majority leader of the House of Representatives he was elected majority leader of the Senate. I became presiding officer in the House and he became the presiding officer in the Senate. That is the parallel that he and I discussed many times and always with great pleasure, because he knew of my deep devotion to him and I knew of his deep devotion to me.

ALBEN BARKLEY had the good elements mixed in him I think, as many as any man it has been my privilege to know. God gave him a sturdy stature physically and mentality that was big, and he did things with his physical and his mental capacity. I think that ALBEN BARKLEY was probably the greatest orator we have produced in a quarter of a century. He had a way about him of getting his story over in sincerity and with sound judgment.

He was a statesman of the first order. He will rank and deserves to rank with the great men who have lived in America and have helped to make and keep it great.

Today I feel as if an anchor, one whom I could reach out and touch when I needed friendly advice, a wonderful companion, has left me, and he will not return. But in the years to come, however, many may be allotted to me; I will cherish and memory will be green when I think of my old friend.

Added to his great capacity as a statesman, he was also a gentleman of the first order, kindly, with no venom. His weapon was his argument and the way he could assemble and put his facts before the people. He was a great leader of men.

He was a great family man. I have known all of his children and practically all of his grandchildren. Both of his lovely helpmeets I knew, and they were friends of mine, because they knew I was a friend of the great man who walked hand in hand with them. Few times in our lifetime—it matters not how long it is—do we see his like. I may not see his like again, but I know this today, that out there somewhere where the mighty spirits are gathered, the approach of ALBEN BARKLEY was received with open arms, because he was the equal of the mightiest spirits that assemble wherever that land or that clime may be. God bless his memory. God comfort his loved ones—God comfort me.

Mr. SPENCE. Mr. Speaker, I yield to our distinguished majority leader the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the country in the death of Senator ALBEN BARKLEY has lost one of its greatest citizens of all times. His life is an inspiration for all to follow and a heritage that brings great consolation to his loved ones. Kentucky today has a heavy heart, as my friend the gentleman from Kentucky [Mr. SPENCE] well said. I agree with him; I might add that the country has a heavy heart, for his death leaves a gap that will take long to fill. ALBEN BARKLEY and I were very close friends. There is no one I admired more than I admired ALBEN BARKLEY.

During World War II, ALBEN BARKLEY and I served as majority leaders of our respective bodies. I can testify to his greatness and his courage as evidenced by the meetings of the leaders with the late Franklin D. Roosevelt and of ALBEN BARKLEY's wise advice on many occasions in the best interest of our country. In the 1952 Democratic National Convention, I spoke and voted for the nomination of ALBEN BARKLEY as the Democratic nominee for president. That will always be one of the most satisfactory and happy occasions and votes that I have ever made or will ever make. ALBEN BARKLEY was a great Democrat. He firmly believed in the two-party system as the most effective means for our people to express their political views in the best interests of our country. He believed in the unity and solidarity of the Democratic Party which he loved with a great devotion and a lifetime of service. He abhorred disservice and disunity. He condemned the policy of some that either they rule or they ruin. No matter how trying the situation was ALBEN BARKLEY, a strong disciple of Thomas Jefferson, believed that party came first. But, over and above his strong party adherence, ALBEN BARKLEY stood for his country first. He always raised his voice and his influence within the Democratic Party so that the Democratic policy, whether a Democrat or a Republican President was in the White House, should strengthen the national interests of our country and always be for the best interests of our people.

In the years preceding World War II, ALBEN BARKLEY was a bulwark of strength in frustrating and later defeating Hitler and nazism. At the very moment of his death he was a bulwark of strength in the fight against atheistic communism. Throughout a lifetime of public service he was a great progressive, always in his vision of progressive measures trying to preserve and strengthen America and its family life.

One could go on endlessly talking about ALBEN BARKLEY. ALBEN BARKLEY'S name in American history is established for all time. The name of ALBEN BARKLEY is now included among the great Americans of yesterday.

I extend to Mrs. Barkley and her loved ones my very deep sympathy in their great loss and sorrow. I also extend my sympathy to my colleagues from Kentucky.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON of Virginia. Mr. Speaker, it has fallen to my lot to have been the only Member of either the House or the Senate to have been with the Vice President on his last day on earth. As a matter of fact, since last Thursday he and I have conducted a sort of tour of my district. On Thursday he attended the Apple Blossom Festival in Winchester at which his granddaughter presided as queen. On Sunday he was back again and spent the day with Senator BYRD at a party at his home in Clarke County; and then again on yesterday at the mock convention at Washington and Lee University. During all that time I have never known him to be in finer fettle or more himself. I suppose he told a thousand stories and shook the hands of thousands of people. And he entered into the spirit of each occasion where he was.

Washington and Lee University for nearly 50 years has conducted these mock conventions. They hold regular conventions and they put a great deal into it. Yesterday Senator BARKLEY and I drove through a 2-hour parade, and from every window of the small town of Lexington loudspeakers blasted the virtues of Adlai Stevenson, Estes Kefauver, and Governor Harriman. It was obvious that he was enjoying himself immensely.

When he was introduced to the convention, in which every State was represented by delegates, he was received with great enthusiasm. The occasion called for him to make a partisan Democratic speech, and he rose to the occasion nobly. He made a ripsnortin', old-fashioned, rootin' tootin' Democratic speech that delighted his audience. He began with the early days of the Republic and came down to the present day and held forth on the theme that every good thing that was ever accomplished in the history of this country was due to the Democratic Party and every bad thing that had ever befallen the country was due to the machinations of the Republican Party. And I might add, Mr. Speaker, that he almost proved it. And yet he did it in a way that had no sting, or would give offense to anyone.

During the course of his talk he recited the number of Democratic Conventions he had attended—every one since 1920, and he said he had been thinking about not going to this one, but because of the spirit of this occasion the old fire horse felt that he could not stay away. He led up to the words that have been quoted here by saying that in looking at the floats—there were floats for Harriman, for Kefauver, and for Stevenson—that if he had not known before he came there he would have learned from the floats that he was not a candidate for President this year.

Someone called out: "What about the old firehorse?"

He replied "All the old firehorses are gone; the departments now are run by motor vehicles."

A few minutes before the end, I felt that he was hurrying his speech to a conclusion.

Then he recited his career as a junior Member of the House, as a senior Member of the House, as a junior Senator and as a senior Senator, majority leader, Vice President, and now again a junior Senator.

Then he closed with the words that have been quoted.

He fell to the floor. He suffered no pain. He gasped a few times and he was gone.

I would like to say one more word, and that is that during her ordeal his charming and gallant widow conducted herself with a courage and a grace that he would have wanted and expected of her.

We went back to the home of the President of Washington and Lee University and there they were recording in the guest book that he had signed that day at lunch the exact verbiage of his closing words. She asked me if that was in accordance with my recollection: "I would rather be a servant in the house of the Lord than sit in the seat of the mighty."

I said: "Now, Mrs. Barkley, he sits on the right hand of God."

She smiled through her tears and said: "No, not yet; I doubt if he has finished telling St. Peter his stories."

There is something very fitting about all this and the way he went. He was twitted during the day because he had graduated in law at a rival institution, the University of Virginia; and here this son of Lincoln's Kentucky in his closing speech defended his education at Jefferson's University of Virginia, and he fell and died at the university endowed by and named for George Washington, and his body was taken to rest in the home of Robert E. Lee.

I feel that he would have wanted all that.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. WATTS] may extend his remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WATTS. Mr. Speaker, the death of ALBEN BARKLEY comes as a profound shock to all of us. It seems that in His plan of things the Almighty has provided that each generation will have an outstanding leader in a particular chosen field—an individual endowed with talent so extraordinary that he stands above comparison. It seems that this individual is especially touched by the hands of the Creator to be the example and the goal toward which all who would succeed must steer their course. Such a man was ALBEN BARKLEY. But, Mr. Speaker, ALBEN BARKLEY was an exception to this exceptional rule. ALBEN BARKLEY excelled in statesmanship. He was possessed of an overabundance of those traits of character and human qualities from which flow the true spirit of Christianity and reflect the personification of gentlemanly principles.

ALBEN BARKLEY died while pronouncing the rule by which he lived. Measured by material wealth, his origin was laid deeply in the lower echelons. Measured by those intangibles of spiritual and character-building qualities, his origin was unsurpassed in its richness. He came from pioneer stock of the early Kentuckians. His boyhood and his early manhood were cloaked in an environment requiring long days of hard and arduous toil for mere survival. Throughout the whole of this, Mr. Speaker, the light of ALBEN BARKLEY'S exceptional qualities shone with the brilliance of the sun. The pinnacle that he achieved was willed to him by the people whom he served and whom he loved in an effort to evidence their respect, their esteem, and their affection for him.

Mr. Speaker, this Nation has suffered a terrific loss. Because of his vast experience in Government, his firsthand knowledge of international and domestic problems, his impeccable character and his love of country, the Nation was afforded a guarantor of its security and a defender of its freedoms that will be difficult to replace.

Yes, Mr. Speaker, ALBEN BARKLEY was great, but he was humble. Truly, today he must be "a servant in the house of the Lord."

I join with a saddened and mournful Nation in extending heartfelt sympathy to the members of his family.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. CHELF. I would like to say, Mr. Speaker, that the reason the gentleman from Kentucky [Mr. GREGORY] is not here at this particular time to pay his

tribute is because he is with the Senator's family trying to help and console them as best he can. I ask unanimous consent therefore that Mr. GREGORY be given permission to extend and revise his own remarks at this point in the RECORD.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks on the life, character, and public service of the late ALBEN W. BARKLEY at this point in the RECORD and that all Members may have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. EVINS. Mr. Speaker, the good Lord in his infinite wisdom last evening called to his side one of the truly great leaders of our time. The loss of Senator ALBEN BARKLEY will be felt in this Nation and the Halls of our Congress for years to come.

His warm, human, and colorful personality and quick intellect gathered him a host of friends during his fruitful life and he will be greatly missed by all.

The New York Times of this morning contains an editorial in memory of the great Democratic leader from Kentucky and, under unanimous consent, I ask that this editorial be printed in the RECORD, together with my own brief but sincere remarks of admiration for this great American:

ALBEN W. BARKLEY

> "I would rather be a servant in the house of the Lord than sit in the seat of the mighty" was the sentence ALBEN BARKLEY had just completed when death claimed him in the middle of an address he was delivering at Washington and Lee University. In his lifetime ALBEN BARKLEY had, indeed, sat in the seat of the mighty, but this United States Senator and former Vice President never lost the humility and common touch of a servant in the house of the Lord as he served the American people in their legislative halls.
>
> History will remember ALBEN BARKLEY for his sponsorship of, and leadership in putting through, much of the important and beneficial social legislation of the thirties. It will remember him for his leadership in such grave matters as lend-lease and ratification of the United Nations Charter. It will remember him for the high offices he has held, for the good work he has done in those high offices, and for the powerful influence he bore in getting opposing factions to compromise their differences in times of emergency.
>
> But now we think of him for his warm, human, colorful qualities, for the respect and affection he evoked in others, not least of whom were the voters of Kentucky who elected him time and again to office. A vital man, he had much still to give his country, even at the age of 79. He will be sorely missed and long remembered.

Mr. ALBERT. Mr. Speaker, I take this means of imparting to the House an impression which I have always had of Senator BARKLEY. He was a man of tremendous accomplishments, but it is not of these that I speak. I admired him as I admired few men, not because he was the best storyteller I ever heard; not because he was campaign orator and stump speaker without a peer in this generation; not because he was elected Congressman, Senator, and Vice President; but because, through his life and ideals, he gave dignity and sublimity to the concept of public service. It is an honor to hold public office because ALBEN W. BARKLEY held public office.

Mr. EDMONDSON. Mr. Speaker, it is difficult to add anything of beauty or of substance to the eloquent tributes we have heard today to the memory of the great Kentuckian, Senator ALBEN W. BARKLEY.

In the hearts of Oklahomans, whom he had inspired and challenged on many speaking occasions, he was one of the real giants of this century—a peerless orator, a courageous statesman, and a man in every noble sense of the word.

In 1952, at the Democratic National Convention in Chicago, he received the votes of Oklahoma for nomination as our presidential candidate—and no higher tribute can be paid by a State.

I am proud of the fact that the Sooner State recognized and honored the greatness of ALBEN BARKLEY. The grief and sadness in the hearts of Senator BARKLEY'S loved ones, and of Americans everywhere, are fully shared in Oklahoma.

Mr. PRIEST. Mr. Speaker, measured by all standards, Senator BARKLEY was truly a great man, a stalwart statesman, and a public servant wholly devoted to the welfare of the people of this country and to the cause of peace in the world.

There was in his last moment an element of quiet drama, sometimes found in fiction, but seldom in life.

We are saddened in this hour because ALBEN BARKLEY'S quality of friendship was of such character that it was cherished as a very personal thing by all who knew him.

Death has hushed a vibrant voice that embellished with brilliance the oratorical annals of our time.

But the lingering overtones of that voice and the presence of his personality shall be felt long after his body is laid to rest under a canopy of bluegrass in his old Kentucky home.

To his widow and his family I extend my sincerest sympathy.

Mr. REED of New York. Mr. Speaker, the sudden passing of Hon. ALBEN W. BARKLEY, United States Senator from Kentucky, came as a great personal shock to me. He is a man whom I have known ever since I have been a Member of Congress and for whom I have always entertained the highest esteem and affection. I regard Senator BARKLEY as one of the outstanding statesmen of all time and a man who had few if any enemies.

It was only a short time ago that I appointed him to undertake a most important mission in Dubrovnik, Yugoslavia, to meet with the Council of the Interparliamentary Union. Associated with him was Senator A. WILLIS ROBERTSON, of Virginia. Both of these distinguished men undertook this trip as a patriotic duty and used their Easter vacation to perform a herculean task in the field of statesmanship. They were successful on their mission, which was to keep Red China from becoming a member of the Interparliamentary Union until such time as it should become recognized by the United Nations. Both Senators had to meet with terrific pressure from Communist countries, but I repeat they were successful.

I am deeply disturbed that this long trip which Senator BARKLEY was perfectly willing and anxious to make may have pressed heavily on his limited strength.

I want to say in conclusion that his passing is a source of great grief to all who knew him and my sympathy goes out to his wife and family in this terrible bereavement.

Mr. BURDICK. Mr. Speaker, a giant tree in the forest has fallen. The winds and storms of 50 years of public service, with extra burdens demanded by the people, loosed the roots of this great tree and it fell among its fellows, leaving a vast void where it once stood.

ALBEN BARKLEY was endowed by nature with extraordinary gifts. He could reduce complicated questions to such simple terms that all men who were fortunate enough to hear him could understand. Opponents on legislative and legal questions took no offense at his position and applauded the manner in which he maintained his case.

Though one of the most sincere and earnest men in public life for half a century, he did not fail to see humorous things. His powers of ridicule and invective were devastating, and storied applications in his arguments were powerful and convincing. As an advocate of public and legal questions he had, in this era, no superior, and in defending questions which he conceived to be for the best interests of the people he was a master.

While circumstances prevented him from becoming President of the United States, he was bigger than Presidents in the times in which he lived.

His last earthly utterance, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty" summed up his life. This utterance will be a motto for human conduct long after the present generation shall have passed into the shadows of the Great Unknown, and for as long as the principles of this great Republic shall endure.

One of the truly great men of our generation has made his last speech and in it has left for all future generations a perfect definition of a public servant.

Mr. MACK of Illinois. Mr. Speaker, yesterday this Nation lost a great and courageous statesman with the death of ALBEN W. BARKLEY, of Kentucky.

His splendid record of more than 50 years of public service stands as a monument to his unselfish dedication of his life to the welfare of his fellow man and to his country.

His loss will be keenly felt by all of us, and memories of his valued service will stand as a challenge to all who are dedicated to public service.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. GRAY. Mr. Speaker, I rise today with a sorrowing heart to join with all my colleagues, the beloved Speaker, and the people of the entire United States in mourning the passing of Alben W. Barkley. I was born and raised just a few miles across the Ohio River from Paducah, Ky., and since a small child I have learned to love, respect, and admire Alben Barkley. He was a very personal friend of mine. He was a guiding hand to me.

As I stand here today I think of those words, "Greater love hath no man than this, than he who is willing to lay down his life for his friends."

Alben Barkley was that type of man. It made no difference when you went to him, day or night, he was always willing to help you and to give you a little advice or to come into your district or to assist you in any manner he possibly could.

I may say that his home at Paducah is separated from my district only by the width of the Ohio River. My people in southern Illinois join me with bowed heads and sorrowing hearts at the passing of this great American.

At this time I think of those words once again:

> Man that is born of a woman is of a few days, and full of trouble.
>
> He cometh forth like a flower, and is cut down; he fleeth also as a shadow, and continueth not.

So we must all expect the inevitable, but we are never willing to give up such good friends, such great statesmen as was Alben Barkley.

In closing, I want to join with all of my colleagues and all Americans in extending the most sincere sympathy to Mrs. Barkley and the other members of the family. I know that words we utter here today will not ease the grief that is theirs, but I would like to say that this country is greater, its people are greater, because Alben W. Barkley passed this way. God bless all of us in this hour of sorrow.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Mr. Speaker, for many years I have enjoyed the friendship of the great man whose memory we at this moment honor. I have been very closely associated with our beloved colleague and I have known him intimately and well; I have admired and loved him through the years.

Alben W. Barkley was a citizen of the world, and today the liberty-loving people of the universe are mourning his death. This great man was not only loved in Kentucky; he was not only loved in America; but he was loved and admired by the men of many races in all parts of the world.

Because of our mutual interest in the welfare of the tobacco farmers of our Nation and of our mutual interest and activities in the Interparliamentary Union, we have been very closely associated with each other. Mr. Barkley, as chairman of the American group of the Interparliamentary Union, designated me as a delegate to the first meeting of that great organization, which I attended approximately 10 years ago. It was because of his great interest in the activities and the affairs of that organization that I became interested and finally was elected as a member of the nine-man executive committee of the Interparliamentary Union, in which the lawmakers of 46 nations of the world are now participating.

I recall with pleasant memories our visit together to the Holy Land, the place where Christ was born, en route to Cairo for the first postwar meeting of the Union. Our distinguished colleague was loved and respected and held in high esteem by members of that great organization which has labored through the years for peace and a better world understanding. He is the only member of the American Senate to my knowledge who has served on the executive committee of the Interparliamentary Union. When I was elected to the executive committee, I, of course, deemed it a great honor. During the Easter holidays the executive committee met in Dubrovnik, Yugoslavia. It was an important meeting; but as chairman of the House Committee on Agriculture, it was necessary for me to remain in Washington and to forego this meeting in Yugoslavia because the farm bill was in conference. I knew that Red China was seeking admission to the Interparliamentary Union and that the petitions of Red China would have the support of Russia and all of its satellites. The State Department had urged me to attend this meeting, but I considered the farm problems of America of paramount importance and could not abandon my post of duty here.

In this situation I turned to my beloved friend, the distinguished statesman of the world, Alben W. Barkley. I discussed the matter with him in the Democratic cloakroom in the Senate, and he agreed with me that under no circumstances should I leave Washington because of the importance of the farm bill. I then asked him if he would go as my alternate and substitute to attend this very important meeting. Mr. Barkley said, "I will talk it over with Mrs. Barkley; and if I can possibly do so, I will."

He finally advised me that he would represent me at the meeting of the executive commitee in Yugoslavia. I went to the airport to see them off and to bid them bon voyage. On that day the Barkleys were happy and lighthearted as we waved to them on their last voyage together across the sea.

Mr. Barkley was successful in his efforts at the meeting at Dubrovnik.

This great man, whom we honor at this moment, could not have died more gloriously nor could he have lived more magnificently. When I think of his political life and the political campaigns in which he has engaged, I know that he was always guided and directed by the impulses and sentiments expressed in these brief words:

When the one great Scorer comes to write
against my name,
He will write not that I won or lost but how
I played the game.

I also think of a poem:

Oh, heart of mine, we shouldn't worry so
What we've missed of calm we couldn't have,
you know!
What we've met of stormy pain and of sorrows driving rain
We can better meet again if it blow!
For we know not every morrow can be sad;
So forget all the sorrow we have had.
Let us fold away our fears and put by our
foolish tears,
And through all the coming years just be
glad.

I am glad that I knew Alben W. Barkley: May we through all the coming years just be glad that we have known and loved this great man and have worked and labored with him here in the Halls of Congress.

We need not build a monument to the memory of Alben W. Barkley. He has built for himself many magnificent and beautiful monuments in the hearts of his friends throughout the world. His life was a blessing and a benediction to all mankind.

Mr. Speaker, I extend to his lovely and devoted wife and to all the members of his family my very deep and profound sympathy. May God bless them all.

Mr. SPENCE. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday the United States of America and the world received a crushing blow. When the porter on my train called me this morning he said, "Mrs. Rogers, don't you think we have lost a wonderfully fine man and a great Senator? He was never bitter." We have lost more than words can convey in the death of Alben Barkley, one of the greatest Americans we have ever known, one of the greatest Christians we have ever known, and one of the greatest friends we have ever had.

Mr. Speaker, I mourn with you and all the Members his passing, and I mourn with his gallant and beautiful wife that he loved dearly and his family that he loved so much, and I mourn with his beautiful State of Kentucky.

Mr. BOGGS. Mr. Speaker, in the market place of public affairs good men and great men have influence far beyond their own knowledge. Most of the time they themselves are unaware of their own impact. Such a man died on Monday last, Alben W. Barkley.

I saw a great deal of Senator Barkley in the last 10 days of his life. For him I am certain that they were happy days as, I believe, were most of his days. Beginning on Saturday, April 21, I saw him and listened to him at the Democratic testimonial dinner for Woodrow Wilson. There he delivered, in his usual magnificent style, a moving tribute to a great American who had undoubtedly greatly influenced Alben W. Barkley himself.

On the following Monday I went to a luncheon in the Senate where he gave a report on the approaching meeting of the Interparliamentary Union in Bangkok, Thailand. I marveled at his knowledge of world affairs, his approach to the problems of other peoples and

other governments, and his sustaining interest in public affairs.

And then on Wednesday night of last week at the annual Press Club party for the Members of the Congress he stole the show—his wit, his humor, his humility, his understanding brought him a standing ovation from members of the press and from his colleagues of both parties in both branches of the Congress.

On Saturday last, April 28, the National Broadcasting Co. was celebrating the 10th anniversary of its famous program, Meet the Press. The principal speaker was Senator Barkley. His attendance at that program was his last public appearance in the Capital of the country that he loved and served so well. On that night he spoke of our basic freedoms of press and our right to information. He emphasized the importance of an informed electorate in a democracy. He told how the dictators, either of the left or of the right, invariably suppress information. And on that night he did something that I had seldom heard him do—he reminisced. Normally he looked to the future in discussing the problems of the present. But he talked about his years in Congress dating back to 1913—years of service which covered the rise to greatness of the United States of America.

And on Monday, fully in character, talking to young Americans he died saying, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." He wrote his own magnificent epitaph.

Mr. Speaker, this man shall live in the hearts of all Americans. His life portrayed the man—his sincerity of purpose, his humility—his love of party, his paramount love of country.

I believe those of us who serve in public office appreciate more than others sincerity of purpose. Unfortunately there are some who come to public office who, in pursuit of the sensational, the headlines, and the acclaim of the moment, sacrifice sincerity and objectivity. Their colleagues get to know them and they cease to have any influence.

Yes, Mr. Speaker, Senator Barkley was the epitome of the American ideal of public service. He understood the greatness of America and the goodness of America, and because of him our country is stronger and better and happier.

Mr. ROONEY. Mr. Speaker, I was profoundly shocked this morning when I heard of the tragic passing of Senator Alben W. Barkley, of Kentucky.

He was one of the finest men I ever knew, and I am sure that his place in the hearts of many of us will never be filled. When he suddenly fell near the end of a speech at Washington and Lee University's mock Democratic Convention, he apparently died almost instantly. It is fitting to note that his passing occurred in an atmosphere he loved best—the political forum. He always enjoyed and liked young people, and he was idolized and deeply admired by them as they saw in him the personification of those qualities we have always sought in our national leaders.

In September of 1948 it was my great privilege to accompany Senator Barkley to Europe to attend an Interparliamentary Union Conference in Rome. We visited Madrid, Paris, and Berlin, and I can well recall the trip as one of the highlights of my life.

The Senator was a man whose courtly manners and gallantry added much to the happiness and public life of our country. He was a real southern gentleman, and his penetrating intellect, wit, and wisdom endeared him in the hearts of the American people. His passing is not only a great loss to the Nation but also to the entire civilized world. His distinguished career as a Congressman, Senator, and a great Vice President has never been surpassed.

I join with my colleagues in mourning this lovable and outstanding public servant and extend to his widow, children, and grandchildren, my deepest sympathy in their hour of bereavement.

Mr. ZABLOCKI. Mr. Speaker, the news of the sudden passing away of Senator Alben Barkley brought deep and sincere sorrow not only to his colleagues, and to the people of the State of Kentucky, but to our entire Nation.

In the turbulent decades of our recent history, the name of Alben Barkley became known in every household across the land. Alben Barkley—whose entire life was devoted to public service—became the personification of the wise and benevolent statesman that boys dream of becoming, and that men strive to emulate. His dedication to the public interest; his gracious manner; and his inimitable art of story telling endeared him to the hearts of the American people.

In the death of our beloved Veep, we have lost more than a distinguished public servant. We have lost a part of Americana that may never be duplicated again. We have lost a man, a leader who came from the best tradition of the past but who looked to the future and who strove with all the energy at his disposal to fashion a better Nation and a better world for all of us to enjoy.

We are aggrieved by his death, but proud that we have lived in the same age with him and known him. His name shall go down in history for he has served his country well.

I wish to extend my deepest sympathy to his widow and his family in their bereavement. May they be consoled in their loss in the thought that the good Lord has chosen him to be among His very own.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 907. An act for the relief of Justin G. Malle and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizio Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 6282. An act for the relief of Nathan L. Garner.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 584. An act to amend title 28, United States Code relating to the Customs Court; to the Committee on the Judiciary.

S. 1143. An act for the relief of Arthur K. Jefferson; to the Committee on the Judiciary.

S. 1178. An act for the relief of Mrs. Sylvia Simonson; to the Committee on the Judiciary.

S. 1414. An act for the relief of James Edward Robinson; to the Committee on the Judiciary.

S. 1622. An act to authorize the Secretary of the Interior to make payments for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes; to the Committee on the Judiciary.

S. 1812. An act for the relief of Athanase G. Politis; to the Committee on the Judiciary.

S. 2008. An act for the relief of Winifred A. Hunter; to the Committee on the Judiciary.

S. 2064. An act for the relief of Gregorio Spiros Ferentinos; to the Committee on the Judiciary.

S. 2169. An act for the relief of M. B. Huggins, Jr.; to the Committee on the Judiciary.

S. 2240. An act for the relief of James Richard Hogan; to the Committee on the Judiciary.

S. 2271. An act for the relief of Salomon Benveniste; to the Committee on the Judiciary.

S. 2913. An act to extend for 2 years the Advisory Committee on Weather Control; to the Committee on Interstate and Foreign Commerce.

S. 2984. An act for the relief of Col. John A. O'Keefe; to the Committee on the Judiciary.

S. 3163. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska; to the Committee on Interstate and Foreign Commerce.

S. 3164. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska; to the Committee on Interstate and Foreign Commerce.

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States; to the Committee on Merchant Marine and Fisheries.

S. 3266. An act to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States; to the Committee on Merchant Marine and Fisheries.

S. 3391. An act to provide for the regulation of the interstate transportation of migrant farm workers; to the Committee on Interstate and Foreign Commerce.

S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 3674. An act to amend section 1343 of title 18, United Code Code, relating to fraud by wire, radio, or television; to the Committee on the Judiciary.

THE LATE HONORABLE ALBEN W. BARKLEY

Mr. SPENCE. Mr. Speaker, I offer a resolution (H. Res. 491) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. Alben W. Barkley, a Senator of the United States from the State of Kentucky; formerly Vice President of the United States and a former Member of the House of Representatives from the State of Kentucky.

Resolved, That the Clerk communicate these resolutions and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of eight Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. Spence, Mr. Gregory, Mr. Chelf, Mr. Perkins, Mr. Watts, Mr. Robsion, Mr. Natcher, Mr. Siler.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 2, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

1800. A letter from the Chief Justice, Supreme Court of the United States, transmitting the report of the proceedings of a special meeting of the Judicial Conference of the United States, held at Washington, D. C., March 13–14, 1956 (H. Doc. No. 392); to the Committee on the Judiciary and ordered to be printed.

1801. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation entitled "A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio"; to the Committee on Armed Services.

1802. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7190. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; with amendment (Rept. No. 2080). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7896. A bill to provide for the conveyance of certain land in the city of Hogansville, Ga., to the city of Hogansville; with amendment (Rept. No. 2081). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8225. A bill to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; without amendment (Rept. No. 2082). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9207. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; without amendment (Rept. No. 2083). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9451. A bill to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians; with amendment (Rept. No. 2084). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 492. Resolution for consideration of H. R. 10875, a bill to enact the Agricultural Act of 1956; without amendment (Rept. No. 2085). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9377. A bill to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.; with amendment (Rept. No. 2078). Referred to the Committee of the Whole House.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9671. A bill to provide for the conveyance of certain property of the United States to the village of Carey, Ohio; with amendment (Rept. No. 2079). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under Clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 10923. A bill to clarify the Internal Revenue Codes of 1939 and 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters; to the Committee on Ways and Means.

By Mr. CHRISTOPHER:

H. R. 10924. A bill to amend title 18 of the United States Code so as to allow compensation to counsel assigned by the court in criminal cases; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 10925. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. HOPE:

H. R. 10926. A bill to amend section 5 (b) of the Farm Credit Act of 1937, as amended, so as to permit an officer or an employee of the Farm Credit Administration, or any officer or employee of any corporation operating under the supervision of the Farm Credit Administration, to be elected to membership on a farm credit board; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 10927. A bill to extend for 1 year the existing privilege of free importation of book bindings and covers by certain institutions; to the Committee on Ways and Means.

By Mr. MAILLIARD:

H. R. 10928. A bill to amend the act of July 1, 1870, to provide for the return by the United States to the heirs of Gen. John C. Fremont of certain land in San Francisco taken by the United States from said General Fremont without payment of just compensation therefor, for the return by the United States of certain land to the city and county of San Francisco, and for other purposes; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 10929. A bill to amend the act of July 1, 1870, to provide for the return by the United States to the heirs of Gen. John C. Fremont of certain land in San Francisco taken by the United States from said General Fremont without payment of just compensation therefor, for the return by the United States of certain land to the city and county of San Francisco, and for other purposes; to the Committee on Armed Services.

By Mr. MATTHEWS:

H. R. 10930. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. POLK:

H. R. 10931. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

By Mr. SISK:

H. R. 10932. A bill to provide that when poultry is procured for use of the Armed Forces the producer thereof shall receive not less than the parity price thereof; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Senators and Representatives from Rhode Island in the Congress of the United States with relation to the establishment of a national cemetery in the State of Rhode Island and Providence plantations; to the Committee on Interior and Insular Affairs.

By the SPEAKER: A memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to pass legislation preserving to the States the right to enforce legislation against treason, sedition, an subversive activities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRUMPACKER:

H. R. 10933. A bill for the relief of William P. Kempe; to the Committee on the Judiciary.

By Mr. DODD (by request):

H. R. 10934. A bill for the relief of Stavros Manousos; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 10935. A bill for the relief of Eugenio Frascari; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 10936. A bill for the relief of Chieh-Chuan Li (also known as Leslie K. Lai); to the Committee on the Judiciary.

By Mr. McDOWELL:

H. R. 10937. A bill for the relief of Speros Evangelatos; to the Committee on the Judiciary.

H. R. 10938. A bill for the relief of Constantinos Platounaris; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 10939. A bill for the relief of Ema Goncalves Da Silva; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 10940. A bill for the relief of Girard Kinner Harman; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. R. 10941. A bill for the relief of Luciana Papa Powell; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10942. A bill for the relief of Romeo (Casabuena) Celestial; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 10943. For the relief of John Russell Sinclair; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

983. By Mr. DAGUE: Petition of Edwin Noble and 67 other residents of Spring City, Parker Ford, Pottstown, Pa., urging enactment of H. R. 4627, a bill to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000, a bill to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

984. By Mr. POLK: Petition of Anthony J. Lung, Batavia, Ohio, and 116 other citizens of Clermont County, Ohio, and surrounding area, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

985. By Mr. SMITH of Wisconsin: Resolution adopted by the Kenosha County Board of Supervisors, in support of an amendment to the Social Security Act whereby women at the age of 62 might retire on full pension; to the Committee on Ways and Means.

986. By the SPEAKER: Petition of John D. Wysong and others, the Joint Activity Council of Townsend Clubs, 4th District, Miami, Fla., requesting that the necessary number of Members of the House of Representatives sign the discharge petition to bring the bill H. R. 4471 before the House for debate and a vote; to the Committee on Ways and Means.

987. Also, petition of Hermenegildo V. Santos, New York, N. Y., relative to his pending petition No. 608177, filed April 24, 1952, asking for naturalization; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

The House met at 12 o'clock noon.

Father Aloys G. Selhorst, St. Patrick's Catholic Church, Lexington, Va., offered the following prayer:

O Almighty and Eternal Creator, look with favor upon us gathered for this august assembly today. Do Thou, who has visited us, grant, that Thy word, Thy grace, and Thy love, may not be to our loss; but that it may work our pardon and salvation.

May the love of Thee be to us and to all assembled here the armor of our faith, the strength of our wills, and the shield of our morals.

May the love of Thee, our God, be the destruction of our vices, as well as the fulfillment of our patience, our humility, and all our virtues. May it be the perfection of our motives—both spiritual and temporal. For in Thee, the one true God, we live and are and have our being.

We pray Thee, O God of might, wisdom, and justice, through whom authority is rightly administered, laws are enacted, and judgments decreed, assist, with Thy holy spirit of counsel and fortitude, the President of these United States, that his administration may be conducted in righteousness, and be eminently useful to Thy people, over whom he presides, by encouraging due respect for virtue and religion; by a faithful execution of the laws in justice and mercy; and by restraining vice and immorality let the light of Thy divine wisdom direct the deliberations of Congress, and shine forth in all the proceedings and laws framed for our rule and government; so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and may perpetuate to us the blessings of equal liberty.

We pray Thee, O Lord of mercy, to remember the souls of Thy servants departed who are gone before us with the sign of faith, and repose in the sleep of peace; the souls of our parents, relations, and friends; of those who, when living, were Members of this assembly and particularly of such as are lately deceased. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 30, 1956:

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes; and

H. R. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges.

On May 2, 1956:

H. R. 3152. An act for the relief of Waymon H. Massey.

SOCIAL-SECURITY WAGE CREDITS FOR MILITARY SERVICE

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 8615) to provide wage credits under title II of the Social Security Act for military service before July 1, 1959, the termination date for inductions into the Armed Forces, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 217 (e) of the Social Security Act (relating to benefits in case of veterans) is amended by striking out "April 1, 1956" each place it appears and inserting in lieu thereof "July 1, 1959."

Sec. 2. The last sentence of section 202 (i) of the Social Security Act (relating to lump-sum death payments) is amended by striking out "April 1956" and inserting in lieu thereof "July 1959."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 8615 provides for the continuation through June 30, 1959, of the existing provisions of title II of the Social Security Act, relating to, first, old-age and survivors insurance wage credits for military service; and, second, the payment of lump-sum death benefits where a serviceman dying overseas is reburied in this country.

Under existing law these provisions do not apply to service or deaths after March 31, 1956.

Under the old-age and survivors insurance system, individuals who have served in the active military or naval service of the United States at any time since September 14, 1940, are, under certain circumstances, provided wage credits under the system of $160 per month for each month, or part thereof, of such service. Present law provides for these credits without any payment of taxes or the appropriation of funds to the old-age and survivors insurance trust fund. Under the existing provisions of law these wage credits will be provided only for service performed prior to April 1, 1956. H. R. 8615 extends this provision so that it will apply to service performed prior to July 1, 1959, the termination date for inductions into the Armed Forces.

H. R. 8615 also extends the provision of the old-age and survivors insurance system under which the 2-year period for filing claims for lump-sum death payments in the case of reburial in this country of servicemen dying overseas, begins to run from the date of reburial in this country instead of from the date of death overseas. This provision under existing law applies only in the case of deaths prior to April 1, 1956. H. R. 8615 extends this provision to cases of death occurring before July 1, 1959, the termination date for inductions into the Armed Forces.

In view of the fact that H. R. 7089 which in part provided for placing military personnel under a contributory status with respect to old-age and survivors' insurance passed the House on July 13, 1955, and is presently pending in the Senate, it was the considered opinion of the Committee on Ways and Means that the extension of these provisions is desirable as a temporary measure. In addition, H. R. 7089 would also provide for the reimbursement of the old-age and survivors' insurance trust fund from the general fund of the Treasury for costs to the trust fund attributable to the $160 wage credits which have been granted military personnel for service since September 1940.

The Departments of Treasury, Defense, and Health, Education, and Welfare, expressed support of legislation providing for the participation of military personnel in the old-age and survivors insurance program.

The Committee on Ways and Means voted unanimously to report H. R. 8615 favorably to the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 8615, introduced by the distinguished chairman of the Committee on Ways and Means the gentleman from Tennessee [Mr. Cooper] provides a continuation through June 30, 1959, of the existing provisions of title II of the Social Security Act relating to OASI wage credits for military service and the payment of lump-sum death benefits where a serviceman dying overseas is reburied in this country. The present authority expires April 1, 1956.

The bill was unanimously reported by the committee and the Departments of Treasury, Defense, and Health, Education, and Welfare, have expressed support of legislation providing for the participation of military personnel in the old-age and survivors insurance program.

CRUDE AND CALCINED BAUXITE

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 8228) to suspend for 2 years the duty on crude bauxite and on certain calcined bauxite. I may say that this bill was favorably reported unanimously by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That effective with respect to articles entered, or withdrawn from warehouse, for consumption during the 2-year period beginning July 16, 1956, no duty shall be imposed upon bauxite, crude, not refined or otherwise advanced in condition in any manner, or upon calcined bauxite when imported for use in the manufacture of firebrick or other refractories under such regulations as the Secretary of the Treasury shall prescribe.

With the following committee amendment:

> Page 1, line 7, strike out "when imported for use in the manufacture of firebrick or other refractories under such regulations as the Secretary of the Treasury shall prescribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to suspend for 2 years the duty on crude bauxite and on calcined bauxite."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennesseee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 8228, as amended, provides for the suspension of the import duty on bauxite, crude, not refined or otherwise advanced in condition in any manner, and bauxite, calcined, regardless of the purpose for which it is imported. The period for the suspension would be for 2 years through July 15, 1958.

Public Law 499 of the 83d Congress suspended the duty for 2 years effective July 16, 1954, on crude bauxite, and on calcined bauxite, when imported for use in the manufacture of firebrick and other refractories.

The Committee on Ways and Means adopted an amendment to H. R. 8228 which would make the temporary suspension of duty on bauxite applicable to that form of calcined bauxite known as abrasive grade. We have been informed that the situations with respect to abrasive grade bauxite and refractory grade bauxite are sufficiently similar to warrant the same tariff treatment. The chemical compositions of the ores are similar. Both materials have been called into use to replace other material in extremely short supply, corundum in the case of the abrasive grade and diaspore clays in the case of the refactory grade.

Crude bauxite, not refined or otherwise advanced in condition in any manner, was originally dutiable under paragraph 207 of the Tariff Act of 1930 at $1 per long ton. The duty was reduced to 50 cents per long ton effective January 1, 1948. Calcined bauxite was originally dutiable under pragraph 214 of the Tariff Act of 1930 at the rate of 30 percent ad valorem. The duty on calcined bauxite was reduced to 15 percent ad valorem effective January 1, 1948. Public Law 852 of the 81st Congress prescribed a duty of $1 per long ton for "bauxite, calcined, when imported to be used in the manufacture of firebrick, or other refractories." Other imported calcined bauxite remained dutiable under paragraph 214 at the modified rate of 15 percent ad valorem. The effect of the prescription of a duty of $1 per long ton on calcined bauxite for use in the manufacture of refractories was to reduce substantially the amount of duty collectible on this product.

Approximately four-fifths of the bauxite used in the United States is converted to aluminum. It is essential that America have ample supply of this commodity in the interest of our national security. Bauxite is included in our strategic stockpiling program. The termination of this suspension at the end of 2 years will enable us periodically to reexamine the desirability of continuing such a suspension in the future.

The enactment of this legislation was supported by the Departments of State, Treasury, Commerce, Labor and Interior.

The Committee on Ways and Means voted unanimously to report H. R. 8228 favorably to the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 8228, introduced by my distinguished colleague on the Committee on Ways and Means [Mr. Boggs], suspends

for 2 years the duty on crude bauxite and on certain calcined bauxite.

The committee adopted an amendment which would make the temporary suspension of duty on bauxite applicable to that form of calcined bauxite known as "abrasive grade." The committee was informed that the situations with respect to abrasive grade bauxite and refractory grade bauxite are sufficiently similar to warrant the same tariff treatment.

The committee unanimously joined in reporting the bill and the Departments of State, Treasury, Commerce, Labor, and Interior have expressed endorsement of the legislation.

TERRITORY OF ALASKA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring therein), I return herewith H. R. 4781 entitled "An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes."

Dwight D. Eisenhower.

The White House, *May 2, 1956.*

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Kentucky [Mr. Chelf], I ask unanimous consent that the subcommittee of the Committee on the Judiciary to investigate the Shubert Theater incident in Boston may sit during general debate today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISTRICT OF COLUMBIA TRANSIT LEGISLATION

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record on the District of Columbia transit legislation.

The SPEAKER. The Chair years ago made a ruling that if a request was made to extend remarks in the Record at a point before the business of the day was taken up, if the extension contained more than 300 words it would not be accepted.

Mr. HESELTON. I believe this extension would come within that rule, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have been advised by the House Parliamentarian that H. R. 10871, the legislation I filed last week, which would create an interim transit authority in the District of Columbia for a period of 3 years, cannot be offered as a substitute for the substitute recommended by the majority of the House Committee on Interstate and Foreign Commerce.

However, if the committee substitute is rejected, I am advised it will be in order to offer H. R. 10871 as a substitute for the original bill, H. R. 8901. Of course, I urge that the committee substitute be rejected. If the House takes this action, I shall seek recognition to offer the interim authority bill as a substitute for H. R. 8901.

I think many of my colleagues may have read the article in last night's Washington Evening Star, from which I quote the following paragraph:

> One leading Member of the House, who did not want to be quoted, said: "This is a serious proposition concerning the people of the District of Columbia. If there are those Members of the House who want to take an irresponsible position as to their responsibilities toward the riders of mass transportation in the District, that is up to their own conscience. Frankly, we do not know what will happen after next August 15 when, by act of Congress of last summer, in the closing days of that session, Congress decided to revoke the franchise and charter of the Capital Transit Co. next August."

If this is a correct quotation, I hope it will be possible for the author to accept responsibility for it. I cannot believe that any one of our colleagues would be willing to attack anonymously the sincerity of those who believe an alternative to returning the franchise to the Wolfson group, largely upon their own terms, is both desirable and definitely in the public interest.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS, 1957

Mr. PRESTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10899) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Clevenger] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object; am I to understand that this bill comes to us without a closed rule?

Mr. PRESTON. Yes; we have never brought this bill to the floor since I have been a member of this subcommittee with a rule.

Mr. GROSS. I commend the gentleman for not asking for a rule waiving points of order. Apparently, this subcommittee is not trying to put any supergrade employees on the payroll.

Mr. PRESTON. The gentleman is correct. I thank the gentleman for his comment.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10899, with Mr. Hays of Arkansas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRESTON. Mr. Chairman, I realize we have before us this afternoon, following the conclusion of this bill, a very important agricultural bill. I shall undertake to be as brief as possible and shall at this time run through several of the items in the report explaining the committee action.

Before commenting on the items in the bill, I would like to take this opportunity to express my personal appreciation for the splendid cooperation I have had from the members of my subcommittee. There are 10 members of our subcommittee. It is a rather large subcommittee, perhaps, as large as we have in the Committee on Appropriations. We kept our schedule for the hearings. We finished on time, and that was possible only through the splendid cooperation of the Members on both sides of the aisle. I want to express my appreciation to the gentleman from Ohio [Mr. Clevenger], the ranking minority member of this subcommittee who at all times gave me the fullest cooperation. Of course, I can say the same thing for all the other members of the minority and for my colleagues on the majority side. It is a difficult thing to create and bring to the floor an appropriation bill. It requires a great deal of study on the part of the members of the subcommittee and it requires lengthy hearings. I have found that all members of the Committee on Appropriations have the earnest desire to limit appropriations to the barest minimum.

I find no evidence on the part of Members to try to strengthen any particular agency merely to see it grow. On this bill, we earnestly strove to reduce appropriations at all times, but not affecting the important functions of the various agencies involved.

I would like to point out that we have brought to you a bill that is $96 million less than 1956. It is $140 million less than the budget estimate. We think this is a significant fact. We think that this represents a great deal of effort on the part of the subcommittee to pare governmental expenditures and to require the agencies for which we appropriate to justify in the strictest sense their requests.

There may be some reductions in this bill that will require bringing to the Congress a supplemental request at a later date. We think it is in the best interest of economy to do this. We think it not good practice to appropriate funds that we realize cannot be used in the immediate future, merely to have them to the credit of the agency involved.

Speaking to the specific items in the bill, we have made some increases. There are some increases to meet pay costs that the Congress has passed. We find that in all the bills that are brought to the floor.

In General Administration there is an increase of only $112,500 over the appropriation for 1956, and a reduction of $75,000 in the budget estimate. This allows a very small increase to expand the staff services and administrative operations.

In the Bureau of the Census the sum of $7,413,000 was recommended for 1957. This is an increase of only $10,000 over 1956, and a reduction of $207,000 in the budget estimate.

We have certain censuses that are historically taken that we are dealing with. The committee has recommended $1,750,000 to initiate a census of governments for 1957. We have recommended to the House $1 million for the national housing inventory. This is $800,000 less than the budget request, but we think it is adequate to take a sample of the 25 or 35 larger metropolitan areas in the United States.

We have a budget estimate and have an appropriation of $150,000 for expenses necessary to prepare for the 1958 census of business, transportation, manufactures, and mineral industries, as authorized by law. We have recommended budget language authorizing the transfer of $900,000 from "Census of Agriculture" to complete the 1954 census of business, manufactures, and mineral industries. This is part of $1 million unused, and will in no way affect the completion of the agriculture census.

The next item I wish to call attention to is the Civil Aeronautics Administration. I am sure we all realize the tremendous importance of this agency in dealing with every aspect of civil aviation in this Nation, and to some extent in countries abroad. We have recommended a total of $125 million for the fiscal year 1957 under the category of "Operation and Regulation." This represents an increase of $12,360,000 over the 1956 appropriation, and a reduction of $3,500,000 under the budget estimate. The major portion of the increase is required to permit the commissioning of new facilities now under construction, which will come into operation during 1957.

I call attention to the fact that aviation is becoming more and more complex. Traffic is greater, travel has increased, planes are faster, more safety devices have been created. To protect the safety of the public we have to install various navigational facilities around the country, and it calls for constantly enlarging the staff of the CAA in order to man these installations. We are now having to deal with the problem of higher altitude operations. We are going to have to provide a separate set of individuals to regulate traffic in altitudes above 25,000 feet.

The coming of jet aircraft certainly will call for additional equipment and additional people to deal with the situation.

Aviation is constantly changing; in fact, it has been changing faster than we have been able to anticipate; and, frankly, this is the first time in several years that we have been able to appropriate comparable to the swift changes that have taken place not only in aircraft themselves, but also in the safety devices used in guiding aircraft and making them safe in operation.

We have provided in this bill $37,500,000 for the establishment of air navigation facilities. The statement I just referred to related to the furnishing of people to operate the facilities.

This item is only $2,500,000 below the budget estimate. It provides for the creation of new facilities, improved radar devices, and VHF omniranges that are so essential to the accurate navigation of aircraft. Last year we cut this item some $10 million, and I am fearful that we cut it too much. This year we are trying in some degree to compensate for that cut. We aim to bring our ground installations up to a point of efficiency to match the equipment being installed by commercial airlines, so that each will complement the other and bring about a safe aviation system throughout the Nation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Iowa.

Mr. GROSS. A few days ago the Secretary of Commerce appeared before the House Committee on the Post Office and Civil Service in behalf of a postal rate increase bill in the interest of balancing the budget of the Post Office Department. At that time I suggested that perhaps the Secretary could do more than he has to balance the budget in the Department of Commerce by charging for services which the Department of Commerce performs for the public, including airline aids of the CAA, services that are measureable. I hope that this particular appropriations subcommittee will next year go into the matter of fees charged for public service performed in the Department of Commerce and see whether some of those fees cannot be increased commensurate with the cost to the Government.

Mr. PRESTON. I thank the gentleman. I think he has raised a very interesting question, and one that deserves consideration by the Congress. What we have done in the past has mainly been to create civil aviation and get it established. I think it is established now, and I think it is time we began to give thought to what we can charge for the services we have established through the expenditure of these countless millions.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. BOW. Would it not be proper to say that in this great navigation aid system which we are providing in this country perhaps 90 percent is used by the military and Government agencies, and that the allocation actually to the commercial airlines to which we have referred is very small in the overall picture?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. GROSS. The Secretary of Commerce testified before our committee only a few days ago that some 50 percent of the navigational aids is the allocation that was measurable to be charged to the military, not 90 percent, but 50 percent.

Mr. PRESTON. I do not know exactly; the gentleman may be entirely correct about that. But at any rate it would seem that the commercial operations are now sufficiently well established that they should be able to bear a share of the cost of these special facilities.

Mr. GROSS. I would go further. I am thinking in terms of the census. Perhaps some charge might be made to business in this country for information developed through the census, although I am not too sure about that. However, I hope that the gentleman and his subcommittee will go into all the ramifications of fees charged for services by the Department of Commerce.

Mr. PRESTON. A great deal of the information prepared by the census is published and sold through the Government Printing Office. A lot of it is furnished free to the users.

The next item, which I know there is considerable interest in, is the grant-in-aid program for the Air Force. We have provided the budget estimate of $30 million which is as much as the CAA contemplates will be required to liquidate contract authorizations during the fiscal year 1957.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I am wondering if the committee was advised or knew that in connection with aid to airports terminal buildings which was authorized in the act last year that came from the Committee on Interstate and Foreign Commerce of which I am a member through administrative ruling the funds are being denied for building terminals which provide separate facilities in accordance with State laws? I have recently had an experience of that type in connection with aid which had been approved. The contracts had been let and everything was in order with respect to the application for repairs to the terminal building at Jackson, Miss. At the top level in the Department of Commerce inquiry was made as to whether it was contemplated that there would be separate facilities for white and colored patrons. The State of Mississippi requires that in accordance with State law. We were advised that cannot be done, therefore the State of Mississippi will not share in this Airports Act. I wonder if the committee took that into consideration in arriving at this figure for the present year's appropriations and if perhaps they do not think we should cut down on account of the States which will not receive aid?

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. BOW. Is it not a fact that the act of the Committee on Interstate and Foreign Commerce last year in the law that the gentleman refers to takes away all of the jurisdiction of the Appropriations Committee to consider that matter and puts it in the position where we now write the check for the bill which comes from the Congress to this committee? In other words, we no longer have control that the gentleman is speaking of.

Mr. WILLIAMS of Mississippi. The gentleman knows that the Appropriations Committee has control of appropriations.

Mr. BOW. We do not in this case, Mr. Chairman.

Mr. PRESTON. What the gentleman from Ohio [Mr. Bow] says is true. We simply liquidate the contract authority granted by the Congress to the agency. This is the first the committee has heard of the question that the gentleman from Mississippi raises. I may say to the gentleman that, although you would not qualify for the terminal facilities, you would qualify for extension of runways and for the establishment of additional Air Force aids, such as light facilities and other things of that nature.

Mr. WILLIAMS of Mississippi. Attempts were made to amend that act in committee and if I recall on the floor to do the very same thing that they are now doing by regulation. The proponents of that kind of provision were roundly defeated both in the committee and in the House. The action taken by the Civil Aeronautics Administration is contrary to law and directly contrary to the will of this Congress. I think that either the gentleman's committee or the appropriate subcommittee of the Commerce Committee should look into this business of legislating by administrative action.

Mr. PRESTON. Well, I am sure that the Committee on Appropriations could not write any language in the bill that would cure that situation. That certainly would be legislation on an appropriation bill. It is an appropriate matter for the legislative committee, however.

Mr. WILLIAMS of Mississippi. I know the gentleman is sympathetic to the cause I am also supporting.

Mr. PRESTON. Indeed, I am.

Mr. WILLIAMS of Mississippi. I am wondering, in arriving at the figure that the committee recommends, if this figure includes some $40,000 for a terminal building at Jackson, Miss., which we will not receive.

Mr. PRESTON. The program for 1957 has not been released by the Department of Commerce as yet. The committee is not aware of what it embraces. We have no opinion whatsoever on the 1957 program, I may say to the gentleman. The money in this bill is to liquidate contracts entered into in the 1956 fiscal year.

Mr. WILLIAMS of Mississippi. I thank the gentleman.

Mr. PRESTON. The 1957 program is due to be released approximately May 15.

Now, the next item is the Civil Aeronautics Board. There is an appropriation of $4,550,000, an increase of $160,000 over 1956 and a decrease of $150,000 in the budget estimate.

The committee recommended the sum of $15 million for payments to air carriers. This is a reduction of $5 million in the budget estimate. This is in addition, of course, to a $14 million carryover from fiscal 1956 into the fiscal year 1957. In carrying out the program for the next fiscal year, the committee has recommended that the needs of the local service carriers should be given priority of recognition.

There has been a small increase in the Coast and Geodetic Survey. In the Business and Defense Services Administration there is an increase of $600,000 over 1956. That is a cut of $300,000 below the budget estimate.

In the Bureau of Foreign Commerce there is an increase of $269,500 over 1956 and a small decrease in the budget estimate.

The Office of Business Economics includes $1 million for the coming year, an increase of $40,000 over 1956 but a decrease of $200,000 in the budget estimate.

The next item we have is maritime activities. This item has caused some concern in certain quarters, and the committee certainly wishes to make its position very clear on it. We have made a very sizable cut in this item. But we have done so only after the most careful consideration and a most intense questioning of the officials of the Administration, and we feel that a case was not made to justify the amount requested; certainly not at this time. This bill includes $54.8 million for the ship construction program in the Maritime Administration. This is $31,650,000 below the 1956 appropriation and is $96.8 million less than the budget estimate. The largest request in this area was under the ship construction differential subsidies. We found upon examination of the Maritime Administration that firm contracts had not been entered into to replace existing ships that were contracted to be replaced under the operating differential subsidy program. In the absence of firm contracts, we concluded that we would not allow the $88 million requested but cut that down to $40 million. They could produce not one single firm signed contract. Their testimony was, to begin with, that they felt absolutely certain of eight ships. Then the following day they came back and amended that by saying they felt certain during 1957 they would contract for 18 ships. We think, in view of the fact that there is a $23 million carryover from fiscal 1956, with no contracts yet executed on that amount of money, that the sum of $40 million added to it, giving a total of $63 million for fiscal 1957, would be adequate for anything in the foreseeable future. Now, should they have a sudden onslaught of contracts coming into finalization, then, of course, they can always come back with a supplemental request, and we will give consideration to it. But I think this will place some emphasis on the necessity for the Maritime Administration to insist that the shipping companies carry out the provisions of the contracts made under the operating differential subsidy provisions. This is a broad purpose activity. In giving operating subsidies we require that these ships when they reach a certain age—20 years—be traded in, that new ships be built to replace them, in order to maintain a strong merchant fleet. When the contracts are not complied with, when the ships are not traded in and new ones built, then the purpose of the program is defeated. By our action we are placing emphasis on the necessity of carrying out the intention of the Merchant Marine Act and to a greater degree accomplishing what we sought to do when it was passed by Congress.

For the Patent Office, we have provided an increase of $2½ million over the 1956 fund. This represents an effort on the part of the committee to bring the work of the Patent Office as current as possible. It now takes 4 years to obtain a patent from the time it is filed by an inventor. We are making an effort to provide more patent examiners so that this lag can be brought down to 12 months. It would be desirable if we could make it 6 months. But it would certainly be helpful if we could change the 4-year lag to one of 12 months. We think this increase will go a long way toward doing that. It is actually doubtful that the Patent Office can use all these funds during the coming fiscal year, but the committee is anxious to make certain that they do have sufficient funds to recruit additional patent examiners.

With reference to the Bureau of Public Roads, the committee has cut the item by $25 million. I realize that this is a token cut; but this is a matter of the liquidation of contract authority. The budget request was $800 million for this purpose, money owed the States for contracts fulfilled. We trimmed it by the small amount of $25 million.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I gladly yield to the gentleman from Illinois.

Mr. SPRINGER. As I understood it from the Committee on Public Works last year, it was their intention that all the money that was raised by the gasoline tax, in the future, was to be devoted to the road program. May I ask the gentleman this question. How does $775 million compare with the estimated receipts from taxes over the same period of time?

Mr. PRESTON. I would have to look that up in the hearings for the gentleman, and it would take some time. I should be glad to do that at the conclusion of my remarks and furnish the information to the gentleman. I could not turn to it at the moment.

Mr. SPRINGER. I should like to know if the long-time policy of the Committee on Appropriations is to appropriate all of that money and return it to the States.

Mr. PRESTON. The Committee on Appropriations, of course, only carries out the legislative committee's action. They have given contract authority. We simply pick up the check for it; that is all we do. We have no control over this item.

Mr. SPRINGER. There has been no policy on the part of the Committee on Appropriations on this point; that is what I would like to know.

Mr. PRESTON. The gentleman is correct. There is no policy as far as we are concerned. We are simply the paying agents for the legislative committee.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. The Committee on Appropriations, though, does look over the items to be sure that they are correctly in that category; is that correct?

Mr. PRESTON. The Committee on Appropriations does not look at the items in this particular appropriation, because it involves thousands of contracts all over the United States.

Mr. CURTIS of Missouri. Of course, I did not mean each item, but the committee does take cognizance of them and could make spot checks and probably does make spot checks; is that correct?

Mr. PRESTON. No; we do not make spot checks. We rely on the good offices of the General Accounting Office for that. It is not really within our province to deal with these things because of the broad power that has already been granted the Bureau of Public Roads by the legislative committees and by the Congress.

Mr. CURTIS of Missouri. Under our new highway bill, I presume the gentleman's committee will not have any real jurisdiction over that, either, the way it has been set up?

Mr. PRESTON. My understanding is that we probably will not.

Mr. CURTIS of Missouri. I thank the gentleman.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Minnesota.

Mr. MARSHALL. Is it not a fact that the only possible way the Committee on Appropriations can take care of a situation of this kind is by writing legislation on an appropriation bill?

Mr. PRESTON. The gentleman is correct, and we do not write legislation on appropriation bills if we can possibly avoid it.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I make an additional observation along that same line: It is my opinion that insofar as the road bill is concerned we will have even less jurisdiction on that proposed legislation than we have at the present time.

Mr. CURTIS of Missouri. That was my understanding. I thank the gentleman.

Mr. PRESTON. The next major item the committee has dealt with is the National Bureau of Standards. The committee has approved an amount of $8,750,000 for the coming fiscal year, which represents an increase of $1,336,500 over 1956 and a reduction of $250,000 in the budget estimate.

The committee did this for two reasons: First, the importance of this Bureau to the rapidly advancing scientific developments in this country is increasing year by year. Second, in order to promote a stable and effective program, it is important that the Bureau finance a larger portion of its work from direct appropriation, rather than from transfers from other agencies.

It is interesting to note that the Bureau of Standards obtains perhaps twice as much funds from transfer from other agencies as it does from direct appropriation in this bill. That is essential work it is doing for the Defense Department and some other agencies, such as the Atomic Energy Commission. But we think that more emphasis should be placed on the type of work for which the Bureau was created rather than work done under transfer of funds.

We have provided that they report to the Congress the major programs undertaken for other agencies from transferred funds before entering upon them so that we can be sure that the effort of this Bureau is along the line the legislation contemplated when it was created.

Not enough is known about the operation of this agency, but it is of tremendous importance. It performs very useful services for industry, and it has to its credit the creation of many ingenious devices that have meant a great deal to American industry in many of its techniques now employed. They have contributed to the wonderful assembly line production and the interchangeability of parts and that sort of thing. So we feel we were justified in taking the action we did in this connection.

The committee has deferred appropriating any money for the construction of a new building for the Bureau of Standards. We have not heretofore appropriated any money for planning; consequently the plans that were presented to us were rather vague. The exact location of the new site was not known at that time. Firm figures as to how much it would cost to install specialized equipment so necessary for the Bureau of Standards could not be given. For that reason and others, we decided that it would not be wise to appropriate at this time. We felt that some planning should be carried on which would give us more concrete figures.

We did not allow any funds for planning. Perhaps we should have. It is my personal position—and I do not speak for the committee—that if the other body sees fit to place a small amount, some reasonable figure, in the bill for planning for this purpose, I would be disposed to approve it. We must have something concrete to look at before we make a decision with reference to this building. The Bureau now occupies some 84 buildings. They are scattered around, and it makes for a very loose operation. It should be under one roof with a central powerplant and many other features which are so essential to the successful operation of the Bureau of Standards.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. SISK. Would the gentleman return for a moment to the provision under the Bureau of Public Roads. I would like to ask a question with reference to forest highways. I notice that the committee has proposed a decrease of $25 million below the budget estimate. I wonder if the gentleman could tell me whether or not any decrease is coming out of what may have been proposed for forest highway use. Is the gentleman aware of that or not?

Mr. PRESTON. Does the gentleman mean to refer to the payments to counties under the timber sales?

Mr. SISK. I refer to the funds which are provided to the States and to the counties to be used specifically for forest highways as distinguished, of course, from park service roads, and so forth.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. FLOOD. The answer is "No"; that is not being taken out of that fund. In other words, the flat answer to the gentleman's question is "No; it is not."

Mr. SISK. So far as the gentleman knows, there is no cut in the moneys proposed to be set aside for that specific purpose?

Mr. FLOOD. I do not believe that was the gentleman's question.

Mr. PRESTON. This is what we have done. We have provided all the money that the Bureau of Public Roads could use in the fiscal year. There is no action against the forest highways here whatsoever.

Mr. SISK. I appreciate that statement very much. I am rather concerned in my area with reference to some forest highway construction and the people are particularly concerned, of course. The information I get through the Bureau of Public Roads and others is that there is a lack of funds and that is given as the reason that some of these roads cannot be extended or built. Of course, I was concerned about that. I appreciate the gentleman's statement. So far as you know, certainly, there was nothing taken from that fund.

Mr. PRESTON. Let me say this to the gentleman: This is a liquidation of contract authority. It will provide for all the funds contracted for in fiscal year 1956, and it will pay about one-third of commitments made in fiscal 1957. The amount appropriated is as much as could be completed in fiscal 1957.

Mr. SISK. I thank the gentleman.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, I might add that this committee, as you will see, gave the full budget request. As to the allocation of appropriated funds that comes under the jurisdiction of the Bureau of Public Roads. We have nothing to do with that. But, we gave what they asked for. We gave the full budget request for the forest roads.

Mr. SISK. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think the gentleman is coming next to the Weather Bureau item?

Mr. PRE[illegible]ON. The gentlewoman is correct.

Mrs. ROGERS of Massachusetts. Will the gentleman explain how much additional money has been given for the Weather Bureau in order that we may have notice of hurricanes, floods, and cyclones?

Mr. PRESTON. I will be glad to do so. I have a memorandum on this matter. I would like to point out to the gentlewoman and to the committee at large that the Weather Bureau has had exceptionally fine treatment at the hands of the Committee on Appropriations. In the bill before us, we have an increase for salaries and expenses of $1,250,000. What we did in 1956 is most significant. We gave an increase in 1956 over the 1955 figure of $9,400,000 which is the largest increase the Weather Bureau has had in its history. We have tried to provide for every type of warning that they would wish to install—for storms, hurricanes, tornadoes, and that sort of thing. This year we even increased the funds for continued research in that regard. I realize the trouble that the gentlewoman has had in her area with storms. We know the problem of flash floods. We feel we have provided sufficient funds for the Weather Bureau to perform its service.

Mrs. ROGERS of Massachusetts. I am very grateful, because we felt that if we had had earlier warnings the damage would not have been so great.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. WIGGLESWORTH. I would like to ask the gentleman 2 or 3 questions. Would the gentleman prefer that I do it now or in my own time?

Mr. PRESTON. I will be glad to have the gentleman ask them now, if he will.

Mr. WIGGLESWORTH. I thank the gentleman.

As one who is strongly in favor of the President's maritime construction program, I was concerned, as the gentleman knows, by the slash that has been made in the President's request by the subcommittee.

However, I have talked with the distinguished gentleman from Georgia and other members of the subcommittee off the record, and I want to ask 2 or 3 questions to make sure that my understanding is correct, on the record.

First, I understand that there is no desire whatsoever on the part of the subcommittee to cripple the President's maritime construction program, and that the action of the committee is largely based on a question of timing.

Mr. PRESTON. The gentleman is absolutely correct. There is no desire on our part to hamper or hinder the effective operation of the Maritime Act and ship-replacement program.

Mr. WIGGLESWORTH. Secondly, I further understand that the construction of the 3 prototype vessels at a cost of $37.9 million has been deferred because of the possible lack of legislative authorization for the appropriation; that the Committee on Merchant Marine and Fisheries is ready to consider this matter immediately and that in the event of authorization by that committee the chairman of our subcommittee anticipates no difficulty in securing the necessary funds.

Is that understanding correct?

Mr. PRESTON. We have received a statement from the distinguished chairman of the Committee on Merchant Marine and Fisheries, Mr. BONNER, that he will proceed to have hearings on that matter. The committee has not said it would approve the ships if the legislative committee acts. It has said it would give serious consideration to the matter. We did not consider the wisdom of building the ships. We deferred the action because of lack of legislative authorization.

Mr. WIGGLESWORTH. The subcommittee deferred action solely because of possible lack of legislative authority.

Mr. PRESTON. The gentleman is correct.

Mr. WIGGLESWORTH. My third question is this: Is my understanding correct that the balance of the cut made in the construction funds requested was made for the most part in the belief that $23 million in carryover, plus $40 million in new money, a total of $63 million, should be sufficient to meet the requirements foreseeable at this time, particularly in view of the fact that no contract has yet been concluded against the $23 million carryover made available last year; and that if and when further needs are justified, either at the other end of the Capitol in connection with this bill or in connection with a supplemental bill, the chairman of the subcommittee anticipates no difficulty in securing the necessary funds?

Mr. PRESTON. The gentleman is entirely correct. There was no disposition on the part of the committee to deny funds because of any criticism of the program. We believe in the program. We think it is necessary. We think it is essential to keep our shipyards in operation and to have trained personnel so that they can be utilized in the event of an emergency.

It is a very important program. We felt that there was no need for a larger appropriation in the foreseeable future, in the absence of any contracts having been entered into. Perhaps it would emphasize to the shipping companies that they should live up to their operational subsidy and replace these old ships.

Mr. WIGGLESWORTH. I thank the gentleman for his assurance, and I can only express the hope that the Maritime Board, which is apparently not happy in the action taken, will present its case fully and fairly at the other end of the Capitol in order that there may be no possibility of crippling the program. I am sure the House does not want to be a party to that action.

Mr. PRESTON. I thank the gentleman.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from North Carolina.

Mr. BONNER. I would like also to call this to the attention of the gentleman from Massachusetts.

The Merchant Marine Committee of the House, the full committee, has no desire to do other than carry out an active vigorous building program, but we want to carry it out in an approved manner.

Last fall we asked the Maritime Administration to send down their program in time that we would have it in January at the beginning of this session so we could hold hearings, and act on such proposals as might be desired. Again we wrote a letter that insured that both majority and minority of the committee were anxious to have such views as the administration cared to offer, so that proper legislation and proper procedure would be carried out.

There is no desire on the part of the committee to cripple the administration in its building program.

With respect to the nuclear ship, this House has passed a bill providing for such a ship, and the bill is in the Senate. I have been informed that the bill in the Senate is going to be referred back to the proper committee and that action will be taken on it. So as I say, as of this date, the Merchant Marine Committee has not received the bill from the Maritime Board. We are ready to and will hold hearings immediately if the chairman of the Maritime Board will send down a bill. I think I will be substantiated in this statement by the ranking member of the committee, the gentleman from California [Mr. ALLEN] who is just as enthusiastic about this program as is the chairman of the committee.

Mr. ALLEN of California. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from California.

Mr. ALLEN of California. My chairman has stated the facts exactly. The attitude of our committee is that we are desirous that the Maritime Board send the legislation to us. As the chairman has indicated, there will be an immediate hearing, and the temper of the committee is to encourage in the fullest the proper amount of shipbuilding and ship construction in this country.

Mr. WIGGLESWORTH. If the gentleman will yield further, I would like to say that I am aware of the keen interest of both of the distinguished gentlemen who have just spoken in reference to the construction program, and that I appreciate the assurances they have given on behalf of the Merchant Marine and Fisheries Committee.

Mr. BONNER. There is no desire to delay.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Iowa.

Mr. GROSS. In connection with this shipbuilding proposal, the appropriations subcommittee deserves the commendation of the House for declining to proceed without authorization on the part of the proper legislative committee. I want to commend the subcommittee for taking the position it has. In this connection the gentleman well knows that I have been very critical of certain recent usurpations of legislative authority by the Appropriations Committee.

Mr. PRESTON. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I note with pleasure that there is no cut in the money for the Maritime Training School.

Mr. PRESTON. No cut, none at all. There is an increase of $15,000 for the Maritime Academy.

Mrs. ROGERS of Massachusetts. I thank the chairman of the committee again. I am very glad.

Mr. BONNER. Mr. Chairman, will the gentleman yield at that point?

Mr. PRESTON. Certainly.

Mr. BONNER. With respect to the section Maritime Affairs, on page 16, line 5, I discussed this matter with the gentleman. I merely want to ask a question with reference to the meaning of the word "activation." Does that mean that ships may be taken from the reserve fleet on request and activated for charter?

Mr. PRESTON. Ships may be taken from the reserve fleet after hearings have been held by the Maritime Board and justifiable need shown.

Mr. BONNER. I merely wanted to clear this up because the distinguished gentleman from Georgia came to me on this subject and I made a report to the Merchant Marine Committee that we had discussed it, that a situation now exists, and I would say it is acute, where in all probability there should be some augmentation of the available American-flag fleet for bulk cargo, and I have no objection to its being in a deficiency bill, because I know it is an acute matter.

I have also, with the cooperation and approval of the gentleman from California [Mr. Allen], the ranking member acting on the committee, notified the Maritime Board that they should send down legislation to take care of situations like this so we could properly authorize it. There are reasons why this should not be done in a harum-scarum sort of manner without first giving the industry a chance to come in.

With the assurance from the gentleman that the funds in this appropriation bill will not be used until proper authorization is given to the legislation, I shall not object or raise a point against the language here.

Mr. PRESTON. May I say to the gentleman that I had hoped to have an opportunity to discuss the matter with him further before the bill came to the floor this morning. Unfortunately I have been away on some speaking engagements.

Mr. BONNER. The gentleman is acting in good faith, I am sure.

Mr. PRESTON. I simply want to call the gentleman's attention to this pertinent fact. The gentleman is correct in stating his position.

Mr. BONNER. We would not raise a point of order in a supplemental appropriation bill.

Mr. PRESTON. I will discuss the matter with the gentleman further, but I am afraid I am going to be put in the position of acting in bad faith if I offer a committee amendment to strike the language since I prevailed upon the conferees in the supplemental appropriation bill to put this same language in that bill in order that we might solve the crisis that exists in shipping. I told them it was in the 1957 bill and that we would merely adopt the same language for the remaining portion of the present fiscal year. It may complicate what has already been done. But I would like to discuss the matter with the gentleman further before we reach a decision.

Mr. BONNER. I certainly will discuss the matter. I do want the Record to show that these funds will not be used for this purpose until the Maritime Board has sent down proper legislation to the committee which will be promptly acted on. I am sure that the action of the Committee on Merchant Marine and Fisheries will take place before these funds can become available.

Mr. PRESTON. That would please me very much. I certainly have the greatest desire to maintain the prerogatives of the legislative committee. I do not wish to encroach upon those prerogatives. I hope that whatever we do today, we will not jeopardize the language we have put in the supplemental bill now in conference, because the situation is so acute. Space on American ships is at such a premium today that we need to take some small number of these ships out of mothballs in order to solve the problem and allow American exports, American companies, to deliver the goods they have contracted for abroad and for which they have performance bonds executed.

Mr. BONNER. May I say it will depend on the Maritime Board sending legislation promptly to our subcommittee or to our committee so that we can properly act on this matter before the present appropriation becomes available.

Mr. PRESTON. May I say to the gentleman that the chairman of the Committee on Merchant Marine and Fisheries is a Member of high standing in this body and recognized by everyone as having excellent judgment. The gentleman does not mean to say he is going to wait upon a Government agency to submit legislation before he acts, does he? Why can the gentleman not introduce the legislation irrespective of what the Maritime Administration says?

Mr. BONNER. The point of it is that the Maritime Board should have come to our committee instead of going to the Appropriations Committee. The gentleman knows that a point of order will hold against this matter?

Mr. PRESTON. I acknowledge that.

Mr. BONNER. The gentleman concedes that. I want to be fair. I appreciate the gentleman's situation. But I want to bring this activity back in line so its conduct will be such that it will not bring about improper management.

Mr. PRESTON. Suppose the Maritime Administration does not send such a request to the gentleman's committee, are you going to be left without the language?

Mr. BONNER. I feel they will. We have requested that they offer the legislation.

Mr. PRESTON. The gentleman from North Carolina would be in the position of preventing us from using the revolving fund to take ships out of moth balls to meet the challenge of the shortage of space for cargo that exists today in this country.

Mr. BONNER. The situation might clear up in 10 days or a week. That is something that should be looked into.

Mr. PRESTON. Every indication is that this situation will prevail for at least 2 years or longer. I do not see why we should quibble over who does it when a situation is serious. It is so serious that foreign-flag tramp vessels are charging more money today to carry American cargoes than the regular subsidized American lines.

Mr. BONNER. I agree with the gentleman.

Mr. PRESTON. If the Maritime officials do not do it, then it is up to those who are in a position in the House and in the Congress to do it. So I hope the gentleman from North Carolina will not stand back on the niceties of the situation and wait until the Administrator comes in with hat in hand and makes the request.

Mr. BONNER. He does not have to come in hat in hand. If he will only carry out his directives and the obligations that are placed on him in accepting the position that he holds, this situation would not have arisen. I am going to cooperate with the gentleman.

Mr. PRESTON. And I shall cooperate with the gentleman, also.

Mr. BONNER. But I want this record to show it, and I want the administration to read this record.

Mr. PRESTON. I quite agree with the gentleman.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Connecticut.

Mr. CRETELLA. On page 9 of the report, under the heading "Weather Bureau," this language appears:

> The total of $35,400,000 is included in the bill for the coming fiscal year * * * the amount proposed will permit the strengthening of the general weather services.

I wonder if the gentleman can give me some information as to what extent New England, and the State of Connecticut particularly, is going to be benefited by that appropriation. What is provided in the bill for New England and Connecticut for Weather Bureau improvements?

Mr. PRESTON. These two items are related. The next item provides for the establishment of meteorological facilities. This increase of $9.6 million over 1955 cannot be spent all in 1 year. It is spent in a number of fiscal years, perhaps 2 or 3. Some of the funds in this fiscal year will actually be spent in 1957. With what we are adding to that, we are simply strengthening what they had last year, which was the highest in history. I wish to point out that 13 additional surveillance radar installations for detecting and tracking major storms were added, and this is in addition to what we have already provided.

Mr. CRETELLA. I have run into the situation in New Haven, where we have

had terrific storms and hurricanes, where I am told by the department that because of lack of funds it cannot provide facilities and the proper personnel to help out in that station. I wonder why.

Mr. PRESTON. Well, you know, there is something about these agencies that I have learned since I have been on the Committee on Appropriations. When you go to fatten them up, they are not satisfied. We gave them this big increase of $9 million plus last year, and when the director, Dr. Reichelderfer, came back from Europe, he was so amazed at this big increase, that he decided to send up a supplemental request last year, and we did not allow it. Now they are telling people they have no funds. They have more money than they ever had before; $9 million more than the year before.

It is strange to me, may I say to the gentleman, that they give you people in New England that sort of information. I think our committee would be interested in having them come before us and telling us why they do not have funds to give some assistance. We recognize the need for it.

Mr. CRETELLA. That is what I have been told, and I had to beg to get a mere telephone installed in the New Haven station, a tape recorder to record the Weather Bureau reports for the public. That is the extent of the help we get there.

Mr. PRESTON. Does the gentleman mean to say you have no weather station in New Haven?

Mr. CRETELLA. We have, but we do need additional facilities and additional personnel, and we have not been able to procure them.

Mr. PRESTON. The gentleman's question hinges on increased personnel in a weather station that has been operating, and whether it is satisfactory. But in the area of providing facilities in the storm areas, there is no justification for their not being able to do it.

Mr. CRETELLA. We are in the middle of a storm area and have been and probably will be for a long time.

Mr. PRESTON. What additional will these facilities do to improve what you already have?

Mr. CRETELLA. All it is is a tape recording so that when you call the Weather Bureau you get a tape recording of the weather conditions in the area, no matter what the purpose of your call may otherwise be.

Mr. PRESTON. I will say in conclusion that the other items in the bill are relatively small. We have appropriated the budget estimate for the Small Business Administration. That estimate has not been cut. It is adequate now to meet the needs of the Agency.

Mr. CLEVENGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of our committee has done his customary thorough job of explaining this bill to the Committee.

Mr. Chairman, the total of the appropriations carried in this bill for the Department of Commerce and related agencies is $1,382,003,000. The amount recommended is $140,670,000 below the total of the budget estimates and is $96,995,500 below the amount appropriated for the current fiscal year.

The budget estimates for the Department of Commerce, including funds for the Civil Aeronautics Board total $1,453,568,000. The total amount recommended in the bill for the Department of Commerce is $1,313,153,000. The three largest items are the Bureau of Public Roads, the Maritime Activities, and the Civil Aeronautics Administration. These 3 activities alone account for over 86 percent of the total funds in this bill.

For the Bureau of Public Roads the Committee recommends $799 million. This is $30,730,000 less than for the current fiscal year but when the amount appropriated for the Inter-American Highway is deducted since no funds were requested therefor this year, the amount provided for comparable items is actually $32,250,000 over the funds appropriated for the current fiscal year.

The sum of $196,847,000 is included in the bill for maritime activities. Of this amount $54,800,000 is for ship construction; $124 million is for operating-differential subsidies; $15,187,000 for salaries and expenses; $2,200,000 for maritime training; and $660,000 for State marine schools.

The committee has included the sum of $196,118,000 in the bill for the Civil Aeronautics Administration. This represents an increase of $26,797,500 over the amount appropriated for the current fiscal year for this Agency. The largest part of this total, $125 million, is for operation and regulation; $37,500,000 is for establishment of air navigation facilities; and $30 million for grants-in-aid for airports—liquidation of contract authorization.

A total of $10,313,000 is included in the bill for the Census Bureau. Of this amount $7,413,000 is for salaries and expenses; $1,750,000 for a census of governments and $1 million for a national housing inventory. There is also included $150,000 for preparation for the 1958 census of business, manufacturers, and mineral industries.

The committee recommends $17 million, the full amount of the budget estimate for the Patent Office in an effort to eliminate the backlog of patent applications existing at the present time so as to cut down the length of time it takes to obtain a patent.

The total amount of $37,900,000 is included in the bill for the Weather Bureau, of which $35,400,000 is for salaries and expenses and $2,500,000 for establishment of meteorological facilities. The amount allowed for salaries and expenses will provide an increase of over $1 million on hurricane, tornado, and related research.

The committee has allowed a total of $9,200,000 for the National Bureau of Standards. The request for $2,750,000 for the acquisition of lands and design of facilities to be constructed for this Bureau was not allowed. The chairman acquainted you with the reasons for that.

The sum of $10,800,000 for salaries and expenses for the Coast and Geodetic Survey is included in the bill. This is an increase of $76,000 over the current fiscal year. The sum of $3,400,000 is also recommended for designing, constructing, equipping, and outfitting a new surveying ship.

For Business and Defense Services Administration there is included in the bill $7,200,000, an increase of $600,000 over the amount appropriated for the current fiscal year and a decrease of $300,000 in the budget estimate. A total of $2,400,000 is included for salaries and expenses of the Bureau of Foreign Commerce and $1 million for the Office of Business Economics.

The sum of $2,425,000 is included in the bill for salaries and expenses, general administration, which includes the Office of the Secretary.

A total of $19,550,000 is contained in the bill for Civil Aeronautics Board, of which $15 million is for payments to air carriers and the remainder for salaries and expenses.

The sum of $15,410,000 is recommended for operating expenses, Canal Zone Government, an increase of $462,000 over the current fiscal year but a decrease of $250,000 in the budget estimate.

For the Small Business Administration the sum of $7 million, the full amount of the budget estimate is recommended for salaries and expenses. Of this amount $1,890,000 is a direct appropriation and the remainder is obtained by transfer. Also recommended is the sum of $50 million for the revolving fund for this Agency.

I may say that during this late emergency in the storm areas this Agency has performed a notable service. There should not be a tendency for everybody to regard this as a giveaway Agency, from which we can just reach in and get money for everybody, but the committee feels that they are doing an excellent job in their authorized activities. By way of passing may I remind you that this committee took a look 3 years ago and 2 years ago at the air subsidies, and the action of the committee resulted in the saving of some $37 million by directing the attention of the Board to a matter of air subsidies.

The committee recommends $1,550,000 for the Tariff Commission, a reduction of only $5,000 in the budget estimate.

I have not covered every single item in the bill nor have I gone into more detail inasmuch as the chairman of the committee has covered most of them and the committee report sets forth the action in each instance.

In my experience in the committee I do not know of a more conscientious and thorough job than our chairman has done on this present bill.

While there may be items in the bill on which each of us on the committee had a little different idea, I believe that in general we have a pretty good bill, and urge its passage.

Mr. PRESTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. Reuss].

Mr. REUSS. Mr. Chairman, the Appropriations Committee deserves the highest praise for reducing the subsidy payments to air carriers to $15 million, from the budget request of $20 million, and for urging the Civil Aeronautics Board to further curtail subsidy payments, while recognizing the needs of local service-type carriers for priority of such subsidies as are given.

I should like to add my voice to that of the committee to urge the CAB to save every penny possible from the $15 million of new money contained in this appropriation bill. I point out that last year, with an appropriation of $52,500,000, $14,369,838 remains unspent. Of the more than $29 million available for 1957 under this appropriation bill, together with the carryover from the 1956 appropriation, at least $6 million can and should be saved for the taxpayers by prudent administration on the part of the CAB.

This $6 million is presently programed for subsidy payment by the CAB to Pan American World Airlines as subsidy for its international operations. The question which the CAB must repeatedly ask in the next fiscal year is: Is this $6 million subsidy to Pan American really necessary?

Certainly America's hard-pressed taxpayers have a right to insist that the CAB ask the prudent and proper questions before turning over the $6 million, or any part of it, to Pan American. America's taxpayers are being told by the administration that they cannot have a tax reduction this year because of the need for balancing the budget. If taxpayers are to be asked to pay taxes at their current rates, they at least have the right to insist that the expenditure of this $6 million subsidy to Pan American be given a critical reexamination.

Here are some of the questions which ought to be thoroughly answered before CAB pays out one further penny of taxpayers' money to Pan American:

First. Is Pan American not big enough and has it not been subsidized long enough, so that we can take it off the taxpayers' back? Our policy over the last decades of encouraging American air carriers has been highly successful. Since 1928, Pan American has received $417 million in mail pay—including $42 million paid to its subsidiary, Panagra—of which a large part was subsidy. During 1946–54 alone, Pan American received $213 million—including $14 million paid to Panagra—as subsidy in addition to its mail pay. During this period Pan American increased its traffic from 97 million revenue ton-miles annually to 320 million revenue ton-miles annually. Total revenues for the period 1946–54 have exceeded $1 billion. Of the 10 American-flag carriers in the international field, Pan American alone carries more than 60 percent of the traffic, 4 times the amount carried by its nearest competitor, Trans-World Airlines. Yet several of these smaller international carriers, such as TWA, Delta, and Northwest, are operating completely subsidy free, despite annual revenues far smaller than Pan American. Nevertheless, out of the approximately $7 million proposed 1957 international subsidy, Pan American is to receive more than $6 million, leaving less than $1 million for subsidy for the remaining 8 international carriers. Congress, in the Civil Aeronautics Act of 1938, set up as a criterion for CAB regulation "competition to the extent necessary to assure the sound development of an air transportation system properly adapted to the needs of foreign and domestic commerce of the United States, of the postal service, and of the national defense"—section 2 (d). Certainly we do not help other flag carriers to compete against Pan American by further subsidies to this giant.

Second. Why should estimates of revenue increases be used to reduce subsidies for small domestic local service-type carriers, yet not be used to reduce or eliminate the subsidy for Pan American? In fixing the subsidies for certain local service-type carriers, such as North Central and Ozark Airlines, both of which serve my constituency in Milwaukee, Wis., the CAB has projected past revenue increases into the future and reduced the subsidy accordingly—perfectly properly, in my opinion. Between September 30, 1954 and September 30, 1955, Pan American's transportation revenues increased by $30 million. The CAB used this, in December 1955, to reduce Pan American's subsidy from $22 million in 1954 to $10 million in 1955. If the same rate of improvement continues into 1956, Pan American's subsidy can and should be eliminated entirely. If a subsidy reduction is in order for a small local service-type carrier, it should likewise be in order for Pan American.

Third. What evidence is recorded before the CAB that Pan American's subsidized routes, with their present scheduled frequencies, are so necessary to this country as to be worth the subsidy? It is sometimes pointed out that certain of Pan American's routes, such as the routes to Scandinavia with 3 flights weekly, and Africa with 2 flights weekly, are costly to maintain, but are necessary in the national interest. Have the Department of State, the Department of Defense, and the Post Office Department currently filed with the CAB requests that these routes, with the scheduled frequencies, be maintained by Pan American, as essential to our national defense or foreign commerce?

Fourth. Has the CAB offered to assign Pan American's subsidized routes to some of the nonsubsidized American carriers, such as TWA, Delta, and Northwest? There is every reason to believe that all three of these would gladly operate any of Pan American's subsidized routes without a cent of cost to the Government, thus saving the taxpayers $6 million a year. Incidentally, one of the best ways I can think of to start making Pan American as efficient as its unsubsidized competitors is to remove the crutch of subsidy and make it start walking for itself.

Fifth. Is the CAB justified in paying Pan American another penny of subsidy without conducting a thoroughgoing audit of Pan American on a systemwide basis? The Appropriations Committee "specifically recommends that further comprehensive studies be made during the coming year with respect to subsidy requirements, fares and rates." Surely this study should include a comprehensive audit of Pan American before, not after, the money is paid out. Included in the audit should be a thoroughgoing look at Pan American's vast network of affiliated companies, in at least two fields:

(A) Foreign air carriers, in 13 of which Pan American has a substantial stock interest and an interlocking agreement concerning ticket sales. For example, Pan American has a 38-percent interest in Avianca, a Colombian airline, and a 48-percent interest in Panair do Brasil, a Brazilian airline. Any profits that Pan American makes from these investments in foreign air carriers should of course be used to reduce the subsidies that American taxpayers are asked to contribute. Yet until CAB gets busy and audits the books of these subsidiaries, there is no way of telling how much of their profits are being drained off or otherwise shortstopped before they ever get to Pan American's coffers. Moreover, these Pan American affiliates are in sharp competition, particularly in Latin American areas, with American-flag carriers such as Braniff and Delta. Do we wish to continue subsidy by American taxpayers, without benefit of audit, to Pan American to the tune of $6 million a year, only to permit subsidized competition by Pan American and its foreign-flag affiliates with American carriers? Yet this is exactly what we are doing today.

(B) Pan American owns Intercontinental Hotels Corp., which operates luxury hotels throughout the world. Since we have no audit of this hotel operation, we cannot tell to what extent these hotels are being milked of funds which, were the funds available to Pan American, would make a subsidy unnecessary. We do know that on July 14, 1953, Pan American made an interest-free loan to its subsidiary, Intercontinental Hotels Corp., of $2 million. At 4 percent interest the normal return on a loan like this would be $80,000 a year. To the extent that these hotels escape the eye of CAB, American taxpayers are forced to kick in this $80,000. I cannot believe that these foreign hotels serve any valid United States interest. For example, the Victoria Plaza at Montevideo, Uruguay, advertises "cocktail lounge and sapphire room offer Montevidean interpretations of an enchanted evening." The Hotel Reforma in Mexico City advertises "the international society that congregates in the Reforma adds a further dash of color and excitement to a thrilling visit in Mexico City." The Hotel Grande at Belem, Brazil, announces that its "spacious guest rooms reflect the magnificence of the days of the Amazon throne, yet incorporate every modern facility for comfort and repose, with such features as tile baths, handsome appointments, and deeply comfortable beds." The Hotel Tequendema in Bogotá, Colombia, boasts a "magnificent kidney-shaped pool where people may sip our fine drinks in comfort."

Sixth. Is it not time to stop a rather conspicuous governmental policy of favoring Pan American? The unjustified subsidy is merely one aspect of what seems almost to be a national policy of favoring Pan American. In January 1955 the President, reversing a unanimous decision of the CAB, attempted to remove Northwest Airlines from the west coast-

Hawaii route and give a monopoly to Pan American, even though Northwest was off of subsidy and Pan American was being subsidized to the tune of some $22 million annually. There were outraged protests and the President had to beat a hasty retreat. But without the protests Pan American would have garnered another unfair advantage over its competitors. And as recently as last January the White House directed the CAB to set down for hearing Pan American's application to compete with Northwest's Seattle-Tokyo route, at the same time refusing Northwest's request to compete with Pan American's California-Tokyo routes.

Mr. Chairman, I hope that the CAB will ask these questions searchingly and will give the Appropriations Committee next year the benefit of the answers obtained.

Mr. PRESTON. Mr. Chairman, we have no further requests for time.

Mr. CLEVENGER. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> Payments to air carriers: For payments to air carriers of so much of the compensation fixed and determined by the Civil Aeronautics Board under section 406 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 486), as is payable by the Civil Aeronautics Board pursuant to Reorganization Plan No. 10 of 1953; $15,000,000, to remain available until expended.

Mr. FLOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FLOOD: On page 7, line 1, strike out "$15,000,000" and insert "$7,245,504."

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Chairman, the purpose and the object of my amendment is very clear and very simple, and at least, in my opinion, not at all complicated. The figure which I asked to substitute is on page 7, line 1, instead of $15 million it will be $7,246,000. What I want to do there is to prevent the taxpayers' money from being used to pay income taxes for certain airlines. Now what is the matter with that? I want to make it very clear that I am not striking, at least at this point, at the idea of subsidies. I want to make it very clear that this committee has done a gigantic and commendable job down through the years in eliminating, so far as it has been reasonable and possible under the circircumstances, year by year, subsidies to airlines. They are to be commended. This goes back to the days when I sat on this subcommittee when the gentleman from New York [Mr. ROONEY] was chairman; when it was then the State, Justice, and Commerce bill. Under the chairmanship of the gentleman from Georgia [Mr. PRESTON], it is the Subcommittee on Commerce, upon which I now sit. Under the chairmanship of the distinguished gentleman from Ohio [Mr. CLEVENGER], who also commendably led and joined in this fight to cut down, as far as reasonably possible under the circumstances, subsidies to airlines.

This year, gentlemen, some important new information has appeared on what the CAB intends to do with the subsidies.

Unfortunately, the CAB did not supply this document until some two weeks after our subcommittee had marked-up the bill on April 13. This is a document worthy of our attention because it accounts for almost two-thirds of the CAB request for new money for subsidies which is now before us.

I regret that the CAB did not make this information available to our subcommittee prior to the markup, but at least we have gotten this particular piece of information out of them, for the first time in history.

The information is buried at the very back of the printed hearings on the Department of Commerce on page 1011. It is a table inserted by the CAB—at the request of the distinguished gentleman from New York [Mr. ROONEY] on page 825 of the hearings—indicating that of the subsidies being requested by CAB—consisting of $20 million of new money and language authorizing the spending in 1957 of a leftover of $14,369,838, for a total of $34,369,838—the huge sum of $12,754,496 of these subsidies would, if enough money is appropriated by the Congress, be used to pay the Federal income taxes, at the public expense of certain private airline companies. Of this tax subsidy, approximately 76 percent would go to Pan American World Airways System, Inc.

Mr. Chairman, I insert the tabulation at this point in the body of the RECORD:

Information on Federal income-tax estimates

	Income taxes for calendar year 1955 as reported by carriers to CAB on form 41 (1)	Portion of subsidy estimated to cover Federal income-tax liability	
		Fiscal year 1955 (2)	Fiscal year 1957 (3)
Colonial	$261	(1)	0
Continental	389,838	$255,000	$580,000
Northeast	124,893	410,000	410,000
Allegheny	0	(1)	0
Bonanza	502	(1)	0
Central	0	0	0
Frontier	73,119	74,627	74,627
Lake Central	0	0	0
Mohawk	0	79,023	80,000
North Central	18,000	0	0
Ozark	−272	(1)	0
Piedmont	35,966	(1)	133,512
Southern	13,516	0	0
Southwest	58,565	78,483	104,000
Trans-Texas	97,801	78,922	115,791
West Coast	0	(1)	0
Helicopter	61,569	11,734	12,000
Los Angeles	90,680	56,481	60,000
New York	49,704	83,199	85,000
Alaska Airlines	0	0	0
Alaska Coastal	0	9,380	9,380
Byers	4,947	1,219	1,219
Cordova	24,137	5,921	4,794
Ellis	20,650	28,516	28,516
Northern Consolidated	124,045	36,505	47,542
Pacific Northern	413,359	(1)	150,000
Reeve	49,999	5,754	5,754
Wien	139,602	29,933	37,361
Hawaiian	0	0	0
Trans-Pacific	8,112	0	0
Braniff	1,653,000	1,267,666	687,000
Caribbean	7,740	8,120	18,000
Panagra	400,000	(1)	800,000
Pan American	7,220,000	(1)	[2] 9,310,000
Total	11,079,733	2,520,483	12,754,496

[1] Final mail rates not yet established for all or part of fiscal year 1955.

[2] 76 percent.

Let me add this: Under no circumstances do I want you to think that I am striking at small feeder lines or helicopter lines. Quite the contrary. The smaller they are the better I like them. This is not to be construed as an attempt to remotely injure the small airlines. As a matter of fact, in this report of the subcommittee today you will find language which expressly indicates in the distribution and payment of subsidies to airlines, priority—and the word is the committee's word—priorities shall be given in the payment of all subsidies to the small feeder airlines, including small helicopter lines. So eliminate that from your minds at once. If you are worried about the little fellow getting hurt, forget about it. As far as I am concerned, I am the last man in this House who would want to hurt him.

If you will refer to the testimony in the hearings before this subcommittee, you will find, at page 1011, where, at the request of the gentleman from New York [Mr. ROONEY] the Civil Aeronautics Board for the first time provided this House with a list of airlines who received subsidies, and the amount they received. There you will find a list of the lines getting these subsidies, some of them getting a small amount, but Pan American, the big boy, gets $9 million—nearly $10 million of subsidy given to the Pan American Airline to pay its income tax.

It is patent and obvious, I am not against subsidies to Pan American. I am not against a subsidy to any line under certain circumstances, when I know what the circumstances are. All this amendment does, Mr. Chairman, is to eliminate in the payment of subsidies, the earmarking of any taxpayers' funds to pay the income tax for any airline, including nearly $10 million for Pan American.

I have nothing against Pan American. If I were going to Europe tomorrow, either at the expense of the taxpayers or at my own expense, I think I would probably fly Pan American. It is a great airline. If that makes them happy to have me say so, I do not mind saying it. If there is any way they can make money and I can help them, I would be glad to do it. If they want a certificated line to Florida, I hope they get it. They are talking about a line from Boston to Miami in competition with National and some others. If certification is going to make them money and take them off the backs of the taxpayers, I hope they get that line, and it will help the city of Philadelphia as well.

I will tell you what else you can do. You can take the business off of MATS, which is now in competition with our airlines.

Now if you want to give PanAm or some of these other people an opportunity to make money—and I think they should have it—take MATS, take the Military Air Transport Service out of competition with private business. The Defense Department says, "Let's take the Armed Forces out of competition with private business;" so we have eliminated the Defense Department from being in competition on hot-dog stands, beauty parlors, shoeshine parlors, coffee bars, and all that cat and dog business, but if you really want to take them out of competition—and I am sure my friends over here do on behalf of big business and all kinds of business—take MATS out of competition, give the airlines this business that the Government is doing itself but which private business people should have. Then you will not need this subsidy.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. CELLER. Does the gentleman know that this morning before the Judiciary Committee testimony was given by the Comptroller General of the United States to the effect that there has been no general fare investigation by the Civil Aeronautics Board since 1938? And the Comptroller General said that the failure of the Civil Aeronautics Board to conduct a general fare investigation was most unfortunate, and that furthermore testimony was given by that distinguished gentleman, operating an independent agency, with reference to the Pan American Corp. that that company controls a number of affiliates and subsidiaries operating in foreign countries; that when it comes to auditing the income of the Pan American Corp., the Comptroller General of the United States and the CAB run into great difficulties. It would appear that services and cost thereof rendered by Pan American to its foreign subsidiaries and affiliates can be subject to complete audit but, vice versa, services and invoices thereof rendered to the mother company by its subsidiaries and affiliates in foreign lands cannot be audited or investigated. The Comptroller General deplored this inconsistency and implied it gave rise to uncertainties and doubts. I would say that this inability thoroughly to check and properly audit these activities presents an anomoly and is not conducive to the public interest.

The Comptroller General also stated that his agents could check and audit the cost of services rendered by Pan American to its affiliates and subsidiaries in foreign countries but could not audit the invoices—and basis for same—for services rendered by such affiliates and subsidiaries for Pan American. The Comptroller General had to accept invoices but could not go behind these invoices rendered to the mother company to see if they were justified. This, of course, is a most anomalous situation, both for CAB and the Comptroller General and not conducive to the public welfare.

Mr. FLOOD. May I interrupt? Will not the gentleman take 5 minutes of his own time on this amendment? I will be delighted to hear whatever contribution he has to make, and the gentleman, chairman of such a powerful committee, certainly should have a great deal to add.

I want simply to add this: Mr. Chairman, it is clear now that there is no duty and no obligation by law under the Civil Aeronautics Act upon this House to pay a profit through subsidy; there is nothing under the law, and I challenge any Member here now to show me where under the law or the decisions of the United States Supreme Court interpreting this basic law a profit must be paid and where the lines have a right to a profit by subsidy. That is not the law. There is no doubt that the law has been tortured and that the CAB has been torturing the law to sustain the argument that a profit must be paid. That is not the law.

Mr. Chairman, I place in the body of the RECORD at this point a very clear and compelling legal opinion replete with citations from court cases, pointing out that there is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes. We can do it if we want to, but we do not have to.

THE LIBRARY OF CONGRESS,
Washington, D. C., June 14, 1955.

To: Hon. PAUL H. DOUGLAS.

From: James P. Radigan, Jr., senior specialist in American law.

Subject: Is Congress obligated to appropriate subsidies to enable the Civil Aeronautics Board to provide allowances to carriers to pay their Federal income taxes?

There is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.

To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz. the restriction upon the disbursing power of the executive department carried in clause 7 of said section. See *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308).

The projection of the authority to provide subsidies granted under the terms of section 406 of the Civil Aeronautics Act of 1938 (52 Stat. 998; 49 U. S. C. 486) across the separation of powers barrier, by transporting such authority into a delegation of plenary power to the Civil Aeronautics Board, to require the Congress to appropriate all sums subjectively determined by the Board as needed by air carriers to enable them to develop, fails to consider the realities involved in arriving at the estimates of subsidies.

The estimates for subsidies submitted by the Civil Aeronautics Board are composed of the amounts estimated as needed in the coming year by the carriers to enable them to develop to the extent required for the commerce of the United States, the postal service, and the national defense, and the amounts needed to adjust upward previously granted subsidies.

It is certainly ingenious rationalization of the factual situation and the applicable law to allege that the part of estimates requested 1 year for subsidy appropriations for the next year is equivalent to a request for payment of obligations for the cost of transporting mail under contract. How could there possibly be a fixed amount of obligations to pay when the services have not been rendered?

It certainly requires a plethora of legal talents to transform into fifth amendment just compensation obligations that part of the estimates for subsidy appropriation requested for supplemental payments for mail already transported under an established rate.

If the Civil Aeronautics Board has no authority on the basis of the carriers' needs to make rates retroactive past the date of the filing of the petition for the establishment thereof, *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601), a fortiori, it has not right to obligate the Congress to appropriate all amounts of subsidies it subjectively determines the carriers need. If no mandamus or other legal remedy lies against any officer of the Treasury Department on a claim against the United States where no appropriation to pay it has been made, *Reeside* v. *Walker* ((1850) 11 How. 272), a fortiori, the Civil Aeronautics Board cannot obligate the Congress to appropriate subsidies. The absolute control of the moneys of the United States is in Congress, and Congress is responsible for its exercise of this great power only to the people. *Hart's* case ((1880) 16 Ct. Cls. 459, 484, affirmed 118 U. S. 62). An appropriation of money by Congress for a specific object is an implied authority for the President to do the thing, provided it can be done within the limits of the appropriations (6 Op. Atty. Gen. 26 (1853)). Nothing more than the right to include subsidies within the mail rate and within the appropriations therefore is granted.

The foundation upon which the air carrier subsidy edifice has been erected is the so-called need clause of the second sentence of section 406 (b) of the Civil Aeronautics Act of 1938 (49 U. S. C. 486). That the Congress did not expressly delegate its exclusive basic appropriating powers to the Civil Aeronautics Board by the terms of this provision is beyond question. To contend that Congress impliedly delegated the power, which must be contended to support the thesis of obligatory appropriations, requires a "dreamed-up" legislative intent for section 406, which, to say the least, does not appear from the background circumstances which brought the problem before the Congress or from the legislative history of the enactment that is discoverable from the committee reports and the debate.

A statute should not be construed as making an appropriation unless the language is sufficiently explicit to clearly justify it; and authority to use public moneys shall not rise by inference without very clear terms requiring it (18 Op. Atty. Gen. 174, 176 (1885)). We do not have such explicit or clear language in section 406.

If this section does, in effect, delegate the appropriating power of Congress to the Civil Aeronautics Board, as is contended by the proponents of obligatory appropriations, then it is probably unconstitutional. Congress has the exclusive power to appropriate Federal funds, *Ohio* v. *United States Civil Service Commission* ((1946) 65 F. Supp. 776); *Neustein* v. *Mitchell* ((1943) 52 F. Supp. 531); and such legislative power may not be delegated. *Marshall Field* v. *Clark* ((1892) 143 U. S. 649); *Panama Refining Co.* v. *Ryan* ((1935) 293 U. S. 388). It is for Congress, proceeding under the Constitution, and not for the Civil Aeronautics Board, to say what amount may be drawn from the Treasury in pursuance of an appropriation. *Hooe* v. *United States* ((1910) 218 U. S. 322). It is essential to the successful working of our Government that the persons entrusted with powers in one branch shall not be permitted to encroach upon the powers confided to another branch, but that each shall, by the law of its creation, be limited to the exercise of the powers appropriate to its own branch and to no other. *Kilbourn* v. *Thompson* ((1880) 103 U. S. 168).

Another ground upon which the proponents of the theory that the Congress is obligated to appropriate subsidies estimated by the Civil Aeronautics Board as required by air carriers seems to emanate from the mandatory duties imposed upon the Postmaster General and the air carriers under the terms of the Civil Aeronautics Act. Granting arguendo that air carriers are entitled to reasonable compensation for services performed, it does not follow that the Congress is obligated to appropriate the subsidies estimated as needed for estimated future service.

Today's estimates of tomorrow's subsidies are not today's obligations for yesterday's subsidies.

Federal income taxes may well be, as the GAO report indicated, an allowable business expense in computing the service mail pay which is paid out by the Post Office Department from the Postal appropriation which we have already passed. There the Post Office is in the same position as a person who buys a ticket on the airline; the price of the ticket is based on all the expenses of the airline and so the customer is paying a few cents out of the price of his ticket toward the tax burden. The Post Office is doing the same thing but the Post Office is doing it only in proportion to the amount of service which they receive from the airlines. Since the Post Office uses less than 15 percent of the space on airlines, there would be very little logic in saddling the mail pay with 100 percent of the tax burden of the airlines, so Uncle Sam pays the whole thing.

Now that is what the CAB is trying to do in the subsidy program they have laid before us, and I am against it. Pan Am and the others will get this service mail pay from the Post Office, including what contribution is in there toward their tax burden, in proportion to the amount of service which they actually render.

Let these airlines do more work for the Post Office, let them have a bigger share of this 1 billion a year of Defense traffic which is now riding on MATS. Let it be done that way. But let us not make anybody a gift of money to cover their taxes.

They can get the tax allowance from the service mail pay of the Post Office instead, or from the passengers and shippers who patronize the line.

Most airlines in the country get no assistance whatsoever from the CAB in paying their taxes. They pay the taxes themselves. Of the few airlines in the country who are still on subsidy, the amount which CAB is planning to give them to help them pay their taxes is piddling. For example, Allegheny Airline, which operates in my State, is getting about $1,600,000 in subsidy and no extra money at all for the purpose of helping them pay their Federal tax. Here is Mohawk, one of the outstanding local service airlines who, for very good reasons, are receiving some $653,000 in subsidy, of which only $80,000 is to help pay their income tax. New York Airways is receiving some $421,000 subsidy for a very good reason, but could probably scrape up the necessary $85,000 to pay their Federal income taxes. Here is another outfit on the list, Byers, who get the magnificient sum of $1,219. I feel sure they could pay it themselves.

Now we come to the real bonanza in this whole racket of using the taxpayers' money to pay income taxes. Pan American, who under the proposed appropriation, would receive $9,310,000 as a straight gift of subsidy from the CAB to pay their income taxes. At this time of year I wish there was a bureau to which Members of Congress could go to receive subsidies to help pay our income taxes. I imagine there are a lot of other citizens who feel the same.

I have no doubt that the CAB can play Santa Claus and give companies additional subsidy to cover their income taxes if we give them enough money to dish out. But I think it is a pernicious practice and it ought to be stopped. I think the average taxpayer in this country would be horrified to hear that part of the money which he has to pay over to the Collector of Internal Revenue is then used by the Government to pay the income taxes of some giant corporation.

One third of the entire CAB subsidy spending program seems to be devoted to helping a few companies with small amounts, and one company with huge amounts, to pay their taxes. That is unfair to nonsubsidized lines who pay their own taxes, and it is an unjustified burden on the taxpayers.

I therefore move to subtract from the CAB subsidy appropriation the entire amount listed on page 1011 of our hearings which the CAB intends to pay over to the would-be recipient companies for income-tax allowances.

If just this special tax subsidy were subtracted:

Money requested by CAB	$20,000,000
Tax subsidy (rounded off to nearest $1,000)	−12,754,000
Would be the only new money needed in the 1957 appropriation	7,246,000
New money	7,246,000
Carry over (rounded off to nearest $1,000	+14,370,000
Available for subsidy spending in 1957, or just slightly less than the amount reported by House appropriations 2 years ago (H. Rept. 1242, 83d Cong., 2d sess., Feb. 25, 1954)	21,616,000

I should like to point out, Mr. Chairman, that I did not attempt to subtract the tax subsidy of $12¾ million from the $15 million reported by the committee but have subtracted instead from the $20 million in the budget estimate or the amount requested by the CAB for new money appropriations.

This page 1011 is the first time in the history of this committee that we have sweated out of CAB and obtained for the public record a statement of just how much money they are planning to give to what company to pay their income taxes. This is information which, unfortunately, our subcommittee did not have at the time of our markup on April 13.

Gentlemen, does it not now come down to this: Do we want to use $12¾ million money collected from the American taxpayers to pay the taxes of a giant corporation like Pan Am, and a handful to some other companies?

I say these companies ought to do like everyone else, and dig down in their own pockets, and pay their own taxes.

Gentlemen, I move to reduce the appropriation requested by CAB by the entire amount of this proposed tax subsidy and therefore to subtract from the requested appropriation of $20 million the entire $12,754,496, leaving $7,246,000 in new money.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment.

(On request of Mr. MILLER of Maryland, Mr. Bow was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Ohio is recognized for 10 minutes.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Georgia.

Mr. PRESTON. Mr. Chairman, I would like to undertake to fix time on this amendment, if I may.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BOW. Mr. Chairman, I rise in opposition to this amendment.

I can understand that the amendment and the argument that is made is one that might have appeal to many people if not fully understood, but I think that we have got to look at it carefully from the standpoint of sound legislation and doing that which this House is called upon to do.

The gentleman's amendment would reduce this amount $15 million, which was appropriated by the Appropriations Committee, to seven-million-some-odd-hundred-thousand dollars. He says it is an attempt to keep the payment of Pan-Am's income-tax from being a subsidized amount. What the gentleman has failed to tell you is that under the pending amendment you would take from any number of small service carriers—he says he does not want to hurt the small carriers—the payments which keep them alive and keep them in operation. There are many of these small service lines depending upon subsidies. They serve the small communities that you and I represent. I have some in my district and I believe there are some in the district of every Member on this floor. If you cut this subsidy so we cannot keep those small service lines in operation, you will have a flood of complaints in your offices that you have not seen for a long time. The people of every community, particularly the small communities that want airline service, will be seriously affected.

What are the facts? Under section 406 of the Civil Aeronautics Act, Congress provided that the present and future needs of the foreign and domestic commerce of the United States, of the postal service and the national defense are essential. Under that we have authorized the CAB to set up a subsidy program. With this subsidy program in our country we have built one of the greatest aviation industries in the world.

What has happened in the past? I can say to you that as of today 95 percent of the airlines are subsidy free, speaking domestically. Now, we talk about income taxes. In that industry which we have built up there were income taxes alone paid into the Federal Treasury by the airlines of this Nation the total sum of $82,480,000. That is in income taxes paid into the Treasury of the United States last year by these lines which are now operating 95 percent subsidy free.

When you determine the question of subsidy these funds are not earmarked for the income taxes of any of these companies. It is the same as with the public utilities of your various States—the gas company, the electric company. When the rate is figured it is figured on the total cost of doing business, including new equipment, operations and taxes. That is what is done here. In figuring the subsidy to be paid, the entire operation cost is taken into consideration and whether this money is going to be used for the payment of income tax or new equipment of the company to which the gentleman has referred, which incidentally has on order $300 million of new jet equipment, we do not know. We do not know where this money is going. It is not earmarked for income taxes. It may be for operations, it may be for the payment of salaries.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Here is what I would like to point out to the gentleman. He drew an analogy between public utilities and this CAB rule, when you pay a public utility a payment for the allocation of income taxes by that public utility, and if you buy a streetcar ticket that contributes only a fraction to what the company pays for income taxes. There is no analogy between public utility income taxes being figured into cost and this case of subsidy of the airlines. There is no relationship at all.

I occasionally hear CAB say that including income taxes is a common practice with public-utility commissions. That may be so. However, this is a world of difference here because public utilities make charges to the public and are not subsidized by Uncle Sam. Furthermore, the rates which the public pays, which rates may include some contribution toward the tax burden of the utility, are in proportion to the amount of service which the customer uses. Take a trolley car, for example. Suppose some of us climbed aboard a trolley car. Each of the tokens which we dropped in the box would contain a few mills or perhaps a penny or two toward the tax burden of the company. But those of us who do not go for a ride on the trolley car would, properly, be making no contribution at all toward paying the taxes of this public utility.

Here we have a situation where Uncle Sam uses regularly no more than 15 percent of the seats on the trolley car, yet along comes somebody who proposes that instead of 15 percent, Uncle Sam should pay 100 percent of the company's tax burden. I say that is all wrong. It is not right and it is entirely out of proportion. We have no obligation to do this.

The fact that we in the Congress are under no obligation to provide subsidies to guarantee a profit to Pan American, let alone still additional subsidies to pay for their Federal income taxes, is underlined by the opinion of the Court in the case of *Capital Lines, Inc.* v. *Civil Aeronautics Board* (171 F. 2d 339), reading:

> The act, with its regulatory provision, is not intended to underwrite profitable operation of a carrier's business, any more than statutes imposing regulation of public utilities are intended to insure them a net revenue. *Federal Power Commission* v. *National Gas Pipeline Co.* ((1942) 315 U. S. 575, 590, 62 S. Ct. 736, 86 L. Ed. 1037) and cases cited.

I thought that this quotation from the Court decision is especially relevant since it mentions "public utilities," the very words used by the gentleman from Ohio [Mr. Bow] but the Court came to the opposite conclusion from that reached by the gentleman from Ohio.

Mr. BOW. The gentleman has made his point. Of course, I do not agree with him at all.

I will not yield further to the gentleman, because you take the entire tax problem and it goes into the over-all, whether it is salaries, new equipment, or whatever it may be, and then you determine that the lines will earn 9 percent income on their total investment, and that is the problem that we have before us.

Now, this committee, under the chairmanship of the gentleman from Georgia [Mr. PRESTON] and under the minority leadership of the gentleman from Ohio [Mr. CLEVENGER], has whittled away on the question of the audits of Pan American and their subsidiaries and has insisted that they must be made. We have given the CAB the money. The gentleman from Texas [Mr. THOMAS] last year insisted that we give the money and that they have the auditors to do the job. Unfortunately it has not been completed. But, the gentleman from Texas said "We want this job done, and we will give them the auditors to do it." And, I hope the CAB continues it and makes that audit so that we know what they have. This amendment strikes at the operation of the service lines, at the continuation of the small operators in this country, and it is not a question, I say to my colleague, of the payment of income taxes only.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Georgia.

Mr. PRESTON. Is it not a fact that the law as written by the Congress employed the same pattern that is employed by the various utility regulatory agencies in arriving at what is a fair return on investment in a public utility for income-tax purposes?

Mr. BOW. The gentleman is exactly right. It is in the overall picture, in all of this.

Now, what will happen? Let us assume we reduce it to this amount and the CAB goes ahead under its contracts with the lines and allows subsidies over and above what we appropriate. Then it becomes an obligation of the country, and if the House does not appropriate, it then becomes subject to a suit in the Court of Claims for recovery. We cannot by this legislation reduce the amount to be paid to these carriers. We have to meet the bill under our contract.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Washington.

Mr. HORAN. I want to state further that the General Accounting Office made an investigation of this matter and they concluded that the CAB was handling this income-tax matter, in this payment here, in exactly the same manner as other regulatory bodies.

Mr. BOW. Here is what the General Accounting Office said:

> In our opinion, there is no question that the Board has authority under the act to treat Federal income taxes as allowable costs in fixing rates of compensation for the transportation of mail, whether such rates are compensatory only or include subsidy.

Now, the General Accounting Office said it was proper under that finding. Then, on the question of whether there is a windfall, the General Accounting Office said:

> It appears doubtful that a subsidized carrier may receive an advantage in the nature of a windfall by reason of the fact that the income tax allowed for mail pay may be greater than the final tax liability.

That is the language of the General Accounting Office saying it is proper to consider these matters; that there is no windfall. And, I say to you, my colleagues, if you want to preserve the small feeder lines in this country, if you want to build up the service to the small communities, you will vote against this amendment and permit us to continue so that they can gradually get off the subsidy, as we have done with the large carriers who, as I have previously said, are 95 percent subsidy free.

Mr. PRESTON. Mr. Chairman, if the gentleman will yield further, I would like to point out that the Supreme Court has said that the regulatory pattern includes all elements of cost, including taxes. That is the construction of the Supreme Court.

Mr. BOW. I thank the gentleman.

Further, on the payments to air carriers:

PAYMENTS TO AIR CARRIERS

The Appropriations Committee has recommended to the House the sum of $15 million for payments to air carriers for subsidy purposes. The committee believes that this amount, along with a carryover from the 1956 appropriation of approximately $14 million, will be sufficient for the Civil Aeronautics Board to meet its obligations during the next fiscal year. I would like to make a few remarks with respect to this item.

It is important to keep in my mind the purpose of these subsidy payments—why the Federal Government makes them as a matter of public policy, and to know who gets them and in what amounts.

The Congress, in enacting the Civil Aeronautics Act of 1938, determined that an air transport system adequate to serve the present and future needs of the foreign and domestic commerce of the United States, of the postal service, and of the national defense was essential. Congress further decided that assistance to air carriers in the form of subsidy was in the public interest, where need for it

existed, in order to provide such an air transport system.

At the outset, every segment of the airline industry was in need of substantial subsidy to develop its capabilities. Today, with the trunklines virtually free of subsidy, the need still exists in four parts of the system—and there to a lessening extent each year. The areas in which the need is now concentrated are the local service carriers, the international carriers, the territorial carriers, and the helicopter services.

The first group, the local service carriers, provide a service to the smaller communities which it is clearly in the public interest to support. The House wholeheartedly approved permanent certification of these airlines only last year in recognition of their important contribution. These are the airlines who provide the only air service 250 of our smaller cities receive. It is in order to note that these carriers now receive well over one-half of their total revenues from commercial revenues, with both mail pay and subsidy accounting for a lower percentage each year. This is important when compared with the situation only a few years back when as much as three-quarters or more of their total revenues came from the Federal Government.

American-flag international airlines carry our flag all over the world and make significant contributions to all of the objectives of the act of 1938—commerce, postal service, and national defense. Today, we cannot afford to have the second best. Our carriers in the international field, like the local service airlines, have also greatly reduced their dependence on subsidy. Several are entirely subsidy free today—such carriers as TWA and NWA and others. Others are subsidy free on many of their routes. As a group, the international carriers now receive less than 4 percent of their total revenues from subsidy, as opposed to almost 14 percent in 1951. And in many cases these carriers are in direct competition, not only with each other, but with foreign government-owned or wholly subsidized airlines.

Another group, the territorial carriers, have been invaluable in developing the areas they serve. Alaska, without highways and railroads as we know them here, has been a spectacular example.

The helicopter services are new, experimental, and hold great promise for the future.

These, then, are the classes of carriers this money is for. At this point I would like to introduce for the record a table prepared by the CAB, for the Appropriations Committee, showing by air carrier groups, and by individual airline, the comparative subsidy figures for fiscal years 1954 through 1957.

These figures demonstrate a number of things. First, they show that the level of subsidy has been sharply reduced. For instance, during fiscal 1954, a total of $66,178,044 accrued to air carriers in the form of subsidy. For 1957, this figure is estimated at $46,486,000.

Second, the table shows who will get subsidy, and in what amount. Of a total anticipated actual expenditure of $34,369,838 in 1957, $24,080,738 is designated for the local service carriers. Territorial carriers account for another $7,270,000, with the balance going to domestic trunklines—only two—helicopters, and international airlines.

What is not shown by this table is the tremendous increase in the volume of service provided, and mail carried, at the same time the total subsidy and mail pay cost to the Government has been substantially reduced.

It might be useful to explain the difference between subsidy accruing to air carriers during a fiscal year and the amount actually paid out in cash to the carriers during the year. For example, although the Board estimates that $46,486,000 in subsidy will accrue to the carriers during 1957, the expenditure estimate is $34,369,838. The difference between these two figures results from, first, the fact that subsidy accruing during the last month of a fiscal year is actually paid out during the following fiscal year; and, second, that certain credits against payments to carriers result from such things as the capital gains realized from the sale of capital assets and the recovery of excess funds paid out prior to the setting of a final subsidy rate.

The Board's appropriation request is for the amount of money it will actually need during the fiscal year to make payments to air carriers, less any carryover resulting from the previous year's operations. This year, then, the Board has estimated that it will need a $20 million appropriation, which, when added to its $14-million carryover from last year, will enable it to make the actual payments becoming due and payable to the carriers during fiscal 1957. The committee, in reducing the $20 million to $15 million, was of the opinion that certain additional reductions not reflected in the Board's estimates might be possible during the coming year.

Another point on which confusion or misunderstanding arises has to do with the use of subsidy money to pay income taxes due from the carrier. In this connection, I believe the following excerpts from a recent audit report made to Congress by the GAO regarding the CAB explain this situation and answer the questions which may be in the minds of some members on this subject. This report, I might add, is printed in full in the hearings on this bill, on pages 754–811, and the portion I am quoting from appears on pages 771 and 772 of the hearings.

The following are excerpts from the General Accounting Office audit report to the Congress:

[Excerpt from GAO audit report to Congress on CAB]

FEDERAL INCOME TAXES

A review of the Board's past appropriation hearings indicates congressional interest in the allowance of Federal income taxes by the Board in fixing mail rates. Our discussion which follows generally covers the two major issues involved: (1) whether income taxes are properly allowable in computing mail pay rates and (2) whether a subsidized carrier can enjoy a so-called windfall from taxes allowed.

TAXES AS ALLOWABLE EXPENSE

In our opinion, there is no question that the Board has authority under the act to treat Federal income taxes as allowable costs in fixing rates of compensation for the transportation of mail, whether such rates are compensatory only or include subsidy. The fair and reasonable rates of compensation for the transportation of mail by aircraft, as provided for by the act, necessarily must be computed on the basis of net income to the carrier after all expenses, including taxes.

In determining the mail pay for an airline, the Board considers and allows certain elements of cost and, in addition, an amount which will provide a predetermined return on the carrier's investment. To establish this return, the Board must treat the computation of income tax expense as a separate and distinct step. This tends to highlight the tax amount allowed, and lends to it a sense of unwarranted importance, although it is merely one of many items of expense considered.

TAXES AS POSSIBLE SOURCE OF WINDFALL

It appears doubtful that a subsidized carrier may receive an advantage in the nature of a windfall by reason of the fact that the income tax allowed for mail pay may be greater than the final tax liability.

In attempting to match the income tax allowance with the actual tax liability there would be present the task of determining the amount of tax applicable to mail revenue and nonmail revenue. Such determinations would be based largely upon assumptions which would be difficult to support and probably the subject of dispute. Therefore the adjusted income tax liability as finally accepted by the Treasury Department would be of little assistance in answering the question presented. An analysis and study of each income tax return and supporting information, as well as underlying records, would have to be made in order to reach any satisfactory comparison between income tax allowances included in airmail pay and the adjusted income tax liability for each airline. Even with this information it might not be possible to arrive at a reliable conclusion, primarily because of the assumptions inherent in the allocation of expenses between mail and nonmail revenue.

Under section 406 (b) of the Civil Aeronautics Act, the Board is required to provide an amount of mail pay sufficient to cover the carrier's total need, and not merely the element of need resulting from income-tax expense. As a general rule the actual income-tax liability will not be less than the estimated income tax allowance unless the carrier's actual total need increases beyond the need as estimated for rate purposes. It follows, therefore, that a decrease in income tax liability generally reflects an increasing rather than a decreasing total need.

For every dollar of tax allowed in a rate, the forecasted earnings would be about $2, at 52 percent income tax rate. In an open rate period, income tax expense, while allowable, is not normally included in temporary mail payments, but the actual tax paid is included in the final rate established for that period. In a closed rate period a subsidized carrier who uses less than the amount of tax allowance forecast, theoretically, at least, has experienced reduced earnings. Hence the need of such carrier would have been underestimated in the mail rate and the carrier would be compensated for only 50 percent of its additional need by the overestimate of the tax allowance. Under these conditions the carrier generally petitions the Board for a higher rate, for future periods, to cover the increase need. Conversely, if the carrier's actual earnings should increase above the forecast, the estimated tax allowance then would be less than the actual tax liability. In this instance the Board, on its own initiative, would reopen the rate because of increased earnings.

In view of the foregoing, we are of the opinion that while there may be differences between the estimated income-tax allowances for mail-pay purposes and the final tax liability applicable to mail pay, such differences could be either higher or lower, because of the necessity for forecasting revenue and expenses in a ratemaking process. In fixing a future rate based upon past performance and future forecast, all elements of revenue and expenses are subject to fluctuations beyond the control of the Board and, in some instances, the carrier. The protective feature in the act, however, is the authority of the Board, upon its own motion, to reopen a rate case at any time it is of the opinion that the return to the carrier is exceeding the amount which was contemplated at the time such rate was established.

Civil Aeronautics Board—Payments to air carriers, by carrier, showing estimated subsidy accrual and subsidy payments for the fiscal years 1954 through 1957

	Estimated subsidy accrual for air carrier operations during the fiscal year					Payments (expenditures) during the fiscal year			
	1954		1955	1956	1957	Actual, 1954 [1]	Actual, 1955	Estimate, 1956	Estimate, 1957
	Total	CAB [1]							
Domestic trunklines:									
Braniff	$732,454	$732,454	$678,246	....	....	....	$1,824,207	−$413,507	....
Colonial	518,441	475,941	419,554	$112,000	$409,000	$427,719	341,348	492,431	$409,000
Continental	761,285	603,140	186,851	....	....	552,938	69,310	167,745	....
Northeast	1,867,588	1,536,982	1,783,669	1,781,000	1,778,000	1,365,716	1,820,995	1,754,940	1,778,000
Total	3,879,768	3,348,520	3,059,320	2,193,000	2,187,000	2,346,371	4,055,860	2,001,609	2,187,000
Local service operations:									
Allegheny	1,718,847	1,345,662	1,717,361	1,685,000	1,682,000	1,132,734	1,767,411	1,677,878	1,704,000
Bonanza	921,820	684,414	838,427	1,093,000	1,092,000	692,079	788,542	1,127,220	1,094,000
Central	1,709,248	1,263,674	1,913,942	2,095,000	2,094,000	1,240,427	1,645,269	2,197,920	2,099,000
Frontier	2,780,076	2,109,725	2,502,386	2,534,000	2,531,000	2,067,051	2,441,714	2,409,346	2,536,000
Lake Central	1,509,281	1,128,379	1,439,647	1,461,000	1,459,000	1,098,417	1,325,416	1,474,193	1,462,000
Mohawk	1,020,464	788,534	679,286	653,000	652,000	713,933	611,546	736,341	654,000
North Central	2,294,231	1,666,472	1,767,065	1,841,000	1,837,000	1,566,164	1,771,617	1,770,756	1,842,000
Ozark	1,882,417	1,394,668	1,805,519	2,424,000	2,421,000	1,396,638	1,493,505	2,477,044	2,465,000
Piedmont	2,011,284	1,643,667	1,978,078	2,122,000	2,061,000	1,100,839	2,212,761	2,099,143	2,211,000
Continental (Pioneer)	1,295,240	1,035,052	1,348,953	1,051,000	859,000	907,809	1,147,258	1,284,848	878,000
Southern	1,900,994	1,414,391	1,706,334	1,741,000	1,742,000	1,228,473	1,743,020	1,736,232	1,746,000
Southwest	1,101,362	795,430	974,705	946,000	943,000	684,692	989,835	956,608	945,000
Trans Texas	2,636,219	1,983,331	2,467,507	2,535,000	2,532,000	1,705,292	2,509,893	2,542,653	2,537,000
West Coast	1,765,029	1,415,001	1,900,891	1,904,000	1,903,000	1,043,919	1,401,692	2,603,281	1,907,738
Wiggins	23,383	....	....	....	....	....	....	....	....
Total	24,569,895	18,668,400	23,040,101	24,088,000	23,808,000	16,488,557	21,819,481	25,093,463	24,080,738
Helicopters:									
Helicopter	431,906	318,933	423,485	421,000	418,000	275,549	387,835	462,034	418,000
Los Angeles	683,907	543,128	816,384	952,000	947,000	344,901	928,375	952,236	948,000
New York	1,457,702	1,102,770	1,417,198	1,441,000	1,438,000	498,926	1,767,812	1,564,230	1,439,000
Total	2,573,515	1,964,831	2,657,067	2,814,000	2,803,000	1,119,376	3,084,022	2,978,500	2,805,000
States-Alaska operations:									
Alaska	1,164,785	871,091	998,970	793,000	789,000	823,019	1,044,071	724,971	789,000
Pacific Northern	859,418	662,654	1,139,069	1,155,000	1,146,000	448,178	1,123,217	1,281,298	1,147,000
Pan American (Alaska division)	1,367,119	1,018,117	1,255,173	1,204,000	1,377,000	781,382	1,297,771	1,290,137	1,361,000
Total	3,391,322	2,551,862	3,393,212	3,152,000	3,312,000	2,052,579	3,465,059	3,296,406	3,297,000
Intra-Alaskan operations:									
Alaska	1,060,826	880,731	919,328	863,000	854,000	851,743	940,632	801,684	855,000
Alaska Coastal	342,400	254,179	336,613	314,000	312,000	217,119	339,590	320,083	312,000
Byers	55,978	42,098	53,832	49,000	49,000	32,754	55,025	53,151	49,000
Cordova	349,921	258,548	358,819	273,000	270,000	213,129	358,070	294,168	271,000
Ellis	270,171	197,065	253,680	236,000	236,000	153,901	251,652	260,102	236,000
Northern Consolidated	1,136,522	922,901	944,545	750,000	742,000	904,219	991,905	653,322	743,000
Pacific Northern	481,718	371,429	503,526	467,000	460,000	251,211	519,673	529,071	461,000
Reeve	90,894	60,832	57,335	28,000	20,000	55,552	56,680	30,935	21,000
Wien	1,156,115	957,206	1,102,584	743,000	731,000	840,421	1,111,631	783,738	732,000
Total	4,944,545	3,953,989	4,530,262	3,723,000	3,674,000	3,520,049	4,624,858	3,726,344	3,680,000
Hawaiian operations:									
Hawaiian	442,911	315,569	241,953	243,000	243,000	364,475	267,784	146,263	243,000
Transpacific	241,564	180,806	50,700	50,000	50,000	221,344	160,127	−104,965	50,000
Total	684,475	496,375	292,653	293,000	293,000	585,819	427,911	41,298	293,000
Transatlantic operations:									
Pan American (Atlantic division)	1,299,444	....	....	635,000	2,273,000	4,139,180	746,226	114,888	−2,297,294
Trans-World	....	....	....	....	....	173,287	−173,287	....	....
Total	1,299,444	....	....	635,000	2,273,000	4,312,467	572,939	114,888	−2,297,294
Trans-Pacific operations:									
Northwest	2,247,770	1,188,122	....	....	....	2,546,482	1,825,011	−185,471	−2,997,903
Pan American (Pacific division)	6,471,446	4,317,551	377,508	....	....	5,246,899	3,520,113	−1,311,247	−2,760,706
Total	8,719,216	5,505,673	377,508	....	....	7,793,381	5,345,124	−1,496,718	−5,758,609
Latin American operations:									
Braniff	2,318,577	1,980,388	1,267,666	801,000	687,000	1,237,024	1,837,046	993,984	606,000
Caribbean	93,257	68,028	92,828	49,000	49,000	56,408	78,660	70,785	49,000
Colonial (Bermuda)	41,067	29,030	....	....	....	28,843	47,249	−47,062	....
Pan American (Latin American division)	11,481,141	8,594,177	6,939,254	4,302,000	6,227,000	7,414,633	10,275,134	3,558,664	4,254,000
Panagra	2,181,822	1,635,719	1,854,652	1,187,000	1,173,000	1,572,037	1,837,336	1,160,998	1,174,000
Total	16,115,864	12,307,342	10,154,397	6,339,000	8,136,000	10,308,945	14,075,425	5,737,369	6,083,000
Total, all carriers	66,178,044	[1] 48,796,992	47,504,520	43,237,000	46,486,000	[1] 48,527,544	57,500,709	41,493,159	34,369,838

[1] Covers the 9-month period Oct. 1, 1953, through June 30, 1954. Under Reorganization Plan No. 10 of 1953, subsidy accruing to air carriers for the months of July through September 1953 is payable by the Post Office Department.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

The amendment was rejected.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is well for the Members to know that, for example, this morning before the House Committee on the Judiciary testimony was given by the Comptroller General of the United States. He presides over an independent agency of the Government that does the general auditing for the Government. The Comptroller General stated that there had been no general investigation by the Civil Aeronautics Board concerning the tariffs charged by the various domestic trunkline operators and airline operators. The import of his testimony was that this failure of inquiry was most unpardonable and that, in addition, there was no standard of auditing practice concerning a review of the figures submitted by various airlines to the Civil Aeronautics Board.

One line follows one practice, another line follows another practice. And, in the opinion of the Comptroller General, that failure of the Civil Aeronautics Board to lay down definite rules and criteria as to auditing was likewise a grave error and a fault of the Civil Aeronautics Board.

In addition thereto, it would appear that some of the airlines actually charge capital expenditures as operating expenses. Mr. Chairman, if I did that or if you did that on our income-tax return, we would be hailed before the court for a violation of the income-tax law. And yet the CAB, as a result of the fumbling and ineptitude and incompetency and apathy have failed to check and prevent that kind of practice, namely: allowing capital expenditures to be charged as operating expenses.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman is making a very important point. In the examination of the CAB members before our subcommittee it was brought out that there has been no fare investigation by CAB of carriers since 1942; and there has been no rate investigation of fares charged by the major carriers at all. Here we have a situation where the carriers are protected as public utilities under a theory of regulated monopoly. They are protected against outside competition because they are supposed to be regulated as to their rates of fare and service. If, in fact, they are not being regulated as to rates and service and are nevertheless being protected against competitors, it is a distortion of the principle under which they are supposed to be regulated.

Mr. CELLER. There is no doubt that what the gentleman has said is as right as rain. The airline companies when they get below a certain profit are given subsidies. There is a floor below which their profits may not go, but there is no ceiling on their profits.

The testimony of the Comptroller General was to the effect that their profits have been more than substantial latterly and that in and of itself would warrant a general fare investigation. And yet the CAB has been most derelict in that regard.

In addition to that, the Comptroller General deplored the increase in passenger fares of $1 when anyone makes a 1-way trip and; if it is a round trip, the increase is $1.90, a 5-percent reduction. There was no reason for that increase. The airline companies got together and said, "Let us get a little more money." In substance, that is what it amounted to. They made their application to the CAB which just rubber-stamped it.

The Comptroller General also said that there was no good reason whatsoever for the airlines, the domestic trunk lines filching from the public that travels by air the $1 for each 1-way trip and $1.90 for a round trip, regardless of distance traveled. It makes no difference whether the person is going from New York to San Francisco or from Pittsburgh to Philadelphia. Regardless of all miles traveled the increase is a flat dollar and for a round trip, $1.90.

I repeat, the increase was not based on mileage. Every single ticket was issued for an increased price of $1, a round trip $1.90. The Comptroller General said they did that when their earnings were the highest in the history of the airline companies.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I want to read this language from a United States Supreme Court decision in the case of *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601, 606):

> Petitioners' reading of the act (Civil Aeronautics Act) would in practical effect have the tendency to transform it into a cost-plus system of regulations, a construction which would not harmonize with the apparent design of the act.

I should also like to read from the opinion of the Legislative Reference Service:

> There is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.
>
> To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz, the restriction upon the disbursing power of the executive department carried in clause 7 of said section. See *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308).

This makes it very clear that there is no obligation on the part of Congress and no agency of this Government can create one to make Congress appropriate such subsidies.

Mr. CELLER. I asked that question as to whether or not an airline could pay its income tax out of a subsidy, and my answer from the responsible officials of the Civil Aeronautics Board was to this effect: "We do not care what they do with the subsidy. They can pay income tax out of the subsidy or they can do anything they please with it. If their income is below a certain amount, below 7 percent or 8 percent we pay them a subsidy. We care not as to what happens with the money involved in that subsidy."

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. I am sure the gentleman will be pleased to see the recommendation of the committee as it appears on page 5 of the report, as follows:

> The committee is pleased to note that the Board is making efforts to curtail subsidy payments. It feels that continued efforts along this line are needed, and specifically recommends that further comprehensive studies be made during the coming year with respect to subsidy requirements, fares, and rates.

Certainly the Civil Aeronautics Board has been derelict in not adequately pursuing its ratemaking and service functions.

Mr. CELLER. Of course, the inference can be drawn, and very properly so, that that is no fare investigation. If any of the air carriers get more than they are entitled to, that is an invisible subsidy, and other airlines, if they do not charge proper rates or go below what they could charge are placed at a very serious disadvantage.

Mr. FLOOD. The gentleman is a distinguished lawyer. He knows that if a claim is made against an official of the United States Treasury Department neither mandamus nor other compelling act will lie in the courts to compel such official to pay any claim unless an appropriation has been made for it. That is the law. Certainly the Civil Aeronautics Board under no circumstances or no law could create such an obligation. It would be clearly unconstitutional to compel this House to make payment of any subsidy.

I want to make a very careful distinction now and that is between authority and obligation. There is no question in my mind that the Congress has authority to appropriate subsidies at the public expense for the purpose of paying the Federal income taxes of a private commercial airline. But as the legal opinion which I have inserted so clearly shows, there is no obligation upon the Congress to do so. The Congress could, for example, include in the appropriations for the United States Information Agency subsidies to be given to deserving radio commentators to pay their taxes for them at the public expense. But Congress is under no obligation to do so. Congress can play Santa Claus if it wants to, but it does not have to. And I think it is a very extraordinary situation which would not be appreciated by the average taxpayers who this very week are filling out their returns if they knew that part of their tax money was going to be used as a gift to Pan American in order to help them pay their income taxes. It would be considered strange indeed, for example, if a veteran showed up at the Veterans' Administration and said, "I have to pay $1,200 of income taxes on April 15, so please give me $1,200 so I can go over to the tax collector and pay it." I do not think the Veterans' Administration would let any veteran get away with a gimmick like that, but it appears from the evidence that Pan American is getting away with it with the Civil Aeronautics Board.

The distinguished gentleman from New York [Mr. CELLER] has alluded to profits and has made a very good point.

The Maritime Administration recaptures from subsidized shipping lines all excess profits over 10 percent.

However, it should be noted that the CAB has no similar recapture provision.

If a shipping line makes over 10 percent in profits, they pay no taxes on the one-half that is not recaptured by the Government provided their one-half of the excess profits are paid into a special reserve fund for the purpose of buying new ships. The one-half of the excess profits over the 10 percent which the shipping line can keep is tax free only while it remains sterilized in this special reserve fund. The moment a company draws the money out of this special reserve fund—as the Cuban American Mail Line recently did—they then have to pay taxes in full on the money.

The CAB has no such restriction on the ultimate use of the tax benefits which it provides.

Appropriating this extra subsidy money, this $9,310,000 for Pan American's taxes, would encourage the CAB to find ways and means of spending it instead of return to the more thrifty interpretation of the law which was evident in the early years of the CAB. In this connection, Mr. Chairman, I insert in the body of the RECORD at this point some quotations from an excellent article from the Louisiana Law Review of March 1947:

> The mail rate provisions were not interpreted as bestowing upon the Board the role of a benevolent Santa Claus heedlessly distributing bonanzas to a deserving industry. Instead the emphasis in the early cases was on using airmail compensation as a device to develop efficient and economical management which through expansion of nonmail revenues could develop soundly financed air carriers relying upon a paying public acceptance of air transportation of passengers and property rather than on Government payments.
>
> * * * * *
>
> In the early cases, enough airmail compensation was given so that the carrier could break even and a little more if its expenses were reasonable. In order to make a more substantial profit, the air carrier had to build up its passenger and property revenues. This policy was designed to encourage developments and efficiency on the part of the carriers. The emphasis on efficient management in the early mail rate cases led to a critical examination of every item of expense that would be considered in determining the need. In such cases as *Inland Air Lines—Mail Rates*,[1] *United Air Lines—Mail Rates*,[2] and *T. W. A.—Mail Rates*[3] literally every expense was closely scrutinized.

I might note, incidentally, going by the tabulation on page 850 of our hearings, which was inserted by the Civil Aeronautics Board at the request of the distinguished gentleman from Texas [Mr. THOMAS], that the subsidies for fiscal year 1946 were only $19,730,000, and for 1957, 10 years later, even on the reduced basis proposed by the committee, the subsidies, including the language in the bill to spend the carryover, would be $29,369,000, or more than $9,500,000 higher than they were 10 years ago when the increase in subsidies spending prompted the above article.

To straighten out the record:

Referring to page 845 and page 846 of our hearings on the Civil Aeronautics Board's request for airline subsidies, I regret to say that the witness for the CAB, Mr. Mulligan, gave me a very evasive and misleading answer. My point is this: That 9 days after the House cut the total subsidy appropriation last year by $23 million and before the Holland amendment was passed by the Senate, the CAB issued, on June 2, 1955, CAB order E 9267 proposed to reduce the subsidy in the Latin American division of Pan American to $2,755,000.

It has frequently been brought out at this committee that there is a lot of business between the United States and Latin America, and it is odd that in such a profitable area subsidies should be required.

Some of us also feel that if the subsidies were raised above the House figure, as it subsequently was by the Holland amendment adopted by the Senate and almost entirely adopted in the conference committee, that then the CAB would find ways and means of forgetting about its own proposal in order E-9267 to make this reduction on Pan Am's Latin American division.

Our fears were entirely realized in that, given a larger appropriation by Congress than first appeared possible, the CAB subsequently issued another order which, instead of proposing a subsidy for Pan Am's Latin American division of only $2,755,000 in order E-9267 of June 2, 1955, then boosted that same subsidy to $6,396,000 in order E-9869 of December 22, 1955.

Right there is an increase of $3,600,000.

Mr. Mulligan, of the CAB, at the hearings kept ducking my question and stated:

> I am not aware of any cut based on an appropriation reduction.

Mr. Mulligan is appearing to hide behind a technicality. He is right. No cut was made by the CAB, but the CAB did issue a show-cause order to make such a cut 9 days after the House cut the total appropriation. Later, when the Holland amendment had increased the total subsidy appropriation, the CAB changed its mind and issued a new proposal for a subsidy for Pan Am's Latin American division $3,600,000 larger than they themselves had previously proposed.

Of course it might be the merest coincidence that after the total appropriation was cut they issued a show-cause order reducing the subsidy and that after the total subsidy was increased they issued another show-cause order increasing the subsidy, but I think we have all of us been around here long enough to understand what they have been doing and my definite impression is that the CAB knows where a good deal of fat is in this subsidy picture and when pushed by the Appropriations Committee has proposed, and will again propose, to cut it out. But, if we continue to be generous with the CAB they are naturally going to continue to be generous with the recipient airlines and I think the course of action for us to follow is to cut the subsidy, much deeper than we are now doing, and force some economies.

So in conclusion, while the Congress has made commendable reductions in the subsidy, having saved the taxpayers $34,600,000 over the last 2 years since subsidies were separated from mail pay, and has made some reduction this year. Congress has a chance to make still further progress, by taking the burden of paying Pan American's income tax of $9,310,000 off of the backs of the American taxpayers.

The Clerk read as follows:

> Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for activation, repair and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce; and for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets: *Provided*, That not to exceed $5 million of the funds of the vessel operations revolving fund may be used during the fiscal year 1957 for the purposes set forth in this paragraph.

Mr. BONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BONNER: On page 16, line 6, after "chartered", insert "for limited emergency purposes during the fiscal year 1957."

Mr. BONNER. Mr. Chairman, the language on page 16, line 5, "for activation, repair and deactivaton of merchant ships chartered under the jurisdiction of the Secretary of Commerce" is subject to a point of order. The Maritime Administration and various boards have been criticized from time to time. This language is subject to an interpretation which could open Pandora's box. It could cost this Government a lot of money. It was the responsibility and duty of the Chairman of the Maritime Board to come to the Committee on Merchant Marine and Fisheries and bring this to their attention. That has not been done. From time to time, I have asked the Chairman of the Board to bring down his legislative programs in time so that the committee could take proper jurisdiction and bring out such legislation as might be necessary. I want to call your attention to a situation which could take place under this language. Certain ships that have been chartered are supposed to be returned to the fleet at the expense of the charterer. By this language, the question I raise is whether you are going to make not only the activation free of cost, but also the deactivation free of cost. I have discussed this matter with the chairman of this committee and it was first understood that this language would only be put in a deficiency bill covering only the remainder of the current fiscal year ending June 30, 1956, so that the Committee on Merchant Marine and Fisheries of the House could open hearings on this subject and bring in legislation which would provide the way that this should be done. Now, you come into this situation where I understand, and I know and I recognize, that a particular emergency does exist. It is a case, with all charity and fairness to the Committee on Appropriations, where this thing should not be done in this way. I am not going to press the point of order because I appreciate the situation which exists. But, my amendment provides that this provision shall only be operative during the coming fiscal year, 1957, and only in limited circumstances.

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[1] 1 C. A. A. 155 (June 7, 1939).

[2] 1 C. A. A. 752 (June 22, 1940).

[3] 2 C. A. B. 226 (Sept. 19, 1940). Under the Reorganization Act of 1939, the "Authority" was changed to the Board and the economic and regulation functions were put under the Board. The administrative functions of the Civil Aeronautics Act were continued in a separate agency—the Civil Aeronautics Administration (CAA).

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. PRESTON. I think the gentleman's amendment is in reality a safeguard and so far as I am concerned, I think it represents a fair compromise on the question which was discussed in general debate. It is perfectly agreeable to me to accept the gentleman's amendment.

Mr. BONNER. The interpretation of this amendment—and I want the administration to pay attention to this when this bill becomes a law—the interpretation of this amendment is for ships that can be classified as an emergency in this situation—not ships that are already chartered—not ships that may be chartered for a long-range program, but only ships that are chartered to meet a limited and specific emergency shall be activated and deactivated under the provisions of this language.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. MILLER of Maryland. I understand our distinguished chairman, the gentleman from Georgia, has indicated that he would accept this amendment. I am glad to say as far as this side of the aisle is concerned, we concur in that. I think the gentleman from North Carolina knows that this committee has attempted in every way possible to get out of the parliamentary wrangling as to points of order and what not that might be raised on this bill, and that we are in full accord with the chairman of the Committee on Merchant Marine and Fisheries to have that committee take full jurisdiction of the matters that are properly in its charge. So we are very glad to accept the amendment.

Mr. BONNER. I thank the gentleman for his contribution. I want the committee to know I have discussed this with the minority members of the Committee on Merchant Marine and Fisheries. They feel just as I do—Mr. ALLEN of California, Mr. TOLLEFSON, the gentleman on the floor, Mr. PELLY, and others of our committee. I again say that this is just another case where by legislating on an appropriation bill, it is going to weaken our activity in supervising the administration of the 1936 act.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so to ask the chairman of the subcommittee a question. Is there any money whatever in this bill for the construction of a bridge between the States of Virginia and Maryland?

Mr. PRESTON. There are no funds in this bill whatsoever for that purpose.

Mr. GROSS. I thank the gentleman, and I yield back the remainder of my time.

Mr. BUDGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to direct a question to some member of the committee. It is my understanding that in the Bureau of Public Roads orders have gone forward to transfer design engineers, who design roads throughout the national forests, from the areas in which they have been serving for a great many years, to areas which would be several hundred miles away from the forests where the designing work is to be done for these roads. I am wondering if there are any funds in this bill for the transfer of those design engineers, or whether the committee has approved of that order which has gone out.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the distinguished gentleman from Ohio, a member of the committee.

Mr. BOW. Speaking for myself and from my recollection of the hearings, I know of no funds in this bill for moving the offices of the Forest Highways Section of the Bureau of Public Roads to which the gentleman refers. My understanding is that the headquarters are now in the heart of the areas served by the agency and I would see no reason for moving them at this time. May I ask the chairman of our subcommittee if I am right, that there are no funds in this bill for the removal of that function.

Mr. PRESTON. If the gentleman will yield, there was no discussion in the hearings on the matter which the gentleman has raised. I am unable to say what the Bureau of Public Roads is planning to do, but it was not brought to our attention.

Mr. BUDGE. I appreciate the responses of the gentleman from Ohio and the gentleman from Georgia. I hope the subcommittee will if possible stop any such move by the Bureau of Public Roads. It seems ridiculous to me to take those engineers away from the immediate area where the national forests are located and move them several hundred miles away from the forests in which they are to design the roads and highways. I would most strenuously oppose the appropriation of funds for such purpose as I also would the actual move itself.

Mr. PRESTON. Will the gentleman yield.

Mr. BUDGE. I yield to the distinguished chairman of the committee.

Mr. PRESTON. If the gentleman will furnish us with a memorandum on this subject, the committee will be glad to pursue it and obtain the desired information and perhaps the desired results which the gentleman is seeking.

Mr. BUDGE. I thank the gentleman.

Mr. ANDREWS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ANDREWS. Mr. Chairman, last Monday the Supreme Court indefinitely postponed a ruling on the legality of the 1950 Communist registration law.

Yesterday the Subversive Activities Control Board suspended all pending cases because of the Supreme Court's action.

Justice Clark in a minority opinion stated that the Court disregarded its plain responsibility and duty to decide important constitutional questions, and, further, that the action of the Court was nothing more than a procedural maneuver designed to gain time before the Communist Party must register as a subversive organization.

Justice Department lawyers said they were astounded by the majority opinion. Some Justice Department lawyers, according to the Washington Post this morning, declared that last Monday's opinion may prove to be the most important Communist victory in the courts of the past decade.

Mr. Chairman, how much longer will this Congress continue to permit the Supreme Court to usurp the powers of Congress, write the laws of this land, destroy States rights, and protect the Communist Party?

The Clerk read as follows:

WEATHER BUREAU

> Salaries and expenses: For expenses necessary for the Weather Bureau, including maintenance and operation of aircraft; purchase of three passenger motor vehicles for replacement only; not to exceed $25,000 for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $10,000 for maintenance of a printing office in the city of Washington, as authorized by law; $35,400,000: *Provided*, That during the current fiscal year, the maximum amount authorized under section 3 (a) of the act of June 2, 1948 (15 U. S. C. 327), for extra compensation to employees of other

Government agencies for taking and transmitting meteorological observations, shall be $5 per day; and the maximum base rate of pay authorized under section 3 (b) of said act, for employees conducting meteorological investigations in the Arctic region, shall be $6,500 per annum, except that not more than 5 of such employees at any one time may receive a base rate of $9,000 per annum, and such employees may be appointed without regard to the Classification Act of 1949, as amended.

Mr. FOGARTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee if there are any increases for the Weather Bureau this year in these appropriations?

Mr. PRESTON. I may say to the gentleman that there is an increase this year under the heading "Salaries and Expenses" of $1,250,000.

Under the heading "Establishment of meteorological facilities" there is an appropriation of $2,500,000 which, when added to the $7,500,000 that we appropriated for the fiscal year 1956, gives them a capital fund of $10 million.

Mr. FOGARTY. So we are increasing the appropriations for the overall work of that bureau.

Mr. PRESTON. If the gentleman will yield further, I will recall that it was the gentleman from Rhode Island who last year was responsible for a large increase in Weather Bureau appropriations.

Mr. FOGARTY. With the gentleman's help and the help of the rest of the committee; but I would like information as to this year's appropriations, because it has been brought to my attention that it would take another $2,400,000 to man about 1,000 more flash-flood centers in our country at the present time, and I was wondering if any discussion of this had come before the gentleman's committee during the hearings that were held on this bill.

Mr. PRESTON. There are funds in the bill that would provide for some research in this field, and we know that some is going on in the matter of flash-flood warnings at the present time.

Mr. FOGARTY. I understand there is a million for investigation in the field of flash floods and hurricanes.

Mr. PRESTON. Slightly over a million.

Mr. FOGARTY. Would it be possible to inquire when witnesses come before the gentleman's committee again as to how much it will take to see to it that all sections of our country are given the same forecast centers that other sections have at the present time, and what it would cost?

Mr. PRESTON. I may say to the gentleman from Rhode Island that, in view of his interest in this, the committee would welcome his appearance before our committee at the time of our next hearings and give us the benefit of his views in the matter of flash-flood warnings.

Mr. FOGARTY. If my distinguished friend from Georgia is in such a good mood today I would be glad to offer an amendment to place some money in this bill now.

Mr. PRESTON. I am not in that good a mood today. Last year the gentleman from Rhode Island got his amendment through. I am sure he does not intend to offer an amendment here today. May I say that we have doubled the appropriation for the Weather Bureau since 1947. There are very few agencies of the Government that have received such treatment. We have provided adequately for them when we gave them $9,400,000 more than they had in 1956. We do not want to kill these people with kindness.

Mr. FOGARTY. I appreciate what the committee has done, but I think most of that has been recommended by advisory committees. The committee in general has done a good job. As long as the gentleman is not in a position to accept an amendment at this time I will not offer one, but I do hope that by the time this bill is reported back to us from the Senate or by your committee a year hence, we will have all sections of the country that are vulnerable to flash floods which are causing loss of life, adequately covered in next year's appropriation even though it means another increase over what the Bureau of the Budget allows.

Major floods in New England and in California during the past year have taken a heavy toll of lives and inflicted severe property damage. Many lives could have been saved and some property damage prevented with better flood forecasts and warnings.

River forecast centers staffed with trained hydrologists and engineers were established a few years ago to serve the Susquehanna, Ohio, upper and middle Mississippi, Missouri, Arkansas, and Columbia River Basins. Similar centers were established during the past year at Hartford, Conn., to serve New England, and at Augusta, Ga., to serve the Southeastern States.

To complete coverage of the United States, additional river forecast centers are required for the lower Mississippi, the west Gulf States, California, the Great Lakes drainage, and the Colorado and Great Basins.

Flood forecasts for the major streams can be prepared in these centers, but time is not sufficient between rainfall and floodcrest to provide warning service to the flash-flood areas. With the help of radar now available, and with cooperation from those communities subject to flashfloods, a method of alerting can be developed which will make possible evacuation of people and, in some cases, movable property. Several communities on the smaller streams in southern New England are now being covered by a flash-flood warning service, but hundreds of other communities that are potential flash areas throughout the United States have not been covered.

The remainder of the country can be covered by river forecast centers and flash-flood warnings provided for over 1,000 communities for $2,400,000.

The Clerk read as follows:

Not to exceed $315,000 shall be available for administrative expenses which shall be computed on an accrual basis: *Provided*, That said funds shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $100 per day: *Provided further*, That the Corporation's funds shall be available for the purchase of not to exceed three passenger motor vehicles (two for replacement only).

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I note first that, as is probably true with many Members of the House, there have been on the part of small business concerns a good many complaints that they have not been able to receive the necessary attention in the field offices of the SBA, and in many instances their applications for loans were a waste of time and their efforts to get assistance in procurement matters were also a waste of time, not because the individuals in the field offices did not want to give them help but because they were just overburdened. Therefore, I would like to have the present situation clarified, and I would like to ask the chairman of the committee a question. In this particular instance there can be no question that the full amount of money requested by the SBA in order to perform their services to small business in the form of administrative expenses has actually been allocated to them. And, further, if I read the hearings correctly on page 916, bottom of the page where the gentleman from Georgia [Mr. PRESTON] asked the specific question whether funds could be allocated from the revolving fund for administrative expenses, the answer was in the affirmative. Therefore, there is absolutely no excuse for field offices not to be sufficiently staffed and if that is correct then the responsibility now rests upon the administration to fully satisfy the needs of small business. Am I correct?

Mr. PRESTON. The Congress, of course, reserves the right to say how much can be transferred from the revolving fund for administrative purposes. In the case of disaster loans they do transfer readily from the revolving fund for administrative purposes. That is necessary because of the suddenness with which these things happen. They are unexpected. But now with reference to the general administration of the loan program, Congress must say and must retain the right to say how much they can use for administrative purposes. If we did not do that, we feel this agency, as many other agencies would do, would use an unfair and disproportionate amount of the revolving fund for administrative purposes instead of for lending purposes.

Mr. ROOSEVELT. The full amount of money requested by the Small Business Administration was granted to it as approved by the Bureau of the Budget. Were there any intimations from the Small Business Administration that this was not an adequate amount to adequately do the job?

Mr. PRESTON. We were assured by the Administrator that this was an adequate amount, and we, for the first time, allowed them every penny they requested both for administrative purposes and for lending purposes.

Mr. ROOSEVELT. I thank the Chairman.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on this question of the Small Business Administration, I feel

some sense of obligation here. I have always severely criticized the Small Business Administration in the last few years. I know of instances before our committee when it was shown that they had used more money for administrative purposes than they had for making any loans over an entire stated period. But, now, fair is fair, and I say this, Mr. Chairman, certainly in this last year it is my opinion and it was the feeling of our committee that, give the devil his due, this Small Business Administration has improved immeasurably in the granting of loans and in the entire administration of its organization. I believe the feeling was almost unanimous in the House about the way the Small Business Administration rose to the emergency in the series of acts of God and the widespread disasters all over the Nation in the last year. Their efforts could not have been improved upon by any Government agency, and I feel I should say this word for many of my colleagues who benefited in their areas. My area was severely damaged; the areas of neighboring colleagues of mine were severely damaged in the mountains of Pennsylvania. These people did everything reasonable and possible to meet the circumstances with the proper expenditure of funds. I feel as well that under the general operation of granting of loans the whole atmosphere there has been changed. This man, Mr. Wendell Barnes, who is running the office down there now I believe is a sincerely dedicated man to this operation. Of course, all the people in my district that want loans are certainly not getting them, and I am very unhappy about that, but I do feel that nobody has criticized or beat this horse over the head longer or more severely than have I. However, I think they have seen the error of their ways. The legislative committee and the Committee on Banking and Currency have done a great job on both sides of the aisle to speed this up and to improve it, and certainly we have come a long way recently in the granting of loans and in the administration of this Small Business Administration.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from California.

Mr. ROOSEVELT. I think the gentleman will agree, however, if you have visited many of the field offices such as I did last summer, that in many of the field offices the burden on the staff in relation to what is coming in and going out is almost an impossible burden.

Mr. FLOOD. Let me say this. There is absolutely no question about that. For instance, in my area of Luzerne County, Pa., which is under the Philadelphia district office, that office has to rob Peter to pay Paul to send men up to assist my area. They just do not have the help. I am sure, from the gentleman's much greater experience than mine in the regional offices and the district offices they do not have sufficient personnel to meet this great increase in loans, especially under this new special loan program up to $15,000. You are quite right, and I want to help them get it. However, we did give them every penny they asked for and the people they asked for and I am sure they are trying to do a good job.

Mr. ROOSEVELT. I thank the gentleman, and I agree with him.

The Clerk concluded the reading of the bill.

Mr. PRESTON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10899) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. PRESTON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 492 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. SMITH of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Allen, Calif.
Barden
Bennett, Fla.
Betts
Blitch
Bolton, Oliver P.
Bowler
Boykin
Carlyle
Chatham
Cole
Dawson, Ill.
Deane
Donovan
Eberharter
Fisher
Gamble
Grant
Green, Oreg.
Griffiths
Gubser
Gwinn
Haley
Herlong
Hillings
Hoffman, Ill.
Holifield
Jenkins
Jensen
Johnson, Calif.
Jones, Ala.
Kearns
Kelly, N. Y.
Lane
Lankford
McDowell
Matthews
Miller, Calif.
Mollohan
Morrison
Nelson
O'Hara, Minn.
Passman
Powell
Prouty
Rains
Reed, N. Y.
Staggers
Taylor
Teague, Tex.
Vursell
Williams, N. Y.
Wilson, Calif.
Wolcott

The SPEAKER. On this rollcall 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. ELLSWORTH], and at this time I yield myself such time as I may consume.

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 492 makes in order the consideration of H. R. 10875, the 1956 farm bill.

The resolution provides for an open rule and 2 hours of debate on the bill.

The bill authorizes one billion two hundred million a year for the soil bank. A maximum of seven hundred and fifty million a year for the next 4 years is provided for payments to farmers to reduce the acreage of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains. Also, a conservation reserve program is set up which is designed to remove acreage from crop production on a semipermanent basis. Under this program payments approximately equivalent to the rental value of the land would be made, with an annual limit of $450 million.

No provision is made for advance payments to farmers, and the compulsory features proposed in other soil-bank legislation were not included in this bill. Limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable disposition of funds. Provision is made for the protection of tenants and sharecroppers.

Another feature presented for the first time is a program designed to bring stability to a deteriorating feed-grain situation by cutting down the acreage of feed grain and giving producers support prices of approximately 81 percent of parity, if they comply with the acreage reduction.

Title II contains provisions to deal with the disposal of surplus commodities including the processing of food commodities, authorization to pay ocean freight on surplus commodities donated abroad, authorization to the President to make agreements limiting imports, and authorization for studies by the Department of Agriculture to determine other means of disposing of surplus food.

Title III provides for marketing quotas and acreage allotments, and title IV contains provisions to encourage tree planting and reforestation in the States.

The committee reports comply with the Ramseyer rule, and I urge the adoption of House Resolution 492.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Virginia [Mr. Smith] has explained the rule and the nature of the bill which the rule makes in order. I can only add that it is an open rule, it has no special provisions in it of any kind and, in my opinion, should be agreed to.

Mr. Speaker, I yield such time to the gentleman from New York [Mr. Keating] as he may consume.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial comment on the entire farm problem.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. Speaker, I wish to insert in the body of the Record some interesting and pertinent editorial comment entitled "Farm Snare," by Lester Tanzer:

> Washington.—Hardly a day passes now that some new episode isn't added to this city's most exciting, and often confusing, political drama. It's called: "The Democrats' Dilemma, or How to Seem to Help the Farmer Without Actually Doing So."
>
> The curtain went up a fortnight ago when President Eisenhower vetoed the gimmick-laden farm bill. Ever since, the Democrats have been scrambling to make the most of what they figured should have been a politically demoralizing action for the GOP. But the party's strategists, usually adept at politicking, have pulled one tactical boner after another until the advantage that once seemed theirs has slipped away.
>
> After discarding a succession of plans, the Democrats look like they've settled finally on their strategy. This week they pushed through the House Agriculture Committee, a bill built around the soil-bank program for paying farmers not to grow surplus crops. The proposed measure also includes all the features of the vetoed farm bill which the President didn't specifically object to.
>
> "But the Democrats carefully removed from the soil-bank plan the payment-in-advance feature Mr. Eisenhower recommended as a way of advancing $500 million to farmers early this fall for simply signing a contract to take part in the scheme. "By God," a leading Democratic Senator was heard to exclaim the other day, "they'll mail out money to farmers before election day over my dead body."
>
> ### DEMOCRATIC MANEUVERS
>
> The Democrats' strategy, quite patently, is to pass a bill that will bring little immediate aid for farmers; the soil bank, stripped of the prepayment provision, would do little good until next year. That way, a party chieftain privately admits, "the Republicans won't be able to say we blocked farm legislation this year. And there won't be enough aid paid out before November to help the Republicans with the farm voters."
>
> But whatever the outcome of the Democrats' latest maneuver, it's clear they are in a political box right now. To understand just how the Democrats have gone about snatching defeat from the jaws of victory, in Washington at least, consider the background and the earlier episodes of the drama:
>
> Ever since the farm fight began back in January, the Democrats had been pointing toward a Presidential veto. Forcing Mr. Eisenhower to reject a bill that might have brought some fast relief for growers, party leaders reckoned, would sew up the farm vote they thought was moving their way anyhow.
>
> With the aid of farm-State Republicans, the Democrats nursed high price-support bills through the Senate, a House-Senate conference committee, and then through both Houses the last time around. When Mr. Eisenhower vetoed the measure, as expected, the Democrats were jubilant.
>
> But when the smoke cleared, the Democrats' position wasn't as strong as it first seemed. Mr. Eisenhower's nationwide broadcast in explanation of the veto took much of the edge off his action. In his message he announced the administration, on its own, was boosting price supports on major crops. And the Chief Executive also unveiled the advance-payments plan, concocted at the last minute by his politically astute White House advisers.
>
> Then the Democrats pulled a boner when they tried to override the veto in the House, which originally voted for the farm bill by 237 to 181. Democratic leaders conceded they couldn't muster the necessary two-thirds vote to pass the bill over the President's veto but they figured a decisive majority vote would embarrass the administration even more.
>
> ### MAJOR MISCALCULATION
>
> But the Democrats miscalculated. Farm area Republicans, impressed by the aid Mr. Eisenhower offered farmers in his veto message, stayed in the fold. Big-city Democrats, aware of the overwhelming approval with which urban folks greeted Mr. Eisenhower's broadcast, sided with the administration. Result: The Democrats couldn't even raise a simple majority, losing 211 to 202.
>
> GOP leaders quickly moved to keep the Democrats on the defensive by introducing the soil-bank program again, this time with the President's advance-payments scheme. Phone calls from the White House went out to Republicans who had bolted the administration to make sure they lined up behind the soil-bank scheme.
>
> The Democrats countered by contending the President could have set up a soil-bank plan under existing legislation—that all he needed was the money. The idea was to make it seem that the Republicans, not the Democrats, were delaying the soil bank. To dramatize this argument, the Democrats in the House Appropriations Committee quickly voted $1.2 billion for Agriculture Secretary Benson. Of course, if Mr. Benson couldn't legally spend this money to help the farmer, as the farm chief claimed, that was all to the good, thought the Democratic strategists.
>
> But the vote in the Appropriations Committee backfired. House Republicans promptly moved to tie specific authority to set up a soil bank to the new spending money voted Mr. Benson. Sensing defeat, the Democrats dropped their efforts in the Appropriations Committee and cast about for more direct legislation.
>
> ### DITCHED SCHEME
>
> First the Democrats proposed combining the soil-bank plan, without the advance-payments feature, with a sort of Brannan plan. Uncle Sam, according to this scheme, would pay the farmers direct handouts covering the difference between the going support rate and 90 percent of parity. But it soon became obvious to Democratic leaders they couldn't get enough Republicans to go along to pass such a bill.
>
> So the Brannan plan cash payments came out. In its place entered a host of minor provisions first included in the vetoed farm measure that would do farmers little good right away but which might let the Democrats claim the new catchall as their bill. This is the position the Democrats are now assuming.
>
> Whether the Democrats will be able to push their bill all the way through Congress without surrendering to Republican demands for prepayments under the soil bank is open to question.
>
> What's certain, though, is the political jockeying for position on farm legislation is likely to go on clear through summer and into the fall. In fact, it may not be until next November 6 before the final curtain comes down on the Democrats' dilemma.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. Springer].

Mr. SPRINGER. Mr. Speaker, I said from the Well of this House on three other occasions within the last month that I have been supporting the soil-bank plan for over 3 years. I have been supporting it because it means a great deal to agriculture and especially to the areas which have price-supported crops.

May I say to those who are not familiar with the terms of the soil-bank plan that it provides the first method I have ever seen in this House of reducing acreage and thereby reducing supply, without in fact, reducing the farmer's income.

It is true this plan will not increase the farmer's income per acre over what he would have received had he planted a crop. But we can say that the soil-bank plan will not reduce his income. What is most important now is that farm income per acre does not continue to slide. That is feature No. 1 of the soil-bank plan.

Feature No. 2, and far more important, is the fact that within a 2- or 3-year period we should be able to bring supply somewhere in balance with demand, if this program is properly administered. Now, why is this second point so important to just the average corn farmer? For this reason. When supply is reduced, almost automatically the demand goes up and the price of corn rises in the open market place. The effect of the soil-bank plan by raising the price for the farmer in the open market place is the best long-run result I can think of. When the farmer gets a fair price in the market place, all other problems seem to disappear.

The soil bank has this third feature: We have been paying subsidies over a long period of time. The soil-bank plan, by reducing acreage and supply, offers the first opportunity for the farmer to get away from the subsidy and parity payment. When his price rises to a fair

figure, whether he comes under the acreage program and complies or not, it means that he will be able to sell his produce to the consumer. It will not be necessary for the Government to take it, store it and to pay the farmer for it.

Mr. Speaker, for these three reasons this bill ought to pass. First, it will reduce acreage. Secondly, it will eventually increase the price to the farmer in the open market place as the program becomes effective. In the third place, it will mean a definite reduction eventually in the payments from the Government Treasury to the farmer himself. All of these are good reasons why we should have a soil-bank plan enacted into law in 1956.

Had we had a soil-bank plan in 1955 and had it been put into effect in 1955, my prediction is that we would not be here arguing for some of the legislation which we have already voted on this spring. In my estimation, this is constructive legislation recognized by every farm expert and economist as in the best interests of long-term agriculture.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. On page 2 of the committee report there is the statement that none of the provisions contained in this bill were assigned by the President as reasons for the veto. I have had inquiry whether that is true. Is that correct?

Mr. POAGE. Mr. Speaker, if the gentleman will yield, I do not have the veto message before me, but I remember no provision which he assigned as a reason for vetoing the bill, which is contained in this bill we have before us today.

Mr. SPRINGER. If I understand the gentleman, this is practically the same portion for the soil bank plan that was within the old bill.

Mr. FULTON. I want to make sure of that point.

Mr. POAGE. I can say to the gentleman it is not practically the same; it is word for word the same, and there is absolutely no word changed in this soil bank title of the bill.

Mr. FULTON. But there is no provision in this bill to which the President objects, is the point I want to nail down.

Mr. SPRINGER. I am not sure about that point but I believe there is no major objection.

Mr. POAGE. I am sure you know more about what the President wants than I do but he did not state in his veto message that he objected to any provision we have carried in this bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. August H. Andresen].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, this bill, as I understand it—and I have tried to study it—contains the same language that we had in the conference report, but has had removed those features of the bill that were objected to by the President. Title 101 was stricken from the bill. That had to do with 90 percent rigid supports. Personally, while I voted for the conference report, I have long felt that neither rigid nor flexible supports are the answer to a solution of the farm problem. I might say further that the soil bank which I favored is a measure which, if it works, will actually help remove the surpluses in this country. I should like to see a separate vote on the soil bank because I feel that is the important thing that the President wants to put in operation here, leaving out even the other features of the bill, most of which are good and most of which I favor. Whether we will have that chance or not I do not know at this time. But let me remove any doubt that some may have here about there being new language in this bill because it is my understanding that this measure, which has been studied, contains the identical language, and the unobjectionable features of the identical language in the conference report on which we spent nearly 2 weeks, and which was debated both in the House and in the Senate.

There should not be much debate on this bill, because we have considered it for so long. We ought to pass the rule very quickly and get into the general debate and then consider such amendments as may be offered. I do not favor many of them, if any. But we should pass this bill and get it over to the Senate so that the program may go into operation this year, 1956, so it can at least begin operating to take care of the fall-sown crops, the winter wheat and the other winter grains. It will probably be too late to take care of corn.

The minority members of the committee, together with the majority, have devoted a great deal of time since the veto message, to the drafting of a satisfactory bill. I voted to sustain the veto because I do not want the farm problem thrown into politics. Farm legislation should not be a political issue. It is a decided political issue throughout the Midwest. If I could do anything to take farm legislation out of politics, I would do it by the passage of this proposed legislation. We in Congress here should be big enough to treat this on a strictly economic basis rather than a political one. Farmers no doubt have suffered in many parts of the country, particularly in my section where farm income and farm prices have dropped 25 percent or more. Our farmers do not like it when they see wages in industry going up by leaps and bounds and the cost of everything going up. They are wondering what is happening in this country.

Mr. LOVRE. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from South Dakota.

Mr. LOVRE. Mr. Speaker, I want to commend the gentleman for the statement he has made. Certainly this is strictly an economic and not a political problem. May I ask the gentleman, is it not true that every member of the House Committee on Agriculture will say that it is an economic problem and should not become a political problem in any sense of the word?

Mr. AUGUST H. ANDRESEN. In the years I have been a member of the committee, and they are a few, we have always tried to consider farm legislation as a nonpolitical question. That is the way it should be.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If the major purpose of this bill is to reduce acreage, why is the corn acreage increased 9 million acres this year to 51 million acres?

Mr. AUGUST H. ANDRESEN. If the gentleman will read further in the bill he will find that at least 15 percent of that corn acreage goes into the soil bank.

Mr. FULTON. So that actually if it is 15 percent they must reduce it about 7 million to 7,500,000 acres? That is a net increase of about 1,500,000 to 2 million acres in corn acreage.

Mr. AUGUST H. ANDRESEN. The corn-acreage allotment for this year was so low that in many instances if the farmers want to comply they cannot raise enough corn to feed their livestock on the farms. I think that is a good feature of the bill.

Mr. FULTON. Will this bill result in an increase of prices to the farmers who will be buying feed in the East?

Mr. AUGUST H. ANDRESEN. If it does increase his price, I do not think it will materially. But in the gentleman's area there has already been a 45- to 50-cents-per-hundred-pounds increase on the price of milk to the producers at a time when there is a flush season in milk production.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10875, with Mr. Priest in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I shall not attempt to discuss the history of the bill that is now being presented. I assume that almost every Member of this House is entirely familiar with what has transpired up until this day.

We have moved along right rapidly since the veto of H. R. 12. The bill before you was introduced last Friday. The Committee on Agriculture, by a unanimous vote, reported the bill on Monday. On Tuesday we obtained the rule. On Wednesday, today, the bill is being debated, and tomorrow the votes will be taken.

It has not been the purpose of the House Committee on Agriculture to delay farm legislation even for an hour. I do feel justified in reminding you, who, in turn, might like to remind your constituents, that H. R. 12 was introduced on January 5, 1955, and was considered and passed by this House more than a year ago. Certainly no Member of the House can be blamed for having delayed consideration of farm legislation. While I am not willing to capitulate, nor am I willing to abandon my firm belief in the 90-percent price-support program for basic agricultural commodities when such commodities are under acreage allotments and marketing quotas, I think the time has come when all of us must be realistic. We know that the President, in the exercise of the powers of his high office, vetoed H. R. 12, which had passed this House and the other body by a substantial majority. I do not suppose any of us would be justified in criticizing the Chief Executive of this great Republic. I understand in addition to the veto of H. R. 12, the President has vetoed bills numbering about 61. I have no desire to impugn his motives.

I am perfectly willing to believe the President followed the promptings of his own heart. But, I cannot help believing that he was not well advised in exercising the veto power. Realizing, as our committee did, that the President had objected to several important provisions in H. R. 12—one, the price-support provision, another, the dual-parity part of it, the domestic parity for wheat and the two-price system for rice.

I think those are the four important provisions on which the President based his veto message. The price-support provision plus the dual-parity provision would have meant more than $1¼ billion to the farmers of America. But that went out with the veto. The President did have something further to say about the section dealing with corn and small grains. But I do not believe that that was of major concern to him.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. I had understood that there was a fourth matter which the President objected to in the veto message by specific message, and that was the matter of the inclusion of feed grains.

Mr. COOLEY. I did mention that.

Mr. HALLECK. I did not understand the gentleman to list that in his statement.

Mr. COOLEY. I did mention that just before I yielded to the gentleman. I said he had some comments on feed grains but I do not believe that that was of major importance.

Mr. HALLECK. I would like to ask one further question. Certainly, the report contains this statement through some error of inadvertence. The report says that not one of the provisions contained in this bill were assigned by the President as a reason for the veto.

Mr. COOLEY. That might be slightly in error because while the President had some objections to the corn provisions, and I am sure there are Members of the House who have some misgivings about that provision, we eliminated all of the provisions to which the President objected except the one the gentleman has just mentioned. We are bringing you a bill here now which was taken bodily from the conference report. It is not Mr. Benson's bill—not by any means. It is the bill which was written here in this Capitol by 5 Senators and by 5 Congressmen. The bill before you now has passed this House and has passed the other body.

Except for the one item which was mentioned by the gentleman from Indiana, it has not met with the President's disapproval. This bill contains many things of great value.

As I pointed out, when we were considering H. R. 12, there are many provisions here in addition to the soil bank. We are giving to the President the soil bank of the type he recommended. It is entirely voluntary. If the President wants the soil bank, here is an opportunity for him to have it.

I shall not enumerate the other 12 or 14 very valuable sections, but I do want to say that in one section we give the President $500 million to add to section 32 funds. In another section we increase to $500 million the amount the President may use under title II of Public Law 480. We give him a bipartisan board, which we hope will be composed of five experts, to study and develop new industrial uses for agricultural commodities. We have authorized the processing of grain for domestic relief distribution and the paying of ocean freight on surpluses sent to relieve distress abroad. We have tightened the control programs with an increase in the penalty on peanut quota violations, and other provisions which we think are very much worth while.

One provision I particularly want to mention, and that is the section which authorizes the President to negotiate agreements looking toward limiting the textile imports into our market. There was a gentleman here from Japan who wanted to reach an agreement with some official of our Government by the terms of which Japanese textile imports into the United States would be limited. The man stayed around here for weeks and weeks, and no official of the executive branch of the Government would even confer with him. We did not want him to go home and report to the Japanese people that he had visited Washington and had not been received by any official who was willing to even sit down and discuss this very important and disturbing problem with him. This man represented all of the cotton textile spinners of Japan.

So in this bill we authorized the President to negotiate with this man, and perhaps with others, regarding the imports into our market. I think that is an important section. When the President receives this bill he can direct someone in the State Department to sit down with this man and discuss the problems which are vital to the economies of both great countries. Japan is our best cotton customer. Of course Japan must earn some money in our markets if Japan is going to continue to consume cotton that is grown on our farms.

There are many other good things in this bill. The feed grain provision—while it may need some adjustment—is an important first step toward the solution of an increasingly serious problem. The provision permitting a farmer not to plant his allotted acreage and still receive "history" for it will help the surplus situation.

We bring you a bill in good faith, believing that this is the very best bill that could possibly be presented to the House at this time.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. May I just go into one question I would like to propound to you?

Mr. COOLEY. Yes.

Mr. H. CARL ANDERSEN. First, may I say that I wish to congratulate the Committee on Agriculture on the splendid job it has done in presenting this bill to us. As I understand, the bill itself is subject to amendment, is it not?

Mr. COOLEY. It is.

Mr. H. CARL ANDERSEN. Preceding speakers have very aptly pointed out that this bill before us is designed to meet an economic need of agriculture—not for any political purpose. I cannot place too much emphasis on that term "economic," for we are here today discussing a soil-bank bill specifically designed to overcome in large measure the economic problem in agriculture without which there would be no need for this legislation.

Let us not in the heat of debate or in our enthusiasm for this proposal lose sight of the basic objective of this bill, and that is to take productive land out of surplus production and retire it to a conservation status. Perhaps too much has been said about the amount of payments farmers would receive for their participation, which would lead some to believe that such payments were the primary purpose of the legislation. Let me remind you that the payments are merely the vehicle, so to speak, on which we hope to arrive at the greater objective which is better balance between production and consumption.

I believe we are all agreed that this better balance between production and consumption we seek to attain through the operation of a soil-bank program is an absolutely essential element to a prosperous economy in American agriculture. We seek by this bill to authorize the appropriation of a billion dollars or more to the Secretary of Agriculture and to give him broad authority to use that money for the reimbursement of farmers participating in the soil-bank program. We say that he shall set payment rates high enough and take such other steps as may be necessary to encourage participation in the program, and we say in debate that we want the maximum productive acreage brought into the program as quickly as possible.

It has been said repeatedly that this program is not compulsory and that everything has been done to facilitate participation. But I would point out to the gentleman and to the Committee that there is one little section, innocuous in appearance, which, if left in the bill, will tend to defeat its very purpose in the major corn-producing areas of the Nation. I refer to the provision in section 214 which provides that—

> No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which * * * or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn.

I should remind the gentleman that last year only about one-half of the farmers in the commercial corn area stayed within their corn allotments. Now, a situation has arisen as a result of the announcement by the Secretary of Agriculture that such corn produced by noncooperators in the commercial corn area will be supported this year at $1.25 per bushel. In other words, the Secretary has advised our corn farmers in my district and throughout the commercial corn area that they may produce all the corn they like and it will be supported at the $1.25 per bushel rate. That means that cooperation or compliance with corn allotments will surely fall away to almost nothing.

Had I known, may I say to the gentleman from North Carolina, that this situation existed at the time that I introduced a companion bill, as I did on April 16, I certainly would have insisted on keeping out of the bill that subsection (3) of section 214.

I believe, and from the debate here today and previous discussions with members of the Committee on Agriculture I am sure you share that belief, that under the general terms of a soil bank we do not want to throw any impediments in the way of any farmer or any great number of farmers to prevent them from coming in on this great program.

I am not criticizing the Secretary of Agriculture for announcing this support rate on noncompliance corn, as it will mean millions of badly needed income dollars in my district. However, I must point out that the combination of the two will most certainly defeat the soil bank and its objectives in our area.

As we have agreed earlier, this problem is economic and the economics of this particular situation are such as to compel our corn farmers to stay out. As a result, we will proceed to a considerable expansion of our corn acreage and will not be permitted under the terms of this bill as now written to put any of our acreage in the acreage reserve.

Literally hundreds of thousands of farmers in the most productive section of this Nation are involved. Their farm lands comprise the very acreage we seek and we hope to retire from production under this legislation.

You recognize under the section questioned by the gentleman from Indiana the interrelationship between corn and other feed grains. You know that farmers in other sections of the country who place part of their corn or other feed grain acreage in the soil bank will be denied the full benefit of such action on the market by our failure to do likewise. At best, we will only maintain status quo on total feed grain production and we might end up with increases. What we seek is a decrease to bring production and consumption more nearly into balance for a better market condition.

From a dollar and cents standpoint, we simply cannot afford to comply with even the increased corn base under the terms of this bill in order to become eligible for the soil bank. I say to you, that we cannot economically benefit in any measure from such action and actually our farmers would suffer sizable income losses if they did so. The result will be, as I have said, that the very land you seek to place in conservation reserve will by this minor technicality in the bill be kept in full production.

The provision I refer to tends to defeat the very fundamental objectives of the bill. I intend to offer an amendment tomorrow to strike subsection (3) of section 214 from the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. Certainly.

Mr. COOLEY. I just want to say to the gentleman that that is about the only controversial section in this bill. I do not know of anybody who could possibly have worked any more diligently or more faithfully on that section than the gentleman from Texas [Mr. Poage], who stayed here throughout the entire Easter recess working morning, afternoon, and night with Congressmen from the corn-growing area in an effort to work out a satisfactory provision. It seems to me it would be a good idea for the gentleman to confer with the gentleman from Texas [Mr. Poage], and other members of our committee from the great Corn Belt; and certainly it is my purpose to accept any amendment that Mr. Poage and his subcommittee recommend. But we have to bring it to the House as it is, because we could not bring it here otherwise.

Mr. H. CARL ANDERSEN. May I say to the gentleman from North Carolina that I think he has done the right thing writing the bill as he has, lifting it out of the conference report in so many aspects, because the contents of this bill have been gone over so thoroughly by both the House and the Senate. I think you have done a splendid thing in doing so. This situation, however, that I bring up now has occurred since H. R. 12 was debated on the floor and I sincerely believe if we permit this subsection to stay in there will be very little compliance in the huge Corn Belt with the soil-bank provision. That would be regrettable. I appreciate the gentleman's letting me have this time, but I do not want to see our Minnesota farmers prevented from putting land in the soil bank because of this section 3 of the bill. I would appreciate if the gentleman from Texas [Mr. Poage] would give consideration to that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. In connection with corn, in order to be eligible for the $1.50 price support you would have to put in 15 percent of any cropland. You do not have to use corn land to reduce your total crop acreage by 15 percent to be eligible. The Nation has a base under the terms of this bill of 51 million acres for corn, whereas under the Presidential announcement on which he predicated support of unlimited corn production at $1.25, he did that on the theory—I do not agree with the theory, but certainly he did it on the theory—that without this bill you would have a 43-million-acre national base for corn, or some 8 million acres less than you would have under the terms of this bill. The President unquestionably felt with that small base he would find relatively few corn producers complying with the base. But we raised the base in this bill by 8 million acres.

Mr. H. CARL ANDERSEN. That will not do the job anyhow in my area nor throughout the commercial corn area. Read the language, please, under subsection 3. It definitely excepts from receiving any money out of title I of this act any farmer who overproduces his quota allowance or his farm acreage allowance.

Mr. POAGE. The quota allotments are going to be substantially larger than if we do not pass the bill. The important part is if we do not pass this bill, the quota allotments will be only 43 million acres. If we do pass this bill, the quota allotments will be 51 million acres, and each individual is going to gain in the same proportion. It is a tremendous difference because corn has never taken a substantial cut, and even under the 51 million acres, allotment corn is not taking a cut comparable to other crops we have in here. Cotton, for instance, has a cut of more than 36 percent, peanuts have taken a cut of more than 52 percent, but corn is taking, even under the terms of this bill, a cut of about 4 million acres out of 55 million acres.

Mr. H. CARL ANDERSEN. I will discuss that with the gentleman personally later.

Mr. COOLEY. I hope you gentlemen will get together, and if you can offer anything better than we have in the bill, I certainly would have no objection to having it considered.

Mr. HOPE. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, I feel it is not necessary to take a great deal of time to discuss this measure, for the reasons that the distinguished chairman of this committee has already given. There is nothing in this bill which was not contained in the bill which came to us in the form of a conference report on H. R. 12. It has been pretty well considered and pretty well explained, and I sincerely hope that the House will accept this measure which has been approved by the Committee on Agriculture and which is, let us say, at least 95 percent non-controversial.

This bill contains everything which was contained in the conference report on H. R. 12 except title I and title V. Title V contains the so-called two-price system for wheat and rice. Those were controversial questions. We left them out. Title I contained the provision relating to 90 percent price supports and dual parity and some milk provisions. These were controversial, and we left them out.

Now, there remains in the bill as it has been reported one provision that was objected to by the President in the veto message. It was not, in my opinion, considered as a major objection, but it was referred to, and that was the provision relating to mandatory price supports on feed grains.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Can the gentleman advise us as to the provisions in the bill that affect shade-grown tobacco? Will the growers of shade-grown tobacco be allowed to participate in the soil bank?

Mr. HOPE. I am not enough of a tobacco expert to know whether shade-grown tobacco is included in the tobacco provisions of the soil bank or not. I would like to have the gentleman from North Carolina answer that.

Mr. SEELY-BROWN. Will the gentleman advise me as to whether the growers of shade-grown tobacco will be able to participate in the soil bank.

Mr. COOLEY. In the first place, I doubt whether the producers of shade-grown tobacco would be interested in the soil bank at all. I do not think any of my burley producers or flue-cured producers or others would be interested in it except in very rare instances where they have very small acreage and they might turn some of it in. But, the shade-grown people I do not suppose would be interested in this. They have never been interested in any soil bank program. I think they will not be attracted to it, and I do not think any of my producers will be attracted to it.

Mr. HOPE. Let me say further, that the shade-grown tobacco producer could undoubtedly come in under the provisions of the conservation reserve, but I would not anticipate he would want to do so, because the payment he would receive under the conservation reserve is small as compared to the amount he receives per acre of tobacco and would offer no inducement.

I do not see shade-grown tobacco in the acreage reserve provision unless it is represented by some type number that I do not identify. Does the gentleman know what numbered type of tobacco refers to shade grown?

Mr. SEELY-BROWN. I wanted to go into the matter, but I will bring it up tomorrow under the 5-minute rule.

Mr. HOPE. If the gentleman will refer to section 103 of the bill, he can see the types of tobacco listed and can ascertain whether shade grown is included in those provisions. I doubt very much, however, if the gentleman's tobacco producers, with such a high return per acre on shade-grown tobacco, would want to come in under the program.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Massachusetts.

Mr. HESELTON. It so happens that I have a considerable amount of shade-grown tobacco in my area, and it is a fact that because of the development of this homogenized wrapping tobacco they have undertaken a program of voluntary cutback which is very substantial. I am not aware of what their position may be, but I hope it will be possible for the chairman of the committee and the gentleman to advise us tomorrow as to what the committee's intentions are with reference to that particular crop.

Mr. HOPE. I should be very happy to comply with the gentleman's request and I am sure the distinguished chairman of the committee also will be happy to do so.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I did not hear the request.

Mr. HOPE. The gentleman's request, as I understood it, was that he would like to be advised whether shade-grown tobacco is included in the types of tobacco which are listed in the bill.

Mr. COOLEY. I am quite positive it is not. I do not believe that shade producers would be at all interested in it because it is a very expensive crop and the limited fixed in the bill would not indicate that it would be applicable to shade-grown tobacco because under no circumstances could they pay more than $300 an acre.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. It is my understanding that they may well feel the effect of this homogenized tobacco product. The effect it will have on shade-grown tobacco will be felt and the producers of this tobacco may wish to be included in the soil bank.

Mr. COOLEY. I shall try to get accurate information on that in a few minutes for the gentleman.

Mr. AVERY. Mr. Chairman, would the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. AVERY. I wonder if my colleague would refer to page 7 of the committee report, section 120. There seems to be a misprint there when it refers to the authorization of funds of the Commodity Credit Corporation to carry out provisions of the soil bank and provides that after June 30, 1947, such funds may not be expended unless authorized by Congress. This might be important if it remained in the committee report and were taken as an interpretation of the intent of the committee.

Mr. HOPE. That undoubtedly is a typographical error. I had not noticed it.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. I am wondering if there are any limitations in this proposed legislation on the amount which may be paid for specific acreages. I am thinking offhand of irrigated acreages where the cost to the farmer of retiring them from production would be much greater than the cost would be in nonirrigated areas. Is there any limitation on the amount which the Department may pay to the farmer per acre?

Mr. HOPE. There are overall limitations as to amounts that may be spent for the various commodities. The legislation itself does not establish any maximum payments per acre. If the gentleman will look in the appendix to the conference report on H. R. 12 he will note there a statement furnished by the Department in which is stated maximum and minimum amounts that may be paid in the case of individual commodities. I would suggest that the gentleman examine the original conference report which contains the maximum and minimum amounts that may be paid in the case of any commodity.

For instance, in the case of cotton it is estimated that the amount that might be paid per acre would run from $48, to $60; in the case of wheat it would run from $18 to $25; in the case of corn from $36 to $50; in the case of other feed grains from $15 to $50; in the case of rice from $60 to $75; in the case of peanuts from $50 to $70, and in the case of tobacco from $100 to $300.

Those are estimates pure and simple. They are not final in any way but they are the best estimates the Department could compile at the time the conference report was filed.

Mr. BUDGE. Mr. Chairman, will the gentleman yield further?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. Would it be proper to assume that if the Department in its discretion determined that a figure higher than the approximate cost per acre to which the gentleman from Kansas has referred in the conference report were necessary to retire acreages it could do so within the total limits on the amounts to be spent under each program? Could the Department fix that higher cost per acre?

Mr. HOPE. There is nothing in the bill and nothing in the report which would in any way inhibit the Department from making higher payments. I think we all have to keep in mind that this is a new program. The immediate purpose, of course, is to take land out of the production of surplus commodities, under both the acreage reserve and the conservation reserve. The long-range purpose is to further conserve our agricultural resources.

I think it is going to be something in the way of a trial-and-error process. Careful studies will have to be made before the Department determines just what payments will retire the amount of land it is hoped to retire. That will have to be determined by surveys made among the producers of the commodity. It will be determined somewhat by whether or not alternative uses can be made of the land. It is something that I do not believe can be fully determined down here in the Department of Agriculture; it will have to be determined out in the field to a certain extent. But I am sure that the Department is very anxious to have this program succeed and that it will offer what amounts may be necessary to secure substantial reductions.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Illinois.

Mr. YATES. Is there any limitation in the bill on the amount of money that may be paid to any individual landowner?

Mr. HOPE. No, there is not. I am glad the gentleman asked that question. I will say that there were some limitations in the Senate bill but in the conference the committee eliminated that language, for the reason that under the general purpose of this legislation it is hoped to retire a considerable amount of land. It was felt that putting any limitations on payments might thwart this purpose.

We know that many small farmers feel that they cannot take any of their acreage out of production. They feel that it is necessary for them to retain the acreage they have to obtain the fullest use of their equipment. So I anticipate that if we get substantial reductions a good deal will have to come from the larger farms. If we put a limitation upon the amount that may be paid, we are going to prevent these reductions on the larger farms and to that extent we will limit the success of the legislation.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from South Dakota.

Mr. LOVRE. I wanted to make this clear: Are the contracts that will be entered into under the soil bank program negotiable or assignable? In other words, can a producer go to a bank and make a loan and put up this contract as collateral?

Mr. HOPE. Yes the language of the bill in section 105 on page 10 specifically provides for this procedure.

Mr. POAGE. Certainly.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. LOVRE. The reason I asked that question is that we are encountering a little trouble with wool certificates. We had a great deal of trouble determining whether or not they were assignable.

Mr. HOPE. I do not recall the language in the wool legislation. Does the gentleman recall the language in the wool bill?

Mr. LOVRE. No; I do not.

Mr. HOPE. I do not recall the language in the wool bill as to whether it was similar or not.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JONAS. All compulsory features have been eliminated and there are none in this proposed legislation?

Mr. HOPE. There are no compulsory features in the legislation except the provisions with respect to corn and feed grains. In that case, the farmer in order to secure the benefits of the soil bank must stay within his acreage allotments.

Mr. JONAS. I have a lot of small cotton farmers in my district. I do not think many of them will be able to afford to put much acreage in the soil bank at the amount of return estimated. Would it be correct to assume that they might expect some benefits from this program, however, at the time that they get rid of the surpluses and in anticipating an increase in the price in the market place for their cotton?

Mr. HOPE. Yes; I am glad the gentleman asked that question. It is a point I meant to cover, but I might not have done so if the gentleman had not asked the question. That, I think, is the principal benefit which will flow from this legislation. There will be a great many farmers, both large and small, and I think more particularly the small farmers, who will not feel that they are able to come into the program. But, if we can secure an adequate reduction in acreage and production under this legislation, we will achieve in time a balance between production and consumption which will redound to the benefit of every farmer in the country whether he actually comes in the soil bank or not or finds himself unable to do so. That is the purpose of the legislation—not primarily to make payments to the farmers—that is necessary in order to get the reduction, but the fundamental immediate purpose is to achieve a balance between production and consumption so that we can get rid of these surpluses. Until we are able to eliminate the surpluses we are not going to have a healthy agricultural situation in this country.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. REES of Kansas. The gentleman has explained that all this soil bank thing is optional on the part of the farmers. He can take it or not.

Mr. HOPE. With the exception of corn and feed grains.

Mr. REES of Kansas. Yes, except for that. I would like to ask the gentleman this question. In respect to the present Executive order as compared with this legislation, is not the corn farmer better off under the present Executive order whereby he gets $1.25 per bushel on all the corn that he wants to grow than he is under this bill?

Mr. HOPE. I think that is a question which every corn producer will have to decide for himself. I am expecting that most corn farmers probably will take that view of the matter.

Mr. REES of Kansas. So that there will not be very much curtailment in the production of corn?

Mr. HOPE. It is my impression that with this price support of $1.25 per bushel without requiring any adjustment of acreage, will largely nullify any benefits this year from a soil bank, as far as corn is concerned. But we have to consider that the legislation comes along at so late a date that there probably would not be an opportunity for very much reduction in any event.

Mr. REES of Kansas. In respect to wheat, what advantage is there in this act compared with the present Executive order?

Mr. HOPE. Of course, wheat is somewhat different. There is no compulsion as far as wheat is concerned.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 3 additional minutes.

Every wheat farmer will have to decide for himself whether he will be better off financially to come into the program and reduce his acreage or go ahead and plant his full acreage allotment. I am referring to the acreage reserve, and under that he must underplant his allotment in order to receive any benefits.

Mr. REES of Kansas. In respect to products, for instance, is not the dairyman just as well off under the present Executive order as he is under this legislation?

Mr. HOPE. He is not affected by this legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. SEELY-BROWN. I want to thank the gentleman for his courtesy. With reference to the question which I had asked earlier, the language on page 4, lines 2 and 3, is a satisfactory answer to the question which I asked earlier, and I thank the gentleman.

Mr. HOPE. I am happy that we have reached an understanding on that matter.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. KNOX. Can the gentleman inform the House as to the penalty provisions that are provided under the soil bank that would have to do with grazing or harvesting of crops that were under contract under the provisions of this bill?

Mr. HOPE. They are exactly the same provisions as contained in the conference report on the other bill (H. R. 12).

Mr. KNOX. They are the same provisions that were stipulated in the conference committee's report?

Mr. HOPE. That is correct. That means, of course, that a person who grazes or harvests any crop will not only lose his payments but he will suffer a 50-percent penalty in addition.

Mr. KNOX. Of course he would lose the total payments under the provisions of the contract, plus a 50-percent penalty?

Mr. HOPE. That is correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. H. CARL ANDERSEN. The gentleman stated to the gentleman from Kansas [Mr. REES] that in his opinion the corn farmer would accept in all probability the $1.25, and very few of them would come under the provisions of the soil bank. Am I stating the gentleman's reply to Mr. REES perfectly?

Mr. HOPE. That is my opinion, based not so much upon my own personal judgment and observation as that of people in the Corn Belt who I am sure have better knowledge of the situation.

Mr. H. CARL ANDERSEN. I think the gentleman is entirely correct in his answer to the gentleman from Kansas, Mr. REES, and that is why I am suggesting that we simply take out subsection 3 on page 24 so as to make it possible to put perhaps three or four million more acres of feed grain lands under the soil bank than otherwise we will not obtain. I am thinking of my own personal situation. Hundreds of thousands of corn farmers are going to be attracted by this $1.25 raise-all-the-corn-you-want price.

I am thankful for that; it means millions of dollars to my congressional district. But thinking about this soil bank and the effect upon this soil bank if subsection 3 stays in this bill, there will be millions of acres of land that will not come under the soil bank; and that, in my opinion, would be very much to be deplored.

Mr. HOPE. I would like, of course, to see as much land go into the soil bank as possible. But the Department has followed two conflicting theories here, it seems to me, in setting up this provision for price supports on corn that is not within the program, and in establishing the soil bank. I doubt if they can be harmonized.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct; but we are faced with a fact accomplished, so to speak, whatever the term in law is, and we cannot help now through the enactment of this bill the fact that the Secretary of Agriculture has made this $1.25 anouncement on all the corn in the commercial which might be produced. I can produce 369 acres of corn on my farm and not have the opportunity to put a single acre of my feed grain land into the soil bank simply because this innocuous looking subsection 3 is in this bill.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. H. CARL ANDERSEN. Will not the gentleman take a couple of additional minutes?

Mr. HOPE. I do not think I should take any more time as I have requests for time from a number of Members.

The CHAIRMAN. The gentleman from Kansas has consumed 25 minutes.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. Gathings].

Mr. GATHINGS. Mr. Chairman, this is the best bill that can be brought to the floor of the House in view of the fact that the President of the United States has found objection particularly to title I and title V. Title I and title V are deleted from the provisions of this bill as it is before you today.

From October 1933 through February 29, 1956, on all agricultural products handled by Commodity Credit Corporation, which is the very last report dated February 29, 1956, the total losses are $2,937,455,692.

Let me call your attention to the fact that on basic commodities the total losses were only $560,763,769. While we are talking about basic crops, let us lock at cotton. Cotton shows a profit of $233,975,126; that is profit on cotton since the beginning of the operation of the CCC, a sizable gain. Cotton has helped to blot out some of the losses from other commodities.

Why do I give you that information? Because in June 1954, when the gentleman from Kansas [Mr. Hope] was Chairman of the Committee on Agriculture, a Government subsidies historial review was undertaken by the House Committee on Agriculture. That report shows that the reconversion cost of business in the United States was $40,787,864,000; yet you hear so much about the losses on the farmer's crops, that the farmer is the culprit. He has been reconverting, yes, but the business reconversion was at a cost of near $41 billion.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield for a little additional information on that point?

Mr. GATHINGS. I yield gladly to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. A lot of people forget that since the close of World War II we have sent $45 billion abroad to help other peoples.

Mr. GATHINGS. I appreciate the gentleman's contribution. I did not go into that subject. It is mighty good of you to bring that to the attention of the committee.

Now let us look for a moment at the situation with respect to rice.

Since deleting title V the two-price theory on rice and the two-price plan for wheat have been thrown out. It is not in the bill. There was a freeze for 1957 on rice acreage in title V contained in the conference report on H. R. 12 that the House voted on and which overall bill was rejected by the President. There was a reason to freeze the rice acreage in 1957 as was carried in that "one package bill." That was because of the fact the total acreage of rice in 1954—that is the last year before controls were invoked—was 2,600,000 acres. In 1956 instead of 2,600,000 there were 1,600,000 acres allotted for 1956, a cutback of approximately 1 million acres, some 38 percent, although I have not figured it out. The rice farmer cannot take an additional cut in 1957 and 1958.

It is hoped that in this legislation we can have a freeze written in similar to that provided for cotton. That is, the cotton acreage for 1957 and 1958 shall be the same as in 1956, as carried in the bill. I think that rice ought to also be included in the freeze which for 1957 alone was included in the conference report brought here and approved by both Houses.

Let us look for a moment at the value of the production of cotton in 1955. The total value of the 1955 lint cotton—that is what was realized by the farmer—was $2,420,529,000. Under the 82½ percent parity figure that the President recommended the value of the cotton crop would be reduced from $2,420,529,000 to $1,836,000,000. That means millions of dollars less income for cotton farmers. That is the one way we can get an increased income in the farmers' hands by maintaining fair and stable prices for farm crops. These figures are on one commodity to which that great cutback occurs. This reduces appreciably the income in some 14 States. This decreased value of lint cotton affects millions of people. This Congress can do something about it, that would be to increase the 82½ percent support level on cotton. We speak of helping the farmer by passing legislation, this will do it.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. Chiperfield].

Mr. CHIPERFIELD. Mr. Chairman, while I intend to support this measure I feel the bill I introduced, H. R. 10657, has some features that would accomplish more for the farmer than the bill now under consideration.

I feel it is imperative that this Congress enact a soil-bank program immediately and as I have said, for that reason I am supporting it. However, my bill would not only establish a soil-bank program as does this pending measure, but provides better control over diverted acres. Under my bill in order for a farmer to be eligible for price supports he must put a percentage of his cropland in the soil bank. This would have the effect of putting acreage into a soil bank which in the past has been taken out of price supported crops and dumped onto producers of other crops and in the main feed grains.

As a matter of fact in the years 1954 and 1955 there was the equivalent of 800 million bushels of corn produced on acreage that was taken out of wheat and cotton. My bill is designed to put real controls on diverted acres. To my mind this is of vast importance and benefit to the farmers in the corn-hog area of the Middle West.

There is no question but what we must deal immediately with the surplus problem facing agriculture. The soil bank approach which the farmers of Illinois have had a great part in developing is sound and I think would be of real assistance in solving the problems of surpluses.

It is my understanding, although I have no official approval, that the Farm Bureau is backing legislation containing provisions similar to those in my bill and I had hoped such a measure would be adopted.

But it is evident after considerable consideration by the Agriculture Committee that the bill before us is the only one that has a possibility of passing. I certainly want to do everything I can to aid the farmers and feel this bill is an important step in the right direction.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. McIntire].

Mr. McINTIRE. Mr. Chairman, every one of us who is interested in agriculture, regardless of where he may be from, has an interest in this legislation. Many of us come from areas where basic commodities are not the principal items of production. We are all interested in a sound agriculture and we recognize that in this day and age everything that is done in one particular area has a direct or an indirect effect in other areas.

Those outside of the basic commodity-producing areas have been very much interested in the problem of diverted acres and those of us who come from areas which consume a great deal of manufactured feeds are, of course, interested in the level of supports in relation to the ingredients of those feeds.

In H. R. 12, it is interesting to note that in my State of Maine the bill would have increased the dairy income about $100,000 and would have increased the feed costs to those same dairymen $5 million per year. I want to point out that we all have an interest in this legislation.

This bill which we have before us will increase the feed costs some in every area which is dependent on other areas which produce the ingredients of that feed. However, this bill would increase those costs somewhat less than H. R. 12, and we have an interest in shaping up constructive legislation, so we will seek for the best balance which can be obtained in any legislation presented to the House.

I wish to agree with our colleague the gentleman from Illinois [Mr. Springer] in his statement that in his opinion the soil bank is an approach somewhat different than past legislation in this relationship of the management of acres to the Government's interest in the total picture. I think that it approaches this problem of seeking this appropriate balance in a constructive manner. It deals also with the problem of developing a vehicle to handle the inventories in the hands of the Government in a manner in which they can be decreased in quantity. It does not deal, however, with the problem confronting the farmer who is handling a surplus situation resting in his own hands.

The act of 1949 has 3 titles in it, 1 of which deals with the support vehicle on the so-called basic commodities. Title II deals with the support vehicle on the nonbasics but requires mandatory support on the part of the Secretary. Title III deals with the remaining portion of the commodities and leaves it discretionary with the Secretary as to the level of supports, if any, which shall be maintained.

Now, in this group of commodities in title III among those which are being supported are flax, soybeans, dried beans, oats, barley, and grain sorghums. There may be a few others, but those are the essential ones. Now, this bill provides that oats, barley, and grain sorghums may be brought into the framework and participate in both the acreage reserve and the conservation reserve features of the bill. True, all commodities come within the framework of the conservation reserve, but the point I wish to make is that we are entering into this title III area and including commodities for participation in the acreage reserve which are neither in title I, the basics, nor in title II, the mandatory support group.

I offered an amendment in the Committee on Agriculture which I thought was a constructive one which would permit the Secretary of Agriculture to bring in, at his discretion, other commodities which may be in surplus and permitting the use of this vehicle of acreage reserve for other producers than those who are in the basic commodity group or those who are being supported by the vehicle of price support levels, and permit other producers to have the privilege of this same tool of bringing their acreage into balance with needs. However, that amendment was defeated in the committee. It is my sincere belief these growers are entitled to more equitable consideration in this legislation.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. Abernethy].

Mr. ABERNETHY. Mr. Chairman, I think every member of the Committee on Agriculture has done his very best to bring to the floor of the House a bill which they think is appropriate and acceptable not only to the House but to the other body and to the President. There are some of us who feel that the veto was unfortunate, and I am one of them. There are some who do not feel that way about it. Now that the committee has eliminated those features which were controversial, I hope that by this time tomorrow we can conclude our work by bringing to the farmers something which will be good and something which we hope the administration and the members of the other body will accept.

Without criticizing anyone, Mr. Chairman, I am one of those who is not too impressed with the idea of the soil bank.

I am going to vote for it. I voted for it before and I shall vote for it again tomorrow; but I am concerned with what is going to happen to the land which is taken out of the production of crops and put into the bank. And certainly the amount of money which will be paid to farmers in lieu of crops on allotted acreage put into the bank will not be sufficient to cover the cost of putting the banked acreage into soil-building or soil-preserving crops and at the same time leave farmers enough to live on. The money being insufficient, I am concerned about that land going to waste, growing up in weeds, and being subjected to the winds, the storms, and the elements, every day and every week.

Then, too, the soil bank idea has the effect of paying farmers for doing nothing. Good farmers do not want pay for doing nothing. They prefer activity and actual farming. They do not like the idea of seeing their land lie out, idle, and playing no part in agricultural productivity.

I am also concerned with the effect which it is going to have on the merchants in the little farm communities of our Nation. Almost all of the smaller communities of our country are surrounded and sustained by active farming operations. In these communities down my way you will find a little country bank, cotton warehouses, a few gins, and so forth. Up in the Corn and Wheat Belts you will find similar operations. They are very heavily dependent upon crops produced from nearby farms. On these crops they lend money; they handle, process, store, and transport them. When the lands go into the bank there will be just that much less wheat to be milled, there will be that much less cotton to be ginned, there will be less business at the bank, there will be less business at the country store. Not only will these people feel the effect of reduced production but all people of the community will feel the effect of it.

Maybe it will not work out that way, I hope not. On the other hand there are many who have some concern about this so-called soil bank and its general effect on the community life. They have expressed the identical fear of its effect.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I think the gentleman made a statement a minute ago he might want to qualify. He said he expected to vote for the soil bank tomorrow. I think he meant to leave the impression that he expected to vote for this bill.

Mr. ABERNETHY. Of course, the entire bill which embodies other provisions.

Mr. JONES of Missouri. I do not think the gentleman would vote for the soil bank just as that.

Mr. ABERNETHY. No; I am for the entire bill. The gentleman from Illinois [Mr. Yates], asked a question a moment ago. I think the answer ought to be developed further. In doing so we must assume that the soil bank is a fine thing; and it may be, I am not sure about it.

He asked the question if there was to be a dollar ceiling on the amount any farmer would receive from the bank. I imagine that which prompted the question was to be assured that any farmer who might own a very large farm would not be getting too many dollars from it. The gentleman's premise may be sound, but I doubt it. The No. 1 objective of the soil bank is to reduce the surplus. The theory is that acreage put into the bank will be taken out of crops and production reduced below demand. Then the crops that are now in storage will gradually be siphoned off to meet the demand. The advocates contend that sometime in the future, a year or two or more, the surplus would soon be exhausted. So, if a ceiling is placed upon any amount of acreage that a farmer puts in the bank then to that extent the very purposes for which the bank is created is defeated. The more acreage a farmer puts in the bank the less the production; and the less the production the sooner the surplus will disappear.

Down my way we have hundreds of small farmers. They cannot very well afford to participate. But the small farmer will benefit indirectly by way of a reduction in the surplus brought about through the large farmers' participation. The object is to remove the surplus. A ceiling on participation would defeat the objective.

There is another thing in this bill that I am concerned about. The bill permits the first year of operation to be financed with funds of the Commodity Credit Corporation. Personally, Mr. Chairman, I think an appropriation should be made for such. Why siphon off the capital assets of the Commodity Credit Corporation?

The Commodity Credit Corporation was established for the purpose of providing money for price-support operations and for that alone. Through other inappropriate authorizations, we are now gradually depleting the capital assets of the Commodity Credit Corporation. They are showing up in the balance sheets of the Corporation as a loss to the price-support program when as a matter of fact they are not such a loss.

Something has been said about the $1.25 to be paid for corn, that is, the unlimited production at $1.25 per bushel. I do not live in the commercial Corn Belt but I am tremendously concerned about the possible effect. The Department of Agriculture has told us that the trouble with corn today is that we have too much, so they have proposed the soil bank to get rid of it. Yet on the other hand just a few days ago, and it was not a part of the President's original recommendation, the Department announced that it is going to support the unlimited production of corn at $1.25 a bushel. I believe you heard the gentleman from Kansas [Mr. Hope] say, and I think I am quoting him correctly, that he had some concern about this inasmuch as he was afraid that the Corn Belt would really turn to corn. The Secretary also has told our committee, and I think he is right—this is one time I agree with him—that the reason we have had cheap cattle and cheap hogs is that we have had too much corn, cheap corn. If the Corn Belt should turn to corn at $1.25 a bushel, and I think it will, that means a tremendous surplus of corn. That means the warehouses will eventually be filled with it and that means a depressed price. It further means that eventually the surplus will be disposed of at heavy loss to the Government, with added troubles for corn farmers as long as the surplus exists.

From what I know about corn, and I do not know much, I have been told and I have read that the price of hogs follows the price of corn. If corn is cheap hogs will be cheap. If corn is cheap cattle will be cheap. I am concerned about it. I thought we were trying to get rid of the surplus. Surely this is not the way to do it. A high support price on unlimited production will undoubtedly increase the surplus.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Texas.

Mr. POAGE. It is pretty well known that cheap corn always makes cheap hogs.

Mr. ABERNETHY. That is what I have been told.

Mr. POAGE. And that cheap hogs never improve the likelihood of high-priced feed.

Mr. ABERNETHY. That is exactly what I have been told.

Mr. POAGE. Are we not certain to have cheap corn if we deliberately go out and put a premium on overproduction?

Mr. ABERNETHY. That is also what I have been told.

Mr. POAGE. Does the gentleman remember any other time when we have been talking about wanting to cut down that we have gone out and tried to reduce our production by deliberately encouraging production by paying a pretty substantial support on unlimited production?

Mr. ABERNETHY. When you put a substantial support price on unlimited production it always makes for trouble. As I said a moment ago, I represent thousands of small farmers. The average cotton allotment in my district is only about 8 acres to the family. But you give them a comparable support price for cotton, with unlimited production, that which has now been given corn, and they will fill the warehouses of this country with cotton. It would wreck cotton farmers. It could, and may, wreck the Corn Belt.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. YATES. Will the gentleman tell us whether or not establishing this price of corn at $1.25 a bushel will be an incentive or a detriment to farmers to put their land in the soil bank?

Mr. ABERNETHY. I can only answer that on the basis of what some of them from the Corn Belt have said to me—that it would be an incentive to put their acreage in corn and not in the bank. In turn, the overall objective—reduction of surpluses—would be defeated.

Mr. HILL. Mr. Chairman, I yield 12 minutes to the gentleman from Indiana [Mr. Harvey]

Mr. HARVEY. Mr. Chairman, I have listened to the debate with much interest.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. YATES. Will the gentleman, coming from the Corn Belt, answer the question which I asked the gentleman from Mississippi? If the Department of Agriculture establishes a price of $1.25 a bushel, will that be an incentive or a detriment for the corn farmers to use the soil bank?

Mr. HARVEY. If the gentleman will pardon me, I will attempt to cover that during the course of my remarks.

Mr. Chairman, this whole farm situation has been moving along rather rapidly. In fact, so fast recently that I found it difficult keeping up with it. I will say quite frankly, from a very discouraging situation a few days ago, I have been tremendously impressed with the willingness on the part of nearly everyone to get together on a version of the farm bill which will do the job and a farm bill that we can all live with. There are so many factors and factions involved and so many cross-currents of thinking and public opinion as between the different geographical sections and between the different segments of our economy, producers and consumers, that I have a tremendous respect for the leaders on both sides of the aisle who have been able to bring about this final draft. I think it will get pretty wide acceptance when we vote on it tomorrow.

Mr. Chairman, I want to address myself briefly in the time I have here to the subject of one commodity—corn, which has received a great deal of discussion. I have been intrigued with some of the theories that have been advanced concerning corn. You see there are two types of producers of corn. This is a fact that is not very often recognized. There is the cash corn grower and the grower who produces corn for his livestock feed. The producer of corn for cash is usually in a geographical area—mostly northwestern Indiana, certain sections across Illinois and Iowa. In these areas, corn is produced as a cash crop just as wheat would be produced, and it goes into the channels of trade for all the various commercial uses that corn finds. The other 80 percent of the corn growers are on farms where it is fed to livestock. The farmers who have been complying with the corn acreage reduction and securing the benefit of the price-support program are the ones in the cash corn area. It fitted into their scheme of farming. It did not fit into the scheme of farming for the livestock man. But during the past 3 years there has been no change in the corn acreage. During that time the price-support program has been in effect. This past year, 1955, the yield of corn was just about average, a little over 3 billion bushels, total. Since the 1938 act was passed, corn and livestock have been in pretty good balance. With a good easy program to administer, livestock prices stayed in relative even balance. Then what happened? A whole variety of things. I will not dwell on them, but we had coming into the picture the supplemental feed grains in a proportion that had never happened before. They all went into the feed grain pool. The chief increase in production came from grain sorghum, and we had a lot of production. In fact, the increased production attained about 25 percent of the total production of corn today. So we find ourselves confronted with a situation that is not really created in the Corn Belt, but it is here and must be dealt with.

It is also common knowledge that many of these acres that are just recently being devoted to these so-called supplemental feed grains are marginal acres that we hope will be taken out by the soil bank. So this provision in section 308 (d) is designed to encourage these marginal acres that are presently being devoted to production of supplemental feed grains to go into the soil bank. I cannot emphasize this too much. I am going to say that as a midwestern corn farmer, the general sentiment of the farmers in my area would be to ignore and not recognize the entrance of these supplemental feed grains into the picture. They prefer to ignore them in the hope that they will go away. I do not think they will. They are here and they must be recognized. This recent increase of feed grain is producing the greatest amount of meat that the public has ever consumed. The public is using it. Beef consumption is running at the rate of 80 pounds per person per year, pork in recent months almost as high. The sum total of the other supplemental products that come from livestock means that the American people have never in their history consumed so much good food of a protein nature. So it is all a part of the constantly changing and developing economic pattern. As our standard of living increases so the standard of food requirement increases, and not the least of these is the consumption of meat. I am not at all pessimistic about the present situation. But we do have a little surplus of feed grain, including corn.

The Secretary announced just recently that he would support the price of noncompliance corn at $1.25, and immediately a great many comments were heard, and people, without thinking, in some instances concluded that there was some skulduggery going on. Actually, what the Secretary did was to say to these farmers who produce corn for feed purposes that he would support their corn at the same rate of parity at which he was also supporting the other supplemental feed grains. It is as simple as that.

It is, I think, equitable recognition of an economic fact, and no more. We cannot ignore the importance of bringing the whole feed grain pattern into a unified sort of treatment, and that is what this bill attempts to do, to treat equitably

all of the producers in recognition of the actual facts of life so that we can continue to guarantee to the people of this country of ours a good supply at a decent price of that good food, meat.

In reply to the question raised by the gentleman from Mississippi [Mr. Abernethy] I want to say that I think this attempt to stabilize the price of feed grains will ultimately help stabilize the price of livestock, and if it does it will mean more in terms of dollars to the farmer than any other single thing. Sixty percent of the farm income of this country is from livestock. If you can stabilize that income you are automatically going to do a great deal for the farmers of this Nation.

I do not think this recent move or the provisions of this bill are going to bring upon us a surplus of feed grains. I think it is constructive support that will bring the feed grain supply into balance with requirements.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. SPRINGER. The gentleman will recall what he said in a certain conference when I asked him a question. He went into considerable detail. I want to compliment the gentleman on his excellent presentation of that particular matter, which I think has largely been misrepresented, because it is in the livestock and the hog market that it is important to get this matter stabilized; is not that true?

Mr. HARVEY. That is right. I thank the gentleman.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. Jones].

Mr. JONES of Missouri. Mr. Chairman, I think there has been a lot of conjecture about certain features of this bill. I read from a publication that I think comes to everyone's desk, the Legislative Daily, in which it says that the administration continues to press for its soil bank brand of prepayments to farmers this year; and it goes on to say that that statement was made known yesterday by Representative Halleck, House GOP floor leader, following the regular weekly meeting of Republican congressional leaders and President Eisenhower.

I think it is most unfortunate—and I hope it will not happen—that we are getting into the position of trying to make this a partisan bill because I do know that in our committee we have tried to give the President the thing that he seems most intent upon having enacted in this bill, and I know that some of us who are not impressed with the value of the soil bank have been willing to go along with the soil bank on a voluntary basis as long as we could have included some of the other features of the conference report which had been adopted by the House and by the other body and which, unfortunately, was vetoed by the President. We have tried to bring in here the things that were not criticized by the President and which we have reason to believe will be signed if adopted. I was pleased to hear the former distinguished chairman of our committee, the gentleman from Kansas [Mr. Hope] say that he had hopes this bill would be adopted. I hoped that I interpreted his remarks correctly that he was supporting the bill, H. R. 10875, in its present form, a bill reported unanimously by our committee yesterday.

The gentleman from Minnesota [Mr. August H. Andresen], one of the ranking Members on the Republican side, said that he thinks this is a fair bill but indicated he might favor an amendment. I find myself in this position as I listened to the gentleman from Illinois [Mr. Springer] a few moments ago. He said it was not denied by anybody that the soil bank would not reduce the income of any farmer. That is a statement that might be accepted as it refers to the individual farmer, but I will say that at least in the area I have the privilege of representing, the total farm income would be reduced if we have the soil bank on a mandatory basis. I do not think it will affect us if it is put on a voluntary basis because I do not believe many people will go into it. If it were placed on a mandatory basis or if certain inducements were offered to the participants, I know the farm labor income would be reduced, as the gentleman from Mississippi [Mr. Abernethy] points out. The rural economy would be adversely affected. At the same time there may be some areas of the country in which the soil-bank proposition will work and for that reason I think many of us are willing to go along with it. What I hope we will not do here tomorrow is to try to force upon this House a soil-bank bill with nothing but the soil bank in it, because, frankly, I cannot support such a bill, and I know there are many people like myself. Particularly is that true, if it included a prepayment feature in the bill.

This bill as drawn would permit the payment of some funds this year when there is proof of compliance. Some people I think object to the wording of the provision section (b), page 11, where it is stated:

> No compensation shall be paid.

Maybe they would like an affirmative statement that "compensation will be paid." I have no objection to paying the compensation where there is compliance this year on a crop grown this present year, but I have very strenuous objection to paying a man something this year for a service that will be performed next year. This would put the farmer in the position of having obtained money this year that he will not have earned until next year; then find himself next year in the position and having his income reduced by a comparable amount. I think he would be in a more distressing position than if he had not obtained any relief at all this year.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. Bailey].

Mr. BAILEY. Mr. Chairman, I have requested this time in order to express my sincere thanks to the Committee on Agriculture for including section 211, page 41, in the legislation we are now considering. I refer to the processing of donated food commodities, as provided in legislation sponsored by the distinguished gentleman from Virginia [Mr. Jennings], a member of the committee.

You will recall that a group of Congressman residing largely in the coal-producing areas spent about 3 years getting the Committee on Agriculture interested in processing flour and wheat for distribution to the hungry people in the critical unemployment areas of the United States. This is the first recognition that the committee has made of this legislation on a permanent basis. I think their action will be favorably received by a large group of the Members of the Congress like myself who appreciate the fact that we are supplying a few more surplus foods to these hungry people.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. Laird].

Mr. LAIRD. Mr. Chairman, this bill was reported out of our Committee on Agriculture, and it was my understanding at the time it was reported out that there would be perfecting amendments offered to section 308 (d). It was my understanding that section 308 (d) was not approved as drafted but would be perfected by a committee amendment. I would like to ask the distinguished gentleman from Kansas [Mr. Hope] whether under the provisions as included on page 50 of this bill, the support level of feed grains expressed in terms of cash costs will not be increased by approximately 11 percent. It is my understanding that under H. R. 12 as it passed the House the supports were raised from 70 to 85 percent or an increase in cash value of about 21 percent because of the corn support level established in that bill and also because of the dual parity provison included in that bill. As I understand this bill, the increase has been changed from about 21 to around 11 percent. Is that correct?

Mr. HOPE. It is rather difficult for anybody to say how much the actual feed costs to the purchasers of feed might be increased by using percentage points.

Of course, costs that are paid by the consumer of feed grains may or may not be in the same proportion as the price support program might increase the loans that could be secured by the producers of those grains. The gentleman is going on the assumption, I take it, that whatever the price support on feed grains may be there will be an equal increase in the cost to the consumer of feed grains. That is the asumption he is going on?

Mr. LAIRD. Yes. I think perhaps the increase could have been greater under H. R. 12 if a lot of the land was placed in the soil bank, but we cannot estimate how much land will actually be placed in the soil bank. For that reason I used the 20 percent figure as a conservative estimate.

Mr. HOPE. Going on that assumption—I do not say that it is a valid assumption, but if you go on that assumption at the present time and in the present bill the increase that would take place in the price of feed grains would be considerably less than in the bill that was originally passed by the House and the Senate. That is for two reasons.

One reason is that in that bill there was a provision for dual parity which would have increased the support price on corn, and the support price on the other feed grains is directly tied in with the price of corn. At the present time, with the bill vetoed and no dual parity provision in this bill, if the bill were passed, corn would be on a transitional parity or 5 percent less than it would have been under the dual parity provision. In addition to that, the provisions in this bill provide that in the case of the small grains, for grains other than corn, the support price will be at a percentage of parity which is 5 percentage points less than the support price announced on corn. The support price announced on corn is 86 percent instead of 90 percent, so that the support price, according to the terms of this bill, on the other feed grains would be 81 percent rather than 85 percent, as would have been the case if H. R. 12 had become law. Does that answer the gentleman's question?

Mr. LAIRD. Yes.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Indiana.

Mr. HARVEY. I think it is worthy to note here that the final price level at which the Secretary has fixed compliance for corn is less than it was last year, and since actually most of the other feed grains have a tendency in their price level to gravitate around the price of corn, that it is a safe assumption that the price of feed grain in the gentleman's area, which is a grain-deficit area, will be less than it was last year.

Mr. LAIRD. I am glad the gentleman understands my concern over H. R. 12. This makes a great deal of difference to the Wisconsin farmer. Most people realize the State of Wisconsin is a feed-deficit area. Our farmers purchased last year $130 million of feed. The increased feed cost support provided in H. R. 12 as it passed the House was estimated at a 20 percent increase, and the only 2.5 percent on milk supports was not realistic or equitable to the family type dairy farmer. Everyone realizes that feed grains have a great bearing on seed costs and other farm costs which are of major importance in grassland farming.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON from Wisconsin. Mr. Chairman, I want to correct the statement made by the gentleman from Wisconsin [Mr. LAIRD]. He is assuming that our Wisconsin farmers are buying all oats, corn, and barley to feed their dairy cows, livestock, hogs, and poultry. I think it is a known fact that Wisconsin farmers buy high protein concentrates to mix with their home grown corn, oats, and barley. Only a small percentage of the corn, oats, and barley is bought from sources outside of Wisconsin, and this represents a very small percentage of the $130 million feed bill.

It is also an established fact—as I pointed out to the House on April 23—that Wisconsin farmers raise 90 percent of the corn, oats, and barley that they mix with high protein concentrates. Corn may influence the price of oats and barley, but the price of concentrates is based on the supply and demand of the ingredients used in compounding concentrates. I talked with a feed dealer in my district just the other day and he tells me that in the last 5 years he has bought no corn and oats outside of the State of Wisconsin. In fact, he says that the farmers in his area have learned to buy fertilizer and they can raise all the corn and oats that they need.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman.

Mr. LAIRD. I am afraid the gentleman misrepresents my statement as well as the facts. Students of markets who follow the market structure for the protein meals, mill feeds, and tankage know that as prices of feed grains go up the price of these basic protein feeds will also move up correspondingly, sometime even more rapidly. If the gentleman from the Ninth District of Wisconsin wants the facts I will be very happy to show him the record on feed cost history at any time.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, I do not care to discuss the merits of this bill we have before us other than to say this. I feel this bill is the half loaf. We passed a good bill here a couple of weeks ago and the President saw fit to veto it, so we have had to come back now with just half a loaf for the farmer.

I would like to say this, that this idea of prepayment that the Republican Administration has come up with is the most preposterous idea I have ever heard in my life. I do not believe the American farmer is stupid enough to buy such a political scheme. It is believed that it will cost $1.2 billion to carry out the provisions of the soil bank. So they are coming before the Congress tomorrow I understand with an amendment asking this Congress to authorize the payment of $600 million of the taxpayers' money to buy farm votes next year.

This soil bank is earth; it is dirt. In my opinion, if this idea goes across, if we allow $600 million of the taxpayers' money to be spent in advance payments for something that we do not know whether they are going to comply with or not—I suppose all they will have to do is sign a certificate that they are going to vote for Ike next year and get their money—then I say to you that I think it is a scheme of dirty dollars.

Mr. POAGE. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I should like to address myself to an item that was considered on page 50 of the conference report on H. R. 12. Members will recall that in the bill passed by the other body there was a provision in regard to an export program on cotton. The conferees took this language out of the bill and substituted, as I understand it, a paragraph on page 50 of the conference report on H. R. 12, stating that the Commodity Credit Corporation and the Secretary of Agriculture had the right to carry out this program, that it was being engaged in successfully.

I note that the report of this bill before us today does not have similar language as was contained in the conference report on H. R. 12. My assumption, however, is that the Committee on Agriculture still understood that the Agriculture Department would carry on this export program under existing authority, and that it was believed in the committee that 5 million bales of cotton would be exported in the current year and at least this much in future years, according to the pronouncement made by the Secretary, and according to the very successful start that has been made on the export program so far. I would appreciate it if the gentleman from North Carolina would give me the opinion of the committee in regard to this.

Mr. COOLEY. I can give the gentleman my own opinion about it.

You will recall that during all of last year Members of Congress were conferring with the Secretary of Agriculture, and many of them were urging him to embark upon an export-subsidy program for cotton. You also recall that they had a big conference at the White House. I had maintained all along, and I maintained at the White House conference, that the Secretary of Agriculture admitted or contended that he had all the authority he needed to initiate and to prosecute an export-subsidy program on cotton. He did not start an export program on cotton last year. I have contended that as a result of his failure to have a positive program for cotton we probably lost 3 million bales of cotton in the export markets.

He announced last fall that in January he would start a program and would announce it. He did announce it, and I understand that within about 40 days he disposed of about 1 million bales. I have every reason to believe that the Secretary will go forward with the program in which the gentleman from Mississippi has been so greatly interested. I hope that he will prosecute it vigorously and that we will be able to dispose of some of this surplus cotton. But unfortunately Secretary Benson has now postponed the decision until August, so he has already ended one phase of the export-subsidy program and has said that we will have another one when the month of August comes around. Is that the gentleman's understanding of what the situation is, may I ask the gentleman from Kansas?

Mr. HOPE. Yes; in general. As I understood the gentleman from Mississippi, he was inquiring as to what possible considerations were taken into account by the conferees in deleting some language in the Senate bill relating to the disposal of cotton surpluses. In that connection, I am glad to see that my recollection is substantially as the gentleman from North Carolina has related, that we understood and were assured that the Secretary of Agriculture had that authority already and it was unnecessary to give him additional authority.

Mr. COOLEY. The difference involved here is whether or not Congress would direct him to use the power, making it mandatory upon him to do so, or whether we would use the language we used in this report and recognize the fact that he was going forward with the program and that it was operating successfully.

Mr. HOPE. That is my recollection of the discussion that went on at that time.

Mr. BAILEY. If the gentleman will yield, I should like to make an inquiry of the distinguished chairman of the Committee on Agriculture. Under the cotton-export program, should we approve H. R. 5550, to take us into the General Agreement on Tariffs and Trade, and article XI of that agreement is a negation against the setting up of export subsidies or any other kind of subsidies and the fixing of quotas, will it be necessary for us to go to Geneva to get permission to pay subsidies?

Mr. COOLEY. It certainly will not be necessary for me to go to Geneva or to do anything about it, but I do not think that matter is before us at the moment. Unless we subsidize exports or give them away, it is going to be difficult to do anything about the surplus problem we have.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. HARRISON].

Mr. HARRISON of Nebraska. Mr. Chairman, I want to associate myself with those Members who have said that the soil bank is the answer to our burdensome surpluses as of today. However, in legislating for this particular soil-bank program, I want to make sure our language in the program is understood. I hope the chairman will listen because I have a couple of sentences here which I think we need to tie down to make sure the people we are trying to legislate for do not have loopholes through which they can do more than was intended by the law. As you know, in trying to legislate against any particular group, there is always that group that is looking for a loophole so that they can defeat the purpose of the legislation. My first question to the gentleman from Kansas [Mr. HOPE] is this. I refer to page 4, line 7. Does this language, "To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage" mean that a producer must underplant his allotment? If it is not on a planted basis, vast sums of money would be paid out for doing nothing. In the dry areas, a producer could plant his entire acreage and then if for some reason a poor yield developed, not harvest it and claim an acreage reserve payment. This would be a gross abuse of public funds.

Mr. HOPE. Yes, I think that is very clear. That is it means that he must underplant either his allotment or his base acreage in the case of corn or other feed grains. The term "base acreage" applies to corn and other feed grains and the term "allotment" applies to other basic commodities.

Mr. HARRISON of Nebraska. If that is what the language means, I think we have nothing to fear. However, it is possible that he could plant his acreage and something might happen and he was not allotted any particular acreage, he might take his whole farm out of production.

Mr. HOPE. Of course, the acreage reserve applies only to commodities upon which there is an allotted acreage, so that in the case of any other commodities, he would have to come in under the conservation reserve rather than the acreage reserve.

Mr. HARRISON of Nebraska. I think that clears that up. Is it your understanding or intention that he must underplant in order to get his payment?

Mr. HOPE. In order to get the benefit of the acreage-reserve payments.

Mr. HARRISON of Nebraska. That is right.

Section 105 (a) deserves special comment. I particularly refer to the next to the last sentence thereof which appears on page 11, beginning on line 11, and reads as follows:

> The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year.

I feel reasonably sure that every Member of this House will agree that, as set forth in the declaration of policy in section 102, the purpose of the Soil Bank Act is to cut down on the production of excessive supplies of agricultural commodities which are depressing the prices and incomes of farm families. I am sure that no one would want this program to have the net effect of increasing production and further burdening an already overburdened market. There are vast acreages of land in the Great Plains area of the United States stretching from Canada almost to Mexico, which presently are being cropped continuously year after year. The total amount of production from these lands over a 2-year period could be increased if half of the lands were allowed to remain idle and catch moisture so that the following year when this land is devoted to the production of a crop, the effect would be to increase the yield. Certainly, it is not the intention of the Congress to pay out substantial funds for compensating a producer in 1 year to adopt practices which will considerably increase production the very next year.

There are also vast acreages in the humid area of the United States which do not contain the optimum amount of humus to retain moisture most effectively. The plowing down of green manure crops can greatly increase the amount of humus in the soil. Again, I am sure it is not the intention of Congress to so handle payments for a 1-year program that farmers will be paid for increasing production the next year. Accordingly, in order for the sentence to which I have referred to make sense, producers should be encouraged, as reflected in the rates of payment offered by the USDA, to enter into agreements for more than 1 year so that the acreage taken out of production will be withheld a sufficient length of time to make a real substantial contribution to help bring supplies into line with demand. A farmer who is willing to keep acreage out of production 3 years and thereby make a real contribution to bringing supplies into line with demand, should be paid a higher rate of payment than one who holds his acreage out of production only 1 year and actually contributes to building up greater surpluses.

While $750 million has been made available for the acreage reserve part of the soil bank and only $450 million for the conservation reserve part, this should not be taken to mean that we consider the acreage reserve part of the program more important than the conservation reserve part. As a matter of fact, the conservation reserve program calling for the withholding from production for at least 3 years, is by far the more desirable of the two approaches if we want to cut down on surpluses and I am sure we all do.

The relief that farmers want and need is the removal of the surpluses and a sound program that does not encourage again the building up of additional price and income destroying surpluses. If this act is administered with this primary thought in mind, the program has a reasonable chance of success.

I would like to have either the chairman or the gentleman from Kansas [Mr. HOPE] comment on that.

Mr. COOLEY. If the gentleman is propounding a question to me, I would observe that I would not like to see this bill changed in any particular. I know there will be some efforts made to amend it, but the bill in its present form has weathered the storm in the House. It passed the Senate and it passed the House, and I do not think the President in his veto message pointed out any objections to the provisions that the gentleman has mentioned.

Mr. HARRISON of Nebraska. Does the gentleman feel there is any fear that we might run into a condition where we would increase production rather than decrease production by doing what we are doing in this particular area?

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. HARRISON] has expired.

Mr. HOPE. I yield the gentleman one additional minute. I did not understand his question.

Mr. HARRISON of Nebraska. Whether or not there is a possibility, because of the great area in the West between Canada and Mexico that is more or less of a semi-arid area which is planted year after year, if it came under this particular provision where they could take half of it out and still be within the acreage allotment, would it not have a tendency to produce more instead of less?

Mr. HOPE. I do not think that is a significant matter, because practically all of that acreage which is susceptible of being summer fallowed is being summer fallowed at this time. I do not think there will be any notable increase in the summer fallow acreage.

Mr. POAGE. Will the gentleman yield?

Mr. HARRISON of Nebraska. I yield.

Mr. POAGE. I think the summer fallow man might put the land in reserve, but his payments on that are only half as much as the payments to the man who has been growing a crop every year. Consequently, the rental on that land is only about half as much as if it were in.

Mr. HOPE. I am sure that is correct.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. Beamer].

Mr. BEAMER. Mr. Chairman, I want to support this measure.

Mr. Chairman, in considering H. R. 10875, a bill which is known as the Agriculture Act of 1956, it is well that a brief review of farm legislation be given.

In 1953, when the Republican administration was inaugurated, it inherited certain existing farm legislation which by statute would not expire until the end of 1955. Extensive hearings were held by the House Agriculture Committee throughout the United States during 1953 and, especially, after the adjournment of the Congress. As a result of these hearings and studies, in 1954 a bill embodying the principles of the flexible price support plan was presented to the Congress and approved by the House and the Senate. This bill could not become effective until the previous legislation expired at the end of 1955, or with the marketing of the 1955 crops which would be at the end of that calendar year.

In the meantime, surpluses of farm commodities continued to increase with a daily storage cost alone of more than $1 million per day. These surpluses continued to depress prices of farm products as they had been doing since 1951.

In 1955 the Democrats regained control of the Congress with a majority in both the House and the Senate. This new 84th Congress in 1955 in the House of Representatives passed H. R. 12 that would restore high rigid price supports that had been the cause of the depressing situation—and even before the flexible program of the 83d Congress had an opportunity to become effective.

The Senate did not act on H. R. 12 in 1955.

Early in 1956, President Eisenhower sent his agricultural message to the Congress. This message outlined a 9-point program including the highly desirable soil-bank conservation measure. This one provision could have put $1.2 billion into the farmers' income and, at the same time, would have reduced or eliminated the huge surpluses which had depressed the prices of farm commodities.

To become effective in 1956, early action was urged but the Senate Agriculture Committee delayed consideration and then prolonged action on these proposals.

Finally, when it reached the Senate floor some 30 days of debate—filibuster some people called it—ensued. H. R. 12 finally emerged from the Senate as an omnibus bill which included the desirable soil bank and other worthy features. However, it also included many objectionable and depressing amendments which had been added to H. R. 12. In fact, many have said that it was a hodgepodge of contradictions—something like sowing thistles with wheat.

Then, the Easter recess delayed action in the House. However, the Senate and House conferees remained in Washington during the Easter recess to prepare a report. Four days after the return from the Easter recess, a vote was taken on the conference report. The first vote was on a recommittal motion to send the bill back to the conference committee with instructions to remove the objectionable features.

This recommittal motion failed. Those of us who voted for recommittal did so in the hope of securing an honest and nonpolitical approach to farm legislation. The bill then passed.

The question then was whether the worthwhile features outweighed the objectionable ones. President Eisenhower decided in the negative and vetoed the bill. Republicans and Democrats joined in sustaining his veto by an overwhelming majority.

The response from farmers and others connected with the farming situation supported the President's point of view. The status of this same legislation at that time meant that the farm legislation of 1954 could become effective. Its principles had been applied to the dairy industry where marked improvements quickly were made. Under this law, the President announced three immediate actions: First, price supports for wheat, corn, cotton, rice, and peanuts at not less than 82½ percent—this should insure wheat at $2 per bushel and corn at $1.50 per bushel; second, support price of manufacturing milk at $3.25 per 100 pounds, and of butterfat at 58.6 cents per pound; third, more than $400 million of Agricultural Department funds will be used to strengthen prices of perishable commodities.

However, as a conservationist, and as one who is keenly interested in the preservation of our national resources, I joined others who were hopeful that the present Congress would approve some soil-bank legislation. It is for this reason that I support H. R. 10875.

First of all, three provisions to which the President objected in H. R. 12 have been removed from the present bill. The first provision is 90 percent of parity price supports; second, alternate parity computations; and third, the domestic parity—two-price support—programs for wheat and rice.

The soil bank, in all fairness, should include some advance payments to the farmers because the Congress delayed action for such a long time that the provisions of the soil bank could not be applied to farming operations this spring. If the Congress is really interested in placing money into the pockets of the farmers in order to strengthen their economy then this would seem a most economical and fair method to employ.

The soil-bank program provides that none of the farmers' income should be reduced because certain acreage is removed from production.

There are numerous worthy features and among these I would like to suggest that the proposal to facilitate surplus disposal abroad and in this country is one of the most worthy aims. It is necessary that supply should be brought in line with demand. Once this is accomplished the farmer will not be plagued with the overproduction problem which has been encouraged during the past several years. It further is hoped that studies for the further utilization of farm products can be given the needed impetus.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Chairman, I take this time to propound 2 or 3 questions concerning this bill to the gentleman from Kansas [Mr. Hope].

Do I understand that under this bill corn and other feed grains are treated on a similar basis, so far as supports are concerned?

Mr. HOPE. Yes. Under this bill all feed grain, including corn, is treated as an entity. In other words, we recognize they are interchangeable as far as their use is concerned. So the contract that is being worked out in this bill for corn and other feed grains is similar.

Mr. REES of Kansas. What is the support price, percentagewise, on wheat at the present time, and is the support price affected under this bill?

Mr. HOPE. It is not covered by this bill, as a matter of fact. The gentleman will recall that the Secretary of Agriculture announced that the support price on wheat for 1956 would be 84 percent of parity.

Mr. REES of Kansas. So the support price of 84 percent of parity will prevail whether this legislation is approved or not?

Mr. HOPE. Yes. It will not be affected in any way by this legislation.

Mr. REES of Kansas. What is the situation with respect to corn?

Mr. HOPE. With respect to corn, the Secretary has announced a support price of 86 percent of parity.

Mr. REES of Kansas. And what is it with respect to dairy products?

Mr. HOPE. The Secretary announced an increase in price of 10 cents per hundredweight for commercial dairy products. If I am wrong about that I hope someone will correct me, but the Secretary did announce an increase in the case of commercial dairy products of 10 cents per hundredweight, and a small increase in the price of butterfat.

Mr. REES of Kansas. And that price would prevail irrespective of this legislation.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. POAGE. The support price on butter is 58.6 as announced by the President; and the support on manufactured milk is $3.25 a hundred.

Mr. HOPE. That represents an increase in both cases.

Mr. POAGE. Yes; from $3.15 to $3.25; and from 56.2 to 58.6.

Mr. REES of Kansas. And do I understand that cotton is presently supported at 86 or 87 percent of parity.

Mr. POAGE. He cut cotton down to 82.5.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. COOLEY. I would just like to call attention to the fact that I think cotton is the only commodity that the President did not increase. He increased all the other support levels except with regard to cotton.

Mr. REES of Kansas. I was given to understand that the Secretary was expecting to support the level for cotton at about 86 or 87.5 percent.

Mr. COOLEY. That is exactly what we understood; that he gave assurances that he would do that if he could retain the flexible price support feature. After the President vetoed H. R. 12 instead of supporting cotton at 80 or 87.5 he lowered the boom on cotton down to 82.5.

Mr. REES of Kansas. And it is presently at 82.5?

Mr. COOLEY. Yes.

Mr. HOPE. If the gentleman from Kansas will yield, as the gentleman from Kansas now speaking understands it, the proposal of the Secretary was that, if the Senate would put certain provisions into the then pending bill, that the price support would be something like 86 or 87 percent of parity. One of those requirements was that the staple length upon which the price support was based be changed from seven-eighths of an inch to the average staple. That in itself makes a difference of 2 or 3 cents a pound, perhaps more than that.

The bill which was passed did not include that provision. That provision had not been put into effect. Price supports this year will be on the basis of seven-eighths length staple.

Therefore I think it is not fair to say that the Secretary made a proposal and then later backed away from it, because the proposal is not entirely incorporated in the legislation.

Mr. REES of Kansas. I was given to understand it was intended to be supported at 86 or 87.5 percent, provided certain requirements of the Department were complied with.

It would appear then that for the year of 1956 corn and other feed grains are supported at 36 percent of parity; wheat at 84 percent of parity; and cotton that meets requirements of the Department could be supported at 86 or 87½ percent of parity, otherwise 82½ percent.

It seems to me that, if announcements recently made concerning increases in support prices, were made several weeks ago, the controversy over farm prices would have been considerably lessened.

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. Poage].

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. POAGE. Mr. Chairman, it has been very gratifying to see the serious effort that has been made this afternoon to try to secure farm legislation on which we can get some kind of substantial agreement—an effort to bring out a bill which we can pass promptly and again bring something before the Nation that we hope may be of some help to the farmers.

This bill that I trust we will pass tomorrow morning does not do for agriculture what I had hoped this Congress would do. This bill is a far cry from the help that we on both sides of the aisle have talked about giving to our farmers, but I guess our farmers are pretty well accustomed to hearing officials of the Government talk about trying to help the farmer and then coming up with rather little.

I recall that they were told 4 years ago a great deal about what was going to happen if they voted for a certain great general. They voted for the general. He got in and they did not get 90 percent like they were led to believe. I am not going to quote anybody's statement, I am not going to show pictures or anything of that kind, I am not going to mention any town in either Minnesota or South Dakota, but I do not think there is a farmer in the United States who will not agree he was led to believe, and that it was intended that he should believe, he was going to get 90 percent if perchance he was able to elect the general President of the United States. He carried out his part of that contract, but he has not received 90 percent from that day to this and he is not going to get it under the terms of this bill.

I recognize that it seems futile for us to insist that the farmers of the United States should be treated at least nine-tenths as well as the rest of the people. I suppose that eight-tenths is about as good as the cotton farmer can expect. If he lived in a State where there was a reasonable chance that the general might carry the State again he might get 86 percent or something of that kind.

The price supports announced after the veto established an average of about 85 or 86, between 85 and 86 percent, for those who live in areas where there is some political doubt and where the higher price support might have some political implications. For those of us who live in areas where we have firmer political convictions, we are to be happy with 82½ percent. That is all we get out of the President's prostitution of Mr. Benson's conscience.

I had hoped that the Congress might see fit to accept the argument of the President as to why he said he needed some flexibility. He made an argument that had some appeal to me and I am sure some appeal to you when he said: "If you will let cotton, wheat and other commodities sell at a lower price in the world market more of them will move into the market and less into warehouses and we want to prevent an accumulation of surpluses." So I introduced a bill, in January of this year, that related only to cotton. I said, let the support price drop to 75 percent. That will make cotton move in the world market just as the President asked but it will give the farmer a return that will bring him his income from his cotton up to 90 percent. Just pay him the difference between the 75 percent and the 90 percent. You have all of the advantages then, of so-called flexibility, you have the advantage of letting your commodities move freely, you have the advantage of keeping your commodities out of the warehouses, but you would still maintain a living income for our farmers. But we were told that did not meet with the plans of the President.

So we now have a bill before us that says to all of the farmers of the United States, and particularly to the farmers of the deep South, you are not entitled to have nine-tenths of a fair return for your products, but something less. We were told, now, that will keep some of your commodities out of the warehouses and get them into the world market. So, again, I proposed a bill providing that we accept every support figure that the President of the United States announced—82½ percent on cotton, 84 percent on wheat, 86.2 for corn—accept them all, but let us just pay the farmers the difference between those figures and 90 percent of parity.

Mr. Chairman, immediately I heard a loud cry, and I saw in all of the newspapers the statement that this was the Brannan plan. Let us see if it is the Brannan plan. I think Mr. Brannan did talk about some features of such a plan. But Mr. Benson put it into law; Mr. Benson and the Republican Congress enacted it into law, and they are today paying 106 percent of parity to the producers of wool; they pay 98 percent of parity on sugar. Somehow or other, that is a sort of laudable undertaking, but if we attempt to do it for other people, that procedure is all wrong. I cannot understand that. As I grow older, I learn more and more about some of these things, and I think I now understand flexibility, but I still do not understand the morality of making direct payments to some producers if such payments are immoral when made to other producers.

Within the last 2 or 3 weeks I have come to understand that flexibility in price supports means that you can have extremely high supports in an election year and for the other 3 years you can flex them down. That is flexibility. It also means that there is geographic flexibility. It seems that the higher supports are to be used in those areas where they might secure some votes; you can flex them high in those regions of doubtful voting, and you can flex them low where you do not think you are going to get any votes. That, of course, saves the Government money, and that is a very smart idea, I am sure, but it is rather rough on cotton farmers. Yes, you could pay those whose support you hoped to win in advance. That might be part of flexibility, too, to allow you in election years to borrow from the years beyond and charge it to the nonelection years. I understand that that kind of flexibility may be suggested. Even the President of the United States was not smart enough to think that one up. It had to come, as I understand, from some of our colleagues here on the floor of the House and possibly will be presented to us in detail tomorrow.

Mr. Chairman, I want to bring these remarks to a head by pointing out that the legislation that I proposed day before yesterday, and which I proposed before the Committee on Agriculture as late as yesterday, did make provision to pay the farmer enough direct payment to bring his income up to 90 percent. It did not interfere with what the President said was his principle of not supporting commodities at 90 percent, because I want him to enjoy his principles. I do not want to ask any man to give up his principles. But he said it was a matter of principle that we should not put these commodities in the warehouse at a high price. So we suggest they move into the market at exactly the figure at which he said they should be supported. Then we suggested, as a matter of principle, our principle that the farmer be paid enough to give him at least nine-tenths of a livelihood, but somebody found out that the President's principles objected to giving the farmer as much as nine-tenths of a fair income. So if we cannot get nine-tenths of a fair income for the farmer, it is my feeling that we must go along and get all that we can. This bill will give the farmer something. It will save some scraps. It will let the farmer at least come in to the banquet table and, like the dogs of old, to creep down under the table and pick up the scraps that are dropped. Well, I would rather the farmer have the scraps from the rich man's table than nothing at all, and that is about what this bill gives him. Rather than deny him even those scraps, I am going along tomorrow with what I hope is an overwhelming majority of the House to try to pick up those few minor things that are of importance to farmers over the country. There are a whole lot of things in this bill that are good. It is undoubtedly the best bill we can pass and hope that the President will approve. But the great big thing that is of major importance to the farmers and to city people, that is, the maintenance of farm income, simply is not in here. It is not here, and I am sure that, in spite of all that was said in 1952, it is not going to be put in here. I regret that that is the disposition of such a large group of the membership of the House and of their leadership downtown. I had hoped that the membership would be willing to use our own judgment and make our own decisions, which would have been far more favorable to farmers; but since it is apparent that we must accept the judgment of the Executive, I can only urge that we pass this bill and thereby secure what we can get at this time, and hope that in a bright new year we may be able to again make a first-class citizen of our farmer.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Agricultural Act of 1956."

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Priest, Chairman of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956, had come to no resolution thereon.

AMERICAN FRIENDSHIP BEYOND PRICE

Mr. LeCOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include a short editorial and a short news story.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LeCOMPTE. Mr. Speaker, a few days ago I made a speech on the floor of the House regarding an address by Ambassador Carlos Romulo on the occasion of the Bataan Day dinner commemoration at the Mayflower Hotel. The Washington Post of April 14 carried an editorial under the heading "Philippine Bond" which is particularly timely and I commend its reading to the Members of the House. The editorial dealt with some of the criticisms on both sides in our relations with the Filipinos and, in urging the importance of removing causes of mutual irritation, emphasized the continuing mutuality of the friendship of our peoples.

We have spent approximately $2 billion in aid for the Philippines. This is but a token of the fact that we look upon our Filipino allies as stanch partners in the free world's struggle to remain free. Actually, every dollar that we spend in the Far East to help the peoples of that area remain free is money spent indirectly for the benefit of the Philippines as well as ourselves. As a member of the Committee on Foreign Affairs which has considered much of the legislation affecting projects for the Philippines, I was particularly happy that the nuclear research center will be located in Manila. Because of our strong friendship for the Filipinos and the particularly close and friendly relationship between our peoples, the choice of Manila was, I am convinced, an auspicious and extremely wise one. Location of the nuclear research center in Manila is another evidence of the confidence and admiration we have for the Filipino people.

Americans will never forget the heroism of the Filipinos who fought and died during the war. Both our countries are fortunate at this time in having Gen. Carlos Romulo as Ambassador of his great people in Washington. I recall that Americans' regard for this distinguished public servant has been shown in the award of the Silver Star, the Purple Heart, and the Legion of Merit, Order of Commander. I am making this statement today because I wish to tell the Filipino people that we have an abiding admiration for what they did in Bataan, which is something that is enshrined in every American heart. Their sending of troops to Korea is another proof of their loyalty to democratic ideals. They are indeed fortunate in having as president a leader of the stature of President Magsaysay whose outstanding efforts against communism have won the respect of the freedom-loving world. The criticisms and irritations referred to in the Washington Post editorial relate to questions which can and will be settled by good will and understanding between the representatives of our governments. As the Post editorial says:

> It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances.

Filipino loyalty has been tested in the crucible of war and peace. Our own actions have furnished proof to the Filipinos of our lasting friendship and interest in their well-being.

With the permission of the House I will insert first, the editorial of the Washington Post; and, second, an article written by an ace reporter of the International News Service, Mr. Herb Gordon, one of the most distinguished correspondents in this capital city where he relates in a dispatch with his byline and sent to more than 800 INS subscribing newspapers all over the world how the Bataan Day dinner commemoration was made the focal center for an important message from our Filipino friends.

[From the Washington Post of April 14, 1956]

Philippine Bond

Ambassador Carlos Romulo did a service to Philippine-American relations in his Bataan Day speech by noting that recent Filipino criticism of the United States has not stemmed wholly from politics. It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances. What is important is to remove the cause of irritation wherever possible.

There is some substance to the Filipino complaint, for example, that a portion of the items sent as American military aid is obsolete. Perhaps without adequately explaining our policy we have allowed the impression to arise that we are pawning off old stuff for which we no longer manufacture spare parts. The unsettled legal status of American bases in the Philippines in a source of friction that, despite the problems involved in bargaining, ought to be clarified. Probably some of the attacks on American aid represent efforts by critics to frustrate President Magsaysay's land-reform program which we have supported vigorously; we can be proud of our role on this point. But there is obviously ground for Filipino alarm at the ill-advised threat of an American Congressman to restrict Philippine sugar quotas because of import restrictions on Virginia tobacco.

Allies, even in the family relationship that has existed between the United States and the Philippines, can never afford to take each other for granted. Some exploitation of American aid in political harangues probably is inevitable; in the main American assistance to the Philippines has been generous and enlightened as in the plan for an atomic-reactor center. But it is well to take to heart the gentle warning by General Romulo: "I suppose it is a natural human impulse to pay closest attention to those who waver rather than to those you trust; to give greater help to the uncertain—the neutralists, if you will—than to the committed. * * * It is not a device of Philippine politics to remind America of the continuing mutuality of our friendship." Undoubtedly the remedy is as much psychological as material.

Romulo Calls Attention of United States to Manila Uproar

(By Herb Gordon)

Washington, April 14.—A gem of a public relations job was done here in Washington by the Philippines the other day and it is the talk of the town. Diplomatic, official, and newspaper circles are still talking about it.

The Philippine Ambassador was confronted by a difficult problem. There was an uproar in Manila against American inertia and indifference regarding extension of United States aid to the Philippines. There were other sources of friction and misunderstanding that needed to be aired.

Politicians made torrid speeches in Manila but, excepting for a 3-inch story and an editorial in one New York paper, the American press ignored it completely. Not one line appeared in any of the Washington papers.

Gen. Carlos P. Romulo, who in his speeches since his return last September had been warning the American public of a growing deterioration in Filipino-American relationship, wanted the American people to know the current uproar in Manila.

He chose Bataan Day as the appropriate time.

Together with the Philippine Association, he organized a gala dinner and selected the grand ballroom of the Mayflower Hotel. Two thousand invitations were issued to all the important people in Washington.

It was one of the best organized dinners ever staged in this Capital City.

More than 200 Congressmen came, 54 Senators, 7 Justices of the Supreme Court, Cabinet members, all the top echelon of the State Department, and the other executive departments, the White House advisers, and special assistants, publishers and newspapermen.

It was just the crowd that could serve as the focal center from which would radiate an important message for all America.

Romulo took advantage of the opportunity and delivered his message. All the wire services carried his speech.

IMMIGRATION AND NATIONALITY ACT OF 1952

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, I am pleased to have been one who has signed discharge petition No. 1, 84th Congress, for action on H. R. 501, to amend and revise the Immigration and Nationality Act of 1952.

The Third District of Connecticut, which I represent, has a large proportion of naturalized American citizens who, in the majority of cases, find it virtually impossible to hope for reunion with members of their families and loved ones from foreign countries. This is because of the stringent and discriminatory provisions of the McCarran Act which, in my estimation, was designed to make it more difficult for aliens of certain countries to gain the privileges of American residence and citizenship. Those countries, such as Italy, Greece, Poland, and others in southern and eastern Europe have suffered the ravages of World War II and these nationals are most in need of a new life of economic opportunity and security, yet the quota numbers available for those from this part of Europe are pitifully low, while other nations, such as England and Sweden accumulate unused numbers year after year. There can be no justifiable argument by the proponents of the McCarran Act that America remains strong only by the admission of aliens who enjoy living standards similar to ours and that such "desirables" are easily assimilated into American society. If this were the case, the dramatic transition of our country since its origin into the "melting pot of the world" would be not a reality, but a myth.

In a world of modernized media of communication, and transportation, peoples of different lands and languages have quite naturally been drawn together. Interdependence among nations has become an essential to amiable and progressive international relations and the fostering of a lasting peace. Exchange of diverse cultures, ideas, and innovation has stimulated a climate of friendship among nations of the free world, where a common ground has been cleared for problems and concepts indigenous to all participants. In short, isolationism has taken its last breath in an ever-shrinking world.

Yet we have an immigration policy which is in part isolationist and wholly iniquitous, and one which lags behind the demands and ignores the phenomena of a world in motion.

History has proven that naturalized Americans, and those who were the sons and daughters of immigrant stock of all countries have made gigantic contributions to the United States in their communities, businesses, and government. In retrospect, we are all descendants of immigrants.

H. R. 501 is a genuine and sincere attempt to base our immigration laws on the premise that each person deserving American citizenship, regardless of race, color, or creed is to be judged according to his ability, fitness, and capabilities of becoming a good citizen of this country. Its overall purpose is to provide a fair law and one which can be administered with a minimum of entanglements and inconsistencies for which the McCarran Act is infamous.

Since my election to Congress in 1952, I have introduced legislation, H. R. 3415, to revise the McCarran Act, as have many of my colleagues but such requests, it appears, have fallen on deaf ears, as the Judiciary Committee has seen fit not to act. Similar inaction is apparent in another bill I submitted, H. R. 9171 to revise the Refugee Relief Act of 1953, and extend its provisions through 1959.

President Eisenhower in a special immigration message on February 8, strongly stressed the need for new guidelines and standards for determination of immigration quota numbers. His first recommendation was for a change from 1920 to 1950 as the census year upon which quota allotments are made. The great influx of aliens from countries such as Italy, Greece, Poland, Czechoslovakia, and the like occurred after 1920 and as a result of the 1920 census provision, nationals, escapees, and expellees of these countries face long years of waiting before obtaining preference and nonpreference quota visas. The President also asked that all numbers made available. as a result of this change, over and above 154,657, be distributed among countries in proportion to their immigration to the United States since the establishment of the quota system in 1924.

He recommends pooling of unused quota numbers to be given to aliens throughout the world who have special skills or qualify for preference status. The President in his message had many more far-reaching recommendations to make, which would both strengthen our immigration law and at the same time humanize it so that all intending immigrants will be treated fairly and equally.

Countries such as Latvia, Poland, Greece, and Lithuania and other so-called indigestible blocks have their quotas mortgaged for hundreds of years to come, in some cases, because of admissions to America under the Displaced Persons Act of 1948.

The issuance of a visa is under the control of one person in each consulate who, from experiences I have had in such matters, often displays signs of disinterest and lack of imagination and flexibility in administration of the law. There is little or no recourse for the alien than to abide by a decision which may arise from personal dislike or prejudice.

The stigma of second-class citizenship is a notorious disservice of the act. Naturalized citizens can have their rights to citizenship jeopardized in many instances, such as temporary absence from the United States, where native-born Americans lose their citizenship only by renouncement or swearing allegiance to a foreign nation.

The Immigration and Naturalization Act of 1952 is filled with thoughtless and harsh regulations with no apparent concern for the fact we are dealing with people rather than quotas and other intangibles. It is a blight on the American concept of fair play, democracy, and humane understanding.

It is difficult to reconcile our endeavors as a leader of equality and justice in the free world and an immigration law which fosters none of these principles. Our prestige abroad could be greatly enhanced if this law were liberalized for all to see that America welcomes on an equitable basis, aliens who have shown a keen desire to seek opportunity and security in our country.

I fervently hope many more of my colleagues will give their sympathetic consideration to this pressing human need by signing this petition to bring H. R. 501 before the House for a vote.

HARDWOOD PLYWOOD INDUSTRY

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include a statement of the Hardwood Plywood Institute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H. R. 10945, a bill to amend the Tariff Act of 1930, by placing thick veneers, suitable only as plywood corestock, on the free list.

This legislation is supported by the hardwood plywood industry, comprising some 122 companies employing about 18,000 workers in small communities in 23 of our States.

I have asked the Hardwood Plywood Institute to prepare a statement outlining the need and importance of this legislation to the industry. Under unanimous consent, I include it at this point in the RECORD, as part of my remarks:

STATEMENT OF THE HARDWOOD PLYWOOD INSTITUTE ON H. R. 10945

Veneers of wood are thin sheets of natural wood which are used as plies to build up a plywood panel. Veneers of wood range in thickness from one-eightieth of an inch to one-fourth of an inch.

Veneers of wood are classified for duty purposes under paragraph 405 of the Tariff Act of 1930, the present duty is 10 percent ad valorem. The duty was reduced from 20 percent to 10 percent under a trade agreement made at Geneva in 1948.

H. R. 10945 will divide veneers of wood into two categories for duty purposes, (1) less than $\frac{1}{8}$-inch thick and (2) one-eighth inch and thicker. The division on the basis of $\frac{1}{8}$-inch thickness is derived from the use of the veneer in the building of a plywood panel. Veneers less than $\frac{1}{8}$-inch thick, called thin veneers, are used as faces whereas veneers one-eighth inch and thicker are used as inner plies (corestock and crossbanding). H. R. 10945 provides that veneers less than $\frac{1}{8}$-inch thick shall remain under paragraph 405 with the duty 10 percent. Veneers one-eighth inch and thicker are transferred to paragraph 1803, the free list.

In the building of a plywood panel, three or more plies of wood veneer are used. These plies are designated the faces and inner plies. The number of inner plies are increased to build up the thicker panels. The faces are the plies that are exposed and are made of the more expensive veneers to assure a decorative, smooth and close-grained surface. The logs from which face veneers are cut are the most expensive of all logs and, therefore, the veneers are customarily cut one-twenty-eighth inch, one-twenty-fourth inch, or one-twentieth inch thick in order to secure the maximum yield and to produce a face ply which can be priced for use in plywood. The exact opposite situation exists for the inner plies, although a good, smooth, close-grained wood is required, it need not be of the more valuable or decorative species and must be thicker in order to build a panel to the required thickness. For example, the $\frac{1}{4}$-inch plywood panels which represent the principal thickness, is made with a $\frac{1}{8}$-inch core and 2 faces of one-twenty-fourth inch.

The division at one-eighth inch as provided in H. R. 10945 divides veneers on the basis of uses, thin veneers, the faces, and thicker veneers, the inner plies.

H. R. 10945 does not change the duty on face veneers. The reason no change is suggested in the duty on face veneers is that there is a substantial domestic industry engaged in the production of face veneers from our native species of logs. These companies also produce face veneers from the valuable and exotic logs grown in other countries. A reduction in the duty on face veneers would not be beneficial to the face veneer industry.

The domestic situation for thicker veneer for inner plies is entirely different. The cost of American logs has increased tremendously since World War II. This increase in cost has made it imperative that veneer manufacturers cut logs to secure the largest surface square foot yield of veneer. A much greater yield is obtained by cutting thin veneers (one twenty-eighth of an inch, one-twentieth of an inch, and one twenty-fourth of an inch) and others less than one-eighth of an inch in thickness. For example (disregarding a waste factor), 1,000 board feet of log yields 8,000 square feet surface measure of $\frac{1}{8}$-inch veneer, or 24,000 square feet of $\frac{1}{24}$-inch veneer, or 3 times as much in surface coverage. The greater volume of coverage provided by cutting thin veneer provides a higher dollar return per 1,000 board feet of log. With the cost of logs, labor and freight increasing steadily, the veneer manufacturer has been driven to production of thin veneers, as a consequence the production of the thicker veneers (one-eighth of an inch and thicker) has decreased steadily. Today the production of thick veneers is wholly inadequate to meet the minimum needs of the plywood industry. The American producers are not interested in producing the quantities of thicker veneers required for plies by the American hardwood plywood industry.

The costs of the domestic hardwood plywood manufacturer have steadily increased: raw material (logs, veneer, adhesives) costs have increased since the war as much as 100 percent, labor costs, including fringe benefits, have increased 30 to 40 percent, and freight costs 100 percent. During the same period, the sale price of hardwood plywood has increased approximately 30 percent. On March 1, 1956, the increase in the minimum wage became effective and in the South the labor costs increased as much as $4.50 for 1,000 square feet of plywood.

In 1951, under a trade agreement, the duty on the bulk of plywood was cut the 50-percent maximum permitted by the Trade Agreements Act, the balance having been reduced prior to that year. As a result of this reduction, the plywood imports have increased from 67 million square feet in 1951 to 618.5 million square feet in 1955. Japan accounts for approximately 69.3 percent (428.8 million square feet) of the plywood imported into the United States. In 1955 the imported plywoods absorbed 42 percent of the American market. The imported plywoods competitive advantage is due solely to the ability to undersell the American producer by reason of low costs due to a low wage scale. Japanese plywood is made by labor receiving 11 cents an hour for a 10-hour day; this is approximately one-tenth the minimum average wage in an American plywood plant. As the result of the low wage scale, the Japanese plywood is sold in the United States at prices less than the costs of production of the American producer.

The Japanese Ministry of International Trade and Industry on February 26, 1956, issued a minimum pricelist for plywood exported to the United States. On this list the price of $\frac{1}{8}$-inch Lauan plywood is $44 per 1,000 square feet, f. o. b. Japan; a comparable grade of $\frac{1}{8}$-inch gum plywood made in the United States, f. o. b. factory, is $110 per 1,000 square feet.

The hardwood-plywood industry has pursued the escape-clause remedy provided by the Trade Agreements Act. The Tariff Commission denied its application for relief on the ground that the damage suffered by the industry could not be attributed wholly to the increase in imports, as there was a general recession in 1953–54.

The American industry is efficiently operated, our plants are equipped with modern machinery, and costs are watched closely. It is a progressive industry, modern in all respects, and engaged in spending substantial sums to promote the sale of its products. The use of hardwood plywood has materially increased, but a large portion of this market has been taken over by the cheaply priced imports.

It has long been recognized in the domestic industry that a new and cheaper source of thicker veneers was needed if the hardwood plywood industry is to survive the competition of imported plywoods. In the past 2 years plants in Africa and South and Central America have begun the production of thicker veneers which are suitable for inner plies in plywood panels. Various species of veneers have been tried, and a few have proved satisfactory. The production of veneers in foreign countries has been encouraged by our governmental agencies operating the foreign-relief and technical-aid programs. Thicker veneers can be produced in the countries where the trees grow for less. Labor in the foreign countries is less. The freight on veneer is 50 percent less than on logs, as in the freight weight of logs there is 40 percent water and 15 percent waste material. Therefore, there can be a substantial savings in cost to the American producer through the procurement of thicker veneers from foreign countries. A 10-percent reduction in cost to the American producer will provide a necessary savings and will establish a large market in the United States for such veneers. In addition, it will encourage the investment abroad in additional plants and thus increase in production of this material in foreign countries. A much-needed reduction in cost for the American plywood producer, plus a material benefit to friendly foreign countries, will accrue from H. R. 10945.

Wood veneers $\frac{1}{8}$ inch and thicker produced in Africa, Central and South America can be purchased at prices ranging $30 to $35 a thousand square feet surface measure, F. O. B. United States port. The placing of the thicker veneers on the free list would effect a 10 percent, or $3, or more saving. This would mean a minimum reduction in costs of $3 a thousand square feet for hardwood plywood. This is not an inconsequential amount, such a saving in many instances is the difference between a profit and a loss for the American producers. The effecting of such savings may well be a determining factor in whether the hardwood plywood industry is to survive or be driven from our markets by foreign competition.

The question of whether H. R. 10945 will affect other domestic industries has been given careful consideration. The staff of Commerce and the Tariff Commission have been consulted. The division line between thin and thick veneers on the basis of $\frac{1}{8}$ inch was reached after consideration of the following factors:

Veneers less than $\frac{1}{8}$ inch thick include all face veeners which are not made in thicknesses of $\frac{1}{8}$ inch and over. There are a number of reasons for this, the principal ones are: Expensive logs must be cut to secure the highest surface measure yield in order to recover costs; this can only be done by cutting thin veneers. Secondly, thicker veneers of exotic or high-priced logs would have to be priced beyond the range of economic use in plywood; and, thirdly, panel construction requires thin faces. Face veneers are customarily cut $\frac{1}{28}$ inch, $\frac{1}{24}$ inch, and $\frac{1}{20}$ inch with some custom cutting in thickness up to $\frac{1}{8}$ inch. The American producers of face (thin veneers) will not be affected by H. R. 10945.

The domestic producers of veneers for inner plies will not be affected by H. R. 10945 for the reason that production for the past several years has not and will not in the future approximate the demand. The domestic producer is required to produce thin veners in order to secure a yield in surface square feet which will bring a return equal to cost of logs and labor. By cutting thin veneers less than $\frac{1}{8}$ inch thick the veneer producer has approximately three or more times as much material to sell. Secondly, the plywood producers cannot secure a price for plywood which would permit the payment of a price for thick veneers over $\frac{1}{8}$ inch equal to the return the veneer producer can secure and must secure for the thin veneers. The shift to cutting to thin veneers is the result of the increases in log and labor costs. The scarcity of domestically produced thick veneers will increase each year. This trend cannot be altered as the demand for logs steadily increase and there is no possibility

of lower domestic log prices or lower labor costs.

Producers of veneer for inner plies have been consulted. It has been stated by them that they cannot meet the demand for thicker veneers and are not interested in producing them as it is uneconomic. This condition has in some instances forced hardwood plywood producers to buy thin veneers and glue two thin veneers together to secure the thicker ply required; this practice increases costs of the plywood producer unnecessarily and affects his competitive position in the market.

H. R. 10945 will not affect the domestic manufacturers of the inner plies veneers, as their present and preferred production is in thicknesses less than one-eighth in thickness.

There is another type of veneer produced in the United States which is made for use in boxes and fruit baskets; this is called shook. Shook is produced from low-grade logs, it is rough surfaced, and knotholes and other defects are permitted. Shook cannot be used to manufacture plywood as it is not precision cut nor of a grade sufficiently high to comply with the minimum requirements of the commercial standards. Shook is made in thicknesses less than one-eighth inch. In a few specialty items it could be thicker, but that is not customary. The high price of logs, plus the advent of the paperboard carton, has materially curtailed the use of shook. Shook sells for a price approximately one-third of the price of veneer used in plywood. Imports of thicker veneers will not affect the shook producers as the thicknesses are greater than that used in boxes, etc., and also the price of the imports would prohibit the economic use in boxes, etc.

The hardwood plywood industry is composed of approximately 122 companies producing hardwood plywood for the domestic market. In 1951 there were 142 companies. Of these, 55 companies are in the States of Virginia, North Carolina, South Carolina, Florida, Georgia, and Alabama; 23 in the States of Tennessee, Arkansas, Kentucky, Mississippi, and Texas; 22 in the Lake States; 15 in the State of Maine, New Hampshire, Vermont, and New York, and 11 in the States of Washington and Oregon. The industry employs about 18,000 workers, with the average for a typical plant being 150 workers. The companies with the exception of five companies are privately owned small businesses. The plants are located in small communities where the plywood plant payroll is a sustaining factor in the economy of the community.

The hardwood plywood industry having been seriously damaged by imports, has been meticulous in considering the effect of this bill on other American industries. The hardwood plywood manufacturers after careful study, represent that the placing of thick veneers on the free list will be a substantial help to its industry and also to the manufacturers of thin veneers for plywood. If the plywood producers cannot effect reductions in cost, their product will be forced from the market and their plants closed. The veneer producers would then lose a substantial proportion of the market for thin veneers and many of the plants would be forced to close down. Substantial damage to the face veneer producers has already been suffered by the competition of low priced imported plywoods.

The seriousness of this situation cannot be overemphasized, the hardwood plywood industry needs assistance. The method of granting this assistance, in part, will not damage other American industries. The customs revenues will not be affected, as thick veneers have not been imported in any substantial quantities.

It is respectfully requested that favorable consideration be given H. R. 10945 at an early date.

ASCAP AT THE PRESS CLUB

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, yesterday I had the privilege of attending the musical matinee presented at the National Press Club by the American Society of Composers, Authors, and Publishers—ASCAP. A group of talented creators, members of that fine organization, performed the songs they themselves have written before a capacity audience. The show, entitled "A Calendar of Song Hits 1896–1956," ranged all the way from Sweet Rosie O'Grady, sung by its composer, a charming lady now in her 80th year, to Mr. Wonderful, from the currently successful Broadway musical of that name, performed by a brilliant young composer still in his thirties.

The songs that America sings reflect our hopes, dreams, and beliefs. Listening to this great array of popular songs, extending over 60 years' span, I could not help but feel a renewed pride in being an American. Although these songs of past and present varied widely in theme, mood, and era, they were alike in one respect: Their wholesomeness and that buoyant optimism which is an important facet of our national character. Surely the composers of ASCAP can be rightfully proud of their fine and constantly growing repertory of musical Americana. They can also take justified pride in the encouragement ASCAP offers to talented creators by providing them with economic incentives, in the protection ASCAP affords to their musical property rights, and in the many public services for which this great association is noted.

It is my understanding that the show was recorded in its entirety by the Voice of America, in order that it may be broadcast under the auspices of the United States Information Agency to listeners in other lands, as an example of the richness and diversity of our native musical talent. This is a very good move because we have not heretofore adequately utilized in our overseas program the wonderful influence of our popular music.

For the benefit of those who unfortunately could not attend yesterday's ASCAP show, I should like to describe the program briefly. Maude Nugent Jerome, the 80-year old lady of whom I spoke, performed Sweet Rosie O'Grady with the charm with which she first introduced it at Tony Pastor's in 1896. Ernie Burnett, assisted by the talented songstress Fran Russell, performed a few of his many hits, including Melancholy Baby and Please Take a Letter, Miss Brown. Harry Woods, whom the Commonwealth of Massachusetts proudly claims as a native son, played and sang a few numbers from his large repertory of hits, including Little Street Where Old Friends Meet, River Stay Away From My Door, When the Moon Comes Over the Mountain, When the Red Red Robin Comes Bob Bob Bobbin' Along, I'm Looking Over a Four Leafed Clover, and the immortal Side by Side. J. Fred Coots, an able performer in addition to his ability as a composer, performed a medley of his most popular songs, ending with the song children sing at Christmastime all over the world: Santa Claus is Coming to Town. Miss Dana Suesse, who rejoices in a double gift of being able to create classical as well as popular music, displayed her considerable ability as a pianist. Her charming songs, including My Silent Love, were ably interpreted by the brilliant young tenor, Bobby White. Dick Noel, famed singer on Chicago's Breakfast Club, feelingly sang a number of splendid ASCAP songs, including the moving I Believe. The program concluded with two noted composers of Broadway musicals performing their own hit tunes—Burton Lane, composer of Finian's Rainbow, and George Weiss, composer of Mr. Wonderful. All of the performances were superb and spirited and evoked spontaneous acclaim.

The audience which packed the auditorium of the Press Club could not get enough of this wonderful ASCAP music, and enthusiastically joined in with the performers, singing the beloved melodies of yesteryear and the currently popular tunes of today. ASCAP's president Paul Cunningham, himself a noted songwriter, acted as master of ceremonies with dignity and good humor, contributing much to the success of the show, which he had organized and produced. I will comment later on his contributions.

All who were present owe a debt of thanks to these songwriters, who received no compensation for their generous gesture except the prolonged applause that greeted them. It was an occasion I shall long remember. As a result, I am sure all of us will have a warmer spot in our hearts for these talented creators, and for the public-spirited society of which they are members.

So far as I am concerned, I have always been a great admirer of the ASCAP group and modern American composers. Their talents never cease to fill me with wonder and amazement. Their impact upon American life is continuous and beneficient, since they furnish the American people, not only with true spiritual refreshment, but that relaxation so desirable in this age of rush and tumult. They are architects of much of the American social and cultural structure.

It has been my good fortune to know many of these composers real intimately and well. Frankly, I know of no finer, no better, no kinder, more considerate, or more loyal Americans. Unselfish and generous with their time, money, and talent, the members of this great musical organization are widely noted for patriotic civic and charitable service. It has been my observation that they have been especially eager and zealous in serving a host of good causes, regardless of demands upon their time and energy, and out of the goodness of their hearts, without regard to compensation.

It is a long step from venerable Maude Nugent Jerome and "Sweet Rosie O'Grady" to George Weiss and "Mr. Wonderful." It represents, in a sense, popular music since the turn of the century. The performance yesterday showed the development of this popular music. But it showed something far more significant than that—the spirit, genius, dynamic drive and enthusiasm, which seemed to inspire all these talented artists, young and old.

In my opinion, these men and women not only compel the admiration, but richly deserve the appreciation of the entire American people. The Congress should be prepared to see to it in every way we can that this group, which has contributed and is contributing so immeasurably to the national well-being and culture, shall never be exploited or penalized in their professional activities as the result of Federal laws, which may adversely affect them.

Congress must always treat them justly and fairly and be considerate of their problems as they relate to Federal legislation, not only because we are interested in doing justice generally to all classes of Americans but also because it must be our purpose always to encourage and promote artistic talents, which are so closely related to our way of life and our culture.

I wish that I could elaborate more upon the individual performances and contributions of those who appeared yesterday at the Press Club. That is not possible now. But I cannot let this occasion pass without making some reference to the master of ceremonies of the matinee performance, the distinguished new president of ASCAP, my valued friend, Mr. Paul Cunningham.

It is most fitting and propitious that Mr. Cunningham should be selected as president of ASCAP. Possessed of great gifts and talent which brought him fame and success in show business and music writing, Mr. Cunningham has long been interested in a sincere, deep, and effective manner in the problems of artistic people. He has devoted himself with rare ability, conviction, and unselfishness to a multitude of varied projects in the interest of his group and to public manifestation of its patriotic, civic, and charitable objectives.

By virtue of his forceful personality, amiable qualities, generous impulses, high motivation, and able leadership, he has won the respect of all those who have had occasion to observe his work, and has endeared himself to his associates, his colleagues, and his many friends. His ever-present consciousness of high ideals and high standards in and out of his profession, his unfailing courtesy and dignity, his humane nature, and his understanding of and devotion to fundamental American principles admirably fit and qualify him to preside over the destinies of the great American organization which has selected him as its president.

He succeeds a long line of illustrious, outstanding predecessors, and I have every confidence that he will continue their work and strengthen and advance the functions of ASCAP not only respecting its membership but in even extending and increasing its service and contributions to the American people and to the world. He is already assured of fullest, most enthusiastic cooperation, and I wish for him a most successful and happy administration of his office.

One of the composers who appeared yesterday is an old college friend of mine, Mr. Harry Woods, famous son of Massachusetts, whom I regard with great admiration and affection. I wish I had time here to recount his life story, because it is in truth a very inspiring American story complete with brave struggle and phenomenal success. He has written many songs which have become part of popular musical literature and will be standards for generations to come. His contribution is great, indeed, and for the benefit of the House I am inserting as part of my remarks a brief biographical sketch of this noted composer and dear friend of mine.

I also desire to express to ASCAP and to the Press Club my sincere personal thanks for making it possible for me to be present on this most enjoyable occasion, and to my able friend, Mr. Richard Borwick, for his kindness and diligence in preparing and furnishing me with the program data I have been privileged to use in presenting these remarks.

Woods, Harry M., composer, author; born North Chelmsford, Mass., November 4, 1896. ASCAP 1925. Education: Chicago public schools; Harvard University. Always musical, sang in churches; played piano to work way through college. Brief experience as farmer, Cape Cod. World War I, in Armed Forces. While in service completed groups of songs. Success of When the Red Red Robin Comes Bob Bob Bobbin' Along, turned his career from farming to songwriting. Three years in England songwriting; one of first songwriters to join staff of Hollywood producers. Songs: Just an Echo In the Valley; Little Street Where Old Friends Meet; River, Stay Way From My Door; It Looks Like Love; When the Moon Comes Over the Mountain; Man From the South; A Little Kiss Each Morning, A Little Kiss Each Night; Heigh-ho Everybody, Heigh-ho; My Old Man; Since I Found You; I'm Looking Over a Four Leafed Clover; Take in the Sun, Hang Out the Moon; Your Flag and My Flag; What's a Feller Gonna Do; Where Is My Old Girl Tonight; Paddlin'; Oh, How She Can Love; Spread a Little Sunshine As You Go; Who'd Be Blue Tentin' Down in Tennessee; You're So Easy to Remember; That Lonely Little Bluebird; You Darlin'; Hang Out the Stars in Indiana; Loveable; The Voice In the Old Village Choir; I Nearly Let Love Go Slipping Through My Fingers; I've Just Eyes for Susie; Poor Papa; The Whistling Waltz; Side by Side; I Hear Bluebirds; We Just Couldn't Say Goodbye; Me Too; I'll Never Say "Never Again" Again. Home: Glendale, Ariz. Address: c/o ASCAP.

OFFICIAL REPORTERS OF DEBATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 494) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, effective May 1, 1956, the basic compensation of the official reporters of debates, House of Representatives, shall be at the rate of $8,800, each, per annum. The additional amounts necessary to carry out this resolution shall be paid out of the contingent fund of the House, until otherwise provided by law.

The resolution was agreed to; and a motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

TWELVE SMALL BUSINESS ORGANIZATIONS ADOPT RESOLUTION TO SUPPORT H. R. 9067

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am informed that a number of small business organizations met together in Washington this week to consider and discuss the various bills which have been introduced to give tax relief to small business and to agree, if possible, upon a single tax bill which all of these various small business organizations would support. I am today informed that at the conclusion of their meeting 12 separate, independent small business organizations unanimously adopted a resolution in support of the tax bill which I introduced, H. R. 9067. This information comes to me by letter from Mr. Robert I. Black, who was named acting secretary and coordinator or a newly formed independent and small business coordinating committee for the 12 organizations.

In addition to these 12 organizations, I am also informed by Mr. George J. Burger that the National Federation of Independent Business has also adopted, by a vote of its membership, a resolution in support of the H. R. 9067.

I am sure that the Members will be interested in Mr. Black's letter as well as the resolution adopted by the small business organizations. These, along with the names of the various organizations adopting the resolution are as follows:

Independent and Small
Business Coordinating Committee,
May 2, 1956.

Hon. Wright Patman,
Chairman, Select Committee on Small Business, House Office Building, Washington, D. C.

Dear Congressman Patman: At a meeting of leaders of independent and small business held in Washington, D. C., this week, the group unanimously agreed to urge support for the bill H. R. 9067 which would provide some tax relief for independent and small-business concerns.

I am enclosing a copy of the resolution unanimously adopted at the meeting and the names of those who were present or represented. The members of the committee who drafted the resolution that the whole group adopted were:

John P. Carleton, chairman, Manchester, N. H., Smaller Business Association of New England;

Joseph D. Noonan, secretary, Boston, Mass., Smaller Business Association of New England;

Miles Pennybacker, Norwalk, Conn., National Association of Independent Business; and

William J. Franz, Cleveland, Ohio, Smaller Business of America, Inc.

The group further agreed to adopt the name of Independent and Small Business Coordinating Committee, and to conduct all of its operations and activities in support of tax-relief legislation for independent and small business under this name.

The committee wants to be helpful in every way that it can to obtain enactment of vitally needed tax legislation for independent and small business. We will appreciate advice from you and other Members of Congress as to what steps we should take and what we should do in order that we may be most effective and helpful in our work.

The committee already has decided that one of its first activities will be to supply all independent and small business associations and organizations of all types throughout the United States—national, regional, State, and local—with copies of H. R. 9067 along with material that will enable them to become thoroughly familiar with the proposed legislation and thus be in a better position to intelligently advocate its enactment.

We will appreciate you and other Members of Congress advising individuals and organizations who are interested in the objectives of the bill to communicate with the committee so that we can all coordinate our efforts and influence in this important undertaking that means so much to the future sound operation and survival of more than a half million independent and small business enterprises in the United States.

With warmest personal regards and best wishes, I am,

Sincerely,

Robert I. Black,
Acting Secretary and Coordinator for the Committee.

The group unanimously adopted the following resolution:

"RESOLUTION

"Whereas present Federal corporate income taxes impose an unbearable hardship on small business because they do not permit the creation of the working capital essential not only to growth but to its very existence; and

"Whereas it is generally recognized that relief is imperative; and

"Whereas there are several worthy bills now pending in the Congress on this subject; and

"Whereas H. R. 9067, known as the Patman bill, combines many of the fine features of the other bills and appears most likely to be considered first on the floor of the House; and

"Whereas the relief afforded by the Patman bill will result in no loss of revenue to the Federal Government and will afford some relief to most business corporations except the very largest: Be it

"*Resolved*, That the members of this group recommend to their own organizations and to all small business concerns that all small business unite in support of H. R. 9076 known as the Patman bill."

The names of the organizations adopting this resolution, as well as the names of individuals who attended the meeting are as follows:

INDEPENDENT SMALL BUSINESS ORGANIZATIONS

The Smaller Business Association of New England: A. Dudley Bach, president, New England Metallurgical Corp.; Howard D. Williams, president, Washington Mills Abrasive Co.; S. Abbott Smith, president, Thomas Strahan Co.; Arthur E. Swanson, president, New England Insulation Co.; Ralph A. Fletcher, president, H. E. Fletcher Co.; L. J. Sweetland, Nichols Poultry Farm, Inc.; John P. Carleton, McLane, Carleton, Graf, Green & Brown; Joseph D. Noonan, executive secretary, Smaller Business Association of New England; J. Wayne Fein.

National Association of Independent Business, New York: Miles Pennybacker, president, Voltare Tubes, Inc.; Herbert Barchoff, president, Eastern Brass & Copper Co., Inc.; Norman Rodlich, vice president, the Durst Manufacturing Co.; Raymond Watts, general counsel, National Association of Independent Business.

United Businessmen's Association of Philadelphia: C. R. Green, assistant to the president, United Businessmen's Association; Julius Hoffman, president, United Businessmen's Association of Philadelphia.

Smaller Business of America, Inc., Cleveland; S. S. Parsons, president, Parsons Engineering Corp.; W. J. Franz, president, W. J. Franz & Co.

St. Louis Small Business Council: Jules Schweig, president, Security Fire Door Co.; Lester Barrett, president, Barrett Electric Co., and National Electrical Distributors Association.

American Association of Small Business, New Orleans: Joseph D. Henderson, national managing director, American Association of Small Business.

Federation of Businessmen's Associations of the District of Columbia: Arthur Clarendon Smith, Sr., chairman, Smith's Transfer and Storage Co.

American Business Association: Frederick Levy, president, Frederick's Men's Store.

National Small Business Organization of Washington, D. C., and Oakland, Calif.: Jess M. Ritchie, president, Pioneers, Inc.

Independent Business Council of America, Washington, D. C.: Robert I. Black, president, Independent Business Council of America.

Maryland Small Business Council, Baltimore: William I. Shuman, builder and developer.

Small Defense Industries Association of Los Angeles: Hampden Wentworth, president, Longren Aircraft Co.; William H. Brown, president, Aluminum Paper Milling Co., Inc.

INDIVIDUALS

Laurence Henderson, assistant to the president, North American Airlines, Inc.; former staff director of the United States Senate Small Business Committee, member of the National Association of Independent Airlines.

John E. Horne, administrative assistant to Senator John Sparkman; former Administrator, Small Defense Plants Administration.

Robert Grant, South Bend, Ind., representing independent and small-business organizations in the Middle West; former Member of Congress and a member of the House Ways and Means Committee.

Walter Ploeser, president, Ploeser, Watts & Co., St. Louis, Mo.; president of Mississippi Valley Association, former chairman of the United States House Small Business Committee.

T. K. Quinn, president, the Monitor House and T. K. Quinn Co.; former senior vice president, General Electric Co.; economic authority and author of books: Giant Corporations—Challenge to Freedom and Giant Business—Threat to Democracy.

Dewey Anderson, executive director, Public Affairs Institute; former executive secretary of the United States Senate Small Business Committee.

THE SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, PAST AND PRESENT

The SPEAKER. Under previous order of the House, the gentleman from Colorado [Mr. Hill] is recognized for 45 minutes.

Mr. HILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, there have been a number of occasions in the 84th Congress which have made me wonder whether or not I was a member of the Select Committee on Small Business.

I have thought at times that by some magic process I had simultaneously become a member of every committee in the House.

This is because of the number of investigations which, in my opinion, are properly within the province of standing committees.

The invasion of the jurisdiction of other committees on subject matter not even remotely connected with our committee can only be described as fishing expeditions made in the hope of political gain.

As a small-business man for the most part of my life, I cannot go along with a lot of the nonsense in which our committee has been engaged in the name of small business.

Maybe a clever lawyer could justify the connection, but certainly I cannot.

I was very gratified, 10 years ago, when it was my good fortune to be chosen as a member of the Select Committee on Small Business.

My inclination and experience made me feel that I could be of help in some small measure in keeping our free enterprise system functioning properly.

SHORT HISTORY OF THE COMMITTEE

The House Small Business Committee has made a lasting contribution to small business in Congress after Congress.

Let us take a brief look at the history of the committee.

The Select Committee on Small Business of the House of Representatives has its roots in the period when war clouds were forming over Europe prior to the outburst of World War II.

The Honorable Charles A. Halleck, a Representative from the State of Indiana and a member of the Republican Party, was the guiding spirit in bringing together a group of Republican Members of the House to wage a fight for small business in a growing wartime economy.

This Republican Small Business Committee was composed of 16 representative

Republican Members of the House from many parts of the country.

The announced purpose of the committee was to investigate the dangers now confronting small business in America.

Our distinguished minority leader and former Speaker of the House, the gentleman from Massachusetts [Mr. MARTIN], in a public announcement on August 11, 1941, stated in part:

> In these chaotic days there is grave danger unless Government policies are reversed that small business will be wiped out. This would be a deadly blow for America * * * America's small enterprises which have provided a livelihood for millions, and made possible the prosperity of the Nation, are hanging on the ropes—the committee proposes to do a wholly constructive job to the end that the efficiency and volume of national preparedness work can be increased with a minimum of damage to small business. Everything necessary must be done to prevent the destruction of our time-tried system of private enterprise.

Among those serving under the chairmanship of the gentleman from Indiana, our former distinguished majority leader [Mr. HALLECK], to carry out this small-business mission was the Honorable Leonard W. Hall, of New York, now the very distinguished chairman of the Republican National Committee.

Mr. Hall was, and still is, one of the best friends small business ever had, in or out of Congress.

He was a member of the Select Committee on Small Business when it was first established in the 77th Congress.

The base charge that the Republican Party is not diligent in its efforts to advance the cause of small business is refuted by the very facts which I have just related.

Republicans initiated the small-business movement in the House and the very men who initiated the movement occupy high and influential positions in our party's councils.

Moreover, we are honored today to have with us as our colleagues others who were members of the Republican Small Business Committee.

They are the gentleman from New York [Mr. COLE], the gentleman from Illinois [Mr. ARENDS], the gentleman from Michigan [Mr. HOFFMAN], the gentleman from North Dakota [Mr. BURDICK], and the gentleman from Ohio [Mr. BAUMHART].

As I have indicated, the announced purpose of these Republican Members of the House was to see that small-business concerns took part in the defense effort and that those engaged in the retail and wholesale business received a proportionate supply of civilian products to share amongst their customers.

The Democrats were in power in Congress and were quick to take advantage of this fine idea.

The present chairman of the Small Business Committee, the gentleman from Texas [Mr. PATMAN], introduced a resolution providing for a select committee on small business.

As many of us know, the resolution was adopted by the House on December 4, 1941, 3 days before Pearl Harbor.

The committee, as originally established, was composed of 7 members and the 3 minority members appointed to the committee were Charlie Halleck, Len Hall, and Walter Ploeser.

From that date to the beginning of the 84th Congress, the committee, with the exception of a few minor lapses, has operated as a nonpartisan and nonpolitical body.

For the most part, the members who have served on the committee during the past 14 years or more have been proud of their service and have zealously guarded the integrity of the committee as well as the nonpartisan concept of its operations.

I shall not attempt here to recite every accomplishment of the committee over the years.

I shall not dwell on the service of the committee to Members of this House and their constituents.

These services to individuals and groups have over the years literally been numbered in the thousands.

The service features of the committee when properly rendered are equally as important to small business as many of the worthwhile investigations which have been conducted.

You will note that I say "worthwhile" investigations.

It is a remarkable achievement, I believe, that the House Small Business Committee has successfully sponsored three agencies of the Government, established for the specific purpose of taking care of small-business problems.

This committee, under the chairmanship of the gentleman from Texas [Mr. PATMAN], and I give him full credit for his initiative, sponsored the Smaller War Plants Corporation in World War II.

We all recall the difficulties besetting small business during that period.

The Smaller War Plants Corporation supplied a great need.

It was too bad, in my humble opinion, that at the end of the war and following V–E and V–J Days, that the Smaller War Plants Corporation was not immediately recreated as a peacetime agency to take care of the problems of small and independent business during the critical years between World War II and Korea.

If the Truman administration and the Democrats in Congress who profess their great love for small business had wanted this done, it would have been accomplished.

But, what happened?

The segments of the Smaller War Plants Corporation were scattered throughout other agencies.

The Department of Commerce got a piece of it, the Reconstruction Finance Corporation took over its lending powers, and goodness knows what happened to the rest of it.

At any rate, the Smaller War Plants Corporation, its personnel, and records were sunk without a trace.

In almost less time than it takes to tell the story, small business had no place to go in Washington, or in the farflung reaches of these United States, where it could find a sympathetic ear for its difficulties and its dealings with its own Government.

As a result of this shortsighted policy, when the Korean war burst upon us the only places that small business had to go were the Small Business Committees of the House and the Senate.

All members of these committees worked hard and earnestly in seeking solutions connected with the shortage of materials—price controls, wage controls, and every other kind of control.

The Small Business Committees of both branches of Congress were literally overwhelmed with a staggering number of situations, both individual and collective, which needed attention.

The answer seemed to be another agency for small business.

Every member of the committee joined with the chairman in introducing individual but identical bills to establish the Small Defense Plants Administration.

There was no partisanship here.

There was a united effort to solve the problems confronting small business.

There was no thought of building up a monopoly on information.

There was a free interchange of ideas.

The ranking minority member, Mr. HALLECK, and the chairman of the committee [Mr. PATMAN] appeared together before the Committee on Banking and Currency in the summer of 1951 and offered the bill to create the Small Defense Plants Administration as an amendment to the Defense Production Act.

Each made a strong plea for its inclusion in the pending legislation.

This was done, and with the support of the minority, this Agency achieved an independent status and was not affiliated with or within any other agency or department of the Federal Government.

POLITICS AND SMALL BUSINESS

At the beginning of the 83d Congress, when it appeared that the SDPA had outlived its usefulness, I introduced a bill to create the first peacetime small-business agency in our Government.

This became the Small Business Administration.

I do not know what motivates continued attacks on this Agency unless these attacks are political in their conception.

I assume that most of us here in the House have an interest in partisan politics.

I assume also that all of us here can lay aside partisanship when the welfare of our Nation is at stake.

It is more than certain that when any of us use our positions on committees of this House as political sounding boards the results are extremely dubious.

I do not think there can be any doubt that the Small Business Committee in the 84th Congress has been used as a political vehicle.

There are exceptions.

There are Democrats on the Small Business Committee who have sincerely tried to do a constructive and workmanlike job for small business, and I give them full credit for their efforts.

The political nature of many of the committee's actions seems to be centered around the theme that Republicans lack interest in the fate of small business.

The Small Business Administration, particularly, seems to have been chosen to prove this contention.

We shall deal with this erroneous contention as well as the Small Business Administration in proper order.

This administration, the Eisenhower administration, has more accomplishments to its credit in the interest of small business and our free-enterprise system than any administration in the past 20 years.

It is sheer fantasy to concoct phony charges based on phony statistics in a pitiful effort to prove that this Eisenhower Republican administration has not utilized every resource at its command to strengthen and preserve our American system of free enterprise.

SMALL-BUSINESS COMMITTEE IN THE 84TH CONGRESS

The Small Business Committee in the 84th Congress has been engaged in the greatest shell game of the century.

House Resolution 114 of the 84th Congress recreated the Select Committee on Small Business to conduct a study and investigation of the problems of small business and sets forth that—

> The committee is authorized and directed to conduct a study and investigation of the problems of all types of small business, existing, arising, or that may arise, with particular reference to (1) the factors which have impeded or may impede the normal operations, growth, and development of the potentialities of small business; (2) the administration of Federal laws relating specifically to small business to determine whether such laws adequately serve the needs of small business; (3) whether Government agencies adequately serve and give due consideration to the problems of small business; (4) whether priorities and preferences established and allocations made by the Federal Government with respect to scarce materials adequately serve the needs of small business; and (5) methods of solving the special problems of small business arising by reason of the existing national emergency: *Provided*, That the committee shall not invade any subject matter under active investigation by any standing committee of the House.

That, in essence and fact, is the authority of the committee except for the housekeeping and procedural authority contained in the resolution.

House Resolution 114, as may be seen, precludes the committee from going into matters in which standing committees are actively engaged.

Under no circumstances does House Resolution 114 authorize the Small Business Committee to invade the jurisdiction of standing committees at any time, except in the study and investigation of small-business problems.

Now, then, I want to talk about some of the questionnaires which have been forwarded, not only to Government agencies but to industrial and other business organizations.

Some of the questionnaires, although innocent enough in appearance, were nevertheless outside the scope of the committee's activity and were used as side-door entrances into matters of little or no concern to the Small Business Committee.

For example, the Federal Power Commission questionnaire dealt with personnel matters but the hearings dealt entirely with the Dixon-Yates contract.

Many of these questionnaires repeat the same questions, but the questions, of course, vary to some extent from agency to agency, and group to group.

I am not going to read them all, but I shall put 1 or 2 of them in the RECORD.

Here is an example.

I hold in my hand a questionnaire sent to the Federal Communications Commission on December 21, 1955.

Now, hear this:

> Have any surveys been made of the Federal Communications Commission since January 1953?
>
> If a survey or surveys have been made, please submit (a) copies of the survey; (b) any action taken as a result of the surveys; (c) the individuals involved in making the survey; (d) the cost of the survey; and (e) the name of the person or persons with whom the proposal to make the survey originated.

Where do we find any small business in that question?

Why since January 1953?

What purpose is intended in asking this question, which might be properly asked by the Committee on Government Operations, but certainly not properly asked by the Small Business Committee.

Now, listen to this one:

> List the names of the Chairman and the Commissioners from January 1953 to date, stating the date any such persons' services with the Commission were terminated and the date of the appointment of each successor, and state the salaries of each.
>
> List the names, the position, and the salary of each person at Grade GS–7 or above in the following offices, divisions, or bureaus; (a) as of July 1, 1953, and (b) as of the date of this inquiry.
>
> List the name, position, grade, and salary of each person newly employed by the Federal Communications Commission at grade GS–7 and above since July 1, 1953, and state the nature of the job last held by each such person and the amount of last salary earned before employment in the Federal Communications Commission.

Again we find the magic date, January 1953.

Just exactly what interest does small business have in the terminations, appointments, salaries, the nature of the jobs, and other personnel matters?

Certainly the Committees on Post Office and Civil Service, Government Operations, Appropriations, and on Interstate and Foreign Commerce may have a lively interest in these matters.

But where is the small-business angle?

At another point in this dubious document to the Federal Communications Commission the committee wants the chronological history of TV cases before the Commission since July 1953 in which an initial or final decision was rendered by the Commission.

But this is not all.

They want the decision and the name of the examiner in each case.

They want an identification of each "staff report, memorandum, or notes" that were prepared for the Commissioners, or any Commissioner.

They want to know the dates of arguments and the names of the Commissioners who were present.

They want to know whether any informal or straw vote was taken and the names of the Commissioners voting.

They want to know whether any preliminary decisions or opinions were prepared for the Commissioners, and, if so, who prepared them, and the date such person was instructed to prepare a decision or opinion, and the date on which it was submitted to each of the Commissioners.

In the interest of time, I shall not continue with this particular review of the question as to how the Commissioners of the Federal Communications Commission arrived at decisions, nor the implications contained in the question that the decisions may have been made outside of the Commission by the staff or by persons not in the employ of the Commission itself.

The questionnaire to the Federal Communications Commission, which I have noted will be made a part of my remarks, contains 20 questions.

The entire document probes into matters which I know have no small-business implications, and certainly there is a grave doubt of the propriety of any committee asking some of these questions.

I want to cite one more example in this Federal Communications questionnaire because to me the question itself is derogatory and is a reflection upon the integrity of every member of the Federal Communications Commission, be he a Democrat or be he a Republican.

Here is the question:

> Since January 1953, for any expenses incurred or honorariums or gifts received by any Commissioner, the General Counsel and the Director of each Bureau, the Executive Director and the Secretary of the Commission, which were paid or given by any person, association, organization, or group which had any interest, direct or indirect, in past or pending matters before the Commission, including, but not limited to, trade associations and/or organizations, conventions and/or conferences, and publications connected with the communications industry, have each Commissioner and member of the Commission above stated individually prepare and submit a notarized itemized statement showing (a) the nature and the amount or value of any such expenses, honorarium, or gift, (b) for what specific items the expense was incurred or for what reason the honorarium or gift was given, and (c) the date, method, and by whom the expense was paid or the honorarium or gift given and the nature of his or their interest.

As you will note, we again have that magic date, January 1953.

Apparently in the minds of the authors of this questionnaire nothing happened before January 1953.

But that is not the important consideration.

The important point is, if the committee is in possession of evidence of wrongdoing why has it not taken proper, instead of improper, steps to bring any evidence of wrongdoing to light?

Why do they tar the Commission and its chief legal and executive personnel with implications and innuendoes of skulduggery?

Think carefully of this violation of our American sense of justice and fair play. Think carefully on this demand that high officials of our Government come before a committee of Congress with their hat in one hand and a notarized, itemized statment in the other, and in which they say "we have taken nothing of value nor accepted any expenses, honorarium or gifts since January 1953."

Of course, there is the added implication which our friends on the other side of the aisle should also think about and that is that before January 1953, such things were all right.

I think you will agree that a careful study of the questionnaire to the Federal Communications Commission will reveal that it was written by an expert in the communications field.

It appears to be the work of a disgruntled employee of FCC, or someone outside of FCC with a particular ax to grind, but if that is so, I hate to see the committee used as a grinding stone.

In reply to a questionnaire addressed to officials in the Department of Commerce on January 5, the Secretary on February 7, 1956, addressed the committee, in part, as follows:

> While we earnestly desire to cooperate with your committee, I respectfully suggest that your inquiries on matters of this nature should be directed to those officials who hold and exercise policy and action responsibility rather than to subordinate personnel. On the other hand, I hasten to add that if you should at any time have evidence or any other indication of wrongdoing on the part of any person at any level in this Department, I should like to have it and you have my personal assurance that it will be immediately and thoroughly investigated and acted upon. * * *
>
> You have further raised the question as to whether I would refuse to supply your committee with the complete records of the deliberations of staff level and other advisory committees even after the pertinent policy went into effect and/or your committee agreed to maintaining their confidentiality * * * there are here involved considerations of security classification as well as the possibility of crediting improper opportunities for financial advantage. In addition it has always seemed to me that the general release or disclosure of working papers and other advisory materials prepared by staff subordinates, frequently conflicting and necessarily tentative, could only serve to discourage candid expression of views and ideas by career employees so essential to good administration and proper policy determination.

The letter of the Secretary of Commerce went on to describe a survey into the steel scrap situation which was apparently to be on a long-range basis. Finally the Secretary said:

> In line with long-established departmental practice dictated, in my judgment, by sound policy and administrative reasons, I regret that I cannot accede to your request for the names of the firms involved in those inquiries. I should explain that this Department and its several bureaus have for many years carried out their statutory duties by handling with extreme care and discretion confidential information requested and received from American businessmen. It would not only be unfair to them to breach this confidentiality as to information already furnished, but also, I believe, it would impair our ability to obtain complete and reliable information necessary for our future operations.

An examination of the remarks of the Secretary of Commerce in his letter of February 7 discloses an added interest by the committee staff in what subordinate officials said to each other or wrote to each other.

This interest actually seems to border on a morbid sense of curiosity with implied accusations of wrongdoing.

I have other questionnaires similar in nature addressed to the Federal Trade Commission, the Civil Aeronautics Board, and the Federal Power Commission.

I am sure there are many others, but since the minority members are not in the confidence of the committee we only learn of new questionnaires or investigations by accidental exposure to them.

We know that questionnaires have been sent to all members of the cement industry.

I have a copy of that questionnaire, but I want the House to know that the committee did not furnish me with this copy.

The minority members of the Small Business Committee in the 84th Congress have to scrounge around for information anywhere they can find it.

The cement companies were asked to bare their souls and their business secrets.

I understand they have complied with the committee's request.

I hope the committee will keep the information confidential as to individual companies.

Questionnaires were also sent to a number of respondents, defendants that is, involved in actions before the Federal Trade Commission.

This seems to the minority on the committee to be an invasion of the rights of business concerns in an attempt to substitute the committee's judgment, at least in part, for that of the Federal Trade Commission.

In fact, on January 5, 1956, a report of the committee staff was released to the press entitled "Summary of Federal Trade Commission Antitrust Complaints."

A statement by our committee chairman was also released on that date and placed in the CONGRESSIONAL RECORD.

This statement was based on the staff report—a staff report which read "of the committee" rather than "to the committee."

Since when have we changed the rules of this House giving authority to committee staffs to make reports on their own motion?

Of course, we have not changed the rules.

HEARINGS AND REPORTS

We all agree, I know, that normal and orderly committee procedure requires hearings and reports.

We know also that it is customary in committee work to keep members of a committee informed on pending investigations and hearings.

It is the only method by which duly elected Members of Congress, regardless of party affiliation, can properly carry out their duties and responsibilities.

Most of us here have at one time or the other been majority members as well as minority members.

The rules of this House and its precedents are part of our American heritage.

If we were to reach a point where the rights of the minority were not respected, legislative chaos would be the result.

On the other hand, if the Members belonging to the minority party did not recognize the responsibility of the majority and cooperate with the majority in the interest of our Nation's welfare, we again would be faced with an indescribable and undesirable situation.

It borders on the ridiculous when the majority on any committee, regardless of whether it is a Republican or Democrat majority, chooses to withhold information from the minority on committee business.

I am sure that the integrity of this great legislative body demands no less than cooperation with the majority and consideration and respect for rights of the minority.

We have 5 subcommittees of the Small Business Committee, each composed of 2 majority and 1 minority member.

In this connection, I want to make it clear that some of the subcommittee chairmen have given the minority their cooperation and have kept the Republican members of these subcommittees fully informed.

My criticism is directed toward the general problem which we Republicans on the Small Business Committee have faced.

In the past year, the Small Business Committee has received appropriations in the amount of $330,000.

There have been submitted to the minority members three brief formal reports for approval.

All three of these reports received the unanimous approval of the Republican members on the committee.

One of the reports contained supplementary views by a majority member.

The number of press releases, published letters and staff reports, which have been issued without consulting the members of the minority have been voluminous.

In each instance these reports and statements are ascribed to the committee.

They are construed as the findings of the committee.

The right of a Member of this House to insert material in the CONGRESSIONAL RECORD for which permission has been granted is not questioned.

That privilege is not our concern.

We do strenuously object, however, to reports and statements which create the erroneous impression that the committee, as a whole, has approved them.

On August 25, 1955, a report entitled "The Chairman's Report" appeared in the CONGRESSIONAL RECORD and was written up in the Wall Street Journal literally as a report of the committee.

None of the minority had an opportunity to read that report until it was placed in the CONGRESSIONAL RECORD, and we certainly did not agree with a great deal of its content.

However, Congress had adjourned.

The Members had gone home and there was not appropriate forum for a reply.

As previously related, on January 5, 1956, a statement was placed in the CONGRESSIONAL RECORD, based on a report of the staff of the committee entitled "Summary of Federal Trade Commission Antitrust Complaints." This statement and the staff report were released to the press.

This particular staff report contained a great deal of misinformation and at an appropriate time we shall point out these errors.

We do not quarrel with staff reports.

We think that they serve a useful purpose to members of a committee when they are produced as assembled facts relating to a given subject.

We do not object to staff members expressing their opinions in such reports, but before they are released every member of a committee should have an opportunity to review these opinions and ascertain for himself whether the information contained in the staff report squares with the factual situation involved.

We have gone into several hearings in the past year in which it was quite evident that the conclusions had been drawn before the hearing was held.

Statements were made from the chair which announced the alleged purposes of the hearings but also stated unequivocal conclusions.

The announced purpose of these hearings has been seldom followed, and at times they have been concluded after touching on practically every subject but without proper exploration of the announced subject.

I want to give 1 or 2 examples of just what I mean.

In the hearings of the operation of the Federal Power Commission it appears to me from the record that the Dixon-Yates contract matter received more attention than any other subject.

Another example was the hearings which were held last fall on the enforcement of the Robinson-Patman Act and related matters.

Actually we spent very little time exploring the provisions of the Robinson-Patman Act and the enforcement of that act by the Federal Trade Commission.

We did, however, conduct hearings on lobbying which occurred back in the late forties.

A number of witnesses were brought in to identify a secret document, which was purported to be very hush-hush as well as infamous in its approach to the problems involved.

It was finally identified and its coauthor said he was proud of his work.

The document proved nothing except that it supported views which were contrary to those of some members of the Small Business Committee, and to those of some members of the committee staff.

In this hearing we spent hours and days on the report of the Attorney General's National Committee To Study the Antitrust Laws.

We heard the same witnesses who had been heard by the Antitrust Subcommittee of the House Committee on the Judiciary, the Antitrust Subcommittee of the Senate Committee on the Judiciary, and the Senate Small Business Committee.

In these hearings there was continued criticism of the Small Business Administration.

In my opinion, most of the critical statements were unwarranted and biased.

We also heard additional criticism of the Federal Trade Commission, and particularly of Reorganization Plan No. 8 which had been adopted and put into effect by a Democratic Congress, the 81st, under a Democratic President.

This whole subject had previously been given a considerable scouring by one of the Small Business Subcommittees.

The only conclusion that I could draw from all of the discussion was that the appointment of a permanent Chairman of the Federal Trade Commission, as required by the reorganization plan, was a fine idea when made by a President who was a Democrat, but when the appointment was made by a Republican President, it was a bad idea.

It does prove the point, I think, that you cannot tell from where you sit how your picture's going to look.

I well recall the enthusiasm of my friends of the opposite party when Reorganization Plan No. 8 and similar ones, were written into law.

Objection now, based on trivial and frivolous reasoning would seem to be in very bad grace.

I want to take a few minutes here to comment on the hearings that were held in connection with the aluminum shortage.

These hearings, off and on, occupied a period of several months and the investigation has been underway for more than a year.

But, from my look at the record, we never did learn whether or not the 20,000 or more small manufacturers of aluminum products were in trouble.

The reason we did not learn anything about their situation was that they, apparently, had not been invited to testify.

We did get testimony from 2 or 3 groups which demonstrated that aluminum was in short supply.

But we also got testimony that every effort was being made to correct the situation.

However, I notice in the transcript that the first witness, who at one time had been with the Department of Justice, spent a great deal of time on a case which still was within the jurisdiction of the Federal courts.

I was also somewhat mystified regarding the stream of statements and releases which were made on the subject of aluminum until two members of the subcommittee set the record straight by a joint release.

Although several months have elapsed since the hearings were concluded, we do not as yet have a report.

It is true we have been threatened with one for several months.

But it is so secret, that the minority members apparently are not deemed worthy to be let in on the contents of the report. This, perhaps, also applies to some of the majority members.

This investigation into the aluminum situation, the record will show, provides a perfect example of the minority being ignored throughout the investigation.

Think of it, a whole year of activity, a large expenditure of funds and yet no answer to a problem which was considered to be of the direst importance in early 1955.

Just what is the matter with the aluminum situation?

I, for one, would like to know.

At this point, I intend to spend a few moments on the question of overlapping and invasion of subject matter which properly comes within the jurisdiction of standing committees.

The Small Business Committee has a wide area in which it can operate in the interest of small business.

It is not necessary to go into matters entirely foreign to what the committee's objectives should be.

Earlier, I pointed out examples of investigative snooping entirely outside the committee's normal investigating areas.

In order to pinpoint the question of overlapping and invasion of jurisdiction I cite as an example questions which were submitted to the Federal Trade Commission.

The FTC was asked about management and cost justification surveys.

They were grilled on Reorganization Plan No. 8.

They were asked to tell all on the regrading, promotion, demotion, resigning, and dismissing of personnel by name, title, grade, and salary.

The FTC was asked to tell the committee regarding assignments of attorneys and economists by name, grade, and salary.

They were questioned on the use of appropriated funds by various offices and bureaus, including personnel, travel expenses, investigations, and so forth.

They were questioned on the delegation of authority to the staff by the Commission.

The committee wanted to know the costs on the rearrangement of offices.

And, now get this!

The committee wanted to know from the FTC what partitions had been removed and replaced, what rugs they had bought, and what other items had been purchased, plus the painting costs of offices in moving from location to location in the FTC building.

The committee inquired about the assignment of cases to the Commissioners and also inquired particularly regarding the man-hours and other data in working with the Attorney General's Committee To Study the Antitrust Laws.

There were in all some 77 or more formal questions as well as a myriad of telephone and other requests.

Many of the questions appeared to be probes for information in limited areas, probably prompted by gossip or suspicion.

Other questions reflected an intimate knowledge of operations or decisions which in all probability could only have been known to participants in the particular operation or decision, such as the question on trade-practice rules for the plumbing and heating industry.

Many of the questions were so limited in scope that only a nonobjective study and report could result unless supplemental data were in the possession of the committee or provided by the Commission.

Illustrative were those questions dealing with the management survey reorganization of the Commission as to the cause for the decision to make a survey or have a survey conducted.

There appeared to be no interest in the possible improvements which were anticipated or that have resulted from the reorganization of the Commission.

Certainly the questions on personnel matters were a clumsy effort to show that the latest reorganization of the Federal Trade Commission was purely a political one.

Strangely enough, with few exceptions, employees of many years service in the Commission were the ones favored in the reassignment of top positions.

The volume of material requested from the Federal Trade Commission and the nature of this material was tantamount to persecution.

Moreover, the cost in tax dollars to the Federal Trade Commission has not been accurately estimated, although a request for an estimate has been made.

We are not objecting to the proper type of investigation of the Federal Trade Commission by the Small Business Committee, but we do want to emphasize that many of the inquiries to this agency had no possible connection with the operation of the Commission or with small-business matters within the jurisdiction of the Commission.

The investigation of the Federal Trade Commission was extremely partisan in concept, and up to this time, so far as we know, has proved nothing, because there have been no printed hearings and no report.

At least, there has been no report submitted to the minority members.

Once again the minority would appreciate some lucid answers to the questions posed in the name of the committee.

This pattern to a greater or less degree has been followed with the Civil Aeronautics Board, the Federal Communications Commission, and the Federal Power Commission.

We, as Members of Congress, often complain about waste and inefficiency on the part of executive departments.

But the duplication which we have seen in the 84th Congress by the Small Business Committee strikes me as being more than wasteful and somewhat less than efficient.

POSITION OF THE MINORITY

The Republicans in the House have always supported the Small Business Committee whether they were in the majority or in the minority.

We Republicans feel that the successful operation of the committee makes an important contribution to our business economy.

As I pointed out earlier, in a real sense Republicans in the 77th Congress were responsible for the establishment of the committee.

Republican members of the committee, since its establishment, have been faithful and persevering in advancing the work of the committee.

This is true of the Republican members of the Small Business Committee in the 84th Congress.

However, the committee's activities have been so different and the objectives sought so obscure, there is grave doubt that some members of the majority are truly interested in small-business problems.

At least, with one or two exceptions, we cannot say that the committee's operations are other than political.

We want to extend credit where credit is due.

I am glad to say there are some subcommittee chairmen and majority members who have gone about the job of investigating small-business problems in an eminently fair and cooperative manner.

I am addressing my remarks more particularly to the overall operation of the committee.

From the very beginning the minority members of the committee have not been supplied with current information on the committee's activities.

The minority has not been consulted in advance on proposed hearings nor the objectives sought in holding such hearings.

We have not been consulted as to witnesses, the issuance of subpenas, or the information which the committee desired, nor for what purpose the information was desired.

There have been a number of investigations which have been carried on and which the minority learns about only accidentally.

Some of these investigations, as we understand from information which has come to us, will not be supported by public hearings.

We do not know what the objectives of these investigations were because we were not advised or consulted about them.

It is possible that some of them were entirely proper, and upon that point we have no opinion, since we have no knowledge.

As noted above, the committee has received appropriations in this Congress in the amount of $330,000.

The minority was not consulted beforehand on any of these requests for funds.

Because the funds were for the Small Business Committee, and because it has been our constant hope that the committee would get back on the track, we have supported these resolutions. And, I may say, actively supported them.

In this stand we may have been in error in some particulars, but I want to say again that we were motivated by sound considerations and what has proved to be a vain hope, namely, that the committee would finally get down to the business for which it was established.

The Republican members on the Small Business Committee stand ready to cooperate 24 hours a day, if necessary, on any constructive program in the interest of small and independent business.

Where does it profit anyone to stand on the floor of the House time and time again and indulge in carping criticism of efforts by this administration to assist small business?

Why is this criticism voiced at all?

Is it because our friends in the opposition are admitting to 20 years of failure in the strengthening of our free-enterprise system?

We in the minority have sponsored and supported every affirmative program of the Small Business Committee since it was established.

The tragedy has been that they either were never carried out or were not put on a sound and lasting basis.

Until President Eisenhower was inaugurated in January 1953, no lasting small-business program was ever given the support it needed to assure maximum success.

A CONSTRUCTIVE PROGRAM FOR SMALL BUSINESS

First of all, any constructive program of study and investigation for small and independent business when sponsored by the Small Business Committee must be approached on a strictly nonpartisan basis.

I would say that the 5 million small-business men in the United States do not care a continental dam about the politics of the members of the Small Business Committee.

I doubt very much whether they care which Members of Congress are serving on the committee.

What they do care about is whether the committee does a good job.

And, let us not kid ourselves, small-business men are just as smart as we are.

They know whether we are doing a good job or not, and they know whether we are trying to play politics with their business problems.

And my guess is that any party in power which takes the Small Business Committee and transforms it into a political Frankenstein monster will sooner or later have to endure the wrath of the small-business men of this country.

I have stated before, and I repeat, that credit for work well done should be given.

The hearings held on the operations of the Small Business Administration in March 1955, and the report resulting from those hearings were valuable contributions.

The inquiry into the situation surrounding lessee dealers of petroleum products was extremely fair and worthwhile.

The report, as the result of the investigation and hearings relating to lessee dealers, was a unanimous report and fairly represented the findings and conclusions which were accurately based on testimony received in the hearings.

I may have failed to mention that the report on the Small Business Administration was agreed to by the subcommittee chairman and the minority member, but that were supplementary views by the other majority member of the subcommittee covering several areas of disagreement.

There is only one way for the Small Business Committee to operate if it is intended to carry out the will of the House as embodied in the resolution creating it.

The committee and its staff must be resolute in their determination to carry on studies and investigations fairly, impartially, and cooperatively.

The members of the committee, both majority and minority, must have full and free access to all information which comes into the possession of the committee or its staff.

The committee and its staff must conduct their own business without

interference or the assistance of self-appointed partisans who have no official connection with the committee.

The committee and its staff, as a standard of conduct, should refuse the doubtful assistance and advice of disgruntled employees or ex-employees of Federal agencies.

The committee and its staff should avoid the counsel of persons who have a special reason, real or fancied, for getting even with somebody.

Every witness before the committee should have the right to proceed with a prepared statement if they so desire.

Every person whose name is mentioned in any hearing should during the course of the hearing have the inalienable right of appearing before the committee and placing in the record his version of the incident, circumstances, or situation which had brought his name into the hearings of the committee.

The minority insists that the Small Business Committee of the House constitutes a forum for small business.

We are here to listen to the problems of small business and to take appropriate action on such problems.

The staff of the committee is, or should be, the servant of the committee and the House in the highest sense.

The staff has no power except that which the committee, through its chairman, delegates to it, and that delegated power is for no other purpose than to study and investigate the problems of small business in accordance with a fixed program and to report what it finds to the members of the committee.

It is not within the province of a staff member to browbeat witnesses or inquire into their political activity, or to make demands on Department personnel for unauthorized information or material.

I think the history of the relationship between members of committees and their staffs will show few instances of situations which have prevented full and free discussions and mutual respect.

I, for one, have a great regard for the hard working, dedicated staff members who have long and faithfully performed their duties in the public interest, regardless of which party was in power.

Finally, we need in any constructive program for small business a studious avoidance of sneak attacks on persons, Government agencies, or corporations under the guise of helping small business.

THE EISENHOWER ADMINISTRATION AND SMALL BUSINESS

The activities and efforts in the interest of small and independent business in the administration of President Eisenhower have surpassed any previous administration in history.

President Eisenhower signed into law the act creating the first peacetime agency for small and independent business.

The Small Business Administration was not a war baby forced upon the executive branch of our Government by the Congress.

The Small Business Administration has had the full support of the President.

When this is compared to what happened to the Smaller War Plants Corporation, which was handed over to Henry Wallace and the Department of Commerce to carve into little bits, we can readily compare the difference in attitudes and objectives.

The Small Defense Plants Administration created in 1951, a year after the Korean war broke out, was another instance of too little and too late.

Some members of the majority in the 84th Congress, and particularly our distinguished chairman of the Small Business Committee, appear to resent the existence of the Small Business Administration.

Perhaps this is because they are conscious of their grievous error in not making certain that small business had its own continuing agency after hostilities ceased in World War II.

Perhaps also they realize that the creation of the Small Defense Plants Administration should have taken place at the same moment the numerous wartime agencies were created under the Defense Production Act of 1950.

A bill for that purpose was introduced in which every Republican member of the Small Business Committee joined by introducing identical bills.

But it was a year later when the chairman and the ranking minority member were forced to go before the Committee on Banking and Currency and offer the Small Business Committee's bill as an amendment to the Defense Production Act Amendments of 1951.

I take the time to relate these few facts because I firmly believe the approach to the problems of small business should be cooperative and nonpartisan as I have heretofore stated.

It does small business no good and it does not help to assail Government agencies and to continually quote statistics which are either erroneous or distorted.

I would be the last person to say that any agency of the Government is perfect in its operation no matter which party may be in power.

The Small Business Administration is no exception, but we must be fair in our criticism and we must aid this small-business agency in reaching its maximum efficiency.

We will deal with the work of the Small Business Administration on the basis of its record, and I assure you the facts and statistics will be ones which cannot successfully be challenged.

In order to understand the plain facts of business life, it is necessary to start from the beginning.

We all like to talk about "free enterprise," "competition," "big business versus small business," and "antitrust laws," and other factors which make up the American way of business life.

I know that we believe in free enterprise and I know we realize that our business economy is the great force which, together with agriculture, is responsible for the higher standard of living which we enjoy in the United States.

Demagogs and pretty politicians constantly work in an effort to aline larger business operations against smaller business ventures.

Today they falsely claim that the Republicans and the Eisenhower administration favor one segment of American industry over another, and that smaller operations have not fared as well.

Nothing could be more untrue.

The facts are that our Nation is enjoying prosperity and progress in a time of peace unequaled in our previous history.

Of course, the Eisenhower administration is helping business—all business.

We Republicans can be justifiably proud of the approach of the Eisenhower administration to the many problems affecting small-business concerns.

This administration has been engaged in a continuing effort to remove the impediments which have blocked the roads to small-business growth and expansion in former administrations.

In many messages to the Congress, the President has placed particular emphasis on the welfare of small and independent business.

The concern of President Eisenhower is demonstrated in his state of the Union message of January 5, 1956, in which the President said:

> An integral part of efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment.
>
> In the past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small-business concerns to obtain access to adequate financing and to competent counsel on management, production, and marketing problems.
>
> Through measures already taken, opportunities for small-business participation in Government procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

Further evidence of President Eisenhower's interest in the position of small business is contained in the Economic Report of the President submitted to Congress in January of this year.

There are certain passages in this report which command especial attention.

They are as follows:

> Today we believe as strongly in economic progress through free and competitive enterprise as our fathers did, and we resent as they did any unnecessary intrusion of Government into private affairs * * * the basic drive of the expansion came from private citizens, who were willing to risk accumulated savings on many new tools of production, to borrow as well as to save, to work longer hours and in increasing numbers, and to spend freely on new homes and current consumption in order to meet the better their aspirations for good living * * * the Government can strengthen competitive markets by helping small and medium-sized businesses overcome impediments to their expansion. In our modern economy, with its heavy capital requirements, high taxes, and emphasis on national markets, small concerns are subject to serious handicaps in many lines of endeavor. Yet the continuance of small and medium-sized businesses, and their ability to prosper and grow, are vital to the Nation's welfare * * * when the Government helps smaller concerns to overcome some of the hindrances to their growth, it is acting in the interest of the whole economy.

ference or the assistance of self-appointed partisans who have no official connection with the committee.

The committee and its staff, as a standard of conduct, should refuse the doubtful assistance and advice of disgruntled employees or ex-employees of Federal agencies.

The committee and its staff should avoid the counsel of persons who have a special reason, real or fancied, for getting even with somebody.

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The minority insists that the Small Business Committee of the House constitutes a forum for small business.

We are here to listen to the problems of small business and to take appropriate action on such problems.

The staff of the committee is, or should be, the servant of the committee and the House in the highest sense.

The staff has no power except that which the committee, through its chairman, delegates to it, and that delegated power is for no other purpose than to study and investigate the problems of small business in accordance with a fixed program and to report what it finds to the members of the committee.

It is not within the province of a staff member to browbeat witnesses or inquire into their political activity, or to make demands on Department personnel for unauthorized information or material.

I think the history of the relationship between members of committees and their staffs will show few instances of situations which have prevented full and free discussions and mutual respect.

I, for one, have a great regard for the hard working, dedicated staff members who have long and faithfully performed their duties in the public interest, regardless of which party was in power.

Finally, we need in any constructive program for small business a studious avoidance of sneak attacks on persons,

poration, which was handed over to Henry Wallace and the Department of Commerce to carve into little bits, we can readily compare the difference in attitudes and objectives.

The Small Defense Plants Administration created in 1951, a year after the Korean war broke out, was another instance of too little and too late.

Some members of the majority in the 84th Congress, and particularly our distinguished chairman of the Small Business Committee, appear to resent the existence of the Small Business Administration.

Perhaps this is because they are conscious of their grievous error in not making certain that small business had its own continuing agency after hostilities ceased in World War II.

Perhaps also they realize that the creation of the Small Defense Plants Administration should have taken place at the same moment the numerous wartime agencies were created under the Defense Production Act of 1950.

A bill for that purpose was introduced in which every Republican member of the Small Business Committee joined by introducing identical bills.

But it was a year later when the chairman and the ranking minority member were forced to go before the Committee on Banking and Currency and offer the Small Business Committee's bill as an amendment to the Defense Production Act Amendments of 1951.

I take the time to relate these few facts because I firmly believe the approach to the problems of small business should be cooperative and nonpartisan as I have heretofore stated.

It does small business no good and it does not help to assail Government agencies and to continually quote statistics which are either erroneous or distorted.

I would be the last person to say that any agency of the Government is perfect in its operation no matter which party may be in power.

The Small Business Administration is no exception, but we must be fair in our criticism and we must aid this small-business agency in reaching its maximum efficiency.

We will deal with the work of the Small Business Administration on the basis of its record, and I assure you the

istration favor one segment of American industry over another, and that smaller operations have not fared as well.

Nothing could be more untrue.

The facts are that our Nation is enjoying prosperity and progress in a time of peace unequaled in our previous history.

Of course, the Eisenhower administration is helping business—all business.

We Republicans can be justifiably proud of the approach of the Eisenhower administration to the many problems affecting small-business concerns.

This administration has been engaged in a continuing effort to remove the impediments which have blocked the roads to small-business growth and expansion in former administrations.

In many messages to the Congress, the President has placed particular emphasis on the welfare of small and independent business.

The concern of President Eisenhower is demonstrated in his state of the Union message of January 5, 1956, in which the President said:

> An integral part of efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment.
>
> In the past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small-business concerns to obtain access to adequate financing and to competent counsel on management, production, and marketing problems.
>
> Through measures already taken, opportunities for small-business participation in Government procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

Further evidence of President Eisenhower's interest in the position of small business is contained in the Economic Report of the President submitted to Congress in January of this year.

There are certain passages in this report which command especial attention.

They are as follows:

> Today we believe as strongly in economic progress through free and competitive en-

As I said previously, record of the work of the Small Business Administration will be given you shortly.

Moreover, we shall straighten out the tangled and dangling figures which have been paraded before you on business failures.

There is also the matter of the small-business share of Government procurement, particularly military purchases.

Our friends would have us believe that small business has not fared as well in the past 3 years under the Eisenhower administration as it did under the Truman administration.

Once more figures have been used to prove this point which leave the story only half told.

I assure you we will give you figures, and very soon, which will give you the whole story without evasion or concealment.

Meanwhile, what next?

Will the House Small Business Committee get on with the job of assisting small business, or will the committee continue with extraneous matters miles outside of its jurisdiction?

Will the committee continue its political flights of fancy or will it decide to get down to earth and consider the numerous small-business problems which are always with us?

Is the committee to continue its personal curiosity in the affairs of persons or will the committee permit its curiosity to be concerned with solving the individual problems and broader fundamentals which affect the welfare and well-being of small business?

The minority would like to be informed.

And, the answer lies within the will of the majority.

Two of the questionnaires referred to in my remarks, namely, the one to cement-producing companies and the one to the Federal Communications Commission, follow:

Select Committee on
Small Business of the
House of Representatives,
84th Congress,
Washington, D. C., December 21, 1955.

Federal Communications Commission,
Washington, D. C.

Gentlemen: As chairman of Subcommittee No. 1 of the Select Committee on Small Business of the House of Representatives, of which the Honorable Sidney R. Yates and the Honorable William M. McCulloch are members, I am submitting the following questions to the Federal Communications Commission. For your convenience the questions have been segregated into several categories:

SURVEYS PRIVATELY MADE AT THE FEDERAL COMMUNICATIONS COMMISSION

1. Have any surveys been made of the Federal Communications Commission since January 1953? If a survey or surveys have been made, please submit (a) copies of the survey; (b) any action taken as a result of the survey; (c) the individuals involved in making the survey; (d) the cost of the survey; and (e) the name of the person or persons with whom the proposal to make the survey originated.

FEDERAL COMMUNICATIONS COMMISSION ORGANIZATION AND PERSONNEL

2. List the names of the Chairman and Commissioners from January 1953 to date, stating the date any such persons' services with the Commission were terminated and the date of the appointment of each successor, and state the salaries of each.

3. List the names, the position, and the salary of each person at grade GS–7 or above in the following offices, divisions, or bureaus, (a) as of July 1, 1953, and (b) as of the date of this inquiry.

(1) Personal services: (a) Offices of the Commissioners. (b) Office of Opinions and Review. (c) Office of Hearing Examiners. (d) Office of Reports and Information.

(2) Office of Administration.

(3) Office of Secretary.

(4) Office of the Chief Accountant.

(5) Office of the Chief Engineer.

(6) Office of the General Counsel.

(7) Common Carrier Bureau.

(8) Safety and Special Radio Services Bureau.

(9) Broadcast Bureau.

(10) Field Engineering and Monitoring Bureau.

4. List the name, position, grade, and salary of each person newly employed by the Federal Communications Commission at grade GS–7 and above since July 1, 1953, and state the nature of the job last held by each such person and the amount of last salary earned before employment in the Federal Communications Commission.

5. List by docket number and with the names of the parties each comparative TV case before the Commission since July 1953, in which an initial or final decision was rendered by the Commission, and show for each case its chronological history, which should include, but not be limited to, the following:

(1) The decision and name of the examiner.

(2) Whether any staff reports, memoranda, or notes on the case were prepared for the Commissioners or any Commissioner, and if so an identification of each such staff report, memorandum, or notes.

(3) The date of arguments, if any, before the Commissioners, and the names of the Commissioners present.

(4) Whether an informal or straw vote was taken, and if so the names of the Commissioners voting and the date.

(5) Whether any informal or preliminary decisions or opinions were prepared for the Commissioners, and if so, the names of the person and/or persons preparing any such preliminary decision or opinion, the date such person was instructed to prepare any such decision or opinion, and the date any such decision or opinion was submitted to each of the Commissioners.

(6) The final decision of the Commissioners, the date thereof, the Commissioners participating in the decision, and whether the decision followed or reversed (a) the examiner's initial decision, and (b) any informal or straw vote of the Commissioners or any informal or preliminary decision or opinion prepared for the Commissioners.

(7) The number of decisions of the Commission appealed to the Federal courts, with copies of the Court's decision and whether the Commission's decision was confirmed, reversed, or criticized.

(8) Any information or statements concerning or related to the case communicated outside the record to any Commissioner or any member of the Commission by any person, persons or party not a member of the Commission, identifying the person, persons, or party making any such communication or statement and stating the circumstances under which it was made and whether it was oral or written.

6. Submit copies of all bulletins and directives to the staff of the Commission which were in effect or issued after January 1953, stating which directives or bulletins are currently in effect and which have been amended or withdrawn.

7. Please supply all staff reports or analyses on the problem of television allocation, with specific reference to, but not limited to, any recommendations for revised allocation plans, deintermixture, the 5-mile rule, minimum and maximum limits of power, and antenna heights.

8. State what action, if any, was taken by the Commissioners on the basis of such reports.

9. Classify the ownership of, first, VHF and, second, UHF television stations in the United States; (a) by network, (b) by newspaper interests, (c) by manufacturers, (d) by theatrical interests, (e) by educational institutions, and (f) by others.

10. List all TV stations under multiple ownership.

11. What was the amount of Commission funds spent for travel by each of the Commissioners, the General Counsel, and the Director of each Bureau, the executive director and the secretary of the Commission for fiscal years (a) 1954 and (b) 1955, stating for each trip made the date, time, place, purpose, accomplishment, and expense?

12. Since January 1953, for any expenses incurred or honorariums or gifts received by any Commissioner, the General Counsel, and the Director of each Bureau, the executive director and the secretary of the Commission, which were paid or given by any person, association, organization, or group which had any interest, direct or indirect, in past or pending matters before the Commission, including, but not limited to, trade associations and/or organizations, conventions and/or conferences, and publications connected with the communications industry, have each Commissioner and member of the Commission above stated individually prepare and submit a notorized itemized statement showing (a) the nature and the amount or value of any such expense, honorarium, or gift; (b) for what specific items the expense was incurred or for what reason the honorarium or gift was given; and (c) the date, method, and by whom the expense was paid or the honorarium or gift given and the nature of his or their interest.

13. For all years in which reports were made to the Commission list the television profits and the total revenues of (a) NBC, (b) CBS, (c) ABC, (d) DuMont, and (e) others.

14. List separately for every year for which data is available, the number of UHF stations, their television profits or loss, and their total revenues.

COMMON CARRIER BUREAU

15. What proportion of (a) the Commission's staff and (b) the Comission's funds are allocated to the Common Carrier Bureau?

16. What porportion of (a) the Commission's staff and (b) the Commission's funds are allocated to the Broadcast Bureau?

17. Since January 1953, how many investigations have been initiated by the Commission into Carrier's operation, including rates, services, and contractual relationships, management, etc.

18. What personnel were assigned to work on each such investigation, what was the nature of each such investigation, and what were the results of each such investigation, and the length of time required for each such investigation?

19. Supply the same information as requested in the immediately preceding question in relation to investigations initiated by Carriers or other than by the Commission.

RULEMAKING PROCEEDINGS

20. State whether any information or statements concerning or relating to any rulemaking proceedings have been communicated outside the record to any Commissioner or any member of the Commission by any person, perons, or party not a member of the Commission, identifying the person, persons, or party making any such communication or statement and stating the circumstances under which it was made and whether it was oral or written.

In addition to supplying answers to the above questions for the benefit of the study of my subcommittee, it would also be appreciated if the Commission will supply a statement as to the general overall effect of the changeover in operation and procedure and efficiency at the Commission since putting into effect the reorganization plans for the Commission as embraced in the Hoover Commission proposals for the Federal Communications Commission.

In view of the studies underway of the operation of the independent agencies of our Government by this subcommittee, an early response to this questionnaire is urged and will be greatly appreciated.

With kindest regards, I am,
Very sincerely yours,
Joe L. Evins,
Member of Congress, Chairman, Subcommittee No. 1.

Questionnaire Sent to All Cement Companies October 1955 by the House Small Business Committee

1. Please specify the full name of your company, the name of the State in which it is incorporated, and the date of the incorporation.

2. Specify the location of the principal office of your company and the names of any of its subsidiary or affiliated corporations engaged in producing or selling Portland cement, and show for each the name of the State in which it was incorporated and the date of the incorporation, and the location of its principal office.

3. Provide a copy of the company's annual statement of its operations for 1950, 1951, 1952, 1953, and 1954.

4. Has the productive capacity at any of your company's plants been increased since 1945?

If so, specify for each such plant:

(a) What was done to increase the capacity?

(b) When?

(c) The extent:

(1) In terms of the amount of the cost of improvements?

(2) Increase in annual rated capacity in terms of barrels per year?

5. Has the company adopted any definite plans for enlargement or expansion of any of its existing facilities?

If so, specify for each plant:

(a) The date the plans were adopted.

(b) The name and location of the plant involved in the plans.

(c) What is provided for in the plans in the nature of improvements.

(d) How much of an increase in terms of barrels per year in rated capacity is involved in the plans.

(e) What is the estimated cost of the proposed improvements.

(f) State the dates when the expansion of facilities are expected to be available for increases in output and give the date and the amount of each expected increase in output.

6. Has the company adopted any definite plans for the erection of new plants?

7. Specify the location of each of the company's existing plants.

8. What is the present rated capacity of each plant?

9. What has been the actual production of finished cement by each plant by months for the past 5 years?

10. In the event that any of the differences in the rate of production for any 1 of the plants in 1 period distinguished from the rate of production in another period has been due to a breakdown, a strike, or any other like factor, please specify the nature of the event and the period over which it extended.

11. Submit a map showing for each plant the outlines of the territory into which shipments have been made as a part of the normal business operations during the past 2 years.

12. Specify the time, the destination, and the amount of shipment involved in any transaction which provided for shipment of 100,000 barrels or more of cement during any 12-month period from any 1 of your plants to any destination beyond the limits of that plant's normal shipping territory, at any time during the past 5 years.

13. Show the amount of finished cement on hand for each month at each plant for the past 2 years.

14. Show the amount of clinker on hand for each month at each plant for the past 2 years.

15. Show for each plant for each month during the past 2 years the amount of its backlog of unfilled orders for cement.

16. Specify the approximate amount of time that elapsed between the date of orders and the date of shipments on the shipments made from each of your plants during last month.

17. Specify for each existing plant whether prices are quoted f. o. b. mill or on a delivered basis.

18. Submit a copy of a typical quotation currently in use in connection with the business of each plant showing the terms and conditions of sale and whether the price is f. o. b. your plant or at destination.

19. In instances where quotations provide for delivery at plant, show the terms and conditions of sales when deliveries are made:

(a) To railway cars.

(b) To trucks.

20. In instances where quotations provide for delivery at destination, show the terms and conditions of sales when deliveries are made—

(a) by railways.

(b) By trucks.

1. When furnished by the company.

2. When furnished by the buyer.

21. If sales are made on a delivered basis show for your plan for the last fiscal year:

(a) The number of barrels of cement involved in sales on a delivered basis and shipped by railroad and the amount of freight paid for transporting that cement:

(b) The number of barrels of cement involved in sales on a delivered basis and which were transported by trucks owned or hired by your company and show the cost to your company for transporting that cement by truck.

22. Submit a statement showing for each plan for each of the past 5 years the average net price per barrel realized on its shipments.

23. Submit a statement listing the names of the trade associations of which your company is a member and show for each the period of time such membership has existed.

GENERAL AGREEMENTS ON TARIFFS AND TRADE

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. Bailey] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, on April 10 my colleague the gentleman from Maine [Mr. Hale] and I introduced identical resolutions authorizing the House Committee on Ways and Means to conduct a study of the General Agreement on Tariffs and Trade—GATT.

The purpose of the resolutions was to bring the GATT before Congress so that the membership might have a good look at it before voting on H. R. 5550 which is the bill that calls for United States membership in the Organization for Trade Cooperation—OTC. Since an affirmative vote on OTC membership would commit us to GATT, it appeared to us that Congress should have an opportunity to examine GATT before deciding whether we wished to support it with our vote.

The resolution was sent to the Department of State by the gentleman from Arkansas [Mr. Mills] for comment. The reply was printed in the Congressional Record on Monday of last week. I wish to take a few minutes, in turn, to comment on the reply.

First, Mr. Speaker, I ask unanimous consent to include in my remarks at this point House Resolution 459.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia.

There was no objection.

Mr. BAILEY. Mr. Speaker, the resolution is as follows:

House Resolution 459

Resolved, That the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of:

(1) The legislative authority for negotiations of the General Agreement on Tariffs and Trade (GATT), signed for the United States by the Department of State on October 30, 1947, in Geneva, Switzerland;

(2) The source of authority for each of the 35 articles of the same agreement (GATT), to determine—

(a) whether the Trade Agreements Act of 1934, as amended and extended, was the sole authority for the negotiation of each article, and if so

(i) what doctrine of delegation of powers from the legislative to the executive was relied upon to justify negotiation of the so-called trade rules or the substantive provisions of the agreement; while if not

(ii) what other legislative or nonlegislative sources of authority were invoked to justify negotiation of each article authority for which was not found in the Trade Agreements Act of 1934, as amended and extended;

(3) The power of self-amendment contained in article XXX of said agreement (GATT), in order to determine the extent to which the contracting parties thereof may themselves, independently of any restrictions on the powers of the proposed Organization for Trade Cooperation, amend the existing agreement toward the enlargement of its scope and jurisdiction without further reference to Congress;

(4) What barriers, if any, would approval of the articles of the proposed Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce in view of—

(a) the renunciation of import quotas under article XI of the General Agreement of Tariffs and Trade (GATT), which would be administered by said Organization;

(b) the power of self-amendment conferred upon the contracting parties of the General Agreement on Tariffs and Trade (GATT) under article XXX, referred to in paragraph (3) hereof;

(c) the practice of the contracting parties of the said general agreement to agree to the binding of tariff rates at specified levels and the freezing of items on the free list;

(5) The status of the General Agreement on Tariffs and Trade should the Organization for Trade Cooperation be established, to determine the extent to which the said general agreement could be carried out independently of any reservations attached to membership in the Organization for Trade Cooperation by any member; and the extent to

which any such reservations must be compensated by concessions to other member nations and the extent to which the necessary waivers by other members permitting such reservations might be merely temporary and subject to withdrawal;

(6) The extent to which the provisions of the General Agreement on Tariffs and Trade operate toward the binding of a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties, by action of a preceding Congress or by action of the President in exercising the powers delegated to him in the Trade Agreements Act of 1934, as amended and extended, or otherwise;

(7) The extent to which the provisions of the General Agreement on Tariffs and Trade are in conflict with the provisions of sections 6 and 7 of the Trade Agreements Extension Act of 1951 (that is, the so-called escape clause); with section 8 of the same act (that is, amendment to section 22 of the Agricultural Adjustment Act); with the provisions of section 7 of the Trade Agreements Extension Act of 1955 (that is, the so-called national security provision); the American selling price and other valuation provisions of the Tariff Act of 1930; the Antidumping Act; the Buy American Act; the cargo preference law (that is, the 50–50 preference for American merchant shipping); the mixing regulations of the Rubber Act of 1948; with export subsidies, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States Government toward the enforcement of these statutes;

(8) The source of the presumed or assumed power of the contracting parties of the General Agreement on Tariffs and Trade under which they have acted to grant a waiver to the United States to continue in effect import quotas on various agricultural products established under section 22 of the Agricultural Adjustment Act, including an examination of the doctrine of delegation of power by which the said contracting parties became possessed of sufficient authority to come into a position of granting such a waiver;

(9) The meaning of the stated objectives and purposes of the General Agreement on Tariffs and Trade insofar as they may conflict, upon implementation, with the constitutional authority of Congress to regulate foreign commerce and to establish and adjust tariff rates; and the extent to which the Organization for Trade Cooperation, if established, would operate to carry into effect such objectives and purposes.

(10) The extent to which approval by the Congress of United States membership in the Organization for Trade Cooperation would ratify the General Agreement on Tariffs and Trade (GATT) and thus nullify the congressional caveat adopted in various trade agreements extension acts.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), as soon as practicable during the present Congress, the results of its investigation and study, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such records, documents, and papers, to administer oaths, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or by any member designated by such chairman, and may be served by any person designated by such chairman or member.

Mr. Speaker, I now ask unanimous consent to include the statement by the gentleman from Arkansas [Mr. Mills] which includes a reply by the State Department on this matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, this statement is as follows:

GENERAL AGREEMENT ON TARIFFS AND TRADE

(Mr. Mills asked and was given permission to address the House for 1 minute and to include an analysis of House Resolution 459.)

Mr. Mills. Mr. Speaker, several days ago I asked that House Resolution 459, relating to the General Agreement on Tariffs and Trade and the proposed Organization for Trade Cooperation be analyzed by the executive department and questions raised by the resolution answered.

Such an analysis has been prepared within the departments and transmitted to me by Mr. Robert C. Hill, Assistant Secretary, Department of State, and is as follows:

Department of State,
Washington, April 18, 1956.

Hon. Wilbur D. Mills,
House of Representatives.

Dear Mr. Mills: In accordance with your request, I enclose a memorandum prepared by the Department of State analyzing the provisions of House Resolution 459, relating to the General Agreement on Tariffs and Trade and the proposed Organization for Trade Cooperation.

Sincerely yours,

Robert C. Hill,
Assistant Secretary.

(Enclosure: Memorandum on provisions of H. Res. 459, relating to GATT and OTC.)

"ANALYSIS OF HOUSE RESOLUTION 459, 84TH CONGRESS

"The resolution (H. Res. 459) introduced by Representative Bailey with respect to the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation, raises a number of questions with respect to the legal basis for American participation in the general agreement and the effect of congressional approval of the Organization for Trade Cooperation. The present memorandum analyzes and answers these questions.

"1. The resolution first raises the question as to the legislative authority for the participation by the United States in the General Agreement on Tariffs and Trade. Such legislative authority is contained in the Trade Agreements Act of 1934, as amended and extended, which specifically authorizes the President to enter into foreign trade agreements for the purpose of expanding American exports. The General Agreement on Tariffs and Trade is such a trade agreement.

"2. More specifically, the resolution inquires regarding the source of authority for each article of the general agreement, and whether there are any articles of the agreement which are not based on the authority of the Trade Agreements Act. The Trade Agreements Act authorizes the President to make and secure the commitments contained in each article of the general agreement. The act recites the broad purpose of expanding markets for products of the United States and authorizes action by the President if he finds that measures are burdening and restricting the foreign trade of the United States, and that this broad purpose will be promoted thereby. Accordingly, the act specifically authorizes the President to enter into foreign-trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade. Moreover, the act authorizes the conclusion of such agreements when duties or other import restrictions of the United States or a foreign country are adversely affecting our foreign trade, and authorizes the President to proclaim modifications of duties and other import restrictions, additional restrictions, and the continuance of customs or excise treatment in order to carry out such agreements.

"The report of the Ways and Means Committee on the original trade-agreements legislation, which was made a part of the Senate Finance Committee report on the same bill, stated that it was noteworthy that in negotiating with respect to a complex situation relating to trade the President could deal not merely with customs duties but with other import restrictions. The report also emphasized that the authority covered various types of measures for the retardation of trade (73d Cong., 2d sess., H. Rept. 1000, 15 and 16; ibid., S. Rept. 871, 18 and 19).

"Secretary of State Hull in appearing before the Ways and Means Committee had emphasized the need for 'broad authority to face other countries with their network of ever-increasing devices of every kind and description and name.' He submitted for the record a list of devices to which he had referred, including import quotas, license restrictions, exchange controls, clearing agreements, mixing regulations, consular and other administrative fees, marks of origin, and sanitary measures. (Ways and Means Committee (House), reciprocal trade agreements: Hearings on H. R. 8430, pp. 8, 9, 13, and 19 to 21.)

"The report of the Ways and Means Committee also throws light on the scope of the trade agreements which it was intended the President would enter into under the new legislation. In two places, when discussing the constitutionality of the legislation and when referring to the existing most-favored-nation commitments of the United States, the committee recognized that many agreements relating to trade had been entered into by the President in the past (73d Cong., 2d sess., H. Rept. No. 1000, pp. 10 and 55; ibid. S. Rept. No. 871, pp. 13 and 18). Various of these earlier agreements had contained provisions relating to the reasonableness of restrictions and fees affecting imports, to export taxes (1891 agreement with Brazil), to sanitary restrictions and statutory rights to retaliate against them (1891 agreement with Germany), to customs and consular regulations, valuation for customs purpose, the review of customs rulings, and import documentation (1907 agreement with Germany), and to most-favored-nation treatment with respect to import and export duties and other charges, of transit, warehousing, and other facilities, and of licensing and import and prohibitions (1924 agreement with Greece). Thus by 1934 the term 'trade agreement' had come to mean an agreement covering a wide range of trade controls relating to importation and exportation.

"The specific term 'duties and other import restrictions' is defined by the Trade Agreements Act itself to include, in addition to rates of duty, the 'form of import duties and classification of articles' and 'limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports' (sec. 350 (c) (1)).

"The substantive trade undertakings provided for in the General Agreement on Tariffs and Trade consist of (1) those relating to nondiscriminatory trade treatment (arts. II, XIII, XVII); (2) those relating to national treatment with respect to internal measures affecting imports (art. IV); (3) those relating to tariff concessions (arts. III and XXVIII); (4) those relating to customs administrative matters (arts. V, VI, VII, VIII, IX, and X); (5) those relating to elimination or administration of quantitative and exchange restrictions on trade (arts. XII, XIII,

XIV, and XV); (6) those relating to subsidies upon the exportation of goods (art. XVI); and (7) exceptions from these various undertakings (arts. XVIII, XIX, XX, XXI, XXIV, and portions of other articles already cited).

"Each of the articles of the general agreement falls within one or more of the authorizations under the Trade Agreement Act described above. Each is authorized by the Trade Agreement Act of 1934, as amended and extended.

"3. The resolution inquires as to the extent to which the powers of the proposed Organization for Trade Cooperation can be enlarged, without the approval of Congress, through the exercise of the so-called self-amending power of the General Agreement under Article XXX of that agreement.

"There is no self-amending power in the General Agreement. Amendments enter into force only by virture of acceptance by individual governments. Moreover, no amendment to the General Agreement can have any effect on any country which does not accept the amendment. In other words, it would not be possible for other governments to adopt an amendment and then force that amendment upon the United States.

"The participation of the United States in the General Agreement rests upon the authority of the President under the Trade Agreements Act. The authority of the President under the Trade Agreements Act does not enable him to accept amendments to the General Agreement on Tariffs and Trade which would have the effect of broadening the scope of the Organization for Trade Cooperation, without the approval of the Congress, to include matters other than those which relate to governmental barriers to trade. Specifically, the President could not, under the Trade Agreements Act, accept amendments to the General Agreements on Tariffs and Trade on behalf of the United States which would broaden it to include international codes relating to such matters as full employment, private restrictive business practices, economic aid to underdeveloped countries, or commodity control schemes closely regulating international trade and prices of commodities. Agreements such as the International Wheat Agreements of 1949 and 1953, the International Sugar Agreement of 1953, and the Coffee Agreement of 1940 have been approved by the Senate as treaties.

"4. The resolution inquires concerning what barriers, if any, would approval of the Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce. The resolution suggests that this question is asked because of the inclusion in the general agreement of a provision aimed at eliminating import quotas, of a provision for self-amendment, and of provisions incorporating tariff concessions which the parties to that agreement have negotiated.

"The answer to this is that the Congress is constitutionally free now and would remain constitutionally free after approval of H. R. 5550, to regulate the foreign commerce of the United States. It has chosen to exercise a portion of this power by delegating limited authority to the President to enter into trade agreements, one of which is the General Agreement on Tariffs and Trade. That agreement, like the 29 bilateral trade agreements entered into pursuant to the authority of the Trade Agreements Act, record tariff concessions and limit the use of import quotas on foreign trade. The provisions of the general agreement relating to quotas are of special importance to American export trade. Without them our agriculture, industry, and labor occupied in the production of goods for export would not be adequately safeguarded. Nevertheless, the Congress is free at any time, if it so chooses, to enact legislation affecting imports into or exports from the United States and any such legislation would have the force of law in this country, notwithstanding the General Agreement on Tariffs and Trade. This freedom would remain unaffected by enactment of H. R. 5550 and subsequent United States participation in the OTC.

"5. The question is raised as to the extent to which the general agreement could be carried out 'independently of' any reservations attached to membership in the Organization for Trade Cooperation, the extent to which such reservations must be compensated for by concessions to other countries, and the extent to which waivers permitting reservations may be withdrawn.

"The concept of a reservation to an international agreement is that of a counteroffer, which must be agreed to by the other party or parties before any agreement is reached with such party or parties. Once it has been agreed to, the reservation becomes a part of the contract between the country making it and the countries which have agreed to it. Of course we cannot, by ourselves, modify the general agreement pursuant to a reservation, but we could make agreement by other countries to a reservation affecting our obligations under the general agreement a condition of our acceptance of the Agreement on the Organization for Trade Cooperation. By its terms, the OTC agreement cannot enter into force without its acceptance by the United States, and consequently the United States could make agreement to such a reservation a condition for the establishment of the organization.

"If the United States should attach to its acceptance of the agreement on the Organization for Trade Cooperation a reservation which would reduce our obligations under the general agreement, it would be quite natural for other countries to attach comparable reservations, with the result that the price for obtaining agreement to our reservation might be that we would have to accept, as a condition to the acceptance of our reservation by others, reservations of other countries adversely affecting our benefits under the general agreement. Such a situation is basic to international bargaining.

"There has never been any attempt to withdraw a waiver granted under the general agreement. Many waivers contain a time limitation or a statement of circumstances under which they might be reexamined. It would be the position of this Government, if the question should ever arise, that no waiver may be withdrawn, without the consent of the country to which it was granted, except in accordance with the terms of the waiver itself. The waiver accorded to the United States with respect to import restrictions and fees on agricultural products under section 22 of the Agricultural Adjustment Act, as amended, contains no time limitation.

"6. The resolution inquires as to the extent to which the provisions of the General Agreement on Tariffs and Trade bind a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties.

"The Congress has exercised its constitutional authority, through the enactment of the Trade Agreements Act, authorizing the President to enter into trade agreements containing provisions relating to duties and other import restrictions. The General Agreement on Tariffs and Trade is such an agreement. Nevertheless, the Congress is constitutionally free to adopt legislation which would nullify the effect of any international agreements entered into by the United States. The constitutional power of the Congress has not been, and cannot be, taken away.

"Consequently there is no basis for concluding that the general agreement deprives Congress, whether the present Congress or a future Congress, from exercising its constitutional authority to determine our trade policies.

"7. The resolution lists many provisions of our law, such as the escape clause of sections 6 and 7 of the Trade Agreements Extension Act of 1951, the national security provisions of our trade agreements legislation, valuation on the basis of American selling price, the Antidumping Act, and the Buy American Act (all of which are discussed below), and asks to what extent the general agreement is in conflict with them, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States toward the enforcement of these statutes.

"The following are the domestic laws referred to in the resolution together with a statement as to whether the general agreement is in conflict with them:

"(a) Escape-clause provisions of Trade Agreements Extension Act of 1951. The escape clause in article XIX of the general agreement would permit any action required or appropriate under the escape clause of the Trade Agreements Extension Act of 1951.

"(b) Action imposing fees or quotas to protect agricultural programs under section 22 of the Agricultural Adjustment Act, as amended. Action taken under this section would come within either the exception for agricultural quotas in article XI, paragraph 2 (c) of the general agreement or under the section 22 waiver granted to the United States.

"(c) National security provision in section 7 of the Trade Agreements Extension Act of 1955. Depending on the circumstances, either the escape clause in article XIX, the conservation exception in article XX (g), or the security exception in article XXI, would enable action to be taken under this legislation without involving conflict with United States obligations under the general agreement.

"(d) American selling price and other valuation provisions of the Tariff Act of 1930. There is no conflict between the American selling price and other valuation provisions which do not conform with article VII of the general agreement, since they come within the exception in the protocol of provisional application for legislation existing on October 30, 1947.

"(e) Antidumping Act. The antidumping provisions of article VI of the general agreement are consistent with the Antidumping Act.

"(f) Buy American Act. There is nothing in the general agreement inconsistent with the Buy American Act. Article IV, paragraph 8 (a) excepts from the national treatment provisions of that article procurement by Government agencies.

"(g) Fifty-fifty shipping provisions of cargo-preference law. The general agreement contains no provisions relating to shipping.

"(h) Mixing regulations of the Rubber Act of 1948. Article IV paragraph 6 permits mixing regulations no more restrictive of imports than those existing on a date shortly after the close of the war. A note to this article permits the imposition of comparable restrictions on imports to implement such a mixing requirement. Article XXI would prevent the general agreement from conflicting with the imposition of more stringent mixing regulations in case of war or international emergency, and article XX (j) would similarly apply to such regulations imposed in short supply situations. Consequently, there is no inconsistency between this legislation and the General Agreement on Tariffs and Trade.

"(i) Export subsidies legislation. The provisions of article XVI relating to export subsidies on agricultural products reflect the policy applied by the United States in carrying out legislation for the subsidization of exports of such products. The provisions relating to export subsidy on other products do not prevent the imposition of subsidies existing in 1955.

"Consequently, there is no conflict between the general agreement and any of the legislation referred to in the resolution.

"Membership of the United States in the Organization for Trade Cooperation would have no effect on any of these legislative measures relating to foreign trade, or on any other trade legislation of the United States, or on the relationship of the general agreement to any such legislation.

"8. The resolution asks, how did the contracting parties of the General Agreement on Tariffs and Trade acquire the power to grant to the United States a waiver in order that we might continue in effect our import quotas on agricultural products under section 22 of the Agricultural Adjustment Act.

"Agricultural import quotas established by the United States are made effective pursuant to American law, and the contracting parties to the general agreement have no power to set aside or modify the application or enforcement of such quotas.

"The waiver was granted not in order to empower the United States to apply these quotas but in order to remove an inconsistency between the quotas and obligations which the United States had, by voluntary action, earlier assumed under the general agreement. The authority of the contracting parties to the general agreement to waive obligations is not presumed or assumed, as implied in the House Resolution 459. It is explicitly provided for in article XXV of the general agreement and would be transferred to the OTC in accordance with article 13 of the OTC agreement.

"The waiver provisions of the general agreement and of the OTC were included on the initiative and insistence of the United States and are a valuable safeguard to American industry, labor, and agriculture. To suggest that these waiver provisions should not be in the general agreement or in the OTC is like suggesting that our trade agreements should not contain an escape clause comparable to the escape clause in our trade agreements legislation.

"9. The resolution asks two questions about the stated objectives and purposes of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation.

"It is asked first, how may these objectives conflict, upon implementation, with the constitutional authority of Congress to regulate foreign commerce and to establish and adjust tariff rates.

"The stated purposes and objectives of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation do not conflict with the Trade Agreements Act. Furthermore, these stated purposes and objectives neither are nor can be a source of authority of the President with respect to matters going beyond the authority explicitly given to him by the Congress in the Trade Agreements Act.

"The second part of this question is, to what extent would the Organization for Trade Cooperation, if established, operate to carry into effect these objectives and purposes? The Organization for Trade Cooperation could not carry into effect, insofar as the United States is concerned, any measures affecting the regulation of the foreign commerce of the United States without the express consent and approval of the United States. As has been explained above, the authority of the President in this field is based upon the authority granted to him by Congress under the Trade Agreements Act. Congress, therefore, is ultimately in control. Moreover, no amendment to the Organization for Trade Cooperation could apply to the United States unless it were accepted by the United States.

"10. Finally, the resolution inquires, to what extent would approval by the Congress of the United States membership in the Organization for Trade Cooperation ratify the General Agreement on Tariffs and Trade? Congressional approval of the agreement on the Organization for Trade Cooperation would not ratify or enact the General Agreement on Tariffs and Trade.

"The General Agreement on Tariffs and Trade is not before the Congress for approval. It is a trade agreement, like the 29 bilateral trade agreements, entered into by the President pursuant to the authority granted to him by the Congress and within limits established by the Congress. Such trade agreements are not submitted to Congress for its approval or ratification. To do so would be to nullify the whole purpose of the Trade Agreements Act. Accordingly, enactment of H. R. 5550 cannot have the effect of enacting or ratifying the trade provisions of the General Agreement on Tariffs and Trade.

"April 18, 1956."

Mr. Speaker, in addition, the Department of State at my request has supplied a reply to the suggestion that the functions of OTC may be broadened through amendment of GATT, which follows:

"REPLY TO SUGGESTION THAT FUNCTIONS OF OTC MAY BE BROADENED THROUGH AMENDMENT OF GATT

"H. R. 5550 as reported by the Committee on Ways and Means provides that 'Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States accept any amendment to the Agreement on the Organization for Trade Cooperation.'

"OTC is intended to be an organization whose functions will be limited solely to international trade, its major responsibility being the administration of the General Agreement on Tariffs and Trade. The purpose of the provisions of H. R. 5550 quoted above is to make sure that this limited responsibility of the OTC will not be broadened, without the approval of the Congress, to cover wide responsibilities in the international economic field, such as codes relating to full employment, investment and various types of direct assistance for economic development, private restrictive business practices and commodity control schemes regulating international trade and prices. In short, the purpose of this provision is to assure that the OTC will not become an organization such as the International Trade Organization, which was once proposed, unless the Congress approves such action.

"Now it is being suggested in some quarters that this limitation in H. R. 5550 could be circumvented by the President through the simple expedient of amending the General Agreement on Tariffs and Trade. In other words, it is being suggested that the President could literally change the nature of the proposed OTC by amending the General Agreement so as to give to the OTC these broad functions not now contemplated.

"This is groundless fear.

"First, no amendment to the General Agreement on Tariffs and Trade can have any application to the United States unless the United States accepts that amendment. It would not be possible, therefore, for other governments to broaden the OTC by an amendment to the GATT and then force that amendment on the United States against its will.

"Secondly, United States participation in the General Agreement is based upon the authority contained in the Trade Agreements Act. That act relates solely to governmental barriers to trade. It does not authorize the President to accept amendments to the General Agreement with respect to matters relating to codes on full employment, investment, private restrictive business practices, commodity control schemes and the other broad provisions of the old ITO charter.

"There is no basis for the fear, therefore, that in approving OTC we shall be setting in motion a project to recreate the old ITO without the approval of the Congress."

I was struck by the uncompromising character of the reply. In this respect it was in keeping with what those of us who are interested in maintaining fairness of import competition with the industries, farmers, and workers in this country have come to expect from the State Department. The Department has become very dogmatic in asserting its views on the trade-agreements program.

One would think from a perusal of the reply, signed by Mr. Robert C. Hill, Assistant Secretary of State, that the Members of Congress who have questioned the Department's use of the delegated power are intrusive and making objectionable inquiry into State Department operations.

The first question in the resolution related to the legislative authority for the negotiation of GATT. The reply is peremptory. It says that Congress in the Trade Agreements Act of 1934 authorized the President to enter into foreign trade agreements for the purpose of expanding American exports. GATT is such a trade agreement.

That is all there is to it. The State Department has spoken. Who should make so bold as to question the Department?

Pardon me if I take exception to this growing totalitarian internationalism.

I am opposed to it and shall resist it with all the vigor at my command.

The State Department's reply has pitched the battle clearly on the issue of what branch of the Government is supreme in looking after the interests of the people back home in the matter of foreign competition. Mr. Hill says that the Trade Agreements Act "specifically authorizes the President to enter into foreign trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade."

H. R. 1, the Trade Agreements Extension Act of 1955, contained a provision that was worded specifically to extend the President's authority. It provided that trade agreements might include provisions relating to quantitative import and export restrictions—that is, quotas, custom formalities, and other matters relating to trade.

This provision was protested widely and was eliminated from the bill in the Senate and was not in H. R. 1 when it passed Congress.

Furthermore in 1949 when H. R. 1612 was before the Senate Finance Committee the State Department was asked to show under what authority each of the 35 articles of GATT was negotiated. A tabulation was furnished by the Department showing that the authority for 15 of the 35 articles was attributed wholly or in part to the general authority of the President to conduct the foreign affairs of the United States. The authority for the other articles was attributed to the Trade Agreements Act.

What happened between 1949 and today to bring about the changed interpretation of the State Department. The attempt to bridge the gap in the deficiency of authority that was contained in

H. R. 1. did not succeed. It was defeated by the Congress.

Now the State Department overlooks this defeat and brushes aside the action of Congress. This is only one more example of the Department's attitude toward Congress and its constitutional authority. Hereafter Congress would be well advised to scrutinize with the greatest care any further delegation of power through the President to the State Department.

Assistant Secretary Hill also denies that GATT has the power of amending itself. No GATT amendment, he says, "can have any effect on any country which does not accept the amendment." The fact is, however, that acceptance by the United States can be, as it already has been, given by the Department of State without reference to Congress and without the knowledge of Congress.

It is true that the Committee on Ways and Means did amend the OTC bill to make it clear that any amendments to the OTC must be approved by Congress. This was not in the original bill. But this amendment does not touch GATT itself. An amendment to GATT requires only the affirmative vote of two-thirds of the members. The acceptance by the United States would be delivered by the affirmative vote of the State Department representative speaking for the United States in the conference.

The secrecy of the proceedings at these conferences is such that perhaps not one person out of a million in this country knows the nature of the amendments until after they are adopted.

Under No. 4 of his reply the Assistant Secretary says that Congress is constitutionally free now and would remain free after approval of H. R. 5550 to regulate the foreign commerce of the United States. He adds that Congress has delegated "limited authority to the President to enter into foreign trade agreements, one of which is the General Agreement on Tariffs and Trade."

Let me point out that previously he has said, as already quoted above, that the Trade Agreements Act had authorized "the President to enter into foreign trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade."

Now he says, as just quoted, that Congress has delegated "limited authority to the President to enter into foreign-trade agreements."

Mr. Hill should tell us which of these two versions is the correct one.

This statement is not to be regarded as an attack on Mr. Hill. I believe that his reply reflects faithfully the attitude of his Department. It is that attitude that I am concerned about. The Department has set itself up as the supreme arbiter in the matters of tariff and trade. All considerations of the domestic economy are to be subordinated to it, including our farm program. Now to make sure that Congress will be unable to reach the seat of decision-making power, the Department wants to move it overseas where the Department alone will be the voice of America.

The strategy is obvious. Leave to Congress the theoretical right to regulate the foreign commerce of this country but allow the State Department to make agreements according to the economic views of Department representatives. Thereafter Congress may protest as loudly as it can. It will be too late. The name of the United States has been signed. Our word has been pledged.

This has been the Department's game and in my judgment the game should be broken up. The Assistant Secretary's reply only reinforces my resolve that GATT should be thoroughly studied before a vote is taken on H. R. 5550.

Mr. MACK of Washington. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Washington.

Mr. MACK of Washington. Mr. Speaker, because there are a number of industries in my district which are affected by unfair import competition, I am greatly concerned with the broad changes in our tariff and trade policy which the State Department is attempting to carry out under the General Agreement on Tariffs and Trade. The welfare of the workers in my district who are engaged in the production and sale of lumber, plywood, hardboard, aluminum shingles, paper, filbert nuts, cherries, flower bulbs, and fishery products such as tuna, salmon, oysters, crab meat, and other products, requires that I give the closest attention to the effect of congressional action on the proposed Organization for Trade Cooperation because of its Siamese twinship to GATT.

For this reason I have read with considerable interest the State Department's analysis of House Resolution 459. I am disappointed with that statement. For example, the analysis, in a paragraph No. 7, refers to many provisions of our domestic law which a number of organizations have said are contradicted by provisions of GATT. The analysis discusses each of them briefly and then concludes that there is no conflict between the general agreement and any of the legislation referred to in the resolution.

Mr. Speaker, the State Department's analysis of these laws is in direct conflict with the facts as I understand them. Its conclusion is unsupportable and I will proceed to show why.

First, as to the escape clause provisions of our domestic law. The State Department's memo declares that the GATT escape clause would permit any action required or appropriate under the domestic escape clause. Now, the language of the GATT escape clause is patterned closely after the escape clause which was provided for by a Presidential Executive order prior to 1951. In the Trade Agreements Extension Act of 1951 the Congress made a number of changes in that escape clause. The Congress directed that if as a result in whole or part of a trade agreement concession a product is being imported in such actual or relative increased quantities as to cause or threaten serious injury to a domestic industry, relief can be granted by the President in the form of, first, a withdrawal or modification of the concession; second, its suspension in whole or part; or, third, the establishment of import quotas. The GATT escape clause does not authorize a change if injury results only in part from a trade agreement concession or if the increase in imports is a relative one in comparison with domestic production rather than an absolute one. So the conditions that must be met before relief can be granted under the GATT escape clause are more difficult to bring together than under our domestic law. Next, and possibly more important, the GATT escape clause does not authorize the use of import quotas to correct injury caused to domestic industries by imports. Indeed, GATT prohibits the use of quotas.

There are other differences. A prerequisite to relief under the GATT escape clause is that injury must be due to unforeseen developments as well as an increase in imports, and so forth. Furthermore, and this is of crucial importance to our domestic industries, our domestic law makes it clear that the domestic industry involved in an escape-clause case is only that part of the producing organizations which makes the competitive domestic product. In other words, for relief to be granted under our domestic law it is not necessary that an entire industry be brought to its knees. This, however, would be required under the GATT escape clause.

With all of these differences—and some of them are of substantial importance, Mr. Speaker—it is absurd for the State Department to submit to Members of Congress a so-called analysis of the differences between our domestic laws and GATT in such a way as to imply or indicate that any action permissible under our domestic law would also be permissible under the GATT.

Second. The State Department analysis indicates that action taken by our Government to impose fees or import quotas on agricultural products to protect our various agricultural programs are not in conflict with the general agreement. Now I say that this is patently absurd also. The major effort of the State Department during the ninth session of the contracting parties of the General Agreement on Tariffs and Trade was devoted to negotiating a limited waiver which would permit the United States to follow our domestic law in the face of the contradictory provisions of GATT. Now, this waiver obliges the United States to remove each import fee or quota as soon as possible. Furthermore, the United States by the terms of the waiver is required to submit an annual report to GATT explaining why any restrictions of this type continue to be applied and what steps it is taking to secure their removal. It does not require a genius to see through the words and phrases used in putting together the text of this waiver. What the waiver actually means is that the other members of GATT agree for the time being to let the United States go through the motions of obeying its own domestic laws so long as everybody clearly understands that we are not to do this very often and that when we do do it, we are to bring it to an end just as soon as we can.

Third. Last year the Congress was so concerned about the effect of imports on our essential defense industries that there was placed into our domestic law a provision which would require the President to take suitable action to limit imports whenever they were found, after an investigation, to threaten to impair our national security. Now, the State Department does not seem to be very happy about this amendment. Some State Department officials appear concerned that this measure will prove too much of an umbrella to shield our essential industrial capacity from the damaging effects of import competition. The provisioning of the sinews of war to keep our domestic economy great and strong to meet any challenge of this age is not the primary responsibility of the State Department in its "analysis". The State Department says that the escape clause of GATT or a conservation exception in GATT or a security exception in GATT would permit the United States to follow the dictates of the national security provision of our own law. This in my opinion, is not so. The escape clause of GATT does not have any provision in it that refers to action required in the interests of national security. The so-called conservation exception by its terms would force the United States to limit domestic production at the same time it attempts to limit imports. Now, I ask the Members if they can explain to me how there can be any sensible approach to the problem of building up essential domestic productive capacity if you have to impose limitations on domestic production. It is the opposite that would be required—expanding domestic capacity rather than limiting it.

The so-called security exception of GATT says that the only kinds of import restrictions which are permitted on security grounds are those taken in time of war or other international emergency, those relating to fissionable materials, and those relating to traffic in arms, ammunition, and so forth. Now, the problem the United States has is to keep its industrial mobilization capacity in a state of readiness in this so-called period of peace. The GATT amendment seems tailored to the proposition of letting imports eat away at essential industries in times of peace, the very time when you need to be especially watchful that industrial capacity is kept at a level necessary to meet the immediate needs of a sudden and unexpected war emergency.

Fourth. A number of our industries whose protection is provided in the form of ad valorem tariff duties are concerned about the repeated efforts which have been made to change the customs valuation provisions of the Tariff Act of 1930. GATT requires every such provision of our domestic law to be changed. Some of them, like the American selling price, it outlaws entirely. Others it would change so drastically that they would be virtually eliminated. The use of foreign value, for example, is one of these. The State Department has tried once to secure the enactment of legislation that would eliminate the American selling price. An attempt to justify that legislation was made a few years ago on the ground that it was necessary to bring United States law into line with our commitments under GATT. Just about every year for the last 5 years the Executive Department has come before Congress with a bill to change all of the other value provisions of the Tariff Act. While they have conjured up a number of explanations for the necessity of changing these provisions that have served the country for more than 30 years, the Tariff Commission's report to the congressional committees exposed these changes as being measures which would bring United States law into conformity with GATT.

The only answer the State Department's "analysis" offers for the conflict between GATT's provisions and our domestic law in this area is that the so-called protocol of provisional application under which GATT is presently in effect permits the United States not to comply with GATT where its laws on the statute books as of October 1947 are in conflict with GATT. What the State Department has not mentioned, however, is that GATT by its terms provides for the agreement to come into full and definitive application at that moment in the future when nations representing 85 percent of world trade have become parties to the agreement. This day is close at hand. At the ninth session of the contracting parties the United States and the other members of GATT agreed on a resolution that expressed the desire of those countries that GATT come into definitive application as soon as possible. Recognizing that this would be difficult for those countries whose laws are in conflict with GATT, the United States and these other countries agreed that GATT as revised at that session could be signed by the various countries for definitive application with a reservation as to their domestic laws which were in conflict. However, this resolution expresses the agreement of all of the parties that this domestic legislation should be brought into line with GATT's provisions as soon as possible. It imposes an obligation on the United States and other countries similarly situated to make an annual report to GATT of the progress it is making in changing its laws. Furthermore, at the end of 3 years this resolution will require the United States to come before GATT's members and to make a full report on its progress in eliminating its domestic laws that are inconsistent with GATT, including the American selling price and a number of other laws intended to protect domestic industries against unfair import competition. By the terms of this resolution the members of GATT will make an assessment of the progress the United States has made. They have the power under this resolution to make appropriate recommendations. In diplomatic lingo the words "appropriate recommendations" means some censure or economic sanction which may be imposed by the members of GATT against the United States if it has not eliminated enough of its domestic laws that conflict with GATT to satisfy the other members of GATT.

If there were no conflict between GATT's provisions and our domestic laws, why did the United States enter into such a waiver? On numerous occasions the State Department, through its representatives, has admitted to committees of Congress that some of our laws conflict with GATT's provisions. To imply the contrary as is done in this analysis of the State Department, is not in conformity with my understanding of the issue.

Fifth. The Antidumping Act is a major piece of legislation adopted by the Congress after years of experience with the unfair practices of foreign industries who are determined to dispose of their surplus production in our markets. The State Department says that the provisions of GATT relating to antidumping are consistent with our domestic law. Members of Congress should not be fooled. The GATT rule limits antidumping findings to situations where imported products are introduced into the commerce of a country below their normal value where the effect is such as to cause or threaten material injury to a domestic industry. Our domestic law permits a finding of dumping whenever injury or the likelihood of injury—mind you, not material injury such at GATT requires—would occur to an established industry. The executive department of our Government has tried to bring our law into conformity with GATT in the past by adding the word "material" to injury in our law. The Congress has not gone along with it simply because it would mean a substantive change in the test which is applied. Fair value under our law for a long time was construed by our courts to mean the foreign market value of the merchandise concerned. The Treasury Department has put out a regulation which purports to change that definition somewhat. In my opinion this brings our actual practices into line with GATT. In my opinion this regulation is of questionable validity. It is certainly incorrect to say, as the State Department's analysis does, that the provisions of the GATT article are consistent with our Antidumping Act.

Sixth. Mr. Speaker, the State Department's analysis makes no reference at all to the countervailing duties provision of our law. Section 303 of the tariff act provides for an additional duty to be imposed on imported goods whenever they are being sent into the United States with the aid of a bounty or subsidy or grant from a foreign country or instrumentality. Our public policy is that regardless of whether or not injury is being caused to one of our domestic industries, this kind of a method of overcoming the effect of our tariff rates will not be tolerated.

What does GATT provide? It says that the member countries shall not impose countervailing duties unless the effect of the imports which are aided by the subsidy or bounty is to cause material injury to the domestic industries of the member country.

Now, there can be no question about this. The State Department has been forced on a number of occasions to admit that the GATT countervailing duty provision is contradictory of our domestic law because it requires injury to domestic industries before action can be taken.

Seventh. Coming as I do from the State of Washington, I am deeply interested in the domestic legislation which protects our merchant marine and our shipbuilding industries from the death and destruction which would surely follow from low-wage, low-cost foreign competition. Our merchant marine is one of our foremost national defense resources. We have learned that lesson over and over in every emergency, in every war in which our country has fought, and yet the smoke will hardly be cleared from the battlefields before strident voices are raised at home to do away with legislation which insures in times of peace the maintenance of a merchant fleet adequate for our defense needs in time of war. We now have a so-called 50–50 shipping law—that is a law that requires that at least 50 percent of the cargoes financed by United States funds for shipment abroad must be carried in American-flag ships. One would think that this law would be interpreted as a measure of generosity in which the United States was limiting in effect its own flagships to only half of tax-financed cargoes. Instead, this law is a rallying point for cries from foreign shores of niggardliness by the United States in excluding foreign-flag carriers, who carry the majority of the world's cargoes anyway, from our small part of the cargoes that originate in the United States. I urge Members of Congress who want to inform themselves on this important issue that they read and study House Report No. 1818 of this Congress with the greatest of care.

Mr. Speaker, I could go on at considerable length discussing other provisions of GATT which run afoul of our domestic legislation, such as the right to use internal taxes on imports and the right to use mixing regulations which specify use of domestically produced raw materials. Time does not permit. There is one very important point which I do want to make in conclusion, however. The State Department analysis says categorically that each of the articles in the General Agreement falls within the Executive authority under the Trade Agreements Act. A most effective refutation of this contention, which has been made by the State Department before, is contained in the brief submitted to the Ways and Means Committee by the Synthetic Organic Chemical Manufacturers Association. I insert at this point in the Record just that portion of this very comprehensive brief together with the footnotes referred to in the text which thoroughly document the fact that many of the substantive provisions of GATT have never before been used in United States trade agreements and are, by the State Department's own admission, outside of the authority of the President in the trade agreements legislation:

CONGRESSIONAL APPROVAL OF UNITED STATES PARTICIPATION IN OTC WOULD RATIFY THE UNAUTHORIZED ADHERENCE OF THE UNITED STATES BY EXECUTIVE ACTION TO CERTAIN PROVISIONS OF GATT

The State Department has taken a variety of positions with regard to the authority of the President of the United States to commit the United States to GATT.

In 1947 this took the form of an admission that there were provisions in the draft of GATT which would be outside the scope of the President's authority under the Trade Agreements Act.[1] These provisions, it was acknowledged, would have to be brought to the Congress for approval,[2] though an occasional attempt was made to suggest sui generis power in the President as Chief Executive to commit the United States internationally to such provisions.[3]

The provisions of GATT as it was entered into in 1947 by the United States and other countries did not, however, differ materially from those contained in the draft which the State Department representatives admitted were, at least in part, in excess of the Presidential authority.[4]

The provisions in GATT for which the President was then believed to have authority were described as of the type customarily included in this country's bilateral trade agreements to protect the value of the concessions received by the United States from the other parties to the agreements.[5]

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[1] In hearings conducted in 1947 by the Senate Finance Committee regarding the proposed International Trade Organization, Senator Millikin, then chairman of the committee, inquired repeatedly of State Department witnesses what legal authority existed for the President to sign the then proposed General Agreement on Tariffs and Trade. Mr. Charles Fahy, legal adviser of the State Department, appeared specially for the State Department to answer those inquiries. He rather carefully skirted the question in his colloquy with the members of the committee, but he did make the following admissions (hearings, p. 175):

"Those provisions [referring to the draft of GATT] will need very careful going over by the United States before it is willing to accede to them under existing authority in the Trade Agreements Act. They have to be reviewed under the light of sound judgment as to what is permissible without further authorization of Congress.

* * * * *

"I can say this much now, Senator, that in the form in which it has been proposed, including, by reference, bodily, so many provisions of the proposed charter of the more permanent organization, it will not be approved—not in the form in which it now is.

"Certain reservations were specifically made when it was originally drafted as a working paper. It is still a working paper. We have analyzed the provisions in terms of existing laws of the United States. I will be glad to leave with the committee a memorandum.

"Some of them certainly, I think, are not presently authorized by the laws of the United States."

The memorandum on GATT submitted to the Senate Finance Committee by the State Department appears in part 2 of the printed hearings, pages 1380 to 1384. After a brief description of the articles of GATT, in which the valuation provision (then art. V, now art. VII) was not referred to at all, a note appears, which begins with the following statement: "Certain of the provisions described above would, in their present form, appear to be inconsistent with existing laws of the United States." After discussing a few of the inconsistencies, the note concludes as follows:

"There may be other conflicts or possible inconsistencies between the provisions of the agreement as it is presently drafted and existing laws of the United States. Among the procedures which might be followed to resolve these inconsistencies would be the modification of the text to eliminate the particular language which is inconsistent with our legislation, or the insertion by the United States of an express exception or reservation relative to the particular items involved. Whatever method of dealing with these matters may be used, there is no intention of obligating the United States beyond the power of the executive authority."

[2] Clair Wilcox, Director of the Office of International Trade Policy, Department of State, in 1947, and one of the principal architects of GATT, testified before the Senate Finance Committee in the 1947 hearings. When he was asked by Chairman Millikin about the authority for United States entry into GATT, he replied (p. 75, hearings, pt. 1):

"Well, Senator, the executive branch of the Government would not at Geneva enter into any arrangement which was beyond its authority, including that provided for by the Reciprocal Agreements Act. Any part of this program that would go beyond that authority would be referred to Congress."

[3] During Mr. Fahy's testimony before the Senate Finance Committee in 1947 he stated (p. 175, hearings, pt. 1):

"I must say, however, that I am sure the Senator will recognize, the President himself has powers in this field which are distinct from acts of Congress. * * *"

He later appeared to withdraw this claim of sui generis authority for the President, stating of GATT (p. 176, hearings, pt. 1):

"It is now being negotiated under the President's power to negotiate, principally the powers which Congress has given to the President in the Trade Agreements Act. That is, the obligations should not exceed those powers. That is what it is. You want to know the position on particular provisions."

[4] The draft text of GATT referred to by Mr. Fahy appears in pt. 2 of the hearings at pp. 1385–1402. Though the text was subsequently revised somewhat, the revisions were either in the form of mere language changes or the addition of new substantive provisions which left unimpaired the substantive rules stated in the draft referred to by Mr. Fahy and the State Department memorandum. This is particularly true of the rules which appeared in the draft, and which were retained in GATT as finalized, which are detrimental to the members of this association and inconsistent with United States laws (i. e., those dealing with customs valuation, antidumping, countervailing duty, escape clause, internal taxes on imports, mixing regulations and quotas). Consequently the State Department did not live up to its promise to Congress that the United States would not be obligated to such provisions.

[5] Clair Wilcox, Director, Office of International Trade, State Department, in his testimony to the Senate Finance Committee in 1947, had the following exchange with Chairman Millikin concerning GATT (p. 71, hearings, pt. 1):

"The Chairman. My point is, what is your legal authority for entering into an agreement of that kind without bringing it to the Congress first.

"Mr. Wilcox. Well, this would be a trade agreement and the only text of the charter that would be included in it would be the type of material that always is included in trade agreements, which is necessary to protect the tariff concessions."

A similar exchange took place a few moments later. Mr. Wilcox had described the GATT as incorporating the commercial policy chapter of the ITO Charter, which he also described as the heart of the charter. He had also acknowledged that the ITO Charter itself would have to be brought before Congress for approval. Chairman Millikin asked Mr. Wilcox if he were not "doing provisionally, without the consent of Congress, in substance, the same thing that [he] admitted must have the consent of Congress" (p. 73). The chairman emphasized the importance of clearing up the question, stating:

"The Chairman. Because, if the Congress feels it should have the main charter come back to it as a treaty for the approval of both Houses, surely it would not abandon

When public notice was given by the President's designated agency (the Committee for Reciprocity Information) soliciting the views of interested parties on the articles proposed for trade agreement negotiation at the 1947 meeting in Geneva, at which GATT was to be established, no reference was made to the possibility or intention that unprecedented substantive rules of the type for which authority was admittedly lacking would be included in the agreement. Rather, the notice said: "Views concerning general provisions of a nature customarily included in trade agreements may also be presented." [6]

The Tariff Commission in its analysis of the substantive provisions of GATT as it was executed in 1947 identified the following provisions, among others, as the type which had never before been incorporated in bilateral trade agreements of the United States: [7]

In its comparison of the general provisions of GATT, in the form in which that agreement was entered into on October 30, 1947, by the United States and other countries, with those of earlier United States trade agreements, the Tariff Commission epitomized GATT's provisions as follows (p. 43):

"The general provisions of the multilateral agreement negotiated at Geneva are much more extensive than the corresponding provisions which appear in any other trade agreement which the United States has signed. * * * Some general provisions of the Geneva agreement deal with matters not dealt with in any pre-Geneva agreement. Since the objectives sought by the Geneva agreement closely parallel those sought in the proposed charter for an International Trade Organization, most of the general provisions are identical with, or similar to, corresponding provisions of the proposed ITO charter."

Part II of GATT contains the substantive rules, including those to which our association objects. Of part II the Tariff Commission said in its 1949 report (p. 45):

"Part II deals with a wide range of matters of international trade policy * * *. To carry out many of these provisions would require changes in existing United States laws * * *. Accordingly, the Geneva agreement cannot become fully effective unless and until enabling legislation is enacted."

1. A commitment against the use of taxes on imported articles which are directly competitive or substitutable for domestic articles not taxed; [8]

2. Prohibition against the use of protective internal requirements such as mixing regulations (recall those pertaining to synthetic rubber a few years ago); [9]

3. Limitation of antidumping duties to cases of material injury, and the limitation of countervailing duties to cases of injury; [10]

4. The requirement that customs valuation be on the basis of actual value (which hits at several existing value provisions of the tariff act), and forbidding the use of value of articles of national origin (American selling price); [11]

5. A prohibition against marking requirements which increase the cost of imported goods, or reduce their value; [12]

6. The prohibition against the use of import quotas (which applies to all imports, not just the products covered by GATT reductions in duty); [13]

7. A commitment to notify other contracting parties if subsidies are used to reduce imports, and to discuss their limitations.[14]

In 1954 and 1955 the executive department made an effort to get specific congressional authority under which the legality of these unauthorized substantive provisions could be established by Presidential action. This was attempted by the following provision of H. R. 1 (84th Cong., 1st sess.) in the form in which it was introduced as an administration measure:

"(A) To enter into foreign trade agreements with foreign governments or instrumentalities thereof containing provisions with respect to international trade, including provisions relating to tariffs, to most-favored-nation standards and other standards of nondiscriminatory treatment affecting such trade, to quantitative import and export restrictions, to customs formalities, and to other matters relating to such trade designed to promote the purpose of this section similar to any of the foregoing: *Provided*, That, except as authorized by subparagraph (B) of this paragraph, no such provision shall be given effect in the United States in a manner inconsistent with existing legislation of the United States.

"(B) To proclaim such modifications of existing duties and other import restrictions, or such continuance, and for such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder."

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the right to have something which does the same thing come back to it.

"Mr. WILCOX. Well, suppose, Senator, that we were to enter into a series of bilateral reciprocal-trade agreements each of which contained provisions limiting the freedom of the other contracting parties. Those in effect prevent evasion of the tariff concessions that they have made to us, by using other types of restrictive devices. Would this question apply?

"The CHAIRMAN. Well, you are arguing that by evasion you could keep this subject from coming back to Congress. I do not care to front that kind of argument, and I should not think you would.

"Mr. WILCOX. We made no such suggestion. We have 28 reciprocal-trade arrangements [sic] and all of them, in general, contain provisions which are designed to prevent an escape from a commitment with respect to one type of trade practice by resorting to another type of trade practice.

"The CHAIRMAN. I think the answer to your question, in general terms, is that when you make a trade agreement under Reciprocal Trade Act, you make it in accordance with what you conceive to be legal authority you have under the act.

"Mr. WILCOX. Yes, sir.

"The CHAIRMAN. But I challenge you to produce to the committee legal authority to enter into this provisional world organization with the power which you have described without the consent of Congress. That is the whole point."

[6] Public notice, Committee for Reciprocity Information, Washington, D. C., November 9, 1946.

[7] U. S. Tariff Commission, Rept. No. 160, 2d series, Operation of the Trade Agreements Program, pt. II (1949), pp. 42, and following.

[8] This prohibition is also contained in art. VI of GATT (proposed art. IV). Of it the Tariff Commission stated (p. 45):

"The provisions for national treatment with respect to taxation are broader than similar provisions of pre-Geneva agreements in that they include a commitment against the use of taxes not only on imported articles which are 'like' domestic articles but also on those which are not 'like' domestic articles but which are 'directly competitive' with or 'substitutable' for domestic products which are not similarly taxed."

[9] This prohibition is also contained in art. III of GATT (proposed art. IV). Concerning it the Commission stated (p. 45):

"Art. III prohibits the use of protective internal requirements such as mixing regulations, i. e., regulations which require the admixture of at least a certain percentage of domestic materials with imported materials. This prohibition also is new. The pre-Geneva agreements contain a prohibition of the use of quantitative restrictions on the sale of imported products on which specified tariff concessions were made (scheduled products). The prohibition in the Geneva agreement of mixing and similar regulations not only is much broader respecting the devices which it restricts but also applies to all products, whether or not tariff concessions have been made on them."

[10] See note 28 [of brief] for a description of the differences between the United States antidumping law and art. VI of GATT; refer to note 29 for differences between the United States countervailing duty provision and art. VI of GATT. The Tariff Commission said of GATT's art. VI (p. 46):

"This article has no counterpart in pre-Geneva agreements and could not be completely put into effect without a change in the United States law relating to countervailing duties. Present law provides for the assessment of such duties without any requirement of finding of injury to domestic industries."

[11] Art. VII of GATT will prohibit the use of the American selling price valuation provision on coal-tar chemicals as well as require basic changes in other customs valuation provisions of United States law. These changes and their severe effect upon the members of this association are discussed in some detail in the brief at pages 16 to 27. The Tariff Commission made the following comment on art. VII of GATT (p. 47):

"This article has no counterpart in the pre-Geneva agreements; to put it into effect would require several important changes in United States law."

[12] This prohibition is found in art. IX of GATT. Of it the Tariff Commission said (p. 47):

"This article has no counterpart in pre-Geneva agreements, and would require some changes in United States law."

Some of the required changes in United States law were carried out in the Customs Simplification Act of 1953 (act of Aug. 8, 1953, 67 Stat. 508). The Congress declined to amend sec. 304 of the Tariff Act of 1930, the general marking requirement, in 1953 so as to conform fully to the GATT article; consequently, despite the changes already carried out in the Customs Simplification Act of 1953, congressional policy, as expressed in sec. 304, as amended, is not in conformity with art. IX of GATT.

[13] So far as chemicals and other manufactured articles are concerned, this prohibition against the use of import quotas is contained in art. XI of GATT. Arts. XII through XV pertain to exceptions to that general prohibition which are not material to imports of chemicals and other manufactured articles into the United States. The Tariff Commission's comment on art. XI of GATT is as follows (p. 48):

"The most important difference between the provisions of art. XI and corresponding provisions of pre-Geneva agreements is that art. XI generally prohibits the imposition of quantitative restrictions on imports of all products (subject to important exceptions set forth in this and other articles), whereas the pre-Geneva agreements include this prohibition only with respect to products listed in the schedules. Some pre-Geneva agreements include in the schedule of concessions granted to the United States liberalizations of quotas on imports from the United States of certain articles of special interest to this country. In such cases a minimum quota on imports from the United States is usually specified. The concession schedules of the Geneva agreement contain no provisions regarding quotas on individual articles. Under the Geneva agreement quota regulation is governed solely by the general provisions."

[14] The obligation to consult with other contracting parties with reference to the use of subsidies is contained in art. XVI of GATT. The Tariff Commission said of this article (p. 50):

"The pre-Geneva agreements contain no counterpart of art. XVI, but they do contain provisions for consultation respecting matters concerning the nullification or impairment of any object of the agreements."

The same kind of a provision was included in the administration's similar bill in the preceding Congress, H. R. 8860 (83d Cong. 2d sess.).

Congress refused to grant this authority, however, and the provision was eliminated from the bill. In its place there was inserted the customary caveat disclaiming approval or disapproval of the GATT.[15]

Under H. R. 5550, Congress won't have a direct opportunity to decide whether GATT's rules or United States laws are to prevail. The State Department declines to submit GATT to Congress. It now claims that the Trade Agreements Act authorizes the President to accept GATT in its entirety.[16]

It should be obvious that this is not so. As the State Department itself pointed out when GATT was in its formative stages (at a time when the Department confidently expected the Congress to approve the charter for an international trade organization, whose commercial policy section comprised the substance of GATT), the trade agreements authority is limited to those kinds of substantive provisions which have been customarily included by the United States in its bilateral trade agreements in order to protect the value of the concessions the United States secured from the other parties to these agreements.[17]

The following provisions of GATT, of major concern to us, were never before included in United States trade agreements,[18] and cannot conceivably be considered as of this type:

1. American selling price. The use of this value base for coal-tar chemical imports antedates United States trade-agreement legislation by 12 years.[19] United States duty reductions on coal-tar chemicals have been premised on its use. A ban now on its continued use (art. VII), therefore, has nothing to do with protecting the benefit of those reductions to other countries. The benefit of concessions received by the United States or any other country could only be impaired by a change in the methods of valuation after concessions were granted. Protection against that kind of impairment is provided by article II of GATT.[20] Therefore article VII cannot be justified as a measure required to protect the value of the concessions received by the United States.

2. The ban against import quotas;

3. The ban against internal taxes on imports; and

4. The ban against internal mixing regulations.

These provisions of GATT apply not only to the products on which concessions were granted, they also apply to all imports of the member nations regardless of whether or not they are the subject of a concession.[21] Hence, they are clearly not defensible as measures required to protect the value of the concessions received by the United States.

5. Antidumping duties and countervailing duties. Our domestic law does not now require any finding of injury as a condition precedent to the application of countervailing duties. The GATT, however, adds such a requirement. This and the change made by GATT in requiring a finding of material injury in antidumping cases were conceded by the State Department in 1947 and 1950 to be plainly contrary to our domestic laws [22] and hence beyond the scope of the President's trade-agreements authority.[23]

6. Customs valuation provision. The prohibition in GATT against the use of arbitrary or fictitious values for customs purposes has been interpreted by our State Department to apply to certain principles used in connection with foreign value, United States value, and cost of production as those terms are defined in section 402 of the Tariff Act

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[15] Section 3 (a): [(a) (1) (A)], Trade Agreements Extension Act of 1955: "*Provided*, That the enactment of the Trade Agreements Extension Act of 1955 shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade."

[16] Department of State Publication 6268, Commercial Policy Series 155, released January 1956, states (p. 13):

"The GATT itself was not submitted for congressional approval, because Congress has already given the President the authority to enter into trade agreements with other countries. This authority is in the Trade Agreements Act, which has been in effect since 1934."

Secretary of State Dulles testified to the Ways and Means Committee on March 1, 1956, as follows:

"The United States has participated in the General Agreement [on Tariffs and Trade] for 8 years under the Trade Agreements Act, which authorizes the President to 'enter into foreign trade agreements.' * * *

* * * * *

"The President has already acted to revise the trade agreement rules in the general agreement. Within the limits of the authority granted to the Executive by the Trade Agreements Act, the United States has negotiated and accepted a series of amendments to the general agreement * * *."

* * * * *

"* * * Any substantive undertakings by the United States with respect to its trade regulations must either be entered into by the President under the Trade Agreements Act or be specifically approved by Congress. * * *"

* * * * *

"The General Agreements on Tariffs and Trade has not been submitted to the Congress for approval because, as I have indicated, the authority to enter into trade agreements without referring them back to the Congress is found in the Trade Agreements Act. The general agreement, therefore, is in the same status as any of the many other trade agreements which have been entered into by the President.

"* * * Congress is not being asked to approve the detailed provisions of the general agreement—to endorse the detailed actions which the President has taken in exercising the authority which Congress granted to him in the Trade Agreements Act."

[17] See note 5 above. In the hearings on H. J. Res. 236, a joint resolution providing for United States membership in the International Trade Organization, conducted by the Committee on Foreign Affairs of the House of Representatives in 1950, then Secretary of State Acheson stated that (p. 11, hearings):

"The core of the charter (for an International Trade Organization) is the chapter on commercial policy (ch. IV)."

He also testified that (p. 13):

"Some changes in domestic laws will be required for full compliance with it (the charter)."

During those hearings, Willard Thorp, Assistant Secretary of State, submitted a memorandum to the committee entitled "United States Laws Inconsistent With the ITO Charter." It stated, among other things, that (p. 68, hearings):

"Of the 9 chapters of the charter, only I (ch. IV) contains provisions with which the United States laws are inconsistent."

The provisions of that chapter on "commercial policy" comprise the general provisions of GATT, as previously documented in note 5. Ch. IV of the ITO Charter consisted of 30 articles. All but seven of these are contained substantially in GATT. (These seven pertain to export subsidies, primary commodities, state trading, and statistics—not of significant interest in the problem under consideration.)

The United States laws specifically discussed in the State Department memorandum (pp. 68–72, hearings on H. J. Res. 236, 81st Cong., 2d sess.) as being inconsistent with the ITO Charter include the following provisions of GATT. (If they are illegal or contrary to United States law in ITO, they are equally so in GATT.)

Art. 18 of ITO (which corresponds to arts. III and IV of GATT (proposed art. IV of GATT)) pertaining to internal taxes and internal regulation, such as mixing regulations;

Art. 20 of ITO (which corresponds to art. XI of GATT) pertaining to quotas;

Art. 34 of ITO (which corresponds to art. VI of GATT) pertaining to dumping and countervailing duties;

Art. 35 of ITO (which corresponds to art. VII of GATT) pertaining to customs valuation, prohibiting the use of American selling price, requiring discontinuance of foreign value, changes in United States value and cost of production value now contained in section 402 of the Tariff Act of 1930, and changes in the definition of usual wholesale quantities used in our statutory value bases;

Art. 37 of ITO (which corresponds to art. IX of GATT) concerning marks of origin.

The point of this is that the State Department has on two occasions in the past, admitted that provisions now found in GATT were contrary to United States law, and would require statutory changes before the United States could be committed to them. Now, all this is waved aside with the sweeping assertion that GATT need not be brought before Congress because in its entirety it is something the Executive can commit the United States to under the trade agreement authority.

[18] See notes 8 to 14, above.

[19] The American selling price value base for coal-tar chemicals was first provided in United States law in the Tariff Act of 1922.

[20] Art. II (proposed art. III) reads as follows:

"No contracting party shall alter its method of determining dutiable value or of converting currencies so as to impair the value of any of the concessions provided for in the appropriate schedule annexed to this agreement."

[21] Art. XI of GATT: "No * * * restrictions other than duties, * * * whether made effective through quotas, * * * or other measures, shall be * * * maintained by any contracting party on the importation of any product * * * of any other contracting party."

Art. III of GATT (proposed art. IV): "2. The products of * * * any contracting party imported into the territory of any other contracting party shall not be subject * * * to internal taxes * * * in excess of those applied * * * to like domestic products. * * *"

"5. No contracting party shall * * * maintain any internal quantitative regulation relating to the mixture * * * of products in specified amounts * * * which requires * * * that any specified amount * * * must be supplied from domestic sources."

[22] Exhibit XX, hearings on ITO, Senate Finance Committee, 80th Cong., 1st sess., pt. 2, p. 1384; hearings on H. J. Res. 236, Committee on Foreign Affairs, House of Representatives, 81st Cong., 2d sess., p. 70.

[23] This is the clear inference of the note in the State Department memorandum and the testimony of the Department's Legal Adviser Fahy, referred to in footnote 1 above.

of 1930.[24] A recent GATT survey shows that the United States alone of GATT's members uses such valuation principles.[25] Hence, they could not have been put in GATT to protect the value of the concessions granted to the United States because no nation other than the United States uses them.

The issue, therefore, is quite plain. The executive department is asking the Congress to authorize the United States to participate as a member in an international organization whose principal function is to administer (by way of complaint, ruling, decision, and sanctions) a multilateral trade agreement which contains provisions which have been agreed to in behalf of the United States by the executive department in excess of any authority now possessed by the executive department.

Approval by the Congress of United States participation in that international organization will plainly and simply mean that Congress intends the United States to live up to those obligations.[26]

Approval of H. R. 5550 would, therefore, be tantamount to a ratification by the Congress of the executive department's unauthorized action in purporting to commit the United States to those substantive rules of GATT which have never heretofore been included in a United States trade agreement.[27]

Currently more diplomatic language is used, but it means the same thing. State Department Publication 6268, Commercial Policy Series 155, released January 1956, says (p. 15) that OTC will generally devote itself to the efficient operation of [GATT].

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a brief that was filed with the Committee on Ways and Means relative to certain phases of the General Agreement on Tariffs and Trade.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BAILEY. I thank the gentleman from Washington.

Mr. Speaker, I yield to the gentleman from Georgia [Mr. Lanham].

Mr. LANHAM. Mr. Speaker, I have said before on this floor that I will oppose so far as lies in my power the further encroachment of the Executive on the legislative authority. I repeat that sentiment and in pursuance of it wish to support the gentlemen from West Virginia [Mr. Bailey] and Maine [Mr. Hale] in their admirable effort to see that GATT, the General Agreement on Tariffs and Trade, and all that it stands for, are exposed to a complete inquiry by the Committee on Ways and Means of this House, before we undertake to vote on H. R. 5550, the OTC bill.

I am not surprised to find the State Department stubbornly ranging itself against such an inquiry. The Department has every reason to fear an inquiry into its doings under GATT; but that should give us all the more reason for insisting upon it. Every Member of this body should be concerned about the loss of our power to the executive, and to the judiciary. I have spoken at length on other occasions on the latter. At this time in the short time that I have I wish to address myself to certain aspects of the OTC-GATT proposal.

Other speakers have responded on various parts of the reply sent by the State Department to the gentleman from Arkansas [Mr. Mills]. I wish to give particular attention to the addendum to the letter. This is a separate reply to the question of whether the functions of the OTC could be broadened by amendments to GATT. This question arises because the Ways and Means Committee adopted certain amendments to H. R. 5550 which would prevent any newly proposed powers that might be offered to strengthen the OTC from applying to the United States unless they were approved by Congress. That was of itself a precautionary measure taken by the committee and the committee is to be congratulated.

However, attention is called to the failure of any of the amendments to H. R. 5550 to reach GATT itself. The State Department has this to say:

> Now it is being suggested in some quarters that this limitation in H. R. 5550 (that is, that no new obligation could be imposed upon us without congressional approval) could be circumvented by the President through the simple expedient of amending the General Agreement on Tariffs and Trade. In other words, it is being suggested that the President could literally change the nature of the proposed OTC by amending the general agreement so as to give the OTC these broad functions not now contemplated.
>
> This fear is groundless.
>
> First, no amendment to the General Agreement on Tariffs and Trade can have any application to the United States unless the United States accepts the amendments. * * *
>
> Secondly, United States participation in the General Agreement is based upon the authority contained in the Trade Agreements Act. That act related solely to governmental barriers to trade. It does not authorize the President to accept amendments to the General Agreement with respect to matters relating to codes on full employment, investment, private restrictive business practices, commodity control schemes, and the other broad provisions of the old ITO charter.

Several comments are in order. There seems to be a confusion of the powers of the OTC to amend itself with the self-amending powers of GATT.

The power of self-amendment by the OTC has been taken care of by the Ways and Means Committee amendment of H. R. 5550 already referred to; but as already pointed out, that amendment leaves GATT free to amend itself according to its own articles of agreement. This is set forth in article XXX. A two-thirds vote is all that is necessary.

The United States has no reservation such as the amendment to H. R. 5550 that would require the approval by Congress of any amendment to GATT. This is a very important point, and it is this loophole that upsets completely the State Department contention.

The point is this, and I ask you whether or not it is an important one: No amendment to the OTC could apply to the United States unless it were accepted by the United States. Thanks to the Ways and Means Committee amendment to H. R. 5550, acceptance by the United States could be obtained only through congressional approval. No amendment to GATT could apply to the United States unless it was first accepted by the United States; but—and this is the distinction—the State Department could give this approval and it would not be placed before Congress. There is no amendment to our membership in GATT such as the one adopted by the Ways and Means Committee limiting the amending powers of the OTC.

Therefore when the State Department says flatly that the fear of GATT expanding its scope, possibly even to the extent of calling for full employment, developing the full use of the resources of all the members, and so forth, is groundless, it is simply making a statement.

Look at it this way. The OTC would be established to administer and achieve the "purposes and objectives" of GATT. These objectives and purposes are very broad and provide a sufficient umbrella to cover codes of full employment, commodity agreements and much else.

Should the Congress approve the OTC we would be members of an organization devoted to carrying out the provisions of the General Agreement, as it is now or as it might become in the future.

GATT, let us say, by two-thirds vote, the State Department concurring, would agree on some plan of full employment, international commodity control or what not. This would be sufficient. There is nothing anywhere that says that such

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[24] State Department memorandum, "United States Laws Inconsistent With the ITO Charter," hearings, op. cit. supra, note 17, at pp. 71, 72.

[25] "Comparative Study of Methods of Valuation for Customs Purposes," GATT, Basic Instruments and Selected Documents, Third Supplement, pp. 106, 107; pp. 118–125, col. 1.

[26] In an earlier day, the State Department had less reluctance to acknowledge that the organizational provisions of GATT were indeed intended to accomplish a policing of the agreement. Mr. Fahy testified in 1947 (hearings, on ITO, Senate Finance Committee, 80th Cong., p. 173):

"Now, you first have the question, which I understand the committee has been concerned about, whether the act authorizes multilateral agreements. Assuming for the moment that it does, and a multilateral trade agreement is entered into, containing detailed schedules of duties and concessions; and tariff provisions, or comparable provisions, customs provisions, it follows that the Government of the United States on its part, and other governments on their part, have to have some administrative machinery or means of, I use it reluctantly, 'policing' the agreement."

[27] One candid student of the executive department's maneuvers on GATT and OTC (a member of the United States delegation to ITO and GATT conferences) has commented pungently on the unalterable fact that OTC approval carries in its train GATT approval. He states:

"It would have been simpler to have a single text rather than two. It would have been more candid to recognize that the power to define obligations differs only in shadowy degree from the power to impose obligations. * * *

"The device of two separate agreements rather than one does serve certain practical political functions once the decision is made to seek a clearer congressional mandate for a permanent international trade organization. Congressmen who are cool to GATT, but not outspokenly hostile, might find it easier to vote to accept an administrative agreement than to endorse explicitly the substantive text of GATT. Moreover, congressional acceptance of the OTC agreement without formal action on GATT would leave the administration free to negotiate amendments of GATT from time to time as an exercise of Executive power." Bronz, An International Trade Organization: The Second Attempt, 69 Harvard Law Review 440, 479 (1956).

an amendment must be approved by Congress.

No limitation on the OTC can change article XXX of GATT. Only a renegotiation could do that. The net of it is that GATT would be wide open to amendment by itself despite any amendments attached to H. R. 5550 by Congress. Since United States acceptance of amendment would be determined by the State Department without the least consultation of Congress, it is clear that Congress would be neatly bypassed.

Seeing the State Department temper and noting its conception of its powers under the Trade Agreements Act, from the letter to the gentleman from Arkansas [Mr. Mills], the Congress would be well advised indeed to be doubly cautious. Once we had given our consent to OTC under these circumstances Congress for all practical purposes could close its doors so far as its power to regulate commerce is concerned.

I say let us not be so unwary as to walk into such a trap. The State Department explanations smack of pure sophistry. Their hope of gaining their goal of controlling our tariff and trade policy lies in the gullibility of Congress. I am convinced that their hopeful calculations are wrong. I for one do not expect to fall before such hoodwinking. Let us assure ourselves of our course by studying the many aspects of the OTC-GATT question before committing ourselves.

Mr. BAILEY. I thank the gentleman from Georgia.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. Bray].

Mr. BRAY. Mr. Speaker, I rise in support of this resolution.

The State Department's analysis of House Resolution 459 makes the point that the trade rules of the General Agreement on Tariffs and Trade—GATT—are authorized by the Trade Agreements Act of 1934, as amended.

The facts do not support such a conclusion. The record shows that the State Department itself, when placed under cross-examination by congressional committees interested in getting to the bottom of this matter of authority to commit the United States to GATT, has in the past been far more cautious.

In 1947, when GATT was negotiated, the State Department was challenged by the Senate Finance Committee as to its authority to enter into GATT, which was then being negotiated. The Department admitted that the draft of GATT contained many provisions which were outside the scope of the President's authority under the Trade Agreements Act.

Under sharp questioning by the chairman of the Senate Finance Committee, the State Department also admitted that some of GATT's provisions would have to be brought to Congress for approval. The Department made an attempt in those days to claim that the President had some inherent power to make such an international commitment, but it also admitted that GATT should not contain any provision which would not be covered by the authority of the Trade Agreements Act.

However, instead of deleting these questionable provisions from GATT, the State Department went ahead and agreed to them at Geneva in 1947 and persuaded other countries to do likewise.

The State Department has always sought to justify the provisions of GATT by saying that they are no different from the provisions included in our bilateral trade agreements to protect the concessions which we receive from the other parties to the agreements. Even the public notice which the State Department gave of its intention to enter into a trade agreement in 1947, which culminated in GATT, asked for views only with respect to general provisions of a nature customarily included in trade agreements—that is, the previous bilateral agreements.

Fortunately Congress has an independent body to advise it concerning customs and tariff matters. The Tariff Commission has analyzed the provisions of GATT, and in a published report it identified the following provisions as being in GATT but not in any of the bilateral trade agreements preceding GATT:

First. A commitment against the use of taxes on imported articles which are directly competitive or substitutable for domestic articles not taxed;

Second. Prohibition against the use of protective internal requirements such as mixing regulations—recall those pertaining to synthetic rubber a few years ago;

Third. Limitation of antidumping duties to cases of material injury, and the limitation of countervailing duties to cases of injury;

Fourth. The requirement that customs valuation be on the basis of actual value—which hits at several existing value provisions of the Tariff Act—and forbidding the use of value of articles of national origin—American selling price;

Fifth. A prohibition against marking requirements which increase the cost of imported goods, or reduce their value;

Sixth. The prohibition against the use of import quotas—which applies to all imports, not just the products covered by GATT reductions in duty;

Seventh. A commitment to notify other contracting parties if subsidies are used to reduce imports, and to discuss their limitation.

Here then are seven differences between GATT and the bilateral agreements preceding GATT and they show how far the State Department wandered in going from the bilateral to the multilateral system represented by GATT.

On two occasions preceding the present one the Executive Department has tried to get Congress to ratify what it has done in GATT. The first was in H. R. 8860 of the 83d Congress, when the Executive Department included a provision in the trade agreements extension bill that would have authorized the President not only to enter into trade agreements for the purpose of reducing duties but also provisions dealing with nondiscriminatory treatment, quotas, customs formalities, and something vaguely defined as other matters relating to international trade.

That bill went nowhere and the executive department tried again in 1955. H. R. 1 in the form in which it was introduced contained the same type of a provision. That was the second attempt. Congress refused again to grant the sweeping authority asked for. The provision was overtly eliminated from H. R. 1. Instead a caveat was placed in the bill disclaiming any intention of Congress that its action in extending the trade agreement authority was to be interpreted as an approval of GATT.

The record then was something like this:

The State Department convinced no one when it claimed that the President had inherent authority to commit the United States to GATT. Then it got nowhere when it tried to amend the Trade Agreements Act with a provision that would have broadened the trade agreements authority enough to cover GATT.

Now it seizes the only position left to it and claims that the authority to permit the President to accept GATT in behalf of the United States is found in the Trade Agreements Act itself. This claim is based in large part on the other claim, upset by the Tariff Commission report summarized above, that GATT is no different from the previous bilateral trade agreements.

The claim that the Trade Agreements Act itself gave full authority to the President to negotiate GATT is therefore obviously a claim born of desperation and yet, if the Congress unwittingly approves H. R. 5550, it will rescue the State Department from its position of desperation.

The summary treatment given these problems in the State Department's analysis in reply to House Resolution 459 does not shed any light on them at all. The action called for by the resolution is appropriate and necessary if the House is to be in a position to act in a responsible manner with a full understanding of H. R. 5550.

Mr. BAILEY. I thank the gentleman from Indiana.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. Van Zandt].

Mr. VAN ZANDT. Mr. Speaker, the OTC question interests me as much as GATT itself.

I have risen many times on this floor to question the wisdom of clothing the Department of State with powers that belong to Congress and should be exercised by Congress.

While I was not one of those who spoke in support of House Resolutions 459 and 460 introduced by the gentleman from West Virginia [Mr. Bailey] and the gentleman from Maine [Mr. Hale] which call for a study of GATT by Congress before voting on the OTC, I do strongly favor such action.

There is every reason why Congress should review the operations of the State Department under the delegation of authority extended to the President.

A bitter dispute has arisen over how much power was actually delegated by Congress and how much power has been exercised by the State Department as an arm of the executive branch. One of the purposes of the resolution was to make such a determination.

Now we have a reply to the resolution from the State Department itself, signed by Assistant Secretary Robert C. Hill.

Such a reply is, of course, no substitute for an inquiry and study by the Ways and Means Committee such as the resolution calls for; but it is worthy of attention and comment.

The State Department letter undertakes to answer the questions raised in the resolution.

Altogether it establishes very clearly what the ideas and notions of the Department are as to its power under the Trade Agreements Act.

The letter is a remarkable document as a reflection of what can happen to a grant or delegation of power.

The State Department, armed with the delegated power as interpreted by itself, has, so to speak, entered the House of Congress in tariff and trade matters and crowded us out into the street; and has now figuratively so long resided here that when we seek to reenter the premises we are challenged by the squatters.

They say we gave them the key and the permission to do as they please and cannot properly now call them to account.

As the gentleman from West Virginia [Mr. Bailey] has quoted the State Department, they claim that Congress gave the President the authority to make trade agreements "without any qualification on the content of such agreements other than that they shall relate to foreign trade."

Did Congress really do that or has the State Department grown bold by feeding on the delegated power?

If Congress extended powers such as those described by Assistant Secretary Hill, we abdicated our responsibilities to an incredible degree.

I do not believe that we did and the State Department has not always said so. They acknowledged their limitations under questioning before the Senate Finance Committee, as has already been stated on this floor.

Even now, after saying that trade agreements can be made by the President without any qualification on the character of such agreements so long as they relate to trade, the State Department in what seems a contradiction says in the letter:

> Consequently there is no basis for concluding that the general agreement (i. e., GATT) deprives Congress, whether the present Congress or a future Congress, from exercising its constitutional authority to determine our trade policies.

I confess that I am lost by such a juxtaposition of doctrine.

It can only mean that if Congress does not like what the State Department has done in a trade agreement we can kick over the agreement.

This would mean that even though, with our general consent, as given in the Trade Agreements Act, the State Department agreed in the General Agreement—GATT—that we will not establish or maintain import quotas—with certain exceptions applying so far as we are concerned only to agricultural products—Congress is nevertheless free to establish import quotas on any item it wishes.

Mind you, the State Department has signed an international document, an agreement, pledging that we will not impose or even maintain import quotas.

Yet, according to the State Department Congress is free, notwithstanding the signature of Uncle Sam to the contrary, to go ahead and impose such quotas.

I ask you what kind of morality does that represent?

Whom does the Department intend to fool, us or other governments?

Obviously it should not undertake to do either and it is shocking to have such evidence as the State Department's letter provides.

Naturally the question arises, if the Department has placed itself into a position of having to fool someone, what reason is there to believe that we ourselves will not be the victims of the deception?

In other words, we are to believe that Congress is free to carry out its constitutional mandate but at the same time will wake up to find that the State Department has promised the world that we will not do thus and so, such as impose an import quota, raise an individual tariff rate, or sell farm products at world prices.

In what dubious and unfavorable light does the State Department seek to place this country?

Either Congress is coerced and bows to State Department intimidation or it overrides the international agreement.

The choice is neither pleasing nor acceptable. Congress must remain free to legislate without breaking the word of this country. Any other path is dishonorable.

How such coercive power over Congress could grow out of a delegation of power to the Executive would be a mystery but for the fact that we see it before our eyes.

To say that Congress is free under the conditions under which it would be forced to act, namely, tearing our international agreements to shreds, is to treat common intelligence and honesty with contempt.

I am sure that the State Department's position is untenable.

It is a position that it could hold neither before the world nor the people of this country.

I am sorry that the Department has seen fit to work itself into such an untenable position. That probably explains better than anything else the inflexible character of the letter sent to us by the Department.

One final example will throw further light on the peculiarity of position the Department must take in order to defend itself.

One of the questions asked in the resolution is how the contracting parties of GATT came into possession of the power which they exercised when they granted this country a waiver on our import quotas on certain farm products, with the result that we may keep them, but only on the promise that we will remove them as soon as we can and that we report our progress in this direction once a year to GATT.

The State Department letter says that our import quotas are the product of our own legislation, which is true, and that GATT has no power to set aside or modify the application of such quotas.

If this means anything it means that our international agreement is worthless to other signatory countries unless the State Department can coerce Congress by using this very GATT commitment as a weapon to prevent the imposition of quotas.

This necessity of mixing a dream world with the real world and jumping from one to the other according to the needs of the argument is the direct result of first excessive State Department ambition; second, State Department and/or congressional carelessness; or, third, State Department explanations fabricated after the fact in keeping with the principle that a strong offense is the best defense.

I am convinced that the OTC legislation is crucial in the history of legislative delegation of power and we should make all necessary inquiry into its meaning before we vote on the bill. This certainly includes an exhaustive study of GATT.

Mr. BAILEY. I thank the gentleman from Pennsylvania.

OVERTON WATERWAY, LA.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. Brooks] is recognized for 30 minutes.

Mr. BROOKS of Louisiana. Mr. Speaker, President Dwight Eisenhower appeared before the convention of the National Rivers and Harbors Congress, of which I am president, 2 years ago and proclaimed the fact that the development of our water resources was our No. 1 domestic problem. After this, he set up a Cabinet committee for the purpose of studying our water policies and making recommendations regarding improvements. This action of the President made everyone realize that the development of our inland streams and waterways has been long neglected and that the time is at hand when we must seriously consider further action looking toward water transportation.

Inland water transportation in the Mississippi Valley largely started in the States of Ohio, Indiana, Kentucky, and Tennessee. The Ohio River has seen vast development throughout the years until it is recognized by everyone as a major artery of commerce, the loss of which would be disastrous to this Nation. The development of the Mississippi Valley extended farther downstream, with the building of levees along the lower Mississippi, the elimination of many of its bends and curves, the channel improvement and bank stabilization, and the construction of giant reservoirs far upstream; but these steps, while gradual, have been effective in building a vast inland water empire, the value of which to our people beggars description. The Intercoastal Canal, the Erie Canal, and a network of inland waterways throughout the 48 States have all brought to us an era of navigation. But in spite of this, relatively few people are aware of the amazing progress made in transportation through use of canals.

Tugboats have failed to inspire writers of song and story. The old river steamboat, "coming 'round the bend," provided ideal setting for romance. But no second Mark Twain has appeared between book covers to recount adventures of a fictitious Tom Sawyer on a tugboat or a Huck Finn trotting atop cargo on a string of barges a quarter of a mile long.

But if you are interested in the phenomenal progress of inland navigation, if you are interested in the increasing percentage of freight that is being moved by tugboats and barges, amazing facts are easily available to you.

I call your attention to only a few figures, and those will pertain primarily to what is happening in Louisiana. These raw facts are so convincing that I am wholeheartedly determined to do all I can to bring the Overton Red River Waterway into reality. There is no reason for further delay.

In 1951, 56,652 tons of cargo moved to and from Baton Rouge by tugboat and barge transportation. Two years later, tonnage jumped to 139,146 tons. A report of the Corps of Engineers, Department of the Army, discloses that in 1954 there were 716,838 tons of seashells moved in barges along the Baton Rouge area, and that same year barges and tugboats moved to and from that city 3,245,400 barrels of crude petroleum.

I hope I am not unfair in quoting these figures from the Baton Rouge area, although that city is the deepest and farthest inland fresh water harbor in the United States. It is also the junction point for oceangoing vessels and barge transportation.

Through the courtesy of the Greater Baton Rouge Port Commission I get these figures: Total tonnage on the Mississippi River for 1946 was 41,308,475. In 1954 it was 82,404,001. To explain these figures, Mr. Wallace, manager of that commission, says:

> All of the traffic on the Mississippi River is barge except for ocean traffic which goes to New Orleans, Baton Rouge and points having ocean docks between those two cities.

For the Intracoastal Waterway I get these figures: 20,400,923 tons moved through the canal in 1946, whereas for 1952 the figure is 42,139,672. Regarding these canal figures, Mr. Wallace said:

> The entire Gulf Intracoastal Waterway traffic is by barge.

Many years ago Charles Gayarre, a well-known historian, called Louisiana the Holland of America. In making this comparison he was considering the natural waterways of Louisiana, its labyrinth of bays, bayous, lagoons, estuaries, and rivers; his comparison had no reference to human effort that was being made to improve those natural liquid highways for modern navigation. The Dutch have far outstripped us in developing this particular resource for cheap and dependable transportation. But with the Intracoastal Gulf Waterway which now crosses the southernmost border of Louisiana, and with the construction of the Overton Red River Waterway to feed cargo into that great artery of transportation, we will be rapidly approaching the Netherlands in maximum use of inland navigation.

It is with pride that I exert my efforts to bring reality and fruition to the proposed Overton Red River Waterway, for the project was named in honor of my uncle, the late Senator John H. Overton. But not for this alone am I addressing you today. I see, in the completion of this project, great benefits to the Nation as a whole.

My State is blessed with natural resources which should move at the least possible cost to all parts of the United States.

Listen to this astounding declaration: One-third of all the natural gas in the United States is either controlled or distributed through firms that operate in my home city, Shreveport, La. It is estimated that cost of total tonnage of petroleum products shipped out of that area over the proposed Overton Red River Waterway to various parts of the United States would save approximately $1 million per year. Saved on shipment of cotton, a half million dollars annually. Saved on shipment of automobiles into the area, at least a million dollars.

These items alone are sufficient to convince you that this is not a project for the benefit of local people only. This proposed canal would feed cargoes of raw products into the Atlantic coastal system which extends from the Mexican border, through Texas, through Louisiana, through Florida, and on to Boston, and along the way spreading out through tributaries would reach St. Louis, Kansas City, Minneapolis, and Pittsburgh.

To refresh your memories, let me review, very briefly, the history of this project, and bring you up to date on what has been done.

First, the United States engineers suggested that natural streams and existing canals in the lower Mississippi Valley be improved by the construction of lateral canals. In their opinion, Red River improvement for navigation was not feasible because of the character of the stream. It is very crooked; it passes through alluvial soils that were planted there throughout the centuries by action of the stream itself; consequently these soils are high in silt content and the banks of the river are constantly peeling off and caving into the channel.

In 1947, Gen. R. G. Crawford, senior member of the Board of Engineers for Rivers and Harbors, said:

> An adequate waterway for modern barge navigation can be provided by improvement of Old River and the lower section of Red River and thence by construction of a lateral canal with requisite locks. * * * In the opinion of the Board, prospective benefits of such an improvement are sufficient to justify the expenditure required.

The 1940 engineers estimated that 1 million tons of freight would have moved through the canal that year. Today, 16 years later, it is estimated that more than 2 million would be transported in the year 1956 if we had the canal in use.

In the blueprint stage it is recommended that the canal have a minimum depth of 9 feet and a minimum width of 100 feet; that 9 navigation locks be constructed along the canal so as to maintain constant necessary depth. Certain portions of Old River and Red River are to be used, but in the main the artificial channel will parallel Red River to within 31 miles of its junction with the Mississippi River.

United States engineers have approved the project and are eagerly supporting it, for they know, perhaps better than anyone else, the advantages of providing the Southwest with low-cost barge traffic, and they also know that industry and commerce depend upon cheap transportation.

An appropriation of $364,800 has been made to cover cost of making maps and initial surveys. Request has been made for an additional appropriation of $300,000 to continue the preliminary work. Engineers estimate the total cost of the project to be $85 million, eighty-one million from Federal funds, and the remainder from the State of Louisiana and the eight parishes involved. Under provisions of the act of Congress authorizing preliminary work on the canal, local and State agencies must furnish the right of way, meet the cost of relocating highways, and also provide and operate ports and port facilities.

Any sort of Federal project needs and deserves local cooperation. In Louisiana I find eager response from individuals and there is enthusiasm and determination in those organizations that have been formed for no other purpose than to turn a dream of barge transportation into a performing reality.

Perhaps the most active of these organizations are the Red River Valley Improvement Association and the Red River Navigation Commission. Organized by the citizens of Caddo and Bossier Parishes for the specific purpose of preparing a way for local participation in the construction of the Overton Red River Waterway, the Red River Valley Improvement Association is already in business, having sent a questionnaire to each candidate for the Louisiana Legislature in order to ascertain whether or not he will support a bill for necessary appropriations to meet the State's quota. You can believe me, gentlemen, when I say this procedure will get the job done.

A person from Louisiana, particularly one from Shreveport, would hardly dare talk about navigation without mentioning in deepest reverence the name of Capt. Henry Shreve, for whom that city was named. Through his energy, training, experience and determination he cleared Red River of debris that clogged the stream a total length of 80 miles. In 1835 he established a camp for himself and his laborers on the west bank of Red River, the present site of the great city of Shreveport.

I am thinking of a certain pseudonym, which may, long ago, have been used to denote opprobrium, but which in later years had become an expression of affection. It is with that feeling that I use it now. If the great State of New Jersey can supply Louisiana with a few more "damnyankees" like Henry Shreve, we will not have to wait for the Overton Canal to be built, nor will we send a long string of barges after those "damnyankees." We will supply them with jet transportation.

And there are a lot of northern, eastern, and western young men flying jets over Shreveport this very day. They work, live, and train at Barksdale Air Base. They help make Shreveport a good place to live, although they reside in an ideal city of their own—Barksdale Air Base.

The importance of a less costly mode of transportation for this area was made plainly evident during November and December this last year when 140,000 soldiers participated in the Operation Sagebrush maneuvers in the area that will be served by the Overton Red River Waterway. Millions of tons of tanks, guns, equipment and supplies were moved into the Fort Polk maneuver area from all over the United States. Most of this was transported by rail at a high cost to the Government. I saw, at one time, some 3,000 railway cars of heavy equipment standing on sidings in the Fort Polk area to be unloaded. Later, I saw a similar number of these cars, now empty, waiting for the maneuvers to end to be again loaded with equipment and shipped to depots around the country. Demurrage on these cars alone ran into a small fortune for the average salaried Louisianian. In addition to this heavy equipment, many millions of tons of food, clothing and other rudiments of war had to be freighted to Louisiana. The total expense of this operation to the Government would have been greatly reduced had the Overton Waterway been functioning.

Fort Polk is now a permanent post and is the home of the 1st Armored Division. Maneuver rights on 7 million acres of fine Louisiana land has been obtained for at least 15 years by the Army. This fort is less than 50 miles from Alexandria, La., one of the chief ports of call on the Overton Canal. The total saving to the Government for the supplying and maintenance of this post and future military activity in Louisiana alone, it is felt, is justification for the construction of this waterway.

In this age of mystery you can stand beside a flowing oil well on the Barksdale Air Base and sanely calculate that under your feet lies the crude oil that in a few weeks will be powering those jets you see overhead, darting across the sky. It is with deep pride that I remind you that over $8 million have flowed into the United States Treasury through leases and royalties from crude petroleum that once lay undisturbed beneath the several thousand acres of farmland which the people of my city bought at a cost of $1½ million, and donated it, without reservation, to the United States Government. It is estimated that $8 million is a mere stipend of what the Government will receive from oil and gas that is buried beneath ground in proximity to those runways on what was once cotton and alfalfa fields.

Should you intimate to any Shreveporter that the cost of Barksdale Air Base to local taxpayers exceeds the benefits brought to them, you would precipitate a heated argument. Folks in my city are proud of Barksdale. They particularly enjoy recounting to visitors or strangers such honors as those won during the past 3 years by the Second Air Force under the leadership of General Armstrong:

First. Three times winner of the Mackay trophy.

Second. First winner of the outstanding unit award.

Third. First organization in the world to create an all-jet bomber force.

Fourth. First to fly jet bombers nonstop over the Pacific.

Fifth. First to fly B-47's overseas.

Sixth. First to fly jet fighters over the Pacific.

During November and December of last year 140,000 soldiers participated in the Operation Sagebrush maneuvers in the area that will be served by the Overton Red River Waterway. In January of this year a 2,000 unit housing project, to cost an estimated $27 million, was approved for construction at recently activated Fort Polk, located within a few miles of the city of Alexandria, which will be one of the principal ports on the canal. The new housing project will include 300 houses authorized for the Air Force base at Alexandria.

Had the Overton Red River Waterway been in use during the Sedgebrush maneuvers, the cost of moving tanks, guns, and heavy materials into the area would have been considerably reduced. Use of the proposed canal would have prevented damage to highways, some of which were not designed and built to withstand the tremendous strain put upon them.

Perhaps I am indulging too freely in pride for my city and State when I say that Louisiana seems so essential to the national well-being; Louisiana seems such a necessary part of this great Nation of ours. But in presenting raw facts that prove justification of the proposed Overton Red River Waterway, I have tried to be conservative in my choice of words and phrases lest I be accused of exaggerating. Nevertheless, it should be known and remembered that the area to be served by this artificial channel is the greatest military training ground in the world. During World War II, 20 million acres of land were turned over to the Army. One-half of the Army personnel in that war received the maneuvers phase of their training in this region which so very much needs cheap and dependable transportation.

Freely admitting that cheap barge transportation will bring new industries to Louisiana and will assure greater economic balance to a section that largely depends upon agriculture, I have tried to present to you a broad view of what this project will mean to the Nation and to all the people of the Nation.

Mr. Speaker, the Overton Red River Waterway project was approved by this Congress in 1946. It has been fully supported by the Army engineers as financially justified. Large sums have already been appropriated by this Congress for planning purposes; and it is now in shape as to need further planning money for going forward with this project. It has the full backing of the great mass of the people who live in the Red River Valley and it is an internal project which cries loudly for attention and consideration by a sympathetic Congress.

This project means a great deal for the Red River Valley and the State of Louisiana, one that was approved in 1946 as a navigation project, called the Overton Waterway.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to my distinguished friend, the gentleman from Texas, whose district adjoins mine.

Mr. PATMAN. Mr. Speaker, I want to commend the gentleman for his efforts in getting the Overton Waterway approved. He has worked constantly and aggressively over the years in behalf of this great project. It will bring navigation to the Red River Valley. It will be worth a great deal to our national defense program. Within a few years the population of our country will be 200 million people. At that time we will need every possible means of transportation. We will need not only railroads and waterways and trucks and buses, but we will need navigation more than ever before, to carry certain types of freight. I think the gentleman has demonstrated vision and foresight in working for this great project, and I congratulate him on continuing his efforts in its behalf.

Mr. BROOKS of Louisiana. I thank the gentleman very much. I want to thank my friend who lives also in the Red River Valley in Texas, and as such he represents a district that will be tremendously benefited by water transportation. He has developed his own congressional district to the point where he amazes his constituents in that area with the progress that has been made. He amazed me when through perseverence he worked out an arrangement that resulted in the construction of a huge steel plant at Dangerfield in Texas. That plant is operating now and the plant will be able to utilize the advantages of this waterway when it is completed. I think the waterway when completed will have the effect of a tremendous stimulus to all parts of central and southwest Louisiana, parts of east Texas, and south Arkansas, and will be a great boon to those communities in that area.

PROPOSED ATOMIC ENERGY PLANT AT UNITED STATES CAPITOL NOT JUSTIFIABLE FROM STANDPOINT OF COST

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, as a member of the Joint Committee on Atomic Energy, I have had an opportunity to familiarize myself with a great deal of the work that has been accomplished and is projected in the field of nuclear fission.

From this vantage point I have learned of many of the potentialities of the atom, and perhaps it is for this reason that I have become so enthusiastic about what can and will be done by our scientists and engineers in this field.

Peacetime uses of the atom promise a better life not only for America, but for whatever other countries of the world are desirous of utilizing it as a constructive agent.

I consider it an obligation of the United States Government to participate to whatever extent is necessary and feasible in the development of the peacetime atom.

Were it possible to divulge all of the information that classified Government work has brought about within the past decade or so, and at the same time to isolate the Atomic Energy Commission's military endeavors, then I would be inclined to surrender all nonmilitary work on the part of the Federal Government in favor of development by private enterprise.

Under the circumstances, however, it would be entirely impracticable and, in fact, foolhardy for the Government to relinquish its interest and participation in the job of helping to unfold the many marvels contained in this budding newly-discovered resource.

My colleagues are fully aware of my zeal for the atom as a peacetime agent.

I have not only taken part in every meeting of the joint committee which it has been possible for me to attend, but I have also devoted considerable other time to talking with various members of the Atomic Energy Commission in order that I might gain a better understanding of the subject.

I have agreed to and supported the program to establish experimental reactors in various parts of the country for the purpose of generating electric power through the atom.

I feel that this type of electrical plant will become an important supplement to the generating capacity of traditional plants as we approach the close of this century.

I do not anticipate that the impact will be sudden; on the contrary, in the years immediately ahead of us only a very small portion of the total output of electricity will come from reactors.

Perhaps by the year 1975 10 percent of the total capacity will lay in atom plants.

Thus this new form of energy will not in any way affect detrimentally the markets for coal and other conventional fuels.

Last year 143 million tons of coal were consumed in the electric utilities industry.

By 1975 the figure is expected to exceed 400 million tons irrespective of the atom's progress.

The atom will be used primarily in areas far removed from coal-producing fields.

As for other conventional fuels, the atom will create no problem whatsoever, as their markets will continue to spiral upward so long as they are available.

In an attempt to appraise objectively the accomplishments of the Joint Committee on Atomic Energy, I cannot but conclude that its work is no less than remarkable.

I feel that the decisions and recommendations made by the committee have invariably been made entirely without political regard, and I have come to experience an intense pride in being associated with such hardworking, conscientious, earnest, and sincere Senators and Representatives.

Nonetheless, there has been a proposal originated within this committee that I feel impelled to oppose at this time.

While I am confident that the full committee will reject the measure as impractical, illogical, uneconomic, and extravagant, it has nevertheless received so much mention outside the committee that I think it necessary to call public attention to its basic fallacies.

Otherwise, when and if the committee decides to reject the bill, widespread misunderstanding might develop.

I refer to H. R. 9076 and S. 3146, the bills authorizing surveys and studies bearing upon possible use of atomic energy for utility service requirements of buildings and grounds under the Architect of the Capitol.

The cost of the study is estimated at $200,000, which in itself is a sizable sum to be appropriated for so unrealistic a project.

Rather than undertake to expend $200,000 in this direction, Congress need only examine the facilities through which the Capitol is now obtaining electric power, and perhaps take a look at our own equipment here on Capitol Hill.

If you as a homeowner are approached with the idea of purchasing a new furnace, there is a good chance that you will be able to decide against such a recommendation—particularly if your present heating service is satisfactory—without calling in a corps of consultants to make a study of the situation.

In our case the powerplants now providing our electricity are serving us in the most satisfactory and economical manner, and I do not believe it is going to be necessary for Members of Congress to bother going down into the basement before arriving at a decision.

For the record, however, let us make an inspection of the old furnace before giving our answer to the salesman who wants us to buy a new one.

In 1904 the 58th Congress provided for the construction of a heating, lighting, and powerplant to supply the needs of the Capitol building and grounds.

The Capitol powerplant was constructed by the superintendent of the Capitol building and grounds under the direction of the House Office Building Commission.

Existing law now places the plant under the direct supervision of the Architect of the Capitol, subject to the control of the House Office Building Commission.

The plant went into operation on December 1, 1910 and over the years supplied heat, light, power, and air-conditioning refrigeration for the Capitol and for the Senate and House Office Buildings; heat, light, and power for the Library of Congress buildings, United States Botanical Gardens, the Supreme Court Building, and the legislative garage; light for the Capitol grounds flood, park and streetlighting systems; and steam heating for the Government Printing Office and the Washington City Post Office.

These buildings and grounds were for a long time entirely dependent upon the Capitol powerplant, which is located at a site bounded by E Street, Virginia Avenue, New Jersey Avenue, and North Carolina Avenue in Southeast Washington.

The original equipment in the powerplant consisted of two 2,000-kilowatt steam turbine-driven 6,600 volt, 25-cycle generators.

In 1913 two 6,000-kilowatt turbine generators were added.

The Capitol Hill plant served satisfactorily for about four decades, but in 1950, when demand had outrun the capacity of the Capitol powerplant, Congress authorized the Architect to procure power from the Potomac Electric Power Co.

At this point all of the Capitol powerplant turbines and generators were shut down, and all the electricity used subsequently has been purchased from the Potomac Electric Power Co.

Meanwhile the Capitol plant boilers have been used to provide heating steam, and steam to operate the air-conditioning equipment.

The power now purchased from the Potomac Electric Power Co. amounts to about 45 million kilowatt-hours per year, with the average annual cost totaling $472,500.

Now I should like to digress by way of referral to a current news story which explains why there has been a tendency to discontinue use of private electric generating plants.

On April 24, the Chicago Tribune noted that whereas 850 companies in the Chicago area had plants supplying 525,000 kilowatts immediately after World War II, today only 300 companies have their own plants—these with a combined capacity of only 285,000 kilowatts, a decline of 45 percent.

Meanwhile the Commonwealth Edison Co., chief supplier in the area, has gained 70 percent of capacity in the postwar period—increasing from 2,300,000 to 3,900,000 kilowatts.

The reason for the trend away from private generation of electricity is that rising power demands make it more economical to buy from a public utility than to attempt to extend the individual electric power facilities.

The several large companies presently supplying a part of their own power continue to keep their generators going because they built the facilities when such a system was cheaper than to buy power from a utility and now they are able to use their own generating units for peak-load operations while obtaining the electricity needed for average requirements from Edison.

A big independent power user that recently converted to the Edison system was the village of Hinsdale which had a municipal powerplant for some 60 years. I might add that five of the Commonwealth Edison plants are 100 percent on coal, and that coal comprises a preponderance of the total fuels used in the other five plants of the company.

In other words, more power is now being purchased from public utilities because in most cases this is the most efficient way of doing business today.

Such is the situation on Capitol Hill.

Now then, let us look into this proposal for a survey to determine whether it would be possible to obtain our electric power by use of atomic energy.

As I have said, the bills in question call for a $200,000 outlay for a survey alone.

This survey, it is stipulated, would provide for a study of the construction of an underground, modified pressurized light-water reactor type at an initial cost roughly estimated at $50 million.

The initial rough estimate of power cost is set at 30 mills.

If the plant were to be built above ground, the estimated cost of the plant—according to the proposed blueprint—would be approximately $25 million.

The power estimates are for direct operating cost and do not reflect any amortization; if amortization is added, it is estimated to be an additional 10 mills per kilowatt-hour for above-ground construction and about 15 to 20 mills for underground construction.

Let me point out that the power now being purchased from the Potomac Electric Power Co. is costing the Government an average of 10½ mills.

Thus, even if the atomic power is produced at the lowest estimated rate, 15 mills, plus 10 mills for amortization, then the Government will spend over $2½ million per year for this power, compared to the present $472,500.

Let me read from a joint committee report pertaining to H. R. 9076 and S. 3148:

> It is estimated by the architect, and the AEC concurs, that an engineering study of this problem to develop design criteria and to sharpen up estimated cost of construction and costs of power would require 10 man-years of work. At the rate of $20,000, the current price of an engineer man-year, it will require $200,000 to finance this study.
>
> One big cost and engineering problem is the location of the plant in relation to the large amount of cooling water required. This water must be transported from either the Anacostia or Potomac River—1¾ to 3 miles away. Relatively high temperatures of the water in these rivers in summer make for lowered efficiency of the proposed plant, in addition to the cost of transporting the large volumes required.
>
> The AEC indorses this study and is willing to assist in any way. It feels the plant can be built and successfully operated within range of its estimates of costs (15 to 30 mills per kilowatt-hour plus amortization costs of 10 to 20 mills) and further believes it would have great psychological value as an exhibit of atomic power for the visitors to the Nation's Capitol.

Mr. Speaker, therein lies all the testimony necessary to dispel any idea that Congress should appropriate the proposed sum for the survey of atomic-energy facilities on Capitol Hill.

Simple calculations disclose that the rough estimate cost of the underground reactor plant would pay the power bills—based on present figures—for more than 100 years.

I do not believe that our taxpayers will find any justification in these for bringing atomic energy to the Capitol.

We have appropriated the funds for the Atomic Energy Commission to erect experimental reactors and conduct whatever scientific research and study are necessary in other areas.

It has been said that the publicity value to the atom is a factor to be considered in the proposed plant at the National Capitol.

I am in accord with the views of those who would make every effort to let the world know of America's determination to maintain the leadership in the development of the atom for peacetime uses.

I think that we have followed this course successfully for several years.

I find it entirely unnecessary, however, to construct for display purposes a generating plant, at vast unnecessary cost, that would bring about the disemployment of a great number of our coal industry and transportation workers.

The power which we purchase from the Potomac Electric Power Co. is produced by bituminous coal.

Much of that coal comes from central Pennsylvania, an area which has suffered extensively for almost 10 years as a result of great losses sustained from the influx of residual oil from foreign refineries.

The coal business has picked up somewhat in the past 15 months.

I do not see any reason why we should now permit our working people to be subjected to further job losses through the formulation of an unnecessary program of this caliber.

Fantasies promulgated for publicity purposes cannot be tolerated if they portend hardship and poverty and distress.

The electric utilities industry has become the largest purchaser of coal, surpassing even the steel industry and all other industrial customers.

The increase in tonnage moving to generating stations accounts for the employment of many thousands of miners and for the actual subsistence of their wives and children.

Railroad workers on coal-hauling lines are equally dependent upon coal production for economic survival.

If we must put on a three-ring circus for our friends around the universe, be certain that it is not at the expense of our own citizens who happen to live outside the tent.

Mr. Speaker, the proposed atomic energy plant at the Capitol cannot be justified from the standpoint of cost.

It cannot be justified from the standpoint of experimentation, for when research is to be conducted it should not take place in an area where demand for power is steady and where a breakdown might suspend vital Government operations.

For reasons already stated, I believe we are justified in constructing experimental nuclear plants which are uneconomic when such plants will furnish valuable research information.

But a true research and experimental plant must be one which can be shut down for such periods of time as are necessary for the research purposes.

We cannot realize the research potential from a plant where power demands require that it be kept in constant operation.

Further, until we have more information about control of hazards, it would appear unnecessary to invite sabotage by locating an experimental plant in the Nation's Capitol.

Finally, it would be entirely unfair to the miners and railroaders who produce the energy and transport it into this area for conversion into the electric power which we enjoy here today.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Derounian (at the request of Mr. Martin) for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. Bailey, for 30 minutes, on today.

Mr. Powell (at the request of Mr. Albert), for 30 minutes, today.

Mr. Magnuson, for 5 minutes, today.

Mr. Brooks of Louisiana, for 30 minutes, today.

Mr. Roosevelt, for 20 minutes, on Monday, May 7, 1956.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Flood and to include extraneous matter.

Mr. Crumpacker and to include extraneous matter.

Mr. Bow and to include charts and other extraneous matter in his remarks on the Department of Commerce appropriation bill today.

Mr. Baldwin.

Mr. Phillips.

Mr. Pelly in two instances.

Mr. Patterson and to include extraneous matter.

Mr. Fallon and to include a table showing allocations to States under the highway bill.

Mr. Thompson of Louisiana.

Mr. Van Zandt and to include extraneous matter.

Mr. Magnuson.

Mr. Long (at the request of Mr. Albert) and to include extraneous matter.

Mr. McCormack (at the request of Mr. Albert) and include extraneous matter.

Mr. McDonough.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers.

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 1, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 6282. An act for the relief of Nathan L. Garner.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Thursday, May 3, 1956, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1803. A letter from the Attorney General, transmitting the First Report of the Attorney General on Competition in the Synthetic Rubber Industry for the Period May 1 Through December 31, 1955, pursuant to Senate Report 117, 84th Congress; to the Committee on Armed Services.

1804. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1805. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952, (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1806. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1807. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1808. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to extend the Renegotiation Act of 1951 for 2 years"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 9048. A bill to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill; without amendment (Rept. No. 2086). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8102. A bill to provide for the disposition of moneys arising from deduction made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes; without amendment (Rept. No. 2087). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8709. A bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended; without amendment (Rept. No. 2088). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 2603. A bill to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; with amendment (Rept. No. 2089). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6782. A bill to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended; with amendment (Rept. No. 2090). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10375. A bill to amend the act entitled "An act to provide recognition for meritorious service by members of the police and fire departments of the District of Columbia," approved March 4, 1929; without amendment (Rept. No. 2091). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10768. A bill to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; with amendment (Rept. No. 2092). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2822. An act to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.; with amendment (Rept. No. 2093). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 743. An act to authorize biennial inspection of the hulls and boilers of cargo vessels, and for other purposes; without amendment (Rept. No. 2094). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1378. An act to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to martime navigation on fixed structures in or over navigable waters of the United States; without amendment (Rept. No. 2095). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 5790. A bill to amend the Federal Aid to Wildlife Restoration Act, as amended; with amendment (Rept. No. 2096). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 9822. A bill to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina; with amendment (Rept. No. 2097). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10060. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended; without amendment (Rept. No. 2098). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 460. An act to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river steamers; without amendment (Rept. No. 2099). Referred to the House Calendar.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1790. An act to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnages of certain vessels; without amendment (Rept. No. 2100). Referred to the House Calendar.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1791. An act to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats; without amendment (Rept. No. 2101). Referred to the House Calendar.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 5256. A bill to provide for the redemption of certain unused stamps; with amendment (Rept. No. 2102). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 8810. A bill authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.; with amendment (Rept. No. 2103). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAGNUSON:

H. R. 10944. A bill to amend the Communications Act of 1934, so as to direct the Federal Communications Commission to provide for the licensing of television reflector facilities and VHF translator facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of Wisconsin:

H. R. 10945. A bill to amend the Tariff Act of 1930, so as to modify the duty on the importation of veneers of wood, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 10946. A bill to provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958; to the Committee on Interior and Insular Affairs.

By Mr. BROYHILL:

H. R. 10947. A bill to provide particular designations for the highway bridge over the Potomac River at 14th Street in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CARNAHAN:

H. R. 10948. A bill to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 10949. A bill to amend section 633 of title 28, United States Code, prescribing fees of United States Commissioners; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 10950. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD:

H. R. 10951. A bill to authorize the Postmaster General to acquire space for off-street parking facilities in connection with United States post offices; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 10952. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HERLONG:

H. R. 10953. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H. R. 10954. A bill affirming that title to certain tracts of land in California vested in the State of California on September 28, 1850; to the Committee on Interior and Insular Affairs.

By Mr. McDONOUGH:

H. R. 10955. A bill to provide for advancement on the retired list of persons retired for disability after 30 years' service or more; to the Committee on Armed Services.

By Mr. METCALF:

H. R. 10956. A bill to provide a 1-year moratorium on loan contracts executed between the United States and certain farmers, ranchers, and stockmen; to the Committee on Agriculture.

By Mr. MORANO:

H. R. 10957. A bill to provide for the free entry of certain stained glass or prefabricated panels of stained glass imported for use in the construction of a new sanctuary and auxiliary buildings for the First Presbyterian Church of Stamford, Conn.; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 10958. A bill to provide for the issuance of a special postage stamp to commemorate the Military Order of the Purple Heart; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. R. 10959. A bill to amend title II of the Social Security Act to provide that a minor child shall be deemed dependent upon an insured individual at the time required for entitlement to benefits if such individual (pursuant to court order) was then legally obligated to contribute to his support; to the Committee on Ways and Means.

By Mr. SISK:

H. R. 10960. A bill to revise the boundary of the Kings Canyon National Park, in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TALLE:

H. R. 10961. A bill to provide that for the purposes of clause (6) of section 203 (b) of the Interstate Commerce Act, butter shall not be held to be a manufactured product; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H. R. 10962. A bill to amend section 203 (b) (2) of the National Housing Act to provide a new and more liberal housing program; to the Committee on Banking and Currency.

By Mr. THOMPSON of Louisiana:

H. R. 10963. A bill to establish the Federal Maritime Board as an independent agency, and for other purposes; to the Committee on Government Operations.

By Mr. WRIGHT:

H. R. 10964. A bill to provide for municipal use of storage water in Benbrook Dam, Tex.; to the Committee on Public Works.

By Mr. ZELENKO:

H. R. 10965. A bill to provide a deduction for income-tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income-tax purposes for a taxpayer or spouse who is physically or mentally incapable of caring for himself; to the Committee on Ways and Means.

By Mr. HAYWORTH:

H. R. 10966. A bill to declare certain rights of all persons within the jurisdiction of the United States, and for the protection of such persons from lynching, and for other purposes; to the Committee on the Judiciary.

H. R. 10967. A bill outlawing the poll tax as a condition of voting in any primary or other election for national officers; to the Committee on House Administration.

H. R. 10968. A bill to prohibit discrimination in employment because of race, color, religion, national origin, or ancestry; to the Committee on Education and Labor.

By Mr. SADLACK:

H. R. 10969. A bill to amend section 14 of the Bankruptcy Act; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 10970. A bill to direct the Board of Regents of the Smithsonian Institution to proceed with the acquisition of works of art as authorized by the joint resolution of May 17, 1938, and to provide for the display of such works of art in galleries and museums throughout the United States; to the Committee on House Administration.

By Mr. MADDEN:

H. Con Res. 235. Concurrent resolution to provide that the United States delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

By Mr. BROOKS of Louisiana:

H. Res. 493. Resolution to print as a House document the report entitled "The Panama Canal, Sea-level Project, and National Security"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the Speaker: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States relative to house resolutions 3, 11, and 12, which were adopted by the Kentucky Legislature during its fourth extraordinary session for 1956; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10971. A bill for the relief of Magda Frankl; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 10972. A bill for the relief of Maria Elena Domantay; to the Committee on the Judiciary.

H. R. 10973. A bill for the relief of Emanuel Iliadakis; to the Committee on the Judiciary.

H. R. 10974. A bill for the relief of Katie L. Merritt; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 10975. A bill for the relief of Utha Gray Smith; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 10976. A bill for the relief of Lutgarda Garcia Keen; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 10977. A bill for the relief of Apolonia Quiles Quetglas; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 10978. A bill for the relief of Elio Mezzetta; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 10979. A bill for the relief of Otto Wiesner; to the Committee on the Judiciary.

H. R. 10980. A bill for the relief of Miss Carolyn Foster; to the Committee on the Judiciary.

H. R. 10981. A bill for the relief of Mrs. Maria Concepcion Delgado Mendez; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 10982. A bill for the relief of Dominique Candele; to the Committee on the Judiciary.

By Mr. POAGE:

H. R. 10963. A bill for the relief of P. R. Cox; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 10984. A bill for the relief of Nikolai E. Khokhlov; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 10985. A bill for the relief of Eleni Anastasiou; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

988. By Mr. BYRNES of Wisconsin: Petition of Noble-Straubie Post No. 2337, Veterans of Foreign Wars of Green Bay, Wis., containing 270 signatures, urging a separate and liberal pension for World War I veterans; to the Committee on Veterans' Affairs.

989. By Mr. DAGUE: Petition of Joseph G. Maxwell and 89 other members of Sahler-Sedan Post 287, VFW, Coatesville, Pa., urging the enactment of a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

990. By Mr. HARRISON of Nebraska: Petition of William Finn and 90 other residents of Wayne, Wakefield, and Winside, Nebr., urging enactment of a separate and liberal pension program for World War I veterans; to the Committee on Veterans' Affairs.

991. By Mr. WESTLAND: Petition of Mr. and Mrs. Harold Curtis and 19 other residents of Ferndale, Wash., urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

992. By the SPEAKER: Petition of the secretariat, the Council of State Governments, the National Association of Attorneys General, relative to a statement developed and approved by five members of the National Association of Attorneys General on April 11, pertaining to H. R. 3 and S. 3143 now pending in the Congress; to the Committee on the Judiciary.

993. Also, petition of D. R. Bailey, California Almond Growers Exchange, Sacramento, Calif., requesting that H. R. 5550 not be enacted, etc.; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Opinion Poll Report

EXTENSION OF REMARKS

OF

HON. S. J. CRUMPACKER, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. CRUMPACKER. Mr. Speaker, during the past several weeks, in accordance with my annual custom, I have been conducting an opinion poll among my northern Indiana constituents on some of the important issues currently confronting Congress.

Early in April, using a mailing list established from previous opinion polls, approximately 12,000 ballots were sent to voters in the Third District counties of St. Joseph, Elkhart, La Porte, and Marshall. Questionnaires also were printed in several district newspapers and readers were asked to fill them out and return them to me with their answers.

The response this year was well above the average for similar mail surveys. More than 4,000 ballots have been returned so far and they are still coming in.

Many voters added comments to their ballots explaining or qualifying their replies. Others expressed views on issues not covered in the poll. These have been carefully noted and have been helpful to me in determining the sentiment of my constituents on current problems.

The results of my 1955 poll are given below. Within the limitations implicit in any survey of this nature, they reflect the opinions of a substantial cross-section of voters in a typical midwestern congressional district.

	Percent		
	Yes	No	Not voting
1. Do you favor the Eisenhower administration program of flexible price supports for basic farm products?	78	17	5
2. Do you favor the transfer of unused immigration quotas from western European countries such as England and the Scandinavian nations to southeastern European countries such as Italy and Greece where immigration quotas are heavily oversubscribed?	30	64	6
3. In spite of the all-out effort of Postmaster General Summerfield to economize and obtain more efficient operation of the Post Office Department, the postal deficit is again approaching ½ billion dollars a year, and post-office buildings and facilities are steadily becoming more antiquated and inadequate. In view of this, do you favor an increase in postal rates to meet the postal deficit and to provide better post-office buildings, equipment, and service where needed?	74	22	4
4. Do you favor the granting of arms aid to Israel in the present Arab-Israeli dispute?	26	61	13
5. Do you favor the continuance of our foreign-aid program generally?	50	44	6

A separate tabulation of farmers voting on the first question revealed a vote of 66 percent in favor of the Eisenhower price-support program, 30 percent in opposition, and 4 percent undecided, amongst farmers alone.

In order to stimulate interest in public affairs among future citizens of my district, I also conducted a separate poll this year among high-school students. More than 1,000 students took part, voting on the issues in class under the supervision of instructors after a discussion of the pros and cons. Here are the results of the voting among high-school students:

	Percent		
	Yes	No	Not voting
1. Do you favor the Eisenhower administration program of flexible price supports for basic farm products?	56	31	13
2. Do you favor the transfer of unused immigration quotas from Western European countries such as England and the Scandinavian nations to Southeastern European countries such as Italy and Greece where immigration quotas are heavily oversubscribed?	27	67	6
3. In spite of the all-out effort of Postmaster General Summerfield to economize and obtain more efficient operation of the Post Office Department, the postal deficit is again approaching ½ billion dollars a year, and post-office buildings and facilities are steadily becoming more antiquated and inadequate. In view of this, do you favor an increase in postal rates to meet the postal deficit and to provide better post-office buildings, equipment, and service where needed?	63	31	6
4. Do you favor the granting of arms aid to Israel in the present Arab-Israeli dispute?	19	67	14
5. Do you favor the continuance of our foreign aid program generally?	70	22	8

Results of Questionnaire mailed by Hon. John F. Baldwin, Jr., of California, to Residents of the California Sixth District

EXTENSION OF REMARKS

OF

HON. JOHN F. BALDWIN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. BALDWIN. Mr. Speaker, early this year I issued a questionnaire to each family of registered voters in my district, which is the Sixth District of California. It has been most encouraging to receive such a fine response to this questionnaire. My constituents not only answered the questionnaire, but wrote additional comments on the back of the questionaire or on supplementary attached sheets. I have read all of these replies personally, and they have been most helpful to me.

The tabulation of the questionnaire is summarized below:

1. The Navy has proposed to acquire as a safety barrier more than 4,500 acres of property within a 2-mile radius of the loading piers at the Port Chicago naval magazine. This would include the town of Port Chicago, the town of Nichols, and portions of Clyde and Shore Acres.

Answers from Port Chicago residents: Do you favor (a) That the Navy be authorized to acquire the property, 28.3 percent; (b) That the Port Chicago naval magazine be removed from Contra Costa County, 53.4 percent; (c) That the Navy be denied its request to acquire the property, but the Port Chicago naval magazine be allowed to continue to operate within the confines of its present property, 15.5 percent; no opinion, 2.8 percent.

Answers from all of Contra Costa County: (a) 26.5 percent; (b) 30.9 percent; (c) 39.1 percent; no opinion, 3.5 percent.

2. The Army has proposed to acquire 22,000 acres of property in the Potrero Hills area near Suisun for use as an Army Outloading Ammunition Terminal.

Answers from Fairfield-Suisun residents: Do you favor (a) That the Army be authorized to acquire the property and funds be appropriated for this purpose, 53.4 percent; (b) That the Army be denied its request to acquire the property, 44.3 percent; no opinion, 2.3 percent.

Answers from all of Solano County: (a) 60.1 percent; (b) 33.8 percent; no opinion, 6.1 percent.

3. Present farm surplus production, and resulting lower prices, is now receiving much study. One proposal now under consideration is a soil bank plan. Are you in favor of the soil bank plan? 40.6 percent; or opposed to it, 50.4 percent; no opinion, 9 percent.

4. Congress now has under consideration a social security bill which would (a) lower the age at which women could receive benefits, from 65 to 62 years; (b) lower the age at which physically disabled people could receive benefits, from 65 to 50; (c) extend social security coverage to dentists, lawyers, osteopaths, chiropractors, veterinarians, and optometrists, and (d) provide for a one-half percent increase in the social security payroll tax on both employees and employers. Do you favor, 71.3 percent; or oppose, 24 percent, this measure? no opinion, 4.7 percent.

5. Congress now has under consideration a highway plan which would expand Federal expenditures for construction of Federal interstate highways, with the view to making these four-lane, divided highways. The expanded program would be paid for primarily by increased Federal taxes on highway users (the increase in Federal gasoline taxes might amount to about 1 cent per gallon). Do you favor, 81.3 percent, or oppose, 14.7 percent, the proposed expanded Federal highway construction program? No opinion, 4 percent.

6. Two alternate plans have been under consideration by Congress for the development of power in Hells Canyon of the Snake River between Oregon and Idaho. Do you favor (a) Federal construction of a high dam in Hells Canyon? 31.1 percent; (b) construction by a private utility company of three smaller dams in Hells Canyon? 31.1 percent; or (c) do you have no preference on it? 37.8 percent. (The results on this question were quite unusual. Of 11,687 tabulated responses, there was practically an exact tie between those who favored Federal construction of a high dam, and those who favored construction of 3 smaller dams by a private utility. There were 3,636 who favored Federal construction, 3,635 who favored private construction, and 4,416 who had no preference.)

7. The Veterans' Administration has proposed to close the Oakland Veterans' Administration hospital, which serves the veterans of the East Bay, including Contra Costa and Solano Counties. In its place the Veterans' Administration proposes to build a new hospital. The following two general areas are under consideration as a site. Please check which site you would favor: (a) Contra Costa County, 80.8 percent; (b) Palo Alto, 10.1 percent; no opinion, 9.1 percent.

"TVA Never Claimed To Be a Yardstick for Private Industry," Said Mr. Clapp

EXTENSION OF REMARKS

OF

HON. JOHN PHILLIPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. PHILLIPS. Mr. Speaker, one of the claims most frequently made by proponents of the Tennessee Valley Authority is that it was set up as a "yardstick" against which private utility rates and methods could be measured. There has of course been no justification for this claim, as TVA operates with benefits and subsidies which a private utility does not have.

It is interesting therefore, Mr. Speaker, to read the hearing on the Government corporations appropriation bill for fiscal year 1948—H. R. 3756—80th Congress, 1st session, at page 132. Mr. Clapp, the Chairman of the Board for the TVA, was being questioned by a member of the Senate committee. The question was asked, regarding TVA:

At one time, was it not supposed to be used as a yardstick for private industry?

To which Mr. Clapp replied:

> Well, there have been claims made that the TVA power system would set up a yardstick. The TVA has not developed or elaborated on that or made that claim.

That, Mr. Speaker, should quiet that particular fallacy about the benefits of the Tennessee Valley Authority under the existing system.

A Bill To Establish Federal Maritime Board as a Separate Independent Agency in the Executive Branch of the Government

EXTENSION OF REMARKS

OF

HON. T. A. THOMPSON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. THOMPSON of Louisiana. Mr. Speaker, I have today introduced a bill to establish the Federal Maritime Board as a separate independent agency in the executive branch of the Government. It is appropriate, therefore, that I make this brief statement in explanation of the reasons why I believe this legislation should be enacted.

Under the Merchant Marine Act of 1936 there was established the United States Maritime Commission. The Commission was vested with authority to carry out not only the regulatory powers contained in the several shipping acts, but also the operational and promotional responsibilities created by the 1936 act itself. As the years went by, serious deficiencies of administration were disclosed by several investigations of the Maritime Commission. As a result, the Commission was legislated out of existence by Reorganization Plan No. 21, which set up the Federal Maritime Board and the Maritime Administration in the Department of Commerce. The Board was composed of three members and was charged with responsibility for carrying out the regulatory functions performed by the former United States Maritime Commission. It also was vested with authority to perform the functions relative to the awards of subsidy and related matters. Maritime Administration, on the other hand, was charged with responsibility for carrying out all the other functions previously carried out by the Maritime Commission. This separation of functions was a step in the right direction, but unfortunately it did not go far enough. The main deficiency in the organization established by Reorganization Plan No. 21 was in the fact that the Chairman of the Maritime Board was made ex officio the Maritime Administrator. This fact alone has served to defeat the very purpose underlying the separation of the functions previously performed by the Maritime Commission. In submitting his plan to the Congress, former President Truman referred to the conclusion of the President's Advisory Committee on the Merchant Marine, which in 1947 stated:

> It appears to the Committee that the organizational structure of the Maritime Commission as set up in the Merchant Marine Act of 1936 is wholly inadequate for the efficient conduct of the multitude of diverse activities for which the Maritime Commission is now responsible. The deficiencies of the statutory organization for administrative action are regarded by the Committee to be the most serious obstacle standing in the way of the development of the merchant marine of this country.

Experience in the workings of the two agencies, the Board and the Administration, since their creation in 1950, has demonstrated that the regulatory functions which suffered by reason of the limitations necessarily placed on the one individual who attempts to serve in both capacities. This was a mistake from the beginning. If the job to be done was too big for the five-man Maritime Commission, how could one man give the necessary time and attention to directing the activities of the Board and of the Administration?

During the past 8 months, I have served as chairman of a special subcommittee set up to consider the activities of foreign-freight forwarders and brokers. These are activities which are subject to regulation by the Federal Maritime Board under the Shipping Act of 1916. We have held extensive hearings and investigations into this subject, and though the conclusions of the subcommittee have not yet been crystalized, it has been apparent to all the members that this field has been sadly neglected by the Maritime Board. I say this not so much in criticism of the Board, because I feel that the workload presently imposed upon the Chairman of the Board, who is also the Maritime Administrator, is beyond the capabilities of any one single individual no matter how capable he might be.

Only recently, there appeared in the press a story which illustrates how incongruous the situation can become where the one man tries to wear two hats. The Maritime Administrator is presently appealing to the Board for its ruling on some matters which are acted upon by the Administrator. So in effect, the Administrator is appealing to himself and to other members of the Board.

The bill which I have introduced would amend Reorganization Plan No. 21 so as to remove the Maritime Board from the Department of Commerce and make it an independent agency in the executive branch. This independence, I believe, is essential to the efficient performance of duties by a regulatory body of the nature of the Maritime Board. Under this organizational setup, the personnel and facilities of the Board would be entirely independent of the Maritime Administration.

One other change of significance which would be made under my bill is to lengthen the terms of the members of the Board to 6 years. This would serve a twofold purpose in that it would be more attractive as an office in the Federal Government. And also it would

give a degree of permanence to the Board which it has lacked since its establishment in 1950.

In closing, I might say that I have discussed this bill with the chairman of the Merchant Marine and Fisheries Committee, Mr. BONNER, and he has assured me that as soon as the executive branch has had time to adequately consider the proposal, he will assist in arranging early hearings on it. I might add also that in my discussions of this proposal with other members of the committee and with representatives of the maritime industry, I have received overwhelming support for the principles encompassed in the bill.

Commissioner E. M. Webster's Views Opposing H. R. 4090

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. PELLY. Mr. Speaker, I urge Members of the House to oppose H. R. 4090, which was reported out by the Rules Committee yesterday. The bill would require the installation of an automatic radio alarm system on United States cargo vessels of 1,600 gross tons or more carrying less than 2 radio operators. If Members will read the 130 pages of testimony, it will be apparent to them that the issue here is not safety at sea.

The Commerce Department report recommended against enactment of this legislation. The Federal Communications Commission's report stated there was no justification for making the device mandatory.

It is important to note the comments of Commissioner E. M. Webster, not only because of his position as a FCC Commissioner, but because of his vast experience in maritime radio safety matters. Commissioner Webster presented the FCC position on this legislation, the technical aspects of which were based upon laboratory tests of the proposed device. The Commission's comments were supplemented by personal views of the commissioner.

The gist of the FCC position was that ships on the high seas must operate under a common international formula for safety radio purposes; that so far as is known the present formula functions effectively; and that such formula had been reexamined and confirmed as recently as 1948 internationally, and 1954 domestically. The proposed requirement would superimpose upon this international system an additional procedure of ship alerting applicable to United States-flag vessels only. The situations to which the additional procedure would apply were found either not to occur often enough to be a problem; to duplicate a present function, or to cause unnecessary and widespread alerting.

In addition, the Commission found from its laboratory tests that the device does not meet the requirements of the bill from the standpoint of its false response performance. Further, that various additional regulations involving transmission speed of radio signals, the standardization of signal characteristics and so forth, or the compulsory installation of ancillary automatic devices would be required in order to create conditions such that the true response performance would be sufficiently reliable.

On his own behalf, Commissioner Webster stated:

> I feel duty bound to tell you what I think based upon that experience and background. * * * All of these conferences, treaties, meetings, and legislation have had the one objective of producing a workable radio safety system which will be uniform all over the world. * * * Only through an international common standardized system can this be accomplished.

Commissioner Webster then listed five reasons why he opposed the legislation and concluded by stating:

> Drawing on my experience and knowledge, I cannot help but conclude that it [the call selector requirement] is unnecessary and premature.

Briefly summarized, the five reasons advanced by the Commissioner were that: First, there can be no assurance of operational reliability since there are no international criteria nor is there uniformity among radio operators in the way they send dashes and dots; such criteria have not even been discussed on the international level; second, no device should be made compulsory until after there has been sufficient experience and acceptance upon which to base an intelligent evaluation and decision; third, that whatever merit there is to the proposed devise, the features are those of convenience and should not be required as part of the safety program; fourth, the additional cost would discriminate against our merchant marine and cannot be justified as part of the safety system; and fifth, that the present international radio safety and distress system is performing its job satisfactorily.

Struggle for Polish Freedom

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. McDONOUGH. Mr. Speaker, on this May 3 people of Polish ancestry throughout the world join in spirit with the people of Poland in observing the anniversary of the Polish Constitution which was adopted in 1791, just 2 years after the adoption of our Constitution of the United States.

Poland gained freedom only through the valiant efforts of the Polish people who through the ages have struggled against tyranny and oppression. At the end of World War II they had high hopes that freedom would be reestablished, and that Poland might regain her rightful place in the family of free nations.

The infamous Yalta agreement dashed these hopes, and the people of Poland have been forced to remain subject to Russian enslavement.

We in the United States have tremendous admiration for the courage, the patience, and the fortitude the Polish people have displayed in their struggle to regain their independence.

As a nation dedicated to the principles of liberty and individual freedom, the United States maintains the right of the Polish nation to independence and will never be reconciled to Poland's subjugation by Russia.

On this Polish Constitution Day, we Americans join with the people of Poland and those of Polish ancestry in a prayer for Polish independence and the restoration of individual freedom for the citizens of Poland.

May the struggle of the Polish people against oppression triumph, and may their confidence and faith in the might of justice and the destiny of Poland culminate in the reestablishment of Poland as a free nation.

Loyalty Day

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. FLOOD. Mr. Speaker, the Veterans of Foreign Wars have served their country well in establishing Loyalty Day as an occasion on which every loyal citizen may "stand up and be counted." In place of the shrill whinings and rumbling threats of a few Communists and fellow travelers, following the Red flag in a May Day parade, we have the full-throated shout of millions of citizens, united in their love of the flag of the United States of America. On this day we can show, to ourselves and to the world, the strength of a people devoted to freedom.

Almost 25 centuries ago Herodotus wrote:

> While the Athenians were ruled by tyrants, they were no better in the things of war than any of those that dwelt round about them; but when they were rid of tyrants, they became the best by far. From this it is plain that while they were held under, they fought ill purposely, as men that work for a master, but when they were set free, each one was eager to accomplish somewhat for himself.

Through the centuries it has been true, and it is true today. The man who fights for freedom, and, in freedom, the man who fights for himself and his family, who fights for his neighbor and side by side with his neighbor, is the most formidable of warriors. This fierce love of freedom is no matter of oratory or easy platitude, but a strength that, unspoken, fills the very food we eat, the ground we walk on, and the air we breathe. The American hears it in every voice of nature, from birdsong to thunderbolt. It is good to take this occasion to let the world hear, from our 150 millions, the ringing slogan, "Loyalty means liberty."

Hon. Victor Wickersham

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. LONG. Mr. Speaker, being a former Oklahoman and member of the House Committee on Veterans' Affairs, I would like to praise one of our Oklahoma colleagues and include an address honoring Victor Wickersham, Member of Congress from Oklahoma.

At a special ceremony in the Armed Services Committee room of the United States House of Representatives at 9:45 a. m., May 1, 1956, the District of Columbia department, Veterans of Foreign Wars, made its annual Loyalty Day award to Congressman Victor Wickersham, of Oklahoma.

A plaque was given to the Congressman for "exhibiting those qualities in private and public life that make for a greater America."

Rutherford Day, chairman of the department Loyalty Day committee, presented the award following an address in which he said that loyalty to one's country is best reflected in "the work we do and the manner in which we do it." He also said the annual award is made to a figure of national prominence who does his work not as a means of personal aggrandizement but in a way that reflects interest in the end to be sought and reached rather than for gain of fame, and that this is the highest test of reputation and meaning of loyalty.

Mr. Day's address follows:

Address by Rutherford Day, Loyalty Day Chairman, Department of the District of Columbia, Veterans of Foreign Wars, Delivered 9:45 A. M., Tuesday, May 1, 1956, at the Armed Services Committee Room, United States House of Representatives

Today the Nation and the world is saddened to receive the news that we have lost a friend, Alben W. Barkley, a Senator of this Congress and former Vice President of the United States.

On this few acres of ground we call Capitol Hill are focused the eyes and fond remembrances of our countrymen.

Once more history's page turns and once more those who march across this small stretch of land take that march from reality to the ages. The line of the column often passes into the realm of our national tradition, seeming without pause, and the marching of shadows is joined from time to time to form a great company of those we have loved and watched and those farther shadows who we remember only by their works and for their very shadow-substance itself.

Clay, Webster, Pinckney, Taft, are names to us now, but are, for all that, realities today as they were in a different and current sense in earlier times.

So it is fitting that today we meet to honor one who labors in the busy and fruitful vinyards of our national life—that person is Victor Wickersham.

The Veterans of Foreign Wars want to introduce a man, a friend, Congressman Victor Wickersham, to some who may not have made his acquaintance—this is the purpose of our award.

Loyalty Day is a day we celebrate a rededication to the principles of America and our loyalty to our country.

Loyalty is shown in many ways and we feel that one of the most, if not the most important means of demonstrating loyalty to our country, is the work we do and the manner in which we do it.

Thus we feel an award should be made to one who does his work, not as a means of personal aggrandizement, but rather in a way that reflects interest and honesty in approach, with thought of the end to be sought and reached rather than for gain of fame.

This is the highest test of reputation and is in the highest sense, the meaning of loyalty.

Mr. Speaker, the ceremonies were recorded for broadcasting overseas by the Voice of America. Robert L. Redeen, special events officer, said the Voice was covering the nationwide celebration sponsored by the Veterans of Foreign Wars as a method of showing the world the work of national patriotic groups.

Omar B. Ketcham, national legislative director of the VFW, broadcast a talk on the meaning of Loyalty Day, pointing out that the VFW sponsored the celebration, which is held in every State in the Nation, as a means of gaining publicity for those who hold their loyalty to this country uppermost and as a means of balancing and counteracting the May Day celebrations of Communist groups which are traditionally held on this date.

Congressman Wickersham, in reply to Mr. Day and Francis Wood, department commander, VFW, stated that he received the award not only for himself but also for the people of the State of Oklahoma in tribute to those from that State who served in the Armed Forces of the United States and are still so serving. He also stated that the VFW was doing a fine job in aiding the side of the United States in the battle for men's minds.

The Rule of H. R. 4090 Should Be Defeated

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. PELLY. Mr. Speaker, I use this means of calling Members' attention to the impending consideration by the House of H. R. 4090, to require an automatic radio alarm device on United States cargo vessels of 1,600 gross tons or more carrying less than 2 radio operators.

I opposed granting a rule to H. R. 4090 in the Rules Committee, and hope the rule will be defeated when it comes up for consideration in the House. I am informed this will be early next week.

In summary, the objections of the shipping industry are as follows:

First. As stated by the Coast Guard, Federal Communications Commission, Department of Commerce, and Defense Department in testimony on a similar bill (H. R. 6004) in the 83d Congress in 1954, the present mandatory internationally accepted auto-alarm device is more than adequate from the safety standpoint to receive distress calls and cyclone warnings on off-watch hours.

Second. The expense of hiring two more radio operators on cargo vessels, which as a practical matter is what would result if this bill is enacted into law, on the average per ship will amount to $12,000 per year straight-time pay and $2,500 for welfare per year, plus $3,500 overtime pay. A radio room on a ship now costs about $8,500 per year. By the terms of this bill, the cost will be $26,500 approximately. It is this sort of featherbedding that drives operators to transfer their cargo ships to foreign registry, where they employ low-wage foreign crews. My interest in this subject is in preserving an American merchant marine.

Third. This automatic radio call selector device duplicates existing equipment; it bypasses international safety and communications conventions; it bypasses section 602 (e) of the Communications Act of 1934 which specifically provides a method of approval of equipment in the field of marine radio.

In the presentation to the Rules Committee last week the impression was gained that these devices had come into use since hearings on the bill in March, May, and June 1955. This misapprehension was due to two apparently conflicting statements: the statement that only 1 prototype device had been built, and the statement to the effect that 8 units were in use by the Moore-McCormack Steamship Co. The explanation is that a similar two-signal model was installed by Moore-McCormack in 1947 for convenience and commercial functions, not safety, but was found mechanically defective and the report of the hearings shows this company's unfavorable testimony.

A more complicated five-signal device is called for by this legislation. But the prototype model of it has never been tried out under operational conditions—as far as I know.

The argument in the Rules Committee by the sponsor of this bill in support of a rule was that the shipping industry has always opposed safety measures and means of increasing safety at sea.

On the other hand in testifying before the Commerce Committee on H. R. 4090 the industry stated without challenge that the shipping industry is safety conscious. It pointed out with pride that it incorporates millions of dollars in safety features into American vessels. It stated with pride that it spends millions of dollars in operational measures and devices to increase safety of life at sea. As a matter of fact, as the hearings state, new technical specifications for the auto-alarm presently used internationally were supported by the shipping industry at the Safety of Life at Sea Conference in London in 1948.

Improved auto-alarm devices to overcome atmospheric and interfering signals are now undergoing tests by the Federal Communications Commission as the hearings show. But such features are not incorporated in the proposed call selector device which would become mandatory under H. R. 4090.

As to the criticism that the industry has always opposed safety I think the voluntary installations of direction-finding equipment 20 to 25 years in advance of compulsion contradict such a statement. Radar, depth sounders, loran, gyrocompasses and gyropilots and similar devices installed but not required by law, indicate the irresponsible nature of such undocumented arguments. Steamship interests supported a program for merchant ships today to have internationally improved lifeboat radio equipment. And besides, if there were a basis of truth for the charge, the argument is hardly germane to the merits or lack of them with respect to H. R. 4090.

A Commerce Committee member before the Rules Committee referred as a similar case to airline opposition to imposition of a new air safety system. I submit that testimony regarding safety devices in the field of aeronautical control is completely irrelevant. The charge is often made that scientific testing such as is conducted by the Federal Communications Commission is slow. If I had patents and was hopefully awaiting approval I would feel that way. But if the safety of my family and friends, and myself, was at stake I would want thorough testing under all conditions. The patented device under H. R. 4090 has never had such a test. What is the hurry? This is being a bit overanxious to hand a signed order in blank to the patent owner, saying if you can make this device work here is an order forcing more than 1,000 American ships to install a $2,500 or $3,000 piece of equipment, and this without finding out if the present internationally accepted system can be adapted to the same purpose.

This measure has the voice of Jacob, but the hands are the hands of Esau; and the House may be misled into giving its blessing to the wrong object. This is special legislation. It is dangerous to allow the high and highly emotional motive of safety-at-sea to be considered hastily with only one hour of debate.

I urge when the rule on H. R. 4090 is debated on the floor of the House that it be defeated so the great Committee on Interstate and Foreign Commerce can restudy the measure in the light of the evidence.

Apportionment to States of Federal Highway Funds Pursuant to H. R. 10660 and Federal-Aid Highway Act of 1956

EXTENSION OF REMARKS

OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. FALLON. Mr. Speaker, the Committee on Public Works has been receiving numerous inquiries concerning the apportionment of Federal highway funds to the various States under the provisions of the Federal-Aid Highway Act of 1956 (H. R. 10660), which passed the House April 27, 1956.

The following table sets forth the approximate amounts which will be apportioned to each State for the fiscal years 1957, 1958, and 1959:

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal-Aid Highway Act of 1954

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 108 (f) OF H. R. 10660

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725)	Interstate ($1,200)	Total ($1,925)	Primary, secondary, and urban ($750)	Interstate ($1,700)	Total ($2,450)	Primary, secondary, and urban ($775)	Interstate ($2,000)	Total ($2,775)
Alabama	14.7	19.6	34.3	14.9	26.7	41.6	15.5	31.4	46.9
Arizona	9.0	11.2	20.2	9.2	15.3	24.5	9.6	18.0	27.6
Arkansas	10.9	11.4	22.3	11.1	14.8	25.9	11.5	17.4	28.9
California	38.8	112.1	150.9	40.1	169.7	209.8	41.4	199.6	241.0
Colorado	11.3	9.2	20.5	12.0	11.4	23.4	12.3	13.4	25.7
Connecticut	6.6	26.2	32.8	6.9	40.6	47.5	7.1	47.8	54.9
Delaware	3.0	4.0	7.0	3.1	4.8	7.9	3.3	5.6	8.9
Florida	12.0	24.7	36.7	12.3	36.2	48.5	12.8	42.6	55.4
Georgia	16.9	34.9	51.8	17.2	51.2	68.4	17.7	60.2	77.9
Idaho	7.3	6.4	13.7	7.5	7.8	15.3	7.7	9.2	16.9
Illinois	32.1	55.1	87.2	33.0	77.9	110.9	34.1	91.6	125.7
Indiana	17.4	42.4	59.8	17.7	63.4	81.1	18.3	74.6	92.9
Iowa	15.9	15.7	31.6	16.1	20.2	36.3	16.6	23.8	40.4
Kansas	15.1	12.3	27.4	15.3	15.1	30.4	15.9	17.8	33.7
Kentucky	13.0	24.9	37.9	13.3	36.0	49.3	13.8	42.4	56.2
Louisiana	11.5	24.5	36.0	11.9	36.0	47.9	12.2	42.4	54.6
Maine	5.5	7.9	13.4	5.6	10.7	16.3	5.8	12.6	18.4
Maryland	7.8	21.3	29.1	8.0	31.8	39.8	8.3	37.4	45.7
Massachusetts	13.2	40.6	53.8	13.7	61.2	74.9	14.1	72.0	86.1
Michigan	24.9	63.3	88.2	25.5	94.7	120.2	26.3	111.4	137.7
Minnesota	17.6	25.2	42.8	17.8	35.4	53.2	18.4	41.6	60.0
Mississippi	11.7	13.7	25.4	11.9	18.0	29.9	12.3	21.2	33.5
Missouri	20.4	31.1	51.5	20.7	43.7	64.4	21.4	51.4	72.8
Montana	11.5	9.2	20.7	12.2	11.2	23.4	12.6	13.2	25.8
Nebraska	11.9	7.1	19.0	12.5	7.8	20.3	13.0	9.2	22.2
Nevada	7.1	5.1	12.2	7.5	5.4	12.9	7.7	6.4	14.1
New Hampshire	3.2	4.1	7.3	3.3	4.9	8.2	3.4	5.8	9.2
New Jersey	13.5	63.7	77.2	14.0	99.3	113.3	14.4	116.8	131.2
New Mexico	9.5	12.5	22.0	9.9	17.2	27.1	10.3	20.2	30.5
New York	45.6	71.1	116.7	47.1	97.8	144.9	48.7	115.0	163.7
North Carolina	17.5	15.3	32.8	17.9	18.0	35.9	18.5	21.2	39.7
North Dakota	8.6	6.6	15.2	8.6	7.8	16.4	9.0	9.2	18.2
Ohio	28.7	67.3	96.0	29.6	99.5	129.1	30.6	117.0	147.6
Oklahoma	14.1	19.7	33.8	14.3	27.5	41.8	14.8	32.4	47.2
Oregon	11.0	16.3	27.3	11.3	23.3	34.6	11.7	27.4	39.1
Pennsylvania	34.1	42.7	76.8	35.7	55.6	91.3	36.8	65.4	102.2
Rhode Island	3.9	6.5	10.4	4.1	9.0	13.1	4.2	10.6	14.8
South Carolina	9.3	10.4	19.7	9.5	13.4	22.9	9.7	15.8	25.5
South Dakota	9.2	6.3	15.5	9.2	7.0	16.2	9.5	8.2	17.7
Tennessee	15.3	20.4	35.7	15.6	27.7	43.3	16.1	32.6	48.7
Texas	44.2	48.3	92.5	45.4	63.7	109.1	46.9	75.0	121.9
Utah	7.0	12.1	19.1	7.3	17.3	24.6	7.6	20.4	28.0
Vermont	3.0	8.9	11.9	3.0	12.9	15.9	3.2	15.2	18.4
Virginia	13.8	28.6	42.4	14.4	41.7	56.1	14.8	49.0	63.8
Washington	11.7	23.4	35.1	12.2	34.2	46.4	12.6	40.2	52.8
West Virginia	7.9	13.5	21.4	8.1	18.9	27.0	8.4	22.2	30.6
Wisconsin	16.6	18.1	34.7	17.0	23.6	40.6	17.6	27.8	45.4
Wyoming	7.1	14.7	21.8	7.5	21.6	29.1	7.7	25.4	33.1
Hawaii	3.3		3.3	3.4		3.4	3.5		3.5
District of Columbia	4.2	7.8	12.0	4.4	11.1	15.5	4.5	13.0	17.5
Puerto Rico	5.1		5.1	5.2		5.2	5.3		5.3

The approximate apportionments of interstate system funds authorized under H. R. 10660 for the fiscal years 1957 through 1969—subject to such revision as may be required to conform to section 108 (f) of the bill—are as follows:

Interstate funds, fiscal years 1957–69, inclusive ($24,825,000)

Alabama	$389, 752
Arizona	223, 425
Arkansas	215, 977
California	2, 477, 535
Colorado	166, 327
Connecticut	593, 317
Delaware	69, 510
Florida	528, 772
Georgia	747, 232
Idaho	114, 195
Illinois	1, 136, 985
Indiana	925, 972
Iowa	295, 417
Kansas	220, 942
Kentucky	526, 290
Louisiana	526, 290
Maine	156, 397
Maryland	464, 227
Massachusetts	893, 700
Michigan	1, 382, 752
Minnesota	518, 360
Mississippi	$263, 145
Missouri	638, 002
Montana	163, 845
Nebraska	114, 195
Nevada	79, 440
New Hampshire	71, 992
New Jersey	1, 449, 780
New Mexico	250, 732
New York	1, 427, 438
North Carolina	263, 145
North Dakota	114, 195
Ohio	1, 452, 263
Oklahoma	402, 165
Oregon	340, 103
Pennsylvania	811, 778
Rhode Island	131, 573
South Carolina	196, 118
South Dakota	101, 783
Tennessee	404, 648
Texas	930, 938
Utah	253, 215
Vermont	188, 670
Virginia	608, 213
Washington	498, 983
West Virginia	275, 558
Wisconsin	345, 068
Wyoming	315, 278
Hawaii	-------
District of Columbia	161, 363
Puerto Rico	-------

Television for Isolated Communities

EXTENSION OF REMARKS

OF

HON. DON MAGNUSON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. MAGNUSON. Mr. Speaker, today I have introduced a bill, H. R. 10944, which would direct the Federal Communications Commission to provide for the licensing of low-power television reflector facilities and VHF translator facilities to provide television reception to geographically isolated communities and individuals.

These automatic facilities are the cheapest and most satisfactory method yet devised to bring television programs into the homes of the people living in "shadow" areas behind hills and mountains where the rigid television signals do not reach. At least 70 reflector facilities or VHF translator facilities are known to be in operation throughout the country, and the number may be as high as 200. I have received reports of their use in the States of Arizona, California, Colorado, Idaho, Montana, New York, Oregon, South Dakota, Washington, and Wyoming. There undoubtedly are other States where reflectors have been used or contemplated.

Most of these facilities are constructed and maintained through spontaneous community action in the finest American tradition. They provide very satisfactory television reception at a very moderate cost. In no case that I know of does one of these facilities cause objectionable interference with anyone's reception of television or with any other use of radio-energy transmissions.

In spite of the obvious advantages of these facilities, the Federal Communications Commission consistently and obstinately has sought to shut them down. Within the past month at least one reflector facility in the State of Washington has stopped transmitting because of the issuance of a Commission cease-and-desist order. Another community, Bridgeport, Wash., has appealed from a Commission cease-and-desist order to the Court of Appeals for the District of Columbia, and that case is pending before the court. Cease-and-desist proceedings have been instituted against additional reflector facilities in the State of Washington. Reports I have received indicate that Commission representatives actively are engaged in starting cease-and-desist proceedings in other sections of the country.

The Commission's unwillingness to license or otherwise permit the operation of reflectors and VHF translators stems from its unwillingness to adopt flexible administrative procedures under which applications for the facilities can be considered on a case-by-case basis. The Commission prefers simply to deny hundreds of small communities throughout the country the benefits of television reception rather than face up to the task of finding a practicable method for fitting them into the national television system.

I am convinced that the Commission never will get around to licensing reflectors and VHF translators on its own initiative. I also believe that a favorable court decision in the pending case will not bring about a change of heart by the Commission, and that it still will attempt to proscribe these facilities, by one means or another. Consequently, I have been forced to the conclusion that only by the enactment of legislation such as that which I have introduced will the smaller isolated communities of this country be able to provide themselves with satisfactory television reception through the most practicable and inexpensive method yet developed.

Briefly, these facilities consist of a simple receiving antenna constructed on a hillside near the town where the signals of the originating station can be received, a small amplifier, and a simple transmitting antenna which retransmits the programs down into the valley. The residents of the community can receive the programs on ordinary television sets with the use of standard antennas. A reflector facility retransmits on the same channel as the originating station; a VHF translator retransmits a VHF signal on another VHF channel.

The facilities operate on a very low power. The one at Bridgeport, Wash., for example, has a power output of less than 1 watt. The usable signal from the facility extends over a cone-shaped area which in one case is as small as 2 miles long and 2 miles at its widest point. The facilities work automatically and require only occasional maintenance. Power can be supplied by an ordinary 110-volt line, by battery or by a gasoline-motor-driven generator. I have been told that for the facility in a small town in the Black Hills of South Dakota one of the townspeople goes up every afternoon and puts enough gasoline in the motor to keep the transmitter on the air until around midnight.

The cost of the facilities is very low. A typical installation in the State of Washington provides reception on two channels at a cost of $1,500. One battery-powered reflector was constructed for $500. I believe the costs vary up and down from these figures depending on the nature of the equipment, the strength of the original signal and the area sought to be covered.

In every instance that I know of, the facility has been constructed by a group of interested individuals in the community sought to be served. The money is raised by public subscription. In some instances the association has been very informal; in others, a nonprofit community corporation has been organized. Several owners of licensed television broadcast stations have indicated a willingness to construct reflector facilities in order to extend the service of the station to small valley communities.

To date, the Commission has come up with no practicable solution to the problem of providing the geographically isolated communities with satisfactory television service. Recently the Commission proposed rules and regulations under which certain UHF translators would be licensed. These UHF translators would retransmit the original signal over 1 of the UHF channels from channel 70 through channel 83.

I do not feel that these proposed UHF—ultra high frequency—translators are a practicable solution to the problem, and I feel they should be required only when the considerably less expensive and more satisfactory reflector facilities and VHF—very high frequency—translators cannot be employed.

There are a number of very serious objections to the UHF translators. First, where a reflector can be built for $500 to $750, the UHF translator unit alone will cost $2,750, to which must be added the costs of the receiving and transmitting antennas and the power system. This cost is out of the question for many small communities. Moreover, each set owner in the community will have to spend $20 to $50 for a converter to enable his set to receive the UHF signals or buy a more expensive set, and also will have to install a more expensive rooftop antenna.

Second, the UHF picture is less clear and more subject to distortion than a VHF picture. The difficulties increase with the increase in the frequency of transmission. There are 13 of the lower VHF channels; there are 70 of the higher UHF channels. The Commission proposal is to compel the UHF translators, serving the small communities, to transmit on the top 14 channels. These are the least desirable channels.

Third, the UHF translator will not cover the same surface area which would be covered by a reflector or VHF translator. The higher the frequency, the more rigid the signal and the more unaccountable its behavior. It has been estimated, for example, that if one community in the State of Washington were to substitute a UHF translator for the reflector now in use, half the people of the community who now receive television from the reflector would be unable to pick up the translator programs. In such a case, the community would have to build one or more subsidiary UHF translators to retransmit the main translator signals.

Undoubtedly, television from a UHF translator is better than no television at all—where the community can afford the cost. However, I think it is obvious that the cheaper and eminently more satisfactory on-channel reflectors and VHF translators should be permitted where they can operate without interfering with any other use of the radio-energy spectrum. Since the Commission has demonstrated its determined refusal to allow reflectors and VHF translators to operate, the only remedy is enactment of a bill such as that which I have introduced.

There follows a section-by-section analysis of the bill:

Section 1 redefines the term "broadcasting" in the Communications Act to exclude transmissions by television reflector and VHF translator facilities. This will eliminate certain statutory requirements applicable to ordinary broadcasting stations and permit simplified procedures in granting licenses.

Section 2 defines "television reflector facilities" and "VHF translator facilities." The definition specifically limits the use of these facilities to those communities prevented by geographical barriers from receiving television reception, and provides they shall retransmit the original programs without significant alteration.

Section 3 directs the Federal Communications Commission to prescribe rules and regulations for the granting of licenses to reflector and VHF translator facilities where their use does not cause harmful interference with any form of licensed television or radio reception. It provides that such "rules and regulations shall be devised, and licenses shall be granted thereunder, so as to promote the extension of satisfactory television reception to the smaller communities and isolated individuals at a reasonable cost."

Section 4 eliminates the requirement of a prior construction permit for reflectors and VHF translators.

Section 5 provides that any reflector or VHF translator in operation on or before May 1, 1956, may continue in operation until the operator has had a reasonable time to comply with the licensing regulations. It directs the Commission to draft and publish the first set of proposed rules and regulations within 6 months of the effective date of the act.

The Imperative Need for a Flash-Flood Warning System

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday; May 2, 1956

Mr. PATTERSON. Mr. Speaker, I have had so many requests from Congressmen and others for copies of the letter I recently sent to the chairman of the Subcommittee on Appropriations in regard to the Department of Commerce Weather Bureau appropriations that I would like to insert in the RECORD at this time a copy of the letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 1, 1956.

The Honorable PRINCE H. PRESTON,
Chairman, Department of Commerce, Subcommittee of the Appropriations Committee, House of Representatives, Washington, D. C.

DEAR MR. PRESTON: I have just finished reading the recently issued hearings before the subcommittee of the Committee on Appropriations, in regard to the appropriations for the Department of Commerce Weather Bureau for the year 1957.

In the accompanying subcommittee report and bill reported to the House of Representatives, I note with dismay that absolutely nothing is provided to meet one of the major weather problems now confronting our Nation, namely, the menace of flash floods.

It seems incredible—after the most costly flood disasters in the history of North America—that it nevertheless is intended that no provision whatsoever should be made by Congress to provide our citizens with any better protection against the deadly flash floods.

I do not believe that the elected Representatives of these States which have been stricken by the disastrous floods of the past few years will remain quiet and do nothing this year after they have been informed how most of the loss of life and how much of the loss in property can be eliminated by an up-to-date flash-flood protective system.

The total savings possible, on a nationwide basis, could be enormous. For example, in my own State of Connecticut last year, in a single flash flood, dozens of lives and millions of dollars worth of property could have been saved with a fully developed, modern high-water-warning service. Within a short period of months similar large losses could have been avoided in Pennsylvania, New York, California, and other States.

The size of the flood-loss problem is highlighted by the fact that the annual property loss from floods in major river basins of the United States averages more than $300 million a year. Engineers and flood experts have estimated that the amount of property loss which has been avoided through adequate flood-warning services averages about 10 percent of the total flood loss, which means about $30 million of prevented loss a year. Despite the huge flood losses mentioned above, and the large savings possible through adequate warning, there is not a single valley in America that is protected by a modern flood-warning system. Even in the Naugatuck Valley of Connecticut, which was flooded in a few hours by the heavy rains of Hurricane Diane, a pilot flash-flood-warning project is just now getting started and already suffers from lack of funds. And let us not forget that there are more than 2,500 valleys in the United States subject to flash floods.

My travels through flooded areas of New England have prompted me to ask Congress again to do something to protect our people from the disastrous flood menace that confronts almost every State of our country.

Recently I have talked with engineers, meteorologists, hydrologists, and river experts on the flood problem and they have assured me that for only $3 million (that is less than 1 percent of the real annual flood loss) it has now become possible to establish a modern flash-flood-warning service that will provide the protection needed along every river in the United States.

If it is acceptable to you and the other members of the Appropriations Committee, I would be pleased to offer a floor amendment to the Department of Commerce Weather Bureau appropirations for the fiscal year 1957 that would increase the expense item by an amount of $3 million for the establishment of an improved flood-warning service throughout our entire country; or perhaps you may deem it advisable to offer a committee amendment to accomplish this purpose.

If this added amount of $3 million was made available by the Congress, it would enable the Weather Bureau to take the following recommended action:

(1) Establish five additional district river forecasting centers.

This increase of 5 district river forecasting centers would make a total of 14 such centers, and would thereby provide adequate flood forecast coverage for the entire country.

The river valleys to be provided this new and additional flood-warning service, and the locations of the respective district river forecasting centers, are as follows:

1. Lower Mississippi Valley: Vicksburg, Miss.
2. West Gulf and Rio Grande Valley: Austin, Tex.
3. California: Sacramento.
4. Colorado and Great Basin: Salt Lake City.
5. Great Lakes: Lansing, Mich.

(2) Establish 5,000 cooperative river and rainfall observation stations in flash flood valleys, with necessary observation equipment and reporting facilities.

(3) Establish an adequate research and development program in regard to the forecasting of flood-producing rains and water supply, in cooperation with other Federal and State agencies and universities.

(4) Install 20 additional modified surplus radar stations in flash flood areas which are now more than 150 miles from established or planned radar storm detection locations.

(5) Strengthen professional river stage and flood study staffs at existing river forecast centers by two or more persons.

The river forecasting stations include Hartford, Conn.; Harrisburg, Pa.; Augusta, Ga.; Cincinnati, Ohio; Knoxville, Tenn.; St. Louis, Mo.; Kansas City, Mo.; Portland, Oreg.; and Tulsa, Okla.

Your support of this proposed measure will be greatly appreciated by the millions of Americans who live in the flood-hazard valleys of America and who should no longer be denied the flood-warning services that modern technology can now provide. I earnestly solicit your sympathetic consideration of this matter.

Sincerely yours,

JAMES T. PATTERSON,
Member of Congress.

Address by the Honorable Sinclair Weeks, Secretary of Commerce, Before the 44th Annual Meeting of the Chamber of Commerce of the United States, May 2, 1956

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. VAN ZANDT. Mr. Speaker, the following address was delivered by the Honorable Sinclair Weeks Secretary of Commerce, before the third general session, 44th annual meeting, Chamber of Commerce of the United States, Hotel Statler, Washington, D. C., May 2, 1956:

TEXT OF ADDRESS BY SECRETARY OF COMMERCE SINCLAIR WEEKS BEFORE THE THIRD GENERAL SESSION 44TH ANNUAL MEETING, CHAMBER OF COMMERCE OF THE UNITED STATES, PRESIDENTIAL ROOM, HOTEL STATLER, WASHINGTON, D. C., MAY 2, 1956

On the general theme of preserving private enterprise you have heard some very interesting discussions concerning the businessman's responsibilities in such fields as promoting economic understanding and informed governmental action at all levels. I am informed that my own contribution to this session will be most useful if I discuss the necessity for a close working relationship between businessmen and men in public office.

This is a difficult assignment, especially in an election year, when some people, in search of an issue, call it a mortal sin when close relationships between business and government are encouraged. Even without this added complication, the job of describing the importance—in fact, the utter necessity—of close relations is difficult.

As a former businessman and a present public official I've been on both sides of the fence—and sometimes in the middle. The experience is educational, even though occasionally painful. But nothing compares with the reward—a sense of participation in public service. And this is particularly true in an administration under such dedicated leadership as that of our truly great President, Dwight D. Eisenhower.

Because your policy committee has made its recommendation and because its passage means much to the program of President Eisenhower, may I divert for a moment to the bill (H. R. 5550) now pending before the Congress to authorize the President to accept United States membership in the Organization for Trade Cooperation (OTC).

Let me say first that reciprocal trade treatymaking is the settled policy of this Government. The process originated with a proposal of President McKinley—the motion was seconded by Theodore Roosevelt, William Howard Taft, Warren G. Harding, and many others. In my opinion it is a better method of tariff ratemaking than the process of log rolling historically in operation.

Obviously the job can be well done or badly done.

In connection with reciprocal trade agreements one hears from time to time of an outfit known as GATT. GATT objectives closely correspond to established principles of American commercial policy—principles which include the most favored nation treatment, for example, which the United States in its own interest has long urged upon other nations. Generally speaking, in my judgment, as far as GATT is concerned, it is better from every standpoint to have 35 nations join in 1 agreement than to have to go through the motions 35 separate times with 35 separate agreements finally arrived at.

The combination of such negotiations produces results not possible in a series of separate bilateral agreements and to my mind, certainly makes it possible for the United States to obtain greater trade benefits than could otherwise be achieved.

The Department of Commerce has an important interest in the Organization for Trade Cooperation (OTC) and because of this, I have carefully reviewed the proposal for it from every angle. Both as a member of the President's Cabinet and as a former manufacturer, I earnestly hope that the Congress will approve this vital legislation promptly.

I have personally examined very carefully the criticisms made against OTC which have led to honest doubts in the minds of some businessmen. I want to say that as far as I am concerned there is no foundation for these doubts.

The agreement for the OTC has been so drafted that United States interests are fully safeguarded. OTC would not be supranational. It could not change a single tariff rate. It could not impose new obligations on the United States without our consent.

So long as it is the policy of this Government to carry on foreign trade under the aegis of reciprocal trade agreements and to do it by the GATT process, I am convinced that the creation of the OTC will enable American industry and trade to derive additional and increased benefits from the GATT and the tariff concessions we have received.

Now to get on with my subject—let us first consider the impact of government on private industry.

When prosperity is rolling along on a high plateau—like today—some nearsighted businessmen may deceive themselves into assuming that, because our economic momentum is so strong, it makes little difference what signals are called in Washington.

In my judgment such an attitude is slightly shortsighted.

History clearly reveals that, from the industrial revolution to the present, rulers and parliaments have used their power both to help business up and to push business down. Governments have plagued business with red tape; burdened it with heavy taxes; strangled it with controls and—behind the Iron Curtain—have completely destroyed it.

If it makes scant difference to our economic system who sits at executive desks and in legislative chambers, why are so many left wingers trying to force so much antibusiness legislation through the Congress?

Why are so many radical politicians bursting their lungs with tirades against business and businessmen in government?

Why are so many left wing groups planning campaigns to oust public officials from both parties who support sound economic principles?

We as a nation are not going to preserve private enterprise if local, State and national governments are run by people who misunderstand private enterprise, mistrust private enterprise, and mistreat private enterprise. You cannot raise sheep in a den of wolves.

Speaking as a member of the Eisenhower administration, I assure you that our mission in the economic field is to preserve private enterprise. Its record is proof of its value to all Americans. Look at this amazing record: Under private enterprise this Nation has advanced to history's highest standard of living.

A century ago 94 percent of all work was by human and animal muscle. Today only 6 percent is done by physical labor of man and beast—all the rest is by machine. A century ago the average worker toiled a full 70-hour week. Today the workweek is around 42 hours and most labor is easier.

Since 1900 our population has doubled but our per capita production has tripled. Even after allowances for price changes, our national income today is 7 times what it was at the start of the century. I think it is hardly any wonder, as a consequence, that we of this administration rely on free enterprise and the unchecked flow of its dynamic power to continue to bring material well-being to the American people.

From its very inception over 3 years ago, this administration's objective has been to let the free enterprise system run itself. Controls were dropped. The tax system was redesigned to raise taxes and not to change the social order. A policy of trying to get the Government out of business was instituted. The results I think speak for themselves, including the report the other day of the Council of Economic Advisers announcing the gross national product for the first quarter of 1956 at a new high—at an annual rate of $399 billion.

But ours is not a negative, hands-off approach. We recognize that the Federal Government in this century of giant industrialism and long-range guided missiles cannot shirk its responsibility in the economic field. Desertion could permit an eventual drift to inflation or depression. Both extremes would be bad for business, bad for defense, and bad for America.

We believe that the purpose of private enterprise is to create wide prosperity fairly shared. Else why is our economy so geared that competition continually drives the price down and down until the products of private enterprise—the only real wealth we have—are distributed to our people on an ever-widening scale.

We set barbed-wire fences beyond which Government should not go in the field of private industry. But we do not hesitate to use persuasion and the power of Government to do what needs to be done for the national welfare which the private factor of the economy cannot or will not do itself.

That policy is neither socialism nor standpatism.

It is dynamic conservatism.

It is economic commonsense.

In our desire to do what is best for 167 million Americans, we have brought to Government able talent of all kinds. We have picked some of the best from science, technology, agriculture, labor, finance, and industry—each person contributing his experience and brains in managing honest, forward-looking Government.

At first the individual business man in government undergoes a new bewildering, and frustrating experience—the strange gobbledygook language of bureaucracy—the duplication and the age-crusted redtape—the gigantic size and complexity of government.

Every conscientious executive wants to keep on top of his job—not only to manage properly but to think things out. There are never hours enough in the day to get things done.

One of the time-consuming jobs is the search for qualified top-rank executives for important posts in Government. Their skills are urgently needed. But, unless a prospect is independently well-off, the pay scale is often far too low to attract the cream of the crop.

The readjustments involved in scaling down personal finances, missing out on promotive priority, giving up established homes, and breaking into educational commitments are substantial hurdles.

Amongst business executives who come to Washington, the Nation has been fortunate to have the services of volunteer experts, called WOC's because they are loaned by private industry and serve without compensation. These men are helping to gear Government-industry participation in mobilization preparedness and in the current defense and atomic-energy programs—so that our military might will be a strong deterrent to war.

Surely these experts and technicians deserve well of this country. But what do they get from some circles?

It shocks anyone aware of the hazards of these times and anyone with a sense of fair play to find the chairman of a House investigating committee pouring out misrepresentations about WOC's and advocating a reckless course of action which could deprive the defense program of these urgently needed industrial specialists.

I don't believe the American people want the national defense effort made more difficult just to gratify the spite of those—in or out of Government—who hate private enterprise and who always are ready to smear any businessman anywhere in Government.

I think instead that the American people are everlastingly grateful to these able and honest businessmen who are serving their country in the cause of peace.

While I praise the contribution of businessmen to Government in this day and age, I would add that it is my sincere belief that this Nation needs something more from businessmen than aptitude in any particular field. It needs business statesmanship. It needs the positive leadership of businessmen in keeping our country on the right road.

The more I study modern conditions the more I am convinced that the way to preserve private enterprise is to preserve sound government. I doubt that we can keep government sound unless the champions of priate enterprise spend just as much time fighting for sound policies in government as they do in making and selling a product.

Businessmen are able to sell a product but they are infants in the task of selling an idea—and remember well that it is ideas, sound or otherwise, which have most to do in influencing the direction in which we as a nation shall travel.

But here comes the rub. Here's where a bit of human perversity enters the picture. Most of us businessmen—and I used to be one—are red-hot defenders of good government and free enterprise—in principle. Yet too often some businessmen want to make an exception in their own particular case.

Generally speaking, they're all for private enterprise—until their own ox is gored. At the first pinch of metal scarcity they want controls restored. They're for balanced budgets—but not if it requires them to pay at least the cost of special Government services indispensable to their operation.

Postal rates in large part have not increased in 24 years. Most business is willing, but some business fights tooth and nail to keep from paying its fair share of the cost of operating the Post Office Department. How many other costs of business have remained static in this quarter century period?

Let me make this point clear. We welcome hearing the views of businessmen on any subject that concerns their own business or the economy. That's our job: to listen, to advise—and where possible—to help. In fact, the bulk of our operation—at the Commerce Department—is a great service station for businesses of all sizes. And we pass along industry views to other areas of Government, including the Congress.

However, cooperation between business and Government should be a two-way street.

If we as a nation are to preserve private enterprise, we must preserve initiative and research and competition and free markets and sound money and credit policies of Government. Of course, it is natural for a businessman to exercise self-interest because if he did not pay attention to his own shop, he could not stay in business.

If we are to keep prosperity and foster long-range economic growth, however, businessmen also must be economic statesmen with a vision and a sense of duty that embraces the well-being of the entire Nation.

For if businessmen—of all people—neglect or fail to champion private enterprise and the Government policies that encourage private enterprise, how can private enterprise continue to survive The alternative to free enterprise is captive enterprise. It is the fall of conservatism and the rise to power of radicalism with its jargon of class warfare, its dangerous ideologies, and its chains for business.

This administration will continue to do what it can to preserve private enterprise by carrying forward sound programs to strengthen the economy—by fighting for the soil bank and other measures to give the farmers a better chance—by proposing to Congress new assistance, including certain loans, to enable communities with chronic unemployment to help themselves.

We shall continue to advance programs for economic growth, such as necessary aids to small business; inducements to home building; commercial atomic power; establishment of the Organization for Trade Cooperation to spur world commerce; additional air traffic control facilities for safer air travel; construction of the great national highway program, and other plans for building a prosperous future.

We welcome the vigorous cooperation of business in our fight to maintain a climate in which business will continue to flourish, employment will expand, and other fruits of healthy economic growth will be harvested by all of the American people.

The Nickel Situation in the United States

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, and complying with his request, I include a letter I received from the Honorable Sinclair Weeks, Secretary of Commerce. On several occasions I have placed information in the RECORD concerning the complex and aggravating problems respecting the nickel situation in the United States. The following letter of April 30, 1956, from Secretary Weeks explains in considerable detail some of the facets of the complex subject from his point of view:

THE SECRETARY OF COMMERCE,
Washington, April 30, 1956.
The Honorable JOHN W. MCCORMACK,
House of Representatives,
Washington, D. C.

DEAR MR. MCCORMACK: In response to your letter of April 10, I am glad to have the opportunity to comment on Mr. Willard F. Rockwell's letters to you of March 23 and April 2 regarding the current situation on the supply and distribution of nickel. Since we are receiving many requests for information on this subject, I hope you will publish this letter in the CONGRESSIONAL RECORD. I shall endeavor to explain the nickel situation in detail, and enumerate the actions the executive branch has taken and is taking to meet the problems arising out of an insufficient national supply of nickel to meet all of our domestic requirements. A complete disclosure of all pertinent facts, however, is somewhat limited by security considerations applying to the national strategic stockpile and consumption of nickel for defense purposes.

Government allocation of nickel in the civilian market was discontinued in November 1953. Since the passage of the Defense Production Act in 1950, priorities have been in effect on the delivery of nickel for military and atomic-energy production and construction programs. Suppliers of nickel are required to fulfill all defense-rated orders in accordance with existing regulations. The balance of the supply is distributed, by nickel producers, to consumers for nondefense purposes.

The fundamental problem that both Government and industry face with respect to nickel is very simply stated. There is not enough nickel available to the United States market to satisfy actual total demand for defense and nondefense purposes. The demand for nickel has exceeded the supply since 1951. Under authorizations granted in the Defense Production Act, the Government has taken direct action to expand supply from several sources, including the Government-owned nickel-producing facilities in Cuba. This Government-sponsored and private industry expansion of supply has not kept pace with the increases in requirements for military production purposes, the needs of the national strategic stockpile, and the supplying of the requirements of a growing industrial economy. To offset the increase in military requirements, which otherwise would have further reduced the supply available for nondefense uses, the Government, early in 1955, authorized the diversions of deliveries from the national stockpile for industrial consumption. Such diversions total 24.3 million pounds in 1955; 12.3 million and 19 million pounds for the first and second quarters of 1956, respectively. With these diversions, total domestic consumption of nickel for all purposes during 1955 amounted to 216 million pounds, including 6 million pounds from consumers' inventories. On the basis of current stockpile diversions, it is estimated that new nickel availability during 1956 will approximate 260 million pounds. Due to the uncertainty of the defense requirements for the full year 1956, we cannot predict if the increased total available new nickel during 1956 over 1955 will actually benefit consumers of nickel for nondefense purposes. It is, indeed, fortunate that the Government undertook several years ago to underwrite the expansion of production of nickel.

To achieve an expansion of supply, it was necessary for the Government to either pay or guarantee a price, for delivery to the Government, that would make it economically feasible to utilize low-grade ores and maintain high-cost mining operations. In the case of NICARO, the Government invested considerable funds in the expansion of production and processing facilities. The initial deferments from stockpile deliveries, including nickel oxide from NICARO, were sold to industry at established prices, later diversions involved premium price nickel. The civilian economy is currently paying 3 prices for available nickel, a so-called market price of about 60½ cents for sinter (nickel oxide); 64½ cents for electro or cathode (metallic) nickel; a price ranging from $1 to $1.30 for Government set-aside supplies (diverted from scheduled deliveries to the stockpile); and $2.50 to $3 a pound for open-market supplies. Most of the latter is composed of nickel recovered from nickel scrap and imports.

With reference to Mr. Rockwell's complaint that his April allotment was cut 15 percent, he fails to indicate that this refers only to his market price nickel. He will, in fact, receive a quantity of the Government set-aside premium price nickel which will make up for approximately the 15 percent deficit about which he complains. We may add that the amount of market price nickel available each month is becoming progressively less due to the continually increasing defense requirements which consume only market price nickel.

Mr. Rockwell refers extensively to the so-called gray market in nickel and indicates that this market is supplied by those who procure nickel for defense purposes, and sell it in the open market, and consumers who are able to buy in excess of their needs for nondefense purposes and place the excess in the open market. As to the first alleged source of supply in the open market, I want to describe the extent to which we have maintained surveillance of the validity of defense-rated orders.

The defense materials system, under which priority deliveries of nickel for defense purposes are regulated, is administered by this Department. I can assure you that we have been continually checking and investigating the validity of the rated orders for nickel placed upon nickel suppliers. We have constantly taken measures designed to prevent the illegal or unwarranted diversion or escape of material purchased on military ratings. In March and June of 1954 we amended BDSA Regulation 2 to require purchasers of rated nickel who found that it was no longer needed to fulfill military requirements to hold such nickel for other military uses or return it for the benefit of the nondefense segment of the economy. Significant quantities were salvaged through these amendments.

Individual cases have been investigated as indications of violations have come to our attention and suitable action has been taken, in some cases by reference to the Department of Justice for criminal prosecution. In November of 1955 letters (copy enclosed) were addressed to all of the principal suppliers of the plating industry calling pointed attention to the strict requirements of the priority rating system and urging their full cooperation. The result of this action was gratifying. On the heels of this action surveys were initiated of all purchases of rated nickel in all areas of consumption. By comparison of the rated purchases reported by nickel suppliers with the defense needs of their customers, it was possible to determine with reasonable accuracy where unauthorized or excessive purchasing was taking place. Where this was found, directives were issued to the suppliers prohibiting their acceptance on a priority basis of further rated orders from designated customers and requiring that future orders be referred to BDSA for validation. While it is impossible to state precisely how much nickel was saved by means of this procedure, we estimate that 50,000 to 100,000 pounds a month may have been so conserved. This is in the plating area alone. We have had occasion to investigate 46 cases in areas other than plating of which 10 remain under study. Action will be taken in these cases if warranted.

Recently, after careful study and with the full concurrence and cooperation of the Office of Defense Mobilization, Department of Defense, and Atomic Energy Commission, directives were issued to all further converters and primary producers of steel controlled materials, including all nickel-bearing steels, requiring identification of further converters' orders for military use with the special symbol "FC." While this was not strictly a compliance action, we believe it will have important consequences in preventing slippage on nickel-bearing steel obtained by further converters under their specially authorized set-asides for defense purposes.

We believe that the recital of the foregoing measures should demonstrate that there has been no lack of energy in our compliance and enforcement program. We believe we have reduced any such illegal diversion to an absolute minimum. It is our estimate that the quantity of nickel moving in violation of our DMS regulations amounts to less than one-half of 1 percent of the total nickel available to the industrial economy. As to sale of excess nickel by purchasers for nondefense uses, it may well be that this takes place. It certainly is not illegal for them to do so. However, the nickel suppliers endeavor to keep very close check, so far as this is possible, on their customers' requirements and use of nickel products. It certainly is not to the advantage of the suppliers for their customers to be reselling nickel at premium prices and I believe that these suppliers would make every effort not to supply their customers who practice such resale tactics. As a matter of fact, all of the complaints have to do with an insufficiency of supply to consumers.

Mr. Rockwell states that the management of the company which supplies him with alloy steel, which he says is the fourth largest in the country, has informed him that 75 percent of their requirements is purchased in the market at premium prices. Through a review of the order and shipping records of practically all of the alloy steel producers, we have not been able to confirm this statement. We find it very difficult to believe that what is evidently a large alloy steel producer would find it necessary to purchase this proportion of their nickel requirements at premium prices. As heretofore explained, however, there is a fair supply of nickel available from imports and from secondary sources such as nickel and nickel-alloy scrap. Nickel steel producers not only use their own scrap but purchase scrap from either dealers or the customers to whom they supply nickel steel products. Obviously some portion of the nickel consumed by steel mills in the manufacture of nickel-bearing steels may be at prices commensurate with the open quotations for imports and nickel obtained from secondary sources.

As to the prices paid for nickel diverted from shipment to the stockpile, I should say that the domestic industry is indeed fortunate to be able to purchase nickel at these prices. If the Government had not undertaken an expansion program, which I have mentioned heretofore, there would not have been this nickel available at any price. Generally the lowest price nickel is being consumed for defense purposes. This is of direct benefit to the taxpayer since it reduces the cost of military procurement. I might add that I believe it is commendable that the producers of nickel have maintained a stable price situation irrespective of the demand which would indicate that much higher prices could be obtained. I would call your attention and that of Mr. Rockwell to what has happened pricewise with respect to copper in recent months.

Mr. Rockwell raises a question as to why his company was not consulted in connection with our investigations of the distribution of nickel. It was not necessary to solicit information from all users of nickel since the information needed was available in the offices of the producers and suppliers. In our investigation we were concerned with two basic matters: First, the validity of rated defense orders for nickel; and, second, the method by which producers and suppliers distributed nickel to consumers for nondefense purposes after the defense requirements had been met. We satisfied ourselves that the suppliers were keeping very close track of the needs of all of their customers and so far as possible adjusting their sales to meet changing conditions in the affairs of their individual customers.

I will not make any specific comment or express an opinion on Mr. Rockwell's observations with regard to the national strategic stockpile. I am a member of the Defense Mobilization Board which advises the Director of the Office of Defense Mobilization who has direct authority from the President to establish and maintain the strategic stockpile. I and other members of the Defense Mobilization Board are in accord with the current stockpile program.

In his letter to you Mr. Rockwell states, "We have absolute proof that some steel companies have sold nickel which they received in excess of their requirements for military orders." We are not sure just what Mr. Rockwell means by this statement. If a steel company was producing nickel-bearing steel only for military uses and so rated their orders, then any nickel sold in excess of their needs would be a violation of law. If this is the situation for which Mr. Rockwell has proof, it is his duty as a citizen to come forward with any information which would aid us in eliminating such illegal practices. We are going to request Mr. Rockwell to furnish us with information to support his statement.

If Mr. Rockwell refers to situations in which a steel company produces nickel-bearing steel for both defense and nondefense purposes, obviously the company would receive a total amount of nickel for both purposes in excess of its requirements for defense-rated orders. If such a company should have an excess of nickel for nondefense purposes, there is no law or regulation which prohibits the company from selling such nickel to other users. However, we seriously doubt that any nickel-steel producer is indulging in this practice. The requirements for nickel for military purposes have been on an upward trend for many months. These requirements reached a peak for the month of April this year. We do not expect a reduction for the next few months. In fact there may be an increase. If there is a substantial increase in the military requirements, it could result in a further reduction of the availability of nickel for nondefense purposes.

I apologize for the length of this letter but I felt that in view of the general interest of many industries in this subject I should try to explain the situation as fully as possible. Having been associated in the past with manufacturing companies which used nickel, I am fully aware of the problems faced by manufacturers in trying to conduct their operations in the face of an insufficient supply of a raw material. We in the executive branch have tried conscientiously to take every action which would benefit industry and at the same time not jeopardize our defense production and our long-run national security. It has been advocated by some that the Government should reimpose controls on the use and distribution of nickel for all purposes. I should be very reluctant indeed to undertake this since Government controls would not increase the total supply of nickel, and the Government would be placed in the position of interfering directly in the private affairs of a great many business firms. Furthermore, with Government controls, it would probably be necessary to restrict or prohibit the use of nickel for decorative or nonfunctional purposes. If this should be the case, the Government would be making the decision as to which private business establishments were more important than others to the national welfare, which is a function of Government quite contrary to our basic concepts of a private enterprise economy. Those who advocate Government controls in this particular case should examine their own particular situation since they might find that under Government controls they would not be permitted to consume nickel.

If there is any further information on this subject that you desire, please let me know.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
Washington, November 21, 1955.

GENTLEMEN: You have directed certain questions to this office concerning the acceptance by your company of orders for

nickel which purport to carry a priority rating. In order to assist you in determining what orders may properly be regarded by you as entitled to priority we are advising you as follows:

The basic rules of the priorities system are set forth in BDSA (formerly NPA), regulation 2. Additional regulations relating to the use of priority ratings are DMS regulations 1 and 2. Marked copies of these regulations are enclosed. Under unusual circumstances ratings may be placed under certain other regulations but for all practical purposes you may expect that any lawful ratings will require certification under one of the three regulations designated above.

You will note that in addition to the requirement of inclusion of the appropriate program identification symbol there is a requirement that every rated order be certified and signed by the customer. The certification must be in the form "Certified under [here insert appropriate regulation]." Orders not carrying this formula are of questionable validity as rated orders. It is a futher requirement that rated orders specify a delivery date.

We understand that some of your customers have sought to identify their orders as rated orders without complying with the formalities required by the regulations. In our opinion this is an irregular practice and orders in this form should not be treated as entitled to priority. We point out that orders not properly rated are junior to rated orders. Properly rated orders must be filled first, irrespective of the degee of shortage.

We should like also to draw your attention to section 18 of BDSA (formerly NPA), regulation 2. Under this section, if you know or have reason to believe that the material which you are delivering will be tion of any regulation of this agency, you accepted, redelivered, held, or used in violation of any regulation of this agency, you are neither required nor authorized to deliver on such order. It has come to our attention that in certain cases orders have been placed by customers who may, to your knowledge, not have facilities adequate to process or use the materials ordered by them on priority ratings. We regard this as a suspicious circumstance and as one which justifies withholding delivery until the validity of the purported rating has been established to your satisfaction or to that of this agency.

An additional circumstance which gives rise to question as to the authenticity of a rated order is purported certification under a nonexistent regulation such as CMP Regs. 1, 2 and 3. These regulations have long since been revoked and have not been in effect since the controlled materials plan was superseded by the Defense Materials System in 1953. Another suspicious circumstance is the use of nonexistent program identification symbols. The only symbols currently in effect are A through E followed by a single digit.

Because of the critical shortage of nickel an incentive exists to resort to illegal practices and subterfuges to obtain it. Nickel obtained by these practices at normal market prices can be resold in the "black" or "gray" market at exorbitant figures. The priorities accorded to military and AEC orders under the regulations of this agency are to all intents and purposes the equivalent of currency and must be safeguarded against counterfeiting or falsification just as currency is safeguarded. While experience has demonstrated that we can largely rely upon the good faith and integrity of the business public to assist us in protecting the priorities system against raids we are nevertheless prepared when necessary to take appropriate measures against willful violators.

You are in a position to make a significant contribution to the welfare of the Nation and of your industry by assisting in the prevention of violations. We urge you to insist upon strict observance on the part of your customers with the requirements of the system and to refrain from accepting or filling, on a priority basis, "rated" orders which are either irregular in form or of such doubtful validity as to create a reasonable doubt of the customer's authority to employ the rating. You are further requested to communicate the contents of this letter to all personnel in your organization who are charged with the soliciting of orders from customers and the processing of orders received from customers so that they may be fully apprised of your policy to insist upon adherence to the requirements of law.

Sincerely yours,

JONATHAN B. RINTELS,
Enforcement Attorney for Business and Defense Services Administration.

SENATE

THURSDAY, MAY 3, 1956

(Legislative day of Thursday, April 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Peter Jacobs, assistant pastor, St. Margaret's Church, Seat Pleasant, Md., offered the following prayer:

O Lord, creator of heaven and earth; enlighten, guide, strengthen, and console this great lawmaking body. Inspire us in what we ought to do, and then command us to do it. Lord, make us instruments of Thy peace; where there is hatred, let us sow love; where there is doubt, faith; where there is despair, hope; where there is darkness, light; and where there is sadness, joy.

O Divine Master, grant that we may not so much seek to be consoled as to console; to be understood, as to understand; to be loved, as to love; for it is in giving that we receive; it is in pardoning that we are pardoned; and it is in dying that we are born to eternal life. Amen.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the Senate of April 30, 1956,

The following message from the House of Representatives was received by the Secretary of the Senate:

The message communicated to the Senate resolutions of the House, adopted as a tribute to the memory of Hon. ALBEN W. BARKLEY, late a Senator of the United States from the State of Kentucky; formerly Vice President of the United States and a former Member of the House of Representatives from the State of Kentucky.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7500. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure;

H. R. 8228. An act to suspend for 2 years the duty on crude bauxite and on calcined bauxite;

H. R. 8615. An act to provide wage credits under title II of the Social Security Act for military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of service men dying overseas before such date; and

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 907. An act for the relief of Justin G. Malle and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Dalizio Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 7500. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; to the Committee on the Judiciary.

H. R. 8228. An act to suspend for 2 years the duty on crude bauxite and on calcined bauxite; and

H. R. 8615. An act to provide wage credits under title II of the Social Security Act for military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date; to the Committee on Finance.

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Under authority of the order of the Senate of April 30, 1956,

The following reports of committees were submitted:

On May 1, 1956:

By Mr. KERR, from the Committee on Finance:

H. R. 6143. A bill to amend the Internal Revenue Code of 1939 to provide that for taxable years begining after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts were paid; with amendments (Rept. No. 1941).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2582. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended (Rept. No. 1942);

S. 3472. A bill for the relief of Patricia A. Pembroke (Rept. No. 1943);

H. R. 4051. A bill to provide for the relief of certain Army and Air Force nurses, and for other purposes (Rept. No. 1945);

H. R. 8187. A bill for the relief of Wright H. Huntley; (Rept. No. 1946);

H. R. 4536. A bill for the relief of John J. Cowin (Rept. No. 1947);

H. R. 4633. A bill for the relief of Crosse & Blackwell Co. (Rept. No. 1948);

H. R. 5495. A bill for the relief of Arthur H. Homeyer (Rept. No. 1949); and

H. R. 6395. A bill for the relief of Thomas W. Bevans and others (Rept. No. 1950).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 4162. A bill for the relief of Kahzo L. Harris (Rept. No. 1951).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

H. R. 3964. A bill for the relief of Kingan, Inc. (Rept. No. 1944).

On May 2, 1956:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce:

H. R. 7471. A bill to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.; with amendments (Rept. No. 1952).

LEGISLATIVE PROGRAM

Mr. HAYDEN. Mr. President, because of the sudden death last Monday of our beloved colleague, Senator Alben W. Barkley, of Kentucky, it is not contemplated that any business will be transacted by the Senate today further than action on a resolution to be submitted in a few minutes.

It is planned that the next session of the Senate will be held on Monday next. Under the rules of the Senate, the so-called District of Columbia transit bill will retain its status as the unfinished business, and its consideration will be proceeded with on that day.

I therefore ask unanimous consent that when the Senate adjourns today, it be to meet on Monday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEATH OF SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. HAYDEN. Mr. President, in behalf of the Senator from Kentucky [Mr. Clements], who is absent from the Senate, attending the funeral of the late Senator Barkley, in Paducah, Ky., I submit a resolution, and ask for its present consideration. It is the purpose that at a later time a day will be set aside upon which appropriate eulogies may be pronounced by the colleagues of the late Senator in the Senate, and at this time I merely ask for action on the resolution.

The PRESIDENT pro tempore. The resolution will be read.

The legislative clerk read the resolution (S. Res. 258) as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. Alben W. Barkley, late a Senator from the State of Kentucky and a former Vice President of the United States.

Resolved, That a committee be appointed by the President of the Senate, who shall be a member of the committee, to attend the funeral of the deceased Senator at Paducah, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arizona?

There being no objection, the resolution was considered and unanimously agreed to.

The PRESIDENT pro tempore. Pursuant to the second resolving clause, the Chair appoints, as the committee to attend the funeral of the late Senator, in addition to the Vice President, the Senator from Nevada [Mr. Bible], the Senator from Indiana [Mr. Capehart], the Senator from Kentucky [Mr. Clements], the Senator from Idaho [Mr. Dworshak], the senior Senator from Mississippi [Mr. Eastland], the Senator from North Carolina [Mr. Ervin], the Senator from Delaware [Mr. Frear], the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the junior Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the senior Senator from Alabama [Mr. Hill], the Senator from Minnesota [Mr. Humphrey], the Senator from Texas [Mr. Johnson], the senior Senator from South Carolina [Mr. Johnston], the senior Senator from Tennessee [Mr. Kefauver], the Senator from Oklahoma [Mr. Kerr], the junior Senator from West Virginia [Mr. Laird], the Senator from Michigan [Mr. McNamara], the Senator from Oregon [Mr. Morse], the senior Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], the Senator from Rhode Island [Mr. Pastore], the Senator from Connecticut [Mr. Purtell], the Senator from Kansas [Mr. Schoeppel], the junior Senator from Alabama [Mr. Sparkman], the junior Senator from Mississippi [Mr. Stennis], the Senator from Missouri [Mr. Symington], and the junior Senator from South Carolina [Mr. Wofford].

Mr. HAYDEN. Mr. President, I move that, as a further mark of respect to the memory of the deceased, the Senate stand in adjournment until Monday next at 12 o'clock noon.

The motion was unanimously agreed to; and (at 12 o'clock and 4 minutes p. m.) the Senate adjourned until Monday, May 7, 1956, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 3, 1956

The House met at 11 o'clock a. m.

Rev. Valerian S. Karcz, Assumption Church, New Chicago, Ind., offered the following prayer:

O Thou who dost preside over the destinies of men and nations, Lord God of Hosts, reverently we lift up our eyes to Thee to bestow Thy abundant blessing upon our beloved country, as we again proclaim and establish the ideals and principles of a God-fearing democracy.

On this 165th anniversary of the adoption of the progressive and liberal constitution of the 3d of May by freedom-loving Poland, we solemnly pause to call upon the testimony of history and all free peoples to vindicate the rights of our ever-glorious ally.

Devoted sons of chivalrous Poland everywhere in the world today prayerfully raise their hearts to Thee, Eternal Father, to restore to the people of Poland in keeping with Thy divine designs their inalienable rights to liberty and justice.

O Thou, blessed Saviour of mankind, who didst die on the cross and through suffering and death didst open the gates of heaven, deign to grant to the peoples of Poland and of all nations, suffering and persecuted, courage to persevere in their Christian ideals and to attain the triumphant glory of the resurrection.

And Thou, O Holy Spirit, bountifully endow the President of the United States, and the Members of Congress, and all who hold positions of leadership and authority throughout the world, with Thy septenary gifts that they may courageously pursue the paths of true and enduring peace, established upon Thy eternal law. We ask Thee, O God, to hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE POLISH CONSTITUTION OF 1791

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, today, May 3, many friends of the Polish people join in celebrating the anniversary of the promulgation of an instrument which, in its day, symbolized a noteworthy step toward freedom—the Polish Constitution of 1791. Another famous instrument of that period comes to mind: The American Declaration of Independence of 1776, which proclaimed that man was endowed with certain inalienable rights and that for the protection of these rights "governments are instituted among men, deriving their just powers from the consent of the governed." The Polish Constitution closely follows our own form of representative government as initiated by our Founding Fathers.

Poland has for a long time been the battleground of Europe. The courageous stands of the Polish people in the face of tyrants and aggressors on innumerable occasions have been illustrations of courage unparalleled in history.

Well over a century and a half have passed since that era when freedom seemed to blow like a fresh wind through old Europe and what was then the New World. In those days men pledged their fortunes, their honor, and their very lives to the sacred cause of liberty—and more often than not were called upon to fulfill their pledges. Polish patriots fought for liberty in the United States and American patriots applauded when ancient tyrannies seemed to be on the wane in Poland.

Today Poland languishes under the heel of an old enemy, the Soviet Union. Employing new forms of totalitarianism, the Soviet Union has sought to enslave not only the bodies but the minds and hearts of the Polish and other subject peoples.

The new tyranny is more subtle, all-pervasive, and stronger than any Poland has ever been called upon to endure. It imposes upon that unhappy nation a dictator government maintained by a Soviet-dominated secret police and Soviet-dominated armed forces. It forces the Polish economy to fit into the pattern of Soviet needs to the impoverishment of the Polish people. Worst of all, it constantly assails the minds and souls of the people of Poland with a pagan Communist philosophy.

However, on this 165th anniversary of the Polish Constitution a burning desire for freedom remains a prime quality of the Polish people, nourished by decades of resistance to cruelty and oppression. Those of us who are familiar with the true spirit of the Polish people know that they will find ways to overcome this, as they have other tyrannies. Even now, as the bloody dissensions of the Stalin dictatorship are revealed, the flame of hope flickers into new life. This confusion of their slavemasters may bring new opportunities for freedom to all Soviet-subjected peoples.

I join with Americans of Polish descent and friends of Poland throughout the free world in looking forward to happier days—days when the Polish people will have overthrown alien domination, when their God-given rights to think and act as they desire are protected by their own freely elected government.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, seeds of democracy have been scattered somewhat sparsely in various places, at different times, and under differing circumstances. We in the free world would like to think of the West as the natural habitat of democratic ideas and ideals; certainly this has been true in the case of Western Europe and in some of its offshoots in the Americas. In the course of the 18th century when such invigorating and infectious ideas were spreading like wildfire in many parts of the West, governments of Eastern Europe, particularly countries governed by autocratic monarchs, were trying hard to build dams and raise curtains against such dangerous ideas. In the midst of such reactionary rulers, liberal and progressive leaders of Poland tried to evolve, early in the last decade of the 18th century, a document which by the standards of those days was a model democratic constitution.

That constitution was enacted into law on May 3 of 1791, a date memorable in the annals of Poland's modern history. By its very terms many progressive social and political reforms were introduced into the governmental machinery. The powers of the King were reduced and circumscribed while those of the elected Chamber of Deputies were enhanced and enlarged. Serfs were given personal liberty and guaranteed equality of rights. Peasants were given the right of representation in the national government and the towns were also given certain rights. In short, one finds the beginnings of numerous future social, economic, and political reforms in that constitution. For its progressive provisions this document was heartily approved by Edmund Burke, perhaps the leading political thinker of the Anglo-Saxon world at the time. Unfortunately, however, the turns of international events prevented the realization of these ideals.

The adoption of this constitution seemed to have alarmed Poland's envious and avaricious neighbors. Realizing that by this constitution Poland might become strong, and thereby a real force in the politics of Eastern Europe, Austrian, Prussian, and Russian autocrats at once decided to put an end to the Polish state by dividing it among themselves. Of course, the poor Poles could not forestall such a combination of powers, and in a short time independent Poland was no more. But the ideas and ideals of the constitution of May 1791 lived on in Poland for more than 100 years; and they were fully realized in the regenerated republican Poland in 1918. At the beginning of World War II those ideas had to be shelved once more, and since then their only safe abode seem to be the hearts of the freedom-loving and stout-hearted Polish people.

Today in celebrating the 165th anniversary of that constitution, we all hope and pray that soon those fine and noble democratic ideas, so plainly embodied in that constitution, will be planted once more on the fertile soil of Poland, there to live and grow and blossom.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the Record on Poland's Constitution Day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution. Back on May 3, 1791, the people of Poland instituted their constitution. Like our own Federal and State constitutions, that document is one of the great monuments which men have erected from time to time in support of the human right of self-determination and equality before the law. This constitution expressed the Polish people's belief in individual liberty. It contained this clear, true statement:

> All power in civil society is derived from the will of the people.

Today even though Poland has been subjugated to the might of godless communism, people throughout the world still look on the Polish Constitution as a symbol of the day when Poland will again be free. In my Eighth Congressional District of Massachusetts, we have many fine citizens—outstanding citizens—of Polish descent who are completely steeped in the principles of freedom and who are bitterly unhappy over the continued denial of freedom to their friends and relatives behind the Iron Curtain. Our present laws of immigration and red tape make it difficult if not impossible for escapees from Communist terror behind the Iron Curtain to be admitted into the United States. This naturally rankles our Americans of Polish descent because of the implication that Polish people who want to come here provide some kind of special security risk. No such implication is justified. It is because these Poles love freedom so deeply that they try to escape from behind the Iron Curtain. People so imbued with a love of freedom make, and have made, outstanding citizens of our free country.

What do the Poles think of their Communist overlords? Any of you who know the Polish people who are in America today realize that communism is alien to the basic nature of a Pole. At this very moment, Poland is under the domination of an ideology foreign and repugnant to the great bulk of her people.

As a nation the Poles are proud of their great deeds and accomplishments, and they are fully justified in that pride.

Not only are they well known as diligent and skillful workers, but they are equally well known as accomplished masters in the arts and the sciences. They are no less famous as brave and courageous warriors. The names of all the Poles who have staked their lives for freedom and liberty are too numerous to mention. Of the many Poles who have taken an active part in struggles for liberty, two that perhaps are best known to the people of our country because of their roles in our Revolutionary War, are Kosciusko and Pulaski.

Mr. Speaker, the people of Poland have the right to know that we in America, who owe so much to those of Polish birth, cherish the thought that a free and sovereign Poland will one day rise again. Today, when liberty-loving Poles celebrate their national holiday and the anniversary of their constitution, they should be plainly given the encouragement that is inherent in the simple fact that we have not forgotten them.

This anniversary of the Polish constitution of 1791 provides a proper occasion for us to rededicate ourselves to the cause of oppressed Poland. To a great extent this cause of Poland is our cause, because it has its roots in a desire for freedom. And, so long as Poland and the other oppressed nations of the world do not enjoy the blessings of liberty, the world itself will never know peace, security, and progress.

Mr. PRICE. Mr. Speaker, May 3 marks the anniversary of one of the great human documents of the age of democracy, the Polish Constitution of 1791—a document including guaranties of religious toleration and freedom of thought that compare favorably with the guaranties in our own Constitution.

The Polish people have been victimized beyond the experience of most European peoples by conquest, partition, invasion, oppression across centuries. They are held today as the creatures of a government satellite to the Soviet Union and maintained in power only by the Red army.

But under the successive oppressions of the past the Polish people never lost their sense of nationalism and never lost their dedication to the principles of freedom. These emotions were so strong within them that after nearly a century and a half of foreign occupation, Poland rose again. Poland will rise yet once more as an independent nation, capable of asserting her right to self-government.

Poland sent her finest spirits, General Pulaski and General Kosciusko, to fight with the armies of George Washington and to help the infant States of America win their freedom.

Poland has given great creative artists and composers, scientists, and philosophers, to help build the modern nature of the Western World. Polish armies fought bravely on many fields of conflict in World War II, as they had fought previously in earlier wars of liberation, for the principle of independence and the overthrow of tyranny.

The Poles have been used most evilly in their present subservience to Moscow. It is important that in whatever manner we can we speak the words that, when transmitted, will let the Polish people know that they are not forgotten, that they have friends here in America and other democratic countries who will never forget them.

The reestablishment of Poland as a truly sovereign nation, free to guide her own destinies, is an objective that we must never allow too far from our thoughts and memories. When the day comes again that Poland is free, the celebration of her great Constitution Day will be a celebration in which all of aspiring mankind can share.

Mr. FRIEDEL. Mr. Speaker, it is my privilege at this time to invite your attention to the fact that today marks the 165th anniversary of the institution of Poland's Constitution. Let us in America take note of a nation that remains even today a symbol of man's eternal fight for individual liberty.

I say even today because, as we all know, Poland is at present under the cruel shadow of her Communist oppressor, the Soviet Union. Let us remind ourselves of Poland's recent tragic past. The German attack on Poland on September 1, 1939, was the first application of the Nazi's blitzkrieg. Poland soon found herself under German rule and her people had then to go underground to resume their fight for freedom. In a series of heart-rending events, the Nazi yoke over Poland fell into the hands of the Communists. Additional tyranny was heaped upon these courageous people.

A Communist puppet government was then set up, holding the people in its vice-like grip and following the devastating pattern of Communist totalitarianism. Today, freedom is completely suppressed in Poland. The Polish army is at the command of the Soviets who run it with thousands of Soviet officers. The school system, the youth organizations, the trade unions, and universities have all become parts of the Soviet machine. Wholesale arrests and mass murder keep the Communist Party in power. The Poles are tortured in mind and body by their totalitarian masters.

We in America have a deep sympathy and concern for the Polish people. Surely no people on earth have demonstrated more clearly over the years their undying love of liberty than the Polish people.

We hear much in these days about coexistence; the word coexistence was first of all mouthed by the hyprocritical Soviets probably in the hope that the Western World would relax its attitude of vigilance; but now we hear it expressed as the pious hope of some of our own people who are dreaming of an easy way out of our present difficulties. The Polish people know from sad experience that there is no easy way out and no true coexistence with communism. We in our mature judgment surely realize that we cannot exist peacefully with murders, oppressors, with men in whom there is no sense of honor, or with an ideology whose only goal is the death of liberty.

Neither the Polish people nor we in America can ever accept the present condition of Poland's existence. A nation enslaved calls for our help. We continue to look to total freedom as the goal for the Polish Nation. The American people will never cease to work for this goal. We know that the tyrant will be thrown off.

I count it a great privilege to send words of warm and prayerful encouragement to these noble folk on this their great anniversary.

THE PATRIOTISM AND STABILITY OF THE POLISH PEOPLE

Mr. DONDERO. Mr. Speaker, in their long history the Polish people have had little opportunity to enjoy freedom, yet they have constantly and valiantly struggled to attain it. Despite the sufferings of invasions, partitions, and occupations, Polish patriotism has never faltered.

It was love of liberty denied them in their homeland that brought many Poles to our shores. Poland's loss was our gain, for their contributions in our struggle to earn and retain our freedom were vital.

Since the days of the American Revolution Polish blood has been shed for the preservation of American liberty. Such patriots as Thaddeus Kosciusko and Casimir Pulaski and almost a thousand other Polish patriots fought for the Continental Army. During the Mexican, Civil, and Spanish-American Wars Americans of Polish descent died for the preservation of American freedom. More recently, during World War I, 300,000 Polish-Americans served in defense of their adopted country, and in World War II more than 900,000 served.

As Polish patriotism contributed to the security of our country their stability aided in its development. The Polish immigrants come to America endowed with a capacity for assiduousness and a love of God. The Poles are not afraid of work. They cultivated our soil; constructed our railroads; developed our coal, iron, and copper mines; and as they gained proficiency, contributed to the expansion of our industry. Their religious faith has also made them peaceful, loyal, and law-abiding citizens.

Our Polish-Americans have helped in building American civilization and culture. The cultural achievements of Poland have become part of the varied culture of America. The Poles have also contributed to the spiritual and religious growth of our country.

Today, the anniversary of Polish Constitution Day, is an appropriate occasion for all Americans to express their appreciation to all Polish-Americans for their contributions in the defense and development of our great country. It is also an opportune time to assure Americans of Polish descent that we will join in their prayers for their enslaved relatives and friends in their native land.

Mr. ADDONIZIO. Mr. Speaker, May 3 marks the anniversary of one of the great landmarks in humanity's struggle for liberty. On that date in 1791 the statesmen of Poland signed the document now famous as the Polish Constitution of May 3. The great constitution incorporated in its articles a sense of justice and protection of liberty theretofore unknown in eastern Europe. But the liberal ideas that had blossomed among the Polish people and finally culminated in a democratic constitution alarmed the ruling monarch of powerful

Russia. Soon Russian troops invaded Poland, crushed the small army of Polish troops that managed for 3 months to valiantly defend their homeland, and brought an end to the Polish experiment in democratic government.

But the spirit of the document could not be broken by force of arms. It lived on in the hearts of the Polish people, strengthening them in their resistance to tyranny and sustaining them in their dark hours. It surged up in the fateful year of 1939 when the Polish people stood up with great valor to defend their institutions against Hitler's cynical invasion. And even now, over 160 years since its inauguration, the spirit of the constitution of May 3 continues to provide the oppressed people of Poland with a spiritual sustenance to resist the new tyranny of Soviet Russia. In spite of the brutal liquidation of political opposition, the relentless persecution of the church, and the ruthless imposition of communism, we know from all reports that the brave people of Poland still cherish their principles of national independence and human liberty.

The decanonization of Stalin by the current rulers of the Kremlin must seem ironic indeed to the Polish people. As victims of Stalin's inhuman treatment, they have been decrying all along what only now the new crop of Soviet leaders seem to have discovered. But the new oppressors are overly optimistic if they think they can erase the memory of the Katyn massacre or the subsequent harsh Soviet domination of Poland by shoving all the blame upon the corpse of Stalin. Only when the Polish people are again free to direct their own destinies, to freely engage in their traditional political, cultural, and religious activities, will the West begin to believe that the Kremlin has really changed its policy.

It is my fervent hope on this anniversary of the Polish constitution of May 3 that the courageous Polish people will be shortly rewarded for their faith in the noble principles embodied in that great document and for their perseverance in pursuing their ideals.

Mr. GARMATZ. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution, a constitution adopted a few years after ours and patterned after ours. While we jealously guard the rights and privileges granted to us under our Constitution, the Polish people have lost all rights, all privileges, all independence bestowed upon them 165 years ago, and have become an enslaved nation.

Information coming to us from Poland leads us to believe that the younger generation has become one of the mainstays of resistance against the Communist Government. Even though most of their education has been along Communist lines, their positions as civil servants, engineers, officers of the armed forces, Government officials, and so forth, have given them an opportunity to learn firsthand what Communist "democracy" is, and they have been very much disillusioned. The Communist line will never replace the fierce patriotism which burns in the hearts of the Polish people.

In addition to its youth, the Polish workers, peasants, and members of the Catholic Church are further bulwarks against the Communist government. Let us not be misled by statements of collaboration with the so-called People's Government, by various groups in Poland. Such statements are made for propaganda purposes only, but cannot deceive those who know the Polish people and the Polish spirit of resistance, demonstrated so remarkably in the fight against Hitler's invading forces in 1939.

Our Government must do everything possible to encourage these people in their resistance and refusal to bow to their captors. The present Soviet rulers pretend to be aghast at the atrocities and injustices carried out by the Stalin government. Let us take advantage of their new attitude and urge them to release all political prisoners; admit their guilt in the Katyn Forest massacre, in which 15,000 Polish officers were murdered; free Poland and other nations enslaved during the Stalin regime by giving them an opportunity to hold free elections under the supervision of the United Nations, so they may decide their own form of government and choose those persons whom they would have lead their countries as free and independent nations.

This is the greatest opportunity we have had since the close of the war to further the cause of the enslaved nations. Let us take advantage of it and do everything possible to force the Soviet rulers to prove that they are sincere in their abhorrence of Stalin's crimes or to prove to the world that their present pious protestations are mere hypocritical statements, intended to mislead and deceive the free nations of the world.

I strongly urge the administration to take advantage of this golden opportunity which would strengthen the hopes and beliefs of the captive nations and their continued resistance to Soviet rule, as nothing else could. Such action by our Government would speed the day when Poland and other enslaved nations would again join the free nations of the world.

Mr. McVEY. Mr. Speaker, May 3, 1791, 165 years ago today, marks a memorable date in the history of Poland. It was on that date that the Polish Constitution was adopted, and it is on such an anniversary as this that all of the peoples of the free world are prone to reflect the struggle and sacrifice made by this nation to preserve the principles of freedom and human dignity contained in that historic document.

Even though Poland has been subjugated several times by foreign aggression since the adoption of its constitution, its spirit of independence and its devotion to God have never wavered. I am, therefore, certain that with the continuance of these ideals, Poland will surmount the Communist tyranny with which it is confronted today and will rise once again as a free nation.

It is with this hope that I today join all of the Americans of Polish ancestry in their observance of Polish Constitution Day.

Mr. WAINWRIGHT. Mr. Speaker, on the third of May 1791, on this day, 165 years ago, barely 3 years after our adoption of the creed of liberty and freedom of man took place, the Polish Constitution was promulgated. The people of Poland threw off the chains of antiquated government and embraced a document that embodied those liberties for which they had long striven.

In retrospect, we realize that the years following the signing of the Polish Constitution have not been easy for this brave country. Torn by bloodshed, maimed by war, crippled by the bonds placed upon her by despotic rulers, Poland has been conquered but courageous always. The words of Talleyrand after the Council of Vienna may still be made applicable to the future heritage of the Polish Nation:

> The Poles no longer have a common country, but they have a common language. They will remain, then, united by the strongest and most durable of bonds. They will arrive, under foreign domination, to the age of manhood, and the moment they reach that age, will not be far from that in which, emancipated, they will all be attached once more to one center.

This historic day marks the incipience of the struggle of the Polish Nation against the exponents of injustice and tyranny, against the dominating influence of its geographical neighbors, and against the forces of political enslavement. The fight is not yet over. But through the never-ending, always burning spirit of the people of Poland, she will once again be free—free to live in the democracy born on May 3, 1791—born never to die.

Mrs. KELLY of New York. Mr. Speaker, May 3 is the 165th anniversary of the Polish Constitution Day. I would like to send my best wishes to Polish Americans on the occasion of the celebration of that glorious day. Unfortunately, however, the land of their ancestors will not be openly celebrating this event; for today Poland is temporarily enslaved by the godless Communists. I say temporarily, for a Nation having such a tradition for love of liberty, justice, and freedom of worship will never be permanently subjugated by this ruthless tyranny.

Periodically Poland has been enslaved by oppressors. However, history shows that the conquerors have never been successful in keeping the gallant Poles under subjugation long.

Concrete evidence of Poland's refusal to yield to foreign despots was her courageous revolt against the Prussian and Russian invaders shortly after the first partition of her country in 1772. Each successive partition has been countered with equally vigorous resistance.

Today, the fifth partition of the country by the Communists has forced the Polish people to relinquish, once again, their fundamental freedoms. The Reds, conscious of Poland's valiant struggles in the past to retain her liberty, concentrated their attack on the ruthless suppression of nationalism and religion.

To accomplish this, the Communists attempted to impose the doctrines of Marx and Lenin on the Polish people. By the elimination of Polish culture and replacing it with Soviet ideology, the Reds hoped to insure loyalty to the state.

The propagation of communism was followed by the persecution of religion; for the Kremlin was aware that unless atheism supplanted the worship of God, Sovietization would never be complete.

However, despite terror tactics of slave labor, deportation, and genocide employed by the Reds to accomplish these ends, the Polish people have never lost their desire for freedom and they have kept their faith. Incessantly, they continue to resist complete Communist indoctrination by the atheistic Kremlin.

I wish to take the opportunity on this anniversary of Polish Constitution Day to express my confidence that the present enslavement of Poland will not endure. As in the past, Polish nationalism and love of liberty, justice, and freedom of worship will prevail over despotism.

Mr. RODINO. Mr. Speaker, the Polish Constitution, which is commemorated today was adopted more than a century and a half ago. In the year 1772 the states of Prussia, Russia and Austria fell upon Poland and, in what is known as the first partition, despoiled her of about one-fourth of her territory. This event had a strong effect on Polish opinion and when certain international developments presented a favorable opportunity the Poles took vigorous measures to strengthen their government. The result was the convening of the "Four Years' Diet" in 1788.

This famous Diet voted a series of fundamental reforms and on May 3, 1791, just 4 years after the American Constitution was written, it accepted one of the first written constitutions of Europe. This document abolished many vestiges of the old political system and converted Poland into a hereditary monarchy with ministerial responsibility.

The constitution of 1791, which was based upon the American Declaration of Independence and the French Declaration of the Rights of Man, is one for which the Polish people should be commended and praised. It embodied some of the most liberal governmental concepts of its day. It recognized greater privileges for the townsmen and the peasants and established religious toleration.

The constitution was written with the hope of giving enough stability to Poland to discourage aggressive plans of neighboring powers. However, within the space of a few years, Russia, Prussia and Austria divided up Poland in two successive partitions and destroyed its independence.

No people in all history have demonstrated a greater appreciation of freedom than the Polish people. Nor have any sacrificed more, or will sacrifice more for freedom. The fires of liberty for Poland still flame in the hearts of her people, despite their present subjection to the Communists. These fires will grow and grow; until, once again, they sweep away the oppressors of Poland. Righteousness cannot be permanently obscured by the oppression of despotism. Justice and liberty cannot be destroyed, and while Poles live, Poland will live.

Let us remember the first Polish Constitution was supported and defended by the Polish King Stanislas Augustus II, a man of rare wisdom and a patriot who said that his ideas on the constitution were "only the dreams of a good citizen." Let us thank God his dreams came true. The spirit of the Polish people in 1791 has continued throughout these 165 years and many obstacles have been encountered and overcome, and will be overcome by the gallant Polish people. They shall rise again, as no nation as freedom loving and with the earnest devotion to the cause of liberty as they are, can be permanently enslaved.

Mr. CELLER. Mr. Speaker, I wish to join on this day with all those who mark May 3 as the day of the anniversary of Poland's Constitution. It is my hope that the world will pause to commemorate it, so that all those still enslaved in Poland's confines will hear the echo of the celebration, and will take hope therefrom.

The words embodied in Poland's Constitution echo the principles contained in the Magna Carta and the Declaration of Independence. The ideals of freedom and of individual liberty expressed are similar to ours. With such a heritage to remember, the disastrous plight of the Polish people living behind that impenetrable Iron Curtain, must be decried, and the hope instilled that the day will come when Poland will once again be a free nation.

With the recent changes of face that have marked the propaganda of the Soviet rulers, word has come that many thousands of political prisoners in Poland have been given their freedom. Perhaps through such an impulse, the will toward liberty will be strengthened in the Polish people.

May Poland's Constitution see a day of celebration in the land of its origin.

Mr. VANIK. Mr. Speaker, I concur in the remarks of our distinguished majority leader, the Honorable JOHN W. McCORMACK, of Massachusetts. The world is today reminded of the occasion of Poland's Constitution Day. It is fitting that the Congress of the United States—the world's greatest symbol of freedom—should reflect upon the circumstances of enslavement which exist in other parts of the world.

It is well that we are reminded of the Soviet-Communist domination of the Polish people at a time when Soviet leadership is attempting to delude the free world into thinking that all is well behind the Iron Curtain.

Mr. Khrushchev and Mr. Bulganin may smile and ask us to be friends, but they cannot hide the ruthless treatment of people and the relentless nature of their program. They have not released the Polish people from captivity, and they have not indicated that the new look on their faces reveals a new look at their motives. They have taken a new look at their policy of force and now believe they can achieve the same goals by fakery and deceit.

It behooves us to recognize Soviet deception and to say to the freedom-loving peoples everywhere that we will not be fooled by empty words. Debunking the Stalin legacy of oppression does not create moral integrity in his successors.

Now is the time to renew our pledge to resist Communist aggression in whatever form it appears. Today is the day to say to our Polish brethren we have not forgotten—and we will not forget.

It was fitting that the beautiful prayer in the House of Representatives today was delivered by the Reverend Valerian S. Karcz, of Hobart, Ind., in commemoration of Polish independence and the cause of freedom in the world.

Mr. ASHLEY. Mr. Speaker, I deem it a privilege to share in the commemoration of the 165th anniversary of the Polish Constitution—and in free Poland's national holiday. It is most fitting that we of the Congress of the United States grant due recognition to the historic date of May 3, 1791, the date of the birth of democratic constitutional government in Poland.

The bond between freedom-loving peoples is a strong one, Mr. Speaker, and the United States and Poland have long shared this common bond.

It is well for us to remember that as early as 1347, Poland established the first complete code of laws of Christian Europe. In 1413, Poland and Lithuania executed an agreement proclaiming for the first time in history the brotherhood of nations. In the year 1430 Poland's law—2½ centuries before England's habeas corpus—guaranteed security of the person, and recognized and safeguarded religious liberties.

The entire civilized world owes a great debt to the generations of loyal and devoted Polish people, for they have enriched western civilization beyond measure.

Today, we witness Poland's struggle against the chains of communism which, by subterfuge, duplicity, and subversion, have been cast upon her by the Soviet Union. In the name of justice and with the help of God, we must rededicate ourselves to the eventual liberation of the peoples of Poland from the yoke of tyranny. To this end, all free peoples must be unequivocally committed.

Mr. ANFUSO. Mr. Speaker, on this day, May 3, I take this opportunity to salute the people of Polish descent on the occasion of the 165th anniversary of the Polish Constitution of 1791.

That famous document is one of Poland's great contributions to the development of the idea of human freedom. Not only is May 3, 1791, a memorable date in Poland's history, but it is also a landmark in the development of constitutional government. As such, the Polish Constitution is one of the outstanding documents of all times in the annals of human progress and democracy. It ranks with our own Declaration of Independence and with the Magna Carta. Poland was among the first nation to have a written democratic constitution seeking to establish and preserve the concept of liberty for the people.

Yet through the years that followed, Poland has experienced one invasion after another, tyranny and oppression, but the spirit of the Polish people remains indomitable in the face of all this suffering. The desire for human rights and justice, for freedom and religious

toleration, is stronger today than it has ever been in the history of mankind.

America, to which the citizens of Polish extraction have contributed so much toward its greatness, must continue to give hope and the fullest measure of moral and spiritual support in their hours of anguish over the fate that has befallen their ancestral land. Our sympathy and prayers go out to the people of Poland in their present tragic plight.

Unfortunately, the heroic Polish Nation is unable to speak for itself at this time. The Communist oppressor has stamped out every form of expression in Poland, except for blind loyalty to the slavemasters. Nevertheless, the will to resist the oppressor remains strong and the hope still lingers in the hearts of the people to become liberated at an early date.

We must do everything possible to strengthen that will on the part of the people in Poland and to encourage that hope in their hearts. On this anniversary, I extend my sincerest greetings and fondest hope that Poland will soon be liberated.

THE UNITED STATES HAS A MORAL OBLIGATION TO CONTINUE TO FIGHT FOR POLISH FREEDOM

Mr. DONOHUE. Mr. Speaker, on this Polish Constitution Day all Americans of every racial descent join with the people of Poland in a prayer for Polish independence and a renewed pledge to continue to work for the restoration of liberty and freedom to Poland and the rest of the enslaved Christian world.

No one who understands the great contribution to our own independence of the immortal Polish heroes of the Revolution or who has read of the glorious history of Poland in defense of Christian principles can help having tremendous admiration for the courage, patience, and fortitude of the Polish people in their current struggle to regain independence.

Heroic Poland gave us the best and most inspiring modern example of sacrifice for Christian principle in that terrible engagement with the Communists in 1920. The Polish people proved then to the world that they were among the very, very few who early recognized the planned and determined Kremlin objective of reducing the free world to pagan slavery. Would that we had wisely learned from their example and the recent years of too much appeasement and too often retreat, of developing world confusion and of increasing turmoil might well have been avoided.

The price the Polish people paid for their early courageous resistance to Communist attack was catastrophic and the blow was even more severe when it appeared that their supposed allies turned their backs upon and heads away from their cruel plight under Soviet subjugation and tyranny. The debt the free world owes to heroic Poland for her courageous struggle against the Communist horde 36 years ago still remains unpaid and will remain as a blot upon the moral integrity of this country and the United Nations until it is paid.

That is why we as Americans must never relax our efforts to help the Polish people to reestablish their freedoms under their own chosen government. As a nation dedicated ourselves to the democratic principles of personal liberty and individual freedom, the United States Government has an obligation to unceasingly maintain the right of Poland to her independence and persevere, both as an individual nation and as a member of the United Nations, in demanding that the Communist leaders grant freedom and independence to Poland. We can do no less and still call ourselves a Christian democratic country while we join in prayer that the day will soon come when Poland, and all the other enslaved nations, will once again happily enjoy their personal and national freedom.

Mr. KEARNEY. Mr. Speaker, the self-termed "collective leadership" of the Soviet Union have good reason to fear the date of May 3. The 3d day of May is the Polish Constitution Day, the day of unity of though and action for all Poles worth of the Polish heritage of freedom.

Press dispatches on April 20 brought out that Poland's Communist regime had fired or demoted the Minister of State farms, the prosecutor general, and the chief military prosecutor general.

Press dispatches of April 21 announced the dismissal of the minister of justice and the downgrading of the minister of culture by Poland's Communist regime.

Press dispatches on April 22 pointed to the freeing of 30,000 Poles and the reduction of prison sentences to 70,000 others by Poland's Communist regime.

What is the meaning of this shift in command among Poland's servile Communist leaders?

In my opinion, Shakespeare best expressed the meaning of this readjustment when he wrote in Macbeth, "It is a tale told by an idiot, full of sound and fury, signifying nothing."

Tools of the Stalin Communist faction in Poland have merely been replaced by tools of the Communist collective leadership faction. It is highly probable, also, that those who have been released from prison by the alleged amnesty are either Communists or true Poles, so broken in mind and body, that they are no longer considered a threat to their Communist oppressors.

Buried deep in the news dispatch of April 22 is the real cause of the feverish activity among Communists in Poland.

Reuters quotes the Communist Polish radio as saying:

> Emigre criminals will be pardoned if they return to Poland before July 22, Polish National Day.

July 22 is the day the Communists of Poland want to impose on the Polish people as their day. It is no true Polish holiday.

May 3—Polish Constitution Day, the day Communists fear—is the day all true Poles honor.

The Polish Constitution of May 3, 1791, was inspired by the awakened consciousness of human rights, the same awakening which led to the adoption of the French Declaration of Rights and the Constitution of the United States.

The May 3 constitution of Poland was adopted in an hour of utmost national peril. Even as the men who formed it were deliberating, the absolute powers of Russia, Prussia, and Austria were preparing for the final partition of Poland. In spite of the success of absolutism over freedom, the May 3 constitution remained, with its lofty ideals of liberty and national and individual integrity, as a beacon for guidance—a living testament for future generations of Poles that it was their God-given right to be free.

After the rebirth of Poland in 1918, a new, a more modern constitution was enacted. Nevertheless, May 3—the day of the 1791 constitution—was proclaimed as the national holiday. It remained the national holiday throughout World War II. It was abolished as such only when the Communist regime gained complete control over Poland in 1945.

We of the United States have been aware that Poland has been under Communist domination since 1945. We are, also, aware that any attempts at active resistance by the unarmed Polish people would be instantly and brutally crushed by their Communist oppressors. But, we are also strongly aware that, although overt resistance is impractical, passive resistance continues with uninterrupted force.

The Catholic Church—free under the May 3 constitution—is a glowing lamp of liberty.

The Catholic Church and its adherents, representing 95 percent of the total present-day population of Poland—has always been identified with Polish patriotism and with Poland's unrelenting fight for independence.

What has been the Communist attitude toward the Catholic Church in Poland?

Communist propaganda maintains that there is freedom of religion in Poland.

The truth is that there have been frontal attacks against the Catholic Church by the Communists since 1945. Both Stalinist and collectivist Communist leaders have tried in vain to impose thought control in religious matters upon the Polish people. When they failed to sway the Polish people from their deep-rooted beliefs, they began to systematically persecute the church leaders. Cardinal Wyszynski was imprisoned. Prison gates clanged behind Bishop Adamski, and his brother bishops, Bieniek, Bednorz, Kaczmarek, Baraniak, and Bernacki. Hundreds of minor parish priests met the same fate. Still more hundreds were deprived of their right to carry out church duties.

What has been the end result of this planned campaign to paganize Poland?

Today, churches are overcrowded. There has been no material drop in the percentage of communicants in the Catholic Church in Poland. In fact, because the Communists oppose the Catholic Church, church attendance is one sure way for the true Pole to assert his anti-Communist feelings.

The May 3 constitution allowed free Polish to cross the boundaries of their nation at will.

In 1956, the Communist oppressors have to watch the frontiers. Guarding these frontiers are long stretches of barbed wire, mine fields, police-dog patrols, searchlights, and thousands of soldiers. These warlike preparations are not designed to protect Poland from outsiders. Rather, they are created to prevent Poles from leaving their native land for the free West.

Have these police-state methods succeeded?

The answer is a resounding, "No." Notwithstanding these elaborate precautions, flights from Poland take place every day. Those who seek and find sanctuary in the free West represent every strata of Polish population. There are university professors among them. Government officials, soldiers, peasants, workers, and students daily risk their lives in the pursuit of liberty.

Polish seamen are specially eager to be free. The number who have run the Communist gantlet runs into hundreds, even thousands. Only a few weeks ago, a group of Americans of Polish ancestry financed and equipped a ship whose crew, for the most part, is composed of seamen who have jumped ship from vessels of the Communist Polish merchant marine.

This ship is named *Wolna Polska*—meaning free Poland.

The May 3 constitution firmly established the right of the Polish peasant to own land.

The Communist regime in Poland has tried to introduce the system of agriculture prevailing in the Soviet Union—to deprive the peasants of their land, to coerce them into joining collectives. The favored peasants who still keep their land must pay taxes approximating half of their income. In addition to this tax, the peasants are forced to turn over to their Communist oppressors staggering quotas of grain, milk, livestock, and potatoes. Quite recently, the Communists have admitted that peasants are often forced to buy grain on the free market in order to meet this compulsory quota. What is more, the peasants have to pay four times the official price for this free-market grain.

In spite of this fierce pressure, the Polish peasants still resist collectivism. So strong has been this resistance that the Communist regime has only succeeded in collectivizing 9 percent of the arable land.

The Polish peasant does not want to be a farmhand on a collective farm. He wants to be free to work his own land—his by right of inheritance, his by the letter and spirit of the May 3 constitution.

The May 3 constitution encouraged self-expression among Polish musicians, artists, and writers.

The Communist regime halted all intellectual progress. Art, and particularly literature, has been under strict supervision from the outset of the Communist occupation. It has been under the restriction of the principles of the so-called socialistic realism since 1949. This Communist doctrine orders all creative artists, in their productions, to carefully avoid showing the true picture of life as they see it. Instead, they are ordered to produce a distorted picture of life, designed solely for use by the Communists for propaganda purposes. Directly due to these restrictions during the 11 years of Communist occupation, there has been a steady decline of original and worthwhile Polish art.

The creative artist had one choice to make. He had to chose between the Communist line and starving to death. Some abandoned their art entirely. Others created only to survive.

Resentment grew in the minds and hearts of these Polish creative artists. Finally, during the March 1956 meeting of the Art and Culture Council, which controls all art in Poland, this resentment came to a head. After a bitter debate, these artists surmounted their fear of reprisal by the Communist regime and condemned the unnatural principles of socialistic realism.

The creative artists of Poland had reverted to the freedom spelled out in the constitution of May 3, 1791.

The Communist oppressors of Poland well know the anti-Communist feeling of Polish peasants, workers, priests, and professional people.

As a result, they have falsified election results, outlawed free political parties, suppressed the opposition press, and denied the Polish people access to news of the outside world.

More than anything else, however, they have tried to stamp out the memory of the May 3 constitution. May 3 was, and is, the rallying point of all free Poles. They are even willing to bribe Poles who have fled their Communist oppressors with false liberty, provided they return by July 22. They hope that July 22 will erase May 3.

It never will.

The people of Poland cannot celebrate May 3 in the open in 1956.

Let us in the United States, we who are free, honor that day for them. Let us honor our own Constitution as we honor that of the people of Poland. Without our Constitution we could never have attained true freedom. With our Constitution, true freedom can never be lost.

Let us bow our heads and think of Poland on May 3.

Mr. WILLIAMS of New Jersey. Mr. Speaker, I would like to call to the attention of the Congress the fact that May 3, the occasion of Poland's Constitution Day, is a particularly fitting time to recall Poland's historic struggle to regain her lost freedom through generations of oppression and rule by conquerors. Today the changing atmosphere behind the Iron Curtain quickens the hearts of Poles everywhere in the hope that their beloved homeland may once again see freedom.

From the time Poland reached full-grown statehood in the 14th century ideas of democracy, freedom, religion, toleration, intellectual culture have been of first importance in that nation. These ideas are the traditions of the people rather than of the state. During the 19th century, when no Polish state existed, the nation nonetheless endured tenaciously, and, indeed, the people, lacking a state, clung all the more closely to their traditions. Not what the Polish state has been and has done but what the Polish people have been and still are—these are the components of that great tradition. It has been carried on by men and women, not by governmental bodies or agencies. The achievements resulting from the tradition are personal, not official, and those persons who achieved much during former glorious centuries remain vivid in the memories of their descendants, state or no state. When Poland was restored in 1918 that tradition sprang at once into national and political effectiveness, as witness the turning back of the Bolshevik invasion.

During Poland's golden age, in the 16th century, much of the Polish tradition took shape. Time and again, far oftener than most of us today trouble to recall, the Poles were the eastern defenders of Christianity, order, and civilization itself. The eastern hordes of Tartars, Turks, and—in the 20th century—Bolsheviks were turned back by the valor and sacrifice of Poles whose bodies today lie in the soil fought over a hundred times.

Of few national traditions can Poles be more proud than that of tolerance—chiefly in the religious and political spheres, but also as a personal trait of the individual. In tolerant Poland of the middle ages the Jews found refuge from the persecutors who pursued them in other nations of Europe. In the 16th century, Poland was the only place that gave the Protestant revolution a just hearing. Jan Zamoyski, perhaps the greatest of all Poles, expressed this religious tolerance when he called together his friends who had left the Catholic Church; he would gladly give half his remaining life to see them return to the church, he said, but rather than see them return under compulsion he would lay down his life.

The Polish political tradition of nonaggression was clearly evidenced in the 15th and 16th centuries when Poland increased her territory threefold and her population twofold without intimidation, terror, or bloodshed. Her characteristic tolerance made other groups, the Lithuanians and Ruthenians, desire to join Poland.

The fate of Poland, the traditional friend of the United States, will always be of primary interest to Americans, if only in remembrance of the heroic work of Kosciuszko and Pulaski in helping the American colonies to win their independence.

Today, the Polish struggle for liberation is widespread. It is being waged on the national, social, cultural, and moral levels, where human mind and feeling often play a greater role than that of bayonet, prison, or concentration camp. The characteristics of national temperament of which I have spoken undoubtedly will help the Polish people endure the present Soviet occupation. The tradition of individualism constitutes an obstacle to the subordination of Poland to the Communist system which disregards the dignity and freedom of man.

We will never rest easily, never forget the Poles' justifiable and burning desire for freedom until the yoke of Soviet enslavement and brutality has been lifted. We look to the day when Poland will again emerge a strong, free, prosperous, and happy nation. We know the people will never give up their hope for the arrival of that day. With the help

of courage, perseverance, and faith in freedom, that day will come. I know.

Mr. REUSS. Mr. Speaker, there are certain landmarks in the history of mankind's efforts toward a society of liberty under law which Americans can never forget. Just because Americans are drawn from the peoples of every part of the world, in a special way they find their inspiration in the history of those peoples.

On May 3 we mark the 165th anniversary of the Polish Constitution of 1791. It is a sobering thought that for most of those 165 years the Polish people have not been their own masters, least of all today, when they must bear their enslavement by the Communist tyrants. Yet, the spirit of freedom has always burned fiercely in Polish hearts, and the constitution which they adopted on May 3, 1791, is a shining example of the embodiment of democratic principles.

No celebrations will be allowed in Poland today, but we in America can commemorate this day by reaffirming our own dedication to the fundamental precepts of the Polish Constitution of 1791 and by restating our determination that the Polish people shall once again be free.

Mr. WIER. Mr. Speaker, I consider it an honor to participate in the celebration of the anniversary of Polish independence and to pay tribute to a heroic people. Today all people of Polish extraction greet this eventful date with a song on their lips, the Third of May Mazurka, and I am sure that even though the Iron Curtain alters the tones and distorts the words, the echo repeats from all sides: "Poland is not dead yet, while we are alive."

On May 3, 1791, Poland guaranteed freedom to all her citizens by adopting a constitution, and became the first nation in Europe to have a written democratic document proclaiming the principles of human liberty.

On September 1, 1939, Poland was the first nation to take up arms to resist Nazi aggression—the first who had the courage to say, "No" to Hitler. Poland in her international policy was faithful at all times, not only to the letter but also to the spirit of her treaties, and did not allow herself to be led astray by the Nazi proposal to take part in an attack on Soviet Russia, and refused to cooperate in any anti-Soviet plot, abiding by her neutrality and striving for peace. Yes; Poland was first to fight, and for this honor paid dearly with the blood of her soldiers, not only in Poland during the September campaign but on all Allied fronts—in Norway, France, in the Battle of Britain, Africa, Italy, Belgium, Normandy, Holland, Germany—on the seas, and in the skies over Europe.

Poland was the first ally. While Poland was the "mother of the United Nations," she was excluded from the Conference of the United Nations, convened on April 25, 1945, at San Francisco. Yet the thought that was to guide the work of the San Francisco Conference was expressed by a Polish king in 1750—Stanislaw Leszczynski, one of the early protagonists of international cooperation, who wrote a memorandum on strengthening the general peace. The thought underlying his plan was that the community of nations should go to the assistance of any country attacked. Likewise, in 1833, Poland's greatest poet, Adam Mickiewicz, proclaimed in his works the ideal of the common brotherhood of man—a genuine international organization.

The Polish people have always been brave to the point of folly and they have always been believers in freedom. Time and again they have been found defending the rights of men and women to live their own lives in their own way. The Polish people fought against a German invader trying to steal other peoples' lands as far back as the year 963. In 1241 they saved Europe from the invading Tartar hordes. In 1685 it was Sobieski and the gallant Poles who protected and saved Christianity from the ravages of the Mohammedan sword and stopped the infidel hordes from overrunning Europe and destroying the Christian people. The liberty-loving Poles came to the aid of our American Colonies in the Revolutionary War. Wherever liberty and justice are at stake, the sons of Poland never fail to rally. Thousands of Polish boys from my State fought courageously on the battlefields of Korea.

Poland has always been devoted to the cause of humanity. Her contributions to human liberty and free institutions are glorious. She is a symbol of freedom and of peace.

In observing this anniversary of a great event in the history of Poland, let us recognize that the fate of this old, brave, great nation still disturbs the world and America. At Yalta, Teheran, and Potsdam, we played a role not entirely compatible with our ideals. Let us all hope and pray that Poland, the first nation in Europe to adopt a democratic form of government, will be permitted to work out her own destiny under a government of her own, chosen by her own people.

Mr. KLUCZYNSKI. Mr. Speaker, it was a warm and pleasant day in Warsaw on that May 3, 1791, when the Sejm—Parliament—was called to meet. Quite a few of the deputies were still vacationing on their private estates, scattered all over the country. Some citizens and the gentry who had gathered around the tables in Fukier's wine cellar, knew that something was brewing at the Sejm—what exactly, they did not know.

An old politician from out of town remarked, "The King is going to talk on some very important matter." He elaborated further, "that they will give equal rights to the peasants, commoners, and Jews."

Someone yelled from the back, "That will be the day." And deep in the corner lying under the table a nobleman reached for his sword declaring: "That will never happen, never, as long as I live."

It was close to 11 a. m. on that memorable morning. The tension of the crowd assembled in the Sejm seemed to mount. In the galleries, spectators were chattering, men and their ladies dressed in their finest outfits were looking at one another, trying to read each others thoughts as to the big question: "Are you for, or against the new idea?"

What this great new and progressive idea was we will not repeat here. Year in and year out, we have hailed this great Polish Charter. It was equal to any other democratic legislature in existence in those days. We have mentioned its democratic character throughout, and I doubt that there is any need for repetition.

With the sound of the bell striking 11 o'clock at St. John's Church, King Stanislaw August Poniatowski, followed by a train of some 200 noblemen, officers of the guard, and royalty, entered the Sejm. Dressed in his favorite uniform of the cadet corps, he slowly proceeded toward the throne. Those opposed to the proposed program had threatened to take drastic measures in case a new order should be adopted. The chamberlain of the court and many a nobleman kept their hands ready on the hilt of their swords in case of disorder. The throne was protected by guards of the court and Ulan lancers. At the center door also, at the end of the assembly hall, stood the Sejm's marshal, and right behind him Prince Gen. Joseph Poniatowski and General Golgowski, guarding the exit against anyone who might try to get away after having caused the slightest disturbance. As the King ascended to the throne, the people in the galleries rose to their feet to get a glimpse of him. Some person yelled, "Long live the King," and the crowd in a spontaneous outburst began to hail their monarch. The opposition remained silent. Their facial expressions were hostile, as if judging a foe on the battelefield.

Malachowski, the president of the assembly, announced its opening by pounding his large cane three times against the floor, and the historical session began. To emphasize the gravity of the political situation, telegrams from Polish envoys abroad were first read. An outburst of the opposition was heard and some of them tried to leave the place but were forced back to their seats. When finally, after almost 7 hours of debating, someone rose to read the newly adopted constitution, a violent exchange of words began. At last they were interrupted by the King, who rose to his feet.

"The King behind his nation and the nation behind its King," could be heard from the galleries. Soon this phrase was picked up by the entire crowd, with the exception of a few hostile deputies. King Stanislaw August rose to his feet and solemnly swore to adhere to the constitution:

> Juravi Domino, no me poenitebit—I swore to God and will not regret it—and now I call upon those who dearly love their fatherland to follow me into the church and there take an oath with me praying that God will let us succeed and see to it that we will achieve our great task.

While a great crowd with its king assembled in the church of St. John, some deputies of the opposition remained in the Sejm, arguing over their defeat, and the merits and disadvantages of the new charter. But there were not more than about 50 altogether against the 350 deputies assembled there before, they calmly dispersed and went to their homes.

Mr. Speaker, today, 165 years after this great event, we once again bow our heads toward Poland, and its gallant nation. Although, in the last year alone some great political changes have taken place behind the Iron Curtain and the new anti-Stalin drive is in full swing, let us not be fooled by this treacherous new line. Many top-ranking Communists perished under Stalin's purges and others are now being rehabilitated and vindicated. Not one shadow of doubt remains in my mind, that this is a new trick and diversion directed at the western powers. It is a new policy of smokescreen, largely written up in our press. But who are the people leading this new policy? Are they newcomers? All of them were the closest collaborators of that tyrant, Stalin. Without them, one man could never have succeeded in wiping out entire populations, jailing others, humiliating and disgracing them. Bulganin, Khrushchev, Malenkov, Zukov, Rokossowski, and so forth, are not new names to us. They have come up ever since Stalin's became known here. And how about their protectors? General Serov, of the infamous MVD, the mass murderer of the Baltic Nations? I hope that this time we shall not repeat mistakes of the past, and will not be fooled by the "angels of Russia's new regime." The only way we will be able to save other thousands of human beings behind the Iron Curtain from further unwarranted cruelty and punishment, is to follow the spirit of the May 3 constitution, to preserve the liberty, and integrity of the Polish people.

Mr. WIGGLESWORTH. Mr. Speaker, I am happy on the occasion of the 165th anniversary of the adoption of the Polish Constitution to join in tribute to the people of Poland and the indomitable spirit which they have shown throughout the centuries.

No one can turn the pages of history without realizing the brilliant contribution which the Polish people have made to mankind in the field of literature, in the field of music, in the field of science, in the military and other fields.

No one could travel throughout Poland, meeting some of its outstanding leaders, as it has been my privilege to do in days gone by, without sensing the genius of the people.

We in America are fortunate in having some 6 million fellow citizens of Polish descent. They have contributed greatly to the life of the Nation in time of peace and in time of war, and are today playing their part in the struggle in which we are engaged for freedom and independence in a peaceful world.

America and Poland have had much in common in their love of liberty, justice, and peace and have evidenced their friendship in experience shared, and in mutual assistance rendered in time of need.

During the Revolutionary War, it was General Kosciusko and General Pulaski who came to the assistance of America.

During and after the First World War, our national leaders contributed greatly to the rebirth and rebuilding of Poland. During the Second World War, the soldiers of Poland fought brilliantly in many theaters of the war. They fought on land, they fought in the air, their aviators winning especial renown. They fought on despite unbelievable suffering inflicted upon those at home.

We all appreciate the unbelievable suffering which those in the homeland have experienced under the yoke of Communist aggression.

We are confident, however, that the spirit of Poland which proved indomitable despite 150 years of partition by the forces of three empires will again prove indomitable despite the circumstances by which Poland is today confronted.

We look forward to the day when the ideals and courage of the Polish people will be rewarded by a government which is again independent, playing its proper role among the free nations of the world.

Mrs. CHURCH. Mr. Speaker, on May 3, which is the anniversary of the adoption of the Polish Constitution of 1791, I would like—since that heroic nation is unable to speak for itself—to commemorate for its people this significant occasion marking the former freedom and democratic practices of that nation; and also to express the hope felt by myself and millions of others in our own free land and that the future will bring to the Poles behind the Iron Curtain a release from their present bondage and an opportunity once more to function as free men in true national freedom. Not only is this the hope of individual Americans and of Americans like ourselves who represent the people of the United States in the Congress: The State Department, in a statement issued yesterday, pointed out that in recent years May 3 has become something more than the day Poles and their friends celebrate as Poland's National Day. "It has become a day on which the United States reaffirms its assurances that it is not reconciled to the bondage of Poland."

We look forward with the Polish people to the day when they can again celebrate this great occasion as a free nation.

Mrs. FRANCES P. BOLTON. Mr. Speaker, on May 3 the free people of the world pay homage to Polish Constitution Day, which the Poles themselves are prevented from observing because of the Communist conspiracy that presently dominates their land. Since the current tactical maneuvers of the Soviet Union are leading people to expect some changes in its policies toward the satellite countries, it would be well to examine the situation with reference to Poland.

The Polish Constitution was brought into force on May 3, 1791—just 2 years after our own, and was inspired by the same faith in freedom. Shortly thereafter Poland was again occupied by a foreign aggressor and remained occupied until 1918. The freedom after World War I was short-lived because the conspiracy of Hitler and Stalin showed its first fruits in the brutal partition of Poland. Stalin—and now his heirs—have prevented Poland from regaining its freedom until today.

But what of Soviet Russia's new tactics—their talk of reducing tensions and of peaceful coexistence? There are some palace revolutions occurring in Poland these days which follow the pattern of Moscow itself in removing those Communists of the Stalin cult. These changes, rather than giving the people their rights, are merely shifting the rank of certain Communists.

When Boleslaw Bierut, chairman of the Polish Communist Central Committee, died recently, the world wondered who would succeed him as the top Polish Communist. His successor was Edward Ochab, whose previous record forecasts little change for the better.

But throughout the Communist domination the gallant Poles have never lost hope of eventually realizing their legitimate ambitions for independence and the right to form a government in accord with the popular will of the people. All the information we have confirms the fact that the Poles are as bitterly opposed to communism as they were to any foreign domination.

These people must not be allowed to lose hope. They must feel certain that we who still hold freedom dear have not forgotten them. They need such reassurance that we are giving in the Congress today. And you may feel certain that our words and sentiments circulate rapidly through the Polish nation.

While being cautious of the Soviet Union's new tactics, we can still utilize them. Let us repeat over and over again that we are awaiting some positive results of their propaganda words. Let us encourage the enslaved peoples to maintain their pressures on their Soviet rulers. Eventually the irresistible forces that topple all tyrants must sweep the Communist conspiracy out of every corner of the earth.

Mr. BARRETT. Mr. Speaker, on May 3, friends of Poland celebrate the 165th anniversary of an instrument that marked a milestone in the history of a brave people—the Polish Constitution of 1791. The constitution was an attempt to do away with an outmoded government and replace it with a modern parliamentary system. By instituting drastic reforms it afforded the possibility of sound, progressive national life. In the light of the years which have followed it can be considered one of the greatest achievements in Polish history.

But in celebrating Polish Constitution Day in 1956 the true friends of Poland do not dwell overlong on the victories of the past—they examine the present and look toward the future.

The present times are indeed times of trouble. Poland today has been made the satellite of an ancient enemy, Soviet Russia. It has been subjected to ruthless, thorough, relentless sovietization. It has been flooded with Soviet propaganda, its press forced to reproduce Soviet articles, its moving-picture theaters to exhibit Soviet pictures. Soviet specialists and technicians swarm over Poland. The Polish economy has been twisted and bent to meet Soviet needs. Soviet officials occupy key positions in the army, in the secret police, and in the administration.

The teaching of religion has been suppressed, in line with Communist philosophy. Hundreds of the adherents of religious orders have been thrown into prison. The Catholic Church has been completely subordinated to the sovietized Polish Government. The children of Poland are being taught to turn their backs on the God of their fathers. They are being made to forget the ancient cultural traditions which have been the glory of their homeland.

But though the present may be dark, the future is not without hope. The year 1956 may, indeed, bring new opportunities for greater freedom undreamed of a short time ago. The latest revelations of the Stalin reign of terror in the U. S. S. R. have turned the spotlight on a fundamental weakness in any regime based on forced labor, oppression, and murder: the dictators' haunting fear of being liquidated, just as they themselves have liquidated others.

Nothing should instill more hope in the hearts of an appressed people than the knowledge that their slave masters are divided amongst themselves. In the words of an old saying "When knaves fall out, true men come to their own."

The heartfelt wish of the American people, and of their representatives in Congress, is that the day may not be far distant when the true, freedom-loving people of Poland "come to their own."

Mr. GREEN of Pennsylvania. Mr. Speaker, this is the 165th anniversary of the adoption by the people of Poland of their Constitution of May 3, 1791. That constitution, following so closely upon ours of the United States of America, was a triumph of democratic principles which has remained as a guiding light through all the hard, harsh years of Poland's oppression.

Today, as for most of the time that followed the adoption of her constitution, Poland writhes in the grip of aggressive tyranny. The country is a prisoner, but the minds and hearts of the men and women of Poland remain free. The magnificent ideals of the constitution of May 3, 1791, are firmly held and proudly believed. The day will surely come when Poland shall again stand forth as the land of freedom, peace, and prosperity.

On this anniversary I proudly join in honoring and saluting a courageous people, a country magnificent even in oppression, and a document that ranks with the world's finest expositions of the principles of human liberty and dignity.

Mr. FALLON. Mr. Speaker, I am delighted to have the opportunity to join with my colleagues in paying tribute to the noble people of Poland on this historical occasion—the 165th anniversary of the Polish Constitution of May 3, 1791.

This constitution was greeted by the people of Poland with open arms, for its adoption brought with it tolerance, equality, and justice. The constitution of May 3, 1791, was truly a sincere effort on the part of Polish statesmen to better the existing conditions of the people by establishing a constitutional democracy. This document represented the will of the people and although it is not the law of the land in Poland today, it will never be forgotten.

In World War II, Poland, despite her unpreparedness, struck back at the overwhelming forces of the Nazis with great courage. After their nation was occupied, the Polish people attempted to do all they could to fight for the cause of freedom and the dignity of man. Polish forces were organized outside their homeland, and they fought in battles in France, Italy, Belgium, and Africa.

World War II ended over a decade ago, and the first nation to stand up to the aggressor in the global conflict still remains under the chains of slavery. I am reminded of the statement once made by Lincoln, "Those who deny freedom to others deserve it not for themselves." Poland and her noble people live under a regime that completely ignores the rights and the dignity of man. The conditions under which the Poles live today are appalling and incompatible with the principles of freedom and democracy.

Poland's hour of darkness has been a tragically long one, and today, more than ever, her people need a word of encouragement and of inspiration, to fortify them in their continuous struggle for freedom. On this auspicious occasion, we have the opportunity to tell the Polish people and others who have been enslaved, that we are not resigned to their present fate. We are confident that Poland is not lost forever and that she will again achieve her rightful position among the free nations, to contribute her efforts in the cause of peace and security.

INTERNAL REVENUE CODE OF 1954

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

Mr. SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, today I have introduced a bill to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954. This is a companion bill to S. 3672, introduced by Senators CAPEHART and FREAR. The purpose of this bill is to permit small business to be on an equal competitive basis with big business in the markets in the Western Hemisphere. On February 26, 1954, the Ways and Means Committee adopted unanimously a motion I made that the Treasury Department undertake a study of the taxation of Western Hemisphere trading corporations so as to eliminate the discrimination between the large and small countries conducting business in the Western Hemisphere.

In the Ways and Means Committee report on the Internal Revenue Code of 1954 with respect to the Western Hemisphere trade corporation, section 921, it is stated:

> Although your committee believes that the present Western Hemisphere trade corporation provisions produce some anomalous results, it has retained those provisions in order to avoid any disturbance at the present time to established channels of trade. (H. Rept. No. 1337, 83d Cong., 2d sess., pp. 77, 78.)

The reason for this language in the committee report was based upon the testimony of the State Department officials who expressed concern that our South and Central American friends would misinterpret any amendment to the Western Hemisphere trading act, particularly as a conference of the Western Hemisphere countries was about to take place in Caracas, Venezuela. The only reason the Ways and Means Committee did not actually adopt an amendment to the Western Hemisphere provisions was to avoid any misunderstanding.

After the Caracas convention, it was reported that an informal understanding was reached with the other countries in the Western Hemisphere in regard to possible amendment of the Western Hemisphere trading act to eliminate these discrepancies and it was reported that these countries would have no objection to such amendments. It is my understanding that the Senate Finance Committee was prepared to go ahead to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954 along these lines but that a dispute arose over the drafting of the technical language to be used to accomplish the purpose. Since that date there have been many attempts made to provide proper language to eliminate these discrepancies against the smaller companies. The language of the bill I have introduced, which is a companion to S. 3672, appears to be language which will accomplish this objective. This matter has remained dormant all too long and I am very hopeful that this bill will be enacted into law.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order on Monday next for the Private Calendar to be called.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Ashley
Barden
Blitch
Bowler
Boykin
Broyhill
Burdick
Byrd
Carlyle
Chatham
Cole
Diggs
Donovan
Eberharter
Grant
Gregory
Griffiths
Gubser
Haley
Hayworth
Hoffman, Ill.
Jenkins
Johnson, Calif.
Kearns
Lane
Lankford
McDowell
Matthews
Miller, Calif.
Mollohan
Morrison
Nelson
Norblad
O'Hara, Minn.
Passman
Prouty
Rains
Simpson, Pa.
Staggers
Taylor
Utt
Williams, N. Y.

The SPEAKER. Three hundred and ninety-three Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1957

Mr. MAHON, from the Committee on Appropriations, reported the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2104), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 258):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ALBEN W. BARKLEY, late a Senator from the State of Kentucky and a former Vice President of the United States.

Resolved, That a committee be appointed by the President of the Senate, who shall be a member of the committee, to attend the funeral of the deceased Senator at Paducah, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the majority leader if he can inform the House as to the program for the rest of this week and next week.

Mr. McCORMACK. The program for this week will be completion of the bill now pending before the House. When that is completed today I shall ask unanimous consent that the House adjourn over until Monday. That will complete the legislative program for the present week.

On Monday the Consent Calendar will be called. There are no suspensions. After call of the Consent Calendar, bills on the Private Calendar will be called, after which the following bills will be called up for consideration:

S. 2972, a bill out of the Interstate and Foreign Commerce Committee in relation to damage and destruction of aircraft.

House Joint Resolution 501, authorizing participation in the NATO Conference on a parliamentary level.

There are primaries on Monday in Maryland so that if there are any rollcalls demanded the rollcalls will go over until Wednesday.

On Tuesday the following bills will be considered:

H. R. 2840, the library bill for rural areas.

H. R. 8901, to create and establish a District of Columbia transportation system.

There are primaries in five States on Tuesday, so that any rollcalls on that day will go over until Wednesday. In other words, any rollcalls demanded on Monday and Tuesday because of primaries will go over until Wednesday.

On Wednesday, Thursday, Friday, and Saturday if necessary, the Defense Department appropriation bill for 1957 will be called up and considered.

There are the usual reservations that any further program will be announced later and conference reports may be brought up at any time.

1956 FARM BILL

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10875, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read section 101 of the bill. If there are no amendments to that section the Clerk will read.

The Clerk read as follows:

TITLE I—SOIL BANK ACT

Short title

SEC. 101. This title may be cited as the "Soil Bank Act."

Declaration of Policy

SEC. 102. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farmland for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest, and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

Substitute A—Acreage reserve program

Terms and Conditions

SEC. 103. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, including provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of 51 million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the 5 calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil-bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 308 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the 3 years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the 3 years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grain (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the 3 years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the 5 calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 percent thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the 5 calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the 3 years immediately preceding the year for which the apportionment is made (such farms are hereinafter called new feed grain farms). Producers shall not be eligible for compensation under the acreage reserve program for feed grains on new feed-grain farms. For purposes of this subsection, section 114, and section 308 (d) the terms "plant" or "planted," as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

Extent of Participation in Program

SEC. 104. For purposes of the acreage-reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 103 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

Compensation of producers

SEC. 105. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided*, That disposition of quantities of stocks hereunder in any 1 year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further*, That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed $750 million, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, $375 million; cotton, $300 million; corn in the commercial corn-producing area, $300 million; other feed grains, $175 million: peanuts, $7 million; rice $23 million; and tobacco, $45 million. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 104.

Effect on Acreage Allotments and Quotas

SEC. 106. (a) In the future establishment of State, county, and farm acreage, allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, 77th Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

Subtitle B—Conservation reserve program

Terms and Conditions

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay,

alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation-reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation-reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within 30 days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such 30-day period, the determination of the State committee made in accordance with regulations of the Secretary shall be final and conclusive. If the producer within such 30-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceedings, shall submit a report, including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within 90 days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination within the 90-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Conservation Reserve Goal

Sec. 108. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carryover. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop-production regions of the country.

Authorized Period of Contracts and Expenditures

Sec. 109. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the 5-year period 1956–1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed 10 years, except that contracts for the establishment of tree cover may extend for 15 years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of $450 million in any calendar year.

Termination and Modification of Contracts

Sec. 110. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

Conservation Materials and Services

Sec. 111. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative-cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local Government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, application, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

Effect on Other Programs

Sec. 112. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this act.

Geographical Applicability

Sec. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Subtitle C—General provisions

Compliance With Acreage Allotments

Sec. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustent Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or 15 acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or 15 acres, whichever is larger.

Reapportionment Prohibited

Sec. 115. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

Certificate of claimant

Sec. 116. Subject to the provisions of section 105 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

Utilization of local and State committees

Sec. 117. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Utilization of other agencies

Sec. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State forests, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

Utilization of land use capability data

Sec. 119. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

Financing

Sec. 120. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

Finality of determinations

Sec. 121. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

Protection of Tenants and Sharecroppers

Sec. 122. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

Penalty for Grazing or Harvesting

Sec. 123. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 103 or 107 shall be subject to a civil penalty equal to 50 percent of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

Regulations

Sec. 124. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

Production on Government Lands Prohibited

Sec. 125. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price-supported crops in surplus supply.

Pooling of Conservation Reserve Land

Sec. 126. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE II—SURPLUS DISPOSAL

Program of Orderly Liquidation

Sec. 201. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price-support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within 90 days after the enactment of this act detailed programs, with recommendations for any additional legislation needed to carry out such program, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

(1) the quantities of surplus commodities on hand;

(2) the methods of disposition utilized and the quantities disposed of during the preceeding 12 months;

(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding 12 months;

(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and

(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

Extra-Long Staple Cotton

Sec. 202. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

Agreements Limiting Imports

Sec. 203. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended.

Appropriation To Supplement Section 32 Funds

Sec. 204. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of $500 million to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, 74th Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 percent of such $500 million may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

Transfer of Bartered Materials to Supplemental Stockpile

Sec. 205 (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98–98h), of for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

Surplus Disposal Administrator

Sec. 206. The Secretary of Agriculture is authorized to apoint an agricultural surplus disposal administrator, at a salary rate of not exceeding $15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

Payment of Ocean Freight

Sec. 207. The Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended."

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports."

(c) The first sentence of section 203 is amended to read as follows: "Not more than $500 million (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

Commission To Recommend Legislation Providing for Increased Industrial Use of Agricultural Products

Sec. 208. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of 5 members, of whom not more than 3 shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of $50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed $150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Donation to Penal to Correctional Institutions

Sec. 209. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

Federal Irrigation, Drainage, and Flood-Control Projects

Sec. 210. (a) For a period of 3 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of 3 years from the date of enactment of this act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price support legislation.

(c) On or before October 1 of each year the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

Processing of Donated Food Commodities

Sec. 211. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence, as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest etxent possible."

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment Provisions for Wheat Acreage Allotments

Sec. 301. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957."

Acreage Allotments for Cotton for 1957 and 1958

Sec. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

Cotton—Small Farm Allotments

Sec. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of 100,000 acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be 1,000 acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 percent of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such 3-year period."

(d) The first sentence of section 344 (f) (6) of such act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the 3 years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such 3-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 percent of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50-percent limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, aa amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

Minimum State Acreage Allotments for 1956 Rice Crop

Sec. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 percent of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

Increase in Peanut Marketing Penalties

Sec. 305. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 percent of the support price for peanuts for the marketing year (August 1–July 31)."

Collection of Peanut Marketing Penalties

Sec. 306. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding 2 new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States."

Preservation of Unused Acreage Allotments

Sec. 307. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"Preservation of Unused Acreage Allotments

"Sec. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the 60th day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

Acreage Requirements for Price Support on Corn and Other Feed Grains

Sec. 308. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require, as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 percent of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 percent of the farm base acreage established for such feed grains under section 103 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percent of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

TITLE IV—FORESTRY PROVISIONS

Assistance to States for Tree Planting and Reforestation

Sec. 401. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than 50 million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided*, That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as having been read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of asking the chairman of our committee, the gentleman from North Carolina [Mr. Cooley], a question for the record.

In the original conference report on H. R. 12, there was a statement to the effect that since the conference recognized that the Department of Agriculture had the power to make the same differentials in the loans offered to cotton producers on the various types of spotted cotton, including specifically light spots and heavy spots as are customarily made by the trade that the Committee of the Conference did not attempt to write any language into that bill relative to making such differentials, but it was pointed out that the committee was aware of the past practice of the Commodity Credit Corporation of neglecting or refusing to make make such differentials, and that the committee was of the opinion that the Department should exercise this power. No reference is made in the bill presently before us to such differentials.

I wish that the chairman would tell us for the record if there were any intention on the part of the committee to recede from the position adopted by the committee on the conference that the Department of Agriculture should exercise

the power it now has in this regard and make the same differential in loans on light spots and heavy spots that is made by the cotton trade.

Mr. COOLEY. Mr. Chairman, for the record, I want to state to the gentleman from Texas that no one can properly interpret this bill as in any wise receding from the position taken by the conference committee in regard to this matter of differentials on spotted cotton. On the contrary, by adopting the same words that were in the conference report, it is intended that the Department of Agriculture should understand that it is the wish of the Congress that such differentials be made.

Mr. KING of Pennsylvania. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KING of Pennsylvania. Mr. Chairman, I would like to pose a question to the chairman of our committee. When I vote against this bill, will that bar me from participating in the conservation reserve program?

Mr. COOLEY. I do not see how that could possibly affect the rights of the gentleman from Pennsylvania as a private citizen and as one of the great farmers of the country.

Mr. KING of Pennsylvania. I thank the gentleman.

I wanted to make sure of that point because when the all-bounteous Federal Government begins to pass the gravy, I want to get some.

I shall most surely vote against this bill for reasons which I think should be clear and dear to anyone who cherishes his personal liberty—to anyone who believes that free enterprise is an effective system in producing the most for all.

This soil-bank plan as a method of subsidy could be preferred to the price-support plan, but you must remember it is not here before us as a substitute for price support but an additional scheme to give more for doing nothing.

As a matter of fact, this bill contains provisions with regard to feed grains which constitute a definite expansion of the price-support program. It is quite necessary that we make this expansion because the price-support program on the six basics, operating without any restrictions on diverted acres, has so greatly distorted the production of feed gains that now they must be brought under price supports.

This is typical of the way socialism works. You cannot socialize one segment of agriculture, as we have with the six basic crops, without finding it necessary to proceed to socialize all of agriculture. In this bill, we take the first step to include all feed grains. Next year you will have to proceed to include all other crops.

As a matter of fact, the provision in this bill which enlarges section 32 funds by $500 million is a step toward full coverage of agriculture. This half billion extra puts pressure on the Secretary of Agriculture to use Federal funds to rescue every little production group which happens to get in trouble by producing more than the market will take. I hope he doesn't forget the mid-summer production of cucumbers and broccili.

I am sure any of you who have listened to the debates on the farm program will agree with me that Government management of agriculture is a confused management. You need only listen to the differences of opinion held by the various crop representatives on our committee to realize that each year we pass to the administrative branch of our Government an unworkable program which has in its own specifications the defeat of its own purposes.

Now, we are proposing to add something like $2 billion to the $2 billion we have for some years been taking away from taxpayers, the whole sum to go to farmers as sustaining operating capital. All of this is done with the expressed intent of reducing production so as to bring it into sensible balance with the maximum market demands. All this is done without the least recognition of the fact that in agriculture one billion of operating capital will produce 5 billion in gross product.

Can it be that this Congress is naive enough to believe that this loading of farmers with operating capital will reduce the burdensome surpluses, or is this simply a compromise measure which has come out of the competition between both parties in bidding for the next election?

Some day those who submissively pay this bill will rise up and stop this nonsense.

Mr. POAGE. Mr. Chairman, I offer four amendments in series.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

> Amendment offered by Mr. Poage: On page 49, line 4, change the period to a colon and add the following: "*Provided*, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price-support program."

Mr. POAGE. Mr. Chairman, may I explain to the House that this is but the first of a series of four amendments which, taken together, are expected to resolve most of our differences in regard to the corn and feed-grain sections of this bill? I, of course, want to make it perfectly plain that this very amendment does a thing that I thought was a mistake. I did not approve the President's action in supporting excess corn at $1.25 per bushel, but we have to get the best kind of workable bill we can, and there has been a serious effort on both sides of the House to try to work out our difficulties, and this amendment is part of the complete program.

I want to express my appreciation to the members of my committee, particularly the gentleman from Iowa [Mr. Hoeven], the gentleman from Indiana [Mr. Harvey], the gentleman from South Dakota [Mr. Lovre], and of course our former chairman, the gentleman from Kansas [Mr. Hope], all of whom have worked with those of us on our side and with the leadership on both sides to try to work out some solution whereby we could find an answer to this difficult problem of feed grains and corn.

This, the first of these four amendments, simply assures that there will be no legal barrier to carrying out the price support of $1.25 a bushel for noncompliance corn within the commercial Corn Belt that the President has already announced. I doubt that there is any legal barrier to it now, but in an effort to be abundantly sure it was felt by many of the Members that these extra words should be included.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this amendment set aside the order of the Secretary fixing noncompliance corn at a support price of $1.25 a bushel?

Mr. POAGE. The amendment frankly was written by Members on the gentleman's side. It was presented to me with the understanding it would protect that action. It is my understanding it does do that. I wonder if the gentleman from Indiana could give us his understanding of that provision.

Mr. HALLECK. I am quite sure this proviso which the gentleman seeks to put in the bill makes it abundantly clear that there is no interference intended with the Executive order that has been made already fixing a support price for noncompliance corn in a commercial area at $1.25 a bushel.

Mr. POAGE. It is my intention in offering it that it should do exactly that, even though I disagree with the basic philosophy of the order that was issued, but since it has been issued we are faced with a fact.

Mr. AUGUST H. ANDRESEN. Is it the intention of the gentleman that the order of $1.25 a bushel for noncompliance corn in the commercial area will stand for 1956?

Mr. POAGE. That is right, along with the understanding of the next three amendments that we will make certain modifications in the feed grain provisions, and that with that we are all reasonably well satisfied.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I am delighted to yield to the gentleman.

Mr. HOPE. I simply want to take this occasion to express my appreciation and the appreciation, I am sure, of other members of the Committee on Agriculture on this side of the aisle for the great amount of work and the splendid work the gentleman has done in trying to work out a solution of this problem of corn and other feed grains. I am in hearty accord with the amendment which the gentleman has proposed although, like the gentleman himself, I am a little dubious about the policy. But, I do believe under the circumstances, we must reconcile the situation and so I am in favor of the amendment.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield for a further question?

Mr. POAGE. I yield.

Mr. REES of Kansas. As I understand it, a farmer can raise all the corn and the feed grains that he wants to and have a support price of $1.25 a bushel.

Mr. POAGE. Provided he lives in the commercial corn area.

Mr. REES of Kansas. Yes, but suppose he complies—suppose he is in compliance—then, what would he get?

Mr. POAGE. He would get $1.50 on corn and he will get on feed grains 5 parity points less than the support price of corn in the commercial corn area, if he complies. If he does not comply on feed grains, he gets 70 percent.

Mr. REES of Kansas. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. H. CARL ANDERSEN. I ask unanimous consent that the gentleman from Texas [Mr. Poage] may proceed for an additional 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. H. CARL ANDERSEN. I certainly have no objection to what the gentleman proposes by the immediate amendment, but I would like to ask a question. Seemingly, that does validate the action of the Secretary in creating a $1.25 guaranty on all corn produced regardless of the quota in the commercial corn area. As I brought up yesterday with reference to this particular question, on the one hand, due to the Secretary's order, which I approve of by the way because it means additional millions of dollars throughout the corn belt, we are told as corn farmers that we can produce all the corn we wish and are guaranteed $1.25 a bushel for that production. But, now in the bill before us, the soil bank bill, and I refer to the bottom of page 23, we have an exception. We say to those same farmers, "Now, if you do just that—if you 'produce an acre above your allotment, your base acreage,' and I refer to line 7 on page 24, you are not entitled in any way to put any of your acreage under the soil bank bill." I am asking this question of the membership today and I might add that I can read that language with no different construction than that because it simply states "the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or." That is an exception. In other words, it says if that is in excess, the hundreds of thousands of corn farmers throughout America cannot put, what they would like to put under either portion of this act.

I sincerely hope that the House will see fit—and I am asking the gentleman from Texas [Mr. Poage] at this time, if it would not be possible to do so, because of the existing circumstances to strike out section 3 on page 24, and thus make it permissible for these hundreds of thousands of corn farmers to put several million additional acres into the soil bank. Otherwise, I do not see where in our vast corn area we are going to do what we all want to do, and that is to get some of that land out of production. That is my personal opinion. As the gentleman knows, I have discussed this matter with him and other members of the subcommittee, and they tell me I have nothing to fear in this regard, but I still read that language as it is, that it is an absolute prohibition against any man who plants an acre above his corn allotment to receive any payments out of title I in this bill.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Colorado.

Mr. HILL. I, as one member of the Committee on Agriculture, want to compliment the gentleman from Texas [Mr. Poage] on the fine work he has done, but I would like to have him discuss how the Secretary of Agriculture comes to the conclusion as to what is noncommercial and what is commercial corn acreage. That would answer the gentleman from Minnesota [Mr. H. Carl Andersen]. If we do not understand the difference between commercial and noncommercial, I do not see that we can come to any conclusions.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Poage] has expired.

(By unanimous consent (at the request of Mr. Hill), Mr. Poage was recognized for an additional 5 minutes.)

Mr. POAGE. Mr. Chairman, for fear that I may become enmeshed in a side shooting scrape, I want to make plain and before I go into details about what either the gentlemen are questioning me about, that in the first place I do not pose as an expert on corn. But we do have in these four amendments, taken together, a program that many of us believe, including a great many of those in whose judgment on the problems of corn I have much confidence, will reasonably solve both the corn and feed corn program. It is not what I want. It is not what the gentleman from Iowa [Mr. Hoeven] wanted. It is not what the gentleman from Indiana [Mr. Halleck] wanted. It is not what anyone wanted. But it is something on which most of us can agree—something which we hope will give us a well-rounded program. The question asked by the gentleman from Colorado [Mr. Hill] points up some possible question that is in the mind of a great many of us, and I must answer that before I proceed with the question asked by the gentleman from Minnesota [Mr. H. Carl Andersen]. The gentleman from Colorado said, "What is the difference between commercial and noncommercial corn areas?" Ever since we have had a farm program we have had a commercial and noncommercial area. The commercial corn area is that area in the United States in which corn is possibly the major crop, to the exclusion of all others. It includes those counties in those States only where corn is king, and where corn surpasses all other crops in importance. We made this distinction because basically in that commercial corn area you have a great feeding area, where people produce corn, as the gentleman from Indiana [Mr. Harvey] explained yesterday, and many of them feed it on their own places. You find a situation different from that of the other man who is just selling corn.

In the noncommercial farm area, which includes the greatest part of the United States, but the smaller portion so far as the production of corn is concerned, we look upon corn as only one of the other crops along with oats, barley, cotton, wheat, and other types of crops. Basically your commercial corn area is what we know as the Corn Belt, the States of Indiana, Illinois, Iowa, parts of Missouri, and spilling over into some other States. In that area we support corn at a higher figure than in the noncommercial area. I do not say that I am for it, but the President has announced a support of $1.25 per bushel for noncompliance corn within the last few days. This is an effort to try to protect that approach for the man who grows more corn than his acreage allotment allows in the Corn Belt.

The gentleman from Minnesota raises the question that if up in the Corn Belt you do not go into the soil bank you will not get the high supports on your corn, therefore he loses; but if he goes into the soil bank he gets the soil-bank payments.

At some point, whether rightly or wrongly, we in Congress felt that we should give some incentive to bring these corn people into the soil bank. Rather than work a hardship upon the people affected we said that instead of having only 43 million acres of allotted corn as we will have if we do not pass this bill, but if you pass this bill you will have 51 million acres of allotted corn in the United States. Fifty-one million represents a very substantial increase and it means that for the average man over the United States. It does not apply to the gentleman from Minnesota because he explained his own situation, and I may say it does not apply to many of his neighbors and friends, but for the average man over the United States that means a reduction of only about 8 percent in corn acreage, because we only planted about 56 million acres of commercial corn last year.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(On request of Mr. Fulton and by unanimous consent, Mr. Poage was allowed to proceed for 3 additional minutes.)

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. FULTON. The gentleman has spoken of the land that is under allotment for greater production in your commercial area as 43 million for the current year, and it is to be increased under this bill to 51 million. The gentleman has commented that there was really an increase of the corn acreage of these corn farmers. There is not because from the 51 million will be taken 13 percent for the conservation reserve, the soil bank, and that will be 7,600,000 acres. So when you subtract that much from 51 million acres you are within a couple of hundred thousand acres of the 43 million which you have right now. I ask some expert here if that is not correct. Is that correct?

Mr. POAGE. Had the gentleman not interrupted me in the middle of a sentence he would have observed that I did not make the statement attributed to me. I did not say that it increased the individual's corn acreage; on the contrary I simply pointed out the facts of this bill. It would raise the total allotted acreage from 43 million to 51 million.

Mr. FULTON. But that does not take into consideration the conservation reserve program that will cut it right down to 43 million acres.

Mr. POAGE. Doubtless there would be some such result if 100 percent of the corn growers in the area were to participate in the soil bank, but that is something that is not going to happen, something that never has happened. But when they go into the soil bank they have their income taken care of under the payments in the agricultural reserve. In other words, the corn farmer is allowed to take in a greater income this coming year under this bill than he would if you do not pass this bill. That to me is the vitally important thing.

Mr. FULTON. The last question is this: Actually should not in the conference report something be brought up to take out this compulsory or mandatory provision in reference to price supports where corn in the commercial areas will get 81 percent of parity. It is really compulsory. For 43 million out of 57 million planted acres in these commercial areas it will be 81 percent.

Mr. POAGE. The farmer will get 86.2 percent in these commercial areas if he complies.

Mr. FULTON. In this report here it says they are going to get 81 percent. I will read from page 2:

> It would cut down the acreage of feed grain and give producers support prices of approximately 81 percent of parity if they comply with the acreage reduction.

Mr. POAGE. The gentleman is talking about feed grains. He is not talking about corn. The President has given corn 86.2 if the man complies in the commercial Corn Belt. For noncommercial corn about 69 percent.

Mr. FULTON. But the point I am making is this: Is that not a compulsory price support if the farmer who produces corn in these commercial areas goes under this program?

Mr. POAGE. If he goes under this program and takes advantage of the soil bank I would assume he would also take advantage of the support. It is not compulsory that he do so.

Mr. FULTON. Is that not contrary to the President's views?

Mr. POAGE. We do not think so.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. Poage].

The thing I am calling to the attention of the House here is in an effort to try to bring this bill somewhat along the general idea that I originally had years ago when I first advocated the soil bank in the Congress of the United States. The theory was simply this: Anyplace in America where there is good cropland that a farmer wants to take out of production, let us give him the right to do so. We speak in terms of acres, but what we are after is pounds and bushels of commodities temporarily surplus to our consumption. There are too many encumbrances, especially in that one subsection, which will make it impossible for hundreds and thousands of farmers to do what they would like to do and that is simply to help in this great constructive movement of which I am sure the Congress is going to be proud in years to come. Our real objective is to reduce our producing acreage to the point where we can get the supply approximately down to demand. That is one of the basic and fundamental needs for the curing of what ails agriculture.

But here in subsection 3 we are saying to thousands of corn farmers: If you take advantage of what the Secretary of Agriculture has offered in the past few days, and you have a $1.25 a bushel support for any amount of corn acreage you wish to put in, and that applies to the commercial Corn Belt, or even if you plant 1 or 2 acres more than that amount, you cannot take other land you possess out of production and put it into the soil bank. That is what I am objecting to. I am objecting to a subsection, a little innocuous subsection, which will prevent perhaps 3 or 4 million acres of good land in the heavy-producing areas of our country from being taken out of production and put into this bank as it should be.

It is a fact accomplished that we have now a guaranty of $1.25 a bushel. This amendment just offered by the gentleman from Texas [Mr. Poage] is validating that particular $1.25 guaranty. I am not arguing for anything but the betterment of this bill. I am saying, Mr. Chairman, that we should do as it was the original intent of the bill to do and that is to try in every way possible to get 40 million acres, approximately 8 percent, of our good crop producing land out of production without any hindrances in the way of farmers to take any of their land out of production simply because of this one little subsection in the bill.

Although this problem applies throughout the commercial Corn Belt, my first concern is for the farmers in my own Seventh Congressional District of Minnesota. Let me illustrate what this means in terms of my district alone.

These figures not only point up my argument on this little subsection, but they may also let a few of you know why I am fighting the farmers' battles day in and day out in the Congress. You may be somewhat surprised at the scope of farming in this most intensely agricultural district in the United States.

According to the last farm census, we had about 8 million acres of farmland in our district. That is about one-half as much farmland as you will find in all nine North Atlantic States—including New York and Pennsylvania—devoted to harvested crops. It is about one-third as much farmland as is devoted to harvested crops in the eight South Atlantic States including Delaware and Florida.

In 1954, we had almost 2 million acres of corn in our district, about 2.3 million acres of small grains, and 800,000 acres of soybeans. There, in my congressional district alone, you have over 5 million acres of highly productive land devoted to the output of feed grains. If we fully applied the soil bank in my district and took 8 percent of the acreage out of production that could well mean 400,000 fewer acres producing surplus feed grains.

This fertile land offers an equally fertile field for the promotion of intelligent retirement of surpuls-producing land to conservation, and yet by this subsection you may well deny virtually every farmer in my district the opportunity to join in this commendable effort we are making to bring supply and demand into better balance. That is something for the gentlemen representing feed-grain producing districts outside of the commercial Corn Belt to think about. If your farmers are to enjoy the principal benefit of this soil-bank program; namely, higher prices for what they produce because of better balanced markets—then you had best give heed to my warning this day.

As far as I am concerned, I would have made the soil bank entirely free and independent of any necessity of abiding by any price supports. Why? If you take 40 million acres of land out of production, that is bound to reflect upon the strength and the position of all agricultural commodities in the United States, and the varying production of corn, soybeans, oats, or barley will have a natural flow, just as water flows downhill. By taking that 40 million acres out of production—and I sincerely hope this bill will accomplish it, and I am trying to help accomplish it—you will be taking out of production about a 1-billion-gross-bushel equivalent of material produced by the farmers for which we have no current market. That is what I am contending for here—to try to make it a better bill and to try to bring it into line with what the gentleman from Minnesota [Mr. Marshall] and I originally intended. It is simply a bill to take land out of production so as to bring demand and production more in line.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to commend the gentleman for his long-standing interest in the accomplishment of a soil-bank program. As he has pointed out, he was one of the first, and certainly one of the most active, promoters of that sort of a plan. We all realize that a few days ago when we had certain problems before us with respect to trying to accomplish a soil-bank plan we recognized the gentleman's long-standing interest in that sort of a program. We were seeking to bring to passage a soil-bank bill introduced by him and bearing his name.

Mr. H. CARL ANDERSEN. I appreciate that statement by the gentleman, who speaks for our Republican leadership in the House.

Mr. HALLECK. I am sure the gentleman does. However, I would just like to say this to the gentleman. All of us can understand a certain amount of merit in what he is urging, but at the same time I am sure he also would agree with me that these soil-bank provisions, except for the matter of advance payments, which we will be confronted with here a little later on, have been worked out after many, many days and weeks of laborious effort, and the bill as it is presently before us, insofar as the soil bank is concerned, represents very substantial progress in the direction of what the gentleman has been urging all through these years.

Mr. H. CARL ANDERSEN. I appreciate the gentleman's remarks and the spirit in which they are made. In view of the fact that leaders such as the gentleman from Iowa [Mr. Hoeven], the gentleman from Minnesota [Mr. Andresen], the gentleman from Kansas [Mr. Hope], and the gentlemen on the other side, gentlemen in whom I have much confidence, feel that perhaps this issue is not such a dangerous one as I personally think it is, I am going to bow to their judgment. Beyond all else I want to see this bill go through today, and I do not intend to do anything that will prevent its passage. However, I have made my point as to what I think.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further

Mr. H. CARL ANDERSEN. Yes.

Mr. HALLECK. On the matter of the pending amendment, so that my position may be understood, I think that the amendment offered by the gentleman from Texas [Mr. Poage], which validates the executive order heretofore made, is highly desirable and should be included in this legislation.

Mr. H. CARL ANDERSEN. I agree with the gentleman.

Mr. HALLECK. I may say also that there are other matters in here, particularly dealing with the provision with respect to feed grains, that do not altogether suit me. And, I would make some more substantial changes than have been here indicated. As I understand, there will be amendments offered by the gentleman from Texas [Mr. Poage], which will make substantial changes, and I think "substantial" means, if I may say so, in the feed grain section. Speaking for myself, I am going to support those amendments, although, as I say, if I had my way, why, they would go quite a lot further than will be undertaken here so far as that problem is concerned.

Mr. H. CARL ANDERSEN. In conclusion, I am convinced that many of my friends who know this subject just as well or better than I do feel that there is nothing to fear along the lines that I have expressed. Nevertheless, I still hold those convictions. I do not intend to press my point any further. Let us go ahead and pass this bill.

Mr. KLEIN. Mr. Chairman, I move to strike out the last word.

Mr. KLEIN. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Chairman, it has been called to my attention that a gentleman by the name of Arthur Klein is running in the Democratic primary in Brooklyn, N. Y., against our distinguished colleague, John Rooney. I want to assure the House that it is not I who is running against him. If I were tempted to run for Congress in any district other than my own, I certainly would not run in his district, because I consider him to be one of the ablest and one of the finest Members in this House. He has done a great job. He is always on the job. He is one of the many capable members of the great Committee on Appropriations. When we of the New York delegation seek to do anything in behalf of our constituents, we always find Mr. Rooney on the job here in Washington. I might say that I personally owe him a great debt of gratitude because every time we have wanted to do something, particularly with regard to the Middle East, he has been in the forefront of the fight to speed defensive arms to the State of Israel. As a matter of fact, he was among the first members of the American Christian Committee for Palestine before there was a new State. He has been a consistent two-fisted fighter for every just cause.

I can only say to him that anybody in his district who knows me should know, and I want him to know, that I support John J. Rooney 100 precent.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to speak briefly of the surplus disposal provisions for agricultural commodities in the bill. As a matter of fact those Members representing the cities should be interested in this bill from that point of view, because this bill will permit the Secretary of Agriculture to process and reprocess foods for family and institutional use in certain suitable units.

Section 211 contains a provision that "the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

May I point out to the membership that those Representatives who have unemployment in their areas may, through the Department of Agriculture, get a good surplus disposal program going in their district. Together with Mr. Corbett, Mr. Eberharter and, before her death, Mrs. Vera Buchanan, we Congressmen in Allegheny County, Pa., helped set up a program of surplus food disposal, to underprivileged people, which has been very successful.

We Congressmen worked out the program in cooperation with the executive board members of the Control Labor Union of Pittsburgh, and the county and State officials.

In Allegheny County, Pa., where we have one of the greatest prosperities we have ever had, we still have 164,000 underprivileged persons who are on the Federal surplus-food program covering free distribution under local voluntary citizen boards. That means we are supplementing the local public assistance, and charitable institutions, as well as supplementing the income of people who have an income of less than the requirement for eligibility, for example, $110 a month for an individual person. I hope the proposed Federal stamps program is prepared and soon adopted by the Department of Agriculture, and that the current surplus-food disposal projects are continued.

I wish to express my thanks to the House Committee on Agriculture as well as the Department of Agriculture for their cooperation in helping our four Pittsburgh and Allegheny County Congressmen to work out the setup of this fine surplus-food distribution project in Allegheny County.

There is a problem that is coming up in the disposal of surplus commodities within the United States, and that is the problem of storage near the major points of distribution. Unfortunately, prior to the institution of the surplus-food disposal programs of any size in the United States the United States Department of Agriculture set up its warehouses either at the point of purchase or loan, or at the point of production of surplus agricultural commodities. That means there are no Federal warehouses now established at the points of consumption. With the Federal surplus-food program getting so large, it now has become incumbent upon the local communities to pay these costs of storage prior to distribution, that the Federal Government should be paying anyhow. The Federal Government has to store the surplus products somewhere, so why not near the point of disposal where most efficient?

May I ask this question of the gentleman from North Carolina [Mr. Cooley] the chairman of the House Agriculture Committee: Is it not possible for the city of Pittsburgh and Allegheny County to have a Federal surplus commodity storage warehouse located in or around that large tristate industrial area, when we have such a tremendous disposal program in operation, that is helping this farm program?

Mr. COOLEY. If the gentleman will yield, I may say I agree with the observation the gentleman has just made. Congressman Holland, from Pittsburgh, from the 30th District, spoke to me about the very problem the gentleman is now discussing.

Mr. FULTON. His and my districts adjoin. I know he is very much interested in this project, as are Mr. Corbett and Mr. Eberharter.

Mr. COOLEY. He has expressed the desire that storage facilities be located near the centers where these foods may be consumed by our own people.

May I say that our committee has been intensely interested in the subject. Recently we had the Defense Department, Civil Defense, and Department of Agriculture officials before our committee discussing this very subject. At that time I asked the question whether consideration had been given to the advisability of establishing these storage warehouses not only at appropriate places inside this country but at other places out on our defense perimeter such as in the Hawaiian Islands and other places where these foods might be needed.

Mr. FULTON. May I comment on that particular point?

Mr. COOLEY. Yes.

Mr. FULTON. In a strategic area like the city of Pittsburgh the Federal Government should have a strategic warehouse for storage of foods, that would save tremendous demands on the railroads in case of trouble, when there would be a transportation shortage for steel and the sinews of defense. The Pittsburgh Federal storage facility could be used in the meantime for this surplus food disposal project, as well as for strategic food purposes for the area. Does the gentleman from Pennsylvania [Mr. Holland] agree on that?

Mr. COOLEY. I am sure he does agree on that. He is anxious for that to be done.

If I may proceed a little further, we were advised by some official from the Department of Defense that the military people have provided for their own civilian personnel attached to the Military Establishment. We did ask the civilian defense officials what consideration had been given to the matter of distributing these foods and storing them elsewhere in the country, and we were told that they had some sort of program called Grandma's Pantry. That means everybody should stow away in their own pantry sufficient food for such emergency as might occur. They all agreed that the entire matter had been left to the decision of the Department of Agriculture. We have not pursued the matter further because we have been otherwise busily engaged. But I can assure the gentleman that our committee will pursue the matter further and that we will insist that adequate food supplies be stored in the Hawaiian Islands or Okinawa or wherever they can be stored.

Mr. FULTON. And in Pittsburgh.

Mr. COOLEY. And Pittsburgh.

Mr. FULTON. I thank the gentleman for his comment.

Then, I would like to ask this of the chairman of the House Agriculture Committee. Under the current legislation now before the House, is it not perfectly possible within that authority for the Department of Agriculture to have a storage warehouse for surplus agricutural commodities within the Allegheny County or the western Pennsylvania area, for western Pennsylvania, eastern Ohio, and northern West Virginia.

Mr. COOLEY. There cannot be any question about the authority now vested in the Secretary of Agriculture to do just what the gentleman is proposing.

Mr. FULTON. And the Department of Agriculture pay for the storage of the commodities until they are delivered to the local charitable and assistance agencies for distribution?

Mr. COOLEY. Yes; if the gentleman will just let me continue to make one further observation—in this very bill we are authorizing the payment of transportation costs from the place of storage here in this country to the port cities in other countries, and we are actually authorizing payment of ocean freight to take these commodities to hungry people in foreign countries.

Mr. FULTON. May I ask the gentleman from Kansas [Mr. Hope], the ranking minority member of the House Agriculture Committee, whether he agrees to that position on the legislative authority of the Department of Agriculture and in this particular bill?

Mr. HOPE. Yes; I am glad to say to the gentleman as far as this bill is concerned, I agree entirely with what has been said. And I know of no other legislation on the books that would not be in harmony with this. There may be, but I do not know of any.

Mr. FULTON. I thank the gentleman because this proposal will save the county of Allegheny alone $8,000 to $15,000 a month for storage costs.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. AUGUST H. ANDRESEN. In line with what the gentleman has to say about Pittsburgh, Pittsburgh is one of the target cities in the event of enemy attack.

Mr. FULTON. You are certainly right—it is one of the major United States targets.

Mr. AUGUST H. ANDRESEN. Which means that a million or several million people in the area, within the fallout area.

Mr. FULTON. Three million people.

Mr. AUGUST H. ANDRESEN. They will be required to move out of that area and they must be fed.

Mr. FULTON. And we have mountainous and hilly land so that there are very few main traffic arteries to get out of the city.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULTON. Mr. Chairman, I ask for 2 additional minutes as I have one more question.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. AUGUST H. ANDRESEN. I have introduced a bill that provides for the establishment of survival food depots outside of the fallout area.

Mr. FULTON. I will be very glad to support the gentleman in that bill for the establishment of strategic food reserves near our United States industrial areas and where strategically necessary for our United States continental, Territory, and advance base defense.

Mr. AUGUST H. ANDRESEN. That will take care of the people who may be driven out of Pittsburgh, the evacuees from Pittsburgh in the event of enemy attack.

Mr. FULTON. That is very fine. I yield to the gentleman from Iowa [Mr. Hoeven].

Mr. HOEVEN. I want to concur in what the chairman and the ranking minority member of the Committee on Agriculture has said about the interest of the Committee on Agriculture in this very problem with which the gentleman is concerned. May I call the gentleman's specific attention to title II of the bill which is headed "Surplus Disposal" and found on page 30 of the bill; among other things it requires the Secretary of Agriculture within 90 days after the enactment of this legislation to make any recommendations he sees fit for the disposal of agricultural surplus commodities. Starting at line 22, reference is made to the strategic stockpiling of foodstuffs and other agricultural products.

Mr. FULTON. That is right, and I strongly favor those provisions of this legislation.

Mr. HOEVEN. The bill takes care of your problem in every respect and we will be looking forward to the recommendations of the Secretary.

Mr. FULTON. I would recommend the Secretary of Agriculture should take into consideration the setting up of food stamp plans of various kinds in the local communities of the country, so that various plans can be set up to meet the requirements of State and local laws, and take into consideration the economic situation of each community. One type of plan would not fit every community in this country.

Mr. HOEVEN. That is all provided for in title II of the bill.

Mr. FULTON. I thank you very much. I appreciate it and I certainly am going to vote for this program.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. KING of Pennsylvania. The last time I saw the figures, 80 percent of all this surplus food was going into the State of Pennsylvania. Would you say that means——

Mr. FULTON. There is no doubt that such surplus food distribution is mostly under the program that we Congressmen in Pittsburgh helped set up.

Mr. KING of Pennsylvania. Would you say that means that Pennsylvania Congressmen have been a little more alert to the opportunities in this program?

Mr. FULTON. Well, we in Allegheny County are 2 Republican Congressmen and 2 Democrats that set up the program. We have another Democrat, Mr. Holland, who is now joining us. We took the program out of politics. I might say there are about 16 million pounds of surplus food worth between $8 million and $10 million, that have been administered and distributed through the Allegheny County commissioners' office under this Federal surplus commodity program to date.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. Poage].

The amendment was agreed to.

Mr. POAGE. Mr. Chairman, I have three amendments on the Clerk's desk.

and I ask unanimous consent that they be read and considered en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. POAGE:

On page 50, line 2, strike the words "each year" and insert in lieu thereof "each of the years 1956 and 1957."

On page 50, line 4, strike the figure "85" and insert in lieu thereof "82½."

On page 50, line 15, after the word "for", insert the word "such."

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

I want to congratulate the gentleman from Texas [Mr. POAGE] and those other members of the committee who have worked most diligently on this corn provision, particularly the gentleman from Iowa [Mr. HOEVEN]; also the gentleman from Indiana [Mr. HARVEY], the gentleman from South Dakota [Mr. LOVRE], and others who have worked with the gentleman from Texas [Mr. POAGE], very diligently and faithfully in trying to improve the section we have in this bill, the section to which I referred yesterday in the colloquy with the gentleman from Indiana [Mr. HALLECK]. It seems this will improve the section, and I hope the amendments will be adopted, and I hope everyone will fully appreciate the efforts of these very devoted public servants who have tried to work out this section.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Kansas.

Mr. HOPE. I would like to join with the distinguished chairman of the committee in expressing the hope that the Committee of the Whole will see fit to adopt these amendments which have been worked out very carefully by the distinguished gentlemen whom the chairman has mentioned, and who have worked out a very satisfactory solution of a very difficult problem.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. POAGE].

The amendments were agreed to.

Mr. ALBERT. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read, as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert: "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert ", including grazing lands."

Page 9, line 24, strike out "or" and insert a comma; and insert after "acreages", the words "or other standards."

Page 12, line 4, after "$23,000,000:", insert "grazing lands, $50,000,000."

Mr. ALBERT. Mr. Chairman, the purpose of this amendment is to make grazing land eligible for participation in the soil-bank program. The amendment should be adopted to round out a program that will be applicable to all segments of agriculture. The objectives of the soil bank are twofold: First, to help eliminate price-depressing surpluses; and second, to help build up and preserve the soil. On both grounds the program should be made applicable to livestock grazing of natural pastures.

Of all phases of agriculture where price-depressing surpluses have accumulated, the problem is most acute in the livestock industry. Cattle population in this country today is at an all-time high. There are more than 97 million head of cattle in the United States at the present time.

Since 1951 the cattle industry has suffered price declines greater than that of any other segment of our agricultural economy, and today the comparative position of the livestock producer is worse than that of any other agricultural producer. In the April 15, 1956, Agricultural Price Index of the Department of Agriculture the parity relationship of beef cattle was 70 percent, of beef calves 71 percent, of lambs 77 percent, of sheep 63 percent. This is an overall average of 70.25 percent as compared to an overall average of 84.6 percent for the basic commodities.

From the high price of 1951 to the fall of 1953, cattle dropped an average of more than 50 percent. Prices of canners and cutters dropped from $21.55 in April 1951 to less than $7 by November 1954, a 69-percent decline. Choice steers fell from $36 in April 1951 to $21 in June 1953, a 42-percent drop. In the fall of 1955 fat beef cattle were selling in the Chicago market as much as $11 lower than in the fall of 1954. These price drops have been the direct result of increases in cattle numbers. There were 76.8 million head of cattle at the most recent low point on January 1, 1949. There were 97.5 million head at the most recent high point of January 1, 1956.

This amendment is needed not only to help reduce the livestock surpluses on the ranges of this country but also to take out of pasture our overgrazed rangelands. As previously indicated, we have had consistent increases in cattle numbers for several years, even though we have had over a large area of the United States a severe drought for the past 3 years. This means, of course, that we have increased the grazing load of pastures in all sections of the country. Much of this land is overgrazed and needs to be taken out of production. Already there is evidence of a returning dust bowl. Our natural pastures are a part of our agricultural economy, and along with our croplands our conservation programs should be applied to grazing land.

This amendment should be adopted because it will help maintain a balanced program in diversified farming areas. In many areas, crop and livestock production are part of the overall farming operation. A small farmer engaging in both crop and livestock production will not be able to retire his cropland and retain a balanced program unless he can put a part of his grazing land in a soil bank. Small farmers will be benefited particularly by this program. Thousands of these small farmers will be unable to participate in the soil-bank program unless grazing lands are included.

This bill in its present form does absolutely nothing for the cattle producer of this country. It may do a lot to him, however. This bill provides for the retirement of cultivated land to grass and trees. It will create a large number of pastures that will compete with grazing lands of the country 3, 4, and 5 years from now. Cattlemen are disturbed, and they have reason to be disturbed, about the fact that within 3 or 4 years an additional 6 million or 7 million head of cattle may be in competition with their pastures.

Mr. Chairman, the twin objectives of the soil-bank program—to conserve our land and eliminate price-depressing surpluses—are good. The biggest trouble with this bill is that one of the most important segments of agriculture has been left out. Grasslands or grazing lands should be included in the soil-bank proposal. Therefore, I urge the adoption of my amendment.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Colorado.

Mr. HILL. If my interpretation of the amendment is correct, it seems to me the amendment is a good one. I wish to read line 6: "Making a corresponding reduction in livestock units below a representative period designated by the Secretary."

Does that mean that if I should put 15 percent of my pasture land into this acreage reserve program that I would be supposed to reduce the number of my cattle by about the same percentage? And I am talking about range cattle.

Mr. ALBERT. The gentleman is correct. Otherwise it would not work, I will advise the gentleman. In other words, it should be in the conservation reserve if we did not do that. This is the way to help cut down the cattle numbers. The surplus in the cattle population is the greatest surplus in agriculture today and the cattle growers are carrying that surplus, not the Commodity Credit Corporation.

Mr. HILL. The gentleman is sure his amendment means if a livestock producer goes into this program, if he should take a 25-percent acreage reserve in the program, he must agree to take a 25-percent reduction?

Mr. ALBERT. He will have to reduce his cattle numbers.

Mr. EDMONDSON. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I want to express my wholehearted approval and support of this amendment. I think it fills a void that is present in this bill which will mean more to thousands of small farmers across the country than anything else we can do at this time. I have seen the disastrous results of the fall in cattle prices. I have seen cattle sales where bankrupt small farmers were forced to sell their calves for $5 or $6 apiece. This amendment would mean more in terms of improving the economic life of the farmers of our section than anything else, and I want to commend the gentleman for offering the amendment.

Mr. ALBERT. I thank the gentleman.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Utah.

Mr. DIXON. I am very much in favor of the pending amendment. As I figured here beef when we consider parity is 22 percent below cotton and 15 percent below wheat. Wool is 26 percent below cotton and 19 percent below wheat.

Mr. ALBERT. I thank the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am personally concerned, I did not know of the gentleman's amendment or anything about it or that he was going to offer it until it was presented. I would like to ask the gentleman, Did he present this amendment in committee?

Mr. ALBERT. I presented the amendment to the committee, but we had no chance or opportunity to hold hearings on these various amendments because we were trying to bring this bill to the floor. No substantial objection to the amendment was expressed in the committee.

Mr. HALLECK. My information is that by a very substantial vote the committee decided not to include this sort of provision in the bill.

Mr. ALBERT. That is not correct. There was no record vote or showing of hands on this amendment. It was defeated by a voice vote without argument or debate.

Mr. DIXON. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, the legislation thus far has been largely in favor of that portion of agriculture which provides only about 30 percent of the farm income. This legislation has to a very large extent discriminated against the livestock raiser and the other 70 percent of our agricultural income.

My first reason for supporting the pending amendment is that it will tend to some extent at least to overcome the inequity that exists between the basics and feed grains supported under the bill and the livestock industry. Croplands eligible under this bill only amount to about 8 percent of agricultural income in the State of Utah, 18 percent in Colorado, 16 percent in California, and 16 percent in Oregon, while in our State the livestock industry accounts for 70 percent of our agricultural income.

Now, our livestock raisers are not asking for supports, but they are asking for some sort of equity; at least that they be not further discriminated against through Federal legislation.

My second reason is that soil conservation is needed just as much on the ranges as it is on our croplands, and in many instances more.

I am just going to illustrate the situation as I see it. The Utah cities are located largely on the Wasatch front, immediately on the hillsides backed by the steep mountains. Private overgrazing and drought account for much trouble with watersheds supplying the cities, when the high mountain slopes and the divides become bare, the snow melts immediately in the spring and runs off as floods. Then, when we want it in the summertime for our cities, we have no water.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. DIXON. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Our communities have raised nearly $200,000 to buy private rangelands in order to take them out of grazing so that the Forest Service could reseed and restore them. In those areas the Forest Service has made a great transformation and now, instead of grass, underbrush and trees cover the formerly denuded areas the precious water running off as floods in the spring, when we do not need it, the water seeps in and runs out as springs in July and August when we do need it.

I support this amendment, first, because it will help to overcome further discrimination of farm legislation against livestock and in favor of the so-called basic crops; second, it will reduce the number of livestock on overgrazed areas; third, it will help some livestock men to stand the shock of the reduced number of their livestock while parts of their range is being restored; and, fourth, it will protect our watersheds which threatens the destruction of our cities unless they are protected.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The majority leader asked a question if this amendment had not been voted down in the committee. Is it not a fact that in the committee there was an agreement that the bill should be brought to the floor as it was, and 5 or 6 or 8 amendments were hastily voted down with very little debate or discussion or anything else, leaving the bill just as it was?

Mr. DIXON. The gentleman is right.

Mr. BELCHER. With the understanding that any amendment may be brought up on the floor.

Mr. DIXON. The gentleman is correct.

Mr. BELCHER. And that any Member could offer amendments on the floor.

Mr. DIXON. The gentleman is correct.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Virginia.

Mr. JENNINGS. Does the gentleman not agree with the fact that if this provision is put in the bill, it will make it more acceptable to the livestock industry throughout the country; that there might be those who could support the soil-bank provision with this amendment in that could not otherwise support the bill?

Mr. DIXON. This is the very minimum of what we ought to do for an industry that is depressed worse than any other and has the greatest surpluses.

Mr. JENNINGS. That is exactly right. May I add further that I think this is a good provision. I support it wholeheartedly, and I trust it will be adopted.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Ohio.

Mr. HENDERSON. May I ask the gentleman what effect this amendment will have upon the raisers of cattle, especially in the State of Ohio and States farther to the east? Would it be beneficial to them?

Mr. DIXON. I do not know the situation in Ohio, so I am unable to answer.

Mr. HENDERSON. Would it be beneficial to anyone in any part of the country who was raising livestock exclusively?

Mr. DIXON. It would benefit the livestock raiser; possibly not the livestock feeder but the livestock raiser it certainly would help, because his feeds are going to go up under this bill; unquestionably they will go up, and this is the least we can do to help him.

Mr. BELCHER. Mr. Chairman, if the gentleman will yield further, in answer to the gentleman from Ohio, is it not a fact that anything that would reduce the cattle population in the United States would certainly improve the conditions that exist in the cattle industry?

Mr. DIXON. This bill would reduce the cattle population of the United States, and it should bring better prices for livestock.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Indiana.

Mr. HALLECK. I hesitate to say what I am about to say, but I feel constrained to do it. There may be a lot of merit in this proposition, but it is a far-reaching proposal. It authorizes and directs the Secretary to take this action. It was not worked out, as I understand it, in conference. I do not think it has had the consideration that it ought to have before a matter of this importance goes into the bill. I would not be for foreclosing some such action if the committee could get to work on it and have some hearings and determine what ought to be done about it. But it is a new matter and I think a very great extension of what we have set out to do. I doubt the wisdom of it at this time.

Mr. DIXON. It is not a new matter to me. I have discussed it with the Department and Representative ALBERT with the committee. In my opinion, it is all to the good. The chief reason why it has not been given approval is that they did not want to add to the complex farm bill at this time.

Mr. Chairman, upon very careful examination of the soil-bank provisions of H. R. 10875, I have come to the conclusion that it provides very little direct assistance to farmers in the 10 Western States of Arizona, California, Idaho, Montana, Nevada, Colorado, New Mexico, Oregon, Utah, and Wyoming, who primarily produce beef cattle, sheep, lambs, and wool. For this reason, I wish to speak in support of the Albert amendment, which includes grazing lands in the acreage reserve.

Indirectly the soil bank may serve to improve the price and income position of midwestern livestock producers if it succeeds in reducing the production of feed grains and thereby the supplies of competing meats such as hogs. The soil bank, as proposed in H. R. 10875, however, does not provide much in the way of direct assistance to the depressed western beef cattle and sheep industry for these reasons:

First, because the acreage reserve program primarily is limited to the basic commodities—wheat, cotton, corn, rice, peanuts, and tobacco, which provide American farmers with only 26 percent of their income. By including feed grains, Utah livestock producers can expect to pay more for feed and feed concentrates since it is already a deficit feed area. Grazing or range land is not eligible, although in the Western States such lands constitute the basis for our production of beef cattle and sheep which, by comparison, provide farmers in these States with up to 80 percent of their income.

Second, the croplands eligible for the acreage reserve are not to any appreciable extent grown in the beef cattle and sheep country of the Western United States. For example, in Utah only 8 percent of cash farm receipts are derived from the sale of basic commodities; in Nevada only 1 percent; in Wyoming only 8 percent; in Colorado only 18 percent; this mostly from wheat grown in the non-livestock-producing areas, and only 16 percent in California and Oregon, respectively.

On the other hand, we find that 41 percent of the cash from receipts in North Dakota are from the sale of basic commodities, 42 percent in Kansas; both of these being major wheat-producing States. In the major tobacco, cotton, rice, and peanut producing States, a high percentage of cash from receipts likewise is derived from their sale. For example, 66 percent is derived from the sale of one or more of these products in North Carolina; 59 percent in South Carolina; 41 percent in Georgia; 46 percent in Kentucky; 42 percent in Tennessee; 45 percent in Alabama; 65 percent in Louisiana; and 41 percent in Oklahoma.

The acreage reserve program, therefore, is primarily a program for producers of basic commodities. It is not capable of meeting the price and income problems of the beef cattle and sheep industry of the western United States. Nor for that matter is the conservation reserve program which limits eligible land to that which is regularly in use for the production of row crops and feed grains.

Mr. Chairman, the present price situation faced by the producers of beef cattle, calves, lambs, sheep, and wool is indeed a bleak one. A comparison of market prices as a percentage of the parity price of the products with those of the commodities eligible for the soil bank under H. R. 10875, reveals that the producers of these livestock products are in more desperate straits than those who produce the basic commodities in the Midwest and Southern States.

As of April 15, 1956, the prices of the eligible acreage reserve commodities—cotton, wheat, corn, rice, and tobacco—burley—stood at 92, 85, 76, and 81 percent of parity, respectively. On the other hand, beef cattle, calves, lambs, sheep, and wool were selling, respectively, at 70, 71, 77, 63, and 66 percent of parity. You will note that all of these livestock products were selling at a parity price below the basic commodities eligible for the acreage reserve.

The severity of this price situation in the 10 Western States is revealed by the Crop Reporting Board's Livestock and Poultry Inventory, January 1, which was released on February 1, 1956. Although cattle and calf numbers increased by 409,000 head during 1955, the value of the 17,312,000 head on farms as of January 1, 1956, was only $1,557,809,000—some $96,639,000 less than the value of the 16,903,000 head on farms on January 1, 1955. During 1955 the average value per head declined $7.90.

Sheep numbers declined by 90,000 head during 1955, and the total value of the 13,487,000 on farms as of January 1, 1956, was $212,721,000—a decline of $17,542,000 in 1955.

In spite of this, the western beef cattle producers are not asking for direct price supports, but they have a right to complain about a soil-bank proposal which gives, in addition to price supports, other financial assistance to cropland agriculture which provides less than 30 percent of total farm income in the United States, and less than 20 percent in their area. When they receive no price support, they have a right to complain about additional financial favoritism shown supported feeds which are an element of livestock costs.

Mr. Chairman, simply put, the general public interests require that the pressures on these rangelands be eased and our rehabilitation program must be accelerated. Assistant Secretary of Agriculture Peterson has stated our need this way:

> These lands must be managed for maximum continuous production of forage and its efficient use for livestock and game production. This means reasonable use for livestock and game production. This means reasonable use—not misuse or nonuse. It means that the way they are grazed should encourage the range forage to continuously renew itself. Where it is below its potential, management should encourage improvement. It also means full application of seeding, plant control, soil fertilization, and other tools, where such tools have been proven, adopted, and practical.

This amendment, therefore, is designed to facilitate sound range management of our private lands and, at the same time, provide direct assistance to our western livestock producers. Many of these people cannot continue in business in the light of the low prices for beef cattle, sheep, lamb, and wool, and the need for reducing grazing on public and private lands, without some financial assistance. Because of climatic and topographic conditions, other types of agriculture, such as those which exist in these Midwest and southern areas, do not offer much in the way of other production alternatives.

The amendment provides for deferred grazing payments on private lands as part of the acreage-reserve program, since most of these rangelands are in extremely poor condition. The Agricultural Conservation Program Service of the Department of Agriculture, which administers the agricultural conservation program, informs me that such payments as those contemplated by this amendment are being made at present in a few States. Due to lack of funds, however, payments are very modest and far below those needed to induce very extensive participation.

This amendment will serve, therefore, to meet these two problems—one immediate, the other long range:

First. Livestock producers will find in it direct financial assistance similar to that provided producers of the basic commodities who participate in the acreage-reserve program.

Second. A great impetus will be given to proper conservation and management of our public and private range and watershed lands.

I urge the House to adopt this amendment.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure that practically everybody wishes to do something to help the present farm situation. It is rather difficult to agree on just what would help. I should like to point out some things about the pending amendment. It is my belief that if the Department were to purchase these products and require—which they have not done heretofore—that the price paid be carried back to the original producer so that the farmer got the benefit, doubtless it would do some good.

I do not know but that it would be well to adopt the provision so that they could work it out in conference, but I should like to point out one thing that I see that would lead us in the opposite direction to that which the gentleman from Oklahoma [Mr. ALBERT] contemplates going.

If you cut the cattle population 15 percent, where do they go? They go to market. If you force 15 percent of your cattle on the market in addition to that which is already on the market, without any price support, what have you done?

It might well further reduce cattle prices. It is a serious question.

My purpose here, however, is to point out that unless certain major changes such as advance payments are incorporated into this bill, I plan to vote for the bill largely because I believe in soil conservation and the bill does protect against further cuts in cotton acreage which has been cut 35 percent in 3 years. I wish to warn the membership that unless we continuously keep in world markets that we could be making the most serious mistake a Congress could ever make. We should have learned we cannot bring world supply and demand into balance by cutting our production.

You cannot prevent world production working on the American farmer. Neither can you control production just by cutting acreage. Let us look at the records of the Department. Since 1932 the Department of Agriculture has cut cotton acreage 35 percent. In 1955, 55,000 farm families were put out of their homes by cotton acreage reduction alone.

What happened in the Commodity Credit Corporation during that period? The inventory of the Department of Agriculture, the Commodity Credit Corporation, in cotton increased from $32,500,000 in 1952 to $1,437,000,000 investment as of now, as I have pointed out, during the period that we had a 35 percent reduction in acreage in the United States.

Let us take wheat. The Department of Agriculture has cut wheat acreage 25 percent in the last 3 years, and the inventory of the CCC in the same period has increased from $352 million to $2,399,000,000.

The point I wish to make is this: The only way we in this country can live with this soil bank, under which we pay the farmer to further cut his acreage, is for this Government continually to keep our supply of commodities on world markets for sale; because we have held our commodities off world markets and refused to sell them on a competitive basis.

This 35 percent cut in cotton acreage in the United States has not cut world supply. It has meant that 35 percent of our acreage moved into South and Central American and north Africa. This 25-percent cut in United States wheat acreage has not cut world acreage in wheat. It has moved overseas—because by Government policy United States commodities were not offered in world markets at truly competitive prices.

In this bill we are paying rent to the American farmer further to cut his acreage, which is all right, if we will see that the supply of cotton, of wheat, and other commodities we have on hand is put on the counters of the world for sale on a competitive basis to take away the incentive of people in foreign countries to increase their wheat acreage as we reduce ours.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I should like to ask the gentleman if he does not know that the Secretary of Agriculture has full and complete authority to do everything the gentleman is urging him now to do?

Mr. WHITTEN. I agree thoroughbly with the gentleman.

Mr. COOLEY. And when the gentleman last year tried to get the Secretary to announce a positive export program for cotton, he refused to do it. When he finally got around to it in January, he moved about 1 million bales of cotton in about 40 days.

Mr. WHITTEN. That is exactly right. I have made this speech so many times I irritate some of my colleagues, I am sure, but I should like to point out that in 1954, after I had urged for years that these commodities be offered for sale, for the first time we got some limited number of commodities offered in world trade on a competitive basis, and they sold for dollars. This year, as pointed out by the distinguished gentleman from North Carolina, the Secretary finally got around to offering 1 million of the shortest-staple cotton we had, hoping to sell it in a year, and he sold it in less than 60 days. Only yesterday did they get around to opening the bids on the sale of any more cotton.

I would point out to you the record:

Last year my subcommittee pointed out that the Department had unlimited authority to sell CCC farm commodities in world trade at any competitive price essential to move them.

We pointed out that this then $10 billion corporation had no sales manager or sales organization.

We pointed out that the Department had insufficient information on expanded foreign production and on what foreign countries were doing to export their commodities.

We pointed out that our information as to where the money between the farmer and the consumer, the spread, was going was entirely inadequate.

Our committee set up funds separately for those purposes only. The Secretary said in the press our report was politics, yet the House passed our bill without amendment.

The Secretary went to the Senate and had these provisions stricken from the bill.

We went to conference with the Senate and such provisions were put back in the bill and all conferees signed the report, House Members and Senators, Republicans and Democrats.

In recent months I note where the Department and even President Eisenhower is proud of what the Department is doing under these provisions.

Acreage cuts

[In millions]

	July 1952	July 1955
Cotton	27.1	[1] 17.5
Corn	82.4	81.6
Wheat	78.3	[2] 58.3

[1] 35 percent.

[2] 25 percent.

CCC INVENTORIES

In reviewing the various developments in our agricultural situation, during the 3 years Mr. Benson has served as Secretary, we should take a look at the number and value of commodities in the hands of the Commodity Credit Corporation. As of December 31, 1952, when he took over control of the Department, CCC inventories totaled a little over $1 billion. As of December 31, 1955, these holdings had increased to over $6 billion.

As to specific commodities, the record is as follows:

[In millions]

	Dec. 31, 1952	Dec. 31, 1955
Corn	$447.0	$1,300.0
Cotton, upland	32.5	1,437.0
Rice	.2	175.9
Wheat	352.4	2,399.0
Dairy products	8.4	261.3
Nonbasics	198.9	270.7

You will recall that for 3 years I have pointed out that the Department had authority to sell these commodities in world trade through normal channels for dollars. Until 1954 the Department would not offer any commodities. At that time the Department offered 137 million pounds of peanuts; 369 million pounds of cottonseed oil; 70 million pounds of linseed oil, 9 million pounds of flaxseed; and small quantities of several other commodities, and you sold them for dollars. The amount sold for dollars in 1954 was $92,914,102. In 1955 you finally added limited amounts of butter, dried milk, whey, corn, rice, wheat, barley, grain sorghums, oats, rye, and soybeans, and sold them for dollars.

During this period our Government refused to offer cotton in world trade for sale for dollars at competitive prices, resulting in the biggest holdings of cotton ever held off the market by any country in history, reaching the total of 8 million bales.

Only on January 1, 1956, would the Secretary offer any cotton and then you said you would offer only 1 million bales of the shortest staple, ⅞ inch. I am pleased to note our experience apparently proves the soundness of my views, for in the month of January 1956 you sold 600,000 bales of the total 1 million you announced you would sell in 6 months; and on the 28th day of February, in 59 days, you had sold the last bale of the million offered.

During this 3 years the Department held United States commodities, with the exceptions mentioned. Thousands of farm families were put off the farms and out of homes, 55,000 by your cotton acreage reductions in 1955 alone; and foreign acreage increased as fast as our farmers were cut back.

While our commodities were held off world markets by refusing to sell competitively and cut our farmers' acreage, foreign production, under the Department's convenient price umbrella increased as follows:

INCREASED FOREIGN AGRICULTURAL PRODUCTION

During the 4-year period ending with the crop year 1954–55 foreign countries increased production of all the basic commodities—cotton, wheat, corn, rice, tobacco, and peanuts—over 1950–51 levels.

Based on the most recent information available for the crop year 1954–55 the increase was approximately as follows: Cotton, 5.1 million bales, 28 percent; wheat, 329 million bushels, 6 percent; corn, 403 million bushels, 19 percent; rice, 29 billion pounds, 13 percent; tobacco, 457 million pounds, 9 percent; and peanuts, 1,360,000 tons, 14 percent. These increases are substantial but the increase of 28 percent in cotton production is particularly significant when it is realized that United States production declined 16 percent from almost 16.5 million bales in 1953–54 to an estimated 13.9 million bales in 1955–56.

While it is impossible at this time to forecast the world's 1955–56 crops, such information as is available indicates a further substantial increase over 1954–55 on at least two of the major basic commodities—cotton and wheat—possibly as much as 1.5 million bales on cotton—6 percent—and 440 million bushels on wheat—7 percent.

Land devoted to production of these two commodities in 1955–56 is expected to be substantially more than in 1945–55, nearly 2 million acres on cotton and 15 million acres on wheat, in addition to an increase in 1954–55 over 1950–51 levels of almost 10 million acres on cotton and 46 million acres on wheat.

Corn: Foreign production up 403,500,000 bushels.

Dairy products: Foreign countries produced 740 million pounds more cheese, 66 million more dried milk.

In 1954 United States exports of cheese dropped from 47.5 million pounds to 5.4 million pounds.

Canned milk: United States dropped out, and the Netherlands increased exports 125 million pounds above 1950.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. Whitten was given permission to proceed for 5 additional minutes.)

Mr. WHITTEN. Earlier in this week Secretary of Agriculture Benson gave me flat assurances in testimony before my committee that the Government now was going into a sales program and that we could rely on their carrying forward a sales program to sell these commodities and keep them constantly offered for sale. If that is done, we can live with the soil-bank idea, but if it is not done it will just further move our acreage overseas.

The reason I am disturbed today is that the Department opened bids yesterday for further cotton sales, and they had bids for 1 million bales more of cotton. The lowest price offered, so I am told, was 27.5 cents for the shortest kind of cotton they have, very, very little below the support level we have in this country. Do you think the Department sold that many bales? They accepted bids on only 10,000 bales, though they had the bids there, bona fide bids, for 1 million bales of cotton. After what happened yesterday, I am skeptical. I have invited the Secretary and the Department witnesses to come back before my committee tomorrow so that we can dig into it.

I wish to point out that as we have cut cotton acreage under a compulsory law, that acreage has shown up overseas. As we have cut wheat acreage, that acreage has shown up overseas. As we have cut these other acreages, they have shown up overseas. These foreign countries are increasing as rapidly as we cut down.

There is only one way in the world that I can see that our reductions where we contribute our part in trying to bring world supply and demand into balance can be made effective, and that is to keep our commodities constantly on the tables of the world, the counters, for sale at competitive prices.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. If we go into an extensive program of subsidizing the sale of our surplus cotton abroad, it is going to take considerable financing to put on a program of that kind.

Mr. WHITTEN. May I interrupt the gentleman, because I differ with his statement so radically.

Mr. BAILEY. Let me continue my question, please. Suppose we approve OTC, there is a provision in the General Agreement on Tariffs and Trade against the setting up of subsidies and import quotas. Would we have to go to Geneva and submit our request there to 34 other nations? Certainly there will be other nations that grow wheat. Are they going to give us permission under the General Agreement on Tariffs and Trade to set up a subsidy to dispose of our surplus?

Mr. WHITTEN. I am in agreement with the gentleman on that issue, so there is no argument with me on that. The Government already owns these commodities and is paying storage on them at the rate of about a million dollars a day. If you go ahead and sell these commodities you could save that amount in storage and we would make it possible for our farmers to farm. Every country in the world is moving the commodities they have in world trade for what they will bring. The only way we can keep from ending up as producers for domestic consumption only is to keep the commodities our farmers are producing offered in world trade for what they will bring. This bill is highly dangerous unless the Secretary does as he has assured us he will do and as he has proven in the last year and a half he can do, that is, sell these commodities in world trade.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. The gentleman has indicated that the Secretary should sell this cotton in world trade. Is there anything to prevent the producers themselves from selling it in world trade?

Mr. WHITTEN. The mechanics of this program have the effect of preventing it, because if you can get 82.5 percent support in the United States, under the President's pronouncement, or 90 percent under the present law, if the world price is below that you can easily see the farmers would go to the Commodity Credit Corporation and get the loan, as long as the world price is below the United States domestic support price. The mechanics of the program, under present conditions would be that the cotton would go into the Commodity Credit Corporation and out just because that would be of economic benefit to the farmers. Now, you can change this method of handling the thing under the present law, but that would be the process.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. COOLEY. I would like to point out that just a few years ago when we had a cotton embargo imposed upon us, cotton was selling in the world market far higher than it was selling here at home.

Mr. WHITTEN. Yes. As you will recall, the world market was around 76 cents a pound and our production was all bottled up in the United States where the farmer was getting about 45 cents a pound. Fear of an all out war with Korea was given as the reason, but the effect was to injure our farmers.

Mr. COOLEY. We would not let the American farmer sell his cotton abroad.

Mr. WHITTEN. That is exactly it. In effect, by Government we have it bottled up here.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Gavin].

Mr. GAVIN. Mr. Chairman, I just want to say to my distinguished friend from Tennessee whom I greatly admire that I have been here a half hour waiting to be recognized, also to say to the House that I understood this proposed legislation had been amicably agreed upon and that all differences had been reconciled and that you were going to come out here with a bill that we would experience no difficulty in passing and which would be acceptable to most of the Members on both sides of the aisle. I understood all differences had been ironed out. But, it is quite evident now that the doors are going to be opened and the bars are going to be let down and that you are going to clutter up this proposed legislation with a lot of amendments which will not make it any more acceptable than the previous bill which was vetoed by the President. Take cattle grazing, for instance. If this amendment as agreed to—the doors have been opened again. Now I cannot understand why, if cattle production was at a low level in 1949, it should have increased so tremendously through the years up to 1956. Evidently the cattle were not shipped to the market. If the cattle had been shipped the law of supply and demand would have stabilized the market and cut down the production. The American people might have gotten cheaper beef. However, the consumer has no voice here, he merely pays the bill. I would not mind if there were some restrictions in this amendment to help the small cattle farmers. I am in deep sympathy with and want to help the small farmer, but I am not interested in helping these gentlemen farmers, these professional businessmen who went into the cattle business, and these drugstore cowboys who saw a good market in 1949, and who all went into the cattle business thinking they were going to get rich quick. It is the same as an individual who went into the market and bought some stock. If it goes down he takes his loss and has no one to bail him out; he takes his loss and that is that. These folks that went into the cattle business overproduced and then they ran into a drought and then they ran into a depressed market and a couple of years ago they came up here asking for Uncle Sam to bail them out. Now, they are in the cattle business which is outside of their particular profession and with more cattle than the market can absorb they are in difficulties and they are looking for relief. I want to help the old, established cattle farmer, the cattle rancher who has been in the cattle business all his life and the small cattle farmer. But, these folks who went into the cattle business in a big way, who saw a rainbow in the sky and who then ran into a bad market, a drought, overproduction, and a few other things, think now that here is a good chance to get bailed out of a bad situation. I would like to ask the gentleman from Oklahoma if the situation is so bad and if there is such a depressed market, why have cattle increased so tremendously since 1949?

Mr. ALBERT. The increase in cattle has not been paralleled by the price situation, obviously. The number of cattle has been going up as the price has been going down because there is no place to go with the cattle.

Mr. GAVIN. Certainly, that is natural, put them on the market even though the price is lower they will be readily taken up and they will proceed with more caution in overproducing in the future.

Mr. ALBERT. This particular program would require a decrease in cattle in order for them to participate in it.

Mr. GAVIN. Naturally, ship the increased production to the market, supply and demand will stabilize the market and if these people cannot make a profit a lot of them in the cattle business who were not cattle farmers will go out of business and you will have no more overproduction. Now you have an overproduction of cattle and you are coming along asking the Congress to pass legislation to bail them out. You say, let us get some help for the cattle farmer. Let the doors be opened so that he can recover some of his anticipated losses that he will have to take sooner or later. If they had better judgment, they would not have gone into the cattle business in the first place, it was out of their line. They should have stayed out of the cattle business and looked after their business. If he was a gentleman farmer or a professional businessman let him take his loss and not be asking for legislation for relief. But here are these drugstore cowboys who thought they were going to make a big killing in the cattle business and who now are asking us here to open the door with legislation to recoup his losses.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. HALLECK. The gentleman spoke of amendments that might be considered. I would like to say that as far as I am concerned—and I have tried to be as diligent as I could in connection with this matter—I have taken the position that we should not have a lot of amendments in connection with this bill that has been worked out after a great deal of time and effort devoted to it. I do not know what the effect of this amendment could be. It might be destructive to the entire bill. I would like to say further that a number of Members have come to me with amendments that were presented in the committee, and my advice to them has been that we ought to go on and perfect this bill and get it passed, because essentially it is a good bill that we could support. If the door is to be open to all sorts of amendments, and many of them were offered in committee, there is no telling what effect it will have on the bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Gavin] has expired.

(By unanimous consent, Mr. Gavin was granted 3 additional minutes.)

Mr. HALLECK. My position has been that this legislation containing all the good things that it does contain should be passed and become law. I do not want a lot of amendments put in here that will jeopardize it.

Mr. GAVIN. I understand the gentleman, and I concur if it is cluttered up with a lot of unworkable amendments it will be of no use. If you are going to have a lot of amendments here today, you are going to muddy up this bill.

While I am on my feet, I want to say I am sincerely, earnestly, and greatly interested to help the small farmer. I heard the gentleman from Kansas [Mr. Hope] this morning talk about corn. He said the corn farmer can grow an unlimited number of acres of corn if he uses it for his own use on his own farm. I wondered why the Committee on Agriculture made an exception with reference to wheat, because the small farmer cannot do that with wheat. He is restricted even though he is growing it for his own use. That is the little farmer that I spoke about the other day, who wanted to be let alone, did not want to be regimented restricted and regulated. I heard the gentleman from Minnesota say that the corn farmer would be restricted and regimented. I was surprised. This little fellow I was talking about grew a few too many acres of wheat and the Government moved in on him. There were 767 of them in my great State of Pennsylvania. Why did you make an exception to allow the corn farmer to grow all the corn he wanted, but the little wheat farmer had to be restricted to 15 acres? Why did you put the little wheat farmer where he could not grow 50 or 75 acres or enough for his own use without getting the Government on his back?

Mr. HOPE. Does the gentleman wish me to reply to his question?

Mr. GAVIN. I do.

Mr. HOPE. Of course, this all goes back to 1938. At that time we enacted the Agricultural Adjustment Act of 1938, and different provisions prevailed with respect to wheat than with respect to corn. In the first place, wheat is under marketing quotas, and at a time when there is an oversupply of wheat the law provides the Secretary may put marketing quotas into effect subject to their being approved by the producers. The wheat producers of this country, by more than a two-thirds vote, have approved marketing quotas for the 1956 crop, so they are now in effect. No producer who produces more than his acreage allotment can market to exceed that amount except when his acreage allotment is less than 15 acres. Then there is an exception made in his case. He can produce and market up to 15 acres.

Mr. GAVIN. That is right.

Mr. HOPE. That does not apply to corn; there are no marketing quotas on corn under the law.

Mr. GAVIN. But the gentleman will agree that an injustice has been done to the small wheat farmer, and if it has been in effect since 1938 it is about time you changed it and gave him a little relief to grow what he wants for his own use without the fear of having the Government move in on him.

As far as the cattle farmer is concerned, if you want to bail him out, all right, but everybody else is going to expect to be bailed out, too, and the result will be an unsatisfactory piece of legislation.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Indiana made a very strong plea here for no amendments and to get the bill through. I want him to know that we on this side of the aisle in the committee did our very best to bring this bill out under those conditions, to get members of the committee on that side to go through and support the bill exactly as first proposed. But then they came along with this gimmick, a political gimmick, to advance payments to the farmers. That will open up the bill and I do not know where it is going if you still insist on making it a political football.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. As I get it, this political gimmick the gentleman is talking about is a device to pay farmers this year for what they promise to do next year, but which the administration did not want them to do last year.

Mr. BASS of Tennessee. That is the point exactly.

Mr. HAYS of Ohio. When the Democrats were in power if we had tried to do anything like that we would have been charged with buying votes, but under this administration the newspapers take the position that it is statesmanship of the highest order. It is rather difficult for a Democrat to become a statesman, let alone a newspaper hero. The newspapers come along now and say this is a heroic thing for the administration to do.

I do not want to disturb my friend the gentleman from Indiana [Mr. Halleck], over there when it looks like he is about to become a hero, but I may just decide to join you to become somewhat of a minor league hero myself.

Mr. HALLECK. We will try to welcome you in.

Mr. HAYS of Ohio. And that would seem to justify the observation that Mr. Benson is still maintaining his position. There has been a good deal of talk in this administration about principles and things of that sort. Mr. Benson was for flexible supports, but rigid principles. I have, however, about come to the conclusion that what he now wants is flexible principles but rigid supports.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word and rise to speak in support of the amendment.

Mr. Chairman, I do not intend to take the full 5 minutes. The gentleman from Pennsylvania [Mr. Gavin] who preceded me mentioned something about people who want to be left alone. That is what the livestock producers of this country have consistently wanted, just to be left alone. The trouble is they have not been left alone under price supports and acreage restrictions. Acreage has been diverted from the production of basic crops to the production of livestock. As acreage restrictions have been applied, the numbers of livestock have consistently increased. The fact is that since 1953 when acreage restrictions went into effect on the major basic commodities, acreage diverted to the production of feed grains, exclusive of corn, has gone up about 24 percent, or about 15 million acres.

With the price-support and acreage-control provisions of this bill as to feed grains, exclusive of corn, I can see that it is going to put a further squeeze on the livestock producers, because we are threatening them with subsidized competition from an additional 15 million acres. I join with the gentleman from Oklahoma and congratulate him for offering the amendment, because it is possibly getting down to the ultimate so that we will actually take land out of production instead of just placing it in competition with another segment of our agricultural economy. If that is what the taxpayers want to do, we should get to it in the first instance and not have to pay the bill 3 or 4 times as the land goes from the production of a basic commodity into the production of feed grain, then into the production of something else, and ultimately into the production of livestock.

I am not at all certain that this proposal is a solution to the problem, but at least it provides for a study of a possible solution.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. Can the gentleman tell me whether the amendment offered by the gentleman from Oklahoma, which we are discussing, would affect those lands which are public lands and have been leased for grazing purposes, for private grazing?

Mr. THOMSON of Wyoming. I do not think it would affect the public lands. It would affect only the base lands that are the private lands.

Mr. OLIVER P. BOLTON. In other words, if a feeder or a cattle grower has leased public lands for grazing purposes and agrees to take part of those public lands out of production in accordance with the amendment, will he receive payments under this amendment?

Mr. THOMSON of Wyoming. I do not believe he would as to the public lands under this amendment. That has to be worked out. Here is the way it might be worked out. In his base acreage—that is on his private land where he runs his cattle 9 months out of the year—he would take so many acres out which would have so many animal units carrying capacity on an annual basis. Those would be the only animal units on which he would be reimbursed. There would be no payments on additional animal units computed on the carrying capacity of the public land. Is that correct?

Mr. ALBERT. The gentleman has correctly stated the situation.

Mr. THOMSON of Wyoming. I sincerely hope that the House will support and pass the amendment offered by the gentleman from Oklahoma. If there is anything to be worked out later, there is plenty of time to do it in the other body or in conference. It may be this is not the solution, but it is deserving of this consideration.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma because I am sure that the amendment will help some small farmers get into this program that will not be able to get into it in any other way.

The small, diversified farmer who has meadows or pasture lands he has seeded himself, that he has been using for hay or grazing, can, according to the terms of the bill that came from the committee, retire a portion of that land into the conservation reserve. But if he is located in a country like that of the gentleman from Oklahoma, and God sowed that grass and the farmer is in the cattle-grazing and producing business, he is barred from retiring that kind of land into the conservation soil bank. He does not have to count the heads of cattle he is running on this land.

If I have a pasture, I am usually overgrazing it or have all the cattle on it that it will maintain. If I rent 15 or 20 or 100 or 200 acres of my grazing land to the Federal Government, I will automatically be forced to cut down the number of cattle I produce. If I undertake to keep them on the restricted acreage they will starve to death or have to be sold as canners, which will require me to reduce my cattle number. If I rent the Federal Government a certain amount of acreage of my pasture land and neither graze it or use it for hay, and if I put it in the soil-conservation reserve, that automatically reduces the amount of beef or milk I can produce on my land. That does not have to be provided for. It comes about automatically.

Mr. Chairman, this is a good amendment, and I hope it will prevail.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma [Mr. Albert], relating to the inclusion of grasslands in this program. I think the gentleman from Oklahoma has studied this out thoroughly. I know both he and I discussed it with a couple of ranchers from Oklahoma, including Mr. Harold Davis, who now lives in his district and who formerly came from mine.

Mr. Chairman, I would like to speak with reference to another matter. I should like to read a report I received today from the Department of Agriculture as to the surpluses we now have:

> April 30, 1956.
>
> Hon. Victor Wickersham,
> *House of Representatives.*
>
> Dear Congressman Wickersham: This refers to your letter of April 14, 1956, in which you requested that the table you enclosed, "How Long Would Supply of Government Surplus Food Last?", be brought up to date.
>
> There is enclosed a copy of the data in table form that has been revised as requested. The quantities reflected under loan and also owned by Commodity Credit Corporation under the price-support program are as of February 29, 1956, which is the latest date the information is available.
>
> Sincerely yours,
> Marvin L. McLain,
> *Assistant Secretary.*

U. S. Department of Agriculture, Commodity Credit Corporation

Quantity of certain commodities pledged for loans and commodities in price support inventory as of Feb. 29, 1956					Estimated domestic disappearance plus gross exports for market year, 1956–57	Months and days CCC stock would last, based on 1956 requirements (assuming no 1956 production and no private stocks)	
Commodity	Unit of measure	Pledged for loans	Owned by CCC	Total quantity		Months	Days
		Thousands	*Thousands*	*Thousands*	*Thousands*		
Corn	Bushels	369,826	744,619	[1] 1,114,445	3,100,000	4	11
Cotton, upland	Bales	6,582	7,215	13,797	12,800	13	4
Rice	Hundredweight	15,212	14,771	29,983	55,200	6	19
Wheat	Bushels	273,271	846,271	1,119,542	925,000	14	23
Butter	Pounds		114,107	114,107	1,625,000		26
Cheese	do		309,819	309,819	1,350,000	2	24
Milk, dried, nonfat	do		119,264	119,264	1,300,000	1	4
Barley	Bushels	79,272	24,696	103,968	405,000	3	1
Grain sorghum	Hundredweight	56,716	17,942	74,658	235,000	3	26
Oats	Bushels	58,533	32,032	90,565	1,525,000		22
Rye	do	10,988	1,132	12,120	31,000	4	23

[1] Figures from Commodity Credit Corporation Report of Financial Condition and Operations as of Feb. 29, 1956.

Mr. Chairman, at this point, I should like to read into the Record a table which has been supplied to me today by the Commodity Credit Corporation of the Department of Agriculture. This table sets forth the months and days CCC stocks would last, based on 1956 requirements, and assuming that there would be no further 1956 production and no private stocks.

The story this table tells is alarming.

Our surplus production of farm crops is much smaller than most of us have been led to believe.

To take three staple farm products as instances: CCC has enough oats to meet consumption demands for only 22 days; enough butter for 26 days; and enough dried, nonfat milk for a little over 1 month.

This, my friends, was the situation at the close of operations of CCC on February 29, 1956.

What does this table—these incontestable facts—mean to you, to me, and to the people we serve in the House of Representatives?

To me, the meaning is clear. Surpluses are not liabilities: they are assets. The problem for us is not how to get rid of them; but, the problem is how may we best use them.

God, in His infinite wisdom, is taking a great part of that problem out of our hands. A United Press dispatch on April 13, 1956, has this to say:

> The Census Bureau estimates that the total United States population, including Armed Forces overseas, was about 167,181,000 on March 1.
>
> This represents an increase of 16,049,000 or 10.6 percent since the last census April 1, 1950. It is a rise of 2,814,000, or 1.7 percent, from March 1, 1955.

Mr. Chairman, the implication is obvious. The increase in population of nearly 3 million per year will eat deep into any food surplus which we are fortunate enough to possess.

Nor may we forget that grim nature has a way of curtailing production that is beyond the forecasting ability of any group of men, be they legislators, farm experts, or hardworking dirt farmers. Floods, droughts, dust storms, tornadoes, hail storms, and insect pests may devastate farm crops—sometimes at the very day of harvest.

Then, with more than 167 million people dependent on those same crops for their food, what will become of the much-assailed surpluses?

There is not one among us who does not know of some person—an aged citizen; a fellow American deprived of the right to work by accident or disease; an Indian, a ward of our Government—who, if not actually starving, is in need of more wholesome food. These people, who, through no fault of their own, are not eating enough for their physical well-being should be fed from the surpluses which we now have on hand. That would further cut down on the existing CCC stock.

In the present unsettled condition of the world we must always look to the familiar Boy Scout motto and "Be Prepared." Who knows what disaster may strike our friends and allies overseas? Famine may stalk in India. The Netherlands may again be flooded. As a Christian nation we have always stood ready to be a friend in need. We could trade off much of the so-called surplus for strategic materials or items of value. Nor may we forget the threat of war. My heartfelt prayer is that war will never again take the lives of American youths and destroy our hard-won resources. But—if it does come—our farm surpluses will vanish overnight, like snow before the sun.

Last—but not least—the farmer, himself, must be considered. Removing land from gainful production is driving farmers who have the know-how away from the land. If controls are necessary at all, they should not be so severe as to deprive us of this important segment of our population. Certainly, the family farm is the cornerstone of our agriculture production. The least we can do is to give the farmers with the larger families to support additional producing acreage to support them.

Mr. Chairman, more than 4,000 years ago, a great man visualized the problem of surpluses. That great man met the problem of surpluses and solved it.

Permit me to quote a few verses from the Bible. It is the 41st chapter of Genesis, beginning with the 25th verse. Joseph is interpreting the Pharaoh's dream.

> And Joseph said unto Pharaoh, The dream of Pharaoh is one: God hath shewed Pharaoh what he is about to do.
>
> The 7 good kine are 7 years; and the 7 good ears are 7 years: the dream is one.
>
> And the 7 thin and ill-favored kine that came up after them are 7 years; and the 7 empty ears blasted with the east wind shall be 7 years of famine.
>
> This is the thing which I have spoken unto Pharaoh: What God is about to do he sheweth unto Pharaoh.
>
> Behold, there come 7 years of great plenty throughout all the land of Egypt:
>
> And there shall arise after them 7 years of famine; and all the plenty shall be forgotten in the land of Egypt; and the famine shall consume the land;
>
> And the plenty shall not be known in the land by reason of that famine following; for it shall be very grievous.
>
> And for that the dream was doubled unto Pharaoh twice; it is because the thing is established by God, and God will shortly bring it to pass.
>
> Now therefore let Pharaoh look out a man discreet and wise, and set him over the land of Egypt.
>
> Let Pharaoh do this, and let him appoint officers over the land, and take up the fifth part of the land of Egypt in the 7 plenteous years.
>
> And let them gather all the food of those good years that come, and lay up corn under the hand of Pharaoh, and let them keep food in the cities.
>
> And that food shall be for store to the land against the 7 years of famine, which shall be in the land of Egypt; that the land perish not through the famine.

Mr. Chairman, the table from the Department of Agriculture which I have recently presented to you shows, beyond the shadow of a doubt, that the concept of a topheavy surplus of farm crops is an entirely imaginary concept.

The problem before us is—and it will continue to be—not "How shall we get rid of the surpluses we have?" but "How can we best use these surpluses for the advantage of America and the enduring benefit of mankind?"

Mr. FISHER. Mr. Chairman, I strongly support the Albert amendment which could include grazing land in the soil-bank plan. If there is to be a soil-bank plan, it is only proper and right that range land should be included.

That is particularly true in the drought-stricken areas of the country. That includes millions of acres which have been scorched by years of dry weather and which are vulnerable to heavy rains and floods. It is of the highest importance that the top soil be preserved as much as possible, and that can only be accomplished if the land is permitted to be idle, or at least have the grazing reduced substantially.

Moreover, we have an overproduction of cattle in this country and, therefore, the inclusion of grazing land in the soil bank can serve the double purpose of restriction to production of cattle and, at the same time, helping preserve the soil and enable the restoration of grass and other vegetation when the rain does come. There can be no program for soil conservation in the ranch country that will contribute more at this time to sound soil conservation than deferred grazing. I earnestly hope the amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. Albert].

The question was taken; and on a division (demanded by Mr. Halleck) there were—ayes 103, noes 66.

So the amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Cooley: Page 11, line 17, strike out all of lines 17 through 21 and insert:
>
> "(b) Compensation shall be paid to any producer for participating in the acreage reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year."

Mr. COOLEY. Mr. Chairman, I think this is perhaps the most important section which will be in issue here today. The section that I am seeking to amend or change was written in conference. It seems to me that every Member of this Congress owes the people whom he represents the duty to guard the taxpayers' money.

It was originally suggested that we should give to the Secretary $1.2 billion without any restrictions or limitations and permit him to use that fund just as he determined it should be used. Immediately, as I am sure most of the Members know, it was referred to as a slush fund, that the Secretary would use it for political purposes. And a lot of other things were said. So in conference, the 5 House Members and the 5 Senators sat down to consider the matter and to write into this bill some safeguards. We concluded that the section that appears in the bill now before us was then and there acceptable. It provided that the Secretary should not pay farmers until the Secretary had determined that the farmers had kept faith with the terms of the contract. It seemed to us that that was a reasonable requirement.

The language in the bill itself provides that no compensation shall be paid to any producer until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

What I propose to do by my amendment is to change that section so as to read this way:

> Compensation shall be paid to any producer for participating in the acreage-reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage-reduction requirements of such program for such year.

It might appear that that is a very slight change, but it occurs to me that that is a very important change. I believe that we are now actually faced with this situation.

Are we going to have a soil-bank program in 1956 or not? The Secretary of Agriculture has finally accepted the idea of a soil-bank program. He tried to impress its importance upon the people of America. While some of us have misgivings about the effectiveness of such a program, this program was brought to this House free from all partisan politics. No one can say this bill we now have under consideration is the brain child of a Democrat, nor can he say that it is the brain child of a Republican. This bill represents the hard labor of those of us on the conference and those of us on the committee, and when the roll was called and the final vote was taken in the committee, not a single man in either party voted against the bill we now have here. So we can have satisfaction and be happy in the glad thought that at last we have here a bill that, insofar as the House Committee on Agriculture is concerned, has been stripped of all party considerations.

Are we going to have a soil-bank program this year or not? If you want a soil-bank program this year, if Mr. Benson wants a soil-bank program this year, you should vote for this amendment and you should vote down all substitutes.

Under this proposition, if a cotton farmer wants to retire 10 acres of cotton he can announce it next week, and when cotton-planting time is over, which is only a short time away, he can be checked for compliance. When the Secretary through his agents finds that the man has actually reduced his acreage 10 acres, they give him his marketing card to sell his cotton, and they can give him his soil-bank check right then.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. Cooley was given permission to proceed for 5 additional minutes.)

Mr. COOLEY. That means that the farmer will get these checks in July, August, September, and all through the rest of the year.

I am not willing to admit that the soil-bank program must be postponed until 1957. I am about to believe that Mr. Benson does not want the soil-bank program to go into operation in 1956. If he does, here is his opportunity to do so.

Down in the far South some crops have been planted, but under this provision farmers can plow up those crops, crops that are now in surplus supply, and if we come in here with this advance payment, this installment-payment proposition, that is only proposing to give to the farmer something this year that you are going to take away from him next year.

Do not believe that the farmers are not intelligent enough to know why that is being done. I think they will ask you and me, "Why didn't you provide a soil-bank program for 1956?" You cannot say to them, "Oh, it was too late. The Committee on Agriculture dragged its feet and did not bring the bill to us in time." Then they will come back to you and tell you your Secretary did not present the bill until the 27th day of February 1956, and even up to now not a single Republican in this House has been willing to become the author of that bill nor to adopt the baby and to take it to his breast and claim it as his own. That is the kind of Secretary that we have. He is still a millstone around your neck and you know it. Now is the time for you to say to him you are the elected Members of the legislative branch of this Government and that you have your responsibility as some of you on your side of the aisle have done.

I have seen great demonstrations of courage in this House during the time I have been here. There are some members of my committee who have grown in stature and power and influence here because they have stood up for their people in their home districts. Here is the soil bank—you propose to give them a partial payment. I am proposing to give them full payment and to give it to them this year—right now—not next January, February or March. If this proposition that I am submitting to this House does not do what I say it will do, I challenge anybody to prove wherein I am wrong. Whoever heard of coming up here proposing to pay a man half of what he is going to earn or what he might earn next year and to take away from him by dilatory tactics and unwarranted delay, the right for him to earn the money—and all of it—in the year 1956. In introducing this, I am not prompted by partisan politics. I respect Mr. Benson as a gentleman and I respect his office and the high position that he holds, but I feel the responsibility to the farmers of America. I believe that if you adopt this amendment and defeat these advance payments the other body will probably take the bill just as it is passed here today and will send it on to the White House and leave the matter in the hands of the Secretary to administer. I cannot for the life of me see why the administration or anyone speaking for the administration would advocate the soil bank as it has been advocated, and then when you come face to face with it, you say, "We will put it off until next year, but we will give the farmer half of what he would earn in the year 1957."

I have no interest in this proposition which should not also be your own interest. I congratulate the Republican members of my committee for rising above the passions of partisan politics and standing up like statesmen and voting for something they know is right. There was not a single effort in the committee by any member on either side to play politics. This is no time for petty purposes. This is no time for petty politics. It is the time, I think, that challenges our very finest virtues and patriotism. I ask you to vote for my amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

> Amendment offered by Mr. Hope as a substitute for the amendment offered by Mr. Cooley: On page 11, line 17, after the word "No", insert "Final."

Mr. HOPE. Mr. Chairman, I have listened with interest to what has been said to you by the distinguished chairman of our committee, the gentleman from North Carolina [Mr. Cooley] with respect to his amendment. His amendment is an effort to avoid voting upon the question of whether or not there will be prepayment under this program. If I understood him correctly, he would have you believe that unless his amendment is adopted there is no way that there could be a 1956 soil-bank program. But the adoption of his amendment will have no effect whatsoever upon the question of whether there will be a 1956 program, because the language in the bill itself in section 103, and in other sections, definitely provides for a program for 1956 by saying the Secretary of Agriculture is authorized and directed to formulate and carry out an acreage reserve program for 1956, 1957, 1958, and 1959 on crops of wheat, cotton, and certain other crops. So that there is no question at all but what the program is authorized for 1956, and the language which has been offered by the gentleman from North Carolina [Mr. Cooley] makes no difference one way or another. But, more than that, let me call your attention to the language on page 4, line 21, which reads:

> Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary.

What does that mean? That means that in the case of any crop eligible to come under this program, which has already been planted, if we enact this legislation the farmer can plow it up or clip it or mow it or prevent the crop from coming to maturity, and collect his 1956 payments. So you could not ask for or you could not get any more authority than is already contained in this legislation with respect to payments for 1956.

The purpose of my substitute amendment is preliminary to an amendment which I expect to offer a little later on, as soon as I can be recognized after this amendment is disposed of. My amendment is to subsection (b) on page 11. It inserts the word "final" in the first line so that, as amended, the subsection would read as follows:

> No final compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

If you put that word "final" in there, that will make it in order for me to offer the other amendment later, which will provide for prepayments.

I would like to read the amendment that I intend to offer to provide for prepayments, but I will not discuss it at any great length at this time. The amendment is as follows:

> On page 25, line 2, after "116 (a)"—

That is merely a clarifying provision.

Then on line 8, after the end of the section, insert a new subsection, as follows:

> (b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation reserve program.

An effort has been made here to lead you to believe that this is purely a political provision with the design of paying out money without any insurance that the program will be carried out or that the soil-bank program will go into operation. Let me call your attention to the fact that practically anyone who goes into the soil-bank program is going to be put to some initial expense. If a man goes into the conservation reserve he is going to be required to plant legumes or soil-building crops, or plant trees, or carry out some operation which would require him to cultivate the soil, purchase seed, fertilizer possibly, and in addition to that in all probability would be required to build fences, because he cannot permit this land to be grazed; he will have to fence it out of his other farm operations.

Is there anything wrong after a man has signed a contract in permitting him to receive a payment which will compensate him for at least part of those expenses he will incur before it is possible for him to receive full payment?

It is necessary in a situation of that kind for the farmer to spend money. He may have it; if he does he probably will not make application for advance payment. He may be able to borrow it, and in that case he may not make application for advance payment, but why should he pay interest if he is entitled to an advance payment after he signs the contract; and, of course, he cannot receive any advance payment until he does sign a contract.

That is certainly not an unusual situation as far as ordinary business transactions are concerned. Many business contracts have a provision for a first payment when the contract is signed.

It may be felt that perhaps the Government is in danger of losing some of the payments that may be made, but the experience of the Government so far has not indicated that, and there are ways by which the Federal Government can collect from the farmers themselves even without a suit in many cases if they have been paid and do not follow it up with performance. That recourse is found under those provisions of law which allow the Government to offset any indebtedness which the farmer owes the Government, and in most cases since the farmers who go into this program are producers of the basic crops they will be farmers who have the right to obtain loans. They will have the right to ACP payments, and in most cases there will be ample opportunity in my opinion for the Government to offset any losses, should any occur. I do not expect that many will occur, because I do not think many farmers would sign a contract and not go ahead and carry it out; nor do I believe there are many Members of the House who believe that these defaults will happen.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the chairman of the committee.

Mr. COOLEY. I would like to ask my friend from Kansas what objection he has to the amendment I offered which makes it perfectly clear that we intend that the Secretary shall pay to the producers for participating in the program in 1956, if indeed they do participate and comply? I would like for the gentleman to say whether or not he sees anything bad about this proposition. If the gentleman is correct in saying that the Secretary may pay under the soil-bank program in 1956, this only provides that he shall do it and shall pay the money after the producer has complied with the reduction in acreage stipulated in his contract.

I know that the gentleman's amendment goes further and will make my amendment ineffective, if adopted. Then the soil bank will be in doubt in the future. We will not know whether it is going to be put in or not. No farmer will be able to say whether he will cooperate with the program. I would like to have an outright vote on the advance or prepayment proposition. If the gentleman could withdraw his amendment now pending and let my amendment be adopted, it would be in the bill in lieu of subsection (b), then we can discuss the merits of the prepayment proposition and that alone.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. Cooley. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas [Mr. Hope] be allowed to proceed for 6 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOPE. The point I am making in connection with the gentleman's amendment is that it was apparently offered on the theory it is necessary in order to insure a soil-bank program for this year. It is not necessary because there is ample authority in the law right now, not only for farmers who plant crops after this time but for farmers who have planted crops previous to this time. I am sure the gentleman knows that the Secretary of Agriculture is anxious to start this program, the President is anxious to start it, and there is no doubt at all but what it will pass in time permitting the program to go into effect in 1956. It will go into effect; therefore there is no need for the gentleman's amendment. I think my amendment is very necessary and very important so that if we adopt the prepayment provision there will not be a conflict of language in the bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Indiana.

Mr. HALLECK. In specific response to the gentleman from North Carolina, I would say there is not anything bad about his amendment. The trouble with his amendment is there is not anything good about it. The substitute offered by the gentleman from Kansas would fit in with the pattern for advance payments that the gentleman contemplates offering. I will demonstrate to the gentleman that his amendment does nothing more than change a few words. If Members have a copy of the bill, it is in the negative. It says:

> No compensation shall be paid until there is compliance.

He just simply changes it to the affirmative and says:

> Compensation shall be paid when there is proof of compliance.

You use the word "until" in the negative and you use the word "when" in the affirmative. It does not make any difference at all. It does not change the accomplishment of the language in any particular. It is fiction and not fact. It is the difference between tweedle-dee and tweedle-dum. Maybe it is calculated to confuse some people as to its effect, but I do not believe it will confuse anybody. If you will refer to page 11 and look at subsection (b) I think you will have to agree with me that when you say "No compensation shall be paid until" it is no different from saying "Compensation shall be paid when" because both depend on the accomplishment of the acreage-reduction requirement, which is not advance payments. So I say with reference to the gentleman's amendment standing by itself, there is nothing bad about it and there is nothing good about it because it does not change the effect of the language in any single particular.

Mr. COOLEY. Mr. Chairman, I would like to say I was prompted to offer this amendment by the fact that it has been clearly indicated on the radio that the President in advocating this advance payment program was looking forward to starting the soil bank in 1957. There is not any argument between me and the gentleman from Indiana about the language and the effect of the amendment of mine. There is not any argument between me and my beloved friend from Kansas with regard to the fact that in the bill the Secretary does and will have authority to put the soil bank into operation in 1956. My amendment will say in effect that compensation shall be paid in 1956 if the man complies.

I just want to emphasize the fact that there is no argument between me and the gentleman from Kansas [Mr. Hope] about the proposition that the soil-bank provision is in the bill regardless of whether my amendment is adopted or not. But, I did want to offer this amendment to make it perfectly clear that the House wanted the Secretary to put it into operation in 1956. Now, if the Secretary cannot put it into operation, I assume that he will say so. My amendment is perfectly harmless, but it will make it clear that we want him to do it if he can and if he does we want the farmers to receive their payments in 1956. Now, that is where we stand.

Mr. HOPE. Mr. Chairman, I hope that the committee will adopt the amendment which I have offered as a substitute which, if adopted, will then make it possible without conflict to adopt the provisions of the prepayment amendment that I expect to offer at an appropriate time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope I can point out why it is necessary to put the Cooley amendment in this bill. If you will refer to the bill, you will find that the Cooley amendment relates to section (b) on page 11 and specifically says in positive words that the Secretary shall make payment in 1956 for compliance with the soil bank provisions this year, and that that payment shall be made as soon as compliance is determined. Compliance is ordinarily determined along in July and August. We now have to go through with the procedure of compliance. You cannot now sell your allotted crops until you have shown compliance.

Now, if you will look over on page 25 of the bill, you will find there is another section, section 116, which section has not been amended. The gentleman from Kansas assumed that it was going to be amended sometime in the future, but it has not been amended, and section 116 provides that "Subject to the provisions of section 105," and that is the section to which the Cooley amendment relates. This section 116 provides that the claimant must certify that he has complied not with the acreage requirements but with all requirements for such payment: "That he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true."

Now, to comply with all of the requirements, you have got to let the full term of the contract expire before making any payments because the contract provides that there shall not be any use of the land during that period of time. Consequently, the Secretary cannot, under the terms of section 116, make payments contemplated in section 105 unless you amend section 105. He can then do it, because section 116 is predicated on section 105 and says "Subject to the provisions of section 105." Consequently, you would require the Cooley amendment in order to make applicable the things in section 116 that the gentleman from Kansas assumed would be taken care of at some future date but which have not been taken care of and are taken care of by the Cooley amendment.

Now, I know the gentleman from New Mexico is asking me to yield and I want to yield to him, but first I want to commend the gentleman from Oklahoma [Mr. Edmondson], because I want to say in all fairness that the gentleman from Oklahoma more than any other Member in this House had to do with the shaping of this proposal, and I think he has offered some very constructive thinking on an important plan.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It seems to me that the Hope amendment, the one-word amendment we are now discussing, inferentially gives the right to the Secretary to make advance payments even without the subsequent amendment.

Mr. POAGE. Frankly, I do not see anything to the Hope amendment, with all of my high regard for the distinguished colleague from Kansas, except simply, as the gentleman from Indiana says, adding a little further confusion to an already confused situation. I think the whole purpose of it was simply to try to get the thinking of the House away from the importance of the Cooley amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I appreciate the kind remarks the gentleman has made with regard to the small part I had in this particular section. May I ask the gentleman this question? Can you not boil down the difference between the Hope amendment and the Cooley amendment, considering the provisions of this bill as a whole, to this simple fact? If you are for an effective and operating soil bank that will put 100-percent payments into the pockets of the farmers in 1956 you will be for the Cooley amendment and against the Hope substitute.

Mr. POAGE. Exactly. There would never have been any Cooley amendment had there not been a great deal of movement on this side of the aisle suggesting that we had to go and grab some money from next year to pay out before the 6th day of November this year. Had those maneuvers not started nobody would have supposed that the Secretary was even thinking of not using the authority already in the bill. But after they raised the doubt—and I must say the gentleman did a very excellent piece of work of raising the doubt in the minds of the newspapers and the public of the United States, as to whether the Secretary actually had any authority to do anything this year—after they raised the doubt, there was nothing we could do but try to answer it, we are now simply trying to clear up that doubt.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it has been evident as we have gone along today on what certainly has been something of an explosive issue around here for a number of weeks, if not months, that we have fairly well avoided politics and I think have been operating in good fashion to bring to passage some sound farm legislation.

I do not want by what I say here to do anything that would get this matter into the area or the realm of politics. I think all of us have recognized from the beginning, from the opening of this session in January, that the farm price situation, the cost-price squeeze of the farmer was probably the softest spot in our economy. We recognized that the farmer was not sharing in what for most areas has been a high degree of prosperity. So we wanted to do something about it. And generally speaking, the things we sought to do first involved some relief this year because of the urgency and immediacy of the situation.

Then we sought to deal secondly with what might be described as the long-range parts of the program, with proposals that would attack the fundamental difficulties that beset us. And certainly the soil bank is one of those.

Now I want the amendment of Mr. Hope to be adopted. I am not supporting it with tongue in cheek. I am for it because I think it will be good for the farmers this year. In contemplation of it, without casting any blame on anyone—some can say the administration was too slow and the Department was too slow, and others might say that Congress was too slow—but I think this plain fact yet remains, that we have progressed so far into the crop year of 1956 that the opportunity is pretty much gone for a farmer to come into the soil-bank plan and get along so far as to establish compliance so that he can be paid under Mr. Cooley's amendment or the bill as it is written. When that fact became apparent it was suggested, why not then arrange for certain advance payments to be made to the farmer after he enters into his contract and as he begins performance of his contract with the Government?

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question?

Mr. HALLECK. I yield to the gentleman.

Mr. EDMONDSON. I would like to have the gentleman explain to me, if he can, how a tenant farmer or a renter from year to year could legally contract with the Government for the retirement

of acreage in the next year, beyond the time of his rental contract, to qualify under this acreage reserve program.

Mr. HALLECK. I take it that if he was not qualified to contract he could not come in under the soil bank anyway. But I am sure he can come in. If he was qualified to contract, that contract becomes binding upon him and likewise upon the Government, and as he performs on that contract he could receive program or advance payments.

This is the simple proposition we are down to, and the adoption of the Cooley amendment does not change it. Do you want to go along with a plan that I say is sound and make possible some advance or progress payments to farmers this year or not? Here is a contract by the Government with the citizen under which the citizen agrees to do certain things. From the time he signs that contract he is obligated to pursue the provisions of the contract, and, as the gentleman from Kansas so well pointed out, immediately in connection with these contracts he is going to begin to spend money in performance of the contract. It is going to cost him money. The amendment that will hereafter be offered by the gentleman from Kansas is simply an effort to tie the advance payments in with the expenditures of money that the farmer will begin to make under his contract with the Government.

Is there anything strange about that? Contractors with the Government start getting paid as their work progresses. The final payment is held up until the whole contract is completed. When the contract is completed they get final payment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. Halleck was given permission to proceed for 5 additional minutes.)

Mr. HALLECK. The subsequent amendment will make it possible for the Government, the farmer having contracted, having entered upon the improvement of his land, with the expenditures necessary to comply with this contract, to say to the farmer, "We shall pay you as you go along an advance payment up to 50 percent. Then, of course, the remaining 50 percent will not be paid to you until you have completed your contract and performed in compliance with your contract as contemplated in the legislation."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman is now discussing the next amendment to be offered by the gentleman from Kansas [Mr. Hope].

Mr. HALLECK. That is right.

Mr. COOLEY. I was just going to suggest that it might be well if we agree that Mr. Hope shall by unanimous consent for the moment withdraw this pending amendment so that we can vote on the question the gentleman is now discussing, with the understanding that we shall return to this section if the Hope amendment is adopted. It would seem to me that would make it so clear. Here is confusion. Let me withdraw my amendment and Mr. Hope withdraw his amendment, and let the matter be in abeyance until we vote on his prepayment amendment, and then we can come back to this amendment.

I have no love for my amendment. I was offering it in the hope that I might be helpful. I agree with the gentleman that it may be tweedledee and tweedledum that we are raising a lot of rumpus about, anyway.

Mr. HALLECK. I realize that. Actually, may I say to the gentleman from Kansas [Mr. Hope] I was seeking recognition on the subsequent amendment to be offered at the time the gentleman from North Carolina claimed the floor.

Mr. COOLEY. I had not been advised of that.

Mr. HALLECK. Certainly, as far as I am concerned, I want to expedite the situation, but I think, since we have gone this far with these two amendments, the gentleman's amendment and the substitute, we might as well dispose of them. I do not know whether it is going to make any difference how anyone votes on this subsequent amendment as to what happens here now, but as a matter of orderly procedure, may I say to the gentleman from North Carolina again, and in all humility, I do not think his amendment changes this section one single bit. It just switches it from the negative to the affirmative, and the conditions are still there. It would not enable anybody to get any more money in 1956 than he would get under the language as presently written.

On the other hand, the amendment offered by the gentleman from Kansas as a substitute is the orderly procedure because there should not be a prohibition here against paying a man an advance payment and then subsequently writing in a provision for making an advance payment.

Mr. Chairman, I would like to say just another thing or two in connection with this whole matter at this time. It should be understood that the amendment subsequently to be offered by the gentleman from Kansas is not merely for 50 percent advance payment on what is done in 1956—it continues as long as the legislation continues. It would provide for advance payments in 1956 as contracts are entered into in 1956 to be finally completed in 1957. It would provide for advance payments in 1957 for contracts to be completed in 1958. It recognizes a continuing responsibility on the part of the Government and certainly a desirability from the standpoint of the individual as against the Government that once he enters into a contract and begins performance and begins paying his money, then the Government in all equity should say to him, "All right, we are going to make percentage payments to you as you go along." There have been several suggestions that this might open the door to widespread fraud on the Government. I have seen enough of farmers and enough of their actions in respect to their obligations to the Government that I am not going to indict the farmers of this country by saying to them, "We are afraid to trust you with these advance payments. We think you have a right to have them as you begin to spend your money to perform the contract, but we are not going to trust you because we are afraid you will run out on the contract." I do not think the farmers operate that way. Actually and likewise, as the gentleman from Kansas pointed out, we have quite a number of farmers in debt—young GI's who started out. They have obligations to meet. Where are they going to get the money to build the fences to fence in the land that is going to the soil bank? Where are they going to get the money to buy the seed to comply with their contracts? Where are they going to get the money to buy the gasoline to operate the machinery? Mr. Chairman, I just want to make this final statement. The provision offered by the gentleman from Kansas will provide the money that the little farmers—the farmers generally need in the performance of their contract.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I would like to suggest I very sincerely believe that if the House will agree for me to withdraw my amendment and for the gentleman from Kansas [Mr. Hope] to withdraw his substitute amendment, then we can then consider the Hope amendment which contemplates prepayments. And, in the event that that amendment is adopted, I think I would have no objection to just abandoning my amendment and accepting Mr. Hope's amendment.

Here is where we are. We are discussing the very important prepayment proposition which is not even before us at the moment. If we can get this pending amendment out of the way, we can come to the prepayment amendment. We could settle it and then pick this up. I would then have to accept Mr. Hope's amendment and would withdraw mine. I did not know and I had not been advised that Mr. Hope intended to introduce this amendment at the time he was on his feet when I was recognized. I do not see how anybody could object to this procedure because it makes it crystal clear what we are doing.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. Do I understand that what the gentleman wants to do now is that the gentleman from Kansas [Mr. Hope] withdraw his substitute amendment and the gentleman from North Carolina will withdraw his amendment?

Mr. COOLEY. That is right. Then the gentleman from Kansas could introduce his prepayment amendment.

Mr. HALLECK. Do you see any possibility of misinterpretation in that language which is a prohibition in subsection (b) which says no compensation shall be paid until there is compliance. Obviously, the amendment that Mr. Hope will offer contemplates payments before the matter of compliance is reached. If his amendment has these words "notwithstanding any other provision of law"—my only thought about it is that it is just a little awkward to have what would seem to be a prohibition and which I think is a prohibition, and then subsequently provide for an arrangement under which that prohibition would not apply.

Mr. COOLEY. If the gentleman will permit me to proceed for a second—if the prepayment amendment prevails, certainly, I am not going to take advantage of any technical language in the bill. We will correct the bill so as to fully recognize the proposition.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment for the time being.

Mr. HOPE. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to withdraw the substitute which I offered to the gentleman's amendment.

The CHAIRMAN. Without objection, both amendments are withdrawn.

There was no objection.

Mr. HOPE. Mr. Chairman, I offer an amendment, which I have sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Hope:

Page 25, line 2, after "116", insert "(a)."

Line 8, after end of section, insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

The CHAIRMAN. The gentleman from Kansas is recognized in support of his amendment.

Mr. HOPE. Mr. Chairman, this matter has already been discussed to some extent. I want to take the few minutes I have at my disposal to point out that this amendment does not contemplate a great lot of payments in 1956 on 1957 crops, or anything of that sort. I know the statement has been going around that there will be payments a year in advance, and all that kind of thing. Perhaps it would be possible under this amendment for some farmer who is going to put out a spring crop next year to make an agreement during this year by which he would agree to take some of his acreage out of production in 1957. That might happen. He might want to put legumes in it this fall; he might want to fence it. He might want to plow it. In any event, he would be required to make some commitments and some expenditures for which he certainly would be entitled to be reimbursed if he had signed a contract.

Of course, there will be fall crops planted, such as wheat and winter barley and winter oats. In that event, certainly if the farmer lays out his land, fences it off, and takes it out of production, he is entitled under those circumstances to receive payments. But it is not out of the way for him to receive advance payments for doing that. Instead of incurring an indebtedness or using funds which he badly needs for other purposes he can have these advance payments.

I have been speaking of the acreage reserve. I think it is even more likely in the case of the conservation reserve that the farmer would find it to his advantage to receive prepayments.

With respect to lands which might go into the conservation reserve a farmer might decide to plant trees this fall. That would require quite an investment not only in the purchase of nursery stock but also in the preparation of the land for that purpose and fencing it as well as other expenses. He might want to plant a legume crop this fall on his conservation reserve, and certainly he would incur a considerable amount of expense before he could possibly be said to have complied so that he could receive a full payment.

There may be certain cases where the farmer wants to carry out conservation practices on his land where there may be several practices necessary and as one is completed there is no reason why he should not receive payment for that practice, and as another is completed he could receive payment for that practice. So there is no reason that I can see why anyone should be fearful; and I am rather surprised that there exists apprehension that these advance payments will be made in anything other than a straightforward way or for other than legitimate purposes.

The fact is if this program should be used in a political way it would defeat that purpose. The farmers of this country are not for sale, and if they get the least idea that a program of this nature is going to be used for political purposes then it would certainly redound to the discredit of the political party that happened to be in power at that time.

Mr. EDMONDSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we will make one of the greatest mistakes we ever made if we really want a soil bank, an effective soil bank in 1956, if we adopt the amendment offered by the gentleman from Kansas.

One of the things we are going to do immediately is create a discrimination against a large group of farmers who are farming from year to year, the tenant farmer or the renter renting from year to year. Legally he could not enter into a contract with the Government as to what was going to be done with that land the next year. I call this to the attention of the gentleman from Indiana as a practical matter: If you have a contract for the use of land for 1 year you cannot contract for what is going to be done with that land the following year.

Just what is the answer to that under this advance payment contract I do not know. I do know however that this plan is not fair to the tenant farmer, it is not fair to the renter who has a 1-year contract, and most of our contracts in my part of the country for renters or tenant farmers are 1-year contracts; and I believe that is so in most sections of the country.

Mr. ARENDS. If the gentleman will yield I may be able to provide him part of the answer. Out in our part of the country the landlord and tenant must enter into agreement as to whether or not they want to go into the soil bank program. If the landlord wants to go into the program, the tenant goes in. If the tenant wants to go in and the landlord does not, neither will go in. It gets down to the proposition that the tenant either wants to farm the land the way the landlord wants it operated or he will look for another farm to rent. Good tenants have no difficulty in reaching agreement with their landlords as to the best thing to do.

Mr. EDMONDSON. Mr. Chairman, I decline to yield further as to that particular point, because the gentleman is stating a situation which is no answer to the argument that the Hope amendment is unfair to the tenant farmer and the renter on a 1-year contract.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I am very much concerned about this particular matter. There are perhaps 100,000 farm tenants in the district that I represent, and this provision would bar them from participation in the program in 1957. We have a provision in the bill before us that requires an equitable sharing as between the tenant and the landlord in any type of soil-bank payments. But tenants never contract beyond 1 year with the landlord for the use of the land. If the landlord gets advance payments he can comply only through the cooperation of the tenant. There is no way in the world to work the thing out where the tenants would get a fair assurance of proper treatment, and there is no way for it to be worked out where the landlord could be assured of having his compliance.

Mr. EDMONDSON. The gentleman from Indiana raised a point to the effect that we have progressed so far into the 1956 crop year that the opportunity to comply has passed. That is inconsistent with the statements that have been made on the other side that it will be possible to get the 1956 program going.

This morning I called one of the top agricultural people of the Oklahoma A. and M. College with regard to planting in our section, which is a fairly central part of the United States. He said they are beginning to plant cotton down in the southern part of the State of Oklahoma, that while wheat has been planted there are many wheat farmers who could and would participate in this program by returning a certain portion of the acreage. He said as to corn most of it has been planted, and there would be many who could comply. Peanuts are not planted as yet in Oklahoma nor in many other parts of the United States. There are many farmers who would welcome the opportunity to participate in this program in 1956 in order to get 100-percent payment, but they cannot get a 100-percent payment unless we do adopt the Cooley amendment, unless we go back to the amendment which Mr. Cooley has indicated he will go back to and offer again if we defeat the Hope amendment.

I say, let us defeat the Hope amendment for prepayment. Let us stay on a responsible fiscal basis with this program. Let us have the farmer do something for what he is paid by his Government in the form of these compensation payments. Let us get our surplus reductions in effect this year. Everyone has been talking about the need for a reduction of these surpluses now by a soil bank. If we adopt the Hope amendment, you will not get anything to reduce your surplus now. You will not get a soil bank in 1956, you will not have the Government getting anything for the money which it pays out to the farmers this year, except by a contract, which many of them as tenant farmers cannot legally enter into for the following year. You will not have a return on your Government investment, you will not have any opportunity under the program offered by the gentleman from Kansas to get a 100-percent payment by the farmer in this year, 1956.

Let us defeat the Hope amendment and go back to the Cooley amendment in order to have a workable soil bank in 1956.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, with 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. Fernandez].

Mr. FERNANDEZ. Mr. Chairman, I just want to suggest that I do not see why a farmer in Oklahoma, for example, in view of the fact that under this amendment he can be paid this year for what he promises to do next year, would limit his planting this year. I think it defeats the very purpose that we are planning to effectuate here. If a farmer is ready to plant this year and he can get paid this year for not planting next year, he has no incentive for not planting this year. In other words, why do today what you can do tomorrow and get paid for today.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Illinois.

Mr. MASON. I just want to serve notice on the House that I shall object to any extensions of time and any transfers of time from now on.

Mr. FERNANDEZ. That suits me very well.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from New York.

Mr. KEATING. The thing that I do not understand about the gentleman's position is this, that under the Hope amendment, as I understand it, there is not anything in the world to prevent this applying to the 1956 crop. Indeed, the amendment is intended to apply to the 1956 crop.

Mr. FERNANDEZ. I did not take a position. I was asking for information. I was asking why a farmer should limit his planting this year when he can get paid now for a promise to do it next year.

Mr. KEATING. He would have to limit it this year in order to get paid for this year.

Mr. FERNANDEZ. Not necessarily. Under the Hope amendment, he could promise to do it next year, plant his crop this year, and get both.

Mr. KEATING. He would naturally want to get paid for both years' crops if he qualified for it.

Mr. FERNANDEZ. I thank the gentleman for trying to answer my query.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. Arends].

Mr. ARENDS. Mr. Chairman, I trust you will adopt the Hope amendment. I think it is important, and it can be of immeasurable value to a lot of farmers throughout the country, particularly in the corn area. Out in the Midwest area we will plant corn up to the 10th, 15th, or 20th of May. Let us assume I call up my renter and say "Let us get into this soil bank program. I think it is good; I think it can be advantageous to us." And, we do go into the program. What is the matter with giving him—the tenant—a part of this money when we make a contract? The county committees can very easily determine and find out whether he has a valid contract and has lived up to its provisions. Suppose the total involved is 20 acres. I say to my tenant "Let us start fertilizing. You are going to pay for half of the fertilizer, and I am going to pay for half of the fertilizer," and by that method we will start building up those 20 acres as the soil bank intends we should do. We will be participants in the soil bank plan for 1956. Today we are saying that we want to help the farmer, and yet some would deny him part of the funds from the contract in order to further prepare for his future programs. We are both in this thing together, landlord and tenant, and what is good for the tenant is good for the landlord and vice versa. And, it will help him start his soil bank participation, and I see no valid reason why it could not be done.

Mr. JONES of Missouri. Will the gentleman yield?

Mr. ARENDS. I yield.

Mr. JONES of Missouri. Does not the gentleman know that what he is proposing to do is included in this bill under paragraph (b), which is left in the bill? He will get all his money this year without the Hope amendment.

Mr. ARENDS. Why wrangle about it? Why not let him get the prepayment immediately, so that he can go out and buy the fertilizer and buy the seed, and whatever he needs to further prepare his idle acres for the future.

Mr. JONES of Missouri. What the gentleman is talking about the farmer can get without that amendment. It is already in the bill.

Mr. ARENDS. Does the gentleman mean that he can get the money when he makes the contract?

Mr. JONES of Missouri. When he complies and takes the land out of production.

Mr. ARENDS. He will not be able to show compliance until the county committee checks. Let us tell him that he can have the money, that he has signed the contract in good faith and then he will be able to go right ahead.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Arends] has expired.

The Chair recognizes the gentleman from Ohio [Mr. Hays] for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Kansas [Mr. Hope].

The Clerk read as follows:

Amendment offered by Mr. Hays of Ohio as an amendment to the amendment offered by Mr. Hope: "*Provided*, That all payments made pursuant to this act in the calendar year 1956 shall be reported to the Clerk of the House of Representatives upon the same dates and in the same manner as other political contributions or political expenditures are required to be reported under the provision of title 2, section 242 of the United States Code."

Mr. HALLECK. Mr. Chairman, I make a point of order against the amendment that it is not germane to the pending amendment and is not germane to any provision of the bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. HAYS of Ohio. Mr. Chairman, I do.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, this amendment is germane certainly because it has to do with the money that they are proposing to prepay. Under a previous administration there was a proposal made one time to pay the farmer directly for participating in a program. That was socialism. But if you pay him directly for not participating, under this amendment that is statesmanship. If we are going to be statesmen, I think we ought to have a little check on it and I think the public ought to know. If anybody is so kind as to contribute to my campaign that has to be listed, and everybody knows about it. If there are to be political contributions made, called prepayments, and that is what this boils down to, the public ought to know that. I say the amendment is germane because it has to do with reporting amounts of money to be paid under this bill and to whom they are paid.

The CHAIRMAN. The Chair is ready to rule.

It occurs to the Chair that the amendment simply provides that any payments made shall be reported to the Clerk of the House. The amendment to which the amendment is proposed is an amendment providing for and authorizing payments to be made. On the question of germaneness it seems to the Chair that the amendment would be germane and the point of order is overruled.

The gentleman from Ohio [Mr. Hays] is recognized for 2¼ minutes.

Mr. MARTIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN. Has not the gentleman from Ohio already used his 2¼ minutes?

The CHAIRMAN. The Chair will state that the gentleman from Ohio [Mr. Hays] was addressing himself to a point of order that had been raised against his amendment.

The gentleman from Ohio is recognized for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, if the distinguished minority leader will pay careful attention, I shall try to convince him why he should vote for the amendment. Before this I was trying to convince the Chair that the amendment was germane.

Mr. MARTIN. Does the gentleman know whether Governor Lausche is for it?

Mr. HAYS of Ohio. I do not know whether he is for it or not. My guess would be, if he knew about it, and he knew that I had offered it, he would probably be against it, because he has a suspicion, somehow or other, that I do not think he has been a very good governor. And if there is any doubt in anybody's mind as to how I feel about that, I think it can be easily dispelled.

Now that we have disposed of that question, let us go back to the amendment. I think the amendment is a good amendment, because there is no question in anybody's mind on this floor, and in the mind of a very few in the country, about what this prepayment is. It is an attempt to do something political at the last minute because of the fact that reports have come in from a couple of primaries that have been disturbing to Mr. Benson. As a matter of fact, I proposed 2 years ago that we do something about a soil bank, and as recently as 6 months ago Mr. Benson sent word up here that a soil bank was no good and would not work.

I was not kidding a little bit ago when I said there has been a lot in the newspapers about principles. Last year Mr. Benson was for rigid principles and flexible supports, but this year he is for flexible principles and rigid supports. If that is the case, I think we ought to have a little safeguard by letting the public know who gets the money and where it goes. If I comply and get any of it, and I hope I can comply on my farm, I will be glad to tell how much I got, and when.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. Cooley], to close the debate.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Texas, the Speaker of the House [Mr. Rayburn].

Mr. RAYBURN. Mr. Chairman, I have great respect for the gentleman from Kansas [Mr. Hope], as I know everyone in this House does. I have been around here a long time. I have watched legislation in this House and I have handled a great many bills in this House. I always tried to know what my bill meant or what any amendments to it meant.

They claimed when this bill came back from the other body it was muddled. If I had to describe the amendment offered by the gentleman from Kansas I would be compelled to say that it is a muddling amendment. If I were strictly playing politics, as I fear some gentlemen on the floor today are doing, I would want to see the Hope amendment adopted, because I think in its administration it will make more farmers mad than any other provision that you could put in any bill. That is because they are going to be talked to, contracts are going to be offered to them, they are going to have to wait and see, and somebody will come back to them next week or next month asking if they have made up their minds.

It appears to me as good legislating, and knowing what we are talking about, if we vote down the Hope amendment and go back and adopt the amendment originally offered by the gentleman from North Carolina [Mr. Cooley]. We would know what we are about. I do not know what we are about in this Hope amendment.

More than that, there are a great many more tenant farmers in this country than there are farm owners. In my country the tenant farmer would have no chance whatsoever to engage in this program because he rents a farm for a year. He rents it from January to January. He does not move until January. When is he going to come in on this program? He will not come into it at all. You might just as well understand that right now when you vote for this amendment.

In the name of good legislation and doing things that we understand, I would ask this House in the name of good legislation and knowing what we are doing to vote down this Hope amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. Hays] to the amendment offered by the gentleman from Kansas [Mr. Hope].

The question was taken; and on a division (demanded by Mr. Nicholson) there were—ayes 102, noes 125.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. Hope].

Mr. MARTIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Cooley and Mr. Hope.

The Committee divided; and the tellers reported that there were—yeas 157, noes 181.

So the amendment was rejected.

Mr. COOLEY. Mr. Chairman, I reoffer my amendment.

The Clerk read as follows:

Amendment offered by Mr. Cooley: On page 11, line 17, strike out all of lines 17 to 21 and insert:

"(b) Compensation shall be paid to any producer for participating in the agricultural reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year."

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes in support of his amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Chairman, I wish to rise and speak in support of section 203 of the farm bill now before the House. This section would specifically authorize the President to negotiate agreements with foreign countries to limit the importation into the United States, products of agricultural commodities such as textiles. This provision was included in the earlier farm bill adopted by Congress, but vetoed by the President, and I greatly hope that this section 203 will be adopted again today. I cannot overemphasize the importance of this provision to the future of the United States textile industry.

The textile industry, including the manufacture of apparel, is America's No. 1 industry. It employs an average of 2.3 million persons, accounting for 14 percent of total manufacturing employment in the United States. The magnitude of this industry, which, with its directly related allied activities, accounts for 1 out of every 6 jobs in American manufacturing, demands our attention. Its economic health is important to everyone. And, unfortunately, the economic stability of this industry is being seriously jeopardized by the tremendous increase in cotton textiles, largely from Japan, which resulted from the 1955 tariff cuts. If action is not taken soon to give some relief to our own textile industry, we may soon find that through excessively low tariffs and lack of prudence we will have rendered useless our own textile industry. And there are many persons who hold that in times of national emergency the textile industry is second only to the steel industry in importance.

There is a very good reason why the textile industry alone cannot withstand the present deluge of cheap Japanese textiles now inundating the American market. The answer is cheap labor. We are proud of the American worker's high standard of living. Just last year, and at the President's request, this Congress voted for an increase in the minimum wage. But need I point out we will be doing American labor little good if we vote to increase the minimum wage and then allow their jobs to be taken away from them by cheap foreign labor. The average hourly wage rate in a United States cotton textile mill is $1.30. In Japan the hourly wage rate is only 13.6 cents. This is one-tenth of the United States cost. This is why the Japanese textiles can absorb tariff rates and still undersell our domestic market. Japan also has new postwar textile machinery. It has the technical know-how. In fact our own American textile industry has willingly participated in the Government's point 4 program to share our technical knowledge with many underdeveloped countries abroad. And this is how the Government is going to repay our own industry—by letting an influx

of imports destroy our own economy? It is the cheap-labor factor which tips the equation balance in favor of Japan. And this situation can only be remedied by the Government keeping the Japanese imports at a reasonable level.

The textile industry has already sought relief from the Government but to date has been denied such relief. The State Department keeps contending it does not have authority to enter into agreements to limit the imports of textiles. The adoption of section 203 today will make it evident to even the State Department that such authority does exist and that it is the intent of Congress that the textile industry of the United States should not have its very life jeopardized by a deluge of foreign goods manufactured from our own agricultural products sold in the world market at competitive prices which are generally below domestic price levels.

If we do not act today there are many thousands of textile workers, now happy and prosperous, who will be forced to become recipients of relief and welfare checks. I urge the House to include section 203 in the farm bill.

Mr. COOLEY. Mr. Chairman, I shall not take the 5 minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. COOLEY. I yield.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. My inquiry is this: Should this amendment be adopted would it then be in order in a motion to recommit with instructions to amend the language of this amendment if adopted by inserting the word "final" before the word "compensation"?

The CHAIRMAN. That is a question the Speaker would decide when the motion to recommit was made. Under the rules of the House, of course, it is not in order in a motion to recommit to amend an amendment previously adopted. This question, of course, would be decided by the Speaker when the motion to recommit was offered.

Mr. HALLECK. I was under that impression. I suspect any further parliamentary inquiry will have to go over until a later time as to the effect of language that might be adopted as a result of a motion to recommit with instructions.

The CHAIRMAN. The gentleman from North Carolina [Mr. Cooley] is recognized.

Mr. COOLEY. Mr. Chairman, may I say that this amendment will put into operation the soil bank in the good year 1956, as it clearly states, if the Secretary determines or when he determines that the producer has complied with the acreage-reduction requirements. He can pay the full amount of money that is due from the soil bank. He does not have to wait for 6 or 12 months. Just as soon as he determines that the acreage requirements have been complied with, he can pay the farmer.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am concerned, as I said before, I do not think the gentleman's amendment makes a single bit of difference in the language of the bill. It is immaterial whether it goes in or stays out. I would not be constrained to make any particular effort about it so far as I am concerned, and I suspect that is probably the idea on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. Cooley].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendment offered by Mr. Cooley:

On page 26, strike out all of line 19 and on line 20 strike out through "Representatives."

On page 38, strike out all of subsection (e) (1) and subsection (e) (2) beginning in line 8 down through line 24.

Mr. COOLEY. Mr. Chairman, I think I can explain these amendments very briefly.

The first one strikes out the following language on page 26, line 19: "for immediate reference to the Committees on Appropriations of the Senate and House of Representatives." That is the language that comes out.

I understand that that will be done in ordinary routine fashion, therefore the language is not needed at all and should be deleted from this bill.

The same situation applies with reference to the language on page 38 which has the same purpose and provides substantially the same thing. The language that we are striking out is just this:

Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Now that, too, is exactly what will happen even if this language is deleted. The Committee on Agriculture certainly would proceed expeditiously and I am certain that the Speaker of this House would properly and promptly and appropriately exercise the powers of his office in making these references. It seems to me the language is objectionable and should be taken out.

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina [Mr. Cooley].

The amendments were agreed to.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Abernethy: On page 51 after line 17 insert a new section reading as follows:

"Sec. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

Mr. ABERNETHY. Mr. Chairman, the purpose of this amendment is to eliminate what I believe to be an injustice to one of the major segments of American agriculture. Six million people of this country, men, women, and children, are interested in the production of cotton.

A few days ago when the President's message came over he saw fit to increase the price supports on several crops after they had already been fixed by the Department of Agriculture. To directly illustrate what I am speaking of, the price support on wheat for this year had been set at 76 percent of parity. Nevertheless, the Chief Executive saw fit to raise that to 83.7 percent or an increase of 7.7 percent of parity. The price support on corn had been set at 81 percent of parity. Even so, the Chief Executive saw fit to increase the price support on corn and place it at 86.2 percent of parity. The price support had already been set on manufacturing milk at about 82 percent of parity—I believe that is correct—and he saw fit to increase that to slightly more than 84 percent of parity. He announced, however, the price supports would range from 82.5 to 90 percent, but the facts are that he applied the absolute floor to only one of the major crops, and that was cotton.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. In view of the fact that the support program is basically designed for the majority of the farmers, and to protect the small farmers, would the gentleman accept an amendment limiting any loan under this program to $20,000 maximum per individual?

Mr. ABERNETHY. Well, I do not know that such an amendment would be germane to this amendment. If the gentleman cares to offer the amendment, it would not affect my particular people, because mine are not that big. The gentleman may if he likes, offer such.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, the Secretary thereafter fixed cotton supports at only 82.5 percent.

Now, I am not going to charge that the President and the Secretary of Agriculture have been absolutely unfair about this thing, but it does appear to me that the largest segment of agriculture in my section of the country—cotton—has been discriminated against. Whether it was intentional or not is not for me to say. I do say, however, that cotton has been discriminated against.

Now, my amendment does not raise to or fix the price support on cotton at the same level that we have on corn. It raises the price support by only 1.5 percent, and that is all. It fixes it at 84 percent of parity. It fixes it at approximately the same percentage of parity that wheat will be supported at. It fixes it at approximately the same percentage of parity that milk will be supported at. And it fixes it at 2.2 percent less than corn would be supported at. That is all there is to it and I hope that the committee will support the amendment because I think the cotton farmers of this country are entitled to the same treatment that has been given these other crops.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Arkansas.

Mr. GATHINGS. In view of the fact that the Secretary of Agriculture wrote a letter to a Member of the other body stating that if certain things were done he would recommend price supports at a figure between 86 and 87 percent of parity for upland cotton in the current year, I do not see how the House can oppose the gentleman's amendment. It is sound. The adoption of the amendment would assist in stabilizing the income of cotton producers which is so badly needed at this time. I hope the amendment of the gentleman from Mississippi will be agreed to.

Mr. ABERNETHY. I think the gentleman makes a good point. The Secretary did send a letter over to the other body indicating that if there were a change made in the base, he would support cotton at approximately 87 percent.

I hope the Committee will support my amendment.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel it should be pointed out in this connection that those who make their living growing cotton have already taken a cut in acreage of more than 35 percent. Actually, it is more than 60 percent from what we had at the high levels back in the thirties. But in the last 3 years we have taken a cut of 35 percent of total cotton production. Corn under this bill will take practically no cut. And yet we are guaranteeing to the producers of corn 86.2 percent of the full parity where they comply. And he has to take only a token cut in order to qualify. The cotton man in order to qualify has already taken 35 percent and must take more. Then he is not going to get 86.2 percent support but only 82.5 percent. The President says it is enough for him to get, but he must take 3 or 4 times as much acreage cut as the man takes in a doubtful corn State.

I only call attention to the fact that we have a discriminatory system under the supports established by the President of the United States and nobody else. I am not putting it on Ezra Benson. He did not establish these supports. The President of the United States established them.

All this will do is to say that the man who is growing cotton on 65 percent of his normal acreage should get 84 percent of parity, while the man who is growing 90 percent of his normal production of corn is getting 86.2 percent support on it. We are just trying to correct only half of the injustice that has been done.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY].

The question was taken; and on a division (demanded by Mr. MARTIN) there were—ayes 127, noes 128.

Mr. ABERNETHY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ABERNETHY and Mr. HOPE.

The Committee again divided; and the tellers reported there were—ayes 168, noes 152.

So the amendment was agreed to.

Mr. JENNINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. JENNINGS: On page 29, line 22, strike out "price supported crops" and insert "agricultural commodities."

Mr. JENNINGS. Mr. Chairman, I support the farm legislation we are considering here today. It has been made more acceptable by the adoption of the Albert amendment, which will permit pastureland to be included in the soil bank, and by the inclusion of section 211, page 41. This latter provision will continue the processing of surplus commodities into a form suitable for home or institutional use. Since last year, under provisions of Public Law 311, we have been processing surplus grain into flour and meal for distribution to the needy. I introduced a bill to provide for such processing and it was supported by a large number of my colleagues.

I wish to offer an amendment which I think will be noncontroversial. It merely changes the wording on page 29, line 22, to read "agricultural commodities" rather than "price supported crops."

There are many of us who do not represent areas where the so-called basic crops, or other crops, are price supported. My amendment means that the crops which are basic to any area will come under this section of this bill.

Many of our farmers feel that they should not be asked to take their land out of production and put it into the soil bank when the Federal Government is engaged in the leasing of its land for the production of surplus agriculture commodities. I must say that I agree with them.

This section of the bill, with my amendment, gives the President the authority, where it is practical, to restrict the leasing of land for the production of agricultural commodities when they are in surplus supply.

As a matter of fact, we have a total of 245,589,000 acres of federally owned grazing land. For farming purposes, we have 1,400,000 acres of Federal land being leased to individuals, who are not paying taxes on that land, but who are producing agricultural products. Much of this production is surplus and all of it is in competition with our farmers who own their land and who are paying their taxes.

Earlier this year, I introduced a bill to prohibit the use of Federal land for the production agricultural commodities, including livestock. I trust that this amendment will be adopted. I think it is needed, and it will make this legislation more palatable to the people in areas who are not being supported and who are not raising price supported products.

I repeat, if we are going to begin a soil bank, let us take the Government's acreage out of production and out of competition with the individual farmer.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. HARDY. I wish to commend the gentleman for offering the amendment. It seems to me it makes a lot of sense. I hope it will be adopted.

Mr. JENNINGS. I thank the gentleman from Virginia.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. I also would like to commend the gentleman for his thorough study of this matter.

Mr. JENNINGS. I thank the gentleman from West Virginia.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MCINTIRE as a substitute to the amendment offered by Mr. JENNINGS:
>
> On page 4, line 2, strike out the word "and" preceding the word "Ohio."
>
> On page 4, line 3, insert after the word "respectively" the following: "And such other field crops as the Secretary may designate."
>
> On page 11, line 24, strike out "$750,000,000" and insert "$800,000,000."
>
> On page 12, line 4, strike out "and" preceding the word "tobacco."
>
> Strike the period following "$45,000,000", replace the same with a comma, and add the following: "and other crops, $50,000,000."

Mr. McINTIRE. Mr. Chairman, as this amendment involves two subsections I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I do not think this amendment is in conflict with the objective of the gentleman from Virginia [Mr. JENNINGS]. I think it somewhat supplements and perhaps strengthens the language of the amendment offered by my colleague.

The objective of this amendment is one which I discussed before the House in general debate yesterday.

This is an amendment which was offered to the committee in executive session and was voted down, but I am in about the same position in that respect as the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], a member of the committee, because that amendment was offered to the committee by the gentleman from Oklahoma [Mr. ALBERT], and it, too, was rejected in an executive session of the committee.

The pending amendment would place the soil-bank legislation somewhat in parallel with the Agricultural Act of

1949. In that act the basic commodities are listed in title I. The designated nonbasic commodities are listed in title II. In title III of that act provision is made for all other commodities in regard to which the Secretary might elect to carry on a price-support activity at his discretion.

This amendment would place at the discretion of the Secretary the authority to place into the acreage-reserve provisions of the soil-bank legislation such other field crops as the Secretary may designate.

Let me call to your attention some of the commodities with regard to which the Secretary in his discretion has set up price supports under title III. If I am not in error, under the authorization of the Secretary in the Agricultural Act of 1949, as amended, price-support activities are in operation on flax, soybeans, dried beans, oats, barley, and grain sorghum.

This legislation, by provisions incorporated in it, will bring within the area of participation oats, barley, and grain sorghums which are commodities in title III of the Agricultural Act of 1949. The amendment which I am offering as a substitute for the amendment offered by the gentleman from Virginia would simply place in the hands of the Secretary the discretionary authority to use the provisions of the acreage reserve on such other field crops as he might select.

May I add this other point. We are dealing in a substantial degree, as we consider soil-bank legislation, a situation in which, in part at least, the objective is the management of inventories of commodities in the hands of the Commodity Credit Corporation. The commodities which would be within the purview of this amendment do not have the facilities of any loan operations and surplus supply must rest on the shoulders of the operator himself. Oftentimes those commodities become burdensome. This provision would provide a vehicle by which at his discretion the Secretary might use the provisions of the acreage reserve section of the soil-bank legislation to be of some assistance in the diversion of acreage out of the production of those commodities.

I would urge the adoption of the amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from North Carolina.

Mr. COOLEY. It seems to me that the gentleman's amendment might be more appropriately presented at some other point in the bill. The section under consideration is entitled "Production on Government Lands Prohibited" and it reads this way:

> The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of lands for the production of price supported crops in surplus supply.

The gentleman from Virginia [Mr. JENNINGS] proposes to strike out "price supported crops" and to insert in lieu thereof two words "agricultural commodities."

Mr. McINTIRE. Do I understand the chairman of the Committee on Agriculture is questioning the appropriateness of my amendment in this section? I may be in error on that.

Mr. COOLEY. Yes. It seems to me there are Members here who might like to vote for Mr. JENNINGS' amendment and might at the same time vote for the gentleman's amendment. I would withhold it for the time being.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maine.

May I ask the gentleman, would it not be more appropriate for him to withdraw his amendment? Let us vote on the Jennings amendment and get that out of the way.

Mr. McINTIRE. I thank the gentleman.

Mr. COOLEY. I think that would be the better way.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to withdraw my amendment in order to present it perhaps at a more appropriate section of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. JENNINGS].

The amendment was agreed to.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MCINTIRE:
>
> On page 4, line 2, strike out the word "and" preceding the word "Ohio."
>
> On page 4, line 3, insert after the word "respectively" the following: "and such other field crops as the Secretary may designate."
>
> On page 11, line 24, strike "$750,000,000," and insert "$800,000,000."
>
> On page 12, line 4, strike "and" preceding the word tobacco, strike the period following "$45,000,000", replace same with a comma and add the following: "and other crops, $50,000,000."

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Under the rules of the House does a man get two 5-minute discussions on the same amendment?

The CHAIRMAN. The gentleman withdrew his amendment, and it has been offered again. The gentleman from Maine is recognized for 5 minutes in support of his amendment.

Mr. McINTIRE. Mr. Chairman, I thank the chairman of my committee for his kindness in straightening me out on the proper place to put in this amendment. I have no further argument on this point, so I yield to the chairman of our committee if he has any questions.

Mr. COOLEY. I would like to say to the gentleman that while I did discuss it with him very briefly here some time ago, I have not given it thorough consideration and I am not in a position to say whether it should go into the bill at this time or not. I would like to hear from some Members on that side to express their views. But, the gentleman is proposing to add an authorization for an additional $50 million; is that true?

Mr. McINTIRE. That is true.

Mr. COOLEY. What other crops does the gentleman anticipate the Secretary might use this $50 million in connection with?

Mr. McINTIRE. At times flax, soybeans, and dry beans might be included. Certainly the commodity which is predominant in my area, such as potatoes, might be included and such other commodities as the Secretary might wish. I will say that my purpose in offering this amendment is far more broad than that of a single commodity. It is my purpose to make this legislation somewhat parallel with the provisions of the act of 1949 which does give the Secretary discretionary authority on all of the commodities, as I have indicated before.

Mr. COOLEY. Of course, the soil bank was directed at the surplus problem primarily; also building up the soil reserve of the country. I do not suppose the gentleman would anticipate that the Secretary would apply the provisions of the soil bank to a crop which was not in surplus supply.

Mr. McINTIRE. No. As I said, Mr. Chairman, I was somewhat constrained to offer this amendment but on the point which you have just made, there was the vote for approval of the amendment offered by the gentleman from Oklahoma [Mr. ALBERT]. Certainly, grazing acres can hardly be considered surplus in comparison to the inventory we are dealing with in relation to basic commodities. On that basis I felt this had appropriateness, also.

Mr. COOLEY. The amendment of the gentleman from Oklahoma [Mr. ALBERT], contemplates not only a reduction in grazing acreage but in livestock population.

Mr. McINTIRE. I appreciate that.

Mr. COOLEY. I am perfectly willing, subject to the approval of my colleague on the committee, the gentleman from Kansas [Mr. HOPE], and subject to the action of the House, of course, to take this amendment to conference and see that it is thoroughly considered, and if it is acceptable, to accept it. I have no particular reason to oppose it, but I would like to hear from the gentleman from Kansas.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Kansas.

Mr. HOPE. I am in the same position as the chairman of our committee. I have not had an opportunity to carefully study the implication of the amendment. I am familiar with the text of it, but the committee had no hearings on it and we have not had enough information for me to form an opinion on it. If the chairman is willing to take it to conference with the understanding that we will make a further study of it before any decision is reached on it, I would have no objection.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield further, I would like to say by way of complimenting my distinguished colleague that I have never known him to sponsor anything that did not have some merit. I am sure he is convinced that this is a very meritorious amendment. But, being in the position I am in at the moment, not having had any hearings on this amendment, I still say it should be more thoroughly considered, and I am perfectly willing to take it to conference and give it more careful consideration.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman's amendment would not apply to any commodity whose condition of surplus and otherwise did not meet the general objectives of the act; is not that true?

Mr. McINTIRE. That is right.

Mr. ALBERT. So if there were a surplus in beans or potatoes or the problem of surplus reduction were present, the Secretary under this amendment would have discretion to give treatment to those commodities similar to that given to other commodities.

The CHAIRMAN. The time of the gentleman from Maine [Mr. McINTIRE] has expired.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to proceed for 1 minute additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. MASON. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. McINTIRE].

The amendment was agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 6, line 2, strike out the period at the end of line 2 and insert "*Provided, however*, That the provisions of section 107 (D) shall apply hereunder."

Mr. CRUMPACKER. Mr. Chairman, this is a relatively simple amendment. All it would do would be to give the farmers the same opportunity to present their case, in the event they are charged with a violation of their contract under the acreage-reserve program which the bill, as written, would give them under the conservation-reserve program.

On page 16 of the bill, at the bottom of the page, under subsection (d) and continuing on page 17, there is the following——

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield to the gentleman from Texas.

Mr. POAGE. So far as I can see, there is nobody around here who would object to the gentleman's amendment.

Mr. CRUMPACKER. Mr. Chairman, I would like to say briefly that there is an elaborate procedure in the section I just referred to for the farmers to be heard and to take an appeal in case the Secretary, acting through the county committees, seeks to terminate their contracts. There is no similar provision under the acreage-reserve program and I think there should be; that the reasons for providing such an opportunity are the same under both circumstances. Therefore I think the amendment should be agreed to, to give the farmers equal rights under both programs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was agreed to.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not intend to offer an amendment. I am for the soil bank, and unless it gets loaded up too much with bad amendments I intend to vote for this bill. I think the soil bank certainly is a present necessity. But I am reminded by hearings now going on before our Foreign Affairs Committee that it is not a final solution to our agricultural problem.

American agriculture is on a net export basis. There are about 40 million acres in the last decade that have been devoted exclusively to export. Unless and until American agriculture can compete in the world markets without subsidies for that competition, we are going to continue to have a farm problem.

I am reminded, and I want to remind my brethren, that our agricultural problem is not only a domestic problem. It is an international problem, since we are on an export basis. That is recognized in this bill.

Section 207 of this bill contributes toward the solution of the farm-surplus problem by providing for reimbursement of the Commodity Credit Corporation for ocean freight costs on products shipped overseas under title II of Public Law 408, the Agricultural Trade Development and Assistance Act of 1954, and by increasing the amount under title II for relief shipments of agricultural products from $300 million to $500 million. As I understand it, this section has administration support. Sections 202 and 203 in this bill do not have administration support. All these sections deal with the foreign aspects of the agricultural problem.

I want to remind my colleagues that in the past 10 years we have shipped abroad under Government programs $12,366,000,000 of agricultural products. The total of exports outside Government programs was $20,777,000,000. Our total agricultural exports during that period were $33,150,000,000. This means that over one-third of the agricultural exports from the United States over the past 10 years have been through Government programs; $11,045,000,000 of that has been grants, where we bought the products from the American farmers at going prices, the taxpayers paid for them, and they were given away in various foreign-aid programs.

Here is a table submitted by the Department of Agriculture to our committee showing the details of these exports:

United States agricultural exports—Grants and sales under Government programs, sales outside Government programs, fiscal years 1945–46 through 1954–55

[Millions of dollars]

Type of export	Bread grains	Coarse grains	Cotton and linters	Leaf tobacco	Fats, oils, and oilseeds	Dairy products	Other	Total
Government programs:								
Grants: [1]								
1945–46	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,365
1946–47	(2)	(2)	(2)	(2)	(2)	(2)	(2)	800
1947–48	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,569
1948–49	991	212	512	107	214	81	185	2,302
1949–50	606	209	695	149	161	33	122	1,975
1950–51	330	133	444	132	55	47	46	1,187
1951–52	191	72	182	56	25	2	52	580
1952–53	97	79	196	10	19	1	34	436
1953–54	123	26	164		23	70	42	448
1954–55	70	24	95	(3)	55	128	12	383
Total grants								11,045
Sales under Government programs:								
Foreign currency sales: [4]								
1953–54 (sec. 550)	40	2	27	27	14		6	116
1954–55:								
Title I, Public Law 480	39	9	10	3	2			62
Sec. 550	32	7	24	11	13		6	95
Sec. 402	81	3	93		6	1	3	186
Total, 1954–55	152	19	126	14	21	1	9	343
Total, foreign currency sales	192	21	153	41	35	1	15	459

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[1] ECA liftings in 1948–49 and 1949–50; paid shipments for ECA, MSA, and FOA regular and special programs thereafter. Army civilian supply shipments; calculated export values for USDA sec. 416 donations; title II, Public Law 480 shipments based on CCC data; lend-lease, UNRRA, Greek-Turkish aid, interim aid, United States foreign relief and International Refugee Organization.

[2] Commodity detail not available.

[3] Negligible.

[4] FOA and ICA data on sec. 550 and sec. 402 shipments; title I, Public Law 480 data based on FAS reports (ICA figures exclude ocean freight).

United States agricultural exports—Grants and sales under Government programs, sales outside Government programs, fiscal years 1945–46 through 1954–55—Continued

[Millions of dollars]

Type of export	Bread grains	Coarse grains	Cotton and linters	Leaf tobacco	Fats, oils, and oilseeds	Dairy products	Other	Total
Sales under Government programs—Continued								
Barter sales: [5]								
1948–49								
1949–50		(3)	8					8
1950–51	6	1	1					9
1951–52	39	4						43
1952–53	9	4		1				14
1953–54	22	9		1	2			34
1954–55	98	23	(3)		3	(3)	(3)	125
Total, barter sales	174	41	9	2	5			233
Loans: [6]								
1948–49			38				4	42
1949–50			22					22
1950–51			12				2	14
1951–52	160	19	94					273
1952–53	33	1	52	10				96
1953–54			113					113
1954–55	10		59					69
Total loans	203	20	390	10			6	629
Total grants and sales under Government programs:								
1945–46	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,365
1946–47	(2)	(2)	(2)	(2)	(2)	(2)	(2)	800
1947–48	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,569
1948–49	991	212	550	107	214	81	189	2,344
1949–50	606	209	725	149	161	33	122	2,005
1950–51	336	134	457	132	55	47	48	1,210
1951–52	390	95	276	56	25	2	52	896
1952–53	139	84	248	21	19	1	34	546
1953–54	185	37	304	28	39	70	48	711
1954–55	330	66	281	14	79	128	21	920
Total United States agricultural exports under Government programs								12,366
Sales outside Government programs:								
1945–46	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,485
1946–47	(2)	(2)	(2)	(2)	(2)	(2)	(2)	2,810
1947–48	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,936
1948–49	327	68	265	119	145	149	413	1,486
1949–50	87	30	224	86	107	81	366	981
1950–51	425	244	484	142	338	106	463	2,201
1951–52	692	245	928	271	364	97	560	3,157
1952–53	547	237	328	264	241	72	584	2,273
1953–54	265	200	376	272	372	86	653	2,225
1954–55	168	173	410	291	419	83	680	2,223
Total sales outside Government programs								20,777
Total United States agricultural exports:								
1945–46	596	146	418	275	124	315	983	2,857
1946–47	894	445	593	326	158	236	958	3,610
1947–48	1,371	375	341	206	188	241	783	3,505
1948–49	1,318	280	815	226	359	230	602	3,830
1949–50	693	239	949	235	268	[7] 114	488	2,986
1950–51	761	378	941	274	398	[7] 153	511	3,411
1951–52	1,082	340	1,204	327	339	[7] 99	612	4,053
1952–53	686	321	576	285	260	[7] 73	618	2,819
1953–54	450	237	680	300	411	[7] 156	701	2,936
1954–55	498	239	691	305	[7] 498	[7] 211	701	3,143
Grand total United States agricultural exports	8,349	3,000	7,208	2,759	3,048	1,828	6,957	33,150

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[2] Commodity detail not available.

[3] Negligible.

[5] Deliveries to contractors.

[6] Pakistan, Afghanistan, Spanish, India, Export-Import Bank, USDA loans.

[7] Include estimates of sec. 416 donations; commodities are not identified by name in official United States export statistics.

NOTE.—All data preliminary; some estimated. Due to differences in methods of valuation, comparisons between programs and total exports do not reflect quantities included. Due to rounding, figures may not add to totals shown.

Source: Trade Statistics and Economic Geography Branch; Trade Policy Division, Foreign Agricultural Service, U. S. Department of Agriculture, Feb. 1, 1956.

These farm products served a useful purpose in our foreign policy, of course, during that period, but I remind my brethren that the most gigantic and effective farm price-support activity of our Government in the past 10 years has been this foreign-aid program of buying up these products at full prices to the farmers and distributing them overseas for relief, war recovery, and defense support. It is when the program began to taper off that we started to have a farm problem in this country.

I want to point out once more to the House that two parts of the proposed bill, sections 202 and 203, are neither sought nor desired by the administration.

Section 202 would reduce the quantity of long-staple cotton that may be imported into the United States. The section would also require the Commodity Credit Corporation to embark on a new export sales program for disposal abroad of its present stocks of domestically produced extra-long staple cotton. Under present circumstances and in the light of all the factors bearing on this problem, the administration believes that writing either of these provisions into law is undesirable.

Special questions are raised about section 202 (a) at this time in view of the expanded consumption, declining stocks and improved competitive position of American-Egyptian cotton in the domestic market.

Section 202 (b) also raises serious questions since it would require an export sales program involving Government subsidies for a type of cotton which the United States has supplied to world markets in only negligible quantities in the past. This governmental sales operation could not be defended on any grounds of regaining a previous share of international trade. The major traditional suppliers of such cotton in world markets would have grounds to consider this type of competition as unfair and unwarranted. Such an export program would be regarded abroad as a direct contravention of principles internationally accepted in world trade and of the assurance given by the United States in the Organization of American States at the time of the Korean emergency that this country would avoid abnormal disturbances in world markets in liquidating emergency stocks.

Section 203 would authorize the President to negotiate with foreign governments agreements limiting United States imports. The President would also be authorized to issue regulations to carry out any such agreement. No legislative standards are established nor would the extent of restriction be limited except by the determination of the President as to what action is appropriate.

The administration believes that the authorizations proposed in section 203 are unnecessary and undesirable. Such authorizations would surely encourage pressures to bypass the procedures established by existing legislation which provide for careful analysis, public hearings, and due regard for all affected interests. Section 203 is discretionary but it would create widespread uncertainty and fear of a general retreat from the United States policy of fostering an expansion of mutually profitable international trade. The section would be taken by numerous groups as an open invitation to bring unrestrained pressure on the President for restrictive agreements and regulations, however unjustified on any grounds previously recognized by the foreign economic policy or the international trade agreements of this Government.

It is not my purpose to offer amendments to strike these two sections because I do not want to complicate matters today by seeking a full discussion of the foreign aspects of the agricultural program.

We have the foreign aspects of agriculture and the agricultural problem and disposal of agricultural surpluses before our Committee on Foreign Affairs. For instance, today we were asked to authorize $1,500,000 for administrative expenses of the International Cooperation Administration under Public Law 480. At the appropriate time I hope that we will get this entire agricultural program in line with our total policies, foreign and domestic. Meanwhile, let us remember that we no longer have the gigantic price-support mechanism of foreign aid for agriculture, and we must find other solutions.

Mr. THOMPSON of Texas. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there are many things in this bill that I do not like. There are some more left out that I think ought to go into an agricultural bill, particularly at this time.

I head two rather important subcommittees, one on family farms and the other on the rice industry. If those two subcommittees and our Committee on Agriculture will back me up, in due time, and I trust during this session, we will propose legislation to this House which would go far to straighten out the family farm, that segment of agriculture which is suffering the worst of any at this time. I do not think they are adequately taken care of in this bill, although I must say we have done the very best we know how. That we propose to take up in our subcommittee shortly.

The same thing is true of the rice industry, which has a plan of its own which the industry feels will take it completely out of the control part of the agricultural program and within the next 2 or 3 years make it self-supporting without any Government participation.

I suppose that in a short time I shall vote for the passage of this so-called agriculture bill, H. R. 10875. Distasteful as it is, it has been rammed down my throat, and I am doing my best to digest it. There is almost nothing in it to benefit my people as they want to be and deserve to be benefited.

The small farmer who could have been so materially assisted to maintain his traditional place in the American economy will have to be satisfied with whatever crumbs he can scrape up from the floor in accordance with the famous "trickle down" theory which led to ruin once before, well within the memory of all of us.

Small farmers cannot possibly afford to take out of production any portion of the meager acreage allotments they have under the present program. Greatly increased costs and reduced prices for their products have already forced many to leave the farm and seek other means of making a living. At this point he must produce all he possibly can on his few acres to keep his head above water.

After we sweep this present mess under the rug, I hope that the Family Farm Subcommittee will bring out a bill which will say to both sides of the House, "Here is something which will reestablish the family farmer to the place he deserves—decency and stability in our economy." I want to lay that before you and before the Secretary of Agriculture and the President, and to find out once and for all if they mean what they say when they claim to have the interest of the family farmer at heart.

To the committee, here and now, I want to say that if you do not do something of that kind you will, before very long, deal with the family farmer as a social problem, which will be much more difficult to solve if you do not treat it as it should be—a major and vital problem of agriculture.

I was bitterly disappointed that an experiment recommended by the entire rice industry was eliminated from the present bill because Mr. Benson and the President did not like it. They, in their wisdom, said it would not work. Every phase of the rice industry said it would. Mr. Benson, whom I thought had been hired out to represent the farmer, basically, has what he calls the Rice Industry Advisory Committee. I challenge him to consult with that committee and to listen to their side of the plan which they submitted.

It has been misnamed "the two-price system for rice." Actually, it is one price so far as the farmers are concerned, and it would place the entire industry in a position to fight for the world market on an equal basis with the rice industry everywhere in the world. Whatever the difference between the world market and the farmers' fair price, it would be made up by adjustment in the domestic price.

It is most significant that the rice industry feels that the plan which they unanimously recommended would in a very short time, possibly 2 or 3 years, make it unnecessary to have an controls at all.

Mr. Benson did not consult with his Rice Industry Advisory Committee before he recommended to the President that the plan would not work.

While I am on the subject of that Rice Industry Advisory Committee let me put the spotlight on a strange attitude of Mr. Benson in regard to its membership. I have here a list of the 17 men who compose it. Every member, so far as I know, is an honest and conscientious man and each will represent his own interest to the best of his ability. The rice industry is divided into three distinct segments. First comes the farmer, next comes the warehouseman, and third the miller. In most places there is another who has a separate part in the industry whose primary interest is furnishing the water to the farmers. Generally these different groups work in harmony with each other, but when it comes to a showdown, each will very naturally look after his own interest. For a number of years the farmers in the Rice Belt have asked for representation on Mr. Benson's advisory committee. I have made their wishes known to Mr. Benson repeatedly, but he will not recognize the farmers as such. Among the 17 members of that committee there is just exactly 1 whose only interest in the rice industry is farming. Why does Mr. Benson refuse to recognize the farmers? I do not know.

I have talked to many members of the advisory committee and every one has agreed there should be more farmers on it, if only to satisfy them that they are being consulted and that their views are reaching just as far up the ladder as those of the millers, the warehousemen, and the canal owners. All of this I have pointed out to Mr. Benson, and my last word which came during the present session was, and I quote from a letter signed by Under Secretary True D. Morse, "No changes in the membership of the committee are contemplated at this time, although various organizations not now represented on the committee have indicated a desire to be represented." I pointed out to Mr. Morse that I have not recommended any more organizations, but I have and still do suggest a few farmers.

Again, I point out to him and to Mr. Benson what I have told them in the past—all you can do by complying is make yourselves a few friends.

The Rice Subcommittee, of which I am chairman, is now trying to provide some measure of protection for the industry. Possibly the other body will again amend the bill to take care of it. If so, I certainly hope that our body will look with favor on the recommendation of the rice industry which asked, above all, to try to work itself out from under Government controls and subsidies of any kind.

Mr. OLIVER P. BOLTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. OLIVER P. BOLTON: On page 51, after line 17, add a new subsection (e).
>
> "Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed $25,000. The term "person" shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to or purchase from a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

Mr. SMITH of Mississippi. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill in that it amends a law which is not considered in this bill and which is not before the House.

The CHAIRMAN. The Chair will hear the gentleman from Ohio on the point of order.

Mr. OLIVER P. BOLTON. Mr. Chairman, it seems to me this is a point which affects all agricultural legislation. We are dealing here with a basic act of agriculture which is tied in as a full and complete subject. This is not a field which can be divided down into various subject matters. This is an overall program. This, it seems to me, is as germane to this section certainly as was price supports for cotton and certainly as germane as price supports on acreage allotments for any other crop of agriculture. I submit to you that as it is a part of the entire program, it is germane. This is the only opportunity in agricultural legislation that I know of this year that this proposition has been able to be offered in this fashion.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. SMITH of Mississippi. Mr. Chairman, I would like to point out that this is not a price-support bill, and there are no amendments to the price-support law in the pending legislation.

Mr. OLIVER P. BOLTON. Would the gentleman indicate that other similar amendments to price supports were also not germane to the legislation?

Mr. SMITH of Mississippi. The gentleman from Mississippi was addressing the Chair and did not understand the gentleman from Ohio.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Mississippi on the point of order.

Mr. SMITH of Mississippi. Mr. Chairman, the rule of germaneness specifically declares that an amendment to be germane has to involve an amendment or a change in the law that is being considered in the bill before us. The bill before us involves the soil-bank matter and is entirely new as was brought out by the Secretary of Agriculture. In fact, the point was made very clear in lengthy discussions before the Committee on Rules by the distinguished leaders of the House on the other side that this was an entirely new law and could not be covered except by new legislation. This subject matter is entirely new and that is what brought forth this particular legislation.

The CHAIRMAN (Mr. PRIEST). The Chair is ready to rule.

The amendment offered by the gentleman from Ohio, it appears to the Chair, goes far beyond the scope of the bill under consideration. The Chair desires to read just a portion of the first sentence of the amendment, which is as follows:

> Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person—

Therefore, because the amendment goes far beyond the scope of the pending bill, the Chair is constrained to sustain the point of order.

The point of order is sustained.

Mr. OLIVER P. BOLTON. Mr. Chairman, I thank the Chair for his consideration.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when we started consideration of this bill this morning, I assumed, apparently somewhat mistakenly, that major amendments, outside of some of those we knew would be under consideration, would not have such support as would bring them to adoption in the Committee of the Whole. As I said at the outset, I sincerely hope that in this effort to pass a good, sound, workable farm bill we would have something that we could all be proud of, and that would go on to final enactment as a part of the law.

Two amendments have been adopted that I do not think should have been adopted, and in view of the last ruling, probably one of them would have been subject to a point of order had a point of order been made at that time.

I refer to the Albert amendment that has to do with grazing, and the Abernethy amendment that has to do with cotton.

I just say now that when we go back into the House it is our responsibility to call the roll on those amendments.

In respect to the Albert grazing amendment, as I indicated, I had serious doubts as to how far reaching it might be. I had not had an opportunity to look at it, but in the meantime a memorandum has been handed to me, gotten up by responsible people, who are very certain that the amendment is ill-advised. They say it would be almost impossible to administer it, first, because there is no method by which a base period for livestock units can be determined, except by taking the ranchers' word.

Second, it would be impossible to police any reduction in livestock numbers, first because of a lack of base; second, because there is no way to check them except by count; and, third, the livestock would actually have to be slaughtered to be assured of a reduction.

Next, there would be no way to police the grazing of rangeland except to fence off the reserve acreage. They tell me the cost of fencing would run about $6 for one side of an acre, or $600 to fence all four sides of 20 acres.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No. I would like to conclude this statement, and then the gentleman can challenge it if he so desires.

There would be much noncompliance. There are about 300 million acres of grazing land in the United States. If payment were to be made on 10 percent of those acres, the average rate of payment would be about $1.70 per acre. That would be somewhat less than the cost of fencing one side of an acre. Then it would force liquidation of livestock numbers. That would mean that livestock prices would be very much depressed. The Government is paying high incentive payments to wool growers in an attempt to raise sheep numbers. So the effect of this would be to work in the opposite direction—pay ranchers to reduce sheep numbers. It would tend to reduce the demand for forage and feed grains, which are in surplus supply.

Likewise, in connection with the Abernethy amendment, I do not think that it has any place here. It deals with an entirely different matter.

I only make these statements at this time because we shall have an opportunity when we go back into the House to correct what I think has been ill-advised action on the part of the Committee of the Whole.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK], has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The gentleman from California [Mr. SISK] is recognized.

Mr. SISK. Mr. Chairman, I realize, of course, the members of the committee have first call on the time, but I have been trying since noon today to get the floor. I do not say this in criticism of the committee, but certainly there are a great many of us who have farmers in our districts and we are vitally concerned with some provisions in this farm bill, and certainly it seems to me we should have been given a little more opportunity to have brought those thoughts to the floor.

I would like in particular to mention the rice situation. The original bill, H. R. 12, that passed this House had a program for the ricegrowers, a program on which they were thoroughly sold and which they wanted to support and which would have removed them from support by the Federal Government, but in the bill we have before us I cannot find anything which will do the ricegrower the least bit of good. I supported the gentleman from Virginia in his amendment. I did so because in my area we have many crops which are not the so-called basics, and they are crops in which we are vitally concerned.

There are some other gimmicks in the bill for which I do not care, but I am going to support this because I believe it offers, at the moment, the only possible opportunity for the farmers of America to reap any benefit this year or in the immediate future from supports. I would certainly hope that the committee would consider in the immediate future a program for the ricegrowers, because it would seem to me it is something that they as a large segment of the agricultural community of this Nation are entitled to.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Knox].

Mr. KNOX. Mr. Chairman, my question deals with section 126, on page 29, which provides for the pooling of certain farm operations which permits farmers to pool their rights and to participate jointly in the conservation reserve program.

My question to the chairman of the committee is: Just how broad a pooling program is contemplated under section 126?

The report on the bill under section 125 states merely "will permit farmers to pool their rights to participate jointly in the conservation reserve program."

Is this on a county basis? Is it on a township basis? Or is it on a State basis? Or just what are the rights of pooling land under the soil-conservation program?

Mr. COOLEY. I think I can say to the gentleman that it is not restricted by townships or by counties, but I think it is contemplated that where a family owns more than 1 farm they can carry out the conservation practices on 1 farm and not carry them out on all; in other words, that they can pool the several farms into 1 operating unit.

The CHAIRMAN. The gentleman from North Dakota [Mr. Burdick] is recognized.

Mr. BURDICK. Mr. Chairman, this soil bank, however it originated, is not going to settle the situation in North Dakota at all. In North Dakota we are already limited to these few acres that we cannot make a living on on what we can plant. Now you come along with this soil bank and instead of taking it out of the rest of your land you take it out of the few acres you are allowed to plant. So if I am allowed 41 acres now, I reduce that 20 percent or 8 acres more, and I have 33 acres left.

While you are limiting us to these few acres, at the same moment the Government is extending leases on Indian reservations, where I have seen furrows 16 miles long that do not turn out for township roads. While you are limiting the family type of farms and which limitations will drive those farms out of existence, at the same time you are spreading the right to raise wheat all over these Indian reservations. The same Government that limits family-type farms out of existence, the same Government leases whole Indian reservations for wheat.

All this soil bank will do to the family-type farms is to make the entire collapse of these farms more certain, because it increases the loss of acreage which will eventually destroy small farms.

Of course, the farmer is paid for destroying himself. The administration must believe that this little cash payment will keep his mind off the fate that awaits him.

I first heard of this soil bank in 1935 when Secretary of Agriculture Henry Wallace recommended it. Along with this plan the Secretary recommended that we plow up every third row of cotton, kill off the pigs, and butcher dairy cows. I thought the whole thing appeared crazy.

Now, after 21 years, the present Secretary of Agriculture resurrects a part of this crazy plan and insists upon its adoption. Last year he said it would work, but this year he has changed his mind. As long as the President is praying for this soil bank as his only remedy for the ills of agriculture, I will vote for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. Lanham].

Mr. LANHAM. Mr. Chairman, since the amendment has been adopted giving to our cotton farmers a fair deal, I am for this bill and I hope the House does not reverse itself because if price supports are raised for other products they should have been raised for cotton also.

What I got up to speak to you about is to commend the committee for writing into section 203 a provision that makes it absolutely clear the President has the right to protect the textile industry of America if it is to be faced not only with the cheaper labor of Japan and other foreign countries but also with lower priced cotton that Japan can now buy at lower prices than our mills in America.

I would like to ask the chairman of the Committee on Agriculture if there has been any indication from the Secretary of Agriculture or from the President that the President will exercise this right that you make abundantly clear in this bill that he has.

Mr. COOLEY. I do not recall that either the President or the Secretary of Agriculture has expressed any views about the matter, but I agree with the gentleman from Georgia it is very important and we will have to assume, since Congress itself has attached so much importance to the provision, that the excutive branch of the Government will take notice and will undertake negotiations looking to such limitation.

Mr. LANHAM. The gentleman's answer is reassuring. Certainly the textile industry in this country will need this protection, in fact, needs it now. For textile imports from low-wage countries are flooding this country with textile products. By concentrating from time to time on special types of fabrics and garments Japan is gradually driving many of our textile manufacturers out of business or into different types of fabrics.

Only a few days ago announcement was made by a textile firm of New England employing 400 people that it would be forced to close unless it got some protection from the flood of Japanese imports. In my own State, already, mills making velveteen have been forced to shift to other fabrics or close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. Rees].

Mr. REES of Kansas. Mr. Chairman, in line with what I have heretofore said on the floor of the House, the farmers of this country are fair minded. They want to do the thing that is right in respect to the Government under which they live. They do not want the Government or anyone else to do for them anything to which they are not justly entitled.

The farmers are a minority group in number, but they represent a most important segment and share of the economy of America. The farmer does not complain because other groups are making gains, but he does not understand why he, at least, is not in position to hold his own in our economy. It is difficult for him to understand why he does not receive a share of income to which he is really entitled. It is rather hard for the farmer to understand why industry, for example, is expanding in all directions, why the steel companies are making more profits than ever and are presently increasing the price of steel, when at the same time he is required to take lower prices for his products. Farmers' income during the last year is lower than it has been in the past.

He is taking a less price for his product than it actually costs him to produce it. He reads through the newspapers, however, that manufacturing companies receive favors by way of tax incentives for building equipment that may be used for the defense of our country. In other words, industry gets the profits to which they are entitled and gets a bonus for doing it. To the farmer it is described as parity payments; for the manufacturer, it is described as incentive payments. In other areas it is subsidies. The farmer does not object to good wages. He favors good wages. He knows good wages are an indication of prosperity. In this respect, again, he does not receive his share of the national income.

He reads that steamship lines are provided with subsidies but not designated by that name. The farmer observes the stock market is flourishing and that stocks on the New York Stock Exchange are higher than they have ever been. This does not apply to the grain market or the livestock market. The same applies to railroad stocks and utility stocks that show good profits. Only recently 1 of the great railroad companies has declared a split in stock of 4 or 5 shares for 1, which indicates a good profit. There is no criticism about it. Neither is there a complaint because railroad companies have received approval of a 5-percent increase in their charges for transportation. He observes that utilities are really guaranteed a fair profit by reason of rate charges and many of them have recently had increases. All of these and other indications seem to leave the farmer out of the category of prosperity even though he produces the most important commodity of all—food and fiber.

According to the USDA report, since 1945 the farmer's share of the consumer's retail food dollar has declined from 55 cents in 1945 to 41 cents last year. Some time ago, when wheat was selling for \$2.80 per bushel, a pound loaf of bread sold for 14 cents. Now, while wheat is selling for \$2.15 per bushel, a similar loaf of bread sells for 18 cents. According to the USDA report, from which I have just quoted, the income of farmers last year was reduced by \$1 billion. The average income was reduced within a little more than a year from \$913 to \$860. While this was going

on, the income of nonfarmers was more than doubled during the same period.

One of the good indicators of prosperity is that of life insurance companies. Almost all large life insurance companies report a bigger and better business during the last year than any year before. One company reports that it did \$2½ billion worth of life insurance business last year.

Mr. Speaker, this statement is not made for the purpose of indicating in any way or manner that the farmer is griping. Not at all. When the farmer observes the share which he receives for his product when delivered to the consumer is shrinking while his costs are going higher and the sale of his product showing little advance in price, if any, then there must be something wrong with our economy.

I think the whole matter can be summed up by stating that all the farmer really wants is a fair price for his labor and his product in the market place on the basis of what he is required to pay for the things he needs to buy.

Again, without offering criticism, just do not forget there are other groups and segments who, in recent years, are recipients of big sums of Government money. For instance, a report has recently been published indicating \$6½ billion for business during the period from 1949 to 1956. The shipping industry, for example, will get millions during this year. Billions of dollars are being expended to assist people of other countries. I mention these only to indicate that, whether you favor this legislation or not, the farmer's share of this kind of expenditure, whether you call it subsidy or by any other name, is not as great as would seem when compared with other such expenditures.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Flood].

Mr. FLOOD. Mr. Chairman, I have listened for 12 years and especially for the last 2 days about land banks, soil banks, food banks and so forth. I want to know when we are going to talk about some coal banks once in a while. You farm boys are all worried about land banks, but if you will come up into my district I have hundreds of land banks, and so has Mr. Fenton, higher than the dome on this Capitol and if you will take them away you can have them free.

You talk about the underemployed farmers. I do not like to see people underemployed, but I have 20,000 coal miners that are not employed at all. You say the farmers income is down 25 percent, my coal miners have no income at all. That is bad, too. I have been out at the coffee bar here with the boys from Chicago, Pittsburgh, and Detroit. These farmers will not even buy you a cup of coffee. I get bowlegged around here voting for cows, horses, wheat, corn, and whatnot, but you know coal is really entitled to be in this bill because anthracite coal is nothing but carbonized and oxidized vegetation; however, the Parliamentarian says it is not germane and I cannot get a piece of this farm subsidy. When I come down here with these men from the coalfield, and there are not many of them, and say, "Please, when you talk about subsidies, think about these dozens of thousands of coal miners who are out of work," and see if we cannot warm your cold hearts here in our behalf once in a while.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. Gathings].

Mr. GATHINGS. Mr. Chairman, when H. R. 12 was before the conference it contained a provision that had to do with exports of cotton. The amendment was introduced by Senator Eastland, of Mississippi, and was approved by the Senate. It directed the Secretary of Agriculture to move cotton into export channels at competitive prices. The conferees struck out this amendment and placed language in the committee report expressing the attitude of Congress that the Secretary had the authority to do just that and that he should exercise that authority to move cotton into export channels at competitive prices. It was hoped by the Congress and by the conferees that he would move 5 million bales of cotton annually under that program. Now we learn that the Secretary has asked for bids on 600,000 bales of cotton today, not at competitive prices, oh, no, but at 27.5 cents a pound at the warehouse. It costs three quarters of a cent to get it to the port, which makes it 28.5 cents, whereas cotton under the recent 1 million bale program which was most successful moved at 25.5 cents a pound. Congress directed him to move cotton at competitive prices. He is breaking faith with this Congress and most important the cotton farmer. I do hope something can be done to move this cotton. The Secretary of Agriculture asked for bids on 600,000 bales. Only 6,400 bales were actually sold. This type of a program will not work; it is unrealistic and will not get results.

I would like to include at this point a telegram which was sent me by H. R. Adams, executive vice president of Agricultural Council of Arkansas, regarding this matter. The telegram is as follows:

West Memphis, Ark., *May 3, 1956.*

Hon. E. C. Gathings,
House Office Building,
Washington, D. C.:

Secretary of Agriculture Benson has broken faith with farmers and intent of Congress by offering CCC cotton well above competitive world prices. Although bids were placed for 600,000 bales only 6,400 were sold. It appears administration making whipping boys out of southern cotton farmers. This is a serious matter and vigorous protest should be made.

Harvey Adams,
Executive Vice President, Agricultural Council of Arkansas.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. Smith].

Mr. SMITH of Mississippi. Mr. Chairman, I want to call the attention of the House to the same matter that the gentleman from Arkansas mentioned. On yesterday the action of the Department of Agriculture in connection with the cotton-export program was a complete breach of faith relative to the program that had been outlined previously by the Secretary of Agriculture. Unless this action is reversed or modified in some fashion so as to bring about an actual competitive sales program, the Secretary will have completely broken his word to the cotton farmers of this country. It is not a question of interpretation. It is a question of whether or not he is going to do what he said he would do.

Only yesterday the chairman of the Agriculture Committee, Mr. Cooley, and the ranking minority member, Mr. Hope, made clear on the floor here the congressional intent that this competitive sales program be carried out. In response to a question which I asked, they both pointed out that it was the understanding of the committee that the Secretary had full authority to carry out a competitive program that would bring about exports of at least 5 million bales per year.

I am sure that if leaders of the Congress had not accepted the Secretary's word that such a program would be carried out under existing authority, specific language would have been included in this bill making it law.

Unless this situation is clarified immediately, I hope that the other body will write the provision into law. If the executive department cannot be relied upon to carry out commitments which have been made, the Congress should specifically spell out in detail our whole program.

Mr. CHRISTOPHER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, this House has not been dilatory in passing farm legislation. Day after tomorrow, it will have been a year since the House passed H. R. 12. Had that bill been passed by the Senate immediately and signed by the President, the American farmer would not find himself in the depressed condition he is in today.

The House had no further opportunity to act on farm legislation until H. R. 12 was passed by the Senate on March 16, 1956. The bill was then reported to the conferees, who reconciled the differences between the House and Senate versions to the best of their ability. On April 11, both House and Senate accepted the report of the conferees and H. R. 12 went to the President. We who believed in good farm legislation hoped and believed the President would sign this farm bill, and were greatly surprised and sorely disappointed when it met with his veto.

It would be well for the House to consider what has happened to the American farmer since 1952. Maybe it is just a coincident, but the same coincident came about in 1922 that has been having its counterpart between 1952 and the present time. It seems that these things come to pass whenever a Democratic administration is replaced by a Republican administration.

Nineteen hundred and fifty-two was the first year in a 13-year period that the food and fiber produced on the American farm did not sell for an average price equal to 100 percent or more of parity. But in 1953 farmers' prices fell below parity and that parity ratio has fallen lower and lower each year until it now stands at 80 percent.

The average price of hogs in 1952 equaled 100 percent of parity, but during November and December of 1955, hogs sold for only 50 percent of parity. In 1952 grade A milk delivered in Kansas City sold for $6 per hundredweight and the average price to consumers during this period was 20 cents per quart, but during 1955 the same grade A milk delivered in Kansas City brought the producer $4 per hundredweight, although the average price to consumers was raised to 21 cents per quart.

Notwithstanding the fact that the prices of farm products were falling, thus curtailing the farmers' purchasing power and in some cases actually driving him off his farm, the cost of living was only four-tenths of 1 percent under the all-time high.

During this same period, 1952 to 1955, the prices of industrial stocks rose 62 percent; corporate profits after taxes were up 32 percent; stockholders dividends were up 19 percent; nonfarm net income was up 14 percent, but net farm income was down 23 percent. During this same period per capita income of nonfarm people rose from $1,836 to $1,919, a raise of $83, but farm net income derived from farming fell from $675 to $551, showing a loss of $124 in their per capita incomes.

Much has been said about the subsidy paid to the American farmer, but a check of the record will reveal the fact that between 1933 and 1955, Government subsidies to manufacturers totaled $40.8 billion. Government subsidy to shipping accounted for almost $5 billion; while the cost to the Government for the farm price-support program over that entire period was only $1.2 billion. When total subsidies for all groups are considered over the past 50 years, only $5 out of every $1,000 paid in subsidy has gone to the American farmer.

This is by no means all the picture. The farmer has been driven more deeply into debt during the last 3½ years. In 1952 farmers owed banks $3.05 billion, but on January 1, 1956, the farmer owed banks $4.7 billion, a rise of $1.65 billion since 1952. The mortgage debt against farm real estate has risen $2.44 billion during the same period. According to Agricultural Statistics and the Agricultural Marketing Service, real estate inventory is down $4.5 billion; livestock inventory down $7.5 billion, and there is a loss of $12 billion in income that he would have received had his annual income remained as high as it was in 1952.

Now, what does all this mean—he has increased his debt $4.09 billion; he has lost $12 billion in inventory value and another $12 billion in income, making a total loss since 1952 of more than $28 billion, and this during a time when many other industries were enjoying a fair measure of prosperity.

I am glad that business, labor, and industry does have the measure of prosperity they are now enjoying, but parity prices for the food and fiber produced on the American farm is even-handed justice, and the hard-working men and women who feed and clothe this country both in time of war and time of peace, deserve the same measure of prosperity. If their purchasing power could be restored to parity, they would furnish the best market in the world for the products of industry and labor.

Take that $12 billion loss in income as an example. Think of the building material, fencing, paint, automobiles, trucks, tractors, combines, refrigerators, television sets, and the thousand and one other articles used by the American farm family that could and would have been purchased with that $12 billion had the farmer received it to spend.

Prosperity cannot long endure in the city if bankruptcy prevails on the farm. That was tried in the late twenties and early thirties with disastrous results.

If this income loss to the farmers had been passed on in lower prices to the city worker, it might have had some justification, but this has not been the case. The cost of living to the city worker, as I have said before, is still less than 1 percent below the all time high.

If the President had signed H. R. 12 immediately after it was approved by Congress, we would have had a good farm law in effect almost a month ago. But the President chose to disregard the fact that the House had passed this measure with a majority of 56 votes, that the Senate passed it with a majority of 15 votes, that the majority of both the House and Senate Agricultural Committees and the conferees as well, considered it good legislation. The bill before us today is only an emaciated, drawn and quartered remnant of H. R. 12. The very heart of it was removed by the Presidential veto.

The present soil bank bill contains little of benefit to the family-sized farm because on the family-sized farm, there is little or no land which can be retired from production for payments and still leave enough to pay expenses and afford a decent living for the farmer and his family. This soil bank bill is designed to aid the corporation type farm where many thousands of acres are operated under the direction of one manager. There is absolutely no limit on the amount of money which can be paid to an operator under the terms of this bill. Corporation type farms, if the acreage is extensive enough and some of them are, a single farmer could draw one-half million dollars or even $1 million in the form of a soil bank payment. The big farmer will get the big check and the family-type farmer will wait with no check at all or one too small to be of much benefit, hoping for an increase in prices which may or may not materialize, while the mortgage takes his farm right out from under him. Then he will go to the city where he will either replace a city worker or join the ranks of the unemployed, while his farm will be incorporated into the already-too-extensive holdings of the big farmer who has been drawing the big checks and we will be one step closer to corporation-type farming and one step nearer to the elimination of the family-sized farm.

This has been happening for the past 3 years. There are 600,000 fewer farmers in the United States today than there were 3 years ago. Missouri lost 28,431 farmers during the years 1953, 1954, and 1955, and there is nothing in this bill which will reverse the trend.

The Fourth Congressional District of Missouri, which I represent, is diversified family-type farming country. During the 3-year period mentioned in the preceding paragraph, Jackson County lost 616 farmers; Henry County lost 340 farmers; Bates County lost 278 farmers; Barton County lost 243 farmers; Johnson County lost 241 farmers; Vernon County lost 224 farmers, and Lafayette County lost 106 farmers. A top adviser to Secretary Benson has said, according to press reports, that there are in the United States 2 million inefficient, submarginal farmers who should get off their farm and seek employment elsewhere. There are approximately 5 million farmers in the United States today. That means that 2 out of every 5 farm families would cease to earn a livelihood from tilling the soil.

Nothing would contribute so much to continued prosperity in our cities as parity income for the farmer. When a farmer is driven off the farm, he ceases to be a customer of the city worker and the manufacturer. He is forced to enter the city to compete with the city man for jobs that are never too plentiful.

The small business and professional men are dependent upon a prosperous agriculture for their livelihood and nothing can ruin our small towns' people as quickly as a farm depression. It was demonstrated in the early thirties that a farm depression refused to stay on the farm, and if allowed to go unchecked it would bring failure to our small town bankers, merchants, and professional people and then move on to the large cities.

I shall vote for this so-called soil-bank bill on final rollcall and shall vote against any moves to recommit it to the committee because it is all we can hope to get under present conditions. It is not good farm legislation, but half a loaf is better than no bread at all. It will be remembered that this Congress did all it possibly could to provide the American farmer with adequate legislation and only a Presidential veto prevented the farmer from receiving it.

It will also be remembered that Secretary Benson hurried down to Atlanta, Ga., with his court of jesters, used all the influence he possessed in inducing the President to veto a good farm bill, and the responsibility for the chaos rests, first, with the President of the United States for his veto of H. R. 12, and secondly, with the Secretary of Agriculture for recommending and insisting upon that veto.

It would be more than useless to send this bill back to the committee, because if the committee rewrote it and made it a good farm measure again, it would necessarily contain the provisions to which the Secretary of Agriculture and the President both so violently opposed.

Mr. DEANE. Mr. Chairman, I rise at this time to express my hearty approval of section 203 of this new farm bill, H. R. 10875, which places squarely on the shoulders of the President of the United States the responsibility to negotiate with representatives of foreign governments in an effort to obtain agreements limiting the exports from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products which could prove harmful to American agriculture and industry.

In my congressional district of North Carolina there are many textile mills, and from these mills comes the livelihood of many thousands of my constituents. I am hearing from millowners and operators in all sections of my district that the present rate of textile imports into this country from Japan is having a very disastrous effect on our textile industry, and unless the present national administration takes effective action to change this situation, we will soon be hearing of many textile-mill failures.

This bill, which we are voting for here today, Mr. Speaker, will place the responsibility for this textile import situation exactly where it belongs; namely, on the President. As the Chief Executive, he is in the best position to size up the extent of our textile problem from time to time and adjust or shut off the flow of foreign imports into this country which will adversely affect our domestic textile industry.

I gladly vote for and support section 203 of H. R. 10875, and upon the passage of this bill by Congress, I urge the national administration to take prompt and affirmative action to implement section 203 and bring about the protection which our American textile industry so badly needs.

Mr. MACK of Illinois. Mr. Chairman, as one of the original sponsors of soil-bank legislation, I wish to add my voice in support of this legislation. This appears to be the sound approach to the problem confronting us today. The agriculture industry obviously is not receiving its fair share of the national economy. We are all striving to solve this problem so that agriculture can have a more equitable share of the national income. The "booming prosperity" has certainly failed to reach the farmers in my area. We are confronted with vast surpluses and are continuing to produce more than we are consuming or more than we can consume. This production must be controlled and it is obvious that legislation is necessary in this totally unorganized industry if we are to control this production. In my opinion, the soil-bank program with the conservation reserve and acreage reserve program could accomplish this goal. I am confident that this approach is correct morally as well as economically. It will permit us to conserve our natural resources by restoring our land. At the same time, it would be taking land out of cultivation which normally would be contributing to the surplus problem. In this way we would be conserving our soil for some future date when we will be consuming all we can produce—and that day is not in the too distant future. Therefore, I strongly support this legislation.

Mr. Chairman, I am pleased to state that I also support the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], as the inclusion of grazing lands would conform with the principle of a soil-bank program. This amendment would expand the soil-bank program and would certainly have the effect of reducing the amount of meat being marketed, and, therefore, it would have a stabilizing effect on the agriculture industry. I believe that the soil-bank approach is the only means available for solving the farmers problems today with the exception of, perhaps, a direct subsidy. I have always been opposed to subsidies of any kind, and, therefore, I am not sympathetic to a direct subsidy program at this time. President Eisenhower's proposal, which is being offered in the form of an amendment, in my opinion, is a direct subsidy which is to be paid to the farmers before the money is due. In my opinion, this would be the same as paying the farmers for their grain and produce before they planted the seed. This amendment is obviously political, and, therefore, I am constrained to oppose the amendment. I do hope that the soil-bank bill we are considering is passed, as I feel it will tend to correct the problems confronting our agriculture industry today.

The CHAIRMAN. All time has expired. If there are no further amendments to be offered, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956 pursuant to House Resolution 492, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. HALLECK. Mr. Speaker, I ask for a separate vote on the Albert amendment and on the Abernethy amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert ", including grazing lands.".

Page 9, line 24, strike out "or", insert a comma, and insert after "acreages," the words "or other standards,".

Page 12, line 4, after "$23,000,000", insert "grazing lands, $50,000,000."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 199, nays 195, answered "present" 1, not voting 38, as follows:

[Roll No. 39]

YEA—199

Abbitt
Abernethy
Addonizio
Albert
Alexander
Andrews
Anfuso
Ashmore
Aspinall
Bailey
Barrett
Bass, Tenn.
Belcher
Bell
Bennett, Fla.
Blatnik
Boggs
Bolling
Bonner
Bowler
Brooks, La.
Brooks, Tex.
Brown, Ga.
Burdick
Burleson
Burnside
Byrne, Pa.
Cannon
Carnahan
Celler
Chelf
Christopher
Chudoff
Clark
Colmer
Cooley
Cooper
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Dempsey
Denton
Dies
Diggs
Dingell
Dollinger
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Fascell
Feighan
Fernandez
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Gary
Gathings
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.
Hagen
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hays, Ohio
Healey
Holifield
Holland
Horan
Huddleston
Hull
Ikard
Jarman
Jennings
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilday
Kilgore
King, Calif.
Kirwan
Klein
Kluczynski
Knutson
Landrum
Lanham
Lankford
Lesinski
Long
McCarthy
McCormack
McDowell
McMillan
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Metcalf
Mills
Morgan
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Powell
Preston
Price
Priest
Quigley
Rabaut
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Staggers
Steed
Sullivan
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Trimble
Tuck
Tumulty
Udall
Vinson
Walter
Watts
Wickersham
Wier
Williams, Miss.
Williams, N. J.
Winstead
Wright
Young
Zablocki
Zelenko

NAYS—195

Adair
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Ashley
Auchincloss
Avery
Ayres
Baker
Baldwin
Bass, N. H.
Bates
Baumhart
Beamer
Becker
Bennett, Mich.
Bentley
Berry
Betts
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Boyle
Bray
Brown, Ohio
Broyhill
Budge
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chase
Chenoweth
Chiperfield
Church
Clevenger
Coon
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dawson, Utah
Delaney
Devereux
Dixon
Dodd
Dolliver
Dondero
Donohue
Donovan

Dorn, N. Y.
Ellsworth
Fallon
Fenton
Fino
Fjare
Fogarty
Ford
Frelinghuysen
Friedel
Fulton
Gamble
Gavin
Gentry
George
Gross
Hale
Halleck
Hand
Harden
Harrison, Nebr.
Harvey
Hébert
Henderson
Heselton
Hess
Hiestand
Hill
Hillings
Hinshaw
Hoeven
Holmes
Holt
Holtzman
Hope
Hosmer
Hyde
Jackson
James
Jensen
Johansen
Johnson, Calif.
Jonas
Judd
Kean
Kearney
Keating
Kilburn
King, Pa.
Knox
Krueger
Laird
Latham
LeCompte
Lipscomb
Lovre
McConnell
McCulloch
McDonough
McGregor
McIntire
McVey
Macdonald
Mack, Wash.
Mailliard
Martin
Mason
Meader
Merrow
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Minshall
Morano
Mumma
Nicholson
Norblad
O'Konski
Osmers
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Riehlman
Robsion, Ky.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Ill.
Smith, Wis.
Springer
Taber
Talle
Taylor
Teague, Calif.
Thompson, Mich.
Tollefson
Utt
Vanik
Van Zandt
Velde
Vorys
Vursell
Wainwright
Weaver
Westland
Wharton
Widnall
Wigglesworth
Wilson, Calif.
Wilson, Ind.
Withrow
Wolverton
Yates
Younger

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden
Blitch
Boykin
Brownson
Buckley
Byrd
Carlyle
Chatham
Cole
Derounian
Grant
Gregory
Griffiths
Gubser
Gwinn
Haley
Hayworth
Herlong
Hoffman, Ill.
Hoffman, Mich.
Jenkins
Kearns
Lane
Matthews
Miller, Calif.
Mollohan
Morrison
Nelson
O'Hara, Minn.
Passman
Rains
Reed, N. Y.
Simpson, Pa.
Van Pelt
Whitten
Williams, N. Y.
Willis
Wolcott

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hayworth for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.

Mr. Miller of California for, with Mr. Van Pelt against.

Mr. Boykin for, with Mr. Gubser against.

Mr. Chatham for, with Mr. Williams of New York against.

Mr. Herlong for, with Mr. Gwinn against.

Mr. Passman for, with Mr. Wolcott against.

Mrs. Blitch for, with Mr. Garmatz against.

Mr. Morrison for, with Mr. Reed of New York against.

Until further notice:

Mr. Grant with Mr. O'Hara of Minnesota.

Mr. Barden with Mr. Hoffman of Michigan.

Mr. Byrd with Mr. Brownson.

Mr. Matthews with Mr. Cole.

Mr. GARMATZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Messrs. FORAND, ROGERS of Florida, FASCELL, and POWELL changed their vote from "nay to "yea."

Messrs. KNOX, DAWSON of Utah, BERRY, DIXON, KRUEGER, and COON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 51, after line 17, insert a new section reading as follows:

"SEC. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 186, nays 208, answered "present" 1, not voting 38, as follows:

[Roll No. 40]

YEAS—186

Abbitt
Abernethy
Addonizio
Albert
Alexander
Andrews
Anfuso
Ashmore
Aspinall
Bailey
Barrett
Bass, Tenn.
Bell
Bennett, Fla.
Blatnik
Boggs
Bolling
Bonner
Bowler
Brooks, La.
Brooks, Tex.
Brown, Ga.
Burdick
Burleson
Burnside
Byrne, Pa.
Cannon
Carnahan
Celler
Chelf
Christopher
Chudoff
Clark
Colmer
Cooley
Cooper
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Dempsey
Denton
Dies
Diggs
Dingell
Dollinger
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Feighan
Fernandez
Fisher
Flood
Flynt
Forand
Forrester
Fountain
Frazier
Gary
Gathings
Gentry
Granahan
Gray
Green, Oreg.
Green, Pa.
Hagen
Hardy
Harris
Hays, Ark.
Hays, Ohio
Healey
Hébert
Holifield
Holland
Huddleston
Hull
Ikard
Jarman
Jennings
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Keogh
Kilday
Kilgore
King, Calif.
Klein
Kluczynski
Knutson
Landrum
Lanham
Lankford
Lesinski
Long
McCarthy
McCormack
McDowell
McMillan
Machrowicz
Madden
Magnuson
Mahon
Marshall
Metcalf
Mills
Morgan
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Perkins
Pfost
Pilcher
Poage
Polk
Preston
Price
Priest
Quigley
Rabaut
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Miss.
Smith, Va.
Spence
Staggers
Steed
Sullivan
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Udall
Vinson
Walter
Watts
Whitten
Wickersham
Wier
Williams, Miss.
Winstead
Wright
Zelenko

NAYS—208

Adair
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Ashley
Auchincloss
Avery
Ayres
Baker
Baldwin
Bass, N. H.
Bates
Baumhart
Beamer
Becker
Belcher
Bennett, Mich.
Bentley
Berry
Betts
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Boyle
Bray
Brown, Ohio
Broyhill
Budge
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chase
Chenoweth
Chiperfield
Church
Clevenger
Cole
Coon
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Dague
Davis, Wis.
Dawson, Utah
Delaney
Devereux
Dixon
Dodd
Dolliver
Dondero
Donohue
Donovan
Dorn, N. Y.
Ellsworth
Fallon
Fascell
Fenton
Fino
Fjare
Fogarty
Ford
Frelinghuysen
Friedel
Fulton
Gamble
Gavin
George
Gross
Hale
Halleck
Hand
Harden
Harrison, Nebr.
Harrison, Va.
Harvey
Henderson
Heselton
Hess
Hiestand
Hill
Hillings
Hinshaw
Hoeven
Holmes
Holt
Holtzman
Hope
Horan
Hosmer
Hyde
Jackson
James
Jensen
Johansen
Johnson, Calif.
Judd
Kean
Kearney
Keating
Kelly, N. Y.
Kilburn
King, Pa.
Knox
Krueger
Laird
Latham
LeCompte
Lipscomb
Lovre
McConnell
McCulloch
McDonough
McGregor
McIntire
McVey
Macdonald
Mack, Ill.
Mack, Wash.
Mailliard
Martin
Mason
Meader
Merrow
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Minshall
Morano
Mumma
Nicholson
Norblad
O'Konski
Osmers
Ostertag
Patterson
Pelly
Philbin
Phillips
Pillion
Poff
Powell
Prouty
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Riehlman
Robsion, Ky.
Rogers, Fla.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Ill.
Smith, Kans.
Smith, Wis.
Springer
Taber
Talle
Taylor
Teague, Calif.
Thompson, Mich.
Thomson, Wyo.
Tollefson
Utt
Vanik
Van Zandt
Velde
Vorys
Vursell
Wainwright
Weaver
Westland
Wharton
Widnall
Wigglesworth
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Withrow
Wolverton
Yates
Young
Younger
Zablocki

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden
Blitch
Boykin
Brownson
Buckley
Byrd
Carlyle
Chatham
Curtis, Mo.
Derounian
Gordon
Grant
Gregory
Griffiths
Gubser
Gwinn
Haley
Hayworth
Herlong
Hoffman, Ill.
Hoffman, Mich.
Jenkins
Kearns
Kirwan
Lane
Matthews
Miller, Calif.
Mollohan
Morrison
Nelson
O'Hara, Minn.
Passman
Rains
Simpson, Pa.
Van Pelt
Williams, N. Y.
Willis
Wolcott

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Willis for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.

Mr. Boykin for, with Mr. Van Pelt against.

Mr. Chatham for, with Mr. Gubser against.

Mr. Rains for, with Mr. Williams of New York against.

Mr. Herlong for, with Mr. Gwinn against.

Mr. Carlyle for, with Mr. Wolcott against.

Mrs. Blitch for, with Mr. Garmatz against.

Mr. Kirwan for, with Mr. Curtis of Missouri against.

Until further notice:

Mr. Morrision with Mr. Nelson.

Mr. Grant with Mr. Hoffman of Michigan.

Mr. Barden with Mr. Brownson.

Mr. Byrd with Mr. O'Hara of Minnesota.

Mr. GARMATZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia, Mrs. Blitch. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MORANO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MORANO. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Morano moves that the bill be recommitted to the Committee on Agriculture with instructions to report the bill back forthwith with the following amendment:

Page 25, line 2, after "116" insert "(a)".

Line 8, after the end of the section insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which will become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 40 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. COOLEY. Mr. Speaker, on the motion to recommit I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas, 184 nays, 211 not voting 38, as follows:

[Roll No. 41]

YEAS—184

Adair
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Auchincloss
Avery
Ayres
Baker
Baldwin
Bass, N. H.
Bates
Baumhart
Beamer
Becker
Belcher
Bennett, Mich.
Bentley
Berry
Betts
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Bray
Brooks, La.
Brown, Ohio
Broyhill
Budge
Bush
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chase
Chenoweth
Chiperfield
Church
Clevenger
Cole
Coon
Corbett
Coudert
Cramer
Cretella
Crumpacker
Cunningham
Curtis, Mass.
Dague
Davis, Wis.
Dawson, Utah
Devereux
Dixon
Dolliver
Dondero
Dorn, N. Y.
Ellsworth
Fenton
Fino
Fjare
Ford
Frelinghuysen
Gamble
Gavin
George
Gross
Hale
Halleck
Hand
Harden
Harrison, Nebr.
Harvey
Henderson
Heselton
Hess
Hiestand
Hill
Hillings
Hinshaw
Hoeven
Holmes
Holt
Hope
Horan
Hosmer
Hyde
Jackson
James
Jensen
Johansen
Johnson, Calif.
Jonas
Judd
Kean
Kearney
Keating
Kilburn
Knox
Krueger
Laird
Latham
LeCompte
Lipscomb
Lovre
McConnell
McCulloch
McDonough
McGregor
McIntire
McVey
Mack, Wash.
Mailliard
Martin
Meader
Merrow
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Minshall
Morano
Mumma
Nicholson
Norblad
O'Konski
Osmers
Ostertag
Patterson
Pelly
Phillips
Pillion
Poff
Prouty
Radwan
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Rhodes, Ariz.
Riehlman
Robsion, Ky.
Rogers, Mass.
Sadlak
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Sheehan
Short
Siler
Simpson, Ill.
Smith, Kans.
Smith, Wis.
Springer
Taber
Talle
Taylor
Teague, Calif.
Thompson, Mich.
Thomson, Wyo.
Tollefson
Utt
Van Zandt
Velde
Vorys
Vursell
Wainwright
Weaver
Westland
Wharton
Widnall
Wigglesworth
Wilson, Calif.
Wilson, Ind.
Withrow
Wolverton
Young
Younger

NAYS—211

Abbitt
Abernethy
Addonizio
Albert
Alexander
Andrews
Anfuso
Ashley
Ashmore
Aspinall
Bailey
Barrett
Bass, Tenn.
Bell
Bennett, Fla.
Blatnik
Boggs
Boland
Bolling
Bonner
Bowler
Boyle
Brooks, Tex.
Brown, Ga.
Burdick
Burleson
Burnside
Byrne, Pa.
Cannon
Carnahan
Celler
Chelf
Christopher
Chudoff
Clark
Colmer
Cooley
Cooper
Davidson
Davis, Ga.
Davis, Tenn.
Dawson, Ill.
Deane
Delaney
Dempsey
Denton
Dies
Diggs
Dingell
Dodd
Dollinger
Donohue
Donovan
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Engle
Evins
Fallon
Fascell
Feighan
Fernandez
Fisher
Flood
Flynt
Fogarty
Forand
Forrester
Fountain
Frazier
Friedel
Fulton
Garmatz
Gary
Gathings
Gentry
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.
Hagen
Hardy
Harris
Harrison, Va.
Hays, Ark.
Hays, Ohio
Healey
Hébert
Holifield
Holland
Holtzman
Huddleston
Hull
Ikard
Jarman
Jennings
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Jones, N. C.
Karsten
Kee
Kelley, Pa.
Kelly, N. Y.
Keogh
Kilday
Kilgore
King, Calif.
King, Pa.
Klein
Kluczynski
Knutson
Landrum
Lanham
Lankford
Lesinski
McCarthy
McCormack
McDowell
McMillan
Macdonald
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Marshall
Mason
Metcalf
Mills
Morgan
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Patman
Perkins
Pfost
Philbin
Pilcher
Poage
Polk
Powell
Preston
Price
Priest
Quigley
Rabaut
Reuss
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Selden
Shelley
Sheppard
Shuford
Sieminski
Sikes
Sisk
Smith, Miss.
Smith, Va.
Spence
Staggers
Steed
Sullivan
Teague, Tex.
Thomas
Thompson, La.
Thompson, N. J.
Thompson, Tex.
Thornberry
Trimble
Tuck
Tumulty
Udall
Vanik
Vinson
Walter
Watts
Whitten
Wickersham
Wier
Williams, Miss.
Williams, N. J.
Winstead
Wright
Yates
Zablocki
Zelenko

NOT VOTING—38

Barden
Blitch
Boykin
Brownson
Buckley
Byrd
Carlyle
Chatham
Curtis, Mo.
Derounian
Grant
Gregory
Griffiths
Gubser
Gwinn
Haley
Hayworth
Herlong
Hoffman, Ill.
Hoffman, Mich.
Jenkins
Kearns
Kirwan
Lane
Long
Matthews
Miller, Calif.
Mollohan
Morrison
Nelson
O'Hara, Minn.
Passman
Rains
Simpson, Pa.
Van Pelt
Williams, N. Y.
Willis
Wolcott

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Simpson of Pennsylvania for, with Mr. Hayworth against.

Mr. Jenkins for, with Mr. Gregory against.

Mr. Derounian for, with Mr. Buckley against.

Mr. Kearns for, with Mr. Curtis of Missouri against.

Mr. Hoffman of Illinois for, with Mr. Boykin against.

Mr. Van Pelt for, with Mr. Byrd against.

Mr. Gubser for, with Mr. Miller of California against.

Mr. Williams of New York for, with Mrs. Griffiths against.

Mr. Gwinn for, with Mr. Rains against.

Mr. Wolcott for, with Mr. Kirwan against.

Mr. Herlong for, with Mr. Grant against.

Until further notice:

Mr. Morrison with Mr. Brownson.

Mr. Chatham with Mr. Nelson.

Mr. Barden with Mr. O'Hara of Minnesota.

Mr. Carlyle with Mr. Hoffman of Michigan.

Mr. BOSCH, Mr. BOW, and Mr. TABER changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 314, nays 78, not voting 41, as follows:

[Roll No. 42]

YEAS—314

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Anfuso
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Barrett
Bass, Tenn.
Baumhart
Beamer
Belcher
Bell
Bennett, Fla.

Bennett, Mich.
Bentley
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Bowler
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Broyhill
Budge
Burdick
Burleson
Burnside
Bush
Byrne, Pa.
Byrnes, Wis.
Cannon
Carnahan
Carrigg
Cederberg
Celler
Chase
Chelf
Chenoweth
Chiperfield
Christopher
Chudoff
Church
Clark
Colmer
Cooley
Coon
Cooper
Cunningham
Davidson
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Deane
Dempsey
Denton
Devereux
Dies
Diggs
Dingell
Dixon
Dodd
Dollinger
Dolliver
Dondero
Dorn, S. C.
Dowdy
Doyle
Durham
Eberharter
Edmondson
Elliott
Ellsworth
Engle
Evins
Feighan
Fenton
Fernandez
Fisher
Fjare
Flood
Flynt
Fogarty
Forand
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Gathings
Gentry
George
Gordon
Granahan
Gray
Green, Oreg.
Green, Pa.

Gross
Hagen
Hale
Halleck
Harden
Hardy
Harris
Harrison, Nebr.
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Healey
Henderson
Hill
Hillings
Hoeven
Holifield
Holland
Holmes
Holtzman
Hope
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jarman
Jennings
Jensen
Johansen
Johnson, Calif.
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Judd
Karsten
Kee
Kelley, Pa.
Keogh
Kilday
Kilgore
King, Calif.
Klein
Kluczynski
Knox
Knutson
Krueger
Laird
Landrum
Lanham
Lankford
LeCompte
Lesinski
Lipscomb
Long
Lovre
McCarthy
McCormack
McCulloch
McDonough
McDowell
McGregor
McIntire
McMillan
McVey
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Mailliard
Marshall
Martin
Mason
Meader
Metcalf
Miller, Md.
Miller, Nebr.
Mills
Minshall
Morgan
Moss
Moulder
Multer
Murray, Ill.
Murray, Tenn.
Natcher
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Hara, Ill.

O'Konski
Patman
Patterson
Pelly
Perkins
Pfost
Pilcher
Poage
Poff
Polk
Powell
Preston
Price
Priest
Quigley
Rabaut
Reece, Tenn.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robeson, Va.
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
Sadlak
Schenck
Schwengel
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Sheppard
Shuford
Sieminski
Sikes
Siler
Simpson, Ill.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Springer
Staggers
Steed
Sullivan
Talle
Thomas
Thompson, La.
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Tollefson
Trimble
Tuck
Tumulty
Vanik
Velde
Vinson
Vursell
Walter
Watts
Weaver
Westland
Whitten
Wickersham
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. J.
Wilson, Ind.
Winstead
Withrow
Wright
Yates
Young
Younger
Zablocki
Zelenko

NAYS—78

Alger
Bass, N. H.
Bates
Becker
Bosch
Canfield

Clevenger
Cole
Corbett
Coudert
Cramer
Cretella

Crumpacker
Curtis, Mass.
Dague
Delaney
Donohue
Donovan

Dorn, N. Y.
Fallon
Fascell
Fino
Friedel
Fulton
Gamble
Garmatz
Gary
Gavin
Hand
Hébert
Heselton
Hiestand
Hinshaw
Holt
Jackson
James
Kean
Kearney

Keating
Kelly, N. Y.
Kilburn
King, Pa.
Latham
McConnell
Macdonald
Merrow
Miller, N. Y.
Morano
Mumma
O'Brien, N. Y.
O'Neill
Osmers
Ostertag
Philbin
Phillips
Pillion
Prouty
Radwan

Ray
Reed, N. Y.
Riehlman
Rogers, Fla.
Rogers, Mass.
St. George
Saylor
Scherer
Scott
Short
Taber
Taylor
Teague, Calif.
Udall
Utt
Van Zandt
Wainwright
Wharton
Wilson, Calif.
Wolverton

NOT VOTING—41

Bailey
Barden
Blitch
Boykin
Brownson
Buckley
Byrd
Carlyle
Chatham
Curtis, Mo.
Derounian
Grant
Gregory
Griffiths

Gubser
Gwinn
Haley
Hayworth
Herlong
Hess
Hoffman, Ill.
Hoffman, Mich.
Jenkins
Kearns
Kirwan
Lane
Matthews
Miller, Calif.

Mollohan
Morrison
Nelson
O'Hara, Minn.
Passman
Rains
Simpson, Pa.
Teague, Tex.
Van Pelt
Vorys
Williams, N. Y.
Willis
Wolcott

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Jenkins for, with Mr. Curtis of Missouri against.

Mr. Gregory for, with Mr. Gwinn against.

Mrs. Blitch for, with Mr. Herlong against.

Mr. Buckley for, with Mr. Hess against.

Until further notice:

Mr. Miller of California with Mr. Simpson of Pennsylvania.

Mr. Carlyle with Mr. Van Pelt.

Mr. Matthews with Mr. Hoffman of Michigan.

Mr. Willis with Mr. Derounian.

Mr. Borden with Mr. Gubser.

Mr. Chatham with Mr. Brownson.

Mr. Hayworth with Mr. O'Hara of Minnesota.

Mr. Haley with Mr. Vorys.

Mrs. Griffiths with Mr. Kearns.

Mr. Morrison with Mr. Wolcott.

Mr. Passman with Mr. Nelson.

Mr. Rains with Mr. Williams of New York.

Mr. Boykin with Mr. Hoffman of Illinois.

Messrs. JACKSON and HINSHAW changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

BANK PROTECTION FOR FLOOD CONTROL

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I have today introduced a bill to amend the existing flood-control laws relating to the Federal Government's jurisdiction and responsibilities as to channel improvement or channel rectification for flood control. Such flood works are for the purpose of improving the flow of waters within the river channels and to protect the river banks against erosion with destruction to adjoining farmlands. During the early 1930's emergency funds were used for channel improvement and bank protection for flood control. With the enactment of the Flood Control Act of 1936 Federal policy on flood control was written and the jurisdiction given to the Corps of Engineers of the Army. This act provided for the use of Federal funds in cooperation with State and local agencies for the construction of flood works including channel improvement and bank protection projects but required that State and local governments would provide all lands, easements and rights-of-way necessary for construction of the project, assume the obligation for any damages due to the construction works, and finally to maintain and operate all works after completion in accordance with regulations prescribed by the Corps of Engineers.

In 1938 the Congress amended the flood-control law, completely reversing its policy in regard to the responsibility of State and local governments. Under this act the Federal Government agreed to assume all costs for the construction of dams, reservoirs, channel improvement, and bank protection including the assumption of damages connected with the construction works, the securing of lands, easements, and rights-of-way, and the responsibility of maintenance and operation of all such projects.

Thereafter, Congress in 1941 amended the flood-control law and again reversed policy in regard to bank-protection projects. This act restored the requirement of the Flood Control Act of 1936 in regard to bank-protection projects, making State or local agencies responsible for acquisition of lands, easements, or rights-of-way, for damages for the construction works, and for maintenance and operation of the completed project. These legislative changes over a period of years have produced a checkerboard of responsibility for maintenance, some of which rested upon the Federal Government and some upon State or local agencies established for flood-control purposes.

After about 20 years' experience on bank-control projects for flood control in the State of Oregon and particularly in the Willamette Valley project area, critical problems have developed which demand a reexamination of the law applying to bank-protection works. The most critical problem has developed in connection with those bank-protection projects which have been locally sponsored. Under Oregon law, landowners contiguous to the river where bank protection is needed may organize water-control districts for the purpose of securing the necessary lands, easements, and rights-of-way. These water-control districts assume damages and agree to operate and maintain the projects. Experience indicates that the costs involved in the carrying out of such an arrangement have greatly exceeded the anticipated cost and are beyond the resources of the landowners in most instances.

The heavy floods in Oregon in the past winter were particularly destructive to many such bank-protection projects. The water-control districts in repeated instances found themselves obligated to

undertake what was essentially a reconstruction of the bank-protection works. Such was clearly a financial impossibility. Had it not been for Public Law 99 of the 84th Congress the situation insofar as bank protection was concerned in the Willamette Valley would be chaotic. The engineers have determined that emergency flood-control funds may be used to reconstruct and rebuild such projects.

A more serious situation faces this area for the future. In view of the fact that experience demonstrates that ordinary maintenance and operation of bank-control projects is beyond the financial ability of water-control districts, the highly essential remaining projects may not be undertaken. At the same time with the completion of flood-control dams and reservoirs the flowage of impounded waters from the reservoirs at or near bankful levels for long periods of time produce greater bank erosion than do uncontrolled floods over bank stage where the high-water conditions do not exist for so long a period of time.

The purpose of the bill which I have introduced is in effect to restore the terms of the 1938 Flood Control Act so that it applies to bank-protection works the same as it applies to flood-control dams and reservoirs. The single exception to the restoration of the language of the 1938 act being that local sponsors still will be required to furnish the lands, easements, and rights-of-way.

Approval of the bill will eliminate the checkerboard pattern as to responsibility for maintenance and operation of such projects so that the Army engineers having full responsibility may operate a coordinated maintenance program for this purpose. It will assure that bank protection will be provided where needed and where local sponsorship is presently a financial impossibility.

This problem, I am sure, is not limited to the State of Oregon but likewise is present in connection with some of the other major flood-control developments in the Nation. This matter is urgent and remedial legislation is necessary if we are to avoid a more costly problem of correction in the future.

NATIONAL FOREST TIMBER RESOURCE OPERATIONS

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, since I have been a Member of Congress, I have served on the Subcommittee on Appropriations handling funds for the Forest Service and also have served as a member of the Subcommittee on Forestry of the House Agriculture Committee. In my work I have oftentimes found that the material available from the Forest Service on the management of our Federal forest resources has not been as adequate as it should be. There needs to be a greater concentration of effort in the managing of our timber resources in order to eliminate the possibilities of timber waste, insect infestations, disease epidemics, and fire hazards. The waste of taxpayers' dollars through deterioration of timber, insect infestation, and fire has not been in keeping with sound forestry practices.

The year 1955 marked the golden anniversary of the Forest Service, Department of Agriculture. For 50 years vast areas of our country's forest lands have been under the supervision of that Bureau of our Government. Today the 181 million acres of national forests located in 40 States, Alaska, and Puerto Rico represent big business—a business so large that thousands of employees and $65 million to $70 million of annual appropriations are expended in their operation.

Approximately 85 million acres of the national forests are classified as commercial timberland—land that is suitable for the growing of timber. On these Federal lands is found over one-third of all sawtimber growing in the United States. Every year timber is harvested in large amounts for lumber, plywood, pulpwood, poles, piling, railroad ties, and a variety of other uses. Thousands of sawmills and other forest products plans depend in whole or in part on this timber.

Income from the sale of timber on the national forests in 1955 was over $73 million, representing 91 percent of all income received. Had all the timber harvested been converted into lumber for house construction, it would have been sufficient to build 633,000 average-size homes. An increase in the quantity of timber harvested and the income from such timber is anticipated for the current fiscal year. In spite of these large incomes, however, they do not exceed the costs of administration when payments to the States in lieu of taxes are included as part of such costs.

The 149 national forests contain about 770 billion board-feet of timber of sawlog size. In the West there are large areas of virgin timber on the national forests. Some of this timber is mature or overage and is putting on little or no growth or is deteriorating. Often such timber becomes the breeding ground for insect infestations and disease epidemics. Often, too, dead or dying trees in the stand create a high fire hazard. It is generally agreed that more of this type of timber should be harvested. When properly harvested, the soil has opportunity for producing a new timber crop. In the eastern national forests many young timber stands are in need of thinning and pulpwood cutting, if they are to prove good growth in volume and quality.

There has been improvement of recent years in the management of the national forests for timber production. There is much room for additional improvement, however, to put more of these forests on a par with the better managed privately-owned forests. There needs to be a greater concentration of effort by the Forest Service on the job of managing the timber resource. Only on a minor number of the national forests is the harvesting of timber up to the allowable sustained yield cut and on only a few national forests is the forest soil producing a maximum of wood increment. Our expanding population and growing economy demand the best economic use of this forest soil. Concomitant benefits flow from good forest management and proper timber harvesting. These include the increased production of clear and usable water for irrigation and municipal purposes, silt-free streams for good fishing, a better habitat for game, and the development of more accessible and better appearing forests for recreational enjoyment.

Each year the Congress is asked to consider the fiscal needs of the national forests. Each year committees of the House and Senate are asked to consider legislation affecting the national forests. Many of these requests or proposals relate to timber resource management. Testimony of witnesses or filed statements must serve the Congress and its committees as the basis of enlightenment—generalized or limited in scope as they frequently may be. Annual administrative reports, when available, have been notably lacking in the type of information here proposed for assembly and reporting.

H. R. 10794 would provide for an annual report to the Congress on the administration of the national forests with special reference to timber resources. The measure would provide for the first time a running record of all activities, operations and facts pertaining to timber management for each of the 149 national forests. The information would be immediately useful and over a period of years would provide an increasingly valuable index of progress in the management of the national forests. The reports would favorably influence the efforts made to improve the management of such forests. They would greatly assist the Appropriations and other committees of Congress and their staffs in analyzing the need for funds and the effect of proposed legislation. Specifically, H. R. 10794 would require the Department of Agriculture to compile information for each fiscal year and for each national forest which would show, first, the area within each national forest under the jurisdiction of the Secretary; second, the total forest area within each national forest under the jurisdiction of the Secretary, and the estimated quantity of timber thereon; third, the portion of the total forested area within each national forest which is suitable and available for commercial timber production, and the estimated quantity of timber on such commerically forested area; fourth, the allowable annual timber cut on such commercially forested area within each national forest consistent with sustained-yield timber management; fifth, the quantity of timber actually cut on such commercially forested area within each national forest; sixth, the estimated annual average timber growth rate in board feet per acre of the commercially valuable timber on such commercially forested area within each national forest; seventh, the total receipts from sales of timber and other forest products, and the total of all other receipts, for each national forest; eighth, the total of expenditures and obligations with respect to each national forest, and the portion thereof attributable to timber resource operations, including management, protection, and development of timber resources; ninth, the total number of permanent employees, and the total number of temporary employees, for each national forest on the last day of such fiscal year, and the number of such employees engaged in timber resource operations; and tenth, the number of miles of timber access roads in each national forest and the number of additional miles of such roads necessary for timber resource operations.

Section 2 of the measure would provide for an annual report to Congress of this information and a summarization by States, national forest regions, and for the United States.

Most of the data that would be reported under this measure is already a matter of record in the headquarters offices of each national forest. In several national forest regions some of the data are published for annual distribution. Some of the data are now transmitted to the Washington, D. C., office of the Forest Service where it is compiled for analysis and official use. If this measure is enacted, therefore, it will not require much additional work for the Department of Agriculture to comply with its provisions. Furthermore, the results will be very helpful to the Department in further analyzing its forest management problems and progress.

THE UNIQUE CONTRIBUTION OF RAILROAD WORKERS

Mr. DEANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, I rise today in support of the railroad-retirement amendments of 1956 which, for the first time since 1951, would provide an increase in the amount of benefits paid under our Railroad Retirement System. Under the bill most benefits would be increased by around 15 percent, to bring payments under our railroad plan more into line with present costs of living. The need for such an increase is obvious, when we consider that the average payment received by retired railroad workers today is only $104 a month; that the average disability payment is only $95 a month, and that averages for survivor benefits range from only $40 to $62 a month.

Surely these amounts are inadequate to maintain even a subsistence standard of living at today's living costs. Indeed, a 15 percent increase seems to be hardly enough. The reason for the proposed increase in this amount, however, arises from the very integrity of the railroad retirement system itself. For, as you know, the position of the Railroad Brotherhoods has always been that theirs would be a self-financing system. It follows that the increase in benefits is also reflected in an increase in the contribution which each railroad worker will pay into the system. The present bill calls for an increase of 1 percent each on the tax contribution of employers and employees to carry the cost of these benefit increases, and to maintain the self-sufficient status of the system. To ease the burden of this increase on active railroad employees the bill also carries a provision which allows them to exclude the amount of their retirement contribution from income and wages for income-tax purposes.

Mr. Speaker, in considering this legislation I am convinced that we must bear in mind the great contributions to national development which railroad workers have made as they have carved their unique role in American history. For in their role as transporters of our food and fiber, and of the product of our factories and our farms, they have helped to make us a united country. Today the men and women in the smallest hamlet in our land have access to everything available in the largest metropolitan centers because of our railroads. Our modern miracle of transportation has thus become also a miracle of communication that has cemented the bonds of our national community.

We must be conscious as well of the fact that railroad workers have been pioneers in the development of our American pension systems. Private company pension plans originated, in this country, in the railroad industry away back in 1874. During the years following they developed rapidly as private pension plans, through the continued concern of the railroad brotherhoods.

The experience of these railroad plans, in good times and bad, could be said, I believe, to have furnished the groundwork for all of our existing retirement plans in this country—including the Social Security Act. It was because of this unique contribution—as well as because of the special hazards of the railroad industry—and of the industry's vital importance to our national welfare that the Congress set up a separate Railroad Retirement System at about the same time that it was establishing the Social Security System for most other workers.

In the ensuing years, Congress has recognized its unique obligation to our railroad industry by approving special protections to make the railroad retirement plan a model for career systems. These changes have been made through a team approach, in which the railroad brotherhoods have worked side by side with Members of Congress in working out the kind of protection they needed—and the kind they could pay for.

I believe we must increase the amount of the benefits which railroad workers and their dependents are now receiving by at least the 15 percent provided in this bill. We must bear in mind the fact that no increases in the amount of benefits under this system have occurred since 1951, although two substantial increases have been made in social-security benefits. Railroad workers have, through the years, contributed generously so that they would have adequate protection in their old age and for their families in the event of their death. They have kept faith with the Congress and the American people in this respect. Surely the American Congress must now keep faith with the railroad brotherhoods in enacting this legislation.

FURTHER JUDICIAL WEAKENING OF THE ROBINSON-PATMAN ACT MAKES PASSAGE OF H. R. 11 IMPORTANT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in two instances and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, in 1951 the Supreme Court of the United States struck a near mortal blow to the Robinson-Patman Act. This was done by a closely divided opinion in *Standard Oil Co. (Indiana)* v. *Federal Trade Commission* (340 U. S. 231). Since that time the Federal Trade Commission has rained a number of additional blows onto the Robinson-Patman Act by a variety of interpretations which have aggravated and extended the wounds made by the Supreme Court.

Now comes a decision in the Balian Ice Cream Co., Inc., against Arden Farms Co. et al., by the Ninth Circuit Court of Appeals, where we find the court dancing on the grave of the Robinson-Patman Act. Following the example of the Supreme Court's Standard of Indiana decision, the Ninth Circuit Court of Appeals in the Balian decision has engaged in promiscuous legislative findings, arrived at a conclusion as to what it thinks is good for the competitive system, and reconstructed the Robinson-Patman Act accordingly. While the Supreme Court in Standard of Indiana went pretty far in this direction and injected a sizeable dose of its economic theories into the law, the Ninth circuit court of appeals has compounded the injury by adding additional and even cruder economic theories.

For example, the only reason for having a law to try to curb price discrimination, as the Robinson-Patman Act does, is that this practice gives larger firms insuperable and vital advantages over smaller competitors. As for sales competition among marketers of unequal size, the practice would always permit the large interstate marketers to win out over local competitors if the big marketers cut prices only where they encounter local competition; in other words, if there is no check on ability to discriminate in price. This is for the obvious reason that price competition on this basis results in the local sellers suffering a revenue loss on all of their sales, whereas the large interstate marketer takes a revenue loss on perhaps a small fraction of its sales. Yet in the Balian decision the Court could see no unfair injury in the fact that certain local producers of ice cream in the Los Angeles area lost revenue, because, the Court said, the large interstate competitor was also taking a revenue loss on its sales in that particular market. Such was the reasoning of the Court in the face of its frequent references to a finding of the lower court that the interstate marketer had not reduced its price in the several other States where it was selling ice cream.

I have pointed out only one of the instances in which the Court has misunderstood or overlooked the practical basis and the underlying reason for the law. Beyond that the Court has, I submit, misconstrued and misinterpreted the law and made holdings which go beyond, and are contrary to, the holdings of the Supreme Court on a number of points. I have set these points out in a statement which I have today filed with the Antitrust Subcommittee of the House Committee on the Judiciary, asking that subcommittee to add this statement to my testimony of last week on H. R. 11.

H. R. 11 was designed and introduced to close the loophole which the Supreme Court drove into the Robinson-Patman Act in the Standard Oil of Indiana case. This more recent reinterpretation and weakening of the law by the Ninth Circuit Court of Appeals in the Balian ice cream case now makes it all the more imperative that H. R. 11 be passed, and be passed promptly.

I think the Members may be interested in my statement on the Balian ice cream decision, which is as follows:

> Mr. Chairman, I desire to use this opportunity to inform you and the members of your committee about an additional loophole that has been made in the Clayton antitrust law, as amended by the Robinson-Patman Act. It is a loophole that was made in that law quite recently. The United States Court of Appeals for the Ninth Circuit on October 1, 1955, handed down its decision and opinion in the case of *The Balian Ice Cream Co., Inc.*, v. *Arden Farms Co., et al.* In so doing, it in effect rendered its decisions in 15 separate cases which had been brought by small-business men as plaintiffs to protect themselves from destructive price discriminatory practices. Their actions were brought as provided for under section 4 of the Clayton Act, in which the plaintiffs claimed violation of the Federal antitrust laws. The basic claim was that each of the plaintiffs who is an independent manufacturer or distributor in the Los Angeles area, sustained injury when the large Arden Farms Co. had engaged in price discrimination tactics. The gist of the complaints was that the Arden Co. operates in the Northwest States and in Arizona, as well as in California, and that discriminations are obvious because it is charging its customers in these other States higher prices than its charges its customers in the Los Angeles area for products of like grade and quality.
>
> The Court of Appeals for the Ninth Circuit decided the cases against the plaintiffs, holding that the defendant Arden had made out a defense by showing that its prices in California "were set up in good faith to meet the lawful and equally low prices of its competitors." In that connection the appelate court stated:
>
> > "The trial court made precise and exact findings covering this defense. It was found that the prices at which Arden sold its ice cream products in California were set up in good faith to meet the lawful and equally low prices of its competitors."
>
> Counsel for the plaintiffs then petitioned the Supreme Court of the United States for writ of certiorari. The Supreme Court denied that petition. The effect of its denial would be to leave the decision of the Ninth Circuit Court of Appeals as the law of the case. Moreover, since the Federal Trade Commission has the paramount jurisdiction as a Federal agency to enforce the statute in question, it must look to the decision of the Ninth Circuit for guidance in its enforcement activities.
>
> Counsel for the plaintiffs have petitioned the Supreme Court for a rehearing on their petition for a writ of certiorari. In that connection they have pointed out to the Court that the Ninth Circuit Court of Appeals in its decision in the Balian case held:
>
> 1. That defendant Arden had made out a "good faith" defense, and in so doing had extended the scope of the "good faith" defense provided for by the decision of the Supreme Court of the United States in the case of *Standard Oil Company* v. *United States* (340 U. S. 231).
>
> 2. That it did not overcome the "good faith" defense of defendant Arden for the plaintiffs to show that Arden had in its discrimination in price not merely met an equally low price of a competitor but had undercut its competitors.
>
> 3. That defendant Arden made out its "good faith" defense even though it had discriminated in price to eliminate a great many of the "chiseling cuts" of its competitors in the Los Angeles area.
>
> 4. That the plaintiff did not overcome Arden's "good faith" defense by showing that Arden had not discriminated to meet an equally low price of a competitor in an "individual competitive situation."
>
> 5. That Arden should be regarded as having acted in "good faith," even if Arden had gone beyond the technical limits of meeting an equally low price of a competitor on ice cream products offered for sale by its competitors to their customers, so long as it did not extend that action to include "diced ice cream" with respect to which Arden had a monopoly control in the Los Angeles market.
>
> 6. That Arden obviously did not violate section 2 (a) of the Clayton Act, as amended, by selling ice cream products at higher prices in other States than it was selling goods of like grade and quality in the Los Angeles area.
>
> 7. That there was no direct connection between Arden's discriminatory higher prices that it charged its customers in other States and the lower prices it charged its customers in the Los Angeles area; that even in geographical price discrimination cases such as this, it must be shown that different competing customers are charged different prices.
>
> 8. That a factor against the plaintiffs is the admitted fact that neither the materials nor the products sold at the discriminatory prices by Arden in the Los Angeles area are shipped in interstate commerce.
>
> 9. That "Arden did not embark upon a campaign of selling goods shipped in interstate commerce in a local area to punish or designedly try to cause loss to one weaker competitor. It had no design to eliminate such a competitor and put him out of business."
>
> The testimony before this committee on April 18, 1956, included expression of concern from a representative of many small-business men that the decision in this Balian case continues the "whittling away" of the Clayton Antitrust Act, as amended by the Robinson-Patman Act, which was started by the Supreme Court in its decision in the Standard of Indiana case. (See the testimony of Mr. Henry Bison, pages 228–231, of the transcript of the hearings.)
>
> In his testimony before this committee on April 19, 1956, the Chairman of the Federal Trade Commission admitted that he had found the opinion and decision in the Balian case a "somewhat perplexing decision." (Transcript, p. 331.) He observed that he had construed the law as providing for the application of the "good faith" defense in those instances where the defendant meets but does not undercut a competitor's price. Then it was pointed out to him that at pages 182 to 184 of its report, the Attorney General's National Committee To Study the Antitrust Laws recommends that the law should be so construed as to allow sellers to use discriminations not alone as a defense to retain a customer but also in an offensive manner to acquire new ones, even where the seller cuts his price to the favored buyer below that offered to such buyer by the seller's competitors. In that connection the Chairman of the Federal Trade Commission stated that he regards that recommendation as "purely advisory." It should be noted that the report containing that recommendation had been sent by the Attorney General to the judges who comprise the Ninth Circuit Court of Appeals. Perhaps those judges also regard the recommendations contained in the report in the same light as the Chairman of the Federal Trade Commission regards them, namely, as purely advisory. Be that as it may, it now appears that the Ninth Circuit Court of Appeals has, in the Balian case, demonstrated its willingness to accept and follow the advice and recommendations of the Attorney General's National Committee To Study the Antitrust Laws. That is true although the Chairman of the Federal Trade Commission in his testimony before this committee on April 19, 1956, at transcript page 332, stated that he clearly understands the law, even as construed by the Supreme Court in the Standard of Indiana case, to limit the defendant's showing in his good-faith defense to a showing that he merely met an equally low price of a competitor and did not undercut it.
>
> What has the decision in the Balian case done in whittling away the law against discriminations which substantially lessen competition and tend to create a monopoly in any line of commerce? In providing an answer to that question, I would like to summarize my understanding of the facts upon which the Balian case is founded:
>
> 1. Defendant Arden is one of the largest manufacturers and distributors of ice cream products in the United States. It is a Delaware corporation. It manufactures and sells its products in California, Oregon, and Washington. In addition, it sells and distributes its products also in Idaho and Montana.
>
> 2. Although Arden by virtue of its control of certain patents had a virtual monopoly control over a packaged individual serving of ice cream that it had designated "Diced Cream," it nevertheless did face some competition from the sale of other ice cream packaged for individual servings.
>
> 3. In the Los Angeles area Arden had a substantial share of the total market for ice cream and ice-cream products. Its share amounted to 18 and 17 percent respectively. That share was substantially more than the aggregate of the shares of all of the 15 plaintiffs who proceeded against Arden because of its discriminations in price and who lost their suits by virtue of the decision in the Balian case.
>
> 4. Arden, in order to retain its customers and to gain new ones, cut its prices on ice-cream products other than its monopoly product, Diced Cream, to meet or undercut prices of its local competitors in the Los Angeles area, while charging higher prices in other areas for goods of like grade and quality.
>
> 5. The business of Arden and of its ice cream distributing subsidiaries in selling ice-cream products was "substantially and adversely affected by competitive conditions."
>
> 6. The circuit court pointed out that while Arden's local competitors in the Los Angeles area claimed they had been injured by loss of revenue, Arden had lost revenue on its sales in the Los Angeels area; and from these facts the court appears to have reasoned

that there were no competitive consequences about which the statute is concerned; and that "any revenue loss to the plaintiffs as a result of the lowering of prices is merely one of the results of local competition."

7. Finally, the circuit court made this astonishing interpretation of the Robinson-Patman Act:

"The statute requires that there be some discrimination."

The circuit court proceeded on the theory that since the customers of Arden who were paying it different prices were not competing with each other, and since competitors of Arden who were competing with it in the Los Angeles area were not competing with Arden in other areas where Arden was charging higher prices "there was no casual connection between the different prices of ice cream sold by Arden in Arizona, Washington, and Oregon, and any damage sustained by plaintiffs as a result of the lowering of prices in the Los Angeles area. The court ruled that there was absolutely no evidence in the record that the differentials as to sales in commerce or in other areas had any relation to any injury or damage which plaintiffs may have sustained. It is true that Arden in certain respects engages in interstate commerce, but the court ruled it does not follow that the price differential in different areas have any relation to each other, even if the sales involving interstate commerce were given consideration. The court again referred to the fact that in the Balian case competing customers were not shown to have been charged different prices by Arden, and that feature indicated a variance from the case of the *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37). The court also stated that "Arden did not embark upon a campaign of selling goods shipped in interstate commerce at a loss in a local area to punish or designedly try to cause loss to one weaker competitor; and that it had no design to eliminate such a competitor and put him out of business by giving guaranties against loss to its own sales customers." Therefore, the court on that basis distinguished the Balian case from the *Porto Rican American Tobacco Co.* v. *American Tobacco Co.* (30 Fed. 2d 234). What the court did not seem to understand is that under even the original Clayton Act of 1914 it was not required that one, damaged as a result of discriminations practiced by its competitors, be shown to have been in competition with the discriminator in more than one area where the discriminator made sales at different prices. Moreover, in a primary line injury case, such as the Balian case, it has been irrelevant and immaterial since 1914 whether or not customers of the discriminating seller were in competition with each other. However, in the Balin case the circuit court of appeals seems to regard such a fact as of prime importance. Without such a showing the court appeared to think that there would be no discrimination. It observed that "the statute requires that there be some discrimination." It appears that the court considered that without a showing to that effect it would have been necessary to show that Arden embarked "upon a campaign by selling goods shipped in interstate commerce at a loss in a local area to punish or designedly try to cause loss to one weaker competitor." Obviously if that test were to be satisfied, the Sherman Act would be found sufficient to deal with the problem.

Admittedly, in the Balian case the state of competition had not been reduced to a contest between Arden and one weaker competitor. At the time the case was brought it had 15 competitors. Under the Clayton Act are we to permit the Arden Co. to continue its discriminatory practices, and therefore its march to a near monopoly position, until it is faced with only one weaker competitor? I submit that such idea was not in the minds of those of us who drafted the Clayton Act and the Robinson-Patman amendment thereto. We thought of providing for a means to get at the monopolistic price discrimination in its incipiency and before it had come to full flower. At the time the original Clayton Act was enacted we knew that the Sherman Act could be invoked to break up a monopoly which had been realized through the use of monopolistic practices. We desired to stop the practice before monopoly was created.

In conclusion, allow me to summarize some of the factual situation in which the Ninth Circuit Court of Appeals appeared to find the existence of good faith. Arden, a large interstate operator, discriminated in price. It did so to meet and beat low competitive prices, described by the court as "chiseling cuts," which were being used by Arden's small local competitors in the Los Angeles area. In doing that, it injured those competitors. How many will disappear as a result of such injuries is anybody's guess. However, whether they disappear or whether they are taught lessons as a result of price discriminations on the part of Arden to never again cut their prices and thereby be charged with chiseling, it is a safe guess that the public will pay the bill in the form of higher ice cream prices in the Los Angeles area. Perhaps it is a simple case of nearsightedness on the part of the court when it viewed the lower discriminatory prices on the part of Arden as a boon "in the public interest."

We who support H. R. 11 and urge its enactment desire a return to first principles. We cannot understand the economic beliefs of those who advocate the use of such a monopolistic practice as price discrimination by the large corporate giant, Standard Oil Company of Indiana, as a good faith competitive act against small competitors. According to our understanding of economics, the result of what they advocate will be the opposite to competition. We do not want that result. We do not want substantial lessening of competition or the creation of monopoly. Therefore, we urge enactment of H. R. 11.

THE UNKNOWN MANAGERS OF OUR MONETARY SYSTEM WHO DETERMINE ECONOMIC POLICY CONTRARY TO WISHES OF WOODROW WILSON HAVE GOTTEN INTO PRIVATE BANKERS' HANDS

Mr. PATMAN. Mr. Speaker, we now have the type of situation that could have been predicted back in February 1951 when the bankers won their fight to make the Federal Reserve their own private instrument. The President has said that the Secretary of the Treasury and the Chairman of the Council of Economic Advisers both have disputed the Federal Reserve decision to raise interest rates and tighten credit at this time. They felt that the Federal Reserve should have waited to see whether the inflationary threat was as real as they imagined it to be. But what did the Federal Reserve do? The current issue of Business Week—April 28, 1956—quotes a Treasury official:

> The Fed has taken the bit in its teeth and is dragging the rest of us along.

This is the logical outcome of the fight over the independence of the Federal Reserve System. The Chairman of the Board of Governors and the 12 Reserve bank presidents elected by the commercial bankers of the country have the power to override economic policy decisions of the people's elected representatives.

The absolutely amazing thing about this situation is that the President of the United States assents to the diminution of his powers to formulate and carry out economic policies. For the President said at his press conference that in the dispute he supported the Federal Reserve against his own Cabinet official and his own Chairman of the Council of Economic Advisers. He is mistaken when he says he believes that what is involved is the principle that the Board should be free from politics, and that he respects the independence of the Board. The Federal Reserve is a Government institution. It is a Government central bank. It is owned by the people of the United States. It is not the vehicle of the private bankers and was never intended to be such a vehicle. Its function is derived from the delegation of Congress' power to regulate the supply of money and credit and the value of the currency. It has been abusing that power since February 1951. We see millions of victims of that abuse of power when we witness the impoverished condition of agriculture and of the rising tide of small-business bankruptcies and forced mergers.

SMALL FIRMS HIT

The President said at his press conference that he had confidence in the Federal Reserve and promised that the Board would ease up if money conditions got too tight. It is obvious that the President was not fully informed as to how tight credit conditions have been for nearly a year. For example, I have a report issued by the Standard Factors Corp., of New York. It is based on a nationwide survey. Since April 1955 they have queried 727 manufacturers and 127 banks, in every major city and reserve district in the country. This is what they found. Most small-business firms in the sample had lost their bank credit lines during the past 12 months because of tightening bank credit. Big firms—$500,000 net worth and over—were virtually unaffected. Loss of bank lines either puts the small man at a terrific disadvantage or else he has to close down completely. The rising tide of mergers and bankruptcies tell what the result of the five rediscount rate increases have meant to small business. I know that the Members will want to know about the plight of small business under the independent policy of the Federal Reserve which has been only recently reaffirmed by President Eisenhower. I am therefore including the results of the Standard Factors Corp. study in the Congressional Record:

For: Standard Factors Corp., 270 Madison Avenue, New York, N. Y.

From: Imberman & Deforest, 25 East Jackson Boulevard, Chicago, Ill.

Small- and medium-sized manufacturers have been hurt by credit restrictions during the past 12 months, although most larger corporations have been unaffected, says a study by Standard Factors Corp., entitled "One Year's Experience With Credit Controls." The study covering 727 manufacturers in 33 major industries and 127 banks in all parts of the country, was released today by Theodore H. Silbert, president of Standard Factors.

According to the report, "the tightening of the money supply has not affected all business in the same fashion. * * * While it is obviously not the desire of the Federal Reserve managers to discriminate among business borrowers, the net effect has been that as bank credit tightened, the largest borrowers have supplemented their bank credit by selling commercial paper, or borrowing from insurance companies or the public. The smaller and medium-sized manufacturers, on the other hand, have had to contend with a more desperate loan situation."

The report indicated that most companies with $5,000 to $25,000 net worth have lost their bank lines during the past 12 months because of tightening bank credit. Of companies with $25,000 to $100,000 net worth, about half lost bank lines. Of companies with $100,000 to $500,000 net worth, only about 12 percent lost bank lines. Companies with net worth over $500,000 were said to be virtually unaffected by the tightening bank credit situation.

While many of these companies went to commercial finance companies for credit accommodations, the finance companies were also caught by the tightening bank credit situation. "Commercial finance companies operate on the basis of their own capital plus bank lines of credit," the report said. "With bank lines tighter, the finance companies could not begin to accommodate the demand. * * * Only those larger commerical finance companies with access to public financing, insurance companies loans and commercial paper market, were able to make some semblance of meeting the need."

As far as the banks are concerned, the report indicates that banks are most anxious to continue servicing their small-business customers, but "when restraining pressure on loans is applied from the top, the pressure usually is more severe in the case of the smaller- and medium-sized business, than when the corporation is larger."

In conclusion, the Standard Factors' report says: "Whether the country can afford to maintain uniform credit controls which affect the different segments of industry so differently, and which bankers themselves do not like, is something which the Federal Reserve System might reconsider."

One Year's Experience With Credit Controls

For: Standard Factors Corp., 270 Madison Avenue, New York, N. Y.

From: Imberman & Deforest, 25 East Jackson Boulevard, Chicago 4, Ill.

April 24, 1956.

The latest move of the Federal Reserve system in raising the rediscount rate to 2¾ percent (and 3 percent for Minneapolis and San Francisco) is the fifth such increase since April 1955. Its avowed object is to hold back the inflationary pressures in our economy. With steel, nonferrous metal, rubber, and other basic producers working at 100 percent capacity, any further rise in industrial activity would scarcely produce any more goods but merely increase prices—with the inevitable consequences in new wage demands, higher costs, etc. Hence the rise in the rediscount rate which will tighten money still more and slow up the industrial parade—somewhat.

However, since this is the fifth increase within a year, we have been able to gage how credit restraint affects the different segments of business. Since April 1955 when the first rediscount raise was set into motion, until April 1956 when the fifth raise was announced, Standard Factors Corp. has queried 727 manufacturers and 127 banks. These manufacturers are located in every major city in the country; the banks are equally well distributed through the 12 Federal Reserve bank districts.

Despite the apparent fairness of the Federal Reserve banks' method of holding down credit expansion, we have found that the tightening of the money supply has not affected all businesses in the same fashion. Smaller business has felt the tightness worst; medium-sized corporations have been next in complaining about the money situation; large business has had little to worry about. While it is obviously not the desire of the Federal Reserve managers to discriminate among industrial and commercial borrowers, the net effect has been that as bank credit tightened, the largest borrowers have been able to supplement their bank credit by selling commercial paper, borrowing long-term funds from insurance companies or from the public. The smaller- and medium-sized manufacturers, on the other hand, have had to contend with a more desperate loan situation. This situation is clearly evident from the reports to this Standard Factors' survey.

WORST IN CERTAIN INDUSTRIES

This situation, according to our reports from 727 manufacturers, is found to be worst in the following manufacturing industries: machinery (nonelectrical); food and beverages; petroleum refining and chemicals; fabricated metals; transportation equipment; textiles and apparel; electrical machinery; stone, clay and glass products. Many other manufacturers report the same state of affairs, but the above-named industries show probably the worst effect of the uniform tightening of bank credit. In those industries, the smaller manufacturer has been virtually squeezed out of bank credit, while the medium-sized producer has had his line curtailed. Details on these companies are cited below.

On the banks' side, the reports from 127 banks show the utmost good will, and a keen desire to satisfy all their customers to the banks' best abilities. However, while banks are anxious to help all customers, there is a tendency for most of the pressure to work its way down to the smaller customer. For this there is evidently an economic reason: It takes almost as much personnel time and expense to administer a $10,000 line of credit as it does to administer a $100,000 line. Similarly, it takes no more time and personnel effort to administer a $1 million line of credit than it does to watch over a $100,000 line.

True, bank rates on small loans are higher than on larger loans. This must be so, because the bank cost of administration (and risk) is higher with the smaller credits. The cost of keeping track of smaller loans and investments in smaller business is high, and even going interest rates on smaller loans do not always cover the expense to the bank. But since lendable funds and bank personnel are at a premium—and since the risk on one $1 million account is less than the risk on one hundred $10,000 accounts—banks tend to hold on to their biggest and more stable customers.

COMMERCIAL FINANCE

The commercial finance industry has endeavored to take up the slack through accounts receivable financing, but even their resources are insufficient to help all the small- and medium-sized companies which are worthy of credit. Moreover, since commercial finance companies are themselves in good part dependent on bank lines for their resources, they cannot expand their lending in the face of tightening bank credit.

According to the reports from the 727 manufacturers to this Standard Factors survey, we find that prior to the first Federal Reserve Board hike in rediscount rate (April 1955) 89 percent of the companies were regular borrowers from commercial banks. Today, only 53 percent have bank lines. In terms of net worth, here is a breakdown of the experience:

Net worth of companies	Percent of companies with bank lines March—	
	1955	1956
$5,000 to $25,000	53	18
$25,000 to $100,000	82	44
$100,000 to $500,000	94	79
$500,000 to $1,000,000	99	98
$1,000,000 to $2,500,000	99	98
Over $2,500,000	99	99

It is interesting to notice that the smaller companies (under $25,000 net worth) had felt the most severe effects of the tightening bank credit. Slightly more than half of these companies had bank lines in March 1955. These lines were used to discount bills, carry inventories for processing or for sale, or to take care of payrolls or current operating bills until payment had been received from sales. While only 53 percent of these smaller companies had bank lines when the credit squeeze began, only 18 percent of these companies were left with bank lines a year later. Loss of bank lines often puts the smaller-business man at a fatal disadvantage.

NEXT IN LINE

Looking at the small-medium companies ($25,000 to $100,000) net worth, the drop here was from 82 percent with bank lines, to 44 percent a year later. Almost half the companies in this category lost their bank lines. This, of course, is not as large a drop as in the smallest class, but severe enough.

When we come to the medium-sized company ($100,000 to $500,000 net worth), the drop is much smaller—from 94 to 79 percent. Above the $500,000 net worth class, there is virtually no change in bank credit. The minute shift in the larger companies was due to public financing, or long-term loans from insurance companies to replace bank borrowings.

What did the companies do to replace bank accommodations? Many of them went to commercial finance companies and accounts receivable financing. But here too they met the other side of the tightening bank credit situation. Since commercial finance companies operate on the basis of their own capital plus bank lines of credit—and since tightening bank credit affects commercial finance companies also—the finance companies could not begin to accommodate the demand. Their own resources were squeezed by tighter bank credit—and only those larger commercial finance companies which have access to public financing, to direct placement loans from insurance companies, and to the commercial paper market, were able to make some semblance of meeting the demand.

BANKS LIKE SMALL BUSINESS

As far as the 127 banks are concerned, their confidential replies to this survey indicate that far from shying away from small business, the average bank is, in itself, small business and is largely occupied with small-business loans. Nationally, most banks are small business, but many of these banks participate in larger loans through larger banks in the major commercial centers.

However, with the loan demand rising all over the country, many of the smaller banks have been withdrawing their deposits with larger banks, and using these funds for their own loans. In addition, all banks have met the expanding demand for loans by reducing their investment portfolios. This they have done by selling their Government securities. This sale has been proceeding (in 1956) at an average rate of about $200 million a week. Sale of investments on such a scale is indicative of a strong pressure of loan demands.

for the sales involve losses which banks are naturally reluctant to take. Yet they do take them, in order to be able to accommodate customers.

But when it comes to determining what customers should be satisfied first, bankers (apparently like everyone else) must look to the customer which gives them volume, to the customer most apt to be around the bank in the years to come, and the customer which involves (for the bank) the least risk of the depositors' money. Volume, continuity of business, and least risk, characterize the larger corporations.

While the reports from banks show that bankers lean over backwards to continue serving their smaller commercial customers, nevertheless the reports also indicate that when the question of renewal of 30-, 60-, and 90-day commercial loans or notes arises, the decision is apt to be far more severe and critical in the case of the smaller- and medium-sized business, than when the corporation is larger.

Whether the country can afford to maintain uniform credit controls which affect the different segments of industry so differently, and which bankers themselves do not like, is something which the Federal Reserve System might reconsider.

The manufacturing industries covered in this study of 727 companies are: Agricultural implements; automobile parts; bedsprings and mattresses; breweries; chemicals; men's and women's clothing; confectionery; cloth mills; drugs; electrical machinery; electrical parts; electronics; foundries; fruit and vegetable canners; furniture; hardware and tools; hoisery; lumber; industrial machinery; meat packers; metal stampings; paints and varnishes; paper; paper boxes; petroleum; plastics; radio and television; shoes; soft drinks; steel and metal fabricators; stone, clay, and glass products; and transportation equipment.

SCHOOL CONSTRUCTION RETARDED

Small-business men have, of course, not been the sole victims of this interest-boosting crusade. Schoolchildren are being made to pay for the bankers' policies, too. I have a copy of the New York Times, Monday, April 30, 1956, before me. The headline says: "United States Credit Policy Held School Curb." Then it goes on:

> New York State Controller Arthur Levitt declared yesterday that Federal monetary policies were seriously threatening the State's public construction program. It is virtually impossible, he said, for school districts to borrow money at interest rates they can afford.

What sense does it make for the President to hold a White House Conference on Education to confirm that there is a tremendous need for schools and then call on Congress to enact a construction program, when he endorses a policy which does not permit school construction at present levels to proceed? To be charitable I must conclude that the President is not well informed about the state of money and credit in the country. Else how could he have said, as he is reported to have, that he was confident the Board would ease up before money dries up? How dry must the well get before it is dried up?

I am inserting for the benefit of my colleagues, particularly my Republican colleagues, the full article disclosing the harmful effect of hard-money policies on our schoolchildren. I hope one of them will be thoughtful enough to call it to the attention of the White House.

[From the New York Times of April 30, 1956]

UNITED STATES CREDIT POLICY HELD SCHOOL CURB—LEVITT CONTENDS THAT RISE IN INTEREST RATE HINDERS BUILDING IN STATE

State Controller Arthur Levitt declared yesterday that Federal monetary policies were seriously threatening the State's school construction program. It is virtually impossible, he said, for school districts to borrow money at interest rates that they can afford.

The State's chief fiscal officer called for a revision of Federal policies that would maintain guards against inflation but permit public construction to proceed.

Mr. Levitt attributed the tight credit situation partly to the recent decision of the Federal Reserve Board to increase the discount rate from 2½ percent to 2¾ percent. The discount rate is the interest that banks must pay to borrow from the Federal Reserve System. The increase was designed to curb inflationary trends by making borrowing less attractive.

"The impact of that policy on the State level," Mr. Levitt said, "has been to make it virtually impossible for school districts to borrow money to finance school construction."

He called it an alarming spectacle that the city of Philadelphia failed to get a single bid last week on a bond offer of $4,900,000 at 3 percent.

SCHOOL-DEBT BURDEN

Mr. Levitt reported that he recently had purchased $2 million of Long Island school district bonds with a 3½-percent interest rate for the State retirement system. "School districts," he said, "simply cannot sustain that kind of debt burden."

The State controller, a Democrat, appeared with Attorney General Jacob K. Javits, a Republican, on the televised program, "Viewpoint," over WRCA–TV.

Mr. Javits declared that there should be less borrowing by governments and that the borrowing opportunities for individuals should be increased.

The attorney general said he had no fears about installment selling and that increased consumer buying would stimulate production and other factors producing tax funds. That, he argued, would enable governments to undertake more construction on a pay-as-you-go basis.

The State has an interest in the tighter credit situation because of the prospective sale of bonds for mental hospitals, thruway, and grade-crossing construction. In addition, two bond issues, one of $500 million for highways and a second of $100 million for middle-income housing, are to go to the voters in November.

Mr. Levitt, while conceding the anti-inflation purposes of Federal monetary policies, asserted that "nobody in responsible positions contended that public construction should be slowed down."

In view of prospective State spending, Mr. Javits criticized both Governor Harriman and the Republican-controlled legislature for their part in effecting an income tax reduction. Mr. Levitt defended the tax cut on the basis of the State's cash surplus.

The State controller saw no inconsistency on the part of the Governor in advocating at the same time an income tax cut and an increase in the motor fuel taxes to financing the highway construction program.

"The modern tendency in regard to highway construction," Mr. Levitt said, "is to finance it by a users' tax and not by an income tax."

Mr. Javits contended that the legislature, in refusing to go along with an increase in the gasoline tax after voting an income tax reduction, "was a lot more honest with itself than the Governor."

SUPPORTING A CONDEMNED POLICY

We are in the ridiculous position of having the Government and its leading Cabinet official carrying out a policy which they publicly condemn, because they are willing to let the Fed take the bit in its teeth and drag the rest of the country along. I refer to the fact that the Treasury is in the market actually supporting the price of its own issues. Is it not ridiculous? The Secretary of Treasury is opposed to the Fed supporting his securities, but he is willing for the Fed to force him to do so. How ludicrous can they get? If this was not such a deadly serious business it would be a joke.

The fact is, according to Business Week—April 28, 1956—that the only thing which has stopped the price of Governments from going through the floor has been the substantial purchasing of bonds by the Treasury. Of course the Treasury recognizes how ludicrous their position would be if they acknowledged they were supporting bond prices so they rationalize by stating: "We decided to take advantage of the high interest rates you can get on Treasury bonds."

Sure the trust funds get the benefit, but what about the cost of servicing the debt? Is not the Treasury concerned about higher interest rates raising the cost of the public debt? Of course they are. That is why the Secretary is investing trust-fund money in buying his own securities.

This goes to show that Secretary Snyder's position was right. The Treasury has to be concerned about the cost of the debt and about its ability to sell Government securities to the public. That is a major reason why we cannot let the Fed take the bit in its teeth and drag the rest of us along.

FEUD OVER CREDIT POLICY

I am including a copy of the Business Week article, A New Feud Over Credit Policy, in the CONGRESSIONAL RECORD:

A NEW FEUD OVER CREDIT POLICY

The Federal Reserve's decision to step a little harder on the credit brakes (Business Week, April 21, 1956, p. 23) has renewed an ancient policy split between William McC. Martin's Federal Reserve Board and Secretary George M. Humphrey's Treasury Department.

As Martin sees it, the danger of inflation dictates a definite squeeze on credit. Humphrey feels the Fed could well have waited a little longer before tightening up.

Last week Fed followed up its action of raising the discount rate by selling over $70 million in 91-day Treasury bills. This reduced the amount of credit available to the banking system.

But at the same time, the Treasury took a step directly in the opposite direction—to ease credit. And the Federal Home Loan Bank Board did the same, further indicating dissatisfaction with the Fed's policy.

BOND PURCHASE

The Treasury Department was reported to have bought its own securities in the open market for the account of Government trust funds such as the Government Life Insurance Fund and the Federal Deposit Insurance Corporation. The Treasury did not announce the amount of bonds it purchased, but bond dealers termed the buying substantial. This served to increase the amount of credit in the banking system, and, according to one dealer, "it was the only thing that stopped the continued decline in bond prices."

RAISING THE CEILING

On top of that, the Federal Home Loan Bank Board revealed that it had put through a new relaxation in the borrowing privileges accorded member saving and loan associations. Under the new provision, all associations will be able to borrow up to 10 percent of their saving deposits from the FHLB. Previously, the ceiling on member borrowing was 5 percent.

Walter W. McAllister, chairman of the FHLB, denied that this lifting of the ceiling on borrowing was in conflict with overall credit policy. But he added that in his view, "there is now little danger of rampant inflation."

FED'S FEARS

This view is not shared by the Federal Reserve Board, which has tightened up precisely because it fears an outbreak of inflation. The Fed considered the relaxation on borrowing as directly contrary to its own policy.

The Treasury's action is not such a clear-cut example of finding fault with the Fed. But according to one Treasury official, there was a real dispute over the Fed's action. Treasury Secretary Humphrey and Arthur Burns, Chairman of the Council of Economic Advisers, were both reluctant to see a tightening at this time. They felt that the Fed should have waited until the economic outlook was clearer.

This is not the first time that there has been a dispute between the Fed, the Treasury, and the CEA. However, the Fed has usually lagged behind the others in deciding on policy. Now, as a Treasury official put it, "the Fed has taken the bit in its teeth and is dragging the rest of us along."

TREASURY'S EXPLANATION

Actually the Treasury denies that its buying is anything out of the ordinary. One official said: "We decided to take advantage of the high interest rates that you can get on Treasury bonds."

But there is no doubt that while the purchase of bonds benefited its trust funds, it was also a means of countering the Fed's move. And the Treasury still has a big reserve of funds that could be used to prop up bond prices and help ease the drain on credit.

The Treasury has used this purchasing power to counter Fed policy in the past. In March 1951, for example, when the Fed was asserting its independence from Treasury influence, the trust funds made net purchases in the open market of almost $500 million in Government bonds.

Money market experts believe that buying on this scale would crimp the Fed's effectiveness, at least in the short run. But they expect that before there is a definite breach between the Fed and Treasury, both sides will attempt to reach a compromise.

REAPPRAISAL SEEN

Some observers think that the Fed has already decided against carrying its policy much further. They believe that, instead of insisting on a uniform discount rate of 3 percent for the 12 regional Fed banks, the Board of Governors will refrain from tampering with the present differential between the San Francisco and Minneapolis banks, where the rate already is 3 percent, and the 10 other banks, where it is 2¾ percent. Instead, the Fed is expected to hold off further moves until it sees whether its policy to date has been effective.

At this point, I wish to correct an inadvertent omission of material which I intended to insert in the body of my remarks last Friday. I referred to information concerning rates of return on Government bonds which appeared in the Aubrey Lanston, Inc., weekly letter. The information which I intended to include is as follows:

> The Treasury security market reacted only moderately on Friday. The larger price declines took place in the shorter-term issues. At the prices on some of the issues, yields have become rather handsome. You'd have to go back to the days of the "bank holiday" in the early 1930's to find higher ones.
>
> The 1⅝s of May 15, 1957 (13 months to maturity) offer a gross return (before taxes) of 2.99 percent. If a taxpayer subject to a 52 percent rate can take a long-term gain at maturity the rate of return is equal to about 3.77 percent on a fully taxable basis. The 2⅞s of June 15, 1958 (2⅛ years to maturity) offer a gross return of 3.26 percent and an alternative long-term gains equivalent to 3.50 percent. The 2⅜s of June 15, 1958 (also 2⅛ years to maturity) offer a gross return of 3.21 percent and an alternative taxable equivalent yield of 3.69 percent. The 2¼s of June 15, 1962/59 offer a gross yield of 3.20 percent and taxable equivalent of 3.79 percent—to maturity. To the call date (June 1959) the respective yields are 4.04 percent and 5.10 percent. Who can be sure they won't be called? And, what a bonanza yield from United States Treasurys whether they are or not.

I want to close my review of recent developments in credit policy by calling attention to what I regard as the most significant development in this area in recent history. It is the announcement that for the first time in its history the New York Federal Reserve Bank had gone outside and selected a private commercial banker to be its president since the Open Market Committee was established. This selection was made by a board of directors of nine men. Six of them represented the commercial bankers of the New York Reserve district.

The New York Federal Reserve Bank under the governorship of Benjamin Strong, the last commercial banker to head that institution, ruled the money system of this country. That was before the tremendous power over open-market operations was given to one holding that position. The results were not too satisfactory. This decision to appoint a commercial banker to head up the New York Federal Reserve Bank makes it more important than ever that the Congress consider the desirability of removing the seat of the Open Market Committee's operations from the New York bank and establishing it here in Washington under the control of the Board of Governors.

I am including an editorial from the New York Times, May 2, commenting on Mr. Sproul's resignation and the appointment of Mr. Alfred Hayes to succeed him:

MR. SPROUL STEPS DOWN

The decision of Allan Sproul, president of the New York Federal Reserve Bank, to resign that important post will be received with mixed emotions by his colleagues in the system and by everyone who realized the vital role he has played in the system's affairs in recent years. If they think of it in terms of the banking system, they cannot help being dismayed, but this dismay will be softened by the consideration that in the 36 years he has given to the Reserve System he has contributed immensely to its prestige, and if this is what he wants, then so be it, and all possible good luck to him.

We can be certain, however, of one thing. It would occur to no one to question Mr. Sproul's simple explanation of his retirement, when he says he wants to return to California while he is young enough to enjoy retirement, this clearly is the reason he is retiring.

There is another thing that no one who knows Mr. Sproul will have to be told. They won't have to be told that he would not be stepping out of the picture if it were 5 years ago, and if the Federal Reserve System were engaged in a struggle for survival such as that in which it found itself in the early postwar years with the Treasury. With the possible exception of Marriner S. Eccles, Chairman of the Board of Governors, no one in the System contributed more to the Reserve's fight for freedom that culminated in the accord of 1951 than did the head of the New York bank. Perhaps the best and most authoritative estimate of Allan Sproul is that to be found in Mr. Eccles' autobiographical volume, Beckoning Frontiers, which appeared in 1951. Writes Mr. Eccles:

"It should be said of Sproul that we sometimes disagreed over policy matters, but our differences were never marked by personal acrimony. Despite the fact that he had been elected to his post at the head of the New York Reserve Bank by the action of its board of directors, six of whom were elected by the banks of the district, Sproul was and is first and foremost a representative of the public interest. He has sometimes argued the case of the banks, but he has just as often argued against them. He has been and is a tower of strength in the Reserve System."

The board of directors of the bank, in selecting as Mr. Sproul's successor Alfred Hayes, vice president of the New York Trust Co., has provided a news story almost as surprising as that of Mr. Sproul's own resignation. In naming Mr. Hayes, a gifted student who attracted much attention by a thesis on Reserve policy prepared while he was studying at Oxford, they have gone outside the System for a chief executive for the first time since the late Benjamin Strong came out of the Bankers Trust Co. to take over the No. 1 post (then the post of governor) 40 years ago.

SENATOR BARKLEY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, to me, as to the American people, news of ALBEN BARKLEY's passing came as a great shock and brought a sense of deep, poignant grief. Only last Wednesday night, I attended a Congressional Night dinner and program at the National Press Club where this great man was an honored guest.

I had the opportunity again to meet and talk with him. He appeared to be his usual self. He was, as customary with him, genial, cordial and good-humored. He addressed the gathering in the role of station announcer on the mock radio program being conducted by the famous television personality, Hal March, entitled "The Sixty-Four Billion Dollar Question."

As usual the great, noble son of Kentucky stole the show. With devastating shafts of humor and satire, he lampooned his political opponents while carrying out his assignment as station announcer. He seemed to be in good physical condition, was vigorous of manner and spirit and he completely captivated the audience. It was the last time I was to see and hear ALBEN BARKLEY. A few days later I learned the sorrowful news of his most lamentable demise.

I had personally known ALBEN BARKLEY for many years. I had met him through my great, beloved friend, the late, distinguished Senator David I. Walsh, of Massachusetts, of revered and lamented memory. I had supported Senator BARKLEY at various Democratic Conventions for President and Vice President of the United States.

ALBEN BARKLEY was one of the outstanding statesmen of American history. I cannot here do justice to his life, his fine qualities, his superb abilities, his splendid achievements. That task is for others. But I desire to express my personal grief and extend my sympathy to his gracious help-mate and bereaved family.

He was a man of tremendous stature endowed by the Almighty with widely diverse talents and gifts. Of lovable personal traits, ready wit, good fellowship, interested in people, he had a remarkable sense of humor. He was a most engaging raconteur on and off the platform.

And he had a very deep religious and spiritual side to his nature which was manifest in his attitude throughout his life and was emphasized in an immemorable manner in the last words he spoke:

> I would rather be a servant in the house of the Lord than sit in the seat of the mighty.

ALBEN BARKLEY made many eloquent speeches that will go down in history. But none will be so famous, so well-known, so much a part of future American life as that moving last sentence of his final speech.

He was a man of strength, of power, of great gifts, and high position. He achieved great lasting distinction in political history and statescraft. But he kept his humble faith in the Lord to the very last breath of his honored being.

ALBEN BARKLEY will be long remembered with fond appreciation and utmost respect. For he was a sterling statesman in the best sense of the word, a truly great human being, an illustrious American.

Lawyer, jurist, Congressman, United States Senator, Vice President of the United States, he sat in truth in the seats of the mighty, but he always kept his faith in God, in his country, and his fellow man. And that will be his glorious, enduring epitaph.

PERSONAL ANNOUNCEMENT

Mr. VORYS. Mr. Speaker, I was called to the telephone on an emergency matter during the last rollcall. Had I been present I would have voted "aye."

REQUEST FOR AN APPROPRIATION OF $4 MILLION FOR TAMPA HARBOR PROJECT

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, during the hearings of the Subcommittee on Public Works of the Appropriations Committee of the House the Florida delegation unanimously supported my appeal for $2.5 million to be appropriated to continue work on Tampa Harbor which was recommended by the President in his budget message.

This week, again with the unanimous support of the delegation I appeared before the Subcommittee on Public Works of the Senate Appropriations Committee and testified in regard to the same Tampa Harbor construction. However, at this time and because of a recent survey completed by the United States Army Engineers only on April 21, 1956 after the House committee hearings were completed and immediately before the Senate hearings, the request for funds was increased to $4 million before the Senate subcommittee. The Engineers testified in favor of this increase before the same subcommittee based on this new survey.

I wish to discuss these reasons before the House, reasons which I believe fully justify the favorable action by the Senate and concurrence therein in conference by the House conferees.

This is in the nature of an emergency request based upon newly discovered and developed information resulting from recent experience showing that presently recommended funds would run out due to accelerated work before the end of fiscal 1957.

The following facts, which were called to the attendance of the Senate subcommittee, I now call to the attention of the House:

One of the harbor projects begun in 1955 was in the First District of Florida and serves a great portion of the entire State. That project is Tampa Harbor for which last year $977,000 was appropriated to begin a program of work in deepening and widening the channel to accommodate traffic that is using this harbor and of which there is even greater potential. It is my purpose here today to ask that you continue this great work and that an appropriation of $4 million be passed by Congress. This request is $1.5 million more than recommended in the 1957 Budget by the President and earlier requested before the House committee. The need for these additional funds and savings to the Government that can be effected by this enlarged appropriation now, in a project expected to total some $11 million, has only recently become known and I wish to take this opportunity to explain the urgency of additional funds.

In the preliminary planning of this project first consideration was given to the dredging of the channel and increase of depth from 27–30 feet and widening to 400 feet from the present 300-foot width the distance of some 50 miles. The United States Army Engineers let contracts for the dredging in 1955 and work has been under way in a contracted amount of $3,100,000. Progress on this portion of the dredging has proceeded at a greater pace than anticipated by the Engineers. In a report just made on April 21, 1956, and subsequent to both the preparation of the budget and hearings before the committee of the House, it is now revealed that this contract will be completed early in 1957 at the present rate of progress. The original appropriation of $977,000 and the earlier budget-requested funds of $2,500,000 will not be sufficient to carry on this rate of work and the entire project would have to be called to a halt in early 1957 unless additional funds are provided at this time. The truth of the matter is that the work is well ahead of the money. For this reason and through the engineering data made available in the testimony of the United States Army Engineers earlier in hearings before the Senate subcommittee, I believe we are fully justified in asking these additional funds.

I have indicated savings could be made by such action and this will be evident to you when it is realized that should present funds be depleted early in 1957 and no work continued until money is available in fiscal 1958 the cost of reactivation of the dredges themselves would be heavily reflected in the bids received which bids are expected to run an additional $600,000. Such substantial savings should not be overlooked in the efficient progress of this project.

Because of the rapid development of the work on these channels that segment known as Egmont and Mullet Key Channels where work will be done by the United States Army Engineers hopper dredge, should also be gotten under way in 1957. Anticipating 5 months work in each of the fiscal years 1957 and 1958 an additional $625,000 will be needed in fiscal 1957.

Activation of both of these dredging portions of the project at the same time and to thus complete in the year 1958 the Hillsboro Channel portion of the project will see even more benefit savings. Figures now available clearly show that use of the Hillsboro-Tampa channel portion of the project as herein proposed at the projected tonnage rate to be shown later indicate that $1,500,000 per year will be saved at that time. Therefore the additional amount requested above the earlier request will be fully justified by this additional saving. Estimates of the benefit-cost ratio have now been placed at 3.38 to 1 on this segment of the channel and I feel sure that this is a conservative figure.

There follows a summarization of the figures used above:

Schedule A

Fiscal 1956 appropriation for Tampa Harbor project	$977,000
Actual expenditures:	
Hopper dredging	280,000
Hydraulic dredging	785,000
Engineering	130,000
Supervision and engineering	87,000
Total expenditure	1,282,000
Advanced by U. S. Army engineers (to permit contract performance	305,000
Total	1,282,000
Funds required, fiscal 1957:	
Repayment of advance by U. S. Army engineers to project	305,000
U. S. Army engineers (supervision and administration)	174,000
Funds required, fiscal 1957—Con.	
Payment to Standard Dredging Corp. to complete work on $3.1 million contract covering dredging on cuts A–F Tampa Bay channels ($785,000 of contract will be completed in 1955–56)—ful contract to be completed early 1957	$2,315,000
Subtotal	2,794,000
Request 1957 budget	2,500,000
Additional required	294,000
Pro rata portion of second contract and required in early 1957 to permit work on dredging to continue without extra cost of activation and deactivation which would raise this estimated bid—4 months' work to June 30, 1957	600,000
5 months work by U. S. Army engineers hopper dredge on Egmont and Mullet Key chanels—includes supervision and administration cost	625,000
Total additional funds required over budget request of $2.5 million for 1957	1,519,000
Total recommended as appropriation for 1957	4,000,000

NOTE.—These figures are as prepared by the U. S. Army engineers and are consistent with testimony by them before the Subcommittee on Public Works of the Senate Appropriations Committee. They include figures not available prior to April 21, 1956.

Mr. CRAMER. Many of the persons from the Tampa Bay area personally appeared before the committees last year and testified that the start of this project, in their opinion, would unquestionably accelerate harbor growth. It is astounding proof of this that, according to port authority estimates 2 months ago, $5,500,000 in new and port facilities have been committed during calendar year 1955. This figure can now be placed in excess of $10 million. Yet this is only the beginning of the tremendous industrial and commercial program which has been indicated by the commencement of this harbor project. Exemplary is announcement in the last 2 weeks of construction of a new industrial-molasses tank and dock, fully substantiating the judgment of this committee for this growth that unquestionably shows the local community is fulfilling its obligation in making full use of the new opportunities afforded it by the Tampa Harbor improvements.

In 1954, the port of Tampa had a total tonnage of 9,813,000 tons. In 1955 it is conservatively estimated that this has increased over 7 percent to over 10,500,000 tons. Exact figures have not yet been completed. This is far in excess of the Army engineers' estimates made in 1948. The estimated port tonnage in the calendar year of 1959 of 15 million tons based on this 7.6 percent annual increase is a conservative estimate. For example, it is known that within the next 3 years there will be additional port tonnage from new industries—which has not been taken into consideration in the normal port growth—of 3,500,000 tons per year. This would consist of approximately 2,500,000 tons of petroleum and petroleum products which would result from new terminal facilities and the first oil refinery in the port of Tampa; coal of 750,000 tons from a new electric generating plant, using coal for fuel; and other products of 250,000 tons. This again is very conservative. New barge terminals have just been completed for the transport of steel, grain, and general cargo.

This would mean that, by the calendar year 1959 it could well be and probably will be, the port of Tampa will have annual tonnage of 18 million to 19 million tons, providing harbor improvements progress rapidly, continuing to encourage its growth. It is this year in which the economic return will truly manifest itself and justify orderly and early completion of the project.

The most recent figures available indicate that projected estimates have been conservative. Port tonnage for the first 2 months in 1956 were 22 percent above that of last year and increased 345,000 from 1,529,000 tons in 1955 to 1,853,000 tons in 1956. Final figures for 1955 have not been completed by the engineers but their present indications are that total tonnage for 1955 will exceed 10,500,000 tons and continue to be well in excess of the projected growth factor of 7.6 percent per annum as estimated by the engineers.

Even more amazing figures of the growth of this port are indicated in the receipts of customs duties. In the first quarter of 1956 receipts were $1,091,000, some $373,000 over the same period in 1955, or a gain of 52 percent in 1 year's time.

The increase and growth of industry in this area and its tremendously increasing population has greatly increased the use of petroleum and other products. In 1954 the petroleum usage of the port was 4,579,000 tons. Upon facts now known, the increase in petroleum in 1955 was in excess of the 10 percent estimated by the port authority, based upon 1954 figures. With the known new industrial facilities that are coming into being in this area, by 1959 it is entirely reasonable to assume that there would be over 8 million tons of petroleum and petroleum products passing through the port of Tampa.

The usage of this port by coastwise trade is progressing rapidly. In the 5-year period, 1949 to 1954, the average annual increase in tonnage was 9.1 percent. Projecting a growth of 5 percent a year over the 1954 tonnage of 5,477,000 shows that there would be coastwise trade in 1959 of over 7 million tons. This is an entirely reasonable projection of growth and, as a matter of fact, it is obviously conservative when the factors of new industries are taken into account.

Over 75 percent of phosphate produced in the world is produced within a radius of 80 miles of this port. In 1949, 5,477,000 tons of phosphate were exported through this port. I believe it of interest to your committee that this area served by the port of Tampa is increasing in its population at the rate of over 6 percent per year. This is one of the most rapidly expanding areas in the United States. Moreover, this rapid expansion is reflected in the industrial growth of this area. Since the apparent start of this project in early 1955, over $70 million in new deepwater industrial construction has been started or definitely committed.

In 1956 additional industrial construction utilizing Tampa Harbor is under way.

All this is indicative of the fact that the phenomenal growth of this area renders estimates of port growth and usage almost unpredictable. Yet, it is apparent that the estimated annual port tonnage in 1959 of 15 million tons is most conservative. Using this basis of annual tonnage of 15 million tons, the direct economic benefits and annual savings resulting from completion of this harbor project will be approximately $2,230,000. Thus, in using the criteria used by the Corps of Engineers in their determination, the benefit-cost ratio as fixed by the Hillsboro County Port Authority is 5 to 1 and would give to this project an unusually high benefit-cost ratio. The Army engineers in 1954 fixed benefit-cost ratio at 2.25 to 1. This has now been raised to 2.6 to 1 by testimony this year before the committees.

I urge the Congress, based upon the figures presented here and by the United States Army Engineers, to provide this appropriation in the additional amount needed above that of the budget request in order that economy of operation will be served and that an orderly program of development of this vital project can be brought about. The work in this important harbor is of great importance. The present inadequate channels have placed the port in the status of a second-class harbor and the only sizable port between Norfolk and New Orleans with less than 34 feet channel depth. At the same time Tampa Harbor has more annual tonnage than any harbor from Norfolk to Mobile. I am sure the Appropriations Committees and Congress will act to best serve the over 1 million population served by this port of the west coast of Florida.

AGRICULTURE ACT OF 1956

Mr. WHARTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WHARTON. Mr. Speaker, 3 weeks ago a so-called farm bill was passed by this body and thereafter and in due course it arrived at the White House. Its provisions were so ill-advised and so obnoxious that it was promptly vetoed by the President.

Now and under date of April 30 there is available for the first time a bill entitled the "Agricultural Act of 1956." It is presented to us under an open rule and numerous amendments have been proposed which simply means that we are attempting to legislate here on the floor of the House on a few minutes notice for the agriculture of America. The bill itself is 53 pages long with a comparatively brief report of 23 pages.

Not a farm organization in the country nor a single farmer knows how this farm legislation stands at the moment nor what the bill contains for him. I suspect that it contains nothing but grief for the farmers of my district and higher prices for my consumers to say nothing of the tremendous burden on our taxpayers.

This is hasty and politically inspired legislation at its worst and I intend to vote against it.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill H. R. 10875.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JENKINS. Mr. Speaker, I regret that it is necessary for me to be absent today on important official business, when the House has before it the agriculture bill of 1956. The measure was not previously programed for this week, and in the meantime I made certain commitments I am obliged to fulfill.

I have not missed a single vote in this session of Congress on the many measures that have come before us affecting our farmers. Nor would I miss this one today were it not absolutely necessary and were it not that I have assurances from the leadership of the Republican Party that my presence is not necessary, as most of the differences on the various features of the proposed legislation have been resolved.

Having been brought up on the farm, naturally I am inclined to favor any sound proposition that would be for the benefit of deserving farmers. For a number of years I have been a member of the Grange and of the Farm Bureau, and I have been in close touch with the various programs that have been advanced for the benefit of the farmers. I have given considerable study and thought to the whole subject, and particularly to the bill now before the House.

The bill before the House is by no means perfect in every particular, but I do believe that on the whole it will make a constructive contribution for a solution to the farm problem. Were I present today and voting I would, accordingly, vote for the bill.

Agriculture is the leading industry of all of our industries. More people are employed in agriculture than any other business, and more money is invested in agriculture properties than any other business.

My votes in Congress have always been in favor of giving encouragement to this big industry and to the many people who engage in agricultural pursuits. My votes have always been for legislation which will give our worthy farmers a program that is economically sound and which will enable them to progress and prosper.

Mr. SCHWENGEL. Mr. Speaker, I have been very much impressed with the debate on the soil-bank bill that has been before us. Practically all of the argument that has been presented thus far accents the immediate economic value to the farmers of the soil-bank program. It is not my purpose to deny or to take issue with those who argue this point of view, but, Mr. Speaker, I think there is another viewpoint—a long-range viewpoint that should be called to the attention of the Members of the House. Therefore, I should like to address my remarks to the soil-bank program as it relates to the economics of America over a period of years—what it means not alone to the farmers but to all America and to posterity.

The conservation-reserve provision of the soil-bank program is a great step in the direction of a more efficient land-use program.

The need for soil conservation can scarcely be overemphasized. History is replete with examples of nations that have declined or perished because of land impoverishment through misuse, neglect, and erosion.

Accelerated erosion of the soil is not merely a recent threat to human security; it is as old as agriculture itself. Erosion most likely began when the first rain struck the first furrow turned by a crude implement in the hands of prehistoric man. There is little doubt that it has been going on ever since, wherever man's efforts to gain a livelihood from the soil have led him to remove the natural cover of protective vegetation. History, to a great extent, is a record of man's efforts to wrest the land from nature, simply because he relies for sustenance on the products of the soil. Yet in many instances his conquest of the land has been disastrous. Over extensive areas, his culture of the earth has resulted in extreme impoverishment or nearly complete destruction of the soil resources upon which he is dependent. When this has occurred on a wide scale, the consequence has been the disappearance of civilization from the affected region. To illustrate the effects of soil erosion during ancient times, I would like to quote a few lines from an article entitled "Erosion at Its Worst, and a Hundred Dead Cities," written during 1939 by Dr. Walter C. Lowdermilk, former Assistant Chief of the Soil Conservation Service of the United States Department of Agriculture:

> The dead cities of north Syria reveal a period of history of which very little is thus far known. It was a local civilization but very advanced and rich, with highly developed and distinctive Syrian art found nowhere else. * * * Today, after 13 centuries of neglect and patch cultivation to cereals by seminomadic descendants of the invaders, and of overgrazing by their goats, soil erosion has completed the destruction of the good earth with a thoroughness that has left this once fertile land a complete manmade desert, void of vegetation, water, and soil, except in rare pockets with scanty cover of crops and thorn bushes. The ruins of a highly developed architecture tell of the advanced culture of this region.
>
> As in north China, north Africa, Transjordan, and elsewhere, soil erosion is clearly the principal agent in destroying the land and in undermining the civilization and culture which was dependent upon it. The early inhabitants found primeval forests here. Then began moderate clearing, deforestation and cultivation of slopes. Ancient cultivation up through the Roman period was intelligent and demonstrated an understanding on the part of the inhabitants of conservation of soils and rain waters by terraces and check dams. At this time the region was highly prosperous, populous, and flourishing. But in A. D. 630 the Arab invasion swept away progress in agriculture. The vineyards and olive trees were destroyed, and the land was put under patch cultivation to grain crops and heavily grazed. After the destruction and dispersal of the former population, neglect of the land brought * * * on erosion of the soil. * * *
>
> These hundred or more dead cities are dead forever because their soils are gone beyond any hope of reclamation. * * * Man and erosion have devastated this area for a geologic age. Here the unpardonable sin of land use has been committed.

Soil conservationists find in Syria many lessons which we in this country may well take to heart. It is true that we have for some time now attempted to preserve our forests and to rebuild our soil, but have we done enough? Have we used our acres in such a way as to yield the greatest returns to our farmers and to the Nation as a whole? When we examine areas where erosion has taken its toll, such as the Dust Bowl, I think the answer is quite clear. There is very little doubt about the fact that many acres now being used for cultivated crops should never have been plowed. Many of these acres should be restored to forests and grasslands.

The conservation reserve provision of the soil-bank proposal is a major forward step in the direction of achieving a better land-use program. If finally adopted, the conservation reserve plan will lead to a program yielding greater net returns to farmers today and at the same time leading to a land-use program that will make it possible to provide fertile farmlands for future generations.

The objective of this program as originally proposed was to shift about 25 million acres from cropland to forage, trees, or water storage. This shift as proposed was intended to lead to a long-range adjustment in land use. Some of our less productive lands would be brought into the program, as well as some of the acres which have been diverted out of wheat and cotton into feed grains and other crops.

The current legislation with respect to the soil bank, if enacted and approved during this session of the Congress, would provide a maximum of $450 million annually to carry out the conservation reserve phase of the program.

The Government, through the agricultural conservation program currently in operation and the conservation reserve provision of the soil-bank program, makes manifest the obligation of the whole people to share the responsibility, as well as the benefits, of assuring the continued fertility of our soil. By helping farmers, with money or conservation materials and technical services, to accomplish specified conservation practices, the program practically and directly helps make effective the research and educational work done by the Federal and State agencies. Funds appropriated to help conserve the soil and water resources of the Nation are a practical investment in the future welfare and productivity of the country. There is every reason to believe that soil conservation is our common concern whether we are farmers, manufacturers, food processors, bankers, merchants or professional people.

It is evident that continued and ever-increasing measures to conserve and rebuild the fertility of our land are necessary if the health and the level of living of Americans are to be maintained.

Experience has proved that neither an awareness on the part of the farmers of the need for conserving our national soil and water resources nor technical advice about the kind of conservation practices needed will get the job done, unless accompanied by measures which make it economically possible for the farmer to accomplish such practices. To maintain the strength of our Nation there are no more important appropriations than those for our overall conservation program.

The provisions for financial assistance to farmers to carry out the land use program proposed under the conservation reserve features of the soil bank proposal would provide an incentive to farmers to cooperate in making this program a success. Under the program the Government would bear a fair share of the costs involved in establishing a suitable cover. As farmers reorganize their farms along these soil conserving lines, they would be eligible to receive annual payments for a period of years related to the length of time needed to establish the new use of the land.

The acreage reserve phase of the soil-bank proposal has been referred to as a deferred-production plan. It would be voluntary and temporary, and generally aimed at reducing production, and hence carryover, of those agricultural products which are currently in greatest surplus. Under the plan as originally introduced, it was contemplated that it would be applied to such crops as wheat, cotton, corn, and rice and would remain in operation until carryover stocks of these commodities have been reduced to desirable levels.

The essence of the proposed program is that farmers would voluntarily reduce production of specified crops below their allotted acreage. The acreage withheld from production of any specific crop would be placed in the reserve. In return for placing a part of his allotted acres in the reserve, the farmer would receive as compensation certificates which would be redeemable by the Commodity Credit Corporation in cash or in kind. The basis for the value of the certificates would be the normal yield on the designated reserve acres.

This phase of the program would serve to achieve at least two important objectives: First, reduce surpluses, and second, encourage soil conservation. Much of the land now being used to produce crops in excess of domestic, export, and normal carryover requirements would be devoted to producing soil-building crops. The compensation received by farmers for cooperating in the program would reimburse them for their loss of production on the acres placed in the reserve.

The operation of the soil-bank program would beyond a doubt improve the economic position of the agricultural sector of our economy. I would like to mention but a few of the ways in which this would be accomplished: First, storage costs would be reduced as surpluses are reduced; second, as surpluses are reduced and supplies again are held at desirable levels market prices will tend to rise to legal support levels or even above established price support levels, thus giving farmers greater returns on that output produced on fewer acres; third, the compensatory payments will increase farm income.

It should be noted that the compensatory payments will be partly offset by savings on storage costs as surpluses are reduced to reasonable levels.

It is conceivable that within 2 or 3 years if farmers cooperate in the acreage-reserve program, and 15 to 20 million acres of the land devoted to the crops now in greatest surplus are taken out of production of those crops, assuming normal yields, surpluses would be reduced sufficiently to result in a supply situation that would result in higher market prices. The higher market prices together with the soil-bank payments under the conservation reserve and the acreage reserve would probably provide a higher net return to producers of many of the crops to which the program may be applied. While any statements one might make with respect to the extent of the economic benefits of this program are at present hypothetical, it is, nevertheless, logical to conclude that the benefits will be substantial.

Current pending legislation with respect to the acreage reserve places a limit of $800 million per year on expenditures under this phase of the program.

The proposed soil bank program has received widespread endorsement from conservation groups and leading farm organizations. While there may be differences of opinion with respect to specific details of its operation, there appears to be more or less general endorsement of the concept of the soil bank as such. I would like to quote the following views of leaders of farm organizations and conservation groups concerning the soil bank program made at hearings of the Senate Committee on Agriculture and Forestry:

Mr. Charles B. Shuman, president of the American Farm Bureau Federation stated:

> For the past 3 years the American Farm Bureau Federation has been on record in favor of what we have called a soil-bank program, by which we mean that we should utilize our surplus productive capacity so that farmers would store fertility in the soil rather than to produce surpluses for the Commodity Credit Corporation. * * *
>
> The basic purpose of the surplus reduction and soil-bank plan, as we conceive it, is to bring about at the earliest feasible date a balance between annual supply and effective demand and to make more rapid progress toward the liquidation of current surplus stocks.

Mr. Herschel D. Newsom, master, National Grange, had the following to say with respect to the soil-bank program:

> The Grange has long recognized and repeatedly stated that a form of land rental type program—preferably as closely related as we can honestly relate it to a long-range, sound soil-conservation objective—has a real place in both emergency type farm legislation and in long-term permanent legislation. * * * The acreage reserve program, seems basically sound and substantially in accord, we believe—on a hasty and superficial examination of its contents—with Grange program and policy and with the above three-point program, insofar as our present Government-held stocks are concerned.

Mr. Charles H. Callison, conservation director, National Wildlife Federation, made the following statement:

> We foresee in this proposal, this plan to authorize or implement the setting aside of certain acreages on the farms of the Nation for conservation practices, these acres to be taken out of production of general farm crops and livestock, great benefits in the conservation of our natural resources, not only the soil and water resources, but those related resources.
>
> This plan is bound to have extremely important, and beneficial wildlife effects, because in these areas which may be set aside as an acreage reserve or as a soil bank, which areas will be left ungrazed and uncropped, you are bound to produce excellent farm game cover.
>
> Not only that, it will help control the run-off and check soil erosion which is detrimental to fish in the streams of the watersheds.
>
> If there is included in the program the idea that has been advanced for a timber bank, and we hope that it is included, we can see even greater benefits from the standpoint of wildlife production, because the planting of trees, the reforestation of marginal areas on farms that are suitable for that type of use, will produce cover for many kinds of wildlife.
>
> We feel that any comprehensive-conservation program must take into consideration not narrowly just the soil and water, but all the natural products of the land.

Mr. Joseph W. Penfold, conservation director, Izaak Walton League of America, Denver, Colo., said:

> We have been interested in it for quite some time. As a matter of fact, our original committee started in Illinois something more than 3 years ago working on a soil-bank plan. * * *
>
> At our last national convention, last spring, the membership, through their delegates, adopted some general principles of the soil-bank plan. * * * In our several years of developing the idea and discussing it with farm people and others all over the country—we have not stressed the wildlife aspects for a couple reasons: One of them, because we think the soil-bank plan is a very important and worthwhile program aside from wildlife angles; and also, if we were to come out stressing wildlife, they would immediately assume that our interest was strictly wildlife, which is not the case.
>
> * * * We see the opportunity as well as responsibility in our State game and fish departments to cooperate in this program so that the maximum values are achieved with the minimum of costs.

I feel that this soil-bank program is worthy of our wholehearted support, and that it should be enacted at an early date so that it can be put into operation during this crop year. I feel confident that if enacted it will be an important step in the direction of improved soil conservation, surplus reduction, and higher farm income.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. CELLER] I ask unanimous consent that the Committee on the Judiciary may be permitted to sit on Monday and Tuesday of next week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. McDOWELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McDOWELL. Mr. Speaker, never before have the ideals of democracy been in greater danger. Even though we are being placated with words of ever increasing optimism, we must not be unaware of the very obvious dangers of becoming engulfed by the godless forces of communism. This day, the 165th anniversary of the adoption of the Polish Constitution, should serve as a grave reminder that basic freedoms, so long envisioned as the political salvation of man, can be destroyed by the forces of communism. On this anniversary we honor those foresighted and fearless Polish people who adopted this constitution. It is based on the idea of individual liberty which is the foundation of democracy upon which all freedom-loving people rely.

The history of Poland's progress has been interrupted time and again by aggressors of every form. Of recent date, September 1939, the Nazis swarmed over Poland. In the face of hopeless odds the Polish people stood their ground and defended their land and ideals. However it was merely a matter of time before the defenses of Poland could no longer stand against the mighty onslaught of the Nazi war machine because the assistance that might have come from Russia was not there. During the Nazi occupation hundreds of examples of courage and resistance came to the attention of the people throughout the world and once again the national loyalty and patriotism of the Poles was an inspiration to the world. In 1945 a coalition government was set up and at this point Russia politically swallowed up Poland and the forces of democracy were systematically liquidated. In the face of all these setbacks the minds and hearts of the people still carried thoughts of freedom.

These oppressed people have long suffered at the hands of tyranny and except for their great fortitude and consuming love of freedom even their ideals might have capitulated. However, because of their strength these ideals will never be extinguished. As long as the people of Poland continue to hold in their hearts this great desire for freedom the forces of communism will never be completely triumphant. People with strength such as this are a source of inspiration and a beacon of hope for those in other oppressed areas who will some day regain their God-given birthright—freedom.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I wish to add my most sincere support to the many Members who have spoken today in commemoration of Polish Constitution Day. At a time when our Government has found it necessary to warn the Embassy of the present regime in Poland not to interfere with the right of Polish people to live in asylum in the United States, it is particularly fitting to honor the May constitution of 1791, which has stood as a beacon of democracy throughout previous periods of reaction and national servitude in Polish history.

Americans of every national descendance can be proud, along with our Polish-American and Polish exile compatriots, of the May constitution which was proclaimed 165 years ago. Many of the political institutions which were so daringly adopted by our own Constitution 2 years earlier, and which we have been so uniquely fortunate in preserving ever since, were contained in the glorious document which the threatened Polish nation brought forth in 1791. It was clearly declared that all power in civil society was derived from the will of the people. Religious freedom was guaranteed. The powers of government were divided between 3 branches, as in our own, and the legislative branch was established in 2 houses.

The Polish people were not blessed with the natural defenses against their predatory neighbors which have helped us to preserve our Constitution without interruption. The flame of democracy in their country has been repeatedly suffocated by the squeeze of neighbors who have moved upon her in concert and from every side. Yet we know as we commemorate Polish Constitution Day, as we know from studying the heroic efforts which Polish patriots throughout the centuries, in the time of Pulaski and Kosciusko, as stanchly as in the days of Paderewski or Sikorski, have made in the cause of democracy and freedom, that here is a people who will not be dismayed or halted by periods of political subservience. The principles which their constitution so strongly upheld, only 2 years following our own, will triumph once again among the Polish people, for they are deeply rooted, and the Polish nation has demonstrated under repeated tyranny by its neighbors that its will for national freedom to live under these principles can withstand the most cruel and interminable suppression.

POLISH CONSTITUTION DAY

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. SADLAK] is recognized for 15 minutes.

Mr. SADLAK. Mr. Speaker, today is Polish Constitution Day. But the whole world knows that Poland today is not governed by any constitution, much less their original declaration of 1791. And the world also knows or at least can imagine the bitter persecution and pressure inflicted on the freedom-loving Poles at the hands of Soviet Communist Russia. Perhaps the most vivid remembrance of Red bestiality is the infamous Katyn Massacre at which the cream of the Polish Army, 14,000 regular officers, were lined up with their hands tied behind them, and shot through the backs of their heads after sawdust had been stuffed into their mouths.

This, Mr. Speaker, is the character of a government allegedly seeking peaceful coexistence with the world. A government which fiendishly exploits the hearts and the souls of any unfortunate people who fall victim to their might. This is a government whose history is replete with broken promises, deception, and betrayal, and whose own people respect them because of fear and reprisal.

Poland's plight is known to the world, and it's becoming a habit to express compassion with Poland. But the Poles do not want compassion; they want comprehension. Here was once a powerful nation which in the 15th, 16th, and 17th centuries was one of the dominant economic and military powers of Europe, acting as an effective barrier to barbaric invasion from the east and the south. In the height of her power, she defeated the Tartars, Teutonic Knights, Turks, Swedes as well as periodic victories over the Russians, one such success ending with the capture of Moscow. The only mistake Poland made was not capitalizing on her victories because her inherent love of freedom would not permit conquest by the sword and occupation of other nations. Students of Polish history must inevitably arrive at the conclusion that aggressive wars are almost completely absent from its pages.

But Poland's nonaggression policies could not survive her precarious geographic position. And even the stubborn courage and magnificent bravery of the Polish people could not withstand repeated attacks on her frontiers. The Russians do not forget the Polish will to fight and still smart, from their defeat at the Battle of Warsaw as late as 1920.

These historic facts perhaps explain the exceptionally inhuman treatment of Poland today and the main reason why Russia has embarked upon a ruthless plan to exterminate the entire Polish nation. They have executed Polish leaders, deported patriots, and maintain a constant iron rule over the people enforced by machineguns and reprisal.

Even the children are in the care of the state, and indoctrinated with Communist ideology directed against their parents' memories.

Napoleon referred to Poland as "the cornerstone of Europe." But the meaning of his words is better explained by Hilaire Belloc, the well-known contemporary Catholic author who writes:

> Poland is the test of Europe. The restoration and preserving of a powerful and independent Polish state is, and must be, among the very first of our political objectives—if we cannot restore Poland it will mean that the forces destructive of all by which we have lived, have triumphed. Our descendants will no longer be able to call themselves civilized men, inheritors of the Roman Empire and of Greece through the strength of the Catholic Church and through its power to preserve. The very magnitude of the issue makes it difficult to grasp. The statement of it sounds so exaggerated as to be fantastic. We stand or fall by Poland; and "we" means all our art, literature, philosophy, all the mighty heritage now at stake.

Today is May 3, Polish Constitution Day, Mr. Speaker, commemorating a document inspired by the American Declaration of Independence passed by the Polish Parliament in 1791 and immediately followed by a national uprising led by Thaddeus Kosciusko. Unlike ours, in which Kosciusko also led, the Polish revolution failed. We in the United States enjoy the greatest freedom of any country in the world, developed under our Constitution. Without their constitution, Poland is suffering one of the greatest attempted purges and race annihilations of modern times.

I am confident that this attempt like so many before will fail, though not without bloodshed, persecution, and inhuman butchery. But the valiant courageous spirit of the Poles with their historic tradition will survive and that this indomitable will exists is readily characterized by the first line of the Polish national anthem which, in my opinion, tells the future as well as the history of this great nation. "Poland is not yet lost."

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. SADLAK. I am glad to yield to the gentleman from Illinois.

Mr. SHEEHAN. Mr. Speaker, I commend the gentleman on his speech and join with him in celebration of Polish Constitution Day.

Mr. Speaker, 165 years ago, the people of Poland were given a constitution.

The Polish Constitution of 1791 contained this significant statement:

> All power in civil society is derived from the will of the people.

These are almost the same words—it is the same thought—as contained in the American Declaration of Independence of 1776:

> Governments are instituted among men, deriving their just powers from the consent of the governed.

Poland and the United States, from the very outset of their constitutional history, have been irrevocably dedicated to an identical principle, that "all men are created equal."

Polish Constitution Day is on May 3. The Communist oppressors of Poland have abolished the observance of Polish Constitution Day even as they have abolished the Polish Constitution. In 1956, it is a criminal offense to honor the birth of freedom in Poland. Americans are aware of that. All free peoples everywhere join in that awareness. Because the Polish people cannot openly pay their tribute to liberty, we who can speak freely will do it for them. All hail to May 3—the aniversary of the annunciation of Polish freedom.

Americans know what the Polish Constitution means.

There are more than 6 million Americans of Polish ancestry. There are approximately the same number of Americans who are proud of their heritage of Polish blood in Chicago today, as there were citizens of Warsaw previous to World War II. These Americans of Polish descent tell their friends, their children, their non-Polish wives and husbands the vital meaning of the constitution of 1791.

This is the reason that present-day Americans know that the original Polish constitutional convention was composed of noblemen who curtailed their own powers, delegating them to the people. This is the reason we know that the fathers of the Polish constitution made provision for the gradual transfer of land holdings to the tenant farmers. This is the reason that we know that the greatest urge of the Polish patriot—whether he is in or out of Poland—is to be free.

Instead of delegating their powers to the Polish people, their Communist oppressors have taken away all rights of self-government. Instead of being examples of the equality of man, the Communist oppressors of Poland have forced these brave people to live on scraps, freeze in substandard housing, toil in forced labor camps while they—the oppressors—live in luxurious villas, feast on delicacies, and loll at their ease. Instead of giving land to the farmers, the Communist oppressors have taken what land they did possess.

All Americans have been shocked and angered by the religious persecution of the Polish people by their oppressors. We know that the Communists have struck at the church with fire and sword and imprisonment. We know that they have tried—and failed—to substitute a progressive church movement. We know that this false movement, this sham, has been boycotted by the vast majority of the Polish people who are opposed to all of its activities and aims.

The Polish people have never bowed to anyone. As they resisted Nazi aggression in the past, they are today resisting Communist enslavement. This resistance is not a futile shooting war. It is a silent, moral, resistance of the spirit.

There is no lull in this battle. The peasant resists who opposes collectivization. The worker resists who refuses to be forced into labor speedups. The father and mother resist who tell their children of Poland's proud tradition and glorious history. The priest resists by spreading the Gospel of Christ, the arisen. The intellectual resist by adding to the freedom of thought.

Peasant, worker, parent, priest, and intellectual—all are part of the struggle for Polish liberty which communism will never be able to win. One hundred and sixty-seven million Americans share the prayers, the hopes, the aspirations for the day when Poland will again be free.

A century ago, the Polish hero, Mickiewicz, wrote:

> Poland, you will be taken out of the tomb because you are believing, loving, and full of hope.

With all my heart, I believe in the truth of these ringing words.

Today—on Polish Constitution Day—Poles may not openly celebrate.

But, on this day, we in the United States join our Polish brothers in arms in the pledge that the struggle for the equality of man, for his dignity and for his God-given rights, will never end until—with the help of God—it is brought to a victorious conclusion.

Mr. CANFIELD. Mr. Speaker, would the gentleman yield?

Mr. SADLAK. I am glad to yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, I have been deeply impressed by the address of my good friend, the distinguished gentleman from Connecticut. I am mindful of his intense dedication to his assignment as a Representative in the Congress of the United States. I know something of his services to our country both in time of war and in time of peace. I am mindful, too, that he is himself of Polish extraction. In fact, he is one who has in recent years been teaching me some Polish words that I might use in speaking to my own constituency, so many of whom are of Polish extraction.

Mr. Speaker, today, Thursday, May 3, the sons and daughters of Poland throughout the world are marking the 165th anniversary of the day when that proud nation established its constitution after centuries of ruthless oppression.

This freedom, it is true, was short-lived, but once the fires of freedom have been kindled in the breasts of men they never wholly die. Iron heels of dictators may trample them and the heavy mantle of slavery may stifle their glow, but like the mythical phoenix rising from the ashes, the flames of freedom will blaze forth in new glory at the first expeditious moment.

The brave people of Poland are hoping against hope that in the new look being introduced by the de-deification of Stalin their hour of deliverance may be near at hand. There are encouraging signs in this direction, in the recent ousting by Poland's Communist government of two of its top purgers, and its reported plans to grant amnesty to some 70,000 political prisoners. But these faint glimmerings must not be interpreted too readily as the harbinger of the dawn. They may be only a false dawn preceding still more hours of darkness. However, the Soviet's new look should be an incentive to all Americans, all free people, to take up the challenge and insist that the Communist leaders back up their words with action.

Commenting on the new Communist policy before the American Association of Newspaper Editors a few nights ago, President Eisenhower warned that "many of the wrongs of Stalin against other nations still prevail," that the "satellite nations of Eastern Europe"—and Poland is one—"are still ruled by Soviet puppets."

Said the President—

> We must seek by every peaceful means to induce the Soviet bloc to correct existing injustice and genuinely to pursue peaceful purposes in its relations with other nations. * * * We must be tireless in our efforts to remedy these injustices and to resolve the disputes that divide the world. We will not grow weary in our quest for peaceful remedies for the enslavement or wrongful division of once-free nations.
>
> We cannot doubt that the current of world history flows toward freedom. In the long run dictatorship and despotism must give way.

This then is our pledge to Poland as she marks the 165th anniversary of Polish Constitution Day. This is our pledge to all nations, split apart and enslaved, and to that end we will bend our strength, confident that in due time—

These things shall be—a loftier race
  Than e'er the world hath known shall rise
With flame of freedom in the souls
  And light of knowledge in their eyes.

Mr. SADLAK. May I commend my colleague the gentleman from New Jersey [Mr. Canfield], who has just spoken. I believe he is the Member of the House whom I have known longer than any other. I, too, am cognizant of his deep love and respect for the Polish constituency he has. I know his intense feeling on this particular occasion.

I can recall that he visited me when I was in the Navy during World War II. In fact, I look back to that occasion when a group of colleagues in the House had come to Shanghai in the course of an investigation, and it was there that I had the happy privilege of again meeting the gentleman from New Jersey [Mr. Canfield], whom I had known for so many years.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. Martin].

Mr. MARTIN. Mr. Speaker, this day marks the anniversary of the establishment of the constitution of a once proud, free, and independent nation, a longtime friend of the United States—the Republic of Poland.

We Americans feel very close to the people of Poland. Millions of her fine people migrated to America in years past. They have made outstanding contributions to the building of a greater and nobler civilization in this great land. It is in no small measure because of the contributions of the sons and daughters of Poland that the United States has become the leading power of the world.

Such names as Pulaski, Sobieski, and Kosciusko have an unforgettable and a revered place in the hearts of the liberty-loving people of America. They serve to remind us on such occasions as this of our debt to men of Polish blood. Lovers of liberty themselves, they battled for the liberty of America.

This occasion varies from other observances of Polish Constitution Day, since Poland has been the prisoner of ruthless, aggressive Communist dictatorship. There is this important difference: There has been a decided switch in the Soviet propaganda line. The new rulers of Russia have been systematically trying to convince the world that they are a group of pure do-gooders; that all the evils of Communist oppression were interred with the bones of Joe Stalin.

I have always believed that actions speak louder than words. "By their deeds ye shall know them." We could suggest to the rulers of the Kremlin a series of actions which they could take to prove to the world that they have reformed.

At this time, on the occasion of Polish Constitution Day, I shall mention just one action they could take which would give substance to their professions.

I urge that they announce to the world that they will permit the people of Poland to have a plebiscite, a free election in which they will have the right to choose between their Communist masters and a government of free men and women. If they will do this for Poland and the other Eastern European states which they have illegally seized, we will then begin to believe that the new rulers of Russia are a different breed than the predecessors they are now so vigorously condemning.

But until this happens let us remember that Poland is a captive land. And let us send word to her people that we, the people of America, will never be reconciled to her enslavement by Communist Russia. Let us remind her in her hours of despair that her brave people have before thrown off the chains of oppressors. With patience, courage, hope, and determination, she will do so again.

Mr. SADLAK. Mr. Speaker, I yield to the gentleman from Masaschusetts [Mr. Curtis].

Mr. CURTIS of Massachusetts. Mr. Speaker, Poland's Constitution Day deserves recognition in America where so many sons of Poland have made their home and where constitutional government is such a cherished tenet. The Founding Fathers of American gave an example to the world when they met in Philadelphia and produced the American Constitution and established a just Government of, by, and for the people.

The people of Poland were well on their way to achieving a similar form of freedom and justice in their government when outside forces from which they could not protect themselves stood in the way. Lovers of freedom, however, hope for the day when Poland may again see a rebirth of freedom under the type of constitution whose establishment is today being commemorated.

Mr. SADLAK. Mr. Speaker, I yield to the gentleman from New York [Mr. Keating].

Mr. KEATING. Mr. Speaker, to all lovers of freedom May 3 stands as a sacred day. For on that day in 1791, the constitution of Poland was adopted. May 3, 1956, however, marks a melancholy day for the Polish people. As so often in their history, they groan today under the yoke of an oppressive tyrant. But characteristically, the will of the Polish people to be free remains strong.

Much has been written and much has been said of Poland's long and glorious struggle to establish and preserve her independence. As a result, perhaps, insufficient credit has been given to her people's age-old and honorable fight for the recognition of the dignity of the individual and his God-given right to live and work and die as a free man.

The record of the Poles' passionate attachment to human freedom is an ancient and enviable one. Long before our forefathers founded this land and dedicated it to the proposition that all men are created equal, there was flourishing in Poland a strong tradition of democracy and social justice.

The achievement of freedom for Poland came only after years of determined effort. The work of many dedicated patriots—the names Frye-Modrzewski and Stanislas Staszic stand out—eventually bore fruit, culminating in 1791 with the constitution of May 3.

That great product of Polish democracy in action evoked the acclaim of humanitarians everywhere. It is ranked among the peerless documents in human progress, along with the Magna Charta and our own Declaration of Independence. Ironically, its very greatness precipitated the extinction of Poland as a political entity. Poland's neighbors, fearing that their own despotic rule might be in danger, dismembered Poland in the partitions of 1793 and 1795.

So Poland fell, not because she could not live, but because she chose to stick by her democratic ideals. She chose to stand as a nation in which her citizens were free. The only alternative was enslavement.

Events in Poland's history from the last decade of the 18th century to the restoration of independence after World War I provide ample proof that far from losing their faith in democracy, the Polish people cherished and were sustained by that faith in the long years of the fearful ordeal of foreign rule. During these years the words and example of Adam Mickiewicz shine forth as beacons of liberty.

When World War I ended and the long-awaited restoration of an autonomous Poland was finally achieved, it was as a democracy that the Polish State was reconstituted. And, although surrounded by the totalitarian ideologies of communism and nazism, it was as a proud and resolute democracy that Poland lived until the start of World War II.

The years since 1939 have been trying and tragic ones for Poland. These times have shown, however, that the love of the people for freedom is undying. These times have shown that the Polish people are at their noblest in times of adversity.

The redoubtable Stanislas Staszic once uttered these immortal words:

> Even a great nation may fall, but only a worthless one can perish.

Mr. Speaker, Poland, though fallen, has decidedly not perished. The religious fervor of her people, coupled with their long tradition of national aspiration toward freedom has made for a strong stand against Soviet tyranny.

Their resistance has become today a built-in, integral part of their lives. It shows itself in their steadfast adherence to the church, in the refusal of the peasant population to join collectives despite heavy pressures, in continued escapes to the West of citizens from all walks of life, and in the rebellious criticism of the Communist regime which appears at the slightest opportunity.

The qualities which have preserved the Polish people throughout history assist them today. The dauntless determination which for centuries has characterized their spirit—their love of the native soil, their devotion to family and to God, their tenacity, their undying faith in liberty, and their patriotism—these qualities will survive all attempts at suppression.

As we hope and pray on this occasion for the resurrection of a free Poland, let us recall the words of the immortal Mickiewicz in his epic Forefathers' Eve:

But soon will shine the sun of liberty,
And from the West a wind will warm this
  land.
Will the cascade of tyranny then stand?

Mr. Speaker, as we pause to honor Polish Constitution Day, we pray that the sun of liberty will soon shine on the noble people of Poland. We pray that the end of tyranny and the rebirth of national freedom will soon be a reality.

POLISH CONSTITUTION DAY

The SPEAKER pro tempore (Mr. Elliott). Under previous order of the House, the gentleman from Michigan [Mr. Machrowicz] is recognized for 30 minutes.

Mr. MACHROWICZ. Mr. Speaker, we are celebrating today, the anniversary of a great national holiday of the Polish people, the 165th anniversary of the adoption of its constitution. The Poles take pride in the fact that their national holiday commemorates an event which is not connected with any military conquest, but rather with the achievement of a milestone in democratic government—a charter of human liberty. In 1791 Poland was surrounded by powers practicing oppression and tyranny, and threatening its existence. And it was in such an atmosphere that this great liberal constitution was adopted, recognizing the equality of all men, proclaiming religious liberty and establishing by basic law the freedom of thought and speech.

It was not destined that Poland was to endure long after the adoption of this great constitution. The tyrants of Russia, Austria, and Prussia would not tolerate this bold flowering of human spirit. They could not permit, in close proximity to their territory, the spectacle of human dignity, worth and freedom—this cultivation of the dangerous doctrine of democracy. And so Poland was extinguished as a nation, not to arise again until a great American President, Woodrow Wilson, resurrected it in 1918, by proclaiming a great American doctrine that every people had the inherent God-given right to determine its own national destiny.

The torch of liberty is again extinguished in Poland today—this despite the fact that the Polish nation has contributed so richly in every struggle of this modern world for freedom and liberty.

For us Americans, in considering the fate that has befallen Poland, it is important that we bear in mind what her fate means to us and to our own future national security.

There have been, and still are, grave errors committed by us in evaluating the full scope and ultimate goal of the forces that have overridden not only Poland, but all of Central Europe, most of Asia and many other parts of the world.

Surely it must now be obvious to all of us that the mask has been stripped from the face of Communist aggression, and underneath it we find the grim countenance of Soviet world imperialism which threatens to engulf all of the world, including the United States, unless we clearly understand the threat to our own safety and take steps to protect ourselves from that fate which Poland has met.

Let us first all take sober cognizance of the fact that our own country was a participant in the pacts which resulted, though we did not so intend it, in the enslavement of Poland and other countries in Europe and Asia. These pacts, which are underlying causes for the unrest now existing in the world, should certainly be repudiated by our Nation as an indication of our good faith and our determination for a realistic approach to the problem of securing world peace and justice.

In the past the Communists have resorted to many subtle and clever schemes to lull the western democracies into a false feeling of security and into a belief that the phase of Communist world imperialism is over and that we can expect a true era of peaceful coexistence. It must be conceded that these efforts of the Communist leadership have been eminently successful in the past. The Russians have always been masters in the skill with which they have conducted their propaganda and they have clearly demonstrated that in their dealings with us.

If there should be any doubt about the fact, let us consider what they did to us at Geneva. It was the "spirit of Geneva" which has been their most powerful weapon in undermining the unity of the Western democracies, confusing our loyal allies to the extent that they are unable to determine what course we are following and weakening their resistance to Communist overtures.

Then came the sudden change of the countenances of Khrushchev and Bulganin, from sullen scowls to beaming smiles intended merely to dupe us into a false belief that a sudden magic transformation has taken place in Soviet aims, when actually nothing whatever has changed except the type of strategy now to be used to eventually secure our enslavement.

And the final diabolically clever maneuver is the so-called end of Stalinism. Now we are asked to believe the sincerity of Communist leaders, who only yesterday hailed Stalin as a god and today condemn him in terms which have been reserved usually for bitter enemies of communism.

Certainly we should be intelligent enough to understand these latest maneuvers as merely a reorganization of internal Communist life to suit their purposes. They have nothing whatsoever to do with any lessening of Soviet tyranny, with any guaranty of free elections or of personal freedom to enslaved nations or with any abandonment of the goal of world domination.

The free world has always known that Stalin was the greatest murderer and tyrant in modern history, with the possible exception of Hitler. We did not need this sudden burst of sincerity of his colleagues and henchmen to tell us that.

But if there is any sincerity in this new Soviet maneuver, then why not show it by undoing the terrible wrongs that Stalin has committed. Stalin violated every international treaty signed by the Soviet Government. In violation of the most solemnly signed non-aggression pacts he invaded and occupied Poland, Lithuania, Estonia, Latvia, Rumania, Hungary, Bulgaria, and East Germany. Why not permit these oppressed satellite peoples to have the free elections, supervised by the United Nations?

Then, and only then, will the free world begin to take seriously the new assurances given us by the exponents of communism.

I am pleased to note that on the occasion of this Polish Constitution Day, the State Department has issued a statement reaffirming its assurance that the United States are not reconciled to the bondage of Poland. Such statement, however, could gain strength and importance if it were accompanied by acts of strength and realization of the dangers of world communism. There is little comfort in the information made public only yesterday by Gen. Curtis E. LeMay, commander-in-chief of the Strategic Air Command; that we are dropping behind Soviet Russia in airpower and in his prediction that within 2 years Soviet Russia will have a stronger global striking force than we can command.

On this anniversary of the Polish Constitution Day, I want to add my voice of tribute to a great Polish nation, to add my prayers for an early day of restoration of full freedom and independence. But, as an American, I pray also that this great American Nation shall take a lesson from the terrible tragedy which has befallen the Poles, that it shall always act in full strength and realization that that same fate will some day be ours unless we recognize the powerful sinister forces of communism threatening us and act with the daring and courage which characterized the founders of the United States of America.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from Indiana.

KATYN RESOLUTION

Mr. MADDEN. Mr. Speaker, on this, the 165th anniversary of the adoption of Poland's Constitution for freedom and liberty, it is fitting and proper to again draw to the attention of the Nation and the world facts concerning Poland's present battle against the Communist tyrants now overrunning their lands. It was also very appropriate that this legislative day was opened with prayer by Father Valerian Karcz, of Lake County, Ind. Father Karcz is secretary general of the Polish-American Congress.

On January 9, 1953, as chairman of the Katyn Forest Massacre Committee, I filed House Resolution 63, which requested that the President and the State Department forward to the United Nations the testimony, evidence, and findings of the select committee created by House Resolution 390. At the request of the State Department, owing to the fact that the Korean Treaty negotiations were then pending between the Communist Chinese Government and our Government, no action was taken on House Resolution 63.

Today I am filing a similar resolution, asking that the House of Representatives request the President to ask the State Department to forward all the testimony, evidence, and findings of the Katyn Select Committee to the General Assembly of the United Nations. I am further asking in this resolution that the State Department convey information to the present Communist Government in Poland that all the testimony, evidence, and findings of the House Select Committee which investigated the Katyn Forest massacre be sent to the Polish Communist Government to aid them in their investigation which they are about to undertake in order to establish to their satisfaction that former Premier Stalin ordered and directed the massacre of 15,000 Polish leaders in the Katyn Forest and the two other Soviet prison camps.

Congressman MACHROWICZ, Congressman FLOOD, and I, as former members of the Katyn Select Committee, are taking this step because of the following dispatch over the Associated Press wires last Thursday, April 26, 1956. I hereby set out the AP dispatch verbatim:

> NEW YORK.—A report has seeped out from behind the Iron Curtain that the Polish Communist Government in Warsaw is investigating the Katyn Forest massacre. Analysis here of Soviet bloc happenings look askance at the suggestion the Polish Reds might dare to raise the specter of this hot issue. They doubt it can be true. Still, the report deserves attention because the Polish Communists are going much further these days in their denunciation of Stalin and his works than other Soviet satellites. Katyn Forest, in western Russia near Smolensk, was the scene of the mass murder in 1940 of more than 4,000 Polish army officers who had been missing since the Polish defeat in 1939. The Germans, who first reported the massacre during World War II, said the Russians did it. The Soviet Government retorted after an investigation that the Nazis did the killing. An American congressional committee held hearings for 9 months in 1951–52 and laid the massacre at the door of the Russians. The new report from Poland says the Warsaw Government has established a group to investigate the Katyn mass murders and can be expected to make a report in June, which might be made public.

The final report of the special Katyn investigating committee contained testimony, evidence, and findings which total 4 large volumes of sworn testimony and several hundred exhibits. This testimony was recorded under oath from over 225 witnesses all of whom submitted valuable and essential information as to the truth about the Katyn Forest massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

This special committee held hearings in Washington, D. C., New York, Detroit, Chicago, London, Frankfurt, Germany, Naples, Italy, and Berlin. At the beginning of its testimony the committee invited the leaders of the Soviet Government as well as the leaders of the Polish Communist Government to appear before our committee here in Washington or Frankfurt, Germany, where hearings were held in 1952. Both governments refused this invitation and criticized our hearings as ridiculous and unnecessary. Stating in their rejection that informed people knew that the Nazis killed the Polish leaders at Katyn.

The Katyn Forest Massacre Committee revealed beyond all question of remote doubt that the 15,000 Polish leaders were massacred and murdered by the Soviet Government under the direction of Stalin and some of the present Communist leaders in the Kremlin.

Numerous witnesses revealed that this international crime was merely one of the great number of similar crimes to other captive nations in the Soviet drive for world domination.

We are learning that the present leaders in the Kremlin are now trying to place the guilt of the massacre and murder of millions of Polish people on the shoulders of the dead Stalin.

From the testimony of numerous witnesses before the Katyn committee facts were revealed by these witnesses who are well acquainted with the trickery and strategy of Communist leaders that the temporary changes of policy by the Communist Government does not and will not bring about a change in their original aim of world control.

Nevertheless, I wish to commend the Polish Communist Government for taking the step it is now taking to conduct an independent investigation of the Katyn Massacre and let the people of Poland know the true facts as to who killed the 15,000 Polish leaders at the beginning of World War II.

Therefore, Congressman MACHROWICZ, Congressman FLOOD, and I are sponsoring a resolution that our Government aid the Polish Communist Government in this investigation by placing at their disposal the volumes of sworn testimony which was recorded by the select committee investigating the Katyn Forest massacre during the 82d Congress.

I do hope that the Foreign Affairs Committee in the House of Representatives, the President, and the State Department will take favorable action on the resolution which we are filing today.

Mr. Speaker, I ask unanimous consent to incorporate with my remarks, a copy of the resolution which I have this day filed. A similar resolution was today filed by Congressman MACHROWICZ, of Michigan, and Congressman FLOOD, of Pennsylvania, both Members having served on the special Katyn investigating committee in the 82d Congress.

Resolution

> Whereas by House Resolution 390, 82d Congress, there was created a select committee to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre; and
>
> Whereas in its final report to the House of Representatives (H. Rept. No. 2505, Dec. 22, 1952), the select committee recommended that the House adopt a resolution substantially as set forth below: Therefore be it
>
> *Resolved*, That the President is hereby requested—
>
> 1. to forward to the United States mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre;
>
> 2. to instruct the United States mission to the United Nations to present the case of the Katyn Forest massacre to the General Assembly of the United Nations;
>
> 3. that the Associated Press, in dispatches of April 26, 1956, stated that the Polish Communist Government is now about to make a special investigation of the facts concerning the Katyn Forest massacre in order to establish whether former Premier Joseph Stalin ordered and instigated this international crime. That the House of Representatives request the State Department to convey to the Polish Communist Government, through its Washington Embassy, that all the testimony, evidence, and findings of this special select committee, created by House Resolution 390, 82d Congress, be made available to the use and for the information of the Polish Communist Government in order to aid and facilitate the investigation which they are about to undertake in order to establish the true facts of the massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a copy of a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, I would like at this point to pay tribute to the gentleman from Indiana for the fine work he has done as chairman of the Katyn Massacre Committee, a committee which I believe has done more in the eyes of the world to show the true nature of communism than anything else I can think of.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. CANFIELD. Mr. Speaker, I wish to inform the House that our Capitol today was graced by the presence of that very distinguished Polish patriot, General Anders. If I am not mistaken, the gentleman from Michigan, now in the Well of the House, and the great general broke bread together.

Mr. MACHROWICZ. That is correct.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. ALBERT. Mr. Speaker, I commend my colleague for the fine statement he has made. The hearts of the people of our country go out to Poland now. Brave Poles have marched with our men in every battle that has ever been fought by the people of the United States from the time America gained its

independence down to our most recent wars. Many of our outstanding American citizens are of Polish extraction. I desire to join with my colleague in the hope that Poland may be released from its bondage in the near future.

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Illinois [Mr. O'HARA] may be permitted to extend his remarks at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, this is the day when in all lands those who love liberty and a form of democratic government that upholds the dignity of man and recognizes the Creator of both men and nations, turn their minds to Poland.

From the earliest colonial days men and women from Poland have played a vital role in the building of the United States of America into a citadel of democracy dedicated in the fullness of its strength to the cause of all peoples in their quest for liberty. It is fitting that here today in the House of Representatives of the Congress of the United States assurance again should be given to the people of Poland that we shall stand by with all our hearts and all our strength until again Poland is free and under God, a government, of, for, and by the people of Poland shall be marching forward to meet her rendezvous with destiny.

I wish to join with the distinguished gentleman from Indiana [Mr. MADDEN] in remarking the appropriateness of the opening of our session on this anniversary day by Father Val Karcz, himself born in Chicago in the district now so ably represented by our colleague the gentleman from Illinois, Congressman BOWLER; both his father and mother having been natives of Poland had emigrated to this land in the early youth. Father Karcz studied in Poland, taking 2 years of postgraduate work at Posen University. He is secretary general of the Polish American Congress, which represents over 6 million persons in this country, and is the pastor of Assumption parish in New Chicago in the district represented by our colleague the gentleman from Indiana [Mr. MADDEN], to whom we are indebted for the presence with us on the anniversary of the Polish Constitution of one of Polish blood so distinguished in his service to God and to our country.

MAY 3 CONSTITUTION AND ITS MEANING TODAY

Few events in the history of Poland are held in such high regard as the proclamation of the Polish Constitution of May 3, 1791. This constitution held the seeds from which could grow a real democratic order. No wonder it is treasured in the mind and heart of every patriotic Pole.

It was Imperial Russia that destroyed this constitution and the promise of democracy it held for Poland, just as it is Soviet Russia that has destroyed Poland's hope of freedom today. The commemoration of the May 3 constitution thus brings to mind not only the history of a great people; it also brings to mind the character of Polish-Russian relations.

Events in Russia have always had their repercussions in Poland, but this has been especially true since Poland fell under Communist domination. The most recent of these events affecting Poland is the 20th Congress of the Communist Party of the Soviet Union, and this event may turn out to be the most portentous of all.

In Poland the attacks on Stalin have been leveled with greater intensity than anywhere else in the Soviet bloc. Before the congress, there had been a steady downgrading of Stalin, although Stalin was still regarded as a plaster saint in Communist hagiolatry. However, since the congress we have been witnessing the spectacle of Stalin being dethroned from his place of glory in the most blasphemous manner. The black deeds of the dead dictator have been given the widest publicity so that all Poles are able to share in the common assault. This development, far different from those in the other satellite states and even from those in Soviet Russia, where caution still predominates, is partially explained by the fact that Boleslaw Bierut, the Polish Communist leader who was beholden to Stalin for his success in Poland, died immediately after the congress ended. Thus, what might have been the principal obstacle to the outpouring of anti-Stalin sentiments was completely removed. The result is that the Poles have been able to criticize Stalin and the so-called "cult of personality" with impunity.

ANTI-RUSSIAN FEELING INNATE

Another explanation for the intensity of the Polish reaction lies in the innate anti-Russian feeling of the Polish people, which is inextricably woven into the fabric of anti-Stalinism. Patriotism has always been too deeply ingrained into the Polish soul for the Pole to accept Russian domination with any degree of equanimity or self-resignation.

For a decade Stalin had become a symbol of all the appurtenances of Russian rule and Communist oppression. Now Stalin has become the focal point of Polish recriminations. Unquestionably the current attacks on Stalin in Poland stem from a sort of psychological relief that comes when a people have suddenly been released from a heavy burden.

Unfortunately, the relief to the Poles is only psychological, because the Communist power positions remain strong and completely intact in Poland today. It is permissible to attack Stalin, but, as in the U. S. S. R., it is not permissible to attack basic Communist theory or policy.

RESPONSIBLE FOR KATYN MASSACRE

Nonetheless, the turn of events in Soviet Russia is by and large advantageous for Poland. The effects will in all probability be great. In one sense a chink might well have been created in the armor of Soviet control over Poland. Anti-Stalinism could become a rallying point for a broader anti-Russian campaign. Taken to its logical conclusion the practice of attacking Stalin could pose some serious questions for the present regime.

Was Stalin responsible for the debacle of the Warsaw uprising? Was Stalin also responsible for the Katyn Massacre? We know that the responsibility for these outrages rests solely upon the former Soviet dictator. Now, perhaps, questions might be raised by Poles who want to know the truth.

And if the Polish Communist leaders charge Stalin with these crimes, as well they might, there is no doubt that the repercussions of anti-Soviet feeling would reach to the depths of the Polish nation.

Moscow may well have opened up a pandora's box of woe when it launched the anti-Stalin campaign. In the U. S. S. R. the campaign has already aroused deepseated skepticism and latent resentment. In Poland it will surely quicken the Polish national spirit and stir up deep-rooted Polish animosities against the Russians. Forces have been let loose which Moscow may not be able to control. Surely in the case of Poland there is reason to be hopeful.

NOTE OF HOPEFULNESS

It is on this note of hopefulness that we should celebrate today. The history of modern Poland is a history of national struggle for survival, and the May 3 constitution is a symbol of this struggle. More than that, it is a symbol of the Polish ideal: To establish a free, independent, democratic state in Poland. Periods in Polish history have been enshrouded with the gloom of oppression; but somehow the Polish people have kept alive the light of hope that was created on May 3, 1791. However dismal conditions may be in Poland today, I do not doubt that this same light of hope for a better day and for a better Poland still burns within the Polish soul. In the last analysis it is this light, this hope of self-regeneration, that is the Pole's true salvation.

Mr. MURRAY of Illinois. Mr. Speaker, today, Americans of Polish extraction celebrate the 165th anniversary of the signing of the Polish National Constitution. The Polish Constitution was the first written constitution adopted by the people of a nation subsequent to our own. Our own Constitution was adopted by the last of the Original Thirteen States on May 29, 1790.

The Constitution of Poland recognized that all power in a civil society is derived from the will of the people. It accepted the principle of the division of civil authority into the legislative, the executive, and the judicial branches. It recognized the principle of religious tolerance, as follows:

> For as the same sacred faith enjoins on us to love our neighbors, therefore, we should guarantee to all people peace in the faith their Government protects and to have freedom to all rights of religion in the Polish lands according to the country's laws.

It is pertinent to observe that this constitutional mandate, like our own, recognizes the separation of church and state yet concedes that this tolerance is predicated upon a divine command.

The fact that their constitution was conceived by the Polish people shortly after our own is by no means a matter of accident. For no people have suffered more in the cause of freedom than have the Polish people. The history of the Polish people is a continual struggle for freedom from oppression, but a struggle carried on with godly dignity and lack of malice. In commenting upon the Polish May 3 Constitution, and comparing the struggle of the Polish people for their constitution with that of the French for their freedom, Edmund Burke, the great English statesman, disclosed that the Polish people achieved their constitution with great dignity while the French Revolution was stained by indignities. Burke said of the Polish Constitution of May 3:

> Not one man incurred loss, or suffered degradation. All, from the king to the day laborer, were improved in their condition. Everything was kept in its place and order; but in that place and order everything was bettered. To add to this happy wonder (this unheard-of conjunction of wisdom and fortune) not one drop of blood was spilled; no treachery; no outrage; no system of slander more cruel than the sword; no studied insults on religion, morals, or manners; no spoil; no confiscation; no citizen beggared; none imprisoned; none exiled; the whole was effected with a policy, a discretion, a unanimity, and secrecy, such as have never been before known on any occasion; but such wonderful conduct was reserved for this glorious conspiracy in favor of the true and genuine rights and interests of men.

Their struggle for independence left in the Polish people a love of freedom and liberty under God unparalleled in the world's history.

At the present time, the Polish land and Polish bodies are once again in the hands of a godless aggressor. However, the Polish spirit and Polish souls remain free.

We Americans, on the 165th anniversary of the Polish Constitution, ought rededicate ourselves to individual liberty under God everywhere. We ought reaffirm our expressed aim to do everything humanly possible to aid the subjugated but unconquered people of Poland. Poland will again be free. Let us pray that their liberation is soon. Let us pray that the liberation of Poland will be accomplished in the same manner that the Polish Constitution was effectuated, without a drop of blood being spilled, without treachery, without outrage, without slander, without studied insults on religion, morals or manners, without malice, without spoils, without confiscation, without imprisonment, without exile.

To achieve that end, we need God's help. But, if Poland's liberation is achieved in such a manner, true significance is given to the opening words of the Polish National Anthem, which have been described as the noblest words ever written in the Polish language:

> Poland is not lost forever, while our lives remain.

Mr. MACHROWICZ. I yield to the gentleman from New Jersey [Mr. Tumulty].

Mr. TUMULTY. Mr. Speaker, I, too, would like to join in the tribute which is being so justly paid to the founding of the Polish constitution and to the ideals for which Poland has always stood. Particularly should we in the United States be grateful to Poland for her support in this war and for the many sons which she gave on the various battlefields of the war after she was torn asunder by Stalin and by Nazi Germany.

Now, however, that the major tyrants in the Kremlin have given themselves over to confessing the crimes of Mr. Stalin, and now that they have realized that confession is good for the soul—and never does the heel any harm either—it might be well if someday they would turn over their accomplices to the United Nations for trial. There is ample precedent for that in the Nuremberg trials where the Nazi leaders were tried for their crimes against humanity.

Now that Bulganin and Khrushchev are confessing that this base leader committed these crimes against humanity it might be well for them and for our State Department to call upon them to prove their sincerity before the bar of world justice by turning over to the United Nations for trial the war criminals now in existence in the Polish Government.

I recently had the pleasure and the distinct honor of making a trip with the Committee on the Post Office and Civil Service and finding myself in Rome. The seminarians of the various nations studying for the priesthood wear on their cassocks sashes symbolic of their nations. I think it is a wonderful thing to know that the Irish seminarians who wear green sashes turned over their sashes to the Polish seminarians because green is the symbolic color of Poland, and so that the color may be of some inspiration to this race that so treasures liberty and who are justified in their faith that their nation will be restored to its rightful place among the nations of the earth.

Let me conclude by saying that I hope that our State Department will take the lead in calling upon these former accomplices of Stalin to bring before the bar of justice of the United Nations the men who make up the Polish Government, a pseudo government which is nothing more nor less than the alter ego of the Soviet nation. There is precedent in the United Nations for such action. Let us test the sincerity of these new leaders of the Soviets.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, today is a great day for a large segment of our population. A great day—but a sad day. If ever the term "mixed emotions" were to be applied to a situation, the observance of Polish Constitution Day would certainly be apropos. The people of Polish descent, here and abroad, will be both rejoiceful and saddened on this May 3, for they must celebrate the greatest day in Polish history as they mourn for their homeland under the heel of one of the foulest, cruelest dictatorships the world has ever known.

It must be particularly galling to a nation such as Poland, to have yearned through the centuries for liberty—for the simple right to be let alone to live in peace with their neighbors—and then have a short-lived period of national sovereignty snatched from their very hands.

The history of Poland has been a hectic one, even from its earliest stages. In 1791, Poland declared to the world that all men are free and equal, adopted a constitution, and proceeded to establish a democratic legislature, curbed the heavy hand of the King, gave the peasants protection under the law, and brought about many other progressive changes. In less than 2 years, however, the covetous rulers of Prussia and Russia overran this new democracy, and occupied the country for 125 years.

The citizens of Poland, through this seemingly endless period of time, did not lose their national pride or thirst for freedom; in fact, it grew stronger. The fond hopes of a beleaguered people were realized in 1918, as Poland assumed once more her rightful status in the community of nations.

For two short decades, Poland was to know the joys of self-government and the dignity of man. Unfortunately, despotism was on the march, and the hobnailed boots of a tramping war machine were soon kicking at the gates of Warsaw. Poland was again to see brutality and murder on a national scale. To this day, she has known little else.

Americans of every nationality today send the enslaved people of Poland a message of deepest sympathy for the silent battle they wage, and pray that one day soon the yoke of bolshevik imperialism will be driven from the face of the globe.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORDON. Mr. Speaker, for a number of years the House of Representatives has memorialized the 3d of May as the official date the Constitution of Poland was adopted in 1791. Today marks the 165th anniversary of that historical document. It disregarded class distinction, abolished restrictions on the freedom of the individual, and guaranteed religious tolerance. This was truly the first democratic constitution in all of Europe and a milestone in the development of parliamentary democracy.

Today, the desire for human rights and social justice, for democracy and religious freedom is stronger than it has ever been in the history of mankind. And, yet, the great paradox of history is the tragic fact the Polish people, which brought forth this noble document, cannot celebrate its anniversary in a free Poland today.

This nation that lived for almost 10 centuries in spiritual, religious, and cultural relationship with western nations, is now cut off from the West. It is shackeled behind the Iron Curtain, where freedom is nonexistent; where human rights are disregarded and are

trampled upon; where social justice and religious toleration are unknown; where democracy has been removed, and is held in bondage by their tyrannical Communist overlords. For liberty-loving Americans, this anniversary of the signing of the Polish Constitution is an opportunity to tell the people of Poland that they have not been forgotten by the free world. We share with them the hope that the spirit of their constitution of 1791 will continue to serve them, not only as a source of strength, but also as an inspiration for a future democratic government when the shackles of Communist despotism have been cast off.

Certainly we in the United States cannot forget the Poles in their days of darkness. They did not forget us when we were 13 weak colonies struggling to free ourselves from British domination. Many Poles joined our ranks in the war for independence. Gen. Thaddeus Kosciusko and Gen. Casimir Pulaski were two of the great generals in that war.

In the 165 years since that hopeful day when the Polish people proclaimed their constitution of 1791, there have been many reversals of freedom and fortune in that country. Few people have maintained their national integrity, their aspirations for freedom as the Polish people have. They have been helped in this by the encouragement of the people of this country, many of whom are related by blood to those who have maintained their spirit of freedom under the adverse conditions which exist today.

We as Members of Congress, and we as American citizens individually, do appreciate the blessings which have come to us through our Constitution. That being true, we would be unworthy of the freedom which has blessed us and which we are enjoying if we do not hold a constant purpose in our hearts and follow it in our actions, to restore freedom to Poland.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, May 3 is Polish Constitution Day, a day that should be faithfully acknowledged by every true friend of democracy. However, in the fanfare of gala celebrations the real historical significance of the holiday is often forgotten. For a moment then let us look into its historical background.

The Constitution of May 3, 1791, converted Poland into a hereditary limited monarchy, with ministerial responsibility and biennial parliaments. The liberum veto and all the intricate and obstructive machinery of the anomalous old system was forever abolished. All invidious class distinctions were done away with. The towns, in a special bill, confirmed by the new constitution, got full administrative and judicial autonomy, as well as a certain measure of parliamentary representation; the personal privileges of the gentry, such as the possession of land and access to office in the state and in the church, were thrown open to the townsmen. The peasants were placed under the protection of the law and their serfdom was eased, preparatory to its entire abolition. Absolute religious toleration was established. Provision was made for further reforms by subsequent parliaments.

The reforms of May 3, 1791, were made possible through a spontaneous effort of the Polish people upon hearing that a fresh partition of their country was again in the offing. During the excitement of these tidings the king read out a proposed form of constitution drawn up by the patriotic party. The aristocracy begged the king to abandon his proposal, but the patriots rushed to the center of the assembly and demanded that the king should then swear to the new constitution, which he did in the Cathedral of St. John. The new act of reform was headed by the words, "All power in a state emanates from the people's will." All night the streets of Warsaw were ablaze proclaiming freedom and independence.

Ever since that eventful day in which the Polish people cast off the yoke of despotism, people of Polish ancestry throughout the world have observed the anniversary of the adoption of the Polish Constitution of May 3, 1791.

However, in the past decade the celebrations have not been as cheerful as might be expected, for Poland is once again a captive nation. Although Russia has now usurped all the civil liberties from the Polish people, the intangible factors such as morale, homogeneity, and love of country are still in the hearts of every Polish citizen. Poland, which has been dismembered so often by politically expedient partitions, will not let an atheistic concept break her will. As long as there are such men with ideas of freedom as Pulaski and Kosciusko, who aided us in our own fight for independence, there will always be legions of leaders in Poland to break the yoke of oppression and become free again.

The Polish Communist Party, backed by the vast Russian war machine, has not been able to strangle the voice of freedom. Through the ruthless system of the Soviet secret police there have been mass murders and deportations to forced labor camps to break the never-dying Polish spirit. The Polish people are daily tortured in mind and body, yet their spirits and aspirations are undaunted. The Poles, who are intrinsically religious, are forbidden freedom of worship and are forcibly compelled to pay homage to the leaders of the "people's democratic state." Yet, knowing that they may be purged or imprisoned, the Poles still frequent the cathedrals and churches that are still open. We have also seen here in the United States the great contributions citizens of Polish descent have made to the American Republic. Without the technical, cultural, and physical attributes the people of Polish ancestry have given to the American scene we would not be the Nation we are. Therefore, on this anniversary of Polish Constitution Day, all freedom-loving people in the United States and throughout the whole world sincerely hope and trust that the days of Soviet domination will soon come to an end. The American people at this time offer their moral support and encouragement to the Polish people and express the hope that the nightmare of Communist terrorism will be overthrown and the light of freedom will again shine over a free Poland.

Mr. Speaker, it is fitting and proper that on the day I introduce this resolution, there is present in this Chamber the great Polish leader, general, and hero, Gen. Wladyslaw Anders.

I am sure that down through the pages of history it will be recorded that one of the greatest leaders of any people of all times, and one of the great generals of world history, will be this brave and noble patriot, General Anders.

On this day of May 3, the anniversary day of the Polish Constitution, I pay this tribute to him and to his people and to his country, and assure him that my country stands at his shoulder, and we say to him, "Keep up your courage, keep your great faith, the belief in Polonia restituta is closer and closer to achievement."

It was while a member of the Katyn Massacre Investigating Committee that I first had the honor and privilege of meeting General Anders, and it is a bright coincidence and augurs well that on this May 3, in his presence, I introduce this resolution.

Resolution

Whereas by House Resolution 390, 82d Congress, there was created a select committee to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre; and

Whereas in its final report to the House of Representatives (H. Rept. No. 2505, December 22, 1952), the select committee recommended that the House adopt a resolution substantially as set forth below: Therefore be it

Resolved, That the President is hereby requested—

1. To forward to the United States Mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre;

2. To instruct the United States Mission to the United Nations to present the case of the Katyn Forest massacre to the General Assembly of the United Nations;

3. To take such steps as may be necessary to express the desire of the United States that the General Assembly of the United Nations institute action before the International Court of Justice against the Union of Soviet Socialist Republics because of the commission of mass murder in the Katyn Forest, in violation of the general principles of law recognized by civilized nations; and

4. To instruct the United States Mission to the United Nations to seek the establishment of an international commission to investigate other mass murders and crimes against humanity;

5. That the Associated Press, in dispatches of April 26, 1956, stated that the Polish Communist government is now about to make a special investigation of the facts concerning the Katyn Forest massacre in order to establish whether former Premier Joseph Stalin ordered and instigated this international crime. That the House of Representatives convey to the Polish Communist Government, through its Washington Embassy, that all the testimony, evidence, and

findings of this special select committee, created by House Resolution 390, 82d Congress, be made available to the use and for the information of the Polish Communist Government in order to aid and facilitate the investigation which they are about to undertake in order to establish the true facts of the massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

STATEMENT

I include at this point a statement made by me in the House earlier this week:

ANTI-STALIN MOVEMENT IN RUSSIA AND HER SATELLITE AREAS

(Mr. Flood asked and was given permission to address the House for 3 minutes.)

Mr. Flood. Mr. Speaker, we are now advised that there is some kind of a change in atmosphere in the Soviet and satellite areas with reference to an anti-Stalinist movement. As you know, Mr. Speaker, several years ago I served upon the House Committee To Investigate the Katyn Massacre. For 9 months in this country and various parts of Europe that committee of this House investigated the massacre of some 15,000 Polish reserve officers in Europe, in the early years of the war. This committee of this House placed the blame for that massacre upon Communist Russia.

The testimony we took in Frankfurt, Germany, and London, England, from members of the London-Polish Free Government in exile detailed conversations that members of that government had with Stalin himself in the Kremlin.

Mr. Speaker, I propose that the Secretary of State direct and order the American delegation to the United Nations to bring, as this House requested in its report, to the United Nations the resolution of this House and submit it to the United Nations with the request and the demand of our delegation that the United Nations consider the report and the resolution of this House on the Katyn Massacre Committee findings and that we recommend to the Polish Red government at Warsaw and to the Russian Soviet Government at Moscow that we will place in their hands, especially the Red Polish government, who now are preparing to conduct an investigation of the Katyn massacre, the report, the testimony, and the findings of this House with our compliments.

Nikita S. Khrushchev's desanctification of Stalin offers the free world its greatest opportunity since the Bolshevik Revolution.

If the American Government does not avail itself of the tremendous possibilities which range from the propaganda field to the possibility to roll back the Iron Curtain, the United States of America, the leading Nation in the world today, will rightly have lost its claim as the leader of the free world.

This is the situation in a historical moment which calls more than any other moment in the history of American-Soviet relations for the greatest vision, initiative, and the swiftest action on various fronts of the cold and semihot war. Let Mr. Dulles state directly to Mr. Khrushchev that if he really wants to undo Stalin's betrayal, which he surely must if the world is to believe in the sincerity of his exposure of Stalin, then permit the satellite peoples of Lithuania, Estonia, Latvia, Bulgaria, Rumania, Poland, Albania, and East Germany to freely elect their own governments and to further give us the entire history and the whole truth about the phony confessions of the Moscow trials of the 1930's.

But beyond these matters, Mr. Speaker, I stress today Stalin's guilt in ordering the Katyn massacre of the Polish officers, and also, Mr. Speaker, I ask that the Secretary of State invite Mr. Khrushchev to admit Stalin's and Beria's guilt in the massacre of 15,000 brave Polish officers during the war, of whom more than 4,000 were found in the mass graves of Katyn, a guilt established beyond the shadow of any doubt by the great investigation undertaken by the select committee of this House, of which I have the honor to be a member.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, this day of May 3, 165 years ago, saw the consummation of a constitution that laid firm foundations for the democratic development of Poland. The ideals embodied in this constitution had been centuries in the making. Here are some of the early historical events in which it had its foundations.

The royal charter of Piotrkow in 1496 recognized legislative assemblies of countries as representing the will of the people. Within a few years the national chamber of deputies was formed to carry out this principle. In 1505 under the royal charter, another milestone was achieved by granting that nothing new may be decided without the joint consent of the members of the council and country deputies. In 1573 the kingdom became an elective monarchy, the king being elected by the council or senate with the consent of the gentry.

Those orderly processes culminated in the truly democratic constitution of May 3, 1791. But Poland also faced many struggles before its people realized their desire for a true voice in government. Poland's love for the right of individual liberty made it an integral part of Europe. It was to be the bastion not only of individual liberties but also the bastion of freedom for the rest of Europe.

Time and time again the Poles stopped those who would overrun Europe. In 1241 under Henry II the Poles stemmed the onslaught of the Tartars under Batu Khan who attempted to overrun Europe. In 1620 and 1621 they halted the Turkish armies of invasion which were trying to conquer Europe. Later in 1674 the Poles, under the leadership of King John III Sobieski, at Vienna completely broke the backbone of the Turkish army.

There are many other instances of the Poles being the bulwark in Europe against invasion from the East. These I shall not enumerate, but do want to mention one which I think is of particular importance.

Following World War I, in 1920, the Bolshevist hordes attempted to impress an unwanted type of government upon Poland. The Poles, with complete disregard for life, holding to their undying faith and love of liberty, turned an expected defeat into victory. On August 16 on the Vistula River, they routed the Russian Army. This is known as the Miracle of the Vistula.

This date, I believe, should be commemorated because it marks a very important step in modern history. It shows that if it is the will of the people, the Communist advances can be stopped.

The important thing I want to emphasize today is that without a Poland that is free and self-governed there will never be peace in Europe. Of course, this also applies to the other nations behind the Iron Curtain.

As you can very well see, the above extremely brief history of Poland pinpoints the necessity of Poland being established again as a free nation, for it always has been and will be opposed to ideologies that covet not only the rest of Europe but the whole world. When and if we in America can accept that and do away with the negative thinking of some people, we then should take a bold stand to bring about peace in the world by positive action and attempt the liberation of the people behind the Iron Curtain.

I believe the Geneva Conference is close enough to the minds of all of us to show that there is no dealing with Communist Russia that is to our advantage. We have constantly come out with the short end. Our dealings should be with the hope of gaining and not constantly regressing.

Here we are today commemorating Polish Constitution Day without giving any assurances to those people as to when and how they will be liberated. It is certainly a sad occasion for us to mark such an event when we really cannot project any real hope that these people will again see the sun for the dark clouds that overshadow Poland.

Mr. Speaker, I just hope and pray that we will see the day when we as a nation of which I am very proud to be a citizen can interpret the laws of God and man and use our just reasoning to bring about the release from enslavement of this gallant nation and defender of liberties, so that its people can join in a true celebration of this day.

THE ENSLAVEMENT OF THE POLISH PEOPLE

Mr. YATES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, it is appropriate on the occasion of the celebration of Polish Constitution Day that the American people reiterate their condemnation of the ruthless enslavement of Poland by the Communists. It is also the time to assure the Polish people that we will never acquiesce to their permanent bondage.

The Communist control of Poland is a tragic example of the Soviet practice of violating international agreements. At Yalta the Soviets agreed that free elections would be held as the first step in establishing a democratic Poland. However, ensuing events proved, that the Communists had no intention of abiding by this promise.

The fraudulent elections held after the war placed Polish puppets in control of the government. All democratic elements which existed in Poland were quickly eliminated; and in typical Soviet fashion a policy aimed at the elimination of all vestiges of Polish nationalism was launched to insure complete Red control.

Today, Poland lives under a regime which attempts to control both the mind and body of the Polish people. The Communists find that constant force is necessary to keep the Poles under submission. Conscious that the Polish people are deeply religious the Reds initially concentrated their attack on the church. Religious persecution was followed by agricultural collectivization and forced labor, serving the dual purpose of eliminating resistance and bolstering the economy of the totalitarian state.

Although they have lost their freedom, the Polish people have never lost hope for the restoration of their liberty. Communism will always be abhorred by the Poles for it contradicts the basic character of Polish society which traditionally has been based on liberty and justice. Unfortunately, they cannot openly demand their freedom. Secretly, however, and with the aid of Polish people in exile they are incessantly working for the restoration of their freedom.

It is the moral responsibility of the United States to join with the Polish people and all Polish patriotic groups in denouncing Polish enslavement. The American people have never accepted the permanency of Satellite Poland. They are aware that the present regime in Poland is unconstitutional and continues to exist by force alone. They are also cognizant that the security of the free world is constantly in jeopardy as long as Poland is enslaved.

Especially, on this anniversary of Polish Constitution Day, the American people wish to assure the enslaved Poles that the United States has always recognized the right of any people to choose their own system of government; that we will never be a part of any agreement continuing the subjugation of Poland; and that we will continue to support Poland in her struggle to be free.

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution of May 3, 1791, that memorable milestone in the evolution of democracy in Europe.

It is fitting, therefore, that we pause in our deliberations and pay tribute to the courageous Polish nation, whose devotion to the principles of democracy and liberty is firmly inscribed upon the pages of history.

The parliamentary system existed in Poland for centuries prior to the signing of the constitution of May 3. In fact the Poles have been called a nation of Parliaments, because of their traditional allegiance to the principle that the legality of a given measure requires the freely expressed agreement of all interested parties, and because of their adherence to their parliamentary institutions throughout all the centuries of their independent existence.

The Constitution of May 3 was a natural product of this distinguished tradition, and represented a historic milestone in the development of democratic processes both in Poland and in Europe in general. This document eliminated the fundamental weaknesses of the Polish parliamentary and social system of the 18th century, and provided a series of basic elements which have retained a lasting value for the Polish nation to this very day. It also served as a source of inspiration not only to the Poles, but to freedom-loving peoples of all democratic countries.

As we pay tribute to this remarkable document, our thoughts turn to the present plight of the Polish people and we may wonder why a nation which has contributed so much over the centuries to the cause of Christianity and democracy, has been made to suffer so terribly under the yoke of Communist domination.

Mr. Speaker, I shall not dwell on the suffering of the Polish people under the rule of the brutal regime imposed upon them by the Kremlin, because these facts are well known to all of us. Instead, I believe that we ought to restate our determination to further the cause of freedom and self-determination for all of the captive and subjugated peoples. To this end, we must rededicate our most earnest efforts.

It is my hope, shared by millions of Americans of Polish ancestry, that the spirit of the Constitution of May 3 shall continue to live in the hearts of the Polish nation, and hasten the day when the principles embodied in that document shall once again be proclaimed openly and freely throughout the Polish land.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, today is an important day in the lives of the Polish people, and I wish to add my congratulations and express my sincere desire to assist in achieving their complete independence. Today, Poland exists in name only in the hearts and spirit of the Polish people. On this May 3, 1956, when freedom-loving Poles celebrate their national holiday and the anniversary of their constitution, they should be given the encouragement and the reassurance that lies in the simple fact that we have not forgotten them.

Forget? How can any American forget the memory of the gallant Gen. Casimir Pulaski who so bravely aided our people to win their independence in a past generation. General Pulaski came from his native Poland to offer, without reservation, his assistance and his fortune in developing the cavalry for the Army of George Washington. He was fighting not for personal advantage or gain but rather for the principles and ideals to which he was dedicated. In battle, General Pulaski's devotion to the great American cause was demonstrated by his gallant charge into the enemy lines, and his tragic death has served to ennoble him in the eyes of the entire liberty-loving world.

General Pulaski was one of the many Poles that aided the course of democracy in America. History books are replete with the names and heroic exploits of other Poles, dating from the founding of our country to World War II when the Polish Government in exile was formed in Paris in October 1939, with two other outstanding and courageous Poles in the forefront, Wladyslaw Raczkiewicz as President of the Republic, and Wladyslaw Sikorski as Prime Minister and commander in chief of the Armed Forces.

All nations except the U. S. S. R. and the Axis Powers promptly recognized this Government as Poland's only legal governing body. An Army, Navy, and Air Force were recreated in France, and the fight of underground resistance was carried on in the homeland.

When the Red army crossed the prewar Polish-Soviet frontier, in January 1944, in its victorious drive against the Nazis, the Poles had to make a serious decision: What should be the attitude of the underground?

After much discussion among leaders in London and in Poland, it was decided that the home army should fight the Germans to the end and should help the Red army wherever it could. This left the underground open to all kinds of suicidal missions ordered by the Russians. In many cases the Red commanders actually conspired with the Germans in an attempt to destroy the underground, the power they knew would be their opposition when they decided to walk into Poland. In 1947, the new exclusively Communist Government started a mass liquidation of democratic elements.

The following factors are evident in the life of Poland today. Polish people live under a totalitarian regime which enslaves not only their bodies, but also tries to enslave their minds. The Communist Government presents probably the most integrated totalitarian system ever known. The terror, the scope of physical extermination of actual or potential opponents, and the amount of people arrested and deported far exceed any totalitarian forms of the past.

My highest esteem and commendation go out to these brave men, along with those members of the clergy, who sacrificed their lives to reunite a Poland which has been partitioned for many centuries.

America has always befriended the small nations of the world. To Poland we owe a lasting debt of gratitude. First because it is the land of our earliest benefactors, and secondly, because it was this brave little country that first accepted the challenge of Hitler.

Is Poland to go unrewarded? Shall her government be forever the puppet of a stronger nation whose godless philosophy is repugnant to the Christian beliefs of the Polish people? Certainly not. We cannot follow the happenings in Poland today without coming to the very definite realization that Russia is violently impressing her will on these people. During the last war the Soviet Union with diabolical calculation set out to diminish and destroy all sources of Polish democratic leadership, in fear that these free principles might, in the postwar era, frustrate Communist objectives in making Poland a satellite state.

The Polish people oppose the Communists and their doctrines at every turn and in every way they can. Such opposition is certainly to be encouraged and the people supported in their efforts to be free. The Poles cannot object in any organized way on a national level, but they can be given the comfort and encouragement of the free world. The Polish Americans of our great country are their greatest source of encouragement and by their example may do much eventually to assist them in their quest for liberation.

A free and independent Poland is needed now, just as this was recognized by former President Woodrow Wilson when he made it part of his famous 14-point program. Our present Government recognizes this fact and should do everything it can to achieve that goal. The warm friendship of the Polish people for Americans is evident and this mutual admiration is the strongest link in the chain of freedom that will someday replace the yoke of communism.

With my many friends of Polish ancestry I join in paying tribute to a great nation whose liberties, with God's help, shall be renewed and sustained.

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, it is with a great deal of pleasure that I call the attention of the House to the fact that today marks the anniversary of Polish Constitution Day. Due to the fact that I have large numbers of citizens of Polish background within my congressional district and even greater numbers within my own State of Michigan, matters dealing with the question of Poland are always very close to me. I am also in a position to sympathize with the present plight of the Polish people since my own 2 years of residence behind the Iron Curtain gave me a good picture of the sufferings they have undergone and are still enduring under Communist slavery.

Every since my return from Communist-occupied Europe and especially since my entry into Congress, I have always lent the best of my own efforts toward advancing the cause of freedom for the enslaved peoples. It is a wonderful feeling to know that our present administration shares those sentiments. President Eisenhower and our State Department have stated time and again that the peaceful liberation of the captive peoples is and remains a cornerstone of our foreign policy. Secretary of State Dulles himself has said many times that this Government will make no bargain or deal with the Soviets which would in any sense tend to confirm the slavery of the peoples now living under Red tyranny. What a difference in our Government's thinking and attitude since the days of the shameful sellout of Poland at Yalta.

Many changes appear to be taking place within the Soviet Union. We who know the true nature of Red communism recognize that these are merely changes in tactics without any abandonment of basic Communist strategy and aims of world domination. But it is possible that these changes will weaken the Soviet internal structure to such an extent that other developments, not now apparent, may emerge, developments which may affect not only the Soviet people but those of the satellite nations as well.

I feel sure that there must be a revival of hope for freedom among the captive peoples because of this fact that the Kremlin tyrants appear to be falling out with one another and seem to find it necessary to blame all the evils of the past upon the dead Stalin. At this time, therefore, it is particularly important that we of the Congress, representing millions of free Americans, take this opportunity to send words of friendship and encouragement to the Polish people and to all others now in slavery behind the Iron Curtain. Let this observance of Polish Constitution Day be another occasion to reassure them that the Government and people of the United States are dedicated to their peaceful liberation from totalitarian bondage. And let us all hope and pray that that time will come soon.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I join with my many colleagues today in marking Polish Constitution Day. It is a day that is commemorated by the great Polish American organizations of this country. It is fitting that we here in this Congress rise and proclaim our respect for and our admiration of the heroic Polish people. From this forum on this day tributes are paid by the spokesmen of a free, democratic people to the millions of Polish patriots that live today under the yoke of the hammer and sickle of the Communist-dominated government of Poland.

Mr. Speaker, it is no great wonder that George Washington, our own first President, acclaimed the great Polish Constitution of May 3, 1791, and in ringing words praised the Polish King, Stanislaw II, for his enlightened leadership. In France, England, and other parts of the western world, many voices were heard in common praise of the peaceful "Polish revolution." Peace, orderliness, and conciliation marked the transformation of the Polish Government from the old to the new. Some of the reforms brought into being by the new constitution were radical; however, they were carried out without violence, terror, or civil disorder of any kind. When the Polish Diet accepted the new constitution, all Poland rejoiced.

We ourselves have much to be grateful for in the accomplishments of the Polish people, for many of the sons and daughters of those pioneers in democracy came to settle in our own country where they have made a contribution that is beyond measurement. The history of the Poles in our own country is a story of which the Polish people can well be proud. During the years from the end of the Civil War to the close of World War I, the number of Polish Americans and their influence was on the increase. Adjusting their own precious heritage to the great opportunities of their new environment, they brought into existence the Polish-American community. After World War I, the native-born generation of Americans of Polish parentage were increasingly active in the life of the community and of the country. Retaining their consciousness of their Polish ancestry yet identifying themselves with American society, they became more and more articulate in literature, music, scholarship, and art. In the world of music we have but to recall such names as Ignace Paderewski, Josef Hoffman, Arthur Rubinstein, and Leopold Stokowski to realize the great debt we owe to the rich culture of Poland.

Polish Americans have likewise contributed greatly to the spiritual strength and the religious growth of our country. Also a considerable group have come as political refugees. General Thaddeus Kosciuszko, who won great distinction for himself in America, was one of these. All during the 19th century, but particularly after the Civil War, the partitions of Poland, coupled with hope of a better living led many thousands of Poles to flock to America's shores. Consequently they not only constitute the largest Slavic group in the United States; they outnumber all the other Slavic groups taken together.

These people have given their hands and their hearts to the service of America; they have helped to build our civilization and culture. Now, however, when they look across the sea to the home of their forebears, they see a nation enslaved by a foreign power. They know something of the oppression and misery which exists there. They also know that tyranny is a denegerate force which will finally be consumed by its own evil and die. Neither they nor we will accept the awful conditions of these unfortunate people. We pray that for this land where human freedom was so proudly proclaimed almost 200 years ago, the day of liberation is not far off.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, the Polish Constitution of 1791 was directed to a government like that of our own—of, by, and for the people, and it marked an important strike in world history toward the democratic freedoms which we most fervently hope will ultimately prevail everywhere.

Today is another observance of Poland's Constitution Day and I join my colleagues in looking forward to the day when Poland shall again be free from the bonds of tyranny and be numbered among the free nations of the world.

We, in America, have great sympathy for all people under the oppression of Communist forces, and today we are thinking particularly of Poland. Her citizens have suffered much in the cause of liberty and justice. They have struggled and are continuing to this day their utmost efforts against the chains of communism.

We send our greetings to the people of Poland and our earnest prayers are that the forces of totalitarianism will eventually be overthrown.

THE GENEVA CONFERENCE AND THE FUTURE OF POLAND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. Feighan] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker today is Polish Constitution Day. This is a day when all Americans turn their thoughts to our ally and proven friend, the Polish Nation, which is now enslaved by the Russian Communist—a day when we particularly remind ourselves of the great contribution made by the patriotic sons of Poland during the Revolutionary War. Today we recall the continuing contribution to our growth and development made by millions of Americans of Polish descent whose forebears came to our shores after our struggle for national independence was won.

But this Polish Constitution Day has added significance in 1956. I say this because of the extraordinary effort being made by the Russian tyrants to convince the world that they, the Russians, believe in a policy of peace, a policy of live and let live, a policy of coexistence. This extraordinary effort being made by the Kremlin has, in my judgment, one major purpose. That purpose is to cause the free world to forget the many crimes by the Russian Communists against nations and people which, if fully recorded and adequately reported to the people of the world, would cause such a revulsion as to cause communism to pass swiftly from the affairs of men. The Russians know well that if they can cause free people to be deluded into believing there is truth and sincerity behind their present propaganda campaign, the still free nations will sooner or later drop their guard and unwittingly accord recognition to the vastly expanded Russian Communist empire. The Russians are already advancing the idea of the United States accepting things as they are as a settlement of outstanding differences. This includes the enslavement of Poland.

And so the future of Poland, from the practical point of view, depends in very large part upon how the Government of the United States officially reacts to the present offers of the Russian Communists for a status quo between the forces of freedom and the forces of human slavery as represented by international communism. This, in my judgment, is the world crisis created by the so-called conferences at the summit in Geneva, the political and propaganda offensives unleashed by the so-called 20th Congress meeting of the Communist Party which was held in Moscow during February of this year, and the subversive efforts of the Russia-first movement in the United States during the past years. All these events and forces spell bad tidings for the future for our beloved ally, Poland, and all the other non-Russian nations enslaved by the conspiracy of communism.

It is interesting to note that against this background which I have cited, the Russian rump regime which now controls Poland, has launched a number of unusual pronouncements in order to demonstrate what good parrots they are of the Kremlin tyrants. A short time ago, the quisling regime in Poland announced that a general amnesty was to be granted to all Poles abroad if they would return to their native land. The conditions of this amnesty were that such persons, upon returning to their native land of Poland, would admit publicly that they had been misled by what the Russians call the propaganda of the West, and that their only loyalty in the future would be to the Russian quislings who now control the affairs of the Polish people.

Shortly after the so-called general amnesty was announced, the Russian rump regime in Warsaw made the startling public confession that the veterans of the Polish home army had been discriminated against and had been subjected to certain injustices. This amazing statement was accompanied by a statement that the Russian stooges in Warsaw were anxious to correct the many injustices and discriminations against the veterans of the Polish home army. What a hollow promise this must be to the surviving relatives of those grand patriots of the Polish home army, who fought to the bitter end against the vicious Nazi army which the Russian army stood idly by only a few miles away across the Vistula River and drank Russian vodka in a demonic toast to the destruction of much of the leadership and the patriotic army of our proven ally, the Polish nation. What a ghoulish confession this must be to those gallant members of the Polish home army who survived the siege of Warsaw, who later carried on the patriotic struggle against the predatory Russian occupiers and who, under another phony Russian amnesty, put down their arms and were then sentenced to a living death in the barren wastes of Russian Siberia. What a revolting echo this must set up in the halls of freedom throughout the world where Polish patriots gather to plan, to hope, and to pray for the liberation of their beloved Poland, and the restoration of her national independence.

But all of these signs, as evil as they may be, carry some good tidings for the universal cause of freedom, and in particular, for the cause of our beloved ally, Poland. As I see it, the latest shifts, dodges, and admissions of the Russian tyrants have been brought about by the tremendous internal pressure created by the force of nationalism which is the greatest force at work within the entire Russian empire. Secondly, I see in the rising tide of nationalism, a growing and powerful force against the new Russian colonial system which demands unlimited idolatry and worship of the "big brother" Russian, who in fact, is no brother at all. I speak of the growing nationalism in the non-Russian nations enslaved by the Kremlin.

There are many signs which seem to indicate that even the Polish quislings, who once believed that Russian communism would occupy and colonize the whole world, are now beset by doubts and severe misgivings about their former Russian love. There are also signs that the upswing of the indomitable Polish love of their own culture, their own folklore, their own traditions, and their own brand of patriotism is developing a political force which defies Russification and signals the beginning of the end of the Russian occupation of Poland.

While the sky of international affairs is overcast and ominous, there are some signs that the sun will soon rise again over Poland to give new warmth, strength, and vitality to the demands of the good Polish people for a return of the way of life which has been Poland down through the centuries and which has contributed so much to man's endless search and struggle for a world at peace in which all men will be certain of justice and equality.

All of this brings me back to the question of what the Governemt of the United States shall do in the face of the new propaganda offensive launched by the leaders in the Moscow Kremlin. All thinking people await the answer to this question, Will the administration accept the proposal of the Russians for coexistence, with all the false attractions of trade and lush profits which were dangled before the British last week and which are now being discussed in Washington cocktail circles today? Or on the other hand, Will the present administration demonstrate a sense of conscience and be mindful of the high moral proposals enunciated by President Eisenhower during his presidential campaign of 1952 in which he promised, without reservation, the complete dedication of the Government he hoped to head, to a policy of liberating Poland and all the other captive nations from a slavery unequaled in the evil side of the ledger books of history? This is the fundamental question which the present administration must face up to. The answer to this question may very well determine the kind of life you and I live, as well as the kind of life our children, our grandchildren, and their children's children will be compelled to live. This is the fundamental question which we, as good Americans on this Polish Constitution Day must ask ourselves. The answer is clear to you and to me. I fervently hope that the present administration will, with confidence and fortitude, pursue the only way open to a preservation of those great human values which patriots down through history have called individual liberty, human freedom, representative government, and the right of all people to self-determination.

Poland, by right, ought to be free. Poland must be free and independent; that is the hope and prayer of all Americans on this Polish Constitution Day.

POLISH CONSTITUTION DAY, 1956: A TRIBUTE TO THE POLISH PEOPLE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. Dingell], is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, as an American of Polish descent, it is a distinct privilege to have the opportunity of joining with my colleagues in paying tribute to the Polish people on this auspicious occasion—the commemoration of the 165th anniversary of the Polish constitution.

The Polish Constitution of May 3, 1791, is a document worthy of praise. Its adoption by the Polish Diet—Parliament—was accepted by a joyful citizenry for they knew it was to bring forth a new era of liberty and protection, regardless of one's station in life. Gladstone, the distinguished British Prime Minister, once described our own Constitution as "the most wonderful work ever struck off at a given time by the brain and purpose of man." Because of its many reforms for the betterment of the people, and the perseverance of its framers, I am sure that Gladstone's remark could be extended with justice to the Polish Constitution of 1791.

It is most fitting that we pause in our regular routine to honor a brave nation and a courageous people on this, their national holiday. The Polish people have contributed much to the development and growth of the United States, and we would be shirking our duty and traditional principles if we did not offer them encouragement and support during their present plight under the oppressive rule of communism.

The history of Poland is well known. It has suffered much humiliation and depredation by the hands of alien powers whose rulers sought only to keep Poland weak and helpless. In the past, Poland and her people have demonstrated their strong will power in fighting for the liberties and rights which we in the free world cherish so much. Knowing that Poland has produced such men of determination as Pulaski, Kosciusko, and Paderewski, I am confident that Poland will again become free, that its people will once again be able to practice the inalienable rights in which all men have been endowed as creatues of God.

We are all aware of the conditions in Poland today. The government is not that of the people but dictatorial. The people are not allowed to pursue their religious conscience nor assert their views for fear of punishment. Since the Communists have taken control of Poland, they have intensified their efforts to indoctrinate the people with Communist ideology, but time and again the Poles have fought back, whatever the odds. The Soviets have exploited the economic wealth of Poland and have shipped needed Polish supplies and materials to Russia. To climax these extraordinary cruelties, the Communists have sought to black out from the minds of the people their rich and glorious history. We know from Poland's past that despite these tactics, her people will never despair, nor admit defeat.

Today, on this historical occasion, we are afforded the opportunity of offering encouragement to the Polish people and to repeat that we are not resigned to their present fate under communistic rule. Poland looks to the United States for leadership and we must not fail her.

Today we reaffirm our pledge to the Polish people and other peoples suffering the same oppressive rule that we do not condone the enslavement of once free and democratic nations and that we support them in their aspirations in self-determination.

It is our fervent hope that the Polish and other captive peoples of Europe will soon be able to enjoy the governments of their own choice and again worship in the church of their choice, without fear.

We pray that God will soon grant these objectives, so that freedom-loving and God-fearing people can live in peace throughout the world.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Eberharter] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I wish to add my voice to the others here today in commemoration of Polish Constitution Day, an occasion to be remembered by the Polish people much the same as we Americans would remember the date of the signing of our Declaration of Independence. And indeed the Polish Constitution adopted on May 3, 1791 was very much like the Constitution of the United States, for it embodied the same principles of liberty and democracy.

But although the Polish people will celebrate this day with pride, they will also be filled with sorrow at the delemma in which they find themselves today. For the freedom which they enjoyed and the principles which they have always cherished have been crushed by the tyranny of Communist aggression, despite all the valiant efforts of the Polish people to regain their liberty. This sorrow is shared by all freedom-loving people and we here in America extend our hopes and our absolute belief that the courage that has characterized the Polish people and the traditional spirit of determination will again bring them through and restore them to their rightful place among the family of nations.

This is not the first time that the Polish people have seen days of darkness. For their country was devastated during the First World War when armies crossed and recrossed the land of Poland, and then after only a few years of sovereignty, their land was again ravished by a totalitarian aggressor. We salute them for their bravery in these years and for the independent spirit that still prevails today in this unhappy land, and we hope that their will to continue resistance to aggression may be strengthened by the words of friendship and encouragement from their allies here in the United States.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Boyle] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOYLE. Mr. Speaker, this week throughout the United States celebrations are being staged commemorating the anniversary of the adoption of the Polish Constitution of 1791. However, these commemorations point up more the birth of a constitution; they also reiterate and reaffirm faith in democracy and social justice. The national Polish patriots who proclaimed this new constitution were precursers of a liberal tradition that heralded the beginning of the present democratic era. These patriots were among the first Europeans to capture the essence of democratic idealism, liberating the dynamic forces of a new ideology. The 1791 constitution should therefore be judged not by today's standards, but against the background of medieval obscurantism. Only in that way may we of the mid-20th century appreciate the real significance of May 3.

Geographically isolated for centuries in Eastern Europe, Poland long struggled against the depredations of foreigners and the stultifying pressures of invading hordes. Dismemberment and partition were historically her most common fate. Foreign powers ruthlessly competed with one another upon Polish soil, ignoring the inner longings and internal integrity of the Polish people. Nevertheless, the physical dismemberment of her land never successfully suppressed the national vitality of Poland, and her indomitable spirit and will to survive persisted over the intervening years. In the late 18th century, when the French revolutionary standard of "liberty, equality, and fraternity" caught the imagination of progressives everywhere, an intellectual elite within Poland took advantage of the relaxed international situation and the spirit of the times by promulgating the constitution of May 3, 1791.

The 1791 Constitution of Poland was the result of a compromise between progressive trends of the day and existing adverse conditions. Externally the competing nationalisms of Russia and Austria were diverted into war against Turkey, and Prussia felt a momentary friendly disposition for Polish national aspirations. Internally the effective political groups were divided on national policies, but the persisting desire for external freedom and independence finally swept aside protestations of reactionary nobles. The wishes of the patriots prevailed and the enlightened principles of justice, equality, and freedom were embodied in a new constitution.

This document, one of the first written constitutions in modern Europe, was a political milestone. It meant the triumph of democracy over the illiberal tendencies of absolutism. For example, one part of it declared:

> All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, civil liberty, and the good order of society, on an equal scale, and a lasting foundation.

Its main features included the following points: First, the establishment of a limited monarchy with definite ministerial responsibility; second, the granting of autonomy to the towns; third, the enlargement of electoral privileges; fourth, the extension of numerous privileges to lower classes; fifth, the restoration of certain peasant rights; sixth, the inclusion of peasants under the protection of the law; seventh, the guarantee of freedom of conscience; and eighth, the establishment of religious toleration.

As a forerunner of liberal constitutions, the 1791 constitution of Poland is a hallmark in constitutional government. For the first time the Poles explicitly expressed their great beliefs of national liberty, preserving them for posterity within the framework of a legal document. Outside of Poland the importance of this democratic instrument also was recognized. Edmund Burke, of England, declared that "humanity must rejoice and glory when it considers the change in Poland." George Washington said:

> Poland, by the public papers, appears to have made large and unexpected strides toward liberty.

Enunciating this ideal of raising Poland from humiliation to a position of security, however, did not mark the culmination of the long political battle. Polish reactionaries immediately denounced the constitution, fearing it might spread the "contagion of democratic ideals." And shortly thereafter outside powers partitioned Poland again and the constitution was never put into effect.

For 165 years the ideals of the 1791 constitution persisted, and it stood as a permanent source of hope to freedom-loving Poles everywhere. Finally the goals of independence and freedom that the Poles had continued to nourish were espoused by Woodrow Wilson, President of the United States. He saw to it that Polish aspirations for nationhood were included within his 14 points for post-World War I peace objectives. The rebirth of Poland in 1918 was a stubborn reaffirmation of Polish national vitality and unremitting liberalism. For 20 years Poland pursued her own course of independence, strengthening her social structure, and adding immeasurably to the common cause of democracy.

Tragedy struck Poland again during World War II. Eventually she was conquered by Russia and submitted to sovietization of her people and territory. Nevertheless the Soviet policy of communization has not smothered her pride or will, because the ideological principle of democracy had long before taken firm root. Poland's real tragedy over the years is that her resources and strength have been subverted to the purposes of alien people. However, in the end Poland will return to the comity of nations as a free power. Polish people are deeply steeped in the traditions leading toward social and political justice, with the May 3 constitution representing the finest elements of that tradition.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Keogh] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEOGH. Mr. Speaker, 165 years ago today—just a year and a half after the ratification of the Constitution of the United States—the freedom-loving Polish people adopted a constitution of their own. The Americans and the Poles at that time had many things in common. Both had been oppressed. Both yearned for freedom and both recognized that no state can be permitted to exert total power over its citizens.

Our Founding Fathers declared that governments derive their just powers from the consent of the governed. The constitution of the Polish people, adopted in 1791, expressly recognized that "all power in civil society is derived from the will of the people."

The bonds of that spiritual and philosophical accord had been woven during our own War of Independence. Every schoolboy is familiar with the story of that great Pole, the youthful Gen. Kazimierz Pulaski, who gave his life for our liberty after coming to America at his own expense with the purpose of serving our cause, to which he was dedicated.

As tragedies frequently inspire men to great deeds, so the tragic history of the Polish people has been an inspiration to them and should be to us.

Never has their hard-won freedom been lasting. Within a year after the adoption of the constitution of 1791 they were again partitioned. For more than a century and a quarter thereafter the Polish people—without any semblance of a Polish state—continued their zealous and courageous fight to regain their independence.

Finally, at the conclusion of World War I, their independence was again formally proclaimed, and the following year Ignace Paderewski, the renowned patriot and pianist, became their first premier. Hardly another year had passed before the Russians invaded Poland, and another tragedy seemed inevitable. But with a faith that has rarely been equaled in modern warfare, the Poles stood up to the invader and hurled him back, thereby preserving for a time their well-merited independence.

The horrors of World War II and the aftermath putting this gallant people under the heel of the Red Soviet dictatorship need not be detailed now. Anyone with faith in the ultimate overcoming of evil by good will know that this is not the end of Polish liberty and independence. A people who have been physically subjugated time after time, only to rise again to attain their freedom, are not to be given up by us as lost. True it is that the savagery of the Soviet domination undoubtedly surpasses all previous experience. But that serves only as an added incentive to the oppressed people to regain their status among the nations of the world to which they are entitled.

We in the United States through the operations of the Displaced Persons Act and the Refugee Relief Act, and in other ways, have proffered our hand to assist many of the Polish people. We are, perhaps, not now in a position to demonstrate in more concrete fashion our feeling of faith in their cause. However, we can let them know that we hope and pray, with confidence, that their present plight will somehow be brought to an end and that they will achieve again the liberty and independence that has been wrung from them so that the names of Poles will again be recorded in history among the world's great in patriotism, the arts and sciences, and in human dignity.

SMALL BUSINESS TENANTS BEING DISPOSSESSED UNDER REDEVELOPMENT PROGRAM IN OUR URBAN CENTERS

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'Hara] is recognized for 15 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, under the redevelopment program in our urban centers small-business tenants are being dispossessed and forced to move from communities in which they have been long established. There is nothing in existing law to authorize the advance to them of funds for moving expenses or to recompense them for money that they have expended in moving their stocks and fixtures from old to new locations.

The bill that I have introduced, H. R. 9351, provides for such payment of moving expense and also for loans to these dispossessed small-business tenants for the reestablishment of their businesses in new locations.

This conforms with a policy established by Congress in section 401 (V) of the act of July 14, 1952 (66 Stat. 606, 624), which authorized the military departments to make payments for moving expenses in the case of their public-works projects. The Act of July 14, 1952, covers the moving expenses which are the result of land aquisitions.

The departments had numerous inquiries as to why it had not reimbursed landowners and tenants for moving expenses when acquiring lands. The answer necessarily had to be that it had no authority to do so. The act of July 14, 1952, gave it the authority to make such payments for moving expenses with the one provision that in no case should the amount exceed 25 percent of the value of the acquired land.

On March 19, 1956, the House recognized the equity of reimbursing landowners and tenants for expenses and other losses necessitated when lands are acquired for water and power development by passing H. R. 5975. Without this legislation it is not within the purview of the authority of the Secretary of the Interior to reimburse owners and tenants for such expenses. Expenses of the types covered by H. R. 5975 are not within the purview of the appraisal process when lands are acquired or within the purview of judicial determination under the condemnation statutes.

The passage of this bill was recommended by the Honorable Fred G. Aandahl, Assistant Secretary of the Interior. He said:

> We recommend that this bill be enacted. We also recommend that consideration be given to enlarging its scope. H. R. 5975

would authorize reimbursement of landowners and tenants for expenses, loss or damage incurred in moving themselves, their immediate families and their property from lands acquired on projects under the Federal reclamation laws.

I wish to thank the distinguished and very able chairman of the subcommittee of the Small Business Committee, Congressman MULTER, and the members of his subcommittee for scheduling a public hearing at which constituents of mine were given an opportunity fully to picture the situation that exists in Chicago among small-business tenants and of the urgent need for legislation for their relief on the pattern and in accord with the policies set forth in the act of July 14, 1952, and which we in the House followed in the passage by unanimous vote of H. R. 5975.

Among the witnesses from Chicago who testified at the public hearing of Chairman MULTER's subcommittee today were Ira J. Bach, executive director of the Chicago Land Clearance Commission; Julian H. Levi, executive director of the Southeast Chicago Commission; Hon. Leon M. Despres, alderman of the Hyde Park ward in Chicago; Walker Sandbach, of the Hyde Park Business & Professional Association; and Bruce Sagan, publisher of the Hyde Park Herald.

I earnestly recommend to all my colleagues the careful reading of the testimony of these witnesses who are closest to this very acute situation in our large cities.

Statement of Julian Levi, executive director of the Southeast Chicago Commission:

My name is Julian Levi. I am executive director of the Southeast Chicago Commission and appear on its behalf as authorized by its executive committee.

The Southeast Chicago Commission is a citizens' organization interested in the conservation and improvement of the communities within the southeast area of the city of Chicago, from the north at 39th Street, to the south at 67th Street, to the west at Cottage Grove, and to the east at the lake. The commission was organized by six of the major community organizations within that area, working with the University of Chicago. At this time there is not only full participation and interest in the work of the commission through the great mass of citizens within that area but, in addition, these citizens—approximately 2,000 of them—help raise the commission's yearly budget and actively participate in its programs.

The particular problem which is before you this morning is directed to the experiences which are encountered by businessmen within urban-renewal areas. It is, of course, not unique for businesses to be dispossessed and damaged as a result of public-improvement programs. Every highway, every road-widening program—does exactly that to some business people. Mere community change also achieves the same result. Physical obsolescence accomplishes this injury almost as much.

It may be borne in mind, for instance, that the area on 55th Street in Chicago with which we are immediately concerned consists largely of buildings erected at the time of the first World's Fair before the turn of the century. The amount of floor space available for merchandising, the amount of floor load possible, the capacity of plumbing and wiring, all were directed to an earlier era when food came in barrels rather than in cans, when quick-frozen foods were not even thought of, and where the maid whose services are now built into the picked, cleaned and washed spinach neatly packed in a frozen food package was actually at work in the kitchen of the customer. So, in one sense perhaps it was only a question of time until the situation would have become so obsolete and old that business people of substance of their own accord would have deserted the area. If, however, we were to have waited to that point, we would have become involved in a total slum clearance project of tremendous proportions.

The very point of urban renewal is to attempt to reverse the process prior to the time that the entire community lies prostrate. And in these circumstances it must be recognized that great hardship and injury may be done to the individual business establishment.

The loss is just as widespread as if a tornado were to have devastated a half mile of street. We acknowledge with great appreciation the fact that despite this, it has been the universal view of the business people in our community that the program ought to proceed. But we do not feel that full justice can be done unless arrangements, such as those suggested in Congressman O'HARA's legislation, become available. There is in fact an even further injustice in the solicitude that is shown to an individual tenant or family for whom a wealth of relocation services are made available while the business establishment whose existence represents many, many years of hard work and effort, and whose continuance means not the inconvenience of a dwelling unit lost but the greater hardship of income loss, goes forgotten.

We recognize that a program of relief is needed and we desire to support it.

We believe, moreover, that in order to insure the full measure of public support required for carrying out urban renewal programs over the country that these inequities should be met and corrected.

Statement of Hon. Leon M. Despres, alderman of the fifth ward of Chicago:

My name is Leon M. Despres. I live at 1220 East 56th Street. I am alderman of the fifth ward of Chicago, which includes the redevelopment project known as Hyde Park A. In redevelopment project Hyde Park A, approximately 10 linear blocks of commercial property will be torn down. More than a hundred small retail enterprises are being forced to give up their locations. Although some of these establishments can be terminated or moved without fatal damage to the owners, some of them are establishments which have been in the neighborhood for many, many years. For many of the small retail merchants who are lessees of their stores, the redevelopment means destruction of their business.

I am appearing here today in their behalf to ask you to make some provision now for their very serious and urgent situation. Their situation is urgent because, as condemnation progresses, they are being forced to move. Similar problems are likely to arise in every redevelopment project which affects business property.

You have already made provision to pay the moving expenses of residential tenants. This means that a transient resident who has moved into the area will receive moving expenses, but the retail merchants who have been in the area for years, receive nothing.

Under our condemnation laws, and under the condemnation laws of nearly all States, the retail tenant generally receives no compensation whatsoever.

Most small retail tenants operate on short-term leases. Moreover, since redevelopment has been in the air in Hyde Park for more than 3 years, most of the leases of these enterprises are either completed or very close to the end of their term. As a result, the merchants are nearly all on very short term or month-to-month leases of their premises. Very few of them have long-term leases which might afford them a small measure of protection.

Even where the retail tenant has a long-term lease, he cannot recover anything in the condemnation proceeding unless he proves that the rental fixed in his lease is lower than the fair market rental value of the premises; but since such premises are generally rented at fair market rental value, the tenant recovers nothing in condemnation proceedings. There is no allowance for the destruction of the good will. In fact, the law really operates to give a premium to the landlord for the economic value which the merchant tenant has developed. Thus, while the landlords receive the full, fair, cash market value of their real estate as determined by the success of the tenants' enterprise, the tenants, whose businesses are utterly destroyed, receive nothing. They do not even receive moving expenses. They receive no preference in the new shopping center. They receive no aid in obtaining financing for a new location, although equipment financing is either impossible to obtain or terribly expensive on a short-term basis.

It might be argued that these retail tenants could have been displaced at any time by ordinary economic causes or even by the whim of a landlord. Although occasionally a landlord does arbitrarily force a retail tenant to move, that is not generally very good business for a landlord, and economic factors generally operate to cause landlords to keep satisfied retail tenants. The important factor in the redevelopment is that, but for the redevelopment, these retail tenants would all be continuing their enterprises.

I would like to give you three examples.

1. Four years ago, a husband and wife took over a small home bakery store which has been in existence for a great many years. They paid $16,000 for heavy equipment weighing many tons—an oven, a freezer, a steamer, and other equipment. Although the store has a frontage of only 25 feet, it does a thriving business and is a credit to the community. As redevelopment and demolition progress, business on the street is declining. The lease has 2 years to run. With the ultimate demolition of the building, the bakery business will be wiped out. There will be no compensation paid in the condemnation case for either the unexpired lease or the equipment. The new shopping center will call for a bakery delivery stand and has no place for a home bakery. Under present conditions, the total savings of the bakery couple in the enterprise are wiped out. If they have help in moving expenses and in equipping a new bakery elsewhere, they can relocate successfully.

2. Twenty years ago, a pharmacist bought a small going drug store, which had then been a successful small business for 20 years. I remember buying baby supplies from him for my daughter after he first took over. His present lease runs into next year. Demolition in the neighborhood has reduced his total customers and his sales. He would like to move now but is obligated to pay a rent which is now much higher than market value. Demolition will terminate his business. He can salvage some of his equipment. His huge stock of prescriptions will be valueless. He will have to start all over again in a new location. He needs financial help for moving and reequipment expenses when moving time comes.

3. One of the affected retail merchants operates a retail liquor store which he and his wife started in 1937. By very hard work, he built a small store into an excellent and creditible enterprise. He was so enthusiastic about redevelopment 3 years ago that he was very active in helping to raise money for the citizens' organization which pushed neighborhood redevelopment. Among his delivery customers he values leaders of the community. After 19 years, he is now being

redeveloped completely out of business—good will, freezer equipment, store equipment and all, without any compensation.

I want to be sure to convey a correct impression. The community strongly supports urban redevelopment. But we strongly urge your immediate support of the pending measure as an emergency aid which gives these displaced business tenants, in part at least, the fair treatment they are entitled to have.

Statement of Walker Sandbach, of the Hyde Park Business and Professional Association of Chicago:

My name is Walker Sandbach. I live at 5320 University Avenue, Chicago, Ill. I am a retail-store manager, soon to join the growing ranks of displaced businessmen in our large cities.

I am appearing here on behalf of the Hyde Park Business and Professional Association, a businessmen's group that has been in existence in our community for over 50 years and which today has 210 small business and professional men and women as members throughout the entire Hyde Park area. I am chairman of a new committee which was formed for the first time this year. It is significantly called the redevelopment committee.

Our community is one of the first in the Nation to be redeveloped under the Federal-State-city program for urban renewal. Because this is a pioneering program, the businessmen had no way to know how it would affect them. Our business association strongly supported the program from the beginning, and continues to support it, because, like all good citizens, we want to see our community improved. We gave our support in the belief that those merchants who were forced to relocate would be adequately compensated for moving and other related expenses. It never occurred to us that the Government could force a business tenant to move with no compensation whatsoever if he happened to be a tenant with only a short time left to run on his lease. The owners of property are adequately protected under the law. Household tenants are paid moving expenses, even in the case of transients who move into the community a short time before the property is taken. But there is no protection for the business tenant with a short time left to run on his lease, even if he has been in business in the community for 30 or more years. Even those businesses with some lease protection, and they are a rarity among small-business men, can recover nothing for moving expenses under the present law.

This is a tragic and demoralizing situation to our business community. Many small-business men will be forced to give up their businesses and others will be faced with bankruptcy unless help is forthcoming. In the case of our community, it is an emergency situation and help is needed at once.

I think I can best explain the situation that exists with our business men and women by giving you two specific examples.

I would like to tell you about a repair and storage garage tenant that has been serving our community since 1926—30 years.

The owner of this business is 62 years old. The building in which he is located is being removed because the land is needed to complete the plan.

This businessman has been operating with 5-year leases. His lease expires a year from July. The land clearance commission has an option to buy the building subject to his lease and they have indicated to him their intention of buying the property and letting him finish out the term of his lease.

The owner of the property will be fully compensated. The business tenant will get nothing. He has expensive built-in car lifts, special electric wiring for welding, floor exhausts, and other equipment that is difficult, and in some cases impossible, to move.

The expense of moving and reinstalling this equipment will be substantial if he can even find a place to which to move. He will certainly need long-term, low-interest financing to set up in a new location and to carry him until he builds a new clientele. As a result of redevelopment he must start over again from scratch after spending a lifetime building up his business.

I also want to tell you about my own business, of which I am general manager. This is the Hyde Park Cooperative Society, Inc., a consumers cooperative which operates a food supermarket. Our business was incorporated in 1932 and, incidentally, included the present senior Senator from Illinois as one of its first members. The demolition of our building will hurt the ownership equity of 2,200 neighborhood shareholders. Our shareholders include householders in the neighborhood and in the University of Chicago community. For example, our present alderman who is here today is a long-time shareholder and so is our former alderman, Bob Merriam, who is now in Washington as Assistant to the Director of the Budget.

I do not consider ours quite as fatal a hardship case as is the repair and storage garage case I just told you about. We have a long-term lease for which we may receive some compensation. However, our moving expenses will be great because of the large amount of refrigeration equipment involved in a modern food store. We are one of the very few business tenants who may receive compensation for our leasehold.

Whatever amount we may receive for our lease, nothing will be included to cover the cost of our moving. We also will need a long-term loan at low interest to help make the transition to a new place of business.

These cases illustrate the problems faced by the small-business men of our community. Through no fault of their own they are being forced to move by the Government. Therefore, on behalf of the Hyde Park Business and Professional Association, I wish to add our strong support to H. R. 9351.

Statement of Bruce Sagan, publisher of the Hyde Park Herald, of Chicago:

My name is Bruce Sagan. I live at 1229 East 50th Street, Chicago, Ill. I am the publisher of the Hyde Park Herald, a weekly newspaper which has been published in my neighborhood for 75 years.

Hyde Park is one of Chicago's oldest communities and has contributed a great deal to the life of the city. But its age is catching up, and Hyde Park is now the location of the Nation's first urban renewal program.

We are appearing today to testify for a bill to help merchants caught in the cross currents of community redevelopment.

There is at present a federally approved redevelopment project in our neighborhood. This project covers about a 10-block stretch of our present business community.

I think the attitude of the merchants can best be summed up by a druggist who will lose his business because of the project. He said, "It is necessary—some of these buildings should have been torn down 20 years ago when I first came here."

This is the comment of a man who is about to see 20 years of effort taken away from him.

The merchant tenant is the man on the low end of the redevelopment pole. I have brought with me and wish to file with you a series of reprints of articles which have appeared in the Hyde Park Herald. The first is a reprint of an editorial written 1 year ago. In it we said:

"The businessman is the left-out fellow of redevelopment. The land clearance commission is obliged by law to find a standard housing unit to relocate a tenant who loses his dwelling. A building owner is paid a fair market price for his property. But no one pays the business tenant for his years of work, nor does anyone have to worry about where he goes. * * *

"He receives nothing for the good will of his business. There is no compensation for the time spent in building customer relations."

Included in these reprints are the stories of 15 merchants who are losing their places of business. These stories cover a broad field of the independent merchants of our community.

One of these displaced merchants is an automobile dealer. He has been in our neighborhood since 1924 and has built his garage business into an automobile agency. In 1948 he was able to purchase a franchise from one of the "big three" automobile manufacturers.

At that time he spent $85,000 to remodel his garage, over and above the thousands of dollars in garage equipment already installed. He has 14 twin post automobile lifts. The redevelopment plan will probably bankrupt this business. There are a number of reasons. Under the terms of their valuable franchise they can only move within a mile square area. There is no place in that area for them to move. A new building is needed. But if a developer were to build them such a building, at their regular profit levels they would be unable to meet the required rent. This business cannot afford to lose the improvements they have put in the building, but they cannot afford to move them either.

This business, which has been built from a small auto garage into an agency with 75,000 square feet of space will go out of business without the kind of help this bill would give.

One of the ready-to-wear stores in the project is typical of the central problem of age. This modern, recently done glass front is just below a large cement block on the second floor. On the block is written 1888.

This building, put up in the last century has several floors of living quarters which have passed their useful life, but on the ground floor is the new glass front of a going business.

The store is owned by a young man only 29 years old. His family has owned stores in our neighborhood since 1907. He purchased his present store in 1949 and has tripled its volume since then.

In 1953 he completely remodeled the store front and put in air conditioning at his own expense. He will lose all these improvements worth between $15,000 and $20,000.

He says that moving will be hard on him but that he is still young and able to accommodate himself. I spoke with him on Monday and he asked me a question which I will pass on to you. "What," he said, "will happen to the old couple who own the newsstand on the corner. The $750 they paid for the stand means as much to them as $17,000 means to me. What will happen to them? Will they become dependent on the State for charity?"

The stories, of course, are endless.

I would like to urge that you pass the present bill with all due speed. Some of these men are already being forced to move. This is as much a disaster for them as a storm or flood.

I would also like to urge consideration of extending this idea into the area of compensation for the loss of the business. There is no legislation which compensates a merchant for lost goodwill. Goodwill, although supposed to be an intangible, is something that is measured daily by buyers and sellers of businesses and insurance companies paying business interruption insurance.

I hope that you will give this measure affirmative consideration and see to it that it becomes law before it is too late to help our businessmen.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Hayworth (at the request of Mr. Machrowicz), from May 3, 1956, to May 9, 1956, on account of illness.

Mr. Scrivner, for the next 4 days, on account of official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. Feighan, for 15 minutes, today, and to revise and extend his remarks.

Mr. O'Hara of Illinois, for 15 minutes, today.

Mr. Sikes, on Thursday of next week, for 20 minutes.

Mr. Dingell, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. McVey.

Mr. Hays of Ohio.

Mr. Dodd (at the request of Mr. Madden) in three instances.

Mr. Forand on Rhode Island Independence Day which will be celebrated tomorrow.

Mr. Rodino (at the request of Mr. McCormack).

Mr. Celler (at the request of Mr. McCormack) in two instances and to include extraneous matter.

Mr. Powell (at the request of Mr. McCormack) to revise and extend his remarks and include extraneous matter.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p. m.), under its previous order, the House adjourned until Monday, May 7, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1809. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1810. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration, Department of Commerce," to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H. R. 10986. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2104). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. Report on Personnel Programs and Policies of the Federal Government in overseas operations; without amendment (Rept. No. 2109). Ordered to be printed.

Mr. JUDD: Committee on Foreign Affairs. H. R. 9606. A bill to amend the United States Information and Educational Exchange Act of 1948, as amended; with amendment (Rept. No. 2110). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCARTHY: Committee on Ways and Means. H. R. 8636. A bill to continue until the close of June 30, 1957, the suspension of duties and import taxes on metal scrap, and for other purposes; without amendment (Rept. No. 2107). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIES: Committee on Interstate and Foreign Commerce. S. 3076. An act to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes; with amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 2045. A bill for the relief of Joe Bargas; with amendment (Rept. No. 2105). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4037. A bill for the relief of Truck & Axle Manufacturing Co.; with amendment (Rept. No. 2106). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H. R. 10986. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ALLEN of California:

H. R. 10987. A bill to amend the Merchant Ship Sales Act of 1946 to permit the use of vessel revolving funds for vessel activation and deactivation; to the Committee on Merchant Marine and Fisheries.

By Mr. BROYHILL:

H. R. 10988. A bill to provide a remedy for injuries to persons and property caused by the negligent or wrongful act or omission of any individual granted diplomatic immunity by the United States; to the Committee on the Judiciary.

H. R. 10989. A bill to provide permanent reemployment priority for persons holding career appointments in the competitive civil service who are separated from such service other than for cause; to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

H. R. 10990. A bill to authorize the Corps of Engineers to compensate the city of Williston, N. Dak. for the acquisition and replacement of the municipal water supply and water treatment facilities which will be damaged, impaired, or rendered inoperative by the construction and operation of Garrison Dam and Reservoir on the Missouri River, and for other purposes; to the Committee on Public Works.

By Mr. CURTIS of Missouri:

H. R. 10991. A bill to amend the Internal Revenue Code of 1954 and to encourage small-business concerns to engage in foreign trade; to the Committee on Ways and Means.

By Mr. DAWSON of Illinois (by request):

H. R. 10992. A bill to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes; to the Committee on Government Operations.

By Mr. DAWSON of Utah:

H. R. 10993. A bill to amend the act of August 27, 1954 (68 Stat. 868), with respect to the Uintah and Ouray Reservation in Utah; to the Committee on Interior and Insular Affairs.

By Mr. DINGELL:

H. R. 10994. A bill to amend title V of the Social Security Act to increase the amounts which may be made available thereunder as grants to States for maternal and child welfare; to the Committee on Ways and Means.

By Mr. DONOHUE:

H. R. 10995. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ELLSWORTH:

H. R. 10996. A bill amending the act of June 22, 1936, applying to channel improvement or channel rectification projects for flood control; to the Committee on Public Works.

By Mr. GREEN of Pennsylvania:

H. R. 10997. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAGEN:

H. R. 10998. A bill to exclude certain lands from the Sequoia National Park, in the State

of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HORAN:

H. R. 10999. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley Federal reclamation project, Washington and Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCORMACK:

H. R. 11000. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. JOHNSON of Wisconsin:

H. R. 11001. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 11002. A bill to regulate and license pawnbrokers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LANKFORD:

H. R. 11003. A bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

H. R. 11004. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H. R. 11005. A bill to establish as a policy of the Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11006. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mr. PATMAN:

H. R. 11007. A bill to provide that the owners of land acquired for public works projects shall in certain cases be entitled to reimbursement for resettlement costs resulting from such acquisition; to the Committee on Armed Services.

By Mr. PHILLIPS:

H. R. 11008. A bill to provide that the Federal Regulation of Lobbying Act shall not apply to persons attempting to influence the adoption by the Congress of proposed amendments to the Constitution; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 11009. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SCHWENGEL:

H. R. 11010. A bill creating the Muscatine Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Ill.; to the Committee on Public Works.

By Mr. SILER:

H. R. 11011. A bill to impose an additional 10 cents a pound tax on synthetic tobacco, tobacco stems, or tobacco scraps; to the Committee on Ways and Means.

By Mr. SMITH of Kansas:

H. R. 11012. A bill to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir, Trego County, Kans.; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON:

H. R. 11013. A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio; to the Committee on Armed Services.

My Mr. CELLER:

H. Con. Res. 236. Concurrent resolution authorizing the printing of the Virgin Islands Code as a House document; to the Committee on House Administration.

By Mr. MADDEN:

H. Res. 495. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

By Mr. MACHROWICZ:

H. Res. 496. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

By Mr. FLOOD:

H. Res. 497. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL (by request):

H. R. 11014. A bill for the relief of Warren S. Parr; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 11015. A bill for the relief of Dr. Shun-hsin Chou; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H. R. 11016. A bill for the relief of Jeanne Marie-Louise Hoez; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 11017. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John R. Devereux for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H. R. 11018. A bill for the relief of Kang Jung Soon; to the Committee on the Judiciary.

By Mr. REECE of Tennessee:

H. R. 11019. A bill to authorize the Secretary of the Interior to consummate desirable land exchanges; to the Committee on Interior and Insular Affairs.

By Mr. SHELLEY:

H. R. 11020. A bill for the relief of Mrs. Remaria Avearii a Marama Geronimo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

994. By Mr. BUSH: Petition of Local 63, Lea Worker Division, A. M. C. and B. A. of N. A., Williamsport, Pa., protesting the continuance of the 20 percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

995. By Mr. MULTER: Petition for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

996. By the SPEAKER: Petition of the president, the Anchorage Republican Club, Anchorage, Alaska, requesting that prompt and effective action be taken to bring the Alaska statehood bill out of committee and place it before the Congress for consideration and approval; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, May 10 is Rumanian Independence Day. It is only fitting that we should remember this day, for it serves as a grim reminder of Communist aggression and subversion which made captive satellites out of the once free nations of Eastern Europe.

An unwilling pawn in the power struggle of Nazi domination and Soviet Communist conquest, Rumania has long been a land of suffering. The high hopes which Rumanian patriots had for their country when on May 10, 1866, they crowned Charles, Prince of Rumania, and thus founded the Rumanian dynasty, have been badly shattered. Today, Rumania lies prostrate in the tight grip of the Soviet Union, which not only enslaves these proud people, but robs them of their national resources to help pay for the Communist trade offensive.

The Kremlin's tyrants who rule the country are trying their best to eradicate May 10 from the memory of the people. They have replaced Independence Day with the Day of Soviet Victory, which falls on May 9. But when the alien flags are hoisted on May 9, it must remind the Rumanian people of their own Independence Day. To them it is but a sign that the day will come again when they will rid themselves of the foreign oppressor and the local quislings who take their orders from the Kremlin.

I believe that the days of party boss Gheorge Gheorghiu-Dej and of his henchmen are numbered. They came to power under Stalin. But Stalin himself has now been toppled from his exalted position, and with him will topple all those who owe him allegiance. We have seen it happen in recent weeks in Bulgaria, in Poland, in Czechoslovakia. Though the Rumanian Communists are trying to postpone the day of reckoning, though they still are slow in following the de-Stalinization line prescribed by their masters in the Kremlin, they cannot escape the inevitable. As Stalin rid himself of those who became inconvenient to him, the new Kremlin bosses will not hesitate to liquidate those of their underlings who have become politically inexpedient, for communism devours its own children. May its appetite increase.

On May 10, we salute a suffering nation which has lost its independence through no fault of its own, but was the tragic victim of brute Communist force. On this anniversary of their independence, we assure the Rumanian people that they do not stand alone, or abandoned, in their aspiration for freedom. Let us remind them of our pledge, which is part of official United States foreign policy, that the people of America will never consent to their continued enslavement; that the United States will continue its efforts to correct the wrong, and relieve the suffering, which has been brought upon helpless nations by Communist aggression, subversion, and betrayal.

Definite Relief for Cotton Growers Required

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith the text of a letter I sent to Secretary Benson, on April 25, 1956:

Hon. Ezra T. Benson,
Secretary of Agriculture,
Department of Agriculture,
Washington 25, D. C.

My Dear Mr. Secretary: This letter is to bring to your attention the plight of the extra long staple cotton growers in the United States, and to ask your best effort in alleviating the current conditions.

Basically, the problem facing our domestic producers are directly traceable to excessive imports of long staple cotton from Egypt.

It is my purpose to request that you use the provision of section 22 of the Agricultural Adjustment Act to deal with this matter. As you know, under the provisions of this Act the Secretary of Agriculture has the right and the responsibility to recommend to the President the initiation of proceedings looking toward import restrictions, when such imports are shown to be the detriment of domestic producers.

Currently, foreign grown cotton accounts for almost 100 percent of American mill consumption. Most of this foreign cotton is purchased from Egypt, while our own cotton is stored in warehouses and domestic acreage is further decreased. Our imports from Egypt have reached 95,000 bales annually, the near-maximum under the quota system.

Time was when our State Department advocated liberal importing of cotton from Egypt to discourage that nation's trade with Communist-controlled nations. But the record shows that Egypt has increased trade with these Red nations, and her attitude toward the United States and other freedom-loving nations has become suspect, thus the original contention of the State Department is destroyed.

Egypt has acted, overall, in a manner very hostile to the United States. She protested our spending money paid us by the Italians for defense bases in Italy. She asked for our aid in building the Aswam Dam, accepted our offer to do so, and turned her back on the United States to deal even more with Russia. She demanded our money to buy planes and train pilots to fight army boll-worms attacking Egyptian cotton.

General Nasser, dictator of Egypt, has been responsible for the present crises in the Middle East, due to his acceptance of Red arms from Czechoslovakia. Those arms include submarines which will fly the Egyptian flag but be manned by Communist technicians under Russian tutelage. Those subs will ply the Mediterranean in the shadow of our 6th Fleet.

Egypt refused to import much of our surplus wheat, at a time when we desperately needed a new wheat market, yet she accepted wheat from Russia during this same period.

It does not seem logical, nor in the interest of fair play and justice, to continue to appease a nation definitely hostile to the United States, and particularly to the detriment of our domestic cotton growers and at the expense of their cotton market. Enlightened self-interest requires the action requested herein.

I, therefore, strongly urge your using section 22 of the Agricultural Adjustment Act to lower the import quota and to place a tariff designed to protect American interests on foreign-produced extra-long staple cotton.

Your prompt attention, consideration, and reply will be greatly appreciated.

Respectfully yours,

Emanuel Celler.

Singing Rockets, Student Choir, Rich Township High School, Park Forest, Ill.

EXTENSION OF REMARKS

OF

HON. WILLIAM E. McVEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. McVEY. Mr. Speaker, it will be my pleasure tomorrow to welcome to our Capital City a fine group of students from the Rich Township High School in Park Forest, Ill., which is located in the Fourth Congressional District that I represent. Rich Township High School serves the 30,000 residents of Matteson, Olympia Fields, Park Forest, Richton Park, and adjoining rural areas. About three-fourths of the student body comes from the new city of Park Forest, which is located 30 miles south of Chicago's Loop. While Park Forest is only about 7 years old, it has a population of about 25,000 people. It has been recognized as a model, new community and recently received the National All-American City Award.

This group of approximately 70 boys and girls has been selected from 350 students in regular vocal training at Rich High, and are known as the Singing Rockets. It is my hope that some of you will have the opportunity to hear them when they sing on the steps of the Capitol at 12:30 tomorrow afternoon.

They are the only choral group in their class to receive superior ratings in all competitive categories in the Illinois State music contests. Singing in seven foreign languages, performing equally well spirituals and religious numbers, popular music, and ballads, the Singing Rockets are in wide demand at local and State meetings and conferences, as well as at national conventions.

Gov. William G. Stratton, of Illinois, has designated the Singing Rockets to be the official State representative on the Ed Sullivan Show commemorating National Music Week on Sunday, May 6, 1956. I feel confident that should you, my colleagues, see their performance on the Ed Sullivan Show, you will feel that my pride in calling them to your attention is highly justified.

Seniors and juniors are included in the Singing Rockets, and there are about an equal number of boys and girls. Their annual tours are financed through fund-raising projects which are entirely student directed. This year they have raised $7,000 for their trip to Washington and New York by doing odd jobs, baby-sitting, and benefit performances. Their annual tour last year included performances in three States—Illinois, Indiana, and Michigan. Their choral work is done in addition to their regular class work. Meeting but 2 hours a week in rehearsal, they are recognized by well-known choral experts as one of the truly great teen-age student choirs in the Nation.

America, the greatest Nation in the world, has little to fear that juvenile delinquency will break down the moral fiber of our country, when it can proudly present such fine young citizens.

The Claims of Former Polish Prisoners of War Now Residing in the United States

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. RODINO. Mr. Speaker, May 3 is the anniversary of Poland's Constitution Day, and this time of year therefore seems appropriate to call attention to the plight of Polish former prisoners of war now living in the United States.

These soldiers were members of the Polish armed forces and fought with the Allies against the enemy in various theaters of operation. During the course of the war, some of these soldiers were captured by the Nazis. Now, according to the provisions of the Geneva Convention of 1929, to which Nazi Germany was a party, prisoners of war are entitled to certain benefits as well as good treatment. Article 34 of the convention provides that upon their release prisoners of war shall receive both their unpaid military pay and wages for labor while they were prisoners. The convention also provides that prisoners who are forced to live in unsanitary conditions and who are not provided with food equal

in quality and quantity to that provided by the country to its own soldiers, shall receive compensation. The Polish ex-prisoners claim that Naxi Germany violated all these provisions.

The normal procedure for adjusting claims for violations of the Geneva Convention is for the country of which the prisoners of war are citizens to handle it. For example, in the United States, claims by Americans who were prisoners were adjusted through the War Claims Act of 1948. The fund established by this act was made up of confiscated assets of Germany and Japan, and money from this fund was used to pay American citizens who filed legitimate claims.

Unfortunately, these Polish former prisoners, now residing in the United States, found themselves in an unusual position after the war. Since Poland had been occupied by the Communists, they refused to return to their homeland, and the Communists therefore ignored their claims against Germany.

To add to their predicament, the German authorities insisted that any claims against the German state or its legal successor could not be made by an individual alien citizen, but only by his government. They also stated that these Poles should have collected their claims through the reparation fund established for Poland at the Potsdam Conference and controlled by Poland's Communist government. The Polish ex-prisoners have therefore been unable to collect their just claims.

Many of these Polish ex-prisoners now living in the United States have just claims and have been denied them largely as a result of their refusal to return to Communist Poland. We have met the similar claims of our own former prisoners of war out of the captured German assets that were put into the war claims fund, and it seems to me there is a case for adding to the list of those eligible to compensation from that fund these Poles who are now living in the United States. In the spirit of justice and equity, then, I would like to urge the Department of State, to whom these Polish former prisoners of war have presented their case, to give every consideration to their pleas and to arrange some way of satisfying the legitimate claims of Polish ex-prisoners now living in the United States from the war claims fund established to meet the similar claims of American citizens.

Military Supplies Go Forward to Saudi Arabia

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. CELLER. Mr. Speaker, the latest disclosure that the United States continues to supply arms to Saudi Arabia, as evidenced by the loading of reported bomb casings, rockets, and 76-millimeter shells on the *Monterrey* at South Port, N. C., highlights the dangerous, impossible, and contradictory position in which the administration has placed itself by supplying arms and ammunition to the Arab nations and at the same time denying arms and ammunition to Israel.

If it is a shipment of military supplies to Saudi Arabia, it is labeled a routine operation, but the shipment of such equipment to Israel, we are told, would be an arms race. We have supplied Iraq with arms and Saudi Arabia with arms and offered arms to Egypt. And yet, in questioning before the Congress, Mr. Dulles has said, "America is not the traditional supplier of arms to the Middle East."

It seems that if the Arab nations need further encouragement to truculence, we have given it to them. We can only incite Arab belligerence by our willingness to be wooed and won. We know full well that appeasement is not the road to peace. We know as well that an imbalance of power in any region of the world is a threat to the peace. It is that very premise upon which our own defense strategy is based.

This latest shipment of ammunition to Saudi Arabia emphasizes our failure to cope directly and intelligently with the Middle East situation. We are inviting disaster and bankrupting our moral leadership.

If the United States continues to sell arms to the Arab nations, it cannot at the same time deny Israel the defensive weapons which could restore the balance of power and more surely insure the peace.

S. 3879

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, I believe it is important that this House adopt S. 3879, which reads as follows:

S. 3879

An act to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

Be it enacted, etc.—

Sec. 1. As used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, station wagons, or other automotive vehicles, including any person, partnership, or corporation which acts for such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the agreement, contract, understanding, or arrangement between any automobile manufacturer and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement, contract, understanding, or agreement.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, station wagons, or other automotive vehicles.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of each party to any franchise, and all officers, employees, or agents to act in a fair, equitable, and nonarbitrary manner so as to guarantee such other party freedom from coercion, intimidation, or threats of coercion or intimidation, so as to preserve all equities of such other party which are inherent in the nature of the relationship between such parties by such franchise.

Sec. 2. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover compensatory damages by him sustained and the cost of suit, including a reasonable attorney's fee, by reason of the failure of said automobile manufacturer to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer: *Provided,* That in any such suit the manufacturer shall not be barred from asserting in defense of any such action the failure of the dealer to act in good faith.

I have suggested to members of the Judiciary Committee that this legislation be passed, and I urged favorable report on this legislation.

The statement which I submitted to the Judiciary Committee is as follows:

Mr. Chairman and gentlemen of the subcommittee, it is my sincere conviction that the enactment of the legislation being considered today, S. 3879, will be a significant step forward in freeing thousands of automobile dealers from what amounts to economic bondage.

An automobile dealership represents a substantial investment, not only in money, but also in effort. It seems obvious to me that these small-business men are entitled to the protection of the law in their relationships with manufacturers, since under the present system they can be forced out of business almost at the whim of the supplier.

S. 3879 represents a fair and equitable attempt to bring at least a measure of security to the thousands of automobile dealers in the country. It is not intended to underwrite poor judgment on the part of the dealer in his business dealings, as has been charged by opponents of the bill. But it will give him his "day in court" if he believes that the manufacturer has treated him unjustly.

Section 1 (e), the so-called good-faith portion of the bill, seems to me an excellent way to insure that all parties in any dealer-manufacturer franchise arrangement will maintain high standards of business ethics. The critics of this legislation have advanced the old argument that Government should not interfere needlessly with the conduct of private business. Unfortunately, however, the automobile industry has made little or no progress in achieving better dealer relationships and, indeed, the abuses have been increasing at an alarming rate.

Many dealers have been forced to the wall by the practice of shipping unwanted cars to them—cars that cannot be absorbed in the market because of the senseless race among some manufacturers for first place in sales volume. The manufacturers have sometimes totally ignored the saturation point where dealer cannot sell the product in legitimate commerce. Consider the plight of a dealer who can sell about 20 new cars a month at a maximum who is forced to accept delivery of 25 or 30 cars. If he refuses to accept the number of cars that the district representative of the manufacturer arbitrarily sets as his quota, his dealership can be canceled on a unilateral basis.

I think, in all fairness, that any businessman is entitled to a far better break than that. Under the provisions of the bill under discussion here today, he would at least have the chance to bring suit and possibly to recover damages.

The pressure that has been brought to bear on the country's independent automobile dealers by some manufacturers to accept more cars than they can reasonably hope to sell has resulted in a grave deterioration in marketing techniques. To avoid bankruptcy, some dealers in desperation have resorted to shoddy service work, deceptive and dishonest advertising, and the "packing" of insurance and finance charges as well as the "packing" of the prices of cars. Automobile overproduction has led unavoidably to the practice of "bootlegging," which undermines public confidence in the entire industry.

Many dealers from my own State of Connecticut have expressed the strongest possible support for the good faith aspect of the bill. They feel that the enactment of this legislation will have a wholesome effect upon the automobile industry, lead to better dealer-manufacturer relationships, and ultimately be of benefit to our entire economy.

I hope that my colleagues will join me in this effort to pass this very necessary legislation.

Liberation Day—Ethiopia

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. POWELL. Mr. Speaker, I wish to send greetings to the Ethiopian people, His Imperial Majesty Haile Selassie I, Emperor of Ethiopia, and His Excellency Yilma Deressa, Ambassador of Ethiopia, on the occasion of the celebration of the 15th anniversary of Liberation Day, May 5, 1956.

Ethiopia has been an independent sovereign state from time immemorial. Ethiopia was a great power when recorded history began. With the march of tyranny and totalitarianism across Europe in the years immediately preceding World War I, the Government of Ethiopia was forced to take refuge outside its own territory. Ethiopia, as well as the United States, never recognized Italian sovereignty over Ethiopian soil.

When in 1935 Ethiopia tested the League of Nations on the principle of collective security very little comfort was given her. Emperor Selassie was one of the few men of courage who read correctly the signs of those turbulent times. He cautioned the free world to resist the advance of totalitarianism and pled with the world to rally its forces to stop unwarranted agrression. Emperor Selassie voiced the cry not only for Ethiopia but for liberty-loving people everywhere. While the free world slept, appeased, or turned its attention away from Africa, the forces of nazism and fascism pursued their deadly course.

Ethiopia virtually stood alone against a towering enemy. The people of Ethiopia fought valiantly for the life of their nation. After a series of military reverses, the enemy destroyed the independence of Ethiopia for the first time in 3,000 years. Emperor Haile Selassie I took his cause to the League of Nations. When that organization failed to respond to his plea for the principle of collective security he was forced into exile.

On May 5, 1941, exactly 5 years after occupation forces had taken over Addis Ababa, His Imperial Majesty reentered Addis Ababa at the head of his resistance forces and with British troops which had fought their way into Ethiopia from the Sudan. One of his first official acts was to call upon his people to follow Christian principles and forego acts of revenge against the tens of thousands of Italians who had been trapped by the liberation forces.

In the years since liberation, Ethiopia has tenaciously bent her energies toward the reestablishment of the country and the continuation of forward-looking projects which had been interrupted by the invasion and occupation. On July 16, 1931, less than a year after he assumed leadership of his country, Emperor Selassie had given the people their first written constitution. Through this act the Emperor demonstrated his adherence to the basic principles of democracy. The constitution, in effect, transferred part of the Emperor's authority to a parliament and a judicial system and provided for administrative departments. Another integral part of Haile Selassie's preoccupation program consisted of efforts at modernization of the country. Special attention was given to the development of health services and a broader system of education, the opening of hospitals and schools, and the recruitment of doctors and teachers. It will be remembered that the occupation authorities, as a matter of policy, suppressed all educational activities between the invasion and the liberation. As a part of the nation's reconstruction program a program was launched which took advantage of every instructional facility offered the nation from abroad. Ethiopia appropriated a large portion of the nation's budget for educational purposes.

Ethiopia and the United States have passed the midcentury mark in the history of their diplomatic relations. Friendly and cooperative relations with the United States in full support of the principle of collective security are the bases of Ethiopia's foreign policy. Ethiopia was one of the first countries to come to the support of the United Nations when the General Assembly condemned Communist aggression in Korea and asked member nations to assist in halting hostilities. Ethiopia reports that:

> Ethiopia's Kagnew Battalion, integrated into the United States 7th Division, served until the Korean truce was arranged and established a unique record for troops in that conflict. None of its members were captured, although the battalion suffered casualties as great as those of other units around it. When positions held by Kagnew soldiers were overrun by the enemy, all Ethiopian troops died at their posts. None surrendered.

Ethiopia can look with pride upon its record. I salute this nation of stalwart people and pray for them continued peace and prosperity as they go forward into a new year of national life.

Rhode Island Independence Day

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. FORAND. Mr. Speaker, tomorrow is independence day for the great State of Rhode Island. One hundred and eighty years ago tomorrow the State of Rhode Island dissolved all legal and moral ties with her mother country, Great Britain. By repealing an act entitled "An act for the more effectual securing to his Majesty the allegiance of his subjects in this His Colony and Dominion of Rhode Island and Providence Plantations."

On May 4, 1776 Rhode Island formally severed all social, political, and economic association with Great Britain. The events that led up to these acts of impunity are concisely and authoritatively recited in our history books.

In 1763 the English Government determined to institute a program to strengthen colonial administration, and to raise colonial revenue. Each of these measures was eminently unpopular in America, but the question of a colonial revenue proved to be the principal pivot of controversy. At the close of the French and Indian Wars the British public debt was overburdening and in England the taxpayers were clamoring for relief. To help defray the expenses of the new colonial policy parliament, in 1764, passed the sugar act, imposing a tax on imports of foreign molasses into America. This was the first instance of a parliamentary act designed for the express purpose of raising a colonial revenue.

The sugar act provoked a storm of protest. In spite of these protests, parliament proceeded, in 1765, to a still more objectionable revenue measure—the stamp act—whereby a tax was levied on all legal and commercial papers, pamphlets, newspapers, almanacs, cards, and dice. Immediately rioting broke out, because of these imposts, and British goods were boycotted.

In 1766 a new ministry in England repealed the stamp act and reduced the duties imposed by the sugar act. Within a few months however, still another ministry was in power and the attempt to raise a colonial revenue was renewed. By one of the Townshend acts of 1767 duties were imposed on imports of glass, lead, paint, paper, and tea. Again the colonies responded with a boycott of British merchandise.

Colonial resentment found expression in a series of incidents, many of which occurred in Rhode Island. As early as 1764 Newporters climaxed a riot with crewmen of the British schooner St. John by firing upon the vessel with cannons. The following year a Newport mob, angered by impressment of American seamen, seized and burned one of the boats of the British vessel Maidstone. Most famous in this series of incidents was the burning of the British revenue schooner Gaspee.

After the Gaspee affair tensions rose to a climax. In 1773 Rhode Island formed a committee of correspondence for cooperation with the other colonies. On December 16, 1773, the Boston Tea Party was staged to protest a British plan for stimulating the sale of taxed tea. This defiant action, which caused the British to retaliate with coercive legislation known as the Intolerable Acts, was vehemently discussed and approved by town meetings in Rhode Island. The Bristol town meeting boldly asserted that the time might come when the people would be provoked to renounce their allegiance and assert an independency.

The colonial spirit of independency was the rock on which Britain's North American empire was finally wrecked. Accustomed for more than a generation to little or no taxation, and to nearly complete freedom in the management of their internal affairs, the Americans were disposed to resent every British attempt to strengthen colonial administration. Free from the menace of New France, strong and self-confident, the Thirteen Colonies prepared to resist.

In 1774, Rhode Island gave support to the calling of the Continental Congress, naming as delegates the former political rivals Stephen Hopkins and Samuel Ward. In 1775, upon receipt of the news of Concord and Lexington, the general assembly created an army of observation—most of the troops later joined Washington's Continental Army. The same year the assembly commissioned its own navy, consisting of two units, to protect the colony's trade. Before the year was out, this force had attacked and captured a vessel of the Royal Navy. On May 4, 1776, the Rhode Island General Assembly climaxed its program of resistance by formally declaring its freedom from Britain. This action, taken 2 months before the Declaration of Independence at Philadelphia, made Rhode Island the first sovereign state established by Europeans in the New World.

This formal declaration of freedom has been called the "shot heard around the world."

Our State's firmness lies in her record. Rhode Island still remains the land of "firsts." The circumstances have changed the times, but the character and determination still lies dormant only to be kindled by any sort of tyranny over the mind of man.

Rhode Island is a proud State. Her people are progressive and hard working. The products of her workmen can be found in every part of the world. It is the cradle of religious liberty in America.

We shall continue to be proud and independent. We shall continue to work for the good of all and oppose all things that are not in the public interest.

Radio and Television Address by Hon. Estes Kefauver, of Tennessee, Station WEAR, Pensacola, Fla.

EXTENSION OF REMARKS

OF

HON. WAYNE L. HAYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. HAYS of Ohio. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I insert a radio and television address given by Senator ESTES KEFAUVER, Democrat, Tennessee, in Pensacola, Fla., on Monday, April 30, 1956:

> I want to talk with you this evening about a significant new development, which is now in the process of formation in the foreign policy of our Nation.
>
> It is important that we consider it, because foreign policy—the question of peace or war—is by far the over-riding question with which you and I are faced today or any day.
>
> Our economic structure, our jobs, our farm income, the highways and roads that we build, the schools that we construct, our social-security system—all of these are of necessity tailored to the question of whether we are in the shadow of war or on the brink of peace.
>
> The peace and security of your family and mine is based as much upon decisions that may be made 3,000 miles from here as they are on the decisions that we ourselves made at our breakfast table this morning.
>
> Therefore, I wanted to talk with you about some of those decisions this evening.
>
> Tomorrow the Secretary of State will leave Washington for Paris to attend a session of the North Atlantic Council. He has said that he has some thoughts to exchange on the question of transforming the North Atlantic Alliance into a broader association of free nations. He has said that without cutting back western military strength, the foreign-policy accent of the United States should be shifted to the economic and political fields.
>
> My reaction is, it's about time.
>
> This is the emphasis that I have been seeking to achieve in our policy toward the Western nations ever since I became a Member of the Senate.
>
> It is most certainly the emphasis that I would pursue should I be chosen as the next President of the United States.
>
> Therefore, I can wholeheartedly give my support and encouragement to the Secretary in his present mission—and say that this is at least one trip on his part which I consider is necessary.
>
> In adopting this new attitude, it is my feeling that the Secretary of State is at long last expressing the kind of sentiments which find their birth within the mainstream of American thinking and culture. A brief review of the development of our North Atlantic relationships will, I believe, bear that out.
>
> Five years have passed since a President of the United States who has been much abused and much criticized, but who will go down in history as a man who made the right decisions on the big issues, signed the NATO agreements. I am speaking, of course, of President Truman. This NATO agreement was a dramatic—and a highly successful—step in the effort to control and contain militant communism.
>
> From its very inception, it seems to me, these Western democracies which entered into the NATO agreements were taking a step which inevitably would grow and develop into a new concept of relationships among nations.
>
> In the North Atlantic Treaty itself they declared themselves "determined to safeguard the freedom, common heritage, and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law."
>
> They agreed, in article 2 of the treaty, to "contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions." They agreed to "seek to eliminate conflict in their international economic policies." They agreed to "encourage economic collaboration between any or all of them."
>
> Now why was it that they could do that? The reason was simply that we are so much alike—we residents of the United States and Canada and England, and the free nations of Europe. We may have differences in accents and languages, but we are alike in our love of freedom, in our respect for the dignity of every man, in our fierce belief in democratic institutions, in our pursuit of liberty.
>
> Basically, however, despite these larger concepts the NATO agreements were and have remained treaties of military agreements.
>
> For a long time I have thought they should be more. You see, wars do not just occur. More often than not we stumble into them. Like all disputes, an action here, a word there, a misunderstanding, an underestimation—these are the things of which wars are made. I therefore felt that since we were binding ourselves, one to the other, to fight one for all, we ought to have some kind of channel—some kind of arrangement—by which we could also forge common policies for peace.
>
> Shortly after I entered the Senate, I filed a resolution which would have inaugurated the grassroots search for methods of accomplishing the kind of political and economic cooperation which the treaty envisoned and which the Secretary now seeks in his talks beginning tomorrow.
>
> This resolution called upon the President to invite the democracies which sponsored the treaty to name delegates, representing their principal political parties, to meet with delegates of the United States in convention. There they would explore how far their peoples might go in applying the principles which our own States applied when they formed an enduring union.
>
> I secured among the cosponsors of this resolution a broad and non-partisan backing among Members of the Senate. I am proud that so many distinguished southerners appeared on this resolution. The South has never failed in its traditional leadership in matters of foreign policy. The resolution was not adopted, however.
>
> We did, nevertheless, maintain excellent relationships with our Western friends for the succeeding few years. Then our entire Atlantic policy went into eclipse. Why was this?
>
> In the first place, with the advent of the Eisenhower administration, those of us who believed in an enlightened foreign policy, including the President himself, found it necessary to spend a great part of our time

in a type of guerrilla warfare against powerful go-it-alone and isolationist elements within the GOP itself.

The isolationist, the go-it-alone exponents, had a curious counterpart within the Republican Party in those who preached the doctrine of preventive war. It was their influence, I feel, which contributed toward the Secretary of State's unfortunate pronouncement of the doctrine of "massive retaliation." This seriously deterred the progress we had been making in our Western relations for it understandably frightened our allies in Europe. In event of a global hydrogen war, they would stand exposed to massive annihilation.

Another great obstacle in the path of real Atlantic cooperation during those first years of the Eisenhower administration was the single-minded obsession of United States policy with the European Defense Community. It was rather obstinate on our part to try to force upon the European nations a union which many of them did not want, and which we and Great Britain would not join.

Well, the French refused to ratify EDC. We had no alternative to propose, but the British did. Through the London-Paris agreements, far superior to what was proposed in EDC, Western Germany became an equal partner in NATO, NATO was strengthened in many respects and for the first time a sort of international control over armaments was established among a group of sovereign States.

I then felt that the time had again come when we should push forward toward these economic and political goals and when the present Congress convened, I introduced again my proposal for a convention of the NATO sponsors.

The world is ready for this move. A former great Secretary of State and military commander, Gen. George Marshall, endorsed my proposal. He wrote: "There is no blinking that fact that this country now stands at a turning point in its relations to its traditional friends among the nations of the Old World."

Another great statesman, Robert Schuman, former Premier of France and the author of the Schuman plan joined the author of the Marshall plan in endorsing my proposal. He said:

"If the American Congress accepts the Atlantic proposal of Senator KEFAUVER, all the democratic European nations should be happy to accept the invitation to send delegates to such a Study Commission. Should there result from the work of this conference and from later proposals the outline of an acceptable plan of union * * * we would then certainly have made a great step toward world peace and general prosperity."

Paul-Henri Spaak, foreign minister of Belgium; Paul Van Zeeland former prime minister of Belgium; Gaetano Martino, foreign minister of Italy—all sent words of encouragement and endorsement.

Said Mr. Spaak:

"I personally hope that such discussions will take place between the citizens of the Atlantic nations very soon."

Said Mr. Van Zeeland:

"To sum up, it would be a major step toward peace and prosperity throughout the world."

Said Mr. Martino:

"I agree with Senator KEFAUVER that the peace of the world cannot be assured by methods of formal diplomacy alone."

Last year a step in the direction in which the Secretary is now going was taken. A resolution which I sponsored resulted in the United States participation in an association of NATO legislators, then being formed, which held its first successful meeting in Paris last summer, and which formed itself into a continuing body.

Therefore, I would say to the Secretary as he leaves tomorrow that he will find the ground already well-plowed for his mission. Four years ago Dwight Eisenhower, called for "bold and imaginative" steps to further develop NATO. President Eisenhower was then General Eisenhower, commanding the NATO forces. Since he has been President there have been none of these bold and imaginative steps and indeed I believe this is the first major speech on NATO. But this, it seems to me, is the President's and the Secretary's great opportunity. They can leave on the pages of history a chapter comparable to the United Nations, the Marshall plan, NATO itself.

I would commend to them the method of exploration which my resolution proposes—a convention to be attended by representatives of the people of the nations involved. I fear that cautious discussions between cautious diplomats will result in nothing if they occur in a vacuum—but coupled with simultaneous exploration on the part of the people in convention—then we might take that step toward world peace and general prosperity which we all seek.

East Coast Case

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, in a few days the Civil Aeronautics Board will hear arguments in the long-pending east coast case. For many Atlantic seaboard Members of this body, the Board's forthcoming decision is of vital, if not crucial importance.

We represent areas along an airway that is the most heavily traveled in the Nation, perhaps in the world. For years, we have had to endure utterly inadequate north-south air transport. This is a matter of record. I speak also from personal experience, on your part and mine.

Between Boston and Miami, only one carrier offers through, one-plane service. Between New York and Miami, this company shares as much of the traffic as they can accommodate, with limited operations in and out of intermediate points.

This promises to be the year when the Civil Aeronautics Board will act to designate a third, and perhaps a fourth carrier to meet the urgent need for additional and improved service between the Northeast and Florida.

It is in this latter connection, Mr. Speaker, as a Member from the New England region, that I speak today. The Civil Aeronautics Board is clearly a quasi-judicial agency, independent of the legislative branch. But it is my hope that the Board will fully weigh the merits of the case it is now considering in terms of the intent and will of the Congress, as set forth in the Civil Aeronautics Act of 1938.

The declaration of national air transportation policy embodied in that statute and the criteria established by the Congress call for rulings in the public interest, convenience, and necessity.

I submit that the New England region, the oldest industrial area of the Nation, and the home of the first domestic airline established at what is now Logan International Airport in Boston in 1925, is deserving of greater consideration than was indicated by the Board's examiner, Mr. Thomas L. Wrenn, in his recommendation last April 3.

In his report, Mr. Wrenn proposed that Delta Airlines, which already flies between New York and Atlanta and provides connecting service to Miami, be certificated to make direct New York-Miami flights as the third carrier on the East coast route.

The New England congressional delegation reacted with dismay to this finding, Mr. Speaker. So did some of our New York City and Baltimore colleagues, as I recall. A number of our southeastern members were equally unhappy about Mr. Wrenn's rejection of the applications of two other carriers who, I believe, should receive more favorable treatment in the impending hearing before the Board.

I refer to Northeast Airlines, one of the original certificated carriers and New England based, and to Pan American World Airways, which pioneered in international service.

The New England delegation has been on record in urging the Board to reverse Mr. Wrenn's recommendations insofar as Northeast is denied its application for extension of its route southward from New York to Miami. In the House of Representatives, virtually all regional Members share this view. This is particularly true of those from the northern New England States, which depend only on Northeast for scheduled air transportation.

In reference to Pan American World Airways, I speak for myself, Mr. Speaker, and for what I believe to be the best interests of my State, my region, and the national convenience, necessity, and advancement.

It is a fact that a high percentage of United States air passengers flying southward to Florida along the Atlantic seaboard are international passengers, bound for the Caribbean and ports of call throughout South America.

It is a fact that New England, which has played a major role since the dawn of the Union in the expansion of inter-American trade and the prestige of our Nation abroad, is more closely linked to sister nations of this hemisphere than ever before. Something more than 40 percent of all foreign investments in Latin America is New England capital.

It is a fact that in 1954 a substantial percentage of total New England industrial employment was in enterprises dependent largely on imports from Central and South America.

New England is intensely aware of its great stake in Latin America's future, thanks to such alert forces as Pan American, which inaugurated the first United States international airline in 1927, flying between Key West and Habana, Cuba, a 90-mile route which enjoyed a brisk business. From this evolved Pan American's Latin America system and its worldwide service into some 80 countries.

Pan American would offer New Englanders a direct, one-plane service from Boston to all major Latin American cities, via Miami and intermediate points, just as Pan American now flies from Logan International Airport in Boston to the major cities of Western Europe.

I submit, Mr. Speaker, that there is sufficient traffic between the Northeast and Florida to enable as many as four competing airlines to operate profitably. I suggest that the density of traffic on this route during the peak season would not only improve immeasurably the quality of the available accommodations—thanks to the stimulus of competition—but also would eliminate the subsidies now required by Northeast and Pan American.

In Pan American's case, the end happens to be in sight for subsidies, should the company obtain authorization for expanded operations. Northeast Airlines receive proportionately high subsidies for good reasons: This small trunk carrier, 1 of the original 13 to be certificated by the Federal Government, is the only one which serves numerous communities in New England which would otherwise be without air transportation. Moreover, its short-haul routes are unprofitable for obvious reasons, and its losses due to bad weather heighten its financial problem.

Objections have been raised to Pan American's bid to enter the northeast Florida market on various grounds. It is pointed out that Pan American is the largest overseas carrier, and therefore should be kept out of the domestic routes. Mr. Wrenn, in rejecting Pan American's argument to link its European and Latin American systems by service between the northern coterminals at Boston, New York, Philadelphia, and Baltimore-Washington, and Miami, cited what he termed a "disadvantage."

Pan American's case, he observed, was based largely on the difficulty the company has "in lacking direct access to the primary sources of traffic in the United States, particularly in relationship to its Latin American services, while its competitors have superior access to those sources of traffic."

Why should Pan American be restricted by such "disadvantages" if the chief victims of such barriers to competition are the people of New England, the Middle Atlantic States, and the Baltimore-Washington area? They are clearly protesting the status quo, and it is in compliance with the public interest, convenience and necessity that the Board must make its determination.

The Board is cognizant of its duty to rule on the best means of expanding and improving northeast Florida air transportation commencing this year, in 1956. Within the airline industry, it is acknowledged that Pan American Airways is admirably equipped to inaugurate schedules immediately, in DC-7 Clippers, including the new DC-7C model, the ultimate in piston-engine airliners for long-range, high-speed travel. It is my information that these new airplanes which are currently being delivered to Pan American, can reduce flight time on the east coast route by 1 hour and 45 minutes; on the fastest transoceanic routes, by 3 hours.

We also know that Pan American is the first of the United States carriers to usher in the jet age with United States-built jet airliners now on order.

In closing, Mr. Speaker, I would like to quote Examiner Wrenn's most interesting substantive finding as to Pan American's qualifications for serving the Nation's foremost route—a finding which he seems to have ignored in denying the company's application.

Pan American, he wrote, "should offer 18,103 long-haul passengers, accounting for 46 million passenger miles (based on 1954 figures), their first one-carrier service would use the latest type equipment and, with equipment on order could also put jet equipment into operation as soon as it is available, would provide first-class and coach service of the best quality, could satisfy seasonal demands better than any other applicant by drawing upon its other operations, has greater net worth than any other applicant, and, according to its estimates, could provide more benefits to the taxpayers in the form of subsidy reduction than any other applicant."

I trust, Mr. Speaker, that the Board will keep Mr. Wrenn's foregoing statement in mind when it undertakes to reverse him in the public interest.

SENATE

MONDAY, MAY 7, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as we turn to Thee, who knowest the sadness which grips our spirits, we mourn the passing from this mortal stage of one who was adored and trusted by a vast host of his fellow countrymen.

Hundreds saw him die—millions saw him live. The Nation which he loved and served saw him live across self-giving decades; for he lived and wrought with ardent passion for the preservation undimmed of the spiritual verities upon which the Republic was founded by God-fearing men.

We remember gratefully today—now that an honored seat in this Chamber is vacant—that freedom's holy light, which is America, was his creed, and that he dedicated every power of his being for its defense. Proudly he walked around freedom's ramparts which he helped to watch, perceiving with alert eyes the dire dangers which threatened her very survival in these days of her most crucial test.

We thank Thee that the burning words of his impassioned voice, as he pled for the faith that burned like fire in his bones within these hallowed walls and up and down the land, will forever be a part of the heritage of this body as he joins the cloud of witnesses whose membership depends not on any election but upon the selection by a nation which gladly acknowledges his eminence, as he did justly, loved mercy, and walked humbly with his God.

So teach us to number our remaining days that we may apply our hearts unto wisdom, and at last, like him, to enter into the inheritance of the saints in light: In the name of the Master he acknowledged the Lord of all. Amen.

THE JOURNAL

On request of Mr. STENNIS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 28, 1956, and Thursday, May 3, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On April 30, 1956:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks; and

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

On May 1, 1956:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system.

On May 2, 1956:

S. 1194. An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army; and

S. J. Res. 150. Joint resolution to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors.

REPORT ON MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 369)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States which was read and, with the accompanying report, referred to the Committee on Foreign Relations.

(For President's message, see House proceedings for today.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10875) to enact the Agricultural Act of 1956, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 10875) to enact the Agricultural Act of 1956 was read twice by its title and referred to the Committee on Agriculture and Forestry.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. STENNIS. Mr. President, since the Senate meets today following an adjournment, under the rule, there will be the usual morning hour. I request unanimous consent that statements made in connection with the business of the morning hour be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE CALENDAR ON WEDNESDAY NEXT

Mr. STENNIS. Mr. President, for the information of the Senate, I should like to announce that on Wednesday, following the completion of morning business, there will be a call of the calendar. Accordingly, I ask unanimous consent that on Wednesday, following the morning business, the unobjected-to measures on the calendar be called, commencing at the point where the last calendar call was concluded.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR TODAY

Mr. STENNIS. Mr. President, I also ask unanimous consent that the call of the calendar today under the rule be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Increased Borrowing Power of Commodity Credit Corporation

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to increase the borrowing power of Commodity Credit Corporation (with accompanying papers); to the Committee on Agriculture and Forestry.

Report on Overobligation of an Appropriation

A letter from the Secretary, Department of Health, Education, and Welfare, reporting, pursuant to law, on the overobligation of an appropriation (with an accompanying paper); to the Committee on Appropriatons.

Report on Competition in Synthetic Rubber Industry

A letter from the Attorney General, transmitting, pursuant to law, a report on competition in the synthetic rubber industry, for the period May 1 through December 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

Report on Tax Exemption of Certain Properties in the District of Columbia

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, a report of institutions or organizations whose properties were exempted from taxes by special acts of Congress (with an accompanying report); to the Committee on the District of Columbia.

Extension of Renegotiation Act of 1951

A letter from the Secretary of the Air Force transmitting a draft of proposed legislation to extend the Renegotiation Act of 1951 for 2 years (with an accompanying paper); to the Committee on Finance.

Financial Statement of the American Legion

A letter from the director, national legislative commission, the American Legion, Washington, D. C., transmitting, pursuant to law, the financial statement of the American Legion, up to and including the period ended December 31, 1955 (with an accompanying document); to the Committee on Finance.

Report on Certain Property Made Available for Distribution

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on personal property made available for distribution to, and real property disposed of to educational and public health institutions, for the period January 1 through March 31, 1956 (with an accompanying report); to the Committee on Government Operations.

Adjustment of Application of Section 322 of the Economy Act of 1932 to Certain Government-Leased Premises

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes (with an accompanying paper); to the Committee on Government Operations.

Certification of Soil Survey and Land Classification

A letter from the Acting Secretary of the Interior, certifying, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Sacramento Canals unit, Sacramento River division, and the Trinity River division, Central Valley project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Proposed Extension of Concession Contract, Olympic National Park, Wash.

A letter from the Acting Secretary of the Interior transmitting, pursuant to law, a proposed extension of a concession contract in Olympic National Park, Wash. (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Concession Permits, Everglades National Park, Fla.

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, proposed concession permits in Everglades National Park, Fla. (with accompanying papers); to the Committee on Interior and Insular Affairs.

Settlement and Entry of Certain Public Lands in Alaska

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Construction of Two Prototype Ships and Conversion of One Liberty Ship

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration, Department of Commerce (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

Publication Entitled "Regulations Under the Natural Gas Act"

A letter from the Acting Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Regulations Under the Natural Gas Act" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

Report of Proceedings of Special Meeting of Judicial Conference

A letter from the Chief Justice of the United States, transmitting, pursuant to law, a report of the proceedings of a special meeting of the Judicial Conference of the United States, held March 13–14, 1956 (with an accompanying report); to the Committee on the Judiciary.

Validation of Certain Payments to Members and Former Members of Naval Service

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to validate certain payments made to members and former members of the naval service (with accompanying papers); to the Committee on the Judiciary.

Granting of Applications for Permanent Residence Filed by Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, with the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

Suspension of Deportation of Certain Aliens

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspensions (with accompanying papers); to the Committee on the Judiciary.

Admission Into the United States of Certain Alien Defectors

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders issued granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

Establishment of Certain Positions in Department of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Two current resolutions of the Legislature of the State of Kentucky; to the Committee on Finance:

"Concurrent resolution memorializing Congress to reduce the tax burden on the major industries of the Commonwealth of Kentucky

"Whereas the imposition of inequitable and onerous tax burdens on the major industries of any State is patently contrary to sound public policy and sound principles of economics; and

"Whereas the imposition of burdensome taxes not only has an undesirable effect upon industry and the community but also deprives the State of a source of desperately needed revenue; and

"Whereas two of the Commonwealth of Kentucky's major industries, distilling and tobacco, are presently burdened with unjust, unfair, and economically unwise taxes by the Government of the United States; and

"Whereas it appears that, in the best interests of not only the citizens of this Commonwealth but of those of the other 47 States as well, relief from this tax burden should be granted; and

"Whereas such relief can only be afforded by appropriate action by the Congress of the United States of America: Now, therefore, be it

"*Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein)*:

"Section 1. That the Congress of the United States act in the exericse of its broad legislative powers to reduce and alleviate the pressing burden of taxes presently being borne by the distilling and tobacco industries in the Commonwealth of Kentucky.

"Sec. 2. That copies of this resolution be sent by the clerk of the house to the President and Chief Clerk of the Senate of the United States, the United States Senators from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States, and the Representatives in Congress from Kentucky."

"Concurrent resolution requesting the Congress of the United States to enact appropriate legislation under which State excise taxes on the production of distilled spirits would be credited, in an amount not exceeding $2 per gallon, against the Federal withdrawal tax on distilled spirits

"Whereas—

"1. Kentucky's largest industry is the distilling industry. More than 65 percent of distilled spirits produced in the United States is produced in Kentucky. Hence, the distilling industry should constitute a larger source of excise-tax revenue for Kentucky.

"2. However, the Federal Government has imposed a $10.50 per gallon withdrawal tax on distilled spirits which is more than 12 times the production cost of a gallon of distilled spirits. No other product—neither Texas oil nor Oklahoma gas nor Michigan automobiles—bears a Federal tax 12 times its cost value. This Federal tax has made it impractical for Kentucky to impose additional excise taxes on the production of distilled spirits. A recent study by the Kentucky Department of Revenue shows that even a small increase in Kentucky's present excise tax would have serious effects upon the distilled-spirits industry in Kentucky.

"3. This situation is unfair. It represents a discrimination against Kentucky which has hindered progress, especially in the field of public education.

"4. No other State suffers from the Federal tax on distilled spirits as does Kentucky because the industry is not as concentrated in any other State.

"5. If Kentucky could impose a production tax of up to $2 per gallon on distilled spirits the tax would supplement general revenues to the point where Kentucky could confidently expect to rise to a position of equality among her sister States in the fields of education and public welfare.

"6. The Congress of the United States could, and should, partially correct this unfair and inequitable discrimination against Kentucky by treating State excise taxes on the production of distilled spirits, in an amount not exceeding $2 per gallon, as a credit against the Federal withdrawal tax. This would create no new precedent because many times as in the case of the Federal estate tax—the Congress has permitted State taxes to be credited against Federal taxes in order to prevent inequities.

"7. This assembly believes that this situation arose and continues because Congress has not been cognizant of its existence, and that a fully informed Congress will correct it: Now, therefore, be it

"*Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky (the Senate concurring therein)*, That the Congress of the United States be, and it hereby is, requested to enact appropriate legislation under which State excise taxes on the production of distilled spirits will be credited, in an amount not exceeding $2 per gallon against the Federal withdrawal tax on distilled spirits."

A concurrent resolution of the Legislature of the State of Kentucky; to the Committee on Public Works:

"A concurrent resolution memorializing the Congress to enact legislation to provide for a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.

"Whereas Representative Denton of the State of Indiana has introduced a bill in the Congress of the United States which, if passed and approved by the President, would assure the construction of a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.; and

"Whereas such bridge would be of immeasurable benefit to industry of the area as well as a great convenience to the people generally; and

"Whereas it appears that the proposal outlined in the Denton bill provides the most practical and economical means of financing the cost of construction of such bridge as well as the soundest method of fiscal administration of the completed structure; and

"Whereas immediate construction of such bridge appears possible only through favorable action by the Congress on the said Denton bill: Now, therefore, be it

"*Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky (the Senate concurring therein)*:

"Section 1. That the Congress of the United States act, in the exercise of its broad legislative powers, to provide legislation designed to assure the construction of a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.

"Sec. 2. That the clerk of the house of representatives cause copies of this resolution to be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Kentucky Member of Congress."

A resolution of the Senate of the Commonwealth of Kentucky; to the Committee on Public Works:

"A resolution requesting the Congress to take necessary legislative action to insure the construction of a steam power generating plant near Wolf Creek Dam on Lake Cumberland

"Whereas additional electrical power is urgently needed in the Tennessee Valley Authority system; and

"Whereas the area immediately adjacent to Lake Cumberland offers an ideal location for a steam power generating plant inasmuch as adequate supplies of high-grade bituminous coal and water are locally available; and

"Whereas there are already in existence, in the area, three power lines suitable for transmission of high-voltage electricity; and

"Whereas such generating plant would serve the dual purpose of providing more power for the TVA system and furnishing a source of employment for many people in the area thus bolstering and stabilizing the economy; and

"Whereas the operation of such plant would serve to stabilize the level of water in Lake Cumberland, during the periods of least rainfall in the summer season, the recreational potential of the area would be expanded offering to citizens of that section of Kentucky additional much needed facilities: Now, therefore, be it

"*Resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:*

"That the Congress of the United States act, in the exercise of its broad legislative power, to insure the construction, at the earliest possible time, of a steam-electric power generating plant near Wolf Creek Dam on Lake Cumberland.

"That the clerk of the senate cause copies of this resolution to be mailed to the President of the United States of America, to the clerk of the Senate of the United States, to the Governor of Kentucky, to the Chairman of the Tennessee Valley Authority, the commanding general of the Corps of Engineers, and to each member of the Kentucky delegation to the Congress."

The memorial of D. R. Bailey, of Sacramento, Calif., remonstrating against the enactment of House bill 5550, relating to the general agreement on tariffs and trade; to the Committee on Finance.

A petition signed by Walter Lesniak, of Akron, Ohio, and sundry other citizens of the State of Ohio, relating to religious persecution in Ukraine; to the Committee on Foreign Relations.

A resolution adopted by the Nebraska Junior Chamber of Commerce, at Holdredge, Nebr., endorsing and commending the objectives of the Hoover Commission on Reorganization in the Executive Branch of the Government (with accompanying papers); to the Committee on Government Operations.

A statement in the nature of a petition from the Mission Indian Federation of California, signed by Purl Willis, counselor, relating to the repeal of all restrictions and limitations over the lives and property of Indians in the State of California; to the Committee on Interior and Insular Affairs.

A resolution adopted by Republican Clubs in the area of Anchorage, Alaska, favoring the enactment of legislation providing statehood for Alaska; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Congress of Freedom, Inc., Omaha, Nebr., favoring an investigation into Communist activities (with accompanying papers); to the Committee on the Judiciary.

The petition of Philip Wittenberg, of New York, N. Y., praying for a redress of grievances; to the Committee on the Judiciary.

The petition of Richard Bladel Mossman, of Bettendorf, Iowa, praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the executive committee of the Cleveland Chapter of the American Institute of Architects, Inc., Cleveland, Ohio, protesting against any alteration of the east front of the Capitol Building in Washington, D. C.; to the Committee on Public Works.

A letter from the German Ambassador, expressing regret on the death of the late Senator Barkley of Kentucky; ordered to lie on the table.

A cablegram from E. Rodriguez, Sr., President of the Philippine Senate, on behalf of the Philippine Senate, expressing sympathy and condolence on the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A telegram from Manlio Brosio, Ambassador of Italy, expressing condolences on the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A cablegram from Julita Franklin, president, United Women of America, Puerto Rico, expressing condolence for the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A cablegram from the Senate of the Commonwealth of Puerto Rico, signed by Julio C. Torres, Secretary, expressing condolences at the death of the late Senator Alben W. Barkley, of Kentucky; ordered to lie on the table.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions memorializing Congress to pass legislation preserving to the States the right to enforce legislation against treason, sedition, and subversive activities

"Whereas the Supreme Court of the United States in the case of *Pennsylvania* v. *Nelson*, decided April 2, 1956, held that Congress has superseded the power of the States to prosecute for sedition against the United States; and

"Whereas the Court based its decision on an implied intent of Congress which would be negatived by an express provision in the law showing no intent to supersede; and

"Whereas the decision of the Court has made it impossible for the Commonwealth fully to protect its government and its people against subversive groups: Therefore be it

"*Resolved*, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation to preserve to the States the right to enforce legislation against treason, sedition, and subversive activities; and be it further

"*Resolved*, That the General Court of Massachusetts respectfully urges the Congress of the United States to amend the Smith Act of 1940 to show an intent of Congress not to supersede the power of the States to prosecute sedition against the United States; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of State to the President of the United States, to the presiding officer of each branch of the Congress, and to each of the members thereof from this Commonwealth."

The PRESIDENT pro tempore laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on the Judiciary.

RHODE ISLAND HERITAGE WEEK—PROCLAMATION

Mr. GREEN. On behalf of my colleague, the junior Senator from Rhode Island [Mr. PASTORE], and myself, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a proclamation issued by His Excellency, Dennis J. Roberts, Governor of Rhode Island, entitled "Rhode Island Heritage Week."

There being no objection, the proclamation was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Our heritage is best understood by a study of the things that the ordinary folk of America, and in this instance Rhode Island, have done, thought, and dreamed since first they began to live here.

History is a continuous process; it extends far back into the past; and it will go on, in spite of today's uneasiness about our future, for history is the story of the people. It is people who make the pattern.

It was Bruce Catton, editor of American Heritage, in the first volume, first number, who said: "Our American heritage is greater than any one of us. It can express itself in very homely truths; in the end, it can lift up our eyes beyond the glow in the sunset skies."

Rhode Island is rich in heritage and tradition. The first free republic in the New World was created in Rhode Island, May 4, 1775. At that time, the General Assembly of the Colony of Rhode Island took action to declare the colony independent from Great Britain. To mark the 180th anniversary of this occasion, a statewide committee has been formed and has designated May 1–8, 1956, as "Rhode Island Heritage Week"

Memorable episodes are: the burning of the British sloop of war, *Gaspee*, to the water's edge in Narragansett Bay, first open act of aggression against the Crown; "The Rhode Island Plan" adopted by the Continental Congress that brought about the Nation's first Navy; Esek Hopkins of Rhode Island, the first commander in chief of the Continental Navy.

Religious freedom has also played a leading role in our State's history; the Baptist religion was founded in Rhode Island by Roger Williams in 1638. Newport has three of the oldest houses of worship in America: The Quaker Meeting House; Seventh Day Baptist Meeting House; and the Jewish Synagogue, now a national shrine.

Now, therefore, do I, Dennis J. Roberts, Governor of the State of Rhode Island and Providence Plantations, proclaim the week of May 1–8, 1956, as Rhode Island Heritage Week, asking our citizens to remember that it is a trust to preserve for public enjoyment beautiful and historic places and shrines in Rhode Island, symbolizing the struggles, the sacrifices and the hopes of people in great moments of crisis. Indeed Rhode Island's heritage is a rich one to which the present is contributing in inspired continued activities.

In testimony whereof, I have hereunto set my hand and caused the seal of the State to be affixed this 9th day of April, in the year of our Lord, one thousand nine hundred and fifty-six, and of independence, the one hundred and eightieth.

DENNIS J. ROBERTS,
Governor.

By the Governor:

ARMAND H. COTÉ,
Secretary of State.

THE FOREIGN-AID PROGRAM—PETITION

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a petition I have received, signed by a number of New Hampshire citizens, with the request that it be so printed. The petition deals with the foreign-aid program and the current method of administering it. It represents a grassroots appraisal of the program and I think it makes pertinent and thoughtful reading at this particular time when the need for a reappraisal of our foreign-aid program is so much indicated in view of requests for long-term commitments. We must remember that the foreign-aid program was conceived and has been essentially conducted as a "crash" program and has never been reviewed in the light of long-term policy.

There being no objection, the petition was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, without the signatures attached, as follows:

WILTON, N. H., *April 2, 1956.*

Senator STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SIR: We, as taxpaying and voting citizens, protest the lack of consideration of our elected representatives.

This letter above our signatures is in protest against the handling of our tax dollars—our billions of tax dollars.

At home the tax dollars of one group are exploited for the benefit of another, and we ask you to use your judgment and talent and vote to keep Government spending on a fair basis for as many of us as possible.

We ask you also to stop using our tax dollars to accomplish what Government policy and trained diplomats have apparently been unable to accomplish through commonsense in dealing with the rest of the world. The amount of money contributed by our country to other countries has in nowise achieved the desired result. Undeniably, the result has been for them to "discover" need for additional funds from us, and as usual these funds have been forthcoming. Money will not buy a friendship between countries any more than it will between individuals.

These donations to the rest of the world will not prevent our being involved in another war which will cause greater destruction and more human misery than World War II, even without atomic warfare, unless diplomacy has been on a higher level than just plain money. Also, it goes without saying, these tax dollars spent abroad or given to the world in general will in nowise prevent our country from being atom-bombed.

Therefore, the reason for our letter is to ask that American citizens not be so heavily imposed upon to support a foreign government that will not help itself to a greater degree than we help them with the dollars we ourselves have earned. Inherent in most Americans is the ability and willingness to help themselves. We offer sincerely a plea that you will make a great effort on behalf of all Americans to stop what all of us know is wasteful and unnecessary spending, by doing what you can to make less money available by reducing income taxes. The less the amount involved, the greater wisdom and discretion will be used in handling of this money.

Please put yourself in our place a moment to reflect on how you would want us to act in your behalf, were the shoe on the other foot. Some of us voted for you; some of us did not. Perhaps among us are some who have written and expressed appreciation for your legislative activities. We hope so. We hope yours has not been a thankless job.

Most of us are voters, all of us are taxpayers. We want those we elect to reasonably represent us. Therefore, may we ask

that you acknowledge our letter and continue to let us know of your progress on this matter of unreasonable income taxes.

A copy of this letter is being retained for a reminder come next election, and will be as widely publicized as possible—along with your account of personal efforts in behalf of our citizens who pay income taxes.

RESOLUTIONS OF UMATILLA COUNTY (OREG.) CATTLEMEN'S ASSOCIATION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions adopted by the Umatilla County Cattlemen's Association, at their annual 1956 meeting.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY UMATILLA COUNTY CATTLEMEN'S ASSOCIATION, 17TH ANNUAL MEETING, JANUARY 26, 1956

RESOLUTION NO. 9

Be it resolved, That the Umatilla County Cattlemen's Association endorse the stand of the Oregon Cattlemen's Association in resisting the reduction in freight rates on dressed cattle from East to the West and that the Secretary be instructed to so advise the State association office.

RESOLUTION NO. 10

Without being in opposition to the principles of a Federal farm program featuring the so-called soil-bank plan the Umatilla County Cattlemen's Association is concerned in the operation of such a plan. This association feels that if cropping or grazing were allowed on acres left in the soil bank, or any other diversion plan, it would force additional livestock numbers nationally and result in a disaster to the livestock industry. Therefore, this association resolves to oppose any plan which would allow cropping or grazing on land which farmers have received payments to lay idle.

RESOLUTIONS OF MALHEUR COUNTY (OREG.) LIVESTOCK ASSOCIATION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions adopted by the Malheur County Livestock Association, at their annual meeting in Ontario, Oreg.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF MALHEUR COUNTY LIVESTOCK ASSOCIATION, ONTARIO, OREG.

RESOLUTION NO. 1

Whereas the Supreme Court has ruled in the Pelton Dam case that, in effect, the States have no power whatsoever to limit or prevent a Federal agency from assigning to itself or to a private company or individual, a project using water bounded by lands owned and reserved by the Federal Government; and

Whereas this policy jeopardizes the present and future water rights of livestock operators and farmers: Therefore be it

Resolved, That the Malheur Livestock Association give all possible support to the State of Oregon to restore its rights to adjudicate all of the waters of the State of Oregon not covered under the Federal rights to navigable streams; be it further

Resolved, That Oregon Senators and Representatives be contacted in an effort to pass legislation to curb the Federal Power Commission's power to adjudicate these State waters.

RESOLUTION NO. 2

Whereas the United States Army has now a 3½-million acre gunnery range in Nevada; and

Whereas the United States Navy proposes to set aside an additional 3 million acres of public land for a jet gunnery range: Now, therefore, be it

Resolved by the Malheur County Livestock Association, That they go on record—

1. Objecting to the general policy of the acquisition and the appropriation of public lands by any one group for any one purpose.
2. Recommending that the Army and Navy use the same range for gunery rather than deprive 30,000 cattle and 35,000 sheep of their range.
3. Recommending that if the range is taken by the Navy that the ranchers deprived of the range be compensated on the basis of economic value of the range to their base property.
4. Recommending that if the armed services abandon any of their ranges at any time that it be returned to the base property taken from originally.

NATIONAL FOOD STAMP PLAN—RESOLUTION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Pomona Grange No. 10, Lincoln County, Oreg., signed by the master, Neal Maw, and the secretary, Alga E. Huntsucker, relating to a national food stamp plan.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF LINCOLN POMONA GRANGE, NO. 10, TOLEDO, OREG.

Whereas there appears to be a number of agricultural products in excess supply at the present time, according to reports from the United States Department of Agriculture; and

Whereas it appears that there is a large group of citizens in the lower income brackets who could use a considerable portion of this excess supply if made available to them in some feasible manner; and

Whereas the food stamp plan has been used quite satisfactorily in the past: Therefore be it

Resolved by Lincoln Pomona Grange in regular session assembled this 10th day of December 1955, That we urge the revival on a national scale of the food stamp plan; and be it further

Resolved, That a copy of these resolutions be sent to our delegation in the United States Senate and Congress urging them to study carefully this proposal and support it, if a practical plan is developed and workable, and be it further

Resolved, To send copies to the other Pomonas in the State and also one copy to the State Grange office.

NEAL MAW,
Master.
ALGA E. HUNTSUCKER,
Secretary.

EXTENSION OF INDIAN CLAIMS COMMISSION—RESOLUTION

Mr. HUMPHREY. Mr. President, the chairman of the intertribal council, and other designated members of intertribal councils, representing a clear majority of the Indians throughout the United States, have recently urged Congress to enact the bill (H. R. 5566) to extend the life of the Indian Claims Commission by 5 years, and to reject the proposal of the Attorney General to amend the Indian Claims Commission Act to defeat Indian title claims. I ask unanimous consent that the resolution to which I refer, dated April 24, be printed in the RECORD at this point and appropriately referred.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

RESOLUTION OF INDIAN INTERTRIBAL COUNCIL PRESIDENTS AND MEMBERS ON H. R. 5566

Whereas pursuant to the provisions in the platforms of both political parties the Indian Claims Commission Act of 1946 was enacted through bipartisan support to open the courts to Indian tribes to have a full and final adjudication of all their claims against the United States; and

Whereas the courts of the United States have upheld the right of Indians to assert claims based upon original Indian title in accordance with the intent of Congress demonstrated in the Indian Claims Commission Act; and

Whereas Indian people everywhere consider the full and complete adjudication of their claims on a fair and honorable basis an essential part of any effective Indian program; and

Whereas the life of the Indian Claims Commission will expire in April 1957 and must be extended to enable the Commission to finish its business; and

Whereas the Assistant Attorney General charged with defending Indian claims has sought to defeat certain claims by appealing to Congress for an amendment to H. R. 5566 which would prevent the Indians from asserting claims based upon original Indian title; and

Whereas many of the Indian tribes with the approval of the Secretary of the Interior have been spending tribal funds, in some instances their last available cash resources, in the prosecution of Indian title claims which the Department of Justice has been defending on their merits for almost 8 years before raising these present contentions; and

Whereas the Indian tribes in the various parts of the United States have affiliated in inter-tribal councils in their respective areas and the following chairmen and members of those inter-tribal councils have met and considered the importance of these matters to Indians everywhere; Now, therefore, be it

Resolved by the undersigned Inter-Tribal Council Chairmen and other designated members of Inter-Tribal councils, representing a clear majority of the Indian tribes throughout the United States, That:

1. Congress enact H. R. 5566 to extend the life of the Indian Claims Commission by 5 years without other amendment to the existing law, and
2. Congress reject the proposal of the Attorney General to amend the Indian Claims Commission Act to defeat Indian title claims and thus preserve the original intent of Congress in enacting the Indian Claims Commission Act that all Indian claims be fully and finally disposed of on a fair and honorable basis.

Dated this 24th day of April 1956.

All Pueblo Council, by John C. Rainer, Chairman; Affiliated Tribes of the Northwest, by Joseph R. Garry, President, Eagle Seelatsee, Klutus Jim, George Umtuch, Joe Meninick, Members; Arizona Inter-Tribal Council, by Clarence Wesley, President; Jesse Stevens, Member; California Indian Congress, by Vyola Olinger, President; Minnesota Chippewa Tribes, by Ed M. Wilson, Vice Chairman; Montana Inter-Tribal Policy Board, by Walter W. McDonald, President; Confederated Tribes of Nevada, by Walter Voorhees, Chairman; North Dakota Inter-Tribal Council, by Martin T. Cross, President; William Dean, Member; Inter-Tribal Council of the Five Civilized Tribes of Oklahoma, by N. B. Johnson, Chief Justice, Supreme Court of Oklahoma, President; Western Washington Inter-Tribal Council, by Tandy A. Wilbur, Vice Chairman.

REPORTS OF RESOLUTIONS COMMITTEE OF 11TH MISSISSIPPI VALLEY WORLD TRADE CONFERENCE

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a report of the resolution committee of the 11th Mississippi Valley Conference.

There being no objection, the report was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

REPORT OF THE RESOLUTIONS COMMITTEE OF THE 11TH MISSISSIPPI VALLEY WORLD TRADE CONFERENCE, APRIL 17, 1956

Whereas it is the sense of the meetings and conclusions of the 11th Mississippi Valley World Trade Conference that the best interests of the American people will be served by expanding our trade with the rest of the world; and

Whereas the elimination of burdensome restrictions on the flow of commerce between this country and the free world would have the following salutary effects:

1. Strengthen the free enterprise market economy in the world;

2. Provide the economic advantages to be derived from geographic specialization and division of labor;

3. Create a feeling of mutual understanding and respect between the people in various countries which is conducive to peace and to the security of the free world; and

Whereas Communist Russia is now actively seeking to advance Communist influence through economic means; and

Whereas there are certain steps and actions which can be taken now to advance these sentiments and conclusions, the resolutions committee of the 11th Mississippi World Trade Conference recommends that the following resolutions be adopted by this conference and implemented by the council: Now, therefore, be it

Resolved:

(1) That, with H. R. 5550, the bill to authorize United States participation in the Organization for Trade Cooperation, ready for floor action in the House of Representatives very soon (it was reported favorably by the Ways and Means Committee on March 26, 1956, by a vote of 17 to 7). immediate steps should be taken to assist its passage through the House. Specifically, a communication should be addressed to each Representative in the Mississippi Valley urging support of H. R. 5550. Furthermore, each delegate to the 11th Mississippi Valley World Trade Conference is asked to communicate personally with his Representative in Congress and to ask him to vote favorably upon this bill.

2. That the 11th Mississippi Valley World Trade Conference reaffirms its interest in the passage of legislation which would simplify customs procedures in accordance with the recommendations of President Eisenhower and/or the Randall Commission. The Conference asks that H. R. 6040, the customs simplification bill which passed the House of Representatives last spring, be reported out of the Senate Finance Committee and enacted in a form that will remove many of the eccentricities and aberrations in the customs valuation law and enable international traders to be more certain of the valuation that will be placed upon imported commodities.

3. That the conference views with alarm the current attempts to place import quotas on various commodities.

4. That the conference objects to efforts being made to obtain protection against imports through unwarranted applications of the so-called national security amendment to the Trade Agreements Act.

MORRIS G. MAHER.
SHEPARD JANÉ.
J. H. BOYD.
C. W. HERBERT.
G. M. MELLIN,
Chairman.

DEVELOPMENT OF POWER ON NIAGARA RIVER AND THE CONSTRUCTION OF HELLS CANYON DAM—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., relating to the development of power on the Niagara River and the construction of Hells Canyon Dam.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

RESOLUTION OF BURKE-DIVIDE ELECTRIC COOPERATIVE, INC., COLUMBUS, N. DAK.

Whereas there is now before Congress the Morse-Pfost bill on Hells Canyon and the Lehman-Davidson bill on Niagara; and

Whereas we, the directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., feel that the speedy development of these projects, and especially the Hells Canyon project, as provided in the Morse-Pfost bill would be a development of the natural resources in an efficient and comprehensive manner and would furnish an abundant amount of low-cost electric power resulting in a maximum benefit to everybody in the surrounding territory: Now, therefore, be it

Resolved, That the board of directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., do hereby request our Senators and Representatives in Congress to use their influence and work for a speedy passage of both the Hells Canyon and Lehman-Davidson bills; be it further

Resolved, That a copy of this resolution be mailed to each of our Senators and Representatives in Congress at their offices in Washington, D. C.

HENRY T. SWEENEY,
President.

Attested:

GLENDON BRYAN,
Secretary.

INCLUSION OF ATTORNEYS IN PROVISIONS OF SOCIAL SECURITY ACT—RESOLUTIONS AND RESULTS OF POLL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter, addressed to me, by Alice O'Leary Ralls, executive secretary of the Washington State Bar Association, transmitting two resolutions, adopted by that association, and the results of a poll taken in the State of Washington, relating to voluntary and compulsory social security for attorneys.

There being no objection, the letter, resolutions, and the results of the poll were ordered to be printed in the RECORD, as follows:

WASHINGTON STATE BAR ASSOCIATION,
Seattle, April 18, 1956.

DEAR SIR: The board of governors of the Washington State Bar Association has requested that I send you the following material:

1. Resolution opposing legislation proposed in the 84th Congress, and identified as H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436, which legislation attempts to provide the Federal Government with the power to authorize persons not members of the bar to practice law;

2. Resolution favoring the enactment of H. R. 5649 dealing with writs of habeas corpus; and

3. The results of the poll taken in the State of Washington relative to the wishes of the members of the bar association concerning voluntary and compulsory social security.

Sincerely,

ALICE O'LEARY RALLS,
Executive Secretary.

Whereas the Washington State Bar Association deems it one of its primary functions to safeguard the public's interest and welfare against attempts of untrained, unqualified, and unregulated lay persons to engage in the practice of law; and

Whereas H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436, 84th Congress, in our opinion, all seek to clothe the Federal Government with power to regulate the practice of law and to authorize persons not members of the bar to practice law: Now, therefore, be it

Resolved, That the Washington State Bar Association opposes the legislation proposed in the 84th Congress which has been identified as H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436; and be it further

Resolved, That the Washington State Bar Association does now, and in the future shall, oppose any legislation which in principle aims to provide the Federal Government with the power to authorize persons not members of the bar to practice law; and be it also

Resolved, That this resolution be transmitted to each member of the United States Senate from the State of Washington, to each Member of the House of Representatives from the State of Washington, to each member of the Ways and Means Committee of the House of Representatives, to each member of the Committee on Finance of the Senate and to each member of the House and Senate Committees on the Judiciary.

Approved by the board of governors of the Washington State Bar Association on March 30, 1956.

WASHINGTON STATE BAR ASSOCIATION,
HAROLD W. COFFIN, *President.*
ALICE O'LEARY RALLS
Executive Secretary.

Whereas there is now pending before the 84th Congress a bill to amend Section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court; and

Whereas it is advisable that Congress be informed of the opinions and desires of the Washington State Bar Association as to such legislation: Be it

Resolved, That we, the Washington State Bar Association, favor the enactment of H. R. 5649.

Approved by the board of governors of the Washington State Bar Association on March 30, 1956.

WASHINGTON STATE BAR ASSOCIATION,
HAROLD W. COFFIN, *President.*
ALICE O'LEARY RALLS,
Executive Secretary.

RESULTS OF WASHINGTON STATE BAR ASSOCIATION QUESTIONNAIRE ON INCLUSION OF LAWYERS WITHIN THE SOCIAL SECURITY ACT

(a) Do you favor coverage of self-employed lawyers within the Social Security Act on a voluntary basis? Yes, 1,667; no, 265; not voting, 149.

(b) Do you favor coverage of self-employed lawyers within the Social Security Act on a compulsory basis? Yes, 911; no, 855; not voting, 315.

(c) Do you favor complete exclusion of self-employed lawyers from the Social Security Act? Yes, 167; no, 1,432; not voting, 482.

(d) If your answers above to questions (a) and (b) show that you favor voluntary coverage but oppose compulsory coverage, what is your choice if voluntary coverage is not obtainable? In that event, do you favor: Compulsory coverage? 1,141; complete exclusion? 542; not voting, 398.

Total number of ballots mailed, 3,173.

Number of ballots returned, 2,081.

FEDERAL HIGHWAY AID PROGRAM—LETTER AND MEMORANDUM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter sent to me by Walter P. Reuther, president, United Automobile Workers, together with a memorandum relating to the Federal highway aid program.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 1, 1956.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: On January 11, 1956, the UAW International Executive Board in adopting a 1956 legislative program, copy of which was sent to you February 11, 1956, urged enactment of a Federal highway aid program "financed by Federal taxes based on ability to pay, not by sales taxes on gas, oil, tires, trucks, cars, parts, or by tolls."

H. R. 10660, passed by the House April 27, 1956, and now in Senate Committee, proposes that the Federal share of the cost of new highways be raised by sales taxes, discriminatory against low-income families.

The proposal would impose $14.8 billion in new sales taxes, and increase sales-tax rates. The families whose incomes are below $5,000 per year would pay $3.1 billion more through these new taxes and these higher rates than they would pay if the money were taken out of general revenues during the 16-year building program.

Simultaneously it is reported that an anticipated $2 billion surplus of revenues over expenditures may result in the Federal income tax, assumed to be popular in this election year.

It is unfair, unwise, and unnecessary to propose an increase of Federal sales taxes and, at the same time, to reduce income-tax rates, thus shifting a substantial part of the total tax burden from upper-income families to families with low incomes.

We transmit herewith a memorandum setting forth in more detail our reasons for opposing an increase of sales taxes to pay for much-needed new highways, and our reasons for opposing the preexemption of existing sales-tax revenues for specific Federal expenditures.

Instead of loading an unfair share of the cost of new highways on low-income families, as proposed in H. R. 10660, we urge that it be met out of general revenues, 85 percent of which, under the present Federal tax structure, is derived from taxes based upon ability to pay. We prefer to believe that Congress will not say that progress on highways is possible only by backward steps in taxation.

We also urge you to speak and vote against any attempt to strike or weaken the Bacon-Davis prevailing-wage provisions in the bill, or, if the Gore bill, already passed by the Senate, is substitute, to restore the Bacon-Davis provisions in that bill.

Sincerely yours,

WALTER P. REUTHER,
President, United Automobile Workers.

MEMORANDUM IN OPPOSITION TO THE SALES TAX PROVISIONS OF H. R. 10660 AND IN SUPPORT OF MEETING THE FEDERAL SHARE OF COSTS OF NEW HIGHWAYS OUT OF GENERAL REVENUES WHICH ARE BASED CHIEFLY (85 PERCENT) UPON ABILITY TO PAY

H. R. 10660 proposes to pay the Federal share of the cost of new highways by:

(1) raising rates of existing excise taxes, which in reality are sales taxes imposed at the manufacturing, sale, or consumption point, and creating new sales taxes. This part of the proposal would bring in nearly a billion dollars of revenue per year—$14.8 billion in 16 years.

(2) preempting this sum and an additional $1.5 billion per year ($23.7 billion in 16 years) of the revenue from existing Federal sales taxes.

We are opposed to both parts of this proposal. Our reasons are given below.

I

It would be unfair to impose new sales taxes, and to raise rates of existing sales taxes.

Sales taxes are an unjust and inequitable way of raising revenue. They place an undue share of the tax burden on low-income families; they permit those best able to pay taxes to get away with making a minor contribution to the cost of Government.

The State governments and many of the local governments now derive a large share of their tax revenues from sales and similar taxes. Any increase in the Federal sales taxes is an additional imposition on these families, many of whom now have much less income after taxes than is needed for a decent standard of living.

How unfair these new Federal sales taxes would be can be seen from the following comparison of the distribution of a billion dollars of sales tax revenue with a billion dollars derived from the general Federal tax structure:

Families, whose incomes are..	Under $5,000	$5,000 to $10,000	Over $10,000
Will pay these amounts—			
To raise $14.8 billion in sales taxes (H. R. 10660)	*Billion* $7.0	*Billion* $5.7	*Billion* $2.1
To raise $14.8 billion from general revenues	3.9	5.2	5.7
In addition will be committed to the following amounts—			
For preempted $23.7 billion in existing sales taxes (H. R. 010660)	11.2	9.1	3.4
For $23.7 billion in general Federal taxes	6.3	8.2	9.2
Total burden:			
Under H. R. 10660	18.2	14.8	5.5
From general revenues	10.2	13.4	14.9

It becomes clear from this comparison that the adoption of these new and increased sales taxes is a way of loading onto the under-$5,000 families a new tax burden that is greater by $3.1 billion than they would have to pay if the money were raised through the general tax structure. At the same time it fixes on these families an additional extra tax burden of nearly $5 billion in excise taxes which cannot be reduced for 16 years no matter what happens to budgets and revenue surpluses in the years ahead. The difference to the lower income families between this proposal and our proposal is approximately $8 billion.

It is clear, too, that the difference serves no general public purpose; it merely relieves the rich of a share of taxes that they would otherwise have to pay.

The injustice of adopting a proposal like this one at the present time should be clear to everyone because of the discussion in the press of the expected Federal surplus of $2 billion. This surplus, we are being told, will make possible a tax cut in the near future—one can presume before election day. No plan has yet been advanced for making the tax cut; however, we can be sure that at least part of such a plan would be a cut in income taxes.

It is impossible to estimate how the benefits of the projected tax cut would be distributed among the people. It becomes almost a certainty that the tax burden of the upper income families will be reduced more by an income-tax cut than the tax burden on such families will be increased by the new sales taxes; the lower income families, on the other hand, will benefit relatively little through an income-tax cut, but will have to pay a large share of sales-tax increases.

The effect, then, of an increase in excise taxes while other Federal taxes are being cut would be to shift a large part of the cost of the proposed new highway program from the rich to the poorer families of America.

That the 84th Congress could make the lower income families the victim of a tax switch of this kind seems almost inconceivable. Yet the House has accepted it. Will the Senate do so, too?

II

The second part of the proposal would earmark part of the revenue from existing sales taxes for roads. It would freeze these taxes into the Federal tax structure, so that, even if other taxes can be cut, these taxes will be maintained at their new, high levels.

No other Federal taxes are earmarked as these taxes will be.

To permit roadbuilding to preempt tax revenue in this manner is to put the needs of highway users ahead of the needs of our people for schools and for the many other services which in the minds of most people are equally important; in addition, it tends to chisel away purchasing power for cars, trucks, tires, parts, and other equipment used on the highways.

III

The excuse that is given for this tax program is that these sales taxes make those who benefit from the roads pay for them. However, examination of the road program shows that this is not the case.

In the first place, the gasoline tax, which would raise $28.9 billion of the $38.5 billion, hits practically every car user, regardless of whether he is using the highways at the time or not. The worker driving to work will pay the tax just as will the tourist or the truckers. The local transit companies have gotten themselves an exemption from this tax, but no other car on the city streets or country roads is exempt.

Further, the tax on gasoline is the same, 3 cents per gallon, as the tax on diesel fuel used by the heavy trucks. However, the number of miles traveled on these roads—and particularly the number of pound-miles of use made of the roads—per gallon of diesel fuel is much greater than per gallon of gasoline. Thus, the truckers who benefit are not taxed their fair share of the cost of the roads. The proponents of the bill argue that this difference is made up by the tax on trucks, buses, and trailers. These taxes will pay for about 8 percent of the cost of the roads. This is hardly a representative share of the use that the big trucks and buses will make of the roads.

The basic objection to financing the bill with sales taxes, however, lies in the fact that these taxes are passed along to, and paid by the consumer, with the heavy part of the burden laid on the lower-income consumers of the country. At the same time, those who profit directly from the use of the roads, like the motel operators, the gasoline and oil corporations, the trucking companies, and the bus lines, will pay no taxes out of their profits for building of the roads that make these profits possible.

The need to protect the buying power of lower-income families against unfair taxes is always great. This plan is a specific threat to the buying power of these families, and sets a precedent on which new threats will be based in the years ahead.

The UAW opposes this proposal and urges instead that the cost of the roads be paid from general tax revenues so that the bigger incomes may be required to carry their fair share of the burden, as they must today for the other normal expenditures of the Federal Government.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 742. A bill to improve the administration of the public airports in the Territory of Alaska (Rept. No. 1953); and

S. 1833. A bill to amend the Merchant Marine Act of 1936, as amended (Rept. No. 1954).

By Mr. LONG, from the Committee on Interior and Insular Affairs, with amendments:

S. 746. A bill to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands (Rept. No. 1955).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 3738. A bill for the relief of Roy M. Hofheinz and wife Irene (Rept. No. 1957).

PAYMENTS TO OWNERS OF NON-FEDERAL WATER-USE FACILITIES FOR HYDROELECTRIC POWER BENEFITS — MINORITY VIEWS (PART 2 OF S. REPT. NO. 1865)

Mr. NEUBERGER, on behalf of himself, Mr. JACKSON, and Mr. O'MAHONEY, as members of the Committee on Interior and Insular Affairs, pursuant to the order of the Senate of April 26, 1956, submitted minority views to accompany Report No. 1865, on the bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydroelectric power benefits realized by the United States therefrom, and for other purposes, which were ordered to be printed.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—UNEXPENDED BALANCES, FOREIGN AID (S. REPT. NO. 1958)

Mr. BYRD. Mr. President, pursuant to section 601 of the Revenue Act of 1941 (55 Stat. 726), as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report entitled "Unexpended Balances, Foreign Aid," which I ask to have printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Virginia.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL PERSONNEL AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of February 1956. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH 1956 AND FEBRUARY 1956, AND PAY, FEBRUARY 1956 AND JANUARY 1956

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for March 1956 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In March numbered—	In February numbered—	Increase (+) or decrease (−)	In February was—	In January was—	Increase (+) or decrease (−)
Total [1]	2,352,647	2,351,371	+1,276	$838,266	$872,573	−$34,307
Agencies exclusive of Department of Defense	1,188,065	1,185,857	+2,208	424,101	441,611	−17,510
Department of Defense	1,164,582	1,165,514	−932	414,165	430,962	−16,797
Inside continental United States	2,148,220	2,146,440	+1,780			
Outside continental United States	204,427	204,931	−504			
Industrial employment	604,678	607,023	−2,345			
Foreign nationals	298,617	299,406	−789	26,311	27,543	−1,232

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956, and pay for February 1956, and comparison with January 1956*

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	78,838	77,151	1,687		$24,732	$26,001		$1,269
Commerce [1]	43,702	43,430	272		18,280	19,186		906
Health, Education, and Welfare	45,181	44,987	194		16,891	17,565		674
Interior	48,154	47,375	779		18,627	19,460		833
Justice	30,534	30,601		67	14,123	14,722		599
Labor	5,537	5,478	59		2,427	2,466		39
Post Office	511,915	513,096		1,181	176,329	182,606		6,277
State [2]	29,678	29,410	268		10,873	11,292		419
Treasury	82,114	81,502	612		32,439	33,813		1,374
Executive Office of the President:								
White House Office	369	366	3		194	212		18
Bureau of the Budget	414	418		4	268	278		10
Council of Economic Advisers	30	30			22	30		8
Executive Mansion and Grounds	69	69			22	24		2
National Security Council [3]	27	28		1	17	18		1
Office of Defense Mobilization	278	297		19	165	169		4
President's Advisory Committee on Government Organization	6	6			4	3	$1	
President's Commission on Veterans' Pensions	34	32	2		24	34		10

[1] March figure includes 366 seamen on the rolls of the Maritime Administration and their pay.

[2] March figure includes 7,963 employees of the International Cooperation Administration, as compared with 7,720 in February, and their pay.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956, and pay for February 1956, and comparison with January 1956*—Continued

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Independent agencies:								
Advisory Committee on Weather Control	25	17	8		$7	$6	$1	
Alexander Hamilton Bicentennial Commission	10	7	3		4	5		$1
American Battle Monuments Commission	718	677	41		89	97		8
Atomic Energy Commission	6,407	6,348	59		3,208	3,301		93
Board of Governors of the Federal Reserve System	562	557	5		264	277		13
Boston National Historical Sites Commission	2	2						
Civil Aeronautics Board	588	581	7		307	330		23
Civil Service Commission	4,019	4,020		1	1,786	1,837		51
Commission of Fine Arts	9	9			1	1		
Export-Import Bank of Washington	171	170	1		97	101		4
Farm Credit Administration	1,043	1,048		5	506	524		18
Federal Civil Defense Administration	1,024	1,018	6		524	540		16
Federal Coal Mine Safety Board of Review	8	8			4	5		1
Federal Communications Commission	1,126	1,120	6		564	586		22
Federal Deposit Insurance Corporation	1,137	1,133	4		530	544		14
Federal Home Loan Bank Board	669	649	20		294	304		10
Federal Mediation and Conciliation Service	345	345			227	241		14
Federal Power Commission	677	682		5	346	372		26
Federal Trade Commission	617	611	6		344	353		9
Foreign Claims Settlement Commission	134	140		6	68	73		5
General Accounting Office	5,546	5,579		33	2,447	2,572		125
General Services Administration	26,252	26,173	79		8,856	9,127		271
Government Contract Committee	18	20		2	6	6		
Government Printing Office	6,666	6,686		20	2,775	2,939		164
Housing and Home Finance Agency	10,012	10,092		80	4,587	4,845		258
Indian Claims Commission	13	13			7	10		3
Interstate Commerce Commission	1,923	1,917	6		936	997		61
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3			2	2		
National Advisory Committee for Aeronautics	7,697	7,700		3	3,425	3,565		140
National Capital Housing Authority	256	259		3	95	101		6
National Capital Planning Commission	30	32		2	15	20		5
National Gallery of Art	333	324	9		99	109		10
National Labor Relations Board	1,107	1,112		5	613	631		18
National Mediation Board	105	108		3	74	79		5
National Science Foundation	236	219	17		109	114		5
National Security Training Commission	4	4			3	3		
Panama Canal	15,595	15,610		15	3,599	3,796		197
Railroad Retirement Board	2,240	2,269		29	853	862		9
Renegotiation Board	469	478		9	283	296		13
Rubber Producing Facilities Disposal Commission	6	7		1	3	6		3
St. Lawrence Seaway Development Corporation	27	27			19	18	1	
Securities and Exchange Commission	712	706	6		383	402		19
Selective Service System	6,836	6,831	5		1,611	1,690		79
Small Business Administration	791	798		7	424	450		26
Smithsonian Institution	697	693	4		253	260		7
Soldiers' Home	1,005	1,006		1	220	236		16
Subversive Activities Control Board	30	29	1		20	21		1
Tariff Commission	206	206			113	117		4
Tax Court of the United States	143	144		1	91	93		2
Tennessee Valley Authority	14,387	14,661		274	6,375	6,997		622
Theodore Roosevelt Centennial Commission	3	3			2	1	1	
United States Information Agency	10,714	10,666	48		2,820	2,831		11
Veterans' Administration	177,830	178,062		232	58,375	61,038		2,663
Woodrow Wilson Centennial Celebration Commission	2	2			1	1		
Total, excluding Department of Defense	1,188,065	1,185,857	4,217	2,009	424,101	441,611	4	17,514
Net change, excluding Department of Defense			2,208				17,510	
Department of Defense:								
Office of the Secretary of Defense	1,925	1,926		1	1,074	1,114		40
Department of the Army	431,635	433,211		1,576	149,188	154,960		5,772
Department of the Navy	396,441	398,992		2,551	149,851	157,144		7,293
Department of the Air Force	334,581	331,385	3,196		114,052	117,744		3,692
Total, Department of Defense	1,164,582	1,165,514	3,196	4,128	414,165	430,962		16,797
Net decrease, Department of Defense			932				16,797	
Grand total, including Department of Defense	2,352,647	2,351,371	7,413	6,137	838,266	872,573	4	34,311
Net change, including Department of Defense			1,276				34,307	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	77,624	75,950	1,674	
Commerce [1]	40,732	40,486	246	
Health, Education, and Welfare	43,380	43,199	181	
Interior	43,319	42,589	730	
Justice	30,008	30,068		60
Labor	5,405	5,370	35	
Post Office	509,412	510,589		1,177
State [2]	7,779	7,765	14	
Treasury	81,116	80,516	600	
Executive Office of the President:				
White House Office	369	366	3	
Bureau of the Budget	414	418		4
Council of Economic Advisers	30	30		
Executive Mansion and Grounds	69	69		
National Security Council [3]	27	28		1
Office of Defense Mobilization	278	297		19
President's Advisory Committee on Government Organization	6	6		
President's Commission on Veterans' Pensions	34	32	2	
Independent agencies:				
Advisory Committee on Weather Control	25	17	8	
Alexander Hamilton Bicentennial Commission	10	7	3	
American Battle Monuments Commission	15	15		
Atomic Energy Commission	6,393	6,333	60	
Board of Governors of the Federal Reserve System	562	557	5	
Boston National Historical Sites Commission	2	2		
Civil Aeronautics Board	584	577	7	
Civil Service Commission	4,000	4,003		3
Commission of Fine Arts	9	9		
Export-Import Bank of Washington	171	170	1	
Farm Credit Administration	1,031	1,036		5
Federal Civil Defense Administration	1,024	1,018	6	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,099	1,093	6	
Federal Deposit Insurance Corporation	1,136	1,132	4	
Federal Home Loan Bank Board	669	649	20	

[1] March figure includes 366 seamen on the rolls of the Maritime Administration.

[2] March figure includes 1,605 employees of the International Cooperation Administration, as compared with 1,603 in February.

[3] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*—Continued

Department or agency	March	February	Increase	Decrease
Independent agencies—Continued				
Federal Mediation and Conciliation Service	345	345		
Federal Power Commission	677	682		5
Federal Trade Commission	617	611	6	
Foreign Claims Settlement Commission	134	140		6
General Accounting Office	5,495	5,530		35
General Services Administration	26,145	26,065	80	
Government Contract Committee	18	20		2
Government Printing Office	6,666	6,686		20
Housing and Home Finance Agency	9,859	9,940		81
Indian Claims Commission	13	13		
Interstate Commerce Commission	1,923	1,917	6	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3		
National Advisory Committee for Aeronautics	7,697	7,700		3
National Capital Housing Authority	256	259		3
National Capital Planning Commission	30	32		2
National Gallery of Art	333	324	9	
National Labor Relations Board	1,086	1,091		5
National Mediation Board	105	108		3
National Science Foundation	236	219	17	
National Security Training Commission	4	4		
Panama Canal	549	550		1
Railroad Retirement Board	2,240	2,260		20
Renegotiation Board	469	478		9
Rubber Producing Facilities Disposal Commission	6	7		
Saint Lawrence Seaway Development Corporation	27	27		
Securities and Exchange Commission	712	706	6	
Selective Service System	6,639	6,637	2	
Independent agencies—Continued				
Small Business Administration	791	798		7
Smithsonian Institution	695	691	4	
Soldiers' Home	1,005	1,006		1
Subversive Activities Control Board	30	29	1	
Tariff Commission	206	206		
Tax Court of the United States	143	144		1
Tennessee Valley Authority	14,387	14,661		274
Theodore Roosevelt Centennial Commission	3	3		
United States Information Agency	2,396	2,397		1
Veterans' Administration	176,573	176,798		225
Woodrow Wilson Centennial Celebration Commission	2	2		
Total, excluding Department of Defense	1,125,255	1,123,502	3,736	1,983
Net increase, excluding Department of Defense			1,753	
Department of Defense:				
Office of the Secretary of Defense	1,864	1,864		
Department of the Army	363,796	364,599		803
Department of the Navy	364,653	367,241		2,588
Department of the Air Force	292,652	289,234	3,418	
Total, Department of Defense	1,022,965	1,022,938	3,418	3,391
Net increase, Department of Defense			27	
Grand total, including Department of Defense	2,148,220	2,146,440	7,154	5,374
Net increase, including Department of Defense			1,780	

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of defense):				
Agriculture	1,214	1,201	13	
Commerce	2,970	2,944	26	
Health, Education, and Welfare	1,801	1,788	13	
Interior	4,835	4,786	49	
Justice	526	533		7
Labor	132	108	24	
Post Office	2,503	2,507		4
State[1]	21,899	21,645	254	
Treasury	998	986	12	
Independent agencies:				
American Battle Monuments Commission	703	662	41	
Atomic Energy Commission	14	15		1
Civil Aeronautics Board	4	4		
Civil Service Commission	19	17	2	
Farm Credit Administration	12	12		
Federal Communications Commission	27	27		
Federal Deposit Insurance Corporation	1	1		
General Accounting Office	51	49	2	
General Services Administration	107	108		1
Housing and Home Finance Agency	153	152	1	
National Labor Relations Board	21	21		
Panama Canal	15,046	15,060		14
Independent agencies—Continued				
Selective Service System	197	194	3	
Smithsonian Institution	2	2		
U. S. Information Agency	8,318	8,269	49	
Veterans' Administration	1,257	1,264		7
Total, excluding Department of Defense	62,810	62,355	489	34
Net increase, excluding Department of Defense			455	
Department of Defense:				
Office of the Secretary of Defense	61	62		1
Department of the Army	67,839	68,612		773
Department of the Navy	31,788	31,751	37	
Department of the Air Force	41,929	42,151		222
Total, Department of Defense	141,617	142,576	37	996
Net decrease, Department of Defense			959	
Grand total, including Department of Defense	204,427	204,931	526	1,030
Net decrease, including Department of Defense			504	

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[1] March figure includes 6,358 employees of the International Cooperation Administration, as compared with 6,117 in February.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments except Department of Defense:				
Agriculture	2,764	2,814		50
Commerce	2,451	2,457		6
Interior	8,271	8,159	112	
Treasury	5,642	5,668		26
Independent agencies:				
Atomic Energy Commission	145	145		
Federal Communications Commission	13	14		1
General Services Administration	975	984		9
Government Printing Office	6,666	6,686		20
National Advisory Committee for Aeronautics	7,697	7,700		3
Panama Canal	7,873	7,924		51
Tennessee Valley Authority	11,622	11,899		277
Total, excluding Department of Defense	54,119	54,450	112	443
Net increase excluding Department of Defense			331	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1]201,762	[1]201,762		
Outside continental United States	[1]36,007	[2]36,007		
Department of the Navy:				
Inside continental United States	[1]226,320	228,611		2,291
Outside continental United States	[1]6,338	6,378		40
Department of the Air Force:				
Inside continental United States	164,400	164,100	300	
Outside continental United States	5,732	5,715	17	
Total, Department of Defense	640,559	642,573	317	2,331
Net decrease, Department of Defense			2,014	
Grand total, including Department of Defense	694,678	697,023	429	2,774
Net decrease, including Department of Defense			2,345	

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[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of March 1956 and comparison with February 1956*

Country	Total		Army		Navy		Air Force	
	March	February	March	February	March	February	March	February
Denmark	9	6					9	6
England	6,967	6,832			31	31	6,936	6,801
France	24,172	24,616	16,824	17,170			7,348	7,446
French Morocco	6,160	6,185	208	235	1,009	998	4,943	4,952
Germany	108,812	109,879	85,130	85,993	1,966	1,983	21,716	21,903
Japan	144,319	144,418	82,932	[1]82,932	18,493	18,569	42,894	42,917
Korea	6,942	6,261	6,942	6,261				
Libya	209	209					209	209
Netherlands	44	44					44	44
Norway	17	17					17	17
Saudi Arabia	445	438					445	438
Trinidad	521	501			521	501		
Total	298,617	299,406	192,036	192,591	22,020	22,082	84,561	84,733

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[1] Revised on basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments.

The French and English reported by the Army and Air Force are paid from funds appropriated for personnel services. All others are paid from funds appropriated for other contractual services.

FOREIGN NATIONALS

Table 5 segregates and accounts for certain categories of personal services rendered to the United States Government overseas, which cannot be regarded as ordinary direct employment.

Generally, this personal service is rendered military agencies overseas under agreements with the foreign governments. In most cases the employment is indirect. The foreign governments hire the employees. The United States military agencies in most cases administer or direct the activity.

The source of the funds for the payment of these employees varies. The Germans are employed without direct reimbursement by the United States and by agreement, payment is made from the German economy. The Japanese are employed under a master labor contract between United States agencies and the Japanese Government.

French and English are employed for the Army and Air Force under agreements with the respective governments. Funds originally appropriated for "Personal service" are used for this purpose. The Koreans and others are paid under varying contractual agreements with funds appropriated for "Other contractual services."

Personnel hired and used under such circumstances cannot be properly considered in the same category as regular employment, but they are used and should be counted for what they are.

The Joint Committee on Reduction of Nonessential Federal Expenditures is endeavoring to identify these groups of employees and to count them along with, but separate from, the regularly reported United States employment overseas.

STATEMENT BY SENATOR BYRD

Executive agencies of the Federal Government reported civilian employment in the month of March totaling 2,352,647. This was a net increase of 1,276 as compared with employment reported in the preceding month of February. This was the third monthly increase since August 1955.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1956, which began July 1, 1955, follows:

Month	Employment	Increase	Decrease
July	2,384,595	307	
August	2,385,043	448	
September	2,366,069		18,974
October	2,365,183		886
November	2,362,158		3,025
December	2,343,227		18,931
January 1956	2,346,750	3,523	
February	2,351,371	4,621	
March	2,352,647	1,276	

Total civilian employment in civilian agencies during the month of March was 1,183,065, an increase of 2,208, as compared with the February total of 1,185,857. Total civilian employment in the military agencies in March was 1,164,582, a decrease of 932, as compared with 1,165,514 in February.

Civilian agencies reporting the major increases were: Department of Agriculture, with an increase of 1,687; Department of the Interior, with an increase of 779; and Treasury Department, with an increase of 612. A decrease of 1,181 was reported by the Post Office Department.

In the Department of Defense decreases in civilian employment were reported by the Department of the Navy, with a decrease of 2,551, and the Department of the Army, with a decrease of 1,576. The Department of the Air Force reported an increase in civilian employment of 3,196. This was the 11th consecutive monthly increase in civilian employment by the Air Force; the total cumulative increase for these 11 months was 28,244.

Inside continental United States civilian employment increased 1,780 and outside continental United States civilian employment decreased 504. Industrial employment by the Federal agencies in March totaled 694,678, a decrease of 2,345.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,352,647 civilian employees certified to the committee by the Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 298,617 foreign nationals working for United States military agencies during March who were not counted in the usual personnel report. The number in February was 299,406. A breakdown of this employment for March follows:

Country	Total	Army	Navy	Air Force
Denmark	9			9
England	6,967		31	6,936
France	24,172	16,824		7,348
French Morocco	6,160	208	1,009	4,943
Germany	108,812	85,130	1,966	21,716
Japan	144,319	82,932	18,493	42,894
Korea	6,942	6,942		
Libya	209			209
Netherlands	44			44
Norway	17			17
Saudi Arabia	445			445
Trinidad	521		521	
Total	298,617	192,036	22,020	84,561

REPORT ENTITLED "TECHNICAL ASSISTANCE AND RELATED PROGRAMS" (S. REPT. NO. 1956)

Mr. MANSFIELD. Mr. President, from the Committee on Foreign Relations, pursuant to Senate Resolution 214, 83d Congress, 2d session, as extended, I submit a report of that committee's Subcommittee on Technical Assistance Programs, entitled "Technical Assistance and Related Programs." I ask that the report be printed with an illustration.

I ask unanimous consent that there may be printed in the RECORD a statement which I made to the press in regard to this report.

The PRESIDENT pro tempore. The report will be received and printed; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. MANSFIELD is as follows:

STATEMENT OF SENATOR MIKE MANSFIELD, CHAIRMAN, SUBCOMMITTEE ON TECHNICAL ASSISTANCE PROGRAMS

The Senate Foreign Relations Committee's Subcommittee on Technical Assistance Programs is today making a unanimous report which is the result of more than 18 months of study both in Washington and abroad. The report will be formally filed in the Senate on Monday, May 7.

The findings and recommendations of the subcommittee which are set forth in the report speak for themselves. If put into effect, they should serve to improve the technical assistance program and make it a more useful instrument of American foreign policy.

In accordance with its mandate from the Senate, the subcommittee has limited its attention to technical assistance and related programs. The subcommittee's experience seems to me to point up, however, the need for a more basic, thorough-going study of our whole foreign-aid policy, as suggested to the full Foreign Relations Committee several weeks ago by Senator GEORGE. This report deals with the technical assistance component of that policy, but at the same time it raises questions about the other components, those having to do with economic and military aid.

As chairman of the Committee on Foreign Relations, Senator GEORGE has given valuable support to the Subcommittee on Technical Assistance Programs in its efforts to evaluate the effectiveness of our activities in that field. His interest in the matter, like that of the subcommittee, has been to determine the extent to which technical assistance serves the national interest, the areas in which it falls short, and what can be done to improve it.

This report demonstrates, I think, that a basic study of all foreign-aid programs, such as that envisaged by Senator George, can appropriately and efficiently be made by a committee of the Senate, or under the direction of such a committee. A study under bipartisan congressional auspices provides an effective method of independent evaluation of programs initiated by the executive branch of the Government and is consistent with our constitutional system of separation of powers.

I am particularly gratified by the fact that the report is unanimous. Members of the subcommittee, besides myself, are Senators Theodore Francis Green, Democrat, of Rhode Island; J. W. Fulbright, Democrat, of Arkansas; John F. Kennedy, Democrat, of Massachusetts; Bourke B. Hickenlooper, Republican, of Iowa; George D. Aiken, Republican, of Vermont; Homer E. Capehart, Republican, of Indiana; and Barry Goldwater, Republican, of Arizona. Senators Kennedy and Goldwater were appointed by the Vice President from the Senate at Large to serve with the members of the subcommittee drawn from the Foreign Relations Committee.

The subcommittee began its work in August 1954 under the chairmanship of Senator Hickenlooper, who was largely responsible for initiating many of the studies which have now come to fruition. Throughout its work, the subcommittee has proceeded in a completely nonpartisan manner. In the coming months, the subcommittee intends to check the results of its recommendations to determine whether additional action should be recommended to the Senate. It will also conduct supplementary studies of technical assistance in Latin America and in Africa. The subcommittee's future functions, I am sure, can be adjusted in accordance with what results from Senator George's proposal for a full study of all aid programs. However it is done, the need is clear. What the Senate requires and what the country requires is an independent evaluation of all foreign aid as a factor in American foreign policy.

PRINTING AS SENATE DOCUMENT OF PAMPHLET ENTITLED "LAWS CONTROLLING ILLICIT NARCOTICS TRAFFIC"

Mr. DANIEL, from the Committee on the Judiciary, reported an original resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document, which was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate, That the pamphlet entitled "Laws Controlling Illicit Narcotics Traffic," prepared by the Subcommittee on Improvements in the Federal Criminal Code for the use of the Committee on the Judiciary, be printed as a Senate document; and that there be printed 5,000 additional copies of such Senate document for the use of the Committee on the Judiciary.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3762. A bill for the relief of Mrs. Kalyna Maya Chalk; and

S. 3763. A bill to provide for the return of certain property held by the United States under the Trading with the Enemy Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SCOTT (for himself and Mr. Bible):

S. 3764. A bill expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Scott when he introduced the above bill, which appears under a separate heading.)

By Mr. BENNETT:

S. 3765. A bill for the relief of Cheung Nung Huang; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 3766. A bill for the relief of Elvira A. Belford; and

S. 3767. A bill for the relief of Shao Fong Sha; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 3768. A bill to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes; to the Committee on Government Operations.

By Mr. GOLDWATER:

S. 3769. A bill for the relief of Jose Medina-Chavez (Joe Medina); to the Committee on the Judiciary.

By Mr. YOUNG (for himself, Mr. Johnston of South Carolina, Mr. Mundt, Mr. McClellan, Mr. Langer, Mr. Case of South Dakota, Mr. Jenner, Mr. Barrett, Mr. Wofford, Mr. Curtis, Mr. McCarthy, Mr. Stennis, Mr. Hill, Mr. Carlson, Mr. Chavez, Mr. Schoeppel, Mr. Magnuson, and Mr. Ervin):

S. 3770. A bill to amend section 22 of the Agricultural Adjustment Act of 1933, as amended, so as to provide for the imposition of import limitations on surplus agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Young when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 3771. A bill to amend section 3238 of title 18, United States Code; to the Committee on the Judiciary.

(See the remarks of Mr. Wiley when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD (for himself, Mr. Wiley, Mr. Green, Mr. Williams, Mr. Frear, Mr. Beall, Mr. Butler, Mr. Purtell, Mr. Bush, Mr. Ives, and Mr. Lehman):

S. 3772. A bill to designate the east Fourteenth Street highway bridge over the Potomac River at Fourteenth Street in the District of Columbia as the Rochambeau Memorial Bridge; to the Committee on the District of Columbia.

By Mr. CASE of South Dakota:

S. 3773. A bill to provide for an extension of the time during which annual assessment work on unpatented mining claims, located under the provisions of the act of August 11, 1955, may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ERVIN (for himself and Mr. Scott):

S. 3774. A bill to authorize the Secretary of the Army and the Secretary of Agriculture, respectively, to conduct surveys of the hurricane-damaged coastal and tidal areas of North Carolina, and to make reports thereon; to the Committee on Public Works.

By Mr. HENNINGS:

S. 3775. A bill to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Hennings when he introduced the above bill, which appear under a separate heading.)

By Mr. HICKENLOOPER (for himself and Mr. Martin of Iowa):

S. 3776. A bill to amend the Canal Zone Construction Annuity Act of May 29, 1944, to extend the benefits thereof to certain individuals by removal of the date limitation on the citizenship requirement contained therein; to the Committee on Post Office and Civil Service.

By Mr. WATKINS:

S. 3777. A bill to provide for the establishment of a regional water laboratory; to the Committee on Agriculture and Forestry;

S. 3778. A bill to amend the Act for the Protection of Walruses;

S. 3779. A bill to amend the act of August 27, 1954 (68 Stat. 868), with respect to the Uintah and Ouray Reservation in Utah; to the Committee on Interior and Insular Affairs;

S. 3780. A bill for the relief of Manuel Gil and Jesus Torrado; and

S. 3781. A bill for the relief of Donworth V. Gubler; to the Committee on the Judiciary.

By Mr. WELKER:

S. 3782. A bill to provide for the sale of certain lands now required for community development adjacent to Cascade Reservoir, Boise Federal Reclamation project, Idaho; to the Committee on Interior and Insular Affairs.

By Mr. DANIEL (for himself and Mr. Johnson of Texas):

S. 3783. A bill to direct the Secretary of the Navy or his designee to convey a two thousand four hundred seventy-seven and forty-three one-hundredths acre tract of land, avigation and sewer easements, in Tarrant and Wise Counties, Tex., situated about 20 miles northwest of the city of Fort Worth, Tex., to the State of Texas; to the Committee on Armed Services.

By Mr. SALTONSTALL (for himself and Mr. Kennedy):

S. 3784. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. MAGNUSON:

S. 3785. A bill to provide for the making of payments to State tax authorities with respect to Federal real property of amounts equal to the sums which would be paid as special assessments thereon for public improvements if such land were privately owned; to the Committee on Government Operations.

By Mr. HUMPHREY:

S. 3786. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes; and

S. 3787. A bill relating to the management of the Red Lake Indian Forest and sawmill; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Humphrey when he introduced the above bills, which appear under separate headings.)

S. 3788. A bill for the relief of Robert Karia; and

S. 3789. A bill for the relief of Lee Chong Taik; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. Clements, Mr. George, Mr. Hennings, Mr. Kerr, Mr. Lehman, Mr. Mansfield, Mr. Morse, Mr. Murray, Mr. Neely, Mr. Neuberger, Mr. Scott, and Mr. Sparkman):

S. 3790. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Humphrey when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS:

S. 3791. A bill to provide for a more comprehensive development and utilization of natural water resources in plans and construction of reservoir projects; to the Committee on Public Works.

(See the remarks of Mr. Clements when he introduced the above bill, which appear under a separate heading.)

By Mr. MALONE:

S. 3792. A bill to provide relief for producers of strategic and critical minerals, metals and materials;

S. 3793. A bill to provide relief of producers of tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores;

S. 3794. A bill to provide relief for the tungsten industry;

S. 3795. A bill to provide relief for the manganese industry;

S. 3796. A bill to provide relief for the chromite industry;

S. 3797. A bill to provide relief for the mica industry;

S. 3798. A bill to provide relief for the asbestos industry;

S. 3799. A bill to provide relief for the beryl industry;

S. 3800. A bill to provide relief for producers of columbium-tantalum bearing ores; and

S. 3801. A bill to provide relief for the fluorspar industry; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Malone when he introduced the above bills, which appear under a separate heading.)

By Mr. CLEMENTS:

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively; to the Committee on Public Works.

(See the remarks of Mr. Clements when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

Mr. DANIEL, from the Committee on the Judiciary, reported an original resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document, which was referred to the Committee on Rules and Administration.

(See resolution printed in full under the heading "Reports of Committees," in Senate proceedings of today.)

NATIONAL MINERALS POLICY

Mr. SCOTT. Mr. President, on behalf of myself, and the Senator from Nevada [Mr. Bible], I introduce, for appropriate reference, a bill expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy. The bill is designed to prevent widespread unemployment in dozens of American communities—unemployment scheduled to start next Monday.

It is an emergency measure to prevent the immediate closing down of our domestic tungsten and asbestos mining industries.

Both of these materials are classified as strategic and critical. They are vital ingredients in any adequate defense pattern, and particularly in connection with the guided missile program. We cannot afford to sit idly by and permit thousands of miners to be thrown out of work, and our potentials for defense against aggression weakened.

I earnestly hope that the Committee on Interior and Insular Affairs will give immediate consideration to this measure and report it to the floor as soon as possible.

This proposed legislation is necessary because the Office of Defense Mobilization so far has refused to extend its purchase programs covering tungsten and asbestos.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3764) expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy, introduced by Mr. Scott (for himself and Mr. Bible), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1933, RELATING TO IMPORT LIMITATIONS ON SURPLUS AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, on behalf of myself, the senior Senator from South Carolina [Mr. Johnston], the senior Senator from South Dakota [Mr. Mundt], the Senator from Arkansas [Mr. McClellan], my colleague, the senior Senator from North Dakota [Mr. Langer], the junior Senator from South Dakota [Mr. Case], the Senator from Indiana [Mr. Jenner], the Senator from Wyoming [Mr. Barrett], the junior Senator from South Carolina [Mr. Wofford], the Senator from Nebraska [Mr. Curtis], the Senator from Wisconsin [Mr. McCarthy], the Senator from Mississippi [Mr. Stennis], the Senator from Alabama [Mr. Hill], the junior Senator from Kansas [Mr. Carlson], the Senator from New Mexico [Mr. Chavez], the senior Senator from Kansas [Mr. Schoeppel], the Senator from Washington [Mr. Magnuson], and the Senator from North Carolina [Mr. Ervin], I introduce for appropriate reference a bill amending section 22 of the Agricultural Adjustment Act of 1933, as amended. This bill would provide limitations on the imports of farm commodities which we already have in surplus.

Mr. President, the bill would limit the imports of agricultural commodities to the level of the previous 3-year average for such commodities as the Secretary of Agriculture determines to be in surplus.

Despite the fact that the last year we had a record barley crop, imports of barley continue at the same level, or are even higher than in previous years. Twenty percent of all the barley reaching terminal markets in this country during the past year was of foreign origin. These imports of foreign barley have had a disastrous effect on our cash prices. Oftentimes by such action, we are providing better price protection to the farmers of foreign countries than we do to our own.

Mr. President, the situation as concerns oats is substantially the same, although in the last 2 years our imports of oats have decreased. This decrease, however, has in no way been caused by a tightening of our import laws. Lower imports are largely the result of poor oat crops in Canada and record oat crops in the United States. However, in spite of this, 7 percent of all the oats reaching our terminal markets was of foreign origin. This 7 percent has a very adverse effect on our markets.

A similar situation also exists with a number of perishable commodities, such as pork. Our imports of pork and pork products have increased in recent years. These greatly increased imports of pork come at a time when we have a great surplus of pork and badly depressed prices.

Our farmers are on the short end of the export-import balance of trade in agriculture commodities. Imports of agriculture commodities last year exceeded exports by more than $664 million. Our exports totalled $3,144,000,000 and our imports were $3,787,000,000.

While we had a surplus of most farm commidities, we imported more food and fiber than we gave away through government programs plus regular sales.

The total figures which I just presented comprise both complementary and supplementary imports. In the first group we have commodities not produced commercially in this country such as coffee, tea, bananas, and cocoa. This group comprises 60 percent of our agricultural imports.

Imports of competitive or supplementary farm products last year amounted to $1.5 billion. For the most part, these are commodities we already have in surplus. They include hides, live animals, meats, dairy products, wool, oils, sugar, fruits, cotton, and grains. It is difficult to believe that a Nation whose agriculture economy is in such serious trouble would import $1.5 billion worth of agricultural commodities which are strictly competitive with our own farm products and which we have in great surplus.

As I have indicated, all this bill does is limit the imports of any commodity, which is in surplus, to the average imports of the previous 3 years. It will in no manner be harmful to feed dealers or feed users. We have a surplus of feed grain in this country—prices are cheap—and although we imported only 20 million bushels of oats last year, the average for the previous 3 years is 39 million bushels. Therefore, our imports of oats could be almost doubled before this bill would have any effect on these imports.

It just does not make sense to spend hundreds of millions of dollars to curtail production in this country and at the same time do nothing to prevent the dumping of foreign commodities on our markets. One of the theories behind the proposed soil bank is that through reducing our surpluses we will create a better cash price. This higher cash price if attained, would certainly attract additional imports. That is, if we continue our present policy.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3770) to amend section 22 of the Agricultural Adjustment Act of 1933, as amended, so as to provide for the imposition of import limitations on surplus agricultural commodities, introduced by Mr. YOUNG (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF SECTION 3238, TITLE 18, UNITED STATES CODE

Mr. WILEY. Mr. President, my campaign against organized crime in interstate commerce has been continued in spite of the fact that the Senate Special Committee To Investigate Organized Crime in Interstate Commerce lapsed several years ago. As a small move in this overall campaign against crime, I am happy to introduce a bill to facilitate the trial of persons for crimes committed outside of the jurisdiction of any particular State or judicial district, as for instance upon the high seas. I, therefore, introduce, for appropriate reference a companion bill to the bill (H. R. 10786) to amend the section 3238 of title 18, United States Code. I ask that the April 16, 1956, letter of the Attorney General to the Speaker of the House of Representatives be printed in the RECORD at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3771) to amend section 3238 of title 18, United States Code, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter presented by Mr. WILEY is as follows:

APRIL 16, 1956.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Attached for your consideration and appropriation action is a legislative proposal to amend section 3238 of title 18, United States Code.

Section 3238 now provides that "the trial of all offenses begun or committed upon the high seas, or elsewhere out of the jurisdiction of any particular State or district, shall be in the district where the offender is found, or into which he is first brought." This quoted language results in a most awkward situation in certain instances when two or more joint offenders are involved.

If two individuals jointly commit acts of treason abroad and are thereafter located in different districts within the United States they must, under the present statute, be indicted and tried in different jurisdictions. The same result would obtain if five persons found in 5 different districts were involved. To avoid situations such as those indicated, it is recommended that section 3238 be amended to provide that the trial of offenses begun or committed upon the high seas, or elsewhere out of the jurisdiction of a State or district, may be held in any district in which 1 of 2 or more joint offenders is arrested or first brought. Furthermore, the proposed bill would provide that if such offenders are not arrested or brought into any district, an indictment or information may be filed in the district of the last known residence of any of them or in the District of Columbia.

I would appreciate the prompt referral and early introduction of this corrective legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

PROPOSED WILSON'S CREEK BATTLEFIELD NATIONAL PARK, MO.

Mr. HENNINGS. Mr. President, for many years, the Historical Society of Greene County, Mo., the American Legion, the chamber of commerce, and other local patriotic and civic organizations, in addition to a great many interested citizens in Greene County, Mo., and indeed, citizens throughout the entire Midwest, have been interested in obtaining a park giving appropriate recognition to the Civil War battle of Wilson's Creek, which was fought 10 miles west of Springfield, Mo. The centennial anniversary of this battle will be held in 1961, and I am, therefore, introducing this bill providing for the establishment of the Wilson's Creek Battlefield National Park.

It is my sincere belief that the heroism of the soldiers of both the blue and the grey at the Battle of Wilson's Creek could not be acknowledged in any finer way than by the establishment of this national park at the site on which they fought and died. It is interesting to note that there is no such memorial west of the Mississippi, yet one of the greatest campaigns of this war was waged in that area.

The fine people of the Ozark region of Missouri, imbued with a keen understanding of the significance of this battle, are strongly interested in the preservation of this area, so richly endowed with historical tradition. The rough and rugged terrain of this area would not only be a fitting tribute to the men of the North and the South who fought so valiantly in the Civil War, but it would also be a spot to which all of our citizens of the West and Midwest could come for a day of historical sightseeing and relaxation.

It is my earnest hope that this matter will be considered by the Congress at the very earliest opportunity, so that plans can be made for an appropriate commemoration ceremony in 1961, the 100th anniversary of the Battle of Wilson's Creek.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3775) to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

WELFARE OF INDIAN CITIZENS OF MINNESOTA—MINNESOTA INDIAN ADMINISTRATION

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to promote the welfare of the Minnesota Indians, and to establish a Minnesota Indian Administration. This bill is the result of extensive discussions this past year between members of the Minnesota congressional delegation and representatives of the various Indian tribes of Minnesota. It constitutes a revision of S. 2685, a bill introduced by me on July 29, 1955, and is intended to be a substitute for this earlier measure. The bill I am introducing today is a companion to H. R. 10909, introduced last week in the House of Representatives by Congressman MARSHALL, of Minnesota.

The proposed Minnesota Indian Administration would take over some of the functions now discharged by the Bureau of Indian Affairs and would be authorized to have a 20-year period of existence under the bill. Such an extended period of existence is essential in view of the evident purpose of the men who presently direct the Bureau of Indian Affairs to curtail their operations and eliminate essential services to the Indians of Minnesota.

While the Bureau of Indian Affairs steadily withdraws from a position of responsibility for our Minnesota Indians, it is clear that a great many Indians are living, on and off reservation or trust fund lands, in extreme poverty and distress. Our county and State governments are carrying an increasing load of Indian welfare cases. Many of our young Indians are in difficulty with the law. There has simply been no adequate program to date, either to prepare the Indian who wishes to leave the reservation, or to assist the Indian who wishes to continue the tribal life on the reservation.

The proposed new Minnesota Indian Administration would take on new responsibilities to help Minnesota Indians help themselves on an individual, tribal and community basis. The establishment of the proposed Minnesota Indian Administration would center Federal responsibility in a new agency with representation from the Indians in Minnesota and from the State of Minnesota, and would bring the Federal Government closed to the problems of our Minnesota Indians. Among other activities, the new Minnesota Indian Administration would engage in land-use planning, research and experimentation to develop new Indian products and handicrafts, tree planting and reforestation of Indian lands, loans to individuals and Indian communities or tribes for various Indian-run enterprises, resource development in the Indian areas, encouragement of private capital for new business, road building, home building and repair, financial aid for education, and developing of social, recreation, or community centers for Indians.

The Administration would be authorized to draw from a revolving fund of $10 million to carry out its activities.

Members of the 5-man board of directors of the Administration would serve

without salary and would draw only per diem and travel expenses.

Mr. President, action on this bill during the present session will reassure our Indian people of the decency and helpfulness of our Government's intentions.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3786) to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes, introduced by Mr. Humphrey, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MANAGEMENT OF RED LAKE INDIAN FOREST AND SAWMILL

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill relating to the management of the Red Lake Indian Forest and sawmill.

I should like to make three brief points about the proposed legislation:

First. The Appropriation Act of May 18, 1916—Thirty-ninth United States Statutes at Large, 123, page 137—designated a portion of the forested lands of the Red Lake Indian Reservation in Minnesota as the Red Lake Indian Forest. The act directed the Secretary of the Interior to administer the forest in accordance with principles of scientific forestry, with a view to the production of successive timber crops thereon, and authorized him "to sell and manufacture only such standing and growing pine and oak timber as is mature and has ceased to grow, and to sell and manufacture from time to time such other mature and marketable timber as he may deem advisable."

The restrictions in the act on the type of timber that may be harvested are not in harmony with present conditions in the wood-using industries, and are actually in conflict with the part of the same act that calls for the management of the forest in accordance with principles of scientific forestry. There are considerable volumes of timber within the forest that have not reached physiological maturity, but which should be removed in order to comply with good silvicultural practice. Much of this material is marketable. It includes posts, poles, and other material to be removed as a thinning operation from the dense stands of reproduction. It also includes trees of sawlog size that are partially defective, suppressed, subject to windthrow, or for other reasons and undesirable components of the reserve stand.

So first of all, Mr. President, the proposed legislation would remedy this situation by authorizing the Red Lake Indian Forest to be administered in a manner that will give full effect to the principles of scientific forestry by permitting the sale and manufacture of such merchantable timber as may be deemed advisable in order to encourage the production of successive timber crops.

Second. The 1916 act authorized the construction and operation of sawmills to manufacture into lumber the timber harvested from the Red Lake Indian Forest, but it does not authorize the purchase of timber from other sources. The volume of sawlog material remaining on the reservation that is presently available for cutting on a sustained-yield basis is not sufficient to provide for continuing profitable operation of the tribal sawmill. The mill is currently using about 5 million board feet of sawlogs annually, which is the minimum volume of business that will provide a reasonable employment base for the members of the tribe who are dependent upon the enterprise for their livelihood. There are only about 20 million board feet of timber on the reservation that is both ready for harvesting and accessible to the tribal sawmill. If the mill remains dependent upon this supply alone, it will be forced to shut down within a very few years. If the supply can be augmented by purchases of non-Indian timber, the life span of the enterprise can be correspondingly extended.

Therefore, Mr. President, the proposed legislation authorizes the purchase of such additional timber standing on or severed from lands outside the reservation as may contribute to the profitable operation of the sawmill as a tribal enterprise. In addition, it would make clear that the merchantable timber from all tribal forest lands on the Red Lake Reservation, and not merely the timber from the area specifically designated as the Red Lake Indian Forest by the 1916 act, may be utilized in the conduct of the sawmill operation.

Third. Finally, Mr. President, the 1916 act, as supplemented, does not authorize the construction and operation of any wood-using facilities except sawmills, planing mills, and box factories. Although there are no plans at present for expanding the enterprise, I believe that the authority for constructing and operating additional facilities such as a veneer plant or simple furniture factory should be available in the event their operation should become feasible. The proposed legislation therefore authorizes the construction and operation of sawmills and other facilities for the manufacture of the timber into marketable products.

The enactment of the proposed legislation will help to place the sawmill enterprise on a sound footing, and will provide the Red Lake Indians with a sound economic base that will hasten the time when Federal trust responsibilities can be terminated. As an incident to this major objective, it will clarify and simplify the laws governing the sawmill enterprise.

I hope, Mr. President, that this proposed legislation may receive speedy attention by the appropriate committee and that the Congress may act upon this bill during the current session.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3787) relating to the management of the Red Lake Indian Forest and Sawmill, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FARM CREDIT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may make a statement in connection with the introduction of a bill on farm credit, which will take me approximately 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, on behalf of myself, the Senator from Oklahoma [Mr. KERR], the Senator from Kentucky [Mr. CLEMENTS], the senior Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. GEORGE], the junior Senator from Montana [Mr. MANSFIELD], the Senator from Missouri [Mr. HENNINGS], the junior Senator from Oregon [Mr. NEUBERGER], the Senator from West Virginia [Mr. NEELY], the Senator from New York [Mr. LEHMAN], the Senator from North Carolina [Mr. SCOTT], and the senior Senator from Oregon [Mr. MORSE], a bill to improve and expand existing legislation to provide more nearly adequate farm credit facilities.

I am convinced it is the next best thing we can do to preserve family farming in America.

While nothing can replace decent prices and decent incomes for farmers, the next most acute problem confronting rural America is adequate credit facilities in a time of declining income. Even though the President's veto has blocked our efforts to restore farm income to a better degree of equality, we can help tide farmers over this emergency period by broadening the availability of credit and gearing its repayment closer to the present ability of farmers, based on net earnings.

To carry out that objective, along with a group of other Senators I have developed a comprehensive omnibus family farm credit bill that includes the best of several measures already before this body and adds several further improvements. It is our belief that this problem should be tackled head-on, rather than in just a piece-meal basis. In developing this measure we have had the collaboration of men experienced in the farm credit field, and familiar with the most pressing current problems and needs.

I want to make one thing clear. Our aim is to supplement, rather than replace in any way, existing credit operations of banks, insurance companies, and private individuals.

What we want to do is to fill the gaps, the credit deficiencies, they are unable to meet.

The bill authorizes the initiation of two completely new Federal credit programs of direct and insured loans, and makes various improvements in existing provisions of the Bankhead-Jones Farm Tenant Act and other legislation.

Among the major improvements which this bill would seek to achieve are:

First. Providing needed credit for farmers and related small business in rural areas dependent upon agriculture who are suffering from economic distress of the farm recession, to enable them to refinance their existing indebtedness and readjust their operations on a sound basis.

Second. Authorizing a "crash" program to eliminate rural poverty in the Nation's 500 most poverty-stricken rural counties.

Third. Lowering the maximum interest rate and increasing the maximum size of allowable loans.

Fourth. Directing the Secretary of Agriculture to reactivate voluntary farm debt adjustment service.

Fifth. Authorizing the use of a complete, rather than a partial "variable repayment plan" geared to the borrower's earnings and ability to pay from year to year.

Existing legislation covering direct and insured general farm credit loans, which this measure seeks to expand and improve, includes: The Bankhead-Jones Farm Tenant Act, as amended; the Water Facilities Act, as amended; Public Law 38—emergency loans—as amended; and Public Law 727—emergency credit—as amended.

Agriculture's acute problems must be recognized in the present situation, where we have evidences of inflation in some segments of our economy, and deflation in others.

To counteract inflation, the administration has supported higher interest rates. Yet that just adds to the squeeze on agriculture, where we are suffering deflation, instead of inflation.

Mr. President, my point is that we cannot have a general rule on the control of credit in an economy, when much of the economy is being inflated and is enjoying prosperity, while a portion of the economy is suffering from deflation and is experiencing recession.

If higher interest rates are called for to curb inflation, the lower interest rates on farm loans we have proposed should be acceptable as a counterforce against deflation.

NEED FOR AUXILIARY OR DEFICIENCY FARM CREDIT

Mr. President, the credit needs of family farming are tremendous and growing. Credit should be available at the times needed, and its terms and conditions should be adapted to characteristics of farming as a combined business and way of life.

Much of the credit needs of family farming can be met by loans obtained from private individuals and such credit institutions as banks and insurance companies. Farmers themselves can meet other needs cooperatively through credit unions and the institutions of the farm credit system. Together, it should be expected that these sources would supply the great bulk of the credit needs of agriculture.

However, inasmuch as all of these must obtain their funds from commercial money markets and conduct their operations along traditionally conservative financial lines, they find themselves unable to perform the entire farm credit job. Such institutions find it difficult to pioneer in the meeting of newly recognized or newly emerging farm credit problems. They are not set up to use their credit resources in meeting the high risk needs of severe disasters and emergencies, economic or natural. They cannot afford to participate in credit operations when a relatively high intensity of technical assistance and loan servicing are required to render loaning activities essentially sound from a strictly financial viewpoint. Moreover, all of these private individual corporate and cooperative institutions have a marked tendency, in the absence of outside stimulation in a period of farm deflation, to become increasingly restrictive in their credit policies.

There is nothing morally wrong or even economically unsound about this. It just means that the best interests of family farmers require a separate supplemental and yardstick credit operation. This can best and most efficiently be supplied to the Nation by the Federal Government. Such an agency should have the legal authority and sufficient funds to meet all of the family farm credit needs not filled on reasonable terms by private cooperative and other corporate lending agencies.

This is a problem not strictly of young farmers, or of low income farm families, or of disaster situations. It is a need that extends across the board. Such an agency would stand ready to meet any legitimate farm credit need not met by existing private agencies on reasonable terms. The agency would make both direct governmental loans and would insure loans of private lending agencies.

WHY ADDITIONAL LEGISLATION?

This is the field partially covered by the operations of the Farmers Home Administration, under the Bankhead-Jones Act, as amended, and the other legislation to which I have already referred.

Existing legislation could probably be construed by aggressive administrators to authorize the extension of auxiliary farm credit now required by the deteriorating farm income situation. But we do not have an administration that is aggressively trying to meet farm credit needs, and in existing legislation there are various limitations and vague gaps behind which reluctant administrators can hide.

The two largest gaps are these: First, the need to provide for a really significant program to begin to eliminate chronic dire rural poverty in the so-called problem or bypassed areas, where practically everyone in the area, as well as farmers, has poor facilities and low income. The proposed new title VI authorizes a "crash" program calling for the cooperative application of the resources of the Federal Government to eliminate the chronic causes for poverty in such areas. Title VI is the Sparkman family farm development bill (S. 1199), as introduced last year.

A second large gap in Federal farm-credit facilities is the lack of authority to make economic emergency loans for refinancing purposes to ordinarily adequate farmers and related small businesses in rural areas whose usual capital and credit resources have become exhausted owing to the 4-year drop in farm prices and income, compounded in many areas by drought and duststorms. This gap would be filled by the proposed new title V to the Bankhead-Jones Act.

PROVISIONS OF THE PROPOSED FARM CREDIT DEFICIENCY BILL

Section 1 provides for the following improvements in title I of the Bankhead-Jones Farm Tenant Act. This is the authority for farm ownership of tenant purchase long-term real-estate loans. The proceeds of the loans are used for purchase, improvement, and enlargement of farms:

First. Expands authority to allow loans to farmers who work part time in their own part-time nonfarm business or other occupation. This change is required because the recent severe drops in farm income have greatly decreased the proportion of family income from farming in the total income of many such families.

Second. Allows nonfarm income to be used in determining repayment ability of borrower.

Third. Maximum interest rate chargeable is reduced from 5 to 4 percent.

Fourth. Raises the permissive volume of insured loans from $50 million to $150 million a year.

Fifth. Interest rate paid to insured lenders is reduced from 4 to 3 percent.

Section 2 would make the following improvements in title II of the Bankhead-Jones Act:

First. Change names of these short-time loans from "Production and Subsistence Loans" to "Operating Loans."

Second. Make part-time farmers eligible to become borrowers.

Third. Increase maximum permissive size of initial loan from $7,000 to $25,000, and the maximum permissive "total outstanding" from $10,000 to $40,000.

Fourth. Reduces the rate of interest on such loans from 5 to 3 percent.

Section 3 amends title IV of the Bankhead-Jones Act, to make it consistent with the amendments of the bill to titles I and II, and would reduce costs of administration by technical improvements in handling small and troublesome accounts.

Section 4 improves the water facility and soil-conservation loan act.

Section 5 improves the emergency credit and special livestock loans legislation—so-called Public Law 38—by an indefinite extension, and authorizes the extension of funds for repayment of existing indebtedness. It extends the maximum period of the loan from 3 to 10 years, and provides for loans of feed grains in kind, to be repaid in kind or cash.

Section 6 amends the Emergency Credit Act—Public Law 727—by extending it indefinitely and authorizing repayment of existing indebtedness out of proceeds of the loan.

Section 7 establishes the Rural Adjustment Credit Program, and enacts the Family Farm Development Act.

Section 9 directs the Secretary to reactivate voluntary farm debt adjustment service.

Section 10 authorizes use of a complete, rather than a partial variable repayment plan geared to the borrower's earnings and ability to pay year to year.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the bill I am introducing today, so that it may be the subject of study.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3790) to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, provided additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the second sentence of subsection (a) of section 1 of the Bankhead-Jones Farm Tenant Act, as amended, is amended to read as follows: "Loans may also be made or insured for improvements needed to adjust farming operations to changing conditions."

(b) The first sentence of subsection (b) (1) of section 1 of such act is amended to read as follows: "Except with respect to veterans qualified under subsection (b) (2) of this section, only farm owners, farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, a substantial portion of their income from farming operations, shall be eligible to receive the benefits of this title."

(c) Subsection (c) of section 1 of such act is amended to read as follows:

"(c) No loan shall be made, or mortgage insured, unless the farm is a family-type unit of such size as the county committee determines to be sufficient to enable the family to carry on successful farming of a type which the county committee deems can be carried on successfully in the locality in which the farm is situated, except that (1) loans may be made to veterans or mortgages insured for veterans, as defined in such section (b) (2) of this section, who have pensionable disabilities, with respect to farm units of sufficient size to meet the farming capabilities of such veterans and afford them income which, together with their pensions, will enable them to meet living and operating expenses and the amounts to become due on their loans; and (2) loans may be made or mortagages insured to owner-operators who live on units which are less than family-type units, to repair or improve such farm units and to refinance indebtedness against such farm units if such farms are of sufficient size to produce income which, together with income from other sources, will enable them to meet living and operating expenses and the amounts to become due on their loans."

(d) Subsection (b) of section 2 of such act is amended—

(1) by striking out "5 percent" and inserting in lieu thereof "4 percent."

(2) by striking out the period at the end of the second sentence thereof and inserting a comma and the following: "except that, with respect to loans under clauses (1) and (2) of section 1 (c) of this title, the certification shall be based upon the normal market value of the farm."

(e) Subsection (a) of section 3 of such act is amended by striking out the second sentence of such subsection.

(f) Subsection (b) (2) of section 3 of such act is amended by striking out "5 percent," and inserting in lieu thereof "3 percent."

(g) Section 5 of such act is amended by striking out "$50,000,000", and inserting in lieu thereof "$150,000,000"; and by striking out "June 30, 1947", and inserting in lieu thereof "June 30, 1957."

(h) Subsection (a) of section 11 of such act is amended by striking out "$25,000,000", and inserting in lieu thereof "$50,000,000".

(i) Subsection (b) of section 12 of such act is amended by striking out "$100,000,000", and inserting in lieu thereof "$120,000,000."

(j) Subsection (c) of section 12 of such act is amended by—

(1) striking out in paragraph (4) "4 percent," and inserting in lieu thereof "3 percent"; and

(2) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) loans insured under the provisions of this section shall not be in excess of the amount certified by the appropriate county committee to be the fair and reasonable value of the farm;".

(k) Section 12 of such act is amended by striking out subsections (d) and (e) thereof.

SEC. 2. Title II of the Bankhead-Jones Farm Tenant Act is amended to read as follows:

"TITLE II—OPERATING LOANS

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are operators of family-type farms and who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence. Such loans may also be made to operators of less than family-type farm units if the farm unit is of sufficient size to produce income which, together with the income from other sources, including pensions in the case of disabled veterans, will enable such operators to meet living and operating expenses and the amounts due on their loans.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed $25,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds $40,000.

"(c) The rate of interest on loans made under the provisions of this title shall not exceed 3 percent per annum."

SEC. 3. (a) Subsection (g) (3) of section 41 of the Bankhead-Jones Farm Tenant Act is amended by striking out "$100" and "$10", and inserting in lieu thereof "$200" and "$50", respectively.

(b) Subsection (b) of section 42 of such act is amended by striking out "$5", and inserting in lieu thereof "$15."

(c) Section 44 of such act is amended by—

(1) striking out in subsection (a) (3) "5 percent," and inserting in lieu thereof "4 percent";

(2) striking out in subsection (b) "5 percent," and inserting in lieu thereof "4 percent"; and

(3) striking out in subsection (c) "5 percent", and inserting in lieu thereof "4 percent."

SEC. 4. The act of August 28, 1937, as amended (16 U. S. C. 590r–590x), is amended—

(1) by striking out in section 8 "$250,000", and inserting in lieu thereof "$1,000,000";

(2) by striking out subsection (a) (4) and subsection (c) of section 10 of such act; and

(3) by adding at the end thereof a new section as follows:

"SEC. 11. The rate of interest on any loan made or insured under the provisions of this act shall not exceed 3 percent per annum."

SEC. 5. Subsection (c) of section 2 of the act of April 6, 1949, as amended (12 U. S. C. 1148a–2), is amended—

(1) by striking out in the first sentence "For a period of 4 years from July 14, 1953, loans for $2,500 or more", and inserting in lieu thereof "Loans";

(2) by striking out the second sentence and inserting in lieu thereof the following: "Loans to such producers and feeders may also be made under this subsection for the purpose of refinancing any existing indebtedness incurred for purposes for which loans may be made under this subsection.";

(3) by striking out in the third sentence "3 years", and inserting in lieu thereof "10 years";

(4) by striking out the fourth and fifth sentences and inserting in lieu thereof the following: "Loans made under the provisions of this subsection shall bear interest at a rate not to exceed 3 percent per annum and shall be made on such other terms and conditions as the Secretary shall prescribe."; and

(5) by adding at the end of subsection (c) a new sentence as follows: "The Secretary is authorized to make advances of Commodity Credit Corporation owned wheat and feed grains to farmers and stockmen, who are unable to obtain loans from other sources on such terms and conditions as they could reasonably be expected to meet, for the purpose of furnishing the feed needed by such farmers and stockmen to preserve a breeding stock of cattle, hogs, workstock, and poultry. Such advances shall be repayable in kind or money within a period of 3 years and shall bear interest at a rate not to exceed 3 percent per annum."

SEC. 6. The act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999), is amended—

(1) by striking out the first section and inserting in lieu thereof the following:

"The Secretary is authorized to make emergency loans for any agricultural purposes and for refinancing existing indebtedness to farmers and stockmen when there is a need for such credit which cannot be met from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the act of April 6, 1949, or other responsible sources.";

(2) by striking out clauses (2) and (3) of section 2;

(3) by striking out in clause (4) of section 2 the words "for such area or areas" and

(4) by renumbering clauses (4) and (5) of section 2 as clauses (2) and (3), respectively.

SEC. 7. The Bankhead-Jones Farm Tenant Act, as amended, is amended by adding at the end thereof the following new titles:

"TITLE V. RURAL ADJUSTMENT CREDIT

"SEC. 60. The Secretary of Agriculture is authorized to make loans to encourage, assist, and provide a sounder system of credit in rural areas to ameliorate the effects of the agricultural recession and adverse agricultural situations caused by conditions beyond control of the farmers and stockmen.

"Purposes of loans

"Sec. 61. Loans made under the provisions of this title shall be made for the purposes of—

"(1) refinancing, consolidating, renewing, or extending all or part of the existing debts of eligible farmers, stockmen, farm partnerships, grazing associations, and irrigation companies and to the owners of farm related small businesses in rural areas;

"(2) assisting eligible farmers and stockmen, with special emphasis on family sized farms and smaller than family sized farms, to acquire additional land if the acquisition of such additional land—

"(A) will improve the economic status of the farmer or stockman;

"(B) will aid in a planned program for preventing erosion;

"(C) is for the purpose of retiring land from its present use to a more suitable use;

"(D) will facilitate the improvement of farmland through soil or water conserving or drainage facilities, structures, or practices;

"(E) will facilitate the improvement of farm-soil fertility, establishment of improved permanent pasture, sustained yield afforestation or reforestation, or other erosion preventatives, and other similar or related measures; or

"(F) will fulfill any other agriculture purpose consistent with the overall purpose of this title;

"(3) financing or refinancing general farm operating and subsistence expenses; and

"(4) assisting eligible farmers and stockmen to purchase stock in irrigation companies or grazing associations.

"Limitations on loans

"Sec. 62. Loans made directly by the Secretary under the provisions of this title, and loans made by private credit sources and insured under provisions of this title, which are secured only by chattel liens shall be repayable within the normal useful life of the chattels or within 15 years, whichever period of time is the shorter. In the case of an individual farmer or stockman no loan so secured shall be for an amount in excess of $50,000 and in the case of a grazing association or irrigation company no loan so secured shall be made for an amount in excess of $1 million. Loans made or insured under the provisions of this title and secured by real estate shall be repayable in not more than 40 years and shall not be for an amount in excess of $50,000 in the case of an individual farmer or stockman, or more than $1 million in the case of a grazing association or irrigation company. Direct or insured loans made to any farm partnership of two or more farmers or stockmen shall not exceed the total amount all such farmers and stockmen would be entitled to receive as individual farmers or stockmen under the provisions of this title. In the case of any farm related small business, no loan secured by a chattel lien only shall be made for an amount in excess of $250,000, and no loan secured by real estate shall be made for an amount in excess of $1 million. The rate of interest on direct or insured loans provided for under the provisions of this title shall not exceed 3 percent per annum.

"Persons eligible

"Sec. 63. (a) Loans made directly by the Secretary under the provisions of this title, and loans made by private credit sources and insured under the provisions of this title, shall be made only to established and capable beginning farmers, part-time farmers, stockmen, whether tenants or owners, farm partnerships, grazing associations, irrigation companies, and to owners of farm-related small business in rural areas—

"(1) who are unable to repay their existing indebtedness in accordance with present repayment schedules;

"(2) who are unable to secure financing through private or cooperative sources on terms and conditions which they could reasonably be expected to meet and the rejection of such credit was not due to the lack of repayment ability under normal conditions, or character, or lack of managerial capacity of the applicant;

"(3) who are certified by the appropriate county committee in accordance with subsection (a) (3) of section 44 of this act;

"(4) with respect to whom the appropriate county committee certifies and the Secretary finds there is a reasonable expectation that, with the assistance provided hereunder and the other resources available to such applicants, they will be able to repay the loans and continue their farming or ranching operations or their business operations; and

"(5) who have total principal indebtedness not in excess of the normal market value of their farms, or ranches, or businesses and the market value of their chattels, which have security value, less the outstanding balance of any liens not refinanced hereunder.

"Provisions with respect to insured loans

"Sec. 64. To effectuate the program provided for in this title the Secretary is authorized to make commitments to insure loans made by private credit sources to eligible farmers, stockmen, farm partnerships, grazing associations, irrigation companies, and farm related small businesses in rural areas. To qualify for such insurance, loans shall be made upon such terms and conditions not inconsistent with the provisions of this title, as may be prescribed by the Secretary.

"Sec. 65. Any loan insured under the provisions of this title shall be an obligation guaranteed by the United States as to principal and interest and incontestable, except for fraud or misrepresentation of which the holder has actual knowledge.

"Sec. 66. The aggregate amount of principal obligations on loans insured under the provisions of this title shall not exceed $300 million in any one fiscal year.

"Sec. 67. (a) The Secretary shall require that all loans insured under the provisions of this title shall be administered and serviced by him.

"(b) Any loan insured under the provisions of this title shall be made subject to the right of the Secretary to purchase such loan, whether or not in default, on such terms and conditions as he may prescribe.

"(c) The Secretary is authorized to purchase loans, which could have been made under the provisions of this title, from banks or other credit institutions in areas where the Secretary determines that additional funds and terms of loans are necessary to improve rural credit sources, such loans to be referred to the Farmers' Home Administration by the credit institutions within the designated areas. The amount advanced against such loan shall not exceed the value of the security as determined by the representative of the Secretary and shall not exceed the maximum amounts set out in this title. Loans obtained directly from the bank or credit institution can upon request by the borrower be renewed, extended, or amended in line with the terms established in this title.

"General provisions

"Sec. 68. The Secretary shall require loans to be repaid as provided in subsection (c) of section 44 of this act if he determines that the borrower is able to obtain a loan from a production credit association Federal land bank, or other responsible cooperative or private credit source at rates and terms which the borrower can reasonably be expected to meet.

"Sec. 69. For the purpose of carrying out the provisions of this title, the Secretary shall utilize the insurance fund established by section 11 of this act. Notes and security acquired by the Secretary for loans insured under this title shall become a part of such fund. The notes may be held in the fund and collected according to their terms, or may be sold and, if necessary, reinsured. All proceeds from such collections, including the liquidation of security, and sales of notes shall become a part of such fund.

"Sec. 70. The provisions of section 51 of this act shall be applicable to this title, and the Secretary may utilize the insurance fund for the payment of taxes, insurance, prior liens, foreclosure expenses, and any other expenses incident to action taken by the Secretary under such section. The provisions of subsections (b) and (c) of section 13 of title I of this act shall be applicable to this title also.

"Rules and regulations

"Sec. 71. The Secretary is authorized to make such rules and regulations and such delegations of authority as he may deem necessary to carry out the provisions of this title.

"Appropriations

"Sec. 72. There are authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to carry out the provisions of this title.

"TITLE VI. FAMILY FARM DEVELOPMENT ACT

"This title shall be known as the 'Family Farm Development Act of 1956.'

"Findings and policy

"Sec. 81. The low incomes, poor living standards, and insufficient economic opportunity for efficient employment of their full capacity of a large part of the rural population denies the Nation the benefit of greater productivity in agriculture and in local rural manufacturing and service industries, slows down national economic growth and reduces standards of living. The Congress recognizes that rural poverty and low rural productivity can and must be remedied in order to bring the Nation up to maximum strength and that through this example of strengthening democracy at home by providing additional opportunities to low-income rural groups, democracy in other parts of the world also will be strengthened. It is the policy of the Congress to provide practical assistance to low-income rural families who desire to increase their productivity, income, and standard of living.

"Determination of low-income counties

Sec. 82. The President is authorized to determine from time to time, from the latest official statistics available to him, the counties or areas of the United States, not exceeding 500 in number at any one time, having the largest low-income farm population and to inaugurate and maintain in such counties a program to effectuate the purposes and policy of this title.

"Eligibility

"Sec. 83. (a) The President, through existing agencies of the Federal Government may render special assistance to low-income families or single persons living in rural areas who apply for such assistance if (1) the applicant is recommended by the appropriate county committee (established under sec. 8 (b) of the Soil Conservation and Domestic Allotment Act); and (2) such county committee finds that the applicant, with the assistance provided for herein, will develop a farm and home management or family employment plan for increasing his productivity and income that has a reasonable chance to succeed.

"(b) In exploring the most feasible and practicable methods for increasing his productivity and income the applicant, with the assistance of the appropriate county committee, will determine whether the cause of low income is due to physical handicaps of the family; the lack of available credit to make needed shifts in farming methods and employment of labor resources of the family; the practice of inefficient farming methods or practices; lack of practicable diversification in the farming operation; lack of sufficient land; lack of outside employment opportunities to fully utilize the labor of the family in ways that enable it to earn an adequate return at least equal to the established national minimum wage. To assist in the analysis of the needs and in developing the plans with families, the Secretary of Agriculture shall make available to the families and the county committees the services of the local and State offices of the agencies of the Department of Agriculture to provide the advice of technicians in such fields as soil conservation, and supervised agricultural credit for agricultural production and for farm enlargement and development. The advice and assistance of other Federal agencies shall be made available and the cooperation of State and local agencies, including the State agricultural extension services and the State employment services, and of private individuals and organizations also shall be solicited.

"Developing economically adequate full-time and part-time farmers

"Sec. 84. In case of eligible applicants who wish to remain on the farm now occupied or to become established on another farm in the area, either on a full-time farming basis or in conjunction with off-farm employment of one or more members of the family, the Secretary of Agriculture is authorized and directed to provide the following services through the county committees:

"(a) Employ such full-time employees as may be required to carry on the purposes of this title.

"(b) Make a complete analysis of the farm and farm operations and supplemental employment opportunities to determine the most promising ways by which family income and productivity in combination with whatever off-farm employment may be planned can be raised to an adequate level. After completion of such a farm and home plan, the Secretary through the county committee shall render every assistance possible to the applicant and his family in putting the new program into effect, including technical assistance on improved farm and home practices, and assistance in obtaining credit needed from private, cooperative, or governmental sources to put these practices into effect.

"(c) To effectuate the purpose of this title the Secretary of Agriculture is authorized, upon such conditions as he shall prescribe, to insure and make loans for periods not to exceed 25 years, and at a rate of interest not to exceed 3 percent per annum for the purpose of financing the enlargement and development of owner-operated family-type farms by (1) the acquisition of additional land, (2) the establishment of improved pastures and sustained yield woodlots, (3) the construction of adequate farm buildings and structures (including drainage facilities, irrigation facilities, and other facilities for the use, conservation, and improvement of soil and water), and (4) such other related farm improvements as will increase the income-producing ability of the farm unit to a more nearly fully adequate family farm.

"(d) (1) To make or to insure 3- to 15-year loans at a rate of interest not to exceed 3 percent per annum advanced by production credit associations and by private lenders for non-real-estate capital investment purposes; (2) to make loans up to 50 years at a rate of interest not to exceed 3 percent per annum to eligible applicants to acquire and manage on a sustained-yield basis additional forest or cut-over land; (3) to make loans for periods up to 10 years at a rate of interest not to exceed 4 percent per annum to enable an eligible applicant to acquire needed logging equipment; (4) to make loans of not more than 5 years at a rate of interest not to exceed 4 percent per annum to eligible applicants to purchase capital stock of and pay membership fees to existing or new supply, service, or marketing cooperatives including timber marketing and processing cooperatives; and (5) to make loans to refinance existing indebtedness incurred for any of the above purposes on terms and conditions applicable to loans for such purposes: *Provided*, That creditors will enter into voluntary agreements to make needed adjustments of outstanding indebtedness to realistic income possibilities of the collateral for the existing mortgage or mortgages: *Provided further*, That the Secretary of Agriculture shall establish a variable repayment schedule for all of the foregoing types of loans such that the repayment of interest and principal in any single year shall bear a reasonable relationship to the income of the participating family in that year.

"Part- and full-time off-farm employment

"Sec. 85. Whenever the family determines to seek part-time or full-time farm or nonfarm employment off the farm, the problem shall be presented to the nearest farm labor placement center of the State employment service cooperating with the Department of Labor. Information concerning farm labor opportunities also shall be made available to the family by the State and county committees.

"Vocational education

"Sec. 86. The Secretary of Health, Education, and Welfare is authorized to provide a program of adult vocational training in the designated counties both in farm and home management and in such other farm and nonfarm activities as the family plans of eligible applicants indicate as needed to maximize family income and productivity of family labor within the area.

"Industrial dispersion

"Sec. 87. To provide for the national defense, to promote interstate commerce, and to improve the general welfare by assisting in the sound economic growth and development of the country, it is the policy of the Congress to encourage and stimulate the establishment of new or expanded private industrial, commercial, or service enterprises in widely dispersed rural areas as required to reduce vulnerability to modern war risks and in which, over an extended period of time, because of the number of underemployed rural persons with excessively low incomes, the number of existing industrial, commercial, or service enterprises, and the available markets and resources there are reasonable prospects for successful operation of additional private enterprises which would more fully utilize available manpower in rural areas. To effectuate this policy of industry dispersal, the departments and establishments in the executive branch of the Government shall be utilized and coordinated to—

"(a) provide technical aid and assistance to, and consult and cooperate with, farmers, businessmen, workers, cooperatives, civic organizations, clubs, and committees, community study and planning groups, and local and State governmental agencies;

"(b) prepare and distribute technical, defense, and economic information on opportunities in and necessities of private enterprise in various industries and areas in order to aid individuals, business firms, civic organizations, and local units of government in developing new or expanded industries best suited in local conditions; and the requirement of civil defense;

"(c) assist new or expanding industries in finding adequate private financing through local capital or otherwise and where such financing is found to be unavailable, extend Government loans or guaranties under existing authority; and

"(d) use all appropriate means and authority to encourage and stimulate the maximum expansion in private employment and private enterprises consistent with the needs for national defense, with a sound, growing national economy, and with the necessities of civilian defense.

"Appropriation

"Sec. 88. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the provisions of this title."

Sec. 8. (a) No provision contained in this act or in any of the following acts shall be construed as authorizing the Secretary of Agriculture to make charges against either the borrower or lender for the insuring or servicing of loans insured by the Secretary under the provisions of such acts: (1) The Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1001); (2) the act of August 28, 1937, as amended (16 U. S. C. 590r); (3) the act of April 6, 1949, as amended (12 U. S. C. 1148a–1) and the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999). Any expenses incurred for the insuring and servicing of such loans shall be borne by the Secretary.

(b) The provisions of this section shall not apply to any such charges accrued prior to the date of enactment of this section.

"Debt adjustment

"Sec. 9. The Secretary shall arrange to assist borrowers under any of the provisions of this act in the voluntary adjustment of their existing indebtedness with creditors directly in competition with State, Territorial, and local agencies and committees engaged in such debt adjustment.

"Variable repayment

"Sec. 10. The Secretary is authorized and directed to establish, with respect to all loans authorized by this act, variable repayment plans with payments adjusted, without regard to pervious excess payments to the net earnings and ability of the borrower to pay from year to year."

DEVELOPMENT AND UTILIZATION OF NATURAL WATER RESOURCES IN CONSTRUCTION OF RESERVOIR PROJECTS

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a bill which is designed to enhance the economic usefulness of our water resources authorizing the United States Corps of Engineers to provide additional storage in reservoirs to permit increasing the flows downstream in periods of low flow.

Such authority will go a long way in meeting some of the most pressing water problems facing the Nation—water supply, pollution, and a minimum flow for navigation during extended dry weather.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3791) to provide for a more comprehensive development and utilization of natural water resources in plans and construction of reservoir projects, introduced by Mr. Clements, was received, read twice by its title, and referred to the Committee on Public Works.

DESIGNATION OF DAM AND RESERVOIR ON LOWER CUMBERLAND RIVER, KY., AS BARKLEY DAM AND LAKE BARKLEY

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively. It is a joint resolution to which I shall refer later.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Public Works.

PUBLIC LAND HIGHWAY AND ROADS AND TRAILS AMENDMENTS TO BE OFFERED TO THE SENATE HIGHWAY BILL

Mr. BENNETT. Mr. President, the Senate Public Works Committee announced on Friday that it will shortly report the highway bill, substituting the provisions of S. 1048 as passed by the Senate last year for title I of the House bill except for the adoption of the House interstate highway 13-year program with changes in the interstate formula.

Unfortunately the Senate committee failed to increase the annual authorizations for national park roads and trails, parkways, forest highways, and for forest development roads and trails. S. 1048 passed by the Senate last year made no increases in these important programs.

It is imperative that our public lands highways keep pace with the modernization and development planned for our other highways. Therefore, I wish to notify my colleagues in the Senate that I intend to offer the following amendments to the highway bill when it is debated on the floor of the Senate:

[In millions]

	S. 1048	My amendment
National parks roads and trails	$12.5	$16
Parkways	11	16
Forest highways	22.5	25
Forest development roads and trails	24	27

My amendments are intended to bring the level of annual appropriations for the above public land roads up to the level approved in H. R. 10660, the House version of the highway bill passed on April 27 of this year.

I ask unanimous consent that two short tables and a brief statement showing the national impact and need for the increases I have outlined appear in the RECORD following my remarks.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

NATIONAL PARK ROADS AND TRAILS AND PARKWAYS

On February 1 of this year Secretary of Interior Douglas McKay announced the administration's proposed 10-year Mission 66 program to improve and modernize our long neglected national parks and monuments. The program has been well received and has enjoyed the acclamation of virtually the entire Nation.

One of the most important facets of the Mission 66 is the proposed expanded roads and trails program. Approximately 2,000 miles of road construction—including reconstructed and relocated roads—costing $156,500,000 to build will be needed by 1966 to provide systems of a standard that will care for traffic at that time and for the years to follow, and to take the visitor to those features which he should be able to reach by motor road. While only 300 miles will be new construction, the remainder of the park road and trail system is much in need of modernization.

In Utah alone, new roads are planned into Zion, Arches, and Dinosaur National Monuments to make these long inaccessible areas available to the people of America. Road improvements are planned in nearly all of Utah's parks and monuments, including a 6-mile improved rim road at Cedar Breaks and substantial improvements in Zion and Bryce Canyon National Parks.

The Mission 66 report states on page 88 that "annual appropriations of $16,000,000 will be needed for adequate progress on the program, including trails." The general construction program has been approved by Congress this year. Let's get the road and trail program started this year as well.

FOREST HIGHWAYS AND FOREST DEVELOPMENT ROADS AND TRAILS

The critical deficiencies on our forest highway system include some 16,597 miles and amount to $1,200,000,000. Much of this mileage is of immediate, even critical, national importance, quite as much so as many of the highways which will be benefited by the increases contemplated in this year's highway bill. These forest highways must keep pace with the rest of our system and the increase in annual authorization of $2.5 million seems more than modest compared to the $1.2 billion critical deficiency.

In my own State of Utah forest highway development has lagged. A prime example is the remarkably beautiful State highway 150 which runs from Kamas to Evanston, Wyo., through the Wasatch Forest and which after many years of development still has a 12-mile gap uncompleted.

Similarly, forest roads and trails, so important to the protection and development of our great forest resources have critical deficiencies of, in the case of roads, $875 million and for trails $11.5 million. We should act now to at least partially narrow this tremendous gap.

Forest development roads and trails

A. STATUS OF THE SYSTEM JUNE 30, 1955

	Miles	
	Roads	Trails
All national forests:		
Existing improvements:		
Adequate	69,841	92,435
Inadequate	51,073	26,320
Planned improvements:		
Nonexisting	40,433	5,907
Total	161,347	124,662
Utah national forests:		
Existing improvements:		
Adequate	2,007	5,366
Inadequate	1,991	2,043
Planned improvements:		
Nonexisting	558	450
Total	4,556	7,859

B. ESTIMATED ADDITIONAL NEEDS TO 1985

All national forests:		
Improvements needed	91,506	32,227
Estimated cost	$1,135,000,000	$14,000,000
Utah national forests:		
Improvements needed	2,549	2,493
Estimated cost	$19,486,000	$387,000

C. CRITICAL DEFICIENCIES

All national forests:		
Improvements needed	70,257	26,320
Estimated cost	$875,000,000	$11,500,000
Utah national forests:		
Improvements needed	1,345	2,043
Estimated cost	$10,400,000	$310,000

Forest highways

A. System mileage, June 30, 1954:	
All national forests miles	24,275
Utah national forests	716
B. Estimated additional needs to 1985:	
All national forests	$2,750,532,000
Utah national forests	75,978,000
C. Critical deficiencies:	
All national forests:	
Improvements needed miles	16,517
Estimated cost	$1,282,904,000
Utah national forests:	
Improvements needed miles	435
Estimated cost	$28,944,000

(Data taken from the Commissioner of Public Roads Report of Operations on the Forest Highway System, 1954.)

Mr. NEUBERGER subsequently said: Mr. President, I merely wish to comment very briefly on the statement of the Senator from Utah [Mr. BENNETT] that he intends to propose to the highway bill, amendments increasing the funds provided for forest development roads, forest trails, national-park roads, and similar routes.

I should like to point out that when the Senate Committee on Public Works had before it the entire question last Friday, I told my colleagues on the committee at that time that I intended to sponsor an amendment to increase the amounts provided in the Senate bill so as to make them correspond to the amounts provided in the House bill, and that such an amendment is now being prepared by the staff of the committee, to apply to these forest roads.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA—AMENDMENTS

Mr. ALLOTT submitted amendments, intended to be proposed by him to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO SHIPMENT OF CERTAIN POULTRY—AMENDMENTS

Mr. SCOTT submitted amendments, intended to be proposed by him, to the bill (S. 3176) to amend the Federal Food, Drug, and Cosmetic Act, so as to prohibit the movement in interstate or foreign commerce of unsound, unhealthy, diseased, unwholesome, or adulterated poultry or poultry products, which were referred to the Committee on Labor and Public Welfare, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. LEHMAN. Mr. President, I submit amendments, intended to be proposed by me, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes. I ask unanimous consent that the amendments be appropriately referred, and printed in the RECORD, together with a statement I have prepared relating to them.

The PRESIDENT pro tempore. The amendments will be received and appropriately referred; and, without objection, the amendments and statement will be printed in the RECORD.

The amendments were received and referred to the Committee on Finance, ordered to be printed, and to be printed in the RECORD, as follows:

On page 28, between lines 4 and 5, insert the following new section:

"TIPS AS WAGES

"SEC. 110. (a) Section 209 of the Social Security Act is amended by adding at the end thereof the following new paragraph:

" 'Tips and other cash remuneration customarily received by an employee in the course of his employment from persons other than the person employing him shall, for the purposes of this title, be considered as remuneration paid to him by his employer; except that in the case of tips, only so much of the amount thereof received during any calendar quarter as the employee, before the expiration of 10 days after the close of such quarter, reports in writing to his employer as having been received by him in such quarter shall be considered as remuneration paid by his employer, and then only if the sum of the wages of the employee in the possession of the employer at the time of such report and the amount, if any, remitted by the employee with such report is not less than the tax imposed by section 3101 of the Internal Revenue Code of 1954 with respect to such wages plus the tax which would be imposed by such section with respect to the remuneration so reported. The remuneration so considered as paid by the employer shall be considered as paid by him to the employee on the date on which such report is made.'

"(b) The amendment made by subsection (a) of this section shall be applicable only with respect to remuneration paid after 1956."

At the end of the bill add the following new section:

"TIPS AS WAGES

"SEC. 203. (a) Section 3121 (a) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraphs:

" 'Tips and other cash remuneration customarily received by an employee in the course of his employment from persons other than the person employing him shall, for the purpose of this chapter, be considered as remuneration paid to him by his employer; except that, in the case of tips, only so much of the amount thereof received during any calendar quarter as the employee, before the expiration of 10 days after the close of such quarter, reports in writing to his employer as having been received by him in such quarter shall be considered as remuneration paid by his employer, and then only if the sum of the wages of the employee in the possession of the employer at the time of such report and the amount, if any, remitted by the employee with such report is not less than the tax imposed by section 3101 with respect to such wages plus the tax which would be imposed by such section with respect to the remuneration so reported. The remuneration so considered as paid by the employer shall be considered as paid by him to the employee on the date on which such report is made.

" 'In applying the provisions of paragraph (1) of this subsection and the provisions of section 6413 (c) (1), remuneration to which the tax imposed by section 3101 would be applicable (if such remuneration constitutes wages) shall first be counted.'

"(b) The amendment made by subsection (a) of this section shall be applicable only with respect to remuneration paid after 1956."

The statement presented by Mr. LEHMAN is as follows:

STATEMENT BY SENATOR LEHMAN

I have introduced an amendment to the pending social-security bill, H. R. 7225, to provide that tips or gratuities received from customers of an employer shall constitute wages for social-security purposes. I introduced a similar provision in 1953 as part of my comprehensive social-security measure. Unfortunately, however, it was not approved.

I think there is a great need for this amendment. As a result of the failure to provide for the payment of social-security taxes on tips, workers who receive part of their income in this form are deprived of a large measure of protection under the social-security system. The Internal Revenue Service requires that these people take these monies into account for income-tax purposes. It seems unreasonable and unjust that they should not also be included for social-security purposes.

I do not know exactly how many people would be affected by this change. I am sure, however, that it would run into the thousands—waiters, barbers, hairdressers, taxi drivers, various types of hotel employees. These people are entitled to the same degree of coverage as other members of our population. They should not be penalized simply because a portion of their wages is received in the form of tips and gratuities from customers rather than directly from their employer.

The principal opposition to this proposal has come from the employers who claim that it presents a serious administrative problem, particularly with respect to reporting on the part of the employer and the employee. I think that my amendment adequately takes care of this.

I hope the Senate Finance Committee, which is currently holding executive sessions on H. R. 7225, will take favorable action on this amendment.

LIBRARY OF CAPTIONED FILMS FOR THE DEAF AND HARD OF HEARING—ADDITIONAL COSPONSORS OF BILL

Mr. PURTELL. Mr. President, I ask unanimous consent that the names of the following Senators be listed as cosponsors of the bill (S. 3558) to provide a library of captioned films for the deaf and hard of hearing, the next time the bill is printed:

Messrs. HILL, SMITH of New Jersey, AIKEN, ALLOTT, BARRETT, BEALL, BENDER, BENNETT, BRIDGES, BUSH, BUTLER, CAPEHART, CARLSON, DIRKSEN, EASTLAND, FLANDERS, HICKENLOOPER, HUMPHREY, IVES, JACKSON, JOHNSTON of South Carolina, KENNEDY, LAIRD, LANGER, LEHMAN, MCCARTHY, MAGNUSON, MALONE, MANSFIELD, MUNDT, MURRAY, NEELY, NEUBERGER, PAYNE, POTTER, SALTONSTALL, SPARKMAN, THYE, WOFFORD, and YOUNG.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address delivered by Senator GOLDWATER at the Robert A. Taft memorial dinner, held in Boston, Mass., on May 3, 1956.

By Mr. JACKSON:

Address delivered by Senator KEFAUVER before the faculty and student body of Vassar College on April 26, 1956.

By Mr. DANIEL:

Statement prepared by him regarding Dr. John Milburn Price, founder and director of the school of religious education at Southwestern Baptist Theological Seminary.

By Mr. PAYNE:

Statement prepared by him relative to the 100th anniversary of the birth of Robert E. Peary, discoverer of the North Pole.

By Mr. MCNAMARA:

Statement prepared by Senator PASTORE with reference to Senate bill 3732, to provide insurance against flood damage and for other purposes.

By Mr. BRIDGES:

Address delivered by him before annual meeting, American Cotton Manufacturers Institute, Hollywood Beach, Fla., April 7, 1956.

By Mr. WILEY:

Address delivered by him at convention of the Reserve Officers' Association of Wisconsin.

Address delivered by him before the Phi Mu Sigma fraternity chapter of the Wisconsin State College, at Milwaukee, Wis., on the subject of the needs of the mentally retarded.

AMERICA SALUTES ISRAEL

Mr. LEHMAN. Mr. President, on April 29, there was held in Yankee Stadium, in New York City, a great rally attended by almost 50,000 people; the theme of the meeting was America Salutes Israel.

I was unfortunately unable to attend this splendid assembly, but I was there in spirit, and received very detailed reports concerning it.

A number of important addresses were delivered on this occasion, by Governor Harriman, Mayor Wagner, and others. One of the most significant speeches was delivered by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], who described, very appropriately, in my judgment, the responsibility which the United States must assume in securing peace in the Middle East.

Mr. President, I ask unanimous consent that the very forthright speech delivered by the Senator from Massachusetts be printed in the RECORD at this point in my remarks. I also ask that following the remarks of the Senator from Massachusetts there be inserted in the RECORD the text of a brief message which I addressed to the rally.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Address by Hon. John F. Kennedy, of Massachusetts, at the America Salutes Israel Celebration, Yankee Stadium, New York, April 29, 1956

We are gathered here this afternoon to commemorate a notable anniversary in man's eternal quest for freedom. For nearly 8 years ago today a state was born—and a people, rising from the ashes of history's most ruthless persecution, entered upon a new birth of freedom. The state was the State of Israel—and the people were the children of Israel. Today, as the anniversary of that monumental event recurs for the eighth time—Israel, we salute you.

Much is different between the United States and Israel. Our Nation stretches in a great land mass between two wide oceans—the Israelis occupy a beachhead on the eastern Mediterranean. Americans number 165 million—the Israelis less than 2 million. We are the oldest Republic on earth and the youngest people—the Israelis have the youngest republic and the oldest people.

Yes, much is different—but much is the same. For both Israel and the United States won their freedom in a bitter war for independence. Both Israel and the United States acknowledge the supremacy of the moral law—both believe in personal as well as national liberty—and, perhaps most important, both will fight to the end to maintain that liberty.

I join in this salute today because of my own deep admiration for Israel and her people—an admiration based not on hearsay, not on assumption, but on my own personal experience. For I went to Palestine in 1939; and I saw there an unhappy land, ruled under a League of Nations mandate by a Britain which divided and ruled in accordance with ancient policy. And while there I was shocked by a British Foreign Office white paper just issued sharply cutting back Jewish immigration. Yes, as in the days of old, the glory had departed from Israel. For century after century, Romans, Turks, Christians, Moslems, Pagans, British—all had conquered the Holy Land—but none could make it prosper. In the words of Israel Zangwill: "The land without a people waited for the people without a land." The realm where once milk and honey flowed, and civilization flourished, was in 1939 a barren realm—barren of hope and cheer and progress as well as crops and industries—a gloomy picture for a young man paying his first visit from the United States.

But 12 years later, in 1951, I traveled again to the land by the River Jordan—this time as a Member of the Congress of the United States—and this time to see first-hand the new State of Israel. The transformation which had taken place could not have been more complete. For between the time of my visit in 1939 and my visit in 1951, a nation had been reborn—a desert had been reclaimed—and a national integrity had been redeemed, after 2,000 years of seemingly endless waiting. Zion had at last been restored—and she had promptly opened her arms to the homeless and the weary and the persecuted. It was the "Ingathering of the Exiles"—they had heard the call of their homeland: and they had come, brands plucked from the burning—they had come from concentration camps and ghettoes, from distant exile and dangerous sanctuary, from broken homes in Poland and lonely huts in Yemen, like the ancient strangers in a strange land they had come. And Israel received them all, fed them, housed them, cared for them, bound up their wounds, and enlisted them in the struggle to build a new nation.

But perhaps the greatest change of all I found lay in the hearts and minds of the people. For, unlike the discouraged settlers of 1939, they looked to the future with hope. From Haifa to the Gulf of Akaba, from Gaza to the Dead Sea, I found a revival of an ancient spirit. I found it in Israel's gift to world statesmanship, David Ben-Gurion. I saw it in the determined step of soldiers and workers; I heard it in the glad voices of women in the fields; I saw it in the hopeful eyes of refugees waiting patiently in their misery. The barren land I had seen in 1939 had become the vital nation of 1951.

Yes; Israel, we salute you. We honor your progress and your determination and your spirit. But in the midst of our rejoicing we do not forget your peril. We know that no other nation in this world lives out its days in an atmosphere of such constant tension and fear. We know that no other nation in this world is surrounded on every side by such violent hate and prejudice.

Will Israel fall? Will this noblest of all the 20th century's experiments in democracy sink beneath the surface, not to rise again for still another 2,000 years? Part of the answer rests with the United States, the leader of the free world, and the godfather of the infant nation Israel. I shall not now attempt to chart our course in detail. But I shall say, and say again, that this is no time for equivocation or hesitation.

It is long past time for this Nation and others to make it absolutely clear that any aggression or threat of aggression in the Middle East will not be tolerated by the United Nations or the parties to the 1950 Tripartite Agreement. It is time that we made this so clear, in the U. N. and elsewhere, that no nation would dare to launch an attack. For it is the responsibility of our Government to make certain that neither Israel nor any small nation of the world is left defenseless without arms while neighboring states dedicated to their destruction receive unlimited quantities of Communist arms. It is time that all the nations of the world, in the Middle East and elsewhere, realized that Israel is here to stay. She will not surrender—she will not retreat—and we will not let her fall.

Today we celebrate her 8th birthday—but I say without hesitation that she will live to see an 80th birthday—and an eight hundredth. For peace is all Israel asks, no more—a peace that will "beat swords into plowshares and spears into pruninghooks"; a peace that will enable the desert to "rejoice and blossom as the rose," "when the wicked cease from troubling and the weary be at rest." Then, and only then, will the world have witnessed the complete fulfillment of Isaiah's prophecy "Tzee-Yón B'Meeshpát Teepadéh—"Zion shall be redeemed through justice." And all of us here, and there, and everywhere will then be able to say to each other with faith and with confidence, in our coming and in our going: "Shalom"—peace! Peace be with you, now and forever.

Message From Senator Lehman

April 28, 1956.

Judge Samuel S. Leibowitz,
Brooklyn, N. Y.:

I wish I could be with you on Sunday to join in your great observance of Israel's Independence Day. The thousands of New Yorkers who will be gathered at Yankee Stadium will furnish evidence to the people of Israel of the support which the American people have in their hearts for Israel's stalwart defense of the cause of freedom and democracy. The people of Israel are carrying on a struggle which is our struggle too—the struggle for a lasting peace in the Middle East.

Israel must be strong. We must help to make and keep Israel strong. While clearly demonstrating to the Arab world that aggression is not to be tolerated we must make clear that we are ready to help all peoples in the area in their search for peace, progress, and well being.

Knowing the stuff of which the Israeli people are made—their strength, their patience and their dedication—I have faith that the miracle and blessings of peace will be achieved.

Herbert H. Lehman.

ONE HUNDRED AND SIXTY-FIFTH ANNIVERSARY OF THE SIGNING OF POLISH CONSTITUTION

Mr. LEHMAN. Mr. President, I ask unanimous consent that there be printed in the Record, as part of my remarks, a statement which I have prepared in commemoration of the 165th Anniversary of the signing of the Polish Constitution which occurred on May 3.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Lehman on Polish Constitution Day, May 3

Today I am proud to commemorate the 165th Anniversary of the signing of the Polish Constitution, which is observed throughout the world by free men and women who remember that Poland was among the first nations to develop modern constitutional government.

This action stands as one of the many great events in the history of the Polish nation. A truly valiant people have demonstrated over the years their fundamental belief in the freedoms of man and their abhorrence of tyranny by resisting oppression time and again, often alone and without allies. Long years of occupation and oppression have never suppressed the craving of men who have tasted freedom. The faith of the Polish people in freedom and self-determination is immune to destruction, and will endure any test which their Russian masters may devise.

There are many ways we Americans can keep faith with those who have waged the gallant fight against tyranny down through the centuries. One of the ways in which we can keep this faith with freedom-loving people is to provide a flexible immigration law and Refugee Relief Act, which will in times of crisis enable escapees and refugees to find a sure and friendly haven from terror and oppression on our shores.

The time is long past when we can regard our immigration and citizenship policies as unimportant matters to be discussed only on occasions such as Polish Constitution Day. These policies have too long lain dormant and distorted. They are not true to the American tradition of welcoming newcomers to our shores and they portray to the world a picture which our enemies must deeply relish. Such laws must be brought into harmony with the American tradition of freedom and brotherly love, if we are to maintain our self-respect, as well as the respect of our friends and neighbors throughout the world.

Nor may we forget our obligation to work incessantly for the day, in all proper and feasible ways, when freedom will be restored to the people of Poland as to all the enslaved behind the Iron Curtain.

Freedom is on our banners and this means freedom for all who desire and deserve it—which surely includes the people of Poland who have so long cherished freedom and have contributed so much to its preservation in the world.

Mr. DOUGLAS. Mr. President, I rise to honor the Constitution Day of the great nation of Poland, which was celebrated on May 3. It must be with a note of sadness that we honor that day here in the United States, while the Polish people themselves are not free to celebrate their own Constitution Day in their own land. But we do pay our tribute to Poland's Constitution Day, and we do so with hope and faith—hope that the freedom and independence which once were Poland's shall soon be hers again, and faith that the ideas of freedom and democracy shall survive in the hearts of the Polish people as they have been enshrined in the hearts of Americans who look to Poland as their land of ancestry.

Mr. President, the colonialism of the 18th and 19th centuries is dying. Almost everywhere in the world colonial powers are either being pushed out of their colonies or are enlightened enough to lead their former colonial peoples to new freedom and independence. This is being done in response to the aspirations of subject peoples for independence and freedom to determine their own destinies. We in American rejoice in this development, for we have long been a leading opponent of old-fashioned colonialism—and well we should, for the American ideal is a revolutionary ideal. No idea ever introduced on the face of the earth, except Christianity, is as revolutionary as the idea that all men are created equal, and that they are endowed by their Creator with certain inalienable rights.

It is, therefore, doubly disturbing to us, then, to find a new colonialism replacing the old. The new colonialism relies not only upon political and economic domination, but, in many cases, upon actual physical subjugation and mental subjugation. The term "satellite" has become a valid description of the relation between subject state and colonial power. The foremost practitioner of the new colonialism is the Soviet Union. Certainly it is the most ruthless. Surrounded by satellite nations, which it dominates and controls, the Soviet Union is the leader of the new colonialism.

On this Polish Constitution Day we hope and pray that the aspirations of the Polish people for freedom and independence may be quickly realized. We hope and pray that similar aspirations of other satellite nations may be fulfilled. We affirm that the United States must continue to stand for the rights of all people to be free and independent and in control of their own destines, insofar as it is given to man to control his destiny.

Mr. KNOWLAND. Mr. President, I wish to commend the distinguished Senator from Illinois [Mr. Douglas] for having taken recognition of Polish Constitution Day. I know that the Senator from Illinois has been vitally concerned with the people who have lost their freedom behind the Iron Curtain.

I am particularly pleased today to hear a distinguished member of the party which is represented by those on the other side of the aisle restate its position, because of two articles which appeared this morning in the New York Times. I now ask unanimous consent to have the articles printed at this point in the body of the Record, as a part of my remarks.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Kennan Favoring United States Policy Shift—His Private Proposals Urge Normal Relationship With a "Mellowed" Soviet—Satellites Held Final—Ex-Aide Would Admit Peiping to U. N. but Bar Recognition—Sees Need for Style

(By James Reston)

Washington, May 6.—George F. Kennan, former Ambassador to Moscow and once head of the State Department's Policy Planning Staff, is making an original contribution to the developing debate on the redirection of United States foreign policy.

He has been speaking to small groups of foreign policy experts around the country and circulating privately a paper that is bound to provoke the attention and respect, though certainly not the unqualified approval, of officials here.

His theme is that style in foreign policy is as important as style in tennis and that much of United States difficulty in the world comes from fixed attitudes toward other nations, attitudes he believes to be wrong and antithetical to United States long-term interests.

Among the attitudes he defines and condemns are a tendency to wait until the Soviet Union or world opinion forces the United States to adjust to world developments that are plain to see; a tendency to expect too intimate a relationship with other nations; too apologetic an attitude toward the underdeveloped lands; too optimistic an attitude about correcting wrong that cannot be corrected, and too moralistic an attitude about membership in the United Nations.

MAIN POINTS LISTED

Recent changes in Soviet policy: Mr. Kennan says these changes represent the beginning of that mellowing process that overtakes sooner or later all militant movements. They point the way to the restoration of a more normal and more hopeful relationship of the Russian people toward their world environment, and particularly to the United States.

Mr. Kennan thinks that this future relationship has important and even, in some respects exciting possibilities, but that the United States should not exaggerate them.

How should the United States react? Mr. Kennan says Americans should remember the historic differences between the United States and the Soviet Union and avoid trying to achieve an intimacy with other peoples that is out of the question.

But if the United States kept its distance and conceded to the Russians the privilege of their privacy and differentness, Mr. Kennan could see no reason why a satisfactory and hopeful relationship should not be established between the United States and the Soviet Union.

But he insists that the two nations should be modest in the demands they make on each other, and learn to "get over the charged and excited quality" that the United States has contrived to insert into every sort of relationship with the Russians. Mr. Kennan appeals to the press in particular "to restore an atmosphere of normalcy to the environment of United States-Soviet relationship."

The Soviet satellites: Though Mr. Kennan condemns the hideous injustices committed by the Soviet Union in the Eastern European nations, he argues that "there is a finality, for better or worse, about what has occurred in Eastern Europe."

The best the United States can hope for, in his view, is the evolution of these Communist regimes "to a position of greater independence and greater responsiveness to domestic opinion."

He regards it as as no service to the satellites to encourage them to believe that they can return and pick up where they left off 10 or 20 years ago.

Communist China: Though Mr. Kennan believes that the outlook for United States-Soviet relationship can be rather good, he adds, "I am sorry that I cannot say the same thing with regard to Communist China."

He sees nothing to justify hope for amicable relations with Peiping, nothing in its conduct "but the most profound arrogance inhumanity and obstinate error in the understanding of the Western World."

Mr. Kennan says the Peiping leaders have given the United States the deepest and most unjustified sort of offense, that he sees nothing to be gained by entering into diplomatic relations with them and that the United States should keep its distance and defend its interests with whatever ruthlessness the situation requires.

He qualifies this by saying he does not think of membership in the United Nations as approval of a regime and that he does not think the United States "should scratch around among Communist regimes to establish relative degrees of iniquity." Therefore, while the United States would not vote to bring Communist China into the United Nations, he says the United States should not try to obstruct its admission if a majority of the members of the United Nations wanted Peiping.

Germany: "It seems to me," Mr. Kennan says, "that American policy should be aimed at the reunification of Germany and the earliest possible reestablishment of that country as a neutral factor that can blunt the sharp edge of military bipolarity in Europe and help, eventually, to mitigate the intensity of the conflict between East and West."

Similarly, he would take greater chances with Japan, and move as fast as possible to liquidate the United States bases, which, he believes, will inevitably work against our interests.

Foreign aid and the underdeveloped countries: Mr. Kennan would like to see the United States give aid where it can, but he categorically rejects and clearly resents the attitudes of those countries that tell the United States it has an obligation to do this and that and then warn they will "go Communist" if United States aid is not forthcoming.

His answer to this is "Go."

He would have the United States do what it can to dissolve colonial ties where they have clearly outlived their usefulness, but he would avoid all sweeping generalizations placing the United States in a posture of rigid anticolonialism.

He thinks the United States has been thrust so deplorably onto the defensive by all sorts of countries threatening this and that, by its own futile and undignified desire to be popular abroad, and by many other false attitudes that it could give 50 billion a year instead of 5 and the result would not be much better.

Therefore he calls for a general clarification of the terms and background of United States aid programs, and particularly for a new attitude toward the whole question.

"I would like," he says, "to see us first look the rest of the world in the face and say to it that we owe it nothing, and will accept from no one the assertion of any moral claims on America's energies and resources."

Old Pros Heading Stevenson Staff—Eggheads of 1952 Give Way—Finnegan and Finletter Are High in Councils

(By Richard J. H. Johnston)

Chicago, May 6.—The eggheads are hard to find among Adlai E. Stevenson's 1956 strategists.

The starry-eyed amateurs who carried the ball in 1952 have yielded to a group of determined political veterans.

Expunged from the Stevenson lexicon is the word "volunteer." Technically, there are no volunteers in 1956.

In the candidate's various headquarters there are nonprofessionals left over from 1952, but they are now members of Adlai E. Stevenson-for-President committees.

Calling the plays is a hard core of managers to whom an analysis of primary returns from Blue Earth County, Minn., holds more significance than a quotation from Horace.

Nominal head coach of this board of strategy is a graying, heavy-jawed bachelor from Philadelphia. He is James A. Finnegan, an accountant by profession and a politician by choice.

ONCE WAS CITY CHAIRMAN

Mr. Finnegan had his first taste of politics in the 51st ward of Philadelphia. He rose to city chairman of the party. During his tenure the Democrats elected their first mayor in 67 years.

As registration and organization chairman of the Pennsylvania Democratic Party he played a vital role in the election of George M. Leader as Governor in 1954. He left his post as president of the city council to become secretary of state of the commonwealth. He resigned last year to assume the direction of Mr. Stevenson's second presidential bid.

Although Mr. Finnegan maintains an office adjacent to the Stevenson law offices in downtown Chicago he is seldom there. Mr. Finnegan spends much of his time journeying from State to State seeking trends and attempting to persuade leaders to get behind his man.

Somewhat less peripatetic than Mr. Finnegan, but high in the councils of Mr. Stevenson's national campaign organization, is Thomas K. Finletter, the former Secretary of the Air Force. He operates from the headquarters of the Stevenson for President committee in New York City.

Associated with Mr. Finletter is Mrs. Anna Rosenberg, former Assistant Secretary of Defense who served in manpower and welfare fields with Democratic administrations for nearly 20 years.

Another outstanding woman who is frequently consulted and who has taken to the platform for Mr. Stevenson is Mrs. Eleanor Roosevelt, the widow of President Roosevelt.

A white-maned Chicago lawyer, H. B. Raskin, occupies an office here adjacent to that of Mr. Finnegan and is valued in the Stevenson organization for his associations with leading Democrats.

Archibald S. Alexander, a Democratic National Committeeman from New Jersey, heads the national Stevenson for President committee as director along with Mrs. Edison Dick, of Chicago, and Barry Bingham, of Glenview, Ky. Mrs. Dick is the wife of an executive of the A. B. Dick Co., Mr. Bingham is president of the Courier Journal and Louisville Times Co.

Mrs. Dick and Mr. Bingham travel with the Stevenson party extensively. Their advice is sought often on day-to-day campaigning problems.

Another source of valued advice among the Stevenson strategists is George F. Kennan, former Ambassador to the Soviet Union. Mr. Kennan provides, from his home in Princeton, N. J., guidance on matters relating to foreign policy with particular emphasis on the Soviet Union and the Communist world.

Close at hand in Chicago is an old friend of Mr. Stevenson's, Dr. Karl Meyer, a physician, who advises on matters relating to public health and related subjects.

A number of business executives serve in advisory capacities to the campaign headquarters. They include William Joyce, head of the Joyce Shoe Co. in California; George Killian, president of the American President Lines; Roger Stevens, a real estate and theater operator, who is a national finance chairman of the campaign, and Ben Swig, a California hotel executive.

Operating from the campaign's national headquarters here are a number of full-time advisers. Roger Tubby, a Saranac Lake (N. Y.) newspaper publisher, is press director. Mr. Tubby once served as press secretary to former President Truman. Harry S. Ashmore, adviser on news media, was formerly executive director of the Arkansas Gazette at Little Rock. Both men are in their forties.

John Brademus, a 28-year-old former Rhodes scholar and an economist, of South Bend, Ind., provides research and analysis on economic matters.

Most closely associated with Mr. Stevenson in both his political and private affairs is William McCormick Blair, Jr., who served as an administrative assistant when Mr. Stevenson was Governor.

Others who are in law practice with Mr. Stevenson are Newton Mino and W. Willard Wirtz. They devote much of their time to Mr. Stevenson's political activities but hold no political organizational titles.

While campaign headquarters are reluctant to reveal the names of large donors, the impression is given that no individual contribution has exceeded four digits.

The Stevenson campaign directors are pinning large hopes on a plan to finance his campaign with small contributions through the "Let's Talk Sense Fund." W. G. Engloe, a North Carolina theater operator, was named recently as chairman of the fund.

Under the plan booklets containing 10 $5 certificates or 10 $1 certificates are offered to subscribers. Purchasers of the certificates will receive acknowledgment of their contributions.

Mr. KNOWLAND. Mr. President, the first article deals with a proposal by Mr. George Kennan for a policy shift by the United States. The article states, in part:

> The Soviet satellites: Though Mr. Kennan condemns the "hideous injustices" committed by the Soviet Union in the Eastern European nations, he argues that "there is a finality, for better or worse, about what has occurred in Eastern Europe."
>
> The best the United States can hope for, in his view, is the evolution of these Communist regimes "to a position of greater independence and greater responsiveness to domestic opinion."
>
> He regards it as no service to the satellites to encourage them to believe that they can return and pick up where they left off 10 or 20 years ago.

In addition, the second article shows that Mr. Kennan is one of the chief advisers of Mr. Adlai Stevenson.

Mr. DOUGLAS. Mr. President, let me say that I join the Senator from California in feeling that we should oppose the further domination of the people of the satellite countries by the Communist governments of those countries.

I only hope that Mr. Dulles and President Eisenhower, who, during the 1952 campaign, promised liberation to these countries, will actually carry out the program of liberation which they then advocated. Apparently, after the new administration came into power, it decided that it should not continue the policy of liberation. In fact, there has not even been containment.

So I hope that this reminder by the minority leader will spur on the White House and the Secretary of State to live up to the campaign pledges of 1952.

Mr. PURTELL. Mr. President, it is my esteemed privilege to join with those of my fellow Americans of Polish descent who recently commemorated the 165th anniversary of the Polish Constitution of May 3, 1791.

The Polish Constitution of 1791 was one of the greatest achievements in Poland's history. Its purpose was to end chaos and to establish order. It sought to create a responsible government subject to the will of the people. Above all, it sought to introduce the principle of justice to be applied to all citizens.

This historical document, which was approved by the Polish Diet, was the result of a great labor; but, at the same time, a labor of love. It is a shining example of enlightened Polish statesmanship. The adoption of the constitution of May 3 was such a marvelous accomplishment that Edmund Burke, the defender of the rights of the early American colonists, called it "this great good," and greeted it "as the noblest benefit received by any nation at any time."

Unfortunately, the people of Poland are not protected by their Constitution today. As we all know, they are subjected to the oppressive and tyrannical rule of communism. They exist under conditions which the world has probably never known before. They have lost all genuine freedom and liberty.

Today we are afforded the opportunity of renewing our friendship with the Polish people by offering moral support to them in their present plight. We also have the opportunity of reminding them that the conditions under which they and the other captive peoples of Europe live are repugnant to our traditional principles of freedom and democracy. We are further afforded the opportunity of telling the Polish people that we have not forsaken them. We still hold to our pledge, stated by President Eisenhower in 1953, that:

> Our policy dedicated to making the free world secure, will envision all peaceful methods and devices—except breaking faith with our friends. We shall never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves.

We send forth our prayers and hopes to the Polish people that they will soon be free to determine their own destiny. History has recorded the brave and noble deeds of Poland, and we know from the past that she will not be deterred in her aim in seeking freedom and liberty.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PURTELL. I yield.

Mr. KNOWLAND. Earlier I commended the distinguished Senator from Illinois [Mr. DOUGLAS] for his statement on the same subject. I now wish to commend the distinguished Senator from Connecticut for keeping alive the hope of freedom for the people of Poland. Despite the remarks by Mr. Kennan that they must be completely written off, and can only look forward to perhaps a little different brand of communism, I believe that ultimately the people behind the Iron Curtain will be free, and I hope that our Government and our people will never do anything to destroy that hope of freedom.

Mr. PURTELL. I thank the distinguished minority leader. I was in Poland last fall. I talked with the Polish people. I know how they feel. I agree with the Senator from California that we should never countenance even the suggestion that the Polish people should accept a degree of communism. The Polish people will never be communized. In fulfillment of our pledge, we must see to it that ultimately they are given an opportunity to regain their freedom.

Mr. SMITH of New Jersey. Mr. President, last Thursday, May 3, was the 165th anniversary of Poland's Constitution Day, as several distinguished Senators have observed. Only a few short years after the establishment of our own Constitution, the Polish people were united under a democratic constitution.

Unfortunately, we cannot look to the present-day Poland and find a corresponding similarity between the United States and Poland. The gallant Polish people have been subjected to the puppet so-called people's democracy where the guiding force of the state comes from Moscow instead of from the Polish people.

The degradation of the Polish Government has been aptly illustrated by the recent movement toward the demotion of Joseph Stalin. Initiated at the Soviet Union's 20th Communist Party Congress, the anti-Stalin movement has led to the resurrection of formerly condemned, convicted, and purged Polish leaders to places of honor. The unfortunate dissimilarity between the present Poland and the Poland which Americans knew and respected as an honorable democratic nation and ally during the Second World War is obvious for all to see.

It is an honor to pay tribute to the freedom-loving people of Poland and to American citizens of Polish descent in connection with their Constitution Day. It is my fervent hope and prayer, as I know it is theirs, that Poland will soon be able to reclaim her esteemed place in the family of free nations.

Mr. MORSE. Mr. President, I had planned to make a brief statement on May 3 relating to Poland's Constitution Day, but the tragic death of Senator Barkley and my attendance at his funeral made it impossible for me to be in the Senate on May 3. I now ask unanimous consent that I may speak for the very few minutes in which it will take me to make the brief statement I had intended to make.

The PRESIDENT pro tempore. Without objection, the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, May 3 marked the anniversary of the Polish Constitution of 1791, a remarkable document, which consecrated the democratic principles of the equality of man. One hundred and sixty-five years after its promulgation, this constitution stands as a monument to man's highest aspirations of freedom, and affords to Polish people everywhere a continuing reminder of the contrasting, unhappy plight in which the people of Poland must subsist under the ruthless boot of the Soviet masters.

I think there is one thing which we can take for certain, Mr. President, and that is that our Polish brethren will never be reconciled to permanent servitude under a Russian-controlled government. As we all know, this is not the first time that Poland has fallen under the control of its rapacious neighbor. And on the anniversary of the great constitution we commemorated, I think it is well to remind the world that we have not forgotten the gallant Polish people; that we have not abandoned them to permanent slavery by Soviet Russia; and that we shall strive by all peaceful and honorable means to achieve, once again, the freedom for which they have fought and died valiantly through generation after generation.

The Constitution of May 3, 1791, was framed during a period when the shadow of Russia hung ominously over the "4-year parliament" in Poland. From the old social structure of two main classes—the nobility and the commoners—the Constitution created estates which took away some of the rights of nobility and expanded the privileges of the city dwellers. The peasant's rights were safeguarded when they were "brought under the protection of the law and the national government."

Another feature which made the constitution of May 3 unusual was the section providing for a revision of the instrument every 25 years, so that the basic law could be adapted to the progress of the Nation. The great Edmund Burke hailed this new constitution as "the noblest benefit received by any nation at any time."

Unhappily, only 1 year after its adoption, the nation was again invaded by Russian troops, and Poland was dismembered in the second partition, which dealt a mortal blow to the nation.

How great is the parallel, Mr. President, which the fate of Poland in the closing years of the Second World War affords. In 1945, this nation which had been bled white, its cities devastated, its youth decimated, was occupied and forced—despite strong ties with the western democracies—to succumb to the rule of the Communists in the East. This was a violation of the Yalta Agreement.

The doctrine of Marx, Lenin, and the now discredited Stalin replaced the patriotic traditions of the Constitution of May 3. And, almost as if in mockery, the Soviets substituted for that great document their own empty constitution. Today, under this fraudulent instrument of Communist law, which pays lipservice to the basic rights of the individual, the Pole is restricted in his right to speak, to work, and to worship. Under a hypocritical "freedom" of speech, he is permitted only to praise the achievements of the party; should he dare to express his real opinion, he would quickly lose not only his work, but such limited freedom of movement as he enjoys, and would in all likelihood "benefit" by arrest and confinement in forced labor camps.

Through its various agencies, the Red regime in Poland is practically able to determine the place of employment of every citizen. Control of housing, hiring, and certification makes every citizen dependent upon the party for their very existence. On the surface, the right to worship may appear to be unrestricted. Nevertheless, the abolition of religious education, coupled with pressure exerted upon the clergy, is gradually changing the ranks of the worshipers and preventing the church from serving in its traditional place in the life of the average Polish individual. Through the various national front organizations, the citizen is controlled in his voting, so that even if elections are held, the regime is assured of the typical Communist 99 percent vote of support.

Despite all these obstacles, and despite the efforts of the Communists to mold a freedom-minded nation to an alien system, the Poles of 1956 continued to revere the principles of their Constitution of 1791, and those principles supported by exiles who left after the partitions. These principles survive as the inspiration, not only of Poles imprisoned within their homeland, but of all brethren dispersed throughout every nation on the globe. They have a deep faith in the belief that "the nation in which the spirit of freedom remains, continues to exist." Free Poland—non-Communist Poland—exists today, and shall continue to exist as long as the principles of the May 3 Constitution are kept alive in the hearts of the Polish people.

It is for us in the United States, Mr. President, to keep the flame of their faith burning brightly, and to remain true to our own traditions of honor and freedom, in encouraging the people of Poland not to lose hope, or become discouraged. In this spirit, we join with Poles everywhere in celebrating the anniversary of the Constitution of 1791.

THE ALASKAN MENTAL HEALTH BILL

Mr. GOLDWATER. Mr. President, for the past several months a controversy has been raging concerning H. R. 6376, the Alaskan mental health bill.

Numerous articles, both pro and con, have appeared in the RECORD. I ask unanimous consent to insert in the body of the RECORD as a part of my remarks, a series of six articles by Mr. George Todt, which appeared in the Valley Times, published in North Hollywood, Calif.

Mr. Todt has presented a very dispassionate, objective analysis of the Alaskan mental health bill, and I think that a perusal of these articles would be valuable for every citizen of the United States.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the North Hollywood (Calif.) Valley Times of April 13, 1956]

LOOKING INTO THAT "SIBERIA, U. S. A."

(By George Todt)

"Insanity in individuals is something rare—but in groups, parties, nations, and epochs it is the rule."—Nietzsche.

"Siberia, U. S. A."? Ah, that is the question.

Not since the days when fury over the Bricker Amendment was at its stormiest phase has there been so much public outcry in the United States as that presently occasioned by H. R. 6376, commonly called the Alaskan Mental Health Bill. This has passed the House of Representatives by voice vote, and is now before the United States Senate as S. 2793.

There is perhaps much to be said on both sides of the issue. All is neither entirely black nor white, as is usual in cases where we stop to examine differing points of view. I have attempted to do this within my limitations. In this and later articles on the so-called Alaskan mental health bill I shall try to set down the pros and cons so that my objective readers may know what the furore is about. I hope it will assist you in arriving at your own conclusions. Your thinking is just as valid as anyone else's here.

Psychiatry is a very inexact science today. There are vast amounts of conflicting ideas floating around which pertain to mental health—or insanity, if you prefer blunt language. The layman may hear the opinions of gifted men of science on the subject, but he is also susceptible to hearing from charlatans and quacks. And the latter far outnumber the former. Try finding out what the standard qualifications for a practicing psychologist in southern California may happen to be—try sometime at your leisure. Outside of the city of Long Beach, which came up with a few standards in recent months, I don't think you will find many to speak of. If you find this statement seemingly incredible—which you should—you might try checking it out with the official Southern California Psychological Association. Their office telephone is listed in the yellow pages directory of your telephone directory, as are many of their psychologists.

Briefly stated, the Alaskan Mental Health bill, now pending in the Senate, purports to take 1 million acres of United States Government land and set it aside for revenue, not as a hospital site, from which proceeds would come the funds to run a mental institution in Alaska for the residents of that territory. That such a program is needed and necessary is hardly to be doubted. At the present time, Alaskan unfortunates must be transported to the Morningside Hospital in Portland, Oreg. Lacking the most rudimentary facilities in Alaska, even a little detention house in Fairbanks burned down 25 years ago and has never been replaced, mental cases have been lodged with the hardened criminals in jail until a time arrives for their transfer. The practices have been frankly barbaric in some respects.

Competent study of a great mass of testimony available reveals that the Alaskans actually do need this mental institution, and it should not be denied them.

But within the past 100 days in America, a great hue and cry has gone up that this Alaskan Mental Health bill is designed to become the blueprint of a "Siberia, U. S. A.", and the legislative representatives of the people in Washington, D. C. are being flooded with mail to this effect. Boiled down, the charges are that this is the planned forerunner to the "Socialistic Police State" in our Nation. Many sincere people believe that those who opposed "world government" and other international Marxist techniques in the United States in the future will be exiled to "Siberia, U. S. A." How did this idea start? If there is any truth in it? Shall we in this column later take a look for ourselves?

[From the North Hollywood (Calif.) Valley Times of April 14, 1956]

Alaska Mental Health Bill Again

(By George Todt)

"It is better that 10 guilty persons escape than that 1 innnocent suffer."—Blackstone.

Is the Alaskan Mental Health bill a cunning measure set up to produce the mechanical framework for a coming "Siberia, U. S. A." for American deviates from the international Marxist and world government line in the future?

Not so say the proponents of the bill. They claim the charges are fantastic, that there is not now and never has been such a malicious intent. They state that H. R. 6376—now called S. 2793 in the Senate, is of, by and for Alaskans alone. The reason Congress had to act on the measure, they say, is simply because Alaska is a Territory of the United States, not a State.

"Nowhere in the Alaska mental health bill is there authority for a person to be hospitalized without a prompt review of his mental condition, nor is there authority for a patient to be held against his will without a judicial proceeding," said the Secretary of the Interior, Douglas McKay (recently resigned to reenter Oregon politics) in a written statement to Representative James B. Utt, of California.

"The legislation now before the Senate authorizes the Territory to select up to 1 million acres of vacant, unreserved and unappropriated lands of the United States in Alaska. All such lands so selected and the income from them are to be administered as a public trust for the hospitalization and care of the mentally ill. The 1 million acres will not be set aside as a hospital site, but it is the purpose of the legislation that the revenues and income from the sale or lease of the lands will be used to help the Territory meet the costs of caring for its mentally ill. Alaska's potential tax base is considerably narrowed because the Federal Government now holds more than 98 percent of Alaska's 375 million acres."

In his statement, the Interior Secretary indicated that one provision of the original bill as submitted by the Department of the Interior, had been deleted: this section provided penalties against any person who willfully causes, conspires with, or assists another person to cause unwarranted hospitalization or the denial to any person of rights granted by the bill.

"The Department feels that this provision should be retained," said Mr. McKay, "and has recommended to the Senate that it be restored."

Elsewhere, Mr. McKay said, in part: "The bill does not authorize star chamber proceedings. Notice is required to be given at least to the legal representatives, friends, and other interested parties and the patient. His guardian and other interested parties are afforded an opportunity to appear, testify, and to present and cross-examine witnesses."

Mrs. Marjorie Shearon, editor of Challenge To Socialism, who has been described to me as "an emphatic and a violent anti-Socialist and anti-Communist, essentially a conservative," had this to say about the matter: "Wild statements have been circulated about 'railroading' patients, 'Siberia, U. S. A.,' and the shipment of political adversaries to Alaska on trumped-up charges of mental illness. We see no foundations for such statements, nor do we view the bill with alarm. * * * That the sponsors of the bill are part of an international plot is fantastic." The March 1, 8, 15, and 22 issues of Challenge to Socialism were devoted to the Alaskan mental health bill. The presentation of the case was intelligent, and well done. Copies of the publication may be obtained by writing Shearon Legislative Service, 9127 Janes Mill Road, Chevy Chase 15, Md.

The American Medical Association added its endorsement to this bill on March 20, requesting only that the Governor's power to enter into "reciprocal agreements" with other States be clarified because of present misunderstanding.

This column later will discuss the opposition's side of the controversy over this pending bill.

[From the North Hollywood (Calif.) Valley Times of April 16, 1956]

"Siberia, U. S. A.," Is Extensively Feared

(By George Todt)

"Public opinion, though often formed upon a wrong basis, yet generally has a strong underlying sense of justice."—Lincoln.

Who are the people who oppose the Alaskan Mental Health bill and call out that it will become "Siberia, U. S. A."?

Are they malicious, or deluded? Do they see things under the bed? Should we set them down in the main as hysterical superpatriots?

I do not think so. I have talked with a large number of these citizens, and—while obviously worried at Marxist Socialist inroads being made at the expense of the American Republic—they seem as cool and collected as anybody else. In fact, they appear to be dedicated.

Right or wrong, they fear that a large conspiracy of international plotters is working overtime behind the scenes of government to take this Nation into a "Marxist Union" with other socialistic states throughout the world—and that it would destroy the United States Constitution and the traditional American way of life as we have known it in the past.

Now, strange as it may seem to some readers, the Communist Party is not considered the only enemy to be reckoned with by these people. Instead, the World Federalists, Atlantic Unionists and those overfriendly with the United Nations—meaning those who would like to see it become a superworld government in the future—are viewed with the utmost suspicion. Anyone who would subvert the Constitution of the United States below any other instrument of government where Americans are concerned is carefully watched—with misgivings.

Here are some remarks selected at random from the Dan Smoot report of March 30, 1956. Smoot, formerly commentator for Facts Forum of Dallas, Tex., had nearly 10 years of experience with the FBI between 1942 and 1952. He is intelligent and accomplished, and thinks along these fairly typical lines of those who oppose S. 2793:

"I do not doubt that the Alaska Mental Health bill was written by sincere, well-intentioned men. Nevertheless, it fits into a sinister pattern which has been forming ever since the United Nations was organized. Since 1945, the American people have been drenched with propaganda about the need for mental health programs. The fountainhead for most of this is the U. N.—principally these three U. N. subagencies: UNESCO, World Health Organization, and the World Federation of Mental Health.

"Throughout the Union, there is a strong, well-organized drive for mental health legislation—most of which would permit seizure, incarceration, and treatment of mentally ill people without trial by jury and without the due process of law prescribed by our own Constitution.

"Here is a passage from Mental Health and World Citizenship, published by the National Association for Mental Health, in 1948: 'Principles of mental health cannot be successfully furthered in any society unless there is progressive acceptance of the concept of world citizenship.' "

Smoot sums up the feelings of those who oppose mental health legislation and world government with this critical observation: "Thus we cannot have mental health unless we have world government; and we cannot have world government unless we have mental health. Amalgamate all nations, all races, all churches, all creeds, all living standards into one. This is the goal. * * * But by any means, and at any cost, the job must be done; the minds of men must be squeezed into a common mold. * * * If propaganda is not enough, we must take more drastic measures."

[From the North Hollywood (Calif.) Valley Times of April 17, 1956]

Changes for "Siberia, U. S. A." Bill

"He who commits injustice is ever made more wretched than he who suffers it."—Plato.

What have been the main objections of the opponents of the Alaskan Mental Health Bill? Where do they point with alarm? Can certain weaknesses of the bill be remedied with legislation?

This is worth looking into objectively. Certainly, all of the bill cannot be bad—for the people of the Territory of Alaska obviously need the facilities which the bill would provide for them. We are in the habit of throwing out billions of the taxpayers' dollars to AOGWPA (American Overseas Global Works Progress Administration) at the slightest request. So it would seem very poor form, indeed, to pass up a paltry few million dollars which would benefit Americans in Alaska rather than alien beneficiaries elsewhere. The Alaskans are only asking for $6,500,000—not enough for Nehru or Nasser to even sneeze at.

Actually, there is no reason why this bill might not have been passed without such vast opposition—had it not been for several poorly written sections. One such is section 102 (b) which authorizes the Governor "to (1) provide for the hospitalization of mentally ill patients in designated hospitals of Alaska, (2) enter into arrangements with the Surgeon General of the Public Health Service for the care and treatment of such patients in hospitals of the service in Alaska, (3) negotiate and enter into contracts with any hospital in Alaska for the care and treatment of such patients, and (4) negotiate and enter into contracts, which shall incorporate safeguards consistent with the provisions of this title, with any hospital in the continental United States for the care and treatment of such patients."

Another such section, and along much the same lines, is section 119 (c) which states: "The Governor is hereby further authorized to enter into a reciprocal agreement with any State providing for the care and treatment of mentally ill residents of Alaska by such State, and for the care and treatment of mentally ill residents of such State by Alaska, each on a reimbursable basis."

These 2 sections—102 (b) and 119 (c)—have given rise to much of the unhappy fears that people who were political adversaries of Marxist internationalists in a future police state would become railroaded to "Siberia, U. S. A." It is vaguely written, and subject to possible misinterpretaion. Unquestionably, it needs considerable tightening up.

Another sore spot lies in section 103 (b) which commences: "Any individual may be admitted for care and treatment in a hospital upon written application by an interested party, by a health, or welfare officer, by the governor, or by the head of any institution in which the individual may be, if the application is accompanied by a certificate of a licensed physician. * * *" It is the "interested party" wording which bothers most of the opposition to the bill. "Interested party" might be someone with malicious intent to dispose of an enemy by cunning or treachery. Simple enough—just swear out a warrant charging him to be mentally ill. However, the bill itself specifically defines the terms "interested party" or "interested parties" to include the legal guardian, spouse, parent or parents, adult children, other close adult relatives, or an interested, responsible adult friend of a mentally ill individual or a patient. This is not as indiscriminate as some have imagined.

And many critics of the bill look more than once at the "humane treatment" clause—which is section 115—which states: "Every patient shall be entitled to humane care and treatment and, to the extent that facilities, equipment and personnel are available, to medical care and treatment in accordance with the highest standards accepted in medical practice." "The prescribed medical treatment being electric shock and surgery," a critic in Washington recently wrote me. "Pain-drug-hypnosis is accepted, brain-washing techniques for that matter."

Those familiar with the medical case histories of the commitments of Lucille Miller in Vermont and the Finn twins of Los Angeles to insane asylums after legal jousts with the Federal Government will ponder the last item in particular. Not to mention those who witnessed Jane Wyman's performance in the "Snake Pit" some years ago. Just what is the definition of "humane treatment" in the case of mental illness, anyway?

[From the North Hollywood (Calif.) Valley Times of April 26, 1956]

United States Senator's Views on "Siberia, U. S. A."

(By George Todt)

"The execution of the laws is more important than the making of them."—Jefferson.

In preceding columns on the Alaska Mental Health bill, we have taken a few samples of the mountains of material which is flooding Washington, D. C., and the Nation today. What does it indicate to us? I think that most of us can agree on at least these fundamentals of the argument: the Alaskans need the legislation and the money which goes with it—but the legislation also needs a good bit of tightening up. Some of it is very badly worded, to say the least.

Last December 7 I discussed the problem of mental health legislation in this column. I suggested that the answer to bad legislation always laid in counter-legislation that was good. Never one to give advice he is not willing to take himself, this is what I did in this particular case. On March 17 I wrote to a United States Senator about the bill, which was due to come up in the Senate later. This was Senator Barry Goldwater, of Arizona, whom I consider to be among the real comers on Capitol Hill. He is both patriotic and clear-sighted; best of all, he is a fighter for what he considers to be American principle.

I sent a copy of a newspaper editorial, out of the Santa Ana Register, entitled "Siberia, U. S. A." to Mr. Goldwater. I indicated that I had a high opinion of our neighboring California newspaper, and I requested that he read it and clarify its meaning for me. I pointed out that I was not an alarmist, but that many questions were being asked about the Alaska mental health bill—and few answers seemed to be forthcoming from any source. It was this last factor which aroused my own suspicions.

In due course I received an answer, which said in part:

"I have had a tremendous amount of mail about this bill and, although I think the opponents have overstated the case and are unduly alarmed, there is a great deal to be said about their opposition.

"My own attitude on this legislation is that the Federal Government should supply the money to Alaska to aid in the construction of the hospital and delegate to the Territory of Alaska the right to proscribe the procedures for commitment, care and treatment. I am going to propose an amendment to the bill, a copy of which I am enclosing, which I think will accomplish this objective and will remove all the objectionable parts of the original Alaskan mental health bill. In the event this amendment is not successful, I will advocate:

"1. That the criminal clause stricken by the House be reinstated.

"2. The definition of mental illness be narrowed.

"3. That commitment procedures be tightened up.

"4. That the Governor's authority to enter into reciprocal agreements be narrowed considerably.

"Thank you for your interest and I assure you I have my eye on this bill."

A study of Mr. Goldwater's amendment—actually a substitute for H. R. 6357—reveals that he is as good as his word. His amendment will make the entire matter one for Alaskans alone, if passed, and continental Americans can forget about Siberia, U. S. A.—at least for the present. With the junior Senator from Arizona at the plate on this one, I am breathing considerably easier already. I agree with many others that Barry Goldwater is a champion.

But why did this fiasco arise in the first place? How has it come about that Americans are accusing other Americans of such diabolical plots? Who and what is to blame for this?

[From the North Hollywood (Calif.) Valley Times of April 28, 1956]

Alien Ideologies' Penetration in United States

(By George Todt)

"Whosoever hateth his brother is a murderer." (I John, iii: 15.)

What has happened to the faith of our fathers? Once upon a time we Americans trusted wholeheartedly in our country, and in each other. We were united in our patriotism and love for the United States, and we were one people. Who has caused our national cement to crumble away like this? Why are corrupt alien ideologies of subversion being substituted instead?

For the furore and hysterical excitement of large segments of the public over the Bricker amendment and mental-health legislation is only symptomatic of a greater underlying disease. It is gnawing at the entrails of the American people, and slowly sapping their own great moral strength away. We should look into the matter without further delay or equivocation.

The truth of the matter is that we are being split asunder by hate groups in the United States today. In the main, they are Marxist controlled. Their fundamental objective is to smear and blacklist honest Americans who love their country. The diatribes most frequently used include such terms as "reactionary" and "antiworld government."

Anyone who goes along with this radical nonsense is simply playing the subversive Marxist game to the hilt. Worse, these crackpots are laying us wide open to exactly the same conditions which flourished in France in 1940. At that time, the ignoble French surrender was traceable as much to unpatriotic fifth columnists as to the German Wehrmacht itself.

The Augean Stable of Trojan Horses supporting Marxist world government at the expense of the United States Constitution arrived in force on our domestic scene a decade ago. We were all plain, loyal Americans at that time, and proud of it. We knew no divided loyalties or dual citizenship then. The veterans of our Armed Forces had always fought for our flag, and that flag alone; their sacrifices had been for Old Glory. This our people knew, and understood.

In those days, none dreamed of even asking for a Bricker amendment. Any normal adult would have been looked at somewhat askance if he had merely suggested that an American President—either Republican or Democrat—might be persuaded to someday part with the least portion of American national sovereignty to an alien world government. Shades of the great Roosevelt—Teddy, that is.

A generation ago, we knew no unhappy accusations by one group of American citizens that another group of opposing views might try to railroad them to insane asylums, or odious European-type concentration camps, because they resisted the slave doctrine of Karl Marx—the false prophet of international world socialism. It would have been considered unthinkable.

Unfortunately—and to our great discredit as a nation—it is no longer unthinkable today. A great resentment against the Marxists is building up to tremendous proportions throughout the Nation. These people are actually feared by the ordinary citizenry of America, and it is universally felt that the former will resort to force and cunning in the end to ultimately gain ruthless domination for Socialist forces. They have done so elsewhere in the world.

While this is not being discussed presently in the major communications media of the Nation—it should be. In the meantime, a tremendous campaign by word of mouth and mail has alerted many millions of our people in all parts of the country. It is the Marxist hate groups themselves which are responsible for this tremendous opposition to their selfish aims.

They are resented in the main because of their shadowy tactics of spying upon their fellow citizens, and then attempting to place them under hateful duress of various kinds for daring to oppose them. Such villainy and persecution would have received the lead treatment in another day.

Speaking of mental health, what could be more insane than that such persons should live here safely in enjoyment of life, liberty, and the pursuit of happiness under the Constitution of the United States—and then curse and rail against those who defend that very Constitution from its enemies? How beastly to call an American reactionary and antiworld government because of his patriotic devotion to his own country—which he wants to stay American. Such vile and disloyal behaviour upon the part of a treacherous few is what is basically responsible for all the dissension and hatred existing in the Nation today.

Whenever these Marxist hate groups take a long searching look at themselves and then commence to place their own house in order—I predict that the basis for the underground dissension in America will quickly disappear. Then we will no longer be treated to tortured outcries from many sides for the Bricker amendment and against mental-health legislation. It wouldn't be necessary if this miracle should ever come to pass. These are the facts, and it's time we had the courage to face them.

THE FARM BILL AND ITS VETO

Mr. DOUGLAS. Mr. President, I ask unanimous consent that a statement I have prepared on the farm bill and its veto be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE FARM BILL AND ITS VETO—STATEMENT BY SENATOR DOUGLAS

I

In view of the vehemence of the President's veto, and his charges that the Democratic Congress was playing politics with the American farmer, I think it not unfair to quote his clear campaign pledges to the American farmer in 1952. At Kasson, Minn., on September 6, 1952, Candidate Eisenhower had this to say:

"And here and now, without any ifs or buts, I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the basic farm act passed by votes of both Republican and Democrats to continue through 1954 the price supports on basic commodities at 90 percent of parity."

In case there is any misunderstanding of these words of General Eisenhower—some have said that he did not support 90 percent beyond 1954, but, of course, the press of the country did not interpret his statement that way at the time—let me quote even more explicit pledges which he made almost a month later on September 30, 1952, at Columbia, S. C., and on October 4, 1952, at Brookings, S. Dak., and Fargo, N. Dak. This is what he said:

"For example, I believe wholeheartedly and without any 'ifs' or 'buts' in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities." (Columbia, S. C.).

"The Republican Party is pledged to the sustaining of the 90-percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent with the guarantee in the price supports of 90 percent." (Brookings, S. Dak.).

"I went to Kasson, Minn., and, on behalf of Republican leaders, and with the concurrence of the great men of the Party, at least all that could be reached in time, I stated exactly what we want to do, and the present 90 percent of parity price in the farm program was sustained and supported comletely" (Fargo, N. Dak.).

These, then, are four distinct and specific pledges to sustain the 90-percent program. It is not unfair to ask the question, "Who has been playing politics with the American farmer?"

II

Since the Eisenhower administration took office, the following has happened to farm income. Gross farm income has dropped from $36.9 billion in 1952 to $32.8 billion as of the fourth quarter of 1955—a drop of $4.1 billion or 11 percent. Farm production expenses in the same period dropped from $22.9 billion to $22.1 billion—a drop of only eight-tenths billion dollars or by only 3.5 percent. Because prices and income dropped and production costs remained almost the same, net farm income dropped from $14.9 billion to $10.8 billion in this period—a drop of $4.1 billion or 27.5 percent. In almost the same period the number of farms decreased by 500,000 or from 5½ million to 5 million—a drop of 10 percent.

Even with this big decrease in the number of farms, net income per farm also took a very sharp drop. In 1952 net income per farm was $2,798 but in the fourth quarter of 1955 it had dropped to $2,160. This was a drop of $638 per farm or 22.4 percent. Since the figures on average income include food consumed on the farm and the value of shelter, the relative average decline in cash income has been greater than 22 percent.

The parity ratio has also gone down sharply. In 1952 the index of prices paid by farmers was at 287. On February 15, 1956, it was 280—a drop of 7 points or only 2.4 percent. The index of prices received by farmers dropped, however, from 288 to 226 in the same period, or by 21.5 percent. Because of this decline in prices received by farmers, the parity ratio dropped from 100 in 1952 to 80 at the end of 1955, or by 20 percent. When farm prices are at 100 percent of parity, a truckload of grain will buy the same quantity of goods—furniture, clothes, food, farm machinery, and other things farmers buy, as in the base period 1910–14. In 1955 a truckload of grain would buy only 80 percent of this amount.

These are the hard facts and they are serious facts. I believe the present situation is dangerous for in the past, far too often, economic declines have been farm fed and farm led.

Because of these facts, it was absolutely essential that we should do something in the nature of emergency action. The question was what to do. The only clear alternative presented to us in the Congres was 90 percent as against the Benson-Eisenhower program of so-called sliding scale supports. In the light of this very serious farm situation and in light of the facts which I shall detail below, I came to the conclusion that the sliding-scale program had not worked and that 90 percent was necessary at this time if we were to give our farmers even a little relief and save the family-sized farm.

III

A great many people have argued that the 90-percent program did not work and that it produced the surpluses. President Eisenhower and Benson have said this time and again. But is it true? I do not believe that the facts and the figures support that position and I am even more convinced that the sliding-scale program has failed to work.

Secretary Benson and President Eisenhower argue that they inherited the problem from the Democratic administration. But, with the price supports at 90 percent, we had neither excess surpluses nor low farm prices. In not one single year from 1947 to 1952 did parity fall below 100 percent, and it was at 100 percent when Candidate Eisenhower made his speeches at Kasson, Columbia, Brookings, and Fargo in the 1952 campaign. In addition, there was no real surplus problem at the end of 1952. Here are the figures. On December 31, 1952, the Commodity Credit Corporation had on hand in loans and inventories $2.45 billion in commodities. On January 31, 1956, this figure had risen to $8.9 billion in commodities. In this period the amounts of individual commodities increased as follows (the figures are for December 31 of each year):

Commodity	1952	1955	Times increased
Corn..........bushels..	368,000,000	938,000,000	2.5
Cotton..........bales..	1,000,000	13,300,000	13.3
Wheat..........bushels..	467,000,000	1,100,000,000	2.4
Peanuts..........pounds..	192,000,000	296,000,000	1.5
Rice..........hundredweight..	168,000	27,500,000	163
Tobacco..........pounds..	544,000,000	1,100,000,000	2
Butter..........do....	2,700,000	166,000,000	61
Barley..........bushels..	9,000,000	100,000,000	11
Grain sorghums..........hundredweight..	1,300,000	70,000,000	53.8
Oats..........bushels..	19,000,000	91,000,000	4.8
Soybeans..........do....	8,000,000	22,700,000	2.8

Thus, under this administration and under the sliding-scale programs we have had an increase of three and one-half times in the amount of surpluses, and they are continuing to rise.

Some have argued that the sliding-scale program did not go into effect until 1954, and that, therefore, the 90-percent program built up the surpluses. This is President Eisenhower's argument in his veto message. But only the basic crops which compose 25 percent of our total production were supported at 90 percent during the first 2 years of this administration. The nonbasic crops, which make up 75 percent of our production were under the sliding-scale program almost throughout the period 1953–56. In the period since 1954, the sliding-scale program has not diminished the surpluses nor has it raised farm prices. In fact, since 1952, the commodities having no price supports have declined 27 percent, those under the sliding-scale program have declined 27 percent, but those under the 90-percent program have declined only 10.5 percent. So the decline in farm income has come primarily in the nonsupported and the sliding-scale crops. It follows, therefore, that it is the sliding scale which has created the basic difficulty.

There is a logical reason for this. We all know (or should know) that when farm income goes down, farmers grow more in an attempt to keep the same income this year as compared with last year. In order to meet their expenses and take care of their families, they work harder and raise more per acre. Thus, lower prices tend to mean greater production, rather than less production. This is the basic fallacy with the sliding-scale support program. In addition, the Eisenhower administration has acted on the assumption that lower farm prices would increase the demand for farm products. But the demand for farm products in general is inelastic; that is, the 21-percent decrease in farm prices did not bring an equal increase in the demand for farm products; it brought only a slight increase in demand. In addition, it is a fact that while the prices received by farmers dropped 21 percent, the prices which city people paid for food dropped only 5 percent (from an index of 114.6 in 1952 to 109.5 at the end of 1955).

Thus, we have had a great decline in farm prices, farm income, income per farm, in the parity ratio, and in the number of farms. At the same time our surpluses have risen three and one-half times and the food prices paid by city people have fallen only slightly. The only conclusion I can draw is that the Eisenhower program has failed.

IV

Because of the tragic plight in which a great many farmers find themselves, I felt I could not vote to continue it. I therefore voted for 90 percent in the price supports. I also voted for an increase in the corn allotment acreage for 1956 over 1955, because corn had been reduced to 43 million acres in the commercial Corn Belt, which meant farmers could not take part in the corn program. In addition, I voted for cross compliance, for I believe that with high supports must come some controls. I know some people want both high prices and no controls, but that cannot work, and we must choose. I also supported the soil-bank provisions, but I believe that they are a long-run proposal to raise farm income.

The bill which Congress sent to the President contained provisions which would have increased farm income by about $2.2 billion this year. The bill also contained numerous provisions which would have aided very greatly in disposing of the surpluses. This was a major feature of the bill and one which we needed very badly.

The President's veto message contained a number of strange contradictions. He vetoed the bill and said that the absence of a bill "can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately." The President announced that he was going to support some of the basic commodities at 82½ percent of parity and that this he was doing by administrative order. The question which arises is this. If the President already had this authority why has he and Secretary Benson not used it before? Further, if the sliding scale program was such a good thing, why is he raising the parity levels after vetoing the Democratic bill because it did just that?

Another strange feature of the veto message was his statement that "There are * * * serious defects in the bill such as certain provisions found in the section dealing with the dairy industry." The only thing the section dealing with the dairy industry did was to raise the support level on manufacturing milk from $3.15 to $3.25 and the price of butterfat to 58.6 cents per pound. He said he objected to this section. Then, in this same veto message, President Eisenhower said:

"For this year the support price of manufacturing milk will be increased to $3.25 per hundred pounds. The support price of butterfat will be increased to 58.6 cents a pound."

The question which arises is how he could object to these provisions in the bill and use them as a reason for the veto, and then turn around and immediately put them into effect by administrative action. Either he didn't know what the bill provided or this is a gross example of Presidential duplicity.

V

I hope these remarks explain my position on the farm bill. I hope they will be helpful to you when you discuss this question with your friends and neighbors. Perhaps this letter will provide you with the facts which can replace some of the fictions which the newspapers have carried and which the Eisenhower administration's Madison Avenue advertising men have included in the big ads they have taken in the rural newspapers.

I could not vote to continue the sliding scale program for it has not worked. I do not think the 90-percent program is a perfect answer but I think it is necessary as an emergency measure. In the long run I hope to see a program of supporting farm income rather than prices but with an upward limit of payments at about $2,000 per farm on the first $7,000 of gross income.

If we are to have subsidies they should go to those who need them most and not to the huge corporation type farms. I want to protect the family sized farm in America and I do not want to see the day when we have factory farms. I am for the small farm on social as well as on economic grounds.

DECLINE IN INCOME OF FARMERS

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Study Backs Up Farmers: Their Income Did Slip In 1955—University of Illinois Finds Declines Up to 86 Percent on Hogs, Grains." The article was published in the Chicago Daily News of April 24:

There being no objection, the article was ordered to be printed in the RECORD as follows:

STUDY BACKS UP FARMERS: THEIR INCOME DID SLIP IN 1955—UNIVERSITY OF ILLINOIS FINDS DECLINES UP TO 86 PERCENT ON HOGS, GRAINS

(By George Thiem)

SPRINGFIELD, ILL.—Farmers weren't fooling when they complained of a sharp reduction in their 1955 income.

The University of Illinois confirmed the drop in a factfinding study just released by the department of agricultural economics. A. G. Mueller and D. F. Wilken, staff members, did the work.

Cattle-hog farms in La Salle, Rock Island, and Knox Counties (Galesburg) showed an 86 percent decline—from $42 an acre net in 1954 to $6 last year—the college of agriculture revealed.

This drop contrasts with the upward trend that started with $17 an acre in 1952 and advanced to $21 in 1953.

Hog returns per $100 of feed fed were the lowest on record. Cattle returns were down 10 percent.

The 15 to 20 percent drop in 1955 corn yields, compared with the year before along with lower livestock, grain, and hay prices, were chief causes of the decline in earnings.

Cash grain growers in Champaign and Piatt Counties netted approximately $32 an acre in 1952, 1953, and 1954; their earnings dropped 17 percent to $27 an acre in 1955.

The biggest decline in earnings was felt in Chicago area dairy farms, where net earnings dropped 81 percent last year to only $2 an acre.

They had been $26 an acre in 1952, and $20 in 1954.

After showing a net loss in 1954, dairy farms in the St. Louis milkshed earned $8 an acre net in 1955. This compares with $26 in 1951, $20 in 1952, and $12 in 1953.

In this southern Illinois area, corn, oats, and soybean yields were about three times as high last year as the near-crop failure levels of 1954.

The university records were obtained from better than average farms where records are kept by the farm bureau-farm management service sponsored by the State university.

Low crop yields last year accounted for the poor showing of Chicago area farms in McHenry, Boone, and Kane Counties.

On some farms corn and oats yields due to dry weather were down to 35 or 40 bushels an acre or one-third less than the previous year's high yields.

One group of grain farms in southern Illinois showed a 45 percent increase in net earnings last year over 1954.

This area was recovering from a 3 years' drought where corn yields increased from 31 to 59 bushels an acre. The amount of net profit increases ranged from $8 to $12 an acre.

PUBLIC POWER VERSUS PRIVATE POWER

Mr. GOLDWATER. Mr. President, the proponents of public power have been strangely quiet the past few months. To be sure, an occasional stirring of the leaves could be detected; but no big winds, such as we have heard from time to time, have come up. This welcome silence does not, I am sure, indicate any lessening of the desires of the public-power zealots to acquire all of the power market and production facilities in this country. Rather, it is more like the calm before the storm. We, in this body, are bound to hear revived the battle cry of those interested in public power. In the realization that such will be the case, I want to allow my colleagues an opportunity to see just what the reaction is to this plea in an area which supposedly has cheap power from public sources, and to see a comparison of the rates of REA's in certain areas which are served by both public and private sources. First, I ask unanimous consent that two articles from two separate newspapers, one in Oregon and one here in Washington, be printed in the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of November 24, 1955]

PRIVATE FIRM WINS UTILITY TEST VOTE

COLVILLE, WASH., November 23.—Residents of this thinly populated farming and mining county yesterday chose private power over public power in an election to see which would continue to serve them.

With only a few ballots to be counted, the vote was 5,008 to 2,019 in favor of the Stevens County Public Utility District's sale of its facilities to the Washington Water Power Co. The PUD will cease operations in the county where both had served.

The so-called "ideological" campaign between the rival utilities had raged night and day since attorneys for the units agreed to let the voters decide which should service in the county which was too small for dual electrical operations.

Regional politicians watched, but did not take part in the electioneering. Most felt the result would influence national campaign strategy in 1956, especially in the power-conscious West.

The issue seemed simple. The vote was on this proposition:

"Shall Public Utility District No. 1 sell its transmission, distribution, and associated facilities to the Washington Water Power Co. for $2,905,000?"

If the required 60 percent had not approved the sale, the WWP would have sold out its county facilities to the PUD for $3.1 million.

"The overwhelming vote of confidence given Washington Water Power Co. by the people of Stevens County is to me a clear-cut indication that the majority of the American people anywhere will vote in favor of free enterprise if they are only given the opportunity," said Kinsey M. Robinson, crusading president of WWP.

PUD officials were not available for comment.

The WWP used its lower rates and the lure of more tax dollars in its vote bid. The PUD, which promised to match rates if it won, charged absentee ownership and Wall Street domination to the private firm.

The private utility had 3,000 customers and 2 generating units on the county border, which were not involved in the election. The PUD served 2,400 and bought electricity from the Bonneville Power Administration.

The county was considered politically neutral since it had followed national trends in recent elections and was rated about 50–50 in the Republican-Democratic lineup.

Publisher Charles Graham, of the weekly Statesman-Examiner, said:

"As many see it, there won't be a great dollars-and-cents difference to the average citizen no matter which way it goes. What's involved here is an ideology."

[From the Portland Oregonian of April 27, 1956]

SALE BID O. K.'D BY SANDY CO-OP

SANDY.—Members of the Sandy Electric Cooperative Wednesday night voted 571 to 99 to accept an offer of purchase from Portland General Electric Co. A 558 "yes" vote was needed.

The vote, which required a two-thirds majority of co-op members, means the rural electric system which has been operating at a loss, will be taken over by the Portland firm on or about May 15.

PGE's offer of $1,007,300 was made in competition with an offer by the Consumer's Electric Cooperative of Corvallis. Members of the Sandy Cooperative voted down the Consumer's offer, 440 against and 220 for the sale, a short time ago.

PGE's rates, which are about one-third lower than the co-op's, will go into effect as soon as PGE takes over.

Mr. GOLDWATER. Mr. President, these articles tell of two separate cases where the recipients of public power through cooperatives voted overwhelmingly to buy their power from private sources. These votes were cast, mind you, by people who live close to this entire argument, and who have learned that public power does not necessarily mean cheaper power. In fact, in some cases it means more costly power; but in any case it violates a basic tenet of our free enterprise system.

Mr. President, much has been said about cheaper power from taxpayers' generators. The facts simply do not bear out these statements. To prove this, I ask unanimous consent that a comparison of rates to REA's in two different areas of the country be printed in the RECORD at this point in my remarks.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

There are attached two tabulations showing comparable farm customer electric service statistics for consumers of electric service supplied by various distributors. Tabulation A shows comparative statistics for 4 REA-financed distributors in Idaho which obtain their power requirements from the Bonneville Power Administration (BPA), and 5 REA-financed distributors, of which 3 obtain their power requirements from privately owned taxpaying electric companies, and 2 of which obtain their electric requirements from the United States Bureau of Reclamation.

The 4 distributors which purchase power from BPA, a taxfree producer, received an average price of 2.27 cents per kilowatt-hour for energy supplied to consumers during the year 1953, which is 0.56 cent or 32.7 percent more per kilowatt-hour than Idaho Power Co. received for electric service supplied to farm customers during 1953. The 5 distributors which purchase their power requirements from privately owned taxpaying electric companies and the United States Bureau of Reclamation received an average price of 2.64 cents per kilowatt-hour for energy supplied to consumers during 1953, which is 0.93 cent or 54.4 percent more per kilowatt-hour than Idaho Power Co. received for electric service supplied to farm customers during 1953.

The eight REA-financed distributors in Idaho received an average of 2.38 cents per kilowatt hour for electric service supplied to consumers during 1953, which is 0.67 cent or 39.2 percent more per kilowatt-hour for electric service supplied to consumers during 1953, than Idaho Power Co. received from electric service supplied to farm customers during 1953.

Mr. GOLDWATER. Tabulation B attached shows comparative electric service statistics for numerous REA-financed electric power distributors in Tennessee which receive their power requirements from the Tennessee Valley Authority—TVA—a publicly operated producer. The distributors listed in this tabulation consist of those which are predominantly rural in nature, and the tabulation does not include those distributors which render electric service in large cities or to large industrial customers.

This group of Tennessee electric distributors received an average of 1.70 cents per kilowatt hour for electric service supplied to rural consumers during 1953, which is 0.01 cent less per kilowatt hour than Idaho Power Co. received from electric service supplied to farm customers during 1953.

The 1953 report of REA borrowers shows taxes paid during 1953 of $93,016 by the 9 Idaho distributors, which is only 5.91 percent of gross revenue and equivalent to 1.40 mills per kilowatt hour sold. The report shows taxes paid by the 17 distributors in Tennessee of $325,278, which is only 2.29 percent of gross revenue and equivalent to 0.39 mill per kilowatt hour sold. Idaho Power Co.'s tax obligation for 1953 was $7,323,072, which was 33.32 percent of gross revenue and equivalent to 3.51 mills per kilowatt hour sold during 1953.

The tax differential between Federal financed producers and distributors of electric power and privately owned taxpaying producers and distributors should be given due consideration in any comparison of power costs to ultimate consumers of electric energy.

TABULATION A

Idaho: Consumers, kilowatt-hours billed, and revenues of REA-financed electric distributors in Idaho, for the year 1953

	Average number consumer bills, 1953	Kilowatt-hours billed	Average kilowatt-hours per consumer	Operating revenues	Average revenue	
					Per consumer	Per kilowatt-hour (cents)
Northern Lights Inc., Idaho No. 4, Sandpoint, Idaho	2,796	7,913,106	2,830	$276,618	$98.93	3.50
Clearwater Valley Light & Power Association, Inc., Idaho No. 10, Lewiston, Idaho	4,076	24,807,835	6,086	494,331	121.28	1.99
Kootenai Rural Electric Association, Inc., Idaho No. 11, Coeur d'Alene, Idaho	1,478	8,245,519	5,578	166,663	112.76	2.02
Idaho County Light and Power Association, Inc., Idaho No. 15, Grangeville, Idaho	1,149	6,684,566	5,817	145,169	126.34	2.17
Subtotal, REA's receiving Bonneville power	9,499	47,651,026	5,016	1,082,781	113.99	2.27
Raft River Rural Electric Cooperative, Inc., Idaho No. 16, Malta, Idaho	578	6,964,268	12,049	143,736	248.68	2.06
Fall River Rural Electric Cooperative, Inc., Idaho No. 17, Ashton, Idaho	1,271	4,488,172	3,530	175,830	138.01	3.91
Lost River Electric Cooperative, Inc., Idaho No. 19, Mackay, Idaho	883	5,008,814	5,672	120,207	136.13	2.40
Prairie Power Cooperative, Inc., Idaho No. 21, Fairfield, Idaho	215	844,879	3,929	26,725	124.30	3.16
Salmon River Electric Cooperative, Idaho No. 23, Challis, Idaho	202	1,295,233	6,412	25,419	125.84	1.96
Subtotal, REA's receiving power from private companies and USBR	3,152	18,611,356	5,904	491,917	156.06	2.64
Total, all REA's, Idaho	12,651	66,262,382	5,237	1,574,698	124.47	2.38
Idaho Power Co., farm service only	27,727	179,540,233	6,428	3,053,878	110.14	1.71

NOTE.—Statistics for above REA-financed systems taken from U. S. Department of Agriculture 1953 Annual Statistical Report.

TABULATION B

Tennessee: Consumers, kilowatt-hours billed, and revenues of REA-financed systems in Tennessee which are predominantly rural in nature

	Average number consumer bills, 1953	Kilowatt-hours billed 1953	Average kilowatt-hours per consumer	Operating revenues 1953	Average revenue	
					Per consumer	Per kilowatt-hour (cents)
Volunteer Electric Cooperative, Decatur	18,893	86,792,862	4,594	$1,483,889	$78.54	1.710
Tri-County Electric Membership Co-op, LaFayette	17,892	55,099,237	3,080	1,121,912	62.70	2.036
Southwest Tennessee Electric Membership Corp., Brownsville	16,302	65,803,444	4,036	1,155,592	70.89	1.756
Middle Tennessee Electric Membership Corp., Murfreesboro	17,084	95,329,329	5,580	1,423,072	83.30	1.493
Gibson County Electric Membership Corp., Trenton	20,688	105,225,268	5,086	1,612,947	77.97	1.533
Cumberland Electric Membership Corp., Clarksville	18,813	89,618,866	4,764	1,509,461	80.23	1.684
Upper Cumberland Electric Membership Corp., Carthage	14,290	50,567,633	3,539	938,116	65.65	1.855
Fort Loudoun Electric Co-op, Madisonville	6,349	30,435,597	4,794	505,186	79.57	1.660
Carroll County Board of Public Utilities, McKenzie	7,723	39,304,877	5,088	611,407	79.17	1.556
Pickwick Electric Membership Corp., Selmer	6,966	31,526,784	4,526	512,616	73.59	1.626
Meriwether-Lewis Electric Co-op, Centerville	10,143	55,956,078	5,517	880,197	86.78	1.573
Tennessee Valley Electric Co-op, Savannah	6,042	23,597,500	3,906	425,249	70.38	1.802
Holston Electric Co-op, Rogersville	7,985	36,338,993	4,550	595,831	74.62	1.640
Caney Fork Electric Co-op, Inc., McMinnville	8,232	23,569,618	2,863	482,149	58.57	2.046
Forked Deer Electric Co-op, Inc., Halls	5,820	12,485,427	2,145	288,752	49.61	2.313
Chicksaw Electric Co-op, Inc., Somerville	3,631	10,704,845	2,948	212,387	58.49	1.984
Mountain Electric Co-op, Inc., Mountain City	7,340	21,695,465	2,955	420,626	57.31	1.939
Total, 17 co-ops	194,193	834,051,823	4,295	14,179,389	73.02	1.70
Idaho Power Co., farm service only	27,727	178,245,000	6,428	3,053,878	110.14	1.71

NOTE.—Statistics for above REA-financed systems taken from U. S. Department of Agriculture 1953 Annual Statistical Report.

Mr. GOLDWATER. Mr. President, an examination of these tables will undoubtedly raise in my colleagues' minds, as it has in mine, the question as to why a nontaxpaying, non-interest-paying power source, such as TVA, cannot produce power to REA's in their area at a cheaper rate than can a private concern in Idaho. In fact, if the minds of my colleagues react as has my own, I suggest that an investigation of the TVA is not only long overdue, but is highly called for at this moment.

WOODROW WILSON CENTENNIAL CELEBRATION—STAUNTON, VA.

Mr. SMITH of New Jersey. Mr. President on Saturday, April 28, at Staunton, Va., there were held the concluding ceremonies of a week of meetings and celebrations commemorating the 100th anniversary of the birth of Woodrow Wilson. The ceremonies were held on Saturday, the 28th, at the birthplace of Woodrow Wilson before a distinguished gathering, including ambassadors, or their representatives from 35 different countries.

On this occasion Assistant Secretary of State, Walter S. Robertson delivered an outstanding address reviewing the life of Woodrow Wilson.

I ask unanimous consent that this address be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE WALTER S. ROBERTSON, ASSISTANT SECRETARY OF STATE, WOODROW WILSON CENTENNIAL CELEBRATION, STAUNTON, VA., APRIL 28, 1956

Governor Stanley, Mrs. Wilson, Senator Byrd, Senator Smith, Senator Robertson, Mr. Chairman, and distinguished guests, had I been told 38 years ago that I was to have the honor to represent President Eisenhower on this occasion, I should have been a frightened, amazed, and awe-struck young man—frightened at the role I personally must play today, amazed that an unknown young second lieutenant of infantry by the name of Eisenhower was destined for a mighty role in world affairs which would land him in the White House, and awestruck by the magic name of Wilson.

At that time President Wilson was my Commander in Chief, albeit a remote one. I was a lowly embryo second lieutenant at an air service flying-school. I had a fervent admiration for what Woodrow Wilson stood for and for the man himself, whose ideals, integrity, and eloquence had given the military participation of the United States in the First World War a character it could scarcely otherwise have had.

It has been suggested that my admiration for Woodrow Wilson may not be unrelated to the fact that he was born in Virginia, in this historic and lovely town of Staunton. This allegation I protest, though I must admit to a prejudiced view where Virginians are concerned, and certainly my admiration for Mr. Wilson is in no way lessened by the proud circumstance of his birth.

While Wilson was taken to Georgia at an early age—too early for him to have any say-so in the matter—and did not return to his native State until he entered the law school of the University of Virginia, he has always appeared to me to stand in a tradition of statesmanship to which Virginia has so richly contributed. He was a man of high ideals, unyielding moral convictions, strong emotions, and great intellect—a man who combined a bearing that tended to the aristocratic with a belief in democratic representative government that had in it an almost religious purpose. In his two terms as President, through the new freedom, as he called it, he advanced to new goals the cause for which our Nation was founded—the cause of freedom and opportunity for all its citizens. In the principles he proclaimed, in taking our Nation into full participation in world affairs, into war, he awakened hopes among the subject peoples of autocracies everywhere, giving the name of our country a force and magic in other lands it had not possessed since the days of the American Revolution and the early years of the Republic. In his address to Congress asking a declaration of war, he proclaimed:

"We shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free. To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have, with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured. God helping her she can do no other."

In the past 15 years we have come far closer to Wilson than we had been in the 20 years that followed his administration—20 years during which many dedicated Americans earnestly tried to believe that what went on beyond the oceans need not concern or disturb us. In these past 15 years we have lived in a divided world. Also confronted with a divided world, Wilson, in April 1917, made his fateful choice and led the Nation out of its traditional isolation. Most of us can remember back to the 1920's when, in reaction to the idealism of the war years, some spoke with derision of the contention that World War I had been fought to make the world safe for democracy. Certainly we have since then paid a fearful price in pursuit of that ideal. We have had to learn once more that when Wilson said "the world must be made safe for democracy" he was expressing a necessary and transcendent objective of our Nation's foreign policy, the end we still must achieve if we mean to survive. Since then we have been confronted with two new mortal challenges to democracy, and one of them faces us today stronger than ever.

Much has been said and written about the fearful ideological contests of our generation, nazism and communism. Clearly the survival of freedom is the basic issue in these contests. But why do some men believe passionately in freedom while to others freedom is an object of contempt and ridicule? The answer it seems to me is powerfully suggested in the character of Woodrow Wilson. Wilson's life, his writings, his actions are illuminated by an unmistakable and invincible belief in man himself and in his promise, a conviction that man is worthy of justice and liberty. To a large degree I think—perhaps more than we sometimes like to admit—our estimate of mankind reflects what we have, all unconsciously, observed of our own selves. In the high estimation of humanity that inspired the battles Wilson fought, it seems to me that we can read the reflection of a nature that was itself generous, imaginative, creative, courageous. Can we conceive of a Hitler or a Stalin respecting his fellow man or considering him as other than corruptible, devoid of integrity and soul, not to be trusted outside confinement?

There were those in Wilson's lifetime who considered that he had altogether too much confidence in mankind. They accused him of being an idealist. He replied that if he were an idealist it was because he was an American.

It was to be Wilson's destiny to give American foreign policy the most important redefinition it had had in three-quarters of a century, since its foundations had been established as the avoidance of involvement in the affairs of the Old World, the Monroe Doctrine, and manifest destiny.

Wilson's first serious problem of foreign policy arose as a result of the seizure of power in Mexico by General Huerta. It was an instructive problem, for in it two principles, both recognized as valid by Wilson, were at cross-purposes. He felt he could not promote the establishment of order in Mexico by supporting Huerta. "We have no sympathy," Wilson wrote, "with those who seek to seize the power and government to advance their own personal interests." And Huerta had achieved control of the government by assassinating his predecessor. On the other hand, while he felt it necessary after provocations by Huerta to land an American force at Vera Cruz to prevent the unloading of weapons from a German ship, the prospect of a military campaign against Huerta was equally unthinkable to him. In the circumstances he welcomed and quickly accepted an offer of mediation from the so-called ABC powers—Argentina, Brazil, and Chile. In doing so, Wilson recognized the desirability of making a conflict between two governments a matter of legitimate interest and concern to the larger community, thus spreading a responsibility which a single nation could scarcely hope to discharge without arousing dangerous and lasting bitterness or being drawn into costly hostilities. While disorder continued in Mexico and gave Wilson considerably more trouble, the experience of cooperation between the United States and the ABC powers gave rise to a highly significant move toward the establishment of more active security measures in the Western Hemisphere. The essence of an agreement drafted by Wilson to this end and discussed with the ABC powers was: "Mutual guarantees of political independence under republican form of government and mutual guarantees of territorial integrity." The wording of this article strongly suggests the covenant of the League of Nations. The idea of a Pan-American security agreement was itself absorbed in the greater concept of a world organization.

When world war came in Europe, Wilson was primarily concerned to keep our Nation out of it. He had been 8 years old at the end of the War Betweeen the States and had seen at firsthand in Georgia the horror that follows in the wake of war. It made a terrible and lasting impression upon him. His devotion to peace was genuine and compelling. However, he angrily denied that mere safety was the object of the neutrality he urged. Rather he considered it the obligation of the one great nation that could "play a part of impartial mediation and speak the counsels of peace and accommodation, not as a partisan, but as a friend." Wilson's counsel to the American people that they be "impartial in thought as well as in action' may sound impractical to some today, but we must reflect that it was the rivalry of two empires in the Balkans—those of the Hapsburgs and Romanoffs—that touched off the war. It is not surprising that Wilson should have seen it in the beginning as an outgrowth of imperialistic conflict and secret diplomacy.

With both sides infringing America's neutral rights on the seas, Wilson deduced speedily that the main hope of keeping the United States out of the war was to bring it to a negotiated end. His personal representative Colonel House, explored with the belligerents in 1914, 1915, and 1916 the possibility of finding enough common ground between them to warrant the calling of a peace conference. Wilson's own personal appeals for a compromise peace culminated in his request to both sides in December 1916, for a statement of war aims as a basis for a possible settlement. In the light of what followed, the refusal of the contestants even to be explicit about what they were fighting for, let alone to attempt seriously to compromise their differences, must seem to us as tragic madness. By contrast, Wilson's statesmanship stands out as mature and inspired. He could not have tried harder than he did to bring about "peace without victory," but no man could have held back the tide of events which was to follow—the secrifice of more hundreds and thousands of lives, the achievement of power by the Communists in Russia, the internal collapse of Germany, and the eventual rise of nazism, bringing upon Europe another and near fatal war.

The failure of American peace efforts early in 1917 accompanied by the declaration of unrestricted submarine warfare by the Germans made the abandonment of American neutrality inevitable. President Wilson explained the historic change in our policy in these words:

"We tried to persuade ourselves that the European business was not our business. We tried to convince ourselves that no matter what happened on the other side of the sea, no obligation of duty rested upon us, and finally we found the currents of humanity too strong for us. We found that a great consciousness was welling up in us that this was not a * * * struggle which was to be confined to Europe * * * but that it was something that involved the very fate of civilization; and there was one great nation in the world that could not afford to stay out of it."

Recognizing the hideous destructiveness of modern war and the certainty that the United States would inevitably be drawn into any major war of the future, Wilson was determined that the hostilities in which the United States was then involved had to be concluded by a workable peace settlement and effective measures to prevent the recurrence of war. Even as early as May 1916, at a conference of the League to Enforce Peace which had been organized the year before under ex-President Taft, he said "we are participants whether we like it or not in the life of the world. The interests of all nations are our own also, we are partners with the rest. * * * The nations of the world have become each other's neighbor." He declared that the United States should become "a partner in any feasible association of nations formed to realize these objectives and make them secure against violation."

The war took on a new character with our entry into it. In his Flag Day address of June 1917 the President made dramatically clear that it was the "military masters of Germany who denied us the right to be neutral" that we were fighting and not the German people, "themselves in the grip of the same sinister power that has stretched its ugly talons out and drawn blood from us." He went on to declare: "This is the people's war, a war for freedom and justice and self-government amongst all nations of the world, a war to make the world safe for the people who live upon it, the German people themselves included."

In pursuit of his lofty objective, he proposed the 14 points as a basis for the cessation of fighting and the making of peace. In these points he dealt concretely with the most urgent problems of the peace, and, last of all, with his most precious proposal for "a general association of nations, affording mutual guaranties of political independence and territorial integrity to great and small states alike."

This historic peace program was a potent weapon of war in the hands of the President. Its psychological effect was overpowering. It was a bombshell in the ranks of the enemy, seriously undermining German morale in the closing years of the war.

On the basis of these principles, the Germans sued for peace in October 1918—instead of making a last stand and fighting on for, as Marshal Foch thought they might have, "maybe 3, maybe 4 or 5 months. Who knows?"

At that point, with the defeat of Germany, the struggle with the Allies began. The Allies had never taken the 14 points seriously. Clemenceau had never troubled to read them. Speaking to the Chamber of Deputies in late December, Clemenceau said: "There was an old system which seems to be condemned today and to which I do not fear to say that I remain a faithful adherent at this time * * * this system—solid frontiers * * * and balance of power seems to be condemned by certain other high authorities." And he added that "this system of alliances" would be his guiding principle at the peace conference.

Wilson had warned the so-called realists of what could be expected from imposing a punitive peace upon the German people. Such a peace, he said, would be "accepted in humiliation under duress * * * and would leave a sting, a resentment, a bitter memory upon which terms of peace would rest, not permanently, but only as upon quicksand." It was a prophetic utterance.

Wilson has been pictured as having failed lamentably at the Peace Conference. Actually the final settlement would have been far more shortsighted had it not been for the stand he had taken. He saved the Germans from having to pay the entire cost of the war. He obtained general recognition that colonial peoples were not chattels when he gained acceptance of the system of mandatea for the former German colonies. He obtained an undertaking by Japan to restore Shantung Province to China. The primary obstacle to the application of Wilsonian principles was actually not the unregeneracy of the other members of the Council of Four but the unregeneracy of the complicated facts of Europe's situation. Wilson had to recognize, as his heirs have had to recognize, that the pursuit of high principle can in some situations lead into contradiction. This does not mean that there is no higher morality in international relations—as some whose minds are on the contradictions would have us believe—but only that a higher morality is not simply to apply and that sometimes its application requires great patience.

It was in part because he foresaw the inevitable imperfections of the settlement that Wilson insisted that the Covenent of the League of Nations should be included in the peace treaty and not be left for subsequent consideration after the peace terms had been given to Germany. The League of Nations was, he exclaimed "in a sense the most essential part of the peace settlement itself," for the League he said "is necessary to guarantee the peace; and the peace cannot be guaranteed as an afterthought." On this issue, over bitter opposition from Allied quarters and over opposition even from within his own delegation, the President won a spectacular and most significant victory. On April 28, 1919, 37 years ago today, the Paris Peace Conference adopted the final draft of the Covenant of the League of Nations.

President Wilson's defeat came not in Paris but at home. It is not my purpose to explore here the causes of that rejection. No one can question the earnest patriotism of the opposition. No one can question that the blame must be shared. It is enough for us to recall that on August 8, 1945, the United States Senate voted in favor of American membership in the League's successor, the United Nations, vindicating Woodrow Wilson's ideals by the startling vote of 89 to 2. We had by then paid in copious measure for our failure to join the League that Wilson had created.

In the 1930's when aggressor nations struck at Manchuria and Ethiopia, the League of Nations proved unequal to the challenge. Thus, when World War II came upon us, we had to learn again that there are "Currents of humanity too strong for us" and that we could not remain apart from a "struggle * * * that involved the very fate of civilization."

We were not to make the same mistake again. We helped create the United Nations and joined it wholeheartedly. And when the ominous pattern of the past began to reemerge with the attack in June 1950 upon the Republic of Korea and it was clear that once more the "rights and liberties of small nations" were at stake, we did not hesitate. As the leader of a great coalition of the United Nations we made amends for Manchuria and Ethiopia. By repelling the aggression, we stemmed a tide that could have led only to a third world war.

In recalling a few outstanding examples of Woodrow Wilson's approach to international relations, I have tried to define the meaning that Wilson's policies have for us today; for Wilson's approach to world problems was, in a fundamental sense, to shape the character of our response to such problems for as long as we can see ahead. Wilson had to lead a people naive and inexperienced in international affairs, still speaking in terms of doctrines that were appropriate enough for the weak seaboard republic of the early 19th century but wholly inadequate for the giant who straddled a continent and would inevitably greatly influence the shape of the future world. After our false start toward imperialism in the Philippine venture—an outgrowth of the war with Spain—Wilson enabled us to find ourselves in terms of what we really are and the reality of the world at large.

It is the test of great men that they affect substantially the way a people think of itself—the image it has of itself. It is also the function of great men to refine and elevate that image.

The picture we have of ourselves as Americans and to which we feel we must live up in our conduct with other peoples bears indelibly the impress of Wilsonian ideals. "The United States," Wilson declared in Mobile in 1913, "will never again seek 1 additional foot of territory by conquest." This has become axiomatic with us. Some who today are strongly attracted by the notion of realism in the conduct of foreign affairs, might reject a statement made by Wilson in that same speech, that "It is a very perilous thing to determine the policy of a nation in terms of material interest." Yet in our hearts most of us agree that material interest alone is not a standard high enough for this Nation. There is a cause of humanity, and the obligation has been laid upon us by our favored circumstances and the vision of our great leaders to serve it. It is not in all cases a clear cause. Sometimes its currents divide and seem to run at crosspurposes. Sometimes it makes irreconcilable demands. And yet is is always there and in a larger perspective has a true and ascertainable course.

We may not always succeed in promoting the cause of cooperation and collective security for all peoples. We may not always succeed in achieving "the right of those who submit to authority to have a voice in their own governments." We are not all-wise or more than human.

Yet when we fall short, we shall know no rest. We are like a people to whom a whisper of infinite possibilities has been vouchsafed, and for us there is no way station where we may tarry in contentment. The voices of the great spokesmen for the American ideal—all who have ever lived—continue to make their demands of us, like an inspiration, like a conscience, impelling us to the sacrifice of 35,000 of our most precious lives in Korea, to the contribution of $60 billion in 10 years to the war stricken and the unprivileged of other lands. Among these voices will always be that of Woodrow Wilson, speaking to us of that "universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free."

I shall close with the last words spoken by Mr. Wilson in public, on the occasion of Armistice Day, 1923, to a small crowd that had formed outside his house:

"I cannot refrain from saying it: I am not one of those who have the least anxiety about the triumph of the principles I have stood for. * * * That we shall prevail is as sure as that God reigns."

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a notable speech delivered by Arthur Krock at Staunton, Va., on April 26, on the occasion of the 100th anniversary of the birth of Woodrow Wilson in that city.

Mr. Krock was a close and intimate friend and adviser of Woodrow Wilson.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

What are the tests by which our Presidents are measured for their places in history? I think they basically are three:

Did he leave office in a country stronger or weaker in its material, moral, and spiritual values than when he entered the White House?

If stronger or weaker, was he instrumental in the change?

And, whether he left office with the country stronger or weaker in all or any of these values, and whatever was his part in the transition, did he give new force to the aspiration of international peace?

On these tests Woodrow Wilson passed to a lofty place in contemporary history, and succeeding generations affirm that judgment with the mounting evidence of the years.

Great spiritual and moral teachers of mankind served the concept of enduring peace long before Woodrow Wilson. It is linked immortally with the Prince of Peace. But Wilson made it a physical entity, the covenant of the League of Nations. And even in the ruins of civilization this entity will survive as it survived in the debris of Europe after the second global war—which Wilson knew, and told the world, would be the consequence of its rejection.

The causes for that rejection were many, and one of the cruelest of life's ironies is that Wilson himself should have energized these causes. That contribution, taken out of the complex, has been distorted by partisans and critics. The President, as I now evaluate the American scene in 1919 and 1920—a scene which in part I saw unfold—could have been the first and only perfect man in history, and still have failed to stem the opposing flood of his times.

War is followed by disenchantment, and this draws the people to those who inevitably can point to the costs and errors of the fight. If a nation has gone to war to preserve an ideal, as the United States did in 1917, and the aftermath is a greedy scramble by its allies for the spoils, the administration by which the war was conducted is instantly put on the defensive. The United States had abandoned neutrality and isolation in the belief that this was both necessary and would be effectual in making the world safe for democracy. And when that belief was shattered, the people turned against the regime by which the war had been conducted. It was a political opportunity any opposition would grasp. And since Wilson embodied the covenant, the tactical requirement was that to repudiate one the other must also be repudiated.

Perhaps the bitterness with which the political battle was waged against him was responsible for the fact that in this period Wilson revealed his major defects as an administrator. Perhaps if the President had taken Taft and Root with him to Paris on the peace mission, the covenant would have come before a friendly Senate, even with article X, that morally committed the United States—but subject to the constitutional process—to guarantee by force if necessary the allied territory. This territory included, of course, the subject peoples of our allies. Perhaps under the influence of Taft and Root there would have been an even more conditional clause written into article X, which still, if invoked, would have committed us to the perpetuation of the European powers' colonial system. But perhaps, with this extra if and the Senate's other so-called mild reservations, the United States would have joined the league, and there would have been no Harding administration to make a separate peace with the central powers, and the covenant a scrap of paper.

I believed the last so firmly at the time that I made a visit to Washington to urge two Senators I knew well and had strongly supported in the Louisville Courier-Journal to vote for these mild reservations.

It was mathematically sure that if the Democratic leader, Underwood of Alabama, and Stanley of Kentucky had endorsed a sensible compromise on article X, the reservations would have carried and the United States entry into the League would have been approved by the Senate.

Stanley said he would vote for them if Underwood did: "I want to," Underwood told me, "but the old man in the White House would excommunicate me. I am his party leader and I must maintain his pledge."

Yet now, looking back at the atmosphere of that period, I do not believe the United States would long have been faithful to its commitment to the League, even if Wilson had followed these courses. The disillusionment of the war and the Treaty of Versailles had put the times out of joint for another and immediate idealistic venture by this country. Wilson's failure, in my estimation, was wrought at Paris, not in the Senate, and was made inevitable by his decision to negotiate at first-hand with European politicians committed to a Carthaginian peace. Though that failure, once he decided to go to Paris, was to do the impossible, because he sacrificed his prestige as the head of the State and it was asking the politicians at their level to forego the familiar fruits of a victory they had guaranteed and for which their peoples had paid grievously in life and treasure, it was a failure, nevertheless. And so the covenant came home in a package that audibly was ticking with the timebombs of yet another war.

But equally I believe that if Wilson had prevailed with our allies on the terms of peace he would have made the same tactical errors in dealing with the Senate. I think this because these tactics were congenital defects in his equipment as a political executive, which brings me at last to the topic I was assigned today.

From the estimates of contemporaries—critics fair and unfair, associates objective or unreservedly admiring—and from limited observation of my own I come to these conclusions about Wilson as an administrator of Government:

"He was a good listener, an intelligent questioner, amenable to argument whenever he felt free to give practical effect to his conclusions," said a British newspaper reporter at Paris who was no friendly appraiser. But, once Wilson came to a conclusion, usually a slow and often reluctant process, he resented pressure, and, if persistent, his resolve grew all the firmer. With most of his entourage pressure was judiciously limited. (Once I recall that George Creel pursued the fleeing President to his bedroom trying to change his mind and had the door slammed on him.)

Wilson at all times was keenly aware that his was the final responsibility for the acts of the Executive, and, when he assumed it, he expected that to be the end of the argument. This was reasonable, and effective with his associates. But the President was also disposed to feel that the people, the press, and Congress should accept his decisions when made. If they or any of them didn't and this, of course, was frequent, he was inclined to take dissent for hostility. These attitudes impelled a foreign statesman to say of Wilson, "We Europeans can't keep up with a man who travels a straight path with such a swift stride, looking neither to the right nor left."

Nevertheless, Wilson was prone to hesitate at the forks of the road. At times he revealed an affinity with the celebrated Wilkins Micawber, Esq., as in the period of watchful waiting of the turmoil in Mexico.

But then, as at other times when he hesitated at the sight of the brink of decision, Wilson's deep moral sense was the cause. Huston Thompson, of Washington, a member of the small surviving band that held office under Wilson, recalls a discussion with the President about his Mexican policy. "I will not," said Wilson, "ever use an ounce of force against a helpless country for the private gain of selfish interests."

One reason, perhaps, why he looked "neither to the right nor left" was because he preferred to walk alone. In the White House his life was reserved. The streams of people who delighted the two Roosevelts and Truman, and in which they sought to acquire or keep the common touch, were diverted as much as possible from Wilson's office and hearth. He could not suffer fools gladly. Whether or not he appreciated the usefulness of being, or wanted to be, companionable with Members of Congress, other politicians, and the press, and his wit would have assured that, he definitely was not, thus sacrificing an asset of great value to the head of a democratic country.

He was a pretty good party man, but he was inclined to think of all the people except the Republican hostiles, as members of the party. That impelled him to appeal to them over the heads of the politicos which—brilliantly successful with the Germans—brought him domestic opposition he otherwise might not have experienced, and from Democrats as well as Republicans, and this trait, I think, caused him to make the mistake of asking for the return of a Democratic Congress—his words could have implied a one-party Congress—in 1918, a tactical blunder his political foes exploited into a large Republican victory.

He was a great man, but the noun is as descriptive as the adjective. He changed his mind as men do, especially men whose theories seem immutable principles to them when they are formulated and then find them reduced to mere doctrines by honest and powerful challenge that persuades them the end justifies the means. Thus Wilson, the scholar-champion of representative government, later saw virtues he had long denied in the initiative and referendum for statutes. That was because, as a political administrator, he discovered that representative government by producing an arrogant Supreme Court, and a Senate wherein New York and Nevada are equal, could be insuperable obstacles to reforms in which he believed. Once when chided for this revolutionary about-face, Wilson said he supported the intiative and referendum "only as a gun behind the door." But that was an after thought.

With the same lamp of practical experience Wilson as President abandoned the unflinching attitude against woman's suffrage he had maintained at Princeton and at Trenton. And he lived, too, as Presidents will, to question that the institution of judicial supremacy he firmly held essential to enlightened progress was safe in the hands of the judges that politics was producing. Once, explaining why he shied from appointing more lawyers to the Federal commissions, Wilson said of that profession when translated to the bench to pass on antitrust laws:

"Where the courts have failed was in substituting language of their own for that of Congress, and in seeking to base the test on the reasonableness of the restraint, whereas the test of Congress was intended to turn on whether the restraint lessened competition."

On another occasion Wilson urged the Supreme Court not to interfere in "moral and social questions originally left to the States," and in particular "paternal morals" in conflict with "local opinion and purpose, local prejudice, and convenience." "Judicial supremacy," he said, "saps the legal morality upon which a sound constitutional system must rest."

Jefferson, in the Kentucky and Virginia resolutions, and in his controversy with Chief Justice Marshall; Lincoln, in seeking to reverse the Dred Scott decision; the delegates to the Hartford Convention of 1814 who proclaimed interposition; and the authors of the southern declaration who are proclaiming it anew—all these were concerned with maintaining the same constitutional principle—that no branch of government shall usurp and invade the function delegated or not forbidden to another.

President Wilson gave his trust to only a few, but these had it all, and he never was alienated from them by the differences of opinion they expressed. This is the unquestionable testimony of Bernard M. Baruch, Herbert Bayard Swope, Joseph E. Davies, and—until the breach—E. M. House and of many others. But Wilson's preference among the contributions of his advisers was for facts—he used approvingly to call Baruch "Dr. Facts." And whenever he concluded that an adviser or other subordinate was assuming responsibility belonging only to the President, Wilson's reaction was swift and condign. On this conviction he broke with House. On this conviction, when he learned that Secretary of State Lansing had convoked a Cabinet meeting during his illness, he displaced the Secretary.

Having stated his principles, which, like us all, he assured himself were always the bases of his decisions, Wilson expected no further argument. That applied particularly to his Cabinet, which the President made wholly subordinate—a condition that for him happily attained permanence when William Jennings Bryan resigned as Secretary of State and Lindley Garrison as Secretary of War. The inclination of Wilson to choose appointees whom he felt sure would go along with all his points of view barred many able citizens from his counsels, and by this narrow measurement his was the "one-man government" his unfriendly critics called it. And his usual inflexibility toward compromise, when he decided that a principle was at stake—I am thinking of his 14 points—put him at a disadvantage in Paris. This disadvantage was increased by the circumstance that Wilson was not deeply versed in foreign affairs, and encountered in Clemenceau and Lloyd George the vastly skillful parliamentary technique in which he had no experience.

But on the other hand, what a constellation of talents, in administration, in political and popular leadership, in moral causes and in gifts of speech and presence that made Woodrow Wilson the first figure of his world.

Let me summon to the bar of history intimate and informed evidence of all these talents by some of those who knew him best. First, Bernard M. Baruch on Wilson as political leader and as constitutional President:

"In the years between the Civil War and Wilson's emergence as a political leader, great forces had been let loose in America and great changes had taken place. We had grown rich and powerful—and careless. Injustice and inequity were permitted to mar the face of America. Under Wilson's new freedom, America returned to the task of perfecting democracy. A vigorous attack was launched against special privilege, monopoly, the mastery of many by the few. The door of economic opportunity was opened wide again, social wrongs redressed, political abuses corrected. A new wave of energy and confidence swept across America—a wave of energy and confidence which, with the outbreak of the war, was diverted from the task of improving democracy to the infinitely more difficult task of defending it.

"When Wilson became President, national legislation had lagged far behind the great social, economic, and political changes which had developed since the Civil War. Wilson moved with speed to close some of the gaps. He shattered precedent by reading his important messages to the Congress in person. He energized and unified his party majority, working closely with his party leaders as the one leader elected by all the people. * * * In the years 1912 to 1914, during which the Congress was held in almost continuous session, a sweeping program of legislation, then without any precedent in our history, was swiftly enacted.

"Wilson, as Jefferson, scrupulously refrained from invading those powers reserved for the States in the Constitution.

"He never deviated from Jefferson's idea that no one class should ever be favored politically by Government at the expense of another. He never permitted selfish political action in its own interests. He never feared pressure groups. He never conceived of the arrival of a political era where Federal bounties became so extensive that the Federal payroll included so many of its citizens.

"Though abhorring war, Wilson made a great war President. He pledged force without stint or limit, force to the uttermost, and saw that it was delivered. Those of us who worked with him never lacked support, leadership, or wise and friendly counsel. Each of us always knew exactly what was expected of him. * * * He was the first American leader to wage total war."

And Baruch could have added, for he did much to make the record possible, that Wilson's administration of the war was an especially remarkable executive performance by a man who came from the academic groves. In the center of the task of mobilizing, training, and transporting great forces overseas for the first time in our history, and organizing the most abundant service of supply in any history, was the President. And under his vigilant eye and rigid though just moral concepts, the war was fought as cleanly as it was triumphantly—a new experience for the American people.

David Garrick said of his friend Oliver Goldsmith that "he wrote like an angel and talked like Poor Poll." But among the talents showered by nature on Wilson was mastery of both the written and spoken word. As an orator he moved this people as no contemporary could. As a composer of state papers he was supreme in his day. In stressing to the German people the view that their leaders, not they, were responsible for their crime against civilization, Wilson invested brilliant high military strategy with a pure literary flame. A comment on this by

Breckinridge Long, of Maryland, another survivor of the President's official family, deserves repetition today:

"The memoirs of the generals commanding the opposing armies agree," said Long, "that Wilson's notes did more to destroy Germany's morale than the guns of the Allies."

"The language of these message has been absorbed into the body of literature. Their effect has perhaps been forgotten and needs to be recalled. But no memory which experienced the sensations they caused is so short but that definite recollections may be called forth from the recesses. The effects were electric. For a moment, literally, the world stood in awe and witnessed the spectacle of one man's brain unleashing more power than there was in armies combined. He had expressed democracy's hopes, people's desires to be free. He had pointed the way to a realization of peace. He was the leader of the world in its frenzy—the voice of hope—the guide to peace."

That was Woodrow Wilson, the world statesman whose voice stirred the world with the dearest aspiration of men of good will, which is peace on earth, and who was the master architect of the only plan by which it can be made durable. But that, too, was Woodrow Wilson, the political administrator of the great Nation which attained, without the ambition to do so, the material and spiritual leadership of the world under his inspiration.

I believe that history is steadily confirming those judgments and will by them abide.

UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL LABOR ORGANIZATION

Mr. **MANSFIELD**. Mr. President, in the May 6 issue of the Register, the Catholic diocesan newspaper of western Montana, there was published an article entitled "'Rider' Approach All Wrong," written by Msgr. George G. Higgins.

The article discusses the Bricker amendment to the ILO resolution, which was adopted by the Senate a few weeks ago.

I ask unanimous consent that the article by Msgr. Higgins be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

"RIDER" APPROACH ALL WRONG

(By Msgr. George G. Higgins)

The United States Senate moved on April 19, by a roll call vote of 43 to 40, to restrict United States contributions to the International Labor Organization unless the employer and worker delegates of the Soviet bloc are ousted from the organization.

The vote was taken on a rider (introduced by Ohio's Senator JOHN W. BRICKER) to a Senate resolution, which, if it had been adopted in its original form, actually would have increased the financial contribution of this country both to the ILO and to the Food and Agricultural Organization of the UN.

This resolution, as amended by the rider, was then adopted without dissent and referred to the House of Representatives.

In the original resolution, the Administration had requested that the United States be authorized to contribute up to $3 million a year to the ILO as opposed to the present ceiling of $1,750,000.

The attached rider will limit our annual contribution to the latter figure under the following circumstances:

"If, during the preceding year, delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement are found by the State Department to have been permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization."

VALID OBJECTION

The opposition argued in vain—in line with the administration's viewpoint—that this restrictive rider might put the United States in a bad light with other countries of the free world by creating the impression that we are trying unilaterally to dictate policy to them with regard to the ILO. In our opinion, this is a valid objection.

The Communist problem in the ILO—as was pointed out in a recent policy statement by one of the committees of the Catholic Association for International Peace—is admittedly serious.

But it stands to reason that this problem cannot be solved unilaterally by the United States acting solely on its own initiative and independently of anti-Communist allies.

Perhaps the best way to solve the problem—short of destroying the ILO—would be to amend the constitution of the organization. This would not be subject to veto by the Soviet bloc.

OPEN DISCUSSION NEEDED

There is reason to hope that this solution—the one favored by the United States workers' delegation to the ILO—will be adopted in the near future.

Meanwhile it is to be hoped that the House of Representatives will vote against Senator BRICKER's rider to the Senate resolution and will send the resolution back to conference for further consideration.

If there are valid arguments against an increase in the annual United States contribution to the ILO, let them be discussed honestly and openly on their merits instead of being disposed of, without an adequate debate, by a potentially harmful rider to a constructive legislative proposal.

It is interesting to note in passing that, during the week of April 22, hearings were to be held before the Senate Committee on Labor and Public Welfare on another important issue involving the ILO—one on which some of the leading supporters of the above-mentioned rider are expected to take a very inconsistent position.

The issue is whether or not the United States should push for the adoption of an ILO treaty to prohibit forced labor for political or economic purposes.

As previously reported in this column, the United States Department of Labor and the United States workers' delegation to the ILO are in favor of such a treaty, but the State Department, unfortunately, is dragging its feet on the issue.

It is generally thought that the State Department would like to support an ILO treaty against forced labor, but is afraid to do so for fear of incurring the political wrath of some of the more vocal supporters of Senator BRICKER's point of view.

This is a curious paradox. On the one hand some of its critics accuse the ILO of being dominated by Communists. On the other, many of these same people refuse to support an ILO treaty that would help to eliminate or at least to publicize the Communist evil of forced labor.

FEAR OF GLOBAL TREATIES

This obvious inconsistency on the part of some of the ILO's critics would seem to indicate that there is more to their criticism of the Organization than meets the eye.

Are they opposed to the ILO merely because the Soviet Union and some of its satellites belong to the organization, or are they opposed to the ILO as such, independently of the Communist problem?

In other words, if the Communist problem were to be solved would they then support the ILO?

Presumably some of them might. But it is safe to say that others would undoubtedly continue their opposition to the ILO—at least to the extent of trying to prevent it from adopting international treaties even on the subject of forced labor.

It is the opinion of many competent observers that a fear of international treaties, rather than the Communist problem, is the fundamental issue in the current debate about United States participation in ILO.

HEART OF UNITED STATES FOREIGN POLICY

It is a very important issue—far too important, as we have already indicated, to be disposed of by the rider technique. For it goes to the very heart of American foreign policy and directly involves the whole problem of United States participation in the U. N. itself.

If we withdraw our support from the ILO, one of the specialized agencies of the U. N., logic would require us to withdraw our support from the U. N. itself and from all of its other specialized agencies.

Maybe this is what some of the more extreme critics of the ILO are aiming at as their ultimate objective. Maybe not. Only time will tell.

It would be a tragic mistake, meanwhile, to attempt to solve an issue of such tremendous importance by the short-cut device of attaching anti-U. N. riders to routine legislative proposals in the field of appropriations.

From the point of view of sound legislative procedure, there is nothing to be said in favor of, and everything to be said against, the rider approach to substantive matters on national policy.

THE PRESIDENT'S ADDRESS ON FOREIGN POLICY TO THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

Mr. **MANSFIELD**. Mr. President, the President of the United States, at his press conference on April 25 said:

> Nothing is more important than public understanding of world difficulties.

On Saturday, April 21, 1956, the President of the United States made a televised and radio speech to the American Society of Newspaper Editors. I listened to that speech with great care, and when the President had finished, I must confess that while I was reassured by Mr. Eisenhower's basic peaceful approach as illustrated in his three guidelines, I was disappointed in the generalities which he stated and the fact that he did not in this previously billed "Major Speech on Foreign Policy" give the American people the facts of life.

A day or two after the President's talk, I began to see references in the newspapers to the effect that at the conclusion of the televised and radio portions of his remarks, he delivered an extemporaneous speech, another half hour in length, to the editors in attendance. In the latest issue of the U. S. News & World Report, dated May 4, 1956, I have at long last been able to read the full text of the President's extemporaneous remarks. I find, in reading his off-the-cuff statements to the newspaper editors, that the President made the kind of a speech to them that he should have made to the American people as a whole.

I cannot agree with his contention that the Soviet Union's rulers had to change their policies because they were losing, for I do not believe the facts will bear that statement out. I do, however, agree with the President that Soviet aims remain the same, that the Soviet economic offensive "is creating new problems" for the United States, and that the situation concerning Japan and its possible future is becoming most dangerous. I think the President on the occasion of his televised and radio address should have laid all these facts before the American people and pointed out that in practically all areas of the globe we are faced with great difficulties and tensions at the present time. The Near East, to which he gave a bare mention in his formal address, is simmering; NATO is in the process of disintegration and has been for a year; the continent of Africa is undergoing a great revolutionary change; southeast Asia is in a troubled and delicate state; and even in Latin America there are rumblings now going on.

I agree with the President when he says:

> There is nothing more important in the world today than that America—167 million Americans—shall be informed on the basic facts in this whole struggle.
>
> We ought to get it as far away from demagoguery, from political partisanship, from every extraneous influence as we possibly can. Just get the naked truth to these people with interpretation through editorial pages, and so on, to let them see the relation of one fact to another.
>
> There are no easy panaceas.

Mr. President, there are indeed no easy panaceas, nor is there a cheap way out of the difficulties which confront us. Regardless of party, we expect the President of the United States to keep the American people as fully informed as possible of events going on throughout the world. To ignore the world's difficulties, to shy away from them, to admit they do not exist can lead only to suffering and despair—perhaps even to ruin and defeat.

It is to be hoped, Mr. President—and I say this most respectfully—that in the future when the President makes a speech on foreign policy, he will take the American people, and not merely one small segment of it, into his confidence.

Mr. President, I ask unanimous consent that the speech which the President gave before the members of the Society of Newspaper Editors be made a part of my remarks at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

> To give you my feeling about what I would like to say now I will tell you a story of when I was a young lieutenant in a regiment on the Mexican border. There was not a great deal to do in those days, and some people indulged in acquaintanceship with John Barleycorn more than they should.
>
> One morning a couple of us young second lieutenants were up as usual long before the captains were, and we were standing by one captain's tent as he got his feet out of the bunk. He was sitting there on the edge of it with his head in his hands, and he says: "I am nothing but a mountain goat. All I do is jump from jag to jag."
>
> Now, any man who, through 35 minutes or 30 minutes, has been trying to hit the high spots of the world today, and America's position in the international situation, certainly feels that he has been jumping from jag to jag on the mountain tops.
>
> So I wanted rather to come off the summit of those high spots and talk with you just a few minutes about some of the very great intricacies in this problem that we call developing foreign policies and in implementing them throughout the world.
>
> Now, I think there is no use explaining the "cold war." We all have pretty clear ideas of what is going on. But one thing that we do worry about is: Who is winning and who is losing?
>
> Well, I don't think anybody knows, because the situation differs in every single corner of the globe. I have heard many people at home here say that we are losing the cold war every day. Others take exactly the opposite view, and these more hopeful ones can point to some facts rather than merely allegations about our prestige abroad, or how many friends do we have, and that sort of thing.
>
> For example, why was there such a sudden change in the Soviet policy? They are out—their basic aim is to conquer the world—through world revolution if possible, but in any way. Their doctrine—anyone who has read any of their books knows that their doctrine is lies, deceit, subversion, war if necessary, but, in any way, conquer the world. And that has not changed.
>
> But they changed their policies very markedly. They were depending on force and the threat of force only. And suddenly they have gone into an entirely different attitude. They are going into the economic and political fields and are really wearing smiles around the world instead of some of the bitter faces to which we have become accustomed.
>
> Now, any time a policy is winning and the people are completely satisfied with it, you don't change. If you change policies then markedly you destroy old idols, as they have been busy doing. You do it only when you think a great change is necessary. So I think we can take some comfort; at least we can give careful consideration to the very fact they had to change their policies.
>
> And I think the whole free world is trying to test and determine the sincerity of that plan in order that the free nations, themselves, in pursuing their own policies, will make certain that they are not surprised in any place.
>
> But from the Communists—we look at some of the advances we think they have made, but let us remember: They did not conquer Korea, which they announced they were going to do. They were stopped finally in the northern part of Vietnam; and Diem, the leader of the southern Vietnam—the southern Vietnamese, is doing splendidly and a much better figure in that field than anyone even dared to hope.
>
> The Iranian situation, which only a few short years ago looked so desperate that each morning we thought we would wake up and read in our newspapers that Mossadegh (then Iranian Premier) had let them under the Iron Curtain, has not become satisfactory, but that crisis has passed and it is much better.
>
> The difficulty in Egypt between our British friends and our Egyptian friends over the big base was finally settled.
>
> The Trieste problem which had plagued the world for many years, if not an ideal solution, has had a practical solution. The first bridgehead that communism had succeeded, or practically succeeded, in establishing in our hemisphere has been thrown out.
>
> Now these are cold-war victories, because the purposes of the Russians were defeated.
>
> Now they have attempted to go into economic fields and here their unity of action, brought about by the fact they are a single government, is creating new problems.
>
> A group of free nations can stay together fairly easily when you have got a definite threat to their very existence right in their faces. As long as the Germans, for example, were powerful and aggressive in Europe in the Second World War there was no great trouble in keeping the other nations pretty well together in policy and in action. But when those are lifted and you go into the economic field, each of us—each country—has its own economic problems of itself; now it becomes very difficult for a group of free nations, through spontaneous cooperation, to achieve a unity to oppose the other man.
>
> Let me take one example, just to show you how these things work out. Let us take Japan. There is no one in this room that needs a blueprint of how important it is to us that Japan stay outside the Iron Curtain. A nation of 90 million industrious and inventive people, tied in with Communist China and with the Soviets, would indeed pose a threat to us that would be very grave indeed.
>
> PRESSURE FOR TARIFF PROTECTION
>
> Japan is 90 million people living on fewer arable acres than there are in the State of California. How are they going to live? Well, they have got to trade. They have got to deal with other people outside. We won't trade with them. Every day—well, if not every day, every week—there comes to Government, including my desk, pleas for greater protection against Japanese goods.
>
> Now, this is not wholly one-sided, because some of our citizens have found out that last year—I think my figures are correct—while we were buying $60 million worth of cotton-textile goods from Japan, they bought $120 million worth of our cotton. So even that problem is not clear in exactly what you should do.
>
> But, anyway, we won't trade with them, so they can't make a living with us except on a minor scale. But we get tired properly—we can't be trying to sustain any other nation just with our money. So we don't just give them the millions by which they can go and buy all the things they need abroad.
>
> But the next thing we come up against: We are very certain in our own minds that some of these nations—not all the United States people, but some of them—are very loud in their denunciation of any country that trades with the Communist countries. So the Japanese can't trade with their natural markets, with Manchuria and China. So finally, all of those southeastern markets—all the southeastern Asian markets—have been largely destroyed; they are so poor they can't support them.
>
> So what does Japan do? Where are we chasing her? Chasing her to one place. She has to look less and less to us and more to her mainland next to her. She has to, now, begin to look rather longingly, unless something is done.
>
> Now, that is the kind of cross-purpose that comes up, and this goes on around the world. Britain and France and Germany—indeed, every country with which we deal—has some problem different economically from our own.
>
> So we have a real job in trying to get agreed policies among the free nations and then to implement them.
>
> And I come, then, to the real purpose for asking you people to listen to me for a few minutes more after my rather long prepared address.
>
> And it is this: Our Nation is called to leadership—and I am not going to argue the point, I know you all understand—leadership in the world, to lead it toward freedom, to keep expanding our areas of freedom and not allow the Communist cloud to engulf us little by little.
>
> Now, when a nation leads it is not enough that even an entire Government, legislative and executive, should see this problem as one. That doesn't make it a truly national policy in anything that is as long term, as vital, as is required in national leadership of the whole world. Every citizen has a job that he cannot delegate. He cannot delegate it to the most powerful and the most influential political leaders. He must take his part in getting himself informed.
>
> What I want to say is this: There is nothing more important in the world today than that America—167 million Americans—shall be informed on the basic facts in this whole struggle.
>
> We ought to get it as far away from demagogery, from political partisanship, from every extraneous influence as we possibly can. Just get the naked truth to these people with interpretation through editorial pages, and so on, to let them see the relation of one fact to another.
>
> There are no easy panaceas. You can't say, "We simply won't trade with the Communist nations"—and make that work for all of us. In fact, to make such a statement is, to my mind, giving up one of the great strengths for which the Yankee has always been noted: He is a good trader.
>
> In that kind of trade, who gets the best of it?
>
> We should think of those things and not try to pull out any slogan, any single idea, that will meet this situation. All that is necessary is to get the facts to the American people.
>
> The other is to get, so far as we possibly can, the facts of America's purposes—her intentions, her disinterested motives, her lack of ambitions for other territory and increased domination—to the world. We must get it out to the world.
>
> This is difficult, because all over the world we don't have you people. We don't have American newspapers. Some of our wire services reach part way, but very inadequately. The United States Information Service is merely to help. It would be far better did we not have to depend on it at all. It should even itself depend on private media wherever it can reach them in other countries.
>
> This information should go out abroad just as at home, through the processes of a free people so far as possible, and Government should only support that effort.
>
> One more point and I am finished.
>
> The world changes, and in these days it changes rapidly. A policy that was good 6 months ago is not necessarily now of any validity. It is necessary that we find better, more effective ways of keeping ourselves in tune with the world's needs, and helping to educate the world to know that it itself, each nation, must do the major part of the job. Any outsider can merely be helpful, can give moral and some little physical support, material support.
>
> But the sums that we put out are a bagatelle compared to what is needed and what these people, most of them impoverished, must provide for themselves if the whole free world is to advance.
>
> There are different kinds of means, one of which, I should think, would be getting together and keeping a sort of rotating advisory body of citizens who are not burdened with the general and never-ending cares of office to devote their brains to the job in partnership with governments. We must constantly keep up to snuff, because, if we don't, we are bound to lose. We must be ahead of the problem. We must see its major parts. We must get its critical factors set up so that we understand them thoroughly in simple fashion, and then we must pursue a common course vigorously, persistently, and with readiness to make whatever sacrifices may be demanded.
>
> And then, I say, we will be worthy of the farmers in Concord.
>
> I apologize again for taking so much of your time. Thank you and goodnight.

THE DASTARDLY ATTACK ON VICTOR RIESEL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a most moving and gripping account of the recent dastardly attack upon Labor Columnist Victor Riesel. The article entitled "Barbarism on 51st Street" appeared in the April 30, 1956, issue of the New Leader under the byline of that weekly magazine's executive director, William E. Bohn. Since this article was published, we have had the tragic and shocking news that, as a result of the attack upon him, Mr. Riesel has been permanently blinded.

Mr. Bohn, a former associate of Mr. Riesel on the staff of the New Leader, is an observer of the American scene who writes with great clarity, drama, and vividness of style.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> It was a Thursday morning during the first week of April. Vic Riesel had had a bite to eat at Lindy's after finishing a radio broadcast. A sturdily built youth called to him and, when Vic turned, threw a bottle of sulphuric acid into his face, most of it into his eyes.
>
> This is about the dirtiest trick one human being can play on another. It is lower down than hitting a man with your fist or shooting him or running a knife into him. Of course, it has happened before to newspapermen, to policemen, to trade-union leaders. But I never got specially excited about the other cases. They seemed to be no special business of mine. Like other people, I am against crime, but I can usually keep calm about it. It is, after all, the business of the police and the courts.
>
> And then came this story about Vic Riesel. The young columnist had been warned by telephone to lay off his attacks on racketeers, especially those connected with the International Union of Operating Engineers. In one of the locals of this union, two men had been fined and suspended because they opposed a conspicuous criminal who had got control of their organization. Instead of laying off, Vic arranged a radio broadcast in which these two men were given a chance to state their case. He and they moved in and named names. According to the law of their world, the racketeers had to take action. And the action they took was characteristic: They answered accusation and argument with acid.
>
> This didn't happen far off in some outlandish place, in some slum or waterfront. It happened at the corner of Broadway and 51st Street; though it was after midnight, the street was well lighted and crowds of people were passing. Under the glare of the lights and among all these people, the hired criminal did his deed and lost himself in the crowd. Up to now, though thousands of dollars have been offered as a reward for his detection, nobody has the least idea who he was.
>
> This horrible thing did not happen to a stranger, to some columnist whose name I had seen at the head of his daily stint. I have known Vic since he was a little boy. I knew his father and mother. Years ago, his father took me out to his home in the country. He was manager of one of the clothing workers' unions, and at the dinner table we talked about the hoodlums and strong-arm men who were worming their way in. Little Vic listened with wide eyes and didn't miss a point in the conversation. That was the time when prohibition was coming to an end and the criminals were looking for new places where the pickings would be plentiful. It was not long after our conversation that the elder Riesel was attacked and received the beating which hastened his death.
>
> And then, in 1941, I came to the New Leader. Vic was managing editor. His desk and mine were at right angles and so close that we could pass things back and forth without rising. This was not the dignified magazine that our readers know today. It was in newspaper form, and its stories and headlines were making history in the labor world. Vic, young and cocky, was already a newspaperman to the very core.
>
> I can see him now with the telephone hunched between shoulder and ear while all 10 fingers were busily typing what some informant was passing on to him. Though he was still only a boy, he had connections all over New York and he and Walter Winchell were on good telephonic terms. Eager to assert his rights as a journalist, he scorned the wastepaper basket. All of our woodpulp waste went on the floor. By night, we would have to wade out of the office through drifts of paper. It was Vic, by the way, who gave this column of mine its title, "The Home Front." That was, of course, during the war, and the name made sense back in those days.
>
> Out of his sedulously and reciprocally cultivated sources, Vic gathered material for his famous column, "Heard on the Left." Its juicy paragraphs were quoted far and wide. Though it was witty, personal, and sometimes daring to the edge of danger, it was basically serious, sharply slanted against Communists, fascists, and criminals. It was this achievement, of course, which led to Vic's transplanting to the Post and later to his present position as a columnist syndicated to 192 newspapers. Many brilliant young men have gone on from the New Leader office, but Vic is the only one of them who has received the acid decoration.
>
> What I am getting at is that, to us in this office, what happened to Vic Riesel is not just something that we read about and discuss over the lunch table. This is one of our boys, a member of our family. He is lying up there in the hospital with bandages over his eyes, his sight gravely threatened. And the criminal is still abroad. Perhaps tonight he will throw acid into someone else's eyes. This is not yet a land of law and order and safety.

CRIMINAL PENALTIES FOR SUBVERSIVE ACTIVITIES

Mr. BRIDGES. Mr. President, on April 11, 1956, I introduced S. 3617 which is designed to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities. I felt that its presentation was made imperative by the decision handed down by the Supreme Court of the United States in the case of Pennsylvania against Steve Nelson.

An editorial endorsing the purposes of the bill was recently carried in the Manchester (N. H.) Union Leader. The message that it contains should be of interest to all thinking Americans, and I ask unanimous consent that it be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRIDGES' APPEAL

> There is sound judgment behind the appeal of Senator BRIDGES that the Senate Judiciary Committee hold early hearings on a bill to authorize enforcement of State laws against subversion, so that such a bill can be passed before the present Congress adjourns.
>
> The United States Supreme Court decision in the Nelson case, Senator BRIDGES

pointed out, has made inoperative the sedition statutes of 42 States and Territories. That does not conform to the principle of State rights under the United States Constitution or to the process of national security.

It is a serious loophole in our national security if the States do not have the concurrent right to prosecute those within their limits who work to overthrow their Government by force. For in our Republic subversion is an attack on the State governments as well as the Federal Government. If the Federal Government is overthrown, State governments and State rights are destroyed.

It may be as the United States Supreme Court has suggested, that existing Federal legislation does not authorize the application of antisubversive State laws. This makes it necessary that legislation be passed by Congress to provide that authorization and make it definitely apparent. Such a move will conform to States' rights under the United States Constitution and clarify a most vital issue. Congress will do well therefore to heed Senator BRIDGES' appeal and see that such legislation is promptly enacted.

PROCEDURE IN THE COMMITTEE ON AGRICULTURE AND FORESTRY ON THE NEW FARM BILL

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry met this morning to consider what action it would take with reference to the new agricultural bill. Although the bill was not before the committee until a few moments ago, I wish to state that the committee decided not to hold any further hearings on any agricultural bill which may be proposed this year, and that the committee will meet on next Wednesday in order to consider the House bill. I invite Senators to present amendments in the Senate today or tomorrow if they hope to have such amendments considered by the committee. It is the intention of the committee to report a new farm bill as early as may be possible, and to have it considered not later than sometime early next week.

Mr. BARRETT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARRETT. Mr. President, I was not giving sufficient attention to the statement of the Senator from Louisiana. Did I correctly understand the Senator to say that there would be hearings on the farm bill?

Mr. ELLENDER. The committee has decided not to have hearings.

Mr. BARRETT. Will some of those who are interested in amendments to the bill on which there has been no hearing in either the House or the Senate committee have an opportunity to present their position on these matters?

Mr. ELLENDER. I may state to my good friend from Wyoming that the committee held hearings for about 6 weeks last fall and for about 3 or 4 weeks since last January, and it is my belief that we have covered the subject from A to Z. With the data and the hearings now available to us, we hope to be able to report a bill sometime this week. The Senator, of course, realizes that if we should undertake to hold extended hearings we might as well forget about having a new farm bill this year.

Mr. BARRETT. I appreciate that fact, but I think there are some new matters in the House bill upon which there have not been hearings either before the Senate committee or the House committee, and it seems to me that somehow or other there ought to be an avenue open whereby persons interested may express their views. I am not certain in my own mind that there have been hearings on some particular provisions which the House has incorporated in the bill.

Mr. ELLENDER. I have reviewed in a general way the amendments placed in the bill by the House. As the Senator knows, the House bill, as originally reported by the House committee, is identical with the bill which the President vetoed, with the exception of titles 1 and 2. Title 1 dealt with the rigid price supports and the dual parity formula. The other title dealt with the two-price system on rice and wheat. The additional amendments, which were attached to the bill on the floor of the House, had received consideration by the committee. I believe we have sufficient data on hand in order properly to consider the additional floor amendments adopted by the House.

Mr. BARRETT. I may say to the Senator that I was concerned about the additional floor amendments. I am not certain that there has been any testimony before the Senate committee or even the House committee on those amendments. I doubt whether anyone was called upon to express his opinion on them before the new bill came to the Senate.

Mr. ELLENDER. I wish to advise my good friend that although the committee agreed to a motion this morning not to have hearings, of course if it should develop that hearings are necessary the committee may take another course. But I simply desire to warn the Senate that if we should hold extensive hearings the chances are that a farm bill will not be enacted during this session.

Mr. BARRETT. I, of course, agree with the Senator, and I thank him for his statement.

USE OF HUMANE METHODS IN SLAUGHTERING MEAT ANIMALS

Mr. PAYNE. Mr. President, my distinguished colleague the junior Senator from Minnesota [Mr. HUMPHREY] is the author of a bill (S. 1636) to require the use of humane methods in the slaughtering of meat animals in American packinghouses. Later this week a subcommittee under the chairmanship of the junior Senator from Minnesota will hold public hearings on this bill. I wish to commend the Senator from Minnesota for the outstanding work which he is doing on this subject. This is a meritorious bill, and I hope it will receive approval at an early date.

I ask unanimous consent that an editorial in support of the bill, entitled "Humane Slaughter," published in this morning's Washington Post and Times Herald, may be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HUMANE SLAUGHTER

Senator HUMPHREY will hold hearings this week on a bill to require humane methods of slaughtering meat animals in American packinghouses. Although such methods are enforced by law in most European countries, they are not mandatory in the United States and, indeed, are rarely observed here. Cattle, sheep, calves, and hogs are commonly killed in this country by techniques which subject them to senseless terror and suffering: they are dragged aloft and suspended by a chain fastened around one hind leg; then their throats are cut and they are left to bleed to death. It is entirely practicable to render the animals unconscious before slaughter, as Senator HUMPHREY's bill would require, by anesthetizing them with carbon dioxide or by stunning them with electric tongs or a captive bolt pistol.

Most of the major meat packers oppose this legislation, and for some strange reason they have found support for their opposition in the Department of Agriculture. The Department says it "has always favored and worked for humane methods in all aspects of handling of animals" but that in this situation it "is guided by a sincere belief that mandatory Federal legislation would not be the best way to assure continued progress in the solution of this problem." This may be sincere, but it is also unrealistic. In the first place, voluntary cooperation, although sought for many years, has not produced compliance with decent standards. In the second place, the Department has long used legislation to assure humane treatment of animals; for example, it enforces an effective law respecting the treatment of animals in transit to slaughterhouses. In the third place, mandatory regulations afford the most equitable and even-handed way to obtain general observance of humane slaughter methods. Senator HUMPHREY's bill ought to become law.

EXPANSION OF THE BUREAU OF THE BUDGET

Mr. PAYNE. Mr. President, I call the attention of the Senate to the fact that during the time this administration has been in office, there has been undertaken, in cooperation with a study which has been made by the Hoover Commission, a notable reform in the field of fiscal procedures in the Bureau of the Budget.

It is interesting to note that for the first time in the history of the country a professional accountant is now in charge of the Bureau of the Budget, namely, Mr. Percival F. Brundage, its Director.

Also, for the first time in the history of the country, a professional accountant is now the Comptroller General of the United States.

In keeping with the recommendations made by the Hoover Commission, which are most important, and which are under study at the present time in the Committee on Government Operations, under the able direction of the junior Senator from Massachusetts [Mr. KENNEDY], who is chairman of the subcommittee, I ask unanimous consent to have printed at this point in the RECORD the text of an exchange of correspondence between Mr. Percival F. Brundage, Director of the Budget, and the President of the United States, Dwight D. Eisen-

hower, with regard to the accounting reforms which need to have greater attention not only on the part of Congress, but also on the part of the people of the United States, to the end that proper methods may be followed to place the fiscal house in order, something which certainly is long overdue.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

The White House released today an exchange of correspondence between the President and Percival F. Brundage, Director of the Bureau of the Budget, with respect to the Hoover Commission recommendations on budget and accounting. Steps have already been taken to put part of these recommendations into effect.

The first recommendation of the Commission report on budget and accounting called for an expansion of the Bureau of the Budget in order to make more effective the discharge of its managerial and budgeting functions.

Recommendation No. 10 proposed that there be established under the Director of the Bureau of the Budget a new staff Office of Accounting, headed by an Assistant Director for Accounting with power and duties as follows:

"(a) To develop and promulgate an overall plan for accounting and reporting, consistent with broad policies and standards prescribed by the Comptroller General. These broad policies and standards should continue to be developed in cooperation with the executive branch.

"(b) To expedite, guide, and assist in the introduction of modern accounting methods in the executive agencies consistent with the overall plan.

"(c) To set reasonable but definite time schedules for performance and to watch progress.

"(d) To stimulate the building of competent accounting and auditing organizations in the executive agencies and to assist actively in the selection, training, and retention of capable personnel.

"(e) To report at least annually to the Budget Director with respect to the status of accounting in each of the executive agencies."

These recommendations have been accepted 100 percent. Assistant Director Percy Rappaport has been placed in charge of a new staff Office of Accounting and, in collaboration with representatives of the General Accounting Office and the Treasury Department, will strengthen the joint accounting program in order to bring about more rapidly desirable improvements in budget and accounting and management generally. Many of the other proposals of the budget and accounting report are also being adopted at once and others are being discussed with the Congress and the other departments of the executive branch.

The letters and accompanying memorandum are attached hereto.

The President's letter to Mr. Brundage is as follows:

DEAR MR. BRUNDAGE: I have reviewed your analysis of the Hoover Commission's Report on Budget and Accounting, transmitted with your letter of April 23, 1956. Your plans for carrying out the Commission's recommendations represent a constructive approach toward realizing the Commission's objective of strengthening the budget and accounting processes of the Federal Government.

The Hoover Commission's Report on Federal Budgeting and Accounting is a document of great public significance. I join the citizens of the Nation in thanking the Commission for this as well as for the other important studies which it has made. Moreover, because the formulation and administration of the Federal budget are vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made in proposing improvements in budget and accounting systems which will enable more effective management and control of the programs administered by the executive branch.

I consider it desirable and necessary that the executive departments and agencies intensify their efforts, along the lines indicated in your analysis, to establish budget and accounting systems that will provide better financial information and enable both the improvement of our budget presentations and the strengthening of our budget controls. In addition, I approve of your plans to have the Bureau of the Budget give greater emphasis in its work to the evaluation and advancement of administration in the executive agencies, as a means of more rapidly bringing about improvement in organization and management, including more effective budgeting and accounting practices, throughout the executive branch.

I commend to the Congress its consideration of those Hoover Commission budget and accounting proposals which are particularly pertinent to the role and functions of the Congress, with the assurance that the executive branch will cooperate fully in actions to strengthen the appropriation and financial control processes of the legislative branch.

Sincerely,

DWIGHT D. EISENHOWER.

THE WHITE HOUSE.

Mr. Brundage's letter to the President is as follows:

DEAR MR. PRESIDENT: The Bureau of the Budget has substantially completed its analysis of the recommendations in the Budget and Accounting Report of the Commission on Organization of the Executive Branch of the Government, submitted to the Congress on June 20, 1955. In making that analysis we have had helpful comments from the departments and agencies of the executive branch, your Advisory Committee on Government Organization, and your personal assistant for the Hoover Commission studies, Mr. Meyer Kestnbaum. Transmitted with this letter is a report setting forth the status of our review and outlining the actions that are being taken to carry out many of the Commission's recommendations.

The Commission's Budget and Accounting Report highlights significant problems of financial administration in the Government and sets important and desirable objectives. The Commission is to be commended for its excellent job.

Many of the recommendations endorse constructive efforts which were started following the reports of the first Hoover Commission. The report also supports to a marked degree the current efforts of the Joint Accounting Program conducted by the General Accounting Office, the Treasury Department, and the Bureau of the Budget, with the participation of the executive departments and agencies. While approving the objectives of our work, the Commission suggested additional emphasis and greater concentration of effort in order to bring about more rapidly desirable improvements in budgeting, accounting, and management generally.

In considering the adoption of the Commission's proposals, it must be recognized that they involve the functions and interests of the Congress to a considerable degree because of the constitutional role of the Congress in the creation and financing of Government programs. Action in the executive branch to carry out some of the Commission's proposals will require the closest coordination with the legislative branch to insure full satisfaction of all of the interests involved.

With the support which the Commission has given, greater progress can be made toward the attainment of many generally accepted objectives. On the report as a whole, we can assure you that the Bureau's work on implementation will proceed as rapidly as its resources permit.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Director.

ANALYSIS OF THE BUDGET AND ACCOUNTING REPORT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET.

GENERAL

The Budget and Accounting Report of the Commission on Organization of the Executive Branch of the Government offers constructive proposals for improving the financial processes of the Government. Consideration of the recommendations in that report by the executive branch has provided an opportunity for the reexamination of many present practices and objectives. It also has led to the development of actions for accelerating efforts to provide budget and accounting systems that will make a more effective contribution to the management of the Federal Government.

The budget and accounting report includes 25 recommendations pertaining to budgeting, accounting, and auditing practices, financial and performance reports, financial organization, and related matters. Those recommendations, in general, urge additional emphasis and greater concentration of effort on actions to provide accounting systems throughout the Government that will produce better financial information and on the improvements in budget presentations and controls which better accounting information and systems will make possible. The report also proposes expansion of the Bureau of the Budget in order to enable the more effective discharge of the Bureau's managerial and budgeting functions, with recognition that the strengthening of the Bureau of the Budget has a direct bearing on executive branch leadership toward fulfillment of the Commission's recommendations.

In setting forth the current status of this analysis by the Bureau of the Budget of the several categories of recommendations included in the Commission's report and outlining the actions that are being taken to carry out many of them, this statement makes clear that most of the recommendations or their objectives have the endorsement of the executive branch. Full implementation of many of the basic recommendations will not be accomplished overnight because, as the Commission recognized, the changes needed in agency accounting systems are essentially of a long-range nature. Furthermore, action on a number of the recommendations is primarily dependent upon acceptance by the Congress.

Budgeting

With respect to Federal budgetary practices, the Commission's principal recommendations call for (a) continued use of performance budgeting, (b) formulation and administration of agency budgets on a cost basis, (c) appropriations based on accrued expenditures, and (d) authorization for limited periods of continuing Government programs not susceptible to the usual budget controls.

Performance budget: The first Hoover Commission recommended the adoption of a performance budget, defining it as a budget based upon functions, activities, and projects and contrasting it with former budgets which had focused attention mainly upon such things as personal services, supplies, and equipment. The second Hoover Commission and its task force both noted that

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considerable progress has been made toward achieving a performance budget and recommended further steps to establish such classifications as are necessary to present the budget on a performance basis.

There has been continuous effort for several years to refine budget and accounting classifications in the interest of synchronizing organization structures, budgets, and accounting systems and to encourage the use of performance budgets and reports in agency operations. We are in full agreement with these suggestions of the Commission and propose to intensify our efforts to carry them out.

Agency budgets based on cost: In recommending a cost basis for agency budgets, the Commission wanted these budgets to show the actual and estimated costs of goods and services consumed each year in carrying out budgeted programs rather than be limited to the actual and estimated obligations that are now shown, which take into account but fail to disclose the use of carryovers of inventory and working capital resulting from obligations of prior years. Thus, agency budgets would more readily enable all concerned to relate budget figures for a given year to the cost of work or services performed during that year.

Cost-type budgeting is now used by Government corporations. A few other agencies also present cost-type budgets to the Congress, in instances where the Appropriations Committees have indicated that such presentations are acceptable to them. Those include the Atomic Energy Commission and the Bureau of the Mint whose accounting systems now produce data on the costs of goods and services consumed. A number of other agencies are able to formulate cost-type budgets and have submitted their budgets on that basis for review by the Bureau of the Budget.

We agree with the Commission that the installation of accounting systems which will produce cost information should be expedited; and, as pointed out later in this report, actions are beinjg initiated to strengthen executive branch leadership for improvement of accounting, including steps to stimulate and assist agencies in establishing such accounting systems. Agency accounting systems are not, of course, overhauled overnight but as soon as accounting systems are producing the necessary data on a fully reliable basis proposals for incorporating cost data in the budget document can and will be made to the Appropriations Committees.

Appropriations based on accrued expenditures: The Hoover Commission's recommendation that accrued expenditures be used as a basis for appropriations calls for significant changes in present executive branch and congressional practices. Appropriations are now made in terms of obligations, with amounts appropriated serving as a limit on goods and services to be ordered; whereas the Commission favored appropriation of amounts covering goods and services to be received each year, with supplementary congressional authorization and limitation for long lead-time programs as required.

Those agencies able to formulate their budgets on a cost basis now have accounting systems which furnish, at successive stages of their operations, data showing the costs of goods and services ordered, received, and consumed. Such agencies can operate on a basis of accrued expenditure appropriations, and other agencies will be able to do so as soon as accounting systems which can produce information for cost budgeting are installed.

We believe that a change to appropriations on an accrued expenditure basis would be beneficial—in terms of improving management and strengthening budget controls of both the executive branch and the Congress. There is, however, considerable difference of opinion within the Congress and the executive branch both as to the advantages and disadvantages of accrued expenditure appropriations and as to the methods that would be needed for the financing and control of obligations in advance of appropriations, primarily for long lead-time programs. For this reason we urge that the Congress and the executive branch adopt this as an objective, recognizing that it will necessarily need to be implemented on an evolutionary basis over a considerable period of time.

The Hoover Commission recognized the long-range character of its recommendation when it pointed out that "adoption of this proposal will require administrative changes in the Government's budgeting and accounting procedures, particularly in the Department of Defense, and will require education of those concerned with the budgetary procedures and the working out of the precise mechanics." These procedures and mechanics are among the goals of the Bureau of the Budget and of the joint accounting program. The number of agencies with accounting systems which will furnish the necessary data is increasing each year as progress is made under the joint accounting program, and acceleration of that program should speed the installation of such systems in other agencies. With a basic authorization to proceed with accrued expenditure appropriations, the executive branch and the Congress will be able to proceed more rapidly toward the ultimate objective.

Limited authorization for continuing programs: The Hoover Commission suggested that legislation committing the Government to continuing programs not susceptible to the usual budgetary controls ordinarily be enacted for a limited term in order to require periodic congressional reviews of their usefulness. The need for periodic review of such programs by the legislative and executive branches is recognized, and the Bureau will, as the Commission suggested, continue to keep such programs under continuing review, proposing legislative amendments whenever necessary to assure their conformity with budget policies.

Accounting and auditing practices

As already indicated, fulfillment of the Hoover Commission's recommendations for strengthening Federal budgetary practices is largely dependent upon an intensification of efforts to install improved accounting systems throughout the Government. Significant among the Commission's recommendations for improving accounting and auditing practices is a proposal for acceleration of efforts to install adequate monetary property accounting records and maintenance of Government accounts on the accrual basis. The Commission also makes proposals dealing with simplification of allotments, use of a single account in each agency for liquidation of obligations, and other practices in the settlement of claims, relief of accountable officers in certain instances, and the need for examination of revolving fund and internal audit practices.

Accrual accounting: The Commission's recommendations that Government accounting systems be kept on the accrual basis and that adequate monetary property accounts be included as an integral part of such systems focused attention on the need for a method of accounting which can best assure the development of accurate information on the cost of work or services performed. The accrual method of accounting will disclose the value of resources actually applied to operations performed during a specified period (which is not true of obligation accounts that disclose only the value of goods ordered) and at the same time will provide needed information on the value of resources available for future operations.

We are in agreement with the Commission's proposals. The installation of accrual accounting systems has been a major objective of the joint accounting program, which has made considerable progress in advancing the installation and use of such systems. A sizable job still remains, but the development of accrual accounting throughout the Government will be given special and increased emphasis by the Bureau of the Budget and the joint accounting program. Such systems are recognized as essential to the efforts that will be made to carry out the Hoover Commission's proposal for developing budgets on a cost basis.

Allotment structure: The goal recommended by the Commission of financing each operating unit from a single allotment for each appropriation involved in its operations is a desirable one. The simplification of agency allotment structure through the establishment of allotments at highest practicable organizational levels consistent with management responsibility has been a matter of continuing concern, and considerable progress has been made. Further attention in a number of agencies is still needed and will be provided.

Payment of obligations and claims: The Commission's proposal that agencies consolidate their appropriation accounts at the end of a fiscal year in order to reduce the number of accounts from which payments to close out unliquidated obligations are made and its recommendation that the agencies rather than the General Accounting Office settle claims against lapsed appropriations would bring about desirable simplifications. We look with favor upon the Commission's objectives. After several years of work, legislation to accomplish these objectives has been developed by staff of the joint accounting program and is now being considered by the Congress.

Liability of accountable officers: The Commission's recommendation that the Comptroller General be authorized to relieve accountable officers of financial liability except where losses result from their own negligence or from fraud was aimed at eliminating red tape resulting from overcautious practices designed to assure compliance with many prohibitory statutes. Legislation on this subject, somewhat different from the exact proposal of the Commission, was enacted after the Commission's studies had been completed. This legislation, developed by the joint accounting program with our support, is expected, for practical purposes, to attain the results sought by the Commission and at the same time assure ample protection to both the Government and its accountable officers.

Review of revolving funds and internal auditing: The review of agency revolving funds, proposed by the Commission as a means of assuring that they are created and continued only where they will contribute to efficient management, has been and will continue to be carried on as a part of the budget process. The Commission's recommendation that a study be made to determine the adequacy of internal auditing in Government agencies will be considered for initiation by the joint accounting program. That program has actively promoted and assisted agencies in the development of internal audit systems, and the General Accounting Office regularly examines agency internal auditing practices as a part of its comprehensive audits. The proposed study may provide a helpful evaluation of the results being achieved by such systems.

Central financial and performance reporting

The Hoover Commission made several recommendations aimed at developing and providing more comprehensive reports on both the financial results and the performance of Government programs. Its recommendations included proposals for increased and continuing emphasis upon the improvement

of Treasury's central fiscal reports, for a special study to eliminate duplicate accounting within the Treasury Department and between that Department and other agencies, and also for the development by the Bureau of the Budget of governmentwide reports on executive branch performance and on the financial results of Government operations.

The improvement of central financial reporting is a major continuing activity of the joint-accounting program, and work is currently under way on installation of a system designed to eliminate duplicate accounts within the Treasury Department. A working group of the joint-accounting program has also developed a new central-accounting system, installed last year by the Treasury Department, which will enable action to eliminate certain detailed accounts in the Treasury Department as soon as agency accounts demonstrate that they can supply data needed for essential central-financial reports. Intensified efforts to improve agency-accounting systems will result in the more rapid elimination of duplicate accounts in the Treasury Department, thus achieving the objective sought by this recommendation of the Commission.

The proposal that the Bureau of the Budget develop central-performance reports raises a number of questions on the needs to be served and the specific kinds of reports required to meet the purposes underlying the recommendation. Our prior experience with performance reports suggests several alternative approaches to the Commission's apparent objectives, which may or may not require additions to the reports which are furnished to the President informally throughout the year and more formally when the annual budget is being formulated. Any additions to such reports should be accomplished with a minimum of new demands on the agencies.

We shall continue our review of these matters, including consultation with Treasury officials as appropriate, and will make specific proposals for consideration at a later date. The development of central reports on the financial results of Government operations would constitute a new function for the Bureau, and one that would parallel the central fiscal reporting functions of the Treasury Department.

Financial organization

The Hoover Commission's Budget and Accounting Report proposed the establishment of comptroller organizations in the principal agencies and recommended that the Bureau of the Budget establish an Office of Accounting that would include among its duties the rendering of assistance to agency comptrollers.

The proposal for agency comptrollers, if interpreted to mean the imposition of a fixed pattern of organization upon all agencies, would conflict with the guiding principles of organization which were laid down by the first Hoover Commission and which have since won wide acceptance in both the executive branch and the Congress. In order that agency heads may be held accountable for agency operations, they must have authority to control the internal organization of their agencies. We believe that there should be effective coordination of agency budget and accounting functions, but that the principle of agency head accountability should be maintained, and the imposition of a fixed pattern of organization on all agencies should be avoided. We do not believe that the Commission intended that a comptrollership organization such as it described should be made mandatory for all agencies, either by a statutory or presidential mandate, but rather that the Commission was directing its recommendation to the responsible heads of the agencies for their consideration.

The recommendations regarding the accounting organization and functions of the Bureau of the Budget were designed to strengthen the Bureau's role in the improvement of Government accounting. Until recently the Bureau of the Budget had a small Accounting Group in the Office of Management and Organization, the staff of which acted as the Bureau's representatives in the joint accounting program. We agree that the executive branch should assume greater leadership in the accounting field and believe this would be an important factor in improving coordination of budgeting and accounting in the Government. We also concur that the Bureau's capacity to assist agencies in improving their facilities for financial management should be further developed. As a first step toward these objectives, an Assistant Director of the Bureau of the Budget with many years of experience in public accounting practice has been given the job of developing and supervising an expanded accounting program for the Bureau and of providing leadership on behalf of the Bureau in increasing the impetus to accounting reforms throughout the Government.

Strengthening the managerial and budgeting functions of the Bureau of the Budget

The first recommendation in the Hoover Commission's Budget and Accounting Report proposed that the managerial and budgeting functions of the Bureau of the Budget be strengthened and made more effective. In this connection, it suggested that, if necessary, increased resources should be provided for the Bureau and that some of the Bureau's staff should be physically located throughout the year in the offices of the major agencies.

The Commission's proposal for expansion and strengthening of the Bureau of the Budget is one of major importance to other objectives of the Commission. It has a direct bearing on how fast and how well the executive branch carries out many of the recommendations cited above and, in addition, governs the ability of the Bureau to take appropriate action on recommendations contained in other reports of the Commission—notably those dealing with paperwork management and general services matters. The resources currently available in the Bureau do not permit a satisfactory level of accomplishment in its presently assigned functions, much less permitting the expansion called for by the Commission.

The suggestion that Bureau personnel be located in the major agencies must be evaluated in terms of its impact upon Bureau-agency relationships. For best results, the Bureau has found that relationships with the agencies must be based on cooperation and mutual understanding of the basic factors underlying the submission and presentation of agency budgets. Because most agencies believe that the placement of Bureau staff in the agencies would result in a diffusion of agency budget and management responsibilities, adoption of the proposal probably would not contribute to better or more effective relationships between the Bureau and the agencies. Limited attempts which the Bureau has made in the past toward the type of arrangement proposed have met with little success.

We believe that the objective sought by the Commission will be achieved if the Bureau's staff is enlarged and if measures are invoked to increase substantially the proportion of staff time spent in on-site reviews of agency operations. There has been a steady reduction in the staff of the Bureau for the past 7 or 8 years in the face of a very great increase in work. As one of the results of those conflicting trends the Bureau's staff members have been forced to do more and more of their work behind their desks, with many undesirable results. It is our firm intention to take all possible measures to bring Bureau staff into closer contact with agency operations and employees and thus to correct the undesirable situation that has developed.

The steady reduction in the size of the Bureau's staff has been felt in all of the Bureau's activities, but its more adverse effects have been upon the management functions assigned to the Bureau by the Budget and Accounting Act of 1921, the Budget and Accounting Procedures Act of 1950, and several Executive orders. The Commission suggested that the Bureau's job of reviewing and promoting improved management and organization throughout the executive agencies should be strengthened. We are in agreement with that suggestion and fully recognize how important it is that the Bureau of the Budget provide, on behalf of the President, continuing attention to the evaluation, development, and promotion of improved organization, coordination, and management in the executive branch.

Additional staff resources for the Bureau will be needed to enable the Bureau to put additional emphasis on its management functions, including the improvement of executive branch budgeting and accounting methods and procedures. Favorable action by the Congress on a proposal by the President for enlargement of the Bureau's staff will enable the Bureau to provide greater help to the President by extending his leadership in improvement of Federal administration and in obtaining better and more economical performance of Government programs.

POLICIES OF NATIONAL FARMERS' UNION RELATIVE TO AGRICULTURAL MATTERS

Mr. HOLLAND. Mr. President, during the recent debate in the Senate on the farm bill, I made certain comments with reference to the policies of the National Farmers' Union relative to price supports and to similar agricultural matters. Much interesting correspondence has ensued. Perhaps one of the most interesting exchanges is contained in a letter written to me by the president of the National Farmers' Union, Mr. James G. Patton, under date of March 22, 1956, and in my letter to Mr. Patton dated May 5, 1956.

I have received from the distinguished junior Senator from Minnesota [Mr. HUMPHREY] a suggestion that Mr. Patton would like to have this exchange of correspondence appear in the RECORD. Therefore, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the text of Mr. Patton's letter to me and of my reply to him.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DENVER, COLO., *March 22, 1956*,
Senator SPESSARD L. HOLLAND,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HOLLAND: Your recent Senate floor attack on National Farmers Union, upon many of our good members, and upon me personally, has been brought to my attention. I am surprised and disappointed. I had always credited you as a distinguished Senator with a full and understanding and belief in American democratic ideals of fair play, free speech, and honesty. One who truly believed such principles would not become personally involved in smear tactics designed to bring into question the patriotism and loyalty of fellow American citizens.

You know as well as I do that there is no affiliation whatsoever between National

Farmers Union and any political party. National Farmers Union is a completely private organization of farm families, founded 54 years ago in the State of Texas, to enable farm people to engage cooperatively in educational, business, and legislative efforts designed to improve their income and well-being. To carry out these aims, National Farmers Union and its State divisions have promoted the development and establishment of many strong, successful and private business enterprises. The organization has developed and carries out youth and adult educational programs supplemental to other private and public educational institutions. And, as is the case of other farm organizations, business organizations, labor organizations, and associations of engineers, doctors, lawyers, school teachers, and many other groups, National Farmers Union at national and State conventions develop and adopt recommendations for local, State, and Federal legislation expressing the opinions and attitudes of duly elected delegates.

I note that you have found no fault with the truly American democratic methods of policy formation in National Farmers Union. Your attack on us is grounded entirely upon your disagreement with two of our major policies, which you characterize as "rankest socialism," and is carried out by smearing reference that our policy position on these points has been imitated by a subversive political group thoroughly despised by almost all American citizens, including National Farmers Union officials and, as far as I know, by all of our members.

The smear part of your speech attempts to hold us in Farmers Union responsible for the actions of others over whom we have no control and with whom we have no contact, nor wish to have. Certainly, I would never say that just because the Communist Party had endorsed some statement made by you that such an occurrence would in any way indicate any responsibility on your part. Nor would I state that such a coincidence would bring your loyalty or patriotism into question before the American people. Yet this is just what your attack on us has done to us. I realize that you did not make this charge, you only insinuated it by innuendo. However, in most respects the injury is just as grievous, as you well know. In reply to this part of your attack, I say to you that we in Farmers Union have had nothing at all to do with the kind of programs and statements that are published by the Communist Party and no way that I can think of to control what they may or may not say about any subject. Under the circumstances, I do not see how you or anyone else can fairly charge that we bear any responsibility for their actions.

Turning now to your actual charges as distinguished from the smear innuendo, I note that you ground your attack on the recommendations made by many of our members and adopted by the National Farmers Union convention urging enactment of 100 percent of parity income protection programs for the family farm production of all farm commodities. These recommendations you charge as being the "rankest kind" of socialism. In other words, "rankest socialism" means to you any program which would be likely to give farmers an opportunity to earn by their private property ownership, private management, and private labor a level of income comparable to that earned by people in other walks of life. But to call it socialism is to stretch the meaning of that word entirely out of its true meaning. Socialism I understand to be ownership by the Government of the means of production. Certainly there is nothing in the Farmers Union program that suggests or recommends the ownership by Government of the means of farm production. Quite to the contrary, the Farmers Union program is designed to encourage and preserve the owner-operated and owner-occupied family-type farm, just the opposite of the state collectives in the Communist and corporate pattern.

I do not think we increase public understanding of economic and political matters by indiscriminate name calling. Economic and political issues are best understood and problems more quickly and effectively solved by consideration on their merits. Obviously the Federal Government takes actions every day that enhance or diminish the economic opportunities of different groups of citizens, including farmers. The right of citizens to petition the Federal Government for the redress of grievances is guaranteed in the Constitution and early amendments by the Founding Fathers. The Senate Agriculture Committee would not even have been holding hearings over the country if it had not been very largely agreed that the Federal Government was interested in developing solutions for the problems of falling farm incomes. To brand one out of many forms of Federal action on the farm problem as socialism in its rankest form is a travesty of both logic and fact. The fact is that neither National Farmers Union nor any other responsible group has recommended Federal ownership domination of our privately owned family farm. The program adopted by our Farmers Union conventions oppose dictatorship in any form, Fascist, corporate, military or Communist.

Rather than to destroy and bankrupt the Nation's 3½ million commercial family farms (the proprietors of which incidentally make up more than half of the free independent self-employed enterprises in the entire Nation), our program calls for governmental action to preserve and improve the family farm pattern of American agriculture.

We are deeply convinced that the Nation as a whole, as well as farmers, have a definite interest in establishing conditions to protect and improve the income-earning opportunities of family farms.

First, because the family farm is uniquely important as a major bulwark of social and political stability in the preservation of democracy in a republic, which is the American form of government.

Second, we are convinced that the future food and fiber demands of our growing population fully warrant special care in periods of temporary farm recession to maintain farm income to keep the farm people from leaving the farms in too great numbers and to prevent other deterioration of the Nation's farm production plant.

Third, great national depressions are farm fed and farm led.

The producers of a few farm commodities have been enabled by government to make use of powers of government to overcome the bargaining imbalance and disadvantages of farmers vis-a-vis government permitted and promoted administered pricing in other segments of the economy. Sugar and wool producers have such programs that provide approximately 100 percent of parity or more income protection by legislation that you, as well as Farmers Union, have supported. Fluid milk producers and growers of a few of the fruits and vegetables have been enabled by State and Federal laws and programs to establish marketing agreements and orders to improve the bargaining position in the market of those farmers. I understand that you continue to support these measures which Farmers Union recommends be made available to all farm commodities where such techniques would be workable.

You have worked hard for renewal of the Sugar Act. Yet the implication of your remarks concerning the National Farmers Union program indicates that you would deny all other farmers of the protections you urge for sugarcane and sugar beet producers. National Farmers Union supports the Sugar Act and continues to urge the extension of its principles in workable ways to all farm commodities. These principles include among others farm income protection at an adequate level by means of payments and other operations, and provision of a graduated scale of payments such that larger producers get less help proportionately than smaller producers and such that smaller producers take smaller percentage cuts in marketing quotas.

I hope, after further reflection, that you will conclude that an apology is due the membership of this great farm organization, and that you will do so.

Sincerely,

JAMES G. PATTON,
President, National Farmers Union.

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
May 5, 1956.

Mr. JAMES G. PATTON,
President, National Farmers Union,
Denver, Colo.

DEAR SIR: My delay in replying to your letter of March 22 has resulted from the fact that, until now, I have had no opportunity to reread the extensive debate contained in the CONGRESSIONAL RECORDS of March 7, March 9, and March 13, relating to my discussion of the price support policies of the National Farmers Union.

I note that in your letter you suggest that I do not believe in "fair play, free speech and honesty." After rereading the whole of the debate I find nothing therein which tends to prove your charge.

On page 4556 appears the following colloquy between Senator MORSE and myself:

"Mr. HOLLAND. Mr. President, as a preface to my question, I wish to say that I have appreciated the fact that not only the Senator from Oregon [Mr. MORSE], but every other Senator who has brought up this matter, has very specifically stated that the quotations and facts I advanced were accurate, and that there was no departure from the record in my comments.

"Mr. MORSE. I repeat that assertion; it is true."

Various statements in the debate by other Senators who expressed high regard for NFU made clear the same fact, that I did not in my speech misquote in the slightest the testimony of the several quoted officers and members of the National Farmers Union. To the contrary I quoted their statements from the record accurately and in proper context. Referring particularly to you, the president and your vice president, Mr. Talbott, I quoted you both with complete accuracy.

Such truthful discussion, in debate, of the record of testimony given in Senate hearings is in keeping with my uniform practice and I believe it comports with the highest standards of "fair play, free speech, and honesty."

On your part, were you wholly candid in year letter? I think not. For instance, I made it perfectly clear a dozen times during the debate that the testimony of the officers and members of the National Farmers Union had shown beyond question that your program is one of demanding 100 percent price supports on all storable and perishable farm products, at the family-unit farm level, with the definite objective of forcing a redistribution of the land and a fairer division of the profits of the soil. And yet, it is interesting to note that in your letter you wholly fail to mention my repeated statements of said objective of your program. Were you unwilling to frankly discuss that part of the record which shows beyond question the motive and objective of your program?

One fair statement, among several, of my analysis of your program is contained in this question of mine addressed to Senator HUMPHREY (page 4409):

"Mr. HOLLAND. Does the Senator from Minnesota agree with me that a price-support program calling for 100 percent Government price supports on all farm products, both perishable and storable, on a family-unit basis, with the announced purpose to force thereby a redistribution of land and a division of the profits of the land, is socialism, pure and simple?"

It is my strong conviction that your program, as accurately described in my question, is highly socialistic and I believe that 90 percent of the American people would agree to my conclusion. My file shows that there is wide agreement among agricultural people and others throughout the country with my conclusion that your program is highly socialistic.

One of the principal objectives of Senate debate is to bring important facts to the attention of the public and particularly to the attention of those who are most concerned and I am happy that the debate in question has accomplished that objective so fully. I feel sure that thousands of your own members are reexamining their position and that of your organization after learning the true facts, as quoted by me from the printed record.

Relative to my mention of the Communist farm program and its similarity to your NFU program, as well as the Communist recommendation to their members that they support your program, there can be no question as to the complete accuracy of my quotations.

Nor is there any question that I made it clear, time and time again, that I recognize the loyalty and patriotism of the members and officers of NFU. I prefaced my remarks on this subject by this statement (p. 4205):

"I wish to state that I do not have the faintest idea that either the officers or the members of the National Farmers Union are Communists or communistic, or that they have the slightest idea that their program is as close to the program announced by the American Communist Party as it is. * * *"

"I am sure that they are just as good people, just as good Americans, as any of us."

I made several other similar statements elsewhere in the debate attesting to their loyalty, patriotism, and other fine qualities, and my position was clearly noted by various of your defenders. I quote only one—in concluding his remarks Senator MUNDT said (p. 4407):

"I did not construe those remarks to be an attack upon the patriotism of the people of my State or upon the farm organizations. * * *

"I wish the record to be clear, and I wish my friend, the Senator from Florida, to know that at no time did I feel that he was casting aspersions at the patriotism of the people of my State or at the members of these organizations."

No; there was not the slightest intention, on my part, to charge your officers or members, or your organization, with Communist affiliation—I did and said everything that I could do or say to avoid any such implication. Certainly there is no smear innuendo included in my remarks—they were clear, unequivocal, based on record facts and made in open discussion and with complete willingness to examine, debate, and defend them later—as I have already done on the Senate floor in good humor and without name-calling or other unpleasantness.

But apparently it came as a shock to many of you to realize how similar is your farm program to that of the American Communist Party—and particularly to hear that that party is recommending to its members that they support your program. I felt sure that out of that realization there would come much searching of souls and reexamination of positions, which apparently is the case.

I regret that you did not see fit in your letter to mention the principal point in my whole argument, namely, that I was and am deeply concerned over the tragic effect which is being produced on many of your splendid farm people by their reliance on high Government supports. I noted repeatedly in the debate my deep concern at the manifest loss of independence, at the breakdown of morale, at the willingness to advance impractical and extravagant demands upon the Government, at the apparent inability or unwillingness of so many of our farm people who have relied on high supports to depend upon their own planning and resourcefulness, at the grave loss of independence and sound conservatism which has been the crowning glory of our American farm people.

I stated from the record repeated evidences of this vital loss of independent character which is shown by the testimony of many of your witnesses in the record of our hearings.

Your own testimony shown in the printed record, which you do not mention in your letter, insisting that $4 or $5 billion be appropriated by Congress in order to make 100 percent price support retroactive, to cover all 1955 production, is a good illustration of the extravagant, unwise, and wholly dependent attitude which has developed. I stated in the debate, repeatedly, that this is my principal concern and I feel it is the gravest matter which the American public must bear in mind as we reexamine the whole program of price support legislation.

I regret that you failed to note this important and critical illustration of what I deem to be the effect of high rigid price supports. To my mind this is the gravest matter to which your organization and all other farm organizations should give their chief attention and I am sure it is a matter of grave concern to the whole American public.

Feeling as I do about this whole matter I certainly do not conclude that, as you suggest, I owe an apology to the membership of your organization. I say respectfully that I feel that they are indebted to me for clearly calling to their attention the dangerous direction in which they are drifting.

With kindest regards, I remain

Yours faithfully,

SPESSARD L. HOLLAND.

P. S.: I do not consider it necessary to discuss those paragraphs of your letter which relate to the support programs for sugar and wool, which are a complete diversion from the subject matter under discussion. Sugar and wool are both deficit crops of great practical and strategic importance to our Nation and the support programs which relate to them are designed to maintain and increase domestic production which is so necessary at all times but particularly in the event of national emergency or war. The farm programs which are causing us concern and to which my Senate statements related are those in which we have created great surpluses.

LOYALTY DAY, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent that there may be printed in the RECORD, as a part of my remarks, a statement prepared by me for Loyalty Day, 1956.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

The American way of life is the constructive way—we are inherently builders, not wreckers. We are inclined to take much of our strength for granted. Yet, as we grow into maturity as a nation, it is not inappropriate for us to pause occasionally to celebrate our positive value.

Loyalty Day is coming to be associated in the United States with the 1st of May, a day formerly preempted by the Communists.

On this day we might well pause to inquire into the sources of our national loyalty. This great strength of our people is to be found in the warmth and solidity of their other loyalties—developed in the happy home, the understanding school, the satisfying church, and the kindred fraternal, business, and professional associations.

In taking our loyalties for granted, we are really demonstrating a healthy response to our environment. It is accurate, it seems to me, to regard spies, saboteurs, and other disloyal persons as contagiously sick people in our society, to be dealt with, accordingly. We should do what we can to understand, and prevent, the disease to which some few have fallen victim. We should recognize that, with some if not all of the disloyal, they may feel themselves loyal to other forces, other sources, other disciplines. It is our duty to arrest this misdirection of loyalties, before it is too late. As chairman of a Senate subcommittee on juvenile delinquency, I have seen evidence of misdirected loyalties among some adolescents: They have devoted their allegiance to a lawless, destructive gang, instead of to the home, church, community, and Nation. Society itself must bear at least part of the blame when such failures occur. So it is, I believe, with regard to adult questions of disloyalty.

We should be proud of our heritage as loyal Americans on this day.

FLUORIDATION OF DRINKING WATER

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to insert in the RECORD letters which I have received from Maine citizens requesting that their letters in opposition to fluoridation be placed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WATERVILLE, MAINE, *April 30, 1956.*

Re USPHS appropriations.
Senator MARGARET C. SMITH,
Washington, D. C.

DEAR SENATOR SMITH: Congress has been asked to appropriate $2,971,000 to the United States Public Health Service to combat "dental disorders." Yearly, the United States Public Health Service asks for millions of dollars. A couple of years ago they asked for $1,650,000 for dental diseases and other purposes. Some of the other purposes became the artificial fluoridation program which is entirely out of the field of epidemiology. The United States Public Health Service has a very definite program to take care of when it comes to floods, disaster, epidemics, but dental decay is not epidemic, infectious, or contagious.

The money the United States Public Health Service receives should be strictly earmarked and not allowed to be misplaced or misused on anything not in the province of the United States Public Health Service.

To aid the United States Public Health Service, with whom the American Dental Association has gone along 100 percent, working hand in hand re artificial fluoridation, representatives of the American Dental Association February 17, 1956, before the subcommittee on Labor and Health, Education, and Welfare of the Appropriations Committee of the House, declared $800,000 of the amount the United States Public Health Service want is allocated to research grants of non-Federal institutions to be administered by the National Institute of Dental Research (part of the United States Public Health Service). The American Dental Association is recommending this $800,000 be raised to $3,855,000. This, independent of what the United States Public Health Service want to do with the balance of $2,171,000.

The medical profession did not support the U. S. Public Health Service as did the ADA. The ADA expects members to be ethical and since 1950 has adopted a gag rule (clause 20) in their bylaws which makes dentists unethical if they oppose the rulings of the ADA. Why was there no clause 20 prior to 1950? The greater part of the ADA and AMA memberships privately oppose artificial fluoridation. Publicly they can only accept. If the U. S. Public Health Service or the ADA were ethical, the opposition might have some chance but the U. S. Public Health Service will not educate the public to both sides, and the opponents feel tax money should not promote the pro side at the expense of the con side. The public is entitled to both sides.

The ADA has been unethical in promoting, disseminating material and information regarding the character of individuals, dentists, and laymen. They have intimidated, used smear tactics, to vilify the characters of opponents such as Dr. C. T. Betts, Toledo, Ohio, a dentist whose error was in being born too soon and received licensure at the turn of the century; Royal Lee, D. D. S., Milwaukee 3, Wis.; wealthy inventor and manufacturer, Leo Spira, M. D., New York City 23; C. Bronner, a responsible chemist who, before his health broke, enjoyed a national reputation in his profession; Dr. Alfred Taylor, University of Texas, Austin, Tex.; and others, including women. Professional people, even hiding under the name of an organization, should not stoop to such low, mean, unethical tricks. I feel sure you will agree with me.

Federal money is being used to promote artificial fluoridation. U. S. Public Health Service officers are members of the ADA. Both groups are working hand in hand. This is a Federal issue. It is time Congress made a joint investigation by a committee independent of promotion or promotors, and I do not mean like the Delaney or Wier committees. I ask my letter be read in Congress and the contents printed in the CONGRESSIONAL RECORD.

No part of Federal money should have anything to do with artificial fluoridation. This is a Federal issue, and the only way we can stop the U. S. Public Health Service from promoting artificial fluoridation is to withhold from them the use of Federal money.

I trust you will feel my serious intent in writing you on this point at this particular time.

Yours very truly,
NORMAND J. PAQUETTE, D. D. S.

APRIL 26, 1956.

HON. MARGARET CHASE SMITH,
Senator, Washington, D. C.

DEAR MRS. SMITH: It has been called to my attention that Congress is about to appropriate, or is asked to appropriate, $2,971,000 for the fluoridation of public water supplies.

May I take this opportunity to enter my protest to this measure on the ground that it violates our legal privileges of choosing our own form of protection from disease. This promotion and its promoters would make medication compulsory.

I wish this letter read to Congress and inserted in the RECORD.

Respectfully yours,
NATHAN P. LORD.
BANGOR, MAINE.

Mr. DANIEL. Mr. President, I have received several letters in opposition to artificial fluoridation of public drinking water and the participation of the Federal Government in these projects. The writers of two of these letters have requested that I call them to the attention of the Senate. I, therefore, ask unanimous consent that these two letters be printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATURAL FOOD ASSOCIATES,
Atlanta, Tex., May 2, 1956.
Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.

DEAR MR. DANIEL: Artificial fluoridation of public drinking water is a hoax on the American people. Last week the Texas Medical Association voted unanimously not to endorse it and voted further not to let the subject come up again for 5 years.

The simple truth is that the United States Health Department is trying to force mass medication on the American people.

There should be a congressional investigation of this matter. The security of our Nation is endangered by the instillation of fluorine in our Army, Navy, and air bases.

I know that you are very busy but this matter is vitally important now. If you would like to have scientific information on this subject I will be glad to send it to you.

I would like to have this letter read to Congress and inserted in the RECORD.

Sincerely,
DR. JOE D. NICHOLS, M. D.

WICHITA FALLS, TEX., *April 28, 1956.*
Hon. PRICE DANIEL,
United States Senator,
Washington, D. C.

DEAR SENATOR DANIEL: It is my understanding that Congress has been asked to appropriate approximately $2,900,000 to the United States Public Health Service to be used in program of combatting dental disorders, and that this is to be acted upon soon.

There is good reason to believe that it is the purpose of the United States Public Health Service to use these funds, at least a large portion thereof, for the promotion of artificial fluoridation of public drinking water. A relentless campaign is being carried on, initiated and supported by the Public Health Service to put this program into effect throughout the Nation and campaign tactics, including vilification, are used with respect to those who dare oppose it. And this campaign is being waged regardless of the fact that it is in controversy everywhere and cities and towns are voting fluoridation out about as fast as the promotors have been able to put it into effect. Wichita Falls, Tex., voted artificial fluoridation out in December 1954 after it had been put into effect without a vote of the citizens.

Sodium fluoride is a deadly poison, it is a refuse from certain manufacture and the application of it to the water supply opens perhaps the only door for the enrichment of such manufactures and the chemical companies in the disposal of it.

I refer you to the Delaney report, 82d Congress, 2d session, Union Calendar No. 787, of the committee which investigated artificial fluoridation of drinking water and the summary of the committee's report therein.

To apply this substance to drinking water to be ingested by all persons, regardless of their health, age, or physical reactions appears to us to be an unwarranted and unjustified invasion of liberties guaranteed; no form of medication in mass could be safe for all; many authorities believe it endangers the health of the citizens. The so-called scientific evidence as to its value and safety in this form is based upon unwarranted conclusions according to many scientists, biochemists, and medical doctors throughout the country, including our own Alfred Taylor, Ph. D., research scientist of the University of Texas who is making experiments and who was a witness before the committee above referred to.

We would respectfully request and welcome a joint congressional investigation by a committee free from prejudice for or against the program, to investigate the expenditures of the taxpayer's money and the activities of the Public Health Service, particularly in this behalf. I would appreciate it very much if this letter could be read before Congress and entered in the RECORD.

With highest regards,
Sincerely yours,
CHAS. M. CROWELL,
Attorney at Law.

PROPOSAL TO CONDEMN FORCED LABOR

Mr. HUMPHREY. Mr. President, on May 1, by a vote of 13 to 2, the Economic and Social Council of the United Nations adopted a resolution condemning forced labor and urging action toward its elimination. I am happy to say that the United States supported the proposal, and the two negative votes were cast by the Soviet Union and Czechoslovakia.

The action by our representative on the Economic and Social Council is in strange contrast to the position taken by our Department of State on the issue of an international forced labor convention which will be discussed and probably adopted at the forthcoming International Labor Organization in Geneva in June. An editorial appearing in the New York Times on May 2 discusses this strange difference between our behavior on the Economic and Social Council resolution and our unwillingness to support the proposed ILO convention.

I mention this because it has been my privilege to propose a resolution urging the Government of the United States to support the convention outlawing forced labor.

I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARE WE FOR OR AGAINST IT?

Yesterday the Economic and Social Council of the United Nations passed a resolution which condemns forced labor wherever it exists, commends the International Labor Organization for the efforts already made to combat it, and expresses the council's interest in further action by the International Labor Organization. The United States was a joint sponsor of the resolution and our delegate to the council, Dr. John C. Baker, spoke strongly in its support. The vote was 13 in favor and 2—the U. S. S. R. and Czechoslovakia—opposed.

At the International Labor Organization meeting last June Secretary of Labor Mitchell, speaking on behalf of the United States Government, said, "The International Labor Organization should take advantage of every power, every resource and every facility at its command to assure effective action is taken against this form of bondage. * * * I can assure you that the United States which, for almost a hundred years, has had a constitutional provision outlawing slavery, would vigorously support such an action program."

At the International Labor Organization meeting next June forced labor will again be one of the most widely publicized items on its agenda. Forty-nine nations—including the U. S. S. R. and all the other great powers—have now said, in reply to an advance query to all International Labor Organization members, that they favor a convention on the subject. If ratified by the governments which sign it, this would commit them to action against forced labor within their boundaries. The United States has not done the International Labor Organization the honor of an answer—which is shocking enough. But a letter from Assistant Secretary of State Hill, recently revealed at a Senate subcommittee hearing, shows that the State Department agrees with the objective, but is opposed to any such convention.

Apparently our intragovernmental communications system has broken down. We hope that the commitments of Dr. Baker and Secretary Mitchell to United States Government support of effective International Labor Organization action against forced labor will somehow be made known to Mr. Dulles—and that he will honor them. To do otherwise will put the United States in the position of opposing forced labor in words but not in deeds—doubly ridiculous because the deeds have long since been done.

EXECUTIVE SESSION

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business, to consider the new reports on the Executive Calendar.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection?

There being no objection, the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nominations of B. Maxine O'Neal, to be postmaster at Nocatee, Fla., and Elvin Charles Kaufman, to be postmaster at Rockwood, Pa., which nominating messages were referred to the appropriate committee.

(For nominations this day received, see the end of the Senate proceedings.)

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH THE NETHERLANDS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate Executive H, 84th Congress, 2d session, a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of the Netherlands, together with a protocol and an exchange of notes relating thereto, signed at The Hague on March 27, 1956. Without objection, the injunction of secrecy will be removed from the treaty and protocol, and they will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of the Netherlands, together with a protocol and an exchange of notes relating thereto, signed at The Hague on March 27, 1956.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the treaty.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, *May 7, 1956.*

(Enclosures: 1. Report of the Secretary of State; 2. Treaty of friendship, commerce, and navigation, with protocol and an exchange of notes, signed at The Hague on March 27, 1956.)

The PRESIDING OFFICER. If there be no reports of committees the clerk will proceed to state the new reports on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the diplomatic and Foreign Service.

The PRESIDING OFFICER. Without objection, the nominations in the diplomatic and Foreign Service will be considered en bloc; and, without objection, they are confirmed.

FIRST ASSISTANT COMMISSIONER OF PATENTS

The Chief Clerk read the nomination of Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

QUESTION REGARDING PARTICIPATION IN THE SPECIAL SCHOOL-MILK PROGRAM

Mr. KNOWLAND. Mr. President, at this time I should like to suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the minority leader withhold the suggestion for a moment?

Mr. KNOWLAND. Yes.

Mr. HUMPHREY. Will that be agreeable to the acting majority leader?

Mr. CLEMENTS. Yes.

Mr. HUMPHREY. Mr. President, I have requested this consideration, for which I am very thankful, because of a matter which was brought to my attention just this morning, and which I feel should be made a part of today's RECORD in the Senate. It is not a matter of world-shaking consequence, but has something to do with a measure the Senate passed a few weeks ago.

Several inquiries have been made by representatives of several organizations and dairy industry groups, regarding the application of the recently approved legislation which would extend the benefits of the special school-milk program to such nonprofit nursery schools, child-care centers, settlements, summer camps, and similar nonprofit institutions as are devoted to the care and training of underprivileged children on a public welfare or charitable basis.

The question in the minds of a good many people involves the eligibility of boys and girls attending summer camps under the sponsorship of 4-H Clubs, Boy Scouts of America, and similar agencies.

The basic objective of the original authority for the special school-milk program, which was limited to nonprofit schools of high-school grade and under, was to increase the consumption of fluid milk, thereby improving the nutritional level of children, and materially contributing toward the slowing up of acquisition of dairy products by Commodity Credit Corporation.

The widely recognized success of this program from its inception in September 1954, encouraged the Congress to expand and extend the benefits of the program to more children in more situations throughout the year. During the course of the congressional deliberation on the matter of extension and expansion, concern was expressed to make sure that underprivileged children would be given an opportunity to participate in the program. At the same time, it was readily recognized by those of us who were active in support of the legislation, that the benefits of the program should be made available to more children whether underprivileged or not. However, I am confident that it was and is the intention of the Congress to exclude from the special school-milk program, institutions designed primarily as profit-making organizations.

It is clear, therefore, that the controlling language in the legislation is the nonprofit character of schools and institutions. Any action that would seriously limit the program beyond this consideration would, I believe, run contrary to the intention of the Congress, when it overwhelmingly approved the extension and expansion of this highly successful program. I believe that the Congress intended to have the benefits of the program extended to Boy Scout camps, 4-H camps, and similar organizations.

No individual means test has ever been contemplated in the special school-milk program, and none was intended for this extension of that program. Rather, the standard accepted by our committee in voting out the extension which was approved by Congress was the nonprofit nature of the institutions, and whether in the public interest they were directly or indirectly supported and maintained totally or in part by public funds, such as tax money or public contributions.

I make this brief statement because, as one who has been interested in the legislation, and who participated in its preparation, I feel that, as the summer camps are now under way, particularly the 4-H Club encampments, the Boy Scout camps, the Girl Scout camps, and others of similar nature, we ought to have a pretty good understanding of the policy as it applies to nonprofit organizations devoted to building the health of young people and promoting a citizenship-building program. It should be clearly understood that the special school milk fund or program encompasses such activities. As I have said, the standard established was the nonprofit nature of the organizations. Surely the organizations which I have mentioned are nonprofit, in the sense of monetary profit, but they are very profitable to the Nation in terms of good citizenship and healthy young men and women.

Mr. CLEMENTS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNamara in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. CLEMENTS. Mr. President, it is my present intention to comment on the passing of our late, beloved colleague, Senator Alben W. Barkley. At an early time in the future, agreeable to the families of both the late Senator Barkley and the late Senator Harley M. Kilgore, a suitable day for memorial tributes to them will be set aside.

What I say now is entirely personal, generated and impelled by the poignant sense of personal loss I have experienced at the death of Senator Barkley.

In the past few days we have, as mourners, walked near the valley of the shadow.

The shadows of that valley are long and extend even to this Chamber where today our lives are touched with its darkness.

And though the flag over the Capitol of the United States is again at full mast, there has been no like uplifting of our hearts, no lessening of the hurt we feel at the passing of Alben Barkley, a man we loved, a man we respected, a man we needed.

The last few days have but sharpened the pain and magnified the loss to those who were his colleagues, to those who were his family, to all those—and they must be counted in the millions—who loved him.

We here knew him best, for it was here—in this Chamber he loved and served so well—that he labored for his State, his Nation, and his people.

It is at a time like this that the man who would speak his thoughts discovers, once again, the terrible thinness of words.

At a time like this a man sees once again, that vast no-man's land that lies between thought and expression, between emotion and articulation.

At a time like this, a man discovers that though his heart be eloquent, his words are paltry.

Men have said of Alben Barkley that he was like an oak. And surely he was.

When I think of an oak, I think of how it grows, and how with each year, another ring is added beneath the bark. Alben Barkley was an oak, yes, and he had 51 golden rings, to mark the 51 years of his service to his State and Nation.

Last year was his golden anniversary of service.

He served his Nation as few men have served it, and we here today would do well, in our hearts, were we to resolve to try to serve as he did.

In this time of grief we, in our human, mortal way, seek thoughts that will give us some comfort, thoughts that will soften the terrible blow, that will help us adjust our hearts and minds to the incomprehensible truth that Alben Barkley is gone.

I find some comfort in the thought that the last sound Alben Barkley heard was the sound of the American people applauding. The young Americans attending a student political convention in Lexington, Va., had just applauded his words when he fell. The sound of their applause still hung in the air, and I like to think that the applause of the American people, which he deserved so well, was the sound that Alben Barkley carried with him into eternity.

I also find some comfort when I realize that Senator Barkley lived each day of his life to the full, lived each day as though it were his last. His life, every day of his 78 years, was such a good one that it could be ended suddenly, without fear that the last thought or the last action would not be pleasing to the Almighty Father.

So it was that when he was called home by the loving Father, Alben Barkley was ready, and his last words were as fine as a good man can speak—words that have been the lips of many people throughout the world:

> I would rather be a servant in the house of the Lord than sit in the seat of the mighty.

We all know that he served in the house of the Lord, and that he served well.

We here also know, that he served in the house of democracy. And we know that he served well. Few men, in all of mankind's long struggle for freedom, for democracy, have served the house of democracy so well.

Today, I am profoundly aware that Alben Barkley was a great man, a truly great man. Today, I am also profoundly aware that he will continue to serve us as a source of inspiration.

Since 1905, Alben Barkley, a great Kentuckian, a great American, helped America achieve her full maturity as a nation.

As Representative in Congress, Senator, Vice President, and statesman he helped clear the frontiers of an adult America—frontiers dark with economic, social, and humanitarian problems. He was one of those who made our recent past a golden age in American development. Between 1937 and 1947, he was the majority leader of this great body, and guided into being much of the great legislation of that historic decade.

Following the war his great, tireless voice was raised in a call for responsibility and America met her responsibilities as a great world power.

Alben Barkley, was a man known by many names. To the Nation he was the beloved "Veep." To the Democratic Party he was "Mr. Democrat." To the Commonwealth of Kentucky, he was the "Kentuckian." To us, he was a "Senator's Senator."

America will remember Alben Barkley.

We will remember him.

We will remember him here in this Chamber, and though Alben Barkley's great voice is stilled, the memory of his words, of his deeds, and of his actions for God, country, and State, will speak to us as long as there is a United States of America, as long as there is a Senate of the United States, as long as there is an American people.

Mr. President, I request unanimous consent to have printed in the body of the Record the beautiful prayer offered by the Senate Chaplain, Rev. Frederick Brown Harris, D. D., at the funeral service of our beloved friend and distinguished colleague, the Honorable Alben W. Barkley, at the Foundry Methodist Church, Wednesday, May 2, 1956.

There being no objection, the prayer was ordered to be printed in the Record, as follows:

> Let us now praise famous men and our fathers that begat us, leaders of the people, by their counsels honored in their generation and the glory of their time; that have left a name behind them that their praises might be reported. Their bodies are buried in peace, but their names liveth for evermore.
>
> Let us lift our hearts in prayer:
>
> O Thou Master of all good workmen: We come to Thy sanctuary this hour with a sense of poignant loss, vividly conscious of an empty place against the sky—at which our surprised eyes are staring, stunned, bewildered and strangely moved. We sit together in the sadness of farewell as we mourn the sudden passing from our sight and side of one of the greatest of our national leaders—for there is a prince and a great man fallen. One of the Republic's best-loved sons—Thy servant across toiling years in all great and good causes—Alben W. Barkley.
>
> From our partial, finite point of view his State and the Nation, which he served with such unstinted devotion, are vastly poorer because his eloquent, passionate voice will be heard no more in its councils, on its platforms, and in its national forums. For us, there is an altered world since but a few hours ago he "went down in full armour", with unabated powers, having lived his strenuous years up to the hilt. He so numbered his days, applying his heart unto wisdom, because to him the whole earth was the House of the Lord, as echoed by the last phrase which fell from his lips.
>
> And now we come in gratitude to think tenderly of one who occupied high office, and yet never stooped to low designs; who was greatly honored by his countrymen, but who ever put principle above pedestal; who was a partisan, with deep convictions, yet without a blind spot that cannot see the integrity of an opponent's position.
>
> We exalt the memory this hour of one who walked with kings nor lost the common touch, who could remain silent under unjust attack—as he often did—exemplifying that "he who keepeth his own spirit is greater than he who taketh a city."
>
> We think of one who with unbowed head and unembittered heart met life's losses, and who found constant fun in living, and who reveled in laughter; who loved folks more than fortune, and who was valiant as a knight of old, in righting wrongs and enthroning justice; and who counted it as a part of his religion to help see that his country was well governed.
>
> While we mourn that we shall see his face no more, solemnize us by the uncertainty of our own working day. May we lengthen our brief span by intensity of living, filling swift hours with mighty deeds. If there is any kindness we can show, may we not neglect nor defer it—seeing that we pass this way but once.
>
> And thus, at last, O Lord of the living and of the living dead, bring us all to the Homeland of Thine eternal love. We ask it through the riches of grace in Christ Jesus our Lord. Amen.

Mr. CLEMENTS. Mr. President, I have a record of the services at the Broadway Methodist Church at Paducah, Ky., last Thursday. They were conducted by the Reverend William S. Evans, pastor of the church. I ask unanimous consent that the text of the services be printed in the Record.

There being no objection, the text was ordered to be printed in the Record, as follows:

> Dr. Evans. I shall read the 23d Psalm:
>
> "The Lord is my shepherd; I shall not want.
>
> "He maketh me to lie down in green pastures; He leadeth me beside the still waters.
>
> "He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake.
>
> "Yea, though I walk through the valley of the shadow of death, I will fear no evil: for Thou art with me; Thy rod and Thy staff they comfort me.
>
> "Thou preparest a table before me in the presence of mine enemies: Thou anointest my head with oil; my cup runneth over.
>
> "Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever."
>
> I now read John 14: 1–4:
>
> "Let not your heart be troubled: ye believe in God, believe also in me.
>
> "In my Father's house are many mansions: if it were not so, I would have told you.
>
> "And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also.
>
> "And whither I go ye know, and the way ye know."
>
> It would be presumptuous on my part to undertake to eulogize such a person as the Honorable Alben W. Barkley. He needs no eulogy. His life has been one long testimony of his faith and convictions. However, I would not be faithful to the many multiplied thousands of friends who are here in this sanctuary and who are at this moment turning their thoughts and minds toward this service, did I not give some word of appreciation. There was something inherent in his life that make all want to do him honor. It stirs the hearts of all of us to think of one who came from humble surroundings and who rose through hard work and persistent zeal to stand as one of the most honored men in our Nation. He was one who won and kept the confidence of men of all walks of life, and who received expressions of that confidence as he was placed in many places of responsibility and leadership.
>
> When news of his passing reached me at the general conference of our church in Minneapolis, Minn., I asked the privilege of that world gathering that we might stand in a moment of silent tribute to the life of this great man.
>
> Certainly a part of the life story of Mr. Barkley would be found in the character of his parents. But also, much resided within his own life. He had a vision of something big. He had a determination to pay the price to achieve greatness. He had a willingness to follow on. To my way of thinking, one of the secrets of success of life is expressed in the words of Kipling, who, as he undertook to give the measurements of man, said,
>
> "If you can walk with kings
> Nor lose the common touch."
>
> Mr. Barkley certainly had that quality in his life. Across his beloved State and throughout the Nation and the world, men have loved him, respected his integrity, followed his counsel and have been enriched by his personality.
>
> Many honors came to him, but no honor was greater than the sincere appreciation and high esteem in which he is held by those that knew him best. Today, as he comes back to rest in the soil of his beloved State, many, many people will rise up to call him blessed and thank God for having been privileged to be his friend.
>
> In this service we would lift up to you some words that might strengthen our lives for the facing of this hour and the living of these days. One of the ancient men of God expressed a conviction that held him, and which I think will hold us. He said, "The Eternal God is thy refuge, and underneath are the everlasting arms."
>
> As we pass through shadows and carry our loads of grief, may we be strengthened by knowing that the Eternal God is good. As he was revealed in Christ, His sympathy, love and compassion reached out to those in sorrow. And in our times of sorrow and suffering we can be comforted by the fact that God cares. God cares because He loves us. In one of their Psalms, the ancient people of Zion sang, "I had fainted unless I had believed to see the goodness of the Lord in the land of the living." You can't read the great 23rd Psalm without realizing that God is good. He is there pictured as the Great Shepherd who, though we "Walk through the valley of the shadow of death," He will be with us. Whittier said:
>
> "Yet, in the maddening maze of things
> And tossed by storm and flood,
> To one fixed trust my spirit clings;
> I know that God is good."
>
> "The Eternal God is thy refuge, and underneath are the everlasting arms." (Deuteronomy 33: 27.)
>
> God is also great. His arms have never failed. The refuge that is offered in Him covers our needs. "His grace is sufficient." Those who have trusted Him, those who have talked with Him, those who have tested Him have found that His promises are true and that His word never fails. So, as we walk and as we live we can lean our lives upon God, who is great.
>
> "As the marsh hen builds on the watery sod
> I will build me a nest on the greatness of God;
> I will fly in the greatness of God as the marsh hen flies,
> In the freedom that fills all the space 'twixt the earth and the skies.
> By so many roots as the marsh grass sends into the sod,
> I will heartily lay me a hold on the greatness of God."
>
> When you begin to read your Bible, you find that "In the beginning, God," and when you read the description of the last Hallelujah Chorus, you find that God is from everlasting to everlasting. He truly has been "Our dwelling place in all generations." The Eternal God that is our refuge does not change with the changing seasons. He is not ruled by the rulers of darkness. And he is not defeated by the experience of death. When you begin to think of the things that will live and last, you immediately begin to realize that these are characteristics of God: Beauty, purity of heart, nobleness of character—they never die. Truth may be ignored, assailed, crushed to earth, trampled upon, yet truth lives. Beauty also lives. Tertullian once said, "If I gave you a rose, you won't doubt God any more." Beauty is of God. We are told that knowledge will pass away, but love will abide. In our time of greatest need, the love of the Eternal is most wonderfully kind.
>
> I am simply saying that, as we rest our lives in the Eternal God, we have laid hold upon something that is enternal. In Him we live, move and have our being. In Him we live forever. I am reminded of the last words that fell from the lips of Mr. Barkley: "I would rather be a servant in the House of the Lord than sit in the seat of the mighty."
>
> As we give our lives in service to the good and noble things, we find a life for ourselves that lives. And in Christ we can have the assurance of a life that never dies. It was said of one of the great characters in the Old Testament: "David, after he had served his own generation, by the will of God, fell asleep and was laid unto his fathers." In this faith we, too, may live.

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the Record a significant telegram which was forwarded to our Senate Chaplain, Rev. Frederick Brown Harris, by Mr. W. P. Kennedy, president of the Brotherhood of Railroad Trainmen, as an expression of genuine regret over the great loss which has been suffered in the passing of our beloved colleague and courageous statesman, the Honorable Alben W. Barkley.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

> Cleveland, Ohio, *May 1, 1956.*
>
> Rev. Frederick Brown Harris,
> *The Westchester, Washington, D. C.:*
>
> Members of the Brotherhood of Railroad Trainmen throughout the land are deeply grieved over the untimely loss of Senator Barkley. He was our friend. He fought for our rights when we had few friends. In all public offices held he was always ready, anxious and willing to serve his fellow men. The millions who love and cherish decency, dignity, and honesty in government will join in mourning the loss of this great American, our beloved Senator Barkley.
>
> W. P. Kennedy,
> *President.*

Mr. CLEMENTS. Mr. President, many fine editorials have been written about the life of Alben Barkley, and many of them will be placed in the Record by other Members of the Senate. At this time I ask unanimous consent to have printed in the Record editorials published in the Lexington Herald, the Owenboro Messenger and Inquirer, and the Louisville Courier-Journal.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Lexington (Ky.) Herald of May 1, 1956]

A Voice That Is Stilled

Death came to Alben W. Barkley as he invited it, as a Member of the United States Senate which he loved and in which he had long served and over which he presided, and during a speech to a convention of young Democrats. Thus falls the elder statesman speaking to the younger generation, preaching the gospel of democracy.

Only a few days ago, at the observance of the Woodrow Wilson centennial in Washington, he had poured out the philosophy of politics of which he was the most gifted exponent. He and Speaker of the House SAM RAYBURN had entered the House of Representatives the same day, the year Woodrow Wilson became President of the United States.

For 44 years in Washington and for more than 50 years in Kentucky he had answered the call to public service, holding office longer than any man in the history of the commonwealth, including Henry Clay.

Appraisal and analysis of his record can wait a day while all Kentuckians, with partisanship or factionalism forgotten, mourn the passing of a statesman upon whose long years of service there was no stain of corruption, who gave all he had in the public interest. The last of the old-fashioned orators, the master of the story-tellers, the beloved Veep, the former president of the American delegation to the Inter-Parliamentary Union, one of the first advocates of the United Nations, the greatest of all convention keynoters, now sleeps with his fathers. He might have gained a Vice Presidential nomination that would have led to the Presidency, had not his conviction forced him to differ over a tax measure with a President to whom he was devoted. He did in 1948 stir from its lethargy a party that had about succumbed to defeatism, and a notable Democratic triumph resulted. He knew all the plaudits of victory, yet suffered in 1952 a defeat that might have stopped a less determined soul. But he loved people and they called him back to the Senate, which numbers him among the greatest who ever served within its Chamber.

He was and will ever be, for all time to come, Kentucky's favorite son.

[From the Lexington (Ky.) Herald of May 2, 1956]

MR. BARKLEY'S BELIEFS

As Kentucky officially observes a period of mourning in the memory of former Vice President Alben W. Barkley, the Nation is grieved over the death of a beloved figure. His services on the national scene extended over a period of nearly half a century. Those things for which Mr. Barkley so clearly stood should not be overlooked in paying homage, either to the personality whose magnetism charmed the American people from coast to coast, or to the public career which is without parallel in Kentucky's history.

The close of his career crowned a lifetime of what he so often had called "preaching the gospel of democracy." He was stricken while appearing as a keynoter, the role he had filled so often in Democratic national conventions, before a mock convention of young voters at Washington and Lee University. It is easy to imagine the beauties of the day for he had been at the annual party given at the home of Senator HARRY F. BYRD near Winchester, Va., to Members of Congress. From the porch where guests are served, no doubt he looked upon the familiar scene at the head of the Shenandoah Valley where the famed Byrd apple orchard was in bloom, before going to the campus of Washington and Lee University whose classic buildings patterned after Arlington and Monticello remind all of the priceless heritage of the Republic.

There could be no more thrilling words than those uttered:

"I would rather be a servant in the house of the Lord than to sit in the seat of the mighty."

And while in the Senate of the United States Mr. Barkley had a forum which gave to him the unexcelled opportunity to use the gift of his rare knowledge gained by long observation, he spent much of his time going out to explain, as he viewed them, the issues that face this country and the world. Time and time again he came to Kentucky to the annual Jefferson-Jackson Day dinners staged by the Democratic Party but explained that with him the fund-raising objective was not paramount, that as long as his body held breath he wished to repeat the things he had seen and that knew about government, legislation, and national policies.

Frequently he said, as he did after withdrawing as a candidate for the Democratic nomination for the Presidency in the national convention at Chicago in 1952:

"We are not beginning a crusade. We are continuing a crusade."

His great speech delivered April 21 in the National Guard Armory in Washington in connection with the Woodrow Wilson centennial carried out this theme. He had entered his service in the House of Representatives in 1913, the year Woodrow Wilson became President of the United States. The Federal Reserve System, the Clayton antitrust enactments, the curbing and reduction of child labor, the inauguration of the farm-credit system, civil-service reform, and many other advanced strides were steps in which he had a hand.

Yet it was the fact that the first great effort since the Congress in Vienna in 1815 to organize the world for peace came from Woodrow Wilson's heart and brain that primarily characterized that administration, as Mr. Barkley pictured it from his vivid and retentive memory.

One of the greatest and most effective political speeches ever delivered in the history of this country was Mr. Barkley's address to the Democratic National Convention in 1948. This convention later nominated him for the Vice Presidency. Although Mr. Truman in his recent book refers to his own appearance, it was the speech that Senator Barkley delivered that electrified and awakened that convention from a pall of defeatism to a victory march. In these columns it frequently has been said that this single speech more than any other factor led to the election of Truman and Barkley in 1948. The "cross of gold" speech of William Jennings Bryan is long remembered, but it led the party only to defeat. Mr. Barkley gained for his party 4 years of responsibility during which the United Nations was launched, as Mr. Barkley said, "upon the tossing waters of the international sea," and the Marshall plan served as a prelude to the attempt to wage peace in the world.

It was the record that had been made, not only by the Democratic Party but by the Congress of the United States which enacted the legislation and through bipartisan support in drafting the charter of the United Nations, that he upheld. It was because Congress, after long hearings and committee action and deliberation, had adopted a tax bill which President Roosevelt vetoed that he split with the President and offered to resign as floor leader, thus eliminating himself as a Vice Presidential prospect in 1944.

This record he was willing and ready to defend. That was the theme of his masterful presentation in Philadelphia, for he asked why the members of his party were apologizing, defending, and dodging rather than affirming, proclaiming, and championing the steps that they had taken to take the farmer out of the ditch of despondency, to see that every American had a decent home and to conserve the soil and to undertake to bring about a life of security and peace.

Step by step, law by law, amendment by amendment, Mr. Barkley knew the details of the legislation enacted to establish foreign policy and domestic progress. He never lost faith in the people or their ability to think straight and act in the best interest of the country when the truth was fully presented to them. He risked his life unsparingly, and finally gave it in that cause.

[From the Owensboro (Ky.) Messenger and Inquirer of May 1, 1956]

DEATH OF "VEEP" COMES AS GRIEVOUS SHOCK

We were indeed shocked and grieved to learn yesterday of the loss of our friend Alben W. Barkley. Despite his 78 years we still considered the "Veep" a young man with many years of public service yet before him.

Our most recent contact with the famous Kentucky gentleman was during the past senatorial race when he came to Owensboro to speak on his own behalf. This was just 2 years ago when he made his race against another great Kentuckian, representing the opposing party, John Sherman Cooper.

We were truly convinced that the name of "Iron Man" given to him in his race for the Senate in 1926 held as true 2 years ago as it held in that bygone race. The "Veep" in his most recent race was the war horse, the great wit and entertainer, the fast thinker he must have been 30 years ago.

But our observations of this Democrat were even more meaningful when one considers some of the rocky roads he had traveled during his political career, especially those thorny incidents which occurred late in his life.

Barkley was on two occasions within the grasp of the Presidency. If it had not been for his independence as speaker in the Senate during the Roosevelt administration he might have been President. It was his rebuff of President Roosevelt which kept him out as the Vice Presidential candidate on the ticket with FDR. He had criticized the chief for what he considered interference with the independence of Congress. As a result Truman got the call and filled out the late President's term.

The Presidency was again within the grasp of the Iron Man when he went to Chicago in 1952. The day before the convention opened, the head of the Kentucky delegation, Gov. Lawrence Wetherby, stated that the greatest danger to Barkley was the strength the Vice President had amassed just prior to the convention. The danger proved to be real and devastating. It brought out the mean and crucifying words "too old" to run. The coup executed by some labor leaders was a final blow to his candidacy. Barkley in his autobiography attributed his withdrawal at the Chicago convention to a selfish faction within the party which cut him out. In our opinion this was only a part of the story.

He did not know how close he came to the Presidency until Harry Truman's memoirs were published, in which the former President said that if Barkley had not withdrawn as a candidate for the Democratic nomination in Chicago in 1952, after it was made to appear to some that labor would not support him because of his age, he would have been nominated.

This newspaper believed in 1952 that it was true that at the convention in Chicago, Harry S. Truman had decided to throw his great and decisive support to Barkley. We did not know it was true until Truman's memoirs appeared with the emphatic statement that if Barkley had not withdrawn—which he did at the instigation of poorly informed advisers—he would have won the nomination.

We felt that the difference between votes for Stevenson and the votes Barkley would have received, in our humble opinion, would have meant the difference between success and failure for the Democrats in 1952.

Senator Barkley aspired to the Presidency as possibly no other man. He felt his experience in government particularly suited him for that high position, and he wanted to offer himself to the people so that he could better serve them. Even though he sought the position, he never felt that the people owed him their allegiance because of what he had done for them, and he had done much.

Coming from a predominately agricultural State, he had done much for the farmer, but he had also done much for industry, and had never forgotten that this segment of the American economy was equally important. During the NRA days, which business fought

violently, the Senator from Kentucky went to bat for local industry and averted troubles which could have been disastrous to Owensboro and other parts of the State. His experiences went throughout the scope of government.

When Senator Barkley became Vice President during the second Truman administration, his experience enabled him to fulfill a function of government never tried by his vice presidential predecessors. He not only served as the president of the Senate, but really as an assistant President. He advised Truman and helped in party affairs. His participation in Truman's campaign during the former President's campaign against Dewey was in our opinion the clincher in the Nation's greatest political upset.

We believe his experiences would have embittered other men to the point that their services to the people would have been drastically limited.

When we saw Barkley here 2 years ago he was humble, unscarred by disappointment, and anxious to serve if the people wanted him. He had adopted his own formula for a long and productive life, that of working a full day, honesty and maintaining a clear conscience.

One of his parting words to us, and significant of his life was: "I would rather be a servant in the house of the Lord than sit in the seat of the mighty."

This we know to be true for we knew the man who said them.

We shared his disappointment in not realizing his ambition to become President. Now we share with his friends the loss to our State and our Nation of one of its greatest and most faithful leaders.

[From the Louisville Courier-Journal of May 2, 1956]

ALBEN BARKLEY GAVE MORE THAN LOYALTY TO PARTY

Alben W. Barkley was a man of the people. His basic political conviction was that Government ought to serve them. It was his conception that the Democratic Party was better able to serve their needs, and on this was set the solid rock of his party loyalty.

During his career in politics, however, Mr. Barkley gave his party more than loyalty. He gave it the full measure of his own concern for people, a concern unbound either by acceptance or rejection of the catch phrases of political dogma. He saw no creeping socialism in the Tennessee Valley Authority; to him it was good because it helped a region's people. Although he could throw political stilettos with the best, a man was not an economic royalist to him merely because he was rich. What he did oppose was exploitation of the people.

Alben Barkley's two political idols were Abraham Lincoln and Woodrow Wilson. To him the former embodied the American legend and the latter the intellectual spirit of the Democratic Party. It may fairly be said that Mr. Barkley himself came to embody the American legend, and that he too was a repository of the Democratic spirit. It is ironic that he missed the Presidency once because in 1944 Franklin Roosevelt passed him over for Harry Truman as a vice presidential nominee, and that in 1952 he missed the presidential nomination because his old friends, the labor leaders, thought him too old at 74. These must surely have been bitter disappointments to him, but he was not a man given to self pity. After his extraordinarily long service in Congress, and after his endearing role as the Veep, he went back to the upper house in 1954 as Kentucky's junior Senator with all the zest and relish that were his stock in trade.

It was in true character that this remarkable man would not let himself run down. To the very end he showed the self-discipline and apparently unbounded energy that had carved his special niche in American political lore. A master storyteller, an elder statesman, a political craftsman and the possessor of a quick and cheerful wit, Mr. Barkley was enjoying himself keynoting the mock Democratic convention at Washington and Lee University. There always awakened a sort of affinity between Alben Barkley and his audiences. He prided himself on the fact that he didn't preach sermonettes. Indeed his sonorous voice was more at home in the old-style open-air political rally than in the modulated, closely timed confines of modern sound transmission. But loud or soft, long or brief, Alben Barkley's speeches always seemed to be spoken directly to each of his listeners. It may have been simply because he so truly liked people that they couldn't help liking him back.

At any rate, when he told the students at Lexington, Va., "I'd rather be a servant in the house of the Lord than sit in the seat of the mighty," and collapsed and died, it surely must have been as he would have had it. We, his fellow Kentuckians, are saddened deeply, but we are as proud of Alben Barkley as we can be.

Mr. CLEMENTS. Mr. President, on Tuesday evening, after the passing of my distinguished colleague, a number of Members of the Senate and Members of the House made statements for a radio program conducted by one of the great radio stations of the country. I have a transcription of that program, and I ask unanimous consent that it may be printed in the body of the RECORD at this point.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

Senator CLEMENTS. The Father of us all has called home one of His favorite sons. He was, as all of you know, called suddenly and unexpectedly. And because Alben Barkley was throughout his life a devoted son to the Almighty Father he answered the call of the Father quickly and without protest. For his family, his Nation, his State, this is a time of grief. In this time of grief we, in our human mortal way, seek thoughts that will give us some comfort—thoughts that will soften this terrible blow, that will help us adjust our hearts and minds to the incomprehensible truth that Alben Barkley—a man we love—is gone. I find some comfort in the thought that the last sound Alben Barkley heard was the sound of the American people applauding. The young Americans attending a student political convention in Lexington, Va., had just applauded his words when he fell. The sound of their applause still hung in the air and I like to think that the applause of the American people which he deserved so well was the sound that Senator Alben Barkley carried with him into eternity. I also find some comfort when I realize that Senator Barkley lived each day of his life to the full. Lived each day as though it were his last. His life—every day of his 78 years and more—was such a good one that it could be ended suddenly, without fear that the last thought or the last action would not be pleasing to the Almighty Father. So it was that when he was called, Alben Barkley was ready. And his last words were as fine as a good man can speak. "I would rather be a servant in the House of the Lord than sit in the seat of the Mighty." We all know that he served in the House of the Lord and served well. We all know, too, that he served in what could be called under these tragic circumstances the house of democracy. And few men in all of mankind's long struggle for freedom for democracy have served that house—the house of democracy—so well. Today, I am profoundly aware that Alben Barkley was a great man, a truly great man. He served his country for a half a century. He serves us all today, as he did yesterday, as a source of inspiration. We who survive can be eternally grateful that we knew Alben Barkley for knowing him was to know a man who possessed the heart, the mind, the courage, the energy, and, yes, the conscience of greatness. I knew him for more than 30 years in an intimate and personal way. I knew him as only those in public life can know what a monumental contribution he made to the government of his State of Kentucky and to the Government of the United States. His career is without parallel. He was born in a log cabin on a farm in Graves County in Kentucky on November 24, 1877.

In the years that followed, he rose to the heights, but the climb was a long and tiring one. He put himself through school sweeping floors. He practiced law and in 1904 he made his first political speech. The next year riding a horse to his first campaign victory he was elected prosecuting attorney of McCracken County. He later served the same county as its county judge. He went on to the House of Representatives being elected in the year of 1912 from the first district of Kentucky. He was sworn in on the day that Woodrow Wilson took the oath of office of President of the United States, and there was destiny in that fact for throughout his long career as Congressman, as Senator, as Vice President the principles of Woodrow Wilson were Senator Barkley's guilding star. Alben Barkley believed in fundamental democracy. His political philosophy, as he expressed it to me on many occasions was this: "What was good for the greatest number of people was best for the whole of the people." I was throughout the 30 years I knew him, his supporter, his friend, his admirer. Today those who knew and loved Alben Barkley are telling and re-telling some of his fine stories that have made him a living legend as a public speaker. Today I recall those stories too. But something else too. Something even more enduring. The great pieces of legislation that went through the Senate during the period of 1937–1947 when Alben Barkley was the majority leader of the United States Senate. America will remember Alben Barkley for his sponsorship of and leadership in putting through much of the important and beneficial legislation of the 1930's, for his vision and leadership in such vital decisions as lend-lease, and ratification of the United Nations Charter. America will remember his great voice raised in great causes. The Senate will remember him as a Senator's Senator. The people will remember him as their beloved Veep; his family as a noble, warm, and loved man. Alben Barkley's voice is still but the memory of his words, of his deeds, and of his actions for God, country, and State will go on as long as there is an America and an American people. My friends, at this time I want to present one who learned of these eulogies for our distinguished friend who is gone, when he was away from the Capitol. He will be heard by telephone and I have reference to one who came to the House about the time Senator Barkley did, served with Senator Barkley for 14 years in the House. They came to the Senate together in 1926 and were serving together at the time of Senator Barkley's passing. I present the distinguished Senator from Arizona, CARL HAYDEN.

Senator HAYDEN. In my time, no one in the Congress has rendered greater service to the Nation than Alben Barkley. He has served during the administrations of seven Presidents and each one of them had high respect for his ability. I had been in the House of Representatives for a year when he came on the fourth of March 1913 as a successor to Ollie James from the Paducah district of Kentucky. Each of us came over from the House to the Senate in 1937. In the House and in the Senate Alben never failed to lend a helping hand when I needed his aid. By his passing I have suffered the loss of one who was always my friend.

Senator Clements. Thank you, Senator Carl Hayden.

The next voice you hear will be that of Congressman Brent Spence, from the Fifth Kentucky District.

Congressman Spence. The heart of the State of Kentucky is saddened today because of the death of its most distinguished citizen. Senator Barkley has passed away. We no longer see his genial smile or hear that musical voice which was so loved and we were pleased to listen to. He died while he was addressing a mock Democratic audience or convention in Virginia. He was a genial, clever gentleman. He was a great citizen, a great statesman, and a great patriot. He passed away as I know he would have liked to have gone, not from a bed of sickening and suffering but with his spirits high and with the applause and laughter of his audience ringing in his ears. He fell, as a mighty unbending oak from the forest falls before the whirlwind, and the last words were a prayer. He said, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." For over 43 years he was a faithful servant of his people, he will be a faithful servant in the house of his Lord, and the light of His Master's countenance will shine upon him I know and give him peace.

Senator Clements. Thank you, Congressman Spence.

The next voice you will hear will be that of Senator William Jenner from Indiana.

Senator Jenner. Thank you Senator Clements. As a member of the minority party in the United States Senate, I share with his Democratic colleagues a sense of grief at the passing of Senator Alben W. Barkley, of Kentucky. Senator Barkley was respected by the members of the Republican Party as he was by his own party for his never failing courtesy, and good temper. He missed no opportunities to carry on political debate, but he never let party loyalty influence his respect and good will toward men with opinions different than his own. This is politics in the true American tradition. I am sure the people of Indiana sympathize with their neighbors of Kentucky at the loss of an able and devoted public servant.

Senator Clements. Thank you, Senator Jenner.

And now a voice you will hear is that of Congressman Carl Perkins from the Seventh Kentucky District.

Congressman Perkins. Senator Alben Barkley's death is a loss to the whole world. Senator Barkley was a dear friend to all peace-loving nations. I, like all other Kentuckians, receive this news with the deepest of sorrow. I readily realized not only the great loss the State of Kentucky and the Nation had sustained, but the fact that we will always miss our beloved Senator. The same feeling was being expressed by every Kentuckian that I met last night in Ashland after we received the shocking news. All Kentuckians loved Alben Barkley; they loved him because he was a man of principle and an individual the ordinary laymen could look to for inspiration. It will serve no useful purpose for me to mention the outstanding and unexcelled contributions that Alben Barkley has made in the field of government except I want to say that in my judgment this country has never produced a greater public servant and statesman than Senator Barkley, or a man that has contributed more to the general welfare of all the people in this Nation than Barkley. Kentucky, as well as the Nation, has suffered this irreparable loss. Senator Barkley's last words, "I am willing to be a junior. I am glad to sit on the back row for I had rather be a servant in the House of the Lord than to sit in the seat of the mighty." Those words, preceding his untimely and unexpected death, disclose not only his Christian qualities but that he was a man of unimpeachable integrity. I had been a close friend of Alben Barkley since 1932, just like hundreds of thousands of other Kentuckians. I recall distinctly when he first displayed his oratorical ability in my home town in Hindman in 1923 when he was a candidate for the Democratic nomination for governor. He was a companionable person which I feel is a great asset to one in public service, a public servant that you could go to for advice and always receive wise counsel. The untimely passing of Senator Barkley has not only aggrieved and left me with an overwhelming sense of personal loss, but has brought the same feeling to all the people of Kentucky which Alben Barkley loved with all his heart.

Senator Clements. Thank you, Congressman Perkins.

Now we will hear from a long-time friend of Senator Barkley's, Senator Olin Johnston, of South Carolina.

Senator Johnston. Thank you, Senator Clements. Alben Barkley, the great warrior and servant of the people, has died. The void that is left in our lives in the Senate and the Democratic party will never again be adequately filled. The great Alben Barkley will never be replaced, for when God makes men such as he, they live only once. But, we who knew Alben Barkley, and those of this generation who write history know that Alben Barkley will never be forgotten. His imprint upon history of America will be here for as long as this Nation survives. When I was returning to Washington on the train the day he died, a hundred images of Alben Barkley passed through my mind. I saw him as a tireless warrior of the people who spent his adult lifetime fighting for the principles that serve the common everyday people of this great land. I saw him as the champion of the Democratic people of this Nation. I saw Alben Barkley as a true Kentucky, southern gentlemen that he was. I saw Alben Barkley, too, as he delivered his last address at the Woodrow Wilson testimonial dinner here in Washington. Perhaps I should not mention partisanship at a time like this. But Alben Barkley was a partisan man as well as a statesman. He believed in the Democratic Party. He fought for the Democratic processes and he died fighting for the same causes with unsurpassed loyalty and devotion. As we well know, with all his partisanship Alben Barkley never once faltered in determining first that whatever he decided to fight for would be in the best interests of this Nation which he loved above all else. I believe Alben Barkley was judged by a great many people as an outstanding statesman, by people everywhere long before anyone conceived of his passing away. The mightiest of the oaks of the forest has fallen. A giant among the characters of this generation has departed. Certainly nothing that any of us can say will adequately testify to what stores within us when we think of the death of Alben Barkley. As in all things we must go on. Our Nation will continue to progress. We will continue in our search for perpetual peace and freedom for this world. But none of us, no, not one, will go on in these endeavors without having first benefited because Alben Barkley lived. As we go forward together, Alben Barkley shall continue to live—through us and those that succeed us—by the things he said, taught and did when he was among us.

Senator Clements. Thank you, Senator Johnston.

Now we will hear from a member of the Foreign Relations Committee with whom Senator Barkley served many years. Senator Alec Smith, of New Jersey.

Senator Smith of New Jersey. Thank you, Senator, for your introduction. It is with great grief that I come to make this statement in behalf of my beloved friend Alben Barkley. As my friends know, I am a Republican from New Jersey. Alben Barkley was a Democrat from Kentucky, and yet from the first day I came to the Senate 12 years ago he and I have been very close. We have travelled together in foreign lands as we were both members of the Foreign Relations Committee and I have enjoyed that great friendship and that great humor and that great wit and the real kindliness of one of the great men that I have known in my life. Now, as a member of the Republican Policy Committee today at a meeting of all the Republican members of the Senate who were today in town we made a brief statement which everybody adopted by a standing vote. I offered the statement and it was adopted unanimously. The statement is as follows, which I think the public will be interested to hear:

The Republican Members of the Senate have learned with profound sorrow of the death of our beloved colleague, Alben Barkley of Kentucky. We have admired his outstanding capacity as one of the great leaders of his party. We have respected his great talent in debate. We have enjoyed his incomparable good humor and wit, and above all, we have loved him for himself and his unfailing courtesy and thoughtful consideration of each one of us. We all extend to his wife and other members of his family our deepest sympathy and warm affection—and then the policy committee adjourned out of respect to the memory of the late Senator from Kentucky. I can only add that I feel that in the passing of Senator Barkley we have lost a real institution as one of our great leaders in the Senate. And even though we belonged to different parties, there's no difference between us so far as friendship, affection, and good will are concerned. Alben Barkley was a leader in developing this feeling in the Senate, this warm affection between all of us, and he has contributed enormously to the good of America, to the good of the world, and especially to the good of his friends who now mourn him so deeply.

Senator Clements. Thank you Senator Smith.

I would read now a telegram received from Congressman John C. Watts, of the Sixth Congressional District: "The death of Senator Alben Barkley came as a profound shock to me. His living so actively amongst us for so many years gave rise to an expectancy that contemplated no end."

We will now hear from Senator Flanders of Vermont.

Senator Flanders. I took his words to heart, observed the senatorial processes with some care, and in time came to the conclusion that he was right. So I personally remember him for his friendliness and his personal wisdom.

Senator Clements. Thank you, Senator Flanders.

Now we will hear from Senator Barkley's neighbor from Indiana, Senator Homer Capehart.

Senator Capehart. If it were possible to gather together all the men and women who have served in the Congress of the United States since the year 1913, I am certain they would join in this unanimous statement—"We have lost a friend." That friend, of course, was certainly my good friend and yours, the distinguished and able public servant and former Vice President of the United States, Senator Alben W. Barkley. Senator Barkley was a man of deep conviction and sincere devotion to the political philosophy of his own party. He was at the same time a man of tremendous public stature. His long record in the Congress of the United States, extending over a period of more than 40 years, is marked with the scars of battle, for he was also an able fighter for the principles in which he believed. Thus, Senator Barkley frequently found himself at odds with the men privileged to serve with him in the Congress, but he was also a man who recognized the right of his most bitter opponent to his own beliefs, and the more vigor and sincerity with which they opposed him served only to increase his respect for the individual. Certainly, he was one of the most personable men ever to serve his country. His was a full life, his career a distinguished one, and his achievements for his own State and the Nation as a whole were countless. Thus, it is a sad occasion to note the passing of a good friend and a great American.

Senator Clements. Thank you, Senator Capehart.

And now I'll read a statement from Congressman Noble Gregory of the first Kentucky District:

"No one in the House or Senate had the opportunity to know Senator Barkley longer than I. No one had greater respect and admiration for him. His last words were dramatic, but they were typical of his life. He was a man of great strength and character. Our State, and the Nation, will miss him and his leadership."

The next voice you will hear will be that of Senator Carl Curtis, of Nebraska.

Senator Curtis. Thank you, Senator Clements. A pillar of the Republic has fallen. Alben Barkley was the friend of all Americans. I could not add to the glory of his life or to the fine achievements that he has accomplished by enumerating them. He was a great man, a great American, a genuine friend, a devoted public servant. It was my privilege to hear him speak twice in the last week or 10 days. He was in excellent form—a fine sense of humor, a profound message and a delivery in which he put his entire personality in his speech. We have lost a great American, and while this is a time of sorrow, it is also a time when we should be grateful for the life of Alben W. Barkley.

Senator Clements. Thank you, Senator Curtis.

And now we will hear from a great friend, and one who was on the $64,000 question with Senator Barkley only a short time ago, Senator Carl Mundt, of South Dakota.

Senator Mundt. Probably no man in public life more faithfully typified the position which he held than did Alben Barkley portray the living portrait of a Member of the United States Senate. If Alben Barkley had been permitted to write the drama of his own departure and to prepare his own exit lines, I am confident he would have preferred to die under circumstances precisely like those which attended his sad passing while delivering an address to a mock political convention in Virginia, yesterday. Alben Barkley was in every sense a dedicated public servant. He loved his job as he loved his country. He loved people in every walk of life, and his kindly disposition, together with his great sense of fair play, combined to make him one of the most popular figures in the current century of American public affairs. There was never anything small or petty or mean about the character of Alben Barkley. He was a big man, with a great heart and a big concept of the public positions which he held. His passing will be mourned by Republicans and Democrats alike. America will be poorer because of his death, since his every impulse was to serve effectively the country which he loved so greatly and for which he worked so hard.

Senator Clements. Thank you, Senator Mundt.

Now we will hear from one of the younger Members of the Senate, a devoted friend of Senator Barkley's—Senator John Kennedy, of Massachusetts.

Senator Kennedy. I share the grief felt by the people of Kentucky at the untimely death of Senator Barkley. Senator Barkley came to Congress some years before I was born, and he was a leader and already a legendary figure when I was a schoolboy. And yet, although he held many high positions and won many great honors, majority leader. Vice President, yet at the end, when he was elected as Senator from Kentucky, he came and sat with all of us in the back row as a junior Senator, still serving the same cause he had always served in his lifetime, the State of Kentucky. Senator Barkley now belongs to the ages. He takes his place in the forefront of all those who have served the great State of Kentucky and the United States of America, and he will be missed by all of the people of all of the States.

Senator Clements. Thank you Senator Kennedy.

The next voice you will hear will come from the west coast, a longtime friend of our departed Kentuckian, Senator Wayne Morse, of Oregon.

Senator Morse. One of the greatest statesmen in all America's history has fallen. Alben Barkley personified the hopes and aspirations and ideals of the Democratic Party. To millions of Americans, he not only was Mr. Democrat but he was Mr. America. Alben Barkley is irreplacable, and I think the greatest memorial we can build to him is for each one of us to try to put into practice the great spiritual leadership and ideals of this great American.

Senator Clements. Thank you, Senator Morse.

And now one whom Senator Barkley knew well, and where there was a very great mutual admiration, a young man in the Senate but a great friend of Senator Barkley's, Senator John Pastore, of Rhode Island.

Senator Pastore. Few men in public life have ever achieved the popularity, respect and admiration comparable to that enjoyed by Senator Alben W. Barkley. He was a vibrant, effervescent, and personable human being whom we all loved. No man had a keener understanding of our form of government, and the Nation and the free world will miss his mature judgment and experience very, very much.

Senator Clements. Thank you, Senator Pastore.

The next voice you will hear will be that of one who sat at the feet of our departed friend—Congressman William Natcher, of the Second Kentucky District.

Congressman Natcher. Thank you, Senator Clements. At this time, I desire to pay humble tribute to the memory of my friend and fellow Kentuckian, Alben W. Barkley. His death removes from this earth one of Kentucky's great statesmen, and a man recognized throughout the world as a leader of men and a man of public spirit. He was a great orator and a perfect gentleman, a kind, considerate man whose exemplary life influenced his own generation and succeeding generations. Senator Barkley served for over 40 years in the Congress of the United States before being elected Vice President on November 2, 1948, for the term beginning January 20, 1949—a man of fine judgment, with the courage to carry out his convictions, and a true public servant. As a great Kentuckian and public servant, he again answered the call of his people after his term for Vice President expired when he was elected to the United States Senate for the term beginning January 3, 1955. Throughout his long career as a legislator, he was a friend of the farmer, the working people, small business, industry, our professions, and the veterans. In private life he gained success as a lawyer and a father. In every position he held, either private or public, he achieved distinction. His service in all of his assignments was marked by a high sense of cogency and duty. He loved people, and they in turn loved him. The qualities which endeared Alben W. Barkley to those who knew him were his devotion to his family and friends, his rugged integrity, and his unfailing sense of human and good commonsense. His contributions to better government were many and will long be remembered. The Commonwealth of Kentucky and the United States has lost a great statesman and leader. I have lost a true friends, a friend who lived his life fully and served his country well. To his wife, his children, and grandchildren, Senator Alben W. Barkley left a proud heritage. I extend to them my deepest sympathy in their bereavement.

Senator Clements. Thank you, Congressman Natcher. The next voice you will hear will be a distinguished citizen of Illinois and a long-time personal friend and great admirer of Senator Barkley—Senator Paul Douglas.

Senator Douglas. Senator Barkley was probably the most beloved man in public life, and there were good reasons for this. In the first place, he was an extraordinarily witty speaker and witty in all his private and public relationships. Nearly every incident reminded him of a story, and the story was always completely fitted to the occasion. I think that Senator Barkley and Abraham Lincoln have probably been the two greatest storytellers in American life, and the stories which they told always illustrated principles and lighted the path to performance.

Senator Barkley was a kindly man. There was no malice in him, no hatred—he was a firm believer in the principles of the Democratic Party, which he knew thoroughly and which he expounded on virtually every occasion which he had the chance. Well, he developed the principles of the Democratic Party and the great achievements of the Democratic Party without making personal attacks or personal reflections upon those who held opposite views or upon those in the opposite political party. He was a sturdy man, he believed firmly in the diffusion of economic and political power, he advocated those principles in legislation and on the stump. He was unfailing in their support. He knew what true democracy consisted of and he held to that. He also understood the niceties of political behavior and of parliamentary procedure. No one was better versed than he in the way to do business and how to get legislation enacted with a minimum of friction. All in all, he was probably as fine a character as American political life has ever produced. We feel that we have suffered a great loss in his passing, but we also know that he died in about the way that he would have wanted to die, namely, with his boots on, speaking to young people about American government and about the principles of the party in which he believed. We should all be extremely grateful for his life. We have all been greatly helped by his presence, and his memory brings to us an abiding sense of the richness of American life and of the extraordinary ability of America to throw up our great leaders who espouse great principles.

Senator Clements. Thank you, Senator Douglas.

And now, from the State of New York, we will hear from one who served at several levels of government and many different capacities with Senator Barkley—Senator Herbert Lehman, of the great Empire State.

Senator Lehman. The passing of Alben Barkley struck me as keen a blow as almost any I have every experienced. His death removes from the Senate and from the national scene a towering figure whose place in history is secure beyond all the vicissitudes of time. But to us in the Senate and to me personally, this is scant consolation, for Alben Barkley was to me and to each one of us a friend, a counselor, a source of never failing wisdom, of good cheer and delight. He was a strength in debate. He was a man of high principle, of undeviating loyalty to the causes in which he believed, and above all, to the welfare of his country and his people. He was bold in action, and yet moderate in his judgment.

He was as courageous as a lion, yet always considerate of the views of others. He knew the meaning of compromise and concession when it was necessary to secure agreement, decision, and action. But so far as I know he never compromised on principle. Senator Barkley was one who, as he grew older, became ever more liberal and forward-looking, thinking as much of the future as he did of the past. He had great respect for tradition, but equally great understanding of the fact that changing times required new solutions to new problems. I respected him as a statesman, but most of all I loved him as a friend. We will all miss him. There will never be another quite like him.

Senator CLEMENTS. Thank you, Senator LEHMAN.

The next voice you will hear will be that of the junior Senator from South Dakota, Senator FRANCIS CASE.

Senator CASE. Alben Barkley was a great American in the best traditions of greatness in America. My first contact with him was when I was a Member in the House of Representatives, and we had some legislation pending that dealt with the completion of the Mount Rushmore National Memorial out in the Black Hills of South Dakota. Mr. Barkley was a personal friend of Gutzon Borglum, the sculptor. He knew something of the concepts of American ideals that Borglum sought to put into the great figures he was carving out there. I had sponsored a bill in the House of Representatives, and when I came over to the Senate to get it passed there, Mr. Barkley was the man who helped carry it through. And then, Senator Barkley was a great man because he believed in preserving the integrity of the processes of democratic government. I know that as a matter of personal contact from what he has said to me personally, and only last week—the week before he passed away—the bill which he introduced was one which sought to preserve the processes of good deliberative legislation. It was a bill to provide that Members of the Senate might introduce bills only singly, not in groups, as has been a growing custom. He felt that the habit which was growing up of introducing bills with many sponsors was tending to defeat committee consideration. He made his point so clearly and effectively that when he had concluded the remarks in presenting the bill, the Senate broke out in applause. That's a rare thing in the Senate these days. It was a tribute to the greatness of Senator Barkley, it was a tribute to his understanding of the processes of good legislation. And so I am pleased with this opportunity to offer my few words of tribute to one of the great men of our generation and one of the great men in American history.

Senator CLEMENTS. Thank you, Senator CASE.

The next voice you will hear will be that of a long-time, close personal friend from the State where our departed friend made his last statement—you will hear the voice of Senator WILLIS ROBERTSON, of Virginia.

Senator ROBERTSON. In his essay on Sir Walter Scott, Thomas Carlyle, after commending the value of a healthy body, said, in effect, that the truly great man was one who possessed a healthy soul, attuned to the laws of God, as well as a healthy body, attuned to the laws of nature. During the 23 years I was privileged to know, to admire, and to learn to love Alben W. Barkley, I realized how fully he possessed those earmarks of true greatness. In all of my political career, I have never known anyone with a greater capacity for work, a greater capacity for friendship, with a greater zeal to promote the cause of good government. To those of us who intimately knew him, who worked with him, who loved him, his sudden passing is a great blow. But what could be more typical of a healthy soul, attuned to the laws of God, than his words "I would rather be a servant in the House of the Lord than to sit in the seat of the mighty." Senator Barkley believed that life goes down with better grace, foaming in full body over a precipice, than miserably straggling to an end in sandy deltas. Therefore, in ending his distinguished career in the type of work which he loved best, death was robbed of its sting and the grave of its victory.

Senator CLEMENTS. Thank you, Senator WILLIS ROBERTSON.

The next voice will be that of one who served intimately with Senator Barkley for many years in the Senate. They were on committees together, and they functioned together in the interest of the American people for many years—Senator JOE O'MAHONEY, of Wyoming.

Senator O'MAHONEY. For more than 20 years, I was associated with Senator Alben W. Barkley in the United States Senate. I speak of him as a friend and as a man. When I think of him, and it shall be often—indeed, until, I, too, pass from the scene—I shall think of a man of character, a man of ability, a man of great personal strength, a man of wisdom, and of rare good humor. He had the common touch, he knew that this was a people's government. I often heard him speak of the fact that Abraham Lincoln was among his heroes. He had the same characteristics that Lincoln had of being able to illustrate an argument with a humorous story. And the stories he told were stories that all could hear. I'm sorry indeed that it becomes my sad duty to participate in this memorial. The people of Kentucky have lost a great friend and a great statesman. The people of the United States have lost one of the greatest champions of public liberty and of the welfare of the masses of the people. Alben Barkley was among the great figures in our congressional government.

Senator CLEMENTS. Thank you, Senator O'MAHONEY.

Now the next voice you will hear will be that of the junior Senator from Iowa—Senator THOMAS MARTIN.

Senator MARTIN. Thank you, Senator CLEMENTS. Senator Alben William Barkley established an amazing record of service to his State of Kentucky and to our Nation throughout his entire lifetime. His record of service in the House of Representatives, in the Senate, and as Vice President, was an inspiration to all of us in Congress. He was in a position of great leadership when I first came to Congress in January 1939, and he continued his leadership to the last moment of his life. His good influence went far beyond partisan lines always. During my brief service in the United States Senate since January 1955, I have appreciated the opportunity to work closer with him. I have been better able to observe his leadership in Senate proceedings, and I have come to know him and understand his great qualities of character and devotion to the cause of good government. His good qualities will live on in all of us who were privileged to know him and work with him. I join with my colleagues in extending to his family my deepest sympathy in their bereavement.

Senator CLEMENTS. Thank you, Senator MARTIN.

And now to bring this program to a close I want to present a young man from the Fourth Congressional District in Kentucky, one who knew and loved our distinguished friend who has passed on, one who had an intimate relationship with him throughout the Congressman's experience both at the county level and at the national level of Government. I know the affection that existed between the two. I present to you to conclude this program—Congressman from the Fourth Congressional District in Kentucky—FRANK CHELF:

Congressman CHELF. Senator CLEMENTS, this is a sad day for Paducah. A sorrowful day for McCracken County, an unhappy day for all of Kentucky and a horrible blow for the Nation and the world. We, as you know down in Kentucky have lost not only a great man, an outstanding citizen, a foremost American, an extraordinary legislator but one of the finest, one of the sweetest, one of the most lovable persons who ever walked under the broad, blue canopy of God's own heaven. Earle, I could go on and on and on and say what's on my mind and down deep in my heart but suffice it to say that we have lost a great American. I would like to say to you that when he came down to campaign in my great Fourth Congressional District back in 1954, that I went with him on every stump-speaking tour. Yes, as you know, Earle, we campaigned together. And you campaigned with him, too, and hard, and you were most effective my dear friend. Yes, we had fun—to be with him was to have fun. He was a wonderful companion of yours and of mine and you and I liked to call him our dear friend and our buddy. To show you, Earle, how considerate he was of others—I don't have to tell you, my friend, but you know, but for those who don't really know—I suspect they do, but in case they don't, when I was campaigning with him, he often told me, Earle, that I shouldn't work so hard making so many speeches for him. He'd say to me, Frank, you have no opposition at all either in your primary or in your general election. You are just out of the hospital and major surgery. Take it easy, my boy. It was an inspiration just to be with him, Earle, as you know. And when he wasn't looking, bless his heart, I'd hold my side and my scars and proceed to pour it on as best I could for him. Thank heaven, he carried my great district over 10,000 votes. And, Earle, he carried your great, old Second Congressional District by the proverbial gillion or better. He has so conducted himself amongst his fellow men, he has let his light so shine that his fellow men might see his good works and glorify our Father who is in heaven. He has created with his own hands, Earle, his high station in life. He has built a monument higher, brighter, whiter, and more beautiful, if you please, than the Washington Monument itself. I rather suspect that the Master will say, "Well done, thou good and faithful servant. Enter into the kingdom above." And Earle, I know you loved him, I know all Kentuckians loved him. And God rest his soul in peace, and I know this, that somewhere, somehow way out there beyond the blue the old massa will have a special place in that great mansion of rest.

Mr. KNOWLAND. Mr. President, it was with profound sorrow that the Senate learned of the passing of Alben Barkley. He had served his State and his Nation well. He was a vigorous partisan, but not a bitter one.

Those of us who have had the privilege—and it was a high privilege—to have served in the Senate with Alben Barkley have happy memories which can never be taken from us.

I remember when I first came to the Senate, 11 years ago, I had an association with Alben Barkley because he had served in the House of Representatives with my father some 40 years before.

Senator Barkley was always kindly. I marveled at the work he did as majority leader of the Senate. I have never known an occupant of that office who worked harder in the interests of his country and his party than Alben Barkley.

Some of us knew of the heavy family burden he was carrying because of the illness of his wife, who subsequently died.

Yet Alben Barkley was at his post of duty in the Senate and always faithfully performed the onerous duties of the majority leadership.

He had a distinguished record as a Member of the House of Representatives, and a distinguished and long record in the Senate. He was elevated to the high office of Vice President of the United States, and, as such, he served as Presiding Officer of the Senate for more than 4 years. He temporarily retired into private life, but within 2 years the people of Kentucky had called their son back once again to represent them in the Senate.

I am sure all remaining Members of the Senate share a feeling of great personal loss because of the death of Senator Barkley, and all of us know that no man on either side of the aisle commanded greater respect among his colleagues than did our late, beloved colleague, Alben Barkley.

Mr. President, I speak for the members of the minority, and we extend to his family, to his friends, and to the State of Kentucky our deepest sympathy in the loss of a great man. The Nation and the Senate can ill afford such a loss.

Mr. PAYNE. Mr. President, the entire Nation has joined in mourning the death of Alben W. Barkley. His passing leaves a void in the Senate and on the national scene which will not be easily filled. It has been a high personal privilege and honor for me to serve in this body beside the Vice President who administered my senatorial oath of office in January 1953. As evidence of the high esteem in which the State of Maine held Senator Barkley, I ask unanimous consent that five representative editorials from Maine newspapers may be printed at this point in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Portland (Maine) Press Herald of May 2, 1956]

A GREAT OLD SOLDIER REFUSED TO FADE AWAY

Basically, it was Senator Barkley's durability that brought a long parade of nonpartisan mourners to his bier.

His humor was durable. Neither classic nor subtle, it was devoid of all the sham and posturing of the comedian. His sense of fair play was durable, at times spectacularly so, as was the case when he angrily resigned his majority leadership in protest against another fairly regular Democrat, President Franklin D. Roosevelt, after the latter vetoed a tax bill Barkley had worked hard to get enacted.

His contagious faith in his party's fortunes found him in 1948, through the sheer power of his rich convention oratory, lifting fading Democratic hopes to new heights. Nor was a genuine faith in his own destiny any less. Others laughed when Barkley wanted to be President in 1952, but the Senator was dead serious. The laughers were quieted by the sight of Barkley's obvious grief on being informed he was too old, returning to their corners in mute respect 2 years later as the smiling warrior campaigned successfully for his old seat in the United States Senate.

The loyal Barkleys are the fiber of which sound two-party government is made. Neither statesman nor scholar, he possessed a quality—durability of purpose and principle—essential to statesmanship and without which no scholar can win more than momentary acclaim.

[From the Bangor (Maine) Daily News of May 2, 1956]

AN ABLE AND BELOVED MAN DIES

A colorful, hard-working figure has been removed from the American political stage by the death of Senator Alben W. Barkley. The popular Kentucky Democrat held varied and prominent roles during his 43-year career in Washington. He started out as a Congressman in 1913, later became a Senator and majority leader, served under Truman as Vice President, and then in 1954 went back to the Senate as the junior Member from Kentucky.

The Kentuckian, who started life as a farm boy, developed into a spellbinding orator. He could convulse banquet audiences with humorous yarns or hush the Senate Chamber with solemn, emotion-packed speeches. He was one of his party's best campaigners.

Senator Barkley served the late President Roosevelt loyally throughout the New Deal era. They had one public dispute. This occurred when Barkley felt that Roosevelt had criticized the integrity of Congress in a tax-veto message. Here Barkley was caught between two loyalties—to his President and to his Senate colleagues. Roosevelt's famed "Dear Alben" letter smoothed out the row, and at the Democratic convention soon afterward Barkley nominated Roosevelt for his fourth term.

Barkley's influence continued under Truman. As Vice President he was too colorful and valuable to remain in the background. He became known as the Veep and toiled hard as Truman's righthand man.

He was affectionately termed from time to time the party's "wheelhorse" and "warhorse." These he was—a loyal, industrious, and popular politician. The Democrats were counting heavily on him as an adviser and as a campaigner in the current presidential campaign.

His political wisdom and vigor will be sorely missed by his party. The man himself will be missed by the Nation.

[From the Lewiston (Maine) Sun of May 2, 1956]

SENATOR ALBEN BARKLEY

When Senator Alben Barkley told a student audience, just before he was struck down on Monday by a fatal heart attack, that he had rather "be a servant in the house of the Lord than sit in the seat of the mighty," he may have been paraphrasing a briefer and better well-known political quotation.

He may have been thinking, with reference to his long and honorable career, that he had "rather be right than President." For Senator Barkley might have been President had he not tried so hard to be right. In 1944 he fought unsuccessfully, as Senate majority leader, to salvage the late President Roosevelt's tax program. But the Chief Executive stingingly vetoed the bill Congress finally approved, and inferentially rebuked Barkley as well. Observers at Washington believe this break in their long friendship led Roosevelt to choose Truman as his Vice Presidential running mate in the fourth term campaign of that year.

Senator Barkley was a man of great wit and charm, assets that served him well during 7 terms in the House of Representatives, beginning in 1913, and nearly 4 terms in the Senate, from which he resigned to run successfully with Harry Truman in 1948. After a half-hearted effort to win the presidential nomination in 1952—the powerful labor unions turned thumbs down, he was returned to the Senate. More than a politician, Senator Alben Barkley was almost an American institution, and though his great days were behind him, he will be missed.

[From the Rockland (Maine) Courier-Gazette of May 3, 1956]

VALE, VEEP

Today we join the Nation in expressing our sorrow at the passing of one of America's most beloved personalities, Alben W. Barkley, the gentleman from Kentucky.

From the humble background of a farm in his native State he advanced, step by step, to a prominent place in the National Government, the No. 2 spot, Vice President, in the latest Democratic administration. Beginning his political career in 1905 as county attorney, he worked his way through the State legislature, the United States House of Representatives, the United States Senate, finally became Veep, an alphabetical contraction of Vice President, which he coined himself and which his successor in the distinguished office was courteous enough to decline to accept, feeling that it was distinctly Mr. Barley's own title.

First of all a loyal American, Barkley was next a Democrat, with a capital D. Party loyalty was the only way of political life he understood but never did he permit his party affiliation to surpass his firm belief in the Constitution of the United States and in the rights we were granted as citizens of this Nation. When in 1944 his great and good friend, President Franklin D. Roosevelt, attempted to exceed his presidential powers by directing congressional action on tax legislation Barkley had the courage to oppose him. Rather than to support the administration's aim he resigned as majority leader of the Senate, an action that required much courage. Be it ever to the credit of our country that this forceful manner of calling attention to things that should not be resulted in a change of attitude by the President and in the unanimous reelection of Mr. Barkley to the office from which he had resigned in protest.

He died as he would want to if he could have been given a choice, addressing a group of college students assembled in mock Democratic convention, to learn all they could of the intricacies of our national Government.

Through the miracle of television the Nation was permitted to see his last appearance on the platform and hear his last sentence, one which may well be his epitaph. It describes most truthfully the entire life of this great man:

"I had rather be a servant in the house of the Lord than to sit in the seat of the mighty."

Vale, Veep!

[From the Bangor (Maine) Patriot of May 2, 1956]

THE BELOVED VEEP

It is not an exaggeration to say that hardly a home in these United States but felt the loss of a member when Alben W. Barkley dropped dead on the political platform at Washington and Lee University in Lexington, Va., Monday evening.

Barkley had become endeared to Americans as the beloved Veep. So much so, that RICHARD M. NIXON, a man nearly half his age upon succeeding him as Vice President of the United States, made as his first request that no one call him the Veep. That title, NIXON rightly said, had become hallowed by Barkley.

The qualities that made Barkley so widely beloved were bred on a Kentucky farm, from which he sprang: his humanity and humor, his humility and perseverance, and his sense of identity with the common man, which was never lost though he sat in national councils. He was leader of the Senate majority for more years than any other man, Vice President of the United States and a potential candidate for his party's nomination for President.

There was another man, also born in Paducah, Ky., who became beloved of his fellow Americans. He was the humorist, Irvin S. Cobb. Sixteen months Barkley's senior, Cobb in his writing and Barkley in his speaking, made Paducah known as the font of good, clean American humor. Their like are hard to come by any more. They were part of the postfrontier America.

Barkley's last words were an eloquent testimony of his virtues. He could not have shaped a better introduction had he known they would be the words heard by Saint Peter as he knocked for admittance at the pearly gate. He had just reviewed in brief his political career—Congressman, junior Senator, senior Senator, majority leader, Vice President and again junior Senator. Then he added:

> "I am willing to be a junior. I am glad to sit on the back row, for I had rather be a servant in the House of the Lord than to sit in the seat of the mighty."

Mr. ELLENDER. Mr. President, many of our great Americans were born of poor and humble parents. Most of those who climbed highest on the shining ladder of fame commenced at the lowest round. Some of them were self made; they took advantage of every opportunity to obtain an education even by doing chores while attending school. Alben Barkley was one of these. He was one of those great Americans, in some respects like our own Jefferson, Jackson, and Lincoln, to name by but a few, whose names have all the luster of a star. Because of the death of Alben Barkley, I know that in every household across this land, there is sorrow and a feeling of great personal loss.

I doubt that there ever has been a man who captured the hearts of Americans the way Alben Barkley did during his long and valuable tenure in public life. He was best known as the "Veep," a name given him by his grandchildren, but which was soon universely adopted. This endearing title was typical of the feeling held for Alben Barkley by all Americans—it denoted respect, regard, and a great affection.

Alben Barkley was an "old hand" when I came to the Senate in 1937. His service in this body began in 1927. Before being elected to the Senate, he served as a prosecuting attorney, a county judge, and later a Member of the House of Representatives. After 1948 he served as Vice President of the United States and President of the Senate with great distinction.

Alben Barkley left us in 1952; there were people who said he had retired from public life. The "Veep" could never retire, not so long as his great heart pumped life through his courageous body. He returned to the Senate only last year. He took a seat on the rear row, as must all Senators who are junior in term of continuous service. The Congressional Directory for this year lists Alben Barkley as number 44 in term of service. That may be statistically correct, but I am sure that to us, his colleagues, he was always No. 1.

He had a front seat in the hearts of those of us who had known him, worked with him, toiled long hours with him over legislation in which we had mutual interests. It is an understatement to say that we will miss Alben Barkley. We will do more than that, for the Veep was not only a colleague and a Senator, he was a friend and an advisor, ready and able to advise all who desired counsel; he was always unselfish in sharing the knowledge that experience had brought. He was a philosopher, a man dedicated to the proposition that a government must not direct, but serve, the people. He was a great Democrat, a great American, a great statesman. He was the last of that vanishing breed of statesmen who brought the Senate of the Unitel States to its present eminence, and who helped vest it with the title of the world's greatest deliberative body.

Death must come to all of us, at some time. It is inevitable, something we cannot avoid and something about which we frequently do not give much thought. I wonder, though, if many or any of us will have the privilege of meeting death as we would most like. I cannot believe that Alben Barkley could have chosen a better opportunity to depart this life than that which fate directed for him. He was doing that which he best liked to do—instructing young Americans in the fundamentals of our national existence. He was speaking from a platform, imparting to those gathered to hear his words some of the wisdom with which long years of experience had enriched him.

Alben Barkley, and those other great Senators who have gone before, have left us a precious political heritage; the Veep has presented this Chamber and the Nation with a great legacy in his fundamental political philosophy; Senator Barkley, the man, has moulded and left for generations yet unborn a long and glowing record of service, patriotism, and devotion to the cause of the public good.

Even today, as we mourn his loss, I hope that all of us will remember that there is a greater wreath which we may yet lay upon Alben Barkley's memory—and that is the promise that in the months and years ahead, we will strive to live up to the ideals and standards he left behind.

Mr. FREAR. Mr. President, there are many Members of this great body and of the House of Representatives whose friendship and association with the late Senator Barkley from Kentucky goes back for many, many years.

Thus, they can and will recall in their remarks some of the great legislative acts of earlier days in which he played so distinguished and prominent a part.

I can refer only to the more recent period, from 1949 until the present, but in that brief span of time, I have never enjoyed a more real and lasting friendship than that which I was privileged to share with Senator Barkley.

In 1949 at my request he came to Delaware to address one of the most successful Jefferson-Jackson Day dinners ever conducted in my State. His message, filled with the characteristic Barkley spirit and colorful phrasing, won him an immediate host of new friends from the first State.

Subsequently, he returned for another dinner in 1953 and campaigned in the State both for my election and for that of some of my colleagues.

With him on later occasions, he brought his charming and lovely wife.

Here at the Senate both during his tenure as Vice President and later when he returned to the Senate itself, I have enjoyed many unforgettable moments listening to his almost endless and delightful wealth of anecdotes for which he was so justly famous.

On more serious occasions I have counseled with him frequently on legislative matters of the greatest importance.

His knowledge and understanding of the process of legislation were virtually unbounded.

Mr. President, on the day before his death, it was the pleasure of Mrs. Frear and me to be with the Barkleys at dinner at the home of Senator and Mrs. Byrd, and as usual he was concerned with legislative matters pending before the Finance Committee and was looking forward to a resumption of committee activities later in the week.

I could not help thinking, Mr. President, as we traveled from Washington to Paducah last Wednesday that although this Nation has produced many great men during its short span of history, few have equaled the over-all stature of Senate Barkley.

For he was an individual who could as easily walk with the humble as with the mighty.

His neighbors of many years who lined the streets of his home town en route to his final resting place gave evidence of their warm and respected feeling for their departed friend.

Mr. President, this Chamber has lost one of the most able and gracious personalities that has ever sat in the Senate of the United States.

I shall miss him most deeply both as a friend and as a colleague but his family, his State, and the Nation can take assurance from the fact that he has indelibly carved for himself a place in our Nation's history that will ever remain as one of lasting honor.

Mr. BRIDGES. Mr. President, in the death of our distinguished colleague, Alben Barkley, the American people have lost a devoted servant. His sudden and tragic passing has silenced a courageous voice and stilled a fighting heart.

I feel a deep and very personal sorrow in Senator Barkley's departure from our midst. Since I came to the Senate in 1937, I held a deep respect for him and considered him a true, personal friend. We differed many times on political and legislative issues, but in my experience here in Washington he has been fair on his approach to those differences. His vast experience in public life kept him close to the minor as well as the major problems facing the American people for close to a half century.

The life of Alben Barkley should serve as a model for America's boyhood. He was born of poor parents in a small log cabin, and he worked the soil to help his struggling family. He worked as a janitor to earn his way through college, and became a lawyer.

Since 1905, when he was elected a county prosecutor, he fought tirelessly for what he considered to be the welfare of the American people. He came to Congress in 1913, and during the intervening 43 years devoted his mind and his heart and his body to the Nation.

The Nation rewarded him in 1948 by electing him to the second highest office in the land—the Vice Presidency. Back in 1937 he was elected majority leader of the Senate, and for 11 years carried this tremendous burden on his shoulders.

The people of Kentucky gave to the American people a man of whom they could justly be proud. His actions, his words of wisdom, and his great sense of humor will long be remembered. I have a sincere sympathy for Mrs. Barkley in these sorrowful days, but she must be strengthened in her unfortunate loss by the fact that during his lifetime Alben Barkley made a tremendous contribution to the welfare of the Nation he loved so deeply.

Mr. President, at a regular meeting of the Republican policy committee of the Senate, on Tuesday, May 1, 1956, which was attended by a large number of other Republican Senators, the following resolution of sorrow was adopted unanimously, following which the policy committee adjourned out of respect to the memory of the late Senator from Kentucky:

> The Republican Members of the Senate have learned with profound sorrow of the death of our beloved colleague, Alben Barkley, of Kentucky.
>
> We have admired his outstanding capacity as one of the great leaders of his party; we have respected his great talent in debate; we have enjoyed his incomparable good humor and wit; but, above all, we have loved him for himself and for his unfailing courtesy and thoughtful consideration of each one of us.
>
> We all extend to his wife and other members of his family our deepest sympathies and warm affection.

Mr. STENNIS. Mr. President, certainly on an occasion when tributes are offered to the memory of the late Alben Barkley every Senator would want to express his very strong, deep, and abiding sentiments. However, I find myself today among those who are not prepared to express my sentiments on short notice.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CLEMENTS. I can assure my friend from Mississippi—at least, I can, and a little earlier today, I did express my personal view—that a day will be set aside in the near future, after proper notice has been given, when Senators may offer their expressions of sympathy and tribute with respect not only to the distinguished former Vice President and distinguished former Member of the Senate who has passed on, but also at the same time may offer their expressions with reference to the distinguished former senior Senator from West Virginia, Mr. Kilgore.

I should think that some details with reference to the selection of a time which would be suitable to the members of the families of the deceased Senators would have to be arranged; but I may say to my friend from Mississippi that there are those of us who had such sentiments in our hearts and felt compelled to express them today.

Mr. STENNIS. I appreciate the assurance given by the distinguished Senator from Kentucky that a day for the offering of tributes to the memories of the deceased Senators will be set aside. I also fully appreciate the fact that today was an appropriate day for any Senator who felt prepared to do so to express his sentiments.

I am very glad to know, Mr. President, that an occasion will be afforded all Senators to pay tribute to the late, departed Alben Barkley, and also to our colleague, the Senator from West Virginia, Mr. Kilgore. I had thoughts of Senator Kilgore also on my mind and had intended to mention them. However, I am glad to learn that a day in memoriam will be set aside, after, as the acting majority leader has suggested, having consulted with the families of the deceased Senators.

Mr. MANSFIELD. Mr. President, I join with my colleagues in the Senate in expressing deep regret upon the passing of our late friend, the Senator from Kentucky, Mr. Barkley.

It has been a privilege for me to sit at Senator Barkley's right hand in the back row, because he has been very free with his advice; and to a younger Member of the Senate he, of course, has been an inspiration.

As a Member of the House and Senate, I have known Alben Barkley for 14 years. I think of him as a man of sterling integrity, wise counsel, and great ability. I know we shall miss him, and miss him deeply, because in addition to being a statesman, he was also a man of humor and profound understanding.

I feel quite certain that our late colleague is now serving in the ranks of those with whom he was associated. I am certain he is enjoying his true reward. No matter where Alben Barkley is, I am certain he will keep his eye on this Chamber and make sure, so far as he can, that we do a good job for the country and the free world.

Mr. HUMPHREY. Mr. President, like the Senator from Mississippi [Mr. STENNIS], at a later day, when the time has been set aside for the presentation of memorials to the late Senator from Kentucky, Mr. Barkley, and the late Senator from West Virginia, Mr. Kilgore, I shall, of course, want to participate.

But today we have been afforded an opportunity to say a few words about our beloved friend and colleague, that great American, the late Senator from Kentucky, Mr. Barkley, and I want to share in that opportunity.

It was my privilege to go to Paducah, Ky., and to attend the funeral service and last rites for Senator Barkley. Anyone who made that trip and witnessed the hundreds, yes thousands, of persons along the streets of the communities through which our train passed, would have recognized, again and again, the great love, affection, and admiration felt by the people of Kentucky for Senator Barkley. I was deeply moved by their demonstration of sorrow. I was particularly impressed when I saw the large numbers of young persons, including schoolchildren, in community after community, who watched reverently as our train moved along. Those young persons stood in respectful silence, paying mute tribute to the great leader and honored statesman from Kentucky.

The people of Paducah demonstrated their heartfelt affection for Alben Barkley. It was a touching and moving experience for those of us who were there to extend our sympathy to his family and friends.

Mr. President, Alben Barkley was a good friend of Minnesota, and the people of Minnesota loved him. He had been in our State many times, both on political business and on missions of civic participation. I recall his coming to Minnesota in 1948. I recall his visit to the Minneapolis Aquatenial celebration in 1949. I recall his visit to Duluth, Minn., in 1951. On other times, as Senator and as Vice President, he shared with us his profound knowledge of politics, and, above all, his qualities of kindness, understanding, and friendliness.

Alben Barkley lived life to the fullest extent. He had the privilege of knowing President Wilson as a friend and as an associate in government. He served during the most critical years of his country's history. That period included World War I and the postwar period of the 1920's. He was a stalwart figure in the Senate in the 1930's, the leader of many of the programs known as the New Deal, the right arm of Franklin Delano Roosevelt. In the second world war years his responsibility as majority leader was akain a testimonial to his qualities of statesmanship and patriotism.

In the postwar years after World War II, Senator Barkley had as much to do with formulating congressional policies relating to our foreign relations and foreign policy as had any other Member of Congress, and probably more than most.

His services as Vice President endeared him to everyone. I think it was a fine demonstration of respect for Alben Barkley when our present Vice President made it quite clear that the unique title of "Veep" was to be reserved only for Alben Barkley.

The Korean war period was a difficult one for all of us. Senator Barkley, then Vice President, rendered great service, by going to Korea and to Western Europe, strengthening our alliances, and promoting understanding everywhere he went.

Mr. President, this is but a thumbnail sketch of what many of us think and recall.

Senator Barkley's return to the Senate in 1955 could, I think, be described as the highlight of his career. Here was a man who had participated in all levels of government, legislative and executive, a man from the soil, a man from humble parentage. He could have rested on his laurels, but he wanted to come back to the Chamber that mean so much to him, and he came back in full health and spirit, wise, prudent, generous, and kindly.

The Senate is a better Senate because Alben Barkley was here. He will always be here.

I conclude, Mr. President, by saying one of the great privileges of public service is the opportunity to know men like

Alben Barkley. One of the finest honors which can come to anyone is to have one of the stature and character of Alben Barkley call him friend. I shall ever be grateful that it was my privilege to share in his friendship. America can be ever grateful that a man by the name of Alben Barkley lived and worked and died for his country.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point two editorials, one of which appeared in the Minneapolis Star and Tribune, and the other of which appeared in the St. Paul Pioneer Press and Dispatch, pertaining to the loss and the death of our beloved friend, the late Senator Barkley.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune]

THE VEEP IS GONE

Few persons in public life have been as widely loved as Alben Barkley. The reason is plain—few possessed the talent he had for tolerance, friendliness, courtesy, and good humor.

He was Vice President in a tense period, yet none of the often sharp charges and countercharges of those years originated with him or were directed at him. He was a stalwart party man, yet his personal charm and urbane oratory reached easily across party lines.

Politics treated him well and he treated politics well. He said he wanted to stay in the game the rest of his life—and so he did. Death no doubt came to him as he would have wished.

There is not with his passing the sense of loss of an irreplaceable figure in some great public issue. But Senator Barkley had even rarer qualities and the entire Nation grieves at the departure of a fine Kentucky gentleman.

[From the St. Paul Pioneer Press and Dispatch]

SENATOR BARKLEY

Only the American South can bring out a political career like that of Senator Barkley, and perhaps even there it will not be possible much longer. But only a personality with his combination of wisdom, humor, and strength could have made the particular kind of career in public life he did. He has died at 78 literally with his political boots on, and this is not much of a coincidence since he had them on most of the time.

His public life was for all practical purposes solely in Congress, since even when he was Vice President his real role was in the Senate over which he presided. His contributions were not those of great imagination in legislation, for no outstanding creations of statesmanship stand in his name. Neither was he any flaming crusader for causes. But he was a wise, warm, and witty gentleman whose fund of experience in the ways of Congress and Washington was not exceeded by that of any man of his time.

Even in other English-speaking countries, where the ins and outs of a two-party system are familiar, the Barkleys of American politics are somewhat of a marvel and enigma. History accounts for but fails logically to explain the paradox of the combination in a single party of northern liberals with southern conservatives—a combination which has had its troubles and is having them now but which nevertheless has persisted with astonishing smoothness for a long time.

The key to the riddle is personal, and Barkley and his politics are the best example. He was majority leader of the Senate during a time when his southern colleagues and the second administration of Roosevelt's New Deal were mostly at odds. No one would have predicted it would work out but by and large it did. Anywhere else that would have been politically the end of Barkley but in a sense it was just another beginning for him.

Senator Barkley is perhaps typical of American ability to make diversity on the grand scale come together in an acceptable national unity.

Mr. HUMPHREY. Mr. President, I am sure these editorials represent the affection and sympathy which the people of Minnesota had for Senator Barkley and for his family.

Mr. MORSE. Mr. President, one of the great statesmen in America's entire history fell when Alben Barkley died. In the hearts and in the affections of millions of his countrymen, Alben Barkley not only was Mr. Democrat, but he was Mr. America. And I would say that the greatest monument we can build to his memory is for each one of us to try to put into our living, the ideals and the aspirations and the spiritual values that dominated his life.

The Senator from Minnesota [Mr. HUMPHREY] has referred to the great tribute which was paid to Senator Barkley at his funeral in Paducah, Ky., when, as we drove the miles from the church to the cemetery, the roadway for the entire distance was lined with thousands of Americans who loved him. I was told children came great distances to stand in reverent respect to the memory of this great American. Many white and colored citizens of the great State of Kentucky were as one with bowed heads, as they paid their last respects to this fallen statesman.

Mr. President, I think one of the most beautiful eulogies I have ever had the privilege of hearing—and it is just as beautiful in the reading—is the one the Chaplain of the Senate paid Senator Barkley in the literary form of a magnificant prayer at the funeral service held at Foundry Methodist Church in Washington, D. C. It is such a fitting tribute and eulogy to this great statesman that, by association, I would make it mine, as my verbal tribute to Alben Barkley. It is a prayer the reading of which, in my judgment, will make us better men and women.

So, Mr. President, in all humility I read the Chaplain's great prayer:

O Thou Master of all good workmen: We come to Thy sanctuary this hour with a sense of poignant loss, vividly conscious of an empty place against the sky, at which our surprised eyes are staring, stunned, bewildered, and strangely moved. We sit together in the sadness of farewell as we mourn the sudden passing from our sight and side of one of the greatest of our national leaders—for there is a prince and a great man fallen. One of the Republic's best-loved sons—Thy servant across toiling years in all great and good causes—Alben W. Barkley.

From our partial, finite point of view, his State and the Nation, which he served with such unstinted devotion, are vastly poorer because his eloquent, passionate voice will be heard no more in its councils, on its platforms, and in its national forums. For us, there is an altered world since but a few hours ago he "went down in full armour," with unabated powers, having lived his strenuous years up to the hilt. He so numbered his days, applying his heart unto wisdom, because to him the whole earth was the house of the Lord, as echoed by the last phrase which fell from his lips.

And now we come in gratitude to think tenderly of one who occupied high office, and yet never stooped to low designs; who was greatly honored by his countrymen, but who ever put principle above pedestal; who was a partisan, with deep convictions, yet without a blind spot that cannot see the integrity of an opponent's position.

We exalt the memory this hour of one who walked with kings nor lost the common touch, who could remain silent under unjust attack—as he often did—exemplifying that "he who keepeth his own spirit is greater than he who taketh a city."

We think of one who with unbowed head and unembittered heart met life's losses, and who found constant fun in living, and who reveled in laughter; who loved folks more than fortune, and who was valiant as a knight of old, in righting wrongs and enthroning justice; and who counted it as a part of his religion to help see that his country was well governed.

While we mourn that we shall see his face no more, solemnize us by the uncertainty of our own working day. May we lengthen our brief span by intensity of living, filling swift hours with mighty deeds. If there is any kindness we can show, may we not neglect nor defer it—seeing that we pass this way but once.

And thus, at last, O Lord of the living and of the living dead, bring us all to the Homeland or Thine eternal love. We ask it through riches of grace in Christ Jesus our Lord. Amen.

Mr. McNAMARA. Mr. President, as one whose life has been greatly enriched by Senator Barkley, I should like to be associated with the remarks of the Senator from Kentucky [Mr. CLEMENTS] and the other Members of the Senate who have spoken here today in memory of Senator Barkley.

I know that Senator Barkley had great admiration and personal respect for many of his colleagues in this body. He constantly referred to them as great Americans. I am sure that on Thursday, May 3, we laid to rest in his beloved State of Kentucky the greatest of these great Americans.

Mr. President, while I have the floor, on behalf of the junior Senator from Rhode Island [Mr. PASTORE], I ask unanimous consent that a statement prepared by him expressing his sentiments about the passing of the late Senator Barkley be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PASTORE

A seat of the mighty is truly vacant with the passing of a servant in the House of the Lord.

Alben Barkley was a servant, too, in the homes of his people. And his people were not limited to the loyal confines of the Kentucky to which he was devoted—nor to the limits of these United States to which he was dedicated. For his love and labor for neighbor touched the humble and the hopeless of the whole world, as his patriotic leadership accepted our responsibilities toward a world that would be free.

Alben Barkley was a servant, too, in the hearts of his colleagues. Each of us has his own debt of gratitude to the genial, generous statesman who will be at our call and counsel no more. We would strive to express our

sentiments in phrases simple enough to match the humility of our gracious companion in these halls—though our emotions seek to find the golden eloquence of words to measure the achievements of this worker and warrior for peace on earth and good will among men.

My personal indebtedness to Albert Barkley is partly in the written records of this body—his appointments to place and position—as he started a fledgling Senator toward increasing duties and distinctions.

But the true values of his inspiration are written where no other man can read—and where I could not and would not erase them—from the tablets of my heart.

To me the prize was not so much the position itself, but the evidence of the confidence of this great man in the possibilities of this new-come Senator—new come from beginnings as lowly as his own, but enflamed by the enthusiasms, the inspiration, the encouragement of this magnificent mind that could find time for this humble PASTORE, anxious to be a credit to his people and to the traditions of this position for which they had chosen him.

I dare to speak thus intimately here, because I know that in the experience of many of you are these same unforgettable memories of a good man and a great friend.

Indeed, his friendship seemed to be so personal a possession to us that we had forgotten—almost—that we shared it with countless thousands—yes, millions—who looked upon Alben Barkley as their friend.

It is one of the revelations of these days of sorrowful headlines that every sector of our country is eager to recall some local and intimate incident—some speech or visit—that so ties Alben Barkley to their relationship—that he is the common possession of our great land.

Kentucky claims him. Washington proclaims him. But every vale and hamlet from shore to shore possesses him. And well they might. For the record of his deeds is the creed of our country in the most critical era of its existence. Part of his will and testament to the American people is the tremendous social legislation of the thirties—sponsored and spearheaded in large measure by him—from ideals to actualities.

To the world at large his leadership of lend-lease and his work for the ratification of the United Nations Charter can never be omitted from any history which shall record the hopes of mankind.

All history will be the richer for the virtues, the voice and the vigor that have been such an influence through the perilous passages of this 20th century of ours. Volumes will be written on the worth and wit that sweetened the greetings and the meetings as men make contact with their priceless possession—the spoken word.

That hearty, happy voice is silent now. His mortality has found its journey's end and its journey's beginning. The magnolia-shaded spot is almost within arm's reach of the crossroads where the boy split fence rails to earn his education. He sleeps in the Kentucky earth of his boyhood—restfully, rightfully, forever—his home.

No man could compress into one volume or one speech the wealth of these 78 years of living for and giving to mankind.

And let no man dare to say that "finis" has been written to Alben Barkley's creed or deeds.

For they will survive and serve as long as we cherish our heritage from him—we who have been his beneficiaries; we who share the continuity of the responsibilities he has laid down.

His ideals will survive and serve as long as we, in our consciousness and conscience, are true to his example—his fellow servants in the house of the Lord God of hosts, guide and guardian of the destinies of our beloved land.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

THE COTTON EXPORT PROGRAM

Mr. STENNIS. Mr. President, reports that the price of cotton under the new export program will be set at unrealistic levels are received with great disappointment. Cotton is faced with one of the most serious problems of our time. The gravest problem is the loss of our export market, which is expected to be less than 2 million bales for the current season. The loss of this important market is largely responsible for the all-time high record carry-over, which is expected to be 14.7 million bales on August 1, 1956. We have tried to solve our surplus problem by reducing acreage, thus causing a real sacrifice to all growers. Even with this sacrifice, the loss of our export market has resulted in continued increases in our surplus.

I have visualized the new export program which the Secretary announced on February 28, 1956, as a determined effort on the part of the administration to meet this critical situation by selling surplus cotton at competitive world prices, with the primary objective of regaining a fair share of the world market. If the first sale of 10,000 bales, made last week at a price of 27½ cents a pound, is permitted to become a minimum price floor for exports under the new program, it will be one of the most disappointing and serious setbacks for our agriculture program. This price is three or four cents a pound above prices of foreign cotton, and is only a few cents lower than the Government loan price for the 1956 crop. I understand that 26½ cents a pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The regaining of a fair share of this market is very important to the actual existence of our cotton industry. Unless we move our surplus supply, which is the highest in history, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in cotton acreage allotments. While our cotton farmers have reduced their acres, in an effort to keep supply in line with demand, the foreign producers have expanded their production to such an extent that their production is within one and one-half to two million bales of supplying foreign demand.

World trade in cotton is already badly demoralized because of the uncertainties of United States policy, and has been at almost a standstill for the last year, awaiting a decision on United States plans. The setting of an export price floor at an unrealistic level of only a few cents under the announced loan price for the 1956 crop will cause greater confusion and uncertainties in world trade. If foreign price competition is not fully met under the new export program, its primary purpose will be defeated, and the net result will be a great dollar loss to the Government, without actually increasing exports.

The one thing we need most in our cotton program is a long-range export program which will restore confidence to our markets. Failure to recognize this, and failure to initiate a realistic program which will meet competition, will result in continued acreage controls at levels far too low to give our cotton farmers a fair standard of income.

If the administration fails to initiate a cotton-export program at competitive prices, I strongly believe that Congress should pass legislation directing the Secretary of Agriculture to undertake a competitive export program, that is realistic, and which will assist our farmers in regaining their lost export markets.

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

ANALYSIS OF REPORT OF THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS AND ITS EFFECT ON THIS NATION'S HEROES

Mr. LANGER. Mr. President, I have prepared for delivery one of the most important speeches I have ever delivered. I ask unanimous consent that the speech be read by the clerk.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and the clerk may read.

The legislative clerk read the statement, as follows:

Mr. LANGER. Mr. President, pursuant to authority under Executive Order No. 10588, of January 14, 1955, a commission was created and directed to make a comprehensive study of the laws pertaining to pension, compensation, and nonmedical benefits for veterans and their dependents, and to make recommendations to the President regarding policies which should guide the provision of these benefits in the future. To pay the expenses of this Commission the sum of $300,000 was set aside by the Bureau of the Budget for the fiscal year ending June 30, 1956. The Commission was to be composed of a chairman and 6 members; was to make its final report to the President not later than November 1, 1955, and was to cease to exist 30 days later. In practice, however, the members were not commissioned by the President until March 5, 1955, and the committee report was not submitted to the President until April of 1956.

I invite the attention of Members of this body to this document which has just come into my hands entitled "Report of the President's Commission on Veterans' Pensions," which consists of some 415 pages. I started to read this report with an open mind, thinking that probably recommendations were set forth for increases in pension, compensation, hospital, and other benefits, and I said to myself, "Well, it is about time."

Mr. President, I did not have to turn many pages before I realized that what I held in my hands was actually a signed and sealed death warrant for all veterans' benefits. Without any reservations whatsoever, I want Senators to know that, in my opinion, this is the cruelest, most cold-blooded, conscienceless, concerted effort to strip veterans and their dependents of their benefits that I have ever seen attempted in my long years of service in the Senate. The more I read the more shocked and enraged I became, and the question kept coming into my mind, "Who are these men who are making these harsh and heartless recommendations? Who are these men who have not the slightest conceren as to whether other men starve?"

My next step was to get a list of these humanitarian gentlemen on the President's commission. I want you, Mr. President, and all the other Members of this body to know the perpetuators of this outrage against the veteran class.

Well, Mr. President, I will start with Omar Bradley, retired General of the United States Army and Chairman of this Commission. Now, according to figures furnished me by the Department of Defense, this man, Omar Bradley, as a retired General of the United States Army, is in receipt of $1,076.40 per month as "retirement pay," plus $47.88 per month "subsistence allowance," plus $171 per month "rental allowance," plus $416.67 per month "personal money" allowance; or, in other words, Omar Bradley is drawing from the United States Government a total of $1,341.95 per month. In addition to that, Mr. President, Omar Bradley is presently employed as chairman of the board of the Bulova Research and Development Laboratories. You may be sure, Mr. President, that the General is well paid for his services in this capacity.

Mr. President, I ask myself over and over, "How is it possible, where is the conscience of the man who is drawing $1,341.95 per month in retirement benefits alone, to recommend and to urge that another fellow human being, totally disabled, whatever the cause, be deprived of his pitiful little pension of $66.15 per month?" And this amount, Mr. President, is the exact amount being paid to totally disabled veterans of World War I where the disability is held not to be service connected.

Mr. President, a case of this kind recently came into my office, and I am glad to remember that I was able to help this veteran perfect his claim, submit it to the Veterans' Administration, but I was sorry and grieved when the Administration adjudicated the claim and awarded him the stupendous sum of $66.15 per month. I want to make it perfectly clear that the Veterans' Administration was not at fault; there was no greater amount they could have awarded him under existing laws. In this case, Mr. President, this veteran was a veteran of World War I, World War II, and also a period of so-called peacetime service. I actually held in my hands his honorable discharge from each period of this service. He had undergone surgery, and the doctors had removed 90 percent of his stomach, and, in addition to that, he had suffered two serious heart attacks. His wife, a frail little woman, came over to the Capitol one day and, in her desperation, called me off the Senate floor to explain her husband's case. She was driving a taxicab on the streets of this city to support her husband. When the Veterans' Administration finally notified her husband that he had been granted this $66.15 per month, she was tearfully grateful, but I was just heartsick.

Mr. President, if these recommendations in the President's report are adopted this is the type of case which would be taken off the pension rolls. Has Gen. Omar Bradley ever tried to live on $66.15 per month? If not, I would suggest that he try it sometime. Then he would be in a much better position to write his report.

Make no mistake about it, Mr. President, although much of the report is couched in veiled language and much doubletalk, the plain fact of the matter is that all non-service-connected cases would come off the pension rolls and it would take an act of God to prove service connection. As it is now, from the minute a veteran files his claim, the whole burden of proof is on the veteran to prove his claim every step of the way.

Mr. President, one of the recommendations which strikes me as so ridiculous, if it were not so tragic, is the one recommending that the rating schedule be "revised by a group of qualified physicians, economists, sociologists, psychologists, and lawyers." As it is today, a veteran files claim, submits all available evidence to establish his entitlement, and the claim is decided by the rating board. Mr. President, can we not see the handwriting on the wall? What chance does the average man have, veteran or nonveteran, when confronted by qualified physicians, economists, sociologists, psychologists, and lawyers. If one class of these persons do not trip him up, the others are sure to. Why, if I were surrounded by all these experts, I would have trouble in proving my name is WILLIAM LANGER.

And now, Mr. President, let me give you the names of the other members of this Commission, as in my opinion, they are equally guilty, they are all partners in the crime of having concurred in this infamous report.

First, we have William Joseph Donovan, former United States Ambassador to Thailand. As a rule our Ambassadors are not poor men. Is Mr. Donovan the exception? Has he ever had to live on $66.15 per month? I hardly think so. Second, there is Clarence G. Adamy, field director of National Citizens Committee for Educational Television. Just what is Mr. Adamy's income per month? Well, you can be sure it is considerably more than $66.15 per month.

For a third member, we see the name of Mr. Paul Ramsey Hawley, presently a director of the American College of Surgeons and member of the board of directors of the Ohio National Life Insurance Co. It is inconceivable that this gentleman subsists on $66.15 per month.

The fourth member of this Commission is Mr. Martin David Jenkins, president of Morgan State College, of Baltimore, Md. Well, I happen to know that the salary of a college president is many, many times the sum of $66.15 per month. The fifth member is Mr. Theodore Scarborough Petersen, president of the Standard Oil Company of California, and that position, Mr. President, believe me, is a most lucrative one.

And finally we have Mr. John Spencer Thompson on the committee, who is a director and vice chairman of the board of the Mutual Benefit Life Insurance Co. That position, Mr. President, is no low-salaried job. These gentlemen very definitely, are not lacking any of the material necessities of life and I sincerely hope they never will. But, Mr. President, let us live and let live.

Mr. President, this report is based on the premise that "military service in time of war or peace should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits." This trite phrase and hackeneyed expression, is, in my opinion, an insult to all the veterans who have ever worn their country's uniform. I do not think for a moment that when these boys went into service and fought our battles, that they did so with the idea in mind of coming back home, becoming bums and loafers for the rest of their lives and claiming a veterans' pension. That is absurd. If I know the American soldier, the American veteran, he enlisted from a patriotic sense of duty and was proud to wear the American uniform. He met the enemy, fought, bled, was maimed, and finally died on foreign battlefields and any idea that he did so with the thought in mind of coming home to claim a pension is absurd. In fact, Mr. President, many parts of this report are ridiculous and silly.

Mr. President, let me just quote from another section of this report, which apparently, in the minds of its authors is the justification for taking veterans off the rolls, which says, "we should not commit future generations to obligations that we ourselves are unwilling to shoulder." That, Mr. President, is a nice phrase, but upon closer examination, it is simply silly. First, if these boys had not gone out and fought and died, there just would not be any future generations.

So far as this country is concerned, all time would have stood still and the enemy would have marched in and taken us over. Secondly, Mr. President, we are dealing with war, and if this generation can save the next generation from that awful experience, the very least the next generation can do is help pay the bills. Mr. President, I, too, have children and

grandchildren upon whom a fair share of this cost will fall and I am neither reluctant or afraid to have to have them help to pay—I would not have it any other way—I want them to pay. Why today, Spanish American war veterans and the heroes of World War I are helping to pay the cost of World War II, the Korean conflict and the prevention of world war III. So why should not future generations be committed? They are the gainers not the losers.

Mr. President, another section of this report which strikes me as humorous, is that section which says in effect that nothing is too good for the "service disabled," the Government should be "liberal, even generous." I keenly resent the use of that word "generous." In my opinion, this Government cannot be "generous" to those strong able-bodied young men whom it sent away with flags waving and bands playing and who have come back ill and maimed. This Government, no matter how great the monetary award, is only fulfilling its obligation.

But, Mr. President, even in the case of the service-connected disability, the Commission recommends that the rating schedule be revised, that existing presumptions be repealed in favor of medical diagnosis, that benefits be based upon length of service and rank, and many, many other ways which would make it increasingly difficult to prove service connection. In fact, if these recommendations should be adopted, only God could prove service connection. Mr. President, I surely hope none ever wants to be as generous as this to me.

And we come to the so-called non-service-connected veterans' cases. While, as I have said before, much of the report is in veiled language and doubletalk, where this type of case is concerned, the Commission says in plain English just what they hope to see done with this veteran class.

For the veteran and his dependents who cannot prove service connection, the report says in plain English that the Government should "shop" around and find out just where they can fit him or his dependents in. If possible, try to get him in under the old-age assistance program. If not eligible, then try social security; failing that, try any and all State agencies. Can he get a pittance from any State welfare agency? No. Does he have any relatives who could be prevailed upon to contribute to his support? No. Is there any available space for him in the local poorhouse? No. Then, the report reads, "the nonservice benefits should be limited to a minimum level and retained only as a reserve line of honorable protection for veterans whose means are shown to be inadequate and who fail to qualify for basic protection under the general old-age and survivors insurance system." In other words, Mr. President, after this veteran or his dependents have taken the paupers' oath, give him the minimum amount to keep his body and soul together. Incidentally, Mr. President, in this report concerning veterans' pensions, it seems to me that the word "minimum" is used in every other sentence. Never, never let a veteran get the "maximum" amount; always and forever, give him the "minimum" amount.

Mr. President, the gist of this report is that no pensions should be paid unless it be established that the disability was service connected and then make it next to impossible to prove service connection. All this, while we are giving billions of American dollars to these foreign enemies whom these boys fought.

If any American Congress would go along with these recommendations to take these veterans off the pension rolls, then the only lucky veterans are those who did not come back, those who are buried all over Europe and Asia, because those heroes will never know how their Government has betrayed them.

And now, Mr. President, what is my position as to these recommendations? Why have I taken the time of the Senate to go into such great detail as to this report?

Mr. President, my position in this matter is very simply stated.

If every other Member in this body has forgotten what these boys did for our country, I have not. If no one else is grateful to them, I am. Only because of their victories, am I able to stand here and address you today. Otherwise I might be in a slave-labor camp and millions of others with me.

Never as long as I am a Member of the United States Senate will I vote for any decrease in veterans' benefits. On the contrary, I will support all pending legislation for veterans' increases. Never as long as I am in the Senate will any of these recommendations be adopted, if it is within my power to prevent it.

And, finally, I call upon all veterans everywhere to defend their rights in this crisis.

Mr. President, in simple fairness to the Commission, I ask unanimous consent that the report itself be printed at this point in my remarks. I recommend its reading by every Member of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

RECOMMENDATIONS

Guidelines for the future

1. Military service in time of war or peace should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits.

2. (a) Special veterans' benefits should be provided only for the significant requirements of veterans that arise directly out of their military service.

(b) The ordinary or nonservice-connected needs which veterans have in common with all citizens should be met wherever possible through the general welfare programs under which veterans are covered along with other people. Veterans' nonservice-connected benefits should be minimized and gradually eliminated.

3. (a) Service-connected benefits should be accorded the highest priority among the special programs for veterans. Service-connected compensation and related benefits should be liberal, even generous.

(b) Readjustment benefits have earned an important place among veterans' programs when properly devised and used. Timely assistance on a temporary basis to help wartime veterans become self-sufficient and productive members of society is an effective alternative to the backward-looking and less constructive old soldiers pensions. Temporary handicaps or needs, however, should not become the basis of permanent privileges or programs. The readjustment benefits should be limited to need arising directly from service and should cease after a reasonable period of time following separation.

(c) The non-service-connected benefits are the lowest priority among veterans' programs. Their justification is weak and their basic philosophy is backward looking rather than constructive. Our society has developed more equitable means of meeting most of the same needs and big strides are being made in closing remaining gaps. The non-service-connected benefits should be limited to a minimum level and retained only as a reserve line of honorable protection for veterans whose means are shown to be inadequate and who fail to qualify for basic protection under the general old-age and survivors insurance system.

4. The Government in general, and the executive branch in particular, should adopt a positive policy toward meeting fully and promptly the legitimate needs of veterans. This policy should have the aim of alleviating war-incurred handicaps of servicemen as early as possible after separation and helping them become productive and useful members of their communities. The provision of constructive and adequate readjustment benefits, as a rule, should discharge the Government's obligation to war veterans who have no service-connected disability.

5. The Government in general, and especially the Veterans' Administration, should develop and maintain a rounded research program so that basic comparative information on the economic and social conditions of veterans and nonveterans will always be available to the President, to the Congress, and to the public.

6. (a) The general principle of equal treatment for veterans with equal handicaps should be strictly followed.

(b) Benefits should be provided through the general compensation system in monetary form, and special additional lump-sum grants for particular groups should be avoided.

7. (a) In most veterans' benefit programs there appears to be no practical alternative to the existing practice of paying benefit rates which are uniform throughout the country.

(b) Geographical and industrial variations in money incomes, in wages, and in living standards, however, should be given serious consideration in determining what the national rate in the case of any benefit should be. The rate in any case should not be set so high that it will undermine incentives for productive activity.

(c) Another important consideration in setting the level of rates, particularly in the case of non-service-connected pensions, is the need for consistency between levels of benefits paid under the veterans' programs and those paid by other public programs which will fill a similar function.

8. Because the heaviest costs of veterans' pension legislation lie in the future, enactment of veterans' pension legislation should be preceded by a careful long-range look ahead to make sure that socially and financially unsound provisions are not adopted. We should not commit future generations to obligations that we ourselves are unwilling to shoulder. Excessive commitments might jeopardize the valid programs and in so doing deprive the aging veterans of compensation at a time when most needed.

9. As a Nation we should keep the whole range of our needs in perspective. We ought

to make sure that we meet the high priority service-connected needs of our veterans—and this is fully within our means and our volition as a Nation. However, it would be dangerous to overemphasize veterans' nonservice-connected benefit programs at the expense of essential national security and other general public programs.

Compensation for service-connected disabilities

10. (a) The Veterans' Administration schedule for rating disabilities should be revised thoroughly so that it will reflect up-to-date medical, economic, and social thinking with respect to rating and compensation of disability. This revision should be based on thorough factual studies by a broadly representative group of experts, including physicians, economists, sociologists, psychologists, and lawyers.

(b) The revised schedule should serve in the future as a guide for compensation in all cases. It should combine in a comprehensive scale with appropriate rates all the factors—economic, social, physical, and mental—which should be considered in determining compensation for various disabilities.

(1) The basic purpose of disability compensation is economic maintenance. The loss of earning capacity as the result of disability should therefore continue to be the primary factor in the determination of rating criteria.

(2) Human life, however, has values beyond the economic sphere. A loss of physical integrity which is not reflected in loss of earning capacity may still constitute a serious handicap. The rating schedule should, therefore, make allowance for purely physical impairment even though it is not manifested in economic impairment. Also, appropriate consideration should be given to factors resulting in social inadaptability. These factors, however, should be given much less weight than the economic element.

(3) Shortened life expectancy due to disability or impairmant of physical vitality may result in loss of earning capacity. It is appropriate, therefore, to reflect in the compensation scale some allowance for reduced longevity among disabled veterans providing it is held to modest weight and account is taken of the fact that liberal benefits for survivors are provided by the Government.

(c) The schedule recommended above would recognize loss of physical integrity in all cases where it would merit consideration. The objective should be to accord equal treatment to all individuals with disabilities of different kinds, but of equal severity. The present statutory awards, however, result in uneven treatment of individuals with disabilities of equal severity. Under the proposed comprehensive schedule, special awards would no longer be necessary for selected conditions since the loss of physical integrity would be one of the factors considered in the basic percentage rating scale.

(d) Intensive research on all phases of disability rating and compensation should be carried out on a continuing basis by the various agencies so that disability rating procedures and criteria would be kept up to date.

11. (a) The present basis of compensating disabled veterans for average impairment should be continued. No individual should be penalized for overcoming his handicaps, but in preparing the overall rating schedule, achievements of modern medicine, prosthetics, rehabilitation, and the changing nature of our economy need to be considered in establishing the criteria for the average case.

(b) The method followed since 1933 of rating disabilities on a scale with 10 gradations has proven reasonably satisfactory, but the fixing of compensation on a basis of 10 percent for each gradation leads to inequities. Comparatively speaking, veterans with minor disabilities receive too much and those with the most serious disabilities, too little. The rate of increase in compensation should be greater as the degree of disability increases. Accordingly, consideration should be given to determining the amount of compensation on the basis of a suitable curve instead of the present straight-line percentage basis.

(c) Experience with the present scale of compensation based on averages indicates that it is difficult to provide equitably for the needs of those in the 100-percent-disability group unless administrative discretion is permitted in individual cases. Veterans requiring care and attendance, in particular, should be provided separate additional allowance in several gradations, depending upon the extent of helplessness, except where they are hospitalized or domiciled in Veterans' Administration facilities.

12. (a) Special consideration should be given to disabilities rated at 10 and 20 percent to determine whether significant economic impairment exists.

(b) Consideration should be given to discharge of the Government's obligation in static cases rated at 10 and 20 percent by an appropriate lump-sum or short-term settlement.

13. (a) A rebuttable presumption of sound condition upon entry into service is acceptable as a "base line" and should be retained.

(b) The presumption of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis as now listed should be withdrawn.

There is otherwise in the law sufficient protection for the veteran to establish service connection of any and all diseases. Accepted medical principles can reasonably and accurately establish the onset of a disease and the disability process. Where there is reasonable doubt, the law provides for the doubt to be resolved in favor of the veteran.

14. (a) The rates for service-connected disability compensation should be geared to the prevailing average national earnings by some representative group of workers. The actual rates paid should be reviewed every 2 years and adjusted to conform with this standard if measurable change has occurred.

(b) The rate of compensation payable to veterans who are actually totally disabled should be two-thirds of the average earnings in the base series selected to serve as the standard. Rates for partially disabled veterans should be set in appropriate proportion to the 100-percent rate.

15. (a) In view of the rapid and continuing growth of Federal disability benefits, a prompt effort should be made at an appropriate level in the executive branch to develop common standards for evaluation of disability and compensation under the several programs.

(b) Provision should be made to prevent duplicate benefit payments for the same disability. When an additional disability occurs, consideration should be given to prorating benefits between programs in proportion to the respective responsibilities.

16. Now that there is legislation providing reservists with rights and benefits comparable to those provided Regular members of the Armed Forces, there is no longer reason to continue coverage for reservists under the Federal Employees Compensation Act. Disability as well as death coverage for reservists under this act should be repealed and any gaps in coverage which might result thereby should be appropriately filled by changes in the laws applicable to military personnel and veterans.

17. (a) An intensive review of the process of handling disabled ex-servicemen and veterans should be made with a view to developing procedures which will take full advantage of modern-day concepts of rehabilitation.

(b) All veterans placed on the compensation rolls should receive prompt counseling as to the rehabilitation services that may be available to them, through either Veterans' Administration or the Federal-State rehabilitation programs, and of the results that may be achieved.

(c) Reasonable medical or surgical treatment should be required as a condition precedent to the payment of compensation.

18. (a) The duplication of disability benefits coverage under the military retirement program and the Veterans' Administration disability compensation system which has existed since 1949 is costly and not in accord with principles of good Government organization.

(b) An intensive study should be made, under the guidance of the Cabinet subcommittee recommended in a later chapter, with a view to eliminating duplication of administrative functions and establishing common standards.

Service-connected survivor benefits, including insurance

19. A more compact and simple system of survivor benefits for military personnel and veterans is essential. One that is better adapted to individual needs would be an advantage to the serviceman and the Government.

20. A small lump-sum payment at the time of death, with monthly payments thereafter, is the best combination of benefits for survivors. In keeping with the idea that survivor payments represent a community sharing of the risk in a public enterprise, the monthly payments should be limited to those who were dependent upon the deceased, or who would have been dependent if he had lived.

21. This Commission strongly approves of the system of survivor benefits that would be established by H. R. 7089, as it would in large measure correct serious deficiencies in the existing situation.

22. For the present, benefits to the widow should continue to be made without a showing of dependency, but that whenever legally possible, benefits paid at public expense should terminate upon remarriage. Payments to parents should require a showing of actual dependency or the nearest statutory equivalent that is administratively practicable.

23. That the amounts paid to the survivors after the death of a veteran should be consistent with the amounts paid to a totally disabled veteran.

24. The total of the survivors' payments from all Government sources should not exceed the military pay of the deceased, except when the death occurs in one of the lower enlisted grades. For this purpose the military pay should be considered as including the value of food, clothing, shelter, etc., that may be furnished in addition to the cash pay and allowances.

25. That no special grants be made in addition to the regular scale of survivor benefits.

26. That the Veterans' Administration's death compensation be paid only to the survivors of members or former members of the Armed Forces who die from service-connected causes. The Commission feels that adequate benefits for civilian groups are necessary, but that such benefits should be provided through separate laws not administered by the Veterans' Administration.

27. That active military service be credited as employment under the old-age and survivors insurance.

28. That the Government pay the employer tax for military service in the future that is credited under OASI; also, that the Government pay all cost of the special eligibility provisions recommended for military personnel under OASI, i. e., immediate coverage for survivor benefits and the waiver of the 5-year requirement for the disability freeze.

29. That the Government reimburse the OASI fund for any benefit payments based on military service after September 15, 1940, and before the date when the Government and military personnel begin to pay the regular OASI tax on current service; such reimbursement to be made over a reasonable period of time.

30. The Government contribution on account of the military service of any person should be the same amount in dollars, whether the service is credited under the Social Security Act or the Railroad Retirement Act. It is recommended that the Government contribution for all military service be paid initially into the social-security fund. If and when a claim is approved by the Railroad Retirement Board for benefits based on military service, the Government contribution and the contribution of the individual, if any, should then be transferred to the railroad retirement fund, together with interest thereon. No person should receive credit at Government expense under both the Social Security and the Railroad Retirement Acts for the same military service. These recommendations apply both to service in the future and in the past. It is understood that these recommendations would require a refund of part of the amounts previously appropriated by the Government to the railroad retirement account.

31. That the monthly amount of death compensation be related to the military pay of the decreased, within limits.

32. The existing standards for dependency for Veterans' Administration compensation benefits to parents should be brought more into line with standards applied to the living serviceman. Dependency should be based on total income, including income that could reasonably be produced by property owned, and the income that could be obtained from other children reasonably obligated to provide support.

33. That survivor payments to parents be terminated upon remarriage, except where both persons are at an advanced age.

34. In the interest of equitable treatment among different categories of survivors and of a lasting solution to the problem of survivor benefits, provision should be made for offsetting any Government life insurance as well as indemnity payments in cases where the new and higher dependency and indemity compensation benefits are to be paid. This offset should apply not only in cases now on the rolls but also to future deaths. If the insurance is not paid, the beneficiary should receive the reserve value of the policy.

35. That Government life insurance be issued to servicemen upon termination of active service only if they have a service-connected disability that will prevent them from obtaining commercial life insurance at standard rates.

36. That, whenever legally possible, the premium rates for Government life insurance include a charge to cover the administrative costs.

37. That the interest rate allowed on Government life insurance trust funds be the average rate on long-term marketable United States obligations.

38. Future issues of Government life insurance should be on a nonparticipating basis.

39. That the right to convert existing term insurance to a level-premium policy form be extended for a limited period to all persons who do not now have it. All means of publicity and persuasion should be used to obtain conversion of as many of the term insurance policies as possible.

40. Benefits under the Uniformed Services Contingency Option Act and those under the Veterans' Administration death compensation program should be coordinated. If H. R. 7089 becomes law, steps should be taken to eliminate the unpredictability now inherent in the Contingency Option Act benefits and to make them more attractive to personnel on active duty. Consideration should also be given to reopening for a limited time elections to the Contingency Option Act benefits on the new basis to persons who are retired as well as to those who have already elected benefits.

Readjustment benefits for war veterans: the program as a whole

41. In case of future conflicts which lead to readjustment benefit programs for war veterans, full and careful attention should be given to adjusting such programs to fit the conditions existing at that time. Benefits should be consistent with veterans' needs, but current economic conditions and probable economic effects should also be taken into account. Since conditions differ, there is no sound reason for giving exactly the same package of benefits to each new group of veterans merely because it was given to a former group.

42. (a) In developing readjustment benefit programs for veterans of possible future conflicts, the following basic principles should be applied as fully as possible, taking into account the specific economic conditions that exist, the level and nature of mobilization, and the characteristics of the veterans affected.

(b) Readjustment benefits should assist the individual veteran in meeting specific problems which result from his service in the Armed Forces or from conditions affecting his return to civilian life. A variety of benefits will be needed because individual problems will differ.

Provision of a varied range of benefits does not mean, however, that there should be benefits for everyone. Except for mustering-out pay at separation, no contribution to readjustment is made by providing benefits that do not actually contribute to readjustment, simply to assure that every veteran will receive something. Varied benefits should be available, not with the expectation that each will be used by all, but to assure that each major transitional problem that may affect a sizable number of individuals is provided for.

(c) Readjustment benefits should be used during the period in which the veteran is reestablishing himself in civilian life. Benefits that are used after this readjustment is completed are not, in any real sense, readjustment benefits; and benefits that are available over too long a period many actually discourage the veteran from taking steps, or making decisions, which are needed for his readjustment.

(d) The length of the readjustment period may differ from one benefit to another. While the time limit for use of various benefits should differ, each should be available only during the period in which the veteran has distinctive problems relating to his transitional needs. In general, special unemployment benefits for veterans are justifiable only during a relatively short period after discharge, and should cease as soon as the veteran has had a reasonable opportunity to acquire rights under the regular unemployment insurance system. Effective use of education and training benefits may require a longer period, and the possibility of using loan benefits may not exist until after the veteran has solved more pressing problems covered by other benefits.

(e) The adequacy of the overall adjustment benefit program is measured not by the actual use of benefits by a given veteran, but by the fact that a comprehensive range of possible benefits is made available to him. Both the veteran who needs little assistance and the one who needs several types of aid are adequately served if benefits suited to their needs are at their disposal.

(f) A readjustment benefit program should include adequate safeguards to assure that the benefits actually serve a bona fide readjustment purpose. Such safeguards should not be carried to the point where they deprive the veteran of a reasonable freedom of choice, but that freedom should be exercised within limits which assure value received, in terms of the veteran's immediate needs or future progress. The exact nature of such safeguards will differ from program to program, and can best be discussed in connection with specific readjustment benefits.

(g) The level of benefits, and the amount of assistance potentially available, should be adequate but not excessive. Benefits should meet the real readjustment needs of veterans, but not be so generous that the veteran is encouraged to use benefits solely for the income they provide. Benefit levels should be in line with those of similar programs serving the general public.

Review and appraisal of the major readjustment benefit programs

43. (a) Unemployment compensation benefits should be included in any program of readjustment benefits for war veterans. Such benefits should be based on the same standards of eligibility and disqualification that apply to nonveterans covered by the Federal-State employment security program.

(b) The present program for Korean conflict veterans represents a satisfactory general pattern for providing such benefits, and the maximum duration of benefits should not be substantially greater than the 26-week period available under Public Law 550. In general, the level of benefits under the veterans' program should be substantially similar to that under programs for nonveterans. Benefit rights under State laws should be taken into account, and any separate benefits for veterans should supplement, rather than supplant, State benefits.

(c) If peacetime servicemen have been brought under a general unemployment compensation program like that now available for Federal employees, a special separate benefit for war veterans will probably not be needed, since such veterans will already have rights as servicemen. Any additional benefits for war veterans should then be provided only if special conditions, not now foreseeable, exist at the time of demobilization.

(d) Unemployment compensation benefits should be in addition to, and not in place of, suitable provision for mustering-out pay—which all war veterans should receive to meet immediate needs that exists for the employed and unemployed alike.

44. The following recommendations are offered as guidelines in the event that at some future time a program of educational benefits for veterans or ex-servicemen is established:

(a) The program should be planned in advance by Federal, State, and local agencies, on a cooperative basis, with due attention to the number of ex-servicemen expected to enter the program and to the kinds of training they may need.

(b) The approval of education and training establishments and institutions for participation in the program should be vested in the appropriate State agencies, under federally established standards. The Federal agency should have the authority to disapprove institutions or courses of training where such standards are not met. However, if State agencies are provided adequate reimbursement for performing their functions, and if the sound relationships characteristic of most Federal-State educational programs are established, Federal disapproval would rarely, if ever, be necessary.

(c) While the ex-servicemen should be free to elect any reasonable occupational objective or enroll in any course of study at approved institutions, such election, and any change of course, should be preceded by adequate counseling. In principle, guidance and counseling should be mandatory, not permissive, although it is recognized that in a large program it may be difficult to obtain enough qualified counselors.

(d) For those who are demobilized immediately after a period of military conflict, the period for initiating training should be limited to 2 years after discharge from service, except as special circumstances such as prolonged hospitalization may warrant an extension. However, servicemen who reenlist for one additional enlistment should be enabled to use their educational benefits after one such reenlistment.

(e) The elimination of the separate tuition payment in the Korean program was done in order to curtail overcharging on the part of proprietary schools and to avoid problems in reimbursable low tuition public colleges on a cost basis. This appears to have been a sound decision and the present arrangement is working well. For any future program of educational benefits, the decision as to the method of reimbursement should be made in the light of experience under Public Law 346 and Public Law 550 as well as the conditions prevailing at such future time.

(f) For those engaged half time or more in formal education or training, appropriate levels of subsistence allowance should be provided.

(g) No subsistence allowance should be provided to those who are engaged less than half time in formal training or to those engaged essentially full time in paid employment or self-employment, even though they may incidentally be receiving such training as was provided in the on-the-job and on-the-farm programs.

45. (a) The program for World War II veterans should be transferred to the Federal Housing Administration. In order to avoid a last-minute rush and allow an orderly termination of the program the benefits should be extended and gradually decreased over a 2-year period.

(b) Legislation should be enacted to transfer the guaranty or insurance of home loans for Korean-conflict veterans to the Federal Housing Administration under provisions consistent with the National Housing Act. The following provisions also should be included:

(1) Veterans' preferences as to terms should be retained for the present. However, as the end of the period of eligibility approaches, these terms should be gradually changed until they are identical to the terms available to the general population.

(2) The veteran should be given both a sales contract in which plans and specifications are set forth and a builder's warranty of at least 1 year's duration which, in addition to securing general conformance with specifications, should fully protect the veteran against substantial defects in equipment and construction.

46. (a) The reemployment-rights program fills a positive function in assisting ex-servicemen to return to employment. Inconsistencies in the statute should be clarified and resources augmented.

(b) The Commission believes that veterans' preference in entering civil service and the special appeals procedure for veterans should be provided for a limited period after discharge (say 5 years), but should not continue for nondisabled veterans after a reasonable period for readjustment has been provided. There is no justification for special retention rights for nondisabled veterans, beyond crediting toward length of service the time spent in the Armed Forces during wartime. For veterans with a significant compensable service-connected disability, a permanent preference both in hiring and retention seems justifiable, since their disability may put them at a disadvantage both in obtaining and retaining jobs. Such permanent preference should not be given, however, to those with only minor disabilities—certainly not to those with less than 30-percent ratings.

Benefits for peacetime ex-servicemen

47. The Veterans' Administration should continue to provide disability and death compensation benefits for peacetime servicemen, and the rates payable should be the same as to those who served in wartime.

48. (a) Vocational rehabilitation as well as physical rehabilitation is essential in a well-rounded program for the treatment of the disabled. The Government should make adequate provision to meet the vocational rehabilitation needs of disabled peacetime ex-servicemen in order to assist them in preparing for and finding suitable employment.

(b) These disabled ex-servicemen should be served on a priority basis in their local communities through the Federal-State vocational rehabilitation program. Services required in their rehabilitation should be provided without reference to financial need. The Federal Government should reimburse the States for 100 percent of the cost of the necessary services, and these services should be fully adequate to insure the vocational adjustment of these individuals.

(c) Emphasis in this program should be placed upon the treatment of the whole man, and the initiation of rehabilitation services, including vocational training, at as early a date following disablement as is feasible. This requires that the various agencies concerned in any way with the disabled ex-serviceman, including the Department of Defense, the Veterans' Administration, and the Federal-State rehabilitation agencies, should develop the relationships which will insure a coordinated approach and a continuity to the rehabilitation of the individual and his restoration to employment by the most effective methods known.

49. As discussed in another part of the Commission's report, the Government should continue to provide insurance to veterans with service-connected disabilities which prevent them from obtaining commercial life insurance at standard rates, but the insurance for nondisabled veterans should be discontinued for future entrants. These same recommendations should apply to peacetime ex-servicemen as well as to wartime veterans.

50. Under the more normal conditions now prevailing in the economy, there appears to be no need for special mustering-out payments to ex-servicemen.

51. Reemployment rights provided by existing laws should be maintained as long as compulsory military service exists.

52. While priority in referrals to job openings does not appear to be necessary for peacetime ex-servicemen, special attention should be given to employment counseling and similar services for this group.

53. Unemployment insurance coverage should be extended to peacetime service in the Armed Forces along the lines of the protection now provided for Federal civilian employees. For this purpose the wage base should recognize the full or "gross pay" of military personnel.

54. (a) Under present conditions of military service the degree of interruption of the educational process incurred by peacetime ex-servicemen does not warrant special programs of educational benefits.

(b) Educational benefits for ex-servicemen should not be used, on a long-term basis, as a means for meeting national educational needs. The broader national interest in adequate education, particularly at the higher levels, should be considered on a general basis which will take into account the abilities and needs of all young people, including ex-servicemen. Qualified ex-servicemen competing for Government scholarships, under any future general programs of educational assistance, might properly be given a reasonable preference to offset the handicap they would have in competing with civilians with more recent academic work. Factual data collected by the Commisison in its study of special veterans' programs may prove of value to agencies considering our general educational needs, such as the President's Committee on Education Beyond the High School.

55. It is recommended that no special loan benefits be made available for peacetime ex-servicemen.

56. Non-service-connected pensions should not be provided for peacetime ex-servicemen.

Non-service-connected pensions

57. In keeping with the foregoing considerations and in line with the broader principles outlined in an earlier chapter, it is recommended that:

(e) Since OASI has become the basic income maintenance program for all the people of this country, the Government should rely upon it to the greatest possible extent in providing income maintenance benefits against the common hazards of life to veterans as well as to nonveterans.

(b) The veterans' non-service-connected pension program should be retained as a separate program which can continue to serve as a "reserve line of economic defense" for war veterans and dependents of veterans until such time as their minimum income requirements are met through the basic OASI program or through any other source of regular income available to them.

(c) The benefit and eligibility provision under the veterans' pension program should be coordinated with those of the OASI program so that overlapping and duplication of benefits will be avoided.

(d) The Federal-State public assistance program should continue to serve in its residual role in individual instances where the veteran's pension and other resources may not be adequate or may be unavailable, and provision should be made to preclude denial or suspension of a veteran's pension by reason of supplementary income from public assistance.

58. (a) The provisions of the veterans' pension laws should be adjusted to fit the pension benefits into a pattern consistent with benefits provided under OASI.

(b) Coordination between the Veterans' Administration pension program and OASI program should be accomplished by a method whereby benefits paid under these two programs will be brought into a proper relationship which will be maintained in the future even though elements of one or the other are changed from time to time.

(c) There are several possible ways to achieve satisfactory coordination between the Veterans' Administration pension and OASI benefits. The simplest method is to keep the two programs separate as at present but to modify the eligibility requirements under the Veterans' Administration pension program so that they will more realistically reflect actual need, and so that the income limitations treat all income, including OASI payments but not the public assistance benefits, as resources. This will assure that veterans or dependents of veterans who draw a substantial OASI benefit will not be entitled to pensions while those otherwise eligible who are not covered by OASI or whose minimum needs are not fully met can fall back on Veterans' Administration pensions.

59. (a) Within the veterans' pension system the objective should be to meet first needs first, providing assistance to those who require it most in terms of commonly accepted standards of need, and to encourage maximum reliance on their capacity for self-support.

(b) The Government guaranty of a floor of income to pensionable veterans and their dependents should be restricted to minimum needs varying to a limited extent with family obligations and subject to such maximum amounts as will meet these needs for most pensioners.

(c) The pension rates should be in line with the Federal-State public assistance standards which apply to most of the population and should be adjusted from time to time to maintain this relationship.

(d) Keeping in mind the basic role and the contributory character of the OASI program, veterans' pension benefits should not exceed average benefits which will be paid under OASI when it reaches reasonable maturity.

(e) At present, a monthly pension of $70 for a veteran pensioner alone and $105 for a veteran with a dependent wife would appear to fulfill these criteria. Benefit levels for veterans in need of regular care, and for survivors of veterans should be established in accordance with their comparative needs.

(f) All pension benefits should be reduced in full by the amount of family income from any source, except income from work or public assistance. Income from work which is not in excess of $100 per year should not reduce the pension. Additional work income should reduce benefits by some practical formula, such as by $50 for each $100 earned. With earnings large enough to reduce the amount of pension to less than $50 for any year, a pension should no longer be payable for that year.

(g) Four persent of a pensioner's assets in excess of $10,000 should be considered as part of his annual income unless income to this extent from such assets has already been included as a resource. However, capital gains from the sale of a home or business should not be counted as income if used to purchase new quarters.

60. (a) The test of impairment at ages 65 to 70 should be made more realistic by requiring at least at 30-percent disability. However, those found individually unemployable despite a lesser disability might be put in the roll in recognition of special circumstances, as is done now, with the changes in procedure recommended below.

(b) To actual tests of employability should add a more constructive note to the present procedure.

(1) Pension applicants should be required to register with the State Employment Service. The fulfillment of this requirement should be attested by a statement from the veteran's employment representative that efforts made to place the applicant have not been successful.

(2) Applicants for pensions at ages below 55 and those aged 55 or over who claim to be unemployable due to a disability which is of lesser degree than that required for a pension at their age, should be referred to the Federal-State Vocational Rehabilitation Service. Only if the Rehabilitation Service declares the veteran is unable to overcome his impairment and the employment service certifies its inability to place him, should the veteran be put on the pension roll.

(c) At age 70, any disability requirement should be dispensed with and unemployability as such be considered sufficient to establish eligibility for pensions, subject to the income test.

61. (a) Survivors' pensions should be available to the widow and/or children of any deceased eligible war veteran who are in presumptive need because their total family income falls below the amount fixed by the Government provided that—

(1) A widow, to be eligible, must (a) not have remarried, and (b) have a dependent child in her care, or have attained age 65, or be permanently and totally disabled or otherwise unemployable as certified by the State employment service; and

(2) A widow must have been married to the veteran at least 1 year prior to his death in order to qualify for benefits.

(b) The income standards for payment of pension benefits to survivors should be governed by the same type of formula recommended earlier for pensions to veterans.

62. Any changes in the pension program which the Congress may enact or which the administration may adopt in consequence of recommendations made by this Commission should be applied to veterans or dependents now on the pension rolls after a delay of 1 year. Individual exceptions on grounds of hardship might be authorized by the Administrator of Veterans' Affairs.

Discharge requirements for veterans' benefits

63. An undesirable discharge for an enlisted man and discharge under other than honorable conditions for an officer should render the veteran ineligible for benefits based upon the period of service from which he was so discharged, except for transportation to his home or place of entry into military service. If, however, he has suffered a service-connected disability under circumstances unrelated to the discharge, the obligation of the Government should include necessary hospitalization by the Veterans' Administration and disability compensation.

64. (a) A bad-conduct discharge, whether imposed by a general or a special court-martial, should render a veteran ineligible for any benefits based upon the period of service from which so discharged.

(b) A veteran receiving either an undesirable or a bad-conduct discharge should be furnished transportation in kind to his home or place of entry into the military service.

65. A thorough study should be made with respect to what, if any, compensation, pension, or similar payment should be made to veterans while receiving hospital or domiciliary care at public expense or while incarcerated in penal institutions.

Administration

66. (a) The President should clarify the mission of the Administrator of Veterans' Affairs to reflect positive responsibility for comprehensive program analysis and long-range policy development, including the function of advice to the President.

(b) The Administrator's personal staff should be augmented to include the highest caliber professional advisers in such fields as economics, statistics, public administration, and sociology.

(c) Research and statistical resources of the Veterans' Administration departments should be strengthened. Qualified personnel should be available in larger numbers within the departments to assist in program review, analysis, and planning.

67. (a) Serious consideration should be given to making the Administrator of Veterans' Affairs a member of the Cabinet. In any event, the President should establish a Cabinet Subcommittee on Veterans' Affairs, with the Administrator of Veterans' Affairs as a special member. This subcommittee should have representation from all departments concerned with veterans' and related programs.

(b) Augmented fact-gathering facilities of the Veterans' Administration—as recommended above—should furnish consistent data needed by the Congress, the President, and other executive agencies for policy decisions.

(c) Professional program-analysis resources of the Bureau of the Budget in the veterans' field should serve as the continuing focal point for assimilation of factual data on a governmentwide basis.

68. (a) Additional limitations should be placed on the authority of the Administrator of Veterans' Affairs by more precise requirements and definitions.

(b) The rules to be promulgated by the Administrator in large matters affecting eligibility of veterans for benefits or involving changes in program objectives should be made subject to advance notice to and advance review by appropriate agencies of the Government.

69. There should be no change in the finality of decisions by the Administrator of Veterans' Affairs but he should make provision for the central administrative review (or its equivalent on a semidecentralized basis) of all decisions by field boards. After such review claimants should have the same rights, as at present, to be heard by the Board of Veterans' Appeals.

THE COMMISSION'S GENERAL FINDINGS

The Commission found—

1. Veterans' programs are on the whole meeting veterans' needs effectively.

2. Veterans as a group are in better circumstances than nonveterans.

3. Basic conditions affecting veterans' benefits have greatly changed in the last several decades:

The number of veterans has increased to 22 million, and with their families they will soon be half of the population;

Conditions of military service have improved;

Changes in the nature of warfare are making the old concept of "veterans" obsolete;

New and effective readjustment benefits have been developed to help veterans immediately after discharge;

New general social-security programs are increasingly meeting the economic security needs of veterans as well as nonveterans.

4. Present veterans' programs are not a "system." They have grown up piecemeal over many years.

5. There is no consistent national philosophy regarding veterans' benefits. The nature and extent of the Government's obligation to war veterans has never been clearly defined.

6. There is need for positive leadership on veterans' programs and policies, and for better coordination, both in the Veterans' Administration and in the executive branch generally. This is especially true with respect to utilization of the Government's total resources in meeting the needs of veterans, and correspondingly, in fitting special veterans' programs into a pattern consistent with the more general programs.

THE COMMISSION'S GENERAL RECOMMENDATIONS

The Commission recommends our national policy on veterans' benefits be based on the following guiding principles:

1. Military service is an obligation of citizenship. It should not in itself be considered a basis for special privilege and benefits.

2. Veterans' benefits are a means of equalizing significant sacrifices that may result directly from military service.

3. The Government should adopt a positive policy of meeting fully and promptly the needs of veterans resulting from service.

4. Service-connected death or disability benefits should be accorded the highest priority. Readjustment needs are almost equal in importance. Veterans' non-service-connected needs should be met when possible through programs for the general population; the non-service-connected veterans' programs retained only to meet minimum needs not covered by general programs.

5. Veterans with equal handicaps should have equal treatment.

6. Benefits for veterans with similar needs should, in most programs, be uniform throughout the country.

7. We must bear our own responsibilities. We should not burden a future generation with obligations we ourselves are not willing to shoulder.

8. We should keep the whole range of our national needs in perspective, so our veterans' programs will be in balance with each other and with other general programs.

9. Our national veterans' policy should be developed in the open forum of public discussion. The people should be given complete factual information on the economic and social status of veterans and their needs.

COMPENSATION FOR SERVICE-CONNECTED DISABILITY

The Commission found—

1. The Veterans' Administration compensation system is working fairly well but needs revision to bring it up to date.

2. The schedule for rating disabilities has not been thoroughly revised since 1945.

3. Statutory awards (e. g., extra amounts for amputees) result in unequal treatment of veterans with equal degrees of disability.

4. Present compensation rates tend to under pay the totally disabled and to favor the less disabled.

5. The levels of compensation have not been geared to prevailing standards of living.

6. Certain diseases are arbitrarily determined by law to be service-connected for one or more years after the veteran leaves the service.

7. The standards for disability evaluation among Federal agencies differ, as does the interpretation of these standards.

8. Rehabilitation offers the greatest promise to the disabled but present programs lack coordination.

9. A serious overlap between the Veterans' Administration disability compensation and disability retirement programs of the armed services.

The Commission recommends—

1. The system should be thoroughly revised to incorporate latest advances in medical science and rehabilitation technique.

2. The rating schedule should be revised by a group of qualified physicians, economists, sociologists, psychologists, and lawyers.

3. A single comprehensive rating schedule based primarily upon average impairment of earning capacity but with allowance for loss of physical integrity, social inadaptability, and shortened life expectancy.

4. The rate of compensation should be relatively greater as the severity of disability increases.

5. Compensation benefits should be based on the average earnings of a representative group of workers and adjusted periodically.

6. Existing "presumptions" should be repealed in favor of medical diagnosis, since present laws otherwise adequately protect the veteran.

7. Disability criteria among Federal programs should be standardized.

8. Procedures should be developed to take advantage of modern-day concepts of rehabilitation in assisting return of disabled veterans and servicemen to useful life.

9. A study to eliminate duplication of effort and establish common standards.

SERVICE-CONNECTED SURVIVOR BENEFITS AND GOVERNMENT INSURANCE

The Commission found—

1. Present survivor benefits are complex and inequitable:

Four Federal agencies administer six different programs.

Benefits are inadequate in some cases; excessive in others.

The period during which indemnity payments are made in inflexible.

Payments are made in some cases to nondependents.

Social security coverage is on a temporary basis.

2. Some of the existing Veterans' Administration term insurance is not convertible. This will cause many veterans to drop their insurance in later years.

3. The Uniformed Services Contingency Option Act and veterans' laws do not enable retired military personnel to provide definite and certain amounts of survivor protection for their families.

The Commssion—

1. Strongly endorses the improvements embodied in the pending Hardy bill (H. R. 7089).

2. Recommends that conversion to permanent policies be allowed for a limited period.

3. Recommends that the Contingency Option Act benefits be coordinated with those provided by the Veterans' Administration so a definite amount of protection can be elected and paid for on a predictable basis.

READJUSTMENT BENEFITS

The Commission found—

1. Readjustment benefits are a dramatic improvement over earlier backward-looking pension and bonus benefits because:

Help is given when it is needed most;

The amount of aid is fitted to individual needs;

The aid is constructive and of lasting value.

2. World War II veterans, as a group, have successfully reestablished themselves in civilian life.

3. Benefits were often misused or ineffective under the original World War II GI bill because safeguards and standards were inadequate. Considerable improvements were made in the Korean GI bill.

4. The Veterans' Administration loan guaranty program has helped many veterans buy homes, but its advantages are largely offset by increased costs from discounts, poor construction, and VA-FHA duplication.

5. Education and training benefits for Korean veterans are essentially sound, but there are some problems that should be avoided in any future program.

The Commission recommends—

1. Adequate readjustment benefits should be the primary method of meeting the Government's obligation to nondisabled veterans.

2. The Government's future policy be based on the premise that GI bill benefits substantially discharged the Government's obligation to nondisabled veterans.

3. Future programs should provide for:

Proper safeguards to limit use of benefits to bona fide readjustment purposes;

Benefit levels geared to those in general programs;

Use of agencies administering similar general programs whenever possible.

4. Responsibility for veterans' home loans should be transferred to Federal Housing Administration to eliminate duplication and permit more orderly termination of the program.

5. Future training programs should provide for:

Vocational guidance and counselling for all;

A 2-year limit for entering training;

No subsistence allowance for those employed full time.

NON-SERVICE-CONNECTED PENSIONS

The Commission found—

1. Veterans' non-service-connected pensions came into being a century before the country had general social-welfare programs.

2. The veterans' pension program overlaps the basic social security program—Old-Age and Survivors Insurance—established in 1935.

3. The present veterans' pension program is not geared to meeting needs:

Income limits are too high;

Income limits operate on an "all-or-nothing" basis;

Some benefits are inadequate for those in genuine need.

4. Disability and employability standards for veterans are unrealistic in that—

A 10-percent disability at age 65 is rated as "total";

Unemployability is established without attempts at placement or rehabilitation.

5. Eligibility standards for widows and children are not geared to need and are discriminatory among survivors of different wars.

6. Standards regarding simultaneously payment of public assistance and veterans' pensions are not clear.

The Commission recommends—

1. The main purpose of veterans' pensions should be to provide assistance to those in need.

2. Veterans' pension benefits should be coordinated with the general social security benefits:

Veterans' pensions should become a "reserve line of defense" to OASI, the basic social insurance program.

Coordination should be achieved by setting realistic minimum income standards for pensioners and offsetting other income, including OASI benefits, against the pension.

3. Veterans' pensions should stress assistance to those who are in greatest need:

Pension levels should be based on public assistance standards and should be consistent with OASI.

Deductions from income should be on a sliding scale, with only a partial offset for earned income.

4. Disability and employability standards should be strengthened:

Up to age 70 a 30-percent minimum disability should be required.

Unemployability should be confirmed by referral to State Employment and Vocational Rehabilitation Services.

5. Survivor pensions should be available to all veterans' families which are in equal need; and the eligibility standards should be brought in line with OASI.

6. Payment of public assistance to those receiving veterans' pensions should not disqualify the pensioner, so veterans with special needs can obtain supplementary assistance.

BENEFITS FOR PEACETIME EX-SERVICEMEN

The Commission found—

1. Persons entering the Armed Forces since January 31, 1955, are eligible for Veterans' Administration disability compensation and related benefits but not for the GI bill benefits.

2. Maintenance of Armed Forces at present level will mean an annual turnover of 700,000—one-third draftees—and 26 million living peacetime ex-servicemen by the year 2000.

3. Peacetime military service, unlike service in wartime, can be foreseen and planned for.

4. Service today is better paid and provides training and experience useful in civilian life.

5. The interruption and handicap from peacetime military service is not sufficient to require substantial readjustment assistance.

The Commission recommends—

1. That the following benefits be provided for peacetime ex-servicemen:

Service-connected disability and death compensation at wartime rates;

Vocational rehabilitation for service-connected disabilities through the Federal-State programs;

Insurance for those with significant service-connected disabilities;

Reemployment rights as provided by existing laws;

Unemployment compensation, through State programs, like that provided Federal civilian employees.

2. That the following special benefits not be extended to peacetime ex-servicemen:

Mustering-out pay;

Loan guaranty benefits;

Non-service-connected pensions;

Education and training benefits (if a national educational program is considered necessary, it should be on a general basis and fill the needs of all qualified young people, including ex-servicemen).

ADMINISTRATION

The Commission found need for—

1. Broader outlook in the Veterans' Administration—and greater responsibility on the Administrator.

2. More top-level professional advisers for the Administrator.

3. More facts on the status of veterans and on the effectiveness of veterans' programs.

4. Governmentwide coordination between veterans' programs and general programs.

5, Some restraints on the Administrator's broad authority.

6. Greater uniformity and safeguards for the Government in Veterans' Administration claims adjudication.

7. Simplification of the extremely numerous and complex veterans' laws and regulations.

The Commission recommends—

1. Redefinition of the Administrator's mission to include responsibility for program analysis, long-range policy, and positive advice to the President.

2. Additions to the Administrator's professional staff.

3. Strengthening of Veterans' Administration facilities for research and analysis on veterans' matters.

4. A cabinet subcommittee on veterans' affairs, and consideration of cabinet status for the Administrator.

5. More specific standards in legislation and advance review of important Veterans' Administration actions by appropriate Government agencies.

6. Central review of decisions of Veterans' Administration field boards.

7. Simplification and codification of veterans' laws with corresponding simplification of regulations.

MENACE TO MIGRATORY BIRDS

Mr. HAYDEN. Mr. President, this is a time when all those throughout the United States who are interested should become fully aware of a menace which could result in a vast reduction in the number of migratory wild fowl. The Migratory Bird Treaty made with Great Britain in 1916 could in effect be abrogated, and the 1918 act of Congress to enforce the protective terms of that treaty, which the Supreme Court declared to be in conformity with the Constitution in 1920, will become null and void if the proposed Dirksen-Bricker amendment, now on the Senate Calendar, becomes a part of the Constitution.

To recite some history of which I have personal knowledge, due to the length of my service in the Congress, let me say that in 1913, because of the widespread alarm among groups organized in the United States to prevent the extinction of wildlife, Congress passed a Migratory Bird Act. The Senate committee which conducted hearings on the subject received testimony from game commissioners and other officials representing 43 of the 48 States of the Union attesting to the urgent need for adequate Federal protection of migratory birds. Subsequently, the Supreme Court, by a 3-to-3 vote with 3 members ill or absent, could reach no conclusion as to whether Congress had legislative power to prevent the extermination of this bounty of nature on a piecemeal basis within the several States.

The problem of saving the migratory birds from complete destruction, however, was a matter of genuine concern to all those groups interested in the protection of wildlife in the United States. The Senate, therefore, in 1913, adopted a resolution requesting President Wilson to propose the negotiation of a treaty between the British and American Governments to insure the protection of migratory birds flying between the United States and Canada. Such a treaty was negotiated and ratified in 1916, and Congress in 1918 enacted a law providing for the enforcement of the protective provisions of that treaty. The Supreme Court in 1920, sustaining a circuit court decision, held this arrangement to be constitutional in the Migratory Bird case, Missouri against Holland.

This decision was hailed throughout the country as a great victory for conservation. According to many eminent constitutional lawyers, it simply held that the consummation of the Migratory Bird Treaty was no more than a constitutional exercise of the treatymaking power of the United States, which had a common interest with Canada in the preservation of the birds that migrated over their territories. The treatymaking power, it may be pointed out, has always extended to those subjects which were fitting and proper, and no more infringed upon the reserved rights of the States than do those treaties which, for example, cover the succession of real property for aliens, the problem of multiple taxation, and the control of narcotics.

The one question of supreme importance to conservationists remains: How will the newly reported version of the Bricker amendment—now termed the Dirksen substitute—affect our migratory bird treaties with other countries? As the senior Senator from Missouri [Mr. HENNINGS], a most able lawyer, has stated in his individual views:

> The proponents of the Dirksen amendment have not made plain, either in the majority report or in their public statements, what the Dirksen amendment will or will not do. They have even failed to assure the country in explicit terms that under the Dirksen amendment the Supreme Court's vital decision in the case of *Missouri* v. *Holland* will not be trampled under foot.

The new version reads:

> A provision of a treaty or other international agreement which conflicts with "any provision of" this Constitution shall not be of any force or effect.

My primary concern is the meaning of the words I have quoted: "any provision of." There are several long-established rules of construction applicable to the Constitution. One rule is that every word must be given its due force and appropriate meaning. A second rule is that the entire Constitution must be construed as a whole, and all provisions are deemed of equal validity. In other words, it has been a practice, which the Supreme Court has long followed, that constitutional provisions must be harmonized, if possible; that the power granted by one provision of the Constitution will not be used to destroy another vested by the same instrument. Finally, when the meaning is ambiguous or unclear the courts will always look into the historical origin of the constitutional provision and the debates attending its adoption.

From the beginning, one of the main objectives of many proponents of the Bricker amendment has been the reversal of the principles of the migratory-bird case, either by an expansion of the 10th amendment, which reserves to the States and the people those powers not delegated to the Federal Government, or by limiting the application of the supremacy clause in article VI, section 2, or both. This was the reason for the so-called "which" clause that was deleted by the Senate in 1954. In direct answer to my questioning, the senior Senator from Ohio [Mr. BRICKER] said on the floor of the Senate on February 17, 1954, that the "which" clause would reverse Missouri against Holland, this being the intention of the clause.

At present, a properly negotiated treaty will stand up in court when the subject is a proper and legitimate matter for treatymaking. The test is the treaty's harmony with the provisions of the Constitution taken as a whole. Under the Dirksen-Bricker proposal the words "any provision of" will not permit a reconciliation of the whole, nor will they permit provisions to be deemed of equal validity.

As proposed in its present form, the amendment will accomplish, I fear, the announced purpose expressed by the Bricker amendment proponents of reversing the decision in the migratory-bird case. There is good reason to believe that it will prevent the Federal Government from continuing to give force and effect to the treaties now in effect with Canada and Mexico for the protection of migratory wildlife. This should be a matter of intense interest and concern to the sportsmen and conservationists of our country.

It might be well also to point out that in passing the Submerged Lands Act of 1953, Congress extended the jurisdiction of the seaboard States generally 3 miles to sea, and of the Great Lakes States to the international boundary, and vested title and management of most of the natural resources therein in the States. This act gave the States bordering the ocean and the lakes exclusive control in these areas. It will be of extreme concern to many persons who are interested in the protection of our natural resources to learn the effect of the Dirksen-Bricker proposal as it relates to treaties entered into to protect the harvests of the sea—the marine and plant life in these and adjacent areas. The question immediately arises, Will the Government of the United States be precluded from protecting the interests of the people of the United States as a whole in these offshore waters?

I hope those organizations interested in the protection of wildlife and other natural resources will have their legal counsel or their members who are attorneys carefully study these questions. The future of their efforts to protect and conserve our wildlife resources may be in the balance.

But for the enactment and Federal enforcement of the Migratory Bird Act of 1918 there would now be very little duck hunting in the United States. Actual experience having fully demonstrated that the individual States could not prevent the destruction of migratory wildlife, it became imperative that control be assumed by the Nation. If the Supreme Court decision in Missouri against Holland, declaring the 1918 act to be in conformity with the Constitution, is to be reversed by the adoption of the Dirksen-Bricker amendment, all control over hunting will be transferred back to the States.

With the States in control, what will become of the Federal wildlife refuges devoted to the protection of this game? Will the States assume the burden of expenditures for the maintenance of these projects now financed from revenue obtained from the sale of Federal duck stamps? The only existing exception to the rule that money gathered by taxes shall be deposited in the Federal Treasury and not devoted to any special use is in the Duck Stamp Act. The money received from the sale of duck stamps is devoted solely and exclusively to the protection of migratory birds. More than $4 million a year is collected in that way at the rate of $2 each from more than 2 million persons who are interested in hunting. Will the Federal Government continue this worthy program under the Duck Stamp Act and the Migratory Bird Conservation Act, should the States obtain jurisdiction over migratory waterfowl.

Because they are deliberately written, the words in committee reports are considered by all Federal courts to be the best authority to determine the intent of Congress. That it was the clear intent of the old Bricker amendment to nullify the 1920 Supreme Court decision is definitely indicated in the 1953 committee report by no less than 13 references to Missouri against Holland. The same intent is still evident by four citations to Missouri against Holland in the 1956 committee report on the Dirksen-Bricker amendment.

It has been argued that the 1918 Migratory Bird Act could be sustained by an elastic construction of the commerce clause of the Constitution. However, it must be remembered that the 1913 act was held to be unconstitutional in 4 published opinions of lower courts largely on this point: *U. S.* v. *Shauver* ((1914) 214 F. 154); *U. S.* v. *McCullagh* ((1915) 221 F. 283); *State* v. *McCullagh* ((1915) 96 Kan. 786); and *State* v. *Sawyer* ((1915) 113 Me. 453). It was the Shauver case that was argued in the Supreme Court, then ordered reargued, ostensibly because of the inability of the Justices to agree, and finally dismissed on motion of the Solicitor General on January 7, 1919 (248 U. S. 594). Prior to that motion, according to Edwin Borchard, who at that time was Librarian of the Supreme Court, Chief Justice White engaged him to make an exhaustive study of the law, from the time of the Romans, in an effort to show that the Federal Government possessed some specific power of regulation. After several months of exhaustive study, Borchard concluded that the States were the repositories of the power "since by no possibility could this migratory resource be called interstate commerce, which depends on acts of men."

Nothing can be in either interstate or foreign commerce unless it is capable of being sent from one place to another by some person who has control over it. Who is the person who can tell a wild duck when to fly from Canada to the United States, and, if it remains alive, when to return to Canada and where to make its nest when it gets there? Who can become the consignee or the consignor of a wild goose?

There is no other basis under the Constitution for the Federal Government to enact and to exercise the necessary authority to enforce the migratory bird laws except through the power to make treaties. The adoption of the Dirksen-Bricker amendment will destroy that power; consequently, those interested in maintaining unimpaired the Migratory Bird Act of 1918 and all that it stands for should give serious consideration to the effect of any such change in the Constitution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 419. An act for the relief of Eli E. Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 825. An act for the relief of Alice Elizabeth Marjoribanks;

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 70) to extend greetings to the Sudan.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2924. An act for the relief of David J. Daze;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones; and

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2736) for the relief of Roy M. Butcher.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 202) favoring the granting of the status of permanent residence of certain aliens.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

Mr. McNAMARA. Mr. President, I shall make my remarks on the transit bill as brief as possible, because I think altogether too much time has elapsed without a conclusion to this matter. Furthermore, there is not a great deal of time left in which to act.

The District of Columbia transit situation is of no great interest to my constituents in Michigan, nor to the constituents of all but a very few of my Senate colleagues. Yet, it is a matter we must all be concerned with, because the Congress has been charged with the responsibility of being the top governing body of the District. We have tried, unsuccessfully, to place this obligation and responsibility where it belongs, with the people of Washington. I sincerely hope the day will soon come when the District will have home rule. Until that day comes, however, we have the duty of seeing that Washington has a good transportation system.

The bill we are considering today—the Washington Metropolitan Transit Act—is in effect a step toward home rule for the District. Under it, the Congress would place the responsibility for the transit system in the hands of the District government.

This bill is not a sudden whim. It was developed after a careful study of all the factors involved and after hearing the recommendations of the interested parties.

It would create, initially, a public authority to take over and operate Washington's public transportation. I say "initially" because the intent of this bill is to give the District government every opportunity eventually to turn the transit system over to a responsible private operator. However, should no private proposal be deemed acceptable by the District Commissioners within a period of 3 years, then the public authority would become permanent.

I personally am in favor of a private company or group operating the transportation facilities in Washington. Unlike many other large cities, where industry and other factors create peaks and valleys in the passenger volume, Washington has a relatively steady demand, and seasonal increases and declines in volume can be more accurately forecast. I firmly believe that a private operator could make a go of the Washington

transit system and realize a fair profit while providing good, cheap transportation to the District citizens.

Despite an initial lack of success by the District Commissioners in the search for private operators, the Senate District Committee did not want to close the door to sound proposals which may be offered in the future. Thus, the bill proposes a 3-year interim public authority.

Let me sketch briefly the history of—and the reasons for—the bill we have before us today.

For several years prior to 1953, the Senate District Committee received numerous complaints as to the service, fare structure, and other aspects of the Capital Transit Co.

These complaints led to Senate Resolution 140, which was adopted by the Senate on July 28, 1953. The result of this resolution was Report No. 1274, a concise and thorough study of the transit situation presented by the able junior Senator from Maine [Mr. PAYNE]. This report pointed up very clearly that Capital Transit, under the hands of the Louis Wolfson group, was not serving its patrons as a responsible transit company should.

One paragraph of this report is notable. It states:

> The general managerial attitude of the Wolfson group toward the programs previously discussed in this section and their public statements clearly indicate that they place their own private financial interests above those of the public in their operation of Capital Transit Co. This attitude has give credibility to the widespread public belief that the Wolfson group is "milking" the Capital Transit Co. preparatory to dumping the system on the Government. Whether this is the intent of the group the subcommittee cannot, of course, conclusively determine; but there are strong indications that this well may be their ultimate goal.

The report concluded that no illegal actions were discovered on the part of Wolfson or his associates. But it added that the "general managerial attitude of the Wolfson group was contrary to the managerial attitude which should be held by the operators of a public transportation company."

In June 1955, the District Subcommittee on Public Health, Education, Welfare, and Safety began hearings on possible ways to avert a threatened strike against Capital Transit. These hearings, on the labor matters as well as the entire operation of Capital Transit, continued during the strike which began July 1. On August 14, 1955, while the strike was still in progress, Public Law 389—84th Congress—was approved, repealing the Capital Transit charter 1 year hence. Thus, it was the feeling of Congress at that time that the Wolfson group could not serve the best interests of the Washington public.

Following that, on August 22, the District Public Utilities Commission issued an invitation to all private parties interested in providing a transit system for Washington to submit their proposals. Altogether, some six proposals were subsequently weighed and found lacking by the District Commissioners.

Finally, on January 30, 1956, the District Commissioners submitted a bill, S. 3073, which was introduced by request. This bill would have created a permanent public authority. Hearings began almost immediately and continued through last month.

These hearings produced the feeling among the members of the Subcommittee on Public Health, Education, Welfare, and Safety that the bill had serious inadequacies. Principal among these was the fact that the door would be closed to future proposals for private operation. Under the subcommittee's direction, an amended bill was prepared which would create an interim public authority to insure a public transit system for the people of Washington after August 14. There would be a 3-year period during which the Commissioners could sell the system to responsible private parties.

A great deal of time and effort has gone into this bill. I particularly want to thank the members of my subcommittee, the senior Senator from Oregon [Mr. MORSE], and the junior Senator from New Jersey [Mr. CASE] for their splendid cooperation and diligence, and our committee chairman, the senior Senator from West Virginia [Mr. NEELY]. The committee staff has performed yeoman service.

I firmly believe this bill is a good one; it is sound; it will provide Washington with a transportation system on August 15. Under it, we live up to our obligations to the people of Washington, while placing future responsibility for the transit system where it belongs—with the District government.

I urge prompt passage of this bill.

I call attention to the fact that a copy of the bill and a copy of the report are on the desk of each Senator. I shall be glad to try to answer questions in connection with the bill at this time.

Mr. MORSE. Mr. President, on July 30, 1955, when S. 2576, a bill to repeal the transit franchise, was passed by the Senate, I made a statement in support of the repeal of the franchise of the Capital Transit Co. The bill became Public Law 389 on August 14, 1955. Nothing has occurred nor has anyone presented me with information since that date to change my position in regard to such repeal.

HISTORY OF LEGISLATION ON CAPITAL TRANSIT

Prior to enactment of Public Law 389, the Subcommittee on Public Health, Education, Welfare, and Safety of the Committee on the District of Columbia, of which I am a member, held extensive hearings on Capital Transit Co. matters.

Mr. President, at this time I wish to pay my very sincere compliments to the Senator from Michigan [Mr. McNAMARA] and the Senator from New Jersey [Mr. CASE], the other two members of the subcommittee, for the dedicated service which they rendered the United States Senate and the people of the District of Columbia in the processing of the bill through the committee hearings.

I also wish to pay my sincere compliments to the members of the full Committee on the District of Columbia for the great amount of time and careful attention which they have given to the bill which is now before the Senate.

I feel certain that I need not point out to Senators that service on the Committee on the District of Columbia is not one of the more thrilling jobs which Members of the Senate have to perform; but it is an important assignment. It is important because of the vested interests of the Federal Government and of the people of the country in the affairs of the District of Columbia. I think the members of the Senate Committee on the District of Columbia are deserving of the sincere appreciation of all Members of the Senate for the public service which they have rendered in connection with the proposed transit legislation.

Mr. President, I am proud to stand on the floor of the Senate today in support of a bill which has strong bipartisan support in the Committee on the District of Columbia, and also has the support of some past members of the Committee on the District of Columbia, who have never lost an interest in the work of our committee. I refer, first to a former chairman of the committee, the distinguished junior Senator from South Dakota [Mr. CASE]. I observe the junior Senator from South Dakota on the floor, so he can close his ears for a moment while I say—and I speak in behalf of my colleagues on the committee—that whenever some particularly knotty problem comes before the committee, we go to the junior Senator from South Dakota and lean heavily upon his experience as a past chairman of the committee. From time to time, as problems have arisen, he has given us some very sage advice, including, by the way, advice on the transit problem.

Also, I see on the floor of the Senate at this moment the distinguished junior Senator from Maine [Mr. PAYNE], who a couple of years ago was the chairman of the so-called Payne subcommittee of the Committee on the District of Columbia. That was a subcommittee which conducted prolonged hearings into the transit problems. The Payne report is so up to date that it does not even need to have a punctuation mark changed today, because what the Senator from Maine brought forth in his report in regard to the transit problem of the District of Columbia is just as apropros today as it was on the day he wrote the report.

Since the enactment of Public Law 389 the full Committee and its subcommittee have held further hearings on what has transpired from the date of adjournment of the 1st session of the 84th Congress to the present time. Included in the hearings of both committees were thorough explorations of the attempt of the District of Columbia Commissioners and the Public Utilities Commission to procure private operators to take over and operate a mass transit system for the District of Columbia.

On August 22, 1955, the District of Columbia Public Utilities Commission issued an invitation for interested applicants to submit proposals to furnish an all-bus mass transit service commencing August 15, 1956, to replace the mass transit service furnished until that date by the Capital Transit Co. Prospective applicants were assured by the Board of Commissioners and the Public Utilities Commission that both bodies would recommend to the Congress that a legislative franchise be granted to the successful applicant. They also indicated that recommendations would be made for certain tax exemptions and relief from the cost of snow removal.

The Committee was advised that six applications were received by the Public Utilities Commission, and detailed conferences were held with each. The Committee was further advised that none of the applicants met the requirements considered essential for the issuance of a permit and no further proposals by private enterprise have been submitted to date.

At this point, Mr. President, I ask unanimous consent to have inserted in the Record a copy of the invitation that was issued by the Public Utilities Commission to the various applicants, setting forth the necessary requirements.

There being no objection, the text of the invitation was ordered to be printed in the Record, as follows:

Invitation To Submit Applications for Public Transit System

> Public Utilities Commission
> of the District of Columbia,
> *August 22, 1955.*
>
> Applications are invited to furnish all-bus mass transit service in the District of Columbia (and minor contiguous areas) commencing August 15, 1956, to replace the mass transit service furnished until August 14, 1956, by the Capital Transit Co. street railway and bus system. Applicants must be prepared to furnish all of the property, facilities, equipment, and services that will be required to provide the mass transit service. There is no requirement to purchase any part of the property, facilities, or equipment of the Capital Transit Co.
>
> Statistical, economic, engineering, financial, and other data which may be of assistance in evaluating the prospects for mass transit operations in the District of Columbia are available to all interested parties at the Office of the Public Utilities Commission, District Building, 14th and E Streets NW., Washington, D. C.
>
> Applications will be received by the Public Utilities Commission of the District of Columbia at the office of the executive secretary of the Commission, Room 201, District Building, 14th and E Streets NW., Washington, D. C., until 10 a. m., Monday, October 10, 1955.
>
> Each application should present the management experience in transportation operations; proposed method of financing; number, type, and size of buses; general administrative and maintenance plan; routes; schedules, proposed fare structure; estimated cost of operation, estimated gross revenue; and estimated net income.
>
> After such public hearings as may be deemed advisable by the Public Utilities Commission, the Commission will determine the successful applicant and will grant to said applicant, as soon as practicable, a permit to provide mass transit service commencing August 15, 1956. As soon as possible after the convening of the 2d session of the 84th Congress in January 1956, the District of Columbia Board of Commissioners and the Public Utilities Commission will join in recommending to said Congress the granting of an appropriate legislative franchise.
>
> The Public Utilities Commission reserves the right to reject any or all applications or to accept any application which it deems for the best interests of the District of Columbia.
>
> Public Utilities Commission,
> George E. C. Hayes,
> *Chairman.*
> Robert M. Weston,
> *Commissioner.*
> T. A. Lane,
> *Engineer Commissioner.*

Mr. MORSE. Mr. President, in view of the fact that the applicants could not meet the essential requirements, the Commissioners and the Public Utilities Commission submitted to the chairman of the committee a draft bill to establish a Washington Metropolitan Transit Authority. This bill was introduced on January 30, 1956, by the Senator from West Virginia [Mr. Neely] by request.

After due deliberation by the subcommittee and the full committee, it was decided to amend the bill so as to create such an Authority consisting of the Commissioners of the District of Columbia for an interim period of 3 years. The committee is hopeful that by adopting legislation of this type, private enterprise will come forward during the 3-year period. This public body corporate would render passenger transportation service in the District of Columbia to replace the service formerly provided by the Capital Transit Co.

PURPOSES OF S. 3073

The further purposes of the bill, S. 3073, are set forth in Report No. 1791, which I wish to quote for the information of the Senate:

> The Authority is given the exclusive right to provide mass transportation service in the District of Columbia, except for franchise rights of passenger carriers (other than Capital Transit Co.) existing on the date of the enactment of this act. The bill provides further that the Authority may operate within the metropolitan area. However, it may not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other system, except such operations as are conducted by the Capital Transit Co. on the date of enactment of this act. The Authority would be permitted to operate intrastate within the portion of the Washington metropolitan area beyond the District only if authorized by the jurisdictions concerned.
>
> The Authority would have power to acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area, and to provide service at reasonable rates for the residents of such area. In carrying out its duties, the Authority would have the power of eminent domain in the District of Columbia, and also in other parts of the metropolitan area if permitted by the respective States.
>
> The bill also authorizes the sale of such transportation system or systems to a private operator if, during the 3-year interim period, a sound proposal for private ownership is submitted to the Authority which would provide the residents of the Washington metropolitan area with an adequate and efficient transit service. The Commissioners must report to the Congress on or before June 30, 1958, what steps have been taken to sell the property of the Authority and, if not sold, the reasons why, in their opinion, such a sale has not been effectuated.
>
> Provision is also made that in the event private interests do not acquire the transportation system or systems during the interim period, then the existence of the public body corporate shall continue and the Commissioners of the District of Columbia on and after October 1, 1959, are authorized to appoint a Board of Directors of the Authority to consist of five members.
>
> The Authority is granted broad powers to establish and manage an effective transportation system in accordance with sound business practices. It is exempted from laws and regulations which are designed for normal governmental functions but are too restrictive for an operation of this type.
>
> In order to provide interim financing for the Authority, the Board of Commissioners is authorized to any time prior to July 1, 1960, to issue interest-bearing obligations of the District of Columbia for purchase by the Secretary of Treasury in an amount not to exceed $20 million. At the end of the 3-year interim period, if no private purchaser has been found for the system or systems, the Authority would be financed through the sale of its revenue bonds to the public or other instruments of its own credit, and would not be empowered to pledge the credit of the United States or of the District of Columbia. It is contemplated that the initial operations would be financed through the use of the $20 million Government loan, and that this loan would be paid with the proceeds of the sale of such system or systems to private enterprise or with the proceeds of the sale of revenue bonds to the public.
>
> The Authority would be self-regulating in the establishment of schedules, routings, and changes therein, conditions of service, and in setting fares or other fees for service, except in respect to the intrastate operations outside the District of Columbia.
>
> The Authority is directed to establish a suitable organization and to make its own provisions, with certain limitations, for the terms of employment and compensation of its officers and employees, including the power to bargain collectively and, in case of dispute of wages, salaries, hours, working conditions, health and welfare, insurance, or pension, or retirement, where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration.
>
> The bill provides that if the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility, and all other employees except corporate officers, shall be offered transfer and appointment as employees of the Authority up to the maximum number required.
>
> The Authority is not clothed with Government immunity, but is subject to suit, with the provision that notice of injury or damage to persons or property must be given to the Board within 6 months after the alleged occurrence.
>
> The Authority is given the power to issue regulations governing the use of its properties and to set limited penalties for enforcement thereof. It is authorized to initiate investigations into matters relating to its activities.

I also wish to call the attention of the Senate to the section-by-section analysis beginning on page 4 of the committee report, which explains the detailed provisions of the bill.

DIVIDEND POLICY OF THE CAPITAL TRANSIT

One of the main problems that has given the committee so much concern is the policy of the Capital Transit Co. relating to the payment of dividends.

I have in my hand a summary of earnings and dividends paid by the company, and I ask unanimous consent that the table be printed in the Record at this point in my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

	Net earnings reported to PUC	Dividends paid	Dividends per share ($100 par basis)
1940	$672,062	$240,000	$1.00
1941	1,299,969	300,000	1.25
1942	1,717,188	420,000	1.75
1943	1,508,844	480,000	2.00
1944	1,534,920	480,000	2.00
1945	1,317,958	480,000	2.00
1946	965,854	480,000	2.00
1947	(93,416)	480,000	2.00
1948	396,315	120,000	.50
1949	325,816	480,000	2.00
1950	878,274	720,000	3.00
1951	1,413,250	960,000	4.00
1952	1,046,389	3,744,000	15.60
1953	897,461	1,536,000	6.40
1954	754,898	[1] 1,670,330	4.80 plus 2.16
1955	[2] 1,215,353	576,000	2.40
1956 (3 months)	[3] −242,002	0	0

[1] $1,152,000 cash dividend and $518,330 in stock of Continental Enterprises.

[2] $524,518 net income offset by a $1,739,871 streetcar writeoff.

[3] $791,669 net income offset by a $1,033,671 streetcar writeoff. (A statement was made by Wolfson that no dividends would be paid following repeal of franchise until company was liquidated.)

Mr. MORSE. Mr. President, I should also like to read from pages 39 and 40 of the Payne report, filed May 1, 1954, referred to by the Senator from Michigan [Mr. McNamara]:

> The present policy of paying dividends in excess of earnings could not be pursued unless the company had the cash with which to pay dividends. The source of this cash has been discussed in connection with the comments on rate base and working capital. It arises largely from liquidation of road and equipment, through depreciation recoveries in excess of amounts reinvested in property. There is a definite long-range relationship between dividend payments and amounts reinvested in property; when the former is high, the latter is low, and vice versa. When earnings are being reinvested in property, they obviously are not available for payment of dividends. However, as the investment in property is liquidated, cash for dividends becomes available. This latter has been the situation with Capital Transit for the past several years. From 1950 to 1952, approximately $6.9 million of the property was converted into cash by way of depreciation charges recovered through revenues, while only $2.7 million was expended for new property. But the dividends that have been paid throughout the existence of Capital Transit Co. have all been paid from earnings of either current or prior years. There is no question of the company's paying dividends out of original paid-in capital.
>
> The real question which arises out of the present dividend policy is whether management is depleting the resources of the company to the point where its ability to render service may be impaired either now or in the foreseeable future; whether at some time in the future the management will have stripped everything of value from the company and will then not be able to produce the necessary capital to provide adequate equipment to serve its patrons.

Mr. President, I wish to emphasize again that it is the hope of the committee that a private operator will come forward during the 3-year interim period. However, it should be pointed out that the trend for some years in the field of public transportation has been toward some form of public ownership and operation. We cannot ignore the economic realities of the situation, since Congress has the obligation of facing up to the transportation needs of the citizens of the District of Columbia. In addition, the Federal Government has a vital interest in providing the thousands of Federal employees who work in the District with sufficient and adequate public transportation. I would further emphasize that while the committee is in favor of private enterprise, and would greatly prefer to have this function carried on by private enterprise, it is my firm conviction that the citizens of the District of Columbia, as well as of the Federal Government, would not benefit by a return of the franchise to the Wolfson interests.

The bill, S. 3073, if adopted, would, in my opinion, provide an immediate solution of an extremely complicated problem. It deals with a subject that is vital to the welfare of many groups within the Washington metropolitan area, including the transit-using public, school children, our businessmen, and employees of both Federal and District Government. If this bill becomes law, it is my sincere opinion that the transit problem will be placed in the hands of extremely capable men, the Commissioners of the District of Columbia. This bill gives them the tools with which to work, and they are eminently qualified for the job.

We cannot afford the loss of a moment in providing this means for the handling of our transit problem. I urge its immediate adoption by the Senate.

Mr. President, I recognize full well that there is some division of opinion in regard to this matter as between a proposed Senate bill and a proposed House bill, although on the House side there has also been introduced a companion bill to the bill now pending before the Senate.

Mr. President, I wish to close my argument this afternoon in support of the bill by reading what I consider to be a very penetrating and sound analysis of this situation as set forth in this morning's Washington Post and Times Herald, in an editorial entitled "Transit on a Platter." The editorial reads as follows:

> The House bill to restore the franchise of the Capital Transit Co., it is said, would extend only those concessions which the Commissioners would have granted in substance to another private operator. Nonsense. It is true that the gross receipts tax probably would have been remitted for any private operator designated to take over transit service here. But neither the Commissioners nor the Public Utilities Commission nor anyone else in authority ever intimated that a new transit firm would be virtually exempt from regulation and would be permitted to write its own ticket.
>
> In effect the Harris bill would leave all but the most cursory regulatory functions to the mercy of Capital Transit. It would permit the company to propose and place in effect its own fare structure without affirmative PUC approval; and PUC efforts to revise fares could be complicated by litigation. It would accept the company's own valuation figures—many millions of dollars higher than the reported price at which the company has been offered for sale—as the permanent rate base. It would fix 6½ percent as a fair return, leaving no flexibility for new circumstances, and it would remit gasoline taxes in the event such a return was not earned. No wonder the Wolfson interests are anxious to retain their grip on Washington. They never had it so good.
>
> Congress last summer determined, reluctantly but nonetheless firmly, that Capital Transit's demonstrated irresponsibility as a public utility was so flagrant as to demand cancellation of its franchise. President Eisenhower came to the same conclusion, signed the bill and joined in the criticism. Nothing in the meantime has made Capital Transit any more attractive as a transit operator; its greed, judging from the Harris bill, seems to have increased.
>
> It is not necessary to pass the Harris bill in order to assure continued transit service in Washington. The Senate bill for an interim public authority (and the Heselton bill in the House) would protect the public interest while affording more time to work out a permanent solution. The Capital Transit management has indicated on many occasions that it was working toward a public authority when the time for sale was ripe by its standards. The choice thus is not between a return to Capital Transit and no solution at all. It is between an interim public authority which admittedly is imperfect, and a cringing surrender to a company which Congress itself has said was unfit to serve the public and which itself has broached the public authority concept. A vote to restore Capital Transit would let Congress down, it would let President Eisenhower down, and it would let the citizens of Washington down worst of all.

Furthermore, I ask unanimous consent to have printed in the Record as a part of my remarks the editorial entitled "Rewarding Irresponsibility," which appeared in the Washington Post and Times Herald of May 1, 1956.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

> For 7 sweltering weeks Washingtonians walked or bummed rides to work last summer. Efforts to bring the management of the Capital Transit Co. and the striking AFL transit union together had proved altogether fruitless, very largely because of the public-be-damned attitude of the company, which had in effect provoked the strike. Finally, recognizing that it was futile to hope that the company would place its public responsibility first, Congress passed a bill canceling the franchise of the Capital Transit Co. after 1 year. President Eisenhower signed the bill. After noting that neither party to the dispute had discharged its obligations to the public, he added: "* * * both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District."
>
> It is this mood and frustration that the House of Representatives needs to remember in appraising the bill now before it to restore the franchise to the Capital Transit Co. This bill not only would renew the franchise virtually on the company's terms; it also would hand the company on a silver platter vast tax concessions and immunity from all but cursory regulation.
>
> Has anything in the past 8½ months given indication that the company has developed a more enlightened labor-relations policy or a heightened sense of responsibility to the community? It has not. Has anything changed the attitude of Louis E. Wolfson from his expression last summer that the "Commissioners represent the public, the union represents labor, and the board of

> directors, of which I am chairman, represents the stockholders" (thus totally ignoring the responsibility of a public utility for public service)? There is no evidence of it.
>
> Admittedly the Senate bill, which instead of restoring the franchise would create an interim public authority to operate transit in Washington, does not provide any easy solutions. But the situation must be judged on the alternative available. Would the public interest be served by rewarding the irresponsibility of the Capital Transit Co., thus jumping from the frying pan back into the fire from which Congress rescued the community last summer? Such a weak-kneed "solution" would be monstrous. We hope the House will recall the sore feet and inflamed tempers of last summer, and the reasons for them, when it votes this week.

Mr. MORSE. In conclusion, Mr. President, those of us on the District of Columbia Committee have worked long and hard and, we think, well in trying to solve a very difficult municipal problem. We do not like to function as a city council, Mr. President, but that is what we do in the District of Columbia Committee when we handle such municipal matters as this one.

We say we think the time has come to delegate the problem of providing mass transportation in the District of Columbia to the District of Columbia Commissioners, where it belongs. We trust them; we have confidence in them; we are satisfied that they will rise to the responsibility our bill places upon their shoulders, and that they will give to the people of the District of Columbia the best transit system the circumstances permit.

Mr. CASE of South Dakota. Mr. President——

The PRESIDING OFFICER (Mr. Wofford in the chair). The Senator from South Dakota.

Mr. CASE of South Dakota. I desire to address several questions to the Senator from Oregon [Mr. Morse] or the Senator from Michigan [Mr. McNamara], or to both of them, and leave it to them to respond. However, inasmuch as the Senator from Oregon was speaking most recently on the subject, I shall address my questions to him.

First of all, I should like to say to him that, naturally, I appreciate the kind remarks he made in reference to my interest in the affairs of the District of Columbia. Inasmuch as I was on the floor, it was impossible for me to avoid hearing what he said, even though he suggested that I close my ears. I appreciate his remarks.

I should like to ask whether, in his study of the matter, he has discovered in the original charter or franchise granted to the Capital Transit Co. any provision for reimbursement to the company for any investments it had made, if and when its franchise expired.

Mr. MORSE. The answer is that the committee has studied that matter and has reached the conclusion that there is no such provision. On the contrary, the debates which occurred at the time of the granting of the original franchise show very clearly that it was specifically the intent of Congress that such a provision not be included in the franchise. Not only that, but the debates show very clearly that the Congress reserved unto itself the right to end the franchise and to place the Capital Transit Co. upon its own.

Mr. CASE of South Dakota. I have asked that question because from some statements which are made these days some persons might obtain the idea that when the franchise expires the Government of the District of Columbia will be under some obligation to reimburse the Capital Transit Co. for whatever that company might have on its hands at the end of the franchise.

Mr. MORSE. In the case of the franchise, the legislative intent, which was distinctly expressed, was that if for any reason Congress had to cancel the franchise it would be up to the Capital Transit Co. to dispose of its property as best it might.

Mr. CASE of South Dakota. Next, Mr. President, I should like to ask the distinguished Senator from Oregon whether, according to his knowledge of American municipal law, there is in the trend of municipal law anything which would suggest that a company which obtains an exclusive franchise to operate a public transportation system or a mass transportation system acquires any vested right beyond the period for which the franchise is granted.

Mr. MORSE. In my judgment, there is no such trend in municipal law. The company takes the franchise subject to the terms of the franchise; and in this case the terms of the franchise are crystal clear. It is what we call a cutoff franchise. It made very clear that, by disenfranchisement by the Congress the company would have no further rights, insofar as the Federal Government was concerned.

Mr. CASE of South Dakota. It is my recollection that at the time when the Payne subcommittee of the District of Columbia Committee was created one of the reasons for creating that subcommittee was to have it determine whether the statutes of the District of Columbia permitted the Capital Transit Co. to set aside certain of its receipts for reserves or to create reserves by converting depreciation into cash, and eventually to use them as the source of dividends, rather than to make replacements to equipment, comparable to the depreciation which was turned into cash.

Mr. MORSE. The Senator from Maine [Mr. Payne] is on the floor, and is the best qualified Member of the Senate to answer that question. So I shall yield to him.

Mr. PAYNE. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE of South Dakota. I am glad to yield to the Senator from Maine.

Mr. PAYNE. I shall endeavor to answer the question which has been asked by the Senator from South Dakota.

First of all, of course, under the commonly accepted concepts of utility operation, when depreciation tables are set up to handle the ordinary depreciation of the so-called rolling stock or real estate or other properties in the case of a transit company, the rates are established by the public utilities commission; and as such depreciation occurs, a reserve is established; and against that reserve, of course, there must be, for nominal purposes, certain amounts of cash to take care of replacements, because in effect that is what depreciation is for.

Mr. CASE of South Dakota. That is the point—to take care of replacements.

Mr. PAYNE. As I recall—and if I do not recall correctly, let me say that my distinguished colleague, the senior Senator from Oregon [Mr. Morse], and my distinguished colleague, the junior Senator from Maryland [Mr. Beall], are on the floor, and can correct me—in the report it will be found that the committee called particular attention to the fact that, because of the dissipation of cash in the reserve—which, in effect, is the accumulation of reserve funds as a result of depreciation charges—and when accelerated amounts were paid as dividends which mounted and mounted and mounted, the day was coming—and in the not-too-distant future—when those in control would strip the resources of the company to such a point that they would not be in a position to make the necessary replacements of rolling stock which would be required to maintain a proper transit operation within the District of Columbia.

Mr. CASE of South Dakota. Mr. President, I appreciate that very clear statement by the distinguished Senator from Maine. It confirms my recollection as to the findings of the Payne subcommittee. It seemed to me to say, in effect, that the Capital Transit Co., if it was operating legally, was authorized by statute to maintain a legalized indifference to the normal responsibilities of a public utility for replacement of its capital assets.

Mr. PAYNE. Mr. President, will the Senator from South Dakota yield further to me?

Mr. CASE of South Dakota. I am delighted to yield.

Mr. PAYNE. The only reason I request that privilege is that I just happened to come to page 6 of the report of the subcommittee. Let me say that I was privileged to serve under the most competent direction and leadership of the distinguished Senator from South Dakota [Mr. Case], who at that time was chairman of the Committee on the District of Columbia. On page 6 there is a reference to the status of a cash reserve. Such a cash reserve existed at the time when the so-called Wolfson interests bought nearly one-half of the total stock of the Capital Transit Co., a little more than $2 million, and thus acquired between $4 million and $5 million of cash surplus which was lying there.

In the report we stated:

> From the management point of view, this policy of building reserves was undoubtedly a wise one, in view of the fact that, naturally, mass transit was and is, a declining industry faced with serious economic and competitive problems. From an investor point of view, a transit company could hardly be considered an attractive long-range investment. Capital Transit, however, had certain speculative potentialities because of its large cash reserves.

The record is clear that that, and that alone, is undoubtedly what attracted the

Wolfson interests to take over the Capital Transit Co. when they did, not because of the future of transit as such, but because of the potentialities of speculation, which certainly they have used to the nth degree.

Mr. CASE of South Dakota. Mr. President, at the time when the nomination of one of the members of the Public Utilities Commission for reappointment was before the Senate Committee on the District of Columbia for consideration, the question of the use of the surplus, as has been suggested, was brought to the attention of the committee. It is my recollection that at the time the best information we could get from the Corporation Counsel was that what the Capital Transit Co. was doing was legal, that is, that there was no violation of law in the use of surplus and reserves. However, that did not go to the merits of the law.

Personally, I reached the conclusion that in the District of Columbia there was a situation in which the chartered company was authorized by law to be indifferent to the normal responsibilities of a corporation to maintain its equipment and make replacements out of reserves, before it started using such reserves for the purpose of declaring extraordinary dividends.

It is because of that fact that I wish to commend the Senator from Maine [Mr. Payne], the Senator from Oregon [Mr. Morse], the Senator from Michigan [Mr. McNamara], and all other members of the Senate District Committee for giving some time and attention to this problem. I do not relish the prospect that we may go into public ownership and operation of the mass transit system. However, I state it as axiomatic, as I said on the floor the other day, that an interruption in the public transportation system of the Nation's Capital is intolerable. Any prolonged interruption of the mass transportation of workers in the District of Columbia interferes with the public business.

If any city in this country has a public problem on its hands in the field of transportation when a strike occurs or when any other interruption of transportation occurs, it certainly is the Nation's Capital. That is why action is necessary.

There seems to be a tendency in some quarters to approach this question by throwing up one's hands and saying that nothing can be done about the situation. Perhaps we made a mistake a year ago, or the President made a mistake, in recommending that some drastic action be taken. However, if that attitude should be assumed, the evil day would only be postponed. Sooner or later this question must be faced and dealt with by the District of Columbia government and by the Congress, which is the responsible legislative body for the District of Columbia.

Merely because the road seems a little difficult, and merely because an adequate and satisfactory operator for the transit system has not come to the front up to the present time, we should not throw up our hands, back away, and apologize, giving to the transit company more privileges than it has heretofore had. I fear that there is that possibility in the bill which I understand has been reported in the other body, which would amount to a virtual apology. In effect, we would be saying to the Capital Transit Co., "We beg your pardon. We did not mean to interfere with you. You can go ahead and operate. In fact, we will increase the base on which you set your rates in the future. You can set them in the future on your own motion. You can also include, for purposes of ratemaking, a new base, which will involve an enhancement of invested capital, based upon putting into the capital structure some of the earnings which have been set aside for reserves."

I certainly hope Congress will not take any such attitude. I have spoken, not because I have either the personal responsibility, the responsibility of committee assignment, or the interest or time to go into this subject at this time. I have spoken because I think the members of the committee who are at grips with the situation, who are accepting the responsibility of working out the problem in behalf of the Congress and the Government, are deserving of all commendation and appreciation if they show some backbone and persevere until the problem is met and solved.

Mr. LANGER. Mr. President, I should like to ask the Senator from Maine [Mr. Payne] a question.

The Senator from Oregon [Mr. Morse] did not mention whether or not, during the 3-year period which he mentioned, the transit authority would be required to make a report annually or semiannually to the Congress as to how it operates.

Mr. PAYNE. I will answer my distinguished colleague by saying, first, that I am not at present a member of the Senate District Committee. I left that committee about a year and a half ago. I am advised that the bill does definitely provide for an annual report to be submitted to Congress, which will give full information as to the method of operation. Furthermore, the report will be subscribed to by a proper certified public accountant, who will give certification as to the authenticity of the report itself.

Mr. LANGER. I thank the Senator.

Mr. PAYNE. Mr. President, it is my purpose to speak for only a moment in connection with the pending legislation. I think the Record is very complete as to what it is designed to accomplish, and the reasons why it is necessary to have legislation of this type.

I wish to express my appreciation to my colleague, the Senator from Oregon [Mr. Morse] and the Senator from Michigan [Mr. McNamara] for the kind words they have spoken about the work of the subcommittee which I had the privilege of heading in the last Congress. Were it not for the efforts of the Senator from Oregon and the Senator from Maryland [Mr. Beall], together with a most competent and helpful staff, it certainly would have been impossible ever to have accomplished the task.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. PAYNE. I yield.

Mr. MORSE. I wish to join the Senator in commendation of the distinguished Senator from Maryland [Mr. Beall]. After a number of years' service on the District of Columbia Committee, I asked to be allowed to remain on that committee, because I have felt for a long time that too frequently the rapid turnover in personnel of the District of Columbia Committee does not result in giving to the people of the District of Columbia the continuity of service which they should have on the committee.

The Senator from Maryland is another member of our committee who, by personal inclination, and at his own request, has remained on the committee.

Today I wish to stress the fact that on the District of Columbia Committee there is no partisanship. I have never seen any evidence of partisanship on the District of Columbia Committee. The entire membership of the Senate is greatly indebted to the Senator from Maryland for his long service on that committee, and for his devotion to the best interests of the people of this area.

One may say, "Certainly; but the Senator from Maryland represents a constituency which borders on the District of Columbia." That is true; but that fact makes him that much better qualified, in my judgment, to serve as a member of that committee, and gives greater weight to his views. The Senate should give heed to his views, because he is well aware of the problems and of the relationship of the problems to the entire Metropolitan area, which stretches into Maryland as well as into Virginia. Therefore I believe that when expressions of appreciation and thanks are made this afternoon, great thanks ought to be paid to the Senator from Maryland.

Mr. PAYNE. I wish to join the Senator from Oregon in the words of appreciation he has spoken in behalf of the distinguished Senator from Maryland. I concur wholeheartedly in every word which has been uttered. Certainly work on the Committee on the District of Columbia is a labor of love. It adds little in the way of glamor to a Senator's own constituency. It is done merely because it is believed, and believed sincerely—and, in my judgment, that has been true of every member of the committee with whom I have had the privilege of serving—that the people of the District are entitled to as much consideration as it is humanly possible to give them. It is for that reason that these men have served so admirably and well in behalf of the people of the Capital City.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. CASE of South Dakota. I should like at this time to add my word of appreciation for the work that has been done by the distinguished Senator from Maryland [Mr. Beall]. During the time I was privileged to serve on the committee, the Senator from Maryland sat beside me, and I know of his deep personal interest in the affairs of the District of Columbia.

Sometimes I wondered how he could find the time to meet all the personal demands which are made upon a Senator who lives so close to some of the people of the District of Columbia as the Senator does, and at the same time serve the many people in Maryland who feel a vital and direct interest in the affairs of the city. A great many of the citizens of the State of Maryland, of course, work in the District or come regularly to the city of Washington. The Senator from Maryland has an unusual burden to bear in that respect.

That he is devoted to his job is indicated by the fact that he did remain on the committee. I know he served on the subcommittee of which I was chairman and on other committee assignments with great devotion to the true spirit of public service. That service deserves the very highest commendation, and I am sure the people of Maryland realize it and appreciate it.

Mr. PAYNE. Mr. President, finally, let me say that were this type of legislation not needed, I certainly would not be standing on the floor in support of it, because it is contrary in every aspect to what I had always hoped would result from an unfortunate state of affairs. However, in this particular case, it is the only answer the people of this community have. It is the only course which will make it possible to continue transit operations until some private enterprise will accept this public responsibility in the public interest.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PAYNE. I am happy to yield.

Mr. KNOWLAND. I appreciate very much the statements which have been made by the several Senators who have discussed the proposed legislation. The Senators who have spoken are familiar with the background from which developed the action of a year ago and with the criticism—and I believe it was very deserved criticism, and a justifiable criticism—of the operation of the transit system by the so-called Wolfson group.

However, I should like to ask the Senator whether, in his considered judgment, if we shall go ahead with the establishment of a public transit authority, he believes we will ever again return to private ownership of the transit system in the District of Columbia.

Mr. PAYNE. I wish it were possible for me to give an answer to the Senator's question. All that we on the committee were able to prophesy with any degree of certainty, based on what was brought out during our investigation and study of the subject, was that if the present company continued its operation in the manner in which it was operating—and this was nearly 3 years ago—it was heading to the point where there could be but one solution in the immediate future, and that was public ownership.

We decried public ownership, and thought of it only as a last resort. Whether it will be possible to find private individuals who will be willing to come forward and take over from a public authority, I do not wish to state for the Record this afternoon. However, I can say that if situations do not change too much, there are people who will be very definitely interested in taking the system over. They will not talk with the present ownership or negotiate with it because they feel they could not do business with it.

Mr. KNOWLAND. Perhaps the Senator from Maine and the other members of the committee who have lived with this problem may regard my questions as a bit academic. However, would the Senator from Maine inform the Senate what percentage of ownership of stock in the transit company is in the hands of the so-called Wolfson interests and what percentage is held outside that group?

Mr. PAYNE. I believe that 46 or 49 percent of the stock is held by the Wolfson interests. Practically all the controlling interests was purchased for a little more than $2 million. Let me state one fact which I am sure will be interesting to the Senator from California, the distinguished minority leader. During the 4 full years, from 1950 through 1953, the Wolfson group has been in operation—and let us keep in mind that it paid a little more than $2 million for about a 50-percent interest—the cash dividends this group declared and paid out during that period amounted to $29 per share. They had paid approximately $20 a share for the stock they purchased. Then they split the stock on a 4-for-1 basis, which gave to the stock an equivalent value of $5 per share. Automatically, of course, that boosted the value of the stock on the exchange by approximately $10 to $11 a share. Because of the strippage that has taken place—not based on earnings—they have been paid somewhere in the vicinity of 10 percent on the value of the stock as listed on the exchange.

Mr. KNOWLAND. I believe the distinguished Senator from South Dakota [Mr. Case] made a very pertinent remark a short time ago. Perhaps the present proposal is the only one on which the Senate can move ahead at this time, but I believe the Senator from South Dakota made a very pertinent point when he said that perhaps Congress as a whole may have been a bit lax in not providing adequate public utility regulations.

At any rate, it is very unfortunate that the present group should have a blind spot with respect to its public responsibility, and not realize that it has a responsibility to the community in which it operates by way of replacing equipment, so that it may meet the transit needs of the District. Perhaps that has been the greatest fault.

I am very frank to say that I am very loath to have us get into the public operation of the transit system, because, although I do not have a crystal ball, I do have the very deep feeling that once we get into public operation under a public authority, no Member of the Senate will ever live to see the day when private owership will again come into the transit picture in the District.

That is why I am inquiring of the distinguished Senator from Maine whether there might not have been some other approach which would have assured responsible private ownership without the milking operation which the Senator in his investigation has brought out, and at the same time not take us down the public ownership road, from which there may be no return.

Mr. PAYNE. Having given the subject some study, though not so much in recent years as have the distinguished Senator from Michigan [Mr. McNamara], the Senator from Oregon [Mr. Morse], the Senator from New Jersey [Mr. Case], the Senator from Colorado [Mr. Allott], and the Senator from Maryland [Mr. Beall], I feel that every avenue has been explored up to the present moment in trying to bring about a realization on the part of the present owners of the Capital Transit operation that they do have a public responsibility. Yet they have repeatedly flouted that public responsibility in the faces and eyes of their employees and of the general traveling public in the District of Columbia. There is now no other recourse than what is proposed by way of the pending legislation. Much as I dislike to see it come, it seems to me that the action suggested is the only avenue open. The Authority can set to work to see if it can encourage and induce private enterprise to accept its responsibility in connection with a public-utility operated company, as to which Mr. Wolfson frankly said before the committee that had he known he was to be under public utility control he never would have been interested in operating the Capital Transit Co. in the first place.

Mr. KNOWLAND. Leaving aside Mr. Wolfson for the moment—and from what the Senator from Maine has said, I do not think the operation conducted by the Wolfson interests is to be condoned from a public point of view——

Mr. PAYNE. As a private business enterprise; no.

Mr. KNOWLAND. As the Senator points out, the Wolfson interests acquired a 49 percent interest, sufficient to give them control, apparently, without having 51 percent of the stock. Fifty-one percent of the stock is owned, presumably, by other stockholders. One question which I have heard raised, and since I am not an attorney, it gives me some difficulty, is the question about the Authority under the pending legislation having the power to pick and choose the parts of the transit system which they may take over. If the Senator is prepared, or, perhaps, some other Senator on the floor is prepared, to indicate the necessity for doing that rather than provide for the purchase, if we are going into a Government-ownership operation, of the transit company in toto rather than taking it over piecemeal, I should be glad to be advised.

Mr. PAYNE. I should prefer to have the question answered by some Senator who has been with this matter right up to this very moment, but it must be borne in mind, first of all, that under the depreciation setup in the operations of the Capital Transit Co. there has been a certain writeoff with reference to streetcar equipment. There is also a provision in the charter originally given to the Capital Transit Co. to the effect that should the charter of the company be ended at any time—and, incidentally, it was granted by the Congress itself, and Congress laid down the terms—the company would take up the streetcar tracks in the District and would pay the cost of replacing the pavement necessary to put the streets back into proper condition.

It is only natural, of course—and we cannot hate anyone for it—to ask full value, based upon the present financial structure. So, if another company willing to undertake the operation should come forward, the present company, of course, would ask for full value, because they would desire to be reimbursed for the rolling stock they have in the company.

They know that should a new company later operate the Capital Transit Co., and should it become necessary to do away with the so-called streetcar-operation side of the picture—and that has been strongly recommended; and it has been contended that an all-bus system is the one thing which can speed up traffic within the District and put it on a paying basis—certainly the new company and not the present transit company operators would be faced with the responsibility of furnishing the cash to remove the tracks and repave the streets. But, if over the years there has been allowed depreciation which a farsighted company would have laid aside to take care of that sort of a situation, the present company should not be placed in a situation where they can duck the responsibility which was theirs first, last, and always.

Mr. KNOWLAND. I think the Senator is fully aware that in his State, as in my own State of California, there are both publicly owned public utilities and privately owned public utilities. Some are operated with efficiency and are giving good service to the public, and some are not. Some are heavy burdens upon the taxpayers. The reason why I raise this question is because we all know there are certain lines in a transit company which are more or less paying parts of the company, and there are other lines which are feeders to the system, and which, if left by themselves, would be uneconomical. While by all means our duty is to give protection to the people of the District of Columbia and those in the metropolitan area, at the same time personal rights and property rights are very closely tied together, and I think we must be sure we are doing equity at least to the stockholders and to the Wolfson interests. But the latter seem to have been able to take care of themselves. I am more concerned with the majority and not the controlling stockholders in the company, to be sure that we are not doing an inequity to them in taking out the paying parts of the system and leaving them with a system which is uneconomical, a step which would, in effect, destroy the property right interest to which I think they are entitled.

Mr. PAYNE. There have been many statements by certain interests with reference to the injustice which is going to be done to stockholders—always referring to other than the controlling stockholders—and many times they have been referred to as the stockholders who invested $100 a share in the stock of the Capital Transit Co. when it was originally issued. I do not have the figures, and I have not been able to make careful research on the subject, but I am going to take a long shot this afternoon and say that I would be willing to guess that the number of persons who are presently stockholders of Capital Transit, who made the original investment of $100 a share, is very small as compared with the total number, because the record of the Capital Transit Co. on the exchange in Washington has not reflected a going price for the stock greatly in excess of what it is at the present time, and certainly less than what it is at the present time if we multiply the present selling price by four to arrive at what the price actually would be. In other words, if the price is $11 a share at the present time, each 1 of these shares is 1 of 4 which made up 1 share of stock previously. That would be 4 times 11, or $44 a share. I should be willing to wager that there are not many who are presently owners of the stock who bought it for much in excess of that figure. I may be proved to be incorrect. It is merely a guess on my part, in view of the brief research I made in 1953.

So. Mr. President, I am not at all convinced that the other stockholders with nearly 51 percent or 56 percent would lose because of the enactment of the proposed legislation, because, on a basis of liquidation, whether of property taken by eminent domain or by condemnation, or sold on the open market for the going value of the rolling stock, there is certainly a chance of recovery. The Wolfson interests paid a little over $2 million for their approximately 50 percent interest, and by any stretch of the imagination, certainly, on a liquidating basis alone, they would get probably between $7 million and $10 million as an absolute minimum.

So they certainly will have a chance to recover the $2 million, beyond what they have already recovered in dividends, which is approximately $3, $3½, or $4 million; and the other owners of the stock likewise will recover in approximately the same proportion. So I think all those factors must be taken into consideration.

Mr. President, if there are no other questions and before the time comes for the vote on S. 3073, I may say, finally—and I have spoken much longer than I had intended to speak—that the junior Senator from Maine is wholeheartedly in support of the bill and believes it is the only answer to the problem facing the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President. I ask unanimous consent that the order for the quorium call be rescinded.

The PRESIDING OFFICER. Without objection. it is so ordered.

The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. HOLLAND. Mr. President, in July of last year, when we were passing on this matter, during the course of the debate, I made some remarks which appear in the Congressional Record, volume 101, part 10, page 12267 and following. At that time I made it rather clear that while the questions with which I was confronted differed to some extent from those which faced other Members of the Senate, I was in accord with the passage of the measure then pending, because it seemed to me that a hopeless impasse had been reached, and regardless of where the responsibility for that condition rested, our primary duty was to afford continuing and, at that time, speedily renewed public utility transportation service.

I now read several of the paragraphs from my statement at that time merely as a springboard to what I hope to say now:

> So far as I am concerned, notwithstanding the fact that this bill is not in the form I would prefer it to be, I certainly shall not leave the Commissioners without plain authority to deal with this terrible, vital emergency situation which exists in Washington. So, with reluctance, I expect to support the bill.
>
> I think I have not seen a worse mess, so far as the collapse of sound democratic government is concerned, than that which is presented in the present situation. I think it would be idle to try to distribute the responsibility and the blame. I think there are four agencies which will have to share the blame.
>
> One of them is the company. It has practiced poor public relations. It has done things which are destructive of local good will.
>
> Another is the union. I think the union has made arbitrary demands. When I compare its demands in this case with the rates of pay received by others in similar positions, in similar communities all over the Nation, I am compelled to come to the conclusion that the union has been badly led, badly advised. It cannot escape some of the blame.
>
> As to the District Commission, I think its attitude has too frequently been punitive in this matter, and I think the fact that it has chosen a dicatorial approach and a drastic approach rather than a reasonable one, is not to its credit.

I digress to say that the Commission's approach was embodied in the bill which the Senate was then considering, and which was passed.

I read further from my statement:

> I would much have preferred receivership. I would much have preferred compulsory arbitration. I would much have preferred any of the other methods—for example, an injunction with a cooling-off period, which is applied nationally to much graver emergencies than this, under the terms of the Taft-Hartley law.
>
> But none of those things were asked by the Commission. None of them are recommended here, and none of us, in the closing hours of Congress, have the time to lay aside all other duties and work up substitute provisions. Certainly I have made no effort to do so. If I did so, it would be practicing horseback law, which does not result in sound legislation.
>
> So, reluctantly, I shall vote for this measure as the only prepared proposal available.

Then, without quoting it, I detailed at some length what I thought was a fourth part of the responsibility resting on the Congress of the United States. I think the Congress has shown, in many respects, the lack of an adequate sense of responsibility toward this problem as it has developed.

Some years ago I introduced in the Senate proposed legislation seeking to do away with the antiquated and punitive 3-cent schoolchild fare which had been imposed by an act of Congress long, long ago. That bill languished. I appeared before the committee in support of the bill, and worked rather diligently on it. Following the passage of the measure passed last year, I believe some relief has now been accomplished under it.

There have been other matters in regard to which I think we as a Congress have been very delinquent and negligent. We have jowered and argued about whether we would have a traffic reorganization of this kind applicable to the District of Columbia, or one of that kind applicable to the entire area. We have debated endlessly problems which required speedy solution. If any business could have survived such dilatory handling, I do not know what business it would have been.

So I think we might as well admit frankly that Congress has to share a part of the responsibility for the debacle which occurred prior to the passage of the measure last year, and which in my judgment required the passage of that measure, because it seemed to me that the prolongation of the situation of bad relations or hatred—insofar as hatred can exist in connection with a business matter—and constant criminations and recriminations, without any constructive action, was very hurtful, and that not the least hurtful aspect of it was, because of the transit strike, experienced by the people of the District of Columbia and by the hundreds of thousands of persons from elsewhere who visited the District of Columbia at that time.

So I voted for that measure. I think one of the things I said at the time was that I had been working for a good many years and had been voting for a good many years for home-rule legislation for the District; and that I thought that was one of the things which showed rather clearly that any reasonable degree of home rule, administered with any reasonable degree of business-executive responsibility, would have prevented such a collapse and would have made possible the working out of the situation which existed at that time.

At any rate, Mr. President, 9 months have elapsed. The degree of leadership which I had hoped to see exercised on the part of the Commissioners of the District of Columbia has not been successfully exercised. Whether they were confronted with an impossible situation, Senators who have gone into the matter much more carefully than I have are better judges of than I could be, but I have not been impressed with the very small amount of progress made. It seems to me, in fact, that it is negligible, if not entirely nonexistent. Neither have I been impressed with the constant showing from the public press that the attitude of the District of Columbia Commissioners has remained punitive, has remained quarrelsome, and that there has not been the sound, constructive, decent approach to the solution of this problem which would have been demanded in a typical American city where the commissioners or other city heads would be answerable to the people served by the public utility. I regret to say that that has seemed to me to be the case.

I hope I am being reasonably honest in making this appraisal of the functioning of the Commissioners. I hope I am being fair to them, because I certainly do not wish to be unfair. But it seems to me they have done nothing. They have not justified our hope that they would work out some satisfactory solution. On the contrary, I believe they have done almost the opposite, in that they have left the matter in worse shape, rather than in better.

Therefore, I am rather reluctant to vote for the passage of any measure which would give them increased responsibility, instead of decreased responsibility, and would leave to them, along with such increased responsibility, the duty of trying, during a period of 3 years, to work out, with private investors, such machinery as I think could be very grossly abused and misused, as applied to those who really own this transportation facility.

The distinguished minority leader has already touched upon some of the matters which give me concern. So I shall barely mention them, because I think he has already made the record perfectly clear, in showing that they exist. He called attention to the fact that if there was to be condemnation, if there was to be the creation of a public utility which would be publicly owned, he wondered whether condemnation, if it had to be exercised, should not be complete, so that the ownership in fee simple and the complete proprietary interest in the assets might be taken over permanently, rather than to have those assets taken over on a temporary basis only, as it is possible under this measure.

It seems to me there is much in the point he made. If I correctly understood him, he asked why we should set up a temporary public authority, if in taking such action we would expect this subject matter to be dealt with in the way it would be handled by a permanent public authority. And in the meantime—and, Mr. President, he did not say this, but I thought this was implicit in his questions—why should we give to the interim public authority which would exist for the first 3 years, powers capable of being used in very far from an equitable fashion?

I wish to make several comments in support of that position, and then I should like to address some questions to the able Senator from Oregon [Mr. MORSE], who, I am sure, has a firm legal grasp of the bill. I am disturbed about it, and I do not want the Senate to be in the position of voting for the passage of a punitive measure which will not be fair to property owners, whether they are popular or unpopular at this time.

I call to the attention of the Senators who are present that although there is a group of stockholders who, I understand, own somewhere between 40 percent and 50 percent of the stock of the corporation, and although those stockholders certainly are not popular at this time, nevertheless they own that part of the property; and the rest of the stockholders—constituting a majority of the whole number—are unkown, in connection with this transaction. They are scattered; they live everywhere. They have nothing to do with the management of the company. Although I know that the Senator from Maine [Mr. PAYNE] recognized that there are some such, yet he stated, as I understood him—and of course the RECORD will show his exact statement—that so few of them had paid 100 cents on the dollar for their stock, that he did not think we had to worry about them.

Mr. President, I do not support such an approach. If there is one or if there are 10 or 100 or 1,000 who paid at the full rate, certainly they should be considered. But those who paid at lesser rates, and had nothing to do with the management of the business, are entitled to exactly the same kind of just treatment at the hands of the Senate as is everyone else, regardless of what they paid for their stock.

I happen to know of some stockholders in my own State who had nothing whatever to do with the management, and who paid heavily for their stock, and who I think are entitled to be treated in meticulously fair fashion, along with all the other stockholders of the company, in connection with the passage of this measure. I shall not give particular names; but in our State there are some persons who think Mr. Wolfson is a kind of Midas, and that any business he touches turns into gold. They watch him—although they have nothing to do with his business, and I do not know whether they know each other—and they invest their money in ventures to which he turns his genius or his ingenuity, whichever word one may care to employ.

I believe that they are entitled to consideration, and that every other stockholder, wherever he may live, is entitled to the passage of legislation which is not only to be used fairly—I am certain that members of the committee intended that this legislation, if enacted, should be fairly used—but which is not capable of unfair, inequitable, or abusive use. I think the proposed legislation is probably subject to just such improper use.

With that in mind, I ask unanimous consent that I may address several questions to my friend, the distinguished Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. HOLLAND. Let me say first to the Senator from Oregon that I note that in section 204 of the bill, which relates to the exercise of the power of eminent domain, that is, to the taking by condemnation of property, tangible or intangible, in every case, after the nature of the property is mentioned, whether it be real property, personal property, tangible or intangible, these words are included—"or any interest therein."

The words are repeated a great many times. They are repeated in the language establishing the machinery for the actual exercise of the right of eminent domain. They are repeated in connection with the assessment of the precise property interest which is taken over in the eminent domain proceeding, and in the language relating to the putting up of the funds which it is calculated will cover the property taken over. In every instance, the words "or any interest therein" are used.

Does that mean that it is intended by this bill to give to the Authority the power to take by eminent domain the use of assets, such as streetcars or buses, or any other assets, either real or personal, on a temporary or part-time basis—for example, during the 3 years during which the Authority will be an interim Authority? Is that intended?

Mr. MORSE. That is not the intention. If, under the provisions of the bill, the power of eminent domain is exercised, it will be to use the processes of the law to transfer to the purchaser, by the eminent domain judicial process, title to the property, under the law.

Mr. HOLLAND. What is the meaning of the words "or any interest therein," as applied both to real estate and to tangible or intangible personal property?

Mr. MORSE. I think that verbiage is used to make it very clear that there is taken under the process a part, rather than all, if the eminent domain proceedings seek partial eminent domain.

Mr. HOLLAND. The distinguished Senator's answer now is that that provision is to allow the Authority to take a part, rather than all, of the assets of the corporation. Is that correct?

Mr. MORSE. That is correct.

Mr. President, I am very happy to participate in this colloquy with the Senator from Florida under any procedure he wishes to suggest. However, I wish the Senator to know that I have gone into the question of partial eminent domain, and I have a legal memorandum which I intend to read into the record eventually. If the Senator would like to have me read it at this time, I shall be glad to do so, and then he can cross-examine on the basis of the memorandum after I finish reading it, or I will take his questions first and then read the memorandum.

Mr. HOLLAND. I think I should like to hear the memorandum, but before the Senator reads it, I invite attention to the language in lines 8, 9, and 10 on page 70. There is embraced here not merely the matter of possible taking of a portion of the property, but there is also involved the taking of a less estate in the property than fee simple.

I read the words beginning at the end of line 7:

> And title to said real or personal property in fee simple absolute, or such less estate or interest therein as specified in said declaration.

I read those words because, in fairness to the distinguished Senator, it seems rather clear to me that under the provisions of the bill not only is the Authority permitted to do what the Senator has stated, that is, to take the portions of the property which the Authority thinks are necessary for continued operation, and to leave the others untaken; but it seems to me it is very clear from that wording that it is contemplated, and possible, also, to take a smaller estate than fee simple, and that that thought is spelled out rather fully by the words which I have just read into the RECORD.

With that in view, I shall be very happy to listen to the reading of the brief of the distinguished Senator from Oregon.

Mr. MORSE. Let me say, before I read the brief, that those are property values. They are subject to eminent domain under our judicial process. The fact that they are less than the full estate would be taken into account in fixing the compensation to be paid therefor; but there is nothing in the eminent domain law which prevents the application of the law to a lesser estate. However, it must be paid for.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I think I have the floor.

It seems to me that either one thing or the other is true. Either it was expected that such eminent domain power as was to be exercised was to be such as to take the full title in whatever was taken, or it was meant to take a lesser title, let us say for a shorter period of time, or, in the event rolling stock was held merely under some lien or some present possessory interest, to take that.

But it seems very clear to me from the wording I have just read that it is possible—and I believe the distinguished Senator from Oregon is now conceding that it is possible under the terms of the bill—to take less than the fee-simple interest, and to take interests over a period of time less than the total life of the property—to take less than the fee-simple title, or to take any interest which the Authority needs, in its judgment, in order to exercise continued operation of the facility. Is that correct?

Mr. MORSE. Let me review the statement of the Senator from Florida.

My answer to the first question was that it certainly was the intention of the committee, as I understood it—and my intention—that the main purpose of the eminent-domain provision is to purchase the property values of the company. It certainly was not my contemplation—and if the bill needs clarification on this point, I am for such clarification, although I think this legislative history will accomplish the purpose—that we would exercise, for a temporary period of time, the power of eminent domain in relation to property values now vested in this company. I think that would be most unfair, although, under the law, it could be done, and the court would determine the fair compensation for the condemnation of such property value, taking into account, as the Senator from Florida, who is a very able lawyer, knows, the nature of the period of time for which the property is to be taken.

Let me make clear my intention as a member of the committee. The Authority would purchase outright whatever property value was proceeded against by eminent-domain proceedings. That might be a lesser interest than fee-simple title, but it would purchase such interest outright. Certainly it is not my contemplation that the Authority is to take the property value for a short period of time, following which the District of Columbia will no longer have any responsibility in regard to the property, allowing it to revert to the present owner. I think that would be punitive and unfair.

Let me make it clear that if the District of Columbia Commissioners are to exercise the power of eminent domain in connection with buses, for example, they should buy them outright for the price to be fixed in such a proceeding.

Mr. HOLLAND. Would they be required to do so under the terms of the bill?

Mr. MORSE. In my judgment, they would.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I am engaged in a colloquy with the Senator from Oregon. With his consent, I shall be glad to yield.

Mr. MORSE. Any procedure the Senator wishes to follow is satisfactory to me.

Mr. HOLLAND. I am glad to yield.

Mr. CASE of New Jersey. I appreciate the Senator's courtesy and his willingness to permit me to inject myself into the colloquy at this point.

For myself, as a member of the subcommittee and of the Committee on the District of Columbia, I should like to say, while I believe, with the distinguished Senator from Oregon, that in the normal circumstances it would be desirable to purchase the fee simple title to whatever property is taken, I should not want the legislative history in connection with the passage of the pending bill to show that that is a requirement.

I believe that the language of the bill is as the Senator from Florida suggests. Property may be purchased in fee simple, in perpetuity, or whatever is desired. All the property or all the interest in the property may be purchased; less than all may be purchased; and interest in a part of the life of the property may be purchased. I do not feel, as a matter of the legal power of the Commissioners, there should be any question about their ability to proceed as thus indicated.

With respect to how the power should be exercised, I should like to say two things. First, I disagree with the Senator that up to now the Commissioners have not acted in an utterly proper way. They have not at all been punitive in dealing with the property involved or with the problem as a whole. I therefore trust them to exercise their authority, if the pending bill is passed, in a fair and equitable manner. I should not want the legislative record to show that there is any lack of power on the part of the Commissioners, in their exercise of condemnation proceedings, in relation to the property of the Capital Transit Co., and more than there would be in the case of property belonging to the Senator from Florida or to me, if they needed to take it. We are not talking about eminent domain only in regard to the property of the Capital Transit Co., because any property in the District or outside the District which the Authority may need is subject to being acquired under the powers granted by the pending bill.

Mr. HOLLAND. Oh, no; the Senator from New Jersey is wrong about that, because the bill very carefully excepts all other public utilities from the operation of the proposed law. All other present operating public utilities are excepted under the provisions of the bill.

Mr. CASE of New Jersey. All other property already devoted to public utility use. The Senator is correct.

Mr. HOLLAND. Yes.

Mr. CASE of New Jersey. But this property will no longer be devoted to public utility use. This will be property owned by a private person.

Mr. HOLLAND. I suggest that we get this point clear in our minds. The Senator from New Jersey now recognizes, does he not, and concedes that as to all other public-utility-devoted property in the District, this bill is inapplicable?

Mr. CASE of New Jersey. The bill speaks for itself. There are very carefully drawn provisions in respect of the alterations of lines of other utilities, as the Senator from Florida well knows, from having read the bill himself. Property already devoted to and being used for public purposes is not subject to the power of eminent domain. That is correct. That is true not because of the property interests of the utility which is operating that property, but because of the interest of the public which is currently being served by that property. That is the reason for the distinction there.

Mr. HOLLAND. I thank the distinguished Senator from New Jersey particularly for his frankness in conceding that the bill as drawn does permit the taking, for limited periods of time, of physical assets of the present transportation company; that it does permit the choosing of those portions of its operations which in the judgment of the to-be-created Authority are necessary parts of the public utility system, and the leaving of other portions to languish and die, if there be such; that it permits the taking for a short time, and the taking of partial title, if the Authority regards it as advisable to do so; and that it leaves to the corporation from which the taking would be made an asset in diminished value, in even more obsolete and more worn condition, to be disposed of, not as a part of a concern, not as part of a balanced operation, but an isolated property or isolated properties. That is the concession of the Senator from New Jersey, as I understand. Is that correct?

Mr. CASE of New Jersey. The Senator from Florida has correctly stated my position on this subject with respect to the interpretation of the words used in the pending bill. I do not concede that the Senator is accurate in his characterization of the words or their effect. I say that because I do not concede, come the time when the pending bill becames law, there will be an operation, as the Senator has suggested, or a going concern owned by the Capital Transit Co.

There will be a collection of properties formerly used, with no longer any right in the owner to use them for transportation purposes; and there will be property which will be merely property, subject to being taken, under the provisions of the pending bill, in whole or in part. I am very sorry if I have injected myself into this debate at a time and in a way to delay the Senator from Oregon in the presentation of his legal brief.

Mr. MORSE. No, no; I am very happy to yield to the Senator from New Jersey.

Mr. CASE of New Jersey. The Senator from Oregon has very correctly stated that whatever damage is caused the owner of this property by the taking of any part of the property, the court will fix the compensation for the damage.

If there are severance damages, for instance, because less than all of the property is taken, they will be awarded, and can be collected. If there are damages to the remaining property, because only a part of the property is taken, compensation for those damages can also be collected.

However, I suggest—and then I shall not again interrupt this colloquy, although I may wish to say something on this subject later—so far as the equities of the situation are concerned, the time has gone by when the owners of the property, the Capital Transit Co., has any right to claim that it is entitled to have the property taken as a unit, because it was unwilling to treat the property as subject to the public use. It undertook to treat its property as property capable of being despoiled, not as devoted in whole to the public interest.

That is why we were eminently justified in canceling the franchise. The franchise having been canceled, the property is merely property, and no longer a going concern. The fundamental law of eminent domain can be relied upon—and the courts can be relied upon in the exercise of the law—to protect insofar as values are concerned all proper interests which may exist upon the termination of the franchise and the subsequent taking of any part of the property.

Mr. HOLLAND. Then, Mr. President, is it the position of the Senator, now that the franchise has been canceled, that Congress should pass a law which would permit the interim authority to cancel any right the owners of the properties might have to attempt to sell them as a unit elsewhere, or attempt to sell any portion of them—as, for example, buses as a group of buses—elsewhere, and which, further, would permit the interim authority to take what it pleased to take and leave what it chose to leave, or to take what it pleased for such time as it pleased, and no more, thus completely canceling any proprietary use of this property as a unit, or in conjunction, one bus with another, or one part of the property with another? Is that the concept the Senator from New Jersey has?

Mr. CASE of New Jersey. Again I must agree that the Senator's interpretation of the power, of the authority if the bill be passed, is in accord with my own.

I am quite unable, however, to accept the suggestion of the Senator from Florida that there is any longer any going concern value or a unit value to this property come the day when the franchise is terminated. It is inconceivable that such a value could exist, in any event, except in connection with the District of Columbia. The right to operate here is what gives this property a unit value. Several buses together are not worth more than one or more alone, it seems to me. One can be transferred without taking away from the unit value of the system. The system has value only in connection with the right to use the property on streets in pursuance of the operation of the local transit system in a particular city, in this case the city of Washington.

Again I should like to emphasize that if there should be any unusual destruction of value of this property, if it has a value as a whole, by the taking of only a part, the courts, under well-known principles of the law of eminent domain, will grant compensation for such destruction.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ALLOTT. I am very happy the Senator from Oregon has brought up this particular subject, for the reason that, as I interpret what has been said, there seems to be a difference of opinion between the Senator from Oregon and the Senator from New Jersey. My own comprehension of the subject falls more along the pattern of what the Senator from Oregon has stated. I believe it is important that we do 1 of 2 things. We should either amend the bill, or make so plain the legislative history as to what was agreed on and what the bill means that no one will be able to quarrel about it again.

Mr. HOLLAND. I appreciate that comment of the Senator from Colorado, but it seems to me we are getting into a more involved position, because the Senator has very clearly said that the Senator from Oregon and the Senator from New Jersey did not interpret the proposed legislation and its legal meaning alike, and the Senator could just as truthfully have said that the Senator from Florida does not agree with either one, although finding some things in the statements of both of them with which to agree. I now understand that the distinguished Senator from Colorado has said that while he does not fully agree with either of them, he comes nearer being in the position of the Senator from Oregon. So, we find four different opinions on this matter which involves some property rights and which should be just as clear as language can make it. It seems to me that the Senator is giving a clear showing that there is confusion instead of harmonious, unified interpretation of the meaning of the proposed legislation.

Mr. ALLOTT. Mr. President, if the Senator will yield further for a moment or two——

Mr. HOLLAND. I yield.

Mr. ALLOTT. I should like to invite the attention of the distinguished Senator to title XVI of the District of Columbia Code which I shall read to him. It bears on this question.

Paragraph 16–620, entitled "Procedure—Petition—Contents," provides as follows:

> A prayer that said lands be condemned and taken for the use of the United States and that the title to the same in fee simple, or such estate or interest as may be specified, be vested in the United States.

That is not the same as the language written in the bill, which provides that the authority shall deposit in the registry of the court the amount of the estimated compensation stated in the declaration, and title to said real or personal property in fee simple absolute.

Mr. HOLLAND. "Or such less estate or interest therein," and so forth.

Mr. ALLOTT. That is correct. And the code provides:

> Or such estate or interest as may be specified.

It is difficult to separate the judgment from the things which have occurred, but it is the purpose of each one of us to be objective. I should like to use a little different words, if I may, from the ones which the Senator from Oregon and the Senator from Florida used. It seemed to me when the Senator was speaking of less than fee estates and titles he, perhaps, was thinking in terms of some kind of operating certificates or lease certificates. May I ask whether that is what the Senator was referring to?

Mr. HOLLAND. I mentioned those, and also possessory interests less than full title, and also short-time interests less than those which would cover the full life of the particular property taken.

Mr. ALLOTT. That is the way I understood the Senator.

Mr. HOLLAND. I also stated, I believe, that under the language as I understood it, the important route, the profitable route, could be taken and the equipment which was designed to serve such other routes as might not be profitable or needed, in the judgment of the authority, might be left out.

Those are the very aspects of partial taking, taking in less than fee simple, that I thought I could see clearly written into the provision.

Mr. ALLOTT. I think I agree with the Senator, and I cannot see any justification in the present situation for taking in any instance less interest than the present franchise holder has in the particular property. I feel that this is a situation which, as I discussed it last year on the floor and I shall refer to it later, I feel could have been cured and helped by an entirely different procedure, but, coming up in the last days of the session, we had to take what we had or leave the people of the District of Columbia at the mercy of a dreadful transit situation. If it is an absolute fee which the Capital Transit Co. owns—let us say it is a city block—then I think, if the new authority wants to take all of it, it should take all of it, and if it wants to take a part of it, it should take a part it, and not take a leasehold interest in it. If it is a bus, and the bus is owned outright by the transit company, then I think there is no justification in this particular instance for taking less than an outright ownership of the bus. If the buses or street cars are on some kind of an operating lease or operating certificate, then I can see no justification for taking less than what the Capital Tranit Co. owns in it.

The Senator has made the suggestion, with which I agree wholeheartedly, that none of us wishes to be placed in the position of condoning the financial transactions of this company.

If there be only one person left to be hurt by these transactions, our obligation is to see that that one person's rights under the Constitution and laws shall not be impaired.

So, I hope I have made a proper distinction and have indicated what I consider the meaning should be, namely, that we are not giving the Authority the right to condemn anything less than the full title which the Capital Transit Co. has, I shall not vote for the bill upon any other basis.

Mr. HOLLAND. Mr. President, I appreciate the position of the Senator from Colorado. So far as I am concerned, I crossed the bridge last year when it came to making a decision that there should be a termination year for a service rendered by an agency to a principal when neither one wanted the other. The situation had become intolerable.

I voted for the measure under a good deal more difficult circumstances than did other Members of the Senate, for very obvious reasons, but I did not vote for it with the thought that anything less than the fullest equity and the most complete justice would be applied to the owners, including those who may have been guilty of bad public relations and those who had not. I am quite sure that no member of the committee wishes any treatment accorded under this bill to be less than most completely fair and equitable treatment. So, Mr. President, I think we should certainly have this bill in such words and have the RECORD such as to indicate that we expect nothing less than the most equitable treatment, which shall be taking by eminent domain—a taking rather than a mere renting or using for a period of time while some other adjustment is made.

It seems quite clear to me that under this provision all the rolling stock might be taken under a maximum 3-year temporary period, with the thought that by the end of the 3 years a new investor might reorganize a local transit system, and that at the end of that time most of the present equipment would be obsolete, or certainly obsolescent, and that the new investor would be expected and required, under such terms as might be negotiated, to start off with new equipment, at which time the liquidation and disposal of the old equipment would be back in the hands of a group who for 3 years would have been inactive, who for 3 years would have had no necessity or justification for maintenance of an office here, or, so far as I know, of any activity in this field. I do not think it is fair.

There is another provision in the bill about which I wish to ask, to which I request the attention of the distinguished Senator from Oregon. It is a provision on page 67 relating to the right to take, by eminent domain, the capital stock. The bill contains, in other places, the words "or any portion thereof," meaning that the capital stock could be taken, by eminent domain, in such chips and whetstones as might be found.

The point I wish to make, if I may do so before addressing my question to the distinguished Senator from Oregon, is that that provision is peculiarly inequitable when it is taken into consideration with the part-time condemnation provision which is employed. In other words, it is playing both sides against the middle. It takes the physical assets temporarily, wears them out, and does away with the administrative group which alone could get any fair value out of their disposal; while at the same time it attempts to acquire the stock at its reduced value, which would then be apparent, since the part-time use of the assets had taken place. It even provides that the officers and agents of the Authority, in addition to having recourse to the eminent domain provision, and in addition to sitting in the public position, shall be designated as the officers of the corporation, to wind it up. That, in effect, is playing both sides against the middle, which, as I see it, threatens a possibility of a rather grave distortion of the value in both stock and assets.

My question is this: Was it the intention of the proposal embraced in the bill, as found in subsection (b) of section 203, to empower the Authority to acquire the capital stock of the corporation owning the system, and to give to the board and officers and agents of the Authority the power to act as the officers and board of directors thereof, for the purpose of transferring the property and assets, and for the purpose of liquidating?

Mr. MORSE. It certainly is the intention of the bill that if the District officials decide it is necessary to condemn the whole system—lock, stock, and barrel—it might be necessary also to condemn the stock, in order to control the system for efficient management, leaving it to the courts, under condemnation proceedings, to determine a fair price for the whole works.

Mr. HOLLAND. But I ask the Senator from Oregon if it is not provided, as it appears clearly to be, that the Authority is vested with the power to condemn physical assets, and that the Authority will be in an adversary position as the owners of those physical assets? How does the Senator reconcile that power and that duty of the Authority as a public agency with the other provision that, at the same time, the Authority is empowered to take over the agency whose assets are being taken, and even to serve as the corporate agents in handling the transfer from that side of the table, and then later the liquidation of the concern? Does not the Senator from Oregon think that that puts the Authority, or might put it, in the impossible position of being in two seats, on both sides of the table, and taking adverse positions, especially when they would be representing stockholders not only here but also all over the United States, and perhaps elsewhere, because it would not be required that all capital stock should be condemned, but only such portion thereof as to give the Authority control?

Mr. MORSE. The Senator is confusing alternatives. He is speaking as though there is to be only one procedure followed. If the District officials decide to ask for condemnation of the entire system, then I think the section on page

67, which the Senator has read, is essential for an efficient management of the system.

If, on the other hand, the District officials decide on another alternative, that of simply condemning certain pieces of property—physical property—and certain inchoate rights which have property values to be condemned, so far as the price to be fixed by the court is concerned, then they will not be buying stock.

I think the Senator from Florida must keep in mind the alternatives which will be open to the District of Columbia Commissioners under the bill, but I think—and I say this most respectfully—the premise used by the Senator from Florida in his argument, with which I am in complete disagreement, is that he seems to think that after midnight of August 14 the Capital Transit Co. will be a public utility in the District of Columbia. But it will be a combination of owners who own some physical assets and may own some leases, which they will have to dispose of.

A condemnation proceeding, as the Senator well knows, is a very harsh proceeding; but the owners are protected by the courts, which will make certain that the owners get a fair price for whatever property value is being taken away from them in the public interest. The court must find that the condemnation proceeding, or the request in the condemnation proceeding, is in the public interest. If it is in the public interest, then there is no question about the power of the Government to proceed to condemn, and the court will protect the owners.

The Senator from Florida has said that the stockholders may lose something. Of course they will lose something after midnight of August 14. But that is not the responsibility of the United States Senate. The stockholders made an investment. They invested in a company which held a franchise that was subject to sudden cancellation. That is their risk of investment. If they made a poor investment, that is too bad.

But we certainly are not going to have the taxpayers of the country pay the stockholders for something to which, under the law, they are not entitled, and which would be a gratuity handed to them by Congress because Congress exercised its legal rights under the franchise. It is too bad whenever people make a bad investment; but it may very well be that the investors about whom the Senator from Florida is speaking made an investment which will be a bad investment after midnight of August 14.

However, in the bill we have simply set forth the power of the Government to exercise its condemnation rights, as will be seen on page 68, line 22:

> (c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

If that does not give the stockholders 100 percent legal protection, I do not know what language will do so. What we provide is that whatever property value they have which will be taken away from them by condemnation will be taken under a court order, and they will get the value the court will allow under condemnation law.

I do not know what wrong is being done anybody by asking to have the processes of condemnation flow in a case such as this.

The Senator from Florida keeps talking about a difference between the Senator from New Jersey [Mr. Case] and the Senator from Oregon. I do not think there is a real difference between us. I repeat my understanding of the situation. My understanding is that, so far as the physical property is concerned, the property to which title can be transferred, if the District of Columbia Commissioners want to condemn that property, they should proceed to condemn it from the standpoint of having title transferred.

Mr. HOLLAND. Whatever title the present owner has.

Mr. MORSE. Whatever title the present owner has. I quite agree with the Senator from Florida that we should not say we are going to take the streetcars and buses for 3 years and will use them for 3 years; or that if we do not need them for 3 years, or if we are ready to sell to X Co., a private company which might come into the District, and if X Co. says it does not need the vehicles we have, we will give them back to the Capital Transit Co. I do not think that is contemplated in the bill. In my opinion, it could not be contemplated, under the bill. In my opinion, no court would sanction such action under the bill, if an attempt were made to proceed in that way.

I think, in that case, the title to the property ought to be condemned. But, as the Senator well knows, there are many intangible property values which are owned by this company, such as leasehold interests.

Mr. HOLLAND. Would the Senator from Oregon be willing, in connection with tangible property, to have inserted in the bill appropriate words to make it clear that, in the condemnation of tangible property, whatever right, title, and interest the present owners have, in the event the property shall be required and shall be taken under condemnation, the whole interest of the present owners shall be condemned?

Mr. MORSE. The whole value of that property shall be taken.

Mr. HOLLAND. I think, then, the Senator and I are not far apart.

Mr. MORSE. I do not think it could be done in any other way. I cannot imagine that a court would sanction any other course.

Mr. HOLLAND. Apparently there is very great difference between the Senator from Oregon and the Senator from New Jersey on that point.

Mr. MORSE. I do not think so, although the Senator from New Jersey is present and can speak for himself.

Mr. HOLLAND. I have had considerable colloquy with the Senator from New Jersey off the floor, while the Senator from Oregon was speaking, and I am sure that is his opinion. If it is not his opinion, I shall be glad to yield to him so that he may state what his opinion is.

Mr. MORSE. If the Senator from Florida will permit me——

Mr. HOLLAND. Before we hear the opinion of the Senator from New Jersey, let me say a word about the capital stock. Again I am disposed to go along 100 percent with the Senator from Oregon if the bill provides, as the Senator from Oregon apparently thinks it should provide, from what he said, that the two rights shall be alternative. That is, in the event the right of public domain in connection with the physical assets is exercised, the capital stock may not be taken; or that, conversely, if it is desired to proceed to the taking of the capital stock by eminent domain, that may be done, but in that case they may not proceed on the other side. I think we are exactly in accord in our views, because I have heard the Senator say that, in his judgment, these are alternative rights, and that they cannot be used at the same time. I understand that the Senator would not object to the clarifying of that provision in the bill.

Mr. MORSE. If the bill needs clarifying, but I think it is pretty clear, let me say to the Senator, although come midnight August 14, the stock is not going to be worth much.

Mr. HOLLAND. There is a very distinct value there, and I do not believe the Senator wants to destroy that value in whole or in part. I am sure he does not. I cannot believe any Senator, and certainly not the Senator from New Jersey [Mr. Case], the Senator from Colorado [Mr. Allott], and other Senators who have followed the argument, and who realize what is involved, would for a moment take the position that full compensation should not be made.

Mr. MORSE. Whatever value the court finds.

Mr. HOLLAND. The two amendments the Senator and I have discussed would largely relieve the mind of the Senator from Florida.

Mr. MORSE. Will the Senator permit one interruption, for the sake of legislative history?

Mr. HOLLAND. I yield.

Mr. MORSE. I want to make it clear that I do not think the Senate and the House of Representatives would have any right to provide for the payment of $1 for this company after midnight, August 14, for it would then be a defunct company so far as a going concern or public utility is concerned. After midnight, August 14, it will cease to be a public utility. It will be as dead as a dodo. It will not be worth a cent as a public utility after midnight, August 14. Now, I know what the Wolfson interests are up to.

Mr. HOLLAND. If the Senator knows that, I do not.

Mr. MORSE. I think it is perfectly clear.

Mr. HOLLAND. I have not been given the chance to learn.

Mr. MORSE. Let me tell the Senator what I am satisfied they are up to.

They want to milk the District once more. They want to collect book value for stocks after midnight, August 14, and I do not intend to stick the taxpayers of the United States for book value.

Mr. HOLLAND. Let us have one thing clearly understood. So far as the Senator from Florida is concerned, he wants the bill to be on the up-and-up.

Mr. MORSE. So do I.

Mr. HOLLAND. But now it is not on the up-and-up, because it is admitted that two things which need to be corrected are in the bill, and their misuse would be possible. As I understand, we are together on amendments which would obviate any chance of that misuse. So far as the Senator from Florida is concerned, he knows perfectly well that when he voted to cancel the franchise last year he was taking the position the Senator from Oregon is taking now with reference to the nonexistence, noncontinuance, of a going public utility after the date of the cancellation becomes effective. He also knows, however, that this property was assembled to serve in a public utility capacity. The Senator from Florida thinks he saw in the newspaper only 2 or 3 days ago that this utility had been picked out as the safest public utility in operation in the Nation. Therefore the rolling stock and the equipment, as well as the administration, must have been reasonably safe from that point of view.

Mr. MORSE. Including the labor that handled it?

Mr. HOLLAND. Including the labor that handled it.

So far as the Senator from Florida is concerned, he wants fair treatment for the owners, and he wants them to have the right to have their property considered as a property, not as a going public utility, because it lacks the franchise, and lacks the good will to get its franchise back; but the property is there, and it should be considered as an entity, and the owners should have a right to get full value for it. Any proposed law which deprives them of that right is not legislation the Senator from Florida would be interested in seeing passed.

I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. The Senator from Florida is most generous.

Mr. HOLLAND. The Senator from Florida recognizes the high, outstanding legal ability of his distinguished colleague from New Jersey. He hopes he will get guidance which will be highly beneficial to him and the Senate.

Mr. CASE of New Jersey. The Senator from Florida is most optimistic.

Mr. HOLLAND. The Senator from Florida thinks the legislative record will be made clear, and not confused, by the Senator from New Jersey. The legislative record indicates that great legal minds in the Senate, the Senator from Oregon, the Senator from New Jersey, and the Senator from Colorado, are at least thinking somewhat alike in this very important matter of what is to happen to some millions of dollars worth of valuable assets which will not have a home, so far as being a municipal utility is concerned, on the day the franchise becomes canceled.

I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. First, I may say that the injection of myself, perhaps gratuitously, into the discussion of the two Senators was for the purpose of making clear that I think the language of the bill is plain. I believe that under the regular tenets of statutory construction no court would even look at the Record of the congressional debate to determine what was meant by the words in the bill, nor do I think that a court should. It was my concern that we should not get into a kind of hassle such as would raise any doubt about the plain meaning of the words.

I think less than the whole interest of the property may be taken. Whether it should be is another question.

Mr. HOLLAND. And a temporary interest in point of time?

Mr. CASE of New Jersey. And a temporary interest in point of time.

Mr. HOLLAND. I thank the Senator.

Mr. CASE of New Jersey. I must say to the Senator my knowledge of the law of eminent domain falls short of knowing whether a court would permit the interest for 1 day in a bus to be taken. I do not think any court would permit that kind of taking, and I believe the Senator from Florida is worrying about a bogeyman that does not exist.

Mr. HOLLAND. The history of the takings made by the Federal Government in the course of World War II in my own State affirmatively shows many times over that temporary takings in point of time can be brought about, and by no means is a governmental agency clothed with the power of eminent domain confined to taking the ultimate interest. The question is whether it is sound public policy to take less than the ultimate interest the corporation has.

Mr. CASE of New Jersey. I would concur with the Senator entirely, and I am sure this is the view expressed by the Senator from Oregon, that if a tangible piece of property like a bus or a certain piece of machinery is to be taken, the whole interest of the owner should be taken, whether it be Capital Transit or John Jones.

However, I wish to emphasize once more, if I can, that if the Senator believes we should limit the new authority—if it exercises the power of eminent domain in regard to any of the property of the Capital Transit Co.—to the taking of all or none, I must fully and completely disagree with him; and I would say we should not amend the bill in such a way as to make that a requirement.

Mr. HOLLAND. Does the Senator from New Jersey mean all assets of every kind?

Mr. CASE of New Jersey. Yes; or even all the assets used or recently used for the operations. I think there should be no such requirement as that.

Mr. HOLLAND. But now the Senator from New Jersey does take the position, does he, that any property which is taken should be taken as to the ultimate title the corporation has in it?

Mr. CASE of New Jersey. I would not go so far as to say that in regard to all kinds of property. I know of none, but I can imagine there could be certain kinds of property, such as interests in easements, and so forth, in which a taking of less than the whole interest might be desirable. But I was talking about the common, garden variety of property, such as a bus.

Mr. HOLLAND. Let us refer to tangible property. Do I correctly understand the Senator from New Jersey to say that, in his judgment, under this bill only an interest in tangible personal property could be taken in the condemnation of particular assets?

Mr. CASE of New Jersey. I do not think that is what the bill says.

Mr. HOLLAND. How well I agree with the Senator from New Jersey.

Mr. CASE of New Jersey. I would consider an amendment on the merits.

But beyond that, I think the Senator from Florida is concerned about something which is not really a danger about which we should be concerned.

I return to my original point, namely, that the courts really have the ultimate authority in regard to the ownership of property, in the case of eminent domain, or in regard to the fixing of the amount of damages. So we can safely leave such matters to the courts.

Mr. HOLLAND. I do not know what other property may belong to the Capital Transit Co.

Mr. CASE of New Jersey. Neither do I.

Mr. HOLLAND. But in reading the newspaper accounts in regard to the negotiations, I have noticed there is much argument as to whether streetcar service should be continued or whether streetcars should be replaced by buses; and there has also been argument as to whether, if a new concern is brought into the picture, it would sign up on the basis of all-bus service or whether it would be permitted to operate the streetcars. In the Washington press, both in news articles and in editorials, there has been considerable reference to such matters.

Mr. CASE of New Jersey. That is correct.

Mr. HOLLAND. I have seen those articles and editorials.

When I read this measure—I never read it until I came to the floor today, and I have not had a chance to read it fully—it seemed very clear to me that the position of the Senator from New Jersey is correct, and that a partial taking is permitted. I believe that is inequitable.

I am happy that apparently we are about to agree now on two amendments; and I refer briefly to this matter in the hope that I am correct about it. I state frankly that I do not know enough about the bill to engage in its actual drafting. However, as I understand, there is no objection to the position that in the event tangible personal property is taken——

Mr. CASE of New Jersey. An item of tangible personal property.

Mr. HOLLAND. Yes; that if any personal property is taken, the ultimate property interests now belonging to the Capital Transit Co., or at the time of the taking belonging to it, shall be condemned, and that nothing less than that shall be condemned. I see both Senators nodding, indicating that that is correct. Very well.

The second is that in the case of the capital stock, which is not listed separately in the bill; to the contrary, everything is listed in one sentence——

Mr. CASE of New Jersey. As I recall, the bill does not contain a reference to "capital stock."

Mr. HOLLAND. Oh, yes; it does. I now read, from page 67 of the committee amendment, paragraph (b):

> In exercising the aforesaid powers to acquire a transportation system, the Authority is hereby authorized to acquire the capital stock—

And so forth.

Mr. CASE of New Jersey. Of course the Senator from Florida is correct. I was thinking of the earlier section in regard to general condemnation.

Mr. HOLLAND. Yes.

My hope and my belief now are that we are agreed about an amendment which will give these powers in the alternative: either that the Authority may exercise the rights of condemnation in its own, sole discretion, in acquiring the capital stock, or such portion of it as to give it control; or that, as the other horn of the dilemma, as the other alternative, it shall have the power to proceed as it wishes regarding the acquisition of such tangible assets as it may need, whether they be real estate or tangible personal property.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. McNamara in the chair). Does the Senator from Florida yield to the Senator from Colorado?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. For myself, and according to my own understanding of the matter, I would not agree to such an amendment. From a practical standpoint, it seems to me that the Commissioners, or whoever would be exercising the authority, could proceed in one way or the other, namely, condemn certain tangible or intangible assets, or all of them; or, if they took the other tack, and condemned property, it seems to me it would have been unwise to move the other way in the first place.

What we are destroying, and what we did destroy last year, are actually two things. First of all, we destroyed, by vote of the Congress, the corporate franchise, which will be ended on August 14. Second, we destroyed the franchise which the corporation has to operate a public utility in the District of Columbia.

While certainly the franchise to operate a public utility will be completely destroyed on August 14, if nothing intervenes, if no action by the Congress takes effect before then, the second item remains, namely, the corporate franchise. While it exists, I believe it will occupy the position occupied by the directors of the corporation. Some of my scholarly legal colleagues can correct me if I am mistaken about this, of course. Thus, I think it will, in effect, hold all the property of the corporation, as trustee for the stockholders, and in the proportions to which they hold their respective shares of the stock. So, even though these two things are shut off on August 14, we shall not destroy the value the stock has.

But as a practical matter, although I am not willing to agree to the amendment suggested by the distinguished Senators, by means of which the Commissioners would be forced to acept one or the other, it seems to me that when the Board of Commissioners act in regard to this matter, they would of necessity, and as a matter of practicality, have to choose either one or the other. In other words, either they would have to condemn the stock and take over the whole thing, lock, stock, and barrel—and condemning the stock might be the best way—or they might condemn selected items of property and interests.

Mr. HOLLAND. Then, as I understand the Senator from Colorado, he agrees with the Senator from Oregon that the two approaches are in the alternative, and both cannot consistently be taken at the same time.

Mr. ALLOTT. No, I do not agree as to that. As I consider the matter from a business standpoint and a legal standpoint, I can see nothing which would impel them to seek both at the same time. But I am unwilling to compel them to keep from seeking both at the same time, if there should arise circumstances which would make them deem it advisable to do so.

Mr. HOLLAND. In other words, if they feel that they would like to control the picture on both sides at the same time, the Senator would have no objection to their being allowed, by court action, to do so.

Mr. ALLOTT. Yes; for this reason: The Authority can acquire this property in only one of two ways. It may do so by agreement with the Capital Transit Co. prior to August 14, or with the directors thereafter, or it may do so by condemnation. If they do so by agreement with the Capital Transit Co., I assume that those people are not going to do anything which is opposed to their own personal interest. However, I also believe that if they go into court the court will say that the Capital Transit Co., or its stockholders—or, in the end, its remaining stockholders—will be protected to the hilt with respect to what they have, and what their stock or equipment is worth as of the time of taking.

Mr. CASE of New Jersey. Mr. President, I wish to associate myself with that viewpoint.

Mr. HOLLAND. The Senator's viewpoint is that the two procedures are in the alternative, but that the bill should not insist that, at any fixed time, the Commissioners or the Authority must elect to go either one way or the other.

Mr. ALLOTT. Yes. Let me explain to the Senator the way I am thinking, and perhaps that will help him to understand my position.

Let us assume that the Commissioners or the Authority should decide to take a certain specified amount of stock. Assume that they were to take a block of property here, and a block somewhere else, to handle and house equipment, and still another piece of property for office buildings. They might say, "We are going to take all the buses, but we are going to leave the streetcars alone."

Then suppose they were to get into a legal hassle or encounter a delay which would make it impossible for them to perform the functions which we want them to perform under this authority. In that instance, if it seemed the more practical way to proceed, I would still wish to leave them the power to condemn the entire corporation, including all its assets, leaseholds, franchises, and licenses, in one lump.

Mr. HOLLAND. I thank the distinguished Senator. I think I understand his position.

There is one further question which I should like to discuss. I apologize to the Senator from Oregon, both for the length of my interrogations, and also for the fact that I have not had an opportunity to read the proposed legislation. I have been busy in an Appropriations Committee hearing downstairs. The Senator saw me when I returned to the Chamber.

What provision is included in the bill with reference to the settlement of labor-management disputes? I remember that last year we had what I thought was a very sound provision when the bill passed the Senate—although I do not believe it was included in the bill as finally passed. It amounted to compulsory arbitration. What provision is in this bill?

Mr. MORSE. There is no provision in the bill for compulsory arbitration. It provides for collective bargaining between the Authority and the workers, and it provides for voluntary arbitration before a tripartite board of arbitration, if the parties want it. It does not destroy the right either to lockout or strike, but I believe that under the language of the bill, and the procedure permitting arbitration, voluntary arbitration procedure will be followed.

Mr. HOLLAND. Am I correct in my recollection that last year when we passed the earlier bill in the Senate, a compulsory arbitration provision was included?

Mr. MORSE. It was not in the bill.

Mr. HOLLAND. It is my recollection that there was such a provision. The Senator from Oregon says that such is not the case.

Mr. MORSE. That is correct. However, I will double check to make sure.

Mr. HOLLAND. I take it for granted that I am in error, because I do not maintain the same familiarity with this field as does the Senator. As he well knows, I cannot.

Mr. MORSE. There was a long discussion in the committee with respect to the so-called labor section. I think we have made a pretty good adjustment with respect to the problem, in that we provide for the establishment of a voluntary tripartite board of arbitration if the parties wish to submit their disputes to arbitration; but it is voluntary, and not compulsory.

Mr. HOLLAND. The so-called temporary authority, it seems to me, would be permanent, because almost without any hiatus whatever, it flows from temporary to permanent status 3 years from now. What assurance do we offer the people of the District of Columbia and others who use this facility, this utility system, of freedom from such stoppages as brought on the entire trouble last summer?

Mr. MORSE. None at all. It is one of the risks of freedom. It is one of the risks that is run in San Francisco, Cleveland, Chicago, Boston, and every other city in which there is a transportation system. The right to strike is not destroyed. But I do not think we have any reason to be greatly concerned about the danger of a strike if we provide for an arbitration procedure. Our difficulty previously was that we were confronted with a situation in which one of the parties would not arbitrate on a voluntary basis. In my judgment the strike would not have occurred, and there would not have been 1 day of stoppage if the Capital Transit Co. had been willing to submit to voluntary arbitration.

Mr. HOLLAND. My own feeling is that we are not getting anywhere on any basis of finality unless, when we are turning from private operation to public operation, we make use of one of the few justifications for such a course. There are other justifications, but I think the principal one is with respect to the treatment of employees as public employees, depriving them of the right to tie up the system, by applying compulsory arbitration, a receivership proceeding, or a cooling-off period. There are many different ways of approaching the problem, but apparently the committee, in its wisdom, has not adopted any of those ways. Is that correct?

Mr. MORSE. The Senator is correct.

Mr. HOLLAND. I must say that I regret that decision very greatly, because I think we are doing away with much of the justification for making a public authority out of this transportation system if we fail to avail ourselves of the undoubted right, when we enter the field of public service, just as we do in the case of Federal employees, to insist that there be no strikes. I do not see how we could conscientiously treat citizens of the District of Columbia any differently from the way we treat the Nation as a whole, in connection with insisting that there be no strike on the part of public employees of the Nation generally.

Mr. MORSE. Of course, the pattern in public ownership of municipal transportation systems is not a pattern of prohibition of strikes. The pattern is rather one which provides for arbitration machinery. The parties voluntarily agree to write into their contract voluntary arbitration machinery, and the record is perfectly clear that, when it is present, it is used.

It is the old issue again. When a municipal government takes over what is really an entrepreneur activity, it is proposed to say that those who work in that activity are to be denied the freedom of striking.

We have followed the course of action which I understand is followed with respect to most of the municipal operations in the country today. The right to strike exists, but what the parties actually do is to arbitrate their differences. However, there is no compulsory arbitration.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of New Jersey. On this point, it seems to me that there is a great deal of difference between a police force or a fire department and employees who are operating a municipally owned transit system, and that different ways of treating employer-employee relationships are not only justified, but very desirable.

Speaking for myself, I believe that the provisions in the bill in regard to permissive arbitration, with the preservation of the right to strike, are best adapted to the particular function which this authority and its employees are designed to perform.

Mr. HOLLAND. I may say with equal candor that I believe we are passing up the first opportunity we have had under any reasonable approach to assure the continued operation of the transportation system of the District of Columbia by failing, at the time we create a public authority—although called or named interim, and created for 3 years, it can flow on at the end of 3 years without any hiatus at all into a permanent public authority to provide any semblance of unusual handling of the labor-industry problem, which is certainly greatly different in this field from that which exists in ordinary industries.

I see no justification for it, and I regret that the committee has not seen fit to offer the Senate some well-studied provision on this subject.

I say that because the citizens of the District of Columbia, many of whom are very regretful about having to go into a public authority of any kind, will feel that, as usual, we have been derelict in our duty to them by failing to prescribe something that will assure them continued operation.

After all, the whole background of the trouble developed from a difficulty between industry and labor and the stoppage that forced us to take the action last July to cancel the franchise.

Are we, to proceed—I will not say with indifference, because we are not indifferent about it—with supreme trust in the fact that the setup we are creating now will be so different that no arbitrary position will be taken which will result in merely coasting into more stoppages, coupled with the highly expensive provisions to the people generally which are involved in connection with the setting up of the public authority?

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I thank the Senator from Florida for yielding to me. In connection with this subject, there are certain things which took place in the hearings that I believe should be made a part of the Record. One of them I find in the third volume of the report of the proceedings, on the pending bill, at page 176.

Mr. HOLLAND. Does the Senator from Colorado mean that the hearings on the bill have not been printed, and that the Senate is proceeding on the pending bill—with all the matters which the Senate has handled and which have been regarded as important to someone—without having the benefit of the printed hearings, which would make available to all of us the record of what transpired behind committee doors?

I see that the Senator from Colorado is reading from a typewritten transcript. Therefore I assume that, as usual, the District of Columbia is receiving the short end of Senate service.

I do not remember that we passed on a bill during this session of Congress which was so lightly regarded that there was no printed hearing record in existence, thus making available to all Members of the Senate a record of what had transpired in committee.

I certainly appreciate the fact that the distinguished Senator from Colorado now plans to read into the Record some portions of the record with respect to what transpired at the hearings, which he believes will illuminate the debate record.

Mr. ALLOTT. I hope the distinguished Senator from Florida will not let any of his irony pass over to this insignificant member of the committee.

Mr. HOLLAND. The Senator from Florida is not using irony at all. Since his smiles cannot be translated into the printed words of the Record, the Senator from Florida wishes to make it very clear that he is smiling very broadly, and so are his three friends—the Senator from Oregon, the Senator from New Jersey, and the Senator from Colorado. All of us know in the very bottom of our hearts that we are the sorriest city commission in the United States, and that this is but another evidence of the fact that we do not propose to regard our responsibility to the 800,000 people who live in the city and the millions of people who visit here as anything else but something that must be tolerated.

Mr. CASE of New Jersey. Will the Senator permit me to interrupt at this point?

Mr. HOLLAND. Which must be tolerated and worked off with the least possible effort and with the least possible expense and with the least possible information to the Members of the Senate, other than to those who serve with such ability and distinction on committees, in this case the Committee on the District of Columbia.

Mr. CASE of New Jersey. Mr. President, will the Senator from Florida permit me to make only one point at this time?

Mr. HOLLAND. I am glad to yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I merely wish to say that the record has been available in the very familiar office of the Committee on the District of Columbia. It has been available at all times in that committee to all Members of the Senate. Not one Senator has asked to see the record. That includes—although I know he has been busy with other matters of great consequence—the Senator from Florida. The record is available now in an adequate number of copies.

Mr. HOLLAND. I thank the distinguished Senator from New Jersey for illuminating the Record. The Record now shows that one copy of the hearings——

Mr. CASE of New Jersey. Several copies of the hearings are available, if

I may again interrupt the Senator to advise him on that point.

Mr. HOLLAND. The Record now shows that several copies of the typed report of the committee hearings—not contained in one volume, I believe, because the Senator is apparently reading from one of several volumes—are available. The Senator says that several copies are available and that no Senator has looked at them in the office of the committee.

Mr. CASE of New Jersey. Five copies have been available, if I may advise the Senator.

Mr. HOLLAND. The Senator from New Jersey states that five copies are available, and that no Senator has looked at them in the committee.

Mr. CASE of New Jersey. Except members of the committee, of course.

Mr. HOLLAND. Except members of the committee. All of that bears out the point that the District of Columbia is a stepchild. It also bears out the point that the printed records—which in connection with every other bill of consequence we have passed have been available and have been read assiduously during the course of the debate—are not available in this case; and that Senators during this debate have had to glean what they could, with the Senator from Florida reading a paragraph here and a paragraph there from the bill after he rushed into the Chamber from a hearing before the Committee on Appropriations. Other Senators have not even bothered to attend. Mr. President, let us determine how many Senators are on the floor at the present time.

Mr. CASE of New Jersey. It is a rather large number, I believe.

Mr. HOLLAND. I am glad to say for the Record that an unusual attendance is on the floor. There are 9 Senators on the floor, of a total of 95 Members at the present time.

Therefore I shall withdraw and not say what I was about to say about the poor attendance in the Chamber. Nine Senators are present. That fact ought to be a cause for felicitation.

Mr. MORSE. I still insist that such an attendance is shocking.

Mr. HOLLAND. Of course that was one time when the Senator from Florida was indulging in a little bit of irony, because he believes that a measure involving to the extent this one does, the taking of private property, which brings only nine Senators to the floor—and those Senators without information as to what transpired in committee, because they have not had available to them the printed record of the hearings, to which they may refer—is as clear a showing as is needed. I insist, however, that none is needed because I believe everyone knows just what kind of treatment the District of Columbia has received in general in the handling of its problems. At any rate it bears out the statement of the Senator from Florida—which he utters not with irony and not with anger—that we, the Senate and the House, the Congress, constitute the very worst city commission and the very worst city council and the very worst city governing body to be found anywhere in all the confines of the United States. Of course all Senators on the floor know that the Senator from Florida has for 10 years been voting consistently for home rule, and proposes to continue to do so, because so long as this kind of thing continues we cannot expect to have a well-run city. We do not have it.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MORSE. I merely wish to say that I completely share the comments made by the distinguished Senator from Florida. His comments are very similar to those I have made for several years on the floor of the Senate. That is why I believe we ought to get rid of these problems, by placing them in the hands of the city officials. That is one reason why I am so very much in favor of the pending bill.

Mr. CASE of New Jersey. Mr. President, will the Senator yield for one comment?

Mr. HOLLAND. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. It is obviously very embarrassing for members of the committee, including myself, to defend themselves from the suggestion that they are the very worst possible governing body. I do not disagree with the Senator.

Mr. HOLLAND. Oh, no. My suggestion was—and it was more than a mere suggestion—my statement was that the Senate and the House, including all Members of both Houses, have been responsible. We cannot shrug off this responsibility because it is partly our responsibility. It constitutes the very worst city governing board to be found in all the confines of the United States. I do not believe anyone could be found who would dispute that statement.

Mr. CASE of New Jersey. On the question of home rule, I agree completely with the Senator from Florida. I believe there are matters in which the Federal Government has an interest, which it is proper for us to consider as a Congress, and to retain some measure of control, all of which, I am sure, can be worked out; and no disagreement on that score need exist, I am sure. While I agree in general on that proposition, I think the pending bill is the wise and right solution of a very pressing problem.

Mr. HOLLAND. I thank the distinguished Senator.

I now yield, Mr. President, to the Senator from Colorado.

Mr. ALLOTT. If I may, first, thank the Senator for yielding to me, I shall continue from where we left off. This reminds me somewhat of the situation of a preacher who goes to church and finds only five members present and preaches a great sermon on sin, but those who need it most are not there to hear it.

Mr. HOLLAND. May I comment that since I said a while ago that there were 9 Senator present, there are only 7 present at this time.

Mr. CASE of New Jersey. They will read the printed Record.

Mr. ALLOTT. To get back to the record, with which I assure the Senator I had nothing to do——

Mr. HOLLAND. The typed record.

Mr. ALLOTT. It appears to be mimeographed, so there must have been more than one copy made.

On page 176, I find Secretary Mitchell sent to the Senator from West Virginia [Mr. Neely] a letter from which I now read:

> Dear Senator Neely: I am taking this opportunity to state my views with regard to the labor provisions of S. 3073, the bill recently introduced to establish a public transit agency in the District of Columbia. Under the circumstances created by this bill where public operation of a formerly private enterprise makes it necessary for the employees to forego the right to strike, a method should be provided for the handling of labor-management relations and the settlement of disputes.

Mr. HOLLAND. Do I correctly understand that the Secretary stated by implication that the employees should forego the right to strike in such a relation as this?

Mr. ALLOTT. That is the implication of it. There is more to it. I read further:

> The legislation should make it clear that the transit agency has the authority to bargain collectively with representatives of its employees and to enter into written collective bargaining agreements, and to submit disputes to mediation and arbitration.

I thought there was more about it in the letter, but I do not find it.

With reference to the first draft of the bill, when the matter was on hearing, as the Senator may see if he refers to page 43, numerous titles of laws were mentioned. One of them was the Hatch Political Activity Act, and another was Public Law 330 of the 84th Congress, prohibiting the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States. It provides that no person shall accept or hold office or employment in the Government of the United States or in any agency thereof, including wholly owned Government corporations, who participates in any strike or asserts the right to strike against the Government of the United States or any such agency.

I do not know whether this proposed Authority is an agency of the United States or whether it will be wholly owned by the United States. It seems to me, and I have always taken the position, that since Congress, in its act last August declared that this was not only a matter of great emergency to the District of Columbia but also a matter of great emergency to the Government of the United States, this is one instance in which we should seriously consider that the right to strike should be seriously curtailed.

I should like to refer to page 231 of volume 4 of the hearings, where Mr. Bierwagen, who, I think, is the president of the union, had been asked by me with respect to several matters. He said:

> Mr. Chairman, yesterday we left off on page 2521 of my statement. I am going to begin where we left off.

He discussed a no-strike pledge as an effective guaranty of continuous operation under fair wages and working conditions.

I cannot refer to the exact testimony, because I am under the same handicap as that of the Senator from Florida.

Mr. HOLLAND. In other words, the Senator does not have an indexed printed copy of the record of the hearing.

Mr. ALLOTT. I do not. But at that hearing, it is my recollection that when I questioned Mr. Bierwagen, one of the repeated things he said was that he was perfectly willing to give a no-strike contract. We do not have that in the new bill which has been written, and in the stricken-out portions on pages 42 and 43 there is no reference to what is known as Public Law 330 of the 84th Congress limiting the right to strike.

I have prepared a memorandum and an amendment which will include that provision in the bill and will reinsert that portion of the act in the bill. It was my understanding from Mr. Bierwagen that that was the intention, that if we did write this kind of an act we would have assurances that there would be no strike. Certainly, I do not think I misunderstood him. If we are going to establish machinery which is fair to every employee, eminently fair to the union, then I think we should have some assurance on the other side that we are not going to be precipitated into a situation such as that which existed last year. It is not only a matter of great concern to the District of Columbia but to the Government itself. I intend to offer my amendment later.

Mr. HOLLAND. I shall be happy to support the amendment. I see how it was that I got the understanding that at the time we passed the bill last year there was some provision with reference to avoiding strikes. I find it now in a measure which must have been passed on the same day, August 9, 1955, H. R. 6590, which provides that "no person shall accept or hold office or employment in the Government or in any agency thereof, including wholly owned Government corporations, who participates in any strike or asserts the right to strike against the Government of the United States or such agency."

I am advised by the distinguished Senator from Colorado that subsection 4 of section 1 is also applicable. I read it:

> Is a member of an organization of Government employees who assert the right to strike, knowing that such organization asserts such right.

Mr. President, with that law on the books it seems to me we would be guilty of the most gross dereliction of duty if we should saddle the people of the District of Columbia with this publicily-owned and highly expensive authority for the handling of its transportation problems and completely omit from the bill such an important provision, because the employees will certainly be working for a wholly owned Government corporation.

I hope the distinguished Senator from Colorado will offer the amendment which he has in mind, so that the Senate may correct that deficiency.

I regret to have taken so long, but I appreciate the very great frankness and generosity of the distinguished Senators who have participated so agreeably in the colloquy.

I feel it is too late for us to retrace our steps and to go back to an operation which is unsatisfactory to the server, unsatisfactory to the people served, and unsatisfactory to Congress. The franchise has been once terminated, and an unpleasant duty it was to terminate it; but I feel that an act of the type which is here proposed is desirable, provided it includes provisions of the kind we have been talking about.

I hope the eminent Senators and the counselors who are handling the matter will see to it that the other matters which have engaged my very deep concern are corrected, because I should like to be consistent with my vote and my hope of last year, that we might move toward a permanent solution of this very great difficulty which has been harassing the people of the District and which is only partially solved now.

SUSPENSION BY THE DEPARTMENT OF THE AIR FORCE OF SIDNEY HATKIN ON SECURITY CHARGES

Mr. LEHMAN. Mr. President, in the last 2 days the press have given front-page attention to the story of one Sidney Hatkin, a civilian employee of the Air Force Department, who was suspended by the Air Force on security charges and who was subsequently approached by a Soviet agent. Mr. Hatkin not only spurned the offer by the Soviet agent, but he loyally reported the facts to the appropriate officials of the United States Government. No recognition has been taken by our Government of this act of loyalty on Mr. Hatkin's part. He has only been clutched the more tightly in the toils of the redtape of the Government's security program.

Mr. President, charges against Mr. Sidney Hatkin seem to me, from the information I have, to be flimsy and insubstantial. Yet these grounds have caused Mr. Hatkin almost 2 years of agony, anguish, and hardship, in the midst of which he was subjected to one of the most difficult tests I have ever read about—the test that is described so graphically in the newspapers of yesterday and today.

Mr. President, the fact that Mr. Hatkin's case is being discussed on the front pages of the newspapers is due to a speech delivered last Saturday by former United States Senator Harry Cain, now a member of the Subversive Activities Control Board. In that speech former Senator Cain, who has been fighting courageously for the past 2 years against the excesses of the Government's security program, told the story of Sidney Hatkin.

Former Senator Cain did not name Mr. Hatkin but he told the facts of the story so grippingly and so graphically—it was such a dramatic story—that the newspapers in very rapid course established his identity.

I had heard of Mr. Hatkin's case before Mr. Cain made his speech. Mr. Hatkin had been to my office and told his story and I had indeed written to the Secretary of the Air Force about him, demanding an explanation and a justification of Mr. Hatkin's suspension without pay and of the long and unbearable ordeal to which he had been subjected.

Mr. President, the Air Force Department owes Mr. Hatkin, it owes me, it owes the Senate and the country, an explanation.

The administration owes us all a justification of this whole security program. The administration, by its actions, helps to maintain the atmosphere of suspicion and fear which was prevalent 3 years ago. For this the administration must be held accountable.

I certainly wish to exempt from this statement such individual officials as former Senator Cain, who has done so much to dramatize this issue—the issue of security in government. I particularly want to refer to one sentence in Senator Cain's speech where he asks: "Have we made more security risks than we have found?" The story of Mr. Hatkin certainly gives us much to think about and it is only one of a great, great many.

Mr. President, I would like to insert in the Record at this point in my remarks the text of Senator Cain's speech before the Jewish Labor Committee and also the text of the New York Times' report on the Hatkin case, as printed in this morning's edition on page 15.

There being no objection, the speech and report were ordered to be printed in the Record, as follows:

The Individual Is of Supreme Importance

(Address by the Honorable Harry P. Cain, Subversive Activities Control Board, at the Jewish Labor Committee National Trade Union Conference on Civil Rights, Belmont Plaza Hotel, New York City, May 5, 1956)

Mr. Chairman, Mr. Carey distinguished guests, and my fellow Americans, to all of you, I say thanks sincerely for asking me to participate in a conference concerned with the health of freedom and the way to maintain it.

I have no knowledge about any organization that has achieved more than the Jewish Labor Committee in recognizing, exposing, and working against the evils inherent in the ruthless destructiveness of foreign or home-grown totalitarian concepts, be they Communist, Fascist or Nazi—while striving to increase the strength and vitality which is so obviously inherent in what we commonly refer to as being civil rights and civil liberties.

We understand these rights and liberties to be opposite but inseparable sides of the same coin. We understand that the durability and life itself of freedom is determined by the manner in which they are observed, obeyed and advanced. These understandings constitute the common ground on which we meet today.

I wish to address myself, not to their specific language, but to the substance and practical application of the Bill of Rights, the first 10 amendments to our Federal Constitution.

I want to discuss several of the ways in which some of those in positions of governmental authority are presently acting as though the Bill of Rights were meaningless or without usefulness in the age of peril which involves and concerns us all.

I am anxious to examine in your presence the possibility that freedom can be emasculated or destroyed in America as it has been in other freedom-loving nations throughout the world and for identical reasons.

Because the intention here is to talk of matters which are and should be controversial. I beg your indulgence in making clear the foundation from which I speak.

For the President of the United States I have a considered admiration and respect. Good fortune has enabled me to serve him in war and peace. I shall strive to serve him well on this occasion.

If I speak of and to him bluntly, I do so only because of the faith I have in the quality of leadership which belongs to him in such abundance. The nation suffers needlessly, in my view, because that leadership is neither understood nor being felt in some quarters.

Of General Eisenhower, the soldier and Supreme Commander, I have three enduring and confidence-provoking memories.

1. Shortly before D-Day in 1944, General Eisenhower called together his American and allied staff of several hundred officers. He wanted to express his gratefulness for their planning activities without which the resulting crusade in Eruope would not have been possible. The General was aware that few among those who make a secret know what that secret actually is or what it can accomplish. Before the first troop transport started across that English Channel, our commander disclosed the fullness of the invasion secret and in doing so, he expressed without reservation his confidence in the trustworthiness of every officer who was assembled before him. With the lives of millions at stake, General Eisenhower did not hesitate to share his vast responsibilities with all of those who contributed in their respective ways to the master plan which imposed defeat on our enemies.

2. Whenever General Eisenhower appeared unexpectedly on some combat line, it occasioned no surprise among his officers or men. The Supreme Commander had an appreciation for the capability of his Army, corps and division commanders and their troops but he took nothing for granted. Only by personal visits to battle, supply, and convalescent areas could he be certain that plans drawn in higher headquarters were effective when employed in particular situations. General Eisenhower not only told others what to do; they didn't stay long if they failed to do it.

3. General Eisenhower was deserving of a high reputation as a strategist and tactician but it was not for these professional attainments that he was best known to his men. They loved him most because of the hours he spent in relieving the anxieties and fears of homesick GI's and battle-weary veterans. They loved him, too, because of their conviction that he only ordered an attack where it was clearly required and that he sought by every means possible to avoid inflicting death or injury or wastage on the millions who were willing to go anywhere at his command.

General Eisenhower was a remarkable commander. He was a hard man in every question dealing with duty, but he was a fair man in every situation dealing with a soldier as a person. War deals with masses of men but the uniqueness of Eisenhower was that he never lost sight of the individual. The individual soldier expressed his own gratefulness for this treatment by often accomplishing the impossible.

This chapter of my story wrote itself more than a decade ago. I shall have cause to think about and relish it for decades to come.

Since then, the Supreme Commander has become our President. That he is no different now than he was during the war years, I naturally believe to be true. As he believed then that success, security, and victory follow decisions based on firmness and fairness, he so believes today.

Perhaps you read something of what the President said in your Nation's Capital on the evening of Tuesday, April 17, before a large gathering of his political party to which I belong. His rostrum was a partisan one, but his words were directed at every living citizen. It was exciting to hear the President describe the power of liberty and what it means to be an American. It was inspiring and reassuring to hear him define the role and responsibility of Government in its relationship to the individual citizen.

It was persuasive and encouraging to hear him say that he was offering his principles of leadership and faith to us, to each of you and to me, for our examination, or correction, or amplification.

What was the essence of his magnificent personal testament? Its flavor ran through every line of his speech from which one could not possibly extract any quotation out of context. Every observation was a moving and true text in itself.

These are what meant most to me:

(a) The individual is of supreme importance.

(b) Courage in principle, cooperation in practice makes freedom positive.

(c) We reject any attempt to treat individual citizens as serial numbers in the files of a Government office.

(d) Government must have a heart as well as a head.

(e) The spirit of our people is the strength of our Nation.

(f) Every American is equal before the law and the conscience of government.

(g) There is no such thing as an easy battle.

The President was not talking about some Utopia in a far-away place. He was discussing what a free society, like our Republic, requires if confidence and trust are to prevail between a people and their government. We should not mislead or fool each other. If these requirements of confidence and trust do not prevail, the society may continue but it will not long remain free.

In having stated my personal belief that Mr. Eisenhower, whether as supreme commander or the President, and through all of the intermediate steps, has consistently been a man guided by the highest principles and dedicated to protecting individual liberty, I must urge you to bear this in mind:

(I) During the war, General Eisenhower held every subordinate commander accountable to him personally. There were no independent commanders, doing as they liked, within General Eisenhower's theater of operations. The military definition for this placing of complete authority and responsibility in the top commander is unity of command. No battle, campaign or war can be won if the principle is neglected or disobeyed.

(II) As the President, Mr. Eisenhower has delegated, under authority of Public Law 733 of August 26, 1950, command responsibilities to scores of independent civilian commanders who are charged with implementing the terms of Executive Order 10450 of April 27, 1953, which seeks to insure that the employment and retention in employment of any civilian officer or employee in any department or agency of the Government is clearly consistent with the interests of national security.

In war, General Eisenhower benefited from a security system which made certain that he was constantly and currently informed as to the manner in which his directives were carried out.

In peace, President Eisenhower lacks the benefits from such a system, for it does not exist. His internal security directives can be disregarded, as they have often been ignored, without his knowledge.

The President stated the basic principle around which Executive Order 10450 was designed. It reads (a) that all persons employed by the Government shall be reliable, trustworthy and of complete loyalty to the United States, and (b) that every person shall receive fair, impartial and equitable treatment at the hands of the Government through being adjudged by standards and procedures which are mutually consistent.

Consistency is an utterly impossible attainment in a system of more than 60 separate Government departments and agencies when it operates administratively without a centralized head or authority. Every department and agency becomes a supreme power in itself.

Through the past several years, I have privately and publicly pointed to those areas where serious trouble was being encountered because of the conspicuous absence of a lack of consistency in procedures and policy.

I have done my best to convince others that we were in ways foolish, thoughtless, careless, and dangerous, imposing injury and agony on the individual without assisting the Nation's legitimate internal security requirements in any manner whatsoever.

Copies of every speech I have made on the subject of the imperative need for equating the requirements of security with the demands of liberty have been requested by and gladly submitted to the Commission on Government Security which was authorized by the Congress in July of 1955.

These speeches include a dozen detailed recommendations for reforms, all of which were thoroughly discussed, more than a year ago, with the Assistant Attorney General who heads the Internal Security Division within the Justice Department. All of the recommendations are geared to the premise that confrontation, specificity and cross-examination should be present when the loyalty, honor, or trustworthiness of any citizen is under examination.

I mention this conduct because I want shortly to particularize about a single needed reform, and because I want anyone who may be interested to know where my views have been expressed and filed.

It is generally agreed by those who study the problem of internal security that the Attorney General's list of more than 300 so-called subversive organizations, as employed by the uninformed and untrained evaluator or security official, is being used to further the nefarious and harmful causes of libel and slander.

The Senate Internal Security Subcommittee of the Judiciary Committee thought a year ago, and said so in a written report, that the list should be made intelligible through a handbook which the Attorney General could compile to explain the origin, aims, and current status of every organization listed.

Just last week, the Department of the Army revealed a new regulation to be of assistance in helping its security people to understand the list. The Army spoke out against guilt by kinship and guilt by association trends which have been advanced by unwise applications of the list. But sadly enough, the Army's meritorious improvement is not necessarily to be adopted by a sister service or by any other agency of the Government, or by the industrial security program, which covers some of you and many of your friends and relatives, or by any of the other several outside security systems which are counterparts of Executive Order 10450 but not tied to it. These other services, agencies, and systems can do as they wish. There is no central body to insist on uniform procedures or interpretations.

What I must try to accomplish now is to convince the President that the principle which he puts first—the individual is of supreme importance—is being so little understood or dishonored in practice that the internal security of our beloved Nation is in danger of being undermined. Should we permit this to happen, we shall have been guilty of the greatest and most easily avoidable crime against freedom in the history of mankind.

Both Public Law 733 and Executive Order 10450 authorize department or agency heads

or their representatives to suspend, without pay, any civilian officer or employee when deemed necessary in the interest of national security.

As interpreted by the Attorney General, this means that the employee or civilian officer shall be summarily suspended when written charges are drawn against him.

To me and many others, this interpretation is strained and tortured because we hold the language of Public Law 733 to be clearly discretionary. What matters more, is that the Attorney General has at long last requested the Congress to amend the law so that the suspension of an employee will be discretionary rather than mandatory.

The pitiful fact is that hundreds and hundreds of faithful public servants have been suspended in recent years when the only charge against them was a question as to their future suitability for the job from which they were suspended. They were not accused of any overt act or of any intention or likelihood of committing one. By the hundreds, these people have been restored without prejudice but only after being out of their job, and its weekly pay, for anywhere from 3 months to a full year or longer.

After an employee has been suspended under Public Law 733 and Executive Order 10450, he is entitled to a hearing which is held 30 days after suspension or within 60 days if the charges are amended.

There is no provision that the hearing board and the agency head must reach a decision within a stated period of time. They can take whatever time they want, and many of them take a painful and inexcusable amount of it.

I am satisfied that the President has no idea as to the amount of time consumed and wasted in large numbers of cases.

The President has said, "We reject any attempt to treat individuals as serial numbers in the files of a Government office." Why have his subordinates put him in a position of saying what is simply not so?

I can point to hundreds of individuals who have been and are being treated as serial numbers and they are reacting as though they were.

This is a 20th century American tragedy. When people are charged, heard, and then restored after months of anguished waiting, they get their jobs back but their usefulness as citizens is largely over. They are not likely ever again to have an original thought and if they do, you may be certain they will not dare to express it. To these persons, the Government gives them a job, but they have no reason to believe that their Government has either a heart or a conscience.

With respect to the vast majority of security-risk cases, I feel it fair and reasonable to assume that if the hearing board and agency heads can't make up their minds within 60 days after the hearing has been concluded, that they have no minds with which to think.

I shall insert here a table of 416 suspensions and reinstatements for the period May 28, 1953, to June 30, 1955. Please study it with care. It will cause you again to puzzle over the lack of consistency between one Federal agency and another.

Scores of the cases reflected by the cold figures in the chart are incredibly sad. Many cases not reflected in the chart are even sadder. These would cover those persons who resign after being suspended, because they had to eat and support their families and they could not wait forever for their judges to reach a decision. What these forlorn persons did not think enough about was that the cloud over their reputations will never be cleared away. Now follows the chart:

Department or agency	Number suspended	Reimbursement	Average length of suspension	
			Months	Days
Agriculture	14	$53,864.00	7	18
Air Force	55	133,625.00	8	26
Army	114	286,267.45	7	29
Central Intelligence Agency	1	2,806.00	2	25
Civil Service Commission	11	41,043.00	9	17
Commerce Department	1	2,355.12	4	21
Federal Civil Defense Administration	1	7,385.00	10	14
Federal Mediation and Conciliation Service	9	9,905.00	1	13
General Accounting Office	2	2,619.00	2	24
General Services Administration	24	27,579.39	4	14
Government Printing Office	10	8,880.00	2	19
Health, Education, and Welfare	7	10,598.00	4	18
Housing and Home Finance Agency	11	27,490.00	4	2
Information Agency of United States	1	1,478.00	2	9
Interior Department	10	17,577.00	4	26
Justice Department	10	22,978.00	8	10
Labor Department	2	4,203.00	5	4
National Advisory Committee for Aeronautics	5	5,115.00	3	3
National Labor Relations Board	11	32,508.00	6	14
National Security Agency	2	708.00	--------	29
Navy Department	49	111,596.11	7	22
Office of Defense Mobilization	2	5,666.00	3	18
Office of Secretary of Defense	2	3,481.00	2	1
Post Office Department	6	10,210.54	8	3
Securities and Exchange Commission	2	3,703.00	5	24
State Department	11	36,418.00	4	25
Treasury Department	12	21,420.00	4	28
Veterans' Administration	31	78,419.00	7	19

How healthy, refreshing, and helpful it would be if the President insisted or the Congress wrote the proviso into Public Law 733 that an agency or department head must submit the reasons in writing to a designated higher authority in every case where a decision had not been reached within 60 days after a security risk hearing had been concluded.

That designated higher authority ought, in my view, to be someone close to the President or the President himself. By what other means can the President determine whether the individual is being treated as though he is of supreme importance?

As matters stand, the President has no real knowledge about how the individual is being treated. You have never heard the President speak out in his wrath, as I am speaking now, over the fashion in which given individuals have been and are being mistreated. He does not speak because he does not know. Too many of those who let it be known that they represent, speak for and protect him have never brought him face to face with what I am talking to you about.

The enemies we free people face here at home are many. Some of these dangers we cannot eradicate because their origin lies in lands across the seas. But we can guard against and minimize these dangers by the employment of countermeasures. Such enemies will always be looking for openings. In this category we place espionage, Communist infiltration, sabotage, treason, and subversion.

But we have in this Republic homegrown enemies who are much more difficult to deal with. These enemies present the far greater threat to our free society. In this category we must place callousness, carelessness, indifference, stupidity, and the impersonality of government.

I ask not that you take my word for it. I ask only that you look at history. Free societies have seldom collapsed or disappeared from aggression or infiltration launched from the outside. Free societies lose their vitality and sometimes disintegrate because they fail to live by the principles which keep men free. Is this not what the President meant when he said, "Courage in principle, cooperation in practice make freedom positive."

Our Nation's internal security apparatus, which now covers at least 20 million citizens, supports the objective to eliminate the disloyal and the security risk from positions of trust. Almost every American understands and supports that objective.

But the machine on occasions works in reverse. Have you not heard it said that the entire and expanding security apparatus, in all its ramifications and despite the admission that it crushes an innocent person here and there, is justified if it catches a single spy or a Communist? I have heard the best people who are well-intentioned leaders in public and private life utter this defensive and misleading nonsense.

In 3 years of effort, we have found no spies or traitors, saboteurs or Communists in positions of trust. Perhaps they are there but we have not uncovered them with the machinery at our command.

I agree that among the hundreds and hundreds dismissed as being security risks some of them, perhaps a good many, were security risks. With respect to others, there is a lingering doubt.

A question to be faced by the Nation is: Have we made more security risks than we have found? The answer to this question will tell us much about where the United States is headed.

I will give you what is maybe just a small part of the answer. I will tell you how an exercise of callousness, carelessness and indifference provided a completely loyal civil servant with reason and encouragement to become a security risk. I will trace this man's career and show you why a foreign agent from the Soviet Embassy in your Nation's Capital considered him as prey who could serve the agent's masters to advantage.

Whatever you think, you should not criticize or blame the foreign agent. He was just doing his job as we would jump at doing that job if the shoe were on the other foot.

The story serves another purpose. It may come to the attention of the President who may wish to check the accuracy of my recitation by talking with the so-called security risk who is involved. I pray that the President can spare the time for such an adventure out of which would come a great good for the country.

In January of 1940, there came to Washington, D. C., a young man, age 25, on his honeymoon. He had stars in his eyes and joy in his heart because he loved his wife and revered his Government which had offered to employ him temporarily in the Census Bureau at the GS–2 level.

Who was this young American and why came he to our Nation's Capital?

He was born in the Bronx, New York City, in 1915, of parents who had emigrated to America some 10 years before from the Baltic Sea area in Europe.

After going through the James Monroe High School, he became a subway student in the City College of New York from which he was graduated with a B. S. degree in 1937.

His college major was sociology and his extracurricular activities were confined to the Phychology Club and playing the piano in the college orchestra and during the summer in resort hotels in the Catskill Mountains.

Between 1937 and 1940, he did whatever he could do to earn an honest living. It was hard going in those days. He was a store clerk, an errand boy, an assistant to the production manager in an advertising agency, and a jobber of dress trimmings and buttons. Between jobs, there were periods of unemployment.

Even before graduating from college, he took every civil-service examination for which he considered himself to be eligible.

These important matters and his courtship took his to January 14, 1940, when he was married.

Then at the request of his Government, he became a temporary clerk in the Census Bureau. The pay seemed a small fortune to a newlywed who had never made so much before. The annual salary was $1,440.

What has happened to our subject employmentwise since 1940? Here it is:

January to April 1940, the Census Bureau; April 1940 to December 1941, Government Printing Office; December 1941 to December 1942, Department of Agriculture; December 1942 to September 1943, Federal Public Housing Authority; September 1943 to December 1946, National War Labor Board; January 1947 to March 1951, the Census Bureau; March 1951 to May 1953, National Production Authority; May 1953 to August 1953; the Census Bureau; September 1953 to (?).

What has happened to our subject as a person and family man in these past 15 years?

Parts of this chapter have a familiar ring:

There are 2 children now, a boy of 9 and a girl of 6.

His family lives in an attractive home, a modest row house, which he is trying to buy and hopes to save.

He and his wife have owned three automobiles in these 15 years. They bought a 1933 Plymouth in 1941; a 1938 Pontiac in 1948; and after it had been on order for 18 months, they took title to a 1948 Chevrolet in that same year. This is the car they own today.

In 15 years they put away several thousand dollars in cash. The subject in moving from opportunity to opportunity, moved also from grade to grade and when suspended last year as being possibly a security risk, his grade was a GS–9 and his annual pay, $5,810.

In 1948, the subject secured a master's degree as an analytical statistician through attending night school when he could from 1941 on.

Has our subject been in trouble during his Government career? He has.

In September of 1948 he was charged, but not suspended, and then heard under the loyalty provisions of Executive Order 9835.

The charges were:

(a) You have been a member of the Washington Book Shop.

(b) Your wife secured housing for delegates to the Win the Peace Conference held in April 1944 in Washington, D. C.

(c) You have been associated with one Al Sherman.

The hearing took place in November 1948, and the subject was represented by Alfred Bernstein, who was a counsel for the United Federal Workers of America (CIO). The subject was a member of this union as were many other Federal employees.

The subject's answers to charges (a) and (b) were satisfactory and it was established that the subject had never heard of Al Sherman.

The subject had not known his attorney, Alfred Bernstein, before the charges were preferred and has not seen him since the 1948 hearing was closed.

In December 1948, the subject was cleared of the charges and went on doing his job as though nothing had ever happened.

Has the subject been in any other trouble? Yes.

The subject began his last assignment as an analytical statistician (GS–9) in September 1953. His work required access to secret information.

He had a secret clearance during his several previous years with the National Production Authority.

Six months after the subject went to work, in April of 1954, he was reassigned without explanation to nonclassified work. He remained so assigned until February 1955, 10 months later. During this period, he was not permitted to exercise his abilities and the Government was throwing its money away. A GS–2, which the subject had been in 1940, could have done the work as well. The subject was never told why he was transferred from the work for which he was hired.

On February 28, 1955, the subject received a letter of charges under the provisions of Executive Order 10450 and was suspended effective March 1, 1955.

The subject was given 30 days in which to respond in writing. This was done. The subject had his hearing which took place during the days of April 28, 29, 30, 1955.

A year later, and in writing, the subject was advised under date of April 23, 1956, that "a tentative decision has been made that you be removed from the rolls of the Department of ------ for the reason that, on all the available evidence, your continued employment ------ is not clearly consistent with the interest of national defense. If you desire to submit further evidence to show why you should be retained ------, you should submit such material to the ------. You have 15 days from the date of receipt of this communication within which to file such documents as you deem appropriate."

This man was taken off classified work in April 1954. He had his hearing a year ago. It has been more than 2 years since the subject was first suspected by his Department of something. Yet that Department, after 2 years, can't make up its mind. Here we see the impersonality of bureaucratic heartlessness operating at its lowest level. Another 15 days. If then they clear him, they will have long since cut his heart to ribbons.

What was the substance of the charges filed against the subject 15 months ago:

(a) You belonged to the Washington Bookshop from about 1940 to about 1942.

(b) You were an active member of the United Public Workers of America (CIO) from 1944 to about 1948.

(c) You supported the Win the Peace Conference in April 1946 and your wife assisted in locating housing for delegates.

(d) In 1948 and for several years thereafter, you associated with Alfred Bernstein, thought to have been a member of or sympathetically associated with the Communist Party.

(e) It is reported that you registered as a member of the American Labor Party in the Bronx in 1937.

(f) Your wife did likewise in 1937 and 1939.

(g) Some of your in-laws did likewise.

If there were any adverse meaning to these charges, that should have been decided many months ago. I have read and sweated over the 525 pages in the transcript, with its 60-odd affidavits, letters and statements which testify to the subject's loyalty, reliability and trustworthiness, and I agree wholeheartedly with the testimony given by two of the subject's superiors. They said it would be in the national interest to restore the subject and they would like to have him back and working under his secret clearance.

The only people who remain in doubt about the subject appear to be the hearing board members and its counsel who prosecuted the case. But this question of judgment is not before us at the moment. What troubles me is how the subject was considered as prey by the Soviets.

The reason comes to light with just a little thought.

How did the subject live after being suspended 14 dreary months ago? He and his family began by living out of his small savings while he tramped the streets each day looking for work.

For the remaining 10 months of 1955, he was denied employment of any kind. He went to such splendid leads as the Abbey Personnel Services, the Fields Employment Agency, the Walter Kessler Agency, the Elizabeth Pinston Personnel Counselors. These are high grade, quality firms. They could sell the subject's talent, for analytical statisticians are in demand, but they could not and would not try to merchandise the cloud under which he struggled. Who can blame them? Most employers needing statisticians handle defense contracts of some kind. A man without a clearance is a dead pigeon. A man under suspension is like a bird without wings.

The subject got an offer to sell real estate for a Washington, D. C., firm doing business in Florida. But nothing came of this. The District of Columbia license department wanted the subject's security file and case transcript. He had sufficient pride left to tell them to shove the application under the desk and leave it there.

The subject was encouraged to sell insurance. Again the license department had a form. If you have ever been a member, it asked, of any organization listed by the Attorney General, sign here and maybe you will and maybe you will not have your application approved. The subject did not have the heart to wrestle again with that 1 year, 1941 membership in the Washington Book Shop. Particularly when those to judge the application probably had no knowledge as to what the Book Shop was, or that anybody could join for $1 and get books at 20 percent off.

Ten months of drudgery looking for work and no work. At the year's end, the subject was sick with despair and as desperate as a man can become without committing suicide. He wanted to live for the sake of his family but how could he make a living for them?

Then an idea. It was worth a try. He applied early in this year, 1956, for unemployment compensation. Cheers. It was granted. He had lost his job through no fault of his own so he was qualified. The Attorney General ought to put this advice in the next advisory memorandum he circulates among Federal agencies and departments from time to time. Other suspended employees ought to know how they can eat even though honest labor is denied them.

Thirty dollars a week for a family of four is a pittance, but it is 30 bucks. It will not improve a family's morale or pride, but it will put something in their stomachs.

Time marches on. Still no job. The subject had another idea. Why not advertise?

On February 5 of this year, a Sunday, a small ad was carried in a Washington, D. C., paper. It said not much, but enough.

The ad said the subject was age 40, an economist possessed of a master's degree, experienced in large scale survey and analysis work, and that he would accept any assignment, permanent or temporary.

A different sort of a fellow from most we know read that ad and began to ponder.

What was an experienced, talented man of 40 doing out of work and why would he be willing to take anything, permanent or temporary?

Perhaps he said to himself I had better go and have a look. I may find a clever crook who is not to be trusted but he may be what the Americans call these days a security risk. If this fellow has gotten a bum rap, he might be sufficiently bitter, cynical, and disillusioned as to serve a useful purpose.

Regardless of what he actually thought, the stranger called the subject at home on February 13 and arranged to meet with the subject there the next day.

This conference was a brief one. All the stranger wanted was a work resume from the subject. He got it and after saying that his name was Mr. Machoff and that he would call later in the week if he wanted to hire the subject, he took off.

Mr. Machoff called again on February 16 and requested the subject to meet him at the Roma Restaurant the next night at 8 o'clock.

By this time, the subject was both curious and a little worried. Who was Machoff really? He did not seem to have an office and he spoke with a foreign accent. After consulting with his attorney, who will, I believe, save his client in due time, the subject decided to keep the date at the restaurant. But, like a wise husband, he took his wife with him.

During dinner, Mr. Machoff was more confiding. He mentioned that he had been a student at the University of Maryland and that he was writing a book. He wanted several chapters on the American aircraft industry.

Mr. Machoff asked the subject to prepare some material in the form of an outline. If the outline were satisfactory, Machoff would want some elaboration. The research was to cover these three areas: (1) Tendency of the aircraft industry; (2) major companies and their industrial capacity; (3) aircraft production.

The subject said the outline would take some time. Machoff was agreeable and asked how much the retainer fee would be; the subject told him and it was paid then and there. Machoff said he would call the subject again in a week to see the work and to make further plans.

Off the subject scurried to his lawyer. On February 21, a proper investigative agent met with them at the subject's request in the lawyer's office. After the story was related, the investigator said he would return on February 23 with a collection of photographs.

This meeting took place. The subject found a picture of the man he knew as Machoff but that was not his name.

Machoff's real name is Methiov. Methiov is not a one-time, part-time or any other time student at the University of Maryland; Methiov is a translater with a military mission at the Soviet Embassy.

Is this story so hard to believe? I see nothing too strange about it. The Russian was smart in assuming that he had found his pigeon in an American whose government would not hire him or fire him. The Russian had reason to believe that his intended American prey was not likely to be employed by any other American until our subject's government had decided what to do with the body.

That Methiov, alias Machoff, found his prey to be, despite his having been kicked around by those in authority for two agonizing years, a loyal citizen and devoted to his country, it does not follow that Methiov and others of his bent will not be successful in future attempts to find American spies to serve Soviet purposes.

Perhaps past attempts have been successful. My subject is by no means the only public servant to advertise his wares for hire while waiting for his government judges to make up their minds.

I wonder how many of these unfortunates have been approached; how many have closed their eyes to doubts and agreed to work for the other side because they had to eat?

If some of these unfortunates have gone over to an enemy, they could be shot, I think, because the death penalty is now provided for espionage in peacetime, or they could be sentenced to a Federal penitentiary for terms of many years.

Had my subject capitulated, would the blame have been his? Indeed it would not. Any time our Government places one of its loyal servants where he can't reasonably live without becoming prey for vultures, shysters, or enemy agents, then that government is solely responsible for any crime or disaster or tragedy which follows.

All of this deeply disturbing story about Methiov, alias Machoff, was committed to an affidavit, under date of March 7, 1956, and forwarded to the Department from which the subject was suspended a year ago last March. The affidavit is available there for study by any executive official or congressional committee who may wish to learn more about the defects and flaws in our internal security machine. This can be done easily by looking behind the printed words. There are other obvious questions about the affair I have not mentioned.

When my subject got his four-page, April 23, 1956, letter covering the tentative decision to dismiss him from the Federal service as being a security risk, I looked for some reference to the affidavit about Methiov, alias Machoff. No reference was in the letter which was written more than a month after the receipt of the affidavit had been acknowledged. In this month, the Department never even asked the subject a solitary question about the affidavit. Perhaps it was so busy pondering over the Washington Book Shop membership in 1941 and the Win the Peace Conference in 1946, which neither the subject nor his wife knew anything about or attended, that it had no time or inclination to deal with a current security question of the first importance.

Maybe the affidavit got lost. It was addressed to the Secretary of the Department but acknowledged by an assistant. Maybe the hearing board never saw the affidavit. This would be stupid but possible. What happened to that affidavit? I wonder who will make it their business to find out?

Instead, the letter read: "The * * * Board has concluded that you are not reliable and trustworthy from a security point of view."

(But the Board granted an additional 15 days from the date of the letter, April 23, 1956, for the submitting of additional information. That would be next Tuesday, May 8, 1956. How long after that will it take to reach a decision? Does not the sixth amendment provide that justice is to be rendered speedily?)

Can anybody point to a person who to his knowledge has been more reliable and trustworthy than my subject?

He faced a more difficult test than most of us will ever have cause to face and he passed that test with the highest grades in intelligence, loyalty, and courage.

Is this man's reward to be dismissal from the Federal service as being unreliable and untrustworthy? Is not this man's unholy plight deserving of the concern and action both of the President and the Congress of the United States? This man is an individual who has been oppressed without cause. Because he has been so oppressed, the national security was jeopardized.

Early in this speech I recited seven magnificent observations and principles which the President enunciated clearly less than a month ago. He said that by these principles we shall be guided, and only under these principles can freedom be strengthened and move forward. Who is the person, in or out of public life, who will say that the President did not speak the truth, the whole truth, and nothing but the truth?

I have been required to tell one story, of the many similar stories to be told, which demonstrates that the first six principles were utterly disregarded and avoided in a single case bearing on the reputation, livelihood, and future of an individual citizen. If we are unwilling, unable, or lacking in courage or plain commonsense to make these principles hold up in every individual case, there will come a day when they are of no use to any individual.

The President's seventh observation was: There is no such thing as an easy battle.

Mr. President, you can say that again. The American Revolution was a bloody, vicious, long-lasting battle to get back those liberties which had been stolen or scorned or devoured by authority after the Puritan revolt of a century before.

Just because we live in a free land, we become traitors to our heritage if we assume that freedoms of the past automatically reproduce themselves for the future. We must fight to retain and advance the freedoms which past generations battled to secure and pass on to us.

Then and only then will confidence and trust prevail among us all, and then and only then can we feel confident and secure against whatever enemies we may have in any place throughout the world.

As an American, even as a Republican if you please, I feel better and refreshed from having urged the President to look in areas here at home where the battle for individual liberty is being lost.

Let the President take that first look, perhaps by looking at the case I have offered today, and he will not quit looking until every individual throughout the Nation will be given reason to believe that he can expect intelligent, fair and decent treatment from his Government which was created not to dominate but to serve him.

Our ancestors battled until they balanced freedom and security by carving out the Bill of Rights without which there would have been no Federal Constitution or Republic.

The President has redefined the meaning and purpose of the Bill of Rights through the stated principles he has so recently expressed to 160 million citizens and to the world as well.

Let the battle go on until every doubt about the President's position has been resolved in support of the President's declaration: "The individual is of supreme importance."

[From the New York Times of May 7, 1956]

Suspended Risk Jobless for Year—Air Force Employee, Working at Last, Tells of Rebuffs—Once Called a Dead Duck

(By Anthony Lewis)

Washington, May 6.—One of the Government's alleged "security risks" spoke out today on what a year's suspension from a job with the United States Air Force had done to his life.

Sidney Hatkin, of Washington, a statistician, said private employment agencies had told him repeatedly that "there's no sense in even looking for a job until the security situation is cleared up." He said one employment agency man had told him:

"You're a dead duck."

He could not get a District of Columbia license to sell real estate or insurance, Mr. Hatkin said, because his security case was pending. He was accused and suspended from the Air Force on February 28, 1955. He got his first job 2 weeks ago, with a small firm of economic consultants.

Mr. Hatkin identified himself at a press conference as the Government employee who had been described in a speech in New York yesterday by former Senator Harry P. Cain, of Washington. Mr. Cain is a member of the Subversive Activities Control Board, a Federal agency. Mr. Hatkin said he had not intended to make his name public, but that a Washington newspaper—the Star—had found out about the case and published the facts today.

Mr. Cain disclosed in his speech that in February, while Mr. Hatkin's security case was pending, a Soviet Embassy employee had tried to hire Mr. Hatkin to write a report on the United States aircraft industry.

NAMED AS SOVIET EMPLOYEE

The man did not identify himself as a Russian, but Mr. Hatkin had become suspicious and gone to the Federal Bureau of Investigation. From pictures shown to him by an agent of the FBI, Mr. Hatkin picked out this man, and the FBI agent named him as a Soviet employee.

Mr. Hatkin turned down the Russian's offer and reported the episode to the Air Force, which was considering his case. Two weeks ago he got his first word from the Air Force in almost a year. It was a letter saying a tentative decision had been reached to dismiss him as a security risk.

Mr. Cain cited the Hatkin case in his speech as an example of what he called numerous cruelties and injustices in the administration's security program. Mr. Cain, a Republican, had been considered a right-wing Member of the Senate. However, recently he has become a vigorous critic of security procedures that he describes as unfair.

"You have never heard the President speak out in his wrath as I am speaking now over the fashion in which individuals have been and are being treated," Mr. Cain said. He called on President Eisenhower to intervene personally in the security program to correct injustices.

The Hatkin case unquestionably will have import in the continuing debate over the fairness of security procedures. For one thing it has indicated that some practices attacked by critics of the program as unnecessary and unfair have continued at least in this case. Among these practices have been lengthy suspensions without pay and charges based on inadvertent or innocent associations.

RULING BY BROWNELL

Herbert Brownell, Jr., Attorney General, has ruled that existing law required automatic suspension of any accused risks before his case was heard. He has asked Congress to amend the law so as to let the accused stay on nonsensitive work while his case was pending. Some critics have argued that Mr. Brownell interpreted the law too narrowly and did not need congressional action to end automatic suspensions.

Mr. Hatkins was suspended on these charges:

That he had registered in the American Labor Party in New York in 1937. (Fiorello H. LaGuardia, who had ALP support, was mayor of New York at the time. It was not until later that anti-Communist groups broke from that party and denounced it as being Communist-dominated.)

That he had belonged to the Washington Bookshop in 1940 or 1941. (The bookshop was listed as subversive in 1947 by the Attorney General, but the Government has often conceded that thousands of innocent persons joined it to get book discounts. Mr. Hatkin said he had paid $1 to the shop for a discount card once.)

That his wife had helped a Win the Peace Rally in 1946. (Mr. Hatkin said neither he nor his wife remembered such a rally, which they have been told was held here in the Commerce Department Auditorium.)

That he had belonged to the United Public Workers, a union expelled by the Congress of Industrial Organizations on Communist charges. (Mr. Hatkin said he had played no active role in the union and had quit in early 1948, before its expulsion.)

Mr. Hatkin had a 3-day hearing on the current charges a year ago. His lawyer, Joseph H. Freehill, said today that no Government witness at the hearing had accused Mr. Hatkin himself of any communistic thought or action.

Mr. Freehill took the case for a nominal fee at the request of a District of Columbia Bar Association security committee.

This week Mr. Freehill will file a final brief with the Air Force asking it to reconsider and reverse its tentative decision against Mr. Hatkin.

Mr. LEHMAN. Mr. President, I ask unanimous consent that there appear following the New York Times Report the text of my letter of April 19 addressed to the Secretary of the Air Force in regard to Mr. Hatkin.

There being no objection, the text of the letter was ordered to be printed in the RECORD, as follows:

APRIL 19, 1956.

Hon. DONALD A. QUARLES,
Secretary of the Air Force,
Department of the Air Force,
Washington, D. C.

DEAR MR. SECRETARY: I am writing you with reference to Mr. Sidney Hatkin, a former resident of New York City.

Since 1940, Mr. Hatkin has been employed by several governmental departments and agencies. In 1948, while working for the Census Bureau, loyalty charges were filed against him. After a full hearing Mr. Hatkin was, according to him, given a full security clearance.

In September 1953, Mr. Hatkin began work with the Department of the Air Force. On February 28, 1955, loyalty charges were again preferred against him. The list of charges presented included a number of the same charges originally filed against him in the earlier hearing.

Mr. Hatkin has now been suspended for over a year. While hearings were held in late April 1955, apparently no final determination was made. I am certain that you can understand the many problems that this long delay has caused Mr. Hatkin. It has, of course, prevented him from obtaining many non-Government positions for which he is well qualified.

While I am not in a position to evaluate the factors involved in this case, since I knew nothing beyond what Mr. Hatkin has told me, I do believe that Mr. Hatkin is entitled to a prompt determination. Consequently, I would appreciate your consideration of this matter.

Yours very sincerely,

——— ———.

Mr. LEHMAN. Finally, Mr. President, I ask unanimous consent to have printed in the RECORD certain excerpts from a speech I made at a cornerstone-laying ceremony in Washington yesterday, in which I referred to the Government's security program and made some pertinent comment about it.

There being no objection, the excerpts from the speech were ordered to be printed in the RECORD, as follows:

REMARKS OF HON. HERBERT H. LEHMAN, OF NEW YORK, AT CORNERSTONE LAYING CEREMONY, B'NAI B'RITH, 17TH STREET AND RHODE ISLAND AVENUE NW., WASHINGTON, D. C., ON MAY 6

Today the challenge posed by communism to our free way of life is more formidable than ever before. The new and softer face presented by the ruling group in the Kremlin reveals no weakening of their basic determination to impose their kind of society and their view of man upon the whole world. The free world is properly concerned lest the Communist bloc, by concentrating all its human and material resources, achieve military superiority.

The Kremlin is building weapons as destructive as those we have developed. Indeed, they may be building them faster today than we are. But as long as Communist pilots, soldiers, scientists, and workers have to keep looking over their shoulders to see if they are being shadowed by their suspicious and intolerant masters, we should enjoy a clear advantage. If our scientists can work free of the restraints of serving any ideology but truth, we should not need to fear being outstripped by Communist technology. And we would have a better claim, too, on the minds and hearts of the millions throughout the world who are still uncommitted in the contest between democracy and communism.

Unfortunately, we in this country have weakened our own cause by misreading the nature of the Communist threat, and the true requirements of American loyalty and security. For too many years we have lived in a fog of synthetically manufactured fear. We have treated with elaborate dignity the smears and reckless charges which in a happier day we would have recognized immediately as false. We have seen Congress permit its chambers to be used as a privileged sanctuary for the launching of irresponsible assaults against the good name of perfectly loyal individuals and institutions.

In the last year or two, the fog has begun to lift. For this improvement, courageous individuals and organizations like B'nai B'rith, and others, who refused to be stampeded or silenced by the political demagogs, are to be congratulated. But much remains to be done.

Only the other day the Attorney General proposed to Congress the adoption of a law that he said would permit Government agencies to retain employees against whom security charges have been filed until final adjudication of their cases. This surely is the plain requirement of American due process, and one that is long overdue in view of the hardship that has been visited upon thousands of suspended employees who were finally restored to their jobs after months of heartache.

But the Attorney General does not need this authority from Congress. The administration today has all the power it needs to institute, by Executive order, this necessary reform. The Attorney General does little to improve the climate of freedom when he shows the lack of political courage implicit in passing the buck to Congress.

RELIEF OF CERTAIN PRODUCERS OF CRITICAL MINERALS, METALS, AND MATERIALS

Mr. MORSE obtained the floor.

Mr. MALONE. Mr. President, will the Senator from Oregon yield, to permit me to introduce several bills? It will take me about 5 minutes.

Mr. MORSE. Mr. President, without losing my right to the floor, and for the purpose of the introduction of several bills, I yield for 5 minutes to the Senator from Nevada.

The PRESIDING OFFICER. Under those conditions, the Senator from Nevada is recognized for 5 minutes.

Mr. MALONE. Mr. President, mining in this Nation, of the strategic and critical minerals—tungsten, manganese, chromite, mica, asbestos, beryl, and the columbium-tantalum bearing ores—has been kept alive through the operation of the 1953 Malone-Aspinall Act.

EXTENSION OF MALONE-ASPINALL ACT NECESSARY IF CRITICAL MINERALS PROGRAM TO CONTINUE

The act must be extended in some form at this, the second session of the 84th Congress, if the mines producing these ores are to continue to operate.

My bill (S. 2926) to amend the Tariff Act of 1930, and for other purposes, introduced on January 12, 1956, would repeal the 1934 Trade Agreements Act, and would revert to the Constitution—article I, section 8—for the regulation of foreign trade and the national economy.

In the event of the passage of S. 2926, the extension of the 1953 Malone-Aspinall Act would not be needed, since the regulation of foreign trade would be returned to the Tariff Commission, an agent of Congress, on the basis of fair and reasonable competition.

SPECIAL LEGISLATION NECESSARY TO KEEP VITAL MINERALS PRODUCTION IN OPERATION

A continually adjusted flexible duty or tariff would take the profit out of cheap foreign labor at the water's edge. Americans would compete with Americans, and American investors and workingmen would be back in business.

In the meantime, special legislation is necessary. On January 9, 1956, I introduced Senate bill 2876, providing for a simple extension of the 1953 Malone-Aspinall Act to continue the production of the necessary strategic and critical minerals, metals, and materials.

PURPOSE OF NEW MINERALS LEGISLATION OUTLINED

Mr. President, I introduce for appropriate reference a bill to facilitate and encourage trade with various nations, fair and reasonable competition, and to maintain an investment climate principle, applying equally to the whole country. My bill also is to provide necessary flexibility of import duties on strategic critical minerals, metals, and materials, and to provide and make possible appropriate adjustments in respect to changing conditions.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3792) to provide relief for producers of strategic and critical minerals, metals, and materials, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

TEXT OF S. 3792 TO AID ALL CRITICAL AND STRATEGIC MINERALS PRODUCERS

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition.

(b) to maintain an investment climate through the principle applying equally to the whole country.

(c) to provide necessary flexibility of import duties, on strategic and critical minerals, metals, and materials, thereby making possible appropriate adjustments in response to changing economic conditions;

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (article I, section 8) in the control over American import duties on strategic and critical minerals, metals, and materials, now subject to international agreements.

(e) that as used in this act the term "strategic and critical metals, minerals, and materials" means any metal or mineral ore or concentrate not fabricated into finished form, and any other material, which is determined to be strategic or critical under section 2 (a) of the Strategic and Critical Materials Stockpiling Act.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained on strategic and critical minerals, metals, and materials, and substituting therefor the classifications and rates obtaining and in effect on the expiration of 90 days after the date of enactment of this act, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise; and all other acts and parts of acts inconsistent with any of the provisions of this act are hereby repealed.

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 3. Title III, part II, of the Tariff Act of 1930 is amended by adding after section 331 the following new section:

"SEC. 331A. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements on strategic and critical minerals, metals, and materials, entered into pursuant to section 350 of this act are hereby transferred to, and shall be exercisable by the Commission, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Commission is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements on strategic and critical minerals, metals, and materials, entered into by the United States pursuant to section 350 of this act;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 4. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties.

"(a) The Commission is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties on strategic and critical minerals, metals, and materials, which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Commission finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Commission shall take into consideration, insofar as it finds practicable—

"(1) the lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) the policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) the actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) the probable extent and duration of changes in production costs and practices;

"(7) the degree to which normal cost relationships may be affected by grants, subsidies (effected through multiple rates of export exchange, or otherwise), excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties on strategic and critical minerals, metals and materials, designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Commissioner either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however,* That no change in any import duty shall be ordered by the Commission until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Commission, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of this act or upon the United States value as defined in section 402 (e) of this act.

"(e) In order to carry out the purposes of this act, the Commission is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Commission shall become effective 90 days after such order is announced: *Provided,* That any such order is first submitted to Congress by the Commission and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Commission under this section which increases existing import duties on foreign articles if the Commission finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Commission, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of strategic and critical minerals, metals and materials, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of this act.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign strategic and critical mineral, metal, and material, after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Commission is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 5. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the words "Tariff Commission."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Commission, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Commission, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Commission has reason to believe that any strategic and critical mineral, metal, and material is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigaton as the Commission may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Commission shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

STATISTICAL ENUMERATION

SEC. 6. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Tariff Commission is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 7. The Tariff Commission, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930, as amended: *Provided*, That all acts or parts of acts conflicting herewith is hereby repealed.

EFFECTIVE DATE

SEC. 8. This act shall take effect upon the expiration of 90 days after the date of its enactment, but no foreign trade agreement shall be entered into under section 350 of the Tariff Act of 1930, as amended, after the date of enactment of this act.

BILL INTRODUCED TO MAINTAIN PROGRAM FOR SEVEN KEY CRITICAL MINERALS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of important duties on tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores, for the same purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3793) to provide relief for producers of tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FLEXIBLE DUTIES ON TUNGSTEN SOUGHT

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide the necessary flexibility of import duties on tungsten, thereby making possible appropriate adjustments in respect to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3794) to provide relief for the tungsten industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF OF MANGANESE INDUSTRY ASKED IN NEW MALONE BILL

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide the necessary flexibility of import duties on manganese, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3795) to provide relief for the manganese industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

BILL WOULD PROVIDE PROPER DUTIES ON IMPORTS OF CHROMITE

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on chromite, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3796) to provide relief for the chromite industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MICA INDUSTRY WOULD RECEIVE RELIEF UNDER DISTINCTIVE BILL

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on mica, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3797) to provide relief for the mica industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MEASURE WOULD PROVIDE DUTY ADJUSTMENTS ON IMPORTS OF ASBESTOS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on asbestos, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3798) to provide relief for the asbestos industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF FOR BERYL INDUSTRY ASKED IN SEPARATE MEASURE

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on beryl, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3799) to provide relief for the beryl industry, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AID PROPOSED FOR COLUMBIUM-TANTALUM PRODUCERS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on columbium-tantalum bearing ores, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3800) to provide relief for producers of columbium-tantalum bearing ores, introduced by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF LEGISLATION FOR FLUORSPAR INDUSTRY SOUGHT

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on fluorspar, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3801) to provide relief for the fluorspar industry, introducted by Mr. Malone, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FOREIGN TRADE NOW REGULATED FROM GENEVA BY GATT

Mr. MALONE. Mr. President, the 1934 Trade Agreements Act removed from Congress its constitutional responsibility to regulate foreign trade and the national economy, and transferred that responsibility, first, to the President, but gave the President the full power to transfer that authority to any nation or groups of nations on earth, under any organization which he might spearhead.

In 1947, the President chose to spearhead an organization known as the General Agreements on Tariffs and Trade (GATT), and transferred responsibility to Geneva. At the present time 35 nations are sitting around a conference table in Geneva making decisions which can adversely affect both our trade and our national economy.

UNITED STATES HAS ONE GATT VOTE: FOREIGN NATIONS 34 VOTES

We are one of those nations. We have one vote. The nations around the conference table are continuing, as they have in the past, to divide the markets of the United States of America a good deal like a nice, juicy beefsteak might be cut.

Mr. President, pending the repeal of the 1934 Trade Agreements Act—and I introduced a bill on January 12, 1956, to do just that—these special bills are necessary on any product that can continue to be produced in this Nation, under the wage standard of living in the United States of America as compared to that in the chief competitive nation producing each product.

ORDER FOR RECESS TO WEDNESDAY

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield to me to make a request?

Mr. MORSE. I yield.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its labors today, it stand in recess until 12 o'clock noon on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield in order that I may propound a proposed unanimous-consent agreement?

Mr. MORSE. I yield to the Senator from Kentucky, who, I understand, wishes to propound a unanimous-consent request. Then I wish to apply the principles of the authorities which I have cited to some of the remarks of the Senator from Florida [Mr. Holland].

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon be permitted to yield to me, with the understanding that he shall not lose his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. On behalf of the majority leader and the minority leader, I send to the desk a proposed unanimous consent agreement, and ask that it be read.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be read.

The proposed unanimous-consent agreement was read by the legislative clerk, as follows:

UNANIMOUS-CONSENT AGREEMENT

> *Ordered*, That, effective on Wednesday, May 9, 1956, at the conclusion of the calendar call, during the further consideration of the bill, S. 3073, the Washington Metropolitan Transit Authority Act, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.
>
> *Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, yield additional time to any Senator on any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called committee amendment, which is practically a substitute for the entire bill. From a parliamentary point of view, I wonder if it would not be well to treat the committee amendment as original text, in order that there may be no parliamentary question as to whether or not an amendment is in the second or third degree.

Mr. MORSE. I think that is a very sound suggestion.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. CLEMENTS. I thank the Senator from Oregon.

Mr. MORSE. Mr. President, a parliatary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. It is also understood that the suggestion of the Senator from California has been accepted?

Mr. CLEMENTS. Mr. President, the acting majority leader understands that that is incorporated in the unanimous-consent agreement. If any Senator has a different view, I should like to hear from him now.

Mr. MORSE. Mr. President, I wanted to complete the record, as I told the Senator from Florida I would, on the eminent-domain problem, because I think it is very important that the record be very clear as to the provisions of the bill affecting eminent domain.

Mr. President, by way of introduction to my discussion of that matter, I wish to say we need to take into account the fact that nothing is taken by anyone in our country, under eminent domain, except by order of a court. Under the pending bill, the District Commissioners are not going to be free to pay what they want to pay. Neither are they going to be free to say, "We are going to take only a part of your property, Mr. Transit Company." All they will be free to do is to walk before a judge and make their request, under eminent domain procedure, and the judge sitting in the court will protect the public interest and protect the interest of the owners of the property as of that time.

The first matter I wish to put into the Record is the section of the bill which appears on page 68, starting with line 22, subsection (c) of section 204:

> (c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

I wish to emphasize that does not mean the requests of the District Commissioners will be automatically granted. The court will sit in judgment both on the question of the public policy involved in the request and the amount of compensation to be paid.

I think it is also important, without my taking time to read it, to insert in the Record at this point section 258 (a) of title 40 of the Federal Code on the whole matter of condemnation proceedings. I ask unanimous consent that the entire section be printed at this point in my remarks.

There being no objection, the section of the code was ordered to be printed in the Record, as follows:

> § 258a. Same; lands, easements, or rights-of-way for public use; taking of possession and title in advance of final judgment; authority; procedure.
>
> In any proceeding in any court of the United States outside of the District of Columbia which has been or may be instituted by and in the name of and under the authority of the United States for the acquisition of any land or easement or right of way in land for the public use, the petitioner may file in the cause, with the petition or at any time before judgment, a declaration of taking signed by the authority empowered by law to acquire the lands described in the petition, declaring that said lands are thereby taken for the use of the United States. Said declaration of taking shall contain or have annexed thereto—
>
> (1) A statement of the authority under which and the public use for which said lands are taken.
>
> (2) A description of the lands taken sufficient for the identification thereof.
>
> (3) A statement of the estate or interest in said lands taken for said public use.
>
> (4) A plan showing the lands taken.
>
> (5) A statement of the sum of money estimated by said acquiring authority to be just compensation for the land taken.
>
> Upon the filing said declaration of taking and of the deposit in the court, to the use of the persons entitled thereto, of the amount of the estimated compensation stated in said declaration, title to the said lands in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the United States of America, and said lands shall be deemed to be condemned and taken for the use of the United States, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceeding and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the court. No sum so paid into the court shall be charged with commissions or poundage.
>
> Upon the application of the parties in interest, the court may order that the money deposited in the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceeding. If the compensation finally awarded in respect to said lands, or any parcel thereof, shall exceed the amount of the money so received by any person entitled, the court shall enter judgment against the United States for the amount of the deficiency.
>
> Upon the filing of a declaration of taking, the court shall have power to fix the time within which and the terms upon which the parties in possession shall be required to surrender possession to the petitioner. The court shall have power to make such orders in respect to encumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable. (Feb. 26, 1931, ch. 307, sec. 1, 46 Stat. 1421.)

Mr. MORSE. Mr. President, I wish to especially emphasize the provision about what the declaration must show:

> Said declaration of taking shall contain or have annexed thereto—
>
> (1) A statement of the authority under which, and the public use for which, said lands are taken.
>
> (2) A description of the lands taken sufficient for the identification thereof.
>
> (3) A statement of the estate or interest in said lands taken for said public use.
>
> (4) A plan showing the lands taken.
>
> (5) A statement of the sum of money estimated by said acquiring authority to be just compensation for the land taken.

Then it goes on with the rest of the procedure set forth in the Code as to what else must be in the declaration.

I emphasize that the rights of the stockholders and the rights of the public, under our condemnation law, fall within the power of the court to protect. I am not at all concerned about the language of the bill, although I am perfectly willing, as I said to the Senator from Florida, to go along with any clarification not inconsistent with the purpose of the bill. However, I wish to stress that the bill itself, in the last analysis, is going to be applied by the court, and the court is going to see to it that justice is done from the standpoint both of public policy questions and compensation paid for the property in whole or in part.

With those preliminary remarks, I wish to make a statement on the power of the Government to authorize the taking by eminent domain of personal property, and the power to condemn a part of the property of a utility, because, as the Senator from Florida has pointed out, there has been a considerable amount of discussion on that point, and the Senator from California [Mr. Knowland], as well as the Senator from Florida [Mr. Holland], raised the question this afternoon.

I start out with the general statement of the law that the power to condemn property interest, in whole or in part, is well recognized in American eminent domain law. I wish to buttress that assertion with the authorities which I shall put into the Record.

In 29 Corpus Juris Secundum 852, Eminent Domain, section 65 there appears the following general statement with regard to property subject to appropriation:

> Generally speaking, the power of the State to take property, or to authorize the taking thereof, by the exercise of the right of eminent domain extends to every species of property within its territorial jurisdiction, and to every variety and degree of interest therein, or at least extends to all private property. The power of eminent domain extends to real estate, all kinds of personal property, and even intangible or incorporeal rights; and it is not limited to commodities affected with public interest. A contract is property which may be taken under the power of eminent domain either directly or indirectly as the result of the condemnation of other property involving the contract. Shares of stock in a corporation may be taken or their retirement effected, under the power of eminent domain.

In his treatise on the Law of Eminent Domain in the United States, third edition, Lewis states, in section 411, that "all kinds of property, and every variety and degree of interest in property may be taken under the power of eminent domain."

In support of this statement he cites the following cases:

New York etc. R. R. Co. v. *Boston etc. R. R. Co.* (36 Conn. 196); *New York etc. R. R. Co.* v. *Offield* (77 Conn. 417, 59 Atl. 510); *Water Works Co.* v. *Burkhart* (41 Ind. 364); *Indianapolis etc. R. R. Co.* v. *Indianapolis etc. Rapid Transit Co.* (33 Ind. App. 337, 67 N. E. 1013); *Brown* v. *Gerald* (100 Me. 351, 61 Atl. 785, 109 Am. St. Rep. 526, 70 L. R. A. 472); *Eastern R. R. Co.* v. *Boston & Maine R. R. Co.* (111 Mass. 125, 15 Am. Rep. 13); *People* v. *B. & O. R. R. Co.* (117 N. Y. 150, 22 N. E. 1026); *People* v. *Adirondack R. R. Co.* (160 N. Y. 225, 238, 54 N. E. 689); *United States* v. *Lynah* (188 U. S. 445, 23 S. C. 349).

Mr. Lewis also says, quoting from *Metropolitan City Ry. Co.* v. *Chicago West Ry. Co.* (87 Ill. 317, 324):

> The right of eminent domain is an attribute of sovereignty, and whatever exists in any form, whether tangible or intangible, may be subjected to the exercise of its power, and may be seized and appropriated to public use when necessity demands it.

And quoting from *Alabama & Florida R. R. Co.* v. *Kenney* (39 Ala. 307):

> All property is held subject to an inherent right in the government to appropriate it to public use when the public good may require it to be done.

In the case of *United States* v. *Buffalo Pitts Co.* (234 U. S. 225), the court said, quoting from *United States* v. *Lynah* (188 U. S. 445, 464):

> All private property is held subject to the necessities of Government. The right of eminent domain underlies all such rights of property. The Government may take personal or real property whenever its necessities or the exigencies of the occasion demand. So the contention that the Government had a paramount right to appropriate this property may be conceded, but the Constitution in the fifth amendment guarantees that when this governmental right of appropriation—this asserted paramount right—is exercised it shall be attended by compensation.

In *Davis* v. *Newton Coal Co.* (267 U. S. 292, 301), the court said:

> From the facts stated it appears, plainly enough, that 113 cars of coal belonging to defendant in error were seized by the United States while upon the lines of carriers under their control and thereafter appropriated and used in the operation of such roads. The taking was for a public use. The incantation pronounced at the time is not of controlling importance; our primary concern is with the accomplishment. As announced in *United States* v. *New River Collieries Co.* (262 U. S. 341, 343, 344), "where private property is taken for public use, and there is a market price prevailing at the time and place of taking, that price is just compensation" to which the owner is entitled. Also, "the ascertainment of compensation is a judicial function, and no power exists in any other department of the Government to declare what the compensation shall be or to prescribe any binding rule in that regard."

The Supreme Court has recognized the right of a State to repeal the charter of a street railroad company and to transfer its franchise and track to another corporation which it has created, and to which it gives the power to exercise the right of eminent domain. See *Greenwood* v. *Union R. R. Co.* (105 U. S. 772, 26 Lawyers' Edition 961.) In upholding such right the Court—at page 965, Lawyers' Edition—stated:

> It was, therefore, in the power of the Massachusetts Legislature to grant to another corporation, as it did, the authority to operate a street railroad through the same streets and over the same ground previously occupied by the Marginal Co. Whether this action was oppressive or unjust in view of the public good, or whether the legislature was governed by sufficient reason in thus repealing the charter of one company and in chartering another at the same time to perform as part of its functions the duties required of the first, is not, as we have seen, a judicial question in this case. It may well be supposed, if answer were required to the complainant's bill, that it was made to appear that the Marginal Co. had shown its incapacity to fulfill the objects for which it was created, and that another corporation, embracing larger area, connecting with more freight depots and wharves, and with more capital, could better serve the public in the matter for which both franchises were given.
>
> That in creating the later corporation, whose object was to fulfill a public use, it could authorize it to take such property of other corporations as might be necessary to that use, as well as that of individuals, can hardly admit of question. Section 4 of the act gives this power to the Union Co. with reference to the tracks of all street railroads in the city, and provides that, in the event of an inability to agree with the owners of these tracks as to compensation, that shall be determined in accordance with the provisions of general laws previously enacted on that subject. To this there can be no valid legal objection. The property of corporations, even including their franchises, when that is necessary, may be taken for public use under the power of eminent domain, on making due compensation. (*Bridge Co.* v. *Dix* (6 How. 507); *Bridge Corp.* v. *Lowell* (4 Gray 482); *Water-Power Co.* v. *R. R. Co.* (23 Pick 360); *Richmond R. R. Co.* v. *Louisia R. R. Co.* (13 How. 83).

Mr. President, I respectfully submit that those are very important precedents and authorities in support of the position the Congress has taken in regard to the Capital Transit Co., as to the authority to cancel the franchise and the authority now to pass a bill providing for eminent domain in the taking of property, not only that owned by this particular corporation, but also that owned by other corporations not necessarily involved with the principal company, if that property is necessary for the operation of a new transit system.

It is to be noted that in the Greenwood case the corporation last created was given the power to "take such property of other corporations as might be necessary to that —public—use, as well as that of individuals." Thus, the Supreme Court has sanctioned the taking of all or part of the property of a utility corporation. Such property included "rolling stock, horses, harness, stables, debts due it and funds on hand."

In volume 173, American Law Reports, Annotated, 1362, there appears an annotation entitled "Condemnation of Public Utility Property for Public Utility Purposes." Part 2 of the annotation is entitled "Taking by Public Body," and section 7 of this part is entitled "Taking Part Only." Under section 7 appears the following comment and citations of authorities:

> Sec. 7. Taking part only:
>
> Since the purpose of taking the plant or other property of a public-service corporation for operation by the public is the rendering of services to the people of a particular municipality or district, a taking of only so much property as is required for that purpose is commonly upheld.
>
> In *Puget Sound Power & L. Co.* v. *Public Utility Dist.* ((1941, C. C. A. 9th Wash.) 123 F. 2d 286 (cert. den. (1942) 315 U. S. 814, 86 L. ed. 1212, 62 S. Ct. 798), a proceeding by a Washington public-utility district, having boundaries coextensive with its county, to condemn the entire electric-distribution system of a power company in that county together with a small hydroelectric plant therein having capacity to serve only about 10 percent of the company's patrons in the county, and to condemn also two transmission lines extending to substations in an adjoining county, wherein it appeared that the facilities sought were but a small part of the company's entire integrated system for generating, transmitting, and distributing electricity, running into 19 counties of the State, the company introduced evidence to the effect when used as part of the larger system the properties in question taken could be more economically operated and could render better service, and hence argued that the taking was not a public necessity nor for a public use. The contention to the contrary was that the district by resolution had declared it advisable to condemn the property and specifically had declared that the "public interest, welfare, convenience, and necessity" required the taking, "in order to conserve the water and power resources of the State of Washington, and in order that said works, plants, and facilities may be owned, operated and controlled" by the district "in the public interest and for the public benefit." The court (having before it a Washington statute declaring that whenever an attempt is made to take private property for a use alleged to be public under the authority of such statute the question whether the contemplated use is really public shall be a judicial question and be determined by the court before inquiry should be had into the question of compensation) ruled that the determination of the trial court that the taking was a public necessity (such finding being based principally upon the resolution of the district) as well as the further determination that the taking was for a public use (apparently because the operation was to be by the public, for the public benefit exclusively) should be upheld. The court referred to certain Washington statutes which, as construed by the Washington court, were to the effect that in such a case the question of the necessity for the taking is for the determination of the district commissioners and that the court is not concerned therewith, absent a showing of fraud or that the commissioners acted arbitrarily or capriciously. While in that case it was shown that there was ample room on the highways for the district to construct another system, which according to some of the testimony could be built in about a year and a half at the cost not greater than the cost of acquiring the properties of the company, the court was of the opinion that, since there was room for a reasonable conclusion that there was a necessity for taking the existing properties in order to avoid the company's competition, the decision of the commissioners could not be regarded as arbitrary.
>
> In *State ex rel. Wisconsin Traction, Light, Heat & P. Co.* v. *Circuit Ct.* ((1915) 162 Wis. 234, 155 NW 139), where the power company owned a generating plant in one city with which it served that city and also two other municipalities, it was held that under the statutes in question one of the latter municipalities could take by condemnation simply the property of the company within the municipal limits of the condemner, and this notwithstanding the objection of the company that the municipality could not dismember the properties and take merely such portion. In that case the condemner had provided a generating plant of its own.
>
> In *State ex rel. Peabody* v. *Superior Ct.* ((1914) 77 Wash. 593, 138, p. 277), where the statute in terms authorized the city, upon approval by the voters, to construct and operate a municipally owned system of street railways and to "condemn and purchase, purchase, acquire, add to, maintain, operate or lease cable, electric and other railways within the limits of such city * * *, with full authority to regulate and control the use and operation thereof," it was held notwithstanding there was no specific mention of railways in active operation nor of franchises of railways, and the language was somewhat general, it was sufficient to authorize the condemnation of railways and equipment within the city limits, even though the same was part of a system lying partly within and partly without the city.

CONCLUSION

In *United States* v. *Jones* (109 U. S. 513; 27 Law Ed. 1015), the court said:

> The power to take private property for public uses, generally termed the right of eminent domain, belongs to every independent government. It is an incident of sovereignty and, as said in *Boom Co.* v. *Patterson,* requires no constitutional recognition (98 U. S., 406). The provision found in the fifth amendment to the Federal Constitution and in the constitutions of the several States, for just compensation for the property taken, is merely a limitation upon the use of the power. It is no part of the power itself, but a condition upon which the power may be exercised.

The right of the United States, and of the Authority created by the bill, is not limited insofar as the Constitution is concerned to the taking of real property. What may be taken is "property."

In the light of the authorities quoted in this memorandum it appears that there is no doubt that the Congress in the exercise of its constitutional powers, may authorize the Washington Metropolitan Transit Authority to condemn not only real property but also personal property. It is also lawful to condemn not only the entire assets of a public utility but any part thereof which may be needed for the public purpose. The only requirement of the Constitution is that whatever is taken be for a public purpose and that just compensation therefor be paid.

Under our system the court sees to it that those two guaranties are carried out. It passes on the public policy question, and it passes on the compensation question. That is why I say most respectfully, in commenting on the very helpful discussion by the Senator from Florida [Mr. Holland] this afternoon, that we have nothing to fear in the bill, because in my judgment the court, under our eminent domain laws, sits as a protector not only of the interests of the stockholders, but also the public interest as well.

Mr. President, I have a few more words to add to complete my record on the bill tonight. I think they need to be said for clarification purposes, because of the contributions made to the debate this afternoon by the distinguished Senator from Florida [Mr. Holland].

I stand on each sentence I spoke in reply to the questions put to me by the Senator from Florida. I speak only as one member of the committee, but as one who was very active in trying to arrive at a program which I thought would be acceptable from the standpoint of the public interest of the people of the District of Columbia.

Based upon the authorities which I have cited in my statement on the power to condemn property in its entirety, or a part of the property, I think there can be no question about the fact that the Congress, in passing this bill, would be passing a bill which would merely carry out well-recognized principles of eminent domain law, condemning all the property or a part of the property, as approved by the court.

We have in this Capital Transit situation a few problems which I think the Congress must face very objectively, honestly, and frankly. We are in this situation: A year ago we canceled the franchise of the Capital Transit Co. We had the legal authority and right to cancel that franchise. In the debate last year, I pointed out the history of that franchise, and pointed out that when the franchise was first granted by congressional act, an amendment was added to the Act which made it very clear that Congress, for any cause, or for no cause, could automatically cancel the franchise.

I think it will be found from the Congressional Record that I said something to the effect that, in view of what subsequently transpired, that was an interesting demonstration of keen foresight on the part of the proponents of the amendment.

My recollection is that one of the proponents of the amendment was the then Senator from Wisconsin, Mr. Blaine. I stress that point this afternoon, because every investor in Capital Transit, every purchaser of stock in this company in the intervening years, had clear legal notice that when he invested in this company, he ran the risk of a cancellation of the franchise. Therefore, there is no legal obligation resting upon the Congress to pay any of these investors because of the fact that it may develop that they made a bad investment. We certainly cannot go around the country subsidizing purchasers of stock because they made bad investments. I wish to stress the point that the right of the Congress to do what it has done is, in my judgment, not subject to legal question.

Now we come to the effects of the cancellation of the franchise. At midnight, August 14, 1956, Capital Transit ceases to be a public utility in the District of Columbia so far as being an operating utility is concerned; it has no property rights so far as operation is concerned.

Therefore when we come to consider the incorporeal property value which some may believe exists—that is, any value in the company as an operating utility in the District of Columbia—the value is a goose egg, and an infertile goose egg at that, and worthless after midnight August 14.

Under the pending bill, I hope, between now and August 14, the authority we are proposing—through the District Commissioners—will seek to negotiate with the Capital Transit Co. a fair settlement with respect to property values for the property the District Commissioners find they need in the public interest to operate a public transportation system in the District of Columbia.

However, Mr. President, the District Commissioners, in my judgment, would be guilty of dereliction of duty if they proceeded to buy by negotiation from the Capital Transit Co., property not needed to serve the public interest in the operation of a mass-transportation system. That is where the whole or in-part factor comes in.

I am not in a position to give a list of the holdings, but it can be supplied on the basis of what our committee records show. However, the Capital Transit Co. has considerable holdings, as I recall from the records, of various types of property of a nature not essential to the operation of a mass-transportation system in the District of Columbia.

It is not for me on the floor of the Senate to decide what the District Commissioners should or should not try to buy by way of negotiation with the Capital Transit Co. However, it is for me to say that I believe they could not justify, from the standpoint of a sound public policy, negotiating the purchase of one dollar's worth of property from the Capital Transit Co. which is not needed in the operation of a mass-transportation system. If the company has some leasehold interests which are not needed for the operation of a transit system, there is no reason for the District Commissioners to negotiate the purchase of such interests. There is no need for their seeking an eminent domain order which will result in the purchase of such interests by eminent domain procedure.

Therefore we have the problem I raised this afternoon in my discussion with the Senator from Florida. It is the problem of the alternatives.

When I spoke of negotiating a purchase or acquiring by way of eminent domain of the transit system, lock, stock, and barrel, I referred, of course, only to the transit system or the properties in the transit system essential to the operation of a transit system, not to any property interest, tangible or intangible, corporeal or incorporeal, over and above what is needed for the operation of a transit system.

I have serious doubt that in an eminent domain proceeding any court would authorize the District Commissioners to buy $1 worth of value of property from the Capital Transit Co. which is not needed in the operation of the transit system itself.

Therefore, in my colloquy with the Senator from Florida, when I was talking about the alternative of proceeding by eminent domain to buy the transit system, I want him to understand, that I was talking about buying the total property of the Capital Transit system necessary for the operation of a transportation system, not the purchase of any property which may be owned by the Capital Transit Co., but which is not necessary or essential to the operation of a mass transportation system.

Let us take the total system. Under the definition and description I have laid down, namely, the total amount of property now owned by the Capital Transit system necessary for the operation of a transportation system, not including property over and above that which the Capital Transit system may own, I certainly believe that the District Commissioners should give very serious consideration to negotiating a fair purchase of that property.

That brings me to the question whether it is within the spirit and intent and meaning of the bill that the Commissioners should go before a court in an eminent domain proceeding—based upon their authority to purchase less than the whole—and proceed by eminent domain to obtain possession of tangible personal property of the Capital Transit Co. such as streetcars and buses by way of a user for a 3-year period.

As a member of the committee, I wish to say that I have no such intention, and that I would be very much surprised if any other member of the committee has such intention. I should like to have the Senator from Florida understand that, so far as my intention and understanding is concerned—and I believe any court would so construe the bill, if passed—in connection with the real property, streetcar barns and terminal facilities the Commissioners could not by way of eminent domain be permitted to say, "We will ask the court to authorize the transfer of the user of this property for a 3-year period, and when the 3-year period is over we can sell the property to X Company, and say to the Capital Transit Co., 'Now you junk it.' "

Let me point out that there is involved in the situation the problem of what is the value, first, of the tangible personal property in the form of buses and streetcars and other tangible personal property, and also the value of some of the real estate.

I do not believe anyone can deny that the value of the property is largely dependent upon whether it is going to be used in the transportation business. Let us consider a streetcar barn, for example. If the Commissioners pursue an eminent domain proceeding, the court will take into account the public use for which the streetcar barn is needed. Its value will be much greater as a streetcar barn property than if the streetcar barn is torn down and the property is used for general use, either for the building of a commercial building or an apartment house.

What I am trying to point out is that in negotiations between the District of Columbia Commissioners and the company itself, if they try to settle the property value problem either by negotiation or by going into court under an eminent domain proceeding, the value of the property will be much greater if the use to which the property is going to be put is to carry on public needs and purposes in the District of Columbia, and the court will take that into account.

But, Mr. President, theoretically, I think there is no question that under the law the District Commissioners might go into a court sitting in an eminent domain proceedings and say, "We want to get only a part of the property interests of the company in a piece of real estate or in a bus or in a streetcar. We want to get a user interest."

Of course, Mr. President, in fixing the value of the user interest the court would necessarily have to take into account the value of the property to the transit company after the 3 years, and the value would be pretty much salvage value, and much less value, so far as real property is concerned, in the buildings. I cannot speak for the court, any more than can other Senators, but I should not be surprised to see the court reject the declaration for the application of eminent domain if the request were a user request. But, Mr. President, I am perfectly willing to go along in the interest of fairness with the Senator from Florida in clarifying the language of the bill, if he feels it needs to be clarified by providing that so far as the exercise of eminent domain over personal property or real property is concerned, it shall be a petition for a declaration based upon the transfer of legal title to the res.

Mr. HOLLAND. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HOLLAND. Does not the Senator mean, rather than full legal title, whatever title the transit company possesses?

Mr. MORSE. That is correct.

Mr. HOLLAND. As in the case of rolling stock, it may have a lessor title, but in the case of other property it might have a fee simple title.

Mr. MORSE. That is correct.

Mr. HOLLAND. Then the Senator is, I believe, in accord with me, that whatever is the highest title held by the company would be that taken in the event the Authority decides that that particular property is necessary for its operation and files a petition for taking?

Mr. MORSE. That is exactly what I mean, that if the District Commissioners file an eminent domain declaration and request in the declaration the authority to purchase whatever legal title the company has in tangible property—and I am not speaking about intangible property, but about tangible property——

Mr. HOLLAND. In order to clarify the Record at this point, permit me to say that I am in complete agreement with the statement made by the Senator as to what he believes should be done. The only thing we need to do is to find the appropriate language in which to express it.

Mr. MORSE. Mr. President, there is no obligation on the part of the Commissioners to buy a single dollar's worth of tangible property from the transit company if they feel they do not need it or do not want it or if they feel they could make a better purchase somewhere else. If they are going to seek by eminent domain to use this very powerful right of governmental sovereignty exercised over the property of citizens, then I think it is only fair that such tangible property as they seek to condemn by way of eminent domain should be bought by them to the extent of whatever legal title the transit company has in it.

Now, Mr. President, I wish to make very clear my position on the record this afternoon in regard to any interpretation of the bill by anyone who would seek by the remotest implication to indicate an intention that the Capital Transit Co. should be compensated for any utility interest, or that it should be compensated for any stock, after midnight, August 14, 1956. If all Members of the Senate had sat in our committee hearings as did the able Senator from Michigan [Mr. McNamara], it would be recalled that time and time again there was discussion of the fact that we had to be on guard against some provision unintentionally written into the bill that would result in the Congress seeming to intend to pay the Capital Transit Co. for a canceled franchise. In my judgment, Mr. President, that would be a misappropriation of public funds. I wish to stress that point, because all we have done is to carry out the terms and conditions of the original charter which included the cancellation of the franchise clause.

I am always hesitant to speak of the purposes or motivations of others, but we have the testimony of representatives of the Capital Transit Co., and I think I owe it to the record to say that they have left me with the impression, and, I think, with some other members of the committee also, that if they can possibly maneuver themselves into a position where they can collect some sort of a severance pay, shall I say, some sort of franchise severance allowance, they would like to do it.

If they had conducted their operations in the public interest there would have been no severance in the first place. I have made my point on that. I shall say no more except to make it perfectly clear that there is no such intention in this bill to authorize the Capital Transit Co. to obtain any compensation except for the property itself which is necessary for the operation of a mass transportation system in the District of Columbia.

I now come to another point which was raised in the discussion this afternoon. I say, in fairness to the District Commissioners, that I do not share the view of the Senator from Florida [Mr. Holland] as to the attitude which they have taken. I have never found them of a punitive frame of mind. To the contrary, in all my dealings with the Commissioners of the District of Columbia—after all, they are the appointees of the President of the United States—I think they have been at all times nonpartisan in their relationship to the District of Columbia Committee, and I have found them to be exceedingly honorable and able men devoted to the objective of doing the best they can to supply the District of Columbia with a decent transportation system.

Certainly, Mr. President, they have had troubles with the Capital Transit Co. But, in my judgment, the blame for those troubles does not rest upon the shoulders of the District of Columbia Commissioners, but upon the rather uncompromising and, at times, arrogant attitude taken by the officials of the Transit Co.

So I think it is befitting that I should pay this tribute to the District of Columbia Commissioners this afternoon, because they spent many long hours with our committee. They responded to every request for evidence and information we made of them. And may I say, as the present Presiding Officer knows, when we had them before us recently with reference to their failure successfully to negotiate a new operation of the transportation system in the District of Columbia by a private company, we refreshed their memories with regard to their optimism of a year ago. I thought they were very decent and fair about it. The record will show that they simply admitted to us that it did not turn out in the way they expected it would turn out in the representations they made to the committee and which we, in turn, made to the Senate last year by qualified but, nevertheless, accurate repetition of what the Commissioners had told us in committee. It just did not turn out that way. Although there were negotiations with various private companies, none of them was found to be in the public interest. The Commissioners regret that.

The Senator from Florida pointed out, and I think I paraphrase him accurately, that what he thinks the bill will result in is the final step of the establishment of a public authoritly. The intermediate step is a step toward the final establishment of a public authority. I have said as much in committee. I think the odds are in favor of that being the final result, much as I regret it.

But I would have the Senator from Florida put himself, for a moment, in the position of the committee. We had a choice to make—a choice as to whether we would accept the original recommendation of the District of Columbia Commissioners for the establishment, in one step, of a permanent public authority, or try to have an interim period in which to establish some procedure which might possibly result in the purchase of the transportation system by a private operator some time during the next 3 years.

We talked very frankly about that with the District of Columbia Commissioners. I think it is fair to say that their first reaction was, "Well, we will have the situation back as a headache 3 years from now."

During the committee hearings, I think I said, "Then, your suggestion as to what we ought to do is to take a good many aspirin pills now and get rid of the headache once and for all; we should take the aspirin pills in the form of a final public authority."

They laughed about it and said they were willing to go along with the committee's suggestion of an interim approach to the matter, if we thought that was the best procedure to follow. I think every member of the committee knows and will testify that the Commissioners made their suggestions in good faith and that they will do their level best in the 3-year period to try to dispose of the property to a private company.

The Senator from Florida will find that we have provided for a checkup on the matter at the end of 2 years. At the end of 2 years, the Commissioners are to report to Congress the progress, if any, which they have made, and they will put themselves in a position to consider other suggestions by the Senate and House Committees on the District of Columbia. I do not know what more we can do, if we are to turn the matter over to the District of Columbia officials for their operation, than to express the desire of Congress that they sell the property, if possible, to a private concern, and to report to Congress what success, if any, they have had in that direction after 2 years. If they have not succeeded at the end of the first 2 years in disposing of the property, they will begin their final negotiations for the establishment of a permanent authority, which, incidentally, will require some subsequent congressional action.

So we have made it clear that we are not giving the Commissioners a blank check. We have retained this check.

Here again, where men have to operate constantly, as the Commissioners of the District of Columbia have to operate, in the full glare of the public spotlight, I think we shall have good-faith performance in their efforts to dispose of the property to a private concern.

The last point I wish to raise is the matter of the procedure provided in the bill for the handling of labor disputes. I want this statement to appear in the RECORD tonight, so that it will be before the Senate when we discuss the matter on Wednesday.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MORSE. Yes, I yield.

Mr. HOLLAND. Before I am called from the floor, I wish to express my sincere appreciation for the Senator's reading of his brief and his thorough discussion. I find little on which to differ with the Senator on the property question. I think he wants, as I know I want, the whole part of the bill which relates to the taking over of any property which will be taken over, to be final; that he expects that the property to be taken over will be paid for at whatever price the court says should be paid for whatever title the company has.

While the Senator from Oregon has not discussed directly the stock matter, I think he has by indirection discussed it, because he has said 2 or 3 times that he does not favor the Authority's, in effect, buying the whole assets, whether all of them are needed for the operation or not. Of course, buying the stock would be equivalent to that.

So, as I understand it—if I am in error, I hope the Senator will correct me—he regards that as an alternative, more in the nature of an emergency proposal in the event it is needed, after the taking of the tangible assets does not prove to be adequate.

Mr. MORSE. The Senator is completely correct. That is my position.

Mr. HOLLAND. I thank the Senator from Oregon for his courtesy.

Mr. MORSE. Mr. President, lastly I wish to discuss the procedure for the handling of labor disputes. I think it would be very unwise and unfortunate, in connection with the bill, if we should get into a discussion in the Senate as to whether or not to establish a precedent for compulsory arbitration. There are great differences among us in the Senate on this issue. Many of us strongly favor voluntary arbitration, but we are unalterably opposed to compulsory arbitration.

We are here dealing with a union which has a record of 63 years of voluntary arbitration. We are dealing with a parent union which I understand requires a local union to show that it has offered voluntary arbitration before it can get the support of the international union behind a strike called by a local union.

Here is a union which, in my judgment, has demonstrated very clearly the value of volunteerism in a democracy in the handling of labor disputes. Here is a union which on the record does not deserve to have imposed upon it a yoke of compulsory arbitration. Here is a union which never would have been on strike in the District of Columbia had it been dealing with a company which was willing to submit the dispute to voluntary arbitration.

I heard a comment in the course of the colloquy this afternoon that the union had tied up the District for 52 days in that strike. I said, as the RECORD will show, that from the very beginning of the controversy, before the men hit the picket line, the strike was unnecessary; that what was needed was the acceptance on the part of both parties of an impartial third party, who would voluntarily arbitrate the dispute. Had that been the case, there would have been no strike.

With that record, I see no justification whatsoever for Congress establishing in the bill a precedent with regard to compulsory arbitration in the so-called proprietary activities of the Government in the field of commercial enterprise. There are some enterprises of that type, and this is one of them. When a municipality enters upon the operation of a streetcar and bus system, it is dealing in proprietary interest matters; it is dealing with a commercial enterprise.

I happen to be one who is so opposed to public ownership that I do not want to see the Government ever participate in public ownership when private industry under a competitive system can be brought in to operate a particular enterprise. But when the Government decides to exercise a proprietary interest—and I am not talking about the exercise of a police function; I am not talking about the exercise of police powers by Government; I am talking about the exercise of proprietary interest powers—then I do not think the workers in that particular industry should lose the freedom which other American workers enjoy, such as the freedom to bargain collectively over wages, hours, and conditions of employment, and the freedom to exercise economic power, even though it takes the form of a strike, if necessary. That is quite different, as the Senator from New Jersey [Mr. CASE] pointed out this afternoon, from a police system or a fire department system, which requires the exercise of police powers by the State or the governmental unit, whichever it is. But if the District of Columbia is to operate a transportation system and cannot get a private company to operate it, I see no reason why the workers in that particular industry should be denied their economic rights and have imposed upon them the compulsory hand of government in the form of compulsory arbitration.

Let me say, Mr. President, that if in such a situation any union did not agree to voluntary arbitration and did not agree to abide by the decision of voluntary arbitration, it would lose the support of the controlling arbitrator—public opinion. No union could survive for very long with public opinion against it in a streetcar or a bus strike. It may be asked, "If that be true, why do I object to compulsory arbitration being provided for in the bill?" I am objecting because I think it would be an unnecessary precedent and a bad precedent because of the use which would be made of it in other fact situations, and because, on the basis of the record of the union involved, there is no justification for it.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Will the Senator yield?

Mr. MORSE. Yes; I am glad to yield.

The PRESIDING OFFICER. The Chair wants to make it very clear, because the Senator from Oregon is addressing himself to another Senator who at the moment is presiding and also participating in this debate, that the Chair at no time has suggested compulsory arbitration in the course of the debate on the bill, either this year or last year. Because the remarks of the Senator might be referred to and so interpreted, the Chair thought he must make this interruption.

Mr. McNAMARA. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. First let me reply to the Senator from Colorado. I was not addressing myself to the Senator from Colorado; I was addressing myself to the remarks of the Senator from Florida [Mr. HOLLAND], who spoke to me and said he had to leave before I could take up this section. He understood I was going to make my response as clearly as I could in reply.

The PRESIDING OFFICER. The Chair understands that. The Chair as a Senator wanted to make his own position clear.

Mr. MORSE. Mr. President, I wish to point out that on page 82 of the bill there is the following provision:

> In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree—

I emphasize the words "the Authority may agree"—

> to submit such dispute to a tripartite board of arbitration and shall agree with such

> accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

I think that is an excellent provision. I say, let us try it. Let us not do something very drastic until proof has been adduced, on the basis of experience, that the language is not broad enough. I am satisfied the provision will work.

Now I yield to the chairman of the subcommittee.

Mr. McNAMARA. I thank the Senator from Oregon. I rise to ask him a question. Is it the understanding of the Senator from Oregon that this is the recommendation of the Department of Labor, and that the Department's language, in effect, was embodied in the section of the pending bill which is presently under discussion?

Mr. MORSE. Let me tell the Senator what my understanding is. I understand and interpret the letter of Secretary of Labor Mitchell, which was previously referred to, to mean that some provision ought to be put in the bill for a settlement of any possible dispute by way of mediation and arbitration.

Mr. McNAMARA. Implying voluntary arbitration, not compulsory. Is that correct?

Mr. MORSE. I did not take it to mean that the Secretary was recommending compulsory arbitration. I do not know whether this particular wording is wording that was proposed by the Secretary. In a moment I shall ask counsel, but my recollection is that we considered it and worked out the language in committee ourselves.

I am informed by counsel that the statement I have just made is true.

I have written so many arbitration agreements in my life that I thought I recognized this language. It is so typical of the standard voluntary arbitration section that one finds in collective bargaining agreements. I understand from counsel that it is at least his interpretation that this language conforms itself to the spirit and intent of the Secretary of Labor's recommendation as contained in his letter.

Mr. McNAMARA. I wish to say to the Senator that was also my understanding, and that was the understanding of the subcommittee. It seems to me there should be little disagreement if the Secretary of Labor, the Mediation Service, and other agencies of the Labor Department, agree with this sort of language. Certainly no protest was made to the subcommittee, and ample time was afforded to make such protest.

I hope the bill, with that provision, will be promptly passed.

I wonder if the Senator will yield further, so that I may make a unanimous consent request?

Mr. MORSE. I yield.

Mr. McNAMARA. Mr. President, in the committee amendment as reported to the Senate there appear eight typographical errors, which I ask unanimous consent may be corrected by the clerk at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. In closing, Mr. President, as I said to the Senator in private conversation today, I certainly shall give very careful consideration to the matter. If I understand correctly, I think I find myself in agreement with the Senator on one of the amendments he proposes to offer on Wednesday, which contains language in connection with the matter of the handling of personnel that may not at the present time be needed to operate the system, but whose seniority rights should be protected in respect to giving them the first opportunity to be hired if and when additional employees should be needed.

As I understand from my conversation with you, Mr. President, what you are really offering is language which appeared in the original bill which came before the Senate, and which counsel for the District of Columbia still thinks is desirable, along with the clarification we worked out in committee, with the exception of a part of one sentence which the Senator pointed out to me. I understand the Senator will offer his proposal on Wednesday, and I know of no reason why I cannot support that amendment.

I should like to say, Mr. President, not speaking for myself, but for the subcommittee and the full committee, that I think a remarkable job has been done on the bill in handling a problem which, at best, is a municipal headache. I think, when all is said and done, one of the greatest virtues of the bill is that it would place responsibility where it belongs, on the shoulders of the District Commissioners. I think it is a step in the direction of home rule, and I hope that, come Wednesday, the bill, in practically the form we now have it on our desks, with the few suggestions we have worked out this afternoon, may be quickly passed.

Mr. McNAMARA. Mr. President, I should like to associate myself with the concluding remarks of the Senator from Oregon, and I again express my appreciation to the subcommittee for the fine work it has done.

The PRESIDING OFFICER. The Chair will state that the amendments to which the Senator from Oregon has referred are being printed and will be on the desks of Senators, so that Senators will have an opportunity to see them.

RECESS TO WEDNESDAY

Mr. McNAMARA. Mr. President, in accordance with the previous order, I now move that the Senate stand in recess until Wednesday next at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 9 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, to Wednesday, May 9, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 7, 1956:

IN THE ARMY

Brig. Gen. Harry Wells Crandell, O16238, Army of the United States, (colonel, U. S. Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general (temporary), Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and sections 513 and 515 (c) of the Officer Personnel Act of 1947.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress.

To be major generals

Brig. Gen. Henry Kimmell Fluck, O415805, National Guard of the United States.

Brig. Gen. Henry Kirksey Kellogg, O286132, United States Army Reserve.

Brig. Gen. Ralph Julian Olson, O232882, National Guard of the United States.

Brig. Gen. Joseph John Scannell, O350527, National Guard of the United States.

Brig. Gen. Edmund Robert Walker, O291567, National Guard of the United States.

Big. Gen. Edward Otto Wolf, O298530, National Guard of the United States.

To be brigadier generals

Col. Noah Dwight Allison, O278182, military intelligence, United States Army Reserve.

Col. Clifford Frederick Beyers, O267530, Artillery, National Guard of the United States.

Col. Francis Halsey Boland, Jr., O233853, staff specialist, United States Army Reserve.

Col. James Charles Cairns, O285315, Infantry, United States Army Reserve.

Col. Leonard Nichols Dunkel, O178133, Infantry, National Guard of the United States.

Col. Gilbert William Embury, O233743, Artillery, United States Army Reserve.

Col. Leslie Lee Evans, O246332, Infantry, National Guard of the United States.

Col. John Simon Gleason, Jr., O398999, Ordnance Corps, United States Army Reserve.

Col. William Joseph Hixson, Jr., O302021, Infantry, United States Army Reserve.

Col. Graber Kidwell, O295004, Artillery, United States Army Reserve.

Col. John Martin McGreevy, O278060, Corps of Engineers, National Guard of the United States.

Col. Eugene Maier, O270647, Artillery, United States Army Reserve.

Col. Theodore Henry Marshall, O235213, Chemical Corps, United States Army Reserve.

Col. Leon Lewis Mathews, O255628, Infantry, United States Army Reserve.

Col. Fernando C. Mencaccy, O278275, Quartermaster Corps, United States Army Reserve.

Col. William Eugene Miller, O283629, Artillery, United States Army Reserve.

Col. George Poindexter Munson, Jr., O257114, Corps of Engineers, United States Army Reserve.

Col. Edward Anderson Pagels, O318906, Artillery, United States Army Reserve.

Col. William James Sutton, O263659, Infantry, United States Army Reserve.

Col. Harley Bruce West, O268317, Armor, National Guard of the United States.

IN THE ARMY

The following named cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 1, 1956, upon their graduation, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Julian Leo Abell
Richard Eugene Adams
Christopher James Allaire
Samuel Anderson Alward
Ransom Jerome Amlong
James Lee Anderson
Robert Glen Andree
Robert Coleman Bacon
Charles Wilson Bagnal
John Charles Bahnsen, Jr.
Clifford Howard Baker
Keith Andrew Barlow

Reid Anderson Barrett
James Schmauch Bauchspies
William Purnell Baxter
James Eugene Beal
Irving Alonzo Beauchamp, Jr.
Steven Grosvenor Beebe
Anthony Andrew Benish, Jr.
David Tholin Berry
Mark Paul Binstein
Jesse Eugene Blackwell
James Claud Blewster
Roger Reckling Blunt
James Paul Bolin
Frank Owen Bonnarens
Angelo Bortolutti
Arthur Francis Boudreau
Thomas Martin Bowes
Steven Voorhees Boylan
Zeb Boyce Bradford, Jr.
George Pearson Brandel
John Raymond Bray, Jr.
Charles Blane Brinkley, Jr.
Frederic Joseph Brown 3d
Victor Thomas Bullock
Jerry Joe Burcham
Thornton Akin Burns, Jr.
Harlan Barry Bynell
Everette Gattis Caldwell
Steven Loomis Canby
Robert Percy Caron
Eldon Doy Carr
Joseph Royall Carraway
Michael Frederick Cavenaugh
Raymond Celeste, Jr.
Plato George Chambers
Richard Conant Chase
Ralph Joseph Chesnauskas
Jefferson Davis Childs 3d
Harry George Christopher
John James Clark
Whit Lewis Coats
William Francis Cody
Harry Allen Comeskey
John Roger Conklin
Michael John Conrad
David Milton Corderman
Carleton Coulter 3d
Cicero Council, Jr.
Wallace Stanford Crain
Maury Spotswood Cralle, Jr.
Harry Wilson Crandall
Robert David Cremer, Jr.
William Franklin Crews
William Ralph Crites
Carl Louis Croft
Ernest Edward Cross
Edgerton Thorne Crouter
Richard Lee Curl
Edward Francis Daly, Jr.
Robert Benton Danek
Evangelos Dantos
Frank Ligon Day
Theodore John Dayharsh, Jr.
Rudolph Booraem DeFrance
Wood Rene DeLeuil
Gerald Zoel Demers
William Robert Devoto
Arthur Eugene Dewey
William Louis DiGennaro
Everett Stanwood Diez
James Lee Dozier
Robert Malcolm Duncan
Jack Adair Dunn
Charles Eugene Eastburn
Robert Hunt Easton
Vernon Edward Ebert
Conrad Claude Ege
Phillips Griffith Eliot
James Neal Ellis
Vincent Joseph Esposito, Jr.
William Philip Farmer
Robert Gordon Farris
Donald Adolph Fisch
Larry Dean Fitzgerald
Robert Armstrong Flory
Ralph Hendrix Floyd, Jr.
Frederic John Fogh
John William Foss, 2d
Eugene Fox
Eugene Austin Fox
Winfield Crawford Frank
Jerry Clark Frecka
William Richard Frederick, 3d
Forrest James French, Jr.
Charles John Garvey
Clayton Samuel Gates
Joseph Edward Gleason
Charles Arvel Glenn
Howard George Glock
Gerald Daniel Goldberg
Robert Arthur Goodman
Robert Tyler Goodwyn, 3d
Charles Campbell Gorlinski
Donald Clyde Graesser
Theodore Grant
Thomas Norfleet Griffin, Jr.
John Blanchard Grinstead, Jr.
Ralph Mereline Griscom
John Patrick Haley
Gary Curtiss Hall
Donald August Hammel
Robert Dale Hammond
Thomas Wesley Hanson
William Charles Haponski
Thomas Charles Harding, Jr.
Arthur Mowry Harris
James Anthony Harris
Rufus Renwick Hart
Carl Frank Hattler
Joseph Jolly Haydon
Paul Hayne, 3d
Carl Gerald Herrmann
Robert Augur Hewitt, Jr.
Donald Walter Holleder
Edwin Till Holloway
Frederick Stacer Holmes, Jr.
William Mayo Hooker
David Finch Horton
Jerry Harold Huff
Robert Lee Hull
Jarold Leroy Hutchison
Theodore Clinton Jasper
Anthony Michael Jezior
William Robert Johansen
John LeRoy Johnsen
Harry Warren Johnson, Jr.
John Carl Johnson
David James Johnston
Richard Reece Johnston
Robert Peter Judson
John Michael Kallfelz
George David Kannapel
Richard Joseph Keating
John William Keefe, 2d
Warren George Keinath, Jr.
Richard Samuel Kem
John Albert Keutmann
Edward Blaine Kime, Jr.
Rupert Charles Kinsloe, Jr.
John Malcolm Kirk
Kenneth James Knowles
Walter Henry Knudsen, Jr.
Charles Robert Kottich
James Fulton Lane
David Rea Larr
Peter Waller Lash
Paul Allen Lasley
Ward Morehouse LeHardy
Donald Cyril Lee
George Weir Lee, Jr.
Samuel Lindsay Lemmon, Jr.
Norman Levy
Warfield Monroe Lewis, Jr.
William Hines Linder
Roy Ernest Lindquist, Jr.
Robert Hunter Lindsey
Gayle Norman Linkenhoger
Paul Michel Lion, 3d
Walter Bernard Liska
Donald Cubbison Little, Jr.
John Lewis Liwski
George Ulrich Loffert, Jr.
Dirk Henry Lueders
Eugene Stanley Lynch
William Edwin Lyon
Richard Edward Mackin
Richard Charles Malinowski
Edwin Woods Martin, Jr.
George Joseph Martin
Harold Arthur Marvin
Thomas James Masterson
Jon Rutledge Matt
Francis Weems Matthews
Elford Morgan Mayson
Thomas Joseph McAniff
Walter Lee McCahan
Mervin Gilbert McConnel
Randolph Adams McCreight
John Joseph McGinn
Michael Joseph McGrath
Harry James McGuire
James Walsh McNulty
Griffith John McRee, Jr.
Russell Aaron Mericle, Jr.
Paul Anthony Merola
Henry Baldwin Miles, Jr.
Thomas LaRue Miller
Gregory Welch Mitchell
David Wardlaw Moore, 3d
Donald Ray Morelli
Jerold Alan Morgan
Walter Joseph Muller, Jr.
Jack Thiel Munsey
Hugh Wilmot Munson, Jr.
David Carl Muntz
William Edward Narus, Jr.
Edward Francis Neary
John William Nicholson
Robert Kirk Nicholson
Bernard John O'Brien
Donald Michael O'Shei
John Hawley Oakes
Charles Theodore Ogren
Anthony Joseph Ortner
Dave Richard Palmer
James Paradise, Jr.
Charles Richard Parker
John Randall Parker
Farrell Gee Patrick
Silvio Pelosi
Michael Joseph Pendino
Benjamin Gay Peterson
Gary Ray Phillips
Richard Brayton Pierce
John Stanley Polickoski
Charles Ellsworth Poole, Jr.
Jon Eugene Porter
Robert Everett Quackenbush, Jr.
Paul Wayne Rajala
Frederick Ashby Rall
Robert Dale Randall
Harry Jerrol Raymond
Roger Roy Redhair
Edward Harrison Redline
Edward Francis Rhodes
Edward Thomas Richards
Robert Newton Richards
Gerald Alan Richardson
Richard Rinker
Samuel J. Roberts III
William Cornelius Roll
Roger Alan Root
Morrill Ross, Jr.
Robert Allison Ross
George Wayne Rostine
Ernest Lewis Ruffner
Ivar Walter Rundgren, Jr.
Charles Richard Russell
Thorton Samuel Saferstein
Charles Prather Saint
Luciano Cristoforo Salamone
Charles DeFitzer Sarkiss
Benjamin Paul Saxton, Jr.
David John Scales
John Carl Scholz
Marshall Delano Schoonmaker
William Karl Schrage, Jr.
Bob Dennis Schuler
H. Norman Schwarzkopf
Charles Frederick Scott, III
Robert Charles Scully
James Hunter Sewell, Jr.
Dexter Harrison Shaler
Donald Joseph Shannon
Frank Emanuel Sharer
Milton Cogswell Shattuck, Jr.
Frederic Lloyd Shean
James Clarence Shirey
Garrett Victor Sidler
Charles Benjamin Singletary
Michael Sanford Sirkis
Mark Joseph Sisinyak
Herrol James Skidmore, Jr.
Wilbur Manly Skidmore, 2d
John Francis Sloan
Donald Bertrand Smith, Jr.

Frank Lee Smith
Lowell Gene Smith
Scott Beecher Smith
Stainton Smith
Charles Cameron Snavely 2d
John Cline Snodgrass
Lewis Stone Sorley 3d
Harold Philpott Southerland, Jr.
Robin George Speiser, Jr.
James Whitney Spires
Robert Patrick St. Louis
James Walter Stanley
George John Stapleton
John Hughes Stevenson
James Ober Straub
James Kinard Strozier
Philip Albert Stynes
Leroy Newton Suddath, Jr.
Robert Patrick Sullivan
Charles Francis Swezey
Richard Disbro Sylvester
John Alton Taylor
Gerald Ralph Aloysius Thompson
Richard Paul Thompson
Robert Blair Tinsman
Charles Edward Trefzger
Richard Lee Tripp
Bert Errol Tucker, Jr.
Hiram Barricklow Turner, Jr.
Heath Twichell, Jr.
Patrick Norman Uebel
Everett Charles Updike
Walter Urbach, Jr.
John Stephen Utz
Edward Valence, Jr.
Edmund Leroy Van Dervort
Peter Joel Vann
Herbert Myers Wagenheim
John Francis Wagner
James Jolly Waldeck, Jr.
John Furman Wall, Jr.
Lawrence Arthur Wange
George William Ward, Jr.
Richard Brent Washburn
William Leon Weihl
Leslie Hiram Weinstein
Sidney Thomas Weinstein
Arvid Emerson West, Jr.
Michael Francis West
William Carter Westcott 3d
George Erb Wien
Gary Criswell Williams
Walter Douglas Williams
Marvin Marcy Williamson
Alex Norwood Williams 3d
Ernest Bayley Wilson
Paul Patton Winkel, Jr.
Thomas Charles Winter, Jr.
George Kenyon Withers, Jr.
Howard Gregory Wold
John William Woodmansee, Jr.
George Joseph Woods, Jr.
Stephen Richard Woods, Jr.
Melvin Louis Wuest
Gerard Michael Wynn
Everett Marion Yon, Jr.
George Edmund Weeks Young, Jr.
Michael Grant Ziegler
Martin B. Zimmerman

In the Navy

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, Vice Adm. Robert P. Briscoe, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominated him to have the grade, rank, pay, and allowances of admiral while so serving.

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominated them to have the grade, rank, pay, and allowances of vice admiral while so serving:

Vice Adm. William M. Callaghan, United States Navy.

Rear Adm. Carl F. Espe, United States Navy.

Adm. William M. Fechteler, United States Navy, when retired, to be placed on the retired list with the rank of admiral.

In the Navy

Asher P. Seip, Jr., midshipman (Naval Academy), to be an ensign in the Navy, subject to qualification therefor as provided by law.

Ronald Clinton Hudgens, midshipman (Naval Academy), to be an ensign in the Navy, subject to the qualification therefor as provided by law.

Don E. Kennedy, midshipman (Naval Academy), to be an ensign in the Supply Corps of the Navy, subject to qualification therefor as provided by law.

Milton E. Burdsall, midshipman (Naval Academy), to be an ensign in the Navy (special duty only) subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Lawrence E. Aaron
Lawrence Badash
Robert W. Beveridge, Jr.
Duane N Bloom
William C. Brandenburg, Jr.
Charles W. Breckenridge, Jr.
Raymond Brekke
Matson Clements
Thomas A. Cox
Roy W. Diesner
Donald L. Drake
Lloyd E. Emery
Torrence P. Francino
David A. Geupel
Frank P. Greene
Fred W. Hammar
Thomas J. Henry
Joel T. Henslee, Jr.
Stuart Herzog
Peter F. Hovell
Robert L. Howard
George F. Jacobs, Jr.
Melvyn A. Javinsky
Harlan R. Jessup, Jr.
John S. Kearney
Kenneth H. Keller
Bertram H. Lowl
George E. McGuire
Richard T. Mansell
William R. Nicholas
Aldor C. Peterson, Jr.
Donald P. Plapp
Douglas C. Potter
Bernard P. Rice
William W. Satterfield
Melvin E. Taunt
Tom W. Waterhouse
Robert J. Wherry, Jr.
Ralph Zaayenga

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualification therefor as provided by law:

Robert D. Bishop
Keith D. Brandt
Richard G. Capen, Jr.
Raymond L. Carroll
Wayne E. Cliff
Paul J. Cody
Frank B. Coleman III
Joseph A. Fidd
Louis W. Gorenflo
Ralph S. Grant
Theodore B. Ice
Channing E. Jones
Roger G. Joys
Frank L. Klapperich, Jr.
David LeBuhn
Thomas H. Lowe
John J. McGarvey
Daniel W. McKinnon
Carlton W. Mackey
Johnny G. Medlin, Jr.
Ned D. Moore, Jr.
George A. Mulroy
Glenn R. Munkres
John E. Murphy
William R. Nicholas
Robert J. O'Brien
Daniel J. O'Connor, Jr.
George C. Pallas
William M. Phillips
Larry D. Potts
Edwin T. Powell
Cornelius B. Prior, Jr.
John B. Randall
Solomon "D" Rosner
Richard G. Rosselot
Donald L. Roth
John A. Smith, Jr.
Emory B. Washington
James P. Whitaker

The following-named (Naval Reserve Officers Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

Richard M. Anderson
Walter I. Anderson
Arlen L. Borgen
Jeffrey H. Broido
Watson S. Buehler
Peter C. Buhler
Ronald M. Bundy
Allan W. Collins
Anthony Coppola
William E. Creger
Fred I. Friedlander
Neal R. Friets
Gerald C. Groff
Lauren A. Larsen
Harry W. Merz, Jr.
Ronald L. Moeller
Frank M. Newcomb
Norman W. Petersen
Paul E. Pietsch
Lawrence F. Rea
Richard P. Sellevold
Ronald G. Shirley
Ronald M. Spitz
James R. Wildman
Raymond G. Zinckgraf, Jr.

Leonard H. Brubaker (Naval Reserve Officers' Training Corps) to be an ensign in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, as previously nominated, to correct name, subject to qualification therefor as provided by law:

Stanley R. Kingman, Jr.
Walter A. Kordek
Thomas R. Virnelson

The following-named (civilian college graduates) to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Francies Marshall

LIEUTENANT

Jesse A. Federle
Jesse R. Ledbetter

LIEUTENANT (JUNIOR GRADE)

August Miale, Jr.

The following-named Reserve officers to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

COMMANDER

Stephen H. Tolins

LIEUTENANT

Jacques K. Chamberlain
Clark D. Fobes
Scott G. Kramer
Carter B. Sigel

LIEUTENANT (JUNIOR GRADE)

Eugene M. Joly
Carl W. Rogers

Theodore R. Hunley (civilian college graduate) to be a lieutenant commander in the Dental Corps of the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Alvin E. Riehl

LIEUTENANT

Edwin L. Hoffius

LIEUTENANT (JUNIOR GRADE)

Delmar D. Albers
Ronald D. Baker
Kenneth E. Brown
Paul S. Coombs
Patrick A. DelGrande
William F. Dowling, Jr.
Walter P. Eckstein
Ray E. Egli
Frederick P. Eichel
Jim D. Gordon
Michael F. Grieco, Jr.
John M. Hughes
Robert L. Jenkins
Richard J. Kieny
Gordon E. King
Max C. King
Richard A. Lattner
Carlton J. McLeod
Elgene G. Mainous
Daniel E. Marsalek
Merrill C. Mensor, Jr.
Joseph E. Micka
Harold F. Miller
William C. Moffitt
William K. Oliver, Jr.
Clarence B. Parent, Jr.
Max J. Perlitsh
Gary E. Rademacher
Thomas B. Reid, Jr.
William F. Riddle
Gerald A. Rosdahl
Peter K. Schaeffer
Herbert O. Scharpf
Edwin R. Selesnick
Jerry M. Studdard
Howard S. Tugwell
Charles C. Upshaw
Arden D. Valasek
Donald C. Weikert
Sherman L. Williams
Milton R. Wirthlin, Jr.
Gene K. Wyne

The following-named Reserve officers selected as alternates to be lieutenants (junior grade) in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

Jack G. Braswell
Anthony J. Larizza
John J. Meade
Ronald M. Romaniello
Jerome A. Smith

Samuel O. Grayson, for permanent appointment to the grade of chief warrant officer, W-3, in the United States Navy, subject to qualification therefor as provided by law.

The following-listed personnel to be lieutenants in the United States Navy, for temporary service, subject to qualification therefor as provided by law:

Max E. Corrick
Maurice E. Ford
Johann H. Fultz
Lewis S. Lawton
Oden L. McMillan

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Herman C. Abelein, Jr.
John B. Allen
Jackie K. Ashmore
Robert F. Atherton
Robert F. Aumack
Richard H. Baillie
Lawrence N. Berkley
Gregory Bernard
Frederick M. Biedenweg
Richard R. Blasi
Charles O. Borgstrom Jr.
Richard D. Boult, Jr.
James C. Bowley
Donald R. Brainard
Bruce W. Brown
James L. Brown
William D. Campbell
Warren H. Card
George R. Carlson
Walter H. Carpenter
Harry K. Chamberlain
Richard Chesebrough
Oscar C. Chisum
Frederick M. Congdon
Robert F. Connally III
William J. Corbett III
Robert A. Courtney
James C. Cowart
John L. Damian
Robert D. Dix
Clarence Erkelens
Robert K. Estabrook
Merritt C. Farren
Gerard P. Finn, Jr.
William L. French
Robert E. Groder
David K. Grosshuesch
John J. Hale
Edward R. Hallett
John F. Harshbarger
Gerald R. Hayward
Frederick T. Heath
Holden R. Herrin
John W. Hicks
Merle L. Hoffman
Donald R. Hubbs
Francis D. Hurlbut, Jr.
Thomas L. Jackson
Orrin Joiner
Bruce M. Kallgren
Robert G. Kerr
Charles W. King
LeRoy M. Kraft
Richard A. Koch
Ramon W. Leary
James C. Loberger
Freeman L. Lofton
George C. McAlister
Clarence L. McDaniel
John B. W. Malkewitz
Richard E. Marriner
Stephen C. Montgomery
Robert S. Moore
James E. Morgan
Peter M. Moriarty
Robert E. Morris
Gilbert S. Murray, Jr.
James M. O'Connell
Charles B. Oldfield III
Don "L" Oliphant
James W. Olson
Harrison B. Paisley
John T. Parks
Donald E. Parrish
Lloyd L. Parthemer
Robert F. Paul
William R. Penney
William V. Powell
Duane D. Rainville
Andrew P. Redifer III
"T" S. Remsen
Frank D. Riggs
Robert T. Roberts
John M. Rochford
Donald D. Rosenberg
Arnold J. Rubin
Robert M. Sayers, Jr.
Ronald Scarafone
Robert A. Schroeder
John H. Scott, Jr.
Thomas L. Shanahan
Lee R. Shugart
Donald G. Sillars
Kenneth J. Simmons
Robert A. Stephan
Warren L. Story
Robert F. Thorndike
Thomas K. Trotter
Richard P. Vaillancourt
Eugene W. VanReeth
Oscar J. Vogel, Jr.
Grover C. White, Jr.
Charles H. Whiteleather, Jr.
Edward L. Wilkinson
Tommy C. Wimberly
Richard L. Wright
Norman L. Youngblood, Jr.

LIEUTENANT (JUNIOR GRADE)

Herbert G. Banham, Jr.
Joseph J. Barth, Jr.
Carl M. Bates
John F. Baumgardner
Stephen C. Belechak
Herbert C. Boyd
John D. Brackin
Donald D. Brown
Henry C. Cantlion
Philip K. Clark
Harry K. Cook
James R. Demonbreum
Francis X. Dowd
Letson E. Easterling
Robert J. Fitzsimmons, Jr.
John G. Fletcher
William V. Garcia
Patrick F. Gherrity
Thomas A. Glasgow
James O. Heft
George N. Helm, Jr.
Raymond E. Helms, Jr.
Frank W. Hill
Lee "M" Holland
Gerald J. Howatt
John D. Keith
Russell W. Kirbey
Verle W. Klein
Carl D. Lott
John B. McBride
Paul F. McCarthy, Jr.
John J. McCoy
James G. McIntyre
William G. McKeown, Jr.
Thomas J. McMahon
Larry Millman
Richard P. Multer
Matthew J. Ott
Dean M. Payne
Pierre A. Petit
Kenneth J. Riley
Harry C. Rockefeller, Jr.
Don D. Schmidt
Douglas M. Simon
Robert E. Smythe
Edward J. Sottak
Gerard M. Sturm, Jr.
William B. Thorburn
Alvin R. Timm
Robert J. Tomenendal
Agostino J. Travaly
Richard D. VanAntwerp
Demetrio A. Verich
Edward O'N. Williams
Carl J. Woods

The following-named for permanent appointment:

LIEUTENANT

Rene L. Briand
Richard D. Fasig
George E. Hubbell
Robert A. Maxwell
William F. O'Donnell
James McK. Pugh
Carl H. Swadell

LIEUTENANT (JUNIOR GRADE)

Herman C. Abelein, Jr.
John F. Addams
John B. Allen
Jackie K. Ashmore
Robert F. Atherton
Robert F. Aumack
Ronald J. Backes
Richard H. Baillie
William W. Bannister
Lawrence N. Berkley
Gregory Bernard
Frederick M. Biedenweg
Charles F. Bird
Richard R. Blasi
Harry E. Bolster
Charles O. Borgstrom, Jr.
Richard D. Boult, Jr.
James C. Bowley
Donald R. Brainard
Bruce W. Brown
James L. Brown
Gordon R. Bryan, Jr.
Norman A. Cameron
William D. Campbell
Warren H. Card
George R. Carlson
Angelo M. Carnevale
Robert R. Caron
Walter H. Carpenter
Donald F. Causey
Harry K. Chamberlain
Richard Chesebrough
Oscar C. Chisum
Thomas R. Colligan
Frederick M. Congdon
Robert F. Connally III
William J. Corbett III
Eugene F. Coughlin
Robert A. Courtney
James C. Cowart
John L. Damian
Michael J. Davin
Noble J. Davis, Jr.
William S. Davis
Wilson E. Depew
Robert D. Dix
Robert M. Dowe, Jr.
Clarence Erkelens
Robert K. Estabrook
John J. Eynon
Merritt C. Farren
Gerard P. Finn, Jr.
Russell H. Fisher
William L. French
Duane M. Gall
Kenneth R. Gardner
Thomas N. Giles
Robert E. Groder
David K. Grosshuesch
John J. Hale
John D. Hallaron
Edward R. Hallett
Stonewall Hansard
John H. Harns
John F. Harshbarger
William K. Hatcher
Richard McK. Hawkins
Gerald R. Hayward
Frederick T. Heath
Holden R. Herrin
John W. Hicks
Merle L. Hoffman
Edward R. Horton
Donald R. Hubbs
Francis D. Hurlbut, Jr.
Talcott L. Ingraham, Jr.
Thomas L. Jackson
Orrin Joiner
Henry R. Jones
Wesley G. Judd
Bruce M. Kallgren
Anthony J. Karpaitis
Ralph W. Kausch
Robert G. Kerr
Charles W. King
Harry W. Kinsley, Jr.
Richard A. Koch
LeRoy M. Kraft
William A. Lamm
Robert L. Latta
Ramon W. Leary
Charles M. Lentz
James C. Loberger
Freeman L. Lofton
John D. Lovvorn
George C. McAlister
Clarence L. McDaniel
Charles L. McGathy, Jr.
Donald MacGregor
John B. W. Malkewitz
John G. Maltby, Jr.
Richard E. Marriner
Robert F. Massimi
Patrick J. Maveety
Robert E. Miale
Blount R. Miller, Jr.
Jack B. Miner
Edgar D. Mitchell
Stephen C. Montgomery
Robert S. Moore
James E. Morgan
Peter M. Moriarty
Ronald D. Morin
Robert E. Morris
Charles B. Morton III
Gilbert S. Murray, Jr.
Charles F. Nason, Jr.
John L. Nicholson, Jr.
Edward H. Nunnally, Jr.
James M. O'Connell
Joseph E. O'Connor
Charles B. Oldfield III
Don "L." Oliphant
James W. Olson
Michael M. Pajak
Harrison B. Paisley
John T. Parks
Donald E. Parrish
Lloyd L. Parthemer
Robert F. Paul
William R. Penney
Robert A. Pfromer
William V. Powell
Donald E. Prisby
Lewis J. Radeff
Duane D. Rainville
Andrew P. Redifer III
"T" S. Remsen
Gerald "B" Rich
Frank D. Riggs
Robert T. Roberts
John M. Rochford
Donald D. Rosenberg
Arnold J. Rubin
James A. Rude
Thomas J. Saunders
Robert M. Sayers, Jr.
Ronald Scarafone
John A. Schimansky
Arnold Schonfeld
Robert A. Schroeder
Carl J. Scichili
Frank P. Scott
John H. Scott, Jr.
William C. Semple III
Thomas L. Shanahan
John B. Shattuck
Warren L. Shaw
Eugene E. Sheehy
Lee R. Shugart
Donald G. Sillars
Kenneth J. Simmons
Robert A. Stephan
Warren L. Story
William W. Thompson
Robert F. Thorndike
Thomas K. Trotter
Richard P. Vaillancourt
Eugene W. VanReeth
Oscar J. Vogel, Jr.
Thomas M. Volatile
John F. Wanamaker
James E. Wetz
Grover C. White, Jr.
Charles H. Whiteleather, Jr.
Edward L. Wilkinson
Kenneth A. Williams
Samuel B. Wilson
Tommy C. Wimberly
Jimmie A. Word
Richard L. Wright
Norman L. Youngblood, Jr.

ENSIGN

Herbert G. Banham, Jr.
Joseph J. Barth, Jr.
Carl M. Bates
John F. Baumgardner
Stephen C. Belechak
Gian L. Berchielli
Herbert C. Boyd
John D. Brackin
Donald D. Brown
Joseph DeV. Brubaker, Jr.
Henry C. Cantlion
Philip K. Clark
Harry K. Cook
James R. Demonbreum
Francis X. Dowd
Michael G. Doyle
Letson E. Easterling
Harold S. Fassett, Jr.
Robert J. Fitzsimmons, Jr.
John G. Fletcher
David A. Frecker
William V. Garcia
Patrick F. Gherrity
Thomas A. Glasgow
James O. Heft
George N. Helm, Jr.
Raymond E. Helms, Jr.
Frank W. Hill
Lee "M" Holland
Gerald J. Howatt
John D. Keith
Russell W. Kirbey
Verle W. Klein
Carl D. Lott
John B. McBride
Paul F. McCarthy, Jr.
John J. McCoy
William G. McKeown, Jr.
James G. McIntyre
Thomas J. McMahon
Larry Millman
David P. Moss
Richard P. Multer
Matthew J. Ott
Dean M. Payne
Pierre A. Petit
Kenneth J. Riley
Harry C. Rockefeller, Jr.
Don D. Schmidt
Douglas M. Simon
Robert E. Smythe
Edward J. Sottak
Gerard M. Sturm, Jr.
William B. Thorburn
Alvin R. Timm
Robert J. Tomenendal
Agostino J. Travaly
Richard D. VanAntwerp
Demetrio A. Verich
Ted "E" Whiting
Edward O'N. Williams
Carl J. Woods.

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (engineering duty), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Dean N. McLaughlin
Roy "T" Pinkerton
John A. Winfrey, Jr.

LIEUTENANT (JUNIOR GRADE)

Robert F. Graham

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Chong Sum Fong
Dean N. McLaughlin
Roy "T" Pinkerton
John A. Winfrey, Jr.

ENSIGN

Robert F. Graham

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (aeronautical engineering duty), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Robert A. Mircheff
Frederick B. Johnston
William Sprunk, Jr.

The following-named for permanent appointment:

LIEUTENANT

Edgar L. McAdams
Jack R. Songer

LIEUTENANT (JUNIOR GRADE)

William J. Buckley, Jr.
Michael A. Coscina, Jr.
William R. Edwards, Jr.
Frederick B. Johnston
Robert A. Mircheff
Daniel F. Rayder
Kim R. Schuette
William Sprunk, Jr.
Joseph L. Wahler
Henry McD. Walker

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (special duty communications), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Jack C. Sandsberry

The following-named for permanent appointment:

LIEUTENANT

John M. Denkler

LIEUTENANT (JUNIOR GRADE)

Jack C. Sandsberry

The following-named officers for permanent appointment to be lieutenants in the line of the Navy (special duty law), subject to qualification therefor as provided by law:

Bobby D. Bryant
Leslie "O" Lynch
William O. Miller
William J. Perry
Claude A. Stonemetz, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (special duty intelligence), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Harold Feeney
James H. Guill
Donald L. McQueen

The following-named for permanent appointment:

LIEUTENANT

Robert J. Kozman

LIEUTENANT (JUNIOR GRADE)

Harold Feeney
James H. Guill
Donald L. McQueen

The following-named women officers to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT (JUNIOR GRADE)

Nancy L. Hearne
Phyllis A. Nash
Sally H. O'Connell
Charlene I. Suneson

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Clare M. Breen
Jean L. Chapman
Pauline A. Dale
Patricia A. Drews
Estelle "B" Gorsuch
Joan M. Haas
Dorothy L. McCoury
Mary M. Morel
Evelyn M. Ogelvie
Barbara P. Taylor

ENSIGN

Elizabeth L. Gregg
Nancy L. Hearne
Beverly I. Hill
Alfreda A. Lukomska
Phyllis A. Nash
Sally H. O'Connell
Virginia C. Smith
Charlene I. Suneson

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

George M. Akin, Jr.
Elmer L. Bingham
Allen R. Botimer
Joseph H. Britton
Erwin L. Burke
James A. Coulter
Thomas A. Daane
Joseph S. Garrison III
Joseph F. Giattini
Herbert E. Glick
Thomas J. Grause
Ralph L. Hadlund
John F. Heath
Harry R. Houston
Lloyd A. Hurley
Thomas R. Kleh
Paul G. Linaweaver, Jr.
Thomas E. McCarthy
Don L. McCord
James A. McFadden, Jr.
Adam A. McNitzky
David C. Owen
Robert S. Pittell
Lewis H. Seaton
Duane L. Seig
Martin C. Shea, Jr.
Robert I. Sorenson
Richard H. Svihus
Jeno E. Szakacs
Robert W. Taylor
Henry S. Trostle
Fred R. Walton
Cecil C. Welch
John F. Wurzel

The following-named for permanent appointment:

LIEUTENANT

Hanns O. Kretzschmar
William E. Lucas

LIEUTENANT (JUNIOR GRADE)

George M. Akin, Jr.
Elmer L. Bingham
Allen R. Botimer
Joseph H. Britton
Erwin L. Burke
James A. Coulter
Thomas A. Daane
Joseph S. Garrison III
Joseph F. Giattini
Herbert E. Glick
Thomas J. Grause
Ralph L. Hadlund
John F. Heath
Harry R. Houston
Lloyd A. Hurley
Thomas R. Kleh
Paul G. Linaweaver, Jr.
Thomas E. McCarthy
Don L. McCord
James A. McFadden, Jr.
Adam A. McNitzky
David C. Owen
Robert S. Pittell
Lewis H. Seaton
Duane L. Seig
Martin C. Shea, Jr.
Robert I. Sorenson
Richard H. Svihus
Jeno E. Szakacs
Robert W. Taylor
Henry S. Trostle
Fred R. Walton
Cecil C. Welch
John F. Wurzel

The following-named officers for temporary or permanent appointment to the grade indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Paul L. Abbott
Rodman Brokaw
Neil C. Demaree
Thomas A. Garman

The following-named for permanent appointment:

LIEUTENANT

Paul E. Farrell

LIEUTENANT (JUNIOR GRADE)

Paul L. Abbott
Rodman Brokaw
Neil C. Demaree
Thomas A. Garman

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Service Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Morris J. Damato
Andrew J. Gaspar
Armand R. Nice
Robert F. Reed

LIEUTENANT (JUNIOR GRADE)

Wilfred J. Brownlow, Jr.
Kenneth R. Cundy
Edward S. Dunbar
John D. Myers

The following-named for permanent appointment:

LIEUTENANT

Thomas H. Long, Jr.
Thomas W. Nooney, Jr.

LIEUTENANT (JUNIOR GRADE)

Morris J. Damato
Andrew J. Gaspar
John E. Howard
Armand R. Nice
Robert F. Reed

ENSIGN

Wilfred J. Brownlow, Jr.
Kenneth R. Cundy
Edward S. Dunbar
John D. Myers

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Charles W. Ayling
Robert M. Brown
Clifford A. Calais
Paul L. Devine
Robert J. DeVilbiss
Larry G. Gudbranson
Dan Noble
Harvey S. Oelkers
Louis M. Sappanos

LIEUTENANT (JUNIOR GRADE)

Robert S. Barr
Robert R. Bechtelheimer
John J. Gapp
Joseph P. Lopuszynski
Guy T. Moore
Farra L. Read, Jr.
Moses T. Sevier
Mark W. Thompson
Grover C. Warneke
Charles W. Young

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Charles W. Ayling
Ernest L. Baker
Joseph W. Benedict
Robert J. Bogorowski
Donald W. Breedlove
Robert M. Brown
Clifford A. Calais
Raymund G. Carberry, Jr.
Charles T. Connelly
Robert J. DeVilbiss
Paul L. Devine
William H. Dickey
Goodwin Donnelly III
Graydon M. Durham, Jr.
Bobby J. Earl
Calhoun R. French
Vincent J. Giagni
Larry G. Gudbranson
Emerson M. Harris
George A. Jackson
Jerry D. Johnson
Frederick H. Keefer
Arthur F. Knox, Jr.
Ralph E. Lashley, Jr.
William A. McPherson, Jr.
Eric H. Miller, Jr.
Charles G. Neelley
Dan Noble
Clifford H. Norvell
Harvey S. Oelkers
Bruno A. Pomponio
Louis M. Sappanos
Thomas D. Sibben
John G. Weisend
William D. Wolfe

ENSIGN

Robert S. Barr
Robert R. Bechtelheimer
John J. Gapp
Joseph P. Lopuszynski
Guy T. Moore
Farra L. Read, Jr.
Moses T. Sevier
Mark W. Thompson
Grover C. Warneke
Charles W. Young

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

John H. Carnes
William Paquin

The following-named for permanent appointment:

LIEUTENANT

James F. Agnew
John P. Fay
Michael Primenko
John D. Vincer

LIEUTENANT (JUNIOR GRADE)

John H. Carnes
Donald H. Dillard
John R. Hershberger, Jr.
William Paquin
William R. Samuel

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps in the

Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Arthur W. Berger
Robert J. Houghton
James T. Taylor

LIEUTENANT (JUNIOR GRADE)

Ralph W. Auerbach, Jr.
Billy G. Crockett
William F. Daniel, Jr.
James J. Farmer
George Lake
Jack B. Moger
Fred C. Schoenagel, Jr.
Albert R. Socha
Dorwin B. Wile
Robert B. Wolf

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Arthur W. Berger
Jack C. Biederman
Robert J. Houghton
John J. Jamison
Clarence B. Johnson
Durrell A. Johnson
Charles J. Mathews
Joseph L. Reese, Jr.
James T. Taylor
Kenneth D. VanBelkum

ENSIGN

Ralph W. Auerbach, Jr.
Billy G. Crockett
William F. Daniel, Jr.
James J. Farmer
George Lake
Jack B. Moger
Fred C. Schoenagel, Jr.
Albert R. Socha
Dorwin B. Wile
Robert B. Wolf

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Catherine M. Glynn
Naomi D. Hammill
Jeanette K. Kornacki
Mary D. Reese
Miriam C. Sherman
Gloria J. Stipe
Betty A. VanWormer
Mary L. Wirkler

The following-named for permanent appointment:

LIEUTENANT

Frances E. Beck
Mary P. Brennan
Irene W. Broker
Mary C. Burch
Lucy E. Hall
Elizabeth P. Holland
Jeane E. Riley
Mabel G. Simpson
Marcella E. Smith
Catherine S. Walker

LIEUTENANT (JUNIOR GRADE)

Marjorie D. Dauntler
Catherine M. Glynn
Naomi D. Hammill
Charlotte E. Hockenberger
Jeanette K. Kornacki
Eleanor V. Peterson
Mary D. Reese
Miriam C. Sherman
Gloria J. Stipe
Betty A. VanWormer
Mary L. Wirkler

The following-named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Robert H. Burr
Peter F. Hovell

The following-named Reserve officers (former naval aviation cadets) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Arthur R. Anderson, Jr.
Fred J. Attaway, Jr.
Hugh W. Bergey
Carl F. Bergstrom, Jr.
Richard J. Blanc
Henry J. Bond
Paul G. Boozman
Daniel I. Carroll
Albert K. Charlton
Edward V. Condon, Jr.
Lloyd J. Draayer
John D. Dunn
Robert C. Fay
Lawrence Furstenberg
Lawrence J. Godby
Winston O. Goller
James L. Harrison
Dilliard D. Hicks, Jr.
John I. Hudson
Peter F. Lottsfeldt
Earl F. Lovell
James E. Martin, Jr.
Donald R. Morgan
Edmond J. Murphy
Fred G. Newcomb
Jerome L. Norton
James D. Pierce
Robert D. Reid
Donald L. Rowe
William P. Rushing, Jr.
William C. Singletary
Donald G. Smith
Howard L. Snider
Milton G. Thompson
William R. Wyatt

The following-named Reserve officers (former naval aviation cadets) for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Arthur R. Anderson, Jr.
Fred J. Attaway, Jr.
Hugh W. Bergey
Carl F. Bergstrom, Jr.
Richard J. Blanc
Henry J. Bond
Paul G. Boozman
Daniel I. Carroll
Albert K. Charlton
Edward V. Condon, Jr
Lloyd J. Draayer
John D. Dunn
Robert C. Fay
Lawrence Furstenberg
Lawrence J. Godby
Winston O. Goller
James L. Harrison
Dilliard D. Hicks, Jr.
John I. Hudson
Peter F. Lottsfeldt
Earl F. Lovell
James E. Martin, Jr.
Donald R. Morgan
Edmond J. Murphy
Fred G. Newcomb
Jerome L. Norton
James D. Pierce
Robert D. Reid
Donald L. Rowe
William P. Rushing, Jr.
William C. Singletary
Donald G. Smith
Howard L. Snider
Milton G. Thompson
William R. Wyatt

The following-named (Army Reserve Officer Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Donald E. Culkin
Fritz Firing
Robert J. Fudge
Howard L. Long
Joel A. Martin
William O. Nelson, Jr.
Robert A. Stannard
Paul P. Warley
Stuart L. Weinerth, Jr.

The following-named officers for permanent appointment to the grade of chief warrant officer in the Marine Corps, subject to qualifications therefor as provided by law:

John L. Arnold
Edmond E. Arrant
Theodore J. Bell
Walter C. Bell
Mark W. Billing
Philip Blazer
John C. Brownson
Joe C. Bustin
Louis A. Cabral
Dennis M. Cantrell
Charles D. Cates
Charles O. Christie
Roy A. Chyba
Francis M. Clements
Frank E. Cline
Leon A. Cooper
Leslie C. Cosby
George F. Cribb, Jr.
Donald A. Crosby
James R. Cushman
Jack W Demmond
James F. Deuser
Robert J. Divoky
Paul L. Drake
Robert L. Dryden
Edward H. Dupre, Jr.
John M. Elliott
Robert T. Everson
Harrison P. Fall
John A. Fichter
Edward C. Finkbohner
Joseph C. Floyd
Don R. Fogt
William Fouch
Noel J. Hales
Daniel W. Hall, Jr.
James A. Harrington
George C. Herman
James R. Hoekstra
Charles J. W. Holland
Max O. Horton
Russell I. Hudson
Edward J. Hukle
Thomas W. Huston
Anton M. Johner
Joe M. Jurancich
Edward L. Kelly, Jr.
Orlis E. Kennicutt
Wayne H. Kerr
George Y. Kolva
Harry T. Lennen, Jr.
Elmer E. Long, Jr.
Joseph J. Louder
Robert W. Lucht
Bingham A. McMaster
William P. McMullen
Albert A. McVitty
John Madden
Glenn M. Matthieu
William L. Maughan
Earl C. Meek
Wallace W. Mikelson
Edward M. Mitchell
Domenick Muffi
Joseph G. Navolanic
Allen F. Naze
Paul Ninichuck
Robert P. Pitts, Jr.
Felix A. Polakiewicz
Stephen J. Purdy
Thomas W. Purvis
Roy H. Rhymer
Elza L. Rice
Howe A. Stidger
Charles A. Straw
Ralph J. Tubbs
Leslie E. Volle
William W. Wamel, Jr.
Stanley Wawrzyniak
George J. Welker
David P. Wilson
James R. Wolford
Raymon Wright
John B. Wyatt

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Prince W. Cofield, Bexar, Ala., in place of Pearce Goggans, retired.

Joseph E. Martin, Boaz, Ala., in place of L. F. Corley, retired.

ARIZONA

Jimmie L. Matheson, Fry, Ariz., in place of V. J. Schrader, resigned.

Ethelyn L. Pettijohn, Stanfield, Ariz., in place of R. F. Lane, resigned.

ARKANSAS

Carl Woodson, Jr., Belleville, Ark., in place of J. R. Harkness, retired.

John E. Hunt, Marianna, Ark., in place of M. E. Newbern, retired.

CALIFORNIA

Hazel L. Krueger, Acton, Calif., in place of M. G. Adams, resigned.

Sam R. Haley, Associated, Calif., in place of I. J. Haley, resigned.

Frank S. Spires, Berkeley, Calif., in place of L. A. Dunlap, retired.

Donald Burleson, Mendocino, Calif., in place of A. E. Bishop, resigned.

Warren H. Williams, San Rafael, Calif., in place of C. H. Hayden, deceased.

Major R. Rix, South Pasadena, Calif., in place of R. D. Bricker, retired.

COLORADO

Fred C. Brewer, Loveland, Colo., in place of E. M. Ivers, retired.

Willard W. Wieck, Salida, Colo., in place of R. E. L. Stotler, resigned.

Calvin C. Haarhues, Wiggins, Colo., in place of M. D. Harshman, retired.

FLORIDA

David W. Gormican, St. Leo, Fla., in place of Francis Sadlier, retired.

GEORGIA

Margaret A. Hay, Roopville, Ga., in place of W. A. Garrett, retired.

ILLINOIS

Roland W. Schultz, Downers Grove, Ill., in place of G. O. Downer, removed.

Robert G. Root, Versailles, Ill., in place of J. E. Davis, resigned.

INDIANA

Edward A. Costomiris, Cicero, Ind., in place of A. T. McKnight, retired.

Raymond R. Neal, Greencastle, Ind., in place of A. L. Dobbs, resigned.

Paul R. Foulke, Hagerstown, Ind., in place of D. L. Cartmell, deceased.

Ralph L. Gustin, Markleville, Ind., in place of C. B. Shaw, retired.

William Gordon Ritz, Pendleton, Ind., in place of R. L. Fowler, transferred.

Glendel D. Marshall, Swayzee, Ind., in place of E. C. McLain, retired.

IOWA

Joe R. Gordon, Arlington, Iowa, in place of H. T. Hutchison, retired.

Myrtle L. Lane, Colesburg, Iowa, in place of C. E. Light, retired.

KANSAS

Mayette B. Decker, Oskaloosa, Kans., in place of R. A. Decker, deceased.

KENTUCKY

Clarence R. Johnson, New Haven, Ky., in place of M. C. Hagan, retired.

Mary E. Lee Maynard, Trenton, Ky., in place of F. W. Mimms, retired.

LOUISIANA

Ollie H. Dosher, Kilbourne, La., in place of W. P. Scott, retired.

William H. Prejean, Westlake, La., in place of L. R. Waits, resigned.

MAINE

Elsie M. Decker, Darkharbor, Maine, in place of I. L. Babbidge, retired.

Robert F. Belgrade, South Gardiner, Maine, in place of L. V. Proctor, deceased.

MARYLAND

Emory F. Holbrook, Conowingo, Md., in place of L. M. Kilby, removed.

Richard W. Dawson, Mayo, Md., in place of G. S. Himburg, resigned.

MASSACHUSETTS

Arthur K. Tolman, Gilbertville, Mass., in place of J. A. Morgan, retired.

MICHIGAN

Aune M. Vartti, Eben Junction, Mich., in place of C. E. Brown, retired.

MINNESOTA

Leroy F. Lingwall, Emily, Minn., in place of A. C. Hite, resigned.

Kenneth L. Lutner, Reading, Minn., in place of F. W. Nord, retired.

MISSISSIPPI

Jake R. Van Devender, Gholson, Miss., in place of W. G. Watkins, transferred.

MISSOURI

Leona B. Tirmenstein, Benton, Mo., in place of E. R. Schott, transferred.

Theodore R. Shell, De Soto, Mo., in place of H. W. Ames, transferred.

Warren J. Thomas, Marble Hill, Mo., in place of W. H. Nanney, retired.

Fred W. Torwegge, Jr., Potosi, Mo., in place of P. J. Casey, resigned.

NEBRASKA

Leonard E. Peterson, Kennard, Nebr., in place of Irene Jansen, retired.

NEVADA

Walter J. Bitton, Imlay, Nev., in place of F. S. Wallace, transferred.

Garner Andersen, Overton, Nev., in place of Mildren Robison, retired.

NEW HAMPSHIRE

Samuel A. Towle, Hampton, N. H., in place of E. L. Batchelder, retired.

NEW YORK

Jeanette Y. Short, Cleverdale, N. Y., in place of E. P. Palmer, resigned.

Anthony B. Nicastri, Franklin Square, N. Y., in place of J. J. Loughnane, deceased.

Paul W. Christenson, Gowanda, N. Y., in place of R. N. Schaack, retired.

Reggie J. Abbondandelo, Greenvale, N. Y., in place of Victor Vergata, deceased.

NORTH CAROLINA

James F. Lampley, Cordova, N. C., in place of E. W. Ratliff, resigned.

Annie P. Wolfe, Jamesville, N. C., in place of E. H. Ange, retired.

John F. Mewborne, Kinston, N. C., in place of E. R. Wooten, resigned.

NORTH DAKOTA

Eleanor E. Vise, Burlington, N. Dak., in place of E. P. Schilling, retired.

Alfred G. Lettenmaier, Sanborn, N. Dak., in place of E. J. Hinschberger, retired.

Norman R. Fuchs, Zap, N. Dak., in place of M. T. Rogers, retired.

OHIO

Gertrude G. Nottke, Berlin Heights, Ohio, in place of Mary Costigan, retired.

Oscar J. Pierce, Coolville, Ohio, in place of H. M. Walden, retired.

John D. Ingram, New Milford, Ohio, in place of J. S. Bosko, retired.

LeRoy A. Wright, West Alexandria, Ohio, in place of W. E. Snyder, removed.

OKLAHOMA

Marguerite L. McDonald, Bokoshe, Okla., in place of O. C. Broking, retired.

OREGON

Richard M. Bowman, Falls City, Oreg., in place of J. R. Strauss, retired.

Leonard M. Bizon, Hubbard, Oreg., in place of D. D. Hatcher, removed.

PENNSYLVANIA

Norman C. Mackrell, Conoquenessing, Pa., in place of H. E. Gilfillan, retired.

Frank A. Bialas, Wilmore, Pa., in place of N. P. McGuire, removed.

PUERTO RICO

Manuel F. Varela, San Juan, P. R., in place of G. P. DePass, deceased.

SOUTH CAROLINA

Wesley D. Banks, Saint Matthews, S. C., in place of J. B. Taylor, deceased.

Rodney A. Russell, Troy, S. C., in place of Margaret Lyon, retired.

Arace M. Crouch, Wallace, S. C. Office established September 1, 1950.

SOUTH DAKOTA

Clifford N. Nelson, Toronto, S. Dak., in place of N. W. Vernlund, deceased.

TEXAS

Mauricio Gonzalez, Benavides, Tex., in place of R. R. Gonzalez, removed.

Benjamin W. Pearce, Center, Tex., in place of S. E. Burns, deceased.

Glenn R. Prater, Dayton, Tex., in place of E. F. Gaston, retired.

Tom Y. Stephens, Grapevine, Tex., in place of S. B. Mullins, retired.

Christine E. Upchurch, Midkiff, Tex. Office established September 16, 1952.

Uvaldo Serna, San Diego, Tex., in place of L. F. Garcia, removed.

Joseph C. Hammond, Terrell, Tex., in place of F. I. Massengill, retired.

UTAH

Lydia Johnson, Marysvale, Utah, in place of S. C. Scott, deceased.

VIRGINIA

Willoughby P. Taylor, Ashland, Va., in place of H. R. Stebbins, retired.

Charles E. Ring, Dante, Va., in place of R. S. Griffith, Jr., resigned.

WASHINGTON

Edna B. Gibson, Eastsound, Wash., in place of E. B. Gibson, deceased.

WEST VIRGINIA

Bulow J. Snyder, Bartow, W. Va., in place of I. E. Matheny, retired.

Ernest A. Grim, Paden City, W. Va., in place of O. E. McKay, Jr., resigned.

Carrie M. Little, Wilcoe, W. Va., in place of R. L. Coleman, resigned.

WISCONSIN

Boyd D. Wilson, Benton, Wis., in place of J. W. Grotkin, resigned.

Walter L. Paepke, Burlington, Wis., in place of L. F. Reuschlein, deceased.

Elden F. Keller, Cochrane, Wis., in place of O. R. Weinandy, retired.

Lydia I. Sievert, Greenvalley, Wis., in place of K. E. Leib, retired.

WYOMING

I. Isabell Schwab, Hawk Springs, Wyo., in place of A. E. Marlatt, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 7, 1956:

DIPLOMATIC AND FOREIGN SERVICE

Livingston T. Merchant, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

ROUTINE APPOINTMENTS AND PROMOTIONS

To be a consul general of the United States of America

Kenneth A. Byrns, of Colorado.

To be Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service of the United States of America

Rollin S. Atwood, of Maryland.
Winthrop G. Brown, of Virginia.
Henry J. Tasca, of Pennsylvania.

To be Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America

Julius Bassin, of New York.
Ben H. Brown, Jr., of South Carolina.
Leon Crutcher, of Texas.
Charles L. Hodge, of Virginia.
Daniel L. Horowitz, of New Jersey.
Fisher Howe, of Illinois.
Boris H. Klosson, of Maryland.
Jesse M. MacKnight, of Maryland.
Frederick T. Merrill, of the District of Columbia.
George H. Steuart, Jr., of Virginia.
Ides van der Gracht, of New York.
Roswell H. Whitman, of the District of Columbia.

To be Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America

Anthony J. Cefaratti, of Illinois.
Otho T. Colclough, of North Carolina.
Leonard Felsenthal, of the District of Columbia.
Leo M. Goodman, of New York.
Michael G. Kelakos, of Massachusetts.
Richard J. Kerry, of the District of Columbia.
Edward S. Little, of Ohio.
Walter Q. Loehr, of California.
Edwin L. Smith, of Arkansas.
Howard F. Smith, of Michigan.
Jay A. Van Swearingen, of Ohio.
Alberto M. Vázquez, of Virginia.
Jack S. Williams, of the District of Columbia.
Miss Marion W. Worthing, of Maryland.

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America

Herbert W. Baker, of Montana.
John R. Barrow, of California.
Miss Elizabeth Ann Brown, of Oregon.
Phillip B. Dahl, of Illinois.
Robert C. Davis, of Florida.
Frank J. T. Ellis, of Ohio.
Charles B. Ferguson, of Indiana.
Millard L. Gallop, of Virginia.
Edwin J. Garrity, of Virginia.
Loren L. Goldman, of Maryland.
Chester H. Kimrey, of Oklahoma.
James L. Lee, of California.
Francis C. Prescott, of Maine.
Stanley J. Prisbeck, of Pennsylvania.
Mrs. Montana W. Zbinden, of California.

To be a consul of the United States of America

Charles E. Paine, of California.

To be Foreign Service officer of class 5

Roy O. Carlson, of Illinois.

To be Foreign Service officer of class 5, a consul, and a secretary in the diplomatic service of the United States of America

Miss Norah H. Alsterlund, of Illinois.

To be Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Forest E. Abbuhl, of Ohio.
John W. Anderson, of Texas.
Charles White Bass, of Tennessee.
George R. Bingham, of Florida.
Miss Eleanor Glover Bond, of Florida.
Miss Eleanor R. Borrowdale, of California.
Miss Marie C. Chatbot, of Rhode Island.
Philip R. Cook, Junior, of Virginia.
William E. Culbert, of Connecticut.
Rudolph Days, of Maryland.
N. Hunt Heubeck, of Florida.
Andrew John Kauffman II, of Maine.
Miss Marcia N. Lindgren, of California.
Edward S. McClary, of California.
Franklin L. Mewshaw, of New York.
Miss Gertrude M. Meyers, of Minnesota.
Elliott H. Miller, of Pennsylvania.
Lawrence J. Moran, of Massachusetts.
Laurent E. Morin, of New Hampshire.
Miss Janice Plowman, of Missouri.
Kenneth F. Rose, of Florida.
John L. Smith, of Wisconsin.
Miss Bernadine Whitfield, of Oregon.
Jean E. Zimmerman, of Missouri.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Brady G. Barr, of the District of Columbia.
Wesley D. Boles, of California.
Marshall Brement, of Maryland.
Hugh K. Campbell, of Ohio.
Willard A. De Pree, of Michigan.
Richard W. Dye, of New York.
Harold T. Ellis, of California.
Charles E. Exum III, of North Carolina.
Robert Earl Gordon, of Oregon.
Robert W. Huddleston, of New Jersey.
Joseph P. Leahy, of the District of Columbia.
Louis J. Link, of Kansas.
J. Thomas McAndrew, of New York.
W. Wyatt Martin, Jr., of Tennessee.
Robert W. Maule, of Minnesota.
Robert H. Munn, of California.
James C. Nelson, of Illinois.
Robert L. Nelson, of the District of Columbia.
James D. Rosenthal, of California.
Charles E. Rushing, of Illinois.
John D. Scanlan, of Minnesota.
James R. Wachob, of Oregon.
Richard L. Williams, of Indiana.

To be consuls of the United States of America

Walter L. Campbell, of Connecticut.
James C. Flint, of Ohio.
William A. Krauss, of California.
Francis J. McArdle, of New York.
Richard M. McCarthy, of Iowa.
William H. J. McIntyre, of Pennsylvania.
Allan Nelson, of California.

To be Secretaries in the diplomatic service of the United States of America

Daniel P. Oleksiw, of Pennsylvania.
Martin M. Tank, of Wisconsin.

To be vice consuls of the United States of America

Frank Ahmed, of Massachusetts.
David H. Cohn, of Florida.
Joseph R. Johnson, of Virginia.
Burton S. Miller, of Connecticut.

FIRST ASSISTANT COMMISSIONER OF PATENTS

Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 7, 1956:

POSTMASTERS

FLORIDA

B. Maxine O'Neal to be postmaster at Nocatee, in the State of Florida.

PENNSYLVANIA

Elvin Charles Kaufman to be postmaster at Rockwood, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 7, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

MAY 7, 1956.

I hereby designate the Honorable JOHN W. McCORMACK to act as Speaker pro tempore on May 7 and 8, 1956.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art always at our side in times of difficulty and danger and in days of triumph and achievement, make us more conscious of Thy presence as our companion and counselor.

Grant that in our moments of prayer we may open our inner life widely to the inflow and influence of Thy divine spirit.

May our troubled minds be quieted, our sinful hearts be cleansed, and our selfish wills be brought into a glad obedience to Thy perfect will.

Inspire us to meet our tasks and responsibilities with a strong faith and a hope that is courageous and cheerful.

Help us daily to follow Thy leading with a fuller measure of dedication and devotion to the cause of righteousness and peace.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, May 3, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 3, 1956:

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

On May 4, 1956:

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes; and

H. R. 4909. An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

COMMUNICATIONS FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore. The Chair lays before the House the following communication from the Clerk of the House:

MAY 7, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III of the House.

Respectfully yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

HATTIE FREEMAN DODSON AND HOWARD T. DODSON

The SPEAKER pro tempore. The Chair lays before the House the following communication from the Clerk of the House:

MAY 7, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: From the District Court of the United States for the Southern District of New York, the disbursing clerk of the House of Representatives has received a subpena duces tecum, directed to him as such officer, to appear before said court as a witness in the case of Hattie Freeman Dodson and Howard T. Dodson, and to bring with him certain and sundry papers therein described in the files of the House of Representatives.

The rules and practice of the House of Representatives indicates that no official of the House may, either voluntarily or in obedience to a subpena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.
By H. NEWLIN MEGILL.

The SPEAKER pro tempore. The Clerk will read the subpena.

The Clerk read as follows:

DISTRICT COURT OF THE UNITED STATES OF AMERICA

To Harry M. Livingston, disbursing clerk in the House of Representatives, room F-102, United States Capitol, Washington, D. C.:

By virtue of a writ of subpena, to you directed and herewith shown to you, you are personally to appear before Judge John W. Clancy, the judge of the District Court of the United States for the Southern District of New York, Courtroom No. 318, New York City, N. Y., at 9:30 a. m., on the 8th day of May 1956, at 9:30 o'clock a. m., to testify in a certain cause then and there to be tried between Hattie Freeman Dodson and Howard T. Dodson, dockets wanted as follows: All books, records, or other documents relating to salary paid to Hattie F. Freeman as congressional clerk or secretary to Congressman ADAM CLAYTON POWELL, JR., in New York.

PAUL W. WILLIAM,
United States Attorney, Room 434.
THOMAS A. BOLAN,
Assistant United States Attorney.

Herein fail not on pain of penalties that will fall thereon.

Dated at Washington, D. C., the 4th day of May A. D. 1956.

CARLTON G. BEALL,
United States Marshal.
By CHARLES H. WARD, Jr.,
Deputy Marshal.

Mr. ALBERT. Mr. Speaker, I offer a privileged resolution (H. Res. 498) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas in the case of *Hattie Freeman Dodson* v. *Howard T. Dodson*, pending in the District Court of the United States for the Southern District of New York, a subpena duces tecum was issued by the said court and addressed to Harry M. Livingston, disbursing clerk of the House of Representatives, directing him to appear as a witness before Judge John W. Clancy in courtroom 318 of said court at 9:30 ante meridian on the 8th day of May 1956, and to bring with him certain and sundry papers in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and right of this House; be it further

Resolved, That Harry M. Livingston, disbursing clerk of the House, be authorized to appear at the place and before the court named in the subpena duces tecum beforementioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the Clerk of the House; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House and take copies of any documents or papers and the Clerk is authorized to supply certified copies of such documents and papers in possession or control of said Clerk that the court has found to be material and relevant, except minutes and transcripts of executive sessions, and any evidence of witnesses in respect thereto which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under said Clerk; and be it further

Resolved, That a copy of these resolutions be transmitted to the said court as a respectful answer to the subpena aforementioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NINTH SEMIANNUAL REPORT ON THE MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 369)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I am transmitting herewith the Ninth Semiannual Report on the Mutual Security Program, covering operations from July 1, to December 31, 1955, in furtherance of the purposes of the Mutual Security Act of 1954.

As the report records, continued progress has been made through joint efforts in improving the economic growth and the military security of our own Nation and of our partners in the free world. Much, however, remains to be done, for the threat continues.

Two conspicuous changes occuring during these 6 months were:

1. The efficient transfer of responsibility for the mutual-security program to the newly created International Cooperation Administration.

2. A sharply increased activity by the Soviet Union in barter trade and in economic and military assistance to nations outside the Communist bloc.

In sending this 6 months' record of accomplishment to the Congress, I would like to make special mention of the thousands of our fellow citizens who are carrying forward this important work devotedly and voluntarily in almost 80 countries of the free world. They and their counterparts in the nations where they are working have accomplished much to date, and will be called upon for imaginative and productive efforts in the future.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 3, 1956.*

MESSAGE FROM THE PRIME MINISTER OF THE REPUBLIC OF IRELAND

The SPEAKER pro tempore laid before the House the following message from the Prime Minister of the Republic of Ireland, which was read:

APRIL 27, 1956.

The Honorable Congressman JOHN McCORMACK,
House Majority Leader,
House of Representatives,
Washington, D. C.,
United States of America.

DEAR MR. McCORMACK: It was a great honor and privilege for me to appear before, and address, the House of Representatives during my recent visit to the United States. The wonderful reception which I received is gratifying testimony of the regard and affection in which your great country holds mine.

I am deeply grateful for the many courtesies which you, as Speaker pro tempore, extended to me on that occasion and also for your kind words of welcome and introduction.

With best wishes and warm personal greetings,

JOHN A. COSTELLO.

CONSTRUCTION AND CONVERSION OF CERTAIN NAVAL VESSELS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7993) to authorize the construction and conversion of certain naval vessels, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the President is hereby authorized to undertake the construction of, or to acquire and convert, not to exceed 2,800 tons of patrol vessels.

"SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the construction or for the acquisition and conversion of the foregoing vessels."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

BOARD OF COMMISSIONERS, SEDGWICK COUNTY, KANS.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1835) for the relief of the Board of Commissioners of Sedgwick County, Kans., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 16, after "taxes", insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GEORGE D. HOPPER

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1989) for the relief of George D. Hopper, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CHARLES F. BULLETTE

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2338) for the relief of Charles F. Bullette, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GILES P. FREDELL AND WIFE

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2717) for the relief of Giles P. Fredell and wife, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, line 7, strike out "$464.78" and insert "$458.17."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ROY M. BUTCHER

Mr. FORRESTER. Mr. Speaker. I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2736) for the relief of Roy M. Butcher, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> Page 1, line 6, strike out "$1,953.53" and insert: "$1,842.95."
>
> Page 1, line 11, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DAVID J. DAZÉ

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2924) for the relief of David J. Dazé, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

REV. BONIFACE LUCCI, O. S. B.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3975) for the relief of the Reverend Boniface Lucci, O. S. B., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, line 11, and page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JOSEPH H. WASHBURN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3638) for the relief of Joseph H. Washburn, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, line 6, strike out "$2,500" and insert: "$1,182.21."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RALPH BENNETT AND OTHERS, BUREAU OF INDIAN AFFAIRS

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3639) for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 10, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HERMAN F. GIERKE, JR.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3725) for the relief of Herman F. Gierke, Jr., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 4, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARTIN F. KENDRIGAN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4902) for the relief of Martin F. Kendrigan, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, lines 14 and 15, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PUBLIC HEALTH SERVICE HOSPITAL, CARVILLE, LA.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5787) to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La., with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, strike out lines 3 and 4 and insert "That there is hereby authorized to be appropriated not to exceed $25,000, to remain available until June 30, 1958."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WILLIAM H. FOLEY

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6452) for the relief of William H. Foley, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 3, preceding "expenses", insert "and hospital."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARY VIOLA JONES

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7583) for the relief of Mary Viola Jones, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, lines 4 and 5, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GRANTING PERMANENT RESIDENCE STATUS TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 202) favoring the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

> Page 2, strike out line 11.
> Page 3, strike out line 16.
> Page 3, strike out line 17.
> Page 4, line 15, strike out "Gavrilovic" and insert "Gavrilovich."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SMYRNA, GA.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, Smyrna, Ga., a lovely city of 10,000, has long been known as the Jonquil City because of the profusion of bloom of that lovely flower within its borders. It is now justifiably claiming another distinction and that is, America's safest city. It has now been more than 20 years since the last traffic death occurred in the city. This in spite of the fact that many workers in the huge Lockheed plant nearby daily go into, out of, and through the city, and in spite of the fact that there are two of the State's heaviest traveled highways passing through it.

Mayor Jimmy Quarles has proudly claimed this title for his city and has challenged any other city in America of its size to match its record.

By precept and example Smyrna has shown that traffic fatalities can be prevented if enforcement officers, citizens, and motorists generally will cooperate toward that happy end.

It gives me great pleasure to claim Smyrna as a portion of the district I represent and to tell the world through the Congressional Record of its wonderful safety record.

BRAVERY OF NEGRO TROOPS OF THE REGULAR ARMY AT THE SIEGE OF SANTIAGO

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, for half a century I have been telling the thrilling story of the surpassing bravery of American Negro troops of the Regular Army at the siege of Santiago in the Cuban campaign of 1898. It was they who helped to save the day when volunteer soldiers, green in military training and unaccustomed to battle fire, were combating the veteran soldiers of Spain. No soldiers ever performed with greater courage, or exhibited in their conduct under heavy fire a greater quality of military attributes than the Negro troops at San Juan Hill.

This, Mr. Speaker, is the answer of an ex-corporal of the American Army in Cuba to the libel on American soldiers voiced by an ex-general now holding a lush job in an area aflame with race passion. I do not think American soldiers, of whatever color or religion, need defense by me. The record speaks for itself.

On his return to this country on Saturday last, Gen. Anthony C. McAuliffe, hero of Bastogne and retiring commander in chief of United States ground forces in Europe, did his part to set the record straight. Interviewed by the New York Times he cited increased military efficiency resulting from integration of white and Negro troops. He said:

> "I don't agree with him (ex-General Clark) at all. I should say that the integration of the Negro in the Armed Forces has worked very well and that we are getting much greater usefulness from the available manpower than we ever did under segregation."
>
> General McAuliffe recalled that in 1951 he had been assigned to Pentagon duty as Army Assistant Chief of Staff, G-1, Personnel. In that post, he had a leading role in working out the Army's plans for integration. At the time, General Clark was chief of the Army field forces, with headquarters at Fort Monroe, Va.
>
> General McAuliffe expressed surprise at the statement that General Clark had "resisted" integration.
>
> "We didn't do it to improve the social situation," General McAuliffe commented. "It was merely a matter of getting the best out of the military personnel that was available to us."

HEARINGS ON FUTURES TRADING

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a news release of the House Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Speaker, Members of the House of Representatives who come from onion-producing areas, or who have an interest in futures trading in onions on the mercantile exchanges will, I feel sure, be interested in the recent announcement establishing dates for continued hearings on futures trading.

The first of such hearings was conducted in Presque Isle, Maine, in December of last year, an opportunity having then been given for potato producers to present their views with regard to futures trading in potatoes. On March 24 of this year, hearings were held in Chicago, and onion producers were then given a chance to give their testimony on such trading activities.

The hearings recently programed will present another opportunity for both onion and potato producers—as well as all others interested in and associated with trading in these commodities—to express their sentiments on futures trading. It is for that reason that I am inserting in the Record at this point the House Committee on Agriculture's notice on the continuation of hearings on futures trading:

Continuation of Hearings on Futures Trading

> Representative George M. Grant, of Alabama, chairman of the Special Subcommittee on Futures Trading in Perishable Commodities, said that the hearings on futures trading in onions and potatoes will be continued by his subcommittee in Washington on Wednesday, Thursday, and Friday, May 16, 17, and 18.
>
> Mr. Grant said that the hearings will start on Wednesday, May 16, with testimony from onion and potato producers, and Members of Congress from potato and onion areas.
>
> On Thursday and Friday, May 17 and 18, the subcommittee will hear representatives of the New York and Chicago mercantile exchanges and those interested in the onion and potato trade, either in futures trading or in the cash market.
>
> Spokesmen for the Department of Agriculture, the general farm organizations, and others interested in the subject of the hearing will be heard following representatives of the potato and onion trade, Chairman Grant said. He added he hopes to be able to conclude the hearings on Friday, May 18, but that, if necessary to hear all points of view, they will be continued at a later date.
>
> Hearings have previously been held by the subcommittee in the potato-producing area of Maine, and in Chicago where Midwest onion producers appeared.
>
> The hearings in Washington will be in the Agriculture Committee room, 1310 New House Office Building. They will begin at 10 a. m., and will be open to the public.
>
> Those desiring to appear as witnesses at these hearings should communicate with the clerk of the Committee on Agriculture, House of Representatives, Washington 25, D. C., and should indicate the group or interest they represent, or the capacity in which they will appear.

CAPITAL TRANSPORTATION PROBLEM

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, Mr. John E. Ebinger's interest in behalf of a "Midwest group" in the Capital Transit situation at this time is very important.

His interest in the decision of Congress on the conflicting recommendations now before it is even more important.

A good many people may feel that if he and Mr. Broadwater held a conference or conferences, as reported, they owe it to the public of the District and to Congress to make a prompt and full disclosure of all of the background of any such conference or conferences, of all the facts in connection with them and of their bearing, if any, upon the legislation now before Congress, as to which Mr. Ebinger has been reported in the press as having a preference.

It has been suggested in one of the local papers that my statement with reference to Mr. Ebinger's reported interest in the decision of Congress on the conflicting recommendations before us "was regarded as a hint" that I might withdraw my opposition "to the restoration bill if the Wolfson management were eliminated."

This product of someone's lively imagination is absurd and farfetched.

All of us are aware of the fact that any position we take can be and often is tortured out of all meaning on occasion. But I have expressed my opinion as to the problem of transportation for the District in a minority report, No. 2034, which I filed April 27, and nothing has occurred since then to change that opinion. I expect to discuss this whole matter more fully here in the House later today.

CIVIL RIGHTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on Monday, April 30, I placed in the RECORD for the information of the Members of the House the text of a letter delivered to the President of the United States stressing the need for dynamic leadership to assure the passage of legislation at this session of the Congress. I have received a reply from the White House which reads as follows:

THE WHITE HOUSE,
Washington, May 3, 1956.

DEAR MR. ROOSEVELT: The President has asked me to assure you, respecting your April 27th letter, that the various civil rights measures proposed by the Attorney General were specifically approved by him prior to their submission to the Congress, and it is, of course, the President's earnest desire that they be enacted into law. He specifically requested me to let you know of his confidence that the minority leaders will do all they appropriately can to ensure that this important legislation receives the serious consideration and prompt action it clearly deserves. With kind regard,

Sincerely,

BRYCE N. HARLOW,
Administrative Assistant to the President.

Mr. Speaker, I have stressed all through the efforts to secure this legislation the fundamental need for an overwhelming bipartisan effort. It is, therefore, with some hesitancy that I point out my disappointment in the reply of the White House, particularly with reference to the last sentence. It seems to me that the occasion requires far more than an expression of confidence that all will be done that can "appropriately" be done by the minority leaders. Expressions of hope do not constitute dynamic leadership. This issue and these times cry out for exactly that.

Therefore, I again repeat my urgent hope that the President will go much further than the expressions of this letter and he will specifically express his desire that the minority leaders secure the necessary Republican cooperation of the Committee on Rules to bring this matter before the House at the earliest possible time and that he publicly express his desire, with all that his words mean as President of the United States, that the members of his party and of all parties join forces to secure the passage of this civil rights legislation. Unless such leadership is forthcoming, in my humble opinion, the President will have failed to meet perhaps the greatest challenge that faces our country today.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS ACQUIRED UNDER TITLE III OF THE BANKHEAD-JONES FARM TENANT ACT

The Clerk called the first bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. METCALF. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, this bill has been on the calendar for a considerable period of time, since last July, I think. I am wondering whether it would be better to just have the bill go off the calendar. I object to the request that it go over and I object to its consideration.

The SPEAKER pro tempore. Objection is heard.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLFUL DESTRUCTION OF AIRCRAFT OR MOTOR VEHICLES

The Clerk called the bill (H. R. 319) to punish the malicious destruction of aircraft and attempts to destroy aircraft.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

LAND TRANSFER TO BONHAM, TEX.

The Clerk called the bill (H. R. 8490) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this Act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Bonham, Tex., all of the right, title, and interest of the United States in and to a tract of land containing $21\frac{7}{10}$ acres, more or less, situated in the Veterans' Administration Center reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs.

SEC. 2. The conveyance authorized by this Act (1) shall provide that the tract of land so conveyed shall be used for recreational purposes, and if it shall ever cease to be used for such recreational purposes the title to such property shall revert to the United States, which shall have the immediate right of reentry thereon, (2) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (3) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

Amend the title so as to read: "A bill auhorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex."

With the following committee amendments:

On page 1, line 4, strike out "Veterans' Affairs" and insert "General Services".

On page 1, line 10, strike out "Veterans' Affairs" and insert General Services, together with such improvements as are not specifically reserved to the Government in the deed of conveyance.

On page 2, line 10, strike out "Veterans Affairs" and insert "General Services."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read:

A bill authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.

A motion to reconsider was laid on the table.

EXPEDITING PROCESSING DIRECT LOAN APPLICATIONS

The Clerk called the bill (H. R. 9263) to amend title III of the Servicemen's Readjustment Act to remove certain impediments to the processing of applications for Veterans' Administration direct loans, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TEAGUE of Texas. Mr. Speaker, reserving the right to object, the conference between representatives of the Veterans' Administration, the Housing and Home Finance Agency, and the Committee on Veterans' Affairs have worked out procedures which make this legislation undesirable at this time.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a letter setting forth these procedures from the Housing and Home Finance Agency.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter is as follows:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., April 25, 1956.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs' House of Representatives,
Washington, D. C.

DEAR OLIN: We are writing you to confirm the understanding reached at a conference last week between members of the Veterans' Affairs Committee, including yourself as Chairman, staff of the Veterans' Administration and staff of the voluntary home mortgage credit program. The objective of the meeting was to reach agreement on administrative measures which would provide mortgage funds for veterans as expeditiously as possible. The Veterans' Administration and the voluntary home mortgage credit program have agreed to put into effect the following administrative measures:

1. Referral of direct loan applicants to the voluntary home mortgage credit program will not be required where the circumstances of a particular case indicate that the veteran would be subjected to undue hardship.

2. Applicants for direct loans in areas where the voluntary home mortgage credit program is unable to provide private financing will not be referred to the voluntary home mortgage credit program. These areas will be designated by the Administrator of Veterans' Affairs.

3. In the event that an exceptional volume of loan applications develops shortly before the expiration of the direct loan program, the Veterans' Administration will process direct loan applications without referral to VHMCP in order to obviate the possibility of having the legitimate demands of prospective veteran home purchasers go unsatisfied.

I believe that with these measures, plus the shortening of the referral period and the other steps previously taken by the Veterans' Administration and about which you were advised, both of the programs can be administered in a manner designed better to serve the interests of veterans.

The measure also will go a long way toward accomplishing the purposes which were intended by H. R. 9263 and other similar bills.

This has been cleared with the Veterans' Administration.

Sincerely yours,

OAKLEY HUNTER
(For Albert M. Cole, Administrator).

Mr. TEAGUE of Texas. Mr. Speaker, I further ask unanimous consent that this bill be stricken from the Consent Calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The Clerk called the bill (H. R. 9511) to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. METCALF. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3254, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the county of Custer, State of Montana, may, notwithstanding the provisions of the act of April 15, 1924 (43 Stat. 97), convey by quitclaim deed to the United States of America, for acceptance by the Secretary of the Interior under existing law, the following tract of land:

That portion of tract "C" as shown on the supplemental plat of townships 7 and 8 north, range 47 east, principal meridian, Montana, accepted by the Assistant Commissioner of the General Land Office on March 23, 1927, which is described as follows: Beginning at a point on the south boundary of tract "C," 669.23 feet north 73° 10 minutes west of corner numbered 11 of tract "C," which point is 80 feet south 28° 08 minutes west of the fairgrounds boundary fence; thence north 61° 52 minutes west, parallel with and 80 feet from the fairgrounds boundary fence, a distance of 1,280.123 feet to the west boundary of tract "C"; thence south 16° 50 minutes west along the west boundary of tract "C," a distance of 250.84 feet to corner numbered 3 of tract "C"; thence south 73° 10 minutes east along the south boundary of tract "C," a distance of 1,255.33 feet to the place of beginning, containing 3.614 acres, more or less.

Mr. METCALF. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. METCALF: Page 2 after line 13 add a new section as follows:

"The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this act which the Secretary determines is excess to the needs of the Department of the Interior."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 9511) was laid on the table.

RELIEVING INTERIOR SECRETARY OF CERTAIN REQUIREMENTS

The Clerk called the bill (H. R. 3897) to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask someone in charge of this bill in what way it relieves the Secretary of the Interior of certain reporting requirements.

Mr. ROGERS of Texas. Mr. Speaker, if the gentleman will yield, at the present time, as I understand, the Secretary of the Interior must report to the Congress the proposals for awards for concessions in all of the parks. Now, the report that was written on this bill sets out many of the reasons why this burdensome requirement should not be continued. Just to name one of them. Let us say that so many of these proposals come up here and it is impossible for the committee to go into them because they involve something like the sale of firewood in one of the national parks and matters of that kind that are not of great concern, and the Secretary of the Interior can handle them without burdening the committees of the Congress and the Congress itself insofar as the awards are concerned. Now, this does take care of a report to the Congress that must be filed 60 days before the award is granted on matters that are of significance.

Mr. GROSS. Is the gentleman from Texas saying that presently there is no limitation with respect to gross annual business?

Mr. ROGERS of Texas. No. This relieves him of having to file these reports on all matters below $100,000 or below 5 years' duration insofar as length of time is concerned.

Mr. GROSS. What is the present minimum? Is there any present minimum?

Mr. ROGERS of Texas. Well, he has to file all of them.

Mr. GROSS. He has to file all of them?

Mr. ROGERS of Texas. Yes.

Mr. GROSS. There is no minimum as to gross annual business, is that correct, at the present time?

Mr. ROGERS of Texas. That is correct, and in many instances, if the gentleman will permit me, these matters are filed after Congress has adjourned, and the awards are made actually before the committee ever gets to see them, and it would be impossible for the committee to pass on a lot of these minor matters, because they are not able to go into all of the facts. So, they have to rely on someone from that district either making an objection or not making an objection.

Mr. GROSS. The gentleman thinks with the limitation of $100,000 that the committee will now be able to effectively watch the contracts being entered into with these concessionaires in the various national parks; is that correct?

Mr. ROGERS of Texas. The gentleman from Texas thinks so, the committee things so, and the executive branch of the Government thinks so.

Mr. GROSS. Mr. Speaker, I thank the gentleman from Texas and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That so much of title I of the act of July 31, 1953 (67 Stat. 261, 271), as requires the Secretary of the Interior to report in detail, to the Congress, all proposed National Park Service awards of concession leases and contracts, including renewals thereof, is hereby repealed.

That the second paragraph under the heading "National Park Service" in the act of July 31, 1953 (67 Stat. 261, 271) is amended to read as follows: "The Secretary of the Interior shall hereafter report in detail all proposed awards of concession leases and contracts involving a gross annual business of $100,000 or more, or of more than 5 years in duration, including renewals thereof, 60 days before such awards are made, to the President of the Senate and Speaker of the House of Representatives for transmission to the appropriate committees."

With the following committee amendment:

Strike all after the enacting clause and insert the following: "That the second paragraph under the heading 'National Park Service' in the act of July 31, 1953 (67 Stat. 261, 271) is amended to read as follows: 'The Secretary of the Interior shall hereafter report in detail all proposed awards of concession leases and contracts involving a gross annual business of $100,000 or more, or of more than 5 years in duration, including renewals thereof, 60 days before such awards are made, to the President of the Senate and Speaker of the House of Representatives for transmission to the appropriate committees.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAMP LIVINGSTON, CAMP BEAUREGARD, AND ESLER FIELD, LA.

The Clerk called the bill (S. 637) to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed, if he determines that the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, or any part thereof, is available for conveyance to the State of Louisiana for the training and support of the National Guard of Louisiana, to convey all the right, title, and interest of the United States in such property, together with improvements thereon and appurtenances thereunto belonging, to the State of Louisiana by quitclaim deed, without monetary consideration therefor, but upon condition that it shall be used for the aforesaid purposes and if such real property shall ever cease to be used for such purposes, all the right, title, and interest in and to such real property shall revert to and become the property of the United States which shall have the immediate right of entry thereon, and to be further subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, terms and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

SEC. 2. The cost of any surveys necessary as an incident of the reconveyance authorized herein shall be borne by the State of Louisiana.

The bill was ordered to be read a third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 303 OF THE CAREER COMPENSATION ACT OF 1949

The Clerk called the bill (H. R. 5268) to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of this bill?

Mr. KILDAY. Mr. Speaker, I shall be glad to attempt to explain it.

The purpose of H. R. 5268, as amended, is to amend section 303 of the Career Compensation Act of 1949 so as to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

Under the present provisions of the Career Compensation Act of 1949, a mileage allowance for overland travel by privately owned conveyance may be paid only to members of the uinformed services performing that travel within the continental limits of the United States. Members of the uniformed services performing overland travel beyond the continental limits of the United States at personal expense, are limited to a per diem allowance at the rate established for the country involved plus a monetary allowance in lieu of transportation which allowance has been fixed under the joint travel regulations at 5 cents per mile. The per diem allowance is payable for the time which would have elapsed had the travel been performed by common carrier. The monetary allowance in lieu of transportation is payable for a distance computed over the shortest usually traveled route, normally the railroad. Since most of these reimbursement payments are made in the United States, the disbursing officer making the payment must attempt to ascertain the time which would have elapsed had the travel been performed by common carrier. There is considerable delay in obtaining this information and the disbursing officer must refer the voucher to higher command since individual disbursing officers cannot possibly have at hand train schedules showing elapsed time from the many places and routes over which personnel could have traveled from all duty stations all over the world. Members of the uniformed services performing similar travel within the continental limits of the United States may be paid a mileage allowance fixed under the joint travel regulations at 6 cents per mile.

Enactment of the proposed legislation will thus reduce administrative costs and will permit the establishment of a more simplified mileage system for travel performed outside the continental limits of the United States in privately owned conveyances.

The committee amendment is technical in nature. Since the introduction of the proposed legislation section 303 (a) of the Career Compensation Act was amended by the addition of a new sentence. Thus, the proposed legislation will amend the fifth sentence of section 303 (a) instead of the fourth sentence.

Enactment of the proposed legislation would cause no increase in the budgetary requirements of the Department of Defense.

The Department of Defense recommends enactment of the proposed legislation and the Bureau of the Budget interposes no objection.

Mr. GROSS. There will be no increased cost to the Government?

Mr. KILDAY. No; there will not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 303 of the Career Compensation Act of 1949 is amended by amending the fourth sentence of subsection (a) by deleting in clause (3) thereof the words "for travel within the continental limits of the United States."

With the following committee amendment:

On page 1, lines 4 and 5, delete the words "by amending the fourth sentence of subsection (a)" and inserting, after the words "clause (3)", the words "of the fifth sentence."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTOR AND ASSISTANT DIRECTORS OF UNITED STATES MARINE CORPS BAND

The Clerk called the bill (H. R. 8290) to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection 517 (a) of the act of October 12, 1949 (63 Stat. 833) is amended to read as follows:

"(a) The band of the United States Marine Corps shall consist of 1 director, 2 assistant directors, and such other personnel in such numbers and distributed in such grades and ranks as the Secretary of the Navy may determine necessary and appropriate. Hereafter during concert tours approved by the President, personnel of the Marine Band shall suffer no loss of allowances."

SEC. 2. (a) The Secretary of the Navy shall designate the director and assistant directors of the Marine Band from among qualified personnel of the United States Marine Corps or the United States Marine Corps Reserve. Persons so designated may, upon the recommendation of the Secretary of the Navy, be appointed by the President, by and with the advice and consent of the Senate, to commissioned grades in the Regular Marine Corps as authorized by this act.

(b) The initial appointment to a commissioned grade of any person designated as director shall be in the grade of captain except that any such person who, at the time of such designation, holds an appointment in a higher grade may be appointed in such higher grade, but not in a higher grade than that of lieutenant colonel. The initial appointment to a commissioned grade of any person designated as an assistant director shall be in a grade below that of captain.

SEC. 3. The Secretary of the Navy shall prescribe regulations for the promotion of persons designated as director or assistant director of the Marine Band and the President, by and with the advice and consent of the Senate, may from time to time appoint them to higher grades, but the grade of the director shall not be higher than lieutenant colonel, and the grades of assistant directors shall not be higher than captain.

SEC. 4. No person who accepts a commission under this act shall, while serving thereunder, be entitled to any pay and allowances from the United States except as provided by law for the grade in which serving, but no such person shall suffer any reduction in pay and allowances to which he was entitled at the time of such appointment.

SEC. 5. Directors and assistant directors of the Marine Band and former directors and assistant directors who have held appointments under this act, when retired shall be retired in and with retired pay based upon the highest grade held pursuant to this act in which the Secretary of the Navy determines that they have served satisfactorily, unless entitled to higher grade or retired pay under other provisions of law.

SEC. 6. The Secretary of the Navy, in his discretion, may revoke a designation as director or assistant director made pursuant to this act. Upon such revocation, appointment to commissioned grade under the provisions of this act shall terminate, and the individual concerned shall be discharged from the service or shall have the option of reversion to the grade and status held at the time of his designation as director or assistant director.

SEC. 7. Section 11 of the act of March 4, 1925 (43 Stat. 1274), as amended by section 1 (c) of the act of June 29, 1946 (60 Stat. 343), is hereby repealed, and all other laws and parts of laws are hereby repealed insofar as they may be inconsistent with the provisions of this act.

With the following committee amendment:

On page 2, line 11, delete the word "commissioner" and insert in lieu thereof the word "commissioned."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REFUND OF REENLISTMENT BONUSES

The Clerk called the bill (H. R. 8693) to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth proviso of section 207 (a) of the Career Compensation Act of 1949, as amended (ch. 580, 65 Stat. 654; 37 U. S. C. 238 (a)), is further amended by deleting the phrase ", less any amount paid in Federal or State income taxes on such refundable part."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES

The Clerk called the bill (H. R. 8922) to provide for the relief of certain members of the uniformed services.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all payments of reenlistment bonuses heretofore made under the provisions of section 208 of the Career Compensation Act of 1949, as added by section 2 of the act of July 16, 1954 (68 Stat. 488), are hereby validated to the extent that such bonuses were computed on the basis that reenlistments entered into by the member concerned subsequent to September 30, 1949, for which he did not receive a reenlistment bonus under section 207 of the Career Compensation Act of 1949, were not counted in determining the reenlistment involved. Any member who has made repayment to the United States of any amount so paid to him as a reenlistment bonus is entitled to have refunded the amount repaid.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the United States, from accountability for any payments described in section 1 of this act, and shall allow credits in the settlement of the accounts of those officers or agents for payments which are found to be free from fraud and collusion.

SEC. 3. Appropriations available for the pay and allowances of members of the uniformed services, as defined in the Career Compensation Act of 1949, are available for refunds under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TRANSFER TO WHIPPLE, ARIZ.

The Clerk called the bill (S. 2851) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction over 1,320 acres of land, more or less, formerly a part of the Fort Whipple Military Reservation, Ariz., and subsequently transferred to the Veterans' Administration by section 6 of the act of March 4, 1931 (46 Stat. 1560), is hereby transferred to the Secretary of the Interior, and the title to such lands shall be held by the United States in trust for the Yavapai Indians, subject to any valid and existing rights in such lands. The description of the lands hereby transferred shall be determined by the Administrator of Veterans' Affairs and the Secretary of the Interior, jointly, and in the event a survey is required to make such determination, the Department of the Interior shall bear the expense thereof. The transfer shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs, after consultation with the Secretary of the Interior, determines to be necessary to protect the interest of the Veterans' Administration Center, Whipple, Ariz.

The bill was ordered to be read a third time, and passed, and a motion to recon- and a motion to reconsider was laid on the table.

TRANSFERRING CERTAIN RESPONSIBILITIES OF SECRETARY OF INTERIOR TO PUBLIC HOUSING COMMISSIONER AND SECRETARY OF AGRICULTURE

The Clerk called the bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruitgrowers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

SEC. 2. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibilities of the Secretary of the Interior under the private sales contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the private sales contract the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release, or convey any part thereof, and to otherwise dispose of the remaining property when he finds that any breach in the terms of the private salcs contract cannot be cured to permit redelivery of possession thereunder.

Sec. 3. Any funds collected by the Secretary of Agriculture under section 1 hereof, or by the Public Housing Commissioner under section 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this act.

Sec. 4. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, are hereby confirmed.

Sec. 5. This act shall take effect upon its approval.

With the following committee amendments:

Page 2, following line 8, add a new section 2, as follows:

"Sec. 2. The Secretary of Agriculture is hereby authorized to sell the Commonwealth of Puerto Rico the obligations and documents transferred to him by section 1 hereof, for such consideration as may be consistent with the purposes of the resolution of Congress creating the Puerto Rico Hurrican Relief Commission."

Page 2, line 9, renumber "Sec. 2." to read "Sec. 3."

Page 2, line 24, strike the word "contract," and insert the words "contract or otherwise,".

Page 3, strike all of lines 1 through 5 and insert the following: "Thereof, he is authorized to improve and administer the property, to release, convey, or reconvey any part thereof, and to otherwise dispose of the remaining property. Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder.

"Sec. 4. The Public Housing Commissioner is hereby authorized to sell to the Commonwealth of Puerto Rico, for such consideration mutually agreeable, the rights, title, and interest transferred to him by section 3 hereof with respect to the Palansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties, and responsibilities under the private sales contract executed on July 1, 1948, mentioned in section 3 hereof."

Page 3, line 6, renumber "Sec. 3." to read "Sec. 5."

Page 3, lines 7 and 8, strike the words "section 1 hereof, or by the Public Housing Commissioner under section 2 hereof," and insert the words "sections 1 and 2 hereof."

Page 3, line 12, renumber "Sec. 4." to read "Sec. 6."

Page 3, line 16, renumber "Sec. 5." to read "Sec. 7."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, was read the third time, and passed, sider was laid on the table.

LAND TRANSFER TO CHEYENNE, WYO.

The Clerk called the bill (H. R. 9358) to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Administrator of Veterans' Affairs to convey to the city of Cheyenne, Wyo., for public-park and golf-course purposes, certain land situated within the boundaries of the Veterans' Administration center at Cheyenne, Wyo.," approved June 29, 1948 (62 Stat. 1104; Public Law 831, 80th Cong.), is amended by striking out all of the last paragraph and adding at the end thereof the following:

"Sec. 2. The Administrator shall issue to the city of Cheyenne a quitclaim deed, quitclaiming all rights and interests of the United States with respect to such land."

With the following committee amendment:

On page 2 strike out lines 1 to 5 inclusive and insert "Congress), is amended by inserting at the end thereof the following new section:

" 'Sec. 2. If the city of Cheyenne, Wyo., conveys to the Administrator of Veterans' Affairs by quitclaim deed the parcel of land conveyed to it under the first section of this act, the Administrator of Veterans' Affairs shall issue to the city of Cheyenne, Wyo., a new quitclaim deed with respect to such parcel of land, conveying all right, title, and interest of the United States to such parcel. The conveyance shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs determines to be necessary to protect the interest of the Veterans' Administration Center, Cheyenne, Wyo.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF GRAND JUNCTION, COLO.

The Clerk called the bill (H. R. 10251) to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Grand Junction, Colo., all of the right, title, and interest of the United States in and to a tract of land containing sixteen and seventy-two one-hundredths acres, more or less, situated in the Veterans' Administration hospital reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs, and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof.

Sec. 2. (a) The conveyance authorized by this act (1) shall provide that the tract of land so conveyed shall be used for park and recreational purposes, and if it shall ever cease to be used for such park and recreational purposes, the title to such property shall revert to the United States, provided that the hospital being presently administered and operated on the tract of land of which the said sixteen and seventy-two one-hundredths acres is a part is still used as a veterans' hospital, and in the event of a use other than that for park and recreational purposes, the United States shall have the immediate right of reentry thereon and (2) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interest of the United States.

(b) Notwithstanding the provisions of subsection (a) of this section, all right, title, and interest of the United States in and to the tract of land authorized to be conveyed under authority of this act, shall become vested in the city of Grand Junction, Colo., effective (1) upon the expiration of the 50-year period commencing on the date of enactment of this act, or (2) upon the date the hospital referred to in subsection (a) of this section ceases to be operated as a veterans' hospital, whichever is the earlier.

With the following committee amendment:

Page 2, line 1, after "Affairs", insert "and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

The Clerk called the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 400 of the Soldiers' and Sailors' Civil Relief Act of 1940 is amended by striking out "30" and inserting in lieu thereof "180."

Sec. 2. The amendment made by this act shall take effect with respect to applications for benefits made after the date of enactment of this act.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the committee report may be inserted at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The committee report is as follows:

INSURANCE GUARANTEED UNDER THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT

Mr. Teague of Texas, from the Committee on Veterans' Affairs, submitted the following report:

The Committee on Veterans' Affairs to whom was referred the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BACKGROUND OF THE BILL

The Soldiers' and Sailors' Civil Relief Act of 1940 was enacted in the 76th Congress and was approved October 17, 1940. A similar enactment referrable to World War I was approved March 8, 1918, during the 65th Congress and bore the title "Soldiers and Sailors Civil Relief Act."

The purpose of the act is to provide for the strengthening of national defense by suspending the enforcement of civil liabilities in certain cases of persons in the military service of the United States, the belief being that this is necessary to enable persons called to perform military duties to devote their energies to the defense needs of the Nation.

For the purposes of article IV (insurance) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, World War II was deemed to have terminated July 25, 1947, in accordance with the provisions of section 4, Public Law 239 of the 80th Congress. Section 14 of Public Law 759 of the 80th Congress, June 24, 1948, known as the Selective Service Act of 1948, provided that all provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, shall be applicable to all persons of the Armed Forces, including those thereafter inducted, until such time as the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is "repealed or otherwise terminated by subsequent act of the Congress." There has been no such repeal or termination. Thus the Soldiers' and Sailors' Civil Relief Act is in full force and effect today and applies to all persons who are called upon to perform service in one of the branches of the Armed Forces of the United States.

This bill is concerned entirely with Article IV, specifically with section 400 of the act.

This article of the act provides in effect that any person taken into the Armed Forces may upon application continue to have the protection of as much as $10,000 commercial life insurance during the term of his service in one of the branches of the Armed Forces, and for 2 years following service, even though he is not able to pay the premiums during the period of his service. The Veterans' Administration, in effect, guarantees the payment of premiums and interest thereon during the protection period, but this does not relieve the veteran of his obligation. If the amount guaranteed is not paid prior to the end of the period and the Government pays any difference between that amount and the cash surrender value the veteran owes the Government the amount it has paid to the insurance company. A debt is set up against the veteran which is collectible from any monetary benefits which he may have due him by the United States, and if not available in this form steps are taken through other appropriate channels to collect this debt.

Since the inception of the program in 1940, until the present time, approximately 90,360 policies have been guaranteed under the terms of this act which involved an outlay on the part of the Veterans' Administration of about $2,543,000. Of this amount, approximately $2,282,000 has been collected from veterans by the Veterans' Administration, by setoff and otherwise, and the balance is in the process of being collected to the extent possible. It will thus be seen that this program has not been of great magnitude. In fact, it has been rather small in view of the millions of veterans who have been in the Armed Forces since 1940.

EXPLANATION OF THE BILL

The Special Investigating Subcommittee of the Committee on Armed Services of the House of Representatives recently had called to its attention the operations of an insurance company with its home office in a midwestern State which was taking advantage of this act in a manner not contemplated at the time of its approval by the Congress. The insurance agent obtained a list of prospective draftees and sold many of them two $5,000 policies. At the time of the sale the insured paid a monthly premium of $5 or $10 and in many instances gave a promissory note for this amount and also executed a power of attorney to the agent. After the man was inducted into the service he received a postcard from the insurance agent advising him that his identification bracelet was ready if he would submit the necessary information. Upon receiving this card with the man's rank, serial number, etc., the insurance agent then proceeded to exercise the power of attorney and had the policy guaranteed by the Veterans' Administration. It will thus be noted that the insured had virtually no stake in this policy. Certainly such procedure was not contemplated by the framers of this law.

Section 400 (a) provides that the policy must have been in effect not less than 30 days before the date the insured entered into the military service. The purpose of this bill is to lengthen the period from 30 days to 180 days with the result that it will be necessary for the policyholder to have a substantial cash outlay, in most instances, in an insurance policy which he could then properly have guaranteed, if he wished, under this act. It is believed that this simple amendment will substantially eliminate the kind of abuse described above and prevent its recurrence in the future. However, the amendment would not impair the status of policies now under protection or applications for premium guaranty already made. Section 2 of the bill limits its effect to future applications.

No additional cost to the Government will accrue as a result of the enactment of this legislation and perhaps some losses will be averted.

The favorable report of the Veterans' Administration follows:

Veterans' Adminisration,
Office of the Administrator
of Veterans' Affairs,
Washington D. C., April 16, 1956.

Hon. Olin E. Teague,
Chairman, Committee on Veterans' Affairs, House of Representatives,
Washington, D. C.:

Dear Mr. Teague: This is in reference to your request for a report by the Veterans' Administration on H. R. 10441, 84th Congress, a bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

As indicated by the title, the bill would amend subsection 400 (a) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to require that in order to qualify for Government guaranty of premiums a policy of commercial life insurance held by a person in the military service must have been in force not less than 180 days before the insured entered into the military service. The existing provision is that the policy must have been in effect not less than 30 days before entry into the service. The amendment would apply only to applications for Government guaranty of premiums made after it is enacted.

It is understood from discussions by representatives of the Veterans' Administration with the committee staff that this proposal is intended to provide a safeguard against the issuance and protection under the act of policies with relatively high premiums and low life-insurance benefits which are issued on a monthly premium basis but a short time prior to the insured's entry into service. These situations involve application for protection under the Civil Relief Act made by the company on behalf of the insured pursuant to a power of attorney executed by the insured. The fear has been expressed that in some instances insureds have not been properly informed and do not have a clear understanding of their repayment obligations under the law.

Article IV of the Soldiers' and Sailors' Civil Relief Act, as amended, provides that upon proper application the premiums and interest thereon with respect to certain types of private life-insurance contracts, not exceeding in an individual case the amount of $10,000, shall be guaranteed for the period of military service and 2 years thereafter. If the amount guaranteed is not paid prior to the end of the protection period, the amount then due will be treated by the insurer as a loan on the policy, but if at the end of such period the cash surrender value is less than the amount then due, the United States is obligated to pay to the insurer the difference between that amount and the cash surrender value. Section 406 of the act, as amended, specifically provides that the amount paid by the United States to an insurer on account of applications approved under article IV shall become a debt due to the United States by the insured, and that such indebtedness may be collected either by deduction from any amount due the insured by the United States or as otherwise authorized by law.

Entitlement to these benefits is not automatic, but requires the filing of written application. Only a small percentage of those engaged in military service have heretofore availed themselves of this assistance. This apparently results from the fact that the law merely provides a moratorium on premiums and interest payments and does not relieve against liability for repayment. Hence, there has been no particular financial advantage to be gained in most cases. An indication of the relatively small use made of this program which had its inception in 1940 is the fact that the total number of cases which had been approved for protection under article IV through the end of March 1956 was 90,356, and that as of the same date the total number of cases currently under protection was 1,013.

It is of interest to note the amount which has been paid throughout the life of the program by the Government to insurers under the Government guaranty. Such payments through the end of February 1956 amounted to a cumulative total of $2,542,373. However, very little actual loss has been sustained since there have been collections by the Veterans' Administration throughout the same period amounting to $2,281,992. About 60 percent of these collections have been through setoff against national service life insurance dividends and the remainder through setoffs against other veterans' benefits or by way of direct remittances. Some items which were not considered collectible have been referred to the General Accounting Office for any possible collections which may be made through that agency.

An analysis of policies placed under the protection of the act during the past 6 months indicates that all of them except those of the type heretofore mentioned and about which particular concern has been expressed were in force more than 6 months as of the date of entry into service. In the light of this experience it may reasonably be expected that enactment of the bill would not have the effect of eliminating any considerable number of cases of insurance policies affording substantial life-insurance benefits and obtained under conditions of proper deliberation and full information shortly prior to entering the military service. This is, of course, dependent upon a continuation of present conditions of military service and induction. The situation at the time of the enactment of the basic law and its amendments was different, involving the wholesale mobilization of great numbers of persons with less time or opportunity to plan ahead. It seems probable, on the other hand, that the requirement that the insurance must have been in force at least 6 months prior to service will tend to curb hasty and ill-considered purchase of insurance in anticipation of Government protection under the act and without a full appraisal of the repayment obligations of the insured.

The effects of the bill on cost to the Government under this program cannot be estimated in any precise degree. It is believed that there would be a slight saving represented by the eventual cost of unrepaid claims on future cases which would be covered under the act as it exists but would not be eligible for coverage if this amendment is enacted.

The current volume of applications for protection under article IV of the Soldiers' and Sailors' Civil Relief Act is exceedingly small, and the problem at which the bill is directed is necessarily limited under present conditions in terms of the numbers affected. However, it is recognized that abuses, however small in number, should be corrected to the extent feasible. Although it is quite possible that some worthy cases involving the purchase of insurance on a carefully planned basis shortly prior to entering military service will be excluded, it is believed, considered as a whole, that the beneficial effects of the bill would outweigh these possible detriments. Accordingly, the Veterans' Administration is of the view that the bill merits favorable consideration by the committee.

Due to the urgent request of the committee for a report on this measure, there has not been sufficient time in which to ascertain from the Bureau of the Budget the relationship of the proposed legislation to the program of the President.

Sincerely yours,

H. V. Higley,
Administrator.

RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"ARTICLE IV, PUBLIC LAW 861, 76TH CONGRESS, AS AMENDED

"Article IV—Insurance

"Sec. 400 (*50 Appendix U. S. C. 540*). As used in this article—

"(a) The term 'policy' shall include any contract of life insurance or policy on a life, endowment, or term plan, including any benefit in the nature of life insurance arising out of membership in any fraternal or beneficial association, which does not provide for the payment of any sum less than the face value thereof or for the payment of an additional amount as premiums if the insured engages in the military service of the United States as defined in section 101 of article I of this act or which does not contain any limitation or restriction upon coverage relating to engagement in or pursuit of certain types of activities which a person might be required to engage in by virtue of his being in such military service, and (1) which is in force on a premium-paying basis at the time of application for benefits hereunder, and (2) which was made and a premium paid thereon before the date of enactment of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942 or not less than [thirty] *one hundred and eighty* days before the date the insured entered into the military service. The provisions of this act shall not be applicable to policies or contracts of life insurance issued under the War Risk Insurance Act, as amended, the World War Veterans Act, as amended, or the National Service Life Insurance Act of 1940, as amended.

"(b) The term 'premium' shall include the amount specified in the policy as the stipend to be paid by the insured at regular intervals during the period therein stated.

"(c) The term 'insured' shall include any person in the military service of the United States as defined in section 101, article I, of this act, whose life is insured under and who is the owner and holder of and has an interest in a policy as above defined.

"(d) The term 'insurer' shall include any firm, corporation, partnership, or association chartered or authorized to engage in the insurance business and to issue a policy as above defined by the laws of a State of the United States or the United States.

"Sec. 401 (*50 Appendix U. S. C. 541*). The benefits and privileges of this article shall apply to any insured, when such insured, or a person designated by him, or, in case the insured is outside the continental United States (excluding Alaska and the Panama Canal Zone), a beneficiary, shall make written application for protection under this article, unless the Administrator of Veterans' Affairs in passing upon such application as provided in this article shall find that the policy is not entitled to protection hereunder. The Veterans' Administration shall give notice to the military and naval authorities of the provisions of this article, and shall include in such notice an explanation of such provisions for the information of those desiring to make application for the benefits thereof. The original of such application shall be sent by the insured to the insurer, and a copy thereof to the Veterans' Administration. The total amount of insurance on the life of one insured under policies protected by the provisions of this article shall not exceed $10,000. If an insured makes application for protection of policies on his life totaling insurance in excess of $10,000, the Administrator is authorized to have the amount of insurance divided into two or more policies so that the protection of this article may be extended to include policies for a total amount of insurance not to exceed $10,000, and a policy which affords the best security to the Government shall be given preference.

"Sec. 402 (*50 Appendix U. S. C. 542*). Any writing signed by the insured and identifying the policy and the insurer, and agreeing that his rights under the policy are subject to and modified by the provisions of this article, shall be sufficient as an application for the benefits of this article, but the Veterans' Administration may require the insured and insurer to execute such other forms as may be deemed advisable. Upon receipt of the application of the insured the insurer shall furnish such report to the Veterans' Administration concerning the policy as shall be prescribed by regulations. The insured who has made application for protection under this article and the insurer shall be deemed to have agreed to such modification of the policy as may be required to give this article full force and effect with respect to such policy.

Sec. 403. (*50 Appendix U. S. C. 543*). The Administrator of Veterans' Affairs shall find whether the policy is entitled to protection under this article and shall notify the insured and the insurer of such finding. Any policy found by the Administrator of Veterans' Affairs to be entitled to protection under this article shall not, subsequent to date of application, and during the period of military service of the insured or during two years after the expiration of such service, lapse or otherwise terminate or be forfeited for the nonpayment of a premium becoming due and payable, or the nonpayment of any indebtedness or interest.

"Sec. 404 (*50 Appendix U. S. C. 544*). No dividend or other monetary benefit under a policy shall be paid to an insured or used to purchase dividend additions while a policy is protected by the provisions of this article except with the consent and approval of the Veterans' Administration. If such consent is not procured, such dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer. No cash value, loan value, or withdrawal of dividend accumulation, or unearned premium, or other value of similar character shall be available to the insured while the policy is protected under this article except upon approval by the Veterans' Administration. The insured's right to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this article.

"Sec. 405 (*50 Appendix U. S. C. 545*). In the event of maturity of a policy as a death claim or otherwise before the expiration of the period of protection under the provisions of this article, the insurer in making settlement will deduct from the amount of insurance the premiums guaranteed under this article, together with interest thereon at the rate fixed in the policy for policy loans. If no rate of interest is specifically fixed in the policy, the rate shall be the rate fixed for policy loans in other policies issued by the insurer at the time the policy brought under the act was issued. The amount deducted by reason of the protection afforded by this article shall be reported by the insurer to the Administrator of Veterans' Affairs.

"Sec. 406 (*50 Appendix U. S. C. 546.*) Payment of premiums and interest thereon at the rate specified in section 405 hereof becoming due on a policy while protected under the provisions of this article is guaranteed by the United States, and if the amount so guaranteed is not paid to the insurer prior to the expiration of the period of insurance protection under this article, the amount then due shall be treated by the insurer as a policy loan on such policy, but if at the expiration of said period the cash surrender value is less than the amount then due, the policy shall then cease and terminate and the United States shall pay the insurer the difference between such amount and the cash surrender value. The amount paid by the United States to an insurer on account of applications approved under the provisions of this article as amended, shall become a debt due to the United States by the insured on whose account payment was made and, notwithstanding any other act, such amount may be collected either by deduction from any amount due said insured by the United States or as otherwise authorized by law. Any moneys received as repayment of debts incurred under this article, as originally enacted and as amended, shall be credited to the appropriation for the payment of claims under this article.

"Sec. 407 (*50 Appendix U. S. C. 547*). The Administrator of Veterans' Affairs is hereby authorized and directed to provide by regulations for such rules of procedure and forms as he may deem advisable in carrying out the provisions of this article. The findings of fact and conclusions of law made by the Administrator of Veterans' Affairs in administering the provisions of this article shall be final, and shall not be subject to review by any other official or agency of the Government. The Administrator of Veterans' Affairs shall report annually to the Congress on the administration of this article.

"Sec. 408 (*50 Appendix U. S. C. 548*). (1) The provisions of this article in force immediately prior to the enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942 (hereinafter in this section called "such provisions") shall remain in full force and effect with respect to all valid applications for protection executed prior to the date of enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942 and all policies to which such applications pertain shall continue to be entitled to the protection granted thereby.

"(2) Any insurer under a policy accepted under such provisions shall, subject to the approval of the Administrator of Veterans' Affairs and upon complete surrender by it to the United States, within 90 days after the date of enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942, of all certificates issued in accordance with such provisions together with all right to

payment thereunder, be entitled to the guaranty of unpaid premiums and interest thereon and the mode of settlement for such policies as provided by this article, as amended. The privileges and benefits granted by the foregoing sentence shall be in lieu of the method of settlement, and the requirement for accounts and reports prescribed by such provisions. In the event any such insurer fails to surrender within the said 90 days all such certificates and rights to payment, the accounts, reports, and settlements required to be made by such insurer under such provisions shall continue to be made as required and shall be governed by such provisions."

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, H. R. 10441 will have the effect of protecting the Soldiers' and Sailors' Civil Relief Act from certain abuses which were not anticipated when the act was passed in 1940 and when it was amended in 1951. The practical effect of the bill will be to protect young men and women about to enter the Armed Forces from fraudulent and deceptive sales methods engaged in by certain types of commercial insurance companies.

The effect of the bill will be to avoid having the Federal Government make needless and improper payments to certain types of commercial insurance companies for supposed insurance protection to members of the Armed Forces not actually received, or not received in full measure. An equally important practical effect of the bill is that it will tend to protect young men and women from fraudulent or deceptive sales methods engaged in by certain types of insurance salesmen. It will thus avoid situations in which these young men and women become involved in long-term financial commitments, to which their Government is an unwilling party, and which must ultimately lead to embarrassment and hardships to the young men and women, leading to perhaps many instances of lawsuits between well-meaning people and their Government. The bill involves no controversial issue, and I believe that when the Members of the House understand the kind of abuses of the present law which have given rise to the bill, there will be unanimous agreement to the bill.

These abuses came to light during the course of an investigation made by a subcommittee of the Armed Services Committee, of which I am a member. It came to the attention of the committee that a certain insurance agency had been obtaining, or was alleged to have obtained, information of a confidential nature from certain of the local selective service boards. The information so obtained included names and addresses, and perhaps other data, of young men who were about to be called up for induction under the Selective Service Act. General Hershey has interpreted the selective-service law as permitting public posting of the names of such prospective inductees, and selective-service regulations make it optional with the States whether such list of names will be compiled and published.

Moreover, our committee heard testimony that it is the practice of many of the local boards in question, which were a number of local boards in eastern Texas, to post such list of names on their bulletin boards. In these instances there is, of course, no attempt, and no intent, to prevent the list of names being used for commercial purposes.

General Hershey has, however, interpreted the law as prohibiting the Selective Service System from giving out for commercial purposes the addresses of prospective inductees, as well as prohibiting the giving out for commercial purposes of other information from Selective Service Form 3, which is the form on which the prospective inductee's address is maintained. Selective Service Form 3 also contains other information about the prospective inductee, including all personal data.

According to the testimony of Brig. Gen. Lewis H. Renfrow, Deputy Director of the Selective Service System, Selective Service Regulations have uniformly prohibited giving out addresses for commercial purposes, although these regulations do permit revelation of such information for official purposes and for local undertaking of a patriotic nature, such as the erection of honor rolls in city parks, and so forth.

Our investigations revealed that representatives of the insurance agency in question had at one time, and for a relatively brief period, obtained the addresses of prospective inductees; this agency used these addresses, along with the names, in conducting an unusual type of insurance sales campaign. In some instances representatives of the insurance agency had been given access to the files of the Selective Service Form 3 in the local draft boards, and had compiled such information from these files as the insurance agency cared to have. It appeared, however, that authorization had been given, through some misunderstanding, by the Texas State office of the Selective Service System. The clerks of two local selective service boards of Texas testified that such authorization had been given, and the insurance agent who claimed to have obtained such authorization likewise testified that such authorization had been given.

Moreover, there was introduced into the committee's record a letter from an official of the State office of the Selective Service System to one of the local selective service boards giving authorization for the insurance agent in question to examine the board's file of Selective Service Form 3. This letter stated that the agent in question, a Mr. Kenneth Simmons, had contacted the State office and identified himself as the mayor of Avinger, Tex., and this letter further authorized the local board to allow Mr. Simmons to examine the Selective Service Form 3. A few weeks later it appears to have come to the attention of the State Selective Service office that the information being collected by the mayor of Avinger, Tex., was being used for a commercial sales campaign, rather than for an official purpose, and the State office withdrew the authorization, issuing a bulletin to all local boards in the State warning against releasing such information for commercial purposes.

So much for the operations of the Selective Service boards. Obviously if there is a commercial evil that needs correcting, a successful correction does not lie merely in tightening the Selective Service regulations. The question is, Why are the addresses of prospective inductees into the Armed Forces of such special value to an insurance agency, as a great variety of efforts put forth by the agency in question to obtain these addresses would suggest them to be? Why would prospective inductees be made the special target of an insurance sales campaign? Since the Government furnishes every man and every woman entering any branch of the Armed Forces with $10,000 worth of free life insurance, irrespective of what commercial insurance they may have on entering the service, you might expect that people about to be inducted would be very poor prospects for commercial life insurance, rather than especially good prospects.

Testimony given to our committee shows however, that the insurance agency in question considered prospective inductees to be uniquely good prospects for the particular kind of insurance policy it was selling. One of the partners of this agency testified that the agency had been formed in the first place with the idea of selling prospective inductees exclusively in mind.

The answer lies in the particular kind of insurance policy which this agency was selling and in certain features of the Soldiers and Sailors Civil Relief Act which are opened to abuse.

This insurance policy was presented as a savings plan, and the policy showed on the face of it that, after the third year, cancellation of the policy would result in the payment to the policyholder certain cash benefits. This policy also contained a small amount of life insurance. Death benefits under the policy amounted to approximately $500, plus return of the premium payments.

Prospective inductees were sold this savings plan on the mistaken notion that the Government would pay the premiums while the young man was in the service. Consequently, many of the purchasers of this policy had the idea that all they need do was sign up for the policy before entering the service, in which case the Government would pay the premiums, and then when they left the service they would be able to turn the policy in for cash benefits.

The impression that the Government would pay the premiums on the insurance policy was created by the terms of the Soldiers and Sailors Civil Relief Act. This act contains several provisions for assisting members of the armed services whose induction causes them financial hardship. Insofar as the life insurance policies are concerned, there are provisions whereby the Veterans Administration may offer certain guarantees with reference to policies which have been in force for at least 30 days prior to the time the man enters the service. By these provisions the Veterans' Administration may guarantee payment of the premiums falling due while the man is in the service, and for 2 years after he leaves the service. This guarantee is not however, a free payment of the premiums, and it in no way relieves the policyholder of liability for the premiums which the Government has guaranteed.

This is the provision which has been abused and misrepresented. One of the partners of the insurance agency in question admitted this in testimony before our committee. One of the members of the committee, the gentleman from Virginia [Mr. HARDY], put a question to one of these agents this way:

> You sold them on the idea, "Here is an opportunity to get Uncle Sam to take care of this savings plan for you while you are on active duty."

To which the agent, Mr. Simmons, replied:

> Yes, sir.

Testimony by the same insurance agent gave the committee a precise picture of how the sales scheme was operated. Insofar as possible, the agents of this company tried to sign up prospective inductees for the "savings plan" shortly before the beginning of the 30-day period prior to their induction—so as to get under the wire insofar as the Soldiers and Sailors Civil Relief Act is concerned—but not so early that the prospective inductee would have to make a large number of monthly payments out of his own pocket. The usual sale was made by having the prospective inductee make only one monthly premium payment, which was $10. At the same time the prospective inductee signed the application for the savings policy, he was also persuaded to sign a note of indebtedness to the insurance company to cover future premium payments and to sign also a power of attorney which enabled the insurance company to make application in the inductee's name, to the Veterans' Administration, for a guaranty of the note of indebtedness. It appears that, after these initial arrangements were made, the matter would often lie dormant and perhaps forgotten so far as the inductee was concerned, until after such time as he came out of the military service and would then be presented with a bill for payment of back premiums, plus interest at the rate of 6 percent, compounded annually in advance.

In many instances where the prospective inductee who was victimized by this scheme did not have $10 for the initial payment or could not be persuaded to give up $10, the insurance agents would take his personal note for $10, payable to the agency. Putting the policy in force in this way meant that in exchange for the inductee's note the insurance agent received at least $72 for the first year's commission on the policy which amount, of course, is included in the total bill for which the Government guarantees payment.

Now, it is apparent that the timing of the insurance sale under such a scheme as this is of the utmost importance to the success of the scheme. If the prospective inductee were required to pay 6 monthly premiums out of his own pocket, rather than only 1 monthly payment, obviously such a scheme as has been presented to these people would look much less attractive. And moreover, the prospect of putting out such an amount of money would cause the young man to look more carefully and ascertain the facts concerning his continuing liability for the payment of any insurance that he may sign up for with a view to having these payments guaranteed by the Government.

This is precisely what the bill H. R. 10441 would do. The bill simply increases the time during which a policy must be in force prior to a man's induction from 30 days to 6 months, in order to make that policy eligible for premium guarantees under the Soldiers and Sailors Civil Relief Act. The bill should thus avoid the necessity for the Government bringing suits or taking other means to enforce collection of liabilities incurred under future sales of insurance policies. The bill should also remove the probability or the possibility that the Government may incur considerable losses through guaranteeing premium payments on policies which members of the armed services acquire through misunderstanding and misrepresentation, and policies which members of the armed services would not wish to have in any case if they were fully acquainted with the facts concerning their liabilities. While the committee has no information that similar schemes or abuses of the act have been carried on by insurance agencies generally, and no information in fact that such schemes have been carried on by any agency other than the particular agency which the committee investigated, the possibilities for misrepresentation and abuse are opened to any unscrupulous insurance agent and could therefore give rise to widespread abuses. At the same time the requirement that policies eligible for guarantee be in force at least 6 months prior to the date on which the man is inducted would not substantially contract the benefits of the act to members of the armed services with reference to any legitimate insurance policies legitimately sold.

Mr. LONG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

VETERANS AND GI'S ARE PRIME VICTIMS OF RACKETEERS

Mr. LONG. Mr. Speaker, I am very much in favor of this bill, H. R. 10441. I will support it. It will do a lot of good. At the same time, however, I want to make it clear that I do not think the bill goes far enough in protecting members of the armed services and members about to be inducted, and veterans of the armed services, from all of the variety of racketeering to which these young men are subjected when they are taken away from their homes and enter into a patriotic service of their country.

When this insurance scheme to prey on young men and young women entering the military service first came up for discussion, it was pointed out to me that one of the operators of this scheme, a Mr. Kenneth W. Simmons, is the same Mr. Simmons who had caused so much trouble to the people of my district several years ago, following World War II, with a so-called training school that was founded and operated at Leesville, La. This school was another kind of scheme to take advantage of the GI benefits and to get the Federal Government to pay for certain educational training which the GI's were entitled to, and which Congress provided for, but which the World War II veterans were not in fact receiving—at least they were not receiving training of the quality they thought they were getting and which they were entitled to receive.

When this matter came to my attention I did not trust my memory as to the details of all the trouble and shady deals perpetrated by Mr. Simmons, so I wrote to a friend of mine at Leesville, which friend is a highly regarded man in public life and who was on the scene throughout the period of this trouble, and I asked him to refresh my memory. I will insert following my remarks the letter which came to me in reply. But before doing this I simply want to point out that I think some committee is going to have to take up the broader problem of all the various kinds of racketeering by which members of the Armed Forces, inductees and veterans, are victimized, and then draft a bill which will contain special penalties for any person or any organization that carries on a scheme of any kind to defraud, or to mislead for commercial gain, young men and young women who are entering upon, or have entered upon, the honorable and highly patriotic service of their country, which kind of service a young man or young woman does render to this country when he assumes the extraordinary burden of serving in the defense of this country.

The letter to me concerning the operation of the GI trade school at Leesville, La., is as follows:

FEBRUARY 22, 1956.

The Honorable GEORGE S. LONG,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR DR. LONG: This is to acknowledge receipt of your letter of February 9 in which you inquired about a Kenneth W. Simmons who was in charge of the trade school at Leesville.

The story of his dealings in Leesville is somewhat varied and even though I know of no criminal charge ever preferred against him, most of his activities here are considered pretty shady.

To review this situation briefly, Mr. Simmons came to Leesville with a Mr. Cox and Mr. Davis to start the Leesville Vocational School. Apparently, they had very little or no capital, so Mr. Simmons resorted to his skill of promotion. The first dealings that I had with him was when he asked all of the hardware dealers or business houses who handled tools to meet with him. The story to us at that time was that the Veterans' Administration had approved a certain price for a certain kit of tools and that he was at liberty to buy the kits he needed. There were certain kits for the different trades, such as carpenters, electricians, and cabinetmakers. All the dealers, except one, at that time agreed to sell these kits to the school at this certain price, which I do not recall at this time, with the understanding that he

was to begin paying in 60 days and complete payment within 90 days of date of delivery. He explained the reason for this was that he would bill the VA and it would take that long to get the money back. We divided the orders among the business houses who were willing to sell them according to the terms outlined. We were eventually paid, but not in the time he had said. The violation there was that he was not authorized to buy as he had told us, but should have taken bids from jobbers who would have supplied these kits for the same thing that the dealers paid. He allowed the dealers a fair profit, but he was shrewd enough not to permit an excessive profit.

Evidently, another way chiseling was done was in expendable materials allowed for training. The general consensus of opinion was that this item was denied the trainees and the money and materials went elsewhere. This could run into a sizable amount as each student or trainee was allowed under the VA setup a reasonable amount of materials for training purposes.

The next off-color deal was the books that should have been bought direct from the publishers, but was given to two local men not even in a kindred business. Like the dealers who furnished the tools, they were informed by Kenneth Simmons that if they would purchase the books, they would be allowed a profit and would be paid as soon as the bills could be sent to the VA and the money sent back to him. The two local men who took this contract were certainly of good character.

All of this and other things came to light after Kenneth Simmons and some of the other stockholders had sold their interests to a Mr. Huggins. An audit was made by the VA and Mr. Huggins, having bought a corporation, was forced to pay some of the excessive costs on tools, books, and other items. It is my understanding that there were quite a few outstanding bills Mr. Huggins had to pay even though he had been assured at the time he made the purchase that all bills were in order and current.

With kindest personal regards, I am,

Yours very truly.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACT RELATING TO INTERSTATE SCHOOL DISTRICTS

The Clerk called the bill (H. R. 9314) granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the States of Illinois and Wisconsin to enter into the following compact and agreement relative to interstate public school districts where an educational community extends into both such States.

The compact reads as follows:

ARTICLE I—PURPOSE

The purpose of this compact is to create a pattern of organizations through which all the people of an educational community which crosses State lines may participate in the government of such unit.

ARTICLE II—ORGANIZATION

The State superintendent of public instruction or similarly titled officer of the respective party States designated in the enabling acts approving this compact may by agreement provide for the establishment and operation of interstate public school districts for the operation of elementary and secondary schools.

ARTICLE III—SCOPE OF THE AGREEMENTS

(a) the establishment of an interstate school district;

(b) the allocation of costs of operation and capital expenditure between the portions of the district in each State;

(c) the scope of the educational program;

(d) the procedures whereby the electors in each State may participate in the formation of school policy;

(e) the allocation of State school aids;

(f) the determination of State's laws under which the contracts for the purchase of materials, supplies, and personal services will be made so as to prevent all conflict as to the applicable statutes. Arrangements shall be made for the employment of persons by one State only and for the pro rata reimbursement of that State for services rendered to citizens of another State, but no such agreement shall require that all employees be hired by a particular State; and

(g) all other matters as are reasonably necessary to carry out the purposes set forth in article I.

ARTICLE IV—EFFECTIVE DATE

This compact shall become operative between any State and other State when, following the adoption of the compact by the legislatures of both such States, the appropriate officers of two States execute an agreement.

ARTICLE V—RENUNCIATION

This compact shall continue in effect and remain binding upon each executing party State until 6 months after any such State has given written notice of renunciation by the same authority which executed the agreement.

ARTICLE VI—SEVERABILITY

The provisions of this compact are severable.

With the following committee amendments:

After the words "The compact reads as follows:" insert a quotation mark before every paragraph on pages 2 and 3, and on page 3, line 24, place a quotation mark after the word "severable."

At the end of the bill insert the following:

"SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WILLIS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill just passed, H. R. 9314, the Clerk be authorized to make the necessary clerical corrections with respect to the amendments having to do with quotation marks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SIMPLIFYING ACCOUNTING

The Clerk called the bill (H. R. 9593) to simplify accounting, facilitate the payment of obligations, and for other purposes.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AMENDMENT OF VETERANS REGULATIONS

The Clerk called the bill (H. R. 2845) to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subparagraphs (k) of paragraph II, part I, Veterans Regulation Numbered 1 (a), as amended, is hereby amended by inserting after the words "or one hand" each place they appear therein the following: ", or both buttocks."

SEC. 2. This act shall become effective on the first day of the second month following the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 7144) to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of Public Law 427, 82d Congress (66 Stat. 296), is hereby amended, effective June 30, 1952, by adding at the end thereof the following sentence: "No application shall be required for the payment of compensation under this act for the loss or loss of use of a creative organ or for an arrested tuberculosis disease in any case, whether or not now on the rolls, in which a determination of service connection of such condition has been made or is made by the Administrator of Veterans' Affairs prior to August 1, 1952."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATURE OF THE TERRITORY OF HAWAII

The Clerk called the bill (H. R. 8837) to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That section 30 of the Hawaiian Organic Act (48 U. S. C. 565) is amended to read as follows:

"SEC. 30. Senate; number; term: The senate shall be composed of 25 members, who shall be elected by the qualified voters of the respective senatorial districts for a term of 4 years beginning with their election and ending on the day of the second general election after their election: *Provided, however,* That (1) senators elected at the general election of 1954 shall continue to hold office until the expiration of their present terms and shall be deemed to have been elected from the new senatorial district in which they resided at the time of their election; and (2) that at the first session of the legislature sebsequent to the general election of 1956, the legislature shall so assign the senators to long or short terms, that as nearly as possible one-half of them, including the holdover senators, shall hold office for 2 years and the remaining senators shall hold office for 4 years.

Sec. 2. Section 32 of said act (48 U. S. C. 568) is amended to read as follows:

"Sec. 32. Senatorial districts: For the purpose of representation in the senate, the Territory is divided into the following senatorial districts, namely:

"First senatorial district: That portion of the island of Hawaii known as Puna, Hilo, and Hamakua;

"Second senatorial district: That portion of the island of Hawaii known as Kau, Kona, and Kohala;

"Third senatorial district: The islands of Maui, Molokai, Lanai and Kahoolawe;

"Fourth senatorial district: That portion of the island of Oahu lying east and south of Nuuanu Street and Pali Road and the upper ridge of the Koolau Range from the Nuuanu Pali to Makapuu Point and all other islands not specifically enumerated;

"Fifth senatorial district: That portion of the island of Oahu lying west and north of the fourth senatorial district; and

"Sixth senatorial district: The islands of Kauai and Niihau."

Sec. 3. Section 33 of said act (48 U. S. C. 569) is amended to read as follows:

"Sec. 33. Apportionment of senators: The electors in the said senatorial districts shall be entitled to elect senators as follows:

In the first senatorial district, five;
In the second senatorial district, two;
In the third senatorial district, five;
In the fourth senatorial district, five;
In the fifth senatorial district, five;
In the sixth senatorial district, three."

Sec. 4. Section 35 of said act (48 U. S. C. 570) is amended to read as follows:

"Sec. 35. House of representatives; number: The house of representatives shall be composed of 51 members, who shall be elected by the qualified voters of the respective representative districts."

Sec. 5. Section 38 of said act (48 U. S. C. 574) is amended to read as follows:

"Sec. 38. Representative districts: For the purpose of representation in the house of representatives, the Territory is divided into the following representative districts:

"First representative district: That portion of the island of Hawaii known as Puna;

"Second representative district: That portion of the island of Hawaii known as South Hilo;

"Third representative district: That portion of the island of Hawaii known as North Hilo and Hamakua;

"Fourth representative district: That portion of the island of Hawaii known as Kau and South Kona and that portion of North Kona, for convenience herein referred to as Keauhou, more particularly described as follows: (1) from a point at the seashore between the lands of Holauloa 1 and 2 and Puapuaa 2 running northeasterly along the boundary of Holualoa 1 and 2 to Puu Laalaau; (2) easterly in a straight line to a point called Naohueleelua being the common corner of the lands of Puuanahulu, Kaohe and Keauhou 2d; (3) southeasterly along the common boundary between Hamakua and North Kona Districts to the summit of Mauna Loa; (4) westerly along the common boundary between Kau and North Kona Districts to the easterly boundary of South Kona District; (5) northerly and westerly along the boundary between North and South Kona Districts to the seashore; and (6) northerly along the seashore to the point of beginning;

"Fifth representative district: That portion of the island of Hawaii known as Kohala and that portion of North Kona not included in the fourth representative district;

"Sixth representative district: The islands of Molokai and Lanai;

"Seventh representative district: The islands of Maui and Kahoolawe;

"Eighth representative district: That portion of the island of Oahu known as Koolaupoko and Koolauloa;

"Ninth representative district: That portion of the island of Oahu known as Waialua and Wahiawa;

"Tenth representative district: That portion of the island of Oahu known as Ewa and Waianae;

"Eleventh representative district: That portion of the island of Oahu, for convenience herein referred to as Kalihi, more particularly described as follows: (1) from the intersection of Kalihi and Auiki Streets running westerly along Auiki Street to Mokauea Street; (2) southwesterly along Mokauea Street extension extended to a point on the outer edge of the reef; (3) westerly along the outer edge of the reef to a point on the Moanalua-Halawa boundary; (4) northerly and northeasterly along the Moanalua-Halawa boundary to the top of Koolau Range; (5) southeasterly along the top of Koolau Range to a place called 'Puu Lanihuli'; (6) southwesterly along the top of the ridge between the lands of Kalihi, Kapalama and Nuuanu to Kalihi Street; and (7) southwesterly along Kalihi Street to the point of beginning;

"Twelfth representative district: That portion of the island of Oahu, for convenience herein referred to as Upper Nuuanu, more particularly described as follows: (1) from the intersection of King and Kalihi Streets running northeasterly along Kalihi Street to the ridge between the lands of Kalihi, Kapalama and Nuuanu; (2) northeasterly along the top of said ridge to a point on the Koolau Range called Puu Lanihuli; (3) easterly along the top of said range to Pali Road at the Nuuanu Pali; (4) southwesterly along Pali Road to Nuuanu Avenue and southwesterly along Nuuanu Avenue to School Street; (5) northwesterly along School Street to the centerline of the Kapalama drainage canal (Waikiki Branch); (6) southwesterly along said canal to the centerline of the main Kapalama drainage canal; (7) southwesterly along said canal to King Street; and (8) northwesterly along King Street to the point of beginning.

"Thirteenth representative district: That portion of the island of Oahu for convenience herein referred to as Kapalama, more particularly described as follows: (1) from the junction of the Honolulu Harbor Channel and the reef running westerly along the outer edge of the reef to Mokauea Street extension extended; (2) northeasterly along Mokauea Street extension extended to Sand Island Road; (3) northeasterly along Mokauea Street extension to Auiki Street; (4) easterly along Auiki Street to Kalihi Street; (5) northeasterly along Kalihi Street to King Street; (6) southeasterly along King Street to the center line of the Main Kapalama drainage canal; (7) northerly along said canal to the center line of the Kapalama drainage canal (Waikiki Branch); (8) northeasterly along said canal to School Street; (9) southeasterly along School Street to Nuuanu Avenue; (10) southwesterly along Nuuanu Avenue to the sea, and (11) southwesterly along the middle of Honolulu Harbor and Honolulu Harbor Channel to the point of beginning.

"Fourteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Pauoa, more particularly described as follows: (1) from the junction of the Honolulu Harbor Channel and the outer edge of the reef running northeasterly along the middle of Honolulu Harbor Channel and Honolulu Harbor to the intersection of Queen Street and Nuuanu Avenue; (2) northeasterly along Nuuanu Avenue to Pali Road and northeasterly along Pali Road to the top of Koolau Range at the Nuuanu Pali; (3) easterly and southerly along the top of the Koolau Range to a point called Puu Konahuanui; (4) southwesterly along the top of the ridge between the lands of Nuuanu, Pauoa and Manoa to a mountain peak called Puu Ohia or Tantalus; (5) southwesterly along the top of the ridge between the lands of Makiki and Kalawahine to the intersection of Nehoa Street and Lewalani Drive; (6) southerly along Lewalani Drive and Piikoi Street to Wilder Avenue; (7) easterly along Wilder Avenue to Punahou Street; (8) southerly along Punahou Street to King Street; (9) westerly along King Street to Kalakaua Avenue; (10) southerly along Kalakaua Avenue to the center line of the Ala Wai Canal; (11) westerly along said canal and along the line of said canal extended to the outer edge of the reef; and (12) westerly along the outer edge of the reef to the point of beginning.

"Fifteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Manoa and Waikiki, more particularly described as follows: (1) from the intersection of Kalakaua Avenue and the center line of the Ala Wai Canal running northerly along Kalakaua Avenue to King Street; (2) easterly along King Street to Punahou Street; (3) northerly along Punahou Street to Wilder Avenue; (4) westerly along Wilder Avenue to Piikoi Street; (5) northerly along Piikoi Street to Lewalani Drive; (6) northerly along Lewalani Drive to Nehoa Street; (7) northeasterly along the top of the ridge between the lands of Makiki and Kalawahine to a mountain peak called Puu Ohia or Tantalus; (8) northeasterly along the top of the ridge between the lands of Pauoa, Manoa and Nuuanu to a point on the Koolau Range called Puu Konahuanui; (9) southeasterly along the top of said range to a place called Mountain Olympus; (10) southwesterly along the top of Waahila Ridge to the top edge of Palolo Valley; (11) southwesterly along the top edge of said valley to the forest reserve boundary; (12) southwesterly along the southeasterly boundary of Saint Louis Heights tract, series 2 (file plan 464) to the southerly boundary of said tract 100 feet southeasterly from Alencastre Street; (3) southwesterly parallel to and 100 feet from Alencastre Street and Saint Louis Drive to Waialae Avenue; (14) westerly along Waialae Avenue to Kapahulu Avenue extended; (15) southerly across Waialae Avenue and along Kapahulu Avenue to Kalakaua Avenue; (16) westerly along Kapahulu Avenue extended to the outher edge of the reef; (17) northwesterly along the outer edge of the reef to a point on the line extended of the center line of the Ala Wai Canal; and (18) easterly along said line to the point of beginning;

"Sixteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Kaimuki and Kapahulu, more particularly described as follows: (1) from a point at the seacoast at a place called Black Point running westerly along the seacoast to Kapahulu Avenue extended to the sea; (2) easterly across Kalakaua Avenue and easterly and northerly along Kapahulu Avenue to Waialae Avenue; (3) easterly along Waialae Avenue to a point 100 feet easterly of Saint Louis Drive; (4) northeasterly across Waialae Avenue then parallel to and 100 feet from Saint Louis Drive and Alencastre Street to the southerly boundary of Saint Louis Heights tract, series 2 (file plan numbered 464); (5) northeasterly along the southeasterly boundary of said tract to the forest reserve boundary; (6) northeasterly along the top ridge of Palolo Valley to the top of Waahila Ridge; (7)

northeasterly along the top of Waahila Ridge to a point on Koolau Range called Mount Olympus; (8) easterly along the top of the Koolau Range to the top of the ridge between the lands of Waialae Nui and Palolo; (9) southwesterly along the top of said ridge to a place called Kalepeamoa; (10) southwesterly along Mauumae Ridge to Sierra Drive; (11) southwesterly along Sierra Drive to Waialae Avenue; (12) esterly along Waialae Avenue to Thirteenth Avenue; (13) southwesterly along Thirteenth Avenue and Ocean View Drive to Kilauea Avenue (14) westerly along Kilauea Avenue to Makapuu Avenue; (15) southwesterly along Makapuu Avenue to Diamond Head Road; and (16) southeasterly along Diamond Head Road to the military road and along the military road extended to the point of beginning;

"Seventeenth representative district: That portion of the island of Oahu not included in any other representative district on the island of Oahu, together with all other islands not included in any other representative district;

"Eighteenth representative district: The islands of Kauai and Niihau.

Wherever a roadway or intersection of one or more roadways is designated as a boundary in any of the above descriptions, the centerline of such roadway or intersection is intended as such boundary."

Sec. 6. Section 39 of said act (48 U. S. C. 575) is amended to read as follows:

"Sec. 39. Apportionment of representatives: The electors in said representative districts shall be entitled to elect representatives as follows, prior to the first reapportionment: 1st, 1; 2d, 4; 3d, 1; 4th, 1; 5th, 1; 6th, 1; 7th, 5; 8th, 2; 9th, 2; 10th, 2; 11th, 3; 12th, 3; 13th, 3; 14th, 5; 15th, 6; 16th, 4; 17th, 3; 18th, 4."

Sec. 7. Section 55 of said act, as amended (48 U. S. C. 562), is amended in the following respects:

(a) By deleting therefrom the following words: "The legislature, at its first regular session after the census enumeration shall be ascertained, and from time to time thereafter, shall reapportion the membership in the senate and house of representatives among the senatorial and representative districts on the basis of the population in each of said districts who are citizens of the Territory; but the", and by inserting in lieu thereof the word "The".

(b) By inserting at the end of said section 3 new paragraphs, as follows:

"On or before June 1 of the year 1959, and of each 10th year thereafter, the Governor shall reapportion the members of the house of representatives in the following manner: The total number of representatives shall first be reapportioned among the 4 basic areas; namely, (1) the island of Hawaii, (2) the islands of Maui, Molokai, Lanai and Kahoolawe, (3) the island of Oahu and all other islands not specifically enumerated, and (4) the islands of Kauai and Niihau, on the basis of the number of voters registered at the last preceding general election in each of such basic areas and computed by the method known as the method of equal proportions, no basic area to receive less than one member. Upon the determination of the total number of representatives to which each basic area is entitled, such total shall be reapportioned among the one or more representative districts within each basic area on the basis of the number of voters registered at the last preceding general election within each of such representative districts and computed by the method known as the method of equal proportions no representative district to receive less than one member. Upon any reapportionment, should the total number of voters registered in any representative district be less than one-half of the quotient obtained by dividing the total number of voters registered in the Territory by the total number of members to which the house is entitled, then, as part of such reapportionment, the basic area within which such representative district lies shall be redistricted by the Governor in such manner that the total number of voters registered in each new representative district therein shall be more than one-half of such quotient.

"The Governor shall thereupon issue a proclamation showing the results of such reapportionment, and such reapportionment shall be effective for the election of members to such house for the next five succeeding legislatures.

"Original jurisdiction is hereby vested in the supreme court of the Territory to be exercised on the application of any registered voter, made within 30 days following the date specified above, to compel, by mandamus or otherwise, the Governor to perform the above duty; and made within 30 days following the date of such proclamation, to compel, by mandamus or otherwise, the correction of any error made in such reapportionment."

Sec. 8. This act shall take effect upon its approval but shall not change the composition of the legislature with respect to any special session of the legislature of said Territory which may be called prior to the first Monday in November in the year 1956.

With the following committee amendment:

Page 2, line 10, after "years.", insert "In the event that the legislature fails to make the necesary assignments of short and long terms for Senators as herein required, the Governor shall do so."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WIDOWS OF SPANISH-AMERICAN WAR VETERANS ENTITLED TO COMPENSATION

The Clerk called the bill (H. R. 8458) to amend Veterans' Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph V of Veterans' Regulation No. 10 is amended by striking out "September 1, 1922" and inserting in lieu thereof "January 1, 1938."

Sec. 2. The amendment made by this act shall take effect on the first day of the first calendar month which begins after the date of its enactment.

With the following committee amendment:

Page 1, line 5, after "1938'", insert a comma and the following, "or who was married to the veteran 10 or more years prior to his death."

The committee amendment was agreed to.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, and of course I shall not object, I wish to take this occasion to commend both the VA and the House Committee on Veterans' Affairs for their support of the bill introduced by our able colleague from Minnesota [Mr. Blatnik] and to remark that this is the only measure affecting Spanish War veterans and widows of Spanish War veterans so far brought to the floor of the House at this session.

I trust my colleagues will understand my deep interest in legislation affecting the veteran group of which I am the sole remaining representative in this Chamber. I shall leave the 84th Congress with a heavy heart if before we adjourn favorable action has not been taken on the bill introduced by me in the first session to increase the pension of our widows to $75 a month.

There are not many Spanish War widows remaining. Come another Congress and the number will be greatly reduced. Time is running out on them. Time too is running out on us in the Congress to do the decent thing for these aged women. The men they loved and with whom they passed the years of married life were of the vibrant youth of 1898 that as volunteers in Army and Navy started the United States on her road to destiny. In war and in peace they served well and faithfully this country of ours. For the most part they died with no accumulation of worldly goods. How they must be turning in their graves today with the women they loved left in their old age by the Republic they served to find subsistence in and to eke out a pitiable existence on $1.70 a day.

I wonder if General Bradley would want his widow when he is gone to be faced with a similar situation, trying to make both ends meet on a daily allowance of $1.70.

The distinguished chairman and the able members of the great Committee on Veterans' Affairs I know are in sincere sympathy with these aged widows. They realize that the number of the aged widows is small, the tax on the Federal Treasury for their relief would be negligible, and that to permit them to go on through the few remaining years allotted to them in dire need is a reflection upon this great country and upon us in the Congress who countenance it by inaction. But the Bradley report has thrown a roadblock on the good intentions of a good and great committee. I have no doubt that in due time the committee, composed of true Americans who have at heart the cause of their fellow ex-service men and women, will protect the veterans of the United States from the evil designs of those who stab in the back.

But as far as Spanish War widows are concerned time, as I have remarked, is running out. If it becomes necessary because of the roadblock created by the Bradley report, and certainly not by the desire of the Committee on Veterans' Affairs, I hope and pray my colleagues will join me in a discharge petition to bring my bill to the floor of the House.

Mr. Speaker, I withdraw my objection. I trust H. R. 8458 will be enacted into law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NON-SERVICE-CONNECTED DEATH PENSION

The Clerk called the bill (H. R. 9841) to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased by $600 for the year in which the veteran's death occurs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of subsection (c) of section 1 of the act entitled "An act to compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or naval service in the World War, approved June 28, 1934 (38 U. S. C., sec. 503), is amended by inserting immediately before the period at the end thereof the following: ", except that for the year in which the death of the person who served occurs, such amounts shall be $2,000 and $3,300, respectively."

Sec. 2. The amendment made by this act shall apply only with respect to deaths occurring on or after the date of its enactment.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs."

A motion to reconsider was laid on the table.

PAYMENT OF PENSION FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 9922) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph I (e) of part III of Veterans' Regulation No. 1 (a) is amended by adding at the end thereof the following: "An individual will be deemed to be permanently and totally disabled for the purposes of this part during all periods of hospitalization for active pulmonary tuberculosis."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING GREETINGS TO THE SUDAN

The Clerk called the resolution (H. Con. Res. 210) to extend greetings to the Sudan.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

There was no objection.

Mr. BOLAND. Mr. Speaker, an identical resolution Senate Concurrent Resolution 70 has been passed by the other body. I ask unanimous consent that it be considered at this time in lieu of the House concurrent resolution.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Whereas it is the policy of the Government of the United States to suggest the orderly evolution of peoples and nations to self-determination throughout the world; and

Whereas the people of the United States support the concept that other peoples should have an opportunity freely to choose their own national destiny under circumstances which will enable them to assume and maintain an equal station among the free nations of the world; and

Whereas the Senate and the House of Representatives of the Sudan adopted on December 31, 1955, a transitional constitution providing that the Sudan shall be a sovereign democratic republic; and

Whereas the Sudan achieved independence on January 1, 1956: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States extend its most cordial greetings to the Parliament of the Sudan on the occasion of Sudanese independence, express the earnest hope that the Parliament and the people of the Sudan will enjoy continuing success in the development of a sovereign democratic republic, and reaffirm the friendship of the United States for the people of the Sudan.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

A similar House resolution (H. Con. Res. 210) was laid on the table.

AMERICAN NATIONAL RED CROSS 75TH ANNIVERSARY

The clerk called the concurrent resolution (H. Con. Res. 232) extending greetings to the American National Red Cross on the occasion of its 75th anniversary.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

Mr. GROSS. Mr. Speaker, reserving the right of object, and I shall not object, I simply want to compliment the chairman of the Committee on Foreign Affairs for bringing to the floor of the House a resolution with international ramifications which does not include the United Nations. I really am somewhat surprised that we do have one resolution which does not recognize the United Nations as the all-seeing beacon of all things that are good for humanity in the world. I am glad that the light of the American Red Cross has not been extinguished by the Tower of Babel in New York.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RICHARDS. It makes me very happy to find the gentleman on my side this one time.

Mr. GROSS. I thank the gentleman. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Clerk read the concurrent resolution, as follows:

Whereas the American National Red Cross is now receiving congratulations from all over the world upon the occasion of its 75th anniversary; and

Whereas in the period following the adoption of the first Treaty of the Red Cross in 1864, to which the United States Government adhered in 1882, the name and emblem of the Red Cross has come to be recognized throughout the civilized world as a symbol toward which those in need can repair and under which all peoples dedicated to the impartial relief of human suffering can enlist; and

Whereas the obligations of this Government and its people under the Treaty of the Red Cross justified the establishment by the Congress of the American National Red Cross as the official agent of this Government to assist in the discharge of such obligations and to engage in other activities for the welfare and relief of the Armed Forces and the prevention and alleviation of human suffering resulting from disasters and emergencies at home and abroad; and

Whereas more than 50 years ago the Congress determined that the work of the American National Red Cross was of such importance to the Government and people of the United States and to the preservation of the dignity of all human beings that provision should be made for its operation under such grant of authority and such Government supervision as would impart official status and thus invite the confidence and support of all the people, but that, to preserve and safeguard its impartial, nonpolitical character, it should carry out its duties solely by means of the voluntary contributions of funds and services by the people; and

Whereas the present American Red Cross membership of over 23 million, the record during the past half century of voluntary contributions totaling more than $2,350,000,000 and countless billions of hours of selfless Red Cross volunteer service, all devoted to the mitigation of human suffering in every country of the world, attests to the accomplishment of the intended purposes of the Congress: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extend its greetings and felicitations to all the members of the American National Red Cross on the occasion of its 75th anniversary, express to them its appreciation for their services to humanity, and urge the continued voluntary participation by the American people in the work entrusted to the organization by the Congress and the Government.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PAYMENT TO CROW INDIAN TRIBE FOR TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR, MONTANA-WYOMING

The Clerk called the joint resolution (H. J. Res. 516) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam and Reservoir Hardin unit, Missouri River Basin project, Montana-Wyoming.

There being no objection, the Clerk read the resolution, as follows:

Whereas Yellowtail Dam and Reservoir were authorized for construction by the Secretary of the Interior under the provisions of section 9 (a) of the Flood Control Act of 1944 (58 Stat. 887), for power production, irrigation, flood control, and other conservation purposes; and

Whereas under appropriations by the Congress, the Secretary of the Interior, through the Bureau of Reclamation, has expended more than $2,500,000 for investigations and preparation of preliminary plans and designs for Yellowtail Dam as a part of the Hardin unit, Missouri River Basin project; and

Whereas three Secretaries of the Interior have found Yellowtail Dam feasible from an economic, financial, and engineering standpoint, and recommended the appropriation of funds to initiate its construction; and

Whereas the Congress, on the recommendation of its Appropriations Committees, in the Public Works Appropriation Act for fiscal year 1956, included an allocation of $4 million to initiate construction of Yellowtail Dam in the construction and rehabilitation funds for the Bureau of Reclamation, Department of the Interior; and

Whereas the President of the United States on July 15, 1955, signed into law the Public Works Appropriation Act, 1956, including funds for initiation of Yellowtail Dam construction and the Bureau of the Budget subsequently approved recommendations of the Department of the Interior for the apportionment of funds under the reclamation program for fiscal year 1956 to initiate said construction; and

Whereas the President has recommended in the fiscal year 1957 budget an additional $10,850,000 to continue construction of Yellowtail Dam, thus giving additional sanction to the previous action of the Congress in this respect; and

Whereas the Bureau of Reclamation and the Bureau of Indian Affairs had recommended, and the Department of the Interior had approved, an appraisal of $1,500,000 as the fair value of approximately 7,000 acres of land under the Crow Indian Reservation required for right-of-way for Yellowtail Dam and Reservoir; and

Whereas the Crow Indian Tribal Council on September 16, 1955, adopted a resolution proposing that the Crow Tribe be paid an annual rental of $1 million for a period of 50 years for the Yellowtail Dam right-of-way, after which ownership of the dam and powerplant would revert to tribal ownership, which resolution was subsequently rescinded; and

Whereas the Crow Tribal Council, by resolution No. 63 adopted on January 12, 1956, on the basis of a recommendation of its consulting engineer, set the value of Crow Indian land for Yellowtail Dam and Reservoir right-of-way and offered to dispose of some to the United States for $5 million, stipulating that the Crow Tribal Council should retain mineral and recreation facility rights in the area; and

Whereas the Supreme Court in an opinion handed down January 23, 1956, held in the case of United States against Twin City Power Co. that the Government was not required to pay for undeveloped powersite values in acquiring land for hydroelectric developments; and

Whereas lands in Indian tribal ownership have heretofore been recognized as in category different from that of privately owned lands, as illustrated by the approval by the Federal Power Commission and the Secretary of the Interior of substantial compensation to the Flathead Indian Tribe for the use of lands in Montana required in construction and operation of Kerr project on the Flathead River. In this instance by a license granted the Montana Power Co., the Federal Power Commission fixed the amount to be paid as compensation for the use of Flathead Indian tribal lands over a period of 20 years at $2,929,000; and

Whereas these as well as all other construction costs of power facilities, whether Federal or private, are passed on to the consumers through rates fixed under Federal or State laws; and

Whereas the economic and financial feasibility of the Yellowtail Dam development will be maintained primarily from power revenues notwithstanding the estimated increased costs due to higher valuation of the rights-of-way asked by the Crow Indians; and

Whereas there are urgent requirements for additional hydroelectric power to meet the expanding demands in eastern Montana, Wyoming, North Dakota, and elsewhere, served by the Missouri River Basin Public Power System of the Bureau of Reclamation as well as for irrigation pumping: Now, therefore, be it

Resolved, etc., That the Secretary of the Interior be authorized and directed to accept the offer of the Crow Tribal Council in its resolution No. 63, of January 11, 1956, and pay to the Crow Tribal Council, for distribution to the individual members of the Crow Tribe as they may elect, not to exceed in the aggregate the sum of $5 million: *Provided*, That approximately 30 percent of the qualified members of the Crow Tribe shall, within 30 days after the passage of this joint resolution, agree in writing by such means as the Secretary shall prescribe to grant the United States, on behalf of the Secretary of the Interior, right of entry to the Yellowtail Dam site and permit the Secretary of the Interior, through the Bureau of Reclamation, to carry on such activities as are necessary to initiate construction of the dam.

Sec. 2. The Crow Tribal Council, or the qualified individual members of the Crow Tribe, shall join in consenting to the conveyance to the United States of all rights (excepting minerals), title, and interest in said lands required for the Yellowtail Dam right-of-way which are in Indian ownership.

Sec. 3. Payment in cash or in such form as the Tribal Council may elect to carry out the direction set forth in this joint resolution shall be made by the Secretary of the Interior with the least possible delay.

Sec. 4. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act: *Provided*, That for the protection of the Crow Indians, fees and expenses of counsel for the Crow Indian Tribe in connection with the settlement of claims related to Yellowtail Dam rights-of-way shall be fixed by the Secretary of the Interior and in no event shall exceed 1 percent of the net amount paid under authority of this resolution.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following: "That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

"Sec. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in Big Horn County, Mont., hereinafter described under the headings 'Parcel A' and 'Parcel B' and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum, basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

"PARCEL A

"Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

"A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

"The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

"PARCEL B

"Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

"(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

"(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

"(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

"Sec. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."

Strike out all of the preamble.

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 135), a resolution similar to House Joint Resolution 516.

The SPEAKER pro tempore. Does the gentleman from Texas mean in lieu of the House resolution?

Mr. ROGERS of Texas. Yes, Mr. Speaker.

By unanimous consent, the proceedings whereby House Joint Resolution 516 was passed were vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas Yellowtail Dam and Reservoir were authorized for construction by the Secretary of the Interior under the provisions of section 9 (a) of the Flood Control Act of 1944 (58 Stat. 887), for power production, irrigation, flood control, and other conservation purposes; and

Whereas under appropriations by the Congress, the Secretary of the Interior, through the Bureau of Reclamation, has expended more than $2,500,000 for investigations and preparation of preliminary plans and designs for Yellowtail Dam as a part of the Hardin unit, Missouri River Basin project; and

Whereas three Secretaries of the Interior have found Yellowtail Dam feasible from an economic, financial, and engineering standpoint and recommended the appropriation of funds to initiate its construction; and

Whereas the Congress, on the recommendation of its Appropriations Committees, in the Public Works Appropriation Act for fiscal year 1956, included an allocation of $4 million to initiate construction of Yellowtail Dam in the construction and rehabilitation funds for the Bureau of Reclamation, Department of the Interior; and

Whereas the President of the United States on July 15, 1955, signed into law the Public Works Appropriation Act, 1956, including funds for initiation of Yellowtail Dam construction and the Bureau of the Budget subsequently approved recommendations of the Department of the Interior for the apportionment of funds under the reclamation program for fiscal year 1956 to initiate said construction; and

Whereas the President has recommended in the fiscal year 1957 budget an additional $10,850,000 to continue construction of Yellowtail Dam, thus giving additional sanction to the previous action of the Congress in this respect; and

Whereas the Bureau of Reclamation and the Bureau of Indian Affairs had recommended, and the Department of the Interior had approved, an appraisal of $1,500,000 as the fair value of approximately 7,000 acres of land under the Crow Indian Reservation required for right-of-way for Yellowtail Dam and Reservoir; and

Whereas the Crow Indian Tribal Council on September 16, 1955, adopted a resolution proposing that the Crow Tribe be paid an annual rental of $1 million for a period of 50 years for the Yellowtail Dam right-of-way, after which ownership of the dam and powerplant would revert to tribal ownership, which resolution was subsequently rescinded; and

Whereas the Crow Tribal Council, by resolution No. 63 adopted on January 12, 1956, on the basis of a recommendation of its consulting engineer, set the value of Crow Indian land for Yellowtail Dam and Reservoir right-of-way and offered to consent to the transfer of same to the United States for $5 million, stipulating that the Crow Tribal Council should retain mineral and recreation facility rights in the area; and

Whereas the Supreme Court in an opinion handed down January 23, 1956, held in the case of United States against Twin City Power Co. that the Government was not required to pay for undeveloped power site values in acquiring land for hydroelectric developments; and

Whereas lands in Indian tribal ownership have heretofore been recognized as in category different from that of privately owned lands, as illustrated by the approval by the Federal Power Commission and the Secretary of the Interior of substantial compensation to the Flathead Indian Tribe for the use of lands in Montana required in construction and operation of Kerr project on the Flathead River. (In this instance by a license granted the Montana Power Co. the Federal Power Commission fixed the amount to be paid as compensation for the use of Flathead Indian tribal lands over a period of 20 years at $2,929,000); and

Whereas these as well as all other construction costs of power facilities, whether Federal or private, are passed on to the consumers through rates fixed under Federal or State laws; and

Whereas the economic and financial feasibility of the Yellowtail Dam development will be maintained primarily from power revenues notwithstanding the estimated increased costs due to higher valuation of the rights-of-way asked by the Crow Indians; and

Whereas there are urgent requirements for additional hydroelectric power to meet the expanding demands in eastern Montana, Wyoming, North Dakota, and elsewhere, served by the Missouri River Basin public power system of the Bureau of Reclamation as well as for irrigation pumping: Now, therefore, be it

Resolved, etc., That the Secretary of the Interior (hereinafter referred to as the "Secretary") be authorized and directed to accept the offer of the Crow Tribal Council, acting on behalf of the Crow Indian Tribe, in its resolution No. 63 of January 11, 1956, as clarified with respect to recreational and related purposes by its resolution No. 70 of February 18, 1956, for the payment of $5 million for consent to and the transfer of right-of-way required for the construction and operation of Yellowtail Dam and Reservoir, out of funds appropriated to the Bureau of Reclamation, Department of the Interior, and allocated to the Missouri River Basin project: *Provided*, That the right of entry to the Yellowtail Dam site to permit the said Secretary, through the Bureau of Reclamation, to initiate and carry on construction, and operation and maintenance of the dam shall not be conditioned on the consummation of the transfer of the interest herein referred to in this joint resolution.

Sec. 2. The Crow Tribal Council, or the qualified individual members of the Crow Tribe, as the Secretary may determine is required, shall consent to the conveyance to the United States of all rights (except mineral, including oil and gas), title and interest in said lands required for the Yellowtail Dam and Reservoir right-of-way described in said tribal resolution No. 63: *Provided*, That in the exercise of such mineral rights and of the recreational and related purposes referred to in section 1 of this resolution there shall be no interference with the construction or operation of the dam and reservoir.

Sec. 3. There shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, the sum of $5 million set forth in section 1 of this resolution as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project. The Secretary, with the cooperation of the Crow Tribe of Indians, shall proceed with all dispatch possible to carry out the provisions of this resolution to the end that construction of Yellowtail Dam shall be initiated promptly: *Provided*, That for the protection of the Crow Indians, fees and expenses of counsel for the Crow Indian Tribe in connection with the settlement of claims related to Yellowtail Dam right-of-way shall be approved by the Secretary of the Interior and in no event shall exceed 1 percent of the net amount paid under authority of this resolution.

Mr. ROGERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Rogers of Texas: Strike out all after the enacting clause of Senate Joint Resolution 135 and insert the provision of House Joint Resolution 516 as agreed to:

"That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

"Sec. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B" and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

"PARCEL A

"Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meredian, and containing 573.84 acres, more or less.

"A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

"The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

"PARCEL B

"Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

"(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

"(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

"(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

"Sec. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."

Amend the title so as to read: "Joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. Rogers].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "A joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

A motion to reconsider was laid on the table.

A similar resolution (H. J. Res. 516) was laid on the table.

IMPOUNDING OF MAIL IN CERTAIN CASES

The Clerk called the bill (H. R. 9842) to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) whenever the Postmaster General shall determine during proceedings before him that in the administration of the act of August 16, 1950 (39 U. S. C. 259a), such action is necessary to the effective enforcement of such act, he may enter an interim order directing that mail addressed to any person be held and detained by the postmaster at the post office of delivery for a period of 20 days from the effective date of such order. Notice of such order, advising such person of the holding and detention and setting forth in specific detail the reasons therefor, together with a copy of this act, and the aforesaid act of August 16, 1950, shall be sent forthwith by registered or certified mail to such person at the post office at which such mail is to be held and detained. Any such order for the holding and detention of mail addressed to any person shall expire at the end of the 20 days after the issuance thereof unless the Postmaster General shall file, prior to the expiration of such 20-day period, a petition in the United States district court for the district in which the post office in which such mail is held or detained is situated, for an order directing that mail addressed to such person be held and detained for such further period as the court shall determine. Notice of the filing of any such petition shall be given forthwith by the clerk of the court in which such petition is filed to such person, who shall have 5 days in which to appear and show cause why such order should not issue. If, upon all the evidence before it, the court shall determine that the continued withholding and detention of mail addressed to such person is reasonable and necessary to the effective enforcement of the act of August 16, 1950, it shall forthwith issue an order directing that mail addressed to such person be held and detained by the postmaster at the office of delivery until conclusion of the proceeding by the Postmaster General or until further order of the court. If the court shall determine, upon all the evidence before it, that the continued withholding and detention of mail addressed to such person is not reasonable or necessary in the administration of such act, it shall dismiss the petition and order all mail addressed to such person held or detained in any post office to be released forthwith for delivery. An appeal from the order of the court shall be allowed as in civil causes. Any order of the Postmaster General or of the district court, under this act, may be dissolved by such court at any time for cause, including failure to conduct expeditiously the proceedings instituted against such person before the Postmaster General with respect to the act of August 16, 1950 (39 U. S. C. 259a). When, under any order herein authorized to be issued by the Postmaster General or the district court, a person's mail is detained and held by the postmaster at the office of delivery, such person shall have the right to examine said mail and receive such mail as clearly is not connected with the alleged unlawful activity.

(b) As used in this act the term "person" means any individual, firm, corporation, company, partnership, or association.

(c) Action by the Postmaster General in issuing the interim order provided for herein and petitioning for a continuance of such order under this act, shall not be subject to the requirements of the Administrative Procedure Act (ch. 19, title 5, U. S. C.).

With the following committee amendments:

Page 2, line 3, after "registered", insert "or certified."

Page 2, line 16, strike out the word "who" and insert in lieu thereof "at the post office at which the mail is being detained (or otherwise as the clerk of the court shall determine to be appropriate), and such person."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERRING CERTAIN PUBLIC LANDS IN THE STATE OF NEVADA TO THE CITY OF HENDERSON, NEV.

The Clerk called the bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall issue to the city of Henderson, Nev., upon the payment by the city into the Treasury of the United States, not more than 5 years after the Secretary has notified the city of the purchase price, of an amount equal to the fair market value of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent for the following-described lands, situated in the State of Nevada and comprising approximately 6,859 acres (all range references are to the Mount Diablo base and meridian):

(1) All of sections 2, 3, 4, and 24, township 22 south, range 62 east.

(2) All of section 33, township 21 south, range 63 east.

(3) The east half of section 8; the east half of section 17; east half of section 20; west half of section 21; the east half and the northwest quarter of section 28; all of sections 30, 31, 32; all in township 22 south, range 63 east.

Sec. 2. The conveyance authorized by this act shall be made subject to any existing valid claims against the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands by the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLVILLE INDIAN RESERVATION, WASH.

The Clerk called the bill (H. R. 7190) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the undisposed-of lands of the Colville Indian Reservation, Wash., dealt with by the act of March 22, 1906 (43 Stat. 80), are hereby restored to tribal ownership to be held in trust by the United States to the same extent as all other tribal lands on the existing reservation, subject to any existing valid rights.

Sec. 2. For the purpose of effecting land consolidations between the Colville Indians and non-Indians in Ferry and Okanogan Counties, the Secretary of the Interior is hereby authorized, with the consent of the tribal council as evidenced by a resolution adopted in accordance with the constitution and bylaws of the tribe, under such regulations as he may prescribe, sell tribal lands in connection with the acquisition of lieu lands, and to acquire through purchase, exchange, or relinquishment, lands or any interest in lands, water rights, or surface rights. The acquisition of lands pursuant to this act shall be limited to lands within the boundary of the reservation. Exchanges of lands, including improvements thereon, shall be made on the basis of approximate equal value. This section shall apply equally to trust or other restricted allotments, whether the allottee be living or deceased. In carrying out the provisions of this act, if non-Indian lands are involved the board of county commissioners of counties in which land is located shall by proper resolution consent before such non-Indian land is acquired for the tribe or an individual Indian. No lands or interests in lands owned by the Confederated Tribes of the Colville Reservation shall be subject to disposition hereafter without the consent of the duly authorized governing body of the tribes, and no lands or interests in lands shall be acquired for the tribes without the consent of the said governing body.

Sec. 3. Title to lands or any interest therein acquired pursuant to this act shall be taken in the name of the United States of America in trust for the tribe or individual Indian and shall be nontaxable as other tribal and allotted trust Indian lands of the Colville Reservation.

Sec. 4. The agreement entered into by the Confederated Tribes of the Colville Reservation and Okanogan and Ferry Counties of the State of Washington on April 21, 1954, is hereby ratified and approved.

With the following committee amendments:

Page 1, line 5, strike the figure "43" and insert the figure "34."

Page 2, line 4, strike the word "sell" and insert the words "to sell or exchange."

Page 2, lines 11 to 13, strike the sentence reading:

"This section shall apply equally to trust or other restricted allotments, whether the allottee be living or deceased."

Page 3, following line 6, add the following new section:

"Sec. 5. The Business Council of the Confederated Tribes of the Colville Reservation shall, in accordance with resolution numbered 1955–33, dated April 8, 1955, of the Colville Business Council, submit to the Secretary of the Interior within 5 years from the date of enactment of this act proposed legislation providing for the termination of Federal supervision over the property and affairs of the Confederated Tribes and their members within a reasonable time after the submission of such proposed legislation."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PIPESTONE NATIONAL MONUMENT IN MINNESOTA

The Clerk called the bill (H. R. 8225) to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to add to the Pipestone National Monument such part of the Pipestone school reserve, not exceeding 250 acres, as he deems necessary to protect archeological remains, to acquire by purchase or condemnation not exceeding 10 acres of non-Federal land, as he deems necessary to improve the boundary and administration of the Pipestone National Monument Federal land, and to redefine the exterior boundaries of the Pipestone National Monument to include the lands so transferred and acquired pursuant to this act. All lands added to the Pipestone National Monument pursuant to this act shall be subject to the provisions of sections 2 and 3 of the act of August 25, 1937 (50 Stat. 804).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

The Clerk called the bill (H. R. 9207) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of August 27, 1935 (49 Stat. 887), as amended by section 5 of the act of June 20, 1938 (52 Stat. 779), and by the act of April 24, 1946 (60 Stat. 121), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for the payment of operation and maintenance charges on newly reclaimed Pueblo Indian lands and lands purchased by the United States by virtue of the act of June 7, 1924 (43 Stat. 636), as amended, for certain Pueblo Indians, are hereby extended for an additional period of 10 years to 1965.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND HELD IN TRUST FOR SEMINOLE INDIANS

The Clerk called the bill (H. R. 9451) to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the equitable title to the lands and interests in lands together with the improvements thereon, acquired by the United States under authority of title II of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115), and section 55 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (49 Stat. 750, 781), administrative jurisdiction over which was transferred from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 15, 1938, is hereby conveyed to the Seminole Tribe of Indians in the State of Florida, and such lands and interests are hereby declared to be held by the United States in trust for the Seminole Tribe of Indians in the State of Florida in the same manner and to the same extent as other land held in trust for such tribe.

Sec. 2. The lands declared to be held in trust for the Seminole Tribe of Indians in the State of Florida under the first section of this act and all lands which have been acquired by the United States for the Seminole Tribe of Indians in the State of Florida under authority of the act entitled "An act to conserve and develop Indian lands and resources; to extend to Indians the right to form business and other organizations; to establish a credit system for Indians; to grant certain rights of home rule to Indians; to provide for vocational education for Indians; and for other purposes" approved June 18, 1934 (48 Stat. 984), are hereby declared to be a reservation for the use and benefit of such Seminole Tribe in Florida.

Sec. 3. Nothing in this act shall deprive any Indian of any individual right, ownership, right of possession, or contract right he may have in any land or interest in land referred to in this act.

With the following committee amendment:

Page 2, line 5, after "1938", insert "for the use of the Seminole Tribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That completes the call of the Consent Calendar today.

AMENDING THE FEDERAL AID TO WILDLIFE RESTORATION ACT AS AMENDED

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5790) to amend the Federal Aid to Wildlife Restoration Act, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8 (a), added by the act of August 18, 1941 (55 Stat. 631), to the act of September 2, 1937 (50 Stat. 917), entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes", as amended, is further amended by deleting therefrom the words and figures reading "not exceeding $25,000 for Hawaii", and inserting in lieu thereof the words and figures "not exceeding $50,000 for Hawaii".

With the following committee amendments:

Section 2 of the Federal Aid in Wildlife Restoration Act of September 2, 1937 (50 Stat. 917; 16 U. S. C., 1952 ed., sec. 669a) is amended by striking out the period at its end and inserting in lieu thereof a semicolon and the words "and the term 'State' shall be construed to mean and include the several States and the Territory of Hawaii."

Sec. 2. Section 8 (a) of said act, as added by the act of August 18, 1941 (55 Stat. 632) and amended by the act of August 3, 1950 (64 Stat. 399; 16 U. S. C., 1952 ed., sec. 669g–1), is amended (i) by striking out the words "the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,", (ii) by striking out the words "not exceeding $25,000 for Hawaii,", and (iii) by striking out the word "Territories" wherever the same appears and inserting in lieu thereof the words "Territory of Alaska".

Sec. 3. Section 2 of the Federal Aid in Fish Restoration Act of August 9, 1950 (64 Stat. 431; 16 U. S. C., 1952 ed., sec. 777a) is amended by striking out the period at its end and inserting in lieu thereof a semicolon and the words "and the term 'State' shall be construed to mean and include the several States and the Territory of Hawaii.".

Sec. 4. Section 12 of said act (64 Stat. 434; 16 U. S. C., 1952 ed., sec. 777k) is amended (i) by striking out the words "the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,", (ii) by striking out the words "not exceeding $25,000 for Hawaii,", and (iii) by striking out the word "Territories" wherever the same appears and inserting in lieu thereof the words "Territory of Alaska".

Sec. 5. The amendments made by this act shall be applicable only with respect to fiscal years beginning after the passage of this act. Until the final adjournment of the first regular session of the legislature of the Territory of Hawaii held after the passage of this act, the assent of the Governor of the Territory shall be sufficient for the purposes of the assent requirements set forth in section 1 of said Federal Aid in Wildlife Restoration Act (50 Stat. 917; 16 U. S. C., 1952 ed., sec. 669) and in section 1 of said Federal Aid in Fish Restoration Act (64 Stat. 430; 16 U. S. C., 1952 ed., sec. 777).

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act."

A motion to reconsider was laid on the table.

ESTABLISHMENT OF TROUT HATCHERY IN PISGAH NATIONAL FOREST, N. C.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9822) to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, after consulting with the Secretary of Agriculture, shall establish, equip, operate, and maintain a trout hatchery at an appropriate location on the Davidson River in the Pisgah National Forest, N. C.

Sec. 2. There is hereby authorized to be appropriated the sum of $375,000 to carry out this act.

With the following committee amendment:

Page 1, line 4, after the word "establish," insert "construct."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REDEMPTION OF CERTAIN UNUSED STAMPS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5256) to provide for the redemption of certain unused stamps.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes," approved March 16, 1934 (48 Stat. 451), is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "The Postmaster General shall provide by regulations for the redemption on or before the 30th day of June of each fiscal year of any such unused stamps issued for such year which have been sold to retail dealers for resale to their customers and have not been resold by such dealers.".

With the following committee amendments:

Page 1, line 3, strike out all after the enacting clause and insert "That section 1 of the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended by section 1 of the act of June 15, 1935 (49 Stat. 378; 16 U. S. C., 1952 edition, sec. 718a), is hereby amended by striking out the words 'no person over 16 years of age', and by inserting in lieu thereof the words 'no person who has attained the age of 16 years'.

"Sec. 2. The last two sentences of section 2 of said act of March 16, 1934, as amended by section 2 of said act of June 15, 1935 (49 Stat. 379; 16 U. S. C., 1952 edition,, sec. 718b), are hereby amended so as to read as follows: 'Each such stamp shall expire and be void after the 30th day of June next succeeding its issuance. The Postmaster General, pursuant to regulations to be prescribed by him shall provide for the redemption, on or before the 30th day of June of each fiscal year, of blocks composed of two or more attached unused stamps issued for such year that were sold on consignment to retail dealers for resale to their customers and that have not been resold by such dealers. As used in this section, the term "retail dealers" means persons regularly engaged in the business of retailing hunting or fishing equipment, and persons duly authorized to act as agents of a State or political subdivision thereof for the sale of State or county hunting or fishing licenses'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps."

A motion to reconsider was laid on the table.

FISH HATCHERY AT MILES CITY, MONT.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8810) authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, to construct, equip, maintain, and operate, a new fish hatchery in the vicinity of Miles City, Mont.

Sec. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out this act.

With the following committee amendments:

Page 1, line 3, at the end of the line insert "establish."

Page 1, line 4, after the word "equip", strike out "maintain, and."

Page 1, line 4, after the word "operate," insert "and maintain."

Page 1, line 7, after the word "appropriated", strike out "such sums as may be necessary" and insert "the sum of $465,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE LATE CAPT. JOHN SNYDER DELANO, PRESIDENT, AMERICAN PILOTS' ASSOCIATION

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, it is with a profound sense of loss that I address the House today. This loss is not only a personal one touching many persons, but also a great national loss, particularly to the entire complex that makes up the merchant marine.

I refer to Capt. John Snyder Delano, president, American Pilots Association, to whom death came suddenly in his home on Sunday morning, April 29, while he was discussing ships, his favorite subject, with his good close friend, Rear Adm. Halert C. Shepheard. Captain Delano, affectionately known as Bud to his thousands of friends, suffered a severe stroke not quite a year ago, just before he was to celebrate his 66th birthday and his 50th year as a pilot. A native of Baltimore, he made his way from apprentice in the Association of Maryland Pilots in 1906 to the presidency of the American Pilots Association. So respected was he by the membership of the national association and so valued were his services that he was successively reelected to head the association since 1932, a span of 25 years. He had previously served as president of the Maryland Pilots Association for several terms.

Bud Delano grew up amidst the lore and tradition of the sea. His father, Joseph Delano, was a sea captain. With his family heritage and his youth in the great port of Baltimore, it was inevitable that his career would follow a maritime course.

As a State pilot and head of the American Pilots Association, he was imbued with fierce pride in the long history of the State pilot system, jealously guarded its preservation, and strove constantly ever to increase its service to the trade and commerce of the United States.

When World War II came, Captain Delano led his entire membership and all their facilities into the service of the Nation in its overwhelming overseas war effort. He was justly honored for his wartime service with the Coast Guard when President Truman awarded him the Legion of Merit in 1946.

I will not recite the many organizations devoted to the American merchant marine to which he belonged or the many honors and citations of devoted service which he received during his distinguished career. Suffice it to say that these things signify a vital and dedicated life. As Bud Delano leaves us to continue in a higher service, I am proud to have been his friend. He enriched the lives of all who knew him.

PRIVATE CALENDAR

The SPEAKER pro tempore. Under the previous order of the House the Private Calendar will be called.

ERNEST B. SANDERS

The Clerk called the bill (S. 415) for the relief of Ernest B. Sanders.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ELI E. HOOD

The Clerk called the bill (S. 419) for the relief of Eli E. Hood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) Eli E. Hood, 5077927, chief boiler tender, United States Navy (retired), is hereby relieved of all liability to the United States for repayment of the whole or any part of the sum of $2,011.24 representing the overpayment of retired pay received by him during the period of June 1942 through June 1954, such payment resulting from the erroneous crediting, through no fault of his own, of service as an enlisted member of the United States Coast and Geodetic Survey, subsequently determined to have been unauthorized in the computation of his retired pay.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Eli E. Hood an amount equal to such sums as may have been paid by him or deducted from his retired pay, in repayment of such erroneously paid sum: *Provided*, That no part of the amount appropriated in this act shall be paid, or delivered to, or received by, any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. H. BALDWIN

The Clerk called the resolution (H. Res. 438) providing that the bill, H. R. 6893, and all accompanying papers shall be referred to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6893) entitled "A bill for the relief of C. H. Baldwin," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient

to inform the Congress of the nature and character of the demand, as a claim legal and equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEYMOUR ROBERTSON

The Clerk called the bill (H. R. 3532) for the relief of Seymour Robertson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Seymour Robertson, of Pearl River, N. Y., the sum of $1,269.01. The payment of such sum shall be in full settlement of all claims of the said Seymour Robertson against the United States for loss of compensation incurred by him between April 21, 1944, and November 27, 1944, the period during which he was denied the opportunity to perform service in the field service of the Post Office Department following his discharge from the United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OHIO CASUALTY INSURANCE CO.

The Clerk called the bill (H. R. 5591) for the relief of the Ohio Casualty Insurance Co.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

P. R. MARKLEY, INC.

The Clerk called the bill (H. R. 5691) for the relief of P. R. Markley, Inc.

Mr. PELLEY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

MAJ. GEN. JULIUS KLEIN

The Clerk called the bill (H. R. 7835) for the relief of Maj. Gen. Julius Klein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Maj. Gen. Julius Klein, Illinois National Guard (retired) (Army service No. O327822), of Chicago, Ill., be, and he hereby is, relieved of all liability to refund to the United States armory drill and administrative function pay in the sum of $2,204.76 paid to him for services as colonel, Quartermaster Corps, 623d Quartermaster Group, Illinois National Guard, during the period from February 16, 1948, to November 9, 1949. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLYDE R. STEVENS

The Clerk called the bill (H. R. 8041) for the relief of Clyde R. Stevens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to pay, out of money heretofore made available for the eradication of the disease vesicular exanthema in swine, to Clyde R. Stevens, San Antonio, Tex., the sum of $13,539.06. The payment of such sum shall be in full settlement of all claims of the said Clyde R. Stevens against the United States arising out of the destruction, in January, April, and May of 1953, of swine owned by him because of the infection and exposure of such swine to the contagious disease vesicular exanthema. Such sum represents 50 percent of the amount of losses incurred by the said Clyde R. Stevens by reason of the destruction of such swine, 50 percent of the amount of such losses having been heretofore paid to him by the State of Texas: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

F. M. BRYSON

The Clerk called the bill (H. R. 8867) for the relief of the estate of F. M. Bryson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of F. M. Bryson, Raymond, Ga., who formerly did business as Bryson Planing Mill, the sum of $937.60. The payment of such sum shall be in full settlement of all claims of the estate of F. M. Bryson against the United States on account of the failure of the Small Defense Plants Administration to advise the Bryson Planning Mill of the financial condition of the Wood Specialty Manufacturing Co., Suwanee, Ga., prior to the shipment of lumber to the latter company as directed by the Small Defense Plants Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, strike out the word "Planning" and insert the word "Planing."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT P. SVELNIS

The Clerk called the bill (H. R. 10006) for the relief of Vincent P. Svelnis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vincent P. Svelnis, Boston, Mass., the sum of $500. Such sum represents reimbursement to the said Vincent P. Svelnis for paying out of his own funds a judgment rendered against him in the courts of the Commonwealth of Massachusetts, arising out of an accident occurring in January 1952, when the said Vincent P. Svelnis was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures and insert in lieu thereof "446."

Page 2, line 3 after the word "Act", strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY F. FERRY

The Clerk called the bill (H. R. 10013) for the relief of Sfc. Henry F. Ferry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sfc. Henry F. Ferry, Headquarters Detachment, 367th Transportation Battalion (Amphibious Truck), Fort Story, Va., the sum of $638.35, in full satisfaction and final settlement of his claim against the United States for the destruction of his household goods and personal property which were destroyed when the Portuguese flagship, *Vila do Porto*, upon which the property was being shipped from Lisbon, Portugal, to the United States, went aground due to a severe storm and sank on March 20, 1955. The amount of $638.35 is in addition to the amount of $2,500 already administratively paid to him under the provisions of the Military Personnel Claims Act of 1945, as amended (31 U. S. C. 222c): *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOSHEN VENEER CO.

The Clerk called the bill (H. R. 10092) for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the former shareholders of the Goshen Veneer Co., an Indiana corporation, having its principal place of business at Goshen, Ind., a sum consisting of $75,000, representing the amount reported by the United States Court of Claims to the Congress in response to House Resolution 814, 81st Congress, 2d session (Congressional No. 17865, decided March 2, 1954), in full settlement of their claims against the United States as a result of having lost their business by reason of an overexpansion of its facilities urged and encouraged by the War Department of the United States in anticipation of the requirements of the projected wartime wooden aircraft program and the subsequent abandonment of that program by the War Department before amortization could be effected: *Provided*, That no part of the amounts appropriated in this act in excess of 25 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "appropriated," strike out the word "to", and insert "Dow M. Gorham, administrator of the estate of Charles E. Gorham, the sum of $12,750; to Dow W. Gorham, administrator of the estate of Nellie A. Gorham, the sum of $2,250; to Elizabeth Dow Snoke, administrator of the estate of Ethel B. Dow, the sum of $21,000; to Elizabeth Dow Snoke, the sum of $3,250; to Barbara Dow Bowen, the sum of $8,250; and to Dow M. Gorham, the sum of $22,500,".

Page 1, line 7, strike out "a sum consisting to $75,000,".

The committee amendments were agreed to.

The Clerk reported the following committee amendment:

Page 2, line 5, strike out "amount" and insert "amounts".

Mr. FORRESTER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FORRESTER to the committee amendment: Page 2, line 5, strike out "amounts" and insert "amount."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMDR. COOK CLELAND

The Clerk called the bill (H. R. 10191) for the relief of Comdr. Cook Cleland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cook Cleland, commander, United States Navy, the sum of $435. The payment of such sum shall be in full settlement of all claims of the said Comdr. Cook Cleland against the United States for the payment of five money orders which he purchased on or about September 12, 1942 aboard the United States Steamship *Wasp*, and which were lost, together with all records thereof, when such vessel was sunk by enemy action on September 15, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELIZABETH SHENEKJI

The Clerk called the bill (H. R. 7702) for the relief of Mrs. Elizabeth Shenekji.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated the sum of $500 to Mrs. Elizabeth Shenekji, 160 Montclair Avenue, Clifton, N. J., in full settlement of all claims against the United States as reimbursement for bond posted for her sister, Samie Safaie, in November 1950, I & NS No. 0300-354051: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent therof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called the resolution (H. Con. Res. 228) approving the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-7294280, Awad, Hazem Issa.

A-7292377, Blumsztajn, Jankiel B.

E-12305, Cabanski, Edmund Stanislaus.

A-9686777, Chan, Gar also known as Gar Ding Chan.

A-6851486, Chang, Irving Beilin.

A-19135387, Chang, Amos Hwei-Cheh.

A-6703345, Chao, Ping Chang also known as Ping Chang.

A-1041758, Chao, Shou-Ting.

A-7921052, Chao, Anna-Shun-Ting.

A-8829313, Chen, Long Wen also known as Robert Chen.

A-6083615, Chen, Yu.

A-6967624, Chen, Hwei Ju Chang.

A-6236867, Chen, James Yu-Ping.

A-6620712, Chen, Marjory Liu.

A-7396904, Chen, Daniel Bo Yen formerly Bo Yen Chen.

A-7390333, Chen, Olivia An Ran (nee Ho).

V-812955, Cen, Shih-Yun (Allen).

A-7247325, Cheng, Ming Tzu.

A-9694636, Cheng, Wan Man.

A-9558812, Chia, Chee.

A-8870665, Chiang, Philomena or Chiang Yu-Ching also known as Sister Margaret Mary.

A-6848448, Chiang, Sing Pao.

A-6848172, Chien, Chien Chih.

0900-76967, Ching, Zee Yah.

A-6986484, Ching-Guee, Shia or Sister Mary Ursula.

A-10141592, Chow, Ching Te.

V-753917, Chu, Wai-Quan Chao.

A-7282145, Chu, Ro Lin Hsiung.

0300-460097, Chu, Sen Sun.

A-10141587, Chuang, Theodore Hsin-I.

A-6422502, Chung, Anthony Chi-Wu.

A-6429288, Chung, Jean.

E-084282, Deutsch, Joseph.

0300-372142, Deutsch, Sprinca or Sprinza Deutsch.

A-7244888, Diller, Izak Jakub also known as Jack Diller.

0300-322285, Dong, Lai Tong.

A-7357115, Dunnous, Jack or Yacoub (Jacob) Isaac Dunnous.

A-8876905, Fabisiak, Jane.

A-8876903, Fabisiak, Arlene.

A-8376904, Fabisiak, Martha.

A-7274363, Feng, Norma nee Wang.

A-7865108, Freund, Leopold.

A-7456034, Fried, Zolton.

A-7837290, Friedman, Efraim.

0300-351008, Friedman, Elizabeth.

A-6794982, Gensel, Aron.

A-6967503, Guee-Lung, Lee or Sister Mary Jordan.

A-7286951, Hegedus, John Steven also known as Janos Jegedus.

A-10141553, Ho, Duane Ying.

A-7299373, Ho, Louis Ting.

A-6642006, Ho, Pei-Shih.

A-7357781, Ho, Peter Wen-T'Sung.

0300-344935, Hoo, Sing Hour.

A-10141544, Huang, Jack Shih-Ta.

A-7414824, Huang, Robert Chi Tong.

A-6285850, Huang, Tsi.

A-6285857, Huang, Soo Mu.

A-6847801, Huang, Teh Cheng.

A-10141539, Hui, Kit Ming.

A-10141566, Hui, Shui Tong.

A-10141567, Hui, Sinclair Shui-Shing.

A-6986479, Hung-Sheng, Wang or Sister Mary Carina.

A-8870667, Hsia, Gau Yueh or Sister Malia.

A-6967610, Hsiang, Wen Cheng or Sister Mary Wendelin.

A-6704369, Hsiao, Shen-Shan also known as William Shen-Shan Hsiao.

A-6848557, Hsu, Chieh-Su.

A-6967722, Jung, Han Yung also known as Sister M. Jacoma.

A-7399687, Junik, Berl.

T-2056002, Kalan, Franc.

T-2056001, Kalan, Stefka.

1536/52, Kalan, Dusan Franc.

1536/53, Kalan, Darko Stefan.

A-10141576, Koo, Benjamin Yee Chieh.

A-6142215, Kuo, Hsing-Kuo.

A-3639250, Kuo, Tse-Chiu.

A-10141757, Kuo, Hsu-Hua King.

V-1525096, Kuofan, Anthony.

A-8870666, Lai, Pao Sui also known as Sister M. Theresa.

0900-57550, Lee, Chang Ling.

0900-45771, Lee, Charlotte Ho.

A-7078187, Lee, Chen-Hsi.

A-10035416, Lee, Wah Hee alias Lee Wah Hee, Leung Fung or Fung Lung.

A-6982265, Lee, Winston Foong-Zung.

0200-86892, Li, Hon Chi.

0300-460546, Li, Shu-Hua.

0300-460547, Li, Wang Wen Tien.

A-7202726, Liang, Yu Bing.

A-6986530, Lien-Ying, Chu or Sister Mary Eugenia.

A-6851676, Lin, Cheng Shan.

A-7274382, Lin, Jean Chen (nee Chih-Ying Chen).

A-7292430, Liu, Chi Kong.

A-7436597, Liu, Joseph Tsu Chieh.

A-6737205, Liu, Pei-Tsing.

A-6976663, Liu, Sheng Kuang.

A-10141632, Liu, Yung-Ling.

A-10141633, Liu, Tung Seng.

A-10141634, Liu, Korbin.

A-6620802, Loh, Wen Ying.

0300-398365, Loo, Jack H., also known as Loo Yee King.

A-8870414, Lu, Wan-Ging.

A-6848570, Lu, Peter Tseng-Li.

A-6986529, Luee-Hsiang, Chow or Sister Mary Francesca.

A-6986564, Ma, Chi Pei.

A-6730632, Ma, James Hsien-Ne.

A-6967747, Min, Chang Wen or Sister Mary Charlene.

A-7295516, Ming-Hsien, Wu or Linga Wu.

A-6959749, Mozes, Abram.

A-8106523, Mozes, Malke.

A-7274536, Nieh, Chung-San.

0200-86445, Nieh, Nicholas Yun-Chuan.

A-6967510, Pan, Hsi Lung.

A-7274523, Pan, Vivian Chang.

A-7913544, Pewzner, Schulim Ber.

0300-464390, Pewzner, Rachael (nee Nenanow).

0946097, Sumarin, Mikhaiovna Klavdia also known as Claudia Gregory.

A-7450208, Samarin, Elena also known as Helen Gregory.

A-7988231, Shao, William Hoyang.

A-6967665, Shen, Dora Chung-Yuin.

0300-468333, Shen, Irene I-Chuan.

0300-468335, Shen, Isabel I-Hsi.

0300-457386, Shen, Victor.

A-7292431, Shew, Bradford Shin formerly Shin Kay Shew.

A-8082801, Shih-Yu-How, Agnes also known as Sister Theresa Shih-Yu-Haw.

A-6986538, Siu-Chen, Yu, or Sister Mary Stephana.

A-7415078, Sung, David Nguah Nyen or Sung Nguah Nyen.

A-7421087, Sung, Eling Waung.

A-7248500, Sung, Rhoda Yun-Yuan.

0300-459558, Szabo, Paul.

A-10141615, Sze, Marian Woo.

A-7367977, Tai, Shih Sheng.

A-7436692, Tan, Li-Te.

A-6923725, Tao, Clinton Wei-Hsun.

A-8227223, Tao, James Fu.

A-8235312, Teitelbaum, Moses.

E-084223, Teitelbaum, Jenny (nee Bergfeld).

A-6567124, Tsao, Yao-Chen.

A-8870436, Tsien, Wei Shiang.

A-6851339, Tso, Tien-Chioh.

A-6986555, Tso, Margaret Yu-Yi Lu.

A-10141601, Twanmo, Chong.

A-10141602, Twanmo, Katty C.

A-6691440, Vogel, Catherine Nai-Yung Chen.

A-6847913, Wang, Hsi-lan.

A-7391681, Wang, Kien Ming or James Kien-Ming Wang.

A-10141616, Wang, Ko Tsan.

A-10141617, Wang, Yu Er.

A-10141618, Wang, Eng Chou.

A-10141619, Wang, Don Cue.

A-10141620, Wang, You Lue.

A-10141549, Wang, Lai-Hsing.

A-7445763, Wang, Rosalind Mei-Lin.

V-1336131, Wang, Sze-Tseng.

A-7992595, Weismann, Eli.

A-6033441, Woo, Ching Chang.

A-8057901, Woo, Jeannette Ewoh Yu.

A-9825135, Wojtal, Stanislaw.

A-2225355, Wong, Tit.

A-7078167, Wu, Cheng-Kang.

A-6980066, Wu, Jen-Pei or Zung-Pah Woo.

A-10141763, Wu, Shang Ying.

A-7143986, Yang, An Tzu.

A-6699853, Yang, David.

A-7285805, Yang, George Chao-Chih.

A-7910949, Yang, Dora Hsi-Chun.

A-6848670, Yang, Jen Tsi.

A-7393985, Yang, David.

A-7393986, Yang, Katherine Louise.

A-6967652, Yang, May also known as Tze-Hsin Yang.

A-7274375, Yao, Lin-En also known as Josephine Yao.

A-6703474, Yeh, Ching Siang Tang Yeh.

A-6855617, Yeh, Pai Tao.

A-6986481, Ying, Cheng Yuin.

E-094700, Yip, Kam Yung.

A-8870669, Yu, You Li also known as Sister Anna.

A-6986531, Yu-Lung, Fan or Sister Mary Fulgence.

A-8153741, Yung-Chang, Chen.

A-8039402, Yurman, Gino.

A-7184186, Bilinska, Helena Marie.

E-096405, Chan, Dai or Chan Dai or Da Chen.

0300-473418, Chan, Siu Yu.

A-4269801, Chan, Kam Shong.

0900-47509, Chan, Yuk Yung.

A-6851306, Chang, Chi.

A-6848661, Chang, Ching Chi.

A-6589870-T, Chang, Franklin Shih-Chuan.

A-7279318, Chang, Grace Dung Lien.

A-7419724, Chang, Huai-Yuan (Sister Mary Chang).

A-6848013, Chang, Shen Chin.

A-6567119, Chang, Mei Ling Wu (nee Wu).

A-6597177, Chang, Shih Yen.

A-10135727, Chang, Pen-Chun.

A-10135728, Chang, Sieu-Tsu.

A-6967614, Chang, Wan-Cheng, married name Wan-Cheng Cheng.

A-10141535, Chang, Yueh-Lien.

A-10141574, Chang, Yai-Nan.

A-10141537, Chang, Joan.

A-7296212, Chao, Julia Shih-Fan Yu.

A-6703343, Chao, Pei Chung.

0300-459052, Chou, Peter.

0300-456580, Chen, Hsiang.

A-6083606, Chen, Hsing Huan.

A-7178953, Chen, Yin Ching.

A-7991926, Chen, Wansu Wu.

A-8010541, Chen, (Frank) Minwei.

A-8010542, Chen, (David) Minwu.

A-8010579, Chen, (Philip) Minkang.

A-8870668, Chen, Tang Hsueh also known as Sister Katherina.

A-8102823, Cheng, Benny Kuo-Bin.

A-6148135, Cheng, Chiu Wan, also known as Wang Cheng Chiu.

A-9578773, Cheng, Chuen.

A-10141533, Cheng, Wen Tao.

A-10141532, Cheng, Lu-I Lee.

A-10141531, Cheng, David Ta-Zun.

A-7874506, Cheng, Pao Hua.

A-7874505, Cheng, Chung Chu.

A-7874504, Cheng, Denis.

E-083251, Cheung, Kai.

0300-460538, Chew, Yee Poh.

0300-433053, Chi, Bo Heng.

A-7445429, Chi, Hu Yu, also known as Yu-Chi Hu Ma, also known as Shirley Hu.

0300-464404, Chi, Madeline.

A-6986526, Chi-Shuang, Li, or Sister Mary Cyril.

A-7910846, Chin, Chung Shun.

A-7096304, Chih, Chung Ying.

E-118625, Chin, Hin.

A-7354752, Chin, Tsuan-Shek.

0300-459149, Ching, Chen Chae.

A-6986536, Ching-Guee, Liu, or Sister Mary Leander.

A-6667194, Chiu, May Helen (nee May Helen Chow).

A-7274544, Cho, Ting-Li.

0300-400853, Chong, Ho, or Cheong Hoo, also known as Ho Chueh.

A-9731876, Chong, Kong, also known as Gong Cheong.

0300-396049, Chong, Tan Yung.

A-10142099, Chou, Te-Chuan.

A-10142100, Chou, Nora Hsi-Feng Chang.

A-7399269, Chow, Junlin Wong.

A-7298960, Chu, Franklin You-Min.

A-6986548, Chu (Victor), Wen-Hwa.

A-9708083, Chuck, Fung.

A-9782837, Chun, Chai Ah.

0300-458951, Deak, Niklas Charles, also known as Nicolas Carol Deak.

A-7193630, Deri, Emery.

A-7927387, Ding, Chang Ah.

0900-50655, Djordjich, Risto.

E-086433, Drumer, Lilly.

A-9920006, Durazinski, Henryk or Henry.

A-6933864, Eisdorfer, David.

A-7244889, Elinowitz, Welwel.

0300-457977, Elusalu, Johannes.

A-7274380, Euyang, Walter, also known as Walter Hwa-Teh Euyang.

0300-456141, Euyang, Clementine Hoo, formerly Clementine Shih-Hwei Hu.

A-7415457, Fan, Hsieh-Sen or Jason Hseih-Sen Fan.

A-7445497, Fan, Catherine Ping-I Chang.

A-6967558, Feng, Tsun-Ying.

E-082591, Fischer, Alexander.

A-7354783, Fu, Ellen Hsiao Yen.

0300-460069, Fucheng, Hsu alias Hsu Cheng now known as Fucheng Hsu.

A-7365726, Ganz, Nisen.

A-6613745, Gfellner, Theresa (nee Deri).

A-6959744, Giang, Sylvia H. Wu.

A-7444660, Goldstein, Hersh Mellech.

A-8031667, Goldstein, Etel.

A-7860110, Gruman, Kalman.

E-086547, Guttman, Josef.

A-7056939, Gyarmati, Geza.

A-8285615, Hafner, Mozes or Moses.

0300-460251, Han, Ling Chen.

A-6973659, Han, Susan Su-Chin formerly Su-Chin Han.

A-6959722, Han, Yu-Wen.

A-6967491, Ho, Ching-Yu.

A-7435700, Ho Don Tchengton.

A-8258324, Hong, Sheng-Chiao.

A-8829404, Hsia, Mitzie (nee Miau-Tze Chang).

A-10141551, Hsiao, Ching Yuen.

A-10141577, Hsiao, Helen Hui-Ying Yao.

A-10141578, Hsiao, Henry Shih-Han.

A-10141580, Hsiao, Ann Shih-An.

A-10141581, Hsiao, Dorothy Shih-Yi.

A-6849400, Hsiung, Chieh-Chang.

A-6534366, Hsu, Liang.

A-10141762, Hsu, Pao Cheng (Chang).

A-7802663, Huang, Doris Ma.

A-7802664, Huang, Victoria Tze-Fon.

A-7415175, Hsueh, Chia Ying.

0300-341751, Hsueh, Tsung Bei Wei.

A-7056498, Huei, Hsia Shu or Frances Hsia.

A-7383119, Hung, Loretta.

0300-458487, I-Gai, Chung or Ida Djung.

0300-406961, Kam, Chow.

A-7293137, Kao, Lucy Ming-Chu.

A-7244876, Katz, Sandor.

0400–43673, Ke, Ke Chuan or John Koo.
A–8057175, Kee, Tan Seng.
A–6694146, King, Myra Yin Suan.
A–7367998, Ko, Shao-Yen.
0501–20382, Koa, Chi Chang.
0501–20383, Koa, Suzanne S.
A–7247311, Krzyzanowski, Kazimierz (Casimir) John.
A–6877774, Ku, Nien-Tseng.
A–10135396, Ku, Pi-Tuan.
A–7355365, Kwan, Yuk-Ying.
E–118842, Kwei, Whang Ah.
0300–462261, Kwok, Regina, Yin-Han or Ying-Han Wing.
0300–468748, Labocha, Mitchell.
A–3523622, Lan, Yee or Ching Koon Yee.
E–096796, Lau, Tai.
A–7871911, Lee, Blanche.
A–6967505, Lee, Chang Yuan.
A–8189612, Lee, Yuen Hung also known as Yuen Hung Li.
A–6828793, Lee, John Chia-Chin.
A–7289348, Lee, Liang-Shen (Leo).
0300–465467, Lee, Sui Tsung.
A–6737246, Lee, William Ming-Sing alias Ming-Sing Lee or Di-Di Lee.
A–6967336, Lee, Yin Chen.
A–7934383, Lee, Ying.
A–6959876, Leonida, Madelaine (nee Ching Hun-Kao).
A–6682660, Li, Ellen Hui-Chu also known as Hui Chu Li.
A–8103760, Li, Hsioh-Chien.
0300–460977, Li, Ruth Sieh Chuan.
0300–469161, Li, San Chih also known as San Chih Liu.
A–7202751, Li, Stephen Shih-Pu.
A–1014568, Liang, George Kuo-Chi.
A–10141571, Liang, Calvin Kuo-Yuan.
A–10141597, Eugene Kuo-Yu.
A–10141569, Liang, Helen Kuo-Hu.
A–10141570, Liang, June Kuo-Kiang.
A–7830590, Liang, Paolo Tao Tsun.
A–7362902, Ling, Ming Hui Chang.
E–096458, Ling, Tin Wong.
A–7133230, Ling, Yuen-Hung Mei.
A–7184116, Li-Ting, Tsung or Sister Mary Adria.
A–7860197, Liu, Hao Wen.
A–7293130, Liu, Irene Ssu-Chin now Irene Chi-Ming Hou.
A–6970202, Liu, Julian formerly Chu-Jen Liu.
A–7436598, Loe, Agnes formerly hsiao Chich Loe.
E–10665–T, Loong Yu Cheng.
A–6851637, Lu, Ch'ung Tai.
A–6851635, Lu, Chi-Hui Ching.
A–6973687, Lu, Fei Pai.
A–7292414, Lu, Lydia Dze-Zau (nee Fu).
A–6847976, Lu, Lydia Keng-Yen.
A2149500, Mah, Foo Chu.
A–6911247, Mah, Yu Ou Chen.
A–6911248, Mah, Ming Ching.
A–6911249, Mah, Ming Shu.
A–6911251, Mah, Priscilla.
A–6911252, Mah, George.
A–6911253, Mah, Howard.
0300–471609, Mao, Chun Gin.
A–6848593, Mao, Joseph T. K.
A–6848404, Mao, Tzu-Jen.
0300–459534, Mi, Miriam Deh-Fen also known as Deh-Fen Mi.
0300–457656, Mihailescu, Octavian.
A–6848122, Ming, Chu Feng.
A–7358949, Moh, Za Yu.
A–7296131, Mok, Bessie Oi-Bing.
A–7263700, Mow, Constance also known as Bik Chui Wong.
A–0946635, New, Yuh Tsung Zee (nee Yuh Tsung Zee) also known as Mrs. Way Sung.
A–7243065, Pan, Diana Yun-Ching (nee Diana P. Lu).
0900–50654, Pavlovich, Pavle.
A–7118663, Pan, Ruch Chi-Te (nee Chung).
A–7286979, Pan, Yum Hsueh.
E–083220, Petkoff, George.
A–6710400, Poon, Abigail also known as Wan-Fen Hwang.
E–79636, Popa, Augustin.
A–7421011, Schattauer, Mary.
A–8036393, Schiffman, Sandor.
A–7882491, Shao, Irene Meileng.
A–8088722, Shashoua, Elias Heskel.
A–8091352, Shing, Ng Khing also known as Eng Fong or Ng Khing Sheng.
0300–458478, Shopov, Constantine Panchev.
A–6847707, Sih, Peter Chwin-Jen.
A–7476054, Sih, Helen Hsu Chiu.
A–7863483, Sima, Lazzlo.
A–7074028, Siu, Moyra Tsu-Yu.
A–7941178, Sieszynska, Felixa or Feliksa.
A–7399277, Soo, Peter Hungteh.
A–6677301, Srych, Elizabeth (nee Bagarova).
A–6843540, Stern, Abraham.
A–7282964, Su, Chi-Hao (Kenneth).
A–7553094, Sze, Benjamin Chiatse.
A–7910997, Szentendrei, Janos (John).
A–6083791, Tan, Fang Hsia.
A–8829366, Tang, Ho-King Shao.
A–7144742, Tang, Tung-Men.
E–086276, Tao, Chew Pe.
A–8310963, Teodorovic, Svetozar.
A–6851460, Tong, Leonard Tsu-Wang also known as Tsu-Wang Tong.
A–6545323, Tong, Patsy Lew also known as Patsy I-Fung Lew.
A–7282984, Tsai, Frank Wei-Kang.
0300–413254, Tsang, Tom Kam, also known as Tom Kam and Tsen Kam.
A–7367943, Tsao, George Lingkwong.
A–7274652, Tsao, Peter Hsing-Tsuen or Tsao Hsing-Tsuen.
A–7277353, Tsien, Peng Lun.
0300–462355, Tsien, Richard Winyu.
A–7768053, Tsu, Kin Hsueh-Yuan.
A–6704073, Tsu, Laura Nyi Tsung.
A–6967373, Tung, Jui Hsueh.
A–6851406, Tung, Ting San.
V–754263, Tzu, Lien Chao.
V–754254, Tzu, Fei-Man Wang.
A–8012287, Unger, Jakub Isaac.
0300–380248, Unger, Esther Rojtblat.
0300–456957, Wang, Chen Ling.
V–1198214, Wang, Chung Chiang.
A–684530, Wang, Jean (nee Yin Suen Djuh).
A–6470332, Wang, Chun-Tao Betty.
0300–465181, Wang, Lincoln formerly Yin Tang Wang.
0300–465188, Wang, Grace formerly Tsian Hsi-Jen Wang.
0300–465189, Wang, Henry formerly Teh Yun Wang.
0300–465190, Wang, Stephen.
0300–463783, Wang, Nietsu.
0300–463782, Wang, Krystyna (nee Kawecka).
0300–463478, Wang, Juliana.
0300–463690, Wang, Aline.
0300–463271, Wang, Eva.
0300–463476, Wang, Danis.
A–6967724, Wang, Paul Wen-Shan.
A–1297282, Wei, Ellen.
0300–441924, Wei, Isabel Yung-Ling.
0300–392033, Whue, Lieo also known as Lay Fay.
A–6847713, Wong, Grace formerly Hong Yan Hun-En Wong.
0300–343829, Wong, Ying.
0300–3380021, Woo, Yen Kwong.
0300–308909, Woon, Kong Ng Yee.
A–6851709, Wu, Chao-Hsun, also known as Chris H. Wu.
A–7427748, Wu, Christine Wan-Ming.
0300–460897, Wu, Hou-Chang.
0300–460862, Wu, Jane Yeh.
0300–460861, Wu, Hsueh-Ping.
0300–460864, Wu, Hsueh-Ming.
0300–460863, Wu, Hsueh-Kun.
0300–458255, Wu, Hsueh-Shang.
0300–460865, Wu, Poansun.
A–7298489, Wu, Theodore Tsu-Wang.
0300–455917, Yah, Pao Yin (nee Pao Yin Tsai).
A–10135608, Yang, Yu Feng.
A–7295488, Yang, Chi Yuan or Chi Yuan Young.
0300–429043, Yang, Yu Ying also known as Ci-Jin Yang Liu.
0300–372980, Yang, Yu Wen.
0300–450095, Yao, Sung Ling.
0300–450096, Yao, Sufan Kao.
0300–450097, Yao, Yu.
0300–450098, Yao, Tsu.
0300–450099, Yao, Pei (Pearl).
0300–450100, Yao, Ying.
0300–403211, Yeu, Josette Min Sheng.
A–7282993, Yo, Guy also known as Guy Gee Yo or Gee Yo or Guy G. Yo.
A–7436722, York, Alfred Shih Ou.
A–6877787, Yu, Mo Hsiang known as Frank Hsiang Yu Mo.
0300–329581, Yu, Natalie Lien-Tse Kwok.
A–6847782, Yu, Tom Teng-Pin.
0300–458997, Yue, Chang Ah.
A–8282335, Yuen, Chew Jun also known as Leung Yuen.
A–8098148, Adawi, Ibrahim Hasan.
A–8154184, Ausch, Desso or Deszo Ausch or Deszo Ausch.
A–7247076, Chang, Chin Bing.
A–7874959, Chang, Amy.
A–7399332, Berger, Hirsch.
A–6718370, Berke, Joseph.
0300–460118, Bien, Zue Sun.
0300–460116, Bien, Li Kuo-Kin.
0300–457204, Chang, Kin Jen.
A–7029620, Chang, Robert Lu Ling.
0300–471564, Chang, Yi.
0300–456358, Chang, Man.
0300–441601, Chang, Yuan.
E–086613, Chee, Choy.
0200–130687, Chen, Chien-Min.
A–7897614, Chen, Julia Angela, formerly known as Tseng Chen.
A–7463931, Chen, Kun Chih.
A–4527884, Chu, Kwan Sau.
A–7463932, Chen, Martin.
A–7463933, Chen, Annette.
A–6261889, Chen, Kwan Lun.
A–6704087, Chen, Ma Li.
A–7381280, Chen, Shi Chih.
A–6026501, Chen, Sze Te.
A–6848441, Chen, Tsun.
V–820003, Cheng, Lily Djeng-Ning, formerly Hsiung Djeng Ning.
A–7436771, Cheng, Paul Ming-Ching.
0300–377472, Chu, Cheng-Chin.
A–6967731, Cheo, Peter Kong-Liang.
0300–318226, Cheuk, Hui Wing.
A–9504925, Cheung, Lam.
0300–468991, Chi, Helen H. formerly known as Hkiu Hsiang Chi.
A–6962886, Chia-Ching, Yeh or Charles Chia-Ching Yeh.
A–6848630, Yeh, Sally Shing-Shing (nee Liu).
A–7143027, Chiang, Allan I-Lung.
A–8103730, Chin, Cheng Hsin.
A–6851647, Chin, Grace.
A–10141604, Chin, Duck Chung.
A–10141605, Chin, Sui Ngor.
A–10141606, Chin, Jean Su-Jen.
A–10141607, Chin, William Wei-Yu.
A–10141609, Chin, Kenneth Wei-Ho.
A–10141608, Chin, Johnny Wei-Yao.
A–10068620, Ching, Tsoong Han.
0900–76968, Cho, Fat Yau.
0300–467734, Chow, Hsien-Hsien.
0300–467733, Chow, Bae-Pao Lu.
0300–467735, Chow, Gwynne Hsieh.
0300–467745, Chow, Lulu Caroline.
0300–467619, Chow, Anna Frances.
A–7436790, Chow, Mary (nee Puh Fang).
A–7777409, Chow, Vee Nai.
0300–331123, Chow, Laura Yeh-Tsung.
0301–20068, Choy, Choon.
A–10135607, Chu, Chia-Kun also known as John Chu.
A–6527758, Chu, Kung-Ji also known as Elizabeth Chu.
A–10198072, Chu, Gales Hung-Ye.
A–10198073, Chu, Rebecca (Wai Tu Chu):
A–10198074, Chu, Patricia Ann.
A–10198075, Chu, Phyllis Jean.
A–6848629, Chuan, Helen Keng-Ting.
A–6988156, Chu, Hsi-Ling.
A–9821915, Dai, Kwan.
V–754183, Dzo, Ging-Ru.
A–8099927, Eliahou, Ezra Haron Yousef.
0300–408020, Fin, Chon.

A–7846708, Frank, Fred Moshi, also known as Fouad Moshi Fraim.
A–7828313, Feldmar, Judith.
0300–233203, Friedman, Fred, alias Ferdinand Friedman.
A–7988131, Fajncajg, Gitla.
A–10060369, Genger, Brocha.
0300–467887, Genger, Jeheszua.
A–7913449, Goldsand, Jakob.
0300–362178, Gluck, Elsa Freidman.
A–8055370, Grosman, Josef Aszer.
0300–329528, Grunzweig (Grunsweig), Ignaz.
A–8039224, Grunzweig (Grunsweig), Feiga.
E–6570, Gutwein, Izak.
0300–461047, Hettena, Ibrahim Khedoury Yousef.
0300–12961, Hing, Chen Shuey.
A–7174554, Ho, Julia.
A–7921878, Honovich, Antonio.
A–6831432, Hoo, Mona Yung-Ning.
A–6891822, Hsia, Hung.
A–60967367, Hsia, Eva E-Feng (nee Wu).
A–6851466, Hsiao, Chi-An.
0300–469513, Hsu, Chichang.
A–7274640, Hsu, John Tseng-Hsin.
A–7863550, Hu, Stanley Shao An.
A–7863551, Hu, Jane Chi-Jo Tsien.
A–7863552, Hu, George.
0300–454463, Hu, Leilani Shao-Tsin.
A–7125049, Hu, Susan Sze, also known as Tung-Lai Sze.
A–6847785, Huang, Tsui En.
A–6959720, Huang, Tzu Chuen.
A–7830835, Kahan, Samuel.
A–6321741, Kam, William.
A–9647122, Kan, Yip, also known as Feh Kan.
A–7274372, Kao, Irving Ke-Yung.
A–9728193, Ki, Chan or Chan Wah Sorn.
A–10066668, Kiang, Ai Chen or Anne Ai-Chen Wang.
A–6848410, King, Yung Kang.
E–085921, Kleiner, Wolf, also known as Wolf Klajner.
E–085930, Kleiner, Fredia, also known as Fredia Klajner.
E–085922, Kleiner, Mala.
A–6026389, Ko-Ching, Shih.
A–6041705, Shih, Chueh Ying Tzeng or Tzeng Chueh Ying.
A–9758472, Kokk, George.
A–7873165, Kuang, Cheng Wei, known as Edmund Wei-Kuang Cheng.
A–6442514, Wei, Cheng Han Hsin known as Dorothy Hsin Wei Cheng.
A–7049859, Kuchcik, Mendel.
0300–466868, Kung, Wei-Ven Yao.
0300–363444, Kung, Robert Cheng-Chung.
0300–363443, Kung, Nancy Tse-Chung.
A–7133276, Kuo-Chung, Chen.
E–6096243, Kwan, Chan.
A–7374681, Landau, Herman.
0300–323883, Landau, Serena.
0300–461751, Landau, Ervin.
E–096756, Lau, Yau.
A–9235656, Lau, Kwai.
A–8259654, Lanza, Giovanni.
A–6847959, Lee, Dah Hsuan.
0300–318417, Lee, Dorothy or Dorothy Tsu.
0300–466310, Lee, Thomas Shung, also known as Lee Shung Sun.
A–6703320, Lee, Yaw Shuin.
0300–459356, Lefkovits, Irme.
A–7961287, Li, Hsiao-Jun.
A–7292450, Li, Ming Yu.
A–6958632, Li, Chou Hsiung.
A–6973662, Li, Shao Min.
A–6552719, Liang, Holt.
A–6855620, Liang, Yuan.
A–6967758, Li-Chuan, Wang.
A–6967493, Hwa, Lih or Hwa Lih Wang.
0300–360290, Lin, Frank Chang-Heng.
0300–360291, Lin, Ellen.
A–6847860, Lin, Priscilla Chung Dijh.
A–10135710, Li-Sooey, Evalina Doo.
A–7118752, Liu, Fu Tung.
A–6848072, Liu, George Bie formerly Bie Liu.
A–6851311, Liu, Robert Yung-Yu.
0300–460252, Liu, Soo Yung.
A–7274431, Liu, Yee Yen.
A–7274432, Liu, Yen Wei.
0300–470004, Liu, Teh Ming.
A–6083659, Lo, Ching-Lung.
0300–471010, Lo, Hua-Tsing Chu.
0300–471011, Lo, Denis.
0300–471012, Lo, Sylvia.
A–6848683, Louis, Pauline Pao-Lien Soong.
A–10066444, Lu, Chin.
0300–345176, Majerholc, Edwin.
A–9731984, Mar, Chew.
A–6771870, Miao, David Cheng.
A–7295543, Moi, Peggy formerly Peggy Wong.
A–7399331, Morozow, Szulem.
A–7355367, Mui, Chiu Ning.
0301–21592, Muscardin, Umberto.
0300–470522, Nacinovich, Romano.
A–6357633, Netupsky, Eugene A.
A–6504544, Ning, Lai Shung.
A–7462122, Nisenkiern, Samuel.
A–7244870, Noselis, Jacob.
0300–429827, Ong, Chih-Ta.
0300–471121, Ong, Ching Siu C. T.
0300–461044, Ong, Margaret.
A–7292435, Owyang, Hsuan.
A–6848503, Pei, Tseng Chi known as Chi Pei Peter Tseng.
0300–473098, Peros, Ivan.
A–7399686, Pevzner, Icchok.
A–9709852, Ping, Chan.
A–7586532, Ratajczak, Michal.
A–6848542, Ray, Hsia Pong known as Pong Ray Hsia.
A–7480707, Rubin, Simcha.
0300–375838, Sassoon, Edmond Solomon.
0300–375839, Sassoon, Yvette (nee Shayo).
A–7290185, Schonberger, Philippe.
A–7290186, Schonberger, Friderika.
A–7290187, Grunwald, Eva (nee Schonberger).
A–7290188, Schonberger, Alfred.
A–7290190, Schonberger, Tibor.
A–7366281, Schonberger, Georgette or Gyongyi.
A–8001182, Shen, James Cheng-Yee or Shen Cheng-Yee.
A–8871292, Shen, Grace Shu Hwei.
A–8871294, Shen, Christopher.
A–8871293, Shen, Patricia.
A–8871295, Shen, Michael.
0300–355800, Shen, Pearl Sung Hsu.
E–085326, Shing, Tam also known as Shing Tam.
A–5975137, Shoen, Tze Win.
0300–459063, Soo, Lum Wing also known as Frederico Lee.
A–7287952, Stoynich, Peter N.
A–6848149, Sung-Lan, Hsia known as Robert Sung Lan Hsia.
0300–460221, Susech, Giovanni.
E–10777, Svoronos, Milton Theodosios or Millon or Mittiadis Theodosios Svoronos.
A–7367944, Tai, Li Shu.
E–082730, Tak, Lee Ting.
A–8036392, Teitelbaum, Chiel Alter.
A–7115668, Thurnher, Majda Theresia.
A–1389416, Tin, Chan Chi.
A–7415104, Ting, Alice Lu.
A–6739372, Tsai, Helen Whitfield.
A–6735288, Tsai, William Wei-Lin.
T–697453, Tse, Emma Kuan Ching.
A–7290334, Tse, John Yung Dong.
A–6567126, Tseng, Hsien-Chi.
A–6967707, Tsou, Catherine Nan-Yun.
0300–464309, Tung, William L.
0300–464311, Tung, Yueh-Chiung.
0300–464308, Tung, James (Chien Min).
E–094525, Valjak, Arthur.
E–094628, Vlacich, Beniamino.
0300–420918, Vlacich, Giovanni, also known as John Vlacich.
A–6457535, Wang, Chi-Wu.
A–7846771, Wang, Da Chaw.
A–6851597, Wang, Hung I.
A–6606804, Wang, Lillian Yun-Hsia.
0300–463121, Wang, Loo Ing How.
A–6845064, Wang, Pei.
0300–462256, Waung, Tze-Kong.
0300–337048, Ching-Chyu, Wong.
0300–461685, Hsi-Fong, Waung.
A–8057928, Wojda, Stanley (or Stanislaw).
0300–336237, Woo, Alice Chia-Ying, also known as Alice Ching Woo.
A–0010333, Wong, Yok.
A–7247101, Wu, Ray Jui.
A–6689188, Wu, Robert Tze-Chun or Robert T. C. Wu.
0300–469639, Yang, Nai Chen.
A–10135775, Yang, Te-Fang.
0300–361326, Yang, Tien-Yi.
A–6849457, Yao, Eleanor Shin-Yee.
A–7265816, Yen, Yaa Tai or Anthony Yen.
A–9164094, Yeung, Yik.
A–7133285, Yien, Edward Yuen-Chiang.
A–6461101, Ying-Pe, Chang or Roy Ying-Pe Chang.
0300–329694, Yip, Lam Chun.
A–7274558, Yong, Pao Chung Ma.
A–8875522, Yu, Choi Kun.
A–6848711, Yu, David Chien-Seng formerly Chien-Seng Yu.
A–6848482, Yu, Teh Chi.
A–6848483, Chen, Siao-Fen.
A–6877754, Yu, Tsi-Van.
A–6848103, Yue, Soy Chung.
A–9686706, Yuen, Ben.
A–10135599, Zia, Zung Jai.
A–10135601, Zia, Hsu Chin.
A–9553245, Adolfijs, Alfred.
A–7385344, Beloerol, Franciszka.
A–6819166, Berger, Kato (nee Gluck).
A–7244887, Brook, Gershon.
0300–352716, Brook, Szyna (nee Gottlieb).
0300–329371, Bui, Ying King.
A–7913548, Chai, Ling Chi (nee Mao).
A–7124539, Chang, Chen Chi.
0300–448764, Chang, Nien Tze.
0300–366462, Chang, Henry Kunghui.
0300–419940, Chang, Hsi Huan, also known as Peter Chang.
A–7538671, Chang, Hsin Hai.
A–7295511, Chang, Hsin-Pao.
A–8065822, Chang, Huei-Yuen.
A–6848015, Chang, I-Chen.
0300–421485, Chang, Jimmy H.
A–7277488, Chang, Robert Mai-Hsien.
0300–335529, Chang, Sai-Cheng.
A–10141560, Chang, (William) Kwang Pao.
A–7436600, Chang, (Catherine) Shiao Chin Lu.
A–7416447, Chang, Yung Shan.
0300–461559, Chao, Marie I-Wei Lu.
0300–461560, Chao, Yung Yun also known as Shirley Chao.
0300–461562, Chao, Hsieh Lung also known as Thomas Chao.
0300–461561, Chao, Yung Hsia also known as Helen Chao.
A–7427944, Chao, Chung Yuan.
A–6704086, Chao-Hwa, Feng or Chao Henry Feng.
A–6236864, Chen, Hsuen-Ping Dorothy.
A–10141582, Chen, King Pao.
0501–19305, Chen, Mary Barbara also known as Ching Zen Chen.
A–7483722, Chen, Rose.
A–7841932, Chen, Vincent Vesin or Vesin Chen.
A–6905336, Chen, William Keh-Ching.
A–7053874, Chen, Elizabeth Dji-Shuh.
A–6163785, Cheng, George C. also known as Chi Chang Cheng.
A–6251492, Chen, Franklin Shou Chiang formerly Shou Chiang Chen.
0200–121730, Cheng, San-Hsi.
0300–423721, Cheng, Yung alias Cheng Yung.
A–6847880, Cheo, Pen Ching.
A–6958995, Cheo, Helen Ching Lan.
A–7435701, Cheung, Lok-Tin (Happy)
A–10193622, Cheung, Lydia Chi-Yan Lee.
A–6027148, Chi, Nung-Cheh.
A–6896402, Chi, Jean Ching-Chin.
0300–456510, Chi, James.
0300–391909, Chiang, Chun Lin.
0300–469810, Chiang, Yue-Tsing Huang.
0300–469814, Chiang, Yvonne or Yee Foong Chiang.
0300–469815, Chiang, Jane.
0300–469811, Chiang, Millard.
0300–469812, Chiang, Alice.

A-8870726, Chien, Dawn Sing or William S. Dawn.

A-8870724, Chien, Dawn Tze or Robert C. Dawn.

A-7417144, Chi-Hua, Wu Vivian also known as Vivian Chia-Hua Moh.

A-6843441, Chin-Hsu, Liu.

A-6534334, Liang, Huang or Liang Huang Liu.

A-8125645, Ching, Julia Chia-Yi (Sister Agnes Therese).

A-9948146, Chong, Lai also known as Leong Kow Kow.

A-6271454, Chu, Kuang-Han.

A-0933425, Chun, Hong Cha.

A-0933428, Chun, Kyung Shien Sung.

0300-366830, Chun, Sze Yung.

0300-366918, Chung, Mo Nan.

0300-344329, Dao, Sue Shing.

A-8870723, Dawn, Shin Yuan.

A-8870727, Dawn, Dunn Mei-Lih.

A-8870725, Dawn, Wei Mei or Victoria W. Dawn.

A-6377727, Djang, Su Dzung.

A-7282150, Su, Ruth Ching-Hsing (nee Tien).

0300-456769, Dimini, Stanislao.

A-6967498, Dun-Jen, Li.

0300-456942, Dzung, Kenyon Danlee.

0300-456938, Dzung, Nyui Sung.

0300-355990, Eu, Mary Jane Soong.

A-10141559, Fang, Siu Chun (nee Siu Chun Lai).

A-6760587, Feldstein, Aron.

A-7383072, Fisher, Max.

A-7399117, Friedman, Erno.

A-8065816, Friedman, Edith.

A-7913543, Gluck, Arthur.

A-6934982, Goldberg, Joseph formerly Jozef Goldberg.

A-7197344, Guo, (James) Tse Menglin.

A-7197345, Guo, (Lois) Rujen Wang.

0400-54898, Guo, (Grace) Hui-ping.

E-094784, Haber, Elias or Eliasz Haber.

0300-319444, Hardoon, Rouben Shaoul.

0300-460905, Hardoon, Marcelle.

0300-328520, Hardoon, Kathleen.

A-7197633, Henkin, William N.

A-7197634, Henkin, Ella.

E-119220, Ho, Lau.

A-2418469, Ho, Pang Young.

A-6077100, Hoo, Chin.

A-6916672, Houn, Franklin Willington.

A-7835199, Houn, Frances Lu.

A-7355369, Hsi-Kuang, Chi or Henry Hsi-Kuang Chi.

0300-371805, Hsi, Te-Ping.

A-6848376, Hsu, Jeng Mein.

A-8245936, Hsu, Priscilla C. Y.

A-10141598, Hu Pei-Ying Beatrice.

A-6608765, Hu, Quang Hsi.

A-6851600, Huang, Aileen Yueh.

A-6986571, Huang, Chaang.

A-6967359, Huang, Wei Jen.

A-7286961, Huang, Irene Hwei-Lin nee Chang.

A-5941361, Hung, Wu Gee.

A-8829316, Huo, Peh Ping.

0300-471204, Ivanicek, Franjo.

0300-325626, Jacob, Solomon Hillel.

0300-325694, Jacob, Helen.

0300-466392, Jankovich, Ladislav.

A-10067874, Jin, Kor Shiang also known as Madeline Jin.

E-118777, Jogis, Konrad Walter.

A-7297266, Jungreisz, Lipot.

A-7297267, Jungreisz, Laura.

0300-429358, Jungreisz, Antal.

0300-429359, Jungreisz, Izsak.

0300-452110, Jutrowski, Klemens Jan.

A-8870715, Kai, Chou Ven or Victor Ven-Kai Chou.

A-6851293, Chou, Clarice Hsi or Hsi Yao.

A-7961261, Katz, Marton.

A-8245999, Katzman, Zelig.

A-8246000, Katzman, Hilel.

A-9728194, Keam, Tan.

A-7244872, Kercer, Wolf.

A-9561968, Kiang, Tang Ching.

0300-473479, Konig, Joseph.

A-10035686, Wwei, Thomas Chen-Ling alias Chen Ling Kwei.

A-10035639, Kwei, Randolph Chen-Chi alias Chen-Chi Kwei.

A-7828712, Kwiatkowski, Czeslaw.

E-084349, Lau, Hung.

A-6815524, Lee, Helen Pao Hsin Tsao.

0300-472541, Lee, Hong Cheuk, also known as Richard H. C. Lee.

A-6775603, Lee, Justin.

A-6958991, Lee, Julia.

0300-374187, Lee, Laan-Fong.

A-2677372, Lee, Yen Shuang.

A-7297991, Leitao, Maria Stela.

A-5805395, Lew, Suie.

A-6851429, Liang, Chen Yu known as C. Y. Yu.

A-7285802, Liang, Robert Ting-Wei.

A-6962966, Liang, Emily Shui-Men.

A-7424932, Lin, Wei Shu now William S. Lin.

A-7841087, Chen, Tsai Chu now Jean C. Lin.

A-7841088, Lin, Annie.

A-7841089, Lin, Fu Ming now Dinah Rita Lin.

A-7841090, Lin, Cheng Lie now Dick Lin.

0300-277173, Ling Chen Ping.

A-8001637, Ling, Homer Chuen-Cheng alias Chuen-Cheng Ling or Yung-Shen Ling.

A-7483978, Ling, Fidelia Hsu (nee Fidelia Pei-Lan Hsu) alias Pei-Lan Hsu.

0300-417491, Ling, Wong or Lun Wong or Wong Lun.

A-6744416, Loh, Yih H.

0300-456581, Loh, Mabel H. C.

0300-451406, Lok, Chung Sing.

A-9512598, Luk, Ng.

A-7202743, Lung, Yuan or Edward Lung Yuan.

A-6967574, Ma, Bernard Sing-Lu.

A-10141583, Ma, John T. T.

A-10141584, Ma, Mary Yong.

A-10141561, Ma, Joanna.

A-7945460, Mamczak, Julianna.

T-1366563, Mao, Kathleen (Kai) Lin.

A-7456082, Miller, Kalman Jacob.

A-7935644, Miller, Eda.

A-8871291, Ming, Hsu Yin or Doris Yin Ming Hsu.

A-7886505, Nieckarz, Alojzy.

A-8090380, Olber, Hersch.

A-8057925, On, Young Man also known as Man on Young.

A-7269682, Ouyang, Mariana Tsao.

A-7118691, Owyang, Gilbert Hsiaopin.

A-8282962, Patock, Lverka.

E-1073, Peebo, Johannes.

0300-445130, Perich, John or Giovanni.

E-081290, Pien, Hsia Si.

0300-473086, Pui, Wong.

A-8154183, Rosenberg, Samuel.

0300-464312, Shen, Alexander or I-Shang Shen.

A-7957895, Shen, Chi Meng.

A-10015075, Shen, Ping Wen-Wu.

A-6083862, Shen, Roderick Chung-Chao.

0300-374307, Shen, Shih Hua.

0300-465579, Shen, Pao Kwei.

A-7274371, Sheng, Alice Tung-Fun (nee Alice Tung-Fun Kuan).

A-7184115, Shu-Ching, Suce or Sister Mary Ceciliana.

E-082521, Simon, David Salem.

A-7374694, Soong, Hwa-Yu or Soong Hwa-Yu known as William Hwa-Yu Soong.

0400-52651, Spitzer, Gyula.

0400-52690, Spitzer, Ilona.

A-9825134, Sroka, Leon Stefan.

A-7860207, Ssutu, Edwin A.

A-6848027, Sun, Wu Tze.

A-7358509, Szasz, Joseph.

A-7961263, Tang, Kou Nan.

V-753791, Tang, Oscar Liu-Chien.

A-6083753, Tsai, Sydney Sung or Sung Tsai

A-7483931, Tsai, Christina or Pei-Ching Chang Tsai.

0300-461764, Tsai, Jackson or Chieh Sung Tsai.

0300-455209, Tsai, Mason or Mei Sung Tsai.

A-7435716, Tsai, Wen Ying.

A-7285799, Tsang, Stella Shu-Ming Tai.

0300-457501, Tseng, Benjamin or Tseng Chao Ko.

A-7882588, Tsou, Ying also known as Anthony Y. Tsou.

A-7095971, Uranyi, Joseph.

A-7095973, Uranyi, Gabriella.

A-7193594, Uranyi, Gabrielle Margaret.

A-9099909, Viilusi, Villu.

A-8091658, Vosilla, Vittorio.

A-7778553, Wang, Cheng Fu.

0300-466141, Wang, Aimei.

0300-322737, Wang, Chi Chuan.

0300-322762, Wang, Yuan-So, Cheng.

0300-326117, Wang, Yien Koo.

A-6877783, Wang, Hsin-Hui.

A-6743498, Wang, Shih Hua.

A-6986585, Wang, Mu (Diana) Cheng.

A-7367966, Weingarten, Adolph.

0300-314825, Weingarten, Anna.

A-7444635, Wen-Jhun, Chiang known as Helen Wen-Jhun Chiang.

A-9764838, Wong, Chin.

A-6407196, Wong, Gen Ching.

A-7809002, Wong, Han Min.

A-8021418, Chang, Jacqueline W. T.

A-6967663, Wong, Mary Ruth.

A-10141528, Wong, Shou-Fa.

A-8198495, Wong, Virginia also known as Bei Fung Wong.

A-6967532, Woo, William Chi-Wen.

A-10145013, Wu, Hou Cheng.

A-10145014, Wu, Kina Fu Yien Liao.

A-10135612, Wu, Jack Hsueh-I.

A-6849846, Wu, Pei-Hsing Lin.

0300-432370, Yak, Ah Sam also known as Yak Ah Sam.

A-6667949, Yank, Chuan Ying alias Yong Yang Chuan-Ying.

A-9798750, Yang, Margaret Wei-Chin.

A-6967741, Yang, Nien-Chu.

A-8015589, Yang, Shih-Ching.

0300-346772, Yang, Dorothy Trae-Ling Fei.

0300-330626, Yang, Kiang-Si.

A-7392524, Yang, Tieh-Sung.

A-6847989, Yeh, John Chiung or Yeh Chiung.

0300-43062, Yen, Betty Hsin-Lien.

0300-391473, You, Wong King also known as Wong Ying.

A-7903279, Yu, Maria Hsieh-Yueh Chang.

A-7835340, Yu-Chen, Li.

0300-474919, Yueh, Shiela Hsuan Wen.

A-8198530, Chang, Li-Hsain.

E-079940, Chin, Tom.

A-6958642, Loh, Pichon P. Y.

A-9520221, Park, Hom.

A-7286680, Shen, Richard Tsu Hsun.

A-7133260, Tung, Yun Ming.

A-7975781, Chu, Boa-Teh.

A-8922049, Hing, Yuan Ying.

A-6846912, Kaminski, Henryk.

With the following committee amendments:

On page 2, line 1, strike out "A-19135387" and substitute in lieu thereof "A-10135387."

On page 2, line 4, strike out "A1041758" and substitute in lieu thereof "A-10141758."

On page 3, line 25, strike out the name "Jegedus" and substitute in lieu thereof the name "Hegedus."

On page 6, line 15, strike out the name "Linga" and substitute in lieu thereof the name "Linda."

On page 7, line 19, after the name "Shih", strike out the comma.

On page 8, line 20, strike out the name "Ewoh" and substitute in lieu thereof the name "Kwoh."

On page 14, line 14, strike out the name "I-Gai" and substitute the name "I-Giai."

On page 15, line 24, strike out the name "Sieh-Chuan" and substitute the name "Sien-Chuan."

On page 17, line 22, strike out the name "Ruch" and substitute the name "Ruth."

On page 24, line 16, strike out the name "Gales" and substitute the name "Cales."

On page 36, line 25, strike out the name "Young" and substitute the name "Yung."

On page 40, line 25, strike out the name "Suce" and substitute the name "Suee."

On page 43, line 8, strike out the name "Trae-Ling" and substitute the name "Tsae-Ling."

On page 43, line 13, after the name "You", change the period to a comma.

On page 44, at the end of the concurrent resolution, add the following names:

"A-10143319, Schejbal, Dobruska Ann.

"A-10143320, Schejbal, Dusan Josef.

"A-6195641, Schejbal, Josef.

"A-6159640, Skala, Hugo Michael.

"A-7491761, Skala, John Paul.

"A-7302497, Skala, Marie Hana.

"A-6813127, Skarzynski, Stanislaw.

"A-10042650, Chuan, Pai Shiu.

"A-7948694, Maar, Julius (Gyula) I."

The committee amendments were agreed to.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 44, after line 11 add the following name: "A-6967495, Li, Pei Chao."

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 767) for the relief of Andrew Rosner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Andrew Rosner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Andrew Rosner, Giuseppe Ventura, Johann Antonius Tudhope, Walda Fedor Tudhope, Maria Guadalupe Shockley, Evangelina Vega Shockley, Helen Agnes Blais (Junko Furakawa), and Harold Manley Stewart shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

"Sec. 2. For the purposes of the Immigration and Nationality Act, Charles F. Garriz, Benjamin Baruch Mintz, Tchia Mintz, Shulamit Mintz, Shalom Boaz Mintz, Mikie Woodard, Hildegard Silvonen, Howard Seeming Liang, Lai Yen Mark Liang, Howard Seeming Liang, Jr., John Shalam, Claude Shalam, Fu-Chuan Chao (also known as Fuk Kun Chiu), Chiu Lai Yuk (also known as Lai Yuk Chao), Yvonne Mary Florescu (Sister John Baptist), Peter Chou-Yuen Tchen, Carmen Aguado, Adele Knoff, Hans Knoff, Jose Torres, Thomas H. Ros, Wei-Chi Liu, Domingo Lim (also known as Lim Eng Kok and Domingo Lim Chay Seng), and Pilar A. Garcia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"Sec. 3. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding orders and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of Panteles Kerkos. From and after the date of enactment of this act, the said Panteles Kerkos shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

ALICE ELIZABETH MARJORIBANKS

The Clerk called the bill (S. 885) for the relief of Alice Elizabeth Marjoribanks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Alice Elizabeth Marjoribanks, who lost United States citizenship under the provisions of section 349 (a) (2) of the Immigration and Nationality Act, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Alice Elizabeth Marjoribanks shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT

The Clerk called the bill (S. 1111) for the relief of Eric A. Cummings.

There being on objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of paragraph (19) of section 212 (a) of the Immigration and Nationality Act, Eric A. Cummings may be admitted to the United States for permanent residence, if he is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, notwithstanding the provision of section 212 (a) (2) of the Immigration and Nationality Act, Sarah Kleidermacher may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"Sec. 2. Notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Audrey Jean Younkers, and Robert Geoffrey Hunt may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"Sec. 3. In the administration of the Immigration and Nationality Act, Charlotte Muhlefeldt, the fiancee of Hans Jahnke, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Charlotte Muhlefeldt is coming to the United States with a bona fide intention of being married to the said Hans Jahnke and that she is found otherwise admissible under the immigration laws, other than the provision of section 212 (a) (4) of the said act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Charlotte Muhlefeldt, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Charlotte Muhlefeldt, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Charlotte Muhlefeldt as of the date of the payment by her of the required visa fee.

"Sec. 4. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, John Joon Sik Chung, Cesare Picco, Regina M. Knight, Jenny Antoinette V. Ingrum, and Paula Edith Reynolds may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"Sec. 5. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Eric A. Cummings may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

"Sec. 6. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens."

A motion to reconsider was laid on the table.

PIETRO RODOLFO WALTER STULIN AND RENATE KAROLINA HORKY

The Clerk called the bill (S. 1883) for the relief of Pietro Rodolfo Walter Stulin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Pietro Rodolfo Walter Stulin, shall be held and considered to be the natural-born alien child of Sfc. Abraham N. Alvarez, a citizen of the United States.

With the following committee amendment:

Page 1, after line 7, insert a new section to read as follows:

"SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Renate Karolina Horky, shall be held and considered to be the natural-born alien child of Sfc. Chester M. Zentner, a citizen of the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "An act for the relief of Pietro Rodolfo Walter Stulin and Renate Karolina Horky."

A motion to reconsider was laid on the table.

KIM BOKSOON AND ANKE NABER

The Clerk called the bill (S. 1970) for the relief of Kim Boksoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Kim Boksoon, the fiance of Alexander Adams, Jr., a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Kim Boksoon is coming to the United States with a bona fide intention of being married to the said Alexander Adams, Jr., and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Kim Boksoon, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Kim Boksoon, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Kim Boksoon as of the date of the payment by her of the required visa fee.

With the following committee amendments:

On page 1, line 7, after the words "3 months", strike out the following: ", if" and substitute ": *Provided*, That."

On page 1, line 7, after the word "find", strike out "(1)."

On page 1, line 10, after the word "and", strike out "(2)."

On page 2, after line 11, insert a new section to read as follows:

"SEC. 2. In the administration of the Immigration and Nationality Act, Anke Naber, the fiancee of 1st Lt. Jack B. Stewart, United States Air Force, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Anke Naber is coming to the United States with a bona fide intention of being married to the said Jack B. Stewart and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Anke Naber, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Anke Naber, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Anke Naber as of the date of the payment by her of the required visa fee."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read "An act for the relief of Kim Boksoon and Anke Naber."

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT

The Clerk called House Joint Resolution 606 to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Mrs. Hilda Rinn Marchand and Mrs. Maria Campaiola Falone may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provisions of section 212 (a) (3), (9), and (19) of the Immigration and Nationality Act, Albert Shanfield may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 3. In the administration of the Immigration and Nationality Act, Rosa Willand, the fiancee of Eugene E. Born, a citizen of the United States shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Rosa Willand is coming to the United States with a bona fide intention of being married to the said Eugene E. Born and that they are found admissible under the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Rosa Willand, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Rosa Willand, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Rosa Willand as of the date of the payment by her of the required visa fee.

SEC. 4. The exemptions provided in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, after the enacting clause, strike out all of lines 3 through 8, inclusive, and substitute the following language: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Hilda Rinn Marchand may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act."

On page 1, after line 8, insert a new section numbered "SEC. 2." to read as follows:

"SEC. 2. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Mrs. Maria Campaiola Falone may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act."

On page 1, line 9, renumber "SEC. 2" to read "SEC. 3."

On page 2, line 3, renumber "SEC. 3" to read "SEC. 4."

On page 3, line 1, renumber "SEC. 4" to read "SEC. 5."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIVENCIO FERNANDO RAYMUNDO ET AL.

The Clerk called the bill (H. R. 4141) for the relief of Vivencio Fernando Raymundo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vivencio Fernando Raymundo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, for the purposes of the Immigration and Nationality Act, Vivencio Fernando Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct six numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Vivencio Fernando Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo and Fred Raymundo."

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (H. J. Res. 609) for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Stefano Fiore, shall be held and considered to be the natural-born alien child of Frances and Antonio Fiore, citizens of the United States.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Doris Vella shall be held and considered to be the natural-born alien minor child of Joseph De Bono, a citizen of the United States.

SEC. 3. For the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Donn Kim Ringdahl (Kim Young Yon), shall be held and considered to be the natural-born alien child of Chaplain and Mrs. Paul G. Ringdahl, citizens of the United States.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 605 for the relief of certain aliens.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Marie Vartenissian, Angela Bottkos de Karady, Laszlo Karady, Gyongi Karady, Laszlo Karady, Jr., Daisy Karady, Anesti N. Balcousheff, Maria Lanau Bull, Sister Saveria (Angela Lauria), and F. Yao da Silva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 2. For the purposes of the Immigration and Nationality Act, Soo Chen da Silva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 3. For the purposes of the Immigration and Nationality Act, Fritz Hauser and Viola Grace Smith shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 4. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "act", strike out the name "Marie Vartenissian," and sustitute the following names: "Ian McKay Valentine, Ardemis Nahabedian."

On page 1, line 7, after the name "(Angela Laurie)", insert the following names: ", Katherine Pui King Loo (Feun), Lindson Feun, Lindgoy Feun, Amie Feun, Ralph Wilson Reid, Eleanor Mary Reid, Marguerite Fay Reid, John Wilson Reid, Robert Wilson Reid."

On page 2, after line 18, insert two now sections Nos. 4 and 5 to read as follows:

"SEC. 4. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Marie Vartenissian and Victoria Clita. From and after the date of the enactment of this act, the said Marie Vartenissian and Victoria Clita shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

"SEC. 5. For the purposes of the Immigration and Nationality Act, Janusz Ambroziewicz, Ignacy Bak, Adam Bednarek, Leon Bolda, Stanislaw Brodowicz, Maksymilian Guc, Ryszard Zdislaw Hackel, Jan Hauza, Edwin Hildebrandt, Zygmunt Lewandowski, Stanislaw Mamaj, Adam Piekart, Czeslaw Salata, Franciszek Sciera, Zygmunt Skrzypinski, Raymund Szulc, Jozef Tynfowicz, Leonard Wasowski, Stefan Wojtkowski, Henryk Wrzesinski, and Zenon Zmudzinski shall be held and considered to have been lawfully admitted to the United States for permanent residence, upon payment of the required visa fees and section 212 (a) (28) of the said act shall be inapplicable in the case of each such alien."

On page 2, line 19, strike out "SEC. 4." and substitute in lieu thereof "SEC. 6."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ROSE AMORESANO AND HER CHILDREN, ROSA, EMILIO, AND GIOVANNA AMORESANO

The Clerk called the bill (H. R. 877) for the relief of Mrs. Rose Amoresano and her children.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the death of the main beneficiary of an approved petition, the late Pasquale Amoresano, the aliens, Mrs. Rose Amoresano and her children, Rosa, Emilio, Annunziato, Carmela, and Giovanna, shall be deemed to be eligible to apply for nonquota immigrant visas under section 4 (a) (6) of the Refugee Relief Act of 1953 (67 Stat. 401).

With the following committee amendments:

Page 1, line 3, after the word "That", strike out the remainder of line 3, and all of line 4, and the word "aliens" on line 5.

Page 1, line 6, strike out the following names: "Annunziato, Carmela,."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF REAL PROPERTY IN LOS ANGELES COUNTY, CALIF.

The Clerk called the bill (H. R. 9377) to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the General Services Administration is authorized and directed to convey to the Eagle Rock Young Men's Christian Association, a nonprofit corporation of Los Angeles, Calif., all the right, title, and interest of the United States in and to certain real property located in Los Angeles County, Calif., upon payment by the Eagle Rock Young Men's Christian Association of an amount equal to the fair market value of such property as determined by the Administrator of the General Services Administration.

Such property is more particularly described as follows: Beginning at a concrete monument set at the intersection of the southerly side of Colorado Boulevard, formerly Eagle Rock Road, with the easterly side of Highland View Avenue, formerly Highlands Avenue, running thence along the southerly side of Colorado Boulevard, formerly Eagle Rock Road, north 88 degrees 01 minute east 140 feet to a concrete monument; thence south 01 degree 59 minutes 40 seconds east 219.96 feet to a concrete monument; thence south 88 degrees 01 minute west 140 feet to a concrete monument set in the easterly side of Highland View Avenue, formerly Highlands Avenue; thence along the easterly side of Highland View Avenue, formerly Highlands Avenue, north 01 degree 59 minutes 40 seconds west 219.96 feet to the point or place of beginning, being a portion of lot 14 and all of lots 15 and 16, Oakmont tract, as per map recorded in book 10, page 30 of maps, in the office of the county recorder of Los Angeles County, Calif.

With the following committee amendments:

Page 2, beginning with line 1, after the word "property", insert "at its highest and best use."

Page 2, beginning with line 3, strike out the remainder of the bill and insert in lieu thereof the following: "The aforementioned property is a parcel of land located at the southeast corner of Colorado Boulevard and Highland View Avenue, Los Angeles, Calif., containing 0.708 acre known as the post office site, Eagle Rock Station, Los Angeles, Calif., acquired by condemnation, order and confirming judgment of which was docketed July 21, 1941, in civil order book 6, page 34, United States District Court for the Southern District of California."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF PROPERTY TO VILLAGE OF CAREY, OHIO

The Clerk called the bill (H. R. 9671) to provide for the conveyance of certain property of the United States to the village of Carey, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey to the village of Carey, county of Wyandot, State of Ohio, all right, title, and interest of the United States in and to the real property referred to as the former post office site situated on the southwest corner of the intersection of West North and North Vance Streets in the village of Carey and containing approximately 14,391 square feet, the exact legal description to be determined by the Administrator upon the payment by the village of Carey of the fair market value of such real property as determined by the Administrator as of the date of such conveyance.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Administrator of General Services shall convey to the village of Carey, county of Wyandot, State of Ohio, all right, title, and interest of the United States in and to the real property described in section 2 of this act upon the payment by the said village of Carey, Ohio, of an amount equal to the fair market value of said property at its highest and best use as determined by the Administrator of General Services as of the date of such conveyance.

"Sec. 2. The real property, conveyance of which is authorized by this act, is the property located on the southwest corner of the intersection of West North and North Vance Streets in the village of Carey, Ohio, which was acquired by the United States in 1943 as a projected post office site. Said property, being approximately 14,391 square feet, consists of 3 separately acquired parcels, 1 by condemnation, 2 by deed, as follows:

"Tract No. 1 by condemnation, judgment of which was entered in proceedings March 10, 1943, in the United States District Court for the Northern District of Ohio;

"Tract No. 2 by deed dated September 20, 1943; and

"Tract No. 3 by deed dated July 30, 1943; and recorded respectively in the office of the register of deeds, county of Wyandot, State of Ohio, in deed book No. 103, page 520; deed book No. 104, page 5; and deed book No. 103, page 530."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE BARGAS

The Clerk called the bill (H. R. 2045) for the relief of Joe Bargas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Joe Bargas, of Trinidad, Colo., father of Eddie Bargas, a minor, in full settlement of all claims against the United States on account of the death of the said Eddie Bargas as a result of injuries sustained on the United States post-office grounds at Trinidad, Colo., on July 12, 1950; the claim of the said Joe Bargas is not a claim that is cognizable under the Federal Tort Claims Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRUCK AND AXLE MANUFACTURING CO.

The Clerk called the bill (H. R. 4037) for the relief of Truck and Axle Manufacturing Co.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. That completes the call of the Private Calendar.

PARTICIPATION IN PARLIAMENTARY CONFERENCES

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 473 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of House Joint Resolution 501, to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. Ellsworth], and yield myself such time as I may require.

Mr. Speaker, House Resolution 473 makes in order the consideration of House Joint Resolution 501 authorizing participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization.

The resolution provides for an open rule and 1 hour of general debate.

House Joint Resolution 501, as amended, authorizes 18 Members of Congress, one-half from the House and one-half from the Senate, to be designated by the Speaker of the House and the President of the Senate, to represent the United States at the NATO parliamentary conference.

The purpose of this conference is to facilitate the achievement of the aims of the North Atlantic Treaty by promoting closer relations between the members of the legislative branches of the member states of NATO.

An annual appropriation of $36,000 is authorized. $6,000 of this is for the annual contribution of the United States toward the maintenance of the parliamentary conference, $15,000 is for the expenses of the House delegates and $15,000 for the expenses of the Senate delegates.

I urge the adoption of House Resolution 473 so the House may proceed to the consideration of House Joint Resolution 501.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me when the next conference is to be held?

Mr. BOLLING. I do not know the specific time. I understand that will be discussed specifically during the debate on the joint resolution.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield to me?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. The date would be November 19 of this year.

Mr. GROSS. Then this junket will not be started before the election; is that correct?

Mr. HAYS of Ohio. That is correct; I shall not use that terminology, but the conference will not be held until the 19th, anyway.

Mr. BOLLING. Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, I am in favor of this rule and the House joint resolution. When the joint resolution is read under the 5-minute rule it is my intention to offer an amendment which I think would go to the point raised by the gentleman from Iowa [Mr. Gross] a moment ago. I note the absence of any restrictions regarding dates, so I shall offer an amendment to the joint resolution so that a delegation may be sent only when Congress is not in session.

Mr. Speaker, I have no further requests for time on the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. J. Res. 501) to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution House Joint Resolution 501, with Mr. Harris in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. Hays].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. HAYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I want to take this opportunity of congratulating my friend from Ohio, Mr. Hays, on the introduction of this resolution. I think it is a very constructive step. I think out of it can come many fine, constructive results in the field of international affairs. This is one of the healthiest and, as I have said, one of the most constructive actions in the field of international affairs and foreign affairs that I have seen for a very long while. I not only support the joint resolution, but again I highly compliment the gentleman from Ohio for the fine work he has already done in connection with the development of a parliamentary situation in NATO and on this resolution which follows and extends that work. I can see nothing but excellent results to flow from the passing of this joint resolution enabling official participation by representatives of our Government in the parliamentary setup that is contemplated.

Mr. HAYS of Ohio. Mr. Chairman, I thank the distinguished majority leader for his remarks.

Mr. Chairman, this joint resolution would permit the United States to send a delegation to the annual parliamentary conference of the NATO nations.

As most of you know, the United States sent a delegation last year of which I had the honor to be the chairman.

In view of what the gentleman from Oregon has said, I should like to address myself to that point for a moment or two. Our Canadian neighbors to the north were those who were primarily interested in having a conference of the NATO nations, feeling that if we could have committees from the various parliaments get together and discuss our problems a lot of good could come out of it. They circulated the member nations. As a matter of fact, Senator Robertson, the Speaker of the Canadian Senate, came down to Washington to meet with the Speaker of the House and the President of our Senate. It was very difficult, of course, as you can see, to find a date which would be agreeable to all 15 nations, so more or less arbitrarily the Canadians set a date and asked the parliaments of the various countries to send delegations.

Unfortunately, the date that they picked came at a time when we were engaged in the usual July rush for adjournment, and it was not a convenient time for a delegation to go. Because of that, and because of the very close division in the other body, that body was unable to get a delegation over there. The other 14 nations were quite disturbed at the fact that there was no representation from the other body from the United States. On receipt of a telegram from the Vice President of the United States, which I read to the assembly, stating the reasons, the parliamentary conference decided that they would make every effort to defer from now on to the parliamentary situation in the United States and to hold a meeting at such time as would not conflict with the meetings of the Congress in this country.

The steering committee of this conference met in the Hague in February and chose, at the request of the United States, a date which not only did not interfere with the sittings of the Congress but one which will not interfere with the conventions of the two major political parties or the election campaign. This date will be in November after the election is over. The other nations were very anxious to defer to the wishes of the United States and went to great lengths to meet the situation as it occurs in our country in a presidential year.

At the meeting in Paris last year there were many things brought up which concerned the nations and which were discussed, and I think a great deal of good came out of it. Members who were present there from the Congress are on the floor and I hope they will say something in connection with this joint resolution. I do not intend to take all of the time the chairman has allowed me, but I would just like to point out, and I would especially like to call this to the attention of the gentleman from Iowa [Mr. Gross], for I certainly believe he has sincere feelings about this, that he mentioned something a few moments ago about something being done without the United Nations.

May I point out that this NATO organization is not a part of the United Nations, although it is in no way antagonistic to the U. N., it is an organization of the North Atlantic Treaty countries. It is an organization of nations which border on the Atlantic or its environs and nations which are allied together by treaty to defend their countries from possible aggression, which could of course come from only one country, and I refer to possible Soviet aggression.

I made a statement at the NATO conference last year which I think might be worthy of repetition here. I said in the past history has shown it is possible for democracies to work together and stand together in times of threat by armed aggression, but that history has also shown when that immediate threat passed the democracies tend to drift apart and in the case of economic difficulties they even sometimes go so far as to blame each other for their troubles. That is the kind of situation exactly that the Russians would like. It is the kind of situation they would exploit and the kind of situation which they would like to have come about. If this organization can help in some fashion to keep the problems common to all democracies before us so that we can talk about them and find the ways and means of working together to solve them, I think it will be well worth the small amount of money involved. I would like to say further that the Russians have considered NATO to be the one thing that has done more than anything else to upset all their plans for world domination.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. GROSS. This delegation is growing from a delegation of 6 last year to 18 for this year; is that correct, if this resolution passes?

Mr. HAYS of Ohio. Let me say to the gentleman that last year the delegation called for 12 members.

Mr. GROSS. I understand.

Mr. HAYS of Ohio. There would have been six from the other body had it been after Congress adjourned. So actually it has grown from 12 to 18.

Mr. GROSS. But the fact remains that 6 went last year and this year 18 would be provided for; is that correct?

Mr. HAYS of Ohio. If the gentleman will bear with me, I would like to explain the reason for that. As far as I am concerned, I have no arbitrary point of view about the number going, but I did have in the steering committee one very cogent argument which I made to the other nations and it will take just a minute or two, and I hope the gentleman will be patient while I explain it. I said I am a little tired and a great many Members of Congress are a little bit tired too, of going to international meetings where the United States has 1 vote and a country like Laos with a population of a million or two has 1 vote or Cambodia has 1 vote—just to pick a couple out of the hat, and, perhaps, Luxembourg has 1 vote and Iceland has 1 vote and so on. I said that in the United States we are pretty much wedded to a system of representation generally or roughly as we are in the House, but not, of course, exactly, on the general basis of representation according to population. I said I feel that as the most populous country in this Organization, the United States ought, therefore, to be entitled to more than just one vote. So without a great deal of argument, at my request the other members of the steering committee set up a system of voting which gave the United States 36 votes or twice as many as any other nation in the Organization. Astually, last year the resolution called for 14 members. The Speaker thought it would be fitting to make it—I guess that is the case; I am assuming what the Speaker thought—that it would be fitting to make it a bipartisan thing and he only appointed 6 instead of the 7 authorized. I am merely suggesting, and the committee agreed, that we have 18 members because that would give each member from the United States 2 votes—it would be an even fraction. In other words, if we stayed with the 14, you would have had 2 and a fraction votes, which you, of course, can see can be very difficult. There is nothing contemplated that I know of at any time in the future to enlarge the delegation and that is the reason for the number of 18, which, by the way, was adopted as an amendment in the committee after the February meeting of the steering committee, and after the number of votes that each country would have was set up.

Mr. GROSS. With the increase to 18 members, may I say to the gentleman, why not add a few more? Why not, in fact, send 530 Members of the House and Senate? I certainly would except myself. Would the gentlemen from Ohio go along with my amendment to send over 530 Members of the House and Senate, excepting the gentleman from Iowa?

Mr. HAYS of Ohio. The gentleman would go along in principle because the gentleman from Ohio thinks it would be good if all members from all the parliaments of all the nations could sit down together. I think the gentleman seriously would have to agree that that would be somewhat of an unwieldly body. It would be impossible to have everyone go. I would say furthermore I would not agree to except the gentleman from Iowa because I would like to have him as a member of the delegation. I think he would be a good watchman for the delegation and he would be a very valuable member. If we are going to send all of them—and I am serious about this—I am not saying it in any disrespectful fashion—I would like to see the gentleman from Iowa a member, if we send all of them, or even if we send a small committee. But certainly I could not agree to that amendment, because it would be unworkable in principle as well as in practice. Every other country would have to do it, and there is no place to have such a meeting, to start with.

Mr. GROSS. If the gentleman would agree to my amendment, except the gentleman from Iowa, and send all the Members of the House and Senate, you would have a very fine organization. Everybody would enjoy a nice trip to Europe, with all the festivities that go with it. I think the gentleman knows what I mean. You might accomplish something that way. I do not think you will accomplish anything with a mere 18 members.

Mr. HAYS of Ohio. The gentleman and I disagree about that. As far as the gentleman's remarks about festivities are concerned, I would prefer some of the Members on his own side would answer that, but I think they would all say that once we got through with the meetings—and we had them morning, afternoon, and evening, there was not much time for festivities. It was only a business session, and there was business accomplished. There was no time for festivities.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. HAYS or Arkansas. I support strongly the resolution which the gentleman has sponsored. When I first had occasion to study our relations with other governments that are based on parliamentary systems, Great Britain for example, I realized our great need of more formal contact than we have without this kind of arrangement. Without an organization of this kind—of course it is quite possible for alliances to move forward and be effective through executive contacts, but because of our division of powers, in the absence of something of this kind the executive department is the dominating influence. But we of the Congress are the policymakers. So I am sure the gentleman would agree with me that one great value in this organization is that the Congress is advised through contacts and conferences set up under its auspices. The Congress is given a larger voice and a larger influence. The channels of information are bound to be open to us so that we are not completely beholden to the executive department.

Mr. HAYS of Ohio. Exactly. The gentleman has put his finger on the crux of the situation. As a matter of fact, this would be handled in committee fashion, the same as everything else in this Congress is handled, by committees, because obviously the entire body cannot operate on everything that comes before this Congress. This provides us an opportunity to get acquainted with what is going on and to keep in touch.

Mr. HAYS of Arkansas. In a peculiar way this applies to the United States because our executive and legislative departments are separate.

Mr. HAYS of Ohio. It is better designed for the United States and Canada than any other, because of the fact that our executive branches are separate. But it does operate to our advantage more than any other nation in there.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. UDALL. I would like to congratulate the gentleman on his excellent presentation. There is a great deal of ferment right at this time regarding the NATO organization, and Secretary Dulles lately gave a speech where he said there should be a reconsideration of the role of NATO. I think the coming meeting this fall, where members of parliament will have an opportunity to voice their ideas about enlarging the economic and political roles of the organization, that exchange will be very helpful at such a time as Mr. Dulles and the State Department may make proposals to the Congress.

Mr. HAYS of Ohio. I agree thoroughly with the gentleman.

At this time I would like to pay tribute to the fine job the gentleman did last year as a member of the committee which attended this NATO Parliament.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. HAYS] has expired.

Mr. MERROW. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman from New Hampshire is recognized.

Mr. MERROW. Mr. Chairman, this resolution has a single, and simple, purpose—to authorize the appointment of a congressional delegation to meet annually with parliamentary groups of the 15 North Atlantic Treaty Organization countries. In addition to the United States the other members are Belgium, Canada, Denmark, France, Federal Republic of Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom.

Each of the members is contributing to the mutual defense of an area that we regard as vital to our own security. This common objective, so important to every American, has brought together nations that are opposed to Communist expansion. In these challenging times it is not enough that we and they unite only because we are all against something. On the positive side, the NATO members can do much to contribute to the economic, social, and cultural development of their peoples. An organization such as is embodied in this resolution offers one of the best means to achieve these broader purposes.

The NATO Parliamentary Conference is not a policymaking body. By providing a forum for the exchange of views of elected representatives, it permits the projection and discussion of issues that most concern the peoples whom they represent. While such views need not necessarily be at variance with official positions of their governments, they can be discussed with a frankness and informality not always available to diplomats and military leaders.

Mr. Chairman, I hope that House Joint Resolution 501 is adopted by the committee.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, last year when I was a member of this group, frankly, I felt honored that the Speaker appointed me on the committee. We had a very harmonious group of men and we went with only one purpose in mind, which was to cement together the parliamentarians of the NATO countries.

I am firmly convinced that if we had had this organization last year we could have prevented the tragic thing that happened over in Cyprus. As all of you know, the Communists tricked the Greeks into stirring up a lot of trouble there, and it might have blown up into another world war. As a matter of fact, if we could have talked with the parliamentarians from Greece, Turkey, Great Britain, informally, and learned just what their difficulties were and what they wanted I believe those informal meetings could have solved the problems that we had in Cyprus. After it had been considered by the Security Council and in that manner landed on the front page of the leading papers of the world it was too late to invoke informal discussions to mediate the differences of the various countries involved.

Our chairman was very gracious to all of us; we were a very harmonious group. We had fun a few times by ourselves. In every way, in my opinion, the meeting was a success. We went along on the basic idea that the legislators of the various countries whose laws make the policies of the country should be the ones who were joining together to determine if they could harmonize their views and thus bring about results that would minimize the tenseness of the world in which we are living.

It was my pleasure to be sent to Canada several years ago with Owen Roberts and with Senator Gillette and another person. Up there we met Mr. Robertson who has been a key figure in trying to bring about a parliamentarians' association which I believe we have organized in this resolution.

You all know that many problems in the House of Representatives are handled in conference committees where the men can talk frankly and where what they say does not go outside the room they are in. When they finally harmonize their views they come back to their respective houses and get the consent of the Senate and the approval of the House of Representatives.

My colleague the gentleman from Iowa [Mr. GROSS] said that we had no military force in Europe. The Air Force under the command of General Norstad, which is part of an international Armed Force composed of nationals from the NATO countries, is the most powerful striking force in the world. Furthermore its forward eschelon is within 10 minutes of the Sattelite countries that are now under Communist domination. This includes countries from Poland to Yugoslavia.

The world is so small, the world is so explosive, the world is so tense that I believe we should take every reasonable step we can to gather together those forces in the world that want peace, so that we may have finally a world in which our children can live without fear. It seems to me the way to do that is to get together the able men who spring from the people that elect them, and thereby get the grass roots opinion.

Mr. Chairman, my views on this matter are such that I think it is one of the most important things we can do and I appreciated tremendously the fact that the Speaker was generous enough to appoint me one of the members of this group last year.

Mr. Chairman, I sincerely hope this resolution will be agreed to unanimously today.

Mr. MERROW. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, among the few members on the floor, the Committee on Foreign Affairs is well represented as it usually is on an occasion of this kind. But after listening to the remarks of the various gentlemen who have preceded me I gather the opinion that we could disband NATO, we could disband SEATO, we could disband all of the rest of the so-called alliances we have and just set up this NATO parliamentary conference or whatever it is, and everything will be lovely and the goose will hang high for us in foreign countries. It apparently has all the answers to all the problems of the world. The gentleman from Massachusetts [Mr. MCCORMACK] said that nothing but good had flowed from the conference that was held last year, the 5-day conference, attended by six Members of the House. I do not see how anything very bad could flow from it because, as far as I can determine, nothing happened except to give six Members of the House another junket over to Europe.

I read the so-called report of the gentleman from Ohio [Mr. HAYS], which is to be found in the CONGRESSIONAL RECORD, volume 101, part 10, page 12743. If anyone can read this and find any accomplishments I would be delighted to have them tell me about it. I could find no accomplishments flowing from the meeting of last year, nor do I anticipate anything is going to happen from the meeting this year except to spend some more of the taxpayers' money. The gentleman from Ohio [Mr. HAYS] reminds me of something that is pretty obvious; that NATO is not a part of the United Nations. Of course, it is not a part of the United Nations. NATO was hatched because of the failure of the United Nations, because of the complete and utter inability of the United Nations to deal with the situation which NATO sought to deal with on the European continent. And today NATO is about as near a defunct institution as anything can be.

So it is proposed to mobilize 18 Members, 9 from the House and 9 from the Senate, give them $36,000, and I do not know how much more in the way of free transportation through the military, send them over to Europe to do a job that NATO has not, cannot, and will not do. I say to you that it is another joyride and I am going to continue to tell you that in my remarks because that is all it amounts to.

A previous speaker said that this NATO parliamentary conference is designed to take care of Canada and Great Britain. In my opinion, Canada and Great Britain ought to be making a far greater contribution to themselves by putting a few troops in NATO; by showing some disposition to support NATO. As I understand it, the British have 4 divisions in NATO today and are on the point of withdrawing 1 of those. There are no French forces in NATO to amount to anything, and I am sure the gentleman from South Carolina, the chairman of the House Committee on Foreign Affairs, Mr. RICHARDS, knows that very well. They have taken their troops to Africa. NATO today is the next thing to a defunct institution. Secretary of State Dulles has practically admitted it. He has been fishing around for the last week or so over in Europe to determine whether it is going to be a political or an economic organization. It was created for the purpose of providing a military force in Europe. Now the question is being examined as to whether it is going to be a political or an economic organization, and 18 Members of the House are going to Europe next November, mind you, after the election; not before the election but after the election to straighten out this mess into which we have poured billions and several divisions of American troops.

I was interested to note the other day, just in passing, that there is going to be no meeting of the United Nations on September 8 as was previously scheduled. It has been postponed until November 12; until after the election. Why? Why no no meeting of the General Assembly until after the election? Do they not want to argue the question of the admission of Red China before the election? Why has it been postponed? Why do you want to postpone this? If you can do so much—if this is such an important conference—why postpone it until after the election? NATO is on the rocks. If this junket can give it any help, it needs it now, not months from now. Why are you waiting until after the election to go over there? Is it because you want to go out and campaign and take this joyride later?

Somebody—I believe it was the gentleman from California [Mr. JOHNSON]—said if we had had this junketing force in operation there would have been no trouble on the island of Cyprus and that the Communists have engendered all of the trouble down there, in his opinion. Well, the Communists have had their hands in it, to be sure, but do not forget that it was the British who, in the closing days of the war set the stage for trouble in Greece, and they had to hightail it out of that country because the Greeks would have thrown them out of there if they had remained and so we took over the policing of Greece several years ago, remember? No, it was not the Communists that started the trouble on Cyprus; it was Great Britain that has had its heavy hand upon Greece and the Cypriots all through the years. They are members of NATO and they started the trouble.

Somebody mentioned Iceland. Iceland is a member of NATO and this parliamentary conference. Are you going to go over there, the 18 Members of the Congress, on this joyride and convince the members of the parliament of Iceland that they must back up now and tell us we can stay in Iceland? They have served notice on us to get out.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I do not know that the committee would go to Iceland and try to persuade them, but I think if the committee could persuade them in the parliamentary conference to share our point of view, that it would be a very fine thing.

Mr. GROSS. There has been a lot of money dumped into Iceland, and millions and millions of dollars apparently did not change them. Is that not correct?

Mr. HAYS of Ohio. I would say to the gentleman, from what I understand about the situation in Iceland, this matter occurred just before election when certain members found it expedient to be slightly isolationist.

Mr. GROSS. Or neutral. I do not think the gentleman is going to change that situation, either. Mr. Chairman, I should like to ask a question of someone. How many staff members did you have on the trip last year?

Mr. HAYS of Ohio. I believe we had four.

Mr. GROSS. Four staff members for a 5-day trip; is that correct?

Mr. HAYS of Ohio. That is correct.

Mr. GROSS. What were the total expenditures last year?

Mr. HAYS of Ohio. I do not have the figure at the tip of my fingers, but I think they ran in the neighborhood of $8,000.

Mr. GROSS. I think I can tell the gentleman. The gentleman, being chairman of the delegation, I thought probably knew, but I can tell him. The total expenditures were $9,256.11. I do not think that included counterpart funds. I think you probably spent some counterpart funds in addition.

Mr. HAYS of Ohio. Let me say to the gentleman that part of the figure that he has mentioned represents two meetings at least of the steering committee attended by one member of the group, to formulate the program for the next meeting. The original amount spent by the delegation was about $3,000 and there has been probably $1,200 spent since then.

Mr. GROSS. The Disbursing Office records show that there was spent $9,256.11 as of a few days ago. Does the gentleman propose to increase the number on the staff for this junket this year?

Mr. HAYS of Ohio. As a matter of fact, may I say to the gentleman, there is no permanent staff of the committee. The staff we had last year, two members thereof, were not paid out of committee funds. I do not know that there is any proposal to increase the number at all.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. I yield to the gentleman.

Mr. RICHARDS. I should like to say for the information of the gentleman that there were no staff members of the Committee on Foreign Affairs on this trip.

Mr. GROSS. I am speaking of so-called staff members of the committee.

Mr. HAYS of Ohio. May I say to the gentleman that I requested, as is customary many times, the State Department to furnish staff members from the Embassy in Paris. The Department was rather embarrassed, I think, and reported back to me that they could not do so because they had to use everyone who was available to send down to Geneva because this occurred at the same time as the President's Summit Conference at Geneva. The State Department suggested that we take staff from here to do the necessary secretarial work for the delegation. That is the reason it was done that way.

Mr. GROSS. The report of last year's meeting indicates but little secretarial work was done. The gentleman from Ohio [Mr. Hays] spoke of voting strength of this delegation. What do you propose to vote on?

Mr. HAYS of Ohio. We propose to vote on any resolutions that would be brought forward. I cannot predict what they would be at this time. As a matter of fact, the agenda for the next meeting has not been certified as yet.

Mr. GROSS. What kind of resolutions does the gentleman think this sort of organization would have?

Mr. HAYS of Ohio. I think one thing, which would be somewhat obvious, would be that they would want a resolution deciding that it was the sense of this group—which would be in no way binding, but it would be similar to a recommendation of any other committee—that the Parliaments and Congresses should implement the decisions that Mr. Dulles and the foreign ministers might make. He has been trying to formulate some decisions concerning the economic future, for instance, of NATO; the cultural future of NATO; ways to cooperate, means that these 15 nations can take to offset, to the best advantage, the approaches and advances being made by the Russians to gain control of great areas of the world, and to destroy this organization.

Mr. GROSS. Mr. Chairman, I am surprised, in view of the fact that there are 6 Members of the House who were over there last year, and the gentleman from Massachusetts [Mr. McCormack] says there was so much great good flowing from that meeting, that the Secretary of State failed to call in those 6 Members, and particularly the chairman of this committee and ask what they would suggest he do at the NATO Conference he just attended. I am surprised that he did not do that.

Mr. HAYS of Ohio. I am surprised that he has not done that.

Mr. GROSS. Yes, it is surprising that he did not call in the gentleman and the other five members of his committee, having all of the valuable information obtained on last year's junket, to find out the answers as to how to make NATO a going institution, which of course it is not today.

I will have some amendments to offer to this joint resolution, particularly to try to stop this thing from being fastened permanently around the necks of the taxpayers of this country on an annual basis. We have the Interparliamentary Union, which has gone on for the Lord knows how long, and nobody can point to anything that junketing outfit has ever accomplished. It has become a permanent fixture. I am opposed to making this thing permanent.

Mr. RICHARDS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. Tumulty].

Mr. TUMULTY. Mr. Chairman, as the Irishman said, "Is this a private fight or can anybody get into it?" I had not planned to say anything on this matter. I had planned to listen to the debate. But after hearing my distinguished friend from Iowa [Mr. Gross] I of course must say a few words.

I think the idea is a good one. I would not necessarily subscribe to all the things that NATO is doing, but I can see a good practical value arising out of sending a group of Members of this House and the other body over to discuss with parliamentary representatives of other nations problems of mutual interest.

I notice the joint resolution confines the activities of the group to discussion of any problems in the interest of maintaining peace and security in the North Atlantic area. If I were on the committee I know I would have some questions to ask, if I were able to go. I should very much like to ask the British representatives of Parliament when they intend to end the partition of Ireland. I should like very much to find out from them as one parliamentarian to another why they persist in this unjust aggression in Ireland.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Iowa.

Mr. GROSS. If the gentleman is making a speech in favor of this joint resolution I have no doubt but what he will be invited to go.

Mr. TUMULTY. Just a moment ago the gentleman was invited because he was disagreeing. If I were he, I would go and I would ask questions. For example, the gentleman could go over there and say to some of these representatives, "Boys, you are spending too much of our money. You are taking too much money out of the United States. You are not doing what you should."

The gentleman could say in his own inimitable eloquence, "Frenchies, you are not doing your part. You are spending money that could go to Iowa."

I should like to ask those questions. I think this resolution gives us a forum. I think it is a splendid idea.

Mr. GROSS. Somebody ought to stay around here and try to keep Princeton University straightened out.

Mr. TUMULTY. That is true, but there are moments when you can relax your vigilance on domestic matters and go over and see the world and increase your voluminous knowledge, and ask the questions of foreign parliamentarians that you asked here on the floor. I do not know whether they could answer them any better than we do, but I think the country is missing something when men like you do not go over there.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. JOHNSON of California. I understand the gentleman was in Spain last year.

Mr. TUMULTY. Yes; I was.

Mr. JOHNSON of California. The gentleman asked a whole lot of questions?

Mr. TUMULTY. Yes.

Mr. JOHNSON of California. Does not the gentleman think that trip was worthwhile to get some of the answers the gentleman wanted?

Mr. TUMULTY. Yes; I think the trip was worthwhile. I feel we got some splendid answers. I think NATO has done good. I do not agree with everything it has done. I do not feel too enthusiastic about France, which has an active Communist Party in it. But I think if you have a vehicle there where you can ask these questions of men in the countries where the problems are, where you can legitimately ask them without seeming to interfere in their affairs, I think a lot of good could come out of it. I know if I had met some parliamentarians from England or France in such a capacity I would ask these questions. I would like to ask the English about the Burgess-McLean case, and their measures for security, and I would feel better able to ask it at a body of this type.

Mr. JOHNSON of California. The main point I wanted to make was that the gentleman, like many of us, wants to go out to try to learn something by being on the ground as to what is going on, and in what way we can help ourselves to do the right thing, to cooperate, with our allies and perhaps get more cooperation from them.

For instance, I live out in California, 3,000 miles away. So I wish every single member of the Committee on Agriculture would go out to the State of California and see our agriculture out there. It is entirely different than in any other part of the Union. I assume, according to the ideas of the gentleman from Iowa, that would be a junket. The gentlemen ought to go out there to learn what the country is like, outside of Iowa.

Mr. TUMULTY. I will tell you the truth—on this so-called junket that I was on, I did not lose any weight—I can tell you that. I have a better way of spending my time if I want to enjoy myself. And it is not getting up at the crack of dawn and taking a plane in the middle of a fog and trying to get into a hotel room, and then getting into a bed that does not hold you up, and you find the next morning when you wake up that you spent the night on the floor, nor do I have the idea that it is an enjoyment just going from place to place and attending meeting after meeting. I think this idea of a pleasure jaunt with respect to these trips is greatly exaggerated. As one who loves comfort, I can assure you I would pick another way to enjoy myself. I would like very much to go to California and try the oranges out there. I understand they are very good for reducing.

The point I want to make is this: This resolution gives us a forum to voice discontent with the way things are. I hope this resolution will pass because I would like to have a forum where I could disagree with Mr. Dulles and where I could say to the French and English, and I hope some day to the Irish if they are ever properly recognized, and if the British would only take their foot off Ireland's neck up there in the north of Ireland—I would like to say, "Look I think that our joint foreign policies are not doing so well. What do you think abcut your policy—is it doing so well?" In other words, it gives us a forum to air our discontent in a proper and legitimate manner. I think it is well worth the money that is expended on it. That is why I hoped you would take the junket. I will go with you, if you want—and be a sort of bodyguard to you.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. GROSS. If the gentleman wants to disagree and get his ideas across to Secretary of State Dulles, he does not need to take a trip to Europe to do so. What he needs to do is become a member of the Committee on Foreign Affairs.

Mr. TUMULTY. No, I think it would be lots easier to find him in some foreign port. He is so seldom in Washington that it would be more likely that one would meet up with him in France, or Spain or the East.

Mr. GROSS. The gentleman should be a member of the Committee on Foreign Affairs, if he wants to rub elbows with Mr. Dulles.

Mr. MERROW. Mr. Chairman, we have no further requests for time.

Mr. RICHARDS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That not to exceed 14 Members of Congress shall be appointed to meet jointly and annually with representative parliamentary groups from other NATO (North Atlantic Treaty Organization) members, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. Of the Members of the Congress to be appointed for the purposes of this resolution (hereinafter designated as the "American group"), half shall be appointed by the Speaker of the House from Members of the House, and half shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees from the respective Houses shall be of the same political party.

The Clerk read as follows:

Committee amendment: Page 1, line 3, strike out "fourteen" and insert "eighteen."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 10, strike out "American" and insert "United States."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 4, strike out "four" and insert "five."

The committee amendment was agreed to.

Mr. ELLSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ellsworth: On page 1, line 4, after the word "annually", insert "and when Congress is not in session."

Mr. ELLSWORTH. Mr. Chairman, when a similar resolution was passed last year, it was not noted at the time that the date of the proposed meeting as it later turned out and has been mentioned on the floor in general debate, that the scheduled date of the meeting last year was when Congress was in session and not only in session but at the very busiest time of the session last year. So when this resolution was reported this year, I made up my mind that I would offer to the committee at this point an amendment which would clearly state the wishes of the Congress regarding the annual meeting date for this conference. That is the sole and only purpose of the amendment which I have offered. It in no way limits or disturbs the intent and purpose of the resolution with which I am fully in agreement. The nations of NATO, the nations of Europe and the United States who are banded together under the NATO treaty have most of their meetings and most of their contacts, at the executive level. I think it is highly desirable that we arrange for representatives of our Congress to confer with representatives of the other nations at the parliamentary level so that we can better understand one another in this organization.

Mr. HAYS of Ohio. May I say to the gentleman that I tried to explain in my remarks about the resolution why the situation arose last year as it did. I assure the gentleman that as far as the Canadians, who proposed the date, are concerned, it was entirely an inadvertence on their part. That it was not more convenient to us. I have no objection to the gentleman's amendment. I think it might strengthen the hand of the steering committee member, whoever he may be, that meets with the other members to determine the date. I would like to inquire if the gentleman intends to prohibit a member of the steering committee, whoever he may be, from meeting with others to set the date for the next meeting. He does not intend that, does he, by his amendment?

Mr. ELLSWORTH. No.

Mr. HAYS of Ohio. It is that the annual conference be held at a time when the Congress is not in session?

Mr. ELLSWORTH. I assure the gentleman that the amendment would apply only to the date of the conference itself.

Mr. HAYS of Ohio. I thank the gentleman.

May I say that as far as I am concerned, and the membership on this side, we have no objection to the gentleman's amendment.

Mr. ELLSWORTH. I thank the gentleman. I appreciate the explanation made by the gentleman from Ohio, a member of the Foreign Affairs Committee which reported this resolution, regarding the date last year. But memories of people are short, and so just to be sure that we did not have such a slip again, in view of the fact that this resolution sets up our participation in this NATO conference on a permanent annual basis, I think it highly important that the views of the United States concerning the date of the meeting be inserted in the resolution itself.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. VORYS. I know of no objection to the gentleman's amendment on this side. In fact I think it is a good thing. It was an unfortunate circumstance that the meeting came as it did last year, but having put in this amendment, we can certainly arrange with the other nations so as to meet at a convenient time.

May I ask the gentleman this question: There has been criticism as to having such a meeting after the election, rather than during the campaign period, when the Congress is not in session. Does not the gentleman agree that if you are going to have it during the campaign period, then nobody except those fortunate souls who do not have any campaign, will be eligible to go, and therefore there is a certain reason, if you cannot meet early, for having it at a time when Members who are in a position to fight for their seats, can be able to go?

Mr. ELLSWORTH. May I say to the gentleman that the spirit of my amendment is that this meeting be held at the convenience of Congress. In other words, it is a resolution of Congress regarding our own Members going to the meeting. I think most certainly the meeting should be at the convenience of the Congress.

Mr. GROSS. Will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. GROSS. How are you going to bind the other member nations of this organization as to a meeting date?

Mr. ELLSWORTH. I do not believe there is any thought of binding anybody.

Mr. GROSS. What is the meaning of your amendment if it does not say that no meeting would be held during the sessions of Congress?

Mr. ELLSWORTH. The meaning of my amendment expresses the view of the United States. If it turns out that we cannot agree with the other member countries as to a meeting date, we will not be represented.

Mr. GROSS. I would not want anything to deprive anyone of this trip at taxpayer expense.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mrs. CHURCH. Has the gentleman included the word "regular"? Does he mean a regular session of Congress?

Mr. ELLSWORTH. I used the words "when Congress is not in session."

Mrs. CHURCH. Would it mean that if a special session were called after the delegates were gone they would have to be recalled?

Mr. ELLSWORTH. I am afraid it would mean that; yes.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. KEATING. It seems to me this is a very constructive move on the part of the gentleman from Oregon; and in further reply to the gentleman from Iowa may I say that if we adopt this resolution with this amendment it will only permit a delegation to go from here if the time is fixed when we are not in session. Certainly with this country such an important factor in the NATO organization they are going to give due weight in fixing the date to the United States views, and as a practical matter they are not going to hold a NATO conference without the participation of the United States.

Mr. ELLSWORTH. I think the gentleman is correct. I am sure the other nations would show the United States due courtesy in this matter.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

(On request of Mr. Hays of Ohio and by unanimous consent, Mr. Ellsworth was allowed to proceed for 2 additional minutes.)

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. HAYS of Ohio. I wish to address myself to what the gentleman from New York has said, as well as the gentleman from Ohio [Mr. Vorys].

May I say that the date for this conference meeting was set by the steering committee in February, which I attended. The other nations are more than happy to defer to the wishes of the United States. The reason I feel we should make the date after the election is for the very reasons advanced by the gentleman from Ohio [Mr. Vorys]. It would seem to me it would be difficult to get a delegation the members of which would be willing to go either during the time Congress were sitting or during the time the national conventions were sitting or during the period of the campaign; and I say to the gentleman from New York [Mr. Keating] that the other nations are most gracious and anxious to defer to our wishes in the matter.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. JENSEN. I am in full support with the gentleman's amendment to the resolution. I am also in full support of the resolution. I think it is good to have Members of Congress attend the Interparliamentary Union meetings. I think it is good that Members of Congress travel around the world to see how we are spending our money in foreign countries, and how those foreign countries themselves are spending our money.

The fact is, we are in this organization of friendly nations which are on this side of the Iron Curtain. Whether we like it or not we are in it, and we had better send Members of Congress around the world to see what is going on.

I have been on several trips to foreign countries looking into the things for which our money is being spent. I have been with members of the Appropriations Committee. We have always had either a clerk of the committee or the chief clerk; and, believe you me, we learned things. Then we report back to the committee what we have learned. We do not make those reports public because we shoot straight from the shoulder and some of the things we say about these other nations might not ring the kind of note they would like to hear.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

(On request of Mr. Bonner and by unanimous consent, Mr. Ellsworth was allowed to proceed for 3 additional minutes.)

Mr. JENSEN. And I can say that every committee I have been on has worked. Of course, there is a little enjoyment, too, that goes along with it, but I am sure that a great majority of the Members of Congress who have gone on these trips feel that the experience has been most helpful and worth while. So I am very pleased to support this resolution.

Mr. ELLSWORTH. I thank the gentleman very much.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from North Carolina.

Mr. BONNER. So that the Congress will know whether this committee speaks with authority or inquires with authority in order to report back to the Congress or whether or not the Interparliamentary Union group represents the Congress and speaks with authority and can report back to the Congress. I want to know what kind of conflict there will be between these two delegations that we propose to send abroad. I have been unable to find out much about the Interparliamentary Union. Of course, I admire the frankness with which this resolution is brought to the attention of the House so that we can all understand it, but I want to know which will be the authorized body?

Mr. ELLSWORTH. Before I yield to the gentleman from Ohio to answer the question more specifically, may I say that I, too, had that same question in mind. I understand however that this resolution before us applies only to the relationship that our Government has with the treaty countries as a part of the treaty organization, whereas, as I understand it, the Interparliamentary Union deals with a discussion of the various parliaments.

Mr. HAYS of Ohio. The gentleman has stated the matter correctly. I may go further and say that the concept of NATO is that it is an organization of countries to mutually protect each other from the possibility of aggression by the Communists and they have certain problems that are peculiar to that organization, whereas so far as the Interparliamentary Union is concerned—I am not sure about this—but I understand at the last meeting the Soviet Union delegates to it and have a right to, so, therefore, you have a situation which is entirely different. There is no conflict. As a matter of fact, this committee would only speak of its relation with NATO, whereas the Interparliamentary Union committee would speak on a much broader scale with any country that has a parliament.

Mr. ELLSWORTH. Is it not true also that our parliament or Congress legislates on matters having to do with NATO and all the other member parliaments legislate on matters having to do with NATO, therefore this discussion allows an opportunity to compare notes at the parliamentary level? That is why I am for it and I assume that is the value involved in it.

Mr. HAYS of Ohio. The gentleman is exactly right.

Mr. BONNER. Suppose these two groups were meeting in this identical city at the same identical time, which would represent this country?

Mr. HAYS of Ohio. It would be just the same, as far as I can see, if the National Convention of Retail Merchants and the National Association of Coal Producers were meeting in Washington. One would speak for the coal producers and the other would speak for the retail merchants. I do not foresee that they will meet at the same time in the same city, but if it should I think that would be the way it would work out.

Mr. BONNER. Which one would speak for the United States Government?

Mr. HAYS of Ohio. The Committee in NATO would speak for the Congress in the NATO organization and the Interparliamentary Committee would speak in the Interparliamentary Union.

Mr. ELLSWORTH. I thank the gentleman.

Mr. VORYS. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I first want to comment on questions asked as to the Interparliamentary Union. There are, I believe, 33 nations in it. Some of the Iron Curtain countries, after staying out for a number of years—Czechoslovakia, Poland, Rumania, Bulgaria—have again come in, posing quite a problem for the Interparliamentary Union as to whether they were now eligible; but they finally admitted those countries. However, the American delegates to the Interparliamentary Union do not speak for the United States Congress, the delegates to this NATO parliamentary conference will not speak for the United States Congress. No group of Members of Congress meeting elsewhere can commit the United States Congress.

Mr. Chairman, I am in favor of this resolution, I am in favor of the amendment limiting our participation to periods when Congress is not in session. I think, though, that you can look forward to the day when we might have delegations of similar character go to the Southeast Asia Treaty Organization meetings. I would be glad to see the time come when the members of the parliaments and the congresses and the legislatures of those nations would be getting their heads together. And, as to meetings of the organization of American States, I think such parliamentary meetings in the Western Hemisphere might be very important.

We are a big, important country, and this is a great big world, and there are a number of regional activities in which we are interested as well as a number of overall activities, such as the United Nations itself. And we are no doubt going to participate in all of these activities.

I appreciate the importance of NATO, as reflected in this resolution, but I do not want to see us become too absorbed in the Atlantic community. Many in the Atlantic nations, and some of our own people, are in favor of an Atlantic union, in which we would merge our sovereignty in an exclusive, preferential way, with some or all of the NATO countries. I am opposed to this. I am not so obsessed with the importance of Western Europe as to ignore the equal importance to use of our own hemisphere and the Far East. We must make no arrangements that will put these other neighbors of ours to the south and east in a second-rate position of interest or association.

There is one aspect of this that I do not believe has been mentioned, and that is the vision that not more than 5 of the 9 Members from either the House or Senate shall be of any single party. Provision is made here for minority representation at these conferences, regardless of which party is in power, and that is a most important provision. When we have a meeting of the diplomats or the heads of government, they represent the party in power in each country, as is proper. If minority members are there, they are appointed by the party in power, although often with the collaboration of the minority leaders. But in this case we are assured that both of the great political parties of our country are going to have a voice either to commend or, as one Member has said, to criticize in these NATO parliamentary meetings. Our delegation is going to be broadly representative of the Congress and of the parties and this resolution makes sure of a minority voice in the discussions and deliberations that take place. I think that is a fine thing to provide.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I could not agree more wholeheartedly with the gentleman, no matter what I said. But I just wanted to add to the gentleman's fine remarks the fact that this delegation last year was most bipartisan in its approach. As a matter of fact, a member of the minority party was appointed as the American representative on the rules and resolutions committee, which is the most important committee of the organization, and he sat there representing all of us on that committee. I am sorry the gentleman from California [Mr. Johnson] has left the floor temporarily, but he did serve most ably in that capacity. That just bears out what the gentleman said, that provision is made so that this committee will represent a cross section of both parties and a cross section of the Congress.

Mr. VORYS. I am glad to be reminded of the bipartisan character of last year's representation. I want to remind my colleagues that this sort of provision tends to give continuity to the representation at these gatherings, even though there is not complete unanimity of expression. All the world knows that we have two great political parties and that no one of them is necessarily forever in power. When our representatives go there and discuss things frankly, they appreciate the differences; they also appreciate the substantial unity of our parties on matters that involve our relations with the rest of the world.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. Ellsworth].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 1, line 4, strike out the words "and annually."

Mr. GROSS. Mr. Chairman, a few moments ago my colleague from Iowa [Mr. Jensen] endorsed this resolution and the various junkets made by Members of Congress to foreign countries. I have no quarrel with committees that make investigations of expenditures of money. The gentleman seemed to think that this junketing group here is going to Europe to make an investigation of moneys expended by the Government. They went over last year and there was not the slighest mention that they gave any attention to the billions we have spent.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I do not yield at this time.

Mr. JENSEN. Stick to the facts.

Mr. GROSS. The record shows the facts. The gentleman says that it is a fine thing for Members to go to foreign countries to investigate the spending of money.

Mr. JENSEN. That is right.

Mr. GROSS. The gentleman endorses this resolution to send this junketing group over to Europe. They went over last year and nowhere in their report is to be found any mention of the money spent by this Government. If the gentleman would take the time to read the report he would know that.

The Interparliamentary Union has been spending all kinds of money of the taxpayers of this country through the years, on junketing trips, over to the blue Danube and various other places. If the gentleman will read their reports, as I have read them, he will find no mention of any investigation on the part of that group of the spending of money in foreign countries.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield, briefly, not for a speech.

Mr. JENSEN. The gentleman says that they did not go over there to save money—the Interparliamentary Union.

Mr. GROSS. They went over there to spend money and the facts show that.

Mr. JENSEN. Would not the gentleman agree that by a meeting of the minds of the people of this Nation, through Members of the Congress, and members of other nations, at this Interparliamentary Union, we could have the effect of the saving of money for the United States of America?

Mr. GROSS. I am glad the gentleman used the word "could," because that is the umbrella he rests under.

Mr. JENSEN. Just a moment——

Mr. GROSS. Yes, it could, but it never has.

Mr. JENSEN. How does the gentleman know that it has not saved money?

Mr. GROSS. Go look at the record.

Mr. JENSEN. Can the gentleman prove that it has spent money, except for the trips?

Mr. GROSS. Certainly that was an expenditure, and we have been continuing these huge foreign-aid expenditures year after year. The gentleman has been investigating expenditures overseas and yet this year he is confronted with a bigger foreign aid bill than we had last year, and a 10-year program on top of that. Where are we getting with these junketing outfits that have been going all over the world? Show me some results, and I will go along with the gentleman.

Mr. JENSEN. Just this much, let me say to my friend, with respect to the amount of money that we are spending this year. It is very possible, and in fact I am quite sure that had we not gone around and looked into the expenditure of funds that we appropriate for some of these foreign countries, that the request for that purpose, perhaps, would be twice as much as it is today.

Mr. GROSS. Of course, you may have done a little good. But what the gentleman is saying is an assumption that cannot be proven.

Mr. JENSEN. And the gentleman cannot prove any statement that he is making, either.

Mr. GROSS. Look at the record of spending since the end of World War II; the billions in foreign handouts and now the demand for increasing amounts.

Mr. JENSEN. No, the gentleman cannot. He cannot prove that this Interparliamentary Union has not done good and saved money for the taxpayers of America.

Mr. GROSS. Show me anything in the results of the Interparliamentary Union through the years that has been of any benefit to this Government or the taxpayers.

Mr. JENSEN. I would say that if the gentleman would get around and go to some of these meetingss, get around the world and see a few things, even here in the United States, he might take a different view on a great many things.

Mr. GROSS. Mr. Chairman, I do not yield any further.

Mr. JENSEN. I do not blame the gentleman for not yielding.

Mr. GROSS. I will say to the gentlethat I well remember one resolution passed by the Interparliamentary Union in which that outfit said that as a condition of our cooperation with foreign nations we must understand that we would have to yield some of the sovereignty of our people.

Mr. JENSEN. Have we yielded any of our sovereignty?

Mr. GROSS. Of course we have yielded some of our sovereignty.

Mr. JENSEN. Where? Be specific. If you are going to make a lot of noise about it, be specific.

Mr. GROSS. Go read the United Nations Charter if you do not think we have yielded sovereignty. Who dragged us into the war in Korea? Read the NATO Status of Forces treaties and agreements.

Mr. JENSEN. He brings up some matters here that have no connection whatever with this issue.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent (at the request of Mr. McCormack) Mr. Gross was given permission to proceed for 5 additional minutes.)

Mr. GROSS. I will not take the 5 minutes, Mr. Chairman.

Mr. Chairman, my amendment simply strikes out the words "and annually", which would prevent this organization from being made permanent. That is, its activities would be brought here for review each year, its expenditures would be brought here for review each year. That is all the amendment does. Taking out the words "and annually", the bill would read, "Members of Congress shall be appointed to meet jointly with representative parliamentary groups," and so forth.

Mr. Chairman, I ask for a vote on my amendment.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask the Committee to vote down this amendment for the reason that it would not at all prevent the organization from being made a permanent organization. It would only prevent the United States from sending a delegation unless it came in each year with another resolution. As a matter of fact, the Committee on Foreign Affairs staff thought that it should be written this way to preclude the fact that we would have to have debate on it each year.

I realize that some of the Members have had a good deal of fun and an opportunity to make some remarks and they might wish to do so each and every year, but as long as the NATO organization is in existence and as long as the organization is doing a job, as long as we are a member of it, I believe the Congress would want us to be represented. I ask that the Committee not support this amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. VORYS. Some of us have closed minds and some of us believe that the way to preserve an open mind is to have a vacant mind, as far as knowing anything first-hand about the rest of the world is concerned. But does not the gentleman believe that it is a good thing for some of the Members of Congress to have somewhat open minds, willing to learn first-hand about other countries and their problems, and for them to seek open minds elsewhere that will be willing to learn about our problems?

Mr. HAYS of Ohio. The situation as I see it is that you cannot always just recite in black and white everything that a meeting like this has done. There are tangible things and sometimes there are a lot of intangibles connected with it. Sometimes we present our views to members of other parliaments and prevent them from bringing up certain things they might bring up that we do not want. It does a great deal of intangible good, in my opinion.

Mr. VORYS. I agree with the gentleman. Often in informal talks we learn something or we pass along something that it would not be in the best interest to disclose in formal reports subject to debate here. That is very helpful to the course of cooperation with other nations. Is not that true?

Mr. HAYS of Ohio. The gentleman is exactly right. I might use as an example that the two traveling salesmen from Russia, not being conversant with democratic ways, in an informal meeting in England, in my opinion, did their country a great deal of damage because of the fact that they showed their true colors. American and English members of parliament could sit down and disagree and have an argument, and perhaps they would accept part of our viewpoint and perhaps a lot of good would come out of it. But, because these men had no history of democratic ways, they did not know how it was done and, in my opinion, they have done irreparable harm to their ideas in Europe and have done a great deal of good for our own.

Mr. VORYS. I certainly agree with the gentleman.

May I express one more thought: We know that NATO is under fire by minorities in each of the member countries. We know that it has been under fire here today. But would it not be a good thing, just as a gesture of confidence in the essential continued unity of these nations, for us to authorize meeting annually at this time during the life of the NATO treaty, rather than publicly to warn our brothers in other countries that we are only going at it a year at a time?

Mr. HAYS of Ohio. Exactly. If this amendment is adopted, it might well be interpreted in foreign nations to mean that we are ready to write NATO off and consider it to be dead and forget about it.

Mr. VORYS. It might look like a cut-off date.

Mr. HAYS of Ohio. Exactly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MERROW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to call the attention of the Committee to the report which accompanied House Joint Resolution 501 to the floor of the House. On page 2, the report states:

> The program and operation of the NATO Parliamentary Conference is summarized in the following resolution adopted at the 1955 meeting.

The resolution states:

> Believing that these discussions between members and the NATO authorities and between members themselves have already been of great value; and
>
> Invites the speakers of the various parliaments concerned, according to the procedure which they think appropriate, to send delegations to a similar meeting each year.

If we were to adopt this amendment, as proposed, we would destroy the object of this whole consideration because the invitation is for a meeting annually and, if meetings are to be of any value in this kind of procedure, it would seem that they ought to meet annually for the purpose of discussing various issues before the parliaments.

Mr. Chairman, I would like to say a word about the various trips that have been taken by Members of the House. It has been my privilege to serve on several of the study missions that have been made. I can say, and I am glad that my colleagues agree with me, that I have never worked any harder than when it has been my privilege and opportunity to serve on one of the study missions. I would like to say further that over the years the reports that have been written by these missions have not only resulted in a saving of a great deal of money since programs have been reshaped, but in instance after instance, these reports have resulted in the shaping of the foreign policy of the United States. A tremendous contribution has been made by the House of Representatives in sending missions to various sections of the world in which to make studies and to issue reports. Whether we like it or not, we are a world power and we are in world affairs to stay. In my opinion, it will be necessary to send more missions in the future instead of less.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The amendment was rejected.

The Clerk read as follows:

> Sec. 2. An appropriation of $33,000 annually is authorized, $3,000 of which shall be for the annual contribution of the United States toward the maintenance of the North Atlantic Treaty Parliamentary Association and $30,000, $15,000 for the House delegation and $15,000 for the Senate delegation, or so much thereof as may be necessary, to assist in meeting the expenses of the American Group of the North Atlantic Treaty Parliamentary Association for each fiscal year for which an appropriation is made, such appropriation to be dispersed on voucher to be approved by the chairman of the House delegation and the chairman of the Senate delegation.

With the following committee amendments:

> On page 2, line 7, strike out "$33,000" and insert "$36,000."
>
> On page 2, line 8, strike out "$3,000" and insert "$6,000."
>
> On page 2, line 11, strike out "Association" and insert "Conference."
>
> On page 2, line 14, strike out "American" and insert "United States."
>
> On page 2, line 15, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

The Clerk read as follows:

> Sec. 3. The American Group of the North Atlantic Treaty Parliamentary Association shall submit to the Congress a report for each fiscal year for which an appropriation is made, including its expenditures under such appropriation.

With the following committee amendments:

> On page 2, line 20, strike out "American" and insert "United States.".
>
> On page 2, line 21, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

The Clerk read as follows:

> Sec. 4. The certificate of the chairman of the House delegation and the Senate delegation of the North Atlantic Treaty Parliamentary Association shall hereafter be final and conclusive upon the accounting officers in the auditing of the accounts of the American Group of the North Atlantic Treaty Parliamentary Association.

With the following committee amendments:

> On page 3, line 2, strike out "Association" and insert "Conference."
>
> On page 3, line 4, strike out "American" and insert "United States."
>
> On page 3, line 5, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

Mr. GROSS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. Gross: On page 2, strike all of line 25; and on page 3, strike all of lines 1 through 6 and substitute the following:
>
> "Sec. 4. All expenditures pursuant to this resolution, including counterpart funds, shall be upon the certification of the Chairman of the House delegation and the Senate delegation of the North Atlantic Treaty Parliamentary Conference, and all such expenditures shall be subject to public scrutiny and audit by the General Accounting Office."

Mr. GROSS. Mr. Chairman, I should like to say for the benefit of the gentleman from Ohio, [Mr. Vorys], that his remark about a closed and open mind was not lost on the gentleman from Iowa. I am sure most Members will agree that the really open minds are on the Foreign Affairs Committee, particularly among the senior members. They never have closed minds.

Now, I am sure the amendment I have just introduced will have no opposition from the gentleman from Ohio [Mr. Hays], because only the other day he offered an amendment to the farm bill which provided that compensation paid to farmers should be made a public record, the same as a campaign expenditure. All this amendment does is to say that spending of the funds for this junket shall be subject to verification by the chairman of the House and Senate delegation, and subject to an audit by the General Accounting office. I am sure the gentleman will not oppose an amendment that does the same thing with these funds that he attempted to do the other day.

Mr. HAYS of Ohio. Will the gentleman yield?

Mr. GROSS. Yes, I yield.

Mr. HAYS of Ohio. The gentleman from Ohio will not oppose any amendment that will make public the amounts spent. As a matter of fact, the gentleman from Ohio has already gotten the figures for last year and put them in the Record. But the gentleman will oppose the amendment on the ground that this takes control of the expenditure of funds away from the committee and the committee chairman and puts it in the General Accounting Office, where you will have to go to get their permission before you can spend it. If you carry that to its logical conclusion you would have to go down to the General Accounting Office every morning and get permission for this House to spend any money.

Mr. GROSS. It does not do any such thing. It provides for the committee to pay out the funds, but it also provides for a public audit by the General Accounting Office. The gentleman offered an amendment the other day to provide an audit at all times on money paid out to farmers on land taken out of production. Surely the gentleman will accept this amendment. It is exactly the same kind of an amendment as the gentleman proposed the other day for the farmers of America.

Mr. Chairman, I yield back the remainder of my time, and ask that the amendment be adopted.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment. I will not take the full time to which I am entitled, but I would just like to point out to the Members of the House that the language used in this resolution is the ordinary language that has been used year in and year out concerning House committees. It simply makes the financial procedure of this committee uniform with every other committee of the Congress. As far as I personally am concerned I have no objection to any amendment regarding an audit, but to adopt this amendment would be to set a bad precedent which, if carried out to its logical conclusion, may have the effect of taking the power of spending money away from this Congress, something the Constitution never contemplated. This is simply the language that is used in connection with expenditures by every committee of the House of Representatives.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. GROSS. Previous to the other day, was there ever any suggested requirement that farmers file with the Clerk of the House statements of all compensation checks received?

Mr. HAYS of Ohio. The gentleman knows that the two amendments are not similar, and the only purpose of the gentleman now is to try to use the other amendment as a lever against me. My amendment the other day was defeated, and I hope this one will be defeated even more substantially.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and Mr. McCormack having resumed the chair as Speaker pro tempore, Mr. Harris, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 501, pursuant to House Resolution 479, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Is the gentleman making his point of order as a straight quorum call?

Mr. GROSS. As a straight quorum call, yes.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to withdraw my point of order.

The SPEAKER pro tempore. Without objection the point of no quorum is withdrawn.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third resolution of the resolution.

The resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the resolution.

The resolution was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ANFUSO. Mr. Speaker, I am very happy to support the resolution (H. J. Res. 501) which authorizes participation by the United States in the NATO parliamentary conferences. It was by distinct honor to serve as one of the six House delegates to the NATO conference in Paris last July when we met for 5 days with the representatives of the 15 countries associated in the North Atlantic Treaty Organization. We exchanged views and opinions pertaining to the maintenance of peace and security of the nations concerned, and we discussed ways to obtain closer social, economic and cultural relations between the peoples of the Atlantic community. We were also briefed by the top military leaders of NATO regarding the military position of the NATO countries.

All in all, it was a most interesting and inspiring gathering from which we came away with the feeling that we have many friends in the world who are just as determined as we are to carry on the struggle against communism. I also came away with a better understanding of the urgent need for maintaining the military power and strength of the free world to assure its continued freedom. In this respect, there is not the least doubt that NATO has shown itself to be a strong force and a deterrent against communism in Europe.

Fundamentally, NATO is a defense organization which was founded 7 years ago to check Communist aggression. The agreement signed by the NATO nations states that "they are resolved to unite their efforts for collective defense and for the preservation of peace and security." But in addition to defense, the 15 NATO nations can also serve as a springboard from which to attack Soviet Russia in the event of war. The Soviet leaders know this and for that reason they have made the dissolution of NATO their No. 1 objective. Continued Russian attacks on NATO through threats, cajolery, deception and charmed smiles, all of which are aimed to destroy NATO, only prove NATO's strength and the need for maintaining this Organization as an instrument for free world security.

NATO has shown itself to be a bulwark of freedom and democracy. We must do everything possible to keep it strong because through NATO our allies are strengthened, militarily and economically. The only thing which Communist Russia understands, fears, and respects above all else is strength. As long as we have the power to resist and restrain the Russians, as long as we have the means and the strength to destroy them—they will never attack us. Only a strong military posture by the United States and its allies will convince the Russian leaders that they have nothing to gain by force or war.

Today 15 nations are united in a defense pact under the auspices of NATO. Each of these nations is contributing manpower, equipment, and resources. American generals lead the military forces of these 15 nations. There is perfect harmony and understanding in this amalgamation of military power which is bent on preventing a third world war. I believe that this spirit of unity and cooperation on both sides of the Atlantic constitutes one of the strongest influences for peace in the world today.

As a defense organization, NATO pursues a practical course in that it is geared for immediate and collective action in the military field. Of late, NATO is also developing its political and economic aspects, so that in time it is hoped that NATO can also become a powerful organ for greater economic and political cooperation in advancing peace and improving standards of living among the nations associated with it. I should like to see, however, a strengthening of the nonmilitary aspects of NATO to a greater extent than in the past, though military defense should still remain its primary purpose.

May I also assure my colleagues that both the Allied Command and NATO are prepared to use all their resources not only for the defense of Europe, but also for the defense of North and South America, if need be. Our allies readily understand the importance of protecting American production plants at all costs and to maintain the arsenal of democracy in the United States.

Last summer, during the period of the great smile, Russia was busily engaged in consolidating her positions in Europe, beginning with Finland in the north, through Germany, Austria, and Yugoslavia to the Mediterranean area. She has succeeded to some extent in neutralizing these countries, in alienating them from the West, and even in crippling the NATO organization. Russia has not stopped there. Its current friendly demeanor is aimed primarily to weaken and finally split NATO and the Atlantic defense system. A notable example is the recent action of the Parliament in Iceland which called for the removal of American troops from that strategic island in the North Atlantic.

Mr. Speaker, I believe we should do everything within our power to strengthen NATO and to keep it strong in accordance with the recently declared policy of our Secretary of State, who understands and appreciates the importance of NATO for the free world. Mr. Dulles said that NATO must either "grow" or "tend to dry up." I believe also that the interchange of ideas among the representatives of the parliamentary bodies of the 15 NATO countries is beneficial and constructive and should be continued in the future as well. Our country and this legislative body should participate in future NATO meetings to discuss problems of mutual interest and to seek greater understanding among the nations concerned.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record at the end of today's proceedings in three instances, and to include therein certain statements, excerpts, and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GI LOAN GUARANTY EXTENSION

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, several of us in the House, including the gentleman from Alabama [Mr. Selden], the gentleman from Missouri [Mr. Christopher], the gentleman from Washington [Mr. Magnuson], and the gentleman from Colorado [Mr. Aspinall], have today introduced bills to provide for a 6-year extension of one of the most successful programs in our Government's history—the GI loan guaranty program.

Under this program, more than 4 million World War II veterans have become American howeowners. As taxpaying members of their communities, with a solid interest in problems of local government and school finance, these homeowning World War II veterans are a new and growing bulwark of American citizenship and democracy.

The GI home loan guaranty program, notwithstanding its admitted shortcomings in some areas, has made a great contribution to American life and progress—and losses suffered under the program have been less than one percent.

A great job still remains to be done under the program, if we are to deal fairly and equitably with our World War II veterans, and if it is still good business to encourage and aid home ownership among these veterans.

There are more than 15 million veterans of World War II, and 11 million of these veterans have never taken advantage of the GI loan guaranty.

Many of these 11 million veterans have obtained homes under FHA or private financing, and may never have need of the program.

However, more than 3 million of the 11 million are residents of counties where there has been a lag in the program, by reason of a shortage of investment money. More than 700,000 have been unable to qualify under the program up to now, due to unsatisfactory income or other credit limitations.

More than 1 million veterans, in addition to those listed above, are classified as "potentially eligible" but unlikely, for one reason or another, to receive a loan before termination of the present law in July of 1957.

Mr. Speaker, it is therefore apparent that nearly 5 million veterans will be directly and adversely affected in their homeowning opportunities if we permit the GI loan guaranty program to expire on July 25, 1957.

Several million could be added to this total, if we include the 4½ million World War II veterans now owning homes not acquired under the GI bill, who might find it necessary or desirable to obtain a new home in the future, under the GI loan guaranty program. A transfer in their job, enlargement of their family, or the loss of their present home for any reason, could lead to this additional need under the veterans' loan program.

It seems to be good business for America to extend this worthwhile program. Since Korean veterans will be covered for some years to come, the VA staff will continue to operate during the 6-year extension program, and no great additional cost would be incurred.

Extension of the present law will make homeowners of many more American veterans of World War II—and that will make for a stronger Nation and stronger communities throughout the country. I urge your support of this bill.

WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 472 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of

the Whole House on the State of the Union for the consideration of the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. After the reading of the first section of such bill it shall be in order to move to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill, H. R. 319, as reported to the House by the Committee on the Judiciary and all points of order against such amendment are hereby waived. At the conclusion of the consideration of the bill, S. 2972, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. Ellsworth] and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 472 makes in order the consideration of S. 2972 to punish the willful damaging or destroying of aircraft, and attempts to damage or destroy aircraft.

House Resolution 472 provides for 2 hours of general debate on the bill and also provides that it shall be in order to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill, H. R. 319, as reported by the House Committee on the Judiciary. All points of order against such amendment are waived.

The provisions of S. 2972 and H. R. 319 are substantially the same except that H. R. 319 does go further in that it includes motor vehicles. However, S. 2972 amends section 902 of the Civil Aeronautics Act of 1938 by adding new subsections pertaining to the damaging or destroying of aircraft and imparting or conveying false information concerning such damage or attempts to damage aircraft, while H. R. 319, as amended, provides that the Federal criminal laws would be supplemented by amending Title 18 of the United States Criminal Code.

The Attorney General in reporting on S. 2972 states that it would appear to be more desirable for this legislation to be a part of the criminal laws of the United States. He points out that criminal prosecution under the Civil Aeronautics Act might be complicated and delayed because of administrative rules, regulations and acts of the Civil Aeronautics Board. Two forms of transportation are now covered by the criminal laws—railroads and vessels. It is also pointed out that loopholes in the criminal laws would be closed by adding the other two means of transportation—aircraft and motor vehicles used in the transportation of passengers, or passengers and property.

On the other hand, the Committee on Interstate and Foreign Commerce, in its report on S. 2972, states that the provisions of this measure are modeled after existing provisions of the Criminal Code pertaining to the wrecking of railroad trains, but it is believed that since the field of aeronautics is a highly technical one, constantly expanding, and involves factors not found in other forms of transportation, the legislation should be enacted as an amendment to the Civil Aeronautics Act of 1938.

The Committee on Rules, after considering both measures and taking into consideration the delay that would occur if a rule were granted on H. R. 319, granted the rule on S. 2972 making in order the substitution of the amendment recommended in H. R. 319.

I urge the adoption of House Resolution 472 so the House may proceed to the consideration of this legislation.

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hillings] to extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HILLINGS. Mr. Speaker, passage of House Resolution 319 will supplement the Federal criminal laws so as to provide more effective deterrents to the commission of acts of destruction and sabotage with respect to aircraft and motor vehicles. This bill was brought about by the destruction of a commercial airliner over Longmont, Colo., on the night of November 1, 1955. Last week, a Colorado court convicted one John G. Graham for perpetrating this heinous crime which resulted in the death of 44 persons.

It will be recalled that at the time Graham was apprehended there was considerable discussion as to whether or not he could be prosecuted under Federal laws. It was found that Federal laws are inadequate and Graham was prosecuted for murder under the State laws of Colorado. Murder in Colorado is punishable by death. This bill will provide a death penalty under Federal laws.

While State laws relating to murder and other crimes of violence may provide adequate penalty in many cases of this nature, the speed of the aircraft has introduced difficulties with respect to the enforcement of those laws. A tragic chain of events which is set in motion in one state may not materialize until the aircraft has passed over many States. State authorities under such circumstances could be confronted with many difficulties in establishing that a crime has been committed in a particular State and serious jurisdictional and other technical legal problems inevitably would be involved. Sanctions may differ from State to State, and equal and certain punishment for crime could not be insured.

Moreover, airline operations in the United States are peculiarly interstate in nature, and as such, the Federal Government owes an obligation to the people of the country to protect the commerce moving aboard interstate and overseas flights with every means at its disposal.

As the author of legislation similar to that being considered today, I hope that there will be no more aviation tragedies such as occurred in Colorado last November.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Texas [Mr. Thornberry] has outlined the nature of the rule. I point out merely that we are faced in the consideration of this bill with a rather unusual parliamentary situation which the rule itself takes into account. The parliamentary situation is that two legislative committees of the House have approved bills on the same subject covering the same general matter. The approach in each case is, of course, different. So this rule makes it possible for the House to work its will on the subject to the end that whichever approach to the problem involved is desired by the House may be adopted.

There is no objection to the rule I know of on this side and I have no further request for time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2972, with Mr. Rabaut in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRIEST. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. Harris].

Mr. HARRIS. Mr. Chairman, the Committee on Interstate and Foreign Commerce, to whom was referred S. 2972, to punish the willful damaging or destroying of aircrafts and attempts to damage or destroy aircraft, have considered this legislation and reported favorably thereon with certain amendments.

Mr. Chairman, this legislation came from the other body. It would amend the Civil Aeronautics Act of 1938 to provide the death penalty for willful damaging aircraft where loss of life resulted. In view of the fact that it was a bill to amend the Civil Aeronautics Act, it was referred to our Committee on Interstate and Foreign Commerce.

Mr. Chairman, we, of course, know the necessity for this legislation. In the first place, there have been a good many reports of sabotage and attempted damage to aircraft in flight. You recall the fatal incident in Canada some time ago, and there was an incident in California not too long ago. And, everyone, of course, knows the tragedy that occurred in Colorado a few months ago.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. With reference to the case in Colorado, insomuch as that case is now pendente lite, on appeal, although I have heard that the convicted man in the lower State court has filed an affidavit asking for immediate execution, nevertheless I am also advised that counsel for the defense has perfected an appeal, I am just wondering whether or not, if there is an appeal, the action by the Congress on this type of legislation would prejudice the defense, in that the State will certainly in its brief refer to these proceedings and unquestionably argue the matter in the proceedings before the appellate court.

Mr. HARRIS. I will say to the gentlemen it would have no effect on that case whatsoever.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Colorado, in whose hometown, incidentally, this case was tried.

Mr. ROGERS of Colorado. The proceedings in Colorado will not be affected by any action taken here in this House today, for the simple reason that at the time this incident occurred, on the 1st of November 1955, the Federal Bureau of Investigation with the Civil Aeronautics Authority were the first to move into this particular case, as the explosion occurred about 75 miles from Denver in the district represented by the gentleman from Colorado [Mr. Hill].

It was through the cooperation of the State and Federal authorities that the evidence was collected. Due to the fact that the Federal Bureau of Investigation and the Civil Aeronautics Authority were limited to the question of sabotage alone, the penalty for which was only up to 20 years, the Federal Government agreed to cooperate with the State, and the State proceeded with an indictment for an information of murder. The man was charged with murder in this instance and prosecuted under the State law.

One of the other reasons why we should have this legislation is that the Supreme Court of the United States, during the month of January, held by a 5-to-4 decision that where Federal authorities secure information through an illegal search warrant, a Federal official is prohibited from testifying in the State court. If we make this a Federal offense, we remove the question of who has jurisdiction. For instance, as an example, if in this instance the airplane had proceeded another 100 miles and gone into the State of Wyoming, and the explosion had occurred there, there would have been some question whether the State of Wyoming or the State of Colorado had jurisdiction. For that reason I think we should proceed as expeditiously as possible to the enactment of this proposed legislation.

Mr. HARRIS. In other words, the gentleman points up the real need for legislation of this type.

Mr. FLOOD. Mr. Chairman, would the gentleman yield further?

Mr. HARRIS. I yield.

Mr. FLOOD. I want to make it very clear that I am in favor of this proposed legislation. It is desirable and necessary and I commend the committee for expediting its passage thus far. I am concerned only with this, which has nothing to do with the merits of the case that has been discussed, which occurred in Colorado. That case is on appeal. I am sure that the State will argue before the appellate court as evidence of the heinousness of this offense what is done here. If I were for the defense, I would be concerned that the State would take advantage of the action of Congress to show what an evil thing this is and conceivably prejudice the defense, although what I am saying now does not go to the merits of this proposed Federal statute which is desirable and commendable. But I am always concerned over action by the Congress on causes celebre, which are now pendente lite. I do not know why we should hurry this, if there is the problem.

Mr. HARRIS. Mr. Chairman, I should like to say to the gentleman that in the first place the proceedings in Denver, Colo., are under State law, in a State court and this could have no bearing on that case whatsoever. The Senate passed this bill in February of this year. They sent it over here. The House committee held hearings on it and heard members of the aviation industry on it and had reports from all of the Federal agencies involved. The House committee reported the bill with some amendments. We learned that at the same time the great Committee on the Judiciary of the House had been considering similar legislation for some time. Our distinguished friend, the gentleman from New York [Mr. Keating], had a bill that he introduced I believe in January of 1955, if I am not mistaken. There were several other bills pending before our committee and there may have been others pending before the Committee on the Judiciary on the same subject. I doubt very seriously that the action taken by the Senate and by the committees of the House and the action in the Congress itself had anything whatsoever to do with what happened in Denver last week.

Mr. FLOOD. If the gentleman will yield further, I am sure of that. I point out, as the gentleman knows, that the record in the Colorado Supreme Court will determine the proceedings before the Supreme Court. The appeal will be argued on the record made in the lower court and will have nothing to do with anything done in the other body or here. Except I do point out, out of an abundance of caution over this action or any other similar action in this body—we have done this before and it has caused trouble before—that we should do nothing if we think that it will in any way permit jeopardy to the defense in the State of Colorado by permitting the State to argue this kind of action as evidence of the evil of the crime.

Mr. HARRIS. As a lawyer myself—and there are better lawyers on the Committee on the Judiciary than I would purport myself to be, and there are many other fine lawyers in the House—I would say to the gentleman it would have no bearing whatsoever on the case in Colorado if it is going to be appealed.

I regret that the Congress has not taken action on this heretofore.

In order not to prolong the discussion, as I mentioned a moment ago our committee reported this bill that the Senate had sent over amending the Civil Aeronautics Act. The need for the legislation is agreed to by everyone. The bill that we reported affected only aircraft. The Committee on the Judiciary, considering the bill before it, reported a bill which not only affected aircraft but included transportation by bus in interstate commerce. Also the bill considered by the Committee on the Judiciary would have amended the Criminal Code. When the Committee on Rules heard us on the subject, members from the two committees went before the Rules Committee. In order to expedite the matter, because the need was so obvious, the Rules Committee granted the rule on the Senate bill which our committee had reported and made in order an amendment in the nature of a substitute the bill that had been reported by the Judiciary Committee.

So far as I am concerned, it makes little difference to me whether the Civil Aeronautics Act is amended or whether the Criminal Code is amended. What we need is the legislation. In taking into consideration the recommendation of the Department of Justice, we have agreed on a substitute that we think will satisfy both the members of the Interstate and Foreign Commerce Committee and the great Committee on the Judiciary. We felt that the bill as originally reported by the Judiciary Committee did not in the first place sufficiently meet the problem. It did not have the definitions that the Civil Aeronautics Act of 1938 contained and, therefore, we thought there would be problems with reference to the definitions of terms used in the aviation industry.

There were some other things that we thought should be spelled out to make the administration of the law easier. The Judiciary Committee had certain suggestions and recommendations which it made which we thought should be considered. Consequently we got our staff member and the Legislative Counsel together with the staff member of the Judiciary Committee and had discussions back and forth with them. Finally we have worked out this proposed substitute amendment which we will offer at the appropriate time here.

We did not, as far as the Interstate Committee is concerned, get into the motor bus transportation problem because we had not considered it. We took the consideration which the Committee on the Judiciary had given it in amending the bill offered by the gentleman from New York [Mr. Keating]. Since the Committee on the Judiciary had considered that phase of it and we had not considered it, we thought that you knew more about the problem. Therefore, we were willing to take the recommendation that you make on that particular matter, and include bus transportation in the substitute which at the appropriate time will be offered.

Mr. DOLLIVER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, there is really no occasion for disputation about the fundamental thing behind this legislation. It

is to close a gap which exists in the Criminal Code of the United States. I am sure all of us remember the very ghastly occurrence which took place, I believe, on the first of November 1955 or thereabouts in Colorado when someone placed a bomb aboard an airliner. After it had been in the air a short time, the bomb exploded and all the passengers and all the crew were killed. Then it was that the people of the United States and the Congress woke up to the fact that there was no Federal legislation to cover that kind of crime. From what we know through the papers, it appears the venue has been pretty firmly established for the crime in the State of Colorado, at least that seems to be the present status, but as was pointed out in the previous colloquy on the floor had the time bomb been delayed a little longer, there might very well have been a serious question as to the venue of this case as to whether it occurred near or at the border between Wyoming and Colorado. It is very difficult in the air to determine particularly what part of the country you are over.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. HARRIS. I intended to make this statement a moment ago, but I consumed more time than I had expected to. But, I wish to point out a personal experience which I had a short time ago. I was flying from Little Rock to Memphis. My family was with me. For about 15 or 20 minutes we were about 8,000 or 9,000 feet high and we did not know as we were flying up the Mississippi River whether we were actually over Mississippi, Arkansas, or Tennessee. I am sure you can find many similar examples to point up the need for such legislation.

Mr. DOLLIVER. Of course, the statement just made by my colleague and friend, the gentleman from Arkansas [Mr. Harris] points up the very urgent necessity for this legislation. It is conceivable that a plane might be flying above the clouds and it is practically impossible for a prosecuting officer under such circumstances to determine where the explosion takes place. Accordingly, the question of venue could become extremely complicated and indeed might enable a miscreant to escape the just penalty of his crime under a local law. So that is the urgency behind this legislation.

There is no difference of opinion among the Members of this House as to the desirability of it. The reason it is before the House at all under a rule is because there were two bills reported on this subject, one by the Committee on the Judiciary and one by the Committee on Interstate and Foreign Commerce. Both committee members appeared before the Committee on Rules, and the rule that has been adopted by the House was the one prepared and passed by the Committee on Rules.

Certainly the committee of which I am a member, the Committee on Interstate and Foreign Commerce, has no pride of authorship and no desire at all to claim any credit for this legislation. We just want to get it on the statute books in the Criminal Statutes of the United States, and have a law which will not leave any doubt as to the venue in this kind of crime.

As has been jointed out by the chairman of the subcommittee, Mr. Harris, at the proper time in these proceedings on the bill, S. 2792, a substitute will be offered for the measure for adoption. It is a little parliamentary difficulty that we ran into in developing this legislation. I hope and trust that without any opposition on the floor of the House the measure will be passed, as amended by the substitute bill. It is a matter of great urgency and great necessity. If anybody has any doubt as to the necessity and desirability of this legislation, I call attention to the report of the Committee on Interstate and Foreign Commerce. You will note there that every one of the executive departments involved is in favor of this kind of legislation. The only difference is the Justice Department thinks that the bill should be a part of the Criminal Code, and as far as I am concerned I think it is wholly in order. As a practical matter, those of you who are lawyers well know that when you want to look up the penalty for a crime you look in the Criminal Code. If this were in the Civil Aeronautics Code it might be overlooked by some lawyers. There is no argument over this legislation. It is of great urgency and great necessity, and I trust it will be passed unanimously and immediately.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PRIEST. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. Willis], who was chairman of the Subcommittee of the Committee on the Judiciary handling the matter for that committee.

Mr. WILLIS. Mr. Chairman, as has been pointed out, there is no dispute whatsoever as to the necessity for the immediate enactment of this legislation into law.

Since a substitute will come later, I shall devote the 5 minutes which I asked for, to a discussion of the bill to be offered as a substitute from the Committee on the Judiciary. It means therefore that this will be a discussion of the measure that will be offered as a substitute.

The measure makes it a Federal Offense to damage or destroy an aircraft engaged in interstate or foreign commerce. Then it would make it a Federal offense to damage or destroy certain passenger motor vehicles used for a commercial purpose in interstate or foreign commerce. That is to damage or destroy with intent to endanger the safety of persons on board, or with a reckless disregard for the safety of human life.

As to the motor vehicle provision, the gist of the offense is intent to endanger the lives of the persons on board. I am speaking now not from the printed bill you have before you but from an amendment adopted by the full Committee on the Judiciary, frankly, to obviate certain objections that the original language was too general and broad in its scope. They wanted to be very careful that what we were after so far as transportation of persons or persons and property in interstate commerce was concerned; they wanted to be very sure that we spelled the legislative intent to protect human life involved in the commercial use of a motor vehicle in interstate or foreign commerce. Those who had objected now have agreed to the language; and, again, happily, there is no controversy.

Mr. HARRIS. If the gentleman will yield, that is the point I was trying to establish, intent.

Mr. WILLIS. That was the intent as to motor vehicles, and the language is satisfactory to all concerned.

Finally, the two new crimes that will be on the books will be found in title 18 of the United States Code. As a matter of fact, we already have on the books a statute making it an offense to damage or destroy railroad cars, and that offense or crime is found in title 18 of the code. We have a statute making it an offense to damage or destroy a steamship or persons on board; and that offense is found again in title 18.

So two new offenses, to damage or destroy aircraft in interstate commerce; and to damage or destroy a motor vehicle with intent to endanger the life of persons, will also be found in title 18 of the code. Thus, all phases of transportation will be side by side in the code: Transportation by water, by steamship, by air, and by bus. In substance, that is the measure that will come up before you as a substitute.

As I say, and as everybody agrees, there is no dispute whatever as to the necessity for the legislation. No one has any ambition to be the author of the bill; happily, it comes from the Senate. It is just a question of resolving our differences and bringing out a needed piece of legislation.

While I am on my feet let me say that it was a delightful pleasure and experience to deal with the gentlemen representing the other committee, particularly the chairman of the subcommittee and their counsel.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield.

Mr. DOLLIVER. I would like to return the compliment to the members of the Judiciary Committee. I felt personally, and I feel certain the other members of the committee join me in this, that the effort was accompanied by good will and a desire to accomplish the purpose of this legislation.

Mr. WILLIS. I think everybody is now satisfied that we have a good measure.

Mr. DOLLIVER. There was the effort to minimize friction where there was admittedly a conflict of interest as between two great committees.

Mr. WILLIS. I appreciate the gentleman's remarks.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield to the gentleman from Tennessee.

Mr. PRIEST. As chairman of the Committee on Interstate and Foreign Commerce, although not a member of the subcommittee handling this legislation, I want to express my own personal appreciation for the very fine spirit of cooperation between the gentleman from Louisiana, chairman of the subcommittee on the Judiciary, the gentleman from Arkansas [Mr. Harris], chairman of our own subcommittee, and the members of both subcommittees and the full committees for the fine spirit of cooperation in working toward an objective which both committees desire to reach and on which there was no misunderstanding whatsoever except as to the question of how best to approach that objective. I think it was an excellent demonstration of committee cooperation to obtain very much needed legislation, and both subcommittees are to be congratulated for the work they have done.

Mr. WILLIS. I know I speak for the Judiciary Committee when I tell the gentleman that we share his views and I want to particularly say it was a pleasure to work with the gentleman from Arkansas whose patience and long experience in these matters did the work. And also to the gentleman from New York who is on my committee. Everybody is happy and I appreciate it.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield to the gentleman from California.

Mr. ROOSEVELT. I want to thank the gentleman for his explanation as he has cleared up some points in my mind. I would like to ask one question, however. An airplane of private character or of private ownership, I gather, would not be covered by this bill?

Mr. WILLIS. It depends upon the mission or the use of the plane. The language is if the plane is engaged for business in interstate commerce, it would be covered. For instance, a plane of a company doing an interstate business, a partnership plane used for business in interstate commerce, would be covered. A purely private joyride or a purely private plane having no interstate or foreign commerce character would not be covered. The answer is "No" in that case.

Mr. ROOSEVELT. Could the gentleman tell me whether we may have a problem that may have to be solved in the future involving a plane in interstate travel, where it was going from one place to another in interstate travel, because it would not be covered if it were on a private mission? Would it not be necessary to look into that for the protection of that type of travel?

Mr. WILLIS. Yes, it might be well to do that. As a matter of fact, I know certain Members would like that covered in this bill. The Department of Justice is inclined to move slowly because of the administrative difficulties of trying to cover privately owned planes. But there is a point as to the possibility of whether later on we might want to have a discussion about including purely private planes. This deals with the interstate commerce clause of the Constitution and we never get into trouble when we legislate in accordance with a specific provision of the Constitution dealing with interstate commerce.

Mr. ROOSEVELT. I thank the gentleman.

Mr. HALE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Vorys].

Mr. VORYS. Mr. Chairman, I am very much interested in the pending legislation. The colloquy which just took place brings up a thought that arises in my mind; that is, the feeling that this criminal statute should apply to interstate air traffic rather than be limited to interstate air commerce.

I was Ohio's first director of aeronautics back in 1929 and 1930 and took an active part in making sure that Ohio did not attempt to set up any separate State regulatory measures for the air worthiness of either planes or pilots. On the other hand, I was somewhat instrumental in securing the passage of a State law which made it an offense to violate the Federal standards for airworthiness of both planes and pilots set up, of course, in the Federal Air Commerce Act of 1926. At that time, long ago, I realized and many of us realized that air traffic was something new that could be regulated safely and efficiently only by nationwide regulation.

Some of you perhaps may not remember that there were a number of sporadic attempts by States to set up their own licensing systems for aircraft and pilots. That, however, has died down, as experience has shown that you have got to have nationwide standards for planes and for pilots. You can only have one set of traffic rules, and those rules for the safety of interstate commerce have to apply to all flying, whether it is commercial or not. I certainly do not intend to attempt to tinker with the committee's bill here on the floor, but I would hope that this type of crime, this heinous type of crime, that is involved in this legislation would be made to apply to air traffic endangering interstate commerce even though it is not a part of it.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. DOLLIVER. In response to the gentleman's query as to why all air traffic is not included, from my standpoint there were two reasons. One is we do not want to take any possible chance of getting outside the realm of the constitutional authority which gives the Congress authority over interstate commerce. Now, there might be some question as to the meaning of this legislation if we had included all traffic or had included private planes, but there can be no question about the authority of the Congress to deal with this situation when we are talking about interstate air commerce. And we did not want to take a chance. Now, the other reason is this, which was pointed out to us by the authorities in the departments. To undertake to have the Federal agencies, the Civil Aeronautics Administration, and FBI and the Department of Justice, go into the field of policing every private airplane or every accident which took place on a private plane was just more of a job than they wanted to permit us to put on them at this time. As the gentleman suggests, perhaps the time will come when we ought to look into it, but for the purposes of this bill, as far as I am concerned, those two reasons were ample to get away from the desirability or the necessity of including any but commercial air traffic.

Mr. VORYS. Well, I appreciate the thought that the gentleman and his committee have given to this subject. I want to remind the gentleman, however, that every private plane and pilot must have a Federal license, which requires examinations and inspections. As I say, I certainly do not intend to attempt to tinker with this bill today, but I would suggest that our courts have held that air traffic in and of itself is subject to Federal regulation because of the impact that all air traffic has on interstate air traffic. I would think that the sort of crime covered by this bill, that might obviously and easily jeopardize or injure interstate traffic either in the air or at the air terminals would clearly be within the purview of a Federal law.

Mr. DOLLIVER. If the gentleman will permit me, I would like to comment upon that. I believe that the gentleman refers to decisions that have to do not with criminal acts but with respect to the regulation of air traffic. As the gentleman knows, the criminal statutes are strictly construed as opposed to a rather more generous construction of civil statutes.

Mr. VORYS. I appreciate the distinction the gentleman is suggesting. I do not believe it would invalidate an extension of this law to include private planes and pilots. A sabotaged private plane could blow up an interstate air terminal or knock over a Federal air traffic signal tower.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. Rogers].

Mr. ROGERS of Colorado. Mr. Chairman, first, permit me to congratulate the Committee on Interstate and Foreign Commerce and the Committee on the Judiciary for getting together and writing what we consider a needed piece of legislation. As has been pointed out by the gentleman from Iowa [Mr. Dolliver], the question arose in this particular case that points up this legislation, Where is the venue in a murder case of this type? The Federal Civil Aeronautics Authority law contains a provision that would make it a crime for one to sabotage airlines in interstate commerce.

It so happened in this instance referred to in Colorado, that the Civil Aeronautics Authority, together with the Federal Bureau of Investigation, worked closely with the State authorities to determine what caused the crash. It soon developed that an explosion was the cause of the crash. Proper cooperation of State, local, and Federal authorities brought about a confession in this case.

The problem submitted to the State prosecutor was to establish venue. The bomb had been placed in the plane in the city and county of Denver, and it exploded about 45 miles to the north thereof in another county, represented by the gentleman from Colorado, the Honorable William S. Hill. It became necessary for the district attorneys of those two districts to determine the jurisdiction.

Luckily, under previous interpretations of the State courts of Colorado the jurisdiction was in the city and county of Denver. If we pass this bill, it will remove the question of jurisdiction in murder cases where the death results from a bomb placed in aircraft. Then again, as pointed out by the chairman of the subcommittee of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. Harris], if we are not certain as to where the explosion might occur when a bomb is placed in a plane, there may be some question which State has jurisdiction. Inasmuch as the Congress has authority under the interstate and foreign commerce clause of the Constitution, I feel it is proper for the Congress of the United States to go into this field, and we should pass this legislation at once.

As has been suggested, we must have our airplanes safe, and we must provide adequate punishment for those who commit these dastardly crimes. So I hope there will not be any opposition whatsoever. I am sure this is worthy and needed legislation.

Mr. HALE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. Hill].

Mr. HILL. Mr. Chairman, I rise in support of the amendment substituting H. R. 319 as amended for the bill reported from the Committee on Interstate and Foreign Commerce, S. 2972.

Last November I was suddenly made acutely aware of the deficiency in our laws covering the willful destruction of aircraft when one exploded near Longmont, Colo., in my district, with the loss of 44 lives.

Immediately, I began to search for ways of preventing future occurrences of this type. My original concern was for the protection of those persons using aircraft, and as I delved further into the matter I found there was no provision in our Federal laws that covered either aircraft or motor carriers in this or similar circumstances.

There is no way that I know of to actually prevent murder in this manner, but the least we can do is to provide suitable penalties as a deterrent to anyone who might attempt such brutal plans for the destruction of life and property.

For many years we have had in the Federal Criminal Code provisions providing suitable penalties for destroying trains and vessels. These provisions in the Federal Code were placed there because of the inherent interstate character of their operations. Aircraft and buses operate in the same interstate fields that trains and vessels do, yet there were no comparable provisions covering them.

In considering the problems of offering protection to our traveling public, it occurred to me that buses operate in these same fields and carry passengers, baggage, and express in the same vehicle. For this reason they, too, are vulnerable to the same type of criminal destruction as are aircraft.

I consulted with the Legislative Counsel's Office of the House and with their help drew up and introduced H. R. 8470, which was referred to the Committee on the Judiciary. The committee held hearings on my bill and on several similar bills. As a result, the bill introduced last year by the gentleman from New York [Mr. Keating] was amended to include the provisions covering motor vehicles, which I had written into by bill, and the amended bill, H. R. 319, was approved by the Judiciary Committee.

That there is a need for legislation covering motor carriers as well as aircraft is borne out by the report submitted to the Judiciary Committee by the Interstate Commerce Commission in which they state:

> This Commission has been responsible for the regulation of interstate motor carriers with respect to safety of operation for some 20 years. Although we have no record of damage to or destruction of such vehicle shown to have been due to the criminal practices described in section 32 of the bill, it is clear that willful damage to or destruction of motor vehicles used in the transportation of passengers and property, particularly vehicles used in the transportation of explosive and other dangerous commodities, could seriously jeopardize the safety of a great many persons, as well as passengers. The proposed measure appears to provide a proper deterrent to such criminal acts.

The ultimate effect of S. 2972 and H. R. 319 as they apply to aircraft would be similar. But the bill reported from the Interstate and Foreign Commerce Committee amends the Civil Aeronautics Act, and is, therefore, necessarily limited to aircraft. There is no provision concerning motor carriers and an amendment to S. 2972 covering them would not be germane. For that reason I feel that H. R. 319 is the better bill.

The report accompanying S. 2972 contains on page 6 the following information from the Department of Justice, as part of the report on the bill signed by Deputy Attorney General Rogers:

> It would appear desirable for legislation such as this to be a part of the general criminal laws of the United States. In other words, it would seem that this legislation would be more appropriate in title 18 of the United States Code than in the Civil Aeronautics Act. In this connection it should be pointed out that criminal prosecutions under the statute if enacted as a part of the Civil Aeronautics Act, might be unduly complicated, confused, and delayed by reason of the introduction into such cases of various administrative rules, regulations, and actions of the Civil Aeronautics Board.

The Deputy Attorney General also pointed out that there would be some confusion as to the question of jurisdiction between the FBI and the investigations section of the Civil Aeronautics Board if S. 2972 were enacted.

For these reasons I feel that S. 2972 will not do the complete job of providing the necessary deterrents to those who would willfully commit brutal murder in the manner that 44 lives were taken last November in my district. H. R. 319, in my opinion, is the better bill.

Mr. Chairman, the bill I introduced on this subject January 16, 1956, was approved by the Department of State, the Interstate Commerce Commission, the National Advisory Committee for Aeronautics, the Department of Justice, and the Civil Aeronautics Board. Some suggestions were made in language to improve the bill and I understand that the committee has incorporated these changes in the amended version of H. R. 319. Mr. Chairman, this legislation is needed and should be passed immediately.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Louisiana.

Mr. WILLIS. Mr. Chairman, I should like to bring out that one of the bills considered by the Committee on the Judiciary was a bill introduced by the gentleman from Colorado [Mr. Hill]. Much of the language finally adopted is the result of his bill. I should say also that the Member who was most alert was the gentleman from New York [Mr. Keating] because he introduced the first bill on the subject over a year ago.

I thank the gentleman from Colorado [Mr. Hill] for his contribution to this proposed legislation.

Mr. HILL. I thank the gentleman from Louisiana.

Mr. HALE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Henderson].

Mr. HENDERSON. Mr. Chairman, I am pleased to add my support to the bill which is now before the Committee for consideration. On January 3 of this year I introduced H. R. 7907 which has as its purpose the enlargement of Federal jurisdiction to include sabotage to air carriers with intent to cause death or bodily injury. The bill before us would accomplish some of the purposes which I had in mind in introducing the legislation and should be enacted. I regard the measure before us as a step in the right direction.

I have been of the opinion always that the police powers are best exercised by State and local governments where the subject is one which is amenable to local regulations and supervision and I would be the first to object to legislation which would supplant the police activities of local government by Federal legislation if the local government can fully and efficiently cope with the situation. But it is well recognized that the transportation of persons and property throughout the United States loses local character in modern-day conveyances.

The Federal Government has for many years exercised police power over offenses against land carriers and it is entirely appropriate that the same jurisdiction be granted to the Federal Government in the case of air carriers. In fact, I believe that it is even more essential because of the speed which air transportation has attained and because of the difficulty in the matter of proving as to the point which an offense against an air carrier may have taken place. What might be believed to be an offense committed in the State of Ohio, might very well, upon later determination, prove to have been committed in West Virginia or even Pennsylvania—so that Federal legislation of this type is necessary to the efficient policing of air carriers and the protection of lives and cargo being so transported.

It is indeed unfortunate that it was necessary for the passenger airliner to be sabotaged near Denver on November

1, 1955, before the need for this legislation was recognized. It will be remembered that the explosion of this plane killed 44 persons as a result the now convicted saboteur being a man who intended such sabotage as the means of destroying only one person. The result of his act was far more tragic. The newspapers in my district chose their headline news only from the very important local news or that which has great nationwide interest. I have here the Zaneso Signal of May 5, the Cambridge Jeffersonian of May 5, the Marietta Daily Times of May 5. Each of them have cited the Denver trial in their headlines.

Present legislation in this field deals only in the sabotage of the national defense, quite different from the circumstances which apply in the Denver case or in other similar peacetime air transportation sabotage cases.

Mr. Chairman, I would therefore urge the members of this committee and the Congress to enact the legislation before us without delay in the hope that its enactment might act as a deterring factor to future commissions of crime against aircraft, air cargo, and air passengers, and that the benefits of such legislation might be available to assist in the investigation, prosecution, and speedy justice in the event of future occurrences of this type.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Illinois [Mr. Murray].

Mr. MURRAY of Illinois. Mr. Chairman, this pending bill is entitled "To Punish the Malicious Destruction of Aircraft and Attempts to Destroy Aircraft." A reading of the committee report discloses that the object is to protect human life while riding in aircraft. Yet, it provides for punishment of the murder of an aircraft passenger only when the murder results from the tampering or destruction of aircraft.

The rhetorical question that occurs to me is, why does a Federal bill that is designed to protect human life have to be written with the expressed purpose of protecting aircraft? Has the age of materialism come to the stage that aircraft is more important than life itself? Why have we not exercised our constitutional responsibility to regulate interstate commerce in such a manner as to adequately protect human life by the enactment of legislation that will create the crime of murder in interstate commerce and provide for its punishment?

Under the commerce clause we have enacted legislation to protect everything traveling in interstate commerce except human life.

Title 18 of the United States Code in effect does protect every inanimate body in interstate commerce (section 409). We have assured the safe travel of cows, heifers, and calves in interstate commerce by section 419–A of title 18. Even the interstate transportation of false teeth has been provided for under section 419–A.

Under the commerce clause we have protected our public from almost everything traveling in interstate commerce that is dangerous to their health, safety, cr welfare except the murderer.

If a foul mind sends through our mails something that is intended to injure or destroy life, he is subject to a severe punishment. But if that same foul mind advises a ticket agent upon boarding a vehicle in interstate commerce that he intends to go to Chicago to murder a civilian, there is nothing the ticket agent can do insofar as Federal law is concerned, to stop the murderer in his travel.

On the international scene great efforts have been made among the nations to protect the world from the war criminal. Yet, we in the halls of Congress have yet to enact legislation that will, in plain and simple terms, make it a crime to murder in interstate commerce.

Rather, under the guise of protecting Government property, or under the guise of regulating the use of the mails, we have flitted around the problem.

Without hesitancy, and meeting the issue boldly and directly, Congress has virtually stopped the white slave racket and protected our people from the evils of prostitution in interstate commerce by enactment of the Mann Act.

Kidnapping has been made a rare occurrence in our Nation by the enactment of the Lindbergh law.

The widespread theft of motor vehicles has been practically extinguished by the enactment of our interstate auto theft law.

Why, then, do we not meet the issue of interstate murder and interstate murderers by bold and direct action and meeting the problem head-on?

The present bill is obviously a good bill. It comes to our attention as a result of the recent air tragedy of which we are all well aware. Yet, any legal mind can recognize that this law does not encompass within its terms all interstate murderers or interstate murder.

I have today introduced a bill creating the crime of "murder in interstate or foreign commerce" and providing for its punishment. I am certain that the Nation will some day enact legislation similar to it. I hope that this great, courageous Congress will make an historic contribution to the health, welfare, and safety of the people of our Nation by enacting such legislation during this session of Congress.

Prior to my submission to this piece of legislation I secured from the Library of Congress a study of its constitutionality. I think the brief prepared by the Library of Congress is an excellent one and I desire to include it at this point in the Record:

Attention: Mr. Mahoney.
To: Hon. James C. Murray,
From: American Law Division.
Subject: Study of feasibility of a proposed statute punishing murder in interstate commerce, etc.

Reference is made to our conference of January 18 and to your request for a report on the attached proposal for punishing murder in interstate commerce, etc.

Murder is an offense long recognized at common law. It should be pointed out that the Federal Government, being a government of delegated powers only and such other powers as may be reasonably necessary to carry the delegated powers into force and effect, has no common law criminal jurisdiction as such. Although no specific grant of the power to provide for the punishment of crimes is made to the Federal Government in the Constitution with the exception of those grants covering piracies and felonies on the high seas, offenses against the law of nations, treason, and counterfeiting the securities and current coin of the United States, it is undoubtedly true that Congress does have the power to provide for the punishment of crimes within any place in the United States when such crimes have a relationship to the delegated powers, and particularly within territory over which Congress has plenary and exclusive jurisdiction. Mr. Justice Field in the case of *United States* v. *Fox* (95 U. S. 670) stated in part:

"There is no doubt in the competency of Congress to provide, by suitable penalties, for the enforcement of all legislation necessary or proper to the execution of powers with which it is entrusted. * * * But an act committed within a State, whether for a good or a bad purpose, or whether with an honest or a criminal intent, cannot be made an offense against the United States, unless it has some relation to the execution of a power of Congress or to some matter within the jurisdiction of the United States. An act not having any such relation is one in respect to which the State alone can legislate."

Mr. Justice Gray in *Logan* v. *United States* (144 U. S. 283), stated:

"Upon this question, the court has no doubt. As was said by Chief Justice Marshall, in the great case of *McCulloch* v. *Maryland*, "The Government of the Union though limited in its powers, is supreme within its sphere of action." "No trace is to be found in the Constitution of an intention to create a dependence of the Government of the Union on those of the States, for the execution of the great powers assigned to it. Its means are adequate to its ends; and on those means alone was it expected to rely for the accomplishment of its ends. To impose on it the necessity of resorting to means which it cannot control, which another government may furnish or withhold, would render its course precarious, the result of its measures uncertain, and create a dependence on other governments, which might disappoint its most important designs, and is incompatible with the language of the Constitution" (4 Wheat. 316, 405, 424).

"Among the powers which the Constitution expressly confers upon Congress is the power to make all laws necessary and proper for carrying into execution the powers specifically granted to it, and all other powers vested by the Constitution in the government of the United States, or in any department or officer thereof. In the exercise of this general power of legislation, Congress may use any means, appearing to it most eligible and appropriate, which are adapted to the end to be accomplished, and are consistent with the letter and the spirit of the Constitution. *McCulloch* v. *Maryland* (4 Wheat. 316, 421); *Julliard* v. *Greenman* (110 U. S. 421, 440, 441).

"Although the Constitution contains no grant, general or specific, to Congress of the power to provide for the punishment of crimes, except piracies and felonies on the high seas, offenses against the law of nations, treason, and counterfeiting the securities and current coin of the United States, no one doubts the power of Congress to provide for the punishment of all crimes and offenses against the United States, whether committed within one of the States of the Union, or within territory over which Congress has plenary and exclusive jurisdiction."

The power of Congress to regulate commerce with the foreign nations and among the several States is specifically set forth in the Constitution, article I, section 8, clause 3. Under this general power it may constitutionally enact penal laws in relation to commerce. The constitutionality of the following acts has been upheld: White Slave

Act, *Caminetti* v. *U. S.* (242 U. S. 470); the National Motor Vehicle Theft Act, *Brooks* v. *U. S.* (267 U. S. 432); Pure Food and Drug Act, *Hipolite Egg Co.* v. *U. S.* (220 U. S. 45), and others.

Section 1 of the proposed legislation provides that any person who with malice aforethought kills any other person, when either the person so killing or the person so killed is traveling in interstate or international commerce, is guilty of murder under the terms of the proposed act. From the cases, supra, it would seem undoubtedly true that the Federal Government would have the power to enact a penal statute to protect the life and safety of people traveling in such commerce.

Where such acts are committed either within the exclusive jurisdiction of the Federal Government; i. e., on Federal reservations, inland waters, etc., or outside of the jurisdiction of the States, the Federal Government has undoubted jurisdiction to punish the criminal. At the present time jurisdiction as between the State and Federal Government is based largely on geographical location. Where jurisdiction is based upon a somewhat indefinite concept such as traveling in interstate or international commerce, areas of difficulty can be foreseen. The limits of the jurisdiction would be difficult although not necessarily impossible of determination.

In determining jurisdiction under such a concept, numerous questions arise. First, what exactly, is interstate commerce? The United States Code, title 18, section 10, defines interstate and foreign commerce:

"The term 'interstate commerce,' as used in this title, includes commerce between one State, Territory, possession, or the District of Columbia and another State, Territory, possession, or the District of Columbia. The term 'foreign commerce,' as used in this title, includes commerce with a foreign country."

These statements are not very helpful for our purpose. They are certainly not exclusive but merely indicate generally what is to be included within the terms. It is noted that the proposed statute uses the word "international" commerce. It is suggested that the word "international" be changed to "foreign," as "foreign" is used not only in the definition in title 18, but also in the Federal Constitution. One aspect of the use of the word "international" concerns a situation where an American citizen is traveling on the high seas on a foreign vessel. Words of limitation appear necessary in the proposed statute to limit the situations to those in which the United States actually has jurisdiction. The courts have been reluctant to specifically define the term "interstate commerce." In order to ascertain something of its meaning we are reduced to looking at numerous cases. Interstate commerce means not merely interstate movement but interstate business, *Mayor and Board of Aldermen of City of Vicksburg* v. *Steckfus Steamers* (150 Southern 215). Interstate commerce as contemplated by the Constitution is not a technical legal conception, but a practical one drawn from the force of business, *State of Minnesota* v. *Blasius* (290 U. S. 1). Interstate commerce, though perhaps not limited thereto, includes interstate intercourse. Intertsate intercourse is the passage of property, persons, or messages from within one State to within another State. It has certain adjuncts, to wit, the persons corporate or natural and their employees effectuating the passage; the means by which they effectuate it, including the ways, artificial or natural, over which, and the instrumentalities by which, the passage is made and the money charged for the services rendered. Strictly speaking, these things are not interstate intercourse or commerce. They are merely the adjuncts thereof, but Congress is empowered by the provision of subsection 3, section 8, article I, of the Constitution, conferring on it the power to regulate commerce with foreign nations and among the several States and with the Indian tribes, to regulate the adjuncts of interstate commerce, as much so as interstate commerce itself. Its power to regulate them is as extensive, full, and complete as its power to regulate it, *United States* v. *Adair* (152 Fed. 737, 743). Interstate commerce loses its interstate character when it arrives at a given destination, *United States* v. *Segelman* (86 F. Supplement 114, 121). Practical continuity of transit does not always make an act a part of interstate commerce, *State* v. *Crane Hwook Oil Storage Co.* (18 Atlantic 2d, 427).

From these citations it can readily be seen that a limitation or declaration of limitation upon the jurisdiction of the United States would be most helpful in determining the jurisdiction of the crime. Under the guise of interstate commerce articles have been held to be in commerce not only after they have reached their destination and come to rest but until they have been taken out of their original package: Certainly the case of an ordinary citizen going from New York to Chicago, who is murdered in transit after boarding a train and before arriving in Chicago, would present little difficulty with respect to jurisdiction. However, the case of a person traveling on company business, who leaves the company factory and proceeds to the railroad station and who is murdered prior to the purchase of a ticket, will present a difficult jurisdictional question. How will it be determined whether this man is traveling in interstate commerce? Under some of the decisions, dealing with goods in interstate commerce, the Federal Government has not only regulated such transportation but even regulated the actual process of manufacture. Would a person traveling in his own car from the factory office to the bank across a State line and back again be traveling in interstate commerce? Numerous questions present themselves both at the beginning and end of trips across State lines in the course of business, all of which present practical questions of jurisdiction. Where the murder occurs between the point of departure in a private conveyance and the first State line question may arise with respect to the intent of the deceased. Practical proof of the intent and purpose of the deceased to travel across the State line in commerce may be rather difficult to obtain. It therefore may be desirable to include language in the proposed legislation limiting the definition of travel in interstate commerce, for the purpose of this particular act. It should, perhaps, include only travel from the public station or point of departure of a common or public conveyance to the point of arrival or public station at the end of the journey. This would eliminate problems of Federal jurisdiction prior to and after actual travel on a common carrier or public conveyance.

Section 2 of the proposed statute provides that if the death of any person shall proximately result from any Federal crime or offense of which malice or the intention to injure any person or damage property is an element, all persons guilty of such Federal offense and all persons guilty of conspiracy to commit such offense, whether present at the time of the commission of the offense or not, and all principals in the second degree and all accessories to such Federal offense shall be deemed guilty of murder whether it was or was not the intention of any of such persons to take the life of the person killed or to take the life of any other person.

This proposal would extend the crime of murder to many acts not now denoted as murder. At the present time murder is (see U. S. Code 18: 1111) the unlawful killing of a human being with malice. The statute divides murder into two degrees; First degree murders are (1) those perpetrated by poison, lying in wait or any other kind of willful, deliberate, malicious, and premeditated killing; (2) those committed in the perpetration of or attempt to perpetrate any arson, rape, burglary, or robbery; and (3) those perpetrated from a premeditated design unlawfully and maliciously to effect the death of any human being other than he who is killed; second degree murder is any murder other than those, supra. The present statute also provides (U. S. Code 18: 1112) that manslaughter is the unlawful killing of a human being without malice and proceeds to define the two kinds of manslaughter, voluntary and involuntary.

The proposed statute would add three elements to the murder statute where death proximately results from the commission of any kind of Federal crime or offense, felony or misdemeanor, i. e., (1) those involving the element of malice; (2) those involving an intention to injure any person; and (3) those involving an intention to damage property. It should be noted that these would include, among others, offenses under the following statutes where malice is specifically mentioned: (U. S. Code 18: 1362).

1. Willful or malicious injury or destruction of works, property, or material of any radio, telegraph, telephone, or cable, line, station, or system, or other means of communication operated or controlled by the United States, whether constructed or in process of construction; or willful or malicious interference in any way with the working or use of any such line or system; the willful or malicious obstruction, hindrance, or delay of any communication over such line or system: present penalty—$1,000 fine or 3 years or both;

2. The willful or malicious injury, defacing, or destruction of any mail in a letterbox: present penalty—$1,000 fine or not more than 3 years;

3. Maliciously and without probable cause, causing a search warrant to be issued and executed: present penalty—not more than $1,000 or not more than 1 year. Undoubtedly a number of situations will readily come to mind where the commission of offenses under these statutes would proximately cause the death of some person yet it would not be desirable to charge the offender with murder. So inclusive a provision as that of the proposal would not seem desirable until its effect on all Federal statutes clearly involved had been determined.

Section 3 of the proposal uses the term "international commerce" which should be changed to "foreign commerce" for the same reason as was indicated with respect to section 1 of the proposal. In the light of section 1 it would seem that Congress has the power to protect the public against the use or the means or instruments of interstate commerce as a method of sending lethal agencies by common carriers for the purpose of maliciously killing or causing the death of any persons. Certainly Congress would have the power to punish sending such lethal agencies on means of communication owned or operated by the United States.

Section 4 of the proposal permits the imposition of a sentence for less than life but not less than 14 years. The present punishment (U. S. Code 18: 1111) is death or imprisonment for life for first degree murder while second degree murder is punished for any term of years or for life.

(It may be questioned whether it would be desirable to include in a criminal statute, in the very definition of the offense, a term as indefinite—or at least, as litigious—as "proximate" cause.)

Also, prior to my introduction of this proposal legislation I wrote to the Department of Justice for its opinion as to my proposed legislation. The reply I received from the Department of Justice I would like to include in the Record:

April 30, 1956.

Hon. James C. Murray,
House of Representatives,
Washington, D. C.

Dear Congressman Murray: On March 13 you requested comment concerning legislation you proposed to introduce in the House of Representatives to amend title 18 of the United States Code to provide punishment for murder in interstate commerce. In my letter of March 19 I advised you that I was having the proposal examined and would communicate further with you.

Without undertaking to comment on the specific language of the proposal at this time, I should like to acquaint you with some of the comments I have received concerning your proposed legislation.

First, the view has been expressed that so much of the proposed legislation as would make it a Federal crime to kill any person when either the person killed or the person committing the killing is traveling in interstate or foreign commerce would constitute an unwarranted extension of Federal criminal law. It would seem that under this measure, if enacted, an individual traveling in interstate commerce from New York to Florida who, with malice aforethought, kills a farmer working in a field in Maryland, would be subject to prosecution in a Federal court. Likewise, a gas station attendant in Chicago who, with the required intent, kills a person traveling from Indiana to Michigan would be subject to Federal prosecution.

So far as we are aware, there is no need for such legislation for the States are well able to prosecute in cases such as those which would be embraced by the measure.

As for the second portion of the legislation, that which would provide in substance that any person who with malice aforethought kills or proximately causes the death of any other person by the sending of any lethal agency in interstate or foreign commerce or through the mails or by any means of transportation owned or operated by the United States shall be guilty of murder, your attention is invited to a number of Federal statutes in the field. For example, sections 832-835 and sections 2275, 2277, and 2278 of title 18, United States Code, are pertinent. Of course, in some situations the criminal laws of the States supplement those of the Federal Government so that the Federal penalties which may seem to be inadequate (as, for example, 10 years' imprisonment under a section such as 833 of title 18, where the death of any person is caused by reason of a violation) are not necessarily so.

I trust this information will be of some assistance to you in your study of the matter.

Sincerely,

William P. Rogers,
Deputy Attorney General.

The reply received from the Department of Justice demonstrates clearly the reason this Congress has not until this late date enacted legislation similar to that which I propose. It is the fear of an alleged encroachment upon local authority over crime.

Although many of our Members have criticized the United States Supreme Court for encroaching upon legislative jurisdiction, the United States Supreme Court in recent years has not hesitated in effectuating the constitutional mandate imposed by the 14th amendment to encroach upon the jurisdiction of local courts in criminal matters. In its most recent decision the United States Supreme Court has gone so far as to hold that a State court must furnish at State expense a transcript of record to State convicted criminals who are incapable of paying for the same—Confer Griffin against People, No. 95, Supreme Court, October term 1955. The United States Supreme Court, to give meaning to due process of law, has in recent years required States, at State expense, to furnish lawyers to the accused even though the State constitution might not require such legal representation.

The anomalous situation today is that the United States Supreme Court which receives much criticism on its assumption of jurisdiction, has gone so far as to effect and regulate local criminal procedure in meeting its constitutional responsibility. Yet, the Congress for fear of treading on local jurisdiction delays in meeting the problem of interstate crime.

We are still in the legislative age where we feel that crime, even though it is interstate crime, is a matter within the prerogative of the State rather than our own responsibility. The Deputy Attorney General in his letter suggests that my bill would subject to Federal jurisdiction an individual traveling in interstate commerce from New York to Florida, who en route kills a farmer working in a field in Maryland. That is true, but I ask you, what is the difference? If the governor of the State to which the murderer traveled refused to extradite the killer, he will go unpunished and remain at large.

Furthermore, the Maryland police in the situation referred to in the Deputy Attorney General's letter, would be much less capable of detecting or apprehending the traveling murderer than would the FBI. The FBI in the hypothetical case might assist the Maryland police but they would do so upon a jurisdiction predicated not upon the crime but predicated upon their authority to cooperate with local police.

Likewise, in the Deputy Attorney General's letter in opposition to my proposed legislation, he suggests that a gas station attendant in Chicago who, with the required intent kills a person traveling from Indiana to Michigan would be subject to Federal prosecution under the suggested legislation. Nevertheless, if the mythical person who was murdered happened to have been traveling in an automobile which he stole in Chicago, he would have been subject to the criminal law of Illinois, Indiana, Michigan, and also under the Federal criminal law for the theft of the automobile.

The creation of the crime of murder in interstate and providing for its punishment as written in the legislation which I propose, effectuates two results not in the law today. It protects human life while in interstate commerce from potential murderers, regardless of the mode of transportation, and the manner or method in which the murder is committed.

Further, it protects citizens in one State from the vicious interstate murderer. No murderer is more vicious or harder to detect than the interstate murderer.

Rather than encroaching upon the jurisdiction of the State or local authority, my proposed legislation is a valuable and important aid to the States in enforcement of their penal laws.

Any State's attorney or any law enforcement officer will advise you that the hardest murder to solve is the hired murderer who comes from one community to commit his foul deed and immediately returns to that community. The hardest crime to fix jurisdiction is the murder in interstate commerce.

All of my own city, Chicago, is presently shocked at a vicious, presently unsolved, murder of three Chicago youngsters. Jurisdiction to apprehend the wrongdoers is now vested in the various local independent police force, including the Chicago Police Department, Suburban City Police Department, and the sheriff's office. In addition to these offices the State's attorney of Cook County and the coroner of Cook County are attempting to solve the crime. Yet, if the perpetration of that crime happens to have been a transient passing through Illinois from another State to a third State, the problem of detecting and apprehending the evildoer is an almost impossible one.

Under my proposed legislation the FBI would have jurisdiction to assist the local police and if that evildoer was a person traveling in interstate commerce when the crime was committed, no extradition proceedings would have to be instituted and a speedy trial would be available in the Federal district court.

The recent disaster in Colorado in which 44 lives were lost would be punishable under the provision of my proposed legislation not through the necessity of proof that the intent of the evildoer was to damage or destroy the aircraft or its crew, as required by the proposed legislation, but by mere proof that the murder occurred in interstate or foreign commerce.

Do we have to wait until the use of interstate commerce in perpetrating the crime of murder becomes a national scandal before we assert Federal jurisdiction? Do we have to wait until a criminal mind conceives some new and devious way of killing in interstate commerce before we meet the issue of murder in interstate commerce directly and not through the subterfuge of legislation protecting vehicles in interstate commerce?

My proposed legislation covers all of such situations; it also covers every situation where the commission of a Federal offense results in death. It is broad enough to cover any kind of Federal offense. It is a useful weapon in the combating of sabotage, espionage, treason, and the like. At the same time it takes the bold step of protecting the citizens of the United States while traveling in interstate commerce and protecting the citizens of the various States who are murdered by murderers traveling in interstate commerce.

I urge its speedy consideration.

Mr. TUMULTY. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Illinois. I yield.

Mr. TUMULTY. Assuming that someone is traveling in interstate commerce and stops off in a State for a while and then is killed or injured so that death results, would that type of crime come

within the jurisdiction of your proposed bill?

Mr. MURRAY of Illinois. It would come within the jurisdiction of the bill which I propose, but that does not mean that the committee could not amend my proposed legislation if they thought it was the intent of Congress that the perpetration of the crime be at the point of embarkation or the point of debarkation in interstate travel.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HALE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I was a member of the subcommittee which reported this legislation. I think it is absolutely indispensable legislation. I cannot imagine that anybody in this House or anywhere else would desire that these horrible crimes go unpunished.

I hope the legislation will be unanimously supported.

I yield back the remainder of my time.

Mr. PRIEST. Mr. Chairman, I have no further requests for time on this side.

GENERAL LEAVE TO EXTEND

Mr. HALE. Mr. Chairman, I ask unanimous consent that all Members may have 5 days in which to extend their remarks on this legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The rule under which the bill is being considered provides that it shall be in order after the reading of the first section to move to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill H. R. 319 as reported to the House by the Committee on the Judiciary.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 902 of the Civil Aeronautics Act of 1938, as amended, be further amended by inserting at the end thereof the following new subsections:

Mr. WILLIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Willis: Strike out all after the enacting clause and insert in lieu thereof the following:

"That title 18 of the United States Code is amended by inserting immediately after section 14 thereof the following new chapter:

" 'CHAPTER 2—AIRCRAFT AND MOTOR VEHICLES

" 'Sec.
" '31. Definitions.
" '32. Destruction of aircraft or aircraft facilities.
" '33. Destruction of motor vehicles or motor vehicle facilities.
" '34. Penalty when death results.
" '35. Imparting or conveying false information.

" 'Sec. 31. Definitions—

" 'When used in this chapter the term—

" ' "Aircraft" means any contrivance contemplated within the definition of aircraft set forth in section 1 (4) of the Civil Aeronautics Act of 1938 (49 U. S. C. 401 (4)) or in section 2311 of title 18, United States Code, used for commercial purposes in the transportation of persons or property;

" ' "Motor vehicle" means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;

" ' "Destructive substance" means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and

" ' "Used for commercial purposes" means the carriage of persons or property for any fare, fee, rate, charge or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.

" 'Sec. 32. Destruction of aircraft or aircraft facilities.

" 'Whoever willfully damages, disables, or destroys, any civil aircraft used in interstate, overseas, or foreign commerce; or

" 'Whoever willfully, with intent to damage, disable, or destroy any civil aircraft used in interstate, overseas, or foreign commerce, or to injure or endanger the safety of the aircraft, or its cargo, or of persons on board, sets fire to, tampers with, or places or causes to be placed, any explosive or other destructive substance in, upon, or in proximity to, the aircraft or its cargo or material used or intended to be used in connection with its operation; or

" 'Whoever willfully with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any airfield, signal, structure, supply, or facility used in the operation of, or in support of the operation of, aircraft used in interstate, overseas, or foreign commerce, or otherwise makes, or causes such property to be made unworkable, unusable, or hazardous to work or use; or

" 'Whoever, with like intent, willfully disables or incapacitates any member of the crew of an aircraft, or in any way lessens the ability of such member to perform his duties as such; or

" 'Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

" '§ 33. Destruction of motor vehicles or motor vehicle facilities.

" 'Whoever willfully damages, disables, or destroys any motor vehicle which is used, operated, or employed in interstate or foreign commerce; or

" 'Whoever willfully, with intent to damage, disable, or destroy any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or to injure or endanger its cargo or persons on board, sets fire to, tampers with, or places or causes to be placed any explosive or otherwise destructive substance in, upon, or in proximity to said motor vehicle or its cargo or material used or intended to be used in connection with its operation; or

" 'Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or

" 'Whoever, with like intent, willfully disables or incapacitates any drive or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or

" 'Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

" '§ 34. Penalty when death results.

" 'Whoever is convicted of any crime contained in this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.

" '§ 35. Imparting or conveying false information.

" 'Whoever willfully imparts or conveys or causes to be imparted or conveyed information, knowing the information to be false, concerning an attempt being made or to be made, to do any act which would be subject to criminal penalty under this chapter or under chapter 97 or chapter 111 of title 18, United States Code—

shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.'

"Sec. 2. The part analysis preceding chapter 1 of title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:

" '§. Aircraft and motor vericles____ 31' "

Mr. WILLIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Chairman, I shall not take 5 minutes. I think the whole matter has been explained.

According to the rule by which the measure is now before us, the offering of this amendment is in order. However, since there had appeared before the Rules Committee members of the Committee on the Judiciary and members of the Committee on Interstate and Foreign Commerce, and they and the staffs of the two committees resolved their differences and worked out certain perfecting language to the substitute to the amendment of the Judiciary Committee which I have just offered. As it has been explained before, the gentleman from Tennessee, who is controlling the time, out of whose committee the Senate bill emanated, is to offer this perfecting language as a substitute to my substitute amendment.

I yield back the balance of my time.

Mr. HARRIS. Mr. Chairman, I offer a substitute for the Willis amendment.

The Clerk read as follows:

Amendment offered by Mr. Harris as a substitute for the amendment offered by Mr. Willis: Strike out all after the enacting clause and insert the following:

"That title 18 of the United States is amended by inserting immediately after section 14 thereof the following new chapter:

" 'CHAPTER 2—AIRCRAFT AND MOTOR VEHICLES

" 'Sec.
" '31. Definitions.
" '32. Destruction of aircraft or aircraft facilities.
" '33. Destruction of motor vehicles or motor vehicle facilities.
" '34. Penalty when death results.
" '35. Imparting or conveying false information.

" '§ 31. Definitions.

" 'When used in this chapter the term—

" ' "Aircraft engine", "air navigation facility", "appliance", "civil aircraft", "foreign air commerce", "interstate air commerce", "landing area", "overseas air commerce", "propeller", and "spare part" shall have the meaning ascribed to those terms in the Civil Aeronautics Act of 1938, as amended.

" ' "Motor vehicle" means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;

" ' "Destructive substance" means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and

" ' "Used for commercial purposes" means the carriage of persons or property for any fare, fee, rate, charge or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.

" '§ 32. Destruction of aircraft or aircraft facilities.

" 'Whoever willfully sets fire to, damages, destroys, disables, or wrecks any civil aircraft used, operated, or employed in interstate, overseas, or foreign air commerce; or

" 'Whoever willfully sets fire to, damages, destroys, disables, or wrecks any aircraft engine, propeller, appliance, or spare part with intent to damage, destroy, disable, or wreck any such aircraft; or

" 'Whoever, with like intent, willfully places or causes to be placed any destructive substance in, upon, or in proximity to any such aircraft, or any aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material used or intended to be used in connection with the operation of any such aircraft, or any cargo carried or intended to be carried on any such aircraft, or otherwise makes or causes to be made any such aircraft, aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material unworkable or unusable or hazardous to work or use; or

" 'Whoever, with like intent, willfully sets fire to, damages, destroys, disables, or wrecks, or places or causes to be placed any destructive substance in, upon, or in proximity to any shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air navigation facility or other facility, warehouse, property, machine, or apparatus used or intended to be used in connection with the operation, loading, or unloading of any such aircraft or making any such aircraft ready for flight, or otherwise makes or causes to be made any such shop, supply, structure, station, depot, terminal, hanger, ramp, landing area, air navigation facility or other facility, warehouse, property, machine, or apparatus unworkable or unusable or hazardous to work or use; or

" 'Whoever, with like intent, willfully incapacitates any member of the crew of any such aircraft; or

" 'Whoever willfully attempts to do any of the aforesaid acts or things—

" 'shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.'

" '§ 33. Destruction of motor vehicles or motor vehicle facilities.

" 'Whoever willfully, with intent to endanger the safety of any person on board or anyone who he believes will board the same, or with a reckless disregard for the safety of human life, damages, disables, destroys, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to, any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or its cargo or material used or intended to be used in connection with its operation; or

" 'Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or

" 'Whoever, with like intent, willfully disables or incapacitates any driver or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or

" 'Whoever willfully attempts to do any of the aforesaid acts—
shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

" '§ 34. Penalty when death results

" 'Whoever is convicted of any crime prohibited by this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.

" '§ 35. Imparting or conveying false information.

" 'Whoever willfully imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this chapter or chapter 97 or chapter 111 of this title—
shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.'

"SEC. 2. The part analysis preceding chapter 1 of title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:

" '2. Aircraft and motor vehicles____ 31'

"Amend the title so as to read: 'An act to punish the willful destruction of aircraft or motor vehicles, and their facilities, and for other purposes.' "

Mr. HARRIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the substitute be dispensed with and that it be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Chairman, it will not be necessary to take any further time as this entire matter has been explained already to the committee. I think it sufficient to say that in cooperation with my distinguished friend from Louisiana, chairman of the subcommittee of the judiciary, we devoted a great deal of thought and consideration to this problem. The gentleman from New York [Mr. KEATING], who introduced one of the bills, perhaps the first bill on the subject, and other members of that great committee, together with the staff of our committee and also the Judiciary Committee, and our legislative counsel, to whom we always look for technical advice and information, have worked out this bill to accomplish the objective sought.

It has been stated that the objective originally was to reach a problem in connection with air-carrier aircraft. At the insistence—I think I use the word advisedly—of our distinguished friend, the gentleman from New York [Mr. KEATING] and some other members of the committee, the language has been expanded to include not only air-carrier aircraft in interstate, overseas, and foreign air commerce, but business aircraft as well. As the gentleman from Louisiana [Mr. WILLIS] explained to the committee a few minutes ago, instead of making the legislation applicable to the Civil Aeronautics Act as an amendment to that act, it will become a part of the Criminal Code. This is in line with the recommendation of the Department of Justice.

It might also be kept in mind that this proposed substitute amendment provides technical definitions which we who have gone into the problems of civil aviation and who have given a lot of thought to these matters over the years think should be included. In other words, the matter is spelled out so clearly and so plainly in the substitute with the very fine cooperation of these two committees that there should be no difficulty whatsoever in the future in reaching tragedies or near tragedies like the recent one in Colorado.

Insofar as the extension of the legislation to motor bus transportation is concerned, as I said a moment ago, we felt we were not sufficiently advised as to the problem. We had not gone into it as a committee to the point where we could say whether it is better to include bus transportation or not. But having confidence in the Judiciary Committee, who had gone in that phase of it, our committee clearly and willingly accepted their recommendations. I think that the question as to just what interstate motor transportation it applies to is very well spelled out in the definitions. I will take a moment to read that paragraph because there has been some interest shown in it. The substitute provides under "Definitions" the following:

> "Motor vehicle" means every desciption of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property.

In other words, according to this definition which is so clear and understandable, there should not be any fear on the part of anyone as to just what is intended. When you take that into consideration, that language, there is no doubt as to what the committee and this Congress intended to do.

Mr. KEATING. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas. Let me say at the outset that there has been no dispute between the Judiciary Committee and the Interstate and Foreign Commerce Committee as to the objectives of this legislation. The only disagreement was in selecting the means of best accomplishing the purpose of the bill. In this honest disagreement, I am certain that there was no pride of authorship nor any selfish motive to protect either committee's jurisdiction. I am happy to say that the disagreement has been obviated by amicable negotiation between our two committees.

Since the 83d Congress I have sponsored legislation to provide that destruction of aircraft and the resulting injuries or death could be made punishable under our Federal criminal jurisdiction. That was the sole purpose in my reintroduction, in the 84th Congress, of the bill H. R. 319 which was the subject of hearings and lengthy deliberation by the Committee on the Judiciary.

The Committee on the Judiciary assumed jurisdiction of that bill since in form it amended our Federal penal law, title 18 of the United States Code.

The form of the legislation, namely, whether it should amend the Civil Aeronautics Act, which is within the jurisdiction of the Interstate and Foreign Commerce Committee, or whether it should amend the Federal penal law—title 18—within the jurisdiction of the Judiciary Committee, was one of the points in dispute. It has always been my contention, and I believe properly so, that the definition of a substantive crime properly belongs in title 18. The substitute offered provides for amending title 18 by the insertion of a new chapter dealing with aircraft and motor vehicles.

To further support the contention that this legislation should be part of the Federal penal law is the fact that the enforcement of our criminal law and the prosecution thereafter is the responsibility of the Attorney General. At this point it should be noted that the Attorney General advocaed that such legislation as this should be a part of our criminal law. He indicated that to leave it as an amendment to the Civil Aeronautics Act would merely complicate, confuse, and delay prosecutions by reason of the fact that it would be necessary to introduce into evidence various administrative rules, regulations, and actions of the Civil Aeronautics Board.

In addition, as the recent example in Colorado proves, it is wise to incorporate this legislation in title 18 because the Federal Bureau of Investigation thereby enters such cases at the very outset. While it is true that the Civil Aeronautics Board does investigate aircraft accidents, its primary objective is the promotion of safety, whereas under this legislation we are dealing with a criminal prosecution. Thus the trained agents of the FBI, experienced in obtaining and preserving evidence to meet the subsequent legal rules for their introduction during the trial, would have the responsibility from the very start. The CAB has stated that it does not desire the responsibility of locating and apprehending violators of this proposed law.

Another point in dispute was the so-called coverage of the aircraft in question. Originally the bill S. 2792, was limited to the so-called "airline" aircraft, while the provisions of my bill encompassed so-called charter and company-owned aircraft. The provisions of the substitute, as I understand it, is broader than either of these two provisions, and for that reason I gladly accept it.

Another point in dispute was the so-called description of aircraft and aircraft parts and facilities. While the original bill as well as this version uses the specific enumerative method to describe these objects, my proposal used general descriptive phrases which the Attorney General approved. Since we are dealing with criminal law, there was the belief that general language avoided the possibility of an inadvertent omission, thereby creating a loophole through which the guilty might escape. However, since certain definitions of the Civil Aeronautics Act are incorporated into title 18, while I still prefer the general provision, I find the substitute proposal acceptable.

The substitute proposal has adopted in toto both as to form and language the provisions of H. R. 319 covering motor vehicles engaged in interstate and foreign commerce. The bill as reported from the other committee contained no such provision and it pleases me to see the scope of the legislation broadened to cover this phase of our commerce.

As I stated at the outset, everyone seems to support this legislation insofar as the objectives are concerned. Air transportation has become an everyday practice in the lives of the public. As such it should be protected by Federal legislation of the nature offered here today. The intricate difficulties and problems which perforce emerge from this type of transportation obviously cannot be the exclusive jurisdiction of local and State authorities. The recent trial in Colorado in a case of this nature is ample proof that we must act here and now to protect this mode of travel and transportation.

I believe that the same arguments support the inclusion of the provision governing interstate transportation by motor vehicle. Therefore I strongly recommend the adoption of the substitute amendment.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Iowa.

Mr. DOLLIVER. I just want to say to the committee that I believe the gentleman from New York can take great satisfaction in the bill that is now pending, because most of the elements in the measure that he introduced are now included in the pending measure. The gentleman from New York originally introduced this legislation before the Committee on the Judiciary some years ago, I believe.

Mr. KEATING. Yes, that is true. I thank the gentleman for his remarks. I did first introduce it after a similar episode in Canada several years ago. It seemed to me for some time there had been a lack of legislating in this field which was very necessary.

Mr. Chairman, I do not think it is necessary to detain the committee further. I am very happy to support the substitute.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Arkansas [Mr. HARRIS] for the amendment offered by the gentleman from Louisiana [Mr. WILLIS].

The substitute was agreed to.

The amendment as amended by the substitute was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore having assumed the Chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, pursuant to House Resolution 472, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

Mr. HARRIS. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

> Amendment offered by Mr. HARRIS: Amend the title so as to read: "An act to punish the willful damaging or destroying of aircraft or motor vehicles, and their facilities, and for other purposes."

The amendment was agreed to.

A motion to reconsider was laid on the table.

The bill H. R. 319 was laid on the table.

MARINE CORPS TRAINING CAMP AT PARRIS ISLAND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial from the Christian Science Monitor.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on April 16 I asked that the Members of the House exercise great caution in passing judgment on the Marine Corps for the tragic accident at Parris Island. It appears to me that subsequent events have justified this advice. In this connection I would like to call attention to General Pate's forthright and decisive handling of a most difficult situation. I have studied the report rendered by General Pate to Mr. Vinson and the members of his committee. It is apparent that in reaching his decision and in making his report General Pate was guided by principles which we all admire and respect.

The report on the Parris Island tragedy reflects both wisdom and courage. In recognizing and admitting that the recruit-training program has deficiencies which need correcting and in outlining specific and positive steps which have been taken to reorganize the program, the Commandant has taken the best possible steps to strengthen the public confidence in the Marines as a ready fighting force. General Pate has recognized the vital importance of dealing with Congress and the public on the basis of honesty and candor.

In characteristic fashion the Marines have met the situation directly and without excuse or subterfuge. We are assured that they will retain the hard core of doctrine which, for so long, has produced an elite fighting organization whose members possess an admirable loyalty and fierce pride which serves to strengthen their natural skills and ability. While retaining the essentials of the system which throughout our history has proven itself in the Nation's defense, we are told that every effort will be made to eliminate any form of treatment "incompatible with accepted American standards of human dignity."

This is indeed a worthy and proper objective which the Marine Corps should be allowed to pursue without interference. It seems to me that the reorganization which General Pate has outlined is well designed to cope with the problem of separating the good from the bad and eliminating the latter. It is certainly indicative of good faith and determination to carry out a constructive program.

I am confident that the Marines will attack this present problem with the same energy and resolution which have become their hallmark. I believe that General Pate deserves a great deal of credit for the manner in which he has reacted to a crisis which confronted him in the early days of his assignment as commandant.

I have noted with considerable interest the public reaction to the report which has been made to the House Armed Services Committee. The good sense demonstrated in this instance has been reflected in numerous editorials which have favorably commented on General Pate's decisive action. Among them is one which appeared in the Christian Science Monitor on May 2.

As we have come to expect in the Monitor, this editorial is well written and goes to the heart of the matter. Since it is typical of the press comment on the subject, under unanimous consent I ask that it be printed in the Record at this point in my remarks:

THE PARRIS ISLAND FINDINGS

Report of the special Marine Corps board investigating the recent Parris Island Recruit Depot tragedy reveals another tragedy hitherto mercifully and properly hidden by official secrecy: a noncommissioned officer with combat experience and excellent record betrayed by intoxicating liquor into trouble as deep as the tidal swamp into which he led his men.

The board of inquiry has found that Staff Sergeant McKeon, on the morning, afternoon, and evening prior to ordering his platoon on a disciplining march, "drank an unknown quantity of vodka * * * while on duty and in the presence of a recruit under his charge." Gen. Randolph M. Pate, Commandant of the Marine Corps, has recommended to the Secretary of the Navy that Sergeant McKeon be tried by general court-martial.

General Pate has gone further: He has ordered a thorough overhaul of the Marine Corps recruit training to be initiated by a depot commander other than Maj. Gen. Joseph Burger, who, in accord with military tradition, is held technically responsible for the errors of those under him and is being transferred to another command.

We would echo veteran Congressman Dewey Short of the House Armed Services Committee and say it is to be hoped nothing will be done to decrease the efficiency and effectiveness of Marine Corps training. That training is, as we said at the time of the multiple tragedy, at once a "fearful and wonderful thing"—that its weakness lies not in its rigorousness but in the degree of authority it vests, as a matter of practice, in its drill sergeants and in its vulnerability to abuse.

General Pate has been energetic and skillful in his handling of the matter and frank in his reporting to Congress and the public. Direction of the promised changes seems in good hands.

LONE STAR STEEL CO., HEART OF INDUSTRIAL EMPIRE OF SOUTHWEST—ADDRESS BY E. B. GERMANY, PRESIDENT

Mr. PATMAN. Mr. Speaker, Mr. E. B. Germany, president of the Lone Star Steel Co., made a very interesting and revealing address before the New York Society of Security Analysts in New York City, April 24, 1956.

The people of Texas, the Southwest, and the Nation are grateful to Mr. Germany for his success in developing the E. B. Germany Works, including Lone Star Steel Co. Forty-five hundred people have jobs by reason of Mr. Germany's successful efforts, and they are all receiving wages equal to wages received in other steel centers of the United States.

Were it not for this enormous plant and the employment opportunities it affords, that particular area of our country, I am afraid, would be a depressed area; but with so many people having good jobs that section of our country is not only enjoying a measure of prosperity at this time, but has economic security in the future.

The Lone Star Steel Co. is right in the middle of tremendous oil development and enormous oil fields. There is a great demand for the steel pipe that is now being manufactured by the Lone Star Steel Co. The plant, therefore, serves a good purpose for the entire Nation by supplying the vital oil industry with needed steel pipe.

Gene Germany, a petroleum engineer, a successful oil man, and one of Texas' finest and most outstanding public-spirited citizens, did not know much about the steel business before the organization of the Lone Star Steel Co. during the early part of World War II except he did know how to use oil field country pipe in his wildcatting operations. He was a director of the company from the beginning. When he was called upon to serve as president of Lone Star Steel, he turned his successful oil business over to his two sons and started out in the steel business with a determination to make the plant a success. At that time, dire predictions were made about its future. Under the guidance and constructive leadership of Gene Germany, along with his knowledge, sincerity and honesty of purpose, aggressiveness and genuine determination, the people of our section of the country can now point with pride to this huge industrial empire that has been built and is being successfully operated by him. It means much to our Nation and to our State. We, the people of this First Congressional District of Texas and their present Congressman in particular, shall never cease to be grateful to Gene Germany for making the dreams of our people since early pioneer days come true.

The address is as follows:

THE LONE STAR STORY

(An address by E. B. Germany, president Lone Star Steel Co., before the New York Society of Security Analysts, at Schwartz Restaurant, New York City, Tuesday, April 24, 1956)

No discussion of Lone Star Steel Co., or for that matter of the iron and steel industry in Texas, would be complete without something of a preface dealing with the earily history of the business in our State. It is a story packed with drama, and like almost everything that happens in Texas, it also has its humor. The struggle of this industry is as much a part of the thrilling "winning of the West" as were the thumb-busting six-shooters which, for a good many years, were the law both east and west of the Pecos River.

Not many people know that the iron industry in Texas is more than a hundred years old. Quite a number of blast furnaces had been in operation in Texas as much as 50 years before the first oil well in the State was discovered at Spindletop. This observation is important because it emphasizes the fact that Lone Star is not dealing with a quantity of raw material just recently discovered, but rather a deposit which has been thoroughly surveyed and explored on numerous occasions during the last century.

In brief, the iron and steel history in Texas divides itself into three important eras. The first began in the early 1850's and extended through the Civil War. During the war, several small blast furnaces were taken over by the Confederate government. After the war, the freeing of the slaves eliminated the labor supply to some extent, and as northern and eastern interests had no desire to continue operation of the furnaces, and as the southern economy could not support them, they were abandoned.

The second important era in our State's iron and steel history began about 1875 and extended until 1910. The operation of four very good furnaces highlighted this period. Lack of transportation and a pricing situation which found the Texas furnaces unable to compete with the eastern and northern mills caused their failure.

A discussion of the third important era in the history of Texas iron and steel is the reason for my presence here today.

In discussing the Lone Star story, I'm going to omit any detailed reference to the physical plant. You know that it is a completely integrated steel mill. It was designed largely by a reputable engineering firm—A. J. Boynton & Co.—and the major portion of the mill was constructed by the highly regarded Brown & Root Co. Being a new mill, our equipment is of the latest possible design. I believe our 1955 annual statement best reflects the caliber of personnel operating the mill.

WHY LONE STAR?

In lieu of detailed information about the mill itself, I think you will be more interested in hearing something about the intangibles, and going back to the very start of our company, a pertinent question would be—Why Lone Star?

At the start of World War II, the Government foresaw a critical shortage of iron. As the result of the century-old history I have recalled, the development of the northeast Texas resources seemed to provide at least partial relief, and in 1941, construction of the original facilities was started. These facilities included ore beneficiation plant, blast furnace, power plant, coke ovens and other related installations. Simultaneously, coal properties in nearby Oklahoma were purchased.

As the war wore on, the iron shortage did not develop to the extent anticipated, and as a result, the blast furnace was not blown in until late 1947. In the interim, ore and coke were sold to other plants. During this period, the facilities were operated for the Government by Lone Star under a management agreement.

When the war ended, the plant was turned over to the War Assets Administration for disposal. Bids were sought on the various facilities, and the sum total of all bids amounted to only about $3 million.

Recognizing the need for an integrated mill in the area, and further recognizing the desirability from a national defense point of view of having such types of facilities located at some distance from the highly industrialized Pittsburgh and Chicago areas, officials of Lone Star purchased the plant along with the iron and coal reserves for the net sum of $6,300,000. This was approximately one-fifth of the original cost to the Government. As of January 1, 1948, title passed and we were in business for ourselves.

I think the answer to the question—Why Lone Star?—begins to unfold itself as of the date of our purchase.

Certainly, we felt Lone Star, as a merchant iron producer, would not be sufficient to guarantee its long-time survival, but at the moment, we were pressed for money with which to complete our deal with the Government. As this obligation was met, we took first things first as they fell within the limits of our credit. We built a cast-iron pressure pipe foundry, and as southwestern municipalities used up our capacity almost immediately, we turned to the next nearest and most attractive market—the oil country.

MARKET STUDIED

After exhaustive studies by competent oil-field consultants, we were convinced that electric weld steel pipe, manufactured and used in an area producing 75 percent of the Nation's crude, was the most salable end-use product for us. Further, we felt that the oil industry was a stable, progressive and financially sound wagon on which our star would look good.

From the outset, it was obvious that the kind of expansion we were thinking of did not then fit the pattern of normal financing procedures. Our bankers were enthusiastic about our plans, but we simply were talking about too many eggs in one basket for them. Of necessity, we turned to Uncle Sam, and after the most searching investigation imaginable, Federal officials agreed to lend us $87 million. With this sum, we built our steel mill.

With our mill in full operation, you may be wondering about our reserves of raw materials. With respect to iron ore, we are continually buying new ore rights. Our holdings now cover approximately 56,000 acres, all within the general vicinity of the plant. These ores occur on the crests of the east Texas hills, and are sufficient for 75 years of operations. They are recovered by conventional strip-mining practices.

Our coal mines are in Oklahoma, about 225 miles from the plant. We own 3 mines, 2 of which are being operated. Some coal is purchased to conserve our own supply which, it is estimated, is sufficient to meet our requirements for more than 90 years.

Other raw materials such as scrap metal, limestone, manganese, etc., are purchased from sources in the Southwest.

With respect to our markets, only one requires more than passing comment. For many months, demand for our cast-iron pressure pipe has exceeded our capacity. The same is true with slag and chemical byproducts. Our one big market, however, which furnishes more than 85 percent of our revenue, is the oil country, and I think some comment should be made about it.

Like all companies offering for the first time a new product, we had the usual problems involving customer acceptance during the latter part of 1953 and the early part of 1954. As time went on, however, we were aided in our selling job by an oilfield market that was booming. This enabled us to establish our product much faster than would have been the case under more competitive conditions. As our line pipe, casing and tubing proved satisfactory, customer acceptance was quick and willing. The best indication of this trend is reflected in sales of $37,200,000 in 1954 as compared with $74,500,000 in 1955. The trend continues into 1956 with orders now being taken for third and fourth quarter delivery, and some even in 1957.

OUTLOOK PROMISING

A quick glance at the outlook for the petroleum business will clearly reveal the firm ground upon which we are building. For instance, in 1948, the oil and gas industry took about 4¼ million tons of pipe and tubing. The Bureau of Mines forecasts a 45-percent increase in petroleum production by 1967, which means there will be 70,000 wells a year instead of the present 50,000 to 55,000.

Closer home it is well to know that for the week ending April 2, 1956, there were 2,712 rigs running in the United States. Of these, 2,241 were drilling in Lone Star's 7-State trade area. Roughly, 83 percent of all wells drilling in the Nation were within an overnight haul from our plant. Omitting 4 of those States—New Mexico, Kansas, Arkansas, and Mississippi—and including only Texas, Oklahoma, and Louisiana, there were 1,899 wells drilling. This is 70 percent of the Nation's total drilling wells—and they are in our backyard.

As a further indication of the aggressive manner in which Lone Star has moved into the oil country market, I point to several highlights contained in our first quarter report for the year 1956. In the first quarter of 1955, we had net sales and operating revenues of $14 million. In the first quarter of this year we increased this to $21,700,000. In the first quarter of 1955, we had a net income of $800,000. This year, our net income for the first quarter was $2,244,000 after provision for future income taxes. These marked increases are due to three main factors: (1) a booming oil business reflected in the drilling figures I gave you; (2) the sales effort we are putting forth; and (3) constantly increasing production levels in our mill. In short, we have a market, we are going after the business, and we are improving our ability to produce the goods.

SELLS SPECIALTY PRODUCT

At the risk of dampening any spark of interest I may have stimulated in you for our company, I think I should caution you that we are selling a specialty product to a specialty market. Any drastic change in that market unquestionably would be felt quickly by our company. However, during recent weeks, I have talked with leading executives in the automotive, steel, oil, and other industries, and it appears that there is small chance of any radical change in market demand for steel and steel tubular goods during the remainder of 1956. I have firsthand knowledge of conditions in the oil business, because I am an oil man with two sons who are now carrying on a rather ambitious drilling program of their own.

I hope that the information I have given you has provided you with a basis upon which to more properly evaluate the refinancing program we are now working on and which we feel confident will be completed by June 1, this year.

Anticipating that your primary interest in Lone Star Steel has to do with plans now being carried forward to refinance our long-term debt, I have prepared a summary of our current position. I am fortunate in having present at this meeting, a member of our board and finance committee, Mr. D. Gordon Rupe, whose firm, with the First Boston Corp., is developing the refinancing program. At the conclusion of my remarks, I am sure Mr. Rupe will provide able assistance to me in answering your questions on this subject.

You will recall that I mentioned we borrowed $87 million from the Government in 1951, and that this money was used to build our new steel division. Through April 1, 1956, our mortgage loan indebtedness had been reduced to $77,745,000, and it is this balance which we hope to place in the hands of private investors. We expect to accomplish this by selling first-mortgage bonds to cover a major part of the amount. Bank loans and other types of secondary securities will be used to cover that portion of the fund not raised through the sale of first-mortgage bonds.

In conclusion, I think it is appropriate to mention the precarious condition in which the steel industry generally finds itself today. In so doing, I am mindful of the fact that on a recent date you were addressed by Ernest T. Weir, chairman of National Steel Corp. I have read a copy of Ernie's talk, and on the subject of earnings, pricing, depreciation, and other such factors as they relate to financing future expansion of the industry, I think he made a masterful presentation. None can say that the industry has a more emminently well qualified spokesman than Ernie Weir. I personally feel that his cost estimate of $300 per ton for new steel-making facilities is very conservative. His estimate, however, does emphasize the attractiveness of Lone Star's situation. Here we have a completely integrated steel mill, a major portion of which is hardly broken in. The older facilities are relatively new when viewed in the light of the life expectancy of similar installations. Yet, despite the fact everyone agrees that costs have skyrocketed, we are going to offer investors a package containing virtually new facilities, almost unlimited raw materials, a going business well established in a booming market for something less than $150 per ton of steel production.

PLANT COST DISCOUNTED

Of course, you realize this is possible only because we purchased our original plant at a tremendous discount, then built our steel division prior to certain substantial increases in the costs of labor, construction materials, and equipment.

Yes, I heartily concur with Mr. Weir in his estimate of new construction costs, and that no company starting entirely new could build a plant with any economic justification under the present earnings experience.

However bright our prospects for refinancing may appear, we, like all other steel companies, face the same problem outlined by Mr. Weir. We must have equitable price increases to provide an earnings history that will attract investors if we are to add the steel-making capacity our Nation demands.

This has been one of my more pleasant visits to New York because it has given me an opportunity to meet you who play an extremely vital part in our American business system. I appreciate the invitation to be here, and now, if there are questions from the floor, I will answer them to the best of my ability.

DECISION OF UNITED STATES COURT OF APPEALS REVEALS FEDERAL ANTITRUST AGENCIES TO BE WORKING FOR MONOPOLY AND FOR WIDESPREAD DESTRUCTION TO SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, the Federal Court has now ruled that big business can engage in discriminatory pricing practices to destroy small business, to substantially lessen competition and create monopoly. Such is a ruling made last Thursday, May 3, by the United States Court of Appeals for the Seventh Circuit in Standard Oil Company of Indiana against Federal Trade Commission. This ruling, which merely puts into effect a previous interpretation of the Robinson-Patman Act made by the Supreme Court, dramatizes in terms which the general public cannot misunderstand just how irresponsible the leadership of the Federal Trade Commission and the Department of Justice has been in their recent opposition to the Equality of Opportunity bill, H. R. 11. This bill was introduced for the clear and simple purpose of preventing discriminatory pricing practices which substantially lessen competition or tend to create a monopoly. Here is the sequence of events which makes passage of this bill necessary, and which now shows the opposition of these agencies to be lame excuses for favoring monopoly.

THE SUPREME COURT PREVIOUSLY MISINTERPRETED THE LAW

In 1951 the Supreme Court of the United States made an interpretation as to the meaning of the so-called good faith defense which may be offered as a justification for violating the Robinson-Patman Act. In a closely divided opinion the Court declared that no matter what the consequences, a seller is justified in carrying on a discriminatory pricing practice if the discrimination is made in good faith to retain a customer who would otherwise purchase supplies from some competing seller who offers, on a completely lawful basis, a price lower than the seller who discriminates in his prices. Specifically, the Court held that under these circumstances a violation of the law is legally justified, even though the effect of the violation is to substantially lessen competition or tend to create a monopoly. This was the interpretation rendered in the famous case of Standard Oil Co. of Indiana against Federal Trade Commission.

Having made this general ruling, the Supreme Court in 1951 sent the Standard of Indiana case back with instructions that the Federal Trade Commission make a finding whether or not the factual situation presented in that case accorded with and satisfied the requirements of the good faith defense, as the Court had just interpreted these requirements to be. The FTC made such a finding, based upon its interpretation of the Supreme Court's interpretation. The FTC's interpretation was that the facts in the Standard case did not satisfy the requirements of the good faith defense and hence that its cease and desist order should go into force and effect. Standard appealed the Commission's finding to the Seventh Circuit Court of Appeals. We now have the answer to that appeal. The court of appeals reversed the FTC, holding that Standard has justified its discriminatory pricing practice. Yet there is no question but that this discriminatory pricing practice will subsequently lessen competition in the marketing of gasoline and related products; there is no question but that this pricing practice has already substantially lessened competition in the marketing of these products. These are the findings which the FTC made initially—on a set of facts which allow no other conclusion—and these are the findings which the circuit court of appeals sustained. And these findings have not been further challenged.

Now where does this put the FTC in relation to the legislative problem before us?

H. R. 11 WAS INTRODUCED TO RETAIN MALL BUSINESS PROTECTION

On the opening day of the first session of this Congress I introduced a bill, H. R. 11, which will in large part correct the Supreme Court's 1951 interpretation of the Robinson-Patman Act. I introduced a similar bill in the 83d Congress. The reason for this bill is that I think beyond any doubt the Supreme Court misinterpreted the Robinson-Patman Act of 1951; but right or wrong the Court's interpretation has left us with a law which is grossly inadequate to protect the competitive processes and the competitive enterprise system, from the most deadly monopolistic practice yet invented. Consequently, H. R. 11 says simply this: Irrespective of the so-called "good faith" defense, a discriminatory pricing practice shall be illegal if the effect of that practice may be "substantially to lessen competition or tend to create a monopoly." These are old words in the Clayton Antitrust Act. They are the words which describe exclusive dealing contracts and tie-in sales which are declared to be illegal in section 3 of the Clayton Act. They are the words which describe a merger between corporations which is declared to be illegal under section 7 of the Clayton Act. Section 3 of the act does not excuse exclusive dealing contracts or tie-in sales which substantially lessen competition or tend to create a monopoly, by reason of the fact that the contracts or the tie-in sales may be made in good faith. No question of a "good faith" defense arises under this section of the law at all. Nor is there any "good faith" defense for corporate mergers prohibited by section 7 of the law, the effect of which may be to substantially lessen competition or tend to create a monopoly.

Consequently, it seems inconceivable to me that anyone having a genuine desire to protect the competitive enterprise system from monopoly, and a genuine desire to protect small business from destruction through abuse of monopoly power could object to H. R. 11. Why should there be, and on what grounds could there be, any objection to a law which makes it absolutely clear that a seller is forbidden to engage in a discriminatory pricing practice which has the effect of substantially lessening competition or tending to create a monopoly?

FTC OFFERED UNREASONABLE OPPOSITION

A majority of 4 of the 5 Federal Trade Commissioners have objected to passage of a bill which would put the law in just these terms. On what grounds? On no other grounds than these: These 4 Commissioners wrote the Committee on the Judiciary that such a bill would be premature. They did not object to the bill on principle; they have not argued that the bill contains new and untried language; they have not argued that the bill would give small business and the competitive system too much protection. They have simply argued that the 1951 interpretation of the "good faith" defense has not hampered enforcement of the law, and in support of this argument these 4 Commissioners have reported that in no case since the 1951 interpretation had the Commission sustained a defendant's claim to the "good faith" defense. Furthermore, the report of these 4 Commissioners cited 7 cases which the Commission has brought under the Robinson-Patman Act since 1951, in which defendants have offered the "good faith" defense, and in which the Commission has ruled that the factual situations presented do not meet the requirements of the defense, as these requirements were interpreted by the 1951 decision. More than that, these 4 Commissioners said in their report to the Judiciary Committee that there has been no case in which a court of appeals has sustained a defendant's claim of the "good faith" defense.

The most astounding thing about this report of the 4 Federal Trade Commissioners to the Judiciary Committee is that the report neglected to state that there was also no case in which a Federal court had overruled a defendant's claim to the good faith defense, and that in no case had a Federal court sustained the Federal Trade Commission in its rulings against the 7 claims to the good faith defense. This amazing omission was made despite the fact that every one of the 7 cases was subject to appeal, and 4 of these cases had already been appealed, and no Federal court had acted on any case.

Such an amazing argument as these 4 FTC Commissioners made to a committee of Congress could easily give rise to a question whether the 4-man majority made a good faith report. But I will let that question pass. Clearly, however, the decision of the Seventh Circuit Court of Appeals last Thursday shows the Federal Trade Commission's argument to be levitated in midair without even the shadow of a leg to stand on, where any student of this legislation would recognize it has been all along.

Following a lead from the Federal Trade Commission, the Antitrust Division of the Department of Justice has likewise opposed passage of H. R. 11, though offering even less coherent reasoning than the Federal Trade Commission gave for its opposition.

FTC CANNOT NOW SAY THE BILL IS "PREMATURE"

We now have a decision from a Federal court on the "good faith" defense.

Allow me to read you 2 sentences from the court's opinion. The court said, and I quote:

> The Commission's decision on the "good faith" issue is the result of its process of reasoning, legal in nature, a portion of which, as we shall subsequently show, has been repudiated by the Supreme Court.

And finally the court said:

> In our judgment and we so hold, petitioner's "good faith" defense was firmly established, and the Commission's reasoning by which it reached a contrary conclusion is untenable and must be rejected.

Now what is the result of this decision? The result is precisely what the Federal Trade Commission stated in its brief to the Seventh Circuit Court of Appeals that the result would be. The Commission's brief stated, and I quote:

> A finding of good faith would make the Robinson-Patman Act meaningless.

Here we are then, with the Federal Trade Commission recognizing that an adverse decision by a Federal court in the first test case on the "good faith" issue would render the Robinson-Patman Act meaningless, yet at the same time opposing as premature a bill which would clarify this law and insure a meaningful law. This kind of position on the part of a supposedly responsible public body presents a mystery which I will leave to others to try to solve—it is a mystery much beyond my comprehension.

H. R. 11 MUST BE PASSED IMMEDIATELY

There is, however, no mystery about what Congress must do. We must pass H. R. 11 and pass it promptly. In short, we must restore meaning to the Robinson-Patman Act, in order to give small business some equality of opportunity to compete, and to continue to survive in this country, and to restore an antitrust law which is essential to any continuation of the competitive enterprise system.

BIG BUSINESS PROPAGANDA IN THE NAME OF SMALL BUSINESS

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 20 minutes.

Mr. ROOSEVELT. Mr. Speaker, on April 30, the gentleman from Maryland [Mr. HYDE] challenged the Democrats to take a position on what he called the legislative program of small business. Specifically, the gentleman from Maryland read a number of recommendations from a pamphlet circulated by an organization which calls itself the National Small Business Men's Association, and challenged Democrats to state whether they will support these recommendations.

These are indeed a strange set of recommendations. They do not relate to small business. They are much broader. Taken altogether, they are simply a massive collection of the ideas and emotions of a resurgent feudalism entering into a renewed power struggle with the central Government. In like vein, and for the same reason, they embrace proposals for destroying all other national organizations by which the popular will might challenge the feudal barons' supremacy over their respective economic domains. And in like vein, and for the same reason, they embrace proposals for destroying the organizations and instruments for international cooperation among governments, which organizations and instruments the authors look upon as having, if not a tendency toward a further centralization of government, then at least a dangerous tendency toward cooperation among peoples.

These are not the recommendations or even the ideas or desires of small business people. They are the unthinking and irresponsible ambitions of a few unreconstructed, extreme right-wing barons of big business.

Thus the so-called recommendations of the National Small Business Men's Association include two proposals for hamstringing the Federal Government by constitutional amendment. Recognizing the old-age truth that the core of the power to govern lies in the power to tax, there is a specific proposal for writing maximum tax rates into the Federal Constitution. Fearing also international cooperation among governments as a threat to private cartel organizations, there is a proposal for hamstringing, by constitutional limitation, the Federal Government's treaty-making powers and its effective participation in international organizations such as the U. N.

Then there are other proposals for destroying the general effectiveness of the Federal Government, and for rolling back specific programs by which the mass of the American people gain either enlightenment or a degree of economic security. Foremost among these is a proposal that we return to the gold standard, which is a jolly idea for destroying the Government's ability to manage intelligently both its domestic affairs and transactions abroad. Not to be overlooked is a proposal for eliminating Federal aid to education, and another for rolling back the social-security and unemployment-compensation programs.

Finally to avert the threat of any other organization of common people which might check the feudal power, there are recommendations for destroying the labor unions and cooperatives and for making it impossible for any such organizations to exist.

I am delighted that the gentleman from Maryland [Mr. HYDE] has recognized that the Democratic Party is for small business. As he has put the challenge, Democrats are obligated to state how they stood on these proposals which he believes to be small-business proposals, while Republicans are not so obligated and should not be called upon. Nevertheless as one Democrat who is extremely sympathetic to the problems of small business, I am happy to acknowledge that the Democratic Party is the party of small business, as it is also the party of labor, the party of consumers, and in short the party of the great residuum of people who cannot be counted among the owners and managers of 200 or so top corporate empires.

As one Democrat who is interested in the welfare of small business, I am also happy to inform the gentleman from Maryland that I have reviewed the list of recommendations of the National Small Business Men's Association and my suspicions were immediately aroused.

These recommendations would substitute anarchy for order in our society. So I looked up the record and this is it.

During the 81st Congress the Small Business Committee made an investigation of the phony small-business organizations. It came to the committee's attention that certain neo-Fascist groups had organized the support of some of the top corporations of the country to form false-front organizations which would disseminate neo-Fascist propaganda in the name of small business.

The report on that investigation, House Report No. 1675, 81st Congress, 2d session, sets out the background of the National Small Business Men's Association. It was founded in 1937 by Mr. DeWitt Emery who was still its president in 1950. Mr. J. Raymond Tiffany, who had at that time law offices in New York, was designated as general counsel of the association, and the association claimed the New York law office of Mr. Tiffany as its headquarters.

These two gentlemen also founded and ran a companion organization, known as the Small Business Economic Foundation, Inc.

The character of these organizations can be succinctly indicated by a letter which appears in the report of the House Small Business Committee. This is a letter written by Mr. DeWitt Emery and circulated, in 1947, to solicit contributions from certain firms. In this letter to prospective contributors to his small business foundation, Mr. Emery stressed the importance of the prospective contributors knowing what he called the company we are keeping. And to show the company he was keeping there was attached a list of companies which he said had subscribed up to the acceptable $2,500 maximum. The names of 70 companies appear in this list, all of which would be described as big business by any reasonable definition. At that time 5 of these corporations had assets in excess of $1 billion. They are as follows: Standard Oil of New Jersey, United States Steel, Standard Oil of Indiana, Socony-Vacuum, the Texas Co.

Twelve additional ones had assets in excess of $100 million and they are as follows: Sears, Roebuck; Chrysler Corp.; Republic Steel; Goodyear Tire & Rubber; Firestone Tire & Rubber; American Rolling Mill; Inland Steel; B. F. Goodrich; Celanese Corp.; Hiram Walker; Borg-Warner; Marshall Field.

In addition to the above, the list includes such familiar names as the M. A. Hanna Co.; Lone Star Cement Corp.; Libbey-Owens-Ford Glass Co.; Mathieson Alkali Works, Inc.; Pure Oil Co.; Hiram Walker-Gooderham & Worts, Ltd.; Wheeling Steel Corp.; and others.

In summarizing its findings on the National Small Business Men's Association and the Small Business Economic Foundation, the report of the House Small Business Committee said:

> We therefore believe that we can give fully responsive answers to the two main questions stated at the beginning of this report:
>
> 1. Do these organizations claim to represent small business? The answer is "Yes."

2. If so, is the claim false or misleading? The answer is "Yes."

As to the Foundation, the evidence is conclusive. For an organization to pretend to be a "small business research foundation and to live upon, or to even hope to live upon, the dole of the biggest businesses in the country, may well be called an absolute fraud.

As to the association, the answer must be much the same.

Needless to say the recommendations which the gentleman from Maryland has mistakenly accepted as the recommendations of small business are not the recommendations of small business.

Finally, Mr. Speaker, the long list of recommendations proposed in the pamphlet of the National Small Business Men's Association is so far removed from small business that this list neglects to touch upon any of the everyday, practical problems which small business people are very consciously, vitally and immediately interested in.

As a member of the Small Business Committee, I am and have been in communication with a great variety of small business people in all parts of the United States. When these people make recommendations for a legislative program they make the recommendations on the very real problems which are uppermost in their minds, not broad, sweeping philosophic recommendations for wrecking Government and redirecting the course of human affairs toward some medieval regime.

Small-business people would recommend, as they have in fact urgently recommended, a strengthening of the Robinson-Patman Act to protect them against unfair abuses of big business power in the competitive rivalry. In short, they have recommended the passage of H. R. 11.

Small-business people would recommend, as in fact they have urgently recommended, a strengthening of the antitrust laws to stop intimidation and coercive practices on the part of the corporate giants controlling essential supplies. In short, they have recommended the principles embodied in the bill I introduced, H. R. 8395.

Small-business people are also immediately and vitally interested in a more equitable tax structure; and they are immediately and vitally interested in access to investment funds with which to finance inventories, or expand facilities. These are the things on which small-business people have made recommendations. I hope that the Members on the other side of the aisle will lend their help and support in passing legislation on these things which will actually help small business.

CAPITAL TRANSIT LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 30 minutes.

Mr. HESELTON. Mr. Speaker, in obtaining this special order, it is my intention to place in the RECORD certain information which I believe to be pertinent to the problem which will face the House in the near future, dealing with the transit problem in the District of Columbia.

There is a bill reported by the Committee on Interstate and Foreign Commerce, H. R. 8901. I have filed an alternative bill, H. R. 10871. The basic difference between the two bills is that H. R. 8901 would cancel the action which the House took last summer, unanimously so far as the record shows, when it repealed the charter and franchise of the Capital Transit Co. effective 1 year from the enactment of Public Law 389.

H. R. 10871 would provide for an interim authority to handle this problem.

I wish to reply emphatically now to a question that has been asked of me a number of times since I filed that bill, and that is "Are you in favor of public ownership?" My answer to that is "No, unless it becomes absolutely necessary."

The bill itself, H. R. 10871 specifically authorizes the Authority prior to August 15, 1959, to sell the properties to such competent private operators as can be located. This is found in title III, section 301. May I further call attention to section 305 of that title which requires the Board of Directors of the Interim Authority to report to Congress within 15 days of June 15, 1958,the steps taken to effectuate such a sale and the reasons for failure to make such a sale, if none is made by June 15, 1958.

I shall ask consent for several extensions, but because I see the majority leader on the floor I would like to take the liberty of addressing a question to him. It is my understanding that last Thursday, when the majority leader announced the program for this week, he stated that on Tuesday two bills would be considered, one being H. R. 2040, the library bill for rural areas, and the other H. R. 8901, which is one of the bills to which I have just referred. Later he said that on Wednesday, Thursday, Friday, and Saturday if necessary, the Defense Department appropriation bill for 1957 would be called up and considered. Since that time I have understood it was felt desirable to schedule the Defense Department appropriation bill prior to any action on H. R. 8901. I would like to ask the gentleman, if I may, if I am correct in my understanding.

Mr. McCORMACK. The gentleman is correct. After the announcement of the program for this week on Thursday last, several Members interested in H. R. 8901 conferred with me and expressed the hope that the bill could come up at some day other than Tuesday. As a result of the conference with several Members, I agreed that H. R. 8901 would follow the Defense Department appropriation bill for 1957 this week, provided however that the Defense Department appropriation bill for 1957 is disposed of in the House early enough on Thursday to reach and consider and have the House pass upon H. R. 8901. Otherwise it would go over until next week. The Defense Department appropriation bill will not come up until Wednesday of this week.

Mr. HESELTON. I appreciate very much the information the majority leader has given in reply to my question. I know it will be of help to many Members who have inquired of me if I could tell them when this particular transit bill would come up.

Mr. McCORMACK. I admire my friend from Massachusetts very much, as the gentleman knows, and I hope I have answered my friend's question in a clear way. I am not saying the bill will come up this week; I just say it will follow the Defense Appropriation bill, and if that is disposed of in time to complete consideration of H. R. 8901, it will be called up; otherwise it will not be.

Mr. HESELTON. I understand and appreciate the majority leader's reply.

At this point, may I emphasize, by repeating, what I placed in the RECORD last Wednesday, when it was anticipated that H. R. 8901 would come before us soon, as follows:

> Mr. HESELTON. Mr. Speaker, I have been advised by the House Parliamentarian that H. R. 10871, the legislation I filed last week, which would create an interim transit authority in the District of Columbia for a period of 3 years, cannot be offered as a substitute for the substitute recommended by the majority of the House Committee on Interstate and Foreign Commerce.
>
> However, if the committee substitute is rejected, I am advised it will be in order to offer H. R. 10871 as a substitute for the original bill, H. R. 8901. Of course, I urge that the committee substitute be rejected. If the House takes this action, I shall seek recognition to offer the interim authority bill as a substitute for H. R. 8901.

At that time, because of a portion of a news article in the Washington Star of the evening before, I added:

> I think many of my colleagues may have read the article in last night's Washington Evening Star, from which I quote the following paragraph:
>
> "One leading Member of the House, who did not want to be quoted, said: 'This is a serious proposition concerning the people of the District of Columbia. If there are those Members of the House who want to take an irresponsible position as to their responsibilities toward the riders of mass transportation in the District, that is up to their own conscience. Frankly, we do not know what will happen after next August 15 when, by act of Congress of last summer, in the closing days of that session, Congress decided to revoke the franchise and charter of the Capital Transit Co. next August'."
>
> If this is a correct quotation, I hope it will be possible for the author to accept responsibility for it. I cannot believe that any one of our colleagues would be willing to attack anonymously the sincerity of those who believe an alternative to returning the franchise to the Wolfson group, largely upon their own terms, is both desirable and definitely in the public interest.

So far as I know the author of the alleged comment as to irresponsibility has not been identified. Therefore I hope and believe that no one will be charged again with irresponsibility who believes that the action of last August was based on compelling evidence and sound reasons and that Congress is not forced to accept a reversal of position in order to satisfy the demands of the Wolfson group at the expense of those who must use a mass-transportation system in the District and, incidentally, in the surrounding metropolitan area.

Mr. Speaker, I now would like to ask unanimous consent to insert in the RECORD at this point the minority views to accompany H. R. 8901, which is Report No. 2034, part 2, of this Congress filed April 27; also a copy of H. R. 10871 as it was filed, and a copy of the section-by-section analysis which accompanied the minority views.

I also ask unanimous consent to insert certain other material which I think is pertinent and which I believe will be helpful to the Members in the consideration of this important legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The matter referred to follows:)

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

MINORITY VIEWS (TO ACCOMPANY H. R. 8901)

Less than a year ago Congress passed what became Public Law 389, 84th Congress.

Among other things, this law repealed the charter and franchise of the Capital Transit Co., effective 1 year from the date of its enactment, August 14, 1955.

The record as to its passage is brief (CONGRESSIONAL RECORD, vol. 101, pt. 10, pp. 12254–12270, 12694–12701, 12904–12905, 12985–13000, and 13068–13069). Congress adjourned on August 2, 1955.

Some differences of opinion were expressed as to the legislation but it seems clear that there was a definite conviction, which was shared widely, that this repeal of the franchise was justified fully in the public interest.

The problem confronting Congress then was not of recent origin. No useful purpose would be served by a detailed account here of the history of the Capital Transit Co. The report of the Senate Committee on the District of Columbia (No. 1274, 83d Cong., 2d sess., May 1, 1954) is available to those who are interested.

It is sufficient to say that from the time Louis E. Wolfson and his associates obtained control of the Capital Transit Co. in 1949 they adopted policies of managerial control which, in my opinion, were flagrantly contrary to the attitude which should be and generally is held by the operators of a public transportation company. I know of no convincing evidence that this attitude has changed since August of last year.

Therefore, I must assume that they would interpret the passage of H. R. 8901 as a complete reversal of the considered judgment of the House in adopting the conference report on August 2, 1955, which led to the passage of Public Law 389 of this Congress.

I have no doubt but that Wolfson and his associates would interpret such action also as an endorsement of the policy attributed to Wolfson in an article appearing in the Washington Sunday Star on March 28, 1954, in which he was quoted as saying:

"I have a responsibility to see that the stockholders of Capital Transit get a fair return. If there is no fair return, then I will have to take other action to protect their equity. If ncessary, I will even go so far as to liquidate the company. I'll protect the stockholders, within the limits of the law, in spite of anything—including Congress and the Public Utilities Commission. (Senate committee report, supra, at p. 55.)

Consideration should be given also to the record before the Public Utilities Commission of the District as to the Capital Transit Co.'s depreciation rates and depreciation reserves, its capital structure, the handling of its working capital, its dividend policies, its payments of salaries and fees, the controversial stock split, as well as other factors as to the management of the company, all of which were known to the Congress and to the public of the District in July and August of last year.

I am in complete agreement with the majority report as to the seriousness of the problem confronting Congress. But I cannot agree that passage of H. R. 8901 will solve that problem.

I have the greatest respect for the work done by the subcommittee, for the immense difficulty of their task, an for the complete sincerity and integrity of their recommendation. But I do not believe that the choice is between passage of H. R. 8901 or no legislation.

I have concluded, after careful consideration, that an attempt to offer amendments would be confusing, impractical, and futile.

Consequently I have introduced an alternative bill today which as been assigned the number H. R. 10871. If I am recognized for that purpose, I shall offer it as a substitute.

Fundamentally my primary purpose is to present to the membership of the House a means of establishing an interim Authority in place of authorizing the Capital Transit Co. to continue, after August 14, 1956, to operate its mass transportation system in the District of Columbia under its present charter and franchise with the modifications provided in the committee substitute.

It will be argued that those modifications represent far less than those desired by the Capital Transit Co. and are "in general the same as those which the Commissioners offered to other private applicants." But, in my opinion, if the Capital Transit Co. is granted these terms or conditions or concessions, however they may be described or defined, it will be a capitulation to that company and will amount to permitting them to dictate their own terms of continued operation.

I believe it would be more consistent with previous action by this Congress and much more in the interest of the public to provide for a public body corporate for an interim period of 3 years, which, beginning August 15, 1956, would render passenger transportation service in the District of Columbia to replace the service formerly provided by the Capital Transit Co., charged with the duty of sale of such transportation system to a private operator, if during this interim period a sound proposal is submitted to the Authority which would provide the residents of the Washington metropolitan area with an adequate and efficient transit service.

It should be added that, at the direction of Congress, a study is now being conducted of present and future mass transportation needs of the National Capital region by the National Capital Planning Commission and the National Capital Regional Planning Council. The results of that study should assist materially in achieving the objectives contained in H. R. 10871.

I regret that the element of time makes it impossible for me to prepare personally an analysis of H. R. 10871.

Because I believe Members of the House should have the benefit of an analysis, I am including one I believe to be accurate.

H. R. 10871

A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

SEC. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States, and among such States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprise without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) granting to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definition

SEC. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

SEC. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

SEC. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

SEC. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority," which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the 15th day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and a vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of Authority

SEC. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof, or from any agency, instrumentality, board, commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

SEC. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses,

patents, permits, papers, documents, and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) In exercising the aforesaid powers to acquire a transportation system the Authority is hereby authorized to acquire the capital stock of the corporation owning such transportation system and the board and the officers and agents of the Authority are hereby authorized to act as the officers and board of directors thereof for the purpose of transferring the property and assets of such corporation to the Authority and for the purpose of liquidating the liabilities thereof and dissolving the same.

(c) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of passengers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

SEC. 204. (a) Subject to and in accordance with the procedures, conditions, limitations, and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in the transportation or terminal business of such railroad, terminal, or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the Authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the chairman or vice chairman of the Board declaring that such real or personal property or any interest therein, described in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said property taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 per centum per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so deposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

Control and use of public ways

SEC. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities or appliances in, upon, under, over, across, or along the public roads, streets, or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities and appliances. The cost of the required removal or relocation of such public utility structures, facilities and appliances shall be paid by the Authority: *Provided*, That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails to refuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across or along any such public road, street, highway or other public way.

Equipment trust certificates

SEC. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgement of deeds and in the form required for acknowledgement of deeds and such agreements, leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

Sec. 207. (a) The Authority, including but not limited to its franchise, reserve, surplus, loans, income, assets and property of any kind and nature, shall be exempt from all taxes, special assessments, fees and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, chapter 3, D. C. Code, 1951, edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided*, That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance, and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

Sec. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds, or as revenues, or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided*, That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant to section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

Sec. 209. (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings, and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other deparment, division, commission, board, bureau, agency or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

Sec. 210. (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions, health and welfare, in case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights, subject to all rights

and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes", approved September 1, 1954 (68 Stat. 1105), as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) (1) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition) is amended by inserting immediately before the semicolon at the end thereof the following: "*And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this Act shall be deemed to be a covered employer".

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23) as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

Sec. 211. (a) The Authority shall file with the Congress annually, within six months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within six months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

Sec. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within six months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on any appeal whatever.

Vehicle regulations

Sec. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of Authority property

Sec. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify and enforce all such usual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort and quiet of passengers and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the municipal court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation was committed. Prosecutions for violation of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

Sec. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees and representatives of existing transportation companies within the Washington metropolitan area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the Metropolitan Police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the Governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

SEC. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington metropolitan area without securing any further franchises, rights, or permits under any other law or laws of the United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Co. at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize, and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20,000,000, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume, or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The Authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to title II of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the authority owing to the District of Columbia by reason of advances made to the authority pursuant to section 217 of this act.

Franchise

SEC. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

SEC. 303. The Commissioners of the District of Columbia are hereby empowered, to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of authority

SEC. 304. In the event the authority effectuates the sale of its property as authorized by this title, the existence of the authority as a body corporate, shall continue only for the purposes of liquidation. The authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

SEC. 305. If the authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the board of directors of the authority shall within 15 days after such date report to Congress as to steps which the authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

SEC. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959 be perpetual and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the board of directors of the Authority shall consist of five members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as three of the appointed members of the board of directors shall have qualified, the Commissioners shall constitute such board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the board shall belong to

the same political party. The members of the first board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning on the first day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such director shall hold office until his successor has been appointed and has qualified. Each such director shall receive compensation, as may be fixed by the board, for attendance at each meeting of the board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the discharge of his duties. No director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition).

(2) The members of the board of directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans' Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter, the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents or employees such powers or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

SEC. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form, either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the Chairman or Vice Chairman of the Board by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the Chairman or Vice Chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee of trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

SEC. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment, or redemption of bonds, reserves, or other purposes and to covenant as to the use, investment, and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon, and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately bc subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without obtaining the consent of any department, division, commission, board, bureau, agency, or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or in any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

Sec. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of authority only

Sec. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal of or interest on such bonds. Nothing in this act contained shall be construed to authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

Sec. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict, the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend, or improve maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

Sec. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

Sec. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging, and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same

manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costa and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

SECTION-BY-SECTION ANALYSIS

TITLE I—GENERAL PROVISIONS

Declaration of purposes

Section 101: This section declares it to be a matter of legislative determination that the Washington metropolitan area, a community with its center in the city of Washington, the seat of government of the United States, which is the largest single employer of residents of the area, requires that an adequate and economically sound transportation system or systems serving such area is essential to—

(1) The proper functioning of the United States Government.

(2) Commerce among the States and the District of Columbia;

(3) The health, welfare, and safety of the public including civilian and military personnel and the Defense Establishment of the Government of the United States in the District of Columbia and the metropolitan area; and

(4) The national defense.

It is also declared that by reason of Public Law 389 of the 84th Congress the Capital Transit Co. will not continue its operations after August 14, 1956; that the establishment of an adequate transportation system for the metropolitan area as a replacement for Capital Transit Co. cannot be accomplished at the present time by ordinary operations of private enterprise without public participation; that it therefore becomes necessary—

(1) To create a public body corporate for an interim period with powers to acquire, extend, improve, and operate an adequate transportation system or systems in the metropolitan area;

(2) To authorize the transfer of such transportation system or systems to private ownership if during such iterim period a sound proposal for private ownership is submitted to such public body corporate;

(3) To provide that if, during such interim period, private interests do not acquire such transportation system the said public body corporate is continued; and

(4) To provide that such public body corporate shall have the exclusive franchise to operate a transportation system within the District of Columbia except for such operations as are lawfully in existence as of the date of enactment of this act, and that the acquisition, extension, improvement, and operation of a transportation system or systems by such public body corporate is declared to be a public use and purpose.

Definitions

Section 102: This section defines terms used in the act, including the following:

(1) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises, and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses, and any combination thereof, or any other form of mass passenger transportation.

(2) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church, and Arlington and Fairfax Counties in Virginia, and in Montgomery and Prince Georges Counties in Maryland.

Act controlling

Section 103: This section provides that the act shall be controlling insofar as the provisions of any other law are inconsistent therewith.

Separability

Section 104: This section contains a separability clause.

TITLE II—INTERIM AUTHORITY

Creation of authority

Section 201: This section creates the "Washington Metropolitan Transit Authority," a public body corporate, as an agency and instrumentality of the District of Columbia, whose existence shall expire on August 15, 1959. The powers of the Authority would be vested in a board of directors, consisting of the District Commissioners.

Powers of authority

Section 202: This section grants to the Authority all the powers necessary to effectuate the purposes of the act, including powers:

(a) To sue and be sued in any appropriate Federal, State, or municipal court but precludes execution against any property of the Authority.

(b) To create and use a corporate seal.

(c) To promulgate and enforce bylaws, rules, and regulations.

(d) To make, deliver, and receive legal instruments and to take title to property in its own name.

(e) To maintain a principal office in the District, and suboffices in the Washington metropolitan area.

(f) To acquire and operate a transportation system or systems in the Washington metropolitan area.

(g) To borrow money and issue bonds and other evidences of obligations.

(h) To establish and regulate charges for its services.

(i) To employ personnel and fix their compensation and duties.

(j) To receive and accept from any public or private source grants and contributions.

(k) To receive authorization from any State, municipality, or other political subdivision of the Washington metropolitan area to operate a transportation system therein.

(l) To enter into contracts with the operators of other transportation systems within the Washington metropolitan area and to provide for transportation of passengers for hire.

(m) To obtain all types of insurance.

(n) To contract with others for the operation and maintenance of its transportation system or part thereof.

Acquisition and use of property

Section 203: (a) This subsection empowers the Authority to acquire by purchase, lease, gift, or otherwise, or by eminent domain, all or any part of the property of any transportation system within the Washington metropolitan area, and to acquire in like manner any property and rights useful for its purposes, subject to the restrictions and limitations of the act. The eminent domain power could be exercised within a State only if authorized by the State.

(b) This subsection empowers the Authority to acquire the capital stock of a corporation owning such a transportation system.

(c) This subsection empowers the Authority to contract for the joint use of any property by the Authority and any public utility operating within the Washington metropolitan area, as well as to enter into contracts with any transportation system within or without such area for the use or joint use of such property, for the establishment of through routes, joint fares, and transfer of passengers.

Power of eminent domain

Section 204: (a) This subsection empowers the Authority to acquire by eminent domain any real or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia, which is necessary for the purposes of the Authority. The Authority would not be authorized to acquire property "of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington Metropolitan Area which is used or useful in the transportation or terminal business of such railroad, terminal, or public utility."

(b) This subsection requires that such proceedings be brought in the name of the Authority and that property be taken in its name.

(c) This subsection vests jurisdiction of such condemnation proceedings in the United States District Court for the District of Columbia.

(d) This subsection authorizes the taking before trial, of property and provides for deposit of estimated compensation into court registry.

Control and use of public ways

Section 205: This section empowers the Authority to require operators of other public utilities to remove or relocate their facilities when necessary for Authority purposes, the cost to be paid by the Authority, except that the Authority would not bear cost of increasing capacities of such facilities incidental to relocation or removal. Rights, duties, obligations, and liabilities of the Capital Transit Co. are not affected by this section.

Equipment trust certificates

Section 206:

(a) This subsection empowers the Authority to execute agreements, leases, and equipment trust certificates in connection with the purchase of facilities and equipment. All moneys which the Authority is required to pay under such leases, agreements, and equipment trust certificates must be paid solely from revenue from operation of transportation system, or from grants and loans available to the Authority.

(b) This subsection authorizes the Authority to include in purchase agreements provision whereby title to property is held by trustee for benefit and security of equipment trust certificates.

(c) This subsection requires such agreements and leases to be acknowledged before a proper person, provides that they be authorized by the Board and shall contain covenants to insure their payment.

(d) This subsection provides that such covenants shall not conflict with the provisions of bonds or other obligations of the Authority or be in derogation of the rights of holders thereof.

(e) This subsection requires that a copy of each such agreement and lease be filed in the Office of the Recorder of Deeds; and provides for a filing fee; also that the owner and lessor's name shall be placed on each vehicle so purchased and leased.

TAX EXEMPTION AND PUBLIC SERVICES

Section 207:

(a) This subsection makes the Authority and its property exempt from taxation by the United States of America, by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act, the Federal Insurance Contributions Act, and the District of Columbia Unemployment Compensation Act. The Authority would be required to pay, in lieu of taxes on motor vehicle fuel imposed by the District of Columbia, an amount equal to taxes on such fuel which would be payable if it were not exempt, but such payment would be made only to the extent that revenues in each fiscal year are sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on fixed interest obligations, depreciation, and such other payments and reserves as may be required under resolution of the Board of the Authority authorizing issuance of bonds or trust agreements or contracts of the Authority.

(b) This subsection provides that obligations and interest thereon issued by the Authority shall be exempt from all Federal and District taxation except estate, inheritance, and gift taxes and shall also be exempt from taxation by any State, Territory, or possession of the United States or any county, municipality, or other municipal subdivision or taxing authority thereof.

(c) This subsection empowers the Authority to contract with the District of Columbia for special services, facilities, and improvements to be furnished by the District in connection with any transportation system located therein and authorizes the District, in the discretion of the Commissioners, to do any and all things necessary or convenient to aid in planning, undertaking, construction, and operation of such transportation system, with or without consideration.

Funds and financial transaction of the Authority

Section 208: (a) This subsection provides that all moneys received pursuant to the act, whether as proceeds from the sale of bonds, revenues, or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in the act.

(b) This subsection requires the Authority to employ certified public accountants to establish an accounting system, perform appropriate audits, and to prepare an annual fiscal report, in lieu of audit or review by the Comptroller General. In addition to the services performed by the certified public accountants, the Comptroller General would make such review of financial operations of the Authority as he deems necessary during any period while the Authority is indebted to the District for moneys loaned which the District obtained by the sale of obligations to the United States Treasury under section 217.

Services and rates

Section 209:

(a) This subsection empowers the Authority to make rules and regulations necessary for the operation of the transportation systems of the Authority, and empowers the Authority to determine schedules and routings, subject to regulations of appropriate authority for the regulation and control of traffic and operation and safety of vehicles. The Authority is empowered to fix fares, tolls, rates, fees, etc., for the use of its property without obtaining consent of the Interstate Commerce or Public Utilities Commissions or other agency of the United States or the Ditrict of Columbia.

(b) This subsection empowers the Authority to provide free transportation to firemen and policemen in uniform and in performance of their duties; also to make contracts with the Post Office Department for carrying mail, parcel post, and letter carriers.

Personnel

Section 210:

(a) This subsection empowers the Board of the Authority to establish a personnel system independent of any existing system; to fix rates of pay for its employees and require bonds of such employees as the Authority deems appropriate, and to pay premiums for such bonds.

The Authority is empowered to bargain collectively and to enter into written contracts with employees through their accredited representatives or any authorized labor organization concerning wages, salaries, hours, working conditions, health and welfare, insurance, and pension or retirement provisions, and in case of dispute over such matters, the Authority may agree to submit the dispute to a tripartite board of arbitration and shall agree that the decision of a majority of such arbitration board be final and binding; each party to pay one-half of the expenses of arbitration.

(h) This subsection requires the Authority to offer employment to all employees of any transportation system in operation by a public utility which the Authority may acquire, except corporate officers, such employees to be given seniority credit in accordance with the records and labor agreements of the transportation utility. Employees of such utility who left to enter military service of the United States would have the same rights in relation to the Authority, under the Universal Military Training and Services Act, as they would have had in relation to the transportation utility.

Members and beneficiaries of any pension or retirement system established by such transportation utility would continue to have the same rights, benefits, obligations, and status. The Authority is required to establish and maintain a sound pension and retirement system. The Authority together with its employees, acting through their representatives for collective bargaining, shall take necessary action to have pension trust funds presently under joint control of transit utility and participating employees transferred to a trust fund to be established, maintained, and administered jointly by the Authority and participating employees through their representatives. All officers and employees appointed by the Authority shall be allowed to become members or beneficiaries of the pension or retirement system established by the Authority with uniform rights, privileges, obligations, and status as to the class in which they belong. The terms and provisions of any pension or retirement system affecting employees who are members of any labor organization may be established or modified by agreement or arbitration with such labor organization.

(c) This subsection provides the employees of the Authority are, notwithstanding any other law, subject to the following laws:

(1) Section 9, Universal Military Training and Services Act, and related statutes affecting reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act and related provisions of the Federal Insurance Contribution Act;

(3) Section 6 of the act approved May 10, 1916, relating to double salaries:

(4) Section 212 of the act approved June 30, 1932, relating to the retired pay of members of the Armed Forces;

(5) The act approved July 31, 1894, relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act;

(7) The District of Columbia Unemployment Compensation Act;

(8) The Federal Uneployment Tax Act.

(d) This subsection provides that the employees of the Authority shall not be subject to the following:

(1) The Civil Service Act of January 16, 1883;

(2) Federal Employees Group Life Insurance Act;

(3) The Civil Service Retirement Act;

(4) The Classification Act of 1949;

(5) The Federal Employees Pay Act of 1045;

(6) The Annual and Sick Leave Act of 1951;

(7) The act of September 1, 1954, relating to certain fringe benefits for Federal employees;

(8) The Performance Rating Act of 1950;

(9) The Veterans Preference Act of 1944.

(e) This subsection amends the District of Columbia Unemployment Compensation Act and the Federal Unemployment Tax Act to conform with other provisions of the section.

(f) This subsection authorizes the Authority to borrow, from the United States or the District governments, services of their employees on a reimbursable basis.

(g) This subsection defines the word "employee" as used in subsections (c) and (d) so as to include officers but exclude members of the Board of Directors of the Authority.

Reports

Section 211: (a) This subsection requires the Authority to file an annual report with the Congress.

(b) This subsection requires the Authority to publish, in a newspaper of general circulation in the District of Columbia, an annual income statement and a balance sheet showing its condition at the end of each fiscal year.

Claims and suits

Section 212: (a) This subsection prohibits the Authority from defending any suit on the ground of governmental immunity, but requires any person claiming damage to person or property to give written notice to the Authority within 6 months after the injury or damage was sustained.

(b) This subsection provides that neither the United States nor the District of Columbia shall be liable for any act of the Authority.

(c) This subsection provides that the members of the Board of Directors of the Authority shall not be personally liable in damages for their official actions performed in good faith.

Vehicle regulations

Section 213: This section provides that the power of the Authority shall be exercised subject to laws and regulations promulgated by the proper agencies relating to the regulation and control of traffic.

Policing of Authority property

Section 214: (a) This subsection authorizes the District Commissioners to appoint special policemen for duty in connection with the property of the Authority.

(b) This subsection authorizes the Board of Directors of the Authority to make and enforce reasonable regulations for the protection of lives, limbs, health, comfort, and quiet of passengers and the protection of the property of the Authority.

(c) This subsection requires that regulations promulgated by the Authority shall be printed in newspapers of general circulation published in the District of Columbia.

Investigations

Section 215:

This section authorizes the Authority to investigate any matter relating to public transportation within the District of Columbia, the enforcement of its rules, and the conduct and efficiency of its officers, agents, and employees. The Board is empowered to subpena witnesses and to administer oaths to such witnesses. False testimony before the Board would be perjury.

Exclusive operating rights

Section 216:

(a) This subsection gives the Authority the exclusive right to operate a transportation system or systems in the District of Columbia except for such transportation systems lawfully operating at the date of the enactment of this act.

(b) This subsection authorizes the Authority to operate a transportation system or systems in the Washington metropolitan area, but it may not commence nor conduct such operations in interstate commerce in competition with the then existing operations of any other system, except such operations as are so conducted by Capital Transit Co. at date of enactment of act. No further operations in interstate commerce may be commenced without certification by Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Temporary financing

Section 217:

(a) This subsection provides that in exercising borrowing authority under the interim financing provisions, the transportation charges be fixed as though private financing only were involved, and shall cover all costs of operation and maintenance, including depreciation, interest, and reasonable amortization.

(b) This subsection provides for the financing of the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services necessary to plan, acquire, construct, organize, and operate such system or systems, to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital by authorizing the District Commissioners to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser, or pending the sale of obligations of the Authority to the public. In order to provide this interim financing the District Commissioners are authorized, at any time prior to July 1, 1960, to issue District of Columbia obligations for purchase by the Secretary of the Treasury in an amount not exceeding $20 million and to advance the proceeds thereof to the Authority for the aforementioned purposes.

Advances made to the Authority shall be subject to such terms and conditions as the Commissioners may prescribe and shall bear interest at a rate not less than the rate upon obligations of the District purchased by the Secretary of the Treasury under this section. Such advance made to the Authority shall be repaid at the earliest practicable time, and in any event before any securities, other than equipment trust or other obligations issued under section 206 subsequently issued by the Authority, are repaid.

The sums advanced to the Authority pursuant to this subsection shall become immediately available for carrying out the purposes of the act including, without limitation, authority to make purchases and contracts.

(c) This subsection authorizes the District Commissioners, with approval of the Secretary of the Treasury, to provide what shall be the denominations, form, maturity (prior to July 1, 1960), and repayment of obligations purchased by the Treasury to provide interim financing.

(d) This subsection provides that the interest rate for all such obligations shall be determined by the Secretary of the Treasury by estimating average yield to maturity, on the basis of daily market bid quotations or prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable maturity, and by adjusting such estimated yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) This subsection directs the Secretary of the Treasury to purchase District of Columbia obligations issued under this section.

(f) This subsection provides that section 217 relating to interim financing shall not be construed as limiting the amounts of equipment trust certificates, bonds, or other obligations which the Authority may issue under other provisions of the act.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

Section 301:

(a) This subsection authorizes the Authority to sell, prior to August 15, 1959, the property which it has acquired which is useful in the operation of a transportation system, to any purchaser eligible to receive a certificate of authority and which in the judgment of the Authority can provide adequate transportation service in the Washington metropolitan area.

(b) This subsection directs that the proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia.

Franchise

Section 302: This section empowers the District Commissioners to grant a certificate of authority to operate as a common carrier of persons for hire, to any private corporations organized with the corporate right to operate in the District as a common carrier. Such operations would be subject to the jurisdiction of the Public Utilities Commission and to laws usually applicable to such carrier.

Tax exemption

Section 303: This section empowers the District Commissioners, in the public interests, to exempt any such corporation from liability to pay any District of Columbia taxes, in whole or in part.

Termination of authority

Section 304: This section terminates the existence of the Authority upon a sale of its property, but continues its existence for purposes of liquidation and closing out of its affairs. The Authority is required to close out its affairs as expeditiously as possible.

Commissioner's report to Congress

Section 305: This section requires the Commissioners to report to Congress what steps have been taken to effectuate a sale of the property, and if not sold by June 15, 1958, to report within 15 days why, in their opinion, the sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

Permanent authority

Section 401: (a) This subsection makes the Authority perpetual on and after August 15, 1959, if prior to such date it has not sold its property. In such event the provisions of title IV of the act come into effect. These provisions would be in addition to the provisions contained in title II, which provisions are continued in effect.

(b) This subsection provides that beginning October 1, 1959, the Board of Directors of the Authority shall consist of five residents of the Washington metropolitan area appointed by the Commissioners, with staggered 5-year terms and with compensation not exceeding $3,600 in any one year. Not more than three Board members shall be of the same political party. Until three of such appointed members qualify, the Commissioners shall constitute such Board. The Commissioners may remove any Board member for incompetency, neglect of duty, malfeasance in office, or conviction of a crime.

(c) (1) This subsection provides that the members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act and related provisions of the Federal Insurance Contributions Act.

(b) The Longshoremen's and Harbor Workers' Compensation Act.

(2) The members of the Board appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Services Act and related statutes affecting reemployment rights of persons entering the Armed Forces of the United States.

(b) Section 6 of the act of May 10, 1916, relating to double salaries.

(c) Section 212 of the act approved June 30, 1932, relating to the retired pay of members of the Armed Forces.

(d) Section 2 of the act of July 31, 1894, relating to dual employment.

(e) The District of Columbia Unemployment Compensation Act.

(f) The Federal Unemployment Tax Act.

(g) The Civil Service Act of 1883.

(h) Federal Employees Group Life Insurance Act.

(i) The Civil Service Retirement Act.

(j) The Classification Act of 1949.

(k) The Federal Employees Pay Act of 1945.

(l) The Annual and Sick Leave Act of 1951.

(m) The Federal Employees Fringe Benefit Act of September 1, 1954.

(n) The Performance Rating Act of 1950.

(o) The Veterans Preference Act of 1944.

(d) This subsection provides that three directors shall constitute a quorum of the Board; that the Authority may act upon a vote of the majority of the Directors present unless a larger number is required by the bylaws of the Authority; that the Board shall at least biennially elect a chairman and vice chairman; that the Authority may delegate to any director, officer, agent, or employee, such powers or duties as it deems proper; board meetings shall be held at least once each month; and that all documents and records of the Authority shall be open to public inspection except such as shall be kept or prepared by the Authority for use in negotiations, actions, or procedures to which the Authority is a party.

(e) This subsection provides that the Authority and the Board of Directors shall be bound by all actions, proceedings, and contracts taken, authorized, or entered into by the District Commissioners while functioning as the Board of the Authority.

Power to issue bonds

Section 402:

(a) This subsection empowers the Authority to issue its negotiable bonds for any of its corporate purposes, including the power to refund any such bonds and to issue new bonds.

(b) This subsection provides that principal and interest on such bonds shall be payable from moneys or revenues of the Authority subject only to agreements with holders of particular bonds pledging any particular moneys or revenues.

(c) This subsection provides that such bonds shall be negotiable instruments.

(d) This subsection authorizes the Authority to issue temporary bonds or receipts prior to the preparation of definitive bonds.

(e) This subsection empowers the Authority to authorize by resolution such bonds, containing such provisions as the Authority determines, except that the interest rate shall not exceed 6 percent per annum.

(f) This subsection provides that such bonds be signed by the Chairman or Vice Chairman of the Board or by their facsimile signatures.

(g) This subsection empowers the Authority to sell such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) This subsection empowers the Authority to appoint such trustees, paying agents, or other fiduciaries as it may deem necessary.

Provision for securing bonds

Section 403:

(a) This subsection empowers the Authority, in order to secure such bonds, to (1) pledge all or part of its revenues, and any other moneys available to it, except moneys advanced by the Commissioners of the District of Columbia; (2) covenant against pledging all or part of its revenues or mortgaging its property or permitting a lien thereon; covenant with respect to limitations on the disposition of any transportation system or part thereof or property of any kind; (3) covenant as to the bonds to be issued, and all incidents thereof, and disposition of the proceeds thereof and as to the issuance of additional bonds or limitations on the issuance of additional bonds, and on the incurring of other debts; (4) covenant as to the payment of principal or interest on such bonds or other obligations, and priority with respect to any lien or security or as to the acceleration of maturity of any such bonds or other obligations; (5) provide for the replacement of lost, destroyed, or mutilated bonds; (6) covenant against extending time for payment of bonds or interest; (7) covenant as to the redemption of bonds; (8) covenant as to the rate of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, etc., and as to the use and disposition to be made thereof; create special funds for construction, operating expenses, depreciation, payment of bonds, reserves, or other purposes; (9) establish procedure by which terms of any contract or covenant with or for benefit of bondholders may be amended or abrogated; (10) covenant as to the maintenance of property, its replacement, and insurance to be carried thereon; (11) provide for rights, liabilities, powers, and duties arising from breach of any covenant, condition, or obligation; and prescribe terms and conditions upon which bonds shall become due and payable before maturity; (12) vest in trustee such property, rights, powers, and duties in trust for bondholders as the Authority may determine; (13) limit rights of bondholders to enforce any pledge or covenant securing bonds; and (14) make other covenants as may be necessary or desirable in order to better secure the bonds or make them marketable.

(b) This subsection provides that any pledge of revenues or moneys made by the Authority shall be binding from the time when the pledge is made and revenues or moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of the pledge without physical delivery thereof or further act.

(c) This subsection provides that the Authority may issue bonds under the provisions of the act without the consent of any department, agency, or officer of the District of Columbia or the United States and without any other proceeding or condition except as may be required specifically by the act.

(d) This subsection provides that moneys of the Authority or moneys held in pledge or otherwise for the payment of bonds may be secured in such manner as the Authority may require and makes it lawful for banks and trust companies incorporated under the laws of the United States which may act as depositary of any such funds to furnish such indemnification as the Authority may require. The subsection also provides that the Authority shall not be required to maintain any of its funds on deposit in the Treasury of the United States.

(e) This subsection provides that neither the Directors of the Authority nor any person executing bonds shall be liable personally thereon by reason of such execution.

(f) This subsection provides the Authority may purchase bonds out of any available funds and cancel or resell such bonds, subject to agreements with bondholders.

(g) This subsection authorizes the Authority to mortgage or pledge all or any part of its real or personal property in order to secure the payment of its bonds or other obligations.

Refunding bonds

Section 404: This section authorizes the Authority to provide by resolution for the issuance of refunding bonds.

Bonds to be obligations of authority only

Section 405: This section provides that such bonds shall not constitute a debt or liability of the United States or of the District of Columbia or of any political subdivision or any municipality within the Washington metropolitan area, or a pledge of the faith and credit thereof but shall, unless refunded by bonds of the Authority, be payable solely from the funds pledged or available for their payment. The bonds shall contain on their face a statement that the Authority alone is obligated to pay the same and the interest and that neither the United States, the District of Columbia, nor any political subdivision or municipality in the metropolitan area is obligated to pay the same, or the interest thereon, and neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision or municipality in the metropolitan area is pledged to pay principal or interest on such bonds.

Legislation to constitute contract

Section 406: This action is an agreement with the bondholders that the Congress of the United States will take no action to impair the rights of the bondholders.

Bonds legal investments

Section 407: This section declares these bonds to be legal investments so that sinking, insurance, retirement, compensation, pension, and trust funds may be invested therein regardless of restrictions on investments contained in any other laws.

Remedies of bondholders

Section 408:

(a) This subsection provides that any bondholder may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce his rights and compel the performance by the Authority of its duties.

(b) This subsection authorizes any trustee under any trust agreement to have a receiver appointed in the event of default by the authority on its bonds and authorizes the receiver to act in the same manner as the Authority might do and it further authorizes that the costs of the receivership shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) This subsection provides that nothing in the act shall authorize any receiver to sell, assign, or otherwise dispose of assets of the Authority, except as permitted under the trust agreement. The receiver's powers are limited to operation and maintenance of the transportation system of the Authority under the court's direction.

(d) This subsection vests exclusive jurisdiction in the United States District Court for the District of Columbia of any proceeding by any trustee of the Authority in which the appointment of a receiver is requested.

JOHN W. HESELTON.

I realize fully the difficulty and complexity of the problem before us. I know of the many other pressing demands upon the time and efforts of all my colleagues. I have disagreed with the recommendation of the great majority of my committee reluctantly and only because I believe firmly that there should be and is a reasonable alternative to a return of the repealed charter and franchise of the Capital Transit Co., which I am certain Congress canceled last August, with the approval of the President, because the facts clearly justified that action. Therefore, I want to place the essential basis for this dissenting point of view in the RECORD at this time so that it will be available readily to all who may be interested. I hope also that this will be a means of reducing as much of the time as I can when the legislation is before us, if it becomes possible to offer H. R. 10871 as a substitute for the original bill before the committee, H. R. 8901.

Finally, I include an editorial in this morning's Post and Times Herald dealing with the problem which will confront us shortly, as follows:

TRANSIT ON A PLATTER

The House bill to restore the franchise of the Capital Transit Co., it is said, would extend only those concessions which the Commissioners would have granted in substance to another private operator. Nonsense. It is true that the gross receipts tax probably would have been remitted for any private operator designated to take over transit service here. But neither the Commissioners nor the Public Utilities Commission nor anyone else in authority ever intimated that a new transit firm would be virtually exempt from regulation and would be permitted to write its own ticket.

In effect the Harris bill would leave all but the most cursory regulatory functions to the mercy of Capital Transit. It would permit the company to propose and place in effect its own fare structure without affirmative PUC approval; and PUC efforts to revise fares could be complicated by litigation. It would accept the company's own valuation figures—many millions of dollars higher than the reported price at which the company has been offered for sale—as the permanent rate base It would fix 6½ percent as a fair return, leaving no flexibility for new circumstances, and it would remit gasoline taxes in the event such a return was not earned. No wonder the Wolfson interests are anxious to retain their grip on Washington. They never had it so good.

Congress last summer determined, reluctanly but nonetheless firmly, that Capital Transit's demonstrated irresponsibility as a public utility was so flagrant as to demand cancellation of its franchise. President Eisenhower came to the same conclusion, signed the bill and joined in the criticism. Nothing in the meantime has made Capital Transit any more attractive as a transit operator; its greed, judging from the Harris bill, seems to have increased.

It is not necessary to pass the Harris bill in order to assure continued transit service in Washington. The Senate bill for an interim public authority (and the Heselton bill in the House) would protect the public interest while affording more time to work out a permanent solution. The Capital Transit management has indicated on many occasions that it was working toward a public authority when the time for sale was ripe by its standards. The choice thus is not between a return to Capital Transit and no solution at all. It is between an interim public authority which admittedly is imperfect, and a cringing surrender to a company which Congress itself has said was unfit to serve the public and which itself has broached the public authority concept. A vote to restore Capital Transit would let Congress down, it would let President Eisenhower down, and it would let the citizens of Washington down worst of all.

THE BRADLEY REPORT AND THE VETERANS' ADMINISTRATION

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, undoubtedly the Members have read the report of the Bradley Commission which was made to the President as an advisory matter, and I sincerely hope, Mr. Speaker, that the President in his wisdom will not follow many of those recommendations. If he does, to my mind, it will dig out the foundation the Veterans' Administration and wreck the structure that General Bradley himself helped build when he was the Administrator of Veterans' Affairs.

There was one recommendation that I liked very much and favored, and I know other Members of the House have introduced somewhat similar bills, and that is the recommendaiton which would create a Cabinet post for the Administrator of Veterans' Affairs. Unfortunately, General Bradley recommends that it be sort of a subcabinet post and subservient to all of the other Cabinet members, all of the other Cabinet departments. It should be a full-fledged department with its Secretary, a Cabinet member with all the powers of other Cabinet member Secretaries. The Veterans' Administration has six great business activities to cope with; and, frankly, I think, Mr. Speaker, this habit of creating first one commission and then another to criticize and scrap the Veterans' Administration is very bad and unfair. To my mind these commissions have never built up.

I do like also in the Bradley report the suggestion that the compensation for the badly disabled should be increased; I heartily favor that, and members of our committee know full well it has been difficult at times to get adequate compensation for service-connected cases.

I think General Bradley's suggestion of taking away compensation for those who have 10 or 20 percent disability is very bad. I do not like to say it is cruel, but it seems to me in effect it is a very cruel provision and a good many men would lose their jobs perhaps as a result of that because they would have no disability and they would lose their preference in civil service, and many other advantages and even small amounts help pay bills.

There are many other things I do not like about the report; I have mentioned two things I do like. I sincerely hope, as I have said before, that the President will not suggest to the Congress that we pass the provisions of the Bradley report.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I think the gentlewoman from Massachusetts is performing a great service to the House when she directs attention to some of the provisions and recommendations of this report. I wonder if the gentlewoman will also comment on the recommendation in the report that the presumption of service connection be terminated with regard to a number of diseases on which today the law fixes a presumption? For example, tuberculosis, tropical diseases and mental illnesses?

Mrs. ROGERS of Massachusetts. I heartily agree with the gentleman. I know it is his opinion that it is very unjust and again I say a cruel suggestion. Medicine is not an exact science. But when this presumptive legislation was passed it was carefully considered and backed up by some good medical opinion.

I know what the gentleman has done in connection with legislation in the Committee on Veterans' Affairs and how hard he fought and how hard he worked to keep on the statute books some of the so-called pension laws. I introduced a bill which is like the Dorn bill to grant so-called pensions to certain cases. I earnestly hope that the Dorn bill will pass before we adjourn. I shall do everything in my power to help secure its passage.

Mr. ROOSEVELT. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from California.

Mr. ROOSEVELT. I want to heartily commend and congratulate the gentlewoman from Massachusetts on what I think is a very important and a very timely observation. I know that my mail has been completely filled with letters not only protesting but so many of them in dread of what would happen to them if these recommendations were put into effect. I hope the President will not recommend these things to the Congress. Also I think it would be very helpful if at the earliest opportunity the gentlewoman would indicate her disagreement in order that the affairs of many veterans affected may be relieved at the earliest possible time.

Mrs. ROGERS of Massachusetts. I have personally sent word to the White House how much I disapprove of a great deal of the report. In my opinion, it is unfair to say that it is the President's report because so far as I can tell I do not believe the President knows what is in it.

May I tell the gentleman from California that I was waiting for a train in New York yesterday afternoon. A man who was pushing one of the baggage trucks came up to me and spoke of the gentleman's father, President Franklin D. Roosevelt, and told me how much he had done for the people of the country. I think it is nice for the gentleman to hear that. He often hears those things, but because of great devotion to his father, and his father to him, I think it is nice to convey those words to him.

Mr. ROOSEVELT. I thank the gentlewoman very much.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield again?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Is the gentlewoman also aware of the implied recommendations appearing in the report of the Bradley Commission on page 224 to the effect that the GI life insurance which has been made available throughout the years to veterans of world wars should also be terminated or that consideration be given to its termination at an early date?

Mrs. ROGERS of Massachusetts. That is another stone out of the structure of the Veterans' Administration and I think unwise. General Bradley said at the hearing that he was not considering cost. Apparently it is not a measure of economy. He spoke of it as a new philosophy. It seemed to me he was paying more attention to the so-called regular servicemen than to the veterans.

It is so easy to push them out of our minds, perhaps, and not talk about them as we did in the past. I know that statements about the veterans some years ago, even some 5 years ago, often made headlines in the press. Today statements about what should be done for the veterans never make the headlines at all and never make the papers.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield further?

Mrs. ROGERS of Massachusetts. Yes.

Mr. EDMONDSON. I stated when General Bradley was before our committee that I felt this report was the opening of the door to the termination of non-service-connected benefits for veterans. I think when we review it and review it carefully and read between many of the lines where things are merely suggested or insinuated, that it very definitely is that, and if the spirit of this report is injected into our thinking, we will end all non-service-connected benefits for veterans.

Mrs. ROGERS of Massachusetts. Yes; I agree with the gentleman. General Bradley, when he was the Administrator of Veterans' Affairs and when I happened to be chairman of the committee part of the time, was very helpful in securing beneficial legislation at that time. He was very helpful in securing a good hospital program and medical and nursing service. I cannot follow his thinking in his report and I doubt if he had any GI's on his Commission, otherwise this report could not have come out. Veterans all over the United States regard with the greatest alarm the proposed destruction of their present rights. They do not want the GI bill of rights to become a mere scrap of paper.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Murray of Illinois, today, for 15 minutes.

Mr. Brown of Georgia, for 30 minutes on Thursday, May 10.

Mr. Sheehan, for 10 minutes, tomorrow.

Mr. Riehlman (at the request of Mr. Lovre), for 30 minutes on Wednesday next.

Mr. Heselton, for 30 minutes, today.

Mrs. Rogers of Massachusetts, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Multer and include extraneous matter.

Mr. Johnson of California and to include extraneous matter.

Mr. Reuss and to include extraneous matter.

Mr. Roosevelt and to include extraneous matter.

Mr. McDonough in two instances.

Mr. Rabaut and to include extraneous matter.

Mr. Hillings and to include extraneous matter.

Mr. Cooley (at the request of Mr. Albert) and to include an explanation of H. R. 10875 that passed the House last week.

Mr. Saylor (at the request of Mr. Keating) and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Sadlak (at the request of Mr. Martin), for 1 week, on account of a death in his family.

Mr. Hinshaw (at the request of Mr. Arends), for 2 days, on account of official business.

ADJOURNMENT

Mr. ROOSEVELT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 8, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1811. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1957 involving an increase of $1,527,875 for the Senate and $144,200,000 for the Atomic Energy Commission (H. Doc. No. 393); to the Committee on Appropriations and ordered to be printed.

1812. A letter from the Secretary of Health, Education, and Welfare, transmitting a report relating to a technical violation in connection with the obligation of funds in excess of amounts allotted from one of the appropriations of this Department, pursuant to section 3679 of the Revised Statutes, as amended (31 U. S. C. 665); to the Committee on Appropriations.

1813. A letter from the Acting Secretary of the Interior, transmitting a report certifying that an adequate soil survey and land classification has been made of the lands in the Sacramento Canals Unit, Sacramento River Division, and the Trinity River Division, Central Valley project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means or irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1814. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to increase the borrowing power of Commodity Credit Corporation"; to the Committee on Banking and Currency.

1815. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to educational public health institutions covering the calendar quarter January 1 through March 31, 1956, pursuant to Public Law 61, 84th Congress; to the Committee on Government Operations.

1816. A letter from the Acting Secretary of the Interior, transmitting a proposed concession permit with W. H. Mann which, when executed by the superintendent, Everglades National Park, Fla., will authorize him to provide charter boat service for sport fishing in Everglades National Park for a period of 6 months beginning July 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1817. A letter from the Acting Secretary of the Interior, transmitting a proposed concession permit with Walter F. Mann which, when executed by the superintendent, Everglades National Park, will authorize him to provide charter boat service for sport fishing in Everglades National Park, Fla., for a period of 6 months beginning July 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1818. A letter from the Acting Secretary of the Interior, transmitting a proposed extension of concession contract No. I-lp-17915 which will, when executed by the Director of the National Park Service on behalf of the Government, extend for 1 year from January 1, 1956, the authorization under which Harry S. Schoeffel and Jeannette Schoeffel provide accommodations, facilities, and services for the public at Olympic Hot Springs in Olympic National Park, Wash., pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1819. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1820. A letter from the Secretary of Commerce, transmitting an explanatory statement and an estimate of the annual cost of certain recommendations transmitted in a letter dated April 26, 1956, which set forth the Department's recommendation for its consideration by the Congress, a draft of a proposed bill entitled "A bill to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented"; to the Committee on Post Office and Civil Service.

1821. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 24, 1955, submitting a report, together with accompanying papers and illustrations, on a review of report on north branch of the Susquehanna River and tributaries, New York and Pennsylvania, submitted in response to nine congressional authorizations listed in the report. It is also in final response to the authority for a preliminary examination and survey of the Susquehanna River in the vicinity of Endicott, Johnson City, and Vestal, N. Y., contained in the Flood Control Act approved December 22, 1944 (H. Doc. No. 394); to the Committee on Public Works and ordered to be printed with two illustrations.

1822. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 12, 1956, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of cooperative beach erosion control study of the shoreline of the State of Connecticut, area 9, East River to New Haven Harbor, prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 395); to the Committee on Public Works and ordered to be printed with 11 illustrations.

1823. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 2, 1956, submitting a report, together with accompanying papers and illustration, on a review of report on Salt Creek and tributaries, Nebraska, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on June 21, 1944 (H. Doc. No. 396); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 7804. A bill to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia; with amendment (Rept. No. 2111). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 3015. A bill to establish workmen's compensation for the District of Columbia; with amendment (Rept. No. 2112). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows;

By Mr. ANDREWS:

H. R. 11021. A bill to create a Commission on Human Resettlement; to the Committee on the Judiciary.

By Mr. ASHMORE:

H. R. 11022. A bill to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; to the Committee on the District of Columbia.

By Mr. BARTLETT:

H. R. 11023. A bill to authorize the conveyance of homestead allotments to Indians, Aleuts, or Eskimos in Alaska; to the Committee on Interior and Insular Affairs.

H. R. 11024. A bill to amend the act entitled "An act relating to the compensation of Commissioners for the Territory of Alaska, approved March 15, 1948 (62 Stat. 80) as amended by the act of July 12, 1952 (66 Stat. 592, 48 U. S. C. 116a); to the Committee on Interior and Insular Affairs.

H. R. 11025. A bill to grant school lands in Alaska to the Territory of Alaska; to the Committee on Interior and Insular Affairs.

H. R. 11026. A bill to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 11027. A bill to amend title VII of the Merchant Marine Act, 1936, as amended, to provide for experimental operation and testing of vessels owned by the United States; to the Committee on Merchant Marine and Fisheries.

H. R. 11028. A bill to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States; to the Committee on Merchant Marine and Fisheries.

H. R. 11029. A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize research and experimental work with vessels, vessel propulsion and equipment, port facilities, planning, and operation and cargo handling on ships and at ports; to the Committee on Merchant Marine and Fisheries.

By Mr. JENSEN:

H. R. 11030. A bill to provide assistance in soil and water conservation and the establishment of proper land use to farm owners and operators who convert small tracts of crop or other land to woodland and to cooperate and assist the States in carrying out such development; to the Committee on Agriculture.

By Mr. KIRWAN:

H. R. 11031. A bill authorizing construction of a reservoir on the West Branch of the Mahoning River, Ohio; to the Committee on Public Works.

By Mrs. KNUTSON:

H. R. 11032. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the Act of April 6, 1949 and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

H.R. 11033. A bill relating to the management of the Red Lake Indian Forest and sawmill; to the Committee on Interior and Insular Affairs.

By Mr. LAIRD:

H. R. 11034. A bill to preserve the Menominee tribal forests during the formulation by the Menominee Indian Tribe of its plans for future control of the tribal property; to the Committee on Interior and Insular Affairs.

By Mr. MACHROWICZ:

H. R. 11035. A bill to provide for the duty-free entry of mosaics designed for the use of any corporation or association organized and operated exclusively for religious purposes; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 11036. A bill to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11037. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations-credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

By Mr. MURRAY of Illinois:

H. R. 11038. A bill to amend the public-assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

H. R. 11039. A bill to amend chapter 51 of title 18 of the United States Code to make certain homicides punishable as Federal offenses; to the Committee on the Judiciary.

By Mr. MURRAY of Tennessee:

H. R. 11040. A bill to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York (by request):

H. R. 11041. A bill to provide that the people of Guam be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11042. A bill to provide for an elective Governor and an elective Lieutenant Governor of Guam; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 11043. A bill to amend the Classification Act of 1949 with respect to the exclusion of crafts, trades, and labor positions therefrom; to the Committee on Post Office and Civil Service.

By Mr. POWELL:

H. R. 11044. A bill to provide that the people of Guam be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11045. A bill to provide for an elective governor and an elective lieutenant governor of Guam; to the Committee on Interior and Insular Affairs.

H. R. 11046. A bill to provide that the people of the Virgin Islands be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11047. A bill to provide for an elective governor and an elective lieutenant governor of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. PRICE:

H. R. 11048. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

By Mr. REUSS:

H. R. 11049. A bill to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 11050. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 11051. A bill to repeal section 638 of the Department of Defense Appropriations Act of 1956; to the Committee on Appropriations.

H. R. 11052. A bill to improve governmental budgeting and accounting methods and procedures, and for other purposes; to the Committee on Government Operations.

By Mr. SHORT:

H. R. 11053. A bill to provide for the establishment of the Wilson's Creek Battlefield National Historical Park in the State of Missouri; to the Committee on Interior and Insular Affairs.

By Mr. WALTER:

H. R. 11054. A bill to amend section 2385 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. WATTS:

H. R. 11055. A bill to remove inequities created by and to avoid discrimination resulting from administrative practices and enforcement of the Civil Service Retirement Act of 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. WICKERSHAM:

H. R. 11056. A bill to increase the pension payable to widows and minor children of World War I veterans who at the time of their deaths have service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. BONNER:

H. R. 11057. A bill to authorize the Secretary of the Army and the Secretary of Agriculture, respectively, to conduct surveys of the hurricane-damaged coastal and tidal areas of North Carolina, and to make reports thereon; to the Committee on Public Works.

H. R. 11058. A bill to repeal section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen; to the Committee on Merchant Marine and Fisheries.

By Mr. EDMONDSON:

H. R. 11059. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SELDEN:

H. R. 11060. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. CHRISTOPHER:

H. R. 11061. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. MAGNUSON:

H. R. 11062. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. ASPINALL:

H. R. 11063. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as as amended; to the Committee on Veterans' Affairs.

By Mr. KEATING:

H. R. 11064. A bill to provide for the temporary free entry of religious sceneramas and other articles imported for exhibition by religious societies or institutions; to the Committee on Ways and Means.

By Mr. MEADER:

H. R. 11065. A bill to amend the Budget and Accounting Procedures Act of 1950; to the Committee on Government Operations.

By Mr. BONNER:

H. J. Res. 613. Joint resolution to authorize the vessel operations revolving fund of the Department of Commerce to be used for expenses in connection with the chartering of merchant ships under jurisdiction of the Secretary of Commerce; to the Committee on Merchant Marine and Fisheries.

H. J. Res. 614. Joint resolution to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime administration, Department of Commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. ROOSEVELT:

H. Con. Res. 237. Concurrent resolution to provide that the United States delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

Mr. DONDERO:

H. Res. 499. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 11066. A bill for the relief of Comdr. William Crane Cantrell; to the Committee on the Judiciary.

By. Mr. JOHNSON of California:

H. R. 11067. A bill for the relief of Mariko Nakashima; to the Committee on the Judiciary.

By Mr. LOVRE:

H. R. 11068. A bill for the relief of Elizabeth Cacavas (Elisavet Ioannou Kakava); to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 11069. A bill for the relief of Phyllis L. Ware; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. R. 11070. A bill for the relief of Donato Severino Spensieri; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 11071. A bill for the relief of Raymond Perez Boulion; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 11072. A bill for the relief of Antonie Hagenaars; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 11073. A bill for the relief of Roland W. McQuagge; to the Committee on the Judiciary.

By Mr. TUMULTY:

H. R. 11074. A bill for the relief of Leslie A. Stuart; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 615. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 616. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 617. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. J. Res. 618. Joint resolution to waive the provision of section 212 (a) (6) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

997. By Mr. BOW: Petition of Fred Maurer and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

998. By Mr. BUSH: Petition of C. V. Barbour and 77 other residents of Liberty and Tioga County, Pa., urging immediate enactment of a separate and liberal pension program for Veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

999. By Mr. DAGUE: Petition of Margaret M. Bonsall and 44 other members of Veterans of Foreign Wars Swayne-Campbell-Testa Post 5467 Auxiliary, Kennett Square, Pa., urging the enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1000. By Mr. ELLSWORTH: Petition of 20 members of the Ladies Auxiliary to Steelhead Post, No. 6381, Veterans of Foreign Wars of the United States, Shady Cove, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1001. By Mr. HAYS of Arkansas: Petition of Comdr. Charles A. Smith, American Legion Post No. 305, Little Rock, Ark., urging speedy passage of war veterans security bill (H. R. 7886) and expressing opposition to any legislation that affects veterans of World War II and Korea in the reduction of any rights or benefits that is now a law; to the Committee on Veterans' Affairs.

1002. By Mr. HORAN: Petition of Amos Lehinger and 174 other veterans of Spokane County, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1003. By Mr. SMITH of Wisconsin: Resolution of the board of directors of The United Givers Fund of Beloit, Inc., of Beloit, Wis., in support of H. R. 7910, a bill to permit transfer of series E savings bonds to tax-exempt charitable organizations; to the Committee on Ways and Means.

1004. By the SPEAKER: Petition of Lois J. Dunne and others, Salt Lake City, Utah, requesting that Congress rescind the appropriation of funds for the work of the House Committee on Un-American Activities, etc.; to the Committee on Rules.

1005. Also, petition of B. E. Freeman and others, Fitzhugh, Okla., requesting passage of some good national old-age pension bill such as H. R. 446 and H. R. 7981; to the Committee on Ways and Means.

1006. Also, petition of the executive secretary the American Tariff League, Inc., New York, N. Y., submitting petitions signed by officials of more than 500 companies and agricultural groups throughout the United States, as well as labor unions and employees in some industries, pertaining to the subject of H. R. 5550; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Problems Faced by America's Reserve Forces

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, May 7, 1956

Mr. WILEY. Mr. President, on Saturday evening, May 5, I addressed the convention of the Reserve Officers' Association of Wisconsin, pointing up the problems faced by America's Reserve forces.

I ask unanimous consent that the text of this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I'm happy to be with you tonight.

I salute you, as alert members of the Reserve, vigilant night and day in fulfilling a citizen-soldier's responsibilities of national defense.

As you so well know, the safeguarding of the future of our Nation can no longer be left in the hands of the Armed Forces Regulars alone.

Defense has become everybody's business, everybody's responsibility—yours and mine and everyone else's.

AMERICA—A PEACE-LOVING NATION

America remains, of course, a peace-loving Nation. We Americans are, by tradition, a peaceful, nonaggressive, easygoing people.

Cherishing our freedom, however, we have always been solicitous of the rights of others to freedom. We remember how other peoples have lost their freedom—with 900 million people now behind the Iron Curtain.

Moreover, we remember how, in the past, war has come to our people by surprise attack—by a blitz against our unsuspecting Nation—in April 1917, in December 1941, then again in June 1950.

DANGER OF A NUCLEAR PEARL HARBOR

We are determined that never again shall we be unalert, unprepared, undefended. Never again will we risk another Pearl Harbor.

We shall not be lulled to sleep by Comrades Khrushchev's and Bulganin's sirupy words. We will not be deceived by the phony dissolution of the Red International Cominform.

Aware of what war could mean, we will, of course, do our utmost to explore avenues of peace. But we will never again be asleep at the switch—unprepared for modern, high-speed war in the atomic age.

Today, already, our best jet plane can fly at 1,500 miles per hour. Development of guided missiles of 10,000 miles per hour is reportedly on their way. We dare not therefore, coast on our laurels, as the race for technical supremacy intensifies, for the Reds are rapidly moving ahead on their own.

COLD WAR CONTINUES

Meanwhile, on every continent, the cold war rages: In Asia, Africa, South America, Europe and elsewhere; the war of propaganda by radio, press, TV, motion pictures, newspapers, pamphlets; of Soviet trade offensive, cultural offensive, yes, even athletic offen-

sive (in the coming Olympics games in Australia).

The cold war is a war which we must and can win, so as to avoid a "hot war."

ADMINISTRATION PROGRAM IS SOUND

On the home front, the challenge today is to develop a comprehensive peacetime program to protect our Nation at all times.

I believe the philosophy of the program of our national administration in Washington is sound.

The major tenets of this philosophy are—that military strength should be maintained at a level of development necessary for the changing needs of national defense; that the defense effort should be a well-balanced program between the three services, but with particular stress on aviation; that the program should be geared to the long haul, and to the ecenomy of the country.

MEASURES OF DEFENSE

To create a program that will fulfill this philosophy of defense, we must—maintain armed forces equipped with even more modern, long-range weapons, with the greatest retaliatory striking force in the world; maintain a flexibility of operation, to adapt to rapid technological changes and developments; improve our continental defense—our Distant Early Warning Radar system, our Nike program; maintain a front-line perimeter of defense in bases around the world, ready to respond at the first siren of emergency; fulfill the needs of our Reserve and our National Guard so that they are ready and able to charge into the battle-line in the event of attack.

COMMUNIST MILITARY GROWTH SERIOUS

As you and I know, our great concern for an adequate defense effort is not based on illusion or miscalculation.

The hard facts of the military strength of aggressive communism will dissolve any doubt that we need a strong defense.

The Soviets have modernized their air power; most of their 20,000 operational planes are now modern jet fighters and bombers. New and improved planes—with super-thrust engines are coming off production lines throughout Russia and the other Communist countries.

They have modernized their mobile army of 175 divisions, and have increased the capability of the European satellite armies which comprise some 80 tough divisions.

The Russians have built a strong undersea fighting force, including more than 400 modern submarines. (That is five times as many as Hitler had at the start of World War II.)

The capability of the vast military forces of Red China are greatly increased. The Red Chinese air force, jet equipped, is now the fourth largest in the world.

These are but a few of the unhappy facts we must face, in girding ourselves for the long-haul, defensive effort.

And, of course, I need hardly remind you that Soviet development of A-bombs and H-bombs, as well as progress in guided-missile research—looms as one of the topmost acute problems on the world stage.

MILITARY, ECONOMIC, AND IDEOLOGICAL STRUGGLE

Presently, in all the continents, there are two principal phases to the struggle between communism and the free world: the military and the economic.

We should be aware, however, that accompanying the military and the economic struggle, there is always the ideological factor.

The basic tenets of the contest are: Our way of life against the communistic; freedom against slavery; truth against falsehood; recognition of the dignity of the individual, against complete subjugation of the individual to the dictatorial state.

UNION OF SOVIET SOCIALIST DICTATORSHIP

The U. S. S. R. is, of course, solely responsible for the state of continual crisis in which the world is now living.

The demotion of Joseph Stalin has not basically changed Red strategy. Conquest of the world remains communism's dominant aim.

UNITED STATES MODERNIZING DEFENSES

To meet the Soviet threat, we are now reevaluating our military defense. A Senate Armed Services subcommittee is reviewing our long-range bomber and guided missile programs. President Eisenhower has requested one-half billion dollars more from the Congress for Air Force production of B-52's.

Obviously, we cannot be smug over our existent defenses. Nor need we however be overly critical of our own progress.

We have made dynamic advancement in modernizing and bringing up to date our fighting standards. Here are a few examples:

Our jet-equipped Air Defense squadrons are being strengthened with increasing numbers of supersonic aircraft;

Our interceptor planes will be increasingly equipped with Falcon air-to-air guided missiles;

On the ground, an increasing number of Army antiaircraft battalions are being converted to Nike guided missiles—such as those already encircling the city of Milwaukee;

The guided missile, Corporal, is in the hands of our troops and ready for action, capable of delivering an atomic warhead on targets at long ranges;

The mighty atomic artillery rocket, the Honest John, an outstanding weapon for close-in support, is also in the hands of our troops.

The Army and Navy have joined together as a team in developing the ballistic missile with the intermediate range of 1,500 miles, to be launched from land, ship, or submarine.

The development of these mighty missiles will give our fighting forces the power to demolish pinpoint targets deep within enemy-held territory—despite fog, rain, snow, or any other adverse conditions.

As you know, the destructive firepower of today's division is estimated to be 80 percent greater than it was in World War II. We must exert all-out effort to maintain and improve this completely modernized fighting force.

ROLE OF THE RESERVES MORE AND MORE IMPORTANT

Meanwhile, the role of the Reserves is becoming increasingly important in our national-defense picture.

The ultimate objective of the reserve program, of course, is its integration into the fighting force of the United States as effectively as possible, so as to best support the overall-defense program.

We need all 5,000 reserve units throughout the country at top strength, trained and ready to meet the needs of emergency. We need complete units: manned, equipped, trained, and ready for mobilization.

GOALS OF RESERVE PROGRAM

The reserve program too, is a most valuable way of educating our national citizenry to its defense obligation. This can be done: (1) Without too greatly disturbing the pursuits of the individual in life; and (2) without impeding our technological advancement, in fact, we are strengthening it, by having a maximum of our citizens, as reservists, possess current technical knowledge.

The reserve program, also, is designed to operate without upsetting our economy pattern, and without impeding our intellectual, cultural, and spiritual development as a nation.

The men who are in the Reserve, of course, are the best judges of its effectiveness, and of its ultimate degree of contribution to our national defense.

RESERVE PROGRAM BROADENED

Fortunately, in recent times the reserve program, because of its increasing significance in the national defense effort, has been made more just, has been broadened and made more flexible.

The basic aim of the enactment of the historic Reserve Forces Act was to make more just and equitable our reserve policy and to improve the structure and size of the Reserve Forces. Under the current program, the Reserves essential elements are, as you so well know, composed of the Ready Reserve and the Stand-by Reserve.

SCREENING OF READY RESERVES

The statutory size of the Ready Reserve has been increased, as you are aware, from 1.5 million to 2.9 million.

The screening process for the Ready Reserves is extremely important to make certain that this highly important segment of the reserve program is genuinely ready. The objectives of the program are to ascertain that we have in the reserves only those who are actually available for immediate mobilization; that we do not have in the Ready Reserve, persons with critical civilian skills who can make a better contribution in a defense-supporting economy.

In addition, we need careful screening procedures on such categories as: those failing to meet service standards; hardship cases; persons with skills in excess of service needs for the Ready Reserve; students and apprentices in training for critical professions and occupations, and others not available for mobilization.

This screening is essential to keep the units at the highest level of efficiency—ready to plunge into the front line of the Nation's defense.

STANDBY RESERVE

The Standby Reserve, composed of 2 million men, is greatly needed to provide for additional units and individuals. Although essentially a nonorganized pool of experienced personnel, this group of the Reserve program will be invaluable in time of national crisis.

SIX-MONTH ACTIVE-DUTY FOR YOUNG RESERVISTS

Unfortunately, the program for 6-month active-duty training for young men who will then go into the Reserves, has not yet had as great an effect upon Reserve enlistment as anticipated.

However, it is hoped that with time the program will take hold. We need to educate our people, and especially our young men, to the requirements and benefits of this program, so that as many as possible of our youth may avail themselves of its opportunities in discharging their service obligations.

INCREASE IN RESERVE WAGES

Last week, as you know, the Reservists received a raise in pay from $50 to $78 monthly for voluntary active duty. This corrects a disparity between the reservists and other active-duty personnel.

This raise may help, also, to provide the needed manpower for the Reserve program. We dare not have "too few and too late" if war again comes.

TWENTY-TWO MILLION VETERANS IN AMERICA

We have all heard it said many times: "We no longer have a class of veterans among us; instead, we are becoming a nation of veterans."

America today has more than 22 million veterans, in all walks of life. However, the veteran still assumes a unique role in our society.

We are requiring our veterans to give more of their time and their service, yes (in the tragedy of war) of their lives, if need be.

With this great sacrifice, we must also help to provide them with the genuinely deserved benefits of our way of life. That is why, for example, I have personally introduced legislation to extend for 3 years the GI home loan benefit program. Otherwise, that program will expire by mid-1957.

OTHER LEGISLATION FOR VETERANS

As you know, there are hundreds of other veterans' bills pending before the Congress. These cover such problems as increase of pensions, employment, hospitalization, educational benefits, loans, rehabilitation, and many other answers to the real problems of today.

On April 24, the House Veterans' Affairs Committee, before which this legislation is being largely considered, passed over, without prejudice, all compensation and pension legislation, pending study and analysis of the findings of the Bradley Commission. As you are aware, parts 1 and 2 of this report were issued last week.

A meeting of the committee is expected in early May. After consideration of the Bradley recommendations, a report on overall veterans' legislation will be forthcoming.

CONCERN OVER BRADLEY COMMISSION REPORT

I personally have not as yet had an opportunity to study in full the Bradley report. I am inclined, speaking generally, to agree with what it states about the need for more aid for the severely disabled combat-connected vet.

But I certainly do not agree with what the report seems to state about depriving noncombat disabled veterans of their just due.

The findings of the Commission seem unfortunately, to point toward an undermining of programs of benefits for most veterans—programs which all of us have worked hard to provide over the years.

Be assured that I will strongly oppose any kind of recommendations that would undo our well-deserved efforts. And I am confident that the present 84th Congress would not act in the slightest to impair statutory rights and privileges of our ex-servicemen.

LIBERALIZATION OF SURVIVOR'S BENEFITS

Meanwhile, there is, as you know, important House-approved legislation before the Senate to liberalize benefits for the survivors of servicemen and veterans. This legislation is now before the Senate Finance Committee.

Until now, there has been an unfortunate disparity in the treatment of survivors. This current legislation will help to correct this disparity. This is not, of course, a perfect piece of legislation; but it is a step in the right direction.

Along with our national administration, I believe that the enactment of this legislation would provide fairer treatment of all categories of survivors.

You may be assured that I shall urge prompt action by the Finance Committee, to expedite this legislation, for the benefit of deserving families of veterans and servicemen throughout the country.

OTHER VETERANS' AND SERVICEMEN'S PROBLEMS

There are, as you are well aware, many, many other problems yet to be worked out for veterans and servicemen. We must continue our efforts to analyze the problems, and propose solutions, to correct any inequities in existing programs.

For myself, I believe this is one of the foremost responsibilities of the Congress.

As Calvin Coolidge wisely said, "A nation which forgets its defenders will itself be forgotten."

CITIZEN PARTICIPATION IN TOTAL DEFENSE

There is a great need on the part of the public for understanding the new "kind of overall defense" which we must undertake to meet the current world crisis. It is a total defense pattern—defense from without and from within—in which every citizen must participate.

The American people must cooperate to build a formidable wall of protection for ourselves and the free world.

At the same time, we must all contribute to the progress and development of our own Nation, itself—keeping it healthy and clean and prosperous.

FREEDOM IS ALIVE EVERYWHERE

Our land is the symbol of hope, of freedom which flames in the breast of every human being.

Among the Communists, only "higher-ups" enjoy even a limited freedom. The Kremlin's ruling class, however, is never quite sure when the party line will change, and its members will be purged, possibly killed, or sent to prison in Siberia.

WE CAN BE DEFEATED ONLY BY APATHY

We have no such fear. The only things that can cause our defeat by communism would be a lack of patriotism, or a lack of initiative to rise up and meet the dynamic challenge of our times.

We have—potentially all that we need to have—materially, economically, militarily, and spiritually to win the peace. I believe in my heart that we, individually and as a Nation, will do so.

DESIRE FOR FREEDOM IS UNIVERSAL

We must always remember that we are not alone in our desire for, and need of, freedom. The love of liberty is aflame in the breasts of millions of souls behind the Iron and Bamboo Curtains, and throughout the rest of the world. Despite all the efforts of communism to extinguish that flame, it burns even brighter.

Every now and then, however, we might each adjourn to our "inner rooms," and consult with our souls, and our God. For a strong, spiritual faith is "basic equipment" for every American.

CONCLUSION

I firmly believe that, if we unite now, as we have in other times of crisis, we will assuredly triumph over communism, and without a mortal conflict.

More than that, we will bring to the world the rich kind of life that results only from free people—working and praying together—to attain their goals.

These goals, based on God-given freedom, are defined in the Bill of Rights, and embedded deep in the heart of all humanity.

It is your minutemen—your reservists—who will help us—help all mankind to maintain or attain our birthright.

Replies to Questionnaire From 15th District on Major Issues

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. McDONOUGH. Mr. Speaker, I have requested the people of my district once again to share with me their opinions on some of the most vital and important issues before Congress. This questionnaire was circulated throughout the entire 15th District to assure that all who were interested would have an opportunity to express their views on these issues.

The replies which I have received reflect the keen interest of the people on these issues and the thoughtful consideration given in stating their opinions. In many instances the replies included observations and comments not only on the issues which I had included in the questionnaire, but on other important problems of government.

The following is a summary of the replies I received to my questionnaire:

1. Should the Constitution be amended to provide direct election by the people of the President and Vice President? Yes, 79.5 percent; no, 20.5 percent.
2. Should the United States withdraw from the United Nations if Red China is admitted over our objections? Yes, 51.6 percent; no, 48.4 percent.
3. Should the death penalty be applied to convicted narcotics peddlers? Yes, 72.3 percent; no, 27.7 percent.
4. Should postal rates be increased to balance the Post Office Department deficit of $350 million? Yes, 55.2 percent; no 44.8 percent.
5. Should the Constitution be amended to prevent treaties and international agreements with foreign nations from becoming the supreme law of the land? Yes, 73.6 percent; no, 26.4 percent.
6. Should the price of natural gas be controlled by Federal Government or by State governments? Federal, 39 percent; State, 61 percent.

I am confident that this review of the results from my latest questionnaire will be of great interest to the Members of the House of Representatives.

Demonstrations at National Conventions

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. ROOSEVELT. Mr. Speaker, I have recently received from Mrs. Clara Shirpser, the Democratic national committeewoman for California, a most interesting resolution which she proposes to place before the 1956 Democratic National Convention. I quote it:

> To the Rules Committee, 1956 Democratic National Convention:
>
> *Resolved*, That—
>
> (a) All demonstrations at the 1956 Democratic National Convention be restricted to a period of 15 minutes;
>
> (b) That all parades in the aisles be eliminated;
>
> (c) That an invitation be extended to each Democratic candidate whose name is placed in nomination for President of the United States who receives at least 15 percent of the votes on the first ballot, to address the 1956 Democratic Convention for a period of 15 minutes.

Mr. Speaker, it seems to me that this suggestion has a great many advantages and few, if any, disadvantages. Perhaps it will be considered by both political parties and certainly it would be a fine thing for all those who will undoubtedly be watching the proceedings of the conventions on television to have the opportunity to directly see and judge the candidates who remain in the running under the proposed formula. There seems to me to be one of the improvements in the convention system which

has long needed to be made more democratic. I hope it will be widely discussed and supported by the delegates to the 1956 Democratic National Convention.

Insurance Against Flood Damage

EXTENSION OF REMARKS

OF

HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. McNAMARA. Mr. President, in behalf of the junior Senator from Rhode Island [Mr. PASTORE], I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a statement prepared by him with reference to Senate bill 3732, a measure to provide insurance against flood damage, and for other purposes.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF UNITED STATES SENATOR JOHN O. PASTORE, DEMOCRAT, RHODE ISLAND, WITH REFERENCE TO S. 3732, A BILL TO PROVIDE INSURANCE AGAINST FLOOD DAMAGE AND FOR OTHER PURPOSES

On April 26, the Senate Committee on Banking and Currency reported S. 3732; a bill to provide insurance against flood damage and for other purposes.

As everyone knows, various sections of our country suffered tremendous damage and loss of life due to natural catastrophes within the past few years. In my own State of Rhode Island and in the New England area, floods and hurricanes wreaked damage almost beyond comprehension. Scenes were graphically portrayed in newspapers, magazines, and on television showing the devastating havoc wrought by the floods. The hearts of the American people were moved to compassion at the misery which prevailed. And from all parts of the land and many parts of the world came messages of commiseration. These were heart-warming indeed. But little could be done by anyone to relieve the shocking plight of those whose loss of house and home, of factory, farm or shop, constituted a wholly uncompensated disaster against which there was and cannot be adequate insurance protection from private insurance companies. Many of these unfortunate people witnessed the loss of their entire life's work. Home upon home was swept away and, in many cases, nothing but an unpaid mortgage was left in its place.

The situation thus presented called for action—action on the part of all the people of the United States. To this end, therefore, the Senate Committee on Banking and Currency initiated a very thorough and exhaustive study of an insurance program which would attempt to alleviate the apprehension of those individuals who were unable to secure flood insurance.

The committee, under the acting chairman, the junior Senator from New York [Mr. LEHMAN], visited various stricken areas of the country to view firsthand the grim results of these floods. Witnesses from all walks of life were heard. All proposed plans received study and attention.

The committee visited my own State of Rhode Island on November 10, 1955, and there as in so many other States and towns which were visited, they received the views of individuals qualified to speak on such an important, specialized problem as disaster insurance.

I personally joined in sponsoring S. 3137 and S. 2768. I understand that S. 3732, as reported by the Banking and Currency Committee, has taken features from both of these bills and from a bill introduced by the senior Senator from Connecticut [Mr. BUSH]. To me this is a concrete example of the bipartisanship nature of this legislation, which, in my judgment, merits the approval of the Senate.

Possibly there will be some who will disagree with some of the provisions of S. 3732, but there is a certain amount of trial and error which will be experienced in setting up an adequate flood-insurance program. This is to be expected.

This bill would create an agency called the Federal Flood Insurance Administration. This Administration would be under the Housing and Home Finance Agency and administered by a Commissioner appointed by the President and approved by the Senate. The detailed provisions of S. 3732 can be more comprehensively explained by the members of the committee who worked so diligently on S. 3732.

The need for such legislation is very apparent. For an individual to see his home and personal possessions which he earned by strenuous personal industry, washed away by a flood, is a scene which would tear at the heartstrings of any human. The tragedy at the present time lies in the fact that no individual can secure compensation for such loss. He may secure insurance against lightning, earthquakes, and other storms, but not against flood risks. Hence, this bill becomes more necessary as the days go by.

In connection with the need for this legislation, I include an editorial which appeared in the Providence Journal of Monday, October 31, 1955, entitled "Writing a Disaster Insurance Plan Fast":

"The Senate hearings on disaster insurance, opening today in Washington, come as a hopeful sign to flood-weary New Englanders who have been bearing the brunt of nature's costly extremes.

"As the hearings progress, it should become clear that the need for Federal participation in a disaster insurance plan is beyond question. There simply is no alternative—except impoverishment and suffering.

"Relatively few persons are vulnerable to flood damage, and because of this, commercial insurance companies have been unable to undertake their risks at reasonable rates. As a result, New Englanders will be able to recover only a tragically small percentage of the estimated $650 million losses suffered this year. One estimate, on the basis of earlier figures for the August floods, place insurance coverage at 10 percent or less of the total damages.

"Sadly, the uninsured losses are the important, everyday necessities—homes, furniture, shops, and factories. They must be swiftly restored without bankrupting their owners if our regional economy is to remain sound. This time, as in the past, the Red Cross and the various relief agencies gave invaluable aid to recovery. But still, all too many who suffered losses have found themselves unqualified for this aid. Many have to borrow to patch up their losses, but such loans are a continuing drag on the economy. Our residents and businessmen must be given solid assurances that they will have certain recourse when disaster strikes again.

"Federal participation in disaster insurance will, in fact, be a sort of premeditated relief. Because the population at large will be undertaking the risks of a few, such a program will be more in the nature of a subsidy than pure insurance, which is a voluntary spreading of risks. But there seems to be little room for disputing it on these grounds. One way or another, the entire Nation has always responded with relief to its stricken citizens, sharing in common the costs of misfortune—be it war, plague, or disaster.

"Nor does there seem to be adequate grounds for fearing that Federal disaster insurance will be another step in Government encroachment on private business, or that Government will ultimately be forced to underwrite less justifiable risks. Government in this case will be filling a glaring need that private business thus far has been unable to satisfy. This is not encroachment, nor could it ever be claimed as a precedent for encroachment.

"The Lehman committee should therefore act with decision in drawing up a sound disaster insurance plan to lay before the next Congress. And it should be enacted without delay, for more storms may strike before crucial flood-control devices can be built. New England will be impatient of political small talk, for the survival of many of her citizens is at stake."

The responsibility of the committee has just about been concluded. The members of it have worked endless hours, have traveled hundreds of miles and have had the benefit of one of the most efficient staffs of any committee on Capitol Hill. I wholeheartedly urge—yes—I even plead with the Senate to give favorable consideration to S. 3732 so that this measure may proceed on the legislative path to the other body.

There have been bills on this subject introduced in the House of Representatives. Possibly if the House receives a bill from the Senate, it might further expedite matters. Time is of the essence and as the expression goes, "Time and tide wait for no man."

The livelihood and welfare of literally millions of people rest upon this bill. While it is not a flood-preventive measure, at least it is a consolation for the people of this great country to know that the door will be open to them to make provision for insurance against the risk of flood. In the meantime, we can proceed with plans and preparations to control or avert the devastation of natural catastrophes.

The Red Cross knows what this problem is. The President of the United States knows what this problem is, as evidenced by the fact that he declared certain areas disaster areas during 1955 after these floods had left their marks of destruction.

This bill is not a handout by the Federal Government. The premium rate and the terms and conditions of any policies issued by private insurance companies on the basis of Government reinsurance are made subject to the Commissioner's approval. Private companies alone cannot do the job. This is evident by a review of the testimony offered during the hearings on this legislation.

The Federal Government must lend a helping hand with the hope that the experience gained can eventually be of assistance to private insurance companies. The gap must be plugged until such time as private industry can cope with the problem.

When the Committee on Banking and Currency visited Providence, R. I., I submitted a statement setting forth my views. I said that the committee was faced with a tremendous task and I was certain that they wished to report legislation which would provide a ray of hope for those whose futures may be threatened by a repeat performance of the havoc which at that time had been wrought by Hurricane Diane and other natural catastrophes.

I congratulate the committee for the fine job it has done resulting in S. 3732.

I am very happy to note that this bill received the unanimous approval of the Committee on Banking and Currency.

This Congress has, through both the Senate Committee on Public Works and the Senate Appropriations Committee, considered the requests for preventive measures for flood control. Now, in order to properly weave the various threads of this problem into a complete cover, we must consider the insurance aspect of the flood problem. This has been done in S. 3732. If over a period of time it found that there are certain provisions of this bill which can be improved upon, this can be done in a future Congress.

We must get this program off the ground. We cannot do it by further study or prolonged debate and discussion. It is a matter of vital concern which requires our prompt and expeditious action on the floor of the Senate.

Personally, I can perceive no objections, nor have I heard of any objections by Members of Congress, to a flood-insurance program. As I previously pointed out, the President saw the need for such a program and so expressed himself. Former President Truman saw the need for such legislation in 1952. Here in this great body, the matter, in my opinion, has transcended party lines. It is a case of a national problem which must be dealt with on a national scale. It is not a problem to be left to the various States, because it affects the very economy of our entire Nation. If a plant in Woonsocket, R. I., is damaged by flood, thus causing production to stop, those people in the rest of the United States or in the world who depend upon that product must go without it or consume valuable time at great economic loss in securing a new source of supply.

The hearts of the American people have been touched on numerous occasions when a plea has been made by the Red Cross for funds to cope with the human suffering which resulted from these floods. Basically and simply, the problem is—we need flood insurance legislation. With this, no one quibbles. This is it.

Further, the problem must be solved on a national scale. This is where we in the Congress of the United States fit into the picture. S. 3732 enables us to carry out our obligation to all the people of the United States.

The instrument for relief is at our disposal. The Committee on Banking and Currency of the United States Senate has put this instrument before us. I urge with all the fervor at my command for favorable consideration of S. 3732. It will give a lift to those who need it. It will bring consolation to those who are moved with compassion for their fellow man. It will show that no problem is too big for the United States to overcome once it puts its machinery of democracy into operation.

In Defense of the Automobile Worker

EXTENSION OF REMARKS

OF

HON. LOUIS C. RABAUT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. RABAUT. Mr. Speaker, we have heard a great deal about the automobile industry in the last few months. There have been extensive congressional hearings investigating numerous charges and countercharges. While there may possibly be room for improvement in contract relations between factory and dealer, I do feel that undue criticism has been leveled at the entire industry for isolated cases of dissatisfaction with a particular motor vehicle.

Recently, a Member of Congress inserted several letters in the Congressional Record that create the impression that automobiles generally are not being properly assembled or serviced. I challenge such an allegation. The case referred to in the Record involved 1 dealer; there are 45,704 automobile dealers in the United States. Further, the charge that inferior workmanship is widespread in the industry is a slap at the thousands of workers throughout America's greatest business enterprise.

I am quite familiar with the methods employed in the automobile factories and you may be assured that most careful consideration is always given to the safety element and proper construction of each individual car. I am also familiar with the pride that the employees take in their craftsmanship. These men and women deeply resent the inference that their work is not as thorough as it might be. I am not saying that there never has been a car with mechanical imperfections; in any human endeavor, mistakes will be made. However, proceeding from the specific to the general is definitely not in keeping with the American concept of fair play.

Address by Hon. Styles Bridges, of New Hampshire, Before Annual Meeting of American Cotton Manufacturers Institute

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Congressional Record an address which I delivered before the annual meeting of the American Cotton Manufacturers' Institute, at Hollywood Beach, Fla., on Saturday, April 7, 1956.

There being no objection, the address was ordered to be printed in the Record, as follows:

Introduction

I am delighted to come to Hollywood Beach this morning and join in your annual meeting.

The American Cotton Manufacturers Institute, as the central organization of one of America's largest and most important industries, is doing an outstanding job for its members. I have known this for a long time, of course, but the size of the audience here today makes me all the more certain of it.

I have come here today from our Nation's Capital—one of the two great nerve centers of the world. The other, of course, is Moscow. Decisions are being made—and will be made in the next few months and years—in these two world capitals, which may well decide the destiny of the civilized world. In my judgment, it is imperative that the citizens of this country understand some of the basic issues which confront us. It is only by understanding them that we can meet the challenges—courageously and intelligently.

I happen to be the ranking Republican in the United States Senate and chairman of the Senate Republican policy committee. As such, I represent 1 of the 2 great political parties of our country. We now have a Republican administration after 20 years of control by the New Deal and Fair Deal leadership of the other party.

A little more than 3 years have passed since this change in government took place. They have been short years. They have gone quickly. But a great deal has taken place in that brief period of time. It is right that we stop and evaluate our progress.

In the first place, we must know what this administration in Washington is doing. Secondly, we must identify the major problems which confront us today, and determine how those problems shall be solved.

I think it is fair to say that this administration probably satisfies neither extreme in our country—neither the extreme left wing nor the extreme right. I am sure that the New Dealers are not pleased with it, and I imagine that the ultraconservatives are not happy either. In my judgment, the administration is following a constructive middle course—a course dedicated to the best interests of the great majority of Americans. My definition of it is: "A wise application of traditional American principles to today's problems."

THREE OF THE FUNDAMENTAL ISSUES

This administration has had to cope with a multitude of problems. If time and your patience permitted, I could discuss them for hours. However, we can reach some understanding of the complexities of Government, if we discuss three of the fundamental and basic issues that confront us today. The first and most important is that of fiscal stability. Our fiscal health determines in great part how successful we will be in our approach to the remaining two problems—foreign trade and national defense.

PROGRESS IN ECONOMIC STABILITY

For the last 10 years, the American people have fought a constant battle with fluctuating prices, fluctuating wages, and inflationary trends.

One of the most important developments which has occurred in the last 3 years has been the economic stability which accompanied the economic progress this administration brought to the Nation.

A striking example of the byproducts which come from sound fiscal policy is found in the termination of controls. The calamity howlers said that the removal of controls would ruin our economy. They insisted that without controls we would experience a further inflationary spiral.

The New Deal planners maintained that controls were essential and that the free-enterprise system was out of date. They told us that if the President dared to remove controls on prices, wages, and rents, the American wage earner would be the loser by $3 billion a year in increased cost of living. Fortunately, President Eisenhower and the leaders in Congress were courageous enough to do what they knew was right.

WHOLESALE PRICES AND COST-OF-LIVING INDEXES

The results of their courage are apparent. In January 1953, the wholesale price index was 109.9. In January 1956, this same yardstick was 111.9. The wholesale price level of commodities has risen only 2 points in the last 3 years, whereas, in the last 3 years of the Truman administration, the wholesale price index jumped 12½ points.

The cost-of-living index in January 1953 was 113.9. In January 1956, 3 years later, it was 114.6—an increase of only seven-tenths of 1 percent.

I can offer no better proof that this administration's doctrine of economic commonsense has been effective. In my judgment, these figures bear plain witness to the fact that free enterprise is the true American system.

STRENGTHENING THE DOLLAR

Another clear indication of improvement in our economic health has been the ability to stop inflation of our currency and the cheapening of our dollar.

In 1939, the purchasing power of the dollar was 100 cents. By January 1953, the deficit financing and inflationary programs of that period had decreased its value to 52 cents.

This depreciation of our currency has had devastating effects on wage earners, investors, and on the aged who depend on fixed retirement income for their security. It is a brutal but accurate fact that an annual income of $5,000 in 1940 would provide little more than $2,500 worth of commodities in 1952. I hardly need to dwell on this. You know as well as I do what cheap money can do to the Nation's economy.

It is tremendously significant that, since January of 1953, the purchasing power of the dollar has varied within a range of only one-half of 1 cent. That is a record of fiscal responsibility. It is this same sense of responsibility which makes us continue to strive to balance our national budget and spend within our means.

REDUCTIONS IN APPROPRIATIONS AND SPENDING

When this administration came into power on January 20, 1953, and President Eisenhower assumed the responsibility of leadership, we were faced with an almost impossible fiscal situation. We had, carried over from the previous administration, contract authorizations amounting to over $83 billion. These were actually I O U's incurred by our predecessors and left for us to pick up and pay.

Imagine taking over a business and finding $83 billion in bills facing you—and finding $83 billion to be $20 billion more than the entire income of the business. In addition, Mr. Truman had made excessive recommendations for appropriations and spending to the new Congress. The 1st session of the 83d Congress cut appropriations by $14,100,000,000 under the Truman estimates. In the 2d session of the 83d Congress, we again made substantial cuts and the final appropriations by that Congress were $27,800,000,000 under the appropriations of the 82d Congress.

For the fiscal year ending June 30, 1956, a balanced budget is in prospect.

Latest Treasury estimates indicate a $200 million surplus, although this figure may change in the spring after the Treasury receives heavy corporate and individual Federal income-tax payments.

Furthermore, President Eisenhower has submitted a balanced budget for fiscal year 1957, with an estimated surplus of some $400 million.

The struggle to balance the budget has been a tough one. It will require continued vigilance to keep the Government from going into the red again.

Later in my talk, I will make reference to the Bridges-Byrd amendment, which I believe would contribute materially to this goal.

TAX CUTS

The Republican Party has taken the lead historically, in reducing income taxes. In fact, it has voted 7 out of 10 income tax cuts that have been made since 1913. We will cut taxes again whenever it is reasonable and proper that we do so. But first things must come first. We would be irresponsible and negligent in our duties—if we went before the American people and advocated a tax cut at this time. It is our conviction that fiscal stability is essential to the welfare of the country, but we will never have that stability so long as we spend more than we take in.

The national debt of this country is almost beyond human understanding. It presently rests at $277,700,000,000. Secretary of the Treasury Humphrey has stated that this debt is so tremendous that we owe more money than all the people in the world have ever owed.

SIGNS OF A HEALTHY ECONOMY

The constant efforts of this administration to achieve economic stability are good signs in government. In my judgment, these measures are applauded by all thinking Americans.

There are other signposts, however, of improvements in our economic condition, which I invite you to consider.

More than 64 million Americans are now employed, out of a record civilian work force of 66½ million.

More than half of the 47 million American householders own their own homes.

Americans have put aside $85 billion of savings in life insurance and own more than $50 billion worth of United States savings bonds.

Government and private retirement funds for American workers now total almost $60 billion.

Total output of goods and services hit a new high in 1955—more than $387 billion, and the rate in 1956 may run over $400 billion a year.

Personal income in 1955 broke all records: $303 billion, an increase of $15.5 billion over 1954.

Disposable personal income—which is total personal income less personal taxes—reached an all-time peak of $269.2 billion in 1955—rising $14.4 billion over 1954.

What's more, the Nation's expanding income was widely shared. Income received by labor in the form of wages, salaries, social-security benefits, and related payments, rose to 75.4 percent of total personal income plus personal contributions for social insurance. The share of proprietors fell about one-half percent; the share of investors remained unchanged.

Meanwhile, the consumer price index fluctuated within a range of less than one percentage point during 1955.

In other words, while personal income was rising, the cost of living was steady, meaning a net increase to our people.

Unincorporated firms showed gains, as seen by the rise in business and professional income from $25.9 billion in 1954 to $27.3 billion in 1955—an all-time high.

Corporate profits in 1955 rose above 1954 by $9 billion before taxes and by $4.5 billion after taxes.

New production records were set in industry and related activities, and construction expenditures reached a new high of $42.2 billion.

This country has never known such prosperity—either in peace or in war.

Farm prices and incomes alone are depressed amid the Nation's greatest prosperity.

Average prices received by farmers for all products remained fairly stable in the first half of 1955. Near-record harvests, however, sent the index of prices received by farmers downward from June through December.

Another measure of the farm situation—the parity index which includes the index of prices paid by farmers, interest rates, taxes, and wage rates—held steady and was at the same level at the end of 1955 as in 1954.

Although farm prices and incomes generally declines during the year 1955 and both farm mortgage and nonmortgage debt rose, total farm asset values and owners' equities in these assets increased, chiefly because the value of farm real estate continued to rise. Average values of farm real estate on November 1, 1955, were 6 percent higher than a year earlier and above the previous peak reached in 1952.

I believe the farmer is entitled to his fair share of the general prosperity. This administration has proposed a far-reaching program attacking the principal causes of the present farm dilemma.

These causes are: 1, production and market distortions as a result of wartime production incentives too long continued by the previous administration; 2, current record livestock production and near-record crop harvests piled on top of previously accumulated carryovers; and 3, rising costs and high capital requirements.

Congress is currently trying to write a farm bill that will help the farmer share in prosperity, and, in so doing, to help assure continued prosperity for the Nation as a whole.

There is a further important policy of this administration that is a factor in fostering a healthy economy; the Federal Government is getting out of business activities in which it never should have engaged in the first place. Barge lines, rubber plants, ice cream factories, clothing factories, paper mills, formerly operated by the Government in competition with private enterprise, are being liquidated and disposed of at a fair market price.

All of these things are signs of a healthy economy. Furthermore, they have been accomplished without endangering our national defense.

I want to say just a word about reductions in Federal personnel. A little over 3 years ago, we inherited a great sprawling bureaucracy. We found tremendous amounts of duplication. We found functions which were unnecessary or obsolete. Since that time nearly 300,000 Federal employees have been eliminated from the public payroll.

When one reviews the progress which has been made in a brief period of time in restoring fiscal stability to our country and removing the uncertainty of inflation and recession, the program has indeed been effective.

FOREIGN TRADE

I come now to the second of the three important issues—foreign trade.

First of all, I know that we are gathered here as people who have common feelings on the need for protecting American industry from low-cost imports. When the textile industry of this country has over two million people working for it, our import problems demand not only your attention as industry representatives but the attention of Americans in all walks of life.

As Spencer Love of the Burlington Industries, one of your spokesmen, recently said, "The strength of the American textile industry is a part of the strength of America. It is a part of this Nation's essential system of defense." No clearer statement of necessity can be made when we consider the effect of foreign economic policy on industry and employment in this country.

Now, the last session of Congress saw our Trade Agreements Act extended for another 3 years. As you all know, it was the subject of bitter debate in both the House and Senate, even to the point where President Eisenhower felt it necessary to publicly state that "No American industry will be placed in jeopardy by the administration of this act."

When it was referred to the Senate, there were many of us who felt that our domestic industries needed a greater measure of protection than was spelled out in the bill, that certain changes would be necessary to preserve the reciprocal and selective principles of the Trade Agreements Program. There were a great many amendments offered and considered. Perhaps the most constructive of these were the nine amendments that I introduced with Senator Pastore of Rhode Island.

Of these 9, 8 were accepted by the Senate Finance Committee and passed on the floor of the Senate. I will not list them in detail for you this morning. However, I do want to point out that their adoption certainly made the bill more responsive to a sound and realistic continuation of the Trade Agreements Program.

The present session of Congress has before it other legislation which is important to all of you, and the textile industry generally. I should like to mention just three of these bills. I am sure that most of you are familiar with them.

The first of these is known as the Customs Simplification Act. It passed the House of Representatives late in the last session. You should watch it closely for, as it is written, there exists the threat of tariff reduction through indirection. It could result in our present congressional safeguards being circumvented.

I shall not dwell on it at length, but I will make the prediction that if Senate floor action takes place on it before adjournment and there is a possibility that it will not—the bill will be modified from its present form in several respects.

Now, the second of these bills is one which the American Cotton Manufacturers Institute and I view with deep concern. It calls for United States participation in the Organization for Trade Cooperation.

OTC, as it is known, would administer the General Agreement on Tariff and Trade. Now, it must be remembered that GATT is an international trade agreement entered into by some 35 countries, including our own. It has never been approved by the Congress despite many efforts. Few people—and not too many Members of Congress—fully realize the implication of this bill.

Twenty-two years ago, Congress virtually surrendered control of trade policy to the State Department. The results have not been happy. Now, by approving OTC, we are asked to take the final step and transfer that power to an organization subject to the control of foreign governments.

As Roger Milliken, president of Deering-Milliken & Co. and a leader in your organization, recently testified before the House Ways and Means Committee, "We regard OTC and GATT, viewed separately or in combination, as instruments designed to suppress our national freedom in international trade and our freedom as a Nation to govern the internal economy of the United States in accordance with the Constitution and the laws of Congress." He could not have described this situation more accurately.

Let me give you just one illustration of what I mean. The United States, as a participating member of GATT, would have only 1 vote out of 35 in any dispute arising over, for example, the revision of tariff levels—and not even that if we happened to be a party to the dispute. Other countries who would participate in such decisions with a vote equal in every respect to our own would be, to name a few, the Duchy of Luxembourg, Rhodesia, India, and, believe it or not, Communist Czechoslovakia.

The President has called for the passage of this bill, and as much as I should like to, I cannot share his views. I cannot avoid the feeling that he has not been fully advised as to its breadth and implications. I have no choice but to oppose it in the Senate of the United States.

Now the third and last bill I shall mention is the one that Senator JAMES EASTLAND introduced. It has the bipartisan support of 62 other Senators, of which I am one. It seeks to do two things:

1. Have our Government maintain a fair share of the world market for United States cotton, and

2. Limit the importation of cotton into this country by the establishment of quotas.

The second of these two proposals is a relatively new approach to the problem of low-cost foreign competition. As a measure of its importance, I think you all know that the Japanese textile industry has already suggested establishing its own voluntary quotas. You can be sure that this proposal has them worried.

I am not going to hazard a guess, this morning, as to what its chances may be, for House action must take place first through a companion bill. However, there is increasing sentiment for Congress to look long and seriously at its potential.

Before closing this subject, I want to leave with all of you this one word of warning. It is this: Those of you who favor the establishment of quotas should not be misled into making any concession on OTC and GATT legislation for your own near-term purposes. It would be a serious, and possibly later, a fatal mistake.

In any session of Congress, and particularly in this one, we in the House and Senate count on you people to keep us advised. We seek your counsel and guidance. It is virtually impossible to predict accurately the trend of events this year. This is a presidential election year, and much of the time, thought, and effort of Congress will revolve around that fact.

We will not have time to do all we should. We need advice, facts, and recommendations on a broad policy basis. You can help us in many ways. Your knowledge of these situations can be invaluable to us. The more that you can do as a group, the greater help you will be to us in the Congress—and the more certain you can be of attaining the results that you seek.

NATIONAL DEFENSE POLICY

Regardless of the fact that our foreign relations have improved, I would be unrealistic if I did not tell you that we are living in a world of crisis.

We might as well face the fact that the American system cannot coexist with communism. The basic doctrine of communism is class struggle. Their eventual plan calls for revolution throughout the world.

We might as well recognize communism for what it is—a conspiracy. It is a conspiracy that has been growing for nearly a hundred years and there is no reason to assume that it will end tomorrow.

I believe we have made some terrible mistakes in dealing with this conspiracy. In 1945, we emerged from the bloodiest and most costly war the world has ever known. We emerged as the acknowledged leader of the free nations. We had the best-equipped and strongest Army, the greatest Air Force and the most powerful Navy on earth. In addition, we had sole control of the atomic bomb—the new weapon which could be used to control the world.

In 11 short years we squandered away most of these advantages. We appeased, we compromised, and we condoned and sheltered traitors in our midst.

We are now faced with the fact that Soviet Russia has the capability to manufacture atomic and hydrogen weapons, and there is every indication that they will use those weapons, if and when they consider it profitable to do so. It may not happen tomorrow—it may not happen for 10 years—it may never happen. However, the potential is such that we can never again afford to go to war without adequate preparation or the ability to wage war.

In view of these basic facts, it has been necessary to revise our planning for national defense. It now is apparent that we must plan for an indefinite date in the future.

There are those who advocate an all-out crash defense program—more planes, more guns, more ships, more men in service, and more expenditures. They would have us spend 100 billion dollars a year for several years. True, we could make this Nation invulnerable if we turned it into an armed camp, but we could lose the struggle against communism without a shot being fired if we burden our economy to the point of breakdown.

I think the Communists have made it entirely clear that they hope to participate our economic destruction, as an easy and cheap means of overthrowing our Government. It follows then that we must be realistic in planning for an adequate, yet economical, defense program. The course we are following now is both logical and intelligent. We have abandoned—I hope for once and for all—the old theory of national defense which was based on feast and famine.

As I have indicated, we never again will have a year or two in which to prepare our defenses. In the same breath, we cannot afford to spend ourselves bankrupt.

BASIC AIMS OF DEFENSE PROGRAM

This is a period of extended tension. We may reasonably expect that this tension will continue indefinitely. For this reason, we have devoted ourselves to a program which:

1. Provides us with armed forces capable of deterring an aggressor.

2. Providing a well-trained and professional defense force, immediately available to handle whatever situation develops and to repel any national attack.

3. Establishes an increasingly stronger continental defense program.

4. Establishes and develops a powerful military manpower reserve.

5. Provides a strong industrial economy working for peace, but ready for conversion to war.

6. Increases our superiority in weapons and techniques.

It has become increasingly apparent that our superiority must depend upon our technological ability. We cannot hope to compete, on a man-to-man basis, with countless numbers of Russians and Chinese. Our greatest hope is our continued superiority in the fields of nuclear weapons, guided missiles, and all the other modern devices of war.

I can summarize the national defense picture by saying that we are fundamentally strong, and are growing stronger every day. Yet, this has been accomplished at tremendous savings to the taxpayer by cutting waste and extravagance.

These three general areas—fiscal stability, foreign relations, national defense—are all interrelated. Each is tremendous in scope and complex in nature by itself. I have personal knowledge of the time, energy, and thought which must be devoted to these problems, and I can give you my personal assurance that their solution is a matter of the gravest concern to the administration and the Congress.

BRIDGES-BYRD AMENDMENT

In company with the distinguished Senator from Virginia, Senator BYRD, I have introduced a joint resolution proposing an amendment to the Constitution of the United States. Without going into the technicalities of my proposal, it may be simply explained as follows: This legislation, if adopted, will require the imposition of Federal taxes sufficient to provide for revenues which will be equal to appropriations. By this simple constitutional amendment, we will require that the President submit to the Congress a budget which shall not exceed the total of the estimates of the receipts of the Government during the coming fiscal year.

In the event that the Congress makes appropriations which exceed the estimates of the receipts of the Government, it shall be mandatory upon the Congress to enact measures to raise an amount of additional revenue at least equal to the excess of appropriations over receipts.

This proposal further provides that the Congress shall not recess or adjourn for a period of longer than 3 days, until such action has been taken.

This Nation is prosperous. Our people are well clothed, well fed, well housed. We are in a period of abundant employment. There is just no reason why we cannot pay our operating expenses. I should think that every American would wholeheartedly support this constructive suggestion which merely states that the Government is obliged from now on to collect at least as much as it spends.

SENATE BILL 1343

I have also introduced another bill to require that whenever a committee of Congress reports favorably on a measure authorizing the appropriation of money from the Treasury, that the Department or agency of Government concerned submit a printed report to include an estimate of the probable cost of carrying out the legislation.

The purpose of this bill is sound in principle and easily understood. Only too often Congress has enacted legislation without the faintest idea of how much money would be required to carry out the intent of the legislation.

There is not one of us who would sign a contract with an automobile salesman until we knew the price of the car. Why in the world should the Government pass laws without knowing how much it is going to cost to implement those laws?

SENATE BILL 1341

Another of my bills is one requiring that every year the Federal budget shall include a special analysis of all long-term construction and development projects authorized by Congress. This analysis would show the total estimated cost, the actual or estimated amount expended during previous fiscal years, the amount needed during the current fiscal year and the amount needed in subsequent years.

With these figures available the Congress will have the kind of information which any individual needs when he undertakes to build a house. Any intelligent person would want an estimate of the total cost, how much had already been spent, and how much he would have to spend in the future. I can see no possible objection to giving the Congress of the United States this very same information.

I agree that these measures are not the kind which call for headlines in the sensational press. They are, in my opinion, much more important to our future security than so many items of sensational but temporary interest.

CONCLUSION

In conclusion let me say this: I cannot avoid the conviction that the stability and national security of this Nation is dependent upon a sound economy.

We must never forget that the Communist manifesto, known as the Bible of Communism, written in 1848 by Frederick Engels and Karl Marx, predicted that economic factors would determine the course of history. It states that capitalism is doomed to destruction because of its inability to maintain a stable and productive economy.

The comrades in the Kremlin hope and pray that we will waste our resources and spend our way into financial collapse. I am convinced that such a result need never take place.

As a representative of a thrifty New England State, with considerable experience on the national scene, I am convinced that the last 3 years have put us back on the track. I feel justified, therefore, in leaving you on this hopeful note.

This country of ours is the greatest and strongest on earth. It was made that way through the qualities of courage, intelligence, morality, and plain commonsense of individual Americans. We are sometimes slow to act, and too often leave the impression that we are soft. The world is beginning to understand that our humanity is not softness—that the fiber of America is no less strong than it was in 1776.

Dr. John Milburn Price

EXTENSION OF REMARKS

OF

HON. PRICE DANIEL

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. DANIEL. Mr. President, on Thursday night in Fort Worth, Tex., the people are honoring Dr. John Milburn Price, founder and director of the School of Religious Education at Southwestern Baptist Theological Seminary. On behalf of my colleague Senator LYNDON JOHNSON and myself, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement calling attention to the career of this distinguished American.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DR. JOHN MILBURN PRICE

On Thursday night in Fort Worth, Tex., a singularly moving and gratifying event is planned for a particularly distinguished and deserving American. The people of that city are to honor Dr. John Milburn Price, founder and director of the School of Religious Education at the Southwestern Baptist Theological Seminary.

We would like to call the Senate's attention to Dr. Price's splendid record and his contribution to Texas, to the lives of countless of his students, and to the Christian ideals.

The Southwestern Seminary at Fort Worth trains young men and women of all faiths. Its school of religious education is the first in the South and the largest in the world. Dr. Price founded the school 41 years ago, and he has been in the teaching profession for 53 years.

As a preacher, teacher, writer, educator, and administrator, Dr. Price's record is unparalleled. Some notable achievements of his school of religious education include: The first school among Baptists to offer vocational training in religious education (1915); first school in America to offer a religious education diploma (1917); first conference in religious education (1921); first and oldest Vocation Bible School among Baptists (1922); first building in America designed exclusively for teaching religious education (1950).

Dr. Price has been past president of the American Association of Schools of Religious Education. He will retire on August 1 of this year after 41 years of service to the school which he founded.

Dr. Price, a Kentucky mountaineer with a pioneering spirit, began teaching in Cleveland, Ky., in 1903. He has been preaching for 50 years—in Kentucky, Rhode Island, and Texas. He was pastor of the Webb Baptist Church in Tarrant County, Tex., for 21 years. He has written for magazines, newspapers, periodicals, and over one-quarter million copies of his books in religious pedagogy are either translated or being translated in four languages around the world.

While a collect student—a Marston scholar at Brown University—Dr. Price was inspired by the thought of training laymen and women to become Sunday school teachers. While completing his theological training at Southern Baptist Theological Seminary in Louisville, Ky., the opportunity presented itself. Dr. L. R. Scarborough, then president of Southwestern Baptist Theological Seminary in Fort Worth asked him if he would like to "break new ground" in helping establish a School of Christian Pedagogy in Texas.

He had been elected Sunday school secretary for Kentucky, and he yearned to remain in his home State. At the same time, friends in Canton, China, urged him to join a seminary faculty there. He decided that in the Southwestern Baptist Theological Seminary, he could—through his students sent out into the world—be in Texas, Kentucky, and China at the same time.

The first year at his new School of Religious Education, only five courses were taught. Today, 129 courses for vocational training in religious education are available. Six thousand students have enrolled in the school since 1915; there are 800 enrolled today. These trainees have revolutionized Sunday school and training union work in the Southern Baptist Convention. Since 1920, the Southern Baptist denomination has increased from 3 million to 8 million members. The phenomenal growth is due in many ways to the teaching ministry of the church.

The largest school of religious education in the world stands today as a permanent memorial, vibrantly alive, to the man who dared to establish his life "by way of the throne of God."

Address by Hon. Barry Goldwater, of Arizona, at Taft Memorial Dinner

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech delivered by the distinguished Senator from Arizona [Mr. GOLDWATER] at the Robert A. Taft memorial dinner, held in Boston, Mass., on May 3, 1956. The address is entitled "The Fallacy of the Common Man." It is a fine address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Any American would be honored, as I am, by the opportunity of participating in this occasion, so appropriately dedicated to the late Senator Robert A. Taft.

Because I was privileged to serve with him for a brief period in the Senate; because he was a Republican and contributed of his time and talents to my campaign in Arizona in 1952; and because we have always appeared to share the same philosophy of Government and ideals of freedom, I feel a particular sense of personal pride in being asked to recall with you the enormous and enduring contributions which Bob Taft made to his country.

The ledgers of our Nation's history are abundant in their memorializations of the great leaders of the past who played such vital roles in the building of our liberty. Few men, however, for all the reverence and esteem in which they have been held by succeeding generations of their countrymen, have lived to realize the greater compensations of their job well done.

Bob Taft not only enjoyed the rare experience of being a prophet who had honor in his own country, but he also received in the course of his public service the satisfactions that come from the selflessness and sacrifice that is the mark of true statesmanship.

He was a genuinely brilliant man; but, somehow, to those who remember him, his brilliance is actually overshadowed by his character, his convictions, and the courage which fortified him against the assaults which are inevitably made upon men to whom principle is more sacred than profit.

He was the soul of integrity. His unswerving dedication to the right set an example of strength and greatness which has been permanently fused upon the spirit of the American Congress.

The quality of Bob Taft's service cannot be measured entirely by surface achievements. It is true that he built a record of accomplishment seldom equaled in legislative annals; but the principal substance of his towering stature was the way he lived, the ideals he cherished, and the faith which guided him.

He was never ambitious for himself, yet he was always striving to inspire others in the way of his own governmental convictions. To be President of the United States meant, for him, the ultimate opportunity to render service to the Nation he loved. I am sure that he never considered this aspiration in terms of self-glorification or personal reward.

Indeed, all of us know—as I am sure Bob Taft, but for his humility, would have realized—that he did not need to be President to be forever beloved and revered by his fellow citizens.

When, God, in His greater wisdom, denied Senator Taft the fulfillment of this highest official goal, He also lighted the way to the greatest single triumph of his career; and Bob Taft followed this beacon to become the most trusted and faithful confidant of the man whom he had opposed for the presidential nomination.

Bob Taft was, truly, an American first; a Republican, second; and a "Taft man" last. How appropriate, indeed, was Senator KNOWLAND's reference to him at this meeting last year as "Mr. American."

No one will say, of course, that Bob Taft was an ordinary, a common man. He dwelt among us in the days and years which called for an uncommon man, a leader, a statesman. Senator Taft was that man.

He was outraged by the attempt of self-styled, pseudo-liberals to penetrate the foundations of our constitutional, free enterprise system with their socialistic theories. In this respect, then, he was a conservative; but, as a believer in the rights of individuals to live their own lives, to follow their own pursuits, to exercise their own wills, and to retain the products of their own labors, he was a liberal in the true, historic sense of that word.

Bob Taft believed in liberty. He believed in preserving the creeds and institutions which created our liberty.

He knew that he was not a common man. He knew that there is no such thing as a common man in America.

He recognized the wide diversities we have in races, nationalities, religions, occupations, and income levels in the United States.

He believed in treating our citizens as individuals, with sacred rights and freedoms, and opportunities greater than anywhere else in the world.

He did not subscribe to the collectivist theory that Americans are cast from a common mold.

The preachers and prophets of gloom in our country—those despairing individuals who believe that we have reached the zenith of freedom's opportunities and must now revert to an antiquated system of slavery and regimentation—have long leaned heavily, in the name of liberalism, upon the theme of the common man.

They have employed the tyrant's tactic of division and disunity by appealing to the lingering prejudices of a system of ranks and class which pure freedom does not recognize. When they speak, they speak not to all Americans as Americans, but rather they set labor against management, farmer against worker, black against white, Jew against gentile, Catholic against Protestant, rich against poor.

In other words, they classify Americans according to race, color, religion, and occupation, and they say to each group that they are the common men who are being oppressed by the privileged few.

This privileged few, of course, in the eyes of the Socialist-minded pseudo-liberal, is anyone who has enjoyed a measure of success and prosperity that is greater than that of the particular group to whom he is speaking.

For many years, the Democrat Party has applied this strategy. It has portrayed itself as "the people's party," while Republicans have been described as "the party of the special interests"—in other words, the "common man" in opposition to the "privileged few."

This claim is utterly false, but the self-styled liberals who have, unfortunately, gained control of the mechanism of the Democrat Party, have pressed it so boldly, for so long, and in so many forms that they have achieved for it a substantial measure of popular acceptance.

It is a flagrant example of the "big lie" in politics.

No major party could function successfully in a country of the size and diversity of the United States if it served only the common man or the privileged few.

It is one of the virtues of our nationwide two-party system that the voters may switch from one major party to the other and find each one an adequate instrument to serve the Nation as a whole.

If this were not true, our political system would soon degenerate into a multiplicity of small special-interest parties not capable of governing.

The very health and vigor of our two-party system—each one drawing strength from all four corners of the Republic—belies the Democrat Party claim.

These statements by so-called liberals who have corrupted the traditional Democrat Party philosophy are so absurd that I often wonder just how stupid they think the American people are.

In his acceptance speech before the Democrat National Convention on July 15, 1948, Harry Truman said, for an example:

"The people know that the Democratic Party is the people's party and the Republican Party is the party of special privilege."

He said further, at that same time, "The Republican Party favors the privileged few and not the common, everyday man."

Adlai Stevenson, in a speech at Chicago on November 19, 1955, said:

"In whatever direction we look—tax policy, resources policy, credit policy or what not—we see the sharp outlines of what can only be described as special interest Government in Washington, something we haven't seen since Republicans were there last."

Another instance of this pseudo-liberal, "common man" approach to Democrat partisanship may be found in the report on Congress issued by the CIO in September 1954. This report says, on page 20:

"The question is not whether there will be any tax relief, but who will get it. The Democrats wanted it for the people. The Republicans wanted it for the upper brackets and the corporations."

As recently as April of this year, according to a story which appeared in the Washington Evening Star on the 13th of last month, Democrat Senator SAM ERVIN, of North Carolina, said:

"The Republicans believe in government for a few elite; the Democrats believe in a government serving all the people."

The big lie marches on.

One reason behind the Democrat Party claim that it is the party of the common man is the fact that for years it has labored hard to mold the American people into common men.

Secretary of Labor James P. Mitchell called attention to this tendency of the Democrats to turn our people into common men in an address at Flint, Mich., on January 20, 1956, when he said:

"The keepers of this doctrine were interested not in individual men but in collective man, massed man. For them social problems were quite simple. One merely had to determine what was good for collective men and then shove it down his throat like castor oil. The Government was of the people, for the people, but by the social planners."

Dr. James B. Conant, former president of Harvard University, put his finger on the sources of the doctrine of massed man when he wrote:

"The Soviets seek uniformity and strict adherence to the creed of Marxism-Leninism."

In that creed man is nothing as an individual. He exists only as an unidentifiable atom in a collective mass; and men and mass exist only for the state.

Recent history shows the many steps through which the Democrats, who were in control of Government, deprived our people of their individuality.

Democrats centralized the government of everyday affairs in Washington, leaving less and less for people to do in their home States and localities. They handed out billions in relief, grants, and aids from Washington, making people dependent upon the Great White Father at the Nation's Capital.

Through social security they reduced the individuality of persons to numbers in electronic computing machines. They forced men into unions to bargain collectively.

By raising great citizen armies to fight in foreign wars they put the GI stamp of uniformity on every mother's son. By spawning Government housing developments they scattered clusters of identical brick and frame boxes from one end of the country to the other.

The list of laws, acts, and regulations which systematically robbed people of their individuality and piled them up in collective masses could be extended a mile long.

No one can deny that the Democrats intended to do good by these operations. No criticism need be leveled against relief programs, social security, collective bargaining, and public housing. Yet, it cannot be denied that an inescapable and most harmful byproduct of such operations has been the weakening of individual personality and self-reliance.

The Democratic Party has done its utmost to pour our people into the mold of common men and to deal with them in the mass. This is the basis of their political philosophy and voting appeals.

While they have had some measure of success, especially where our technical progress has emphasized collective or mass action, this success has been superficial because deep down our people are proud and jealous of their individuality. They resent being compressed into the mold of the common man.

Behind the mass production and the collective this and that, our people still have wide diversities and at heart remain individualists. This is clear when we examine some of the deep-seated diversities in American life.

Where Democrats are sincere in making the claim to be the party of the common man, as some of them undoubtedly are, they see the forest and not the trees. They look at the material uniformities in American life—the same trains, hotels, restaurants, cooking, and newspapers—and quickly come to the conclusion that all our people, too, are of a common mold.

What they fail to see is that this conformity is merely an expression of our technical, material progress. They fail to understand, or deliberately close their eyes to the fact that beneath the common material veneer is

a people still highly individual in talents, aspirations, and with the intense desire to fulfill their individual personalities.

Again, in his address at Flint, Mich., in January of this year, Secretary of Labor James P. Mitchell declared:

"We were told for some years that government was supposed to minister to the common man. This doctrine of the common man was as singularly unfree a doctrine as we have ever witnessed in this country. The idea that we are all alike, a common mass, the products of some sort of biological punch press, seeking the same end, through the same means, with the same ideas, desires, and needs, is indeed a devastating one."

A similar view is expressed by James B. Conant in his latest book, the Citadel of Learning, where he says "We in the free world, through our schools, colleges, and universities, seek to perpetuate that tradition of western culture which emphasizes diversity, controversy, and tolerance."

So where are we to find the "common man" the Democrats are always talking about?

Is he of the Anglo-Saxon, Scandinavian, Germanic, Latin, Slavic, Celtic, or the score of other races which make up our population?

Is he English, Irish, Scotch, German, French, Italian, Norwegian, Swedish, Czech, Polish, or among any of the other three score and more nationalities which people the United States?

Do we find that our "common man" is a Catholic, Methodist, Unitarian, Presbyterian, Baptist, Jew, or any of the other hundreds of religious sects which flourish among our people?

Is he the business executive, the local banker, the city or rural lawyer, the office clerk, the shop manager or foreman, the factory worker, the school principal, the teacher, the corner grocer and his wife, the chainstore manager, the garage owner or mechanic, the department store clerk, the Army officer or private, the housewife, or in any of the other thousands of occupations which make up our working population?

We have over 65 million employed persons in all occupations today. Where is the "common man" in this total?

Is he the worker in manufacturing who numbers only 15 million of our nonagricultural employed; or the 1 million engaged in mining; or the 2 million doing construction work; or the 4 million engaged in transportation; or the 9½ million who work in wholesale and retail trade; or the million and three-quarters who handle finance, insurance and real estate; or the 5 million engaged in service industries; or the 5½ million people who work in Federal, State, and local government?

Is the "common man" to be found among our 8 million farmers? Is he the soft or hard winter wheat farmer, the cotton farmer, the rice farmer, the truck gardener, the cattle rancher, the cattle feeder, the peanut grower, the dairy farmer, the sheep raiser, the poultry and egg producer, or among the hundreds of other farm producers in our vast lands?

Does he come from the 7.6 percent of consumer units who have a family personal income of $1,000 per year or under; or the 15.1 percent whose income ranges from $1,000 to $2,000; or the 18.9 percent with income from $2,000 to $3,000; or the 19.3 percent with income from $3,000 to $4,000; or the 12.8 percent with income from $4,000 to $5,000; or the 14.8 percent whose income is from $5,000 to $7,500; or the 4.8 with incomes between $7,500 and $10,000; or the final 4.5 percent who have incomes of $10,000 and over?

What do these facts show?

They show one thing above all else: That there is no such thing as a "common man" in the United States.

Every man and woman is an individual, with talents, interests, needs, hopes and dreams of his or her own. Each person seeks freedom to live his own life, to develop his own personality, and a fair opportunity to get ahead in the game of life on his own merits.

When young we dream of making a professional career, starting a small business, operating a farm, owning our own home, establishing a family, and building a competence for old age.

America is the land which urges us to "hitch our wagon to a star," to plan and to build on the rich foundations of our freedom and the heritage of those who came before us and provided for us, and for the generations of Americans yet to come, the opportunities we have had, as well as inspiration to move ahead to yet undiscovered frontiers in this sanctuary of freedom.

Democrat Party leaders who make the claim that theirs is the party of the "common man" are well aware that ours is a Nation of great diversities, and that there are no "commen men" in our midst.

Still, they do not hesitate to develop and inflame class distinctions in their aim to separate a few of our people from all the others.

One doesn't have to think hard to find the reasons for such Democrat trickery. One reason is that the Democrats have been running the Government on the doctrine of the collective man, massed man.

A second reason lies in the field of raw politics.

Political history shows that Democrat Party leaders will make any claim and follow any line which promises them the votes to gain control of the country and remain in power.

They have shrewdly calculated where the bulk of votes lie and they make their appeals accordingly. That is why they label Republicans as the party of the rich, the bankers, big business, and the privileged few. They know that such labels carry an unpleasant, even sinister implication; and that few votes can be had from those sources.

They label their own party the party of the comman man, the average man, and include among these the farmer, the laboring man, the white-collar worker, and the small-business man because such labels sound wholesome and the bulk of votes can be drawn from those sources.

It apparently does not trouble Democrats in the least that this deliberate inflaming of class distinctions can do great harm to the peace and unity of the Nation.

It apparently does not bother them to malign good men and women among our people.

Their consciences seem not to trouble them when it is pointed out that their party, too, has its share of millionaires, its quota of advisers from banks and big business, and a very sorry record of favors to the privileged few. It doesn't seem to bother them, either, that a great many of the things they have done with professed intentions to help the so-called little man have resulted in great harm to the bulk of our people.

In using the inflammatory phrases of class distinction, they have had but one thought in mind—to get in power and stay there.

We are reminded in the third chapter of the First Epistle General of John that "Whosoever hateth his brother is a murderer."

Isn't this, after all, the end result of these pseudo-liberal, common-man appeals?

They are attempts to instill fear in the minds of our citizens—fear of one another, fear of those who are different, fear of the self-reliance which is the keystone of liberty.

What has happened to the faith of our fathers?

America was not made free by hate. Humanity does not move forward in a climate of fear.

America has grown great because its citizens have trusted wholeheartedly in God, in our country, and in each other.

If the deceit of this new New Deal-Liberal dogma of the common man is perpetuated, freedom's call will go unanswered, opportunities will go unfulfilled, and competence for the future will be destroyed.

We cannot continue to reap the blessings of liberty by incubating cowards. We cannot carry on America's tradition of strength and leadership by stifling ambition, curbing incentive, and abandoning faith.

We need—desperately need—the uncommon men of our Nation. We need the courage and unquenched spirit of adventure which inspired the freedom of these United States.

We need to encourage in all Americans the qualities which guided Bob Taft—Senator, statesman, and uncommon American.

American Foreign Policy

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of the address delivered by the Senator from Tennessee [Mr. KEFAUVER] before the faculty and student body of Vassar College at Poughkeepsie, N. Y., on Wednesday afternoon, April 26, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I believe it is correct to say that we have been undergoing a review and reappraisal of our foreign policy during recent weeks.

The Secretary of State himself set this stocktaking into motion, either intentionally or unintentionally when he submitted to an interview in Life magazine—the famous "brink of war" interview.

This interview produced violent reactions both at home and abroad. If it was indeed the Secretary's intention to launch a great debate, then we need not comment here upon the propriety of his choice of a forum. No matter how eminent the publication, he does have access to the regularly established committees of Congress which share with him and the President a certain responsibility for the foreign policy of this Nation.

If, on the other hand, as I suspect is more accurate, this interview only accidentally launched the current stock taking, then insofar as it contributes to the present sober discussions it has served a good purpose.

I was glad to note that here in New York Mr. Dulles this week turned the debate into a phase of our foreign relations which has given me considerable concern. This is our relations with our fellow Western democracies of the North Atlantic. He did so in his address to the annual meeting of the Associated Press in New York City Monday.

Not long ago I was rereading some of the files that I have accumulated through the years in the Senate, and ran across a report which I felt was quite incisive. It was dated April 2, 1952, and outlined some of the developments within the North Atlantic Treaty Organization during its first year of existence. It included this statement which I shall read in full:

"As we look back over these developments, it seems almost as if the nations of the West have been, for decades, blindly enacting parts in a drama that could have been written by Lenin, prophet of militant communistic expansion. This pattern of events, which points so surely to ultimate disaster, can be changed if only the peoples of the West have the wisdom to make a complete break with many things of the past and show a willingness to do something new and challenging. NATO itself is a significant step to meet both the present danger of aggression and the tragic struggles and dissensions that have divided our peoples in the past. But NATO's development is not automatic: action is the test."

The report went on to say that if "the free nations are to remain secure, our peoples must march together, agreed on common goals, and win that cooperative unity possible only in a free society."

Now personally I found myself in agreement with the sentiments expressed in that report at the time I originally read it in April of 1952. I find myself in agreement with them now. The report was signed by Dwight D. Eisenhower, then Supreme Commander of NATO.

This week I was interested in reading in Mr. Dulles' remarks this statement:

"The North Atlantic Treaty Organization is another organization which, in its own distinctive way, contains the possibilities of great development. It was, to be sure, conceived primarily as a military alliance, and that aspect of the organization remains vitally important. But the organization can and should be more."

Mr. Dulles continued:

"The historic weakness of the West has been its disunity. Out of this disunity came wars which have taken the lifeblood of its finest youth and weakened its economies. A major task of postwar statesmanship was to find the ways whereby the West can maintain its solidarity * * *"

I find myself also in agreement with these remarks of the Secretary of State concerning NATO. But I am wondering what has happened in between April 2, 1952, when Eisenhower spoke from his post of Supreme Commander, and April 23, 1956, when Dulles spoke as Secretary of State in an Eisenhower Cabinet.

Just a little over a year after his report, General Eisenhower became President Eisenhower. He then had the office and the authority to seek to bring about the conditions that he believed beneficial. But where is the action that he spoke about as the test?

There has been none.

In 1952 General Eisenhower wrote that "the enormity of the present threat will never be met by half-hearted measures." And he continued: "Required is the full awakening of the free world and the pursuit of energetic, far-reaching measures to insure our form of life—even our survival."

But what has President Eisenhower done since he entered the White House to awaken the free world to the enormity of the threat to which he called attention so ringingly in April 1952. I leave it to you and to him to decide.

Do I need to prove to any of you that the threat remains enormous still? Would you say that the free world needs to be awakened to it any less now than in April 1952? The one thing that President Eisenhower has done which gained the most attention in the world was to go to the Summit Conference in Geneva. But no one would say that its purpose or result was to awaken the free world to the enormity of the threat it faces.

Where are the "energetic, far-reaching measures"? I search my memory and can recall the Marshall plan, NATO, point 4—all adopted under the administration of Franklin Roosevelt and Harry Truman. But what has the Eisenhower administration proposed?

During the past 4 years, rather than improving, our relations have deteriorated badly. The fact is that the Atlantic Community's continued disunion has left the West far weaker in April 1956 than it was in April 1952. With the Mediterranean—the whole southern flank of the Atlantic alliance—seething from one end to the other, I am sure that I need not convince you that there is serious need for improvement in the alliance. We are today weaker in important areas of Africa and Asia. Need I do more than mention Indochina, India, the Middle East, Cyprus, Tunis, Algeria, Morocco?

Our relationships will continue to deteriorate, in my judgment, unless we take some of the bold and imaginative steps that President Eisenhower called for but then failed to carry out. I note in Secretary Dulles' present speech the flimmer of hope that something may now be done. He says that the Canadian Government "has notably espoused this point (that NATO can be more than a military alliance)."

What has the Canadian Government done?

It has done only what I have long proposed that our own Government do, and which only our Government can do successfully, because only it has the geographic location, prestige, and strength to provide the necessary leadership.

On February 9, 1955, I introduced in the Senate a resolution which I have had pending from time to time for a much longer period. This resolution, simply provides that the President call a convention of the other sponsors of the NATO agreements to meet and determine what steps they might take to forge unity in their military, economic, and political policies. It is known as the Atlantic Union Resolution.

I have no partisan interest in this resolution. The Marshall plan, NATO, point 4, all were adopted with Republican support. Some of us remember that the proposal for a League of Nations was put forth first by a Republican, former President William Howard Taft whom Woodrow Wilson defeated in the 1912 election. But in May 1916, Wilson announced his support of a League of Nations, at a dinner presided over by former President Taft.

Many people have forgotten that Wilson took over the proposal of the league from Taft. Once he adopted the idea, it was his. And so it can be with Eisenhower. If I sought personal political advantage, I would wait until after Congress adjourns to make this speech, but now there is time for Eisenhower to provide the leadership within his party necessary to fulfill the desires that both he and his Secretary of State have expressed.

The convention, let me emphasize, would be one at which free peoples would meet together to discuss the desires and hopes and dreams of the entire free world searching for a common policy, the purpose of which would be to make freedom itself more secure.

Whatever proposals they in their wisdom adopted would have to be ratified by the respective nations according to their own constitutional prerogatives. To fear such a meeting is to fear democracy itself.

And democracy cannot be strong, nor can it be democracy, if it is afraid.

What we seek is unity of purpose.

Only good can come from intensifying that search.

Gen. Milan Stefanik

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. REUSS. Mr. Speaker, many of us paused briefly last Friday, May 4, to mark the anniversary of the death of Gen. Milan Stefanik. Stefanik was a Slovak and one of the great leaders of the Slovak people. But he was more than a mere national figure. He was a man respected in the years during and just after World War I, and revered in memory now, as a true statesman in the cause of all the democratic values which Americans and Slovaks alike hold dear. Though 37 years have passed since his tragic death, we can never forget what he did and stood for. His life will always give new inspiration to all believers in freedom and justice, whether they now enjoy and vigilantly defend the blessings of liberty in the United States, or are suffering under the tyranny of a cruel dictatorship behind the Iron Curtain.

One Hundredth Anniversary of the Birth of Robert E. Peary, Discoverer of the North Pole

EXTENSION OF REMARKS

OF

HON. FREDERICK G. PAYNE

OF MAINE

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. PAYNE. Mr. President, yesterday, May 6, marked the 100th anniversary of the birth of Robert E. Peary, discoverer of the North Pole. Admiral Peary was a truly great American explorer, and has always been one of the State of Maine's best-loved sons. His courage, steadfastness, and patriotism have been an inspiration to those who knew him personally, as well as to those who have read of his activities in Arctic exploration.

In 1910 the United States Senate thanked Admiral Peary on behalf of the American people for the work he did for his country, by passing a bill, introduced by the late Senator Eugene Hale, of Maine, promoting him to the rank of rear admiral in the United States Navy.

Time passes quickly, and lest we forget men like Admiral Peary I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of a statement which I have prepared for this occasion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR PAYNE

I believe that the occasion of the 100th anniversary of the birth of the Arctic explorer, Robert E. Peary, is a fitting time to recount the life of a man who exemplified the true pioneer spirit which has inspired this Nation down through the years.

Robert Peary was born at Cresson, Pa., but the State of Maine has always claimed him, and rightly so, as one of her noted sons. At the age of 3 he came to live at Cape Elizabeth with his widowed mother and spent his boyhood there. Peary grew up in a rugged Maine environment and attended one of the State's proudest educational institutions, Bowdoin College.

Upon his graduation from Bowdoin in 1877, where he studied engineering and was a prominent athlete, he became a county

surveyor in Fryeburg, Maine. In 1879 he entered the Coast and Geodetic Survey in Washington as a cartographic draftsman and later joined the Naval Corps of Engineers. He was sent to Nicaragua as assistant engineer to survey a route for the proposed Nicaraguan ship canal. He distinguished himself on the Latin American project by inventing a new type of lock gate for the proposed canal.

Up to this point in his life, it would appear that Robert Peary was destined to be a successful engineer, one who could make astute decisions, who had a forceful personality, and that was all.

In the summer of 1885 all this was changed. Quite by accident Peary came upon some papers in his reading which described the inland ice of Greenland. Instantly he was fired with the desire to explore one of the world's last remaining geographical secrets, the Far North.

From this point on, through the next 35 years of his life, Robert Peary underwent the severest physical and mental rigors. Suffering defeat on nearly all of his Arctic trips, he persisted until he succeeded in conquering the vast desert of wasteless snow, only to have the public initially reject his claims to the discovery of the North Pole.

Securing a leave from the Navy in 1886 Peary was determined to cross the inland ice of Greenland. He sailed on a steam whaler to Godhaven, a small Danish station on the west coast of Greenland. Here, with few supplies, almost no equipment, and among strange people, Peary organized his first expedition. Many had gone before him. Franklin, de Long, and Greely all had met with defeat, and so did Peary on his first trip. Winds, sleet, and lack of supplies forced his return.

For the next several years Peary was in Nicaragua again, this time as chief engineer on the canal survey project. He spent his spare time in Arctic research. Efforts to secure interest and financial backing for a second expedition received a serious blow when, early in 1889, news came of the crossing of Greenland by the Norwegian explorer Fridtjof Nansen. But Peary was determined to return. In 1891 he had solicited enough aid from scientific and geographical societies to finance another trip north. He, Mrs. Peary, and a party of six left New York aboard *The Kite*, a chartered Newfoundland sealing vessel.

During the voyage Peary suffered a broken leg and had to be carried ashore at the destination. While he lay on his bunk in a crude wooden shack, the decision was made to remain. Under Peary's leadership the party, which had been joined by a number of Eskimos, passed the winter in relative comfort. It was during this winter that Peary learned the Eskimos' way of life, their language, and their culture.

That spring he pushed northeastward to the Greenland shore of the Arctic Ocean. The insularity of Greenland was proven. Upon his return to camp he found *The Kite* waiting, and the party returned to New York in September. Peary was immediately hailed as an outstanding explorer. The 1,300-mile sledge trip, the studies of Eskimo life, and the various meteorological data which he brought back furnished him with material for an extensive lecture tour. Public interest and sufficient funds insured a trip the following year.

The sailing from Philadelphia in the summer of 1893 was a jubilant occasion, ironical for an expedition which was to end in utter failure. Mrs. Peary went along, and their daughter, Marie Ahneghito Peary Stafford, was born that fall. She was the farthest northern born white child known.

The object of the 1893–94 trip was to push on as far to the Pole as possible. The winter proved extremely bitter. A fatal disease struck down Peary's dogs, and one by one his men broke under the strain. An expedition in March 1894, on which all of the food gave out, sent most of Peary's men home more dead than alive.

With three remaining men he pushed on almost to the point of death. Facing death as a certain eventuality if he continued, Peary returned to his base of operations, walking the last 50 miles. Exhausted and half starved he later wrote:

"Never shall I forget that time and scene, 3 exhausted men and 9 starved dogs standing in the gaunt frozen desert. These and the glistening snow, the steel blue sky, and the cold white sun. Five hundred miles in an air line across a waste of snow to the nearest human being, with insufficient rations for even that return journey, yet we were still facing the other way * * * I felt then, as I feel now, that in that cool, deliberate moment we took the golden bowl of life in our hands, and that the bowl had suddenly grown very fragile, and I now feel, as I felt then, that we were neither rash nor foolhardy in so doing, but simply followed the dictates of temperaments which could not act otherwise, and which would do the same thing again under the same circumstances."

Again Peary had failed, but out of this expedition came the Cape York Meteorites, which he found in 1894. He made two successive trips to bring them back to New York. In 1897 he secured another leave from the Navy. This leave and successive ones, together with the attempts of his friends to secure promotions for him, perpetrated a controversy which rose to plague him in later years.

The 1897 trip also ended in failure. In fact, the next few years seemed to lead Peary almost nowhere. In 1899 a group of his close supporters organized the Peary Arctic Club, which performed invaluable service for him in managing his ships and personnel, and in dealing with public opinion, which, by this time, was becoming crystallized against further Arctic exploration, especially by a man who seemed destined to failure.

By 1900 the tide was turning. The past decade of failure had convinced a number of people that Peary was a man who would never give in to it. In 1904 the Perry Arctic Club and its benefactors made possible the construction of the ship *Roosevelt*, designed by Peary himself and built at Bucksport, Maine.

Once again Peary pushed northward through the ice. The *Roosevelt* proved herself in combating the icepacks. April 21 1906, found his party turning back again, this time within 174 miles of its goal.

In 1908 Peary was 52 years old. He had spent 25 years of his life in what appeared to be futility. But he had learned much. These years of failure had imparted to him all that he needed to know. Various routes had been attempted, different equipment had been tested, and the Eskimos were now his trusted allies.

The *Roosevelt* sailed from New York on the last trip north in July 1908. President Theodore Roosevelt came aboard at Oyster Bay and wished Peary well. "I believe in you, Peary, and I believe in your success," were his words.

The trip was carefully planned, and on September 28 the *Roosevelt* reached 82°30' north, a world's record for a ship under its own power. Here the party moved west to Cape Columbia where a winter camp was erected. Peary had also carefully planned the activities of his men. His staff was small. Capt. Bob Bartlett commanded the *Roosevelt*. Matt Henson, Ross Marvin, Donald MacMillan, George Borup, and Dr. Goodsell made up the official party. Mrs. Peary remained behind this time. These men, together with the Eskimos who had been selected for the final dash across the ice, were welded together as a unit by Peary in a military manner. Every facet of the 25 years' experience was put into use.

On February 22, 1909, Peary left for the Pole. Compared with his other attempts this final one was comparatively easy. Much of his success can be attributed to experience and organization. When men and dogs faltered and fell behind there were others to take their places. This time there was an abundant supply of food.

On March 26 Peary sent the last of his assistants back to the *Roosevelt* except Henson. He now traveled with Henson and 7 Eskimos and 60 dogs. The days' marches lengthened. On April 5 they were 35 miles from the Pole. The going became easier and on the morning of April 6 the Pole was reached at last. Peary had won. The United States flag flew from the top of the world. The exhausted party took a few readings and turned back.

"One backward glance I gave," Peary said, "then turned my face toward the south and toward the future."

The future was in many ways a bitter experience for the explorer. The party returned to Cape Columbia on April 23. When the *Roosevelt* reached Labrador the message was sent of the discovery—"Stars and Stripes nailed to the North Pole, Peary."

Another explorer, a Dr. Cook, was in the Arctic a year before. Shortly before Peary's message was received he announced to the world that he had reached the Pole in the spring of 1908. Many sided with Cook in the ensuing controversy.

The National Geographic Society recognized Peary's claim, and in 1910 Senator Eugene Hale, of Maine, introduced a bill in the Senate for Peary's promotion and thanking him in behalf of the American people. For this, Peary underwent a congressional investigation, which sought proof of actual discovery. It was, in many ways, a painful method of receiving the tribute which was due the man. Throughout the whole proceedings Robert Peary maintained his characteristic dignity. In the end the investigating committee found in his favor.

In the years that followed Admiral Peary gave many lectures in this country and in Europe. Geographic and scientific societies awarded him well-deserved honors. He retired to his home at Eagle Island, Maine, and during World War I he served his country as one of the great air-flight pioneers. He recognized the significance of the strength of air power, both commercially and for national defense. Not only did he write and lecture for its promotion, but he made many flights himself as an aviator.

The physical torture to which he had submitted his body for the greater part of his life finally took its toll. Peary contracted pernicious anemia from which he never recovered. Even while he was dying his spirit never faltered. When, at last the end came, in 1920, the admiral died as he had lived, with a never-ending faith in the future.

Needs of the Mentally Retarded

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. WILEY. Mr. President, last Friday night it was my privilege to deliver an address before the Phi Mu Sigma Fraternity Chapter of the Wisconsin State College, of Milwaukee. Phi Mu Sigma is an organization dedicated to increasing the number of specialists looking after the educational and other needs of America's mentally retarded.

At the dinner, awards for distinguished service for the mentally retarded were given to President Eisenhower; Roy Rogers and his wife, Dale Evans; Dr. Samuel A. Kirk, of the University of Illinois; and Dr. Salvatore Di Michael, executive director of the National Association for Retarded Children.

I was personally pleased to receive an honorary life membership in the fraternity.

Special citations were also given to the Manitowoc County Association of Retarded Children and the Milwaukee County Association, as well as the Wisconsin Council for Mentally Retarded Children.

I was happy to circulate some advance texts of my remarks of that evening and received many kind comments in response. One such came from the superintendent of Southern Wisconsin Colony and Training School at Union Grove in my State, Mr. John M. Garstecki. I am pleased to quote this distinguished leader:

> The address has been read with considerable interest, and it is encouraging to note that the feeling prevalent among those who work daily with the retarded child is also a feeling exhibited throughout the address. It is our sincere hope that public awakening to the needs of the mentally retarded will continue to show the benefits that have been accrued during recent years. We look forward also to the day when mental retardation will join with all the other plagues of mankind eradicated by medical science through research and discovery into causes and prevention.
>
> We deeply appreciate receiving the address and the many fine comments regarding the group of children who require such a full measure of consideration.

I ask unanimous consent that the prepared text of my address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

I can think of few more memorable or more satisfying evenings than those like this, in which I have been able to join with folks, such as you, who are dedicating yourselves to serve your fellow man.

I cannot too strongly endorse the work of this fraternity, designed as it is, to advance the professional service of teaching and otherwise aiding the mentally retarded.

The awards you are conferring tonight are amply merited for deeds well done. May they serve as an inspiration for still more deeds—in Washington, in Madison, in Milwaukee, and everywhere else—for the retarded.

THE CHILDREN WHO NEVER GROW UP

Yes, if I may say, may they particularly spur our aid to the little ones, to the children who never grow up, to those whose brains unfortunately cannot mature to full adult levels of intelligence.

As you know, they may be among your children or grandchildren or mine, for retardation is democratic—in striking almost anywhere, any family. Retarded children lack brainpower, but they are God's children, with Godlike qualities—with human feelings and human wants and frailties. They need love and affection and understanding and help.

I will not attempt to spell out in detail the problems of the mentally retarded, with which, after all, you, more than I, are very familiar.

WE ALL HAVE A RESPONSIBILITY

I would, however, like to make a few observations on this field:

The first is that every single group in our society has a responsibility in this area. We in the Congress certainly do. (I shall amplify this point a bit later on.) You of the college and university world, the professional field do, and every community, every parent, every PTA, has an obligation, as well.

If we are genuinely to be adequate to our over-all goal, we need not a partial effort, but a speeded-up comprehensive program. I refer to a program which will advance greatly the frontiers of our understanding, diagnosis, prevention and treatment of the mentally retarded.

TWOFOLD GOAL: MORE RESEARCH, SERVICES

Basically, this means: (1) expanded research, (2) expanded services.

Research for example, into the 70 known causes of retardation, ranging from damage to the nervous system before, during and after birth, to genetic factors, infections, toxic agents, endocrine disorders, etc.

And, yes, services—all types of modern services: community diagnostic—treatment clinics; home counsellors; nursery classes; special education (that's where you fine folks come in, or course) with improved vocational training and social training; sheltered workshops; community centers with recreational, social and counselling facilities for the adolescent and adult retarded, etc.

All this takes time. It takes energy. It takes money. But somehow we must and will find all three ingredients.

THE ALTERNATE OF NEGLECT

The alternative is dismal. The alternative, neglect of the problem means hardship. It means suffering. It means utterly wasted years. It means a lapse in fulfilling our moral obligations.

It means an avoidable national loss of potential human resources. America, despite all its wealth, all its prosperity, all its 165 million strong—can ill afford such staggering loss as we are now experiencing because of our neglect of the deficient, the feebleminded.

All God's children are precious. Each is entitled to his or her birthright. In the eyes of God, no child, no adult is unworthy of fulfillment.

TEAMWORK BY FEDERAL AGENCIES

It seems surprising, but it is a fact that the overall challenge of mental retardation, so far as Uncle Sam is concerned, has only just begun to be acutely felt in all its proportions.

Fortunately, the national administration is now well alert to the wide dimensions of the challenge. The administration has surveyed the field and it is now going into action—in cooperation with the Congress on a well-coordinated basis.

That means, of course, the full teamwork of the invaluable United States Children's Bureau. It means the United States Office of Vocational Rehabilitation, the Bureau of Public Assistance of the Social Security Administration, the National Institutes of Health, the United States Public Health Service, itself, the United States Employment Service, the President's Committee on Employment of the Physically Handicapped, the United States Office of Education, and still other sources as well, working for a common goal.

The problem is not limited to our own land of course, as the World Health Organization has noted in its important statements in this field.

UNDERSTANDING NEEDS OF GIFTED CHILDREN, DISTURBED CHILDREN

In other words, we are really just about opening up a whole new frontier of effectively looking after these folks in our society.

I might point out, incidentally, as a side note, that there are other frontiers which we are fortunately opening up.

America has been "discovering" slow learners. It has been "discovering" the unique problems at the other end of the scale—problems of those exceptional children who are especially gifted in intelligence. We have found that this type of youngster, too, needs our understanding and our attention, so as to realize his or her full potentialities.

We are also "discovering," so to speak, the problems of emotionally disturbed children of all levels of I. Q. We are realizing—a great many Americans almost for the first time—that the emotional problems of later years have their deep roots in childhood. We are realizing that emotional disturbance in a preschool child, has best be caught in its inception, lest it grow more and more serious as time goes on.

One cannot, of course, draw artificial dividing lines in a human being. A mentally retarded child may, as you know, simultaneously be emotionally disturbed.

A brilliant, gifted child may be emotionally disturbed; and so may the so-called average child.

A child may be physically well, but emotionally ill; or emotionally well, but physically ill.

There are, as you well know, all sorts of combinations of circumstances in the miraculous human creature. So what we need to do is to look at the whole child and at all children—not in theory, but in life, and concentrate our attention on those who need our services most.

Certainly, the retarded child needs our services, and that is why I am so thankful to be in your personal presence this evening.

HUGE MAGNITUDE OF PROBLEM

An indication of the magnitude of the problem we face is borne out by this statistic: Three percent of our population is affected by mental retardation.

Other illness or inadequacy problems have tended to be more publicized, but mental retardation affects infinitely more than the more publicized problems.

Thus, out of every 100,000 children, it is estimated that 15 are likely to be blind, 7 are cerebral palsied; 7.2 are polio victims; 200 are rheumatic heart patients—and here is the figure for all of us to remember—there is a staggering 3,000 who are mentally retarded.

Three-hundred of the children born every day are estimated will be in the mentally retarded category.

In round figures, total numbers are, as you know, estimated at 4.8 million, of whom 1½ million are children; 153,000 adults and youngsters are, confined in institutions for the mentally retarded and epileptic.

Around $150 million a year is spent on public and private institutions of this nature.

The length of stay in institutions is longer than for any category of handicapped person.

Inevitably, the cry rightly goes up. "We need specialists to handle this problem—specialists and more specialists! We need 55,000 more teachers for the mentally retarded—the very need you are seeking to fulfill."

And we need more of almost every category of specialist—social workers, physical and occupational therapists, psychologists, psychiatrists, and myriads of other personnel. This is what Senator Lister Hill's fine bill is all about—as I shall shortly mention.

CONGRESS SHOULD ACT ON SENATOR HILL'S BILL

Naturally, all eyes turn to the United States Congress for its realization of and action on this problem.

Toward that end, I personally have been in contact with the Senate Labor and Public Welfare Committee, with the House Education and Labor Committee, with the Department of Health, Education, and Welfare, and with Senate and House Appropriations Committees.

I was pleased indeed when the House Appropriations Committee took the first indespensable step and increased the budget requests of $11.9 million for maternal and child-health services in the very modest Children's Bureau Budget to $16 million.

The committee made a formal recommendation, as you know, that half of the increase provided, be spent on the problem of mentally retarded children. The committee likewise approved an increase over the $750,000 appropriated last year for medical research on the mentally retarded.

Then, as you no doubt know, last month, Senator Lister Hill, of Alabama,, on behalf of himself and other Senators, introduced a landmark bill for the purpose of providing funds for research and training in the field of mentally retardation. I am happy now to serve as a cosponsor of this vital legislation.

S. 3620, now pending before the Senate Labor Committee must be enacted into law. It will help provide funds to aid in training more undergraduates and graduates, more teachers, more supervisors, researchers, and administrators to provide ever improved programs—the type of programs which, as I have indicated, are so sorely needed by so many.

Time must not be lost.

We have a great deal of time to make up. For too long, the mentally retarded have lived in the shadows—neglected, often rejected, unwanted. The Federal Government has a clear responsibility to fulfill its role in conjunction with the States and the cities to improve overall services to the mentally retarded.

CONTINUE CHILDREN'S BENEFITS BEYOND 18; LIBERALIZE TAX TREATMENT

Meanwhile, in Washington, as you know, we are approaching the final stages of enacting liberalizing changes in the social security laws.

One of those necessary changes (to which I personally have given my complete support), provides for the payment of social-security benefits to widows caring for those children beyond the age of 18, who are still unable to look after themselves.

After all, if a widow has been tending a retarded youngster, let us say, all by herself, from the age of 11 on, that child still needs help, even after he passes the chronological age of 18. The widow's social-security benefit—to look after him—should not, therefore, cease simply because he has passed that chronological age. His mental age would still prevent him from looking after himself.

In accordance with this same principle of fairness and easing financial burdens, I have long been in favor of taking a new look at our tax laws. On the Senate floor, I have urged liberalizing of tax deductions for the care of mentally retarded dependents.

Tax liberalization results in a loss of some revenue. But surely with Uncle Sam taking in $65 billion, he can spare taxpayers a few more dollars to look after their own loved ones who are retarded.

LOOKING AFTER PARENTS

But legislation—and even legislatively provided funds or tax deductions will not—in and of themselves—provide all the answers.

I have spoken of frontiers. There is a whole new frontier in looking after the needs of parents of the mentally retarded.

I am pleased that organizations and individuals who have concerned themselves with the children's problems now are giving their serious attention to the needs of parents, as well. I refer to such splendid groups as the National Association for Retarded Children. Thanks to NARC and others, more and more people realize the deep emotional prolems which are caused to a parent of a mentally deficient child.

The parent may utterly lose confidence, may seek to live in isolation from the community, may have a feeling of guilt, even though there is no traceable reason for the child's problem (no accident, for example which caused injury to the brain due to any parent's fault.)

In order to meet the needs of the child, therefore, more and more of you experts are trying to meet the need of parents, as well—for improved understanding. After all, a parent can come to feel just as much if not far more pride in what a retarded child can with aid, accomplish, as in the achievement of a so-called average child.

WISCONSIN'S TRAILBLAZING

In the overall field, I am particularly proud at the outstanding progress which has been made in our State—by yourselves and others.

I was delighted, for example, to note the council work adjustment center here in Milwaukee. It never would have come about, had it not been for the wonderful cooperation, the magnificent teamwork of women's organizations, the local office of the State board of vocational education, the division of vocational rehabilitation, Southern Colony and Training School, Milwaukee Vocational School, the Wisconsin State Employment Service, and the Community Welfare Council.

A complete range of services is being provided. There is medical service, educational service, family case work, psychological service, etc.

This is a heartwarming sign of better days ahead. And there are other welcome signs of progress in many other parts of our State. I have been pleased to hear from many professional workers, parents, and others in all parts of the Badger State reporting progress.

CONCLUSION

We all have a role to play in continually looking after this problem. I know you will not pass the buck to Uncle Sam. Let the Federal Government do its role; let it not shirk its responsibility. (I pledge my own efforts to see that Uncle Sam doesn't let you down.) But let every American continue to do as you are doing—to do whatever he or she can—for these youngsters, and for adults as well, in need. Certainly, you, in this audience tonight, who are dedicating yourselves, should serve as an inspiration to all of us.

Those of us who are not privileged to serve in this cause 365 days a year, so to speak, can at least do our modest share to be worthy of the fine tradition which you are establishing for us.

Good luck. To the award winners, my heartfelt congratulations—and best wishes to you all.

The Polish Constitution of 1791

EXTENSION OF REMARKS
OF

HON. ABRAHAM J. MULTER

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. MULTER. Mr. Speaker, May 3, 1956, commemorated the 165th anniversary of the Polish Constitution. The freedoms voiced in that promulgation have been denied Poland time and time again; however, its people have never ceased in their efforts to regain their independence.

We may compare the struggle of humankind in the achievement of democracy to the erection of a multicolumned, solemn temple or to the building of a majestic road, audaciously projected into the unknown and into the future. These splendid structures are adorned and brightened by lofty burning tripods or marked by milestones—each representing a symbolic step or a glorious conquest of humanity over nature's adversities, or the triumph against a tyrannical will imposed through history by dictators or avaricious men. Representative of such indelible marks of history is, indeed, the Polish Constitution of 1791.

By its enactment humanity achieved another step in the recognition of man's individual rights and freedom. Many progressive social and political reforms were inaugurated by this document. Participation by the peasants and the local towns in the right of representation in the national government was firmly recognized. The Polish Constitution, based upon two other great documents of that period—the American Declaration of Independence and the French Declaration of the Rights of Man—proclaimed the concept of liberty for all men and recognized that man is endowed with certain inalienable rights and that for the protection of these rights "governments are instituted among men, deriving their just powers from the consent of the governed."

Unfortunately, the country which gained life with such a stupendous monument of freedom was chosen to remain through history as an example to other men—an example of the fact that an author ofttimes endures suffering instead of recompense for such a splendid donation to humanity. "Martyrized Poland," they have properly called it, and, in truth, few people have suffered so much from foreign oppression and aggression.

Although Poland has, perhaps, been through the centuries the bloodiest battleground of Europe, its spirit of independence, its wholehearted dedication to God have never faltered. What a glorious proof of good faith the Communists could now give if they would free Poland. What coherence and logic would appear in their behavior if, after renouncing Stalin and denouncing his crimes, they would redress and repair the tortious acts inflicted upon the Polish people. In other words, if they free now a few persons who were put in dungeons by their bloody leader, there is far more reason that they should free an entire people from the oppressive status that same leader has thrust upon them.

It is only natural that the American people look with every sympathy to this anguishing country. We cannot forget the land of Kosciusko and Pulaski. In our hearts there is engraved forever the memory that during World War I 300,000 Polish-Americans served in defense of their adopted country, and almost 1 million fought in World War II.

We in the United States proclaim our admiration for the Polish people, and fervently pray that the day may not be far off when the freedom and happiness of man will be the object of the Government of Poland and of other enslaved nations.

Congressman Hillings Supports Old-Age Benefits

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. HILLINGS. Mr. Speaker, during the 5½ years that I have had the honor to serve as the Representative in Congress from California's 25th District, I have been deeply concerned with some of the problems faced by our senior citizens. I believe it worth while to discuss some of these problems at this time because they actually affect every citizen, regardless of age. If we are not senior citizens ourselves, many of us have friends or relatives in that category.

Here are some of the highlights of old-age benefits which I have supported in recent years:

First. Social-security benefits increased: Increased social-security benefits in the form of higher payments to retired persons; extension of benefits to 10 million additional workers; allow beneficiaries of social security to earn more money on occasional jobs without loss of benefits; and more generous benefits to disabled persons.

Second. Value of retirement money protected: Inflation has been checked so that retirement benefits from social security and other sources retain their value. Since 1953, the purchasing power of the dollar has remained stable.

Third. Tax laws eased: Tax laws have been liberalized to give more credit for retirement income; medical deductions have been generously increasd; single persons supporting their parents receive more favorable tax treatment; and Federal income taxes in general have been reduced so that more money is left for our own uses.

Fourth. Job opportunities: I am pleased to support the action of the Department of Labor which has put into action a program to develop more job opportunities for older workers and demonstrate to employers the best methods of hiring and retaining senior citizens on the job. Because a person is advanced in years is no reason why he should be denied employment opportunities. I favor action to prevent job discrimination on account of a person's age.

Fifth. Active medical programs: Research and services in the fields of chronic disease have been greatly intensified. Since 1953, the Congress has almost doubled appropriations for medical research, much of which has been conducted by the National Institutes of Health. During 1955, the Institutes were supporting or conducting at least 170 research projects related to aging. Congress has also provided money for Federal-State hospital construction and vocational rehabilitation.

Sixth. Federal Council on Aging: The Federal Government has established a Federal Council on Aging made up of representatives from 12 Government agencies to render assistance to older people, recognizing the fact that such individuals have led useful lives and have contributed so much to the development of our country.

The task ahead: Mr. Speaker, we in Government must do everything possible to assure continuance of sound programs designed to assist the Nation's senior citizens. They are not seeking charity or handouts, but opportunities to live out their lives in peace and comfort. We must acknoweldge a great debt for their productive efforts during their working years. The country's older people are the fathers and mothers who have raised us and indoctrinated us with a heritage which has made America unique among all the other nations of the world.

The Townsend Plan for Help to the Aged, the Money Therefor To Be Supplied by a National Gross Income Tax, Is a Sound Plan

EXTENSION OF REMARKS

OF

HON. LEROY JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. JOHNSON of California. Mr. Speaker, the Townsend plan has been changed very materially. The plan presently recommended by Dr. Townsend is simple, and a similar plan has been tried and found to be sound and successful. The basic idea of the Townsend plan now, is that to provide for the aged the Government levy a gross income tax. A similar plan has been tried in the Territory of Hawaii and has thus furnished us a yardstick by which to measure the success of such a plan.

Dr. Francis E. Townsend is the authentic pioneer in the development of a plan to give proper aid to the aged. He was born in 1867 and will be 90 years old on January 13, 1957, and is still vigorous and active both physically and mentally.

The Townsend plan has gone through several evolutionary changes largely by the thinking of Dr. Townsend, but also because he has had the support of some very important people who have had experience in the administration of welfare funds under the Social Security System. One of these persons is John C. Cuneo, of Modesto, Calif. He has been a member of the California State Welfare Board for 12 years. This board distributes the social-security funds that the National Government sends to California for distribution to those who qualify. In that manner he has learned how cumbersome and sometimes unjust the present system is.

The present Townsend plan is to levy a gross income tax on all those earning more than $250 per month. This plan has the support of some people who are authorities on tax problems. It also has been operated and found to be practical and workable.

The Territory of Hawaii has a gross income tax which went into effect in 1935. This is a business privilege tax measured by gross proceeds of sales or gross income. The tax rate is 1 percent on wholesaling and 1½ percent producing and manufacturing, except sugar producers and canneries who are taxed at the rate of 2½ percent which is also the applicable rate on all other taxable gross receipts. A $1 license must be secured and renewed annually on a calendar year basis.

Returns are due and the tax payable on or before the 20th day of the following month. An annual summary and reconciliation return must be filed on or before March 20 of each year.

Taxes are payable at the time of filing of the monthly return, also when annual return is filed if additional tax is due.

Now fortunately there is concrete evidence by persons who are experts in taxation problems that the Townsend plan of today, which provides for a gross income tax levy is a sound system.

In the American Weekly, dated April 22, 1956, was a very interesting article by T. Coleman Andrews, former Commissioner of Internal Revenue, entitled "Let's Get Rid of the Income Tax." He points out very vividly how damaging and unfair the income tax is, and refers to it as "legalized confiscation," "too complicated," "unstable." He goes on to show the great inequities in our income tax. For instance he states that a man who earns $200,000 a year—he specifically refers to a boxing champion—pays 50 times as much as a person whose tax is on a $4,000 income.

Under leave to extend my remarks, I am going to place into the RECORD following my remarks the article which I hope every Member of the House will read. It is startling how the Government takes fabulous sums from persons who by ability, ingenuity, and persistent effort contribute wealth which could be turned into producing channels which could bring the cost of living down and produce plenty where now we have poverty.

I particularly hope that everyone will read the predictions which some of the Members of Congress who were against the income tax made and compare them with what has happened.

Private enterprise which is prized by all Americans would be helped immeasurably if the Townsend Plan were placed into effect and the taxes were lowered.

In Indiana the gross income tax is used to solve its financial problems as well as to build up the State. Here is what Indiana said about its plan, printed in U. S. News & World Report, May 27, 1955, page 125:

> There is a race in Indiana and a race to debt free Indiana, the State that is attracting more industries per capita than any other. No State debt. Constitution does it. Surplus $30,000 million. No nuisance or penalty tax. No net income, use, retail sales, corporate or manufacturer's tax. Only one-fourth of 1 percent on gross receipts from sales for processing, resale, etc. not in interstate or foreign commerce; 1 percent on other receipts derived in Indiana except from sale to ultimate consumer (one-half of 1 percent); there is no tax on receipts from sales in interstate or foreign commerce.

Such a plan if placed into effect could not only solve the problem of taking care of the aged and disabled but could also solve the problem created by the large influx of people to California. With such a scheme in operation undoubtedly new industries would rapidly spring up to give employment to these new citizens of California.

Mr. Speaker, this is from page 12 of U. S. News & World Report under date of April 20, 1956, volume XL, No. 16:

> What of the idea to end the income tax? It's catching on. The only question is, Where else can $30 billion come from? Individuals pay about that much out of their income. Tax on retail sales might be geared at a high enough level to meet part of that bill. A turnover tax is used by Russia, along with a low-income tax. That fosters monopoly, as a way to avoid as many transactions as possible. A flat tax on gross income is another one.
>
> Chances are that there'll always be an income tax, but someday it might be forced lower. Right now a good many people are forced to work a large part of the year just to pay taxes. Then they must knock themselves out week ends filling out complicated forms to make sure that the Government gets every nickel of their income that it can.
>
> Salaried people, wage earners, those whose taxes are withheld at the source, are the ones hardest hit today. They're the ones talking revolt.
>
> Businessmen often have expense accounts. Labor leaders usually enjoy big expense accounts. Professional people are able to take deductions of many kinds not available to the man who has only a salary. Farmers, where income comes into the tax range, have a broad range of deductions.
>
> Income taxes today are highly discriminatory, with privileges for some and a crackdown on others. An idea is getting around that, if everybody paid taxes on the same basis as everybody else, tax rates could be lower.

The editorial from the Modesto Bee, Modesto, Calif., under date of April 18, 1956, is as follows:

> TAX INEQUITIES NEED CONTINUED ATTENTION
>
> This is the period when the inequalities of their tax system are borne home to the American people.
>
> When they made out their income-tax returns, Federal and State, many people had a vague and garbled sense that there is a growing minority which enjoys various kinds of preferences, exemptions, and loopholes out of reach to the ordinary salary and wage earner.
>
> And they are right in this vague impression. There are oil nabobs with $100,000 a year from royalties who get a depletion allowance and pay less than 50 percent in taxes. The ordinary single Joe without an oil well would pay nearly 70 percent.
>
> There are people with enough money to buy substantial shares of stock, hold them 6 months, sell them at a profit, and pay a capital-gains tax far lower than the usual income tax.
>
> There are executives allowed to take part of their pay in shares of stock on which they pay capital gains rather than ordinary income taxes. There are others with handsome expense accounts out of reach of the tax. And there are the holders of tax exempt municipal bonds.
>
> The ordinary salaried man takes his tax straight and it is bitter brew beside the sweetened portion of the favored.
>
> This picture has led within the last few weeks to strong attacks on the tax system by two national publications, Life magazine and Collier's.
>
> The situation flows first from a system of income-tax rates jacked to great heights. This has stimulated tremendous pressure on Congress to provide exemptions. Primarily those who have the power of the checkbook at campaign time and the organized voting blocs have been the successful ones with Congress.
>
> Such are the political realities of the situation that a favor given is virtually never retracted. It goes the other way; one favor invites another and the end of this process is the disintegration of the Federal income-tax system.
>
> Sooner or later the solution must be to rewrite our tax laws, invest them with equity and equality and, once that is achieved, hold the line.
>
> It will be well therefore for the American people to retain their interest in this subject beyond the filing deadlines.

The Agricultural Act of 1956

EXTENSION OF REMARKS

OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. COOLEY. Mr. Speaker, on Thursday, May 3, the House passed H. R. 10875, the Agricultural Act of 1956. For the convenience of the Members and to answer numerous inquiries from throughout the Nation, I am inserting at this place in the RECORD a concise statement of the major provisions of this legislation.

H. R. 10875 embodies the principal provisions of H. R. 12 which were not specifically pointed out by the President as reasons for his veto of H. R. 12.

Important provisions of the vetoed H. R. 12 which are not embraced in H. R. 10875 include the 90 percent of parity price supports for major crops, alternate parity computations, an increase in the minimum support level for the dairy industry, and the domestic parity programs for wheat and rice.

In presenting H. R. 10875, the report from the House Committee on Agriculture said:

> A majority of the members of this committee and, we believe, a majority of both Houses of the Congress still feel that these provisions (objected to by the President) would have checked and changed the tragic downward trend of the farmers' income and would have improved both farm income and farm purchasing power. But in the present situation, appreciating the right of the President to exercise the constitutional powers of his high office, the committee realizes it would be futile to present again legislation embracing the very provisions which met with the objection of the President.

Thus, H. R. 10875 retains every feature of H. R. 12 that tends to stabilize the agricultural economy, and not specifically rejected by the President.

H. R. 10875 AS PASSED BY THE HOUSE—MAJOR PROVISIONS

First. A $1,250,000,000-a-year soil bank, in two parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn, peanuts, rice, tobacco, feed grains, other field crops, and grazing lands. Payment to farmers would be made to reduce their acreage of these crops below their acreage allotments of wheat, cotton, peanuts, rice, and tobacco; below their farm base acreage in the case of corn; below their 3-year average in the case of feed grains; or in accordance with regulations set up by the Secretary of Agriculture, in the case of grazing lands. The Department of Agriculture's present estimates of the payments which would be made per acre for this reduction are: Tobacco, $100–$300; cotton, $48–$60; peanuts, $50–$70; wheat, $18–$25; corn, $36-$50; rice, $60–$75; and feed grains, $15–$50. A maximum of $800 million a year could be expended on the acreage reserve for the next 4 years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which payments approximately equivalent to the rental value of the land would be made, with an annual limit of $450 million.

Compulsory features, proposed in other soil bank legislation, were not included in H. R. 12—vetoed—or in this bill; limits have been put on the amounts that can be spent on specific crops, thus assuring an equitable distribution of funds; and provision is made for the protection of tenants and sharecroppers.

Second. Corn: The bill authorizes five different programs under which corn farmers may receive price supports on corn in 1956, as follows:

(a) Producers in the commercial area who elect to comply with the acreage allotments previously announced by the Secretary—at the rate of approximately 43 million acres—will be eligible for price supports at $1.50 per bushel—86.2 percent of parity—under that program, without putting land into the soil bank.

(b) For the operation of the soil bank the bill increases the corn acreage allotment for 1956 by 9 million acres to a total of 51 million acres. Corn producers in the commercial producing area may qualify for price supports at $1.50 per bushel—86.2 percent of parity—by planting within their allotment from the 51 million-acre base acreage, provided they put into the soil bank an amount of cropland equal to 15 percent of their base acreage of corn.

(c) Producers in the commercial corn area who do not comply with the regular acreage allotments previously announced nor with the base acreage setup for soil bank purposes will still be eligible for price supports, under the noncompliance program recently announced by the Secretary, at the rate of $1.25 per bushel—about 83 percent of the support level of compliance corn in the commercial area.

(d) Corn producers outside the commercial corn area may comply with the feed-grain provisions of the soil bank and qualify for support at about $1.24 per bushel—82½ percent of the support level of compliance corn in the commercial area—by planting a total of not to exceed 85 percent of their 3-year average of feed grains and placing into the soil bank an acreage equal to 15 percent of their average feed grain acreage.

(e) Corn producers outside the commercial area who do not choose to participate in the feed-grain and soil bank programs authorized by this bill will be eligible for supports at approximately $1.12½ per bushel—75 percent of the support level of compliance corn in the commercial area—under the regular support program previously announced by the Secretary.

Third. Feed grains: Classified as feed grains in the bill are grain sorghums, oats, barley, rye, and corn outside the commercial corn area. Producers of feed grains may became eligible for price support at a higher level than that previously announced by the Secretary only by complying with the acreage reduction provisions of the soil bank. These requirements are that the producer not plant a total acreage of feed grains in excess of 85 percent of his base acreage—which in 1956 will be his average of the previous 3 years—and that he devote an acreage of cropland equal to 15 percent of such base acreage to the soil bank program.

Producers who comply with these requirements in 1956 will be eligible for price support on their grain sorghums, oats, barley, and rye at 81.2 percent of parity—5 parity points below the support level of commercial area corn which has been set by the Secretary at 86.2 percent for 1956—and in the case of corn, 82.5 percent of the support level of commercial area corn. On the basis of present parity calculations this amounts, in terms of national averages, to about: Oats, 69 cents; barley, $1.08; rye, $1.35; grain sorghums per hundredweight, $2.09; and corn, $1.24.

Feed grain producers who do not choose to participate in the soil bank program will be eligible for price supports at 70 percent of parity as previously announced by the Secretary—except in the case of corn in the noncommercial area which is 75 percent of the support price in the commercial area.

Fourth. Grazing lands: The Secretary is directed to include grazing lands in the acreage reserve program of the soil bank and to formulate a program under which farmers and ranchers would be compensated for placing a portion of their grazing lands in the acreage reserve and "making a corresponding reduction in livestock units." A limitation of $50 million annually is placed upon the amount that can be spent on the grazing lands portion of the soil bank program.

Fifth. Other field crops: The bill authorizes the inclusion of "other field crops" in the acreage reserve program. The Secretary is authorized to formulate acreage reserve programs for such other field crops as he might designate, such as potatoes, field peas, and so forth. A limitation of $50 million is placed upon the amount which can be spent annually on such programs.

Sixth. Soil bank payments: The Secretary is directed to make payments to participants in the acreage reserve program as soon as he ascertains that the participant has complied with the agreement to reduce his acreage. Under the previous provisions of the bill the Secretary was authorized to make payment upon the certification of the participant that he "has complied with all requirements for such payment."

In addition to the stipulated acreage reduction, there are a number of other requirements that are or may be a part of the obligation of the participant. In the case of some of these—such as not harvesting any crop from the land or not permitting the land to be grazed—the participant could not certify that he had performed until the contract period had expired. It is probable, therefore, that under the previous provisions of the bill payment could not have been made to the farmer in most instances until after the full year's program had expired.

The Cooley amendment will make it possible for the Secretary to make payment in full to farmers participating in the program as soon as their acreage has been measured and it is ascertained that they have complied with the acreage reduction stipulated in their contracts. Thus, if the program is put into effect for 1956 crops, farmlands could be measured for compliance with the acreage reserve program at the same time they are measured for compliance with acreage allotments—which measurements will be made in most cases in the early summer—and payment in full for participation in the 1956 acreage reserve program could be made at that time.

Seventh. Appeals procedure: Procedures are provided for appeal by producers whose soil bank contracts have been canceled because of alleged violation.

Eighth. Production on Government-owned lands: The President is directed to restrict insofar as practicable the leasing of Government-owned lands for the production of agricultural commodities in surplus supply.

Ninth. Cotton: The bill provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956. It establishes for 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres, in addition to the national allotment, to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller.

Tenth. Surplus commodities—other provisions: The bill embraces improvements in the disposal of surplus commodities and other important provisions, some of which are discussed below.

To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the State and the Federal Government to donate food commodities to certain penal institutions.

To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and to step up disposal under title II of Public Law 480 from $300 million to $500 million.

An attack is made upon the surplus problem affecting long staple cotton by again placing extra long staple cotton, now exempt from quotas, within the quota set up for all cotton longer than 1⅛ inches.

Solution of our surplus problem, particularly in textiles, would be substantially assisted by authority clearly given the President in this bill to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

An appropriation of an additional $500 million annually is authorized for section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

Provision is made for the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

In order to encourage further the underplanting of acreage allotments, the bill authorized a producer, for the first time, to plant only a part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This could eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

To make present production adjustment laws more effective, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there are other directives in the bill designed also to deal with the surplus situation.

The Secretary of Agriculture is directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He is directed to report to Congress within 90 days on this important matter. He is directed to make a similar study and report on the matter of establishing strategic stockpiles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He is directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long-staple cotton specifically.

Address Delivered by Hon. John P. Saylor, House of Representatives, at the American Mining Congress, Cincinnati, Ohio, on Monday, May 7, 1956

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. SAYLOR. Mr. Speaker, under leave to extend my remarks, I include the following address which I gave this morning before the American Mining Congress at Cincinnati, Ohio:

Mr. Shoemaker, fellow members of the panel, members of the American Mining Congress, and guests, it is a distinct pleasure and I deem it a high privilege to be invited here today to speak to you on the subject Congress and the Coal Industry.

Last week, a Representative from Texas told me that he had read about my scheduled appearance here today. He said: "I am glad to know that the American Mining Congress is meeting in Cincinnati. We have had to listen to so much talk in the Halls of Congress about the coal industry that I was beginning to think that the legislative branch of our Government was becoming the Mining Congress."

It is true that a considerable amount of time has been devoted to the coal industry in recent sessions of Congress, but certainly no more than the subject warrants. To my way of thinking, the industry's importance and its problems should have been given far more attention on Capitol Hill long before the current crusade got under way. Had such been the case, our subsequent efforts would have taken effect much more quickly.

During the immediate postwar period, the coal business was good and Congress had no notion of the industry's miseries that lay dead ahead. Not until 1949, when production dropped to 447 million tons—as opposed to 599 million tons in the preceding year—did the industry itself evidence any concern. Even the thud created by this downward plunge was not sufficiently shocking to bring about complete unity of forces within the industry. By now foreign residual oil was flowing freely into the Eastern seaboard, and there was an earnest, but somewhat disjointed, effort to remedy the situation through legislation. This effort, of course, proved to be abortive, partially because the advent of the Korean war in the summer of 1950 brought with it increased demand for all fuels. Coal again was called upon to fill the power gap when our country went to war.

Actually, the coal industry probably would have been better off had this artificial stimulus to production not taken place. Both Congress and the industry were lulled into a temporary sense of security while the oil import problem proceeded to get out of hand.

My tenure in office dates back to the fall of 1949. The district which I represent produced about 23 percent of Pennsylvania's total output that year, so quite naturally I was intensely interested in the condition of the coal industry. I might say parenthetically that, while I never worked in the mines it has been my privilege to associate with operators and miners all my life, so I consider I have at least a working knowledge of the industry. I have often discussed industry economics with a number of gentlemen who are members of the American Mining Congress, including Dr. Charles Potter, a friend of many years.

The danger signal was up for the coal industry by the time I became a Member of Congress, but then came Korea and the temporary upturn in demand. Finally in 1952, coal and allied industries became understandingly alarmed when business again went into reverse.

That was the year in which coal-State Members of Congress first took the offensive in order to prevent a serious fuel problem from becoming a national catastrophe. We attacked the oil import program vehemently. We went after the Government for its inequitable fuel-buying policies. We insisted upon a change in attitude of foreign governments which were accepting our handouts and then refusing to buy the products of our mines.

Against the backdrop of a rapidly expanding economy, the industry was in the uniquely unfortunate position of being one important segment of our business enterprise not prospering. As a consequence, it was extremely difficult to secure recognition for the serious problems affecting coal. When we pointed out that thousands of our miners were unemployed because of the oil import program, the general reaction was that they should seek opportunities elsewhere. Some went so far as to say that coal was really a "dying" industry, notwithstanding the fact that America would have to rely heavily upon coal for its rising energy needs in the years ahead.

We who live in coal districts or are otherwise associated with the industry realized the danger inherent in the loss of our skilled workers. We knew that it was not in the public interest to allow mines to close and deteriorate. We recognized the dangerous implications of the disappearance of investment capital for the maintenance and expansion of existing coal properties and for the development of new properties. We knew it, but we could not convince the rest of the Nation of the grave significance of these conditions.

We in Congress thereupon began to put more emphasis upon the coal industry's relationship to national defense. This was the strategy born of necessity. We took somewhat the same course of action that Mustafa Kemal followed at the beginning of this century in Turkey. He was a fervent patriot who as a youth learned that his political views were not acceptable to incumbent government leaders; in fact, he was at one time banished to Damascus for publicly expressing his views. Members of Congress from coal districts escaped that fate, but there were times—such as when more billions of dollars were appropriated for foreign countries while our pleas were being ignored—that we felt we could have done better had we been from Damascus or someplace else outside the United States. Kemal finally decided to abandon politics for a military career. Years later, as the famous Ataturk, he became President of the Turkish Republic when it was established in 1923. Thus he was able to command a tremendous influence in politics and national affairs after all.

The coal industry's economic tables had produced no significant results, so we turned to the mobilization angle. We made it clear that in an emergency there would not be enough steel if there were not enough coal. No steel—no airplanes, tanks, guns, shells, or ships. After many months, this method of approach began to penetrate. In 1954 the Defense Mobilization Director took up the fight, warning that a deteriorating coal industry could represent a real threat to our mobilization base requirements.

Meanwhile, President Eisenhower had appointed a Cabinet committee to make a study of the fuels picture. In February 1955, it issued a report recommending a five-point program for the resuscitation of the coal industry. These recommendations included a long-needed check on excessive oil imports. This provision was made into law through the medium of a national security amendment to the extension of the Trade Agreements Act in 1955. Thus, for the first time in history, international oil companies were put on notice that there was a limit to the amount of foreign oil they could bring into our markets. I might say here that I am not satisfied with the levels decided upon.

The fact is that excessive imports are finally being recognized as a threat to our national security, and a line has been drawn. We have stemmed the tide, and have had an opportunity to reconnoiter. We are finally in the position of being able to try to roll back the tide and erect flood walls in the form of quota limitations.

On February 10 of this year I introduced House Resolution 400, which since has received the unanimous approval of the House of Representatives. Needless to say, I shall be looking forward to recommendations from members of the American Mining Congress. This is one effort in which we are going to need the combined best thinking of coal producers, miners, transporters, and the consumers.

I am also hopeful that Mr. Patchell, the Pennsylvania Railroad research and development executive who preceded me on this platform this morning, will offer his recommendations when our subcommittee hearings get under way shortly. I shall also look forward to testimony from equipment manufacturers and all other industries and labor groups allied with coal in any way.

Now, I have invited members of this audience to participate in our hearings, yet I have not explained the provisions of House Resolution 400. I assume that most of you are familiar with it, at least to the extent that we in Congress want to learn whether an effective research program for coal might be developed in the same magnitude as those which have been and are currently conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and similar groups.

My resolution provides for investigating such fields of research as coal production, coal transportation, coal distribution, coal utilization, and a general appraisal of all coal technology. The job cut out for us is a big one, and no doubt many new facets will present themselves as our investigations proceed.

Since my resolution passed the House, I have received correspondence and personal calls from university officials, industrial research firms, and from coal people themselves. Let me read one analysis of the situation:

"The coal industry in 1956 is at a stage similar to that of agriculture in 1862, when the Morrill Act established the land-grant college system and the Hatch Act in 1837 which established the agricultural experiment stations * * * much research was needed to correct the problems."

The House Interior and Insular Affairs subcommittee which will carry out the objectives of House Resolution 400 had its first meeting last Thursday. You will be interested to know that hearings will open in Washington on June 4. Let me say that you gentlemen can have every confidence in the Congressmen who will be serving with Chairman EDMONDSON and me on this subcommittee. While I happen to be the only member from east of the Mississippi, all of my colleagues on the subcommittee are from coal-producing districts, and all are highly conscious of the need for a vigorous coal industry.

It is our fervent hope that House Resolution 400 will eventually settle the industry's principal problems. Meanwhile, Congress must not relent in other undertakings necessary to ease coal's inequitable burdens. In addition to the foreign oil problem, such matters as conservation of natural gas and increased depletion allowance for coal are subjects that cannot be laid aside on Capitol Hill.

The Government's policy on development of peacetime uses of atomic energy is one item that must be watched carefully. The time has come to turn off the stream of Treasury dollars that are flowing freely in an attempt to produce—at astronomical costs—the same kind of electricity that coal-fired plants have been turning out for years. The efforts of private utilities in this direction are most welcome, but I object to the Atomic Energy Commission's use of false figures on coal reserves and other spurious devices in the campaign for what could become an atomic TVA. Next will come the request for the Government to underwrite risk insurance necessary for the operation of reactors in populated communities. Such investments are unfair—not only to the coal industry, but also to every other United States taxpayer.

Within the past few weeks, a number of other Members of Congress have risen to challenge the AEC's determined effort to create subsidized atomic power competition for the coal industry. We are hoping that similar support will come to coal's defense with respect to the other problems that are confronting the industry. If you will permit me to refer once more to foreign oil, I should like to point out that during the current session of Congress an increasing number of Representatives and Senators have come to recognize the danger in the theories of free traders. Congressmen from New England and the South have become much disturbed about excessive imports that are imperiling their home industries. Just before leaving Washington last Friday, I talked with a member of the Georgia delegation who was denouncing a bill that would give the State Department even greater authority in the making of tariff concessions. He emphasized that this is a fight which we must wage together, so I reminded him that he was not in our camp in the past when we had bills up to place a quota on oil imports.

"Oh, I realize that I didn't vote for you on those bills," he said. "But actually I have been on your side all along."

We must continue to present a united front and keep our problems before the Nation if we are to continue our progress toward getting more remedial action from unfair policies harmful to coal. The fact is that there is national danger in a mobilization program that does not include a vigorous coal industry capable of accelerating production to meet emergency demands.

According to recent developments, this situation is finally being recognized, yet we must remember back to other periods when upward spirals in production developed an overconfidence that resolved itself into a sense of complacency. The ills brought on by unrealistic Government policies will not cure themselves. They may appear innocuous when the general state of affairs is in good health, but the time may come when they threaten the position of the entire industry. The cure must be undertaken as soon as possible, and with unity of determination I am sure that we can and will restore the coal industry to its rightful place in a growing economy and in America's defense structure.

Tito Should Never Have Been Trusted

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. McDONOUGH. Mr. Speaker, Tito of Yugoslavia, a life-long Communist, has now pledged Yugoslavia's support to Red Russia, and has turned his back upon the United States which, during the last 8 years, supported the Yugoslav nation with United States loans, credits, and outright grants.

Yugoslavia, a Communist nation built and maintained with United States aid in the hope that such aid might set an example and encourage other nations under Soviet domination to break away and turn to the Western democracies, has proved once again that the Communist doctrine of deceit and conspiracy is supreme law to the Communist, and that the nation naive enough to place trust in the pledge of a Communist leader can only expect disillusionment and betrayal as a result of its trust.

I have consistently opposed aid to Tito by the United States, recognizing the fact that a Communist leader could not and should not be trusted. I have warned of the danger in sending military supplies to this Communist nation when such materials might be used at some future time against American boys. But the State Department, then under Dean Acheson, insisted that Tito's friendship was essential to the United States, and the program of aid to Yugoslavia was underway.

In August of 1949 the State Department granted a permit to send an American steel mill to Tito, and at that time I addressed the Members of the House as follows:

> An event has occurred within the past 24 hours that we should think seriously about. The State Department has granted a permit to Tito, the communistic dictator of Yugoslavia, to obtain a steel mill from the United States.
>
> I think that Tito, the Communist dictator, is the most dangerous man in the world next to Stalin. Here wa are taking a communistic sinner, Tito, and trying to make him into a democratic saint. It was Tito that only 3 short years ago shot down our planes and killed our American flyers, and we are saying to him through our State Department, we think you have reformed, we think you have broken with Stalin.
>
> You can have a permit to obtain an American-made steel mill because we think you are breaking the Iron Curtain for us.
>
> Are we so naive as that? I think we ought to give a lot of thought to what that means in connection with the granting of funds to arm Western Europe, because we will have to use the funds if Tito uses this steel mill to make munitions. And we have no control nor assurance that he will not. We do not know if they are going to use it to make munitions or not.
>
> Tito is playing Stalin's tune and we are dancing to it.
>
> Tito is the most dangerous man in the world and we are being made to look like puppets by playing along with him.
>
> The State Department now appears sold on what it calls the "reformation of Tito." Only time will tell how honest a reformation this is. If the State Department is wrong we may regret this action which now allows Yugoslavia an American-made steel plant which can be used to produce arms and munitions which may be fired against our own men in the event of world war III, which God forbid.

Today Tito's duplicity stands revealed. As a Communist dictator, he has again joined forces in the plot of Soviet Russia for world domination through Communist conspiracy and aggression.

The whole story of Tito's brief alliance with Western democracy, his return to the Russian orbit, and what it cost the United States in our attempt to hold Yugoslavia as an ally is contained in the following article which appeared in a recent issue of the U. S. News & World Report. It is a story which confirms the opinion that "you cannot do business with Communist nations." Their creed is to confuse, their keynote is expediency, and their method is betrayal of a trust:

BILLION-DOLLAR GAMBLE THAT FAILED?—TITO, WITH UNITED STATES ARMS AND AID, LIKES MOSCOW AGAIN

Tito's mission to Moscow is the latest jolt for the United States.

Communist Yugoslavia has been kept going with United States aid. Now there's a move in Congress to cut off all aid, to consider Tito just another Moscow man.

Tito's game of "neutrality" may be over. If it is, United States has lost a billion-dollar bet.

Marshal Tito is running Yugoslavia as a Communist country built with United States aid. It's the only Communist nation in the world still getting United States help.

You can see modern United States jet fighter planes on any military airport in Yugoslavia. When Tito puts any of the 30 divisions of the Yugoslav Army on parade they march with United States equipment—United States tanks, guns, jeeps, and trucks.

Throughout Yugoslavia you find factories in operation with machinery made in the United States of America. On the plains of Croatia, in the valleys of Slovenia and Serbia, Yugoslav farmers are working their fields with United States farm machinery. For 8 years the Yugoslav economy has depended heavily on United States loans, credits and outright grants to keep going.

All of this represents a billion-dollar gamble for the United States. Since 1948, when he broke with Joseph Stalin's Russia, Tito has received a half-billion dollars' worth of United States military aid. Economic aid, over and above the 300 million dollars' worth of United States relief funds pumped into Yugoslavia at the end of World War II, totals about $400 million in the same period.

United States plans for the year ahead still call for aid to Yugoslavia—$30 million for economic aid, an undisclosed amount for military aid. But Russia now is to be Yugoslavia's biggest partner in trade. And President Eisenhower has said the United States is reassessing its policies toward Tito.

A HERO IN MOSCOW

Question now is what the United States has in return for all this aid to a Communist country and its leader. Tito, the man who broke with the Kremlin in 1948, has gone back to Moscow to be hailed as a Communist hero by Stalin's heirs, the new rulers of Russia.

In Moscow, Tito has told the men in the Kremlin that the break between his country and Soviet Russia is healed. "Nothing of the kind," he told his Russian hosts, "will ever again happen between the two countries. * * *"

Patching up their differences with this one man, as the Moscow Communists see it, can bring Yugoslavia, the only country ever to bolt Moscow's empire, back again, the richer for a billion dollars' worth of United States aid in arms and goods.

Key figure in all this is Josip Broz Tito, a life-long Communist. In 1944, Prime Minister Sir Winston Churchill of Britain and United States leaders picked Tito and his guerrilla "Partisans" as the force to support against the Germans. Allied aid, much of it from the United States, helped Tito win. Yet, a few months after war ended, Tito's troops shot at United States troops on the Italian frontier.

In the early postwar period Yugoslavia looked like just another Soviet satellite. Tito, to all appearances, took his orders from Stalin in Moscow.

AMERICANS KILLED

One incident particularly aroused the United States. In the summer of 1946 the Yugoslavs shot down an unarmed United States transport plane, killing five United States fliers, and forced down another, jailing its occupants. A storm of protest in the United States and a blunt United States ultimatum to Tito forced him to release the Americans and pay indemnity. But Tito then was considered a cold war enemy of the United States.

Suddenly a blast from Moscow changed all this. On June 28, 1948, the Communist International denounced Tito, in effect, for defying Stalin. Communists the world over soon were calling Tito a "traitor." Out of Moscow came orders to all Communists everywhere, Yugoslavia included, to overthrow Tito.

Inside Yugoslavia, however, Tito remained secure. The Yugoslav army, the Yugoslav Communist Party supported him. A wave of Yugoslav nationalism made him a hero at home. But the country, threatened by famine, desperate for machinery and raw materials, faced economic collapse. And the Yugoslav army, promised arms by Russia, got none, feared a Soviet attack.

The United States gamble on Tito dates from this period. The Yugoslav dictator appealed for western help, though still insisting that he was a Communist.

Calculated risk by the United States was designed to make Yugoslavia an example to the countries still under Soviet rule. Idea was—and still is—to show that the satellites could break with Stalin and survive.

LOOSE TIES WITH WEST

Thanks largely to United States aid over the last 8 years, Yugoslavia has prospered. As the United States sent hundreds of millions of dollars in aid to the country, Tito gradually made his peace with the West through a number of loose alliances.

Through these years, however, Yugoslavia remained a Communist dictatorship. Tito's rule, while more liberal than Moscow's rule, was that of a police state. Yugoslavia never joined the North Atlantic Treaty Organization, often turned up on the Communist side of votes within the United Nations. There was much criticism of United States aid to Communist Yugoslavia within the United States Congress, but the aid continued to flow.

Stalin's death in Moscow brought a sharp change in Russia's policy toward Yugoslavia. A year ago, Nikita Khrushchev and other Soviet leaders went to Belgrade to confess Stalin's errors in breaking with Tito.

ESTEEM FOR RUSSIA

For a year Tito played hard to get. Just last October he received United States Secretary of State John Foster Dulles at Brijoni, his magnificent island estate in the Adriatic, for friendly talks. Now Tito has gone to Moscow to be received as a Communist hero, a friend of the Soviet Union's new leaders. Here is what he has to say about the future of Yugoslav relations with Russia:

"The common struggle of our peoples from 1941 to the end of the war against the common foe testifies to the great truth that our fates are inseparable and that there is much for which we can value and esteem each other. However, dear friends, something unheard of and tragic nevertheless took place, and neither the people of Yugoslavia nor the people of the Soviet Union were responsible for this.

"We were greatly pained, but we believed that the time would come when everything separating us would be overcome and when our friendship would receive a new and still more firm foundation. This time has come, thanks to the Leninist policy of the government and the Central Committee of the Communist Party of the Soviet Union.

"The arrival of Comrades Khrushchev, [Premier Nikolai A.] Bulganin and [Soviet trade boss Anastas I.] Mikoyan and others in Belgrade, the talks with them, the declaration which was drawn up on that occasion, and afterward the courageous and farsighted foreign policy of the collective leadership of the Soviet Union are, in my profound conviction, a guaranty that nothing of the kind will ever happen again between the two countries marching along the path of Marx, Engels, and Lenin."

ALERT IN THE PENTAGON

Tito's game, whatever it is, has shaken the United States. Senators heard Yugoslav exiles testify that Tito has helped Moscow all along. The House banned all aid to Tito unless the President orders that it be continued.

The Pentagon's experts, when United States military aid first went to Yugoslavia, had trouble finding out just how the aid was used. Now, however, several hundred United States military men are moving about in Yugoslavia checking up on United States equipment and providing the United States with valuable intelligence on the whole area.

Yugoslavia's army, these observers report, now has so much United States equipment that it is dependent on a 50-million-dollar flow of parts and supplies from the United States to keep going. Tito, once again, would become completely dependent on Russia if United States aid ended.

Tito himself, in Moscow, coolly said: "Our relations with the United States will not suffer." And Tito's friends say he knows he will be in trouble with his own Yugoslavs if he breaks his United States ties.

In the weeks just ahead, however, American policy makers will be taking another look at Tito. They must decide whether Tito has enough independence left to warrant any United States aid, or whether he is back on Moscow's side after a billion-dollar build-up from the United States.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 8, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, at the noon hour of this new day, we are coming unto Thee for wisdom and guidance for Thou alone art our light when we walk in darkness and our only source of courage and hope when we are haunted by fears.

We beseech Thee to illumine our minds with insight and understanding and lift our hearts to loftier heights of joy and peace.

Grant that we may never yield to doubt and despair but make us confident that Thou hast for all mankind a great and glorious purpose.

May we seek to bring to fulfillment that wise and beneficent purpose by accepting Thy blessings as a sacred trust and using them as contributions with which to minister to the needs of humanity.

Inspire us daily to rejoice in Thy abounding grace and goodness, which is always willing to forgive us when we have sinned and to restore us to Thy fellowship when we have gone astray.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

REPORT OF SECRETARY OF THE INTERIOR ON AINSWORTH UNIT OF THE MISSOURI RIVER BASIN PROJECT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> Strike out all after the enacting clause and insert "That the report approved by the Secretary of the Interior on November 21, 1955, demonstrating the physical and economic feasibility of the Ainsworth unit of the Missouri River Basin project, integrated as a part of said project by the act of August 21, 1954 (68 Stat. 757), is hereby approved: *Provided*, That for a period of 10 years from the date of enactment of this act, no water from the project authorized by this act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security."
>
> Amend the title so as to read: "An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project."

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

INCREASED MILK CONSUMPTION

Mr. COLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE. Mr. Speaker, our national milk production for 1956 is on the way to an alltime high.

These words may sound ominous because of the dairy-surplus problem—and they are ominous. Dairy farmers have suffered loss of income steadily for years. Government purchases of dairy products to support prices has cost the taxpayers hundreds of millions of dollars.

Actually, however, these words need not have an ominous meaning. We face, in fact, a strange paradox. On the one hand, we have great dairy surpluses but, on the other hand, surveys have found that a shocking number of our children and teen-agers suffer from malnutrition because they fail to drink enough milk.

Surveys of our youngsters have found, too, that poorly balanced diets are by no means limited to families with low incomes. Many children from families of above-average income also fail to drink enough milk, the greatest single health-giving food we have.

As a member of the House Armed Services Committee, I have been concerned with the large number of draftees that the military services have found physically defective because of malnutrition.

The dairy industry is to be highly commended for the promotional campaign it has undertaken to boost consumption, for this is one of the most obvious answers to the dairy-surplus problem. When we say that the country has a surplus of several billion pounds of milk, it sounds like a staggering amount. Yet, if everybody would just drink a little more milk each day—even less than a full glass—the surplus could turn into a shortage.

New products which offer promise of increased milk consumption are appearing on the market. One such product is a powdered milkshake mix which can be used at home and is particularly effective in getting children to enjoy their daily milk.

On Wednesday afternoon, Senator ALEXANDER WILEY, of Wisconsin, and I are giving a milkshake-mix party in the Capitol for a group of Washington children. It is my hope that this party will dramatize the need for increased milk consumption and the effect which new products such as milkshake mix can have on that consumption.

I am pleased to invite my colleagues to join with Senator WILEY and me in our children's milkshake mix party.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 500, Rept. No. 2120), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, all points of order against the bill are hereby waived.

HON. HAROLD D. COOLEY

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 426), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the transcript of the proceedings in the Committee on Agriculture of Thursday, February 10, 1955, incident to the presentation of a portrait of Chairman HAROLD D. COOLEY to the Committee on Agriculture be printed as a House document with suitable binding.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NORTHWEST AIRLINES

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the following editorial regarding Northwest Airlines appeared recently in the St. Paul Pioneer Press:

STRUGGLING NORTHWEST

Northwest Airlines has met with difficulties in Washington in efforts to obtain a permanent operating certificate for its northern or great-circle route to the Orient.

Its most recent setback in this respect has attracted attention in Congress and in aviation publications. The American Aviation Daily says a political storm is building up involving the Civil Aeronautics Board, a congressional committee, and the White House. In the picture is Pan American Airways, which operates a central trans-Pacific route and seeks Government permission to move into Northwest's northern territory.

Northwest Airlines is handicapped in long-range planning by lack of a permanent operating status on the trans-Pacific route which it pioneered and developed during the past decade or more. The Civil Aeronautics Board recommended permanent certification in December of 1954. However, in January 1955, President Eisenhower disapproved the recommendation on the ground that Northwest was operating on a subsidized basis.

Subsequently Government records showed that subsidies had ended January 1, 1955, thus removing the objections cited by the White House. Since then Northwest Airlines has been trying to get the matter reconsidered on the basis of the new evidence. The CAB agreed to reopen the matter in connection with a May 8 hearing on an application by Pan American for permission to compete with Northwest on the northern route. Northwest asked that this hearing consider its certification and also a proposal that it be permitted to compete with Pan American on the central route if Pan American should move into the great circle.

The CAB decided such an expanded hearing would be fair to all, and approved the agenda. Then an aviation specialist on the White House staff protested. He asked the CAB to limit the May 8 proceedings to the one issue of Pan American expansion into the northern route. This the CAB did, although there was no precedent for such a procedural reversal.

Since this is the situation, Northwest is seeking a separate CAB hearing on permanent certification. This at least should be granted. Since the CAB recommendation for a permanent certificate was overturned on the basis of incorrect subsidy figures, justice calls for reexamination of the case with all the facts now available.

ORGANIZATION FOR TRADE COOPERATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 2,500 additional copies of the hearings on H. R. 5550, a bill authorizing the President to accept membership for the United States in the Organization for Trade Cooperation, held by the Committee on Ways and Means for the use of the said committee.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CENTRAL VALLEY PROJECT

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 456) authorizing the printing as a House document of material relating to the Central Valley project of California, and additional copies for the use of the Committee on Interior and Insular Affairs, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed as a House document certain material relating to the Central Valley project of California, and that there be printed for the use of the Committee on Interior and Insular Affairs 1,000 additional copies.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BALTIC STATES COMMITTEE AND COMMITTEE TO INVESTIGATE TAX-EXEMPT FOUNDATIONS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 454) to provide funds for the expenses of conducting studies, investigations, and inquiries incurred by the Select Committee on the Baltic States, and by the Special Committee To Investigate Tax-Exempt Foundations, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations (1) authorized to be conducted by the Select Committee created by House Resolution 346, 83d Congress, as amended by House Resolution 438 of such Congress, and (2) authorized to be conducted by the Special Committee created by House Resolution 217, 83d Congress, in the amount of $909.77, and in addition, the unexpended balance of $723.12 heretofore made available for conducting such studies and investigations by such Special Committee, shall be paid out of the contingent fund of the House, on vouchers authorized and approved by the Committee on House Administration, and signed by the chairman thereof.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to my friend and ranking minority member of the committee.

Mr. LECOMPTE. Will the gentleman explain the provisions of this resolution?

Mr. BURLESON. Mr. Speaker, this resolution has to do with obligations left over by two select committees—one being the so-called Baltic States Committee and the other the Committee To Investigate Tax-Exempt Foundations. The obligations incurred by these committees were incurred before the end of

the life of the committees. It was not anticipated that they would exceed their authorized expenditures. I might say further, Mr. Speaker, that this is not to be considered a precedent. But, be that as it may, the individuals and the firms who were left holding the bag, so to speak, were innocent purchasers. That being the case, we feel these obligations of the Government of the United States to these people should be paid.

Mr. LECOMPTE. It is true, of course, that the two committees did expend more money than they were authorized to spend but only by about $500 in the case of each committee; is that not correct?

Mr. BURLESON. That is true and the obligations were incurred before the end of the Congress which authorized and created the committees.

Mr. LECOMPTE. Then after investigation it did appear that they were genuine obligations of the Government? But most certainly we are not in this resolution setting up a precedent for future committees to go beyond their authorization and appropriation.

Mr. BURLESON. That is correct, and I appreciate the gentleman's reemphasizing that the Committee on House Administration will definitely not recognize this action as forming a precedence for approval of accounts of this nature, or under similar circumstances in the future.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EMPLOYEE AUTHORIZED FOR COMMITTEE ON WAYS AND MEANS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer privileged resolution (H. Res. 468) authorizing the Committee on Ways and Means to employ one additional employee, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Ways and Means is authorized, until otherwise provided by law, to employ one additional employee to be paid from the contingent fund of the House at rate of compensation to be fixed by the chairman in accordance with section 202 (c) of the Legislative Reorganization Act of 1946.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL CAPITOL POLICE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer privileged resolution (H. Res. 440) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund, until otherwise provided by law, compensation for the employment of 15 additional privates, Capitol Police force, office of the Sergeant at Arms, at a basic salary rate of $2,160 per annum each.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OFFICE OF SERGEANT AT ARMS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 465) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby authorized to be paid out of the contingent fund of the House, upon vouchers authorized and approved by the Committee on House Administration and signed by the chairman thereof, such sums as may be necessary to restore or otherwise adjust the trust fund account in the office of the Sergeant at Arms by the amount of any incorrect payments made therefrom as the result of errors not the result of bad faith or lack of due care made in cashing checks or making change while carrying out the functions of such office.

With the following committee amendment:

Page 1, line 1, after the word "That", insert "until otherwise provided by law."

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. LECOMPTE. I wonder if the gentleman would care to explain this resolution to the House.

Mr. BURLESON. The gentleman's question is certainly one that I would expect him to ask and it should be explained because of the unusual nature of the resolution.

In carrying out the functions of his office, the Sergeant at Arms, acting through certain employees, cashes checks, and makes change, for the Members of the House and for the officers and employees of the House. These duties correspond generally to the duties performed by tellers in a commercial bank for the customers of the bank. In making change and cashing checks, a certain amount of error is inevitable and, even though these errors seldom involve more than relatively insignificant amounts, sound accounting procedures require that the books be adjusted from time to time to reflect these errors. In order to provide for such adjustment of their books, most commercial banks maintain what is generally referred to as an "over and under account" for each teller, and this account is charged with the day-to-day shortages and overages which are the result of those errors made by the teller in making change or cashing checks, and which are not the result of negligence or bad faith on his part. Since the banking activities of the Sergeant at Arms are not operated for profit, there are no surplus or other funds available against which tellers' shortages may be charged, as is true in the case of the "over and under accounts" maintained by the commercial banks. In addition, the bankers' blanket bond issued with respect to the office of the Sergeant at Arms states specifically that it does not cover any shortage in any teller's cash due to error. Therefore, at the present time, there is no way by which the books of the Sergeant at Arms may be adjusted to take care of this type of error.

The sole purpose of this resolution is to authorize, until otherwise provided by law, the payment out of the contingent fund of the House on vouchers authorized and approved by the Committee on House Administration and signed by the chairman thereof, of the amounts which may be necessary to restore or otherwise adjust the trust fund account in the office of the Sergeant at Arms by reason of the type of error not the result of bad faith or lack of due care, heretofore referred to.

I think we may correctly refer to it as a matter of attrition over the last 10 years. The committee made several inquiries from bankers who tell us that the small amount is an exceedingly good record, because there are days in the office of the Sergeant at Arms when they handle as much as $125,000. So over a period of 10 years there has become what is called a small imbalance. That is to correct the books and to provide that in the future there shall be an allowance for these small adjustments.

Mr. LECOMPTE. It would be fair to say there is no evidence of wrongdoing or bad faith. It is simply more likely that a small mistake has been made in making change from time to time?

Mr. BURLESON. That is correct. There is absolutely no question in anyone's mind, certainly not in the mind of any member of the committee, that there was any mismanagement or dishonesty.

Mr. LECOMPTE. And it is correct to say there is no evidence of wrongdoing?

Mr. BURLESON. That is correct.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LIBRARY SERVICES ACT

Mr. COLMER. Mr. Speaker, I call up House Resolution 479 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2840) to promote the further development of public library service in rural areas. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois [Mr. ALLEN] and pending that I yield myself such time as I may consume.

The SPEAKER pro tempore. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, this is an open rule as the reading indicated, making in order the consideration of the bill H. R. 2840, known as the library bill.

Mr. Speaker, I am not prepared to make an extensive presentation of this legislation; that will be done by the distinguished chairman of the Committee on Education and Labor, the gentleman from North Carolina [Mr. BARDEN], and the ranking member of the committee on the other side, the gentleman from Pennsylvania [Mr. MCCONNELL], and others.

I do want to state in the outset that it is a bill that I have been conclusively sold upon. The question of public libraries is one I am sure that appeals to us all.

Every facet of library extension in this bill has been studied intensely by librarians, trustees, and civic leaders for more than a decade. It didn't just happen. Its provisions have evolved out of a mass of experience at the State and local level in attempting to provide reading materials for the rural segment of our population. States have not waited for this legislation to get some library extension programs underway. In many areas, the bookmobile has become a familiar part of the rural landscape. The funds, small as they are, which will be made available under the provisions of this act, will allow those already formulated State plans to continue to grow and will aid them in demonstrating what good library service is and what its results will be in the life of the community.

I have been given the opportunity to examine first hand the philosophy and skills of many of the people who will be putting this Library Services Act into operation. Whenever these library extension leaders have had any money from whatever source I have found a dedicated adherence to the very sound principle of helping an area only when and after it has done something for itself. An examination of every State plan submitted thus far toward implementation of this act seems to have that principle very deep rooted. Without exception they bear a complete recognition of the terminal features of this piece of legislation. Plans for use in each State include complete local subsistence at the end of this period. Not only have these leaders said they understand this terminal aspect; they have borne it out in the practical plans they have drawn up. Indeed, they are already working now in their own States in the framework of just such thinking.

Mr. Speaker, I repeat, the placing within the reach of the people of this great democracy the books they desire to read to improve their minds and to make them better citizens, is a subject that is close to the hearts of all of us. In our great metropolitan centers we have a rather extensive public-library system, making available to the people of these urban centers this great wealth of knowledge and opportunity to improve their minds and mental processes; but, unfortunately, in the rural sections of this country those people are denied the opportunity that is enjoyed so abundantly by the people in the great metropolitan areas.

So there has arisen in this country a movement, largely sponsored by the American Library Association and the several States of the Union, to install a system of bookmobiles whereby the books are carried into the rural sections and everyone living in those sections have this wealth of knowledge available to them at their door. This is an essential part of the library movement if we are to make these books available to them.

Mr. BAKER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Speaker, I would like to impress upon the Members of the House the great importance of this program. I have seen it in operation for several years in the rural areas of east Tennessee. The appearance of the bookmobile in small rural areas is looked forward to. They have done a fine job and I strongly support this legislation.

Mr. COLMER. I appreciate the comment of the distinguished gentleman from Tennessee, who, although he has a great urban center in his congressional district, also has a large rural section in the mountains of the State of Tennessee that do not enjoy the opportunities that are enjoyed by the people of the city of Knoxville, for instance. I think the gentleman is making a worthwhile contribution when he sponsors this movement to make available to those rural people this service.

Mr. Speaker, this bill is so written that it carries out that purpose I have been trying to impress upon you and which the gentleman from Tennessee has just mentioned. A large part of our population is in rural areas.

In my own State there are 1,218,951 people without even a semblance of public library service. There are also 272,439 whose libraries are so inadequately supported that they cannot be called real libraries.

The Mississippi Library Commission working in close cooperation with the Mississippi Library Association, the State Department of Education and the University of Mississippi developed a sound plan for economical, practical library development throughout the State. This plan is being implemented continually. The passage of the Library Service bill would mean a greatly accelerated program of library development in my State during the 5 years of the program. This legislation will provide the stimulation needed to increase the interest and the support necessary at the State and local levels so that our public libraries can take their important place in our educational system.

It was revealed in the hearings on this measure that about 27 million people in the United States are without access to local public library services and of this number, 90 percent live in rural areas. There are also some 53 million more who receive only inadequate public library service. This bill is designed to bring library service to these people.

This lack of public library service is not a local problem, but one which is nationwide. No State in our great country provides adequate library service for all of its citizens. This legislation will therefore benefit citizens all over our land.

The free tax-supported library, where it has been well supported, is recognized as an integral part of public education. The public library is essential not only to the process of education but in the dissemination of information. Every citizen needs to have access all his life to sources of information for education is a lifelong process. Children need to have access to a public library to supplement their school work and to provide them with reading materials during the vacation period. Young people need guidance in vocations and other areas as they grow. Businessmen need the ready reference material provided by an adequate and efficient public library. Adults should have access to a public library wihch provides the one opportunity for continuing education throughout life regardless of the amount of formal education they have had.

Now, some objection is made to the Federal Government getting into this field. To be perfectly candid with you, I had some reservations about this myself in the beginning, because, generally speaking, I belong to that conservative school that believes, wherever possible, the States should assume the responsibilities for those functions that are properly a State function. But the thing that appeals to me about this particular piece of legislation is the fact that it has a curtailment date. The bill would authorize $7.5 million for 5 years, making a total of $37.5 million. Now, in that 5-year period we have been already asked to contribute more money than that for the assistance to foreign nations under the foreign aid program to help those people over there have books available. Here is an opportunity to do something for our people at home and to do something for the rural people of this Nation, who, after all, are the bulwark of democracy in this country. Ours was a rural nation that was founded in the beginning; and we must see to it now that the rural people of this country are not neglected.

Mr. Speaker, in the last few days there appeared in two of the great outstanding conservative newspapers of this country editorials commending this legislation. I shall not take the time of the House, because we want to get on with this legislation, to read these splendid editorials in detail. One of them appeared in the Washington Star on yesterday under the title "The Library Services Bill," and I quote the first paragraph only:

> There is really no good reason why any American should be cut off from public library service just because they happen to live outside of the cities. The public library has been called the university of the people and so it is a blessing of democracy and an aid to it.

In the New York Times, quoting another paragraph from that article:

> This bill would grant a total of $7.5 million a year for 5 years to States matching the grants. The objective is to bring books and other library services to rural families who have none at all and to improve library service for an additional 53 million Americans whose libraries are inadequate.

Mr. Speaker, the States have control over the distribution of these funds. And there are ample safeguards in the bill against Federal domination, something none of us want. There are many other things I would like to say on this bill but I shall content myself with this final statement. I have had an opportunity in my rural State of Mississippi to see this program work. It works well. Here is a bill not to put the Federal Government on a permanent basis into the library field but a bill to give an impulse, to accentuate the spreading of the library service. I might add that I think there were 27 bills introduced in this session of the Congress and referred to the Committee on Education and Labor. Of course, the committee could not report out all of the bills, but no doubt out of deference to the gentlewoman from Oregon [Mrs. GREEN], her bill was reported by the committee. The bills, I understand, were all similar. I commend the gentlewoman, along with the others, for her sponsorship of the legislation. I should also like to complement the distinguished chairman of the Committee on Education and Labor, Mr. BARDEN, a conservative and well balanced statesman who always has his feet on the ground and the interest of the Republic at heart. His endorsement of this legislation is a refutation of any charge of socialism or that it is an invasion of States rights.

Mr. Speaker, the two editorials to which I referred, the one from the New York Times under date of May 5, and the one from the Washington Evening Star of May 7, are herewith submitted for the RECORD as follows:

[From the New York Times of May 5, 1956]

LIBRARY SERVICES BILL

The library services bill, H. R. 2840, is now before the House. The list of sponsors is bipartisan.

This bill would grant a total of $7,500,000 a year for 5 years to States matching the grants. The objective is to bring books and other library services to rural families who have none at all, and to improve library services for an additional 53 million Americans whose libraries are inadequate. The States and localities will have complete authority under the program established by the bill.

In the great cities we are accustomed to impressive library service. Our cousins in the villages and on the farms are entitled to it too. This legislation would stimulate the extension services of the various States and the regional cooperative services based on metropolitan centers. The funds proposed are modest, the period limited. It is believed that local communities in rural areas, having tasted the advantages of good libraries, would then wish to continue the services with local and State funds.

The free public library is a vital symbol of educational opportunity, and it is to be hoped that Congress will pass H. R. 2840.

[From the Washington Evening Star of May 7, 1956]

LIBRARY SERVICES BILL

There is really no good reason why any Americans should be cut off from public library service just because they happen to live outside of cities. The public library has been called the university of the people and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paper-bound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stop-gap means of distribution, attests that a large hungry clientele exists.

Tomorrow the House will consider—we trust favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities and impacted areas. Previous similar measures have fallen before objections that public library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.

H. R. 2840 has the bipartisan sponsorship of 27 Representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everyone the instruction, diversion, and solace which books incomparably offer.

Mr. Speaker, I know of no opposition to the adoption of the rule. I hope there will be very little, if any, opposition to the bill itself.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was a little surprised at the remarks of my good friend from Mississippi [Mr. COLMER], who is an able member of the Rules Committee, on which I serve, with regard to this bill. Had I come into the Chamber while he was making his statement, it is conceivable I would have thought that he was talking, perhaps, about the school construction bill, or Federal aid to education by way of helping to pay teachers' salaries, or helping to pay administrative expenses of schools. I might even have thought that my good friend may have been talking about the Federal Government supplying books for the schools.

I am opposed to this bill because I feel that the Federal Government should stay apart from the States as much as possible and permit them to work out their own problems, especially with regard to education. I cannot conceive how anyone here can vote to put books in rural areas and have the Federal Government furnish the money for that, any more than they would be willing to vote to give Federal money to schools to pay teachers' salaries or to buy books for the schools.

In my opinion this bill is probably the strongest bill that has come before this Congress that touches the question of States rights. The bill says:

> There is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each of the four succeeding fiscal years the sum of $7,500,000 which shall be used for making payments to States which have submitted and had approved by the Commissioner of Education—

That is, approved by some commissioner or bureaucrat or somebody here in Washington. Then the bill continues about these allotments to States. Then on page 3 of the bill we have a section concerning State plans, which reads:

> To be approved under this section, a State plan for the further extension of public library services to rural areas must—

This is what the bill says the States must do. It must provide for the administration, or supervision of the administration, and so forth.

Subsection 2 states that a State plan must provide for the receipt by the State treasurer, or if there be no State treasurer, the officer exercising similar functions for the State, of all funds paid to the State pursuant to this act.

Subsection 3 says that the State plan must provide policies and methods of administration to be followed in using any funds made available for expenditure under the State plan.

Subsection 4 states that the State plan must provide that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require.

Subsection 5 states that the State plan must provide that any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

Paragraph (b) provides that the Commissioner shall approve any such plan which fulfills the conditions specified in subsection (a) of this section.

In order to get these handouts the States must forget all about States rights and follow the orders of some group of bureaucrats here in Washington.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman knows that in the State of Illinois the schools furnish libraries supported by public taxation, that cities and villages have public libraries supported by taxation, that townships have libraries supported by taxation, and even the counties in our State have county libraries supported by taxation. Also the State has a State library with traveling libraries going all over the State, supported by taxation.

If the Federal Government is going to go into this library business it means that the State of Illinois in addition to paying taxes for all of these libraries available in the State of Illinois will pay into the Federal Treasury about 6 or 8 to 1 for every dollar it gets back in aid to public libraries. This is a States rights problem, it seems to me, and not a Federal problem.

Mr. ALLEN of Illinois. I thank the gentleman. I fully subscribe to what he has just stated. I for one, I reiterate, cannot understand how anyone can possibly approve the Federal Government's going to the States and giving them books, and so forth, wherever it might be, anymore than they can go in and appropriate money directly for school purposes, for education.

I think, and I have tried to follow this principle closely, that the Federal Government should stay out of education and attempting to participate in our school systems. I just as firmly believe that the Federal Government should stay out of religion and let a person follow the belief he chooses. I have followed these principles in the quarter of a century I have been in Congress, and I hope that now we do not get into this educational feature.

Mr. COLMER. Mr. Speaker, I have no further requests for time. I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BARDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2840) to promote the further development of public-library service in rural areas.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. Barden].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2840, with Mr. Price in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BARDEN. Mr. Chairman, I yield 18 minutes to the gentleman from Georgia [Mr. Landrum].

Mr. LANDRUM. Mr. Chairman, we have before us for consideration one of the simplest measures it has been my privilege to encounter during the time I have served in the Congress. Because of its simplicity, I think, it offers more good to the general public than any other Federal assistance legislation that I have had the responsibility of studying. We should, I believe, go into as much detail as possible with reference to the provisions of the bill before making statements for or against the measure. To begin with, I should like to direct the attention of my distinguished friend, the gentleman from Illinois, and the members of the Committee on Rules as well as other Members to the fact that there is in this bill absolutely nothing which refers to public-school education; absolutely no provision which has anything to do with the public schools of any State in these United States. And any reference or suggestion that this bill is an effort to go into that phase of our society is simply the result of a misunderstanding of the legislation before us or the result of a desire to confuse the minds of those who would like to see the advancement of the general welfare of the people of America. To support that, let us look first at the very beginning of the bill in its declaration of policy. I believe it is generally known there is no one in this House whose requirement for the observation of States' rights as well as States' responsibilities and whose standards for measuring legislation protecting States rights is any higher than those advocated by your speaker. In the declaration of policy, it says in plain language these words:

> It is the purpose of this act to promote the further extension by the several States of public-library services to rural areas without such services or with inadequate services.

There is no reference whatsoever to schools. Moreover, in the declaration of policy, it says:

> The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public-library services.

Neither shall the interpretation or administration of this act apply in any way to the responsibility and authority of the States to select personnel, but listen to this: "Neither shall it apply to the selection of library books and material." All authority for selecting personnel, books, and materials is set out in the declaration of policy and under the terms of this act shall be reserved to the States and their local subdivisions.

Now let us go to the next important provision of this bill, and that is the authorization for appropriations. This bill authorizes to be appropriated annually for a period of 5 years $7.5 million, a total for the 5-year period of $37.5 million. I would direct your attention to the fact that the budget request of the administration today for funds to support overseas library services is $14.7 million annually, or almost exactly twice the sum which we seek to serve our own people of America.

Let us see how this allotment of $7.5 million is to be made to the various States. First, each State, regardless of population, or regardless of any present library facilities, will receive an initial allotment of $40,000, except the Virgin Islands, which shall receive an initial allotment of only $10,000. The States and Territories, of course, must match these funds. The allotment is matched by the States from revenues raised by the State itself or by local subdivisions and matched in proportion to the State's per capita income to the national per capita income, limiting the Federal contribution in no instance to less than 33 percent, and in no instance to more than 66 percent.

Some mention was made of the State plans, which in my opinion support the declaration of policy announced at the outset of this discussion. To be approved under this section a State plan for further expansion of library service to rural areas must, and I agree wtih the emphasis which the gentleman from Illinois [Mr. Allen] wanted to put on this word "must," but what must we do? First, the State itself, not the Federal Government, not the Commissioner of Education, but the State itself must provide for the administration of the plan. By whom? It must provide for administration of the plan by the State library administrative agency, and it must provide that such State agency will have adequate authority under State law to administer the plan in accordance with the provisions of this act.

The State plan must also provide policies and methods of administration to cover the selection of personnel, to cover the selection of library books and materials. The determination of the best uses of the funds shall be reserved to the States and their local subdivisions. That, briefly and generally, covers the provisions of this bill. So let us propound these questions: Why do we have the bill? And why should it pass?

First, why do we have it? Twenty-seven identical bills were introduced into this House calling for this legislation. The 27 authors came from both sides of the aisle. There is absolutely nothing partisan, I believe, with regard to it. The mere fact that 27 Members of this House introduced legislation like this is announcement enough of the importance of this legislation. But let us see more about the importance and hear what developed during the hearings before the subcommittee.

In the subcommittee hearings it developed that 27 million Americans, 27 million people in the United States, are without any library service at all. Furthermore, it was shown that 53 million people in America are served by inadequate library facilities. The hearings also developed the fact that of the three-thousand-odd counties in these United States, there are 404 without any library service of any kind, private, public, or what have you.

Of the 7,500 library systems in the United States, 60 percent have less than $4,000 annual support; 77 percent less than $10,000. These hearings developed that it cost $1.50 per capita to maintain a minimum library service. It developed that the cost would be $2 to maintain what the American Library Association considers good service and that it cost $3 per capita to maintain what we would like to have in America, and that is a superior library service.

Why do we provide authorization for $7,500,000 annual appropriation and the $40,000 annual basic allotment to each State?

First, it is estimated that the annual cost for a minimum library program in America is $240 million. The $7,500,000 is, roughly, 3 percent of that amount. The $40,000 grant to each State is a minimum upon which the American Library Association feels a State can organize an efficient State and local setup for this program.

The other 97 percent of local funds is to be made up in the best way the State and local subdivisions can find.

Emphasize again, will you, that this bill is for a 5-year period and is to serve as a stimulus only. It is hoped and believed by those who appeared before the committee that these subdivisions of the States and the States once the service becomes available, as the gentleman

from Tennessee pointed out about his counties awhile ago, the people will not again be without it.

Why should we pass this bill? For those of us who are hard-headed, stubborn gentlemen not wanting to add more expense to our budget, listen, will you, to some brief statements which reached the committee during the hearings. And first I would like to call attention to a statement made by Mr. M. M. Harris, editor of the San Antonio Free Press, of San Antonio, Tex., an outstanding businessman in America and a great leader in Texas. Among his other statements made in enthusiastic support of this bill he said:

> I would like to read a very brief letter from our Governor, Allan Shivers.

This of course the committee permitted him to do; and he read the following:

> I am glad to know that you are going to Washington to testify before the Congress on the plan of cooperation between the Federal Government and the various States in order to furnish better library service to the people of the Nation. It is my understanding that this proposed plan of cooperation will be similar to the Hill-Burton Act relating to hospital construction, but that the States, although required to enter into a fund-matching arrangement, would have complete administrative authority through State agencies, such as the State Library and Historical Commission of Texas.
>
> My personal thought is that this would be a very worthwhile program. We have tried for years to increase State participation in library work, with little or no results. This might be the spark that is needed.
>
> Certainly we cannot complain about States rights when the States refuse or fail to discharge their obligations.

That is not Landrum, of Georgia, talking to you, that is not any member of the Committee on Education and Labor talking to you; that is Governor Shivers who supported you on my left in 1952.

Let us look further at another distinguished man in America, Mr. Harry Schacter, of Indianapolis, Ind., formerly of Louisville, Ky. Mr. Schacter is one of the largest furniture retailers in America.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the very able argument he is making on the pending bill.

Mr. LANDRUM. I am happy to have that from my distinguished friend.

Mr. Harry Schacter stated:

> I am in business to make money. I know that to make money I must have around me people with purchasing power. I know that in order for people to have strong purchasing power they have got to have strong minds, great intellect, and sound unbiased information. I want to see this carried to the rural areas as much as I want it in my surrounding urban area where I am the owner of one of the largest retail furniture establishments in Indianapolis, Ind.

That is Mr. Harry Schacter talking to you.

I would like to call your attention to a very touching scene that occurred before the committee. It came as a complete surprise. That was the appearance of a group of boys and girls from over here in Maryland somewhere, led by a young fellow by the name of Norman A. Pilkerton. This group walked in ostensibly to observe the hearings, to see what was taking place and to understand more about Congress and its functions. Someone suggested they might wish to make a statement and this young man, purely extemporaneously, stood and made a statement which I hope you will permit me to summarize, and which appears on page 117 of the hearings:

> We do not have the facilities in our school to give us opportunity to do the research necessary to get the education we want. Our schools are open only 9 months each year. Give us the bookmobile. Many of us live 10 or 15 miles away from the public library that is available for us and only one or maybe no bookmobile is available. Let us have another bookmobile, let us have more books.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I want to compliment my colleague from the State of Georgia for a very splendid statement on behalf of this legislation and want to associate myself with him in support of the pending bill.

Mr. LANDRUM. I thank the gentleman, my distinguished friend from Georgia.

Mr. Chairman, if the Committee will indulge me a little more, I direct your attention to page 175 of the hearings where Mrs. Moore, a distinguished businesswoman and civic leader from Little Rock, Ark., made a splendid appeal for this bill in much the same vein as suggested by Mr. Schacter in his statement. You will find the statement of Mr. Schacter on page 132 of the hearings.

Beyond that, I should like to direct your careful attention to page 75 of the hearings where appears the report from the Department of Health, Education, and Welfare and where it is shown that they do not oppose this legislation as it is written; neither does the Budget Director oppose it for in a letter directed to the chairman of the Committee on Education and Labor the closing sentence states:

> The Bureau of the Budget advises that it has no objection to the bill.

Signed: "Roswell B. Perkins, Acting Secretary," and written from the Budget Director's office.

Mr. Chairman, we are living in a scientific age; we are living now in a nuclear and atomic era; we are living at a time, mind you, when the man in the street must have some detailed knowledge of what is going on in the world, and the very least we can do is to provide for this man in the street, this everyday citizen, the opportunity to enlarge his intellectual possibilities and to grow in his educational achievements.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Maine.

Mr. HALE. I may say to the gentleman that the people in my State are very much interested in this legislation, and I am very much interested. I observe this tabulation on pages 3 and 4 of the report. The third column on pages 3 and 4 is headed "Allotment From Remaining Funds." Now, will the gentleman explain what that expression "remaining funds" means? Remaining from what?

Mr. LANDRUM. It is simply this: the bill provides that an initial allotment shall be made to each State of $40,000, regardless of the State's population or its library facilities, and $10,000 to the Virgin Islands. Now, this $40,000 and that $10,000 for the States and that Territory must also be matched under the same formula, but the additional fund about which the gentleman directs his question, the additional allotment, is over and above that $40,000 for each State, and the $10,000 that would be allotted to the Virgin Islands. The $40,000 multiplied by 48 is taken from the $7.5 million, and the balance then is allotted among the States for matching.

Mr. HALE. What puzzles me is the expression "remaining funds." Remaining from what?

Mr. LANDRUM. It remains from funds that are left after the allocation of the $40,000 for each State. The initial allocation to each State is $40,000, and what remains is allocated to each State on the basis of its own rural population to the rural population of the United States.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. I wish to compliment the gentleman and the committee for bringing this bill out and the fine statement he has made in support of it. The bill has my full support.

Mr. LANDRUM. I thank the gentleman.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. Coon], a member of the subcommittee.

Mr. COON. Mr. Chairman, this bill would provide for distributing $7½ million each year for 5 years, a total of $37½ million among the various States for the purpose of promoting "the further extension of public-library services to rural areas without such services or inadequate services."

Each State would get a basic allotment of $40,000 per year plus an additional allotment based on a formula.

The American Library Association's figures show there is no person without library service in 3 States, namely, Massachusetts, Delaware, and Rhode Island; they would be given $111,098; $51,637 and $51,761 each year provided they put up so-called matching funds of $128,131; $104,839 and $54,941, respectively.

Massachusetts is now spending $2.10 per capita per year for public-library service; Ohio, $1.77; New York, $1.50; Indiana, $1.14; Oregon, $1.07; Missouri, $1; Illinois, 95 cents; Virginia, 33 cents; Mississippi, 30 cents; Arkansas, 27 cents; and Texas, 26 cents.

According to the testimony presented to the Committee on Education and Labor by supporters of this legislation, there were 661 counties without public-library service in 1946; 488 without such service in 1952; and, by last year, only 404 countries not having public libraries. This is a real do-it-yourself attitude on the part of the States and local communities—it is the American way. It shows the number of counties without what the advocates of this bill consider adequate library service has been reduced by 257, or 38.8 percent, in only 8 years—and without Federal subsidy.

It also should be pointed out that 338 of the 404 counties in the United States, purportedly without library service, are concentrated in 12 States. In fact, 268 of them are in 7 States.

According to testimony received by our committee on a similar bill in 1950, approximately 35 million were without library service; and by last year, a little less than 27 million were without such service. Here again, it is shown that local and State financial sources have been able to bring this service to 8 million more people within a 5-year period; or, in other words, reduce the number of those without such service by almost 23 percent.

Federal aid, in housing, or welfare, or education, or anything else, always involves Federal control. Many Federal grants-in-aid for other purposes have often led to undesirable Federal influence and control over policies and programs—the same might occur in this case.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman.

Mr. PELLY. Mr. Chairman, I wonder if the gentleman could tell me if there is any provision to insure that none of the funds provided in this bill will be used in such a way as to bring about racial discrimination or segregation in these library units that go out?

Mr. COON. I do not have the answer to that question; I am not sure. Probably some of the Members from other localities in the United States could answer that question, but I do not happen to know.

Mr. PELLY. Mr. Chairman, I wonder if the gentleman could refer the question to somebody who could tell us. I notice that the statement has been made that these funds would be administered in the same way that the Hill-Burton funds are administered. I understand they are administered under the laws of the particular States where the grants are used.

Mr. METCALF. Mr. Chairman, would the gentleman yield to me?

Mr. COON. I yield to the gentleman from Montana.

Mr. METCALF. There is nothing in this bill about segregation or whether the funds are used under the laws of the State, or anything like that. The situation here is not analgous to that under the Hill-Burton Act which says that where separate but equal facilities are provided there must be a distribution of funds on a separate but equal basis. These funds are to be administered under the Constitution and the laws of the United States. Presumably under the Constitution and the laws of the United States they would be administered as other funds have been required to be administered under the recent decisions of the Supreme Court.

Mr. PELLY. No separate but equal bookmobiles would go out.

Mr. METCALF. No separate but equal bookmobiles would go out. There is no language whatever in the bill as to that.

Mr. PELLY. I thank the gentleman.

Mr. COON. I think the gentleman might get additional information if he would ask the chairman of the committee or the subcommittee chairman.

The provision of public library services is a State and local concern. The Federal Constitution does not assign the Federal Government responsibility for public libraries. It leaves this responsibility to the States and local communities. For many years the Federal Government has been assuming more and more of State and local responsibilities in government. It is time for a reversal instead of an extension of this trend.

If this measure is passed it may become a permanent activity of the Federal Government. There is nothing to prevent later extension of the time limitations contained in the bill. Within recent decades the Congress has often extended legislation which initially was termed temporary. This legislation may follow the same course. At the end of the 5-year period the claim may be made that the goal sought has not been reached, and there may be repeated pleas for renewal of the law until it is made permanent.

The following excerpt from a report entitled "The Public Library in the United States" was placed in the record by Dr. Samuel M. Brownell, the United States Commissioner of Education:

> Federal aid for stimulation purposes under present conditions must be carefully designed if it is to achieve its purpose. Under our governmental system Federal grants to public libraries would be administered by the State library agencies. These agencies vary greatly in size, resources, and quality of professional personnel. They vary also in the extent to which they have developed mature plans and leadership for building adequate, modern library service units within the State. The estimate, from our survey, is that not more than half the present State library agencies are developed sufficiently to provide assurance that Federal grants would not be frittered away in activities yielding no permanent results.

The proposed legislation contained in the bill we have before us, along with identical and similar proposals, have been disapproved by both the Democratic and Republican administrations over the past years. The position of the prior administration was reiterated as late as July 1951 in a report on a similar bill by the Bureau of the Budget:

> In the preparation of the President's program for the fiscal year 1952, careful consideration was given to a number of programs which would aid in the development of our national strength over the long run. Under the circumstances, only the highest priority programs could be included. For this reason, although assistance to the States to develop public library services in rural areas is a meritorious proposal, it is not included in the program of the President and its enactment at this time would not be in accord with that program.

And last year, under date of May 20, in a letter from the Acting Secretary of Health, Education, and Welfare, the position of the present administration was reflected as follows:

> This Department is in accord with the broad objective of H. R. 1753 and H. R. 2881; namely, to improve the public-library services available to the rural areas of the Nation. However, having regard to budgetary limitations, and in view of other more urgent needs for Federal funds in the fields of education, health, and welfare, we would not regard this as a priority measure. Furthermore, the grant-in-aid program proposed by H. R. 1753 and H. R. 2861 should be considered in relation to the general Federal policy with respect to all such grant-in-aid programs, a matter which is currently under study by the Commission on Intergovernmental Relations established by President Eisenhower pursuant to Public Law 109, 83d Congress.

Further to quote from that report, it states:

> We would, therefore, recommend that H. R. 1753 and H. R. 2861 not be enacted by the Congress at this time.

A few moments ago my good colleague from Georgia quoted from the Bureau of the Budget saying they were not opposed to this legislation, but this is what this letter states:

> The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

The report is that they are opposed to this bill.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from Georgia.

Mr. LANDRUM. The gentleman sat on the committee and he knows from the discussion before the committee that the Department through its agent, Dr. Brownell, stated that it was not opposed to the legislation but it was opposed to its adoption at this time. Now is not that the true representation of what was said?

Mr. COON. I am not sure. I was not there when it was before the full committee.

Mr. LANDRUM. You will not say it was not; will you?

Mr. COON. I do not know, but I will say that this letter says the Bureau of the Budget is in agreement with the report which is opposed to the legislation.

Mr. LANDRUM. The letter itself from which you are reading does not say it opposes the legislation. If you will read on, and read the full letter which is contained in the record of the hearing, it says it opposes adoption at this time.

Mr. COON. Yes, at this time.

It does not say that they would be in favor of it at some later time either; they say they are opposed to it at this time—I take it that is what it means.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield further?

Mr. COON. I would like to complete my statement.

Mr. LANDRUM. I would like to ask the gentleman one question further, if the gentleman will yield.

Mr. COON. Certainly, I yield to the gentleman.

Mr. LANDRUM. Can the gentleman think of a better time to offer to the general public and to the American people an opportunity to expand their intellectual potential and the opportunity for educational achievement than the present time when we are today spending billions of dollars overseas to do that for other people?

Mr. COON. That is a good thing to do at any time, but I am opposed to the Federal Government getting into more aid programs. I might say it appears the pressure and agitation behind this bill comes from the American Library Association and their method of operation can be demonstrated by a letter circulated in one of the States by a State library association, when this type bill was before our committee in 1952. In part this communication states:

> Congressmen and Senators are impressed by persistence, and they are sensitive to their mail. The brushoff is an old political maneuver. If a Member of Congress from your State needs convincing, keep writing no matter how your first letters are answered. You may change his mind. If you keep after him, he will know you mean business. If you relax your efforts, he presumes correctly that your interest is only temporary. Success demands that your efforts be persistent and sustained.

I can appreciate everyone's interest, and especially that of the American Library Association, in making public library services available to everyone in our country. However, I should like to point out that many feel that any inadequacies which may exist in some communities can best be taken care of on the State or local level rather than placing reliance on the so-called painless method of distributing federally collected taxes. I should also like to point out that the formula for allotting the funds does not have as a basis of payment the actual need of the respective States for such additional services.

In all of the hearings before the committee, we had very little requests for support or hope for this legislation from anybody who was going to benefit from it in the rural areas. I did in the last few days get a letter or two and a telegram or two, but that is the first I heard from anybody who was going to benefit from the libraries or from reading the books in the libraries.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman.

Mr. PATMAN. Mr. Chairman, I am very glad to support the library services bill, H. R. 2840, that is now being considered.

This bill has bipartisan sponsorship. Its chief sponsor is the American Library Association.

The American Library Association is to be commended for the fine work it has put forth in behalf of this timely, constructive proposal. It provides for the States matching the grants up to $7,500,000 a year for 5 years.

At this particular time, we are greatly in need of what this bill will provide when enacted into law.

In a hearing on automation last fall before a subcommittee of the Joint Committee on the Economic Report, of which I was chairman, shocking information was revealed. In a comparison of educational systems between this country and Russia, it was disclosed at this hearing that while we are graduating 25,000 engineers in 1956, Russia will graduate 50,000 engineers. During 1956, we will graduate 50,000 technicians, but Russia will graduate 32 times that number—1,600,000 technicians.

So we are considering this bill at a time when we are challenged by Russia on educational attainments.

A democracy must have a well-informed citizenship in order to perform at its best.

The objective of this bill is to bring books and other library services to rural families. It will really help over 50 million Americans whose libraries are inadequate.

The Federal Government will not have any control over the administration of this act. The States and local communities will have complete authority under the program established by this bill. Just because people reside outside of cities is not a good reason for them to be deprived of adequate library services.

This bill will bring book-borrowing within the reach of many good American citizens who are, at the present time, deprived of the opportunity.

I congratulate the committee for reporting this bill, and I certainly hope that it passes by a large majority.

Mr. BARDEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this library bill has been before the Committee on Education and Labor before. The committee has given very, very thorough study to the whole problem. Of course, opposition can arise in connection with any bill that may be brought to the floor of the House, but I think it is about time that we took a little stock of our development in the field of education.

Here we are, pressing national defense, pressing foreign aid, spending money everywhere, but I fear we have our sights lifted a little too high. I think it is a matter of common knowledge that the Defense Department, for instance, is spending more money in the United States in the field of education than the entire public school system of America. It does not make good sense to me that we should completely neglect our responsibility for making available to the kids out in the country through these bookmobiles an opportunity to get some of the education that sooner or later the Government is going to have to take care of through its defense agencies, which were never designed to conduct an educational setup in this country. Yet they have gradually worked themselves in.

Take another look at the farm situation. We are spending many, many times the money in other countries so they can do identically the same thing that is set up in this bill. I try to be frank, but as far as State rights, to which the gentleman referred, I would take a lie-detector test, or most any other kind of a test on State rights.

It may be I am getting a little hardened because we have had so many things done to us in late years that violated that principle so much. Maybe I am getting a little callous and not quite as sensitive. I see no State rights question involved here. I see the responsibility of the 48 States in this Union involved. I see no integration involved. If there was, my speech would be different from what it is, as far as that is concerned.

This is to carry books around through the country to kids, regardless of color, creed, or anything else, and make the books available to them.

Twenty-four years ago I led the fight in the State legislature, not just to help one particular type of school but to help raise the salaries and put in a better system in all the schools of North Carolina. It is not a new thing for me to be interested in education.

Now we come down to the expenditure of the money. These bookmobiles have been operating in North Carolina in a limited way for many years. Not adequate, no, but doing the best we can in a small way. The State of North Carolina has demands upon it, and increasing demands, just like the Federal Government, but what position does it find itself in today? The people of the State of North Carolina are as ambitious and as progressive-minded as any people on this earth. But the Federal Government has invaded every single source of revenue heretofore enjoyed by the States. That has been my song for 20 years—we are bleeding the source of revenue to the States—we are bleeding them white and offering them no alternative.

I shall not forget a statement made by a superintendent of schools from the State of North Carolina when he was appearing before the committee on the question of education.

My friend from New York asked:

> Do you mean that you are in favor of the Federal Government going down and collecting money and then going through all the expensive ramifications of accounting for it and sending part of it back to you?

Dr. Carroll's reply to him was:

> Congressman, I prefer to say that in my own language. I say to you, Mr. Congressman, either leave more of it down there for us to carry on our necessary operations, or divide with us.

There is no answer to that, and yet we continue to invade State sources of revenue, we continue to bleed them white, we continue to throw money all over the face of the earth, we continue to multiply the services we extend to the kids in other lands. I am not mad with them, but I just love my folks a little more. Then when we come in with something that involves only $7½ million—an amount that is scarcely as much as a measly tip in the foreign-aid program, we get very disturbed over it..

I do not know of a single dollar this Government spends that is more wisely, more beneficially spent than in the educational programs of this country—particularly vocational training and rehabilitation of the physically handicapped. The States have taken hold of them—they caught fire—and they are carrying on wonderful programs all over this Nation. All of us know that. They are popular programs. But I remember when they were just starting—and I remember when this House adopted the policy of helping it, giving it added speed to go along and give some new life to the program. It worked, and right now they are turning out finished products in these vocational schools.

This will work too. I know it is good for my country. I know we have radio programs and television programs, but we had better give them a little solid diet to go along with that, and all of us realize that.

This is a program that does not violate anyone's ideas or views on the question of the Federal Government interfering in local affairs. This library service is on the same footing that the vocational training program was when it started. I like to use that as an illustration of what I think this will develop into. It is most difficult for men in cities where there are million-dollar libraries available to visualize life in country areas where maybe the kids ride 20 miles to the school building every morning. They cannot get the books, and the schools do not have the books. In this piece of legislation there is provision for this program to cooperate with the city libraries, to cooperate with the municipal libraries, and thereby each implement the other.

I picked up this statement. I do not know where it came from; I do not know who was the author, but it is very wise indeed: "Good books help to prevent youth erosion."

And I think there is something to it. We should do all we could to encourage the habit of reading. And if you do not think boys and girls like to read let me remind you that hundreds of millions of dollars are spent by them every year on comic books. Children do like to read, and they like to develop their minds. I think we can very readily give them the opportunity to develop their minds. In so doing we will prepare them for later life, whether it be in the defense activity or elsewhere. In so doing we will relieve the Federal Government of its ever expanding educational program in the Defense Department and the services. In so doing we will then better prepare them to make their way through school, high school, and into the college. In so doing we will encourage within them the desire for research to become technical men, engineers, doctors, medical men, and experts in the various fields. I say to you we must not forget that in olden days, back in the beginning of this country, most of the reading was done and most of the education was received by candlelight in the homes, far removed from school buildings.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Louisiana.

Mr. LONG. I would like to compliment the gentleman on his splendid statement made here today and wish to associate myself with his remarks. I intend to vote for the bill.

Mr. BARDEN. I thank the gentleman. I shall not dwell upon this longer or go into further detail. I just simply say that it can be put into operation with a minimum of cost because there is already a department that is ready, able, and willing to carry on, set up in the Department of Education. The States are set up to carry it on because most of them are engaging in it to a very limited extent.

This program is for 5 years. I hope by the end of that time there will be no necessity for carrying it further, but, so far as I am concerned, I am perfectly willing to stand by this program and patiently wait to see the benefits develop.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Ohio.

Mr. BOW. Will the gentleman advise the committee what the administrative cost of the operation of this will be on the Federal level?

Mr. BARDEN. I do not know exactly. It will not be very much because they have a branch already set up in the department.

Mr. BOW. This will create a new group?

Mr. BARDEN. No; it will not be a new department, nor will the States have to do that because most of them are carrying on this program in a limited way already.

Mr. McCONNELL. Mr. Chairman, I yield myself 5 minutes.

Mr. McCONNELL. Mr. Chairman, it had not been my intention to speak on this bill except to make the statement that I am opposed to it. However, some of the past discussion we have had here today leads me to want to make a few comments.

I am not opposed to helping people obtain books. I am not here to argue against reading as a vital necessity of a more rounded education. Having been raised in the parsonage of the church I know the value of reading and of spiritual thinking, so I would be the last to argue against that. However, we are face to face, as I see it in this particular matter, with the problem of jurisdiction—Federal and State. I am not a strict adherent of stopping aid programs at State lines. My past record will show I am willing to be flexible in connection with various programs for the benefit of all our people, but I have thought for many hours in my room how we could stop the trend toward centralization of power in the Federal Government. Not that I do not wish people to be helped—I think that is part of our duty on this earth. However, I do think that you have to combine human understanding with commonsense.

Mr. Chairman, I have felt, one of the best methods to bring to a halt or to slow up this rushing tendency toward the Federal Government doing everything, would be to avoid those programs which are of such insignificant size financially that the States could take care of them themselves. It is not a large amount of money, and I feel that there is not a State in the Union that could not handle its own rural library services problem. For that reason I have opposed this bill not only a few years ago but I have opposed it in our committee here within the last few months, not because I do not believe in the purposes of it but I feel it is one thing that could be handled by the States and would not, therefore, become an additional impetus to the centralization of power in the Federal Government, which I am sure all of us deep within have a tendency to be uneasy about.

Mr. Chairman, I am not going to continue these remarks. I am not seeking any controversy with people. I prefer to work out things if I can, and I honor the members of our committee on both sides of the aisle regardless of their opinions. I have worked with them long enough to know they sincerely believe in the strength and destiny of their country and also the welfare of the people. But, it is my desire to put this problem together in a sensible manner which will not add one more push to a growing centralization of authority and power in the Government which in the end will not be good for any single citizen of this country.

Mr. BARDEN. Mr. Chairman, I yield 9 minutes to the gentlewoman from Oregon [Mrs. Green].

Mrs. GREEN of Oregon. Mr. Chairman, first of all I would like to congratulate the chairman of the committee and the gentleman from Georgia, the chairman of the subcommittee, for the very fine presentation and the fine explanation they have made on this bill. I would like to go very briefly into the history of this legislation, because it is not legislation that has been just introduced this year. We go back to 1947 and find that Senator Hill and Senator Aiken introduced similar legislation in the Senate. Bills have been introduced in every Congress since that time, and in the 84th Congress we find that there are 16 cosponsors of the Senate bills and there are 27 Members of this House who have introduced identical bills.

In the House the following Members have introduced identical legislation, and they are interested in this particular piece of legislation because they know the benefits that it will bring to their individual States:

Congresswomen Mrs. Kee, Mrs. Griffiths, Miss Thompson of Michigan, Mrs. Bolton; Congressmen Elliott, Albert, McCarthy, Bailey, Perkins, Patman, Ashley, Steed, Thompson, Mollohan, Metcalf, Frank Smith, Burnside, Byrd, Tollefson, Merrow, Jenkins, Young, Frelinghuysen, Berry, Wainwright, and Budge.

It is true that this particular bill has my name on it, but because many of these Members have worked far longer on this legislation than I, it probably could more accurately be called the Carl Elliott bill, the Phil Landrum bill, the Thomas Jenkins bill, or the Frank Smith bill.

Since I have been in the Congress, many times I have been asked whether it is an advantage or a disadvantage to be a woman. I am afraid, in this particular case, I would have to say that it is an advantage, because certainly the gentlemen of the Committee on Education and Labor showed their gallantry by voting out the bill which had my name on it, and, as the very distinguished gentleman from Mississippi, in arguing for the rule on the bill, inferred, it was due to

their kindness, to their courtesy, to the one woman member of the Committee on Education and Labor. But, this bill does have the support of many Members of the Congress. They recognize library service as a justifiable expense of the Federal Government to make available to the population of the United States ingredients for access to information. The library services perform a practical operating function in our cultural development, our economic activities, and our political and social progress.

To quote from an editorial in the Evening Star of May 7:

Library Services Bill

> There is really no good reason why any Americans should be cut off from public library service just because they happen to live outside of cities. The public library has been called the university of the people, and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paperbound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stop-gap means of distribution, attests that a large hungry clientele exists.
>
> Tomorrow the House will consider—we trust, favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities, and impacted areas. Previous similar measures have fallen before objections that public library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.
>
> H. R. 2840 has the bipartisan sponsorship of 27 Representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everyone the instruction, diversion, and solace which books incomparably offer.

The New York Times, in an editorial on May 5, gave support to this particular legislation:

Library Services Bill

> The library services bill is now before the House. The list of sponsors is bipartisan.
>
> This bill would grant a total of $7,500,000 a year for 5 years to States matching the grants. The objective is to bring books and other library services to rural families who have none at all, and to improve library services for an additional 53 million Americans whose libraries are inadequate. The States and localities will have complete authority under the program established by the bill.
>
> In the great cities we are accustomed to impressive library service. Our cousins in the villages and on the farms are entitled to it too. This legislation would stimulate the extension services of the various States and the regional cooperative services based on metropolitan centers. The funds proposed are modest, the period limited. It is believed that local communities in rural areas, having tasted the advantages of good libraries, would then wish to continue the services with local and State funds.
>
> The free public library is a vital symbol of educational opportunity and it is to be hoped that Congress will pass H. R. 2840.

Besides the very large number of Representatives and Senators sponsoring this legislation, Senators and Representatives coming from 22 different States, it also has found wide support from groups across the country. My colleague from Oregon a moment ago inferred that the American Library Association was the only organization which was giving this bill wide support. And yet we find that there are a great many nationwide organizations, exceptionally fine organizations, which, after careful study, have endorsed this bill:

The American Association of University Women.

The American Federation of Labor and the Congress of Industrial Organizations.

The American Veterans.

The Association for Childhood Education.

The General Federation of Womens Clubs.

The International Association of Machinists.

The National Council of Chief State School Officers.

The National Council of Teachers of English.

The National Education Association.

The National Congress of Parents and Teachers.

The National Farmers Union.

The National Grange.

The United Auto Workers.

The Catholic Library Association.

The Council of National Library Associations.

With these groups endorsing it, I fail to see how anyone could say that it does not have support from the people of this country. Inadequate library service—and in thousands of communities there is a complete lack of it—is much more than a rural problem. The testimony before the committee was that there are today 27 million Americans without access to modern library facilities.

I ask you, Can we afford to continue under this condition? We are providing library services abroad, recognizing the very vital importance of having informed people.

Again, as the distinguished gentleman from Mississippi [Mr. Colmer], in arguing for the rule, said, the appropriations requested for the fiscal year 1957 for the Overseas Information Service—that is, the libraries—is $14,700,000. Can we not then afford to spend $7½ million to assist the States in extending public-library services to the rural areas in our own country?

The Department of Defense is asking this year for over $1½ billion to develop better weapons. Is it unreasonable then to ask that at the same time we spend $7½ million for aid to libraries in rural areas? What better weapon can we have in a struggle based on science, technology—and above all on ideas—than educated minds? Books for the education of our young people are as much our strength in time of war as is armament for tanks and planes. And the best evidence of the truth of that is the fact that since the war in Korea over three-fourths of a million young Americans have been rejected by Selective Service for educational deficiencies. That is an appalling waste of resources for defense, and it is even a more appalling commentary on our educational neglect. It seems to me it is an unanswerable argument for the need for this particular bill.

We spend $30 million a year on the Selective Service System—$30 million a year to draft young men. Can we not then spend one-fourth that much to give them books to read?

Is a nation that spends $5,250,000,000 for tobacco, $8,830,000,000 for alcoholic beverages, $1,472,000,000 for cosmetics and other toilet articles, $1,275,000,000 for movies—is a nation that spends this much on these items too poor and too short-sighted to spend $7½ million for library services in the rural areas—in the 404 counties—in this country that today do not have any library services at all? Last year it was estimated that the American people spent $200 million for chewing gum.

May I point out that the per capita cost of this bill, if it is passed, is 5 cents, the cost of one package of chewing gum? Surely it is well worth 5 cents to every man, woman, and child in this country to extend library services to the rural areas.

Mr. Chairman, a moment ago a statement was made that undue pressure has been brought by a certain organization to write letters and editorials to Congressmen. I should like to read a telegram which I received from the Republican Governor of my State. I am sure my colleague from Oregon would agree that he would not be subject to undue pressure. And the Governor wires me:

> The library services bills, H. R. 2840 and Senate bill 205, scheduled for vote May 8, is, in my opinion, of public interest to the State of Oregon. The Oregon State Library Board and Oregon Library Association, in whom I have confidence, assisted by many librarians in the State, have studied the needs of Oregon libraries over a period of years, and they advise me that the funds provided by this bill will stimulate the improvement of local services. Within the 5-year period specified in this bill adequate demonstrations could be provided. May I urge your support for this bill?
>
> Elmo Smith,
> *Governor of Oregon.*

The enthusiasm and support from all parts of the country for the library services bill has been very great.

May I also read a telegram from the Oregon Library Association:

> April 28, 1956.
>
> Edith Green,
> *House of Representatives,*
> *Washington, D. C.:*
>
> Library services bill resolution Oregon Library Association:
>
> "Whereas in our modern and highly complex society it is being increasingly demonstrated that knowledge is power; and
>
> "Whereas major governments of all political philosophies are avidly in pursuit of knowledge particularly in technical and scientific fields; and
>
> "Whereas a true democracy such as ours which is governed by all of the people, must have an informed and intelligent citizenry if it is to meet the challenge of totalitarian

philosophies and maintain ascendency in world civilization; and

"Whereas as long as our people are informed they will not be led astray by demagogues waiting and ready to exploit the credulous and ill informed but will instead be prepared for intelligent fruitful and effective living in an increasingly complex world; and

"Whereas the free public library has proven itself to be America's best agency for impartially diffusing knowledge and dispensing information to all the people; and

"Whereas the library facilities of our country are unequal and spotty with 27 million of our citizens without access to local public library service of any kind; and

"Whereas the inequality of local free library service is particularly evident in the State of Oregon with 343,000 of our people entirely without public library service; and

"Whereas many citizen groups of Oregon have long labored and are now working hard to correct these inequalities; and

"Whereas the library services bill, House bill 2840, and its companion bill in the Senate, Senate bill 205, now pending in Congress are designed particularly to assist each State in providing local library facilities to unserved rural areas; and

"Whereas there are many rural areas in Oregon which could be brought good library service through the assistance provided by the library services bill: Be it therefore

"*Resolved,* That the Oregon Library Association in convention assembled in Salem, Oreg., on April 27, 1956, warmly endorses the library services bill and that it urges every Representative and Senator from Oregon to work in behalf of this bill and vote for its passage; and be it further

"*Resolved,* That a copy of this resolution be spread upon the minutes of the association and that copies be sent by wire to all Congressmen from Oregon."

OREGON LIBRARY ASSOCIATION,
CARL HINTZ,
President, Librarian, University of Oregon, Eugene.
HENRY T. DRENNAN,
Vice President and President-elect, Librarian, Umatilla County Library, Pendleton.
MARJORIE POMEROY,
Secretary, Librarian, Malheur County Library, Ontario.
THOMAS H. CAHALAN,
Treasurer, Librarian, University of Oregon Dental School, Portland.

Mr. Chairman, in conclusion it seems to me that for this amount of money, $7½ million—5 cents per capita, never in any other way could we give so much to so many for so little.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. GWINN].

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield with pleasure to the gentleman from Michigan.

Mr. DONDERO. Mr. Chairman, if the number of books made available to our people is the measure of the education they have, then indeed the 16th President of the United States should have been a very ignorant man.

I have had the pleasure and the honor of serving on the Committee on Education many years ago under the able leadership and generalship of the gentleman from North Carolina [Mr. BARDEN], whom I have always greatly admired.

On the 5th of March 1923, here in the city of Washington it was my pleasure to be visiting with Robert Todd Lincoln, the son of Abraham Lincoln. I asked him this question: "What became of your father's library?" He answered, and said, "My father did not have a library. When he died he left less than a dozen books. One was the Bible, which lay upon his desk all the while he was President. Two were treatises on slavery. The other 6 or 7 were books on history and government, given to him by some friends."

Imagine, one of the world's great men, who died with a library of less than a dozen books.

I am greatly interested in this bill. I have always been for education, I am for it now, and certainly I could not bring myself to be opposed to the bill before the House.

I thank the gentleman very much for yielding to me.

Mr. GWINN. Mr. Chairman, I think we would all be defeated if we tried to argue against libraries as a reason for voting against this bill. Imagine the position of a Congressman in a campaign year arguing against children or motherhood—you might just as well take any one of these as to argue against libraries. I have been in the Congress for 12 years hoping that we would find a case sometime small enough and insignificant enough in amount where we might vote against the further encroachment of the Federal Government in the redistribution of wealth and in the socializing of our economy. I doubt if we can stop the process in Congress, or by the voting process at all. When we are confronted with the fact here that the great Governor of the State of Texas is under such a prod, as shown in the letter circulated to the membership of Congress by the Library Association, even Congressmen and Governors cast their votes for the library bill. They have been developing that technique, like any other professional group, for the last 25 years. If we cannot stop at some place, we certainly cannot reverse the trend. We know that. The corn boys, you remember, tried to throw peanuts out of the feed trough so as to give a starting place there to reverse the Federal-aid subsidies program. Before the Members from Virginia, the Carolinas, Georgia, and Texas got through, the corn boys were almost shamed out of the House—talking about peanuts not being a basic commodity like corn. Indeed, peanuts, they said, were sort of indigestible, anyway, so we ought to have been able to start with peanuts to reverse the trend, to reestablish the so-called free economy.

So I am going to argue here purely on the basis of principle. I am not going to argue about libraries as such. I am going to argue about the politics of it—the responsibility of it—the utter futility of the mechanistic, materialistic approaches to improving our morals and our education by Federal bureaucracy. We are no longer free as Congressmen or Governors when the Federal Government gets into the business of subjecting itself to political voting and to campaigns to decide whether we are going to vote for or against such things as a library. While my friend the gentleman from North Carolina and I think the gentleman from Georgia halfway promised—at least, they indicated—if we would just get ourselves started to doing right in the States by the Federal intervention programs, that then we might look forward to the stoppage of this Federal interference. Now you do not even have to argue that. Our foreign affairs and our foreign-aid program started off with about as much of a promise as any piece of legislation ever did. It looks like it is going to be one of our most permanent pieces of legislation, and I can imagine that this will be another one on the list.

One of the most objectionable features of these Federal-aid programs—and they are all the same, whether they be for corn or wheat or cotton or powerplants or subsidized houses or Federal aid to education or libraries or foreign aid—you come up with six of our industrial States being forced, under compulsion of the sheriff, if you please, to provide 57 percent of the proceeds to be distributed according to the judgment of the United States commissar. He must decide between the counties that are going to get the benefit or the schoolrooms that are going to be added—and he is the absolute judge; there is no appeal from him.

I wish the Members might weep with me once over what happens in New York State. I am sure you would if you could appreciate the fact that the per capita income of New York State is falling behind in rates of increase of all the 11 Southeastern States. They will get most of the proceeds of this bill. New York State pays 18.7 percent of all the taxes that are paid, whether Federal aid or not. Under this bill, it will give up $1,409,000, and, if it wants to get back any of the proceeds of this bill, it must put up matching funds of $425,000 more, or a total of $1,834,000 to get back $249,000 for libraries. We have to give up $6 for every $1 we get back. You may give a quick answer and say New York State does not need libraries and does not need to take any of this money. That brings up another point. When Washington begins to administer the number of classrooms in 59,000 school districts, or the number of libraries that 661 counties need, what formula, what rule of sense do we work out? Of course there can be no formula. The districts are in various stages of development. Some have enough libraries. Some have enough classrooms. They ought not be penalized as this bill does and as every Federal-aid bill penalizes every State that is doing its job and paying for its libraries. Then witness the fact as they look across one State border to another where they have delayed or neglected to do the job. They may have had their ears to the ground as to when the Federal Government was coming along to do the job. New York State and the other five industrial States pay for their own, and then pay for the others that are just as well off as they are. Indeed the testimony before our committee shows that there is no State in this Union less able to take care of its own libraries and its own classrooms than the Federal Government itself.

I do not think it is any argument to speak of wastage and ineffectiveness, and the enemies we have made abroad by our foreign-aid programs, supporting their

Socialist parties that we have helped to finance. That is an argument why we should support the same kind of programs at home that send our boys abroad armed to prevent war there. What is the difference between our processes of federalizing any part of our country and the process of giving foreign aid to socialize any part of foreign countries? Indeed, the parties in power, generally speaking, are Socialist or Communist even after we get through pouring billions of dollars into their economy. There is about the same situation in France and Italy today that we had when we started, for example.

So, how do you expect the Federal Government to bring about any different results if it attempts to impose the Government's own concept of what libraries should be and who should have them? Do you not think the United States Office of Education will literally control the books and the thoughts of counties into which they carry these books? The Federal Government is to buy books. Do you think the Federal Government is going to ignore its responsibility to the taxpayers completely by saying nothing about the quality of the books that are to be selected by these libraries?

We have in the United States Office of Education the greatest authority on books and libraries in the world, I suppose. All of the folks back home who are wise at all go to her to get their ideas on the selection of books.

It is not a compulsory matter, it is just a matter of thought control by the very power and size and influence of the Federal Government over our thought and our economy. It is in the nature of things when you build up a great bureaucracy in Washington that the bureaucracy holds conferences and conventions and gives of its own wisdom to every library association in the country. And so it is true of our schools and our other parts of our economy.

One reason I would like to see us stop at this point in this whole Federal subsidizing process is that when you subsidize or socialize—if we were more advanced I think we would have to use the word "socialize"—you must socialize all areas related to it. Let me illustrate out of one experience: When you socialize corn, for example, or subsidize it, then that corn becomes the property of the United States of America in exactly the same way as corn becomes the property of the U. S. S. R.; it is Government-owned property; private ownership is out. When you socialize that area called corn, you must inevitably thereafter socialize all other areas relating to corn. We have to socialize pork, cows, eggs, chickens. You cannot live in a socialized market area with regard to corn and sell your products in a free market while the very thing the animals live on is socialized at a fixed price. So when you socialize education you cannot stop. There is not a Congressman here who thinks we can stop if enough votes are organized to get behind any project of any kind in this country. When you socialize corn and libraries where would you stop? If you socialize houses where will you stop? Congress must consider.

Our States that are losing out in this process are down in their rate of per capita income. It is falling 20 points below the national average and sixty-odd points below the lowest groups in these United States.

So let us stop even if it has to do with libraries, this cost, this cancer, that must go on and on until we are the Socialist Party, not the free.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I do not think anybody can seriously quarrel with the concept of adult education; I do not think anybody can seriously quarrel with the concept of providing books for school children. It seems to me that the main difference of opinion here today is the manner of accomplishing this. There is fear, on the part of some Members, that this is another step toward socialization. There is some fear on the part of Members that this is a step toward the control of the minds of the young people and the adults by Washington.

Mr. Chairman, I feel that this program is aimed completely at getting library services off the ground. There is, to my mind, nothing sinister in this program. This is a program which lasts for 5 years and includes matching of funds. In other words, the States have to match the Federal funds on a formula set forth in the bill. We have adopted this concept in many other fields: vocational education, vocational rehabilitation of the physically handicapped, to name two. In these, the Federal Government has stepped into a program in order to get it off the ground, and to get the States and local governments to assume responsibilities which had not prior to that time been assumed by them. I intend to support this bill; I am for it. However, I would like to have the attention of the chairman of the committee and the chairman of the subcommittee with reference to section 7 of this bill, which provides that in the event the Secretary of Health, Education, and Welfare decides that a State plan has been so changed that it no longer complies with the requirements or if there is a failure to substantially comply, the Secretary may then withhold further payments under this act.

I note that there is no provision for appeal of a unilateral decision made by the Secretary of Health, Education, and Welfare in this particular field. I would like to ask the chairman of the committee if that is so intended.

Mr. BARDEN. I may say to the gentleman that normally I share the precautions that he has in matters of this kind.

Mr. RHODES of Arizona. The gentleman and I share a great many things in common.

Mr. BARDEN. I have great respect for the gentleman's legal mind. Let me say in this withholding provision, section 7, it states "failure to comply substantially with the provisions required to be included in the plan." Now that ties directly to section 5 which writes into the bill the very clear-cut provisions which he must find have been substantially violated. I do not know how you could better safeguard that than by making provision for court review.

Mr. RHODES of Arizona. I notice in section 5 (a) (4) there is provided a report by the State library administrative agency to the Commissioner, in such form and containing such information as the Commissioner may from time to time reasonably require. Presumably, if this report was not made or it did not include such information, whether it might be important or not, section 7 could then apply and the Secretary could withhold funds which otherwise would go to the State under the provisions of this act. Is that the gentleman's interpretation?

Mr. BARDEN. I will be honest with the gentleman. I have never liked that provision in any law that has gone through this House; yet it has been written many, many times into legislation.

There should be some kind of an arrangement whereby the information would be made available to the Commissioner in order that he could then function properly as the United States Commissioner of Education was intended to function—that is to disseminate information throughout the United States in order that others may profit by mistakes made by those involved in this kind of program.

Mr. RHODES of Arizona. If I might ask the distinguished chairman of the committee one further question, it is my understanding since the term "rural area" does not include an incorporated or unincorporated town having a population of more than 10,000 persons, that any incorporated or unincorporated town having a population of less than 10,000 is included under the provisions of this bill and is eligible for aid under the provisions of this bill as it is now written; is that correct?

Mr. BARDEN. That is correct. I might say to the gentleman that my eye hit that the first thing when I was looking at the draft. You have the correct interpretation.

Mr. RHODES of Arizona. May I ask the gentleman a further question? Would that include the building of buildings in a town or city?

Mr. BARDEN. No. There is a provision in here that prohibits real-estate transactions, the buying of land and the building of buildings.

Mr. LANDRUM. Mr. Chairman, if the gentleman will yield, the proceeds cannot be used for the purchase of real estate but can only be used to employ personnel, and to purchase books and bookmobiles.

Mr. BARDEN. May I read this:

> No portion of any money paid to a State under this act shall be applied directly or indirectly to the purchase or erection of any building or buildings or for the purchase of any land.

That covers it.

Mr. RHODES of Arizona. I thank the chairman.

I think this is a little bit different situation than many of the situations in which we have adopted sections such as 5–4 (a) and section 7, and I plan at the proper time to offer amendments to amend both of them.

Mr. BARDEN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I am happy to have this privilege of speaking in behalf of this bill.

I have been interested in this library services bill for many years now. Our Committee on Education and Labor has talked about it, and studied it, and investigated it, and held hearings on it, over a period of years, until I now believe the bill has fewer shortcomings than almost any bill that I have had the experience of knowing about in the years since I have been a Member of the Congress.

There are definite safeguards in this bill. They are sufficient, I will say, to satisfy those who are inclined to be most careful. It is a bill that adequately preserves and protects the rights of the States and local communities.

The need for this legislation is great. The demand for the services which this bill will stimulate and aid the States and local communities to render is great.

Mr. Chairman, I wish it were possible for every Member of this House to have had the experience I had on April 13, 1955. On that day I traveled with the bookmobile of the Cullman-Winston Regional Library, across Winston County, Ala., to carry books to the tens of stops that were on that day's schedule. This bookmobile had been brought about largely because of the work of the women's groups in the two counties. The home demonstration clubs and other women's clubs had worked unceasingly to promote the bookmobile and the services it could render to the rural people of the area. It was for me an inspiring experience as we traveled about over that county; and as we stopped and brought books to the people who desired them, I wondered why as a Nation we had waited so long to bring that system of library service within the reach of every citizen. One stop was by the roadside, with no residence or store in sight; yet almost as soon as the bookmobile stopped beside a path leading up a steep railroad bank, 6 or 8 people with armloads of books appeared at the top of the way, including stores and schools and small towns and individual points or stations, where people would return books and pick up new books for their reading. We were accompanied on this day with the bookmobile by Mrs. Beulah Howle, the efficient librarian of the bookmobile, and by Miss Evelyn Day Mullen, director of the public library service division of the State of Alabama. Both were inspired by the possibilities of the bookmobile program for rural areas.

The people in counties like Cullman and Winston, in Alabama, have, by hard work, led the way, in showing that bookmobile service is practical. If we pass this bill, providing the small amount of $7½ million per year for 5 years, I want to hazard the prediction that at the end of the 5-year period the system of rendering library services by bookmobile will have spread all the way across rural America. The passage of this bill will be one of the finest actions that this Congress can take during this session.

I want to take this occasion to commend those members of the committee who have been actively interested in this matter. You have heard the eloquent statement of the gentleman from Georgia [Mr. LANDRUM], who performed a great service as chairman of the subcommittee which considered and reported this bill. He represents a rural area in Georgia, just as I do in Alabama, and he knows the need for this type of legislation. You also have heard the gentleman from North Carolina [Mr. BARDEN], who has made such a great record in the field of legislation pertaining to vocational education. He gives this bill the full weight of his influence and leadership. The lady from Oregon [Mrs. GREEN], whose name this bill bears, has worked unceasingly for its passage since she came to Congress. She has very ably pointed out this afternoon that this bill will cost each American citizen, each year it is in operation, the cost of a 5-cent pack of chewing gum. There are many others whose names I would like to mention. The gentleman from New Jersey [Mr. THOMPSON], the gentleman from California [Mr. ROOSEVELT], the gentleman from Montana [Mr. METCALF], the gentleman from Kentucky [Mr. PERKINS], and the host of twenty-odd ladies and gentlemen from both sides of the aisle who introduced a bill on this subject, and many others are entitled to the thanks of the country for the service they have rendered in promoting this bill to provide better libraries for all America.

The bill properly leaves to the State library agency in each State the duty of formulating all plans for this library program. Something has been said here this afternoon that indicates that some Member might have felt that the bill allows the selection of books to be made by the Federal Government. Mr. Chairman, I want to say that the selection of the books under this bill will be by the State and local library agencies. The direction of the demonstrations, in short, the complete execution of the program, will be by the State and local agencies. That is as it should be.

Someone has said that life's first danger is an empty mind. In answer to that we may be too prone to say in America that we live in the strongest nation on earth. We say oftentimes we are building houses at the fastest rate they have been built in history. And if we are pressed a little bit, we say that we own more automobiles than any nation on the face of the earth. We have conquered the airways. We have broken the sound barrier. We have cracked the atom. But I want to say to you that we must not forget that man builds no structure, however ably he may build, that outlives a book.

This bill will bring the opportunity for the greater use of books to the people of all America and to the people of the rural areas where the need is greatest.

I was impressed very much with what Gen. William F. Dean said not so long ago in General Dean's story. He said:

> I read anything they'd let me read. I was interested in finding out what modern communism was all about. You can't fight something intelligently unless you know what it is. In the United States we can't afford to be so ignorant.

Mr. Chairman, in the United States we cannot afford not to pass this bill and bring its benefits to our citizens who do not now have public library services.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi [Mr. SMITH] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SMITH of Mississippi. Mr. Chairman, I want to join in urging the House to adopt the library services bill, of which I am very proud to be a cosponsor. This legislation ranks as of relatively minor importance in the overall congressional schedule, but I think it may in the future take rank as one of the most important acts of the 84th Congress if we write this bill into law.

Two questions are fundamental regarding the library services bill: Do the States need it? Will they use it wisely? Only in the answer to these two basic considerations can be found the right course to take on this question of helping to provide rural library service.

Mississippi provides, as do many other States, a positive and clear-cut answer to both these questions.

Do they need it? Mississippi has more than a million people without public library service of any kind. They are almost literally people without books. In thousands of rural homes there still, even in this day of profusion of printed information, are not even newspapers and magazines, much less good books to read. But these deplorable facts alone would not answer the question, "Do they need it?" unless it can be established that they want library service and that they are making any efforts themselves at home to get it. In 1949 a total of $330,000 was spent for local public library service in the entire State; increasing steadily, by 1955, that total had risen to $768,000. This is the same percentage of increase as the growth in the State's wealth and income. Clearly there is indicated that with the people's ability to pay comes their willingness to spend their money for books and libraries. Mississippi libraries are operating bookmobiles on the absolutely unbelievable sum of 30 cents per capita per year. True, it is not what anyone would call good public library service, but it is the best they can do and they are doing it. That is basic. In 15 of the State's completely rural counties not even that much can be raised locally, and it is in these counties that help would be the difference between books to read and a recourse to the trash and filth of the newsstand.

Will they use it wisely? People have not waited for the Federal Government to push them into planning for public library development. Far from it. In Mississippi in 1947 a concentrated effort by several different agencies and groups

took a long, hard look at their conditions and by means of a survey determined what direction sound library development should take. Since then a large number of people have been working tirelessly to implement the recommendations of this survey.

Several basic principles that are involved in the program that is now unfolding in my State are identical with the ones that will determine whether the money available under this bill will be spent effectively and wisely.

In the first place, larger administrative units are being set up so that every cent of unnecessary overhead will be eliminated. The need is for books, not administrative redtape. Already all public libraries in the State, with three exceptions, have been brought into countywide areas of administration. In six instances, several counties have joined together to support what is known as multicounty libraries. These mean more places for people to get books and less expensive technical processing, bookkeeping, and so forth. It means that the large pool of books assembled under cooperative measures will be available to more and more people, and that they can be moved from one place to another with economy and speed to insure a fresh collection of books in each little village at each new bookmobile stop.

In the second place, nobody gets any benefit from any outside money until he has done the best he can for himself. There are no handouts in Mississippi libraries. Even when the State has only $500 to help a county, it refuses to do so until that county has made its maximum effort, set up its operation to insure maximum returns, and established itself along clearcut legal lines within the framework of the law. "The Lord helps them that helps themselves." And the library funds look in that direction for guidance. Members of the United States Congress need have no fear that a group of Mississippians who are not willing to do what they can for themselves will get any money from this source. There will be so little of it that, rather than being some sort of bonanza, it will be necessary to examine every cent of it with extreme care to make sure that it fulfills its purpose. The citizens of Mississippi who have worked so long and so hard for their libraries under unbelievable odds of poverty and who want to extend their services to their poorer neighbors but cannot now do so will see that only the deserving get the funds. That discipline will be taken care of at home, without doubt.

The third and final principle upon which current library development is taking place, and upon which any further increase will be based, is that unless there is some chance for future continuation, no help is forthcoming. The road must be clear ahead before anything is set up. What will happen when this money is gone? Every cent that goes into Mississippi libraries from any source gets the searchlight of that question. It is an investment, not an expenditure. It is a foundation stone, not a firewall.

The people know of the terminal phase of this legislation. Already their plans have been laid with that in mind. They have known that what State aid they had, small as it has of necessity been, involved the ever-present necessity of supporting themselves. With Federal funds, they face the same realistic approach.

Sound planning, local responsibility, and economical structure—these are the three principles upon which public library service is being built in Mississippi. And whatever help comes to the State from these funds will continue to be administered by these identical principles.

Mr. McCONNELL. Mr. Chairman, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BERRY. Mr. Chairman, I hope there will be no opposition to the passage of H. R. 2840, the rural library services bill. In this country where we have the highest educational standards in the world, no one should be deprived of library service. It is in the national interest for every citizen to have access to good reading material.

We in the sparsely settled West are especially interested. South Dakota, together with the neighboring States of North Dakota, Wyoming, Nebraska and others in the Great Plains region, through its historical development has a tradition of pioneering. The people of South Dakota with their courage, resourcefulness and the spirit of the early pioneer have striven to develop the educational and cultural background of the State through the organization of small community libraries. Many of the small public libraries have been so successful that the municipalities through due process of law have assumed the full responsibility for the library so that the residents within the legal boundaries of the municipalities may have the privilege of obtaining books and other material necessary for an intelligent understanding and solution of State, National and international problems which affect each individual.

South Dakota has made progress. However, although the progress in the development of libraries has been steady ahd strong, it has not kept pace with our modern civilization with its scientific advances and a world where distances have shrunk. The individual citizen must more and more participate in the intelligent solution of these problems if our freedom and the American way of life is to be preserved. Hence, the need for Federal funds to assist the State and the other States in the Great Plains region in developing a pattern of library service which will be peculiar to the area and geared to informing and educating the citizens in the current problems of a rapidly changing world.

Today 53⅓ percent of the population of South Dakota or 345,490 people are without public library service. Of the 87 public libraries which offer library service to the 47.7 percent of the people of South Dakota, or 304,539 of the population none of the public libraries with the exception of 3, offer a service adequate to meet the American Library Association standards or the needs of the people. The expenditures per capita for library service in South Dakota during 1954 was 56 cents per capita. The minimum standard of per capita expenditures for library service as developed by the American Library Association is $1.50. The per capita number of books recommended for book collections in public libraries is based on the population served. At least 2 volumes per capita should be available for the people in our small communities with no library having book collections of less than 6,000 volumes. With the exception of the libraries in the larger communities—Sioux Falls, Rapid City, Aberdeen, Watertown, Huron, Mitchell, Yankton, Brookings, Milbank, Mobridge, Webster, Madison—most of the libraries have far less than the minimum number of 6,000 volumes. The number of current books purchased by the same libraries is inadequate. In fact, the State Library on its 1953–54 appropriation was able to purchase only 1 new book for every 125 people without library service.

South Dakota is a State which is entering a new phase of development. Heretofore, it has been basically an agricultural State with its denser population in the eastern part of the State, small ranches in the central part of the State, and very large ranches in the western part of the State.

With the development of the Missouri River and the construction of the Fort Randall and Oahe Dams, a new source of power is available not only to South Dakota but to the other States in the area which will influence their future. The availability of power will tend to attract industries within the State which, in turn, will necessitate a change in the pattern of community life with its attendant growth of population. This will call for more modern educational institutions, one of which is the public library.

The money which the library services bill makes available to the several States, together with the provision that each State make a plan for library development peculiar to its own State, is particularly important and needed in South Dakota, since such funds are not available from the State.

The western half of our State with its sparse population and small assessed valuations is a section which needs particular study in the development of library service. This area is generally known as the ranch area with the exception of our scenic Black Hills. In this section of the State, which is my district, there is a total population of 158,147 people. Over 60 percent of these people do not have public-library service. In this congressional district there are 23 counties, 13 of which are without any public libraries. Three of the counties in this area have countywide library service. Only one of the public libraries—Rapid City—in my congressional district meets the American Library Association standards.

The rural people of South Dakota are eager to be informed as evidenced by the cooperation which they give the Extension Service with its various adult-education programs and the public schools to which they send their children. The eagerness with which they read the books on the Reading in the Home list, which is compiled by the State library and distributed by the Extension Service, is proof of their desire for information not only on homemaking and agricultural problems but also State, national, and international problems. It is to meet the needs of our rural people that programs such as contemplated in the library services bill are needed. Our President, the Honorable Dwight D. Eisenhower, said:

> To the intellectual development of our citizens—and thus, to their ability to participate in the activities of this Republic—few habits are more important than reading.

I submit the following facts for your information and for the RECORD:

South Dakota has 68 counties; 4 unorganized counties; 17 counties in South Dakota without public libraries; 7 county libraries in South Dakota.

Total population in South Dakota, 650,029; population without library service, 345,490; percent without library service, 53.3.

Twenty-three counties in South Dakota in my district; 13 counties in the district without public libraries; 6 counties in the district with 1 public library; 1 county in the district with 2 public libraries; 3 counties in the district with county libraries.

Total population of the district, 158.147; population without library service, 94,800; percent without library service, 60.

Under unanimous consent, I insert in the RECORD an editorial appearing in yesterday's edition of the Washington (D. C.) Star, as follows:

LIBRARY-SERVICES BILL

> There is really no good reason why any Americans should be cut off from public-library service just because they happen to live outside of cities. The public library has been called the university of the people and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paperbound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stopgap means of distribution, attests that a large hungry clientele exists.
>
> Tomorrow the House will consider—we trust, favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library-services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities and impacted areas. Previous similar measures have fallen before objections that public-library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.
>
> H. R. 2840 has the bipartisan sponsorship of 27 representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everyone the instruction, diversion, and solace which books incomparably offer.

Mr. McCONNELL. Mr. Chairman, I ask unanimous consent that the gentleman from Nevada [Mr. YOUNG] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. YOUNG. Mr. Chairman, I would like to take this opportunity of commending the Education and Labor Committee for their work in bringing forth this legislation. Its enactment by Congress will do much to further education and develop better citizens in areas not now receiving adequate library services. I would like to take just a few minutes Mr. Chairman to show how this bill will benefit districts such as I represent.

According to statistics released by the Bureau of the Census, Nevada is the fastest growing State in the Nation. The population increase since 1950 has been 31 percent. Interest in education is growing as fast as our population. A little over a year ago we had a statewide survey of our public schools, and since that time we have completely revised our thinking on taxation in order to improve our public-school system. Our State university has almost doubled its enrollment in the past 3 years. Adult classes in high schools and university extension classes have increased. And interest in libraries and demands upon their services have increased mightily in the past 4 years.

Nevada people have made greater demands on their libraries, particularly in rural areas, than ever before. None of the libraries have been able to meet these demands satisfactorily. Most of them have that common handicap—insufficient funds. But probably they have a worse case of it than many other public agencies. A small population and long distances in Nevada have provided us with cities and counties with populations too small and tax bases too narrow to support good libraries. As a result, the county library in my home county has operated for 18 years without purchasing a single book with county funds. In 1954 the Tonopah City Library spent a total of $8.95 for books. Another city library that same year spent $44.11, and a county library at the same time had only $42.45 for books in a year's time.

These problems have set Nevada people in search of an economical and practical way of giving library service. The people at our State library have conferred with the Nevada Library Association, local government leaders, and with interested citizens on this problem. They have what is considered a good, practical plan for overcoming some of these difficulties.

All this was done because of Nevada's interest in education, and a conviction that the public library makes a vital contribution to the educational level of our State. Cities have supported libraries for well over a century. Libraries are needed as badly in rural areas as they are in cities. Nevada does not have second-class citizens, the people living in our rural areas are the backbone of our State. We cannot afford to neglect educational opportunities in our rural areas. In this way Nevada is not very different from the other States: People, and the welfare of our country, are our primary concerns.

The future of this Nation is directly dependent upon the integrity and worth of each individual citizen. The development of the potential of each man and woman of our State and Nation is of immediate concern to each of us. Government in the United States, unlike that in totalitarian countries, depends upon the judgment of the people. We need people who think, and think straight. Schools and colleges can give the fundamental education to their students, but the successful student is the one who is able to read and think critically after he receives his last diploma.

Public libraries are centers for individual study. They provide information on all subjects, on all sides of controversial issues. They encourage self-study. They stimulate learning and discussion of vital problems. They furnish citizens with information needed on their jobs. They build better citizens.

Our military psychologists have been studying the defection of the 21 Korean prisoners of war who chose to forsake their country for communism. There is at least one answer to their weakness, educational deficiency. It is almost incomprehensible to most of us how men could make such a choice. Americans who know their country, their Government, their people, and also know the contrasts in Communist countries could not make such a choice. Again, our Nation and its very existence depends directly upon the individual citizen.

Our national average for years of school attended is now around 10. President Eisenhower has called attention to the need for better educational opportunity. The White House Conference on Education was called for these very reasons. Studies of the Soviet plans show the importance the Russian leaders are attaching to continued education. Fears have been expressed that the development of scientists in the East will outstrip the West.

Totalitarian countries have always recognized the power of education. Dictators burn libraries, and replace them with carefully prepared propaganda. The United States must build libraries.

Some have answered that books and magazines are plentiful and that libraries are becoming obsolete. The fact that propaganda is plentiful is just another important reason for libraries. There must be one free, impartial source of information to which the citizen can turn for help in evaluating this propaganda. Libraries are this place.

Nevada is acting on its problem. The tremendous problem of support and geography can be licked. We now have a plan for a statewide library service to every community and area of the State of Nevada. This plan has three important features: First, development of a strong, coordinated library collection of

books and materials in Nevada; second, use of bookmobiles manned by trained librarians to give library service to areas of the State now without libraries; and third, a library consultant who can teach untrained librarians while they are on the job.

This plan can provide an economical, yet highly satisfactory, type of library service in Nevada. Even if Nevada's small communities had unlimited funds for books and library service it would not be sensible for any one small city to buy all the books it needs. Towns like Pioche and Beatty need access to the advantages of a huge library system such as that in the city of New York, but do not need the library in their backyards. This plan will make books available to citizens through their local public libraries and through bookmobiles.

Many of our small communities have libraries manned by untrained librarians who need the help of a library consultant who can work with them on their problems of book selection, library administration, and services to readers. A library consultant can help these people make their libraries more efficient and enable them to give their readers better service.

Nevada is not sitting back waiting for Federal handouts to libraries. Each year small progress is made on achieving this program. Legislative appropriations to the State Library extension service have more than doubled since 1953. But we are still a long way from even barest library service in most of our rural communities. We lack the books, the bookmobiles, and the library consultant we need. The library services bill will stimulate library development during its 5 years. We are for the library services bill because it is terminal legislation. We know that library service is important enough in Nevada, and in other States, that once it is demonstrated through the library services bill it will be continued by the people of Nevada and by the voters of other States through State legislation and local appropriation.

Mr. FERNANDEZ. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, I am wholeheartedly in favor of this bill which is designed to promote the development of public-library service in rural areas. The committee should be commended for bringing this bill to the House.

The benefits of an abundant supply of books to the reading public are incalculable. Yet, though most of our larger cities and communities have large and complete library-service systems, many rural areas are deplorably lacking in even the minimum of library service.

Because of this lack of service the people of these rural areas are deprived of what in our country should be as readily available as the food which we eat, for books are food for the mind. Through them we can absorb and understand the broad sum of information conserved by civilization.

As the report states, the purpose of the bill is to aid the States in the extension of public-library services to rural areas within the States which are now either without such services, or possess inadequate services, and thereby encourage participation of the local people in the promotion of such libraries.

Public schools are free and tax supported as a necessary function of the State in the formal education of our children, and likewise the free, tax-supported library should be considered an integral part of their broader education.

Throughout the year public libraries provide supplemental material in the general education of the child through a broader scope of material not available in basic texts. They provide adults as well with the opportunity to broaden their education. As a positive combative force against juvenile delinquency, the public library stands high, as is pointed out in the committee report.

During recent years the education level of our country has risen tremendously, and we must, through the expansion of library services, keep pace with the demand for books which that expansion stimulates.

Once again I say the committee should be commended for bringing this bill to the House, and the gentlewoman from Oregon [Mrs. GREEN] should be congratulated for her success in sponsoring this bill, and for getting it reported out so that we may vote on it before the session is too far advanced.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentlewoman from Michigan [Miss THOMPSON].

Miss THOMPSON of Michigan. Mr. Chairman, I wish to associate myself with H. R. 2840, the library services bill, and also read a statement by the gentleman from Ohio [Mr. JENKINS] in regard to this bill. His statement is as follows:

> As one of the sponsors of this act to promote and develop library services in rural areas of our county, I wish to say that it is my firm belief that this bill is necessary, and that its provisions will make it possible for many millions of Americans, now denied the use of books and other materials provided by public libraries, to enjoy the benefits of public library service.
>
> In my own State of Ohio, I estimate that there are at least 570,000 persons in the economically undeveloped southeast portion who have little library service, or none at all. In this area of more than 8,000 square miles there are libraries which exist on as little as 11 cents per capita, and the average support for public libraries in the area amounts to only 45 cents per capita. Since the American Library Association recommends the expenditure of $1.50 per capita for only the barest minimum service, it is easy to see that so-called library service is impossible in the greater part of the region. Shocking as these figures are, by and large Ohio is much better off than many other States and areas in the matter of public libraries. Where the local tax return is so low that adequate support of libraries is impossible, the aid which will be given by this bill will help to stimulate the people to seek adequate aid from their States, once they have learned by demonstration what the library can give.
>
> The library services bill is wise in its provision for limiting aid to the States to a period of 5 years, and in providing for a matching of Federal funds by the various States on a fair and workable formula. It is wise, also, in allowing the States to use the Federal funds as they see fit, so long as the money is used to extend public library service to areas which now have none.
>
> We have developed our schools to a high degree, and our colleges and universities are returning more and more trained and educated people to their home neighborhoods every year. These people, as well as those who have been denied higher education, desperately need public libraries as a complement to their formal schooling. An enlightened and informed public will be able to fend off and defeat the subtle insinuations of propaganda and subversion which threaten us.
>
> Public libraries, except in some wealthy communities, have never received decent support. A good library is far less expensive to support than a school, yet its influence and power are beyond measure. Scientists, teachers, businessmen, leaders in all walks of life, as well as the housewife, the working man, and the child who is eager to learn, turn to the public library for information and inspiration.
>
> I believe that this bill will provide benefit and pleasure to millions of Americans who now have no access to libraries, and I ask the support of all members of the House in making this bill into law.

Miss THOMPSON of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. BENTLEY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Chairman, I would like to express myself as favoring passage of H. R. 2840. I have received a great deal of correspondence from my district in favor of this legislation and pointing out the fact that its enactment would serve as a stimulus to local authorities to provide library services.

I feel that providing Federal aid to the States for the demonstration of public library services in rural areas with inadequate library facilities will bring great benefits, considering the small cost involved.

I sincerely regret that commitments in my district prevent my being on the floor when this important matter is brought up for consideration.

Mr. McCONNELL. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, I am glad that the House today is considering the library-services bill, H. R. 2840. I compliment the Committee on Education and Labor for the excellent work they have done on this bill. This is a measure designed to promote the further development of public-library service in rural areas throughout the United States. On January 24, 1955, it was my pleasure to introduce H. R. 2860, a bill identical to the measure we are considering at the present time.

Library-service legislation has been long overdue. Library legislation was before the House of Representatives on Thursday, March 9, 1950. I voted to support the legislation at that time, and it is my hope that the measure under consideration today will be unanimously approved by the House.

This legislation is greatly needed in order to make available local public-library service to the approximately 27 million Americans who do not now have the opportunity to avail themselves of such service. It should be noted that along with these 27 million there are about 53 million more of our people who receive inadequate public-library service. Library service is one of the prime essentials in a democracy, and we should certainly do all we possibly can to make it available to our people.

This legislation is intended to stimulate greater interest in and support of public-library service by State and local governments. In the 5-year period of the program provided for in this measure, the State library agencies will, I am sure, be able to demonstrate adequate library service with the additional funds made available under the act. This is exceedingly important, since people need to experience good library service to realize its value.

GOAL OF THE LEGISLATION

Because of the great lack of public library service prevailing in the rural areas of the Republic, this bill is designed to assist these areas. Under this library services bill a rural area is defined as an incorporated or unincorporated place of 10,000 population or less. In most instances, a community of 10,000 or less is unable to finance an adequate library program independently. One of the goals of the legislation now under consideration is to develop larger units of public library service drawing together a number of such communities, a whole county or even several counties in order to provide a financially strong, well-stacked and efficient library system.

A library in a city larger than 10 thousand population can be brought into the plan under the bill if that library agrees to extend its services to the surrounding rural areas. In many cases, such an urban library can become the headquarters for a larger unit of service. This development needs to be done on a large scale throughout the country and can be brought about within the 5-year program of the library services bill. Such systems will be able to carry on the service after the Federal help is withdrawn. These larger units of service will be a major solution in overcoming the public library shortage in the United States.

AUTHORIZATION OF FUNDS

The library services bill provides for the authorization of $7,500,000 a year for 5 years. These funds are to be used by the several States in developing adequate public library service in the rural areas. The States must match the Federal funds in order to participate in the program. Each official State library agency is required to submit a plan to the United States Commissioner of Education showing how the funds will be employed. The State agency would have complete authority over the development and execution of the plan, as well as the selection of the books and other library materials and personnel.

The Commissioner of Education must approve the plan if it carries out the specifications in the bill, which requires that: Funds are to be used for public library service in rural areas; none of the money can be used for the purchase or erection of buildings or the purchase of land; and the State cannot cut back on the funds to the State library agency below that of the year previous to the one in which the Federal funds are received.

STATEMENT OF HEARING

On May 25, 1955, I appeared before the Committee on Education and Labor in support of the legislation we are considering today. At that time I stated:

> The proposed library services legislation is for the purpose of providing an urgently needed stimulus in the struggle to overcome a national shortage of library facilities and library services in rural areas. The proposed legislation is not intended to subsidize or to foster a control over any of the libraries in the Nation; it is to furnish the initial incentive in a long-range program. Once such services and facilities are established and once they are operating satisfactorily, it is confidently anticipated that local and widespread demand will insure their continuance long after Federal assistance has been discontinued.

NEW HAMPSHIRE LIBRARIES

I now turn to a discussion of the library situation in my own State. New Hampshire has 239 libraries in its 236 towns. There are only 4,300 people in the State without a local public library. These libraries vary from well-supported city libraries with excellent book collections, experienced staff and progressive programs to stimulate the use of books and related materials, to tiny towns where the library is open only a few hours a week and there are only meager funds for the purchase of new books. If a library is to be effective, it must have sufficient funds to provide regular purchase of the best books for children and young people, and recreational reading, thought-provoking and informative materials on all subjects for adults.

Yet in 1955 there were 177 public libraries in my own State which did not have even $500 for the purchase of books. Town sources for added taxes with which to improve local libraries are meager. New Hampshire has tried to help this situation. The State library has divided the State into four areas and established branch centers, with a librarian, whose special task is aiding these small libraries, in charge of each area. Each area has a bookmobile—in some cases provided by the New Hampshire Federation of Women's Clubs—which visits libraries with regularity and loans good books to the library for reloaning to children and adults. In addition, the State library operates a mail-order service for these libraries, answering difficult reference questions and mailing out unusual titles.

PROPOSED PROGRAMS FOR NEW HAMPSHIRE

Although satisfactory as far as it goes, we believe that better service can be obtained through cooperative programs. When the proposed legislation is enacted, the New Hampshire State library will immediately inaugurate several programs in an effort to demonstrate that better library service is possible. These programs will enable the State library to determine acceptable size of area, the techniques best adapted to New Hampshire and unit costs, so that legislative bodies will possess sound facts on which to base decisions about future library service.

The demonstrations will include the development of a federation of libraries, which will work together and share services and material. Each library, while retaining its autonomy with its own board of trustees, will be a part of a group and from this unification will gain strength. The local reader will be free to use any library in the system, either close to his home, in the town where he does his shopping, or in the city library. To the librarian it will be a relief from ordering and cataloging of books, since this will be done at the central library in the system, and funds will go further since books will be bought in quantity. Librarians, by working together, will thus have an opportunity to learn more about books and library techniques.

The section of the State selected for demonstration of the advantage of the federation of libraries will take into consideration existing strong libraries, with a practical, workable, economical and efficient federation of libraries as its aim. Such a demonstration may convince our towns and our States that a unified service will be best for all our citizens.

For the small rural libraries not in a federation, the demonstration will also include strengthening a present branch office and providing better service. Aid will be given to libraries in organizing programs to encourage the use of books, including story hours for children, adult discussion groups and television and radio programs about literature. The staff and book collections of the branch office will be enlarged to provide every possible library resource for the rural libraries in the area. In a State where the majority of libraries are open only a few hours a week, there are very few libraries with experienced librarians. Therefore, it will be desirable to have librarians who are specialists in work with children, teenagers and adults available to help the part-time rural librarian. New Hampshire's plan calls for a young people's librarian, a children's librarian, a reader's adviser and an adult education specialist to assist local librarians in initiating and carrying out special services which will make libraries effective. Working under the guidance of the specialist, the librarian and library board will discover ways of using local resources and developing programs best suited to the local situation, and will become more efficient in their work.

These demonstrations of better library service will be similar, yet there will be enough variation to provide a good test of what is best for New Hampshire. The strengthening of an existing program of service by enlarging the staff and book collection of one of the State Library branch offices has wholehearted approval and support at the present time. However, a program of unification in a cooperative venture may be a stronger method of securing good library service for all. An evaluation of these two types of better library service, from both a financial and effective viewpoint, will provide information which will enable the governing bodies of the towns and the State to select a pattern best suited to New Hampshire.

There can be little doubt about the acceptance of responsibility for these programs once their value is demonstrated. Some years ago a legislature intent on economy curtailed the bookmobile work. The people of New Hampshire were quick to defend and request its restoration. Once people discover the value of good books, they are loath to lose them. By providing effective libraries, cooperative programs will be a stimulus to towns and cities, thus encouraging the use of local funds for better library service.

I am certain that you will agree with me that there is much need for this legislation throughout the United States. I am very much pleased that the New Hampshire State Librarian, Mrs. Mildred McKay, who was formerly president of the National Association of State Libraries and who appeared before the Committee on Education and Labor in support of this legislation, has made available to me the proposed programs for New Hampshire which I have just presented. Mrs. McKay has given great leadership in this work and has certainly developed excellent plans for New Hampshire.

WIDESPREAD BENEFITS

Again I refer to the statement I made before the committee on May 25, 1955. In closing my remarks, I used the following words:

> The public library can and should be an invaluable supplement to the work of our schools. For several years the trend in elementary and secondary teaching has been to make more and more use of materials and publications outside the conventional classroom, and beyond the textbook itself. The public library is the natural haven for such requests. Adults, in turn, also find the library an indispensable storehouse of recorded information. The businessman, the farmer, the artisan, and the housewife all at one time or another find guidance and assistance in a public library. For the vast majority of adults, the library offers the only free, tax-supported opportunity to continue education where either the elementary or secondary school left off, or even to continue from where higher education may have terminated. The library in most instances, if well equipped, is willing to and capable of providing the opportunity for continuous education, self-improvement, recreation and culture. Also with reference to a compelling question of the day, only an educated and alert citizenry is competent to cope with the insidious aspects of communism and world strife. All effective means of information and education must be utilized in order for the adult to render sound judgment on current critical issues. The public library is the institution especially qualified to fill this need, more particularly, libraries in rural areas.

The legislation now under consideration will be a great stimulus to the development of better public library service in rural areas throughout the country. I hope that before the adjournment of this session of Congress, the legislation we are considering today will become law.

Mr. BARDEN. Mr. Chairman, I yield 4½ minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, I am vitally interested in the passage of H. R. 2840 to promote further development of public-library service in rural areas. I assisted in sponsoring similar legislation in the 81st Congress, and on January 24, 1955, introduced H. R. 2870, a companion bill to the one now under consideration.

Mr. Chairman, education is made up of a number of things. We want our young people to have good schools, good teachers, and good libraries. For this reason I believe in Federal aid where it is a proven national necessity. I believe that a program of public-library services for rural areas is of utmost importance for the continuous education of the American people—as citizens, workers, and community leaders. I am in favor of Federal aid for library services in rural areas because such a program would make a significant contribution to the extension of education where it is greatly needed. This Federal-aid program, in particular, would render a service to millions of persons in the farm areas of this country.

Library-service programs in rural areas where they have been tried successfully have been wholeheartedly received and supported by the people. This is one reason why I am convinced that a program of Federal aid is important because it will stimulate local interest and support which otherwise might take years to develop.

I favor this program because it represents to me a reasonable function of the Federal Government. The Nation as well as the States should be concerned with libraries, like schools.

Increased educational attainment is a national asset just as much as it is a State and local asset. The availability of public library facilities should not be limited only to some citizens of this great Nation. The library services bill would extend much needed library resources to many more persons who really need them.

Twenty-seven million people in these great United States are without access to local public-library services of any kind. Ninety percent of this group live in rural areas entirely untouched by libraries of any kind. This bill, if enacted, would go a long way toward bringing these people books and information which they should have. Far too many rural areas in this country do not have a library program.

Because experience proves that once people have had rural library service, they find a way to continue the program—it is imperative that a Federal stimulus program be enacted to advance this service. The proposed program would be limited to 5 years. We have proof that after this period a rural library-service program is most likely to be continued through local and State support. In fact, a careful study of this problem in areas where rural-library service programs have been made discloses that the local people readily accept the responsibility for the continuation of library service to the same extent that they accepted rural electrification and the local county agent to advise them about local farming plans. The stimulation of Federal aid will greatly increase the progress toward adequate library services all over the country.

I am convinced that my esteemed colleagues will recognize the inestimable value to be gained from a rural-library-services program such as the one we have under consideration today. Surely, we are all aware of the increased complexity of our society, of the rapid advances in technology, and the tremendous implications these bring to the future well-being of this Nation.

By comparison, we lag far, far behind in many important and necessary areas of knowledge which are vital to the Nation's welfare, nontechnical as well as technical. Our representative democracy requires more well-stocked libraries spread throughout the country. The need for adequate library services is greater now than ever before. The extreme importance of libraries to our Nation's welfare is dramatically expressed by the House committee's report on the current measure. The committee stated that:

> Altogether, the public library performs a practical operating function in our educational processes, our cultural evolution, our economic activities, and our political and social development.

I am firmly convinced of the value of library services to rural areas because of the experience we have had in Kentucky. In a very short period of time the Kentucky program has proved its worthwhileness. Although it does not reach as many Kentuckians as we would like it to, the program dramatically illustrates the need for, and acceptance of, library service by thousands of the citizens of my State. The progress made by the Kentucky rural-library-services program should be given recognition. I am proud of its development.

To many outsiders, probably it has seemed that Kentucky has made itself over in giving book service to its rural people through its 102 bookmobiles. There is no doubt that great progress has been made. Before the bookmobiles were rolling over the hills of Kentucky, 80 percent of the State's rural population had no access to a public library. The little libraries which did exist in some counties were woefully inadequate. Their collections consisted mainly of a few thousand books published for the most part many years ago. Many of these books were falling apart, moldy, musty, and generally dreary looking to any potential reader. No attempt could possibly be made to have up-to-date material. Local funds for the support of these libraries have rarely exceeded a few hundred dollars each year. One of the main arguments against additional support for these libraries has been that they are not used. Naturally they are seldom used—with books that repel rather than attract readers.

What have been the experiences of bookmobiles. Since this program got underway, bookmobiles have circulated 2,813,279 books to 198,760 Kentuckians. To do this job, these mobile libraries traveled 44,849 miles, stopping regularly at 2,588 schools and 1,653 rural communities.

This bookmobile program was inspired and "put on the road" through the gargantuan efforts of a group of patriotic Americans in the Commonwealth of Kentucky headed by Mrs. Barry Bingham, of Louisville; Mrs. Paul Blazer, of Ashland; Mr. Harry W. Schacter, of Louisville; and Mr. Merle Robertson, of Louisville.

These citizens joined with the local communities and the State government of Kentucky to organize a campaign which resulted in the creation of Kentucky's bookmobile program.

How has this tremendous new service affected each county?

To answer this question I am inserting only a few excerpts of many, many observations about our Kentucky rural library services program:

LAUREL COUNTY

Next to getting electricity in our house this is the best thing that has ever happened to us. (A reader.)

This is an answer to prayer. (A reader.)

The eagerness with which these people await the coming of the bookmobile, the smiles on their faces, and things they say do much to compensate the librarian for her hours of driving in the cold, snow, rain, or burning sun; they make her feel that she is bringing pleasure, help, information, and perhaps a new way of life to many people. (Mrs. H. V. McClure, bookmobile librarian.)

JACKSON COUNTY

At first most requests from children were for funnybooks and westerns. But now what a difference. They seem to be different children altogether. After less than 2 years reading, they know what they want and how to request what they can't find. Last week a little fourth-grade boy said, "Mrs. Abrams, I don't want to be selfish, but do you have any books on old time history—like when this country was first settled?" The expressions of the children while looking for books are most amusing. "Oh, look at this," "Oh, I want this one," "Oh, I could read every one here," "This is what I've been wanting." A minister's wife remarks, "This bookmobile is a blessing to us and all the books are so good, too." More and more adults are reading and taking books home to read to preschool children. There are many requests for books on farm life, housekeeping, history, geography, maps, handicrafts, arts, plays, and games.

JESSAMINE COUNTY

Achievement tests given at the beginning of the school year and at the close of school showed that the reading level of most students had improved from 2 to 3 grades. We give the bookmobile full credit for this. Without these books our children would not have had the wide variety of interesting and easy books to read. Our adult reading interests seem to be increasing—more and more books are borrowed for home use when the bookmobile stops at stores in each rural community (Mrs. Icie H. Johnson, bookmobile librarian.)

WOLFE COUNTY

Some of my readers live high up on mountain clearings in log houses built over a century ago by their forefathers. Other readers live in the better agricultural areas; their homes match the latest creations from the architects' drawing boards. All of these readers range in age from 4 to 74. Usually about twelve or thirteen hundred books are borrowed on each trip. The reception of the bookmobile by adults, students, and teachers has been gratifying indeed. (James L. Stewart, bookmobile librarian.)

ALLEN COUNTY

Teachers of the rural schools say their disciplinary problems with bright children who need more than can ordinarily be assigned to them in school have lessened considerably, because the children are happily reading.

OHIO COUNTY

In Ohio County we have hundreds of people without television, without movies, with no entertainment or mental stimulus whatsoever. Many of these people love to read and their bookmobile is their only source of material.

One day, near Fordsville, a man came to the bookmobile asking for a book on electric wiring. He said he had a job waiting for him if he only knew how to do some simple wiring. I had the book. He used it for 2 weeks, learned from it * * * got his job.

I have one family of five which averages reading 60 books every 2 weeks.

ROCKCASTLE

Parents who were introduced to the bookmobile through their children are now leaving their homes and are coming to the truck to select their own books. Mothers are checking out books for their preschool children. Friends are borrowing books for people who are too old to leave their homes. Just think—2 years ago our people had no library service; this avenue of wholesome recreation and of enlightenment was not open to them. (Edna A. McKenzie, bookmobile librarian.)

HARRISON COUNTY

At one stop there are three elderly women who are shut-ins. They cannot get to Cynthiana. These women read 6 books each in a 2-week period. It is indeed a job for them to get bookmobile service. Other women, crippled from arthritis, borrow books from the bookmobile in wholesale lots. One family, which had come from Chicago, missed the public library from the big city more than anything else. Imagine their pleasure at the sight of the bookmobile. (Mrs. C. W. Judy, librarian and bookmobile librarian.)

CHRISTIAN COUNTY

One woman told me her husband had never cared for reading until he picked up one of the bookmobile books; he has been a regular reader ever since.

In the oil section of the county, the children's parents are very poor. At first they cared very little for the books. Now each child selects a book and reads it. I question them and find they are getting lots from their selections. Three of the children select books for their fathers. Their mothers can't read. The bookmobile has truly been a missionary blessing to these people. (Mrs. John H. Eades, bookmobile librarian.)

M'CREARY COUNTY

Five people in our county have read every juvenile and adult book on the bookmobile. They have encouraged others to read and have helped them with book selections. Now, they are begging for more books. The homemakers clubs throughout the county have used the bookmobile extensively. The bookmobile is not a charitable help to the poor and needy of McCreary County, it is an educational ladder to all who desire to use it. (Mrs. Lona J. Taylor, Whitley City, Ky.)

Quite obviously the program has begun to make Kentuckians aware of what they have been missing. Years of attempting to educate people to realize their own library needs were ineffectual in comparison to the startling effects of a bookmobile. To communities starved for books, the bookmobile with its fresh, new enticing books has represented a bonanza. But we know that a bookmobile and 2,000 new books are only a beginning; that the bookmobiles without good libraries back of them can never give rural people really good library service. Bookmobiles can never carry enough nonfiction to satisfy all subject requests. They can never furnish answers to reference questions. They are only a part of a much broader system of library service—an arm, so to speak, of a public library.

Just as bookmobiles have stimulated a realization on the part of Kentucky's rural citizens of their needs for good new books, so the Library Service bill will arouse a still greater understanding of what really is needed to provide rural people with well-balanced, well-organized, well-administered library service. Few people can envision such a system. They must see it work, feel its influence, practically taste the new atmosphere it engenders before they are willing to strive for its support at local and State levels.

It is obvious that bookmobiles have gone far in Kentucky, but not far enough. The dire need for planned library systems with skillful readers' advisory services, with up-to-date collections of books on every subject, with the best reference tools, and with planned programs of adult education still exists. Only Jefferson County in Kentucky can be said to have provided adequate appropriations for public library service. Kentucky's citizens gave $300,000 for bookmobiles; the State legislature gave over $300,000 for books and State aid for 1954–56. The Kentucky citizens' march for books uncovered thousands of useful books. Local tax funds totaling $217,717.69 were provided during 1955 for the support of bookmobiles and public libraries in rural areas. These facts make it clear that Kentucky is anxious to do its part,,but a full realization of the total need will be possible only if the library services bill passes, giving rural citizens their first chance to see what good library service could be if only adequate funds were provided.

My close observation of the Kentucky bookmobile program leads me to be in full accord with the proposition that we vote for Federal aid to library services for rural areas. Kentucky as well as many other States in the Union needs to have its rural library program greatly expanded to provide services to the many millions of persons who are still without it.

I am sure that most of the Members of this Chamber agree to the value of public libraries and perhaps there are some who question the expenditure of Federal money for the implementation of a rural library services program. I have done some figuring on its cost and I think I have come up with some very interesting facts concerning the expenditure of $7.5 million, which the program would authorize to be expended for each of 5 years.

I have concluded that if this program were part of our defense budget it would not be questioned. This leads me to the question—what is wrong with our value system in this country? We think nothing of paying $6 million for a B–52 bomber. When faced with the fiscal 1957 estimate of over $2 billion for a 1-year program to develop guided missiles we do not wince or bat an eyelash. How do you explain these figures—they are so astronomical that it becomes difficult for a person to visualize how tremendous they are. We all agree defense expenditures are necessary. Perhaps a comparison with other figures might be helpful. The library services bill, for example, would authorize $7.5 million a

year. This is just a fraction more than it costs to build one B–52 bomber. The $6 million it costs the Government to build one B–52 bomber does not include the cost of operation. In fact, if you add the cost of running one B–52 bomber for 1 year it would probably be as much as $7.5 million a year.

The comparison is even more startling when we consider the $2 billion guided missile program for 1 year. Two billion dollars at $7.5 million a year would last for 266 years.

To give you some impression of just how long 266 years is in time—the program at the rate of $7.5 million a year, would have started back in the year 1690 and come forward through the current year. Or if you were to spend $7.5 million for each year in the future, against a $2 billion total, it would take until the year 2222 to expend it all.

We can describe the cost of a $7.5 million rural library services program in still another way—it would cost each person in the United States 4½ cents a year. Less than the cost of a bottle of soda pop—once a year.

The measure before us today deserves the serious deliberation of each Member of Congress. It proposes a 5-year program authorizing $7.5 million a year to help the States and communities develop a rural library service program. Through the years the free world has become more and more dependent upon the distribution of information. In fact, a representative democracy depends upon the universal availability of information. Recognizing this important fact—vital to all citizens in this Nation—we must enact a program of Federal aid to rural library services.

This measure provides wide latitude for State and local initiative and inventiveness. It would definitely stimulate local interest and support. It has a simple, workable formula and a 5-year terminal date. This legislation would give the State and local communities a splendid opportunity to strengthen the entire pattern of library service throughout our Nation. I am convinced further that the investment of this small amount of Federal aid will produce many worthwhile dividends through a better organized library system and improved State financing.

Mr. McCONNELL. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. Smith].

Mr. SMITH of Wisconsin. Mr. Chairman, I do not oppose the library extension service, in fact, I believe it is highly desirable, but it is a local matter. In my own district we have rural service, paid for by the taxpayers. I want to raise the point, however, that no Federal function is involved under the provisions of the bill now under consideration. For that reason it should be rejected.

It has been stressed in this debate that only a small amount of money is involved and for a limited period of time. Just as sure as I stand here when the 5-year period has expired it will be extended and the money requested will be doubled or tripled. That is the nature of Federal bureaucracy.

Is there any interstate question involved here? Absolutely no. Are not the local communities in a position to finance this kind of program? Of course they are.

The gentleman from Alabama recited an experience. I have had similar experiences. The women in that community provided the service. Have we reached a point in this country where we take the position that Uncle Sam has got to take care of local activities in communities all over this country?

It is said that this is only $7½ million. Over a 5-year period it is over $37 million. It is, of course, very little money in comparison with some of our spending programs. But do not forget this bill only gets the camel's nose under the tent; this is operation "foot in the door."

What is wrong? Why cannot the local communities sponsor this highly desirable program? I will tell you why. Because local officials refuse to tax for that purpose. It is a whole lot easier to come to the Federal Government to make this soft touch, and that is what this is. It is much easier to present a case to the Congress of the United States for these funds than it is to appear before the local county board or before the local State legislature. It seems to me that those who advocate that we take Federal money when we are hopelessly in debt, $282 billion—oh, $37 million is chicken feed. That is true. But I say to you that the issue here is not whether this is a good idea. It is a good idea, but let the local officials tax their people for it. You are asking now that my people be taxed twice for a library service they are already supporting on the local level.

Mr. Chairman, with all due respect, I ask the question: Is this the first move to put over Federal aid to education? I hope not.

Mr. McCONNELL. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. Curtis].

Mr. CURTIS of Massachusetts. Mr. Chairman, everybody wants adequate rural library service. I wish that every rural community in these United States might have adequate service. But, Mr. Chairman, I want to point out the unfairness to some of our States of the means adopted by this bill to reach that objective; and the States of which I represent a part, Massachusetts, has fared ill in many of these Federal aid programs.

The amounts involved are not large, and I do not want to stress unduly the disparity between the financial benefits received by the different States and the contributions which they are called upon to make. Indeed I feel that the State of Massachusetts might be willing to accept this program even if it knew that it was unfair to that State; but I do want to point out a few figures indicating that unfairness.

I can understand that our distinguished colleague from North Carolina should favor this bill. The figures given in the committee report show that North Carolina will receive in Federal aid $303,534 a year, while contributing $156,366 in matched funds. The State of Massachusetts will receive about one-third of that, namely $111,098 a year, while it is contributing only slightly less than North Carolina, $128,131. And Massachusetts taxpayers pay a great deal more in Federal taxes than do the taxpayers of North Carolina.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Massachusetts. I should be glad to yield if I could, but I have only 2 minutes.

Beyond that, this bill injects the Federal Government into a subject that has always been a responsibility of the States and localities. It tends to build up centralized power, and it weakens a cornerstone of American democracy, local control over local matters.

Mr. BARDEN. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. Thompson].

Mr. THOMPSON of New Jersey. Mr. Chairman, I would like to commend the subcommittee which has done such an outstanding job on this bill and identical bills which were introduced by others of us.

Mr. Chairman, after 2 years' study of the library services bill and of the free public library situation in my State and throughout the Union, I am convinced that this bill is both desirable and necessary and in the national interest.

The public hearings conducted by the Committee on Education and Labor during the last session and the report of this committee have established the fact that a large segment of our population is without access to free public library services of any kind. Another large segment of our people has available to them only substandard or woefully inadequate service. Certain surveys by the American Library Association place 27 million in the first category and 53 million in the second category. In other words, approximately one-half of the people in the United States now have no library service or have available to them service which is inadequate on the basis of a modest criterion established in 1948.

During that year, the American Library Association established an annual expenditure of $1.50 per capita as essential for minimum or limited library service in a service area of 25,000 people or more. Since then, the association has revised this standard sharply upward to reflect the increased cost of personnel and management.

Ninety percent of the people without library services and a large majority of those with inadequate services live in our rural areas, defined in this bill as communities of less than 10,000 in population. Because of this fact, the library services bill is geared to our rural areas.

Despite the concentration of this library problem in our rural areas, areas completely devoid of library services and areas served by inadequate library facilities are found in all our 48 States. For example, in my State, a joint legislative commission has just completed a 2-year study of the library situation in New Jersey. It found that more than 200,000 people reside in 72 rural municipalities supporting no libraries of any kind. It also found that more than one-half of the entire population of the State live in municipalities with woefully inadequate library facilities—most of them rural as defined in the library services bill. These conditions prevail in New Jersey in spite of the fact that New Jersey ranks among the highest States in the union in per-capita expenditure for library services.

In my district—the fourth congressional district of New Jersey—47 of the 53 incorporated municipalities are rural by definition. Serving these 53 communities are 2 county libraries and 13 municipal libraries. Only three of these municipal libraries spend as much as $1.50 per capita per year. The median expenditure of other ten municipal libraries is only $2,800 annually. I think that we will all agree that no decent library can be maintained at this level. Furthermore, 40 municipalities in my district have no local library facilities and must depend on the services rendered by the county libraries, which are poorly supported. One has an annual expenditure of only 23 cents per capita; the other 63 cents. And there are districts in my State that fare much worse in the availability of adequate library facilities.

I have given you this brief account of the conditions in New Jersey and in New Jersey's fourth district because, I believe, they are illustrative of the conditions to be found everywhere in the United States. In most of the other States, in fact, the evidence shows that we can expect even greater and more extended deficiencies.

These conditions patently call for additional financial support by the municipalities, the counties, the States, or the Federal Government. The recent history of the library movement in the various States shows that the local governments have been increasing their support of libraries and that the State governments have begun to accept a greater portion of this obligation to serve our people. But this progress has been slow and the amounts expended have generally been too small.

Several factors have been responsible for this failure. We are all aware of the highly competing demands for the local and State tax dollar by our schools and other local and State services. As I see it, however, there is even a more important reason: the lack of understanding and appreciation by many of our people of the value of libraries to the citizens, the community, State, and the Nation. Our rural people who have never had good library services do not appreciate what they do not know. They need to be shown the value of good library services and the effective role they can play in any community. The library services bill is designed to do just this. At the same time it recognizes that our free public libraries, as an integral and essential part of our whole plan for public education, have always been, and should continue to be, a primarily local and State responsibility.

This bill, through a modest program of grants-in-aid on a matching basis for a limited period of 5 years, would encourage and stimulate the States and their local governments to accomplish what they have generally failed to accomplish in the past—to embark on programs of library improvement in their rural areas. Through the use of these Federal grants, matched by State and local money, they would be encouraged to set up demonstration library centers in those areas now without any library services or with poor library facilities. I firmly believe that if our people are provided for a period of 5 years with good libraries staffed by well-trained personnel dedicated to serving the people, they will never want to do without them again. I believe that when Federal funds cease after the fifth year, the States and the communities will somehow find other sources of revenue to continue the services they have learned to appreciate.

The library services bill would require each State to submit a plan of rural library improvement to the Commissioner of Education for approval. Each plan would be geared to the peculiar needs of the various States. Thereafter, the programs would be administered and supervised by the States and their subdivisions as they deem most advantageous to them.

Practically all of the States are now in a position to accept the Federal aid contemplated in this bill. A number of them have already formulated tentative programs in anticipation of its passage. I know that the State library agency in my State has devised several plans. In New Jersey, the passage of this bill might well be the spur necessary to adopt a rather ambitious program for State aid to the local and county libraries now before the legislature. Similarly, in many other States, I feel, this bill may also be the stimulus necessary to impel the initiation of broad programs of library improvements.

For these reasons, I am for the passage of the library services bill and urge you to do the same.

Mr. McCONNELL. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I would be inclined to vote for the objective of this bill; I think anyone from the Commonwealth of Massachusetts, as evidenced by the statement in the committee report as to what Massachusetts has done, would want to support the objectives of this bill. We all want to see library services and books available to and in the hands of every individual in this country. But I am compelled to vote against the bill as I, with 163 other Members of the House, voted against a similar bill on March 9, 1950. That bill was defeated by a vote of 164 to 161.

I am compelled to this decision for one reason. As the gentleman from Pennsylvania, the ranking minority member of this committee, so cogently said in the beginning of this debate, no one has suggested that a single State in this Nation cannot afford the money that is involved in this bill in order to render these services. I want to quote in the course of this debate the sound remarks, the commonsense remarks, made to the House at that time, 6 years ago last March, by a Democrat, a former colleague of ours who now is a Member of the other body and who placed this fundamental principle before us:

> The true function of the National Government is to do what the people in the various States cannot do for themselves.

That is good doctrine. That is doctrine we on the Republican side of the House have advanced here repeatedly during the years. It has been supported effectively by many of our friends on the other side of this aisle. I, for one, have approved. I submit we should continue to approve it.

While I have the highest respect for those who differ from my judgment as to the wisdom of this legislation, I contend there is not a single State in this country which, if it wanted to, in the last 6 years, could not have provided these services for its people. The committee report concedes that Delaware, Massachusetts, and Rhode Island have done so.

One of the gentlemen who preceded me, referring to the 1950 proposal and to the one here today, said: "These bills are the same." They are not identical but they are the same in principle. But, at that time the argument was made that 33 million people were without these services. Today, as I understand it, the argument is that 27 million people are without those services. They should have the services, but apparently in 6 years' time 6 million additional people have been given the services. By whom? By the States and the local communities. Then where is there any reasonable basis for the argument of stimulation through Federal grants?

If this Nation is ever to become again what it was once, a strong and self-reliant country, I submit that we must return to some of the principles that President Eisenhower has been advocating for over 3 years, which I believe the people of the United States support overwhelmingly. We cannot do that if we do not insist, as we can today on this proposal, irrespective of the undoubted merits of the objectives involved, that there clearly are things the people in the several States can do for themselves far better than the Federal Government can do for them.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BURNSIDE. Mr. Chairman, I want to take this opportunity to endorse wholeheartedly the library services bill for which I was privileged to introduce a companion measure.

I have corresponded frequently with constituents and librarians in my district with respect to this important bill, and, without exception, they enthusiastically support it. Last fall when I was in my district, I discussed this bill with a number of librarians, and I personally visited many of the libraries we now have. I also had an opportunity to discuss this important bill with Mr. Omar Bacon, past president of the West Virginia Library Association. Mr. Bacon has been a leader in the movement to secure approval of this bill to make more information available to people in rural areas throughout the Nation.

Democracy is always predicated on the principle that people under it will know the facts. That is the only kind of a democracy that can exist. Any so-called democracy where the people are uninformed, where the lack of information is used as a lever to twist and warp for personal ends, and ignorance is always so manipulated, that place does not have democracy.

We in America have recognized the need for an electorate who will know the truth and have striven in many ways to insure it. We have established free public schools across our mighty land. We have guaranteed the freedom of the press and the right of assembly. We are now winning the right to read. One of our great pillars in the right of people to know is the great free public library.

The public library stands in a unique role in these perilous times. It is the one free channel of information to the adult world. It has no ax to grind, no special interest to promote. Its mission is to provide the information which a people in democracy must have to make intelligent decisions. Because it serves the adult population, it bridges the gap between the world for which we were educated and the world in which we live. In our fast-changing times, education must become a daily, constant activity.

The American public library, through its books, its magazines, its films, its records, and all its other materials, reaches the citizen on his level of ability, his speed of comprehension, his time to study. One can choose his own location and his own time. Modern mass communication media has not displaced reading, but has increased it and increased the need for it.

Today the world is locked in a deadly struggle with world communism. The struggle is for man's mind as well as his wealth. Communism's insidious tentacles weave through the fabric of American life seeking the spots of ignorance, of misery, and of tension, to destroy faith in democracy and our institutions. It professes a love of freedom while it destroys all freedom. It is a contest already a generation old and may continue for generations to come. We must be prepared to fortify our people for the long haul, the struggle without a known end.

One of the effective agencies to undermine the force of communism is the public library through its vast stores of truth. Communism's Achilles heel is its dependence on lies, deceit and deception. The playing of truth on these falsehoods erodes them like a cloudburst on fresh turned soil. The greatest strength against communism is man's understanding of democracy and communism.

While we recognize the value of the public library in defending our way of life and in contributing to a better nation, we have not seriously enough considered its needs to do the job. We have let it grow where it developed easily—in our cities. We have not helped it in the areas beyond the cities' borders. My own State is not the saddest example, yet I am reluctant to admit that in West Virginia 56 percent of the people do not have access to a public library. There are 13 counties that have no public library in their borders. In my own district 3 counties have no public library and 2 more serve less than one-fourth of their people. Out of a total population in my district of 247,462 persons, 92,149 have no library from which to draw books. That is 37 percent, and I come from 1 of the more urban districts of the State.

The need for public library service is a concern for all of us. The ignorance and manipulation based on ignorance is not quarantined by county lines, or confined to State borders. Its influence spreads far and wide across the Nation in our mobile population and in the decisions at the ballot box. Library service has a strong national complexion besides its local value. We must recognize this national aspect and act to insure it.

My bill before Congress, H. R. 4050, and other bills by my colleagues known as the library services bills are designed to promote library services where it is needed; namely, in the rural areas. This bill provides that the farm people will have an equal chance with urban dwellers to be well informed and equipped to participate in their civic and community duties. In my State the money will be used to develop regional libraries ranging in size from 1 to 5 counties. The West Virginia Library Commission already has a program of demonstration libraries in operation. The library services bill would expand this program and hurry the coming of libraries to the West Virginia's rural bookless areas. This money will be used as a stimulus to local initiative through leadership, initial book collections, and bookmobiles. The libraries established will become locally financed and operated units large enough to adequately provide full library service.

The library services bill provides the safeguards for the justified fears of many. It provides a terminal date of 5 years from passing for the completion of the program. It is not the beginning of a continuing Federal-aid program. Community and State leaders as well as librarians are convinced that the help over a 5-year period will reduce the problem for the States and local governments to where they can easily finish the job in this generation.

The library services bill will not be an entering wedge for Federal influence in State affairs. It clearly states and I quote from my bill:

> The provisions of this act shall not be so constructed as to interfere with State and local initiative and responsibility in the conduct of public library services. The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

The States will develop their own programs which will jointly be financed from State and Federal funds. In West Virginia they will be financed by local funds as well.

Good public libraries in our rural areas is one of our pressing needs. Not only is it a serious need but it is one that can be met with a modest appropriation.

In our struggle with communism we cannot afford to neglect the great strength that lies in an informed public. We cannot neglect our public libraries which so efficiently serve the needs of our democracy.

Mr. TRIMBLE. Mr. Chairman, I am supporting this legislation because nothing can do more for our country than a well-informed citizenry. This legislation is a step in that direction. I hope the bill passes unanimously.

Mr. McDOWELL. Mr. Chairman, as the only Congressman from the State of Delaware, I am happy to give my support to this legislation which will make available to the States over the next 5 years the sum of $7,500,000 a year to be distributed on a matching basis under the formula provided for in the act. This will make available to my State the sum of $51,000 annually. I have been advised by the Library Commission of the State of Delaware that matching funds will be available to enable Delaware to fully participate in this program, and that the commission fully endorses this proposal. The benefits to farm and other rural families under this act will be far beyond the actual costs to the State and Federal Governments in providing ready access to books, newspapers, and magazines and other sources of information similar to such services now offered in our well-developed city library systems. Over 25 million Americans, some 90 percent of whom live on farms or in small communities, are still without access to modern library services. More than 400 counties, or, roughly, 1 out of every 6, in this richest country on earth have no public libraries at all.

The bill has the support of the American Library Association, which realizes that in spite of its importance to democracy the public library, like the public school, has been neglected. The urgent need for strengthening our public school and library service is once again proven by the high rate of rejection of men under Selective Service for educational deficiencies.

Reports by both House and Senate committees during the last session of Congress have made it crystal clear that the quality of public education in the United States is suffering by virtue of the great financial hardship under which our public schools are struggling. The detailed survey of the need for school construction throughout the United States released by the Office of Education last year portrayed a situation which is nothing short of appalling. The President has told us that immediate action must be taken in an attempt to correct this situation. Nonetheless, and even if this Congress does act promptly and effectively—as I hope it will—to pass legislation calling for school construction, it will be some years before the deterioration in the quality of public-school instruction which has occurred in this country can be corrected. In the meantime, those young people who have been and are being deprived of the proper quality of education must look to the public-library system to help make up the deficiency.

Library service complements and supplements the work of our schools by carrying the school into the home.

Schools cannot serve their maximum usefulness without adequate libraries to provide home reading and other educational materials. The public library extends the educational process for the adult who may find that his schooling of 10 or 20 years ago is inadequate in meeting today's problems. This bill provides the cheapest and most effective way I know for bringing within the reach of every citizen the tools for continuous education.

Never in our history have the people had greater need for knowledge upon which to base their opinions and build their decisions. With the many grave problems facing our Nation today our national welfare demands that the ordinary citizen be able to get books, newspapers, and other sources of knowledge about the world he lives in.

The tasks of peace are the most difficult ever to challenge the genius of a nation. A highly trained, fully informed citizenry is essential to the defense of our freedom, the preservation of our country, and the building of lasting peace.

Mrs. PFOST. Mr. Chairman, I rise to congratulate the committee for the splendid job they have done on this much needed bill. Its passage is most important to the future cultural development of the Nation. In my State of Idaho, for example, about half of the population is without adequate library service. Many of the smaller communities do not have any libraries at all. The type of assistance offered in this bill will be of inestimable value. The bill as it now stands is the result of several years of constant improvement, and is the best thinking and efforts of successive congressional committees. I sincerely hope it will be passed today.

Mr. LANHAM. Mr. Chairman, I cannot be too strong in my endorsement of this legislation. There is no way to estimate the good it will do in my district. Already the State and several of the counties of my district are operating bookmobiles. The people cluster about these bookmobiles everywhere they stop and are hungry for the good literature that they distribute. The devoted men and women that are promoting the rural library program in my district and in fact my entire State with this Federal help will be able to reach many, many more people who are anxious for this service.

I want to congratulate the committee on bringing this bill to the floor of the House for consideration and I hope prompt passage. Especially I want to commend my very able and distinguished colleague from Georgia, the Honorable PHIL LANDRUM, who was chairman of the subcommittee which held hearings on and reported this bill. He has done a service not only to his State but to the Nation. Likewise I want to extend my congratulations and thanks to every member of his subcommittee for the time and thought they have given to this most important legislation. I am glad to vote for the bill.

Mrs. KELLY of New York. Mr. Chairman, at this point in the proceedings, I would like to insert in the RECORD the following resolution which was passed unanimously by the 700 delegates to the Catholic Library Association Convention, held in Boston, Mass., April 6, 1956, and sent me by the Reverend Vincent T. Mallon, M. M., the executive secretary of the Catholic Library Association:

> Whereas approximately 27 million Americans are without local public library service; and
>
> Whereas the library services bill before Congress seeks to promote the further extension and development of public library service to the rural areas of our country which presently are without such services or have only inadequate services; and
>
> Whereas the library services bill requests aid limited to rural areas amounting to $7,500,000 in Federal funds annually for a period of only 5 years, giving the States complete jurisdiction over developing their own State plans for the use of the funds in this cause: Be it
>
> *Resolved*, That the Catholic Library Association heartily endorse the passage of the same library services bill, and recommend that a copy of this same resolution be forwarded immediately to the sponsors of this bill.

Mrs. GRIFFITHS. Mr. Chairman, it is hard to imagine that there are children in this country of ours who are reared without ever having the chance to read as many books as they would like to read.

Yet, that is precisely the case in large areas of the country including three counties in my own State. And that deficiency is exactly what this library service bill will help correct.

For these young people can make just as vital and important contributions to our way of life as those more fortunately situated. Books and the desire for knowledge they stimulate can provide immeasurable contributions to our Nation.

And even as important as reaching the rural areas of America, as this bill will do, it will also reach those fringe communities around our fast-growing urban centers. Such is the case within my own congressional district.

The communities of Plymouth and Northville and the adjacent townships of the same names in my district will directly benefit from this legislation.

Adequate well-staffed libraries serve the needs of another segment of our population as well. I refer to our older citizens who find real pleasure in reading and using the facilities of our libraries.

This legislation has outstanding merit and I am pleased to have been one of the sponsors in this session of Congress.

Mr. ALBERT. Mr. Chairman, the bill before us today, H. R. 2840, is identical to a bill which I introduced last year. Many other Members, on both sides of the aisle, also introduced identical bills. I would not want this occasion to pass without saying that I consider this to be very constructive legislation, and I should like to take this opportunity to commend the House Committee on Education and Labor for bringing it before us.

I feel that the library-services bill will fill a gap in our educational program which has been too long neglected. I realize that it may be hard for some who reside in the great metropolitan areas to understand fully the problems that beset our farmers. But surely there can be no question about the great value of good public-library service, and about the necessity for adequate library facilities if we are to achieve the kind of an educational program that we would all like to achieve.

Education does not stop with formal schooling. It must meet the rapidly changing needs of the times, in business, in industry, and in cultural development. The public library, an agency serving all ages, all classes, and all creeds, is particularly fitted to perform this function. In many rural areas the facilities simply have not been available to enable the people who live there to keep pace with the remainder of the population.

As already has been said, this bill authorizes an appropriation of $7.5 million a year for 5 years on a Federal-State matching basis. It is contemplated that during the 5-year period the States and local communities will develop their own library-service plans which will permit the Federal Government to discontinue its work in this field.

Each State is to receive an original allotment of $40,000, and then an additional amount based on the ratio of its rural population to the total rural population of the United States. Under this formula, the State of Oklahoma will receive an annual allotment of $146,811.

The population of Oklahoma, according to the 1950 census, was 2,233,357, of which 49 percent was classified as rural. Fewer than one-half of our citizens have access to any type of local public-library service, and many others have only limited or inadequate service. Twenty-one of the 77 counties in Oklahoma are without any public-library service at all. Only 79,932 of the 266,995 residents in my own congressional district have any kind of library service.

The Oklahoma library-development plan, which can be put into action under terms of this bill, calls for a system of bookmobile routes, deposit stations, and branch libraries. This system will give us an opportunity to prepare for the permanent establishment of libraries in rural areas.

In conclusion, Mr. Chairman, I simply want to repeat what I have said before, that this bill will give the rural people of this country access to public-library facilities which have long been available to those who reside in urban communities. This certainly is a constructive step in our broad educational program, and I trust there will not be a single vote cast against it.

Mrs. FRANCES P. BOLTON. Mr. Speaker, as one of the sponsors of the library services bill, may I take this opportunity to thank the members of the Education Committee and Rules Committee for bringing this legislation to the floor.

My constituents in Ohio's 22d District are extremely fortunate in that they have outstandingly good library facilities, and they make good use of them. We are justly proud of the famous Cleveland Public Library. Other Ohio cities like Toledo, Cincinnati, Columbus, Dayton, Akron, and Youngstown have fine libraries, too.

But Ohio is also an agricultural State. The Ohio Development and Publicity

Commission reports that some 80 percent of Ohio's area is still farmland and that Ohio stands 11th among the States in agriculture. Library service in these rural areas is quite inadequate. For example:

Libraries in 1 county—Adams—received less than 11 cents per capita to operate their service in 1954. The combined income of the 2 libraries in this county was $2,300.

Another—Morrow—received 18 cents per capita. Four libraries in this county had a combined income of $3,150.

Libraries in 15 counties in Ohio received less than 50 cents per capita to operate their service in 1954.

Libraries in 29 counties received between 50 cents and 99 cents for service in the same year.

Thus exactly half of Ohio's 88 counties were getting less—and many much less—than a dollar per capita for library service. The amount of money required for minimum library service has been established by the American Library Association as $1.50 per capita. This standard was established in 1948 and does not take into account the inflation of the last 8 years.

Ninety-nine of the 271 public libraries in Ohio received less than $7,000 as an operating budget in 1954. That amount is not enough to hire one librarian, rent space, pay for heat and light, and have money left over to buy an adequate supply of books.

A survey by the Ohio State Library showed 850,000 residents of the State with inadequate service.

Mr. Speaker, libraries in my district will receive none of this money since the program is limited to communities with less than 10,000 population. But I am happy to support this legislation in the interest of hundreds of thousands of citizens of my State, in addition to some 27 million people throughout this country, who are without access to modern library services.

I urge that favorable action be taken on this library services bill.

Mr. BARDEN. Mr. Chairman, I would like to say this, as a result of the remark recently made on the floor, that I understand 46 out of the 48 States have enabling legislation for the operation of these libraries, and there are 24 that employ direct tax levies for their support. It is not a new thing. The States are struggling along with it now, and I thought that information should go in the RECORD.

Mr. Chairman, I yield the balance of the time to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, there have been many fine speeches made here this afternoon on this legislation, and I am sorry that the one I am about to make may not fall in that category. But, I am vitally interested in this legislation. I think it is sound. I think it meets the objections of those who believe in States rights, and I certainly could not support it unless I believed that it did meet those objections.

Mr. SELDEN. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to my colleague.

Mr. SELDEN. Will my colleague from Alabama tell the Committee how and to what extent the States are protected from Federal interference under the terms of this proposed legislation?

Mr. ROBERTS. I would say to the gentleman that I think in section 2 of the bill, paragraph (b), there is one protection where it says that:

> The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public library services.

It further says:

> The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

There is a further protection in section 5, paragraph (5) where it says:

> That any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

There is a third protection in paragraph (c) which says:

> The determination of whether library services are inadequate in any area within any State shall be made by the State library administrative agency of such State.

There are two more protections. Section 6, paragraph (e) provides that:

> No portion of any money paid to a State under this act shall be applied, directly or indirectly, to the purchase or erection of any building or buildings, or for the purchase of any land.

And in paragraph (f) there is a further protection where it says that:

> No portion of any money paid to a State under this act shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area.

Mr. SELDEN. I thank the gentleman for reemphasizing those important points. I join him in support of the legislation now under consideration.

Mr. ROBERTS. Mr. Chairman, I wish to urge the House of Representatives to adopt the legislation now pending before us, H. R. 2840, which will bring library services to millions of Americans. I cannot overemphasize both the tangible and intangible value, benefits, and rewards, the passage of this legislation by us today will have for so many Americans.

The purpose of this bill is to bring library services to millions who are presently without such services. It is shocking to realize that in this very wealthy Nation of ours, 27 million people have no access to a local public library of any kind. And there are 53 million Americans who have access to only very inadequate local public library services. This is approximately one-half the Nation's entire population without any library facilities or with only very inadequate facilities. As the majority of these people live in rural areas, the provisions of H. R. 2840 provide that the Federal assistance will be used to aid just these needy rural areas.

I personally feel that the provisions of H. R. 2840 are very carefully and thoughtfully worked out. The bill, as drafted, would accomplish its purpose of establishing rural library services and yet the bill contains proper safeguards which meet the criticisms previously leveled at such proposals. This bill provides for States to participate and control this program. A formula has been worked out for the States to match the Federal funds on an ability-to-pay formula which is realistic. It encourages the States to participate in the library services program and yet it does not deprive the individual citizen of the benefits of library assistance funds because he lives in a State not as economically wealthy as perhaps the neighboring State. Funds will go where they are most needed. The question of Federal control has also been provided for by placing the administration of the program in the hands of each of the States' library extension agency.

Mr. Chairman, the enactment of this bill by the House today will be interpreted as a very fine, beneficent deed. It is interesting to note that representatives from metropolitan areas testified before the House Education and Labor Committee in behalf of this legislation although their communities personally would not derive direct benefits from the bill. Certainly the interest of the rural areas in bookmobiles and their overwhelming success is prima facie evidence that our rural citizens do want good literature, and will use and benefit from rural library service.

The terrific success of the paper-back editions of the great classics is another indication that the citizens of our Nation do have a hunger, nourished only by reading. We should be pleased by this fact and encourage it. What greater bulwark is there for democracy than a well-read, well-informed citizenry? The increased use of libraries can also be beneficial in combating undesirable comic magazines, and too many television crime shows. It can be an effective aid in helping reduce juvenile delinquency by providing a positive force and activity for young people.

The duration of the program proposed in H. R. 2840 is for 5 years. This is adequate time for the States to undertake positive programs and to measure their success. At the conclusion of the 5 years, Congress would also have an opportunity to review the program's success and determine whether or not Federal assistance was still needed. I believe it is anticipated that once the programs are started during this 5-year period, Federal assistance will no longer be needed.

There are many people in my own district who are extremely interested in seeing the wonderful program proposed in this legislation, H. R. 2840, undertaken. And I know there are many Members of the House who also represent rural residents, who are anxious to have library facilities for their children and so they may continue to increase their own knowledge and education through literature.

The educational, cultural, and social benefits to be derived from this legislation, H. R. 2840, are very great. I hope it will have the overwhelming support of this House so interested in the welfare of all our citizens.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to my distinguished colleague from Alabama who has so ardently promoted this legislation for a long period of time.

Mr. ELLIOTT. I thank the gentleman. I merely wished to say that it seems to me that one of the greatest safeguards for this democracy contained in this bill is that it provides the opportunity for a better informed and a more enlightened citizenry. There can be no greater protection than that.

Mr. ROBERTS. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. ROBERTS] has expired.

All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Library Services Act."

DECLARATION OF POLICY

SEC. 2. (a) It is the purpose of this act to promote the further extension by the several States of public library services to rural areas without such services or with inadequate services.

(b) The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public library services. The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each of the 4 succeeding years the sum of $7,500,000 which shall be used for making payments to States which have submitted and had approved by the commissioner of education (hereinafter referred to as the commissioner) State plans for the further extension of public library services to rural areas without such services, or with inadequate services.

ALLOTMENTS TO STATES

SEC. 4. (a) From the sums appropriated pursuant to section 3 for each fiscal year, the commissioner shall allot $10,000 to the Virgin Islands and $40,000 to each of the other States, and shall allot to each State such part of the remainder of such sums as the rural population of the State bears to the rural population of the United States, according to the most recent decennial census.

(b) The amount of any allotment to a State under subsection (a) for any fiscal year remaining unpaid to such State at the end of such fiscal year shall be available for payment to such State under section 6 until the end of the succeeding fiscal year. No payment to a State under section 6 shall be made out of its allotment for any fiscal year until its allotment for the preceding fiscal year has been exhausted or has ceased to be available.

STATE PLANS

SEC. 5. (a) To be approved under this section, a State plan for the further extension of public library services to rural areas must—

(1) provide for the administration, or supervision of the administration, of the plan by the State library administration agency, and provide that such agency will have adequate authority under State law to administer the plan in accordance with its provisions and the provisions of this act;

(2) provide for the receipt by the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) of all funds paid to the State pursuant to this act and for the proper safeguarding of such funds by such officer, provide that such fund shall be expended solely for the purposes for which paid, and provide for the repayment by the State to the United States of any such funds lost or diverted from the purposes for which paid;

(3) provide policies and methods of administration to be followed in using any funds made available for expenditure under the State plan, which policies and methods the State library administrative agency certifies will in its judgment assure use of such funds to maximum advantage in the further extension of public library services to rural areas without such services or with inadequate services;

(4) provide that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require; and

(5) provide that any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

(b) The Commissioner shall approve any plan which fulfills the conditions specified in subsection (a) of this section.

(c) The determination of whether library services are inadequate in any area within any State shall be made by the State library administrative agency of such State.

PAYMENTS TO STATES

SEC. 6. (a) From the allotments available therefor under section 4, the Secretary of the Treasury shall from time to time pay to each State which has a plan approved under section 5 an amount computed as provided in subsection (b) of this section, equal to the Federal share of the total sums expended by the State and its political subdivisions under such plan during the period for which such payment was made, except that no payments shall be made to any State from its allotment for any fiscal year unless and until the Commissioner finds that (1) there will be available for expenditure under the plan from State or local sources during the fiscal year for which the allotment is made (A) sums sufficient to enable the State to receive under this section payments in an amount not less than $10,000 in the case of the Virgin Islands and $40,000 in the case of any other State, and (B) not less than the total amount actually expended, in the areas covered by the plan for such year, for public library services from State sources in the fiscal year ending June 30, 1955, and (2) there will be available for expenditure for public library services from State sources during the fiscal year for which the allotment is made not less than the total amount actually expended for public library services from such sources in the fiscal year ending June 30, 1955.

(b) The Commissioner shall from time to time, but not less often than semiannually, and prior to the period for which a payment is to be made, estimate the amount, within the balance of the allotments for each State, which may be necessary to pay the Federal share of the total expenditures for carrying out the approved State plan for such period. The Commissioner shall certify to the Secretary of the Treasury the amount so determined, reduced or increased as the case may be by the amount by which he finds that his estimate for any prior period was greater or less than the amount which should have been paid to the State for such period. The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Commissioner, the amount so certified.

(c) For the purposes of this section the "Federal share" for any State shall be 100 percent less the State percentage and the State percentage shall be that percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the continental United States (excluding Alaska), except that (1) the Federal share shall in no case be more than 66 percent or less than 33 percent, and (2) the Federal share for Hawaii shall be 50 percent and for Alaska, Puerto Rico, and the Virgin Islands shall be 66 percent.

(d) The "Federal share" for each State shall be promulgated by the Commissioner between July 1 and August 31 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the continental United States (excluding Alaska) for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the 2 fiscal years in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Commissioner shall promulgate such percentages as soon as possible after the enactment of this act to be effective until July 1, 1956.

(e) No portion of any money paid to a State under this act shall be applied, directly or indirectly, to the purchase or erection of any building or buildings, or for the purchase of any land.

(f) No portion of any money paid to a State under this act shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area; except that nothing contained herein shall be construed to prohibit the utilization of such money by public libraries in nonrural areas for the exclusive purpose of extending public library services to rural areas, if such utilization has been provided for in an approved State plan covering the areas affected.

WITHHOLDING

SEC. 7. If the Commissioner finds after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this act, that the State plan has been so changed that it no longer complies with the requirements of this act or that in the administration of the plan there is a failure to comply substantially with the provisions required to be included in the plan, he shall notify such State agency that further payments will not be made to the State under this act until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

ADMINISTRATION

SEC. 8. (a) The Commissioner shall administer this act under the supervision and direction of the Secretary of Health, Education, and Welfare, and shall, with the approval of the Secretary, prescribe such regulations as may be necessary for the administration of this act.

(b) The Commissioner is also authorized to make such studies, investigations, and reports as may be necessary or appropriate to carry out the purposes of this act, including periodic reports for public distribution as to the values, methods, and results of various State demonstrations of public library services in rural areas undertaken under this act.

(c) There are hereby authorized to be appropriated for expenses of administration such sums as may be necessary to carry out the functions of the Secretary and the Commissioner under this act.

DEFINITIONS

SEC. 9. For the purposes of this act—

(a) The term "State" means a State, Alaska, Hawaii, Puerto Rico, or the Virgin Islands;

(b) The term "State library administrative agency" means the official State agency charged by State law with the extension and development of public library services throughout the State;

(c) The term "public library" means a library that serves free all residents of a community, district, or region, and receives its financial support in whole or in part from public funds;

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare; and

(e) The term "rural area" does not include an incorporated or unincorporated town having a population of more than 10,000 persons.

Mr. BARDEN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the debate on this bill has clearly brought out, I believe, the real need, the practicality, and the sound philosophy of this bill.

About the sole argument against it has been raised around the fear of Federal encroachment on States rights. Normally, perhaps, that would be something which would give pause to many of us, but the rebuttals already made by those Members in the House who are widely recognized as champions of States rights are to my mind utterly convincing.

Mr. Chairman, I have received from the librarian of the county of Los Angeles the following letter, together with an editorial which he enclosed from the Pasadena Star-News of Sunday, March 11, 1956:

APRIL 23, 1956.

JAMES ROOSEVELT,
Congressman, House Office Building,
Washington, D. C.

DEAR CONGRESSMAN ROOSEVELT: In the interests of public library service I am urging your support of library services bill S. 205 and H. R. 2840, which I understand is to be up for a vote imminently. The merits of this measure are evidenced in the meager public library facilities available in our less privileged States. California is not among these on a statewide basis, however, there are rural areas here that would gain from outside support. I am thinking particularly of Del Norte County, Mono, Alpine, Yuba, Mendocino, and other counties without county library facilities and apparently unable to get local funds for the purpose, although efforts have been made in this direction a number of times. In this State there are 73 cities and counties with less than 10,000 population who would receive support if the library services bill is approved. It is estimated that California's share would be $239,598 each year for 5 years, a sum of money that would do great good in the regions now without adequate library facilities.

The proposed measure would allow Federal support on a demonstration basis and would enable the local jurisdictions to enjoy library facilities and resources at a minimum level of service for a limited period.

In this part of the State, that is, southern California, we are proud of the library facilities that are available to our residents. This, however, is not true statewide, and the only answer seems to be a Federal funded demonstration. The need in other States where facilities are meager hardly needs emphasizing. Your support of the bill is urged as a matter of public education for all ages in all parts of the country.

For your further information I am enclosing a processed copy of an editorial supporting the library services bill which appeared in the Pasadena Star-News, Sunday, March 12.

Sincerely,

JOHN D. HENDERSON,
County Librarian.

[From the Pasadena Star-News of March 11, 1956]

CONGRESS ASKED TO AID RURAL AMERICAN LIBRARIES

Because Pasadena ranks far and away ahead of most American cities in the number and use of its libraries, its citizens are rightly interested in seeing that book-hungry Americans, wherever they are, do not suffer for want of access to books.

Pasadena can point with pride that with a circulation of 1,320,071 books last year it reached the height of 11.95 books per capita, while the national average is only 3.90 for cities of 100,000 or more population.

For this very reason Pasadenans will be interested in the library-services bill now before Congress. A letter to your Senator or Congressman may help bookless Americans enjoy some of the advantages you take for granted.

This measure authorizes an appropriation of $7,500,000 a year for a 5-year period to allot matching funds to States for the further development of public-library services in rural areas. The story of lack of books which underlies the project is almost of scandalous proportions.

Approximately 27 million Americans are without local public-library services, according to the American Library Association, principal sponsor of the bill. Almost 90 percent of these persons live on farms or in small villages. In addition 53 million more Americans receive only very inadequate public-library service.

The fact that 80 million, almost half the population, are ill-served with library books certainly is something that the richest country in the world should feel real shame about. Americans yearly spend many times more for cosmetics, cigarettes, television, or movies than they do for libraries; in fact they spend less than a dollar per year per person on the operating expenditures of public libraries. Books seem to be America's poor relations.

What the bill will do is to extend by the use of bookmobiles and other means the present range of free public libraries. Beyond question, this will promote the general welfare by broadening the opportunities of farm and small-town dwellers. This is certainly in the national interest and it is not difficult to justify the National Government's assumption of some of the costs.

Mr. Chairman, I have also received the following letter from Mrs. A. Kenneth Spencer, president of the California Congress of Parents and Teachers, Inc.:

JANUARY 26, 1956.

The Honorable JAMES ROOSEVELT,
United States House of Representatives,
Washington, D. C.

DEAR SIR: The board of managers of the California Congress of Parents and Teachers, representing a membership of 1,187,032, urges your support of H. R. 2840.

Our reasons for asking your support of this bill are:

There are approximately 480,084 persons in the State of California who are totally without public library service. Many more have service which is completely inadequate. At least 90 percent of this number live in rural or village-type communities.

Passage of bill will provide stimulus for the development of library service for all children, instead of merely a fortunate proportion.

Every year, many rural boys and girls migrate to urban communities, to become a part of city life and to obtain city advantages. In early years, they should have had the same advantages for intellectual growth as those youngsters growing up in urban life.

This bill will not only provide an extension of library service to the communities lacking such service, but will provide a means of studying effective ways for an even greater expansion by means of increased interest and aroused hope.

The public library complements and supplements the school. There is little use in giving our young people an education unless we are willing and able to provide the tools for the maintenance and continuation of that education.

We thank you for your cooperation.

Mr. Chairman, the foregoing communications come from distinguished sources and represent responsible, conservative in the best sense, organizations. I emphasize them because primarily they come from people who will not benefit directly from this bill but who support this library service for rural areas.

It certainly does come as a startling fact, I believe, that in as forward a State as California there are 480,000 people, totally without public-library service. The facts show the same situation or worse is nationwide. It seems to me beyond question that a democracy, a free Nation, cannot tolerate such a situation.

The argument which has been raised that this is something which could and should be settled on the local level I think does not recognize the plain fact that the reason why this situation exists is that State legislatures have not been sufficiently willing to consider the needs of the rural areas; the preponderance of influential votes in the State legislatures have ignored the needs of these rural areas. Therefore, there needs to be some additional incentive in order to take care of the problem, and this bill does it on a national basis.

As Mrs. Spencer so well puts it:

> The public library supplements and complements the school. There is little use in giving our young people an education unless we are willing and able to provide the tools for the maintenance and continuation of that education.

Mr. Chairman, a more easily administered and more directly beneficial bill without interference with the rights of anyone would be hard to find. I wholeheartedly urge its favorable consideration.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RHODES of Arizona: On page 4, strike out all of lines 8 through 11 and substitute "(4) provide that the State library administrative agency will make such reports as to categories of expenditures made under this act as the Commissioner may from time to time reasonably require."

Mr. RHODES of Arizona. Mr. Chairman, I offer this amendment because it appears to me that the section amended as it is in the bill is far too broad. The section now provides that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require.

"Containing such information" could cover almost anything. This is a highly sensitive field. It is a field in which I feel that every Member of this House wants the will of the State and the local government to dominate, insofar as the administration of the program is concerned, and certainly insofar as the purchase of books is concerned.

I think I probably have more respect for the Supreme Court than perhaps some Members of the House do, at least as indicated in the past few days and weeks on this floor. At the same time, I can see the possibility that this language might be construed in such a manner as to provide that the State library administrative agency would have to list the books which it bought and give such list to the Commissioner.

I can see further that it might be construed in such a way that the Commissioner might have to approve such a list of books which might be bought, and that if the Commissioner did not approve them, acting under section 7, the withholding provision, the Commissioner might be able to withhold substantial financial aid from any State which does not comply.

Therefore, this amendment is offered, which limits the report as to the category of expenditures made under the act, which means to me that the Commissioner could require that the State report as to how much money was spent on personnel, how much money was spent on the purchase of books, how much money was spent on the purchase of bookmobiles, and such things as that, but not become much more specific than that.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. METCALF. I certainly agree with the gentleman from Arizona that there should be no question but that the local agencies are going to be the people who select the books and that the Commissioner should, without any qualification, have no power whatsoever to demand a list of the books or any categories of books that were selected for bookmobiles or libraries. I feel, however, the categories of expenditures are too narrow and too rigid a classification. It seems to me this section on reporting may well be one of the most important sections in the bill after the first 5 years have passed. All this goes back to the local agency because the dissemination of information, technique, and methods that the various of these 404 counties have used will permit an economy of operation and permit the States and local agencies to take advantage of the mistakes made in the other areas. So if you just say categories of expenditures, it seems to me it would narrow it so much that you would not be permitted to take advantage of techniques or methods of operations and the Commissioner could not get the kind of information which is necessary to make this reporting effectual.

Mr. RHODES of Arizona. I will say to the gentleman that I have no intent to limit the scope of any voluntary reports which the Office of Education might request. All I am trying to do is to limit the scope of a required report. Certainly, I agree with the gentleman that these reports as to techniques and other matters might be very important, but I cannot imagine a State agency refusing a voluntary request for a report such as the gentleman sets forth. I hope the reports will be requested and that they will be forthcoming, but I do not feel that there should be any such requirement in the bill as to such reports.

Mr. METCALF. It is the gentleman's understanding in submitting this amendment that such things as a report on whether it is more efficient to use a bookmobile or a library center or whether techniques of cooperating with urban libraries on methods or the routing of bookmobiles, and things of that sort, would not be exactly a category of expenditure, but would be a method or technique that could be asked for by the Commissioner.

Mr. RHODES of Arizona. On a voluntary basis, I will say anything may be asked for by the Commissioner and there is certainly nothing against it.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. BARDEN. I read the amendment and I readily recognize the gentleman's objection. Frankly, I was of the frame of mind to accept the amendment for this reason.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Arizona may be extended for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BARDEN. This is a report made by the State officials who certainly would be just as much interested or more so than the United States Commissioner of Education. I think the average State official, certainly with normal intelligence—and I do not know of any of them who do not have more than, far more than, normal intelligence—would want to make the kind of report which would be most helpful to the program. I have always been reluctant to put in that clause which gives to the United States Commissioner of Education authority to demand such reports, and so forth and so on, as he may from time to time require. I have never liked that kind of centralization. But, I believe in this program. The State officials will give to the Commissioner, and gladly do so, every particular of pertinent information for the benefit of the program.

Mr. RHODES of Arizona. I agree with the gentleman. It is my thesis in offering this amendment that any pertinent information which the Commissioner desires will be forthcoming, but that any impertinent information which the Commissioner might someday require need not be given by a State if it does not desire to do so.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. ROOSEVELT. I am in agreement with the gentleman from Arizona. It seems to me if we are sincere, that all we are trying to do is to stimulate the States in helping them move forward and in getting started those that have not started. Then in all sincerity all we should really require is that there is simply accounting of the funds received. I support the gentleman's amendment.

Mr. RHODES of Arizona. I thank the gentleman.

I yield to the gentleman from Montana.

Mr. METCALF. Mr. Chairman, the only point I wanted to make is that this information that the chairman has discussed is so important, and I am sure most of the library services of most States will want it, but I do not want to make the reporting system so narrow or so confined that you can just report expenditures. If it is the gentleman's understanding that it is the consensus of opinion that under his amendment, on a voluntary basis more essential information could be asked for by the Commissioner and could be disseminated, I would have no objection.

Mr. RHODES of Arizona. That is my understanding, that on a voluntary basis any information can be asked for.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. McCONNELL. I just wish to say to my colleague that I agree with him. I think his amendment would be an asset to this bill. I am not in favor of the bill, but I am in favor of improving it in any way we can.

Mr. RHODES of Arizona. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the library service bill which we have before us. At this time I particularly wish to commend the committee for the very excellent work it has done, and especially to commend the gentlewoman from Oregon [Mrs. GREEN] for her interest and for her concern in what I believe to be a very important and very vital issue in America today.

I came to the floor today under the impression that this was a fine piece of legislation and that there would be no objection to it. In fact, I had an opportunity to speak to a constituent just a short time before coming to the floor, and I informed her that as far as I knew there was no opposition. So I have been rather amazed that we have heard opposition to this particular piece of legislation. I wish to agree with the statement of the gentleman from Alabama [Mr. ELLIOTT] in his reference to the importance of having an informed citizenry in America. Nothing is so important and so vital. The maintenance of our democratic way of life and our democratic

ideals requires a dispensing of knowledge that is so important.

Particularly, I feel it is vital in many of the areas of our country today where it has not heretofore been done.

From my own district, in the State of California, I have had a great many communications regarding this particular bill. It is for that reason that I took the time of this Committee today. Every one of those communications has been asking me to vigorously support this legislation. I have not had a single communication from the State of California in opposition.

I was inclined to some extent to shed a few tears with the gentleman from New York a little while ago when he made the great plea with reference to the condition of the taxpayers in his State. I come from a State second in wealth only to the gentleman's State; and certanly I know that we will furnish a good percentage of the money that will go into this program, but even in the light of that I have had complete unanimity of thought from the people of my district as well as my State in support of this legislation. So certainly I am very happy to be able to come here and commend the committee on this particular legislation, and I hope it will receive the overwhelming support of the membership of the House.

Mr. MACDONALD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. MACDONALD. Like the gentleman from California, I have had considerable correspondence from the people of my area also supporting the legislation. I want to associate myself with the gentleman in his remarks.

Mr. SISK. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, like the gentleman from California, I have had correspondence from a number of the librarians in my district favoring the enactment of this proposal.

There is no need here to argue the value of the public library system. And I am positive that nobody on this floor today questions that value. The issue, it seems to me, is whether this Congress is going to make it easier for the people of the Nation to avail themselves of the great benefits inherent in the public library. The plan before us today will greatly improve and stimulate that system.

The testimony adduced at the hearings on this bill disclose that many of the citizens do not have the opportunities to use the public library system because of inadequate facilities in many of the regions of this great and vast country. The accompanying report states that only in the States of Delaware, Massachusetts, and Rhode Island does local public library service reach every resident. I suspect that one of the reasons for this is because of their geographic area; they are three of the smallest in the Nation. Thus, it is much easier for them to have a system of public book lending that reaches all of the inhabitants.

I know that there is some concern here today that the States and communities ought to bear the responsibility of providing adequate library facilities—that there should be no handout by the Federal Government to accomplish what the local communities ought to do.

Mr. Chairman, a well-educated and well-versed citizenry enriches the whole Nation. Federal funds have been used in other programs to stimulate areas and citizens. These activities have added to the country's wealth. This program will do likewise. It has not been possible for many of the rural sections of the country to establish an adequate library system. Failure to do so can be attributed in large degree to inadequate funds and the unwillingness of officials to start such a program. This bill corrects those deficiencies. It provides Federal stimulation for a limited period. There is no doubt that it will demonstrate the tremendous value of a good library system resulting in the local communities carrying the load when the Federal grants have ceased.

Mr. BARDEN. Mr. Chairman, I rise in support of the amendment. I refer to the amendment offered by the gentleman from Arizona to the committee amendment. I have no right to say, of course, that the committee approves; however, I do believe that certainly most of the committee members, and I am not sure but what all of them, agree with the amendment. At least there is no opposition from here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The amendment was agreed to.

Mr. BARDEN. Mr. Chairman, I offer an amendment to correct several dates in the bill.

The Clerk read as follows:

> Amendment offered by Mr. BARDEN:
>
> Page 5, line 16 and line 21, strike out "June 30, 1955" and insert in lieu thereof "June 30, 1956."
>
> Page 7, line 11, strike out "July 1, 1956" and insert in lieu thereof "July 1, 1957."
>
> On page 2, line 8, strike out "June 30, 1956" and insert in lieu thereof "June 30, 1957."

The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RHODES of Arizona: On page 8, line 14, after the words "such State", strike out the period, insert a colon and the following: "*Provided*, That any State or State agency is entitled to judicial review in the United States District Court wherein the State or State agency is located on any such withholding determinations in accordance with applicable provisions of the Administrative Procedures Act."

Mr. RHODES of Arizona. Mr. Chairman, section 7 of this act provides that in certain circumstances, the Secretary of Health, Education, and Welfare may find that a State is out of conformity with the State plan and may then withhold funds from the State under this bill until the State is back in conformity.

This amendment merely provides for official determination and judicial review of any such finding before it becomes final.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from North Carolina.

Mr. BARDEN. Mr. Chairman, this amendment does not strike out any language; it adds to and gives a safeguard just in case we did have an arbitrary Commissioner who might want to do something wrong, and it gives the added safeguard of a court review in a situation where a difference might arise between the Commissioner of Education and the State officials.

Mr. RHODES of Arizona. Yes.

Mr. BARDEN. I may say to the gentleman, that so far as I know, there is no objection to his amendment.

Mr. RHODES of Arizona. The gentleman is precisely correct in his interpretation of the amendment and I thank him.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. I also wish to state that I strongly favor this amendment. I know of no objection to it on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. RHODES].

The amendment was agreed to.

Mr. GWINN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. GWINN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. GWINN. Mr. Chairman, the purpose of this motion is to point out one of the rankest kinds of class legislation against the industrial States that I have ever seen. The following appears on page 7 of the bill:

> (f) No portion of any money paid to a State under this act, shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area; except that nothing contained herein shall be construed to prohibit the utilization of such money by public libraries in nonrural areas for the exclusive purpose of extending public library services to rural areas, if such utilization has been provided for in an approved State plan covering the areas affected.

That last part of the language is a little vague, possibly. What kind of service would a library in a county seat serve that would be purely rural? As a matter of fact it seems to me utterly fantastic that the boys and girls that now come to every county seat to attend the movies, the church, and other services would not go to the library. I would just guess that in North Carolina there is not a boy or girl that cannot go to Durham or some other town much better than he would be inclined to go to a new rural library.

In New York only about six-tenths of 1 percent of our population is so-called rural population. As you gentlemen know, it is much further in time and convenience and safety for a youngster to go from the Bowery to the Fifth Avenue library than it would be for nearly all of the children in Arkansas to go to the nearby town or village for their library services. Besides that, the industrial

States that pay 57 percent of the cost of this legislation will get practically no service back under this bill. That is, New York, Pennsylvania, Ohio, Michigan, Illinois and California. They are going to be on the paying side and not on the receiving side of this service. Everyone has areas in their cities that need this kind of service even worse than they do in what might be called the most backward rural areas.

Mr. BARDEN. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, you know I am sorry this happened, because I have been in a good humor all day, and I am going to try to hold out for the rest of the day. I accepted all of the amendments that came over, and I thought that was doing right well, until my friend from New York pushed me to the wall.

But, Mr. Chairman, I am not going to consume my 5 minutes. I will say to the House that I sincerely hope the motion will be promptly voted down.

Mr. HAYS of Arkansas. Mr. Chairman, if the gentleman does not wish to consume his time, would he yield to me?

Mr. BARDEN. Yes, but I do not want you to stir up any trouble.

Mr. HAYS of Arkansas. I have such confidence in my friend's sense of strategy, that I would hesitate to speak at all.

Mr. BARDEN. The gentleman knows how to stay out of trouble.

Mr. HAYS of Arkansas. Well, I hope so. But the gentleman from New York [Mr. Gwinn], who knows of my fondness for him looked over at me a moment ago when he made reference to the State of Arkansas, and I felt that that might call for a reply. Now I try to be very modest about my State. I have never said anything more glowing about it than to echo the accolade of Governor Brough "the greatest commonwealth in the galaxy of sovereign powers whose star shines out from our flag like the brightest orb of celestial night."

I do appreciate the serious approach to this problem that my friend from New York has manifested. He and I have had some private talks about this problem of disparity of wealth between rural and urban centers. I have long ago given up hope that within our lifetime there will be an approximate equalization of income between the two. But, this is a step toward equalization of the facilities and the services that will enrich rural culture. The rural areas of our country are losing population. Their resources are being reduced. They need help. They need all of the enriching influences they can get. The bill, by encouraging further exertions by the States, will help supply them. People want more than incomes; they want the things that add happiness and cultural growth. I think the Federal Government has a responsibility in this connection and I will say to my good friend from New York that I see it as an act of justice, rather than as a measure that imposes something upon the industrial sections deriving no direct benefits. The bill would, however, provide a counterbalancing influence for the aid of the rural areas that must continue to struggle against adversity.

Mr. Chairman, this is a notable piece of legislation. It meets the finest standards that the committee could devise for a grant-in-aid program in a field in which the Federal Government has definite responsibilities. We sometimes speak of the great library movement as if it were a new factor in our educational life, but even in colonial times the value of books and the facilities for wide distribution of them was recognized. In spite of our progress, 25 million people, most of whom live in the rural communities, are without adequate library service. A half million people in my State do not have access to libraries. They live in rural areas. Yet, considering our limited tax resources, the people of Arkansas are manifesting a generous attitude toward library service. In recent years interest has been mounting rapidly. The junior chamber of commerce is rendering an outstanding civic service in providing leadership in this field.

I am reluctant to speak on the subject, because I have not been closely identified with the problem in recent years, but today we have had the benefit of the studies made by the Committee on Education, and it seems to me that those who have worked out this proposed legislation have rendered a splendid service. They have given us convincing facts and figures and the reasons for launching this modest program.

Mr. Chairman, reference has been made to the fact that library service is primarily a local and State responsibility. With that, I concur, but with an expenditure of only 5 cents per capita per year, it is obvious that the Federal Government is not going to relieve local governments of their financial obligations in this field. My own State, which does not enjoy a relatively high per capita income, expends seven times this amount, and, as I have indicated, still is not able to provide adequate service for the rural areas.

It cannot be overemphasized that the purpose of this grant-in-aid is to stimulate a service, not to underwrite it or to permanently assume a share in it. I am sure we all applaud the 5-year limitation. As a member of the Commission on Intergovernment Relations, I became somewhat familiar with the Federal Government's involvement in grant-in-aid programs which were difficult to terminate, and this bill may help reverse that tendency. The Commission developed the fact that grants-in-aid must rest upon one or more of the following obligations of the Federal Government: to support, to stimulate, or to equalize costs of public service.

Library service might well be attributable to any or all of these grounds for Federal aid. Popular education cannot be complete without library facilities. I am sure that James Madison was thinking of the value of books and documents thus made available when he said:

> Popular government without the means for disseminating information will become either a farce or a tragedy, perhaps both.

Mr. Chairman, we must make more books available to more people, and this bill is a long step in that direction.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York [Mr. Gwinn].

The motion was rejected.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after having taken 3 minutes to try to express myself briefly during general debate on this bill, I decided I had said all I intended to say on this measure. But my good friend from Arkansas [Mr. Hays] came into the debate. I do not know of anybody on the Democratic side whom I admire or respect more or to whom I turn more frequently for leadership and sincere and helpful advice. But I cannot let the Record stand with any feeling that because of anything said in the course of this debate, there is any animosity or jealousy whatsoever between the people I represent, many of whom would qualify for Federal assistance under this bill—and I probably have as large a rural area as there is in the Commonwealth of Massachusetts—and the good people of Arkansas, the good people of North and South Carolina, the good people of Florida or those of any other State whom I have met where I have traveled and enjoyed myself there and whose problems I know to some degree, I think.

But this problem that has bothered me more and more as this afternoon has worn on goes back to 1950, 6 years ago. I just wonder why no one, in the course of the debate this afternoon, has tried to answer the question the gentleman from Pennsylvania [Mr. McConnell] raised: "Is there a single Representative of any one of our States who will take this floor to say his or her State cannot afford to do this for its people?"

I notice in the committee report it is stated that there are some 3,000 counties in the United States, 404 of them without a single public library in their borders. Why? If, with its local communities, any one of the 404 could not provide this vitally necessary service, will anyone here tell us it could not have been done with the assistance of that State?

But the significant thing to me is this, that in only 3 States, Delaware, Massachusetts, and Rhode Island, does public-library service reach every resident.

I am not here to praise the people of the Commonwealth of Massachusetts, or our neighbors in Rhode Island or in Delaware. They want no praise for doing what they recognized years ago needed to be done. But somehow or other they have found it possible to furnish library service to every single individual within the borders of those States. I cannot believe it has been beyond the capacities and resources of all the other States. And no one has offered us any good reason why this has not been done.

It seems to me, from one point of view, at least, that here are excellent examples for all of us, not a constant reaching to the Federal Government and asking it to do for us what we can do better for ourselves and should do better for ourselves. All of you know and most of you I suspect have said at one time or another that when we turn to the Federal Treasury, we have to pay a substantial broker's fee. Most of our States pay so

much in and then get that back minus a broker's fee. But it does something to us, it seems to me. If we take this easy course too often, we inevitably weaken ourselves; yes, we are in danger of degrading ourselves. I am not arguing that it is socialism and I am certainly not arguing that it involves any tendency toward communism. I am arguing as strongly as I can what I think has been placed before the people of this country, and has met with their overwhelming approval, by the President of the United States as recently as last April 17, when he stated a fundamental principle I want to quote:

> The purpose of government is to serve, never to dominate. There has never been a better, clearer explanation than that given by Abraham Lincoln: "The legitimate object of government is to do for a community of people, whatever they need to have done, but cannot do, at all, or cannot, so well do, for themselves—in their separate, and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere."

I do not know the President's position on this bill; I doubt that he has taken any position on it, but he has pleaded with us to see fit somewhere, somehow, sometime as a Congress to draw the line and say to the States, our own States, our own people: "You can do this better than the Federal Government can do it."

The Federal Government today is taxing the initiative, the incentive, the lifeblood of its citizens, of your constituents and mine. Where are we going to draw the line? If we cannot do it this afternoon as to this proposal, on all the evidence we have, will we ever draw it?

I suspect that we will have no rollcall. But I remember that 6 years ago last March 9, 164 Members of that Congress stood up and said, "We draw the line here." There was only a majority of three who stopped the bill at that time and, in doing so, placed the challenge before all the States. What has been the answer? In all charity, I submit the record is discouraging, with only these three States apparently attempting to meet the challenge.

I hope—although I do not believe it will be done—I hope somebody, some responsible person will stand up here on this floor this afternoon and tell us what individual State in this Union cannot do this job better than the Federal Government. I say that if no one does, this challenge has not been met and we once again yield to the pressure that the Federal Government take over another of the important responsibilities of the States and local communities.

I wish I could say that I am confident that we will not do that. Even more important, I wish I could believe that this will be only a 5-year, temporary program of Federal assistance with the result the majority of the committee foresees that it will "be carried on in the future by State and local communities without Federal assistance." That is not the record, the undisputed history of Federal assistance programs. Even though few of us may be here to make the further decision, I venture to suggest that in 1961 Congress will be asked to continue the program, unless we here this afternoon decide that this is the time when we must make the full results clear of the constant impairment upon the self-respect, the initiative and the incentive of our own people, through their State and local governments, when they can do as well or better for themselves than they can through the Federal Government.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. Price, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2840) to promote the further development of public library service in rural areas pursuant to House Resolution 479, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from New York [Mr. Klein], I ask unanimous consent that a subcommittee of the Committee on Interstate and Foreign Commerce may sit tomorrow while the House is in session during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports on certain privileged resolutions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SCHOOL CONSTRUCTION

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, I am sure that every American today recognizes that the strongest weapon in our arsenal of defense against aggression is the proper education of our young people.

How best to strengthen that weapon has become a subject of debate in every corner of the land and on the floor of this House. A large segment of the population is led to believe that the Federal Government must appropriate large sums of money to help the States and the local communities to provide the best possible public education facilities for our children. Another segment, fearful that financial support ultimately will lead to Federal control of the schools, insists that the problem should be left to the individual States. Both sides agree there is a school problem and that it demands solution if this and future generations of Americans are to retain their freedom.

Because this is such a vital problem, I would like to call the attention of the House to one of our school districts in the Ninth California Congressional District which is meeting that challenge of today and the future. Last September this district opened a new high school which might well serve as a guide and model to school people throughout the country. We call it the high school designed to stay young.

The new Hillsdale School at San Mateo, Calif., is more than an answer to the educational needs of today. Realizing that trends in education are subject to change, the planners and designers of the Hillsdale School have produced a building more than adequate to meet today's educational programs, but with a built-in flexibility to permit adjustment to tomorrow's new patterns.

Architects and school authorities already have showered honors upon the Hillsdale School. Just last month the American Institute of Architects cited it as one of the five outstanding architectural achievements of 1955. It was the only school to win 1 of the 5 top honors in the institute's eighth annual honor awards competition, which included structures of all types.

More recently—last Thursday in Chicago—it was selected from scores of entries as one of the Nation's outstanding examples of school design in the fifth annual competition for better school design, sponsored by the School Executive, a top publication in the school field. Judges in this competition described the Hillsdale School building as "a courageous approach to planning a school which has infinite possibilities for adaptation to changing enrollments and educational programs."

School authorities are agreed that progress in secondary education is evolving new approaches to learning which, in turn, will require the proper type of structures to implement those approaches. Too often the efforts toward progress in educational methods are handicapped by existing school structures designed to house earlier concepts of education.

Obviously no community—no State, not even the Federal Government—has the funds to undertake the astronomical financial burden of replacing every school building. New schools that are being designed, however, should possess the flexibility to meet future trends in education.

The Hillsdale School is designed for progress. Structurally, it is an invitation to new concepts in educational planning. Because alterations in the educational program almost certainly would require variations in room size and in the relation of one room to another, those areas where changes are most likely to occur have been given movable partitions. The partitions are completely reusable and subject to a wide variety of applications.

To make the room arrangements independent of the window walls, the Hillsdale School has been provided with an ingenious toplighting system to supply natural daylight for all areas. The alternative of completely artificial lighting was rejected because the designers felt it would have an isolating influence and would not be as pleasant as the natural daylight.

The toplighting system consists of hollow glass units set in prefabricated aluminum panels. Prisms in the glass units are designed to reject much of the heat and glare from the hot summer sun while admitting a higher percentage of light from the winter sun and most of the light from the cool north sky. Some 660 of these toplighting panels are installed in the roof of the Hillsdale School to assure controlled glare-free daylight for the interior.

Because the toplighting system assures a plentiful supply of the best daylight available in all seasons of the year, designers estimate that at least $1,300 a year will be saved in the cost of power and artificial lighting tubes.

More important than economy, though, is the fact that the toplighting system permitted the planners to design a school which can be adjusted to fit the needs of the moment. Each 14- by 14-foot section of the building's classroom section can be made independent of its neighbors, as far as the electrical system and lighting, both natural and artificial, are concerned. Heat and ventilation for each 28- by 28-foot bay are controlled by automatic thermostats with a check on room temperatures available on a panel in the administration office.

The metal partition panels are available in solid units, or with various types of glazing or doors, and in a number of widths permitting a practically unlimited number of room arrangements. A special provision makes it possible to install the movable partitions at angles to improve acoustics and to avoid monotonous repetition.

In addition to its classroom facilities, the Hillsdale School has an auditorium and little theater, swimming facilities, and a cafeteria. It has a capacity of 1,750 students and was built at a cost of $3,428,400 or $14.84 per square foot, well within the national average cost of $16 per square foot for school structures of its type. Because of its flexibility, educational experts predict it will actually be a real economy structure in years to come because its arrangement can be so easily changed to make efficient use of its space, regardless of trends in education.

I want to pay particular tribute to John Lyon Reid and his associates, the San Francisco architects who designed the building; Thomas F. Reynolds, the high school district superintendent, and the group of educators who helped in the planning of the Hillsdale School; and to the San Mateo Board of Education which had the courage to support Mr. Reid and Mr. Reynolds in their courageous and revolutionary approach to a problem which is common to the Nation.

Between them, they have developed a functional idea in school construction which has unlimited plan possibilities. That their idea is a sound one is best attested to by the fact that Hillsdale teachers, pupils, and parents are agreed that their school building is the finest in the land.

To school authorities and to the designers of school buildings throughout the Nation, I offer the Hillsdale School—the high school that always will be young—as a shining example of how tomorrow's educational building problems can be solved today.

CAPITAL TRANSIT BILL

Mr. MacDONALD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, I want to take this opportunity to make known my opposition of the bill, H. R. 8901, dealing with the transit problem in the District of Columbia, which will be considered by the House in the near future.

Before discussing the merits of the bill, I would like to state that I have the greatest respect for the work done by the Subcommittee on Transportation and Communications, for the immense difficulty of their task, and for the complete sincerity and integrity of their recommendations. I know personally that the subcommittee has worked diligently many hours and many days. But I cannot in good conscience agree that passage of H. R. 8901 is the proper solution to this most serious problem.

I sincerely feel that H. R. 8901 is an unwise bill and is certainly not in the public interest. We must remind ourselves as to the reasons which motivated the Congress last summer to revoke the franchise of the Capital Transit Co. Congress enacted Public Law 389 last year because of a demonstrated record of public irresponsibility on the part of the Capital Transit Co. under the Wolfson management. The 7-week strike of last summer had in effect been provoked by the management and was the climax of a public-be-damned attitude frequently exhibited by the company. Mr. Eisenhower, when he signed the bill revoking the franchise, stated:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

At this point I would like to review some of the relevant facts. The Wolfson interests purchased control of the Capital Transit Co. in September of 1949. The approximate price on September 12, 1949, was $20 per share—equivalent to $5 a share after the 4-for-1 stock split—so the purchaser would have received 500 shares for an original investment of $10,000. The return on the value of this investment to date is shown in the following table, which I would like to have printed at this point in my remarks:

Dividends paid during calendar year	Shares purchased plus new shares through stock split	Cash dividend per share	Cash dividend income
1949 (after Sept. 12)	500	$0.50	$250
1950	500	3.00	1,500
1951	500	3.00	1,500
1951 (stock split, 4 for 1)	1,500		
1951	2,000	.25	500
1952	2,000	3.90	7,800
1953	2,000	1.20	2,400
1954	2,000	[1] 1.40	2,800
1955	2,000	.60	1,200
Dividend income			17,950
Value of 2,000 shares at closing price, Monday, Apr. 30, 1956:			
Capital Transit Co.	11¾		23,500
Continental Enterprises (unlisted)	[2] 1¼		2,500
Value of investment plus cash dividends			43,950
Percentage gain on initial $10,000 investment			339½

[1] Also 1 share Continental Enterprises in May.

[2] Bid.

A gain of 339½ percent over a period of less than 7 years is indeed fantastic. At the same time the company has cut service.

When the Wolfson interests purchased control in 1949, the last previous balance sheet of the company showed earned and unappropriated surplus of $4,814,158. The company's published consolidated statement of assets and liabilities, December 31, 1955, shows earned surplus of $252,746. Now the company has been operating at a profit. So that it is clear that the $4½ million which the people of the Washington area paid in went to the stockholders. In the 5 years after the Wolfson management obtained control, the company paid out more than twice as much in dividends—$8,112,000—as had been paid out in the 10 years preceding the arrival of the Wolfson management—$3,600,000.

At the same time that the stockholders were extracting lush dividends from the company the management continually refused to arbitrate disputes over contract terms with its employees. During the approximately 40 years in which the Capital Transit Co. and its predecessors dealt with the union which represents its rank-and-file employees there have been 58 days lost due to strikes. Fifty-five of these fifty-eight days took place during the era of the Wolfson management. In other words, only 3 days of strike took place during a period of 32 years prior to the advent of the Wolfson interests. Since that time there have been 55 days of strike in approximately 6½ years.

It is difficult to see how, in the face of such a glaring record of public irresponsibility, the House can contemplate inviting the Wolfson interests back, with very substantial concessions, to continue and possibly to enlarge upon their antipublic record. H. R. 8901 contains many provisions which are inimical to the public interest, and fails to make other provisions which are important for the public interest. H. R. 8901 contains no provisions which would protect the employees of the company, while it contains many provisions to benefit the stockholders of the company. H. R. 8901 overlooks the fact that the revocation of the franchise took place during a period which was climaxed by the protracted strike in last summer's Washington heat. There is no reason to suppose that the concessions to the company found in H. R. 8901 will make for a more enlightened labor relations attitude on the part of the management, nor in any increased sense of responsibility to the community. Rich dividends did not in the past have any bearing upon the management's intransigent attitude toward the employees or upon management's refusal peacefully to arbitrate unsettled contract disputes with the employees. I do not think that it is in the public interest to restore a situation in which the people of Washington will have to walk to work again this summer.

Nor can one easily understand the relaxation of controls over rates to be charged the community by the company. Section 2 (c) of H. R. 8901 allows the company to establish its own rates subject to the right of the Public Utilities Commission to suspend or modify such rates during a 90-day period. What if the Commission finds the proposed rates unwarranted? Then the company can merely reinstitute its proposed schedule of rates and the Commission must again suspend the rates and hold hearings during another 90-day-period. Why hamper regulation of a utility which has clearly demonstrated that it requires regulation in the public interest?

Nor is there wisdom in freezing the rate base as of this time. The rate base of a public utility should be subject to close scrutiny. Depreciation studies involve an element of estimate in the projections made by engineers. If time shows that the projected life of certain property owned by a utility is likely to be longer or shorter than originally contemplated, the regulatory body should be free to, and indeed be under a duty to, reexamine its previous rate-base determinations.

I do not believe that the public interest would be served by giving to the management very substantial concessions and almost complete freedom from anything but slight regulation. There is reason to fear that the company will continue its history of richly rewarding its stockholders while reducing service to the community. There is reason to fear that we will be subjected to another strike provoked by the management this summer and have to walk again. There is reason to fear that if we hand this franchise back to the Wolfsons while rewarding them with liberal tax concessions this will not be the end of the transit problem for the Congress of the United States. There is reason to fear that we will have this problem back in our hands a year or two hence with the demand from the public for a lasting solution and not a short-lived public retreat foredoomed to failure at the outset.

Let me say, as a member of the House Interstate and Foreign Commerce Committee, that I do not favor a proposal to permit the Wolfson syndicate to continue their operations and to mulct the transit riders of the District of Columbia.

For the above reasons, Mr. Speaker, I hope that the Members of this body will defeat H. R. 8901.

VETERANS' PENSIONS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a statement by Omer W. Clark, national director of legislation, Disabled American Veterans.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am including in my remarks a very fine analysis of the Bradley Commission legislative report on veterans' pensions, and other veterans matters. I agree with a great deal of it. As I have told the House before, I disagree with most of the things in the so-called Bradley report.

Our veterans have made an enormous contribution to our country. If we follow the philosophy of the Bradley Commission it will mean the wiping out of most of the work done by the Veterans' Administration and by the Congress and by the great veterans' organizations during many years. I sincerely hope the report will not be accepted as it is. I think no one has received word from the White House that it is to be endorsed, and I hope none will come.

Mr. Speaker, the statement by Major Clark, the former Deputy Administrator of the Veterans' Administration and at present national director of legislation of the DAC, is as follows:

STATEMENT OF OMER W. CLARK, NATIONAL DIRECTOR OF LEGISLATION, DISABLED AMERICAN VETERANS, TO HOUSE COMMITTEE ON VETERANS' AFFAIRS, RE PROPOSED LEGISLATION REPORT BY THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

In accordance with the request and invitation of your committee, I, Omer W. Clark, national director of legislation, Disabled American Veterans, am making this appearance accompanied by Mr. Cicero F. Hogan, national director of claims, and Mr. E. M. Freudenberger, assistant director of legislation.

The report of the President's Commission hereafter designated the Bradley Commission for the purpose of this presentation, has been made the subject of careful study and consideration in the light of the compensation program of this organization as outlined to your committee on previous occasions. There can be no question as to the importance of the Bradley Commission report whatever one may think of the contents. It undoubtedly constitutes a comprehensive reference work of the history and development of veterans' legislation. The problems confronting the national economy by reason of the great numbers of veterans and their dependents and the future potentialities in this connection are treated in such manner as to attract the interest of all thoughtful citizens. Obviously, the members of the Bradley Commission are of the opinion that the full program of veterans' relief and assistance is at the crossroads and that a decision should now be made relative to the future course of the Nation in dealing with veterans and the many related and complex problems attaching to any measures having for their purpose the granting of benefits to those who served in time of national emergency, as well as in peacetime, and their survivors.

The question of future national policy thus posed is not so acute or difficult with regard to compensation matters as it is in the field of non-service-connected benefits. As you know, the Disabled American Veterans is primarily interested in the war disabled, their widows, children, and dependents. Some Bradley Commission proposals, if adopted, would be extremely destructive as to certain important facets of the compensation structure and are strongly opposed by this organization for the reasons stated herein. It is believed that it would make for simplicity to comment upon the recommendations in question by chapter and number. The fact that certain other recommendations are not made the subject of formal comment should not be taken as necessarily implying acceptance. Some of those recommendations are deemed inequitable, impractical, or otherwise undesirable from an administrative standpoint. It is thought best, however, to stress herein our opposition to the proposals of major, and particularly objectionable nature.

CHAPTER V

Recommendation No. 1 (p. 136): The Bradley Commission takes the position that military service is in the discharge of an obligation of citizenship and is not in itself a basis for future Government benefits. The Disabled American Veterans realizes, as does every right thinking person, that the obligation of citizenship carries with it the duty and privilege of defending the Nation in time of war, stress, or national emergency. However, it has been the long established and historic policy of the United States to consider veterans as a group apart in awarding legislative benefits, the propriety of which has been demonstrated to the satisfaction of the Congress.

Recommendation No. 2 (pp. 136–137): Comment on the subject covered by this recommendation of the Commission will be offered under chapter No. XI.

Recommendation No. 3 (p. 138): We heartily agree that service-connected benefits should be accorded the highest priority and that such benefits should be "liberal, even generous." With reference to paragraph (c) under this recommendation this organization concurs that "non-service-connected benefits are the lowest priority among veterans' programs" but we would invite your attention to our further comment on this subject under chapter XI.

Recommendation No. 4 (p. 139): See our comment under chapter XI.

Recommendation No. 5 (p. 140): The Disabled American Veterans agrees that the Government, and especially the Veterans' Administration, should develop and maintain a rounded research program.

Recommendation No. 6 (p. 141): See comment under chapter VI, recommendation No. 10.

Recommendation No. 8 (p. 144): The Bradley Commission states "We should not commit future generations to obligations that we ourselves are unwilling to shoulder." No one, or several generations, can conduct a war and pay for it. When peace is attained, or there is even the sort of pseudo-peace that now exists, the postwar generations benefit immeasurably by the heavy personal and financial exertions and sacrifices made by the veterans and their families during wartime. This fact should never be lost sight of by any administration and Congress in providing for liquidation of war debts and the aftermath. It is believed that the future generations, so solicitously referred to by the Bradley Commission, should indeed pay their full share for the wars and conflicts that saved the Nation and increased their security.

CHAPTER VI

Recommendation No. 10 (p. 168): In paragraph (a) a revision of the VA rating schedule is urged with such revision "based on thorough factual studies by a broadly representative group of experts, including physicians, economists, sociologists, psychologists, and lawyers." In the opinion of the DAV the primary responsibility for revising the VA rating schedule should be left in the hands of those technicians who understand it, who work with it every day and who have made necessary studies including research into industrial data before promulgating a schedule and any extension or revision used in the adjudication of compensation and pension claims. It is an appalling thought to try and imagine what sort of a schedule would issue from the efforts of an outside group with such diverse backgrounds and ignorance of all that goes into the production of a necessarily complex rating schedule, as evidently contemplated by this recommendation. It is a most difficult task even for highly trained and experienced technicians to construct a satisfactory rating schedule and if anyone should desire to create a chaotic condition in the VA, and thereby in all veterandom, we know of no better way than to bring in an outside group, such as the one proposed, no matter how highly educated, trained, and skilled in their own fields, and put them to work on preparing a VA rating schedule.

Re paragraph (b): In the paragraphs immediately preceding and following recommendation No. 10, it is made clear that the Commission is in favor of abolishing statutory awards. They stress the idea of paying veterans equally for equal disability. They forget, or never knew of the legislative processes leading to the adoption of the various statutory awards after hearings and the introduction of medical and lay evidence in support thereof. The statutory awards made a part of the laws proved to be a practical solution to a problem that has faced the VA and the Congress since during World War I. If the statutory awards are eliminated how could the Government possibly compensate certain maimed or badly disabled veterans with any degree of justice? Certainly it could not be done through any one regular rating schedule and if more than one schedule is employed then it would be simpler and better to retain the statutory awards and the present machinery to pay them.

Recommendation No. 11 (p. 174): In this recommendation, as in some others, it is noted that the Bradley Commission opens with a fair statement and then proceeds to use the word "but" followed by proposals that are not acceptable to this organization. We are unalterably opposed to the idea expressed that the veterans with the lower compensation ratings are overpaid nor is the proposal made that a still further proportional disparity be authorized between the lower and the upper rates, acceptable. As I stated to your committee on March 21, 1956, we favor increases for all the compensation evaluations and in addition desire to see that the percent ratios are brought in line and with the veterans rated less than 50 percent allowed to draw additional compensation for wife, children and dependent parents in proportional amounts, as is now the case where the ratings are 50 percent or higher. We will have more to say about the 10 percent and 20 percent cases in commenting upon the next succeeding recommendation. With reference to the proposal that there be several graduations "depending upon the extent of helplessness" it would seem that this attempt to make such a fine distinction would present administrative difficulties in its application and would open the door to charges of discrimination in the adjudication of claims in cases involving applications for nurse and attendant allowance.

Recommendation No. 12 (p. 177): This organization is opposed to paying off even low rated so-called static cases through a lump sum or short term settlement and, moreover, it is not believed that such attempt would be to the best interest to the Government. Even many static disabilities can and do become aggravated and as rates of compensation are increased from time to time by congressional enactment this group of veterans, or some of them, would undoubtedly become dissatisfied and bring pressure to bear to open up their cases. It would seem from the wording of this recommendation and the explanatory material presented by the Bradley Commission in its support that little disability is credited as being present in cases rated 10 or 20 percent. The DAV does not subscribe to that impression, as we have observed through long experience many instances where the disabilities were not truly minor in their effect upon the mental and physical well-being of the individuals concerned although rated only 10 or 20 percent in accordance with the terms of the rating schedule. As far as a review is concerned the VA for many months has been engaged in a review of running award cases and this, of course, includes those cases rated 10 and 20 percent. Some instances have been detected where veterans should have been granted higher ratings and, whatever adjustments were found in order, appropriate action has been and is being accomplished.

Recommendation No. 13 (p. 178): The DAV opposes with all possible energy the recommendation that the presumptive provisions of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis, be withdrawn. The view of the Commission that accepted medical principles can reasonably and accurately establish the onset of a disease and a disability process is almost humorously contrary to the experience of this organization gained in handling many thousands of compensation cases. I am equally sure that such views are contrary to the experience of the members of your committee. What are the accepted medical principles as to the origin of multiple sclerosis, leprosy, and a host of other diseases where medical science has not progressed to the point where it can determine the cause, let alone the date of inception? As your committee must be aware, either through long personal experience as Members of Congress, or through study of the old records, physicians of eminence and ability have appeared and given favorable testimony in regard to the authorization of presumptions for certain classes of diseases. It is conceded that there are many physicians who are in opposition and at a recent hearing before your committee a past president of the American Medical Association went on record as opposing any presumptions. This would seem to be the case once again where physicians cannot agree among themselves and it is obvious that many of them are merely following the AMA line. In this connection, the AMA Washington Letter 84–70, dated April April 27, 1956, on page 1, under The Week in Washington states as follows: "The Bradley Commission's findings on non-service-connected VA care in many respects are just what the AMA has been saying for a long time." On page 2 of that same letter, specific reference is made to the Commission recommendation for withdrawal of the presumptions. It may be added that the term "accepted medical principles" was found to be so controversial even among doctors that the VA Claim Service some years ago forbade the use of the term in writing veterans and their representatives about disallowances of compensation cases. It is not believed that further argument on this recommendation is necessary as it is inconceivable that your committee would approve such an unfair and improper proposal.

Recommendation No. 14 (p. 181): This would gear the rates for disability compensation to the prevailing average of national earnings "by some representative group of workers." What group of workers, may we ask? And just how would the proposal be carried out to bring about a review of the actual rates paid every 2 years and adjustment made to conform with such standards? This, to us, is an impractical, visionary scheme that would break down of its own weight and the insuperable and administrative difficulties, if attempted. In paragraph (b) of the proposal that the rate of compensation payable to veterans who are actually disabled be two-thirds of the average earnings in the group selected as standard is not only impractical but would probably result in reductions in cases where the veterans are now receiving compensation on 100 percent rating plus statutory awards.

Recommendation No. 15 (p. 183): In the opinion of this organization the implementation of this proposal would be detrimental to veterans and would probably result in the lowering in their standards of payment. As to (b) there is present machinery for preventing duplicate benefit payments for the same disability as witness the agreement between the VA and the Federal Employees Compensation activity. The injection of OASI into the picture to the degree apparently desired by the Commission is not acceptable.

Recommendation No. 16 (p. 185): The DAV is in agreement with this proposal.

Recommendation No. 17 (p. 190): With reference to paragraphs (a) and (b) the procedures mentioned would seem to be desirable if not precluded by cost or other deterrent considerations; however, paragraph (c) with its insistence upon medical or surgical treatment as a condition precedent to payment of compensation is not only considered unreasonable but would probably be impossible of attainment by reason of the volume of cases and lack of personnel.

Recommendation No. 18 (p. 196): This organization does not endorse the idea advanced herein and questions the necessity for the study to be made under the guidance of a Cabinet subcommittee.

CHAPTER VII

Recommendation No. 20 (p. 205): The DAV does not believe the establishment of dependency should be required in the case of wives (widows) and minor children.

Recommendation No. 36 (p. 225): The proposal that, whenever legally possible, the premium rates for Government life insurance include a charge to cover the administrative costs is not believed to be a desirable provision.

CHAPTER IX

Recommendation No. 46 (p. 319): This organization is definitely opposed to any weakening of the Veterans' Preference Act and, accordingly, does not subscribe to the views of the Commission on the subject as presented in this recommendation.

CHAPTER X

Recommendation No. 47 (p. 333): This organization has earnestly considered the recommendation that the compensation rates in peacetime cases should be the same as the disability and death compensation rates as to those who served in wartime. As long as men are being taken in the Armed Forces via the draft the DAV has no objection to the proposal stated in this recommendation.

CHAPTER XI

Recommendation No. 57 (p. 373): The fact that the DAV is primarily interested and active in the case of the war disabled, their widows, children, and dependents, does not mean that we as an organization are willing to stand idly by while the pension structure that has been erected through the years is dismantled. The position of this organization as to the pension program was outlined to your committee by the national commander on February 29, 1956, at which time he said in part: "I am sure this committee recognizes the fact that the Disabled American Veterans is unique among the veterans organizations in that from the beginning our purpose, and our sole objective has been devoted to the cause of improving and advancing the conditions, health and interest of all wounded, gassed, injured and disabled veterans, and to aid and assist worthy wartime disabled veterans, their widows, their orphans and their dependents. * * * We soon found that remembering our sworn obligations and confining our efforts to the care of the disabled, his widow and dependents was a great task or mission. It was all we could handle. The DAV has never registered any protest to existing part III benefits—the payment of a pension where the veteran became permanently and totally disabled and unable to carry on continuously in gainful occupation and where a reasonable income limitation or evidence of need exists. As stated previously we have not supported such legislation because of our desire and efforts to secure increased awards or amounts for the service-connected veteran and his dependents."

You will recall that on March 20, 1933, there was passed by the Congress Public Law No. 2, 73d Congress, which had the misleading caption "An Act To Maintain the Credit of the United States Government." The monetary purpose was to save $200 million, all at the expense of veterans and Federal employees. You all know what happened subsequently as numerous benefits then denied, eliminated, or reduced, were restored, some in part. In the meantime, there were some suicides of veterans and widespread misery and hardship. The Bradley Commission report, if adopted, could well have the most unfortunate results and in some instances these would border on the catastrophic. Why should a veteran, otherwise eligible and qualified, be denied a pension because he has social-security income to which he contributed in his active working years, or is in receipt of financial assistance from relatives, or friends, or from other sources, as long as the veteran is permanently and totally disabled to earn a livelihood through his own efforts, meets all the service and other requirements, and has a computable annual income less than the amounts specified by law? No, ladies and gentlemen of the committee, we do not endorse the plea for increases of pension and liberalization of criteria embodied in the bills before you this session; we most certainly do not favor the retrogressive movement away from existing national policy as advocated by the Bradley Commission. That might well prove to be the opening wedge that would place the compensation legislative structure in jeopardy and spearhead a subsequent attempt to tie in the compensation program to "needs," the word that runs like a thread through the tapestry of the New Look advocated so strongly by the President's Commission on Veterans' Pensions.

Recommendation No. 58 (p. 375): See comments on recommendation 57.

Recommendation No. 59 (p. 384): See above comments on recommendations 57 and 58.

Recommendation No. 60 (pp. 388, 389): Opposed. See foregoing comments on preceding recommendations.

Recommendation No. 61 (pp. 390, 391): We are not in favor of imposing any restrictions curtailing or modifying the present laws and regulations on this subject.

Recommendation No. 62 (p. 392): Opposed—see above.

CHAPTER XII

Recommendation No. 63 (p. 396): The DAV does not agree with this proposal. It should continue to be within the province of the VA to determine, under its controlling criteria and precedents, whether a veteran with an undesirable or bad-conduct discharge was released from service under conditions and for acts constituting discharge under dishonorable conditions.

Recommendation No. 64 (p. 397): See above comment under recommendation No. 63.

Recommendation No. 65 (p. 398): There have been studies made in the past relative to this subject. The record is probably voluminous and it is not known what is to be gained by another thorough study. The facts are clear as to what the law and VA regulations permit and even direct to be done about payments where veterans are receiving hospital or domiciliary care at public expense or while inmates of penal institutions, and it would seem that any question now raised would be one purely of future policy.

CHAPTER XIII

Recommendation No. 66 (pp. 402–403): This organization is in agreement with paragraph (a) but looks upon paragraph (b) with a skeptical eye. This may be a meritorious proposal, depending upon the persons selected, their background, character and philosophy where veterans are concerned, but we are not convinced that it would have any good results. As to paragraph (c) it is believed that the VA staff activities are now overrun with specialists in planning, analysis, program reviewing, office managements, etc., to such an extent that the VA is losing, or has lost sight of the more important functions such as rendering the best possible service to veterans and their dependents, the sympathetic consideration of claims on the basis of human problems, and the proper professional attitude of all officers and employees having the responsibility for making decisions affecting veterans and their dependents. There are some who believe that the chief aims of the VA too often are (1) public relations, (2) statistical and (3) work-measurement or assembly-line techniques.

Recommendation No. 67 (pp. 404, 405): The proposal to make the Administrator of Veterans' Affairs a member of the President's Cabinet has appealing aspects but could very well turn out to be a mirage, regardless of the individuals involved. As a member of the Cabinet the Administrator could be subjected to statistical arguments of depressing nature with possible intimation from higher quarters that might well interfere with conclusions reached by him if made independently and without being in the higher echelon atmosphere at the time. In addition, the Administrator, as a Cabinet member, would undoubtedly be asked for his opinion on a wide variety of subjects only indirectly affecting veterans or not at all and it is hardly conceivable that he would decline to express his views on political matters if requested to do so. As to establishing a Cabinet Subcommittee on Veterans' Affairs, with the Administrator as a special member, the necessity for such another new group at the high level indicated is not apparent and is not endorsed as the matter now stands. If the idea stated in paragraph (c) means what we think it might mean then the DAV can be recorded as opposed.

Recommendation No. 68 (p. 406): The preceding recommendation would make the Administrator a Cabinet member to enhance his prestige and responsibility, whereas recommendation No. 68 would place additional limitations on his authority and require him to give advance notice and obtain advance review by "appropriate agencies of the Government" whenever he issues rules in large matters affecting eligibility of veterans for benefits or involving changes in program objectives. It is not very clear just what is intended here, but from the descriptive material preceding this recommendation we would be opposed to the change.

Recommendation No. 69 (p. 408): While there may be some justification for this proposal, it is wondered if the Commission had any real comprehension as to the large number of additional qualified employees that would be required and the very substantial increased cost involved to set up and maintain such high-salaried reviewing officials thereby constituting an intermediate step between decisions of the rating boards and appellate determinations of the Board of Veterans' Appeals. If Congress, in its wisdom, desires to authorize the establishment of what, in effect, would be intermediate Appeals Board, regardless of the many new positions that would need to be created and staffed at the great cost involved, then this organization has nothing to say either in favor or in opposition.

Recommendation No. 70 (p. 409): It is believed that this recommendation if carried into effect would be helpful and this organization, generally, will be found favorable to any codification or reasonable simplification of the laws affecting veterans and the related regulations.

In the conclusion on page 410 of the Bradley Commission report the statement is made that the VA has been examined many times by outside management experts and Government bodies, also that it has been administratively reorganized a number of times. The Commission concludes that this had had some salutary effect, but that the "shifting of organization charts has long since been discredited as a panacea for the ills of governmental administration." It is hoped that the officials in charge of the VA fully realize this truism and will profit by it. The DAV is concerned with the many surveys that have been made of the VA, the too frequent internal reorganizations that have been imposed, the stress and strain upon the personnel, much of it resulting from changes, experiments, and generally ill-considered moves of one kind or another, and the greatly impaired morale that must inevitably accompany such basic insecurity and feelings of frustration. Nothing was very much wrong with the operation of the VA, but it certainly is now or will be unless there is a cessation or let-up in the investigatorial and critical activities that have seemingly started on the false premise that something is radically wrong with the VA that can only be remedied by drastic surgery and a prolonged and stormy convalescence. Perhaps these remarks are beside the point of this hearing, but, in my judgment, someone should make them publicly and as we are all working toward the same end—the welfare of the veterans and their families—I thought you would not be averse to hearing the truth as we see it.

I desire to express my sincere thanks for your kindness and courtesy in hearing this rather lengthy dissertation on the many items covered in the Bradley Commission report. It is hoped that our comments will be helpful to you and in conclusion may I say that we as an organization still support the bills that were commented upon favorably by us at previous hearings and in correspondence and that we do not discern after careful study of the Bradley Commission findings any good reason for changing our position as heretofore announced. Thank you again for hearing me out.

KATYN FOREST MASSACRE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. Sheehan] is recognized for 10 minutes.

Mr. SHEEHAN. Mr. Speaker, today I sent a cablegram to Josef Cyrankiewicz, Prime Minister of the Communist Polish People's Republic. This cablegram read:

> As the Congressman who introduced the original resolution in the House of Representatives during the 82d Congress calling for an investigation of the Katyn Forest massacre of thousands of Polish Army officers and intellectual leaders, and who served as a member of the select congressional committee which was established to conduct a full and complete investigation of this international crime, I should like to make available to you and the special group which your Government is reported to have recently authorized to investigate the mass murders at Katyn, all the evidence heard by and submitted to our committee in 1951 and 1952. I would also be happy to come to Poland as a witness to elaborate upon and substantiate the facts and conclusions reported by our investigating committee.

I have been prompted to send this cablegram because of the recent news developments in both Russia and Poland. The new look in Russia is seen in denouncements of the late Dictator Stalin by the present leaders in Russia, wherein they are now criticizing him for his purge of 5,000 Soviet officers before World War II.

The present Communist-dominated Polish Government and its press and radio are following the same line.

Recent developments in Poland reveal the Polish Government is planning to free over 30,000 political prisoners, is planning to make payments to compensate people unjustly sent to jail, has promised restoration of pensions and honors to the survivors of the heroic non-Communist Polish home army, and most recently has been reported to have begun a new investigation of the Katyn Forest massacre.

I hope this new investigation by the Russian-dominated Polish Government will be as unbiased, fair, and complete as was the investigation by our select committee in the 82d Congress.

When the German armies occupied the Smolensk area in 1943 they discovered the mass graves of Polish Army officers and blamed the Russians for this massacre. When the Russian Army recaptured this area in 1944 it set up a commission to reinvestigate these mass murders and blamed it on the German Army. No complete and thorough investigation of this matter occurred until the 82d Congress authorized a special committee to investigate the facts. This select committee, after complete hearings, revealed authoritatively the information we had in our State Department files and in Army Intelligence files, which, with all the other supporting evidence gathered both in America and in Europe, caused the select committee to come to the unanimous conclusion that the mass murder of Polish Army officers and intellectuals was decreed by the Russian Communist rulers and carried out by the Soviet NKVD—People's Commissariat of Internal Affairs.

It is my hope that this Polish committee will invite all interested witnesses to be heard, similar to the practice adopted by our select committee. Our committee had extended an invitation to the Russian Government to present its evidence, which invitation was not accepted.

I feel certain that an unbiased investigation will confirm the findings of our congressional committee, in that the orders to perpetrate this heinous crime on the Polish people came directly from Dictator Stalin and the bosses in the higher echelon of the Communist Party.

In presenting the facts of the Katyn massacre to the Polish people, I hope the Communist Polish People's Republic will denounce Stalin and all top Russian officials who aided or abetted this crime against humanity.

I, and I assume the rest of the members of the Select Committee To Investigate the Facts and Circumstances Surrounding the Katyn Forest Massacre, would be more than willing to present and elaborate on the evidence heard by our committee.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mrs. CHURCH. I would like to express my complete sympathy with the aims of the gentleman, but I rise particularly to commend him for his own efforts on behalf of the Poles behind the Iron Curtain. I have followed with interest and carefully for some time the efforts of the gentleman to bring out the true facts in the case of the Katyn Forest massacre. I am certainly sure that the people of the gentleman's district should applaud him for his zeal and for his consecration and for his continued interest.

Mr. SHEEHAN. I thank the gentlewoman.

Mr. MACHROWICZ. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mr. MACHROWICZ. I wish also to commend the gentleman on his fine statement. I would like to point out to him that the gentleman from Indiana [Mr. Madden] and I have already offered resolutions which would ask the Department of State to make available the records of the Katyn committee, of which the gentleman from Illinois and I were members. I sincerely trust that the Department of State will avail themselves of the opportunity and present to the so-called Polish Government, the Communist regime in Poland, the evidence which will undoubtedly prove to them, as it has proven to the rest of the world, that the Communists were guilty of the murder at the Katyn Forest.

Mr. SHEEHAN. I thank the gentleman for his observation. I want to let the gentleman know that the Republican members on the committee, Mr. O'Konski, Mr. Dondero, and myself have joined with you and Mr. Madden in submitting a similar resolution.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to Mr. Derounian (at the request of Mr. Martin), through May 11, 1956, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. Thompson of New Jersey, for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Boggs and to include an address delivered by Mr. Mills, of Arkansas, notwithstanding it exceeds two pages of the Record and is estimated by the Public Printer to cost $187.

Mr. Cole in two instances and that the remarks of Mr. O'Brien of New York immediately follow his remarks, both to appear in the Record.

Mr. Scrivner in two instances and to include extraneous matter in each.

Mr. Dague.

Mr. Fascell (at the request of Mr. Sikes) and to include a letter.

Mr. Roosevelt to include in his remarks on the public library services bill certain documents and communications.

Mr. Frelinghuysen and to include extraneous matter.

Mr. Thompson of New Jersey and to include extraneous remarks.

Mr. Metcalf and to include extraneous remarks.

Mr. Anfuso (at the request of Mr. Albert) and to include extraneous matter.

Mr. Davidson (at the request of Mr. Albert) in two instances and to include extraneous matter.

Mr. Richards and to include extraneous matter.

Mr. Saylor.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 9, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1824. A letter from the Acting Secretary of the Interior, transmitting a report by the Bureau of Mines for the calendar year January 1, 1955, through December 31, 1955, pursuant to the Federal Coal Mine Safety Act, Public Law 552, 82d Congress; to the Committee on Education and Labor.

1825. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to validate certain payments made to members and former members of the naval service"; to the Committee on Government Operations.

1826. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes"; to the Committee on Government Operations.

1827. A letter from the clerk, United States Court of Claims, transmitting copies of the

court's opinion relative to the claim of *Frank C. Torti v. The United States* (Congressional No. 4-52), pursuant to sections 1492 and 2509 of title 28, United States Code, and pursuant to House Resolution 559, 82d Congress; to the Committee on the Judiciary.

1828. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting the 16th Annual Report, pursuant to section 201 (b) of the Social Security Act, as amended; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURLESON: Committee on House Administration. House Resolution 426. Resolution providing for the printing of certain proceedings in the House Committee on Agriculture; without amendment (Rept. No. 2113). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Concurrent Resolution 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means; without amendment (Rept. No. 2114). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 456. Resolution authorizing the printing as a House document of material relating to the Central Valley project of California, and additional copies for the use of the Committee on Interior and Insular Affairs; without amendment (Rept. No. 2115). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 454. Resolution to provide funds for the expenses of conducting studies, investigations, and inquiries incurred by the Select Committee on the Baltic States and by the Special Committee To Investigate Tax-Exempt Foundations; without amendment (Rept. No. 2116). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 468. Resolution authorizing the Committee on Ways and Means to employ one additional employee; without amendment (Rept. No. 2117). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 448. Resolution providing for the employment of 15 additional privates, Capitol Police force, office of the Sergeant at Arms; without amendment (Rept. No. 2118). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 465. Resolution to provide for the adjustment of the trust fund account in the Office of the Sergeant at Arms; with amendment (Rept. No. 2119). Ordered to be printed.

Mr. BOLLING: Committee on Rules. House Resolution 500. Resolution for consideration of H. R. 10986, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2120). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. H. R. 10230. A bill to amend sections 3526 and 3528 of the Revised Statutes relating to the coinage of subsidiary silver coins and minor coins of the United States; without amendment (Rept. No. 2121). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 503. Resolution for consideration of H. R. 4090, a bill to amend part II of title III of the Communications Act of 1934, so as to require the installation of an automatic radiotelegraph call selector on cargo ships of the United States carrying less than two radio operators, and for other purposes; without amendment (Rept. No. 2122). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 11075. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. ANFUSO:

H. R. 11076. A bill to permit producers to donate surplus wheat to religious organizations, without payment of marketing penalty, where such donation will divert the wheat from normal trade channels; to the Committee on Agriculture.

By Mr. DEMPSEY:

H. R. 11077. A bill to amend the Atomic Energy Community Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. GARMATZ:

H. R. 11078. A bill to amend section 6 of act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. GROSS:

H. R. 11079. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. GUBSER:

H. R. 11080. A bill to establish a permanent Commission on Organization of the Executive Branch of the Government; to the Committee on Government Operations.

By Mr. LANHAM:

H. R. 11081. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. McMILLAN:

H. R. 11082. A bill to establish an additional position of inspector of the Metropolitan Police force of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MAGNUSON:

H. R. 11083. A bill to amend the Internal Revenue Code of 1954 to place a maximum limitation on the 3 percent tax on the transportation of property; to the Committee on Ways and Means.

By Mr. MARTIN:

H. R. 11084. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. PRIEST (by request):

H. R. 11085. A bill to protect consumers and others against failure to identify, misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H. R. 11086. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SMITH of Wisconsin:

H. R. 11087. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIS:

H. R. 11088. A bill to amend the Social Security Act with respect to the matching formulas for old-age assistance, aid to the blind, and aid to the permanently and totally disabled; to the Committee on Ways and Means.

H. R. 11089. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRIS (by request):

H. R. 11090. A bill concerning gifts of securities to minors in the District of Columbia; to the Committee on the District of Columbia.

By Mr. NATCHER:

H. R. 11091. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. EVINS:

H. R. 11092. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. O'BRIEN of New York:

H. R. 11093. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain severance pay; to the Committee on Ways and Means.

By Mr. SAYLOR:

H. R. 11094. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 11095. A bill establishing certain qualifications for persons appointed to the Supreme Court; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 11096. A bill to amend the Public Health Service Act to provide an emergency 5-year program of grants and scholarships for postgraduate education in the field of public health, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. J. Res. 619. Jont resolution authorizing the Federal Trade Commission to make an investigation and study of the production, transportation, distribution, and sale of refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. O'KONSKI:

H. Res. 501. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SHEEHAN:

H. Res. 502. Resolution requesting the President to forward the evidence and findings of the Select Committee to Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Senators and Representatives from Rhode Island in the Congress of the United States to exert their efforts and influence to combat the great inequities aimed at the veterans of this country as enumerated in the recently released Bradley Commission report; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to investigate the wasteful expenditures of the Helium Division of the United States Bureau of Mines; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 11097. A bill for the relief of Chien-Wu Mei; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. R. 11098. A bill for the relief of Malowney Real Estate Co., Inc.; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 11099. A bill for the relief of Guadalupe Gucho-Gonzalez; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11100. A bill for the relief of Sverre Augestad; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 11101. A bill for the relief of Carolina Rosa Garcao; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 11102. A bill for the relief of Yun Yong; to the Committee on the Judiciary.

H. R. 11103. A bill for the relief of Matilda Rajkovic; to the Committee on the Judiciary.

H. R. 11104. A bill for the relief of Henrik Mannerfrid; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 11105. For the relief of Domenico Romano; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1007. By Mr. DAGUE: Petition of Adam Erb Mummaw and 44 other residents of Lancaster, Pa., and vicinity urging the immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1008. By Mr. GROSS: Petition of Peter D. Nagel and 31 other residents of Mason City, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1009. By Mr. SILER: Petition of Paul J. Bauer and 5,883 other residents of Cincinnati, Dayton, Columbus, Hamilton, Jamestown, Wilmington, Cedarville, Xenia, West Milton, Laura, Vandalia, Englewood, Ludlow Falls, Potsdam, Union, Spring Valley, Bellbrook, Thornville, Sabina, Williamsburg, Morrow, Bowersville, Malvern, Waynesburg, Delaware, Centerville, Hillsboro, Rushville, Ashland, Madeira, Lebanon, Alliance, Louisville, Carrollton, Middletown, Athens, Chillicothe, Columbiana, Glouster, Sebring, Napoleon, Greenfield, Frankfort, Warren, Sunbury, Philadelphia, Portsmouth, Findlay, Salem, Defiance, Pomeroy, Marion, New Concord, and other towns and cities in Ohio, urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Kansas City, Kans., Armory Dedication

EXTENSION OF REMARKS

OF

HON. ERRETT P. SCRIVNER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SCRIVNER. Mr. Speaker, the following news story from the Kansas City Star, of Sunday, May 6, 1956, relates the events of a historic day in Kansas City, Kans., when the city's new million-dollar National Guard armory was dedicated.

As you will see, the story gives short excerpts from talks given by Gen. Williston B. Palmer, Army Vice Chief of Staff; former President Harry S. Truman; and myself:

LINK IN DEFENSE: THE NEW KANSAS CITY, KANS., NATIONAL GUARD ARMORY IS DEDICATED AS DETERRENT OF WAR—REPRESENTATIVE SCRIVNER SAYS THE FACILITY IS EVIDENCE OF THE WILL TO FACE ENEMIES

In a ceremony replete with military honors and traditions, the new National Guard armory in Kansas City, Kans., was dedicated yesterday before 2,000 persons.

The event drew to the city former President Harry S. Truman, 18 generals, including the Vice Chief of Staff of the Army, Gen. Williston B. Palmer, and other Midwest military and civilian leaders.

Special tribute was paid to Col. Mahlon S. Weed, station commander, for his work of more than two decades to provide the city such a facility. Colonel Weed's reply was a simple "Thank you," and words of praise for the citizens of the community who made the million-dollar project possible.

TRIBUTE TO COLONEL WEED

ERRETT P. SCRIVNER, Representative in Congress from the Second Kansas District, who served as a lieutenant under the colonel when he was Captain Weed, paid this tribute:

"It is more than a building we dedicate today. It is a dream come true, a testimonial to the vision, tenacity, and faith of one man, Col. Mahlon S. Weed."

The Representative recalled the history of the guard in Kansas City, Kans., pointing out such inadequate facilities of bygone years as a laundry converted to armory use, storefronts, and the basement of the Memorial hall.

"Today you see the culmination of years of effort," SCRIVNER said. "On this ground stands, by your efforts, this magnificent armory, in which the youth of today and tomorrow will receive training * * * that may some day not only save their own lives, but may very well save your country and your life."

HISTORIC ROLE BY CITIZEN

The speaker added that tax dollars for the armory are as a premium on an insurance policy for national security. He recalled the efforts of the citizen-soldier called to arms in all of America's wars and pointed out that the National Guard and Reserve forces furnish the major share of military manpower when war comes.

"With these marvelous modern facilities, our men will be far better prepared than they could have been otherwise," SCRIVNER said. "Even so, I am sure you join me in the prayer that even though prepared, they will never be called upon to serve in time of war. With them, let this be your slogan, 'Keep your guard up'."

The importance of the civilian components in the Nation's military picture also was stressed by Gen. Williston B. Palmer, Vice Chief of Staff of the Army, who was representing Gen. Maxwell D. Taylor, the Chief of Staff. General Palmer congratulated the citizens of Kansas City, Kans., for their efforts in providing the facility.

A PREPAREDNESS SYMBOL

"In generously providing this building," the general said, "the people of this city and of this State are to be commended. This is visible evidence of your determination to deter war, and the National Guard men here are likewise dedicated to this purpose. The significance of this ceremony is that we are dedicating not merely a shrine to memories of past wars, but also a building to house the strength with which to boldly face our enemies, and which by its readiness will prevent conflict.

General Palmer was introduced by Maj. Gen. Joe Nickell, the adjutant general of Kansas.

Truman recalled his early days in the guard, telling of the payment of 25 cents a night to rent a dance hall as a drill hall, and providing a uniform.

The country has found out that the National Guard and the Reserve must be maintained," Mr. Truman said. "I am very much interested in what you are doing here. It is necessary that the country understands that its welfare depends on the civil population."

A WORD TO GUARDSMEN

Turning to the guardsmen the former President counseled the men they should appreciate the facility they now have.

"Keep up the good work," he said, "you're the only safety this country has."

Beaming, Mr. Truman remarked as he finished: "I want to come back in about 20 years when I'm 90 to review you and see if you have shown any improvement."

In presenting the armory to the State, Mayor Paul F. Mitchum said it was a real pleasure for him to represent the citizenry of Kansas City, Kans., in the task. Gen. Calvin E. Berry, Topeka, a member of the State military board, accepted the facility and said:

"I express the deep appreciation of the Kansas Military Board to the citizens of this community for their untiring devotion to our national defense."

Brig. Gen. Frank Dunkley, Topeka, formally commissioned the armory as a military facility. Accepting the responsibility of the building for Colonel Weed, the station commander, was Lt. Col. John W. Breidenthal, executive officer of the station.

Federal Tax Policy for Economic Growth

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address entitled "Federal Tax Policy for Economic Growth" by Representative WILBUR D. MILLS, of Arkansas, before the 44th annual meeting of the United States Chamber of Commerce, Statler Hotel, May 1, 1956:

In the decade since the end of the Second World War, the American economy has dramatically demonstrated the vigor of its basic growth-generating forces. Apart from the mild recession of 1949 and the drop in 1954, the Nation's economic growth has been remarkably steady. For the decade as a whole, the private economy has grown at an annual rate of about 3½ percent in constant 1955 prices.

One of the most important factors in this growth is the character of the people of this country. Our perpetual dissatisfaction with present achievements, our alertness in recognizing problems and our welcome acceptance of the challenge they present, and the nearly universal conviction that better ways of living are to be had if we apply the proper effort, imagination, and creativeness in our undertakings—these attitudes are the well springs from which our material progress flows. Our spirit is that of the quest; the rewards to that spirit are daily unfolded before us.

The economy's performance since the end of World War II confirms the importance of sound public policy in providing the setting in which this spirit can impel our private-enterprise economy to new achievements. An instrument of this public policy has been the Employment Act of 1946 and the executive and congressional machinery which it established.

Recently, the Tax Policy Subcommittee of the Joint Committee on the Economic Report concluded an intensive study of the impact of the Federal tax system on the economic development of the Nation. Drawing on this study, I should like to suggest certain economic principles for Federal tax policy and offer some suggestions as to the nature of the revisions necessary for a more rigorous observance of these principles in our tax law.

THE LEVEL OF TAX REVENUES

In the fiscal year 1955, the Federal Government's net budget receipts amounted to $60.3 billion. On the basis of recent information it now seems that net receipts for fiscal 1956 may run as much as $3 billion greater than the $64.5 billion estimated in January of this year. During the past 10 fiscal years, the people and businesses of this country have paid to the Federal Government $494.1 billion. I mention this staggering amount only to remove any doubt you might have that I am perfectly well aware of the fact that taxes are high.

In recent years, we have become increasingly aware of the fact that a close relationship exists between the amount of money the Federal Government collects and spends and the level of activity in the economy as a whole. Although we still maintain that the basic purpose of taxation is to raise revenue to finance expenditures, we also recognize the fact that when Federal Government activities represent one-fifth of the national income, the manner in which those activities are financed will have significant economic consequences.

It is generally agreed, for example, that when the private economy is not fully using available resources, reducing taxes relative to spending will have a stimulating effect. It is also generally agreed that when the economy is pressing hard on available resources, increasing taxes relative to spending will help to repress inflationary pressures. Once the level of Government spending has been determined, changing the level of tax receipts is an effective way to minimize economic fluctuations. We cannot afford to neglect this important tool, since these fluctuations represent significant obstacles to the attainment of our objective of steady economic growth. Recessionary movements interrupt the process of growth by leaving some of our growing resources idle, while inflation makes continued growth more difficult to maintain.

Our first principle, therefore, is that the level of taxes should be related to the level of Government expenditures by the need for full use of growing productive resources and stability in the general price level. In practice, this means that we should move in the direction of reducing deficits or increasing budget surpluses during times of inflationary pressure, using at least some of our surplus for purposes of reducing debt. In times of recession, on the other hand, we should not be reluctant to move in the direction of deficits if these are needed to maintain full employment.

It now appears that we may well end fiscal year 1956 with a budget surplus as much as $2 billion, considerably in excess of the $200 million estimated for the year in the President's January budget message. The suggestion has been made that a budget surplus of this size makes possible, in fact requires, tax reduction. I am sure no one will argue with the point of view that, all other things being equal, tax reduction is a desirable course of action. We should bear in mind, however, that this healthy budget surplus is primarily the automatic result of the sharp rise in personal and corporation incomes in 1955 and not the result of corresponding reductions in expenditures. If, as it appears likely to many, that rise should resume during the course of the year, devoting any substantial portion of the budget surplus to tax reduction might well result in strong inflationary pressures which would cancel out, through price increases and general economic instability, the benefits from lower tax liabilities. It is possible, of course, that as we go further into 1956, the prospects for continued economic expansion may weaken. If persistent economic weakness should appear, tax reduction to stimulate private demand would be entirely appropriate.

Some maintain that top priority should be given to tax reduction lest continuation of present high rates destroy the spirit of quest which I have identified as a prime source of our Nation's growth and development. The actual growth record of the economy over the past decade, coinciding with the highest peacetime tax rates we have ever known, I believe, shows that this danger has been exaggerated. Present tax rates are certainly too high for the long run. At the present time, however, I am more concerned about the short-run inflationary dangers in premature or ill-timed tax reduction.

One might well ask, "if we cannot provide tax reduction now, with a budget surplus of the size now anticipated, and with the country at peace, what hope for tax cuts is there?" I think the chances for tax reduction are excellent. If we exercise the proper fiscal responsibility and integrity, if we insist that Federal tax policy reflect the need for avoiding both inflation and recession, these chances will be greatly enhanced. If we succeed in moderating short-run economic fluctuations, we can count on a steady growth over the next decade which will make possible substantial reductions in effective Federal tax rates.

RESPONSIVENESS OF THE FEDERAL REVENUE SYSTEM TO ECONOMIC FLUCTUATIONS

The legislative record of the postwar decade demonstrates the willingness of the Congress to make adjustments in fiscal and monetary policy to offset recessionary and inflationary movements, once these movements are recognized. However, a considerable period may elapse between the time economic disturbances get under way and the time adequate objective evidence with respect to their character and direction is available. The Congress cannot be expected to legislate significant changes in, say, individual income tax rates on the basis of forecasts of short-run economic fluctuations, it must wait until a basic need for such changes is clear. During this lag, however, the economic disturbances may gain considerable momentum, thereby increasing the difficulties in taking appropriate action. To the extent that our fiscal and monetary system contains automatic features for offsetting fluctuations, the problems of economic stabilization facing the Congress and the administration are reduced.

Our present tax system contains a number of such features. Chief among these are the individual and corporation income taxes. Other elements of the Federal revenue system respond sluggishly to changes in national income. In the interests of strengthening the automatic countercyclical responsiveness of the tax system, therefore, we should avoid tax changes which would weaken our income taxes and force heavier reliance on other elements in the revenue system. For example, proposals for shifting to a general manufacturer's sales tax to finance income-tax reductions or to impose constitutional limitations on income-tax rates, thereby requiring relatively greater use of consumption taxes, not only would violate generally held concepts of fairness but would represent a serious threat to economic stability.

The automatic stabilizing capacity of income taxes depends on the size and composition of the tax base, the degree of effective progression in the tax-rate structure, and the promptness with which tax payments are made. In all but the last respect there is considerable room for improving the built-in flexibility of the income taxes.

For example, only about 40 percent of what the Department of Commerce describes as personal income enters the individual income-tax base, and some of the types of income which are most sensitive to broad changes in economic conditions are not fully subject to tax. Of course, considerations other than those of strengthening built-in flexibility must be taken into account in determining the appropriate tax treatment of various kinds of income and expense. Nevertheless, it must be recognized that a tax proposal which would have the effect of partially or fully sheltering income from tax will involve a cost—perhaps a significant one—in reducing the capacity of the tax system automatically to damp down undesirable economic fluctuations.

Very considerable improvements can be made in increasing the effective progression of the tax-rate structure. We have heard a great deal in recent years about the allegedly pernicious effects of income-tax progression on incentives and, therefore, on economic growth. This question, among others, was carefully explored last year in the study conducted by the Subcommittee on Tax Policy. Taking full account of the testimony of the most extreme critics of the present tax structure, it is fair to report as the conclusion of this study that most of the criticism of the individual income tax is not properly directed against progression per se, but rather against the level of the whole rate schedule.

The study also revealed, by reference to statistics from tax returns, that effective progression in the individual income tax is considerably less than that suggested by the statutory tax-rate schedules. At the present time, for example, less than one-fifth of individual income-tax revenues is produced by marginal rates above the first bracket. Moreover, when full allowance is made for all the income received by the taxpayer, the data show that for individuals with adjusted gross incomes over $100,000 effective rates varied, in 1951, from 37 to 68 percent and averaged about 45 percent.

These data suggest to me that we can greatly strengthen effective progression in the individual income tax, and thereby fortify the ability of the tax to counteract economic fluctuations, without increasing the level of individual income taxes. In fact, if it were possible to broaden the tax base, we could both increase progression and lower tax rates at the same time. There are, admittedly, substantial difficulties in pursuing this objective, but the rewards would be very great indeed.

THE FEDERAL TAX SYSTEM AND BALANCED ECONOMIC GROWTH

The excellent postwar record of the American economy in maintaining steady growth is due, in large part, to the fact that we have maintained an approximate balance between consumer expenditures and capital outlays. When this balance is upset, economic difficulties quickly follow. A rate of growth in consumption in excess of investment results in a faltering in the rise in living standards because of the failure of productive capacity to keep pace with the expansion of consumption needs. On the other hand, too rapid a rate of capital formation means sacrifices of current living standards and threatens idle capacity and disorganization of further growth. Imbalance between consumption and investment, therefore, can be a seriously destabilizing development.

On the whole, the Federal tax system has contributed toward maintaining an appropriate balance between consumption and investment. Both business and consumers have had to forego—over the last decade—some of the gains that would have been possible had the world been less troubled by international tensions and conflicts. But the sacrifice has not been markedly one-sided. In the interests of continuing economic growth and stability in the present environment of world affairs, we want to avoid unsettling shifts in tax burdens.

I do not mean to suggest that any adjustment in relative tax burdens would be unwarranted. There are numerous ways in which our tax system can and should be modified to provide a fairer distribution of the total tax load. Such adjustments are always timely, given due regard to their revenue effects. I do mean to caution against broad shifts in the balance between consumption and investment impacts of taxation which do not accord with basic economic requirements. Relatively heavier tax burdens on consumers in order to ease taxes on business would clearly not be in order when slackening economic growth is associated with lagging consumer demand and idle plant and equipment. By the same token, we would want to avoid heavier relative tax burdens on business at a time when rising consumer demand was inadequate to induce the desired rate of growth in industrial capacity.

Balanced economic growth also requires that taxes fall as neutrally as possible among all taxpayers. It is in this respect that I believe the maxim about taxation for revenue purposes only is most meaningful, for the use of tax devices to effect particular economic results is, on the whole, a dangerous policy to pursue. The present tax law is replete with preferential provisions for special tax-paying groups and measures up poorly to the standard of neutrality.

A common characteristic of these preferential provisions is that they tend to induce taxpayers to use the resources at their disposal in a different manner from that which would be called for by prudent management in both business and personal life. We pride ourselves on the effectiveness with which the price system, operating in free markets, acts to signal consumers, investors, and managers to use their resources in the most efficient way possible. Special tax provisions often introduce considerations which are at variance with the signals of the market place. If the benefits from these special tax provisions are great enough, they may outweigh market considerations. The result will be interference in the allocation of resources and therefore a lower total real value for the product of the economy.

Any one of the present preferential provisions, by itself, may well be quite laudable. But we have to recognize that a tax benefit to encourage any one industry or group necessarily means willingness to deter the growth of others not equally favored. Much of the legislative history of our tax system is a reflection of the efforts of some such group to obtain for itself tax concessions similar to those previously extended to another. It is simply a basic fact of our fiscal life that the more preferential treatment we give any one taxpayer or group of taxpayers, the less we can give to all others.

We must also recognize how great a responsibility is assumed in providing preferential tax treatment. These provisions represent value judgments about the type of economic activity most essential to the process of economic growth. This is the very type of decision which virtually all of us feel cannot be safely made except by the impersonal mechanism of the price system.

A fundamental objective in formulating tax policy should be to strive for neutrality and uniformity in the application of our tax laws. Greater uniformity would eliminate or reduce distortions in economic development, provide us a much fairer tax system, and greater automatic responsiveness to changes in levels of economic activity.

THE FEDERAL REVENUE SYSTEM AND THE COMPETITIVE POSITION OF NEW AND SMALL BUSINESS

Apart from the sentimental attachment that all of us have to new and small businesses, there is, I believe, a sound scientific basis for emphasizing their importance in our economy. They represent often the concrete expression of the creativeness and imagination which are basic resources for economic progress. A constant stream of new businesses is our best assurance that established companies will continue to face the challenges which are so important in the development of new products and new and better production methods. A large number of small businesses is required to insure that control over the use of resources, output, and prices is widely diffused, and therefore that these resources will be most efficiently used.

Tax policy must prevent tax discrimination against small and new business. It must avoid reinforcing those pressures in the economy for the submergence of such businesses, either by failure or by amalgamation with larger business units. The rise in mergers and other consolidations in recent months is one of the factors that suggests the need for reexamination of public policy in this area. Even though these mergers do not necessarily involve small companies, the increasing concentration of business which they frequently produce threatens the continuing independence of small firms. Data on the rate of business failures, over 90 percent of which refers to small businesses, are also cause for concern. The information supplied by the SEC–FTC, while not conclusive, strongly suggests that small businesses are not sharing the rewards of the current high level of business activity on an equal basis with their larger competitors.

Tax considerations are frequently identified as major factors working against small and new companies. Although it is difficult to determine the significance of these considerations, we must be alert to this type of possibility and scrutinize both the existing tax law and all new tax proposals for their implications in this respect.

To recapitulate, Federal tax policy for steady economic growth should (1) relate the levels of Government revenues and expenditures to the need for full use of growing productive resources and stability in the general price level; (2) strengthen the income tax in order to increase the built-in stabilizing capacity of the Federal tax system. I hasten to add, parenthetically, that this is not to be construed as urging a bigger income-tax bite; (3) maintain a careful balance between those elements of the tax system which rest most heavily on consumption and on investment and seek greater neutrality among taxpayers; and (4) protect the competitive position of small and new businesses.

I would like to outline, very broadly, the type of tax revision implied by these recommendations.

In the individual income tax area there is considerable need for greater effective progression of tax liabilities, particularly in the low- and middle-income range. I mean that the starting rate in many of these brackets is too high. In recent years, about 80 percent of individual returns have been subject to tax at only the first bracket rate. For these taxpayers, progression in effective tax rates depends largely on the number of dependents claimed. A substantial improvement, both in the distribution of tax burdens and in the automatic responsiveness of the tax, would result if ways could be found to split the present first bracket and provide a lower starting rate.

Furthermore I do not believe that the interests of a truly progressive income tax are well served by a marginal rate structure which reaches 91 percent. It has been repeatedly pointed out that these upper rates are largely fictitious. The Statistics of Income for 1952, for example, show that out of 13 million returns with itemized deductions, only 1,279 returns reported taxable income to any part of which the top marginal rate was applicable. That's less than one one-hundredth of 1 percent.

These high rates are part of the vicious circle in which the income tax has been ensnared. When we have rates so high taxpayers make determined efforts to obtain preferential treatment for various types of income and expenses. To the extent that they succeed the tax base shrinks, thereby reeinforcing the need for high tax rates. It seems to me, therefore, that we should concentrate on restoring the shrunken tax base while at the same time reducing the top marginal tax rates. These might top off at, say, 65 or 70 percent, depending on how successful efforts to broaden the tax base are.

In this connection high priority should be given to the present treatment of capital gains. Most experts in taxation agree that, because of the taxpayer's control over the realization of capital gains and losses, it would not be practicable or desirable to treat such gains and losses like ordinary income and losses. While recognizing the need for some differential treatment, I think it is highly doubtful that the present preferential treatment is best suited to meet the problems that arise in this tax area. The present treatment offers strong inducements to middle and upper bracket taxpayers to convert ordinary income into capital gains and to seek legislation which extends capital gains treatment to an ever-widening array of receipts. Even a cursory review of the present capital-gains basket reveals a large number of income items which involve neither a capital asset nor a sale or exchange.

The basic problems in the capital gains area are of definition. A determined effort should be made to resolve these problems. At the very least, proposals for further extension of capital-gains treatment as a relief device should be resisted.

In the area of taxation of business income one of the most pressing problems is the treatment of net operating losses. The basic purposes of providing a carryover of net operating business losses appear to be disregarded by the present law which makes these carryovers prime booty acquired in the process of business combination. The transferability of these losses has been a major contributing factor in the recent merger movement. The technical problems in this area are certainly thorny, but revision is urgently required.

Much can be said in favor of the accelerated depreciation provisions included in the 1954 code, although they are not entirely irreproachable. On the other hand, coupled with capital-gains treatment for gains realized on the sale of assets depreciated under the new provisions, Treasury revenues may seriously suffer, and more important, uneconomic replacement practices are encouraged. Sound economic replacement practices should be encouraged. It would be a highly desirable reform to limit the accelerated depreciation provisions to assets with normal useful lives somewhat greater than the 3 years stipulated in the present statute and to modify the application of capital-gains treatment to depreciable property.

Another problem concerns the appropriate treatment of dividend distributions. We are all aware of the undesirable bias which the present corporation income tax may impose against external equity financing. The individual dividends-received credit and exclusion are not, in the view of most disinterested tax experts, the appropriate approach to the solution of this problem. I think these provisions should be eliminated in favor of some provision at the corporate level for putting dividend and interest payments on a par.

In the excise area, efforts are currently being made to simplify a wide range of technical provisions, primarily relating to compliance and administration. We must begin to give consideration to reduction or elimination of a number of excises which have differentially adverse effects on business-cost structures and competitive relationships. The taxes on transportation, on communications, and on business machines and equipment are cases in point, although not the only ones.

Finally, our estate and gift taxes should be substantially modified. At the present time, they produce only very modest revenues and, therefore, do not well perform the basic function of any tax. Moreover, the structure of these taxes is such as to invite tax avoidance. Even more so than in the case of income taxes, progression in the estate and gift taxes is fictitious. On the other hand, there are other elements of these taxes which contribute toward the merger of small family businesses into large public companies. Revision of our estate and gift taxes should seek to make them more truly progressive, more productive of revenue, and at the same time less biased against family enterprises.

I must acknowledge that I've carved out a large order in my last remarks. We have recently witnessed the magnitude of the undertaking involved in even a comparatively modest revision of our internal-revenue laws. On the other hand, the interests of steady economic growth are more compelling, surely, than consideration of the difficulties involved in large-scale tax revision. This revision is necessary if we are to develop a tax system which is fair and which conforms to sound economic principles.

As a postscript, I should like to add that the extent to which such revision entails a net loss of revenue to the Government must be given careful consideration in the timing of legislation. I do not know whether it would be possible to undertake these constructive reforms with no net revenue loss. Some tax experts argue affirmatively on this question. If this is not the case, however, we should attempt to gear any revision program to periods in which tax reductions are called for to sustain economic growth. The present economic condition of the country, as I have suggested, does not appear to warrant or even permit any significant reduction in revenues, unless we are willing to impose heavier responsibility on the Federal Reserve System to contain inflationary pressures. Should the economic outlook change, however, we should be ready with a program for general tax revision and reduction. I hope that the discussion today will make some modest contribution in stimulating interest in such a program.

An Example of Community Action

EXTENSION OF REMARKS

OF

HON. IRWIN D. DAVIDSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. DAVIDSON. Mr. Speaker, the United States Housing Act of 1954, Public Law 560, calls for citizen participation as a condition for approving any city's request for urban renewal subsidy. Such citizen participation was notably demonstrated in the conference on the Forward Look: The Rehabilitation of the West Side, on May 12, 1956, sponsored by the Riverside Neighborhood Assembly, a school-community council on the West Side of Manhattan, in cooperation with the League of West Side Organizations, the West Side News, and the chamber of commerce. More than 500 citizens and top officials joined hands and minds on the common problems of neighborhood blight to reach areas of agreement and action that will encourage all groups in the community to stay their flight and start to fight for total community improvement.

The principal conference speakers, Commissioner James Felt, Stanley Lowell, assistant to Mayor Wagner, Assemblyman Ludwig Teller, and myself, paid honor to the previous activity of this dynamic community and to its continuing interest and strong bonds of unity. More than 60 religious, civic, and business organizations, including every public school PTA—12—and 10 private schools, cosponsored the conference on the rehabilitation of the West Side. They represented thousands of other west siders who will have submitted to them a complete report of this conference.

The conference technique had been used three times previously by the Riverside Neighborhood Assembly to meet community challenges in other areas: The first, in January 1954, a conference on public education, had widespread influence in informing the public of the facts and philosophy underlying public education. The formation of a public school affairs committee, still alive and kicking, was only one of many healthy, tangible results. The second, in April 1954, Our New Neighbors—A Community in Transition, courageously faced the bewilderment and hostility engendered by rising tensions due to prejudice, before they could become dangerous. An intercultural committee embracing every school in the area and a youth ambassador to Puerto Rico project became positive factors of integration on the West Side. The third, called the U. N. at Our Door, in cosponsorship with the Foreign Policy Association, presented the community as a grassroots participant in the work of the United Nations.

The fourth and present conference has utilized all the former and added to its numbers and prestige because rehabilitation was everybody's business. The R. N. A. has clearly demonstrated the value of community action by this last, but by no means least, conference on the rehabilitation of the West Side.

Don't Return Enemy Property

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I filed with the House Interstate and Foreign Commerce Committee on April 30, 1956, in support of my bill H. R. 80 to authorize the immediate sale of Government-held properties of the General Aniline & Film Corp.:

> Mr. Chairman, I welcome the opportunity of explaining my reasons for the introduction of H. R. 80, which would amend the Trading With the Enemy Act by authorizing the immediate sale of alien properties after a finding by the President that it is in the national interest to do so and impound the proceeds of the sale until final judicial determination of legal ownership. This bill is identical with one I introduced in the 83d Congress, H. R. 5988.
>
> The principal properties of the General Aniline & Film Corp., a multimillion dollar corporation under the control of the Alien Property Custodian, is located in the district which I represent, and the thousands of employees of that corporation, as well as other residents in that area, are vitally interested in, and affected by, the eventual decision which the Congress will make with respect to the ownership and management of these properties.
>
> Since I first looked into this matter, I was, and still am thoroughly convinced that our Government should get out of the business of operating these industries which were seized at the outbreak of the last world war from our former enemies, Germany and Japan. The employees of the corporation are anxious for the Federal Government to be eliminated and normal private enterprise operations be established so that the company can grow and prosper.

There are two decisions this committee and the Congress must make in this matter: Should the properties be returned to their prewar owners and, in the case of the General Aniline & Film Corp., were the former owners enemy aliens? In the latter issue, our Supreme Court has ruled that, since some of the stockholders of the parent company were German nationals, the status of enemy ownership attached to the entire corporate ownership. Therefore, we can dismiss that issue from our further consideration since it has already been adjudicated by our courts. Our attention can now be centered in the question of whether to return the properties in kind or hold the proceeds in ecrow pending settlement of the pending suits. The legality of such procedure seems to be well established according to the brief submitted by the Department of Justice in this matter.

Under existing law, the Government cannot dispose of vested alien properties if the seizure itself is challenged by legal action. In the drafting of the Trading With the Enemy Act that provision was a very fine idea, and unquestionably a very considerate thought—during the heat of the last World War. It was intended to protect those who were not actually our enemies at the time of seizure.

The only trouble with the thought is that the objective could be so easily thwarted because the Germans learned back in World War I how to hide, or cloak, their ownership of various properties. As a result, we have seemingly endless lawsuits with their inherent delays, all to the disadvantage of this country. Delays will continue to consume time until 1 of 2 things happen: either the Congress is softened up by time and pressure until it returns the property to former owners, or our Government loses its lawsuit in the litigation instigated by the claimants, and is required to reconvey the properties. In either event we, the United States Government and the American people, lose.

We should look into history, or the record, on this subject. There we will find that the same influences were at work immediately after World War I as are occurring now. We find that it took the Congress 10 years—from 1922 to 1932—to realize it had made a mistake when it returned the properties held by citizens of our former enemies at the end of World War I. The same parties were involved then as they are now—Germany and the United States.

I sincerely believe that H. R. 80 is the most expeditious form of getting the Government out the chemical, dye, photographic, and duplicating-machine business in respect to this subject of war reparations of World War II, and at the same time do justice to the former owners. In brief, we would abide by the treaty with our World War II allies (the Paris Reparations Agreement) and, too, the agreement we signed with the Federal Republic of Germany, our former enemy.

Instead of operating these seized industries in question, we would sell them as provided in the Trading With the Enemy Act law, retain the proceeds in our Treasury to await the outcome of any litigation—paying in money those former owners who proved their claims and who were not our enemy.

By passage of H. R. 80, lawsuits could still continue, the qualified and proven claimant would be paid money instead of being handed a going and thriving American company. The Office of Alien Property (the custodian) could be cut back to a litigating agency, and the claims of our own citizens who have been wronged in two world wars could be paid.

I do not think that any of us can deny the fact that as long as these large corporations remain in the hands of our Alien Property Custodian there will be strong pressures and well-financed efforts by the former owners to regain the assets.

Allow me to forecast to you what will happen if these vested assets are returned to their former owners as is seriously urged upon the Congress by some persons.

A return of these properties would:

1. Require substantial and indefinite appropriations from the Federal Treasury.

2. Reverse the present policy of the United States and its World War II allies with respect to reparations, and deprive this country completely of all reparations.

3. Open up a huge pork barrel to the old enemy cartels without whose backing Hitler could not have forced the world to the very brink of disaster.

4. Provide a gift or windfall of some $200 million to individuals and organizations, some of whom are not even of German or Japanese nationality.

5. Enable the recapture, through devious means, of the huge business enterprises by the very persons they were taken from—in some instances in both world wars.

6. Endanger the security of secret processes essential to the defense of the United States.

These, as I see it, are the principal objections to a return of the properties. But let us look at these objections more closely.

The first point is appropriations, the cost to us as taxpayers, and I don't need to remind you of the widespread demand these days that taxes be reduced.

The value of all of the vested properties under consideration here is better than a half billion dollars. That is the basic cost figure with which we must begin.

Around $225 million of these properties have already been liquidated and the moneys transferred to the Foreign Claims Settlement Commission and disbursed to thousands of our citizens (prisoners of war,; internees, both civilian and military; religious organizations, etc.) who were the victims of suffering or damage, one or another, in the last war. So, over $225 million must be replaced immediately in our Treasury if the policy of property return is adopted.

This is what we might call a downpayment, and that is exactly what it is.

However, all of the property under question here is valued at well over a half billion dollars. This is property now held by the United States Government, and if it is given back, it must be replaced in our Treasury. So with a return we will make the second downpayment of around $300 million if our Government makes good on its promise to compensate our own citizens for their war damages. Now we are up to the half-billion dollar mark.

And there could be more, much more. For instance, what about enemy property located in the territories of our allies? Under our leadership, all of them seized this enemy property. And they also agreed to retain it. Also, they gave up in return for such retention the right to any other reparations from our former enemies. These are our agreements. We made them.

Now, if we reverse ourselves and return the property we have in our possession, who is going to pay the bill of our allies for the damages which their citizens suffered? Remember, this is our doing. After the United States made these arrangements by international treaties and agreements, our allies certainly had a right to rely on us. So now if we reverse ourselves certainly we will be called upon to pay this additional bill, and maybe we will have to do so.

This will add at least $300 million to our cost—that is, the amount of property our allies reported to the Interallied Reparations Agency they had seized.

Now our total is over $800 million—over three-quarters of a billion dollars. That is the price tag attached to the policy of property return. Do you want to buy it? I surely do not.

Now, let us look at the second point, reparations. This is a point that seems to be overlooked generally.

Much has been said in the press and in congressional hearings about the sanctity of private property—that governments should not seize it—and that such seizure is a complete reversal of our historic policy, followed in World War I—of retaining custody of enemy private property during hostilities, and then returning it after the war is over.

Yes, that is what we did in World War I, but that turned out to be quite a mistake—one that cost the United States billions of dollars. Anyone can be forgiven for making a mistake once, but to make the same mistake twice is both foolish and unpardonable.

After World War I we returned the enemy property we had seized—and received in return Germany's solemn promise that she would pay the war claims of our citizens. Of course, Germany defaulted. We gave up our collateral in return for a scrap of paper. Many of these claims are still unpaid.

Thirty years have passed—another world conflict is history—and in 1953, mind you—just 3 years ago—Germany again solemnly promised to pay these World War I—not World War II—but World War I claims. She says she will do it over a period of 26 years. If she does—I say "if"—some of our citizens will have waited about 56 years for the payment of their claims against Germany.

Will Germany default again? You may say we should not speculate on such a question, but the prospects are not bright you must agree.

World War II is over—the victorious allies met with their defeated enemies—the subject of reparations was under consideration—everyone knew of Germany's default on reparations after World War I—no one wanted that to happen again—so it was agreed that the enemy property that had been seized in the territory of each of the allies, would be retained by them—in lieu of any other reparations payments.

Remember that—"in lieu of any other reparations payments." We lost once—neither we, nor our allies, want that to happen again. Germany has agreed to this plan. In 1952, she signed the Bonn Convention agreeing that this property should be retained by the allies as their only reparations—and agreeing that she would compensate her own nationals for their losses due to property seizures by the allied powers.

Now this made sense. It would appear that we had refused to make the same mistake of World War I all over again.

Remember what I said about Germany's earlier default?

But listen to this. On March 7, 1954, Chancellor Adenauer appealed to the United States to return the vested German property.

So—just 2 years after another solemn agreement—the Bonn Agreement of 1952—we have the first move to cancel it.

So here we go again—down the same old disastrous and costly road. This German appeal is based on the historic policy of the sanctity of private property. Can't we see that we are talking about reparations—and not private property?

Can't we remember that obtaining reparations after fighting a victorious war is also a historic policy?

Can't we see—are we so blind not to see that the pressure to enact this legislation for return of the properties is coming from a few selfish people—the old notorious cartels that backed the Nazi machine in its attempt at world conquest? How blind and stupid and softhearted and fickle do they think we are?

This leads to my next point.

Under point 3, let's look at the cartel angle involved here. The name, "I. G. Farben" is notorious the world over.

Here is the world's greatest chemical trust—the one that gave to the murderous Hitler the technical know-how he needed. The one whose branches, spread throughout the world, constituted the greatest network for economic espionage ever seen. The one that was able to keep from us the secrets of synthetic rubber, among other things, when we needed that knowledge for our war effort.

And the same one—I. G. Farben—that ordered destroyed—and the orders were carried out—a nitrocellulose plant located at Afton Lake, N. Y. Nitrocellulose is the basis of high explosives, and the plant was destroyed—on orders from Germany—at the time Hitler started his invasion of Europe. It took us 2 years to replace that destroyed potential of war production.

These are the type of people a return of the property would aid—these and their fronts—not the little man, the little German, for whom it may be possible to generate some sympathy, but the big business tycoons and the international financial brigands.

That brings me to the next point—the windfall, bonus, or gift—call it what you will—that would be involved in a return of the property, and this is the most compelling argument of all against the proposed return.

When these properties were seized, they were much smaller than they are today, both in size and in value.

Their increased values all were brought about by American management backed by American labor and American know-how.

Let's look at just a few of them—increase in value since 1942: General Aniline and Film Corp., from $35 million to $106 million. Schering Corp., from $1,300,000 to its sales price of $30 million. Spur Distributing Co., from $1 million to $3,300,000. Karl Lieberknecht, from $365,000 to $6,500,000.

These are just a few. The increased value of all the properties—this windfall, bonus, or what have you—is close to $200 million. Of all the giveaways this is the most flagrant and unjustified. You may wish to be a party to such an outrage, Mr. Chairman, but I hope you will excuse me.

Let us go to the next point.

It is the plan of the United States and its allies, solemnized by international agreements and treaties to not only keep this enemy property, but to try and make sure that it would never again fall into enemy hands.

In World War I, the then Custodian, after he had sold the German Bosch properties to citizens of our country, proudly announced that never again would this company fall into alien hands. Within a very few years, however, Robert Bosch, of Germany, had regained ownership of the corporation. The American purchasers had resold the firm to its original owners.

Came World War II, and Bosch property was again vested in our Alien Property Custodian. It was sold again in 1948, but this time in order to forestall a return to alien ownership, the certificate of incorporation was amended so as to restrict the ownership of the stock to American nationals.

The same thing was done when Schering Corp. was sold. This technique was applied in other sales.

Our Government believed that these companies should move into the American economy, and stay there.

That is one of the basic purposes of my bill, H. R. 80, to sell these companies into our economy. And they should be kept there.

All this leads me to my last point. One that involves the security of our Nation, and should be of paramount importance in your consideration.

Let us use but one example—General Aniline & Film Corp.

This is the major holding of our Alien Property Custodian, the largest single reparation we have, and the greatest I. G. Farben property taken from our former enemies by any allied custodian. This company has two of its principal plants in my district, as I have said, and consequently I am greatly interested in it, as well as the entire alien property problem.

This company has many secret processes that today are part of our defense effort. Some of them are so secret that it would be dangerous to even apply for a patent, and thereby risk exposure. It is working closely with our Government and the Department of Defense.

This property was vested from a Swiss corporation, now loud in its protestations of neutrality and innocence. The Department of Justice says that this Swiss claimant was and is a cloak for I. G. Farben of Germany.

The reluctance of the Swiss to come to issue and trial of this question, and they brought suit in 1947 for return of the property, would indicate there is more here than meets the eye.

Now we know the Germans are expert at cloaking or hiding their external assets. We learned that in two world wars. They want this company with its treasure trove of dollars and know-how—American-developed know-how and American dollar earnings.

Representatives of the Swiss cloak deny this, and have even testified they want to "Americanize" the company, that they will sell it to Americans, but only after it is first returned to them.

Now if this were true, all they would have to do is to stipulate with the Department of Justice so as to allow our Government to make the sale. The lawsuit would then continue for the money resulting from such a sale. This is just what my bill would allow.

The Department of Justice conducts these sales in public to the highest qualified bidder. It has done so for years, and the sales have been successful. In this way, the retention of this great corporation by American owners could be made certain.

But no—the Swiss cloak won't agree to this. They want General Aniline back in their hands and what they will do with it no one can be sure.

They, by this stand, obviously want more than money.

Mr. Chairman, this problem has beset the Congress for many years since World War II. It is saturated with cross currents of conflicting interests, pressures, influences, and lobbyists. It is time to have it settled with finality. Both Democratic and Republican administrations have endorsed the provisions of H. R. 80—it has no partisan conflict. I urge that you make possible prompt action by the Congress at this session by reporting favorably H. R. 80, or some bill of similar nature and purpose. Thank you for your attention and consideration of these views.

Sell Enemy Assets

EXTENSION OF REMARKS

OF

HON. W. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement filed by my colleague, Representative LEO W. O'BRIEN, before the House Interstate and Foreign Commerce Committee, April 30, 1956, in support of his bill, H. R. 3608, and similar bills which would allow the Attorney General to sell vested enemy assets seized during World War II:

Mr. Chairman and members of the committee, I, too, am very glad to have this opportunity to appear here today and say a few words in behalf of my bill, H. R. 3608, which is identical to that I introduced in the 83d Congress (H. R. 5896) and pertaining to the same subject, the Trading With the Enemy Act.

This resolution is also identical with that of my distinguished colleague, also from New York, Congressman COLE.

Like him, I have the sincere hope that this legislation will be acted upon by this committee.

I believe that our Government should be relieved of the very heavy burden, and duty, of operating the industries seized as reparations from our former enemies, Germany and Japan, during World War II.

If there is litigation involved, then let this matter be settled by our courts. I trust and believe in, and I am sure you do, too, our system of jurisprudence.

My colleague, Congressman COLE, has in detail explained the ramifications of the vested property subject. He has described the errors we made following World War I.

I say, let's not do that again.

In brief, I most sincerely subscribe to the remarks of Representative COLE for the good of this country.

I am more than generally acquainted with the subject before this committee. As you know, the most important and largest vested property—or single seizure involved here—is the General Aniline & Film Corp. One of its very main manufacturing operations, or plants—the oldest dye manufacturing plant in this country—is located in my district—the Albany, N. Y., area.

Our Government retains it as an I. G. Farben cartel holding—a former enemy possession located in the United States.

A Swiss corporation, known as I. G. Chemie but more generally referred to as Interhandel, has sued this Government for its return. This they have the right to do.

But as I understand it, they are close to losing this lawsuit in the American courts—after an 8-year fight. The suit was dismissed, and with prejudice, by the United States District Court for the District of Columbia unanimously. This was for failure to produce required documents on the court's order. However, and in spite of 8 years of litigation, the court gave the Swiss corporation another 6 months' grace in which to produce these documents to prove ownership. An appeal was made to the United States Supreme Court, which refused—unanimously—to hear the case. May I say here that time continues to drag on, and that the same documents, awaited for more than 8 years now, are still awaited.

Now, here is an interesting point which I would like to bring to the attention of this committee. The Swiss firm, I. G. Chemie or Interhandel, lays claim that under the laws of its country, Switzerland, it cannot obtain release of the necessary documents to conclusively establish ownership. Yet, on the other hand, they are the plaintiff seeking the protection of our courts.

Our Department of Justice will tell you, if you ask, that when its lawyers visited Switzerland under court order to inspect the documents claimed to be held by I. G. Chemie, or Interhandel, that the Swiss Government immediately seized these documents and has kept them under lock and key ever since.

Such an order was also given to the attorneys for I. G. Chemie or Interhandel here in the United States, and our Department of Justice opened its files to them.

I think this an important point for the consideration of this commmittee and one to bear in mind.

I also think that this incident tends to set the scene for what has been going on now for some time on this subject—the pressure for return for these properties—and as exemplified by Chancellor Adenauer's request for return of the properties just 2 years after he signed an agreement that the United States shall retain these vestings as our only reparations of World War II.

On another interesting point, the Swiss newspapers—comparable to our own daily financial publications, have reported expenditures by I. G. Chemie, or Interhandel, of over $400,000 in 1954 and around $350,000 in 1955 for the lawsuit and attorney fees in the United States.

This, of course, is the action to gain return of the General Aniline & Film Corp. This is a little over $750,000 in only 2 years. This, mind you, is for only 2 years and the claimant, I. G. Chemie, or Interhandel, filed its suit against this Government around 8 years or so ago. I wonder how much their total bill is now, overall, in this particular case?

I cite these figures without any insinuations of wrongdoing in any way. They are large enough, however, to be given consideration by this commmittee.

I might add that the articles, appearing in the Swiss financial newspapers, were connected with complaints by stockholders of Interhandel. And complaints which inquired as to where these funds were spent. The articles I have read merely gave totals without a breakdown of expenditures.

May I leave these thoughts with you as I think they should be given consideration.

In conclusion, I believe that this problem should be disposed of as quickly as possible—for economical reasons to this Government, and I sincerely believe there is every fairness in my bill and/or that of Congressman Cole's which will expedite this matter and still leave the door open to a legitimate and qualified claimant who is not a former enemy.

Thank you for the opportunity of appearing here today. I hope that you will consider my remarks as part of the record of this hearing.

We've Got To Attract and Keep the Men To Man Our Planes

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. DAGUE. Mr. Speaker, when Gen. Horace Wade spoke in behalf of his Strategic Air Command and emphasized the fact that we are spending "billions for equipment and peanuts for people," he put his finger on the glaring defect in the treatment we accord those who want to elect the armed services as a career but who, out of deference to the needs of their families and consideration for their own future, are forced to seek more lucrative employment in industry and the professions.

General Wade, in his appearance before the Senate subcommittee, was supporting his chief, General LeMay, and the substance of their joint recommendation was to the effect that an adequate program of incentives designed to encourage enlistments could actually save money while making possible a truly professional Air Force.

The average serviceman occupies in the minds of too many of us the role of "hero in war, zero in peace"; and while nothing is too great for the soldier or airman who mans our defenses when we are under attack, our treatment of him in peacetime is both illogical and senseless. We spend millions on a modern plane and then expect the man who pilots it to work for less than an ordinary mechanic's wages, even though he has to be a technician of the highest type. But the thing we sacrifice so readily that is above price is the esprit de corps without which no military service ever amounted to a hill of beans. I say, with all of the emphasis I can command, that the time is here when we must make military service so attractive economically that we will have no difficulty in recruiting and keeping on the job the cream of American manhood to protect us from those who would destroy us.

Disabled American Veterans Endorse Extension of GI Home Loan Guaranty Program and Principle of H. R. 10469

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. FASCELL. Mr. Speaker, extension of the GI home loan guaranty program must become reality in this session of Congress. It is now due to expire July 25, 1957.

This portion of the Serviceman's Readjustment Act of 1944 has not burdened the American taxpayer. It instead has been to a large degree self-supporting. It has enabled the World War II veteran to become an integral part of his community through becoming a homeowner. Owning our own home was a privilege that only a limited few Americans could take advantage of prior to the enactment of this act. Through the act's home-loan guaranty provisions millions of veterans—yes, millions—now can say that they, too, own a small part of these great United States.

I ask you, What better could we do than to offer and allow our veterans an opportunity to own their own plot of land and their own home?

Is it too much to ask that we give them nothing other than an opportunity to purchase a home by merely guaranteeing their loan? I am sure that there are none who would or could objectively object to the granting of this consideration to our veterans.

Some 11 million veterans have not yet used their entitlement. Others have used only a part and still have a portion of their benefit remaining. Many of these World War II veterans are just now reaching the age and stage of financial responsibility where they can profitably afford to become homeowners.

Should we now take away their opportunity to purchase a home under the terms of this act merely because they have not yet reached this state? I think not.

Instead, I believe we should extend this proven program now, in this session of Congress. Let us allow ample time for these other millions of veterans to adequately prepare themselves so that they, too, can join in owning their own small part of America.

A bill I introduced April 12, 1956, will accomplish this. It provides for a gradual termination of the program over a maximum period of 3 years from the present expiration date July 25, 1957, by allowing a 1-month extension for each 2 months of active World War II service. It goes one step further and provides all disabled World War II veterans with an extension of 3 full years.

Maj. Omer W. Clark, of the Disabled American Veterans, has written me a letter wherein he states that his organization would endorse any reasonable extension of the GI home loan guaranty program and that H. R. 10469 definitely falls in this category. The letter follows:

Disabled American Veterans,
Washington, D. C.

Hon. Dante B. Fascell,
House of Representatives,
Washington, D. C.

Dear Mr. Fascell: The provisions of H. R. 10469, the bill which you introduced to amend section 500 of the Servicemen's Readjustment Act of 1944 to provide an additional period for World War II veterans to obtain guaranteed loans have been considered together with the information contained in the reprints of the Congressional Record concerning your reasons for believing that this is desirable legislation. There has also been noted H. R. 10884, a bill introduced by Mr. Murray of Illinois, on the same general subject but somewhat different in its time provisions.

It is my opinion that the Disabled American Veterans is definitely desirous of seeing that otherwise eligible veterans are enabled to obtain guaranteed loans after the present deadline of July 25, 1957, and to that end should be recorded as favoring any reasonable proposed legislation seeking to extend the time limit. The bill you have introduced is definitely in this category.

Sincerely yours,

Omer W. Clark,
Director of Legislation.

Woodrow Wilson Centennial Year

EXTENSION OF REMARKS

OF

HON. PETER FRELINGHUYSEN, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. FRELINGHUYSEN. Mr. Speaker, under leave to extend my remarks, I should like to include a proclamation of the President of the United States concerning the Woodrow Wilson centennial year:

By the President of the United States of America—A Proclamation

WOODROW WILSON CENTENNIAL YEAR

Whereas Woodrow Wilson, the 28th President of the United States, gave to this Nation and to the world a concept of peace based on justice and freedom and supported by the brotherhood of man; and

Whereas this scholar, educator, and statesman led the United States successfully through the ordeal of a devastating war, which was fought to preserve those high principles which this Nation cherishes; and

Whereas Woodrow Wilson's outstanding character, his devotion to his country's service, his efforts to strengthen the Government and to promote the public welfare, his dependence upon divine guidance, and his unfailing confidence in our system of free government and the ultimate wisdom of the

American people, are a lasting inspiration to the Nation; and

Whereas the year 1956 marks the 100th anniversary of the birth of Woodrow Wilson, and the Congress, by a joint resolution approved August 30, 1954 (68 Stat. 964), established the Woodrow Wilson Centennial Celebration Commission to develop plans for commemorating that event; and by a joint resolution approved April 27, 1956, has authorized and requested the President to issue a proclamation inviting the people of the United States to observe the anniversary with appropriate ceremonies.

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby call upon the people of the United States to observe the centennial of the birth of Woodrow Wilson; and I urge interested individuals and organizations, both private and governmental, to participate in appropriate ceremonies during 1956 designed to honor and commemorate his life, his ideals, and his concern for the freedom of peoples throughout the world.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 27th day of April in the year of our Lord 1956, and of the Independence of the United States of America the 180th.

[Seal] Dwight D. Eisenhower.

By the President:

John Foster Dulles,
Secretary of State.

Dangers for the United States in the Middle East Crisis

EXTENSION OF REMARKS

OF

HON. JAMES P. RICHARDS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. RICHARDS. Mr. Speaker, under leave to extend my remarks, I include the following address delivered by the very able gentleman from Texas, the Honorable Omar Burleson, before the American Council for Judaism, Inc.:

Dangers for the United States in the Middle East Crisis

(By Representative Omar Burleson before the American Council for Judaism, Inc., 12th annual conference, Chicago, Ill., April 28, 1956)

Mr. Chairman, distinguished guests, ladies and gentlemen, my fellow Americans, I am pleased, as I am highly honored, at the invitation you have extended me to be with you on this occasion.

It gives me satisfaction to be identified with such men in your organization as your president, Clarence L. Coleman, Jr.; the chairman of your board, Lessing J. Rosenwald; your executive vice president, Dr. Elmer Berger; and others.

As a citizen of this great country, I am encouraged by the work, the attitude, and the dedication to principle of the American Council for Judaism. As a United States legislator and a member of the Foreign Affairs Committee, I am, if anything, even more keenly aware of the fact that you perform a great work, a much-needed service. I think every man and woman of your group displays great courage in taking the position you do on so many questions of concern to all Americans. I know your task is not an easy one, but I am deeply impressed by the fact that you have willingly shouldered the grave responsibility of attempting to inform not only Americans of the Jewish faith but all Americans that no international movement of a political nature represents all the people of Jewish faith; that the national identification of people of Jewish faith is with their country of citizenship; and that Americans of Jewish faith are by no means unified behind a proposition which, according to certain well-known propaganda media, suggests American Jews need and want a homeland other than these United States with its equality for all who are its citizens.

One could easily conclude that when 17 organizations, commonly referred to as Jewish groups, meet in Washington for a common purpose, they represent all the Jews of this country. In fact, it would appear that the motivation of such meetings is to give the impression they do represent everybody and that the political pressures they apply have virtually universal support.

Not long ago, I was walking through the corridors of the Capitol of the United States with your Dr. Berger. We encountered a fellow Congressman of mine. I performed introductions and explained that Dr. Berger was connected with, and devoting his time to, the American Council for Judaism. "Oh, yes," my colleague responded, "I have had a considerable amount of literature on the subject of Israel." He, of course, had no idea what organization it was that had sent him literature on the subject of Israel, but Dr. Berger and I were reasonably sure it was not the American Council for Judaism.

This, however, is how it is with a great many people with whom I come in contact. Pressure groups are certainly not new in Washington. But pressure from so many different sources concentrated in one spot, in the manner of the Zionists, amounts to a tremendously powerful force.

That is one of the reasons why it is encouraging and inspiring to me to know of a group of Americans who will take a stand against this force in the face of tremendous opposition and unpopularity. It is something in Washington to see a pressure group pressurized. That, it seems to me, is just what your organization had the courage to do when it contacted the Secretary of State to advise him that the 17 so-called Jewish organizations united to press for arms to Israel did not represent the views of all Americans of Jewish faith.

I wonder how many of you realize the total impact of the work you are doing. Of course, you know your purpose is to inform the public generally that you do not subscribe to the idea of Jewish nationalism. But I can testify that you do far more than this. By the stand you have taken, you give courage to those of us in political life who are sensitive to the enormous pressures which are put upon us virtually every day in the year.

The sad and bitter truth of the matter is that objectivity—a desire to keep an open mind on certain problems—runs the grave risk of being denounced as anti-Semitism. There is always the possibility of this devastating accusation being made when any of us in public office dare raise our voice against the methods of the Zionists of this country, or when we happen to disagree with any expression of the views of those who are dedicated to putting the power and influence of the United States at the disposal of, and for the furtherance of, the national aspirations of the Zionist State of Israel.

My subject this evening is Dangers for the United States in the Middle East Crisis. Certainly I do not represent myself as being an expert on this subject. There are those present who could better lay claim to such a qualification.

The claim I make for myself is objectivity. I can further assure you that I feel free of emotion in discussing these issues which are obviously loaded with emotionalism.

It seems obvious to me that before we can begin to understand the nature of the crisis which the United States faces in this most strategic area of the world, we must go back a little to the history of the problem which lies at the root of the trouble.

The Middle East, for a long time the world's forgotten child, has come alive—almost too much alive. The nationalism of the long-dormant Arab world is engaged in a bitter conflict with the nationalism of the State of Israel.

Arab nationalism and the consciousness of the necessity for social reform are mingled with a deep suspicion of the West which has a long history of colonialism in the area. Not unrelated to this suspicion and no little part of the antagonism to Israel is the historical fact that the Zionist experiment in Palestine—under the Balfour Declaration—entered the area as part of the colonial controls imposed at the end of World War I.

The Middle East, as you know, is of vitally strategic importance—oil and millions of people now stirring in a variety of emergent national revolutions make it so. Admiral Radford, Chairman of the Joint Chiefs of Staff, recently told a congressional committee; and here I quote:

"The importance of the Middle East to the free world can hardly be overestimated militarily and economically. First, its huge oil reserves now supply most of the wants of Europe, and their loss would be disastrous. Second, its geographic location is astride the lines of communication between West and East; and, third, it is only in this area that the Soviets have no buffer states."

In the Middle East lie the largest oil resources in the world—75 percent of the known reserves available to the free world. From the strategic United States airbase at Dhahran in Saudi Arabia, which figured so prominently in recent headlines, the Baku oilfields and other important industrial centers in the Communist world are easy targets.

The peacetime economy of Western Europe and of our allies there is dependent upon oil. And suppose, despite all of our efforts to wage peace, we should fail and find ourselves involved in a war with the Soviet Union. The problem of tankerage for oil which would be needed by our allies would be greatly increased if Middle East supply centers are lost, even assuming without argument that the supplies could be produced from our own sources. Furthermore, should the Soviet Union obtain access to the oil concessions of the Middle East now controlled by our allies, such acquisition might eliminate from the inscrutable calculation of the Kremlin one possible deterrent to war. Such a deterrent may now exist in the form of insufficient petroleum supplies under the control of the Soviet Union.

This Middle East area is important not only in itself, but because of the intimate ties of the people to struggling Arab nationalists in north Africa, to the west, and to the newly created Asian nations to the east. What is of moment in Cairo soon reverberates from Marrakech, in Morocco, to Bandung, in Indonesia.

The significance of the whole bloc of nations was dramatically illustrated at Bandung only about a year ago. If any of us are concerned with the welfare of our country for the future—in our own lifetime or certainly that of our children—we must find the ways to help these vast numbers of people to understand their aspirations and assist in the realization of their legitimate hopes.

It solves none of these problems for us to know that the United States has perhaps inherited more than it has created, of these annoyances and suspicions. There is little room in statesmanship for such rationalizing. The task of statesmanship is to obtain the facts, to face them and to construct the road of peace upon them.

In 1917 a hard-pressed British Government issued the Balfour Declaration as a war measure in the struggle against the Central Powers. The Balfour Declaration was a grant to establish—not a political state—but a Jewish homeland in Palestine for religious-minded Jews and refugees. And this grant was conditional: for included in the 67 words of the ambiguous declaration was the safeguarding clause which specifically protected the rights of the existing Arab communities.

Also included in the declaration was a general prohibition against anything being done by the Zionists "which may prejudice * * * the rights and political status enjoyed by Jews in any other country."

As we look back on the cumulative results of the history of Palestine, from the days of the declaration until now, it seems accurate to say that while Zionism exploited to the full the affirmations relating to the ambiguous entity designated as a national home, no one did anything effective about implementing either of the qualifying conditions.

At that time the Arabs constituted approximately nine-tenths of Palestine's population with the Jewish population in the Holy Land less than 50,000 at the turn of the century. The British hastened to assure the Arabs, who were rebelling against their Ottoman overseers, that they had no intent to subjugate the Arabs to Zionist rule.

Here I think it is important, for an understanding of the present impasse, to understand that this question of immigration was always the principal bone of contention.

Zionists were more or less satisfied with the yardstick of economic absorptive capacity. With this as the motivation, they appealed to the Jews of the world to supply money to build a Zionist economy in Palestine which might support increasing numbers of Jewish immigrants. At the same time, they opposed as contrary to the Balfour Declaration and the later mandate, every effort to establish self-government in Palestine, while there was still an Arab majority in the country.

Clearly, therefore, what the Zionists wanted and what was the substance of their long-range strategy was always a state in Palestine which they would control. While they were a minority in the country they demanded the right of complete sovereignty in the all-important question of immigration which would eventually determine the political character of the country. For all practical purposes, they succeeded in exercising this right.

Furthermore, and this is important both as history and in terms of understanding the present conflict, although the Zionists of Palestine could not accomplish this purpose alone, they were able to do so by reason of the political mechanism they operated, first in Britain and later in the United States.

In this process, the rights of the Arab population of Palestine were slowly whittled away. And, if I may say so, the increasing dependence of the Zionists in Palestine upon Jews outside for both political and economic support certainly blurred the qualification of the Balfour Declaration, which was intended as a safeguard against the involvement of non-Palestinian Jews in the political destiny of the Palestinian-Zionist undertaking. I suspect that it was precisely this increasing involvement of American Jews in a Zionist quasi-government in Palestine which brought about the creation of the American Council for Judaism.

This long-range strategy of Zionism, of course, became apparent only with the passing of time. The years between 1919–20 and 1947 were characterized by a three-way conflict. This was among official Zionism, which never lost sight of the political strategy of immigration, however much less official followers looked upon immigration as humanitarian; Arab nationalists who saw the ultimate outcome of such a policy; and the British Government, charged under the mandate with assisting the people of the country to reach an eventual condition of self-government.

Something like halfway through this three-way struggle, Hitler's rise to power confronted the world with as revolting and atavistic a chapter of savagery and brutality as any historic period has ever seen. And when the Hitler madness grew to the proportions of a threat to the whole civilized world, the specter of another global war confronted mankind. So another impasse was added to the long-festering Palestine problem. For in the very face of the need of refuge for as many of Europe's Jews as could be saved, there arose a complicating factor—the necessity for the West to have a friendly—or at least a nonantagonistic—hinterland of people in the Middle East.

British efforts to find a way out of this dilemma produced the campaigns of illegal Zionist immigration and subsequent violence for Palestine.

By the spring of 1947, the British had decided to give up the ghost and place the Palestine controversy before the United Nations. A special session of the General Assembly was convened, an investigating committee was sent to the troubled area, and 7 months later the international organization recommended the partition of Palestine. The bitter struggle for votes at Lake Success was featured by unparalleled pressures.

During the following spring, the United States reconsidered the partition plan. Reports of the National Security Council and the Central Intelligence Agency warned that the Palestine turmoil resulting from the actions of the United Nations acutely endangered the security of the United States. A trusteeship for Palestine became the new policy. While the United Nations debate was in progress, on May 15, 1948, the Zionists succeeded in setting up an independent state in Palestine, in territory which had been occupied for over 1,300 years by Arabs and which had not been Jewish for 2,000 years. Since that day, the Middle East struggle between the Arab and the Israeli has continued unabated.

Partition would never have won had it not been for the human factor. With the end of World War II, the plight of the displaced persons was pitiable. It was simple for the outside world, for humanitarian-minded Christians and Jews alike, to embrace a solution which seemed to solve two pressing problems at the same time—that of the refugees and that of the form of government Palestine was to assume. This is why so many Americans espoused the Zionist cause and favored the establishment of Israel.

Sympathy for the plight of the displaced persons was an emotion which we shall certainly never have cause to regret. But the support we gave to the Zionist plan for solving this problem by creating a Zionist state in Palestine has cost us dearly. It seriously undermined for our country the priceless high prestige we had always enjoyed in the Middle East among the people there because, unlike the British, the French, and the Spanish, we had never been a colonizing power. Our educators and missionaries had given to these people an example of selfless devotion to their welfare; an example of democracy at its best.

Tragically, this inestimable heritage of good will built up over the years was transformed, in a few moments, relatively speaking, by our well-meaning but ill-advised attempt to make it up to the Jews of Europe through aid to the Zionists in the Middle East.

What we achieved instead, in the Middle East, was to antagonize and embitter some 40 million people—an important part of the vast numbers of underdeveloped peoples whose friendship and support are really the big stakes in the East-West struggle. For if we, together with our allies in Western Europe, cannot persuade these underdeveloped peoples of the sincerity and integrity of our way of life, we—and our Western European allies—will some day be surrounded by great, heavily populated, rich-in-natural-resources areas of the world filled with suspicion and antagonism.

And, as we have come to expect, this embitterment to which we contributed in the Arab world was not missed by the Kremlin.

Disillusioned with the United States and the West, the Arabs were ripe for Russian advances. The more partial we became to the Zionists and the Israelis, the more the Arabs found themselves turning to the Soviets.

We, as Americans, make a great mistake—or perhaps I should say we are in danger of compounding our past errors—if we look upon this Soviet advance as an occasion for us to choose between Israel or the Arab States. This would suggest we must abandon one or the other.

In my humble opinion, the only American way to look at the present situation is against the background of this historical development of the problem which I have recited here in an extremely abridged form. What has taken place is that, for the first time in about two decades, the Arab States think they have a great power on their side. We know this great power is only another—and more vicious—form of colonialism. But our knowledge of this fact is not enough to save the Arab world for us. We fear Soviet advances will not stop at simple, commercial deals as the Arabs believe they will. But our knowledge of this fact, too, is not enough to prevent the subversion of the area.

If, as even the President of the United States has said, the Middle East is of great strategic importance to us, our national responsibility calls for positive action and avoidance of further negative irritants. Only in this way do we stand a chance of seizing away from the Soviets what now appears to be the initiative they have captured in the area.

It should be obvious to even the most partisan supporters of Israel that if the entire Arab world should go Communist, one casualty of such a catastrophe would be Israel itself.

Paradoxically, had we been less partial to Israel in the past, Israel, as well as the rest of the free world, might today be much more secure.

I am appalled when I reflect upon the difficulty of the problems we must face if we are to avert the most tragic consequences in the Middle East. For this task we shall need every ounce of our insight, our finest diplomatic skill, and a kind of transcendental integrity. Above all, we shall need to present to the world a nation united behind a policy motivated by the most unselfish, the most humane, the most impartial of motives. Unless we can so present ourselves, especially to the protagonists in the conflict, our efforts are doomed from the start.

It is for this reason, I am sure, that the Secretary of State, John Foster Dulles, said what he did to the Senate Foreign Relations Committee last February. You will recall that he repeated an earlier statement expressing the hope that the Arab-Israeli dispute be kept out of the presidential election campaign this year. The position of the Secretary of State is one with which I find myself in the most heartfelt agreement.

It seems to me that so long as the question of United States policy for the Middle East continues to be a political football on the

domestic scene we shall never arrive at any solution in the national interest. In this problem, as in all our problems of foreign policy, we must stick closely to the basic principle that differences among us cease at the water's edge. It is time for all candidates for public office in the United States—Republicans and Democrats alike—who have viewed this controversy as a convenient means of bartering for votes to realize that we have been callously playing politics with American national security.

When our first Secretary of Defense, James Forrestal, tried to get the Nation's two political parties to agree not to press the Middle East issue, he was met by rebuff and scorn. Mr. Forrestal was told that the Democratic Party would be bound to lose the advantage in certain States. His answer, as revealed in his diaries, was "It is about time that somebody should pay some consideration to whether we might not lose the United States." That retort of Mr. Forrestal's is more applicable today than ever.

Those of us who sincerely desire to demonstrate our friendship for the small State of Israel certainly will be yielding no ground if we ask that as the Middle East is debated, as it may be in election campaigns where our whole foreign policy is a legitimate subject for debate on a high level, the debate be on the issues of broad American interests in the whole area. It seems to me proper to ask any groups of Americans to assist in maintaining the debate on such a high level by avoiding the kind of partisan pressure tactics which led even so strong a friend of Zionism as Mr. Truman to complain. I think to suggest such standards for the debate is not to impugn the rights of any Americans. For our rights entail also responsibilities. And one responsibility of any American who petitions his Government is to be sure he is doing so as a free, sovereign, American citizen.

What I mean to say, above all, is that delicate negotiations which might lead to a just and equitable settlement of the complex problem in the Middle East can never be conducted against a background of bartering for a Jewish vote which I do not believe exists; the implied acceptance of which I believe to be a slander upon the integrity and the desire of Americans of Jewish faith to be part and parcel of the American people.

Among the many extremely useful things your organization has done, to my mind, have been your vigorous and repeated assertions that there is no such things as a Jewish vote presumably committed uncritically to the advancement of the foreign State of Israel. It seems to me to be self-evident that Americans who happen to profess the religion of Judaism, do not behave any differently in the voting booth than do Americans who happen to be Baptists or those who happen to be Methodists, Catholics, or Latter Day Saints.

I hope your organization continues to make it clear, particularly in this most important election campaign in which we are all about to become engaged, that anyone who says American Jews vote as a bloc to favor Israel slanders Jews, complicates an already highly complex problem for the United States Government and actually does Israel more harm than good.

Prof. William Ernest Hocking, of Harvard, in a letter to the New York Herald Tribune on March 4 wrote; and here I quote:

"We are again at a time when presidential issues are in the air, and when, as our political life has been running, it is prudent for any candidate or potential candidate to 'speak comfortably to Jerusalem.' I raise the question: What would happen if some presidential possibility were to speak uncomfortably to the present-day Jerusalem, in the interests of the honor and independence of the American voter?

"If it were suggested that votes might be lost, I ask, whose votes? They could be none but those prepared to put the interest of a foreign state prior to the interest of this country and of mankind. But can any candidate afford to lose them?

"I am looking for the man who will state this disgraceful situation clearly to the American people and publicly renounce any such vote."

I make no pretense to being the man for whom Professor Hocking is looking. But here and now I am prepared to say, as soberly as I know how, that I am one of what I fervently hope will be an increasing number who may seek to qualify.

My interest in this particular aspect of United States foreign policy is not new. About 2 years ago while witnesses from the Department of State were testifying on the foreign-aid program before the House Foreign Affairs Committee, they were questioned about the millions of dollars from the United States, contributed by American citizens in the form of bond sales and through the United Jewish Appeal to the Israeli Government.

Mr. Arthur Z. Gardiner, then politico-economic advisor to the State Department's Bureau of Near Eastern, South Asian, and African Affairs, said of these contributions, and I quote:

"Now these contributions, of course, are deductible for purposes of tax computation and they certainly have a bearing on our income-tax structure. How to evaluate or appraise that, I do not know."

A little later, Mr. Norman S. Paul, who was the State Department's Middle East regional director, made an extremely interesting statement. Here I quote him:

"The funds they have received through the United Jewish Appeal, just as the funds they received through these bond drives, have made up the pool from which they meet their defense as well as other requirements. * * * We can trace our funds definitely into projects and determine the commodities, but I don't think you could take the United Jewish Appeal contributions and do the same thing."

At this point, I said that if funds collected by the United Jewish Appeal were used for defense and for general economic development of Israel, they should definitely be taken into account in arriving at the question of what Israel needed from us. I said—and here I quote myself:

"When the dollars in the barrel are stirred you can't identify each, but nevertheless, those exempt contributions, as are the reparations payments, become available for any use. Why should this committee not take into consideration all these other contributions when we are considering grants-in-aid on that basis?"

I think of these questions our committee discussed 2 years ago when I notice that the increased armaments in the hands of Egypt are now being used as a sales-argument to raise a greatly increased quota this year for the United Jewish Appeal. I wonder about the logic, for the United States, in such a situation. One of the reasons Egypt turned to Czechoslovakia for arms was that the dollar cost of American arms to the Egyptians was too high. Egypt needed those arms to meet what, with concern for its own national security, it believed to be a rising threat from Israel following the Gaza attack of February 1955. Yet we in the United States help make it possible for Israel to purchase arms with dollars imported through the United Jewish Appeal but not segregated for strictly charitable purposes.

Soberly, earnestly, I ask those who direct and support such policies if they are of real, unqualified assistance to the United States at a time when our Nation's interests are gravely imperiled in the Middle East.

I am not making any accusations. I have little evidence of the extent—if any—to which the American taxpayer is without his knowledge or consent underwriting either the military power of the State of Israel or the pressure politics of the Zionist movement in the United States. I would hope, for the sake of our country and for all our citizens, that it is possible for someone to secure a detailed, fully audited breakdown, to the last dollar, of the ultimate disposition of the vast sums of money collected every year in this country in the name of philanthropy and which, to the extent that they are deductible from income tax, are subsidized by the American taxpayer.

It may be that such an accounting is available. If it is, I have not seen it. I raise the question only to point out that publication of such an accounting is perhaps long overdue. I raise it in the fervent wish that my suspicions may be proved to be unfounded. I raise it in all sincerity, hoping at the same time that I may be forced to apologize for giving rise to fears which may have no foundation.

I raise the question now, as I did in 1954, because of its very grave bearing upon our chances for reaching a settlement of the crisis in the Middle East. One of the factors which adds enormously to the difficulties we face in this area is the conviction, shared by many of the Arab States, that the United States Government is hopelessly subservient to Zionist pressures. One of the strongest indications, to the Arabs, that this is the case, is the fact that apparently no official of the United States Government dares to raise this kind of question in connection with what happens to the vast sums of money raised in this country and made available to the Israeli Government.

Once this, and perhaps certain other questions are clarified, it seems to me that American public opinion should certainly be willing to support a compromise settlement for the Middle East—a settlement which would be in the interests of American security; a settlement which would do justice to the Arabs, and a settlement which would not drive the Israelis into the sea—a widely held fear.

Such a settlement must accord justice to both sides. There are 900,000 Arab refugees who have become the innocent victims of the creation of the State of Israel. Both sides must be induced to make concessions which will help settle this problem. If Israel will offer to repatriate Arab refugees, that is, to let them have their land back or else compensate them for their losses, much of the Arab grievance would be dissipated. Many of the Arabs will not wish to return, but will prefer compensation. This refugee problem lies at the heart of the conflict.

Let us remember that just concessions at this time can avoid disaster. The alternative is that either the Israelis attack and conquer the Arabs or the Arabs attack and conquer them. In neither case is it likely that Israel can win. Should they initially conquer the Arabs, the task confronting 1,700,000 people of keeping under subjugation 40 million Arabs will prove an impossible one. Moslems of the surrounding countries will inevitably become involved. The floodgates to communism will be opened by the Arabs as they struggle to free themselves from any temporary rule under the Israelis. Can the West afford to permit this to happen? On the other hand, it becomes very difficult to see what the West can do if the Arabs become strong enough to attempt to throw Israel into the sea and if there is built into such strength increasing bitterness and hostility. For it is a certainty that the United States, either together with the West or alone, cannot engage the whole Moslem world in conflict in Israel's behalf. Nor can the United States alone, or with its allies, long avoid a decision to help the Moslem world in its emergent renaissance from North Africa to Indonesia.

In the vast expanse of territory and peoples, Israel must be seen in its proper perspective; and, in the long pull of history, if Israel is to endure it will be a service to it if American Jews do not encourage it, either directly or through pressure on their own Government, to hold an exaggerated opinion of its place in the context of world politics.

Unless one believes in some kind of pan-Israelism, or in some new version of the "white man's burden" in the form of an Israel destined to dominate the Middle East, I think nothing I have said can be construed as anti-Israel. Moreover, because I think I know something of the history of the problem, I am sympathetic to the reason why the Israelis hold an exaggerated opinion of their role in history. For too long the West—unmindful of consequences—yielded to almost every whim of Israel's Zionist progenitors.

But there comes a time, and nearly a decade in the life of a nation may not be too soon, when a sovereign nation demonstrates its maturity by seeing itself in its true proportions and in the perspective of the world's insistent desire for peace. One certain contribution Israel could make today to the peace of the world is to renounce its Zionist internationale; to bestow neither favors upon, nor require obligations of, people who are not its citizens; to turn its national face and energies, which are great, to the Middle East; to act the mature part which it claims for itself in its own comparisons of its sovereignty with the Arab world and, with a generosity commensurate with the favoritism it has enjoyed in the past, actively seek a peace with its Middle East neighbors. This, more than its propaganda, would demonstrate its dedication to western hopes for peace. In this way Israel might repay some of its debt to the West and, not the least, to Jewish citizens of the western nations, who for a complexity of reasons have showered on Israel and its Zionist antecedents innumerable blessings.

The role of impartiality for which the Department of State has pleaded is motivated by a desire to keep the Communists out of the area. In any arms race between the United States and Russia, the 40 million Arabs can more quickly absorb Russian weapons, incremented by the large obsolete quantities possessed by the Kremlin, than can the West supply Israel with arms. Israel's future then lies in making such concessions as will buy them what they most need to survive, namely, peace.

Will this problem ever be finally and completely solved? As Americans, we are accustomed to attacking problems head-on and fighting our way through to a complete and total solution. In my native State of Texas, for instance, the problems with which we deal seem to fall pretty largely in the area of combating the ravages of nature. We have to contend with drought, with excessive rains, with tornadoes, and floods. In all these cases, catastrophic though they may be, there is at least the satisfaction of knowing on which side we are.

In the political field, however, and most typically, it seems to me, in connection with the problems we have to face in the Middle East, we are dealing with issues which are not nearly as clear-cut and where, instead of there being a black-and-white contrast between good and evil, we have a situation in which there are shades of gray over virtually everything.

I have the feeling that the situation in the Middle East is in many ways comparable to that which prevailed there during the Middle Ages and earlier when the conflict, instead of taking place between Arab and Zionist nationalism was between two different groups, each of which referred to the other as infidels. Moslems and Christians for many generations in that area engaged in bloody battles with each other until somehow, with neither side ever being completely victorious, a kind of modus vivendi came to exist between them. The Christians and the Moslems never really made a formal peace with each other. I am sure that they still think of each other (privately) as infidels. Nevertheless, with the passing of time, they did learn to live with each other. The conflict between them, although never really resolved, did manage, by the very fact that it continued for so long, to ameliorate itself.

I am an optimist about the Middle East. However, I am not so much of an optimist as to believe that we are going to find a just, a permanent, and a peaceful solution which will satisfy everyone within the very near future.

Perhaps, in the present situation, we should lower our sights a bit. I believe if we accept the probability that the best we can hope to achieve for some time is a gradual amelioration of the intense emotionalism and bitterness which have characterized both sides to this controversy, we shall have come a long way.

In the long run, at any rate, it may be that this realistic view will help prevent the situation in the Middle East from deteriorating to the one irrevocable disaster of all-out war. Such a war could benefit no one except the power-hungry masters of the Soviet Union.

Perhaps our immediate objective, therefore, should simply be, not a final peace, but the continued absence of war. If both parties to the controversy continue to live as neighbors, if not at peace then at least not actually engaged in physical combat, the very passing of time itself may tend to dull the edge of the hatred which now divides them.

With the passing of time and the lessening of the hatred—and everything which we, as Americans of good will, can do to encourage the lessening of that hatred—the day of a final, lasting, and peaceful solution may not be as far off as it sometimes may seem.

I wish for the American Council for Judaism continued success in offsetting spurious claims to real authority over American Jews advanced by individuals or groups precommitted to linking American power and prestige in the area only to Israel.

United Mine Workers of America Express Opposition to the Passage of H. R. 5550

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SAYLOR. Mr. Speaker, on April 26, 1956, the gentleman from Pennsylvania [Mr. EBERHARTER], placed a statement in the CONGRESSIONAL RECORD entitled "The Coal Industry and H. R. 5550." Among other things, this article included the following paragraph, and I quote:

> Although representatives of the coal industry were opposed last year to the enactment of H. R. 1, the 3-year extension of the Reciprocal Trade Agreements Act, no spokesman either from the management or labor side of the coal industry came before the Ways and Means Committee to oppose enactment of this bill. This shows that even though the representatives of the coal industry were opposed to further reduction of tariffs, that they recognized that H. R. 5550 will not lower tariffs by one iota, but would on the contrary, help to get the greatest benefits for American export trade from foreign countries.

Mr. Speaker, I do not know about our colleague's mail, but I am thoroughly familiar with mine. On March 6, 1956, I received a letter from the United Mine Workers of America reiterating their opposition to the Reciprocal Trade Agreements Act and their vigorous opposition to the passage of H. R. 5550. Included with that letter was an attachment which further explained their opposition to this bill. As part of my remarks, I include both communications:

> MARCH 5, 1956.
>
> The Honorable JOHN P. SAYLOR,
> *House Office Building,*
> *Washington, D. C.*
>
> MY DEAR CONGRESSMAN: For many years the United Mine Workers of America has opposed the Reciprocal Trade Agreements Act. We have opposed it because there is nothing reciprocal about it. It is used by the State Department without regard for the best interests of American business and labor, which must meet low-wage foreign competition.
>
> H. R. 5550, a bill now in the Ways and Means Committee, sets up a rulemaking body which would legalize the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.
>
> Each year the opposition to the Reciprocal Trade Agreements Act grows stronger. We are confident the day will come when the plight of American industry will force Congress to rewrite this legislation. As long as the Congress maintains full power to regulate commerce and to levy and collect duties on imports, we must accept its decisions. But we bitterly oppose the usurpation of these powers by GATT and the legal recognition of its stepchild, the Organization for Trade Cooperation.
>
> We respectfully ask each Member of Congress from the coal-mining States to oppose the passage of H. R. 5550.
>
> Sincerely yours,
>
> ROBERT E. HOWE,
> *Director, Labor's Non-Partisan League.*
>
> ORGANIZATION FOR TRADE COOPERATION, H. R. 5550
>
> The OTC, or Organization for Trade Cooperation, would be a specialized agency of the United Nations dedicated to the administration of the General Agreement on Tariffs and Trade, or GATT. This is the new international trade organization that Congress is now being asked to approve. The bill is H. R. 5550 and is now before the Ways and Means Committee of the House. The new OTC represents an effort to unload GATT on the United States in a form that will make it permanent.
>
> The so-called Reciprocal Trade Agreement, of which OTC is a part, is now 21 years old. The United Mine Workers of America has opposed the Reciprocal Trades Act since its inception.
>
> OTC has been advertised as calling for no supranational power, yet that is exactly what it would have in practice and in fact—and that is also exactly what the State Department wants it to have. Otherwise the Department would not be interested in it. Since the OTC would have an assembly, which means a law or rule-making body, passage of H. R. 5550 would make legal the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.
>
> Our Constitution conferred upon Congress in unmistakable black and white the power to regulate foreign commerce and to lay and collect duties on imports. Congress has legislated repeatedly since 1951, when the escape-clause amendment to the Trade Agreements Extension Act of that year was adopted. Congress has made its will known repeatedly in legislation, in many amendments to that escape clause, to make sure that all American producers faced with hurtful import competition have a reasonable remedy.

> This legislation has been rendered impotent by the stubborn opposition of the State Department—a Department that seems to find it hard to believe that American producers are entitled to the most elementary considerations of fair treatment.
>
> For years the United Mine Workers of America has advocated and supported legislation to provide quota limitations on foreign imports. Now we are told that Congress cannot legislate quotas or provide the mechanism for their imposition by an administrative agency without violating the letter and spirit of the General Agreement on Tariffs and Trade.
>
> By just what pattern of reasoning the State Department could arrive at the notion that they could properly bind Congress against any particular type of legislation on quotas, or anything else, has not yet been explained. These powers have been, in effect, usurped by GATT and because of ignorance and indifference on the part of the Congress, they have succeeded in getting away with murder. Now they are attempting to make the past actions of GATT legitimate by having Congress pass H. R. 5550 which sets up the Organization for Trade Cooperation.
>
> By defeating H. R. 5550 Congress would recapture its constitutional authority and responsibility and once more labor and business, the producers of this country, would regain their lost voices in the determination and direction of trade policies that are of the greatest importance.

Mr. Speaker, I know that the above letter and attachment were mailed to every Representative from districts where coal is mined and that a copy of same was read into the record of the hearings on H. R. 5550 by Representative CLEVELAND BAILEY.

I am also informed that coal-industry representatives support the same position as taken by the United Mine Workers of America.

Edward V. Gronet, Polish-American Leader

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. ANFUSO. Mr. Speaker, Polish-American professional and businessmen of the metropolitan area—Greenpoint, Brooklyn—honored Edward V. Gronet with a testimonial dinner-banquet, Sunday, April 15, 1956, in Brooklyn, N. Y. The event marked the 10th anniversary of Eddie Gronet as a polka disc jockey of Polish-American radio program Polka Time from station WWRL, Woodside, N. Y. He was the first to introduce a Polish-American TV program, WATV Polka Party, on channel 13, Newark, N. J., which covers four States: New York, New Jersey, Connecticut, and Pennsylvania.

The entire program for the testimonial dinner-banquet was prepared and arranged by the following Polish-American professional and business men: Chairman, Vincent Brunhard, president of the Ampol Baking Co.; vice chairman, Matthew Widlicki, vice president and treasurer of the D. & Z. Bottling Co.; Martin Weglicki, president of the White Eagle Market; treasurer, John Bucko, of the Bucko Jewelers; secretary, Ted Maksymowicz, of radio station WEVD; journal committee, Paul Pucilowski, of the Powers Furniture Co.; financial secretary, Mrs. Kashimira Garrison, of the Garrison Beauty Salon; ticket committee, Edward Zielenieski, of Martin's Shoe Store; and the reception committee, Al Bartosiewicz, of Newell Fuel Co., Hal Korman, and Dick Martin, WWRL–WATV.

As known to many friends and in the professional field, Eddie Gronet is a man of many accomplishments. In addition to his radio and TV programs, Eddie has one of the outstanding dance and recording orchestras in this area. The voice of Eddie Gronet is known to hundreds of thousands, if not millions, of Americans of Polish and non-Polish descent through his radio, TV programs, orchestra, and records.

Eddie Gronet received his education at the Sts. Cyril and Methodius Roman Catholic Parochial School, Bishop Loughlin Memorial High School, and Manhattan College—majoring in music and accounting.

During World War II he served in the United States Armed Forces with distinction for 4 years. Upon completion of his basic training, he was assigned to a tank destroyer unit and later transferred to the finance department at Camp Hood, Tex., where he was promoted to private first-class. Two months later he was promoted to staff sergeant and headed the enlisted personnel and officers day section. Third promotion in succession within 1 year raised him to the rank of warrant officer, junior grade, in the 8th Army Corps, Dallas, Tex. Later he was assigned to the 66th Infantry Division as an administration officer and was shipped overseas in 1944, where he served in England, Germany, France, and with the occupied forces in Vienna, Austria. While in Vienna, Gornet served in the Four Power Secretariat Office as chief clerk under Gen. Mark Clark. He was honorably discharged in May 1946 as chief warrant officer.

After returning from his tour of duty, Gronet resumed his radio and musical career. For the past 10 years he conducted, produced, and is the director of Polish programs at radio station WWRL, Woodside, Long Island, N. Y., and as such participated in many community drives for American Red Cross, heart fund, TB health fund, March of Dimes, Greenpoint Central Polish National Alliance of Brooklyn camp fund, and numerous Catholic and social charities.

Eddie Gronet has one of the outstanding dance and dance-recording orchestras in the New York-New Jersey metropolitan area, often appearing at Roseland Ballroom on Broadway. He is a recording artist, having performed for Columbia Records and currently under contract with Coral Records. He is also an instructor at the Harmony Music School.

In 1950 he was awarded a plaque for being chosen the favorite polka band in a contest sponsored by Melody Girls, affiliated with the Polish Singers Alliance of America, and in 1953 was awarded a plaque by St. Adalbert Alumni Association, of Bronx, N. Y., as the most popular polka disc jockey. He was also a winner of first prize in a band contest sponsored by Loew's Meserole Theater in 1944. Last September 1955 Eddie Gronet's WATV Polka Party was awarded the first prize blue ribbon by the New Jersey State County Fair held in Trenton, N. J., for the outstanding TV program of its type.

Besides his music and radio work, Gronet is very active in numerous church, social, fraternal, and community organizations. He served a brief term as president of the Polish-American Democratic Club of the 15th Assembly District in Brooklyn, during which term he was a candidate for the assembly; vice commander of George Washington Post, No. 3, Polish Legion of American Veterans—PLAV; secretary of the White Eagle Democratic Club; a director of downstate New York division, Polish American Congress, member of Musicians' Union, Local 802, A. F. of M.; member of the American Radio and Television Artists—AFTRA; Greenpoint Lions Club; Victory Club; Kosciusko Foundation; General Pulaski Memorial Committee trustee; Polish National Alliance; Sons of Poland; Holy Name Society; and Knights of Columbus.

Eddie Gronet is a true, a sincere, and a devout Polish and an American patriot, always willing to devote his time, energy, and services toward freedom and democracy. He serves and represents the Polish people of his and other communities well in all respects, and the Polish people are always very proud of him. Eddie, through his untiring efforts, continues to promote Polish culture in all fields among Americans. Eddie Gronet is considered one of the outstanding Polish-American leaders in the New York metropolitan area.

Keep Your Guard Up

EXTENSION OF REMARKS

OF

HON. ERRETT P. SCRIVNER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SCRIVNER. Mr. Speaker, on Saturday, May 5, 1956, in my home town of Kansas City, Kans., a million-dollar National Guard armory was dedicated.

It was my honor and privilege, not only as a Member of the United States House of Representatives, and a member of the Defense Subcommittee of the House Appropriations Committee, but also as a former National Guard man for many years, to be selected to deliver the address of dedication.

That address follows:

I am happy to be home—home in a city whose citizens, not looking with outstretched hands to Uncle Sam, voted to spend their own money in building such a splendid armory, the most practical, usable armory I have ever seen. Quite frankly, and honestly, it is a much better, more practical and beautiful armory than you would have had if Uncle Sam had been mixed up in its construction, telling you how to build it, and what you could or could not incorporate in it.

I am happy to be here, in my official capacity as a Member of the United States House of Representatives, and of the Subcommittee on Defense Appropriations which provides the funds, not only for our regular military services, but also for the United States National Guard. I am proud of my nearly 20 years of service in the National Guard, both as a member of the 35th Division in World War I and later years after I made Kansas City, Kans., my home.

I am not here as a recruiting officer for the National Guard, but if I were here in that capacity, I would point out that despite the cynical smiles and sweet talk we now receive from Red Khrushchev and his Kremlin crew we must face the hard, inescapable fact that as long as Soviet Russia remains a menace to the peace and security of the world—including the United States of America—we must maintain a strong national defense, of which the National Guard is such an important part.

For this reason young Americans face an obligation of military service for the next 10, 20, 30, perhaps 50, years.

I would point out that in the local units of the National Guard young Americans can serve with men of their acquaintance and from their community—serve, and continue their studies—serve and work on their jobs—serve and live with their families and friends.

National Guard service, in peace or in war, is an honorable service, in which any American can take great pride. It is an important part of our national defense. That importance is recognized by the Regular Army—as proven by the message of Gen. Maxwell Taylor, the Army Chief of Staff, and the presence of his Vice Chief of Staff, General Palmer.

Audie Murphy, of whom you have heard or read, is recognized as the outstanding hero—the most decorated American soldier in World War II. Audie Murphy, holder of the Congressional Medal, is again serving his country—not in the Regular Army—but in the United States National Guard. If National Guard service was not an honorable and important service, service in which any soldier can take pride, do you think for a minute that Audie Murphy—hero, soldier that he is—would be in its service? The question answers itself.

I am happy, too, to be here on this occasion, upon which we dedicate this building, for another reason. It is more than a building—it is a dream come true—a tangible testimonial to the vision, tenacity, and faith of one man, Col. Mahlon S. Weed.

Years ago, as a 1st lieutenant, Company G, 137th Infantry, I listened long hours to the "Skipper," for he was then Captain Weed—draw his word picture of what we needed to properly train troops.

At that time, the National Guard armory—called that for lack of a better name—was the old theater, now the site of a laundry, at 15th and Central, just around the corner from here.

Offices and supply rooms were in small, insecure storerooms, with no heat in winter and no ventilation in summer. A side street was our drill field.

Later on the armory site was the basement of Memorial Hall—where units during drill had to dodge countless 36-inch square pillars; where classrooms were inadequate; where all other activity had to stop if any practice firing was to be done.

Even so, the National Guard units that trained there were well-trained and the men who were trained in those units went into World War II and made outstanding records, earning high awards and battlefield commissions—all trained under the leadership of officers like Captain Weed, Capt. Leo Swoboda, Capt. Harry Lyon, Captain Adams, Lieutenant Starry, Major Gloyne, and ever so many others, citizens of this community who saw and shared Skipper Weed's vision.

World War II found our National Guard units ready to answer the call to service from that inadequate memorial basement armory—these units were under the station commander, the late Lt. Col. C. P. Barshfield.

Company G, 137th Infantry, Capt. Mahlon S. Weed, commanding.

Second Battalion Headquarters Company, 137th Infantry, 1st Lt. Don A. Starry.

Medical Detachment, 161st Field Artillery, Maj. Louis Gloyne.

Band, 127th Field Artillery, W. O. Charles M. Nixon.

Thirty-fifth Signal Company, Capt. Clyde B. Adams, and 2d Battalion Headquarters Batteries of 127th Field Artillery, formerly 114th Cavalry, commanded by Capt. Leo Swoboda and Capt. Harry Lyon.

After World War II was ended, most of these men came home. Some had died in combat. National Guard activities were renewed in the basement of the Memorial Building, old units were revived, new units were organized. Today, in Kansas City, Kans., we have 8 units: Company F, 137th Infantry; Company G, 137th Infantry; Headquarters and Headquarters Company, 2d Battalion, 137th Infantry; 2d Battalion Platoon Medical Company, 137th Infantry; Headquarters and Headquarters Company, 197th Transportation Battalion; 137th Transportation Truck Company; 42d Army Band; and 772d Engineer Company.

In addition, facilities are provided for the administrative headquarters, 137th Infantry, and the three Regular Army advisers stationed here to supervise and assist with training.

These new units, with the advance of military science, demonstrated the need for new facilities. Many plans were developed and discarded.

Finally, with the bond election almost unanimous, the way was clear. Today you see the culmination of all those efforts. On this ground stands, by your efforts, this magnificent armory, in which the youth of today and tomorrow will receive training from experienced, dedicated men, noncommissioned, as well as commissioned, officers, training that some day may not only save their own lives, but may very well save your country and your life.

The history of the National Guard of the United States is part of the history of this Nation. Militia, it was called in the early days, but militiamen have made history in every war from the minutemen of Concord and Lexington, the Civil War, the Spanish-American War, the Mexican Border War, on through St. Mihiel, and the Argonne of World War I, to the steamy, slimy islands of the Pacific and the battlefields of north Africa, Italy, France, Belgium, and Germany in World War II—men who made history in the grey dawn of Omaha Beach, at St. Lo—right up to the very gates of Berlin—after bitter battling at Bastogne through that cold, cold Christmas of 1944.

In World War I over one-fourth of the troops in Europe were national guardsmen (including the 35th Division). World War II saw 9 National Guard units fight in Europe, and 9 in the Pacific. All turned in magnificent records, just as they did later in Korea.

And speaking of Korea, there are many interesting facts not generally recognized or appreciated by the general public. One of them is that Korea was not a so-called brushfire war. It was a war of considerable magnitude as demonstrated by the fact that nearly 2 million more men served during the Korean conflict than in World War I, and we World War I veterans thought that was a big war.

The other fact is that, in that conflict in faroff Korea, again it was civilian soldiers that carried the greater part of the burden.

As may be expected, in view of the almost overnight suddenness with which Korea began, the first ground troops in action were those hastily assembled Regular Army forces then on duty in the Far East. As the war progressed the ratio of Regular to non-Regular decreased so that in December 1951, 2 out of every 3 enlisted soldiers were civilians: National Guards, reservists, and selectees.

In the ranks of officer personnel, Army—and this was generally true of the Air Force, and the naval aviation—from the very beginning 4 out of every 5 officers engaged in the Korean conflict were reservists—non-Regular Army officers.

What was true there and in other wars will always be true. This Nation is not a military nation. Military service is not overly welcomed as career. We have never maintained a large peacetime military force until now. When, in this period of uneasy peace, we have just under 3 million men in service, a Regular Army of over 1 million, nearly a 1-million-man Navy, and almost a million-man Air Force.

Even so, when the "chips are down," "when the bell rings" when another war comes upon us, the major portion of our military manpower will, as it has in the past, come from our civilian soldiers such as the men in these and other National Guard units—and the Reserve components.

Today, as we sit here, Air National Guard pilots in jet planes, such as those participating today, are on the end of runways—on active duty—ready to answer any scramble warnings, as an every-day integral part of our air defense command—minutemen in every sense of the word—on the alert 24 hours each day—in the service of their country for its security.

We used to hear the phrase "A million men spring to arms overnight." That never was true, and it is further from the truth today than ever before.

The science of war, while basic, is ever-changing. The bow gave way to gunpowder, used in the early day, ineffective, highly inaccurate matchlock weighing nearly 20 pounds. These gave way to our effective, accurate, light, hand weapons of today. The pike gave way to the bayonet, which, incidentally, was originated in Bayonne, France, where it got its name when it was but a short sword or pike point to be inserted in a gun muzzle to make that early day doughboy a pikeman as well as a musketeer. Horse cavalry grudgingly gave way to tanks. Hand semaphore has been replaced by radio. Runners save their lives and legs by walkie-talkies. Television today shows a commander what goes on up front. Trucks, jeeps, helicopters and one-man "flying platforms" take the place of "shank's mare." Recoilless weapons, rockets, and missiles of many types displace some of the old artillery. Electronic devices of amazing complexity are just short of miraculous.

We sing in our national anthem about "the rockets red glare; bombs bursting in air." From those rockets used in the War of 1812, the new honest John is a far, far cry; and when it comes to the puny pop and flare of those bombs—as compared to our A and H bombs—there really is a change. Antiaircraft artillery is being superseded by Nike and other guided missiles, which can seek, track, and strike enemy planes.

The old Jn—the early days Army "Jenny"—has been surpassed by jets, fighters and

bombers, and guided missiles—pilotless bombers—in effect.

Our new modern Army, of which the 27 divisions of the National Guard and 27 Air National Guard wings are such an important part, needs new modern training facilities. Here in this modern building, which you have given them, your citizen-soldiers will learn about these modern weapons, radio, radar, electronics, the new as well as the older weapons of war. The faith and confidence you have shown in them will be returned to you a thousand-fold in the years to come.

After all, these young men are your sons; the pay they receive, and it amounts to one-half million dollars per year, is spent right here in their home community, which means that this is not only an investment in the future security of our Nation, but looking at it from a selfish angle, it is also a good business investment, because each one of those dollars turns over seven times before it leaves the community.

You have given a modest sum in your tax dollars, a premium on your insurance policy for national security. These young men who train here will give of their time—time taken from pleasurable pursuits, time taken from their families, time taken from vacations, perhaps they may even give their lives, all in order that you and the Nation may sleep better tonight and every night.

No one knows when they may again be called upon for peacetime duty, just as they were on black Friday, July 13, 1951, when the biggest flood of all times hit our homes.

No one knows when these units will be called into Federal service. Maybe tomorrow, perhaps never. Yet with the advent of atomic power, with Russia a menace to world peace, when it is possible, though not probable, that nearly any part of our Nation might become a target, the National Guard becomes more and more an integral part of our national defense system.

So it is with great pleasure that I share with you the joy you have in dedicating this building to the service of your community, your State, and your Nation, to be used in the training of your youth for service in time of war or peace. These young men serving in the units which will use this armory, I am sure, will in the future, just as their fathers did in the past, serve with skill, courage, and loyalty—serve in such an exemplary manner that they themselves, and you, will have great pride in their service and exploits should the call ever come.

With these marvelous modern facilities they will be far better prepared than they could have been otherwise. Even so, I am sure you join me in the prayer that, even though prepared, they will never be called upon to serve in time of war.

With them let this be your slogan, "Keep your Guard up."

At the conclusion of these remarks, and as a part of this dedication ceremony, I will present to Col. Mahlon Weed, station commander, this United States flag, which at my request was flown over the United States Capitol on the 5th day of August 1953, an anniversary of the 5th day of August 1917.

That date of August 5, 1917, does not mean much to today's generation, but to us older veterans of the National Guard it was a momentous day in our life.

That was the day when all of the National Guard units in the United States were mustered into Federal service for World War I.

Among those guardsmen was our guest, former President Harry S. Truman, who entered service as captain of Battery E, 129th Field Artillery; another was your host, then Sergeant Weed, Company H, 137th Infantry; Pvt. Errett P. Scrivner, later Pfc., took his oath along with others in Battery B, 129th Field Artillery.

Many of the leaders of this city, Kansas City, Kans., ceased being civilians on that day when their units were also mustered into service:

Company A, 137th Infantry.
Battery E, 130th Artillery.
Company B, 110th Engineers.
Company C, 110th Engineers.
Two ambulance companies, 110th Sanitary Train.
A section of ammunition train, 42d Division.

All of us—all of them—are proud of their service—which we will never forget although others may. Our service helped bring victory—just as National Guardsmen always have and always will.

We were proud to serve under our country's flag then—just as we are proud to live under it today.

This flag is more than mere threads of red, white, and blue. In its folds are contained all the glorious history of the past, and the hopes of the future of this great Nation.

And, as Francis Scott Key said, about the Star Spangled Banner, in those closing words of our national anthem:

"Long may it wave o'er the land of the free, and the home of the brave."

And it will wave long, because this Nation is—has been—and will be the land of the free because it is the home of the brave.

Brave because they have faith—
Faith in themselves—
Faith in their country—
Faith in its future.

And above all because they have an abiding faith in God—the divine providence—that has guided and guarded our beloved Republic for nearly 200 years.

Where's the Taxpayer's Surplus?

EXTENSION OF REMARKS
OF

HON. IRWIN D. DAVIDSON

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. DAVIDSON. Mr. Speaker, last month's issue of the U. S. News & World Report, in an article entitled "United States Treasury Strikes It Rich," tells us that for the year ending June 30, 1956, the Government's cash budget is to show a surplus of about $4,300,000,000.

The Wall Street Journal published on the same day as that article says that the Federal surplus will be only $2 billion.

Edward L. Dale, Jr., of the New York Times, quoted Mr. Eisenhower as having estimated in January of this year that the budget barely would be in balance, with a surplus of less than $250 million.

Before this so-called surplus disappears entirely, let us do something with it.

My first choice would, of course, be to use the major portion of any surplus revenue toward a reduction of our national debt, which is presently in the neighborhood of $280 billion. The administration seems very much in favor of this course.

Some Treasury officials are very proud of our military cutbacks even if we are dollar rich and security poor. Some people could sleep better with less of a cash surplus and, instead, an Air Force second to no other power on earth.

Let us not fool ourselves. There will be no large-scale reduction of the national debt. This so-called big surplus in the cash budget is quite different from a surplus in the regular budget, for it includes surplus income of social-security payments and other trust funds and excludes certain noncash transactions.

What does all this mean to John Q. Public who has a real tough time with his budget and somehow never has a surplus after he pays his taxes? It means he might stand a little consideration, also.

It is not demagogic to speak of tax reduction. Scientifically, taxes where necessary should be based on the ability to pay. Taxes and the basis for their imposition must be fair. Just as our people demand morality in domestic government and morality in international dealings, taxes must have a morally acceptable basic justification. People in the United States pay very high taxes because they have faith in the justice of their imposition. Heaven help the government whose people heed the anarchistic rantings and ravings of a demogogue such as France has had visited upon her in the person of the infamous Pierre Poujade.

I must stand opposed to tax reduction which has no moral or scientific justification. It is "Poujadism" to reduce taxes just because this is the year of a great national election.

If we have a surplus and taxes can be reduced safely and in good conscience without impairment of our national strength and essential governmental services, then Congress has the responsibility and, indeed, the duty to reduce them. I insist, however, that the reduction should be scientifically and fairly arrived at.

The reduction should be first and foremost for those upon whom the burden of taxes falls most heavily and cruelly. Our primary consideration must be for the man whose major problem is to make both ends meet, the taxpayer who labors under the greatest hardship and has the least ability to pay. Certainly we should eliminate for him any tax which is unfair or unjust before we do anything else in the field of tax reduction.

As a beginning, it occurs to me that a breadwinner must go to work every day. To do so, he requires transportation. This is an essential without which he not alone would be unable to support himself and his family, but likewise, without which he would not be able to earn any income upon which our Government might expect him to pay a tax. The average large business enterprise is permitted deduction from its taxable income of legitimate travel expense. Our Federal Government does not permit deduction of transportation costs from the home to the place of business or employment, in fact, it does not even allow for travel expenses incurred in a journey to another city to accept or seek employment, and I maintain that this poses a classic example of unreality and unfairness in our tax laws and regulations.

Transportation to and from work is a vital item of a man's business expense.

Ordinary public transportation costs for the average citizen are a not inconsiderable amount directly and intimately connected with the business of earning a living or holding a job.

Whether a breadwinner daily travels to his job or place of business by train, bus, trolley, subway, or car, the expense for him in employing these essential facilities has doubled or tripled in recent years. For him, these truly necessary business or job costs are an increasingly heavy burden.

Is it fair, is it morally justifiable that our tax laws and regulations should refuse to allow these expenses as a proper business deduction? Without the expenditure of transportation money from home to job, would there be a job to produce income?

In New York City a working man pays a minimum of $75 a year just to get from his home to his job and back each working day. This essential outlay is the very minimum he must pay. Many taxpayers are required to pay several times this amount. Commuters living in outlying districts and coming to a city to work each day are spending vastly more. It is sheer hypocrisy on the part of our tax regulations to characterize these sums as "living or personal expense"; they are in truth and in fact, job or business expenses. Why should this taxpayer's legitime business expense not be deductible? Is this not morally right? Is such an allowance not fair play?

This seems to me to be far more scientific than some of the proposed across-the-board cuts. An increase in dependency exemption is urged by many as being logical, but the present dependency exemptions, in the light of existing living costs, are so unrealistic that a modest increase in the amount of such dependency allowances, which is all that could be expected, would not bring us very much closer to the all important goal of the just and equitable tax base.

I have recently introduced a resolution to study the efficacy of this proposal, its impact and its reasonableness, in the hope that we can approach the question of tax relief morally, scientifically, and fairly—not politically. This is, I think, all that our people ask for and certainly what they have a right to expect of us.

Has the Sun Gone Down on Reality?

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. METCALF. Mr. Speaker, I wish to call the attention of my colleagues to these words in the committee report on H. R. 11177, the Agriculture Department appropriations bill which we passed yesterday:

> Farmers' Home Administration: * * * In the opinion of the committee, attention should be given to a thorough study of the organization and programs of this agency. Recent reports concerning the administration of this organization have been a source of concern to the committee.

Mr. Speaker, I, too, have had reports which have been a source of concern. Valid complaints about the harshness of Farmers' Home Administration collection policies first came to my attention at a meeting in Hamilton early in December 1954.

In general, they dealt with the impossibility of meeting a repayment schedule, set up several years ago, with today's farm income—which is down about one-third from 1951.

The result has been that many farmers, among them war veterans who have entered the industry in the past few years, do not even have enough money left over to eat or to dress their children properly for school—much less buy seed and fertilizer for another crop, repair and replace machinery, or meet other obligations such as mortgage payments.

I was told that the Farmers' Home Administration Ravalli County supervisor, Mr. Hector E. Rodgers, had stated that of 131 loans in Ravalli County, 80 had been made on uneconomic farm units and that he intended to close them out. Mr. Rodgers was quoted as saying 120 acres is the minimum economic unit in the county.

I asked anyone injured to write me, giving his experiences with the Farmers' Home Administration. Each of the specific cases I received was sent over to Mr. R. B. McLeaish, FHA Administrator. He, in turn, took up each one with the Montana FHA director.

On January 22, 1955, Mr. McLeaish came to my office at my invitation to discuss the situation which, at that time, I understood to be confined to Ravalli County.

He assured me that everyone whose financial condition had changed for the worse since the original contracts were made would be given an opportunity to get money for fertilizer, for feed, seed and for living expenses, even though such withholdings might reduce the Government's share below the required payment.

Mr. McLeaish said he was exploring the possibility of rewriting the payment contracts but, at that time, he did not feel that the notes themselves could be altered.

Although a delinquency would result from release of money for other expenses, including taxes, Mr. McLeaish said all those unable to meet their payments due to a change of markets or reduced farm income would have an opportunity to work out their indebtedness. He said foreclosure was the last thing they wanted to try.

There was discussion of Mr. Rodgers' statement relative to closing out the uneconomic units. Mr. McLeaish said that since the Department had made the loans on these farms, every effort would be made to help the people solve the problem.

This understanding was confirmed in writing by Mr. McLeaish last spring.

Because I heard nothing further from those concerned, I assumed Mr. McLeaish was keeping his promise to give sympathetic consideration to each individual situation.

I was shocked to learn that he was not—and that the attempt to make over a lending agency into a collection agency and thereby change a traditional economic pattern was not confined to Ravalli County.

Just before I returned home for the Easter recess, I was visited in my office by a farmer from Broadwater County. He described the same situation in his vicinity. When I was in Montana last month, I talked to farmers in the vicinity of Townsend and Polson. Several people came to see me about this when I was in Missoula.

As new cases come in, I am continuing to call them to the attention of the Administrator. In addition, I am making my files available to the House Committee on Agriculture which is holding hearings on farm credit bills, among them mine to declare a 1-year moratorium on 4 classes of FHA loans.

The situation in Ravalli County prompted the following editorial by Editor Miles Romney of the Western News, in the May 3, 1956, issue of the weekly newspaper published at Hamilton:

> HAS THE SUN GONE DOWN ON REALITY?
>
> Elsewhere in this edition is an astounding report of a situation which affects numerous farmers of the Nation and of our country. As I contemplate the matter I ponder over whether people should be indignant or appalled or both.
>
> Some years ago the Congress, aware of the need for providing cheap money to salvage submarginal agriculture, enacted legislation providing the machinery for financing farmers on long- and short-term basis. These were generally cases where private financing was not available, at least at that time.
>
> Through the Federal Farm Home Administration, and its predecessor Federal agencies, thousands of farmers were provided an opportunity to finance their operations with the hope of ultimate full ownership of their farm properties. Many achieved success and others were upon the road to success when the economy of the Nation, insofar as farming is concerned, came upon a decline.
>
> As most people hereabout are well aware prices of farm products have dropped sharply. This decline adversely affected all farmers, and what hurts farmers injures the small-business men of farming communities. In turn everyone in such communities feels the economic consequences of adverse farm prices. It is quite obvious that farmers who had borrowed funds, from no matter what source, had secured such loans when prices were high for commodities they had to sell. When these prices dropped away materially, as they have in the past several years, loans which were predicated upon the higher price plane, became difficult or impossible to pay. Farmers went to their banks and negotiated new loans based upon the current situation. Bankers were generally happy to accommodate their agrarian customers because they recognized realities.
>
> In turn farmers who had loans from the FHA expected similar treatment. Imagine their consternation when they found stern opposition to their prayers for assistance. Instead they were in many instances told they would have to pay upon the basis of their original contracts or be sold out. They were informed, in some instances that they were operating uneconomic units and should quit farming and go to the city and get a job in industry. They encountered no friendliness, no understanding of their cherished desires for homes and farm operations. Naturally their cups are filled with bitterness.
>
> It is apparently the policy of the Eisenhower administration that small farmers whose properties are not paid for and whose operations are not vast in scope, are not desirable in the American economy. It has been pointed out that they cannot operate upon an equal basis with the gigantic corporation farms. It has been pointed out again and again and again by responsible administration mouthpieces that there are too many farmers today, despite the sharp cut in numbers of persons engaged in agriculture. There can be no denial that the administration's policy has been aimed at reduction of farms and farmers and particularly of the small farmers.
>
> I believe it has been the belief of numerous Americans, during the history of the Republic, that the family farm, owned by those who operate it, has been the foundation of the Nation. It certainly has been the desire to own and operate such units that called the pioneers across the Appalachian Mountains into the new lands of Kentucky, Tennessee, and the Ohio. It lured them across the wide Missouri and thence over the plains. It called them to Utah, to Montana, to Oregon and California. Everywhere men, and their women, were seeking a home of their own, upon land of their own, where they could cultivate the soil, grow their crops and raise their families.
>
> It was such a search by our expanding population that built America. Now there are those who would decimate our farm population. Strangely they are the same characters who screamed their lullabies of dismay and hatred upon the occasion of the destruction, for economic reasons, of the little piggies during the agricultural travail in the early 1930's.
>
> I still think there is nothing finer than for Americans to own their own farms and homes, to operate their own small acreages, their own little shops and maintain an individuality. I think that the original idea of the Farmers' Home Administration's predecessor agencies was splendid and should be encouraged. It was not antagonistic to private banking for it filled a need in which the latter was not interested. It aimed at building a solid agrarian citizenry upon the basis of the family home. Anyone who doesn't like that foundation for America is entitled to his opinion but it is counter to our national practices of generations past, and seems to me to be bad economics.
>
> Because of his personal attitude in handling the situation, the local administrator of FHA, one Mr. Hector Rodgers, has become anathema to Ravalli County borrowers from the agency. Certainly his usefulness in operating the agency here, from the standpoint of the people who are customers of the agency, is ended, except and unless his functions are entirely directed toward closing out the operation as quickly and as ruthlessly as is possible. If such is the aim of the Federal Government, they apparently have the right man on the job here. But I think it unwise to foist all of the blame for this imbroglio upon the shoulders of Mr. Rodgers. To be sure he probably lacks finesse in handling the situation, but he is merely a hired man. He must be taking orders from those who are his superiors in the State FHA setup. They in turn are following directions from their superiors in the national system of the agency and thence all the way up the administrative ladder to the Secretary of Agriculture, whose policies in other respects are akin to those discussed within the framework of this comment. And at the top of the heap, where final responsibility rests, is President Eisenhower himself. To be sure, he cannot be cognizant of such matters in every nook and corner of the Nation, nor can Mr. Benson, but agricultural strategy is their determination, and such goings-on as have afflicted scores of Bitter Root residents, and many, many more in other areas, is a direct consequence of their decisions. Although we may not like the indelicate manner in which Mr. Rodgers accomplishes his mission, real responsibility rests upon the shoulders of those at the top.
>
> This is a sad situation. The administration should review the matter. It should either close the agency altogether and destroy its borrowers or it should alter its methods to bring them in line with economic realities. Nobody could make farming or any other business a success under rules based upon altogether different economic circumstances. I cannot conceive that even the contemporary administration should be so blind as to wish to ruin a healthy segment of the American economy. It is to be hoped Eisenhower and company will awaken to the damage their policy is accomplishing in this respect and speedily remedy it. The Farmers' Home Administration is not now a helping hand for the little farmers, as it was born to be; it is not what it is supposed to be, but instead constitutes a trap, into which unwary persons have been led in good faith, only to learn too late that a supposed friend is a deadly enemy. Let us hope those who have contrived this condition will relent or learn of their error before tragedy ensues.
>
> It is almost inconceivable that just because Mr. Eisenhower knew nothing but destruction before entering the White House, due to having spent his entire manhood in the military, that he would be so blind to the needs of people in his own country.

Make SUNFED a Part of Our Mutual Security Program and Avoid a Race With the U. S. S. R. as to Which Will Spend the Most

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, an increasing number of thoughtful and prominent citizens are speaking out in favor of channeling more of our foreign aid through the United Nations. The logic of these suggestions seems apparent to me, and I am happy to add my support to the campaign. I include herewith a statement which I made in support of SUNFED during the hearings held by the Committee on Foreign Affairs:

> STATEMENT OF HON. FRANK THOMPSON, JR., OF NEW JERSEY
>
> Mr. Chairman, I am grateful for this opportunity to testify in behalf of the mutual security program for fiscal 1957. My support for the general purposes of the program is most emphatic, but I do object, as you shall see, to the emphasis and omissions which the proposals of the administration reveal.
>
> Although not a member of this committee, I have followed with the utmost interest the testimony which you and the Senate Foreign Relations Committee have been receiving, particularly from the administration witnesses. One conclusion which I have reached about this testimony is that military necessity forms its leitmotiv. Not only are the President's requests wrapped up in categories which trumpet the military defense aspect and soft-pedal the nonmilitary, but also the supporting testimony consistently sounds the note of hard-headed American military need. One almost wonders, after hearing such advocacy, why we bother with the relatively insignificant technical cooperation and development assistance programs at all. One wonders, too, how anxious the nations who are slated to benefit from such assistance will be to receive their grants when they learn of the military context in which they were pushed through the American Congress. I hope that the Embassies of Asian countries which read the administration's testimony for this legislation will take care to explain to their governments that the appeal of military necessity is a traditional sales technique on Capitol Hill.
>
> If the nations which we propose to help through this legislation took the administration spokesmen completely at their word, I fear they might be frightened into other hands than our own for economic assistance. On the basis of much of the recent testimony, our own hand of economic aid lifts and pushes with the same motion. It lifts a nation's economy and pushes it into a more military posture. Our aid programs are described by the Secretary of State, before this Committee, as purely American in their origin, designed for our benefit, to economize on our defense needs, focused where we want them, and then worked out if possible in cooperation with the nations which receive them. Such a description may make the program more palatable to many American taxpayers in an election year, but I rather doubt that we can go on talking this way before a worldwide audience if we expect to retain the cooperation and respect of the underdeveloped nations which now receive such a large share of our aid. No longer can we offer foreign assistance programs designed in Washington with the assurance that if the needy nations do not accept our offer they will simply have to go without.
>
> The Soviet Union has entered the field of economic and technical assistance and they have certain great advantages over us. The Soviet foreign aid promoters do not have to justify the expenditure of huge sums before a parliamentary forum such as ours. Not only does their dictatorial system of government not require it, but also much of what they offer abroad is based upon barter arrangements which their economy can easily support. Consequently, the agreements which they are ready to make do not become shrouded in the calculating self-interest which is wrapped about our own expenditures each year in Congress. The self-interest of the Soviets undoubtedly underlies their offers, but their system and their economy permit them to avoid professing it. In comparison, the United States must seem blatantly selfish, as our program has been presented this year.
>
> This situation strikes me as terribly serious, Mr. Chairman, because we are only beginning to experience it, and we cannot accurately predict its effect. I regret that the administration has not demonstrated more sensitivity to the changed environment in which our economic and technical-assistance programs must henceforth be carried out. The present requests are made in the same manner as they were in the days when we had a monopoly in the economic-aid field, and the closest thing to recognition of the radically altered circumstances in which we must operate is the administration's acceptance of Senator GEORGE's suggestion that a special study be undertaken of the entire

program. Perhaps the exigencies of preparing budget requests many months in advance have precluded the kind of ready adjustment to the Soviet economic offensive which we would like to see in the President's requests for fiscal 1957. Yet, even conceding such an explanation of the lack of fresh ideas in these requests, there are certain omissions from this proposed program which, to my mind, should be rectified now, without the need of any further study.

The project which I believe is essential to include in next year's mutual-security program is a United States contribution to the Special United Nations Fund for Economic Development. This special fund, which is commonly known as SUNFED, is an American idea, which has been repeatedly supported in principle by our delegations to the U. N. General Assembly, but which has never been put into action because of our refusal to make any financial contribution. Only 2 months ago, 2 distinguished members of this committee, Mr. BROOKS HAYS and Mr. CHESTER MERROW, issued their report on the 10th session of the General Assembly of the United Nations at which they, as American delegates, pronounced the official United States position that the actual creation of SUNFED must await the time when substantial savings have been effected through reduction of armaments. In their fine report these Congressmen professed their disagreement with this inflexible approach, stating that they "believe that the United States must not unequivocally insist upon postponing a start toward aid of this type until disarmament becomes a reality." Furthermore, they expressed the view that it would be "of tremendous value to the United States" if we would be prepared at the next meeting of the SUNFED committee to offer constructive modifications of the plan which, if accepted, would enable us to participate.

This is very much needed advice. It is quite incongruous for the United States to find itself as the major stumbling block to the creation of SUNFED, because our Government originally developed the concept of such a special fund. One of the most vigorous suggestions for such a fund was made in the report of the United States International Development Advisory Board on March 7, 1951. This Board, appointed by President Truman, was under the chairmanship of Nelson Rockefeller, who only recently terminated several years of service under President Eisenhower.

In spite of the national emergency of the Korean war at the time which this Board drew up its report, they declared that "strengthening the economies of the underdeveloped regions and an improvement in their living levels must be considered a vital part of our own defense mobilization." The Board recommended that an international development authority be created to finance a portion of the cost of public works which are essential to the underdeveloped countries and which cannot attract loans from existing financial agencies. To use the language of economists, this report recommended an international fund, making "the fullest use of the United Nations and other international organizations," to invest in non-self-liquidating projects, to provide the fundamental economic structure needed in countries before private investment capital can undertake to develop their economies. In the underdeveloped areas of the world the prerequisites to economic expansion—such as roads, railways, ports and airfields, hospitals and schools, irrigation and drainage, clearing of land—most of these must be provided before private investors can be attracted in support of self-liquidating or profitable activities and industries.

The SUNFED proposal aimed at getting the wealthier nations of the world, which developed their economic foundations in the expansive frontier days of the last 100 years, to contribute a small amount of funds to an international effort to lift their less fortunate neighbors over the first hurdle to economic self-development. By combining their efforts through the existing structure of the United Nations the "have" nations would give that essential first push, through long terms loans or outright grants to the "have nots" to get them under way economically. Once this could be done, the less fortunate nations would be able to run on their own resources. The underdeveloped countries could then begin to offer to private or public investors transportation facilities for moving products to market, communication systems, a trained and healthy labor force and a growing managerial class.

The logic of this proposal seems obvious to me. One does not need an advanced degree in economics to understand the importance of building the basic structure of a country before investing in the more complicated economic enterprises which will ultimately make it self-sufficient. It is hard for me to understand how a nation as proud of its business acumen as is ours can fail to support, with dollars as well as words, the SUNFED program. What sense does it make, from a strictly financial point of view, to go on investing in technical cooperation and economic assistance as we are doing when we refuse to contribute funds which would enable the "have not" countries to lay a firm groundwork for the economies which we are helping to bolster on a piecemeal basis? It cannot be said that these countries can find private investors to develop their schools and hospitals and irrigation projects, because these undertakings are not self-liquidating and do not attract foreign capital. Only through the beneficence of some private or public agency can funds be obtained for such non-profit-yielding investments.

The special United Nations fund as presently planned would begin with capital amounting to $250 million, of which the United States is asked to contribute less than one-third. If our Government would put up the $80 million requested of us, the remaining funds would not be long in following. The amount which we are asked to contribute is less than half of what the President has requested for development assistance in this year's United States program. Eighty million dollars is only slightly more than half of the amount that we are asked to contribute to our own Technical Cooperation program. Yet, by investing this relatively small amount we would find it trebled through the contributions of other members of the United Nations, and we would not need to replenish it in the same or larger amounts each year, as we do with our unilateral development funds.

I realize that it is often argued that United Nations programs do not redound to our credit, as our own assistance projects are supposed to do. Of course, many Americans argue that we receive no gratitude whatsoever from our aid programs, and, though I disagree with this idea, I do believe that the credit which we receive for our projects is less than many taxpayers would like to think. Yet, granting that we do make some friends abroad from economic and technical assistance, it is time for us to reorient our thinking on this subject and drop the purely cold-war approach to foreign aid. Whether we like it or not, the Soviet Union has entered the foreign aid business and we cannot hope to keep them out by underselling or trading on our past generosities. Instead, it is time for us to adopt an attitude of long-range self-interest, which in short-range will be humanitarian and unselfish. We should face up to the fact that the economic development of the less advanced nations of the world will be to the greater economic advantage of all trading countries, and particularly our own; and we can no longer hope unilaterally to make this economic advancement possible and win exclusive political advantage thereby.

I ask the committee to consider the wisdom of shifting more of our economic assistance to the multilateral structure of the United Nations. By so doing we challenge the Soviet Union to demonstrate their own professed selfless desire for human betterment by contributing comparable amounts. We also increase the economic value of each dollar we invest, because it will be more than matched by the contributions of other member nations. We will find too that many more projects can be undertaken effectively under U. N. auspices than our own, because many nations, for political reasons, are more willing to have multilateral rather than United States sponsored projects undertaken within their frontiers. Also, U. N. programs often find personnel to draw upon who are more qualified in languages and tropical experience than are our own. If we are truly interested in our long-range objective of a more prosperous world trade, then the above considerations are of great importance.

Gradually some of our far-seeing leaders in both private and governmental positions are beginning to expound this insight. Willard Thorp, the former Assistant Secretary of State for Economic Affairs testified before the Senate Foreign Relations Committee in favor of SUNFED more than a year ago. The present Assistant Secretary for United Nation Affairs, Francis Wilcox, in a speech last January to the National Press Club, spoke in favor of SUNFED and expressed the hope that "ways and means will be found for the United States to participate constructively in such a fund." More recently, our Ambassador to the United Nations, John Cabot Lodge, has stated, as reported by the Washington Post of April 30, 1956, that the present world situation requires the United States to channel a larger share of its foreign aid through the U. N. The report of the Senate Subcommittee on Technical Assistance Programs, issued on May 7, 1956, states in cautious bipartisan language that an increase in the absolute amount of United States contribution to the U. N. programs "might be justified," provided other nations increase their amounts.

An increasing number of private individuals and organizations have also spoken out in favor of more aid through the United Nations and more concentration upon the humane rather than the cold war aspect of economic assistance. Chester Bowles made a strong plea for our joining SUNFED in a speech to the Cleveland Council of World Affairs on April 18, 1956. Adlai Stevenson has spoken in a similar vein. Victor Reuther of the United Auto Workers and Jacob Potofsky, vice president of the AFL-CIO have also supported SUNFED, for many years. Mrs. Franklin D. Roosevelt is prominent among the members of a new committee to support an expanded foreign-aid program, which strongly urges Congress to support SUNFED with an appropriation this year.

Mr. Chairman, it becomes apparent to me that our situation requires and public opinion is beginning to support a new concept of foreign aid which will give greater emphasis to multilateral programs and fundamental development, along with piecemeal projects. It would be an act of true statesmanship for this committee to consider now including the long-awaited United States contribution to SUNFED as a part of this mutual security program. Such a step would redound to the benefit of our national interests and would win for this committee the utmost credit for imaginative response to the changing international situation which confronts us.

SENATE

WEDNESDAY, MAY 9, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in whose sight all that concerns Thy children is precious, and whose merciful eyes note even a sparrow's fall: Speak to these struggling lives of ours, woven with such strangely tangled threads. Thou knowest all the days that go to make the total pattern as the years pass more quickly than a weaver's shuttle, days shadowed by sorrow, sparkling with mirth, bathed in tears, lifted up by gain and triumph, cast down by failure and loss. May all this medley of hopes and fears find its true meaning in Thy eternal purpose for our being.

In this violently agitated day open our eyes to perceive Thy presence in the mighty movements of these times, and to trust Thy wise and patient power to fashion a better day out of the strife and turmoil, the grief and bitterness, of this present time. In the deliberations of the Congress let every mind be attentive to Thy voice in this solemn day of global decisions, that we may know the things which belong to our peace and to the peace of the world. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 7, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 767. An act for the relief of Andrew Rosner;

S. 1111. An act for the relief of Eric A. Cummings;

S. [illegible]. An act for the relief of Pietro Rodolfo Walter Stulin;

S. [illegible]. An act for the relief of Kim Bok-soon;

S. [illegible]. An act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes; and

S. J. Res. 135. Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7513) to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 877. An act for the relief of Mrs. Rose Amoresano and her children;

H. R. 2045. An act for the relief of Joe Bargas;

H. R. 2840. An act to promote the further development of public-library service in rural areas;

H. R. 2845. An act to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks;

H. R. 3532. An act for the relief of Seymour Robertson;

H. R. 3897. An act to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof;

H. R. 4141. An act for the relief of Vivencio Fernado Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo;

H. R. 5256. An act to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps;

H. R. 5268. An act to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States;

H. R. 5790. An act relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act;

H. R. 7144. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected;

H. R. 7190. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes;

H. R. [illegible]. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. [illegible]. An act for the relief of Maj. Gen. Julius Klein;

H. R. [illegible]. An act for the relief of Clyde R. Stevens;

H. R. [illegible]. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota;

H. R. [illegible]. An act to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes;

H. R. 8385. An act to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes;

H. R. 8458. An act to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.;

H. R. 8693. An act to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses;

H. R. 8810. An act authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.;

H. R. 8837. An act to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 8922. An act to provide for the relief of certain members of the uniformed services;

H. R. 9207. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands;

H. R. 9314. An act granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States;

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance;

H. R. 9377. An act to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.;

H. R. 9451. An act to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians;

H. R. 9671. An act to provide for the conveyance of certain property of the United States to the village of Carey, Ohio;

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina;

H. R. 9841. An act to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs;

H. R. 9842. An act to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases;

H. R. 9922. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized;

H. R. 10006. An act for the relief of Vincent P. Sveinis;

H. R. 10013. An act for the relief of Sfc. Henry F. Ferry;

H. R. 10092. An act for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation;

H. R. 10191. An act for the relief of Comdr. Cook Cleland;

H. R. 10251. An act to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.;

H. R. 10441. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act;

H. J. Res. 501. Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization;

H. J. Res. 605. Joint resolution for the relief of certain aliens;

H. J. Res. 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 609. Joint resolution for the relief of certain aliens;

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 228) approving the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-7294280, Awad, Hazem Issa.
A-7292377, Blumsztajn, Jankiel B.
E-12305, Cabanski, Edmund Stanislaus.
A-9686777, Chan, Gar also known as Gar Ding Chan.
A-6851486, Chang, Irving Beilin.
A-10135387, Chang, Amos Hwei-Cheh.
A-6703345, Chao, Ping Chang also known as Ping Chang.
A-10141758, Chao, Shou-Ting.
A-7921052, Chao, Anna-Shun-Ting.
A-8829313, Chen, Long Wen also known as Robert Chen.
A-6083615, Chen, Yu.
A-6967624, Chen, Hwei Ju Chang.
A-6236867, Chen, James Yu-Ping.
A-6620712, Chen, Marjory Liu.
A-7396904, Chen, Daniel Bo Yen formerly Bo Yen Chen.
A-7390333, Chen, Olivia An Ran (nee Ho).
V-812955, Chen, Shih-Yun (Allen).
A-7247325, Cheng, Ming Tzu.
A-9694636, Cheng, Wan Man.
A-9558812, Chia, Chee.
A-8870665, Chiang, Philomena or Chiang Yu-Ching also known as Sister Margaret Mary.
A-6848448, Chiang, Sing Pao.
A-6848172, Chien, Chien Chih.
0900-76967, Ching, Zee Yah.
A-6986484, Ching-Guee, Shia or Sister Mary Ursula.
A-10141592, Chow, Ching Te.
V-753917, Chu, Wai-Quan Chao.
A-7282145, Chu, Ro Lin Hsiung.
0300-460097, Chu, Sen Sun.
A-10141587, Chuang, Theodore Hsin-I.
A-6422502, Chung, Anthony Chi-Wu.
A-6429288, Chung, Jean.
E-084282, Deutsch, Joseph.
0300-372142, Deutsch, Sprinca or Sprinza Deutsch.
A-7244888, Diller, Izak Jakub also known as Jack Diller.
0300-322285, Dong, Lai Tong.
A-7357115, Dunnous, Jack or Yacoub (Jacob) Isaac Dunnous.
A-8876905, Fabisiak, Jane.
A-8876903, Fabisiak, Arlene.
A-8876904, Fabisiak, Martha.
A-7274363, Feng, Norma nee Wang.
A-7865108, Freund, Leopold.
A-7456034, Fried, Zolton.
A-7837290, Friedman, Efraim.
0300-351008, Friedman, Elizabeth.
A-6794982, Gensel, Aron.
A-6967503, Guee-Lung, Lee or Sister Mary Jordan.
A-7286951, Hegedus, John Steven also known as Janos Hegedus.
A-10141553, Ho, Duane Ying.
A-7299373, Ho, Louis Ting.
A-6642006, Ho, Pei-Shih.
A-7357781, Ho, Peter Wen-T'Sung.
0300-344935, Hoo, Sing Hour.
A-10141544, Huang, Jack Shih-Ta.
A-7414824, Huang, Robert Chi Tong.
A-6285850, Huang, Tsi.
A-6285857, Huang, Soo Mu.
A-6847801, Huang, Teh Cheng.
A-10141539, Hui, Kit Ming.
A-10141566, Hui, Shui Tong.
A-10141567, Hui, Sinclair Shui-Shing.
A-6986479, Hung-Sheng, Wang or Sister Mary Carina.
A-8870667, Hsia, Gau Yueh or Sister Malia.
A-6967610, Hsiang, Wen Cheng or Sister Mary Wendelin.
A-6704369, Hsiao, Shen-Shan also known as William Shen-Shan Hsiao.
A-6848557, Hsu, Chieh-Su.
A-6967722, Jung, Han Yung also known as Sister M. Jacoma.
A-7399687, Junik, Berl.
T-2056002, Kalan, Franc.
T-2056001, Kalan, Stefka.
1536/52, Kalan, Dusan Franc.
1536/53, Kalan, Darko Stefan.
A-10141576, Koo, Benjamin Yee Chieh.
A-6142215, Kuo, Hsing-Kuo.
A-3639250, Kuo, Tse-Chiu.
A-10141757, Kuo, Hsu-Hua King.
V-1525096, Kuofan, Anthony.
A-8870666, Lai, Pao Sui also known as Sister M. Theresa.
0900-57550, Lee, Chang Ling.
0900-45771, Lee, Charlotte Ho.
A-7078187, Lee, Chen-Hsi.
A-10035416, Lee, Wah Hee alias Lee Wah Hee, Leung Fung or Fung Lung.
A-6982265, Lee, Winston, Foong-Zung.
0200-86892, Li, Hon Chi.
0300-460546, Li, Shu-Hua.
0300-460547, Li, Wang Wen Tien.
A-7202726, Liang, Yu Bing.
A-6986530, Lien-Ying, Chu or Sister Mary Eugenia.
A-6851676, Lin, Cheng Shan.
A-7274382, Lin, Jean Chen (nee Chih-Ying Chen).
A-7292430, Liu, Chi Kong.
A-7436597, Liu, Joseph Tsu Chieh.
A-6737205, Lieu, Pei-Tsing.
A-6976663, Liu, Sheng Kuang.
A-10141632, Liu, Yung-Ling.
A-10141633, Liu, Tung Seng.
A-10141634, Liu, Korbin.
A-6620802, Loh, Wen Ying.
0300-398365, Loo, Jack H. also known as Loo Yee King.
A-8870414, Lu, Wan-Ging.
A-6848570, Lu, Peter Tseng-Li.
A-6986529, Luee-Hsiang, Chow or Sister Mary Francesca.
A-6986564, Ma, Chi Pei.
A-6730632, Ma, James Hsien-Ne.
A-6967747, Min, Chang Wen or Sister Mary Charlene.
A-7295516, Ming-Hsien, Wu or Linda Wu.
A-6959749, Mozes, Abram.
A-8106523, Mozes, Malke.
A-7274536, Nieh, Chung-San.
0200-86445, Nieh, Nicholas Yun-Chuan.
A-6967510, Pan, Hsi Lung.
A-7274523, Pan, Vivian Chang.
A-7913544, Pewzner, Schulim Ber.
0300-464390, Pewzner, Rachel (nee Nenanow).
0946097, Sumarin, Mikhaiovna Klavdia also known as Claudia Gregory.
A-7450208, Samarin, Elena also known as Helen Gregory.
A-7988231, Shao, William Hoyang.
A-6967665, Shen, Dora Chung-Yuin.
0300-468333, Shen, Irene I-Chuan.
0300-468335, Shen, Isabel I-Hsi.
0300-457386, Shen, Victor.
A-7292431, Shew, Bradford Shin formerly Shin Kay Shew.
A-8082801, Shih-Yu-How, Agnes also known as Sister Theresa Shih-Yu-Haw.
A-6986538, Siu-Chen, Yu or Sister Mary Stephana.
A-7415078, Sung, David Nguah Nyen or Sung Nguah Nyen.
A-7421087, Sung, Eling Waung.
A-7248500, Sung, Rhoda Yun-Yuan.
0300-459558, Szabo, Paul.
A-10141615, Sze, Marian Woo.
A-7367977, Tai, Shih Sheng.
A-7436692, Tan, Li-Te.
A-6923725, Tao, Clinton Wei-Hsun.
A-8227223, Tao, James Fu.
A-8235312, Teitelbaum, Moses.
E-084223, Teitelbaum, Jenny (nee Bergfeld).
A-6567124, Tsao, Wao-Chen.
A-8870436, Tsien, Wei Shiang.
A-6851339, Tso, Tien-Chioh.
A-6986555, Tso, Margaret Yu-Yi Lu.
A-10141601, Twanmo, Chong.
A-10141602, Twanmo, Katty C.
A-6691440, Vogel, Catherine Nai-Yung Chen.
A-6847913, Wang, Hsi-lan.
A-7391631, Wang, Kien Ming or James Kien-Ming Wang.
A-10141616, Wang, Ko Tsan.
A-10141617, Wang, Yu Er.
A-10141618, Wang, Eng Chou.
A-10141619, Wang, Don Cue.
A-10141620, Wang, You Lue.
A-10141549, Wang, Lai-Hsing.
A-7445763, Wang, Rosalind Mei-Lin.
V-1336131, Wang, Sze-Tseng.
A-7992595, Weismann, Eli.
A-6033441, Woo, Ching Chang.
A-8057901, Woo, Jeannette Kwoh Yu.
A-9825135, Wojtal, Stanislaw.
A-2225355, Wong, Tit.
A-7078167, Wu, Cheng-Kang.
A-6980066, Wu, Jen-Pei or Zung-Pah Woo.
A-10141763, Wu, Shang Ying.
A-7143986, Yang, An Tzu.
A-6699853, Yang, David.
A-7285805, Yang George Chao-Chih.
A-7910949, Yang, Dora Hsi-Chun.
A-6848670, Yang, Jen Tsi.
A-7393985, Yang, David.
A-7393986, Yang, Katherine Louise.
A-6967652, Yang, May also known as Tze-Hsin Yang.
A-7274375, Yao, Lin-En also known as Josephine Yao.
A-6703474, Yeh, Ching Siang Tang Yeh.
A-6855617, Yeh, Pai Tao.
A-6986481, Ying, Cheng Yuin.
E-094700, Yip, Kam Yung.
A-8870669, Yu, You Li also known as Sister Anna.
A-6986531, Yu-Lung, Fan or Sister Mary Fulgence.
A-8153741, Yung-Chang, Chen.
A-8039402, Yurman, Gino.
A-7184186, Bilinska, Helena Maria.
E-096405, Chan, Dai or Chan Dai or Da Chen.

0300-473418, Chan, Siu Yu.
A-4269801, Chan, Kam Shong.
0900-47509, Chan, Yuk Yung.
A-6851306, Chang, Chi.
A-6848661, Chang, Ching Chi.
A-6589870-T, Chang, Franklin Shih-Chuan.
A-7279318, Chang, Grace Dung Lien.
A-7419724, Chang, Huai-Yuan (Sister Mary Chang).
A-6848013, Chang, Shen Chin.
A-6567119, Chang, Mei Ling Wu (nee Wu).
A-6597177, Chang, Shih Yen.
A-10135727, Chang, Pen-Chun.
A-10135728, Chang, Sieu-Tsu.
A-6967614, Chang, Wan-Cheng, married name Wan-Cheng Cheng.
A-10141535, Chang, Yueh-Lien.
A-10141574, Chang, Yai-Nan.
A-10141537, Chang, Joan.
A-7296212, Chao, Julia Shih-Fan Yu.
A-6703343, Chao, Pei Chung.
0300-459052, Chou, Peter.
0300-456580, Chen, Hsiang.
A-6083606, Chen, Hsing Huan.
A-7178953, Chen, Yin Ching.
A-7991926, Chen, Wansu Wu.
A-8010541, Chen, (Frank) Minwei.
A-8010542, Chen, (David) Minwu.
A-8010579, Chen, (Philip) Minkang.
A-8870668, Chen, Tang Hsueh also known as Sister Katherina.
A-8102823, Cheng, Benny Kuo-Bin.
A-6148135, Cheng, Chiu Wan also known as Wang Cheng Chiu.
A-9578773, Cheng, Chuen.
A-10141533, Cheng, Wen Tao.
A-10141532, Cheng, Lu-I Lee.
A-10141531, Cheng, David Ta-Zun.
A-7874506, Cheng, Pao Hua.
A-7874505, Cheng, Chung Chu.
A-7874504, Cheng, Denis.
E-083251, Cheung, Kai.
0300-460538, Chew, Yee Poh.
0300-433053, Chi, Bo Heng.
A-7445429, Chi, Hu Yu, also known as Yu-Chi Hu Ma, also known as Shirley Hu.
0300-464404, Chi, Madeline.
A-6986526, Chi-Shuang, Li or Sister Mary Cyril.
A-7910846, Chin, Chung Shun.
A-7096304, Chih, Chung Ying.
E-118625, Chin, Hin.
A-7354752, Chin, Tsuan-Shek.
0300-459149, Ching, Chen Chae.
A-6986536, Ching-Guee, Liu or Sister Mary Leander.
A-6667194, Chiu, May Helen (nee May Helen Chow).
A-7274544, Cho, Ting-Li.
0300-400853, Chong, Ho or Cheong Hoo, also known as Ho Chueh.
A-9731876, Chong, Kong, also known as Gong Cheong.
0300-396049, Chong, Tan Yung.
A-10142099, Chou, Te-Chuan.
A-10142100, Chou, Nora Hsi-Feng Chang.
A-7399209, Chow, Junlin Wong.
A-7292960, Chu, Franklin You-Min.
A-6986548, Chu, (Victor) Wen-Hwa.
A-9708083, Chuck, Fung.
A-9782837, Chun, Chai Ah.
0300-458951, Deak, Niklas Charles, also known as Nicolas Carol Deak.
A-7193630, Deri, Emery.
A-7937387, Ding, Chang Ah.
0900-50655, Djordjich, Risto.
E-086433, Drumer, Lilly.
A-3920006, Durazinski, Henryk or Henry.
A-6933864, Eisdorfer, David.
A-7244889, Elinowitz, Welwel.
0300-457977, Elusalu, Johannes.
A-7274380, Euyang, Walter also known as Walter Hwa-Teh Euyang.
0300-456141, Euyang, Clementine Hoo formerly Clementine Shih-Hwei Hu.
A-7415457, Fan, Hsieh-Sen or Jason Hsieh-Sen Fan.
A-7445497, Fan, Catherine Ping-I Chang.
A-6967558, Feng, Tsun-Ying.
E-082591, Fischer, Alexander.
A-7354783, Fu, Ellen Hsiao Yen.
0300-460069, Fucheng, Hsu alias Hsu Cheng now known as Fucheng Hsu.
A-7365726, Ganz, Nisen.
A-6613745, Gfellner, Theresa (nee Deri).
A-6959744, Giang, Sylvia H. W[illegible].
A-7444660, Goldstein, Hersh Meilech.
A-8031667, Goldstein, Etel.
A-7860110, Gruman, Kalman.
E-086547, Guttman, Josef.
A-7056939, Gyarmati, Geza.
A-8285615, Hafner, Mozes, or Moses.
0300-460251, Han, Ling Chen.
A-6973659, Han, Susan Su-Chin formerly Su-Chin Han.
A-6959722, Han, Yu-Wen.
A-6967491, Ho, Ching-Yu.
A-7435700, Ho, Don Tchengton.
A-8258324, Hong, Sheng-Chiao.
A-8829404, Hsia, Mitzie (nee Miau-Tze Chang).
A-10141551, Hsiao, Ching Yuen.
A-10141577, Hsiao, Helen Hui-Ying Yao.
A-10141578, Hsiao, Henry Shih-Han.
A-10141580, Hsiao, Ann Shih-An.
A-10141581, Hsiao, Dorothy Shih-Yi.
A-6849400, Hsiung, Chieh-Chang.
A-6534366, Hsu, Liang.
A-10141762, Hsu, Pao Cheng (Chang).
A-7802663, Huang, Doris Ma.
A-7802664, Huang, Victoria Tze-Fon.
A-7415175, Hsueh, Chia Ying.
0300-341751, Hsueh, Tsung Bei Wei.
A-7056498, Huei, Hsia Shu or Frances Hsia.
A-7383119, Hung, Loretta.
0300-458487, I-Giai Chung, or Ida Djung.
0300-406961, Kam, Chow.
A-7293137, Kao, Lucy Ming-Chu.
A-7244876, Katz, Sandor.
0400-43673, Ke, Ke Chuan or John Koo.
A-8057175, Kee, Tan Seng.
A-6694146, King, Myra Yin Suan.
A-7367998, Ko, Shao-Yen.
0501-20382, Koa, Chi Chang.
0501-20383, Koa, Suzanne S.
A-7247311, Krzyanowski, Kazimierz (Casimir) John.
A-6377774, Ku, Nien-Tseng.
A-10135396, Ku, Pi-Tuan.
A-7355365, Kwan, Yuk-Ying.
E-113842, Kwei, Whang Ah.
0300-462261, Kwok, Regina Yin-Han or Ying-Han Wing.
0300-468748, Labocha, Mitchell.
A-3523622, Lan, Yee or Ching Koon Yee.
E-096796, Lau, Tai.
A-7871911, Lee, Blanche.
A-6967505, Lee, Chang Yuan.
A-8189612, Lee, Yuen Hung also known as Yuen Hung Li.
A-6828793, Lee, John Chia-Chin.
A-7289348, Lee, Liang-Shen (Leo).
0300-465467, Lee, Sui Tsung.
A-6737246, Lee, William Ming-Sing alias Ming-Sing Lee or Di-Di Lee.
A-6967336, Lee, Yin Chen.
A-7934383, Lee, Ying.
A-6959876, Leonida, Madelaine (nee Ching Hun Kao).
A-6632660, Li, Ellen Hui-Chu also known as Hui Chu Li.
A-8103760, Li, Hsioh-Chien.
0300-460977, Li, Ruth Sien-Chuan.
0300-469161, Li, San Chih also known as San Chih Liu.
A-7202751, Li, Stephen Shih-Pu.
A-10141568, Liang, George Kuo-Chi.
A-10141571, Liang, Calvin Kuo-Yuan.
A-10141597, Liang, Eugene Kuo-Yu.
A-10141569, Liang, Helen Kuo-Hu.
A-10141570, Liang, June Kuo-Kiang.
A-7830590, Liang, Paolo Tao Tsun.
A-7362902, Ling, Ming Hui Chang.
E-096458, Ling, Tin Wong.
A. 7133230, Ling, Yuen-Hung Mei.
A-7184116, Li-Ting, Tsung or Sister Mary Adria.
A-7860197, Liu, Hao Wen.
A-7293130, Liu, Irene Ssu-Chin now Irene Chi-Ming Hou.
A-6970202, Liu, Julian formerly Chu-Jen Liu.
A-7436598, Loe, Agnes formerly Hsiao Chich Loe.
E-10665-T, Loong, Yu Cheng.
A-6851637, Lu, Ch'ung Tai.
A-6851635, Lu, Chi-Hui Ching.
A-6973687, Lu, Fei Pai.
A-7292414, Lu, Lydia Dze-Zau (nee Fu).
A-6847976, Lu, Lydia Keng-Yen.
A-2149500, Mah, Foo Chu.
A-6911247, Mah, Yu Ou Chen.
A-6911248, Mah, Ming Ching.
A-6911249, Mah, Ming Shu.
A-6911251, Mah, Priscilla.
A-6911252, Mah, George.
A-6911253, Mah, Howard.
0300-471609, Mao, Chun Gin.
A-6848593, Mao, Joseph T. K.
A-6848404, Mao, Tzu-Jen.
0300-459534, Mi, Miriam Deh-Fen also known as Deh-Fen Mi.
0300-457656, Mihailescu, Octavian.
A-6848122, Ming, Chu Feng.
A-7358949, Moh, Za Yu.
A-7296131, Mok, Bessie Oi-Bing.
A-7263700, Mow, Constance also known as Bik Chui Wong.
A-0946635, New, Yuh Tsung Zee (nee Yuh Tsung Zee) also known as Mrs. Way Sung.
A-7243065, Pan, Diana Yun-Ching (nee Diana P. Lu).
0900-50654, Pavlovich, Pavle.
A-7118663, Pan, Ruth Chi-Te (nee Chung).
A-7286979, Pan, Yum Hsueh.
E-083220, Petkoff, George.
A-6710400, Poon, Abigail also known as Wan-Pen Hwang.
E-79836, Popa, Augustin.
A-7421011, Schattauer, Mary.
A-8036393, Schiffman, Sandor.
A-7882491, Shao, Irene Meileng.
A-8088722, Shashoua, Elias Heskel.
A-8091352, Shing, Ng Khing also known as Eng Fong or Ng Khing Sheng.
0300-458478, Shopov, Constantine Panchev.
A-6847707, Sih, Peter Chwin-Jen.
A-7476054, Sih, Helen Hsu Chiu.
A-7863483, Sima, Lazzlo.
A-7074028, Siu, Moyra Tsu-Yu.
A-7941178, Sleszynska, Felixa or Feliksa.
A-7399277, Soo, Peter Hungteh.
A-6677301, Srych, Elizabeth (nee Bagarova).
A-6843540, Stern, Abraham.
A-7282964, Su, Chi-Hao (Kenneth).
A-7553094, Sze, Benjamin Chiatse.
A-7910997, Szentendrei, Janos (John).
A-6083791, Tan, Fang Hsia.
A-8829366, Tang, Ho-King Shao.
A-7144742, Tang, Tung-Men.
E-086276, Tao, Chew Pe.
A-8310963, Teodorovic, Svetozar.
A-6851460, Tong, Leonard Tsu-Wang, also known as Tsu-Wang Tong.
A-6545323, Tong, Patsy Lew, also known as Patsy I-Fung Lew.
A-7282984, Tsai, Frank Wei-Kang.
0300-413254, Tsang, Tom Kam, also known as Tom Kam and Tsen Kam.
A-7367943, Tsao, George Lingkwong.
A-7274652, Tsao, Peter Hsing-Tsuen or Tsao Hsing-Tsuen.
A-7277353, Tsien, Peng Lun.
0300-462355, Tsien, Richard Winyu.
A-7768053, Tsu, Kin Hsueh-Yuan.
A-6704073, Tsu, Laura Nyi Tsung.
A-6967373, Tung, Jui Hsueh.
A-6851406, Tung, Ting San.
V-754263, Tzu, Lien Chao.
V-754254, Tzu, Fei-Man Wang.
A-8012287, Unger, Jakub Isaac.
0300-380248, Unger, Esther Rojtblat.
0300-466957, Wang, Chen Ling.
V-1198214, Wang, Chung Chiang.
A-6848530, Wang, Jean (nee Yin Suen Djuh).
A-6470332, Wang, Chun-Tao Betty.
0300-465191, Wang, Lincoln, formerly Yin Tang Wang.

0300–465188, Wang, Grace, formerly Tsian Hsi-Jen Wang.

0300–465189, Wang, Henry, formerly Teh Yun Wang.

0300–465190, Wang, Stephen.

0300–463783, Wang, Nietsu.

0300–463782, Wang, Krystyma (nee Kawecka).

0300–463478, Wang, Juliana.

0300–463690, Wang, Aline.

0300–463271, Wang, Eva.

0300–463476, Wang, Danis.

A–6967724, Wang, Paul Wen-Shan.

A–1297282, Wei, Ellen.

0300–441924, Wei, Isabel Yung-Ling.

0300–382033, Whue, Lieo, also known as Lay Fay.

A–6847713, Wong, Grace, formerly Hong Yan Hung-En Wong.

0300–343829, Wong, Ying.

0300–3380021, Woo, Yen Kwong.

0300–308909, Woon, Kong Ng Yee.

A–6851709, Wu, Chao-Hsun, also known as Chris H. Wu.

A–7427748, Wu, Christine Wan-Ming.

0300–460897, Wu, Hou-Chang.

0300–460862, Wu, Jane Yeh.

0300–460861, Wu, Hsueh-Ping.

0300–460864, Wu, Hsueh-Ming.

0300–460863, Wu, Hsueh-Kun.

0300–458255, Wu, Hsueh-Shang.

0300–460865, Wu, Poansun.

A–7298489, Wu, Theodore Tsu-Wang.

0300–455917, Yah, Pao Yin nee Pao Yin Tsai).

A–10135608, Yang, Yu Feng.

A–7295488, Yang, Chi Yuan or Chi Yuan Young.

0300–429043, Yang, Yu Ying also known as Ci-Jin Yang Liu.

0300–372980, Yang, Yu Wen.

0300–450095, Yao, Sung Ling.

0300–450096, Yao, Sufan Kao.

0300–450097, Yao, Yu.

0300–450098, Yao, Tsu.

0300–450099, Yao, Pei (Pearl).

0300–450100, Yao, Ying.

0300–403211, Yeu, Josette Min Sheng.

A–7282993, Yo, Guy also known as Guy Gee Yo or Gee Yo or Guy G. Yo.

A–7436722, York, Alfred Shih Ou.

A–6877787, Yu, Mo Hsiang known as Frank Hsiang Yu Mo.

0300–329581, Yu, Natalie Lien-Tse Kwok.

A–6847782, Yu, Tom Teng-Pin.

0300–458997, Yue, Chang Ah.

A–8282335, Yuen, Chew Jun also known as Leung Yuen.

A–8098148, Adawi, Ibrahim Hasan.

A–8154184, Ausch, Desso or Deszo Ausch or Deszo Ausch.

A–7247076, Chang, Chin Bing.

A–7874959, Chang, Amy.

A–7399332, Berger, Hirsch.

A–6718370, Berke, Joseph.

0300–460118, Bien, Zue Sun.

0300–460116, Bien, Li Kuo-Kin.

0300–457204, Chang, Kin Jen.

A–7029620, Chang, Robert Lu Ling.

0300–471564, Chang, Yi.

0300–456358, Chang, Man.

0300–441601, Chang, Yuan.

E–086613, Chee, Choy.

0200–130687, Chen, Chien-Min.

A–7897614, Chen, Julia Angela, formerly known as Tseng Chen.

A–7463931 Chen, Kun Chih.

A–4527884, Chu, Kwan Sau.

A–7463932, Chen, Martin.

A–7463933, Chen, Annette.

A–6281889, Chen, Kwan Lun.

A–6704087, Chen, Ma Li.

A–7381280, Chen, Shi Chih.

A–6026501, Chen, Sze Te.

A–6848441, Chen, Tsun.

V–820003, Cheng, Lily Djeng-Ning formerly Hsiung Djeng Ning.

A–7436771, Cheng, Paul Ming-Ching.

0300–377472, Chu, Cheng-Chin.

A–6967731, Cheo, Peter Kong-Liang.

0300–318226, Cheuk, Hui Wing.

A–9504925, Cheung, Lam.

0300–468991, Chi, Helen H. formerly known as Hkiu Hsiang Chi.

A–6962886, Chia-Ching, Yeh or Charles Chia-Ching Yeh.

A–6848630, Yeh, Sally Shing-Shing (nee Liu).

A–7143027, Chiang, Allan I-Lung.

A–8103730, Chin, Cheng Hsin.

A–6851647, Chin, Grace.

A–10141604, Chin, Duck Chung.

A–10141605, Chin, Sui Ngor.

A–10141606, Chin, Jean Su-Jen.

A–10141607, Chin, William Wei-Yu.

A–10141609, Chin, Kenneth Wei-Ho.

A–10141608, Chin, Johnny Wei-Yao.

A–10068620, Ching, Tsoong Han.

0900–76968, Cho, Fat Yau.

0300–467734, Chow, Hsien-Hsien.

0300–467733, Chow, Bae-Pao Lu.

0300–467735, Chow, Gwynne Hsieh.

0300–467745, Chow, Lulu Caroline.

0300–467619, Chow, Anna Frances.

A–7436790, Chow, Mary (nee Puh Fang).

A–7777409, Chow, Vee Nai.

0300–331123, Chow, Laura Yeh-Tsung.

0301–20068, Choy, Choon.

A–10135607, Chu, Chia-Kun also known as John Chu.

A–6527758, Chu, Kung-Ji also known as Elizabeth Chu.

A–10198072, Chu, Cales Hung-Ye.

A–10198073, Chu, Rebecca (Wai Tu Chu).

A–10198074, Chu, Patricia Ann.

A–10198075, Chu, Phyllis Jean.

A–6848629, Chuan, Helen Keng-Ting.

A–6968156, Chu, Hsi-Ling.

A–9821915, Dai, Kwan.

V–754183, Dzo, Ging-Ru.

A–8099027, Eliahou, Ezra Haron Yousef.

0300–408020, Fin, Chon.

A–7846708, Frank, Fred Moshi, also known as Fouad Moshi Fraim.

A–7828313, Feldmar, Judith.

0300–233203, Friedman, Fred alias Ferdinand Friedman.

A–7988131, Fajncajg, Gitla.

A–10060369, Genger, Brocha.

0300–467887, Genger, Jeheszua.

A–7913449, Goldsand, Jakob.

0300–362178, Gluck, Elsa Friedman.

A–8055370, Grosman, Josef Aszer.

0300–329528, Grunzweig (Grunsweig), Ignaz.

A–8039224, Grunzweig (Grunsweig), Feiga.

E–6576, Gutwein, Izak.

0300–461047, Hettena, Ibrahim Khedoury Yousef.

0300–12961, Hing, Chen Shuey.

A–7174554, Ho, Julia.

A–7921878, Honovich, Antonio.

A–6831432, Hoo, Mona Yung-Ning.

A–6891822, Hsia, Hung.

A–6967367, Hsia, Eva E-Feng (nee Wu).

A–6851466, Hsiao, Chi-An.

0300–469513, Hsu, Chichang.

A–7274640, Hsu, John Tseng-Hsin.

A–7863550, Hu, Stanley Shao An.

A–7863551, Hu, Jane Chi-Jo Tsien.

A–7863552, Hu, George.

0300–454463, Hu, Leilani Shao-Tsin.

A–7125049, Hu, Susan Sze, also known as Tung-Lai Sze.

A–6847785, Huang, Tsui En.

A–6959720, Huang, Tzu Chuen.

A–7830835, Kahan, Samuel.

A–6621741, Kam, William.

A–9647122, Kan, Yip, also known as Feh Kan.

A–7274372, Kao, Irving Ke-Yung.

A–9728193, Ki, Chan or Chan Wah Sorn.

A–10066668, Kiang, Ai Chen or Anne Ai-Chen Wang.

A–6848410, King, Yung Kang.

E–085921, Kleiner, Wolf, also known as Wolf Klajner.

E–085930, Kleiner, Fredia, also known as Fredia Klajner.

E–085922, Kleiner, Mala.

A–6026389, Ko-Ching, Shih.

A–6041705, Shih, Chueh Ying Tzeng or Tzeng Chueh Ying.

A–9758472, Kokk, George.

A–7873165, Kuang, Cheng Wei known as Edmund Wei-Kuang Cheng.

A–6442514, Wei, Cheng Han Hsin, known as Dorothy Han Hsin Wei Cheng.

A–7049859, Kuchcik, Mendel.

0300–466868, Kung, Wei-Ven Yao.

0300–363444, Kung, Robert Cheng-Chung.

0300–363443, Kung, Nancy Tse-Chung.

A–7133276, Kuo-Chung, Chen.

E–6096243, Kwan, Chan.

A–7374681, Landau, Herman.

0300–323883, Landau, Serena.

0300–461751, Landau, Ervin.

E–096756, Lau Yau.

A–9235656, Lau, Kwai.

A–8259654, Lanza, Giovanni.

A–6847959, Lee, Dah Hsuan.

0300–318417, Lee, Dorothy or Dorothy Tsu.

0300–466310, Lee, Thomas Shung, also known as Lee Shung Sun.

A–6703320, Lee, Yaw Shuin.

0300–459356, Lefkovits, Irme.

A–7961287, Li, Hsiao-Jun.

A–7292450, Li, Ming Yu.

A–6958632, Li, Chou Hsiung.

A–6973662, Li, Shao Min.

A–6552719, Liang, Holt.

A–6855620, Liang, Yuan.

A–6967758, Li-Chuan, Wang.

A–6967493, Hwa, Lih or Hwa Lih Wang.

0300–360290, Lin, Frank Chang-Heng.

0300–360291, Lin, Ellen.

A–6847860, Lin, Priscilla Chung Dijh.

A–10135710, Li-Sooey, Evalina Doo.

A–7118752, Liu, Fu Tung.

A–6848072, Liu, George Bie, formerly Bie Liu.

A–6851311, Liu, Robert Yung-Yu.

0300–460252, Liu, Soo Yung.

A–7274431, Liu, Yee Yen.

A–7274432, Liu, Yen Wei.

0300–470004, Liu, Teh Ming.

A–6083659, Lo, Ching-Lung.

0300–471010, Lo, Hua-Tsing Chu.

0300–471011, Lo, Denis.

0300–471012, Lo, Sylvia.

A–6848683, Louis, Pauline Pao-Lien Soong.

A–10066444, Lu, Chin.

0300–345176, Majerholc, Edwin.

A–9731984, Mar, Chew.

A–6771870, Miao, David Cheng.

A–7295543, Moi, Peggy, formerly Peggy Wong.

A–7399331, Morozow, Szulem.

A–7355367, Mui, Chiu Ning.

0301–21592, Muscardin, Umberto.

0300–470522, Nacinovich, Romano.

A–6357633, Netupsky, Eugene A.

A–6504544, Ning, Lai Shung.

A–7462122, Nisenkiern, Samuel.

A–7244870, Noselis, Jacob.

0300–429827, Ong, Chih-Ta.

0300–471121, Ong, Ching Siu C. T.

0300–461044, Ong, Margaret.

A–7292435, Owyang, Hsuan.

A–6818503, Pei, Tseng Chi known as Chi Pei Peter Tseng.

0300–473098, Peros, Ivan.

A–7399686, Pevzner, Icchok.

A–9709852, Ping, Chan.

A–7586532, Ratajczak, Michal.

A–6848542, Ray, Hsia Pong known as Pong Ray Hsia.

A–7480707, Rubin, Simcha.

0300–375838, Sassoon, Edmond Solomon.

0300–375839, Sassoon, Yvette (nee Shayo).

A–7290185, Schonberger, Philippe.

A–7290186, Schonberger, Friderika.

A–7290187, Grunwald, Eva (nee Schonberger).

A–7290188, Schonberger, Alfred.

A–7290190, Schonberger, Tibor.

A–7366281, Schonberger, Georgette or Gyongyi.

A–8001182, Shen, James Cheng-Yee or Shen Cheng-Yee.

A–8871292, Shen, Grace Shu Hwei.

A–8871294, Shen, Christopher.

A–8871293, Shen, Patricia.

A–8871295, Shen, Michael.

0300–355800, Shen, Pearl Sung Hsu.

E–085326, Shing, Tam also known as Shing Tam.

A–5975137, Shoen, Tze Win.

0300–459063, Soo, Lum Wing also known as Frederico Lee.

A–7287952, Stoynich, Peter N.

A–6848149, Sung-Lan, Hsia known as Robert Sung Lan Hsia.

0300–460221, Susech, Giovanni.

E–10777, Svoronos, Milton Theodosios or Milion or Mittiadis Theodosios Svoronos.

A–7367944, Tai, Li Shu.

E–082730, Tak, Lee Ting.

A–8036392, Teitelbaum, Chiel Alter.

A–7115668, Thurnher, Majda Theresia.

A–1389416, Tin, Chan Chi.

A–7415104, Ting, Alice Lu.

A–6739732, Tsai, Helen Whitfield.

A–6735288, Tsai, William Wei-Lin.

T–607453, Tse, Emma Kuan Ching.

A–7290334, Tse, John Yung Dong.

A–6567126, Tseng, Hsien-Chi.

A–6967707, Tsou, Catherine Nan-Yun.

0300–464309, Tung, William L.

0300–464311, Tung, Yueh-Chiung.

0300–464308, Tung, James (Chien Min).

E–094525, Valjak, Arthur.

E–094628, Vlacich, Beniamino.

0300–420918, Vlacich, Giovanni, also known as John Vlacich.

A–6457535, Wang, Chi-Wu.

A–7846771, Wang, Da Chaw.

A–6851597, Wang, Hung I.

A–6606804, Wang, Lillian Yun-Hsia.

0300–463121, Wang, Loo Ing How.

A–6845064, Wang, Pei.

0300–462256, Waung, Tze-Kong.

0300–337048, Ching-Chyu, Wong.

0300–461685, Hsi-Fong, Waung.

A–8057928, Wojda, Stanley (or Stanislaw).

0300–336237, Woo, Alice Chia-Ying, also known as Alice Ching Woo.

A–0010333, Wong, Yok.

A–7247101, Wu, Ray Jui.

A–6689188, Wu, Robert Tze-Chun or Robert T. C. Wu.

0300–469639, Yang, Nai Chen.

A–10135775, Yang, Te-Fang.

0300–361326, Yang, Tien-Yi.

A–6849457, Yao, Eleanor Shin-Yee.

A–7265816, Yen, Yaa Tai or Anthony Yen.

A–9164094, Yeung, Yik.

A–7133285, Yien, Edward Yuen-Chiang.

A–6461101, Ying-Pe, Chang or Roy Ying-Pe Chang.

0300–329694, Yip, Lam Chun.

A–7274558, Yong, Pao Chung Ma.

A–8875522, Yu, Choi Kun.

A–6848711, Yu, David Chien-Seng formerly Chien-Seng Yu.

A–6848482, Yu, Teh Chi.

A–6848483, Chen, Siao-Fen.

A–6877754, Yu, Tsi-Van.

A–6848103, Yue, Soy Chung.

A–9686706, Yuen, Ben.

A–10135599, Zia, Zung Jai.

A–10135601, Zia, Hsu Chin.

A–9553245, Adolfijs, Alfred.

A–7385344, Beloerol, Franciszka.

A–6819166, Berger, Kato (nee Gluck).

A–7244887, Brook, Gershon.

0300–352716, Brook, Szyna (nee Gottlieb).

0300–329371, Bui, Ying King.

A–7913548, Chai, Ling Chi (nee Mao).

A–7124539, Chang, Chen Chi.

0300–448764, Chang, Nien Tze.

0300–366462, Chang, Henry Kunghui.

0300–419940, Chang, Hsi Huan, also known as Peter Chang.

A–7538671, Chang, Hsin Hai.

A–7295511, Chang, Hsin-Pao.

A–8065822, Chang, Huei-Yuen.

A–6848015, Chang, I-Chen.

0300–421485, Chang, Jimmy H.

A–7277488, Chang, Robert Mai-Hsien.

0300–335529, Chang, Sai-Cheng.

A–10141560, Chang, (William) Kwang Pao.

A–7436600, Chang, (Catherine) Shiao Chin Lu.

A–7416447, Chang, Yung Shan.

0300–461559, Chao, Marie I-Wei Lu.

0300–461560, Chao, Yung Yun also known as Shirley Chao.

0300–461562, Chao, Hsieh Lung also known as Thomas Chao.

0300–461561, Chao, Yung Hsia also known as Helen Chao.

A–7427944, Chao, Chung Yuan.

A–6704086, Chao-Hwa, Feng or Chao Henry Feng.

A–6236864, Chen, Hsuen-Ping Dorothy.

A–10141582, Chen, King Pao.

0501–19305, Chen, Mary Barbara also known as Ching Zen Chen.

A–7483722, Chen, Rose.

A–7841932, Chen, Vincent Vesin or Vesin Chen.

A–6905336, Chen, William Keh-Ching.

A–7053874, Chen, Elizabeth Dji-Shuh.

A–6163785, Cheng, George C. also known as Chi Chang Cheng.

A–6251492, Chen, Franklin Shou Chiang formerly Shou Chiang Chen.

0200–121730, Cheng, San-Hsi.

0300–423721, Cheng, Yung alias Cheng Yung.

A–6847880, Cheo, Pen Ching.

A–6958995, Cheo, Helen Ching Lan.

A–7435701, Cheung, Lok-Tin (Happy)

A–10193622, Cheung, Lydia Chi-Yan Lee.

A–6027148, Chi, Nung-Cheh.

A–6896402, Chi, Jean Ching-Chin.

0300–456510, Chi, James.

0300–391909, Chiang, Chun Lin.

0300–469810, Chiang, Yue-Tsing Huang.

0300–469814, Chiang, Yvonne or Yee Foong Chiang.

0300–469815, Chiang, Jane.

0300–469811, Chiang, Millard.

0300–469812, Chiang, Alice.

A–8870726, Chien, Dawn Sing or William S. Dawn.

A–8870724, Chien, Dawn Tze or Robert C. Dawn.

A–7417144, Chi-Hua, Wu Vivian also known as Vivian Chia-Hua Moh.

A–6843441, Chin-Hsu, Liu.

A–6534334, Liang, Huang or Liang Huang Liu.

A–8125645, Ching, Julia Chia-Yi (Sister Agnes Therese).

A–9948146, Chong, Lai also known as Leong Kow Kow.

A–6271454, Chu, Kuang-Han.

A–0933425, Chun, Hong Cha.

A–0933428, Chun, Kyung Shien Sung.

0300–366830, Chun, Sze Yung.

0300–366918, Chung, Mo Nan.

0300–344329, Dao, Sue Shing.

A–8870723, Dawn, Shin Yuan.

A–8870727, Dawn, Dunn Mei-Lih.

A–8870725, Dawn, Wei Mei or Victoria W. Dawn.

A–6377727, Djang, Su Dzung.

A–7282150, Su, Ruth Ching-Hsing (nee Tien).

0300–456769, Dimini, Stanislao.

A–6967498, Dun-Jen, Li.

0300–456942, Dzung, Kenyon Danlee.

0300–456938, Dzung, Nyui Sung.

0300–355990, Eu, Mary Jane Soong.

A–10141559, Fang, Siu Chun (nee Siu Chun Lai).

A–6760587, Feldstein, Aron.

A–7383072, Fisher, Max.

A–7399117, Friedman, Erno.

A–8065816, Friedman, Edith.

A–7913543, Gluck, Arthur.

A–6934982, Goldberg, Joseph formerly Jozef Goldberg.

A–7197344, Guo, (James) Tse Menglin.

A–7197345, Guo, (Lois) Rujen Wang.

0400–54898, Guo, (Grace) Hui-ping.

E–094784, Haber, Elias or Eliasz Haber.

0300–319444, Hardoon, Rouben Shaoul.

0300–460905, Hardoon, Marcelle.

0300–328520, Hardoon, Kathleen.

A–7197634, Henkin, Ella.

E–119220, Ho, Lau.

A–2418469, Ho, Pang Yung.

A–6077100, Hoo, Chin.

A–6916672, Houn, Franklin Willington.

A–7835199, Houn, Frances Lu.

A–7355369, Hsi-Kuang, Chi or Henry Hsi-Kuang Chi.

0300–371805, Hsi, Te-Ping.

A–6848378, Hsu, Jeng Mein.

A–8245936, Hsu, Priscilla C. Y.

A–10141598, Hu, Pei-Ying Beatrice.

A–6608765, Hu, Quang Hsi.

A–6851600, Huang, Aileen Yueh.

A–6986571, Huang, Chaang.

A–6967359, Huang, Wei Jen.

A–7286961, Huang, Irene Hwei-Lin nee Chang.

A–5941361, Hung, Wu Gee.

A–8829316, Huo, Peh Ping.

0300–471204, Ivanicek Franjo.

0300–325626, Jacob, Solomon Hillel.

0300–325694, Jacob, Helen.

0300–466392, Jankovich, Ladislav.

A–10067874, Jin, Kor Shiang also known as Madeline Jin.

E–118777, Jogis, Konrad Walter.

A–7297266, Jungreisz, Lipot.

A–7297267, Jungreisz, Laura.

0300–429358, Jungreisz, Antal.

0300–429359, Jungreisz, Izsak.

0300–452110, Jutrowski, Klemens Jan.

A–8870715, Kai, Chou Ven or Victor Ven-Kai Chou.

A–6851293, Chou, Clarice Hsi or Hsi Yao.

A–7961261, Katz, Marton.

A–8245999, Katzman, Zelig.

A–8246000, Katzman, Hilel.

A–9728194, Keam, Tan.

A–7244872, Kercer, Wolf.

A–9561968, Kiang, Tang Ching.

0300–473479, Konig, Joseph.

A–10035686, Kwei, Thomas Chen-Ying alias Chen Ling Kwei.

A–10035639, Kwei, Randolph Chen-Chi alias Chen-Chi Kwei.

A–7828712, Kwiatkowski, Czeslaw.

E–084349, Lau, Hung.

A–6815524, Lee, Helen Pao Hsin Tsao.

0300–472541, Lee, Hong Cheuk, also known as Richard H. C. Lee.

A–6775603, Lee, Justin.

A–6958991, Lee, Julia.

0300–374187, Lee, Laan-Fong.

A–2677372, Lee, Yen Shuang.

A–7297991, Leitao, Maria Stela.

A–5805395, Lew, Suie.

A–6851429, Liang, Chen Yu known as C. Y. Yu.

A–7285802, Liang, Robert Ting-Wei.

A–6962966, Liang, Emily Shui-Men.

A–7424932, Lin, Wei Shu now William S. Lin.

A–7841087, Chen, Tsai Chu now Jean C. Lin.

A–7841088, Lin, Annie.

A–7841089, Lin, Fu Ming now Dinah Rita Lin.

A–7841090, Lin, Cheng Lie now Dick Lin.

0300–277173, Ling, Chen Ping.

A–8001637, Ling, Homer Chuen-Cheng alias Chuen-Cheng Ling or Yung-Shen Ling.

A–7483978, Ling, Fidelia Hsu (nee Fidelia Pei-Lan Hsu) alias Pei-Lan Hsu.

0300–41791, Ling, Wong or Lun Wong or Wong Lun.

A–6744416, Loh, Yih H.

0300–456581, Loh, Mabel H. C.

0300–451406, Lok, Chung Sing.

A–9512598, Luk, Ng.

A–7202743, Lung, Yuan or Edward Lung Yuan.

A–6967574, Ma, Bernard Sing-Lu.

A–10141583, Ma, John T. T.

A–10141584, Ma, Mary Yong.

A–10141561, Ma, Joanna.

A–7945460, Mamczak, Julianna.

T–1866563, Mao, Kathleen (Kai) Lin.

A–7456082, Miller, Kalman Jacob.

A–7985644, Miller, Eda.

A–8871291, Ming, Hsu Yin or Doris Yin Ming Hsu.

A–7886505, Nieckarz, Alojzy.

A–8090380, Olber, Hersch.

A-8057925, On, Young Man also known as Man on Young.
A-7269682, Ouyang, Mariana Tsao.
A-7118691, Owyang, Gilbert Hsiaopin.
A-8282962, Patock, Lverka.
E-1073, Peebo, Johannes.
0300-445130, Perich, John or Giovanni.
E-081290, Pien, Hsia Si.
0300-473086, Pui, Wong.
A-8154183, Rosenberg, Samuel.
0300-464312, Shen, Alexander or I-Shang Shen.
A-7957895, Shen, Chi Meng.
A-10015075, Shen, Ping Wen-Wu.
A-6083862, Shen, Roderick Chung-Chao.
0300-374307, Shen, Shih Hua.
0300-465579, Shen, Pao Kwei.
A-7274371, Sheng, Alice Tung-Fun (nee Alice Tung-Fun Kuan).
A-7184115, Shu-Ching, Suee or Sister Mary Ceciliana.
E-082521, Simon, David Salem.
A-737469, Soong, Hwa-Yu or Soong Hwa-Yu known as William Hwa-Yu Soong.
0400-52651, Spitzer, Gyula.
0400-52690, Spitzer, Ilona.
A-9825134, Sroka, Leon Stefan.
A-7860207, Ssutu, Edwin A.
A-6848027, Sun, Wu Tze.
A-7358509, Szasz, Joseph.
A-7961263, Tang, Kou Nan.
V-753791, Tang, Oscar Liu-Chien.
A-6083753, Tsai, Sydney Sung or Sung Tsai.
A-7483931, Tsai, Christina or Pei-Ching Chang Tsai.
0300-461764, Tsai, Jackson or Chieh Sung Tsai.
0300-455209, Tsai, Mason or Mei Sung Tsai.
A-7435716, Tsai, Wen Ying.
A-7285799, Tsang, Stella Shu-Ming Tai.
0300-457501, Tseng, Benjamin or Tseng Chao Ko.
A-7882588, Tsou, Ying also known as Anthony Y. Tsou.
A-7095971, Uranyi, Joseph.
A-7095973, Uranyi, Gabriella.
A-7193594, Uranyi, Gabrielle Margaret.
A-9099909, Viiusi, Villu.
A-8091658, Vosilla, Vittorio.
A-7778553, Wang, Cheng Fu.
0300-466141, Wang, Aimei.
0300-322737, Wang, Chi Chuan.
0300-322762, Wang, Yuan-So Cheng.
0300-326117, Wang, Yien Koo.
A-6377783, Wang, Hsin-Hui.
A-7643498, Wang, Shih Hua.
A-6986585, Wang, Mu (Diana) Cheng.
A-7367966, Weingarten, Adolph.
0300-314825, Weingarten, Anna.
A-7444635, Wen-Jhun, Chiang known as Helen Wen-Jhun Chiang.
A-9764838, Wong, Chin.
A-6407196, Wong, Gen Ching.
A-7809002, Wong, Han Min.
A-8021418, Chang, Jacqueline W. T.
A-6967663, Wong, Mary Ruth.
A-10141528, Wong, Shou-Fa.
A-8198495, Wong, Virginia also known as Bei Fung Wong.
A-6967532, Woo, William Chi-Wen.
A-10145013, Wu, Hou Cheng.
A-10145014, Wu, Kina Fu Yier Liao.
A-10135612, Wu, Jack Hsueh-I.
A-6849846, Wu, Pei-Hsing Lin.
0300-432370, Yak, Ah Sam also known as Yak Ah Sam.
A-6667949, Yank, Chuan Ying alias Yong Yang Chuan-Ying.
A-9798750, Yang, Margaret Wei-Chin.
A-6967741, Yang, Nien-Chu.
A-8015589, Yang, Shih-Ching.
0300-346772, Yang, Dorothy Tsae-Ling Fei.
0300-330626, Yang, Kiang-Si.
A-7392524, Yang, Tieh-Sung.
A-6847989, Yeh, John Chiung or Yeh Chiung.
0300-43062, Yen, Betty Hsin-Lien.
0300-391473, You, Wong King also known as Wong Ying.
A-7903279, Yu, Maria Hsieh-Yueh Chang.
A-7835340, Yu-Chen, Li.
0300-474919, Yueh, Shiela Hsuan Wen.
A-8198530, Chang, Li-Hsain.
E-079940, Chin, Tom.
A-6958642, Loh, Pichon P. Y.
A-9520221, Park, Hom.
A-7286680, Shen, Richard Tsu Hsun.
A-7133260, Tung, Yun Ming.
A-7975781, Chu, Boa-Teh.
A-8922049, Hing, Yuan Ying.
A-6846912, Kaminski, Henryk.
A-10143319, Schejbal, Dobruska Ann.
A-10143320, Schejbal, Dusan Josef.
A-6195641, Schejbal, Josef.
A-6159640, Skala, Hugo Michael.
A-7491761, Skala, John Paul.
A-7802497, Skala, Marie Hana.
A-6813127, Skarzynski, Stanislaw.
A-10042650, Chuan, Pai Shiu.
A-7948694, Maar, Julius (Gyula) I.
A-6967495, Li, Pei Chao.

The message further announced that the House had agreed to the following concurrent resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means, in which it requested the concurrence of the Senate:

Resolved, by the House of Representatives (the Senate concurring), That there be printed 2,500 additional copies of the hearings on H. R. 5550, a bill authorizing the President to accept membership for the United States in the Organization for Trade Cooperation, held by the Committee on Ways and Means for the use of the said committee.

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 232) extending greetings to the American National Red Cross on the occasion of its 75th anniversary, in which it requested the concurrence of the Senate:

Whereas the American National Red Cross is now receiving congratulations from all over the world upon the occasion of its 75th anniversary; and

Whereas in the period following the adoption of the first Treaty of the Red Cross in 1864, to which the United States Government adhered in 1882, the name and emblem of the Red Cross has come to be recognized throughout the civilized world as a symbol toward which those in need can repair and under which all peoples dedicated to the impartial relief of human suffering can enlist; and

Whereas the obligations of this Government and its people under the Treaty of the Red Cross justified the establishment by the Congress of the American National Red Cross as the official agent of this Government to assist in the discharge of such obligations and to engage in other activities for the welfare and relief of the Armed Forces and the prevention and alleviation of human suffering resulting from disasters and emergencies at home and abroad; and

Whereas more than 50 years ago the Congress determined that the work of the American National Red Cross was of such importance to the Government and people of the United States and to the preservation of the dignity of all human beings that provision should be made for its operation under such grant of authority and such Government supervision as would impart official status and thus invite the confidence and support of all the peple, but that, to preserve and safeguard its impartial, nonpolitical character, it should carry out its duties solely by means of the voluntary contributions of funds and services by the peoples; and

Whereas the present American Red Cross membership of over 23 million, the record during the past half century of voluntary contributions totaling more than $2,350,000,000 and countless billions of hours of selfless Red Cross volunteer service, all devoted to the mitigation of human suffering in every country of the world, attests to the accomplishment of the intended purposes of the Congress: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extend its greetings and felicitations to all the members of the American National Red Cross on the occasion of its 75th anniversary, express to them its appreciation for their services to humanity, and urge the continued voluntary participation by the American people in the work entrusted to the organization by the Congress and the Government.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the Vice President:

S. 419. An act for the relief of Eli E. Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks;

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.;

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona;

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Dasc;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of Rev. Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H. R. 877. An act for the relief of Mrs. Rose Amoresano and her children;

H. R. 2045. An act for the relief of Joe Bargas;

H. R. 3532. An act for the relief of Seymour Robertson;

H. R. 4141. An act for the relief of Vivencio Fernado Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo;

H. R. 7702. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. 7835. An act for the relief of Maj. Gen. Julius Klein;

H. R. 8041. An act for the relief of Clyde R. Stevens;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 9314. An act granting the consent of Congress to the States of Illinois and Wisconsin to enter into compact relating to interstate public school districts where an educational community extends into both such States;

H. R. 10006. An act for the relief of Vincent P. Sveinis;

H. R. 10013. An act for the relief of Sfc. Henry F. Ferry;

H. R. 10092. An act for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation;

H. R. 101[illegible]. An act for the relief of Comdr. Cook Cleland;

H. J. Res. 605. Joint resolution for the relief of certain aliens;

H. J. Res. 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 609. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. R. 2840. An act to promote the further development of public library service in rural areas;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance;

H. R. 10251. An act to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.; and

H. R. 10441. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act; to the Committee on Labor and Public Welfare.

H. R. 2845. An act to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks;

H. R. 7144. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected;

H. R. 8458. An act to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation;

H. R. 9841. An act to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs; and

H. R. 9922. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; to the Committee on Finance.

H. R. 3897. An act to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof;

H. R. 7190. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Washington, and for other purposes;

H. R. 8225. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota;

H. R. 8385. An act to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes;

H. R. 8837. An act to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii;

H. R. 9207. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; and

H. R. 9451. An act to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designed as a reservation for Seminole Indians; to the Committee on Interior and Insular Affairs.

H. R. 5256. An act to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps;

H. R. 5790. An act relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act;

H. R. 8810. An act authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.; and

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina; to the Committee on Interstate and Foreign Commerce.

H. R. 5268. An act to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States;

H. R. 8290. An act to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes;

H. R. 8693. An act to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses; and

H. R. 8922. An act to provide for the relief of certain members of the uniformed services; to the Committee on Armed Services.

H. R. 9377. An act to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, California; and

H. R. 9671. An act to provide for the conveyance of certain property of the United States to the village of Carney, Ohio; to the Committee on Government Operations.

H. R. 9842. An act to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases; to the Committee on Post Office and Civil Service.

H. J. Res. 501. Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organizations; to the Committee on Foreign Relations.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were referred as indicated:

H. Con. Res. 228. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary;

H. Con. Res. 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means; to the Committee on Rules and Administration; and

H. Con. Res. 232. Concurrent resolution extending greetings to the American National Red Cross on the occasion of its 75th anniversary; to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary.

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

The Committee on Labor and Public Welfare.

The Fiscal Affairs Subcommittee of the Committee on the District of Columbia.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the transaction of routine business, subject to a 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON FEDERAL CONTRIBUTIONS FOR CIVIL DEFENSE PURPOSES

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report on Federal contributions for civil defense purposes for the quarter ended March 31, 1956 (with an accompanying report); to the Committee on Armed Services.

REPORT OF SECURITIES AND EXCHANGE COMMISSION

A letter from the Chairman, Securities and Exchange Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

RELOCATION OF NATIONAL TRAINING SCHOOL FOR BOYS

A letter from the Attorney General, transmitting a draft of proposed legislation to provide for the relocation of the National Training School for Boys, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

Report on Contracts Negotiated for Research and Development Purposes

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on contracts negotiated for research and development purposes, for the period July 1 through December 31, 1955 (with an accompanying report); to the Committee on Government Operations.

Report of Bureau of Mines

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of the Bureau of Mines, for the calendar year 1955 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Temporary Admission Into the United States of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

Report on Audit of the American Society of International Law

A letter from the Executive Secretary, The American Society of International Law, Washington, D. C., transmitting, pursuant to law, an audit report on financial transactions of that society, for the year ended December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

Audit Report on National Safety Council

A letter from the President, National Safety Council, Chicago, Ill., transmitting, pursuant to law, an audit report of the financial transactions of that council, for the year 1955 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance

"*Resolved*, That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation which would authorize State unemployment insurance agencies to waive any charges against an employer where it would adversely affect his experience rate if the unemployment is caused by the curtailment of business resulting from hurricanes, floods or other acts of God; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

A memorial of the House of Representatives of the State of Arizona; to the Committee on Interior and Insular Affairs:

"House Memorial 12

"Memorial requesting the Congress of the United States to investigate the wasteful expenditures of the Helium Division of the United States Bureau of Mines

"*To the Congress of the United States:*

"Your memorialist respectfully represents:

"The Helium Division of the United States Bureau of Mines is presently spending $6 million at Excell, Tex., to extract small amounts of helium from natural gas. This process is hazardous, due to possible explosion, and in addition is very costly. The Bureau of Mines is now asking for an additional $10 million for another plant to be constructed in 1959.

"The demand for helium far exceeds the supply and it is now rationed by the United States Government which is presently the only supplier of helium. The Hoover Commission has recommended that the production of helium be turned over to private industry. It costs the Federal Government over $14 per 1,000 cubic feet to process helium from natural gas.

"Apache County in the State of Arizona has the world's only virgin helium-nitrogen wells. There are 2 wells completed that produce 8½ percent helium and 89 percent nitrogen (nonexplosive), and the total flow of both wells can now supply more helium than all the combined sources of the United States Government with no danger of explosions. A third well will be completed within 60 days, at which time it is intended to build a helium plant.

"The United States Government could save millions of dollars a year by assisting private industry to set up a plant in Arizona since it is the only source of virgin helium and nitrogen in the world. Such a plant can produce helium for 50 years. Moreover, nitrogen would be a byproduct and by building an anhydrous-ammonia plant it would supply Arizona with much needed nitrogen fertilizer, thereby aiding Arizona's expanding agriculture.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"That the Congress of the United States, in view of the current expenditure by the Bureau of Mines for the production of helium, study carefully the prospect of assisting private industry in producing helium in Apache County in the State of Arizona, for the purpose of obtaining a greater supply of helium and at the same time reducing costs substantially."

A letter from the American Tariff League, Inc., New York, N. Y., signed by Richard H. Anthony, executive secretary, transmitting memorials signed by sundry officials of companies and agricultural groups, as well as labor unions and employees, remonstrating against the enactment of the bill (H. R. 5550) to amend the Tariff Act of 1930 with respect to the administration of the General Agreement on Tariffs and Trade; to the Committee on Finance.

A telegram in the nature of a petition, signed by Elois P. Parham, of Houston, Tex., praying for the enactment of the bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes; to the Committee on the Judiciary.

RESOLUTION OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, on behalf of myself and my colleague the senior Senator from Massachusetts [Mr. SALTONSTALL], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Senate of the Commonwealth of Massachusetts on March 29, 1956, and adopted in concurrence by the house of representatives on April 11, 1956.

There being no objection, the resolution was referred to the Committee on Public Works, and, under the rule, was ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to enact certain legislation

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact such legislation as may be necessary for establishing proper flood-control measures in the Commonwealth of Massachusetts; reducing the age at which women may receive benefits under the Social Security Act from 65 to 62; reducing the age at which widows may receive such benefits from 65 to 62; reducing the eligibility age of persons entitled to old-age assistance to 60 years; providing for a study of the number of Veterans' Administration general medical and general surgical hospital beds within the Commonwealth of Massachusetts, with a view to increasing such facilities; providing that paid-up policies of insurance be issued to such veterans of World War I who have paid into the Treasury of the United States premiums in excess of the amount of the face value of such term policies and that thereafter all premiums thereon shall be waived; providing for two deliveries of mail daily by the Post Office Department; providing that a pension of not less than $100 be paid monthly to citizens who are over the age of 65 and have retired; providing that no concession be granted on the import of textiles from foreign countries; granting loans to private and public utilities so that they may place all cables and lines underground as a precautionary measure against the effect of storms and hurricanes; establishing a system of disaster insurance to protect against loss or damage of homes and industries caused by flood, hurricane, or other disaster; providing for the construction of Federal housing projects in the west, south, and north end sections of the city of Boston; providing for the establishment of a national health insurance plan; repealing the Immigration and Nationality Act of 1952, commonly known as the McCarran-Walter Act, and enacting an immigration act in which there shall be no quota system based on national origins; granting aid in the form of arms to the Government of Israel; preventing racial discrimination and to see that such laws are enforced, particularly in certain Southern States; establishing a program of Federal grants to States or political subdivisions thereof as an aid to education, whereby the reimbursement or payment of a specific sum be made to each student being provided with formal education; incorporating the Franco-American war veterans; and pertaining to the repeal of a treaty relative to the prosecution of members of the Armed Forces of the United States serving in foreign countries for alleged violations of the law of such countries; and be it further

Resolved, That the Congress of the United States take such action as may be necessary to insure that the Postmaster General issue a postage stamp in memory of the late Herman Melville, author of Moby Dick, the classic American novel of the sea and the whaling industry, and a postage stamp commemorating the 150th anniversary of the founding of the American Board of Commissioners for Foreign Missions; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from this Commonwealth.

LITHUANIAN INDEPENDENCE—RESOLUTION

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution which was unanimously adopted at a meeting of the American Lithuanian Council on February 19, 1956, at Norwood, Mass., in commemoration of the 37th anniversary of the Declaration of Independence by Lithuanian people.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Unanimously adopted, after due deliberation by the Lithuanian Americans of the city of Norwood, Mass., gathered for the purpose of commemorating the 38th anniversary of the Declaration of Independence of Lithuania, held under the auspices of the local chapter of the Lithuanian American Council on February 19, 1956:

"Whereas there can be no harmony and peace in the world as long as millions of people are refused elementary human rights and are forced to live, write, believe, and to think as the Moscow Communist dictators order; and

"Whereas Soviet Union regardless of International Treaties made by her, create unrest and provoke armed conflicts in all corners of the world, and with proposed political agreements seek only one purpose: mislead free nations and win time for her feverish military preparation, spying and Communist fifth column infiltration to steal more military secrets from western nations for her ultimate goal; conquest of the world by armed force and treason; and

"Whereas our fathers and forefathers homeland Lithuania with her neighbors Latvia and Estonia and many other countries in Europe and Asia, Soviet Union converted into colossal slave camps forcing their people to work in dreadful conditions for her armament and enslavement of other nations; and

"Whereas people in Lithuania and other countries occupied by Soviet Union, for their adherence to freedom are massacred or deported to slow death in Siberia concentration camps on a scale unheard heretofore: Therefore, be it

"*Resolved*, That this mass meeting of Lithuanian Americans of the city of Norwood, Mass., reaffirming their strong will to support the Federal Government in all its efforts to strengthen our beloved freedom-country America, and achieve lasting peace in the world, plead for further dynamic and positive foreign policy defending all nations' right of self-determination and human rights in Lithuania and other countries enslaved by Soviet Union; be it further

"*Resolved*, That the Lithuanian Americans gathered here today voice their deepest gratitude to the administration and both Houses of Congress of the United States for the moral and material help given to Lithuania and her people in their fight for freedom and existence."

JOHN M. PECHULIS,
President.
POVILAS TYLA,
Secretary.
NORWOOD, MASS., *February 19, 1956.*

REORGANIZATION OF RURAL ELECTRIFICATION ADMINISTRATION—RESOLUTION

Mr. CARLSON. Mr. President, I present a resolution adopted by the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., of Mankato, Kans., expressing opposition to the adoption of the Hoover Commission recommendations on the reorganization of the Rural Electrification Administration, and ask that it be printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

MARCH 15, 1956.

Whereas the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., a borrower of the Rural Electrification Administration, serving approximately 5,000 farmsteads, has become quite concerned during the past months concerning the recent recommendations of the Hoover Commission regarding Government lending agencies, with special reference to the Rural Electrification Administration; and

Whereas, to determine the opinion of the members of the cooperative concerning the above-mentioned Hoover Commission recommendations, the board of trustees requested written statements from the members concerning the continuance of the Rural Electrification Administration as it now exists; and

Whereas, in reviewing the written statements received from the members, it was determined that 89 percent of those members answering this request was very definitely opposed to the adoption of the Hoover Commission recommendations regarding the Rural Electrification Administration and urged that the board of trustees vigorously oppose such action by the Congress; 4 percent of those answering this request stated that the board of trustees should request that the Congress adopt the recommendations of the Hoover Commission and that this cooperative should seek future financing elsewhere. Seven percent of the returns made no definite statements, but cited generally the benefits of central station electric service to the farmer, made possible by the establishment of the Rural Electrification Administration: Therefore be it

Resolved, That we, the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., do, this 15th day of March 1956, urgently request that you, as a Member of the legislative body of our Government, do everything in your power to oppose the adoption of Hoover Commission Recommendations on the reorganization of the Rural Electrification Administration which would, without question, cripple the rural electric program by increasing the retail rates of electricity to the members of REA borrowers.

G. W. CHRISTOLEAC,
President.
JOE M. HEIDRICH, *Secretary.*

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a petition signed by Rev. J. F. Williamson, and sundry other citizens of Blackwell, Okla., praying for the enactment of Senate bill 923, to prohibit all interstate alcohol advertising.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures attached, as follows:

BLACKWELL, OKLA., *May 6, 1956.*

Senator WILLIAM LANGER,
House Office Building,
Washington, D. C.:

We, the undersigned, members of the local Evangelical United Brethren Church, wish to go on record as endorsing the Senate bill 923 to outlaw all interstate alcohol advertising, including magazines, newspapers, radio, and TV, as introduced by yourself.

Mr. LANGER. Mr. President, I also present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a petition in favor of the so-called Langer bill, to prohibit alcoholic beverage advertising in interstate commerce. The petition is signed by some fine citizens of the State of New York.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures attached, as follows:

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

ANNIVERSARY OF ENACTMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT—RESOLUTION

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Corn Industries Research Foundation commemorating the 50th anniversary of the enactment of the Federal Food, Drug, and Cosmetic Act and the Meat Inspection Act.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas June 30, 1956, is the 50th anniversary of the enactment of the Federal Food, Drug, and Cosmetic Act and the Meat Inspection Act; and

Whereas these laws and their administration over the past 50 years have served to promote high standards in the production and marketing of foods, drugs, and cosmetics and have thus served to promote both consumer confidence in the products of the regulated industry and fair methods of competition; and

Whereas the 50th anniversary of the enactment of these significant laws is being commemorated by regulatory, consumer, and industry groups through varying activities on a nationwide scale: Now, therefore, be it

Resolved, That the Corn Industries Research Foundation, Inc., participate to every practical extent in the commemoration activities of the various organizations and encourage its members to do likewise; and be it further

Resolved, That the foundation commend, and hereby does commend, the regulatory officials for their conscientious and effective administration of these laws, and assure them, and hereby does assure them, of this industry's continued cooperation and support.

READJUSTMENT OF SIZE AND WEIGHT LIMITATIONS ON FOURTH-CLASS PARCEL POST MAIL—RESOLUTION

Mr. MAGNUSON. Mr. President, several measures pending at this session of Congress would readjust size and weight limitations on fourth-class parcel post mail.

This proposed legislation has been brought to my attention again by several Pacific Northwest apparel manufacturers.

I ask unanimous consent to have printed in the Record a resolution adopted recently by the Pacific Northwest Apparel Manufacturers Association.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution in Support of H. R. 9566

Whereas the existence of an efficient, economical parcel post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel-post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it

Resolved, That the Pacific Northwest Apparel Manufacturers Association, representing 17 businesses in Portland and Seattle, favors immediate enactment of H. R. 9566 and restoration thereby of uniform parcel-post size and weight limits. It is respectfully requested that Senator Magnuson insert this resolution in the Congressional Record and that he request the chairman of the Post Office Committee to schedule hearings now on parcel post size and weight so that the citizens of Seattle, Wash., and Portland, Oreg., may have relief from the present law before the current legislative session is concluded.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. **MANSFIELD**, from the Committee on Foreign Relations:

S. 3638. A bill to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.); with amendments (Rept. No. 1959).

REPORT ENTITLED "PROPOSAL TO CREATE AN ADMINISTRATIVE VICE PRESIDENT" (S. REPT. 1960)

Mr. **KENNEDY**. Mr. President, I submit the report of the Committee on Government Operations, made by its Subcommittee on Reorganization, upon the proposed creation of a position of Administrative Vice President in the Executive Office.

Members of the subcommittee will recall that former President Herbert Hoover last January recommended that the Congress establish such a position to relieve the President of the United States of some of his administrative burdens.

Hearings were held upon this proposal on January 16, 24, and 25, 1956. After thoroughly weighing the evidence presented at these hearings, the subcommittee, as the report I am filing at this time indicates, concluded unanimously that for the present no action should be taken on this proposal. This decision is based upon the following factors:

First. The evidence received by the subcommittee establishes conclusively that there are already sufficient appropriate officials within the executive branch to whom statutory administrative functions suitable for delegation may be assigned; and

Second. The administration has not indicated to the Congress any existing need for the creation of a position of Administrative Vice President in the executive office to relieve the President of administrative details at this time.

As the report points out, it is the conviction of the subcommittee that the Congress should always proceed with the utmost caution in its consideration of proposals affecting the President's office. The American Presidency was not intended by its creators, nor regarded by the majority of those who have held that office, as primarily a ceremonial or coordinating job, with its most essential responsibilities delegated to nonelected officers. The Congress, therefore, should not take the lead in diluting the President's responsibilities in order to lessen his burdens, unless such authority is actively sought by the President.

Although the subcommittee is not recommending the creation of the office of an Administrative Vice President, in my opinion, former President Hoover has rendered another great public service by focusing attention upon the administrative burdens shouldered by the President in the discharge of his official duties.

As the report I submit indicates, the administration has undertaken an extensive review of the entire structure of the Presidency to determine how its functions can be more efficiently performed.

I ask that the report be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Massachusetts.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. **JOHNSTON** of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation three lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. **GEORGE**, from the Committee on Foreign Relations:

Albert F. Nufer, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of the Philippines, vice Homer Ferguson;

Willard L. Beaulac, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Argentina, vice Albert F. Nufer; and

Cecil B. Lyon, of New Hampshire, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile, vice Willard L. Beaulac.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. **LANGER**:

S. 3802. A bill requiring Federal penal and correctional institutions to maintain a supply of Bibles and religious literature to be furnished to any Federal prisoner at his request; to the Committee on the Judiciary.

S. 3803. A bill providing for the retroactive payment of old-age insurance benefits under title II of the Social Security Act to farmers who retire after having attained more than 65 years of age; to the Committee on Finance.

S. 3804. A bill to amend section 416 of the Agricultural Act of 1949, as amended, so as to authorize the donation to the Bureau of Prisons of commodities acquired through price support operations; to the Committee on Agriculture and Forestry.

S. 3805. A bill to increase the equipment maintenance allowance for rural carriers; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Langer when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. **MARTIN** of Pennsylvania:

S. 3806. A bill to clarify the Internal Revenue Codes of 1939 and 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters;

S. 3807. A bill to clarify the jurisdiction of the Tax Court in abnormality relief cases arising under the World War II Excess Profits Tax Act; and

S. 3808. A bill to provide for the income-tax treatment of indebtedness discharged more than 20 years after the date on which it was incurred; to the Committee on Finance.

By Mr. **CARLSON**:

S. 3809. A bill to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir; to the Committee on Interstate and Foreign Commerce.

S. 3810. A bill to amend the Act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Carlson when he introduced the above bills, which appear under separate headings.)

By Mr. **LONG**:

S. 3811. A bill to amend title 28, United States Code, to prescribe certain qualifications for persons appointed as members of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. Long when he introduced the above bill, which appear under a separate heading.)

By Mr. **DIRKSEN**:

S. 3812. A bill granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States; to the Committee on the Judiciary.

By Mr. **DIRKSEN** (by request):

S. 3813. A bill for the relief of Dr. James R. P. Wong; to the Committee on the Judiciary.

By Mr. **KENNEDY**:

S. 3814. A bill for the relief of Guiseppina Coppola; to the Committee on the Judiciary.

By Mr. **SMITH** of New Jersey:

S. 3815. A bill for the relief of Kuo Cheng Wu and his wife, Edith Wu, and their two sons, Hsiu-Kwang Wu and Hsiu-Huang Wu; to the Committee on the Judiciary.

By Mr. **WILEY**:

S. 3816. A bill for the relief of certain aliens; to the Committee on the Judiciary.

(See the remarks of Mr. Wiley when he introduced the above bill, which appear under a separate heading.)

By Mr. **BARRETT** (for himself and Mr. O'Mahoney):

S. 3817. A bill to amend the act of May 21, 1930, relating to the leasing of oil and gas deposits in or under railroad or other rights-of-way; to the Committee on Interior and Insular Affairs.

By Mr. **PURTELL** (for Mr. Ives):

S. 3818. A bill for the relief of Mutsuko Miyaji; to the Committee on the Judiciary.

By Mr. **ALLOTT**:

S. 3819. A bill relating to the transfer of Veterans' Administration hospitals; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Allott when he introduced the above bill, which appear under a separate heading.)

By Mr. **ELLENDER** (by request):

S. 3820. A bill to increase the borrowing power of Commodity Credit Corporation; to the Committee on Agriculture and Forestry.

By Mr. **MAGNUSON** (by request):

S. 3821. A bill to authorize the construction of two prototype ships, and the conversion of one Liberty ship, by the Maritime Administration, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. **GORE** (for himself and Mr. Jackson):

S. 3822. A bill to amend the Atomic Energy Community Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. **SMITH** of Maine:

S. 3823. A bill to require that collectors of customs and certain other officers of the Bureau of Customs be appointed in accordance with the civil-service laws; to the Committee on Post Office and Civil Service.

By Mr. **LEHMAN**:

S. 3824. A bill for the relief of Marcial Moreno Pascual; to the Committee on the Judiciary.

By Mr. **SMATHERS**:

S. 3825. A bill to amend section 204 (c) of the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. **MAGNUSON** (for himself and Mr. Jackson):

S. 3826. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. **BUTLER** (for himself and Mr. Byrd):

S. 3827. A bill to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. Butler when he introduced the above bill, which appear under a separate heading.)

By Mr. **WATKINS**:

S. 3828. A bill to clarify the law relating to the grant of certain public lands to the States for school purposes; to the Committee on Interior and Insular Affairs.

By Mr. **KERR**:

S. 3829. A bill to authorize the establishment, maintenance, and operation of auxiliary communication networks composed of licensed amateur radio operators for military radio communications; to the Committee on Interstate and Foreign Commerce.

By Mr. **BUTLER**:

S. J. Res. 167. Joint resolution to establish a commission to study and report to the Congress on inequalities and inequities in the Federal tax laws; to the Committee on Finance.

By Mr. **LONG**:

S. J. Res. 168. Joint resolution proposing an amendment to the Constitution of the United States prescribing the term of office of members of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. Long when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. **MAGNUSON**:

S. J. Res. 169. Joint resolution to establish a joint committee to investigate the gold mining industry; to the Committee on Interior and Insular Affairs.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON STUDY OF ANTITRUST LAWS

Mr. **O'MAHONEY** submitted the following concurrent resolution (S. Con. Res. 77), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on the Judiciary 1,000 additional copies each of parts 6, 7, and 8, of the hearings held by the Subcommittee on Antitrust and Monopoly on a study of the antitrust laws of the United States, and their administration, interpretation, and effect.

INCREASED EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. **LANGER**. Mr. President, I introduce a bill providing for an increase in the pay of rural mail carriers. In view of the fact that the cost of equipment has gone up, as have other expenses, in connection with the delivery of mail, and in view of the fact that rural mail carriers have to deliver the mail in rain, shine, or storm, I believe their compensation should be correspondingly increased.

I ask that the bill may be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3805) to increase the equipment maintenance allowance for rural carriers, introduced by Mr. Langer, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

FISH HATCHERY AT THE CEDAR BLUFF RESERVOIR, KANS.

Mr. **CARLSON**. Mr. President, I introduce, for appropriate reference, a bill which would authorize and direct the Secretary of Interior to construct, equip, maintain, and operate a new fish hatchery at the Cedar Bluff Reservoir.

The site of the dam is located about 7 miles west of the Trego-Ellis County line and was completed in 1951. The reservoir formed by the dam has a total control storage capacity of 377,000 acre-feet and is an ideal location for a warm water fish hatchery.

Ross Beach, Jr., of Hays, Kans., chairman of the Kansas State Fish and Game Commission, has written me in regard to the possibilities of the authorization of this hatchery, and I can assure the Department of Interior that our State agency will be most pleased to cooperate with the Department in any way it can.

This location of a hatchery could serve a large area in several States in supplying fish for lakes and streams, of which we have large numbers, and the program for additional construction of recreational areas is expanding rapidly in our State.

Recently when the appropriation for the Fish and Wildlife Section of the Department of Interior was before the Senate, I called to the attention of the chairman, the Senator from Arizona [Mr. Hayden], the need for this hatchery, and he assured me once the authorization was secured, the Appropriations Committee would be pleased to look further into the matter.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3809) to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir, introduced by Mr. Carlson, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF EMPLOYMENT OF CIVILIAN PERSONNEL IN THE INTEREST OF NATIONAL SECURITY

Mr. **CARLSON**. Mr. President, I introduce, for appropriate reference, a bill which would amend the act of August 26, 1950, relating to suspension of employment of civilian personnel of the United States in the interest of national security.

As a member of the subcommittee of the Post Office and Civil Service Committee which held rather extended hearings last year in regard to our present national security, I believe that the approval of this amendment would not only be fair and just to the individual employee, but one that would greatly alleviate some of the injustices as a result of the program.

Section 1 of the present act requires that in all cases brought pursuant to it an officer or employee must be suspended without pay before he may be granted a hearing.

This mandatory requirement of suspension in many instances works an undue hardship on an officer or employee, without benefit from the standpoint of the national security.

This proposal would make discretionary the exercise of the power of suspension prior to hearing. The Government could suspend where suspension was considered necessary in the interest of national security, but on the other hand they would be given sufficient leeway to carry the officer or employee on the payroll where the circumstances did not warrant immediate suspension.

It is legislation I sincerely hope we can approve in this session of Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3810) to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security, introduced by Mr. Carlson, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

QUALIFICATIONS AND TERMS OF OFFICE OF MEMBERS OF SUPREME COURT

Mr. LONG. Mr. President, I introduce for appropriate reference a joint resolution proposing a constitutional amendment limiting the terms of the Justices on the Supreme Court to 12 years. I also introduce for appropriate reference a bill to require that at least half of the judges hereafter appointed to the Supreme Court shall be required to have more than 6 years' prior experience as a judge on a court of record.

During the past 30 years we have had the opportunity to see the Supreme Court exercise powers beyond those which any of our Founding Fathers ever anticipated. For example, the Supreme Court's interpretation of the general welfare clause and the interstate commerce clause during the past two decades has had the effect of changing the form of our constitutionally Federal Government from one of closely limited powers to one of almost unlimited power.

On momentous issues we have seen the Court repeatedly hand down decisions completely at variance with its prior decisions, to the astonishment and surprise of the overwhelming majority of the attorneys of our Nation.

I am confident that the vast majority of level-headed persons, familiar with our history and our laws, will agree that the Supreme Court of recent years has exercised powers far beyond those intended by our Founding Fathers. When the Supreme Court interprets a provision of a statute in a way that is not consistent with the intention of the Congress, then the Supreme Court is assuming to make law. When it interprets a provision of the Constitution to have a meaning different from that which was intended by the authors of the provision, then the Supreme Court is actually amending our Constitution without the consent of the people, although the consent of the people is intended by law.

Personally, I am not one of those who believe that the clear intention of the Constitution or the meaning of the laws passed by Congress change with the times. I recognize that there are some who feel that this should be the case. Even if it should be the case, such persons should agree that the power to amend the Constitution and to change the meaning of the statutes of the United States should not be an unlimited power vested in men who are appointed to serve for life. Like every other power in our Government, it should be subject to the checks and balances intended by our Founding Fathers.

It is true that much of the demand for a change of the meaning of our Constitution and our laws at the national level has come from groups who regard themselves as racial minorities. These minority groups would do well to remember that the rights which they enjoy in this Nation could be endangered if the majority of the people should turn against them.

The rights enjoyed by minorities would be much more secure were our Supreme Court composed of men who had demonstrated through the years their ability to dispense justice fairly and impartially. Likewise, the rights of all Americans would be more secure were they able to depend upon a Court that would follow the precedents. A court that decides cases in response to considerations apart from the actual purposes and meaning of the law can wipe out minority rights, in response to political pressure, just as easily as it can establish such rights.

The VICE PRESIDENT. The bill and joint resolution will be received and appropriately referred.

The bill and joint resolution, introduced by Mr. Long, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 3811. A bill to amend title 28, United States Code, to prescribe certain qualifications for persons appointed as members of the Supreme Court; and

S. J. Res. 168. Joint resolution proposing an amendment to the Constitution of the United States prescribing the term of office of members of the Supreme Court.

RELIEF OF CERTAIN ALIENS

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill for the relief of certain aliens. I may say that there appears in the Congressional Record, volume 100, part 1, page 984, a statement I made in relation to a similar bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3816) for the relief of certain aliens, introduced by Mr. Wiley, was received, read twice by its title, and referred to the Committee on the Judiciary.

TRANSFER OF VETERANS' ADMINISTRATION HOSPITALS

Mr. ALLOTT. Mr. President, I am pleased to introduce, for appropriate reference, a bill to protect the interests of our veterans who need and are entitled to medical care. It is similar to a bill introduced by Representative Weaver in the House of Representatives on March 2, 1956, H. R. 9729.

The purpose of the bill is to require a 90-day period for congressional review before the Veterans' Administration could transfer a veterans' hospital to any other agency of the Federal Government. It would require the Administrator of Veterans' Affairs to submit any such proposed transfer to the Congress together with the reasons for doing so. Such transfer could then take effect at the end of a period of 90 calendar days of continuous session of the Congress, but only if between the date of transmittal and the expiration of 90 days there has not been passed by either of the two Houses, by an affirmative vote of a majority of the authorized membership of that House, a resolution stating that that House does not favor the proposed transfer. It would take effect with respect to all transfers occurring on or after January 1, 1956.

I believe this measure is broad enough to allow adequate administrative control, and at the same time insure that no veterans' hospitals are thus eliminated from use by veterans without the consent of the Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3819) relating to the transfer of Veterans' Administration hospitals, introduced by Mr. Allott, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

SHELLFISH RESEARCH LABORATORY AND EXPERIMENT STATION IN CHESAPEAKE BAY AREA

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a fish research laboratory and experimental station in the Chesapeake Bay area. Knowing of Senator Byrd's keen interest in such matters, after drafting the bill I sent it to him for his consideration. He has given it his careful consideration and has done me the honor of joining with me as a cosponsor.

The United States Fish and Wildlife Service has been studying the shell fisheries in the Chesapeake Bay for the last 10 years. Their laboratory has been located in Annapolis, housed in a recreation building of a temporary Federal housing installation. This building is almost one mile from the nearest water and dock. Under these conditions the research work has been limited to field studies.

The Service is planning to expand its shellfish research work on the Chesapeake Bay. They will include studies on hard and soft clams as well as expanded research on oysters. Additional personnel are in process of being transferred to carry on this work.

The Fish and Wildlife Service has shellfish research installations operating out of Woods Hole, Mass.; Milford, Conn.; Beaufort, N. C., and Pensacola, Fla. The oyster production from Maryland and Virginia waters totals in excess of 6 million bushels valued at $18 million to the catcher. After processing the value of the product increases to more than $30 million annually. This production is greater than any other area in the United States.

It is my strong feeling that the quality and extent of research would be greatly improved by the construction of an adequate marine laboratory. As I understand, the United States Fish and Wildlife Service is of the opinion that improved facilities such as those contemplated and to be authorized by this bill are essential for it to carry out an expanded research program.

The cost of construction of a laboratory to provide the building and facilities needed will approximate $250,000, I am reliably informed. I am confident that such an expenditure will result in findings which will repay this investment many times over.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3827) to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area, introduced by Mr. Butler (for himself and Mr. Byrd), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT ON THE NIAGARA RIVER—AMENDMENT

Mr. COTTON submitted an amendment, intended to be proposed by him to the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, which was ordered to lie on the table and to be printed.

TRANSFER OF CERTAIN GOVERNMENT-OWNED MANGANESE ORE FACILITIES TO SECRETARY OF THE INTERIOR—AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (S. 3453) to transfer certain Government-owned manganese ore facilities to the Secretary of the Interior, to provide for the erection of one or more beneficiation plants to treat manganese ores, to stimulate the production of certain strategic and critical minerals, and for other purposes, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. KENNEDY submitted an amendment, intended to be proposed by him, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

Mr. WILLIAMS submitted amendments, intended to be proposed by him, to House bill 7225, supra, which were referred to the Committee on Finance, and ordered to be printed.

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him to House bill 7225, supra, which was referred to the Committee on Finance, and ordered to be printed.

CONVEYANCE OF CERTAIN LANDS TO BOARD OF COMMISSIONERS, ST. JOHNS COUNTY, FLA.—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (H. R. 7471) to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla., which was ordered to lie on the table and to be printed.

AMENDMENT OF FEDERAL-AID ROAD ACT—AMENDMENTS

Mr. NEUBERGER. Mr. President, I submit amendments to the bill (H. R. 10660) the Federal-Aid Highway Act of 1956, which is aimed at increasing the productivity, enjoyment, and usefulness of our national forest and national parks by expanding the existing roads within those areas.

The purpose of the amendments is to add to the version of the Federal Highway Act which was approved by the Senate Committee on Public Works, the amounts previously adopted by the House of Representatives for road building in four different categories: for forest highways, forest development roads and trails, national parks highways, and Federal parkways.

The amendments would provide the following amounts, which, as I pointed out previously, have already been approved by the House: for forest highways, $25 million; for forest developments roads and trails, $27 million; for national parks highways, $16 million; for Federal parkways, $16 million.

The amounts authorized by the House are fully justified by the increased demands on our forest and parks systems. The sound management of national forests for lumbering, recreation, and other uses, requires construction of roads to improve accessibility.

I would like to point out that these roads are not financed from gas tax or other highway-user levies, but from funds derived from the sale of timber harvested from the national forests. The record shows that this has been a favorable procedure for the Federal Government. The forest road-building programs of the past have provided $2 in revenue for every $1 invested by the Federal Government. In addition, these forest roads are built by private contractors and increase the revenues received at Federal timber sales by making harvestable timber available to a larger number of prospective purchasers, thereby increasing the activity of bidders.

A collateral benefit of improved forest access roads accrues to the millions of hunters, anglers, hikers, recreationists, and others who vacation in the national forest areas. The additional construction will open new areas to the vast numbers who seek relaxation in the forested slopes of the public domain.

The same is true of the national parks and national monuments, which are being visited each year by more and more vacationists. Without more adequate roads in the vast Federal recreation areas, our stepped-up Federal highway program would be much like building a dead-end boulevard. More and better roads in national forests and parks are vitally needed so that the millions of pleasure-seeking American motorists will have some place to go when they travel the improved Federal road system of the future. The increase authorizations constitute a realistic approach to attainment of this beneficial objective.

I am pleased to submit the amendments on behalf of myself, the senior Senator from Montana [Mr. Murray], my colleague, the senior Senator from Oregon [Mr. Morse], the senior Senator from Washington [Mr. Magnuson], the junior Senator from Washington [Mr. Jackson], and the junior Senator from Montana [Mr. Mansfield]. I ask unanimous consent to have the amendments printed in the Record at the conclusion of my remarks.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table; and, without objection, the amendments will be printed in the Record.

The amendments are as follows:

At the proper place in section 106 (1) strike out the figure "$22,500,000" and insert in lieu thereof the figure "$25,000,000", and (2) strike out the figure "$24,000,000" and insert in lieu thereof the figure "$27,000,000"; and

At the proper place in section 107 (a) strike out the figure "$12,500,000" and insert in lieu thereof the figure "$16,000,000", section 107 (b) strike out the figure "$11,000,000" and insert in lieu thereof the figure "$16,000,000."

Mr. MORSE subsequently said: Mr. President, I am delighted to join in sponsoring this amendment to the highway bill with my colleague, the junior Senator from Oregon [Mr. Neuberger], who is a member of the Public Works Committee.

Several weeks ago, the Senators from Oregon testified on the House side for increases on timber access roads and we secured them over there. Chairman Buckley wrote me that the testimony the junior Senator from Oregon and I gave, plus the letters of support from our distinguished majority leader, Lyndon Johnson, and Senators Magnuson, Jackson, Murray, Symington, Sparkman, Scott, Humphrey, Kefauver, Lehman, and Douglas, was instrumental in developing House support for the increase they provided.

We are interested in quickly passing a highway bill and I do not propose to argue the merits of the modest increase proposed by the amendment, against the long-range increases in forest roads that we need.

Favorable action by the Senate will be helpful. We have had a total absence of a real program presentation from the other end of Pennsylvania Avenue. This is a crying shame when we consider that the roads covered in these authorizations bring substantial revenues into the Treasury above their cost.

If we want to increase revenues and keep our economy healthy, this program is one of the best steps we can make toward this goal.

EXTENSION OF SUGAR ACT OF 1948—CHANGE OF CONFEREE

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator from Pennsylvania [Mr. Martin] be excused from further service as a conferee on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, and that the Senator from Colorado [Mr. Millikin] be designated to serve in his place.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. LANGER:

Speech delivered by him at Carnegie Hall, New York, N. Y., on September 29, 1955.

By Mr. MAGNUSON:

Statement prepared by him relative to the 100th anniversary of the Order of the Sisters of Providence in the Pacific Northwest.

By Mr. WILEY:

Address on engineering research and development, delivered by him before a section of the American Society of Tool Engineers, at Madison, Wis., on April 20, 1956.

By Mr. STENNIS:

Remarks by Senator Scott before the Senators' breakfast group on May 9, 1956.

NOTICE OF HEARING ON H. R. 9424, S. 3341, AND S. 3424, BILLS AMENDING THE CLAYTON ACT RELATING TO MERGERS

Mr. O'MAHONEY. Mr. President, on behalf of the standing subcommittee of the Committee on the Judiciary on antitrust and monopoly legislation. I desire to give notice that a public hearing has been scheduled for Wednesday, May 23, 1956, beginning at 10:30 a. m., in room 424 Senate Office Building, on H. R. 9424, S. 3341, and S. 3424, bills amending the Clayton Act by requiring prior notification of corporate mergers.

Prior to the above mentioned date all persons interested in the proposed legislation should file with the committee such representations as may be pertinent, or communicate their desire to be heard.

The subcommittee consists of the Senator from Tennessee [Mr. Kefauver], the Senator from Missouri [Mr. Hennings], the Senator from West Virginia [Mr. Neely], the Senator from North Dakota [Mr. Langer], the Senator from Illinois [Mr. Dirksen], the Senator from Wisconsin [Mr. Wiley], and myself, chairman.

NOTICE OF RESUMPTION OF HEARINGS ON VARIOUS CIVIL RIGHTS PROPOSALS BY COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the Committee will resume hearings on the various civil rights proposals beginning at 2:30 p. m., Wednesday, May 16, 1956, in the committee room, Room 424, Senate Office Building.

Persons desiring to be heard should notify the committe in order that a schedule of witnesses may be prepared.

PAYMENT TO CROW INDIAN TRIBE FOR TRANSFER OF CERTAIN RIGHT-OF-WAY

Mr. MURRAY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives respecting Senate Joint Resolution 135.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, which were, to strike out all after the enacting clause and insert:

That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as hereby provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

Sec. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B" and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance, and use of the Yellowtail unit.

(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

Sec. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States, as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505.

And to amend the title so as to read: "Joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

Mr. MURRAY. Mr. President, on Monday the House amended Senate Joint Resolution 135, providing for payment to the Crow Indian Tribe for transfer of the right-of-way for the Yellowtail Dam unit of the Missouri River Basin project. The House amendments are in the nature of a substitute for the language approved by the Senate, and make drastic changes in the philosophy and approach of the joint resolution as passed by the Senate, as well as in the amounts involved.

Mr. President, the Senate Interior Committee held exhaustive hearings on Senate Joint Resolution 135. At the hearings, representatives of the several factions of the Crow Indians, as well as spokesmen for the representatives of the executive agencies and all other interested parties, were heard at length. The committee then voted to amend the joint resolution in the light of facts brought out at the hearings, and reported to the Senate what the Members of the Committee considered an equitable bill which safeguarded both the interests of the Indians and those of the Federal Government. The Senate accepted the Committee amendments, and passed the joint resolution.

Mr. President, I move that the Senate disagree to the amendments of the House to Senate joint resolution 135, and request a conference thereon; and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. Murray, Mr. O'Mahoney, Mr. Bible, Mr. Watkins, and Mr. Malone conferees on the part of the Senate.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. FULBRIGHT. Mr. President, as were all other Members of the Senate, I was deeply shocked by the death of the beloved Senator from Kentucky, Alben Barkley. His passing marks the end of one of the great statesmen of our time. Although I shall miss his personal counsel and his great leadership, I am grateful for having had the opportunity of serving in the Senate with such a fine man.

Shortly after news of Senator Barkley's death was flashed over the radio, Mr. Edward R. Murrow gave his nightly comment on the news over the Columbia Broadcasting System. His tribute to Senator Barkley expresses better than anything I can say the sense of loss which all of us felt so deeply. I ask unanimous consent to have printed at this point in the Record an excerpt from Mr. Murrow's commentary.

There being no objection, the excerpt from the commentary was ordered to be printed in the Record, as follows:

In the woods, when a great and ancient tree that has weathered many storms suddenly comes crashing down, there is the noise of smaller trees snapping back into position, the rustle and cries of small creatures, and the descending noise of twigs, branches, and bits of moss falling to the ground. And then there is silence, more complete and oppressive than any silence that went before. Frequently this happens on a dead calm day, for no apparent reason. So it was today with Senator Alben Barkley of Kentucky. He was making the keynote speech at Washington and Lee University. The occasion was their mock democratic convention. The Senator had just said: "I would rather be a servant in the House of the Lord than sit in the seats of the mighty." He collapsed and was pronounced dead 10 minutes later.

It was altogether typical of the man that he devoted his last hour to politics and to youth. He was a man without cant, without rancor; a politician respected and admired, even by his opponents. In defeat he was resolute, and in victory indeed magnanimous. Few men have ever so endeared themselves in the hearts of their fellow men. He had humor, but seldom used it to hurt. He was a man who wore both power and popularity loosely, almost carelessly, like an old cloak. He was tolerant of most things, except intolerance. He had been in politics since 1905. He was helpful to young men. He was a tireless political campaigner. And he was an orator of what is generally called "the old school." Anyone who heard his keynote speech in Philadelphia in 1948, or his brilliant performance at Chicago in 1952, heard political oratory at its best. At Chicago he had thought the presidential nomination to be within his grasp. He lost it, knew he had lost it, and then went before the convention, shrugged his broad shoulders and proceeded to demonstrate how a good politician and a good loser should act and speak.

He served as Vice President under Mr. Truman, became known as the Veep, and was always the gentleman from Paducah. He loved the cut and thrust of parliamentary debate. He was known during his years in the Senate as the ready man, ready at the drop of a gavel to deliver a brilliant and lengthy speech, without benefit of notes or ghostwriters. While he was Vice President he refused to have a bodyguard, saying: "I'm a big boy now, and who would want to harm a young man like me, anyway?"

He was loyal to his party, but did not hesitate to break with Roosevelt in 1944 when the President vetoed a tax bill.

He was a man with manners, who liked people, who enjoyed good stories, some of them were old, but they were reinvigorated by the Barkley telling. After he finished his term as Vice President, he spent a couple of years in Kentucky and then went back to politics. He was elected the State's junior Senator for the term beginning in January of last year. So he went back to Congress where he had first arrived as a Representative in 1913. He once said he hoped to keep on politicking to the end—and he did.

The tributes, the expressions of shock and sorrow, are already coming in. Senator Knowland, of California, says: "The country and Kentucky have lost a great citizen and a great Senator." Senator Lehman, of New York, says: "Senator Barkley's death is a great shock to me, and a national disaster. His place in history is secure, but his place in our hearts will never be filled." McClellan, of Arkansas: "The Nation has lost a great man; one of the most beloved men in America." Ellender, of Louisiana: "He was a great American and a great statesman. We have suffered a very grievous loss." Former President Truman called him a citizen that the United States can always be proud of. President Eisenhower said: "The Nation is the poorer by this tragic event."

To this reporter Senator Barkley was always a man who took his duties and his responsibilities seriously, but who was always able to laugh, both at himself and his opposition. There will be many tributes to his ability, his loyalty, and his humor. Some of them will be eloquent. But mostly they will resemble the sound of smaller trees snapping upright, branches, twigs, and moss falling to the ground—after a giant tree has come crashing down.

POLAND'S CONSTITUTION DAY: IN COMMEMORATION

Mr. LANGER. Mr. President, I send to the desk, and ask to have the clerk read, a short statement which I have prepared in regard to Poland's Constitution Day.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the statement will be read.

The legislative clerk read as follows:

Mr. LANGER. Mr. President, I should like, at this time, to make a rather belated statement in commemoration of Poland's constitution day. The Polish constitution of May 3, 1791, is a document of liberty and freedom. Like our own Constitution, it placed sovereignty in the people and based government on the consent of the governed. It is a remarkable document, and ever since its proclamation it has been an inspiration to freemen everywhere. The same high principles stated in this early constitution of Poland remain the goals to which the Polish people even now aspire.

Constitutional reform in 1791 was not an easy step for the Government of Poland. The roots of democratic government go back a long way in Poland's history. The first complete code of laws ever to exist in Christian Europe was established by Poland in 1347. Then, as early as 1430, laws were passed which safeguarded the security of the individual. Those laws were later broadened, and eventually became the basis of political and religious liberties in Poland.

Before the constitution of 1791 could be formulated, there was much deliberation in the Polish Diet on what its character should be. The constitution when completed contained many reforms reflecting the advanced thinking of the leaders of the liberty-loving Polish people. The people rejoiced and the world rejoiced at Poland's great progress. But Poland's joy was short-lived, for her strong neighbor, Russia, invaded her territory shortly thereafter. Liberty was submerged for many years in Poland, although the ideals burned even more brightly in the hearts of the people.

As a condition of the treaty of peace bringing about the end of World War I, America's President Woodrow Wilson called for the establishment of a new and democratic government in Poland: This new freedom took effect on March 17, 1921, but this, too, proved to be but a brief period for democratic growth. For Poland was the first country to feel the weight of Hitler's aggression. Even though she knew full well that this resistance meant her obliteration, Poland courageously stood up against the Nazis and later against the Russians.

Today freedom is completely suppressed in Poland. If the Polish people dared to take note of this occasion of the anniversary of their constitution, they would most certainly risk imprisonment and death. And it is simply because this constitution is a document of liberty and freedom that it cannot be celebrated.

We know that the overwhelming majority of the Polish people are today unyieldingly opposed to Communist domination, they are our friends and allies, even though their Communist leaders are not. We will never recognize as legitimate or permanent that regime whose rule is based on police power, treachery, and brutal conquest. We hope and pray that Poland and the other East European nations may soon take their proud and rightful places as independent nations.

Mr. MARTIN of Pennsylvania. Mr. President, May 3, which was the 165th anniversary of the adoption of the Constitution of Poland, is known as Poland's Constitution Day.

Once again it becomes our honor to send words of warm and prayerful encouragement to all of the people of Poland who are held captive by the Communists, and whose liberties, as set forth in the Polish Constitution, have been taken from them by force.

But liberty burns brightly in the hearts and souls of all of our friends in Poland. They live for the day when they can again be freemen, enjoying the dignity of man, as stated in their constitution.

It is most appropriate that we repeat the undying and traditional friendship of the people of our country for the people of Poland.

Certainly, the people of Poland have proven to the world their unyielding determination to again attain the status of freemen. Their country has several times been partitioned by more powerful states, and at times Poland has been occupied, but the people of Poland have continued their struggle, in the face of almost incredible adversity. With patriotism, loyalty, and faith they have carried on with increasing determination.

In sending our prayers and encouragement to our friends in Poland, we can well add that America has a profound faith in their final victory.

Mr. HRUSKA. Mr. President, May 3 marked another anniversary of the adoption of the Polish Constitution. I ask unanimous consent to have printed in the Appendix of the RECORD a statement I have prepared commemorating that event.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

Mr. President, it is an honor to remind the Senate of another milestone in man's eternal struggle for freedom. May 3d is the anniversary of the Polish Constitution of 1791.

Although the Polish Constitution was adopted in the same decade as the United States Constitution and the French Declaration of the Rights of Man, it was not preceded by violent revolution. But, even without a blood bath, the revolution of ideas was no less significant than in France and America.

The Polish King, Stanislas, was a major instigator of the movement to adopt a new constitution. President George Washington noted that "Poland, by the public papers, appears to have made large and unexpected strides toward liberty, which, if true, reflects great honor on the present King, who seems to have been the principal promoter of the business."

The Constitution of 1791 established a constitutional monarchy and parliamentary system similar to that in England. Checks were put on the King by a cabinet which was made responsible to the parliament.

The promise of the Polish Constitution never was given a chance to fulfill. Czarist Russia could not tolerate democracy so near its borders and Catherine the Great ordered her armies into Poland less than a year later. Poland was partitioned and the new constitution abolished—branded a "dangerous novelty."

After 123 years of subjugation, Poland regained her freedom in 1918 but again in 1939, her democracy threatened dictators and was snuffed out in invasions from east and west.

A savage suppression was needed to quell the Poles. The Nazis quartered half-a-million troops in Poland in a futile attempt to keep a powerful underground in check. In the first 20 months of their occupation of Poland, Red Army officers deported more than 1.5 million people to Russian slave labor camps.

The memory of that dangerous novelty—freedom—still burns bright in Poland. New hope comes to enslaved Poles with the Kremlin's de-Stalinization campaign. In trumpeting the crimes of Stalin, the Kremlin tyrants betray the uneasiness of their rule.

Encouraged by Americans of Polish extraction and spearheaded by freedom-loving Poles behind the Iron Curtain, the spirit of the dangerous novelty still lives after 165 years. The flame of freedom will again burn as bright in Poland as it does in the hearts of her countrymen everywhere.

Mr. McNAMARA. Mr. President, the anniversary of an event which took place 165 years ago is of particular significance to all of us in this country and to the lovers of freedom and justice everywhere.

It was on May 3, 1791, that the people of Poland instituted a constitution which was an expression of the Polish people's belief in individual liberty. Coming as it did only a few short years after the adoption of our own great Declaration of Independence and Constitution, the Polish Constitution was another step forward in the never-ending fight for human liberty. We might particularly note and cherish that principle of the Polish Constitution which states that:

> All power in civil society is derived from the will of the people.

We in America continued to fight for and strengthen our democracy through the ensuing years, but the gallant Poles were not so fortunate. Long a battleground of Europe, Poland was repeatedly overrun and subjugated—physically, but not in spirit. The people fought heroically against overwhelming odds on many occasions, and Poland was the first nation in Europe to stand up against the Nazis. It was cruelly betrayed by the Communist dictators, and today Poland suffers under the Russian yoke.

However, the spirit of the Poles as evidenced by the constitution of 1791 has not died. The constitution continues as a symbol of the day when Poland again will be free. And, with the help of God, Poland will again be free.

SUCCESS OF CHEMICAL PROGRESS WEEK IN PENNSYLVANIA

Mr. MARTIN of Pennsylvania. Mr. President, the celebration of Chemical Progress Week in Pennsylvania was most outstanding, and I ask unanimous consent to have printed in the body of the RECORD a brief statement which I have prepared on this important subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN ON CHEMICAL PROGRESS WEEK

The growth of our chemical industry in America has been one of the great phenomena of our age, enriching the lives of all of us.

During the week of April 23 to 28, the chemical industry marked Chemical Progress Week for 1956.

The purpose of the week was to make better known to the American people the significance of chemistry and the chemical industry in the terms of the daily life of the individual.

The week was especially successful in Pennsylvania and I take this opportunity of congratulating the chemical industry.

The State chairman for the activities was Mr. George M. Walker, executive vice president of Koppers Co., Inc., Pittsburgh.

It was brought out that—

1. Sales of chemicals and allied products have grown fivefold since 1939.
2. The chemical industry, in terms of assets, is now the Nation's fourth largest.
3. The chemical industry has created new industries and hundreds of thousands of jobs through the introduction of new synthetic fibers, plastics, rubbers, and chemicals of all kinds.
4. The chemical industry expends over $360 million annually in research.
5. Today over 8,000 different chemical products are available.
6. The chemical industry is the Nation's largest employer of scientific and technically trained people.
7. Pennsylvania ranks fifth in chemical manufacture. The value added by manufacture in Pennsylvania exceeds one-half billion dollars.
8. In 1955 there were 800 chemical plants in the State with payrolls of nearly a quarter billion dollars.
9. In terms of expansion, during the 10-year period ending June 1955, Pennsylvania ranks second in new industrial plant contracts, with total investment of $880 million.
10. Pennsylvania is the most important State in the Union in the production of chemicals from coke-oven byproducts, which go into the making of pharmaceuticals, dyes, plastics, and resins.

COMMENTS BY AMERICAN LEGION IN OPPOSITION TO REPORT OF COMMISSION ON VETERANS' PENSIONS

Mr. WILEY. Mr. President, I know that my colleagues share concern which I, for one, feel over the implications of the report of the Commission on Veterans' Pensions.

I have always believed that the ex-servicemen of our Nation are entitled to the program of rights which a grateful Congress and people have conferred upon them. I believe this program should be strengthened, rather than weakened.

As an indication of the deep feelings on the subject of the Commission by America's largest and greatest veterans' organization, I ask unanimous consent that a release from the American Legion's national public relations division be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

WASHINGTON, May 9.—The American Legion charged before the House Veterans Affairs Committee today that the Bradley Commission's report on veterans pensions is a "scare document * * * and in many material respects factually unsound."

Donald R. Wilson of Clarksburg, W. Va., a past Legion national commander and chairman of a special Legion group appointed to study the report, told committee members that the Bradley report should be "promptly relegated to the obscurity it deserves."

He said the report is filled with "cliches, self-contradictions, inaccuracies, looseness of expression, nonsequiturs, statistical monstrosities, and thrilling discoveries of the obvious. It is a disappointing piece of work."

The Wilson committee was apointed in April 1955 by then National Commander Seaborn P. Collins, of Las Cruces, N. Mex., to study the same subjects covered by the Bradley Commission. The present national commander, J. Addington Wagner, of Battle Creek, Mich., continued the committee when he assumed office last October.

Wilson accused the Bradley Commission of being "tragically preoccupied with extolling the virtues of the goddess of social security, not for what it is but for what it may be at some indeterminate time in the future." He said:

"It is on this altar that the veteran is to be stripped of the dignity of a special status which throughout the history of our country has always been accorded to him.

"Now, under a new concept, arbitrarily and unnecessarily announced by a mere commission of the executive branch of the Government, the veteran is told that since he performed no special service, the Government owes him no obligation in his declining years other than to give him a general right, if properly employed, to buy and pay for social security like any other citizen."

Wilson said the presumptuous nature of the Bradley report is practically an insult to the Congress which has developed the veterans program over 150 years.

He said "there is nothing" in the report which should deter the House Veterans' Affairs Committee from taking action on pending veterans' legislation now before it. Last month the Committee announced it had put off action on pending legislation until after it had made a study of the Bradley report.

(A Legion bill in committee (H. R. 7886) proposes raising monthly disability benefit rates, increasing income limitations, and making veterans age 65 and over automatically eligible for payments if they meet income limitations.)

He said the report is "discouraging and dangerous—discouraging because it belittles the contribution of the veteran to his country—dangerous because, by stealth cloaked in compliments, it exalts the welfare state and denies that there is any room in such a state for according to the veteran a special dignity because of service to country."

Wilson said the most radical departure the Bradley Commission has made from the philosophy of veterans' benefits is their contention that military service is an obligation of citizenship and should not be considered a basis for future Government benefits. He said:

"It is in making this statement that the Bradley Commission has cruelly departed from the philosophy of veterans benefits and has laid the foundation for a wholesale assault on the veterans' program."

Wilson said, however, the Legion recognizes that service in the Armed Forces discharges an obligation of citizenship. But, he added, the fact which has escaped the Bradley Commission is that there are some who discharged this obligation and others who have not. He said:

"So long as we maintain our Armed Forces, so long as we call them defenders of the country and so long as we subject them to the necessary disciplines and deprivations which an adequate military establishment must demand, we have created for them special obligations, duties, hazards or responsibilities which set them apart from the role which they would play as citizens alone.

"By reason of their peculiar sacrifices and hazards, they become a class of citizens select in nature and distinguished by peculiar service. No governmental commission, no amount of sophistry can deprive them of the special status."

Wilson said much of the Bradley report is a concentrated effort to establish a preconceived notion that the social-security program has become an adequate substitute for veterans' pensions.

"This is a significant and hostile part of the report," he said. It reflects little sound or honest thinking, but it does mirror the antagonism long noted in certain sections of the administrative branch of the Government toward veterans' programs."

He said, for example, social security is merely a form of compulsory insurance to which an employed must contribute. Veterans' pensions, he said, are not based upon a contractual relationship with the Federal Government.

"The veteran, who as any other citizen, has fulfilled his social-security contract, is entitled, as a matter of law, to receive the benefits of that contract. It is a tragic error to say that he is entitled to nothing more."

Wilson pointed out that the Bradley Commission recommended that social-security benefits should be considered as income that would count in determining a veterans need for pension purposes. He said:

"It is not funny that a distinguished Commission proposes that the law be changed to make it what it already is."

Wilson said the American Legion is concerned with the Bradley Commission's intimation that the Government has discharged its entire obligation to the non-service-connected disabled veteran through education, training, and readjustment programs.

He said the Government has an acknowledged, continuing obligation where need exists," and charged the Bradley Commission with being factually in error in saying these programs have eliminated need.

"So long as need exists there is a void for pensions to fill," Wilson said. "No amount of Bradley Commission statistics will change this concept."

He said, however, that because of these programs the numbers of veterans in need will be fewer, and hence, the Commission's general pension scare is considerably discredited.

NEED OF ADEQUATE AIR SERVICE FOR THE NEW ENGLAND AREA

Mr. PAYNE. Mr. President, on May 3, there appeared in the Houlton Pioneer Times, of Houlton, Maine, an excellent editorial entitled "A New England Issue," concerning the need of adequate air service for the New England area. I ask unanimous consent that the editorial be printed at this point in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NEW ENGLAND ISSUE

The entire New England States area has an interest and a concern in the outcome of the appeal made by Northeast Airlines to have set aside the adverse decision of a CAA examiner on its petition to extend its service southward from its present New York City terminus, to Miami, Fla., and to substitute therefor affirmative action on its original application.

This interest and concern has nothing to do with any bias in favor of air carriers as opposed to other means of transportation. Rather it should be, in our judgment, construed as an objection to what appears very much like discrimination against the New England States. Most of us will now agree that airlines, as a factor in the transportation of humans as well as freight, are here to stay.

Northeast is the only airline that serves all of New England. As such its successful operation and the reasonable expansion of its services can have a considerable influence on the economy of this area as well as being incidental to the normal industrial and commercial progress of these six States.

One of the exhibits which might well have been given more consideration than it apparently was was the fact that Northeast, of all the airlines petitioning for the Florida run, was the only line which had ordered a large fleet of airplanes especially for use on this extended run. This should have been taken as convincing evidence of the determination of the carrier to give the utmost in service to its patrons and its willingness to back up its confidence to compete successfully, with the investment of a staggering number of dollars.

The seasonal factor was another sound argument which seemingly received little attention. Northeast operates on a peak schedule basis during the summer months but its loads per plane are considerably smaller in the winter season. Extension of its lines to Florida would have enabled the line to achieve greater operating stability by being able to shift planes from southern runs to northern runs, and vice versa, when the demands of the season dictated. The effect on net earnings of such an arrangement is obvious.

As we understand it, Northeast, like many other airlines, is the recipient of substantial Government subsidy, probably through mail contracts. Its limited operation thus far has made this necessary in order to maintain its service in its area of origin. If it continues to be confined to that same area, it is evident the subsidy will also have to be maintained. However it is reliably reported that the extension of its line to Florida might be expected to make a material difference in its overall financial picture, with the result that the subsidy might possibly not be needed.

There were many other angles to the appeal which it is hoped will induce the entire CAA board to reverse the decision of its examiner and award the franchise to Northeast who, in our opinion, of all the petitioning carriers, made out a stronger case. This, of course, in addition to the normal desire to see New England fairly treated and not either bypassed or ignored.

SOCIAL SECURITY FOR LAWYERS

Mr. HRUSKA. Mr. President, the Senate will soon consider a revision of

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portions of the Social Security Act. I ask unanimous consent to have printed

on the horizon that would indicate that Congress will not continue to so legislate

The average benefit paid to an aged couple erans' Pensions.

dignity because of service to country."

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Times, of Houlton, Maine, an excellent

Senate will soon consider a revision of

portions of the Social Security Act. I ask unanimous consent to have printed in the body of the RECORD an address entitled "Social Security for Lawyers," delivered recently by my colleague from Nebraska [Mr. CURTIS] before the Order of the Coif, in Omaha, Nebr. My colleague formerly served on the Ways and Means Committee in the House of Representatives; and in the 83d Congress he was chairman of the subcommittee on social security legislation. His address is a very well prepared one, and I believe it will be helpful in connection with our consideration of revision of the Social Security Act, which shortly will be before the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY FOR LAWYERS

(Speech of Senator CARL T. CURTIS before the Order of Coif, Omaha, Nebr., October 7, 1955)

In discussing the question, "Social Security for Lawyers," it is not my purpose to present an argument for or against the establishment of a national social-security system in the United States. To present a brief, and to make an oral argument, either lauding or condemning the enactment of the Social Security Act of 1935, and subsequent amendments which have extended the system to most of our population, would be to engage in a moot question.

The Social Security Act was passed. Its burdens now extend to practically all our population. Its benefits have been committed to a great portion of our population. Our economy has been called upon to bear the load of a social-security program. All occupations are now covered by social security, except dentists, lawyers, doctors, and policemen and firemen, and other governmental employees who have their retirement system.

In my opinion, there are many shortcomings in our present social-security system. I am not championing the cause of social security, or additional social programs of any kind to be carried on by the Federal Government. The word "extension" of social security is a two-pronged word. It raises two questions. The one question is, should our social-security system be expanded to include more benefits, higher benefits, disability benefits, compulsory health insurance, and all of the other programs that would add up to what has been called cradle to the grave security or the welfare state. My answer to that question on expansion of social security in that direction is "No." To amplify adequately that "No" would call for not only another speech but several speeches.

The other question is, should the social-security program which we now have, which already covers the great majority of our people, be extended to that very small minority of our population not now so covered? In answering this question, we must remember that social security consists of both burdens and benefits. Since our social-security system is not one whereby the individual pays for his own benefits, the cost falls on all producers. If our economy must carry the burdens of a social-security program, its benefits should be available to all occupational groups.

It should be borne in mind that many valid criticisms can be made of our social-security system. It is lacking from the standpoint of sound financing. The question of trust funds is generally misunderstood. The cost of our social-security system is going to be very, very heavy 40 or 50 years from now. It is a political system and just before the last several elections, the Congress has raised the benefits and usually provided for new and additional benefits. There is nothing on the horizon that would indicate that Congress will not continue to so legislate just before future elections even at the risk of acting irresponsibly.

But let us turn our attention back to the question of whether or not our present social security system should be extended to lawyers, and to dentists and doctors. Can we stop unsound trends in social security and bring about desired reforms in the program by withholding social security from lawyers, doctors, and dentists and by continuing social security coverage for our editors, architects, corporation executives and, generally, all other groups? I think not. It is not that simple. The problems in social security are the problems of all the American people and deserve the serious and immediate consideration of all the people.

The Social Security Act contains a number of titles. Title 2 of the act is called "Old Age and Survivors Insurance," and it is referred to as OASI. Usually when individuals are talking about the general term of social security, they are referring to title 2, which is the OASI program.

Old Age and Survivors Insurance (OASI) is not insurance. It is a system whereby a social benefit is paid to the aged and the orphans. These benefits are paid by a special tax on employees and employers and on the self-employed. At the present, the tax is 2 percent on both employer and employee, and 3 percent on the self-employed on wages and earnings up to $4,200 per year.

A beneficiary or an individual who will become a beneficiary in the next several years has paid or will pay only a small portion of the cost of his benefit. The benefits are largely paid by the young and middle aged. For this reason, coverage under social security of any group cannot be extended on a voluntary basis to the individuals. All must be brought in under the system to make it more workable.

The social security tax is imposed upon the first $4,200 paid in wages or earned as self-employment income. Under existing law, the rate of tax is 2 percent until 1960 on wages with a like amount to be paid by the employer. For the 5 years following 1960, the rate goes up to 2½ percent, or a total of 5 percent. The total tax rate on employer and employee from 1965 to 1969 will be 6 percent, from 1970 to 1974 7 percent, and for 1975 and thereafter 8 percent. The self-employed, which would include lawyers, were they to be covered, is one and one-half times the employee rate, or three-fourths of the total employee-employer rate. These rates are, of course, subject to change by the Congress at any time.

Benefits are paid out not in a flat amount, but are based upon the average wage or average self-employment income, with a provision for dropping out any 4 years since 1951 in determining that average.

Individuals to whom social-security coverage was extended before they were advanced in age, are required to be under social security for a period of 10 years to be what is referred to as fully insured. Those who are already advanced in years when social security is extended to them are required to be covered for a period less than 10 years which varies to as little as, in the case of the self-employed, 2 years. The spouse of a social security primary beneficiary, on reaching the age of 65, is entitled to a benefit of 50 percent of the primary benefit. Upon the death of a primary beneficiary, the widow, if 65, receives three-fourths of the primary benefit.

OASI also provides for survivor benefits. Upon the death of a person covered by social security, a benefit is paid to the widow and children until the youngest child reaches 18 years of age. Benefits are then discontinued, but are resumed for the widow when she reaches the age of 65, if she has not remarried.

The average benefit paid to an aged couple in February 1955 was $112.50 a month. The total expected value of such a benefit is estimated to be about $17,200. This benefit might be paid by reason of as little as $65 being paid in taxes by the husband and a like amount by his employer. The most that the husband could have paid in taxes for this benefit is about $425 with a like amount by his employer.

If OASI were to be extended to lawyers, based on existing law, a young lawyer now 25 years of age, earning $4,200 per year, would pay $8,550 in taxes in the next 40 years, and if he retires at the age of 65, according to present law, the benefits to be received would have a total expected value of $28,460. A lawyer now 40 years of age would pay in the next 25 years $4,725 in taxes, if he was 55 years of age at the present he would in the next 10 years pay $1,418 in taxes, a 62-year old lawyer would only pay in $378 in taxes in the next 2 years, and a 65-year old lawyer would have to pay in a total of $252 over a period of 2 years. The total expected value of the benefits in each case, including the wife's benefits, would be the same; to wit, $28,460. These figures are arrived at by using averages and are based on the United States white male and female life tables for 1949 and 1951 and, of course, are based on existing law which is always subject to change.

Were we to extend social security to lawyers right now and the lawyer continued to practice, earning at least $4,200 a year until he was 70 years of age and then retired, the total amounts paid in in taxes would be as follows: for the lawyer at age 25 $9,765, age 40 $4,985, age 55 $2,360, age 62 $1,003, and for age 65 $662. This, of course, is because he would continue to pay taxes for a period of 5 years longer. His monthly or annual benefits would be the same, but the total number of years that he will receive those benefits will be 5 years less. Consequently, the average benefit for a lawyer and his wife who would retire at age 70, based on these same figures, would be $22,450.

Of interest to younger lawyers are the benefits paid under OASI in the case of their death, should they die leaving a widow and small children. The amounts of these benefits vary, but I can give you a typical case based, of course, on existing law and upon averages.

If an individual comes under OASI at age 25, earns $4,200 per year, and dies at age 30, leaving a widow and 1 child, age 1 month, and 1 child age 1 year, they will receive a benefit until the youngest child is 18 years of age. If the widow lives to be 65 and does not remarry, she will then be eligible to draw a benefit. These survivor benefits will have an average total expected value of $45,200. The total taxes paid by the deceased husband, if a self-employed lawyer, would be $630.

In any consideration of social security, there are a few basic statistics that are helpful. The average life expectancy of a man aged 65 is 12 years. The life expectancy of women aged 65 is 15 years.

As of the first of this year, we had approximately 14 million individuals over 65 years of age. Of these 14 million, about 5½ million were OASI beneficiaries.

As of the first of this year, there was in the trust fund in cash and bonds a little over $20½ billion. By the time it is paid out, there will be an interest accrual bringing the total up to about $22 billion. However, to pay the future benefits of those beneficiaries already on the rolls as of January 1 last will require an estimated sum of about $34 billion. In other words, there is no money or bonds in the trust fund to pay the individuals who will reach retirement age tomorrow or any time in the future, or to pay the benefits of those already eligible for benefits who have not applied. These figures are based on the assumption that Congress will never again raise the benefits, which assumption I do no choose to follow.

In citing figures for consideration in reference to social security for lawyers, we have dealt with the case of lawyers making as much as $4,200 a year. If their income is less than that, the benefits, of course, will be less. They can qualify for benefits if their self-employed income would be as much as $400 per year. In other words, were we to extend social security as of now to lawyers, a lawyer who is 65 or nearly so could, by earning $400 annually for a period of 2 years, qualify for benefits. In that case, he would pay a total tax of $24. He would then be eligible for the minimum benefits of $30 a month, with half that amount for his wife if she was 65. Based on averages, the combined benefits for the beneficiary and his wife would have a total expected value of $8,400.

The proposition is often advanced that the Jenkins-Keogh bill should be passed for lawyers and others in lieu of social security. The Jenkins-Keogh proposal is one which would give a present tax benefit for current income set aside for one's later retirement. It is a proposal with much merit. It is not a substitute for social security. In substance, it is designed to permit individuals to do for themselves tax-wise what corporations can do for their officers and employees, which is in addition to social-security coverage.

In closing, we return to the question as to whether or not social security should be extended to lawyers. Inasmuch as the cost of our social-security program is a burden upon all of our economy we cannot deny the benefits to a few selected groups. Inasmuch as the cost of benefits are not at the present time and for a long time to come paid by those who receive them, there is no sound argument for not requiring all producers in the country to share their just portion of the load.

There are some very practical reasons why social security should be extended to lawyers. Many lawyers are already covered by the program. If a lawyer is a director or an officer in a bank or building and loan company, or some other corporation, his fees received for such services are considered wages under the Social Security Act and he is covered. Other laywers are already covered by the program if they serve a client on a salary basis in the capacity of an employee. In many communities practicing lawyers also are abstracters, and in some cases insurance agents. Income from these two sources is covered by social security, as well as the executors' and administrators' fees. Thus we have a situation where part of our lawyers are covered by a program that does not cover them all. To extend coverage to the lawyers would not only add to the workability of the program, but it would provide equal treatment to all.

And may I add a few general truths that must never be lost sight of:

1. The greatest security that can be maintained for the American people is to have a sound and solvent Government.

2. More public enlightenment, more restraint, and more concern for the future taxpayers are basic reforms that are sorely needed in social-security financing and in governmental financing generally.

3. The Government cannot give an individual anything. All the money the Government has is that which it takes away from its citizens.

CELEBRATION OF BOOTSTRAP WEEK IN PUERTO RICO

Mr. LEHMAN. Mr. President, this week, in Puerto Rico, the Puerto Ricans are observing what they call Bootstrap Week, to celebrate the opening of the 400th new industry since the launching of what the gallant and imaginative Governor of that island, Luis Muñoz-Marín, named "Operation Bootstrap."

I think we on the mainland and we in the Congress should pause to take note of the signal accomplishments which have been achieved by the initiative, energy, and ingenuity of the government of Puerto Rico and the leaders of the Puerto Rican people, in cooperation with businessmen on the mainland and businessmen in Puerto Rico, too.

Just think of it. Four hundred new industries have been started in this little island alone since Operation Bootstrap was begun a little more than 10 years ago. Puerto Rico has surely raised itself by its own bootstraps. A very considerable number of new jobs have been created; but even more important than the actual jobs created has been the entire economic impact on the island. Almost everyone in Puerto Rico has benefited. Certainly not the least of the benefits of this program has been the impact on the morale of the people. Some unemployment and some economic distress still exist in Puerto Rico. The standard of living is much lower than I consider desirable for any area under the American flag. But there has been a forward movement, characterized by a dynamic spirit. There are those who laughed at "Operation Bootstrap"; but I think that the entire Carribean area and all of Latin America have taken note of the forward strides which have occurred in Puerto Rico as a result of Operation Bootstrap.

The Puerto Rican people have reason to be proud. As a Senator from New York, which contains several hundred thousand people of Puerto Rican birth and descent, I want to say here on the floor of the Senate: "Congratulations to the people of Puerto Rico and to their leadership, and especially to Governor Muñoz-Marín. I will be glad to see the infant industries which have started in Puerto Rico continue to grow and to multiply, so that the standard of living in that island will rise steadily higher."

NINTH ANNIVERSARY OF DEATH OF FRIEDRICH SCHILLER

Mr. LEHMAN. Mr. President, yesterday we commemorated the anniversary of the death of Johann Christoph Friedrich von Schiller, the great German poet, dramatist and historian. We do well, in this day and time, when tyranny covers half the earth, to recall Friedrich Schiller and to repeat for all the world his call to embrace freedom and to turn away from despotism and corruption.

Before all else Schiller is remembered as one of the greatest playwrights of the European tradition. Yet he stood out in the minds of those of his own day who knew him and who read and saw his plays, as the symbol of liberty and of individual freedom. The decadence of the contemporary political and social world of the Europe of the late 18th century distressed Schiller. He condemned the rulers for their despotism and the aristocracy for their political and moral corruption. In strong, impassioned language he expressed his lofty ideals of the genuine worth of mankind.

Schiller sought to express himself first in philosophy and later in the art of his drama and poetry, but always with complete intellectual integrity. His direct truthfulness makes him the most straightforward and open of writers.

His conviction of the ultimate worth of the individual never allowed him to be cynical. For, to Schiller, the esthetic form was not of value in itself; he made use of it as an expression of his deep moral concern for the future of mankind. He urged his fellow men to adopt a responsible attitude toward life and to hold to their values in spite of all the disillusionment of individual experience and in spite of all the reverses in the history of mankind.

Thomas Carlyle has called Schiller's play "William Tell" the celebration of the first arrival of freedom in our modern world. Schiller's love of freedom and his sense of moral responsibility were his guiding principles. His accent on liberty gave his lifework a universal ideal. It has many times been said that Friedrich Schiller contributed in a major way to the forward march of the forces of liberty.

We know that Schiller strongly influenced the German people of his own day. Even in the early day in which he lived, Schiller called for the unification of the German states. He, of course, did not live to see the fruition of this desire and if he could see his country today, divided, and perhaps more dangerously than ever before, he would surely be saddened by the sight.

For today half of Germany is free and half is enslaved.

We know that it is only a question of time before the nation can be unified and completely free. For the German people have not forgotten the call of such men as Friedrich Schiller to individual liberty and unity.

It was not long after Schiller died that my own father came to America from Germany. He brought with him the ideals of individual freedom and dignity which Friedrich Schiller helped to spread in Germany and abroad in that time.

Today we in the United States should pledge ourselves, as we observe this anniversary of Schiller's death, to the ideals both for Germany and ourselves, which Schiller breathed into his immortal works.

In terms of the issues of this day, this means that we should support the unification of Germany as a free democratic nation and at the same time support the cause of liberty and of international brotherhood which Schiller so nobly typified. We must ever seek to strengthen all free nations in common bonds of brotherhood.

ADDRESS BY THE SECRETARY OF STATE AT CONVENTION OF B'NAI B'RITH

Mr. SMITH of New Jersey. Mr. President, last night, at the banquet of the triennial convention of the Supreme Lodge of B'nai B'rith, the Secretary of State, Hon. John Foster Dulles, delivered an important address on the subject of our foreign affairs, particularly with relation to the situation in the Middle East.

I ask unanimous consent that the address be printed in full in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOHN FOSTER DULLES, SECRETARY OF STATE, AT THE BANQUET OF THE TRIENNIAL CONVENTION OF THE SUPREME LODGE OF B'NAI B'RITH (INTERNATIONAL) WASHINGTON, D. C., MAY 8, 1956

I greatly appreciate the opportunity to speak before this organization. It stands for human values which are honored wherever men believe in the spiritual nature of man. You believe in the dignity of the human individual and in the brotherhood of man without regard to race or religion. You find in your religion basic truths which are also enunciated by all the world's great religions.

The law of your prophets was "Thou shalt love thy neighbor as thyself," and that was accepted by Jesus when He said "All things whatsoever ye would that men should do to you, do ye even so to them: for this is the law and the prophets." And the Buddha said "Hurt not others in ways that you yourself would find hurtful;" and the prophet of Islam taught "No one is a believer until he desires for his brother that which he desires for himself."

It is these fundamental truths taught by all the great religions that your organization practices. You engage in acts of compassion. In doing so, you are helping to lay the only dependable foundation for the world society of peace and justice for which we strive.

I have just returned yesterday afternoon from a meeting in Paris of the foreign ministers of the 15 North Atlantic Treaty countries. That treaty and its organization called NATO is one of the means designed to promote peace with justice. So far it has sought to do so primarily by setting up a military shield which would deter armed aggression and behind which moral principles could take root and grow strong and bear good fruit. We primarily dealt with the question of whether or not our countries were, in fact, doing all that they could or should to develop their own unity behind the military shield which was the initial and, so far, the dominant purpose of NATO.

I want to talk primarily about this problem of developing the Atlantic community. But before getting on to that I will mention one other topic of great interest to all Americans at this time which was discussed at the NATO Council meeting—that is the situation in the Near East.

That area is of intimate concern to the Atlantic community. For many generations, indeed for many centuries, the western nations have had close ties with the Near East. In recent years there has developed a large measure of economic interdependence affecting the very nature of the daily lives of the people of both areas.

The members of the NATO Council were acutely conscious of the problem of maintaining peace in the Middle East. When the Palestine mandate came to an end, the United States and other western nations supported United Nations consideration on the future of Palestine which resulted in the creation of the State of Israel. As members of the United Nations, we all intend that the State of Israel shall be maintained in its independence. Also we want friendly political, cultural and economic relations with all of the nations of the area on a basis of impartiality. We do not believe that these goals are incompatible.

There was grave concern that the Soviet Union had sought to further its ends by playing fast and loose with peace in the area. There was the feeling that that very fact made it more important for the Western nations to act with firm deliberation and with care.

There was recognition at Paris that wide discrepancies in armed strengths would be likely to create tensions. There was also a conviction that the safety of the countries of the Middle East is not to be found in an arms race, particularly one which tended to pit great world powers against each other.

It seemed particularly important to avoid a situation where great military powers confronted each other, by proxy, under conditions which would engage their respective prestige in a manner ominous for peace, not only within the area but possibly throughout the world.

There was a belief that reliance should, above all, be placed upon the processes of the United Nations, and that we can, perhaps, do so now with somewhat greater confidence, since the Soviet Union seems increasingly aware of the dangerous consequences of reckless action, and has indicated that it too would be prepared to support a solution through the United Nations.

We all welcomed the active part now being taken by the United Nations Security Council to preserve the integrity of the armistice agreements and we are encouraged by the fact that the Secretary General's mission to the area seems to have produced some initial positive results.

We believe that solid reliance can be placed upon the principles of the United Nations Charter and that no nation of the area which conforms internationally with those principles will stand alone. President Eisenhower made it clear, in his statement of April 9, 1956, that so far as the United States is concerned there could not be aggression with impunity.

Past efforts to move toward a settlement of the substantive issues in the Middle East have encountered serious obstacles. The task remains complex and no real solutions will be easily come by. But progress there is as necessary as it is difficult and there are grounds for hope that it may be possible to maintain the momentum now established by Mr. Hammarskjold's current efforts.

Let me turn now to the problem which particularly concerned us in Paris and that was the development of the Atlantic community into something more solid than is now the case.

All who know and share western civilization can take great pride in its accomplishments. It was based upon the Judeo-Christian conception of the spiritual nature of man. Out of this faith came individual resourcefulness and a sense of mission which brought much of good to much of the world.

But when we think with pride of what western civilization has accomplished, we must also think with regret of the fact that it has never yet found the way to live within itself at peace. If today the West is seriously challenged by believers in an atheistic creed, it is largely because two world wars, coming in quick succession, drained off the lifeblood of our finest and bravest youth and gravely impaired the economic strength of the West. Also the West has lost in moral authority because while professing a religion of peace it has not found a sure way to make peace a permanent reality within its own membership.

Since the end of World War II great strides have been taken to create unity at various levels within the Atlantic community. All these measures have been taken within the framework of the United Nations Charter which recognizes the inherent right of collective self-defense and which encourages development along regional lines.

The broadest effort at unity is represented by the North Atlantic Treaty itself, now embracing 15 nations, including 2 from this hemisphere, Canada and the United States. Under this treaty, great progress has been made, particularly in military terms. There is an integration of military forces on the Continent of Europe, including contributions from Great Britain, Canada, and the United States, the like of which has never been seen before. The newly developing forces of the Federal Republic of Germany will share that integration.

The military unity under NATO is supplemented by the new (1954) treaty for Western European Union which unites France, Germany, Italy, the United Kingdom, and the three Benelux countries under a system for limitation of armament and of armament supervision and control which is the most thorough and extensive that has ever yet been put into force. Thus, on the military front there has developed a unity and common organization which is of immense value and which has produced a morale which is itself of great unifying value.

In addition to these efforts on the military front, there is the Coal and Steel Community whereby France, Germany, Italy, and the three Benelux countries deal with the production of coal and steel. This is the first time that European nations have subordinated national powers in favor of a truly European organization.

There is the Council for Europe, where ministers and parliamentarians of European countries regularly meet for discusison of matters other than defense. There is the Organization for European Economic Cooperation (OEEC), and the European Payments Union, which contributes greatly to easing trade as between the members. These are some of the many steps which have been taken to establish unity within all or part of the Atlantic Community.

But at Paris last week we had to ask ourselves whether what has been done is good enough. There has been a marked development of the consultative process. But it still remains the fact that matters of vital importance to the Atlantic Community are not being given timely consideration on a community basis.

I have already referred to the problem of the Middle East which had never been seriously discussed by the North Atlantic Treaty Council, even though the future of Western Europe is deeply engaged by developments there.

We have seen in North Africa where serious disturbances within a part of the North Atlantic Treaty area have brought about a shifting of forces from continental Europe which alters the capability of defense as against a possible aggression from Eastern Europe.

There is the problem of Cyprus which deeply concerns three parties to the North Atlantic Treaty, the United Kingdom, Greece, and Turkey.

I do not suggest that any of these problems should today be made a matter of common consideration around the NATO Council table. At the point to which these particular problems have now developed, there can reasonably be questions as to whether consultation is or is not desirable. Neither do I imply any criticism of the past, for there has never been agreement or understanding that problems of this type should be discussed. But surely the Atlantic Community is not adequately organized if matters of this nature, which could shake the community to its foundation, develop over the years without any effort at broad consultation between the members.

Then there is the problem of the reunification of Germany. That subject was discussed by the NATO Foreign Ministers at special meetings which were held just prior to the Geneva "Summit" Conference with the Soviet rulers and before the Four Power Foreign Ministers' Conference which followed. But, as we know, the Geneva agreement by Messrs. Bulganin and Khrushchev on "the reunification of Germany by means of free elections" has been ignored by them, and they now unashamedly continue the division of Germany as though they had

never agreed to the principle of reunification. Most of the Western Powers have said, and rightly said, that there cannot be lasting peace and security in Europe unless Germany is reunified. But has the Atlantic Community as a whole sufficiently focused world opinion on the moral aspects of this problem?

Then we have the problem of the relation of the Atlantic community to the newly independent nations of the world. They now represent upwards of 650 million people composing 18 independent nations and more non-self-governing peoples are at the threshold of independence or knocking at the door. What has happened is an amazing tribute to the basic beliefs of the West in the rights of man and in government by consent. Nevertheless, it would be a great mistake to conclude that because these newly independent peoples have peacefully won their independence from the western powers that relations are in all respects good. In many cases there remain unresolved problems between the newly independent countries and the colonial powers. Above all, there remain barriers in terms of sensitiveness to racial arrogance which has at times been practiced by some persons of the West.

One-third of the world's population is ruled by Communist despots. Another third are new nations which are today the special target of the predatory tactics of international communism which seeks to stimulate the prejudices and to appeal to the aspirations of these peoples.

The members of the Atlantic community have so much to offer in the way of genuine brotherhood, they can do so much to strengthen the political and economic institutions of the newly independent peoples, that it is tragic that the outcome is anywhere in doubt. Certainly, as was often said at our Paris meeting last week, NATO, until now primarily military in its nature, is no proper organ for implementing political and economic policies between the Atlantic community and the newly independent countries.

But the community does contain within its own membership nations which themselves have been through the experience of being colonies and winning their independence. Also it contains colonial powers who have demonstrated and are illustrating great statesmanship in promoting evolution from colonialism to independence. Surely the members of such a community could generate greater dynamism to help, in acceptable ways, to sustain political and economic independence elsewhere. Also we should be able to help to find relationships expressive of true brotherhood and recognition of the fact that other civilizations than our own have immense values. We perhaps have material and technical things to give. They also have things to give. And if we are wise enough to perceive and to take what other civilizations have to offer, the balance struck between us will not be one-sided by any true measure of values, and will be consistent with the equal dignity of all the parties.

It may be said that the North Atlantic Treaty members already have a permanent council where problems can be discussed which vitally affect the welfare and integrity of the Atlantic community. There is a council composed of permanent representatives who are men of stature and great ability. In theory, they could discuss any problems of common concern. The fact is that, as they are now established, their discussions often have been merely reports of actions already taken or decisions already made. That is because the governments concerned have never taken the basic decision to have a council to which problems affecting the Atlantic community would normally and regularly be brought. If that decision were taken, it would greatly alter the entire character of the community relationship. It would not require different personalities at the council table, but a different approach and far greater "depth" in terms of political advisers than is now the case. But above all is the basic decision to take seriously the unity of the Atlantic community and seek to promote it, not by supergovernment but by common counsel.

Such a decision has not yet been taken, except in military terms.

This was the problem which was most actively discussed at Paris during the past week. In that connection we discussed the Soviet threat; the acts of violence which had marked Soviet foreign policy until recently and the latest changes in that policy. We recorded the fact that it was our joint military efforts which had successfully deterred Soviet aggression in Europe and contributed to the adoption by the Soviet Government of the so-called policy of coexistence. Our joint communique said that to the extent that this Soviet policy involves a certain easing of tension and the admission by the Government of the Soviet Union that war is not inevitable, it is welcomed by the Atlantic Powers. But also we recorded our joint conclusion that the reasons which gave rise to the Atlantic military alliance have not disappeared and that the Western Powers cannot relax their vigilance while many outstanding problems have not been solved and when there is no effective disarmament plan. Therefore, we said, "Security remains a basic problem and the Atlantic Powers must continue to give priority to the maintenance of their unity and strength. However, present prospects seem to leave scope for further peaceful initiatives on the part of the Atlantic Powers."

Then we went on to record what may prove to be a historic decision. The communique said that "the Atlantic Council considered it timely and useful for the members of the Atlantic Community to examine actively further measures which might be taken at this time to advance more effectively their common interests." And the foreign ministers went on to designate three of their members to advise "on ways and means to improve and extend cooperation in nonmilitary fields and to develop greater unity within the Atlantic Community." The three ministers were asked to submit their report as soon as possible.

It is significant of the importance attached to this matter that the task of exploration was given to, and assumed by, three foreign ministers themselves—the Foreign Ministers of Canada, Italy, and Norway. They are each men of wide experience, each of whom personally believes in the development of the Atlantic Community both on a broad base and, within the framework of that broad base, as between groups of members which can in certain respects work together with greater intimacy than can the whole. These three ministers will be conferring with each of the 15 governments during the coming weeks and, in the light of what they learn, will submit a report, perhaps early next fall, which the governments then can further consider from the standpoint of further action.

It would, I think, be prudent to note that there is as yet no clear definition of the concept of closer Atlantic unity. And we could hardly expect acceptance in advance.

The United States perhaps can visualize that concept more readily because of its membership in the Organization of American States. That organization traces its origin back 66 years to the foundation of the Pan American Union. It is not only the oldest but by far the most effective regional organization which has been created. It deals effectively with problems as between its members and has conspicuously done so within the last year or two in relation to the broad threat of international communism, and in relation to particular situations such as those that arose in Guatemala, in Costa Rica and as between Ecuador and Peru. It seeks to develop hemispheric international law.

It is obvious that the Organization of American States, which has developed in a particular environment to deal with problems typical of this hemisphere, cannot usefully be duplicated in detail as regards the Atlantic Community. Each community is distinctive. But the experience which the United States has had, in cooperation with the other American Republics, enables us perhaps to see more clearly the possibilities inherent in the Atlantic Community.

Speaking on April 23 prior to this last meeting of the NATO Council I said, "The North Atlantic Treaty already serves as an indispensable and vital instrument of the Atlantic Community, but the time has come, I believe, to consider whether its organization does not need to be further developed if it is adequately to serve the needs of this and coming generations. If that be the common desire of the NATO member nations, the United States will join eagerly in exploring the possibilities which now beckon us forward."

It is gratifying to report that it is the common desire of the NATO member nations at least to explore these new possibilities. That decision was taken not lightly, but after a discussion which prolonged our meeting of Friday and Saturday into the early hours of Sunday morning. It was recognized by all as being a decision which could be of historic importance, since it could contribute mightily toward erasing what has been the great weakness of the West, namely, its disunity. To erase that disunity, which has given birth to so many tragic consequences, is one of the greatest tasks of postwar statesmanship. Much has already been done. But much remains to be done. And the fact that that task is now being undertaken can give us all grounds for solid satisfaction.

REVERSAL OF ADMINISTRATION'S POSITION ON INTERNATIONAL LABOR ORGANIZATION CONVENTION CONDEMNING FORCED LABOR

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "United States Shifts Stand on Forced Labor." The article, which was published in the New York Times of today, is to the effect that the administration has reversed its position on the proposed convention of the International Labor Organization against forced labor, and that, instead of opposing it, as in the past, it will, according to Secretary Mitchell, now favor it. If this report be true, as I believe it to be, Secretary Mitchell deserves credit for convincing the administration that its former attitude was wrong. I wish to praise Secretary Mitchell most sincerely for his attitude on this subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SHIFTS STAND ON FORCED LABOR—WILL BACK ILO CONVENTION CONDEMNING PRACTICE—VICTORY FOR MITCHELL

WASHINGTON, May 8.—The administration reversed its position today and decided to support an International Labor Organization convention condemning forced labor.

James P. Mitchell, Secretary of Labor, said:

"The United States Government has decided that at the forthcoming conference of the ILO, it will favor an appropriate convention which would outlaw forced labor and which would include a provision specifically prohibiting the products of forced labor in international trade."

Mr. Mitchell's views thus prevailed over those of the State Department. It was believed that the Secretary had taken his case to the White House.

His stand had been strengthened by Democratic pressure in Congress. Senator Hubert H. Humphrey, Democrat, of Minnesota, is sponsoring a resolution calling on the executive branch to exercise leadership in the ILO toward condemning forced labor.

At a hearing April 27 before a Senate Labor Subcommittee, Francis O. Wilcox, Assistant Secretary of State, said forced labor was not an appropriate subject for treaty-making process. He said the State Department favored an ILO recommendation condemning forced labor.

Mr. Wilcox used the words "convention" and "treaty" interchangeably. Senator Paul H. Douglas, Democrat, of Illinois, the chairman, quarreled over this.

A treaty is subject to ratification by the President and approval by the Senate. But under the ILO constitution, Mr. Douglas noted, the United States has other courses available in the case of a convention.

It may submit the convention to the Senate for approval, to Congress for consideration, or to the States.

Mr. Wilcox told the subcommittee he understood the administration's decision to support a recommendation rather than a convention had been arrived at jointly by the State and Commerce Departments. Secretary Mitchell said later, however, that the subject was still under discussion.

Mr. DOUGLAS. By far the greater share of the credit should go to the distinguished Senator from Minnesota [Mr. Humphrey], who, in January, submitted a resolution calling upon the United States to support the convention against forced labor.

At a public hearing on April 27, the absurdity and falsity of the State Department's position was quite thoroughly exposed.

An Assistant Secretary of State then tried to identify the convention of the International Labor Organization as being identical with a treaty, although the constitution of the International Labor Organization specifically provides that such convention may be submitted to the Senate, the treaty-ratifying body, but also to the Congress, or to the States individually.

As the New York Times article states, the hearing which was held on this subject was very influential in enabling Secretary Mitchell to obtain a reversal of the position of the administration.

I am also happy to announce that the Subcommittee on Labor has reported to the full Committee on Labor and Public Welfare a resolution calling upon the Executive to take steps effectively to eliminate forced labor. The Senator from New Jersey [Mr. Smith] was very helpful in drafting the language of the resolution.

Mr. HUMPHREY. Mr. President, on April 25, 1956, I testified in support of Senate Joint Resolution 117, Senate Concurrent Resolution 75, and Senate Resolution 248, before the Subcommittee on Labor of the Senate Labor and Public Welfare Committee. These resolutions would call upon the Government of the United States to exercise leadership in the International Labor Organization to develop and adopt an international convention to outlaw forced labor.

I ask unanimous consent that my testimony be printed at this point in the Record.

There being no objection, the record of the testimony was ordered to be printed in the Record, as follows:

Testimony by Senator Hubert H. Humphrey on International Labor Organization

Mr. Chairman, the committee has before it this morning Senate Joint Resolution 117, which would call upon the Government of the United States "to exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes."

It has occurred to me since the introduction of Senate Joint Resolution 117, that an alternative form for expressing the sense of the Congress on this matter, without requiring a Presidential signature or veto, would be a concurrent resolution. Hence the Committee also has before it this morning, Senate Concurrent Resolution 75, which would achieve this purpose. Since the Senate has a special role in the coordination of foreign policy with the Executive, a third alternative might also appeal to this committee—the alternative of a simple Senate resolution. I have introduced this measure recast in that form too, as Senate Resolution 248, so that the committee may have it also for consideration in executive session.

Mr. Chairman, the primary question we must ask ourselves this morning is this: How can the United States expect to assert leadership among the world's forces for freedom, while refusing to cooperate in the efforts of the International Labor Organization to stamp out slave labor? As I shall show during the course of my remarks, almost all interested and articulate groups in America, with the exception of the State Department, enthusiastically support our cooperation with the ILO on this forced labor issue.

The American Federation of Labor initiated the whole international study of this question by its request to the United Nations in 1947. Following that request, a UN-ILO ad hoc committee conducted a comprehensive survey of forced labor conditions around the world. It completed and released a well-documented report in 1953. This report is the authoritative work on the subject. It shows in detail that the Soviet Union and its satellites have used forced labor on a major scale as an instrument of political terrorism and to provide a cheap, organized work force for major economic development programs. We know that Communist China has done the same. The account also shows that workers in Africa have in certain instances been subject to forced labor, but that conditions in many parts of Africa have improved in recent years.

Since its release, this UN-ILO report has been the basis for discussions in the Economic and Social Council in which the United States has joined. It has been the basis of a United Nations General Assembly resolution which we have supported. It has provided the documentation for our anti-forced-labor information programs, a constant element in our overseas broadcasts.

Yet when the ILO now prepares to implement its findings by circulating questionnaires among its member governments preparatory to proposing a new instrument or convention against forced labor, the United States refuses to respond. What kind of leadership is that in our fight for freedom in the world? How does that place us in the eyes of countries looking for leadership against communism, and, even more important, in the eyes of countries still uncommitted, still weighing us in the balance?

Mr. Chairman, I think the administration's foot-dragging on this issue is unpardonable. I think the Congress should so indicate.

The arguments for our participation in the ILO forced-labor convention are manifold, but they can be summarized under three headings: the moral arguments, the legal arguments, and the practical arguments. Let me briefly summarize all three.

MORAL ARGUMENTS

Mr. Chairman, I think the following moral arguments should persuade us to cooperate with the ILO on the forced-labor convention:

1. We must not abdicate our moral leadership in an issue that goes to the heart of the struggle between democracy and communism. Yet the State Department is putting us in the preposterous position of resisting the most practical proposal we have had for dealing with the most brutal of Communist practices, and for focusing a steady international spotlight on this abuse of basic human rights.

2. The United States should assume the leadership in the fight for human dignity if it is to be true to its own tradition. We fought a war to abolish slavery. Our statutes prohibit slave labor now. Indeed we prohibit the sale of goods in the United States which are produced by forced labor anywhere in the world.

3. We cannot ignore 15 million persons in inhuman slave-labor camps behind the Iron Curtain and elsewhere, merely as a gesture of political expediency toward neo-isolationist, right-wing domestic agitators, who entertain misconceived views about the United States Constitution and the treaty power.

4. The Catholic Association for International Peace has recently stated: "Our Government, employer and worker delegations should seize the opportunity to use the ILO as a forum to promote social progress and to stimulate the improvement of social and economic conditions in less-developed countries. It is time to go forward and assume leadership, not to withdraw and allow the Communist bloc to benefit from our default. Our Government should accept, not evade, this responsibility in the matter of conventions on labor standards."

LEGAL ARGUMENTS

Mr. Chairman, I think the following legal arguments should persuade us to cooperate with the ILO on the forced labor convention.

1. If the United States Government really believes that the ILO convention would undermine our constitutional practices, we should oppose, not merely abstain, from the adoptions of such conventions.

2. In the ILO the convention device is the major functions of the ILO conferences and a principal form of international cooperation provided for in the ILO constitution. To say that we cannot participate in the ILO conventions is tantamount to saying that we cannot participate in half of the ILO's work.

3. The ILO constitution provides that conventions dealing with Federal-State matters shall be regarded as recommendations by the United States, and not considered for ratification. This special provision was made for member countries with Federal constitutions to avoid the very problem the advocates of the Bricker amendment people worry about. ILO conventions dealing with subjects within the authority of States or other political subdivisions rather than the Federal Government can also be referred to the States for consideration as recommendations. The ominous fears that an ILO forced labor convention would supplant our domestic legislation and circumvent our constitutional processes are thus unfounded for various reasons, and the administration's acquiescence to pressure from the champions of such arguments is inconsistent and most unfortunate.

4. The State Department position disregards the provisions of the ILO constitution, which was accepted by the President in behalf of the United States on August 2, 1948, pursuant to Public Law 843, 80th Congress, 2d session. That public law authorized the President to accept the 1946 instrument of amendment to the ILO constitution. Congress noticed and approved the ILO constitutional provision providing for conventions to have the status of recommendations on Federal-State matters.

5. Hence under these circumstances, an ILO convention, even if it is adopted, cannot legally proceed further toward fulfillment in the United States unless it is framed in such a manner to be acceptable by us. No alien philosophy can be engrafted on a country without its consent. The ILO has no means of imposing its decisions.

6. The American Bar Association's standing committee on peace and law through the United Nations endorses the ILO convention procedure as appropriate.

7. The house of delegates of the American Bar Association has not only endorsed such convention procedure but expressly advocated that the ILO convention framework be used as a model for other participation of the United States in international measures to promote human rights.

8. Inconsistently, the President and the State Department as recently as May 26, 1955, have transmitted 4 conventions and 8 recommendations to the Congress pursuant to our obligations under the ILO Constitution with language expressly agreeing to the ILO constitutional provisions that these conventions and recommendations need not be ratified. The administration now takes the opposite position regarding the forced-labor convention, and refuses to explain why.

PRACTICAL ARGUMENTS

Mr. Chairman, I think the following practical arguments should persuade us to cooperate with the ILO on the forced-labor convention:

1. The whole idea of action through the U. N. and the ILO was an American idea, initiated by the AFL in 1947 and endorsed officially by the United States Government in the Economic and Social Council session in 1949. Forced labor was condemned by U. N. General Assembly vote on a resolution of which we were a sponsor.

2. The evils of forced labor in Communist countries have been a major theme of United States propaganda for years.

3. The U. N.-ILO ad hoc committee issued its comprehensive report on forced labor in 1953. Since then the ILO has been intimately involved with the assignment to implement its findings, and it will have to resolve the issue with or without cooperation from the United States.

4. Every European country, Communist and non-Communist, except France and Poland, has replied favorably to a questionnaire from the ILO inviting support for a forced-labor convention. France and Poland are expected to reply favorably soon. ILO sources believe that the United States will soon be the only major industrial country not on record in favor of a convention outlawing forced labor. Hence there is remarkable unanimity on the need for action, and majority favor the convention method.

5. The governing body of the ILO has decided to place the question of forced labor on the agenda of the 39th session of the International Labor Conference which will meet in June in Geneva. It is imperative that our position be clarified before then.

6. The ILO will support its proposed forced-labor convention by the overwhelming vote of a majority of the world's worker, employer, and government delegates, regardless of the opposition of the United States Government.

7. The United States has nothing to fear internally from a ban on forced labor for economic and political purposes.

8. Secretary of Labor James P. Mitchell has expressed himself as favoring United States Government support of an ILO convention against forced labor. Yet he, despite the fact that he has more reason to appreciate the value of such a convention than any other high administration figure, has been constantly overruled. His position has the practical endorsement of all articulate American labor groups.

9. The official administration position generally is supposed to be one of support for increased United States participation in the ILO now that the U. S. S. R. has returned to that organization. Hence this is not the time to dissipate our influence.

10. The administration position here, however, will isolate the United States at the forthcoming ILO conference, disillusion others about our motives and objectives, and foster Soviet leadership. It will undermine our efforts, public and private, to fight Communist influence in the trade union movement everywhere.

11. United States failure to support the adoption of the forced labor convention on alleged legal grounds, will be taken to mean that we do not support the substance of the antiforced labor position, and that we are seeking a technical way of avoiding such a commitment. Soviet propaganda will assiduously foster this impression.

12. Moreover, it is official administration policy to encourage the elimination of substandard conditions elsewhere in the world which may be promoting unfair competition in international trade. The administration attitude towards the ILO convention contradicts this policy.

13. It is official policy to support measures to improve working and living standards in other countries. The administration attitude towards the ILO convention contradicts this policy.

Mr. Chairman, whichever way you look at it, morally, legally, practically, the administration's position on the ILO forced labor convention is indefensible. I endorse the judgment of the New York Times editorial of February 7, 1956, which said in part:

"How ironic for the United States to be on the outside looking in, while the Soviet Union and the Communist block solemnly register their opposition to the forced labor of which they are the world's prime exponents. Whatever the Communist motives for endorsing this convention, what reason could there possibly be for the United States to disapprove or even to drag its feet as it is now obviously doing? * * * How can the State Department put this country in the position of opposing, or blocking, or hesitating on a convention against forced labor? * * * Such a policy may satisfy Brickerism, but it happens to put the United States in an absurd and untenable position."

I suggest, Mr. Chairman, it is not yet too late for the administration to extricate itself from this "absurd and untenable position." If it refuses to do so, at least through the means of the resolution this committee has before it, the Senate or the Congress can register its disagreement and protest, and help reassure the world of the decency of American intentions.

Mr. HUMPHREY. Mr. President, the purpose of my resolution is to encourage our Government, particularly the State Department, to take the active leadership in the adoption of a convention outlawing forced labor in the forthcoming conference of the International Labor Organization.

At the time I introduced the resolution, the State Department opposed such action, and it registered its objection to a convention declaring our official position on the outlawing of forced labor.

I participated in the hearings on two occasions. At one hearing I testified. At another hearing I participated in a discussion with the representative of the State Department, the Assistant Secretary of State, Mr. Wilcox.

I am happy to note this morning that according to an article in the New York Times our Government has now concurred with the position outlined in the resolution I introduced. The headline of the New York Times article reads: "United States Shifts Stand on Forced Labor—Will Back ILO Convention Condemning Practice—Victory for Mitchell."

The Mr. Mitchell referred to in the article, of course, is the Secretary of Labor, James P. Mitchell.

I wish to give Mr. Mitchell all due credit, and I am delighted that he has seen fit to support the convention procedure. At the same time, I should like to suggest that it is my view that the testimony before the committee by a large number of witnesses had a great deal to do with the reversal of what I considered to be an untenable position of our State Department. I am therefore delighted to note that our Government has at long last recognized the need for its exercising leadership in this field, instead of dragging its feet in connection with a very worthy cause.

Mr. President, the controversy over the administration's failure to support the prospective convention against forced labor has brought forth a number of comments in the foreign press. An interesting discussion of the Soviet position is contained in the April 1956 issue of the Journal of the German Federation of Trade Unions. An article written by Sigurd Paulsen has been translated from this journal, and I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the translation of the article was ordered to be printed in the Record, as follows:

[Summary translation]

The Attitude of the U. S. S. R. on Forced Labor

(The Gewerkschaftliche Monatshefts (the Journal of the German Federation of Trade Unions) for April 1956 contains the following interesting article on the probable attitude of the U. S. S. R. on the question of forced labor. It is writen by Sigurd Paulsen.)

While the governing body was discussing forced labor in Rome, reports began to come in about strikes in forced labor camps in Russia, mainly because of disappointed hopes of an amnesty after the death of Stalin. This led to certain reforms or concessions by the authorities during 1954.

The Soviet Union has always spoken of "penal labor and labor as a means of education" and has denied the existence of slave or forced labor in that country. It could clearly be foreseen that the efforts of the ILO to secure the complete abolition of forced labor would soon lead to an improvement in Russian labor camps and a reduction in the number of inmates (estimated at some 15 million in 1953). The purpose would be to enable the Eastern bloc to press for the abolition of the remnants of forced labor in colonial and semi-independent territories.

It is now one of the primary aims of "world labor policy" to utilize the existing situation to secure as much improvement as possible. It is hoped that the convention to be adopted in 1957 will mark an important step forward, although it would be optimistic to hope that it would provide a complete cure.

The conclusions of the ILO Report to the Conference propose a convention prohibiting 3 types of forced labor and a recommendation imposing certain restrictions on 3 other types. The recommendation will leave countries a certain freedom to define what they consider as "work forming part of normal civic obligations" and to determine the nature of the courts which can impose a sentence of forced labor. This is already clear from a careful study of governments' replies.

In February 1956 the surprising announcement came from Moscow that as far back as 1953 the authorities had abolished the secret police court which formerly had power to impose forced labor without trial and as a purely administrative measure. Henceforward there must be due process of law. The official Russian statement says that the dissolution of the court was linked up with the amnesty for forced laborers in the weeks following Stalin's death. The fact that the announcement was not made until 3 years after the event shows that it is a move to strengthen the negotiating position of the Soviet delegation at the ILO Conference.

Everyone can recall the repeated Communist denials of the existence of forced labor camps and the sensational revelations during the trial of David Rousset in France in 1950, all of which were still stoutly denied. Now the news of the abolition of the special court of the secret police provides proof that the allegations of forced labor without trial were in fact true; the amnesty of 1953 was in some sense a practical expression of contrition on the part of Stalin's successors.

In working toward a new convention, it is important to bear in mind that substantial changes have taken place in Russia with regard to forced labor. Information from German prisoners who only recently returned from Russia shows that a number of improvements have taken place since 1953. The reign of terror exercised by the criminal elements in conjunction with, or with the connivance of, the camp guards has been checked. Wages are higher and more fairly distributed within each work group. Inmates can write letters and receive visits and parcels.

The amnesty brought release by degrees to all within certain age groups and to the sick and infirm. Deportees belonging to national minorities, while not generally allowed to return home, were gradually given increased freedom, although still compelled to settle in specified areas (Omsk, Tomsk, etc.). The penalties on recalcitrant prisoners are less severe. In view of the necessity to continue the production of coal from the Arctic zone and gold and wolfram from northeast Siberia, recourse has been had to the "voluntary" migration of hosts of young workers to replace the lost labor from the forced-labor camps.

These are changes of methods rather than of principle, but it must be borne in mind that this process of more humane treatment which has been going on for over 2 years is not yet at an end and that in due course the bill will be presented. The West will be asked to pay mainly by granting better working conditions in colonial and dependent territories. It is significant that the U. S. S. R. reply to the Office questionnaire calls for the abolition of all forms of forced labor, including indirect compulsion. The U. S. S. R. points out—obviously with colonial territories in mind—that work can be considered as a "normal civic obligation" only if it is required of all adult citizens irrespective of their property status, race, nationality, etc. On the other hand Portugal, in replying to the same question, considers it undesirable to list such obligations, as the list would probably not be all-embracing.

There is a great likelihood that the Russian answer to the ILO's efforts in this field will be a worldwide propaganda offensive for improved labor legislation, especially in Asia and Africa. This is confirmed by certain passages in Khrushchev's address to the 20th meeting of the party, where he mentioned that in the past 10 years over 1,200 million people had been freed from colonial or semicolonial dependence. He went on: "One of the most urgent and acute problems now facing us is the complete abolition of the shameful system of colonialism." This must be interpreted in the West not simply from the narrow angle of foreign policies; it is the announcement of a policy of worldwide moral competition in the field of labor law. When a new convention on forced labor is adopted, the Eastern Powers will launch an unceasing stream of criticism against "indirect" forms of this abuse, such as the compulsion to work for natives of Portuguese Africa (with only very inadequate social protection) or the system in the Belgian Congo, where natives may be obliged to work in default of payment of money tax. The existence of a very slightly increased modicum of legal security for workers in the Soviet Union will be used as the basis for a campaign of "moral rearmament" in the colonies.

It is a mistake for the West to imagine that the policy of more humane treatment in the Soviet forced-labor system is due either to the pressure brought to bear by the sanguinary disturbances in certain camps in 1953 or to the need to improve the productivity of the camp inmates. These are only partial explanations. In part also it is a question of general policy, as will soon become apparent at the International Labor Conference.

It is gratifying to note that the preliminary work of the ILO seems to be based on a recognition of this situation. The Western colonial powers, whether advanced or backward, will not be able simply to evade the challenge by pointing out that "penal labor" can continue to exist in Soviet Russia in place of "forced labor," particularly in Arctic Siberia. Such countercharges will "cut no ice" with the indigenous peoples who are subject to Western labor law.

One particular reason for drawing attention to this situation is the demand of the NAM, in February 1956, that the United States Government should investigate the allegedly recent more intensive Communist activity within the ILO. There is no need to overestimate the importance of the NAM threat to send no delegates to the conference after 1956 unless "there is a change for the better." It will be recognized that this is not unconnected with the quarrel between the ICFTU and certain influential employers in Venezuela and in the Netherlands Antilles. Nevertheless, the threat of absence from the 1957 session, at which the final decision on forced labor will be taken, has a somewhat ominous ring. If this decision should be maintained, or if by any chance a similar tendency should gain ground in United States Government circles, it would be an extremely serious matter. Whether it likes it or not, the West constitutes a single unit in the work at Geneva. During the years to come it is particularly important that it should play its part in the competitive effort of the world to secure decent conditions of employment everywhere. Every effort should be made to insure that the new international convention on forced labor is not drawn up without the participation of American trade unionists and employers.

Mr. HUMPHREY. Recent indications from the Soviet Union suggest that the U. S. S. R. is prepared to manipulate and turn to its own advantage our failure to provide leadership on this subject. It is Kremlin's strategy to embarrass other western countries, too, on the relationship between forced labor and colonialism.

Hence I am also delighted to learn this morning that the Senate Labor Subcommittee has favorably reported my resolution, Senate Resolution 248, to the Senate Labor Committee.

I am very happy to see a victory for justice and good sense, and I hope that our delegates to ILO will now proceed forthwith to seize the initiative in this matter and actively proclaim the American position.

Mr. President, I would ask that the article published in the New York Times, to which I have referred, be printed in the Record at this point, but I understand it has already been printed in the Record on request of the Senator from Illinois [Mr. Douglas].

CARROLL BINDER, OF THE MINNEAPOLIS TRIBUNE

Mr. HUMPHREY. Mr. President, on May 1 one of Minnesota's most illustrious citizens and one of the Nation's most talented journalists passed away. I refer to Mr. Carroll Binder, editorial editor of the Minneapolis Tribune.

The career of Carroll Binder was marked by many achievements and honors. He served as foreign editor and director of foreign service for the Chicago Daily News. He served his Government as an American representative with the United Nations—once as vice chairman of its subcommission on freedom of information and then as a member of the Executive Committee of the United States National Commission for UNESCO. The editorials which appeared in the Minneapolis Morning Tribune of May 2 and the Minneapolis Star of May 1 state beautifully and succintly the high regard, respect, and affection with which Carroll Binder was held by his associates and neighbors. I ask unanimous consent that these editorials be printed at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Minneapolis Morning Tribune of May 2, 1956]

CARROLL BINDER

Carroll Binder was truly a citizen of the world. He traveled widely across the face of it. He knew its peoples, its governments, its leaders, and its diplomats. He had lived under ruthless dictatorships in Russia, Italy, and Germany and he had breathed the good air of freedom in many lands.

To the affairs of the world, he brought a relentless curiosity and an extraordinary capacity for objective analysis. When Mr. Binder died, the Tribune editorial page lost a distinguished editor and the world witnessed the passing of an able writer who had reported and evaluated the story of this troubled era for more than three decades.

Mr. Binder was outstandingly successful in his field for many reasons. He had a keen, incisive mind. He had an insatiable hunger for facts. He had a sense of compassion and understanding which embraced the peoples of the world. His outlook was one of unlimited horizons, encompassing both the future and the past.

But most of all, Mr. Binder was a painstaking, honest craftsman. Only those who

worked most closely with him could fully appreciate his passion for thoroughness or his insistent striving for the objective point of view. Mr. Binder never guessed; before he wrote, he explored every available source of information, and assembled his facts in orderly array. The fund of personal experience and observation on which he drew seemed almost inexhaustible, and he enriched it constantly by travel, by reading, and by contacts with friends and former associates throughout the world.

For Mr. Binder the challenge to be well informed never ended. For him, life was a perpetual process of enlarging those world horizons on which he looked each day with new enthusiasm.

It was not surprising, therefore, that his life was full of honors and achievements. As foreign editor and director of foreign service for the Chicago Daily News, he gained an enviable reputation for those very qualities of craftsmanship and penetrating thoroughness which he later brought to this editorial page as its director. On two occasions he served in posts connected with the United Nations, once as vice chairman of its subcommission on freedom of information and later as a member of the executive committee of the United States national commission for UNESCO.

Mr. Binder won numerous honors during the period of more than a decade he was associated with these newspapers. Among these was the distinguished award for editorial interpretation he received in 1953 from the English Speaking Union. His native State of Pennsylvania honored him. For many years, he was in constant demand as a lecturer. His opinions on international affairs were widely sought. In newspaper circles, few men could match his reputation as a perceptive student of world problems. Almost none had a deeper knowledge of the Communist revolution, or the insidious forces which sprang from it.

To his immediate associates, Mr. Binder was first of all a loyal friend. But they admired him for his intellectual integrity and cherished the loyalty he gave them in generous measure. He had a sense of fairness which left a deep impression on this editorial page. His faith in the essential decency and nobility of his fellow men illuminated many of his writings. While his interests ran primarily to world affairs, he could write with great authority in many other fields. But whatever he wrote received the searching analysis of his scholarly and well disciplined mind.

The news of Mr. Binder's death will be received with sorrow by friends in many lands today. Among newspaper colleagues especially, there will be reminiscences touching the life of a man who took deep pride in his profession and honored it profoundly.

As for his colleagues on the Star and Tribune, our sense of loss is very heavy. We have all profited from the privilege of working with him and this page will miss his presence greatly.

[From the Minneapolis Star of May 1, 1956]

CARROLL BINDER

This is a sad day in these newspaper offices, for a valued colleague and friend is gone. We were proud of Carroll Binder, the editorial page editor of our associate publication, the Tribune, who was nationally and internationally known for his close study and intelligent interpretation of foreign affairs. In this field he had few peers and the many tributes paid him were well deserved.

He was an individual of integrity, and that, to those who knew him, seemed the keynote of Carroll Binder. He always wanted to be sure he had learned the facts about a situation before he expressed an opinion. To that end he was a constant reader, a frequent traveler abroad and a persistent questioner of all who could contribute to his knowledge—and thus to the understanding of his readers—of world events and background. He tried always to be fair. His professional ethics were in the finest traditions of journalism.

He was an upright man in the best meaning of the term—devoted to his ideals, his work, his family, his friends, his Nation. He was a gentle-natured though resolute person who had walked with the great and the humble of the earth and never lost his sense of perspective. We will miss his good counsel and kindly presence.

Mr. HUMPHREY. Mr. President, it was my privilege to know Carroll Binder as a friend. Only a few days before his death, we had a good heart-to-heart visit. Despite the fact that he had been ill for several months, his mind was alert and his spirits good. He was here in Washington attending the American Society of Newspaper Editors' annual convention. I am sure that he knew even then that he had but a short time to live, but he faced the future with courage and undaunted optimism. His great faith and serenity of mind left no room for fear or weakness. I shall always consider it an honor and a special privilege to have known this fine man. The Minneapolis Tribune has lost a great editor; Minnesota and the Nation have lost a great citizen.

An article which appeared in the Wednesday, May 2, issue of the Minneapolis Tribune reveals the philosophy of life that marked Carroll Binder's career. I ask unanimous consent that it be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Minneapolis Morning Tribune of May 2, 1956]

NEVER-ENDING SEARCH FOR TRUTH STAMPED CARROLL BINDER'S LIFE

Carroll Binder's 35-year career as a working newspaperman, as revealed in some of his writings, was devoted to a search for truth, tempered by responsibility and scorn for sensationalism.

His interests ran the gamut of domestic and foreign affairs. His first love was reporting of the international scene—a task he performed with warmth and humanity.

His foreign correspondence and his more recent editorial commentaries were distinguished by a clear statement of the facts and an insistence that the public could be served only by the whole truth.

Mr. Binder's varied interests reached fruition in his 3-year fight within the United Nations committee on freedom of information.

There he brought the full force of his experience to support the proposition that "the fundamental principles of freedom of information cannot be the subject of compromise."

His belief that without freedom of information "a democratic society and (its) way of life cannot thrive" was based on the people's right to know, rather than an abstract right to publish.

"Freedom of information," he once told the United Nations committee, "is the right of every person to have access to all available facts, ideas and opinions, regardless of source—and not only to the information approved by his government and his party."

Mr. Binder found himself among the minority in the United Nations committee. Representatives of other nations stressed the "responsibility" of the press—a responsibility which they interpreted as necessitating strict censorship and governmental controls. Mr. Binder replied:

"The press does have one great responsibility. It is the responsibility to seek the truth and to report its findings as comprehensively and objectively as possible."

Mr. Binder often complained that sources of world news were stopped up even as international communications facilities became more widespread.

"When I first became a foreign correspondent," he wrote in 1952, "my colleagues and I could travel and report freely in most parts of the world.

"We encountered some censorships but they were open, that is, we took our dispatches to an official who promptly examined them and told us what—if anything—could be sent.

"We felt we were badly put upon by such censorships, which happily were not numerous. But when I think of the restrictions existing today I realize that those were halcyon days, the like of which I shall not see again in my lifetime."

"Large parts of the world," Mr. Binder went on, "no longer permit independent correspondents to visit their countries or so severely circumscribe their movements and contacts that they cannot possibly know what goes on."

Mr. Binder's defense of journalistic independence did not blind him to its defects. He once labeled as a weakness in world news gathering its failure to develop traditions of objectivity.

"In the straight telling of the facts," he said, "lies the quickest solution of the problems which so frequently are laid at the doorstep of the newspapermen—the promotion of peace, the promotion of racial and religious friendships, and tolerance and respect for human rights."

He disdained governmental controls as a remedy for shortcomings of the press.

"The remedy," he declared, "lies in the development of a greater sense of responsibility."

Mr. Binder's knowledge of the problems faced by correspondents did not carry over to tolerance for what he considered shoddy reporting.

When the Pulitzer Prize Committee in 1947 awarded Eddy Gilmore, Associated Press Moscow correspondent, its prize for international correspondence, Mr. Binder protested publicly that Gilmore's reporting was sugary and soft and that the AP writer often had left unreported the seamy side of Russian news.

His long experience both as a foreign correspondent and chief of a worldwide news service gave Mr. Binder a keen and prophetic insight into international events.

More than 2 years before World War II got under way, Mr. Binder was sounding the note of alarm, urging that the United States prepare for eventual participation in the coming struggle.

He scorned the isolationists of that period as men who "would have us lift our national skirts lest they become polluted as we pass through a sinful world."

However, Mr. Binder could record with satisfaction a decade later that American isolation was a thing of the past.

"The American people," he noted in 1948, "have learned the hard way that they are permanent members of the world community and that they must take the lead in mobilizing the freedom-loving nations of the world to resist Russian attempts to sovietize them by infiltration, by the creation of chaos, or by armed aggression."

Mr. Binder brought to his task as an observer of international affairs his hard-earned experience as one of the Nation's first specialists in reporting labor affairs. As a result, his dispatches from abroad often reflected his keen perception of the economic issues which underlaid political events.

His interest in economics led him in 1941 to assemble facts disclosing the extent of forced labor in the Axis countries.

In his personal philosophy, Mr. Binder depended on what he once described as "one of the great secrets of friendship." This was to regard "each person with whom one associates as an end in himself, not as a means to one's own ends."

"The less one requires of material possessions," Mr. Binder said in his personal credo, "the better situated one is to stand up to changes of fortune."

Mr. Binder once said he sought to limit his ambitions "to goals within my probable capacity to attain."

"I have seen much inhumanity, cheating, corruption, sordidness, and selfishness," he declared, "but I have not become cynical.

"I have seen too much that is decent, kind, and noble in men to lose faith in the possibility for a far finer existence than yet has been achieved.

"I believe the quest for a better life is the most satisfying pursuit of men and nations."

Mr. HUMPHREY. Mr. President, Carroll Binder's neverending search for truth and his complete dedication to freedom of information are qualities of character and professional ethics that gained for him everlasting respect and admiration.

Early this year, February 20, Carroll Binder celebrated his 60th birthday. Just a few days before that occasion, I sent a letter to Carroll Binder, which was included with others in a document of testimonials and presented to him on that occasion. This letter expresses my heartfelt and sincere reflections on the character and life of my late and departed friend Carroll Binder. I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 11, 1956.

Mr. CARROLL BINDER,
Editorial Editor, Minneapolis Tribune,
Minneapolis, Minn.

DEAR CARROLL: Some of your friends were kind enough to inform me that February 20 will be your 60th birthday. I am pleased and honored to be permitted to participate with your many friends in their expressions of congratulations and best wishes.

The opportunity of knowing you and sharing in your friendship is indeed a privilege. I regret, however, that our visits have been all too infrequent and our time together all too short. You possess those endearing qualities of a warm heart and friendly spirit, combined with great intellect and the ability to translate your ideas into the written word. Yes, Carroll, your prowess as a journalist is second to none. Your insight into the complex problems of our generation has commanded the attention of your contemporaries.

We are particularly indebted to you for the high standard of your writings and for the intellectual and moral courage that you have always demonstrated. Your personal integrity manifests itself in each aspect of your life—your column, your civic service, and your relationships with your associates.

I particularly want to thank you for your outstanding services as an American representative on the Freedom of Information Commission.

Well, Carroll, you have had many years of interesting experience. Your writings would fill many books and your friends are legion. We who know Carroll Binder, know him as teacher, historian, public servant, philosopher, as journalist and a learned observer and commentator on international relations.

Added to all of this is your fine family. You have every right to be proud and happy. Your 60th birthday is of special significance primarily because it finds you in good health, good spirit, with a vigorous and alert mind.

Again let me express my gratitude for all the advice and counsel you have given me. Your words of encouragement have been a source of inspiration and strength.

As ever,
Your devoted friend,
HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, Carroll Binder has gone to his heavenly reward, but his works and deeds, his philosophy and his words live on. Like his soul and spirit, they are immortal.

ASWAN DAM PROJECT IN EGYPT

Mr. GORE. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD an incisive and provocative article written by a distinguished writer, Mr. Morris Cunningham, the Washington representative of the Memphis Commercial Appeal. I ask that the headline and the byline be also printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX DOLLARS DENIED TVA WOULD BE GIVEN TO EGYPT UNDER ADMINISTRATION PLAN—FOES OF PUBLIC POWER ARE ANXIOUS TO FINANCE ASWAN DAM ALTHOUGH PROJECT POSES THREAT TO AMERICAN COTTON EXPORTS

(By Morris Cunningham)

WASHINGTON, May 5.—Midsoutherners would appear to have more than their share of interest in the gigantic Aswan Dam project in Egypt that the State Department is now pressuring Congress to approve.

To be built in a granite-lined gorge on the Nile River, the dam would be 2½ times bigger than any such project now in existence anywhere in the world.

It would require 15 to 18 years to build and would cost $1.3 billion, of which $400 million would be supplied in direct grants by the United States and England and $200 million would be supplied by the World Bank, to which the United States is the biggest contributor.

When completed, the dam would generate one-half as much electricity as the entire Tennessee Valley Authority, including all of the TVA's many dams and steam-electric plants—one of which, Kingston, is now the world's largest.

POWER APLENTY FOR CIVILIANS

Considering that more than half of TVA's output goes to the Atomic Energy Commission and other defense installations, this means that the Aswan Dam would produce more electricity than is currently being used by civilians and civilian enterprises in the entire TVA area.

But this is only a minor part of the significance the huge undertaking holds for midsoutherners. Its greatest potential is its effect on world cotton production and markets.

The State Department has admitted that the great dam would provide water to irrigate an additional 2 million acres of land in a region where, like the South, cotton is the main crop.

With irrigation American cottongrowers have proved that two bales or more can be made to an acre. And, in Egypt, it is said that the climate is such that with irrigation three crops can be made in 2 years.

EXPORTS ALREADY DWINDLING

Thus, the huge undertaking confronts southern cotton farmers with the serious prospect of large quantities of additional cotton being dumped upon already sagging world markets.

This would come at a time when American cotton exports are dwindling, in the face of rising foreign production and competition, and now have reached an alltime low of less than 2 million bales a year.

Small wonder that southern Congressmen are looking askance at a proposition that calls for the tax dollars of many of their constituents to be used against what appears to be their own economic interests.

Representative JAMIE L. WHITTEN, Democrat of Mississippi, an early and continuing critic of the State Department's apparently consistently generous disposition toward foreign agricultural competition, spoke out against the project last year.

Senator JOHN STENNIS, Democrat of Mississippi, and JAMES O. EASTLAND, Democrat of Mississippi, also have questioned its wisdom. And, more recently, Senator WALTER F. GEORGE, Democrat of Georgia, chairman of the Senate Foreign Relations Committee, has announced his opposition.

FARMERS WILL BE AFFECTED

They have pointed out that within recent years thousands of American families have been forced off of American cotton farms because of continuing acreage cutbacks which, in large part, have been forced by the decline in exports.

At recent hearings before the Senate Appropriations Committee, Senator STENNIS, a member, outlined the situation in forceful terms. "I do not think I can overemphasize the importance of this cotton question," he said.

This, of course, is aside from the notable contrast between the administration's benevolent attitude toward the Aswan project and its consistently tough policy toward TVA.

"WE'LL WIN FRIENDS"

The Aswan project would be owned by the Egyptian Government and apparently would be another example of "creeping socialism," such as President Eisenhower has described TVA.

Yet only last year, when the administration was formulating its contribution to the Aswan project, it was denying TVA $6.5 million to start a new steam plant near Memphis, an action that—coupled with the Dixon-Yates deal—forced Memphians to start building its own plant.

The State Department, in arguments for the Aswan project, has not mentioned the contrasting power policies. But it has sought to minimize the possibility that any large part of the newly irrigated lands will be planted to cotton.

The burden of the Department's arguments has been that American aid for the project will win friends for the United States, will help ease tension in the Middle East, and will eliminate the possibility that Egypt may turn to Russia for help, if American aid is denied.

These arguments will probably gain wider support in other sections of the Nation than they will in the Midsouth.

PLANS FOR CREATION OF A FOOD STOCKPILE—DISPOSAL OF SURPLUS COTTON

Mr. GORE. Mr. President, I invite attention to an article published in today's issue of the New York Times which quotes an anonymous high administration official to the effect that members of the North Atlantic Treaty Organization are studying plans for the creation of a food stockpile as an emergency

measure. As a Member of the Senate, Mr. President, I am interested in knowing the prospects of this program. It would be interesting to the Senate, to this Member of the Senate, at least, to know what high official spokesman brings this word and what are the plans. Perhaps it offers an opportunity to dispose and to make good use of farm surpluses which are piled high in our country. I do not envision in this program, however, very much opportunity for the disposal and sale of surplus cotton, since it is not a food commodity.

I should like to invite the Senate's attention to the fact that on February 28 the distinguished Secretary of Agriculture, Mr. Ezra Taft Benson, made a public announcement with respect to the sale of cotton on the world market. I should like to refer to the reported commitments and promises made during the consideration of the farm bill by the Senate. Those commitments and promises are not being lived up to. I do not wish to be severely critical in this regard, but rather to express the hope that on the next sale an arbitrary floor will not be placed on cotton held by the Commodity Credit Corporation, with the effect of defeating and preventing the sale of cotton which is being sought by the world market. Other opportunities for the sale of American held surplus cotton will soon be available. I hope the administration will take advantage of the opportunities, that arbitrary measures will not be thrown in the way, and that the commitments will be kept. If not, Mr. President, perhaps the Senate will find it necessary to write into the farm bill which is soon to be before this body provisions of law to facilitate the sale of surplus cotton abroad.

PULITZER AWARD TO CHARLES L. BARTLETT

Mr. GORE. Mr. President, I wish to bring to the attention of the Senate the fact that a distinguished young newspaper reporter, Mr. Charles L. Bartlett, Washington representative of the Chattanooga Times, has been accorded one of the highest honors which can come to a newspaper man. He was awarded the Pulitzer prize for national reporting. He is one of the youngest men in the newspaper fraternity ever to receive this high award.

Mr. Bartlett is a facile writer who is capable of incisive analysis and provacative presentation. He is indefatigable in his search for news, and is dedicated to the belief that Government business is public business, and that the duty of a free press is to inform the public of the actions of their Government, the actions of their officials.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from the Chattanooga Times entitled "Pulitzer for Bartlett," together with a news article published in the Chattanooga Times, written by Mr. Henry Trewhitt, under the headline "Bartlett Calls His Award Result of 'United Effort.'"

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Chattanooga Times]

PULITZER FOR BARTLETT

Charles Leffingwell Bartlett at 34 years old has won for this newspaper its first Pulitzer prize—the most coveted honor in journalism.

The award to him of the trophy for national reporting, based upon his coverage of the story which led to the resignation of Harold Talbott as Secretary of the Air Force, gives us natural pride in his outstanding work as the Times' Washington correspondent and in the honor he has done himself and us.

There were, as always, many pieces of reporting that have merited the awards established by the late Publisher Joseph Pulitzer in a grant to the graduate school of journalism at Columbia University. For Mr. Bartlett's selection we are fortunate, humble, and grateful.

In many other facets Charley Bartlett has done what we consider to be an exceptional job—alone in grueling competition with the most high-powered news-gathering agencies in the world. These include a 25-man bureau of our big city cousins, the New York Times (1955 payroll: $28,543,700; newsprint cost: $22,993,000).

But in the Talbott case was singularly well exhibited the courage and devotion to public interest forever cherished by this newspaper. Charley Bartlett single handedly, in February 1955, went to work after receiving information that there was a conflict of interest in Harold Talbott's efforts, while he was Secretary of the Air Force, on behalf of a firm in which he had an interest and which had business with the Government.

In early March the Senate Permanent Subcommittee on Investigations took up the case as a result of this information. But not until July 13 could Correspondent Bartlett, in a 3-day national beat, disclose for publication that the inquiry was underway.

Between that time and almost exactly 1 month later, when Harold Talbott resigned, Mr. Bartlett's 17 dispatches to the Times told the Talbott story in graphic and unexcelled detail. He recorded the core of the issue involved, that of Mr. Talbott's inability to see the impropriety of writing prospective clients on Air Force stationery. The New York Times' publication of several of those letters forced Mr. Talbott to testify at the committee hearings.

Charley Bartlett came to the Times in 1946, a Yale graduate and member of a family some of whom he described facetiously as feeling Herbert Hoover was a dangerous radical. But he classes himself as an independent in politics and he has served his profession without fear or favor.

Congratulations, Charley. We expect more great things of you in the future. In the qualities of persistence, as well as those of courage, independence and enduring concern for the public welfare, you have written your name along side those of the great newspapermen. For they are qualities long held high both by the late great Joseph Pulitzer and in the legacy of ideals bequeathed to the Chattanooga Times.

[From the Chattanooga Times]

BARTLETT CALLS HIS AWARD RESULT OF UNITED EFFORT

(By Henry Trewhitt)

Charles L. Bartlett, a reporter with a deep conviction that Government business is public business, last night described his Pulitzer award as the result of a united effort.

He said the close cooperation of the editors and copyreaders of the Times made possible the publication of the last-minute details of the stories that brought him the award. Bartlett learned of the award while confined to his Washington home yesterday by a severe cold.

Bartlett, who joined the Times in June 1946, became the Washington correspondent in December 1947. His reporting of the national scene has frequently called public attention to officials in government who seemed to have forgotten their responsibilities as public employees.

The series of stories on which was based the citation and $1,000 Pulitzer prize, a top award in the profession, resulted from a casual, Sunday afternoon discussion of personalities in the Eisenhower administration between Bartlett and a friend who is an official of a large industrial concern.

Bartlett thus received his initial information that Harold E. Talbott, Secretary of the Air Force, had retained an active interest in a consulting firm which had several clients holding Government contracts.

This was in February 1955. He patiently investigated Talbott's outside interests for more than 5 months before his first story was published on July 13. The Senate Permanent Subcommittee on Investigations then officially took up the investigation. Talbott resigned as an aftermath of the disclosures.

The log sent to member papers by the Associated Press shortly after the story broke shows the impact of the initial Bartlett story:

"We had missed the boat Tuesday night," the log said, "by failing to pick up a Chattanooga Times exclusive from its Washington correspondent, reporting a Senate committee vote to look into the business connections of Air Force Secretary Talbott. (Chattanooga sent a detailed advisory message but nobody acted on it.) Tonight (Thursday) the New York Times got into the story in a big way and we reported it then. Later * * * the lesson was applied; we acted quickly to pick up fresh developments reported by the Chattanooga member."

"Mr. Talbott's resignation would never have been accomplished without Bobby Kennedy (Robert F. Kennedy, chief counsel to the subcommittee)," Bartlett said last night. "He alone of all the officials saw the implications of the situation and worked against odds to bring out the facts."

NATIVE OF CHICAGO

Bartlett, 34, a native of Chicago, received his secondary education at St. Mark's School in Southboro, Mass., and was graduated from Yale University with a bachelor of arts degree in 1943. He served in the Navy from early 1943 to 1946 as an officer assigned to the communications intelligence branch of the office of the chief of naval operations.

After his release to inactive duty as a lieutenant in 1946, he joined the Chattanooga Times as a general assignment reporter.

His coverage of the Washington scene has been broad, extending far beyond comprehensive reporting on Tennessee Congressmen, the Tennessee Valley Authority and other matters of particular regional interest. In 1951 and 1952 his stories initiated an investigation of the contract held by ARO Inc., for operation of the Arnold Engineering Development Center at Tullahoma. The result was a limitation on ARO fees from the Government.

His stories were the first on the appointment of John Marshall Harlan as associate justice of the United States Supreme Court; the appointment of Joseph Campbell as United States comptroller; the appointment of Gen. Herbert D. Vogel as chairman of the board of the Tennessee Valley Authority; the fact that President Eisenhower had determined to seek re-election.

His coverage of Senator ESTES KEFAUVER's campaigns for the Democratic presidential nomination has consistently been ahead of that of his Washington competitors. He was the first to predict Kefauver's victory in the New Hampshire Democratic primary in 1952, and the first to sense the change of climate that resulted in the Senator's Minnesota victory this year.

Bartlett was married on December 23, 1950, to Miss Josephine Martha Buck of Far Hills, N. Y. They now have two sons, Peter Buck, 4, and Michael Valentine, 2.

Mr. KENNEDY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. KENNEDY. Mr. President, I should like to associate myself with the remarks made by the Senator from Tennessee. I have known and have been a friend of Charlie Bartlett for almost 15 years, and I am sure there is not a more devoted or more disinterested reporter in Washington. He has been a good reporter for a long time, and I am glad to hear that he has been recognized in this way by the Pulitzer committee.

Mr. GORE. I thank my distinguished colleague from Massachusetts. I agree with everything he has said.

Mr. President, I wish to close by saying, "Charlie Bartlett, congratulations. At the age of 34 you have written your name alongside the newspaper great."

RECOGNITION OF SCIENCE IN THE CONDUCT OF FOREIGN POLICY

Mr. HUMPHREY. Mr. President, with the Berkner report in 1950, the State Department recognized science as an element in the conduct of our foreign policy. An ambitious program was set up involving the establishment of scientific staffs at various American diplomatic posts abroad, as well as the appointment of leading scientists as attachés in the Foreign Service Reserve.

This ambitious and farsighted program reached its peak in 1952, and then declined. Today, 4 years later, when the administration is belatedly admitting that we face a critical shortage of scientists and engineers, this State Department program is limping along without any scientists abroad or at home.

An illuminating article entitled "What's Happened to Science in State?" was published in the Chemical and Engineering News for January 9, 1956. I ask unanimous consent that the body of this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[Reprinted from Chemical and Engineering News of January 9, 1956]

What's Happened to Science in State?

The State Department, 5½ years ago, disclosed its plan for meeting its responsibilities in the scientific and technical aspects of foreign relations. A key element of this plan was the establishment of science staffs at selected United States diplomatic missions abroad. The plan was implemented by the appointment of leading scientists for limited terms as attachés in the Foreign Service Reserve.

The peak was reached in the summer of 1952 when there were 10 science attachés in five European embassies. But then appointments waned. Last year there were 4 attachés, 1 each in London, Stockholm, Paris, and Tokyo. But their terms have expired. By the 15th of this month, all four will have reported into Washington on their way home. To date, no replacements have been named. The field aspect of State's science function has ground to a halt.

Will this be the end of science in the State Department? Probably not, because State's Science Office is still operating. The Department's experience with the science attaché program and with the Science Office has demonstrated how frequently science is intertwined with foreign relations. The Office is an active one and is constantly being called upon by various desks and divisions within the Department of State for advice and assistance.

The State Department's experience with science had roots in several studies during the late war and early postwar period. One of these was Vannevar Bush's Science, The Endless Frontier (1945), a study undertaken at the request of President Truman to determine how the knowledge acquired by the wartime Office of Scientific Research and Development could be applied to the problems of peace. Another was Science and Public Policy (1947) by the President's Scientific Research Board under John R. Steelman. This study explored the interrelationships of science in various branches of the Government and how they could be coordinated. The report led directly to the formation of the Interdepartmental Committee on Scientific Research and Development and laid the groundwork for the National Science Foundation.

Another root was inside the Department of State itself. It was the London Office on Science and Technology that had been taken over from the Department of Commerce in 1946. The Mission was attached to the American Embassy in London for the purpose of facilitating liaison between British and American scientists and exchanging scientific and technological information between the two countries. Behind this move was the backlog of unpublished wartime research and the inability of periodicals to handle it expeditiously because of the paper shortage.

Because the basis for this office was an economic one, responsibility in the Department of State was assigned to the Assistant Secretary for Economic Affairs to carry out the project experimentally. Before the Office was set up, scientists inside and outside the Government were called on for advice. They suggested that scientists should compose the group, that their concern should be primarily with the promotion of interchanging unclassified scientific information, that the group should be a permanent staff of the Embassy, but that membership should be rotating, and that the products of the office should be as widely available as possible to American scientists.

First head of the London Office was Earl A. Evans, Jr., a biochemist from the University of Chicago. He served for 1 year. From his appointment to the end of 1949, 11 other scientists representing various disciplines served in the London office with tenures ranging from 4 months to 1 year. Occasionally, there were as many as 6 men assigned to the office at 1 time.

NOT FOR INFORMATION

The operation of the London Office indicated to the Department of State that scientists have a place in the conduct of foreign relations. As the work of the staff developed, it became clear to those concerned with the experiment, however, that if scientists were to function effectively they had to orient their functions more closely to the problems of foreign relations. The experience emphasized that the Department had no responsibilities itself for disseminating information to American scientists and had no facilities for doing so.

As a part of the State Department reorganization in 1949, and in cooperation with the National Academy of Sciences, several committees reviewed State's responsibilities in international science. On the basis of this review and on the experience of the London mission, the Department's International Science Steering Committee, under the chairmanship of Lloyd V. Berkner, issued the definitive report "Science and Foreign Relations." This document, which has come to be known as the Berkner Report, is the taproot of State's science operations. It demonstrates repeatedly that modern foreign relations consist of scientific and technical elements as well as political, economic, and military. It proposed that mechanisms be set up in the Department and in the embassies that would ensure adequate consideration of scientific and technical matters that have a bearing on foreign relations. It proposed that these functions be carried out mainly by men with background in international affairs and training in science.

To carry out these recommendations, the Berkner report suggested that a science office be established in the Department of State at the policy level, headed by a science adviser appointed as Special Assistant to the Under Secretary of State. It also recommended that the science adviser be supported by a small staff comprised of a deputy science officer, three scientists representing the physical, life, and engineering sciences, respectively, liaison officers from the political, economic, and public affairs areas, and from other Government agencies having international interests in science and technology, and such other personnel as are required to make the staff effective in the discharge of its responsibilities.

First to be appointed as science adviser was Joseph B. Koepfli, an organic chemist from California Institute of Technology who had served in the London Office with Evans. Appointed as science adviser early in 1951, he served 8 months past his original 2-year term before returning to Caltech.

Serving under Koepfli for 2 years as deputy science adviser was James W. Joyce, a Navy Department geophysicist. Now with the National Science Foundation, he had served as director of the Department's International Science Policy Survey Group, one of the committees that led to the Berkner Report. Joyce continued as acting science adviser for 6 months after Koepfli left to go to the Department of Defense in January 1954. Since that time, the office of science adviser has been vacant.

STATE USES SCIENCE OFFICE

The Science Office has become well known in the Department, and Rudolph reports that there are few desks or offices in the Department that do not call him from time to time for information or assistance. During a typical day recently he was called upon to write a statement for a Department committee, to advise one of the desks concerning a delegation of visiting scientists, and to advise another office concerning a proposed change in regulations involving a scientific body elsewhere in the Government. Several of these requests involved liaison with offices outside the Department. Between these duties, Rudolph took part in four committee meetings.

In the Department, Rudolph represents science. Toward science, he represents State. For instance, in the absence of a Science Adviser, Rudolph represented the Department of State at the meeting of the International Union of Scientific Unions in Oslo last August.

To implement its recommendations concerning operations abroad, the Berkner Report suggested that the State Department appoint scientists as attachés who would be integrated into the normal foreign-service structure of the embassies. Two attachés who had been appointed to the London Office continued under the new plan, and in 1951, 6 new attachés were appointed—2 to

London, 2 to Stockholm, and 2 to Bern. Six more were appointed in 1952, but in 1953 appointments began to slack off. The last appointee was Robert S. Mulliken, of the University of Chicago, who went to London a year ago. He is returning this week. During that interval, 19 scientists served in embassies abroad.

To find out how the science attaché program had functioned abroad, C. and E. N. asked the men who should best be able to answer—the science attachés themselves.

The question that is asked again and again is whether the Department of State wants a science operation such as it envisioned when it established the Science Office and the attaché program. For nearly 3 years the office operated without a Science Adviser and for 2 years without a scientist. The effects of this curtailment were harmful to the science attachés themselves. While they, like other officers of the United States missions abroad, are responsible immediately to the Ambassadors, they feel that "home base" is, after all, the Science Office in Washington. They have a common interest in science with that office. They believe it is only common sense that an office of the Science Adviser should be headed by a scientist. They feel that the Department either is not aware of the importance of science to foreign relations, or has been too slow in filling the vacancy.

At present, the Science Office is being operated by the Assistant to the Science Adviser, Walter M. Rudolph, and two secretaries. Rudolph, an economist, is the State Department career man on permanent assignment to the office as executive officer under the Science Adviser. He also served on the International Science Survey Group.

Rudolph has enormous responsibilities but little authority to implement the top echelon work that the Science adviser should be doing. Nevertheless, those who have worked with him agree that he has done an outstanding job of keeping the office going since its beginnings. Helping the office out of emergencies, Koepfli has frequently commuted from his California laboratory to Washington. But helping on emergencies and being active head of the Science Office are two different things.

The effects of having a Science Office without a scientist are harmful from the standpoint of public relations, the attachés indicate. Since their duties require them to confer with scientists abroad in universities, research institutions, Government offices, and elsewhere, science attachés frequently were obliged to discuss their individual place in the organization of Government. They felt embarrassed when they had to report the development in the Office of Science Adviser.

The curtailment of the science staffs in the European embassies from 2 or more several years ago to 1, was also bad for public relations. The attachés feel that many scientists and others abroad took this reduction as a slap at their science. The attachés believe that the curtailment had the effect of creating an attitude on the part of Europeans that Americans are vacillating and unreliable.

In direct contrast to this situation in Washington, the attachés report glowingly of their work and of the program's reception abroad. The Ambassadors and other mission officers have been cordial and helpful. Some Ambassadors relied directly on the science attachés for detailed advice and guidance on scientific matters affecting foreign relations. Good working relations were established between science attachés and other officers of the embassies with whom they frequently had to work on matters of common interest.

At Bonn, for example, Walter W. Greulich was able to contribute significantly toward formulating policy in Germany. In one instance, he reported the bitter opposition of German scientific and other organizations to the efforts by our industries and by some of our governmental agencies to recruit German scientists for work in the United States. These activities were misinterpreted by the Germans as an attempt on the part of our people to deprive them of their most valuable natural resource—their gifted young scientists. He was able to reassure the Deutsche Forschungsgemeinschaft (a research coordinating body) in this matter and to work out with them a mutually acceptable, modified policy of recruitment.

Greulich called to the attention of the head of the mission and to the Department in Washington the rapidity with which German science was recovering from the effects of the war and climbing again toward the position of world leadership which it considers properly its own. In his report, he stressed the grave consequences for our country, if, in the rapid and unpredictable course of history, the scientific resources of the Federal Republic of Germany should ever be lost to the West.

The science attachés at Bonn were in a somewhat different position from those in other missions because they were science advisers to the United States High Commissioner. On the other hand, the type of services they performed was not necessarily unique.

United States science attaché work found wide acceptance among scientists and others in foreign countries. The idea that science attachés were some sort of espionage agents was quickly dispelled, if the idea ever existed at all. Science attachés were accepted as officers representing at once the United States Government and American scientists. The attachés felt that this cordiality strengthened an important segment of foreign relations. They pointed out that no other officer in the embassies could effect this relationship because no other officer had access to influential foreign scientists.

The demands for the attachés' services were increasing all the time. Science in foreign countries is on the upswing and is active. Not only do the attachés have more work than they can do but they see many useful jobs they should be doing but cannot get around to doing.

One such job, for example, is that of coordinating the visits of American scientists. A science attaché may be asked to arrange that an American scientist visit a foreign laboratory. He does so. The next week a group of Americans visit the same laboratory unannounced and without his knowledge. They want to look at the same things the previous visitor looked at, ask the same questions, and go over the same material. Later the attaché is requested to set up another visit for an American scientist to the same laboratory to look at the same things, ask the same questions, and go over the same material. The process continues. The head of the foreign laboratory becomes irritable. The science attaché is embarrassed, frustrated. He feels Washington has let him down; it should have coordinated these visits and told him about them. The need for coordination was obvious.

Nearly all the attachés express the feeling that more than one scientist is needed in the science attaché office abroad. Some note the disparity between the number of military attachés and science attachés at various missions (19 to 1 in 1 case). Most of the attachés indicate that a tour of duty of 1 year is definitely not long enough. They feel that 2 years would be preferable.

A recent Hoover Commission report suggests that the backstopping of science attachés be placed with the Central Intelligence Agency. The science attachés view this recommendation with alarm.

Some believe that at best such a transfer would enervate the work of the science attachés, and at worst would create downright resentment abroad to the detriment of our foreign relations. Others believe that the recommendation must have been made without an understanding of the functions of the science attachés. Most of the science attachés are in agreement that the backstopping of their work should remain in the Department of State. Backstopping by the National Science Foundation has been mentioned as another possibility. Some feel, however, that this does not recognize State's day-to-day needs.

The science attachés are unanimous in expressing a strong belief that a lot of good has come from the functions they performed or are now carrying out. They have seen the benefits both in this country and in the country of their assignment. Some of the former science attachés have noted after their return to this country the snowballing of the private scientific exchanges they themselves had a part in promoting. They point out that scientists in this country feel that scientific cooperation can be one of the strongest instruments for furthering our foreign relations.

In the past, State has been successful in getting the funds it asked for the science program from Congress. It has been suggested that if money is the problem it stems from within the Department. The fact that the Office of Naval Research has operated a much larger office in London than any of the science attaché offices may be significant as far as Congressional approval is concerned.

SCIENTISTS FOR SCIENCE

A scientist who served early in the program mentioned a view that was then current in the United States foreign service that the position of science attaché provided special official representation of a field that is properly a function of the cultural attaché. It is rare, he adds, that a cultural attaché has the necessary scientific qualifications for the work. The scientific development in some countries, he points out, can greatly outweigh their economic affairs and should receive official Embassy attention by qualified officers.

Occasional references are made to the fact that State is "reevaluating" its science program, that the Department hasn't made up its mind about what kind of pattern it wants if any. Obviously, the Department has found its Science Office to be a useful arm of its day-to-day operation, even if it does not have a scientist. The scientists who have served abroad believe they have something unique to offer toward foreign relations.

Science today has an even greater impact on society than it did when State first recognized it. To let the science function die now, say the scientists, would be next to criminal and an enormous waste of their time and the taxpayers' money. The course of events mystifies them.

Mr. HUMPHREY. Mr. President, I call the article to the attention of my colleagues, especially those on the Committee on Foreign Relations and the Committee on Armed Services, because it reveals that a program which was well underway has now been permitted, for some undescribed and unknown reason, actually to die on the vine. It is a program which was designed to step up our scientific program, our program of education for scientists and of recruitment of top-grade scientists. That program now is a paper program only; it is not a reality in terms of activity.

THE SEASONAL RECURRENCE OF THE RAILWAY BOXCAR SHORTAGE

Mr. HUMPHREY. Mr. President, the Senate Committee on Interstate and Foreign Commerce concluded hearings yesterday on S. 2770. During these hearings, an opportunity was given to examine again the serious national shortage of railway boxcars.

Mr. President, Senators have spoken on the subject of the boxcar shortage so many times that it has become almost a perennial topic. I think it is fair to say that for more than 20 years Congress has been faced every summer and fall with notice of a critical shortage of railway boxcars. The bill on which hearings have been held was introduced to see if something could not be done to stimulate the construction of boxcars so that there would not be the tragic losses in agricultural commodities during the harvesting season which have occurred in the past.

I feel certain that I speak for other Senators when I urge the committee to expedite action on this problem so that we may at last be saved from the seasonal recurrence of a boxcar shortage this year.

I ask unanimous consent that an article entitled "Action Urged on Shortage of Boxcars," published in the Minneapolis Star for Friday, May 4, 1956, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

ACTION URGED ON SHORTAGE OF BOXCARS

(By Herb Paul)

The executive committee of the National Association of Railroad and Utilities Commissioners (NARUC) meeting in Minneapolis urged immediate action by the Government and railroads to prevent "what may be the most drastic boxcar shortage this country has faced."

Charles H. Heltzel, public utilities commissioner of Oregon, chairman of the special committee to study railroad car shortages said the shortage of boxcars during the grain movement is expected to be the most severe this year.

In an effort to alleviate it, he said the committee took the following action:

Appealed to the Office of Defense Mobilization to extend the amortization program for rapid tax writeoff on new equipment which was terminated last year so more boxcars could be included in its provisions.

Asked the executive committee of the American Iron and Steel Institute to be more generous and allot more steel for freight car construction.

Urged the backing of a Senate bill which would permit the Interstate Commerce Commission to inflict heavier penalties on railroads for failure to supply cars to shippers as needed.

Urged that Congress appropriate more money for the ICC to increase its field force to enforce its regulations to avert car shortages.

BIPARTISAN MONEY-RAISING DRIVE FOR POLITICAL FUNDS

Mr. HUMPHREY. Mr. President, a unique bipartisan joint money-raising drive will begin on Thursday this week in Douglas County, Minn., as an experimental community chest drive for political funds. The project is the result of the initiative of Byron G. Allen, the Minnesota State commissioner of agriculture, and Philip Graham, publisher of the Washington Post and Times Herald. The experiment has already attracted national attention.

I ask unanimous consent that an article published in the Washington Post and Times Herald on Monday, May 7, be printed in the Record at this point in my remarks. I observe that the article relates directly to one of the problems before the Senate, and is embraced in what is called the Cain elections bill. I am very proud to call the attention of the Senate to the fact that one of the larger counties in Minnesota has been able to bring together both Republican and Democratic officials to engage in an overall, countywide campaign fund drive. The funds will be divided between the two political parties and will, of course, be used for very legitimate and good purposes in the coming campaign.

I suggest to my colleagues that they might wish to read the article carefully, because it may give them a reasonably good picture of what can be done in other sections of the country.

There being no objection, the article was ordered to be printed in the Record, as follows:

PARTIES JOIN FUNDS DRIVE IN MINNESOTA TEST

ALEXANDRIA, MINN., May 6.—Republicans and Democrats are joining hands here in a unique plan—a sort of community chest drive for political funds.

Beginning Thursday, two-man teams will start ringing doorbells in this bipartisan, joint money drive. Each team will have 1 Democrat and 1 Republican.

The experiment, a joint effort of Douglas County's GOP and Democratic organizations, is heralded by its sponsors as the first of its type. The proponents hope for sufficient success to spark nationwide fund collections on a similar basis.

They say their citizens march for good government offers political parties an opportunity to work together as fellow citizens in promoting a cause which rises above partisan politics.

The teams will start with 3 days of solicitations in Alexandria, the county seat. On June 1 and 2 they will cover the 10 villages in the county. Rural homes will be canvassed June 8 and 9.

The countywide goal is $10,000—$1 per each registered voter. It's figured more persons will contribute through the new system than otherwise. If $10,000 is collected, it would be about triple the total the two parties ever collected in years past.

Sponsors feel that voters who classify themselves as independents cannot be approached by party fund raisers but can be solicited by the citizens march.

The money collected will be divided into three equal parts—for the presidential campaign, for the Minnesota Seventh District congressional campaign, and for the gubernatorial campaign. Then each of the three divisions will be subdivided among the political parties, on the basis of the party vote cast for President in 1952 and for Congressman and governor 2 years ago.

The plan was suggested to the Douglas County party workers by Byron Allen, State commissioner of agriculture and past Democratic national committeeman, and Philip Graham, publisher of the Washington Post and Times Herald and a 1952 supporter of President Eisenhower. The two felt Douglas County would be a suitable place to make the experiment, because Republicans and Democrats voting in the county have been about equal.

THE AMERICAN PRESS AND UNITED STATES FOREIGN POLICY

Mr. HUMPHREY. Mr. President, the Nation's top-ranking military leader recently accused the American press of weakening our ties with our allies by presenting a "picture of confusion" of American policy. I refer, of course, to Admiral Radford. His statements if accurately reported, thoroughly deserve the editorial reply in yesterday morning's Washington Post and Times Herald.

I ask unanimous consent that an International News Service report of Admiral Radford's original remarks, printed in the Washington Post and Times Herald on May 7, 1956, and the editorial reply entitled "Who Causes Confusion?" and published in the newspaper yesterday morning be printed at this point in my remarks.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

[From the Washington Post and Times Herald of May 7, 1956]

RADFORD SAYS UNITED STATES PRESS WEAKENS TIES WITH ALLIES

(By Raymond Wilcove)

The Nation's top-ranking military leader has accused the American press of weakening United States ties with her allies.

The charge was made by Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff, in testimony given to the House Foreign Affairs Committee behind closed doors last month.

Testifying about American relations with the rest of the Free World nations, Radford stated: "* * * In some of the countries, their resolves to stick by us through thick and thin are not so great as they were some time past."

Radford told the committee there were two reasons for this. One, he said, "Is because the Russian propaganda, the Russian handling of the situation, has been very clever."

He continued: "The other thing that contributes to it a great deal, in my opinion, is the picture of confusion that is presented to the rest of the world by the free press of the United States.

"Certainly I would not advocate a controlled press, but I do say that the operation of our democratic system, as reported by our press and transmitted around the world, unfortunately presents to many leaders in foreign countries, and their people, a picture of confusion in the United States."

Radford added that "they get the feeling that the United States doesn't know exactly what they want to do."

On the other hand, he asserted, "from the Russian side they get a very firm and direct picture of leadership," largely because the Russians do not have to account to their people for everything they do.

Radford said some way must be found "of combating this picture of confusion that we present to the rest of the world," but he didn't know the answer.

[From the Washington Post and Times Herald of May 8, 1956]

WHO CAUSES CONFUSION?

Admiral Radford is talking through his braided cap. His complaint that the free press in the United States presents a picture of confusion to the world is ludicrous indeed, coming from a man whose own bombast has caused so many misgivings abroad about the course of American policy. The free press attempts to report events as they happen, including what officials say. If there is confusion, it very often is because the statements are confused and the officials have not synchronized their voices.

Obviously, if unity of expression is what Admiral Radford wants, the United States always is going to be at a disadvantage as compared with the Soviet Union, where the captive press can present a nice, monolithic picture of unified Soviet policy (though even total planning seemingly was unable to prevent a Khrushchev eruption in London). Admiral Radford was careful to qualify his testimony before the House Foreign Affairs Committee to make it clear that he did not advocate a controlled press. But there is no line, as Alexis de Tocqueville observed more than a century ago, between a controlled press and one that reports the facts freely as they are. Diversity is one of the badges of America.

We seem to recall a number of headlines made by the Admiral himself, concerning intervention with nuclear weapons in Indochina and a naval blockade of Communist China If Secretary Dulles has taken the country to the brink of war, the Chairman of the Joint Chiefs of Staff has at least egged the Secretary on. Indeed, the President had occasion some months ago to restrain the warlike talk. The only sure way to avoid a "picture of confusion" is to avoid the contradictory statements that cause it; and perhaps what Admiral Radford needs most is a mirror. At least he could get together with some of the Democratic politicians who keep lamenting the uniformity of the so-called one-party press. What is a poor bedeviled editor to believe?

CALL OF THE CALENDAR

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there further morning business? If not, then under the unanimous consent agreement entered into on Monday, May 7, the Senate will proceed to the call of the calendar.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will now proceed to the call of the calendar.

At the last call of the calendar, two bills were requested to be called at this time, namely, Calendar No. 1874, H. R. 3054, and Calendar No. 1883, S. 3113.

The clerk will call Calendar No. 1874, H. R. 3054.

BILL PASSED OVER

The LEGISLATIVE CLERK. A bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives.

Mr. PURTELL. Mr. President, I ask that the bill go over until the next call of the calendar.

The PRESIDING OFFICER. The bill will go over until the next call of the calendar.

AMENDMENT OF MERCHANT SHIP SALES ACT OF 1946, AS AMENDED

The Senate proceeded to consider the bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, in line 7, after the word "after", to strike out "October 1, 1955" and insert "the date of enactment of this amendatory proviso"; and in line 11, to strike out "amendment" and insert "amendatory proviso", so as to make the bill read:

Be it enacted, etc., That section 9 (c) (2) of the Merchant Ship Sales Act of 1946 is hereby amended by inserting before "; and" at the end thereof the following proviso: "*Provided*, That the provisions of this subsection (c) (2) shall not apply to any such charter party executed on or after the date of enactment of this amendatory proviso; and the Secretary of Commerce is directed to modify any adjustment agreement to the extent necessary to conform to the provisions of this amendatory proviso."

The amendments were agreed to.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Senate bill 3113.

Mr. PURTELL. Mr. President, I ask that Senate bill 3113, go to the foot of the calendar.

The PRESIDING OFFICER. The bill will go to the foot of the calendar.

The next bill in order on the calendar will be stated.

MODIFICATION OF FLOOD-CONTROL PROJECT FOR MISSOURI RIVER AGRICULTURAL LEVEE UNIT 513–512–R

The Senate proceeded to consider the bill (S. 1358) to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513–512–R, Richardson County, Nebr., which had been reported from the Committee on Public Works with amendments, on page 2, line 1, after the word "include", to strike out the colon and "(1) Altering and modifying an existing bridge, 2½ miles southwest of Rulo, Nebr., and 3¼ miles above the mouth of the Nemaha; to raise the existing approach spans and piers; to add one 36-foot approach span and bulkheaded abutment to each end of the bridge, and to construct necessary approach embankments, at an estimated Federal cost of $40,000; (2)", and in line 13, after "$163,500", to strike out "In lieu of accomplishing the work prescribed in (1) above, an equivalent contribution may be made toward work when and as accomplished by local interests", so as to make the bill read:

Be it enacted, etc., That the authorization for Missouri River Agricultural Levee Unit 513–512–R, lying within the area of Drainage District No. 1 of Richardson County, Nebr., included in the general comprehensive plan for flood control and other purposes in the Missouri River Basin, approved by the act of June 28, 1938, as modified by the act of December 22, 1944, and other acts, is hereby further modified to include Federal participation in certain highway bridge relocation and construction over the Nemaha River, to include constructing a new bridge near the mouth of the Nemaha River (exclusive of approaches to be provided by local interests) to replace a structure destroyed by the flood of 1951, approximately 300 feet long with 22-foot roadway, at an estimated Federal cost of $163,500.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BETTER FACILITIES FOR ENFORCEMENT OF THE CUSTOMS AND IMMIGRATION LAWS

The bill (H. R. 6769) to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws" to increase the amounts authorized to be expended was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, was announced as next in order.

Mr. ERVIN. I ask that the bill go over. I do not think it is proper calendar business.

The PRESIDING OFFICER. The bill will be passed over.

IMPERIAL AGRICULTURAL CORP.

The resolution (S. Res. 252) referring H. R. 5285 to the United State Court of Claims was considered and agreed to, as follows:

Resolved, That the bill (H. R. 5285) entitled "A bill for the relief of the Imperial Agricultural Corp.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

ROBERT GARTENBERG

The bill (S. 764) for the relief of Robert Gartenberg was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Robert Gartenberg shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JONAS DERCAUTAN

The bill (S. 832) for the relief of Jonas Dercautan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Jonas Dercautan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the

granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SHUN WEN LUNG (ALSO KNOWN AS VAN LONG AND VAN S. LUNG)

The bill (S. 2507) for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shun Wen Lung (also known as Van Long and Van S. Lung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

FRANK SEVCIK, JR., ALSO KNOWN AS FRANTISEK OR FRANCESCO SEVCIK

The bill (S. 2750) for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Frank, also known as Frantisek or Francesco Sevcik, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BRIGITTE LECHNER WAGNER

The bill (S. 2801) for the relief of Brigitte Lechner Wagner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Brigitte Lechner Wagner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

YUE YIN WONG (ALSO KNOWN AS WILLIAM YUEYIN WONG)

The bill (S. 2834) for the relief of Yue Yin Wong (also known as William Yueyin Wong) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Yue Yin Wong (also known as William Yueyin Wong) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANTONIA SOULIS

The bill (S. 2838) for the relief of Antonia Soulis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (12) of the Immigration and Nationality Act, Antonia Soulis may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

DR. SHOU SOON KWONG

The bill (S. 2843) for the relief of Dr. Shou Soon Kwong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Shou Soon Kwong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ETHEL KALLINS

The bill (S. 2874) for the relief of Ethel Kallins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ethel Kallins shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELISABETH DUMMER

The bill (S. 2888) for the relief of Elisabeth Dummer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Elisabeth Dummer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to a ground for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

OKSANNA OZTEMEL

The bill (S. 2931) for the relief of Oksanna Oztemel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Oksanna Oztemel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LOTTE WINDSCHILD

The bill (S. 2941) for the relief of Lotte Windschild was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Lotte Windschild, may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

MARIA CEDRONE DE RUBEIS

The bill (S. 2953) for the relief of Maria Cedrone de Rubeis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Maria Cedrone de Rubeis may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to a ground for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

EGBERT CARLSSON

The bill (S. 3361) for the relief of Egbert Carlsson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (54 Stat. 1061), the Comptroller General of the United States is authorized and directed to accept and consider any claim filed within 1 year from the date of enactment of this act by Egbert Carlsson, of McPherson, Kans., for compensation for the use by the Department of the Navy, from about November 1, 1943, through March 31, 1945, of certain lands in Lake County, Oreg., as part of an aerial gunnery range.

MRS. ESTHER REED MARCANTEL

The bill (H. R. 1488) for the relief of Mrs. Esther Reed Marcantel was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1913) for the relief of Mrs. Anna Elizabeth Doherty was announced as next in order.

Mr. PURTELL. I ask that the bill go over for further study.

The PRESIDING OFFICER. The bill will go over.

CITY OF SANDPOINT, IDAHO

The bill (H. R. 2423) for the relief of the city of Sandpoint, Idaho, was considered, ordered to a third reaidng, read the third time, and passed.

ESTATE OF NEIL McLEOD SMITH

The bill (H. R. 3526) for the relief of estate of Neil McLeod Smith was considered, ordered to a third reading, read the third time, and passed.

LT. COL. GEORGE H. CRONIN, UNITED STATES AIR FORCE

The bill (H. R. 4634) for the relief of Lt. Col. George H. Cronin, United States Air Force, was considered, ordered to a third reading, read the third time, and passed.

JOHN L. BOYER, JR.

The bill (H. R. 5633) for the relief of John L. Boyer, Jr., was considered, ordered to a third reading, read the third time, and passed.

SAMUEL E. ARROYO

The bill (H. R. 5951) for the relief of Samuel E. Arroyo was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CERTAIN RURAL CARRIERS

The bill (H. R. 6622) for the relief of certain rural carriers was considered, ordered to a third reading, read the third time, and passed.

GAY STREET CORP., BALTIMORE, MD.

The bill (H. R. 6706) for the relief of Gay Street Corp., Baltimore, Md., was considered, ordered to a third reading, read the third time, and passed.

FRANK G. GERLOCK

The bill (H. R. 7114) for the relief of Frank G. Gerlock was considered, ordered to a third reading, read the third time, and passed.

EUGENE GARDNER AND OTHERS

The bill (H. R. 8306) for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy, was considered, ordered to a third reading, read the third time, and passed.

NATHAN A. KAHN

The bill (H. R. 8307) for the relief of Nathan A. Kahn was considered, ordered to a third reading, read the third time, and passed.

ARTHUR E. WEEDEN, JR.

The bill (H. R. 8308) for the relief of Arthur E. Weeden, Jr., was considered, ordered to a third reading, read the third time, and passed.

C. W. O. GEORGE C. CARTER

The bill (H. R. 8310) for the relief of C. W. O. George C. Carter was considered, ordered to a third reading, read the third time, and passed.

DANIEL O. HULSE, JR.

The bill (H. R. 8311) for the relief of Daniel O. Hulse, Jr., was considered, ordered to a third reading, read the third time, and passed.

HILDEGARD L. McNABB

The Senate proceeded to consider the bill (S. 1938) for the relief of Hildegard L. McNabb, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "act", to insert a colon and the following proviso: "*Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of paragraphs (9) and (19) of section 212 (a) of the Immigration and Nationality Act, Hildegard L. McNabb may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2048) for the relief of certain former employees of the Inland Waterways Corporation, was announced as next in order.

Mr. HRUSKA. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ANNIEMAE M. SWANSON AND ARMYLEE V. SWANSON

The Senate proceeded to consider the bill (S. 2840) for the relief of Anniemae **M. Swanson and Armylee V. Swanson, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "fees", to strike out "upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available", so as to make the bill read:**

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anniemae M. Swanson and Armylee V. Swanson, adopted minor children of Eugene Warner Swanson of Alexandria, Minn., an American citizen, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. YONG WHAN KIM

The Senate proceeded to consider the bill (S. 2883) for the relief of Dr. Yong Whan Kim, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Dr. Yong Whan Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General, United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM JEFFREY JONAS

The Senate proceeded to consider the bill (S. 2944) for the relief of William Jeffrey Jonas, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, William Jeffrey Jonas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. IDA BIFOLCHINI BOSCHETTI

The Senate proceeded to consider the bill (H. R. 1016) for the relief of Mrs. Ida Bifolchini Boschetti, which had been reported from the Committee on the Judiciary with an amendment, on page

2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MAJ. ROBERT D. LAUER

The Senate proceeded to consider the bill (H. R. 2284) for the relief of Maj. Robert D. Lauer, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GRAPHIC ARTS CORPORATION OF OHIO

The Senate proceeded to consider the bill (H. R. 2893) to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

> That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of the Graphic Arts Corporation of Ohio, Toledo, Ohio, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by the said Graphic Arts Corporation of Ohio as the result of the performance of a contract, No. W33-038ac 2023, dated April 17, 1944, entered into with the United States Army Air Corps.
>
> SEC. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code.
>
> SEC. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MAJ. ORIN A. FAYLE

The Senate proceeded to consider the bill (H. R. 2904) for the relief of Maj. Orin A. Fayle, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COMDR. GEORGE B. GREER

The Senate proceeded to consider the bill (H. R. 3268) for the relief of Comdr. George B. Greer, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 12, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAULINE H. CORBETT

The Senate proceeded to consider the bill (H. R. 3957) for the relief of Pauline H. Corbett, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 6, after the word "of", to strike out "$18,716.97" and insert "$38,317.19."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES C. HAYES

The Senate proceeded to consider the bill (H. R. 4026) for the relief of James C. Hayes, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 6, after the word "act", to strike out "in excess of 10 percent."

The PRESIDING OFFICER. It is the understanding of the Chair that the committee wishes to offer an amendment to the committee amendment, to add to the words proposed to be stricken out the word "thereof" on line 7, page 2.

Without objection, the amendment to the committee amendment is agreed to; and, without objection, the amendment, as amended, is agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES M. WILSON

The Senate proceeded to consider the bill (H. R. 4640) for the relief of James M. Wilson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. ELLA MADDEN AND CLARENCE E. MADDEN

The Senate proceeded to consider the bill (H. R. 5237) for the relief of Mrs. Ella Madden and Clarence E. Madden, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 7, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

S. H. PRATHER AND OTHERS

The Senate proceeded to consider the bill (H. R. 5535) for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H., Prather, Jr., which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 22, after the word "skull", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LT. P. B. SAMPSON

The Senate proceeded to consider the bill (H. R. 6184) for the relief of Lt. P. B. Sampson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "Act", to strike out "in excess of 10 per centum thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LT. MICHAEL CULLEN

The Senate proceeded to consider the bill (H. R. 7164) for the relief of Lt. Michael Cullen, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 11, after the word "veterans," to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM C. IRVINE, CHIEF WARRANT OFFICER, UNITED STATES AIR FORCE

The Senate proceeded to consider the bill (S. 422) for the relief of William C. Irvine, chief warrant officer, United States Air Force, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "of", where it appears the second time, to strike out "$3,890.87" and insert "$2,622.05", and on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

> *Be it enacted etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William C. Irvine, chief warrant officer, United States Air Force, Andrews Air Force Base, Washington, D. C., the sum of $2,622.05, in full satisfaction of his claim against the United States for reimbursement, in addition to the amount he received under the provisions of the Military Personnel Claims Act of 1945, for household and personal effects destroyed or damaged when the vessel aboard which such effects were being shipped ran aground while en route from England to New York: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELSA EMELINA ROSADO Y RODRIGUEZ DE BROWER

The Senate proceeded to consider the bill (S. 2785) for the relief of Elsa Emelina Rosado y Rodriguez de Brower, which has been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "be", to insert "granted a visa and be", and in line 8, after the word "act", to insert a comma and "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

> *Be it enacted, etc.*, That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Elsa Emelina Rosado y Rodriguez de Brower may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 201) approving the granting of the status of permanent residence in the case of certain aliens which had been reported from the Committee on the Judiciary, with amendments, on page 2, after line 18, to strike out "A-6967495, Li, Pei Chao."

And, on page 34, after line 4, to insert:

> A-6967612, Chang, Chao-Kang.
> 0300-447092, Li, Fei-Yu Lin.
> A-7641866, Li, Tieh Tseng.

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

MR. AND MRS. HERMAN FLOYD WILLIAMS AND MR. AND MRS. W. C. SEGERS

The Senate proceeded to consider the bill (H. R. 6137) for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "to", to strike out "Mr. and Mrs. Herman Floyd Williams" and insert "Herman Floyd Williams and Bettie J. Williams, of Marianna, Fla."; in line 7, after the word "the", to strike out "sum of $16,097.26, to Mr. and Mrs. W. C. Segers" and insert "sums of $4,563.41 and $8,500, respectively, to Alma G. Segers, of Marianna, Fla"; and, in line 9, after the word "of", to strike out "$5,000" and insert "$5,301.30."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers."

CONSTITUTION WEEK

The joint resolution (S. J. Res. 105) authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Resolved, etc.*, That the President of the United States is authorized and requested to designate the period beginning September 17 and ending September 23 of each year as Constitution Week, and to issue annually a proclamation inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities.

EDWIN K. STANTON

The Senate proceeded to consider the bill (H. R. 2057) for the relief of Edwin K. Stanton, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MARY J. McDOUGALL

The Senate proceeded to consider the bill (H. R. 3366) for the relief of Mary J. McDougall, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the name "Dougall", to insert "of Napakiak, Alaska"; in line 8, after the word "quarters", to insert "at Napakiak, Alaska"; and in line 10, after the word "act", to strike out "in excess of 10 per centum thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

RESOLUTIONS PASSED OVER

The resolution (S. Res. 253) certifying to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton to testify, was announced as next in order.

Mr. ERVIN. Mr. President, I ask unanimous consent that Calendar No. 1954, Senate Resolution 253; Calendar No. 1955, Senate Resolution 254; Calendar No. 1956, Senate Resolution 255; Calendar No. 1957, Senate Resolution 256; and Calendar No. 1958, Senate Resolution 257, be set for consideration on motion immediately following conclusion of the call of the calendar.

Mr. PURTELL. Mr. President, I concur in the request of the Senator from North Carolina.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Let the Chair inquire whether the Senator from North Carolina wishes to have the several resolutions go to the foot of the calendar.

Mr. ERVIN. No; but to have them considered by motion following conclusion of the call of the calendar.

The PRESIDING OFFICER. Under the unanimous-consent agreement which has been entered into, following conclusion of the call of the calendar the Senate will proceed to consideration of the unfinished business.

Mr. ERVIN. Then, Mr. President, I modify my request by asking that these resolutions go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. PURTELL. Mr. President, reserving the right to object—and I shall object to consideration of these measures at this call of the calendar—let me say that while we consider the resolutions to be most meritorious, expect to vote for their adoption, and hope they will be adopted by the Senate, yet we believe they are too important to be considered during the call of the calendar.

Mr. ERVIN. Mr. President, at the request of the majority leader, I ask that the unanimous-consent agreement previously entered into be modified to the extent of permitting the consideration of these resolutions following conclusion of the call of the calendar.

Mr. MORSE. Mr. President, reserving the right to object—and I shall object—let me say that I think it very important that the Senate act promptly on the District of Columbia transit bill. I see no reason why these resolutions could not be taken up immediately following action by the Senate on the District of Columbia transit bill. I do not have the slightest idea how long consideration of the resolutions will take. The District of Columbia transit bill is set for disposal this afternoon, and it is important that the Senate dispose of it.

I should like to suggest to my friend, the Senator from North Carolina, that the understanding be that immediately following disposition of the District of Columbia transit bill, the Senate take up these resolutions.

The PRESIDING OFFICER. Objection has been heard to the modified request of the Senator from North Carolina; and the resolutions will be passed over.

CONSTRUCTION OF BRIDGE ACROSS THE ST. LAWRENCE RIVER NEAR OGDENSBURG, N. Y.

The bill (H. R. 8547) to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y.," was considered, ordered to a third reading, read the third time, and passed.

ST. MARYS RIVER PROJECTS, MICHIGAN

The Senate proceeded to consider the bill (H. R. 8807) to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

The PRESIDING OFFICER. The Chair wishes to advise the Senate that a typographical error appears on page 1, in line 7, where the word "tool" should read "toll."

Without objection, that amendment will be agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object—and I shall not object to the bill as it is—let me say that I believe this measure is not proper Consent Calendar business. For that reason, and that reason alone, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REFERENCE OF CLAIM OF WILLIAM E. STONE TO THE COURT OF CLAIMS

The bill (S. 2582) to consider jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended, was announced as next in order.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, the bill merely confers on the Court of Claims jurisdiction to hear and render judgment on this officer's claim for disability retirement as a Reserve officer. It seems there is a controversy between the officer and the Department of Defense as to whether the officer's injuries were sustained in parachuting from his crippled plane in Germany in 1944. All the bill does is allow the Court of Claims to pass on the question of whether the officer is entitled to disability retirement for the injury. In other words, the bill will simply send to the Court of Claims, for adjudication, the controversy between the officer and the Department of Defense.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2582) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.,* That jurisdiction is hereby conferred upon the Court of Claims of the United States, notwithstanding the lapse of time or any statute of limitations, or any other limitation upon the jurisdiction of such court, to hear, determine, and render judgment on the claim of William E. Stone arising out of the failure of the War Department to retire him or to certify him for retirement as an Army of the United States or Reserve officer under the provisions of the act of April 3, 1939, as amended. In its consideration of such claim, the court shall determine whether or not said William E. Stone should have been retired for physical disability as an officer of the Army Air Corps. Should the court decide that the said William E. Stone should have been so retired, judgment shall be rendered in an amount equal to the amount the said William E. Stone would have received had he been so retired: *Provided,* That the passage and approval of this legislation shall not bo construed as an inference of liability on the part of the Government of the United States.
>
> Suit upon such claim may be instituted at any time within 4 months after the date of the enactment of this act. Proceedings for the determination of such claim, and appeal from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which the Court of Claims has jurisdiction as now provided by law.

PATRICIA A. PEMBROKE

The bill (S. 3472) for the relief of Patricia A. Pembroke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Be it enacted, etc.,* That the act entitled "An act for the relief of Patricia A. Pembroke," approved August 28, 1954 (68 Stat. A231), is amended by inserting, in the proviso of such act, after the words "prior to the enactment of this act" the words "except hospital and medical expenses."

KINGAN, INC.

The bill (H. R. 3964) for the relief of Kingan, Inc., was announced as next in order.

Mr. ERVIN. Mr. President, I understand that the committee has requested that the amendment on page 1, in line 7, be withdrawn or eliminated from consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. EASTLAND. Mr. President, Kingan, Inc., is engaged in the meatpacking business. In January 1953, swine belonging to the corporation were destroyed after the outbreak of an infectious disease of swine. Previously, there had been worked out between the State and Federal Governments a program by which owners of swine destroyed to prevent the spread of the disease were to be reimbursed on a 50–50 basis for losses incurred. Under the program, the animals involved were to be appraised to determine the loss. When the corporation's swine were destroyed, State authorities made an appraisal; but, due to a misunderstanding, no Federal appraisal was made. The State of Virginia has made its share of the payments to Kingan, Inc., but Federal officials have withheld payment of the share to be paid by the Federal Government, assigning as the reason that there had been no specific Federal appraisal. This bill would authorize payment of the Federal share out of moneys previously appropriated for the Department of Agriculture.

The Department of Agriculture recommends enactment of the bill. The amount of the payment allowable if the bill is passed is $13,095.82, and the Department states it is of the belief this is a fair evaluation.

Since the report was submitted, information which has been received requires that the committee amendments—except No. 4 which strikes the attorney's fees—be rejected, pending receipt of further information.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was, on page 1, line 7, after "$13,095.82", to strike out "an amount" and insert "and to Richmond Union Stock Yards Co., Richmond, Va., the sum of $1,255.50, amounts."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. EASTLAND. Mr. President, I ask that the amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, in line 11, after the word "Incorporated", to insert "and Richmond Union Stock Yards Co."

Mr. EASTLAND. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, on page 2, after the word "swine", to strike out "at its plant,".

Mr. EASTLAND. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, in line 11, after the word "act", to strike out "in excess of 10 percent thereof."

Mr. EASTLAND. Mr. President, I ask that this amendment be agreed to.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The amendment to the title was rejected.

ARMY AND AIR FORCE NURSES

The bill (H. R. 4051) for the relief of certain Army and Air Force nurses, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

WRIGHT H. HUNTLEY

The bill (H. R. 8187) for the relief of Wright H. Huntley was considered, ordered to a third reading, read the third time, and passed.

JOHN J. COWIN

The bill (H. R. 4536) for the relief of John J. Cowin was considered, ordered to a third reading, read the third time, and passed.

CROSSE & BLACKWELL CO.

The bill (H. R. 4633) for the relief of Crosse & Blackwell Co. was considered, ordered to a third reading, read the third time, and passed.

ARTHUR H. HOMEYER

The bill (H. R. 5495) for the relief of Arthur H. Homeyer was considered, ordered to a third reading, read the third time, and passed.

THOMAS W. BEVANS AND OTHERS

The bill (H. R. 6395) for the relief of Thomas W. Bevans and others was considered, ordered to a third reading, read the third time, and passed.

KAHZO L. HARRIS

The Senate proceeded to consider the bill (H. R. 4162) for the relief of Kahzo L. Harris, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF CERTAIN LANDS TO ST. JOHNS COUNTY, FLA.—BILL PASSED OVER

The bill (H. R. 7471) to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, H. R. 7471 proposes to authorize the Secretary of the Treasury to convey to the city of St. Augustine, Fla., without consideration, a tract of 5.82 acres of Coast Guard property surrounding the St. Augustine light station. The entire tract is within the municipal limits of St. Augustine and is valued at approximately $350. This bill would authorize a conveyance to the city for park purposes. It contains a reservation to the effect that the property shall be made available to the United States without compensation in the event of a national emergency. It also provides that no structure can be erected which would adversely affect the operation of the Coast Guard facilities located on the remaining 1.38 acres of the original tract.

The bill does not contain a reservation of minerals.

The Comptroller General's Office used the following significant language in its letter of August 12, 1955, in which he commented on this bill:

> Under section 13 (h) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1622 (h)), disposition of surplus real property suitable for park purposes to States and political subdivisions thereof, at 50 percent of the fair value, is authorized. It is provided in that section of law (50 U. S. C. App. 1622 (h) (3) (A)) that the deed of conveyance provide that the land shall revert to the United States at its option if the land is not used and maintained for park purposes for a period of 20 years. The disposition of the land as proposed in the instant bill would therefore appear to give preferential treatment to St. Johns County, Fla., as against other counties which have acquired lands for park purposes under existing provisions of law. However, considering the relatively small value of the tract and the provisions of section 2 of the bill subordinating its uses as a park to Coast Guard operations, this Office would have no objection to favorable consideration of the bill by the Congress.

The entire argument of the Comptroller General in his letter is, of course, against the principle of the bill. Then, apparently applying what might be said to be a de minimis principle, he says that because the value of the property is so small, he will raise no objection.

We cannot start drawing such lines of discrimination. Either we should carry out the principles of the Surplus Property Act or repeal the act. The act provides for 50 percent of the fair market value. It ought to be applied to the 5.82 acres of Coast Guard property involved in this case, having a value of some $350. The city of St. Augustine should pay 50 percent of the fair market value.

When we eliminate mineral rights, and consider the reversion clause, the appraiser will give consideration to such elements in the original appraisal. In my judgment, we have gone too far down the road toward protecting this principle to make an exception on the floor of the Senate today.

On the other hand, the Treasury Department wrote, under date of January 20, 1956:

> The site of the St. Augustine Light Station has for many years consisted of a tract of approximately 7.2 acres. However, the maintenance of this amount of land has created a problem. The present authorized complement of the light station is one man. To reduce the maintenance problem, 5.82 acres of the land have been declared excess to the needs of the Coast Guard.

I say most respectfully that it is difficult to justify an exception to the general rule that 50 percent of the fair appraised market value should be paid for the land described in H. R. 7471. The fact that maintenance problems have arisen with respect to the land seems beside the point unless such maintenance problems make the land valueless. The best way to find out is to place the property on the market and see what someone would pay for it. I therefore offer the following amendment which would provide for payment of 50 percent of the fair appraised market value and for the reservation of the mineral rights:

On page 5, strike out lines 9 through 12, and insert in lieu thereof the following:

> SEC. 2. The conveyance authorized by the first section of this act shall be subject to the condition that the city of St. Augustine, Fla., pay to the Secretary of the Treasury, as consideration for the land conveyed, an amount equal to 50 percent of its fair market value as determined by independent appraisal, and the deed of conveyance shall reserve to the United States all mineral rights, including oil and gas, in the land so conveyed, and shall be subject to such other reservations, limitations, or conditions as may be determined to be necessary by the Secretary to protect the interests of the United States.
>
> SEC. 3. The deed shall contain a covenant that no structure shall be erected on the land which will in any way adversely affect the operation of the Coast Guard facilities, and a covenant that the—

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ERVIN. Mr. President, I ask that consideration of the bill and the proposed amendment go over until the Senator from Florida [Mr. HOLLAND] can be present.

Mr. MORSE. Mr. President, will the Senator withhold his request long enough so that I may make a request that my amendment be printed and lie on the table?

Mr. ERVIN. Certainly.

Mr. MORSE. Mr. President, I ask that my amendment be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and will lie on the table.

The bill will be passed over.

ADMINISTRATION OF PUBLIC AIRPORTS IN ALASKA

The Senate proceeded to consider the bill (S. 742) to improve the administration of the public airports in the Territory of Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 10, after the word "airports", to insert a colon and "*Provided, however,* That as to all powers granted by this section, primary jurisdiction for the investigation of all Federal offenses under the investigative jurisdiction of the Federal Bureau of Investigation shall remain with the Federal Bureau of Investigation."; on page 3, line 4, after the word "of", where it appears the second time, to insert "the unexpended balances of funds appropriated prior to the date of enactment of this section to carry out the purposes of this act and"; in line 7, after the word "appropriations", to insert "thereafter"; in line 9, after "July 1,", to strike out "1955" and insert "1956"; on page 5, line 21, after the word "under", to strike out "(1) and"; in line 22, after the word "subsection", to strike out "for contributions with respect to the service of any officer or employee for any period prior" and insert "on account of cases arising from injury, or death from injury, occurring prior"; and, on page 6, line 21, after "July 1,", to strike out "1955" and insert "1956", so as to make the bill read:

Be it enacted, etc., That the act of May 28, 1948 (62 Stat. 277), as amended, is amended as follows:

By striking out section 10 thereof and adding the following new sections 10 and 11:

"Sec. 10. (a) The Secretary of Commerce (hereinafter referred to as 'the Secretary') and any employee of the Department of Commerce appointed to protect life and property on the airports, when designated by the Secretary, are hereby authorized and empowered (1) to arrest under a warrant within the limits of the airports any person accused of having committed within the boundaries of the airports any offense against the laws of the United States, or against any rule or regulation prescribed pursuant to this act; (2) to arrest without warrant any person committing any such offense within the limits of the airports, in his presence; or (3) to arrest without warrant within the limits of the airports any person who, he has reasonable grounds to believe, has committed a felony within the limits of the airports: *Provided, however,* That as to all powers granted by this section, primary jurisdiction for the investigation of all Federal offenses under the investigative jurisdiction of the Federal Bureau of Investigation shall remain with the Federal Bureau of Investigation.

"(b) Any individual having the power to arrest as provided in subsection (a) of this section may carry firearms or other weapons as the Secretary may direct or by regulation may prescribe.

"(c) The officer on duty in command of those employees designated by the Secretary as provided in subsection (a) of this section may accept deposit of collateral from any person charged with the violation of any rule or regulation prescribed under this act, for appearance in court or before the appropriate United States Commissioner; and such collateral shall be deposited with such United States Commissioner.

"Sec. 11. (a) To carry out the purposes of this act, there is authorized to be established an Alaskan airports fund (referred to hereinafter as the "fund"). The capital of the fund shall consist of the unexpended balances of funds appropriated prior to the date of enactment of this section to carry out the purposes of this act and such amounts as may be advanced to it from appropriations thereafter made for that purpose, together with the value of the assets of the airports, less liabilities as of July 1, 1956. The value of the assets shall be determined by the Secretary of Commerce, subject to the approval of the Director of the Bureau of the Budget, taking into consideration original cost, less depreciation, the usable value to the airports if clearly less than cost, obsolete and unusable facilities and equipment, and other reasonably determinable factors which would reduce the value of the assets of the airports.

"(b) Unless the Congress otherwise directs, the Secretary shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average yield to maturity (on the basis of daily closing market bid quotations during the month of June of the preceding fiscal year) on outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such month of June; except that no interest shall be payable on that portion of the capital which the Secretary determines to be properly allocable to national defense, nor on that portion which the Secretary determines to be equivalent to the Federal grants-in-aid that would have been received if the airports had been built and developed in their entirety subsequent to enactment of the Federal Airport Act and under its provisions by a local public agency with maximum Federal grants-in-aid. The determinations of the Secretary under this subsection shall be subject to the approval of the Director of the Bureau of the Budget.

"(c) Whenever any capital in the fund is determined by the Secretary to be in excess of the current needs of the airports, such capital shall be credited to the appropriation from which it was advanced, where it shall be held for future advances. The capital of the fund shall be considered reduced by the net amount of such credits.

"(d) Receipts from operations under this act shall be credited to the fund. The Secretary is authorized to charge any Government agency for facilities and services at the rates charged to the public, or to charge a lump sum which in the aggregate would approximate the total of the individual charges incurred by the using Government agency; except that no charge shall be made for services equivalent to those required to be rendered without charge by comparable public airports which have received grants-in-aid under the Federal Airport Act. The fund shall be available for payment of all expenditures of the Secretary under this act.

"(e) (1) Contributions shall be made from the fund to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the officers and employees of the airports and their beneficiaries.

"(2) Contribution shall be made from the fund to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such fund on account of the officers and employees of the airports and their beneficiaries.

"(3) Each such annual billing for contributions under (1) and (2) of this subsection shall include a statement of the fair portion of the cost of the administration of the fund with respect to which such billing is made, and a sum equal to such fair portion of the cost shall be paid by the fund into the Treasury as miscellaneous receipts.

"(4) The fund shall not be liable under (2) of this subsection on account of cases arising from injury, or death from injury, occurring prior to the effective date of this section, nor for payments for administrative costs with respect to any period prior to such effective date.

"(5) In carrying on the activities authorized by this act, the Secretary shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government on a reimbursable basis.

"(f) Appropriations are hereby authorized for payment of such amounts as may be shown in the annual budget program of the airports as necessary to cover actual losses of prior years sustained in the conduct of its activities under this fund. Amounts appropriated to the fund under authority of this subsection shall not be added to the amount of advances and shall not require payment of interest under subsection (b) of this section.

"(g) Such sums as may be required to carry out the purposes of this act are authorized to be appropriated without fiscal year limitations, to remain available until expended. Advances shall be made to the fund from the appropriations made therefor when requested by the Secretary. This act shall take effect July 1, 1956."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT MARINE ACT OF 1936, AS AMENDED

The Senate proceeded to consider the bill (S. 1833) to amend the Merchant Marine Act of 1936, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 2, line 3, after "(2)", to strike out "In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 at the time of the attachment of the insurance under said policy: *Provided, however*" and insert "In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall be a stated valuation determined by the Secretary which shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the

insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *Provided further*"; on page 3, line 2, after the word "has", to strike out "so" and insert "not"; in the same line, after the word "valuation", to insert "the amount of any claim therefor which is adjusted, compromised, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation"; in line 12, after "902", to insert "(a)"; in line 13, after the word "policy", to insert a colon and "*Provided, however,* That in the case of a construction-subsidized vessel, the valuation determined by the court as such just compensation shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *And provided further*"; in line 21, after the word "the", where it appears the first time, to insert "stated"; in line 23, after the word "contained", to insert "in the 12th paragraph under the heading Maritime Activities in title I of the Department of Commerce and Related Agencies Appropriation Act, 1956, in the 10th paragraph under the heading Maritime Activities in title III of the Department of State, Justice, and Commerce, and the United States Information Agency Appropriation Act, 1955"; and on page 7, after line 5, to insert:

Sec. 5. The first sentence of section 1206 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1286), is amended by striking out the words "during any time the United States is at war or during any period of emergency declared to exist by the President of the United States."

So as to make the bill read:

Be it enacted, etc., That section 1209 (a) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1289 (a)), is amended to read as follows:

"(a) (1) The Secretary, in the administration of this title, may issue such policies, rules, and regulations as he deems proper and may adjust and pay losses, compromise and settle claims, whether in favor of or against the United States and pay the amount of any judgment rendered against the United States in any suit, or the amount of any settlement agreed upon, in respect of any claim under insurance authorized by this title.

"(2) In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall be a stated valuation determined by the Secretary which shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *Provided further,* That the insured shall have the right within 60 days after the attachment of the insurance under said policy, or within 60 days after determination of such valuation by the Secretary, whichever is later, to reject such valuation, but shall continue to pay premiums upon such valuation at the rate provided for in said policy. In the event of the actual or constructive total loss of the vessel, if the insured has not rejected such valuation the amount of any claim therefor which is adjusted, compromized, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation, the insured shall be paid, as a tentative advance only, 75 percent of such valuation so determined by the Secretary and shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such valuation as would be equal to the just compensation which such court determines would have been payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation determined by the court as such just compensation shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *And provided further,* That in the event of an election by the insured to reject the stated valuation fixed by the Secretary and to sue in the courts, the amount of the judgment will be payable without regard to the limitations contained in the 12th paragraph under the heading Maritime Activities in title I of the Department of Commerce and Related Agencies Appropriation Act, 1956, in the 10th paragraph under the heading Maritime Activities in title III of the Department of State, Justice, and Commerce, and the United States Information Agency Appropriation Act, 1955, in the 11th paragraph under the heading 'Maritime Activities' in title III of the Department of Justice, State, and Commerce Appropriation Act, 1954, the 10th paragraph under the heading 'Operating Differential Subsidies' in title II of the Independent Offices Appropriation Act, 1953, the corresponding paragraphs of the Independent Offices Appropriation Act, 1952, and the Third Supplemental Appropriation Act, 1951, although the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded. In the event of such court determination, premiums under the policy shall be adjusted on the basis of the valuation as finally determined and of the rate provided for in said policy."

Sec. 2. Section 902 (c) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1242 (c)), is amended to read as follows:

"(c) If any property is taken and used under authority of this section, but the ownership thereof is not required by the United States, the Commission, at the time of the taking or as soon thereafter as the exigencies of the situation may permit, shall transmit to the person entitled to the possession of such property a charter setting forth the terms which, in the Commission's judgment, should govern the relationships between the United States and such person and a statement of the rate of hire which, in the Commission's judgment, will be just compensation for the use of such property and for the services required under the terms of such charter. If such person does not execute and deliver such charter and accept such rate of hire, the Commission shall pay to such person as a tentative advance only, on account of such just compensation a sum equal to 75 percent of such rate of hire as the same may from time to time be due under the terms of the charter so tendered, and such person shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such amounts as would be equal to just compensation for the use of the property and for the services required in connection with such use: *Provided, however,* That in the event of an election by such person to reject the rate of hire fixed by the Commission and to sue in the courts, the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded. In the event of loss or damage to such property, due to operation of a risk assumed by the United States under the terms of a charter prescribed in this subsection, but no valuation of such vessel or other property or mode of compensation has been agreed to, the United States shall pay just compensation for such loss or damage, to the extent that person entitled thereto is not reimbursed therefor through policies of insurance against such loss or damage."

Sec. 3. The first sentence of section 902 (d) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1242 (d)) is amended to read as follows:

"(d) In all cases, the just compensation authorized by this section shall be determined and paid by the Commission as soon as practicable, but if the amount of just compensation determined by the Commission is unsatisfactory to the person entitled thereto, such person shall be paid, as a tentative advance only, 75 percent of the amount so determined and shall be entitled to sue the United States to recover such amount as would equal just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code (U. S. C., 1946 edition, title 28, secs. 41 (20) and 250): *Provided, however,* That in the event of an election to reject the amount determined by the Commission and to sue in the courts, the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded."

Sec. 4. All war-risk insurance issued under title XII of the Merchant Marine Act, 1936, which is in force on the date of the enactment of this act shall, as of the beginning of such date, be deemed to have been amended to conform to the requirements of section 1209 of the Merchant Marine Act, 1936, as amended by this act unless the insured, within 10 days after such date, objects to such amendment.

Sec. 5. The first sentence of section 1206 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1286), is amended by striking out the words "during any time the United States is at war or during any period of emergency declared to exist by the President of the United States."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MINERAL INTERESTS ACQUIRED IN CONNECTION WITH THE GARRISON DAM PROJECT—BILL PASSED OVER

The bill (S. 746) to provide for the return to the former owners of certain lands including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. LONG. Mr. President, the bill, as amended, would provide that the former owners of mineral rights with respect to lands flooded by the waters of Garrison Dam might purchase back the mineral rights taken by the Government. The bill, as proposed to be amended by the committee, would require that the fair market value of the mineral rights be paid.

I ask unanimous consent that the report of the committee be printed in the RECORD at this point as a part of my remarks.

There being no objection, the report (No. 1955) was ordered to be printed in the RECORD, as follows:

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 746) to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

On page 1, line 5; on page 2, line 3; on page 2, line 6, insert the words "or devisees" immediately after the word "heirs."

On page 1, line 6, strike out the words "lands or interests therein were" and insert in lieu thereof the words "any mineral interest in lands or any estate in lands that included a mineral interest was."

On page 2, line 4, strike out the words "in such lands as were" and insert in lieu thereof the words "that were so."

On page 2, line 7, insert the words "upon the date of approval of this act" immediately after the word "interests"; and on page 2, lines 8–10, delete the phrase ", but not in excess of 5 percent of the purchase price paid for the land by the Government."

On page 2, add the following language at the end of section 1 of the bill:

"*Provided*, That where mineral interests in the same lands were acquired from more than one person or tribe, no conveyance shall be made unless it is established to the satisfaction of the Secretary that the proposed conveyance will operate in a manner which will be fair and just to each person (and the heirs or devisees of any such deceased person) or tribe from whom any mineral interest in such lands was acquired by the United States, and which will not prejudice the proper conservation and development of the mineral deposits affected by the conveyance. For the purposes of this act former mineral interests, whether or not in the same lands, may be combined or divided in such maner as may be requested by the applicant or applicants and approved by the Secretary."

Add to the bill a new section reading as follows:

"SEC. 3. In the event all of the mineral interests of the United States in and to all of the mineral deposits that are subject to any one lease, permit, license, or contract issued under the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913; 30 U. S. C., 1952 ed., secs. 351–359), as amended, are otherwise eligible for conveyance under section 1 of this act to a single grantee, or to several grantees as tenants in common, then such conveyance shall contain an assignment of all right, title, and interest of the United States in and to such lease, permit, license, or contract, including the right to all rentals, royalties, and other payments accruing under such lease, permit, license, or contract after the effective date of such conveyance. Except as provided in the preceding sentence, mineral deposits that are subject to any such lease, permit, license, or contract shall not be eligible during its continuance for conveyance under this act. Nothing contained in this act, shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder."

PURPOSE OF THE BILL

The purpose of this measure is to provide for the reconveyance of mineral rights in certain lands acquired for the Garrison Dam project to the former owners thereof.

An area in excess of 400,000 acres of land in North Dakota was acquired by the Department of the Army for the Garrison Dam and Reservoir project on the Missouri River as authorized by the act of Congress approved December 22, 1944 (58 Stat. 891). By late 1951, fee title to 173,577 acres of this area, including 13,483 acres comprising the dam site and other construction areas, had been acquired.

CHANGE IN LAND ACQUISITION

With the speculation in oil and gas leases which accompanied the significant oil and gas activity in the Williston Basin in 1951, the Department of the Army reviewed its remaining land requirements for the project and concluded that a reservation of oil and gas rights by owners of land within the project area, but not within specified distances of the main dam, spillway, outlets, powerhouse, embankment section, and so forth, would be compatible with the project requirements provided the rights reserved are subordinated to the right of the United States to flood and submerge the land as required and that the exercise of such rights is appropriately restricted.

In order to restrict the landownership requirements of reservoir projects to the minimum area essential to their development, operation, and maintenance, the Department of the Army in October 1953, revised its general land-acquisition policy so as to place greater emphasis on the acquisition of flowage easements instead of fee title, wherever feasible. The statement of the revised policy, which was developed in collaboration with the Department of the Interior, was published in the Federal Register on December 23, 1954 (19 Federal Register 8845). The revised policy is being applied in the acquisition of land for all new reservoir projects.

In furtherance of the revised policy, the Department of the Army has taken action in appropriate cases to amend pending condemnation cases and proceedings, as authorized by the act of Congress approved October 21, 1942 (56 Stat. 797), to provide for the taking of such lesser interest in lands as will conform these acquisitions to the revised policy. The Secretary of the Army, however, does not have authority to adjust in a similar manner acreage or title interest in lands acquired either through purchase, transactions, or condemnation proceedings in which final judgment has been entered.

BASIC OBJECTIVE

The lack of authority on the part of the Secretary of the Army to adjust title interest in certain lands gives rise to this legislative proposal to provide for adjustment in the title interest in that acreage outside the dam site and construction area acquired in fee prior to October 1951, so as to conform the title interest to be retained by the United States in these lands with the title interest acquired in conformity with the decision reached in 1951.

Some landowners in the Garrison Dam area took advantage of the opportunity to reserve oil and gas rights for whatever speculative value they had; others elected to convey the full fee-simple title to the United States. There is also included within the project boundaries an area consisting of approximately 152,360 acres which was acquired in fee from the Three Affiliated Tribes of the Fort Berthold Reservation in North Dakota in accordance with the joint resolution of Congress approved October 29, 1949 (63 Stat. 1026).

AMENDMENTS

The fact that these lands are subject to the Mineral Leasing Act for Acquired Lands (30 U. S. C., 1952 ed., secs. 351–359) makes desirable the addition of language of a technical and clarifying nature governing reconveyances of interests in land subject to oil and gas leases issued by the Department of the Interior under the above-mentioned act. All amendatory language of this character, suggested in the report received by the committee from the Department of the Interior, has been adopted. A full explanation of the need for such amendments is contained in the Department's report, which is set forth below with the report of the Bureau of the Budget.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., January 31, 1956.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior
and Insular Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MURRAY: This is in reply to your request for the views of this Department on S. 746, a bill to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands which, we understand, supersedes S. 536, a bill to provide for the return to the former owners of certain lands acquired in connection with the Garrison Dam project of mineral interests in such lands.

We would have no objection to the enactment of S. 746, if it were amended in accordance with our suggestions below.

Section 1 of S. 746, if enacted, would require the Secretary of the Army to convey the mineral interests in lands acquired by the United States for the Garrison Dam project, upon application, to any Indian tribe or any person (or his heirs) from whom the lands were acquired, upon the payment of a purchase price equal to the fair market value of the mineral interests, but not more than 5 percent of the purchase price paid for the land by the United States. Section 2 of the bill would authorize the Secretary of the Army to include in each conveyance such reservations and restrictions as he may deem advisable for purposes relating to the construction, operation, and maintenance of the Garrison Dam and Reservoir or for other purposes that are in the public interest.

Since all of the lands to which this bill is applicable were acquired by the Department of the Army and are at this time subject to its jurisdiction, that Department is in a much better position than we to comment on the merits of the bill from a substantive standpoint. However, these lands are subject to the Mineral Leasing Act for acquired lands (30 U. S. C., 1952 ed., secs. 351–359), under which this Department is authorized to issue, with the concurrence of the Department of the Army, oil and gas leases on the lands. Twenty-six such leases were issued during the period from January 1953 to December 1954, and applications for additional leases are pending. Moreover, the beneficiaries of the bill would include the Three Affiliated Tribes of the Fort Berthold Reservation, and individual members of that Indian tribal group.

In the event favorable consideration is given to the enactment of S. 746, we recommend that it be amended in five respects.

1. The bill as now worded extends the privilege of obtaining a reconveyance of the mineral interests in the lands affected by its provisions to the former owners, if living, and, if deceased, to their "heirs." It may be questioned, however, whether the term "heirs" is entirely adequate to cover situations where the former owner has disposed of his estate by a will. We suggest, therefore, that at each of the 3 places where this term appears in the bill (p. 1, line 5; p. 2, line 3; and p. 2, line 6) the words "or devisees" be inserted immediately after the word "heirs". If this were done, we consider that the privilege of reacquiring the mineral interests of a deceased owner would be exercisable by those persons who, under the laws of the State of North Dakota governing the descent and testamentary disposition of real property, would have succeeded to such mineral interests had they remained as part of the estate of such former owner at the time of his death.

2. The bill as now worded does not identify with as much clarity as would be desirable the situations to which it is intended to apply. The person from whom surface rights were acquired by the United States for the Garrison Dam project frequently did not convey full mineral rights to the United States. In some cases this was because the mineral rights in the lands already belonged to the United States, having been reserved to it in the original patents or other instruments under which the lands were held by the surface owners. Thus, it is estimated that about 3,500 acres of the acquired lands were subject to a reservation of fall mineral deposits, and that about one-fourth of the acquired area was subject to a reservation of the coal deposits. In other cases the surface owners were unable to convey full mineral rights to the United States because they had made conveyances or leases of such rights to third parties. As a consequence of this situation, it was necessary for the Government to obtain relinquishments of mineral rights in hundreds of instances from persons other than the surface owners. In still other cases, some mineral rights were excepted from acquisition by the United States. Thus, we understand that oil and gas rights have been retained by the former surface owners in a number of instances.

In these circumstances we believe it most important that the bill should clearly express the principle that former surface owners, as well as former owners of mineral leases or grants, in the area affected by the bill are to be entitled to a reconveyance of only the particular mineral interests which the United States acquired from these owners. To this end we suggest the following amendments: (1) at page 1, line 6, strike out the words "lands or interests therein were" and insert in lieu thereof the words "any mineral interest in lands or any estate in lands that included a mineral interest was"; and (2) at page 2, line 4, strike out the words "in such lands as were" and insert in lieu thereof the words "that were so."

3. It is believed that the United States should benefit, in any reconveyance of mineral interests to former owners, from any increase in the value ascribed to those mineral interests while title to them is in the United States. For this reason, we believe that the provision in S. 746 which limits the price to be charged for the reconveyance of mineral interests to 5 percent of the purchase price paid for the land by the United States should be removed, and that the price charged the former owners should in every case be the fair market value of the mineral interests. Since the date of the enactment of S. 746 will be the time at which the policy of returning title to the mineral interests to the former owners will be effectively established, it would be appropriate to provide that the price to be charged the former owners be the fair market value of the mineral interests upon that date. To achieve these ends, we suggest the insertion of the words "upon the date of approval of this act" immediately after the word "interests" at page 2, line 7, and the deletion of the phrase ", but not in excess of 5 percent of the purchase price paid for the land by the Government" at page 2, lines 8–10.

4. In many of the situations where separate mineral interests in the same lands were acquired from two or more persons, restoration of the mineral interests acquired from one would be both impractical and inequitable unless accomplished as part of a restoration of the status quo with respect to all. Particularly is this true where a mineral lease was involved. In such a situation a satisfactory restoration could hardly be effected without the consummation of an agreement between the former lessor and former lessee reinstating the obligations created by the former lease, or substituting new obligations. Hence, the bill should condition the reconveyance of the interests of lessors or lessees or of other fractional, partial, conditional or future interests upon a showing that the parties in interest have worked out whatever arrangements may be necessary in order to avoid unfairness and to permit proper utilization of the mineral deposits. For this purpose, we suggest that the following provisions be added at the end of section 1 of the bill:

"*Provided*, That where mineral interests in the same lands were acquired from more than one person or tribe, no conveyance shall be made unless it is established to the satisfaction of the Secretary that the purposed conveyance will operate in a manner which will be fair and just to each person (and the heirs or devisees of any such deceased person) or tribe from whom any mineral interest in such lands was acquired by the United States, and which will not prejudice the proper conservation and development of the mineral deposits affected by the conveyance. For the purposes of this act former mineral interests, whether or not in the same lands, may be combined or divided in such manner as may be requested by the applicant or applicants and approved by the Secretary."

5. As pointed out in the forepart of this report, some of the lands affected by the bill are subject to outstanding oil and gas leases issued under the Mineral Leasing Act for acquired lands. We believe that the inter- underlying the bill probably is to transfer the interests of the United States in these leases to the former owners of the mineral deposits covered by such leases, in the event the former owners apply for the reconveyance of their former interests in these deposits. If this is the true intent, we believe it needs to be spelled out in the terms of the bill. Furthermore, serious objections would exist to the conveyance of mineral interests in lands that are subject to an outstanding Federal mineral lease unless such interests cover all of the mineral deposits that are subject to the particular lease involved. Partial assignments of leases or of reverters or reversions in leased mineral deposits could result in burdening the lessees as well as the United States with additional and costly problems of accounting, operations and administration. Hence, we recommend that it leased mineral deposits are to be included within the application of the bill, such application be limited to situations where all of the interests of the United States in all of the mineral deposits subject to the particular lease involved are eligible for reconveyance under the bill, and where the effect of the reconveyance will be to transfer the entire interests of the United States in the lease to a single grantee or to several grantees holding as tenants in common. Both of the matters discussed in this paragraph could appropriately be handled by adding to the bill a new section, reading substantially as follows:

"SEC. 3. In the event all of the mineral interests of the United State in and to all of the mineral deposits that are subject to any one lease, permit, license, or contract issued under the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913; 30 U. S. C., 1952 ed., secs. 351–359), as amended, are otherwise eligible for conveyance under section 1 of this act to a single grantee, or to several grantees as tenants in common, then such conveyance shall contain an assignment of all right, title, and interest of the United States in and to such lease, permit, license, or contract, including the right to all rentals, royalties, and other payments accruing under such lease, permit, license, or contract after the effective date of such conveyance. Except as provided in the preceding sentence, minerals deposits that are subject to any such lease, permit, license, or contract shall not be eligible during its continuance for conveyance under this act. Nothing contained in this act shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder."

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

WESLEY A. D'EWART,
Assistant Secretary of the Interior.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and
Insular Affairs, United States Senate
Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: This will refer to our letter to you of February 10, 1955, concerning S. 536 and S. 746, bills which would authorize the return to former owners of mineral rights acquired in connection with Garrison Dam.

In that letter it was stated that the Bureau of the Budget would have no objection to enactment of these measures if amended to provide that the United States shall receive the full fair market value of mineral interests in these lands. Since that time we have reviewed our position on this legislation in the light of discussions with representatives of the Indian interests involved, and we have concluded that we would have no objection to enactment of these bills, if amended to provide that the United States shall receive for the mineral interests in these lands their full fair market value appraised as of the date of enactment of the legislation. It is understood that such a provision would be satisfactory to the Indian interests.

Sincerely yours,

PERCY RAPPAPORT,
Assistant Director.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MORSE. I commend the Senator from Louisiana for the protection which he has sought to give the taxpayers of the country by including in the bill provision for payment for the mineral rights.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS. Do I correctly understand that, in addition to the mineral rights, the land itself is to be returned to the original owners?

Mr. LONG. No. In 1951 the Department of the Army changed its policy with regard to land acquisition, recognizing that, in acquiring floodways and lands to be flooded by dams, it is not necessary to acquire mineral rights, particularly mineral rights to oil and gas.

Therefore, since 1951, the policy seems to have been that unless it is necessary, the Department of the Army does not acquire mineral rights in order to have a dam in a certain area.

In this instance the landowners would like to be placed in a situation in which they could buy back the mineral rights. They would have to pay more for such mineral rights than the Government paid them, because there has been oil exploration in the area. Under the terms of the bill, they would pay the fair market value of such mineral rights.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ROY M. HOFHEINZ AND HIS WIFE IRENE

The bill (H. R. 3738) for the relief of Roy M. Hofheinz and his wife Irene was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT SHIP SALES ACT OF 1946, AS AMENDED

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of Calendar No. 1883, S. 3113, which was placed at the foot of the calendar. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended.

The PRESIDING OFFICER. When the bill was considered previously on the call of the calendar, an explanation was asked for. Does the Senator from Connecticut renew his request in that regard?

Mr. PURTELL. The Senator from Connecticut does not renew his request, and he offers no objection to the passage of the bill.

The PRESIDING OFFICER. The amendments of the Committee on Interstate and Foreign Commerce were previously agreed to.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER. That concludes the call of the calendar. Under the order previously entered, the Chair lays before the Senate the unfinished business, which is S. 3073.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The PRESIDING OFFICER. The clerk will read the unanimous-consent agreement which was entered into on Monday last and which governs the further consideration of the unfinished business.

The legislative clerk read the unanimous-consent agreement, as follows:

> *Ordered*, That, effective on Wednesday, May 9, 1956, at the conclusion of the calendar call, during the further consideration of the bill S. 3073, the Washington Metropolitan Transit Authority Act, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.
>
> *Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, yield additional time to any Senator on any amendment, motion, or appeal. (May 7, 1956.)

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill is open to amendment.

Mr. HOLLAND. Mr. President, I have two amendments which perhaps will not take long to consider. I call up, first, the amendment I now send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The Legislative Clerk. On page 71, after line 22, it is proposed to insert:

> (e) In the event that Authority acquires specific items of real property or tangible personal property by eminent-domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof.

The PRESIDING OFFICER. How much time does the Senator from Florida desire?

Mr. HOLLAND. Mr. President, I yield myself 3 mintues.

This amendment is offered not only by myself but by the distinguished senior Senator from Oregon [Mr. Morse] and the distinguished junior Senator from Colorado [Mr. Allott]. This is a matter which was discussed at some length on the floor of the Senate during the debate day before yesterday, and was agreed upon at that time. I know of no one participating in the debate or who was present at that time who was not in accord with the provisions of the amendment. Under the amendment, if the owner has a fee simple title, the Authority must in condemnation proceedings, condemn the fee simple title. If the owner has a less important title, for instance, a possessory interest, such possessory interest must be taken as a whole.

The amendment, if adopted, will bring an end to any thought that the Authority might condemn less than the full interest in any property, and, particularly, might condemn for only a period of time such capital assets as rolling stock, street cars, buses, and the like.

Mr. President, I believe there is no objection to the amendment. I know of none. I yield back the remainder of my time, unless the Senator from Oregon or the Senator from Colorado wishes to supplement anything I have said.

Mr. President, I yield back the remainder of my time.

Mr. McNAMARA. Mr. President, unless some Senator wishes to speak in opposition to the amendment, I shall be glad to yield back our time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Holland] for himself and other Senators.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I send forward another amendment, also offered for myself, the Senator from Oregon, and the Senator from Colorado, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The Legislative Clerk. On page 67, after line 3, it is proposed to strike out lines 4 to 12, inclusive.

At the beginning of line 13, it is proposed to change "(c)" to "(b)."

Mr. HOLLAND. Mr. President, this amendment also relates to a matter which was discussed in some detail on the floor day before yesterday. The question discussed was whether under the bill it was wise to give to the Authority the right to condemn the capital stock of a corporation which was the owner of assets desired by the Authority.

I believe it was agreed during the debate that such a provision was inserted as an alternative provision to be used only if further condemnation proved to be inadequate.

I have understood from the Senator from Oregon that on checking the matter it has been discovered that this particular provision did not have reference, under the plan of the Commissioners of the District of Columbia, to capital stock of the transit company, but, instead, to another situation entirely.

I find that we are all in accord with the feeling that it would be unwise to give to the Authority the right of condemnation of both capital stock and the assets represented by the capital stock, so that, in effect, by condemning both, the Authority would be sitting on both sides of the table representing the then operator of the line and also representing holders of the remaining assets of the transit company. It seems to me, Mr. President, that that would be particularly unwise when it is realized that by condemning only that part of the stock held by the present operating group of the company, the officers of the District of Columbia could be substituted for the corporate officers of the corporation and would then be in control of the assets of the corporation in which the minority stockholders have an interest. I am advised that there are 2,500 of those stockholders, all told.

It appears that the Senators who have discussed this matter are in substantial accord, and unless some Senator wishes to supplement my brief remarks, I shall be glad to yield back the remainder of my time. I shall be glad to yield time to either the Senator from Oregon, the Senator from Colorado, or the Senator from Michigan.

Mr. McNAMARA. Mr. President, I am on the floor at this time for the purpose of yielding back the time, because there seems to be no opposition to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Holland] for himself and other Senators.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLOTT. Mr. President, I call up at this time my amendment "5–7–56–C" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 81, line 19, it is proposed to strike out the period and insert in lieu thereof a comma and the following:

> And shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective bargaining agreement then in effect or thereafter adopted.

Mr. ALLOTT. Mr. President, I yield myself 3 minutes.

I believe there is no objection to this amendment as it is now written. The purpose of it is to make more definite and certain the language of the bill itself. The bill provides a rather elaborate and complete personnel and arbitration system, but fails to give the Authority the fundamental right of writing rules and regulations under which the work shall be carried on. That has now been done by this amendment.

I have no further remarks to make concerning the amendment, unless some other Senator wishes to comment.

Mr. MORSE. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield.

Mr. MORSE. Is it the Senator's interpretation that the use of the word "subject" on line 5, page 2, makes the amendment refer to the entire section?

Mr. ALLOTT. Yes; it is. That is my purpose.

If no other Senator wishes to speak on the amendment, I am prepared to yield back the remainder of my time.

Mr. McNAMARA. Mr. President, I am prepared to yield back the remainder of the time on the other side.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Allott].

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I call up my amendment "5–7–56–F," and I ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The Legislative Clerk. On page 82, lines 20 to 23, it is proposed to strike out the following:

> Subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights.

On page 83, following the sentence ending in line 1, it is proposed to insert the following new sentence:

> Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective bargaining agreement then in effect.

Mr. ALLOTT. Mr. President, I yield myself 3 minutes.

The purpose of the amendment is to spell out, in behalf of the employees, all the rights they shall have under the proposed Authority.

In the bill as printed, on page 82, beginning in line 20, the language reads:

> Subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights.

That language was considered to be too vague. Therefore, I have prepared the amendment for the purpose of spelling out specifically the employment rights and benefits which the employees shall have when they transfer or are transferred to the Authority. The amendment makes the language very definite, as contrasted with the rather vague language which is now in the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ALLOTT. I am very happy to yield.

Mr. MORSE. As the Senator from Colorado knows, I support his amendment.

Does the Senator agree with me that what the amendment proceeds to make crystal clear is that the Authority shall not be required to employ any number of employees in excess of the number required to operate the system; but that any employees who are necessarily laid off will be, nevertheless, protected in their security rights if, as, and when additional employees must be hired, and that the Authority will at least offer top priority to those who were laid off because they were not needed at a particular time in the operation of the system?

What is sought to be done by the section of which the Senator's amendment will become a part is simply to make clear two things: First, that the Authority does not have to hire employees who are not needed to operate the system; second, if, as, and when the Authority needs to hire additional employees, it shall respect the seniority rights of the employees who were laid off.

Mr. ALLOTT. The Senator from Oregon has made abundantly clear the purpose of the amendment. It is not the intention of the amendment that the transit Authority will have to accept more employees than it needs, but the amendment protects the seniority of the employees when they are transferred. It was thought best to spell out that provision specifically in order that the rights of the employees would be made crystal clear.

Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. McNAMARA. Mr. President, on our side, we are prepared to yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Allott].

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I call up my amendment "5–7–56–D" and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Colorado.

The Chief Clerk. On page 85 it is proposed to strike out the period in line 11, and insert in lieu thereof a semicolon, and between lines 11 and 12 to insert the following:

> (10) For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.; 69 Stat. 624), the government of the District of Columbia and the Authority shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield.

Mr. KNOWLAND. Since this is an amendment which, as I understand, will not be readily accepted, and because of the importance of the amendment, I wonder if it would be agreeable to the acting majority leader to have a quorum call, without the time for the quorum call being charged to either side.

The PRESIDING OFFICER. May the Chair inquire through the minority leader whether the Senator from Colorado has any other amendment to call up which may be noncontroversial?

Mr. ALLOTT. I have no more amendments. This will be the last one, so far as I know.

The PRESIDING OFFICER. The Chair thought that if there were any other amendments which were of a noncontroversial nature, they might be disposed of first.

Mr. KNOWLAND. I had understood there were no additional amendments to be offered by the Senator from Colorado.

Mr. McNAMARA. Mr. President, I agreed to the suggestion of the distinguished minority leader that there be a quorum call, the time for the call to be charged to neither side.

Mr. ALLOTT. Mr. President, will I retain the privilege of the floor?

Mr. KNOWLAND. Mr. President, I include, as a part of my unanimous-consent request, that the Senator from Colorado shall retain the privilege of the floor.

The PRESIDING OFFICER. That will be understood.

The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott
Beall
Bricker
Butler
Byrd
Carlson
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Daniel
Dworshak
Frear
Fulbright
Holland
Hruska
Jackson
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Langer
Lehman
Long
McCarthy
McNamara
Morse
Neuberger
Payne
Schoeppel
Smith, Maine
Smith, N. J.
Watkins
Williams
Wofford

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. Bible], the Senator from Kentucky [Mr. Clements], the Senator from Tennessee [Mr. Kefauver], the Senators from West Virginia [Mr. Laird and Mr. Neely], and the Senator from Georgia [Mr. Russell] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic energy tests in the South Pacific.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senators from Indiana [Mr. Capehart and Mr. Jenner], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The PRESIDING OFFICER (Mr. Frear in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. Aiken, Mr. Anderson, Mr. Bender, Mr. Bennett, Mr. Bridges, Mr. Bush, Mr. Chavez, Mr. Dirksen, Mr. Douglas, Mr. Duff, Mr. Eastland, Mr. Ellender, Mr. Ervin, Mr. Flanders, Mr. George, Mr. Gore, Mr. Green, Mr. Hayden, Mr. Hennings, Mr. Hickenlooper, Mr. Hill, Mr. Humphrey, Mr. Magnuson, Mr. Malone, Mr. Mansfield, Mr. Martin of Iowa, Mr. Martin of Pennsylvania, Mr. McClellan, Mr. Millikin, Mr. Monroney, Mr. Mundt, Mr. Murray, Mr. O'Mahoney, Mr. Potter, Mr. Purtell, Mr. Robertson, Mr. Saltonstall, Mr. Scott, Mr. Smathers, Mr. Sparkman, Mr. Stennis, Mr. Symington, Mr. Thye, Mr. Wiley, and Mr. Young entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. Neuberger in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. Allott].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

SENATOR WALTER F. GEORGE, OF GEORGIA

Mr. JOHNSON of Texas. Mr. President, we have all heard this morning with deep regret the news that the senior Senator from Georgia [Mr. George] is retiring from the Senate at the end of this term. All of us must respect the considerations of health which have impelled him to his decision. But, Mr. President, all of us feel a deep sense of sorrow that a friend and a leader is leaving this body.

Walter F. George is one American whose place in history is already assured. For many years Senator George has enriched our public life with his statesmanlike advice and his always sound counsel.

Walter George has been the man of calm reflection, of deep thought, of wide knowledge.

Walter George has been the man upon whom all of us have leaned for support and for strength in the turbulent seas of the period following World War II.

Walter George is a man whose roots, like those of a mighty oak, are planted deep in the soil of his native Georgia; but in a very real sense Walter George is a national figure, and a world figure.

Walter George's name has become a household word in every dwelling in our land and across the seas and the oceans. In far away countries, and in places which are alien and strange, Walter George is a magic figure, who symbolizes all that is best and noble in the United States.

I like to think that he embodies the finest traditions of this great Nation—courage, determination, moderation, and a desire to solve rather than to aggravate or exaggerate the problems of our time. I believe that every good American will join me in that thought.

I trust that I may be forgiven a personal note. Walter George is to me more than a great leader, more than a towering figure of statesmanship. He is also one of my closest and most dearly beloved personal friends. For the past few years we have sat side by side in the Senate. He has always given me the advice and counsel of a wise father. Without him, I do not believe I would have done as well as I have.

The news tickers have carried the announcement of the President that he has offered Senator George a place in keeping with his great talents. This is a wise act, an act of patriotism. We can ill afford to lose such talents, and whatever the future may have in store, the people of America will always hold Walter F. George, of Georgia, deeply enshrined in their hearts as a champion without fear, and a statesman for the ages.

Mr. KNOWLAND. Mr. President, I would not wish this opportunity to pass without, on behalf of the minority, rising and joining the majority leader in his admirable and timely statement regarding the services which Walter George has rendered his country. He has not only been a tower of strength in the United States Senate, ably representing his State of Georgia, but in a very real sense he has been and is a Senator of the United States.

He has carried heavy burdens in the Senate. As chairman for many years of the Committee on Finance, and subsequently as chairman of the Committee on Foreign Relations, he has participated and been leader in many of the great decisions affecting the fiscal and foreign policies of our country.

He has carried forward the high traditions of the Senate and of the Government of the United States in developing and maintaining a bipartisan foreign policy, so that in meeting great international problems we could present to the world a united front.

Senator Walter George is loved and respected in the Senate equally on both sides of the aisle.

Of course, all of us regret the news that he will leave the Senate at the end of his present term in January 1957. However, I think that we can temper our regret by the knowledge that he is not leaving the service of the Government and of the people of the United States. Inasmuch as we will not have him with us in the Senate after the present Congress has concluded its business, it is stimulating and satisfying to know that he will be using his talents and great abilities in helping to represent the Government of the United States in meeting some of the great problems confronting us in the North Atlantic alliance.

I know of no man who could be selected by the President of the United States who has a better background than Senator Walter George. When the chips are down, Senator George acts as an American in meeting the great challenges that confront us.

He has never been a narrow or a bitter partisan. He has served, of course, the great party with which he is affiliated. But, more than that, he has served the United States, which he loves.

All of us regret that he is leaving the Senate, but all of us rejoice that he will have more years of service to give to the Government and to the people of the United States.

Mr. BYRD. Mr. President, one of the privileges that I treasure most highly is that I have been a close and intimate associate of Senator Walter George for more than 23 years. We are now desk mates in the Senate, and I have sat next to him in the Senate Finance Committee for a long time. It has been an association that I shall value as long as I live, because I feel I have had the opportunity to know intimately one of the greatest statesmen of this age.

No one can be associated with Senator George without forming for him a rare kind of love and admiration which seldom occurs in human relationships. He has one of the greatest intellects among men in public life. His kind consideration to all endears him to his colleagues.

There has never been a time, I believe, in the history of our country when we

have needed so much men of the character and the capacity possessed by Walter George. He will leave a void in the Senate deliberations and in the work of important committees of which he is a member that it will be impossible, in my opinion, to fill.

Of him it can be said that his actions always are determined by what in his conscience he believes to be for the best interests of his country.

I was more than shocked when I heard of his determination not to be a candidate for reelection. We in the Senate will miss him sorely. Throughout his career he has always borne serious responsibilities, and I can only hope that his future work will provide him with the opportunity to contribute the judgments of his superb intellect in his patriotic effort to accomplish those things which will add to the progress and security of America.

My friendship for him and my close association with him during our service in the Senate will ever remain one of the finest memories in my life. I sincerely hope our paths will cross frequently in the future so that, in the future as in the past, I can derive inspiration from his courage, his patriotism, and the fine judgment with which he is so richly endowed.

Mr. KERR. Mr. President, I share the feelings expressed by the Senator from Texas [Mr. Johnson], the Senator from California [Mr. Knowland], and the Senator from Virginia [Mr. Byrd], about the great Senator George.

The avenues available to human beings for progress and eminence are limited and cherished. A man may become a great father, a great husband, a great friend, a great businessman, or a great statesman. Walter George has achieved eminence in all these fields.

I have a new concept of statesmanship and patriotism because I have had the opportunity and privilege of being closely associated for nearly 8 years with Walter George, of Georgia. I have become aware of a broader view of devotion to a man's native State. I have learned anew of the power of intellect and wisdom, as manifested by articulate eloquence.

As a boy, it was my privilege to hear William Jennings Bryan when he was rightly regarded as the most eloquent voice in his party. Mr. President, the voice of Walter George is just as eloquent. He has an even greater authority and understanding and realization of the subjects to which he addresses himself and the relative position they occupy in respect to the welfare of his country and its people.

I realize the contribution he has made to bipartisan support of the foreign policy of the United States, whether under a Democratic or a Republican President. I am deeply aware that Walter George is a great Democrat. No stronger voice was ever lifted in the Senate in defense of the rights and privileges and the opportunity to make the progress which belong to the average citizen, including the farmer.

Mr. President, as the years come and go, Walter George's stature and eminence in the fields of public service which he has adorned will become larger and larger and be more and more deeply appreciated.

Walter George is a great friend. I appreciate the words of the distinguished majority leader on that point. I have no fonder feeling as regards my membership in the Senate than my association with the great Senator from Georgia.

To say that I personally will miss him is an understatement. In my judgment, he is the tallest timber in the great group of mighty trees we know as the United States Senate. When he leaves his place here, there will be a void in the forest as the eye looks toward the sky. Certainly, when he came to the Senate he filled a vacancy. When he leaves there will be a void which I do not expect to see filled in my lifetime.

I am happy that he has been offered a position of responsibility by the President of the United States, because, great as he is as a husband and father, as a friend, and as a champion of the common people, he has achieved his greatest eminence as a patriot.

So, Mr. President, in whatever position he may find himself, as a private citizen, as a representative of his President in an important position in the field of the development of peace, or as an adviser to friends of his in this body, I know that so long as he lives he will continue to be one of the greatest patriots America has ever known. We who have been privileged to serve with him count ourselves fortunate by reason of the blessing of his friendship, association, and the opportunity we have had to walk side by side with him.

Mr. ANDERSON. Mr. President, I am sure that all Members of the Senate have heard with sorrow that the dean of the Senate, the able Walter George, has decided to retire from membership in this body.

I am deeply pleased to know that the President of the United States hopes to be able to continue to make use of the services of this great man in a position with the NATO organization. I think it was particularly fortunate that a great Republican, Warren Austin, was called upon by a Democratic President to take a responsible position with the United Nations. In the same spirit I think it is extremely pleasing that a great Democrat, such as Walter George, can be called upon by a Republican President to assume responsibilities in a world organization. I know that in whatever work he shall undertake he will take with him the confidence, the faith, and the loyal friendship of every Member of this body.

In the case of another great American it was once said that the people were proud of him because of the enemies he had made. I should like to feel that the Members of this body are proud of Walter George because of the friends he has made. I think it is a good thing once in a while for a man in an eminent position to have made enemies because of his stand, but I think it is a notable thing that Walter George has made friends because of the way he has handled great questions, and because of the way he has treated all his fellow Members on the floor and off the floor of the Senate.

It is with a profound sense of personal loss that we who are to remain in the Senate realize that we shall not have him with us as a wise friend and counsellor after the conclusion of his term. I think the Nation can ill afford to lose him from the Senate of the United States. I hope it will be the privilege of the American people long to make use of his fine judgment and long to hear the ringing tones of his voice as he speaks out in behalf of the things to which he has pledged allegiance and to which he has given his very life.

We regard him as a truly great man, not because he has remained in the Senate a long time where he has rendered great service to the people of his State and Nation, although he has done that, but because it has been truly an inspiration to the Members of the Senate to have known him, and he will long be remembered as one of the kindliest men who ever served in this body.

We shall miss him very much. I hope this great American will relieve that situation by coming frequently to Washington and giving us many opportunities to renew the friendship we have enjoyed with him.

Mr. SMITH of New Jersey. Mr. President, I rise to pay my tribute to our friend, Senator George.

I have known Walter George ever since I became a Member of the Senate, and I have received from him the uniformly courteous treatment he accords to everyone. But beyond that, Mr. President, I have had the privilege of being intimately acquainted with him during the 10 years I have been a member of the Foreign Relations Committee. Of course, he has been a bulwark of strength in our approach to foreign problems. I do not know how a man of his vision, his thoughtful approach, his ability to see all sides of problems, can be replaced. I know I speak for all the Members of this body when I say that he really is irreplaceable.

But beyond his ability, his statesmanship, beyond the affection in which he is held by all the Members of the Senate and, in fact, by all the people of the Nation, I wish to pay tribute to him as a warm personal friend, because I have found that Walter George and his wife, "Miss Lucy," are two of the finest people whose friendship my wife and I have ever enjoyed. I wish to express our sorrow at his leaving the Senate and to wish him great success in his new assignment to the NATO organization.

Mr. FULBRIGHT. Mr. President, it was with profound regret that I heard of the decision of the senior Senator from Georgia [Mr. George] to retire from the Senate.

It is difficult to imagine the Senate without the steadying hand of Senator George. He has been at the helm, so to speak, ever since I have been in this body, so it will be certainly a very drastic change for me as well as for the Senate as a whole to lose his leadership.

It would be presumptuous on my part to attempt to tell this body about the great qualities of leadership possessed by the Senator from Georgia. Many Senators have known him longer than I, and all of us have observed the wisdom with which he has handled so many of the most important problems to come before this body.

During the past 10 years I have served on the Committee on Foreign Relations with the distinguished chairman of that committee. He has always been a steadying influence in the deliberations of that committee. His great experience and his profound knowledge of the Constitution and of the Nation's history have been of invaluable aid to the deliberations of the Committee on Foreign Relations.

Mr. President, I could continue at length to discuss the great contributions which Senator GEORGE has made to the work of this body and to the welfare of his country. All that I might say, however, can be summed up in the simple phrase that he has been and is "a fine public servant." He has served his country and his State well. It is men like WALTER GEORGE who have made our Nation a strong and free community of civilized human beings which is the hope of the world. He deserves the acclaim of all free people, everywhere.

I know that I shall sorely miss his advice and leadership on the committee and on this floor.

I wish him and "Miss Lucy" Godspeed and many years of happiness which they so richly deserve.

Mr. O'MAHONEY. Mr. President, I think it is utterly impossible adequately to portray in words the confidence, the respect, and the affection in which WALTER GEORGE has been held by all his colleagues throughout his service in this body. He is a man of wisdom, a man of eloquence, a man of great influence, a man of vision, and, above all, a man of human understanding. He understands people. He understands their motives, and he understands the great principles upon which our Government was founded. There is no one who has ever associated with him who has not been enriched by such association. He left his mark upon everyone with whom he associated, a mark which meant the improvement and growth of those who worked on his committees or on the floor of the Senate with him.

There are many, many things to be said about the contributions which he has made to the welfare of the people of our country in all grades and all classes.

I was happy to have had the opportunity to serve with him before the end of the last war, when he brought to the floor a resolution providing for the creation of a special committee on economic policy and planning for the postwar period. Out of this committee, of which he was the chairman, and of which he was the guiding influence, came substantial legislation which prevented the development of the disastrous influences which so frequently follow great wars. Senator GEORGE was the author of legislation which made it possible for the United States to pass easily from the turmoil of active war to the rebuilding of civil life.

Senator GEORGE is a great man in the truest sense of the word. I have no hesitation in saying that, in my opinion, a greater man never stood on the floor of this Chamber.

Mr. SALTONSTALL. Mr. President, I have listened to the majority leader, the minority leader, and my other colleagues. With what they have said concerning the qualities and character of WALTER GEORGE as a Senator and as a man, I agree. He is an American statesman in the best sense of that word. He has had much to do with keeping our Nation financially sound because of his decisions when he was chairman of the Committee on Finance; and as the present chairman of the Committee on Foreign Relations he has shown that he always rises above partisanship in his decisions on international problems.

I should like to express the personal sense of pride Mrs. Saltonstall and I feel that we can call WALTER GEORGE and his wife, "Miss Lucy," our friends. Many, many times I have enjoyed our friendly conversations in the Capitol. Frequently I have listened to his convincing arguments on difficult problems. Often I have consulted with him.

We shall miss WALTER GEORGE in the Senate. I shall miss his friendly smile and fine sense of humor. But we shall follow him eagerly as he continues his service for his country in the halls and committee rooms of the North Atlantic Treaty Organization.

I join with his many friends in congratulating him upon undertaking this new and all-important assignment in a period of great uncertainty in the world.

Mr. MORSE. Mr. President, I heard this morning the sad news that Senator GEORGE intends to retire from the Senate at the end of his term. I sent him a note in which I said, "I always respect your judgment, but in this instance I am heartbroken over your decision."

In my opinion, the American people will suffer a great loss when Senator GEORGE walks out of this Chamber into retirement, because he has become the architect of foreign-policy decisions in the Senate under the advice-and-consent clause of the Constitution. Frankly, I know of no greater service Senator GEORGE possibly could render the people of the United States than to continue as chairman of the Senate Committee on Foreign Relations, but, I yield to his judgment. At the same time I think he should know of the high regard all of us have for him and of our appreciation of the great leadership he has given to the Senate in respect to foreign-policy matters. I say that as one who has not always agreed with him, and still does not, on some foreign-policy issues. But I know of no possible assignment which could be given to him outside the Senate in which he could make so great a contribution to the peace and security of this Nation as he could make if he continued to serve as chairman of the Committee on Foreign Relations.

I thought this should be said by one who at the same time respects the decision he has made, to retire from the Senate. I wish him Godspeed in any new assignment he undertakes; and I know that whatever that assignment may be, the people of the United States will be the rich beneficiaries of his future service.

Mr. GREEN. Mr. President, I have just come from a meeting of the Committee on Foreign Relations, over which Senator GEORGE was presiding. Word came to me that some of my colleagues had been paying tribute to him in view of the announcement that he would not stand for reelection, so I felt I must come to the Chamber and add a few words to what I know my colleagues would say about the remarkable ability and wonderful qualifications of Senator GEORGE for the positions he has occupied, about the notable work he has done as a Member of the Senate, and the loss we will sustain when his term comes to an end.

If I am not mistaken, Senator GEORGE has served in the Senate for a generation. That is 34 years—a remarkably long time. During that time he has acquired information and knowledge which has made him a great authority in two special fields, the field of fiscal affairs and taxation, and the field of foreign relations. We have all benefited by his experience, because he has shared it with us, especially in times of crisis. We have benefited not only by his knowledge, but also by his wisdom and by the application of his knowledge and wisdom to the changing conditions in the world.

I hope sincerely that both our country and the world will continue to benefit by the counsel and advice of Senator GEORGE at critical junctures. I earnestly trust that when he ceases to sit in the Senate, he will serve in some other position befitting his unequaled qualifications, and that we will still be able to avail ourselves of his experience, wisdom and judgment.

Having worked with Senator GEORGE for so many years in the Senate, I felt I could not let the opportunity pass without saying these few words.

There is one other qualification which adds to his value to us, but which will not, of course, be available if he is in some other position, and that is his unrivaled power of presentation. When he has mastered all the facts in a case, he can not only present them clearly to his colleagues in the Senate, but can also draw the inferences from them convincingly, and do it with a zeal and an enthusiasm which in themselves are moving.

When the time comes—and it will not be until next year that we will lose his voice in the Senate—I am certain we will have lost something which is irreplaceable.

Mr. President, I felt that I must say these few words. Now I feel that I must return to sit beside Senator GEORGE in a meeting of the Committee on Foreign Relations.

Mr. GORE. Mr. President, from time to time each Member of the United States Senate is referred to as a leader. Perhaps in a very real sense each Member of this body is a leader, particularly in the thought and action of the people whom he is honored to represent.

Some of us perchance, by fortune of position, seniority, talent, of courage, may upon occasion be a leader among

Senators. Senator WALTER GEORGE surpassed even that occasional, fortunate position. Senator GEORGE was a Senator's Senator, a man whose voice carried great weight, not only with the country, which had come to hold him in such high esteem, but with the more difficult body to lead, though fewer in number, the men composing this great legislative body.

As a new Member of the Senate in January 1953, I sought out the senior Senator from Georgia. He was gentle. He was kind. He was considerate. When I was a Member of the other body of Congress, of course I had known him, but I had not known him in any personal way. I had not known him in a manner to bring me into contact with the warmth of his personality, the gentleness of his spirit, his fine sense of humor, and his understanding of the problems of his colleagues. That element of his leadership in this body explains why he has had such great influence among his colleagues, and with officials of the executive branch of the Government.

That was by no means the only attribute which went into the makeup of the great leader that WALTER GEORGE has been, is, and is yet to be. Few men are blessed with the incisive intellect, the power of logic, the courage of conviction, and the inimitable ability to speak his thoughts in a way that grips the attention of his colleagues.

The news that he will no longer after this year serve in this body renders me disconsolate, and gives me a feeling of depression. This news represents not the passing of an era, but the passing from this Chamber of one of the greatest Senators who has ever graced it. That is not to say that upon all matters I have found him to be my leader. It is unnecessary to say that, Mr. President. It is unnecessary to say it for several reasons, not the least of which is the willingness of the senior Senator from Georgia to concede to all of his colleagues not only the right to disagree, but to concede to them the sincerity of their disagreement.

I could speak at great length upon the attributes of this man, the particular attributes which have made of him a leader among men, a Senator's Senator. Other Senators have already spoken, and therefore I shall conclude by saying that in giving recognition to the merits, the qualities, the influence, and the power of this fine citizen, President Eisenhower has done a grand thing. In his new field of work the senior Senator from Georgia can bring his great talents to bear, not only in a manner to render service to the United States of America in its relationships with the countries of Europe, but I venture to say that he can render a very great service to all members of the North Atlantic Alliance; and, through his talents of persuasion, vision, and understanding, he may make a most valuable contribution to the economic and political unification of Western Europe.

Mr. SYMINGTON. Mr. President, many years ago it was my privilege to meet the distinguished senior Senator from Georgia in the home of Gov. Max Gardner, of North Carolina. At that time Governor Gardner told me that in his opinion, without question, Senator GEORGE was our greatest living American.

After knowing Senator GEORGE over the years, I fully agree with that opinion; and it was my very great pleasure to say so in a recent talk in the great Georgia city of Savannah.

Mr. President, it is hard to picture the Senate without WALTER GEORGE. He is loved and completely respected by every Member on both sides of the aisle.

By his decision the Senate will lose its greatest Member.

Mr. SPARKMAN. Mr. President, I know that there is nothing I can add to the very fine statements and tributes which have been made upon the announcement of the forthcoming retirement from the Senate of our distinguished colleague, the President pro tempore of the Senate, the very distinguished chairman of the Committee on Foreign Relations, and the friend of all of us, the senior Senator from Georgia [Mr. GEORGE].

Mr. President, I can remember when Senator GEORGE came to the Senate from our neighboring State of Georgia. At that time I was a student in the university. Fourteen years later I came to Congress as a Member of the House, on the other side of the Capitol. I had ample oppjortunity to observe the work of the Senator from Georgia and to admire his growing stature. I never dreamed in those days, however, that I should some day be a colleague of his in this body of Congress, and, even more than that, to have the privilege of serving under his chairmanship on that great committee of the Senate, the Committee on Foreign Relations.

I have talked with Senator GEORGE frequently regarding his plans. I felt, as everyone must have felt this morning when the announcement finally was made that he was not going to become a candidate for reelection, that it signaled a real loss to this body, certainly to the members of the Foreign Relations Committee who serve under him, and who have served under him during the past several years; and, even more than that, a great loss to our country, and, indeed, to all the free world.

Some of the sting was taken out of the decision of the Senator from Georgia by the announcement and the very fine recognition on the part of President Eisenhower as to the great contribution the Senator from Georgia has yet to make, and the President's request to Senator GEORGE that he remain available for such work as might be given him, specifically, as has been referred to, as the President's special ambassador to NATO.

I am sure we were all delighted with the statement Senator GEORGE made that he would stand ready to be available at all times for such responsibilities and such tasks as the President might think he was capable of assuming.

Mr. President, even though I join with others in expressing my regret at seeing Senator GEORGE leave this body, I want to say that if any man ever earned the right to retire from the trying duties of public service day by day, Senator GEORGE has earned it, because during the 34 years he has been in the Senate, he has been one of its most active Members.

I know all of us join in wishing for him and "Miss Lucy" many years of great happiness and good health.

Mr. FREAR. Mr. President, the characteristics of a real statesman are not easily or quickly attained. Perhaps they are inherent qualities born in an individual, and not developed.

In any event, the honor of being designated as a statesman, with all that it implies, has come to but a comparatively few of the many who have served their country in high public office.

Surely we who presently serve in this distinguished body are fortunate in that we have in our midst a personality whose high patriotism, devoted service, deep understanding and appreciation of the Nation's welfare exemplify the qualities of statesmanship to the fullest and finest degree.

The distinguished senior Senator from Georgia, with the wisdom of his many years in Congress, has contributed able leadership in legislative matters affecting the Nation's fiscal affairs, as well as its foreign relations.

His position as chairman of the Foreign Relations Committee is perhaps the most sensitive and far-reaching assignment which any Member of the Senate can hold.

In his prior leadership of the Finance Committee, Senator GEORGE has presided over and carefully guided tax legislation of the greatest importance.

His success in these matters and in countless others has won for him the appreciation of the entire Nation.

Yet, though, he has always been acutely conscious of the need for the participation of the Federal Government in national affairs, he has also recognized the rights of the individual States, wherein the real strength of our Federal Union is found.

Mr. President, although Senator GEORGE has decided to relinquish the heavy burdens of his present position, we are happy in the thought that he will be available to us for counsel and guidance in the days ahead.

May I wish for him and his gracious "Miss Lucy" many additional years of health and happiness.

I know that as he leaves the Senate, he carries with him the warm and grateful thanks not only of his native State, but of the people of all the other States of the Union, which he has helped to strengthen and prosper through his dedicated service in the Senate of the United States.

Mr. MANSFIELD. Mr. President, it was with a sense of deep personal sadness that I learned today that our distinguished colleague the senior Senator from Georgia [Mr. GEORGE] has announced that he will decline to run for reelection.

Georgia owes this man a great deal. The United States of America owes him still more. The free world will be indebted to him for many years to come because of the positive action he has taken in the field of foreign policy, in seeing what he could do to keep the democracies free, and to stop the onrush of atheistic aggression.

I know that the people of Georgia will miss him from his seat in the United States Senate; and I know, also, that they will remember him fondly and well because of the many contributions he has made to their welfare and betterment.

The people of the United States will miss him, because not only has he been a great Senator from the State of Georgia, but he has also been a great Senator of the United States. Mr. President, as a Senator of the United States, the senior Senator from Georgia [Mr. George] has been a recognized leader of national standing as far as all parts of our country were concerned.

I am delighted that Senator George has accepted an appointment from the President of the United States to be the United States representative to the North Atlantic Treaty Organization with the rank of Ambassador. I wish to commend the President for the courtesy, consideration, and understanding he has shown toward this great statesman.

All Members of the Senate are going to miss Senator George; but I know that Mrs. Mansfield and I will be able, as will the rest of the Members of the Senate, to see Senator George, of Georgia, one of the Nation's great statesmen, and "Miss Lucy" from time to time, because I am quite certain that in his new position he will return occasionally and will give us the benefit of his advice, his counsel, and his understanding.

So, Mr. President, although we shall miss him very greatly, indeed, after next January, from his seat in this Chamber, we are thankful that in the years to come we shall have the continued benefit of his service, his counsel, and his advice. We shall need them; and no person in the United States is better qualified than is Senator George, of Georgia, to act in that capacity, so that in the end the United States and the free world as a whole will benefit.

Mr. KENNEDY. Mr. President, I wish to join my colleagues in expressing my regret that the service in the Senate of the senior Senator from Georgia [Mr. George] is drawing to a close.

His contributions to the welfare of his own State of Georgia and to the Nation as a whole are well known. But I shall remember him especially for his unfailing courtesy and kindness of manner to all of those of us who served with him. We shall miss him greatly.

Mr. LONG. Mr. President, it will be a great loss to this body when, commencing with the next Congress, the great senior Senator from Georgia [Mr. George], the dean of the Senate, and our President pro tempore, will no longer be with us.

Senator George has served in the Senate for 34 years. All Senators know that seniority means a great deal in this body. Yet, Mr. President, the intellect and ability of the senior Senator from Georgia are such that if Senator George were to commence his service here today, he would be one of the great leaders of this body.

Only those who have served as Members of the Senate can fully understand the tremendous power and influence of Senator Walter George, of Georgia, as a Member of the Senate of the United States.

The brilliance and eloquence of Senator George have moved this body to take the proper and the wise course when momentous decisions regarding foreign policy, taxes, social security, public welfare, and a great number of other matters were to be made by us. Time and again we have seen him save the day for that which we found to be in the best interests of the Nation.

It has been my privilege to serve under Senator George as a member of the Senate Committee on Finance, both when he was chairman of the committee and during the time after he stepped aside from its chairmanship, to serve as chairman of the Committee on Foreign Relations. He has been a most courteous and fair chairman. He has been sympathetic and helpful to all members of the committee, and has accorded to them every right which could possibly be expected by the committee members.

I believe that all Members of the Senate will agree that the understanding of Senator George of both our foreign policy problems and our tax problems is superior to that of perhaps any other Member who has ever served in this body.

We shall miss him, and we shall miss his help and advice.

Personally, I have never questioned the judgment of Senator George, because we have found that time generally proves him right.

If Walter George should agree to accept an important position in connection with the foreign affairs of this Nation, I am sure that the bipartisan nature of our foreign policy would be greatly improved. Our position in world councils would be greatly strengthened. I trust that his service in that capacity, if he chooses to accept such an appointment, will be as great as his service in this body.

Mr. LEHMAN. Mr. President, I was extremely sorry to learn, today, that Senator George, of Georgia, has decided not to seek reelection this year, and that, accordingly, he will not be a Member of the Senate in the next Congress.

I have not known Senator George as long or as well as have some of my colleagues, for of course I am very much junior in service to him. I believe that he has served in the Senate longer than has any other present Member and he has won their high respect.

Mr. President, even Members of the Senate who have not always seen eye to eye with Senator George have recognized that he is a man of great stature, a man of high integrity and intelligence, and of the strictest devotion to duty.

I am sure that Senator George did not reach his decision to leave the Senate without the most soul-searching and prayerful thought, and for reasons which appeared to him to be completely sound.

Yet the Congress will be poorer when Senator George leaves this body. The entire Nation, which has profited so long and so greatly by his wise and devoted service, will suffer a serious loss. His long experience in the Senate has made him a most valuable member of both the Finance Committee and the Foreign Relations Committee and his views have always been respected by his colleagues and in most instances widely supported.

I am very happy, indeed, to know that President Eisenhower has offered him so important a position in the Foreign Service, where Senator George will, I hope, further strengthen the relationships between the United States and our allies in NATO.

I wish for Senator George everything good that he may desire for himself in the years which lie ahead. I hope he will be spared with Mrs. George for many, many more years of good health, happiness, and useful service.

Mr. CARLSON. Mr. President, when I learned of Senator George's decision to retire at the end of this session of Congress I was confronted with mixed emotions.

First, I thought of the loss of his great ability and his unselfish and patriotic service to the Nation and to the world. I thought we could ill-afford to lose the services of such an outstanding Member of the United States Senate at this time when our Nation confronts many delicate international problems.

I thought of how much I would miss him personally. I have had the privilege of serving with him as a member of the Finance Committee for the past few years. He has always been friendly. He has always been willing to advise those of us who are junior members of the committee. It has always been a pleasure to be associated with him when we came to deal with problems of taxation, social security, tariffs, and international trade programs.

I thought also of his many years of devoted service to the country, which entitle him to a few years of rest and retirement after his many fruitful years of service.

I know, too, how much Mrs. George will appreciate the greater opportunities for home life when Senator George is relieved of some of the burdens which must always be borne by a man who, for so many years, has been prominent in public life.

I make this last statement because this afternoon I rode to the Capitol from the Senate Office Building in the car with Mrs. George. She told me that she felt she had been relieved of a great load today.

Mrs. Carlson and I wish for Senator George and Mrs. George—"Miss Lucy," as she is affectionately known—a well deserved retirement and rest.

Senator George is always a perfect gentleman. Not only does he possess great ability, but he is willing to visit and work with those who need his advice and counsel, particularly the younger Members of this body.

I am pleased that again the President has shown sound judgment and has demonstrated his ability to select well-qualified men for important places by offering to Senator George the most important position as our representative in NATO. In that position he can render outstanding service not only to this Nation but to the world. We would, indeed, be fortunate to have such a representative. I sincerely hope that he will accept the position.

Personally I shall miss Senator George's services. I first met him when I became a member of the Ways and Means Committee of the House of Representatives in 1938. At that time we began to deal with tax problems. It has been my pleasure to be associated with him for 6 years on the Senate Finance Committee. It was a distinct privilege to have the opportunity to know him and to work with him.

I wish for Senator and Mrs. George a well earned rest and retirement.

Mr. BRICKER. Mr. President, I listened with most sincere approval to the fine commendations which have been spoken in regard to our distinguished colleague, the senior Senator from Georgia [Mr. George]. Although it has not been my privilege to serve on any committees with him, I wish to add a word of personal appreciation for the counsel and help he has given me in many matters since I first came to the Senate. His door was always open. He had no party inhibitions which might have prevented him from talking over frankly, earnestly, and sincerely with me the problems with which I was concerned at the time.

We regret Senator George's departure from this body, but we all sincerely hope that he will cross our paths often, and will be frequently among us. We hope that his great talents will continue to be at the service of his Government, as they have been for so many years past.

I know of no one who has been more nobly endowed in so many ways. He has been endowed with ability and experience for the strenuous work in which he has been engaged for more than a quarter of a century in this body.

It has been a great privilege to be associated with him. I wish for him and his family many years of companionship; and, for those who serve their Government, the benefit of many more years of his service, guidance, and counsel.

Mr. BUSH. Mr. President, like the Senator from Kansas [Mr. Carlson], I experience a conflict of emotions, in view of Senator George's decision about which we have just heard.

Over the years he has been a great tower of strength to the Senate. At first I watched his work from a distance, as closely as I could, especially during the 1930's, when he stood firm on matters of principle which were vital and important to our Nation's economy and to the credit of the Government of the United States.

During my service in the Senate it has been a great privilege to watch him more closely, and to appreciate the great force of his wisdom and personality, and the impact which his intellect has made upon the United States Senate. I doubt if it was ever more clearly shown than last year, at the time when we had under consideration the far eastern treaties pertaining to the islands off the coast of China. I believe Senator George did more at that time to unify the Senate on a difficult issue than anyone I have ever observed or read about. He supported the President's policy vigorously and firmly, and in such a way that those of us who were in doubt were able to resolve our doubts by reason of the wisdom of Senator George, and the forceful way in which he expressed his conclusions on that issue.

I can hardly refrain from saying a personal word to indicate what a great privilege has been his friendship and that of "Miss Lucy," his wonderful wife, for whom Mrs. Bush and I have formed a very real affection.

I have often wished that I might have attained a degree of dignity in the eyes of my wife which would cause her to call me "Mr. Bush." "Miss Lucy" has always called her husband "Mr. George" over the many years of their close association. I think we admire them particularly because of the great courtesy which they show not only toward each other, but to all their friends.

We regret the departure of Senator George from the Senate. We know that both he and Mrs. George will remain close to us, because they are the kind of people who always remain close to their friends.

Mr. STENNIS. Mr. President, when Senator George announced his retirement from the Senate at the end of this calendar year I felt that I was losing a senatorial father. He has meant just that to me, and I am sure that many other Senators can say the same thing.

Senator George led us, not by patting us on the back. I do not remember ever having heard him ask me or any other Senator expressly to vote for any measure in which he was especially interested. I doubt whether he asked any other Senator to do so, unless that Senator first approached him. He led and guided us by his logic. He compelled us by the soundness of his own ideas and conclusions. This attribute and the fine qualities of his character and his wisdom and unselfishness all go to make up the real elements of constructive statesmanship. His influence has been so great, and its foundation so secure, that I believe we will still have him with us in many ways even beyond the time of his term of office in the Senate. His influence will live with us, and his example in his approach to matters of state and to the problems of the Nation will continue to be a shining light and a guide for us.

I recall that not too long after I became a Member of the Senate, I came into the Chamber during the latter part of a yea-and-nay vote, and I voted without hearing any of the arguments. Later someone asked me how I had voted. I replied that I had voted against the bill then pending. The person said to me, "Well, there is no use asking you why you voted as you did; you did not hear Senator George's argument." That was true, Mr. President. Many times we have been indebted to him for his counsel. We have also been indebted to him for his speeches on the floor of the Senate, whereby, because of his compelling logic and sound reasoning, he was able to change votes on the floor, to change the outcome of a vote on an amendment, or on a bill.

Along the line of what was said by the Senator from Connecticut [Mr. Bush] that Senator George's wife refers to him as "Mr. George," I have never been able to say "Walter," when referring to him, as we ordinarily refer to another Member of the Senate by his first name. It is because there is something compelling about Senator George's innate dignity, which commands, from my viewpoint, at least, that I give him the great title of gentleman. In the area from which I come, to call a man "Mister" is to give him the title of gentleman.

Mr. President, I should like to say about Senator George's retirement from the Senate that if he had felt he was physically capable of making a campaign, he would have made it. In view of his thought and his conclusion on that point, I am willing to take his judgment and abide by his verdict, that from a physical standpoint he has probably extended his years of service as far as he feels justified.

I know his influence will continue to be felt in the Senate. I believe he will continue to serve his Nation in some capacity in a truly great way; and from that service I hope he will reap great rewards and satisfactions.

Certainly he can leave the Senate with the knowledge that he is honored and respected, and that he has carved out a career which has brought him enduring fame. As he goes from the Senate, his fine life companion will go with him. She, too, can know that she has played a major part in, and has made a great contribution to, her distinguished husband's career and has been a source of inspiration to him. Among those who have had the pleasure and privilege of being associated with her there are included, of course, our wives, who appreciate and greatly love her.

Mr. MARTIN of Pennsylvania. Mr. President, when I heard this morning that Senator George had determined to retire from the Senate, I regretted it exceedingly. I had the privilege of becoming a member of the Committee on Finance when I first came to the Senate. As a result I have been very closely associated with Senator George during the past 10 years.

During that service, year after year, and day after day, I always considered Senator George to be an outstanding American. I know he has always made his decisions based on what he thought was in the best interest of America. He was a strong partisan, but he never hesitated to lay aside party considerations if that would result in greater benefit to his country.

My colleagues have made reference to the beautiful association that exists between Walter George and "Miss Lucy." They have been an exemplary couple. I have enjoyed their friendship very much. I trust that they will come back frequently and visit with us. I am glad that Senator George will have an opportunity of continuing to serve America. I consider Walter George a granite American. He is a patriot first. He has profound knowledge of his country and of its needs, and he exercises that knowledge for the benefit of the Nation.

Mr. DANIEL. Mr. President, I wish to associate myself with the words of tribute which have been spoken by our colleagues today in behalf of the distinguished senior Senator from Georgia, the Honorable WALTER F. GEORGE.

Despite his greatness, ability, and busy schedule, Senator GEORGE has been available always for counsel and advice to those of us who are younger in point of service in the Senate.

From the first day of my service in the Senate in 1953 until the present time I have depended upon Senator GEORGE for help in arriving at many of my official and personal decisions, and I know that the same has been true of many of the other younger Members of the Senate.

In the future the wise counsel and patriotic statesmanship of Senator GEORGE will be missed by the Senate and the Nation.

I can add nothing to what has been said except my personal word of appreciation for the honor of having served with Senator GEORGE in the United States Senate, and the inspiration and assistance which he has furnished all of us who have had the privilege of being numbered among his colleagues.

Mr. CASE of South Dakota. Mr. President, I have not had the privilege of serving on a committee with Senator WALTER F. GEORGE, the distinguished senior Senator from Georgia. But I did have the privilege of sitting as a member of the Committee on Armed Services in the joint sessions of the Committee on Foreign Relations and the Committee on Armed Services at which the two distinguished Senators from Georgia presided. The senior Senator from Georgia [Mr. GEORGE] presided as chairman of the Committee on Foreign Relations and the junior Senator from Georgia [Mr. RUSSELL] presided as chairman of the Committee on Armed Services at the joint session of the two committees when they were considering the so-called Formosa resolution last year.

The deliberations lasted for about 3 days, and at their close one of the very highly respected senior Senators of the Senate made the remark that in his 20 years of service in the Senate he had never been called upon to vote on a more important question. I mention that merely to reflect the atmosphere of the committee sessions at which the Senator from Georgia presided as the primary chairman. The fact that out of the joint sessions of the committees came a resolution of a character which commanded the respect and support it did in the Senate was in no small degree due to the wise guidance of the sessions of the joint committees by Senator GEORGE.

In another capacity I suppose I have had an experience which, so far as I know, no other Member of the Senate has had. When the select committee was created a few months ago to investigate a certain incident, the Senator from Georgia was named chairman of that committee. To a degree which I did not realize at the time, my own veracity, and my own standing in the Senate, perhaps, were at stake at the time. In going before that select committee, I, as a person whose statement was being investigated or considered, had no doubt in my own mind of the fairness and sound approach which would be taken by the committee under the chairmanship of Senator GEORGE.

I may be pardoned for saying that under those circumstances no higher expression of confidence could be given by anyone than the attitude I had in my own mind and heart when I knew that Senator GEORGE was selected as chairman and was to preside during that particular study and investigation.

Mr. President, throughout my entire experience in the Senate and in the House of Representatives Senator GEORGE has been regarded as one of the great statesmen of the United States. That was true at the time when it was reported that an effort was to be made to "purge" him. He commanded the confidence of the people of the Nation. He has never lost their confidence. He has stood as an example of unselfish patriotism, as a person utterly devoted to the welfare of his country, regardless of how his attitude might affect his personal standing at any particular time.

I wish to join with other Senators who have paid their tribute to Senator GEORGE.

I should like to say also that Mrs. Case has told me many times of the very high respect she has for the great lady known as "Miss Lucy." Mrs. Case and I join others in the high regard held for this couple. We are proud of the fact that the President of the United States has indicated that he has more work for this honorable elder statesman to perform.

Mr. ERVIN. Mr. President, I should like to follow the good old North Carolina custom and say that I am in hearty accord with everything which has been said about Senator GEORGE. Furthermore, Mr. President, all of us will always retain at "100 percent of parity" our admiration for Senator GEORGE and our love for "Miss Lucy."

Mr. BRIDGES. Mr. President, I wish to join with my colleagues of the Senate by adding my tribute to a good friend and a great American, WALTER GEORGE, and to wish him and Mrs. George years of happiness and pleasant associations in the work which he is about to undertake. The years of service which he has given to his country have redounded to its benefit, and his association and his leadership have been an inspiration to me during the 20 years I have served in the Senate. I wish him well in everything he may undertake.

Mr. MILLIKIN. Mr. President, I ask unanimous consent that I may be seated while I address the Senate for a moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLIKIN. Mr. President, since I have been a Member of the Senate I have been, almost from the very beginning of my service, a member of the Senate Finance Committee. For a short time I was chairman of that committee, but always I worked in close cooperation and companionship with Senator GEORGE. A man may deem himself to be highly honored to have had that privilege.

During my experience on the Senate Finance Committee Senator GEORGE took the leadership in placing the work of that committee above narrow partisan considerations.

Mr. President, I wish to invite attention to two things. I do not know of any change which has ever been made in the staff of the Senate Finance Committee or in the staff of the Joint Committee on Internal Revenue Taxation, which serves the Senate Finance Committee, that has ever been made for partisan reasons. So far as I am concerned, and I am sure it is true of Senator GEORGE, there were no changes made in the staff. I took over the staff which Senator GEORGE had when I became chairman of the committee, and it was continued after I left the chairmanship.

Mr. President, I can add nothing to what has been said here today, and I shall not attempt to do so. I wish to express my gratitude for being able to say that Senator GEORGE is a thoroughly good man, and we shall miss him very much.

Mr. President, I wish to say a few words about the great lady who graces his home. Miss Lucy is certainly a lovely lady, and their devotion to each other has made their marriage an ideal one. Mrs. Millikin and I shall miss these true friends. I wish for them many more years of happy life together and success in their future.

Mr. McCARTHY. Mr. President, I should like to compliment the Senator from Colorado for his outstanding attendance on the Senate floor, even though he has some temporary difficulty. I think he is due a vote of gratitude from all Senators and from all the people of the country for coming here as he does day after day and attending every session of the Senate.

Mr. BUSH. Mr. President, I should like to join with my distinguished friend from Wisconsin in acclaiming the Senator from Colorado for his attendance on the sessions of the Senate, and also for what the Senator from Colorado has just said about the distinguished Senator from Georgia. I doubt that there is any Senator on this side of the aisle who has had a better opportunity to judge the Senator from Georgia than has the Senator from Colorado. We are all very grateful to him for the thought which he has expressed and for his feeling of regard for the Senator from Georgia.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate of the United States is very fortunate to have men like the Senator from Georgia [Mr. GEORGE] and the Senator from Colorado [Mr. MILLIKIN]. I have observed the Committee on Finance during the past 10 years. It is the committee which is in the best position to study the tax laws of our country as they affect the various segments of industry and the various segments of our society. The Senate of the United States is very fortunate in having on the Finance Committee two Senators of the great ability and character of Senator GEORGE of Georgia and Senator MILLIKIN of Colorado.

The PRESIDING OFFICER (Mr. KERR in the chair). With the indulgence of the Senate, the Presiding Officer at the moment wishes to commend the statements made by the Senator from Pennsylvania [Mr. MARTIN] and the Senator from Wisconsin [Mr. McCARTHY] about the great Senator from Colorado [Mr. MILLIKIN], and the remarks of the Senator from Colorado about our distinguished colleague from Georgia [Mr. GEORGE].

Mr. MURRAY. Mr. President, it was with profound regret that I heard the announcement of the senior Senator from Georgia that he would not seek reelection to the seat he so ably filled for many years.

When I came here 22 years ago, WALTER GEORGE was already an experienced and highly respected Member of the Senate. His legal training and logical mind made his counsel and advice in debate invaluable.

It was my privilege to serve with Senator GEORGE on the Foreign Relations Committee before the Congressional Reorganization Act of 1946. There I quickly learned to recognize his grasp of intricate problems involved in foreign affairs. His skill in dealing with delicate diplomatic matters always impressed the Senate. Since then his ability in this field has been recognized, not only in the United States, but throughout the world. He is known as one of the greatest authorities on, and one of the most skilled practitioners of the delicate art of diplomacy.

He has conducted the affairs of the Senate Foreign Relations Committee without a tinge of partisanship. Whatever successes this administration has had in the field of foreign policy must be shared in good measure by this illustrious Democratic chairman of the Foreign Relations Committee.

I know of no former or present Member of Congress who has had as strong and beneficial an influence on United States foreign policy and world affairs as has Senator GEORGE. He has achieved this rank by virtue of his vision, ability, and plain hard work. Yet he somehow manages to find the time to influence the Congress in enactment of domestic legislation. And I need not dwell on his particular value to the region and the State he has so ably represented. He was a genuine statesmen of the Nation.

We here in the Senate have been privileged to learn of other qualities in Senator GEORGE in addition to those which gained him worldwide renown. He is a gentleman of the old school. He is the kind of man whose every acquaintance and associate is the finer for having known and worked with him.

I am proud to count WALTER GEORGE as my good friend, and to have had the pleasure of serving with him these many years in the United States Senate. Our country will lose a great national leader, the Senate will be the poorer for his going, and I extend to the distinguished senior Senator from Georgia and his charming wife every good wish for many years of peaceful retirement with good health and happiness.

Mr. MAGNUSON. Mr. President, I would be derelict in my affection for the distinguished senior Senator from Georgia [Mr. GEORGE] if I did not add to the deserved remarks made about him today in the Senate. There is not much more I could say than that I deeply regret the retirement from the Senate of a great American.

Mr. BEALL. Mr. President, I was very much disappointed to learn that the distinguished senior Senator from Georgia had announced his retirement from this body. I have come to know Senator GEORGE as one of the great American statesmen. His loss will be felt by all of us. It is a loss not only to the people of Georgia, but to the country as a whole.

This is true because he has consistently acted for the good of all the people of this Nation.

Because of this, he has gained a reputation which has cut across State lines and party affiliations.

As a friend, as a colleague, and as a representative of the people of Maryland, I certainly regret his retirement.

Mr. BUTLER. Mr. President, one could not long be a Member of this distinguished body without first learning to respect the great Senator from Georgia and then to love him. It has not been my privilege to serve on a committee with that great man, but I have had the privilege of sitting here in the Senate for the past 6 years and of having heard the Senator from Georgia debate momentous national and international issues. I have never seen the time in the Senate, when we were all perplexed by some of the problems which confronted us, that the Senator from Georgia did not rise and, in his very calm and dispassionate way, advise and counsel the Senate and ultimately put us on the right course of thinking.

In the short time I have been in the Senate, the Senator from Georgia has debated with great skill and apparent ease such issues as troops-to-Europe the Bricker amendment and other equally important questions.

I am very sorry to hear that he is about to leave the Senate. I can think of no greater demonstration of the loss which the Senate and people of the country will suffer than to see the great and distinguished Senator from Colorado [Mr. MILLIKIN] "fill up" at the thought of Senator GEORGE's leaving us.

I wish to join with my colleagues in telling the Senator from Georgia and his lovely wife, whom I just met casually, how much I shall miss them. I wish the Senator Godspeed, and great success, which I know he will have, in any task he may undertake.

Mr. JOHNSTON of South Carolina. Mr. President, it is with considerable regret that I have learned of the plans of my beloved friend, WALTER GEORGE, the foremost statesman of the Senate, to retire. Throughout the time of my service in the Senate he has been an inspiration, certainly to me, and I believe to all of those who served with him. At all times he has placed above politics what he believed to be for the welfare, protection, and best interests of the United States.

He has been a genuine, humble servant of the people, without rashness, without intemperance and without bigotry regardless of what troubled or honors arose in his path of service. I shall miss the snowhaired gentleman from Georgia.

Mr. HILL. Mr. President, I want to express my deep regret over the departure from the Senate of my friend, my neighbor, and my wise counselor, Senator GEORGE. When I first entered the Senate some 18 years ago, there were in this body such giants as Senator William E. Borah, of Idaho; Senator George W. Norris, of Nebraska; Senator Hiram W. Johnson, of California; Senator Alben Barkley, of Kentucky; Senator Carter Glass, of Virginia; and Senator Pat Harrison, of Mississippi; and Senator George stood as a giant among the giants. It was my privilege to present him at a great gathering of Georgians and Alabamians at the breaking of ground for the Fort Gaines Dam last fall. In my words of presentation, I declared that if one were to walk into the gallery of the Senate, see every Senator in his seat, and the Chamber so quiet that the drop of a pin could be heard, one could well know that Senator GEORGE was the Senator addressing the Senate, because he was the most commanding figure in the Senate. By virtue of his ability, his industry, his character, and his magnificent leadership, Senator GEORGE has been a commanding figure from the day he first entered the Senate. The story of his speeches, his deeds, his accomplishments, and his leadership, is a brilliant chapter in the history of our country. So long as men love justice and cherish free institutions, WALTER GEORGE will be remembered. We shall sorely miss him. Our consolation in his going is in the knowledge that our country will have at NATO a spokesman, a representative and a statesman worthy of America's noble heritage and her finest traditions.

Mr. MONRONEY. Mr. President, I should like to join the majority and minority leaders and other Members of the Senate in expressing my deep regret in the decision of Senator GEORGE to retire from the Senate at the expiration of his present term.

During the many years of my interest in Congress—during my years of service here—Senator GEORGE has always represented the finest traditions of this great body.

To the average American, to our Government, to our colleagues, and to the freedom-loving nations of the world, the name of Senator GEORGE has been like the word "sterling" on true silver.

Senator GEORGE, during his many years of constructive service in the Senate, has not only distinguished himself by his leadership, his character, and his ability, but has reflected by this great service distinction also on our democratic processes and upon the legislative system.

As an individual, I regret to lose the friendly association I have enjoyed with this great leader. As a legislator I regret that loss of his advice, his counsel and his ability to give leadership to varying viewpoints within the Senate all because of the great respect in which he was held by all Members.

The record he has made by great service on both the domestic front and in the field of world peace will stand forever as a tribute to one of Georgia's greatest sons.

I wish him all the success in the world in his new undertaking in behalf of strengthening the forces of the free world under NATO. It is characteristic of his great fighting spirit to be willing to extend his service continuously in the cause of a just and a lasting world peace.

VISIT TO THE SENATE OF A DELEGATION FROM THE GERMAN BUNDESTAG

Mr. SPARKMAN. Mr. President, there is seated in the back of the Senate Chamber a delegation from the German Bundestag. The members of it are visiting in this country under the cultural exchange program of the State Department. We are honored in having them visit the Senate Chamber on this day. They have been present during the time eulogies have been paid to the Senator from Georgia [Mr. George] as chairman of the Foreign Relations Committee. I know they have enjoyed those eulogies.

Mr. President, I should like at this time to have the privilege and honor of presenting the members of the delegation individually to the Senate, and I ask unanimous consent that there may be printed in the Record at this point a brief biographical sketch of each member of the delegation.

There being no objection, the biographic sketches were ordered to be printed in the Record, as follows:

(a) Full name: Dr. Fritz Hellwig.

(b) Place and date of birth: Saarbruecken (Saar), August 3, 1912.

(c) Citizenship: German.

(d) Home address: Duesseldorf-Oberkassel, Rheinallee 130.

(e) Academic training: Vienna and Berlin Universities, Ph. D.; Dr. habil., Heidelberg.

(f) Present position: Director of the Institue of German Industries in Cologne: Bundestag deputy (member of the CDU/CSU Bundestag faction).

(g) Previous positions: 1933–39, Chamber of Commerce Saarbruecken; 1937–38: Lecturer at Teachers' College, Saarbruecken: 1939–43, Regional Association of Iron and Steel Manufacturers, Duesseldorf and Saarbruecken (managing director).

(h) Knowledge of English: Fluent.

(i) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Ernst Mueller-Hermann.

(b) Place and date of birth: Koenigsberg (Prussia), September 30, 1915.

(c) Citizenship: German.

(d) Home address: Bremen, Kirchbachstr. 88.

(e) Present position: Editor: Bundestag deputy (member of the CDU/CSU Bundestag faction).

(f) Past positions: 1945–46, translator with the American Military Government (transportation section), Bremen; 1946–48, state business manager of the CDU in Bremen; 1948–51, editor of the Weser-Kurier, Bremen; 1945–52, member of the Bremen parliament; member of the first Bundestag.

(g) Knowledge of English: Adequate for individual travel.

(h) United States program interests: Discussions with journalists, the National Press Club, foreign-policy discussions, State Department, visit to Pentagon, discussion of problem of civilian and congressional control over the Armed Forces, House and Senate Committees on Interstate and Foreign Commerce, Public Works Committee, Armed Forces Committee. Also interested in the following subjects: Traffic and transportation problems, road and highway construction and financing, city planning.

(a) Full name: Dr. Karl Atzenroth.

(b) Place and date of birth: Cologne, September 23, 1895.

(c) Citizenship: German.

(d) Home address: Koblenz-Metternich, Ruebenacherstr. 11.

(e) Academic training: Study of political economy at Bonn University, Cologne University, doctor's degree (political science).

(f) Present position: Bundestag deputy (faction of the Free Democratic Party); owner of furniture factory.

(g) Past positions: Member of first Bundestag (1949–53); president of the European Association of Furniture Manufacturers.

(h) Knowledge of English: Adequate for simple private conversations.

(i) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Prof. Dr. Ernst-Christoph Bruehler.

(b) Place and date of birth: Mannheim, February 12, 1891.

(c) Citizenship: German.

(d) Home address: Freiburg im Priesgau, Valentinstr. 11.

(e) Academic training: Freiburg University, Ph. D.

(f) Present position: Director of the Evangelic Teachers' Academy in Freiburg. Bundestag faction leader of the Deutsche Partei.

(g) Past positions: 1919–43, high-school teacher in Land Baden; 1934, appointed school director; 1929, member of the Landtag in Baden.

(j) Knowledge of English: Adequate for conversation.

(k) United States program interests: Foreign-policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Dr. Alfred Gille.

(b) Place and date of birth: Insterburg (East Prussia), September 15, 1901.

(c) Citizenship: German.

(d) Home address: Luebeck, Rudolph-Groth-Str. 26.

(e) Academic training: Doctor's degree at Koenigsberg University.

(f) Present position: Lawyer; Bundestag deputy (Refugee Party).

(g) Previous positions: 1927–28, Judge at the Lower Court in Koenigsberg; 1928–45, mayor of the city of Loetzen (East Prussia).

(h) Knowledge of English: Insufficient.

(i) Proposed activities in the United States: Foreign-policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation. In addition, Dr. Gille would like to meet with persons dealing with Eastern European problems, including, if possible, visits to institutes conducting research on Eastern Europe. Dr. Gille would also be interested in visiting legal institutions, including a court session.

(a) Full name: Hermann Runge.

(b) Place and date of birth: Conradsthal/Silesia, October 28, 1902.

(c) Citizenship: German.

(d) Home address: Duesseldorf-Lohausen, im Grund 64.

(e) Present position: Manager of SPD party office for the Regierungsbezirk Duesseldorf. Member of the Bundestag.

(f) Past positions: 1917–31, locksmith; 1931–33, secretary of SPD party office for the county of Moers/Rhineland; 1933–35, locksmith, and illegal SPD activities in Rhineland-Westphalia; 1935–45, imprisoned for political reasons and sentenced by the Volksgerichtshof for the preparation of high treason; 1945–46, secretary of SPD party office for the county of Moers; 1946–47, member of Land Parliament; 1948–49, member of Parlamentarischer Rat (constitution-making body of the Federal Republic).

(g) Knowledge of English: None.

(h) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

Mr. SPARKMAN. Mr. President, I now present to the Members of the Senate Dr. Fritz Hellwig; Mr. Ernst Mueller-Hermann; Dr. Karl Atzenroth; Dr. Ernst-Christoph Bruchler; Dr. Alfred Gille, and Mr. Hermann Runge.

[Applause, Senators rising.]

PROBLEMS CONCERNING THE PEACETIME ATOMIC ENERGY PROGRAM

Mr. ANDERSON. Mr. President, the Joint Committee on Atomic Energy is about to begin hearings on some fundamental problems which may well affect the future of the entire peacetime atomic energy program. These hearings were announced in my floor statement on April 26, and are scheduled to commence next Tuesday, May 15. Today I would like to say a few words more about their importance and about the objectives we hope to accomplish.

Two bills before the committee, H. R. 9701 and H. R. 9802, concern the question of public liability, or insurance, of companies engaged in the atomic energy program. As Senators know, the Atomic Energy Act of 1954 was intended to encourage private industry to construct and operate nuclear plants for the generation of electrical power. The progress in this field to date has been slower than anticipated. During the past year the committee has been informed by private utilities and equipment companies that certain problems must be solved before they can proceed in the atomic power field.

Chief among these problems is the question of liability to the public of manufacturers and operators of nuclear reactors in the very remote event of a reactor accident. The two bills before us are intended to provide the needed protection for the companies against unlimited liability. We have invited interested parties to testify, and we have requested industrial witnesses to disclose any other roadblocks which they believe stand in the way of progress of private industry in this very important field.

After considering the insurance problem, we will commence public hearings on Wednesday, May 23, on S. 2725, known as the Gore bill, and on other proposals for accelerating the civilian reactor program. The Gore bill authorizes and directs the Atomic Energy Commission to build six nuclear power reactors to assure advancement of the nuclear art, either in addition to, or in the absence of, private industrial participation.

As you know, Mr. President, there has been mounting concern both within the Joint Committee on Atomic Energy and elsewhere as to whether or not the United States can maintain its position of world leadership in the industral and other peaceful applications of atomic energy, especially in view of significant progress reports made by the Soviet Union, and by our friends in Great Britain and France.

The joint committee has been continuously studying the world picture and our domestic status in the atomic energy field during the 84th Congress.

Thus, the committee members attended and observed the many interesting developments demonstrated at the International Conference on the Peaceful Uses of Atomic Energy at Geneva last summer. Also, following this, a panel of leading citizens, organized by the committee and known as the McKinney panel, studied and reported on our status and our future.

In addition, the committee conducted public hearings during the first 60 days of this session, in accordance with section 202 of the Atomic Energy Act, in order to study and hear testimony on the growth, development and future of the atomic energy industry. Following this, we conducted public hearings on the report of the McKinney panel.

In addition to these efforts, the committee conducted an informal advisory seminar to explore, with the help of many interested parties, the question of public liability as its affects civilian reactor progress. This seminar was most constructive in that it permitted the committee to receive a frank presentation of industry's views on this serious matter.

The time is now at hand, Mr. President, for our committee to place the whole situation in perspective, to examine the issues before us, and to provide congressional leadership in setting further objectives and policies to guide our civilian atomic energy program. Although consideration of the insurance problem has delayed congressional analysis of the whole civilian reactor problem, it is my hope that some action on both fronts can be taken in the present session of Congress. We cannot afford further delay. It is time that we attain a position where we may offer to the people of this country and to the free people of the world a product which is both advanced in concept and in being—not just paper plans and promises.

Our committee proposes to proceed in the following manner:

First, we feel that we must know more about the specifics of reactor hazards, safety practices, and insurance coverage. This is the purpose of the first set of public hearings on the question of public liabilty. We also want to identify other road blocks, if any, to private development.

Next, in executive session, we will examine the international aspects in order to compare the progress of the United States with that of other countries in this field. Here and in the public hearings which follow we will attempt to assess what would be the effect in the position of the United States in the world if we ceased to be the leading nation in the peaceful uses of atomic energy.

Finally, we will consider the Gore bill and other proposals for accelerating the program through Government construction of additional power reactors. Here we will want to determine the status of private atomic energy projects, and consider what additional efforts, if any, are required.

The McKinney panel, in its report, stated that if private industry does not or cannot assume the full risks and burdens of the nuclear power development, then the Government must do the job. Thus if Congress is expected to grant concessions to private industry, in addition to insurance or indemnity coverage in order to back up a lagging program, it may well conclude that more direct Government sponsorship and initiative is required to get the show on the road. This would not necessarily mean complete Government financing or construction of atomic powerplants. It could mean, for example, a cooperative arrangement such as the Shippingport project, where the AEC through its contractor is constructing the reactor and the Duquesne Power Co. is responsible for constructing the generating facilities and operating the entire plant.

After these hearings, I hope that our committee will be able to report to the Congress whether or not we believe that greater Government participation, in addition to that of private industry, is now required.

At the end of these hearings we should be able to report to Congress and to tell you, Mr. President, what, if anything, needs to be done to assure necessary atomic progress in the United States in order to maintain world leadership and to develop and conserve our own natural resources. Congress will then be in a position to take such steps as it considers necessary in order to achieve these objectives.

CONSTRUCTION OF NUCLEAR-POWERED PROTOTYPE MERCHANT SHIP

Mr. MAGNUSON. Mr. President, I wish to discuss a matter which I hope the distinguished minority leader has had an opportunity to consider.

Calendar No. 1285, S. 2523, is a bill to authorize the construction of a nuclear-powered prototype merchant ship for operation in the foreign commerce of the United States.

The PRESIDING OFFICER. The Chair must advise the Senator from Washington that the Senate is operating under a unanimous-consent agreement.

Mr. MAGNUSON. I merely wished to ask unanimous consent that the bill be taken from the calendar and recommitted to the Committee on Interstate and Foreign Commerce.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Washington?

Mr. KNOWLAND. Mr. President, temporarily reserving the right to object, I believe the request will be agreed to, but there is one member on our side of the aisle with whom I should like to discuss the question.

Mr. MAGNUSON. I have made the request now because the distinguished chairman of the Joint Committee on Atomic Energy [Mr. Anderson] is on the floor.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. I wish to tell the distinguished minority leader that I have had 2 or 3 suggestions recently from the Chairman of the Atomic Energy Commission that plans are not available for a nuclear type merchant ship.

The resolution which is before the Senate, as the Senator from California will remember, embraces two ships, a merchant ship and an exhibit ship. It seems difficult to provide for a combined proposal. I therefore thought the bill might be recommitted to the Committee on Interstate and Foreign Commerce, as the House has done with a similar bill, and have the committee report a bill on the merchant ship, and then discuss with the Chairman of the Atomic Energy Commission what further action, if any, he desires to take.

Mr. KNOWLAND. I am certain the matter can be cleared up this afternoon.

The PRESIDING OFFICER. Does the Senator from Washington temporarily withhold his request?

Mr. MAGNUSON. Yes.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Has the Senate returned to the consideration of the unfinished business?

The PRESIDING OFFICER. The Senate has not taken positive action to return to that status. The Chair was about to recognize the junior Senator from Maryland, under the impression that he desired to make some remarks about the distinguished Senator from Georgia.

Mr. BEALL. That is correct, Mr. President.

[Mr. BEALL addressed the Senate in tribute to Senator George. His remarks appear elsewhere at the appropriate place in today's Record.]

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. Kerr in the chair). By unanimous acquiescense, the Senate, for the past 2 hours, has been engaged in paying tribute to the distinguished senior Senator from Georgia. The Senate will now return to the unfinished business.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado [Mr. Allott], on page 85, line 11.

Under the unanimous-consent agreement, the time for debate on the amendment is limited to 30 minutes, to be equally divided between the Senator from Colorado and the majority leader.

Mr. CASE of New Jersey. Mr. President, will the Senator from Colorado yield so that I may propound a parliamentary inquiry?

Mr. ALLOTT. Yes.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of New Jersey. I believe the amendment offered by the Senator from Colorado is subject to a point of order on the ground of nongermaneness, under the unanimous consent agreement. I do not care to interrupt the Senator from Colorado, but I should like to reserve time to make the point of order at the earliest appropriate moment.

The PRESIDING OFFICER. The Senator will have the right to do that at an appropriate time.

Mr. ALLOTT. May I inquire if the Senator is making the point at this time?

Mr. CASE of New Jersey. Perhaps in the interest of saving time, it would be appropriate for me to make the point now.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. ALLOTT. I do not choose to yield any time for that purpose at this time. I do not want to argue the germaneness of the amendment at this time.

The PRESIDING OFFICER. The Senator from Colorado is entitled to the floor for 15 minutes. How much time does he yield himself?

Mr. ALLOTT. I yield myself 10 minutes.

Mr. MORSE. Mr. President, will the Senator yield for a unanimous consent request? I should like to suggest the absence of a quorum. I understand the majority leader wishes to have a quorum call before the Senate starts this debate. I should like to have unanimous consent that there be a quorum call, without the time being taken from either side.

Mr. ALLOTT. I would not object to such a request.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, I should like to have the Senator yield a moment, because it seems to me the suggestion has been made that a point of order might be raised. If the point of order should be sustained, the time used to discuss the amendment would largely be wasted effort. I do not believe the point of order which has been suggested is valid, because, as will be found, the original bill as introduced and then reported from the committee with the committee amendment, dealt with the very subject matter with which the Senator from Colorado is dealing in his amendment.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ALLOTT. I should like to ask that the discussion on the point of order not be charged to my 15 minutes.

The PRESIDENT pro tempore. The discussion on the point of order will not be charged to the time of the Senator from Colorado.

Mr. KNOWLAND. I was going to say that since the Senator from New Jersey has suggested a point of order would be made, I thought, to save the time of the Senate, the point of order might be made first, because, if the point of order should be sustained, the debate on the amendment would be pretty much wasted effort, and it might be better to have the point of order settled now.

Mr. McNAMARA. Mr. President, I shall be glad to yield such time as the Senator from New Jersey needs to make the point of order.

The PRESIDENT pro tempore. The Senator from New Jersey is recognized.

Mr. CASE of New Jersey. Mr. President, the amendment offered by the Senator from Colorado would amend the act approved August 9, 1955, Public Law 330, of the 84th Congress, and would provide that for the purposes of this act the government of the District of Columbia and the authority—that is to say, the Transit Authority proposed by the pending bill—"shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority."

The unanimous-consent agreement provides, in part, that "no amendment that is not germane to the provisions of the said bill shall be received."

Mr. President, it seems to me quite clear that nothing in the bill now being considered by the Senate contains any reference to the provisions of the act referred to in the amendment of the Senator from Colorado, namely, the act of August 9, 1955. It is quite true that in the bill as originally introduced, reference was made to that act; but the bill was reported by the committee to the Senate with amendments; and the amendment of the Senator from Colorado is offered, not to the original bill, but, rather, to one of the amendments. The subject matter of the amendment of the Senator from Colorado is not contained in the amendment in the nature of a substitute, reported by the committee.

Therefore it seems to me to be clear that the amendment of the Senator from Colorado is not germane, and should at this time be ruled out of order, on the point of order.

Mr. KNOWLAND. Mr. President, I should like to be heard on the point of order.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. KNOWLAND. Mr. President, I submit that the point of order against the amendment of the Senator from Colorado is not valid, for the reason that Senate bill 3073, which was introduced in the Senate, and deals with this whole subject matter, contained the very language dealt with by the amendment.

I call attention to page 43 of the bill, which reads, in part, in the language stricken out by the committee amendment:

> For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.: 69 Stat. 624), the government of the District of Columbia and the Authority shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority.

Then, Mr. President, I submit that in the committee amendment there are to be found a whole series of provisions dealing with the District of Columbia Unemployment Compensation Act, the Longshoremen's and Harbor Workers' Compensation Act, and other matters which were dealt with in the original bill—one of the few eliminated being this particular section.

Under those circumstances, I submit that the bill deals with the matter of the public authority for the Transit Authority for the District of Columbia; that this is a pertinent part of any public ownership or public authority, and is within the jurisdiction of the Congress; that it was originally intended to be within the jurisdiction of the very bill we are considering; and that therefore the point of order does not lie.

The PRESIDENT pro tempore. Are there further remarks to be made on the point of order? If not, the Chair is prepared to rule.

In the opinion of the Chair, the point of order is not well taken; and therefore the point of order is overruled.

The question recurs on agreeing to the amendment of the Senator from Colorado [Mr. Allott] to the committee amendment.

Mr. ALLOTT. Mr. President, I desire to modify my amendment, because as it

is written, I believe it poses some extraneous matters which I do not wish to have introduced into the determination of the question I shall discuss this afternoon. Therefore, I ask unanimous consent that my amendment be modified, so that in line 4 and following, it will read:

> "(10) For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.; 69 Stat. 624), the Authority shall be deemed to be an agency of the United States, and such act shall in every respect be applicable to the officers and employees of the Authority."

As previously written, my amendment also included the words "the government of the District of Columbia." Because that involves other questions, I do not wish to have the issue on the determination of this amendment clouded by additional questions.

The PRESIDENT pro tempore. Without objection, the amendment of the Senator from Colorado to the committee amendment will be modified accordingly.

Mr. ALLOTT. Mr. President, in discussing my amendment to the committee amendment, I realize it is very difficult to suggest an amendment of this sort without being accused of being either prolabor or antilabor—in this instance, antilabor. But I desire to assure the Members of the Senate that in submitting the amendment, there is not in my mind, and there never has been, any thought of being antilabor.

As a matter of fact, I believe that the hearings on the bill show that repeatedly during the course of the hearings I submitted to the bill amendments which were for the purpose of spelling out and strengthening the position of the employees. As a matter of fact, the Senate has adopted two of those amendments this afternoon, and they materially strengthen and clarify the position of the employees in this matter.

Less than a year ago there was a strike in the Capital Transit system in the District of Columbia. It is not necessary for us to determine who was responsible for the strike. But I think I may well repeat some of the words used at that time by the distinguished Senator from Oregon [Mr. Morse], who, when speaking last year, said:

> This has not been an easy task, but I am satisfied that as a result of the cooperation we have received from our colleagues, we have brought to the Senate today, in behalf of the Commissioners of the District of Columbia, a bill for which the Commissioners have asked to enable them to perform their governmental duties in the District of Columbia, and to provide the many thousands of suffering people of the District with the transportation service they need.

In saying that, the Senator from Oregon said what many of the rest of us also said, namely, that the District of Columbia was, in fact, in dire straits because of the suspension of service.

Again I say I do not charge the union or the employees or anyone else with the responsibility for that situation. Suffice it to say that there was a strike, that many people were walking to work, that some of them were riding bicycles to work, and that the police force was spending from 12 to 14 hours a day on the streets, directing traffic, while the strike continued.

For our purposes, it is sufficient to state that the actual governmental functions of the Nation were impeded, and in some cases were stopped, because of the existence of the strike.

What is the situation today? During the course of the hearings on the bill, several questions were asked of the representatives of the employees, as to their wishes with respect to arbitration and other matters governing employee-employer relationships. I may say that, in my opinion, and to the best of my recollection, there is written into the bill every request they made for their protection. Voluntary arbitration is called for by the bill. In fact, so far as I can recall, everything else they requested is included in the bill to protect them.

From page 279, in volume 4, of the hearings, I quote what was said at the time:

> Mr. Bierwagen. I can pledge you my word that if they will give to us a binding arbitration clause, we will give to them a no-strike agreement. But they must give to us a binding arbitration clause—not compulsory. We want them to volunteer to submit all issues not resolved by negotiation to final and binding arbitration. That is a self-imposed restriction. We have that on our side.

On the same matter, I quote from volume 3, page 229, of the hearings, a statement made by the same gentleman:

> Voluntary contractual arbitration is the soundest and fairest terminal procedure for settling transit labor disputes when direct negotiation fails. Such arbitration has been actively sponsored by our international union for many years, and today it is generally accepted by both management and local labor representatives throughout the industry. Most public-transit authorities have followed the established practice of private industry in this respect, and their labor contracts include arbitration procedures. State and local governments and the Federal Government enacted laws to enforce or to encourage the use of arbitration, particularly in vital transportation industries. In the amendment which we have proposed, we have included arbitration machinery following the traditions and techniques that in the past have worked most successfully in the industry.

That is the end of the statement by Mr. Bierwagen.

What have we provided in the bill? I read from page 82, line 5:

> In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree—

That makes it voluntary—

> to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

The effect of that language is that, although the arbitration is voluntary in the first instance, the parties, having submitted themselves to arbitration, have both thereupon become bound by the final decision of the board of arbitration.

I am informed by representatives of the union—and I think it is generally conceded to be a fact—that if there is to be a no-strike provision in the bill, arbitration should be compulsory. I therefore tell the Senate very frankly that in the event my amendment is agreed to, it is my intention to offer another amendment, amending line 9 on page 82 so that the word "may" will read "shall," thereby making arbitration compulsory, and providing a method for accomplishing that purpose.

I know that as a general rule compulsory arbitration is not acceptable to those who deal with labor matters. However, it has been agreed that if my amendment should be adopted the bill would be better with the compulsory arbitration feature. The public law to which the employees would become subject is Public Law 330, which provides that no person shall accept or hold office or employment in the Government of the United States, or any agency thereof, if he participates in any strike or asserts the right to strike against the Government of the United States or such agency.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. I yield myself another 3 minutes.

I know that the argument will be made that this activity is a proprietary function of the Government. An unusual problem is posed by the contention that this is a proprietary function rather than a governmental function, and that therefore the right to strike should not be taken from the employees.

However, I remind Members of the Senate that less than 9 months ago the governmental functions of this country were tied up and brought almost to a literal standstill because of the strike.

If representatives of the union are willing, as they say, to give us a no-strike agreement, let us write it into the law. We owe it to the people of the District of Columbia and to the Federal Government. After all, the new Authority will cost the Government of the United States $2 million a year in lost taxes. The Federal Government will also be picking up the tab for any losses in operation. The Government has a vital interest in this problem. The fact that the activity is proprietary does not preclude the fact that the Government itself and the people of the District of Columbia suffered, and our governmental processes were slowed down because of the strike. The people of the District of Columbia are looking to us to take care of this problem. For that reason I believe that my amendment should be adopted.

Mr. McNAMARA. Mr. President, I yield to the Senator from Oregon [Mr. Morse] such time as he may require.

Mr. MORSE. Mr. President, I believe that this amendment, if it were adopted, would create a very unfortunate precedent in the Senate, for these reasons:

Consider the last point made by the Senator from Colorado. This activity involves the exercise of a proprietary interest on the part of a governmental agency. It is not the exercise of a police power.

It has been made clear in many writings, upon many occasions, that when it comes to the exercise of the police power of a State the employees charged with such responsibility should not have the right to strike, because that would be a strike against the Government. It would be a strike against the exercise of the very functions of government itself in carrying out its police power.

But there is a borderline area of governmental activities which we call the activities of the proprietary interest of Government. They are, in a very real sense, the exercise of commercial activities on the part of the Government—for example, when there is public ownership of a municipal transit system.

We are dealing here with the question of public ownership and operation of our transit system in the District of Columbia for an interim period—and, in all probability, permanently, as the Senator from California [Mr. Knowland], the Senator from Florida [Mr. Holland], and other Senators yesterday predicted would very likely be the ultimate course of action.

In connection with this type of activity the police power of the State is not involved. It is proposed to say to fellow Americans, "You cannot exercise the economic power of the strike." I think that would be a very bad precedent to establish by Federal law.

I always try to be exceedingly fair and to give all facts in my possession in such situations. It is true that in some State jurisdictions there are laws similar to the principle of this amendment. There are municipal ordinances of that kind. It is true that in many cities in which there is municipal ownership of the transit system, there is a no-strike provision. There are certain exceptions. As I understand, Boston and Chicago are good examples of the exception.

The point I wish to stress is that it is proposed to say to streetcar operators, bus operators, garage mechanics, and other employees in this proprietary enterprise, "We take away from you a basic American freedom, namely, the right, in contests with management, to seek to enforce your demands for a better standard of living, better hours, wages, and conditions of employment, by the exercise of economic power."

I think it would be unfortunate to establish any such precedent, and I could not think of voting to deny to fellow Americans the right to strike in a proprietary activity of a municipality merely because a municipality, rather than a private industry, is operating the transit system.

The next step would inevitably be to try to enact legislation denying to fellow Americans the right to strike when they are working for a private company.

It is easy to draw the inference that, because the Government is operating this particular proprietary activity, the employees are therefore Government employees, in the sense that they are employees engaged in the operation of an essential activity of Government. I respectfully submit that such is not the case. The problem is as the Senator from Colorado has pointed out. In its present form, the bill does not include compulsory arbitration. I am against compulsory arbitration, because of its bad precedental implications, and because it is not necessary. It is not needed, Mr. President, when the parties to a collective bargaining agreement conduct themselves in good faith.

Reference has been made to the 52- or 53-day-long strike on the Capital Transit system last summer. Mr. President, there need not have been a day of strike if the company had been willing voluntarily to arbitrate the dispute. If the company had been willing to do that, the men would never have thrown a picket line.

The company was dealing with an international union which has a 63-year record of voluntary arbitration. It is an international union which will not let a local union go out on strike unless the company refuses to arbitrate the dispute. Any local of the international union which seeks to inaugurate a strike without offering to arbitrate the dispute loses its charter. That is the kind of union we are dealing with here, Mr. President.

Therefore, I do not believe we should impose a no-strike requirement in this situation. There is no need for it if what we are concerned about is the danger of a strike. If the public authority will arbitrate, the union will arbitrate. That is the record of the union. If a different situation should arise, we would still have time to act. The fact is that last year, in the debate on this subject, I kept pressing on the floor of the Senate the suggestion that the company accept voluntary arbitration.

I am glad to hear the Senator from Colorado say that if his amendment is adopted he will then move to change the word "may" to the word "shall" in the arbitration section of the bill.

I shall not vote for such a provision, because I am unalterably opposed to compulsory arbitration, as a principle and by reason of experience. Mr. President, we can pass all the laws we want in this field, but we cannot drive men to work. We can put them on buses and on street cars at the point of bayonets, but red-blooded, free American workers still will not work under compulsion in a free economy. I am making a fight for the maintenance of a free economy. I have faith in voluntaryism. I do not believe that in the operation of our economy in a democracy there is any need for compulsion, when government, in the form of a municipal institution, is the operator of a transit system.

In conclusion, I say most respectfully that we should try to operate under the provision as it is presently written in the pending bill. If the problem which the Senator from Colorado fears should develop, we can take care of it. I believe we have a bill which is based upon the principle of voluntaryism. I believe it will work. I believe the people of the District of Columbia will be given transportation without interruption by the exercise of the voluntary arbitration provision now contained in the bill.

Mr. McNAMARA. Mr. President, I yield 2 minutes to the other member of the subcommittee, the Senator from New Jersey [Mr. Case].

Mr. CASE of New Jersey. Mr. President, I am opposed to the amendment offered by the Senator from Colorado. As one of the members of the subcommittee, I wish to say that we considered this particular problem with very great care and with no preconceived notions or doctrinaire ideas about it.

It seems to me that the two points of view have been quite well presented. I believe the Senate would be well advised to follow the arguments of the Senator from Oregon [Mr. Morse] on this subject.

Merely because an employer happens to be a sovereign State or a municipality should not destroy the right to strike. We ought to look at the kind of function the employee is supposed to perform and is engaged in performing.

Certainly in the case of functions which are strictly governmental—that is to say, those which cannot be performed by anyone else except by the State or by a political subdivision, such as the protection of the people, and functions of that kind—the doctrine that a strike should not be countenanced against the State is a good doctrine and is sound in its application.

However, if the function is not one of that kind, but rather one which could equally well be performed by a private agency or by private enterprise under contract, then surely we ought not to extend the no-strike doctrine to that sort of enterprise, or to the relationship between the State in such a case and the employee, merely because the State or other governmental agency, or the creature of a State, happens to be the employing agency. The question is, What will work best?

I am sure the Senator from Oregon is right when he suggests that a freely operated system of relationships between employer and employee in this connection will work best. Certainly the presumption that it will work best is so strong that we ought to try it first without at the outset, in the very creation of the agency which will operate the Capital transportation system, undertaking to preclude a fair trial of voluntary operation.

The particular union involved has a long and honorable record. In its international constitution there is contained a provision to the effect that no local union may strike unless it has first offered arbitration and that the arbitration has been refused. Voluntary arbitration will work better, in the sense that we will have not only the pressure of the Government and of public opinion upon the employees who stay at work, but we will also have the pressure of the union itself and of its prestige with its members.

Therefore, the result will be better in the particular circumstances.

Just one more word, Mr. President. I am certain that if one of the great Republican leaders of this Nation were here, he would be against the pending amendment. I refer to the late great Senator Taft. One of the principles he always

emphasized was voluntaryism in the relations between employer and employee. Senators will recall that in the Taft-Hartley Act there is no ultimate provision for a dominated or directed settlement of strikes or the terms on which they must be settled.

The great Senator Taft was insistent that there should be provision merely for a cooling off period, with the right ultimately to strike left unimpaired. He insisted that any dispute which could not be resolved by negotiation should be dealt with on an ad hoc basis, with the parties coming back to Congress, which has the power to deal with them and to find the solutions the circumstances require.

Therefore, I believe we should restrain ourselves and not be led astray by unsound proposals; rather, we should deal with the essentials of the problem in ways which are calculated to bring about sound results and establish no unfortunate precedents.

Mr. McNAMARA. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I am very strongly opposed to the amendment offered by the distinguished Senator from Colorado [Mr. Allott]. I do not believe it is necessary. I do not believe it is fair. The proposed agency is not, in the generally accepted understanding of the word, a direct Government agency. It is like many other authorities. There are a great number of such agencies in my State, and I have no doubt there are many also in other States. In New York State, so far as I know, we do not have a "no-strike" provision in such agencies. There is no such no-strike provision in effect in the municipally operated transit system of New York City. That situation has worked out very well. There has been no need for such a provision. The relationships have been amicable, and they have been constructive. There has been relatively little difficulty or conflict between the men working on the transit system and the government of the city of New York.

If we were to adopt the amendment, we would take away from labor one of its great weapons in its fight for fair treatment and just labor conditions.

I am also strongly opposed to compulsory arbitration. I have spent a substantial part of my life in mediating or arbitrating disputes. It is frequently very useful to have arbitration, but it must be voluntary arbitration and not compulsory arbitration, which in the final analysis leaves both sides dissatisfied and with very little accomplishment. Therefore, I shall certainly vote against the pending amendment which would impose a "no-strike" clause.

Mr. KNOWLAND. Mr. President, I yield myself 10 minutes out of the time on the bill, or so much thereof as may be necessary to speak in support of the amendment offered by the Senator from Colorado [Mr. Allott].

Mr. President, is this an unusual piece of legislation? As has been suggested by the Senator from Colorado, the answer to that question is "No."

In the last session of Congress on July 29, 1955, the Committee on Post Office and Civil Service submitted a report on H. R. 6590.

Mr. President, I ask unanimous consent that a copy of that report may be printed in the Record at this point in my remarks.

There being no objection, the report (No. 1256) was ordered to be printed in the Record, as follows:

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 6590) to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

Report No. 1152 accompanying H. R. 6590, as approved by the House of Representatives, is incorporated as a part of this report:

"This legislation will clarify and consolidate in a single, permanent, penal statute the rider reenacted each year in appropriation acts, as well as certain similar permanent provisions in existing law, which in effect prohibit the employment by the Government of (1) any person who advocates overthrow of our constitutional form of government or belongs to an organization that so advocates, and (2) any person who strikes against the Government or belongs to an organization of Government employees that asserts the right to strike against the Government.

"The appropriation rider first appeared in the Fourth Supplemental National Defense Appropriation Act, 1941, without the language relating to striking against the Government. With seven exceptions, it was repeated in each regular deficiency, and supplemental appropriation act through May 18, 1946. The Third Urgent Deficiency Appropriation Act, 1946, broadened the rider to include any person who strikes against the Government or who is a member of an organization which asserts the right to strike against the Government. With three exceptions, the rider as thus broadened has been repeated all in subsequent regular, deficiency, and supplemental appropriation acts to date.

"Existing law also contains three permanent provisions which are somewhat similar, in effect, to the appropriation rider. They are (1) section 612 of the Housing Act of 1949 (42 U. S. C., sec. 1445); (2) section 9A of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939 (5 U. S. C., sec. 118j), known as the Hatch Act; and (3) section 305 of the Labor-Management Relations Act, 1947, as amended (29 U. S. C., sec. 188), known as the Taft-Hartley Act.

"Section 612 of the Housing Act of 1949 is repeated, in substance, in paragraphs 1 through 4, inclusive, of the first section of H. R. 6590.

"Section 9A of the Hatch Act prohibits employment of persons who are members of 'any political party or organization which advocates the overthrow of our constitutional form of government in the United States.'

"This provision is reenacted in paragraph 2 of the first section of H. R. 6590.

"Section 305 of the Taft-Hartley Act requires the discharge of persons who strike against the Government. This is repeated in paragraph (3) of the first section of the bill.

"Accordingly, since H. R. 6590 includes all of these provisions of existing law such provisions will be repealed.

"Hearings were held at which representatives of the Civil Service Commission, the Department of Justice, and a number of Government employees' organizations appeared and testified favorably on H. R. 6590. There were no objections.

"General analysis

"The first section of the bill, as amended, will prohibit the employment in the Federal Government, or in any agency thereof, of any person who (1) advocates the overthrow of our constitutional form of government in the United States; (2) is a member of an organization that advocates overthrow of the Government, knowing of such advocacy; (3) participates in any strike against the Government or any such agency; (4) asserts the right to strike against the Government; or (5) belongs to an organization of Government employees that asserts the right to strike against the Government, or against such agencies, knowing that such organization asserts such right to strike.

"Section 2 (a) of the bill requires that, except as provided in subsection (b), every person accepting Federal office or employment, within 60 days after entering on duty, shall execute an affidavit that in doing so he does not violate the first section of the bill. The affidavit will be prima facie evidence that there is no such violation.

"Section 2 (b) provides that an affidavit will not be required from a person employed for less than 60 days for sudden emergency work involving the loss of life or destruction of property, but that this exception will excuse no one from liability for violation of the first section of the bill.

"Section 3 makes any violation of the first section of the bill a felony, for which the penalty shall be a fine of not more than $1,000 or imprisonment for not more than 1 year and a day, or both.

"The favorable report of the Civil Service Commission and the report of the Department of Justice interposing no objections to a similar bill (H. R. 617) follow:

"United States
"Civil Service Commission,
"Washington, D. C., June 21, 1955.

"Hon. Tom Murray,
"Chairman, Committee on Post Office and Civil Service, House of Representatives.

"Dear Mr. Murray: This is in reply to your request of June 21 for the Commission's views on H. R. 6590, a bill to prohibit the employment by the Government of the United States of persons who are disloyal or who believe in the right to strike against the Government of the United States, and for other purposes.

"The bill would provide that no person shall accept or hold office or employment in the Government of the United States who (1) advocates the overthrow of our constitutional form of government in the United States; (2) is a member of an organization that advocates such overthrow, knowing that the organization so advocates; (3) participates in a strike against the Government; or (4) is a member of an organization that asserts the right to strike against the Government, knowing that the organization asserts such right. The bill further provides that every person who accepts office or employment in the Government shall, not more than 60 days later, execute an affidavit that his employment will not constitute a violation of the statute. Affidavits would not be required from persons employed for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. Violation of the statute would constitute a felony punishable by a fine of not more than $1,000 or imprisonment for not more than 1 year and a day, or both.

"The bill would repeal section 612 of the Housing Act of 1949 (42 U. S. C. 1445); section 9A of the Hatch Act (5 U. S. C. 118j); and section 304 of the Labor Management Relations Act (29 U. S. C. 188). Section 612 of the Housing Act is substantially identical in its provisions to H. R. 6590, but is limited in its application to employment in the Housing and Home Finance Agency and the Department of Agriculture. Section 9A of the Hatch Act makes it unlawful for any person employed in the Government 'to have membership in any political party or organization which advocates the overthrow of our constitutional form of government in the United States.' The only penalty provided is removal from the service, with the provision that appropriated funds shall not thereafter be used to pay the compensation of such person. Section 304 of the Labor Management Relations Act forbids striking by Government employees, requires the discharging of an employee who strikes and the forfeiture of his civil-service status, if any, and makes him ineligible for employment for 3 years.

"For some years provisions similar to the proposed legislation have appeared in appropriation acts each year. The Commission believes that H. R. 6590 represents desirable legislation, since it would put such legislation into permanent form, and would also consolidate and supersede the several statutes which now partially cover the subject.

"Time has not permitted clearance of this report with the Bureau of the Budget. However, the Bureau advised it had no objection to our report on H. R. 617, a bill similar to H. R. 6590.

"By direction of the Commission.

"Sincerely,

"Philip Young,
"*Chairman.*"

"Department of Justice,
"Office of the Deputy
"Attorney General,
"*Washington, April 25, 1955.*

"Hon. Tom Murray,
"*Chairman, Post Office and Civil Service*
"*Committee, House of Representatives,*
"*Washington, D. C.*

"Dear Mr. Chairman: This is in response to your request for the views of the Department of Justice relative to the bill (H. R. 617) to prohibit the employment by the Government of the United States of persons who are disloyal or who believe in the right to strike against the Government of the United States, and for other purposes.

"The bill would make it a felony for any person to accept or hold office or employment in the Government of the United States who (1) advocates the overthrow of that Government by force or violence, (2) is a member of an organization that advocates such overthrow, knowing that such organization advocates the same, (3) engages in a strike against the Government, or (4) is a member of an organization of Government employees that asserts the right to strike against the Government.

"Section 2 (a) of the measure would provide for the execution, by persons accepting office or employment in the Government of the United States, of affidavits to the effect that their acceptance and holding of such office or employment does not or will not constitute a violation of the bill's prohibitions. Subsection (b) would exempt from the application of subsection (a) persons employed by the Government of the United States for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. Such persons, however, would not be relieved of liability for a violation of the prohibitions contained in the bill. Section 4 would repeal section 612 of the Housing Act of 1949, a section which, with respect to officers or employees of the Housing and Home Finance Agency and the Department of Agriculture, contains provisions similar to those which would be provided for generally by this measure.

"Whether or not this bill should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no comment. However, there are certain matters to which the attention of the committee is invited.

"The prohibitions contained in section 1 of the bill are not new. Under existing law persons entering the employ of the United States are required to execute appointment affidavits which include certifications such as are contemplated by this bill. Likewise, various appropriation acts forbid the use of Government funds to pay officers or employees who fall within any of the categories enumerated in section 1 and provide penalties for the use of Government funds in violation of such prohibitions. Illustrative of other legislation which is concerned with the problem to which the bill is addressed is section 118 (j) of title 5 of the United States Code which provides that it shall be unlawful for any person employed in any capacity by any agency of the Federal Government whose compensation or any part thereof is paid from funds authorized or appropriated by any act of Congress to have membership in any political party or organization which advocates the overthrow of our constitutional form of government in the United States. Any person violating the provisions of the section shall be immediately removed from the position or office held by him and thereafter no part of the funds appropriated by any act of Congress for such position or office shall be used to pay the compensation of such person. Also, section 188 of title 29, United States Code, provides that it shall be unlawful for any individual employed by the United States or any agency thereof, including wholly owned Government corporations, to participate in any strike. If any individual employed by the United States or by any such agency strikes, he shall be discharged immediately from his employment and shall forfeit his civil-service status, if any, and for 3 years shall not be eligible for reemployment by the United States or any such agency.

"The Bureau of the Budget has advised that there is no objection to the submission of this report.

"Sincerely,

"William P. Rogers,
"*Deputy Attorney General.*"

Mr. KNOWLAND. Mr. President, the report deals with what has become Public Law 330, which the Senator from Colorado proposes shall by amendment be applied to this bill.

I ask unanimous consent that Public Law 330 be printed in the Record at this point in my remarks.

There being no objection, the law was ordered to be printed in the Record, as follows:

[Public Law 330, ch. 690, 84th Cong., 1st sess.]

H. R. 6590

An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes

Be it enacted, etc., That no person shall accept or hold office or employment in the Government of the United States or any agency thereof, including wholly owned Government corporations, who—

(1) advocates the overthrow of our constitutional form of government in the United States;

(2) is a member of an organization that advocates the overthrow of our constitutional form of government in the United States, knowing that such organization so advocates;

(3) participates in any strike or asserts the right to strike against the Government of the United States or such agency; or

(4) is a member of an organization of Government employees that asserts the right to strike against the Government of the United States or such agencies, knowing that such organization asserts such right.

Sec. 2. (a) Except as provided in subsection (b), every person who accepts office or employment in the Government of the United States after the date of enactment of this act, shall, not later than 60 days after he accepts such office or employment, execute an affidavit that his acceptance and holding of such office or employment does not or (if the affidavit is executed prior to acceptance of such office or employment) will not constitute a violation of the first section of this act. Such affidavit shall be considered prima facie evidence that the acceptance and holding of office or employment by the person executing the affidavit does not or will not constitute a violation of such section.

(b) An affidavit shall not be required from a person employed by the Government of the United States for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. This subsection shall not relieve any person from liability for violation of the first section of this act.

Sec. 3. Any person who violates section 1 of this act shall be guilty of a felony, and shall be fined not more than $1,000 or imprisoned not more than 1 year and a day, or both.

Sec. 4. The following parts of acts are hereby repealed.

(1) Section 612 of the Housing Act of 1949 (42 U. S. C., sec. 1445);

(2) Section 9A of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939 (5 U. S. C., sec. 118j); and

(3) Section 305 of the Labor Management Relations Act, 1947, as amended (29 U. S. C., sec. 188).

Approved August 9, 1955.

Mr. KNOWLAND. Mr. President, I should like to read a pertinent portion of Public Law 330:

Be it enacted, etc., That no person shall accept or hold office or employment in the Government of the United States or any agency thereof, including wholly owned Government corporations, who—

These paragraphs may not be pertinent to this particular case—

(1) advocates the overthrow of our constitutional form of government in the United States;

(2) is a member of an organization that advocates the overthrow of our constitutional form of government in the United States, knowing that such organization so advocates;

(3) participates in any strike or asserts the right to strike against the Government of the United States or such agency; or

(4) is a member of an organization of Government employees that asserts the right to strike against the Government of the United States or such agencies, knowing that such organization asserts such right.

Mr. President, I think all of us will agree that in dealings between a private company and its employees there is an entirely different situation. I hope that to the largest extent possible in this country of ours we shall keep private industry and that employers and employees will negotiate around the table in determining wages, hours, and working conditions. But here we have a transit system which exists in the Nation's Capital upon which the functioning of the Government of the United States to no little extent depends.

As a matter of fact, when the transit strike a year ago closed down transportation, one of the arguments used on the floor of the Senate in connection with the legislation which was passed to take away the company's franchise was that it was very important to the functioning of the Government of the United States, since the Congress was about to adjourn and go home and leave the District of Columbia without a governing council that this rather drastic step should be taken.

I supported that legislation at the time, although with some misgivings, because it seemed to me that in the Nation's Capital, in a Federal District, established because of its importance to the Government of the Nation, the argument was pertinent that the closing down of the transportation system would vitally and adversely affect the very functioning of the Government of the people of the United States.

Mr. President, if because of a strike being called or as a result thereof we have not only canceled the franchise rights of a private company, but, in effect, have precipitated the issue of public ownership to the extent that the Government of the United States is going to underwrite, in effect, the operating costs without limit, we are all practical enough to know that once the transportation system of the District comes under public ownership it is very likely to remain under public ownership as long as any of us shall live, or, at least, such is a very strong possibility.

That means that the Government of the United States will, in effect, be underwriting whatever deficit there may be. We shall have to provide some of the funds for this Government ownership. We have applied the no-strike rule to other Government corporations. If we exempt the Transit Authority in the District of Columbia, which is a Federal District, then are we going to exempt other Government corporations?

I think it is a very vital issue as to whether there is a right to strike against the Government of the United States or the Federal City of the Government of the United States.

Under those circumstances, Mr. President, I think the amendment is well in order. Certainly, we are faced with the problem that if the transportation system shall be closed down again it will have an adverse effect upon the functioning of the Government.

Mr. CASE of South Dakota. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. CASE of South Dakota. Mr. President, first of all, I should like to say that I find myself well in accord with the general opinion expressed by the distinguished Senator from California. The very premise of the bill will be invalidated, it seems to me, if we accept the argument which has been made against the amendment. The whole premise of the bill is that the public welfare requires an Authority to operate public transportation in the Nation's Capital, come what may.

Mr. President, some years ago it was my privilege to be associated with the late mayor of the city of New York, Mr. La Guardia, in a panel discussion on the issues which are involved in this particular question. Everyone will recall the leadership which Mr. La Guardia gave in labor legislation. I recall that when the question was put to him on the panel that morning, "What happens if a municipality operates a hospital? Can the employees of that hospital strike?" Mr. La Guardia said, "I think we have to recognize that when certain functions pertaining to the public welfare, health, or safety, are involved, the normal right to strike does not exist," or words to that effect.

In my opinion, something of the same question is involved here. To me there is no justification for proposing or authorizing public ownership of a mass-transportation system in the District of Columbia, unless we put it upon the ground of the Nation's welfare in this instance because this is the Capital City. If that be true, then, it seems to me we should preserve for the Authority whatever is necessary to see that public transportation is carried on without interruption under any circumstances whatsoever.

With the record which Congress has in dealing with employees of the Government, I do not fear that a fair and square deal will not be given to the employees of the Authority which would operate the transportation system. I think in this forum and in the forum of the House of Representatives they will have adequate protection of their rights of seniority, working conditions, wages, and matters of that sort. If we are going to take the step of authorizing a public authority to operate the transportation system, then we must give it the power to carry it on without interruption. Otherwise, the whole premise of the bill would be defeated.

Mr. ALLOTT. Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. KNOWLAND. Mr. President, I yield an additional 5 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, there are 2 or 3 things which, it seems to me, ought to be settled here. Let us first discuss the proprietary matter. True, this is a proprietary function of the Government. But what did Congress say about this less than 9 months ago?

> That it is hereby declared that the business of mass transportation of persons for hire in the District of Columbia is clothed with a public interest and is essential to the proper functioning of the Government of the United States and the government of the District of Columbia. The continuous, uninterrupted, and proper functioning of such business in the District of Columbia is hereby declared to be essential to the welfare, health, and safety of the public, including the civilian and military personnel of the Government of the United States located in the District of Columbia and the metropolitan area of Washington.

That is a quotation from the act passed by Congress last August.

What is now proposed? First of all, it is proposed that we give up $2 million a year in taxes, in order to establish a Transportation Authority. Second, it is proposed that the Government lend $20 million in order to establish a transportation system. Third, the way the bill is drafted, the Government will pick up the tab for any deficit which may occur—and, in my opinion, the deficit will be frequent and probably large.

The next step is to bar the employees of the Authority from the right to strike. No one in the world deplores more than I do the denial of the right to strike in ordinary circumstances. I have always fought for the right to strike, and I shall continue to do so. But I believe there are some circumstances in which the right to strike should not exist. This is one of them.

It has been said, "Let us wait until we are confronted with that situation; then we will face it; then we will take care of it." But if Congress were not in Washington at the time a strike occurred, what would happen? Would we again subject the District of Columbia to what took place last July and August? Suppose it became necessary for Congress to act at a time when it was not in session. Would we let the people of the District of Columbia walk the streets for months at a time, while they awaited the passage of a law by Congress? I do not think we should allow that to happen.

It has been said also that the amendment would establish a new and a bad precedent. As a matter of fact, if the proposed authority were excluded from the provisions of Public Law 330, although it would be controlled and owned by the Government of the United States, and with the money for its establishment being put up by the Government, because Congress has said such an authority is vital to the welfare of the Government, we would indeed be establishing a new precedent, which would affect the Bureau of Reclamation, the Bonneville Power Administration, the Alaska Railroad Company, the Tennessee Valley Authority, the Atomic Energy Commission, and the Panama Canal Company. If we exempt the proposed Transit Authority, we will, in fact, be establishing a new precedent in government and then there would be no reason for not removing all the other agencies from the prohibition against the right to strike, under Public Law 330.

I do not suggest that the union is not acting in good faith in the matter, but there have been other strikes, including wildcat strikes. What would be done if there should be a wildcat strike? No one will march the employees at the point of a bayonet but neither can anyone contend that a union can paralyze the Government and paralyze the people who work for the Government. It cannot be contended that the union should have a right to repeat what it did last year.

Contrary to what my estimable and great friend from Oregon says, it is not a question of who was responsible for the strike. The fact is that the strike occurred. It is a fact that hundreds of thousands of persons, day after day, trudged many miles to work because they could not obtain public transportation. It is a fact that the functions of the Government were stymied, were foreclosed, were slowed down, for some

5 or 6 weeks, while a debate was in progress as to whether the employees should get what they were seeking in the strike.

I favor the right to strike in ordinary circumstances. But if we permit the employees of the Authority to strike, we will be establishing a new precedent. As a matter of fact, we will be establishing a new principle if we exempt the new Authority, which is about to be created, from the provisions of Public Law 330.

Mr. McNAMARA. Mr. President, I am advised that 2 minutes remain on our side. I should like to take a part of that time, at least, to say that it is a fact that a strike existed, or took place. The strike did not take place through action by the employees so far as arbitration was concerned. Before they went on strike, the employees offered to arbitrate. It was the management which refused to arbitrate.

The amendment offered by the Senator from Colorado would take punitive action against the persons who were the least guilty in the whole affair.

I think the two other members of the subcommittee, the Senator from Oregon [Mr. Morse] and the Senator from New Jersey [Mr. Case], have stated the view of the subcommittee, as we understand the problem. I associate myself with their remarks, and I hope the amendment will be rejected.

The PRESIDING OFFICER. All time for debate has expired.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Beall
Bender
Bennett
Bricker
Bridges
Bush
Butler
Byrd
Carlson
Case, N. J.
Case, S. Dak.
Chavez
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Fulbright
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McNamara
Millikin
Morse
Mundt
Murray
Neuberger
O'Mahoney
Payne
Potter
Purtell
Robertson
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER (Mr. Wofford in the chair). A quorum is present.

The question is on agreeing to the modified amendment of the Senator from Colorado [Mr. Allott] to the committee amendment.

All time on this question has expired; and the yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote, I have a pair with the senior Senator from West Virginia [Mr. Neely]. If the senior Senator from West Virginia [Mr. Neely] were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The legislative clerk resumed and concluded the call of the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. Bible], the Senator from Kentucky [Mr. Clements], the Senator from Rhode Island [Mr. Frear], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Kefauver], the Senators from West Virginia [Mr. Laird and Mr. Neely], the Senator from Arkansas [Mr. McClellan], the Senator from Oklahoma [Mr. Monroney], the Senator from Georgia [Mr. Russell], and the Senator from Florida [Mr. Smathers] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic-energy tests in the South Pacific.

On this vote, the Senator from Nevada [Mr. Bible] is paired with the Senator from Delaware [Mr. Frear]. If present and voting, the Senator from Nevada would vote "nay," and the Senator from Delaware would vote "yea."

I further announce that if present and voting, the Senator from Kentucky [Mr. Clements], the Senator from Tennessee [Mr. Kefauver], the Senator from West Virginia [Mr. Laird], and the Senator from Oklahoma [Mr. Monroney] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senators from Indiana [Mr. Capehart and Mr. Jenner], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Nevada [Mr. Malone] is detained on official business.

The result was announced—yeas 32, nays 42, as follows:

YEAS—32

Allott
Bennett
Bricker
Bridges
Butler
Byrd
Carlson
Case, S. Dak.
Cotton
Curtis
Daniel
Dirksen
Dworshak
Eastland
Flanders
Hickenlooper
Holland
Hruska
Knowland
Martin, Iowa
Martin, Pa.
Millikin
Mundt
Robertson
Schoeppel
Smith, Maine
Stennis
Watkins
Wiley
Williams
Wofford
Young

NAYS—42

Aiken
Anderson
Beall
Bender
Bush
Case, N. J.
Chavez
Douglas
Duff
Ellender
Ervin
Fulbright
Gore
Green
Hayden
Hennings
Hill
Humphrey
Jackson
Johnston, S. C.
Kennedy
Kerr
Langer
Lehman
Long
Magnuson
Mansfield
McCarthy
McNamara
Morse
Murray
Neuberger
O'Mahoney
Payne
Potter
Purtell
Saltonstall
Scott
Smith, N. J.
Sparkman
Symington
Thye

NOT VOTING—21

Barrett
Bible
Capehart
Clements
Frear
George
Goldwater
Ives
Jenner
Johnson, Tex.
Kefauver
Kuchel
Laird
Malone
McClellan
Monroney
Neely
Pastore
Russell
Smathers
Welker

So Mr. Allott's amendment to the committee amendment was rejected.

Mr. ALLOTT. Mr. President, I request the distinguished minority leader to yield to me 1 minute on the bill, in order to enable me to clear up one feature in connection with the amendment just disposed of.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. During the course of the debate on my amendment this afternoon I made the statement that I had been informed that if the amendment were adopted, those directly involved would prefer that the arbitration clause be mandatory.

I further made the statement that if the amendment were adopted, I would offer a further amendment, to change the word "may" in line 9, on page 82, to "shall", in order to make the provision mandatory.

Inasmuch as I do not believe in compulsory arbitration, and agreed to offer the conditional amendment only in order to make the bill workable, and inasmuch as my previous amendment was not agreed to, I feel free to refrain from offering such an amendment as that described in my original statement, leaving the arbitration clause of the bill entirely voluntary.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. PAYNE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Maine will be stated.

The Legislative Clerk. On page 82, line 18, in the committee amendment, after the words "corporate officers", it is proposed to insert "with less than 10 years' service."

Mr. PAYNE. Mr. President, I yield myself 3 minutes. I shall be very brief.

This amendment would give recognition in connection with the provision for retaining in the service, as the service might require, of those who would otherwise be left out under the present wording of the bill. I am sure an oversight was made. I have discussed the subject with several members of the committee.

If the bill as it is worded at present is passed, it will mean that 1 individual with 27 years' service with the Capital Transit Co., another with 14 years' service, another with 37 years' service, another with 20 years' service, another with 29 years' service, and another with 31 years' service will be excluded from the benefits of the provisions which apply to all other employees. My amendment applies to those with less than 10 years of service. It would give the career employees, regardless of their present status, an opportunity to remain on the job.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine [Mr. Payne] to the committee amendment.

Mr. KNOWLAND. Mr. President, I wonder if we may have the yeas and nays ordered on final passage of the bill, in order that Senators may be informed.

I ask for the yeas and nays on final passage of the bill.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. MORSE. As a member of the subcommittee I heartily support the Senator's amendment. My understanding is that the chairman of the subcommittee [Mr. McNamara], also joins in support of it. I believe also that the Senator from New Jersey [Mr. Case], the other member of the subcommittee, favors the amendment. I do not see him present in the Chamber, but I discussed the subject with him earlier this afternoon.

Mr. McNAMARA. I am sure it is agreed that there is no objection to the amendment.

Mr. PAYNE. Mr. President, I yield back the remainder of my time.

Mr. McNAMARA. Mr. President, I am glad to yield back the remaining time on this side.

The PRESIDING OFFICER. All time on the pending amendment has been exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Maine [Mr. Payne] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The committee amendment, as amended, is open to further amendment. If there be no further amendment, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? Do Senators wish to use time on the bill?

Mr. JOHNSON of Texas. Mr. President, I yield back my time, with the understanding that the other side will do likewise.

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the senior Senator from West Virginia [Mr. Neely]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. Bible], the Senator from Kentucky [Mr. Clements], the Senator from Delaware [Mr. Frear], the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Kefauver], the Senator from West Virginia [Mr. Laird], the Senator from Arkansas [Mr. McClellan], the Senator from Oklahoma [Mr. Monroney], the Senator from West Virginia [Mr. Neely], the Senator from Virginia [Mr. Robertson], the Senator from Georgia [Mr. Russell], and the Senator from Florida [Mr. Smathers] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic energy tests in the South Pacific.

I further announce that on this vote, if present and voting, the Senator from Nevada [Mr. Bible], the Senator from Kentucky [Mr. Clements], the Senator from Tennessee [Mr. Kefauver], the Senator from West Virginia [Mr. Laird], and the Senator from Oklahoma [Mr. Monroney] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senators from Indiana [Mr. Capehart and Mr. Jenner], the Senator from Arizona [Mr. Goldwater], the Senator from California [Mr. Kuchel] and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Nevada [Mr. Malone] is detained on official business.

The result was announced—yeas 41, nays 31, as follows:

YEAS—41

Aiken
Allott
Anderson
Beall
Bender
Bush
Case, N. J.
Case, S. Dak.
Chavez
Douglas
Ervin
Gore
Green
Hayden
Hennings
Hill
Hruska
Humphrey
Jackson
Johnston, S. C.
Kennedy
Kerr
Langer
Lehman
Long
Magnuson
Mansfield
McNamara
Morse
Murray
Neuberger
O'Mahoney
Payne
Potter
Purtell
Scott
Smith, Maine
Sparkman
Stennis
Wiley
Wofford

NAYS—31

Bennett
Bricker
Bridges
Butler
Byrd
Carlson
Cotton
Curtis
Daniel
Dirksen
Duff
Dworshak
Eastland
Ellender
Flanders
Hickenlooper
Holland
Knowland
Martin, Iowa
Martin, Pa.
McCarthy
Millikin
Mundt
Saltonstall
Schoeppel
Smith, N. J.
Symington
Thye
Watkins
Williams
Young

NOT VOTING—23

Barrett
Bible
Capehart
Clements
Frear
Fulbright
George
Goldwater
Ives
Jenner
Johnson, Tex.
Kefauver
Kuchel
Laird
Malone
McClellan
Monroney
Neely
Pastore
Robertson
Russell
Smathers
Welker

So the bill (S. 3073) was passed.

The title was amended so as to read: "A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes."

Mr. LANGER. Mr. President, I move that the vote by which the bill has just been passed be reconsidered.

Mr. CASE of South Dakota. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to lay on the table the motion of the Senator from North Dakota.

The motion to lay on the table was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939 REGARDING GAINS.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1961, H. R. 6143.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The Legislative Clerk. A bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1951, certain amounts received in consideration of the transfer of patent rights shall be considered capital gains, regardless of the basis upon which such amounts are paid.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment, on page 3, after line 15, to insert:

Sec. 2. Certain claims against United States.

(a) Section 106 of the Internal Revenue Code of 1939 (relating to claims against the United States involving acquisition of property) is hereby amended to read as follows:

"Sec. 106. Certain claims against United States.

"In the case of any amount (other than interest) received by a taxpayer from the United States with respect to a claim against the United States—

"(a) involving the acquisition of property and remaining unpaid for more than 15 years, or

"(b) arising under a contract for the construction of installations or facilities for any branch of the armed services of the United States and remaining unpaid for more than 5 years from the date such claim first accrued and paid prior to January 1, 1950,

the portion of the tax imposed by section 12 attributable to such amount (other than interest) shall not exceed 30 percent thereof. For purposes of section 291 (a), relating to additions to the tax for failure to file a return, the term 'reasonable cause' shall include the filing of a timely incomplete return under circumstances which led the taxpayer to believe that no tax was due on amounts received under a settlement with the United States."

(b) The amendment made by this section shall apply only with respect to taxable years ending after December 31, 1948.

Sec. 3. Certain distributions in kind.

(a) Section 115 of the Internal Revenue Code of 1939 (relating to distributions by corporations) is hereby amended by adding at the end thereof the following new subsection:

"(n) Certain distributions in kind:

"(1) Notwithstanding any other provision of this section, a distribution of property by a corporation to its stockholders, with respect to its stock, shall be (except as provided in paragraph (2)) considered to be a distribution which is not a dividend (whether or not otherwise a dividend) to the extent that the fair market value of such property exceeds the earnings and profits of such corporation accumulated after February 28, 1913, and the earnings and profits of the taxable year (computed as of the close of the taxable year without diminution by reason of any distributions, except those described in subparagraphs (A), (B), and (C) of paragraphs (3), made during the taxable year) without regard to the amount of the earnings and profits at the time the distribution was made. The preceding sentence shall not prevent the application of subsection (d) to any such distribution.

"(2) In the case of a personal holding company a distribution in property shall not be a dividend to the extent it exceeds the earnings and profits of such corporation accumulated after February 28, 1913, to the beginning of the taxable year, plus the higher of the earnings and profits of the taxable year or the subchapter A net income of the taxable year, adjusted in accordance with paragraphs (1) through (3) of subsection (a), computed as of the end of the taxable year without reduction for any distributions made during the taxable year except those described in subparagraphs (A), (B), and (C) of paragraph (3), made during the taxable year.

"(3) This subsection shall apply to any distribution of property other than—

"(A) money.

"(B) inventory assets, as defined in section 312 (b) (2) of the Internal Revenue Code of 1954, or

"(C) distributions described in section 312 (j) of the Internal Revenue Code of 1954."

(b) The amendment made by this section to section 115 of the Internal Revenue Code of 1939 shall be effective as if it were a part of such section on the date of enactment of the Internal Revenue Code of 1939. No interest shall be allowed or paid in respect of any overpayment of tax resulting from the amendment made by this section.

SEC. 4. Application to poultry of tax on transportation of property.

(a) (1) Section 3475 of the Internal Revenue Code of 1939 (relating to the tax on the transportation of property) is amended by adding at the end thereof the following new subsection:

"(g) Poultry: The tax imposed by this section shall not apply to amounts paid for the transportation of poultry in continuous movement from the farm where the poultry was raised to a dressing plant, located within the local area of such farm, for processing."

(2) The amendment made by this subsection shall apply only with respect to amounts paid after November 30, 1942.

(b) (1) Section 4272 of the Internal Revenue Code of 1954 (relating to exemptions from the tax on the transportation of property) is amended by adding at the end thereof the following new subsection:

"(f) Poultry: The tax imposed by section 4271 shall not apply to amounts paid for the transportation of poultry in continuous movement from the farm where the poultry was raised to a dressing plant, located within the local area of such farm, for processing."

(2) The amendment made by this subsection shall apply only with respect to amounts paid after December 31, 1954, for transportation which begins after such date.

(c) No interest shall be allowed or paid in respect of any overpayment of tax resulting from the amendments made by this section.

SEC. 5. Trademark and trade name expenditures.

(a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by inserting after section 176 thereof the following new section:

"SEC. 177. Trademark and trade name expenditures.

"(a) Election to amortize: Trademark or trade name expenditures paid or incurred after December 31, 1955, may, at the election of the taxpayer (made in accordance with regulations prescribed by the Secretary or his delegate), be treated as deferred expenses. In computing taxable income, such deferred expenses shall be allowed as a deduction ratably over such period of not less than 60 months after such expenditures are paid or incurred, as may be selected by the taxpayer.

"(b) Trademark and trade name expenditures defined: The term 'trademark or trade name expenditures' means any expenditure which—

"(1) is directly connected with the acquisition, protection, expansion, registration (Federal, State, or foreign) or defense of a trademark or trade name;

"(2) is chargeable to capital account; and

"(3) is not part of the consideration paid for a trademark, trade name, or business.

"(c) Time for and scope of election: The election provided by subsection (a) shall be made within the time prescribed by law for filing the return for the taxable year (including extensions thereof). The period so selected shall be adhered to in computing the taxable income of the taxpayer for the taxable year for which the election is made and all subsequent years."

(b) The table of sections of part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is hereby amended by inserting at the end thereof

"SEC. 177. Trademark and trade name expenditures."

(c) The amendments made by this section shall apply only with respect to taxable years beginning after December 31, 1955.

SEC. 6. Livestock sold on account of drought.

(a) Section 1033 of the Internal Revenue Code of 1954 (relating to involuntary conversions) is hereby amended by redesignating subsection (f) thereof as subsection (g) and by inserting after subsection (e) of such section the following new subsection:

"(f) Livestock sold on account of drought: The sale of livestock (other than poultry) held by a taxpayer for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell if he followed his usual business practices shall be treated as an involuntary conversion to which this section applies if such livestock—

"(1) are held in an area—

"(A) in respect of which the President determines under the act of September 30, 1950, as amended (42 U. S. C. 1855–1855g), that a major disaster exists because of drought, and

"(B) which is found eligible by the Secretary of Agriculture for emergency assistance under section 2 (d) of the act of April 6, 1949, as amended (12 U. S. C. 1148a–2), or for relief under clause (2) of the fifth sentence of section 407 of the Agricultural Act of 1949, as amended (7 U. S. C. 1427), and

"(2) are sold (whether before or after such determination) by such taxpayer solely on account of such drought."

(b) The amendment made by this section shall apply only with respect to taxable years beginning after December 31, 1955.

The PRESIDING OFFICER. The question is on agreeing to committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to amend the Internal Revenue Codes of 1939 and 1954, and for other purposes."

INSURANCE AGAINST FLOOD DAMAGE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1886, Senate bill 3732.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3732) to provide insurance against flood damage, and or other purposes.

The PRESIDING OFFICER. The question is on the motion cf the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM—RECESS

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of the Senate that, following the disposition of Calendar No. 1886, Senate bill 3732, which has just been made the unfinished business, it is the purpose of the leadership to proceed to the consideration of Calendar No. 1896, Senate bill 3108, to encourage the construction of modern Great Lakes bulk cargo vessels; Calendar No. 1894, H. R. 483, to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps in the Army and Navy; and Calendar No. 1899, H. R. 9429, to provide medical care for dependents of members of the uniformed services, and for other purposes.

The bills will be considered not necessarily in that order, Mr. President, but I should like the Senate to be on notice that the leadership has agreed to take up those bills.

It is not the intention to have any votes this evening. If no Senator desires to present any matter at this time, I shall move that the Senate take a recess until tomorrow.

Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow. I suggest that if we may have a full day tomorrow and can dispose of all the measures which I have announced, it is possible that the Senate will go over until Monday.

I should like to give notice that such a motion may be made.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to; and (at 5 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 10, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9 (legislative day of May 7), 1956:

NATIONAL SCIENCE FOUNDATION

The following-named persons to be members of the National Science Board, National Science Foundation, for terms of 6 years expiring May 10, 1962:

Laurence McKinley Gould, of Minnesota. (Reappointment.)

Paul M. Gross, of North Carolina. (Reappointment.)

George D. Humphrey, of Wyoming. (Reappointment.)

Frederick A. Middlebush, of Missouri. (Reappointment.)

Edward James McShane, of Virginia, vice John W. Davis, term expired.

Samuel Milton Nabrit, of Texas, vice Edwin B. Fred, term expired.

Julius A. Stratton, of Massachusetts, vice O. W. Hyman, term expired.

Edward Lawrie Tatum, of California, vice Earl P. Stevenson, term expired.

IN THE COAST GUARD

Joseph A. Kerrins for promotion to the permanent rank of rear admiral in the United States Coast Guard.

IN THE AIR FORCE

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be major, USAF (Medical)

Francies Marshall

To be captains, USAF (Medical)

Francis X. Farrell
Jack R. Starrett, O946664.

To be captains, USAF (Dental)

Edward E. Davis, AO2240587.
Donald E. Kurth, AO1906888.
Edward J. Prejean, Jr., O427771.
Arthur J. Sachsel, AO1906183.
Charles W. Seamands, AO1906530.
Ira L. Shannon, AO1906564.
Milton D. Wyngarden

To be first lieutenants, USAF (Medical)

Charles M. Aaronson, AO3043103.
Donald W. Acker, AO741437.
Thorne J. Butler, AO3043222.
William H. Carranza, AO3043224.
George R. Cary, Jr.
Don L. Christensen, AO3043225.
John E. Eagleton, AO3043231.
Robert H. Edwards, O4022249.
Richard C. Froede, AO3043198.
John T. Hart, AO2218328.
James S. Harvin, AO3000787.
James H. Hockenberry, AO3043193.
Vernon L. James, Jr.
Kenneth M. Jensen, AO3043246.
Charles C. Keith, Jr., AO3043203.
Gregory B. Krivchenia
Charles K. Landrum, AO1856169.
Vernor F. Lovett, AO3043093.
William K. I. Manning, AO3043252.
John F. McCloskey, AO3043134.
Jay W. McRoberts
Gunter R. Meng
Robert T. Miller, AO3043254.
Edward H. Mills
David P. Minichan, Jr., AO2233026.
William J. Mitchell, AO3043255.
Patrick J. Moore, AO2217030.
Herbert A. Muller, Jr., AO3043256.
John T. Purvis, AO2261924.
Howard F. Rickenbach, Jr., AO3043267.
James A. Roman
Anthony N. Scalco
Richard H. Schwarz
John R. Scott, AO3043273.
Ferdinand L. Soisson, Jr., AO3042884.
Donald B. Strominger, AO3001639.
Irwin T. Taylor, AO3001894.
Fred K. Viren, AO3044156.
Forrest S. Warner, AO3041625.
Morgan E. Wing, AO2255714.

To be first lieutenants, USAF (Dental)

Clair W. Andrus
Stephen T. Braum
Norman L. Esterl
James A. Hitchens, AO3001090.
Carl E. Johnson, AO730268.
Edwin B. Rosen
Robert R. H. Sutherlin, AO3043654.
John J. Travis
Wallace T. Urata, AO981869.

To be first lieutenants, USAF (Veterinary)

Donald L. Anderson, AO2261570.
Charles F. Clause, AO3000154.
Ernest B. Rushing, Jr., AO3000240.
Otto S. Shill, Jr., AO3000710.

To be first lieutenants, USAF (Medical Service)

Merrill B. DeLong, AO1327517.
William G. Neubrand, AO2230004.
Francis J. Smith, AO2213609.
Myrl E. Wilson, AO2241093.

To be second lieutenants, USAF (Medical Service)

James E. Bousser, AO2262010.
Elwood E. Fisher, AO3013109.
Jeremiah R. Lynch, AO3001446.
William H. Newton, AO2262019.
Walter H. Williams, AO3000093.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of sections 101 (c) and 102 (c), Public Law 36, 80th Congress (Army-Navy Nurses Act of 1947), as amended by section 5, Public Law 514, 81st Congress, and Public Law 37, 83d Congress, with a view to designation for the performance of duties as indicated under the provisions of section 307, Public Law 150, 82d Congress (Air Force Organization Act of 1951):

To be first lieutenants, USAF (Nurse)

Joan M. Caddell, AN795815.
Mary J. Evans, AN2214423.
Margaret H. Maschino, AN2241704.
Margaret T. Merritt, AN2244419.
Virginia M. Niebauer, AN2241662.
Mary E. Roop, AN1912791.
Katherine I. Shealy, AN2242119.
Beatrice N. Toth, AN2242922.
Lois J. Wikoff, AN792691.

To be first lieutenants, USAF (Medical Specialist)

Carolyn E. Bobo, AR3001035.
Marian J. Hayton, AR2485.

The following-named cadets, United States Military Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947). Date of rank to be determined by the Secretary of the Air Force:

Don Eugene Ackerman
Michael Houston Alexander
B. Conn Anderson, Jr.
Darrell Leslie Anderson
Gerald David Ankenbrandt
Robert Todd Barrett
Robert Chapman Beyer, Jr.
Robert Moulton Blocher
Stuart Waddington Bowen
Alfred Connor Bowman, Jr.
Robert Ellsworth Brown
Nicholas Joseph Bruno
Frank Albert Burd, Jr.
Edmund Dederick Burhans II
Dennis Lee Butler
Joel Richard Campis
Howard Ray Cannon
William Christi Carey
Darold Wendle Clonts
Thomas Joseph Cody, Jr.
James Arnold Cook
Roland Bertram Crase
Terry Wayne Creighton
William Penn Crum
Richard Joseph Daleski
Lee Armistead Denson, Jr.
Frederick Rodgers Dent III
Joseph Mark Dougherty
Paul Gustave Dougherty
Richard Patrick Dowell
Albert James Dye
Donald Lee Ernst
Theodore Martin Faurer
Hugh LaVerne Filbey
Norman Clark Folden, Jr.
Henry Ronald Gaude
James Harper Gordon
Robert English Grassberger
Merrill Anson Green, Jr.
Paul Hilger Greisen
John Martin Gromek
Alfred John Hallisey
Charles Rowland Hamm
John Arthur Hampton
Norris Brown Harbold, Jr.
Richard Henning Head
Joel Stanley Hetland
John Henry Higgins III
Alfred Hoffman, Jr.
Harold Gordon Holmquist
Gerald Lee Irwin
Paul Anthony Jakus
William Robert Jarmon
Douglas Stoddard Johnson
John Milton Kamm, Jr.
Lisle Greene Kendall, Jr.
Thomas Edward Kirchgessner
Harry Kotellos
Robert Douglas Krutz
Jerome Glen Lake
Kenneth Earl Lang
Samuel Murray Lansing
George Firmin Leonard
James Ambrose Linden
Aaron B. Loggins
Richard Wetzel Lorey
Neale Malcolm Luft
George Patrick Lynch, Jr.
Nicholas Alexander Mavrotheris
Irwin Benton Mayer
Lester Stearns McChristian, Jr.
William Wallace McClung
James Stephen McMahon
William Curtis McPeek
Stanley Herbert Meader
Porter Nelson Medley, Jr.
Mario Anthony Nicolais
Robert LeRoy Pearson
Leslie Terence Prossner
Matthew James Quinn, Jr.
Joseph Edward Ragland
Thomas Edward Reinhardt
Alan Bishop Renshaw
Rand Elliot Rensvold
Charles William Robertson
Thomas Eugene Ross, Jr.
Walter Charles Sager
Joe Edward Sanders
Donald Wade Satterfield
John Dwight Schannep
G. Richard Schaumberg
Marvin Francis Schwartz, Jr.
Jack Joseph Sharkey
John Albert Shaud
Donald Elmer Sheehan
Robert Bruce Sheridan
Jerald Henry Skatvold
Mark Edward Smith III
Perry McCoy Smith
Herbert Henry Spaeni, Jr.

Lawrence Alan Stebleton
Robert Kenneth Stein, Jr.
Robert Allan Stewart
Joseph Francis Stroface
Otis Peebles Studdard
John Samuel Sutherland
Alan Leigh Thelin
John Benton Tindall, Jr.
Charles Clayton Torrey
Edward Vallentiny
Vernon Roy Van Vonderen
Jan Edward Verfurth
Bruce McClain Wallace, Jr.
Joseph Patrick Waters
Jerome Hirsch Werbel
Robert Wetzel
William Taylor Wetzel
William Alfred White
Romain Alton Young, Jr.

The following-named midshipmen, United States Naval Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947). Date of rank to be determined by the Secretary of the Air Force:

Donald Joseph Alser
Spence McFall Armstrong
James Richard Arnold
Steven Ward Nixon Arnold
James Newton Barker
Allen Ellsworth Barlow
Harold Stephen Baudult
Leonard Fred Benzi
Lawrence Wilton Berger
William Harland Black
Emil Nathaniel Block, Jr.
Bernard William Boshoven
Thomas Charles Brandt
Robert Joseph Brown, Jr.
Richard Guy Bryant
Jesse Walter Buckelew
James William Buddle
Norman Allan Burgk
Robert Salisbury Cecil
David Porter Chartrand
Charles Nicolas Chavarria
Charles Franklin Coker
John Burd Collins
Thomas McCulloch Colman
John Edwards Conway
Henry Fred Culberson, Jr.
Charles Glenn Curtis
Paul Bernard Cusick
Vernon Allan Dander
Joe Rex Davis
David Loren Debus
George Moreton Decell III
Arsenio Lopez Delgado
Eugene John DeNezza
Walter Sam Denham, Jr.
James Vincent Detore, Jr.
Nathaniel Otis DeVoll
William Maurice Dillon
Bruce Hamilton Dolph
William Peter Dunsavage
Michael Joseph Dwyer, Jr.
Duane Cameron Eggert
John Earle Elliott
James Peter Erl
Fred Henry Ernst
Philippe Bunau-Varilla Fales
Donald Otto Faust
Peirce George Ferriter
Dundas Ingoldsby Flaherty
Raymond Joseph Fleming
Donald Thomas Flood
John Wayne Forbrick
Bob Lawrence Francis
Raymond Frankenberg
Norman Lea Hutchings Frith II
Stephen George Gardella, Jr.
Daniel Tyler Garges
Stephen Ernest Gauthreaux, Jr.
Benjamin Wesley George
Jerry Lee Gibson
Kenneth Harrison Godstrey
George Bishop Gollehon
Gerry Francis Gossens
Robert Michael Greene
Sheldon Law Groner
Richard Payne Guest, Jr.
Charles Christopher Hackeling
Albert George Haddad
Harold Austin Haddock
Franklin Richard Hadley
Willard Harvey Hagenmeyer, Jr.
Hugh Elliott Hanna, Jr.
Charles Jasper Hansen, Jr.
Edmund Earl Hansen
Walter Hansen
Lyell Foster Harris
George Conrad Heidrich
Robert Theodore Herz
Fred Nyland Hopewell
Lawrence Joseph Hubert
Donald LeRoy Hugdahl
Ralph Henry Jacobson
Edward Charles James
Jerry Raymond Johnston
John Joseph Lally
Marc Theodore Wolff
Robert Duggan Jones
James Joseph Kamp, Jr.
John Karas
Richard Henry Kauffman
James George Kautz
John Daniel Kelly
Leo John Koerkenmeier
David Warren Lajeunesse
Thomas Charles Lampsa, Jr.
Gerald Barry Leavey, Jr.
Charles Allen Levis
Reed Holloman Lewis
Edward Coughlin Lovely
Roger Held Lyle
Thomas Cahoon Lynch
James Benjamin Mackey
John Flock Magagna
Armand David Malo
Lawrence Otis Marr
Jerry Patrick Masterson
John Robert McIntyre, Jr.
George James Mercuro
Charles Walter Missler
Charles Louis Mitri, Jr.
Donald Peter Murphy
Carl Harold Murray, Jr.
George Mushalko
Barton Myers, III
John Frederick Nelson
William Henry Niles
David Joseph Noonan
Mark Anthony O'Hara, Jr.
Ernest Arthur Olds
James Kelly Olson
David Lee Palmer
Edward Joseph Parent
Robert Edward Park
Kenneth Morgan Petch
Clifford Dean Peterson
George Walton Peterson, Jr.
Raleigh Edward Piatt, Jr.
Chester Allen Pilcher
Andreus August Piske, Jr.
George Emil Pitzer
Joe Daniel Pope
George Reagan
Richard Samuel Romero
George Laddie Rosenhauer
John Ellis Schaefer
John Clifford Schoep
Thomas Schwartz
William Caesar Shannon
Leo Joseph Sheehan
Richard George Shewchuk
James Cass Shortridge, Jr.
Richard Edward Smith
Stephen Arthur Soltesz
Ben Lutes Steele
William Howard Stewart
Leo Warren Stockham
Philip Long Sullivan
Richard Swanenburg
George Paul Textor
Richard Paul Tucker
Charles Duane Van Ry
Robert Fred Vaselenko
James Raymond Visage
Glenn Allen Warner
Richard Hawks Warren
George Warren Weigold, Jr.
Thomas Lee Weisner
Bernard Ira Weltman
J. Walden Westerhausen
William Edward Whitaker
Frank Durward White
George Thomas White
Ronald Litteer Widner
Oscar Eugene Williams, Jr.
Powell Jones Wilson, Jr.
James Ray Wolverton
James Alfred Franklin Wood
John Eugene Wood
Robert Emmett Zehnder

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Lawrence L. Brown, AO2220979.
Robert E. Buck, AO2227401.
Edward G. Bulka, AO2228534.
Weldon L. Burden, AO2228358.
Monti D. Callero, AO2228160.
Duane D. Campbell, AO2249725.
William S. Clarke, Jr., AO2228164.
John D. Collins, AO2221011.
Robert E. Craycraft, AO2227979.
Joseph E. Daneu, AO2228368.
Miles D. Dick, AO2228169.
Eugene P. Dikeman, AO2227871.
Arthur J. Disher, Jr., AO2221053.
Randall J. Dixon, AO2221054.
John J. Doyle, Jr. AO2228455.
Alexander G. Edgar, AO2221071.
Robert L. Engle, AO2227145.
Allen J. Gibson, AO3003709.
Merle Hahn, AO2228385.
Howard D. Harper, AO2228387.
Barry E. Harris, AO3002824.
John D. Hunt, AO2216925.
Jack King, AO3002997.
William A. Kobzeff, AO2251585.
Ronald J. Legner, AO3004484.
Herman W. Lehman, Jr., AO3004783.
Karl V. Lofstrand, AO3004815.
Truman A. Marr, AO3003048.
William E. Masterson, AO3005767.
Francis D. McCarthy, AO2221253.
Agamemnon R. Mourges, AO2227492.
Gerald J. Newlin, AO2254604.
Howard R. Nordeck, AO3004512.
Richard H. Rencurrel, AO2218182.
David A. Sena, AO2247526.
John D. Sharp, AO3003037.
Peter L. Smith, AO2228434.
Jack C. Snead, AO2228450.
William R. Southerland, AO2254641.
Billy W. Stephens, AO1865272.
Julian T. Stewart, Jr., AO3004858.
James M. Taylor, AO2228524.
Robert P. Taylor, AO3004629.
John F. Tiernan, AO3002516.
Virgil R. Van Haaften, AO3004545.
James L. Wallace, AO2228278.
Laverne A. Westling, AO3003614.
Ira L. Yoder, Jr. AO3004588.
John M. Ziegler, AO2228448.

To be second lieutenants

Roddee E. Lord, AO2255022.
William A. McLawhon, AO3017269.

The following-named person for appointment in the Regular Air Force, in the grade indicated, with date of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be first lieutenant

Marie L. Killwey, AL2221188.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 9, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou infinite and eternal God, our Creator and Benefactor, who hast made us for Thyself, we beseech Thee to give us a humble spirit and a contrite heart as we again seek Thy blessing and favor in this fellowship of prayer.

Thine is the love which redeems us, the strength which sustains us, the providence which surrounds us, the beauty which attracts us, and the grace which is sufficient for all our needs.

We pray that Thou wilt take our wills and make them Thine, transforming our groping and faltering spirits into centers of light and loveliness and into channels of peace and power.

Grant that we may long to be worthy citizens of Thy heavenly kingdom, men and women of invincible good will and fellow workers with Thee in building a social order in which the principle of righteousness shall prevail and the law of love shall be victorious over hatred and strife.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

INCREASED PENSIONS FOR SPANISH-AMERICAN WAR VETERAN WIDOWS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, in the first session I introduced a bill at the designation of the United Spanish War Veterans for an increase of pensions paid to Spanish-American War widows from the present pitiful amount of $57 a month to $75 a month. I understand the distinguished chairman and members of the Veterans' Affairs Committee are all sympathetic with this legislation but that now it is caught in a roadblock created by the Bradley report. Time is running out on these Spanish-American War widows. There are not many of them left. I do hope the House will soon take action on this bill, and I suggest to my colleagues that they read Edward K. Inman's editorial in this week's issue of the National Tribune entitled "Pass the O'Hara Bill."

FORTY-THIRD NATIONAL CONVENTION OF NATIONAL RIVERS AND HARBORS CONGRESS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, beginning tomorrow, through May 12, the 43d national convention of the National Rivers and Harbors Congress is going to convene at the Mayflower Hotel in the city of Washington.

The first day of that program will be devoted to committee meetings. The second day, Friday, they will begin the regular convention program. I as president of this organization am making this announcement here today because we have many Members of Congress on the program as speakers for river and harbor development and reclamation and water utilization throughout the United States. Under the constitution and bylaws of the National Rivers and Harbors Congress, Mr. Speaker, every Member of the House and Senate is ex officio a member of the congress and is invited and is expected to attend where possible the meetings of the convention. I urge every Member to attend some of our meetings.

MATANUSKA VALLEY LINES, INC.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7513) to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, if the Secretary of the Interior finds that the Matanuska Valley Lines, Inc., pursuant to its certificate of conditional purchases issued on August 20, 1951, for tracts 1, 2, 3, and 4 of block 27 of the east addition to the original townsite of Anchorage, Alaska, and tract 7 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364a–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to the Matanuska Valley Lines, Inc., such additional period of time within which to file such application for the aforesaid tracts as he shall deem reasonable.

"SEC. 2. If the Secretary of the Interior finds that Joe Blackard and Russell Swank, operating a joint venture as Blackard and Swank, pursuant to their certificate of conditional purchase issued on August 20, 1951, for tract 6 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to Joe Blackard and Russell Swank such additional period of time within which to file such application for the aforesaid tract as he shall deem reasonable."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JOHN M. LEE, 1887–1956

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURRAY of Illinois. Mr. Speaker, it is with sadness that I report the death of a very close personal friend, a civic leader in the city of Chicago, an elder of the Democratic Party, and a former Illinois State senator and State representative—John M. Lee.

John M. Lee died on Thursday, April 26, 1956, at St. Bernard's Hospital in Chicago, Ill.

Senator Lee was born in Chicago, Ill. He was a leader in community activities during most of his lifetime. He served five terms in the Illinois House of Representatives, from 1922 until his election to the Illinois State Senate in 1933. He served in the Illinois Senate from 1933 until 1946.

Senator Lee's legislative career was marked by a devotion to the interest of the poor, the workingman, and the public in general. He was recognized as a spokesman for labor and fair employment practices. He introduced and successfully handled much of the prolabor legislation that has resulted in Illinois being recognized as one of the most progressive States insofar as labor legislation is concerned.

As tributes to his legislative skill and his interest in the workingman is the Illinois Unemployment Compensation Act, which he introduced in the Illinois State Legislature and successfully helped to effectuate into Illinois law. He was one of the legislative architects of the Illinois workmen's compensation law, the Illinois minimum-wage law, and the Illinois Department of Labor. This progressive legislation remains in our Illinois law as a monument to John M. Lee's service to the community.

Senator Lee was a leader of the Democratic Party from his early youth. He served as ward committeeman of the 18th ward regular Democratic organization from 1938 until the time of his death. In his capacity as a leader in the Democratic Party he constantly strove to help men of good will achieve public office. Numerous officials of the city of Chicago, State of Illinois, and the Nation owe in a great measure their success in public life to Senator Lee's assistance and guidance. Senator Lee was the first to suggest myself as a candidate for the Congress. My successful election as a Member of this great body is in a large measure due to his assistance and guidance. His only advice and caution to me when I took this office was to do a good job for the people of the Nation and our community.

Senator Lee was interred in Mount Olivet Cemetery in Chicago, Ill. Mass was offered in St. Sabina's Roman Catholic Church at 1210 West 78th Street, Chicago, Ill. The Reverend Patrick J. Molloy, pastor of St. Leo's Church, said the mass, and the Reverend Thomas McMahon, of St. Sabina's Church, gave the sermon.

Senator Lee is survived by his widow, Mae. To his widow I extend my deepest sympathy and assure her that her sorrow of his loss is shared by the many, many friends he has left behind.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 500 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, during the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, all points of order against the bill are hereby waived.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Illinois [Mr. Allen], and at this time I yield myself such time as I may use.

Mr. Speaker, this resolution provides the usual rule for the consideration of the Defense Department appropriation bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Has it now become the usual thing for the Rules Committee to report all appropriation bills with points of order waived?

Mr. BOLLING. No; that, I think, is not an accurate statement. There are a number of appropriation bills reported that do not have points of order waived. This is an appropriation bill which over the years, for a number of years at least, has contained a substantial amount of legislation and it has been customary in the past to grant this type of a rule. This is an exceptional circumstance.

Mr. GROSS. May I say to the gentleman, it seems to me that it has become the exception rather than the rule to have an appropriation bill before the House without points of order being waived.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Missouri [Mr. Bolling] has stated that this rule provides for the waiving of points of order. There was no mention of amendments. This is an open rule and amendments, of course, will be in order.

Mr. Speaker, I want to fully subscribe to what the gentleman from Iowa [Mr. Gross] has just said. I have been a member of the Rules Committee for about 20 years. During those many years that I have been on the Committee on Rules there have been times when legislative committees have come before the Committee on Rules and have acquiesced in the matter of waiving points of order, but in this particular instance the Committee on Appropriations has seen fit to insert, think of it, 63 legislative provisions—which is many, many times more than have ever been sought since I have been a member of that committee.

Now, it is true that any legislative committee appearing before the Committee on Rules has the right to ask the Committee on Rules to waive points of order, and by a majority of one the Committee on Rules has reported out this rule which waives points of order. I was and am opposed to this rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman give the House an estimate of the number of legislative committees whose functions have been usurped by the rule that is proposed here today waiving points of order?

Mr. ALLEN of Illinois. Well, I would say that most of them are confined to the Committee on Armed Services.

Mr. GROSS. I would think that functions of most of the legislative committees are being usurped by the rule being offered here today. I am opposed to this rule, and I commend the gentleman for his statement.

Mr. ALLEN of Illinois. It was amazing to learn that the Committee on Appropriations waived points of order on these 63 legislative matters.

For instance, a Member might want some flood-control project in his district. He would go before the Committee on Public Works. The Committee on Public Works would go into the matter thoroughly, and he would be turned down. According to this theory, which the Committee on Appropriations has advanced, an individual Member can go to the Committee on Public Works on a flood-control project and be turned down and then go to the Committee on Appropriations and have that project inserted in the appropriation bill. Or, it might be that a Member is interested in some matter concerning foreign affairs. He might go before the Committee on Foreign Affairs, where it is given considerable consideration and be turned down after the most careful scrutiny and then be able to go to the Committee on Appropriations and have them insert some provision that no money in this bill will be expended unless some particular item is included. That same situation might prevail in certain departmental bills where you might have, for instance, a matter dealing with the Interstate Commerce Committee. You might go to that committee and after extensive hearings be turned down and then go to the Committee on Appropriations obtaining approval and then come before the Committee on Rules asking for a provision waiving points of order.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Connecticut.

Mr. MORANO. Does the gentleman know whether the Committee on Appropriations was unanimous in its request for the rule before the Committee on Rules waiving points of order?

Mr. ALLEN of Illinois. I could not answer that. I would say that the chairman of the subcommittee as well as the ranking minority member appeared before the Committee on Rules in this matter and both gave approval.

But I am not unmindful of the fact that in theory and in practice the Committee on Appropriations is definitely following a procedure here of much greater magnitude than ever before. While I am opposed to the rule, I am not attempting dilatory tactics because I have been told that it is important that this defense appropriation bill go forward to the other body as rapidly as possible.

It is my understanding that there are going to be some amendments offered to this bill, especially to section 633. That is a section which compels the Department of Defense to continue certain governmental enterprises, even though the Department of Defense feels that they are expensive, are not needed, inefficient, and not profitable. Nevertheless, under section 633, the Department is compelled to continue those unprofitable governmental enterprises in competition with private industry, even though they do not want to continue them.

Private industry, we must not forget, pays taxes. The Department of Defense comes before the Committee on Armed Services, feeling that certain governmental enterprises were not needed. Under section 633 the Department of Defense would be compelled to continue them whether they wanted to do so or not. This section forces them to do it. It prohibits them from stopping these governmental enterprises, even though they do not want to continue them, even though they say they are unprofitable or inefficient and are not needed.

Mr. Speaker, can you conceive of a proposal like that? Why should a department or why should anyone who does not want to operate an enterprise, who is not interested in it, who does not feel it is needed, be compelled to operate it? They are compelled to provide some service that they say is too expensive or is inefficient or is not needed. It seems to me that is about as ridiculous a proposal as could possibly be made.

If I were a member of a board of directors of some enterprise and we did not want to operate a certain activity, did not have any sympathy for it, how do you think I would feel if, by some edict or regulation or obiter or law or whatever, I were compelled to continue to operate it, when I had no confidence in that business, did not think it was necessary?

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman.

Mr. NICHOLSON. Can we not offer an amendment to that section? Suppose the Department of the Navy, for instance, were in an activity in competition with private industry, could they not go out of that business themselves without any legislation?

Mr. ALLEN of Illinois. No; this section forces them to stay in it.

Mr. NICHOLSON. Whether they want to do so or not?

Mr. ALLEN of Illinois. Whether they want to do so or not. The Congress, under this section, compels them to do so. They say, whether you want to operate it, you need it or not, you have got to do it. That is what section 633 compels them to do.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman.

Mr. SIKES. Mr. Speaker, I have great respect for my friend's judgment, but I do think it would be well if I point out that there is another side to this story. The Congress simply has asked that it have a look at the reasons why the Department may want to discontinue an operation, or place it under private contract. Under the terms of the section to which the gentleman has referred, since the last Department of Defense appropriation bill was passed, the Department has sent to the Appropriations Committee a total of 112 activities that it proposed to discontinue or turn over to private enterprise. In only nine instances did the Congress disagree. Only in nine instances did the Congress say, "We think the Department should continue to operate this particular activity," and in most of those nine cases there was disagreement within the Department on whether the Government should terminate an activity and turn it over to private industry. In other words there was question within the Department about the wisdom or the economy of a change in method of operation. The language has worked no hardships in operation and has required a more orderly procedure in the operations of the Department.

Mr. ALLEN of Illinois. I thank the gentleman. I would say nine is too many. Nine is far too many to compel a department or an individual to operate something that they claim they do not need and do not want, but still compel them to go in and operate something that they say is inefficient and unnecessary.

In conclusion, Mr. Speaker, I hope, and I repeat, I expect that a member of the Committee on Armed Services will offer an amendment striking out section 633. If I were a member of that committee I would not like the Appropriations Committee to usurp 63 legislative functions that should come under the jurisdiction of the Committee on Armed Services. I do hope the Committee on Armed Services is cognizant of that, and it is just as important to other legislative committees. If some other committee can go before that committee and be turned down, and then you can go to the Committee on Appropriations and have them put in some project or development, I do not know why we should want any legislative committees.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. Do I correctly understand that the gentleman is suggesting we adopt the rule, which waives all points of order, and then center our attention on removing from the bill certain sections which are objectionable? Is that it?

Mr. ALLEN of Illinois. That is exactly right. I thank the gentleman. The only way you can do this is by offering amendments and voting down these things which the legislative committees have probably considered but which the Appropriations Committee feels they are better able and more intelligent to act upon in connection with these military questions than men like the chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. Vinson].

Mr. BOLAND. Mr. Speaker, I disagree with the statement of the distinguished gentleman from Illinois [Mr. Allen] relative to section 633 of the Department of Defense appropriation bill.

This matter was thoroughly thrashed out on this floor in the last session of the Congress. It concerned section 638 of the Department of Defense Appropriation Act for 1956. It was the opinion of Congress then that this section should be kept in the bill. Again this year it is the opinion of the majority of the members of the Appropriations Committee and the Rules Committee that similar language in this year's defense bill be retained. In January of this year, a subcommittee on Department of Defense Appropriations held a hearing in respect to section 638 of the act of 1956. This hearing was occasioned by an announcement by the Department of Defense that it was to cease particular operations by the Department of Defense. I joined with many witnesses at that hearing in opposing the view of the Defense Department. At that time I emphasized the fact that I was concerned over the attitude of the Department of Defense in relation to work that had been done for a long period of time by agencies of the Department. I was concerned about the decision to cease operation of the ropewalk and chain forging that have been carried on at the Boston Navy Yard since 1801 and 1800. The skill, knowledge, and efficiency of the civilian employees in these operations have contributed much to the national defense. These employees have labored through the so-called period of rugged individualism and the heights of free-competitive enterprise. It is no answer to tell them now, after years of service, that their operations disrupt the competitive system. In my judgment, it is a ridiculous policy. It is one that can be carried and is being carried to excess. It gives concern to any area wherein any kind of Government work is being done.

This all-consuming desire to get the Government out of business is particularly injurious to my section. The Springfield Arsenal is in my district. It is operated by the Ordnance Corps and has been the center of research and development in the production of small arms over a long period of years. It is an efficient and well-run organization. I am concerned that if section 633 were removed from this year's defense appropriation bill, there might very well be an attempt to channel the production of small arms to private industry. I am unalterably opposed to this probability. Over the past years, there have been contracts for the production of the Garand rifle let to private industry. Experience has demonstrated that private industry does not do the job as well, as efficiently, nor as cheaply as the Springfield Arsenal has and is doing. I think it absolutely imperative that section 633 be retained. To me it is a penny-wise pound-foolish philosophy to take work away from Government installations, particularly work that has been done by Government installations over a long period of years, and direct that work to private enterprise. In the case of the Springfield Arsenal, we have a going concern, well equipped and well managed. It is a plant in being, and as such, it seems to me that it is entitled to all of the jobs it can handle in the small arms field. To channel work that it is now doing into private industry would make the plant an industrial wilderness. It would result in more layoffs of highly skilled and capable Government employees with long periods of faithful and efficient service. The interests of the Government could better be served if the Department of Defense would direct more work to plants like the Springfield Arsenal, rather than curtailing production. I sincerely trust that when the attempt comes to strike section 633 from this bill, it will be overwhelmingly defeated. I will vote against the attempt to strike this section from the bill.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit today and tomorrow while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit today and tomorrow while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CALL OF THE HOUSE

Mr. ROGERS of Florida. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 43]

Adair
Ashley
Bailey
Bentley
Blitch
Boykin
Brown, Ohio
Byrd
Carlyle
Chatham
Cooley
Crumpacker
Dawson, Ill.
Deane
Denton
Dodd
Donovan
Dorn, N. Y.
Eberharter
Fallon
Fascell
Gamble
Gordon
Harrison, Nebr.
Hayworth
Hoffman, Ill.
Hoffman, Mich.
Holifield
Jackson
James
Jenkins
Johnson, Calif.
Kearns
Kelley, Pa.
King, Calif.
Knutson
Lane
McDowell
Matthews
Mollohan
Morrison
Nelson
O'Hara, Minn.
Osmers
Phillips
Polk
Powell
Radwan
Sadlak
Short
Staggers
Taylor
Thompson, La.
Tollefson
Velde
Watts
Williams, N. Y.
Willis
Wilson, Ind.

The SPEAKER. On this rollcall 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10986, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MAHON. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, the Subcommittee on Appropriations which prepared this bill consists of 15 members. Of course, each year the bill is in a sense a continuation of the bill of the previous year. We began to work on this bill specifically on the 23d of January. We had a month of overall hearings, and then we broke into subpanels for the consideration of the details of the Army, Navy, and Air Force requirements. A great portion of our time has been taken in the consideration of major policy questions involving the defense and security of the United States.

Perhaps the most controversial matters which I shall discuss will involve the intercontinental ballistic missile and the B-52 intercontinental jet-bomber program.

Before I get into a discussion of any of the details of the pending measure I would like to make some overall observations.

We meet today for the consideration of the annual defense appropriation bill at a time when the military supremacy of the United States is being threatened by Soviet Russia. We have recognized for some time the great potential power of Soviet Russia, the existence of the Communist menace, the military threat; but not until recent months has our overall military supremacy been seriously challenged.

Of course, we have recognized that the Soviet Army was larger, vastly larger, than our own. But we have taken comfort, and with good cause, in the fact that we were away out front in the field of atomic and other nuclear weapons. And we have taken comfort in the fact that we did possess the only long-range bomber force in the world. Of course, we have relied upon the prowess of our Navy.

Today the Soviet Army has not receded. The Soviets have 400 submarines to challenge our Navy and our shipping. The Germans had only 58 at the beginning of World War II.

The Soviets are threatening us in the production of atomic and other nuclear weapons, and the Soviets are producing long-range, so-called intercontinental jet bombers at a faster rate than the United States of America.

Our position of military supremacy is in jeopardy and what we do within the next 2 to 5 years will determine whether or not we are to be definitely surpassed in overall military striking power by the U. S. S. R.

After all the heavy taxes we have borne and all the money we have spent on defense in recent years it must come as a bitter fact to the American people that our military supremacy is being challenged. We have talked, and rightly so, about our military might being a deterrent to war. We have said that we must get stronger and stronger in order to negotiate at the conference table from a position of strength. That has been one of our major premises. If we do not choose our course very carefully we are going to negotiate at the conference table from a position of relatively less strength and the Soviets are going to sit at the conference table and deal from a position of greater and greater strength. It is not pleasant or reassuring to talk of these possibilities. This is the first year I think that we have talked of them so frankly. But it is better to face up to the facts which are inherent in the present situation than to go along without realizing what the true situation is.

Our overseas bases have been valuable and they are valuable. But they are becoming more vulnerable from year to year both politically and militarily. As the long-range striking power of the Soviets develops, and it is developing, continental United States becomes more and more vulnerable. By reason of the growing development of long-range aircraft and nuclear weapons, the continental United States is more vulnerable to devastating attack today than ever before in our history. We are more vulnerable today than we were yesterday, and we will be more vulnerable tomorrow to devastating attack from the potential enemy than we are today. And I make that statement despite the fact that there have been notable improvements in our defense techniques. We are just living in a world of greater vulnerability to highly destructive attack.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ALLEN of Illinois. Is it not true that every country in the world is more vulnerable to devastating attacks now because of modern weapons?

Mr. MAHON. That is the shocking truth that I am trying to point out, that the United States and every other country is much more vulnerable today to devastating and destructive attack than ever before in the history of the world. It is a fact that modern man must face up to.

A few years ago our Secretary of State, and I do not speak of him disparagingly, talked glibly about massive retaliation. Well, the Soviet Union is developing the same massive retaliation capability that we have. The bleak fact is that massive retaliation is rapidly becoming a two-way street. I regret to say it, but we may be threatened with massive retaliation in reverse. Secretary Quarles, the brilliant and able Secretary of the Air Force, refers to the period which we are entering as the period of "mutual deterrence."

Our people are abandoning the idea of overwhelming military superiority. They talk about a period of mutual deterrence. I quote from page 830 of the defense hearing, one of the pages in the 6,500 pages of hearings that are printed. I said to the Secretary:

> We are approaching a period of atomic plenty. What do you visualize will develop as this era of atomic plenty comes upon us?
>
> Secretary QUARLES. I believe it will mean that each side will possess an offensive capability that is so great and so devastating that neither side will have a knockout capability and, therefore, a situation in which neither side could profitably initiate a war of this kind. The point is that if either side did initiate it, before that side could knock out the other one, the other could do so much mortal damage to the aggressor that the aggressor would still come out of the war worse than he went into it, which means he would have no advantage in going to war. This has been frequently referred to as a position of mutual deterrence, and I believe we are moving into that kind of a situation.

I continue to quote:

> I must hasten to say that you only have mutual deterrence as long as both sides retain that kind of capability, and the only way we can retain that kind of capability is to be most determined and most progressive to keep our forces up to that requirement.

In the further testimony on that page he said it takes both a strong stomach and a big pocketbook to meet that requirement.

The problem is that so much of what troubles us is not something over which we have control. The growing industrial and military might of the Soviet Union is what troubles us.

We have several choices. We have got to more than match the Soviet Union to keep ahead; or we have got to reconcile ourselves to be on a military parity with the U. S. S. R. or we must allow ourselves to fall behind in military strength. Quantitatively—that is, from the standpoint of mere numbers—we have already been surpassed in several fields, and Chief of Staff of the Air Force, Gen. Nathan Twining, a man of a most composed and unexcitable disposition, says that the Soviets are closing the gap from the standpoint of quality, and that is what disturbs him.

I here quote for the RECORD a portion of his testimony on page 758 of the defense hearings:

> The questions, "Are we still ahead in airpower?" and "Are the Soviets overtaking us?" assume greater importance than ever before. * * * If we are speaking about numbers of aircraft in combat units, we are not ahead, and have not been ahead for years. * * * It is in quality that we have been able to stay ahead. However, the Soviets are now closing the quality gap. This concerns us much more than comparisons of numbers.

So many statements are made about the defense program from week to week and day to day that I think we come to the point where we are not very sensitive to the things that are said. But these quotes are the sober, reflected, printed, screened statements of people who ought to know what they are talking about.

We are on the threshold of a period of atomic plenty when each side will have enough nuclear weapons to destroy the other. Not only are we on the threshhold of atomic plenty, but we are on the threshhold of an age of ample capability to deliver such weapons on each other. The argument as to which side is stronger will be somewhat pointless when both sides have the full capability to destroy the other in a give and take contest. With the dramatic entry of the Soviet Union into the field of production of intercontinental jet bombers, we are not only on the threshhold of atomic plenty, but the period of ample capacity for delivery of such weapons from continent to continent is just about here.

I am not engaging in hysterics or in histrionics. I am just stating the facts. It is not wise to be hysterical or afraid, but it does become a Nation which has as much at stake as we have to be aware of the situation which confronts us.

It is hard to know what to do in the situation in which we find ourselves. I do not have the answers. If you will read the 6,500 pages of hearings in the 5 or 6 volumes on the pending bill, you will find them extremely interesting, but you will not find the answers to our dilemma.

In March the members of the Joint Chiefs of Staff went down to Puerto Rico, where they could be quiet and where they could sit down and think and commune with each other as to the plight in which this Nation finds itself. But, they did not find the answers. They only made a few minor, unspectacular changes in our program. They did not stop the threat of increased vulnerability to the United States.

Please do not misunderstand me. The members of the Joint Chiefs of Staff are men of great and proven ability. Moreover, we have some topflight civilians in the Pentagon, and, of course, the President, the Commander in Chief, is a military man of great stature.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. CANFIELD. I recall in committee last week the gentleman paid an extraordinary compliment to Secretary of the Air Force, Mr. Quarles. He expressed the highest confidence in him and his administration. I wonder if the gentleman is going to say something about him today.

Mr. MAHON. I am glad to concur in this tribute. I have already referred to him as the brilliant and able Secretary of the Air Force. I mark my words when I say he is, in my judgment, one of the finest public servants in the Government today. There are also other exceptionally capable civilian and military men in the Pentagon today.

Mr. Chairman, the defense bill is no place for partisanship, and I do not want to become partisan, though I may trample somewhat on some toes. I realize that the Democrats now have and have had their shortcomings, but I have been disturbed that about the only answer that this administration has to our problems is just money and more money, more appropriations of money from the Congress.

The military situation, relatively speaking, is bad. What is the answer given? Money and more money this year than last, and more money next year than this year. Despite occasional claims to the contrary, we have not done too well in the field of international relations. What is the administration's answer? The answer is long-range foreign aid, money and more money for foreign aid.

One would think that after pouring out billions of dollars since World War II, by both the Democratic and Republican administrations, we would have found that money is not the whole answer. The people of our country who are bearing the tax burden must be asking each other if this Government is bankrupt of ideas, lacking in imagination and finesse, and unable to come up with any answer to any major question that does not consist of just money and more money. It is the finding of a better answer than that which should engage the finest brains in the administration, and I would say the Congress and the people generally.

It comes down to this, that presently there is no adequate answer to our military and international problems. We are told that we must be patient, and indeed we must be patient. We hope eventually to ride out the stormy seas in which we find ourselves, and approach a more stable and satisfactory relationship with the Soviet Union.

I have been standing in the well of this House year after year for a long time trying to hold out a ray of hope at the time we present the annual gigantic money bill, but I regret to say that this year it is the same old depressing story that we related last year and the year before and the year before that.

Indications are that we must continue the high rate of military spending; not only continue it, but perhaps raise it a bit from year to year, as recommended for next year by Secretary of Defense Wilson. We have lost some of our supremacy and a military stalemate seems to be more or less expected in high places. It is in the offing. There may be, as Secretary Quarles says, a period of "mutual deterrence." During this period of mutual deterrence there is room to hope that mutual understanding and confidence may be nurtured. There is hope that some sort of moderate disarmament program can be agreed upon.

It is true that the disarmament conference which had continued for many weeks broke up in failure in London last week, but this does not have the effect of closing the door on future negotiations. It is true that the North Atlantic Treaty Organization, the so-called NATO, which we sponsored, is not fulfilling our hopes, to put it mildly. Yet there is considerable evidence that the leaders in the Kremlin recognize, and we do, that a global war would bring about unbelievable destruction and little victory for anyone.

The President's open-sky policy is attractive and sound. The Soviets have not refused to sit at the conference table and discuss it and other ways and means of achieving peace. We do not know what is happening within Soviet Russia, but we know that the country is in a changing status and that new and different policies are being considered and undertaken. We do not trust the Soviets, and we have ample reason not to, but we cannot bring ourselves to the point—and the President has brought out this fact—of discarding any hope that in the future some sort of satisfactory arrangement may be made whereby the armament race can be abandoned and military spending tapered off to some considerable degree. Our patience has been worn threadbare, but I think we might just as well face up to the long-range implications of the situation.

Through our strength and determination world war III has thus far been averted. In a measure, we have been successful. It is not beyond the realm of possibility that we may continue to avert world war III and eventually achieve with other free nations a period of relative stability and peace, a period which we so devoutly seek.

INTERCONTINENTAL BALLISTIC MISSILE

Now, I would like to get away from these generalities, important as I consider them to be, and discuss some of the other features which are in the minds of Members of Congress and the people generally throughout the country. I first come to the intercontinental ballistic missiles program that has been so controversial in the forum and in the public press.

The status of the intercontinental ballistic missiles program is one of the most controversial issues in the military field.

The very great potential destructiveness of this weapon has distrubed our military planners, and it so disburbed the members of the Appropriations Committee that we spent hours and days exploring and probing to make sure that we gave every single dime and dollar and latitude to the Defense Department in pressing for the development of the intercontinental ballistic missile.

This missile has been referred to, and probably only to a slight degree inaccurately, as the ultimate weapon. My own personal opinion, for whatever it may be worth, and I do not think anybody knows for sure, is that there is a 50-50 chance that the Soviets may be able to fire the first intercontinental ballistic missile. We are seeking through a duplicating effort, Army, Navy, and Air Force—and the duplicating effort is for the purpose of exploiting every possibility—to develop both an effective intercontinental ballistic missile, and the intermediate range ballistic missile. It is true that the Air Force has the sole control of the so-called intercontinental ballistic missile, but the breakthroughs in one field are to some very considerable extent applicable to the other fields.

Perhaps it is not clear in some people's minds just what the difference is between the intercontinental ballistic missile and the guided missile which we have been developing and utilizing in training over a period of years. I am no scientist, but the general idea is this: The ordinary guided missile proceeds at the speed of a jet bomber or a supersonic speed, perhaps faster, and the guidance factors may be applied throughout the flight. There are many different types of guidance factors.

The intercontinental ballistic missile is designed to fly through space with an intercontinental range and at a speed of over 10,000 miles an hour. In other words, a 5,000-mile flight, 30 minutes. Guidance factors can be applied only during the first few moments of flight. This fantastic range and speed would make the missile most difficult of interception, terrifying to comprehend, and the fact that it can carry an H-bomb warhead makes it tremendously devastating. The truth is that while it is expected that within a few years both the United States and Russia will be able to fly a test model of the ICBM, it will in all probability be 5 years or more before the ICBM could be fully perfected and production could begin for the use of our forces in the event of an all-out war.

Speaking of missiles generally I think there is little likelihood but that the United States, in the development of a wide variety of so-called guided missiles, is decidedly out in front of any other power.

With respect to the ICBM, the situation, unfortunately, is different. The Soviets captured during the closing period of World War II a large number of German scientists whom they later exploited and are now exploiting. They likewise captured many of the German secrets having to do with the V–2 rocket, which in a sense, is the forerunner of the ICBM.

Another important fact is that immediately after World War II the Soviets began an intensive program for the development of the ICBM. This country did not. We are trying now to make up for lost time, and whether we will be able to do it remains to be seen. History will answer that question. It is true that we have made significant breakthroughs which make it clear that we can perfect the ICBM.

One of the major problems was and is the matter of the warhead reentering the atmosphere near the end of its flight and in the area of the target at such terrific rates of speed. Normally, the reentry of the warhead at such a terrific rate of speed would result in the burning up and destruction of the warhead. Our scientists now think they have developed techniques for solving this problem. Of course, in the development of the ICBM, it is necessary to perfect a power plant, a guidance system and a warhead. Our research and development people tell us that there are no present insurmountable barriers to the ultimate perfection of this so-called ultimate weapon. I can say to the House that there are no barriers and there is not a line of testimony in the hearings to indicate there is any lack of funds for the intercontinental ballistic missile program.

We have made great progress in the last 5 years toward developing a couple of intercontinental missiles which are not of the ballistic type, one sonic, the other supersonic. They are the Snark and the Navaho.

The missile field is increasing in importance. The pending bill before you contains $2.8 billion for the continuation of research and development and production in the missile field. The missile is occupying an increasingly important part in the field of offense and defense.

THE B–52 JET BOMBER

I think everyone is interested in the controversy over the B–52, the long-range intercontinental bomber. We are making 4 or 5 a month. The schedule is to proceed up to 20 per month, which is fairly slow. We have two sources for the manufacture of this intercontinental bomber, but they are both plants of Boeing. Boeing has backlog orders of more than $2 billion for the production of the B–52.

When the appropriation bill was before the Congress last year this item became a matter of controversy, and the Congress took the initiative in increasing available funds for the B-52. After the initiative had been taken by the Congress, the Pentagon officials, including the Secretary of Defense, came to the Capitol and supported congressional determination to expedite the production of B–52's. Now the B–52 has become a controversial item again this year. Again as a result of congressional pressure the administration has stepped up B–52 procurement. In a supplemental budget request received from the President last month we were requested to provide $248 million additional for the B–52 program. This has resulted because it must be admitted that the Soviet Union is at this time producing the long-range intercontinental jet bomber faster than we are producing them. It is a disturbing factor that they are producing the bomber. It is a more disturbing factor that they undoubtedly have the devastating nuclear weapons with which it might be equipped.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. LANHAM. Would it not be possible to speed this program up by giving contracts to large manufacturers other than Boeing? I understand that there are several plants in America that can make the B–52. Would it not be advisable to spread those contracts so as to take advantage of every facility that can make those huge bombers? We have one in Georgia that could readily make them, the Lockheed plant, at Marietta, Ga. It is the largest and best plant in the United States under one roof.

Mr. MAHON. I believe Lockheed is now being used. Is it not?

Mr. LANHAM. It is being used to make B–47's, and to modify them. Besides they are building C–130's, and are now beginning a huge atomic project looking to the making of an atomic engine for airplanes.

Mr. MAHON. Of course, we are going to phase out the B–47's. We have about all the B–47's, the medium jet bomber, that we require.

Will the gentleman let me proceed for a few moments, and I will comment directly on the question which the gentleman has raised.

It may be that amendments will be offered to increase the funds in the bill for the B–52. I shall not support such amendments. If we had 1,000 new B–52's tomorrow, we would not have the crews to maintain and man them and the airfields to operate them from. We can integrate a new weapon into our arsenal only as fast as we can provide the facilities and train the mechanics and crews necessary for its use.

The bald statement that the Soviet Union is producing long-range jet bombers faster than we are is, as President Eisenhower has said, not the whole picture. We have a large fleet of medium jet bombers, B–47's, and we are able to give them intercontinental range through aerial refueling tankers. In other words, we still outrank the Soviet Union in long-range bomber capabilities. Of course, our B–36's are becoming increasingly more vulnerable, and they can no longer be considered as first-line aircraft. They have served their purpose well.

In all frankness, I think we must all agree that we must hesitate to sit idly by and permit the Soviet Union to secure overwhelming superiority over us in the production of long-range heavy jet bombers, even though we do have greater long-range bombing strength by reason of refueling capabilities than the Soviets have.

In this bill we provide that the B–52 program will be expedited somewhat. About 10 days ago the Secretary announced that the Air Force is planning to up the number of B–52's in each of its 11 strategic air command wings, from 30 to 45—that is a 50-percent increase—in the B–52 bomber program. Insofar as I know, the actual figure as to the whole program of B–52's has not been released to the public and I will not give it. But one can pretty easily figure out, if you had 45 in a wing and 11 wings, you would use a considerable number of them there. It is anticipated that next year we will continue with the B–52 program with additional appropriations.

The heavy-bomber program is shockingly expensive. When we couple funds previously appropriated with the funds provided in the bill before us for the B–52, and include research and development, we arrived at a cost of the B–52 program of $5,700,000,000. Still additional funds will be needed for this additional increase which has been decided upon very recently.

This all points up the fact, which I have already made clear, that the United States and Soviet Russia are becoming mutually more vulnerable in this highly explosive world.

Now as to the question raised by the gentleman from Georgia [Mr. LANHAM]. I doubt that an additional source for the B–52, the tooling of another plant, would have any serious effect upon the production of the B–52 in the next 12 months and very little effect in the next 18 months. But 2 or 3 years from now, of course, it would have a profound effect. But again, in 2 or 3 or 4 years from now we may be moving out of the production of the B–52 into the production of another type of bomber which is now on the drawing boards and which has not been finally firmed up.

The truth is I think the Boeing people by putting on additional pressure—they do work to some limited extent 3 shifts now on the B–52 bomber—but by putting on additional pressure, they could produce them faster. They have so said. But I am rather inclined to agree with the Department of Defense that perhaps the program that has now been fixed is the best program that we can have for the B–52 at this time. Of course, next year or perhaps later this year we will have to take another look at that situation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield at that point?

Mr. MAHON. I yield to my leader.

Mr. McCORMACK. Many of us are concerned over the situation. I know that my friend from Texas is, and I appreciate the remarks that he has made. But I am sure that my friend from Texas does not think that any of us who fight for a strong national defense are fearmongers, are we?

Mr. MAHON. The gentleman has used a word that I believe appeared in the morning papers. If Paul Revere had not gotten on his horse and told the people what was happening, we might not be a free nation today. We need people to speak out, to speak the truth, in calmness and in frankness. A certain degree of fear is required when you live in a dangerous world. But we do not need to be panicky, we do not need to be hysterical, we do not need to engage in showmanship or headline hunting. But there is a desperate need that the American people realize the full impact of the situation which confronts this free Nation. We have been preeminent in the military field before, but we are losing ground, relatively speaking, despite the billions we are spending.

I read in the paper the other day where a man went into his office building and stepped down an open elevator shaft. It is not so important to be fearful, but it is important to be aware of the dangers lest we fall down, shall I say, the elevator shaft.

Mr. McCORMACK. If the gentleman will yield further, I might say that the gentleman's statement addresses itself to every Member of the House without regard to party. It addresses itself to every American. I wish every American could hear the stirring statement, just made extemporaneously by our distinguished friend from Texas, Mr. MAHON. We have our right to differ, and it is a good thing to have a cross-section of American life expressing its opinion, not only out through the country, but in this body. We may disagree in whole or in part without impugning the motives of others. But I felt very much disturbed when I read this morning's paper which quoted the Secretary of Defense as saying, in response to a question: "You are talking about the fearmongers now." My mind goes back to the time before Pearl Harbor when some of us were fighting with our backs to the wall to get legislation for the defense of our country in case we were drawn into World War II, as we were later on.

That is not the kind of language—and I say it temperately, not with any emotion—that is not the kind of language that I would want to hear from a man in such a highly responsible position.

We ought to welcome the penetrating mind, we ought to welcome the mind of caution, we ought to welcome the mind that asks questions to find out things, no matter in what direction. That kind of person, that kind of Member, makes a great contribution, and his motives should not be impugned.

Mr. MAHON. The gentleman points up the fact that the Secretary of Defense is on a very terrific spot. He has a terrific responsibility. He is chafing under criticism. He happens to be the Secretary of Defense as we go through this most difficult period when relatively we are losing some stature in the military field. It is too bad that the Secretary used the words. It is not the first time that the Secretary has been inept in the use of phrases.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Tennessee.

Mr. EVINS. I always listen to our chairman with profit, but in reading the report I notice that it is indicated that several Members appeared before the committee indicating that additional funds could be used for research and development, and that the committee was somewhat disturbed in that it feels we are falling behind in scientific research as compared with the Soviets. I know that we could have more manpower, we could have more equipment, but certainly we must not fall behind in research and development.

Mr. MAHON. The bill has in it $1,647,000,000, I believe, for research and development. That is almost as much as was required for the development and production of the atom bomb during World War II. It is a very large sum, but modern warfare is becoming so highly technical that larger and larger sums are required.

After the Joint Chiefs of Staff went down to Puerto Rico the President sent us an additional request for research and development funds and we granted those funds to the Secretary of Defense to be released to any of the three services. He will have a special fund of $85 million, I believe, to be used in case there is some significant breakthrough. Secretary Quarles indicated in his testimony that it might be necessary early next year to come back for more money, but the Defense Department will have available to it during the rapidly approaching fiscal year beginning July 1 nearly $69 billion for expenditure for all purposes. We want to keep some control; we want to keep our finger on the expenditures as far as we properly can. We did not feel we could give the Defense Department a blank check.

I should like to make another very significant statement before yielding the floor, that including development of experimental models and testing and that sort of thing there is in this bill today for research and development, and I underline the development, $5,500,000,000, which is a considerable sum in any man's country and in any type of bill.

Mr. EVINS. It is stated in the committee report that it is felt that a bold new approach to this field should be undertaken. Evidently the committee is considerably alarmed about the subject itself.

Mr. MAHON. The committee is and the words in regard to a bold new approach are my own. The gentleman has put his finger on a very sensitive and important, if not the most sensitive, field in the entire defense picture.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. In connection with some of the research and development money, I could point out that in addition to the $85 million fund there is an additional $50 million authorization.

Mr. MAHON. I thank my colleague.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. EVINS. It is stated that the level of appropriations in this field is substantially what it was in the past 2 years. Does that mean a shifting of these funds for scientific purposes and for research purposes since there is an apparently similar level?

Mr. MAHON. We provide billions of dollars for procurement. Actually, some of those procurement dollars are not used actually to procure B–52's that go on the line, for example, or guided missiles for the use of troops in combat, but for experimental models of some kind which are used in testing and so forth. So there is a pretty wide latitude there. I think it is a pretty healthy thing because there is a greater opportunity to move rapidly toward a solution to certain problems. One of the things that is wrong and one of the reasons why we have a czar in the intercontinental ballistic missiles program is that people get tangled up in details and in meetings and conferences, and so on, and the program gets so hobbled that it does not proceed as it should. I think probably we have done as well as we could do in that field.

Mr. EVINS. I thank the gentleman.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. HOLIFIELD. First, I would like to express my sincere admiration for the work which the gentleman from Texas and the members of his subcommittee have done on this gigantic bill, which amounts to about $34 billion plus, I believe. I know that in handling a bill of that magnitude many months of hard work are involved. I was interested particularly in two things that the gentleman said. First, that in his opinion the condition of the world remains as it is as the result of the recognition by each side that the other side has tremendous power of attack. And also that there was a condition of increasing mutual vulnerability on each side. Now, in interpreting that language in layman's terms, would the gentleman say at this time in the history of the development and production of weapons that a decided advantage has accrued to the offense and a subsequent lessening of efficiency on the part of the defense?

Mr. MAHON. I think that our experts would agree to that. Certainly, I would agree that the gentleman is correct. We are pressing forward so rapidly in the development of new weapons of destruction that defense is not keeping up with offense. That is one of the reasons for the increasing vulnerability of the countries. For example, the intercontinental ballistic missiles flying through space up among the meteors at 10,000 miles an hour are not things that are subject to quick interception so that is our problem and certainly one of our serious problems.

Mr. HOLIFIELD. The testimony before the Subcommittee on Government Operations, of which I am chairman, from men of the caliber of General Smith, of the Continental Air Defense Command, and Gen. Curtis LeMay, of the Strategic Air Command, has borne out the statement that the gentleman has just made and a subcommittee of which I am now chairman has been studying for several months the gap in our ring of total defense, which is receiving very little attention and even some ridicule from the people of the Nation. That is the field of civil defense with relation to these potential attacks by supersonic planes or city destroying weapons. I wonder if the gentleman feels that the field of civil defense is an important field which should concern not only the civilians of our Nation but also the military people of our Nation.

Mr. MAHON. I must confess, perhaps, that along with many Members of Congress in the beginning, a few years ago, with reference to the civil defense program there was an inclination to gloss it over and push it aside. But the more we think of it, I think the more we are compelled to realize that perhaps if this terrible catastrophe of world war III comes the nation that is best prepared in civil defense may eventually be the victor—if there is to be any victor. I think it is an important field but has been too long neglected.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman from Texas has consumed 50 minutes.

Mr. MAHON. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I would like to say, if I may, that I have, of course, not discussed the details of the bill. I have not even mentioned the dollar figure as to the appropriations. I have not given the details as to the number of men in our Armed Forces, the number of ships and planes provided—in short, I have not given the details of the huge defense appropriation which we are now considering.

Nobody of course will read the 6,500 pages of hearings, but I will include in my remarks which will be printed tomorrow a digest of the most pertinent facts. Of course the committee report, which was prepared by our staff—and we have a wonderful staff—contains a wealth of interesting and detailed information. We are fortunate in having a highly trained, efficient, and trustworthy staff. Members of the staff who worked regularly on the pending bill are Corhal Orescan, Sam Crosby, Frank Sanders, Earl Silsby, and Ralph Preston.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. BASS of Tennessee. I would like to commend the gentleman for his profound statement. It is indicative of a great deal of work and study.

Mr. MAHON. I am very much flattered.

Mr. BASS of Tennessee. The gentleman from Texas remembers that when the military bill passed the House last year concern was expressed about contract by negotiations. It came out of the Committee on Armed Services. Is there anything in the hearings on this bill which indicated that the Department of Defense was giving more consideration to negotiation of contracts?

Mr. MAHON. I wish the staff would hand me the study which we had made on procurement practices in the Department of Defense. Here are the hearings which contain the study. We spent many, many days in that field. We developed a lot of testimony. We have stressed our continued interest in competitive bidding and the problem of not using negotiated bidding unless absolutely required. But perhaps 90 cents of each defense procurement dollar is spent on negotiated bids. That is one reason why we often complain that the taxpayer is not getting a dollar in value for a dollar spent. We shall continue to press for a solution of this problem.

Mr. BASS of Tennessee. In the opinion of the gentleman is the Defense Department changing its attitude at all with reference to defense bidding? Do officials indicate they will continue this form of bidding?

Mr. MAHON. It is impossible to have competitive bidding for instance on a bomber of the B–52 type. It is impossible to have competitive bidding on an intercontinental ballistic missile or certain types of complicated electronics equipment. But our complaint is that this field should be narrowed and more progress should be made. If the gentleman will read the hearings, I think he will find that some progress is being made.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. FLOOD. I want to make it very clear that if you are looking for a fearmonger I am strictly a fearmonger. I am not as happy about this bill, I am not as happy about the report, I am not as happy about the defense situation as everybody else in the committee or the House today seems to be.

I want to make one point at this time, with the Chairman's permission, and I will take some time later, but just now I want to say that we had 6 or 8 weeks of hearings when we had the Secretaries and the Joint Chiefs of Staff on the stand before this committee. We asked them day after day, "Do you want any more money for B–52's?" They said, "Not a dime." "Are you doing everything you can?" "Yes."

"Then you do not want any more?" I even said, "Please take some more."

They said "No."

Then a distinguished Member from the other body from the great State of Georgia wrote a letter, before our hearings were terminated and before we marked up the bill, and the President and the Defense agency asked us for $500 million more in less than 6 weeks after the original statements were made.

Now, that is very disquieting to me.

Mr. MAHON. I thank the gentleman for his statement. I do not know how happy people are. I do not think they are too happy about the situation in which we find ourselves. I think it is a good sign that the President did send up the request for additional funds; and if we can be sure that additional funds are required I am perfectly willing to provide them, but I am not willing to get down on my knees and beg the Defense Department to spend money which the Defense Department will not spend and which it cannot possibly spend effectively. While on the one hand we must give every consideration for defense, yet on the other hand we must not approach a posture of fiscal irresponsibility. So it is a rather difficult road to follow.

I think the defense picture is going to continue to change and I predict that if the need arises the Defense Department will come to Congress for additional funds for some of the programs which do give promise at this time.

In conclusion I want to thank my friends for the generosity of their compliments, and I want to thank the Members for their patience in listening to these remarks. It is a joy and a great responsibility to work as the agent of the House through the years, as I have since 1940, on defense appropriations. Generally speaking, I think we are moving in the right direction in our defense program. Of course no approach to perfection is being made.

We spent days probing Defense Department officials, asking them: "Have you considered all the implications? Are we spending the money for the right things? Are we moving in the right direction? What about our over-all defense policy?"

There are many very significant and important facts contained in this volume entitled Department of Defense Appropriations, and I hope many of you will find the opportunity to read it. Many of the statements are worthy of our deepest thought and consideration.

I now insert, at this point, further information as to the details of the pending bill.

NEW FUNDS AVAILABLE

The new appropriations provided in this bill amount to $33,635,066,000. This is $512,784,000 less than the departmental request of $34,147,850,000. More than half of the committee reduction results from items budgeted for deposit to the United States Treasury as an offset to the use of foreign currencies under mutual defense agreements or occupied arrangements, leaving an actual net reduction made by the committee of approximately $236,000,000. This is a small reduction, indeed, in a $34 billion request, and the question may be asked, Why make any reduction in these military appropriation requests when there is so much concern for the military security of the nation? Regardless of that concern, however, the committee felt that it was at the same time mandatory to effect savings wherever possible, no matter how small. None of the reduction will affect the implementation of the military programs encompassed by the budget as amended, and presented to the committee.

There is another significant fact in regard to the funds in this bill. We are withdrawing and covering into the Treasury certain large sums heretofore appropriated to the Department of Defense. Putting it another way, rescissions of nearly $320 million of funds currently available are recommended.

AVAILABILITY OF FUNDS

These new appropriations will give the Department of Defense and the three Services approximately $69 billion in available appropriated funds for expenditure in fiscal year 1957 and subsequent years. This is more than the estimated entire expenditures of the Federal Government for fiscal year 1957. However, it is estimated that slightly less than half of the amount available to the Department of Defense for expenditure will be spent in fiscal year 1957. It is necessary to provide this margin of availability in excess of expenditures because so much of the military procurement requires several years between the time that orders are placed and the time that items are actually delivered and paid for. These funds cannot be expended except for the purposes appropriated. The funds are not withdrawn from the Treasury and they do not draw interest during the period they are available but are unexpended.

On the contractual or obligation side of the picture, we find that the Department of Defense and the three services will have available for carryover into fiscal year 1957, approximately $12 billion of funds that are unobligated on July 1, 1956. About one-fourth of this amount is represented by military assistance funds made available to the Department of Defense on a contingent basis. When this large carryover is added to the new appropriations provided in this bill, the Department and three Services will have available for obligation in fiscal year 1957 some $46 billion. It is estimated that approximately $37,500,000,000 will be obligated during the fiscal year. The amount left unobligated would be reserved to meet the following general requirements:

First. Contracts for shorter lead-time items, which should be let as late as possible to assure latest technological developments, while still keeping delivery in phase with longer lead-time items.

Second. Subsequent engineering changes which experience indicates are always necessary on most equipment after it has been placed in production.

Third. First destination transportation, the cost of which is an integral part of the cost of placing items in inventory.

Fourth. Spares for initial equipment, which are generally ordered after the initial equipment is ordered or delivered.

Fifth. Work after delivery, especially electronics and other equipment for ships.

In addition to the above requirements, the Army expects to have approximately $600 million of unobligated production and procurement funds. These result from the large appropriations made during the Korean war.

MILITARY AND CIVILIAN PERSONNEL

The appropriations in this bill and the military program which it supports provides for a formidable military force. At the end of fiscal year 1957, it is expected that there will be over 2,865,000 people serving in the three military services and the Marine Corps. In support of these forces, it is estimated that, as of the same date, civilian employment will be 1,168,000. Others following me will give more detail regarding the provisions for the respective services. However, I believe it appropriate that I should give you a brief summary of what is provided for each of the services, providing a little more detail for the overall requirements of the Department of Defense and the Department of the Air Force, for which I personally assume a more direct responsibility.

For the Office of the Secretary of Defense, the bill provides $14,950,000, which is $1,483,500 more than appropriated for fiscal year 1956. The committee is proposing that the requested amounts be approved. The increase is caused primarily by the civilian pay increases authorized by Public Law 94, 84th Congress, and an expansion in the program for scientific evaluation of weapons and weapons systems.

For the so-called interservice activities, the bill provides for appropriations totaling $643,875,000. The committee reduced the budget request by $13,500,000. The interservice activities provide for claims, contingencies, emergency fund, retired pay, and the Court of Military Appeals. Reductions in the requests for claims, retired pay, and contingencies, are based primarily on the current estimates for fiscal year 1956. The requested reappropriation of $100 million for serve tools and facilities was denied. This is not reflected as a committee reduction, since the request was for the reappropriation of previously appropriated funds. However, the effect is the same, because that amount will revert to the Treasury.

DEPARTMENT OF THE ARMY

For the Department of the Army the committee has recommended appropriations totaling $7,497,582,000 which will provide for 19 divisions, antiaircraft battalions and other combat support units. The end military strength on June 30, 1957, will be 1,045,300. This includes the increased requirements in support of the Reserve Forces Act and the Distant Early Warning Line. The amounts recommended for the Army Reserve have been tailored to more clearly reflect the estimated strengths under the Reserve Forces Act based on experience to date. A rescission of $110,000,000 has also been recommended from excess funds generated in the industrial fund operations.

DEPARTMENT OF THE NAVY

The bill contains $9,999,534,000 for the Department of the Navy in new appropriations, and on the other side of the ledger rescissions of $159,800,000 from stock and industrial funds.

The funds made available for the Navy contemplate the operation of an active fleet with an end strength of 1,005 ships, increasing from a beginning fiscal year strength of 985. The program includes the construction of 23 new ships and 4,629 tons of landing craft. The bill also provides for conversion of 23 ships to aid in modernizing the fleet.

In fiscal year 1957, the Navy will utilize approximately 12,600 active aircraft. The bill provides for the procurement of 1,468 new aircraft, which, when coupled with prior procurement, will provide 2,000 aircraft deliveries per year to calendar year 1958 .

The bill provides for end fiscal year strength of 672,000 officers and enlisted personnel for the Navy, and 205,735 for the Marine Corps. These show increases of 16,600 and 4,735 respectively from estimated strengths at the end of fiscal year 1956.

DEPARTMENT OF THE AIR FORCE

The bill includes $15,479,125,000 for the Department of the Air Force. This is $187,375,000 less than the amount requested for appropriations and $739,361,830 more than was appropriated for the current fiscal year. The budget request and the amounts provided for the Air Force anticipate continuing expansion toward the goal of 137 wings by June 30, 1957. Not all of those wings, however, will be equipped and operational as of that date, but they will be organized and in the process of building and equipping what can be termed a fighting or operational unit.

For the procurement of aircraft and guided missiles, the bill provides an appropriation of $6,048,500,000. In addition, over $1,500,000,000 of prior year's appropriations have been applied to the fiscal year 1957 estimated program requirements. These funds are expected to procure 1,927 aircraft, such as the B-52 heavy bomber, the F-101 fighter interceptor, and the F-104 day fighter. The funds will provide for nearly a 60 percent increase in procurement and development of guided missiles.

For procurement other than aircraft, the bill provides $1,100,000,000 for such things as ammunition, vehicles, communications and electronics equipment, ground handling equipment, training equipment, and other similar procurement necessary for the Air Force. The appropriation in the bill provides $750 million more than was appropriated for the current fiscal year. This increase results primarily from the fact that a large part of the fiscal year 1956 requirements were financed from funds available from unused balances of prior year's appropriations, and a realinement between activities and items financed under the various Air Force appropriations which has resulted in placing a substantial amount of new procurement under this appropriation for the first time this year.

For research and development, the bill provides $610 million. This may not be enough to adequately carry out all of the programs contemplated under this appropriation. However, no firm estimates of additional requirements could be supplied. The committee has told the Department that should breakthroughs occur in any important weapons development areas, that available funds and facilities are to be used as rapidly as required, and that supplemental appropriations will be provided.

For the operation and maintenance of aircraft, equipment, and the physical plant of the Air Force, the bill provides an appropriation of $3,684,185,000. This is $101,815,000 less than the amount requested, and $86,688,000 more than the appropriation for fiscal year 1956. However, because of shifts between appropriations, the increase provided for these purposes for fiscal year 1957 amounts to $506,818,000 more than the amount available for the current fiscal year. This is an increase of 16 percent, and should be sufficient for the planned program activities of the Air Force. For example:

Military personnel is expected to increase 2.2 percent from 1956 to 1957.

Basic military training and technical training of these personnel will remain at about the same level for the 2 years. However, pilot production will decrease about 4.5 percent.

Civilian employment is expected to decrease by 600 man-years, or 0.2 percent.

The numbers of activated wings will increase from 131 at the end of 1956 to 137 at the end of 1957, or 4.6 percent.

The active aircraft inventory supported by these funds will be approximately 23,000, including those assigned to Reserve forces and will show an increase from the 1956 inventory of only about 1 percent.

Flying hours or the hours that aircraft will be in the air, counting each aircraft flying for 1 hour as a flying hour, will increase about 7 percent over fiscal year 1956, after allowing for a small decrease in the flying hour program for transport-type activities, as proposed by the committee reduction in this appropriation.

The major installations supported from these funds will increase from 309 in 1956 to 325 in 1957, or 4.5 percent.

Now, these percentage increases are not in any sense directly related to the proportionate increase in fund requirement for this appropriation. However, they are somewhat indicative of what the fund increase should be, and certainly the increase of 16 percent provided by the committee should be adequate to take care of all reasonable requirements. The flying hour program is of course the most significant factor affecting costs under this appropriation, and the fact that a larger percentage of these flying hours are being performed in jet aircraft which are much more expensive to operate accounts for a substantial percentage of the increased fund requirements.

For pay and allowances and other items directly related to military personnel, the committee is recommending an appropriation of $3,718,440,000, which is $8,560,000 less than the amount requested, and $37,790,000 more than was appropriated for fiscal year 1956. This will provide for an end year strength of 936,000 and an average military strength for the year of 920,800. The committee reduction applies primarily to the movements of individuals and household effects in connection with permanent changes in station. For Reserve personnel, the bill provides $59,300,000, or $15,737,000 more than was appropriated for the current fiscal year. This substantial increase provides for stepped-up efforts in the Reserve program, which are expected to increase the numbers participating in the Reserve program by more than 28,000.

For the Air National Guard, the bill provides an appropriation of $256,700,000, or $66,509,000 more than was appropriated for fiscal year 1956. This increase of nearly 35 percent will permit a further expansion and modernization of the Air National Guard. During fiscal year 1957, the Guard will be more nearly equipped with jet fighter aircraft, such as the F-84, F-89, and F-94 series.

Again this year, the committee is rescinding surplus working capital in the Air Force stock fund in the amount of $50 million.

The CHAIRMAN. The gentleman from Texas has consumed 56 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. WIGGLESWORTH. Mr. Chairman, this bill is, of course, the largest and most far-reaching appropriation bill that comes before the Congress. It carries appropriations aggregating $33.6 billions or over 50 percent of the entire Federal requirements for fiscal 1957.

Your committee brings its recommendations to you after 3 months of intensive work dealing with all aspects of the matter, both those that have been recently in the public eye and all possible other aspects.

The committee's labors, as has been pointed out, are reflected in 7 volumes of hearings, aggregating about 6,400 pages, and are summarized in a committee report of some 71 pages.

I think, Mr. Chairman, it is highly significant, considering the scope and the magnitude of this bill, that there is so little difference of opinion either between the members of the committee handling the bill or between the committee and the several armed services. I attribute this to the fact that this military budget in my opinion has been far better prepared and far better supported before the committee than any military budget I can recall in many years.

I want to express by appreciation to the members of the subcommittee, particularly to the chairman who has just spoken, and to the members of the Navy panel on which I served, as well as to our extremely able executive secretary and clerical staff of five members, whose assistance has been invaluable.

IMPORTANCE OF MILITARY POWER

Mr. Chairman, the military power of America and of our allies has compelled the Communist government of Russia to abandon for the time being the tactics of military aggression and to concentrate upon tactics in the field of the cold war in terms of economic and political penetration.

Under present world conditions that military power must be maintained. Lack of essential military power could have disastrous consequences.

Military power carries with it the best possible assurance that no one will be foolhardy enough to attack us—the best possible assurance of a peaceful world.

Under the leadership of our President and Commander in Chief, with his vast and successful military experience, we have been and are building tremendous offensive and tremendous defensive military power.

This bill, Mr. Chairman, is evidence of that fact.

Enacted into law it will give us the most powerful military organization ever maintained by this Nation in time of peace.

ANALYSIS OF MILITARY POWER PROVIDED

Let us analyze, briefly, the military power provided for under this bill.

Our Regular Armed Forces overall will increase from 2,814,074, the original June 30, 1956, estimate, to 2,865,558, as of June 30, 1957. That is an increase of about 50,000 and gives us a total just

about double the pre-Korean figure of 1,460,000.

Our National Guard and Reserve forces in drill pay status will increase from 967,419 to 1,099,784, an increase reflected in each of the 3 services aggregating about 130,000.

In addition, of course, there are some 4 million people in civilian life of military age, about half of whom have had military experience in Korea.

If we break down the overall increase, we find that the Army goes from 1,034,500, the original June 30, 1956, estimate, to 1,045,300, or an increase of about 11,000. The Navy, including midshipmen, aviation cadets, and officer candidates, goes from 662,714 to 678,223, an increase of about 15,500. The Marine Corps goes from 201,000 to 205,735, an increase of 4,375. The Air Force goes from 916,000 to 936,500, an increase of 20,500.

This gives a total increase of about 50,000.

On top of this, Mr. Chairman, there is a ceiling authorized in this bill, which makes possible a further increase of about 50,000, 10,000 or thereabouts in the Army and 40,000 or thereabouts in the Air Force.

It should also be noted that the operating ratio of our Armed Forces as a whole has increased since June 30, 1953, from 57 percent to 65 percent and that the reenlistment rate over all has increased from 23.7 percent to 43.3 percent in 3 years. The testimony of General Taylor indicates that the increases in these 2 fields are equivalent to an increase of 30,000 trained soldiers insofar as the Army is concerned.

AIRPOWER

What about our military planes and their power?

Well, the Air Force is going to 137 wings at the end of fiscal 1957, which compares with 127 as of today, with 98 on the day 3 years ago when Secretary Wilson took over, and with 48 as of just prior to Korea.

Modernization of planes, both in the Air Force and the Navy, is proceeding rapidly, the Navy expecting to reach a modernized percentage of 85 percent during fiscal 1957, the maximum that it hopes to attain at any time.

If we add the planes in the active inventory of the Air Force, including the National Guard and Reserves, numbering 25,342 to those in the active inventory of the Navy and the Marine Corps, numbering 12,570, we reach an overall total as of June 30, 1957, of 37,912 planes, not including the 4,000 or 5,000 planes in the Army. The operational figure is somewhat less, but it is far in excess of any overall figure that has ever been presented to the committee as representing the number of planes available to the Communist Government of Russia.

Secretary Wilson, in appearing before the Senate Committee on Appropriations yesterday, stressed the airpower of this country from an overall standpoint: power represented in our B-52's, in our B-36's, in our B-47's, and other military planes, in our overseas bases, in our refueling capacity, in our 15 Navy carriers and in other fields.

It is the overall picture, which counts.

SEAPOWER

What about the power and the number of our ships? Well, our active fleet is to increase from 984 to 1,005 vessels as compared with about 646 prior to Korea. Warships within the total are to increase from 407 to 411.

In addition, there were on hand as of December 31 last some 1,769 ships in the so-called reserve fleet.

The new construction program, calling for $1.415 billion, contemplates 23 new ships, 23 conversions, some 5,000 tons of landing craft, and advance procurement for a nuclear-powered carrier in fiscal 1958.

Emphasis is placed on the transition from a conventional fleet to a nuclear-powered fleet.

There is no question whatsoever that America has and will have the most powerful Navy in the world.

OTHER ELEMENTS OF POWER

If we turn to the field of weapons, I can only say that the evidence indicates, whether it be in respect to ballistic missiles, guided missiles, or other types of weapon, that progress is being made as rapidly as possible in the direction of providing and equipping our forces with the newest possible equipment.

The record also indicates that the firepower of a single division today is something like 85 percent in excess of the firepower of a division in World War II; that a single plane today has a firepower over 20,000 times the firepower of a single plane in World War II; for that matter, that a single plane today is capable of doing as much damage as all the damage done by bombing in Europe during World War II.

If we turn to continental defense we find that this is also increasing in power and in effectiveness. It is progressing on schedule and as fast as scientific developments permit.

Finally if we look at research and development, which has already been referred to, we find direct appropriations for fiscal 1957 of $1,647,000,000, $227 million more than provided in fiscal 1956 and $342 million more than provided in fiscal 1955.

We find in addition a probable carryover of some $76 million and testimony to the effect that in the Department of Defense as a whole there will be available over $5,500,000,000 for research and development and supporting activities. Other funds are, of course, available to other agencies.

The testimony of Secretary Wilson, the testimony of Admiral Radford, the testimony of Assistant Secretary Furnas, the testimony of Secretary Quarles, is all to the effect that the amount to be made available for research and development is adequate to meet all foreseeable needs in fiscal 1957.

These are some of the highlights of the military power contemplated by this bill, Mr. Chairman.

FORCE GOALS

The force goals recommended, I repeat, will give us the most powerful military forces ever maintained by this Nation when not engaged in a shooting war.

The force goals recommended are designed to provide military power capable of dealing with the initial phases of any war, global or otherwise; military power affording an ample base for rapid expansion if and when necessary; military power which can play its part in a balanced, powerful allied force representing the free world; military power which we can afford to carry over the years for the long pull, without undermining our economic strength.

Mr. Chairman, headlines are easy for those who criticize this or that aspect of our defense program, whether the author is or is not in touch with the details of the overall program. Criticism should, of course, be welcomed, provided it is informed and constructive. But headlines dealing with future policy in respect to some special element of the national defense picture are incidental to action on the program as a whole which the Congress is called upon to take here and now.

The force goals to be implemented by this bill are the force goals recommended after long consideration by the Joint Chiefs of Staff, by our civilian Secretaries, by the National Security Council and by the President of the United States.

They are recommended as adequate to meet all foreseeable needs in fiscal 1957.

Whatever the requirements may prove to be in fiscal 1958, fiscal 1959, or subsequently, these are their recommendations now.

Should any unforeseen emergency arise, they can of course come back immediately to the Congress.

Should the President deem it necessary in the interest of national defense, he can under section 613 of this bill waive the provisions of the Anti-Deficiency Act and spend available funds as rapidly as necessary.

Your committee after 3 months of careful consideration strongly recommends approval of the force goals to be implemented by this bill.

DOLLARS AND CENTS

To provide this military power, Mr. Chairman, your committee recommends appropriations aggregating $33,635,000,000, a figure which compares with appropriations for the current fiscal year of $31,853,000,000 and for the previous fiscal year of $28,700,000,000.

Added to the unexpended carryover, this will make available for expenditure in fiscal 1957, the sum of $68.9 billions as compared with $72.085 billions in the current fiscal year and $79.3 billions in the previous fiscal year.

The actual expenditure contemplated in fiscal 1957 is $33.9 billions comparing with $33.1 billions in the current fiscal year and $33.9 millions in the previous fiscal year.

If we look at unexpended balances, and unobligated balances, Mr. Chairman, we find, on a comparable basis, an estimated unexpended balance as of June 30, 1957, amounting to $35.7 billions, comparing with $36.4 billions as of

June 30, 1956, and $42.6 billions as of June 30, 1955; and an estimated unobligated balance as of June 30, 1957, of $9.3 billions, comparing with $10 billions as of June 30, 1956, and $16.9 billions as of June 30, 1955.

COMMITTEE ACTION

The action taken by your committee amounts to substantial approval of the funds requested, something that has not happened for many years. I repeat that in my opinion, this is largely the result of the fact that the military budget has been far better prepared and far better supported than for many years.

The cuts recommended aggregate $512,784,000. In addition rescissions are recommended in the amount of $319,800,000, giving a total for both of $832,584,000.

It should be noted, however, that of the cuts made, $276,319,000 is made on the assumption that foreign currencies will be made available in fiscal 1957 as heretofore. The balance of the cuts—$236,465,000 amounts to something like seven-tenths of 1 percent of the overall request.

It is clear that none of the recommended reductions will affect the full implementation of the military programs presented to your committee.

ECONOMY AND EFFICIENCY

We all appreciate, Mr. Chairman, I am sure, the tremendous difficulties confronting Secretary Wilson and his assistants 3 years ago in attempting to put the organization of the armed services, which had been flung into every corner of the world, on a business-like basis. It was an enormous task. There is still much to be done but very great progress has been realized.

Last year, in speaking on this bill, I referred to some of the major steps taken in this direction:

I mentioned those taken during the first year of Secretary Wilson's administration under 10 major headings.

I mentioned those taken in the second year of his administration under seven major headings.

To reflect the further progress made during the third year of his administration, I include at this point in the RECORD under leave to extend my remarks, pages 170–174 of this year's hearings on the Department of Defense, and I call attention to pages 175–221 of the same hearings for further details:

STEPS TAKEN BY THE DEPARTMENT OF DEFENSE DURING CALENDAR YEAR 1955 TO ELIMINATE WASTE AND ACHIEVE GREATER ECONOMY AND EFFICIENCY

The intensified drive to raise the level of economy and efficiency in the Defense Department, inaugurated in 1953, was continued with undiminished vigor during 1955. Notwithstanding the major improvements achieved in 1953 and 1954, noteworthy progress in this area continued to be made in 1955.

The attainment of a high level of economy and efficiency in Defense Department operations is not a onetime effort. There is always room for further improvement. New methods, techniques, and equipment are constantly being devised in private industry as well as in the Government, and management at all levels in the Military Establishment must be properly motivated to seek them out and apply them wherever appropriate.

Furthermore, the functions, activities, and personnel of the Department are always undergoing some change and new areas of waste and inefficiency inevitably crop up. These must be promptly identified and corrected as soon as they occur. This, too, is a continuing responsibility of management throughout the Defense Establishment.

Major changes in the organization of the Defense Department are now behind us but some additional organizational refinements were effected in 1955. At the Department of Defense level, the Office of the Assistant Secretary for International Security Affairs was reorganized along geographic lines similar to that of the State Department. This will not only provide the Defense Department with a more effective mechanism for the integration and coordination of the various programs pertaining to particular countries or regions, but will also facilitate coordination and liaison with the State Department with respect to military-political matters.

In the Department of the Army the traditional general staff was abolished and the military staff reorganized along lines roughly parallel to the civilian secretariat. Under the Chief of Staff of the Army there are now a Comptroller of the Army, a Chief of Research and Development, and Deputy Chiefs of Staff for Logistics, Personnel, and Military Operations, respectively. Organizational refinements of lesser importance were also effected in the other two military departments in 1955.

Continued progress was made during the year in improving the utilization of Defense Department manpower resources. Military personnel were reduced by almost 300,000, even though overall military strength, as measured in terms of major forces, actually increased during the year. The number of "noneffectives" on the military payroll—trainees, transients, patients in hospitals, and prisoners—were reduced by a total of 54,000. Civilian personnel, both in the United States and abroad, were substituted for military personnel wherever possible in support areas thereby making more men available for the operating forces. Overlapping functions and activities were further reduced through consolidation, cross-servicing, etc. For example, the Army was charged with the responsibility for providing military construction support for the Air Force overseas. This permitted the elimination of the so-called SCARWAF (Army construction troops serving overseas with the Air Force) and the saving of 16,500 military personnel spaces. Functional manpower studies and surveys designed to eliminate nonessential jobs were conducted in all three military departments with good results.

Notwithstanding the substitution of civilians for military personnel, the total number of civilian employees, including both direct hire and contract hire overseas, was reduced by about 50,000. The reduction in the Army and Navy Departments combined totaled 76,000, but the Air Force, which continued its buildup during the year, increased its civilian employment by 26,000 as compared with a decrease of about 10,000 in military personnel.

Although considerable emphasis was placed on reducing quantitative manpower requirements, even greater emphasis was placed on improving the quality of military personnel to meet the demands of rapidly changing technology and increasingly complex weapons required in modern warfare. Quotas for the intake of manpower in various mental groups were revised to reduce proportion of personnel enlisted in the lowest mental group IV who had created serious problems of personnel utilization. A reduction of group IV quotas from 27 percent to 18 percent enabled the services to recruit personnel more suitable for training in technical skills and advancement to supervisory and leadership positions. Due largely to the new military personnel legislation enacted by the Congress and intensified reenlistment efforts on the part of the services, the Armed Forces were able to retain many experienced personnel who otherwise would have left the service for civilian life. The reenlistment rate, which had dropped to 18.8 percent during the first 6 months of 1954, has increased steadily in recent months, reaching a level of about 30 percent during the first 6 months of 1955. This has substantially reduced personnel turnover, thereby permitting a further reduction in the number of personnel assigned to the training function and in the number of personnel in training status.

Action was also taken during the year to reduce the movement of military personnel, thereby reducing both the cost and time lost in travel. Specific steps include:

1. Directions to the military departments to review their educational and training requirements, reduce the rotation rate, and assure that trained personnel are being used to the greatest extent in their specialty.

2. The issuance of regulations, under the dislocation allowance provisions of the Career Incentive Act, prohibiting more than one permanent change of station during any 1 fiscal year.

3. Lengthening some foreign service tours.

4. Filling vacancies within same geographical areas so as to avoid long distance moves.

5. Encouraging the extensions and renewals of foreign service tours.

6. Improving reassignment procedures to eliminate intermediate moves between schools and overseas assignments.

7. Arranging for sea and shore moves and moves between types of ships to be made in the same port areas.

8. Increasing the number of stabilized duty assignments requiring continuity or special training and experience.

Additional progress was made in 1955 in improving supply management in the Defense Department. The Federal cataloging program, an essential step in improving supply management Defense Departmentwide, is proceeding on schedule. By the end of 1955, 2,200,000 items, approximately 76 percent of the estimated total stocked by the Defense Department, had been identified. Complete identification of all items in the supply system is expected by September 1956. Progress on the cataloging program has facilitated further progress on the defense standardization program. During 1955, approximately 123,500 items were eliminated from the supply system through standardization, thereby reducing warehousing and distribution costs. Through better merchandising methods the Department was able to realize a 3 percent greater return on the sales of surplus property than in 1954. At the same time, increased safeguards were established to assure that excess property disposed of is truly excess to the needs of all elements of the Department of Defense.

A regular review of materiel requirement, stock positions, and defense readiness of the military departments has been established to better coordinate the supply activities of the three military departments. This systematic review has served to facilitate the use of stocks excess to one department by another department. To further reduce duplication of effort in the supply area, the first single manager assignment was made in November 1955, under which the Department of the Army was given sole responsibility for all wholesale supply functions relating to food, for all of the military services. This single manager concept will be extended to the petroleum, medical-dental, clothing-textile, and photographic equipment areas in 1956. In this respect, it has been pointed out that the potentialities of single service assignment and subsequent cross-servicing in the supply management area of common use items will become a reality upon completion of the conversion portion of the Federal cataloging program. It is now apparent that single service assignment cannot be truly effective without the common language of the Federal cataloging program.

The Department of Defense in 1954 embarked on a program for the establishment of uniform standards and criteria for new construction, designed to insure proper quality of construction at most favorable cost. This program was further expanded in 1955. Uniform standards and criteria were issued for permanent types of administrative facilities, messing facilities for enlisted personnel, maintenance facilities, general warehouses, etc. Studies were made of airfields and airfield facilities, National Guard armories, Army Reserve training centers, etc. Preparation of the annual construction program and budget was speeded up and the fiscal year 1957 military public-works program was completed and forwarded to the Bureau of the Budget on the earliest date in recent years.

The first integrated program for the management of real property maintenance was issued in 1955. This program adapts proven military and business principles and practices and provides guidance for their uniform application at all levels of the Department. It covers standards, financial management, training, inspection, estimating, scheduling, work techniques, and cost control. By year end some Defense Department installations were achieving up to 30 percent more effective use of real property maintenance funds.

The intensive review of Defense Department real property holdings, begun in 1954, was continued in 1955. The total cost of leased space for military activities in continental United States was reduced by approximately $3 million. An additional number of industrial plants were sold or leased to private industry.

In order to accomplish optimum use of existing health and medical facilities and services, the military departments were directed to reduce, consolidate, or eliminate facilities in specific areas where another facility is available and can economically and efficiently provide the necessary support. For example, the hospital at Biggs Air Force Base, El Paso, Tex., has been reduced to a dispensary and all hospitalization and outpatient care for dependents of Air Force personnel in the area is being furnished by the Beaumont Army Hospital in El Paso, Tex. Plans were also made to accomplish this same type of joint utilization in the Tacoma, Wash., area. This is another example where unification is continuing to result in savings to the Government.

In the area of financial management, further significant progress was made during 1955. The Army has extended financial inventory accounting to bulk stocks at depots worldwide, excepting those in Okinawa and Korea, which will be converted during the first half of 1956. In addition, financial inventory accounting was extended to another 16 major installations in the United States, bringing the total to 48 as at the end of calendar year 1955.

The Air Force has brought under financial inventory accounting all of its depot and base stocks throughout the world. Procedures were developed for accounting control of all Air Force property in the possession of contractors and it is planned to put them into effect by July 1, 1956. The Navy has had financial inventory accounting since 1908, and in 1955 efforts were aimed primarily at further refinements.

Completion of this program will provide the military departments with the type of financial information required for effective management of the supply system, with specific application in facilitating reduction of supply inventories.

Financial management in the Department of Defense also has been made more effective by increasing the scope of stock funding in each of the military departments. These funds currently cover inventories of over $8.2 billion and their coverage is still being the management and control of stock of common-use-type items, make possible better distribution of supplies and equipment with a minimum inventory. By creating a buyer-seller relationship between the stock fund and the consumer, cost consciousness is encouraged at all levels.

During 1955, the Army brought the remaining inventories of consumable type items in continental United States depots into the stock fund as well as inventories of major overseas commands and selected continental United States posts, camps, and stations. Army emphasis, in the future, will be on extending coverage geographically.

The Navy, at the end of 1954, had covered in its stock fund most of its inventories of common-type consumable items. During 1955, the stock fund was extended to the printing of publications and forms. Additionally, studies have been undertaken with the view to bringing additional classes of technical items under stock funding, particularly ships, electronics, and submarine parts.

In the Air Force, during 1955, commissary inventories and also most of the common-use, standard-stock items of a consumable nature, in continental United States depots, were brought under stock-fund operations. The Air Force plans to further extend stock-fund coverage to both additional classes of items and geographical areas.

Evidence of the effectiveness of the stock-fund operations is that during the last 3 fiscal years alone, $2.5 billion have been returned to the Treasury from stock funds as inventories have been reduced through use of the stock-fund mechanism to achieve better inventory management. It is expected that inventory reductions will make available an additional $785 million by the end of fiscal year 1957 and this amount has been recommended in the proposed fiscal year 1957 budget to reduce new obligational authority which would otherwise be required.

Industrial funds are also being used to serve the same kind of businesslike purpose in commercial and industrial-type installations, and continued progress was made in extending this concept during 1955. This type of financing, by providing a complete financial picture of the operation, makes it easier for the responsible officials in the military departments to evaluate the performance of these activities. It provides local management with an up-to-date statement of costs thus highlighting areas in need of improvement. The buyer-seller relationship between an activity and its military purchasers or customers is encouraged and this, in turn, develops an attitude of cost consciousness throughout an activity.

The Army industrial fund has now been established at 18 activities and its extension to other activities such as equipment rebuild facilities, proving grounds, transportation terminals, has been programed. The Navy brought 4 additional activities under industrial fund financing, bringing the total number of Navy activities under the industrial fund to 40, excluding printing plant branches. All the major naval shipyards are now under industrial fund financing. The Navy plans to effect complete coverage of its installations of an industrial nature, and of prime importance is the present program to bring major air stations having overhaul facilities under this type of financing.

The Air Force placed 8 printing plants and 50 laundries and dry-cleaning plants under industrial fund operation during 1955. The Air Force expects to apply industrial funding to the transport operations of the Military Air Transport Service, as was specifically recommended by the Congress in connection with the fiscal year 1955 appropriation act. Also, it is planning to extend application to installations conducting major overhaul and maintenance of aircraft and components.

The above constitute only a few of the highlights of our efforts to eliminate waste, achieve greater economy, and improve efficiency in the management of the Defense Establishment. A more detailed account of the accomplishments may be found in the statements prepared by the military departments.

Reference has been made, Mr. Chairman, to the recent report by your committee investigators with reference to procurement policies and practices in the Department of Defense.

That report has been accepted by the Defense Department as helpful to the economy and efficiency which we all seek.

It covers a period running well back into the previous administration.

It states categorically that "no attempt is made to elaborate on the accomplishments of the three military services in their procurement methods and techniques" and also that "such progress has been substantial during the past 3 years."

In this connection, I include at this point in the RECORD, under leave to extend my remarks, pages 181–187 of this year's hearings on the Office of the Secretary of Defense, interservice activities and language changes, containing material prepared by the Office of the Assistant Secretary of Defense, Supply and Logistics:

DEPARTMENT OF DEFENSE, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (SUPPLY AND LOGISTICS)—IMPORTANT PROGRAMS TO IMPROVE EFFICIENCY AND ECONOMY

INTRODUCTION

This responds to Congressman WIGGLESWORTH's request for a summary of the steps which have been taken to date by the Office of the Secretary of Defense and the military departments during Secretary Wilson's tenure serving to improve procurement methods and techniques. (Reference: p. 186, transcript of hearings before the House Subcommittee on Appropriations, Department of Defense Appropriations for fiscal year 1957, Procurement Policies and Practices of the Department of Defense.)

PROCUREMENT METHODS AND TECHNIQUE

Since early 1953, considerable progress has been made toward increasing the improving management leadership of the procurement process. Concentrated attention has been given to the systemization of procurement regulations at all echelons. Continuing effects have been made to include all procurement regulatory material in the Armed Services Procurement Regulations. Specific regulations of major interest included the return to virtual peacetime methods of purchasing in accordance with the Armed Services Procurement Act. Progress was made in the streamlining of termination procedures. Major revisions were made in patent policies, coordinated procurement, interdepartmental procurement, and regulations concerning the inspection and acceptance of material. The attainment of uniformity was a prime objective, resulting in the publication of many uniform contract clauses and Department of Defense wide forms for various facets of the procurement process. In particular the simplification of small purchases procedures, which affect almost 95 percent of all procurement actions resulted in considerable savings in administrative expenses. An accelerated program of compliance and effectiveness field surveys was initiated and continued throughout the period.

Another requirement program to which considerable emphasis has been given is the development of effective arrangements for the procurement by one department of materiel for all the military services. Under this program, military requirements for office furniture, office machines, and office supplies are being purchased by the General Services Administration. Within the military, 47 procurement assignments already in effect (many of which were established prior to 1953) were reviewed to determine their value. All but four were retained in view of anticipated and actual advantages to the Department of Defense. Attention also has been focused on securing procedures which result in effective coordinated military procurement. These improved procedures have been put into effect in all but three commodity areas. In addition, steps have been taken to place the performance of the military departments under continuing observation, in order to correct inefficient and uneconomical coordinated procurement practices.

SUPPLY PROGRAMS WITHIN THE BROAD FIELD OF PROCUREMENT

Unified cataloging system: The program to identify identical items in the military catalogs with a single name and number has been accelerated to the point that we were able to begin conversion to the Federal catalog system in many commodity areas in 1955. Conversion of areas where the identification process has been completed is being carried on concurrently with the identification program in other areas. Basic identification is scheduled for completion in 1956 and conversion to the Federal catalog system throughout all elements of the military supply system is scheduled for completion in 1958.

Standardization of military items: The standardization program has been completely reoriented, to obtain improvement in supply management, as well as engineering feasibility. Great reductions in the number of types, kinds, and sizes of items are being realized through standardization, with resulting economy and speeding up of supply operations. Preservation, packaging, and marking of items has been made uniform for three levels of service requirements, depending on destination and storage.

Standard basis for requirements and budgets: In 1954 we established for the first time a uniform system for requirements calculation and review, so that mobilization reserves, current buying programs, and mobilization production can be planned on the basis of a systematic and integrated analysis of all factors of both mobilization and peacetime requirements and supply, for all three departments. The system is now applied to major items of equipment that do not require unique planning procedures, and we are extending the system also to many soft goods and common-use items.

Coordinated production scheduling: A coordinated production scheduling system was established in 1954, through which schedules and production records are uniformly developed for OSD review of about 500 major items (such as planes, ships, tanks, guided missiles). Schedules are submitted and intensively reviewed twice yearly and reports of deliveries against schedules are submitted monthly. This provides the basis for control of production to insure deliveries of major items as needed, and for identifying problem areas.

Excessive length of lead time in procurement of some major items was reduced as a result of this system. Substantial economies in procurement can be realized through such work.

Modern inspection methods: We have reorganized the inspection and quality-control program to emphasize prevention of defective products rather than mere detection. We have eliminated duplication of inspection by instituting single service inspection in industrial plants. Conservation and attainment of proper standards of quality of items while in service use has been emphasized.

Supply management based on facts: We have established a realistic inventory management program to base inventories on actual rates of peacetime consumption and mobilization reserve requirements. Each item of materiel used within a service is being put under the management control of one supply-demand control point. Working stocks are being reduced to an efficient minimum and cross-hauling and back-hauling of supplies are being reduced. An annual line-item inventory has been taken for the first time, as a factual basis for programing.

Financial property accounting has been made standard procedure within the supply systems of all military departments. It has been used successfully in one of the departments for many years, and in 1953 we began to develop it in the other military departments. Today, it is the method of accounting for all but a number of small, special activities. Operations and inventories are uniformly expressed in dollar terms, permitting analysis of supply operations in terms of kinds, costs, and performance.

Uniform warehouse space and workload reports have been established to improve the flow of management information and provide better control. Optimum cross-servicing in the use of storage and warehousing facilities is being accomplished through better warehouse management practices and proper coordination among the departments.

Clearing the system of excess property: Requirements and inventory management based on knowledge of the facts have speeded the identification of excess property that has been clogging the supply system and running up costs. Energetic and well-planned disposal programs have speeded the disposal of excessive stocks without disrupting commercial markets.

Using military resources for military jobs: Through the years the military departments have established many types of activities that use military funds and resources for jobs which, in the public interest, would be better assigned to private enterprise. We are examining each and every military activity engaged in commercial or industrial types of work to determine whether there is a military necessity for it or whether the economy, the national defense, and the mobilization base would be strengthened by having the work done by business concerns, freeing military resources for military jobs. To date 462 activities have been reviewed, and 267 are closed or recommended for closing.

Single manager system: Under a single manager commodity assignment the Secretary of one military department is made responsible for the performance of all supply management functions related to a specified commodity for all military services. This assignment encompasses the entire supply field, from research and development through issue or disposal, including cataloging, standardization, requirements determination, procurement, production inspection, storage, distribution, transportation, and maintenance. The Secretary of the Army has been designated the single manager for all subsistence supplies, and we are now extending this method to many other commodity areas including clothing and equipage, medical and dental supplies, petroleum, and others. The single manager system is designed to eliminate duplications and overlapping in the assigned commodity areas.

The evolution of the single-manager system has been progressive. It is the result of study of several existing joint-service operations, and avails itself of the lessons learned from these. A joint service operation permits no single ownership of stocks, but requires very costly equity accounts to show what belongs to each service. A joint agency is largely a service organization, able to provide for certain functional tasks such as procurement and contract administration, but it can perform only at the call of the stock owner, and cannot provide single direction since there is no single head. This is not the case in the single-manager plan. There is only one wholesale stock, effectively positioned, centrally controlled, yet designed for the total Defense Department requirement, with the single manager reporting only to the Secretary of Defense.

PROGRAMS IN SUPPORT OF PROCUREMENT

Safer and speedier transportation at lower costs: We began an intensive program for improvement of motor-vehicle management in 1953. We have reduced the number of vehicles by greater utilization and better maintenance policies also have contributed to lower costs. In transportation management we have increased economy by working closely with industry on methods to increase the safety and speed of transportation of materiel and personnel. We have now established close coordination between transportation elements and the agencies responsible for control, supply, and positioning of materiel. We are giving close attention to the continuing economy tasks of obtaining equitable rates from commercial carriers, greater use of air and rail charters, and timely traffic management changes.

Mobilization planning: We have reoriented our program for mobilization production planning with industry to make sure that the items that are most important and hardest to make are provided for first. Current procurement is being integrated with our mobilization plans with industry to broaden the mobilization base.

A complete inventory of all military owned machine tools was started for the first time in 1953. The inventory produces information on the physical condition and location of machine tools, and other data needed to properly assign and use the tools, where they may be most needed, in peacetime and in mobilization.

Priorities system readiness: We have completed and are keeping up to date an Emergency Priorities and Allocation Manual to insure readiness throughout the Department of Defense for quick conversion to an orderly system for carrying out national priority controls in a mobilization if necessary.

Small business: We have issued new policy and established new action programs to insure that small-business firms are given an equitable opportunuity to compete for military prime contract awards. Inasmuch as small business is able to make a greater contribution to defense through subcontracting, we started a program in 1955 which enlists the active efforts of prime contractors who make large and expensive equipment to place as much of their subcontract work as possible with small-business firms.

CONCLUSION

All of the above programs are among those generated at the level of the Office of the Secretary of Defense to provide guidance and policy direction to the military departments. It must be recognized that in such complex fields as supply and logistics, improvements and refinements are a continuing process rather than a single one-time, dramatic effort. Existing programs and policies are under constant review seeking to develop increasing efficiencies and economies.

Examples of military departmental actions to implement current programs, and other departmental actions to improve procurement methods and techniques in the supply management field, are presented in the accompanying Army, Navy, and Air Force statements.

MAJOR ARMY LOGISTICS PROGRAM TO EFFECT MAXIMUM ECONOMY AND EFFICIENCY

1. Progress in supply management: The Army has made further progress in its several programs to improve supply management. One of the major objectives in this area is to reduce depot and station stock, other than authorized reserves, to the minimum required to support the troops. We are doing this by: Disposing of materiel for which the Army has no foreseeable need; by "living off the shelf" by using up, without replacement, supplies above the level it is essential to keep on hand; cutting down on the number of different items in use; shipping direct from vendor to user where feasible; installing better methods of control over inventories and distribution of supplies in the field.

2. Living off the shelf: The most economical way for the Army to dispose of serviceable excess stocks is to consume them itself without replenishment, that is, by "living off the shelf."

3. Bypassing the depots: One of the best ways to keep depot inventories at minimum levels is to keep as many items as possible out of them altogether. To this end, the Army continues to emphasize direct deliveries from vendor to user and the use of open-end and call-type contracts.

4. Elimination of nonessential items: The Army's program to improve supply management does not end with the depot, but extends through all levels of supply to the individual troop units in the field. The Army has found that the most productive way to cut its investment in inventories is to reduce the number of items in the supply system. Four years ago, there were over 1,500,000 individual line items in the Army supply system. Despite the introduction of many new items of Army equipment in the intervening period, this number was reduced to about 950,000 as of January 1, 1956. This year we are reducing at a rate of 50,000 items per year. Our goal is to get down to between 700,000 and 800,000 items, and to stay there by dropping old items as new ones are added.

5. Better methods of control: The Army's knowledge and control of inventories has continued to improve as a result of extension of stock funds and financial inventory accounting and increased accuracy of dollar accounting and reporting. Peacetime supply economies—important as they are—cannot be the sole objective of Army supply management. The Army must also be prepared to cope with the complex problems of supplying dispersed and highly mobile combat units under the threat of actuality of nuclear warfare. This is the major purpose of a new project the Army has undertaken to devise a modern Army supply system (Project MASS). This project incorporates three major elements:

(a) Army field stock control.

(b) High-speed communications and data processing systems.

(c) Rapid movement of supplies.

6. Maintenance and repair parts management: The survival of Army troops on tomorrow's battlefield may depend in large measure upon our ability to maintain the equipment of dispersed and mobile units. This will require a streamlined system of repair parts resupply; reductions in the great number of different repair parts that confused and complicated equipment maintenance in World War II and in Korea; and increased maintenance capabilities at all echelons of command. The Army is attacking the problem of repair parts at its source—before new equipment enters the system. Maintenance engineers participate in development of equipment to insure that repair parts needs are held to a minimum.

7. Joint action with other services: In addition to the improvements in supply management that the Army has undertaken on its own initiative, the Army participates in joint programs with the Air Force and the Navy under the supervision of the Office of the Secretary. The single-manager system for subsistence as well as the extension of the single-manager concept to medical and other categories are examples.

8. Training of logistics managers: An Army supply management course began operation at Fort Lee, Va., on October 11, 1954, under the supervision of the Deputy Chief of Staff for Logistics. As of December 16, 1955, 185 officers and 142 civilians had completed the 12-week training course. Its purpose is to give career officers and civilians practical instructions in Army supply problems and methods of solving them. This was a need which neither existing service schools nor civilian institutions have satisfactorily fulfilled. The Army plan to have its 3,000 senior supply managers—both civilian and military—complete this training. A procurement school, also at Fort Lee, has been in operation since 1950. More than 1,400 officers and civilian employees have completed the courses of instruction offered at this school. The Army is currently investigating the feasibility of establishing a logistics center at which five courses would be taught: The supply management course; the procurement management course; a requirements management course; a course in storage and distribution management; and a course in maintenance management.

STATEMENT OF MEASURES TAKEN BY THE NAVY TO IMPROVE PROCUREMENT METHODS AND TECHNIQUES

Procurement methods and techniques provide contracting officers with the tools to make the best possible contracts considering price, performance and national objectives. To make good contracts requires training and experience as well as mature judgment by procurement personnel in the execution of procurement laws, directives and instructions.

Directives: We provided our procurement personnel with a completely revised set of Navy procurement directives in the fall of 1955. This revision reduced, through consolidation and editing, the number of pages from about 900 to 500 without reducing the quality of guidance furnished.

Training: To provide necessary training to contracting personnel, we have conducted contract negotiation training for 200 people in early 1953. In early 1954 a contract termination course for 270 people was conducted. At present we are sponsoring a course in contract administration for 400 key personnel. These courses not only afford graduate level training, but result in the development of handbooks that are everyday working tools for all procurement personnel.

Procurement review: The procurement review group was established in the fall of 1955 to continually review, analyze, and evaluate our efforts and to recommend improvements.

Letter contracts: Since 1953 the number of letter contracts awaiting conversion to fixed-price contracts has been reduced from 1,150 to 61 at present.

Redeterminable contracts: Redeterminable and incentive type contracts have been reduced from 1,200 to 564.

The above two improvements make possible better cost control and repricing on a timely basis.

Negotiation restrictions: In May 1954 the Navy tightened the rules for the use of negotiated procurement and in January 1956 practically eliminated the use of emergency authority to negotiate. This action insures the use of realistic justifications in all negotiated contracts.

Contract-termination settlements: Unsettled contract-termination backlog has been reduced in 1955 by $575 million from its all-time peak of $2,578 million. Existing regulations, particularly in regard to screening and disposal of termination inventory, were clarified and revised to expedite terminations.

Financing of defense contracts: A greater share of the financing of defense contracts has been placed in private hands and reduced the Government's burden in such financing through the insertion of more stringent clauses in new contracts.

Small business: To accomplish full coordination of effort in considering and resolving problems primarily affecting small-business concerns, the Navy has had in operation since March 10, 1955, a Council of Small Business Advisers consisting of the Chief of the Office of Small Business in the Office of Naval Material and the senior small-business specialists in our major procuring activities. This council is responsible for developing new and improved policies for increasing small-business participation in Navy procurement.

Summary: Improvements in a field as complex as military procurement are a continual and progressive process rather than sudden or dramatic. The Navy now has the mechanism to continue to improve the effectiveness of its procurement, and I believe that our methods and techniques will continue to improve.

STEPS TAKEN BY THE DEPARTMENT OF THE AIR FORCE TO IMPROVE MANAGEMENT IN THE LOGISTICS AREA

Consolidation of procurement regulations: All Air Force procurement regulations have been consolidated in one book, and all procurement instructions on one subject may be found gathered compactly in one place. The new Air Force Procurement Instruction, besides reducing a 4-foot stack of regulations to less than 4 inches, eliminates duplications and inconsistencies which evolve from a system of regulations emanating from a multitude of different sources. This consolidation has been one of the most important procurement-management projects; and efforts to refine and improve the instructions are continuing.

Small business: In fiscal year 1954 small-business concerns submitted the lowest acceptable quotations on 76 percent dollarwise of procurements suitable for small business, as compared with 73 percent in fiscal year 1953 and 55 percent in fiscal year 1952. Better procedures for providing small-business concerns with adequate and timely information on proposed procurements contributed in large measure to this improved situation. Contracting officers also have been authorized to set aside certain procurements for exclusive participation by small business. In the field of subcontracting, holding by far the greatest opportunities for small business, the Air Force has secured the cooperation of 200 of its largest prime contractors in voluntarily establishing a defense subcontracting small-business program to assure an equitable opportunity for small-business concerns to provide items or services which fall within their capabilities.

Prenegotiation conferences: The adoption of prenegotiation conferences has made a major improvement in contract negotiation. In these conferences the buying team presents the negotiation objective and the procurement plan to the Director of Procurement and Production at the Air Materiel Command. The buying team comprises the buyer, price analyst, administrative contracting officer, auditor, engineer, production specialist, and others as necessary. The purpose is to have the negotiator define his objective and be sure that he has all the facts relating to the negotiation. The discussions which take place in prenegotiation meetings provide information to Air Force management both as to the quality of the procurement job and the competence of the negotiators. A major contribution of prenegotiation conferences has been the confidence furnished a buying team where a firm pricing objective has been justified and established with the complete understanding and backing of the Director and other top people in procurement management.

Depot maintenance management: Since April of 1953 the Air Force, with the assistance of consultants, has been developing and testing an improved system for aircraft maintenance activities at Sacramento air materiel area. The system as finally developed and put into effect in the depots includes work measurement, payroll distribution, earned-hour reports, production control, and standard cost accounting. The new system will provide factual, reliable, and timely information to all levels as a basis for sound and intelligent management in the maintenance area. With the successful installation of the system in the depots, a project has been started to apply the techniques to field and organizational maintenance wherever they are pertinent. The study, which is being made by an Air Force management engineering team, has just recently begun and the target date for completion is June of 1957.

Property disposal: In 1953 the Air Force developed and issued a new set of retention criteria which were based upon aircraft programed life plus mobilization reserves. For the first time in the history of the Air Force, this policy made it possible to put the disposal program on a par with requirements computation and budgeting and buying programs. The retention criteria, complete with established retirement dates on all types of aircraft, have now been translated into an operating program to assure continuous removal of excesses from the supply system.

Mechanization of supply activities: Replacement of manual operations with machines in supply activities has resulted in reduced personnel requirements to perform supply recording and reporting functions. In addition to manpower economies, the ability of machines to rapidly and accurately compile information has permitted better and quicker review and adjustment of stock levels, discovery of surplus supplies needed elsewhere in the Air Force, and the refinement of USAF inventories.

Electronic data processing: The Air Force is developing a more responsive and economical logistics management system through use of electronic equipment for computing requirements and transmitting supply data. This equipment also opens up the possibility of centrally maintaining complete and up-to-date information on the status of stocks at bases and depots. Completion and installation of electronic systems will speed up supply transactions and increase the level of accuracy both in requirements computations and in inventory accounting.

High value item control: A relatively small number of the items in the Air Force inventory represent the largest proportion of the inventory dollarwise. Conversely, the majority of items represent the lowest dollar investment. Accordingly, all items in the inventory have been identified in one of three categories to permit more effective inventory management. Items having a high unit value are placed in category I. They are inventoried more frequently than other items and their movement through the supply system is accelerated by the use of premium communications and transportation. Aircraft engines are handled separately and are accounted for by serial number. Category II represents the second largest proportion of the inventory and is subjected to less detailed but still adequate control. Category III comprises low-cost items. By increasing stock levels on these items and decreasing the frequency of resupply, it has been possible to reduce administrative costs and packing, crating, handling, and transportation expense.

Monetary inventory accounting: Dollar accounting and reporting of inventory has been established at depots and bases worldwide, and is being used extensively as an inventory management tool. Consolidated dollar data permits the timely analysis of serviceable and reparable inventory trends, stock levels, materiel losses, and disposal actions.

Movement of POL: The Air Force has undertaken a comprehensive analysis of the petroleum transportation system in the United States. The analysis covers every Air Force base and includes the present system of petroleum delivery, base receiving and storage, source of product, and in transit terminals. The efficiency and economy of pipeline delivery for volume petroleum are apparent. Pipeline delivery at two bases has resulted in a reduction of transportation costs of about $500,000 annually. Negotiations are underway to determine the feasibility of pipeline service to 30 other bases. A proposal has been submitted to provide this service to four bases. Preliminary examination of this proposal indicates that an annual transportation economy of over $1.5 million may be realized by pipeline service to these four bases.

Secretary Wilson and his exceptionally able group of assistants, in my opinion, have made tremendous progress in the direction of economy and efficiency.

There is still much to be done, as they would be the first to admit, but they have saved the people of America literally billions of dollars, in each year that they have been in office.

Their work is reflected in many ways, including a decrease in unexpended balances amounting to $26.5 billion, a decrease in unobligated balances amounting to $6.3 billion, a decrease in appropriations amounting to $11 billion, a decrease in expenditures amounting to $9.7 billion, and a decrease in taxes amounting to $7.4 billion, the largest tax reduction in any single year in the history of the Nation.

Theirs is a fine record. The country should be grateful.

Mr. MAHON. Mr. Chairman, the gentleman from California [Mr. SHEPPARD] is vice chairman of the 15-man Subcommittee on Defense Appropriations and he is also chairman of the panel for the Navy. Much of the good work, I think, which has been done on this bill was done by the gentleman from California and the members of his panel who served with him.

Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, I want to express my appreciation to my chairman, the gentleman from Texas [Mr. MAHON], and to the ranking minority member, the gentleman from Massachusetts [Mr. WIGGLESWORTH], for the manner in which they have covered the presentation because it will make my presentation to you much easier. There are some matters, however, which were effected by your Subcommittee on Navy Appropriations which, I think, should be brought to your attention.

The budget estimates for the Department of the Navy considered by the committee total $10,047,600,000, including $65,600,000 submitted subsequent to receipt of the President's budget. After careful and extensive hearings on these requirements, the committee has reduced the estimates referred to by $48,066,000, and recommends an appropriation of $9,999,534,000, an increase of $871,774,444 in the appropriations for fiscal year 1956. In addition, your committee has rescinded funds in the total amount of $159,800,000, including $100 million from the Navy stock fund, $3 million from the Marine Corps stock fund, $52 million from the Navy industrial fund, $3,800,000 from the appropriation for construction of ships, and $1 million from the appropriation for ordnance for new construction. These actions have resulted in an overall reduction in the Navy program, including working capital funds, of $207,866,000. The $48,066,000 of reductions were made in several categories and are explained in detail in the report.

Briefly, however, I would like to call the more important ones to your attention.

There was a general reduction recommended by the Department of the Navy due to the realinement of the program in the Operation Deepfreeze, which is the Navy portion of the Antarctic expedition now taking place.

Under the title "Military Personnel, Navy," the committee has recommended a reduction of $5 million in addition to $584,000 due to the aforementioned Deepfreeze reduction. This has to do primarily with funds requested for travel and transportation costs associated with military personnel.

A reduction of $400,000 for similar reasons has been made in the item for "Military personnel, Marine Corps."

Under the title "Marine Corps Troops and Facilities," we cut $4 million, in general operational savings in training and station operation areas, and the firm belief by the committee that a greater degree of efficiency and economy in the use of funds for this item is needed.

Under "Aircraft and facilities," the committee recommends a reduction of $1,500,000, in addition to the reduction caused by Operation Deepfreeze's requirement. The committee reduction relates to the need to maintain a greater degree of efficiency in the areas of aircraft and airframe overhauls and in the various items related to the flying hours training.

Under the appropriation item "Ships and facilities," the committee has recommended a reduction of $3 million in the belief that the Navy will more closely scrutinize the activities in this operation and achieve a greater degree of effectiveness in the use of funds.

Under the title "Procurement of Ordnance and Ammunition," a reduction of $5 million has been made by the committee. It is apparent that if the procurement policies and practices in this field are streamlined in a more efficient fashion, and the present apparent deficiencies are eliminated, that this reduction can be achieved without any detriment to the contemplated 1957 program.

A reduction of $3 million has been achieved in the appropriation for "Ordnance and facilities," which is applied to the transportation request for maintenance of ordnance and ammunitions, as well as in departmental administration and improvements and alterations to facilities.

Under the item "Military construction, naval Reserve forces," the committee has recommended a reduction of $7,296,000, generally due to the elimination of 2 installations in the fiscal year 1957 program, and by an application of an unobligated carryover in funds previously appropriated.

Under "Research and development" the committee has eliminated $1 million from the $67 million budget program for so-called military sciences studies, in the belief that this entire program should be carefully scrutinized and many of the studies eliminated.

Under the last appropriation title, "Naval Petroleum Reserves," the committee has eliminated $529,000 requested for exploration and drilling for oil on San Nicholas Island, Calif. It is quite apparent, from the hearings and other data submitted, that there is no present need or specific legal authority for this activity.

In summary, then, the action which the committee is presenting to you today with reference to naval appropriations, constitutes a total cut of $48,066,000 in the budget estimates, and rescissions in the amount of $159,800,000, a total reduction of $207,866,000.

I want at this time, Mr. Chairman, to pay my compliments to the fellow members on the subcommittee with whom I have worked for many years, and say to you Members of the House that we have a most harmonious family and enjoy, as much as is possible with the responsibility that we have, a relaxation that we all appreciate.

I want further to pay my compliments to Mr. Frank Sanders, executive secretary of our staff, and to Mr. Orescan and all the other members of our staff who have been so cooperative in the many things we have called upon them to perform. It is really a most pleasant situation to have cooperation of that character. I feel as chairman of the Navy subcommittee that I should express to them our sense of deep gratitude for their efforts.

Before closing I feel it somewhat incumbent on me to refer to the comments made by the gentleman from Illinois, ranking minority member of the Committee on Rules [Mr. ALLEN], this morning, in which the gentleman rather caustically criticized the ineptness, and one could read into his comments if they so desired, the mental incapacity of members of the Appropriations Committee to understand and appreciate the category within which they should function.

I have had the honor of knowing the gentleman from Illinois for a good many years, and this is the first time that I can recall the gentleman's taking the floor of the House and discussing a subject which he was so ill prepared to discuss.

In the first place, I have lived and worked with the members of the Appropriations Committee for a good many years. In fact, I have been a Member of the House for 20 years and quite pridefully say that I have been automatically reelected for 2 more years and that I will continue to serve in my present capacity on the Appropriations Committee, of course, always subject to the will of the House. I merely state that with that kind of exposure to the functions of that committee I think I know something about the manner in which they work. I do not believe there is a Republican member of that committee or a Democratic member who has any personal desire to usurp or intrude upon the prerogatives of other committees, and they are quite conversant with the parliamentary procedure of this House and the limitations involved. Frequently in conference we find ourselves confronted with the situation wherein if the military stature is to be maintained in accordance with the requirements outlined by the Secretary of Defense and his astute officials, there is nothing we can do but have certain legislation appear in the bill. It is extremenly distasteful so far as I personally am concerned, and I think I can say the same of the other members of the Appropriations Committee.

In order to verify the necessities to which I am presently addressing myself, I was advised this morning by Chairman VINSON of the Armed Services Committee, for whom I have great respect, that his committee will come up within the next few days with what he termed a clean-up bill that would take out of the present operations the necessity for any further legislation on military appropriations. When and if that is accomplished, I compliment the committee for the job. If that had been done 2 years ago we would not have to usurp the prerogatives of another committee at this time.

I want to say to the Members of this House that when you sit on the Appropriation Committee for the Armed Forces the length of time that we are forced to sit and analyze the presentations that are made to you, you will find yourself encompassed in a situation of extreme responsibility to maintain the stature of military requirements in order to defend and protect our form of government and way of life.

I cannot speak for any other member of the Appropriations Committee, but I can say to the Members of this House that to the degree we found it necessary to apply legislation in this bill, with the acquiescence of the House of course, I have no apologies to make to the gentleman from Illinois [Mr. ALLEN] or to any other Member of the House.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. DAVIS of Wisconsin. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 44]

Adair
Albert
Anfuso
Bailey
Barden
Belcher
Bentley
Blitch
Bolton, Oliver P.
Boykin
Brown, Ohio
Byrd
Byrne, Pa.
Carlyle
Celler
Chatham
Cooley
Crumpacker
Dawson, Ill.
Deane
Dodd
Donovan
Eberharter
Fountain
Gordon
Green, Oreg.
Harrison, Nebr.
Hayworth
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Jackson
James
Jenkins
Johnson, Calif.
Kearns
Kelley, Pa.
Knutson
Lane
McDowell
Mason
Matthews
Mollohan
Morrison
Nelson
O'Hara, Minn.
Phillips
Polk
Powell
Preston
Prouty
Radwan
Sadlak
Short
Springer
Staggers
Taylor
Thompson, La.
Tollefson
Velde
Vursell
Watts
Williams, N. Y.
Wilson, Ind.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 10986, and finding itself without a quorum, he had caused the roll to be called, when 362 Members answered to their names, disclosing a quorum to be present, and he submitted herewith a list of the absentees for printing in the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Kansas [Mr. SCRIVNER] is recognized.

Mr. SCRIVNER. Mr. Chairman, while I share the concern for the security of our Nation, as expressed by our chairman, Mr. MAHON, I do not share his fears. This concern for the safety and security of this country, as far as I am concerned, has been well demonstrated by the fact, if you will pardon a personal reference, that when I came to the House of Representatives, one-half of my life had been spent in the military service and military preparedness of this Nation.

The gentleman from Texas, I am quite sure, anticipated some comments from me; in fact, he practically invited comments. I am sure he would be disappointed if I did not make some reply to some of the statements he made. With all the years we have been on this committee together we do have some differences, but we are all amiably disposed because I think in the true sense of the word that we, despite the differences in our political party beliefs, are really friends. You cannot work and live with men as long as the members of this committee work and live together without finding yourself friendly with them.

The gentleman from Texas has mentioned that the Soviet bomber force has been improving. That is to be expected; they would be complete dolts if they had not improved. But as the Soviet bomber force improves, so does our defense; and just as we are now more vulnerable than we were 3 years ago so is Soviet Russia. As far as Mr. Quarles comment about this situation of mutual deterrent is concerned I agree that such a situation may arise, and I agree with Secretary Quarles too where he said that this situation is bad, but it is better than war. The time may come when each of us having such terrific weapons of destruction as each of us do have and will have we will run into a position of stalmate and find that neither of us will ever use some of the destructive weapons in our stockpile.

I do not agree with the gentleman from Texas when he said our military situation is bad. It is not bad. The funds that you provide this year and have been providing in past years gives you the best, if not the biggest army in the world. It gives you the biggest and best navy in the world, and it gives you the best Air Force and the greatest airpower in the world.

There was some comment about what some of the objectives and programs are resulting in. It is an old saying, but it is just as true today as it ever was: The proof of the pudding is in the eating; and the proof of the pudding of this administration's program is the fact that since the armistice in Korea, mid-1953, not one single young American has died on the field of battle and this Nation is at peace.

The gentleman from Texas made some comment about spending. Well, we could go back in history and talk about quite a bit of that, and make a lot of references to where green-back poultices had been applied to cure some real or fancied ill. I cannot help but remember that the party of the gentleman from Texas has been in power and in control of the House and Senate for almost 2 years now, and if you have within yourself such profound wisdom I am surprised that you have not as legislators brought forth measures of remedial action that would call for fewer greenback poultices and reduce spending, but I have not seen that done.

Now, talking about the money required in this budget, let me read some remarks of Secretary of Defense Wilson; and I may say in passing that there is no ineptness in his expression of these views that I shall read. You will find them on page 14 of 1 of the 7 volumes of hearings that we have had. This is the one entitled "Amendments to the Budget for 1957." You will find Secretary Wilson saying this to our committee:

> It is quite clear to me that if we had a very small defense organization and spent a very nominal amount of money, like we did before World War I, between World War I and World War II, and between the end of World War II and Korea, we would be risking the security of the United States.

And he continues:

> Going to the other extreme, if we went into an all-out armaments race—and we could not spend a great deal more than we are spending now without mobilization and controls—on that side of the picture the danger of war would be increased. We would much more likely precipitate a war in the world if we went into one of those all-out races and stirred our people up to the degree that they would have to be stirred up in order to make them pay the taxes and stand for the regimentation and mobilization. Then we would be decreasing the security of the United States by increasing the likelihood of war. So I think that we are now at about the right place. As near as I can personally figure it, I think we are. No one can say within a percent or two one way or the other that this is exactly it, but somewhere in the middle—and I think we are about there—is the point of maximum security for the United States.

Mr. Chairman, I have made the statement often, and it is still true and is self-evident, that a strong national defense is not cheap. You have heard some pretty big figures quoted to you, but those figures and those facts in these 6,500 pages of hearings should convince anyone of the fact that a strong national defense is not cheap. Next year we are told quite frankly the requests will be more than they have been for this year.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman from Texas in addressing the House pointed out that unhappily it appeared this administration when confronted with major problems had about only one answer, and that was money and more money, more money for the Department of Defense, more money for foreign aid, and so forth. Also I think I pointed out that while the Democratic Party is in control of the House and Senate it is not in control of the executive branch of the Government where the money is spent. I pointed out that it was unfortunate that a better answer could not be found than money and more money. I believe the gentleman will agree with that.

Mr. SCRIVNER. I could not help but agree to a degree. But any administration cannot spend any money Congress does not give. I would point out that many of the things for which this administration is now asked to spend money is the result of some inherited world situations and prior commitments for which there is no other remedy. Let me ask the gentleman from Texas, Is he going to recommend any further reductoin in this military budget?

Mr. MAHON. I am not.

Mr. SCRIVNER. Is the gentleman going to recommend any reduction in foreign-aid spending?

Mr. MAHON. Yes; I surely am.

Mr. SCRIVNER. Well, so far as the gentleman from Kansas is concerned, he will join you in that.

Mr. MAHON. My point is this that it is a deplorable commentary on our world and on the Democrats and Republicans that we have not been able to come up with a more imaginative answer than just money and more money. I was trying to stimulate the administration to a consciousness of that situation with an urgent plea that a better answer might be found.

Mr. SCRIVNER. Well, the gentleman's party has been in control of the House and Senate for some time now, and could control appropriations.

Mr. MAHON. We do not have control of expenditure of the funds of the Federal Government. Will not the gentleman agree that this country is becoming increasingly more vulnerable to devastating attack and that Soviet Russia is also becoming more vulnerable to devastating attack and that while we do not want to be frightened or hysterical, the military situation is very bad when large segments of the population of the earth could be obliterated overnight by the power of an aggressor.

Mr. SCRIVNER. That is not the sort of situation that either the gentleman or I would choose and it is not of our making.

Mr. MAHON. My only interest is that we face up to this question and that we find the right road. I think I said that the road in defense spending that we are now following is probably approximately correct.

Mr. SCRIVNER. I agree with the gentleman on that. Our committee has faced up and has chosen the right road.

Mr. MAHON. I thank the gentleman.

Mr. SCRIVNER. I would add further that none of this spending we are talking about now includes any of the countless hundreds of millions of dollars, yes, billions, which we provide for the military use of atomic power.

The military program that we have before us is merely a continuation of the preparedness program for the long pull that has been underway now for the last 3 years. Every young American today must look forward to the fact that for the next 10, 20, 30 or 50 years, or as long as Communist Russia remains a threat to the world, he must look forward to a period of military service and the taxpayers must look forward to carrying the burden of preparedness just that long. As a matter of fact, if it were not for the mere existence of Russia and its announced intent to dominate the world, including, if necessary, by force of arms, this military budget could be cut down to one-fourth or one-third of what we are asking, and we would be perfectly secure. But despite the fact that we have seen some smiles and heard some sweet words from Khrushchev and some of his Kremlin crew the need for military preparedness still prevails and the American public must carry the burden of that program.

About half of this budget goes for the Air Force, and at the end of this fiscal year, June 1957, we will reach the long-set goal of 137 combat wings, and we will reach it at exactly the same time as it was proposed under the previously much-discussed 143-wing program. This Air Force of ours is manned by the best pilots the world has ever produced, and they are flying in some of the best planes that any nation has ever produced.

While we talk here presently about the Air Force, it must be recognized that the United States airpower is not confined just to the Air Force alone. Although many of the comparative figures would indicate that we have no other airpower in this entire country except the Air Force, we have in addition to the Air Force a magnificent naval aviation. In addition to naval aviation we have a magnificent marine air branch. And, while we separated or divorced the Air Force from the Army just a few years ago, the Army is now building up an aviation force of its own of someplace around 4,000 planes. In addition to that, you have as a very important factor your airpower in the Air Reserve and the Air National Guard, and when you talk about planes in all of the services together, combat planes I am talking about, we outnumber Soviet Russia 2 to 1.

Mr. Chairman, there are many things in here that have been discussed. The gentleman from Texas [Mr. Mahon] talked to you about them. We are providing new money for approximately 2,000 planes. Now, that is some fewer in number than we asked for last year,

but we do not have the requirement for quite a few of the lighter trainer type. However, the heavier ones are still provided for in this bill. We have to pay for the upkeep of all of our bases and all of our planes, and we have to provide money for the pay and allowances and maintenance of just under 950,000 airmen. That is a comparatively small Air Force, but it is larger than Soviet Russia's. We should recognize at the very outset that we never have intended and we do not now intend to try to compete with Soviet Russia on a man-to-man basis, and much the same thing, as I will point out later, on a bomber-to-bomber basis.

Now, the military force for which we are asking you to appropriate money is for the protection of this Nation and not for initially attacking any other. Perhaps our philosophy in that is wrong. Perhaps we should get the advantage of being the first to attack, but that has never been the policy of this Nation, and I doubt that it ever will be in the foreseeable future. But everybody knows that the force that attacks first has an initial advantage which is sometimes hard to overcome. But we have the power, we have the strength, we have the ability, we have the determination, we have the men who can and will, if Russia dare attack us, "whack back." Now, that is an old midwestern phrase that all of us out there can understand, but in the parlance of many others we call it retaliation. The two mean the same thing. We can whack back or retaliate with such devastating force that Russia could never recover or carry out any immediate subattack. Hence, our needs are fundamentally different from those of Russia, and for that reason the makeup of our forces should be and it is considerably different from Russia's makeup.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think the gentleman has made a very striking and very reassuring statement on America's air might. I hope that the great press services of our country will do justice to his statement in covering this meeting of the Committee today.

Mr. SCRIVNER. The press probably would cover it a little bit more fully if I had an advance copy of my speech, but I have no prepared copy and what I say may not bear much resemblance to the notes I have before me.

Let us talk a little bit about our Air Force. Of course, the retaliatory force I have been talking about is the Strategic Air Command under the command of General LeMay. That is the dominant force, that along with our other services, which has been a deterrent to war. Strategic Air Command planes are ready today, every day, and all day, to carry indescribable death and destruction to any designated target no matter how remote. The Strategic Air Command is good and it is getting better every day, with newer, faster bombers, of longer range, with improved performance, as the older, obsolescent planes go out of the picture.

And if you are concerned about the number of bombers, I will go a little bit further than the gentleman from Massachusetts [Mr. Wigglesworth] did and I will state that with A- and H-bombs today, one bomber—just one—can carry all of the potential death and destruction that was carried by all of our bombers on all of their sorties in all of World War II, including both the European and the Pacific Theaters.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. Certainly, I yield to the chairman of our committee.

Mr. MAHON. Does not the very significant fact which the gentleman has just mentioned point up the matter of the vulnerability of this country and the U. S. S. R.

Mr. SCRIVNER. Yes. I am coming to the defense portion of my statement now.

Mr. MAHON. In other words, Secretary Quarles tells us that in view of the growth of the Soviets and our own power, that we are coming into a period of mutual deterrence.

Mr. SCRIVNER. Yes, you mentioned that a moment ago.

Mr. MAHON. And the fact that the gentleman has pointed out that one plane could conceivably wreak so much havoc upon the United States in the event of war should cause us to pause and ponder what our policy should be.

Mr. SCRIVNER. We have been pausing and pondering in the committee for quite a while. But, as I said, I am coming to the defense side of the matter just now.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from California.

Mr. HINSHAW. In view of the statements that have been made by the gentleman from Kansas [Mr. Scrivner] and the gentleman from Texas [Mr. Mahon], I do not think that we should sit here and quake and quiver in fear of any attack from Soviet Russia. I decry that kind of statement.

Mr. MAHON. Mr. Chairman, will the gentleman yield to me?

Mr. SCRIVNER. I yield now to the gentleman from Texas.

Mr. MAHON. I do not believe in fearmongering and hysteria, as I said earlier in the afternoon. But is it not true that a calm, realistic approach to the actual facts of this situation is in order? That is what Secretary Quarles of the Air Force referred to in talking about this period of mutual deterrence. That is what I think our military people are doing. They are facing up calmly but realistically to this problem. And they are worried. You know they are worried. We all know they are worried and we have cause to be worried and that should give us the inspiration and the impetus to try to provide the best possible answer.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield to me?

Mr. SCRIVNER. I yield to the gentleman from California.

Mr. HINSHAW. I think we should not be worried, but that Russia should be worried. I do not see why anybody should stand here and say that we should worry. Of course, we should pay attention to our needs, but worry—no.

Mr. SCRIVNER. Let me add one more word, namely, that even though I, along with other members of this committee have been living with this day in and day out, month in and month out, year in and year out, I lost no sleep last night because of fear of a Russian attack, and I shall lose no sleep tonight.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Yesterday, along with about a dozen other Members of the House, I had the privilege of seeing a fire power demonstration at the Eglin Field in Florida. I saw the same demonstration about 10 years ago. I am amazed at the progress we have made in the last 10 years. I daresay the things we are using now would hardly have been in the realm of imagination when the gentleman served in World War I. The progress we are making would make the American people bulge with pride. I hope that in the future we may put more emphasis on research and on the possibility of doing things even in a greater and a better manner than we are doing today. I think 10 years ago the B–29 was the "top dog" of all our planes. Today it is the B–52. We saw the B–52 perform yesterday. I am not sure that 10 years from now it will be our best plane.

Mr. SCRIVNER. Why wait 10 years, if the gentleman will let me interrupt? You are not going to have to wait more than a year to see some of our advances. Every day that goes by we are bringing out bigger, better, and faster planes of all kinds. We are not static. We do not freeze a model, we continuously improve and bring them out, so that we have a constantly modernized Air Force. It costs a lot of money to do it.

Mr. MILLER of Nebraska. I think that is right, and that is the way we should proceed.

Mr. SCRIVNER. Since these questions have been raised, you would think perhaps that we have been absolutely asleep at the switch as far as our continental defense is concerned. That is far from the truth. As a matter of fact, your Air Defense Command is going to increase and it too, is going to cost you more. Of course we do not have everything we would like to have, but it is improving rapidly. Today on bases throughout the world American pilots in American jet fighters and flighter-intercepters are on the end of the runway ready to go at a moment's notice, and that includes members of the Air Reserve and the Air National Guard.

We are spending literally hundreds of millions of dollars, yes, billions, upon far-flung radar screens going clear up into the Arctic, through mid-Canada with the radar picket planes flying across into the Atlantic and into the Pacific, and with Texas Towers in the Atlantic.

All of those things are part of our defense. Any of you who have ever studied military matters know that there is a period of time when perhaps the offense is on top, and then the defensive measures come along and they are superior to that offense. Then finally the offense comes into supremacy again. So it is a constant battle between attack and defense.

While some could, and it is easy to do, draw a terrific picture of what would happen if Russia were to fire an intercontinental ballistic missile 200, 300 miles in the air, at a speed of 10,000 or more miles an hour, and say, "Oh, there is no defense," today that is right, but that flight is some time off. When that day arrives, I have enough confidence in our scientists to know that when that vehicle is ready to go into the air there will be a defense against it. Hard to do? Sure. But I have watched these men in the laboratories, I have watched these scientists, I have seen them do things and accomplish missions that I would at one time have said were absolutely impossible, they would be nothing short of a miracle, but these scientists have accomplished the aims.

Just the mere operation of these radar screens and all that is going to cost you right around half a billion dollars a year, and not much sooner will we have them installed than there will be new, more effective, longer-range radars that we will immediately have to procure, and start replacing the old ones. Then perhaps about the time these improved sets get to working there will be still better ones and still better ones, ones which will detect these missles in the air. Then of course we will have to replace the old ones and here again a terrific lot of money will be required.

I said we had the newest, fastest, most modern types of planes on bases ready to go today. We have. Some that will soon be in operation have performance features which have not yet been disclosed. When they are you will see what I am talking about when I say that as far as I am concerned we have a defense against any potential Russian attack today and in the foreseeable future—although the cold facts are that some enemy bombers could get through.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. BROOKS of Louisiana. I want to say to the distinguished gentleman from Kansas that today I presented for publication in the CONGRESSIONAL RECORD a list of the 44 questions asked and the answers given by General LeMay, head of the Strategic Air Command. I do not think it is a matter of fear or confidence so much, but I do think you will find in his answers straightforward, categorical statements on our air defense that every Member of Congress ought to read and study.

Mr. SCRIVNER. I thank the gentleman for his contribution.

Of course, we have the Tactical Air Command and we have the other commands, but time does not permit me to go into the details which you will find in the report. There has been some discussion about missiles, but others will discuss that subject in detail. We were told and the members of the committee acknowledged that the missile program was not near as dark as some people have painted it, that we were going full speed with the work so far as possible around the clock; and that there had been no lack of funds for the missile program. We were told too that while the Soviets may be ahead in some fields of missile development, they are not ahead in all fields and taking the problem as a whole the United States is ahead in this program. If you think I am coloring the picture a little, you can look at the record at page 1225 of the hearings and find where Democratic members of the subcommittee on appropriations who heard Assistant Secretary Robertson give his testimony state that they had found his statement very reassuring and that it was a splendid presentation.

There are a lot of things, as I said, that we could talk about, but let us go to this bomber matter for a few minutes. Of course, there is a great deal of attraction to this hokus pokus about pioneering up into the atmosphere above the atmosphere clear on up into the ozone and beyond where, as the gentleman from Texas [Mr. MAHON] said, the comets speed. We have been talking about bombers and what we have done and what Russia is supposed to be doing and about B–52s and the fact that we have augmented the production and speeded up the production of B–52s and that we will have all of these B–52s, much sooner than we otherwise would have them. On a military program as complex as this, we could talk for many hours. But let us just look at something else for a minute and see what the outstanding military authority of this Nation has to say on this subject. I am referring, of course, to President Eisenhower, the civilian Commander in Chief of our Armed Forces. I am reading from a verbatim report of a news conference which he held last week on Friday where Mr. Clark, of the INS asked the President whether he saw any cause for concern in the reports of the B–52 bombers and that we were lagging behind schedules:

EXCERPTS FROM PRESIDENT EISENHOWER'S PRESS CONFERENCE, FRIDAY, MAY 4, 1956

Question (Robert E. Clark, INS): "Mr. President, do you see any cause for concern in the reports that delivery of B–52 bombers to the Air Force is lagging behind schedule in the light of reports out of Russia that Soviet production of the same type of planes is forging ahead of us?"

The President: "I think we ought to broaden our vision a little bit more widely than looking at one particular phase or part of an organization when we begin to compare our position with those of others.

"Here was testimony in one particular part, the Strategic Air Command and, of course, it is disappointing that 37 of these planes had to be held up in delivery for modification because of some defect.

"It is, of course, a usual experience in these 'hot' airplanes, you have to go through modifications. We had to do it in the war. Indeed, I had to establish a plant in England to modify planes that were coming over from the United States before you could use them in combat.

"I am told or informed that, first of all, this defect has been—is being corrected, but I want to call your attention to these—there is still a lot of testimony to come forward.

"We have the most powerful Navy in the world. There is no navy that even approaches it in power, and it features one thing, air power.

"No one has talked about that. We have bases around the world, established for the particular purpose of using the medium bomber, and not being forced to make all your bases in the United States and therefore depend on intercontinental bombers."

And the President continued in his conference:

Now, remember, no matter how efficient a plane is in terms of long range, if the further forward you can carry it, the less time it is in the air, and the more efficient it operates in war. So I think by the time the Defense Department gets done presenting its full picture, the United States will see that they have had great bodies of men who have not been idle; who have not been indifferent to the security of the United States, and who have carried their duties, their responsibilities forward to the point that they will, the United States will, feel a lot better than just on this one piece of testimony.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SCRIVNER. Then another question came from the CBS correspondent, Von Frend, who asked him whether that meant that the administration does not plan to step up the intercontinental-bomber program. The President again spoke:

The President said:

No, I don't think you can say that in those terms.

We have stepped up the originally agreed on rate of B–52 production, we have stepped it up twice since this administration has been in, and I don't know what the Defense Department is going to recommend next. But what I do want to say is that the whole question of airpower is not confined to one simple type of airplane.

Then Mr. Evans, of the New York Herald Tribune wanted to know whether or not despite the B–47 medium bomber force overseas "Do you say that it is vital that we try to stay ahead of Russia in production of the long-range bomber?"

The President:

No. I say it is vital that we get what we believe we need. That does not necessarily mean more than somebody else does. We have got to get what we need.

Then he continued in answer to another question:

Well, I said, first of all, we need in each type of bomber, in each classification of ship, we need what our requirements demand, and that doesn't necessarily mean that we have the same as anybody else.

Now we could go on for hours on this bill, as the chairman said. There are 6,500 pages of the printed hearings, and perhaps an equal amount off the record. But let us get to some other matters. One of them relates to the testimony of Mr. Trevor Gardner, at page 869 of the Defense hearings, and you can read the whole story. I think you will find that Mr. Gardner had two great objections. He felt that time had been lost through the system of committee reviews, where each important program had to be reviewed by committees, and he thought one man should be in charge of the missile program, a step that was underway when he made his plans. Then he feared that perhaps some day there might be something happen if all three of the services kept working on the missile program; not that it had, but that it might. Second, he felt that the program of building and flying a few planes first before buying a large number was wrong. Despite what the congressional committees have developed as it relates to the McDonnell Navy plane fiasco, which certainly demonstrates the wisdom of flying before you buy, because they did not fly before we bought a large number.

Mr. Gardner also wanted to buy a large quantity of planes that had not yet been built, hardly off the drawing boards or in the design stage. No prototype at all. He thought, too, that the step by step research and development program was too conservative.

Mr. Gardner did say that the missile program had not been held up because of lack of funds. He did not say that Russia was ahead. He said it might be in some fields, and that in other fields we were ahead, although we might now be starting in to losing the lead in our planes, which we have not yet lost. So this was just an honest difference of opinion between him and Secretary Quarles.

Then one of the other side issues was the hearing of General Ridgway relating to some articles he had written for the Saturday Evening Post. He reasserted that he was surprised when the President said that there had been unanimous agreement by the Chiefs of Staff on the four levels for fiscal year 1955. You will find this by reading the hearings starting at page 596 of the defense hearings and carrying on up to page 615. When you read that you will find he had no reason to be surprised because he had repeatedly said that there had been unanimous approval of the program. General Ridgway was disturbed, of course, about the reduction in the size of the Army, and to hear him you would think it was the first time any such thing had been done; but it is not, and if you want to see what has been done under various administrations, not only Republican but Democrat as well, look at page 627 of the hearings and you will see where the departments had sent up to the office of the Secretary of Defense and then up to the budget certain sums which were asked. These were reduced, even in time of war. Should you think this is confined to Republican administration? You can find what a Democrat, former President Truman, has to say on page 592. General Ridgway did concede there should be some modifications in his language and he did say that there were no threats against him for his views and that he was not seeking to indict anyone.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield briefly to the gentleman.

Mr. CURTIS of Missouri. I would like to ask the gentleman a question with reference to page 47, the Air Force.

Mr. SCRIVNER. I hope the gentleman will excuse me but I would not like to get into that right now.

Mr. CURTIS of Missouri. Very well.

Mr. SCRIVNER. General Ridgway did say that he had had full opportunity to express his views clear on up to the President and that some of them were accepted, and he did say that he felt that airpower had been exaggerated and that he held to the view, and quite properly I agree, that all three services taken together were the real deterrent to war.

So, all in all, there was not anything new in his views. So we can pass from that.

We can summarize briefly the testimony of Secretary Quarles who, the gentleman from Texas, Mr. MAHON, our chairman, has described as the best expert in the Pentagon in the field of research and development. He told us about the future plans, that we were getting into the Air Force an ever-increasing number of guided missiles such as among many others, the Talos, Bomarc, and Falcon and the Matadors already in operation. We had a great deal of talk about missiles. Secretary Robertson and General Schrierer of the Western Development Command gave very comprehensive statements. Some of us thought the general was perhaps a little too optimistic as to it, but he assured us that it could be done by the date fixed, perhaps earlier. As a matter of fact, the gentleman from Pennsylvania [Mr. FLOOD] asked Secretary Robertson why it was if we could produce these things we did not fly them and within a couple of days, as though by some sort of telepathy, the Air Force did fly a missile for 2,000 miles, and it could have gone much farther.

The testimony of General Twining, of course, was quite interesting, but because of the limitation of time I will have to be brief that and put some of that in the RECORD.

General Twining is sold on the effectiveness of the Air Force, and quite properly. He said it is good. He told us about many things, including the reason why we did not have a turbo-prop bomber such as the Russians are reported as having. He told us that our jet-type bomber with tankers was more effective for us than the turbo-prop job.

He also stated that he recognized the force and effect and power of Navy Air and Marine Air, and although he did not mention it, I am sure he meant to have included the Air Reserve and the Air National Guard.

He had a lot to say about our Century series of fighters. He felt that our F–102 was superior to anything the Russians had in this field of fighting. Now, the Russians may have more, but they need more, because that is a defensive weapon. If and when the time comes that Russia may build a group of long-range bombers General Twining has indicated that our defense is ready and capable of meeting such an attack should it come.

He also asserted that ours is not a second-class Air Force.

Then, too, he discussed the comparison of quality and quantity of our planes and those of the Soviets.

On page 761 of the Defense Department hearings, General Twining said:

These comparisons must be qualified. Except to indicate relative effort and progress, matching similar types is meaningless. More meaningful comparisons would be to match our bomber offensive capability against their defenses, including their radar, their fighters, and their missiles. Similarly, we must compare Soviet bomber capability against our defenses.

Our own defenses and Soviet attack capabilities are both increasing. By the time the Soviets have a bomber force large enough and effective enough to wage a global war, our defenses will be formidable. Our present F–100 would be effective against the Soviet Bison, comparable to our B–52, but the Soviet Bison is available now only in limited numbers. By the time the Soviets get a sizable force of Bisons we will have the F–101, F–102, and F–104 in quantity, and this will provide us with an even more effective defensive weapon.

Comparing our attack strength with Soviet defensive strength reduces itself to the question: Can our bombers get through? The Soviets have thousands more jet fighters than we, but they also have an enormous area to defend. In my judgment, the Strategic Air Command continues to have the ability to get through.

If you want to read more of that, turn to page 761 of the defense hearings.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SCRIVNER. Mr. Chairman, I am sorry to take up so much time, but with the interruptions I hope you will pardon me. After all we have been working on this bill for about 4 months and this additional time is merely about 1 minute for each billion dollars of this defense budget.

In closing let me pay a tribute to the Reserve. The Air Reserve is doing a very fine job, as is the Air National Guard. The Air Force knows that when the chips are down, if the bell rings, they must depend upon citizens or civilian soldiers. We know that if war comes the citizen soldier, the weekend soldier, will outnumber the regular force 4 and 5 to 1, just as they did in World War II and just as they did in Korea. The training of these men in the Reserve wings is on a par with the regular Air Force, and many of them, even though they may be putting in only the weekends and drill nights are maintaining their proficiency. They are sacrificing their time from their homes, from their families, from their work and from their vacations in order that the Nation may stay strong.

There are 24 of these Air Reserve wings, tactical, bomber, fighter-bombers, troop carrier, and other support types. There are over 100,000 men operating over 1,200 planes training at over 40 bases and over 100 Air Reserve centers. They deserve a great deal of credit for their defense contributions.

The Air National Guard, which is composed of 27 wings with interceptor, light bombers, and reconnaissance planes are of inestimable value to the security of this Nation. Most, if not all, are D-Day units, ready to go. Many National Guard planes with National Guard pilots are at this very minute on the end of runways throughout this Nation ready to take off with their brother airmen of the Regular Air Force, as a part of the 24-hour alert air-defense program.

Practice alerts show that these 70,000 air guardsmen on their 94 bases with their 2,000 planes which are instantly available are an important part of our airpower, and they all deserve a great deal of credit for their time and effort.

I am sure the members of the Committee on Defense Appropriations will say that the presentation made by all the services through their witnesses this year was the best prepared and the best presented of any year. Their statements were concise, they were factual, they were so full and complete that we did not have to act as cross-examiners and dig out every little facet of information needed to form our judgment.

I firmly believe, as does the chairman of the committee, that this is a sound budget we are asking of you, and I urge the House of Representatives to give its unanimous approval to the bill as we have presented it to you.

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Florida [Mr. Sikes].

Mr. SIKES. Mr. Chairman, I want to express my appreciation for the cooperation and able assistance given me by the entire subcommittee, particularly by the Army panel, by the committee staff, and, of course, by the chairman of the committee, our distinguished colleague, the gentleman from Texas [Mr. Mahon], who, incidentally, has just been reelected with the blessings of both Democrats and Republicans in his district. That is bipartisanship of a very satisfactory type.

Mr. Chairman, we feel that in the budget presentation given to the committee this year we received the best presentation that it has been our privilege to hear from the Army. It is obvious that the Army is a hard-working team; it is on the ball; it is doing a job, and it is proud of its accomplishments.

I would like to give you the Army strength figures which are carried in the current budget. At the end of the third quarter of 1956 the Army had a strength of 1,063,500 people. At the end of fiscal 1956 it is calculated that the Army will have 1,040,300. At the end of fiscal 1957 under the budget now before you it is planned that the Army shall have a strength of 1,045,300. These include increased strength figures which have been requested for the Reserve Forces Act and for the distant early warning line.

Now, I would like to point out something that is of more than usual significance in these figures. The original figure programed for fiscal 1956 for the Army under the budget which was first submitted to the Congress a year ago was for 1,010,000 people. That figure was later revised upward to provide for 1,025,000 people at the end of fiscal 1956. Now, obviously, manpower alone does not give a real indication of strength or of effectiveness. However, I must point out that the Army has been subjected, even in recent weeks, to the peaks and valleys type of program which is the most costly type of defense, the type of defense which is injurious to the morale of personnel, and it is the type of defense that does not permit effective long-range planning.

Within the programed military strength we can point to an important accomplishment in that we have more combat units programed for the fiscal 1957 Army than at present. That indicates the Army is making a more effective utilization of its strength, putting more of its men into combat units and fewer men into supply housekeeping, and other noncombat activities.

General Taylor, Army Chief of Staff, testified, however, before us that he considered the optimum strength for the Army at this time would not be 1,045,000, as we are programing for, but 1,300,000, and General Taylor is a great soldier, a military leader whose knowledge is unquestioned.

Now, I do want to say emphatically, that we have a good Army, we have a strong Army, an improved Army, probably the strongest peacetime Army in the history of our country. I must go a step further, however, and say it is not the Army that certain optimistic statements from some highly placed people in our Government have indicated. I think the American public may have gained the impression from some of these statements that we have an Army that can be moved over night from Washington or San Francisco or any other place to Europe or to Korea or to Indochina or to any spot where trouble might develop. That simply is not the situation and it will not be the situation for a long time to come. Our objective is a highly mobile striking force, a striking force with adequate air transportability, with lightweight weapons and equipment, including tanks, and with atomic capabilities. The Army possesses some of all of those qualities. But to leave the impression that today's Army is an air transportable Army, with airborne weapons, which can be moved anywhere in the world almost overnight is simply ridiculous. Because of what has been said or inferred, many people do believe this. When the chips are down we have to admit that we would be straining ourselves materially to move one division to any distant part of the world within a matter of hours, and that they would have to leave the greater part of their heavy equipment behind. That division would possess, however, considerable atomic capabilities.

It boils down to this. We could get a lot more Army if we were willing to spend the money for it. We have taken a chance that the money that we have programed, backed by the recommendations of the people who are expert on defense, makes this an adequate budget for this time. The committee recommends the figures that are to be presented to you today and I shall give you those figures.

The revised 1957 budget estimate, including supplemental funds for the DEW Line and for the Reserve Forces Act is $7,761,425,000 compared with the 1956 appropriation of $7,329,953,000. The committee has recommended a reduction. It recommends an appropriation of $7,497,582,000. That means that the current bill is $263,843,000 below the 1957 revised estimates. But it is $167 million above the 1956 appropriation.

That reduction—and I want to emphasize this—that reduction of $263 million includes $228 million which is the amount budgeted to replace deutschemark support from the German Government; there is some question whether the German Government will continue to provide that deutschemark support for our forces overseas. If it does not, we shall have no choice but to go back and replace all or a considerable part of the $228 million thus deleted.

There is in this bill a rescission of $110 million from the Army Industrial Fund which is to go back into the general fund.

A great part of the money carried in the Army budget is, of course, for military personnel. That amount is $3,556,000,000. These are fixed costs about which very little can be done. They include uniforms, they include food, they include housekeeping costs. Those costs vary little from year to year. There is a slight reduction in the cost of food, not because of less adequate rations but because of reductions in the actual cost in the market.

Maintenance and Operation carries a recommended figure of $2,954,531,000. While this is a reduction of $237 million below the figure requested by the military personnel it is $123 million above the 1956 appropriation. That increase over last year was occasioned by an increase in civilian personnel costs. Although there will be 3,000 fewer civilian workers in the Army this year than last year, their salaries are higher and they cost us a net of more money.

There is a considerable increase here for the Reserve Forces Act. Seventy-three million dollars in additional money is included for the Reserve training program. Seventy-seven million dollars additional is included for research and development. Military construction for Reserves and National Guard carries the full amount of $40 million which was requested by the Army and which is programed and listed in the hearings. Incidentally, a list of the facilities to be constructed appears on pages 1344 through 1350 of the Army hearings.

On Reserve personnel, we have been impressed by the recent showing of progress in the 6 months' training program. It started out slowly. It looked as though it might be a failure. But in recent months there has been a considerable step-up and, as the Army moves into and gains more acquaintance with it, and as the public becomes more fully cognizant of what this program means and offers, we feel it will continue to grow. The Army wanted to budget for 100,000 trainees. Actually they now have 27,000, so it appeared that 100,000 was entirely too optimistic a figure to plan for. As a result, we have made a cut of $8 million in the amount that was requested by the Army. We feel that money will be adequate, but the committee does not want to take the position of limiting either the Reserve training program or the National Guard program, and the committee invites the Army to come back for supplementals if more money is needed in either of these programs.

I should like to touch for a moment upon research and development, because in research and development we have recommended the full amount of the budget estimate, $410 million. This is

$77 million more than was programed for 1956. We feel that it is a good program which possibly is being carried on as rapidly as it should be. There is not complete accord in the committee on that feeling. There is some apprehension that we may not be going fast enough in research.

General Gavin, who is doing an excellent work as head of Research and Development, stated to the committee quite frankly that he could use to great advantage additional money in this program. Yet the fact that there already is in this program $77 million more than we had last year, plus the fact that the Secretary of Defense has $50 million that he can use wherever he wants to in research and development, makes it appear to us that there is enough money in the program. We hope we are right. We certainly have no inclination to limit that essential activity.

Production and procurement, which always is a costly item, does not carry any requests for new funds under this bill but it does carry the approval of an obligational authority for $1,386,000,000. This will come out of money already on hand which has been accumulated in recent years primarily as the result of not buying as much equipment immediately following the Korean war as had been programed. This new obligational authority includes a shift of emphasis to the procurement of new weapons in the fields of guided missiles and aircraft and in the atomic fields. Actually major procurement has been held back awaiting the development of new, more modern weapons and equipment.

In other words, let me say that we have not made major cuts in the Army budget. We do not feel that major cuts are justified. We do not feel that there is room for complacency in considering the world picture. The strength of the Army in personnel has been markedly reduced over the period of the last 3 years. It should not be scaled down further or cut too deeply in fund requests. We cannot with safety go below a certain nucleus of a hard-hitting military force, which we believe we now possess. We feel there still is so much need for improvement of the Army in air transportability, in new-type light weapons, and in atomic capability, that we cannot afford to pare too deeply into the present budget structure of the Army.

A short time ago, the editors of this Nation stated that they considered the Russians are winning the cold war. Certainly, the Soviet peace offensive with its emphasis and achievements in diplomatic and economic spheres of activity cannot be ignored. But the thing that we are primarily concerned with today, as we discuss the military appropriations bill for the fiscal year 1957, is that the Soviets also continue to make decided military progress and that they may be ahead of us in very important fields. A number of national figures believe that the Soviets are ahead of us in guided missiles, one field where I do not think we dare let anybody get ahead of us. Statements made by the Russian leaders indicate that they are cocksure about their progress in guided missiles and that they may know they are ahead of us. Very recently there appeared in some of our leading publications the flat statement that the Russians stole the recent world atomic show which carried emphasis on peacetime utilization of atomic energy. The statement has been made time and again that the Russians are educating and training more scientists and technicians and engineers than we are. I do not think we can afford to be unmoved by these manifestations.

I do not think the Congress is unmoved or unconcerned by these dangers. I do not think Congress can be numbered among those who are complacent about our defense and our military posture in the world. Year after year the Congress in its judgment, and I respect its judgment, has taken the collective best opinions of the Nation's ranking military leaders and has, on the basis of their advice, provided the money which has been deemed essential for the defense job at hand. Although we have to depend on these experts for guidance, there is our own responsibility to evaluate the information which is given to us, and then to give to you the soundest and best recommendations we can advance. And that I confidently believe is the basis upon which today's bill is presented.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 20 minutes to the gentleman from Maryland [Mr. Miller].

Mr. MILLER of Maryland. Mr. Chairman, this appropriation bill for the Department of Defense is a measure of outstanding importance both because of the astronomical sums involved and because of its direct bearing on the safety of our Nation and of the free world.

Providing as it does directly for the expenditure of over $33½ billion, it dwarfs all other current appropriations and roughly equals a half of the budget for fiscal year 1957. Thousands of items included are vital to the well-being of our Armed Forces and many of these items, did time permit, are of such significance as to warrant long and searching discussion. As has been pointed out, this subcommittee has held hearings contained in 7 volumes totaling 6,419 pages of on-the-record testimony, and has heard many hours of additional testimony which, because of its highly classified nature, cannot be printed.

Because of the vastness of the field it would be futile not to admit frankly that in many important instances time and human limitations have not permitted the subcommittee to more than scratch the surface and make spot checks here and there.

Nevertheless, we believe we have marked up a good and sound bill. It is brought to the floor with remarkable unanimity by this committee.

Perhaps it would be well to summarize briefly the problems this bill is designed to meet.

The major objective is simple to define. It is to provide the funds necessary to maintain adequate Armed Forces to protect our country and to so deter aggression against us and the free world that the calamity of war is minimized now and in the foreseeable future.

This requires that we maintain a posture of readiness, not only at the moment and during fiscal 1957, but for many years to come.

We must be capable of meeting on the instant either a so-called brush-fire war or an all-out conflagration. This seriously complicates the necessary posture as we must be ready at all times to meet different types of threats.

A localized outbreak might occur in many different parts of the world. We must have the capacity to check it promptly, lest it spread, irrespective of location and climate. Likewise, we must be ready to react on a moment's notice with devastating force against any aggressor who might initiate World War III and, in case of such a catastrophe, be in a position to hold the enemy at bay while expanding and mobilizing our forces and production for all-out effort.

Another factor of utmost importance is that this posture of readiness must be maintained for an indefinite period. We must not strengthen it as of today or tomorrow at such cost that economic collapse might occur later and make us vulnerable years from now. Our potential enemies are hoping for just that.

Of course, if our economy could afford it, it would be desirable to have larger forces in being. We would be more comfortable if we had more divisions battle ready, more air wings, more fighting ships and marines. There is not one of the Chiefs of Staff but would like to have more men and tools with which to discharge his heavy responsibilities. On the other hand, the larger our standing forces, the greater the drain on our national economy. A radical increase in our forces also would have worldwide political repercussions and intensify rather than reduce present tensions.

Likewise to meet any sudden emergency, the larger the stock of weapons, equipment, and munitions on the shelves—the better, but the rapid obsolescence in many categories makes this dearly expensive if the emergency does not develop in the immediate future. It is also recognized that an assembly line in being, made possible by a stretch-out in procurement, would be of more value in case of an all-out mobilization than to have more of the item completed and in storage. The long lead time necessary to get a new assembly line in operation might well result in a serious shortage at the most critical period. The situation requires maintenance of a large production base capable of rapid expansion but also requires at least a minimum number of skilled workers in many fields and to retain their skills, they must be employed.

The National Security Council, the heads of the departments, the Joint Chiefs of Staff, as well as the Bureau of the Budget and numerous other agencies are constantly confronted with these factors in a world where there are constantly changing technical and political conditions.

The bill now before us represents generally the best answer that our leaders have been able to bring forth to meet the complicated requirements.

The active strengths in the Army, Navy, and Air Force have been only slightly increased or, in some instances, slightly reduced.

Emphasis has been placed on securing ever-increasing firepower, mobility, and combat readiness and as a corollary better planes, ships, weapons, missiles, and equipment of all kinds. Speed, power, mobility, and quality are everywhere important. A well-balanced team on the ground, at sea, and in the air is essential and is what this bill seeks to provide.

Research and development always is and should be of top importance.

We believe that this measure contains adequate financing for research and development which, because of its very uncertainty and the indefinite time elements involved should be kept up constantly at nearly maximum level, year after year, regardless of the size of forces in being.

At long last a determined and promising effort is being made to build up our Reserves. This bill contains sufficient funds to meet current estimates in this important area and our committee has made clear that if there is greater acceleration than anticipated, it will gladly recommend additional funds when needed. Well-trained reserve and National Guard units will reduce the necessity of larger active forces and provide adequate security at much less cost.

Much has been heard of late of the importance of missiles in general and the midrange and intercontinental ballistic missile in particular. The testimony indicates that this bill contains about all the financial support that can be effectively used for missiles. It provides for some duplication which, though highly expensive is wise, and in fact a necessary precaution. We cannot afford to put all our eggs in one basket and we cannot afford to discard old and proved weapons and methods for new and untried although probably better ones. The cost must be met as necessary insurance until the new and better have been fully tried and tested.

Also we must be ready for the alternate types of emergencies I mentioned earlier. Weapons like an H-bomb with megatons of destructive force cannot be used in many situations. The foot soldier with bayonet and hand grenade at times is the only practical means of meeting the requirements. We must possess a large inventory of weapons and a variety of means of transportation, and be capable of great flexibility in their use.

In broad terms then, this is the problem this bill seeks to solve. The order is huge and so is the cost. On its overall sufficiency rides our fate and that of the free nations of the world.

The whole must be coordinated and kept in balance, and this is a task requiring the best brains and judgment of our leading experts, and they have been called on to give us just that. It is something that should not be altered piecemeal. If it is changed here and there it may throw the whole picture out of balance and destroy what is meant to be a carefully rounded out whole.

It would be easy to recommend funds to supply more planes or defense weapons, but overspending would, if carried too far, upset the national economy. Also, it is not sound business in any field to be weighed down by a surplus of spare parts. This not only applies to spare parts in the military sense but also to such things as engines for planes that do not exist, or to supply planes which you cannot use because there are not trained crews or maintenance men to handle them or airfields and bases from which they can operate, as our distinguished committee chairman mentioned in his remarks.

The emphasis should be on reorganizing to meet the new changing conditions.

One thing, I think, that has been made particularly clear to us is that, certainly, there is no sign of a push-button type of war in the foreseeable future where the foot soldier or the man with the bayonet, the man who can go in and hold and retain ground and keep order, will be replaced by machinery. We need ground forces today as crucially as we have ever needed them, but they are undergoing a great deal of transformation occasioned by the rapid changes in firepower because of new weapons and also the defensive problems that are involved in new deployments, wider areas of battle, which are envisaged as a part of an atomic war. With that comes more complication in communications. There is a great deal of money in this bill to provide adequate communication systems in this electronic age.

Another thing that is particularly gratifying in the reports of this year with respect to the Army and with respect also to the other services is that the efforts of the Congress and of the Defense Department to improve conditions or to improve fringe benefits and to make service life more attractive seems to have begun to pay off. There is nothing more expensive than constantly training new recruits. It is rather interesting to note that reenlistments in the Regular Army in 1954 were at a rate of 21.1 percent. By 1955 they had jumped to 60.2 percent and for the first half of 1956 to 64.8 percent. It gives us a great deal more for the taxpayer's money when a trained veteran reenlists. We have not only a better Army because we have trained men right there, but it also means that we do not have to have another trained man detailed to instruct. So the quality of our Army has improved materially. The providing of better living conditions and better advantages for our service people seems to be paying real dividends.

Another thing the Army has done, and I think it is to be commended, is the emphasis that has been put on using as many people in actual combat positions as possible rather than to have a big overhead of noncombat troops. The figures on that are very interesting, too. In 1950 the ratio of combat forces to all forces in the Army was 1 to 1.63. As of now and programed for the coming fiscal year it is 1 to 1.1, a drop of more than 50 percent.

We have discussed the reduction in forces. However, it is believed that our Army even though it is not as large as some would like does carry tremendous fighting power. One of the things that is obvious and on which a great deal of work is going forward is transportation of all sorts and communications of all sorts that I mentioned before. Some of that involves air development, helicopters, and special-purpose planes, which do not, to any great degree, come under the scope of the Air Force or Navy missions. When you hear about the 4,000 planes or aircraft that the Army is working on, do not be confused about that. There is no duplication there because, as a matter of fact, there are many functions that are necessary in modern battle where you need to get up in the air, which is not flying in the accepted sense of long flights or of the type of flights that is allocated to the Air Force and the Navy Air Force. We have to build up an air branch in the Army if we are to have a thoroughly modern Army, one that can be deployed correctly and efficiently.

The Navy is emphasizing new developments, too. Nuclear propelled submarines have revolutionized many things. There is more emphasis not only on missiles but on ships that will carry the missiles.

Mr. Chairman, I think I can assure the members of this committee that we have a dedicated team working in the Defense Department. Personalities may appeal to one more than another, but by and large I have never had the privilege of working with finer civilian and military officials than have come down and told their story to our committee. As my panel chairman has said, I think we have had the best justifications and the best presented case by the various agencies that have appeared before us that we have had in my experience.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I am quite sure that my friend and colleague, the gentleman from Maryland [Mr. MILLER], will agree with me when I make this statement, I think that we now have the finest liaison between the Members of the Congress and the Pentagon that we have ever had. The members of the liaison staff are extraordinarily fine, outstanding officers and agents, and they do a remarkable job for the Members of the Congress. No longer does it take two or more weeks to receive answers to congressional mail. They are really on the job, and I am sure the gentleman will be glad to make a statement in their behalf in connection with his presentation today.

Mr. MILLER of Maryland. I fully concur with the statement of the gentleman with respect not only to the liaison officers but all personnel in the Armed Forces that have been specially delegated to work with the Congress. They have done an outstanding job as a whole, and they have been well chosen for the assignments.

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, this bill deals with $36 billion, and it is obvious that this House is reconciled to the acceptance of this bill and this report by this committee, because, while we are talking about military matters, there is not a corporal's guard on the floor.

There are not 36 people here, hardly $1 billion a Member, as of this hour of the debate. Of course, I am satisfied, as I look about me to see who is here, that a great degree of appreciation and intelligence for the problem before the House is ably met by the Members who are present.

Mr. Chairman, I find this room today thick with an atmosphere of omniscient complacency, and out of an abundance of caution, if for no other reason, I violently take exception and beg to disagree with that attitude toward this bill and toward the circumstances with which it deals: the status of national defense.

I would like to begin by referring for a minute to the attitude of the Secretary of Defense to acts of Congress dealing with appropriations for national defense. Last year you will recall I was active in protesting and objecting to the Department of Defense demanding a cut in the Marine Corps of 15,000 men; this great elite combat corps of which we are so proud and the Nation is so proud. This Congress saw fit to agree with me and to disagree with the Secretary of Defense. And this Congress assisted, by passing the appropriation bill and restoring to the Marines 15,000 men and the necessary dollars for the support thereof.

That bill became law, was signed by the President of the United States. Despite that fact, the Secretary of Defense in his wisdom refused to utilize that money and refused to raise the Marine Corps 15,000 additional men.

Further than that, Mr. Chairman, he has imposed upon it this year a force strength which amounts to a cut of an additional 4,000-plus men.

At the hearings of the Defense Subcommittee this year I said to him, "Did you not in effect veto an act of Congress?"

And he said, "Yes."

I asked him if he consulted the President and he said, "No."

I asked him if he consulted the Attorney General on such a delicate and highly controversial constitutional question of law as between the administrative and the legislative; and he said, "No."

I asked him if he consulted the Chief Counsel of his own department, and he said, "No," that in his judgment he would not agree with the action of the Congress.

This very day, Mr. Chairman, I hold in my hand a statement from the Associated Press, taken from our ticker in the corridor, which shows that that same question was raised in the other body, when the distinguished Senator from New Mexico, Mr. CHAVEZ asked Mr. Wilson the same question on this problem:

> Wilson said be believed Congress came to a "pretty snappy decision" last year in providing for an increase in the Pentagon-proposed manpower level for the Marine Corps.
>
> Subcommittee Chairman CHAVEZ wanted to know why the Defense Department had asked to shift extra funds Congress voted last year in order to put 215,000 Marines in uniform.
>
> Wilson said the Joint Chiefs of Staff had agreed on a personnel allotment of 193,000 Marines and the Corps itself "had not asked" for the increase. There had been sentiment in CHAVEZ's group for the higher level.
>
> "While I wanted to give due consideration to what the committee had suggested," Wilson said—

I repeat this for the purpose of emphasis. Here is a beau geste, indeed. Quoting Mr. Wilson:

> "While I wanted to give due consideration to what the committee had suggested—"

And add this parenthesis from me. We are certainly grateful for that consideration at least.

> "I didn't think it was quite proper for a committee to set the force level exactly, especially without hearings."
>
> For that reason, Wilson said, he decided as a compromise to leave the Marines where they were—

He decided—

> between 200,000 and 205,000.

Now that is the situation. The Congress proposes and the Secretary of Defense disposes. And that is the end of that, constitutionally and every other way, in case, Mr. Chairman, you are still interested.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes, of course.

Mr. FORD. Would it not be fair to say at this point that the amendment to which the gentleman referred in reference to the Marine Corps Fund for the fiscal year 1956 was defeated in this body. It prevailed in the other body by a 1-vote margin. In conference I believe $47 million was made available for this additional increment of about 15,000. After the appropriation bill was signed the facts are, I believe, that instead of going down to the ceiling as recommended by the President for the current fiscal year they went down about half way or thereabouts. The net result was that there was a compromise between the figure approved by the Congress and the figure recommended in the President's budget for fiscal 1956.

Mr. FLOOD. I may say to the gentleman from Michigan I have been quoting Mr. Wilson, and I think Mr. Wilson is a far superior authority on what he did or what he thinks than I. But the fact does remain that the Act of Congress was as I stated, and the fact also remains that Mr. Wilson did exactly what he told the Senate this afternoon.

Mr. FORD. The point I am making is that the sum of $47 million, which was the amount for the additional personnel for the Marine Corps for 1956, was used in part, and there were more men kept on active duty for the Marine Corps during this fiscal year than had originally been planned.

Mr. FLOOD. Except, and this is the point I make, that the Secretary of Defense did not comply with the Act of Congress.

Mr. FORD. Of course, he has ample precedent for that in the case of the previous administration.

Mr. FLOOD. The gentleman is going to follow me and he will do it well and ably. He knows the point I make. I know the point he makes. I hold a brief for nobody. I am not writing an editorial, I am merely reporting the facts. The record will establish all this.

May I say, Mr. Chairman, in addition I am concerned about the status of the Army. I was going to propose in due course an amendment to the Army bill asking that one more division be restored to the Army. I want you to know, Mr. Chairman, that the Chief of Staff of the Army, who knows far more about this problem than I do, and even you, Mr. Chairman, tells my committee, and I am on the Army panel, that to do the job he thinks should be done under all the circumstances the United States Army should be next year 1,300,000 men. That is the testimony of the Chief of Staff of the Army, not mine. Next year the administration is going to give the Army a little over 1 million men. They will have at least 275,000 men short of what the Chief of Staff of the Army says and thinks he should have. Oh, of course he agrees with the budget. Oh, of course he accepts the budget. Oh, of course he goes along with the Joint Chiefs of Staff. I am just telling you what he told my committee. You draw your own conclusions. Your Army will be short 275,000 men to do the best job that could be done. You are not going to get the best job with 1 million men, says the Chief of Staff of the Army, not me.

I wanted to raise that one division, $117 million, less than 22,000 men. I am satisfied that amendment will not prevail. I am satisfied this House is reconciled to the report and the action of this committee, and there is no sense of my flying in the face of them under that circumstance. I dissent. I cannot agree. If it were in my power, Mr. Chairman, I would vote the money for maintenance and supply, for materiel, and for men to raise the United States Army to that figure which the Chief of Staff says he can do the best job on under the circumstances existing in the world today, to 1,300,000 men.

Here is the situation. We do not have the biggest or the best army in the world—we do not have it. The pride of our Nation since we were born has been the power and the might of our Army. We do not have the biggest and the best army in the world today—somebody else has—we do not. We do not have the biggest and the best Air Force in the world today—somebody else has. We do not have the biggest and the best submarine fleet in the world today—somebody else has. We do not have the biggest and the best merchant marine in the world today—somebody else has. What have we left? What have we left? That is the situation. We are no longer top dog. Somebody is bigger than we are. Somebody is more powerful than we are in various areas—too many areas. We are settling—we want to make a deal—we are not the biggest, the strongest, the most powerful. The American people think so—well, they are wrong. That is no longer the case. If the American people know the truth—if the American people had the facts, and if the American people are satisfied with the second best Air Force, then that is up to the American people and I will not disagree with them, but I am sure they do not want it that way. I am sure they do not know it that way. But that is the way it is. He who prefers peace and prosperity in that situation must debate with me. I am not that interested in balancing a budget—I am not that interested in getting elected. I am concerned more with the national security beyond question—beyond reasonable doubt, than I am with a balanced budget in an election year. Make this very clear, Mr. Chairman—I do not say that we are weak and defenseless. There is very little said by my colleagues today with which I can too much disagree on quality of men or nobility of performance in the records of our Army and Navy and Air. I find no quarrel and certainly I do not challenge. That is the way the situation is. Now this is the problem. Here are the two questions. I am not challenging the integrity or the patriotism of anybody in the Pentagon.

Certainly, Mr. Wilson and the civil Secretaries of Army, Navy, Air, and the Joint Chiefs of Staff are honest and sincere and loyal and patriotic Americans. I would be the first to defend any one of those men against any attack on those qualities, and I would do it proudly knowing I was right and the accuser and the attacker would be wrong. But is it lese majeste, Mr. Chairman, for me to disagree? Do I fly in the face of the gods in the House of Representatives if I cannot concur? Is that a question to my integrity and to my patriotism and to my honesty? I am sure no one will say me yea. So hear me, Mr. Chairman, this is the question—not the affirmative arguments made by my friend: How good the Air Force is; how good the Army is; and how great and good the Navy and their records are. With that I concur, but hear this: Has the administration decided that supremacy in the air is too costly and must yield to the balancing of the budget. Has there been a top-level decision that it is not necessary to stay ahead of Russia; that maintenance of a striking, yet not superior, long-range bomber force would be sufficient? Mr. Chairman, thereby hangs a tale. Has there for the first time in the history of the United States been a change at the highest level of the administration's defense policy that that is what is going to happen? Do you believe that the American people want to accept the fact that we are going to be a second best long-range bomber force, simply because our overall airpower is safe and good? I say, Mr. Chairman, that no matter what the effect, no matter what the strength or ability of the overall airpower, Marine, Navy, National Guard, Reserve and all the rest, I say the American people will never accept an administration policy which says that the long-range bomber Air Force of the United States must be second to anybody, regardless of what the airpower is in every arm of our department.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield.

Mr. THOMPSON of New Jersey. Yesterday the Secretary of Defense said something about fearmongers, those who defend the strength of our military defense and so on. Does the gentleman have any comment on that subject?

Mr. FLOOD. The Secretary of Defense has a special and peculiar genius for saying the wrong thing at the wrong time. That is just another glaring example.

Mr. Chairman, let us inquire for a minute about the bomber. It has been emphasized today that our medium bombers B-47, of which we have some 1,400, is a great striking bomber force; and nothing could be truer than that. That is great. We are lucky to have them. I am delighted, and so are you. That is the reason given for allaying your fears about the lack of a great B-52 long-range heavy striking force. Do not worry about that, we are told. Suppose we are No. 2 to Russia in heavy long-range bombers. Suppose they have a greater striking heavy bomber force than we have; we have the great medium-range bomber force that with tankers can cover a 1,500-mile radius. We have got them spotted in our positions all around the perimeter of Russia. There is where my friends fail in their thinking. Where are the bases from which these bombers must take off and to which they must return? In the United States? No. Not in our Territorial possessions? No. Every one of these bomber bases is in foreign territory, under the jurisdiction of a foreign sovereign power, north, east, south, and west. Let me direct your attention to the political instability on the face of the earth today. Let me direct your attention to the political instability of these allies, alleged allies and neutrals, where our bomber bases are located. Let me direct your attention to the fact that Soviet Russia has perfected a 1,500-mile ballistic missile, every one of them directed to and aimed at our bomber bases in those foreign countries. Let me ask you when the lid goes off what will be the first thing struck? In 1 hour against our bomber bases for our medium bomber planes, and then where are you? Where are you if even a part of that attack would succeed? Yes. Some of our medium bombers and sacrifice planes might get through.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. FLOOD. Those things are all true, but I say out of an abundance of caution if for no other reason, in keeping with the great purpose of the defense forces of this Nation, that upon ourselves we depend when the chips are down when we know we must, as we always have.

I say to you, Mr. Chairman, in this business there is no margin for error; no margin for error is pemitted in national defense, none; and in this budget there is absolutely no margin for error.

Let me point out to you what I mean. Secretary Wilson in testifying before the other body's committee yesterday said:

> This is an austere budget; this is a minimal budget; this is pared right down to the last dollar. There is no margin, there is nothing extra; this is right down to the limit; we have no cushion.

Let me call your attention to page 41 of this committee's report on this bill, and here I read the Air Force statement made by Gen. Nathan Twining, Air Force Chief of Staff:

> The program I have outlined in the budget for fiscal year 1957 is austere. It meets only our most essential needs on a minimum basis. To keep this minimum program going and to reach and support 137 wings, will require an increased budget in 1958.

What is there sacred about 1958? Is it just because it is an even number? Mr. Chairman, I will tell you what will happen in 1958. The minute November of 1956 this election year passes you will see requests for money coming to this Congress next year asking for another couple of billion dollars for the Air Force. A B-52 costs $8 million. Thirty B-52's cost $240 million.

Let me tell you what the problem is besides that: You must have the runways, you must have the airbases and you must have the personnel. We do not have them. Do you know that? We do not have them.

Not only do we not have the B-52's, we do not have the air bases from which to fly them if we did have them; and if we did have the airbases and if we did have the big bombers themselves we do not have the crews to man them anyhow; and the crews we do have are getting out of the Air Force. Ninety percent of them at the end of their 4-year hitch are leaving the Air Force. Why? Because you take care of everybody else. The goose hangs high, peace, prosperity, everybody eats high on the hog, everybody is driving a General Motors automobile, everybody has a beautiful house, but not the personnel in the defense establishments. You have your Air Force wives, your Air Force personnel, and your Air Force children. At Sidi-Slimane and other Air Force bases in North Africa they live like cattle, having to go to outdoor latrines, living in tents in the desert summer and winter.

You have no housing for the defense people, you do not educate them, you do not give them a chance, you do not properly care for their dependants, you do not give them a proper medical program for their dependants, you do not give them a proper life insurance program, you do not pay the enlisted man in any branch of the service, the Air Force especially, proper money. You pay them according to grade, you pay them according to their classification; you do not pay them according to skills.

And let me tell you what happens, Mr. Chairman. Talk about the great plane orders, remember this: If you had 100 B-47 bombers on the line tonight do you know that 30 percent of them could not take off? Thirty percent of your 100 bombers could not leave the ground; and of the 70 that did take off, 15 of them would turn back because of mechanical defects. In other words, only 55 of your 100 bombers could get going. Do you know that? We do not hear about that; but that is the way it is, because you have not the crews, you do not pay them, and you cannot keep them. I do not blame them. How would you like to be a crew chief working alongside of me? I leave the Air Force at the end of my hitch, say that was 30 days ago. Now, I come back as a technical representative hired by the Air Force getting $1,200 a month. Last month I was your buddy in the barracks.

Now I work as a civilian alongside of you. You get $250. I say to you, "Hello, sucker." What is a man going to do when his hitch is up? He is going to get out of the Air Force. He is going to get his $1,200 as a civilian and work alongside of your son getting $250 a month. That is what is the matter, too.

Do not stand up here and tell me, Mr. Chairman, about the great Air Force we have. You do not have it. But we must have it. What good is an Air Force if you cannot put it in the air and keep it there. You do not have the B-52's, you do not have the air bases to put them on, you do not have the crews to keep them there. That is where your Air Force is. Those are things you must examine.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true, may I ask the gentleman, if in the bill now before us there is a projected congressional cut of $236,465,000 in the budget as submitted by the President and Commander in Chief?

Mr. FLOOD. That is right, and I am against that. Is that clear? Let me add this, too: Much has been made today about the foreign aid bill and what is in the foreign aid bill. I refer to the President's foreign aid bill. Men have come down here today and defended this budget, to which I object as not good enough or big enough, for the national defense to balance the budget. I am not interested in balancing the budget if I think national defense is in jeopardy. These men say they are against the President's foreign aid bill. Let me tell you, I am against this budget and I am for the President's foreign aid bill. I am for giving the President every dime he wants for next year and for the next 10 years if he wants it. Put that in your pipe and smoke it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Iowa.

Mr. GROSS. I thought the gentleman said just a little while ago that the situation throughout the world, or in most parts of the world, was very unstable

Mr. FLOOD. There is no question about that.

Mr. GROSS. Well, we have spent $60 billion and we have received nothing for it.

Mr. FLOOD. I am not interested in that. I am interested in paying a very expensive premium on an absolutely necessary insurance policy. That is what I will pay for and I know what the facts are.

Mr. GROSS. What good is an insurance policy if we have already spent $60 billion and have produced no friends in the world.

Mr. FLOOD. I am not interested in friends. You cannot buy friends any more than you can buy the love of a woman. I want security. I have the money and I will pay for it.

Mr. GROSS. After we have spent $60 billion?

Mr. FLOOD. That is for what we have today and we have this roof over the head of the Congress, here in this Capitol. That is worth $60 billion of anybody's money.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Michigan.

Mr. FORD. Although the gentleman from Pennsylvania and I may have some differences on this bill, I should like to emphasize one point which he has made that is not tied in with the foreign-aid bill frequently enough. If we do not appropriate enough money under the foreign-aid bill, the military part of it, we would undoubtedly have to make a substantial increase in the military funds for our own forces. Under the foreign-aid bill we are able to get substantial land, sea, and air support, which we get more cheaply than we would if we had to do it entirely on our own. I agree entirely with the gentleman from Pennsylvania.

Mr. FLOOD. I thank the gentleman from Michigan. Let me pay him the highest form of compliment that I can think of. I could not have said that better myself.

Mr. Chairman, there is one other thing I want to add and that has to do with air tankers. Let me emphasize to you—I do not think you know—the United States of America has no air tankers for B-52 bombers. Let me repeat that. The United States of America has no air tankers for B-52 bombers. Do you know that? Your air tankers are for your medium-type bombers. I might add that the best of our intelligence and information indicates that as far as we know the Russians have no air tankers of any kind that we so far are able to determine, and our Air Force has perfected the technique of air tankers for use with our 1,500-mile B-47 medium bombers. We have a done a beautiful job on that. There is much more on this bill I want to say but my time is up.

Mr. Chairman, I include as part of my remarks an article appearing in the Reader's Digest as well as articles appearing in the Washington Post and Times Herald, the Evening Star, and an article dealing with General LeMay's statement before the Senate investigating subcommittee:

[From the Reader's Digest of May 1956]

Do We Want the Second-Best Air Force?

(By Francis and Katharine Drake)

(The first of two articles telling what must be done for the United States Air Force at once if Soviet Russia is to be deterred from ever starting World War III. Written after 4 years of patient research at Air Force bases across the world, this is the story of men, the humiliating record of how a great Nation is treating those on whom it depends for its very existence. The second article will concern machines—the truth about the combat planes our Air Force has and others it desperately needs.)

Creeping paralysis is today overtaking our entire Air Force. One-third of our planes are grounded for lack of sufficient skilled men to keep them flying. In Strategic Air Command, the world's No. 1 peace-enforcer, 30 percent of our precious global bombers are earthbound, powerless to strike back at an aggressor. In Tactical Air Command (responsible for shorter missions) it is the same story. In Air Defense Command (entrusted with the defense of our cities), hundreds of our latest jet fighters are unflyable in battle.

This shocking situation is of formidable important to the Nation. Unless it can be remedied, it will eat the heart out of our ability to deter aggression. World War III can be prevented only so long as we can maintain peace by deadlock, i. e., promise total destruction to any aggressor starting total war. Our planes must be able to take off at the drop of a hat and cancel out many hundreds of key enemy targets in one great saturation attack. We are losing this vital ability.

It is a grim fact that today, out of every 100 of our global bombers, 30 are grounded at any one time. Moreover, of the remaining 70 that take off, 15 more have to turn back because of malfunction in the air. Only 55 can be depended on to strike their targets. These appalling figures are not guesswork. They derive from current practice missions.

This wholesale breakdown in combat readiness is due to one main factor: the inability of the Air Force to hang on to its skilled help. Recent dropouts have been as follows: 1954, 186,000 failed to reenlist; in 1955, 213,000; in the first half of fiscal 1956, the rate has risen to 280,000.

The critical part of these losses is that the dropout rate is highest among the men who are needed most—the skilled technicians who are the mainstay of the service. In SAC, for example, 80 percent of the K-system-bombsight mechanics eligible to quit in 1955 did so; so did 88 percent of the radar technicians, 81 percent of the electronic experts, and 75 percent of the jet-engine mechanics. In that year 42,600 of SAC's trained men left the Air Force.

Because of these losses SAC is only 50-percent manned in the high-skilled levels. Its flight personnel has been similarly hard hit. Today its brilliant flying teams cannot fully muster even 1 crew apiece for its global bombers, whereas we should have 2 crews for each ship.

To replace these losses the Air Force is perpetually enlisting fresh volunteers. But it's an endless struggle: no less than 90 percent of the newly trained skilled technicians quit at the end of their first 4-year term. This means that the average skill of our airmen is constantly sinking. Modern combat planes are tremendously complicated weapons, involving a total of 239 assorted skills. Men who work on them need long and costly training. It takes an enlistee 3 years to qualify for bomber maintenance; it costs $25,000 for his training. It takes 5 years and costs $618,000 to train the triple-rated commander of a B-47. When such men quit, not only does their training cost go down the drain but the same amount again must be forthcoming to train replacements.

In 1955 personnel losses in SAC alone cost the taxpayer $837 million. Losses for the entire Air Force totaled no less than $2 billions. In short, taxpayers are being forced to pay for the training of 10 men to retain 1.

What is back of this mass walkout? Why are so many of our most capable young men turning their backs on an Air Force career? The answer is twofold. First, pay at the skilled levels is miserably low, far below that offered by industry. Second, living conditions are miserably inadequate.

There is a public impression that all service families enjoy the life of Riley—free housing, free medical care, generous insurance, income-tax exemption, cut-rate buying at base stores—fringe benefits that traditionally bridged the gap between service and industry pay. This is not true. Today fringe benefits are all but nonexistent. The Government has reneged on them.

To appreciate the predicament of tens of thousands of Air Force personnel, suppose we trail Airman Bill Smith through his first hitch.

Bill is 19 when he joins the Air Force, intelligent, ambitious. Classified for radar training, he spends the first 30 months rewardingly enough, his head in a book or over a workbench, learning his job from master technicians, training for duty in SAC. Living in barracks he has few expenses, few complaints.

Then he makes airman first class ($140 a month before taxes), sends for his girl, marries and applies for family housing. The recruiting promise was free housing for married personnel—but SAC has 90,000 families and only 16,800 houses. Instead of free quarters, Bill is given the regulation $77 a month allowance to rent civilian accommodations in the nearest town, 15 miles distant (most bases are isolated), plus $1.05 a day for food.

There are plenty of areas where $77 would rent comfortable quarters; but the vicinity of a large, underhoused airbase is not one of them. For every vacancy, many applicants line up. When landlords see uniforms, rents soar; like most civilians, landlords think Uncle Sam pays for everything. Near some bases, especially in the South, Air Force families are paying as much as $100 a month for unheated wooden shacks with outdoor privies. Overall, there are some 250,000 Air Force families who are forced to chip in $20 to $50 a month above their quarters allowance for shelter.

The Smiths finally get a furnished apartment for $95, including utilities. Besides this, Bill must dip into his own pocket for around $20 a month for gas and oil to commute to and from the base daily. After paying rent, taxes, gasoline, there is $29 a week left out of his pay and allowances for living. Food averages $15 a week. That leaves the Smiths exactly $2 a day between them for clothing, supplies, spending money.

Mrs. Bill figures on economizing by shopping at the post exchange, where discount prices are supposedly traditional. She has an uppercut coming. She finds that food prices are no cheaper, frequently higher than downtown; stocks are restricted, selections less attractive and there are no specials. The newlyweds require some basic equipment. They find an electric grill priced at $23.50 in the PX; the duplicate sells for $17.50 downtown. An identical set of dishes sells for $1.55 more at the PX than in the five-and-ten. When Bill squawks, he is told that base stores are now forced to make high profits and turn them over to welfare funds for swimming pools and other recreational facilities which Bill, in common with the public, assumed were paid for by the Government. (In 1955, SAC PX's alone turned in no less than $3 million net profits to welfare funds.)

The grapevine gives Bill the background of this squeeze play. Retail merchants have an aversion to low-priced sales by the Government to servicemen. Their powerful lobbies are agitating in Washington to have base stores closed altogether, have already succeeded in restricting their stocks, raising their prices, imposing a 3½ percent surtax on all foods and a 10-percent tax on all PX sales—a strange gesture of gratitude to the airmen who are protecting their homes and families.

About this time Bill junior is on the way, and Mrs. Bill runs smack into one of the bitterest of all service grievances—lack of th promised medical care. The Air Force, overall, is 40 percent short of sufficient doctors, nurses, beds, facilities, equipment, even drugs, to care for its uniformed personnel alone. In SAC there are only 413 doctors to handle 180,000 men, scattered all over the world. The 304,000 SAC wives and children must make do with whatever care is left over. Men rate prior attention at all times; wives and children, even emergency cases, are often kept waiting for hours.

Of the doctors provided, over 80 percent are draftees fresh out of medical school, almost all of whom quit as soon as their 2-year hitch is up. There are no house calls, even for patients too ill to be moved. Only a minority of Air Force babies can be born at base hospitals, for lack of facilities. A shocking proportion of their mothers suffer from inexperienced handling and are forced to undergo subsequent repair work. At one of our largest bases, a veteran medical officer, a career doctor, told the authors: "Don't worry about exaggerating our troubles. It isn't possible. No matter when we get through there are always 50 more waiting outside."

At Bill's base there is no obstetrician, virtually no prenatal care, no guaranty of a bed when the time comes. The Smiths wind up doing what most Air Force couples have to do. They borrow from their families, get a civilian doctor and junior is born at the city hospital. From then on, the battle of the budget, on $2 a day, becomes a nightmare of spaghetti menus, patched shoes, evaporating savings.

But there are things on the credit side too. There is the sense of fraternity shared only by men who stand guard over their country, the pride of belonging to an elite corps. Then too, an air base is a sociable place and, with hundreds of families in the same fix, nobody puts on airs, troubles are shared, everyone helps out. Dependents' Mutual Assistance, a volunteer organization started by Mrs. Curtis LeMay (wife of SAC's fighting boss), is a lifesaver at SAC, especially during those long weeks when men are away on global missions.

There comes the great day when Bill, superbly trained, master now of the most secret equipment in the Air Force, is tapped by SAC for the big stuff; he is aglow at having been found worthy of such great responsibility. He works with tough, dedicated men, from whom a nod of approval counts for more than a page of praise from anyone else. Hearing those eight screaming jets blast his B–52 in from a global mission, listening to the blow-by-blow from her crew, is an incomparable thrill. Bill becomes proudly possessive, my crew, my plane. He averages 14 hours a day making sure that his job is perfectly done. But now comes the career haymaker.

With its critical shortage of maintenance men, SAC is obliged to hire technical representatives from industry to help out. Often as not these technical representatives are ex-airmen themselves, trained at the taxpayers' expense. Working alongside Bill on identical jobs, the civilians are earning up to $1,200 a month, compared to Bill's $247 (including allowances). When Bill thinks about reenlisting, the facts of life on the outside are brought home to him.

Here they are: Everywhere big industrial concerns are desperate for skilled help. Their representatives visit every base, their advertisements fill every paper. Highly paid jobs are waiting for all trained Air Force technicians. A C–124 panel engineer, drawing $194 from the Air Force, can make $545 for the same job with an airline. A master sergeant, drawing $400, can make $745 on the outside. A line chief, earning $375, is offered $600 as an airline lead mechanic.

These are only starting wages. Opportunities for promotion are unlimited. Firms are gunning for tens of thousands of additional skilled men over the next 5 years. The blandishments of industry, quite aside from high wages, are multiple and persuasive. They include the 40-hour week, paid vacations, group medical and dental care, moving allowances, retirement schemes and, frequently, valuable profit-sharing privileges.

The Smiths put in some sober thinking, but no amount of figuring can alter the essentials. The Air Force offer: a $639 bonus to reenlist; present pay $247 a month; eventual top pay, $450 a month; eventual pension, $152 a month after 20 years' service. The industry offer: present pay $550 a month, unlimited opportunity for advancement, and valuable fringe benefits. Bill has to decide what is best for his wife and baby. He quits.

The factors impelling enlisted men to leave the Air Force apply equally to officers. Officer pay checks are bigger, but so are the demands upon them, including regular assessments for charities (non-service), clubs, incessant entertaining of VIP's and Congressmen. Out of 2,500 SAC pilots eligible to quit before 1958, no fewer than 2,000 plan to do so. This will have the alarming result of breaking up no less than 1,000 combat-ready crews. Who can blame these young men, when industry is waiting with pay scales which within 2 years will enable them to earn more than a brigadier general, in 8 years to earn more than a 4-star chief of staff of the Air Force! (A chief of staff earns $15,000 a year; a senior airline captain up to $20,000.)

If conditions in this country are unhappy, those prevailing at our bases abroad are worse. Even in up-to-date countries like England and France, thousands of our service families are living in privation. In Japan conditions are disgraceful, but the low point comes in Africa.

French Morocco, the Air Force's greatest overseas bastion, has been the scene of indiscriminate bombing and shooting. Here USAF families are quartered as much as 65 miles from bases; they live in insanitary, jerry-built houses, near turbulent native areas, without telephones, transportation or protection. In Sidi-Slimane, wives and children, hurriedly rescued from impending mob violence, have had to be housed for months in canvas tents pitched on mud 2 feet thick. For lack of barracks, airmen are crowded into wood-and-canvas Dallas huts, which leak in winter and are insupportable in the desert heat of summer. With few French doctors available, hospitals (mostly of the quonset hut type) are inhumanly crowded.

At one of them, staffed by 4 doctors for 5,000 souls, the authors saw men, women, and children crowded into the same ward. Male patients were required to use outside latrines in all weather. Women and children shared a single toilet which, shielded by a sheet, was in a cubicle occupied by a dying woman. Americans would burn with shame to hear foreigners snickering at the way in which the richest country in the world treats some of its finest young people.

The mass walkout caused by Air Force living conditions is gravely imperiling the advantage we have enjoyed over Russia. The Soviet Air Force has no trouble in keeping its skilled men. The reason is not, as many might suppose, the duress of the slave state. On the contrary, the Russians have made their Air Force careers so attractive, so laden with honor and prestige, that volunteers throng to join it. Soviet air officers enjoy the top 5 percent of the national living scale, with a standard of comfort excelled only by the Politburo. Their pay—nearly three times that of the infantry—is untaxed. Only the best housing is good enough for them. Many supplies, including uniforms and cigarettes, are free. They rate a 50-percent discount at all stores and restaurants and on all forms of transportation. A single valor decoration entitles the wearer to free travel for life. Enlisted men share the same benefits in proportion to their ranks and skills.

Secretary for Air Donald A. Quarles sums up the USAF problem thus: "I can think of no invention, no new aircraft, no weapon, that would increase our Air Force capability in a measure so great as would be achieved by providing a stable corps of trained personnel."

If peace by deadlock is to be preserved, the Secretary's goal must be achieved. It can be achieved if the Congress, supported by the

people, wills it. After 4 years of researching Air Force personnel problems at home and abroad, evaluating the living conditions of officers, airmen, and their families, it is the belief of the authors that it would require the following minimum program to reach the goal:

Pay: The present Air Force method of paying by rank should be replaced by the industry system of paying by skill, and pay will have to be increased by at least 50 percent for the highest skills. (A recent Gallup poll showed that taxpayers were almost 3-to-1 in favor of raising service pay.) This move would actually save money, for it is cheaper to raise a skilled man's pay from $3,000 to $5,000, providing he reenlists, than it is to spend $25,000 a year to train his replacements.

Since even a 50-percent raise will still not equal the pay offered by industry, the difference must be made up by (a) restoring the $1,500 tax-exemption formerly granted servicemen, and (b) restoring the fringe benefits that have traditionally formed part of service pay, as follows:

Housing: Construction must be radically stepped up. The Air Force is 250,000 units shy; it has only 20,000 under construction for the whole of 1956. There is a way to build the necessary houses and still save the taxpayers' money. The Air Force is now paying out $450 million a year in quarters allowances. This money disappears into the pockets of civilian landlords. Under the Capehart law, however, the Air Force has the power to order new houses, assume the mortgages and pay them off out of this same quarters allowance. As things are, we shall pay landlords $3½ billion of rent during the next 8 years and have nothing to show for it. For the same money, in the same time, we could house every family in the Air Force, and have no further capital disbursements thereafter.

Medical care: A bill (H. R. 9429) has been introduced, providing for a group-insurance scheme under which service families would be able to use private doctors and hospitals, at Government expense, whenever service facilities were unavailable. This scheme would cost $10 a month per family. It is a good scheme, way overdue, a product of long study by numerous commissions. If it is adopted, it will banish at one stroke one of the major hardships of service life.

Commissary and PX privileges: The value of these privileges should be restored immediately. It can be done by removing the 3½-percent surcharge on food, the 10-percent tax on PX sales, reestablishing nonprofit prices and throwing out lobby-finagled curbs on what may be stocked and sold.

Education: Present Government subsidies toward college degrees should be made available to men who stay in the service, instead of being restricted to the men who get out. The Government now offers a man $639 for his first reenlistment, but, if he does not reenlist, it offers him $5,280 for a free college education. It would cost only $1,600 to subsidize the same education, through evening study, for men who agreed to reenlist for, say, another 6 years. This would not only raise the standard of education throughout the service but provide a major inducement to an Air Force career.

Life insurance: This should be increased to at least $25,000. The present maximum of $10,000 was established nearly 40 years ago when widows could bring up children at one-quarter the present-day costs, and when the hazards of jet flying were unknown.

Air Force surveys indicate that if some such program were put through, the reenlistment rate for skilled men would jump to about 65 percent, which would be ample for all needs. Such a retention of trained men would permit a tremendous cut in the everlasting retraining programs. Without buying another new plane, we could greatly increase our combat readiness. SAC estimates that with even a 5-percent improvement in maintenance and operation, it would be enabled to place 200 additional bombers over targets on any given day.

From the human point of view, some such program is shamefully overdue. Men who forgo the freedom and rewards of private industry and dedicate their lives to the defense of their country can never be repaid solely in money. But one thing we can do is to make sure that they will not be deprived of a decent American standard of living while guarding their country.

In the words of former Secretary for Air Harold E. Talbott: "We have the master weapons and the master plan. To persist in treating the master help like stepchildren is a reckless policy, for trained men are the only people in the world who can give plans and weapons any meaning. Our diminishing supply of skilled help in the Air Force is the most critical problem facing the Nation today."

Every American citizen who values the safety of his country should write his Congressman now and demand a decent living for the men who guarantee our safety.

[From the Washington Post and Times Herald]

Russia Caught Up in Air in 11 Years

(By Drew Pearson)

It was on May Day, 2 years ago this week, that the United States got its first shock indicating that Russia was on the way to forging ahead of us in airpower.

As American and allied military attachés stood reviewing the usual May Day exhibition of Russian military might, a giant jet thundered over Moscow housetops at an altitude of only 250 feet. The bomber was so tremendous that its shadow literally spanned the great Red Square as it flashed through the morning sunlight. American observers quickly noted that its four intake vents seemed larger than any they had seen at home, that the heavy plane easily kept up with swift jet fighter squadrons.

Messages of shocked reaction immediately burned the cables to Washington. But Secretary of Defense Charles E. Wilson refused to be alarmed. He dismissed the new bomber as a single, hand-built prototype assembled by the Russians to scare the Western World into more defense spending. He noted that the plane had only four engines and pronounced it an underpowered showpiece. Air Force generals disagreed, but Wilson overruled them.

Real shock came a year later—1955—when the Russians flew their prize bomber across the Moscow skyline again. By that time the lone giant of the previous May Day had company—18 more big battle planes. Of these, 13 bore routine Red air force markings. Six, with no markings, apparently were so fresh from the factory they hadn't been assigned to combat units. Each sported a new underbelly bulge, an ominous modification that experts identified as extra room for the H-bomb.

ELEVEN SHORT YEARS

Our intelligence agencies went to work compiling technical data. All available facts on the monster bomber were secretly supplied to our own manufacturers. They were asked to figure how long it took the Russians to produce such a plane. The whole Soviet air buildup was reexamined, and the fantastic truth emerged.

In 11 short years, the Russians had not only caught up with us in design, but outstripped us in production of jet planes. Numerically, the Soviet Union today has the world's largest air force. She has more combat planes than this country, and her factories are producing them faster. She has accomplished this so secretly that our intelligence has repeatedly been caught napping.

Our technical intelligence has made detailed examinations of 14 Soviet planes since 1945. These airplane autopsies showed that Soviet technology lagged behind us from 1945 until 1952. Since 1952, the Russians have equaled our best efforts in air weapons. In some categories, we are slightly ahead; in others, they are superior.

American manufacturers concluded from their secret study that Russia's giant jet Bison completed the cycle from drawing board to military service in 4 years—compared with the 8 years which the United States spent developing the B–52. The first Bison appeared over Moscow 2 years before our intelligence thought it could be possible. When the Russians flew 19 in formation a year later, the United States had only two complete B–52's.

SEALED IN FACTORIES

American agents report the Kremlin sealed engineers, technicians, and workers into plant 23 in Moscow and refused to let them out until they had built the Bison. The imprisoned personnel, working around the clock, set an astonishing production record.

The Soviets are now turning out the Bison at plant 23 at the rate of 5 every month. They are using unskilled labor wherever possible, taking short cuts and holding down design changes. Soon, says Air Force intelligence, plant 23 should be making 10 Bisons per month. Russia already has 20 jet-powered Bisons assigned to combat units. Our total of B–52s ready for combat is only 3. (In both countries, of course, many more of the big jets are near completion.)

On top of all this, Kremlin Czar Nikita Khrushchev has now boasted that Russia will also develop the first intercontinental guided missile with a hydrogen warhead. This missile will be capable of hitting anywhere in the world with a destructive force measured in millions of tons of TNT. Our experts say Khrushchev would not risk losing face by making this open boast unless he was sure of himself.

Note: The Eisenhower administration's economy program, more than anything else, has cost us air superiority. Administration spokesmen excuse this on the grounds that peace prospects are better, hence there is less need for a big Air Force. Air generals warn, however, that we must gear our strength to Russian capabilities, not guesswork on Russian intentions.

[From the Washington Post and Times Herald of May 4, 1956]

World Air Supremacy—Is United States Yielding Lead?

(By John G. Norris)

Has the administration decided that supremacy in the air is too costly and must yield to balancing the budget? Has there been a top-level decision that it is not necessary to stay ahead of Russia, that maintenance of a strong yet not superior long-range bomber force will be sufficient?

The question, in effect, was posed yesterday by the House Appropriations Committee and earlier in the week by some startling statements by Gen. Curtis E. LeMay and Defense Secretary Charles E. Wilson.

In approving President Eisenhower's 1957 defense budget largely as submitted, the committee declared it is evident that the U. S. S. R. will probably equal this Nation in offensive air power within a very few years unless plane production and the planned size of the Air Force is substantially increased. The question to be resolved, it stated, is:

"Should we attempt to stay ahead of the Soviets * * * or * * * attempt to maintain what is determined to be a sufficient Air Force equipped with the best modern aircraft to act as a deterrent to any possible aggression?" The committee report said the position taken by Wilson and other Pentagon officials in its long hearings was that "the current Air Force budget is based upon the latter determination."

During public hearings before a Senate subcommittee, General LeMay said the Russians now have more long-range, modern bombers than he has in his Strategic Air Command; that the Reds are building them at a faster rate than the United States; and that, by 1958–60, under now-approved programs, the Communists will achieve superiority.

His warning did not get much attention in many sections of the country. Many newspapers featured another statement by LeMay: that as of today, the United States holds the upper hand and could win any war Russia might start—though with substantial losses. This was more comforting, even if it has been said many times before.

When Secretary Wilson was asked for comment on LeMay's words, he conceded that Red bomber output now exceeded that of the United States. But he would not agree that the Reds necessarily would pass this Nation in strategic air power within 2 to 4 years.

Wilson did not disagree, but said that too many "assumptions" of future Soviet action were involved to make such a forecast. And he defended the present B–52 bomber program as adequate for the present. The Pentagon chief termed LeMay a "dedicated specialist" in terms that recalled the administration's past treatment of military dissenters as being "parochial."

These developments suggest that a major change in United States military policy may be in the making or already decided. Yet little public interest seems to have been aroused over Wilson's qualified admission of growing Red superiority in air power. LeMay has been testifying on the vital questions at hand in Senate chambers almost empty of spectators. The thousands of spring visitors to the Capitol have been sitting in on more dramatized committee sessions or staying out in the sunshine.

It is true that the usually colorful SAC commander's appearances before the special Senate Armed Services Subcommittee investigating the question of Russian vs. United States air power have been unspectacular. At the instance of Chairman Stuart Symington (Democrat, Missouri), LeMay largely has confined his statements in open session to reading prepared answers to written questions, previously submitted to the Defense Department for security clearance. He has volunteered nothing.

Nor has the Symington subcommittee been pressing for headlines. Apparently they are seeking only to make a factual record of Russian gains that will force the Pentagon into action. The Democratic majority on the group wants to avoid criticism of political partisanship or of disclosing information that will breach security.

Yet veteran Capitol observers question whether a Senate investigation of Administration policy can get anywhere without big headlines and aroused public interest. And Symington's record of criticism of Republican defense policy and mention of his name as a dark-horse Democratic presidential candidate seem to have led some to dismiss disclosures of Red air gains as politics. So far, the vital question whether the United States has decided to abdicate its current air power only has been posed, not clearly stated.

One suggestion often heard in military circles is that the failure to put additional billions into holding air supremacy is an election-year decision. Worried military men hear that there was a high-level decision to balance the budget this year, and then boost arms spending to meet the crucial Red threat after the election. It is mcre assuring to them than the thought that a second-best air force is enough.

[From the Washington (D. C.) Evening Star of April 12, 1956]

Wilson Linked to Corps Cut

Congress has been told Secretary of Defense Wilson ordered the Marine Corps to hold its strength 14,000 troops below the number for which appropriations were voted.

Testimony by Gen. Randolph Pate, commandant of the Marine Corps, under questioning by a House appropriations subcommittee, has just been made public.

General Pate said, "obviously the Marine Corps of 201,000 is not as effective a Marine Corps as 215,000. It was necessary to deactivate some supporting units of small size."

He said that while "I don't think there was any great material damage done to the corps," the Marines "would not have the staying power were we in combat that we would otherwise have."

Chairman Sheppard of California asked General Pate why the "special desire of Congress," reflected in an appropriation for a 215,000-man corps, was not carried out. Mr. Sheppard said the Marine Corps personnel plan calling for a strength of 201,000 by next June 30 "was actually a decrease of 4,170 from the strength at the beginning of the fiscal year."

General Pate replied: "We were not allowed to go to that strength." Mr. Sheppard asked, "By whom?" and General Pate said, "The Secretary of Defense."

Warning Voices

Gen. Curtis LeMay, chief of the Strategic Air Command, was talking in grim terms before the Senate Investigating Subcommittee when he compared American and Soviet long-range airpower—now and in the near future. And his conclusion that our superiority today may become inferiority by 1958–60 is one that both Congress and the executive branch should weigh with the utmost seriousness. For the blunt-spoken bomber chief, the answer is action—now, not later. Action, in his terms, would mean a stepped-up program of building B–52's and KC–135 refueling tankers, more SAC bases on the North American Continent and greater attention to developing even more powerful successors to our best planes of today.

In evaluating American deterrent power, General LeMay used a yardstick similar to that employed by Trevor Gardner, former Air Force research secretary, in a Look magazine article discussing missile development. It is, in short, that the Russians, apparently unrestricted by conventional budget considerations and interservice rivalries, are devoting a relatively greater effort to building or perfecting the critical weapons. There is, perhaps, no complete certainty on Russian progress either in quanity or in quality. There is evidence enough, however, to lead these two men—each an expert in specialized fields of air strength—to fear we are losing ground in an obviously vital race. There are others, with qualifications, who do not share these fears and who report encouraging progress in missile development. The Army, for example, has announced a new superior supersonic weapon of the Nike type and a significant scientific breakthrough on atomic weapons. But the years 1958–60 are close at hand. Those who have the ultimate responsibility for the national security should not be content for time alone to prove that we can get by safely with the present effort—or worse, that we cannot.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. Ostertag].

Mr. OSTERTAG. Mr. Chairman, may I, as a member of this distinguished subcommittee, pay my compliments to our distinguished chairman, the gentleman from Texas [Mr. Mahon], and to the ranking minority member, the gentleman from Massachusetts [Mr. Wigglesworth], and to all of the members of this subcommittee, who have worked so closely together on what might be termed the most important appropriation bill to come before the House this year, or any other year, for that matter. It is a trying task and one of great responsibility, but, as has been said, we have worked together in harmony primarily in the interest of the defense and security of this country.

Mr. Chairman, in his state of the Union message, and in his budget message, President Eisenhower called for the maintenance of a Military Establishment that could deter aggression, preserve peace, and command the world's respect. The budget before us today is designed to build and sustain that kind of a Military Establishment. It will keep our Armed Forces strong, without transforming our Nation into a garrison State. It will give us the greatest military strength in our peacetime history, without placing on us an unendurable economic burden. It is not designed to match the enemy man for man, missile for missile, or bomber for bomber; but it is designed to provide overall strength of such variety and such striking power that war will be unthinkable.

It envisions only relatively slight increases in the actual size of our Armed Forces; but through increasing adaptation and use of nuclear power it will provide potential strength far beyond the quantitative increases that have been programed.

It is a large budget, but it is of a size that can be sustained indefinitely, if need be. As the President has wisely said:

> To build less would expose the Nation to aggression. To build excessively under the influence of fear could defeat our purposes and impair or destroy the very freedom and economic system our military defenses are designed to protect.

Mr. Chairman, the emphasis on new strategic and tactical weapons, including guided and ballistic missiles, and the increasing use of nuclear power as a means of propulsion, reflects, of course, the most revolutionary development in the history of warfare. With all possible speed, our strategic Air Force and the carrier forces of the Navy are being equipped to use nuclear weapons. The Army, the Marine Corps, and the tactical air units also have atomic capabilities. Our great new families of missiles are virtually all being developed to make use of atomic warheads. Wisely, the Appropriations Committee has called attention to the need for phasing out old-style and obsolete weapons, as these new and more powerful instruments of war are adopted, to avoid pyramiding defense burdens on our countrymen's backs.

As a member of the Navy panel of the defense appropriations subcommittee, it has been my particular responsibility and privilege to review the budget requests

of the Navy. I should like to deal with those requests in the next few moments.

I think it may be said fairly that, never in history, has a major branch of our Military Establishment undergone such far-reaching changes in so short a time, as has our Navy. As our overseas responsibilities and commitments have broadened out to cover virtually the whole free world, so also have the responsibilities of the Navy been broadened. And these new tasks and responsibilities were assigned at a time when the Navy was in the process of passing from steam to nuclear power; from gunpowder to nuclear weapons; from guns to missiles; and in the air, from propeller-type planes to supersonic jets.

There was a period, following the development of atomic power, when the role of the Navy in our defense program seemed uncertain. Today, however, sea power and sea-air power are recognized as the spearhead of our striking forces.

As the committee report aptly points out, the free world today is actually a large oceanic confederation, interlinked and interdependent, militarily and economically. If the free world is to survive, we must keep open the sealanes, control the seas, and if need be, project the armed might of the United States to any territory.

It is for this reason that the continuing emphasis on the relative strength of any one branch of our defense establishment is unrealistic. If a surprise attack should ever be launched against this country, or against any of our allies in such a way as to menace our own safety, it will not be turned back by reason of numerical equality with the enemy in any one category of weapons. It will be turned back by a multiplicity of attacking weapons, launched from land, sea, and air, against the enemy's bases, at long range and at short range. And among the most maneuverable, and swiftest of these counterattacking systems will be the Navy and the naval air arm. So far from rendering the Navy obsolete, the atom age has, if possible, increased its strategic value and importance.

The budget which is before you calls for the appropriation of approximately $10 billion for the Navy, of which more than $1.7 billion is for aircraft and related procurement. This is an increase of more than $871 million over the sum budgeted for this item in this fiscal year, and is a fair reflection of the greatly reinforced emphasis which is being placed on the naval air arm.

You will recall that the President, last week commented that we have today the most powerful Navy in the world, and, he said, it features one thing—airpower. I wish to deal with that in a moment.

Naval airpower begins with ships, however, and the present budget takes that fact into account. It envisions a fleet of approximately 1,000 ships, including some 15 large carriers, all equipped with aircraft with atomic capabilities. It includes 2 nuclear-powered submarines, the *Nautilus* and the *Sea Wolf*, with 12 more to come—6 already under construction and 6 funded in the present budget. In addition, the bill before you envisions the addition of another carrier of the *Forrestal* class, 12 destroyers and frigate guided missile ships, 1 nuclear-powered, guided missile cruiser, and 4,629 tons of landing craft. This bill also provides for the conversion of 23 ships, as part of the continuing program to modernize the fleet, and it will enable the Navy to begin work on nuclear powerplants for another carrier and another guided missile vessel.

With respect to aircraft, the bill will enable the Navy to procure about 1,468 new aircraft, and these, when coupled with prior orders, will insure the addition of about 2,000 new planes a year through calendar 1958.

The Marine Corps will be maintained at a level of 3 combat divisions and 3 combat air wings, with provision for an increase of 4,735 personnel to bring its total manpower to 205,735 by the end of fiscal 1957. Naval manpower is fixed at 672,000 officers and men, for fiscal 1957, an increase of 16,600 over the end strength set for June 1956.

It is not so much the quantitative strength of the Navy that is impressive today, but the qualitative growth and development of the Navy is decidedly striking.

The Navy is, normally, perhaps, the most complex of our armed services. It operates on land and sea; it operates in the air, and it operates under the sea. Moreover, it is not simply an aggregate of fighting units, but a carefully integrated system of striking power. As the Chief of Naval Operations, Admiral Burke, said in the hearings:

> Our ships, planes, and their organizations are, almost without exception, designed as multipurpose rather than single-purpose instruments of war, both because the multipurpose instrument is more economical than the single-purpose one, and because we believe that it is more efficient.
>
> The core of our striking power today is the attack aircraft carrier. Our carrier task forces, supported by mobile logistic support, can strike and restrike the enemy repeatedly over an indefinite period of time. Able to move over 700 miles a day, they can select their own launching sites at will. They are elusive targets, hard to find. In times of tension, short of conflict, they are impressive envoys.

Mr. Chairman, among the other types of powerful striking units in the Navy are the nuclear-powered guided-missile submarine, and the long-range jet-powered water-based aircraft, with its mobile tender bases and mobile fleet support.

I should like to take a brief moment, in this connection, to comment on the role of the aircraft carriers. In recent years, there has been extensive reevaluation of their functions and capabilities. Written off by some, with the dawn of the atom age, they are regarded by most naval men today as among our most valuable defense assets. A carrier task force, with its powerful air arm, its guided-missile ships, its submarine and antisubmarine forces, is perhaps the most versatile fighting force in the world. It is vulnerable, yes; anything on earth is vulnerable today. But it is less vulnerable than a fixed land base. Its position cannot be pinpointed by an attacking enemy, because it does not remain stationary. If the task force is sufficiently dispersed, it cannot be wiped out; and it cannot be immobilized by politics or saboteurs. It is a seaborne, sovereign part of the United States, swift-moving, elusive, and powerful.

So far from being obsolete, our carrier task forces are increasingly the key to preservation of the freedom of the seas in peacetime, and a weapon for massive retaliation if war should come.

Is the budget for the Defense Establishment adequate? In the next few days and weeks, we shall doubtless hear the point argued at length. Insofar as we on the Defense Appropriations Subcommittee are able to judge, after exhaustive hearings, it will be adequate. It will provide all the services with all of the funds that they can wisely use. It will probably not provide any of them with all the funds they want. Ever since 1778, as Admiral Burke recently observed, the services have been asked whether they are satisfied with what they got, and the answer is often "No"; because nobody is satisfied with what he gets—ever.

This budget will add great new strength to our Defense Establishment, however. It will discourage aggression, and make war unthinkable to anyone but a maniac. In a nation such as ours, more cannot be expected, and less should not be provided.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Keogh, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, had come to no resolution thereon.

LIMITATION OF DEBATE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when debate is resumed on the pending measure H. R. 10986 tomorrow that general debate proceed for not to exceed 2 hours and that the time be divided equally between the gentleman from Massachusetts [Mr. Wigglesworth] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE TO REVISE AND EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who have spoken today may have permission to revise and extend their remarks and insert brief excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DOMESTIC SHIPPING INDUSTRY

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, I have just introduced a bill, by request, which I believe is worthy of consideration by the Congress. For sometime now I have been greatly concerned over the plight of the domestic shipping industry, which has not until now been able to reestablish itself to the level of importance in our domestic transportation system which it enjoyed prior to World War II and which was completely disrupted during the war. Aside from its importance to our national economy as a vital link in our transportation system, domestic shipping has always been relied on by this Nation in time of war or national emergency to meet our initial military requirements in the shortest possible time.

While I am not yet ready to endorse all of the provisions of this bill, I do, wholeheartedly, applaud those who requested its introduction for their imagination and willingness to try something new and different in an effort to rehabilitate this trade. It may well be, upon careful scrutiny, that this new approach to develop and expand the coastwise trade will do much to get this segment of our shipping industry on the road to recovery.

For this reason, I have introduced this bill and hope soon to hold hearings before the Committee on Merchant Marine and Fisheries to determine the merits of the bill and whether it, or some acceptable substitute, may not provide a start toward remedying the ills that have beset our coastwise shipping trade for the last decade.

The bill which I have introduced would direct the Secretary of Commerce to charter for operation in the coastwise trade up to 20 Government-owned tankers now in the Reserve fleet, with the requirement that the charterer have constructed on the tanker a special cargo deck suitable for carrying cargo containers which could be quickly and easily loaded and unloaded to and from the vessel, thereby greatly reducing the cost of handling cargo, one of the principal deterents to the rehabilitation of the coastwise trade.

The bill would also require the charterer of the tankers to enter into a commitment with the Government requiring him to construct, for each 2 tankers chartered, one new high speed tanker also suitable for carrying cargo in containers. The charterer would also be permitted to trade-in two obsolete dry-cargo vessels for an allowance of credit on construction of the new tankers, such credit being paid by the Government to the shipyard building the new vessel.

Needless to say, such a program would also provide a much needed shot in the arm for our vital but depressed shipping industry.

I repeat, that while this bill may not be the complete remedy needed to revitalize the coastwise trade, I think it offers a program well worth inquiring into.

VETERANS' PENSIONS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning there appeared before the Committee on Veterans' Affairs Donald R. Wilson, past national commander of the American Legion. His statement is as follows:

STATEMENT BY DONALD R. WILSON, PAST NATIONAL COMMANDER, THE AMERICAN LEGION, BEFORE THE HOUSE VETERANS' AFFAIRS COMMITTEE IN CONNECTION WITH HEARINGS ON THE REPORT OF THE PRESIDENTIAL COMMISSION ON VETERANS' PENSIONS (BRADLEY COMMISSION), MAY 9, 1956

Mr. Chairman and members of the committee, we are here this morning to consider the impact of an attack which has been made on the Congress of the United States, established veterans' organizations and the veterans whom they serve.

On April 23, 1956, the Commission on Veterans' Pensions, headed by Gen. Omar N. Bradley (which we shall refer to hereafter as the Bradley Commission) transmitted to the President its final report, setting forth so-called findings and recommendations.

This 410-page document had the effect of stopping, for the moment at least, the progress of important legislation now pending before this committee.

We can understand the House Veterans' Affairs Committee's concern with the document and its desire to probe into the alleged factual studies and recommendations which the document contains. We, of the American Legion, believe that this House committee has been a conscientious, understanding, and progressive guardian of the programs helpful to the American veteran. We can understand, therefore, why it paused in its deliberations on important legislation. The Bradley Commission's report was preceded by press intimation that studies made for the first time would have an impact upon veterans' benefits. The Bradley Commission's report itself asserts, in substance, that its findings and recommendations cannot be disregarded by those who have the future well-being of the country in mind.

It is understandable, therefore, that this committee would want to assure itself that there was nothing in the Bradley Commission report which would alter the conclusions which this committee may have drawn from the extensive hearings which it has held on legislation involving compensation and pension bills. We can understand further that this committee would want to assure itself that there was no substance to the Bradley Commission's indirect and somewhat concealed attack on this committee's stewardship, conscientiousness, and awareness of the importance of the various veterans' programs.

The American Legion is of the opinion that the Bradley Commission's report is a scare document which is unfair, unworthy of the Commission that produced it, and in many material respects factually unsound. It should be promptly relegated to the obscurity which it deserves. Meanwhile, this House Veterans Committee can continue with the important and progressive work which it understands so much better than the Bradley Commission and report out the pension and compensation legislation which it has been considering.

It should be mentioned that the American Legion has been studying the general subjects which are encompassed within the Bradley Commission's report for a great many years. As to the specific studies made by the Bradley Commission, it must be stated that the American Legion has been studying these with particularity since April 4, 1955.

National Commander Seaborn Collins was deeply conscious of the fact that under the slogan of "efficiency and economy in government," there had been previous and substantial assaults upon the structure of veterans' program. He correctly diagnosed that the activities of the Bradley Commission, even though dressed in the robes of presumably advanced social and economic thinking, could easily produce an equal and similar assault on those programs by branding them as inconsistent with recently developed concepts of social planning and advancement, and economic orderliness and well-being. He believed that the American Legion should prepare itself in advance to receive the results of the Bradley Commission's studies. He believed that the American Legion had an obligation to make an objective survey of its own program in the light of modern conditions. He believed it essential to determine whether there could be merit in the proposition, rumors of which had already been heard, that social progress made anachronistic the 150 years of legislation by the Congress acknowledging that a special obligation was owed to those who had served and saved the Nation in time of war.

On April 4, 1955, National Commander Collins appointed Carl J. Rees, Deward H. Reed, and Donald R. Wilson as members of a special committee and charged them with the responsibility of reviewing the veterans' program as it had developed and of placing it in proper perspective with reference to the welfare of society as a whole. The tenure and function of this special committee were continued by our present National Commander Wagner.

In this assignment, the American Legion's special committee was assisted not only by a research specialist, but also by the rehabilitation commission and members of its staff and the members of other commissions and staffs within the national organization of the American Legion and many of the State organizations of the American Legion.

The report of the Bradley Commission, therefore, is not entirely new to the American Legion. The trend of the activities of the staff of the Bradley Commission has been carefully noted and the tenor of the Bradley Commission's final report was reasonably accurately forecast weeks in advance of the publication of its report.

PRELIMINARY COMMENTS ON BRADLEY COMMISSION REPORT

However, well-intended, the Bradley Commission's report comes to us filled with clichés, self-contradictions, inaccuracies, looseness of expression, non sequiturs, statistical monstrosities, and thrilling discoveries of the obvious. It is a disappointing piece of work. It is tragically preoccupied with extolling the virtues of social security, not for what it is but for what it may be at some indeterminate time in the future. It is on this altar that the veteran is to be stripped of the dignity of a special status which, throughout the history of our country, has always been accorded to him. Now, under a new concept, arbitrarily and unnecessarily announced by a mere Commission of the executive branch of the Government, the veteran is told that since he performed no special service, the Government owes him no obligation in his declining years other than to give him a general right, if properly employed, to buy and pay for social security like any other citizen.

The presumptuous nature of the Bradley Commission's pronouncements is an insult to the Congress of the United States, the consistent guardian of the welfare of the veteran. The Bradley Commission, with only the wisdom of 13 months' activity on the part of governmental theorists, has concluded that the Congress, which has had 150 years of experience in developing the veterans' program and in keeping that program intact and progressive while at the same time legislating for general social needs, doesn't comprehend its full responsibilities to all the people, including the veteran, and that by discharging one of its responsibilities it must forget that historically it has an additional responsibility to the Nation's defenders.

The report is discouraging and dangerous—discouraging because it belittles the contribution of the veteran to his country—dangerous because, by stealth cloaked in compliments, it exalts the welfare state and denies that there is any room in such a state for according to the veteran a special dignity because of service to country.

MAJOR AREAS OF CONCERN

It is probably not appropriate at this point to submit a point-by-point analysis of the recommendations of the Bradley Commission. This is a project which can more successfully be discharged at a later time by the duly constituted commissions within the American Legion and their respective expert staffs. Nonetheless, the American Legion does believe that it has the obligation of pointing out to this House Veterans' Committee a general frame of reference within which specific comments on specific recommendations may be fitted. The accomplishment of this task can best be achieved by a consideration of the following major questions:

(a) Is there, at present, any clear national philosophy of veterans' benefits?

(b) Does the concept of social-security benefits preclude the orderly and economic development of pension benefits to veterans?

(c) Has the program of disability, rehabilitation, and readjustment benefits been reasonably effective in serving the legitimate needs of the qualified veteran?

(d) Has the Veterans' Administration been reasonably successful in the performance of the functions for which it was created?

The report of the Bradley Commission may be properly embraced and considered within these four questions which will be discussed in the order in which they were stated.

(A) IS THERE, AT PRESENT, ANY CLEAR NATIONAL PHILOSOPHY OF VETERANS' BENEFITS?

The Bradley Commission arrives at the astounding conclusion that because the present structure of veterans' programs, like the common law, is only an accretion of laws based largely on precedents built up over 150 years of piecemeal development, there is, therefore, no national philosophy of veterans' benefits. The Bradley Commission then indulges itself in a peculiar form of self-aggrandizement and proudly announces that it, by its own labors, has developed, apparently for the first time, a philosophy whose guiding principles can enable the Nation to discharge its obligation to veterans generously. If this announced accomplishment were true, we would all be eternally indebted to the Bradley Commission for its contribution. Unfortunately, for the Bradley Commission, its philosophical creation is composed of the body of philosophical principles evolved over the course of our country's history. The Bradley Commission has merely emasculated or distorted some of the already well-known principles by the introduction of new and dangerous concepts which would destroy the philosophy of veterans' benefits as it has evolved. The Bradley Commission would substitute a set of sociological principles not particularly related to the peculiarities of the veterans' problems.

The Bradley Commission's most radical departure from the existing philosophy of veterans' benefits is to be found in the statement that military service in time of war or peace is merely an obligation of citizenship and should not be considered inherently a basis for future Government benefits. It is apparently in the making of this statement that the Bradley Commission feels that it has made a major contribution to the philosophical concept of veterans' benefits. In fact, it is in the making of this statement that the Bradley Commission has cruelly departed from the philosophy of veterans' benefits and has laid the foundation for a wholesale assault on the veterans' program.

We take it that the history of aid and benefits to the American veteran which has evolved out of the constant concern of the Congress is a record of general devotion to the welfare of those citizens who have had to give up their normal civilian activities in order to defend the country in times of war and danger to our national safety and security. Veterans' benefits have come to be regarded, therefore, as special, and as benefits to be added to those benefits which the veteran may obtain as a citizen alone. We are not unaware of the current encouragement which has been given to the argument in many quarters to the effect that being selected or volunteering for service to the country in war is merely the discharge of one of the duties of citizenship. The argument continues that, by virtue of having done only what is required of a citizen, the veteran cannot logically consider himself to be a member of a special group of citizens. We would acknowledge the validity of the argument up to a point, but we would demand that the argument be carried to its only logical conclusion. It is true that one who serves in the Armed Forces of this country is discharging an obligation of citizenship. However, the fact which has escaped the Bradley Commission and others who pause at that point is that there are some who failed to discharge it. It is not sufficient to gloss over the disparity between the discharge of these obligations of citizenship by saying that in modern war all people are subjected to hazards. So long as we maintain our Armed Forces, so long as we call them defenders of the country, and so long as we subject them to the necessary disciplines and deprivations which an adequate military establishment must demand we have created for them special obligations, duties, hazards or responsibilities which set them apart from the role which they would play as citizens alone. By reason of their peculiar sacrifices and hazards they become a class of citizens select in nature and distinguished by peculiar service. No governmental commission, no amount of sophistry can deprive them of that special status. The claim of special status for the American veteran is an eminently sound and valid claim.

Acknowledging that historically the veteran has been regarded as a special class, we may also further conclude from the study of the history of veterans' benefits that the Congress has, through legislation, further subdivided the veteran class into those who are disabled as a result of their military service and those who merely by virtue of their military service are entitled to recompense. The Congress has consistently endeavored to maintain an equitable ratio between compensation payments and pension payments. At the same time, the line between service-connected and nonservice connected benefits and pensions has moved steadily in the direction of more inclusive benefits for a larger proportion of all veterans. A liberalization of benefits has almost inevitably followed every war as the needs of veterans increased. These obligations assumed by the Government throughout our history have never been limited to mere recompense for physical loss or suffering because of military service, nor have they been limited to men who actually were in the battle line.

It is through the establishment and refinement of principles such as the above that our present veterans' program has evolved and developed. If the Bradley Commission would depart from this history and this experience, it must carry the burden of proving conclusively that the departure which it recommends is not only necessary, but that it will not do violence to the moral obligation which the Nation owes to its defenders.

The Bradley Commission has failed to carry this burden of proof. It has contented itself with the pronouncement of platitudes in justification of a radical departure from acknowledged and well-established practices.

(B) DOES THE CONCEPT OF SOCIAL SECURITY BENEFITS PRECLUDE THE ORDERLY AND ECONOMIC DEVELOPMENT OF PENSION BENEFITS TO VETERANS?

Much of the Bradley Commission report is a concentrated effort to establish a preconceived notion that the Social Security program has become an adequate substitute for veterans' pensions. This is a significant and hostile part of the report. It reflects little sound or honest thinking, but it does mirror the antagonism long noted in certain sections of the administrative branch of the Government toward veterans' pensions. Successive studies by the executive branch of the Government under both major political parties have attempted to find rationales for justifying the elimination of pension benefits.

The most noteworthy predecessors of the Bradley Commission report were the two Hoover Commission reports of 1949 and 1955. Both of these had the flavor, not of objective studies but of planned attacks.

The sections of the Hoover Commission Report dealing with veterans' benefits were so obviously biased and malicious that no firm platform was established from which an attack could be launched that would convince the Congress. Antagonism in the Hoover reports ran high, but the arguments were weak and specious and obviously labored.

Even before the failure of the second Hoover report, busy brains in some branches of various Government agencies were casting about for a new device that could be used to provide a more successful platform from which to destroy large segments of the veterans' program which Congress had labored so hard to establish. Several years ago, someone in the Government conceived the idea that it could be argued that the social security program should make a splendid rationale for finding that veterans' pensions and some other veterans' benefits are no longer necessary. Where the idea began is not certain. It was put forth clearly in the Hughes study made by the Bureau of the Budget in 1953. The thought was quickly parroted and gained great currency in the executive branch of the Government, particularly in several agencies that do not deal intimately enough with veterans' affairs in their day-to-day operations to have a clear notion of what the veterans' programs are and how they operate in detail.

About a year and a half ago, the notion that social security is today an adequate substitute for veterans' pensions was worked into a public statement of the President—not, we believe, by the Administrator of

Veterans' Affairs, but by someone closer to the President than to the veterans' program. At that time, August 1954, President Eisenhower grudgingly signed a bill increasing by a small amount some of the existing monetary payments to veterans and their dependents. He stated, as he signed it, that he did so reluctantly and that it was his opinion that such benefits were probably no longer necessary because of social security and other general welfare programs of the Government.

He said that he would appoint a committee to look into this matter and to study the whole structure of veterans' pensions and compensation. Thus was the Bradley Commission born.

It should be noted that the theory that general welfare programs have, or should be considered to have, displaced veterans' pensions had not in any way been demonstrated. No specific conflict between the veterans' pension program and the social security program had been pinpointed. No facts had been arrayed which clearly showed that social security was, in fact, serving the purpose which veterans' pensions previously had served. The idea had merely been deliberately repeated with increasing frequency, but always without clear demonstration. The final results of the Bradley Commission report affirm that it struggled to justify this concept.

However, the Bradley Commission has been able to do no more than simply to repeat the thesis again. It does repeat it and it states affirmatively that it is its opinion that the advent of the general welfare programs, and social security specifically, has brought about a new era in which pensions for veterans are no longer necessary. It specifically says that all pensions should be tapered off and eventually eliminated. This is a softer and, on the surface, a more friendly approach than the one taken by the Hoover Commission. That is, it has much more molasses and less vinegar than the Hoover reports.

Only one thing is needed to convince the American Legion and veterans generally, that veterans' pensions can be ended and social security can be accepted as the perfect modern substitute; that is, to demonstrate clearly and factually, rather than merely make unsubstantiated claims, that without damaging the contractual rights of its present participants, social security, in its actual workings and design, is in fact a program that would and does offer to the Nation's veterans—in recognition of their war service—the same security and the same special consideration for special services rendered to the Nation in time of national danger that the pension program has provided.

Unfortunately, the Bradley Commission has been unable to carry this burden successfully.

Undoubtedly, the Bradley Commission would have given a clear demonstration if it had been able to. It is to the discredit of the Bradley Commission that it continued to advance and strengthen the argument by repetition in the face of a patent inability of establishing the point with a factual demonstration. On page 133 of its report, there is a passage headed "Need for a Factual Approach." The Bradley Commission, under that heading stresses that "Our national policies must be developed in the light of a full factual picture." We commend adherence to that thought to the Bradley Commission. We search in vain for the facts that permit the identification of social security as a substitute for veterans' pensions. None are offered. Actually, no factual demonstration is possible for the reason that social security is not and cannot be a substitute for veterans' pensions. If an attempt were made to make it so, it would work mischief not only to the veterans' pension program, but to the social security program as well.

Social security is based upon a tax placed upon some, but not all, individuals, in the form of compulsory insurance premiums, based upon the amount of money earned in certain not all-inclusive private employments. When its benefits, not always the maximum, are paid the amount of the benefit is in substance based upon the length of time worked in such private employments as may be covered by the law and the amount of money earned during that time. These are the essential facts of social-security coverage and benefits.

The Bradley Commission ignores these facts. It philosophizes that the veteran is not entitled to a preferred status. Then, on the basis of its disregard for the facts and its enunciation of a radical and unacceptable change in our basic philosophy, it states, as a supposedly constructive conclusion, that veterans must be rewarded for their war service in times of personal need by merely paying to them an amount based upon what they earned, provided they worked in private employment covered by the Social Security Act, and like all other citizens in such employments, paid the tax levied upon them during the years that they were so employed.

Social security is, in essence, an insurance contract whereby, for a stipulated payment, one party is obligated to compensate the insured upon the happening of a contingency. Veterans' pensions are not based upon a contractual relationship with the Federal Government. They are based upon the performance of duty in defense of one's country in time of war. They are not payable to all veterans but only to ones in need.

As a form of compulsory insurance which was never intended to meet even the minimum needs of its beneficiaries, social security cannot be considered as a substitute for veterans' pensions, but must continue to occupy the role originally intended for it, namely that of providing a base upon which can be erected other benefits.

The veteran who, as any other citizen, has fulfilled his social-security contract, is entitled, as a matter of law, to receive the benefits of that contract. It is a tragic error to say that he is entitled to nothing more. The ingratitude and contempt which produced such an error are emphasized by the basic factual differences between the two programs.

The requirements for payment of benefits under social security and pension plans are completely dissimilar. Veterans' pensions are payable by reason of honorable wartime service, with the basic criteria for payment predicated upon unemployability due to a prescribed degree of disability. Unemployability, without more, will not establish entitlement to pension. The additional requirement of a prescribed degree of disability is a necessary factor in showing entitlement. Under Social Security, unemployment is only a determinant in arriving at a figure that will eventually be paid. Unemployability is not a factor. Under the pension program, age is not a prerequisite to the payment of benefits. It is a factor for consideration with respect to pensions. Under social security, age is a definite requirement.

Under the veterans' pension program, there are income limitations which must be met. This factor insures that only veterans in financial need can receive a pension. Under the social-security program, income is a factor only if earned. Because payment under social security is a right based on monies contributed, benefits are not confined to the needy as such.

When you add to these factors an acknowledgment that social security was never intended to meet even the minimum needs of its beneficiaries, it becomes all the more impossible to reconcile the establishment of social security with the proposition that it should supplant all other benefits. Such a substitution would leave untouched and uncared for the vast numbers of those who, prior to age 65, because of prescribed degrees of disabilities making them unemployable, are in need of financial assistance. It would deprive them of the dignity of claiming such assistance as a gratuity from a government which they had well served.

Thus, if you want a blueprint for creating mischief, we can think of no better means than to adopt a national policy that would attempt to make Social Security serve the very different function of veterans' pensions.

The Bradley Commission professes that there is at present an overlap or conflict between veterans' pensions and social security. It does not pinpoint any such overlap or conflict beyond these general terms.

What is the relation between the two? The fact is that social-security benefits bear neither more nor less relation to veterans' pensions than any other income a veteran may receive. Social-security benefits are so much money in the veterans' pocket. The money is no different from money he may receive as pay for working, as dividends from stocks, as retirement pay from an employer or as proceeds from an annuity. Any conflict or overlap between the pension program and the social-security program can be no different from any conflict or overlap created by any other income which the veteran may receive.

Is there an overlap or conflict between any of these sources of income and the pension program? It is almost tragic that the Bradley Commission is unaware that by long-established law, an overlap that it conceives to exist does not exist at all. One of the conditions which a veteran must meet today in order to qualify for a pension is that his income from other sources must meet a "needs" measure, prescribed by establishing levels of other income which—if the veteran is over them—will disbar him from receipt of a pension.

Thus, all income which a veteran may receive is now, and has been for some time, considered to contain the germs of overlap or conflict with the pension program. The overlap was removed by laws which are today, and have long been, part of the existing veterans' pension legislation. Social-security benefits are, under today's law, included in that income which would disbar a veteran from a pension if it contributes to raising his non-pension income above the income levels stated in the law. It is this automatic check that prevents any overlap.

Believe it or not, on page 18 of its report, the Bradley Commission recommends a change in the law by which the receipt of social-security benefits would be considered as income that would count in determining a veteran's need, for pension purposes.

It is not funny that a distinguished Commission proposes that the law be changed to make it what it already is.

Summing up this preposterous mess of argument over nothing, the factual approach so strongly urged by the Bradley Commission yields just this:

1. Social security cannot be made to serve as a veterans' pension program without doing mischief to both programs.

2. The only possibility of an overlap or conflict between the veterans' pension program and any source of other income including social-security benefits has long been properly taken care of by provisions of the veterans' pension laws.

We can report very briefly regarding this matter of social security.

First, the argument repeated by the Bradley Commission will continue to be used—in the same specious form as in the past—in the hope that more and more repetition will persuade more and more people—so that this

pure figment of a hard-working brain in the Bureau of the Budget may create a chink in the armor of veterans' benefits through the "big lie" technique.

Second, when the day comes that social security provides security to war veterans, pensions will be taken care of automatically. When social-security benefits actually do that, such assistance which will carry all veterans over the income ceiling prescribed in the present pension laws will make itself known by the workings of the present law. On that day, the Veterans' Administration will report that it is paying no pensions, because other programs have carried every living veterans' income over the needs ceilings defined in the pension laws. According to the figures of the Veterans' Administration, that condition has not yet arrived.

(C) HAS THE PROGRAM OF DISABILITY, REHABILITATION, AND READJUSTMENT BENEFITS BEEN REASONABLY EFFECTIVE IN SERVING THE LEGITIMATE NEEDS OF THE QUALIFIED VETERAN?

Primarily, the Bradley Commission approves of the program of disability, rehabilitation and readjustment benefits which has been developed for the American veteran. It finds that we have developed reasonably successful methods for meeting the needs of our veterans. It asserts that the service-connected needs should be accorded the highest priority among the special programs for veterans and that service-connected compensation and death benefits should be liberal and even generous. It further states that the rehabilitation of disabled veterans and their reintegration into useful economic and social life should be a primary objective.

We cannot and do not take exception to such laudatory and sound statements. Nonetheless, we do have serious questions regarding the approach which the Bradley Commission employs toward the problem of improving the services which are offered to the service-connected class of veterans and to the rehabilitation and readjustment phases of the veterans' program.

We, of the American Legion, would certainly be the first to concede that none of these programs are perfect. We recognize now, and have recognized throughout the course of our existence, that there is a constant need for change. We cannot concur, however, in some of the radical, unrealistic and ridiculous suggestions adopted by the Bradley Commission.

(1) *Presumptions*

As illustrative of the type of improvement which the Bradley Commission suggests, and of the viciousness of it, we mention its recommendation that the presumption of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis should be withdrawn. The Bradley Commission goes even further and states that there is otherwise in the law sufficient protection for the veteran to establish service connection of any and all diseases, and that accepted medical principles can reasonably and accurately establish the onset of a disease and the disability process.

It is apparent from a recommendation such as this that, while the Bradley Commission pays lipservice to the duty owed to the service connected, it would destroy the ability of large numbers to establish service connection. It has vastly overrated regard for the extent of medical knowledge. It credits the field of medicine with an omniscience which most doctors wish that they possessed.

Then the Bradley Commission compounds this offense by completely disregarding the fact that the question is not entirely a medical one. It is also in part a legal one. The purpose of a presumption is to free the veteran from carrying an unconscionable burden of proof in the establishment of the service-connected origin of a disease or a disability. As a part of the theory that the veteran should be given the benefit of the doubt, the principle behind the granting of a presumption says to the American veteran that it would be unfair in some cases to require him to prove medically that a given disease or disability did in fact have its inception during the course of his service, or resulted directly from that service. It states in substance that, in those instances in which it would be unfair to impose such a burden upon him, he is entitled to a presumption that the disease or disability did emanate from his service. This is a rebuttable presumption. It imposes upon the Government the burden of going forward with the evidence. It enables the Government, if medical knowledge is what the Bradley Commission says that it is, to rebut the presumption and to deny the veteran his service-connected status.

It is the opinion of the American Legion that until American medicine has reached a point where it can determine with more than a reasonable degree of accuracy whether in fact certain types of diseases did or did not have their inception during the course of man's service, the veteran should be entitled, in the areas of doubt now listed, to the presumption that his disease or disability, within reasonable periods now or to be specified, was the result of his service. Even if medical knowledge ever reaches the point where it can definitely establish the onset of a disease, there would still be no vice in continuing the presumption so long as it is a rebuttable presumption. The knowledge that would eliminate the necessity of a presumption in favor of a veteran would also enable the Government to rebut the presumption.

The inclination of the Bradley Commission to reach absurd results at the expense of the veteran makes many of its recommendations suspect and belies its announced motives.

(2) *Rating schedule*

The Bradley Commission is dissatisfied with the present rating schedule. We, of the American Legion are also dissatisfied in some particulars with the rating schedule. As a matter of fact, our rehabilitation commission has for a considerable period of time constantly suggested changes in the rating schedule and is now ready, when the time comes, to suggest specific improvements in connection with it.

We do not object to a review of the rating schedule, nor to a revision of it. However, we want to know, with more than a reasonable degree of certainty, the basis upon which the review is going to be conducted, and the basis upon which revisions are going to be made.

Our present rating schedule is founded upon the theory of the average impairment of earning capacity. As an average, it is not an absolute guide in the individual case. We know, however, from our experience that we cannot administer any program which is geared solely to the individual case. We have accepted the best standard we are able to find.

The Bradley Commission, by its research and in some of its charts, has established that, for the most part, the average impairment of earning capacity theory has done a remarkably wonderful job. The Bradley Commission's charts show that in most categories of disability, the amount of disability compensation drawn by the disabled veteran—when added to the amount which he is able to earn from whatever job he holds—is remarkably close to the average annual income of the nondisabled veteran. It is apparent, therefore, that the average impairment theory has been a reasonably successful standard.

The Bradley Commission is concerned, however, with the establishment of other factors which might be worked into a rating schedule. It is concerned with compensating a veteran for pain and suffering, for social inconvenience, for increased mortality, and so forth. If the Bradley Commission wants to add a figure which will take into account these factors, in addition to the figure established to compensate the veteran on the basis of the average impairment of his earning capacity, we certainly would have no objection to such a review. However, we do not dignify even the average impairment theory by calling it a scientific formula. It is merely a guide. It is one of the best guides that could be worked out under all circumstances. We would not want to have the Bradley Commission or anyone else think that you could reduce either the impairment of a man's earning capacity, or an evaluation of his pain and suffering, or his social inconvenience, or his increased mortality to a final and absolute and completely compensatory formula. We are willing and anxious to have the service-connected disabled veteran compensated further than he now is, but we caution against leading the American public to believe that this is being done in accordance with an absolute, compensatory formula.

Nonetheless, we do believe that a new rating schedule should be promulgated. It has been 10 years since the promulgation of the 1945 schedule. The comments and disability evaluations contained in the present schedule represent the consensus of medical opinion of a period sometime prior to 1945. The nine extensions to the 1945 schedule have led to some confusion and have made the use of the present rating schedule unwieldy, thereby decreasing its efficiency and accuracy. There are other contemplated changes which, if incorporated into further extensions of the 1945 schedule, will further complicate that schedule.

It is our belief that a new rating schedule could be made to represent the sum total of medical and technical knowledge of the Veterans' Administration, the major veterans' organizations, and the medical profession, acquired in the years since 1945—all of which would tend to produce evaluations that would be more compatible with present medical knowledge and experience.

(3) *10-percent and 20-percent ratings*

Perhaps no area of the Bradley Commission's report more glaringly demonstrates duplicity and factual inaccuracy than the section on 10 percent and 20 percent disability ratings.

First of all, the Bradley Commission is shocked by the fact that there are over a million veterans in this disability area. The Bradley Commission now finds it wrong that there should be so many such veterans, and because of their numbers proposes to eliminate them.

The Bradley Commission attributes the large number of awards in this area, in part, to the alleged fact that there is a requirement that no further examinations are scheduled once the veteran's disability reaches the prescribed minimum rating for his condition. This is a flagrant misstatement of the Veterans' Administration's requirements. On this erroneous basis, the Bradley Commission proposes to meet its commitment to deal liberally, even generously, with these service-connected cases by reducing or destroying the entitlement of the largest single group of disabled veterans. It questions but does not refute the medical soundness of these ratings. Then it proposes to settle these so-called medically unsound ratings by an immediate outlay of money. In other words, it wants to buy off claims which it thinks are invalid even though many of the 10 percent or 20 percent disability ratings today can turn into the 100 percent service-connected disability ratings tomorrow.

The Bradley Commission's treatment of this sensitive and important segment of disabilities is confused, distorted, inconclusive, and unconvincing. Even so, it is presumptuous enough to ask the Congress to buy this package, the contents of which are not known even by the Commission.

(4) *Statutory awards*

The Bradley Commission is apparently deeply distributed over the existence of statutory awards. It has recommended in substance that consideration should be given to incorporating statutory awards within a comprehensive rating scale that will encompass economic, physical, life-impairment and other factors.

From an historical standpoint it can be said that the Congress of the United States has, for almost a century, recognized and shown concern for the problems of those who have lost their limbs, or their ability to see, or who are otherwise seriously disabled.

A study of the history of statutory awards will reveal that the Congress has long been of the opinion that the same criteria cannot be employed in evaluating the disabilities of the group which is the subject of statutory awards as that employed in evaluating the disabilities of those less obviously disabled.

We cannot understand what objection the Bradley Commission has to the exercise by the Congress of a power which the Congress obviously has to legislate certain so-called statutory awards. We must conclude that for some reason the Bradley Commission wants to save money by abolishing statutory awards which the Congress thought to be meritorious.

This is merely another instance where the words of the Bradley Commission tend to cover up what must obviously be its real motives.

(5) *Education, training, and readjustment programs*

As to education and training programs and readjustment assistance programs, the Bradley Commission seems to be of the opinion that they have been properly devised and used; that they must be recognized as the best way of discharging the Government's obligation to the nondisabled; and that such programs not only benefit the veterans, but contribute materially to the stability of the society in which they live.

We are, of course, inclined to agree with these general statements. We have long been aware that no piece of legislation, nor its administration, can be entirely perfect. We are aware of certain abuses which occurred under the GI bill, but we are also familiar with the fact most of the possibilities of abuse were cured when the time came for the enactment of a Korean GI bill.

Even now there are additional improvements to be made in connection with the administration of these programs.

We are concerned with the Bradley Commission's intimation that by conferring these benefits, the Government has discharged its entire obligation to the non-service-connected disabled veteran. We point out that the Government has an acknowledged continuing obligation where need exists. If the Bradley Commission is of the opinion that these programs have eliminated need, it is factually in error. So long as need exists, there is a void for pensions to fill. No amount of Bradley Commission statistics will change this concept. However, it may be pointed out that because of these programs the numbers in need will probably be fewer. If this be so, the Bradley Commission's general pension scare is considerably discredited.

In addition, we are not persuaded that the Bradley Commission is completely in accord with the proposition that these education and training programs and readjustment assistance programs are primarily the function and the responsibility of the Veterans' Administration. We detect in certain of the recommendations of the Bradley Commission an effort to disestablish some of these programs from Veterans' Administration and to turn the administration of those programs over to other agencies. We are deeply disturbed by any such effort on the part of the Bradley Commission or any other agency of Government. We have fought too long and too hard for the establishment of a separate Veterans' Administration and for the establishment of the concept that the affairs of the veteran should be treated as a separate entity by a special branch of Government.

The type of proposal which would "phase out" veterans housing by merging it into FHA and those proposals constituting a wholesale attack on veterans preference and other proposals which would eliminate or curtail veterans' benefits make the Bradley Commission's entire report suspect. Words of praise are so frequently followed in the report by suggestions which would dismember and destroy the veterans' program.

(D) HAS THE VETERANS' ADMINISTRATION BEEN REASONABLY SUCCESSFUL IN THE PERFORMANCE OF THE FUNCTIONS FOR WHICH IT WAS CREATED?

On this question, the Bradley Commission concludes that, on the whole, a reasonably effective job has been done by Veterans' Administration in furnishing veterans with the benefits intended by Congress.

We are in accord with this general conclusion.

The Bradley Commission is concerned, however, with clarifying the mission of the Administrator of Veterans' Affairs to reflect his positive responsibility for the comprehensive analysis of program and long range policy development, including the function of advising the President. The Bradley Commission suggests further that the Administrator's personal staff should be augmented to include the highest caliber professional advisors in such fields as economics, statistics, public administration and sociology. The Bradley Commission further recommends that the research and statistical resources of the Veterans' Administration departments should be strengthened. It suggests that serious consideration be given to making the Administrator of Veterans' Affairs a member of the Cabinet, and that in any event, the President should establish a Cabinet Subcommittee on Veterans' Affairs, with the Administrator of Veterans' Affairs as a special member.

We are aware, of course, that such professional personnel as has been suggested may possibly, with charts and graphs and statistics and statistical projections, submerge the Administrator and overburden him with that type of detail which is so dear to the heart of the average governmental researcher and statistician. Nonetheless, a reasonably strong Administrator of Veterans' Affairs should certainly be able to discharge more fully his obligation to the veteran and to the country by a proper analysis of the material which could be prepared for him and upon the basis of which he could provide a greater degree of leadership in the field of veterans' affairs than he now does. In this connection, we would suggest that no real leadership in the field of veterans' affairs is possible until the complete dominance of the Administrator by the Bureau of the Budget is relieved.

There are other suggestions made by the Bradley Commission in connection with the office of the Administrator of Veterans' Affairs. One of these is that an additional limitation should be placed on his authority by more precise requirements and definitions and that the rules to be promulgated by him in large matters affecting the eligibility of veterans for benefits or involving changes in program objectives should be made subject to advance notice to and advance review by appropriate agencies of the Government.

So long as such a recommendation does not interfere unduly with such independence as the Administrator of Veterans' Affairs has been able to salvage, we would see no serious objection to the recommendation. However, we would strenuously object to the elimination of the authority of the Administrator by making him subservient to, or dependent upon, the approval of other agencies of Government prior to taking a proper action in the field that is exclusively within his own domain.

The Bradley Commission also suggests the establishment of a central administrative review, without affecting the ultimate finality of decisions by the Administrator of Veterans' Affairs. There is no great vice in the establishment of such review. It is true that it might well result in a standardization of decisions in different sections of the country. It is an additional expense; it is an additional step in the prosecution of a veteran's claim. We suggest that such problems as have developed might be just as ably handled by the present Board of Veterans' Appeals.

Finally, the Bradley Commission suggests that the laws affecting veterans should be codified and that in that process of codification, emphasis should be placed on simplification with mindfulness of the direct personal impact of the statutes, and that similar treatment should be given the related regulations.

Certainly, there can be no objection to making veterans' laws and regulations more simple in language and in clarifying and codifying those laws and regulations which govern such a large segment of our population. We warn, however, that such a project of codification and simplification could easily be turned into the vehicle for the embodiment of such changes as have been suggested by the Bradley Commission. The House of Representatives recognized such a danger as we now point to and specifically provided in the bill which it recently passed that the codification which it authorized be not used to change existing law.

SUMMARY

The Bradley Commission and its staff have labored mightily and expensively to bring down a very small bird. In spite of the presumed omniscience of the employees of the staff of the Bradley Commission, we, of the American Legion, are disposed to place the fate of the American veteran where it has always been—in the hands of the Congress of the United States. The Congress developed and will continue to develop a clear national philosophy of veterans' benefits. It will continue to relate those benefits properly to the other areas of legislation with which the Congress concerns itself for the social betterment of all the people. It will insist upon protecting the veterans as a class to which it acknowledged, during periods of war, a special obligation. It will not abandon that special obligation by substituting for it, as suggested by the Bradley Commission the opportunity to participate in social-security benefits which as citizens we are already entitled to do and for which, if we participate, we will have paid monetarily. It will continue to work effectively and constructively to take care of the demonstrated needs of the disabled veteran. It will protect him from overly egotistical individuals who would misrepresent the breadth of medical knowledge and destroy the veterans' capacity to obtain the benefits of presumptions in establishing his service connection. It will protect its right to concern itself with special classes of disabilities which it believes may be best handled by the use of statutory awards. It will preserve the integrity of the rehabilitation and readjustment benefit programs, protecting them against absorption by agencies of Government which believe that the veteran is owed no special obligation and which would seek to build little empires of their own at the expense of the best administration of the veterans' program.

The Administrator of Veterans' Affairs, if a courageous and independent individual, will be able to administer the program that the Congress has defined for him, recognizing that, as a member of the executive branch of the Government, he must have due respect for the remaining members of the executive branch of the Government and the programs which they administer.

We must reluctantly conclude that the Bradley Commission, in its report, has demonstrated that it bears close resemblance to the previous Hoover Commissions. It is another step in a little understood effort to represent the veteran as the creator of large problems adversely affecting the rest of America, who must be chastened, reduced in dignity, and made to forget that at one time he was assured of the gratitude, respect and continuing regard of all.

We do not know how many dollars have been spent in these efforts to diminish the stature of the American veteran, but whatever dollars have been spent have been wasted. We suggest that the time has now come to stop these senseless investigations of the same subject over and over again. The Congress is a capable body, aware of its legislative enactments in their entirety. It is accountable to the people. It is aware that many of those people who elect it and support it are veterans to whom pledges were made and will not be broken.

CONCLUSION

It is the American Legion's hope that by offering this broad analysis of the Bradley Commission's report, it may have been helpful to this House committee. We have tried to make it clear that there is nothing in the Bradley Commission's studies or report which should deter this House committee from continuing such action on pending bills as it may think proper.

We, of the American Legion, are interested primarily in the pension bill, H. R. 7886, and equally in the compensation bill, H. R. 9767, pending before this committee, on which we and others have testified at considerable length. This committee has shown great deference to the work of the Bradley Commission by scheduling hearings on its report. We suggest, and respectfully recommend now, that these pension and compensation bills which the House committee has so thoroughly investigated and which are so vital to so many veterans and their dependents, be now promptly handed to the Congress for its determination of their merits.

It is a very important report, Mr. Speaker, and there is a great deal of value in it.

CURTAILMENT OF THE BIRMINGHAM NAVAL AIR STATION

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, I request the indulgence of the House of Representatives to make a brief statement on behalf of my congressional district, Jefferson County, Ala. As you know, I represent the largest district in Alabama, in population, and the fourth largest in the Nation. Jefferson County includes the city of Birmingham, the cities of Bessemer, Fairfield, Tarrant, Homewood, Mountain Brook, Leeds, and 19 other incorporated communities. It is largely urbanized.

One hundred years ago there was no Birmingham. This dynamic American city was founded in 1871, only 85 years ago. It now is one of the greatest industrial centers of the South, yea, of the entire Nation. The progressive growth of the great cluster of cities which I represent is one of the most inspiring stories in the annals of our Nation. Our amazing progress can be attributed to the energy, the sturdiness, the initiative, and the faith which the people of Jefferson County have in themselves and in their firm belief that they can make a great contribution to the economy and general welfare of the State of Alabama and the United States.

I point with pride to my district, and to the people who have made its greatness possible, for a reason.

In taking the floor at this time, I am motivated by a concern that the Federal Government is apparently unaware of the economic, financial, and industrial importance of my district. We in Jefferson County and Birmingham have been slighted by the Government in Washington for so many years that we are getting a "hangdog" feeling about it. I believe it is time that we quit "taking it" and give back awhile.

Let me give you an example of the failure of the various agencies of the executive branch to give proper consideration to the vast potentialities of the Birmingham district.

Within recent days and weeks, the Navy Department has reached a decision to abolish the Birmingham Naval Air Station, or to institute what amounts to a drastic curtailment of naval activities in my district. They would leave us a shell of our Naval Air Reserve training program in the form of a Naval Air Reserve facility.

At our Naval air station, we now have 208 active-duty support personnel, including officers and enlisted men, who administer and provide training for 784 active Naval Reserve aviators, ground and staff officers, and enlisted men. The Naval air station currently employ 25 civilian personnel. Under the Navy's plan for a Naval Air Reserve facility, we would have only approximately 22 active-duty support personnel, limited facilities, and only about 8 aircraft. All civilian employees would join the ranks of the unemployed.

In addition, the ineffective facility arrangement would be operated under the administrative control of a parent air station, from which it would receive its logistic support. The Navy presently envisons that the impotent Naval Air Reserve facility at Birmingham would receive its support from another Naval air station over 125 air-miles away. It is evident that the bulk of Alabama naval reservists, air and ground personnel, would have to travel this distance for their training.

Training and flying jet aircraft, which we all know represents the real need of our air arm today, would be denied to Brimingham although we are, at long last, about to realize our ambition in extending our main runway to take care of jet aircraft. The old conventional-type aircraft is completely outmoded in this age and it follows that flying planes of World War II vintage is neither attractive nor of value to the Nation's defense effort. Our air arm is properly placing the real emphasis on jets and little glamor is attached to flying obsolete aircraft.

The city of Birmingham will complete its jet runway in about November of this year, and yet the Navy uses as one justification for reducing Birmingham's Naval Air Station to a mere shell the fact that jet operations cannot now be satisfactorily accommodated at Birmingham on the existing runway.

We in Jefferson County and Birmingham do not begrudge others their good fortune but, at the same time, we cannot help noting that apparently the Navy gave little, if any, thought to expanding the training activities and facilities at the Birmingham Naval Air Station before reaching the decision to remove the administrative functions to another city over 125 miles away.

This brings me to my major point. The Navy asserts that its action with respect to Birmingham was dictated by the desire to effect the most efficient utilization of the total manpower resources available. Navy spokesmen have stated that progress made by Birmingham has been disappointing in that it is presently supporting only six Reserve units, and it has a higher than average cost per trainee when compared with similar Reserve installations.

The Navy itself, in my considered opinion, must bear much of the responsibility for what they term disappointing participation in the Reserve program at Birmingham. This allegation is borne out by the extensive improvements being made by the Navy at many other Reserve installations of comparable size and potential. For example, the naval air stations at Birmingham, Lincoln, Nebr., and Niagara Falls, N. Y., were commissioned about the same time, and it is believed that these three stations have roughly the same potential Reserve personnel strength. There have been, to my knowledge, no expenditures at Birmingham other than for maintenance, whereas new facilities have been authorized for Lincoln and Niagara Falls at a total cost of over $10 million. Also, a new $4,500,000 facility is to be constructed at the naval air station in Atlanta so that jet aircraft can be supported. Extensive improvements and new facilities are planned for the naval air stations at Willow Grove, Dallas, Glenview, and Los Alamitos. The Grosse Ile and Akron stations are being moved to Willow Run and Cleveland, with the addition of new facilities.

In short, the Naval Air Reserve stations over the entire United States, with few exceptions, are now suffering from lack of jet runways and the Navy has announced plans for both jet runways and improved facilities at most of the stations, with the exception of Birmingham. We Alabamians fail completely to understand why Birmingham has been made the exception.

The city of Birmingham is constructing its new jet runway without the financial assistance of the Navy.

Further evidence that the Navy has completely overlooked the needs of the Birmingham Naval Air Station, in comparison with similar installations, is shown in that practically every other naval installation in this country has adequate barracks and BOQ facilities for the "weekend warriors." Most of these installations have adequate facilities for conducting physical fitness programs, including tennis courts, swimming pools, and gymnasiums. They also have enlisted men's clubs, CPO clubs, officers' clubs, movies, cafeterias, tailor shops, service stations, libraries, hobby shops, and many other activities which are not only convenient but provide outlets which attract membership in the Reserve program. None of these facilities, I repeat, none, exist at the Birmingham Naval Air Station. The Navy has most generously provided a small ship's service and a very small snack bar where a sandwich may be obtained.

We in Jefferson County and Alabama believe that, had funds been appropriated by the Navy for additional facilities at our naval air station comparable to the appropriations for similar stations in other parts of the country, we would now have 20 Reserve squadrons instead of 6, and our cost per trainee would be much lower than the average for the other Naval Air Reserve installations.

I should like to emphasize that the current annual cost of operating the Birmingham Naval Air Station is only $368,000. This is no more than sufficient to train three Naval Air Cadets at the Naval Air Station in Pensacola, Fla. The reduction of the Naval Air Reserve Training Program at Birmingham as proposed, would be the height of false economy. The cost of operating this station is so small and the results so great when compared with the overall expenditure for national defense that it is unthinkable that the Navy could be so shortsighted as to propose closing it in the interests of economy.

The Rand McNally survey shows that Birmingham ranked third in the Nation in business for 1955 and is one of the country's leaders in wage level increases with an 8-percent rise in the year just passed. The Federal Government, including the Navy, should be aware that it has been estimated that at least 3,000 new major industries will be located in the South within the next few years. I am confident that Birmingham and the State of Alabama will receive its share of these new industries. My district now has a population of 612,000 people. It is continuing to play a major role in the growth of business and its population is increasing at a phenomenal rate.

That the Birmingham area has a tremendous potential of naval and Naval Reserve personnel is obvious.

One other point with respect to the Navy's plan for Birmingham which I should like to bring to the attention of Congress is that Birmingham has been designated by the Civil Defense Administration and the Department of Defense as one of the prime target areat, that is, one of the first cities which will be attacked in the event of an atomic war. This, in itself, without regard to the other arguments which I have presented, should be a sufficient justification for maintaining a strong and expanded Naval Reserve training program in my city.

All we in Birmingham and Alabama ask is that we be given a chance to prove ourselves—a chance comparable to that given to other cities similarly situated. We know that if this is done, we will be able to make a much greater contribution to the Navy's Reserve training program. We have accepted the challenge if the Navy will give us equal treatment and facilities.

A TRIBUTE TO DAVE REED, OF EDWARDSVILLE, ILL.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, a gentleman named Dave Reed—an old man of 90 years—died the other day. He had spent some time of late in a sanitarium in Edwardsville, in the 24th District of Illinois, that I have the honor to represent. He had been a miner, and a man of parts.

In a letter to the editor of the St. Louis Post-Dispatch, a friend of Mr. Reed paid tribute to the gallant man. He told of Dave Reed's belief in the right, rather than in power. He told how Dave Reed fought for his rights and the rights of his fellow man in his unions.

There are more Dave Reeds in America than we sometimes know of, but frequently they lack the friend who will write about their deeds and gallantry after they are gone. I was so impressed by the eloquence of the letter paying tribute to this fine American that, under unanimous consent, I ask to have it printed at the conclusion of these remarks, so that it will be a permanent part of our RECORD, and a permanent memorial to him:

WHAT DAVE REED DID

To the EDITOR OF THE POST-DISPATCH:

In January when we saw Dave Reed at the Edwardsville sanitarium, the 90-year-old-miner thought he would be up perhaps in time this spring to work his garden at Maryville, Ill. But in March when we returned he said complications had set in and he doubted if he would last out the month.

There was silence between us and Dave broke the lull with: "It will be all right for one of you fellows to say something over my grave; but don't put it on too thick."

Dave Reed died on April 4, and on April 7 he was buried at the Collinsville Cemetery under the direction of local No. 3 of the Progressive Mine Workers. Jack Battuello, former Wilsonville miner and Reed's coworker, drew the hard task of making the funeral speech and what a fine speech it was.

There is a pattern that is now clear about miners' speeches and that is that they are part of the world in which millions of other human beings reside, and they feel almost instinctively that the lasting solutions of mankind lie in world solutions. We rise or fall with the human race as a whole. That of course, is a high feeling, and this sentiment flows easily among the miners perhaps because they have suffered so much.

The sketch of Dave Reed's life reveals that he was born in Llewellyn, Pa., on December 21, 1866—the year after Lincoln's assassination. His parents were of Scotch ancestry. At the age of 9 he began work as a breaker boy and labored with coal diggers who as Union soldiers had dug the shaft which set off the blast under Confederate fortifications defending Petersburg. Douglas Freeman later defined the "big hole" which the miners blasted as one of the "secret weapons" of the Civil War.

Dave Reed's life then was to span practically the entire history of the various coal-miners' unions: He knew the Molly Maguires, belonged successively to the Association of Miners' the National Miners' Association, the Knights of Labor, helped form the United Mine Workers of America, and joined the Western Federation of Miners when he worked in the Western States.

And when the Progressive Miners were formed in Illinois in 1932 he did not hesitate to lead his Collinsville local into the new union and his local was numbered 3 of the 177 locals that were chartered.

In 1937 the Progressive Miners elected Dave Reed to their highest office—the presidency. Throughout his life Dave Reed stood for what he believed was right and just: "Don't worry about power. Power is only temporary. Think about what is right. Help what is right along and the rest will take care of itself."

He was to practice what he preached. The division between the miners found the United Mine Workers on strike while the Progressives remained at work. This did not fit into what Dave thought was right and he summarily placed his job as president on the block of political controversy for he believed that the miners should reunite on the basis of an entirely changed situation from the conditions which had precipitated the schism.

The prejudices ran deep and a blood line separated the miners and they were to turn Dave Reed down on the question of reunification. Dave left the office without regret.

Dave Reed excelled as a pit committeeman and he could hold his own and defend the men's interests on the basis of what was in the contract. He worked overtime as a local union officer, delegate to conventions, funeral committees, sick committees, relief work, and many other tasks.

He was of the stuff that forges movements, the cement that held the union together, the real power that enabled leaders at the top to bargain for better things for working people.

Dave Reed left this world just about the way he came into it, without possessions, except for the four-room house he left to his wife, Catherine. This season while others will be preoccupied with their gardens, Dave Reed's small plot will be idle and unattended. The mine whistle will blow once to signal that his work is done.

GERRY ALLARD.

SPRINGFIELD, ILL.

THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. MACDONALD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, the proposal in H. R. 8901 to restore the franchise to the Capital Transit Co. with very substantial and novel concessions is an unfortunate one. It will be remembered that the decision of the Congress to revoke the franchise of the Capital Transit Co. was made during a strike—a strike which was but one more step in the long history of antipublic attitudes reflected in the Wolfson group's conduct of the business of the Capital Transit Co. That strike, you will recall, was provoked by the company's plain refusal to seek a realistic determination of the issues involved in the then-current labor dispute. In 1954, a Senate subcommittee, composed of Senators PAYNE, BEALL, and MORSE, filed a report on public transportation in the District of Columbia—Senate Report No. 1274, 83d Congress, 2d session. In discussing the proposal of Louis Wolfson in which Wolfson suggested the formation of a Washington Transit Authority, the report of the Senate subcommittee says—page 62:

> The general managerial attitude of the Wolfson group toward the problems previously discussed in this section and their public statements clearly indicate that they place their own private financial interests above those of the public in their operation of Capital Transit Co. This attitude has given credibility to the widespread public belief that the Wolfson group is milking the Capital Transit Co. preparatory to dumping the system on the Government. Whether this is the intent of the group the subcommittee cannot, of course, conclusively determine; but there are strong indications that this well may be their ultimate goal.

The subcommittee also stated at page 62:

> The Capital Transit Co. follows that course of action which best suits the interests of its controlling group, irrespective of the public interests.

In conclusion, the report states:

> Lest this report seem too harsh on Capital Transit Co. and the Wolfson group, the subcommitee state that the facts have been developed and analyzed to the best of their ability with the staff and time available. No illegal actions on the part of Louis E. Wolfson and his asociates were discovered in the operation of the Capital Transit Co. The subcommittee found, however, that the general managerial attitude of the Wolfson group was contrary to the managerial attitude which should be held by the operators of a public transportation company.

When the Wolfson interests obtained control of the Capital Transit Co. in 1949, they obtained a block of 109,458 shares for $2,189,160, or $20 a share. In an article entitled "Profit Taken, Wolfson Ending Transit Venture," which appeared in the Washington Post and Times Herald on July 31, 1955, Edward F. Ryan and S. Oliver Goodman pointed out:

> Here's what the Wolfsons have harvested from their original investment of $2.2 million:
>
> Dividends, $3,119,580; $537,600 in Continental Enterprises stock; $1,688,000, market value of CTC shares sold or disbursed. This makes a total of $5,345,180. They still own 28 percent of outstanding CTC stock, with a market value currently of about $2.7 million.
>
> Their original investment of $2.2 million has mushroomed into an estimated $8 million. However, in fairness to the Wolfsons, it must be emphasized that these estimates are gross amounts and that Federal income taxes in their earnings brackets are heavy.

Nor has this been all. For a time the public was burdened with extremely heavy salaries paid to officers of the company. In 1949, B. W.—before Wolfson—Edward D. Merrill served as chairman of the board and president at $36,000 a year; Robert V. Fleming served as chairman of the executive committee at $5,000 and J. B. Heberle served as vice president and comptroller at $19,000, all for a total of $60,000 a year in top salaries. By contrast, in November 1953, Louis Wolfson received $40,000 a year as chairman of the board; J. A. B. Broadwater, $40,000 a year as president and chairman of the executive committee; Doran S. Weinstein as executive vice president, $30,000; and Robert E. Harvey, $21,000 as vice president and comptroller. For that year the top salaries totaled $131,000.

While there have been changes in the top personnel, and Louis Wolfson no longer receives his salary as chairman of the board—although he does receive a substantial expense account—the doubling of the salaries as enumerated above, is indicative of the gains made, salarywise, by the Wolfson interests.

Prior to the coming of the Wolfson management, the company never paid more than $2 a share in dividends in any 1 year. In 1950, the first year after Wolfson came, the dividends were boosted to $3; and in 1951 to $4. In October of 1951, the Wolfson interests declared a 4-to-1 stock split. In 1952, an extra dividend of $10 was paid in addition to a regular dividend of $5.60. In 1953, dividends of $5.80 were paid, and 1954, $5.60—in each case, the dividends are on the basis of the shares before they were split up.

Let us remember also that on July 28, 1955, during the long, hot strike, the company offered to the Congress to surrender its franchise and to operate the property for 1 year until the termination of the franchise would become effective. The offer to give up the franchise undoubtedly gave impetus to the legislation revoking it. The Congress simply took Wolfson at his word. Now it appears that the Capital Transit Co. has changed its mind. Perhaps it senses in the vast concessions obtained in H. R. 8901 an opportunity to squeeze some more juice out of the lemon.

The company has already brought together large sums for distribution to the stockholders. In its most recent annual report, dated Mar. 7, 1956, Messrs. Wolfson and Broadwater stated to the stockholders that the company expected to distribute a substantial first liquidating dividend shortly after August 14, 1956. The report pointed out, page 5:

> Estimated cash will amount to $6 million as of August 14, 1956.

The fact is crystal clear that H. R. 8901 does not represent any permanent solution to the transit problem in the District of Columbia. In all probability, the Wolfson management, once it has utilized the concessions made in H. R. 8901 for the primary benefit of the stockholders, will then rediscover their own proposal for a Washington Transit Authority. Let us not create a situation which will further enrich the Capital Transit Co. at the expense of the public and wind up with a public transit authority anyway.

PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, in studying the Bradley report on veterans' pensions, I was somewhat concerned as to whether the statements made before the Veterans' Affairs Committee by General Bradley were agreed to by the President. For the purpose of obtaining this information, I addressed the following letter to the President:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 7, 1956.

The PRESIDENT,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: May I respectfully invite your attention to the following paragraph of your letter to Gen. Omar N. Bradley, chairman of the President's Commission on Veterans' Pensions, which was released by your press secretary, James C. Hagerty, on March 5, 1955.

"The Commission on Veterans' Pensions, of which you are the chairman, has been appointed by me to carry out a comprehensive study of the laws and policies pertaining to pension, compensation, and related remedial benefits for our veterans and their dependents. I would like the Commission, on the basis of its studies, to furnish me with a report, including recommendations regarding fundamental principles, which I can use as the basis for making recommendations to the Congress for modernization of these benefits and clarification of their relationship to broader Government social insurance and family protection programs."

On April 23, 1956, the Commission did submit such a report to you; and on that date General Bradley appeared before the Committee on Veterans' Affairs, of which I am a member, and presented the report with a personal explanation to the committee.

To my knowledge, however, your approval or disapproval of the report has not been made known to the Congress nor to any committee thereof. The purpose of this letter, therefore, is to ask if you have approved the report in whole or in part and when your recommendations, if any, will be officially transmitted to the Congress.

As a member of the Committee on Veterans' Affairs, I am deeply interested in all veterans' legislation and the administration of the veterans programs as enacted by the Congress and your views with respect to the report will be most helpful, I am sure, in helping me to arrive at decisions when legislation is being considered by our committee.

Inasmuch as my committee is meeting on May 8 and 9, I would appreciate it if it would be possible for one of your secretaries to call and give me the information requested.

With best wishes for your continued physical improvement,

Respectfully yours,

GEORGE S. LONG,
Member of Congress.

In compliance with my request of the President for an immediate telephonic response to my letter, the following reply was telephoned to my office by Mr. Bryce Harlow, the President's administrative assistant:

> The report of the Bradley Commission has been put under a tight analysis. It will be some time before any conclusions are reached

in regard to this report. All the background reports of the Commission have not yet been completed, and all this must be taken into consideration before the President makes any recommendations on this report.

AMERICAN CITIZENS DEPRIVED OF PROPERTY UNDER ALIEN PROPERTY LAWS

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KILBURN. Mr. Speaker, under leave to extend my remarks in the Record, I am including the following statement I submitted to the House Committee on Interstate and Foreign Commerce on April 30, 1956, in support of my bill, H. R. 5098, to amend section 32 (a) of the Trading With the Enemy Act.

Immediate favorable action on my bill will rectify a grave injustice in the existing law which discriminates against and deprives American citizens of property to which they are legally and justly entitled.

Statement of Hon. Clarence E. Kilburn in Support of H. R. 5098, to Amend Section 32 (a) of the Trading With the Enemy Act

Mr. Chairman, I deeply appreciate the opportunity you have afforded me of submitting this statement in support of the bill H. R. 5098, to amend section 32 (a) of the Trading With the Enemy Act. The purpose of this bill is to correct an inequity resulting from the wording of the present law.

The Trading With the Enemy Act now provides that property vested in the Alien Property Custodian may not be returned if the owner of the property was a German citizen who was present in Germany during the period of the war unless he was deprived of full rights of German citizenship as a consequence of German laws discriminating against political, racial and religious groups. Section 32 of the Trading With the Enemy Act precludes turning over the property by the Alien Property Custodian to American citizens who become the rightful owners of such property under the terms of a will. I know of a particular case where fine patriotic American citizens who are the legatees under the will of a German citizen are being deprived of property which is rightfully theirs in the possession of the Alien Property Custodian.

It seems to me that it could not have been the intent of the Congress to deprive American citizens of property to which they are otherwise legally entitled merely because the former owner was present in Germany during World War II. That does not seem to be a valid criterion of the authority of the Alien Property Custodian to withstand the claims of American citizens. There were of course many individuals in Germany during the war who—while they were not actually persecuted because of their race or religion—nevertheless were not Nazis or supporters of the Nazi regime. However, I am not concerned in the present bill with the problem of returning property to those owners. This bill is intended to authorize the Alien Property Custodian to turn over the property to American citizens who are rightfully entitled thereto. If an American citizen would be otherwise entitled to the property it is manifestly unfair to deprive him of the property merely because the former owner of it was present in Germany during the war.

This bill will clarify section 32 (a) of the Trading With the Enemy Act to the extent that the person otherwise entitled to the propery may receive it from the Alien Property Custodian unless he was present in Germany during the war. This, I believe, is in keeping with the original intent of the Congress and is to my mind certainly more equitable and just than the situation brought about by the present language in the Trading With the Enemy Act.

It is a matter of great importance and the amendment will not interfere in the slightest with the philosophy of the present law.

I earnestly urge prompt and favorable action by your committee on the present bill.

AMENDMENTS TO THE SOCIAL SECURITY ACT LOWERING ELIGIBILITY AGE FOR RETIREMENT

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, on numerous occasions I have spoken on the floor of this House to urge that we must humanize our social-security system by providing benefits for those workers who are so severely disabled that they are forced to leave their jobs, and to lower the eligibility age for retirement. In every session of Congress since I have been in Washington, I have introduced bills which would accomplish these results. My bills would provide disability benefits at any age, and lower the retirement age for men to age 60 and for women to age 55.

During the last session of the Congress, as you know, the House passed a bill which added these improvements which I have so long advocated, but in a limited form. Under that bill, benefits would be payable to workers who were totally and permanently disabled at or after age 50. And the eligibility age for women would have been lowered from age 65 to age 62.

I voted for that bill. It did not go far enough, in my opinion, but it was a step in the right direction.

These amendments to the Social Security Act are now being considered by the Senate Finance Committee. For many weeks, they have been listening to a long series of witnesses. I have watched these hearings carefully. And, if I may say so, practically everyone has been heard except the people who would be directly affected by this legislation. I refer to the men and women throughout the country who, because of a crippling disease or accident, can no longer support their families. Under existing law, they are told that they must wait until they are 65 years old until they are entitled to social-security benefits.

I refer as well to those older women—many of them widows—who, although they are in dire need, are also told that they must wait until they reach age 65 before they are entitled to payments from our social-security system.

Because I am convinced that the plight of these Americans must be our first consideration, I rise today to speak on their behalf.

The Senate committee has been told by most of the opponents of our Social Security System that such improvements would be too costly to the taxpayers. They have opposed the increase in the contribution rate of ½ percent on wages up to $4,200 by which the House bill would have absorbed the cost of these additional benefits. This sudden concern over the welfare of the American taxpayer shocks me.

Mr. Speaker, I want the record to show that I do not agree with the objection that these important new benefits would be too costly to the taxpayers. I am sure that the American people would be willing to pay this additional contribution if they knew the kind of increased protection they would receive as a result. I am sure that the American worker would willingly pay this relatively small additional amount if he knew that his wife would be entitled to benefits at age 62 instead of age 65, and that his family would be entitled to a regular social security payment in the event that he could no longer work because he was disabled.

The truth of the matter is that millions of workers in the country have already demonstrated their concern with this kind of protection. The Federal employees now pay a percentage of their total salary so that they can acquire protection against disability in this form. So do men and women covered by the railroad retirement system, by plans for employees of State and local governments throughout the country; and by workers in many private plans.

They want this kind of protection because they know that a disabling illness or injury may strike at any time, adding its own treatment costs at a time when wages have ceased. I dare say that there is no more haunting fear on the part of most husbands and fathers than that such an eventuality might occur.

And, I am convinced that, when we are discussing costs, we must always bear in mind the costs to the human spirit when wages stop at a time of crippling illness. The need for social-security benefits at this time is certainly demonstrable. Under our present plan, we pay benefits because of loss of wages caused by retirement. And we pay benefits because of loss of wages caused by the death of the family breadwinner. But we have so far refused to allow the American people to increase their protection—through their own contributions, mind you—so that they will be entitled to benefits when wages stop because they are disabled.

A very weak argument has been offered in opposing the lowering of the retirement age for women from 65 to 62. Such a change, the opponents of social security say, would tend to reduce job opportunities for many older workers and would conflict with the fact that more women are living longer and working longer than ever before. I wonder how many older women have been consulted in reaching this conclusion. How many older women are able to obtain jobs in the first place? What does the record show? In a speech before the

House of Representatives on March 17, 1953, I quoted the statement of Dr. John W. McConnell, which appeared in the report of the New York State Joint Legislative Committee on Problems of the Aging, calling attention to the tragic plight of those wives and widows who, after they have raised their families, suddenly find that they must fend for themselves. In Dr. McConnell's words:

> Nearly 4 million elderly women, previously married, and for the most part supported by their husbands, now are forced to find an independent source of income, and to adjust not only to the problems of old age and inadequate income, but to the problem of widowhood as well.

We must ask ourselves then, first of all, how many of these women are able to find jobs? And we must also ask ourselves how many of those women who do find jobs—usually at the lowest pay scales because of their inexperience—are working not because they want to work longer, but because they must, much to their regret, in order to maintain themselves and to earn their benefits.

By lowering the eligibility age for women from age 65 to age 62, as provided in the House bill, we would be relieving the plight of thousands of older women in our country, and creating job opportunities for younger workers at the same time. We would also recognize the special needs of all retired workers. For in paying a wife's benefit at age 62, we would also recognize that most wives are younger than their husbands. Under the present system, no wife's benefits are payable until the wife reaches age 65. In most families, the single retirement benefit to which the husband would be entitled until his wife reaches age 65 is not enough to maintain the family. It was in recognition of this fact that a wife's benefit was added to the social-security system in 1939. By reducing the age requirement for a wife's benefit, we would make it possible for many men to retire at 65 because the amount of social-security benefits they would receive would be adequate to maintain themselves and their wives. And once again, the labor market would thus be opened to younger men.

Mr. Speaker, I am not impressed with the warnings of our opponents of social security that the enactment of this bill would add 1 million women and disabled workers to the rolls of old-age and survivors insurance system. Have they talked to the hundreds and thousands of women in their 60's or to disabled workers? I believe they have the best answer as to the merits of this legislation.

Does such a position recognize the fact that an unemployed man at 45 finds it difficult to get a job? Does it recognize that modern miracles of production are inevitably shortening the work life of most of us if we are to maintain job opportunities for younger workers?

I find it difficult to understand the logic of the position which maintains that we must protect workers against a small increase in their social-security tax, at the cost of refusing to furnish them with the kind of protection which the House bill would provide. This is one tax which would establish a right to direct benefits to the worker himself and to his family. In this sense, it is an investment which will pay off in the future at a time when earnings cease. In making such payments the workers become, in effect, "stockholders" in the social-security system.

I believe the people of this country are in favor of a plan which would reach down below the arbitrary retirement age of 65 to award benefits to those workers who are forced to retire prematurely from the labor force because of a crippling illness or injury which makes them unable to perform any kind of work. As I said last year, when the House amendments were under consideration:

> For the truth of the matter is that a man who is the victim of an injury or illness which cannot be cured has been forcibly retired from the labor force by a tragedy over which he has no control. Such a crippling illness or injury does not wait until a 65th birthday, but can strike any one of us at any time. According to the best estimates, approximately 2 million Americans are away from their jobs each day because of a disability which has lasted 7 months or more. Most of these workers and their families face a bleak future. For the earnings of the family breadwinner have stopped because he is unable to work at a time when the expenses of the family have greatly increased due to the costs of his medical care. But, under the existing social-security law, he is not entitled to receive a social-security benefit until he reaches his 65th birthday.

I believe that the people of this country want to provide for the retirement of women at age 62, instead of holding to the old-fashioned eligibility age of 65 years which was chosen arbitrarily away back in 1935 and has not been changed since that time.

I am convinced that the people of this country are in favor of the social-security amendments as passed by the House last year because they represent a move in the direction of improving and humanizing our social-security system. As I have said, we must never overlook the costs in terms of family welfare and of the human spirit in failing to enact this type of legislation. Nor must we overlook the subsidiary costs arising from the delay and destitution characteristic of the assistance programs concerned with these problems.

It is certainly unrealistic to assume that every worker is able to work until he reaches the arbitrary age of 65. For example, experience has shown that disability rates tend to increase with the severity of the disablement at approximately age 50. But if a worker aged 50 is forced to quit work because he is unable to work, he is now subject to a double penalty: First, he loses his job and the wages it would bring in at a time when medical expense for the family is increased; and, second, he must wait until he is aged 65 before he is entitled to any benefits.

In providing disability benefits for such workers, and in adjusting the eligibility age for older women, we will be facing up to the economic realities of our time, and adding a measure of security to our social-security system which is in line with those realities. At the same time we will be helping to relieve the consequences of tragedy in millions of American homes.

I hope and trust that the Senate Finance Committee will have the courage to favorably report out this bill as passed by this House. In doing so they will be listening to the plea of millions of Americans as against a few who would tear down the benefits of our social-security system.

FACTS AND FIGURES—A CORRECTION OF DISTORTIONS AND OMISSIONS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. Riehlman] is recognized for 30 minutes.

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, a few days ago the gentleman from Colorado [Mr. Hill] gave us a thoughtful and penetrating analysis of the past and present operations of the House Small Business Committee.

The gentleman from Colorado, as we are all aware, was the distinguished chairman of the committee in the 83d Congress and is the present ranking minority member of the Small Business Committee.

The gentleman has served on the committee for 10 years and can speak with authority, not only because of his long service, but as a small-business man in his own right.

For my part, I agree with the conclusions of my friend.

I wish to add some thoughts on the subject and to give you additional facts and figures which are accurate and unadorned.

I also desire to show that the problems of small business did not become "problems" when President Eisenhower took office.

The Eisenhower administration inherited most of these problems and has striven to correct them.

We do not believe our friends of the majority have fairly presented what they claim are comparisons on business failures, Government procurement, or on the activities and work of the Small Business Administration.

I hope Members of this House will recall one pertinent fact, namely, that they have received over the years cooperation on every small business problem from Republican members of the committee.

Particularly, I call to the attention of the members of the Small Business Committee the total absence of sharp shooting such as we have witnessed in the 84th Congress.

I say to my friends on the committee: Play all the politics you like, but do not play politics with small business.

Do not play politics with our system of free competition and free enterprise.

To do either is hazardous to our Nation's welfare.

There is no reason for the establishment of a Select Committee on Small

Business except for the avowed purpose of studying existing and future problems of small business and making a constructive effort to solve such problems.

May I say that for years our committee has had the respect of Members of Congress and businessmen throughout the country for its integrity and impartiality.

Such respect was justly deserved, for regardless of political affiliation the members of this committee, for the most part, have insisted on an objective analysis of whatever subject it had under study.

I seriously question whether our work in the 84th Congress thus far will merit this same respect.

In view of the way the committee has operated this past year, no other conclusion can be drawn.

Rather than enlist the full cooperation of all members to study the many areas in which difficulties confront small business, the majority has, with few exceptions, selected doubtful areas for its investigations and has operated almost wholly without consultation with the minority members.

In all fairness, and from my own personal knowledge, there has been an outstanding exception and that is Subcommittee No. 2, whose chairman is the distinguished gentleman from New York [Mr. MULTER].

It has been a pleasure for me to serve as a member of this subcommittee, and I have had the fullest cooperation.

There have been no hearings by Subcommittee No. 2, or plans for investigation, without the fullest consultation on the part of the gentleman from New York and the staff of the subcommittee.

However, the majority of the committee investigations have been almost entirely political.

A studied attempt has been made to incite small business to oppose the constructive efforts of the Eisenhower administration.

I want at this time to set the record straight in a few particulars.

First, I want to talk a few moments about the false issue of "big business" versus "small business."

If a fair analysis is made of the small business situation as it has existed over the years; this false concept is certainly no issue in this or any other campaign.

Of course, our friends will not make such an analysis.

The record of the Truman administration does not invite comparison.

I have made another analysis recently of reports of the House Small Business Committee published during the 81st and 82d Congresses when we had an administration and a Congress controlled by the Democrats.

These reports, Mr. Speaker, were unanimous reports, made after very thorough examinations by the committee under the chairmanship of the present chairman, the gentleman from Texas [Mr. PATMAN].

In these reports we find in the strongest terms committee criticism on the following points—criticism which clearly demonstrates the objectivity of the committee in those trying years of the committee's life.

Here are some examples:

First. The Small Business Committee was much concerned over the failure of Government procurement agencies to award a fair share of Government contracts to small business.

Writing in the fall of 1952, the committee stated—House Report No. 2513, 82d Congress:

> The only conclusion to this examination of the extent of small-business participation in Government procurement is that, with the exception of purchases of civilian supplies by civilian purchasing agencies, small business is receiving less of the military procurement dollar than ever before. The average small-business potential for all the armed services was determined to be 29.9 percent, but only 59.6 percent of this potential was actually awarded to small businesses. This is only 17.6 percent of the total dollar value awarded to all businesses. The small business share of prime contracts has fallen from 24.5 percent of the total dollar value in fiscal 1950, to 17.6 in 1952, a continuing decline since the attack on Korea (pp. 165–168).

The committee in its report—House Report No. 2513, 82d Congress, 2d session—again stated:

> Since small business now receives a very low percentage of military procurement, it is evident that the primary defect is in the attitudes and judgment of the officials responsible for the administration of the small-business policy in the Department of Defense. The present attitude seems to be that small business is already receiving its fair proportion. Such an attitude indicates bad judgment and failure to soundly appraise economic conditions in the Nation's business structure (p. 163).

Second. The Small Business Committee was similarly concerned about the large percentage of Government contracts awarded through the process of negotiation to the detriment of small concerns.

The final report of the 81st Congress—House Report No. 3237, 81st Congress, 2d session—stated:

> Periodic statistical information from the Department of Defense gave clear evidence of the very small share of defense contracts placed with small business. In the period following the Korean conflict the dollar value of defense orders placed with small business diminished at an alarming rate. At the same time, purchases made through advertised bidding declined in value, while purchases made by negotiation mounted correspondingly. Officials of the Munitions Board and the Department of Commerce were quoted in effect as saying that small business should get in touch with large business in order to participate in the defense program. This advice was tantamount to asking small business to "stay away from my door" (p. 20).

Third. Criticism was made of the failure of these same procurement agencies to adopt a more realistic definition of what constitutes a small-business concern despite the fact that the Selective Service Act of 1947 contained such a definition of small business.

In 1949, the committee said—House Report No. 1576, 81st Congress, 1st session:

> Under the Selective Service Act (Public Law 759, 80th Cong.), a concern is classed as "small business" if "(1) its position in the trade or industry of which it is a part is not dominant, (2) the number of its employees does not exceed 500, and (3) it is independently owned and operated." The committee has been informed by all branches of the armed services that their application of this definition is confined to the number of employees for use in classifying a business as large or small. No attempt is made to determine whether or not a business is dominant in its industry (p. 7).

In 1950, the committee stated—House Report No. 3237, 81st Congress, 2d session:

> The present definition of small business utilized by governmental agencies is the result of tortuous thinking during World War II. * * * At present, we have a definition which literally has little meaning in the executive departments and agencies; nevertheless, it is the law of the land. The committee recommends that the present definition of small business be realistically revised in order that all small business may be included in the meaningful definition (pp. 53 and 54).

Fourth. Much has been said recently concerning the position of big business in our economy. Let us see what the Small Business Committee had to say in 1952 about the awarding of a lion's share of Government contracts to a few very large corporations.

I quote from the final report of the committee to the 82d Congress—House Report No. 2513:

> The general pattern of channeling a high percentage of the dollar value of defense contracts to a relatively few large producers, as established in World War II, is being followed today. Sixty-six and two-thirds percent of the prime war-supply contracts were awarded to the 100 largest corporations from 1940 to 1944. More than 51 percent of the total prime contracts went to the top 33 corporations. The records of 252 of the largest corporations, which received the bulk of World War II prime contracts, show that these companies subcontracted only 34 percent of the dollar value of their prime contracts and that three-fourths of the value of the subcontracts went to firms with over 500 workers. From July 1950 through December 1951, the 100 largest companies and corporate groups received 59.9 percent of the dollar value of prime contracts awarded in the continental United States. * * * More than 46 percent of the dollar value of contracts went to the top 33 companies (pp. 137, 138).

Fifth. An extremely penetrating investigation of antitrust law enforcement caused the committee to comment on the complete failure or the Federal Trade Commission to properly enforce our antitrust laws—House Report. No. 3236, 81st Congress, antitrust law enforcement by the Federal Trade Commission and the Antitrust Division of the Department of Justice.

Mr. Speaker, in addition to the foregoing report the comments of our committee on page 5 of the final report to the 81st Congress—House Report No. 3237—and on pages 249, 308, and 310 of the final report of the 82d Congress—House Report No. 2513—concerning the operation of the Federal Trade Commission, are worthy of particular attention.

I wish to reiterate that the Federal Trade Commission was then under the majority control of the Democrats.

As an example, I quote one section of one of the foregoing reports—House Report No. 2513, 82d Congress.

The committee said in this report:

> On the other hand, the committee would not be performing its duty to the Congress if it did not point out the continued existence of grave weaknesses in the operation of the Federal Trade Commission. Most ominous of all is the deep gulf that has appeared within the Commission, in respect both to the theory of the law and to the procedures of its enforcement. It is no secret that on almost every major issue, particularly those involving the Robinson-Patman Act, both the members of the Commission and the staff are sharply and sometimes irreconcilably divided. The unfortunate results of this conflict within the Commission are clearly evident. It is partly responsible for the delay in processing cases as it leads to almost endless debate. It tends to result in compromises on matters of principles where no compromise should be tolerated. * * * It leads to vacillation and erratic decisions. It produces a profound confusion among businessmen and the public generally as to the meaning of the law and the policy of the Commission.
>
> In its earlier report, the Committee called attention to certain other weaknesses in the administration of the Federal Trade Commission and Clayton Acts. Among these are the low level of morale among the Commission's staff, the lack of consistent policy in the selection of cases, the lack of a vigorous program of enforcing cease-and-desist orders, the relative ineffectiveness of the trade practice conference program, and the need for more effective relief in price discrimination cases. Events of the past 2 years have not caused the committee to change its earlier conclusions.
>
> The fact is clear that small business is not today receiving adequate protection against those restrictive and oppressive practices which tend to stifle free competition and foster monopoly. In spite of isolated successes, the Federal Trade Commission is not achieving its major goal of eradicating unfair and discriminatory practices. This committee is convinced that the time has come for the Congress to thoroughly review the role of the Commission in our antitrust program to determine whether the administrative process can be made sufficiently effective and if it cannot, to devise an alternative (p. 31).

Sixth. During these Democratic years we find comments of the committee in its reports on the continued trend toward economic concentration and the high rate of corporate mergers; on, seventh, the profits of small corporations as compared to those of large corporations; on, eighth, the continued need by small firms for long-term credit, aggravated by the tax rates of the time; and on, ninth, the inability of small firms to participate to the fullest extent in the rapid tax write-off of defense facilities.

Mr. Speaker, I could go on and on pointing out committee comments on the plight of small business during the 81st and 82d Congresses.

But, I am not going to say that things were terrible then and that there are no problem areas today.

I am going to be fair and say that small business still encounters many of these same difficulties and much work still needs to be done.

The Eisenhower administration has recognized this fact and has made considerable progress in correcting many of the inequities which were prevalent when this administration took office.

Small business, in general, has shared in the economic prosperity of the past few years.

The majority has placed particular emphasis on profits and business failures.

They would have us believe that the position of small business as compared with large business has deteriorated since 1952.

They attempt to show that since 1952, small-business profits have plummeted and the number of business failures has risen sharply.

Frankly, I prefer to use more realistic figures to describe what is happening today.

Of course, I have already quoted portions of committee reports for 1950, 1951, and 1952, which showed that small firms were having a real struggle during those days.

But let us see what the real story is today with regard to small business, because only through a fair analysis can constructive suggestions be made which will be of assistance to these concerns.

BUSINESS FAILURES

First, let us look at business failures.

Too much has been said about business failures without adequate consideration being given to the number of failures which have been characteristic of the business economy.

A fair evaluation can only be made after consideration is given to whether or not we are at war or at peace, at what period of time the study is made, the total number of business concerns in operation at a particular time and other factors.

I wish to state right now that comments on weekly business failures are meaningless, only a year-end evaluation gives the true picture.

Several times in the past 2 months my Democratic friends have expressed extreme concern over the business failure figures as reported weekly by Dun & Bradstreet.

They pointed out, for example, that for the week ending March 1, there were 293 failures reported, and that for the week ending March 15, there were 300 failures.

But have we heard anything about the week ending March 22, or the week ending April 5?

No, and why not?

I shall tell you why.

Because the number of failures for these weeks dropped way down to 208 and 217, respectively.

I point this out only to emphasize that weekly figures are of little significance.

In 1954, Dun & Bradstreet, Inc., reported 11,086 failures.

In 1955, some 10,969 failures occurred.

However, the average number of failures during the 20th century from 1900 to 1955 was 13,612.

Actually, it is more meaningful to consider the rate of business failures because of changes in business population.

In 1955, there were, according to Dun & Bradstreet, 41.6 business failures for every 10,000 firms listed.

In 1954, the rate was 42 for every 10,000.

This is considerably less than the rate for the first 55 years of this century, 1900–1955, which was 72.

I have remarked that in order to properly evaluate year-end statistics on business failures one must look at changes in the number of business concerns in operation.

Actually, in view of difficulties encountered by small firms during the period 1948–53, and considering the remarks of those who are engaged in spreading political propaganda, I do not think they have sufficient faith in our economy or in the rugged individualism of our small-business men.

These political merchants do not offer constructive criticism, but merely attempt to weaken the confidence that the people of our country have in its business.

But let me get back to my comments on business population.

BUSINESS POPULATION

The trend of growth of the business population has been similar to that of the increase in the human population.

However, there have been fewer businesses in relation to the human population during periods of depression and war.

For the period 1929–55, there was one business in operation for every 41 persons.

During World War II the business population declined sharply so that by 1944 there was only one business for every 47 persons.

Immediately after the war, there was a phenomenal increase in the number of businesses.

I am not going to recite all of the figures on business population, but I am including them as a part of my remarks and they will follow at this particular point.

In 1948, there was 1 business for every 37 persons.

In 1952, the ratio was 1 to 38 and in 1955, 1 to 39 persons.

Following the rapid rise in the business population immediately following the war, there has been a slow but steady growth since 1949.

During the first 6 months of 1955, there were 210,200 new businesses started and 165,400 discontinued.

Discontinuances include failures, but the majority of businesses were discontinued for other reasons.

The total business population on June 30, 1955, was 4,225,000.

This was a record number of business firms in operation.

The composition of the business population changes partly because of shifts which occur in the kinds of businesses required to meet the economic needs of the human population.

For example, relatively more contract construction firms are in operation when economic activity is greatest.

The number of such firms increased from 417,700 on December 31, 1952, to 457,100 on June 30, 1955.

In manufacturing there has been a trend for more than two decades toward fewer firms in relation to the total business population.

A total of 257,000 manufacturing firms in 1929 represented 8.5 percent of the total business population.

However, by 1940, they had declined to 226,000, or 6.9 percent.

In 1944, during the war, the number of manufacturers had increased to 250,000, or 8.6 percent of all businesses.

After the war, the number reached a high of 328,000, but this represented a smaller percentage, only 7.9 percent of the total.

On June 30, 1955, there were 312,500 manufacturers, which represented 7.4 percent of the total number of all businesses.

PROFITS OF SMALL FIRMS

Unfortunately, the current financial position of small business cannot be determined except for manufacturing corporations which comprise about 3 percent of the total number of all business enterprises.

It may be that changes in the financial position of small manufacturing enterprises operated by individuals or partnerships may be similar to that of the small corporations.

However, there are no available statistics for nearly three and three-fourths million small nonmanufacturing enterprises.

As far as small manufacturing corporations are concerned, there was a significant loss in their financial position during the period 1947–52.

Mr. Speaker, here again I shall not read all of these figures, but I assure you that they are included as a part of my remarks at this point.

There was, it is true, an increase in sales of the corporations having total assets under $1 million from $33,883 million to $39,211 million, or 15.7 percent.

But, earnings before taxes declined from $1,885 million to $1,347 million, or 28.5 percent.

Similarly, earnings after taxes declined from $1,096 million to $610 million, or 44.3 percent.

During this same period, 1947–52, sales of the large corporations increased from $144,290 million to $219,758 million, or 52.3 percent.

Earnings before taxes of this group increased from $14,589 million to $18,877 million, or 29.4 percent.

Although earnings after taxes did decrease from $9,136 million to $8,266 million, or 9.5 percent, this decrease was not nearly as much as the 44.3 percent decrease of the smaller corporations.

Exhibit 1 below shows the changes in sales and earnings by size of corporation from 1947–52.

Exhibit 2 shows sales and earnings for 1953 and 1955.

These figures were compiled from "Statistics of Income for 1947–52" published by the United States Treasury Department, and from "Quarterly Financial Reports for Manufacturing Corporations," for first quarter 1953, through the fourth quarter 1955, published by the Federal Trade Commission and Securities and Exchange Commission.

EXHIBIT 1

United States manufacturing corporations—Change in sales and profits by size of corporation

Total assets, classes	1947	1952	Change
	Millions	*Millions*	*Percent*
Sales:			
Under $1 million	$33,883	$39,211	+15.7
$1 million or more	144,290	219,758	+52.3
Earnings before taxes:			
Under $1 million	1,885	1,347	−28.5
$1 million or more	14,589	18,877	+29.4
Earnings after taxes:			
Under $1 million	1,096	610	−44.3
$1 million or more	9,136	8,266	−9.5

EXHIBIT 2

United States manufacturing corporations—Change in sales and profits by size of corporations

Total assets, classes	1953	1955	Change
	Millions	*Millions*	*Percent*
Sales:			
Under $1 million	$36,341	$36,230	−0.3
$1 million or more	229,549	242,165	+5.5
Earnings before taxes:			
Under $1 million	1,360	1,335	−1.8
$1 million or more	23,043	27,225	+18.1
Earnings after taxes:			
Under $1 million	656	681	+3.8
$1 million or more	10,686	14,417	+34.9

Now, what has happened during the Republican administration?

For nearly 2 years there has been an improvement in the financial position of small manufacturing corporations as well as the large.

As shown in exhibit 3, below, earnings before taxes of the small corporations increased 31.8 percent compared with 36.7 percent for the large corporations, but the percentage of increase of earnings after taxes of the smaller corporations was greater, 39.8 percent compared with 34.2 percent.

EXHIBIT 3

United States manufacturing corporations—Change in sales and profits by size of corporations

Total assets, classes	1947	1952	Change
	Millions	*Millions*	*Percent*
Sales:			
Under $1 million	$33,701	$36,230	+7.5
$1 million or more	214,808	242,165	+12.7
Earnings before taxes:			
Under $1 million	1,013	1,335	+31.8
$1 million or more	19,918	27,225	+36.7
Earnings after taxes:			
Under $1 million	487	681	+39.8
$1 million or more	10,745	14,417	+34.2

Mr. Speaker, I readily admit that the level of earnings of small corporations is still far below peaks achieved during expanded production of the Korean emergency.

I do insist, however, that the decline in earnings experienced since that time was arrested in mid-1954 and that earnings are now definitely on the upswing.

I, too, am concerned over the relative difference in earnings between small and large corporations and the fact that many small firms have not shared in our current prosperity to the maximum extent that is desirable.

This was as much of a problem before this administration came into office as it is now.

In any evaluation we must give consideration to variances in technology, industry patterns, tax rates, and tax amortization for defense purposes, cyclical fluctuations in small-business earnings and many other factors which help determine this divergence in rate of profits.

We must always do all we can to assure the small concern of its rightful place in our economic society.

GOVERNMENT PROCUREMENT FOR SMALL BUSINESS

There have been many complaints over the years concerning the share of military prime contracts awarded to the small-business concerns of this Nation.

I agree that more can be done to assure small business a greater share of the procurement dollar.

However, this is another problem inherited by the Eisenhower administration and one it has worked on incessantly.

Let us see what has happened over these years to small business procurement.

In the fiscal year 1944, the small-business share of military prime contracts in terms of dollar value of contract awards was 17.4 percent; in 1945, it rose to 23.3 percent, and after VE-Day with tremendous cancellations in the large prime contracts, it rose to over 30 percent.

However, in fiscal 1949, the small business share had fallen to 27.2 percent, and in fiscal 1950 to 24.5 percent.

In fiscal 1951, it was 20.9 percent; 1952, 17.1 percent, and in fiscal 1953, it fell even further to 16.2 percent.

Since then the small-business share has risen to 25.1 percent in 1954 and to 21.8 percent in 1955.

Thus, for the three most recent fiscal years under a Democrat administration we find an average of 18 percent of the total procurement dollar going to small business.

For the fiscal years 1954 and 1955, under a Republican administration, small business received an average of almost 24 percent.

Mr. Speaker, despite all the statements to the contrary, no one can say with absolute certainty what constitutes a "fair share," percentagewise for small business.

That depends upon what is being purchased, whether we are at war or engaged in peacetime activities, and other factors.

What we have to do is continually try to increase the dollar value of Government purchases going to small firms and to ease the administrative difficulties which confront these firms in their contracts with the Federal Government.

May I remark here, parenthetically, that attempts have been made to relate what small firms should receive in Government contracts to the amount of goods they contribute to the economy as a whole.

For example, the 1951 Annual Survey of Manufacturers showed that small manufacturers with under 500 employees, on an enterprise basis, accounted for 35 percent of all value added by manufacturing.

It has been assumed, therefore, that 35 percent constitutes a fair share of

Government procurement for small business.

Such an assumption is fallacious, however, since the bulk of manufactured or processed goods is designed for civilian consumption and does not necessarily consist of items or merchandise purchased by the Government.

This is particularly true when we take into consideration the type of items purchased by the military which constitute over 90 percent of all Federal Government procurement.

While I agree that too much of military procurement is achieved through the negotiated procedure, let us share the responsibility for this situation.

The First War Powers Act of December 1941 empowered the President to diverge from the customary system of advertised procurement.

The Armed Services Procurement Act of 1947 also contained the authority to permit procurement by negotiation.

Section 2 (c) 1 has been the authority under which most negotiation has taken place since December 18, 1950, following a declaration of a national emergency by President Truman on December 16, 1950.

While the House of Representatives has attempted to amend the Armed Services Procurement Act of 1947 by eliminating a portion of section 2 (c) 1, it is agreed that the actual authority for the negotiation process will not be diminished.

Let us look at the dollar volume of negotiated procurement over the past few years and compare what happened under the Truman administration with what has happened under the Eisenhower administration.

In fiscal year 1951, the percentage of contracts awarded by negotiated procurement was 87.9 percent for work done in the United States.

In fiscal year 1952, 89.1 percent; in fiscal 1953, the same.

In 1954, it declined to 84.5 percent, and in fiscal 1955, to 83.8 percent.

Again I state, I am against so much negotiated procurement and would like very much to see it reduced.

The following table, which I will not read at this time, affords a comparison of advertised and negotiated contracts for the period July 1950 through June 1955:

Military prime contracts with business firms for work in the United States by percentage of total dollar value of contract awards, July 1950–1955

	Fiscal year				
	1951	1952	1953	1954	1955
Advertised	12.1	10.9	10.9	15.5	16.2
Negotiated	87.9	89.1	89.1	84.5	83.8

Source: Office of Assistant Secretary of Defense (Supply and Logistics).

There is no question of the need for greater percentages of military procurement to be purchased through the advertised-bid method but we do insist that negotiated contract procurement has been reduced during the past 3 years.

I am speaking of the total dollar value of military procurement and not selected categories which contain figures which would be favorable ones.

We cannot fairly select our figures by categories, we can only be fair when we include all figures in our computations.

In future discussions of this problem, Mr. Speaker, let us all recognize the facts and attack the problem with open minds.

I reiterate that many of the statements made during this Congress by our distinguished chairman concerning Government procurement have not realistically portrayed negotiated contract problems.

Moreover, no adequate answer has been given as to what actually constitutes a fair share of the total dollar value of military procurement which should be awarded to small business.

I do not say there is an answer, at least a precise answer, to the question of what constitutes a fair share.

But, I do say that the Small Business Committee of the House, and all others interested in the problem, should constantly strive to increase the number and value of contracts to small business.

We in the minority are now, and always have been, concerned with improving the position of small businesses in their effort to secure Government contracts.

We Republicans are aware of the difficulties which confront small firms not only in their dealings with the Government, but in maintaining their position in the civilian market.

I make the assertion, and I do not believe it can be successfully contradicted, that President Eisenhower not only is devoted to the interest of our total economy but, in particular, to the interests of small business.

The statement of President Eisenhower in his state of the Union message in January 1956, has formed the basis of this administration's entire approach to the small-business problem.

This statement will bear repeating.

The President said:

> An integral part of our efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment. In this past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small business concerns to obtain access to adequate financing and to competent counsel on management, product and marketing problems.
>
> Through measures already taken, opportunities for small business participation in Government procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

The economic history of this country has been based on the concept of personal initiative.

Otherwise we could not claim that we are a free enterprise Nation.

It is proper that the Federal Government should supplement and promote our business economy and make certain that the rules of the business game are applied equally to all concerned.

The Small Business Act of 1953 is designed along these lines.

THE SMALL BUSINESS ADMINISTRATION

Let us look at what has been accomplished by the Small Business Administration under the several programs authorized by this act.

May I preface my discussion of SBA by commenting that during this 84th Congress the activities of the Small Business Administration have been examined by the Subcommittee on the Small Business Administration and Problems Related to Procurement, Loans, and Disposal, of the House Small Business Committee.

This subcommittee held hearings early in the 1st session of this Congress and issued a report containing a fair and impartial analysis of this agency's operations.

However, supplemental views by a majority member of the subcommittee prevented a unanimous report.

Since that time the chairman of the full committee has criticized the SBA on several occasions.

As far as the minority is concerned the views presented by the chairman were his own views.

The minority of the Small Business Committee has completely disagreed with his statements.

I wish, therefore, to show what kind of a job has been done by SBA and to show how distortion of the facts has been used in an attempt to prove that this administration has failed to assist the small-business man or has given preference to big business.

In order to present these facts it would be necessary for me to quote a great many statistics.

However, time does not permit and I shall, therefore, include them as a part of my remarks on the Small Business Administration.

I hope the Members of this House will review the subject matter which I am including at this point on financial assistance and the manner in which loan applications are handled.

This includes, first, processing of applications; second, workload; third, approvals; fourth, withdrawals; fifth, declines; sixth, cancellations; and, seventh, disbursements.

FINANCIAL ASSISTANCE

The Small Business Administration had, as of March 31, 1956, approved 6,814 business and disaster loans for a total of $182,455,000. Of this number there were 2,789 business loans approved for a total of $135,221,000 and 4,025 disaster loans approved for $47,234,000.

This, I sincerely believe, is a good record.

The Small Business Administration's lending program is designed to supplement the lending of private financial institutions and not take their place as some of our friends in the opposite party seem to think should be done.

That is why we insisted in the writing of the act that SBA loans would only be made when a small firm could not secure financial assistance from his local bank or from some other source.

Congress also prescribed that loans would not be made which were not of sound value or where there was not a good chance of repayment.

In other words, the Federal Government is to be of assistance when the local bank is limited in the amount of money it can lend to one company, when certain lines of credit are filled, when the maturity requested is too long, or when a businessman is unable to secure credit for other reasons.

There is a legitimate need for SBA loans to fill the credit gap left by private financial institutions.

Despite all their talk, I seriously doubt if my majority colleagues wish to sponsor a subsidy program.

But, they have belittled the fine work done by the SBA and the genuine effort made to provide financial assistance to small firms.

First they said that SBA loans have amounted to less than one-half of 1 percent of the expansion in business debt during the years 1953 and 1954.

Mr. Speaker, this is true, but just so we will not lose our perspective, let me state that the small loans made by the RFC also amounted to only a fraction of 1 percent of commercial bank loans during any particular year.

As a matter of fact, the loans approved by either agency are relatively insignificant when compared to the loans made by the private financial institutions of our country.

Just remember that preliminary figures for the end of December 1955 showed that commercial banks had over $82 billion in loans outstanding.

Certainly, it would not speak well for our economy if the lending of any Federal Government agency were to assume significant proportions.

And, in this respect, I want to say that the SBA has done a good job.

Any firm which has been unable to get private financing but which can offer collateral and show that there is a good chance of repayment, as is required by law, can get a loan.

Because I know this to be a fact, I have resented the recent attempts of the Democrats to show that thousands of applications have been received by SBA, while only a few manage to get through.

Actually, these statements are absurd.

Let me quote a portion of the remarks made by the gentleman from Texas [Mr. PATMAN].

I quote from the CONGRESSIONAL RECORD dated January 18, 1956:

> Let me refer to loan inquiries and applications accepted. According to the last report we have, they were receiving 11,000 inquiries per month. The SBA has been in business since August 1953; therefore, this is the 30th month of their existence. That would be about 310,000 of applications for aid received from small business fellows all over the Nation. * * *
>
> After 2½ years of operation, through December 31, 1955, the SBA has allowed 7,010 formal applications to be filed. A number of these were subsequently withdrawn either on the initiative of the applicant or SBA, leaving a total of 6,013.

I call to the gentleman's attention these facts concerning SBA inquiries.

Initially, when the Agency first began its operations, it was considered advisable to have field offices record every inquiry of any nature, as an indication of interest in the lending program and as a rough measure of the workload in each office.

Many of these inquiries were no more than requests for information as to the nature of the program, filing procedure, individual company eligibility, and to obtain application forms.

These inquiries were predominantly by letter or telephone and usually involved no discussion of the small business concerns' financial problems or the prospects for their meeting credit requirements to obtain a loan from SBA.

Of the personal calls made to the field offices, many were individuals who had just learned of a new Government lending agency and who had no reasonable basis for obtaining a loan.

Some had previously been refused similar credit from other Government lending agencies and some had ideas or inventions of questionable value they wished to promote.

Still others were interested in having the Government finance their venture into a business without private investment or their demonstrated ability to operate a business successfully.

The rate of such inquiries has now declined and with a more realistic definition of the type of inquiries which should be recorded, an average of 3,270 inquiries per month were received during the 6 months period ending December 31, 1955.

This redefinition of inquiries was for the purpose of eliminating the recording of requests for application forms, descriptive literature, and other such contracts not generally associated with a review of an individual business' financial needs.

On this revised basis of recording inquiries, approximately 10 percent of the inquiries received results in the filing of loan applications.

This was approximately the same experience of the RFC.

The fact that only 10 percent of those making inquiry concerning the lending program actually file applications does not mean that the other 90 percent are not given an opportunity to file.

It is the policy of the SBA not to refuse an application from any applicant, if he wishes his application to be considered.

However, it would be a disservice to a small business concern and would increase the operating cost of this agency to encourage a prospective applicant to incur the expense of preparing and filing an application when it is obvious that there exists no basis for approval of a sound loan.

Let me repeat, one-half of the inquiries referred to by the gentleman from Texas [Mr. PATMAN] were by telephone or letter and did not represent a specific, prepared request for financial assistance.

Many of the remaining inquiries resulted in invaluable financial counseling rather than in the actual filing of an application.

PROCESSING OF APPLICATIONS

When an application is received, it is carefully considered, and every effort is made to work out a loan.

During the 6 months of the present fiscal year through December 31, 50 percent of the actions taken have been loan approvals.

The Small Business Administration has been working steadily to reduce its processing time, and now requires processing of applications within 21 calendar days.

A continuing check has been maintained with respect to this requirement and at the present time approximately 90 percent of all applications are being processed within the 21-calendar-day limit.

The delay in practically all cases exceeding the 21 days is due to the failure of the applicant to promptly furnish requested information.

Applications are only returned to an applicant when essential information is lacking or when the application is not signed.

The SBA has no requirement that applicants employ a certified public accountant or other professional assistance.

In fact, the Small Business Administration in each of its regional and branch offices as well as in the Washington office, has financial assistants who readily and willingly assist prospective loan applicants to fill out the necessary forms.

This assistance to applicants for loans is not a gesture on occasion, but it is an integral part of the policy of the Small Business Administration.

An applicant in working with SBA financial personnel often finds that an analysis of his position is such that a private loan could readily be obtained or that certain adjustments might, in fact, disclose factors which demonstrate that no loan is needed at all.

It is a part of the Small Business Administration counseling service to advise prospective borrowers when such advice is acceptable as well as to assist them in other ways.

No attempt is made by SBA personnel to advise and counsel a prospective loan applicant unless the applicant indicates his desire and willingness to have such advice and counsel.

The amount of information needed in each application varies and voluminous information is not required even in the most complicated cases.

At the time an application is being processed, SBA financial specialists review with the applicant the amount of the loan required, maturity, terms and conditions, and so forth.

In very few cases has SBA reduced the amount of the loan or the maturity requested or required additional collateral, and in every instance such changes were made in order that the loan could be approved on a sound basis.

WORKLOAD

The workload of the Financial Assistance Division of the Agency is determined to a great extent by the number of applications received and processed.

May I discuss this for a minute.

We are always hearing about how much the RFC did—let us therefore compare the effort devoted by the two Agencies to business lending programs.

Admittedly, the programs are not entirely similar nor is it possible to precisely determine personnel figures for RFC at this late date.

This comparison was made last year, however, I think it bears repetition.

RFC had approximately 1,800 people working on its loan program.

During the fiscal year of 1955, the SBA had about 385 people connected with its financial-assistance program.

The average SBA loan is processed from filing date to final action in less than 21 days.

This compares to the 30–60 days processing time RFC considered reasonable after 20 years of experience.

Certainly, we can say with emphasis that on this basis the personnel of SBA are doing a good job.

APPROVALS

The SBA has approved 2,789 business loans for a little over $135 million.

Some 1,182 of these are on a deferred participation basis, while another 688 have been made on an immediate participation basis.

There were 919 approvals for direct loans.

This means then, that approximately 65 percent of the loans are made in cooperation with banks or other private financial institutions.

I do not believe it was the intent of Congress that the same firms should come again and again to a Government lending agency for loans with which to finance their operations, as was true with the RFC.

Government loans are designed to fill the credit gap so that small firms may get on a sound operating basis and establish a line of credit with the local bank.

As long as local financial institutions are willing to participate, this method should be utilized.

In fact, the Small Business Act of 1953 states that SBA must attempt to secure bank participation before making a direct loan where all the money would be advanced by the Agency.

Let us look at other things which might happen to a business loan application and which were referred to rather disparagingly by our chairman on January 18, of this year.

WITHDRAWALS

After an application is filed, it may be withdrawn from further consideration before reaching the approval stage.

As of March 31, 1956, there were 1,212 withdrawals.

This step may be taken for many reasons—an applicant may not supply necessary information either because he will not bother or because he has inadequate records—an applicant may find that he can get financing from another source—or he changes his plans—or for other reasons he may withdraw his application.

DECLINES

I wish only to say this about declined applications, of which there were 3,792.

This is not something SBA likes to do.

But, SBA is guided by certain criteria in the act.

We should always keep these criteria in mind: First, credit is not available on reasonable terms from other sources; and, second, all loans must be of such sound value and so secured as reasonably to assure repayment.

Admittedly, credit experts will even differ among themselves as to what kind of a loan would meet these criteria—it is strictly a matter of credit judgment.

I doubt if anyone could find many loans declined by the SBA which should have been made.

We are not credit experts, therefore we should not impose our thinking upon those in the Agency who must pass on these loans.

The Reconstruction Finance Corporation got into a lot of trouble because of that very thing.

CANCELLATIONS

Of the 2,789 business loans approved, 511 were canceled subsequent to approval.

Believe me, to cancel a loan is not a devious proceeding to be talked of in hushed tones.

There are some very good reasons why a loan is canceled.

The applicant may cancel a loan because his operations have improved, thereby making an SBA loan unnecessary—he may secure financing from a bank after SBA has shown it to be a desirable loan—sometimes the applicant will choose not to meet the credit conditions considered by the Agency to be necessary—or an adverse change may have set in so that SBA cannot make the loan and still be assured of repayment.

Let me assure you that SBA does not impose terms and conditions which are not considered absolutely necessary to making a loan to meet the criteria established by Congress.

The experience of SBA with regard to withdrawals and cancellations is very similar to that of RFC, with regard to both number of such actions and reasons given for withdrawals or cancellations.

It is not unusual for any lender—public or private—to require a loan applicant to guarantee a loan, to limit his salary or to require collateral.

If we have a proper understanding of business financing, we know that such things are frequently considered necessary for the good of the loan and the good of the business.

I am sure that some of our friends are not serious when they suggest that we have no collateral requirements and no assurance of repayment of the taxpayers' dollar.

DISBURSEMENTS

Much was said on January 18, 1956, concerning disbursement of SBA loans.

It was stated, for example, that disbursement is delayed long after terms and conditions of a loan authorization are met.

This, Mr. Speaker, simply is not correct and gives a completely erroneous picture of what actually happens.

Let us look at the disbursement figures as of March 31, 1956.

Of the 2,278 business loan approvals, after cancellation, totaling $109,723,000—1,743 have been disbursed for a total of $82,015,000.

This is the rate of 76.5 percent, or in round figures, 77 percent.

I am sure that comment will be made by some of our friends of the majority that only 979 loans had been disbursed for a total of $38,275,000, since that is the number of disbursed loans representing direct Agency loans and immediate participation loans.

The gentleman from Texas [Mr. PATMAN] has always disregarded the deferred participation loans where the local bank disburses the money but where the Agency is committed to purchase a major portion of the loan at some future date.

As of March 31, there were some 764 deferred participation loans totaling $39,245,000 which had also been disbursed.

May I say that without the SBA lending program and its agreement to purchase a share of these loans, they would never have been made.

This money has been disbursed and only as a result of the SBA program.

May I state that in addition to almost $82 million in business loans disbursed, the SBA has disbursed some 2,956 disaster loans for a total of $29,533,000 which is 81 percent of disaster loans approved.

Disbursement will, of course, be held up until an applicant completes the necessary papers such as the clearing of titles, execution of liens or mortgage agreements.

When the applicant has completed such paper work, he may ask for his check and receive it.

However, and this is most important, he does not always ask for his money right away.

Many loans are for the purchase of machinery and equipment at a later date, or a loan may be for construction purposes.

In either case the applicant does not take his money until he actually needs it—why should he pay interest on a loan until that time?

For these reasons SBA has established a limit of 4 months from date of approval by which time an applicant must accept his loan or furnish reasons why it should be further delayed.

On many loans the bank is responsible for disbursement.

Even here the Agency is continually reviewing disbursement procedure in an effort to place loan funds in the hands of applicants at the earliest possible date.

Perhaps the most significant illustration I could give you as to how active the SBA financial assistance program has been, is that almost a month ago the SBA exhausted the loanable funds appropriated to it by Congress.

Since the second week in April the SBA has been unable to approve anything other than disaster loans until such time as additional funds have been approved by Congress.

Their request is included in the second supplemental appropriation bill for fiscal 1956 and is now in conference.

On this point, I include a letter dated May 4 from the Administrator, Mr. Wendell Barnes, of the Small Business

Administration, to the Honorable WILLIAM S. HILL, ranking minority member of the House Small Business Committee.

The letter follows:

SMALL BUSINESS ADMINISTRATION,
Washington, D. C., May 4, 1956.
The Honorable WILLIAM S. HILL,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HILL: I have noted recently that some critics have been making inaccurate statements to the effect that this agency has made only 395 direct business loans. Actually, the correct figure is 919 direct loans. This type of statement also ignores the fact that two-thirds of the 2,789 business loans made to March 31, 1956, have been bank participation loans. These are preferred to direct loans for the following reasons:

1. Because the Congress in the Small Business Act of 1953, as amended, required that the Small Business Administration insist that a borrower try to get a bank participation loan before a direct loan is considered;

2. Because participation loans keep expenditures low and thereby require less money to be appropriated and withdrawn from the Treasury, thus helping to balance the budget;

3. Because paticipation loans require fewer Government employees since much of the processing and servicing work is done by banks; and

4. Because such loans are of more assistance to businessmen since the repayment record helps establish a private line of credit with the bank for future use in a way that a direct Government loan does not.

We have approved over 63 percent of the regular business loan applications filed in March, and about 80 percent of the limited loan participation plan applications have been approved since this latter plan was established January 1, 1956, to assist very small firms such as retail and service businesses.

In addition to the business loan programs mentioned, the agency has made over 4,000 disaster loans during the past 2½ years, most of them direct loans.

The critics are best answered by the House Appropriations Committee report, dated April 27, 1956, page 11, which states as follows:

"The committee was impressed with the testimony presented by officials of this agency this year. It feels that they have done a good job in meeting loan needs during the past year, particularly in disaster areas. Accordingly, it is recommending the full budget estimates for the coming fiscal year."

Cordial regards.
Sincerely yours,
WENDELL B. BARNES,
Administrator.

PROCUREMENT AND TECHNICAL ASSISTANCE

Mr. Speaker, I also wish to make a few comments on the Small Business Administration's procurement and technical assistance programs.

While Members of Congress pay more attention to the financial programs, much valuable service has been rendered in the fields of military and civilian procurement by the Government and in providing technical assistance to small-business men.

Of particular importance to small firms has been the progress made, as required by the Small Business Act, in the joint set-aside program as established by the Small Business Administration and the Department of Defense.

Under this program all, or stated portions, of particular procurements are set aside for exclusive award to small business.

The SBA proposal to set aside a specific procurement must, of course, be concurred in by the procuring office.

That is required by the act.

This program of set asides has done much to assist small firms in their attempt to secure a fair share of Government purchases. Since the inception of the Agency through March 1956, some $914.7 million in set asides have been agreed to by the military.

These efforts, true enough, are belittled on the floor of this House occasionally.

It has been stated that these contracts are only a small portion of total military purchases.

While this is true, it is for valid reasons.

First, the SBA has been appropriated funds for personnel to cover only 36 of the major procurement installations.

These installations are considered to be ones where small firms need the most assistance.

The SBA has been able to assign only 18 procurement specialists to these offices, which means a division of time and effort in covering the 36 installations.

There are over 190 military procurement offices having a purchasing authority of over $5,000, which should be covered by SBA.

Although the Agency requested appropriations for the year ending June 30, 1956, to provide adequate coverage to the most important purchasing offices, this request was not granted by the Congress.

Secondly, until very recently not all military procurements were subject to set-aside for small business.

In the past, SBA has been excluded from screening emergency and classified procurements as well as certain proprietary items and large complicated machines and weapons.

Thirdly, many purchases in particular areas were not screened since small business normally received the largest percentage of such purchases.

I do not believe that this program was intended by Congress to cover every area in which small business might receive contracts.

It was rather intended to assure small business an opportunity to compete where difficulty had been encountered in the past.

In order to make certain that small business would have every possible opportunity, a new agreement has been made by the SBA and Pentagon officials which will extend the area of joint determination agreements.

Under the revised set-aside agreement with the Department of Defense, there is a mandatory base for screening procurements of $10,000 and over.

In addition, there will be screening of lesser amounts when considered practical.

The new agreement permits screening of all procurements without exception and, therefore, will include emergency, research and development and classified procurements.

The certificate of competency program and many other areas contemplated in the Small Business Act have also been strengthened by the revised agreement.

Such cooperation between the Department of Defense and the Small Business Administration is most important since the Small Business Act of 1953, as amended, provides a method for cooperation rather than positive authority on the part of SBA to institute set-asides on its own motion.

I wish to reiterate that this program of assuring small-business competition on particular procurements was not intended by Congress to replace or to encompass all areas in which contract awards are made to small firms.

Any attempt to relate the awards made to small business under the joint set-aside program to either total dollar value or to the total number of awards made to small-business concerns, indicates a complete lack of understanding as to what this program was intended to accomplish.

The SBA is not, nor should it be, trying to make a good showing on paper by spending time and money in those areas in which small firms consistently receive a high percentage of contract awards.

The Small Business Administration also has recently entered into agreements with the Veterans' Administration, the General Services Administration, and the Department of Agriculture.

These agreements which will permit set-asides of civilian type products are again intended to assure small firms every opportunity to participate in contracts for particular items purchased by these Agencies.

I wish to emphasize most strongly that the majority has, in its criticism of SBA, completely ignored the valuable assistance rendered by this Agency through referral to small-business concerns of prime and subcontracting opportunities.

Too, the Agency has done much to assist small firms to get on bidders' lists, to secure specifications and drawings and in recommending additional small business sources to procurement offices.

Frankly, it is statistically impossible to measure and report actual results in dollars and cents for many of SBA's programs to assist small business.

The SBA has reported that since its establishment procurements amounting to over $914 million have been restricted to small business by its joint set-aside program.

However, this is certainly an inadequate measure of the value to small business of having SBA representatives in procurement centers as the spokesman for small business.

These representatives help offset the tremendous advantage enjoyed by large firms who have representatives devoting their full time to learning of bid opportunities.

Set-aside figures are also no accurate indication of the tremendous aid given to small firms by these SBA representatives who are there to insist that qualified small firms be given the opportunity to participate in negotiated contract procurements.

Most small firms would not even know that such procurements were to be made,

let alone be given the opportunity to negotiate, were it not for SBA's procurement specialists.

SBA can demonstrate that since July 1, 1954, it has had more than 43,000 cases of counseling small firms on selling to the Government, that more than 200,000 notifications of suitable procurement opportunities have been sent to small-business firms, that approximately $425 million was awarded to firms as the result of these notifications—a figure considered to be greatly understated, that 6,700 small firms have been furnished for bidders' lists on which small-business competition was inadequate.

I consider the SBA procurement program to be one of its most valuable aids to the welfare of small business.

PRIME CONTRACTS

Much time was devoted on January 18, 1956, by the gentleman from Texas [Mr. PATMAN] on the failure of SBA to utilize its authority to take prime contracts.

It is quite true that this authority has not been used and the Administrator of SBA has testified to this fact at various committee meetings.

While such authority is written into the act, I believe that for many reasons the prime-contract authority should be used very sparingly and preferably only in the time of great emergency.

SBA's efforts can be concentrated on its other procurement programs with more beneficial results to small business.

On at least two occasions the Small Business Committee of the House has unanimously expressed the same viewpoint.

In each of these instances the committee was controlled by the party now in the majority.

I quote below from two reports which, as I stated, were unanimous reports and with which I still agree.

I was a member of the committee at the time the reports were issued.

May I say also, the minority had full access to all information and facts on which these reports were based.

We were not excluded from committee activities at that time.

The quotation follows:

First. Final report, 81st Congress, House Report No. 3237, 2d session, page 31:

> Actually, the Smaller War Plants Corporation took over very few contracts, but the power was there to do so if necessary, and was in effect, notice to the procuring agencies to award small business a fair proportion of the prime contracts. It is an effective provision by which the end result can be obtained without its being utilized to any appreciable extent.

Discussion of Small Defense Plants bill.

Second. Progress report, 1st session, House Report No. 1228, 82d Congress, page 55:

> If all else fails, the Administration (referring to SDPA) may act as a prime contractor itself * * * It is not expected that this power will be used extensively. It should, in fact, be employed only as a last resort.

The SWPC and SDPA were wartime agencies.

The Smaller War Plants Corporation took only 12 contracts during its existence valued at $35 million.

Over half of these contracts were for furniture, which was a distressed industry because of the wartime limitation orders in effect on their civilian business.

The SDPA never used this authority but instead in several cases took over contracts which had been previously awarded by the military establishment on the basis of an SDPA certificate of competency.

This was not the type of operation contemplated by the drafters of SDPA legislation.

But through its certifying authority, SDPA thereby became responsible for meeting the requirements of the prime contract.

SDPA then executed a subcontract for the production of the materials required under its prime contract with the small concern which had held the original contract.

In utilizing the prime contract authority the SDPA gross loss was about $142,000 of the taxpayers' money as the result of the failure of four subcontractors to perform their agreements with SDPA and the subsequent insolvency of these companies.

The net loss to SDPA, exclusive of the administrative costs of the program, was approximately $109,000.

The actual taking of prime contracts would require an extremely large staff of engineers, accountants, and financial experts.

Finally, may I say to my friends in the majority that there is already in existence provision for diversion of contracts to distressed labor areas.

I am referring to DMP 4 set-asides where contracts may be awarded to firms in distressed areas.

Military supply contracts set aside for surplus labor areas and industries were much higher in fiscal 1955 than a year earlier.

The increase was to $1,466 million from $557 million.

Mr. Speaker, the facts and figures which I have presented here will bear the closest scrutiny.

In fact, it is my earnest hope that every Member of this House, having any interest in small business, will read this brief record of the facts on business failures, Government procurement, and the general operation of the Small Business Administration.

As a matter of fact, there are some aspects of the small-business problem that I would like to deal with more extensively at an opportune time.

In these remarks I have not attempted to berate, belabor, or belittle any of the good work accomplished in the past by our committee.

Finally, I have not intended to be unduly critical of some of the statements which have been made, but what I have endeavored to do is to correct the record by supplying facts and figures.

If setting the record straight may be construed as criticism by some of my friends in the majority, I trust they will consider the criticism objective and in the future will enlighten the Members of this House and not present us with a misleading and distorted picture of the health and welfare of small business under the Eisenhower administration.

THE CONCENTRATION OF 95 PERCENT OF FEDERAL RESEARCH FUNDS IN A FEW BIG FIRMS HINDERS DEFENSE AND UNDERMINES FREE ENTERPRISE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 60 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, it has become commonplace to say that we are living in an age of transition and in a period of mortal peril. As a matter of fact such sentiments have been echoed throughout history. Nonetheless, in two aspects our civilization is truly unique. In the first place, we are living in an age of unprecedented technological advancement. We have barely entered the age of atomic energy. The significance of the term "automation" is still unfamiliar to most of us, even when we are aware that it foreshadows tremendous changes in production techniques throughout our economy. Everywhere the frontiers of scientific knowledge are being pushed back and new discoveries are being made, not only by individual inventors and scientists, but even more by organized industrial, governmental, and educational research laboratories and institutions. The fruits of this research are being put to commercial use for the benefit of the people.

It is unique in a second way, however. This is an era in which the two most powerful nations of the world are in fundamental opposition in their political and economic philosophy, and as a result are engaged in a competitive struggle in many fields, not the least of which is in technology. This competitive struggle is all the more awesome and crucial in view of the tremendous nuclear forces which each has in its power to unleash.

In this framework, it follows that our Nation has two profound responsibilities.

First, it must advance its scientific and industrial research as rapidly as possible.

Second, we must demonstrate to the world that our economic and political system, with its emphasis on individual liberty and responsibility, can advance not only the prosperity of our people but the security of our Nation to such an extent that we will have nothing to fear from whatever schemes and plans a Communist dictatorship in Russia may devise.

We have already done a great deal to step up the pace of scientific and industrial research—both basic and applied—in this country. During the past 5 years the United States has spent $22 billion on such research, nearly half of the total amount spent in such pursuits since 1860.

We cannot, of course, be complacent about this growth in research. Nor are we. There has within recent months been unprecedented publicity about the present and impending shortage of scientists and engineers. The fact that Russia is now graduating two and a half times as many engineers as we are has been widely broadcast. Every conference of scientists and educators points to the need for more and better trained young people to perform the highly complex tasks implicit in modern technology.

There is of course criticism not only as to the inadequacies of the amount of research currently being undertaken, but of the nature and quality of that research as well. A recent survey of American research, published in Fortune, indicates that there is a serious deficiency in the amount of basic fundamental research, as compared to applied research. To quote from this article:

> Many administrators of science feel that wherever funds are to be divided between basic and applied research, 10 percent is the minimum share that should be allocated to basic. In the Government program, basic research comea out with only 7 percent; 93 percent goes for research and development devoted to hardware for the armed services.[1]

Particularly significant is the growing role of the Federal Government in research. During World War II there was an unprecedented emphasis on research, climaxed of course by the development of the atomic bomb. But since the war, the responsibilities of the Government for research have not diminished, but instead increased. The following table indicates some of the significant trends in this connection:

Research and development: Selected data for 1946 and 1955

	1946	1955
Total cost	$1,780,000,000	$4,210,000,000
Total research engineers and scientists	122,000	197,000
Funds provided by:		
Federal Government	$910,000,000	$2,420,000,000
Industry	$840,000,000	$1,710,000,000
Nonprofit institutions	$30,000,000	$80,000,000
Dollar volume of performance by:		
Federal Government	$470,000,000	$680,000,000
Industry	$1,190,000,000	$3,110,000,000
Nonprofit institutions	$120,000,000	$420,000,000
Research engineers and scientists employed by:		
Federal Government	28,000	28,000
Industry	80,000	141,000
Nonprofit institutions	14,000	28,000

Source: U. S. Department of Defense, Office of the Secretary of Defense (Research and Development, Resources Division, Neal D. Crane, Director.)

In 1941, 41 percent of the total expenditure on research and development was made by Government and 57 percent by industry. In 1955 the percentages were exactly reversed, 57 percent being spent by Government and only 41 percent by industry. The highest percentage 62 percent—of Government expenditure for research was reached in 1953, in which year industry furnished 36 percent of all research and development funds. Nonprofit institutions have throughout the period been the source of 2 or 3 percent of research and development funds.

However, this decline in the relative importance of industry as a source of funds for research has been in sharp contrast to the predominance of industry in the performance of research. In 1955 industry performed 74 percent of all research and development—measured in dollar expenditure—almost the same as the 73 percent it did in 1941. In the intervening years this percentage declined to a low of 65 percent in 1945 and has been generally rising since that date. The percentage performed by the Government was 22 percent in 1941, rose to a high of 28 percent in 1944 and 1945, and has been declining ever since, reaching a low of 16 percent in 1955. This decline has been offset by a steady increase in the percentage of research performed by nonprofit institutions, rising from 5 percent in 1941 to 10 percent in 1955.

Thus while the Government has been furnishing an increased share of the funds for research, and the total funds have been growing substantially at the same time, there has been a real decline in the amount of research it has undertaken itself with its own personnel.

With the Government far and away the principal sources of funds for research and development, the way it uses these funds must be examined closely. According to the budget of the United States for the fiscal year 1957, this is the way these Federal expenditures on research and development are classified by purpose:

[In billions of dollars]

National security	1.92
Department of Defense (military functions)	1.52
Atomic Energy Commission	.40
Labor, health and welfare	.11
Commerce and housing	.09
Agriculture and agricultural resources	.08
All other	.06
Total	2.26

Thus it can be seen that 85 percent of all research and development expenditures of the Federal Government are for national security, and it is precisely in this area that Government contracts to industry are of such great importance. As Donald A. Quarles, now Secretary of the Air Force, stated in 1954:

> Since modern war is total war, industry must produce our weapons. For this and other reasons, we turn to industry for the bulk of our applied development work. About 60 percent of the defense research and development funds are expended on industrial contracts. About 10 percent of the total is done at the laboratories of universities and other nonprofit institutions, and the remaining 30 percent within Government establishments. I foresee no substantial changes in this breakdown. Our aim is to achieve a full partnership with science and industry to assure that weapons systems developed do, in fact, benefit by the most advanced technology that the country can produce.[2]

All of us, of course, concur in this aim as set forth by Secretary Quarles. However, another objective should never be lost sight of. And that is the objective referred to above, that we keep our system of free competitive enterprise strong. This objective, regrettably, seems to have received little attention to date in the way research contracts have been distributed. Obviously the way in which the Department of Defense and the Atomic Energy Commission let their huge contracts to industry for developmental and other research will have, and is having, a tremendous impact upon the competitive structure of American business.

It is true that a large proportion of the funds committed by the Department of Defense for research and development work goes to produce goods which have, primarily, military uses. But even this kind of industrial research results in important commercial advances, for the simple reason that techniques and production processes for making military items almost always have applications to commercial products and production. A large proportion of the funds being spent by the Department of Defense is for projects of a general industrial nature, as in the fields of electronics, communications, power, aircraft, and many others.

Dr. A. V. Astin, Director of the Bureau of Standards, has stated:

> I could cite scores of examples where wartime developments have been turned to peacetime uses.

Indeed, from my own knowledge, I could cite numerous cases where revolutionary and commercially valuable techniques have grown out of Government contracts.

Eli Whitney is said to have developed the techniques of mass production, which rests on interchangeability of parts, while producing rifles on contracts with the Army.

Automation, the use of revolutionary new techniques as a result of application of electronic devices, was advanced most substantially during World War II. The first fully automated plant grew out of an army ordnance contract during World War II.

The modular technique used in producing electronic equipment—a technique which permits the use of very flexible automatic machine methods—resulted from a wartime project called "Tinkertoy."

The first of the so-called "thinking" machines, ENIAC, was developed and financed on a Government contract.

The harnessing of atomic energy was of course entirely financed by the Government.

This is, of course, only a very partial list, including just those examples which immediately come to my mind. These and scores of other industrial products and processes are a direct outgrowth of research financed with Federal funds.

We should know much more than we do as to how these research contracts are distributed. Obviously those firms that are able to have a substantial part of their experimental research and development activities financed by the Federal Government will have a great lead, sometimes an unsurmountable lead, in the commercial race. The firms that receive the research and development contracts are in a position to hire, preempt, and control the available supply of trained technicians, scientists, and other industrial research personnel, the supply of which, as we know, is now critically short. These companies will gain the know-how and have the inside track with new products and processes. Furthermore, as I have been told, when the Department of Defense grants a contract for research and development work, it actually allows the private firm receiving the contract to take out the patents on patentable inventions it makes with the use of Government money.

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[1] Hodgins, Eric. The strange state of American research. Fortune, April 1955, p. 115. According to a 1955 report of the National Science Foundation, basic research accounted for 6.5 percent of all Federal obligations for research and development in fiscal year 1954, 6.7 percent (estimate) for fiscal year 1955, and 7.6 percent (estimate) for fiscal year 1956.

[2] Quarles, Donald A. What military research and development mean to industry. Conference on industrial research, June 1954. Proceedings. New York, King's Crown Press, 1955. P. 266.

As Tom C. Clark, Attorney General, reported to the President in 1947:

> Throughout this period [1941–44] the general practice in the [War] Department was to leave to the contractor the patent rights in inventions resulting from performance of contracts, reserving for the Government a nonexclusive, royalty-free license, sometimes coupled with a free right to reproduce the article called for by the contract (that is, a free license under "background patents," those acquired by the contractor independently of the contract and used or embodied in the article). So firmly committed was the War Department to the policy of leaving the commercial rights to the contractor that when standard forms of patent clauses were first issued by the Department in September 1941, together with instructions as to their use, no provision was made for an assignment of title to the Government under any circumstances. * * *
>
> On April 5, 1945, a uniform policy was prescribed for the department by regulations reaffirming the traditional policy of leaving patent rights to the contractor subject to a Government license, but for the first time making express provision for an assignment of the patent to the United States in limited circumstances.[3]

This policy has not, to my knowledge, been significantly altered since then.

Considering these advantages accruing to corporations receiving Federal research contracts, the actual record, insofar as we know it, is highly disturbing. Thanks largely to the constant vigilance of the Small Business Committees of the House and Senate, the concentration of Government procurement contracts in the hands of the large major corporations of the Nation has been widely publicized, and efforts have been made to provide for small businesses a greater share of these contracts. However, until a few months ago, there was no definite information available as to the distribution of the research and development contracts, as distinguished from procurement contracts generally. For example, the following statement made in a House Small Business Committee report in July 1955 reflected both its acute awareness of the problem and its inability to get accurate data on the distribution of research contracts:

> The military services have handed out billions of dollars for research and development and are currently awarding between $1 billion and $1.5 billion a year in research and development contracts. Private firms are using these funds for developing new products and production processes, and the usual condition of the contract is that the private firm so engaged may receive patents on the products and processes invented. Such firms obviously may thus forge ahead in the technological race, and the distribution of these funds has, therefore, a vital effect upon competitive relationships. Most of the research and development contracts have gone and are going to the big firms of the Nation.[4]

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. MULTER. May I commend the gentleman for bringing this matter to the attention of the House. The gentleman is always alert to the needs of his district, his State, and the Nation. The problem he is discussing is a very important one. It has had the attention of the House Committee on Small Business on which I have had the privilege to serve for many years, and I am certain that that committee will continue to give this very vital subject its attention.

Mr. THOMPSON of New Jersey. I thank my distinguished friend from New York, and I would comment here that I have found him most helpful in my preparation of this material. I am certainly grateful to him for his guidance.

Largely as a result of this committee's probing into the matter, the Congress in August 1955 amended the Small Business Act—Public Law 163, 83d Congress—to require the Department of Defense to make monthly reports to Congress showing the value of research and development contracts awarded after June 30, 1955, separately from date on other types of contracts, and showing the value of such contracts placed with small business. The resultant reports are highly disturbing. In the 7 months ending January 31, 1956, the Department of Defense awarded research and development contracts amounting to almost $1 billion, to be more precise, $982 million. Of this huge sum only 5 percent went to firms having 500 employees or less. In other words, the concentration of research contracts among the large companies is even greater than procurement contracts generally, and small business concerns are for all practical purposes completely ignored.

It may be admitted, of course, that there are certain research projects which only particular firms with special skills and equipment can handle. And no one is arguing that the Government should deprive itself of the facilities and talent which a particular large corporation may have. Nonetheless there are countless instances in which results as good or better could have been obtained if smaller firms had been awarded particular research contracts. Moreover, if there were a better chance of being considered for Federal research contracts, many small businesses would expand their own research facilities and personnel. And such an expansion would unquestionably be in the Nation's interest as well as in the interest of the small businesses themselves.

Thus far we have few figures on the extent to which Federal funds influence the direction of research in an individual corporation. One instance, however, is quite informative, and shows how much weight government research contracts do carry. The Bell Telephone Laboratories in 1939 were spending more than $20 million a year for research, only 1 percent of which was for Government work. By 1944, through an enormous expansion of research, they were engaged in a program of research more than three times greater than before the war and more than 80 percent of the total was on Government contract. They had cut their own research program in half, and even this work was largely war connected. In 1955, their research budget had gone up to $112 million, of which $50 million was for contract work for the armed services, about as much as was contracted for in terms of dollars at the height of World War II—United States Congress, Senate, Committee on Military Affairs. The Government's wartime research and development, 1940–44, report from the Subcommittee on War Mobilization; part II, Findings and Recommendations, July 23, 1945; reprinted in United States Congress, Senate. Committee on Military Affairs. Legislative proposals for the promotion of science, 79th Congress, 1st session, Senate Document No. 92, August 1945, Washington, United States Government Printing Office, 1945, page 26; and Fortune, April 1955, page 220.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend from California.

Mr. ROOSEVELT. I, too, would like to commend the gentleman for bringing before the House this most important subject and to add that in the limited work which we have been able to do so far in the Committee on Small Business on this subject I think we find ample evidence that it needs much greater investigation and a much more searching look.

As a concrete example of what the gentleman says, our recent investigation has pointed out that the patents which have been developed by the Bell Telephone Laboratory, while they have been ostensibly made available to the public, have been tied down under the consent decree by the fact that a charge may be made for the implementation of those patents in order to make them workable, which is nothing more than another way of saying that they must pay a royalty for the license. It would seem, therefore, that there is a job in this field by the Committee on Small Business and I join my colleague from New Jersey in hoping that this challenge will be met and we will preserve for small business the opportunity to take part in the amounts of money which are being handed out by the Government of the United States so far as possible, with the results therefrom which I think they are capable of producing in contribution to the welfare of the Nation.

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[3] U. S. Department of Justice. Investigation of Government patent practices and policies; report and recommendations of the Attorney General to the President. Vol. I, final report proper. Washington, U. S. Government Printing Office, 1947, pp. 80, 81.

[4] Statement by Hon. JOE L. EVINS in: U. S. Congress. House. Select Committee on Small Business. The Small Business Administration and related activities—a preliminary report of the Subcommittee on Government Procurement, Disposal and Loan Activities, July 1, 1955 (84th Cong., 1st sess., H. Rept. No. 1045). Washington, U. S. Government Printing Office, 1955, pp. 19–20.

Mr. THOMPSON of New Jersey. Mr. Speaker, I thank the gentleman. I am fully aware of his great interest and of his activity as a member of the Select Committee on Small Business and as chairman of the subcommittee, in this subject. I would thank him in the Record, too, for his counsel and guidance and I would apologize to all of the Members of the committee for preempting at least this much of their subject matter.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. EVINS. I do not think the gentleman need apologize for the contribution which he is making, but rather I think he should be applauded for that and the assistance which he has given us in bringing this important matter to the attention of the House. It is true the committee has given extensive study to the subject of contract procurement and through extensive investigations and in the calling of many procurement officers of the Department of Defense before our committee we have repeatedly insisted that there be a wider distribution of contracts, a broadening of the base, so to speak, so that small business may participate to a greater degree. We think that the work has in the past been somewhat helpful, but all of the assistance that can be given in this regard is beneficial.

The gentleman certainly need make no apology for his work. He is rather to be commended for it. I think he is making a splendid contribution and I wish to join with others in commending him in this connection.

Mr. THOMPSON of New Jersey. I thank the distinguished gentleman. I might point out to him that I quoted at length a statement by him made as a result of a study of the Subcommittee on Governmental Procurement, Disposal, and Loan Activities in July of 1955, first session, House Report No. 1045.

Mr. EVINS. Mr. Speaker, will the gentleman yield further?

Mr. THOMPSON of New Jersey. I yield.

Mr. EVINS. I would state that while there have been some advances in the past, this is a subject to which there must be unrelenting attention given.

More recently there was called to my attention an extensive 6- or 7-page mimeographed procurement form for a very small item in a very limited quantity of material, which was supplied to small business. In other words, certain procurement officers make the problem extremely difficult and too difficult for small-business men to participate in by having such procurement forms and much redtape. Also, a great effort should be made in the field of subcontracting. Where large prime contracts are granted, there should be insistence that the prime contractor subcontract as much as possible in a wider area.

Mr. THOMPSON of New Jersey. I could not agree with anything more than the last statement of the gentleman, in which he advocates the distribution of subcontracts to small businesses. This has been a tremendous problem and has caused great suffering among businesses which are now in fact capable of doing this work.

Mr. WILLIAMS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. WILLIAMS of New Jersey. I join the other Members in commending my friend from New Jersey on a very thoughtful statement, and on bringing to the attention of this body a problem that certainly should have the searching study that he suggests. I notice that he described the growth of the Bell Telephone Laboratories during the period from 1939 to the present. The Bell Laboratories are in the area that I represent. I have watched with a great deal of pride the growth of the laboratories. I know in our area, where we are familiar with the work they are doing, that we feel there is a significant contribution made by the laboratories to the national welfare and the national security. I am sure the gentleman would agree to that as far as the laboratories are concerned.

Mr. THOMPSON of New Jersey. I do agree as far as the laboratories are concerned. They might well fit into a category which I mentioned earlier of an organization with particular and peculiar qualifications, which certainly should not be deprived of the great research work which they have been doing. I mention them only to point up the amazing statistic of the growth of Government participation in research and development. There is no question that they have done great work up there in northern New Jersey, in Union County, in the gentleman's district, and I hope they continue to do so. I hope also that in the same field or related fields others will be given an opportunity, too, because we are going to need to continue expanding our research facilities.

We know enough to be disturbed about the concentration of research contracts among relatively few large corporations. We do not know enough, however, to take the action which will, at the same time, assure the greatest possible technical advancement and the preservation of our free enterprise system. For this reason, I have introduced a resolution (H. Res. 452) calling upon the Small Business Committee of the House, which has already shown such enlightened awareness of the problem, to make a thorough investigation of the various aspects of the problem of the distribution of Federal research and development contracts among the industrial firms of the Nation. The following are some of the more important aspects of this problem which, I am convinced, the committee would want to investigate: First, the extent to which Federal funds for research and development are being concentrated among particular firms; second, the methods and standards used by Federal agencies in distributing these funds; third, ways in which the interest of small business in research and development work can be safeguarded and the participation of small businesses in research activities fostered; fourth, the relationship between the distribution of Federal research and development contracts and the distribution of Federal contracts for procurement of supplies and services; fifth, the effect of Federal policy on research and development contracts on the distribution of scientific and technically trained personnel; and sixth, the patent policies of the Federal Government as it relates to inventions developed by industrial firms in their research work under Government contract.

Once these facts are brought out into the open, it is safe to assume that appropriate action will be recommended by the Congress to assure achievement of the two goals of rapid technological advancement and preservation of our free enterprise system, both of which are indispensable to the continued strength and prosperity of our people.

THE SMALL BUSINESS COMMITTEE APPRECIATES THAT BIG BUSINESS FAVORITISM WITH FEDERAL RESEARCH FUNDS WILL SQUEEZE OUT SMALL BUSINESS—AN INVESTIGATION WILL BE MADE

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, I want to congratulate the gentleman from New Jersey [Mr. Thompson] on his speech. It is certainly most educational; he has brought to our attention a most important matter and his presentation here today shows a remarkably thorough and careful piece of research on his own part. Certainly it has made me, for one, appreciate the scope and importance of this problem of the distribution of Federal money for industrial research, more than I had previously.

The gentleman from New Jersey has brought out several facts which I doubt if many of us have known. First of all, the Nation's spending on research—counting both Federal and private money—is currently at a rate which makes the Nation's previous research activities seem puny indeed. Just think of it; there has been as much money spent on research and development in the past 5 years as was spent in this Nation during the previous 90 years.

I doubt furthermore whether many of us had realized that the Federal Government is footing the bill for 57 percent of all of the research and development work done in the Nation, including both basic scientific research and all kinds of industrial and commercial research and development. Furthermore, the Department of Defense is handling the expenditure for substantially all—at least 85 percent—of the Federal funds spent for research; and substantially all of these funds distributed by the Department of Defense go to private business firms.

I assure the gentleman from New Jersey [Mr. Thompson] that the Small Business Committee will certainly do everything it can to investigate these matters stated in his resolution. However, I must point out that the gentleman's resolution contains a large order.

His resolution poses, itself, a job of research which would be very large and very difficult for any committee of Congress, even if we could expect to receive sympathetic cooperation from the Federal agencies who are distributing these vast sums of Federal money. Our past experiences lead me to believe, moreover, that cooperation, and even sympathy for the problem, will not be forthcoming from the Department of Defense. This Department is disinclined to give the public information, or to give Congress information, bearing upon its conduct of the public business as it relates to such matters as to the impact of this business upon competitive industrial relationships. As a matter of fact, on some of the most important matters in this area the Department is inclined to keep even itself uninformed.

The gentleman from New Jersey has already quoted from a report of one of the subcommittees of our committee, issued in July of last year, which pointed out in a general way the magnitude of the sums being distributed by the Department of Defense and the dangers to our competitive enterprise system which are inherent in maldistribution of these funds, as well as the dangers in other administrative procedures which fail to safeguard the competitive enterprise system.

Consequently, when Department of Defense officials came before the Banking and Currency Committee later in July, last year, I inquired about reports on the distribution of the Department's research and development funds as between big business and small business. Specifically I requested such reports of Mr. R. C. Lanphier, Jr., the Deputy Assistant Secretary of Defense for Supply and Logistics. It was apparent that Mr. Lanphier was uninformed on this subject; but he promised to see what he could do and supply reports for the record—hearings on H. R. 7071, page 107, and following. In order to have comparisons, I asked Mr. Lanphier to supply such reports covering the previous 2 fiscal years and, if possible, the previous 5 fiscal years.

Subsequently the Department of Defense was able to have prepared a report for the Air Force, covering the calendar year 1954, and in addition, the Department was able to submit a report covering one branch of the Navy. The Department's letter, which was inserted in the record of the hearings, indicated that it was not able to make any report at that time on the amount of research and development funds distributed by the Army, as between big business and small business, nor was it able to make such a report for the other branches of the Navy Department. The Department's letter indicated, however, that it was "investigating the possibilities of setting up a system for regular reporting of this kind of information."

In order to make sure that at least some minimum information on this subject would be reported regularly, the Small Business Committee made recommendations to the Banking and Currency Committee for an amendment to the Small Business Act, the renewal of which was then being considered. The Banking and Currency Committee accepted our recommendation and wrote into its bill a requirement that the Department of Defense report to Congress, each month, the amount of money spent or contracted to be spent with private business firms for research and development work, and the proportion of such money going to small firms. This bill passed, and the law became effective August 1, 1955; the Department of Defense is now required by law to make reports providing this minimum amount of information, although this information is, of course, much too sketchy and incomplete to permit of any real appraisal of the Department's handling of research funds.

When the reports for the first 2 months of the fiscal year came to us, I was greatly amazed to learn that although the Department of Defense committed itself to distribute $187 million of Federal research funds with private firms in those months, less than 5 percent of the total was committed to firms having 500 employees or less. Assuming that substantially all of these commitments went to firms in the manufacturing field, it was apparent that this 5 percent of the money could be compared with about 45 percent of the manufacturing activities carried on by firms with less than 500 employees. As I say, I was greatly astonished and disturbed. Realizing moreover, that the Secretary of Defense himself had previously not had an indication of how the research funds were being divided between big business and small business, and that the news reports on this subject possibly had not come to his attention, I wrote the Secretary on October 26, 1955, calling this matter to his attention. In my letter to Secretary Wilson I said:

> In view of your long industrial experience, I am sure it will be overwhelmingly obvious to you that the way in which research and development funds are distributed will have an incalculable impact on private competitive relationships. The few big firms receiving this money will have immeasurable competitive advantages over their smaller competitors in commercial markets, as they will also have the inside track for defense production work.

Finally, I attempted to make it clear to the Secretary of Defense that I was not asking any subsidy for small business. Furthermore, I tried to make it clear to the Secretary that the Small Business Committee was not trying to put itself in the position of looking over his shoulder to see that the Department distributed its vast research funds in a reasonably fair way, and in a way which would tend to preserve competitive relationships and safeguard a continuation of the free enterprise system. I felt that the Secretary himself would have these considerations very much in his mind, although I did suggest that the reports which had eventuated as a result of the amended law indicated a clear need for somewhat more detailed and revealing statistical summaries on the distribution of research funds. The Members may be interested in the following excerpts from my letter to Secretary Wilson:

> I am not asking you to subsidize small business. But I am asking you to give thoughtful consideration to the consequences which will surely follow if you continue passing out the huge research and development funds which have been placed at your disposal exclusively to big business.
>
> Although my own experience has taught me that public reporting on the activities of the executive departments is the best safeguard against serious mismanagement of the public's business, I think I would be correct in saying that the change in the law to require the Department of Defense to compile statistical summaries of research and development contracts was made, not so much for the purpose of having the summaries public, as for the purpose of making sure that you and your assistants would yourselves be informed. May I now suggest that you direct the military departments to compile somewhat more detailed summaries of research and development contracts, so that both you and Members of Congress may be informed as to the distribution of these funds among firms of several size classes and among several industrial divisions may be compared?

Although that letter was written on October 26, so far there is no indication that any more detailed statistical summaries have been made, or that the Department has any intention of making such summaries. Secretary Wilson did acknowledge my letter, stating that he had asked his assistant, Mr. Pike, to comment on my letter. Subsequently, on January 10, 1956, I had a letter from Mr. R. C. Lanphier, Jr., Mr. Pike's deputy, commenting on the 95–5 percent division of research money as between big firms and small firms. The burden of Mr. Lanphier's letter was that, although when he was before the Banking and Currency Committee in July he had not the slightest idea what the division was; on January 10 he considered the 95 to 5 percent division eminently satisfactory, to his way of thinking. In point of fact, Mr. Lanphier rather overlooked the question of what the Department of Defense might be doing for, or to small business, but rather indicated his satisfaction with what small business was doing for the Department. Mr. Lanphier said:

> Taking together all of the considerations which I have mentioned, the contribution of small firms to this aspect of the defense program appears to be entirely creditable.

So while I am in complete agreement and sympathy with the suggestions made in the resolution of the gentleman from New Jersey [Mr. Thompson], at the same time, to be realistic, I must ask for the sympathy and understanding of the author of this resolution, as well as the other Members of the House. The problems of your Small Business Committee are not easy ones to solve when the heads of the executive agencies are not in sympathy with small business and cannot be readily prevailed upon to inform either themselves or the committee on some of the fundamental aspects of their programs.

I assure the gentleman from New Jersey, however, that our committee will do all it can to gather revealing information on this important subject and report this information to the House.

AVIATION COMMISSION

The SPEAKER pro tempore (Mr. HOLLAND). Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, on Monday of this week I introduced H. R. 11065 to create a commission designed to study the agencies of the executive branch of the Government having some responsibility with respect to aviation with a view to their reorganization so that aviation problems can be more intelligently, promptly, and effectively resolved.

At this point in my remarks, Mr. Speaker, I set forth the full text of H. R. 11065:

H. R. 11065

A bill to amend the Budget and Accounting Procedures Act of 1950

Be it enacted, etc., That section 104 of the Budget and Accounting Procedures Act of 1950 (31 U. S. C. sec. 18a) is amended to read as follows:

"IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

"SEC. 104. (a) The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

"(b) (1) In order to provide for a study to be made to determine appropriate methods of eliminating the present multiplicity of departments, administrations, commissions, committees, boards, consultants, and other similar agents and agencies created by law or Executive order and having responsibilities or engaging in activities with respect to aviation and related activities; eliminating the present conflicts, duplications, and overlapping of functions and activities, and lack of coordination, between and among such agencies, as well as between such agencies and State and local governmental bodies and foreign governments and international organizations; and eliminating the present impediments to the prompt, efficient, and effective resolution of aviation and related problems arising from such conflicts which hamper and delay necessary progress in and development of aviation, result in waste and inefficiency, and threaten flight safety, there is hereby created a commission to be known as the Commission on Reorganization of Aviation Agencies (hereafter in this subsection referred to as the 'Commission'), which shall consist of 16 members, 8 appointed by the President (4 from the executive branch and 4 from private life), 4 Members of the Senate appointed by the Vice President (of whom not more than 2 shall be of the same party), and 4 Members of the House of Representatives appointed by the Speaker of the House (of whom not more than 2 shall be of the same political party). Any vacancy on the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made.

"(2) In order to carry out the purposes for which the Commission is created, the Commission, after a full and complete investigation and study, shall formulate and recommend to the President for transmittal to the Congress, specific programs and policies calculated to eliminate conflicts, duplication, lack of coordination, and overlapping of functions and activities in the field of civilian and military aviation and related activities, and more effectively to discharge the responsibilities of the United States, in conjunction with State and local governments, and foreign governments, and international organizations, in the promotion of aviation for the common welfare and national defense.

"(3) The Commission shall elect a Chairman and a Vice Chairman from among its members. Nine members of the Commission shall constitute a quorum. The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949.

"(4) Members of the Commission who are Members of Congress shall serve without compensation in addition to that received for their services as Members of Congress; each member of the Commission who is in the executive branch of the Government shall receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate annual salary $12,500; members of the Commission from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission. Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties as a member of the Commission.

"(5) The service of any person as a member of the Commission, the service of any other person with the Commission, and the employment of any person by the Commission, shall not be considered as service or employment bringing such person within the provisions of sections 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

"(6) The Commission may create such committees of its members with such powers and duties as may be delegated thereto. The Commission, or any committee thereof, may, for the purpose of carrying out this subsection, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such committee may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof. The Commission, or any committee thereof, shall have power to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Subpenas shall be issued under the signature of the Chairman or Vice Chairman of the Commission or committee and shall be served by any person designated by them. The provisions of sections 102 to 104, inclusive, of the Revised Statutes of the United tSates (2 U. S. C., secs. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this subsection.

"(7) The Commission, or any committee thereof, is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this subsection; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality shall furnish such information, suggestions, estimates, and statistics directly to the Commission or any committee thereof, upon request made by the Chairman or Vice Chairman of the Commission, or of the committee concerned.

"(8) The Commission established by this subsection shall cease to exist on June 30, 1958."

Mr. Speaker, this Commission, to be known as the Commission on Reorganization of Aviation Agencies, would be composed of 16 members—8 from the Congress appointed by the Vice President and the Speaker of the House on a bipartisan basis, 4 from the executive branch of the Government and 4 from private life.

Mr. Speaker, in connection with the introduction of this bill, I issued a statement to the press today which I incorporate at this point in my remarks:

Representative GEORGE MEADER, Republican Michigan, asked Congress today for quick passage of a bill to "clean up the mess in the executive branch of the Government and the numerous and conflicting agencies controlling aviation."

In a speech prepared for delivery on the House floor, MEADER declared:

"I am not at all satisfied with the past record of predominance of the executive branch of the Government, and within the executive branch the predominance of the military departments in determining issues in the field of aviation."

MEADER cited a special Budget Bureau report calling attention to 75 separate agencies, boards, commissions and special consultants "each" he said, "with a hand in aviation policy matters."

He asserted the right of policymaking belongs with Congress.

On Monday, MEADER introduced a bill calling for establishment of a 16-man commission to reorganize aviation agencies. It would be composed of Members of Congress, representatives of the executive branch, and persons from private life.

The Michigan lawmaker said the jet age in air transport has brought with it a "multitude" of problems, including high speeds, lack of suitable air navigation aids and control facilities, conflicting demands on the shrinking air space, as well as lack of airports to handle heavy jet transports.

He added:

"Scores of agencies in the executive branch of the Government are studying those problems without apparent results and without clear-cut responsibilities, and with little or no coordination.

"I hope we will not have to suffer some catastrophe, such as disastrous midair collisions with loss of life, before we awake to the fact that we in Government are way behind technological advances in the field of rapid air transport."

Mr. Speaker, many may remember that I was instrumental in urging the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations to undertake an investigation of the Federal airport-aid program. That committee under the chairmanship of the Honorable ROBERT H. MOLLOHAN, of West Virginia, has undertaken that investigation.

The committee has not commenced public hearings, but I am informed by the staff that their preliminary investigation has progressed to the point that

public hearings may commence in a couple of weeks.

The bill which I have introduced, which would create a commission to study executive agencies across the board, dealing in the field of aviation, in my judgment, is not in conflict with the investigation of the Mollohan committee, of which I have the honor to be the ranking minority member. In fact, it is my hope that since this bill was referred to the Committee on Government Operations, it will be referred to the subcommittee of which Mr. MOLLOHAN is chairman, the Legal and Monetary Affairs Subcommittee. Thus, the hearings which the committee proposes to hold in the investigation of the Federal airport-aid program may also be convenient for considering H. R. 11065, at the same time. The bill is not confined to the Federal airport-aid program.

Mr. Speaker, my interest in aviation problems was stimulated a year ago when a controversy arose between two airports in the neighborhood of Detroit. I refer to the Willow Run Airport, which is owned by the University of Michigan in my congressional district, and the Detroit Wayne Major Airport, some 6 air miles away, near Romulus, Mich. That controversy has been a hot one since March of last year and is still far from being resolved.

Just recently the Detroit Economic Club had both sides of this controversy aired in a luncheon meeting of the club in Detroit and recently the Detroit Board of Commerce published in its weekly organ, the Detroiter, on April 16, 1956, a very well-written article by William A. Mara, who is head of the Detroit Board of Commerce Aviation Committee, and an official of the Bendix Corp.

At this point I include Mr. Mara's article in my remarks:

WHICH SHOULD BE DETROIT'S MAJOR AIRPORT?

(EDITOR'S NOTE.—Here is the complete text of William A. Mara's speech before the Economic Club recently. He is chairman of your board's aviation committee.)

If Detroit is to avoid becoming a whistle-stop town in a jet age, our public officials will have to do a sudden right-about-face and show much more wisdom in their airport planning. And if the taxpayer is to escape a terrible licking by having 30 million of his tax dollars spent foolishly, these same public officials will have to substitute reason for the confusion which has been their trademark in dealing with our airport problems.

I want to make it clear at the outset that the board of commerce is concerned first with Detroit travelers and shippers, and not necessarily with the airlines. In fact, by design, there have never been any airline people on our aviation committee. Therefore, if we seem to agree with the airlines' viewpoint it is because we believe that that viewpoint will result in better service for the public and will make the most economical use of the taxpayer's dollar.

The subject assigned to today's talk is perhaps the best illustration of the confusion which surrounds the Detroit airport problem. The subject is, "Which Should Be Detroit's Major Airport?" Mr. Richards and some of our other thoughtless officials are guilty of horse-and-buggy thinking when they call Wayne our Major airport and relegate the northeast site to a subordinate role.

They just aren't facing facts. The facts are that no one airport can properly serve the needs of the Detroit metropolitan area. To do this we need at least two major airports and, most of all, we need to acquire land for the construction of the northeast site before this land is built up and we are forced north to Pontiac. The northeast airport is needed to balance our west side airports.

Everyone will agree that in order to save the travelers time, an airport should be located as centrally as possible. With central location in mind, I call your attention to the chart drawn from information furnished by the Detroit Metropolitan Area Regional Planning Commission. On this chart circles ranging from 5 to 12½ miles have been drawn around both the Northeast and Wayne County sites. They show in simple arithmetic that northeast is closer to almost four times as many people as Wayne—2,200,000 to 600,000.

Shown also is the fact that Willow Run and Wayne can serve the west and southwest sides of our metropolitan area, but by reason of off-center location, can never properly serve the entire area. A series of recent articles by Jean Pearson, of the Detroit Free Press, have dealt thoroughly and intelligently with our airport situation. From these articles you can get the facts in detail on all phases of the problem.

Because Wayne and Willow Run are so close together, and because from a traffic-control standpoint they are actually operated as one airport, the board of commerce does not agree with the city and county position that the airlines should be moved from Willow Run to Wayne. In our opinion, this move would not produce enough additional traffic to pay the staggering cost of $28 million or $30 million to complete Wayne as a major airline airport. Practical considerations demand that these funds be spent for the development of the Northeast airport.

Recently our public officials have put on a performance which is apparently dictated more by hysteria than reason. In spite of the fact that the council approved and ordered condemnation of the Northeast site in 1954, no determined drive has been made to press this suit to successful conclusion. Failing to sell the airlines on moving to Wayne as a good business proposition, they have tried to force them thereby the threat of transferring Navy, National Guard, and Air Force operations to Willow Run in spite of a military investment at present of more than $7 million in Wayne Airport. The airlines are fighting this move and Navy and National Guard officers have expressed their opposition. There are perhaps two reasons for the illogical and apparently senseless position which our city and county officials are taking. One is that so much money has already been spent and is planned to be spent on the Wayne County Airport that they are willing to throw in an additional $30 million to rescue it. The other reason is a compelling one, but is more difficult to understand unless one has lived with this problem. It is that Wayne Airport is the brain child of LeRoy Smith, our county highway engineer, who is considered by many to be the most able politician in these parts.

When he began Wayne Airport years ago, some called it Smith's Folly, because of its off-center location, far southwest of the city at that time. This rankled the old gentleman and made him more and more determined to force the adoption of this location as Detroit's major airport. It has become an obsession with him and I am sure he views this airport as his monument. At any rate, he has been eminently successful in blocking all other attempts to solve our airport problem. He maintains John P. McElroy, a registered lobbyist and his assistant, as a member of the State aviation commission as Lansing. It is McElroy's job to get funds for Wayne Airport and kill funds for any airport which threatens Wayne. Mr. McElroy does not operate for the common good but only for what Mr. Smith considers to be good. Mr. Smith is also the brains who plans all the present airport campaign moves. He thinks up the words which Mr. Richards uses, and Mr. Smith has used Mr. Richards in the past to block airport progress. Mr. Smith works effectively in the background, where he pulls the strings which move the actors about the stage.

I have tried earnestly to work with Mr. Smith on various airport projects. I invited him to be present at meetings of the board of commerce aviation committee. In one of my last conversations with him I asked him, in the presence of the committee, if he would support and work for the northeast airport. He replied definitely that he would not do so until such time as Wayne County Airport had been completed and the airlines had moved there.

Mayor Cobo can straighten out the Detroit airport mess if he decides to do so. He can cope with Mr. LeRoy Smith successfully if he chooses. In my opinion, Mr. Cobo has been our most able mayor. He is a dedicated man and his integrity is unquestioned. He has named a Detroit Aviation Commission with capable men like Packer, Reese, Boyer, Joy, Carroll, and Burnett who understand our aviation problems. They want to see Northeast developed, and have so recommended, but the mayor, instead, seems to listen to LeRoy Smith who wants another $30 million to fully develop his Wayne County monument.

We urge the mayor to listen to his Aviation Commission instead of to Mr. Smith. The mayor has the whip hand because Detroit pays the bulk of Wayne County's taxes. He can force the successful completion of Northeast and save taxpayers $30 million if he will assume the leadership of which he is so capable.

In 1960, 3,100,000 air travelers will arrive and depart in the Detroit metropolitan area. That is 1 million more than we have today. We need two airports to do this job.

A determined mayor and a determined citizenry can take us out of the whistle-stop category and give us the jet-age airports to which our town is entitled.

Mr. Speaker, I only wish to add with reference to the controversy between those two airports in the Detroit area that I am convinced that it does not make sense to spend $30 to $33 million to develop Wayne-Major Airport, which is in the same traffic pattern as an existing airport, Willow Run. As Mr. Mara points out in his speech, there is a need for a second airport in the Detroit area but in a different traffic pattern and serving a different center of population.

Unfortunately the chart which is a part of the article cannot, under the rules for printing the CONGRESSIONAL RECORD, be incorporated in the RECORD. But suffice it to say that in addition to the narrative material of the article the chart shows that the Northeast Airport, which is advocated by experts in aviation in the Detroit community, would serve a far greater center of population than the Detroit Wayne-Major Airport, and the Detroit Wayne-Major Airport being so close to an existing airport in Detroit, Willow Run, will simply duplicate facilities already existing. This is an inordinate waste of funds.

So much for the airport aid problem which will be considered by the Mollohan Committee.

I wish to return to the broader aviation problems. These include air navigation facilities, the control of airways, competition for air space, the relationship between military and civilian aviation; the relationship between the Federal Government and State and municipal governments in aviation; and the relationship between the Federal Government and foreign governments and international organizations with respect to aviation.

I assert that the handling of the problems in the field of aviation are in a state of utter confusion. I insert at this point in the RECORD in support of my assertion a circular of the Air Transport Association dated March 27, 1956:

AIR TRANSPORT ASSOCIATION
OF AMERICA,
Washington, D. C., March 27, 1956.

Operations memorandum No. 56–52.

Subject: Chart of simplified research and development structure and coordinating organizations involved in the common system of air navigation and traffic control.

To: Conference members.

Attached is a copy of an organizational chart showing lines of authority and coordination by the groups of industry and the executive branch of the Government. The heading on the chart states that this is a simplified chart. This is a factual statement and is not intended to be facetious.

This diagram was prepared by a branch of the Government and was used in top level discussions. Note this diagram does not include the legislative branch of the Government nor are all of the agencies of the executive branch shown.

As stated in the recently issued Harding committee report, there are 75 committees, subcommittees and groups of the Government and/or industry directing their attention to aviation facilities within the executive branch of the Government. Industry is represented or participates, to varying degrees, in approximately 40–45 of these committees.

This chart is furnished primarily for information although it has been observed that there are scores of people in the airline industry who think of that portion of the Government having to do with the industry in terms of 1–2 persons. Also there is quite an apparent lack of appreciation that both the executive and legislative branches of our Government have independent responsibilities and that most programs require concerted action on the part of both these branches of the Government.

MILTON W. ARNOLD,
Vice President, Operations and Engineering.

Unfortunately because of the restriction on printing charts in the CONGRESSIONAL RECORD it will not be possible for me to insert in the RECORD the chart attached to the circular.

The chart is headed: "Simplified Research and Development Structure and Coordinating Organizations Involved in a Common System of Air Navigation and Traffic Control." I submit that anyone who looks at that chart and the numerous agencies on it and the lines of communication between them will see that probably there is no more mixed up set of agencies dealing with problems in any field of activity in the Federal Government. Here is bureaucracy, redtape, and confusion gone wild. I submit that a look at that chart itself supports the proposition that there is duplication, conflict, and lack of coordination in the agencies of the Federal Government having to do with the field of aviation.

In addition, Mr. Speaker, there is an excellent article dealing with problems of aviation and its future development in the New York Sunday Times of April 29, 1956. I incorporate that article by Mr. Richard Witkin entitled "Jet Age Planning Worries Airlines" at this point in my remarks:

JET AGE PLANNING WORRIES AIRLINES—600-MILES-PER-HOUR-CRAFT CREATING PROBLEMS OF NOISE, TRAFFIC CONTROL, AND FACILITIES

(By Richard Witkin)

Going the rounds of the aviation industry is a Government document that, isolated from other data, might terrify the bank and insurance executives who have arranged financing for $1,100,000,000 worth of jet airliner purchases.

The very title of the document, drawn up by the Civil Aeronautics Administration, is disconcerting. It reads: "CAA Jet Age Planning, the 100 Problems."

The figure 100 is a minimum. The man assigned to compile the list cut it off there for fear he would never be able to stop. The list contains, alongside such obvious items as jet-engine noise and the question of runway length and strength, a multitude of difficulties unsuspected by any but the experts.

For instance, a conventional altimeter—the gage that tells a pilot how high he is—loses its accuracy at altitudes where 600-mile-an-hour airliners will fly. Piston-engine airways are stacked vertically at 1,000-foot intervals. The spread will have to be much greater at the rarefied jet altitudes unless better altimeters can be perfected.

EVEN RADAR AFFECTED

Consider radar. Piston-engine airliners, picked up by radar, bounce back a strong signal that forms a bright blip—a small, luminous streak—on the dark radarscope. The main impetus for the strong return signal comes from the thrashing of the propellers. Propellerless jets will require more powerful radar transmitters.

The difficulties are seemingly endless. Will the harmonics of jet noise shatter the huge picture windows that have become fashionable at modern air terminals? What is the best machine for clearing runways of pebbles and dirt that could chew up a jet engine's insides? How steep a descent from extreme jet altitudes will passengers be able to tolerate?

Britain devised workable solutions for many operational problems when it put its fleet of Comet I's in service. Of course, the tragedies that later suspended the Comet operations testify that British planning left something to be desired. Yet even if the Comet I had been a success—and it missed by only a small though catastrophic margin—this country could not get by with a duplication of British methods. There are several reasons.

The American jets slated to start commercial service by early 1959—the Douglas DC–8 and the Boeing 707—are much larger and faster than the Comet I. They will carry three times as many passengers. The general run of aerial traffic in which the American jets will operate will be congested. The traffic the Comets had to contend with was light by comparison. By the early 1960's there will be dozens of American jets streaming into and out of major terminals. Comet I production was halted while still a trickle.

The almost overwhelming tasks confronting the American aviation industry will strain both its technical ingenuity and its financial resources, which include whatever funds the taxpayer will make available in governmental budgets.

Many of the problems—most glaringly traffic control—are not peculiar to the jet but already are plaguing the industry. Jets will vastly complicate traffic control, however.

Another complication will call for collaboration with other governments. It will be vital to achieve international standardization of many operational jet procedures and much equipment. Otherwise international carriers would be compelled to install several navigational systems in their planes to perform the same function in different countries. The extra equipment would be costly and would slice into passenger or cargo capacity.

THREE CATEGORIES OF TROUBLE

Most of the difficulties the industry faces divide into three categories: Noise, traffic control and airport facilities.

In the public mind, noise has been the prime concern from the moment the industry raised the specter of jet airliners operating near homes and offices. Experimental work on a suitable noise suppressor has not yet been completed. But tests to date have been successful enough to warrant statements from the manufacturers that their planes will be no noisier—perhaps less noisy—than piston-engine planes.

Piping down to piston-engine raucousness is not going to mollify those who feel that even pistons rate banishment to outlying provinces. But there is little doubt that municipal authorities will accept the jet airliner at existing airports if piston-engine noise levels are achieved.

Other things being equal, jet planes have some decided advantages over piston planes when it comes to minimizing the impact on the public nervous system. Once jets are off the ground, their speed and climbing ability carry them out of earshot a good deal more quickly than current planes.

Taming the noise of jet engines during ground run-up is technically much simpler than during takeoff, of course. In designing an in-flight suppressor (the most promising is a corrugated nozzle for the tailpipe), engineers must make sure it does not absorb too much engine power or overburden the plane with its weight and wind resistance.

EARS MUST BE PROTECTED

For ground testing, loss of engine power and size of suppressor are technically not so important. If need be, the boisterous exhaust can be—and sometimes is—piped through a soundproofing chamber bigger than the plane.

Unmuffled jet roar, sometimes necessary in ground tests, can damage the hearing of ground crewmen nearby. Mechanics probably will have to be equipped with protective devices for their ears. On the other hand, an Air Force study shows there is no danger of hearing loss or other physical injury to people living off the airport, whatever their psychological reactions.

The most imposing of all the industry's tasks is undoubtedly the modernization of the already archaic traffic-control system. The task is so imposing that the first jet fleets almost certainly will be controlled by nothing better than the current basic system jogged by heavy infusions of interim gadgetry.

It is widely believed that what is needed in the long run is a fully automatic system in which electronic brains will calculate traffic patterns and transmit instruction signals to dozens of cockpits. Such a system is quite a few years away.

To appreciate the added difficulties that will be encountered in handling jet traffic, it is necessary to understand how the traffic-control system works—or muddles through—today. In good weather, there is a minimum of control from the ground. That is, ground stations do not tell a pilot what altitude to fly or when to let down for a landing. He simply flies in accord with visual flight rules.

EYESIGHT RULES

Visual rules require that planes flying the airways, which are marked out by the CAA, maintain odd-numbered altitudes (7,000 feet, 9,000 feet, etc.) going north or east and even altitudes going south or west. Pilots must rely on their eyesight to keep from colliding with other planes. There are comparable rules for off-airways flights.

When instrument weather moves into an area, ground controllers go to work. Every plane then is required to file a "flight plan" with traffic control authorities. Planes are assigned specific altitudes and told when to take off.

Since pilots plowing through an overcast cannot see other traffic, safety dictates that planes be dispatched at regulated time or distance intervals if they are to share a particular altitude. The rules call for a minimum separation of 10 minutes, unless the area is monitored by radar. Ten minutes in a 360-miles-an-hour DC–7 is 60 miles.

If the 60-mile safety margin is threatened because a DC–7 is overtaking a slower DC–4, ground control finds out from position reports radioed from the planes. In that case, the DC–7 is ordered to circle for a time over a radio beacon or is assigned a new altitude.

In areas where controllers can "see" the planes on radar, the rules permit narrowing the separation of traffic to as little as 5 miles. Controllers can advise the pilots what headings to fly and watch the planes' blips on the radarscope to make sure they comply. With the breathtaking increase in traffic putting more and more of a premium on air space, radar has saved an overloaded system from virtual collapse.

HUMAN LIMITATIONS

But radar is no panacea. Human brains must absorb the radar information and base traffic instructions upon it. There is a limit on how many blips a single brain can safely juggle.

What are the basic defects in the traffic system? Both the scheduled airlines and the military which have jointly led the campaign to overhaul the existing setup start from the premise that visual flight rules need sweeping revision. They insist that for most operations pilot vision no longer is an adequate safeguard against collision, even in a cloudless sky.

It should be emphasized that the airline-military approach to the problem is loudly challenged by the private pilots, represented by the Aircraft Owners and Pilots Association. The association fears that the airline-military campaign aims at running the private pilots out of the skies or at least relegating them to the "sticks."

The airlines have buttressed their case with a survey on the mid-air collision hazard conducted by their trade group, the Air Transport Association. The survey produced the statistic that airliners in this country are involved in four near-collisions every day, most of them in clear weather.

The Air Force has reported equally alarming conditions. While some observers sympathetic to the airline-military point of view feel that the survey's definition of a near-miss may be slightly loose, there appears little doubt that the incidence of near-misses is dangerously high.

This will seem less surprising when it is realized that the head-on closure rate of two modern piston airliners is much faster than the speed of a revolver bullet. The closure rate will be far greater with two 600-mile-an-hour jets. The private fliers' association, while conceding there is a collision problem, strongly distrusts the airline survey and bridles at the cures proposed.

RULE CHANGE DISPUTED

The airline-military view is that the logical answer to the near-miss hazard is to compel planes to follow bad-weather rules in good weather, at least in critical areas. To fly under bad-weather, or instrument, rules, a pilot must have an instrument proficiency rating. Also his plane must be equipped with a minimum of radio and navigation equipment—a minimum many private pilots cannot afford.

The private pilots have been assured there is no intention to relegate them to remote areas. They have been assured that adequate air space will be set aside for visual private flying, even in such crowded areas as New York.

The private pilots' association is not buying such assurances. It proposes as the answer to the near-miss hazard:

Speed limits in congested terminal areas.

Better cockpit visibility.

Round-the-clock, all-weather control only at the high altitudes where jets will normally cruise.

The pros and cons of the dispute are complex. In any case, the proposal to curtail visual flight rules flying is somewhat academic at the moment. However urgent the airlines and military officials might consider such curtailment for reasons of safety, economics, or national defense, the change cannot come overnight.

The outmoded traffic-control system lacks the capacity to handle the normal good-weather flow of traffic. It cannot even handle the lighter flow that seeks control when instrument weather moves in.

Today, when bad weather blankets a heavily congested area and makes instrument rules mandatory, one-third or more of scheduled airline flights must be canceled. Other flights are delayed an hour, 2 hours, sometimes more. This slowdown is irritating enough as an occasional phenomenon; it would be ruinous as a permanent condition. The reasons for the incapacity of the system are many.

PRESENT CONTROL CUMBERSOME

Along a 250-mile route at one particular altitude there is room for only 4 DC–7's if 10-minute separation is required. Given complete coverage with present radar, and thereby enabled to narrow separation to 5 miles, controllers still could not handle today's traffic volume. Jet-age traffic would overwhelm them.

There are insufficient communications channels between controllers and pilots. Devices to give constant and positive identification to each radar blip still have to be perfected. The system for relaying data from one controller to another as planes move from zone to zone dates back almost to the time of the mah-jong craze. The reference comes to mind because the system in operation bears some resemblance to that parlor pastime.

Data on each flight—altitude, route, estimated arrival time, etc.—must be scribbled on rectangular strips mounted in aluminum holders. The strips are posted on top of one another on a slanted board. Controllers have a hectic time shuffling holders and relaying information to each other, to pilots, and to airline operations shacks over a mass of wires plugged into walls, ceiling, and floor. The system is crying for automation.

At present the CAA is evaluating an electronic brain that automatically transcribes data onto the strips by use of punched cards.

The extra speed of jet airliners (600 instead of 360 miles an hour) will mean less time to waste in clerical chores and waiting for a chance to get in touch with a pilot over a party-line radio channel.

Because jet airliners will intrude into regions above 30,000 feet, hitherto reserved for the military, the interweaving of military and civilian traffic will become exceedingly involved.

Finally the gluttonous fuel consumption of jets will mean a limit on stacking planes over an airport while they await their turn to land.

On average, jet airliners will carry enough fuel to "hold" for an hour or so over destination before heading for an alternate airport. This is nothing like the holding endurance of piston planes. Figures on fuel consumption show why. A DC–6B requires only 1,420 pounds of fuel to hold for an hour at 10,000 feet. A DC–8 jet will require 9,000 pounds for an hour at 15,000.

The profit margin in jet operations will not tolerate habitual waste of 9,000-pound fuel loads. Nor will it tolerate chronic diversions to alternate airports with the airline then responsible for hotel bills or refunds (or both) for 100 to 140 passengers at a clip. Traffic control will have to weave jets through the skies to prompt landings on a good majority of occasions.

Another point: Traffic control must control right up to the parking gate where passengers board and debark. Quick clearance of runways to enable a second plane to land, avoidance of taxi-strip congestion, smooth access to an adequate number of passenger gates, all must figure in the equation if the system is to cope with predicted traffic volumes.

The Government, at long last, is pulling together and accelerating many rambling efforts to help traffic control catch up with the growth of air traffic. The efforts have rambled not for lack of specialists who knew what was needed but for lack of leadership and congressional funds.

REVOLUTION NOT HERE

It is not expected that a revolution will have been brought about by the time the first jet fleets start operating commercially. But some major reforms should have been accomplished. There will be many more radar installations, more controllers, more navigation aids, more communications channels—quantitative advances.

There should be some qualitative changes, too. But radical transformation of the traffic-control system is a long-range project that will not gather real momentum until sometime after the jet airliners have been introduced. The directions of research and development are well defined, however. They forecast the shape of the eventual traffic-control system, though the exact contours may be affected by how successful the private pilots are in resisting clear-weather control.

Great effort is being expended on improving radar. The newest installations are equipped with moving target indicators that filter out confusing stationary targets, such as buildings and towers. Another improvement prevents rain and other precipitation from cluttering the scope.

A device called a transponder, situated in the plane, holds great promise of increasing return radar signals from jets. It transmits a strong signal in answer to the radar signal sent from the ground. In addition, its reply can be coded—can transmit double blips, colored blips, blips with special symbols. Coded replies could identify the flight or its altitude. Interference between radio frequencies is impeding progress on the device, however.

Parallel research is aimed at producing devices that will enlarge blips and display them so that controllers can easily keep track of them. Another high-priority project is development of a proximity warning device that will alert a pilot if he is on a collision course with another plane.

In the long run, electronic calculators will keep track of the radar blips, calculate the best course for each plane to fly and transmit instructions to the planes.

PILOTS TO BE MONITORS

The instructions will not even have to filter through the pilot. They will go directly to an automatic pilot. The human crewman will merely monitor the operation and be ready to take over in case of a malfunction. Machines will transfer flight data not only from ground to air, but between controllers, and from control center to control center.

A good deal of automatic equipment for traffic control already is in the development and evaluating stage. SAGE (standing for semiautomatic ground environment), the air-defense system that coordinates the radar search for enemy planes and plots courses for interceptors, probably will play an important role in traffic control. A Government team is studying what features of SAGE can be adapted.

The needs are so complex that it may be a decade or more before automation really takes hold as a traffic controller. It won't be enough for some enterprising automation concern to design an electronic thinker and then go around peddling it.

Each device or facility for navigation, communication, or airport operation in the jet age must be considered in relation to the rest of the system. Scientists these days are always talking about the "systems" approach. In aviation, President Eisenhower has appointed a special assistant—Edward P. Curtis, a former Air Force general—to study the Nation's overall aeronautical requirements for the next 20 years.

Mr. Curtis, operating from an office at the White House, will come up with a comprehensive long-range systems blueprint within the next year or year and a half. This plan will have great bearing on what types of electronic brain will control traffic, what new departures in communications should be used, what the standard airport layout should be.

Airport construction is a subject that generates a good deal of controversy when jet-age problems are discussed. At a jet-age symposium in Washington early this year, a high point in plain-talking came when a slim, earnest individual asked for the floor and identified himself as the mayor of Atlanta, William B. Hartsfield.

The audience of aviation specialists was not too startled to catch a mayor in their midst since mayors are notoriously sensitive to the noise problem. But Mr. Hartsfield had other things on his mind: Airports, and who was to pay for them.

The stimulus for Mr. Hartsfield's comments was the impression that had got about that jet airliners would require lengthening of runways at most of the Nation's major airports. The mayor said somewhat heatedly that he wished the manufacturers would consider the capacity of cities to float new bond issues.

"For 15 years," he said, "we have been madly raising funds, lengthening runways, and enlarging airports to keep up with the growth of aviation." He suggested it was time this stopped. It was time aircraft manufacturers designed their products to fit existing runways. Land for airport extension was becoming harder and more expensive to get. And runways at $1 million a thousand feet had to compete with schools and highways for the taxpayer's dollar.

Since Mayor Hartsfield's oration, the manufacturers and some of the airlines have been making a determined effort to allay the concern of municipal authorities. The nub of their argument is that there will have to be very little lengthening of runways.

The misunderstanding—if such it is—stems from the original announcement of the two manufacturers about runway requirements. They said their jets would need, for top-load takeoffs on a standard-temperature (59° F.) day, about 9,000 feet. Current regulations require minimum runway length to be increased by one-half of 1 percent for each degree the mean temperature of the hottest month exceeds 59°. An 80° hottest-month figure would require a 10-percent, or 900-foot, increase.

Runway length must be increased another 7 percent for every 1,000 feet above sea level, and 20 percent more for each degree of uneven grade. It appeared therefore that the average jet runway would have to be at least 10,000 feet. There are only 3 that long in the entire country, and 1 is at Denver, where the 5,000-foot altitude would add several thousand feet to the minimum requirements. The other two are at Boston and St. Louis.

How do the manufacturers nullify the implications of all this figuring? They reason this way:

The public and its municipal spokesmen have been misled by reference to "top-load" takeoffs. There will be few occasions when jets will have to carry capacity fuel loads, since few routes will extend over the planes' maximum range. Certainly domestic trips will not require capacity loads. And cities such as Atlanta will not be running top-range flights to Paris.

SKEPTICAL VIEWS GIVEN

The manufacturers' arguments are somewhat reassuring. But they have far from dispelled the doubts. The skeptics suggest that the performance of the production planes may deviate, on the minus side, from the paper calculations. It is still not certain how much performance will be sacrificed in the use of noise suppressors. And some insiders who remember how aviation has outpaced all predictions have a hunch that top-load takeoffs will be desired more often than the manufacturers think.

Jets flying against prevailing headwinds from Europe to the United States will have heavy fuel requirements, for instance. And who is to say that Atlanta will not wish to schedule flights to Paris in 10 years? Or that a proliferation of polar routes will not increase the number of occasions when top-load takeoffs will be desired?

Airport operators, and the airlines that will use their facilities, have a lot of other things to think about:

Runway strength requirements.

Flush lighting on the center of the runway to facilitate all-weather operations.

High-speed turnoffs to clear a landing plane off the runway as quickly as possible.

Bypass strips to enable jets, which need no engine runups, to taxi past piston planes, which do.

Facilities to process passenger loads habitually exceeding 100 for each jet airliner.

Improved baggage-handling facilities.

Underground fuel tanks topped by hydrants to refuel planes that would use the contents of several conventional fuel trucks.

AIRLINES AWARE OF TASK

A few months ago an airline president, somewhat shaken by the experience of ordering a fleet of jet planes costing $6 million each, is reported to have said in a tone of strained jocularity:

"We are buying airplanes that haven't yet been fully designed, with millions of dollars we don't have, and we're going to operate them off airports that are too small in an air-traffic control that is too slow, and we must fill them with more passengers than we've ever carried before."

At the time, if the element of hyperbole was discounted, there was a lot to what he said. There still is, though some of the gloomier aspects of the assessment have brightened in the interval.

What must be most heartening to the airline president in question is the gathering evidence that aviation leaders of all stripes realize the size of the workload ahead of them.

The first jet operations are almost 3 years off. The industry already is putting in overtime weeks getting ready.

I might, before I go further, mention the work of the Harding committee. The Harding committee was a group appointed a year ago by the Bureau of the Budget to study agencies dealing with the field of aviation in the executive branch of the Government. Last December that committee submitted a report to the Bureau of the Budget and asserted that there were over 75 committees, subcommittees, and special working groups concerned with aviation facilities matters.

The Harding report did not criticize the number of these agencies; it called attention to the difficulty in the proper coordination of their activities.

The Harding committee concluded that aviation would suffer in the future unless steps were taken promptly to study existing agencies in the executive branch of the Government having responsibilities in the field of aviation.

It concluded also that some top level study and master plan was required to provide a basis upon which "to build a comprehensive legislative and fiscal program for aviation facilities development."

The Harding report recommended that the study be conducted by an individual of national reputation to work with existing departments and agencies in the executive branch of the Government backed by Presidential authority. As a result of this recommendation, Mr. Edward T. Curtis of the Eastman Kodak Co. has been appointed special Presidential Assistant on Aviation Facilities Matters.

Mr. Speaker, I concur in the Harding report conclusion that a study of executive agencies and their proper relationship with each other is urgently needed. Where I disagree with the Harding report is that this study should be made by a single individual and completely within the confines of the executive branch of the Government.

Under that program the executive agencies will debate and compromise among themselves and eventually some kind of proposition will probably be submitted to the Congress. It is my belief that a problem of this magnitude deserves the attention of the Congress, that the Congress should participate in the study and in the formulation of the policies which would flow from the study.

Equally important in my view are the interests of the various segments of our national economy in the aviation field. I speak of trade associations for scheduled airlines, like the American Transport Association, trade associations for private flying, manufacturers of aircraft and aircraft equipment, and the owners of public airports, the cities, States, and the general public.

Mr. Speaker, the only way in which all elements of our economy, not only the executive branch of the Government and the Congress but private business and the general public, can jointly participate in this study so urgently needed is through the formation of a commission such as I have suggested.

Mr. Speaker, through my interest in the controversy between the two airports in the Detroit area and because of my experience in being submitted to what I regard as an example of bureaucratic tyranny in the handling of decisions in this field by an executive agency, I have made quite a study of the activities of the Air Coordinating Committee.

That Committee was created by Executive Order 9781 signed by President Truman on September 19, 1946.

The text of that Executive order is as follows:

A. Executive Order 9781 establishing the Air Coordinating Committee:

By virtue of the authority vested in me as President of the United States, and in order to provide for the fullest development and coordination of the aviation policies and activities of the Federal agencies, and in the interest of the internal management of the Government, it is hereby ordered as follows:

1. (a) There is hereby established the Air Coordinating Committee (hereinafter referred to as the Committee) which shall have as members one representative from each of the following-named agencies (hereinafter referred to as the participating agencies): the State, War, Post Office, Navy, and Commerce Departments and the Civil Aeronautics Board. The members shall be designated by the respective heads of the participating agencies. The President shall name one of the members as the Chairman of the Committee. The Director of the Bureau of the Budget shall designate a representative of the Bureau as a nonvoting member of the Committee. (For amendment of this paragraph, see appendix E, p. 21.)

(b) Each officer or body authorized under subparagraph 1 (a) hereof to designate a member of the Committee shall also designate one or more alternate members as may be necessary.

(c) The Committee shall establish procedures to provide for participation in voting, by a representative of any agency not named in subparagraph 1 (a) hereof in connection with such aviation matters as are of substantial interest to that agency.

2. The Committee shall examine aviation problems and developments affecting more than one participating agency; develop and recommend integrated policies to be carried out and actions to be taken by the participating agencies or by any other Government agency charged with responsibility in the aviation field; and, to the extent permitted by law; coordinate the aviation activities of such agencies except activities relating to the exercise of quasi-judicial functions.

3. The Committee shall consult with Federal interagency boards and committees concerned in any manner with aviation activities; and consult with the representatives of the United States to the Provisional International Civil Aviation Organization or to the permanent successor thereof and recommend to the Department of State general policy directives and instructions for the guidance of the said representatives.

4. The Committee, after obtaining the views of the head of each agency concerned, shall submit to the President, together with the said views, (a) such of the Committee's recommendations on aviation policies as require the attention of the President by reason of their character or importance, (b) those important aviation questions the disposition of which is prevented by the inability of the agencies concerned to agree, (c an annual report of the Committee's activities during each calendar year, to be submitted not later than January 31 of the next succeeding year, and (d) such interim reports as may be necessary or desirable.

5. The heads of the participating agencies shall cause their respective agencies to use the facilities of the Committee in all appropriate circumstances and, consonant with law, to provide the Committee with such personnel assistance as may be necessary.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 19, 1946*.

The order has been amended from time to time, mainly to add members from additional executive agencies. The most recent amendment is Executive Order 10655, dated January 28, 1956.

The Air Coordinating Committee's decisions, when unanimous, bind the entire executive branch of the Government.

See what that means? Here is an agency not recognized by the Congress, not created by statute, delegated no legislative or administrative authority by the Congress, but created solely by Presidential order, yet, when it makes a decision it binds all of the agencies to whom Congress has delegated authority.

Let me illustrate how that operates. We have the Federal Airport Aid Act. In that act we delegated to the Secretary of Commerce the right to help create a proper airport pattern in the United States, subject to certain definite criteria which are set forth in the statute. But the airport use panel of the Air Coordinating Committee held hearings last June, almost a year ago, in the city of Detroit and came out with a conclusion that Detroit Wayne-Major Airport should be a commercial terminal and that military operations should be concentrated at Willow Run.

You ask, What does that have to do with airport aid? It has this to do with it: Willow Run Airport asked the Civil Aeronautics Administration for a modest $86,500 for certain improvements on that airport out of the current fiscal year's allotment. The management of the rival airport at Detroit Wayne Major asked for $1,300,000. In addition their representatives came to Washington, saw the officials of the Civil Aeronautics Administration and said: Do not give 1 penny to the Willow Run Airport because the airport use panel has made a decision that it should be developed not as a commercial airport but as a military airport, therefore it should have no airport aid funds.

The result was that Willow Run did not get any money while Wayne Major, on the other hand, got almost all it asked for. There you see the Air Coordinating Committee, with no authority from Congress, has usurped the power of the Department of Commerce where Congress specifically vested the authority under definite standards to decide upon the allocation of airport aid funds.

There are levels upon levels of executive agencies conflicting with each other in the field of aviation, and unless we do something about it we are going to find that technology has advanced, and Government has fallen behind. It may take some spectacular catastrophe, like a midair collision, to arouse the American people and the Congress to the fact that there must be a reorganization and a realinement of our agencies making decisions in the field of aviation, so that we may have prompt and intelligent resolution of aviation problems and rapid progress in aviation.

Mr. Speaker, the Air Coordinating Committee, without any statutory recognition, as I have said, has in practice been dominated by the military. On the airport-use panel which considered the problem in the Detroit area there were four representatives of the military and two civilians; a representative from the Army, the Navy, the Air Force, and the Department of Defense, being four, and only two civilian representatives from the Civil Aeronautics Administration and the Civil Aeronautics Board, for a six-member panel.

Mr. Speaker, no one wants to deny the military all they need for the proper defense of this country, but under our basic principle of civilian control the military should not be the final arbiters on decisions where there is a conflict between civilian and military needs.

It is my judgment that the Air Coordinating Committee, being dominated as it is by the military, has neglected to give proper attention to the future of civil aviation. In the long run, our defense rests upon the health of our national economy equally as much as upon our excellence in Military Establishments and the weapons of war.

I hope that the Committee on Government Operations will take prompt action on this legislation and that it will receive the enthusiastic support of the leadership of the House on both sides of the aisle, and that before this Congress adjourns this step in the direction of promoting the interests of aviation can be taken. If no action is taken in this session of the Congress, a year will have been lost in commencing this all-important study, or we will have abandoned the study to the executive branch of the Government where policies will be worked out without congressional participation.

DISTRICT TRANSPORTATION LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, since H. R. 8901, the District of Columbia transit bill, may be called up before the end of this week, I want to take this opportunity of making a few points as clear as I can as to it, as to the substitute recommended by the majority of the Interstate and Foreign Commerce Committee and as to H. R. 10871. I do so because of the numerous inquiries I have received with reference to these three legislative proposals.

Under the parliamentary situation, I cannot offer H. R. 10371, the interim transit bill, as a substitute for H. R. 8901 unless the committee substitute is rejected. Therefore, it is entirely possible that the important and significant vote will come on the acceptance or rejection of the committee substitute. And it may be the only vote.

I have been asked repeatedly whether I am in favor of public ownership. I have stated, and I repeat for emphasis, "No, unless it becomes absolutely necessary." I have been asked also whether it would not be possible to offer amendments to the committee substitute which, if accepted, would permit Members of the House to support an amended version of the committee substitute without making it necessary for the House to return to the Capital Transit Co. the charter and franchise which Congress repealed last August through Public Law 389. I devoted many hours in an effort to prepare such proposed amendments, but I came to the considered conclusion that any attempt to offer such amendments, even if successful, would be confusing, impractical, and futile. Therefore, I filed H. R. 10871 as the only practical alternative I could present for the committee substitute. I offered it and I shall offer it if it is possible to do so here on the floor, because I will not reverse my vote to revoke the charter and franchise of the Capital Transit Co., which vote I believe was amply justified upon all of the evidence we have had or now have.

In this connection, when President Eisenhower signed Public Law 389 on August 14, 1955, he stated in part:

> . . . both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

In connection with our action on Public Law 389, I have been asked whether I have available any tabulation of the earnings and dividends paid by the company, which was in August of last year a matter of serious concern to Members of this House. I have been given a table which I now include under permission granted to me, as follows:

	Net earnings reported to PUC	Dividends paid	Dividends per share ($100 par basis)
1940	$872,082	$240,000	$1.00
1941	1,299,969	300,000	1.25
1942	1,717,188	420,000	1.75
1943	1,508,844	480,000	2.00
1944	1,534,920	480,000	2.00
1945	1,317,958	480,000	2.00
1946	965,854	480,000	2.00
1947	(93,416)	480,000	2.00
1948	396,315	120,000	.50
1949	325,816	480,000	2.00
1950	878,274	720,000	3.00
1951	1,413,250	960,000	4.00
1952	1,016,389	3,714,000	15.60
1953	897,461	1,536,000	6.40
1954	754,898	[1] 1,670,330	4.80 plus 2.16
1955	[2] 1,215,353	576,000	2.40

[1] $1,152,000 cash dividend and $518,330 in stock of Continental Enterprises.

[2] $524,518 net income offset by a $1,739,871 streetcar writeoff.

As I noted in my minority views to accompany H. R. 8901, Louis E. Wolfson and his associates obtained control of the Capital Transit Co. in 1949.

A number of my colleagues have asked me if Members would not be required to vote either to return the charter and franchise to the Capital Transit Co., basically upon its own terms, or for public ownership, in terms of a Washington Metropolitan Transit Authority. The answer to that question is clear beyond any possible dispute. H. R. 10871 specifically authorizes the Interim—and I underline the word "Interim"—Authority to sell the properties it would take under H. R. 10871 to such competent private operators as it could locate prior to August 15, 1959. This means that the proper government authorities of the District would be charged with the responsibility of continuing their efforts, which have been unsuccessful to this time, to search for and sell to any competent private operator who would then own and manage the transit system of the District. Personally I still hope and believe that will be possible in a city where passenger volume is reasonably constant and where a reasonable profit could be expected at fair rates. I cite title III, section 304. Section 304 of that title "terminates the existence of the Authority upon the sale of its property," except to take all necessary action to "close out its affairs as expeditiously as possible."

It is very important to note also that section 305 of that title requires the Board of Directors of the Interim Authority, consisting of the District Commissioners, to report to Congress within 15 days of June 15, 1958, the steps taken to effectuate such a sale and the reasons for failure to make such a sale, if none is made by June 15, 1958. Obviously, upon the receipt of any such report Congress then would have full and complete authority to pass any legislation it feels is necessary and proper under the facts reported to it by the Interim Authority. Only if Congress did not act upon such report would the permanent Authority come into being. In that event the only loss to the people of the District of Columbia would be the very doubtful advantage of having had the Wolfson group operate its transit system for another 3 years upon terms far better, from the point of view of that group, than they had when they brought on the cancellation of their charter and franchise by their own conduct. And the best interests of the people of the District of Columbia is our responsibility, whether we welcome or dislike this role of a city council.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Meader, for 30 minutes, today.

Mr. Heselton, for 15 minutes, today and tomorrow.

Mr. Holland, for 1 hour on Monday, May 14.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Rodino and to include extraneous matter.

Mr. Wickersham in three instances.

Mr. McCormack.

Mr. Colmer.

Mr. Abbitt (at the request of Mr. Thompson of New Jersey) and to include extraneous matter and to revise and extend his remarks.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Dasé;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman P. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 419. An act for the relief of Eli E. Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Beauregard, and Esler Field, Louisiana, to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks.

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ADJOURNMENT

Mr. MAHON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 10, 1956, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on the Judiciary. H. R. 9810. A bill to provide for the conveyance of certain land of the United States to the State of Indiana; with amendment (Rept. No. 2123). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 8110. A bill to incorporate the National Music Council; without amendment (Rept. No. 2141). Referred to the House Calendar.

Mr. FRAZIER: Committee on the Judiciary. H. R. 9956. A bill to amend subdivision (e) of section 58, Notices of the Bankruptcy Act, as amended; without amendment (Rept. No. 2142). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 10417. A bill to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States; without amendment (Rept. No. 2143). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. House Resolution 488. Resolution referring the bill H. R. 10826 to the United States Court of Claims; without amendment (Rept. No. 2124). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. House Resolution 490. Resolution providing that the bill, H. R. 6365, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 2125). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4456. A bill for the relief of Cpl. Oscar H. Mash, Jr.; with amendment (Rept No. 2126). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6029. A bill for the relief of Robert D. Grier (individually and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne; without amendment (Rept. No. 2127). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 8008. A bill for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper; with amendment (Rept. No. 2128). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 8643. A bill for the relief of the Knox Corp., of Thomson, Ga.; without amendment (Rept No. 2129) Referred to the Committee of the Whole House

Mr. BURDICK: Committee on the Judiciary. H. R. 9371. A bill for the relief of John R. Henry; without amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4031. A bill to consider residence in American Samoa or the Trust Territory of the Pacific Islands by certain employees of the governments thereof, and their dependents, as residence in the United States for naturalization purposes; with amendment (Rept. No. 2131). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4137. A bill for the relief of Mitsuko A. Hachita; without amendment (Rept. No. 2132). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 5808. A bill for the relief of Judith Kao; without amendment (Rept. No. 2133). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6742. A bill for the relief of Rumiko Fujiki Kirkpatrick; without amendment (Rept. No. 2134). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 456. Joint resolution for the relief of certain relatives of United States citizens; with amendment (Rept. No. 2135). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1026. An act for the relief of Nihat Cengiz; with amendment (Rept. No. 2136). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1244. An act for the relief of Eva Gershbein Rubinstein; with amendment (Rept. No. 2137). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2327. An act for the relief of Takako Iba; without amendment (Rept. No. 2138). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. Senate Concurrent Resolution 76. Concurrent resolution amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens; without amendment (Rept. No. 2139). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 611. Joint resolution for the relief of certain relatives of United States citizens; with amendment (Rept. No. 2140). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 11106. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNES of Wisconsin:

H. R. 11107. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. BOGGS:

H. R. 11108. A bill to protect the public health by regulating the manufacture, compounding, processing, distribution, and possession of habit forming barbiturate and amphetamine drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of Wisconsin:

H. R. 11109. A bill to protect the public health by regulating the manufacture, compounding, processing, distribution, and possession of habit forming barbiturate and amphetamine drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H. R. 11110. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. HOLT:

H. R. 11111. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. ANDREWS:

H. R. 11112. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. COON:

H. R. 11113. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act so as to clarify employer liability, and for other purposes; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 11114. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. JARMAN:

H. R. 11115. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. LESINSKI:

H. R. 11116. A bill to provide additional compensation for employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. PILLION:

H. R. 11117. A bill to amend the Railroad Retirement Act of 1937, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. POLK:

H. R. 11118. A bill to provide for the conveyance of the Camp Sherman Rifle Range to the State of Ohio, and for other purposes; to the Committee on Armed Services.

By Mr. ROOSEVELT:

H. R. 11119. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act so as to clarify employer liability, and for other purposea; to the Committee on Education and Labor.

By Mr. THOMSON of Wyoming:

H. R. 11120. A bill to amend the act of May 21, 1930, with respect to certain oil and gas deposits underlying railroad or other rights-of-way; to the Committee on Interior and Insular Affairs.

By Mr. BELL:

H. R. 11121. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. BONNER (by request):

H. R. 11122. A bill to promote the development and rehabilitation of the coastwise trade, to encourage the construction of new vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BYRNE of Pennsylvania:

H. R. 11123. A bill to authorize the Secretary of the Interior to acquire certain additional property to be included within the Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 11124. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges; to the Committee on the Judiciary.

By Mr. DAWSON of Illinois (by request):

H. R. 11125. A bill to validate certain payments made to members and former members of the naval service; to the Committee on Government Operations.

H. R. 11126. A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes; to the Committee on Government Operations.

By Mr. DAWSON of Utah:

H. R. 11127. A bill to clarify the law relating to the grant of certain public lands to the States for school purposes; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Illinois:

H. R. 11128. A bill to provide that a commemorative stamp shall be issued depicting the home of Abraham Lincoln at Springfield, Ill.; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 11129. A bill to amend certain provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Trust Indenture Act of 1939, as amended, and the Investment Company Act of 1940, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Texas:

H. R. 11130. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mrs. ST. GEORGE:

H. R. 11131. A bill to amend the act of June 22, 1936, relative to flood control, and for other purposes; to the Committee on Public Works.

By Mr. SPENCE:

H. R. 11132. A bill to increase the borrowing power of the Commodity Credit Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. YOUNG:

H. R. 11133. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing the Lehman Caves-Mount Wheeler area of Nevada as a national park; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

H. R. 11134. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUDGE:

H. R. 11135. A bill for the relief of Mrs. Kenna Moore (nee McCarthy); to the Committee on the Judiciary.

By Mr. DAGUE:

H. R. 11136. A bill for the relief of Esther Danon Wright; to the Committee on the Judiciary.

By Mr. HAYWORTH:

H. R. 11137. A bill for the relief of Mrs. Zakiat Barhoum; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 11138. A bill conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Cuban-American Sugar Co. against the United States; to the Committee on the Judiciary.

By Mr. KILGORE:

H. R. 11139. A bill for the relief of Homer Cazamias; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 11140. A bill for the relief of James Edward Bundgaard; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 11141. A bill for the relief of Mary O. Nechaeff; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 620. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 621. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1010. By Mr. BROOKS of Louisiana: Petition on fluoridation of public water; to the Committee on Appropriations.

1011. By Mr. JENKINS: Petition of 153 veterans of Athens County, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1012. Also, petition of 45 veterans of Athens County, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1013. By Mr. WOLCOTT: Petition of Mrs. Vera E. Sutherland and 14 others to bring H. R. 4627, a bill to limit the advertising of alcoholic beverages, out of committee and onto the floor for open debate; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Statement in Support of Proposed Appropriations for the Soil Conservation Service

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me in support of proposed appropriations for the Soil Conservation Service before the Senate Appropriations Committee:

The duties and responsibilities of the Soil Conservation Service are among the most essential of all Federal Government activities. In developing and carrying out a national soil and water conservation program through soil conservation districts, it is contributing immeasurably to the welfare of our great farm population and to the Nation.

A mere listing of its activities is sufficient to bring home this fact. Its watershed protection and flood-prevention projects and river-basin investigations are of inestimable benefit to all of the Nation. Reduction of flood damage in 11 major watersheds is one activity which is difficult to measure in monetary value but almost beyond calculation in actual value to those who will thus be protected from loss of property and even loss of life.

Soil, water, and range resources of our country are the foundation blocks of the structure of the national economy. It is the Soil Conservation Service which coordinates, develops, broadcasts information, and carries out many of the most effective measures for the protection of the sources of our food and much of our clothing. How well the resources of soil and water are protected and conserved and even improved will have a direct effect on our standard of living throughout the Nation far into the future.

In the short span of its history the Soil Conservation Service has rendered services of great value to us all. It would be difficult to envisage a farm economy without the vital services which it performs. In the past year, throughout the 2,700 soil conservation districts, over 1,200,000 individual farmers and ranchers were assisted in some measure. Over 4½ million farms totaling over 1½ billion acres are now organized into soil conservation districts. These districts serve as centers for sharing information with all of their members.

Ask almost any farmer and he will tell you that he has benefited mightily from the services offered by the Soil Conservation Service. He may have had his entire farm surveyed and a plan for its most efficient utilization prepared. Such a survey would make use of the most effective conservation measures as well as means of improving the quality of the land and crops. The farmer may have been aided in application of such complex measures as drainage and water-disposal systems, farm ponds (a sight now familiar to even the city dweller), diversions, waterways, contouring, stripping, and many others. He is also constantly advised in maintaining such measures of soil and water conservation after it has been applied to the land.

A broader activity of the Service is the upstream watershed protection and flood-prevention program carried out as an integral part of the total soil and water conservation job. The Service works with local organizations that sponsor watershed projects as well as individual landowners and operators in watershed project areas. It aids in preparation of a plan for the entire watershed and helps the local interests to carry out measures found to be most effective.

We have only to remember reading in the daily press, hearing on radio and TV the constantly recurring accounts of floods throughout our Nation to realize the vital need for flood-prevention measures.

The needs of our rapidly increasing population for food and raiment must be met. All we have whereby they can be met are our soil and water resources. They must be protected in every way possible. The Soil Conservation Service is rendering a vital and valuable service in so doing. It is essential that the work be continued and even expanded in the future.

Economically the farmer is now going through a period of straightened circumstances. He must be helped a little now, and he certainly deserves it. We, as a nation, owe much to our farmers in the past, now, and increasingly will in the future. So I beg of you do not stint in providing funds for one of the most valuable and essential needs of the farmer, the Soil Conservation Service.

Mr. Chairman, I especially urge you to follow the recommendations of Nolan Fuqua, of Duncan, Okla.; L. L. Males, Cheyenne, Okla.; Harral Allen, Ada, Okla., and president of the Oklahoma Association of Soil Conservation Districts, for $5 million for upstream measures on the Washita and other similar projects.

The project on the Sand Stone Creek typifies the great value of such projects and is a monument to such men as Mr. Frank Dunaway, of Jones, Okla., Dick Longmire of Pauls Valley, and Dave Vandever of Chickasha, who work without compensation, and many other civic minded citizens who realize that there is an average of only 3 inches of top soil remaining in this world and if it is not conserved, 200 years hence there will be no top soil left.

I wish to commend and compliment the especially good work done by men like Mr. Ray Walker, in charge of Soil Conservation Service in Oklahoma, his assistant, Harry Chambers, Earl Wade, and Ed McVicker of Chickasha, and many others who are serving beyond duty.

This $5 million is for the Washita Valley Flood Control project which is 1 of 11 pilot watersheds established in 1946 by an act of Congress. I had the privilege of assisting in writing this legislation.

There are 64 substation sheds in the Washita Valley. Six or eight are completed, or nearly so. Forty percent of the Washita project is planned and 15 percent is completed.

Another $5 million is needed now, and $5 million per year for 7 years, making a total of $35 million.

There are many other projects needed in the soil conservation district—one near Waurika where we have had devastating floods recently.

The Federal Civil Defense Administration

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. McCORMACK. Mr. Speaker, last October, I attended in Boston the national conference of the United States Civil Defense Council, which is composed of city and county civil defense officials. At that time, I became impressed with the difficult job faced by some 400 State and local civil defense directors at the conference and by the overall responsibility of the Federal Civil Defense Administration.

In order to help civil defense, and particularly its education and training program, which is of interest to all Americans, I introduced H. R. 10432, which will help develop national civil defense training schools. The following facts are of interest by way of background:

The Federal Civil Defense Administration expects to offer a graduate course during the coming months for civil defense command and staff personnel. Completion of this course will prepare a graduate to function effectively in an operational capacity during a civil defense emergency, natural or manmade. The course will be about 3 months in length.

Experience with the 1-week courses which have been conducted since 1951, have shown that many civil defense officials at the State and local levels who should attend such courses are not able to do so because of their budgetary limitations. Passage of this bill will enable more State and local officials to attend, thus assuring a greater uniformity in organization and training in civil defense throughout the Nation. If this bill is not enacted, most civil defense officials who so badly need this training will be unable to attend and the civil defense effort will be seriously handicapped.

The bill recommends payment of travel expenses and per diem allowances in accordance with Government travel regulations. Enactment of the bill would result in no additional increase in the Federal Civil Defense Administration's budget as the cost of the program would be absorbed in FCDA's 1957 appropriation.

Annual Pilgrimage to Old Stone Church

EXTENSION OF REMARKS
OF
HON. WATKINS M. ABBITT
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. ABBITT. Mr. Speaker, 350 years ago this year, a little band of pioneers set sail from Blackwell, England, in three small sailing ships, the *Susan Constant*, the *Godspeed*, and the *Discovery*. These are the people who, after a harrowing, 5-month-long journey, landed in what was later known as Jamestown in the sovereign State of Virgina—my State.

Across the river there was later established the little town of Smithfield, a pioneer in another notable way, in the production of unique food products which have become famous the wideworld over.

And this month, the month of May, is the time of the annual pilgrimage to Smithfield for the benefit of the Old Stone Church in Smithfield, St. Luke's Church, the oldest known church still in existence. This old church was first built in 1632, a year before the first record of the settlement as a port for tobacco export, 120 years before the formal establishment of Smithfield as a town in 1752.

An important part of this annual pilgrimage in honor of olden times, is the serving of famous, unique Smithfield ham sandwiches. No other spot in the country can produce Smithfield hams. They have been shipped overseas for about 200 years. There is, on record, an invoice for the year 1779 for hams shipped to the West Indies. And one for the 19th century for ham shipped to Her Majesty, Queen Victoria.

But, gentlemen, there is another unique food product which originated in this colonial settlement, that is the now-popular barbecue. Yes, gentlemen, though other parts of this great country claim the barbecue, the Encyclopedia Americana will tell you that the word was in use in Virginia prior to 1700. It further states that the institution of the barbecue is of southern origin. And in a cookbook from Colonial Virginia, printed in 1742, there is a recipe marked "old recipe from Toano, Va.," for "barbecued squirrel."

Now, when we are marking with due respect the establishment of the colony at Jamestown, the building of a church at Smithfield, the development of the famous Smithfield ham, I believe that we should, at the same time, honor the pioneers who first prepared meat in a savory sauce by open-kettle simmering, even as it is still done today in Smithfield, Va. For the barbecue, one of this age's most delicious heritages, is but one more of the wonderful gifts handed down to us by those valiant pioneers of two centuries and more ago.

One Hundredth Anniversary of the Order of the Sisters of Providence in the Pacific Northwest

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, May 9, 1956

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared relative to the 100th anniversary of the Order of the Sisters of Providence in the Pacific Northwest.

Not only has this order of sisters pioneered in religious and charitable work, but it has been outstanding in the field of hospital work in the Pacific Northwest.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I should like to call to the attention of the Senate a centennial observance in the State of Washington which has more than sectional interest. I refer to the 100th anniversary of the Sisters of Providence Order in the Pacific Northwest and the work carried on, first by a handful, and then by an ever-growing militant army of dedicated Christians intent upon alleviating ignorance and suffering in the northwest corner of our Nation.

Eighteen hundred and fifty-six was the year when five Sisters of Charity of Providence arrived at Fort Vancouver. They had traveled by riverboats, overland wagons, and packtrains before arriving at Fort Vancouver, Wash. At that time, Vancouver was a fur trading post of the Hudson's Bay Co. The northwest will never forget the leader of that group, Mother Mary Joseph. The daughter of a Montreal carriage maker, she was familiar with woodworking tools, a gifted wood carver, and an architectural designer, in addition to being a practical builder. Upon arrival at Fort Vancouver, she transformed a shack into a residence and schoolrooms.

We still point to that school as being the first permanent school to be established in the State of Washington. Today we know it as Providence Academy.

Mother Mary Joseph then converted a log cabin into St. Joseph's Hospital. This was the first permanent hospital in the Pacific Northwest. It is still in operation and last year had 3,368 patients.

Both the school and the hospital had been established by 1858.

Early in the 1860's the Sisters of Providence had set up schools at Walla Walla, Steilacoom, Cowlitz, and Colville. These schools educated the territories' youngsters before public schools were established.

Seattle began to feel that beneficent hand of the Providence nuns in 1877. Pioneer doctors and city fathers of that day had called for establishment of a farm to care for the poor and aged. This was set up at Georgetown. Only a year elapsed before the first Providence hospital was built and placed in operation at Fifth and Madison Streets in downtown Seattle. Now, Providence Hospital is located at 17th and East Jefferson Streets and cares for more than 16,000 patients per year.

In addition, the Northwest now boasts the 600 bed Sacred Heart Hospital in Spokane which annually cares for more than 22,000 patients and St. Elizabeth's in Yakima which cares for more than 8,000 patients.

The motivation of the order and the motto probably accounts greatly for the success with which the order accomplished from its very beginning. Its motto is: "The Charity of Christ impels us."

The founding of the order took place in Montreal when a wealthy widow established an Institute of Servants of the Poor.

The Order of the Sisters of Charity of Providence has left a permanent mark upon the entire North American continent by establishing hospitals, schools, and homes for the aged along the Pacific coast from Anchorage and Fairbanks, Alaska, to Burbank, Calif., and from Seattle to Montreal.

The hospitals of the order are internationally known for representing the highest standards of medical science.

Never in the order's life has the original intent been forgotten. In addition to caring adequately for the sick and needy, they have maintained clinical and outpatient services for the needy and have kept their hospital kitchen doors open to the hungry.

It is fitting that there will be a series of observances starting April 8, and concluding June 15, throughout the Pacific Northwest. One of the highlights of the celebration will be a solemn pontifical mass on May 8, at St. James Church, Vancouver, with His Excellency the Most Reverend Thomas A. Connolly, archbishop of Seattle, as the celebrant. His Excellency the Most Reverend Edward D. Howard, archbishop of Portland, will preach the sermon.

Then, a solemn pontifical mass of thanksgiving will mark the formal ceremonies June 14 in Mount St. Vincent Chapel, Seattle.

Archbishop Connolly will be the celebrant, and the Most Reverend Joseph P. Dougherty, bishop of Yakima, will preach the sermon.

The applied Christianity of this order has known no racial, religious, or monetary bounds.

Widespread public gratitude knows no bounds in this centennial observance.

The Meaning of UNICO

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. RODINO. Mr. Speaker, in these times of industrial expansion, increase of scientific interest, and proposed voyages into the stratosphere, we are prone to lose sight of the down-to-earth activities daily carried on by the many benevolent service groups, whose volunteers aid worthy local and national projects ranging from family aid to the endowment of cultural interests.

In 1922 Dr. Anthony Vastola, an American of Italian heritage, gathered together 14 fellow citizens from Waterbury, Conn., and formed what is known today as UNICO National. This organization whose membership is now over 2,500 includes men of business and professional interests in some 50 cities throughout the United States, has had the singular honor of establishing 6 new chapters during the past 5 weeks. The name UNICO, based on the Italian word meaning unique, derives its form from the first letters of unity, neighborliness, integrity, charity, and opportunity. These five meaningful abstractions are the core of the Unican's creed which each member learns and aims to exemplify.

Over 1,000 students have studied or are now studying on UNICO scholarships. The Don Gentile scholarship fund alone has contributed over $25,000 to the assistance of worthy students. UNICO National is currently engaged in a program to raise money for the costly medical care of an Italian youngster stricken with a rare malady. UNICO is also raising money to provide a room in the International College of Surgeons. Of international interest UNICO is currently engaged in its most extensive financial participation. I am referring to UNICO's effort to raise generous donations for the erection of the Pius XII Library on the campus of St. Louis University. There in mid-America will be erected a great center of research which will house the treasured microfilm collection of the entire manuscript section of the Vatican Library in Rome. The completely functional building, the last word in modern library science, will include the name of UNICO among its founders.

While the national fund-raising campaigns are in full force, the many local philanthropies of the UNICO chapters are still continued. Add to these hundreds of local projects, the half-million dollars raised for Italian relief and the generous thousands given to Boys Town of Italy, and we realize how completely philanthropic this society of Americans of Italian extraction has been.

In order to invite the deserved attention of what this growing organization is doing, I respectfully request that this tribute be recorded in the Record of this date.

The current president, under whose dynamic leadership the expansion program has made such rapid strides, is Alphonse A. Miele, businessman. President Miele himself represents the ideal Unican and has cast his ideals into action since he was elected to office, August 1955.

Requests for UNICO chapters have come from dozens of cities in all sections of the country. So inspiring has been the story of UNICO National that sincere tributes have been offered by civic leaders and church dignitaries in each city which is privileged to have a UNICO chapter.

National School-Lunch Program

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the Record, I include the following statement made by me in support of the national school-lunch program before the Senate Appropriations Committee:

STATEMENT OF VICTOR WICKERSHAM IN SUPPORT OF THE NATIONAL SCHOOL-LUNCH PROGRAM BEFORE SENATE APPROPRIATIONS COMMITTEE

From a small beginning, the school-lunch program has expanded rapidly until today approximately 10.5 million school children in the United States are participating in the program. In Oklahoma about 170,870 children were participating as of December 1955.

The National School Lunch Act, which became effective June 4, 1946, placed the school-lunch program on a permanent basis. It states that the purpose of the program is to safeguard the health and well-being of the Nation's children by encouraging them to eat more nutritious food. In signing the bill, on June 4, 1946, President Truman commented: "In the long view, no nation is any healthier than its children or more prosperous than its farmers; and in the National School Lunch Act, the Congress has contributed immeasurably both to the welfare of our farmers and the health of our children."

Congressional discussions of the school-lunch program have generally credited it with a two-fold purpose—the use of surplus agricultural commodities, and the improvement of the health and nutrition of school children. In its early stages, the program seems to have been chiefly inspired by the surplus of agricultural commodities. School lunches were one method adopted for distributing these surpluses. But as the program has developed, the two purposes have received equal emphasis; and, particularly in educational and health circles, the greater emphasis has tended to be upon the health and nutritional benefits.

To assist the States in carrying on a school-lunch program, Federal funds are allocated on the basis of an equalization formula which takes into account the per capita income of each State and the school population. For the years 1947 to 1950, inclusive, the States were required to match each dollar of Federal funds by $1 from sources within the State. For the years 1951 to 1955, payments were based upon the condition that for each dollar of Federal funds, the State's matching requirement would be $1.50. For any fiscal year after 1955, each Federal dollar must be matched by $3 from sources within the States. However, in the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States.

The Federal Government appropriation for the national school-lunch program for fiscal year 1955 was $83,236,197. In addition to the cash appropriation, the Federal Government donated about $70 million worth of surplus commodities to the States to be used in the program. Of the cash appropriation for fiscal year 1955 Oklahoma received about $1,228,129, and in addition to that amount

received about $3.7 million worth of surplus commodities.

The cooperation of States and the local communities in the administration of this program and financial contributions in making the national school-lunch program a success is most commendable. It proves to us again that the Federal Government assistance in this program, which provides some incentive for carrying on the program, is highly justifiable. We must, however, keep the program up to date. As participation increases contributions must be increased to maintain comparable nutritional standards from year to year.

The necessity for better nutrition was demonstrated to us during World War II. The national school-lunch program is an important means of spreading knowledge of better nutrition among all people throughout the country. While results of this aspect of the program cannot be measured in quantitative terms, it may well be that future generations will look upon this basic step toward better nutrition for our children as the most important single achievement of the program.

U. S. Department of Agriculture—Agricultural Marketing Service

SELECTED STATISTICS ON NATIONAL SCHOOL-LUNCH PROGRAM IN OKLAHOMA, FISCAL YEARS 1947–55 AND PRELIMINARY 1956

	Fiscal years									
	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956 (preliminary)
Number of schools participating	1,361	1,447	1,393	1,546	1,590	1,669	1,653	1,696	1,771	1,763
Number of children participating	117,634	107,240	115,561	129,763	139,515	145,578	145,873	154,975	163,382	168,865
Federal cash apportionment	[1] $1,400,252	$1,216,167	$1,452,971	$1,523,239	$1,608,514	$1,313,928	$1,320,151	$1,318,060	$1,228,129	$1,181,309
Value of sec. 6 commodities [2]	$123,354	$315,442	$366,736	$364,210	$419,775	$342,654	$343,459	$275,499	$240,633	[3] $149,300
Value of surplus commodities [4]	$61,714	$397,682	$632,295	$839,972	$775,815	$475,394	$1,106,714	$1,818,138	$3,700,471	[3] $843,000
Number of meals served in program	16,249,000	16,706,000	18,538,000	21,183,000	22,808,000	23,177,000	23,690,000	25,482,000	26,864,000	[3] 12,439,000
Value of foods purchased locally by schools	$2,228,350	$2,578,494	$2,691,054	$3,023,175	$3,419,072	$3,703,063	$3,812,323	$3,854,572	$4,287,895	[3] $2,230,283

[1] Does not include $210,443 apportioned for equipment.

[2] Acquired under sec. 6 of the National School Lunch Act.

[3] July–December 1955.

[4] Acquired under price support and surplus removal programs.

Another Mississippian Honored—Mississippi 4-H Girl Represents United States Youth at International Teen-Age Conclave in Paris

EXTENSION OF REMARKS

OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. COLMER. Mr. Speaker, I seriously doubt that among all of the 48 States of the Union there is another State that compares favorably with my native State of Mississippi in its contribution to leadership in the various segments of the society and economy and the Nation. Surely, there is no other State in our glorious union of States which furnishes more national leaders on a per capita basis. From time to time I have called the attention of this body to instance after instance where an outstanding Mississippian has been chosen in national competition over other Americans. For instance, there was Sgt. Jake Lindsey, of Lucedale, Miss., who, during the last months of the recent World War, was selected as the outstanding hero to receive the 100th Congressional Medal of Honor for valiant service rendered on the battlefield of France. Sergeant Lindsey enjoys the unique distinction of being the only recipient of that highly coveted honor to receive the Congressional Medal of Honor at the hands of the President of the United States in a joint session of the Congress.

Some 2 years ago when Boys Nation and Girls Nation held their national convention here in the Capital City of Washington, an outstanding Mississippi youth, Eddie Perry, of Bay St. Louis, Miss., was selected as president of Boys Nation, and, believe it or not, at the same time Miss Jerolyn Ross, of Meridian, Miss., was chosen as president of Girls Nation. This was indeed an unusual situation of an outstanding boy and an outstanding girl being selected to head up these two splendid youth organizations both from one State, the great State of Mississippi. I doubt, Mr. Speaker, if a parallel situation has ever existed or for that matter ever will again.

Only last week the Honorable A. Boyd Campbell, of Jackson, Miss., an old schoolmate of mine, retired as president of the United States Chamber of Commerce after an outstanding year's leadership of that great organization.

Other instances of Mississippi's contribution to the leadership of the Nation could be mentioned. But, Mr. Speaker, my purpose this morning is to call the attention of the House to another star that has been added to the galaxy of the crown of Mississippians' achievements.

Mr. Speaker, Miss Marilyn Graves, 19 year-old 4–H girl of Jones County, Mississippi, has just returned from Paris where she represented United States youth at an international teen-age conclave.

The Mississippi girl was one of 40 young women—20 from France and 20 from other countries around the world—who took part in a two weeks' conference to discover how teen-agers in many nations live, think, and feel.

Other countries represented were: Germany, Australia, Belgium, Argentina, Cameroons, Brazil, French Northwest Africa, Egypt, Spain, Denmark, Great Britain, Holland, Greece, Italy, Japan, Portugal, Sweden, and Switzerland.

Host for the meeting was a French magazine, Elle, and each delegate was selected by a leading publication in the country she represented. Miss Graves was chosen to represent the United States by the magazine, Seventeen, which reaches about 2½ million teenagers, and which last fall featured her in a magazine article as "Miss Young America in 4-H."

Commenting on Miss Graves' selection, Mrs. Enid A. Haupt, publisher of Seventeen, said: "It is a great responsibility to select a girl who will represent America's 8 million teen-age girls at a foreign conference. We are especially pleased that Marilyn is so active in 4–H work—because we feel this is such a typically American activity. Marilyn to us represents the best type of American girl because she has truly kept her 4–H pledge to use the 4–H's—head, heart, hands, and health—for her club, community, and country.

An outstanding member of this organization of farm youth, Miss Graves has traveled through the 4–H Club program to Minnesota, Chicago, New Orleans, and Washington, D. C.; given 230 speeches, and appeared on television and radio as a representative of the organization.

Miss Graves lives on a 260-acre farm with her parents and brother. They raise beef cattle and grow corn and cotton. A graduate of Jones County Agricultural High School and Junior College, she is now working for a degree in home economics at Mississippi State College for Women.

Thus, Mr. Speaker, another Mississippian has been honored and has received national recognition.

Engineering Research and Development

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 9, 1956

Mr. WILEY. Mr. President, not long ago it was my pleasure to deliver an address in Madison, Wis., before a section of the American Society of Tool Engineers. My subject was the competitive race between the United States and the Soviet Union, in the field of guided missiles, research, and development. Subsequent developments have underlined the significance of this subject.

I ask unanimous consent that the text of my remarks on that evening be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Address by Senator Wiley

I am indeed honored to address your society. It is one which contributes indispensably to the future of America.

In our industrial society, trained and skilled manpower and tools are the keys to production and to success.

And you highly trained engineers, and your companies, have the responsibility and satisfaction of creating the tools which make America great.

We of the United States, as you know, lead the world in production. We have accomplished the greatest feats of engineering. We are looked to, and increasingly visited, for our advanced industrial know-how.

OUR RACE WITH SOVIETS FOR SUPREMACY

And we are now, of course, engaged in a tremendous struggle to determine whether free men can remain supreme in their production achievements and thereby remain free, or whether they might become the slaves of a Communist industrial state, because of the latter's possible gaining of supremacy in time to come.

I am convinced, as I know you are, that just as we have won in shooting wars against dictators, so in peacetime we can prevail in competition against a dictatorship.

I do not believe in either overestimating or underestimating Soviet engineering capabilities. But I, for one, after years of warning about the Kremlin's determination, was not surprised when Khrushchev announced in Burma last December that "we shall see who has more engineers, the United States or the Soviet Union."

WE MUST BE NO. 1 ON GUIDED MISSILES

I want to talk to you tonight about the implications of this matter of the number of engineers and the quality of engineers.

It is particularly appropriate that you and I weigh the problem on this occasion, because just during this past week, a subcommittee of the United States Senate Armed Services Committee began, as you know, an investigation of the program of our guided missile and long-range and medium-range bomber programs.

I am not on that particular committee. I don't purport to know what its findings will be.

A great deal of its testimony must necessarily be in executive session, because matters of the highest security will be taken up, just as they are taken up in many of our Senate Foreign Relations Committee meetings.

SOME REPORTS ASSERT REDS ARE AHEAD OF US

But I do know this: There has been report after report, apparently based upon information available to United States and allied intelligence, that the Soviets have been making spectacular progress in guided missiles research.

Some reports assert that the Reds are actually ahead of us in the development of a 1,500-mile medium-range guided missile. Some reports assert that we are still ahead in the race for a 5,000-mile intercontinental guided missile, or a ballistic missile (the latter being, as you know, an unguided missile, fired like a bullet or an artillery shell).

It is next to impossible to know how reliable these various reports are. I have confidence in our military authorities, and I know that they have been trying to do their best. I have confidence in the President of the United States, who certainly has the finest military judgment available to this Nation in these hours of stress.

The President's recent request to the Congress for a half-billion dollars more in funds for long-range bombers—B-52's—showed, however, that all is not as well as we would want it to be. It shows that we have got to step up our activity.

The guided missile program, the bomber program, the development of antiguided missiles and antibomber systems—these will determine, in time to come, the very life of this Republic.

We dare not be second best in guided missiles; we cannot be second best in our bomber program.

DANGER OF SOVIET OVERCONFIDENCE IN A BLITZ

If ever the Soviet Union gets the idea that it could blitz us in an all-out attack, that it could rain down a shower of missiles with hydrogen bomb warheads on defenseless cities and defenseless airdromes, that it could smash our strategic air force before it could retaliate—if ever the Soviet Union gets that false idea—then it will be a bad day indeed, and the chance of war will be that much increased.

The recent appointment of a Chief of Guided Missiles in the Pentagon, shows that we recognize that we have got to proceed all-out on the development of that particular weapon.

We cannot, of course, put all our eggs in one basket. We cannot simply rely upon any one weapons system.

But neither can we be second best in the most crucial weapons and the most crucial weapons systems.

The day of mass armies is long since completely over. This is as you and I so well know, an age of science and technology.

But we are losing technicians from the Armed Forces at an alarming rate, and the strongest steps must be taken to replenish that supply.

We cannot have engineers and technicians available to the Armed Forces unless, in the first place, we graduate sufficient numbers of youngsters from the high schools and the institutions of higher learning in America.

OUR BASIC CHALLENGE—MATCHING SOVIET GRADUATES

And that brings me back to the principal point of my comments tonight. It brings me to the one point on which I know you, of this society, will agree with me completely. This Nation must take steps, in a comprehensive program, to expand the number of engineers and technicians available to United States society.

In the dictatorial state of the Soviets, they have power to order as many students as they wish to study engineering. Their government can order that enough money and facilities are made available for training engineers. They don't need to pay too much attention to the standard of living of the Russian people, and they pay no attention at all to their liberty.

Knowing that they need more engineers for defense and for their industrial machine, they merely arrange and order the number of engineers to be turned out.

It is something like our planning a production line to turn out machines. The single mindedness of their program makes it easier. But the concept of dictating to human beings is utterly objectionable to us.

We need more engineers, too, but we will leave the decisions basically to the people.

We do not coerce our people, nor require them to serve what some men may regard as the present fleeting interest of the state. One of our cherished liberties is the freedom of the individual to choose his own vocation.

LOW TECHNICAL STATE FROM WHICH SOVIETS STARTED

Meanwhile, there is no doubt whatsoever that Russia has come a long way in technical achievement since its 1917 revolution.

Czarist Russia was not an industrial state and was very backward in technological matters as compared to the United States.

Consequently, almost any Russian advances in engineering and science appear as great strides compared to the lack of such technical activity before the industrial revolution entered Russia.

About 40 years ago 50 percent of the Soviet population could not read. Since then they have built an elementary school system with a 7-year course and are planning, by 1960, 10 years of basic schooling will be compulsory throughout Russia.

Those schools are open 6 days a week, and more hours per day and more weeks per year than ours are. The students are treated with semimilitary discipline.

We might expect these students to be too machine-like to have the independent initiative and imagination of Americans when they grow up. But we must not discount the fact that they do turn out highly qualified technical engineers.

If we have as many engineers, I am sure that our results will be better than theirs. But there is a limit beyond which imagination and initiative cannot make up for numbers.

We must not let that limit be reached.

RUSSIAN ENGINEERS INCREASE RAPIDLY

In 1954 Russia had more than 540,000 engineers.

This increase to 540,000 engineers may be compared with the figures for 1929 when Russia had only 41,000 engineers.

They may also be compared with the American total of between 500,000 and 505,000 engineers.

In addition, their other scientists numbered about 160,000. We have between 210,000 and 225,000 such scientists.

Their combined total of engineers and scientists is 690,000, according to 1954 figures. Our total is between 700,000 and 740,000.

SOVIET EDUCATION'S VAST ENROLLMENT

Student enrollment in the Russian institutions of higher education rose to 2½ million students in the fall of 1954. And the growth of Soviet college population is continuing.

In 1954 universities and other institutions in the Soviet Union graduated 53,000 engineers.

The Soviet Union is stepping up its rate of graduating engineers. It graduated 63,000 in 1955.

While the Russians have been making this enormous effort in training engineers and scientists, we in the United States of America, speaking generally, have not been concentrating our national efforts upon the problem. We have not focused our attention on the production of engineers and scientists adequate to meet our needs in the modern world.

It is, of course, good that we leave the selection of the individual's career to the individual concerned. I would not have that changed one iota nor would you.

But let us look for a moment at how our achievement in the production of engineers and scientists stacks up against that of the Soviet Union.

AMERICA'S TECHNICAL POPULATION

In the United States, the creation of professional workers (including engineering and scientific people) has increased nearly two times as fast as the Nation's population.

In 1890 the census showed about 30,000 engineers in a total population of 63 million in the United States. In manufacturing, construction, utilities, and transportation, there was only one engineer for every 290 workers.

When the American population had risen to 151 million people in 1950, we had 535,000 engineers. That gave us one engineer for every 65 workers in those same fields of manufacturing, construction, utilities, and transportation.

This was a remarkable increase and is, to a great extent, responsible for the rise in our industrial efficiency and in our standard of living.

The United States now has between 700,000 and 740,000 engineers and scientists.

Most of these engineers and scientists are employed by private industry. More than 400,000 engineers and more than 100,000 scientists were working in private industry in January 1954.

ENGINEERS IN THE FEDERAL GOVERNMENT

Not only industry but also Government requires engineers. More than 30 Federal agencies employ about 47,000 professional engineers. And many agencies have numerous high positions to fill. They cover the fields of mechanical, electrical, electronics, chemical and civil engineering, as well as others.

LOW RATE OF GRADUATION IN UNITED STATES

But the graduation of engineers and scientists in America (which moved up between World War II and Korea) has since slumped badly.

This fall not only reflects the decline in births about 20 years before but also the lack of enough discipline requiring study of mathematics and science in high school and college.

To put the sad story to you bluntly, the Soviet institutions of higher education are graduating engineers about 2½ times faster than we are—2½ times.

Now, this is a sorry state of affairs to face a country like ours which has developed a continent through hard work and technical know-how. Our country has always led the world in technical performance and engineering. We are a Nation accustomed to producing surpluses, not shortages.

NO NEED FOR FEAR OR DESPAIR

We must solve our shortage with courage and hard work. I do not believe in an attitude of fear or despair.

"For God hath not given us the spirit of fear; but of power, and of love, and of a sound mind" (II Timothy 1: 7). This is what Paul wrote to Timothy, and it is directly applicable to us as we face world problems today. We must banish fear. We must take courage. We will go forward to solve the difficult problems and to overcome the foes we face.

It was not through inattention or through lack of technical skill that we increased our national income from about 70 billions of dollars (which it was in 1939 when Wisconsin first sent me to Washington) to the current figure of about 327 billions of dollars. That is an increase of more than four times, and it was done in the comparatively small period of 17 years.

Now I am not saying that we have plenty of time in which to step up our production of technically skilled people. We don't have. We must work hard and fast.

We had, as you recall, 2 years in which to get ready even after we were attacked at Pearl Harbor, but we would not now have as much as 2 hours if we were attacked by atomic and hydrogen bombs showering our principal cities.

And in this connection may I remind you that, with the speed of modern airplanes, we, here in Wisconsin, are less than 5 hours from Soviet Siberia.

UNITED STATES CHIEFS WARNED AGAINST OVERCONFIDENCE

Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, said in a speech last January that:

"Perhaps the most insidious weakness a nation can have is complacency. This is the belief that we can do everything better than anyone else."

I continue to quote Admiral Radford:

"It is something like the popular song called 'Anything You Can Do I Can Do Better.'"

He said that the Soviet achievements in developing "modern long-range bombers, submarines, jet engines, and nuclear weapons" rebutted the thought that we can afford to be complacent about Soviet technology. He concluded:

"There are no rational grounds to presuppose that American defense technology is invincible."

A recent statement by the Chairman of the Atomic Energy Commission, after the atoms for peace conference, said that, "What we learned was enough to shatter any complacency we may have enjoyed in regard to our own imagination and ability."

Therefore, we must redirect and reemphasize our engineering program so as to step up the number of highly trained engineers available to support our expanding economy. Meanwhile, we must maintain our defense posture, our readiness to repel attacks, with the most advanced scientific weapons conceivable.

And this must be done within the freedom of our American competitive system of individual enterprise.

We have already made a start. We have already reversed the downward trend of engineering graduations, and we are aiming upward.

Fortunately, the enrollment in the engineering classes of our higher educational institutions in America has been increasing during the last 3 years.

The increase last fall was about 10 percent. And, if this trend continues, the Office of Education in Washington believes that there will be over 40,000 engineering graduates in 1964. This is a substantial increase, but we must remember that in 1950 we graduated over 52,000 engineers. With sound planning and energetic drive, we can again focus the attention of our professional people upon producing engineers who will help protect us from the Communist danger.

And this can be done through the incentive of our system of individual initiative.

THERE ARE ATTRACTIVE FINANCIAL INDUCEMENTS

Salaries and demand for engineering experience have been high. As you know, in city after city, the newspapers carry advertisements seeking engineering personnel for employment at high salaries with glowing futures.

The continuing demand for engineers and qualified scientists will probably serve to maintain the salary incentive. Consequently, boys and girls, who learn of the glowing opportunities in the engineering and scientific fields, will more and more wish to follow those careers.

INCREASE NUMBER OF MATH STUDENTS

But, one of the greatest problems in training engineers and scientists quickly is the lack of mathematicians in high school. Since 1910 there has been a consistent decline in the proportion of high school students who take college preparatory mathematics. This conclusion is the result of a survey by the Educational Testing Service under a grant from the Carnegie Corporation. The youngsters just don't realize how important their math is, to themselves and to the country.

One of the survey's conclusions, after looking at 60 mathematics classes, was stated as follows:

"That genuine and efficient mathematical learning was going on in only eight of them."

And that:

"What we are facing is not a shortage of talent, but of trained talent."

And that:

"It is a problem which merits the attention of all men and women accustomed to concerning themselves about the future of America."

Almost half of the schooltime of high-school children in Russia is spent on science and mathematics.

There has been a distressing tendency in our country to let study of mathematics slide. Under the elective system, most students avoid it. True, it is hard; but it sharpens the mind and it helps toward success in later life.

SIX-POINT PROGRAM TO SPUR ENGINEERING

Now, I earnestly urge that we give serious consideration to an engineering and scientific educational program under which we will do the following things:

1. Emphasize science and mechanics in counseling those boys and girls who show aptitude for that sort of thing.
2. Stimulate them to study hard and to keep up their studies.
3. Direct them to the sources of scholarships, to competitions for tuition grants, and to sources of loan funds which have been made available to foster scientific education.
4. As Government officials and as college or corporation executives, appropriate and allocate adequate funds for scientific study and research and for scholarships.
5. Help our great private and public university system in its wonderful work.
6. Counsel graduates as to scientific and engineering employment and so make the Nation's opportunities available to them.

UNCLE SAM IS FINANCING VAST RESEARCH

Uncle Sam is of course already busy. The Federal Government lets tremendous contracts for research and development. These are awarded on a competitive basis to universities, colleges, research institutions, and industrial corporations which have the skilled manpower and the facilities for their performance.

As a result, many of our colleges are being partially financed by doing Federal Government work in scientific and engineering fields.

And many of our companies are able to finance their engineering research and development by doing defense work for the Pentagon.

This is going on in our truly American way without subjecting the thinking of any of these universities, colleges, institutions, or corporations to the influence of what the Government wants them to think. And that is as it should be. For there must be no censorship of thought in our country.

So I leave with you the message that, although the future may look somber and although we may face a strong enemy, we need not despair. We can be of good cheer because we have the capacity, we have the energy, and we have the incentive to win.

But it will not be easy.

THE VITAL IMPORTANCE OF MACHINE TOOLS

I have been speaking principally about the shortage of United States engineers in relation to the Soviet's mammoth concentration on increasing the number of engineers for weapons development.

I want to emphasize now, however, that I am thinking of the shortage of engineers in terms of our peacetime economy, as well. I am thinking of engineers not simply for the development of guided missiles and B-52 bombers, but for the development of that vast array of tools, which you know, even better than I, is the backbone of America's industrial strength and its military might.

In modern war, toolmakers are as essential as soldiers. But the machine tool industry is an industry of feast or famine. There is either a great demand for its production, or there is little demand at all.

MACHINE TOOL RESERVE POOL

Our unfortunate experience in World War II, when we did not have nearly enough machine tools to turn out quickly the military equipment we needed, has led the Federal Government, as you know, to establish, very wisely, a machine tool reserve pool.

This is administered by the Department of Defense under policies defined by the Office of Defense Mobilization. Several years ago, an American industrialist, Harold S. Vance (formerly chairman of the executive committee of the Studebaker-Packard Corp. and now a member of the Atomic Energy Commission) headed a committee which described the policy to govern that reserve.

The Vance Committee concluded, after careful study, that a stockpile of end items was not enough. It recommended that machine tools be bought and stored against the time when war would suddenly require American industry to step up military production and go on an all-out basis. This Committee recommended annual appropriations of more than $500 million to establish this pool. Consequently, separate appropriations were made for the establishment of this reserve stockpile of machine tools.

It has been decided by the Pentagon to procure machine tools, both for stockpile and for current use, out of their general appropriations. The effect of this decision is to place the responsibility for stockpiling machine tools on each military service. This places the burden for justifying appropriations for this reserve where the burden lies for all military appropriations.

TRIGGER PROGRAM FOR M-DAY

One of your past presidents, Joe Crosby, is giving his time until July to the Department of Commerce to help solve the machine-tool problem. As you no doubt know, the Department of Commerce and the General Services Administration have cooperated to develop a trigger program to be shot into action, if and when we have an M-Day again.

The Government is now offering to enter into contracts with your companies effective immediately to produce specified machine tools which will be needed for wartime production. Manufacture of the tools would begin upon notice from the Government on or about M-Day. Later, these contracts may be made effective automatically on M-Day without further notice. The requirements of the contracts would be reviewed twice a year, and proper adjustment made. Just the other day, the Commerce Department and the General Services Administration completed their cooperative preparations for this machine tool trigger program.

THE CHALLENGE OF AUTOMATION

One cannot, I believe, discuss our machine tool industry without bringing up the challenging issue of automation.

There has been, as you know, concern expressed in some quarters, particularly labor circles, about the trend toward automation. There has been a fear that it would result in displacement of jobs.

There is no question but that in specific instances, some unemployment may result as manual jobs are replaced by machine-run machines. But the whole inspiring history of the expansion of the American free enterprise system has shown this fact—industrial progress in America, while invariably making obsolete some particular type of job, tremendously increases the number of new jobs in totally new fields.

The horseshoemaker, the harnessmaker, and the other jobs, which were dependent upon horses in the America of the 19th century, have been replaced. But there were literally millions of new jobs created, thanks to the "horseless carriage," the great American automobile industry.

The development of nuclear science, the continued progress in electronics, the miracles of American chemistry, particularly in developing new plastics—the miracles in physics research—these are symbols of the new frontiers of American industry.

So, contrary to the fear talk, we should welcome the trend to automation, because it means a higher, not a lower standard of living, more jobs, not fewer.

AUTOMATION NOT REALLY NEW

I should like to point out that automation is really only a further development of an old concept in America. It involves the increasing use of laborsaving machinery. This machinery is almost continuous in its operation and sometimes is self-regulated. It is, as you know, increasingly used in offices, as well as in factories.

MANY KINDS OF AUTOMATION

Some automatic machinery performs a cycle of operations according to an established pattern without further human intervention.

Other machines save human labor in the automatic movement and handling of materials.

Still other machines automatically control the work of machinery, substituting machine calculation in place of graders and inspectors.

And in offices, electric computers and data-processing machines perform miraculous calculations in split seconds.

PURPOSE OF AUTOMATION IS GOOD

All these are the brain-children of mankind. And they are calculated to lift toil from the backs of mankind, men and women.

As we exercise statesmanship, in government, in business and in labor, we can foresee a shining future when there will be more leisure, more happiness and less physical and mental exhaustion in the lives of all our people.

But we must exercise patience and forbearance, and labor long to foresee the problems which this transition to more automatic processes will entail.

If greater automation increases production, we must be sure that the engineers and the small entrepreneurs receive an adequate return for their imagination, foresight, and risk taking.

On the tax phase, let me mention this: Whether or not the rapid tax amortization program is continued in connection with defense expenditures, the Government now permits a more realistic write down of investments in plant and facilities. This should stimulate the business of the machine-tool industry.

And of course, we must protect the rights of labor in this changing world. If workers have been faithfully doing one job for years, have acquired seniority rights and limited skills, we must try to help them to secure fair compensation for these rights or transfer them to the other jobs for which their study and increasing skill will fit them.

And here I must reemphasize that hard work and study throughout our lives will fit us for increasing responsibility.

FURTHER TRAINING OF WORKERS NECESSARY

If any workers are displaced by automation, they should be able, with proper help, to improve their skills to the point where they will earn more in more responsible jobs.

In this connection, I commend to your attention a pamphlet issued under the name of our Secretary of Labor. It is called, "The Skilled Work Force of the United States," and it deals, among other things, with the relation of skill to unemployment. It points out that automation will increase the proportion of skilled workers in American life, and stresses the importance of continued self-education.

There are many ways in which our people can improve their skills. They can do it at home, in school, or while serving with the Armed Forces. Through initial apprenticeship, through technical institutions or junior colleges, by participating in training programs within industry and by accumulative job experience at their daily work. But no one becomes skilled by chance. You didn't, and no one else can. Special effort is necessary.

And so, while the Federal Government foresees the great gains coming from automation, it is not overlooking the considerations necessary to help gradual adjustments to the new jobs which automation will bring about.

WISCONSIN WILL PROSPER IN AUTOMATION ERA

It seems to me that a great State like Wisconsin, with a marvelous university system, a State which has rightly prided itself upon the skills and crafts of its laboring people and its managerial people, a State where quality of product has always been a matter of deepest pride, stands to benefit far more so than the average State—in the scientific, industrial, and atomic era of our times.

I look, therefore, for greater prosperity of our State than we have ever known before. But I emphasize that it must be a well-rounded prosperity in which the progress of industry and labor is accompanied by prosperity in agriculture. Unfortunately, the latter situation—prosperity in farming—has not sufficiently prevailed, but it must prevail if our whole society is to remain healthy.

And I want to mention still another essential unit for well-rounded prosperity—our great teaching profession.

INCREASES TEACHING FACILITIES

In the process of greater automation, and the training of the greater number of scientists and engineers which automation will require, the Federal Government, as well as private industry, should make increasing use of our great universities.

They should make increasing use of our splendid laboratories and our fine private inventive and engineering talent in the laboratories of our many corporations.

In this way, America can move ahead by improving our civilian economy while maintaining superiority in weapon systems for our own national survival.

In order to continue our technological progress, we need, as I have said, more engineers and scientists; and to train these, we need more teachers. Teachers are woefully underpaid. We must bring every effort to increase their compensation, so that they will regain the position of real leadership and the place of respected importance in our lives which we all remember our own teachers had 30 or 40 years ago.

CONCLUSION—THE BRIGHT HOPE OF OUR PIONEERING AGE

If we think ahead, if we continue to act with pioneering spirit, if we follow in the footsteps of the settlers of America, we will have nothing to fear from increasing automation.

We can rely on it, as Daniel Boone relied on his long rifle, for defense, for food, and for a better life.

If we avoid fear and if we follow hope, if we buckle down with hard work, we will succeed beyond the imagination of any of us here present.

Remarks by Hon. W. Kerr Scott, of North Carolina, Before the Senators' Breakfast Group, or May 9, 1956

EXTENSION OF REMARKS

OF

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, May 9, 1956

Mr. STENNIS. Mr. President, this morning it was my privilege to hear a short talk made by the distinguished

Senator from North Carolina [Mr. SCOTT]. The Senator from North Carolina has a fine appreciation for the enduring values, including things of the spirit. He has a great understanding of human nature, as well as things of nature. His remarks are always helpful to others. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TALK BY SENATOR W. KERR SCOTT BEFORE THE SENATORS' BREAKFAST GROUP, UNITED STATES CAPITOL, MAY 9, 1956

Friends:

"One is nearer God's heart in a garden
Than anywhere else on earth."

So wrote the poet enthralled by the newfound discovery that flowers, even if not possessing a soul, are a part of the spiritual values with which the Creator has surrounded us and our lives.

Edward William Bok, a great American editor and public benefactor, recognized the spiritual value of flowers and man's need for their comfort and relaxing power when he built and endowed that famous beauty spot known as Mountain Lake Sanctuary, or Bok Tower, near Lake Wales, Fla.

He turned a barren, sandy wasteland into a garden of 53 acres of flowers and trees—and trees are only massive flowers—that has relieved the tensions and refreshed the souls of the hundreds of thousands of visitors who have passed through it.

And Luther Burbank, the great naturalist who spent his life skillfully blending the colors and other characteristics of flowers into even more splendid beauty, also found inspiration in the words of the poet, words inscribed on a plaque at Bok Tower:

"The kiss of the sun for a pardon,
The song of a bird for mirth,
One is nearer God's heart in a garden
Than anywhere else on earth."

Flowers, and the love and devotion they symbolize, are an integral part of the joys and sorrows of the most moving moments of life—of courtship, marriage, birthdays, illness, and even death.

They walk with us, and we among them, finding in them pleasure and solace all the days of our lives.

A wedding without a bridal bouquet would be like food without salt.

Death of a loved one calls for banks of flowers, a tribute to the goodness of his life and to ease the sorrow we feel at his or her passing.

Flowers even have a language of their own. Lovers and sweethearts know it and speak it to each other throughout courtship and marriage.

On Mother's Day we wear a red rose if the one who gave us life is still living, a white rose if she has passed on into the great beyond prepared for us by the Creator and from which no traveler returns.

In ancient days the warrior going forth to battle carried close to his heart a pressed flower, a talisman of love and devotion from his beloved designed to bring him home safely. And when the hero returned from the wars, a garland of flowers was placed around his neck by an acclaiming populace.

After a loved one dies we return, time and time again, to lay an offering of flowers on his grave—a silent tribute that speaks its own message.

And who, I ask, can look upon the splendors of a rose or the delicate face of a pansy and say with certainty that flowers themselves do not possess a soul.

Joyce Kilmer, after a solitary walk in the forest—surrounded on every hand by wild flowers shyly peeping toward the sun while protected from the raging winds by their big brothers, the trees—became pensive and wrote:

"I think that I shall never see
A poem as lovely as a tree.
A tree that may in summer wear
A nest of robins in her hair.
Poems are made by fools like me
But only God can make a tree."

"Consider the lilies of the field," we are told by the Master in Luke 12: 27, "how they grow; they toil not, neither do they spin: And, yet I say unto you, that even Solomon in all his glory was not arrayed like one of these."

Yes; it is true, flowers neither toil nor spin, but Solomon in all his glory was not arrayed like one tiny flower created by God to sustain man in his deeper emotional and spiritual moments.

The conclusion is inescapable that Divine approval, if not guidance, has been given for our entwining the beauty, innocence, and purity as symbolized by flowers—and the inspiration, comfort, and pleasure they give us—into the fabric of our daily lives and our acceptance of the darkness of the grave.

In the song of Solomon, which depicts the love of Christ for the church, we read:

"I am the rose of Sharon, and the lily of the valley," and, "For, lo, the winter is past, the rain is over and gone; the flowers appear on the earth; the time of the singing of birds is come."

As I reflect upon the words, "the flowers appear on the earth," I am aware of the fact that the flowers appear in this worship garden spot each time we meet here through the devotion and thoughtfulness of Mr. Bellamy, the only non-Senator member of our group who regularly attends. He has captured and faithfully nurtures the consciousness that flowers symbolize the love of man for man, the love of man for God, and the love of God for man.

Flowers truly are the currency of love, honor, and adoration. What boy raised in the country has not sought out in the early spring on sunny hillsides delicate, pale, dancing forget-me-nots to shyly lay a tight little bouquet in his mother's lap? What boy raised in the country has not searched the shady forest nooks for violets—those "purple teardrops that live betwixt Heaven and earth, but closest to earth"—to honor that selfsame mother?

Our Father in Heaven, in casting the important scenes of His Divine Plan, has chosen flower bedecked gardens as the stage for most of them.

"And the Lord God planted a garden eastward in Eden," we read in the second chapter of Genesis.

Centuries later it was in the Garden of Gethsemane that our Saviour fell upon His face, and the man-side of His nature cried out in anguish, "Oh, My Father, if it be possible, let this cup pass from Me."

But, even then, winding along the garden paths, came the traitor Judas to betray Him to the multitude armed with swords and staves who demanded His crucifixion.

And when the shameful trial had ended, and He had died on the Cross, it was to a nearby garden that His sword-pierced body was taken for entombment.

It was from that spot, a garden where tiny early spring flowers were bravely lifting their heads toward the warmth of the sun, that the Saviour who died for the sins of all men arose on that first Easter Morn to take the place prepared for Him on the throne of the Lord God of Creation.

Yes, one is nearer God's heart in a garden than anywhere else on earth.

It is only after the shouting and tumult has died, and our friends and loved ones left behind have bedecked our grave with flowers of remembrance, that we can get closer to the heart of God than we can in a garden where flowers grow.

In closing I would leave you with the Song of the Roadside Flowers:

"We are the roadside flowers,
Straying from garden grounds;—
Lovers of idle hours,
Breakers of ordered bounds.

"If only the earth will feed us,
If only the wind will be kind,
We blossom for those who need us,
The stragglers left behind.

"And, lo, the Lord of the Garden,
He makes His sun to rise,
And His rain to fall like pardon
On our dusty paradise.

"On us He has laid the duty—
The task of the wandering breed—
To better the world with beauty,
Wherever the way may lead.

"Who shall inquire of the season,
Or question the wind where it blows?
We blossom and ask no reason,
The Lord of the Garden knows."

Statement in Support of Appropriations for the Rural Electrification Administration

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by me in support of appropriations for the Rural Electrification Administration before the Senate Appropriations Committee:

The city dweller first knew the blessings of electricity as early as 1882 when Thomas A. Edison built his famous Pearl Street plant in New York. The rural dweller had to wait many years to realize these benefits. During the three succeeding decades the farmer waited, more or less patiently. Electric utilities, public and private, for a long time ignored him. Farmhouses were thought to be too far away from generating plants and were too far apart. There could be no profit in serving them.

Eventually the transmission lines crept out into the country from the cities, slowly and painfully. By 1935 only 10 percent of the Nation's farms were electrified and prospects of this percentage increasing rapidly were exceedingly dim in the midst of a period of depression. It was then that the Rural Electrification Act of 1936 was passed. The Federal Government then assumed the responsibility of bringing the blessings of electricity to the long-suffering farmer. Today over 94 percent of farms throughout this broad land are electrified. There are now over 1,000 REA financed systems, owned by the farmers themselves, which maintain 1,300,000 miles of line serving over 4½ million rural consumers. This is a truly remarkable achievement.

By means of electricity it is certain that many lives have been lengthened and made more complete. Productivity of the farm has attained heights unknown elsewhere in the world, due largely to the coming of electricity to the farm.

Over $3 billion has been authorized for loans. It is significant to me that repayment of loans and of interest is almost 100 percent perfect. At the first of the year only 15 of the borrowers were delinquent more than 30 days and the amount overdue was less than one-tenth of 1 percent of the amount billed. Few businesses of any kind can boast of such a record.

The strength of the Nation is its people. Americans have become strong by accepting responsibility, demonstrating initiative and perseverance. Nowhere has this been better proven than in the Rural Electrification program. Once given the opportunity our rural dwellers have shown that they are mature and self-reliant. Today the financial position of the program is sound.

Every 7 years the farmer has been doubling his use of electricity. He has come to consider electricity as an absolute necessity, and it is resulting in a need for increasing the capacity of many REA systems. For that reason, and for the development of new sources of energy it is essential that more funds be made available to maintain efficiency and expand capacities of many REA cooperatives.

It is essential that the program be carried on, both for the purpose of improving and expanding existing systems and to reach the few remaining farms not yet served with electricity.

In 1949 Congress belatedly recognized an anachronism. Many farms, even in this modern age of electronics, had no telephones. It then authorized the REA to extend its lending services to interests, public as well as private, who would extend telephone service to those needing it, or to improve existing but poor service.

The first telephone loan was made in February 1950, at a time when the United States census showed only 38.2 percent of all farms had telephones. Variation was extremely wide in separate areas. By December 31, 1055, 415 borrowers had sought $273 million and already over 15,000 miles of lines had been constructed to reach 286,000 subscribers. This is a remarkable record for so short a time and deserves to be encouraged by all means. Authorized totals would include, at the end of 1955, 86,543 miles of line on 246 systems.

The activity of the REA rural telephone program has stimulated activity by all operating in the field. The job of getting modern telephone service on every farm in the United States is not REA's alone. All units of the industry are working toward that end.

In my own State I have witnessed the remarkable growth of these two programs. In 1935 only 2.6 percent of Oklahoma's farms were electrified when the first loan was approved. On January 1 of this year, 90.8 percent were electrified. Farms so served had increased from 5,648 to 108,079. Loans have been made totaling over $120 million, which will eventually result in nearly 62,000 miles of lines to serve over 151,000 rural consumers. I am proud to say not one of the 28 borrowers in my State are delinquent in repayment of their obligations.

In 1940 only 18.1 percent of Oklahoma's farms had telephones, and when the REA telephone program began only 1 out of 3 farms had phones. By the end of 1954 this had been increased to 44.8 percent, or 53,299 farms, served by 2,368 miles of line. REA rural lines have brought new service to 3,107 and 3,521 are benefiting from improved services. The nearly $3 million in loans to 9 borrowers is being well used.

The American farmer has little to cheer him in these days of surplus crops and depressed prices for farm products. But we must not forget that he has been a stalwart pillar of strength throughout our history, and he will be needed more and more in the future. Our increasing population will demand an ever-increasing amount of farm products. The health, happiness, and productivity of our farm population must be preserved. The REA programs of electrification and telephone service are essential to the farmer's efficiency and must be continued until there is no penalty to the rural dweller from the fact of living in the country. The farmer is entitled to the full use of electricity and of communication with his fellow no less than the city dweller. For these reasons, I appeal to you to grant the full amount sought by the REA for continuing unabated its useful and valuable program.

Address by Hon. William Langer, of North Dakota

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 9, 1956

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Congressional Record a speech I made in New York City on September 29, 1955.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech by Senator Langer at Carnegie Hall, New York, September 29, 1955

Mr. Chairman, Mrs. Sobell, and my friends, I am delighted that Mrs. Sobell told you that I was the Senator from North Dakota. North Dakota, believe it or not, is the greatest State in the Union. Every once in a while this evening when one of these distinguished guests came to me and said they were glad I was here and commenced to pay compliments to me for being here, I said to them that we have scores of folks out there in North Dakota who would do it if they were in my place.

I believe one of the greatest jobs in the United States is that of being United States Senator. That is especially true if you represent a great State, if you don't owe any obligations to anybody but to the people, where you can say anything you want to and do anything you want to and be entirely happy while you are doing it. I want the press to know that, and they are here, I understand, tonight, to report my speech. I want them to tell the press in North Dakota that William Langer spoke here tonight and he is very, very happy to be here.

Upon these other occasions on which I have appeared here in Carnegie Hall, I promised to put certain articles and legal instruments into the Congressional Record. I placed, and maybe Mrs. Sobell will feel better, I think, when I tell her, I placed the William Peters case into the Congressional Record, and he won. And I put the Schneider case into the Record, and he won. Of course, you all know that great champion of human rights here in New York City, Corliss Lamont. I can't tell you the great pleasure it gave me to rise on the Senate floor at the time when he was cited for contempt by the McCarthy committee, to appear there and help Senator Lehman, of your State, in that great fight we made to keep Corliss Lamont from being cited. And what particularly pleased me was that a few weeks later, we, Senator Lehman and I, had the great pleasure of reading the decision of the court upon the floor of the Senate, saying that Corliss Lamont was not guilty of contempt.

When I became attorney general of my State, as Mrs. Sobell told you, I was only a young fellow. I found 441 men (they weren't all men; there were 7 women) 441 altogether, confined in the penitentiary. It gave me a great deal of pleasure to have a thorough investigation made of every case. You would be interested to know that in there we found 2 Negroes, and you know in North Dakota we only have a population of 208 Negroes altogether, and so when I found 2 of them in the penitentiary sentenced to life, Mr. Williams and Mr. McGee, we spent $400 and got out the record and got it before the pardon board. Then we found out that both those men were absolutely innocent and both of them were discharged. It is our belief out there in North Dakota it is better to have 99 guilty go free than have 1 innocent man sent to the penitentiary.

When I came to the Senate, I had had varied experiences. One was as county attorney of a county, and as attorney general of the State, and as governor. When I became a United States Senator, I promptly proceeded to organize a committee on national penitentiaries. Nobody else wanted the job so they gave it to me. I was the chairman of that committee for a great number of years, and when the Democrats got in—due to Wayne Morse—I lost my chairmanship and the result was I am only 1 of 3.

In these penitentiaries we have 21,500 inmates and most of these people haven't got a friend on earth. A lot of them aren't as lucky as Morton Sobell to have a beautiful, fine wife who is loyal to him and anxious to help him. You find quite the opposite in some of these cases. As chairman of that committee and as a member of that committee, I have investigated many penitentiaries in the United States of America, every Federal prison, all 18 of them, and also the work farms. It is a very simple procedure. You get up about 3 o'clock in the morning and you go over to the penitentiary and investigate the food. You have a card of admittance and they can't keep you out, because you are either the chairman or a member of this committee. We investigate to see whether there's been any discrimination—any racial discrimination. We investigate to find out whether there has been an excess of solitary confinement. We make a thorough investigation to ascertain just exactly how that penitentiary is run. And you know, my friends, upon my tombstone, if I have nothing else, I hope there will be something on there that will say that since the organization of that committee there has not been a single riot in all the 11 years in any Federal penitentiary, not one. Certainly we people here in America can run those prisons in a humane manner and not run them the way Atlanta prison was run shortly before this committee was created. All the riots that they have had in various States (men have been killed, guards have been killed, guards have been held as hostages, and millions of dollars worth of property has been burned), have been due to the fact that the prisoners were not treated in a humane manner, with sufficient food and with all that goes with being confined in a penitentiary.

Yet I can tell you this—of all the prisons in the United States, the worst hellhole of all is Alcatraz. I have been there time and again. I have made report after report asking that that prison be closed up. It was established by Spain during the period of the Spanish Inquisition over 400 years ago. There it is today, 12 acres, not enough land out there to give exercise to the prisoners. Former Attorney General Frank Murphy made an investigation of Alcatraz and he recommended that it be closed. I've taken this matter up as a United States Senator time and time again, and I'm happy to inform you tonight that at last Jim Bennett, Director of Prisons of the United States Government, is also recommending that Alcatraz be closed, closed forever in the United States of America.

Being attorney general of a State is a replica of being Attorney General of the United States. The United States Attorney General only operates on a larger scale than does the attorney general of the State. I have always maintained that it's the duty of the attorney general of the State to be just as much interested in seeing that no innocent man is sent to a penitentiary, as it is to see a guilty man sent there. As chairman of the Judiciary Committee of the United States Senate that was my object. It's hard to describe to you here tonight the terrific power, the almost unbelievable power, that is in the hands of the Attorney General of the United States of America. The entire Department of Justice is in his hands, the FBI, J. Edgar Hoover's department, 10,000 young men and some women who are working for them. You can readily understand that when a prosecutor goes in convinced that a man is guilty, what small chance that man has. I think it is just as much the duty of the FBI and the Attorney General to dig up the other side of the question.

So it was when Mrs. Sobell came to me in Washington in 1954 I said to Mrs. Sobell, "I am satisfied that the Attorney General of the United States, when the Judiciary Committee asks him to intercede, will see that you get a fair deal." Now the Sobell case is going to be up in the Court of Appeals. I want you to know that just as soon as that is disposed of, and also in the meantime, we will do what we can down there in that Senate. Believe me, that body of Senators is an honest group of men who want to do what's right. When you know those men, when you know them as I know them, you're proud of them. Now some of the men may not agree with some of your views on some matters. A Senator may be in favor of the railroads, but he's elected by the people and if the people weren't interested enough to elect somebody who had opposite views, certainly that Senator has a right to make his views known to the country. We have down there the conservatives, and the so-called liberals, and I want to tell you tonight there's no distinction either side of the aisle between Democrats and Republicans, because we have liberals and conservatives on the Democratic side and liberals and conservatives on the Republican side. Happy to say that down there some of my most liberal friends and some of the best men on that Judiciary Committee, some of the men who are just as much interested in Morton Sobell as I am myself, would gladly put their hands to the plow, to help out to see that he gets the justice to which he is entitled.

May I say, however, that there's one thing that I've discovered down there in Washington that I don't like—and it isn't only down there but I found that in State after State after State. You find a prosecutor who wants to make a record, a prosecutor who will get hold of the press and get them to write up stories, just like they did in the Sobell case, month after month after month after month, and poison the feelings of the people in that community before the man ever comes to trial at all, stories that aren't true, stories that mention people who never are called to testify when the trial itself takes place. They create a prejudiced atmosphere—my friend Waldo Frank referred to the atmosphere in the courtroom. In spite of the fact that a juror may be honest and say that he isn't prejudiced in that particular lawsuit, nevertheless, subconsciously, there in the back of his head he's read these stories and he's heard this stuff over the radio. You can't tell me that it hasn't made an impression. I believe if we're going to have the kind of justice we're so proud of in the United States of America, the kind of justice we should have, and the kind of justice that I believe every member of the Senate Judiciary Committee wants, somehow or other we've got to do something when a poor man, or a rich man either for that matter, when any man is charged with a crime, so that the newspapers don't blazen a lot of stuff that isn't true about that man or about that woman, and prejudice the community.

I want you folks to know that the Judiciary Committee has this very much at heart—this matter of convicting an innocent person before he's proven guilty, in the minds of the public, so that when you finally get a jury, they're unconsciously prejudiced, with the result that instead of having a fair trial like our Constitution says every man or woman should have, that man or woman doesn't get it. And I think that down there in Washington too we need legislation—I don't mean a new law, but I mean an interpretation which will say to the Attorney General of the United States: We believe it is just as much your duty to see to it that an innocent man is not sent to the penitentiary as it is to send a guilty man there—just as much your duty to use all the services of the F. B. I., all the services of all these other men that you've got, to see that all the evidence is brought out, to see that no evidence is suppressed and that the jury may have all the facts. And so tonight, ladies and gentlemen, I can't tell you how delighted I've been to have been invited here. I want you to come forward, Mrs. Sobell. [Motions to Mrs. Sobell to stand at his side.]

My friends, I want you to know that I've got four daughters just about the same age as this young lady standing here beside me tonight, and I pledge you that everything I can do as a member of the Judiciary Committee of the United States Senate will be done to see that her husband gets justice.

SENATE

THURSDAY, MAY 10, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Fr. Eugene Lazar, pastor of the Rumanian Orthodox Church, the Descent of the Holy Ghost, 1133 Madison Street, Gary, Ind., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

O Heavenly King, Spirit of Truth, who art present everywhere, treasure of blessings, and bountiful Giver of Life: Come Thou and abide among us, as we pray that unto our God-fearing President, and the Members of this House, and all civil authorities, and our Armed Forces, Thou wilt grant a peaceful life, health, salvation, and conquest over the enemies of these United States of America.

O Almighty God, our help and refuge, fountain of wisdom and tower of strength, who knowest that we can do nothing without Thy guidance, direct us to divine wisdom and power, that we may accomplish whatever task we may undertake, faithfully and diligently, as we beseech Thee, O Master, to remember those who live in oppression and fear, in countries behind the Iron Curtain, as they seek the same freedoms Thou hast bestowed upon us so generously, who are judged and condemned to prison and exile and bitter slavery, and who have need of Thy mercy.

And as Thou desirest, O Lord, that all people be free, we ask that Thou especially remember the God-fearing people of the Kingdom of Rumania, on this memorable day, and as in the past they found and enjoyed the gift of freedom, assist them to find the same road to recovery, to liberation, and to freedom from injustice and the yoke of tyranny, and that Thy blessings be upon them as upon us in this hour.

This we ask in the name of the Risen Christ our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 9, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, May 10, 1956, the President had approved and signed the act (S. 1212) for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin James Manson-Hing, and Jennifer Lynn Manson-Hing.

IMPLEMENTATION OF HOOVER COMMISSION REPORT—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Government Operations.

(For President's message, see House proceedings of today.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron H. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. Johnson of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

On request of Mr. Kennedy, and by unanimous consent, the Subcommittee on the Air Force of the Committee on Armed Services was authorized to meet during the session of the Senate today.

ORDER FOR RECESS UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon on Monday next.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the transaction of routine business with a limitation on statements of 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations which appear on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

Sam H. Bober, of South Dakota, to be a member of the Federal Farm Credit Board, Farm Credit Administration.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Albert F. Nufer to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Willard L. Beaulac to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Cecil B. Lyon to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Report on an Overobligation of an Appropriation

A letter from the Secretary of State, reporting, pursuant to law, on the overobligation of an appropriation (with an accompanying paper); to the Committee on Appropriations.

Report on Property Acquisitions, Civil Defense Administration

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on property acquisitions, for the quarter ended March 31, 1956; to the Committee on Armed Services.

Audit Report on Federal Deposit Insurance Corporation

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Deposit Insurance Corporation, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

Clarification of Law Relating to Grant of Certain Public Lands to the States for School Purposes

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify the law relating to the grant of certain public lands to the States for school purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Amendment of Section 69 of Hawaiian Organic Act

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 69 of the Hawaiian Organic Act (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Cyrus B. Follmer

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Cyrus B. Follmer (with an accompanying paper); to the Committee on the Judiciary.

Reports of National Academy of Sciences

A letter from the President, National Academy of Sciences, transmitting, pursuant to law, reports of that Academy, for the fiscal years ended June 30, 1953, and June 30, 1954 (with accompanying reports); to the Committee on Rules and Administration.

Disposition of Executive Papers

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. Johnston of South Carolina and Mr. Carlson members of the committee on the part of the Senate.

EXTENSION OF MINIMUM WAGE LAW TO PUERTO RICO—PETITION

The VICE PRESIDENT laid before the Senate a telegram in the nature of a

petition, from the Puerto Rico Free Federation of Labor, San Juan, P. R., signed by Nicolas Mogueras Rivera, president, praying for the extension of the minimum wage law to Puerto Rico, which was referred to the Committee on Labor and Public Welfare.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, petitions signed by 3,085 citizens of the State of Ohio, praying for the enactment of legislation to prohibit liquor advertising on television, over the radio, and in newspapers. I ask unanimous consent that one of the petitions may be printed in the Record, without the signatures attached.

There being no objection, the petitions were referred to the Committee on Interstate and Foreign Commerce, and one of the petitions was ordered to be printed in the Record, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOUGLAS, from the Committee on Banking and Currency:

S. 3332. A bill to amend the Employment Act of 1946, as amended; with amendments (Rept. No. 1961).

By Mr. THYE, from the Committee on Agriculture and Forestry:

S. 2967. A bill to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes; without amendment (Rept. No. 1962).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

H. R. 7228. A bill to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes" (Rept. No. 1963); and

H. R. 8130. A bill to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge" (Rept. No. 1964).

FEDERAL-AID HIGHWAY ACT OF 1956 (S. REPT. NO. 1965)

Mr. CHAVEZ, from the Committee on Public Works, to which was referred the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, reported it favorably, with an amendment, and submitted a report thereon, together with supplemental views of Mr. Martin of Pennsylvania, Mr. Cotton and Mr. Hruska, and individual views of Mr. McNamara, Mr. Neuberger, Mr. Bush, and Mr. Kuchel, which was ordered to be printed; and, pursuant to the order of the Senate of April 30, 1956, the bill was referred to the Committee on Finance.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JENNER:

S. 3830. A bill for the relief of Nikolai E. Khokhlov; to the Committee on the Judiciary.

By Mr. LAIRD:

S. 3831. A bill to provide for the establishment of a fish hatchery in the State of West Virginia; to the Committee on Interstate and Foreign Commerce.

By Mr. FULBRIGHT (by request):

S. 3832. A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio; to the Committee on Banking and Currency.

By Mr. MARTIN of Iowa:

S. 3833. A bill for the relief of Peter G. Coutavas; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 3824. A bill for the relief of Chin-Ok-Kim; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3835. A bill to amend the Commodity Exchange Act to provide for hedging anticipated requirements of processors and manufacturers; to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY:

S. 3836. A bill for the relief of Anna Teresa Steinhauser and Dominic Paul Steinhauser (Hiroshi Tsuruda); to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 3837. A bill for the relief of Willis H. Lawrence; to the Committee on Armed Services.

By Mr. FULBRIGHT (by request):

S. J. Res. 170. Joint resolution to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes; to the Committee on Banking and Currency.

RESOLUTIONS

The following resolutions were submitted, considered, and agreed to:

By Mr. JOHNSON of Texas (for Mr. Clements):

S. Res. 260. Resolution providing for the payment of the funeral expenses of the late Senator Alben W. Barkley of Kentucky.

(See the remarks of Mr. Johnson of Texas when he submitted the above resolution, which appear under a separate heading.)

By. Mr. LANGER:

S. Res. 261. Resolution providing for the printing of additional copies of report on juvenile delinquency.

(See the remarks of Mr. Langer when he submitted the above resolution, which appear under a separate heading.)

FUNERAL EXPENSES OF THE LATE SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Kentucky [Mr. Clements], I submit a resolution, and ask for its present consideration.

The VICE PRESIDENT. The clerk will state the resolution for the information of the Senate.

The legislative clerk read the resolution (S. Res. 260), as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. Alben W. Barkley, late a Senator from the State of Kentucky, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the resolution (S. Res. 260) was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT NO. 62, RELATING TO JUVENILE DELINQUENCY

Mr. LANGER. Mr. President, I submit a resolution, and ask unanimous consent that it may be read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will be read.

The legislative clerk read the resolution (S. Res. 261), as follows:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the Report No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

Mr. LANGER. The resolution I have just submitted provides for the printing for the use of the Committee on the Judiciary of not more than 2,000 of Report No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

Copies of this report, which deals with the impact of crime and horror comics on juvenile delinquency, have been completely exhausted for some time. However, we have been receiving numerous requests from people all over the country, as well as Members of the Congress, for this report, especially since recently we have submitted reports on the collateral subjects of television and its impact on juvenile delinquency and movies and their impact on juvenile delinquency, and we have held hearings on indecent and pornographic literature and its impact on juvenile delinquency, which is before the printer for committee prints.

Since the appointment of a comic book authority, the interest in the impact of comic books, especially horror and crime comics, on juvenile delinquency has been brought to a greater focus, thus resulting in the many requests for this report.

Mr. President, I ask that the resolution lie on the desk until later this afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KENNEDY subsequently said: Mr. President, the Senator from North Dakota [Mr. LANGER] earlier today submitted a resolution (S. Res. 261), which was ordered to lie on the desk temporarily. The resolution reads:

> *Resolved*, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the Report. No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

I ask for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, I have no objection to the immediate consideration of the resolution. It was discussed this morning with both the majority and minority leaders.

There being no objection, the resolution (S. Res. 261) was considered and agreed to.

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO DEFINITION OF "EMPLOYEE"—AMENDMENT

Mr. CAPEHART submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (S. 1437) to amend the Fair Labor Standards Act by clarifying the definition of "employee," and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. JOHNSON of Texas (for Mr. KEFAUVER) submitted an amendment, intended to be proposed by Mr. KEFAUVER, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1957—AMENDMENT

Mr. BEALL submitted an amendment, intended to be proposed by him, to the bill (H. R. 10003) making appropriations for the District of Columbia for the fiscal year ending June 30, 1957, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

FURTHER AMENDMENT OF MUTUAL SECURITY ACT OF 1954—AMENDMENT

Mr. DOUGLAS. Mr. President, I submit an amendment, intended to be proposed by me, to House bill 10082, the foreign aid bill, which is now before the Committee on Foreign Relations. I ask unanimous consent that the amendment may be printed in the RECORD, together with a statement in support of the amendment, which I made this morning before the Senate Committee on Foreign Relations.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Foreign Relations; and, without objection, the amendment and statement will be printed in the RECORD.

The amendment is as follows:

At the end of the bill insert a new section as follows:

"SEC. —. (a) It is the declared policy of the Congress to resist the spread of communism. The issue between the free and the slave world is essentially whether freedom shall survive. The struggle to preserve freedom, however, is not to be won solely by further resistance to enslavement, but also by keeping alive in the hearts of enslaved people the spirit and hope of freedom. It is the purpose of this section to advance the cause of freedom by providing aid and support to those groups which are actively engaged in maintaining, inspiring, and instilling that spirit and hope.

"(b) (1) There is hereby created an agency under the name 'Freedom Administration' (hereinafter referred to as the 'Administration'), which shall be under the general direction and supervision of the President and shall not be affiliated with or be a part of any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish offices in such other places as may be determined by the Administrator of the Administration.

"(2) The management of the Administration shall be vested in an Administrator (hereinafter referred to as the "Administrator") who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate of $17,500 per annum. There shall also be appointed to the Administration, by the President, by and with the advice and consent of the Senate, 7 Deputy Administrators who shall each be paid at the rate of $15,000 per annum. The Deputy Administrators shall be outstanding citizens of the United States, 1 of whom shall be of German descent, 1 of Polish descent, 1 of Lithuanian descent, 1 of Latvian descent, 1 of Estonian descent, 1 of Czechoslovakian descent, and 1 of such descent as to represent the remaining nations in the Communist world.

"(c) The Administration shall have power to adopt, alter, and use a seal which shall be judicially noticed. The Administrator is authorized, subject to the civil-service laws and the Classification Act of 1949, to select, employ, appoint, and fix the compensation of such officers and employees as are necessary to carry out the provisions of this section. The Administration, with the consent of any department or agency of the Government, may avail itself on a reimbursable basis of the services, facilities, and personnel of any such department or agency.

"(d) For the purpose of carrying out its functions under this section, the Administration—

"(1) may sue and be sued;

"(2) may adopt, amend, and repeal rules and regulations governing the manner in which its business may be conducted and its powers exercised;

"(3) may make and carry out such contracts and other arrangements as are necessary or advisable in carrying out its functions;

"(4) may determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid subject to the provisions of the Government Corporation Control Act, as amended; and

"(5) take such other action as may be necessary to carry out the purposes of this section.

"(e) (1) The Administrator is authorized to make grants to any private or semiprivate nonprofit organization, committee, or group which is actively engaged in broadcasting, publishing, correspondence or other activities designed to keep alive the spirit and hope of freedom, and the will to resist enslavement, in persons residing in Communist or Communist-dominated countries.

"(2) In making any grant under this section, the Administrator shall advise and consult with the director of Central Intelligence, and no such grant shall be made except with the concurrence of a majority of the deputy administrators of the Administration.

"(f) (1) There shall be established in the Treasury Department a special fund which shall be available without fiscal-year limitation for financing the operation and expenses of the Administration. There shall be credited to the fund one-half of 1 percent of any fund appropriated pursuant to any authorization contained in (1) this act, and (2) any act of Congress, enacted after the date of enactment of this act, authorizing the appropriation of moneys for mutual defense assistance or foreign economic assistance.

"(2) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, foreign currencies or credits owed to or owned by the United States shall, with the approval of the President, be made available to the Administration for the purpose of making any grant authorized by this section.

"(g) The Administrator shall submit to the President for transmission to the Congress at the beginning of each regular session an annual report of its operations under this section.

"(h) Section 101 of the Government Corporation Control Act, as amended (31 U. S. C. 846), is amended by inserting after 'St. Lawrence Seaway Development Corporation;', the words 'Freedom Administration;'."

The statement presented by Mr. DOUGLAS is as follows:

TESTIMONY OF SENATOR DOUGLAS BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE PROPOSING A FREEDOM ADMINISTRATION

Mr. Chairman and members of the Foreign Relations Committee, first of all, Mr. Chairman, I wish to thank you and your committee for your courtesy in granting me an opportunity to appear here and to testify before you today. As the course of action which I shall advocate and support is easy to understand, I will not take more than a few minutes of your time unless members have questions which they wish to ask.

I am here, Mr. Chairman, to propose that an amount equal to one-half of 1 percent of the foreign-aid funds from each annual appropriation be earmarked for the purpose of keeping freedom alive in the now subjugated countries behind the Iron Curtain. In particular, I refer to countries held captive by Russia; namely, Lithuania, Latvia, Estonia, Poland, Czechoslovakia, Albania, Bulgaria, Hungary, and Rumania. In addition, Mr. Chairman, I am proposing that the Congress recommend—and authorize where necessary—the use of certain counterpart funds, and also funds credited to the United States by foreign countries under section 550 of the Mutual Security Act of 1951 and section 402 of the Mutual Security Act of 1954 for the same purpose.

These funds, Mr. Chairman, would be used to create and establish an independent agency of the Government, directly under the President, to be called a Freedom Administration. This Freedom Administration would allocate the funds provided to approved national freedom committees for the following purposes, among others:

1. To maintain and expand broadcasting activities to the enslaved peoples of Iron Curtain countries.

2. To expand existing programs of correspondence to subjugated peoples for the purpose of keeping alive the spirit of freedom and resistance.

3. To aid other programs by national groups such as the printing and distribution of pamphlets and information, to keep freedom and hope alive in the enslaved nations.

4. To finance programs to encourage and aid those who, at the risk of life itself, flee or have fled to the free world from the Communist world, and to offset the Communist drive to get these refugees to return to their original countries.

5. To give monetary support to resistance groups which aim at eventual independence of now satellite nations.

6. To publicize the names of those former democratic leaders of the Iron Curtain countries who still remain in jail or work camps so that the world may know their fate and their struggle.

7. To assist in promoting and maintaining other programs which aim at the eventual freedom of enslaved peoples. And I may say in this respect, that by providing adequate assistance to an agency and a staff of competent people, many other effective methods and ways may be found to further this cause.

Mr. Chairman, there is certainly ample reason to believe that the program I am advocating meets both the spirit and the letter of the pledges solemnly made to the American people in the 1952 Presidential campaign. I am not advocating a program to which, by any clear use of the English language, the present administration is uncommitted. I am hopeful the administration will welcome with open arms this proposal to help them carry out their solemn pledges.

In an article in Life magazine on May 19, 1952, Mr. John Foster Dulles wrote:

"Consider the situation of the twenty-odd-non-western nations which are next door to the Soviet world. * * * Today they live close to despair because the United States, the historic leader of the forces of freedom, seems dedicated to the negative policy of containment and stalemate.

"But liberation from the yoke of Moscow will not occur for a very long time, and courage in neighboring lands will not be sustained unless the United States makes it publicly known that it wants and expects liberation to occur."

And he continued:

"The mere statement of that wish and expectation would change in an electrifying way the mood of the captive peoples. It would put heavy new burdens on the jailers and create new opportunities for liberation" (Life, May 19, 1952, p. 154).

In the Republican Party platform of 1952 there was this statement:

"The policies we espouse will revive the contagious, liberating influences which are inherent in freedom. They will inevitably set up strains and stresses within the captive world which will make the rulers impotent to continue in their monstrous ways and mark the beginning of their end."

You will recall, Mr. Chairman and members of the committee, that the chairman of the committee who wrote this section of the Republican Party platform in 1952 was the present Secretary of State, Mr. John Foster Dulles.

Speaking before the American Legion Convention on August 25, 1952, Candidate Eisenhower had this to say:

"We must tell the Kremlin that never shall we desist in our aid to every man and woman of those shackled lands who seek refuge with us, any man who keeps burning among his own people the flame of freedom or who is dedicated to the liberation of his fellows." (New York Times, August 26, 1952, p. 12.)

My proposal, Mr. Chairman, would help make it clear that the United States "never shall * * * desist in our aid to every man and woman of those shackled lands who seek refuge with us."

Following this speech by General Eisenhower, he and Mr. Dulles conferred and the results of the conference were made public in a news conference by Mr. Dulles on August 26, 1952. Mr. Dulles made this statement, and I quote from the New York Times of August 27, 1952, pages 1, 15:

"'General Eisenhower agreed with me again that the most important single issue before the American people is the issue of foreign policy.

"'What we should do is try to split the satellite states away from the control of a few men in Moscow,' he urged. 'The only way to stop a head-on collision with the Soviet Union is to break it up from within.'

"Mr. Dulles said the United States should never accept a divided Korea, a divided Germany, or a divided Austria as a finality. 'Truce negotiations should be continued to end the fighting in Korea,' he said, but they should not be used 'as an arrangement which divides Korea permanently.'"

And on August 27, 1952, in a speech before the American Political Science Association at Buffalo, N. Y., Mr. Dulles has this to say—and I quote from the New York Times of August 28, 1952, page 12.

"Next, he said, resistance movements would spring up among patriots, who could be supplied and integrated via air drops and other communications from private organizations like the Committee for a Free Europe."

Although there were many other specific pledges in the 1952 campaign, I wish to quote only two more by General Eisenhower. Speaking in Cincinnati on September 22, 1953, he made the following statement:

"These principles demand that we use every political, every economic, every psychological tactic to see that the liberating spirit in the nations conquered by communism shall never perish.

"Thus, we shall help each captive nation to maintain an outward strain against its Moscow bond. The lands closed in behind the Iron Curtain will seethe with discontent; their peoples, not servants docile under a Soviet master, but ardent patriots yearning to be free again. Nothing is so damaging to a tyrant's war machine as the steadfast spirit of an unhappy people." (New York Times, Sept. 23, 1952, p. 16.)

And on September 27, 1952, Mr. Eisenhower made this pledge in a letter to the town meeting, Old Sturbridge, Mass., and I quote:

"In the struggle against expanding communism, we must miss no opportunity to rally men and women everywhere to the cause of freedom and progress, as opposed to the reaction of totalitarian policies and methods. We must fully develop under efficient, able direction every psychological weapon that is available to us." (New York Times, Sept. 28, 1952, p. 52.)

Now, Mr. Chairman, I believe those pledges were straightforward and clear. I believe that there were no ifs or buts about them. I believe further that what I am proposing is clearly in line with those pledges made to the American people in 1952 and that there is no basic principle by which the administration can, in good conscience, object to the plan I am putting forward. At least I am hopeful it will not be said that these pledges were made only to carry through 1954.

Now, Mr. Chairman, let me be more specific; first, about the Freedom Administration which I am proposing, and second, about how it can be financed.

My amendment would create a Freedom Administration, an independent agency with an Administrator who is an American citizen and directly responsible to the President of the United States.

In addition, my amendment provides for 7 Assistant Administrators, 1 of whom would be an outstanding German-American, 1 a Polish-American, 1 a Lithuanian-American, 1 a Latvian-American, 1 an Estonian-American, 1 a Czechoslovakian-American, and 1 American chosen to represent all other enslaved national groups.

The Administrator would be paid $17,500 per year and each Assistant Administrator, $15,000, or a total of $122,500.

The Administration, with the approval of any four of the Assistant Administrators, could use the funds appropriated for various purposes and specific projects among which are those which I have already mentioned and outlined.

Obviously, the President of the United States would have the final say-so on how and where the funds were to be used. My amendment would allow the Administrator to coordinate his programs with the Central Intelligence Agency. My amendment does not put the Agency under the State Department for a number of valid reasons, but there is no reason why the President who, after all, is responsible for our foreign policy, could not consult with his Secretary of State on policy questions.

In addition to the one-half of one percent of each year's foreign aid appropriation, which this year would amount to almost $24 million if the full administration request is granted, the Freedom Administration could draw upon counterpart funds now on deposit in Europe to the credit of the United States, with the approval of the President, for allocation to approved national Freedom Committees now or hereafter functioning in the free world, to enable these committees to maintain and to step up their broadcasting, publishing, correspondence and other campaigns to keep alive freedom and resistance behind the Iron Curtain. Committees to which counterpart funds are allocated shall have the approval of a majority of the Assistant Administrators.

As the committee knows, in Europe and in Greece and Turkey at this time, 10 percent of the counterpart funds deposited to match dollar funds obligated in the country are reserved for United States use. This has been true since June 20, 1952 and before that time there was a 5 percent requirement. In the fiscal year 1955, the amount of funds of European countries transferred to United States use amounted to $31.9 million, and from April 3, 1948 to June 30, 1955, the cumulative amounts so deposited amounted to $610.6 million. Here, Mr. Chairman and members of the committee, is a source of funds available for United States use which has already been appropriated by the Congress and which certainly can be and ought to be used in part for the purposes I have outlined here.

In addition, funds are made available for United States use under sections 550 of the act of 1951 and 402 of the Mutual Security Act of 1954. These are funds made available to the United States in the currency of the local country from the sale of United States surplus agricultural commodities. On June 30, 1955, the amount of the balance on deposit for Europe alone was $80,882,000. These funds, of course, are used for a variety of purposes including direct forces support, defense support, and development assistance programs. Yet, there is no reason why a fair share of these funds could not be used for the purposes of establishing a Freedom Administration Agency.

Thus, Mr. Chairman, it is possible to establish and carry out a Freedom Administration program to keep alive the spirit of freedom of the now subjugated peoples behind the Iron Curtain. The program can be carried out largely with funds which the Congress has already appropriated or which Congress will appropriate in the future for our mutual security needs.

The program is badly needed. Too many people are being lulled into a sense of well-being and forgetfulness because of what I believe is only an "apparent" shift in Soviet policy. There is increasing talk in high circles in this country about coexistence and this can lead to dangerous concessions which will be in fact, although not in name, acts of appeasement. We must not forget those of our fellow men who still struggle against the chains of Communist slavery. We have pledged ourselves as a matter of national policy to do all we can to keep their hope and spirit alive and to help them achieve their freedom and dignity as free men which all men everywhere deserve as a right. I hope, Mr. Chairman, that this committee will approve of my proposal and that it will not have the relucant acceptance or disapproval of the administration, but rather the open-armed acceptance by the administration which its previous pledges deserve.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. BYRD submitted an amendment, intended to be proposed by him to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

Mr. O'MAHONEY subsequently said: Mr. President, I submit an amendment which I intend to offer to the farm bill which has been reported, H. R. 10875. The amendment I submit is intended to secure such protection of the livestock industry as would have been effected by an amendment adopted upon the floor of the Senate when H. R. 12 was under consideration.

Under the present laws, the cattle interests of the country have no supports. Under the soil bank provision, if it should be enacted, there is no effective provision against farmers using for grazing those lands which they set aside. There is a prohibition against it, but no effective penalty is imposed.

The purpose of the amendment which was offered by my colleague, the senior Senator from Wyoming [Mr. Barrett], for himself, and on behalf of myself and Mr. Allott, Mr. Bennett, Mr. Bible, Mr. Case of South Dakota, Mr. Curtis, Mr. Daniel, Mr. Dworshak, Mr. Goldwater, Mr. Hruska, Mr. Kuchel, Mr. Langer, Mr. Magnuson, Mr. Malone, Mr. Mansfield, Mr. Murray, Mr. Watkins, and Mr. Welker, was to make the provision in the bill effective. The penalty provision was taken out in conference. Therefore, from our point of view, it was unjust to the livestock interests of the United States.

I wish to submit the amendment at the present time, because the Senate is about to take a recess. I ask unanimous consent to have the text of the amendment printed in the Record, so that all who may be interested in the farm bill may know that the protection of the livestock interests of the United States from increased grazing by reason of the soil bank is the subject of the amendment and that it represents an effort to secure protection for the livestock industry.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

> On page 4, line 24, after the word "grazing." insert the following: "In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under his contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate."

AMENDMENT OF MERCHANT MARINE ACT, RELATING TO CONSTRUCTION OF A NUCLEAR-POWERED PROTOTYPE SHIP—RECOMMITTAL OF BILL

Mr. JOHNSON of Texas. Mr. President, on behalf of the chairman of the Committee on Interstate and Foreign Commerce, the Senator from Washington [Mr. Magnuson], I ask unanimous consent that Calendar No. 1285, the bill (S. 2523) to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes, be taken from the calendar and recommitted to the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEE ON PUBLIC WORKS TO SUBMIT REPORTS DURING RECESS OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Public Works be authorized to file reports with supplemental and individual views on any bill reported, during the recess of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO SUBMIT A REPORT DURING RECESS

Mr. ELLENDER. Mr. President, I am glad to announce that the Committee on Agriculture and Forestry, which has had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956, is ready to report the bill to the Senate. The committee report has not been completed up to this time, however. I ask unanimous consent that the committee may be authorized to file its report, including minority views, before midnight tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 10, 1956, he presented to the President of the United States the following enrolled bills:

S. 419. An act for the relief of Eli Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks;

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. GOLDWATER:

Address on the subject of right-to-work legislation, delivered by him before the Young Men's Business Club of New Orleans on May 9, 1956.

By Mr. LEHMAN:

Address delivered by him at cornerstone-laying ceremony of the B'nai B'rith, in Washington, D. C., on May 6, 1956.

By Mr. WILEY:

Excerpts from address delivered by him before the Veterans of Foreign Wars at Oshkosh, Wis., on May 5, 1956.

SENATOR WALTER F. GEORGE, OF GEORGIA

Mr. SMATHERS. Mr. President, on yesterday, when I learned the news that the beloved and distinguished senior Senator from Georgia, Walter F. George, would retire from the Senate next January, after 34 years of honorable and outstanding service to his State and Nation, I was struck with a deep sense of personal loss and sadness.

It has been my honor and pleasure to serve with Senator George on the Finance Committee. As a freshman Senator, I have reaped immeasurable benefit from his generous counsel and his wisdom, gained from decades of leadership. Never was there a time when I sought his guidance that I found him too preoccupied to lend a helping hand and give helpful advice. In every sense of the word, he is a true friend; and to him I shall ever be grateful.

As dean of the Senate, he has been for years the most loved, respected, and influential member of this body. He is a man of character, brilliance and great personal strength who has given unselfishly of his great talents to the benefit of his State and the Nation.

Senator Walter F. George has written his name in flaming statesmanship across the decades that brought consecutive crises in depression, war, and cold war. Few men have been privileged to serve their country so greatly and constructively. Few men have achieved the lofty and noble statesmanship of this man, who has had such an influence for good on the activities of the growing, burgeoning free world. He has made his mark upon history, as his voice was the strong voice in forging the foreign policy of a nation which emerged from the war as the foremost power in the world.

He will be sorely missed next January by each of his colleagues. But, more than that, the entire Nation will bemoan his loss from this Chamber. However, statesman that he is, I know he will stand ready to render to us all the benefit of his guidance and wisdom gained from his illustrious career of public service. Senator Walter F. George has carved his niche in the hall of fame, and has earned well the title of "Great American."

In his future endeavors, I wish him and his charming and loyal wife, "Miss Lucy," Godspeed and many years of happiness, which they so richly deserve.

RUMANIAN INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, today Americans of Rumanian descent are celebrating the anniversary of their independence.

Unfortunately, the people of Rumania are not permitted to join in this celebration. Therefore, it is a privilege for us in America, and in the other free nations of the world, to keep alive this important Rumanian holiday.

Rumania endured first Nazi occupation, and now suffers under Communist totalitarianism.

At the end of World War II we signed a declaration with the Soviet Government and our other Allies, in which the following statement was agreed to:

> The establishment of order in Europe and the rebuilding of national economic life must be achieved by processes which will enable the liberated peoples to destroy the last vestiges of Nazism and Fascism and to create democratic institutions of their own choice.

The Soviet leaders pledged themselves to this agreement.

Yet today, Mr. President, the people of Rumania still remain in chains, not Nazi chains to be sure, but Communist chains.

At the Yalta Conference the Soviet Union pledged:

> The earliest possible establishment through free elections of governments responsive to the will of the people.

The people of Rumania yearn for the freedom of former years.

Today, as we join in honoring their former independence, we should pledge ourselves to continue our peaceful efforts to assist the people of Rumania once again to be free, independent, and self-governing.

All the world needs to be reminded of the broken pledges made at the end of World War II by the Soviet Government.

The Rumanian people are not forgotten. The day will come when they will again be free.

LOSS OF FREEDOM BY RUMANIA

Mr. PAYNE. Mr. President, I ask unanimous consent to have printed in the Record at this point as a part of my remarks a statement which I have prepared with regard to Rumania's loss of independence.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Payne

The emergence of a national and independent Rumania marked a turning point in the history of the peoples of Eastern Europe. The example set by the Rumanian people in their use of the privileges of democracy was an inspiration to the formation of other Balkan nations. Today the people of Rumania are no longer free. Their government is an echo of the Kremlin. But Rumanians have known freedom and will not tolerate forever the bondage they are now under.

As long as the spark of freedom is alive in the hearts of the Rumanian people—and it is a spark which, once ignited, can never be extinguished—free people everywhere can look forward to the day when the people of Rumania will again enjoy the privileges of national independence and individual freedom.

The leaders of Rumania have a deep moral obligation to recognize the legitimate aspirations of the peoples whose very lives are under their rigid control. When the men who now run the Rumanian Government receive their directives from their own citizens rather than from the Soviet Union, Rumania will again be a truly free nation.

On this day which was once a national holiday in Rumania, men and women throughout Rumania and the United States will pause to rededicate themselves to principles of justice and ideals of liberty, and to the hope that these principles and ideals will again become a living reality for all the Rumanian people.

FOREIGN AID

Mr. SMITH of New Jersey. Mr. President, in connection with the pending hearings on the so-called foreign-aid bill, a number of notable editorials have appeared in the newspapers from time to time. Under date of May 2, there appeared an editorial in the New York Times entitled "Self-Help Abroad." The opening paragraph of this editorial reads as follows:

> When President Eisenhower sent his foreign-aid message to Congress more than a month ago, he described the program as "indispensable to the security of every American citizen." That, we believe, describes the situation in a nutshell. The authorization of over $4.5 billion that Congress is asked to approve for the next fiscal year is not a relief expenditure, a giveaway program, or any other form of charitable enterprise. It is the sum considered necessary to insure the continuing security of the United States, apart from the funds—many times larger—spent directly on our own Military Establishment.

This stresses the security angle.

The closing paragraph of the editorial reads:

> Certainly economic-aid programs are expensive, but to place all our faith in mere military aid and its concomitants is to bury our head in the sand and invite both moral and political disaster. Both kinds of assistance are needed, and the United States can afford both kinds. In fact, at the present stage of world affairs the United States cannot possibly afford not to engage in both kinds, with the stress increasingly on the economic and social progress that flows naturally from a peaceful and flourishing democracy.

This stresses the point that we should not place all our faith in mere military aid, but should think in terms of the nonmilitary economic- and technical-assistance part of the program.

Because of the importance of the subject and the timeliness of the editorial, I ask unanimous consent that the full editorial to which I have referred be inserted in the body of the Record in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Self-Help Abroad

When President Eisenhower sent his foreign aid message to Congress more than a month ago he described the program as "indispensable to the security of every American citizen." That, we believe, describes the situation in a nutshell. The authorization of over $4.5 billions that Congress is asked to approve for the next fiscal year is not a relief expenditure, a giveaway program or any other form of charitable enterprise. It is the sum considered necessary to insure the continuing security of the United States, apart from the funds—many times larger—spent directly on our own Military Establishment.

As Secretary Dulles described this "hard-earned taxpayers' money," it is part payment for the "national insurance policy" we have had to take out against potential Soviet aggression; and it ought to be considered in the same light as all the other defense expenditures that run to more than $40 billions a year. The only difference is that this small fraction of the total is spent in various forms of assistance abroad. Most of it, as a matter of military necessity, goes for direct military or so-called defense support purposes, the latter being defined as budgetary and economic aid needed to enable our friends and allies to have the armed forces necessary to resist aggression. The question naturally arises, Does the peaceful front the rulers of the Soviet Union are now turning to the world mean that we can afford to let our guard down? To ask the question is to answer it. Obviously, we cannot afford to do so, although the ostensible slackening of the Soviet military threat makes the temptation stronger every day.

This is where the necessity of imaginative, vigorous, dynamic statesmanship on the part of both the administration and the Congress comes in. Until the imperialists who rule Russia show by positive action that they are no longer interested in pushing outward the limits of the Russian Empire we must keep our defensive strength at high level. But at the same time we have to recognize that military strength is worse than useless without moral strength; and moral strength in very large and important parts of the world—including the neutral areas—requires the positive, nonmilitary kind of assistance in improving the economic and social condition of our fellow men, without involving them in political entanglements, that only one free nation can give to another. Some of this may be done, as Mr. Dulles suggested, by private investment; but for a long time to come most of it will have to be done through governments. It involves long-term planning; and the relatively small amount that the President has asked for this purpose can be but a mere beginning.

Certainly economic aid programs are expensive; but to place all our faith in mere military aid and its concomitants is to bury our head in the sand and invite both moral and political disaster. Both kinds of assistance are needed, and the United States can afford both kinds. In fact, at the present stage of world affairs, the United States cannot possibly afford not to engage in both kinds, with the stress increasingly on the economic and social progress that flows naturally from a peaceful and flourishing democracy.

WILL WATER BECOME SCARCE?

Mr. MANSFIELD. Mr. President, the Senate Committee on Appropriations is now considering the Public Works appropriation bill. In this connection the issue of U. S. News & World Report dated April 27, 1956, carried a very timely interview with Lieut. Gen. Samuel D. Sturgis, Jr., Chief of Engineers, United States Army, entitled "Will Water Become Scarce?" I understand that, pursuant to a request made previously, this article is to be printed in the RECORD.

The public-works appropriation bill is mainly concerned with providing funds to construct Army engineer and Bureau of Reclamation projects in the United States. These projects are both small and large, multipurpose and limited in their benefits. As the interview with General Sturgis so aptly points out, these projects have a great deal to do with the Nation's supply of water. They will play an extremely important part in utilizing our water resources to the best advantage in years to come, when we will be facing an increased scarcity of water.

I recommend that all my colleagues in the Senate give this recorded interview a great deal of thought prior to the time when the public-works appropriation bill comes to the floor of the Senate. The progress of our flood-control and multipurpose projects is dependent upon the funds appropriated in this bill.

The year 1955 was marred by a number of flood disasters along the Atlantic coast in New England. More recently we have had reports of severe flood conditions in California. According to General Sturgis, a large portion of the damage done by these floods could have been prevented if there had been more completed flood-control projects in these disaster areas.

General Sturgis says:

> The amount of that estimated potential damage eliminated by complete flood-control works, like these that we've been talking about, and others throughout the country, is $491 million annually. Which means that about 55 percent of all potential damage has now been prevented by completed works.

The annually estimated potential damage is $911 million a year.

There still remains the 45 percent of the potential damage to take care of. We can do this by providing sufficient funds in the public-works appropriation bill to speed along construction of flood-control projects already started and to get construction on authorized projects underway.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Ghost Over the Drought Area," written by Doris Fleeson, and published in the Washington Evening Star of April 25, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GHOST OVER THE DROUGHT AREA—MIDWEST WATER PROBLEM HAUNTS LIFE OF BOTH CITY AND COUNTRY CITIZEN

(By Doris Fleeson)

LYONS, KANS.—"If President Eisenhower ever came out here on a windy day, he'd do something for us."

The wheat farmer who said this was talking about drought. That problem haunts the daily life of city and country dweller alike in the plains area and threatens them with woes extending far beyond a diminishing annual income.

For the dust storms are back. Every time the wind gets up to 40 miles an hour, the powder-dry soil thickens the air like a Dickens "London particular" fog and settles on the furnishings of fine and humble homes, wherever they may be.

The entire winter Wheat Belt has taken this ghastly beating. Rains are localized and never bring more than an inch at a time. "The last time we were ever bothered with mud was 1952," said a Kansan.

The drought exaggerates all aspects of the wheat surplus with its consequent federally planned reduction of acreage.

Land taken out of wheat went into milo, but due to drought the milo crop has been almost a failure. Last year 70 acres taken out of wheat and put into milo brought 1 landowner near here a profit of 77 cents an acre.

People who live in the Great Plains understand very well that this is no passing calamity. Even if an abrupt change in rain and snowfall occurred, there is no guaranty of it being lasting in effect.

They worry about the water table and look to Washington for creative planning. There is talk there of another study, but mention of studying problems in Washington at this point has little appeal among farmers. They think open eyes are all that is needed.

The reference to President Eisenhower's duty in the matter represents a distinct change of political temper in this rock-ribbed Republican area. Farmer unhappiness has transferred itself to him from Secretary of Agriculture Ezra Taft Benson, who has been written off as a possible source of help and comfort.

There is no question that in this area the President's golfing vacation during the farm bill hassel hurt. The politicians who reflected such dissatisfaction with the Eisenhower timing really had their trained ears at the grassroots.

What will it mean politically?

An editor answers that it is too early to tell.

An astute GOP political leader in Kansas predicts the loss of at least three Republican Congressmen, no matter who runs against them. He says Senator FRANK CARLSON would be in real trouble, too, if Democrats had an aggressive and widely known candidate.

"All that saves us is that this is just about a one-party Republican State," he said. "If Democrats had some good candidates, we'd be in bad trouble. If it would only rain and rain and rain."

A CONTRAST IN POLITICAL DRIVES

Mr. MANSFIELD. Mr. President, I should like to bring to the attention of my Democratic colleagues in the Senate a most interesting article appearing in the Sunday New York Times of April 8. The article I refer to is headlined "Political Drives Bare a Contrast," with a subheading of "Plush GOP Setup in Capital Overshadows Vote-Getting Machinery of Rivals."

Both Houses of Congress maintain campaign committees to assist the Members in their electioneering. At this point I may say that during the time I have been in Congress, the Democratic campaign committees have done a very fine job. On the Senate side, the Democratic and the Republican campaign committees are generally about the same size in staff and operation.

However, on the House side this article reveals a most fantastic contrast between the two congressional campaign committees. The Democrats have a staff of three in an office hidden in the corridors of the Old House Office Building. The Republican Congressional Campaign Committee is an elaborate organization, complete with movie, radio, television, and photographic facilities, numerous publicity stunts, and a staff of about 30. The Democrats have reason to be envious, but the Democratic Party does not have access to the kind of money it takes to put on such a show.

I think the motivation behind all of this is the forthcoming Presidential race. In fact, there is no doubt about it. The opposition are running scared, and they know they have an uphill fight next year for congressional control. The Republicans are using mass media to the fullest extent. A good deal of it is publicity by association. They tried this approach in the 1954 election, but it did not work. Neither will it work in the election this November.

Mr. President I ask unanimous consent that the article to which I have referred be printed in the RECORD at the conclusion of my remarks.

In conclusion, I should like to say that it might be very appropriate to redesignate the Eisenhower bandwagon as the Brink's truck, as suggested by the author of the article, Mr. Alvin Shuster.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICAL DRIVES BARE A CONTRAST—PLUSH GOP SETUP IN CAPITAL, OVERSHADOWS VOTE-GETTING MACHINERY OF RIVALS

(By Alvin Shuster)

WASHINGTON, April 7.—One of the sharpest contrasts between the two parties on Capitol Hill these days is in their vote-generating machinery.

Both the Republicans and Democrats maintain political factories designed to produce the tools to enable electioneering lawmakers to put the screws to their opponents this year.

But the Republicans, faced with an uphill fight for congressional control, have set up a far more elaborate mechanism.

Its congressional campaign committee has taken over a number of suites in a hotel behind the House Office Buildings and appointed them with a staff of about 30, a projection room, an artists' studio, and a photo darkroom that last year alone turned out 50,000 picture postcards of Republican Members of Congress chatting with the folks from home.

On shelves sit some 20 films the committee has produced so far this year for use by Republican Members on local television programs.

CHOICE OF FILM TOPICS

Film topics range from the President's desk (made when President Eisenhower was away from it), Navy frogmen, narcotics, atomic living and trade fairs. There even is a film featuring four daughters of Secretary of Agriculture Ezra Taft Benson singing an Eisenhower campaign song.

Just off the production line, are films entitled "These Wonderful Peaceful Years," which attempts to show how well off the typical American family is today, and "The Mystery of the Missing Depression," which chides Democrats for predicting an economic slump under the Eisenhower administration.

About finished, too, is a film on the "Democrat Record," and "The Presidency," which shows highlights of General Eisenhower's White House tenure, from his inspection trip of drought areas to his flight to the Korean battlefields.

Of a somewhat more practical nature, the Republican committee has come up with a film for housewives on "How to Cut up Beef Properly."

All a Republican Member of Congress has to do to become identified with any of these subjects, is to say a few words at the beginning and at the end, and ship the film home for local viewing.

EASTER SCENES POPULAR

In all, one Republican official said, 120 different Republican Members of Congress appear on television each month. Last week alone, 83 used the "Easter in Washington" film showing the cherry blossoms, the Tomb of the Unknown Soldier, and the Eisenhowers going to church.

Some Members of Congress have found other uses for the films. They have sent them to groups in lieu of a personal appearance, and have shown them in their own political tents at the local county fairs.

Moreover, the Republicans on the Hill have at their disposal their own still photographers, who at the drop of a possible vote shoot hundreds of pictures a year of Members posing with visiting drum majorettes, or local officials, or just plain citizens from his home State.

The pictures are developed and printed the same day and rushed to the local newspapers at home. The visitors get picture postcards of the event to send to the folks home. Last Thursday, for example, more than 600 picture postcards were printed in the committee darkroom.

In short, everything is booming, including the funds. And to the Democrats viewing all this, the Eisenhower bandwagon looks more like a Brink's truck.

SHARP CONTRAST NOTED

For in contrast to all this Republican activity, the House Democratic campaign committee, with a staff of only three, operates from a cubby hole of an office in the bowels of the old House Office Building. The office door is unmarked and most anytime a visitor walks by he can hear emanating groans about those "rich Republicans."

"If we had the money though," one Democrat said, "we would spend it like that, too."

Both the campaign committees in the House and those in the Senate operate closely with the national committees of the parties, which have their offices downtown.

On the Senate side, where there are always fewer seats at stake than in the House, the two parties are fairly much on an equal footing. Both have small staffs, though the Republicans there too have a couple of staff photographers.

Democrats who want this same kind of good will photographic service must pay the commercial fees.

Meanwhile, the salesmen of the slogan-bearing campaign merchandise are making their periodic rounds and showing no partisanship. The Democrats on the Hill have room in their quarters for only catalogs.

But the Republicans have a big display of the gadgetry, including message-carrying beer openers, golf tees, silk stockings, change purses, potholders, etc.

BULGANIN AND KHRUSHCHEV

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Visiting Reds Spur Protest," published in the Baltimore Sun, of April 23, 1956.

The article tells of the protest by outraged Poles and other refugees from the satellite countries, who fought bravely with the British forces against Nazi totalitarianism, only to find their countries were surrendered by the allies to Soviet totalitarianism, and who watched with shock and dismay the visit of state by Khrushchev and Bulganin to the British Government.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VISITING REDS SPUR PROTEST—25,000 EXILED EASTERN EUROPEANS MARCH IN LONDON

(By Joan Graham)

LONDON, April 22.—In absolute silence nearly 25,000 exiles from Eastern Europe today staged a demonstration of protest in London against the Communist domination of their native countries.

In a file 6 persons abreast and 2 miles long, 17,000 of them marched in silence through the streets of London. The majority were Poles, but in the ranks there also were contingents of Ukrainians, Czechoslovakians, Latvians, Estonians, Hungarians, Jugoslavs, and some Bulgarians.

After a special mass in the Roman Catholic Brompton Oratory they marched to the Cenotaph where another estimated 7,000 awaited them—again in silence. Today was Free Poland's day of mourning and prayer. The men wore black ties and armbands, and the women wore black clothes or had black scarves over their heads.

FLAGS DRAPED IN BLACK

The flag of each nation was draped in black crepe and each contingent was headed by banners identifying the marchers.

There were parties from most of the industrial areas of Britain, groups of exservicemen wearing their medals and one of British wives of Poles.

Slogans were borne aloft and one banner carried by children in the national dress of Poland, depicted the head of Christ on Calvary with his mouth bound up. Under it were the words: "May the silenced church of Poland be a warning to the free world."

The police had nothing but praise for the orderly way in which the march was conducted. In addition to the tread of the feet the only sound that could be heard was from a loudspeaker van marked "Polish Ex-Servicemen" which directed and shepherded the marchers with orders in Polish.

In his address at Brompton Oratory, Archbishop Josef Gawlina, Apostolic visitor to the exiled Poles in Western Europe and Britain, did not once mention the names of Bulganin and Khrushchev now visiting England, but asked "What is the West doing to end this vile persecution of free peoples? Nothing."

Among the inscriptions on the banners were demands such as "Freedom for Poland," "Messrs. B. and K. Put Right the Wrong Done by Stalin," "Khrushchev, Deeds, Not Words," and many more in the same vein.

As the marchers reached the cenotaph each contingent was applauded and especially loud rounds came for the Polish airmen, Polish underground, and the British wives.

A wreath of red and white flowers, the colors of Poland, bearing the words "In memory of our patriots who perished under Communist terror," was laid at the opposite end of this huge memorial of the dead of two wars to that at which Bulganin and Khrushchev laid their own man-sized wreath on Thursday.

The national anthems of each country were sung, and there was one moving moment when the fine voices of the Ukrainian men were raised in singing a hymn of their country.

EXILED LEADERS THERE

Around the memorial were General Anders, former Polish commander in chief, General Bor, and Malcolm Muggeridge, editor of Punch, and many exiled leaders.

Then, 4 dark-suited men wearing black ties left the cenotaph and, escorted by a police inspector, walked to 10 Downing Street carrying 10 black-bound books containing 60,000 signatures to a memorandum to the British Government.

They went inside No. 10 where the memorandum was received by an official. The memorandum appealed to the Government to raise with Bulganin and Khrushchev the question of free elections in Poland, the release of Poles still held by Russia, and the fate of 11,000 Polish officers who disappeared after being taken prisoner during the war.

Mr. JENNER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD two documents from the Scottish League for European

Freedom, which supply important information on the careers of Bulganin and Khrushchev.

I am indebted to Mr. Alfred Kohlberg for a copy of this most important document.

There being no objection, the documents were ordered to be printed in the Record, as follows:

Scottish League for European Freedom,
Edinburgh, October 17, 1955.

To All Leaders of All Christian Churches in the British Commonwealth:

Annexed is a protest and appeal we have sent to the British Prime Minister. We beg you to study it carefully and to join us in a protest and appeal against receiving Khrushchev and Bulganin, two frightful oppressors in this country as guests of the British Government, and thus condoning their atrocities, encouraging them to persist in them, and dealing a grave blow to the Christian nations they oppress, and on whom they are still committing dreadful atrocities.

The excuse so often heard, that the churches cannot interfere in politics, does not apply here; it is not a matter of politics but of Christianity, following the teachings of Christ and rescuing the perishing. Many sincerely Christian peoples are now perishing through planned annihilation by these men, who epitomize the Kremlin.

We submit that, in this vital matter, it is the plain duty of the churches to raise their voices in no uncertain manner.

John F. Stewart,
Chairman.

October 15, 1955.

The Right Honorable Sir Anthony Eden,
K. G., *Prime Minister.*

Sir: We learned with deep grief and sadness of the invitation to this country as guests of the government of Bulganin and Khrushchev. We strongly protest against this invitation and recognition, and we are asking all the leaders of all the Christian churches in all countries of the British Commonwealth to join and support us. It is not a matter of politics, but of humanity. Possibly the career of these two men has never been made known to you. We recognize that all details of all foreign matters cannot be meticulously supervised by yourself or the Foreign Secretary, and that both have to depend on the Foreign Office, and recent disclosures in connection with that institution might suggest that interested parties in high office there have taken care that details of both policy and men have been kept from their ministers.

Bulganin and Krushchev are powerful members of the Communist Party: Bulganin can be dismissed in a few words. He is one of the most cruel heads of the Soviet Government, and his whole career is one of cruelty, from the time of his joining the Cheka in 1918. Where extreme measures of cruelty were needed to stimulate production in any industry Bulganin was appointed the head, and carried out his work efficiently by means of shooting, imprisonment and slave camp.

Khrushchev has been known in eastern Europe for years as the hangman of Ukraine. He was prominent and active in the Communist Party at the time of the deliberately planned starving to death of over six million Ukrainian men, women, and children in 1933, described in our brochure Tortured But Unconquerable Ukraine—which is enclosed.

In 1935 Khrushchev became the all-powerful Secretary of the Communist Party in Ukraine and was in supreme control particularly in the years to which we now refer: 1937–39.

During those years men and women, mostly middle-aged, working class and peasants, were, in twos and threes, quietly taken from their homes in the middle of the night, and no more was heard of them, although not even a trifling offense was alleged against them. Only one case need be cited, that of Vynnytsia, a city in Ukraine, from which, and its neighborhood, thousands had disappeared in those years.

When the Russians were being driven back in Ukraine in 1941 the Ukrainian local authorities began excavating at a spot in the public park which had been walled off, and they laid bare the secret of the disappearance of their peoples. It was a mass grave in which were the bodies of 12,000 men, clothed, and women, nude, all killed by a pistol shot in the back of the neck. This was the work of Khrushchev, and there are many Vynnytsias, in Ukraine, and, doubtless, in all the other subjugated countries. An international body of neutral medical experts of the highest professional standing examined the bodies and unanimously decided that these people had been murdered in the years 1937 and 1938, that is, when Khrushchev was in control. The whole terrible story is told in our publication, also enclosed, the Crime of Moscow in Vynnytsia, where proofs are given of the methods of murdering of harmless people. As there was never any political or criminal reason it must have been sheer love of slaughter that actuated Khrushchev.

It seems impossible that anyone could add anything more ghoulish to this, but Khrushchev succeeded; on the top of the mass grave he had, after the ground being leveled, erected an open-air theater and swings, roundabouts and other appliances for play. Think of it, little children playing on the grave of thousands of their fathers, mothers, brothers and sisters.

But it should be emphasized that this crime of which we give some details is not an isolated case of the rule of Khrushchev; his whole control of Ukraine has meant a reign of terror, torture, bloodshed, deportation and cruelty and these attributes of this frightful being are being carried out at this present day without the least cessation.

We are confident that you will reconsider this most regrettable action, and cancel the invitation.

Yours faithfully,
John F. Stewart,
Chairman.

THE UNITED STATES OLYMPIC ASSOCIATION—THE CASE OF JOHN E. B. WOFFORD

Mr. SCHOEPPEL. Mr. President, as one who in his lifetime has been somewhat interested in sports, I wish to refer to a matter about which I am seriously concerned.

I note that in the not-too-distant future the United States is to participate in the great Olympic Games. By way of preface to my remarks with reference to the United States Olympic Association, let me say I understand it is a corporation which was created by an act of Congress which became effective on September 21, 1950. That act states that the purposes of the corporation—the United States Olympic Association—shall be, among other things, to—

> Arouse and maintain the interest of the people of the United States in, and to obtain their support of, creditable and sportsmanlike participation and representation of the United States in the Olympic Games and the Pan American Games.
>
> To select and obtain for the United States the most competent amateur representation possible in the competitions and events of the Olympic Games and of the Pan American Games.

The final section of the creating act declares that:

> The corporation shall, on or before the first day of September in each year, transmit to Congress a report of its proceedings for the preceding calendar year, including the full and complete statement of its receipts and expenditures.

Under Public Law 11, approved March 14, 1955, personnel of the Armed Forces of the United States are authorized to participate in the Olympic Games. The Government continues the pay of such personnel, and bears their expenses. Thus, the Congress has a direct interest in the Olympic Games in this respect.

The act creating the Olympic Association authorized the association to finance its activities, and this is done by public appeals through various media, including the press, television, and radio.

I understand that contributions to the Olympic Association are tax deductible. In effect, this means that the Federal Government subsidizes a considerable portion of the funds contributed to the Olympic Association.

What is this leading up to? I will say frankly that there has been brought to my attention a case concerning one John E. B. Wofford, a young man 25 years of age. I am particularly interested in that case, because he was reared in my State. His parents were very fine people. The family originally came from the great State of South Carolina. They made their home near Junction City and Fort Riley, Kans., until 1943, when the elder Wofford passed away.

He had a very distinguished career as an Army officer in the cavalry. A great deal of the time he was stationed in my State at the Fort Riley Cavalry School. He was a member of the United States international riding team at various times between 1930 and 1940.

With that background, I was disturbed when I received a letter under date of May 7, 1956, addressed to me as a United States Senator, setting forth certain pertinent information and statements which I think are of somewhat serious proportions.

Attached to the letter are certain data concerning John E. B. Wofford and his equestrian record.

I ask unanimous consent that a copy of the letter, together with the attached statement, be printed in the Record at this point as a part of my remarks.

There being no objection, the letter and statement were ordered to be printed in the Record, as follows:

May 7, 1956.

Hon. Andrew F. Schoeppel,
Senate Office Building,
Washington, D. C.

Dear Senator Schoeppel: In September of 1955 I won the combined Open National Championship and Olympic Trials in the Equestrian 3-Day Event held at Oxford, Mich. Subsequently, competitors who finished behind me, in 2d, 3d, 4th, and 5th places, were selected as members of the United States Olympic squad in riding. I was not selected.

Prior to September 1955, I had won 3 national championships including 2 Olympic trials. I competed as a member of United States international riding teams in both the 1952 Olympics held at Helsinki, Finland, and the Pan American Olympic Games in March 1955, at Mexico City, Mexico.

My amateur status has never been questioned, and I have never broken any of the rules of conduct prescribed in the regulations of the United States Olympic Association.

Following the Pan American Games last year, I was barred by the Olympic Equestrian Games Committee, members of which are Maj. Gen. Guy V. Henry, Brig. Gen. F. W. Boye, Brig. Gen. John T. Cole, Maj. Gen. Thomas W. Herron, Whitney Stone, Walter Devereau, and Adrian Van Sinderen, from competing in the coming 1956 Olympic Games. Also, this committee has circulated three false reports on my performance in the Pan American Games—reports which have done serious damage to my reputation not only as a competitor but also as a person.

These false reports and implications were in the form of:

1. A questionnaire circulated in April 1955.

2. A report made to the directors and members of the United States Equestrian Team, Inc. (approximately 60) in June 1955, by members of the committee.

3. A report to the executive director of the United States Olympic Team Association from the United States Equestrian Games Committee.

These reports are false in two particulars: (1) They contain grossly erroneous statements about the facts and circumstances surrounding my performance in the Pan American Games, and (2) they contain a falsified report on the number of penalties supposedly incurred by me in my performance in the Pan American Games.

I am in a position to prove the falsity of the reports.

At my request the executive board of the United States Olympic Association held a hearing on Sunday, April 15, 1956, purportedly to arrive at justice in this matter. The Olympic Equestrian Games Committee was invited to the hearing, as well as myself.

On the appointed date I appeared before the board with counsel and witnesses. The members of the Equestrian Games Committee failed to appear.

My attorney and I repeatedly requested that whatever charges against me the executive board had received from the games committee or from any other source be read into the record at the hearing so that I might have an opportunity to know specifically what these charges consisted of and to refute them. The board failed to act on my pleas for such information.

Since the hearing, I have obtained a copy of a report, dated October 6, 1955, from the Equestrian Games Committee to Mr. J. Lyman Bingham, the executive director of the Olympic Association.

The account of my performance in the Pan American Games as contained in this report is a malicious distortion of the facts. Moreover, so many of the statements made in the report are so clearly incorrect that I do not understand how the executive board of the United States Olympic Committee could have been unaware of the inaccuracies.

The refusal of the executive board to state the charges set forth in this report, which was in their possession at the time of the hearing, and their refusal to allow the charges, then unknown to me, to be made a part of the official transcript of the hearing, causes me to conclude that the executive board was more interested in protecting the Equestrian Games Committee than in unbiased consideration and justice to the competitor involved.

On April 26, 1956, my attorney received notification from Mr. Bingham that the Olympic Association could see no reason to reverse the Equestrian Games Committee on the basis of the evidence submitted at the hearing.

This statement especially astonished me because no evidence was presented against me at the hearing, either by the members of the executive board or the members of the Equestrian Games Committee, who, as has been pointed out before, were not present. The only evidence presented at the hearing was the evidence submitted on my behalf.

I sincerely believe that the executive board of the United States Olympic Committee has not acted in a fair and reasonable manner in this case.

Your consideration of this matter and any action you deem wise will be greatly appreciated.

Sincerely yours,
John E. B. Wofford.

Data Concerning John E. B. Wofford and His Equestrian Record

John E. B. (Jeb) Wofford, age 25, Rimrock, Milford, Kans.

1950, July, first place preliminary zone Olympic trials.

1951, October, first in 3-day trials for Olympic equestrian team at Fort Riley, Kans. Team coach and manager was Col. John W. Wofford. The Wofford's donated five horses to the team. Three-day equestrian team placed third in the Olympics at Helsinki, Finland.

1953, was first in the national 3-day event at Fort Riley.

1954, was second in the national trials at Nashville, Tenn., in the equestrian 3-day event.

1954, Col. John W. Wofford resigned as coach and manager of the Pan American equestrian team as a result of controversy with other members of the Olympic Equestrian Games Committee, General Henry, General Cole, Mr. Stone, and General Boye. Colonel Wofford withdrew his resignation as coach of the team when he learned statments made by Mr. Stone concerning the attitude of other members of the 3-day team were incorrect.

1955, J. E. B. Wofford, Walter Staley, and Frank Duffy comprised United States 3-day equestrian team. Colonel Wofford ill and could not go to Mexico City for the Pan American games.

1955, February, J. E. B. Wofford returned to the United States and remained until after death of father March 1, 1955. J. E. B. Wofford returned to Mexico after funeral of father. Jeb donated horse to Duffy and rode animal which had previously been quite ill. At 19th fence of cross-country race, Jeb's horse suffered bad fall, throwing him and giving him concussion in fall. Mexican committee prevented him from continuing in race, and procured medical care for him. After event, with blood still on Wofford's face and down shirt front and trousers, Mr. Stone criticized Wofford to the effect that his riding had amounted to a disgrace for the American team and insinuated Wofford had deliberately ridden in such manner.

1955, June, Wofford barred from ever again competing in Olympic or other international riding events on grounds of alleged temperamental unsuitability by Olympic Equestrian Games Committee.

1955, September, Wofford won combined national championship and Olympic trials at Oxford, Mich. Same month requested hearing before executive board of United States Olympic Association.

1956, April, hearing before board.

Mr. SCHOEPPEL. If the statements contained in this letter are true—and I will say frankly that I do not know all the circumstances surrounding this matter—the case merits the consideration of the proper officials within the organization, with a view to clearing up the situation as expeditiously as possible.

I feel very seriously that this young man, who has taken the time and the trouble to write to me, has presented a situation which I hope the proper officials, in due time, and with proper dispatch, will clear up.

TROUBLE BREWING IN THE ILO

Mr. LEHMAN. Mr. President, the administration has frequently expressed its great sympathy with the aims and purposes of the International Labor Organization, which is composed of more than 60 nations of the world. It has been one of the great organizations, and its work has been most important in furthering sound labor practices throughout the world. Of the more than 60 nations that compose the International Labor Organization, only 6 or 7 are in the satellite bloc.

However, some 2 or 3 weeks ago, when the question of authorizing an appropriation for the ILO was before the Senate, the distinguished senior Senator from Ohio [Mr. Bricker] moved in an amendment that very serious limitations be placed on the appropriation authorization. Even though it was perfectly clear to some of us, at least, and, I believe, to that part of the public which is familiar with the work of the ILO, that such a limitation would strike a serious blow at the prestige, work, and effectiveness of this great international organization, that proposal was acted on favorably by the Senate. It was also a blow at the administration, which had always claimed to support the ILO, and I believe did wish to support it. Unfortunately, the administration, however, did not raise its voice against the proposal of the Senator from Ohio [Mr. Bricker], which was adopted by a vote of 43 to 40. A change of 2 votes would have preserved the prestige of our country in the ILO and supported the administration.

Mr. President, recently, the distinguished columnist, Marquis Childs, wrote an article in which he called attention to the probable consequences of the Bricker amendment, which has limited the effectiveness and the powers of the ILO and the prestige of the United States. I ask unanimous consent that his very informative and interesting article be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Trouble Brewing in the ILO

(By Marquis Childs)

The difference between doing and saying is something this administration has never understood. The words sound fine, but more often than not, deeds fail to match words.

The latest example is in the approach to the International Labor Organization, which is a United Nations agency concerned with labor standards, the training of workers in industry and such matters.

After holding back for a long time, the Soviet Union decided, as it had a right to do, to join up and sent delegates representing organized labor, the employer and government, as the ILO charter requires.

Now, obviously, for Soviet Russia to send representatives of employer and employee organizations is a fiction, since any such organizations in a totalitarian society are window dressing.

But the large majority of the 71 member nations of ILO believed it was preferable to challenge this fiction within the ILO framework and, therefore, opposed any effort to keep Communist Russia's representatives out.

Not so, however, the American employer representative, William L. McGrath, who began conducting something resembling a one-man sit-down strike at the ILO in Geneva.

McGrath, named by the Chamber of Commerce and the National Association of Manufacturers, is an old-fashioned isolationist who supports the Bricker Amendment limiting the treaty-making power of the Government, an amendment which President Eisenhower and Secretary of State John Foster Dulles have said would seriously handicap the conduct of foreign policy.

The Eisenhower administration proposed to increase the American contribution to ILO which was limited by a ceiling of $1.75 million. This gave Senator BRICKER, frustrated in his main goal, a chance to snipe at ILO. He introduced an amendment providing that no increase should be granted if it was shown that employer or employee representatives from Soviet Russia or the satellites had been permitted to vote in ILO.

Not a single spokesman for the administration arose on the Republican side to explain or defend the administration proposal and the reasons why the amendment would be harmful to America's position in the ILO and the world.

The defense came from the Democratic side, with Senators declaring that the amendment would be interpreted as an attempt by the United States to dictate unilaterally the policy of this U. N. organization.

The vote was 43 to 40 for the amendment. In voting for it, 6 Southern Democrats joined 37 Republicans. Among the latter were Minority Leader WILLIAM F. KNOWLAND of California and Senators STYLES BRIDGES of New Hampshire and LEVERETT SALTONSTALL of Massachusetts. Only seven Republicans voted in opposition to the amendment. The House has not yet acted on it.

The ILO under the vigorous direction of its executive director, David Morse, has pushed an investigation into slave labor that is the most far reaching of its kind, showing the extent of forced labor in the Communist countries. A recent supplementary report concludes that, while there has been some slight improvement in recent years, the use of slave labor is still widespread in the Communist countries.

Covering Communist China for the first time, the report expresses the belief, on the basis of a great deal of documentary evidence, "that forced labor exists on a very large scale and that the number of persons involved represents a considerable proportion of the total population."

The documented exposé of forced labor has led to a demand within ILO for a convention which upon adoption would require member nations to abolish it. And here is a striking instance of the new flexible strategy of the Soviet Union in the post-Stalin era. In a confidential poll of members, Soviet Russia has said it would vote in favor of the convention and the satellites also will support it.

But such conventions are anathema to Senator BRICKER and those who believe like him that they infringe State and Federal laws. So the United States has not made up its mind on this question, which is sure to come up when the ILO meets again in June.

It could turn out that the United States was the only major power opposing such a convention or declining to be recorded on it. With the Communists voting for it, this would put the American delegation in a highly embarrassing position.

For the free trade unions and for most European employers, the ILO is an important organization for good. It is carrying on extensive work in underdeveloped countries teaching industrial skills. For the millions who regard it as an instrument for strength and cohesion in the free world, the American attitude is hard to understand. America appears to be afraid to meet the challenge of communism in the ILO.

As several speakers pointed out, the Communist countries can muster at most only 32 votes against 280. So there is no real danger they could dominate the organization.

Senator HUBERT HUMPHREY, Democrat of Minnesota, concluded his plea for defeat of the amendment as follows:

"I should hate to think that we in America were less confident of our position than is, let us say, Great Britain or any one of the other countries. I personally feel that any time we have an opportunity to join issue on any matter of politics, economic, culture or social welfare with delegates from the Soviet bloc countries, we should accept it not only as a challenge but as an opportunity. We have never lost an argument in the United Nations. When it came to arguing with the Soviet bloc, we won the argument by vote."

Through much of the argument for the ILO fund amendment ran a reminiscent theme of past isolationism. If these European countries would not follow the American precept, then it might be better just to let them stew in their own juice.

This is an ominous portent for the decisions that lie beyond this election year when American policy in matters far more important than ILO may be overruled.

POLICY OF DEPARTMENT OF DEFENSE WITH RESPECT TO GRADUATES OF THE MARITIME ACADEMIES

Mr. PAYNE. Mr. President, the American Merchant Marine plays an extremely important role in our national defense. Indeed, I believe that it can safely be said that in time of war our military effectiveness would be seriously curtailed if we did not have an effective merchant marine to maintain our supply lines around the world. The importance of the merchant marine has been so repeatedly recognized by Congress and the executive branch of the Government that it is not necessary for me to cite specific instances here.

Because of the recognized importance of the merchant marine, this Nation has established maritime academies to provide a continuing supply of trained officers for the service. Just this year the importance of this program was confirmed by the Congress when it enacted into law a measure making the United States Merchant Marine Academy at Kings Point, N. Y., a permanent institution.

On March 29 I made a statement here on the Senate floor calling attention to a critical situation that faces the merchant marine, which is caused by an unrealistic position taken by the Department of Defense, and suggested that the Department of Defense review its decision. At that time I placed in the RECORD a copy of a letter I had sent to the Secretary of Defense concerning this situation.

Basically the situation is this. The State and Federal maritime academies together produce about one-third of the merchant marine's annual need for new officers. Prior to January 1, 1953, students at these academies were midshipmen in the Merchant Marine Reserve of the United States Naval Reserve. The Armed Forces Reserve Act of 1952, through an oversight, failed to continue the statutory authority for this program which exempted maritime academy students from draft liability and did not require active naval duty upon graduation. In order to continue the military status of students at these academies, which was considered vitally important, the Navy initiated a temporary program of appointing them as officer candidates, but only did so with the understanding that legislation would be introduced to reinstate the Merchant Marine Reserve of the Naval Reserve.

A bill to accomplish this purpose was introduced last year by my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], as S. 1748. It would restore the former program retroactive to January 1, 1953. The bill had the active support of the Navy Department and was passed by the Senate on July 30 of last year. During the fall recess, the Department of Defense raised objections to the bill and caused the Navy Department to withdraw its support. As a result no action has been taken on the bill by the House Armed Services Committee.

This year the maritime academies will graduate students who were appointed under the temporary officer candidate program. According to existing law the Navy must require these men to serve on active duty. It is obvious that such service will prevent the merchant marine from getting these trained officers which it so vitally needs. If S. 1748 were enacted into law, the Navy would not be required to call the graduates to active duty.

Since the Navy does not consider the merchant-marine academies as a source of naval officers and does not wish to call graduates of the academies to active duty, it has announced that it will not continue the officer candidate program. Therefore, if some legislation is not enacted this year, students entering the academies this fall will have no military status, no draft protection, and no assurance of a Naval Reserve commission upon graduation.

The Department of Defense has assumed the position that it cannot support any draft deferment or exemption in a military status that does not lead to active military service. In my letter

to Secretary Wilson of March 29, I pointed out that I believed this position to be unrealistic, unreasonable, and untenable because it failed to recognize the role of the merchant marine in our national defense.

The Department's reply to my letter, which is dated May 2, avoids the whole problem by raising a smokescreen. Basically the letter states that the Department recognizes that a serious problem exists. Nevertheless, the Department adheres to the position that exemption of maritime academy students in a military service without requiring them to serve on active military duty would seriously undermine the philosophic concepts embodied in the Universal Military Training and Service Act, and the Armed Forces Reserve Act of 1952 as amended by the Reserve Forces Act of 1955. No such danger exists because Congress has many times indicated that service in the merchant marine is service in the Defense Establishment of this Nation.

The Department of Defense then seeks to avoid the problem by suggesting amendments to S. 1748 which would place maritime academy students in a strictly civilian status, the same result that will be achieved if the bill is not enacted. In essence the Department of Defense would wash its hands of the problem. Needless to say, this is not the way to insure a strong, effective merchant marine.

The Department of Defense is the one agency of the Federal Government that is charged with providing for the national defense. As such it has a definite responsibility to the merchant marine which it cannot shirk, no matter how much it would like to do so. It appears to me that the Department's real objection to S. 1748 is based on a fear that some individuals would use the maritime academies as a means of avoiding all service to the Nation, by graduating from one of these institutions and then refusing employment in the merchant marine. This loophole could be easily covered by a simple amendment to S. 1748 which should not be objectionable to anyone, and which I personally would strongly recommend.

Recently I wrote to the Secretary of Defense in reply to the Department's letter of May 2 and once again urged the Department to reconsider its position on this matter. It is my hope that the Department will at least withdraw its opposition to S. 1748, but whether it does or not I believe that this bill should be enacted into law.

Mr. President, I ask unanimous consent that my letter to the Department of Defense of March 29, the letter I received from the Department of Defense dated May 2, 1956, and my reply of May 10, 1956, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 29, 1956.

Hon. CHARLES S. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: Prior to January 1, 1953, students at the State and Federal maritime academies were appointed as midshipmen, merchant marine reserve, United States Naval Reserve, by the Secretary of the Navy. Under the Universal Military Training and Service Act (title 50, U. S. C. App. sec. 456 (a) they were relieved of liability for registration and active military service. The Armed Forces Reserve Act of 1952, which became effective January 1, 1953, withdrew statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve.

For some time the Navy Department has given support to the maritime academies because of the importance of the merchant marine and the need to have the merchant marine prepared to work closely with the Navy in time of war. To the best of my knowledge the Navy has never considered the maritime academies as a source of naval officers and does not desire to do so today.

The effect of the 1952 legislation was to withdraw the justification on which the Navy contributed to the operation of the maritime academies. At the urgent request of the Maritime Administration, the Navy instituted a temporary program to appoint maritime academy students as officer candidates. This action was taken with the understanding that legislation would be prepared to reinstate the midshipmen program. The Navy Department, at that time, realized that by appointing students as officer candidates they would not be exempt, but only deferred, and that upon commissioning, the Navy would be compelled to call them to active duty. This is undesirable both because of the damage to the merchant marine which needs 1,000 to 1,600 new officers annually and because if the Navy is required to call these graduates to active duty, it may force a curtailment of normal naval officer procurement programs.

Senator MARGARET CHASE SMITH introduced a bill (S. 1748) on April 20, 1955, which would provide statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve, retroactive to January 1, 1953. When this bill was considered by the Senate Armed Services Committee, it was actively supported by the Navy Department. It was passed by the Senate on July 30, 1955, and is now before the House Armed Services Committee.

During the congressional recess last fall the Department of Defense indicated its opposition to the bill, and the Navy Department withdrew its support to conform with Department of Defense policies. This opposition is based on an interpretation of the Reserve Forces Act of 1955, under which the Department states it is forced to oppose any exemption during training which does not lead to active military duty. However, if the bill were amended to conform to the position taken by the Department of Defense it would not help the present critical situation.

As the problem now stands, the maritime academies are 1 of the 2 principal sources of merchant marine officers. The merchant marine annually needs more officers than these sources can supply. Without the adoption of S. 1748, the Navy will be compelled to call graduates of the maritime academies to active duty to the severe detriment of the merchant marine. The Navy may also be forced to withdraw its support of the academies which would be contrary to the best interests of both the Navy and the merchant marine to say nothing of being contrary to overall national security interests.

President Eisenhower and the Congress have repeatedly recognized the merchant marine as a vital segment of the national defense establishment. In the particular problem at hand, the Senate of the United States has expressed itself as favoring the exemption of maritime academy students because of the particular needs of the merchant service. Therefore, it appears that the position taken by the Department of Defense is unreasonable and untenable as well as contrary to the best interests of the United States as clearly stated by both the executive and legislative branches of the Government.

For these reasons I strongly urge that the Department of Defense withdraw its opposition to S. 1748 in order that action may be taken expeditiously to prevent possible severe injury to the effectiveness of the American merchant marine. It will be appreciated if you will advise me at the earliest practicable date of the Department's final position in this matter.

Sincerely yours.

FREDERICK G. PAYNE,
United States Senator.

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER, PERSONNEL AND RESERVE,
Washington, D. C., May 2, 1956.

Hon. FREDERICK G. PAYNE,
United States Senate.

DEAR SENATOR PAYNE: This is in reply to your letter of March 29, 1956, in which you urge that the Department of Defense withdraw its opposition to pending legislation, S. 1748, in order to prevent possible severe damage to our merchant marine, and to advise you of the Department of Defense final position in this matter.

Your letter points out some very important areas in which the Department of Defense has always maintained a keen interest. This has led me to reexamine this entire problem which has resulted in some delay in forwarding an answer to you.

S. 1748 would amend the Universal Military Training and Service Act to permit the appointment of maritime academy students as Reserve midshipmen (merchant marine), United States Navy, and would provide for their student exemption in military status under section 6 (a) of that act. S. 1748 would also amend the Armed Forces Reserve Act to give the Secretary of the Navy the responsibility as appropriate Secretary in making these appointments.

In July 1955 this bill was supported before the Senate by the Department of the Navy on behalf of the Department of Defense. Before action was taken by the House of Representatives, the Reserve Forces Act of 1955 was enacted. As you know, this legislation reiterated a long-standing philosophy of the Congress "that in a free society the obligations and privileges of serving in the Armed Forces and the Reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just * * *." It further established a new concept with respect to the Reserve Forces in that it provided authority for a Ready Reserve which was basically trained and ready to meet any emergency which might confront our country. In keeping with this basic concept the Congress specifically and mandatorily provided that commissioned graduates of officer-producing programs would either perform active duty for a specific length of time or, in lieu of such active duty, a mandatory period of 6 months' active duty for training. This latter provision was the basic reason why the Department of Defense was forced to revise its position with respect to S. 1748.

Having reexamined the maritime academy situation we should like to submit for your consideration possible avenues of approach to resolve it. These proposals are made in a constructive vein since it is recognized that the ultimate responsibility for legislation in this area is in the realm of national policy which of course vests in the Congress.

With this in mind there follows a brief outline of factors which we believe should be considered in any proposed legislative enactment.

1. The Congress has already enunciated in law certain nonmilitary categories of individuals who shall be exempt.

As you have stated in your letter, the Senate has expressed itself as favoring exemption of maritime academy students because of the peculiar needs of the merchant marine. Therefore, it is suggested that in keeping with the long-standing policy of the Congress that if exemption is to be given to maritime academy students that such exemption be given in civilian status and not in military status.

I believe you will agree that legislation granting maritime academy students either exemption or deferment in a military status without the expectation that such students will be required to serve in the military might well result in a serious undermining of the philosophical concepts embodied in the Universal Military Training and Service Act and the Armed Forces Reserve Act, as amended by the Reserve Forces Act of 1955.

2. Military status for maritime academy students is not necessary to gain a Naval Reserve commission. The Department of the Navy maintains a program for direct commissioning of eligible individuals who have maritime academy training, as well as for direct commissioning of other eligible civilians. In keeping with the intent of the Congress as expressed in the Merchant Marine Act of 1936, the Department of the Navy will continue to grant commissions to those eligible maritime academy graduates who so desire. In this connection the Department of the Navy has stated that it will determine annually whether or not any maritime academy graduates not required by the maritime industries can be used on active duty with the Navy. Within the numbers so determined, those volunteers who are qualified in all respects will be directly commissioned and placed on active duty. The Department of the Navy has also stated that it will offer direct commissions to all eligible maritime academy graduates who so request after they have dispensed their normal military obligation or have reached the upper limit of draft age. Further, the Department of the Navy has repeatedly stated that it will continue to support the naval science courses at the maritime academies in order that future licensed officers of the merchant marine may be familiar with Navy procedure so that they may be more useful in time of war.

3. The maritime academies are recognized as the major merchant marine officer procurement program. I believe any legislation pertaining to maritime academy students should preserve this concept. The Department of Defense agrees with you that the maritime academies should not be considered as a reserve naval officer procurement program.

The above factors indicate what is in my opinion the long-term solution to the problem and I believe S. 1748 can be so reworded as to attain the objectives sought by yourself and by the Department of Commerce.

The Department of Defense cannot support S. 1748 in its present form for the reasons indicated. However, in view of the fact, as you have already stated, "* * * the Senate of the United States has expressed itself as favoring the exemption of maritime academy students because of the particular needs of the merchant service," and in keeping with congressional philosophy already alluded to in the Universal Military Training and Service Act you may wish to give consideration to amending S. 1748 as follows: by inserting in section 3, page 2, lines 3 and 4 the words "Midshipmen (merchant marine) enrolled at Federal and State maritime academies" rather than the words "Reserve midshipmen (merchant marine), United States Navy."

Such an amendment would make the Secretary of Commerce the appropriate Secretary with respect to midshipmen (merchant marine) and would vest in him control of said midshipmen which is necessary in order that he may properly discharge his responsibilities toward the maritime academies.

Further, the Department of Defense suggests that consideration be given to amending the bill so that students at the maritime academies would be "deferred" rather than "exempted" while in civilian status in these schools. The Department of Defense in keeping with past policy would actively support such a measure. In addition we will be happy to assist in any further action necessary to resolve this important problem.

I appreciate the opportunity to be able to present to you the views and the reasons for the position taken by the Department of Defense with respect to this matter.

Sincerely yours,

Carter L. Burgess.

May 10, 1956.

Hon. Charles E. Wilson,
Secretary of Defense,
Department of Defense,
Washington, D. C.

Dear Mr. Secretary: This will acknowledge and thank you for the Department's letter of May 2, 1956, signed by Assistant Secretary Carter Burgess, in reply to my letter of March 29, 1956, concerning the position of the Department of Defense with regard to S. 1748, the bill to reinstate the United States Navy Reserve midshipmen (merchant marine) program for students at the State and Federal maritime academies.

The letter goes into great detail to indicate the Defense Department's recognition of the problem facing the merchant marine and suggests some amendments to the bill which would in reality be no solution at all to the present problem. Essentially the letter suggests that S. 1748 be amended so that students at the maritime academies would be in a civilian rather than a reserve status. As a practical matter this is exactly what the situation will be if the bill is not passed.

Let me briefly review the background of the present situation. Prior to January 1, 1953, students at the maritime academies were appointed as midshipmen, Merchant Marine Reserve, United States Naval Reserve, and were exempt from the draft while so serving. Upon graduation they were given Naval Reserve commissions, but were not called to active duty. When the statutory authority for this program was withdrawn by the passage of the Armed Forces Reserve Act of 1952 the Department of the Navy instituted a temporary program of appointing maritime academy students as officer candidates. It was realized that this would lead to mandatory active duty, but the interim measure was initiated only with the understanding that legislation to restore the former program would be introduced. It was expected that such legislation would be passed before the students appointed as officer candidates graduated. In reality then the officer candidate program was a stop-gap measure to continue the military status of the students at the maritime academies and was instituted because both the Navy and the Department of Commerce considered that military status was an important aspect of maritime training.

S. 1748, which would restore the Merchant Marine Reserve, United States Naval Reserve, and the exemption of maritime academy students from draft liability, was passed by the Senate last July with the full support of the Department of the Navy. Since that time the Navy has withdrawn its support of the bill because of a Department of Defense determination of the intent of the Congress expressed in the Reserve Forces Act of 1955. In my letter to you of March 29 I stated that I believed the Department of Defense position in this matter to be "unreasonable and untenable as well as contrary to the best interests of the United States" and Mr. Burgess' letter of May 2 does nothing to alter my opinion.

At the present time the Navy Department has announced that it will not continue the temporary officer candidate program for the maritime academies. Accordingly, in the absence of any change by legislation, the students at the maritime academies will not have any military status. The Department's recent letter suggests that S. 1748 be amended in a manner that would accomplish exactly the same result. While many of the benefits of military status are intangible, it does play a very important part in the training given by our maritime academies. In this connection the Navy has indicated that it will continue to grant commissions to qualified maritime academy graduates after they have met their normal military obligation. This seems to me to be directly contrary to the intent of the Merchant Marine Act of 1936 which requires that officers serving on subsidized vessels hold Naval Reserve commissions. The granting of a certificate stating the officer is not qualified for a Naval Reserve commission would not appear to meet the intent of the Congress.

Page 2 of the letter signed by Mr. Burgess contains the following paragraph:

"I believe you will agree that legislation granting maritime academy students exemption or deferment in a military status without the expectation that such students will be required to serve in the military might well result in a serious undermining of the philosophical concepts embodied in the Universal Military Training and Service Act and the Armed Forces Reserve Act, as amended by the Reserve Forces Act of 1955."

Let me state categorically that I do not agree with this statement. It is not necessary to repeat here the many pronouncements by both the legislative and executive branches of the role that the merchant marine plays in our national defense establishment. Although the merchant marine is not technically a military service, service in it is service in the national defense, and I believe that the philosophical concept embodied in the laws mentioned in the quotation is only that the burden of meeting the defense needs of the Nation shall be distributed equally, not that the strictly military needs be distributed equally. Accordingly, I do not believe that any violence would be done to the Reserve Forces Act of 1955 by exempting from active military duty graduates of the maritime academies who serve in the merchant marine.

Although it is not specifically stated, the Department's position appears to be based on a fear that some individuals would use the maritime program as a means of avoiding all service. Let me assure you that I have no sympathy with those who attend and graduate from the maritime academies and then refuse employment in the merchant marine or directly allied industries. I would be most agreeable to amending S. 1748 to provide that on graduation maritime academy students would serve on active duty as commissioned officers in the Navy for 3 years unless they produced evidence of current employment in the merchant marine industry either afloat or ashore.

As the agency of the Federal Government charged with providing for the national defense, the Department of Defense has a very definite responsibility for the American merchant marine. If service in the merchant marine is not recognized as service to the Nation, the maritime academies may well cease to exist. If a national emergency ever arises and there are not competent merchant marine officers available the responsibility will be squarely on the Department of Defense. This responsibility cannot be met by what amounts to an attempt to ignore the problem through conferring jurisdiction on another agency which is what the amendments to S. 1748 proposed by the Department would appear to do. The position assumed by the Department of Defense appears to be a smokescreen to avoid the real issue involved.

Once again I urge the Department to reconsider its position with regard to S. 1748. It is my hope that the amendment I have suggested will make the bill acceptable to the Department and accordingly I recommend that the Department withdraw its opposition to S. 1748. Since the present situation has become extremely critical it will be appreciated if you will personally look into this matter at the earliest opportunity.

Sincerely yours,

Frederick G. Payne,
United States Senator.

IVAN WHITE, COUNSELOR OF THE EMBASSY AT TEL AVIV, ISRAEL

Mr. NEUBERGER. Mr. President, there has been brought to my attention a statement by Representative Abraham J. Multer, of the State of New York, before the House Committee on Foreign Affairs. In the course of that statement, Representative Multer made certain critical comments about Mr. Ivan White, counselor of the Embassy at Tel Aviv.

Naturally, Mr. President, I am not in the position to know all the details of the international situation in the Middle East which Mr. Multer discussed before the House Foreign Affairs Committee. Nor am I in any way criticizing Mr. Multer, whom I know to be an outstanding and illustrious Member of the House of Representatives.

I merely want to put on the record in the Senate my high opinion of Mr. Ivan White. Mr. White is a native of Salem, Oreg., in my State. I have known him and his family for a good many years. In my opinion, Mr. White is an enlightened, sincere, conscientious, and patriotic citizen. I cannot believe that he would do anything or undertake anything which would knowingly jeopardize the foreign relations of the United States or imperil the future of the great nation of Israel, which we all recognize as an outpost of democracy in the Middle East.

Without in any way entering into a controversy with which I am not familiar, I desire to make plain to the Senate my recommendation personally of Mr. Ivan White and my personal assurances that, to the best of my knowledge, he is a citizen of character and honesty and sincerity.

REFUGEE LIFE IN GERMANY

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the Record an article entitled "Refugee Life in Germany Grim, With Little Hope of Betterment," written by Arthur J. Olsen, and published in the New York Times of Thursday, May 10, 1956.

There being no objection, the article was ordered to be printed in the Record, as follows:

Refugee Life in Germany Grim, With Little Hope of Betterment—Camp Conditions Are Poor, Jobs Scarce, Chances of Integration Slim and Emigration Nearly Impossible

Nuremberg, Germany, May 5.—At a rate of 120 a month, new fugitives from Communist lands straggle into the West German Government's big reception center here in Bavaria to join the foreign refugee community.

The flow of refugees follows a seasonal pattern. It falls to a trickle in deep winter and rises sharply in the early autumn months when tall grass and leafy underbrush along the Czechoslovak and East German frontiers make concealment easiest.

The 800 temporary residents of Valka Lager, the reception center, present a cross-section of East European nations. There were 23 ethnic groups represented in the community May 1.

The majority of newcomers now are Yugoslavs, most of them sent along to West Germany by Austria. Poles, Czechoslovaks, Balts, and Russians, who make up the most of West Germany's "permanent" refugee population, no longer come West in substantial numbers.

INFLUX THREE TIMES EXODUS

The flow of new refugees is about triple the rate of redefections. But informed officials estimate that the net movement today is eastward across the Iron Curtain in the case of Russians and Czechoslovaks.

The rate of redefections from the ranks of 220,000 East European refugees living in West Germany has been rising for the last year. The total was placed officially at 333 individuals in 1955. The concensus among informed persons is that it will be substantially higher this year.

The reasons are two: a massive "come home" propaganda campaign launched in 1955 by the Soviet and satellite Governments and the nearly hopeless prospects of an overwhelming majority of West Germany's foreign refugees. The latter is unodubtedly the compelling reason for most redefections to date.

By any standard, the lot of the 220,000, most of them living in nominal freedom for a decade or more, is hard. Except for a tiny fraction that obtains emigration visas each year, the refugees in West Germany constitute the hard core of 2,500,000 persons who took advantage of the disorder following on World War II to flee from Communist tyranny.

EMIGRATION IS DIFFICULT

By 1951, when the International Refugee Organization ceased operations, virtually all of the displaced persons and refugees had been resettled in Europe or abroad. Those who remained were the unwanted—persons too sick or too incompetent to meet the stiff standards of the United States and other countries willing to accept immigrants.

Five years later they remain in substantially the same "temporary" existence they had in 1951. A total of 31,000 reside in government-operated camps, most of them former German Army barracks. A large proportion of the rest live in apartment housing developments put up by the West German Government with some financial help from international agencies.

Most camps and settlement dwellers live in some degree of dire poverty. Most are condemned to idleness. The average unintegrated refugee owns only a few dollars worth of property, enjoys no permanance as to residence or occupation and lives from day to day.

The "homeless foreigner" has exactly the same status and perquisites as refugees from East Germany, except that non-Germans do not have voting and citizenship rights.

However, the East European refugees are separated from their enforced country of residence by a psychological gulf. Their low level of competence, language troubles and unpleasant memories of German-Slav relationships during World War II make easy integration into West German society impossible.

Poverty and a sense of aloneness in a strange country keep them huddled together in refugee communities not much different from the forced labor compounds many of them lived in from 1942 to 1945.

The West German Government pays residents of the refugee camps and settlement projects a monthly living allowance based on the rate of 55 deutschemarks ($13.10) for a single male less than 60 years of age. A family of four gets 140 marks. Rent for living space in the camp runs upward from 7 marks a month for a bunk in one corner of a barracks room.

CHILDREN ATTEND SCHOOLS

A refugee's children may attend local German schools, and he is eligible for free medical treatment under West Germany's social welfare program. Many are free patients in Government tuberculosis hospitals. The refugee death rate is low.

All may leave the camps and settlements at will and take any job they can get. But they may not hit the road in the historic pattern of migrants in the United States. If a traveling refugee cannot produce a permanent address certified by local police officials, he is returned to the camp or settlement from which he came.

Since most exile communities were set up in rural areas of Bavaria, lower Saxony, and Schleswig-Holstein, the average refugee is far from the easy job market in the Ruhr and other industrial areas. Camp directors regard an employment rate of 10 percent of all residents as good.

The modern, brick-and-stone settlements are an improvement over the grimy, noisome camp environment. But most of the refugee's problems move with him into his new apartment.

He has no money to furnish the bare rooms adequately. Since his rent is higher, he has less money for food. Work is no easier to find. Nor does the stand-off attitude of the average German soften.

INMATES ARE DEMORALIZED

Up to 11 years of "ghetto" life in the camps has demoralized a high percentage of the exile population.

Seventy percent of the adult males in some camps have served time in West German jails for common crimes and misdemeanors. Many teen-age girls enter into prostitution. German employers complain that a refugee is likely to disappear for a week or more after payday.

Last year three United States private welfare agencies, backed with funds of the United States escapee program, began experiments aimed at a permanent solution of at least a fraction of the refugee problem. Their goal is the integration of tens of thousands of exiles into West German society.

In Cologne a team of welfare workers from the International Rescue Committee and the American Friends Service Committee operates a combined employment and counseling service. Unmarried men are brought to that industrial city, assigned to living quarters and a job and helped along, financially and psychologically, in their adjustment to a normal life.

In nearby Solingen in the Ruhr the American Friends of Russian Freedom is running a similar pilot project exclusively for families. In this case, the head of the family is brought out of the camp first and takes on the responsibility of heading a household only after he has settled down.

United Nations and United States officials engaged in refugee affairs believe that the Cologne and Solingen approach is a feasible way to cut down substantially the size of the refugee "hard core." There are insufficient funds available at present, however, to test the integration concept on a large scale.

PHYSICAL EDUCATION AND PHYSICAL FITNESS

Mr. NEUBERGER. Mr. President, in the final analysis all we have are the land and the people in this country. America consists of our human beings and the natural resources on which they are dependent for survival. If our people are not healthy, our country and its future are far from bright. An extremely effective paper on the health of the children of the great State of Oregon was presented on April 19, 1956, to the Oregon Congress of Parents and Teachers by Prof. H. Harrison Clarke, of the University of Oregon. The title of Professor Clarke's presentation is "Proper Physical Education Improves the Physical Fitness of Oregon Children."

I call particular attention to the 3-point program emphasized by Professor Clarke concerning physical fitness and school physical education programs. In 1955 our State of Oregon unfortunately took a backward step and repealed 2 laws requiring health and physical education instruction in our public schools. I am pleased to report that my wife, Mrs. Maurine Neuberger, herself a former teacher of physical education, voted against this unwise step in her capacity as a member of the Oregon House of Representatives.

It is my opinion that cogent presentations, such as that of Professor H. Harrison Clarke, will induce future sessions of the Oregon Legislature to repair the damage done in 1955.

Mr. President, I ask unanimous consent that Professor Clarke's entire paper on physical fitness and the children of Oregon be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Today was the day 181 years ago when the shot was fired at Lexington which was heard around the world. The shots we fire here today may not be as world-shattering as those fired by our forefathers in their fight for freedom, but may we hope that they have far-reaching benefits for the physical, mental, and social well-being—in the effective education—of Oregon children.

The influence of this State Congress of Parents and Teachers has been a potent force in supporting educational programs which have been effective in preparing Oregon's children for lifetimes of usefulness. The health and physical educators of the State appreciate deeply the aid you gave, albeit unsuccessfully, in attempting to defeat the bill before the last State legislature which wiped from the statutes all laws affecting this field. May I especially pay tribute to three fine and gracious women of this State whose penetrating understanding and resourcefulness have been a boon to the profession I represent. They are: Mrs. Gideon, chairman of your legislative committee who gave unstintingly of her time in behalf of health and physical education during the meetings of the State legislature; Mrs. Jennelle Morehead, who has consistently been a tower of strength in matters pertaining to this field, as well as all education; and Mrs. Maurine Neuberger, who has recently written an effective statement deploring the harm which has come to health and physical education as a consequence of repealing these State laws.

The subject for my brief statement this morning is Proper Physical Education Improves the Physical Fitness of Oregon Children. There are, of course, other important objectives of this field, including the improvement of personal and social traits and emotional control and the acquisition of skills of value for recreation and of those needed for effective athletic performances. If time permitted, also, attention could well be given to the relationship of physical fitness to mental accomplishments in the totality of the individual.

Physical fitness today has become a vital issue in the Nation, stimulated by one man, Hans Kraus, a doctor of physical medicine in the New York University—Bellevue Rehabilitation Center. About 3 years ago, Dr. Kraus published statistics in the New York Medical Journal comparing the physical fitness of American and European children, much to the disparagement of our boys and girls. Fifty-eight percent of American children failed one or more of his six simple muscular fitness tests, while only 9 percent of European children failed. Recently, similar surveys in Iowa, Indiana, Massachusetts, Pennsylvania, and Saskatchewan revealed a large number of failures on these tests, ranging from 44 to 66 percent.

As a consequence of the Kraus findings, a number of feature articles have appeared in popular magazines, with such eye-catching titles as: "The Report That Shocked the President," by Robert Boyle in Sports Illustrated; "America's Achilles Heel," by Joe Miller in Kiwanis magazine; and "Are We Becoming a Nation of Weaklings?" by John B. Kelly (Grace's father) in American magazine. Also, and much more significant, last July, President Eisenhower called a White House luncheon to consider the use of sports in combating juvenile delinquency and in raising the physical standards of United States youth. The President planned a full-fledged conference for Denver last fall, only to postpone it because of his heart attack. Every indication points to the rescheduling of this conference. These articles and the President's interest grew out of Dr. Kraus' revelations.

Oregon is not idle in the face of this rapidly mounting concern for the physical fitness of our children. A number of studies now being completed at the University of Oregon bear on this problem. Two graduate students, Donald Gilnes and Glenn Kirschner, have conducted a survey of Eugene elementary schoolchildren with the Kraus tests. Eugene children on the whole are superior to those reported elsewhere, with 38 percent failing one or more tests as contrasted with the Kraus figure of 58 percent. And, in the Eugene schools, fewer failures were found where good physical education programs existed and higher percentages where little or no physical education was provided. However, the number of failures here is still high as contrasted with the 9 percent of European children.

Again at the university, in a study by Douglas Whittle, 12-year-old boys in elementary schools with good physical education programs were greately superior to the same-age boys in elementary schools with poor physical education in such factors as physical fitness, motor fitness, and motor ability. A third informal study revealed that young men entering the University of Oregon from 4-year high school physical education programs scored much higher on a standard physical fitness test than did their classmates with only 2 years of high school physical education.

Finally, the Oregon Association for Health, Physical Education, and Recreation is now sponsoring pilot physical fitness programs in 11 high schools of the State. In so doing, Oregon can take pride in the fact that it is the first State in the country to respond with a definite action program to President Eisenhower's appeal to improve the fitness of our youth. The Oregon physical fitness program is designed to identify boys and girls who are below acceptable levels of physical fitness by the use of standard tests and to provide special developmental activities for these subpar individuals based on their needs as revealed by case studies. During January and February, physical fitness index tests were administered to 100 boys and 100 girls in the sophomore classes of the 11 pilot schools; retests in these schools have just begun and will be completed by the middle of May. The achievement of the boys as a whole on the first testing conformed well to the national norms constructed for this test in 1933. A recent report on eastern boys with the same test, however, indicates Oregon superiority.

In the above reports, three very important facts are disclosed. Firstly, Oregon boys and girls tend to be superior in physical fitness to boys and girls in other parts of the country. Secondly, Oregon children who participate in good physical education programs in both elementary and secondary schools score much higher on physical fitness tests than do those who participate in little or no physical education. Thirdly, despite favorable averages, there are still many Oregon boys and girls who do score low on these tests, thus indicating their need for special activities designed to improve their physical fitness.

In closing, may I emphasize three facts. One, the physical fitness emphasis in our school physical education programs should be placed on those who are below par in this respect. The common practice of giving all students identical activities can never be truly effective in meeting their physical fitness needs. Two, evidence reveals the need for proper physical education in the elementary schools. Generally, it is at this level that we have the poorest provisions for physical education facilities, equipment, and trained professional personnel. Three, the abolishment of all Oregon State laws relative to health and physical education will unquestionably reduce the level of fitness of boys and girls in those schools which take advantage of this situation by reducing their requirements, as is now being done in some places.

Since 1946, Oregon schools as a whole have had good physical education programs. Can we relate the present levels of physical fitness of Oregon children to the generally complete programs conducted during this period? Will these higher levels of physical fitness continue with present curtailments in the physical education requirement? May I urge this organization and its members to watch this situation. Only by the insistence of parents can we insure continuance of adequate programs in this field.

THE CRY OF "GIVEAWAY"

Mr. GOLDWATER. Mr. President, the cry of "giveaway" has echoed through these halls time and again, and across this great land of ours these same hollow words have been heard. They have been carried by the winds of publicity, aided and abetted at times by writers who have more of an ear for publicity than an eye for the truth. They are meaningless words, and the people of the Nation whom the Department of the Interior touches most intimately know this and are resentful of their constant repetition.

What has been given away? That challenge to the sowers of these seeds of half truths has been offered time and again, but no answer has been forthcoming. Now comes a chance for these people to be paid for their efforts or forever hold their peace.

A cattleman, tired of these baseless charges, has offered $1,000 to the person who can prove one example of giveaway. Will his challenge be accepted? I do not believe it will be, for the purveyors of this propaganda know that their half truths cannot be stretched into the whole truth.

I ask unanimous consent that an article entitled "Pendleton Rancher Offers $1,000 Check to Anyone Able To Prove Giveaway," published in the Oregonian of May 2, 1956, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A $1,000 certified check was put up Tuesday by Rex Ellis, Pendleton rancher and Republican ex-State Senator, to pin down the meaning of "giveaway" as used by Democrat Party propagandists.

The offer was announced by E. C. Sammons, president of the United States National bank, who found the certified check in his mail when he returned Tuesday from a visit in Hawaii.

"Because the President of the United States and his Secretary of the Interior, Douglas McKay, have been accused by certain persons of giving away the public domain without just compensation, thereby implying fraud and immorality." Ellis wroe to Sammons, "I hereby hand you a certified check for $1,000."

ELLIS LISTS RULES

"My instructions (are) that if anyone can prove by due process of law that the President of the United States or Secretary Douglas McKay has committed fraud in any transaction or ruling made by the President or the Secretary of the Interior to have given away any part of the public domain without due process of law, then that party shall receive the $1,000."

Ellis said he is making the offer "as a citizen and not as an affiliate of either political party."

He does not intend to charge anyone with "abusing the right of freedom of speech in making false statements."

He means no criticism of press reporting of the charges, he said.

"In my opinion," he said, "it is really news and rates the front page when a Member of Congress is so uninformed that he accuses the Secretary of Interior of giving away a power site when that right to do so is denied the Secretary of Interior by the Congress themselves."

Ellis did not identify the "Member of Congress" to whom he referred, but it undoubtedly meant Senator WAYNE L. MORSE, Democrat, a candidate for reelection, and possibly Senator RICHARD L. NEUBERGER, Democrat, who defeated Senator Guy Cordon in 1954. Both have used the term "giveaway" freely in criticism of McKay, and particularly in reference to the disputed development of Hells Canyon in the Snake River.

BOTH PARTIES PRAISED

"There are fine men and women with the highest honor and integrity in both political parties," Ellis wrote Sammons. "The average American, be he Democratic or Republican, demands fair play and honesty in the field of sports, business and politics. That is 'the American's creed.' The violators of this American's creed of fair play have accused the President of the United States and Secretary of Interior McKay of giving away public domain, implying fraud and lack of morality by these two fine men.

"I challenge the persons who make these accusations to prove their point by due process of law, and pick up the $1,000, or admit they have been making false and malicious statements by their own lack of action in claiming the $1,000."

Ellis, 63, has an extensive mining background in addition to his ranching operation. He served in the State senate from 1937 through 1953.

THE WATCH INDUSTRY AND NATIONAL DEFENSE

Mr. KNOWLAND. Mr. President, at the request of the distinguished Senator from Illinois [Mr. DIRKSEN], I ask unanimous consent to have printed in the body of the RECORD an article entitled "Watch Firm Acts To Prove It Is Vital Defense Link," written by Hal Thompson, and published in the Chicago American of May 9, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Remember when some critics of the American watch industry were pooh-poohing the suggestion of its friends that it could play a vital role in any future defense of the United States. That wasn't very long ago.

At that time these opponents, which included some importers of Swiss watches and the Swiss watch industry, were seeking to deprecate the importance of the American watch industry to the Nation's Military Establishment. Thus they were attacking the contention of spokesmen for the American watch industry that it was a vital defense unit—and for this reason its financial health and future should be assured by curbing the rising influx of Swiss watches into this country.

DEVELOPS GEM BEARINGS

This columnist doubts that these critics will continue to insist that the American watch industry is not important to the Nation's defense in view of what is happening in Elgin, Ill. At the plant of the Elgin Watch Co., in that city, there is under test development the production of synthetic sapphire bearings.

The tiny gems, which are being manufactured in a so-called pilot plant, could be used to provide almost frictionless surfaces for aircraft instruments, test gages, and precision mechanisms for use by the military.

Commenting on the new project, which has been authorized and is being paid for by the United States Bureau of Ordnance, George W. Fraker, general manager of the watch company's micronics division, stated that the firm hopes to develop production processes which could be used in an emergency as the nucleus for a domestic source for these gems. Fraker added:

"We have taken only preliminary steps in automatic production of jewel bearings, but initial results are encouraging."

The watch firm's project centers around 26 automatic and semiautomatic machines developed to speed production of the bearings. Up to the present such bearings were fashioned by hand by skilled workers.

If this project is successful—and officials of the Elgin Watch Co. are reasonably confident it will be—it will provide the United States with a domestic supply of these vital gem bearings for the first time in its history.

SWISS WERE CHIEF SOURCE

Up to the present Switzerland has been the principal world supplier of such gems designed for industrial usage. During World War II the shortage of jewel bearings was so critical they were smuggled out of Switzerland in the briefcases of diplomatic couriers.

In view of this venture which has been undertaken by an important member of the American watch industry it would certainly appear now that the President and the Tariff Commission acted wisely when they rejected the plea of the watch importers that the United States watchmakers did not need financial assistance and placed some restriction on further Swiss watch imports.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. NEUBERGER. Mr. President, all of us in the Senate feel sad and nostalgic when we look at seat No. 94, which was occupied by our never-to-be-forgotten colleague, Senator Alben W. Barkley. I ask unanimous consent that a moving and eloquent editorial tribute to Senator Barkley, published in the East Oregonian of May 2, 1956, be printed in the body of the RECORD, as one of many outstanding memorials to this great and illustrious Senator from the State of Kentucky.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

YOU COULDN'T HATE ALBEN BARKLEY

The role Alben Barkley played within the Democratic Party was never so clearly defined before or since a sweltering night in Chicago at the 1952 convention of the party. We can best recount it by going back to a story we wrote from the convention for the July 24, 1952, edition of the East Oregonian:

"Mr. Barkley had not been listed on the formal convention program. However, after he announced Monday night that he was withdrawing from the race for the party's presidential nomination because certain labor leaders would not support him, the word was sent to the convention directly from the White House that the Vice President was to be invited immediately to address the convention.

"There was much speculation as to what the Vice President would say. In his announcement of withdrawal he had some bitter words for 'self-anointed labor leaders' and in some quarters it was predicted he would make a speech in which much of the bitterness he clearly felt, after the shabby treatment he was accorded, surely would be spoken.

"But there was one thing the prognosticators forgot about Alben Barkley, and it was fundamental. He is first, last, and always a Democrat and his devotion to his party can be surpassed by none.

"Mr. Barkley spoke without a text or notes. He spoke from the heart his devotion to a party with which he has been closely identified for some 50 years. He set down the record of that party over the past 20 years and he told the Democrats in this convention and Democrats at radio and TV sets in thousands of homes why he was proud of his party and its accomplishments and why they should be.

"From the time he walked to the podium until the huge audience reluctantly permitted him to depart, much later, the hard feelings between the various factions within the party were forgotten. There was unconcealed joy on all sides. There was unconcealed pride in every Democrat that he was a member of the party.

"We doubt that anything like it has been equalled since the party's 1936 convention when Franklin Roosevelt was nominated for a second term and the factional splits within the party had not yet appeared.

"What will be the long-range significance of Mr. Barkley's talk? In the first place, he gave the Democrats something to tie to. For the first time in the convention they heard words that gave them courage and the determination to win in November, plus the belief that they can win. His message renewed their faith in the party and its program for the people of America."

Mr. Barkley had millions of friends within his party. You will recall, of course, the memorable occasion when Franklin Roosevelt demanded that Senator Barkley support legislation to which the Senator was strongly opposed. The Senator submitted his resignation as majority leader in the Senate and his colleagues rallied in such numbers to his side that the President was forced to eat crow. You will recall many other occasions when the rank and file of party members rallied to Mr. Barkley—in the 1948 campaign when Harry Truman was giving 'em hell and Alben Barkley was, as the vice presidential candidate, making 'em laugh—and many, many other times.

Alben Barkley was one of the last, and one of the most effective of a long line of old school orators. He gathered an audience to him and then did as he wished with it. But his delivery was not the full measure of his success. He always had something to say. And his attacks on the opposition were far more devastating than those of the eat-'em-alive politician.

The Democratic Party will sorely miss Alben Barkley. Beyond that he will leave a void in American politics. He played the game hard, but always fair. Members of both parties who hate those whose political thinking differs from theirs could make life more pleasant in an election year by taking a closer look at the career of the man from Kentucky. He didn't hate his opponents. And it was impossible for them to engender bitterness toward him, even when he was most outspoken in his disagreement with their philosophy of government.

He understood that all Americans have the same hopes and desires, that their differences grow from the choice of paths to those goals, that Republicans and Democrats have far more in common than in dispute.

In this election year before harsh words are spoken and friendships threatened, the memory of Alben Barkley will, we hope, be frequently recalled. He proved the practice of politics can be a noble profession.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the Record another outstanding editorial about the late Senator Alben W. Barkley, of Kentucky, which appeared in the Oregon Statesman of May 2, 1956. I call particular attention to that portion of the editorial which refers to our great, departed colleague as a loyal and distinguished American, one whom his political foes respected and admired."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Death Comes to "Veep"

Alben Barkley died as he must have preferred—on the stump proclaiming the virtues of his own Democratic Party. The genial Kentuckian mounted the political stairs from prosecuting attorney, county judge, Representative in Congress, United States Senator to become Vice President of the United States, 1949–53, and then returned to the political wars and was elected Senator in 1954.

Barkley was an authentic Democrat, one of those partisans whose political beliefs are inborn and ingrained. From a border State, he was in a way a "border" Democrat, but not in the sense that his party loyalty ever wavered. He was not as conservative as most southern Democrats—the "Dear Alben" letter of President Roosevelt in 1937 helped him win the post of President of the Senate over Pat Harrison, of Mississippi, after the sudden death of Senator Robinson, of Arkansas. Barkley quite consistently supported the policies of F. D. R. and Harry Truman. At the same time, he was not a blown-in-the-bottle New Dealer, like some of the northern breed of Democrats.

Barkley was an able campaigner, a keynoter at party conventions, and, like his fellow townsman, Irvin Cobb, an apt story teller. His fund of stories was inexhaustible, and he tempered his oratory with humor.

Barkley was loved by his colleagues, regardless of party. As Vice President, he was popularly esteemed as the "Veep," and his septuagenarian romance with a St. Louis widow excited the friendly interest of his fellow citizens.

Politics was Barkley's career, and in it he won high distinction. Only his age prevented him from top consideration at the Chicago convention in 1952. Loyal to party though he was, he was, nonetheless, a loyal and distinguished American, one whom his political foes respected and admired. He was part and parcel of the stuff which has made America great.

WILLIAM L. PHILLIPS, MANAGEMENT SPECIALIST OF THE KLAMATH INDIANS

Mr. GOLDWATER. Mr. President, in March of this year remarks were made on this floor to the effect that Secretary of Interior McKay had foisted a Mr. William L. Phillips on the Klamath Indians as a management specialist for that tribe. The inference was made that these Indians had no choice in the matter, but had to accept the dictates of the Secretary.

Today a resolution, which was adopted by this tribe on April 3, comes to my attention, and in reading it I cannot associate its contents with a tribe who had been imposed on in the manner described by a Member of this body. To the contrary, it seems to me that they are highly pleased with the services of Mr. Phillips.

To clear up any political implications which might have been left with the Members of the Senate by the statements I refer to of March last, I wish to insert in the body of the Record the resolution I have referred to, and a letter from the Secretary to the chairman of the executive committee of the Klamath Tribe explaining Mr. Phillips' connection with Mr. McKay, who is now a candidate for public office in Oregon.

There being no objection, the resolution and letter were ordered to be printed in the Record, as follows:

Resolution 1956–24

"*Be it hereby resolved*, That the executive committee of the Klamath Indian Tribe invite William L. Phillips, Sr., to continue to serve as a member of the management specialists committee whenever his services are deemed necessary by the other two members of the committee; and be it further

"*Resolved*, That Mr. Phillips' compensation be limited to per diem and travel expenses incurred through his continued service as a member of the management committee."

We hereby certify that the above resolution was duly adopted at a meeting of the Klamath Tribal executive committee held on April 3, 1956 (a regular scheduled meeting) by a vote of six for and none opposed; such action being in accordance with the constitution and bylaws of the Klamath General Council approved October 10, 1950.

Delford Lang,
Chairman, Executive Committee.
Dibbon Cook,
Secretary, Executive Committee.

April 11, 1956.

Mr. Delford Lang,
Acting Chairman, Klamath Executive Committee, Klamath Agency, Oreg.

My Dear Mr. Lang: I have before me Resolution 1956–24, dated April 3, 1956, in which the Klamath executive committee requests that Mr. William L. Phillips continue to serve "whenever his services are deemed necessary" by the other two management specialists, Thomas B. Watters and Eugene Favell.

While I appreciate the confidence in Mr. Phillips which is reflected in the tribal resolution, I do not believe that it would be appropriate for him to serve the tribe or management specialists in any capacity under the circumstances. As you know, Mr. Phillips will be associated with me in the forthcoming months. Although I am sure Mr. Phillips would be most willing to assist the tribe and management specialists in any way possible, I feel that the nature of his duties in the period ahead would not permit me to approve his serving in the capacity expressed in the resolution.

Sincerely yours,
Douglas McKay,
Secretary of the Interior.

ONE HUNDREDTH ANNIVERSARY OF THE ESTABLISHMENT OF THE PRESENT TWO-PARTY POLITICAL SYSTEM

Mr. ALLOTT. Mr. President, this year is the 100th anniversary of the establishment of our present two-party system. Since 1856, when the Republican Party nominated its first candidate for the presidency, all of our chief executives have come from either the Democratic or the Republican Parties.

A member of my staff, Svend Petersen, who has compiled a Statistical History of Our Presidential Elections, has prepared a tabulation that shows the votes and percentages thereof that were cast for all candidates for the presidency during the period from 1856 to 1952. He also has listed the names of all the nominees.

As I believe this information will interest not only my colleagues on both sides of the aisle, but will have considerable value to students of government and history, I ask unanimous consent that the tabulation and the list be printed in the body of the Record.

There being no objection, the tabulation and list were ordered to be printed in the Record.

Candidates for President, 1856 to 1952

Year	Democratic	Republican	Prohibition	Socialist-Labor	American	Greenback	Farmer-Labor
1856	James Buchanan	John C. Fremont					
1860	Stephen A. Douglas	Abraham Lincoln					
1864	George B. McClellan	do					
1868	Horatio Seymour	Ulysses S. Grant					
1872	Horace Greeley	do	James Black				
1876	Samuel J. Tilden	Rutherford B. Hayes	Green C. Smith		James B. Walker	Peter Cooper	
1880	Winfield S. Hancock	James A. Garfield	Neal Dow		John W. Phelps	James B. Weaver	
1884	Grover Cleveland	James G. Blaine	John P. St. John			Benjamin F. Butler	
1888	do	Benjamin Harrison	Clinton P. Fisk	(1)	James L. Curtis		
1892	do	do	John Bidwell	Simon Wing		James B. Weaver [2]	
1896	William J. Bryan	William McKinley	Joshua Levering	Charles H. Matchett			
1900	do	do	John C. Woolley	Joseph F. Malloney	Eugene V. Debs [3]	Wharton Barker [2]	
1904	Alton B. Parker	Theodore Roosevelt	Silas C. Swallow	Charles H. Corregan	do.[3]	Thomas E. Watson [2]	
1908	William J. Bryan	William H. Taft	Eugene W. Chafin	August Gillhaus	do.[3]	do.[2]	
1912	Woodrow Wilson	do	do	Arthur E. Reimer	do.[3]		
1916	do	Charles E. Hughes	J. Frank Hanly	do	Allan L. Benson [3]		
1920	James M. Cox	Warren G. Harding	Aaron S. Watkins	William W. Cox	Eugene V. Debs [3]		Parley P. Christensen
1924	John W. Davis	Calvin Coolidge	Herman P. Faris	Frank T. Johns		William Z. Foster [4]	
1928	Alfred E. Smith	Herbert C. Hoover	William F. Varney	Verne L. Reynolds	Norman M. Thomas [3]	do.[4]	Frank E. Webb.
1932	Franklin D. Roosevelt	do	William D. Upshaw	do	do.[3]	do.[4]	Jacob S. Coxey.
1936	do	Alfred M. Landon	D. Leigh Colvin	John W. Aiken	do.[3]	Earl R. Browder [4]	
1940	do	Weldell L. Willkie	Roger W. Babson	do	do.[3]	do.[4]	
1944	do	Thomas E. Dewey	Claude A. Watson	Edward A. Teichert	do.[3]		
1948	Harry S. Truman	do	do	do	do.[3]	Farrell Dobbs [5]	
1952	Adlai E. Stevenson	Dwight D. Eisenhower	Stuart Hamblen	Eric Haas	Darlington Hoopes [3]	do.[5]	

[1] In 1888 the Socialist-Labor Party had an electoral slate but no candidate.

[2] Populist.

[3] Socialist.

[4] Communist.

[5] Socialist-Workers.

MISCELLANEOUS

1856: Millard Fillmore, Whig (and American); Gerrit Smith, Land Reform.
1860: John C. Breckinridge, Democratic; John Bell, Constitutional Union; Gerrit Smith.
1872: Charles O'Conor, Democratic (and Labor Reform).
1888: Alson J. Streeter, Union Labor; Robert H. Cowdrey, United Labor.
1896: John M. Palmer, National Democratic; Charles E. Bentley, National Prohibition.
1900: Seth H. Ellis, Union Reform; Jonah F. R. Leonard, United Christian.
1904: Austin Holcomb, Continental.
1908: Thomas L. Hisgen, Independence; Daniel B. Turney, United Christian. (A group without a party designation also received votes.)
1912: Theodore Roosevelt, Progressive.
1916: Theodore Roosevelt, Progressive.
1920: James E. Ferguson, American; Robert C. Macauley, Single Tax. (The Black and Tan Republicans also received votes.)
1924: Robert M. LaFollette, Progressive; Gilbert O. Nations, American; William J. Wallace, Commonwealth Land.
1932: William H. Harvey, Liberty; John Zahnd, National; James R. Cox, Jobless. (The Jacksonian Party also received votes.)
1936: William Lemke, Union; William D. Pelley, Christian.
1940: Alfred Knutson, Independent.
1944: Harry F. Byrd, Southern Democrat; Gerald L. K. Smith, America First. (Texas Regulars also received votes.)
1948: J. Strom Thurmond, States Rights Democratic; Henry A. Wallace, Progressive.
1952: Vincent Hallinan, Progressive; Douglas MacArthur, Constitution; Henry Krajewski, Poor Men's.

Votes (and percentages) cast for candidates for President, 1856 to 1952

Year	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent
	Democratic		*Republican*		*Breckinridge*		*Constitution Union*		*Whig*		*Gerrit Smith*		*Greenback*		*United Labor*		*Union Reform*		*United Christian*		*Single Tax*		*Commonwealth Land*		*Jacksonian*	
1856	1,839,227	45.63	1,341,028	33.27					819,872	21.08	484	0.01														
1860	1,379,434	29.40	1,867,198	39.79	854,248	18.20	591,658	12.61	-----	-----	172	0.00														
1864	1,805,063	44.85	2,219,362	55.15																						
					Prohibition				*American*		*O'Conor-Democratic*															
1868	2,703,933	47.29	3,013,313	52.71																						
1872	2,833,711	43.82	3,597,375	55.63	5,588	0.09					29,464	0.46														
1876	4,287,670	50.93	4,035,924	47.94	9,630	.11			2,508	0.03			82,797	0.98												
1880	4,444,976	48.21	4,454,433	48.32	10,364	.11			1,045	.01			308,619	3.35												
1884	4,875,971	48.50	4,852,234	48.26	150,957	1.50			-----	-----			175,066	1.74												
							Social-Labor				*Union Labor*															
1888	5,540,365	48.64	5,445,269	47.81	250,122	2.20	2,068	0.02	1,591	.01	147,606	1.30			2,818	0.02										
											National Democratic		*Populist*		*National Prohibition*											
1892	5,556,982	46.04	5,191,466	43.01	271,111	2.25	21,561	.18					1,029,960	8.53												
									Socialist																	
1896	6,516,722	46.72	7,113,734	51.00	131,285	.94	36,475	.26			135,456	0.97	-----	-----	14,003	0.10										
1900	6,358,160	45.50	7,219,828	51.67	210,200	1.50	33,435	.24	95,744	0.69			50,605	0.36			5,695	0.04	521	0.00						
											Continental															
1904	5,084,533	37.50	7,628,831	56.40	259,163	1.92	33,737	.25	402,714	2.98	830	0.01	114,790	.85					-----	-----						
															Independence		*No Party*									
1908	6,410,665	43.05	7,679,114	51.57	252,704	1.70	14,030	.09	420,858	2.83			29,147	.20	83,739	0.56	63	0	400	0						
											Progressive															
1912	6,301,254	41.85	3,485,831	23.15	209,644	1.39	29,290	.19	901,255	5.99	4,127,788	27.42														
													Farmer-Labor				*American*		*Black and Tan Republicans*							
1916	9,131,511	49.26	8,548,935	46.12	220,505	1.19	14,273	.08	585,974	3.16	35,034	.19														
1920	9,147,353	34.15	16,153,785	60.31	189,467	.71	29,173	.11	919,901	3.43			265,421	0.99			47,968	0.18	27,247	0.10	5,353	0.02				
											Progressive				*Communist*											
1924	8,386,624	28.82	15,725,016	54.04	57,551	.20	39,021	.13	-----	-----	4,831,470	16.60	-----	-----	33,361	0.11	23,967	.08					1,532	0.01		
1928	15,016,443	40.79	21,430,743	58.22	20,106	.05	21,602	.06	267,420	.73			6,390	.02	48,667	.13										
																	Liberty				*National*		*Jobless*			
1932	22,821,857	57.41	15,761,841	39.65	81,869	.21	34,046	.09	884,781	2.23			7,309	.02	102,991	.26	53,434	0.13			1,645	0.00	725	0.00	104	0.00
											Union								*Christian*							
1936	27,751,841	60.80	16,679,491	36.54	37,661	.08	12,815	.03	188,497	.41	892,390	1.96			80,160	.18			1,598	0.00						
													Knutson													
1940	27,243,466	54.69	22,334,413	44.83	58,725	.12	14,892	.03	116,514	.23			515	.00	46,251	0.09										
																	Texas Regulars		*Southern Democratic*		*America First*					
1944	25,612,474	53.39	22,017,570	45.89	74,761	.16	45,189	.09	79,010	.16							135,439	0.28	7,799	0.02	1,781	0.00				
											Progressive		*States Rights Democratic*		*Social Workers*		*Constitution*									
1948	24,104,030	49.51	21,971,004	45.13	103,343	.21	29,240	.06	139,523	.29	1,157,063	2.38	1,169,032	2.40	13,611	0.03										
																			Poor Man's							
1952	27,314,992	44.38	33,937,252	55.14	72,778	.12	30,376	.05	20,189	.03	140,178	.23			10,306	.02	17,205	.03	4,203	0.01						

"0.00" signifies that the party received some votes, but less than 0.01 percent.
Douglas received the votes shown in the Democratic column for 1860.
The American Party of 1876 to 1888 was not the same as that of 1920 and 1924.
The Progressive Parties of 1912 and 1916; 1924; and 1948 and 1952 were 3 separate and distinct parties.

In 1876, Hayes defeated Tilden in the electoral college, although the latter had the edge in popular votes. Similarly, Harrison defeated Cleveland in the electoral college in 1888, although the latter had the edge in popular votes.

FARM AND NONFARM EARNINGS

Mr. NEUBERGER. Mr. President, last year, according to the Bureau of Labor Statistics, the total wages and salaries of the working people of the United States rose 6.3 percent over those of 1954. For this same period the Department of Agriculture reports a 10.6-percent decline in net income of farm operators.

With these facts in mind, I think it is very instructive to note that corporate profits in the United States increased by 22.5 percent. It is also interesting to read in a New York Times article of April 29, 1956, that the profits of 1,000 industrial firms canvassed in a representative survey rose from over $8 billion to over $11 billion—a gigantic 32-percent increase over 1954.

Mr. President, I ask unanimous consent to have this article from the New York Times printed in the body of the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CORPORATE PROFIT SOARED 32 PERCENT IN 1955—SURVEY OF 1,000 COMPANIES SHOWS RECORD EARNINGS—1956 OUTLOOK MIXED

(By Clare M. Reckert)

Like Jack and the beanstalk, profits of industrial manufacturers climbed last year to new heights. The seeds were of many kinds, and they were sown in a fertile combination of capital expenditures and record consumer spending.

The economic climate last year was one destined to stimulate lush sales and earnings. In fact, it may have been so vigorous that for many companies it may take a new sowing of magic seeds before it is witnessed again.

Current indications and first-quarter reports point, however, to another year of prosperity. Industrial production, gross national product (amount of all goods and services), employment, consumer spending, and capital outlays continue at or near peak levels.

On the other hand, there are some setbacks that bear watching. They are curtailed automobile production and home building, declining farm income, lagging agricultural equipment, and home appliance sales, rising prices and interest rates, tight money and mounting consumer and business debt.

Outlays for plant and equipment account for a good portion of the expanding credit. Capital investment this year is estimated at a record total of $35 billion, up $6 billion from the peak outlay of last year. The largest advances are planned by durable goods manufacturers.

AIM: TO CUT COSTS

Besides the desire to meet the needs of the growing population, management is impelled to cut operating costs by building more efficient facilities. Sharp competition and tighter profit margins stress cost-control measures.

The huge sums invested in the giant American industrial machine to produce new and better products contributed importantly to corporate income last year—the highest in business history.

Annual reports of 1,000 industrial manufacturers showed a total net profit for 1955 of $11,712,660,306. This was 32 percent above the $8,887,039,626 earned by the same group in 1954. Significantly, 801 companies showed larger income, while only 199 registered declines. Losses were sustained by 43 concerns, fewer than half as many as operated in the red in 1954—93.

Of the 65 manufacturing classifications in this survey of the New York Times, 6 showed declines in profits. These were factory machines, electrical supplies and equipment, household appliances, grain milling products, brewery, and apparel. The woolen segment suffered a loss, as it did in the preceding year.

The most pronounced gains generally were made by the bigger companies in an industry, reflecting the benefits of their vast expansion and improvement programs. On the whole, however, the Nation's manufacturers prospered as never before, in spite of taxes that roughly halved their earnings.

Reflecting capacity operations to meet heavy demand, the steel group turned in substantially greater earnings. Lukens was the only one to fall below its 1954 figure. The iron and steel fabricators shared the uptrend, with 22 of the 25 reporting companies well ahead of their results for 1954.

Only 19 of the 37 factory machine companies improved profits, and 3 showed losses. The light machinery and metal parts makers fared well, with 26 out of 33 on the higher side.

Led by Standard Oil of New Jersey, whose profits shot up to $717 million from $584,793,000, the group of 39 oil companies forged ahead, with only 6 down from 1954.

The coal and coke producers made a strong comeback. Only 2 of the 13 surveyed had losses last year, in contrast to 6 in 1954. The metal mining and products group of 31 showed 3 on the lower side. All of the 13 nonferrous metal companies had higher earnings.

Big gains by Chrysler, General Motors, and Ford accounted for the bulk of the increase by the automotive industry. General Motors turned in $1,189,477,082, against $805,973,897 in 1954; Chrysler $100,063,330, against $18,516,770; and Ford $437,000,000, against $227,800,000. Checker Cab, Studebaker-Packard, and American Motors reported losses. Of the 60 supplier companies, 43 showed improvement, 5 ended in the red.

Changes in Government and airline purchases were reflected in the earnings of the aircraft makers. Only 10 of the 22 reporting companies improved their income.

Four of eighteen tire and rubber-product manufacturers slipped back. Sizable gains were made by all of the 39 chemical companies, with the wider increases scored by the bigger firms. Among 24 pulp and paper producers, only 1 eased, and that slightly.

The boom in construction was evidenced in the results of building-materials manufacturers. Two out of twelve ended lower. Glass, cement, clay products, gravel and limestone, lumber, plumbing, heating, paint, building equipment, locks, and hardware also benefited from the building upsurge.

FEDERAL BUDGETING AND ACCOUNTING PRACTICES

Mr. PAYNE. Mr. President, any discussion of budget and fiscal reforms or procedures always seems to lack the glamour which the discussion of many other subjects enjoys.

However, it has been refreshing to the junior Senator from Maine to note the tremendous drives which have been undertaken by the administration in trying to bring about in this field many corrections that have been needed for a long time.

On Monday last I entered in the CONGRESSIONAL RECORD an exchange of correspondence between the President of the United States and Percival F. Brundage, Director of the Bureau of the Budget, relating to many features of the Hoover Commission report touching on this subject.

Today Congress has the benefit of another outstanding message by the President of the United States with further reference to Federal budgeting and accounting practices and the need for reforms, many of which are under way and being accomplished to a large extent by the administration through its executive agencies.

More important, however, still others will come before Congress before the session is over and I hope they will be presented in a comprehensive bill which will definitely implement the most important provisions of the Hoover Commission recommendations. Those recommendations are presently being drafted into bill form under the able direction of the junior Senator from Massachusetts [Mr. KENNEDY], the chairman of the Subcommittee of the Committee on Government Operations, which is studying this activity.

It is my hope that Congress will give this unglamorous subject, which may mean tremendous savings of money to the people of this country, the full import it honestly and rightfully deserves when the bill is reported to the Senate.

I ask unanimous consent that the message of the President of the United States be printed in the RECORD at this point in my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

The Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover, has set important and desirable objectives for the improvement of Federal administration and for providing more effective methods in the financing and control of Government services. Cooperative action on the part of the legislative and executive branches is required in order to bring about more rapidly the fulfillment of those objectives.

The Commission's report on Federal budgeting and accounting practices is an important contribution toward the attainment of more effective and economical governmental services. It includes significant recommendations showing how the Federal Government can bring about improvements in budgeting, accounting, and management practices generally. Because these recommendations pertain to vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made.

These recommendations of the Commission have been studied extensively by the executive branch with a view toward identifying all possible actions that can be taken to strengthen the administration of the executive agencies. I have already approved plans developed by the Director of the Bureau of the Budget to intensify efforts of the executive branch toward that objective. These plans include actions to accelerate the establishment and use of modern accounting methods and improved budget presentations and controls. I consider it desirable and necessary that the executive departments and agencies actively and fully participate in carrying out these plans.

The actions being taken by the executive branch to put many of the Commission's proposals into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate legislative provisions to support the major objectives of the Commission's recommendations.

The initial recommendation of the Commission's report on budget and accounting calls for the strengthening of the management review and budgeting functions of the Bureau of the Budget. This is of signal importance to the attainment of the Commission's objectives in this field. It has a direct bearing on how fast and how well the executive branch carries out the plans which I have approved. Because the resources of the Bureau of the Budget must be increased if it is to provide, on my behalf, strengthened leadership in the improvement of executive branch budgeting, accounting, and other management practices, I am proposing to the Congress a supplemental appropriation to permit an expansion of the Bureau's staff for this purpose.

Today's Government demands the use of the best and most economical methods that can be devised. To that end, we should take full advantage of the constructive proposals put forth by Mr. Hoover and his able associates.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 10, 1956.*

BIRTH OF GRANDSON OF SENATOR WILLIAM F. KNOWLAND

The VICE PRESIDENT. The Chair would like to make what he considers an appropriate announcement at this time. Yesterday a future political leader of California was born, the fourth grandchild and the first grandson of the minority leader of this body, the senior Senator from California. Appropriately, the grandson bears the name of the minority leader, WILLIAM F. KNOWLAND. [Applause.]

Mr. KNOWLAND. Mr. President, I wish to express my appreciation of the statement made by the Vice President and Presiding Officer. He is quite correct as to this being the fourth grandchild and the first grandson, but the time of his arrival was today and not yesterday.

The VICE PRESIDENT. The Chair is glad to be corrected on that point.

Mr. MANSFIELD. Mr. President, in view of the announcement just made by the distinguished Vice President and the distinguished minority leader, I should like to say that there are very few granddaughters or grandsons who arrive under such auspicious circumstances.

Mr. GOLDWATER. Mr. President, we in Arizona have long been accustomed to the rather exorbitant claims of our sister State to the west, California, but only this morning have we known that such claims could be substantiated. We marvel at and admire the youth of the couple who have produced four grandchildren. We are happy, along with the rest of the Nation, that the great name of BILL KNOWLAND will be perpetuated, and I hope my grandchildren will have the happiness of serving in politics with the grandson of BILL KNOWLAND.

LIVE TELEVISION PROGRAM ON ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, I have been pleased to be in contact with Mr. Barry Wood, director of special events at the National Broadcasting Co., and executive producer of its famous Wide, Wide World program with regard to a forthcoming historic television program.

On Sunday, June 3, Wide, Wide World will be devoted exclusively to the inspiring St. Lawrence Story.

The program will be a joint international undertaking, utilizing the facilities of both NBC and the Canadian Broadcasting Corp. Announcement of the project has come from Mr. Sylvester L. Weaver, Jr., chairman of the board of NBC and A. D. Dunton, chairman of the board of governors of the CBC.

It is fitting that the superb television cratfsmanship of Wide, Wide World should be devoted to so breathtaking a subject as the Great Lakes Waterway.

The eyes of the people of our Nation and of our good neighbor to the north will therefore be focused on the NBC and affiliated television channels on June 3.

I send to the desk the text of a release which I have received from the NBC press department on this subject. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE STORY TO BE TOLD ON WIDE, WIDE WORLD JUNE 3—STORY OF A NEW SEAWAY AND A NEW SOURCE OF POWER TO BE TELECAST LIVE ON NBC AND CBC

The St. Lawrence Story, the story of a new seaway and a new source of power for North America, will be told on Wide, Wide World Sunday, June 3, in a joint international undertaking utilizing the facilities of both the National Broadcasting Co. and the Canadian Broadcasting Corp., it was announced today by Sylvester L. Weaver, Jr., chairman of the board of NBC, and A. D. Dunton, chairman of the board of governors of the CBC.

The program, which will be telecast live on the entire NBC and CBC networks, will be produced by Herbert Sussan and is the last of the 1955-56 series of Wide, Wide World programs. Barry Wood, director of special events at NBC, is executive producer of Wide, Wide World, which will resume in the fall.

In announcing the St. Lawrence Story (NBC-TV, 4-5:30 p. m., eastern daylight time) Mr. Weaver said: "An ocean is moving into the heart of North America in consequence of an engineering feat that ranks with the greatest of all time. To capture the scope and sweep of this project which will change the face of the continent, two great networks are merging to tell a single story. The cooperation of CBC and NBC to tell a story so vital to America and Canada is symbolic of the labors expended by both nations—and Wide, Wide World, with its internationally roving live cameras, is the ideal vehicle for the storytelling."

Mr. Dunton observed: "The St. Lawrence seaway is rapidly becoming one of the greatest cooperative ventures by two neighboring countries. I think it is significant and appropriate that this historic undertaking be recorded for the peoples of both our countries by another 20th century miracle—television.

"It is, of course, a distinct pleasure for us in CBC once again to join forces with the National Broadcasting Co. in a telecast of mutual interest. And while this is the largest single cooperative effort we have shared together, perhaps it is just a forecast of what can be done in television in the future."

In its role of electronic sidewalk superintendent for the big project, Wide, Wide World will traverse the entire length of the new inland waterway—from the Atlantic Ocean down the St. Lawrence River and through the Great Lakes to the ore and grain center of Duluth, Minn.

It will explain, in its numerous live stops, how the project will enable big ships to penetrate the continent for the first time to load and unload in the Great Lakes industrial area—and, of equal importance, how big ships will be able to sail from Duluth and keep on going to foreign ports.

The two big obstacles to such free traffic now are the Lachine Rapids in the Montreal area and the Long Sault International Rapids at Cornwall, Canada. The rapids will soon be detoured by shipping, but at the same time the force of the rushing waters will be harnessed to provide a tremendous new force of inexpensive electric power for Americans and Canadians. Wide, Wide World will explore the dual significance of the rapids.

The live cameras will focus first on the waves of the ocean crashing on the Atlantic coast. Thence to the following places, subject to final survey:

Quebec, where cameras mounted on the historic Citadel will show the entrance to the seaway.

To Montreal, for shots of the dredging and demolition work involved in creating a channel to bypass the Lachine Rapids.

To the Cornwall, Canada, Massena, N. Y., and Iroquois, Canada, area for one of the most complex groups of live TV originations ever essayed.

Here cameras will be mounted inches from the 10-foot waves of the Long Sault Rapids to show the rapids in all their violence, and to show the Barnhardt Island Dam being built by the New York Power Authority and the Ontario Hydro-Electric, a dam split in the middle of the border of two countries.

Other cameras in this origination will show the bustling activity of Massena, a city suddenly turned into a boom town. Still more cameras will visit Iroquois, a city forced to abandon its site by the big project. And another camera, located in one of the largest construction cranes in the world, will show the construction work on a canal lock, the Robinson Bay lock.

Then the show will move on to Toronto for the Ontario Hydro-Electric's hydraulic model laboratory at Islington—a model that shows what will actually happen when the project is completed.

To St. Catherines, Canada, and the Welland Canal where 7 locks lift boats from Lake Ontario to Lake Erie—a height of 326 feet.

To Buffalo, N. Y., for a panoramic shot and on to Cleveland, Ohio, for pictures of the big steel operations.

To Detroit, where facilities are being enlarged to meet the demands of increased shipping. Cars are being loaded here and steel unloaded.

To Milwaukee, where 5 miles of lakefront are being developed for the future's port and recreation facilities.

To Chicago, for a view of river traffic congestion soon to be relieved by the seaway.

To the end of the line, the port known as Duluth-Superior, the biggest ore- and grain-shipping port in the world.

One side trip will be made to Baltimore, a port which may be affected when the new seaway is constructed. Baltimore's present port activities will be shown and an official will discuss the future.

The people to be seen and heard on the St. Lawrence story include a dredgeboat operator in Montreal, a crane operator at the Barnhardt Dam, a project engineer at the Robinson Bay lock, a ship's captain at the Welland Canal, a man in the street in Massena; a displaced housewife in Iroqouis, a steelworker in Detroit, a lighthouse keeper in Milwaukee, and an ore loader in Duluth.

VISIT TO THE SENATE BY A GROUP OF ITALIAN BUSINESSMEN AND BUSINESSWOMEN

Mr. CAPEHART. Mr. President, I should like to have the honor of introducing to the Senate a group of businessmen and businesswomen from Italy. They are primarily in the electronics business, and are in this country purchasing electronic equipment, and are today paying their first visit to the United States Senate. [Applause.]

INSURANCE AGAINST FLOOD DAMAGE

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CITATION OF ROBERT SHELTON FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1954, Senate Resolution 253.

The PRESIDING OFFICER. Does the Chair understand that the Senator from Montana intends to ask unanimous consent that the unfinished business be temporarily laid aside so that the Senate may proceed to the consideration of Calendar No. 1954, Senate Resolution 253?

Mr. EASTLAND. Only temporarily, Mr. President, and also to permit the Senate to consider several other measures in sequence.

Mr. LEHMAN. Mr. President, the understanding is that the unfinished business will be only temporarily laid aside, and that I will be recognized immediately upon the conclusion of the remarks of the Senator from Mississippi; and at that time I intend to yield to the Senator from Montana, and also briefly to the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana that the unfinished business be temporarily laid aside to permit the Senate to proceed to the consideration of several resolutions? The Chair hears none, and it is so ordered.

The first resolution referred to by the Senator from Montana will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 253) certifying the refusal of Robert Shelton to testify before a subcommittee of the Senate Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. EASTLAND. Mr. President, Robert Shelton appeared before the Internal Security Subcommittee, pursuant to a subpena, on Wednesday, December 7, 1955, and on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Shelton refused to do so.

Moreover, Mr. Shelton expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Shelton's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Robert Shelton be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 253) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Robert Shelton may be proceeded against in the manner and form provided by law.

CITATION OF SEYMOUR PECK FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1955, Senate Resolution 254.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 254) citing Seymour Peck for contempt of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Seymour Peck appeared before the Internal Security Subcommittee, pursuant to a subpena, on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Peck refused to do so.

Moreover, Mr. Peck expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Peck's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Seymour Peck be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 254) was considered and agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Seymour Peck, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Seymour Peck may be proceeded against in the manner and form provided by law.

CITATION OF PAULINE FEUER FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1956, Senate Resolution 255.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 255) certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Pauline Feuer appeared before the Internal Security Subcommittee, pursuant to a subpena, on Thursday, April 5, 1956. Although the presiding Senator specifically directed her to answer certain pertinent questions, Mrs. Feuer refused to do so.

Moreover, Mrs. Feuer expressly declared that she was not invoking her privilege against self-incrimination under the fifth amendment.

As a result of Mrs. Feuer's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that Pauline Feuer be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 255) was considered and agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States

Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Pauline Feuer before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Pauline Feuer may be proceeded against in the manner and form provided by law.

CITATION OF ALDEN WHITMAN FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1957, Senate Resolution 256.

The **PRESIDING OFFICER.** The resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A resolution (S. Res. 256) citing Alden Whitman for contempt of the Senate.

The **PRESIDING OFFICER.** Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Alden Whitman appeared before the Internal Security Subcommittee, pursuant to a subpena, on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Whitman refused to do so.

Moreover, Mr. Whitman expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Whitman's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that Alden Whitman be declared in contempt of the United States Senate.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution (S. Res. 256) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Alden Whitman, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Alden Whitman may be proceeded against in the manner and form provided by law.

CITATION OF WILLIAM A. PRICE FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1958, Senate Resolution 257.

The **PRESIDING OFFICER.** The resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A resolution (S. Res. 257) citing William A. Price for contempt of the Senate.

The **PRESIDING OFFICER.** Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. EASTLAND. Mr. President, William A. Price appeared before the Internal Security Subcommittee, pursuant to a subpena, on Thursday, January 5, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Price refused to do so.

Moreover, Mr. Price expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Price's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that William A. Price be declared in contempt of the United States Senate.

The **PRESIDING OFFICER.** The question is on agreeing to the resolution.

The resolution (S. Res. 257) was considered and agreed to as follows:

Resolved, That the President of the Senate certify the report of the Committee on the Judiciary of the United States Senate as to the refusal of William A. Price to answer questions before the Senate Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, said refusal to answer being pertinent to the subject matter under inquiry together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said William A. Price may be proceeded against in the manner and form provided by law.

AMENDMENTS OF 1956 TO THE UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1978, S. 3638.

The **PRESIDING OFFICER** (Mr. Laird in the chair). The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3638) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.).

The **PRESIDING OFFICER.** Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments on page 1, line 3, after the word "That", to strike out "(a) so much of"; in line 4, after "1948", to strike out "as precedes paragraph (1) thereof"; in line 5, after the word "amended", to strike out "to read as follows" and insert "by adding before the final period a semicolon and the following new subparagraph (d) to paragraph (2)"; after line 7, to strike out:

"Sec. 2. The Congress hereby declares that the objectives of this Act are to enable the Government of the United States of America to increase in other countries respect for and confidence in the United States, its purposes, its democratic practices, culture, and society, to increase mutual understanding, respect, and confidence between the people of the United States and the peoples of other countries, and to broaden the areas of cooperation between them in the educational exchange, cultural and information fields. Among other means in achieving these objectives, the Secretary of State is authorized to establish."

(b) Paragraph (2) of section 2 of such Act is amended to read as follows:

"(2) an educational exchange service to cooperate with other nations in—

"(a) the interchange of knowledge, skills, information, and experiences;

"(b) the interchange of technical and other services;

"(c) the interchange of developments in the field of education, the arts, sciences, and professions; and

On page 2, line 20, after the word "projects", to insert "for diffusion of knowledge which are"; in line 22, after the word "and", to strike out "the", and in the same line, after the word "countries"; to strike out "involved through diffusion of knowledge."; in line 24, after "(a)", to strike out "The heading of title II of such act is amended to read as follows:" and insert "Section 201 of such act is amended by inserting the following new sentence after the first sentence and by designating such two sentences as '(a)':"; on page 3, after line 3, to strike out:

TITLE II INTERCHANGE ON KNOWLEDGE, SKILLS, AND EXPERIENCE

(b) Section 201 of such act is amended to read as follows:

"*Persons*

"Sec. 201. (a) As a means of insuring interchange on a cooperative basis of leaders and potential leaders between the United States and other countries, the Secretary is authorized to provide for and otherwise facilitate programs for the exchange of (1) students and trainees; (2) teachers, fellows, and lecturers; (3) professors and research scholars; (4) specialists in any of the arts, sciences, trades, or professions; and (5) leaders of thought and opinion at the National, State, or local level. Such exchanges shall be for the purpose of long- or short-term study or practical training, teaching, lecturing, or research, and observation, consultation, or other experience or activity

which may be essential to the successful operation of the programs and which will not deprive American citizens or aliens lawfully admitted for permanent residence of opportunities for gainful employment or professional training. The Secretary is also authorized to bring foreign nationals to the United States to interpret and present the art and culture of cooperating countries."

On page 4, at the beginning of line 2, to strike out "The" and insert " "The"; after line 4, to insert "for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States"; in line 9, after the word "served", to strike out "thereby." and insert "thereby." ", and, in the same line, following the amendment just stated, to strike out "The Secretary shall, wherever possible in connection with these programs, utilize the services of existing reputable agencies which are successfully engaged in such activity."; after line 12, to insert:

"(b) Section 201 of such act is further amended by substituting for the last six sentences thereof the following:".

On page 5, line 25, after the word "act.", to strike out "No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa or for a nonimmigrant visa under section 101 (a) (15) (II) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least two years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such 2-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status or, who, having such status, obtain an extension of stay thereunder, subsequent to the date of the enactment hereof."

On page 7, line 17, after the word "subsection." ", to insert a semicolon and "and (2) by adding the following new sentence: 'After July 1, 1956, the Commission on Information shall consist of seven members, not more than four of whom shall be from any one political party; and the appointments of the two additional members initially shall be for terms ending in January 1957 but thereafter shall be for 3-year terms.' "

On page 8, after line 2, to strike out:

(c) Section 602 (h) of such act is amended to read as follows:

"(h) The Department is authorized to provide the necessary professional, technical, secretarial, and clerical assistance for the Commissions."

After line 12, to insert: "Binational Commissions."

On page 9, after line 3, to insert:

Sec. 8. Section 702 of such act is amended by designating the present provision as "(a)" and by adding the following new subsection:

"(b) Whenever the President determines it to be necessary for the purposes of this act, not to exceed 10 percent of the funds made available to carry out United States information program activities may be transferred to and consolidated with the funds made available to carry out international educational exchange activities and may be used for any of the purposes for which the latter funds may be used."

At the beginning of line 15, to change the section number from "8" to "9"; on page 11, at the beginning of line 6, to change the section number from "9" to "10"; after line 6, to strike out:

(1) by inserting "(a)" after "Sec. 802.";

At the beginning of line 8, to strike out "(2)" and insert "(1)"; in line 9, after the word "after", to insert "the first"; in line 10, after "(2)", to insert "and"; at the beginning of line 11, to strike out "(3)" and insert "(2)"; in line 17, after the word "illness", to insert "for alien employees while assigned temporarily for duty outside the countries in which they reside or for participants in activities authorized by this act and to pay for accompanying medical attendants in such cases"; on page 12, line 2, after the word "separation'.", to strike out the semicolon and "and"; after line 2, following the amendment just stated, to strike out:

(4) by adding at the end thereof the following new subsection:

"(b) The Department and any Government agency conducting any nonmilitary exchange of persons program or any program of furnishing technical information and assistance are authorized to pay, in the case of foreign nationals participating in such program, amounts necessary to meet United States income taxes where, except for participation in such program, the liability for such tax would not have been incurred."

At the beginning of line 13, to change the section number from "10" to "11"; at the beginning of line 21, to change the section number from "11" to "12"; and, on page 13, at the beginning of line 3, to change the section number from "12" to "13", so as to make the bill read:

Be it enacted, etc., That section 2 of the United States Information and Educational Exchange Act of 1948 is amended by adding before the final period a semicolon and the following new subparagraph (d) to paragraph (2):

"(d) the development of projects for diffusion of knowledge which are of interest and value to the United States and other countries."

Sec. 2. (a) Section 201 of such act is amended by inserting the following new sentence after the first sentence and by designating such two sentences as "(a)":

"The Secretary may also provide for the attendance of nationals of one cooperating country at selected institutions of learning or places of study in another cooperating country, for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States, when he determines that urgent foreign relations objectives would be served thereby."

(b) Section 201 of such act is further amended by substituting for the last six sentences thereof the following:

"(b) The Secretary may provide for orientation courses and other appropriate services and materials in the case of persons coming to the United States from other countries and going to other countries from the United States under provisions of this act or for purposes which the Secretary determines to be in furtherance of the objectives of this act.

"(c) When any country fails or refuses to cooperate in the program provided herein the Secretary shall terminate or limit such program, with respect to such country, to the extent he deems to be advisable in the interests of the United States.

"(d) The foreign exchange visitors provided for in this section shall be admitted as nonimmigrants under section 101 (a) (15) of the Immigration and Nationality Act for such time and under such conditions as may be prescribed by regulations promulgated by the Secretary of State and the Attorney General. Exchange visitors so admitted shall not be eligible for a change of status under the provisions of section 248 of the Immigration and Nationality Act, nor for adjustment of status under provisions of section 245 of that act. An exchange visitor who fails to maintain nonimmigrant status and exchange visitor classification or who fails to depart from the United States on the termination of such status or classification, shall, upon warrant of the Attorney General, be taken into custody and promptly deported pursuant to sections 241, 242, and 243 of the Immigration and Nationality Act. Exchange visitors who engage in activities of a political nature detrimental to the interests of the United States, or in activities not consistent with the security of the United States shall be considered to have failed to maintain exchange visitor classification. Deportation proceedings under this section shall be summary and the findings of the Attorney General as to matters of fact shall be conclusive. Exchange visitors shall not be eligible for suspension of deportation under section 244 of the Immigration and Nationality Act.

Sec. 3. Section 202 of such act is amended to read as follows:

"BOOKS AND MATERIALS

"Sec. 202. The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including Government publications, and for the preparation, publication, distribution, translation, and interchange of such writings and other cultural and educational materials, including visual and auditory materials of all kinds."

Sec. 4. Section 601 of such act is amended by inserting after the words "*Provided, however,*" the following: "That the Commission on Educational Exchange shall recommend policies and programs to further cultural relations with participating countries by means of exchange of persons and other means, and shall recommend criteria for the selection of persons for participation in exchange programs under this act: *And provided further,*".

Sec. 5. (a) Section 602 (a) of such act is amended (1) by inserting before the period at the end thereof a colon and the following: "*Provided,* That no office under a State university, land-grant college, or other similar educational institution shall be deemed to be a compensated Federal or State office for the purposes of this subsection."; and (2) by adding the following new sentence: "After July 1, 1956, the Commission on Information shall consist of 7 members, not more than 4 of whom shall be from any one political party; and the appointments of the 2 additional members initially shall be for terms ending in January 1957, but thereafter shall be for 3-year terms."

(b) Section 602 (c) of such act is amended by striking out of the words "and public service" and inserting in lieu thereof the words "public service, professional, business, agriculture, and labor."

Sec. 6. Section 603 of such act is amended by striking out the words "a semiannual" and substituting the words "an annual" therefor.

Sec. 7. Title VI of such act is amended by adding at the end thereof a new section as follows:

"BINATIONAL COMMISSIONS

"Sec. 604. The Secretary is authorized to establish in any country in which a program under this act is in effect an advisory commission which may be composed of citizens of such country or citizens of the United States, or both. It shall be the function of any commission so established to advise the Secretary with respect to matters concerning the administration of such program. The Secretary is also authorized, wherever practicable, to utilize in the administration of exchange programs under this act the services of any binational commission established under authority of any other law providing similar exchange programs. Appropriations made to carry out the purposes of this act shall be available to the Secretary for payment of the expenses of any commission established or utilized pursuant to this section."

Sec. 8. Section 702 of such act is amended by designating the present provisions as "(a)" and by adding the following new subsection:

"(b) Whenever the President determines it to be necessary for the purposes of this act, not to exceed 10 percent of the funds made available to carry out United States information program activities may be transferred to and consolidated with the funds made available to carry out international educational exchange activities and may be used for any of the purposes for which the latter funds may be used."

Sec. 9. (a) Section 801 (6) of such act is amended to read as follows:

"(6) to create, with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this act; and from time to time to hold meetings of representatives of United States cultural and educational institutions and other organizations interested in programs under this act for the purpose of making reports on, and obtaining comments and suggestions with respect to, such programs. Such persons will not be considered as persons 'employed or assigned to duties by the Government' within the meaning of the act. No such member of an advisory committee or representative of any such institution or organization shall be allowed any salary or other compensation for services, but he may be paid his actual transportation expenses and per diem in lieu of subsistence and other expenses at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U. S. C. 73 b-2) while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions."

(b) Section 801 of such act is further amended by striking out "'and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon, and by adding at the end of the section the following new paragraphs:

"(7) to engage the services of experts and consultants, or organizations thereof, as authorized by section 15 of the act of August 2, 1946 (U. S. C., title 5, sec. 55a), and individuals so engaged may be compensated at rates not in excess of $50 per day and, while away from their homes or regular places of business, may be paid travel expenses, including per diem allowances in lieu of subsistence at the rates provided for in the Standardized Government Travel Regulations."

Sec. 10. Section 802 of such act is amended—

(1) by inserting "contracts for insurance, guaranty, and indemnity, and" after the first "including" in paragraph (2); and

(2) by striking "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and by adding after paragraph (4) the following new paragraphs:

"(5) to pay emergency medical expenses and expenses of travel incurred by reason of illness for alien employees while assigned temporarily for duty outside the countries in which they reside or for participants in activities authorized by this act and to pay for accompanying medical attendants in such cases; and

"(6) to pay the travel expenses, including a per diem allowance in lieu of subsistence, of alien employees and their dependents when such employees are authorized to travel in connection with appointment, change of duty, or separation.".

Sec. 11. The first sentence of section 902 of such act is amended to read as follows: "If any other government or any international organization shall express the desire to provide funds, property, or services to be used by this Government, in whole or in part, for the expenses of any specific part of the program undertaken pursuant to this act, the Secretary is authorized, when he finds it in the public interest, to accept such funds, property, or services."

Sec. 12. Section 1008 of such act is amended by inserting before the period at the end thereof a comma and the following: "except that the report concerning activities under the educational exchange programs authorized by this act shall be submitted annually on or before the 31st day of December of each year to apply to activities conducted during the previous fiscal year."

Sec. 13. The United States Information and Educational Exchange Act of 1948 is further amended by adding the following new sections at the end thereof:

"PAYMENT OF CERTAIN CLAIMS

"Sec. 1012. For the purpose of promoting and maintaining friendly relations abroad by the prompt settlement of meritorious claims arising in a foreign country, the Secretary of State and the Director of the United States Information Agency, and such other officers as they may designate for such purposes, and under such regulations as they may prescribe, are hereby authorized to consider, ascertain, adjust, determine, and make payments, where accepted by the claimants in full satisfaction and in final settlement, of claims on account of damage to or loss or destruction of public or private property both real and personal or on account of personal injury or death, including claims respecting personal property bailed to the Government and claims for damages incident to the use and occupancy of real property, whether under a lease, express or implied, or otherwise, whenever caused by any instrumentality, officer, agent or employee of the department or agency, incident to the performance of any official functions for the United States, when the amount of such claim does not exceed $5,000: *Provided*, That in cases where the amount exceeds $2,500 but does not exceed $5,000, payment shall be made only after approval by the Secretary or Director.

"The Secretary or Director may certify to Congress any meritorious claim or portion thereof which is in excess of $5,000 as may be deemed to be just and reasonable for payment out of appropriations that may be made by Congress therefor.

"No claim shall be considered unless presented within 1 year after the claim arose, except for good cause shown that the claim could not have been presented within that period of time.

"Every claim settled under the authority of this act shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

"UNITED STATES INFORMATION OFFICERS

"Sec. 1013. (a) In accordance with regulations prescribed by him and after suitable examination, the Director of the United States Information Agency may appoint persons to be known as United States Information officers. Such officers shall be appointed, promoted, and retained on the basis of merit and fitness and may be separated only in accordance with law. Except for the limitations of time contained in sections 522 and 527 of the Foreign Service Act of 1946, as amended, all provisions of law not inconsistent herewith which are applicable to Foreign Service Reserve officers shall be applicable to United States Information officers, and the Director shall be guided by the policies and principles prescribed in those sections. The Director shall established such examining and selection boards or panels as may be necessary for use in the appointment, promotion, and separation of United States Information officers.

"(b) Any United States Information officer may be separated by the Director for unsatisfactory performance of duties, but only after a review of his case by, and opportunity for a hearing before, an impartial advisory board appointed by the Director. The Director shall also provide for the periodic appraisal of such officers and, in accordance with regulations prescribed by him, may separate those who are consistently ranked below a minimum level prescribed for their class.

"(c) The Director may establish an independent retirement and disability system for the benefit of United States Information officers based on the provisions of the Foreign Service Act of 1946, as heretofore or hereafter amended. Any officer separated pursuant to subsection (b) hereof shall be entitled to the payments or retirement benefits prescribed in sections 634 or 637 of that act, as appropriate.

"UNITED STATES INFORMATION SERVICE

"Sec. 1014. The agency established by section 1 of Reorganization Plan No. 8 of 1953 shall hereafter be known as the 'United States Information Service' and all references in such reorganization plan or in any statute, regulation, agreement, or other legal instrument to the 'United States Information Agency' shall be construed to refer to the 'United States Information Service'. Nothing in this section shall be construed to alter or affect in any way the functions, authorities, or responsibilities of the agency."

Mr. MANSFIELD. Mr. President, the purpose of S. 3638 is to make more effective the International Educational Exchange Service conducted by the Department of State and the United States Information Service conducted by the United States Information Agency. The proposed amendments to the United States Information and Educational Exchange Act of 1948 are mainly administrative in nature. They relate to personnel matters, methods of operation, and requirements for reporting to the Congress. These changes will not substantially affect either the cost of the existing programs or their content.

These amendments make no change in the objectives or philosophy of either the educational exchange program or the information program. The proposed amendments will make possible a better administration of these two programs which constitute important instruments for carrying out the foreign policy of the United States.

Mr. President, I ask unanimous consent that a summary of a statement which I have prepared may be printed at this point in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Statement by Senator Mansfield

S. 3638 was introduced by Senator Smith, for himself and Senator Mundt, on April 16, 1956, at the request of the executive branch. S. 3638 brings together in one bill the following separate bills or executive branch requests for legislation: (1) S. 631, introduced on January 21, 1955, by Senator Mundt and relating to the educational exchange program; (2) S. 2410, introduced on July 5, 1955, by Senator Smith and relating to the information program; (3) a letter from the Department of State dated March 5, 1956, relating to the exchange program; and (5) letters from the United States Information Agency dated March 5 and March 27, 1956, relating to the information program.

The Subcommittee on State Department Organization and Public Affairs held a public hearing of S. 3638 on April 17, 1956. Testimony was received from Deputy Assistant Secretary of State for Public Affairs, Mr. Robinson McIlvaine; the Director of the United States Information Agency, Mr. Theodore Streibert; Assistant Secretary of State-Controller, Mr. Isaac W. Carpenter, Jr.; and Deputy Assistant Secretary of State for Personnel, Mr. George Wilson. No other statements have been received either for or against the bill.

For those Members of the Senate who have not had a chance to study S. 3638 I shall briefly give the highlights of what the bill, as amended as the subcommittee proposes, will do. First, the bill would authorize the Director of the United States Information Agency to establish a career category of officers to be known as United States information officers. These officers would have substantially the same status as Foreign Service officers with respect to pay, job security, and retirement, but they would not be confirmed by the Senate and they would be commissioned as diplomatic officers only with the approval of the Secretary of State. Second, the bill authorizes the Secretary of State to send foreign students from one country to another country in order to study subjects pertaining to the United States or to participate in meetings sponsored by individuals or organizations of the United States. Third, the bill would authorize the Secretary of State and the Director of the United States Information Agency to settle claims arising in foreign countries on account of death or injury of persons or damage to property when such harm is caused by any agency or employee of the Department of State or the United States Information Agency and when the amount of such claims does not exceed $5,000. Fourth, the bill authorizes the administrators of the information program and the exchange program to protect certain private contributors to these programs against damage to them resulting from such contributions. For example, this authority would allow United States Information Agency to protect contributors of paintings or art objects loaned to the Agency for exhibition.

These are the main new authorizations in the bill. There are, in addition, a number of rather minor administrative improvements which the bill authorizes.

I believe that S. 3638, together with the amendments which the committee has recommended, is a sound bill. I believe it contains amendments to the Smith-Mundt Act which will be very useful in carrying out the objectives of that act.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. KNOWLAND. Is it not the Senator's understanding that the bill was reported by the Committee on Foreign Relations by a unanimous vote?

Mr. MANSFIELD. That is correct.

Mr. KNOWLAND. It was supported before the committee by testimony both by the United States Information Service and the Department of State, whose representatives appeared in favor of the proposed legislation. Is not that correct?

Mr. MANSFIELD. That is correct. I might say that extensive hearings were held on all phases of the proposal.

Mr. President, in response to a request from the Senator from North Dakota, [Mr. Langer] the committee was furnished with the figures, indicating what the estimated cost of the proposed legislation will be. I ask unanimous consent that the matter be printed in the Record.

There being no objection, the matter was ordered to be printed in the Record, as follows:

Cost Estimates Under S. 3638

No additional funds are to be requested by the State Department or the Information Agency for implementation of the proposed changes. All expenses of the changes will be absorbed out of regular appropriations.

Since there are no mandatory provisions in the bill which will require additional costs, the estimates of costs for the Exchange Program of the Department of State are amounts which experience has demonstrated as desirable if sufficient funds are available. These estimates are valid only to the extent that total funds provided for international educational exchange activities warrant their use.

The estimates of costs of the proposed changes are as follows:

Sec. 1	State	$100,000.
Sec. 2 (a)	State	$847,000.
Sec. 2 (b) (under new sec. 201 (b) of the act).	State	$486,500.
Sec. 3	USIA	No additional cost.
Sec. 4	State	Do.
Sec. 5 (a)	State	Do.
	USIA	$1,000.
Sec. 5 (b)		No additional cost.
Sec. 6		Small saving.
Sec. 7	State	$125,000.
Sec. 8 (a)	State	$17,000.
	USIA	$1,000.
Sec. 8 (b)	State and USIA.	$3,000.
Sec. 9 (1)	USIA	$25,000.

The estimated cost of purchasing insurance to cover borrower paintings and other objects for exhibit would be less than $25,000 per year. The agency is not able to estimate the extent of the liability which might be incurred by it under contracts indemnifying exhibitors of its films against third-party claims. However, the agency would not employ such contracts of indemnity except in unusual situations where the financial risk of the United States was outweighed by the benefits to be derived from the film showings. Few such situations are anticipated.

Sec. 9 (a):		
Medical expense under sec. 802 (5) of the act.	State	$25,000.
	USIA	$2,000.
Travel of aliens and dependents under sec. 802 (6) of the act.	USIA	$30,000.
Sec. 10		No additional cost.
Sec. 11	State	Small saving.
Sec. 12:		
Claims under sec. 1012 of the act.	USIA and State.	$12,000.
U. S. Information Officers under sec. 1013 of the act.	USIA	$125,000.

Estimated cost to the Agency of the new personnel authority is about $125,000 per year due to minor individual salary adjustments in converting present officers of the Agency to United States Information officers. This sum will be absorbed from regular appropriations.

With reference to the cost of financing the retirement system, the Agency is informed by the Treasury actuarial staff that the modified "pay as you go" plan, which it is understood is now favored, will require no appropriations for the first 4 years of operation of the new retirement system. The cost of subsequent years of operation would be included in regular appropriations, but this cost would in part be offset by a reduction in the cost of Civil Service Retirement benefits for Agency employees converted from this system.) At present most USIA employees are covered under the Civil Service Retirement System.)

Change of name under section 1014 of the act, USIA, no additional cost.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments will be considered and agreed to en bloc.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SMITH of New Jersey subsequently said: Mr. President, this morning, when I was absent from the floor, on request of the Senator from Montana [Mr. Mansfield] the Senate passed Senate bill 3638, which had been reported favorably from the Committee on Foreign Relations S. 3638, and which contains the 1956 amendments to the United States Information and Educational Exchange Act of 1948. Since I participated in the proceedings on the bill, and since, by chance, I happened to be absent from the floor, I ask unanimous consent that there may be printed in the Record, following the passage of the bill, a statement which I have prepared on the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Smith of New Jersey

I should like to add a few words to the statement made by Senator Mansfield in support of S. 3638, which contains the 1956 amendments to the United States Information and Educational Exchange Act of 1948. It was my privilege to introduce S. 3638 on April 16, 1956, for myself and Senator MUNDT. This bill brings together in a single consolidated bill S. 631, introduced on January 21, 1955, by Senator MUNDT with my cosponsorship and S. 2410, which I introduced on July 5, 1955, for myself, Senator FULBRIGHT and Senator MUNDT. A hearing was held last year on S. 2410. In March of this year the Department of State and the United States Information Agency requested that the Committee on Foreign Relations consider S. 3638 in lieu of further consideration of S. 631 and S. 2410. A public hearing on S. 3638 was held on April 17, 1956. Testimony favoring the bill was heard from representatives of the Department of State and of the United States Information Agency. No other statement was received by the committee either for or against the bill. On May 8, 1956, the full Committee on Foreign Relations, after approving certain changes in S. 3638, voted unanimously to report it favorably to the Senate.

The junior Senator from Montana has summarized the principal provisions of the bill. I should like to say a special word about two of the features of the bill. Section 2 (a) of the bill would authorize the Secretary of State to provide for the attendance of nationals of cooperating countries at selected institutions of learning in another cooperating country for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States. For example, it might be in the interest of the United States to bring together at one school in a particular Latin American country a group of Latin American teachers of English to take an intensive course under American professors in the teaching of the English language. This provision would also permit sending the nationals of other countries to such American schools abroad as the American University at Beirut, Robert College in Turkey, and the Salzburg Seminar in Austria.

Another feature of the bill which deserves a special mention is section 13 which would add a new section 1013 to the United States Information and Educational Exchange Act. This would authorize the Director of the United States Information Agency to establish a career category of officers to be known as United States information officers. This authority has been recommended by the United States Advisory Commission on Information in its reports to the Congress for the past 2 years. The new section would permit the Director to give these United States information officers substantially the same status as Foreign Service officers with respect to classification, pay, allowances, job security, promotion, leave, medical benefits, recreation facilities, and retirement. There would be some differences between United States information officers and Foreign Service officers. The new information officers would not be confirmed by the Senate and they will have an independent although substantially identical retirement system. As is well known, the United States Information Agency is carrying on very important activities of the United States abroad. If the Agency is to do its job well it must have able people. Recruitment of able employees is vastly facilitated if the Agency can offer them career opportunities; that is, the chance to start work in an organization in which they will be paid and promoted according to merit, will be protected from arbitrary or partisan political action, and in which they may look forward to retirement with a reasonable income.

The new authority provided in section 13 of the bill will permit the Director of the United States Information Agency to provide such career opportunities. This important step forward is one which must be taken carefully. We expect the Director of the United States Information Agency as he administers the new personnel system to do so in a manner that will reduce insofar as possible friction among United States personnel abroad; which will insure that the new personnel system will be a merit system and that political considerations will not be influential in appointments; and which will insure that the United States Information Agency's personnel system will be as like the United States Foreign Service and the Department of State personnel systems as may be practical.

It is my conclusion and that of the Committee on Foreign Relations that S. 3638 contains necessary and important modifications of the United States Information and Educational Exchange Act of 1948 which will help the Department of State carry out a more effective United States educational exchange program and help the United States Information Agency to administer a more effective United States information program.

TREASON IN A WAR THAT IS COLD

Mr. EASTLAND. Mr. President, this is May 1956. We in the United States Senate, in our deliberations, have been watching the deterioration of opposition to communism in the Far East. As chairman of the Internal Security Subcommittee, I have had to listen to testimony now for a long time about how American citizens, working in a tightly knit conspiracy, have been doing everything in their power to bring Soviet power into Asia. They have lent their pens and voices to the Soviet world propaganda apparatus with a villainy that is almost inconceivable to decent Americans. They have participated in anti-American demonstrations of every kind, on the air, on the platform, and in the press throughout Asia. They have falsely accused their own countrymen of the most reprehensible misconduct. They have provided the tools for the brainwashing of American prisoners of war. And at least one of them, as I am about to show, took a leading part in the actual Sovietization of Chinese peasants.

One witness, a good American, told us that the activities of these renegades would have a most disastrous effect in China. I quote him:

> It would give (the Chinese) the impression that the people of the United States were pro-Communist and were held down from expressing their procommunism by the imperialistic government in Washington. It tended to destroy the hope or minimize the hope in the hearts of many, many Chinese, the hope for liberation, the hope for freedom.

In the course of all this testimony, I have frequently wondered about the application of an important section of our Constitution which defines treason against these United States.

Section 3 of article III of the Constitution reads:

> Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort. No persons shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.
>
> 2. The Congress shall have power to declare the punishment of treason.

I think we in Congress have not pursued this mandate of the Constitution sufficiently in terms of present realities. I think that we should analyze the activity of those American citizens who have, even during a period of war, adhered to our enemies and have given them aid and comfort. I also think that we in Congress, particularly those of us on the Internal Security Subcommittee, should do a great deal toward casting the evidence concerning Communist activity that we have obtained into the mold of this section and article of the Constitution. I believe that the recent indictment of three people who appeared before the Internal Security Subcommittee—John W. Powell, Sylvia Powell, and Julian Schuman—is a step in that direction.

When I speak of present realities, I refer, of course, to that new kind of international conflict, the cold war. When the Constitution was drawn, war was conducted by hostile armies marching across borders. Enemies were the members of those hostile armies. But the cold war is not quite like that. As the Senator from Indiana pointed out some time ago:

> Communist subversion is and always has been the spearhead of Communist military attack. If the free world unites to put down subversion first, it may never have to face military attack at all.

And again:

> Communist subversion is a net, woven in Moscow and stretched from country to country all around the world.

We all know that, Mr. President. All three branches of the United States Government have found that American communism is a conspiracy to overthrow our Government by force and violence. They have found that this conspiracy is directed from Moscow. They have found that the participants in the conspiracy, regardless of their nationality, have no loyalty except to Moscow.

Consider the case of Klaus Fuchs, the man who gave Moscow the secrets of the atomic bomb. He had been a Communist in Germany and a Communist in England. His name was found among the documents which were seized when the Canadian Government struck at the Communist conspiracy in Ottawa. He handed over the atomic secrets to an American Communist on an American street corner. The American Communist saw to it that those secrets reached the hands of his Russian masters in the Kremlin.

Consider another notorious Kremlin operation, the Sorge conspiracy in Asia. Sorge himself was a native-born German but his only loyalty was to the Communist International, which he served. His Red lieutenants were Chinese, Japanese, British, Belgian, and American.

The President of the United States recognized the realities, when he said:

> What did this penetration into Government mean? It meant contamination in some degree of virtually every department, every agency, every bureau, every section of our Government. It meant a government by men whose very brains were confused by the opiate of this deceit. These men were advisers in a foreign policy that—on one side of the world—weakly bowed before the triumph in China of Communists hailed as agrarian reformers. On the other side of the world this policy condoned the surrender of whole nations to an implacable enemy whose appetite for conquest sharpened with every victory. This penetration meant a domestic policy whose tone was set by men who sneered and scoffed at warnings of the enemy infiltrating our most secret counsels.
>
> It meant—in its most ugly triumph—treason itself.

Mr. President, the cold war against the United States was declared in the Kremlin nearly 40 years ago. It has been waged against us ceaselessly ever since. I ask Senators to think in terms of these realities, as we consider legislation to implement the constitutional definition of treason.

I know of no better way to illustrate these realities than by outlining the story of William Hinton, whose testimony the subcommittee releases today.

On July 6, 1953, William Howard Hinton walked into the American consulate at Prague, Czechoslovakia, and asked for a passport application. He was a former OWI and UNRRA worker, who had gone to China nearly 7 years before and remained there after the Communists conquered the mainland. His UNRRA passport had long since expired, and to get out of Red China he had obtained an exit permit, which got him across the Soviet Union and into Communist Czechoslovakia. Now, he wanted a document which would give him entry to the United States.

The application which was handed to him contained the following words:

> I (have) (have not) accepted or performed the duties of any office, post, or employment under the government of a foreign state or political subdivision thereof.

Hinton, or someone in the consulate, typed over the word "have" and added some additional phrases, so that the application read:

> I have not accepted or performed the duties of any office, post or employment under the government of a foreign state or political subdivision thereof, unless employment as agricultural technician on the Chuang Chiao State Farm, Tunghsien, Hopei, China, may be interpreted as coming under any of the above provisions.

He reaffirmed this statement on another page of the application, declaring, "I have never accepted" employment under a foreign government, "unless the above mentioned" Shuang Chiao state farm job were held to be such.

Hinton swore that the statements quoted here were true. He further swore to "support and defend the Constitution of the United States against all enemies foreign and domestic" and to "bear true faith and allegiance to same." So he was given the passport which got him back to America.

Subsequently, Hinton made several appearances before the Subcommittee on Internal Security. On one of these occasions, he was examined by the junior Senator from Idaho [Mr. WELKER], as follows:

> Senator WELKER. Did you tell the passport division over there * * * the truth on your application?
>
> Mr. HINTON. I decline to answer that (on the grounds of the first and fifth amendments).
>
> Senator WELKER. Did you lie to the passport division in Prague in order to get back to the United States of America?
>
> Mr. HINTON. I decline to answer that on the same grounds.

In his first appearance before the subcommittee, Hinton made four requests to read a prepared statement which, according to him, described his experiences in China. He was told of our rule requiring witnesses to submit such documents 24 hours before a hearing. Nevertheless, that rule was waived on his behalf, and the statement went into the record. Of course, it was a transparently servile piece of propaganda on behalf of the Red Chinese Government, which has killed, tortured and starved so many of Hinton's fellow countrymen. But it contained one brief paragraph which is clearly relevant to our present discussion. Remember, Mr. President, the words I am about to read are William Hinton's own. Remember that they were prepared with forethought by him, and were inserted into the record at his insistent request. Here are those words:

> In drawing up this statement, I have been handicapped by the fact that all of my notes, diaries, correspondence and background material on China were seized by the United States Customs when I returned to the United States.

There is general agreement, Mr. President, that nothing like William Hinton's notes, diaries, correspondence and background material has ever come into our subcommittee's possession. To my knowledge, nothing like this has fallen into the hands of the free world since the cold war began. They are a day-by-day, family-by-family, village-by-village chronicle of the Sovietization of China's farmers. They include schedules, tabulations, interviews, and charts to inform Communist authorities just who was robbed, and how often; who was beaten, and how often; who ran away, and how often; and who died.

They were written by one who began as an observer. Then he joined a work group, and learned how to purify the party—purify being a Marxist synonym for purge. His zealousness, his passionate, repeated, fully-expressed determination to wipe out all anti-Communist thought, elevated him finally to the post of upper cadre. As Hinton himself makes clear, this means that he occupied a place in the Communist command.

"We organized," he says in the notes, "diaries, correspondence and background material, which were seized from him by United States Customs." He also says, "we purified, we sent directives."

He also says that they—or we—treated different classes differently, and that we upper cadres must take the blame.

The Hinton papers are also a compendium of Communist doctrine, of Communist official propaganda in both English and Chinese. There are nearly 400 photographs, some of them from official propaganda sources, and some which seem to be the work of amateur photographers. They include pictures of many Americans whose activities the subcommittee is scrutinizing in its current study of The Scope of Soviet Activity.

Added up, these notes, diaries, correspondence and background material are the autobiography of a traitor. Does any Senator question that word? Well, Mr. President, here is William Hinton's picture, which we found among the background material he told us about. He is dressed in Chinese garb, standing on a platform in front of the Communist hammer and sickle, the flag of Communist China, and a picture of China's Communist dictator, Mao Tse-tung. He is making a speech to his fellow Communists.

Here are some of William Hinton's own words, which we found among the notes, diaries and correspondence that he swore were his. First, are selections from a letter he wrote to his two sisters, Jean and Joan.

Jean Hinton, incidentally, was a protégé of Nathan Gregory Silvermaster, one of the most dangerous of Soviet spies. Joan worked under Robert Oppenheimer at Los Alamos. Her mother—and probably Joan herself—was given the use of Oppenheimer's ranch for a summer vacation. Joan followed her brother's example and went East, where she remains, a passionately devoted, viciously dishonest propagandist for Red China's cause. It should also be noted that the Hintons were closely associated with the family of Owen Lattimore.

Before Joan's flight to China, she and Jean received a letter from their brother in far-off Tientsin. He did not like the news from home. "That great beast, America," he told his sisters, "looks down upon the world and licks its lips."

And then he wrote this:

> So far I have seen no evidence of the anti-American feeling that is supposed to be rampant here. This worries me a little since it indicates the people have not yet learned who their enemies are. The soldiers are a little more conscious of the facts of life and always look astounded when you tell them you are an American.

I repeat, Mr. President, William Hinton's notes, diaries and correspondence are the autobiography of a traitor.

The Red Chinese soldiers who crossed the Yalu to kill American boys, have a special place in Traitor Hinton's heart.

Among his possessions was an account of a trip from Yenan to Mongolia, which he made during the Korean war. It is clear from this document that the Communist Hinton had full freedom to come and go throughout Red China at a time when other Americans were being brainwashed, starved, and tortured in Communist prisons. There is no difficulty in understanding why, once we examine this cheerful little travelog. Let me read a few passages.

He visits a fort, and reports joyfully that "Life is moving ahead here with a swing."

> The walls of the forts are plastered with slogans—

He writes—

> Carry out the new marriage law, raise production, join in the great land reform rechecking movement, oppose America and aid Korea, study the thought of Chairman Mao.

He meets a doctor, and complains because the latter seems to still have a little "Chung Mey"—worship America—attitude. But, says Hinton, the doctor "is learning fast and putting into practice many Soviet techniques."

Then, in a railroad station, he looks upon—

> A long crowded platform of People's Volunteers dancing and singing, as they waited for their train.
>
> When this or that group got tired of dancing they stopped, lined up, and burst into song, singing "Leap Across the Yalu" and other popular tunes of the day. * * * The whole scene was one of collective gayety and good spirits. I could not help thinking what the American soldiers must be like as they leave for the front. Do they dance and sing, laugh and joke, study reading and writing, push health and exercise?

Hinton reports:

> Everyone is putting renewed effort into aid for Korea to see to it that the imperialists never again dare poke their pig's snout into liberated China.

He taught in a North China university, where boys and girls were trained for every kind of Communist revolutionary task. He took those boys and girls to a "struggle meeting" in a former Catholic Church, and gloated while one shivering human was shrieked at by a Red mob for 11 solid hours, for indulging in the crime of "landlord thought."

He conferred and banqueted with a commissar of the Central Committee of China's Communist Party.

He taxed, purged, classified, and brought wholesale Communist discipline to terrified peasants in Chinese villages.

He made a speech in a town square, urging his listeners not to yield to tolerance. He surveyed a Red propaganda display and complained because it did not inflame the peasants to "a broader scope of accusation."

He went to a meeting of foreign writers at a Red army school. He conferred with the Red army's chief of staff on the very eve of the great offensive of 1948. He danced in the streets to celebrate Soviet holidays and the victories of China's Red army. He met with Communist cadres to discuss recruiting, militia, preferential treatment for soldiers families and training with rifles, grenades, mines, and so forth.

He wept at the memorial service where Red China officially commemorated Agnes Smedley's 20 years' service in the Communist underground, and to which it sent Red Army soldiers to lay flowers on her grave.

He rejoiced at the spectacle of People's Volunteers on the way to North Korea to kill American boys.

He brainwashed himself and others, time and time again, to wipe the last vestiges of Americanism from his mind and soul.

His papers tell the story of that brainwashing, Mr. President. Here are a few passages, which show his gradual progression from an agricultural technician to an upper cadre of China's Communist legions.

When he was still an UNRRA worker in Nationalist territory, he wrote this to his then wife, Bertha, who was in the United States:

> There is a move on here to get me into the job of supplying Communist areas and if I can get it, I will take it * * *. I would be on salary and doing something that I have no qualms about.

Shortly thereafter, he begged her to "come to China right away. I have burned certain bridges behind me," he said. His wife burned bridges, too, in response to that plea, and her bridges remain burned. One of the first things Hinton did on returning to the United States was to get a Reno divorce and cast his wife and child adrift behind the Bronze Curtain.

Here is an example of self-brainwashing, of that Communist passion to believe everything good about the Soviets and everything bad about the United States:

> I suppose you have enough sense not to credit any of the stories about Russian artillery, Russian shells, Russian officers, Japanese troops, etc., that are pouring out of Mukden. There is no doubt that these are all fabrications * * *. No Russian arms, equipment, men, or anything else have ever been seen in Manchuria since the Russians withdrew. The American Government and the American press know this full well—after all, we have a whole corps of men on the spot whose main task is to prove that the Russians are helping the Reds. So far they have been grossly disappointed—yet they continued their insinuations, innuendoes, and outright lies.

The story develops in many documents, including letters to Sidney Engst, another former UNRRA worker and renegade, who married Hinton's sister Joan in China. Note it, against the background of Hinton's sworn statement at the American consulate in Prague, to the effect that he had simply been an agricultural technician at a single state farm.

> I was just settling down to a quiet period of teaching and study when the land reform began in this Hsien—

He writes to Engst.

> Many students went out to join in the work and I got ants in my pants and rushed around until I too got permission to go * * *. We are in no way a high-powered group, so we made some bad mistakes and wandered all over the lot. After 2 months we still haven't organized the Peasants League, but we have organized the basic groups and purified the party.

"Purified the party?" He means purged, does he not, Mr. President? This American, this so-called agricultural technician is beginning to practice Soviet discipline upon Chinese peasants on their own Chinese soil.

A little later, the agricultural technician lays down his tools.

As for the tools, he says—

> I have been so busy with this land reform that I have neglected them quite a bit.

Listen, Mr. President, as he becomes more and more enraptured:

> Everyone who calls himself a revolutionary or wants to work for the Chinese people must now examine himself, prepare himself for mass work, for handing leadership to poor peasants and hired laborers, to give up one's own land, perhaps even struggle against one's own parents.
>
> "Well when you are going to treat different classes differently you must have some idea of who is in what class and that was one of the most interesting parts of the work. Standards were set by the central committee (based, by the way, on standards drawn up by Lenin back in 1919) and everyone including the most backward and illiterate peasants studied them. You have never seen such a mass education movement as this was. Millions of peasants learned how to distinguish a rich farmer from a middle farmer (this is the key point since the former are struggled and the latter protected) and a poor farmer from a middle one. They learned it by applying these standards to all the families in their village. The whole village was classified three times so that there would be no mistake. Each time everyone appeared before the people of his part of the village, reported his land and property and his opinion of his class. Then all discussed and decided what he was. After the whole village was finished the list was posted. * * *
>
> My work mainly consists of going from farm to farm, looking into the way things are done, helping to solve problems, criticizing and encouraging. * * * To arrive at any of the state farms is like a homecoming for me, for almost all of the drivers are my students, old friends and comrades. * * * Every day, no matter how busy the work is there is at least an hour or two of political study, and if it can't be carried out in an organized way during the heaviest rush of work it is done individually through reading the paper whenever there is a spare moment.
>
> It was while we were assembling the combines for the 10,000 mou wheat harvest that the Stockholm peace appeal reached the Chi-Heng State Farm. It was discussed for several days and was signed by everyone.

The Stockholm peace appeal, of course, Mr. President, was a routine Moscow fraud.

> Of all the things I have seen in this last year and a half the most striking has been the development of the cadres and workers through the political education led by the Communist Party.
>
> Through countless work-review meetings and meetings for self and mutual criticism the people are gradually united and steeled.

The people were united in other ways than in work-review meetings, Mr. President. They were united in death. Time magazine reported a few weeks ago that "at least 20 million Chinese have been deprived of existence since the Communists took over." Time adds:

> In no previous war, revolution, or human holocaust, either in the days of Tamerlane or in the time of Hitler, have so many people been destroyed in so short a period.

There is no charity, no grief, no horror at this human holocaust in William Hinton's heart. In all the thousands of pages in the footlocker he brought home, we found only a paragraph or two to express disapproval. It is not the disapproval of Christian outrage. It is the ideological disapproval of the Communist upper cadre.

Here it is:

> The leftist errors really began to be serious in May 1947. Correction in our area began after Chairman Mao's Christmas report in about the middle of January. Beginning at that time we sent three directives from the Taihang subregion to the Diwey Party committees. * * * The peasants must be under proletarian leadership. Without proletarian thought to guide them they commit just such errors and destroy the revolution. It has been our experience

> that whenever the peasants are mobilized to struggle they push on toward extreme equalitarianism and the cadres invariably follow along. In this case we upper cadres must take the blame for not having given the lower cadres full explanation and education about this point.

What is the goal which William Hinton sought? He tells us in a single, all-embracing sentence:

> If gas ever becomes cheap here this may be the first genuine collective farm in Asia outside the Soviet Union.

Let us forget Hinton as an individual, and examine in perspective the material which he unwittingly put in our hands. The first successful Communist revolution in Europe, the Bolshevik uprising of 1917, occurred in a country whose population was overwhelmingly agricultural. The first successful revolution in Asia occurred in China, whose population was of the same character. The Asian revolution is rolling onward toward other great masses of land-hungry peasants.

Lenin drew the farmers into his revolution with the slogan, "All land to the peasants."

Mao Tse-tung did the same for his, with the cry of "Land to the tillers."

Listen to this. This is one of the many statements of basic Communist doctrine, which William Hinton brought home. It is entitled "The 1946 Mass Movement in Shantung Province by Chang Yeh, Director of the Mass Mobilization Department of the Provincial Party Bureau."

Section IV deals with Land Reform in Front-Line Regions.

> The cadres must become convinced—

Says this basic Communist document—

> that only through coordinating land reform with the military struggle can both activities be successful.
>
> To clear the way of obstacles, the people must be mobilized to fight against big puppets ar landlords who collaborate with Chiang Kai-shek. The sentiment of the people can only be aroused by launching an accusation movement against such persons.
>
> All cadres and militia leaders must be under the sole leadership of the party in order to support the military campaign as well as conduct the land reform program.
>
> Front-line struggles need support from other regions. They need material help as well as mass leaders and militia leaders who can reinforce their own leaders in launching a real attack.

Could any statement be clearer than this? The so-called land reform program, the trick of pretending to give "land to the tillers" was simply a means of recruiting them as cannon fodder for the Red army.

That is why Hinton, this agricultural technician, this tractor expert, asked so many questions in the villages and drew so many reports and charts on recruiting, militia, and soldiers' families. That is why he sought the facts about training with rifles, grenades, mines, et cetera. That is why he wanted the peasantry inflamed to a broader scope of accusation.

He was a recruiting sergeant, disguised as a grease monkey. As I have shown, Lenin fueled his revolution with the promise of "all land to the peasants." Then what happened? He and Stalin took the land away. They called it collectivization. They called it socialization of agricultural property. It was theft. It was murder. It reached its climax in the awful planned famine, when Stalin deliberately starved to death 5 million men, women, and children because they wanted to keep the land which had already been given them.

Mao Tse-tung fueled his revolution with the same kind of promise. And what is he doing now? Exactly what Lenin and Stalin did before him. Here are some passages from a Red Chinese broadcast, which the State Department monitored on January 26:

> PEKING, January 25.—Mao Tse-tung, chairman of the People's Republic of China, called a meeting of the Supreme State Conference this afternoon to discuss the draft 1956–67 national program for agricultural development. * * *
>
> Chairman Mao Tse-tung made a speech at the meeting. He said that the country was at present in a high tide of the great Socialist revolution. The founding of the People's Republic of China signified that the Chinese Revolution had begun to move from the stage of bourgeois democratic revolution to the stage of Socialist revolution. This meant that the Chinese revolution had entered the transitional period from capitalism to socialism.
>
> The Socialist revolution was aimed at releasing productive forces, Chairman Mao Tse-tung said. The changeover from individual ownership of agriculture and handicrafts to Socialist collective ownership, and of private industries and commerce from capitalist ownership to Socialist ownership would certainly lead to an ever greater releasing of productive forces.

What was it the land reformer, William Hinton said?

> If gas ever becomes cheap here, this may be the first genuine collective farm in Asia, outside the Soviet Union.

The first.

Thirty-five years ago, Mr. President, an American named Harold M. Ware worked on one of the first collective farms in the U. S. S. R. Then he came home in 1931 to nourish communism on the misery of our depression-stricken farmers. He organized farm strikes, milk strikes and violence throughout the Middle West. But those were nothing compared to the harm Hal Ware did to the cause of human freedom on the day he enlisted Alger Hiss into the Red government underground.

Is William Hinton a reincarnation of the late Hal Ware?

What is Hinton doing now? According to his own calculations, Mr. President, he has made 300 speeches since his return to the United States.

He is talking to students. He made a speech to the Scattergood School near West Branch, Iowa, in July of 1954. He was a participant on several panels at the University of Colorado from April 18 to April 22, 1955, according to information received from the president of the university. I call particular attention to this appearance at the University of Colorado, which occurred 8 months after Hinton's first appearance before the Subcommittee on Internal Security, where he had been fully exposed as an agent of Red China's government and where he had repeatedly invoked the fifth amendment rather than tell the truth about himself or other members of his family.

He was a member of the faculty—note that, Mr. President—at the 13th annual Institute of International Relations, auspices of the American Friends Service Committee, which was held at the Pennsylvania College for Women in March 1954.

The program for that institute states that it is located "about 1 mile east of the cathedral of learning."

Today, Mr. President, the Internal Security Subcommittee releases the testimony taken at the most recent Hinton hearings. I urge all Senators to give it most careful study for many reasons.

It shows, from the very inside, how Chinese Communist farmers were trapped by the Communist lie of "Land to the tillers" into shedding their own blood for the Communist cause. By the same token, it shows that the sinews of ultimate Communist overthrow will come from those same farmers, not only in China, but also in Rumania, Bulgaria, Czechoslovakia, Poland, and Russia herself.

It shows, through the deeds of one man, how the Soviet conspiracy can move its puppets from government bureau to government bureau, from farm to farm, from platform to platform, from country to country, from continent to continent.

It shows how the mind and soul of an educated American was turned upside down by Communist unreason, until that American became the incarnation of Dostoevsky's Possessed.

It shows the relations of this American with others of his kind, who are linked in a conspiracy of betrayal to their country, which extends from a Vermont village to a Mongolian farm.

Some of the photographs we found in Hinton's footlocker, Mr. President, were taken during that Red-run ceremony of fraud known as the Asian and Pacific Peace Conference. In one of these, John W. Powell, his wife Sylvia Powell, Julian Schuman, and Joan Hinton are seated on a platform, apparently listening to the recording of a germ-warfare confession, which was extorted from an American aviator and repudiated by him as soon as he came home.

The Powells and Julian Schuman have all appeared as witnesses before the subcommittee. They were the people who ran the China Review, which Red Chinese used to brainwash American prisoners of war, with death as a possible penalty if the prisoner resisted.

As I have already pointed out, the Powells and Julian Schuman were indicted by a Federal grand jury in San Francisco a few days ago.

Hinton's story has a clear connection with that of the Powells, Julian Schuman, and other Americans who participated in the so-called Asian and Pacific Peace Conference.

But do not all these stories, all of them, trace back to the story of Harold M. Ware, who was trained for treason in the U. S. S. R. 35 years ago? And is it not time for the Congress to recognize this relationship, in terms of the constitutional definition of treason?

Mr. LEHMAN obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. For how long a time?

Mr. MANSFIELD. For not more than 20 minutes. Will the Senator yield to me with the understanding that he will not lose his right to the floor?

Mr. LEHMAN. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana for not more than 20 minutes, provided I do not lose my right to the floor.

The PRESIDING OFFICER (Mr. Laird in the chair). Is there objection? The Chair hears none, and the Senator from Montana may proceed.

REVIEW OF FOREIGN POLICY—V. FOREIGN POLICY FOR THE AMERICAS

Mr. MANSFIELD. Mr. President, from time to time during the past few months I have discussed various aspects of our foreign policy on the floor of the Senate. I have now reached, so to speak, the fifth installment in this series.

My previous remarks were addressed to the need for a review of policy, to the situation in Southeast Asia, to the North African crisis, and to developments in the Middle East. Today, I wish to consider this country's relations with the other American Republics. Crisis on crisis elsewhere in the world has diverted our attention from Latin America in recent years. The absence of attention, however, is not necessarily an accurate measure of importance.

Inter-American relations are today, as they long have been, of the greatest significance to the United States. For decades, as a people, we have understood the value of these ties—of close and cooperative intercourse with the other nations of the Western Hemisphere. Unfortunately, Mr. President, what the American people have long understood has not always been faithfully reflected in our contacts with Latin America.

Over the years we have more than once pursued ill-conceived and irritating policies toward countries in that region. These aberrations in our national attitude ought not to loom large in the total of inter-American relations. I regret to say, however, that they do, for they have left a lingering aftermath of bitterness. They can still lead to sudden and often unreasonable outbursts of resentment against this Nation and its policies. They can still lead to misunderstanding and estrangement.

I mention these uncomfortable facts at the outset because I see no value, but much potential harm, in deluding ourselves into believing that they do not exist. If we are going to strengthen inter-American relations, it seems to me essential that we face them honestly. If we do so, we can avoid the inflaming of old wounds. If we do so, we can act to reduce their importance by advancing against them the positive promise of pan-Americanism, the great promise of hemispheric progress through hemispheric action.

The Senate will recall that that was the purpose of the good neighbor policy. With the strong support of this body, it served the purpose admirably.

Out of the good neighbor policy came technical aid programs, a steady flow of sound investment capital to Latin America, and joint undertakings like the Falcon Dam on the Rio Grande. These and similar measures provided a powerful impetus for the vast expansion in inter-American trade of recent years.

Out of the good-neighbor policy came a great increase in travel and in cultural and educational cooperation. This interchange of peoples and ideas promoted widespread understanding among the Republics of the Western Hemisphere. It gave rise to a new appreciation on the part of each for the intrinsic worth of the others. It stimulated a rediscovery of the essential unity of the Americas.

Out of the good-neighbor policy came the Rio Pact and the revivifying of the Pan American Union as the Organization of the American States. These achievements reduced the danger of war within the Western Hemisphere and provided a basis for cooperative defense against threats from external aggressors. The Organization of the American States, moreover, established machinery for common progress in many fields other than defense. That machinery awaits only an inspired leadership to turn it, with great effectiveness, toward the mutual benefit of the entire hemisphere.

The good-neighbor policy, to sum up, explored and enlarged the horizon of common interest among the American states. In so doing, it lifted hemispheric cooperation to its highest point in a century or more. It held the American Republics together through the difficult and dangerous years of World War II. It provided a setting in which totalitarian enemies found little opportunity to irritate old wounds to the detriment of freedom in this hemisphere.

Mr. President, I am afraid that what was true of inter-American relations through the war and early postwar years is no longer true. The unity of the American Republics has weakened; the ties have grown slack.

I know that some will contend that these observations are unfounded. They will point to the common positions which the American nations continue to take at the United Nations. They will cite unanimous resolutions passed at inter-American conferences. In my view there may well be shadows of unity, not the substance. They may serve only to conceal the dissatisfaction which is spreading throughout the Americas.

The last two conferences of the American Republics will serve to illustrate the point. We obtained passage of resolutions against communism. These merely restated what everyone knows, that the nations of the Western Hemisphere are opposed to Communist totalitarianism. Yet, on the basis of the passage of these resolutions, the executive branch proclaimed these conferences to be a great success.

What did the press reports, however, have to say of these conferences? They reported their lack of constructive achievement. They reported the spreading bitterness among the Latin American States over what they believed was our failure to give sympathetic treatment to their problems. An observer went so far as even to describe one of the conferences as a meeting between two belligerents under a flag of truce.

As further evidence of disunity, we may note that it is not uncommon these days for Latin American officials to be publicly critical of this country. They speak of Latin America as the forgotten continent in United States policy. Finally, I would point to the shift in attitudes toward the Soviet Union in the Latin American countries. A few years ago a Russian diplomatic and economic offensive directed at Latin America might have been dismissed with ridicule. Today, it is no longer a laughing matter.

Mr. President, we may well ask ourselves what these and similar disturbing indicators mean. They certainly do not mean that the ties which bind the Americas have been damaged beyond repair. Nor do they mean that Latin America is moving from the camp of the free nations to the Soviet bloc.

They do signify beyond any doubt, however, that in Latin America as in other areas of the globe a change of direction has set in and it is definitely not a change for the better.

What has happened, I believe, is that the vast reservoir of good will between ourselves and the Latin American nations has begun to run out. Despite warnings from many quarters little has been done to refill it. What was created by two decades of the good-neighbor policy is now in danger. In our relations with Latin America, in short, we are beginning to pay the price of years of neglect.

I am fully aware of the extenuating circumstances behind this neglect. The demands on our policy elsewhere in the world have been continuous and have been heavy. It is a tribute to the good sense of the Latin Americans and to the constructive work of the good-neighbor policy that the neglect has not already done more damage.

Nonetheless, Mr. President, we cannot expect inter-American relations to flourish indefinitely on past momentum, on accumulated capital. Since it is to our interest that these relations do continue to flourish, we must act to strengthen them within the framework of the total requirements of our foreign policy.

When the executive branch altered the name of Latin American policy from good neighbor to good partners, I thought the change signalled an intent to do precisely that. Partner, after all, suggests a more active cooperation even than neighbors. Unfortunately, we have had not more cooperation but less. We have had over the past 3 years an acceleration of the trend toward disunity in the Americas. Good partners, so far, has meant not progress beyond the good-neighbor policy; it has not even meant the preservation of the achievements of that policy.

In these circumstances, it is important to emphasize once more the dangers of

foreign policy by slogans. It is important to counsel the executive branch that the peoples of the Western Hemisphere did not respond with enthusiasm to the good-neighbor policy because of some strange magic in the words. They reacted not to words but to the inspiration and the sincerity which were inherent in the policy. They reacted to its solid achievements, achievements which served the interests of all the American Republics.

For my part, I am quite prepared to indulge this administration in its desire to be different. There is no reason why a policy of good partners cannot be at least as effective as a policy of good neighbors. If it is, I shall support the new as wholeheartedly as I have supported the old. I am confident that the Senate, the Congress, and the American people feel the same way.

But, Mr. President, I must reiterate that good partners is not yet a policy. It is a phrase; and it is destined to remain a phrase unless it begins to promote what it promises—the greater progress and prosperity of the American Republics.

The executive branch must begin to unfold the meaning of this phrase in action, and it must begin soon. Otherwise, we will find that the good partnership not only has failed but that the good neighbors have been alienated in the process.

I know that such is not the intention of the executive branch. The President has made clear his interest in inter-American relations in many ways. One of the early acts of his administration was the dispatch of Dr. Milton Eisenhower, a distinguished citizen and a wise choice, to Latin America to appraise the situation. More recently he convened a conference with the President of Mexico and the Prime Minister of Canada at White Sulphur Springs. It has also been reported in the press that the President is anxious to attend the next inter-American conference in Panama.

Personal contacts of this kind can be helpful. Like slogans, however, they are not enough. If good partners means anything at all, it means a continuing, a determined, and a reasoned effort to strengthen the ties which bind together the nations of the Western Hemisphere.

It seems to me that any such effort must be based on a clear recognition of what the other American nations mean to us and what we in turn mean to them. This community of interest contains the key to common action for common progress.

If we did not know it before, World War II made clear to all the interdependence of the Americas in the defense of the freedom in this hemisphere. Few Latin American countries failed to recognize their stake in the outcome of World War II. Many joined with us at the outset in prosecuting the war. Before it was over, 17 of the 20 Latin American nations were actively opposing our enemies.

On our part, the knowledge that the southern approaches to the United States were secure enabled us to prosecute the war vigorously elsewhere. The availability of strategic materials in Latin America—of copper, tin, petroleum, and others—helped immeasurably to sustain our war production when other sources of supply were cut off.

The examples of the interdependence of the Americas for defense could be multiplied. I know, however, that the Senate is well aware of this, and I shall not labor the point. What I wish to stress, however, is that this interdependence is only a part of a larger pattern for the defense of our country. We ought not to proceed under the illusion that the safety of this country and, in truth, of all the Americas can be provided for behind the ramparts of a nonexistent fortress America.

A few geographic facts will illustrate the need to regard inter-American defense not as something apart but as a part of a whole. If we consider Madison, Wis., as the geographic center of the United States, we will find that it is closer to Moscow than it is to Buenos Aires or even to Rio de Janeiro. And Madison is closer to London than to any country in Latin America other than those which face the Caribbean.

In the light of these and similar strategic realities, hemispheric defense can find its validity only in the broader concept of the defense of freedom. But within that concept the validity is very great indeed.

We have, I believe, in the Rio Pact and the Organization of the American States, the instrumentalities for giving adequate recognition to the common defense needs of the Western Hemisphere. There is certainly no requirement for vast grants of military aid such as have flowed to Western Europe. So far as I am aware, the Latin American nations do not seek such aid.

We can keep peace among ourselves and contribute to keeping the Americas and the world at peace, I believe, by preserving and perfecting the machinery under the Organization of the American States which was created for that purpose under the good neighbor policy. The community of interest of the Western Hemisphere in this respect is clear-cut and unmistakable, and it coincides with and supplements the similar interest of free nations elsewhere in the world.

If common hemispheric concern for defense is great, the community of economic interest among the American Republics is scarcely less important. The Latin Americans look to this Nation as a principal foreign source of investment capital and technological skills. Some $6 billion of private and profitable American investments are concentrated in Latin America. Additional billions have been made available through the Export-Import Bank and other lending facilities. These, too, have paid a good return. The Latin Americans find markets for their products in the United States and we in turn sell ours in the Latin American countries. In 1955 the level of this trade reached $7 billion annually—23 percent of our worldwide commercial trade. What this trade means to the United States is highlighted by the fact that some 40 percent of all automobiles and vehicles exported go to Latin America.

What has already been achieved in terms of mutually beneficial investment and trade relations is only a beginning. Latin America is now on the threshold of what could be a vast expansion in its capacity to produce and to consume. As it is now, the per capita income of most Latin American nations is scarcely $250 a year. Health and educational facilities are for the most part seriously underdeveloped. With both area and population greater than that of the United States, Latin America has less than 10 percent of the paved roads and installed electric power.

The basic resources and the will to use them in economic development are present today in most of the other American Republics. These countries, in fact, have set a very rapid pace of development in the years since the end of World War II. They have done so, as is appropriate, largely by their own efforts. The labor is theirs. Except in certain highly specialized areas, the skills are theirs. And 90 percent of the capital investment is theirs.

This country, and particularly private American capital, has played a part in the phenomenal progress of Latin America during the past 10 years. Technical aid programs have supplied some needed skills and training. Loans from the Export-Import Bank and other sources have provided funds for many basic undertakings on which the economic expansion of Latin America has rested.

Despite the great mutual benefit which has stemmed from inter-American economic relations, there is widespread discontent in Latin America with the present state of these relations. There are many aspects to this discontent, but I shall cite the one which appears to be at the root of the difficulties. The Latin American countries point to the contrast between the vast aid programs in other regions of the world and comparatively limited aid to Latin America. They seek a greater flow of investment capital from the United States. They argue that failure to maintain a high rate of economic development based on larger capital investment will increase the pressures of Communist and other forms of totalitarianism within Latin America.

The position of our Government, as I understand it, is that ample sources of sound credit are available in this country. It is contended that private capital as well as loans from official lending institutions like the Export-Import Bank would flow to Latin America, if the countries of that region would provide a more favorable legal climate for investment.

Mr. President, I am not sufficiently versed in the intricacies of international finance to discuss the merits of these conflicting points of view. I shall leave those matters to the distinguished chairman of the Committee on Banking and Currency [Mr. Fulbright] and the other able members of that committee.

As I see it, however, the issue comes to this. There is a danger everywhere, including Latin America, if the influx of foreign capital is of a kind or at a rate which produces a boom and bust type of economic development. Conversely, however, there is also a danger everywhere, including Latin America, of adverse social and political consequences if economic development is too long delayed.

Let me say again what I have said many times in the Senate. The primary responsibility for the economic development of any country rests with the people of that country and their leaders. We can supply neither the leadership nor the determination. If both are present, however, and what is lacking is a margin of investment, then I believe it is in our interest as well as in the interests of our neighbors to do what we can to make that investment.

It ought not to be beyond the capacities of the executive branch to devise means for meeting the sound capital import needs of the Latin American countries. Whether the formula involves additional incentives to private investors, the expansion of existing official credit facilities, or new regional lending institutions, is a matter which the specialists in these problems are better equipped to comment on than I.

From the point of view of cooperative inter-American relations, however, I think that the urgent requests of the Latin Americans for expanded credit sources should receive the most serious and sympathetic consideration from the executive branch. If these requests are sound and reasonable, we ought to try to meet them. If they are not, then we ought to have the courage to say so and to give our reasons for this conclusion. That this has not been done seems to me to provide one more indication of why a thorough and an independent review of our foreign aid policies is in order.

Beyond common defense needs, beyond economic interdependence, lies still another great area of human interrelationship in which the American nations can contribute to their mutual enrichment. We of this hemisphere, including Canada, are great repositories of Western cultural achievements. These have flowed to the new world through the centuries in fixed and separate channels running east and west across the Atlantic. There would be nothing incongruous in enlarging this pattern of communication by providing additional lines running north and south to link the American continents. The additions would serve only to add to the splendor of the design.

Each of the American nations has added unique contribution to the Western heritage. Yet we still know comparatively little of the newer achievements in Latin America and the Latin Americans of ours. The machinery for stimulating interchanges of this knowledge of the Americas largely exists in the Organization of the American States. What is needed is a full utilization of the potentialities of that body.

I should like to suggest in this connection the possibility of an expanded role for the Organization in carrying out technical assistance within the hemisphere. I should like to suggest, too, that greater emphasis be given to inter-American exchange in such fields as art, literature, and the sciences.

Finally, Mr. President, I should like to urge careful exploration of the idea of establishing a great University of the Americas in some centrally located area, perhaps in Puerto Rico, which is in many ways the confluence of all the cultural influences that have shaped the Americas—the European, the African, and the Indian.

I know there are many difficulties inherent in this concept. But if it is a sound concept ways can be found to surmount the difficulties. I believe it is a sound concept, a great University of the Americas can provide a focal point for deepening understanding of the shared values of the civilizations of the Americas and for enlarging the interchange of ideas, skills, knowledge and achievements among the American Republics.

What I have been outlining here this afternoon, Mr. President, is merely suggestive of what I would regard as a constructive policy. I believe I have said enough, however, to indicate that there are many avenues to the fulfillment of the promise of pan-Americanism—the promise of hemispheric progress through hemispheric action. The role of the Senate is to advise and to consent in these matters. It is the business of the President to act. If the executive branch has the will to act and the intelligent initiative to act, action will be forthcoming which will once again point us toward rather than away from expanding hemispheric cooperation. If the executive branch has the will and the initiative, in time, perhaps, the good-partner policy may come to mean as much and even more to the peoples of this country and the other Americas as its predecessor, the good-neighbor policy.

I thank the Senator from New York for yielding to me.

Mr. CAPEHART. Mr. President, will the Senator from New York yield half a minute to me?

Mr. LEHMAN. I yield, provided I do not lose the floor.

Mr. CAPEHART. I wish to congratulate the able Senator from Montana on his speech, and likewise to say I think the record proves that the President and his administration have been doing the very things the Senator from Montana advocates, and I congratulate them upon it. I believe the record will show that under the President and his administration we have been lending more money, giving more help, and showing more friendliness than we have possibly at any time in the past 25 years. In spite of the good work which we have been doing, I think we ought to do more.

OPERATION BY UNITED STATES GOVERNMENT OF A RACETRACK AND EMPLOYMENT OF ITS GENERAL MANAGER

Mr. WILLIAMS. Mr. President, will the Senator from New York yield to me, with the understanding that he will not lose the floor?

Mr. LEHMAN. With that understanding, I yield.

Mr. WILLIAMS. Mr. President, I am sure that the American people will be interested to know that the United States Government is operating a racetrack, has employed as its general manager a nationally known racketeer, and is paying that former racketeer an annual salary of $35,000.

Tax claims of over $2½ million had been filed by the United States Government against William G. Lias, of Wheeling, W. Va., and a receivership had been requested and granted. Details of the Government's case against Mr. William G. Lias may be found in the Congressional Record, volume 97, part 10, pages 13325 to 13330.

Mr. Lias had been classified by the Department of Justice as one of the Nation's prominent racketeers, and I was very much surprised to find that they had hired him at a salary of $35,000 a year to manage his own receivership. He also has a record of many prior convictions.

The Wheeling Downs racetrack, Wheeling, W. Va., was a part of the receivership and is currently being operated for the United States Government by Mr. Lias, its former owner.

Mr. Lias, in referring to his position as manager of this racetrack, states that he considers himself now to be an employee of the United States Government; and if we assume such to be the case, it means that this racketeer, against whom the Government has a $2½-million tax lien, is, with his $35,000 annual salary, about the fourth highest-paid employee on the Federal payroll. His salary surpasses those of all Members of Congress, all members of the President's Cabinet, and the top officials of any Government agency.

During the same period Mr. Lias has been drawing this $35,000 salary to manage his own receivership, charges of being an undesirable alien were brought against him by the Department of Justice, and a deportation order was requested by the Attorney General.

Thus at the same time Mr. Lias was appearing in court defending himself against charges by the Attorney General of being an undesirable alien, he was drawing his $35,000 salary as manager of the receivership being operated for the same Government. In addition, Mr. Lias' wife is also on the same payroll.

In other words, he was drawing $100 a day from the Government while appearing in court answering the charges of being an undesirable alien.

To assist Mr. Lias in managing this racetrack, the receivers approved the hiring of a Mr. George Lewis, formerly of San Anselmo, Calif.

At the time of his employment Mr. Lewis was under a prison sentence for evading his taxes, and the Government at that time held a tax lien of more than $1 million against him and his wife.

The record of Mr. Lewis' case is as follows:

On January 13, 1954, an indictment was returned by the grand jury in the northern district of California, charging Mr. Lewis with the evasion of income taxes. The indictment contained three counts.

On February 18, 1954, Mr. Lewis pleaded not guilty and requested a jury trial, and on May 13, 1954, the jury returned a verdict of guilty on all three counts of the indictment.

On June 8, 1954, the defendant's motion for probation was denied. The defendant was then sentenced to prison for 1 year on each of the 3 counts, terms of imprisonment to run concurrently, and he was fined a total of $24,000.

On June 15, 1954, Mr. Lewis filed notice of appeal from the sentence, and while this appeal was pending he was hired by the receivers as an assistant to Mr. William G. Lias to help him in managing Wheeling Downs for the Government receivership.

He retained this position until August 13, 1955, or 15 days after I had made inquiry of the Treasury Department about his employment.

The outstanding tax claims against Mr. Lewis and his wife at the time of his employment as an assistant to Mr. Lias were as follows:

Ida Lewis, Docket No. 51599

Year	Deficiency	50 percent penalty	Total
1946	$60,369.07	$31,351.19	$91,720.26
1947	179,875.65	89,937.83	269,813.48
Total			361,533.74

George W. Lewis, Docket No. 51600

Year	Deficiency	50 percent penalty	Total
1942	$7,068.61	$3,534.31	$10,602.92
1943	957.89	478.95	1,436.84
1944	20,674.26	10,337.13	31,011.39
1945	35,615.49	17,807.74	53,423.23
1946	62,517.12	31,258.56	93,775.68
1947	180,309.85	90,154.93	270,464.78
Total			460,714.84

George W. Lewis and Ida Lewis, Docket No. 51601

Year	Deficiency	50 percent penalty	Total
1948	$179,140.54	$89,570.27	$268,710.81

Mr. Lewis left his job at Wheeling Downs August 13, 1955, and on October 27, 1955, he was placed in the Federal Correctional Institution at Terminal Island, San Pedro, Calif.

This is the background of the Mr. George Lewis who was selected by the receivers as an assistant to Mr. William G. Lias to operate the Wheeling Downs racetrack as a part of the receivership for the United States Government.

The Government operating a racetrack having as its managers two tax delinquents—one a former racketeer, owing the Government over $2½ million and currently being charged as an undesirable alien; and the other owing the Government over $1 million and actually under a pending prison sentence at the time of his employment.

The Treasury Department disclaims any responsibility for the employment of these individuals on the basis that after the receivership was appointed the responsibility rested with the Department of Justice. The Department of Justice claims that the naming of the receivers was the responsibility of the Federal court, and that the selection of the personnel was then the responsibility of the receivers.

But regardless of who is responsible, of one thing we can be certain; and that is that this situation cannot be defended, and that so far as the ultimate answer is concerned, the loser will be the American taxpayers.

It is inconceivable that any division of the United States Government should have approved these two men, each with a highly questionable background, to operate a receivership which apparently had been requested for the purpose of protecting the Government's $2½ million tax claim.

On October 17, 1951, I criticized the situation wherein during the time the Government was investigating the tax liability of William G. Lias and establishing the $2½ million tax claim, the Treasury Department had knowingly allowed Mr. Lias to transfer a substantial portion of his assets to members of his family and accepted gift tax payments upon these transfers, thereby greatly diminishing the possibility of the Government's ever collecting its tax claim.

We find that the Government has now approved this same racketeer's drawing a $35,000 salary to administer his own receivership covering the remainder of his assets.

It is long past time when the Department of Justice and the courts should stop handling these racketeers in this kid-glove manner.

I think the courts should demonstrate that our tax laws will at least be enforced as vigorously against members of the underworld as they are currently being enforced against the average John Q. Public.

RULES OF INTERPRETATION GOVERNING QUESTIONS OF EFFECT OF ACTS OF CONGRESS ON STATE LAWS

Mr. BYRD. Mr. President, will the Senator from New York yield to me for 10 minutes, without his losing the floor?

Mr. LEHMAN. I yield with that understanding.

Mr. BYRD. Mr. President, the purpose of these remarks is to urge consideration and enactment before Congress adjourns of Senate bill 3143, now pending before the Judiciary Committee.

THE BILL

The purpose of the bill is to tell the Federal Supreme Court that when Congress intends a Federal law to invalidate all State laws in the same field it will say so, and otherwise the Court is not to presume such intention.

A companion bill, H. R. 3, is pending before the House of Representatives Judiciary Committee. The bills are short and to the point. They read as follows:

> *Be it enacted, etc.,* That no act of Congress shall be construed as indicating an intent on the part of Congress to occupy the field in which such act operates, to the exclusion of all State laws on the same subject matter, unless such act contains an express provision to that effect. No act of Congress shall be construed as invalidating a provision of State law which would be valid in the absence of such act unless there is a direct and positive conflict between an express provision of such act and such provision of State law so that the two cannot be reconciled or consistently stand together.

The bill was first introduced in both the House and the Senate early in 1954 when, under the Federal Supreme Court preemption doctrine, the Pennsylvania State Supreme Court held the Federal Smith Act invalidated the Pennsylvania antisedition law, under which Steve Nelson had been convicted of Communist activity.

The bill was reintroduced in 1955, when the present Congress convened. This particular Senate bill was introduced early this year.

House bill 3, is sponsored by Representative Howard W. Smith, of Virginia, a former judge. In the Senate, S. 3143 was introduced by the Senator from Arkansas [Mr. McClellan], with 11 other Senators as cosponsors. Of the 12 Senators sponsoring the bill, 1 is a former State supreme court justice, 2 are former judges, 1 is a former State attorney general, 2 are former prosecuting attorneys, and 5 others are lawyers. I am the only sponsor who has been neither lawyer nor judge.

ORIGIN OF DIFFICULTY

The need for enactment of this bill now arises as a result of current application of a questionable theory, characterized by split decisions, developed many years ago by the Federal Supreme Court. The theory holds that when Congress enacts legislation on a subject, the Court may presume that Congress intends to take exclusive jurisdiction in the field, and State laws on the subject are nullified.

This theory has become known as the preemption doctrine. At the time when the doctrine was originated, the Federal Government was not legislating in the broad field it has now usurped, and no great significance was attached to it. Under today's expansive interpretation of interstate commerce, Congress is legislating on nearly every conceivable subject. Times have changed; and, if our form of government is to be preserved, the preemption doctrine must be outlawed.

UNDER THE DOCTRINE

A few examples of extremes to which the Federal Supreme Court has gone under the preemption doctrine demonstrate the urgent requirement for immediate enactment of legislation such as Senate bill 3143.

Congress passed a pure-food law; and the Federal Supreme Court, in the case of Cloverleaf Co. against Patterson, held that the State of Alabama was powerless to enforce its own laws for the protection of the health of its citizens.

The Nelson case in Pennsylvania is a more recent and even more dangerous example. Nelson, a notorious Communist, was operating in Pennsylvania in open violation of the State's sedition laws. He was prosecuted and convicted. But, when he appealed to the Pennsylvania State supreme court, it held in January 1954 that, in view of the Federal Supreme Court's application of the preemption doctrine, the State's antisedition law had been invalidated by the

Federal Smith Act. On April 2 of this year the Federal Supreme Court confirmed the Pennsylvania court decision, and thereby nullified antisedition laws in nearly all the States, Hawaii, and Alaska.

In recent days the Federal Supreme Court, in the case of United Auto Workers and UAW-CIO against Wisconsin Employment Relations Board, has granted a writ of certiorari, indicating its possible intention to prohibit the States from exercising ordinary police power for the preservation of peace and order in labor disputes. The case involves assault, battery, rioting, taking over public streets, arrest, and capture of persons on highways—all in violation of State laws.

RESULT OF TREND

The writ of certiorari in this case is ominous warning of the extent to which the Federal Supreme Court may further deprive the States of the basic, fundamental, sovereign right of States to protect their citizens from crime.

Based on what we have already experienced, it is frightening to contemplate where else State law may be struck down. For example, there is Federal legislation controlling traffic in narcotics and kidnapping. Should State laws protecting their citizens against these heinous crimes be invalidated?

The mere mention of 1 or 2 fields such as these, where the Federal Supreme Court may further deprive the States of jurisdiction, indicates the scope and danger of the present trend in Federal courts to take unto themselves jurisdiction to the exclusion of the States, when there is the slightest excuse to do so.

It is not my purpose to indulge in extravagances; but as chairman of the Finance Committee of the United States Senate, and as a member of the committee who has been voting on tax legislation for 23 years, I want to make the record clear in this respect:

I can think of no more direct way to destroy our system of government than to preclude State taxation in fields now occupied by Federal taxes. I cannot imagine that a responsible court would be capable of such a decision. But 5 years ago I would not have believed that the Court would ever strike down antisedition laws in practically every State in the Union. I submit that no tax bill has ever come out of the Senate Finance Committee with the intention that it would invalidate State tax laws in the same field. But the author of the Smith Act is authority for the statement that Congress did not intend to have that act nullify State laws.

URGENCY FOR LEGISLATION

If present application of the preemption doctrine is to prevail, how long will it be before the States are reduced to the status of provinces completely under Federal law construed only by Federal courts, perhaps contrary to the intent of Congress?

The gravity of the present trend in the Federal Supreme Court to usurp functions of State courts cannot be exaggerated, any more than can its tendency to destroy State jurisdiction. Each decision takes us further away from the constitutional system of government in which we have taken so much pride.

The time has come for Congress to exercise its power and perform its duty; to state—beyond any judicial interpretation to the contrary—the extent to which it intends that States shall be ousted from jurisdiction over local matters arising within their borders.

That is why we have introduced S. 3143 and H. R. 3.

These bills have no effect on any question committed to Federal courts by the Constitution. These bills would not apply in cases where there is conflict between State and Federal law; the Federal law would still prevail. They simply strike at presumption of law by Federal courts.

The bills are intended to do no more than say to the Federal Supreme Court that Congress does not intend to invalidate State laws unless it says so, and that no presumption of intent to exclude jurisdiction of State courts from any subject shall be taken from mere passage of an act of Congress.

This was the position taken by both Chief Justice Stone and Justice Frankfurter in a strong dissent to the Cloverleaf decision. They contended that State laws should be nullified only when the act of Congress in question specifically provides for invalidation.

There is ample room for concurrent jurisdiction by both State and Federal courts in many areas where the Constitution expressly has not given exclusive jurisdiction. Among other advantages of proper concurrent jurisdiction is more expeditious meting of justice. Under the present trend, congestion in Federal court dockets is denying justice.

GENERAL LEGISLATION

There are pending in Congress several other bills which should be kept in mind to avoid confusion. They would only correct the one decision in the Steve Nelson case. They should not be considered in such a manner as to sidetrack the enactment of general legislation. To correct only one case at a time, after injury has been done, would be sham and subterfuge.

Further delay in action of a general nature to preserve the sovereignty of States and save the dignity of State courts would be worse than doing nothing. Unless Congress is willing now to pass a general law precluding further application of the preemption doctrine, and restoring to the States the means to protect their citizens in peace and order, the situation will surely degenerate to a point which will compel the enactment of remedial legislation.

The importance of the principle involved and the vital necessity for general legislation is too great to warrant standing by for pressure group demagoguery or quibbling over language. If there is need for clarification of language, different language, or different bills, let us proceed to do what is necessary.

Effort will be made to relate these bills with the Federal Supreme Court decisions in segregation cases. From the inception, there has been no such relationship. I know of no better way to refute the contention than to repeat that the proposed legislation was prompted by the Steve Nelson case, and was introduced originally before the segregation decisions were handed down.

The contention will be made by labor unions that the bill in some way may involve the Taft-Hartley Act. The answer is that the Federal law prevails when State law is in conflict.

On the other hand, the bills are indorsed by such groups as the American Bar Association, the American Farm Bureau Federation, the National Economic Council, Inc., the National Grange, and the Committee of States' Attorneys General.

While the Department of Justice takes an adverse view of the proposed legislation, on the grounds that it would be difficult to administer, and confusion might result, it is also on record in the Steve Nelson case with a strong brief urging reversal of the preemption doctrine in that instance. Perfecting suggestions from the Department would be welcomed.

The proposed legislation has been pending a long time. The urgency for its enactment is increasing rapidly. I hope Congress will not adjourn without taking action on this matter, which is so vital to law and order and the administration of justice.

Mr. MURRAY. Mr. President, will the Senator from New York yield to me for the purpose of suggesting the absence of a quorum?

Mr. LEHMAN. I yield for that purpose, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Bender
Bennett
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Chavez
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Fulbright
George
Goldwater
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Murray
Neuberger
O'Mahoney
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Scott
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. Bible], the Senator from Kentucky [Mr. Clements], the Senator from Tennessee [Mr. Kefauver], and the Senator from West Virginia [Mr. Neely] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic energy tests in the South Pacific.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senator from Maryland [Mr. Beall], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Nevada [Mr. Malone] is absent on official business.

The PRESIDING OFFICER. A quorum is present.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. LEHMAN. Mr. President, on behalf of the Banking and Currency Committee, I urge the enactment of S. 3732, the Federal Flood Insurance Act of 1956.

This bill was unanimously reported to the Senate by the committee, for which I am privileged to speak and over whose hearings on this proposed legislation I had the assignment of presiding.

The report of the committee is before the Senate. It is a comprehensive report. It states the case for the bill and describes the background of the bill, certainly better than I can in the course of the remarks I shall make today. I shall try not to duplicate too much of what is contained in the report.

There are also available to each Member copies of the two sets of very comprehensive hearings which the committee held, first on the general question of disaster insurance and on the nature and extent of the tragic floods which affected the Northeast and the east coast last year, and second, on the specific proposed legislation which was introduced at the beginning of the session to meet the need that was so clearly demonstrated in our hearings last fall.

Third, there is available for those Members who wish to look closely into this matter, a most exhaustive and authoritative staff study of the subject of disaster insurance, printed as Senate Report 1313.

There are available, in fact, all the known data and information that could be gathered together for presentation during the consideration of flood-insurance legislation. No one, I think, can complain of a lack of background information and authoritative testimony, insofar as there is anywhere available such information and insofar as such authoritative testimony could be obtained.

During all of last fall I presided over hearings held in almost every one of the disaster areas. This year we held very detailed hearings on the proposed legislation which had been formulated by the administration and by the various unofficial experts whose services some of us in the Senate were able to mobilize.

From all these data and from all the legislative proposals which were before us, the Banking and Currency Committee has written a bill—a bipartisan bill, a bill reported by unanimous vote—for the consideration of the Senate. I hope that consideration will be favorable and that the bill will be passed.

I had the privilege of working first very closely with the junior Senator from Massachusetts [Mr. Kennedy] in the formulation of S. 3137. The Senator from Massachusetts brought to this task the benefit of the insight and experience which had been gained from the disasters which struck Massachusetts last year. Subsequently, I worked over a long period of time with the distinguished senior Senator from Connecticut [Mr. Bush], a member of the Banking and Currency Committee, who shared with me the main burden of attendance at the many hearings we held and whose knowledge of this subject and eagerness to devise an operable flood-insurance program contributed greatly to the legislative proposal which is now before the Senate.

I would be less than truthful if I did not say that the task of writing a practical flood-insurance bill was a long and a most difficult one, and that many problems remain still unsolved in connection with this proposed legislation.

This is avowedly a pilot program designed to gain experience in this field, but at the same time it is designed to provide some protection for people who desperately need it.

At this point I should like to take a moment to speak generally about the urgent need for flood insurance.

As far back as our records go, this country has been intermittently plagued with floods. No State has escaped their devastation, although in particular areas their impact may be more pronounced at one time than at another.

Consider the most recent example, one with which I happen to be particularly familiar. Last summer the northeastern section of this country was visited by one of the most devastating floods in the records of the United States Weather Bureau. The deluge released by Hurricane Diane, falling on ground already saturated by Hurricane Connie, wrought terror and devastation in the six Northeastern States affected. One hundred and sixty-seven persons were killed and more than 5,000 were injured.

Property damage was more than a half billion dollars. Half a billion dollars, Mr. President, is a conservative estimate. It includes only the direct damages. The immense additional losses—losses which are just as real, losses represented by the interruption to business activities, the time lost while men and organizations concentrated their entire energies on rebuilding—are not included in that figure of a half billion dollars of damage.

Nor does that figure attempt to encompass the toll of human misery and suffering. Every dollar of that half-billion is a dollar lost of somebody's savings, of his home, or the accumulated products of his life's work. The human mind can scarcely grasp what that means.

Take a very small example. A few weeks ago, I read into the Record a letter from a constituent who had suffered the least—the smallest possible form—of flood damage. He had had his basement filled with water. That sounds like a mere inconvenience, does it not? Let me read again what he said about this "mere inconvenience:"

> We borrowed quite a bit of money last fall to put in a new furnace and to make repairs as a result of the flood in March 1955. That money and those repairs are lost, we can't borrow again, we haven't paid off last fall's loan.
>
> We have no heat as yet, our hot water tank is broken, our washing machine is ruined, the basement floor is damaged and everything stored in the basement is lost. These may seem like small matters to some people, but to small people like us, trying to raise a family, it's close to a disaster.
>
> We can't sell this house; we have tried through the real-estate dealers. The only thing left is to let the house revert to the bank and lose our GI rights.

That letter represents perhaps $500 worth of that half billion dollars' worth of damage. Nearly 1 million people suffered that much or more during Hurricane Diane.

Mr. President, the pending bill is an effort to meet the needs of people like the ones I have just described. There are hundreds and thousands of others who suffered much greater damage. Some persons lost their life's savings.

I point out that the committee bill makes provision for a deductibility clause in all policies to eliminate nuisance claims. But cases of real hardship can and will be relieved through this program by making available, as widely as possible, insurance against the risk of flood damage.

The reason I am so strongly for this program, Mr. President, is my concern for the little fellow, the family with low and moderate income, with a home having a mortgage on it, a family which can be left, by one of these catastrophes, with only the prospect of debt piled on debt.

The big business concerns—at least the profitable ones—and the wealthy home owners can insure themselves, and write off damage against income in their tax returns. The average home owner cannot do this at all, and the small, struggling businessman finds it difficult and frequently impossible.

It is for these people that I have chief concern, and it is for these that the members of the committee have showed concern in writing this bill.

The private insurance companies do not write flood insurance on real property. There is no question of this fact. The record is replete with authoritative testimony to this effect. Witness after witness so testified before the committee.

All the representatives of the insurance companies said they recognized the need. They said it would be good if private insurance companies could write the flood insurance. But they are not now prepared to do so. They say it is practically impossible for them to do so on the basis of the data now available.

In view of the urgent public need, this is a place where government must move in. There is no alternative to a government program.

The committee does not propose to settle for inaction.

The President of the United States and his administration have urged a Federal flood-insurance program. An administration bill, S. 2852, was introduced. The committee bill is a reconciliation of the administration bill, sponsored by my colleague from Connecticut [Mr. BUSH] and other Senators, and S. 3137, the Lehman-Kennedy bill. The committee has worked closely with administration experts in formulating this legislation.

I do not say that the committee bill conforms in every respect with what the administration wants, but it takes cognizance of every valid criticism and suggestion the administration has made.

We heard extensively from representatives of the private insurance industry. I would not say that this bill is warmly supported by all the private insurance companies, but it certainly takes into consideration all the constructive suggestions which they have made to us. Moreover, time and again, the private insurance industry has offered its counsel and services in carrying this program out if the Congress, in its wisdom, enacts it into law.

Mr. President, I do not pretend, and the committee does not pretend, that this program of flood insurance meets entirely the problem of floods in this country. Flood insurance is only a part of the answer. Another part of the answer lies in flood-control works.

For the past month I have spent much of my time supporting appropriations for flood-control projects in various sections of our country. There is no substitute for the planning and construction of physical works to control floodwaters. It is equally true, however, that no system of works designed for flood prevention and control can alone answer the need.

If the Corps of Engineers had the wisdom of Solomon, it could not foresee every flood. Floods occur where no flood ever has struck before. Local floods may be caused by conditions that appear but once in a century. Sometimes a town or city must run a calculated risk of occasional flooding, because the expense of complete protection would be prohibitive.

Moreover, even if it were true—which it is not—that all presently approved construction plans for flood control would, if completed, be adequate to prevent floods, still the fact is that many people must remain exposed to flood danger for many years—for many generations, if you will—to come; for the fact is that the existing plans are far from complete. Many have not even been commenced.

In the course of our hearings, the Chief of the Corps of Engineers, Gen. Samuel D. Sturgis, Jr., estimated that even if Congress should now proceed with all dispatch to make appropriations for the full schedule of flood-control projects which the Corps of Engineers has recommended, and for which it now has plans, it would require a minimum of 22 years to complete these flood-control works. Moreover, the Chief of Engineers made clear that under the basic statutes governing the activities of the Corps of Engineers, a flood-control project must be economically justifiable before it can be recommended by the Corps of Engineers.

Finally, Mr. President, as I have already indicated, floods sometimes strike where there was never an indication of a flood before. There were heavy floods in New York State in 1935 and 1936, but when the first tropical hurricanes hit the northeastern coast of the United States in 1938, they were the first such major flood storms to hit that area in more than 100 years.

The Chief of the Geological Survey and the Chief of the Weather Bureau both testified that gross changes are taking place in the weather pattern—they do not know exactly why—which have resulted in unexpected weather phenomena in many parts of our country.

Mr. President, for these reasons, nothing can be done to guarantee absolutely against flood damage by flood-control works and by protective structures. Insurance protection must be made available. If the private insurance companies will not make such protection available, the Government must. At least, the Government must show the way.

As I have said, the private companies have said repeatedly that they cannot now offer flood insurance. Some time in the future they may do so; and our program is so designed as to invite their participation as soon as they feel able to join in, and in whatever way they are able to join in. The fact remains that they are not now offering it, and do not expect to do so within the foreseeable future. Therefore, Mr. President, I say again that the Government must undertake this responsibility.

It is for that reason, and to serve that need, that the Committee on Banking and Currency has unanimously reported S. 3732.

I have said that, generally speaking, it is impossible in this country to purchase insurance against flood damage to real property, as well as to many types of personal property. Private insurance companies are not willing to risk a general entry into the flood-insurance field. Two main fears deter them. First, they doubt that any program would result in sufficient profits. Second, they are concerned lest floods cause catastrophic damage leading to an amount of insurance claims which would bankrupt the limited resources of a private insurance company.

Let me refer to the provisions of the pending bill.

First, it would authorize the Commissioner of the Federal Flood Insurance Administration—a new constituent agency of Housing and Home Finance Agency—to offer insurance or reinsurance against flood damage to real and personal property in the United States, whenever such insurance or reinsurance is not available on reasonable terms from other public or private sources. In doing so, the Commissioner will make use of the facilities and services of private organizations to issue the policies and to aid in adjustment of claims. This should serve to avoid the need of a large, costly, bureaucratic Federal organization to handle this program.

What we normally consider premiums for the Federal flood insurance will be computed as follows: The Commissioner will first compute what S. 3732 calls estimated rates, which are so-called actuarial rates, on each piece of property, according to its class, its location, and its vulnerability to flood damage. These rates would be so computed that, if collected, they would be sufficient, over a reasonable period of years, to pay all insured losses. I have noted that many insurance representatives believe these rates would be too high to attract purchasers of flood insurance. In recognition of this circumstance, the bill authorizes the Commissioner to collect only part of the estimated rate from the insurance purchaser. The part collected is referred to in the bill as a fee.

In the Commissioner's discretion, the fee may be lower than the estimated rate by as much as, but not more than, 40 percent of the estimated rate. The bill authorizes the Commissioner to establish a schedule of fees designed to provide insurance protection at reasonable costs designed to achieve marketability. Within the 40 percent limit, the Commissioner may fix different classifications of fees according to use of the property to be insured, the extent of availability of insurance from private sources, and the ability of the insurance prospect to self-insure or to provide mutual self-insurance through a reciprocal reinsurance arrangement. The Commissioner may then set different levels of fees for these classifications, but all within the 40 percent limit above noted. Within any given class of property, the fees will be uniform for similar risks; the intent being that a greater risk will call for payment of a higher fee.

The difference between, on the one hand, the fee actually charged to the insured and, on the other hand, the higher estimated rate he would otherwise have been called upon to pay in order to raise sufficient proceeds to pay insured losses, is an admitted subsidy. This must be paid by the Federal Government under the bill. It can never exceed 40 percent of the total difference between estimated rates and fees. At this stage of the proceedings, lacking operating experience on a nationwide basis, it is not possible to express the maximum subsidy exactly in dollars and cents.

As experience is gained under this program, it is expected the Commissioner will be able to set the fees at levels approaching the estimated rates, thus reducing the Federal subsidy, to the extent this proves to be consistent with providing the flood-damage insurance protection intended by the bill. Many hold the opinion that after an adequate experimental period with this program, it should be possible to operate it on a breakeven basis without requiring any Federal subsidy toward claim payments. Still others expect operations under the program to demonstrate that it can be run as a profitmaking commercial venture.

The bill requires that the Commissioner continually study the feasibility of having private-insurance companies take over the programs authorized by the bill, either with or without Federal finacial support. The bill also requires

that the annual report for the calendar year 1961 express an opinion by the Commissioner, supported by findings, as to whether it would be advisable for the Federal Government to withdraw from the flood-insurance field, keeping in mind the desirability of having flood-insurance protection made available to the public. After long and intensive study of this problem. I am convinced that the only practical way to obtain reliable answers to these problems is to operate a nationwide pilot-plant program of flood insurance and reinsurance such as that authorized by the bill.

In order to isolate the effect of administrative expenses on the feasibility of the program, the bill provides that these shall be paid out of funds appropriated through the usual congressional channels.

At the outset of the program, the bill limits the total face amount of flood insurance and reinsurance that can be made available under it to $3 billion. It permits the President to increase this limit by as much as an additional $2 billion, if an increase is advisable to carry out the purposes of the bill. As fees are collected on insurance policies sold, the above limits are increased by a like amount. On the other hand, they are decreased by an amount equal to claims approved under outstanding policies. This will limit the total size of the insurance and reinsurance program the Federal Government can operate under this legislation.

Let me point out that this represents the face amount of insurance that can be outstanding—not the expected cost to the Federal Government. In private insurance operations, the company's exposure to risk greatly exceeds the losses incurred—in fact, this is the very nature of the principle of insurance. The losses of the few are paid for from premiums paid by many who deem themselves potential victims of the perils insured against. Testimony was given our subcommitte to the effect that many private companies keep no record whatsoever of their total exposure to risk under property damage policies. Instead, they rely on the expectation that actuarially sound premiums will be sufficient to pay all insured losses and administrative costs, and to yield an acceptable profit. A single insurance company, it was reported, has about $20 billion exposure to risk of windstorm and other perils included in the company's extended coverage endorsement on fire-insurance policies, as compared with total assets of that company amounting to only $1¼ billion. By comparison, the $3 billion to $5 billion program authorized by this bill seems minute. But it is believed it will be sufficient to inaugurate a representative operating flood insurance program. I wish to emphasize again that the $5 billion figure represents the face amount of insurance and reinsurance under the bill. It is much higher than the expected cost of this program to the Government.

Because we have placed a stringent limit on the amount of insurance and reinsurance that can be made available under the bill, it has been necessary to place a limit on the amount available to any one person. In an effort to spread the available protection as far as practicably possible, a policy limit of $250,000 per person has been prescribed, provided that a lower limit of $10,000 per dwelling unit and connected structures and personal property has been set. The committee deemed these limits to be ample to furnish a fair share of protection to those who choose to take part in this program; although the limits may not be high enough to allow every person, corporation, and public body to buy all the flood insurance each would like to carry. These limits, of course, apply only to direct flood insurance issued by the Federal Government; they do not prohibit private insurance companies from issuing flood-insurance policies covering the risk above these limits on property so insured. Under the bill, policies so issued by private companies could be reinsured by the Federal Government. So by combining direct Government insurance with private company insurance, a person, corporation, or public body may be able to obtain the amount of flood insurance desired, depending upon the willingness of private insurance companies to enter this field either with or without the backing of Federal reinsurance.

Among the most tragic flood losses that came to the committee's attention, apart from loss of life and personal injuries, were those in which families of small or moderate means lost all their worldly possessions in a flood. Even more poignant were instances in which homeowners lost their mortgaged homes to the flood, but still owed the money due on the mortgage. In some cases the savings of a lifetime, earned by years of toil and laid aside through prudent husbandry, were wiped out in one swift rush of angry waters. It became necessary to use these savings immediately after the flood to pay day-to-day living expenses, in the absence of wages due to unemployment caused by the same flood, and to try to replace furnishings destroyed or damaged by floodwaters.

Many of these people have pleaded with us to use the powerful forces of the Federal Government in order to make some form of flood insurance available. Had the programs authorized by this bill been in effect, these flood victims would have been able to use the proceeds of insurance claims to repair and replace flood losses without such a heavy blow to their lifetime savings. The mortgagor would have been better enabled to meet the payments on his outstanding mortgage and to obtain a new mortgage in order to replace or repair his flood-damaged home. The $10,000 limit per dwelling on Federal flood insurance would be a substantial achievement by itself toward this goal.

Other far-reaching flood losses occurred when business enterprises were made inoperable, causing layoffs for most of their employees. To the worker this meant loss of wages; to the employer it meant loss of production and income; to the Government it meant loss of taxes from many sources. In the floods last fall, many small businesses were particularly hard hit. Operating a small business presents enough problems of obtaining working capital in the absence of a flood, but the flood damage compounds the problems. It compels the management to seek credit at a time when the physical business assets are at a low ebb. In many cases it presents the need for making the serious decision as to whether to resume business operations in the same location, or at all. Unless the enterprise resumes, the community may lose a source of employment for many of its citizens, with resulting adverse repercussions on the welfare of the entire community in the case of smaller towns.

Not all these problems will be solved by the pending bill, but the insurance and reinsurance programs it authorizes will make a helpful start toward their solution. Again, as in the case of homeowners, insurance proceeds come at the time they are most needed, relieve the insured's other assets from pressure, and maintain the credit of the insured. Insurance proceeds give him an immediate source of funds for the repair of flood damage.

The programs placed in operation under the bill should provide a fair amount of protection to those who purchase flood-insurance policies.

The proposed legislation requires a minimum loss deductible provision in each Federal policy equal to $100 plus 5 percent of the balance of each claim. This will serve to reduce nuisance claims, keep down the cost of servicing claims, and give the insured an incentive to minimize flood loss. In addition, the Commissioner may impose coinsurance requirements, so that property underinsured in terms of value will result in only partial recovery of partial losses. Under the bill, the Commissioner may increase the amount or percentage in the loss-deductible provision upon issuance of a policy, considering the class of risk involved. This will further decrease the Federal Government's exposure to loss under the insurance program, but I hope the Commissioner will keep in mind the aim of this bill to furnish the insured a fair amount of protection.

Although the bill limits the operating insurance program to flood, as defined in section 20, it directs the Commissioner to study the feasibility of offering insurance against other natural disaster perils whenever it is not generally and practically available in the United States from public or private sources. Another provision of the bill requires the Commissioner to include in the annual report for 1961 his opinion as to the feasibility of withdrawing the Federal flood insurance and reinsurance program, keeping in mind the desirabiliy of having such protection made available to the public. Moreover, no insurance or reinsurance can be issued under the bill if it is available on reasonable terms, from any public or private source. Finally, the Commissioner is directed to make use of the facilities and services of private insurance and adjustment organizations in carrying out the programs authorized.

Mr. President, in my opinion the matters I have discussed are the main features of the bill. More detailed explanation of these and other provisions may be found in the report.

ect must be economically justifiable be- for the Federal flood insurance will be finacial support. The bill also requires

place a limit on the amount available to taining working capital in the absence of may be found in the report.

The programs authorized will offer insurance protection to many who are actually potential flood victims, whether they realize it or not. One of the rather startling facts that developed out of the floods and hurricane rains of 1955 is that many are subject to water peril, even though their property is not located on streams. The deluge proportions of the rains caused damage to property on high ground. It also caused a backing up of water in small headwater streams causing serious flooding in areas not suffering such conditions for many preceding years, if ever. It was from victims such as these in my own State of New York that I have received heartrending requests for the institution of a flood-insurance program. Personally, I want to do all within my power to provide an opportunity to these people, and others who may find themselves in a like situation in the future, to purchase flood insurance at reasonable rates.

In the past, flood-insurance legislation has reached various stages of progress, but never has a bill on this subject been reported to either House of the Congress. Our committee has given long and very careful consideration to flood-insurance problems. This bill was unanimously ordered reported favorably by all committee members present. I urge its immediate enactment.

Mr. President, I wish to add a personal word: The committee held hearings in almost every one of the States which suffered damage as a result of the floods of last August and last October. The committee did not have an opportunity to hold hearings on the Pacific coast; but, in all, the committee held 14 hearings, as I recall. As I have stated, at the hearings there appeared before us many hundreds of persons, including manufacturers, merchants, the Governor and the Senators from each State in which we held hearings, teachers, Government workers, factory workers, farmers, and—above all—the owners of small homes. All those persons came before the committee and told their story. I suppose that in most cases the small homes whose owners testified before the committee had a value not exceeding $10,000, and in many cases a lesser value than that. In most cases the homes were saddled with mortgages probably amounting to the full value or as near the full value of the homes as it was possible to obtain on mortgages. When the homes were destroyed, as a result of the flood waters, the mortgages remained in effect; and the owners still owed $7,000, $8,000, or $9,000 for what were perhaps $10,000 homes. After the flood, they had to seek new loans, which were superimposed on the original loans. The home owners had no means of obtaining compensation to make it possible for them, through cash resources to which they are entitled, to get back on their feet.

Only a few Government agencies provide any relief of this kind. It is true that the Department of Agriculture makes some very small loans; and the Small Business Administration and the HHFA also makes some small loans. However, aside from those small loans, which must be repaid, no relief is available, save through private agencies.

The Red Cross has done excellent work in helping these people; but at a time when damage amounting to probably $1 billion has been suffered—and let me say that the estimates vary from $700 million or $800 million to twice that amount; but I have been conservative in figures I have been using—the amount of help which can be obtained through the Red Cross, from the public-spirited people of the United States, is small in comparison to the need.

Mr. President, it is impossible for me to find words to describe adequately the feelings of those who appeared before the committee and pleaded with it for assistance and action. I recall that in South Carolina there was a community, located near the ocean, consisting of 500 small houses. When the hurricane came, the tidal waters rose so high that all but one of those homes was swept into the sea. How that one home was saved is a miracle which no one can explain. The owners of all the other homes in that community suffered a complete loss.

The Senator from Connecticut [Mr. Bush] and I and other members of the committee can speak to the Senate for hours, I am sure, in discussing the tragic situation created by floods; and the other members of the committee can speak much more eloquently than I have spoken. However, I have seen sufficient of the damage done by floodwaters—and let me say that I have personally seen in my own State of New York enough of the damage done by the floods which occurred in 1935 and 1936, when the people of New York suffered damage amounting to nearly $100 million—to convince me that it is the duty of the Congress to take steps now, immediately, to make at least this small portion of relief available to the people. Of course, Mr. President, the steps we propose are not wholly adequate steps; they will not meet the entire need. We should not make promises to the people which will not be realized. But, I am convinced that we must act at once. I urge the immediate passage of the bill without crippling amendment.

Mr. KENNEDY. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER (Mr. McNamara in the chair). Does the Senator from New York yield to the Senator from Massachusetts?

Mr. LEHMAN. I am glad to yield.

Mr. KENNEDY. I desire to congratulate the Senator from New York on the very able statement he has made, and, more importantly, on the work he has done in connection with this matter since last September. I attended the hearings in Boston, and at that time I thought the job was an almost insuperable one, particularly in view of all the problems which were presented to the committee; and I did not know whether it would be possible for affirmative action to be taken.

I know of the work which has been done by the committee. I desire to congratulate the Senator from New York, and also to thank him on behalf of all the people of Massachusetts, for the splendid work he has done. I also desire to thank the distinguished Senator from Connecticut [Mr. Bush] for the excellent work he has done. Their work has made it possible for this measure to be reported to the Senate.

Mr. LEHMAN. Mr. President, I thank the Senator from Massachusetts for his remarks.

Let me say that on many occasions during the hearings, and also between them, I was deeply discouraged; it seemed to me that the difficulties inherent in the situation were so great, and the problems were so intricate and involved, that it would be virtually impossible to work out an operable bill. However, I think we have done just that, although I wish to emphasize that it is not a perfect bill. Nevertheless, if enacted, I believe it will bring a very substantial measure of relief to those who are in such great need of relief.

Mr. BUSH. Mr. President——

The PRESIDING OFFICER (Mr. Wofford in the chair). The Senator from Connecticut.

Mr. BUSH. Mr. President, first, I wish to congratulate the distinguished Senator from New York [Mr. Lehman] upon his excellent presentation of this subject, and also for his untiring efforts during the past 7 months. He tackled this job as long ago as last October. I venture to say that in the intervening months this issue has taken far more of his time than has any other. He has given most unselfishly of his strength, his energy, and his wisdom to this very difficult task. I think that is perhaps the chief reason why we now have before us a flood-insurance bill which seems to be a workable one.

Incidentally, Mr. President, it is interesting to observe—and I believe that the Senator from New York will recall that I am correct in this matter—that this is the first time a bill designed to provide insurance against flood damage has been reported to either House of the Congress. I am sure the Senator from New York and I are very happy that we have worked together to make this first appearance with a flood-damage insurance bill.

Mr. President, the bill is the outgrowth of 2 or 3 measures; one might say it is a merger. More than 20 Senators have sponsored one or more of the bills. So we already have evidence of the broad support this issue has. The Senators who support this proposed legislation come from both the east coast, the west coast, and the Middle West. So I am very hopeful that the bill will receive a very large vote of approval in the Senate so that it may go to the House with impressive support. As yet the House has not done very much about this problem. Some hearings were held on the House side, but a great many difficulties were encountered in connection with preparing proposed legislation. I believe that Members of the House decided to wait and see what the Senate would do on this subject. The House has done nothing about it for several months. So I think it is very important that the bill receive a very large vote of approval in the Senate, in order that we may convince the House that we feel we have a very good bill.

I am pleased to support wholeheartedly the Federal Flood Insurance Act of 1956. I cannot help but feel a strong sense of accomplishment in seeing this proposed legislation reported to the Senate favorably by a unanimous vote of a majority of the Committee on Banking and Currency. Enactment of this bill would perform a great public service for the people of the United States by making available indemnity against flood damage to real and personal property. No commercial insurance is generally available at present to furnish such protection.

I take satisfaction, on behalf of the people of my own State, in seeing the legislation progress this far because we share an intense interest in obtaining adequate flood-indemnity protection. Connecticut sustained the heaviest loss of any State during the floods that struck the Mid-Atlantic and Northeastern States in August and October 1955. The most recent estimates from the Federal Civil Defense Administration indicate that in those disasters, Connecticut suffered almost 100 lives lost, nearly 5,200 injured, and damage to physical property amounting to $236 million. However, mere figures are insufficient to portray the hardship and human misery caused by the flood.

One would have to walk through the ruined towns and cities, as I did repeatedly, and see firsthand the terrible damage and suffering wrought by the angry waters, in order to appreciate the real need for the legislation now proposed. In conference in Connecticut with public officials of the affected States, President Eisenhower pledged the Federal Government to seeing whether flood insurance could be offered through cooperation between insurance companies, States, and the Federal Government.

Impressed with the need for a careful study of means of providing insurance protection against such damage, I telegraphed Chairman Fulbright of our Banking and Currency Committee on August 23, 1955, urgently requesting that the staff immediately undertake a study of the feasibility of Federal disaster insurance. Since that time I have worked closely with other members of the committee, insurance representatives, the committee staff, and the executive department to devise a workable flood indemnity program.

At my request, the committee staff prepared a comprehensive background study of disaster-insurance problems, and a proposed disaster-insurance bill. Together with other pieces of proposed legislation, this bill served as a vehicle for developing useful ideas for a plan of flood insurance during the 8 days of hearings held by the committee from October to December of last year. I was privileged to take part in these hearings, held under the able chairmanship of the distinguished Senator from New York [Mr. Lehman], both in Washington and in the areas afflicted by the floodwaters.

As soon as the Congress convened this year, with several cosponsors—there were 19, including my distinguished colleague [Mr. Purtell]—I introduced a flood-insurance bill (S. 2862) representing the administration's suggestions to carry out President Eisenhower's state of the Union message recommendation for an experimental program of flood-damage indemnity. As amended on January 18, this bill joined S. 2768, the Kennedy-Saltonstall bill, and S. 3137, the Lehman-Kennedy bill, to form a triumvirate of proposals on which 5 additional days of hearings were held in February.

The bill reported by the committee contains features from each of these measures. With the single exception of a requirement that the States participate financially, it embodies all the major points of policy contained in S. 2862, as amended on January 18, and recommended by the administration.

Briefly these points consist of:

First. The manner of computing fees charged for the indemnity made available, placing a limit on the Federal subsidy;

Second. The incentive placed on State and local governments to minimize flood losses;

Third. A per person limit on policies issued;

Fourth. An overall limit on the programs;

Fifth. A minimum loss-deductible provision;

Sixth. Administration of the programs within the Housing and Home Finance Agency; and

Seventh. Testing the feasibility of turning the programs over to private insurance companies after 5 years.

The question of requiring participating States to bear a share of the cost of the admitted subsidy involved was examined thoroughly by the subcommittee and the full Committee on Banking and Currency. Although I favor the idea, and fought for it during the discussions held in executive session, I was forced to yield by the weight of the practical obstacles which arose.

The fact of the matter is that very many of the States, if not all, have provisions in their State constitutions which raise very grave doubts whether they could participate in the proposed program if financial participation were a prerequisite. At a minimum, insistence upon State financial participation would cause lengthy delays in getting under way a program which is needed now, not 2, 3, 4, or more years from now. It would handicap the program in most of the States, and make it totally ineffective in some of the very States where it is most urgently needed.

That applies particularly to the State of Connecticut, and I believe with particular emphasis to the State of Massachusetts. It applies also to the State of California and other States.

Moreover, a requirement of State financial participation in the bill is not needed to accomplish the essential purposes for which it was proposed, namely, first, to provide an incentive to the States to reduce flood hazards; and, second, to reduce the possible cost to the Federal Treasury. These ends can be achieved, practically and effectively, by the flood-zoning provisions of the bill.

I. RATEMAKING

Under the bill, rates will be set at levels sufficient to pay insurance claims as they become due. But, if the Commissioner thinks these are too high to obtain enough purchases, he may collect as much as 40 percent less from the insured. The difference between the amount collected and the higher rate needed to meet claims would be paid into an insurance fund as a Government subsidy. Other bills considered and rejected by the committee on this point would have set no percentage limit on the amount of the subsidy. It is expected that the Commissioner will keep this subsidy to a minimum by collecting as much of the amount needed to pay claims as is consistent with providing the protection sought to be made available by the provisions of the bill.

II. STATE PARTICIPATION

I am particularly pleased that the bill reported from the committee places on each State an incentive to keep flood damage to a minimum. It withholds Federal flood insurance or reinsurance from property used in violation of local flood zoning. After June 30, 1958, it withholds benefits from any area which fails to adopt flood zoning restrictions, if any, deemed necessary by the Commissioner. With such clear mandates to State and local governments to minimize flood losses, any added incentive in the form of money contributions by the States ceases to have the importance it would assume in the absence of such provisions.

III. POLICY LIMIT

The bill limits each Federal indemnity contract to $250,000 per person, just as in S. 2862, the administration bill. It contains a further proviso of a $10,000 limit per dwelling unit, together with appurtenant structures, furnishings and other personal property. Together these limits should serve to distribute the benefits of this legislation to many people who need them. Additional coverage may be obtained from private insurance companies, if they are willing to provide such coverage either with or without Federal reinsurance. Some limit per policy is obviously required in view of the limit placed by the bill on the total face amount of indemnity contracts that may be outstanding under its provisions.

IV. PROGRAM LIMIT

As reported by the committee, the bill contains a higher program limit than that set forth in any of the measures it considered. An immediate limit of $3 billion is provided, with authority in the President to increase it to $5 billion if advisable to carry out the purposes of the bill. After considering testimony of insurance representatives, the committee concluded that a program of this size, in the form of insurance or reinsurance, would give a fair opportunity to test the workability of flood insurance. In usual insurance operations, the amount of exposure to risk is greatly in excess of the ultimate cost of the program to the insurer. It is hoped that the same attributes will attend this program. If so, the cost to the Federal Government will be small and well justified in view of the public service performed and the increase in income tax revenues resulting from the reimbursement of losses now treated as tax deductible items.

V. LOSS-DEDUCTIBLE PROVISION

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V. LOSS-DEDUCTIBLE PROVISION

The bill requires a minimum loss deductible provision excusing the Government from liability for the first $100 of each claim and 5 percent of the balance. While S. 2862 would have fixed a higher minimum of $300 plus 10 percent of the balance of each claim, the bill as reported permits the Commissioner to raise the minimum to this level or even higher, considering the insured risk. The levels should be high enough to eliminate the expense of processing very small claims, making possible a lower total charge to the insured for protection on the remainder of each claim. On the other hand, it should be low enough to provide adequate insurance proceeds when needed by those taking part in the program.

VI. ADMINISTRATION

The program will be handled by the Housing and Home Finance Agency through a Commissioner of a Federal Flood Insurance Administration. General supervision and housekeeping functions will be within the control of HHFA. Daily operations will be handled by the Commissioner. Coupled with use of the services and facilities of private insurance organizations, these provisions should make possible a successful program with a small, policymaking Government staff. The former war damage insurance program worked quite successfully under a similar pattern, being a subsidiary of the Reconstruction Finance Corporation.

VII. FEASIBILITY TEST

The bill, as did S. 2862, requires that at the end of 1961, those handling the insurance and reinsurance programs must advise the Congress whether, considering the desirability of affording flood insurance protection, it will be possible at that time for the Federal Government to withdraw financial support from this field of endeavor. The bill contemplates that the Commissioner will do his very best to learn by experience whether it is feasible to operate flood insurance and reinsurance on a commercially profitable basis.

At present there is no practical way in which people can purchase insurance against flood losses, especially in the case of homes and business structures. My State of Connecticut is widely recognized as the insurance center of the United States. Although successful insurance plans have been devised against many other forms of natural disaster, the insurance industry has not yet deemed it advisable to offer flood insurance generally as a profitable commercial venture. Insurance experts have studied the problem carefully—especially in recent years—but generally believe that the frequency and extent of flood damage would result in too high a schedule of premiums to attract buyers, if handled according to usual insurance practices. Representatives of the industry, however, have been most cooperative in offering to aid the Federal Government in operating a workable indemnity program such as that authorized by the bill now before us.

This should prove in operation to be a test program in which private groups experienced in insurance problems will, in conjunction with Government, be placed in a position to test the feasibility of flood insurance as a commercial venture.

The bill contains adequate safeguards to prevent any unfair competition of this program with private insurance enterprise. It expressly prohibits the issuance of insurance or reinsurance covering risks against which insurance is available on reasonable terms from other public or private sources. It mandates the use of private insurance organizations as Government agents. It encourages the interchange of useful information between the Government and private insurance organizations. It requires the Commissioner to study the part taken by private insurance companies in programs authorized under the bill, so that, whenever practicable, the protection authorized can be provided through private insurance company policies reinsured with the Government, rather than through direct Government insurance. Finally, the bill directs the Commissioner to study the feasibility of having private insurance companies take over the programs authorized by the bill, either with or without Federal support.

All these provisions contemplate a program so run as to demonstrate, if possible, that flood insurance can be handled as a normal function of private enterprise. But, whether or not this proves to be feasible in the long run, much good will have been done by making it possible for potential flood victims the Nation over to purchase some peace of mind protection, knowing that if they are unfortunate enough to be afflicted by flood damage, they will at least be assured of the financial means of repairing that damage. This alone is greatly needed. I know this firsthand from the sad experience of thousands of flood victims in Connecticut.

But I wish to emphasize that this legislation will not help Connecticut only. Its benefits will be nationwide. No one knows for certain just where in the United States the next major flood will strike. As shown by records kept by Federal agencies, it may be in any of the major river basins. Average annual flood losses have gone as high as $800 million during the last 2 years. Over a long period, they average about $350 million.

The humanitarian aid furnished by our Government to the citizens of other nations afflicted by misfortune in various forms is well known and commendable. I submit that we should treat with the same solicitude those living in the United States who become the unwilling victims of natural forces beyond their control. They do not seek—nor does this bill provide—outright Federal grants. But it does lend the capabilities of the Federal Government toward providing a plan whereby in return for fees paid in advance, our residents may buy a fair share of indemnity protection against the ravages of flood loss.

All our people ask is an opportunity to help themselves through the medium of facilities that at present can be provided only by the Federal Government. More than this they do not want. Less than this we cannot afford to provide as representatives of our constituents.

I noted earlier that, with my cosponsors, I had introduced the administration's bill on this subject. It received thorough and fair consideration in both subcommittee and committee under the capable chairmanship of the junior Senator from New York [Mr. LEHMAN]. Under his direction, the subcommittee and the committee have conducted an exhaustive study of available material on flood-insurance problems. In my opinion, this study amply justified legislation of the type we are now considering. As is true in much legislation, the bill reported from the committee embodies a melding of ideas evolved in the course of the committee and subcommittee study.

Knowing the President's deep concern with the need for flood indemnity, as set forth in his statement at Bradley Field, near Hartford, Conn., and again in his state of the Union message, I feel confident that the bill we are now discussing will be acceptable to him.

The time is fast approaching when our Nation may again feel the fury of hurricane winds and rains. Some progress is being made in this Congress toward providing physical flood protective works. We have appropriated funds enabling an early start on an accelerated flood-protection program for the Northeastern States, but completion of the flood-control system will require several years. The Senate recently adopted S. 3272, introduced by myself with several cosponsors, which would permit the Corps of Engineers to break through the bottleneck of time which has been obstructing construction of small, but urgently needed flood-control works for local communities. It is my hope that early action will be taken by the House on this needed legislation. But even when all the presently planned flood-control works are in being, there still will remain a need for flood insurance. The Chief of Engineers himself recommends adoption of a flood indemnity plan to dovetail with the flood protective works administered by the Corps of Engineers. The one will effectively supplement the other.

The Congress has seen flood indemnity proposals introduced in earlier years. But not until the present has a bill been reported favorably to either House of the Congress, after intensive committee work on the problems involved. I urge my colleagues with all the power at my command to make good use of this opportunity to place in effect a workable program of flood indemnity. The need is urgent. The time for action is now. I highly recommend immediate passage of S. 3732.

In closing, let me say that while there are many large figures in the bill—there is one figure of $3 billion, and another of $2 billion—we have tried rather hard to estimate what the actual cost of the bill might be to the Federal Government. I think it is impossible to do that, because we do not know what the losses will be, and we do not know to what extent people will buy insurance.

I think it is interesting to observe that over a period of years it has been estimated that flood losses have been on the order of $300 million a year.

The records of the last flood in the Northeast showed that only 9 percent of the losses were in the nature of losses affecting dwellings. I think 11 or 12 percent were in the nature of losses affecting commercial establishments. The larger percentages were represented by losses affecting public property, such as bridges and roads, and by corporate losses, to railroads, factories, and similar corporately owned property in large volume.

The large total in dollars, therefore, is made up, to the extent of approximately 80 percent, by large losses, losses by large losers, so to speak. However, the larger number of losses, as the Senator from New York has pointed out, has been among poor families with all their possessions in small homes, without any protection.

There is a provision in the bill to the effect that no individual may take more than $10,000 worth of insurance protection on any dwelling. It would be unlikely that all those seeking protection would take the entire amount. Some might insure their homes and possessions to the extent of half the total value, or something on that order. Most of the losses which were sustained in my section and throughout the flood areas were not complete losses. Although there were many complete losses, such losses constituted a relatively small percentage of all the losses which were sustained. All the exemptions should be borne in mind and also the fact that no corporation or industry or commercial enterprise may take out more than $250,000 worth of insurance. The fact is that the large losses were sustained by the corporations like the New Haven Railroad, which sustained a loss of approximately $20 million, and the American Brass Co., which lost several million dollars, and it can be seen from the bill that there will be no insurance issued against such large losses, but only to the extent of $250,000 each, so far as corporations are concerned.

Therefore I protest very strongly that the pending measure is not what can be called a big money bill. It is evident that most of those who will take out the insurance will pay for it. At least 60 percent of it will be of that type, and it will be taken out for a period of 5 years, while the experiment is being carried on. Therefore I do not at all concede that this is a bill which will be very expensive to the Federal Government.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. WATKINS. First I should like to say that I am in complete sympathy with what the Senator is trying to accomplish. He has described one of the great hazards of the American people who live along the rivers of our country, and who have no means of protecting themselves against floods. Inasmuch as we are about to provide insurance for losses sustained from too much water, I wonder whether the Senator from Connecticut would be willing to think about doing something with regard to the reverse situation, namely, hazards involved in situations where there is not enough water, as compared with too much water. I have in mind drought conditions in many areas of the West, which make whole areas of our country unlivable, since they are incapable of producing crops and consequently families are forced to leave their land.

Would the Senator from Connecticut favor an amendment to provide for drought insurance, to compensate people who sustain damage by not having enough water, to the same extent that the pending bill would provide protection against too much water?

Mr. BUSH. I should like to say to the Senator from Utah that there is one characteristic about the proposed flood-insurance program which should be kept in mind throughout this discussion, and that is that flood damage is the only damage or hazard against which a person cannot buy some kind of insurance. A person can insure his property against damage by wind or fire or other disasters, but no flood insurance is available at this time.

I should be glad to consider very sympathetically any bill which the distinguished Senator from Utah might devise which would offer protection to homes and other properties against ravages of disease that may result from drought or other conditions.

Mr. WATKINS. As a rule, diseases do not result from drought conditions. Droughts come on rather gradually, but as a rule, last a very long time and have very devastating effects. Whole areas have to be abandoned because of drought conditions. My thought is that if we are to provide insurance against too much water, we might also provide insurance against too little water, which in many cases forces people to give up their homes and to abandon crops, or make it impossible for them to grow crops on their land.

Mr. BUSH. I appreciate the Senator's suggestion. I would certainly view with very great sympathy any proposal along that line that he would make.

However, I venture to hope that the pending bill, on which we have worked for many months, will not be complicated by any amendment along that line. If the Senator desires to have my help, based on any experience I have gained on this subject, in preparing legislation of the type he has in mind, I shall be very happy to give him such help.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LEHMAN. I merely wish to point out to the Senator from Utah, who, I believe, was not on the floor throughout my remarks——

Mr. WATKINS. No; I came in later.

Mr. LEHMAN. I should like to say to the distinguished Senator from Utah that although we have not provided for any immediate insurance against other catastrophes than floods, there is a provision in the bill which directs the Commissioner to study the situation and to make reports to Congress with regard to any other forms of disaster which should be covered by insurance and for which no insurance is now readily procurable through regular commercial channels.

Mr. WATKINS. So far as I know, there is no insurance against drought obtainable at the present time. There may be, but I have not heard of it.

Mr. BUSH. I believe the crop-insurance program applies to a certain extent.

Mr. WATKINS. That applies to disasters in the field of agriculture, but I do not believe it provides any insurance against drought.

Mr. BUSH. I should like to read from the bill the provision to which the Senator from New York has referred. The following language is found on page 16 of the bill:

> SEC. 15. (a) The Commissioner shall undertake a continuing study of the practicability of extending the coverage of insurance programs similar to those authorized under this act to any one or more natural disaster perils, other than flood, against which, and for the period during which, insurance protection is not generally and practically available in all geographical locations from other public or private sources.

That is a mandate to the Commissioner to look into the very situation to which the Senator from Utah has referred.

Mr. WATKINS. I merely wish to add that I thought it would be a good idea to have someone think about the reverse of the situation we are discussing here. I come from an area where we do not have enough water, instead of too much water.

Mr. BUSH. I wish we could give the Senator some of our water. He does not have enough, and we have too much.

Mr. WATKINS. As a rule we do not get too much sympathy from other areas of the country which are always seeking flood relief. I merely wished to call attention to the fact that in my section of the country we suffer from drought disasters, just as the people in the States represented by the Senator from Connecticut and other Senators suffer from too much water, or from floods.

I am in sympathy with the Senator's bill, and I shall vote for it. However, I wished to call the Senate's attention to the fact that other people, who also suffer from disasters, do not get too much sympathy for the losses they sustain, although the effects in their case are just as devastating and just as ruinous as those caused by the flood conditions to which the Senator from Connecticut has referred.

Mr. BUSH. The Senator has made a good point, and I am in complete sympathy with it.

Mr. PURTELL. Mr. President, I wish to commend the committee, the subcommittee headed by the distinguished Senator from New York [Mr. LEHMAN], and my distinguished senior colleague from Connecticut, and to congratulate and thank them for the excellent bill which the Senate is now considering.

I, too, saw the results of the floods in our area, particularly the second flood. As was stated by the senior Senator from Connecticut and the Senator from New York the people who suffered the effects of that disaster were willing to pay for protection, but were unable to do so. I remember that Abraham Lincoln said one of the functions of government was to operate in those fields in which the people could not do as well or do at all for themselves.

This is one of those fields. There is no flood insurance available to people, much as they would like to purchase it.

Mr. President, I saw people whose homes had been swept away. I saw people who within a period of 60 days had suffered two disastrous floods in areas in which no floods had occurred for more than 100 years. Those floods could not be anticipated. As the distinguished Senator from New York has stated, people found themselves burdened not only with one mortgage, but with two mortgages. I saw families who had put themselves in hock, to use a slang expression, for goods already washed away.

There are some provisions in the bill that I wish could be improved. One improvement will be sought to be made by an amendment which I understand will be offered today. I shall vote for it. However, generally, the bill is a fine piece of work. People all over the country need this kind of protection now. It is the only kind of protection which will be available to them. The people will purchase the protection. They will pay for it, perhaps not wholly, but certainly in part. I know of nothing that is needed more by people in our area than this kind of protection.

I like to think of the proposal contained in the pending bill as a pilot plan. That is what I would call it. It represents a means by which people may obtain protection. At the same time experience can be developed to determine what can be done by private initiative after the gaining of that experience.

THE AAU: A STUDY IN DISRESPECT

Mr. CARLSON. Mr. President, on February 20 and 23 of this year, I called the attention of the Congress to the calculated action of the Amateur Athletic Union of the United States, commonly called the AAU, in permanently exiling this Nation's outstanding mile runner, Lt. Wes Santee, from amateur competition.

I think it is now proper to pursue the subject further. My purpose is to inform the Congress and the public about recent developments in this scandalous case of a young man forced to defend his rights against the totalitarian persecution of a powerful private organization.

Wes Santee, as Senators may recall, is a native Kansan, a graduate of the University of Kansas, an outstanding athlete, and a respected member of the United States Marine Corps. He is a responsible family man of whom we can all be justly proud and who, if afforded the opportunity, could become the deserving idol of schoolboys throughout the world. He actually is an extremely fine example of young American manhood, despite the totally unfair mantle of deceitful wrongdoing with which the dictatorial leadership of the AAU has cloaked him.

Lieutenant Santee was convicted in AAU star-chamber proceedings of willfully accepting more expense money than the archaically stringent rules of that organization allow. He does not deny receiving overpayments of approximately $1,500 for the 22 meets in which he engaged under AAU sanction, but he does point out, quite logically, that these overpayments were knowingly and voluntarily made by the AAU's own pious members and that this had been the accepted practice for many years. Therefore, they were not considered by him to be culpable actions meriting permanent ostracism from this same organization. Actually, Wes Santee is guilty only of having mistakenly placed faith in the noble ideals of an organization which originally was sound and desirable but which now has deteriorated to a mockery of its former status.

I have no quarrel with the stated aims of this organization. I sincerely believe the AAU has performed a valuable service for this Nation by restoring some measure of trust to amateur athletic competition. But I also believe the inconsistent practices sanctioned by the present leadership of this organization have converted it from a valuable national asset to a serious liability. These bumbling officials of the AAU adhere rigidly to their program of severe austerity in isolated instances, such as the Santee case, while other equally serious malpractices are totally ignored, perhaps even encouraged, by these same officials. This discriminatory regulation has led to widespread disrespect and contempt for the so-called governing system of the AAU.

Offenses such as race-fixing, bribetaking, perjury, falsification of records, immoral conduct, or unethical racing practices merit the most severe punishment at hand. But Wes Santee is not accused of these offenses. His reputation is unsullied in the eyes of everyone except the AAU officials who knowingly gave him too much expense money and then turned on him in despicable fashion for accepting it when it became public knowledge.

I consider it highly significant that the board of managers of the Missouri Valley Association, an AAU member organization under whose jurisdiction it properly came, last year acquitted Lieutenant Santee of any charges of professionalism by a 21-to-7 vote. However, this acquittal action did not suit the purposes of the national clique of AAU dictators. In secret judgment and without due process of law, they promptly overruled the considered decision of the Missouri Valley Association and disbarred Santee from further amateur competition for life. By killing his amateur status, in effect, they invoked the organization's capital punishment proviso for a hitherto acceptable misdemeanor which merited at most a stinging slap on the wrist. It was a cruel move calculated to restore some measure of public faith in AAU leadership, which had tumbled from the seat of righteousness, lo, these many years ago, and which it will never fully regain. These men care not that they have sacrificed the brilliant athletic career of a fine young man on their seldom-used altar of effacing propriety. Nor do they care that in so doing they have created a monstrous blot of disrespect on the public view of the entire program of amateur athletic competition in this Nation. It is a saddening spectacle of irresponsibility.

Despite my strong revulsion toward the AAU's whipping-boy view of Lieutenant Santee and its utter disregard of his rights, I am even more gravely concerned about the manner in which the AAU officials are persecuting those who would associate with this fine young man. They have made him the leper of the sports world. He is, according to AAU prognosis, an untouchable who must be isolated from association with other amateurs. Those who associate in any manner with him are also accorded leper status by the AAU.

On April 14, 1956, for example, a dual track meet was held between William and Mary College at Williamsburg, Va., and the United States Marine Corps Base at Quantico, Va., where Lieutenant Santee is stationed. At this time I quote from a letter written by Mr. Jack Freeman, director of athletics at the host William and Mary College, regarding AAU action concerning this track meet:

> On April 14, 1956, a dual meet was held between William and Mary College and the Quantico marines. This meet was scheduled last season.
>
> A question arose prior to the meet: "Should Lieutenant Santee be allowed to run in the meet, since he is ineligible under AAU rules?"
>
> The William and Mary officials said they were not running against Santee; they were competing against Quantico, and who were they to say who should make up the Quantico team for a dual meet. It is "S-O-P" (standard operating procedure) for colleges all over the country to compete against service teams, and most service teams have some ineligible athletes on their team, AAU-wise.

I should like to interrupt my reading of the letter at this point to state that the meet occurred as scheduled and Lieutenant Santee did compete, with two William and Mary athletes among his opponents. I now resume reading Mr. Freeman's letter:

> On April 30, 1956, the AAU announced that all of the William and Mary athletes who competed in the above dual meet were barred from further AAU competition because they and Santee were in the same meet, regardless of whether or not they ran against Santee.
>
> There is no rule covering the above dual meet in the AAU rule book. The AAU simply makes up rules to fit the case, the way they want it. This action by the AAU is a direct injury to a team of young athletes and shows how incompetent the AAU is.
>
> Such action, as the above, by the AAU not only causes injury to a few boys from one school, but is a direct injury to the athletic program in which the youth of America take part. If this kind of action is allowed to continue, it will have grave effect on the youth of America and therefore I recommend that serious consideration be given to the AAU's action, by the present Congress.

That letter, written and signed by a responsible athletic director representing a fine American school, strikes at the heart of the problem with which the amateur athletic program of the United States is faced today. It is a typical example of the dictatorial manner in which the present AAU leadership flagrantly abuses the rights of innocent people to preserve its profitable hold on the American sports program. Such

totalitarian rule, employing guilt by association and discriminatory judgment, has no rightful place in the conduct of activities in this Nation and should be abolished immediately and forever.

The foregoing William and Mary incident is not an isolated instance of irresponsible action by the AAU leadership. The organization also meddles in affairs with which it is not rightfully concerned. Here is a recent example of this form of meddlesome persecution:

One of the many AAU rules specifically states:

> Members of the Armed Forces when competing among themselves do so without AAU registration or sanction and without the status of the amateurs being affected by the fact that one or more of those competed with or against are professionals or otherwise ineligible under AAU rules, provided such competitions or exhibitions be for prizes other than money or its equivalent.

On April 28, 1956, a 1-mile race was scheduled as the last event on the program of the Virginia Pilot Relays at Norfolk, Va. The relays meet was primarily designed for high-school participation and was publicized as such. The special 1-mile event was intended as a drawing card and was publicized as an event for military personnel only, with 4 marines and 2 Navy men scheduled to compete.

AAU officials in New York City heard of this proposed mile race, in which Lieutenant Santee was an entrant, and promptly telegraphed foreboding instructions to their representative in Virginia, Mr. John T. Gore. The telegram stated that any of the military athletes who competed against Lieutenant Santee would be ineligible for further AAU competition. Mr. Gore publicized the AAU telegram at the site of the Virginia Pilot Relays in advance of the scheduled mile race and, in effect at least, threatened the other military athletes with expulsion from AAU membership and permanent loss of amateur status if they competed against Santee. The result, of course, was that some of the entrants were browbeaten into withdrawing from the race rather than face the censorious wrath of the all-powerful AAU. The relays suffered a substantial loss in prestige. Lieutenant Santee's nose was ground a little farther into the muck of disrepute by the AAU's repeated inference that he is unfit for association.

In all fairness to the AAU, however, I must admit its officials did not disbar from further amateur competition all the high-school athletes who appeared on the relay program with the contaminated Lieutenant Santee. They apparently had a change of heart following their vengeful action against the William and Mary athletes for the same offense. Or perhaps they simply found other compelling factors, including righteous public indignation, as a basis for sparing the innocent high-school youths.

The fact still remains, however, that the AAU officials willfully and maliciously interfered with the conduct of this special mile race despite the fact the AAU's own regulation specifies approval of such a race. These officials lamely defended their reprehensible action by stating its rule did not apply in this particular instance because the military race was held off a military reservation. It is further proof of Mr. Freeman's previous statement that the AAU leadership simply interprets its own rules or makes up new ones to suit its own questionable purposes.

I think it should be clearly evident to everyone at this point that the present leadership of the AAU shows a wanton disregard for the rights of others; that it jealously guards its treasured grip on amateur athletics by interpreting its own rules to suit its own special interests; that the inconsistencies of its policies are detrimental to the best interests of a nation of sports-loving people. I think it should be further evident that the AAU officials are infuriated that Lieutenant Santee will not roll over and play dead after they have executed him; that his rightful challenge of their power to ride roughshod over him and his associates has made them determined to persecute him with every weapon at hand, regardless of the cost to the nation's athletic program.

I want it clearly understood that I do not hold Lieutenant Santee innocent of violating the AAU's antiquated regulation of expense money. He frankly admits having accepted overpayments in expense money, although he told me the violations were done openly, that AAU officials participated in the violations, and that such overpayments have been the accepted custom in the amateur athletic program of this country for a number of years. I have no reason to doubt his veracity, and I have ample reasons to believe him.

I would call attention to a lengthy article written by Mr. Jack Newcombe and published in the April 30, 1956, issue of Life magazine. This article contains statements made by former outstanding athletes of this country which disclosed widespread hypocrisy in the sports program under AAU leadership. Mr. Newcombe states:

> The most remarkably convincing defense of Santee comes from his fellow athletes. In interviews with Life they confessed that they themselves had done essentially what Santee did—with no complaint from AAU officials and with the connivance of meet promoters. They have even allowed their names to be used in revealing how the amateur code is flouted in sports today.
>
> Santee, who has never denied that he broke the rules governing payments to amateurs, has raised two basic questions: What is an amateur? And how faithfully is the amateur code obeyed? In an Olympic year when the best athletes of all nations will meet in Melbourne, Australia, these questions are of international importance to the world of sports. * * *

Typical of the interviews which Newcombe obtained for his article is this one by Joe Nowicki, a collegiate half-mile champion at Fordham University and later an AAU official:

> It was the practice to talk with other runners and find out what they were getting. If the man you were beating got more than you did, you asked for more the next time. When the Santee case broke, I thought it was unfair to start enforcing rules that have been waived for years. I know AAU officials who, when they were competing, took just as much as Santee did.

Further along in the article, Newcombe wrote:

> Payments to amateurs have become an accepted part of sports simply because an athlete cannot afford to spend the necessary time training unless he is paid for it. The time has passed when a weekend sportsman could be a star athlete. Becoming a national or world champion is now a full-time job; a Davis Cup player must all but live on the tennis court the whole year around; a star runner like Santee must run or exercise 3 or 4 hours every day; a top golfer must practice all the time if he expects to place high in the major tournaments.
>
> There are still many fullblooded, wholehearted, simon-pure amateurs in the old-fashioned sense of the word. But they seldom win championships. As Harry Carpenter, a British sportswriter, said, "Carry the Santee case to its logical end, and Melbourne this year would be a deserted Olympic village."
>
> In spite of all this, the Amateur Athletic Union still clings to its classic definition of an amateur as an athlete "who engages in a sport solely for the pleasure and physical, mental or social benefits he derives therefrom and to whom sport is nothing more than an avocation." Under the AAU rules an amateur can accept only $15 a day in expenses and, as a prize, a medal or an occasional wristwatch (provided that it cost no more than $35).
>
> But the bigtime track promoters, some of whom are themselves members of the AAU, know that they can seldom get great runners to compete for $15 a day expense money. And champion runners cannot afford to go through the training grind if all they are going to get out of it is "physical, mental, or social benefits." Unless he is independently wealthy, an athlete must also consider other benefits, such as food, clothing, and shelter.
>
> For years the AAU's high-sounding rules have been slyly broken with almost no recriminations and no questions asked. The practice is so widespread in the United States that it has evoked a cynical but realistic distinction between a professional and an amateur: "A pro will take a check and an amateur won't." The amateur, who must protect himself against written proof of guilt, prefers all transactions to be in cash.
>
> The AAU and other amateur certifying bodies are faced with the alternative of enforcing their rules conscientiously at all times or of admitting that the code is outmoded and needs changing. * * * But AAU Secretary-Treasurer Dan Ferris still says, "For the sake of amateurism there can be no deviation. The AAU has got to stand or fall on the code as it is now written."

This statement attributed by Mr. Newcombe to Mr. Ferris is further evidence to me of the AAU leadership's stubborn and ridiculous attitude of invincibility. It will not budge from its biased position despite much evidence of complicity in shady dealings. It still holds the view that the supposed "fall guy"—Lieutenant Santee—must be crushed as an example of its invincibility or the leadership itself will lose face. Fortunately, in my opinion, these officials have already lost face in their asinine persecution of Lieutenant Santee.

I have had a great deal of correspondence from individuals and organizations who deplore the actions of the AAU leadership as being contrary to the best interests of amateur athletics in this country. One such letter was written by Mr. Glenn Opie, vice president of the Great Bend (Kans.) Junior Chamber of Commerce. Mr. Opie enclosed a resolution proposed by the Great Bend organization and cosponsored by the Lawrence (Kans.) Junior Chamber of Commerce which was adopted on April 29, 1956, by the Junior Chamber of Commerce of Kansas in State convention at Salina, Kans. I should like to quote a portion of Mr. Opie's letter:

> We (meaning the Kansas Junior Chamber of Commerce members) feel, and are hopeful that you will share our opinion, that this is a significant expression of the way the young people of Kansas feel about this outrageous AAU situation, and have taken the liberty of sending you a copy of the resolution adopted. * * *
>
> Observers at the convention tell us the resolution is unprecedented, in its length, comprehensiveness and strong stand, which we again hope is some criteria to judge attitudes on this situation.
>
> The State organization now plans to carry its views to the national convention, and elsewhere to the various circles throughout the country also incensed at the crying injustice done our fellow Kansan.
>
> We respectfully hope you will see fit to scrutinize this situation most closely, and will initiate such action as you see fit to restore integrity to amateur athletics in America.

Mr. President, I ask unanimous consent that a resolution adopted by the Junior Chamber of Commerce of Kansas be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

> Whereas Jaycees are vitally interested in youth, sports, and fair play, and have repeatedly raised money to insure United States Olympic competition; and
>
> Whereas overwhelming public demand will continue to compel brilliant athletic achievement with the attending consequence that still more dedication of self, and personal sacrifice of both time and money on the part of the athlete will be required; and
>
> Whereas the implications of international sports competition against athletes of countries who need observe no restrictions with regard to the taking of financial or other reward continue to pose an ever-increasing problem to the intellectually honest athlete; and
>
> Whereas an organization known as the Amateur Athletic Union of America purports to exercise absolute jurisdiction over every amateur athlete in the United States from birth to death; and
>
> Whereas many amateur athletes of prominence (high school, college, and noncollege) have for decades been receiving, directly or indirectly, sums of money in violation of AAU rules; and
>
> Whereas the AAU has either ignored the foregoing, or in standing by its ancient and archaic concepts of amateurism, and refusing to be realistic has thus continued completely unwilling to review the dynamic and changing American sports scene and maintained instead autocratic and hypocritical attitudes which have resulted in vicious discrimination and denial of the inherent principles of fair play; and
>
> Whereas the actual control of the AAU is not vested in the competing athlete, or for the most part even with experienced former athletes, or equitably according to the geographical location of competitors so that in effect the athlete has no assurance whatsoever of fair play, no right to be judged by an unbiased forum, but is denied the cherished American guaranty of equality before the law and due process; and
>
> Whereas we believe some sort of athletic organization is necessary, yet deplore any action as vicious, cruel, and vengeful which singles out any athlete for sole persecution, and clearly and vigorously condemn the AAU as un-American to the extent it has applied its rules by whim and caprice instead of in a uniform manner to all, and further censure the AAU for so bungling its internal disciplinary problems as to make the American athletic picture appear confused, inconsistent, and dishonest in the eyes of the world: Therefore be it
>
> *Resolved by the Kansas Junior Chamber of Commerce assembled this 29th day of April 1956, in Salina, Kans.,* That this organization:
>
> 1. Urges the AAU reconsider any action which has made a scapegoat of any athlete, and revise its punishment along fair lines; and
>
> 2. Urges the AAU review and revise all penalties for infractions of its rules so that punishments shall be inflicted within the American philosophy of severity in accordance to gravity of offense;
>
> 3. Urges the AAU take an honest and realistic stand on this confused amateur-professional athletic problem, and redraft its statutes so that the dedicated athlete may be reasonably rewarded for his efforts, openly and unafraid, not only in prestige, but financially;
>
> 4. Failing assurances that the AAU will launch a searching study of these its abuses, and follow its study with positive action, we urge the Congress of the United States investigate these general problems, because the appearance of this Nation's athletes in the world arenas is clearly within the purview of public concern;
>
> 5. And should the AAU fail to take action, we further urge Congress pass legislation to guarantee fundamental fairness to the competing athlete, that corrective measures be made retroactive, and a realistic approach to this unfortunate situation be taken.
>
> 6. And failing assurance the AAU will cooperate in its housecleaning, we wholeheartedly approve and sanction any other organization which may presume to sponsor athletic contests within the spirit and attitude of this resolution.
>
> 7. And until assurance shall be given from the AAU along the lines aforesaid, the Junior Chamber of Commerce of the State of Kansas shall take no part in the raising of money for any event in any way associated with the AAU, nor support the AAU in any other manner whatsoever, whether the activity be for the junior- or senior-age group.
>
> 8. And the Jaycees of Kansas shall vigorously work with all resources at its disposal to promulgate the aforesaid to the national level to the end the national junior chamber of commerce shall adopt this resolution and work for realization of the same.
>
> 9. Be it further resolved, That copies of this resolution be sent to all Jaycee clubs throughout Kansas, all Jaycee clubs throughout the United States, all Jaycee national directors, all principal sources of public information, the Senators and the several Representatives of the State of Kansas, and such other persons as the Kansas Jaycees may designate.
>
> Adopted in State convention, April 29, 1956.

Mr. CARLSON. Mr. President, this resolution effectively states the problem and the solution. I commend the young people of my home State for their perception and initiative in drafting and adopting it.

Another letter came to me from Mr. Everett Montgomery, sports editor of the Dodge City Daily Globe at Dodge City, Kans. On May 4, 1956, Mr. Montgomery wrote:

> We here in Kansas feel especially strong against the AAU because of the lifetime disbarment of Wes Santee, an Ashland boy, from all AAU competition and the additional stigma attached to him by the subsequent ruling of ineligibility of all athletes who compete with and against him.
>
> Many of us feel that a congressional inquiry is in order into the actions of a group which rules with such dictatorial force as does the AAU.

I agree wholeheartedly with Mr. Freeman, Mr. Newcombe, Mr. Opie, Mr. Montgomery, the Jaycees of Kansas, and all the other fine people of the United States who are disturbed by the present AAU program. I think it is high time corrective action was taken.

We all cherish the traditional policies of decency and fair play in human conduct, and we are proud that America is the wholesome athletic playground of the world. We were rightfully incensed by basketball, boxing, and baseball scandals of the past, and we demanded and obtained corrective measures in those instances.

Now we are faced with an even greater menace to our sports program. We have unwittingly stood by while the grasping leadership of an all-powerful private organization has gained dictatorial control of our national amateur athletic program. The rights of individuals and the reputation of the country are at stake. It is time these men of petty mind and grand power were restored to their proper low station.

I suggest that Mr. Ferris and his associates in the AAU explain in detail to the people of the United States why the program they so jealously administer has fallen to a state of such low repute. I also would like them to explain publicly why this program cannot or should not be made into a workable, realistic program of modern athletic ideals.

I further suggest that this matter, which involves our international, as well as national, regional, and local athletic policies, is properly in the province of Congress to investigate and regulate, if the need should arise. And I serve notice here and now to Mr. Ferris and his AAU associates that if the existing policies of the Amateur Athletic Union of the United States are not quickly corrected, and if the recent injustices heretofore mentioned are not immediately rectified, I will do everything in my power to have the organization's full activities reviewed by Congress, with an eye to corrective legislation.

Such disgraceful actions as those recently perpetrated by the AAU cannot be tolerated, and they must cease. A nation of sports-minded people will see to that.

Mr. President, I yield the floor.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. SCOTT. Mr. President, the bill that is now before us, Senate bill 3732, in my opinion, leaves no room for controversy.

Every Member of the Senate, I believe, is anxious to make a sincere effort to help reduce the loss from hurricanes, floods, and other natural disasters.

Senate bill 3732 will help do this. It is a bill which was thrashed out thoroughly

in committee, after extensive hearings were held in those areas of the Nation hardest hit by natural disasters in recent years.

I shall not attempt to go into the technical provisions of the bill, because I am not qualified to do so, but I should like to tell Senators briefly what has happened in my home State of North Carolina in the past 2 years.

Within the past 18 months four major hurricanes have swept across North Carolina, causing damages totaling well over $300 million. Three of the four hurricanes occurred within a 5-week period.

The ravaging winds and floodwaters left a sad, almost hopeless, sight. In coastal areas there was nothing left but a few utility poles in some communities. Property owners had to have lots resurveyed to find even the boundaries. Thousands of homes were destroyed or damaged. Many of those that were not blown or washed away were left roofless, pulled from their foundations, and standing cockeyed in several feet of water.

The wind and water knew no friend. They treated homeowners, farmers, and merchants alike. Large business houses with costly inventories, and farms with crops in the fields, were wiped clean. In many areas of eastern North Carolina, it was as if a giant steamroller had lumbered past, leveling everything in sight.

With several hurricanes coming in rapid succession, the people in the affected areas were whipped down psychologically, in addition to the material losses they had suffered.

But immediately new buildings started going up, in the universal determination to rebuild what nature had destroyed. The Red Cross, the Salvation Army, the Civil Defense Administration, the State government, and several agencies of the Federal Government all pitched in and offered the meager assistance they could. But, by and large, the recovery that has been made has come about by the efforts of the people who suffered the losses, by digging into their own pockets and getting loans from local banks.

After everything is added together, the Federal Government has given more advice than action. It has done a lot of consulting and conferring, but very little constructing and conserving.

I assure you, Mr. President, that the people of North Carolina do not labor under the mistaken notion that the Federal Government owes us immunity, or even complete repair from natural disasters; but I do feel that the Federal Government has a very real responsibility in making tangible assistance available. I am speaking of such tangible assistance as the legislation that is before us today.

Certainly, the very least the Federal Government can do is establish an insurance program whereby the dollar loss of the individual can be reduced.

The thousands of buildings and homes and the many acres of farmland that have been rebuilt, repaired, and restored are today without insurance protection against possible future disasters.

Private insurance companies say that disaster insurance includes too many loss factors which cannot be calculated for them to offer it on a broad scale.

With this I agree. And, to make matters worse, I understand that many insurance companies are now hesitant about writing any kind of storm or wind insurance in areas frequented by hurricanes.

It is not only proper, but it is the duty of the Federal Government to bridge the gap in such cases through a disaster-insurance program.

In North Carolina it is a matter of public emergency. The same is true of all Atlantic seaboard States, which in recent years have become hurricane row.

For these reasons I hope the Senate will give its unanimous approval to Senate bill 3732.

Mr. KNOWLAND. Mr. President, I offer the amendments, which I send to the desk and ask that they be read for the information of the Senate.

The PRESIDING OFFICER. The amendments will be read for the information of the Senate.

The CHIEF CLERK. On page 5, line 5, before the period, it is proposed to insert a colon and the following:

> *Provided*, That insurance policies issued under this act after June 30, 1959, shall be issued only with respect to property in those States which participate as provided in section 5 (a) of this act.

On page 6, line 10, before the period it is proposed to insert a colon and the following:

> *Provided*, That after June 30, 1959, each State shall pay from time to time into the Disaster Insurance Fund, hereinafter created, an amount equal to one-half of the difference between the fees charged for insurance policies issued after such date on property in such State, and the amount which would have been charged if the "estimated rates" were applied.

On page 11, between lines 14 and 15, it is proposed to insert a new subsection as follows:

> (e) The Administrator may from time to time consult with representatives of the various States to the extent deemed necessary by him to effectuate the purposes of this act.

On page 13, line 3, before the period, it is proposed to insert a comma and the following:

> and, after June 30, 1959, the contributions made by the respective States in accordance with section 5 (a) of this act.

On page 19, line 22, after the period, it is proposed to insert the following:

> The annual report for the calendar year ending December 31, 1958, shall contain a list of the States which can be expected to participate in the insurance program authorized by this act after June 30, 1959.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the amendments may be considered en bloc.

Mr. LEHMAN. Mr. President, will the Senator from California repeat the request? I had difficulty hearing him.

Mr. KNOWLAND. I have requested that the amendments be considered en bloc, inasmuch as all of them relate to the same subject matter.

Mr. LEHMAN. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing en bloc to the amendments offered by the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, on the question of agreeing to my amendments, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NEUBERGER. Mr. President, as one of the cosponsors of S. 3127, one of the bills for Federal flood insurance from which developed the legislation now before us, I am most pleased and gratified that we have the opportunity today to enact this forward-looking new program. Proposals to establish a Federal flood insurance program go back at least as far as 1951, and much credit is due the distinguished junior Senator from New York and the Committee on Banking and Currency for having brought the present unanimous committee bill before the Senate this year.

The need for a flood insurance program was shown, of course, in the series of disastrous floods which were suffered in New England and on the Pacific coast during the past 2 years. My own State of Oregon was hard hit, our latest serious floods have occurred as recently as January of this year.

I reviewed the extent of these floods, and the tragic damage which they caused, in my remarks on the floor of the Senate in sponsoring S. 3137 on February 7, 1956, and in my statement in support of this bill to the Senate Committee on Banking and Currency on February 27. I shall not repeat this unhappy and shocking story in a long speech now. I would like just to cite some of the final consolidated statistics compiled by the Oregon State Civil Defense Agency after the Oregon floods of this past winter: 14 people dead; $475,000 worth of damage to crops and $38,000 worth of livestock lost; $450,000 worth of damage to farm buildings and $250,000 worth to homes; total property damage of $7 million.

The first concern of the people in flood-affected areas, and of their representatives in the Congress, is, of course, with flood prevention. The Committee on Public Works, on which I have the honor to serve, is continuing its efforts on this task. However, an insurance program can do much to alleviate the heavy financial loss which inevitably strikes families and communities where flood prevention has proved impossible or inadequate.

In the absence of any private insurance against flood damage, it is both appropriate and necessary for the Federal Government to step in with a Federal program. We already have ample precedents in Federal crop insurance, as well as other Government insurance programs for war damage, bank deposits, housing mortgages—even veterans' life insurance.

S. 3732 may not be a perfect program. But it has won the unanimous support of the Committee on Banking and Currency and it deserves the support of every Senator. It is a beginning. Only by actual trial and experience over a number of years will we be able to accumulate the knowledge to pass an accurate judgment on the proposed program and to improve it if necessary. The establishment of a Federal flood insurance program is a great step forward, and one which will be greeted with hope and satisfaction by the men and women who live in flood-danger areas in Oregon and elsewhere in the Nation. The bill is particularly essential this year, with the heaviest snowpack in decades now mantling the high mountain ranges of western United States and western Canada, where rises the vast Columbia River system.

It is my understanding that this is the first time in history that a bill providing for Federal flood insurance ever has been reported to the floor of either House of Congress. I am pleased to have had a very minor role in cosponsoring and supporting the bill.

I congratulate the distinguished Senator from New York [Mr. LEHMAN] for his leadership in this urgent humanitarian project. Can we continue to allow flood victims to be without some protection financially by their Government?

In conclusion, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief editorial entitled "Western Floods Advance Plan for Conservation," published in the Christian Century magazine of January 11, 1956.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> Christmas floods which cost scorea of lives and resulted in damages of over $100 million in California and southern Oregon rammed home a lesson which the people of that area have been slow to learn. The waters had not receded before it was observed that losses occasioned by the raging streams would have made a substantial downpayment on the cost of dams which had been discussed for years but not built. One of these was to have been built at Oroville on the Feather River, which devastated Marysville and Yuba City. These communities were depending on levees built on plans which were laid down more than a generation ago—plans which managed to find their fulfillment in pork-barrel bills passed by a succession of Congresses. The levees broke and from that moment were worse than useless. But a short distance away on the American River—like the Feather, a tributary of the Sacramento—Folsom Dam held firm and protected the State capital. Great dams at Shasta, Friant and Pine Flat were in operation during the floods, so no cries of distress were heard from the rivers they control. The foresight which resulted in their construction was justified, and the communities they protected from disaster could more cheerfully pay their cost when they realized from the plight of other areas what trouble they had been spared. Now Congress is to be urged to appropriate funds for projects it authorized more than a decade ago, but did not finance. It will find western representatives more insistent than ever before that not another year shall be allowed to pass before the West, whose population is increasing so rapidly, is protected from disasters like the Christmas floods.

Mr. WATKINS. Mr. President, in announcing my intention to support this bill to provide a pilot-program study of the feasibility of flood insurance and reinsurance, I want it thoroughly understood that I am doing so on the basis of the national interest in this measure.

So far as I am concerned, as a resident of a semidesert, interior State, this is regional legislation that will benefit predominantly the coastal States and certain other States which have a record of heavy flood damage in the past. It will not materially benefit my State and many others, where only occasional, and reasonably light damage is caused by floods.

This regional nature of flood insurance was clearly shown in the record of the Senate hearings on Federal disaster insurance. A table on page 40 of the hearing record gave these estimates of flood losses in the United States by major river basins from 1924 through 1955:

Colorado River Basin	$8,000,000
Great Basin	14,000,000
South Atlantic	50,000,000
Eastern gulf	56,000,000
Great Lakes	124,000,000
Red River Basin	149,000,000
Western gulf	222,000,000
Lower Mississippi	230,000,000
Arkansas	242,000,000
Pacific coast	300,000,000
Upper Mississippi	369,000,000
Ohio River	836,000,000
North Atlantic	1,328,000,000
Missouri River	1,640,000,000

I am willing to concede that the greater the loss, the greater the need, and also that the greater the need, the greater the Federal cost. However, I am sure that the residents of the Colorado River Basin and the Great Basin are willing to help their neighbors in other parts of the country ease the losses and damage threats hanging over other flood-ravaged drainage basins, where the problem is too much water in the wrong places. We, on the other hand, hope that these other areas will be sympathetic with our problem in protecting our semiarid areas against an opposite type of problem—lack of water in a desert climate.

As one of the cosponsors of S. 2862, one of the basic bills incorporated in this proposed legislation, I am willing to support this experimental approach to flood insurance, and I sincerely trust that this program, supplemented with serious local and State efforts, and conscientious flood zoning, will help our flood-threatened communities move toward an area of greater economic and physical security.

Mr. MORSE. Mr. President, as a member of the Committee on Banking and Currency, I rise to support and speak in behalf of Senate bill 3732, which is a committee revision of the original measure introduced earlier this session, of which I was one of the cosponsors.

Mr. President, I urge immediate enactment of S. 3732, the Federal Flood Insurance Act of 1956. I have long been convinced that recurring floods with their accompanying severe toll to life and property constitute an area demanding Federal action. The Federal Government acknowledged such a responsibility in the enactment of the Flood Control Act of 1936. Proper measures of flood control should be planned and built with Federal aid, but flood protective works alone will not prevent all flood damage. Considerable time must elapse between the initiation of plans for dams, dikes, levees, and retaining reservoirs and the final completion of the works. Testimony presented to our committee by the Chief of Engineers indicated that at the present rate of congressional appropriations, a minimum of 22 years would be required to put in place those Federal flood protection works already approved by the Federal Government. Yet, as demonstrated by our experience in 1955, new flood threats arise in areas not within the scope of presently planned Federal flood-protection programs. Even where erected, flood protective works may be overflowed by floods of unprecedented magnitude.

Federal aid is now made available only for flood protective works that are economically justifiable in the sense that they result in preventing flood damage costing more than it costs to construct the protective works. Therefore, many areas exist throughout the United States, especially those devoted to agricultural pursuits, which cannot be assured of absolute protection from flood damage under the present Federal flood control legislation.

For all these reasons there are a large number of potential flood victims throughout the Nation who should not be left to depend upon charity and their own meager savings in the event they are unfortunate enough to become flood victims. At present, as testimony given our committee demonstrates, there is no private or public source to which these potential victims can turn in order to obtain flood insurance against most forms of property damage. Private insurance companies in general are not willing to risk company funds in such a venture. They fear the possibility of sudden catastrophic flood losses that could bankrupt a single company overnight. They likewise fear that premiums for such flood insurance, if computed according to usual actuarial principles, would be too high to attract insurance prospects.

The bill we are now considering meets both of these fears by providing a backstop of Federal credit, both against catastrophic losses and unduly high insurance premiums.

This is truly a national problem. I wish to stress its national aspects. It is a national problem, in my judgment, from the standpoint of several angles of Federal responsibility. It is a national problem from the standpoint of responsibility of the Federal Government to promote the general welfare and to protect the general welfare. It is not a regional problem solely. I believe we need keep in mind that our so-called regional problems have great national effects and implications.

I supported the upper Colorado River Basin program, not on the basis that it was a regional proposal, but that it raised a national question; namely, the responsibility of all the people of the country, no matter where they live, to come to the assistance of their fellow citizens and to support projects which will guarantee to future generations of Americans an adequate water supply in the upper Colorado River Basin. It was basically a great water conservation program, in the sense that it would help to develop the water resources of that area for the needed use of future generations of American boys and girls.

It is very important in America these days for us to raise our sights beyond provincialism and beyond regional arguments and to recognize that what helps the people of Maine, for example, in connection with a flood program, also helps the people of California; it helps the national economy as a whole.

I shall never stand on the floor of the Senate and be either for or against any project on the basis of any regional argument. The time has come when we Americans had better face the problems of Americans everywhere in our country from the standpoint of the premise that as we help one, we help all.

Therefore, I am pleading this afternoon for a bill which will give assistance to our fellow Americans who live in so-called flood areas, where there is a surplus of water from time to time, resulting in serious flood damage.

As I have said, the bill seeks to help solve a national problem and a national need, as well as local needs.

Statistics presented in the staff study prepared for our committee document this point through records gathered by several Federal agencies, including the United States Weather Bureau, the Corps of Engineers, the Department of Agriculture, and the Federal Civil Defense Administration. I shall not take the time of the Senate by going into detail on this point. The facts and figures are fully set out in the staff study. The year 1955 alone indicated the widespread nature of flood damage. Hurricanes and accompanying rains inflicted severe damage on the Middle Atlantic and Northeastern States in August and October. Heavy rains caused disastrous flooding and landslides on the west coast in December of that year and January of this year.

The Federal Civil Defense Administration estimated the total physical property damage in Oregon alone to be $8,600,000 from these disasters. Unofficial estimates of property damage in Oregon wrought by the floods range up to $14 million. The chief of engineers in the Department of the Army estimated the total direct and indirect damage caused by the flood of December 22–26 in Oregon to be $13.6 million, of which $9.2 million was caused in the Willamette River basin and $4.4 million by Oregon coastal streams.

The widespread nature of the catastrophe is shown by the fact that severe losses were sustained in at least 17 of the 36 counties in Oregon. Almost 23,500 individuals were directly affected by the floodwaters. Of these 2,000 were evacuated and 14 lost their lives. Sixty-four private homes having a value of $423,500 were totally destroyed; 233 private homes suffered major damage to the extent of almost $700,000; almost 1,800 private homes suffered minor damage to the extent of $471,000.

On the farms of Oregon, flood damage to farm homes amounted to $251,000. Damage to other farm buildings was computed at almost $450,000. Farm equipment having a value of $52,000 was destroyed and an additional $65,000 of damage was done to other farm equipment. Crops sustained a loss of more than $475,000. Livestock to a value of almost $40,000 was lost in the flood. $117,000 in damage was done to farm fences. Farm roads sustained a loss of $224,000; irrigation systems suffered a $115,000 loss and the effects of erosion resulted in a loss of $819,000.

Small business in Oregon suffered estimated losses of $400,000. The physical damage to private utilities approached $128,000, and industrial establishments sustained a total estimated loss of approximately $275,000. Churches and schools and other public buildings also felt the serious effect of the floodwaters.

The foregoing statistics apply to the State of Oregon alone. The same series of storms also affected other west coast States. Recent estimates made by the American National Red Cross indicate that on the west coast, almost 30,000 families were affected by flood. Of these, 73 were killed, 284 were hospitalized and almost 4,000 suffered injury or illness. Nearly 17,000 homes were damaged and more than 1,300 were totally destroyed. According to estimates of the Federal Civil Defense Administration, the States of Oregon, California, and Nevada suffered total property damage amounting to more than $226 million in the December-January floods.

As a result of the west coast floods, the Small Business Administration received a net total of 344 applications for disaster loans amounting to $2.8 million, of which it approved 252 for a total of $1.5 million. The American Red Cross had expended $8 million on West Coast flood assistance as of January 17, 1956. Important as it is to the recipients, the aid rendered by these two agencies represent only a small portion of the total flood damage inflicted on west coast States.

Properly administered, the bill we are now considering will extend flood insurance protection to many who must now look to charity for relief in the event of flood.

In an effort to spread its benefits on as wide a scale as feasible, the bill limits the outstanding face amount of each insurance policy to $250,000 per person. The bill itself defines "person" to include an individual, a group of individuals, a corporation and a public body. Home coverage is further limited to $10,000 per housing unit and appurtenances. These salutary provisions should make it possible for those needing it to obtain a fair measure of insurance protection under the terms of this bill.

In my opinion this bill, as reported by the committee, will come much closer to assuring such protection than would the bill introduced under sponsorship of the administration, S. 2862. That bill would have required the State in which the insured property is located to make a monetary contribution toward the payment of the premium of each insurance policy. This theory was advanced under the plausible guise of Federal-State partnership. However, a little serious thought on the part of the administration would have demonstrated that this proposed partnership is as detrimental to the public interest as is the case of proposed power developments suggested by the administration as Federal-private partnership arrangements. The sponsor of the administration's bill, the distinguished senior Senator from Connecticut [Mr. BUSH], was forthright and candid enough to admit, after listening to the testimony presented to our committee, that the proposed State participation scheme would not work. If the administration is seeking a method to scuttle this program while at the same time paying lip service to it, it could find no better way than to insist upon State financial participation.

It is well to note that many States have constitutional barriers against using public funds for private purposes. While legislatures may venture to declare what may be a public purpose, it is generally true that the ultimate determination as to this matter rests with the judiciary. The net effect of such a provision in the bill would be to throw the question into the courts on the basis of suits instituted by taxpayers. Needless to say, this would undoubtedly delay the institution of Federal flood insurance protection in any State where this occurred, regardless of the final court decision.

Wholly apart from the legal problems involved, however, is the fact that many States may not find themselves financially able to participate in this program even though they may be most willing and anxious to do so.

Finally, there may be many States that look upon this as a Federal rather than a State problem and do not forget, Mr. President, that, in the main, we are dealing with navigable streams which are overflowing, over which problem the Federal Government has jurisdiction. These States will not be inclined to make available State funds toward this program, feeling that the State has already suffered a heavy burden as the aftermath of flood damage.

If, as a result of all of these factors, we achieve a program of flood insurance in but a few of the 48 States, it is easy to foresee that States not enjoying the benefits of the program will be inclined to work against its continuation. In other words, the program will not solve the problem of operating a truly objective pilot program to test the feasibility of a flood insurance program. Rather, will it be hampered from the start with State constitutional and financial problems which need not be thrust upon a Federal flood insurance program. The Members of Congress should constantly keep in mind that this program is intended primarily to benefit potential flood victims rather than the State or the Federal Government.

This same thought should be kept in mind in the administration of the insurance and reinsurance programs authorized by this proposed legislation. I think care must be exercised in operating the reinsurance portion of the flood insurance program in such a manner that it does not result in a subsidy to the private insurance industry. The bill properly assigns to the Commissioner the duty of negotiating a fair reinsurance fee to be charged to the private insurance companies making use of the reinsurance programs. Obviously, if the Commissioner sets the fee at too low a level, the difference between that level and the higher level that should have been charged, represents a subsidy which must be assumed by the Federal Government. Whether or not this is passed on to the insured depends upon the terms and conditions of the flood insurance policy written by the private insurance company that takes advantage of the Federal reinsurance program.

I see the further danger that, unless properly administered, the reinsurance program may result in Federal backing for private insurance companies that choose to write flood insurance policies involving the better risks, leaving the poorer flood risks to be assumed, if at all, by the direct Federal flood insurance program. I do not intend to impeach the good faith of the private insurance industry.

In fact, as a member of the committee, I wish to thank some of the leaders of the private insurance industry for the fine cooperation and assistance they gave to us in trying to work out an acceptable program. As I think the industry should, it has offered to assist the Federal Government in the operation of these programs, and I wish to express my appreciation of the private insurance agencies for their offer of assistance. But I am saying that the Commissioner of the program must constantly bear in mind that its benefits are designed for the potential flood victim rather than the private insurance industry.

Along the same lines, I think the Congress must be cautious in following up the operation of the insurance and reinsurance programs authorized under this bill so that 5 years hence, or at some future date, they do not add to the already mounting number of giveaway programs surrendered by the Federal Government to private industry without adequate compensation.

I appreciate that there is nothing in the bill now before us which by itself would authorize the Government to turn over any part of the insurance or reinsurance program to private industry, but there are provisions in the bill looking toward the ultimate take-over of these programs by private insurance companies. I think it becomes the burden of the Congress to see to it that these programs are administered with an eye to providing protection to potential flood victims rather than as a means of building up an attractive reserve that will ultimately benefit private insurance companies.

The programs authorized by this bill can be made to work. A sincere and competent Commissioner, keeping in mind the true aims of this legislation, can do much to bring into being a helpful insurance program that will afford protection to potential victims of floods who now seek that protection in vain.

Even the administration concedes that this is a proper sphere for Federal activity. While personally I might hope for more adequate safeguards in this bill to protect the public interest, I think it offers an immediate prospect of assistance to inhabitants of the United States who sorely need that assistance. For these reasons I shall personally support this bill and I urge my colleagues to join me in that support.

Mr. President, in closing, I ask unanimous consent to have printed in the Record as a part of my remarks, excerpts from certain letters, in some instances the complete letters, and a statement which I made on February 6, 1956, together with another statement I made on January 5, 1956, in support of flood insurance legislation.

There being no objection, the letters and statements were ordered to be printed in the Record, as follows:

Excerpt From Letter From Fred M. Slade, of Portland, Oreg., Insurance Man

Senate bill 3137 appears to me to be by far the best proposal since it would require much less time to set up the mechanics of the plan outlined by this bill. In addition it is designed to provide reasonable rates which will encourage wide participation and will attract buyers in the less hazardous areas as well as the districts where flood is a constant threat.

I believe it will be possible to develop markets with the private insurance companies for excess flood insurance once the Government was in a position to provide the first $10,000 on residential property and $100,000 on industrial properties.

Excerpt From Letter From R. W. Maddox, of Corvallis

I am deeply interested in insurance for flood victims for the reason on December 21, 1955, the water in my front yard was 2½ feet deep and had it risen 6 inches more it would have ruined my entire possessions. At the present, I am unable to get flood insurance from any of the insurance companies. I trust you can see fit to support this bill.

From Ken G. Whitaker, TVA Public Power Association

Until levees or dams can be built, we think it nothing but fair and just that some form of insurance be established to reduce to as great an extent as possible the disastrous effect in loss of life and property.

Excerpt From Letter From A. W. Metzger, Box 269, Salem, Oreg., January 6, 1956

As you know, we are still having rain and high water. I am interested in your attitude toward starting of flood control dams, also dams for electrical energy. It is a shame politics interferes. The late Charlie McNary has told me more than once, that we pay for a dam with the loss of property and topsoil after a flood, yet have no dam. So more power to you, let's get these dams in and help the flood conditions. The present dams have done a wonderful job.

One more item is: Disaster insurance. Outright grants of the Red Cross are definitely helpful and I cannot say too much for them, but loans by the governmental agencies, while useful, I don't believe is the right approach to the problem. When a loan is made from a governmental agency you have meddling and dictatorship from the agency making the loan, which is not desirable.

Portland, Oreg., *January 17, 1956.*

Hon. Wayne Morse,
United States Senate

Dear Senator Morse: We are desperately in need of help in a project far beyond our own capabilities. A year and a half ago, in August 1954, we purchased 150 feet of river frontage land on the Columbia River at 185th and Marine Drive, Portland, Oreg. At that time, there was sufficient land on which to build a house.

Last year during the high water an eddy, which swings around at this point due to a rock projection up river, ate out about 5 feet of the property. At that time we called the United States Army engineers, Pittock Block, Portland, Oreg., and were advised that nothing would be done as they had no report as to any need for corrective measures.

Last December, during the high water which just recently receded, at least 7 feet of bank, including trees, roots and all, were washed away. This is so serious that it is apparent that in the next high water which should be around May 1956, another 3 or 5 feet will be washed away.

With this movement, it is impossible for us to go ahead with our plans to build as in another year if another 10 feet is washed away, it will be very close to the base of the dike with insufficient land on which to build. We do not know who's responsibility it is to keep the bank of the Columbia River from washing away. However, we do know that it will be a very short time when it will definitely jeopardize the dike itself if left to continue, and in another year our property will be worthless to us, an investment of $1,500.

We have also talked to the Multnomah County Drainage District, to whom we pay drainage district taxes, and have been informed that it is not their responsibility until the bank is washed away up to the dike itself—and as far as we are concerned, that will be too late.

The measurements we have quoted above we are sure are correct—we measured this particular ground last fall when we planted flowers in the plot of ground which washed away. The fallen trees and roots are still there as mute evidence to these facts. We would like to know where the responsibility lies in reinforcing the river bank, and at what stage action will be taken.

We urgently need your assistance as we have exhausted any local information we can get.

Thanking you, we are

Sincerely yours,
Mr. and Mrs. Charles H. Weatherston, Jr.

Excerpt From Letter of L. M. Tyvoll, Leaburg, Oreg., December 12, 1955

The canal runs parallel to our place across the highway and it seems that the Eugene Water Board empties this during high water and it increases the flow of water on our property. Yesterday a hole appeared in our driveway where my car was parked and water was flowing under this hole. This perhaps means that the whole driveway will go into the river at any time.

We would like to preserve our home but are at a loss as to what action we can take. It seems very probable that the house itself could be washed away in the not too distant future.

Grants Pass, Oreg., *May 6, 1956.*

Senator Wayne Morse,
Washington, D. C.

Dear Mr. Morse: My good friend, Mayor Elwood Hussey, Cave Junction says you are for and with the small-property owner.

I retired here about 10 years ago, bought 20 acres on the Rogue River, still owe $7,200 which I am paying off at $100 a month. I grow fruit, vegetables, melons, berries, and do a little real estate to make a living.

Both floods last winter got us. The first water was 5-foot deep in cabin, swept out or ruined most of contents. Took a bulldozer several days to remove trees, level sand and gravel bars. Our loss was around $5,000.

We hope you will remove the nightmare of another flood by securing flood control, not only for the Rogue River Valley, but all of southern Oregon. The cost will be repaid by folks retiring, buying homes, business, etc., and loss by future floods.

Read in paper the Folsom Dam above Sacramento, Calif., saving an estimated flood damage of $85 million, about cost of the Folsom Dam.

Proper dam or dams on the Rogue and other rivers will not destroy fish or wildlife—this has been proved by the Shasta Dam above Redding, Calif., and other dams—but increase them.

Flood control means peace, security, prosperity for those like myself who have their all invested, and the hundreds of thousands that will come once flood control is assured.

My most sincere thanks and gratitude for what you already have done.

Sincerely yours,
Carl D. Prerichs.

Grants Pass, Oreg., *January 11, 1956.*

Senator Wayne Morse,
Washington, D. C.

Dear Sir: I am writing to you to tell you that any flood control that will help our little neighborhood would be so greatly appreciated. We had 54 inches of water in our home and it isn't the water that does the damage as much as the silt and odor. Our damage is about $2,500 and at our time of life that is quite a loss. My husband is 58 and I'm 54. Besides the financial loss, there are the irreplaceable items such as books (old and new) photos and snapshots and diaries that I've kept since 1930. Some of our neighbors lost more, others less. All this just before Christmas. We had ordered a TV set as our Christmas gift and luckily they hadn't delivered it yet, so we had to cancel that first thing. I never realized the anguish and despair to come back into a home that had been flooded, until I came into my own. To see all your belongings in mud—furniture upturned, everything covered with mud—including electric stove, sewing machine, table, chairs, end tables, etc. Lamp shades on floor in the mud. Tomorrow, it will be 3 weeks since the flood and the refrigerator and oven are still dripping water. We have 2 straight chairs to sit on and eat at a card table.

So anything that can save about 100 families from all this chaos and despair and feeling of hopelessness will be worth while. A person would feel more like fixing the walls, floors, and woodwork, and replacing the furniture if one felt this wouldn't happen again through some sort of flood control.

We have contacted rehabilitation and think we will get around $500 in aid from them, which will help us so very much.

Here's hoping for flood control.

Very truly yours,
Margaret Kaufman
Mrs. Lloyd Kaufman.

Excerpt From Letter From Mr. and Mrs. Norval Moore, May 2, 1956

According to the paper, the Army engineers used to work on a flood-control program for the Rogue Basin and report to Congress by 1958. That will be too late to prevent great damage here in case there is more high water. * * * A man from the Medford office that made the survey said that there was a dandy place to build a dam. Why wait and risk further damage and spend more thousands on the channel which may go down the river? We can rebuild our dike but wonder how much good it will do if there is no over-all program which will fix the banks above ours.

We thought we wanted to live by a river but we came too close to being in it. If we had known 6 years ago what we know now, we would not have built a $20,000 house so close to it. The water came up in the yard but came no closer than 15 feet or so from the back of the patio. There was a big hole washed in our orchard and piles of debris left in the yard. Our total damage according to our local soil men's survey was $7,200. We do hope and pray that some permanent plan can be worked out on flood control and soon.

Except From Dr. Samuel A. Brandon, Dentist, Portland, January 13

I own a farm on the Willamette River near Canby. The high water of the river is causing erosion and has washed away about 50 feet of the property. A man from the United States engineers office came out last week and took pictures of the damage. They told me that the situation is serious, but they cannot do anything without the matter being voted on by Congress.

We purchased the property in 1952 and have planted the river bank with willows, bamboo, and blackberries, but each winter these planting are washed away. All the large firs which were consirerably within the property have toppled into the river and now there is nothing to hold back the erosion. This year I have lost about 10 to 15 feet in width, and 1,000 or more feet in length. I have tried to take care of the situation, but it has gone beyond my control and I feel it is a Government job. If this continues I will lose my filbert orchard and home.

Later letter: Since our last letter a large fir tree has toppled into the river and more land has fallen, now reaching our fence. We do hope that something can be done.

Excerpt From Congressional Record, January 5, 1956, Page 110—Remarks of Senator Wayne Morse, Democrat, of Oregon

FLOOD CONTROL

Mr. President, our problem is not only to bring relief to the people who have suffered these disasters, and to provide some insurance protection to help them when other disasters come, but our real job of statesmanship in this field is to proceed with public works which will prevent the recurrence of such disasters.

I should like to show the Senator from Connecticut the horrible disaster in those parts of my State where we had not developed the dams which would have prevented the recent floods. Then I should like to show the Senator from Connecticut the parts of my State which, if we had not built the dams that are there now, would have been washed out along with those parts of the State that suffered the great flood disaster.

I should like to take the Senator from Connecticut to my home county in the area below Detroit Dam and show him what happens when we build flood-control dams.

I wish to stress at this point—and I shall not take longer now, because I shall discuss the subject at some length next week—we need to build many flood-control dams throughout the Nation. The importance of a preventive program of speeding along with the multiple-purpose dams, for which I have been fighting during all my years as a Member of the Senate should be faced up to by this session of Congress. I call particular attention to the Hells Canyon Dam and to the great flood-control water storage which it would provide in my State from that standpoint alone. If flood-control water storage were the only justification for the Hells Canyon Dam, it would be sufficient justification for the Federal Government to build the dam. I contrast the great water storage which would be provided by Hells Canyon Dam with the puny water storage which would result from the Idaho Power Co.'s plan, on which this administration to its discredit has placed its stamp of approval.

What we should do at this session of Congress is stop stalling on legislation which would protect our people from unnecessary flood losses and proceed with a Federal flood-control program by appropriating money for the most rapid completion in the Willamette Basin of Cougar Dam, for example, by the Federal Government of the Hills Creek project, by the Federal Government of the Green Peter project. Then on the Columbia we should appropriate the money for speeding up the John Day project as a Federal Government project, contrary to the unfortunate and sorry partnership recommendation of the President of the United States in his state of the Union message today. We should vote the necessary funds to speed up Ice Harbor and every other authorized project so sorely needed to give the people in the Pacific Northwest protection from the constant threat of flood disasters. Do I plead alone for the people of my State? Not at all. Each one of us is a Senator from our State for our Nation. I plead for a comprehensive flood-control program for the Nation. I pledge my support to other Senators who are confronted with the same flood-control needs in their States. If we build such great monuments to disaster prevention, we will live up to the requirements of statesmanship in the field of disaster prevention.

In this session I recommend such Federal projects to the President of the United States, and I respectfully suggest that he send to Congress an amended state of the Union message on the whole matter of water resource development and flood prevention.

Statement of Senator Morse on Cosponsorship of Flood Insurance Bill

It is my hope that the tragic lessons of the flood disasters of recent months have been learned sufficiently to get vital legislation for prevention and relief enacted.

The Lehman bill, which I am cosponsoring, would provide a workable plan for protecting individuals and businesses from bearing the full burden of future flood losses. It is a great improvement over the administration proposal which would bog down because of the requirement for State participation. Our bill also provides standards for rate making that promise to provide insurance at rates individuals and corporations can afford.

This is badly needed legislation. It is only part of the program needed to meet the flood problem.

Congress must press forward with authorizations and appropriations for urgently needed flood control to prevent the loss of life and property.

Congress has already acted to provide needed disaster low interest loan authority to business and homeowners. We must be sure that this legislation in practice meets the needs of homeowners and small business establishments in digging out and starting over.

Some revisions of the tax law would also assist families and corporations in overcoming their losses in part. As an example, erosion of land is not presently treated as a flood loss, although it would be covered by our insurance bill. Under present regulations of the Internal Revenue Service business losses due to flood casualties are not fully deductible. The IRS regulations only permit a percentage deduction which presently appears to me to be artificial and a handicap in recovering from disaster losses. Under the present law, bulness capital replacements are not available for deductions but must be treated in large part as new capital investments. These subjects require study and revision. They are not within the jurisdiction of the Banking and Currency Committee which will handle the flood insurance bill and thus cannot be included in our bill. But they are part of the overall problem and should receive attention at this session in order to aid farms and firms in rebuilding.

I am continuing a study of the feasibility of other assistance to flood victims including limited direct compensation.

For thousands of Americans the real problems of floods begin, not end, when the waters recede. Congress has the double obligation of meeting the threats of past floods and aiding those who have already lost the fruits of years of saving and effort.

Mr. NEUBERGER. Mr. President, will my colleague from Oregon yield?

Mr. MORSE. I yield.

Mr. NEUBERGER. What is the attitude of the senior Senator from Oregon regarding the amendment which proposes so-called payments by the States of matching funds?

Mr. MORSE. As I said, I think such an amendment would have the effect of scuttling the bill. There are two great drawbacks to the proposed amendment. One is the constitutional barrier which would have to be hurdled in a great many States, and, in my judgment, in many instances it would be insurmountable.

Furthermore, in a great many States there is not sufficient financial reserve to put up the money.

Mr. NEUBERGER. Does the Senator know of any similar provision that calls for the insurance of crops which are damaged by hail or any other catastrophe?

Mr. MORSE. I do not know of any at all.

Mr. NEUBERGER. Does the Senator know of any such provision in connection with Federal insurance of bank deposits?

Mr. MORSE. I do not.

Mr. NEUBERGER. Does the Senator think the protection of people and families who have been devastated, washed out of their homes by floods, is as important as the protection of bank deposits?

Mr. MORSE. Yes; and it is also very important under the general welfare clause of the Constitution.

Mr. NEUBERGER. Is it not a fact that floods which often cause such tragedy and destruction are no respectors of State lines, and certainly do not stop or turn back when they reach State boundaries?

Mr. MORSE. The Senator is correct. I think it is a great mistake to take a so-called regional approach, or provincial approach, to problems of national catastrophe, because it is not a Maine catastrophe, it is not a Massachusetts catastrophe, it is not a Connecticut catastrophe when a great flood occurs in those States or in States in the West. It is a national catastrophe. I also happen to believe that it places upon all Americans the responsibility of coming to the assistance of the people through the Federal Government, and I think it is in keeping with the philosophy which I have expressed many times on the floor of the Senate, that, after all, this Government was designed to promote the general welfare.

When a segment of our population finds itself confronted with a disaster, then I think the Federal Government has the moral responsibility and the legal duty of coming to the assistance of the victims of the disaster, which is what the bill purports to do.

Mr. NEUBERGER. The Senator and I live in a State which is drained by one of the greatest river systems on the globe, the Columbia River watershed. Just as that river system offers many benefits, it also presents, from time to time, certain perils. I feel sure that the people of Oregon, who have been confronted with flood dangers on many occasions in the history of our State, will be grateful that their senior Senator has taken a position and has assumed a role of leadership in helping to develop the first Federal flood-insurance bill ever presented to either House of Congress.

Mr. MORSE. I appreciate what my colleague has said, but he knows that all I am doing is standing shoulder to shoulder with him in a cause which I think is in the interest of the general welfare of our people.

The Senator has mentioned the benefits which come from our great river system. The benefits from that great river system are not limited to the States through which the river flows; the great economic benefits of that river system accrue to the economic advantage of every man, woman, and child in America, wherever they may live, because those benefits contribute to the national economy.

Again, I think we must take a broader look at these great social welfare programs—for that is what this one is—because when we help to carry out a program in one part of the country, we benefit the entire country.

Mr. KUCHEL. Mr. President, there is no need for me to retell any part of the tragic story of last winter's floods as they devastated life and property across the Nation. Suffice it to say that the State which I have the honor, in part, to represent is fully aware of the tragedy which resulted by reason of floodwaters ruining whole communities and areas in California.

It was on Christmas Day last year when my colleague, the distinguished senior Senator from California [Mr. Knowland] and I participated in a meeting called by the Governor of California, the Honorable Goodwin Knight, in the capital of our State, at which many individuals representing various agencies of the Federal Government, including the Military Establishment, met with the members of the State government and Members of our congressional delegation, to see what could be accomplished toward rapidly alleviating the disaster caused by the flood, and to determine what might be done by Congress to be of greater assistance in the future.

I think I should, in the beginning of these remarks, take a moment to congratulate the various agencies of the Federal Government for the unselfish and complete cooperation which they gave to the various areas in California which were damaged or destroyed last winter. As a result of that misfortune, I was very glad, in January, to join with a number of my brethren in sponsoring proposed legislation designed to provide for flood insurance. I remember very well how elated all of us were when the President of the United States asked Congress to consider that problem as a basis for legislative action this year. Now the Senate is about to vote on a carefully considered bill.

I offer my sincere congratulations to the distinguished junior Senator from New York [Mr. Lehman], who conducted long hearings into all the ramifications of the whole field of disaster insurance; and in congratulating him, I may say that, in my judgment, the bill is one of the best to have been reported at this session of Congress.

Mr. LEHMAN. I thank the distinguished Senator from California.

Mr. KUCHEL. I wish particularly to speak with the distinguished Senator from New York in reference to one aspect of the proposed legislation, because, as he knows, my interest was not merely in the field of providing Federal flood insurance; but by reason of the peculiar terrain and history which California has, I likewise was interested in developing the possibility of legislation providing for insurance against disaster broad enough to include such other types of hazards of nature as earthquakes. Again, I wish to say that I am grateful for the manner in which the Senator from New York permitted me to testify and to supply data relating to that additional hazard.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. LEHMAN. I merely wish to say that in the first tentative bill which I presented to the Committee on Banking and Currency, I included not only all natural disasters, but also man-made disasters, and provided protection against losses from attack by atomic and hydrogen bombs, in the unhappy event, which I hope will never happen, that we should again become involved in a war.

But as we proceeded with the hearings and into a consideration of the situation, we found that the subject was so complicated that if we attempted to go beyond the first step, which was the most urgent step, of protecting people against floods, we would have no chance either of agreeing to a bill in the committee or of having it passed by the two Houses of Congress. So it was decided, temporarily, at least, to limit the bill to flood insurance, or rather to insurance against waters which brought about floods, whether they came from rainfall or high tides or hurricanes. I think any other course would have made it impossible for us to have met with any degree of success.

The Senator from California has been most helpful in every way in the preparation of the bill, as he has been in many other ways.

Mr. KUCHEL. I thank the Senator from New York.

Mr. LEHMAN. I think the Senator will recall a provision to the effect that the commissioner shall study the situation and make recommendations to Congress with regard to the possibility of including other forms of natural disasters which would not conflict with the purposes of the bill.

We made a very definite dividing line between catastrophes for which insurance was available. My first instinct was to go very, very far into the matter; but, I felt that, as a practical matter, it was perfectly hopeless to do so. We wanted to have this bill passed, and I think it is a great step forward.

Mr. KUCHEL. I could not agree more completely with the Senator from New York, and I point out that a section of the bill provides, as my friend has suggested, that the commissioner shall make studies of other types of disasters, which may well furnish us the basis, assuming the bill becomes law, on which to offer in the next session of Congress amendments to broaden the scope of the present bill.

Mr. LEHMAN. I have no doubt that that will happen.

Mr. KUCHEL. I sincerely thank the Senator from New York.

I also wish to pay my respects to the distinguished Senator from Connecticut [Mr. Bush], who likewise has worked long and painstakingly in this field, and who, must receive great credit for having the bill brought before the Senate today.

In that connection, Mr. President, I ask unanimous consent to have printed at this point in the Record a letter dated February 22, 1956, written by the junior Senator from New York [Mr. Lehman] to me, and a letter dated May 1, 1956, written by me to the junior Senator from New York.

There being no objection, the letters were ordered to be printed in the Record, as follows:

United States Senate,
Washington, D. C., February 22, 1956.

Hon. Thomas H. Kuchel,
United States Senate,
Senate Office Building,
Washington, D. C.

Dear Tom: I want you to know how deeply I was interested in your testimony on disaster insurance before my subcommittee yesterday morning. It was constructive testimony, and I want you to know that as far as I am concerned I will give very sympathetic consideration, indeed, to any informational surveys you can supply on the availability of earthquake insurance, including its availability at what might be considered reasonable rates.

Although the insurance representatives at our hearing yesterday testified that earthquake insurance was in fact generally available, it may well be that what they consider generally available at reasonable premiums is not what an objective survey of the situation might disclose. Of course, I would like to make the program we are working on as broadly appealing as possible, but, at the same time, I would like to see it kept within such limits as will make it invulnerable to the potential charge that it is encroaching on the proper preserves of the private insurance industry.

There is a point that I don't think you covered in your testimony, as I remember it, on which I would sincerely like to have your guidance and reaction. A provision in the administration bill requires State contributions to the cost of the insurance in order to make any person in that State eligible for coverage. It seems to me a most unwise and impractical provision, since many States will be unable to participate and, hence, the program will never get off the ground. I would like to have your judgment on this point in regard to California. I would be glad to have your view either informally and unofficially or on the record, whichever you prefer. I look forward to hearing from you on this.

With kind personal regards.

Very sincerely yours,

Herbert H. Lehman.
United States Senate.

May 1, 1956.

Hon. Herbert H. Lehman,
United States Senate,
Washington, D. C.

Dear Senator Lehman: In the event the Flood Insurance Act of 1956 (S. 3732) comes up on the Senate floor for consideration while I am necessarily absent, I shall be grateful if you will comment on an aspect of the disaster insurance problem in which I have been deeply interested and about which I have corresponded with you. I refer to the availability and cost of protection against property damage due to earthquakes.

I appreciate that the complex nature of various disaster insurance problems impelled the Committee on Banking and Currency to limit the scope of the experimental program indemnities for flood losses. Without question, there is a desperate need for such protection for our people and their properties and the tremendous damage due to floods each year warrants the speediest possible action to initiate an insurance program against such catastrophes. I should support the bill presented by the committee enthusiastically, were I present when it is taken up for debate and action.

I note that the committee has incorporated in this legislation a provision directing the Flood Insurance Commissioner to make continuing studies of the availability of privately issued insurance against risks from other natural disasters, including earthquakes. I trust that such studies can and will be aggressively carried forward because, as I wrote you on December 1, I believe "it is incumbent upon every agency with resources and facilities that might be employed to cushion the blow, to minimize the damage and make possible the quickest and least costly recovery" from floods, forest fires, earthquakes, hurricanes and such other unforeseeable and unpreventable disasters.

You will recall, I am sure, that I appeared before the subcommittee during hearings on disaster insurance bills and subsequently wrote you submitting further information about the availability of earthquake insurance. I realize this problem has several unique and complicating factors which require more investigation and consideration than were feasible in preparing S. 3732 for presentation in time for discussion and action this session. However, I should like to point out once again that the coverage against earthquakes presently available is limited in many regards, is much more costly than other types of protection against catastrophic losses, and invariably carries a unique deductible feature which even the private insurance industry concedes reduces its attractiveness. If through this legislation better protection can be afforded, our Nation as a whole will benefit materially.

I wish to commend you and the members of your Subcommittee on Securities for the industrious and sympathetic manner in which the various disaster-insurance proposals were considered and to join in the hope that through this legislation the people of our Nation may be provided added protection against the exceedingly costly direct and indirect monetary blows which floods too often inflict.

With best wishes, I am,

Sincerely,

Thomas H. Kuchel,
United States Senator.

United States Senate,
Washington, D. C., April 9, 1956.

Hon. Thomas H. Kuchel,
United States Senate,
Washington, D. C.

Dear Tom: I understand that the Banking and Currency Committee staff has already sent you a copy of the second series of hearings on Federal disaster insurance, in which you were good enough to participate.

I am sure you will be interested to know, if you have not already heard it, that our subcommittee has been meeting in executive session with a view to resolving the differences between my bill and the administration bill, and to solving some of the substantive and technical problems that were brought out in the course of the hearings. Good progress has been made in this direction and I am hopeful now that we will be able to report a bill to the full committee, and then to the Senate, by the end of April.

With kindest personal regards, I am,

Yours very sincerely,

Herbert.

Mr. KUCHEL. Mr. President, I want to say, as I conclude, that this proposed legislation presents an opportunity to the Congress of the United States to provide assistance to people—little people—whose homes or whose businesses are ravished and destroyed when flood strikes, and who today are completely unable to find any type of insurance against that kind of disaster and to enact legislation which will give some measure of protection against similar disaster in the years ahead.

Mr. SCHOEPPEL. Mr. President, before I speak on an entirely different matter than the measure presently before the Senate, I wish to say, since I have listened to the debate and the presentations on the part of those supporting the proposed legislation now pending, that I approach the matter with a great degree of understanding, because of the fact that my State, and the sister State of Missouri, in 1951 suffered great devastation and harmful results because of a tragic flood. So we look with much feeling, compassion, and understanding upon the situation sought to be covered by the bill.

I want those who have been in charge of the bill to know that it will have my wholehearted support.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. SCHOEPPEL. I yield.

Mr. LANGER. I wish to commend the Senator for what he has just said about the flood that took place a few years ago, which affected Missouri and Kansas City; but I want him to know that every once in a while we have floods in the State of North Dakota.

The Cannonball River ran over its banks and washed away a large number of buildings which were located on the river. The people affected were desperate. Of course, they received disaster loans, but the loans proved to be unsatisfactory, especially when the interest rates were raised.

I am delighted to join with the Senator from Kansas in supporting the bill now before the Senate.

LOBBYING AND CAMPAIGN CONTRIBUTIONS

Mr. SCHOEPPEL. Mr. President, with the permission of this honorable body—and I should like to emphasize that it is an honorable body—I shall make some brief remarks concerning the investigative project of the Special Senate Committee, formed under Resolution 219, to receive testimony on the current practices in lobbying and campaign contributions.

Regarding the Committee's first directive, it is the hope of all of our members that this investigation will result in important benefits to the present procedures of lobbying. But I believe that most of us can also conceive of the possibility of its resulting in very substantial damage to the dignity and stature of this legislative body.

Regarding lobbying in America, I am reminded of an article, written in 1935 by Raymond Moley, who is truly an elder statesman in the field of political journalism. Mr. Moley wrote:

> Lobbies, about which we are hearing so much these days, are an inevitable aspect of republican government.
>
> They fill a need created by modern economic life, which is a mesh of many interests.
>
> If we recognize these interests as legitimate, we speak of them as interests; if we do not like them, we call them in an italicized voice interests. If we hate them and are fighting them, we call them big, vested, or special interests.
>
> But interests they are, and they multiply, overlap and conflict.

It is the admitted responsibility of the Congress and the Senate to prepare and pass upon the ground rules under which these overlapping and conflicting interests compete with each other. But it is, I believe, also the responsibility of the Congress and the Senate to gather the evidence and write the rules, dispassionately and with dignity.

We should run no risks that our deliberations may turn into a Roman holiday for the benefit of sensational journalism.

And, referring to the general area of the activities which we call lobbying, I should like to again quote Mr. Raymond Moley:

> It is difficult to indict a method which, in its essence, is the ancient right of petition in a modern dress.

Mr. McCARTHY. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. McCARTHY. The Senator is making a very important speech. I wonder if he would like to have me suggest the absence of a quorum. There should be more Senators present to hear the Senator from Kansas.

Mr. SCHOEPPEL. I thank the Senator, but I should like to forego his suggestion.

Mr. President, regarding the right of petition, there is a traditional policy in Washington which every American citizen critical of lobbying should know and understand: On nearly every entrance door in the Senate Office Building there is a sign which reads, in effect, "Come in, you are welcome."

Were this sign ever to be removed, dictatorship would get its first toehold on the Republic of the United States of America.

II

Mr. President, those among our population who, in their lack of information, condemn the practice of business lobbying as a sinister influence in our public life, would be astonished to discover that the widely publicized groups referred to as the power lobby, the oil and gas lobby, the steel and chemical lobbies, and so forth, are relatively unimportant, compared to other groups, such as the farmers, the veterans, the labor unions, and others whose activities are usually considered to be exclusively in the public interest, instead of in the private interest. These citizens would be still more astonished to make the discovery that the biggest of all lobbies are the departments of the Federal administration—the Army, the Navy, the Air Force, the Post Office, the State Department, the Treasury Department, foreign aid, and its associated lobbies.

Another fact to be considered is the widespread public ignorance of the Supreme Court decision in 1954, which declared that the much-criticized activity of inducing private citizens to telegraph, write, or telephone their elected representatives in Washington, falls outside the legal area of lobbying, and therefore falls outside the area of the special committee's jurisdiction.

As to the actual day-to-day operations of Washington lobbies, I do not know a single Senator or Representative who does not value the data and information emanating from these offices. Regardless of whether one wishes to support or oppose a given piece of proposed legislation, our positions can be assumed much more intelligently and articulately by securing the boiled-down viewpoint of the protagonists on both sides. The public, which, unfortunately, is preoccupied with the more sensational aspects of lobbying, does not know that one single, well-written, time-saving analysis is more influential over congressional action than a dozen offers of special favors, free dinners, or elaborate cocktail parties.

But it is inevitable that there will be coming before the special committee witnesses who will spend much of their allotted time dramatizing the special favors, the free dinners, and the elaborate cocktail parties. And it is also inevitable that the prejudiced segments of the press will miss no opportunity to use this testimony to excite the uninformed public.

III

Mr. President, the work of this special committee will also certainly involve a discussion of certain legal attitudes, in force today which, in my opinion, are not completely rational.

There are two large groups of citizens, both of which sincerely believe that they have conflicting interest which should be properly represented in Washington. These two groups are: the millions of people who work for corporations, and the millions of people who own those corporations.

For a long time it has been held illegal for the management of American corporations, representing their millions of owners, to use any of the owners' money in support of political candidates sympathetic to their problems. But it is completely legal for the heads of the other group, the leaders of organized labor, to spend huge amounts of their members' money to support candidates who, if elected, can be counted upon to support proposed legislation which the labor leaders consider beneficial to their interest.

It would seem to me that any furtive, undercover campaign contributions which might come from illegally minded corporations would be puny indeed, compared to the $3 million now reputed to be in the war chest of labor. Moreover, the members of labor unions have their own built-in lobby, known as the United States Department of Labor—and I am not objecting to that; whereas, the members of the stockholding group have no such official representation in the Federal administration.

Regarding this low lobbying estate of the investing American public, many of us will remember the shabby official treatment accorded by Congress and New York State about 10 years ago to a completely legitimate effort to organize stockholders into their own union and give them political-action equality with their employees. I am referring to the now defunct Tool Owners Union. In Washington, this fast-growing project was declared to be objectionally reactionary. In New York State, it was denied the right to incorporate as a union, and, under the skillful guidance of labor lawyers, it was quietly put to death.

So, as matters now stand, the political interests of corporate stockholders can be advanced neither by themselves nor by their corporate officers.

IV

Let us review the lobbying that created such a sensation during the Senate's consideration of the now famous natural-gas bill. Four groups of citizens were either for or against this proposed legislation; two were for it, and two were against it. The fact that there is some duplication in the reasons for their position does not change the basic facts. The first two pro-or-con groups were composed of people emotionally for or against the socialized control of natural resources. These people had no specific economic interest in the outcome of this legislative contest. They were merely lobbying—as is their constitutional right—for the kind of economic system they wish America to have. They were, therefore, fighting on ideological, rather than economic grounds.

The other two pro-or-con groups were motivated by their specific economic interests involved in the question of Federal price control over the price of natural gas at the wellhead.

Those opposed to the price control were the gas producers and pipeline operators who were arguing for a free competitive market for their production and service.

Those favoring price control were certain big-city mayors, certain organized consumer groups, and certain gas-distributing public utilities.

Unlike the two groups previously mentioned, the actions of these protagonists were not dominated by any ideology: they were natural and justifiable attempts to improve or protect their economic positions. And to deny them that privilege would be to deny them the protection of the first amendment of our Constitution.

V

Mr. President, regarding the ideological aspects of the natural gas price-control dispute, it is important to consider the long-range objectives of socialism. Natural gas is more important to the future of Socialism in America than might appear on the surface. Gas is not only made by Mother Nature in the ground; it can be made, and is also made, from coal, the socialization of which is very near and dear to the hearts of our leftishly inclined citizens. Moreover, socialized coal might at some future date become an important source of motor fuel, an event which could not help but please those who are dedicated to the destruction of America's free competitive enterprise system. This last remark will, of course, evoke columns of pious sarcasm and criticisms of witch hunting from the left-wing press, whose members can see America's future only through the distorted lens of what is called a split economic system—half socialized and half free—with socialized segments controlling the raw materials upon which the supposedly free segment must depend for its operations.

But the hard fact remains, as was remarked by the senior Senator from New Hampshire [Mr. Bridges], that Federal price-control of natural gas could logically be extended to the cutting of the smallest woodlot on the smallest farm.

VI

Every spear must have a spearhead, Mr. President, and the spearhead of this investigation is the recently aroused public opinion against the efforts of the gas and oil industry to assure the passage of the natural gas bill.

The nasty word "corruption" has been injected into these efforts.

In this regard, I am reminded of the famous story told by Representative Carroll Reece, from the State of Tennessee. During his first campaign for office, he was receiving financial support from one of the pillars of his local church. One morning this constituent walked into Carroll's office, wearing a worried look. "Brother Reece," he said, "I hear bad reports of the way you are conducting your campaign. I understand that you are enticing, entertaining, and otherwise corrupting certain voters in our district."

Carroll carefully explained that the measures currently being taken to make his political rallies more entertaining, attractive, and nutritious, were traditional practices in the political field and would not reflect upon the ethics of his campaign.

The conscientious objector was only partially convinced, and he said, in parting, "Very well, Brother Reece, you may proceed, but let's not be any more corrupt than we have to, to win."

Regarding the alleged corruption involved in the natural gas deliberations, if the attempted bribe of the junior Senator from South Dakota and others had been dreamed up and engineered by those opposing the natural-gas bill, it would have been a sheer stroke of genius.

Although it falls outside the area of lobbying, I think we will all admit that the abortive efforts of Mr. Neff suggest and brand new approach to the defeat of legislation.

VII

The national furor over this stupid incident serves, however, as a good example of the importance of complete analysis of corrupt practices.

Any proper analysis of anything must meet two requirements: it must be correct qualitatively and it must be correct quantitatively.

Before judging the whole by the characteristics of any part, that part must be proven to be characteristic of the whole.

Nothing in our imperfect world is ever perfect, particularly the social institutions under which we live.

Judged only by occasional miscarriages of justice, our jury system needs a complete overhauling.

Judged only by the incidence of racketeering, labor union regulations require a complete overhauling.

Judged only by Teapot Domes and attempted $2,500 bribes, the lobbying relations of the oil industry require complete overhauling.

But as a matter of fact, none of these statements are true.

As I remarked before, all four of the groups involved in the natural gas bill were simply doing what came naturally; and in an overwhelming majority of cases their behavior was completely proper.

But this being an election year, no doubt there will be a great temptation on the part of a few committee witnesses to attack and counterattack with an eye to headlines.

Big names may be bandied about.

Half truths may get into the record.

And what would be much worse, half truths may get into the public press.

The resulting damage would damage everyone concerned, because the public is in no position to accurately discriminate in a rough and tumble political argument, between the alleged sheep and the alleged goats.

Let us pray, therefore, that this investigation will not involve partisan political considerations and will not depart from its proper bipartisan judicial processes. I have every reason to believe that it will be most constructive.

AUTHORITY FOR COMMITTEE MEETING TO BE HELD IN NEW YORK ON MAY 14, DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Permanent Investigating Subcommittee was authorized to hold a hearing in New York on Monday, May 14, 1956.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing en bloc to the amendments offered by the Senator from California [Mr. Knowland].

Mr. KNOWLAND. Mr. President, first of all, before speaking to the amendment—and I shall not speak for more than 10 or 15 minutes at the most—I wish to commend the Committe on Banking and Currency, the distinguished Senator from New York [Mr. Lehman], who made the presentation for the committee, and the distinguished Senator from Connecticut [Mr. Bush] for the work they and their associates have done in this field. As they have pointed out, they have been treading on new ground. We have not had the experience which will obviously be needed in order to place the insurance plan on a sound actuarial basis. The work the committee did in trying to reconcile the points of view of several bills has been constructive, and I am sure it is appreciated by the Senate.

After the Senate acts in its judgment on the proposed legislation, and after the House has had an opportunity to act on it, I hope such experience will be gained as will encourage private industry to pick up the burden once it learns just what it will be.

The amendment I have offered deals with the subject of the States making contributions. The original administration bill provided for a 50–50 division of the cost as between the Federal Government and the States, over and above the amounts paid in the form of premiums by persons buying the insurance.

I believe a valid argument could be made that if that requirement went into effect at the time the law became operative, there might be, and indeed would be, some States which, because of their statutes, because of court decisions or administrative rulings, or, indeed, perhaps because of State constitutional provisions, would not be able to comply.

When that fact was pointed out, I felt it was a valid point. Therefore, in the amendment it is provided that "the insurance policies issued under this act after June 30, 1959, shall be issued only with respect to property of those States which participate in section 5 (a) of this act."

That will be the 50–50 contribution.

We provide 3 years of experience, during which the Federal Government will be carrying the load. That is ample time, it seems to me. Some State legislatures meet annually, while others meet biennially. Therefore, we provide ample time for States either to amend their constitutions, if that is necessary, or to enact statutes, so that they may participate in the program.

We hear a great deal about the rights and interests of States. It seems to me that the States should very properly have an interest in the matter of flood insurance. They indicated their interest in this whole program when the President met in conference with some of the governors.

The bill would provide, after 3 years, for an equal division of the remaining 40 percent between the Federal Government and the States. On that basis I believe the amendment is a constructive amendment. It takes care of the valid objection which could be raised if States were forced either to participate immediately or be unable to get protection for their citizens.

I hope the amendment will be adopted.

Mr. SALTONSTALL. Mr. President, I join with the distinguished minority leader in hoping that the amendments will be adopted and that the bill will be passed. I am heartily in favor of the principle involved in the bill concerning flood insurance. I am heartily in favor of it because I have seen the damage caused by floods to the homes of countless numbers of people.

As the Senator from California has pointed out, the amendment would not take effect until January 1, 1959. It would give States which cannot now participate in such flood insurance time to change their laws and, if necessary, to change their constitutions in order to participate.

My own State of Massachusetts, under its constitution, could not participate in flood insurance with the Federal Government in respect to the 40 percent remaining above the 60 percent which is paid by the insured. The constitution of Massachusetts, of course, can be amended. The process is as follows: First, the legislators must act twice; then the proposal is submitted to the people. Our legislature is in session at the present time. The present session of the legislature could act on the proposal if it desired to do so. Then a new legislature, which meets next January, could also act on it. If the incoming legislature acted favorably on it, two legislatures would have acted on the proposal. Then the proposed amendment would be submitted to the people to vote on it in November 1958. If the people adopted the amendment in 1958 the State could participate in January 1959.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BUSH. I should like to ask the Senator how long he believes the present legislature of Massachusetts is likely to remain in session.

Mr. SALTONSTALL. The Massachusetts Legislature was in session until September of last year. Presumably it will be in session until the latter part of July or August of this year.

Mr. BUSH. I raise the point because when the Senate gets through with the bill, it will have to go to the House. It may be some weeks before the House acts on the bill, and there is some question in my mind whether the Massachusetts Legislature will be able to act on it during the present session.

Mr. SALTONSTALL. I feel reasonably confident that the Massachusetts Legislature will be in session for at least 2 more months. We all know—if I may make this additional point—that this form of insurance is greatly desired. We know that the State government, the local government, is involved, and that a local administration will help in seeing to it that the work is carried out efficiently. I have in mind particularly the tornado which hit Worcester, Mass., several years ago. In that case the Red Cross took action. The State contributed to the relief fund, and the city of Worcester did also. The Federal Government participated through President Eisenhower's emergency fund. There was local administration, which carried out the aid which was provided. It was carried out extremely well and efficiently. No money was wasted. The work was done as quickly as it could be. That was because there was interest by the local government. There was interest by the State government. There was participation by the Federal Government. I had that situation very much in mind when I joined with the Senator from California [Mr. KNOWLAND] in offering the amendment to the flood-insurance bill.

I conclude by saying that I hope the amendment will be adopted. It will make a good bill a better bill. I hope the bill will be passed with the amendment.

Mr. LEHMAN. Mr. President, I have been listening all afternoon to the various speeches of every Member of the Senate who has spoken on the subject, and they have expressed great interest in and sympathy with the proposed legislation which is before the Senate. Every Senator who has spoken has said he thought there should be legislation of the character of that presented, that it was needed by the people, that it would be an act of justice to enact such a bill.

Yet, Mr. President, if the Senator from California, the minority leader, and the Senator from Massachusetts will forgive my speaking very frankly, I have no hesitation in saying that the adoption of the amendment which has been offered would ruin the bill. It would make it almost ineffective in many ways.

Mr. President, there are 48 States in the Union. Every State has a constitution. I am not familiar with the constitutions of any of the States except my own. I ceased to be Governor of New York many years ago, and I am not now so familiar as I once was with all the provisions of the New York State constitution, but I know that, so far as New York State is concerned, it would be necessary to amend the State constitution before the State could join in the undertaking proposed, should the amendment be added to the bill. I have no doubt that the same is true of a great many other States of the Union.

Mr. HOLLAND. Mr. President, when the Senator from New York reaches a point where he can yield, I should like to ask him to yield.

Mr. LEHMAN. I wish to finish my statement, and then I shall be very glad to yield to the Senator from Florida.

In the case of New York—and I think it is probably true of most of the other States—in order to adopt a constitutional amendment, affirmative action must be taken by two legislatures, and then there must be an affirmative vote of approval by the people of the State. So the minimum time in which an amendment could possibly be adopted would be 3 years.

The constitution of the State of New York contains a provision which is more drastic, I believe, than is found in the constitutions of many of the other States, because under it no expenditures can be made for public purposes involving payments made to or in behalf of any individual living in the State. That provision has been in our constitution for generations, perhaps, for all I know, as far back as the early days of New York State after it ceased to be a colony.

I do not believe the State of New York would consider changing its constitution in this regard merely to obtain the rather small, although important, help provided by the bill which is before the Senate. I do not believe it would do so in time to qualify under the bill. I do not believe Connecticut would do it. I believe Connecticut, too, has to go through a very cumbersome process in order to amend its constitution.

Why should we adopt such a provision, Mr. President? Why should we require the States to participate?

I have before me, and shall place in the RECORD, statements by the Governors of North Carolina, New York, Rhode Island, and Connecticut, strongly opposing this proposition.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield at this point?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. The Senator says certain governors are opposing the provision now proposed. The formula prescribed in the measure which, in the committee was called the administration bill, which is the way the Senator referred to it in his remarks this afternoon, would have required matching from the very inception. I thought when I discussed the subject with some of the Senators they had a valid argument, that the States might need some time in order to get into compliance. For that reason, it is provided in the amendment that for 3 years the Federal Government will carry the burden, and the people of New York, Connecticut, North Carolina, or any other State of the Union will not be foreclosed from receiving the benefits of the insurance. But it does give them time to bring themselves into compliance and then to share in solving this very real problem of flood insurance.

So, Mr. President, the amendment does not contemplate the same situation as did the original measure, under which the States would have been eliminated if they did not participate.

Mr. LEHMAN. This particular amendment has not been submitted to the governors. In fact, I myself had not seen it until 2 hours ago, and I did not know it would be offered.

Mr. President, while I do not wish to burden the Senate by reading them, the statements made by the governors refer to State participation, and their objection is not based on a matter of time, although they do bring up that point in some instances.

Another objection which I have, which is a very serious one, is that if we assume that the States put up half of the subsidy—I call it, very frankly, a subsidy—as provided in the bill, then they will also demand half of the responsibility and authority in administering the bill. In other words, each one of the States which enters into the proposed agreement by which they share 50–50 with the Federal Government, will also demand the right to share 50–50 in the administration of the law. That would present a completely impossible situation. We cannot possibly have a program which is turned over to the Federal Government, to the Housing and Home Finance Administration, and also give the States the right, because of their participation in the financial responsibility, to demand an equal share with the Federal Government in the administration of the program. It simply would not work. It would not be possible. It would lead to endless confusion.

Mr. SALTONSTALL. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. If I may finish my statement, then I shall be very glad to yield to the Senator from Massachusetts.

Furthermore, Mr. President, the States feel that this is very fundamentally a Federal responsibility.

Mr. HOLLAND. Mr. President, I hope the distinguished Senator from New York will not forget that I asked him a few moments ago to yield to me.

Mr. LEHMAN. If the Senator from Massachusetts does not mind, I shall yield, first, to the Senator from Florida, because he asked me first.

Mr. HOLLAND. I thank the distinguished Senator from New York.

I agree with the Senator completely that flood insurance is a Federal matter and should be handled as such. I wish to ask him, first, a question as to how he thinks the Federal crop insurance program, under the authority of the Department of Agriculture, which the bill requires to be coordinated with the program now under debate, could be very effectively coordinated with a program which is part Federal and part State. Could it be coordinated on anything like the terms of ease and effectiveness which would be the case if both programs were clearly and entirely Federal?

Mr. LEHMAN. As I recall, the crop-insurance program operates only in a relatively small number of counties.

Mr. HOLLAND. It operates in 800 counties out of 3,000, and it operates, of course, only to protect growing crops. But the purview of any flood insurance would necessarily allow of duplication, unless there were vested somewhere the authority to coordinate programs, because Federal crop insurance is certainly available in many counties on growing crops which are produced in locations where the crops are subject to possible flood damage.

I am simply calling the Senator's attention to the fact that that is a wholly Federal program, and I think properly so. To require such a Federal program to be enmeshed with a program which is not wholly Federal would afford all kinds of difficulties, all kinds of inefficiencies, all kinds of proration of costs, which are so difficult to calculate, and proration of damage, which is very difficult to estimate; whereas there would be no difficulty at all if the same authority and the same paying capacity were standing back of both programs.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I do not have the floor.

Mr. LEHMAN. I yield.

Mr. KNOWLAND. My remark is pertinent to the point just raised. The able Senator from Florida is one of the outstanding members of the Committee on Agriculture and Forestry, and has, of course, far more information than perhaps many of the rest of us who do not serve on that committee.

My understanding is that, except for overhead and administrative costs, the crop insurance is paid for by farmers, and that they carry the program.

But in the proposed program we have obviously—and I am not making a criticism of it—a subsidy which has to be included, because there has not been any experience thus far.

Mr. HOLLAND. The property owners are required to pay a part of the cost of the program under the picture as it is known. The point I am making is that we have two insurance programs which are enmeshed. The same property is subject to both those programs. There must be authority to coordinate the programs, so that there will not be a duplication in payments, double coverage, and double premiums.

It seems to me it is so obvious that the only way in which the programs can be effective is by having the control of both equally managed by the same government, and equally under the control of the same legislative authority—that is, Congress, sitting in Washington—that it is hardly susceptible of argument that the program is much sounder when both corporations are federally controlled, when both look to Congress for the enactment of legislation, and when the coordination of the two programs would take place right in this city, with both of them being administered here.

Does the Senator from New York feel that that is correct?

Mr. LEHMAN. I thank the Senator from Florida for his statement. I agree with it. It was a matter which was discussed by the committee. A provision was included in the bill——

Mr. HOLLAND. I have just read the provision. It requires coordination.

Mr. LEHMAN. I should like to read it for the benefit of my colleagues. It is section 11, subsection (d).

> (d) In carrying out the functions authorized in this act, the Commissioner may consult with other agencies of the Federal Government and interstate, State, and local public agencies having responsibilities for land use and flood control and for flood zoning and flood-damage prevention in order to assure that the insurance and reinsurance programs are consistent with the programs of such agencies. Where the program of the Commissioner may affect existing or proposed flood-control works under the jurisdiction of agencies of the Federal Government these agencies shall cooperate with the Commissioner in coordinating their respective programs. The Secretary of Agriculture and the Commissioner shall coordinate the administration of their respective programs relating to flood insurance and reinsurance for agricultural commodities.

It is purely a Federal responsibility, and the authority is wholly lodged in the Federal agency.

Mr. HOLLAND. I thank the distinguished Senator from New York. I wanted to point out what seemed to me was clear, namely, that the most effective handling of the problem will be when two Federal corporations, wholly owned and administered in Washington by the Federal Government, and controlled by legislation which looks only to one legislative body, Congress, can dovetail their programs appropriately.

I should like to ask the Senator from New York another question. Is it not true that repeatedly in recent years, in connection with disaster appropriations and the preparation of disaster legislation, it has been proposed to the Senate, and the Senate has every time turned down the proposal by a very heavy vote, that the States be required to take over some fixed portion of the payment of such disaster relief as a condition to the giving of disaster relief to the citizens in the State affected?

Mr. LEHMAN. I feel certain that is true. The Senator from Florida, of course, has had far greater experience in that field because of his longer service in the Senate.

Mr. HOLLAND. Whenever that question has come up—and I know it has come up on the floor not once, but several times, since I have been a Member of the Senate—the Senate has taken the high ground, and I think the sound ground, that when disaster strikes any community in the United States, the Federal Government can afford to take action, and should do so, wholesomely and wholeheartedly, and that any extension of aid should not be conditioned upon the requirement that the State must first meet some fixed proportion of the disaster payments.

I ask the distinguished Senator from New York if he does not think that the oft-repeated policy, oft announced by the Senate, is sound, and applying it to this situation, that a Federal corporation is by all means the only one properly equipped to handle such a program, which is a disaster-anticipation program.

Mr. LEHMAN. I am in full agreement with the Senator from Florida. I thank him for expressing the facts in the case much more clearly than I have done.

Mr. HOLLAND. Is it not true that the field of flood prevention and the avoidance of flood damage from the construction of flood works is a field which, under various legislative acts, has been taken over by the Federal Government and is administered under acts passed by the Federal Legislature—Congress?

Mr. LEHMAN. That is quite true.

Mr. HOLLAND. Is it not true, under this program, that if the Federal Government had been quicker to give aid against or provide for prevention against disaster in one State than in another, the cost of flood insurance would necessarily be greater and heavier on the State to which the generous hand of the Federal Government had not yet been extended, and that under this program it would be required, therefore, that the State, in meeting any fixed part of the expense, would be penalized simply because the Federal Government had not yet reached the granting of flood-control protection in that particular area?

Mr. LEHMAN. That is absolutely true.

Mr. HOLLAND. From the things which the Senator from Florida has mentioned and the various things so well mentioned in the original speech delivered by the Senator from New York, is it not a very strong conviction of the Senator from New York that this amendment, while postponed into the future for its operation, still would operate in such a way as to deprive the States, and the citizens of all States, of equally merciful, equally fair, and equally just treatment, and that the only way to keep the extension of this helpful program on a completely fair and just basis is to make it a wholly Federal program?

Mr. LEHMAN. I fully agree with the Senator from Florida.

Mr. HOLLAND. I thank the distinguished Senator from New York.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. SALTONSTALL. I have listened with interest to the discourse between the Senator from Florida and the Senator from New York. As I see the picture, it is not a question of disaster. If there is a disaster, the Federal Government will, of course, come forward to help. This is a program which is set up as a business proposition of insurance under a Federal corporation. What we are seeking to do is to have it administered as efficiently as possible in time of trouble after the insurance premiums have been paid by the private persons and the Government has helped.

The Senator from New York has pointed out that there cannot be divided administration. As I saw the disaster in Massachusetts, the Federal Government had an agent; but that agent worked with the insurance agency established by the State government and the local government. That agent was asked to turn over the responsibility of making decisions to a local person, who knew the situation, who knew the homes, who knew the persons concerned, and who could work better than could an agent brought from Washington.

As I see it, this is a long-term proposition. It is not designed merely to cover disasters which happen overnight. If such disasters occur, the Federal Government should, of course, come into the picture, just as it has in the past. But if this is to be a long-term proposition, then local leaders, representatives of the local and State governments, should be brought in, so that the program could be administered locally in time of trouble. That would help the Federal Government, rather than hinder it.

Mr. LEHMAN. I may say to the Senator from Massachusetts that, of course, the officials of the State of Massachusetts, the State of Connecticut, the State of New York, and the State of Pennsylvania will be glad to cooperate with the Federal Government in every way possible. They have always done that. I can speak from experience as governor, as the Senator from Massachusetts can. Whenever such a matter came up between the State and the Federal Government, the State government was always happy to cooperate.

But I am a little bit confused, really, when I hear the Senator from Massachusetts say it is not a question of disaster legislation. I thought it was. I frankly would have hesitated to give as much of my time to the matter as I have in the past 7 months, as have also the Senator from Connecticut [Mr. Bush] and the junior Senator from Massachusetts [Mr. Kennedy], if I had not thought that we were acting because of a disaster, and also because similar disasters might happen anytime, anywhere in the country. Such disasters are not only statewide; they are nationwide. Certainly, they affect many States.

This is one of the arguments I should like to have considered against the amendment, and I think it is a very important one: This is not a State proposition or a State problem, singly. It frequently involves several States. I do not intend to cover the map and say what States might be affected by a flood disaster in the Middle West or in the far West or on the Pacific coast or in the Northwest, although I am quite sure that in many cases what I am saying would hold true in those areas. Let us consider New York State for a moment. The worst flood area we have is created by the merging of two rivers, the Susquehanna and the Chenango. Eight-tenths of the Susquehanna flows through Pennsylvania. It comes to New York State only at Binghamton, which has been badly flooded at times. The Chenango River is in New York State.

Let us consider the Delaware River. The Delaware River affects New York, Pennsylvania, and New Jersey. Perhaps it affects other States, but I know those are three States through which it flows.

When we conceive of a situation on the Delaware River which would affect three or more States, or other rivers which affect several States, any procedure which would take one course in one State and another course in another State would discourage people from taking out insurance. People are not going to take out insurance when they are told that after 3 years they will not know whether the insurance will be continued or not, or whether the States in which they live will change their State constitutions, which is quite unlikely to happen. I think the Senator from Massachusetts, as the former governor of a large and great State, will agree with the latter statement. I know the people of my State would not want to take out insurance under those conditions.

Mr. SALTONSTALL. Will the Senator yield further?

Mr. LEHMAN. I yield.

Mr. SALTONSTALL. As I understand, the premiums would be paid on an annual basis. Anybody who participated in the program would go into it, on an annual basis, for 3 years. If the State did not join, the participant would not pay any further premiums. On the other hand, if the participant were interested and felt the insurance were valuable, he would do his utmost to see that the State laws and State constitution complied with the provisions, so that the insurance could be continued.

Mr. LEHMAN. It takes more than the attitude of the few people who might be insured to change a State constitution.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. PURTELL. In view of the colloquy which has taken place, it may possibly be the understanding of some that in view of the fact that insurance may be available under the Federal law, and other insurance would also be available, that situation might be taken advantage of. Is it not true that on page 18 of the report it is stated that "under the express provisions of this bill, no insurance can be written by the Federal Government covering risks against which insurance is available on reasonable terms from other public or private sources"?

So if crop or other insurance is available the insurance provided under the bill cannot be obtained. Is that correct?

Mr. LEHMAN. That is provided in section 10, on page 9, of the bill. I realize that. I referred specifically to the question of coordination of administration by the Secretary of Agriculture and the Commissioner, with regard to matters which come under their cognizance, relating to flood insurance and reinsurance on agricultural products.

Mr. PURTELL. But which insurance would be available only where no other insurance were available. Is that correct?

Mr. LEHMAN. That is true, providing the insurance were available elsewhere on a reasonable basis.

Mr. PURTELL. Is it not true that while much of the flood control work would be done with Federal funds, the States recognize that much can be done on the local level? Once the major projects are undertaken by the Federal Government, a State must step in and do the additional work for flood control.

Mr. LEHMAN. To get back to agricultural insurance, I think the Senator from Connecticut overlooks the fact that there is no real agricultural crop insurance that is nationwide in scope. It is completely under the control of the Federal Government.

Mr. PURTELL. That is right. Eight hundred counties are covered.

Mr. LEHMAN. But it is not available to the country as a whole, because of 3,000 counties only about 800 are covered, and even in those cases only certain crops are covered, and under certain specific conditions. That does not make insurance as available as the pending bill would make it.

Mr. PURTELL. The bill would make the insurance available in the counties other than the 800 counties now covered.

Mr. LEHMAN. But not in those 800 counties.

Mr. PURTELL. I say, the bill would make the insurance available to those who find it presently unavailable.

Mr. LEHMAN. That is correct.

Mr. PURTELL. If something can be done to encourage States to do whatever is necessary to control floods in addition to what is done at the Federal level, the work will be done quickly, and the cost will be reduced that much faster, when the States recognize the need to do their part in flood control.

Mr. LEHMAN. I may say to the Senator from Connecticut that in my somewhat long tenure of office as governor of New York, I not only preached, but practiced, full cooperation with the Federal Government. I had the pleasure of being Governor of New York at the time my beloved friend, Franklin D. Roosevelt, was President of the United States, and we certainly coordinated very well.

I believe very definitely there is nothing in the amendment which would indicate there would be any greater disposition to coordinate or cooperate. This is merely a matter of assuming some of the responsibility, and, as a corollary of that, normally some of the authority, which I think would create a situation of confusion that would be boundless. I do not think it could be worked out. I think it would be out of the question to be able to do it.

Mr. PURTELL. Will the Senator agree with me that while this proposed legislation springs from an emergency, and will protect those who take advantage of its provisions, it will not, in fact, be the way in which the Federal Government will step in and handle an emergency in which everybody will have to be given some relief? The bill, if enacted, will relieve only those who subscribe to the insurance and help pay the cost.

Mr. LEHMAN. That is correct. This is not relief; it is an insurance operation, in which the man who is injured pays a very substantial part of the cost.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield to me?

The **PRESIDING OFFICER** (Mr. McNamara in the chair). Does the Senator from New York yield to the Senator from California?

Mr. LEHMAN. I am very glad to yield.

Mr. KNOWLAND. Because of the discussion which occurred earlier in the afternoon, I wish to call attention to the hearings which Senators have on their desks. I refer now to part I of the hearings on Federal disaster insurance, at page 73, where the hearings deal with the present mechanism for Federal disaster relief. They go on to say:

> The Federal Disaster Act, which is administered by FCDA, goes into effect when the Governor of a State applies directly to the President, certifying that the damage outruns the resources of the State and when the President declares that it is indeed a "major disaster."

So even in the disaster field there is a responsibility in respect to which the State is supposed to function.

I also call attention to page 75, dealing with Executive Order No. 10427:

> Sec. 6. Federal disaster relief provided under the act shall be deemed to be supplementary to relief afforded by State, local, or private agencies and not in substitution therefor; Federal financial contributions for disaster relief shall be conditioned upon reasonable State and local expenditures for such relief.

So again there is a definite State and local responsibility which is recognized.

In the case of crop insurance, as we have already pointed out, with the exception, as I understand, of handling the administrative costs, the farmers themselves are bearing the burden, and it is running as a perfectly sound operation in that field.

Mr. LEHMAN. That is a Federal program; not a Federal-State program.

Mr. KNOWLAND. Yes, it is Federal; but we do not have in effect a subsidy of some 40 percent in addition to the administrative costs, which we would carry under this insurance plan.

Mr. LEHMAN. If the Senator from California is trying to get me to admit that this bill involves a subsidy, he does not need to work very hard, for I said so earlier in my remarks. In all probability, the bill will require a subsidy. I hope it will not be a subsidy for any great length of time, but I cannot give any assurance that no subsidy will be required.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a question?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. I know the Senator from New York has been on his feet for a long time. I have been studying this matter during the afternoon. The amendment of the very able Senator from California is regarded in some quarters as a States rights amendment. But is it not true that about the only right it gives the State is the right to bear the burden of paying expenses which the State itself has had no opportunity to prevent?

Mr. LEHMAN. The Senator from Illinois is entirely correct, of course.

Mr. DOUGLAS. For instance, let us consider Hurricane Connie and Hurricane Diane. Would Connecticut, Rhode Island, or Massachusetts have had any ability to have averted those catastrophes?

Mr. LEHMAN. Of course not. Not only would they not have had any ability to avert those catastrophes, but by themselves they did not have the resources with which to care for the needs arising because of those catastrophes.

Mr. DOUGLAS. In other words, such catastrophes are interstate, and any particular State is powerless to guard against them; is not that true?

Mr. LEHMAN. That is true.

Mr. DOUGLAS. I notice the Senator referred to the fact that the Delaware River affects the States of New York, New Jersey, and Pennsylvania. Is it not true that the Connecticut River is the boundary line between Vermont and New Hampshire, and then runs through Massachusetts and Connecticut? So a flood on the Connecticut River touches 4 States, and therefore is beyond the power of any 1 State to guard against; is not that correct?

Mr. LEHMAN. That is correct. I had overlooked the Connecticut River.

Mr. DOUGLAS. Although my memory of New England rivers is not so accurate as it once was, yet I think it is true that the Merrimack River flows through both New Hampshire and Massachusetts; and the Androscoggin River rises in New Hampshire and flows through Maine. So such rivers are not confined to any one State.

Therefore, even in the case of floods arising on the headwaters of a river, the State which suffers from the flood is not necessarily the State which bears any responsibility for the origin; is it?

Mr. LEHMAN. That is quite true.

Mr. DOUGLAS. And the great tropical hurricanes, which seem to be occurring more and more frequently, are outside the power of any one State to control; are they not?

Mr. LEHMAN. Yes; they are certainly entirely outside the power of any one State to control, if indeed anything can be done to control them.

The **PRESIDING OFFICER.** The question is on agreeing en bloc to the amendments of the Senator from California [Mr. Knowland].

Mr. RUSSELL. Mr. President, I have not been privileged to hear all the debate on this measure, but I have examined it.

I am deeply concerned about the provisions of subparagraph (b) of section 12, appearing on page 11 of the bill. If I construe aright this provision, I think it is very unreasonable and unfair, and the Senate should not adopt it as a precedent.

The provision to which I refer reads as follows; it is in two parts, and I shall read first the first one, as follows:

> (b) No claim under color of any insurance or reinsurance made available under this act shall be liable to attachment, levy, garnishment, or other legal process before payment to the insured or the insurer, as the case may be—

Mr. President, if I correctly understand the meaning of that provision, if a man sold his house to his neighbor, and took a mortgage on it, and if a flood destroyed the house, the man who had sold his home and had substituted a mortgage for it could not collect on the mortgage, because the Congress of the United States would be saying that that money would be beyond any judicial process whatsoever.

Mr. President, it seems to me that is a very unreasonable proposal. All mortgagors are not the great banking institutions or the great business houses. In the United States there are thousands of cases of individuals who, in changing their homes or in moving, retain mortgages on their homes; and sometimes the mortgage amounts to about all such persons own.

The provision to which I have referred is rather remarkable, and would go a long way; but to my mind the remainder of the subparagraph is even more remarkable, and, if I construe it aright, even more shocking. I read the remainder of the subparagraph:

> Nor shall any such claim be subject to reduction on account of indebtedness of the insured or his estate, or the insurer, as the case may be, to the United States, except claims of the United States arising under this act.

Mr. President, I have not had an opportunity to read all the bill and to ascertain whether this vice is cured elsewhere in the bill. But if it is not, then, Mr. President, under this bill a man could have a fraudulent income-tax case against him, as a result of defrauding his government, and the Government would subsidize 40 percent of his insurance program, and yet if the flood occurred, because of the flood he would be permitted to capitalize on his fraudulent act against the Government of the United States in the matter of his income taxes. That is the common construction which it seems to me is inescapable under this language. If that is true, certainly this provision should be stricken from the bill.

It may be that some reason has been given for this very drastic provision. I regret that I was not here to hear it given, if it was. But it seems to me that we go very far when we say that not only will the Government subsidize the insured against the hazards of flood, but that if a flood occurs, no legal process whatsoever, of any kind, may attach to the proceeds of the insurance. To my mind, that is a most unreasonable provision; and I cannot conceive that the Senate of the United States would put its approval upon any provision of that nature.

Mr. LEHMAN. Mr. President, is the Senator from Georgia addressing a question to me?

Mr. RUSSELL. No; I am not. I made a statement regarding my construction of that provision.

Mr. LEHMAN. I should like to answer.

Mr. RUSSELL. I shall be glad to yield to the Senator from New York.

Mr. LEHMAN. It seems to me that the answer is very simple:

Section 12 (b) of the bill, among other provisions, protects an insured claim against attachment, or levy, and against setoff for debts due the United States, except for United States claims arising under this bill.

This provision was included in the Lehman-Kennedy bill, S. 3137, and also in the administration bill, S. 2862, as originally introduced. It was not included in the amendment in the nature of a substitute for S. 2862 later introduced by the senior Senator from Connecticut [Mr. Bush].

The purpose of this entire bill is to provide funds to insured disaster victims so that the insurance proceeds will be available to enable their speedy recovery through the repair or replacement of property damaged by flood. If the United States Government or someone else is to be given the right to take all or part of the insurance proceeds because of some prior debt owed to the Government or such other person by the insured, the bill will fail in its purpose because the insured would then be deprived of the means of repairing flood damage. The insured will still owe the Federal Government or the other person the prior debt, but the creditor must find other assets of the insured with which to satisfy the debt. By himself the insured can do nothing to bring about conditions under which he becomes the holder of a claim under the insurance policy. It takes a flood to put him in that condition. Under the circumstances, the Government, or other creditor, would be taking undue advantage of a windfall in their favor in order to collect a debt due from the insured.

I realize that this provision gives special exemption from setoff for debts owed the Government, which normally take first priority over all other obligations, and that the insurance proceeds may provide a ready source of cash from which to satisfy back tax claims of the Government. But I think it is more important that the insured be certain of use of insurance proceeds to rehabilitate himself.

It seems to me that the entire purpose of the bill is to help people who have suffered from floods to reinstate themselves. If the Government has a claim against a man, I do not believe that merely because of the accident of a flood the Government, in order to reimburse itself, should be able to take from the man the money which comes to him as insurance compensation, by reason of a premium which he has paid.

Mr. RUSSELL. If the flood does not come, the Government can levy on the property. If the flood does not come the man who has a mortgage on the house, and who perhaps sold the home, can levy on the property. Why should the fact that a flood comes give the man a right he would not otherwise have?

Mr. BUSH. Mr. President, will the Senator yield?

Mr. LEHMAN. Let me answer that question. I am very glad the Senator has brought it up. I wish to make an explanation to the Senator from Georgia, for whom I have great respect, as he knows.

Mr. RUSSELL. I thank the Senator.

Mr. LEHMAN. The bill would not in any way exclude the Government from levying a claim against the man's property. It would simply prohibit the Government from levying a claim against the proceeds which come to him as a result of the insurance policy to which he is a party. The bill would not in any way prohibit the Government from filing a claim against the man's property.

Mr. RUSSELL. Mr. President, I have great respect for the Senator from New York, but I think that is a pretty tenuous argument—that the Government can levy on the property, which is later washed away by a flood, but cannot get the money due it from insurance on the property. It is giving the man a benefit which he would not enjoy but for the flood.

If the flood does not come, the property is subject to lien. But, if the flood does come, why should one who sought to defraud the Government be exempted from paying the debt from the insurance proceeds? I am old fashioned, but I was taught a great many maxims in my youth. Among others is the maxim that one should be just before he is generous. I think we should be just as between two citizens of the United States, and not say to one of them, "The house is washed away. Therefore you, who have your whole life's savings in the mortgage, cannot collect a dime," while we say to the Government of the United States that it cannot take the proceeds of the insurance, and say to the occupant of the property, "because there has been a flood, you can take your insurance money and go scot free, and not be subject to payment of the debt." We seek as best we can—although I concede that we have failed miserably—to bring about some equality in taxation.

Mr. LEHMAN. The Government could always levy a claim against the man's house.

Mr. RUSSELL. The house is gone.

Mr. LEHMAN. Why did not the Government levy the claim while it was there? Suppose a man has a house worth $10,000, and it is damaged to the extent of $2,000. That does not eliminate the right of the Government to levy a claim against the house, but it does prevent the Government from levying a claim against the $2,000 of insurance money which he has received to reimburse him for the damage he has suffered.

Mr. RUSSELL. I cannot split hairs to that extent.

This provision is not only unfair and unjust as between citizens of the United States, but it would be a very dangerous precedent for the Congress to establish. We should not play in this casual way with taxes due the United States, and say that if a flood occurs a man does not have to pay his taxes, and that if a flood occurs he does not have to pay the price of the house which is washed away. If another man happens to be so unfortunate as to have a mortgage on the house which is washed away, he rather than the man actually on the premises, becomes the victim of the flood.

Mr. LEHMAN. Mr. President, I do not wish to give the impression that the Senator from Georgia has convinced me of the soundness of his argument; but I want the bill passed. If the Senator has any particular fears with respect to this provision, I suggest that, at the appropriate time, he offer an amendment to strike this particular section from the bill. I shall not oppose it.

Mr. RUSSELL. I thank the Senator. I have a very deep concern about this particular provision.

Mr. LEHMAN. I shall be very glad indeed to agree to such an amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from California, [Mr. Knowland] which are to be voted upon en bloc.

Mr. BUSH. Mr. President, I rise to oppose the pending amendments, not because I am philosophically opposed to them. Actually a similar provision was in the original administration bill, which I introduced, calling for State participation. However, as we have gone into the subject and examined it from every angle, it has become quite evident to me that if these amendments are accepted they may defeat the purpose of the bill,

because they may have the effect of keeping certain States out of the program when they wish to come into it, and are entitled to be in it if they wish to be.

The reason is that various States have provisions in their State constitutions which prevent public moneys being used to aid individuals. In a broad way, that is what the State constitutions provide. That is true in Massachusetts, Connecticut, California, and other States.

In addition, in many of the States a constitutional amendment cannot be accomplished in one session of the legislature. Sometimes 2 or more years are required. Many State legislatures meet only every other year. It is perfectly conceivable that a State which might wish to participate in the program, and which might be able to do so through its legislative process, might not be able to participate within 3 years.

Under Connecticut law—and I believe possibly under the laws of other States—the finding of a lack of public purpose could not be cured merely by an amendment to the constitution. The Connecticut Supreme Court of Errors has already created a body of law in our State indicating that any such amendment would likely run afoul of the provisions of the United States Constitution dealing with the republican form of government and equal protection of the laws to all persons, despite State action to the contrary. It cites article IV, section 4, of the Federal Constitution, and amendment No. 14.

The issue of State participation has been taken care of in the bill, not on a financial basis, but by requiring the State to establish flood control zones and flood control laws and ordinances. If it does not do so within 2 years, in a manner satisfactory to the Commissioner, under the terms of the bill it will not be able to participate.

It does put the burden of responsibility on the State in a very sound way. As I said before, I am not philosophically opposed to the question of the States' financial aid, but, as a practical matter, I think it will not work. Therefore I urge the Senate to vote down the amendments.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing, en bloc, to the amendments offered by the Senator from California [Mr. Knowland]. The yeas and nays have been ordered. The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Nevada [Mr. Bible], the Senator from Virginia [Mr. Byrd], the Senator from New Mexico [Mr. Chavez], the Senator from Kentucky [Mr. Clements], the Senator from Louisiana [Mr. Ellender], the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Gore], the Senator from Missouri [Mr. Hennings], the Senator from Tennessee [Mr. Kefauver], the Senator from Arkansas [Mr. McClellan], the Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], and the Senator from Florida [Mr. Smathers] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic energy tests in the South Pacific.

On this vote, the Senator from New Mexico [Mr. Chavez] is paired with the Senator from Maryland [Mr. Beall]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Maryland would vote "yea."

The Senator from Kentucky [Mr. Clements] is paired with the Senator from South Dakota [Mr. Mundt]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from South Dakota would vote "yea."

The Senator from Florida [Mr. Smathers] is paired with the Senator from Idaho [Mr. Welker]. If present and voting, the Senator from Florida would vote "nay" and the Senator from Idaho would vote "yea."

I further announce that if present and voting, the Senator from Arkansas [Mr. Fulbright], the Senator from Missouri [Mr. Hennings], the Senators from Tennessee [Mr. Gore and Mr. Kefauver], the Senator from West Virginia [Mr. Neely] and the Senator from Rhode Island [Mr. Pastore] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senator from Maryland [Mr. Beall], the Senator from New Hampshire [Mr. Bridges], the Senator from Ohio [Mr. Bricker], the Senator from Iowa [Mr. Hickenlooper], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Nevada [Mr. Malone] and the Senator from South Dakota [Mr. Mundt] are absent on official business.

On this vote, the Senator from Maryland [Mr. Beall] and the Senator from New Mexico [Mr. Chavez] are paired. If present and voting, the Senator from Maryland would vote "yea" and the Senator from New Mexico would vote "nay."

On this vote, the Senator from South Dakota [Mr. Mundt] is paired with the Senator from Kentucky [Mr. Clements] If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Kentucky would vote "nay."

On this vote, the Senator from Idaho [Mr. Welker] is paired with the Senator from Florida [Mr. Smathers]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Florida would vote "nay."

The result was announced—yeas 39, nays 31, as follows:

YEAS—39

Aiken
Allott
Bender
Bennett
Butler
Capehart
Carlson
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Dirksen
Duff
Dworshak
Flanders
Frear
Goldwater
Hruska
Jenner
Kerr
Knowland
Martin, Iowa
Martin, Pa.
McCarthy
Millikin
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smith, Maine
Smith, N. J.
Thye
Watkins
Wiley
Williams
Young

NAYS—31

Bush
Daniel
Douglas
Eastland
Ervin
Green
Hayden
Hill
Holland
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kennedy
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
McNamara
Monroney
Morse
Murray
Neuberger
Scott
Sparkman
Stennis
Symington
Wofford

NOT VOTING—25

Anderson
Barrett
Beall
Bible
Bricker
Bridges
Byrd
Chavez
Clements
Ellender
Fulbright
George
Gore
Hennings
Hickenlooper
Ives
Kefauver
Malone
McClellan
Mundt
Neely
O'Mahoney
Pastore
Smathers
Welker

So Mr. Knowland's amendments were agreed to en bloc.

Mr. LEHMAN subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the Record, at the appropriate place, as a part of my remarks, two memoranda prepared by Mr. William F. McKenna, counsel, on the subject of the legality of the use of State funds to pay flood-insurance premiums.

There being no objection, the memoranda were ordered to be printed in the Record, as follows:

LEGALITY OF REQUIRING STATE FUNDS TO BE USED TO PAY PART OF THE PREMIUM FOR FLOOD INSURANCE AUTHORIZED UNDER S. 3732

S. 2862 (the administration bill), as introduced, required each State to pay a portion of the premium charged for flood insurance issued by the Federal Government covering property within that State. S. 3732, as favorably reported by the committee, does not include any such requirement. Neither did S. 3137, the Lehman-Kennedy bill.

It is reported that the President has indicated a desire that S. 3732 be amended to incorporate the idea of State financial participation in the program. Such a suggestion raises the question as to whether the use of State funds to pay a part of the flood-insurance premium would be legal. No easy answer exists for this problem. As to each State, Territory, and possession of the United States, solution of the problem requires a careful examination of the constitutional provisions, laws, and court decisions (State and Federal) governing the particular jurisdiction involved. Upon inquiry, both the Legislative Reference Service of the Library of Congress and the Council of State Governments replied that they had available no body of material that would prove decisive in answering this problem. The Service did furnish some views, using West Virginia as an example. It noted the Federal Government can impose constitutional conditions on its grant of benefits. But these must also pass State constitutional tests. Unofficially, the Council expressed doubt that such a use of State funds would be constitutional in several States. Within the very limited time available, as counsel for the committee, I have endeavored to check the material readily available concerning the legality of expenditures of State funds. While not complete, my research has been sufficient to sustain the following findings:

GENERAL STATEMENT

While the Federal Constitution is a grant of powers, each State constitution is a restriction on the exercise of powers. Its main function is to distribute the powers of the State as among executive, legislative, and judicial branches. Since State governments, as institutions, existed before the adoption of a State constitution, they possessed all rights and attributes of sovereign States. State constitutions were primarily outgrowths of the distrust of governments by colonists who shortly before had broken off allegiance to the English Government. The State constitution marked the boundaries of power beyond which State officials could not go.

Every State legislature possesses all legislative power of which it is not deprived, either by the Federal Constitution or the constitution of its own State. Powers of a State legislature are not granted or enumerated by a State constitution, but they are restricted by such constitution.

We therefore must look to (1) the State constitution and (2) the Federal Constitution to find limitations on a State's legislative power. Of course, the decisions of the State and Federal judiciary tell us how these limitations apply in given cases.

As noted in *Savings and Loan Association* v. *City of Topeka* (20 Wall. 655, 22 L. ed. 455, 87 U. S. 655 (1875)) there are some inherent limitations on what constitutes legislative power. This case held that even in the absence of a specific State constitutional provision to that effect, no State legislature has the right to levy taxes for a private purpose, as distinguished from a public purpose. On this theory it held unconstitutional a bill enacted by the Kansas legislature authorizing cities of the second class to issue their bonds to aid establishment of factories in Kansas. In this particular case, the city of Topeka tried to use the purported authority in order to induce establishment of a private iron bridge construction works in Topeka. The court voided the act as being an attempt to take the property of the citizen under the guise of taxation to pay bonds and use it to aid an enterprise not public in character. Noting that taxation can only be exercised for a public use, the court asserted that the taxing power was here being perverted to aid individual interests and personal purposes of profit and gain. It stated that in every free government there are private rights beyond State control, else Government deteriorates into a despotism of the majority. It flatly rejected the theory of unlimited power in a State legislature to tax people.

The first test thus becomes whether taxes are to be used for a "public purpose" as distinguished from a "private purpose."

Many State constitutions expressly prohibit the use of public funds for a private purpose.

What constitutes a public purpose is a question of fact to be resolved in the first instance by a State legislature, subject to being overruled by a contrary interpretation reached by appropriate officers in the executive department (such as the State attorney general) and the judicial department, State and Federal.

The Topeka case mentioned above noted that past experience is helpful in determining when State expenditures could be approved as being for a public purpose. It was careful, however, not to restrict the use of State funds for such customary purposes. In general, the courts give much weight to the finding of the legislature as to what constitutes a public purpose. They emphasize the presumption in favor of holding acts of the legislature to be constitutional. The courts also insist, however, that the ultimate determination of what constitutes a public purpose is a judicial problem. Therefore, the courts have the final say, as distinguished from the legislature on this point.

There is no commonly accepted definition of public purpose which can be applied to each given situation in order to determine whether a proposed expenditure of State funds is constitutional. With changing times, situations once deemed to be outside the pale of public purposes are later held to fall within that category. For example, the Connecticut courts have held that payment of a bonus to veterans of the Armed Forces who were not inducted from the State of Connecticut did not constitute a public purpose as of 1912, but did as of 1947. Due to a changing pattern of traffic, the Delaware courts have held it a public purpose to provide parking space to motor vehicles, noting that it would never have been seriously contended that operation of a livery stable by a public body would be a proper public purpose for the expenditure of tax funds.

Examples of items now constituting a public purpose include veterans' benefits of various types (bonuses, tax exemptions, civil-service preferences), State aid to private educational institutions, encouragement to reforestation, highway improvement, care of the aged poor, slum clearance, compensation for the destruction of tubercular cattle, college dormitory construction, aid to county agricultural societies, maintenance of public libraries, and construction of public buildings.

No specific instances involving the payment of insurance premiums have been found except in the case of California. There, recent opinions of the Attorney General have drawn a fine line as to which insurance premium payments constitute a public purpose and which constitute a private purpose. The use of public funds to pay a portion of the premium for group life, health and accident insurance covering public officers and employees has been held to be a public purpose permissible under the California constitution. The Attorney General has held it to be doubtful whether the State can use public funds to insure a State officer against personal liability incurred under statutes that do not create a liability on the part of the State. In another later decision, the Attorney General has held that school districts are not authorized to purchase insurance covering the liability of pupils and parents for damages occurring from accidents that happen during automobile driver training instruction. Thus, in these three groups of opinions dealing with an insurance premium paid for wholly or partly out of public funds, we note the careful distinction made between public and private purpose.

No cases have been found involving the particular point at issue here, namely whether it is lawful to spend State tax funds for the purpose of paying part of the premium for flood insurance carried by a private citizen. Under the circumstances, it is not possible to state categorically whether such an expenditure would be considered as a public purpose in each State, Territory and possession. Before a conclusive answer could be obtained, it would be necessary to await judicial action in each State, Territory and possession. However, because of particular constitutional provisions in certain States, there are strong indications that any such expenditure of public funds would be held unconstitutional.

One of these States is New York. Article 7, section 8 of the 1938 New York constitution expressly provides "the money of the State shall not be given or loaned to or in aid of any private corporation, or association; or private undertaking; nor shall the credit of the State be given or loaned to or in aid of any individual, or public or private corporation or association, or private undertaking * * *." The omitted portion contains specific exemptions for certain State educational funds, and welfare, health, and retirement purposes, as well as an exemption for protection by insurance or otherwise, against the hazards of unemployment, sickness, and old age. In considering similar provisions in the 1894 New York constitution, the highest New York court in the case of *People* v. *Westchester County National Bank* (231 N. Y. 465, 132 N. E. 241 (1921)) held invalid a statute providing for grants to veterans. The court noted that while these grants could be held to constitute a public purpose, nevertheless, they were prohibited by the constitutional provision above mentioned. The specific exemption for old-age and unemployment insurance hardly seems broad enough to sustain a finding that the payment of flood-insurance premiums from State funds would also be exempt from the prohibition of the constitutional provision. An amendment to the New York constitution would, therefore, probably be necessary to sustain the validity of any such payment.

Other types of specific State constitutional provisions prevent certain expenditures of State funds even though the purpose to which they are to be devoted is a public purpose. For example, article 1, section 1 of the Connecticut constitution prohibits exclusive public emoluments to be given to any man or set of men. As recently as 1952, the Connecticut Supreme Court of Errors held unconstitutional, as being in violation of this particular section, a statute providing veterans' benefits to a limited number of the members of a police and fire department in a single city. The court likened this provision to that found in article 14 of the Federal Constitution prohibiting States from denying to any person the equal protection of the laws.

The same court took cognizance of article 4, section 4 of the United States Constitution, which guarantees a republican form of government in each State. The court concluded that this particular provision forbade the raising of taxes for any but a public purpose. In view of this holding, mere amendment of the State constitution would be insufficient to make valid an expenditure of State funds for other than a public purpose. In fact, the language used by some of the courts, including the United States Supreme Court, indicates that the legislative power itself is limited by fundamental principles of natural justice, regardless of specific provisions in constitutions.

The foregoing is sufficient to indicate that any amendment to S. 3732 requiring State payment of a portion of a flood-insurance premium charged for policies covering properties within a given State would raise serious doubts as to the constitutionality of such an arrangement. This is not to say that such payments would not ultimately be held to be valid in any given State. However, a long period of delay may well ensue pending determination of this matter in the various State or Federal courts. The accompanying memorandum discusses some of these problems as they arise under specific State constitutions.

Legality of Use of State Funds To Pay Flood Insurance Premiums

CALIFORNIA

Article IV, section 31 of the California constitution denies the legislature power to make any gift or authorize the making of any gift of public money or thing of value to any individual, municipality or other corporation.

The recent case of *Mallon* v. *City of Long Beach* (44 Cal. (2d) 199, 282 p. (2d) 481 (1955)) holds that this provision prevents

the city of Long Beach from using income from tideland oil and gas to construct local public improvements, where this income had been granted in trust to the city by the State. The court admitted the proposed use was for a "public purpose." But it said that since the city public projects would be of no benefit to all people of the State, it was tantamount to a gift of State funds to a municipality. It noted this was expressly prohibited by the above provision of the constitution.

The court distinguished the case of *County of Los Angeles* v. *Southern Calif. Tel. Co.*, (32 Cal. (2d) 378, 196 p. (2d) 773) on the ground that the franchises in that case resulted in a continuing benefit to the State itself, not merely a county benefit.

In a similar vein, in the *City of Oakland* v. *Garrison* (194 Cal. 298, 228 p. 438) the court upheld as valid the appropriation of county funds to improve a city street, because under the circumstances, the street benefited the people of the county in general.

County relief payments to an indigent Indian living on a reservation in the county were upheld in *Acosta* v. *San Diego County*, (Cal. 272 p. (2d) 92 (1954)).

In upholding a school district's power to dedicate school land for a public road, the court in *Ransom* v. *Los Angeles City High School District* (Cal. 277 p. (2d) 455 (1954)) noted that such a use of public property isn't barred by the provisions of article IV, section 31 of the California constitution (see above), as long as (1) it is to be used for a public purpose, and (2) it will benefit the entity making the appropriation, rather than merely some lesser-included entity.

Under these tests the following expenditures of public funds were judicially approved:

Erection of memorial hall for war veterans—*Allied Architects Association* v. *Payne* (192 Cal. 431, 221 p. 209); compensation for destruction of tubercular cattle—*Patrick* v. *Riley* (209 Cal. 350, 287 p. 455); slum clearance, *The Housing Authority* v. *Dockweiler* (14 Cal. (2d) 437, 94 p. (2d) 794).

But two recent transactions have failed to qualify under the same tests. In the first, providing State money through the State welfare board to an aged person found not to be in need was held to violate article IV, section 31 (the court noting that had the person been needy, the expenditure would have been made constitutional by art. IV, sec. 22 of the California constitution authorizing State care for indigent aged persons). (*Bertch* v. *Social Welfare Department of the State* (Cal., 276 p. (2d) 891 (1955).)

In the second, a purported contract was held unconstitutional under article IV, section 31, of the California constitution. By the contract the city of Los Angeles tried to grant joint use of its sewage facilities to the city of Vernon without receiving from the city of Vernon a proportionate share of construction and maintenance costs. The court held this constituted a gift of the property of the citizens of Los Angeles in violation of the constitutional provision. *City of Vernon* v. *City of Los Angeles* (Cal. 275 P. (2d) 72 1954)).

McQuillin in his work on Municipal Corporations (vol. 2, 3d ed., sec. 4.184, p. 237) comments that California decisions recognize no distinction between use of public funds to bestow a mere gratuity and their use to pay a claim resting on a moral (but not an enforcible legal) obligation. Both uses fall under the ban of article IV, section 31, of the California constitution. He cites *Conlin* v. *San Francisco* (114 Cal. 404, 46 P. 279); *Conlin* v. *San Francisco* (99 Cal. 17, 33 P. 753); *Creighton* v. *San Francisco* (42 Cal. 446).

Recent decisions of the California courts, as shown above, do not follow the timorous path taken by the court in 1891. A situation then involved the legislature's power to appropriate State funds to pay a surveyor for services performed before California became a State. The court held it could not look into the facts of the case, but must rely on the legislature's action in finding that suitable facts existed to justify enacting the bill. *Stevenson* v. *Colgan* (91 Cal. 649 (1891)); see *Rankin* v. *Colgan* (92 Cal. 606).

Opinions of the attorney general

Recent opinions of the attorney general of California have drawn a fine line between public purpose and private purpose in the use of public funds to pay insurance premiums.

A series of these opinions has upheld such use of public funds by counties and other public agencies to pay part of the premium on group life, health, and accident insurance covering public officers and employees. (Attorney General's opinion No. NS 3976, January 7, 1942; see also Attorney General's opinion Nos. NS 474, July 27, 1937; NS 475, July 24, 1937; NS 2272, January 22, 1940; and NS 2272a, March 27, 1940.)

But in other opinions, the Attorney General has held it to be doubtful whether the State can insure the personal liability of a State officer under statutes not creating a liability on the part of the State. (Attorney General's opinion No. NS 1213a, October 28, 1938; see Attorney General's opinion No. NS 3304, February 26, 1941.)

Finally, in a later opinion, the Attorney General held that school districts are not authorized to purchase insurance covering the liability of pupils and parents for damages from accidents that happen during automobile driver training courses. (Attorney General's opinion (1950) 15, p. 153.)

The distinction between public purpose and private purpose is noticeable in the reasoning of these three groups of opinions by the Attorney General. At what point in this spectrum payment of part of the premium for flood insurance would fall, it is difficult to say. These various decisions serve as guides to the principles involved in the answer, but are not in themselves conclusive as to the answer.

In passing, it should be noted that cases dealing with use of public funds pursuant to a freeholder's charter do not serve as precedents for the use of State funds. The case of *Tevis* v. *City and County of San Francisco, Calif.* (272 P. (2d) 757 (1954)) noted that article IV, section 31 of the California constitution appears in that portion regulating the powers of the State legislature, and does not apply to powers derived from a freeholder's charter authorized directly by a different section of the constitution. Hence a local government may be able to spend public funds under such a charter in a manner the State legislature is prohibited from doing by article IV, sections 31 and 32 of the constitution.

The amendment to S. 3732 suggested by the President would call for the expenditure of State, rather than local government funds. Hence article IV, section 31 requires consideration in connection with any such expenditures.

Problems requiring judicial answers are (1) would such a use of State funds be for a public purpose? (2) If so, would it benefit all the people of the State or is it rather merely a gratuity to those who happen to buy flood insurance on property located in California, thus being barred by article IV, section 31 of the California constitution?

No court decision is now conclusive on these points. An answer must therefore await final court action on this problem by State or Federal courts. Meanwhile validity of the Federal flood insurance program as it applies in California would remain in doubt.

No such doubt exists in the absence of an amendment to S. 3732 requiring the State to pay part of the flood insurance premium on policies covering property in California.

CONNECTICUT

Problem

Can Connecticut State funds be lawfully used to pay a portion of the premium for flood insurance purchased by an insured on real or personal property located in Connecticut?

Discussion

No case decisive of this issue beyond doubt has been found after a thorough search of Connecticut law.

Public versus private purpose

One of the leading cases in Connecticut concerning the issue as to whether an expenditure of public funds was made for a public or a private purpose is *Beach* v. *Bradstreet* (85 Conn. 344 (1912)). The criteria for deciding this issue as laid down in that case are still good law in Connecticut, even though the application of those criteria to specific situations has changed with changing times.

Legislative power

The court noted that the range of powers permitted by the State constitution to each department of State government is limited by the United States Constitution and the State constitution. It also raised, without completely deciding, the possibility that such powers are also limited by fundamental principles of natural justice constituting the ligament of the social compact upon which all constitutional government rests. The court stated, however, that the legislative power of the Connecticut General Assembly was limited by those essential principles of liberty and free government set forth in the Connecticut Bill of Rights.

Taxing power for public purpose only

Among the legislative powers is that of taxation, conferred by necessary implication in Connecticut. This is also subject to the same essential principles of liberty and free government that condition the existence of the entire State government.

The court quoted with approval from the 1875 United States Supreme Court case of *Loan Association* v. *Topeka* (20 Wall. (U. S. 655)) the following principle:

"There is no such thing in the theory of our governments, State and National, as unlimited power in any of their branches."

From the same case the court adopted the holding that a foundation principle of all constitutional government is that taxation can lawfully be imposed only for a public purpose. The Connecticut court supports its view by holding that article 4, section 4 of the United States Constitution, guaranteeing a republican form of government in each State, thereby forbids the raising of taxes for any but a public purpose. Further protection for this view, says the court, is provided by the 14th amendment to the United States Constitution, which voids any act of State legislation denying the fundamental law of its land.

Constitutional provision

To this 14th amendment prohibiting States from denying to any person equal protection of the laws, it likens article first, section 1 of the Connecticut constitution. This section provides that no man or set of men are entitled to exclusive public emoluments or privileges from the community. Neither, the court notes, prevents the legislature from dealing differently with different classes, provided there is some natural and substantial difference germane to the subject and purposes of the legislation between those within and those outside the class.

This combination of valid classification and accomplishment of a public purpose must conjoin in order to uphold as valid the expenditure of public tax funds on behalf of a portion of the Connecticut public.

Public purpose

What is a public purpose? The Connecticut court expresses the answer in several similar ways. *Beach* v. *Bradstreet*, supra, dealing with a Civil War veterans' bonus, used this test: "Will it serve a recognized object of government, and will it directly promote the welfare of the people of the State in equal measure?" In another reference, the court in this case said the purposes of taxation must be kept within the range of subjects which bring to the State a direct benefit. *Lyman* v. *Adorno* (133 Conn. 511 (1947)), dealing with the World War II veterans' bonus, and *Walsh* v. *Jenks* (135 Conn. 210 (1948)), dealing with limited exemption of World War II veterans from real property taxes, phrased the test of public purpose in these terms: Will it promote the public welfare of the people of this State? In the Walsh case, the court quoted favorably language used by the United States Supreme Court in *Loan Association* v. *Topeka*, supra, indicating that in deciding whether a tax is imposed for a public purpose, reliance is placed on usage as to purposes deemed necessary to the support and proper use of government. But this is not the sole test as to whether a tax is levied for a public purpose. *State ex rel. Higgins* v. *Civil Service Commission* (139 Conn. 102 (1952)), dealing with promotion preference for World War II veterans under the civil-service system, suggested the act must promote, among other things, the general welfare of the community.

By all these tests, the court was able to uphold the various benefits conferred on World War II veterans as falling within the limits of a public purpose. Promotion of patriotism meets the test of public purpose. On the other hand, the Civil War bonus had been rejected as unconstitutional under the same tests, because in the eyes of the 1912 court, paying Connecticut funds to a veteran who served in the Federal Armed Forces as part of the quota from a State other than Connecticut would confer no more than an indirect benefit on Connecticut; not such a direct benefit as would sustain an expenditure of Connecticut State funds. Changed conditions since Civil War times led the court to hold that World War II veterans contributed a direct benefit upon Connecticut by serving in the Federal Armed Forces, regardless of from which State they were inducted into those forces.

Indirect private benefit permissible

Under Connecticut law, if a statute is found to serve a public purpose, it is not made invalid merely because it also confers a direct benefit on one or more individuals. This principle was laid down in detail in the Lyman case, supra, and affirmed in the Walsh case, supra, and *State ex rel. Higgins* v. *Civil Service Commission* (139 Conn. 102 (1952)). As example, the court cited tax exemption of lands appropriately planted with forest trees and of private educational institutions. In these cases, direct benefits flow to the landowner and students, respectively, but the statutes have been upheld as being for a public purpose. (See *Baker* v. *West Hartford* (89 Conn. 394).) In the Lyman and Walsh cases, direct benefits were received by the veterans receiving the bonus and tax exemptions there involved; yet the statutes were sustained as serving the public purpose of patriotism.

Federal program immaterial

Both the Lyman case and the Walsh case noted that merely because it is a Federal, rather than a State, function to wage war, it does not follow that the State cannot receive a direct benefit from the performance of this function. In the Lyman case, supra, at page 519, the court said:

"Such service no less protects this State and its people because it is rendered under the Federal Government."

Presumption in favor of validity of statute

The Lyman case, supra, notes that the initial determination that a statute serves a public purpose is for the legislature, citing *State* v. *Gilletto* (98 Conn. 702) as saying the legislature is the arbiter of public policy. Neither the wisdom of the statute nor the magnitude of the amount it involves is any concern of the court. The legislature's declaration of the existence of a public purpose is deserving of great weight, and in the absence of any express legislative declaration of purpose, the statute will be presumed to have been enacted in order to serve a public purpose, if in fact the court finds the statute is appropriate to serve a public purpose. Unless the statute is invalid beyond a reasonable doubt, in the judgment of the court, it will be presumed to be constitutional. Compare *State ex rel. Higgins* v. *Civil Service Commission*, supra.

But having noted all these factors tending to sustain the constitutionality of a statute, the court in the Lyman case, supra, at page 517, goes on to say:

"While legislative findings of fact are persuasive, the question whether an expenditure of public money is for a public purpose is a subject of judicial inquiry, and they are not controlling upon the courts which are required to determine such a question."

In other words, the final say on this matter of whether the statute serves a public purpose rests with the courts rather than with the legislature.

And in *Warner* v. *Gabb* (139 Conn. 310 (1952)), the Connecticut Supreme Court of Errors exercised its prerogative of reviewing the facts to determine whether a public purpose really existed. The case involved a statute giving extra pension retirement benefits to World War II veterans in the Hartford police and fire departments who had been employed in either department when they entered the Armed Forces. The court found a public purpose existed that could be the constitutional foundation for an appropriate statute. It cited the encouragement to recruitment of civil servants in these departments, the increase in performance efficiency attained because of a sense of security, and the prevention of rapid turnover in department personnel.

Nevertheless the court held the statute unconstitutional, because it found the act was not reasonably designed to further these public purposes. The statute foundered on the rock of article 1, section 1, of the Connecticut constitution, forbidding exclusive public emoluments to any man or set of men. Because the act applied to such a small class of persons (certain members of the police and fire departments in one city) as compared with the larger number who might have qualified under the public purpose involved, the court held this statute created an unjust discrimination rather than a valid classification.

In this case we have a very recent example of a statute held to be unconstitutional even though it passed the test of involving a public purpose.

Conclusion

Coming to the instant problem of the legality of the use of State funds to help pay an individual's flood-insurance premium, two major problems seem to require solution.

First, would this expenditure involve a public purpose?

Second, would aid so granted only to those who choose to purchase flood insurance be an appropriate method of carrying out a public purpose, if such a purpose is found to be involved?

Under existing Connecticut law, it appears it would be necessary for these two questions to receive an affirmative answer, first, in the general assembly; and second, in the courts, before a statute bringing such aid into being could be definitely held constitutional.

It also seems important to point out that under current Connecticut law, a finding of lack of either public purpose or valid classification could not be cured merely by amending the Connecticut constitution. As noted above, the Connecticut Supreme Court of Errors has already created a body of law indicating that any such amendment would likely run afoul of provisions in the United States Constitution dealing with a republican form of government and equal protection of the laws to all persons despite State action to the contrary (art. 4, sec. 4, and amendment 14, respectively).

ALABAMA

Section 93 of the constitution of Alabama, 1901, forbids the State from being interested in any private or corporate enterprise, or lending its money or its credit to any individual, association, or corporation.

Section 94 of the constitution prohibits the grant of public money to an individual.

In Opinion of the Justices (244 Ala. 632, 15 So. (2d) 41), the court held section 93 was directed against the lawmaking power of the legislature.

In *State ex rel. Dorlan* v. *Stone* (30 Ala. App. 413, 6 So. (2d) 898) the court held that payment of a just, though legally unenforceable, claim against a county is not prohibited by section 94.

ARKANSAS

Amendments No. 13 and 20 of the Arkansas constitution prohibit the State and its subdivisions from lending their credit and restrict the issuance of State bonds.

In *McArthur* v. *Smallwood* (Ark. 281 SW (2d) 428) the Supreme Court of Arkansas upheld as not violating these provisions a 1955 act creating the Arkansas Justice Building Commission.

DELAWARE

Article 8, section 8, of the Delaware constitution prohibits a municipality from lending credit or appropriated money to a private corporation, person, or company. The recent case of *Wilmington Parking Authority* v. *Ranken* (105 A. (2d) 614 (1954)) upheld as constitutionally valid an act of the Delaware Legislature declaring off-street parking of motor vehicles to be a public purpose. Admitting that public funds may not be constitutionally appropriated for private purposes, the court upheld the statutory provision permitting the authority to acquire off-street parking areas and lease out space on a commercial basis in order to help finance the parking facilities. It noted that the phrase "public purpose" is not susceptible of precise definition and that it is not possible to adopt any rigid rule by which to determine whether a purpose or use is to be held public or private, but it stated it to be clear that as public needs vary with the times and with changed conditions, so an activity once thought to be strictly private may become a proper subject for public action or control. As an example, it stated that 60 years ago no one would have suggested that a State operated livery stable would have served a public purpose; but, at the present, grave problems created by the automobile, including parking, are a fit subject for public concern.

The Court followed the usual rule in holding that while legislative finding of public purpose is entitled to great weight, it is not conclusive and the determination of what constitutes a public purpose is ultimately a question for the courts. It commented that the evil aimed at by the constitutional provision above noted is the union of public and private capital or credit in any sort of enterprise. However, it held that the constitutional provision does not prevent a municipality from devoting funds

to its own public improvements, even though these include the process of leasing out space for commercial purposes.

FLORIDA

Article 9, section 10 of the Florida constitution forbids the State from pledging or lending its credit to any individual, company, corporation or association.

In *State* v. *Inter-American Center Authority* (Fla. 84 So. (2d) 9; (1956)), the Florida Supreme Court held that a State statute to finance construction, from public funds, of an Inter-American Cultural and Trade Center was for a "public purpose," and therefore did not violate the above provision of the constitution.

IDAHO

Article 8, section 2 of the Idaho constitution provides that State credit shall not in any manner be given or loaned to or in aid of any individual, association, municipality or corporation.

The highest court in Idaho, in the recent case of *Davis* v. *Moon* (Ida., 289 P. (2d) 614), upheld as not in violation of that provision the Legislative Act of 1955 appropriating funds to pay certain dormitory revenue bonds, including interest, issued in 1950 by the State Board of Education to construct a dormitory at Northern Idaho College of Education. Since the legislature appropriated no funds for operation of the college in 1951, it had ceased operations. In 1955 the college resumed operations as the Lewis-Clark Normal School. The court held the 1955 act was for a public purpose, not a private purpose.

LOUISIANA

Article 4, section 12 and article 6, section 29 of the Louisiana constitution of 1921 prohibit the loan of State credit to a corporation.

MAINE

Article 9, section 14 of the Maine constitution prohibits the loan of State credit to a corporation.

MICHIGAN

Article 10, section 12 of the Michigan constitution provides that the State's credit shall not be granted to or in aid of any person, association, or public or private corporation.

The court in *City of Dearborn* v. *Mich. Turnpike Authority* (344 Mich. 37, 73 N. W. (2d) 544), upheld as not violating this constitutional provision the Turnpike Act appropriation of $500,000 from the State highway department's share of the motor vehicle highway fund as a revolving fund for use in planning toll roads.

MISSOURI

The Missouri constitution contains prohibitions against giving special privileges, lending public credit, and granting public property in aid of a private person, association, or corporation. *V. A. M. S. Constitution* (art. 1, sec. 28; art. 3, secs. 38 (a) and 30; and art. 6, secs. 23 and 25). In a recent case the highest court in Missouri has held that none of these constitutional provisions is violated by the Missouri land clearance for redevelopment authority law, which permits the authority to take and redevelop blighted areas and resell them to private persons at a price less than the cost of acquisition, demolition, and improvement. (*State on Information of Dalton* v. *Land Clearance for Redevelopment Authority of Kansas City, Mo.* (270 S. W. (2d) 44).)

NEW HAMPSHIRE

In a program to aid the location of industry in New Hampshire, the highest court of the State, in a declaratory opinion, held that the proposed legislation creating an industrial park authority was objectionable under the State constitution because it would make no provision for determining that a particular industrial project would serve the public purpose or for determining that the public is not already adequately served in this respect. The court noted that such a provision would be needed to assure the undertaking would actually be for a public purpose. Secondly, the court objected to the bill because it lacked standards to guide and control the action of the authority in using its powers. Third, the court noted that the bill lacks provision for an authoritative finding that a particular industrial project would be within the stated purposes of the act and would not primarily benefit private users. The court noted that it is the essential characteristic of the bill rather than its declared purpose that must govern in deciding whether it promotes a public purpose. Holding that an appropriation of public money for a private purpose is forbidden, the court posed itself the question of deciding whether the proposed expenditures under the bill would be primarily of benefit to private persons or private uses, or whether they would serve public purposes for the accomplishment of which public moneys may properly be used.

The court noted that if the public purpose would be no more than the indirect public advantage accompanying industrial welfare and general prosperity, this alone would not serve to sustain the bill as being constitutional in view of the constitutional principle against taxation for private purpose.

The court noted that the bill presents a double aspect in that in some respects it would benefit the public and in another it would benefit private individuals. It held that such legislation is neither necessarily invalid because individuals as such may profit from it, nor necessarily valid because of benefits provided for the public. It stated that the question is whether the legislation bears directly and immediately or only remotely and circumstantially upon the public welfare. As noted, the court determined that House bill 424 in the form in which it was presented to the court could not pass the constitutional test. *In re Opinion of the Justices* ((94 N. H. 515, 53A (2d) 194); *in re Opinion of the Justices* (88 N. H. 484, 190A.425). Compare *Velishka* v. *Nashua* (99 N. H. 161, 106A (2d) 571).

The similarity of the problems discussed by the court concerning House bill 424 and the problems involved in requiring the State to pay a portion of the premium for flood-insurance policies covering properties located in New Hampshire is apparent.

NORTH DAKOTA

Section 185 of the North Dakota constitution prohibits donation of public funds to individuals.

In *State* v. *Amerada Petroleum Corp.* (N. D., 71 N. W. (2d) 675), the court held this was not violated by a resale of land foreclosed by the State, even though the value of the land greatly increased in value after the sale due to discovery of oil on the land.

OHIO

Article 8, section 4 of the Ohio constitution prohibits State credit from being given or loaned to or in aid of any individual, association, or corporation.

In the case of *Auditor of Lucas County* v. *State ex rel. Boyles* (75 Ohio St. 114, 78 N. E. 955), the court held to be in violation of this constitutional provision an act providing a payment from public funds of $25 per quarter year to blind persons. The court held that this required an expenditure for a private purpose of public funds raised by taxes. The court cited *Savings and Loan Association* v. *Topeka* (20 Wall. (U. S.) 655, 22 L. ed. 455), as holding that an incidental public benefit is not sufficient to save a law from the charge of unconstitutionality as a use of public funds for a private purpose.

The Ohio State constitution had to be amended in order to make valid the enactment of statutes providing for bonuses for veterans.

Examples of cases in Ohio upholding expenditures of public funds as being consistent with the above provision of the constitution are:

State ex rel Dickman v. *Defenbacher* (164 Ohio St. 142, 128 N. E. (2d) 59 (1955)), involving an appropriation of public funds to certain veterans' organizations for the rehabilitation of veterans and the promotion of patriotism. This was held to constitute a public purpose;

State ex rel. Leaverton v. *Kerns* (104 Ohio St. 550, 136 N. E. 217), involving State aid to a county agricultural society. The court held that an agricultural fair is a public institution designed for public instruction, rather than an agricultural business. Article 8, section 4, of the constitution would prevent the State from furnishing financial aid to such a business;

State ex rel. Pugh v. *Sayre* (90 Ohio St. 215, 107 N. E. 512), involving an allocation of public funds derived from police court fines to a private corporation, namely, the Franklin County Law Library Association, in order to maintain a law library used by all officers exercising judicial functions in the county.

As to the meaning of "public purpose" in Ohio law, the court in *State ex rel. Leaverton* v. *Kerns*, supra, quoted from *Walker* v. *City of Cincinnati* (21 Ohio St. 14, 8 Am. Rep. 24), which in turn said:

"On this subject we cannot do better than to adopt what is so well said by Judge Cooley, in his treatise on Constitutional Limitations, pages 128, 129, where, in speaking of limitations upon legislative authority, he says: '* * * But what is for the public good, and what are public purposes, and what does properly constitute a public burden, are questions which the legislature must decide upon its own judgment, and in respect to which it is vested with a large discretion which cannot be controlled by the courts, except perhaps where its action is clearly evasive, and where, under pretense of a lawful authority, it has assumed to exercise one that is unlawful. Where the power which is exercised is legislative in its character, the courts can enforce only those limitations which the constitution imposes, and not those implied restrictions, which, resting in theory only, the people have been satisfied to leave to the judgment, patriotism, and sense of justice of their representatives'."

VIRGINIA

The recent case of *Almond* v. *Day* (Va. 89 S. E. (2d) 851) declared unconstitutional a statute providing for payment of tuition and fees from public funds to children attending private schools. The court held that this action would violate section 141 of the Virginia constitution, which generally forbids appropriations of public funds to any school not owned or exclusively controlled by the State or some political subdivision of the State. As regards sectarian schools the court held the proposed appropriation would also violate sections 16, 58, and 67 of the Virginia constitution dealing with religious freedom and the 1st and 14th amendments to the United States Constitution. In reaching its decision, the court followed what it called the general rule that the purpose and constitutional validity of a statute must be determined by its natural and reasonable effect, no matter the language in which it is phrased.

No case more directly in point has yet been found in Virginia within the limited time available for research.

WISCONSIN

Article 8, section 3, of the Wisconsin constitution prohibits the State from giving or lending its credit.

State ex rel. Thomson v. *Giessel* (Wis., 72 N. W. (2d) 577 (1955)) holds this provision doesn't prohibit incurring a State obligation to pay rent contingent upon the corresponding enjoyment of property rights. It also held State university dormitory construction did not violate the State debt limit in article 8, sections 4 and 6, of the constitution, nor was this an internal improvement the State was barred from engaging in by article 8, section 10, of the constitution.

Mr. LEHMAN subsequently said: Mr. President, I ask unanimous consent to have inserted at the appropriate place in the RECORD, as a part of my remarks, a letter addressed to the Senator from Arkansas [Mr. FULBRIGHT], chairman of the Senate Banking and Currency Committee, by Dr. Ernest S. Griffith, Director of the Legislative Reference Service of the Library of Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C., May 4, 1956.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Senate Banking and Currency Committee, United States Senate, Washington, D. C.
(Attention Mr. William F. McKenna, counsel.)

DEAR SENATOR FULBRIGHT: This is in reply to your letter of May 2, 1956, wherein you refer to a statement of the Housing and Home Finance Agency relating to desired information concerning limitations on State participation in a flood-indemnity program. (See Federal Disaster Insurance, hearings before a subcommittee of the Committee on Banking and Currency, Feb. 16, 1956, pt. 2, pp. 951–952.)

According to a memorandum submitted by the Agency, the proposal is for a flood-indemnity program on a Federal-State partnership basis. Individual States may participate in this program by agreeing to make certain financial contributions to a Federal flood-indemnity fund. Such contributions would be matched by the Federal Government. If a State agrees to participate, flood-indemnity contracts would be made available to the owners of property located in that State, upon payment of a fee, protecting them against flood loss or damage. The total amount of the State's contribution would depend on the amount it was required to pay with reference to each individual contract covering property in that State, as well as the total volume of indemnity contracts written in the State. The Administrator would determine the State's share as to individual contracts according to standards set forth in the bill. This may be any amount up to one-third of the amount of the fee paid by the person indemnified.

We find it impossible, within the time available, to prepare a complete answer based on the four points outlined in your letter concerning possible State constitutional or other legal barriers. However, in an attempt to be of some assistance in the matter, we believe we can use West Virginia as an example to indicate the nature of the problem faced in connection with the proposal to require that as much as 20 percent of the total premium charge for the policy issued by the Federal Government shall be paid by the State in which the insured property is located.

We start with the proposition that Congress has power to condition its grants; that it is hardly lack of due process of law for the Government of the United States to regulate that which it subsidizes. (*Wickard* v. *Filburn* (1942), 317 U. S. 111, 131.) While the United States is not concerned with, and has no power to regulate, local or State activities as such, it does have power to fix the terms upon which its money allotments to States shall be disbursed. (*Oklahoma* v. *Civil Service Commission* (1947), 330 U. S. 127, 143.)

The problem cannot, however, be disposed of merely by noting this power of Congress to condition its grants. Consideration must be given to State constitutional limitations or applicable statutory provisions. The latter, of course, are more easily adjusted. For example, the provision in the constitution of the State of West Virginia (art. X, sec. 4) reads:

"No debt shall be contracted by this State, except to meet casual deficits in the revenue, to redeem a previous liability of the State, to suppress insurrection, repel invasion, or defend the State in time of war; but the payment of any liability, other than that for the ordinary expenses of the State, shall be equally distributed over a period of at least 20 years."

The State supreme court of appeals held that the compact provisions pledging cooperation in maintaining waters in the Ohio River Basin and a sanitary condition through the administrative mechanism of the Ohio River Valley Sanitation Commission, and requiring appropriations to cover the proper proportion of the annual budget, conflicted with the above section and for that reason was not binding on West Virginia.

In reversing the State court on this point, the United States Supreme Court noted its own constitutional jurisdiction to entertain an original suit to settle interstate disputes relating to such pollution. However, the Constitution of the United States has provided also an alternative method of settlement by compact. A proper settlement by the latter method, said the Court, could not be foreclosed by a State constitutional restriction. (See *West Virginia* v. *Sims* (1951), 341 U. S. 22.)

As we understand the 20-percent proposal you have referred to, no compact or similar Federal constitutional power or arrangement is involved which would override a State limitation. Accordingly, we are unable to say that State constitutional provisions such as article X, section 4, supra, would not be construed as impeding State participation. Of even greater importance, perhaps, are other constitutional provisions, such as section 6 of article X, supra. It states:

"The credit of the State shall not be granted to, or in aid of, any county, city, township, corporation, or person; nor shall the State ever assume, or become responsible for the debts or liabilities of any county, city, township, corporation, or person; nor shall the State ever hereafter become a joint owner or stockholder in any company or association in this State or elsewhere formed for any purpose whatever."

Under this, an appropriation by the legislature of public revenues for private purposes is said to be beyond its legitimate powers. (See, for examples, *State ex rel. Bennett* v. *Sims* (1948), 131 W. Va. 312, 48 S. E. 2d 13; *State ex rel. Catron* v. *Sims* (1950, 133 W. Va. 610, 67 S. E. 2d 465; *State ex rel. Board of Governors of West Virginia University* v. *Sims* (1954), 82 S. E. 2d 321.)

These are indicative of problems which proponents of the State contribution requirement probably should resolve unless they intend to use that requirement to force States to make constitutional or statutory adjustments. As a further indication of the types of constitutional provisions which may be of importance, we invite attention to Index Titles of State Constitutions (1915) prepared for the New York State Constitutional Convention Commission by the Legislative Drafting Research Fund of Columbia University. See particularly the entries under the subheading "State Debt," pages 1303 ff.

Sincerely yours,

ERNEST S. GRIFFITH,
Director.

Mr. RUSSELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It was discussed earlier.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. It is proposed to strike from page 11, line 20, all of subsection (b), beginning on line 20, through line 2, on page 12, and relettering subsection (c) as (b).

Mr. LEHMAN. Mr. President, I cannot help taking this opportunity to say that the bill over which we have worked for months, for which the people have been waiting, and which would have rendered a very great service, has been seriously crippled by the amendment which has just been adopted.

I shall, of course, accept the amendment offered by the Senator from Georgia, as I have previously agreed to do.

Mr. KNOWLAND. Mr. President, may we have the yeas and nays on the final passage of the bill?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the final passage of the bill.

The yeas and nays were ordered.

Mr. KERR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. It is proposed, after the word "flood" or the words "flood or floods," wherever they appear in the bill, to insert the words "tornado, wind, or cyclone."

Mr. LEHMAN. Mr. President, is the Senator from Oklahoma going to speak to his amendment?

Mr. KERR. I shall not if it is accepted.

Mr. LEHMAN. Mr. President, is the amendment now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. LEHMAN. Mr. President, I did not know whether the Senator from Oklahoma was going to speak to his amendment.

Mr. KERR. I did not intend to do so. If the Senator from New York opposes the amendment——

Mr. LEHMAN. I oppose the amendment.

At the beginning, Mr. President, we felt that we should have a very comprehensive bill which would include not only natural disasters, but manmade disasters.

After the hearings had proceeded it was soon perfectly clear that we would get nowhere with regard to that procedure. We also thought of various natural disasters which should be included, such as tornadoes, earthquakes, fires, and other disasters. The situation became so complicated and there was so much opposition on the part of insurance companies that it was found impossible to include the number of natural disasters which ordinarily should be, in the opinion of many persons, included. So we decided merely to include insurance against loss from flood disasters. That is what the bill now contains.

The basis of our philosophy is that all other natural disasters, such as tornadoes, earthquakes, and hurricanes, can be protected against by private insurance. Flood damage to property cannot be generally covered by any private insurance now available. Therefore, we decided to limit the bill to flood insurance. There is no reason for including tornado insurance that I can see. I dislike to differ with my very highly respected colleague from Oklahoma, but there is no reason for including tornado insurance. That can be covered by countless insurance companies, and has been for many, many years. There is no difficulty about it, and the rate is not prohibitive, at least, no more prohibitive than it would probably be under Government auspices, in the absence of a subsidy.

I think that to include other disasters would be a final blow to the bill. It would open the door so wide to the insurance, that the very limited amount of liability which would be permitted to the Government—$3 billion, with an extra $2 billion to be used in the discretion of the President—would mean absolutely nothing. Only a small fraction of the people could be covered by the flood insurance, which is the matter now before us, and on which the Committee on Banking and Currency was engaged for several months.

I hope the amendment will not prevail. I feel that already almost irreparable damage has been done to the bill, which I hope, nonetheless, will pass, because it may do a little good for the people.

But, Mr. President, if the amendment of the Senator from Oklahoma should be adopted, the door would be opened so wide that there would be no significance whatsoever in respect to the provisions of the bill as it now stands.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. LANGER. The Senator believes in Federal insurance for everything for which private insurance companies will not insure, does he not?

Mr. LEHMAN. I believe in Federal insurance for everything which private insurance companies will not insure, provided the liability of the Federal Government can be widened to a point which is practicable. Therefore, we have in the bill a provision to require that a continuing study shall be made by the Commissioner of Insurance with respect, first to additional natural disasters which might be covered by Government insurance, and also that the Commissioner shall report to Congress periodically, and finally in 1961, with regard to whether the whole program of insurance by the Government against flood damage should be continued.

Mr. LANGER. The Senator knows, does he not, that no private insurance can be obtained against droughts. In the Middle West, we are bothered very much with droughts. Does the Senator from New York have any objection to including droughts in the program?

Mr. LEHMAN. I am sorry to say that I object very much to including anything else in the bill, because I think that would be another way of making the whole program contemplated by the proposed legislation completely ineffective. I do not think we could do it.

The time may come when many natural disasters can be covered. As a matter of fact, I started with the idea of including in the bill manmade disasters, such as would result from atomic or hydrogen bomb attacks. But it was perfectly evident that we would not get anywhere with such a program, and that it seemed completely outside the means of the Government to insure against that kind of disaster on actuarial principles.

Mr. BUSH. Mr. President, I urge the Senate to reject the amendment. I support everything which the Senator from New York has said. The whole purpose of the bill is to provide insurance against flood disaster, because that is the only type of disaster which is not insurable by private sources. This is a very serious matter. I hope the Senate will reject the amendment.

Mr. LANGER. Will the Senator from Connecticut be so kind as to tell me where a farmer can get insurance against drought?

Mr. BUSH. The only such insurance that I know of which would be available to farmers is under the crop-insurance program.

Mr. LANGER. Unfortunately, that does not help the farmer who suffers from drought.

Mr. KERR. Mr. President, I think the amendment is very much in order. It seems to me that every word the Senator from New York has uttered shows how important the amendment is. He said that if we were to accept the amendment it would so greatly expand the program that the provision of funds would be inadequate. In other words, what the Senator from New York says is that the damage from hurricane, cyclone, and wind is even greater than that from floods.

I ask Senators this question: What can we say to our constituents who are damaged more by tornadoes and cyclones if we vote for a program whereby the Federal Government will subsidize a flood-control insurance program by 40 percent but will refuse equal protection to the victims of disaster caused by tornadoes and cyclones?

I call attention further to the fact that flood damage can be prevented by adequate flood-control projects and programs. But there is no way yet known to man whereby damage and destruction from cyclones and tornadoes can be prevented.

Moreover, Mr. President, in the areas where cyclones and tornadoes occur, the insurance rates are so high that the average person cannot procure insurance coverage to protect him from the loss thereby.

I submit, therefore, that in simple justice the victims of tornadoes and cyclones are equally entitled to the protection provided by the bill for victims of flood damage or destruction.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. NEUBERGER. Would the distinguished Senator from Oklahoma accept an amendment to his amendment and include in the list of disasters which he proposes to add to the bill, landslides and avalanches?

Mr. KERR. No, but I would support such an amendment.

Mr. NEUBERGER. I did not intend to raise the question on the floor so long as the bill was narrowed to the matter of floods; but in my State of Oregon during the past winter a considerable number of families suffered greatly, and one family, including several small children, was wiped out completely, due to the terrific landslides and avalanches which came off the mountainsides of our State.

It seems to me that if other disasters are added—and the Senator from Oklahoma has made a very persuasive case—then in the States where there are great mountain ranges, such as in Oregon, and where there are very steep hillsides on which people live, insurance against avalanches and landslides should be included.

Mr. KERR. I think the Senator's remarks are meritorious, and I would support an amendment to add that kind of disaster to the benefits which would be covered under the bill.

I say to the distinguished Senator from North Dakota, who was speaking about drought, that he is entirely right; that when a man is a victim of destruction caused by drought, his disaster is just as deadly as is that caused by floods.

However, the amendment which I have offered is limited to disaster caused by tornadoes, winds, or cyclones.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield for a question.

Mr. CASE of South Dakota. Would the Senator from Oklahoma object to adding fire when caused by lightning?

Mr. KERR. I think I would.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. DOUGLAS. Would the Senator object to adding earthquakes?

Mr. KERR. I would support an amendment for earthquakes, but I would not want to add disaster by earthquake to the amendment I have offered.

Mr. ERVIN. Mr. President, the distinguished senior Senator from Oklahoma has a very simple answer to his question as to what he should tell his constituents. He should tell his constituents that they can now procure insurance from private insurance companies against the hazards he is concerned about. But the victims of floods cannot procure flood insurance; and large sections of the Nation have been grievously injured by floods. Recently my State suffered damage to the extent of $3 million as a result of floods caused by hurricanes.

I attended a great many meetings in my State to discuss the problem of flood activities as such, it does have power to fix the terms upon which its money allotments

Ernest S. Griffith,
Director.

complicated and there was so much opposition on the part of insurance com-

can be obtained against droughts. In

clones are equally entitled to the protec-

my State to discuss the problem of flood

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insurance. Those meetings were attended by representatives of insurance companies and by other persons who were interested. I learned at that time that insurance could then be obtained against tornadoes and wind damage, but that it was impossible to procure insurance anywhere in the United States against flood damage.

It seems to me that the bill should be passed without these crippling amendments, so as to meet a situation where actual need exists.

If the Senate wants to kill the bill it ought to kill it in a forthright manner, not by indirection in these respects.

While I am on the floor, I wish to take the occasion to commend the very strong fight which the distinguished Senator from New York [Mr. Lehman] and the distinguished Senator from Connecticut [Mr. Bush] have made in the Senate on behalf of the bill, which as it has come from the committee is a meritorious bill and ought to be passed for the purpose of affording needed relief in a field where no relief is now available.

Mr. KERR. Mr. President, I want to say just a word. Insurance at reasonable rates is not available to the people in the known path of tornadoes and cyclones, and Senators from States which have been so afflicted in the past are aware of that fact.

I submit it was not the purpose of the Senator from Oklahoma to cripple the bill, but to strengthen it, and to provide for the victims of one catastrophe of nature equal justice to that given the victims of flood-control catastrophe.

The PRESIDING OFFICER (Mr. Laird in the chair). The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. Kerr].

The amendment was rejected.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. Anderson], the Senator from Nevada [Mr. Bible], the Senator from Virginia [Mr. Byrd], the Senator from New Mexico [Mr. Chavez], the Senator from Kentucky [Mr. Clements], the Senator from Louisiana [Mr. Ellender], the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Hennings], the Senator from Tennessee [Mr. Kefauver], the Senator from Arkansas [Mr. McClellan], the Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], and the Senator from Florida [Mr. Smathers] are absent on official business.

The Senator from Rhode Island [Mr. Pastore] is absent on official business attending the atomic-energy tests in the South Pacific.

I further announce that if present and voting, the Senator from New Mexico [Mr. Chavez], the Senator from Kentucky [Mr. Clements], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Hennings], the Senator from Tennessee [Mr. Kefauver], the Senator from West Virginia [Mr. Neely], the Senator from Rhode Island [Mr. Pastore], and the Senator from Florida [Mr. Smathers], would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. Barrett], the Senator from Maryland [Mr. Beall], the Senator from New Hampshire [Mr. Bridges], the Senator from Ohio [Mr. Bricker], the Senator from Iowa [Mr. Hickenlooper] and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

The Senator from Nevada [Mr. Malone] and the Senator from South Dakota [Mr. Mundt] are absent on official business.

The Senator from Maryland [Mr. Butler] is detained on official business.

If present and voting, the Senator from Maryland [Mr. Beall], the Senator from Ohio [Mr. Bricker], the Senator from New York [Mr. Ives], and the Senator from Nevada [Mr. Malone] would each vote "yea."

On this vote, the Senator from Idaho [Mr. Welker] and the Senator from South Dakota [Mr. Mundt] are paired. If present and voting the Senator from Idaho would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 61, nays 7, as follows:

YEAS—61

Aiken
Allott
Bender
Bennett
Bush
Capehart
Carlson
Case, N. J.
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ervin
Flanders
Goldwater
Green
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kennedy
Knowland
Kuchel
Laird
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McNamara
Millikin
Monroney
Morse
Murray
Neuberger
Payne
Potter
Purtell
Saltonstall
Schoeppel
Scott
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Young

NAYS—7

Case, S. Dak.
Frear
Kerr
Langer
Robertson
Russell
Wofford

NOT VOTING—27

Anderson
Barrett
Beall
Bible
Bricker
Bridges
Butler
Byrd
Chavez
Clements
Ellender
Fulbright
George
Gore
Hayden
Hennings
Hickenlooper
Ives
Kefauver
Malone
McClellan
Mundt
Neely
O'Mahoney
Pastore
Smathers
Welker

So the bill (S. 3732) was passed.

DEPENDENTS' MEDICAL CARE ACT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1899, H. R. 9429, a bill to provide medical care for dependents of members of the uniformed services, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement. It is planned that following action on the unfinished business the Senate will proceed to the consideration of Calendar No. 1896, S. 3108, a bill to encourage the construction of modern Great Lakes bulk cargo vessels, and Calendar No. 1894, H. R. 483, to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947.

Following the consideration of those bills, it is planned to proceed to the consideration of the Niagara power bill, which is Calendar No. 1428, S. 1823. I hope we shall reach that bill by the middle of the day on Monday.

It is expected that the Senate probably will sit late on Monday and all day Tuesday, in an effort to complete action on the Niagara power bill early on Wednesday, if possible, and then take up the farm bill.

I hope that perhaps on Wednesday or Thursday we can conclude action on the farm bill.

Mr. President, as I have said, all these hopes are tentative, and depend upon the pleasure of the Senate. But that is the schedule the minority leader and I have tentatively agreed upon.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Has an order been entered that at the conclusion of the business of the Senate today, the Senate will take a recess until Monday?

The PRESIDING OFFICER. Such an order has been entered.

Mr. JOHNSON of Texas. I wonder whether my friend, the Senator from Minnesota [Mr. Humphrey], will—when he concludes the remarks he intends to make, and when other Members have concluded whatever remarks they may wish to make—move that the Senate stand in recess, subject to that order—in other words, until Monday.

Mr. HUMPHREY. I shall be happy, indeed, to do so, Mr. President.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING RECESS

On motion of Mr. Johnson of Texas, it was

Ordered, That the Vice President or the President pro tempore be authorized, during the recess following today's session, to sign enrolled bills and joint resolutions passed by the two Houses and found to be truly enrolled.

MINNESOTA HOSPITALITY WEEK

Mr. HUMPHREY. Mr. President, this week has been proclaimed by Gov. Orville L. Freeman, of Minnesota, as Minnesota Hospitality Week. During this week Minnesotans everywhere will be writing to their friends, relatives, and business associates, inviting them to visit Minnesota this summer, next year, or, without fail, in 1958—when Minnesota will be celebrating its centennial with a year-long schedule of exciting and entertaining events.

As a good citizen of Minnesota, I have accordingly composed an open letter of invitation to include each Member of this body.

Mr. President, I shall not take time this evening to read the letter; but let me say it is written in the spirit of fellowship and warmheartedness. I encourage every Member of the Senate forthwith to pay a visit to the great North Star State of Minnesota.

Mr. President, I ask unanimous consent that the letter be printed at this point in the body of the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

United States Senate,
Washington, D. C., May 10, 1956.

Dear Senator: This week has been proclaimed by Gov. Orville L. Freeman, of Minnesota, as Minnesota Hospitality Week. Minnesota is by nature a notably hospitable State. However, in anticipation of the State's great statehood Centinenial Celebration in 1958, hospitality gains new emphasis in Minnesota, and visitors to the North Star State will be met with an exceptional welcome during the coming summer and fall, and all through 1957 and 1958.

Minnesota offers extraordinary recreational opportunities. With more than 11,000 lakes, numerous sparkling rivers, and a wilderness area of unusual beauty along the northern border of the State, Minnesota is a paradise for the fisherman, boatman, swimmer and camper. Sailing, canoeing, and motorboating on Minnesota waters rank as outstanding summer attractions in Minnesota. The cool, fresh summers of Minnesota offer a haven for the heat-oppressed. Duluth and the north shore of Lake Superior beckon to the victims of hay-fever and those who yearn for pleasant and exciting vacation in this rugged north country.

Minnesota's majestic autumns and winters, with some of the most strikingly beautiful landscapes of the entire Nation, are a separate challenge to the photographer and outdoorsman. After the colorful autumn leaves fall, ice fishing and ice skating, skiing and tobogganing—all of these brisk and invigorating sports are in full swing throughout the Minnesota winter.

Visitors will find, too, remarkable educational and medical facilities—the magnificent University of Minnesota leading the Nation in many fields, second in size in the whole Nation. There are many other outstanding colleges and institutions of higher education. Then, too, we have the great Mayo Foundation at Minneapolis and Rochester, along with our public and private hospitals.

With a remarkable economic and geographic diversity, Minnesota includes rich, rolling, black-earth farm land; wide-sweeping plains golden with summer wheat; the deep forests and lakes, fertile and productive fields of corn, feed grains, soybeans, flax and vegetables; green pastures with some of America's finest beef cattle and dairy cows; the deep forests and lakes of the north; the north shore along Lake Superior—"Mediterranean of the North," with its deep water harbor at Duluth; the remarkable Minnesota Iron Range, producing most of the great American steel industry's iron ore; the striking new taconite development which converts hard rock into highgrade iron ore in a massive and complex new Minnesota industrial development. Minnesota offers something for the most farflung interest and curiosity.

For those who enjoy good food, I need only mention the preeminent position of Minnesota's sweet-cream butter; Minnesota is in first place in production of sweet corn for processing; second in turkey production, honey and oats; third in meatpacking, wheat and flour, cheese, and milk production. Minnesota is fourth in the Nation in the production of eggs, barley, and sugar beets.

Minnesota's bakers are renowned for their breads, cakes, and pies; particularly German and Scandinavian pastries. Minnesota cattle furnish some of the finest steaks in the world, and lean hogs some of the richest bacon, hams, and porkchops to be found anywhere.

Obviously, Minnesotans love to work and play and to live well. They want their visitors to enjoy the same good things of life. They are a warm, friendly and energetic people, with many nationality origins and colorful patterns of life.

I should like at this time to extend to you, my colleague in the United States Senate, an invitation to visit the State of Minnesota and to share in the warm welcome which will come from every Minnesota citizen.

Sincerely yours,
Hubert H. Humphrey.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am glad to yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I have listened with much interest to the eulogy of Minnesota which the Senator from Minnesota has been giving. It reminds me of a comment made by Dr. George E. Vincent, formerly president of the University of Minnesota. After visiting the Pacific Northwest, he said he never knew a group of people who took so much credit for what the Lord had done for them.

I wonder whether that remark of Dr. Vincent's is applicable to Minnesota.

Mr. HUMPHREY. Indeed the Lord has been kind to Minnesota; and not only do we who are the people of that great State wish to take care of the great heritage which is ours, but, more than that, because of our genuine feeling of fellowship for our neighbors and friends in the United States, we want to invite all of them, including all Members of the Senate and all their associates, friends, and constituents, to pay a visit—particularly this summer—to Minnesota, when Minnesota will be as beautiful as any area in the world. I wish to assure all Senators that when they visit Minnesota, they will find the warm hand of welcome extended to each one of them.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. So long as the Senator from Minnesota gives the credit to the Lord, I think perhaps we may visit Minnesota, provided it is understood that there is a limit on the amount of self-praise in which Minnesotans indulge.

Mr. HUMPHREY. Let me say to my friend, the Senator from Illinois, that there will be a minimum of self-praise. We are only reciting what nature has provided for us, and we want to share these wonders of nature with each and every Member of the Senate.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I do not remember history or poetry too well; but do I correctly recall that Minnesota is the land of Minnehaha, the land of laughing waters?

Mr. HUMPHREY. Yes, indeed; Minnesota is the land of laughing waters and happy people, and is the land of 11,000 lakes. I have set forth those things in my letter.

Mr. President, rather than send the letter to each Member of the Senate individually, I am having it printed in the Record. I know the Congressional Record will be delivered to the doorstep of each Senator; and in that way the invitation to visit Minnesota will be given to each one of them personally, just as if I had delivered it myself in person.

Mr. DOUGLAS. Mr. President——

Mr. HUMPHREY. Mr. President, I can see that I must say a kind word for Illinois. Let me say that when my colleagues return from their visit to Minnesota, it would be well for them to visit Illinois.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Let me say that in the State of Alabama there are some very beautiful lakes, in which freshwater fish abound. I refer to the lakes in the TVA area in northern Alabama.

Mr. MORSE rose.

Mr. HUMPHREY. Mr. President, I can see that in a moment I shall hear a word about Oregon. However, at this time, let me say that after my colleagues visit Minnesota, we shall be more than happy to have them visit Alabama, whose hospitality is rarely, if ever, equaled.

Mr. SPARKMAN. It is rarely equaled, but never exceeded.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, no one need speak for Oregon's scenic beauty; its beauty speaks for itself.

Mr. HUMPHREY. Certainly the Senator from Oregon speaks amply in this Chamber for his State.

Mr. MORSE. I thank the Senator from Minnesota.

ATTITUDE OF THE STATE DEPARTMENT ON THE INTERNATIONAL LABOR ORANIZATION CONVENTION AGAINST FORCED LABOR

Mr. HUMPHREY. Mr. President, the current issue of Life magazine which appeared on the newsstands this morning contains a lead editorial condemning the State Department's attitude on the

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proposed International Labor Organization Convention Against Forced Labor.

for an ILO convention on forced labor. They are set to become the leading spokesmen in

months—until election day—because the fact that the "general level of interest

in considerable peril. No matter how secure their independence, Martin and his fellow

of its actions. If the Federal Reserve system, by overdoing its policy of credit re-

tains reflect very seriously on the poliproposed International Labor Organization Convention Against Forced Labor. It begins:

> Senator Hubert Humphrey has caught the State Department in what he calls—all too accurately, alas—"a glorious example of pettifogging." It is a story that throws light on two things: (1) Why Republicans don't get any official support from organized labor, and (2) how the United States muffs chances for diplomatic victories in the cold war.

I ask unanimous consent that the context of the Life editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Danger: Pettifoggers at Work

Senator Hubert Humphrey has caught the State Department in what he calls—all too accurately, alas—"a glorious example of pettifogging." It is a story that throws light on two things: (1) Why Republicans don't get any official support from organized labor, and (2) how the United States muffs chances for diplomatic victories in the cold war.

The International Labor Organization, of which the United States has been a member since 1934, has recently done some first-class work on the subject of forced labor—i. e., the mass enslavement of political dissenters. In 1953 it published a 620-page report which spread on the record more data than had ever been assembled about the monstrous use of slave labor in Soviet Russia and its satellites. (Communist charges of slave labor in the United States were also examined and dismissed.) Recently an ILO committee reconfirmed all these findings, added Communist China to the list of offenders and urged that the monstrosity be outlawed. In reply to an ILO questionnaire, most member countries favor a firm convention banning forced labor, rather than a mere resolution deploring it.

Our State Department, however, has not even answered this ILO questionnaire. Its reason is even more humiliating. Although the Department of Labor, our U. N. delegation and other branches of the Government favor a convention, the State Department legalists are afraid it would steam up the advocates of the Bricker amendment. They argue that the treatment of labor is a matter for jurisdiction by the 48 States and therefore not a fit subject for a Federal treaty. This should come as news to the authors of the Emancipation Proclamation, the 13th amendment and various statutes making all kinds of bondage and peonage a Federal crime. "Pettifogging" is certainly a mild word for such an argument.

One other factor complicates but does not change the rights and wrongs of this situation. The ILO itself is in the doghouse with a lot of important people, including some Senators, because it was unable to stop the Soviets from rejoining it last year (as U. N. members, they have a legal right). Our AFL-CIO representatives, to their credit, have welcomed this chance to show up the Communists in ILO debate and have done so time and again. The NAM and the Chamber of Commerce, however, prefer to sulk or attack the ILO itself as a "back door to socialism." All of which adds to the State Department's timidity on the slave labor convention.

So here's what may happen. The Soviets, for internal reasons of their own, have been relaxing and revising their slave labor methods. Whole armies of prisoners have had their sentences erased or reduced (other whole armies have not) and it might even be possible for Moscow to invite ILO inspection of Vorkuta, Kolyma and other notorious slave camps as model penal colonies. As if in preparation, the Soviets have already voted for an ILO convention on forced labor. They are set to become the leading spokesmen in ILO for free labor. The irony will be compounded if the United States, at the coming June meeting in Geneva, is found sulking in silence, unable to discuss the most rudimentary of social advances, instead of proudly leading a cause which was settled in this country nearly a hundred years ago. And all because the State Department is buffaloed by a handful of legalists and Senators. How far out of touch with American sentiments and American principles can you get?

Mr. HUMPHREY. Fortunately, yesterday, after Life had gone to press, the administration reversed its position; and the State Department's attitude has now been overruled.

I ask unanimous consent that an editorial entitled, "Against Forced Labor," which appears in this morning's New York Times, be inserted at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Against Forced Labor

President Eisenhower has acted with wisdom and courage in deciding that the United States Government will favor an International Labor Organization convention binding the governments which ratify it to outlaw forced labor within their borders and to prohibit trading in the products of forced labor. The alternative would have been a mere "recommendation" to members of the ILO.

The decision was wise because no less than 47 other nations, including even the U. S. S. R., have given advance notice that they will support such a convention, while the United States had, until now, held back. Also, to oppose forced labor in the ILO by words, but not by forthright action, would have made us ridiculous before the entire world.

The President was courageous because the State Department has long opposed the action which he took. Apparently in deference to the views of Senator Bricker and the extreme rightwing of the Republican Party, Mr. Dulles has argued that a forced labor convention would be in effect a treaty dealing with a matter within the jurisdiction of the several States—overlooking the fact that the States have already outlawed forced labor everywhere in this country by ratifying the 13th amendment. Even had this not been so, ILO conventions, to be effective, must be ratified by states in countries where such a procedure is required. The argument against approval of the ILO convention was specious, but it was backed by political power which called for genuine courage to defy.

THE POLITICS OF TIGHT MONEY

Mr. HUMPHREY. Mr. President, I should like to call to the attention of the Senate an intensely interesting editorial entitled "The Politics of Tight Money," which appears on the last page of the issue of Business Week magazine of May 5, 1956.

The editors point out that "members of the Federal Reserve System are up to their armpits in politics." Mr. President, I want the Record to show clearly that I have only read what the editors of Business Week magazine have had to say.

One gets the impression that the editors would like to reverse the Federal hard-money policy for the next 6 months—until election day—because the fact that the "general level of interest charges has been raised to the highest point in 23 years, will cause no sadness in the Democratic National Committee."

Again let me say to my colleagues that I am reading from the editorial.

The editorial makes it quite clear that an easy-money policy would be in the interest of the Republican National Committee for the duration of 1956, and it castigates the Federal Reserve Board for "subjecting the country to the most drastic credit squeeze since early 1953."

The editors of Business Week spell out their fears in direct language:

> If the Federal Reserve persists in this course, we may expect the current hesitation in business to develop into a downtrend. Such a downtrend in the normal course of events ought to be plainly evident in terms of falling sales and rising unemployment by September and October next.

The editorial concludes on a straightforward political note, suggesting that it is high time that our national credit policy be recast to serve the purposes of the Republican campaigners, for otherwise the Federal Reserve System itself "will not survive if it attempts to close its eyes to the political consequences of its actions."

Mr. President, I recommend this editorial especially to those of my colleagues who have made it a habit of identifying the manipulation of national economy with Democratic politics and policies.

Furthermore, Mr. President, I recommend a reading of the editorial to those who seem to be fearful that if the American economic society has available credit, it may get out of hand. It seems to me that we are going to approach the very stage we were in 1953, when certain Senators rose on this floor to admonish the administration that hard money, tight credit, and high interest rates were not desirable, and could cause a great deal of trouble in the American economic structure.

Mr. President, I ask unanimous consent that the entire editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Politics of Tight Money

The prestige of the Federal Reserve System, which had fallen to a low estate during the first postwar years, has had a remarkable recovery. Under the chairmanship of William McC. Martin, the Federal Reserve Board has met skillfully and courageously the problems of a turbulent economy. At home and abroad, there is an almost alarming degree of confidence in its ability to steer our economy between the dangers of boom and bust.

The renaissance of the Fed reached a high point last week when President Eisenhower reaffirmed the complete independence of our central banking organization. He acknowledged that the policy of credit stringency now being pursued by the Federal Reserve was one that raised grave doubts on the part of his own advisers. Nevertheless, with his usual patience and breadth of view, the President defended the right of the Federal Reserve to pursue an independent course. No other President has ever spoken thus.

Yet at this moment of triumph, the Federal Reserve System, it seems to us, stands

in considerable peril. No matter how secure their independence, Martin and his fellow members of the Federal Reserve System are up to their armpits in politics.

It is impossible to influence the basic trend of a nation's economy without at the same time influencing its politics. Economic intervention, if it is effective, is bound to be political action. And at this moment, the Federal Reserve is subjecting the country to the most drastic credit squeeze since early 1953.

It is not simply a matter of increasing interest rates, although the general level of interest charges has been raised to the highest point in 23 years. It is a question of the actual availability of money. Day after day, business enterprises are turned away as they seek to obtain credit to carry out their plans.

The Federal Reserve is afraid of inflation. Yet to some of its friends it appears to be acting as though it is afraid of growth. How is it possible to set a goal of a $500 billion economy by 1965, as the President has done, if the money supply is to be frozen at a level inadequate to support a gross national product of less than $400 billion?

WHEN THE SQUEEZE IS ON

Unless the Federal Reserve relaxes its stringent policy, and that promptly, we shall have to revise considerably these widely accepted goals of an expanding economy. American industry has planned this year to invest $35 billion in new plant. The Federal Reserve's policy is designed to prevent any capital expansion program of this size.

If the Federal Reserve persists in this course, we may expect the current hesitation in business to develop into a downtrend. Such a downtrend in the normal course of events ought to be plainly evident in terms of falling sales and rising unemployment by September and October next.

Without in any way impugning the purity of the Federal Reserve Board, we may assume that this timing will cause no sadness in the Democratic National Committee.

The credit squeeze strikes most directly at smaller business. The giants like General Motors and General Electric will get the money for their capital expansion programs, but the smaller enterprises are already having to lay aside or cut their capital expansion plans. Thus the political charge that the Eisenhower administration favors big business will be strengthened if the Federal Reserve keeps the credit screw turned tight enough long enough.

WHEN THE SQUEEZE COMES OFF

Nor is that all. In 1953, when the Federal Reserve finally reversed its tight money policy, it slashed member bank reserve requirements and bought nearly $1 billion of Government securities in the open market. It thus increased bank reserves by over $2 billion. The inevitable consequence was that Government and other gilt-edged bonds, having been depressed unduly, rebounded sharply. Any financier of average intelligence was offered a guaranteed profit. All that was necessary was to sell enough Government bonds at the lower prices to wipe out the year's tax liability, switch the funds into comparable issues, and sit back for the free ride.

If the Federal Reserve has to make a similar abrupt reversal this year, the same thing will happen. It will take no very skillful demagogue to point out that all this does no good to the farmer or to the worker—but it richly lines the coffers of the Wall Street banks, insurance companies, etc.

The Federal Reserve system ought to be above politics. It ought not to use its great powers for political purposes, and we are quite sure that no responsible official of the system would, under any circumstances, knowingly consent to such a course. Yet the system will not survive if it attempts to close its eyes to the political consequences of its actions. If the Federal Reserve system, by overdoing its policy of credit restraint, brings on a business recession this year, we may be certain that a new administration of another party would not wait long to take away powers that can be used, however correct the motives, to accomplish such drastic political consequences.

FOREIGN POLICY RECONSIDERATION

Mr. MORSE. Mr. President, on May 8, 1956, there was published in the Washington Post and Times Herald an editorial entitled "Stakes in Korea." I ask unanimous consent that the editorial be printed in the Record at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Stakes in Korea

The sudden death of the leading opposition presidential candidate in Korea emphasizes the barren grounds that exist for new leadership in that tragedy-ridden land. P. H. Shinicky, the 61-year-old leader of the Democratic Party who unhappily succumbed to a heart attack, proved less durable than the octogenarian and perennial President Syngman Rhee. Although his campaign for the May 15 election had been pretty much a forlorn affair because of Dr. Rhee's thoroughgoing control of the police and the machinery of government, Mr. Shinicky had managed to attract a considerable following with his forthright speeches. The grief of his followers during the procession that carried Mr. Shinicky's body from the Seoul railroad station to his home near President Rhee's mansion erupted into demonstrations and riots which the government at first termed "premeditated rebellion." The strong-arm police tactics that followed are unfortulately all too representative of Dr. Rhee's regime.

It has been a foregone conclusion that Dr. Rhee will be reelected ever since he consented, after demurring in what amounted to a stage play, to be a candidate to succeed himself. There can be no question that Dr. Rhee is genuinely popular among many Koreans to whom he is the symbol of Korean independence and the fight against aggression. But the aged leader has sought to extend his grip by controlling the politics of Korea so as to make it almost impossible for any free opposition to take root. After he consented to be drafted, Dr. Rhee advanced the election date in such a way as to make opposition campaigning difficult; he also proposed an expenditure limitation of approximately $1000 that would have drastically impaired the campaigns of his opponents. Charges of police repression and manipulated "spontaneous demonstrations" have been common. The United States of course has had many experiences with Dr. Rhee's intractability, as in his efforts to frustrate the truce, his attempt to expel members of the Neutral Nations Supervisory Commission and his adamant stand in the fisheries dispute with Japan.

Obviously the United States should not intervene in the Korean election. But American policymakers ought to have some concern about the reports spread by Dr. Rhee's supporters that a defeat for him might dampen American enthusiasm for continuing the aid program there. That aid program is, in fact, the largest in Asia, and it ought not to become a vehicle for holding back the emergence of new leadership that sooner or later must succeed Dr. Rhee.

Mr. MORSE. Mr. President, this is a very disturbing editorial, because the allegations and implications it contains reflect very seriously on the policies of the Rhee administration, so far as the procedures affecting the rights of individuals are concerned in that land, which I still hope is a republic.

As a member of the Committee on Foreign Relations of the Senate, I am particularly disturbed about this editorial because it contains many allegations and implications very similar to those contained in a considerable quantity of mail which I have received from Americans in Korea, including some of our staff members serving on Government assignments.

In addition to the mail which I have received, it is fitting for me to say that I have been briefed rather extensively by Mr. Stanley Earle, a distinguished citizen of my State who is now a member of the council of the city of Portland. He spent some time in Korea. So many of the things which he told me are so similar to the allegations of this editorial that my concern and disturbance are intensified by finding what might possibly be supporting evidence of the observations made by Mr. Earle.

So, Mr. President, as one who has supported and who intends to continue to support the Republic of Korea, but also as one who thinks that if abuses exist there we should not aid and abet them, I make these few brief remarks.

This seems to be a period of reappraisal in foreign-policy matters, agonizing as it must be to the administration. The subject of redesigning American foreign policy in the light of today's and tomorrow's realities has occupied much of my own thinking.

I ask myself whether we have not been deceiving ourselves, not willfully but perhaps wishfully. I wonder, too, whether we have not been taken in by some of the governmental leaders we have been supporting in our efforts to hold back the spread of Communist tyranny. How many governments do we support that are in fact democratic in practice? How many totalitarian governments in part are we supporting? I ask myself, are we not betraying our own heritage and also our future well-being by rendering any support to totalitarian governments anywhere? I ask myself, if the chips were down, what sort of support could be expected from nondemocratic governments which we are supporting in the name of the rationalization that they are a buffer against communism?

A tyranny alined with the great democratic states of the free world is no less a tyranny than one alined with the Communists. A tyranny all wrapped up in democratic slogans supported by us bespoils our historic ideals and weakens our prestige in the areas of the world where the fight for freedom has to be won.

In thinking about a new policy for America, I wonder if it would not be wise for us to take stock specifically of some of the nations we support. Let us for a moment take a good look at Korea. I want to support a free Korea. Yet we hear disturbing reports about alleged police-state cases in Korea. On the 15th of this month Syngman Rhee will be overwhelmingly reelected President of the Republic of Korea. He is, in his eighties, a venerable patriot and an implacable adversary of communism. The American press will in all likelihood announce, following his overwhelming victory, that freedom and democratic processes have triumphed once again in Korea. I hope the facts will support such an appraisal of government procedures in Korea. If we took a good, hard look at South Korea today, I wonder whether or not reality might erase such a pretty picture. I wonder whether or not, in reality, we should erase some of our heretofore held notions with respect to the governmental processes of South Korea. I wonder whether a thorough investigation of Korean-American relations is not in order, as a part of the reappraisal of American foreign policy in Asia. I think it might be wise for the State Department to look into the following questions:

First. How free is the Korean election?

Second. What part do President Rhee's police force and military play in his election campaign?

Third. How widespread is corruption in the handling of American aid?

Fourth. Are the Korean people voting for President Rhee's reelection because he has led them to believe that American aid will be cut off unless he is reelected, as indicated in the Post editorial?

Fifth. Why has he so frequently altered the Korean Constitution?

Sixth. Is there actual congressional immunity for those who would criticize President Rhee in the National Assembly?

Seventh. Does he in fact completely control the press, radio, and other mediums of public information?

Eighth. Has the Rhee administration succeeded in exercising undue influence upon some American officials administering our program in Korea?

Ninth. Has the Rhee administration discriminated against American businessmen, as some allege?

Tenth. Is there a heavily financed Korea lobby operating in the United States seeking to influence American public opinion?

As I have indicated, Syngman Rhee will be overwhelmingly reelected President on May 15. The other day his chief opponent died suddenly of natural causes. Mr. Shin Ik Hi's death brought on serious rioting before Dr. Rhee's presidential mansion. The fact that a few thousand people dared protest against his regime as they did was puzzling to many of us who want to believe that the Rhee administration is soundly democratic in its governmental procedures and policies. I believe our Secretary of State, Mr. Dulles, should investigate the policies of any government which receives our aid, not in any attempt to encroach upon its sovereignty, but only to determine if its policies are alienating support for the United States among its people.

As I have said on another occasion, I do not accepet the notion—for example, to take the Middle East situation—that we should send military aid to a totalitarian government in the Middle East on the basis that the aid is needed to put down possible dissension within those countries. I say that because I have a suspicion that dissident groups in those countries—non-Communist dissident groups—fighting for the rights of the individual are groups we should not be opposing; that is, we should not use the military aid program of the United States to put down freemen.

The difficulty in that problem, as I very well know on the basis of what I have learned in the Committee on Foreign Relations, is that very frequently a movement within a totalitarian government on the part of freemen becomes honeycombed—if the people in the movement do not watch out—by totalitarians of the Communist stripe.

I point out that we are losing a great deal of ground, so far as world opinion is concerned, by the fact that in too many areas of the world we seem to be supporting totalitarian leaders. Perhaps we have been taken in by some of our friends.

When we watch the election returns from Korea in the middle of this month, let us hope that the election will be truly free, with no justifiable fear on the part of the voters or the opposition leaders that retaliatory actions, either economic or political, will confront any of those who openly oppose the Rhee administration.

I wish to make clear that I have always supported aid to Korea. It is my present intention to support it again in this year's aid bill. However, I am greatly disturbed by reports I receive as a member of the Committee on Foreign Relations about undemocratic procedures in Korea.

I am opposed to police state methods, be they Communist or Fascist. I am opposed to my country aiding and abeting the denial of human rights and freedom to the individual in any country into which we pour millions of dollars of our taxpayers' money. I forewarn that there is a growing opposition in our country to any part of a foreign aid program which may be going to support any government that suppresses freedom.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 201) approving the granting of the status of permanent residence to certain aliens.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 8547) to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y.," and it was signed by the Vice President.

RECESS TO MONDAY

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 7 o'clock and 33 minutes p. m) the Senate took a recess, the recess being, under the order previously entered, until Monday, May 14, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of May 7), 1956:

RENEGOTIATION BOARD

Russell A. Stuart, of Virginia, to be a member of the Renegotiation Board, vice Frank L. Roberts, resigned.

IN THE ARMY

Anthony Clement McAuliffe, O12263, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Conrad Stanton Babcock, O16104, Army of the United States (colonel, U. S. Army).

Brig. Gen. William Everett Potter, O17098, Army of the United States (colonel, U. S. Army).

Brig. Gen. Carl Henry Jark, O17556, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Elliot Theimer, O17566, Army of the United States (colonel, U. S. Army).

Brig. Gen. Henry Ray McKenzie, O17623, Army of the United States (colonel, U. S. Army).

Brig. Gen. Barksdale Hamlett, O18143, Army of the United States (colonel, U. S. Army).

Brig. Gen. James Lowell Richardson, Jr., O18232, Army of the United States (colonel, U. S. Army).

Brig. Gen. August Schomburg, O18422, Army of the United States (colonel, U. S. Army).

Brig. Gen. Edwin John Messinger, O18503, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Jacquard Hirshorn Rothschild, O18077, United States Army.

Col. John Anderson Berry, Jr., O18473, United States Army.

Col. Gunnar Carl Carlson, O18515, United States Army.

Col. John Chandler Steele, O18668, United States Army.

Col. Robert Augur Hewitt, O18713, United States Army.

Col. Ray Joseph Laux, O42102, United States Army.

Col. Joseph Edward Bastion, Jr., O19162, United States Army.

Col. Chester Braddock DeGavre, O19262, United States Army.

Col. William Beehler Bunker, O19402, Army of the United States (lieutenant colonel, U. S. Army).

Col. John Lathrop Trockmorton, O19732, Army of the United States (lieutenant colonel, U. S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate May 10 (legislative day May 7), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Albert F. Nufer, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Willard L. Beaulac, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Cecil B. Lyon, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 10, 1956

The House met at 11 o'clock a. m.

Rabbi Arthur Schneier, M. A., Congregation B'nai Jacob, Brooklyn, N. Y., offered the following prayer:

Almighty God, who hast delivered me from the hands of the Nazi and Communist tyrants and hast brought me to these blessed shores, I lead Thy children in prayer for our land, the haven for the homeless, the refuge for the oppressed, the beacon of hope and faith for all the enslaved in the world.

O Lord, bestow Thy blessings of plenty upon our precious homeland. Protect her against the furor of nature's disasters and the onslaught of her enemies. May she remain the wonder garden of Thy creation where we, Thy children, dwell together in peace and brotherhood.

O Father, bless the men of this sanctuary of deliberations. Give them and their families health of body and soul, peace of mind, and happiness. May their dedicated service, zeal, and enthusiasm earn the faith and confidence of the people they represent so that they may continue to labor in Thy vineyard for peace and security on this troubled earth and the preservation of our American heritage. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 9, 1956:

H. R. 6162. An act to provide for longer terms of office for the Justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes;

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members;

H. R. 10754. An act to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines;

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

On May 10, 1956:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson; and

H. R. 6282. An act for the relief of Nathan L. Garner.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur O. Hulse, Jr.;

H. R. 8310. An act for the relief of CWO George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H. R. 1016. An act for the relief of Mrs. Ida Bifolchini Boschetti;

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2284. An act for the relief of Maj. Robert D. Lauer;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 2904. An act for the relief of Maj. Orin A. Fayle;

H. R. 3268. An act for the relief of Comdr. George B. Greer;

H. R. 3366. An act for the relief of Mary J. McDougal;

H. R. 3957. An act for the relief of Pauline H. Corbett;

H. R. 3964. An act for the relief of Kingan, Inc.;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4640. An act for the relief of James M. Wilson;

H. R. 5237. An act for the relief of Mrs. Ella Madden and Clarence E. Madden;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 6137. An act for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers;

H. R. 6143. An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid;

H. R. 6184. An act for the relief of Lt. P. B. Sampson;

H. R. 7164. An act for the relief of Lt. Michael Cullen; and

H. Con. Res. 201. Concurrent resolution approving the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 422. An act for the relief of William C. Irvine, chief warrant officer, United States Air Force;

S. 742. An act to improve the administration of the public airports in the Territory of Alaska;

S. 764. An act for the relief of Robert Gartenberg;

S. 832. An act for the relief of Jonas Dercautan;

S. 1358. An act to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr.;

S. 1833. An act to amend the Merchant Marine Act of 1936, as amended;

S. 1938. An act for the relief of Hildegard L. McNabb;

S. 2507. An act for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung);

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 2750. An act for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik;

S. 2785. An act for the relief of Elsa Emelina Rosado y Rodriguez de Brower;

S. 2801. An act for the relief of Brigitte Lechner Wagner;

S. 2834. An act for the relief of Yue Yin Wong (also known as William Yueyin Wong);

S. 2838. An act for the relief of Antonia Soulis;

S. 2840. An act for the relief of Anniemae M. Swanson and Armylee V. Swanson;

S. 2843. An act for the relief of Dr. Shou Soon Kwong;

S. 2874. An act for the relief of Ethel Kallins;

S. 2883. An act for the relief of Dr. Yong Whan Kim;

S. 2868. An act for the relief of Elisabeth Dummer;

S. 2931. An act for the relief of Oksanna Oztemel;

S. 2941. An act for the relief of Lottie Windschild;

S. 2944. An act for the relief of William Jeffrey Jonas;

S. 2953. An act for the relief of Maria Cedrone De Rubeis;

S. 3073. An act to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes;

S. 3113. An act to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended;

S. 3361. An act for the relief of Egbert Carlsson;

S. 3472. An act for the relief of Patricia A. Pembroke; and

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 135) entitled "Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURRAY, Mr. O'MAHONEY, Mr. BIBLE, Mr. WATKINS, and Mr. MALONE to be the conferees on the part of the Senate.

The message also announced that the Presiding Officer had appointed the Senator from Colorado, Mr. MILLIKIN, as conferee on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, vice the Senator from Pennsylvania, Mr. MARTIN.

ADMISSION OF ELDERLY PERSONS TO FEDERALLY ASSISTED LOW-RENT HOUSING PROJECTS

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill which, if enacted, would authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of elderly persons to federally assisted low-rent housing projects.

My interest in such legislation came to my attention rather forcibly through a letter I received from an elderly lady in St. Louis who wrote me recently asking for my assistance in helping her to obtain housing.

Under the present law, elderly persons cannot be admitted to low-rent housing projects unless there is a blood relation to share it. The lady who wrote me is 69 years of age, has no relatives, and is partially disabled and unable financially to pay high rent.

I contacted the Public Housing Administration and was advised that under existing law, only families of low income shall be admitted. Under the terms of my bill, in an effort to alleviate this serious situation, elderly persons 65 years of age or over may be admitted to such low-rent housing projects with priority, of course, to families with children. I have written the ranking Republican member of the House Committee on Banking and Currency, Congressman WOLCOTT, which committee has charge of housing legislation, asking that consideration be given my bill, and I hope that you, my colleagues, will give serious thought to it when it comes before you.

Below quoted are certain excerpts from the letter I received:

> Called every housing project and the same bad news from them all. No elderly women admitted alone—wonder why. What are we poor souls going to do or where can we go? Wonder who made such a ruling and was so inconsiderate of people like me. They all tell me when I phone that they cannot do anything about it and for me to write my Senator or Congressman or President Eisenhower himself. I am writing you and truly hope you will do something about this all-important matter. * * *
>
> Cannot get into any old folks home until the age of 70 and the waiting lists are very long, besides there has to be quite a sum of money assured in most of them and all personal effects must be signed over, so that is that. Please try and do something soon about this as I probably will be evicted if I cannot pay present rent on what I get. Still would like to know why old women alone are not admitted to cheaper rent projects. We would not harm anyone. A sin and a shame to bar us.

CALL OF THE HOUSE

Mr. MAHON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 45]

Ashley
Barden
Belcher
Bentley
Blitch
Boykin
Brooks, La.
Brown, Ohio
Burdick
Carlyle
Carnahan
Chatham
Cooley
Crumpacker
Dawson, Ill.
Deane
Diggs
Dondero
Donovan
Eberharter
Fascell
Gamble
Gavin
Gray
Green, Oreg.
Gubser
Gwinn
Harrison, Nebr.
Hayworth
Hoffman, Ill.
Hoffman, Mich.
James
Johnson, Calif.
Kearns
Knutson
Lane
McCarthy
McConnell
McDowell
Mollohan
Moulder
Nelson
O'Hara, Minn.
Polk
Powell
Preston
Prouty
Radwan
Sadlak
Short
Sieminski
Staggers
Taylor
Teague, Tex.
Thompson, La.
Tollefson
Velde
Watts
Williams, N. J.
Wilson, Ind.

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10986, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement of yesterday general debate will continue for not to exceed 2 hours, to be equally divided between the gentleman from Texas [Mr. MAHON] and the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. MAHON. Mr. Chairman, I yield 30 minutes to the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the bill before us is the most important bill of the session. It deals with the most vital and most important issue before the American people today. It carries inevitable, imperative, and inescapable allocations and it appropriates vastly more money than all the rest of the appropriation bills that have been passed or that will be passed by this Congress. It provides the money for national defense. It carries funds for the preservation of free government around the globe. It is the last hope of civilization. If it fails, if America fails, there is no other people, no other government left to take up the torch stricken from our hands.

So we have little option, little latitude in the drafting of this bill. It is merely a matter of how much money can be used effectively by our technicians,

our masters of strategy, and our agencies of production. So the committee is going along, largely, with the budget. We are accepting in general the decisions of the President and the Pentagon as to amounts and allocations, although there are some of us on both sides of the aisle who must reserve judgment on some items.

We are reaching a critical period in a time of our greatest national danger. The situation demands sane and constructive thinking divorced from political interest or partisan influence. We must have the facts. The stakes are entirely too high for us to take a chance on the slightest uncertainty.

The principal editorial in the Washington Post of this morning says:

> The military structure ought to be scrutinized from top to bottom.

Then it continues:

> A study by independent men of stature could help to bring to bear by appropriation time next year some of the fresh thinking everyone talks about and seemingly no one does.

That is a rather drastic castigation of this budget, but it is the considered opinion of one of the great newspapers of the Nation. The duty of such scrutiny and such thinking devolves upon this House and for the time being no one else can discharge that responsibility. It has been in the hands of the committee since January, and we now submit it to you for your adjudication.

Let us look at the fundamentals.

First, can we avoid war? Will we ever be called on to use the armaments for which we are spending this $33 billion or $35 billion? Of course, all of us are by nature optimists. We prefer to believe that there will never be occasion to defend our families, our cities, our Nation, against predatory murder and rapine, against the Tamerlanes, the Genghis Khans, the Stalins in Russia, the Mao Tse-tungs in China, the Ho Chi Minhs in Vietnam, or the Kim Il Sungs in North Korea.

We hope we shall never have to defend our Nation against these barbarians who torture body and soul as in the case of General Dean and Cardinal Mindszenty and thousands of others who have suffered unspeakable martyrdom, a martyrdom which they threaten to inflict on every American in the United States.

We are a peace loving, peace prospering people. All our interests lie along the paths of peace and international amity. We have endeavored in every way possible for the past 10 years to reach an honest and honorable agreement with Russia. We have humiliated ourselves in numerous conferences, and all without avail. Just a little more than a month ago, the United Nations Disarmament Subcommittee with representatives from France, Canada, Britain, and the United States resumed discussions in London with that in view. All were agreeable except Russia. Russia alone dissented. Russia alone insisted upon maintaining the present status and continuing the race of armaments which is disturbing the whole world. The Kremlin offered only lip service and in the meantime Russia has continued to manufacture more arms; has made more progress in scientific warfare than any previous year in the history of that nation or any other nation in the world in like time.

There can be no cause for apprehension on the part of Russia. The United States by its long and consistent course of honorable associations with other nations of the world has shown itself to be a friend under all circumstances. We established the Cuban Republic when that fertile island was thrown in our lap, and we could have had it for the asking. Instead of appropriating and exploiting it as a dependency, we preferred to make it an independent nation. In the Philippines we spent billions of dollars rebuilding the war-torn islands and rehabilitating the people and establishing schools, roads, and commerce and self-government to such an extent that everyone there today is our friend. We could have taken the Philippines over, without opposition, had we entertained any disposition toward colonization. Instead we made them a free and independent people in the family of nations.

In our relations with our sister Republic, Mexico, on all occasions we have accorded her the most deferential and amicable treatment, leaving no doubt in anyone's mind of the peaceful and friendly attitude of the United States toward all the peoples of the world. We entertained the same friendship for Russia and the Russian people. We saved her in her war with Germany. But for American ships, American planes, American arms, and American food she could not possibly have survived. But no sooner was the danger past and peace assured than the Soviet Government, seizing every adjacent nation, announced her policy of extending Russian communism and Russian rule throughout the world. In pursuit of that policy she closed down the Iron Curtain and prepared to subjugate the globe by force. And from 1945 down to the present day, the factories and laboratories of Russia producing war materials have been running on 3 shifts, 24 hours a day, in the feverish effort to prepare themselves to take us over, as they have taken over Poland, Estonia, Czechoslovakia, Latvia, Bulgaria, Lithuania, Hungary, Rumania, Albania and adjacent territories. One by one their inhabitants were subjected to selective massacre and their property carried to Russia and all are today abjectly under the heel of the Russian tyrants.

When they have so often and so emphatically expressed their hatred for us, our form of government, our religion, and our way of life, what reason have we to believe that, once they have enough long-range bombers, America and Americans would receive any different treatment?

In this continuous preparation for war throughout the last decade the Soviets could have no other possible purpose than the subjugation of America, the wholesale destruction of the majority of our people, and the looting and confiscation of everything we possess to such extent that the miserable remnant of the American people would be decimated as completely as the famine-stricken Kulacks of Russia, who were starved and exterminated by the millions in the purges instituted by Stalin to establish his dictatorship.

But even if we could secure a covenant with the Soviets, it would not warrant a slackening of our preparations for defense. The Soviets have never kept a single international agreement they have ever made. That is a sweeping statement, but wholly justified by the facts.

The distinguished gentleman from Missouri [Mr. SHORT], former chairman of the Committee on Armed Services, now ranking minority member of that committee, called attention to this situation when he reminded us in January that the Reds have consistently broken the Korean truce in order to build up their airpower. They realized that airpower is critical and supreme. They solemnly agreed when they signed the truce that they would not increase their forces or their war facilities. At that time they had 12 airfields. Today they have 39. When the armistice was signed, they did not have a single Mig plane. They now have 350. On the night of July 27, 1953, the day the armistice was signed, planes were detected entering North Korea from Manchuria. If they broke their word the very day the treaty was signed, what can we expect in the future?

They have all these years publicly proclaimed their hatred of us and their determination to destroy us and they have never retracted or deviated from that purpose.

But now there are alarming developments. We have always believed that our superior Air Force rendered us immune to attack. It has never occurred to us that any nation, much less backward Russia, could develop intercontinental bombers or nuclear bombs which could be used against us. Now, within the last few months it has become increasingly evident that we are losing our battle with communism. Those in a position to know have testified before House and Senate committees that Russia is attaining a frightful lead over the United States in long-range bombers and guided missiles.

Although in 1945 the United States had the most powerful Army, the greatest Navy, and the most effective Air Fleet in the world, top-ranking military officers now inform us that the Soviets have a numerical advantage in long-range bombers and the rate of production of nuclear aircraft.

With a continuation of the present trends they will have a greater striking power than we in 1958 or 1960, if not before.

General LeMay testified that even today the Soviets have more Bisons and Bears—that is the equivalent of our B–52's—in their armory than we have B–52's; and that statement is not disputed. And the ominous feature of it is that we are told by our military authorities that the United States Air Force does not now plan to increase the rate of production of the B–52's, even to equal to the combined production of the Russians in modern-type bombers. They are producing more rapidly, and we agree they are producing more rapidly, yet we have no plans whereby we propose to remedy that situation.

To further impair American defense, Russia has just announced they will soon have an intercontinental missile with a hydrogen warhead they can place anywhere in the world. There is no known defense against a ballistic missile.

Already Russia claims to be on the way to production of a missile with a practical range of 1,500 miles. That would bring within range all our European allies.

Air Force Secretary Quarles said on April 24 that in view of our past experience with Russian claims there is little room to doubt her announcement of an intercontinental missile. For example, he said Molotov boasted in 1948 that Russia had the secret of the atomic bomb. At that time we were certain nobody but the United States had the secret, but that very year they exploded their first bomb 4 years in advance of the shortest time we had reason to expect they could possibly develop it.

Again in June of 1953 Malenkov announced they had the secret of the hydrogen bomb which we considered unknown to anyone outside the United States, and the following August they fired their first hydrogen bomb.

The Russians in the past have made good on their claims, said Secretary Quarles, and there is no reason to disbelieve them now.

In this connection, while we have had reason to believe we have the most advanced scientists in the world, we are now warned by the Chairman of the Atomic Energy Commission, who certainly should know what he is talking about, that the Russians are surpassing this country in the training of technicians of all kinds. They have today more young men studying in approved scientific schools than we have and they are turning out more than twice as many as the United States is training. According to estimates by the Engineers' Joint Council of the United States Bureau of Labor Statistics, our minimum need for engineers from our graduating classes is 40,000 each year for the next 10 years. Last year we graduated only 23,000. I have just spoken to the gentleman from Illinois [Mr. PRICE] here, who has been long a member of the Committee on Armed Services and also a ranking member of the Joint Committee on Atomic Energy, and he tells me he is thoroughly familiar with that situation and fully agrees with the estimate.

Mr. Chairman, here is something of which we should take particular note. You remember very well when we used to laugh at the idea of the Russians knowing anything about mechanics. We were told that when we delivered an automobile over there it was shortly out of commission and nobody could repair it. We thought they were just inept, incapable of mechanical training. As in everything else we underrated them. But we have discovered that frequently they are outmatching our own scientists and mechanicians.

Mr. Chairman, America won the First World War and the Second World War by outproducing our enemies. What is the situation today? We are falling down on the job. Our factories have shown themselves to be remarkably deficient. Hundreds of our jet planes will not fly in battle. Out of every 100 bombers delivered, 30 do not fly. You cannot get 30 of them off the ground. And out of the remaining 70, an average of 15 always turn back before they reach the target.

That is the fault of the plants. It is inefficient production. It is inefficient supervision of our production facilities. Up to this time our plants have delivered to our military authorities only 78 B–52's, when they are the heart and life of national defense. It is the one and only weapon with which we can reach the heart of the enemy. In the coming war we must strike Moscow and the production plants of Siberia. We must drive straight to the center of Russia. Yet there is at this time only 78 planes that can deliver bombs on those targets. Out of the 78 B–52's that have been delivered only 47 have been accepted. What is the matter with our factories? What is the matter with the supervision of production in this country? What is the matter with the strategic command that temporizes with this tragic situation? We must have B–52's. Nothing else will fill the bill; still we have only had 78 delivered and out of those 78 only 47 can fly.

In February, March, and April of this year, down to May 1, our factories have delivered only 17 B–52's, while the Russian factories are in full production. Out of the 17 B–52 planes delivered to us only 2 were accepted in more than 3 months—2 of these vital planes in 3 months, and in the moment of America's greatest danger. Think of it. When only a show of strength will keep us out of war, how can we hope to avoid attack when the B–52 is the only weapon Russia fears?

These defects and these delays may have been the responsibility of the manufacturers. But what about the responsibility of the Department? Fifty-six planes were ordered by the Navy Department at a cost of $1,350,000 each. They were delivered at intervals, one by one, over a period of a year and a half. All delivered and all paid for. And not a one of them would fly. They could not even get them off the ground. The first plane was delivered and the Navy paid for it. It would not fly. The second was delivered and again the Navy paid for it. It would not fly. And so over a year and a half the remainder of the 56 planes were delivered and paid for. Who was asleep at the switch in this critical period while Russia was taking the lead in airpower?

Secretary Wilson, who comes to us from one of the most efficient production plants in the world, seems to be somewhat confused as to why or whether Russia is ahead. During the inquiry when he was before the committee, I asked him about our relative production and he declined to commit himself. I tried to get him to say "Yes" and he would not say "Yes." I tried to get him to say "No" and he would not say "No." But when he was pressed for information by the newspapers, he gave them information he would not give the committee. He said both "Yes" and "No," and at the same time. On May 2 he told the reporters, and I quote what he said:

> The best information I have is that Russia is currently building at a somewhat higher rate than we are.

But on May 9, as reported in the Washington Post of that date, he flatly denied that Russia is, and I quote again: "far outstripping the United States in terms of airpower."

I am certain that when you consider the phraseology the two statements can be harmonized.

But, again on May 8 Secretary Wilson said:

> The production schedule of B–52 bombers, which has been 6 per month against the planned rate of 17 per month, will be stepped up to 20 a month.

And only 2 out of the 17 were accepted.

From January 1 to May 1, 1956, only 6 of these planes have been accepted. That is less than two a month. Is it any wonder that Russia is forging ahead of us in terms of production?

So, the newspaper men, despairing of securing detailed information from the Secretary, appealed to the President. President Eisenhower told them that the fact that Russia was ahead of us was nothing to worry about.

Nothing to worry about.

In that respect the President differs from every magazine and, so far as I am informed, from every newspaper in the United States which has referred in its news or editorial columns to Russian superiority in rate of aircraft production. The Reader's Digest, for example, with the largest circulation of any periodical in the world, and the Saturday Evening Post, with the largest circulation in the United States, have carried for the last 2 years comprehensive and emphatic articles by eminent authorities in which they predict the most ominous results unless something is done to step up our production of long-range planes. Many other periodicals have carried similar articles, a number of which have been inserted in the CONGRESSIONAL RECORD.

Articles and editorials in this week's papers, notably the Washington Post, carry instructions from the civil defense authorities, who after more than 3 years study of the situation, advise all citizens to prepare food and work out a route over designated highways and at the first signal to evacuate the cities in such haste as not to wait for members of the family in other parts of the city. Gen. Earl Partridge, head of the Continental Command, told a congressional committee he could not defend this country against even a small atomic attack.

After more than a century and a half during which America has never been invaded, Americans do not take kindly to the idea of a second-best Strategic Air Command.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MAHON. Mr. President, I yield the gentleman 10 minutes additional.

Mr. CANNON. Mr. Chairman, I shall condense as much as possible.

Mr. Chairman, the President, for whom I have the warmest personal regard, and whom I have followed implicitly in all defense recommendations, did not deny that Russia is outstripping us in rate of production. He did not deny that Russia now has more effective long-distance bombers than we have. He did not comment on the claim that Russia has better planes than we have.

He said:

> We have the most powerful Navy in the world and it features one thing—air power.

Then he said:

> We have bases around the world established for the particular purpose of using the medium bomber.

The medium bomber is the B–47 which must be based abroad or be refueled in the air. As was pointed out in the hearings we are short on tankers and we especially lack long-distance tankers. And tankers which supply bombers in midair are particularly, almost fatally vulnerable. A high-ranking officer asked significantly what chance a tanker, or a B–47 in need of fuel, would have with a pursuer on its tail.

"The strongest navy in the world" will not be a factor in the next world war. The President was talking in terms of 50 years ago—in terms at least prior to the last war. The submarine and the airplane have relegated the navy as a fighting factor to the limbo of the past. Germany had only 58 of the old-fashioned submarines, which had to surface to recharge their batteries, in the last war. But they drove our shipping from the Atlantic and all but froze New England for lack of oil. Russia has 426 modern snorkel submarines which can stay under for weeks. And airplanes flying so high and so fast they can neither be heard or seen would complete the work. But granting the navy could stay afloat, why would Russia bother to fight the Navy when her planes can fly overland all the way?

The committee report quotes:

> In time of war, the great oceans become a giant, interconnected battlefield. * * * He who has command of the seas can, in his own time, assemble and motivate these vast human and material resources against the land of his enemy. * * * Once control of the seas is lost, he can do little more than postpone the inevitable defeat which he faces.

Could anything be more ridiculous? What attention would a B–52 or a Bison en route to bomb Detroit or Moscow pay to a thousand ships or 10,000 ships?

Again, the committee report quotes:

> The aircraft carrier today represents one of the most important parts of our overall security program. It makes possible the location of air power in areas into which we might not otherwise be able to put United States air power. * * * The carrier introduces an element of uncertainty on the part of the other fellow. He cannot always know where they are.

General Twining said in testifying only this morning before a congressional committee that the ability of the Navy to strike telling nuclear blows in a strategic air war with Russia was out of the question. He said the contribution of Navy carrier-based planes in such an attack would be small. He also noted that the range of carrier aircraft is relatively short compared with land-based craft.

You cannot defeat Russia by nibbling around the edges and no carrier-based plane could ever reach Moscow or touch the war factories in Siberia.

General Vandenberg said more than 2 years ago that with his Air Force he could sink every carrier afloat regardless of any defense that could be provided.

And General LeMay said here the other day he could sink every carrier at sea in 2 hours.

So far as the element of uncertainty is concerned, even if the carrier were no larger than the traditional mustard seed, Russia's incomparable espionage system, which stole the atomic bomb and ran rings around our own secret service, would know where it was every minute in the 24 hours. And when in fact a carrier, with its auxiliaries and protecting escort covers miles of sea, it would be as impossible to conceal it as it would be to hide the moon. No carrier could live a day in the Atlantic much less in the Mediterranean or the North Sea.

The Navy carrier is the greatest handicap to national defense. The cost of a carrier fully equipped with its full complement of planes and auxiliaries and its defense fleet is close to a billion dollars. But the cost is its least obstructive impediment. Its construction consumes the largest amount of rare and strategic material, and employs the greatest amount of technical and skilled labor of any mechanism ever built. The Air Force now limits use of tungsten and columbite tantalite in jet engines because our suppplies are short. Russia uses considerably more in her jets. But Russia is not wasting a major part of her strategic stockpiles on carriers. The extent to which this scarcity applies is shown by the fact that only this week, the week of May 7, the Air Force turned down pleas of three leading aircraft manufacturers for permission to use more tungsten. As Chairman MAHON has frequently said the reason we cannot use more money in the building of B–52's is that we do not have the plants and facilities and specialized labor to build them. The largest allocations of material, labor, and engineering is consumed in building carriers, none of which could survive a day at sea after war started. For this reason we do not have the needed material, men, and manufacturing plants to build more B–52s, the only weapon that can defend us when war starts.

But the most significant development in our defense program is one about which less has been said than any other. In order to get a practical demonstration of the place of airpower in modern warfare, the Department staged a tremendous campaign covering 12 States simulating as nearly as possible actual wartime conditions. An equal number of planes was assigned to each side, one representing the enemy and the other the defenders. The enemy attacked and the defenders used every means to protect the homeland.

Although months were consumed in planning and arranging the test it was over in a few minutes. The defenders were protected by the usual radar screens the counterpart of those actually protecting America from attacks from abroad, but the enemy planes, by flying too low for the screens to register, took the defense by surprise. Within 17 minutes after the warning signal the enemy bombers were in contact with the defenders and in 23 minutes, as reported in the local papers, had destroyed 80 percent of the home airbases, knocked out half the defender striking force, and taken complete control of the air. The decisive phase of the war was over in 40 minutes and the United States had lost.

We come now to the inevitable aftermath. Russia is developing a mighty war machine. We have faltered while Russia forged ahead. It is becoming increasingly apparent to our allies that we cannot protect them if the present gap between Russian planes and American planes continues to widen. Already our allies are falling away. They have little option in the matter. If they are to be under Russian's bombs and missiles, they must make their peace as best they can and they are inviting visits from the Russian leaders and Churchill is inviting the Russians to join NATO. NATO was one of the most brilliant achievements in the history of American diplomacy and it was impregnable as long as we controlled the air. And Russia used every means to destroy it. But now that there is a very definite prospect that Russia may dominate the air, our allies have no choice but to seek cover.

We are confronted by an aggressive and triumphant communistic empire reaching from the Elbe in Germany to and including a large section of Indochina. It has been victorious in the field and at the conference table. It has defeated and exterminated the finest troops France could mobilize at Dien Bien Phu, and it won everything at Geneva.

General Twining said in a speech at Boston last August that an air attack "could pour out of the Soviet Union engulfing and overwhelming not only our cities and States but our entire Nation."

And Nikita Khrushchev, who visited London smiling and left with a bitter scowl on his face, said between his teeth, "Don't shake your fist at a Russian. If anyone believes our smiles involve abandonment of the teachings of Marx and Lenin, he deceives himself poorly."

Time works against us. Based on programs already in existence, the strategic air strength of the United States will decline in relation to that of the Soviet Union until in 1960, or sooner, when without allies and without dominant air power we face the inevitable.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. WOLVERTON. Mr. Chairman, the bill now before us is one of unusual importance. The uncertain condition that exists throughout the world makes it highly imperative that the greatest care be observed in providing adequate military security. That this bill does do this is made certain by the approval that has been given to it by President Eisenhower.

While there may be criticisms expressed by some as to its effectiveness in certain particulars, yet I am convinced that the military knowledge of President Eisenhower far outweighs and sets to naught the claims of dissenting critics. In my opinion there is no one in all the world more competent, more able, or possessing more knowledge of the military needs of the present day than President Eisenhower. And, when he is satisfied that to me is sufficient. I think we are fortunate at this time to have as President a man so eminently qualified in military matters to lead us in determining what is adequate as means of defense in the matter of the armament necessary to protect our national security.

Mr. DAVIS of Wisconsin. Mr. Chairman, I listened to the chairman of our committee who preceded me with a considerable amount of interest and with a greater amount of concern. I do not know where he got some of the information, purportedly factual that he presented to you. I can tell you that he did not get much of that information from the hearings which we held in the last 3 months. Some of the things which were given to you, purporting to be facts, if they were facts, in some cases were given in a classified manner, are not printed in the hearings, and if they are facts, were not properly submitted to you on the floor of the House here today. That is a serious charge, and I would not say it, if I did not feel very strongly about it. The things that were said here taken together, and if taken seriously, and I suppose they will be taken seriously because of the high position in the House which the gentleman from Missouri holds, represent a damning indictment of this 84th Congress; they represent a damning indictment of the Appropriations Committee and the subcommittee which held hearings on this bill and presented it to you for your consideration here this week. If you are to believe the things you have been told by the chairman of the Appropriations Committee, then I submit that in good conscience the only thing this House could do is to recommit this bill to the committee from which it came and ask the members thereof to revise this entire appropriation on the basis of those things which were presented to you as the truth by the speaker who just preceded me. I cannot refrain from saying that I think such statements, presented under these circumstances, are harmful to the defense of this country and represent a disservice to the country that everyone of us is here to serve in the consideration of this measure.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. PRICE. I might say to the gentleman I certainly have heard in committee meetings from responsible authorities of our Military Establishment every word that the gentleman from Missouri has spoken.

Mr. DAVIS of Wisconsin. Then, they were in a different committee.

Mr. PRICE. They certainly were from responsible authorities, and I concur fully in what the gentleman from Missouri has said here this afternoon.

Mr. DAVIS of Wisconsin. Then I think the gentleman from Illinois should take the responsibility of presenting that information to the House because it is information, if true, in some respects that is in conflict with that which was presented to the Appropriations Committee.

Mr. PRICE. If the gentleman will yield, I think the gentleman from Illinois on many occasions has, and I think other Members of the Congress have, presented such information to the Congress.

Mr. DAVIS of Wisconsin. The gentleman should take the responsibility for that in presenting it to the House.

But there are still some things I would like to say.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman.

Mr. McCORMACK. Only within the past few weeks a high ranking officer who told me something privately on a prior occasion in testifying before the subcommittee said something of a different nature. I said to him, "How come? You told me this and I understand you are testifying differently." He said, "I am under orders."

Mr. DAVIS of Wisconsin. Then I think the gentleman from Massachusetts has the responsibility to reveal those inconsistencies to the House.

Mr. McCORMACK. The gentleman is talking about responsibility. The orders come from the administration. The responsibility rests with the administration to let those men come before committees and testify to their honest views.

Mr. DAVIS of Wisconsin. I think the gentleman does a great disservice to the members of the committee which held the hearings on this bill in making that kind of statement, because those people who appeared before the committee were given every opportunity to express their personal opinions on these things that are before us. I would think that it does a great disservice to those men in high responsibility in and out of uniform of the Defense Establishment of this Nation if you are to infer that they did not tell the truth before the committee.

Mr. McCORMACK. The gentleman talks about disservice, as if everything he says is absolutely correct and nobody can have any different opinion.

Mr. DAVIS of Wisconsin. No, no.

Mr. McCORMACK. The gentleman from Missouri, Mr. CANNON, is a voice in the wilderness, warning the American people not to be influenced by the mask of a smile, and that we had better keep our guard up. Whether you agree with everything he said, or not, the basic argument he made was a great argument and he was rendering a great service to the country.

Mr. DAVIS of Wisconsin. The gentleman is entitled to his opinion. I did not say whether I agreed with what he said. I am saying there is a conflict in what he said and what was presented to our committee in the course of the hearings.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. SCRIVNER. Might it not be well for that voice in the wilderness to point out who was chairman of the Committee on Appropriations and President of the United States when this contract was made?

Mr. DAVIS of Wisconsin. Well, I think the record will bear out that the contract was made when the White House and the Appropriations Committee chairmanship were both occupied by Missourians.

Mr. Chairman, I want to say that I support this bill as presented to the committee by the Subcommittee of the Committee on Appropriations, with the single exception of section 633. I shall vote to strike that section from the bill. Otherwise I am in complete accord with what has been recommended here.

Every appropriation bill—and certainly it is true of this one—represents to a great extent a matter of judgment. We can never be sure that we are exactly right. If we get into world difficulties, then whatever we may appropriate will not be enough. If we have a year with no difficulties at all, then we shall always have the feeling, I suppose, that we could have spared the American people some of the great burden that the appropriations here involved represent. This bill as it is before you represents the composite judgment of responsible men who have the right and responsibility to presents the results of their judgment to you. It represents the judgment of the top people in the Armed Forces, both in and out of uniform. It represents the judgment of the President of the United States. It represents the judgment of the subcommittee which has the responsibility for conducting the hearings and presenting it through the full committee to you today. That is true because the pattern, in spite of minor variations, has remained constant throughout all the steps in making those recommendations.

I suppose that one would feel more sure and more self satisfied about a measure of this kind if he did not sit through all of the 3 months of hearings to which we were subjected; if we were not required to acquire some knowledge of the destructive force of modern weapons, both in the hands of a potential enemy or in the hands of the Armed Forces of our own country. No one can go through that kind of experience without feeling some kind of mental and emotional peaks and valleys that come from acquiring such knowledge. Just as I suspect that some of you have felt futility and frustration as you have listened to this discussion; and then a feeling of supreme confidence as you hear of the weapons in our own arsenals.

In a sense this particular defense program and all defense programs must to some extent be a compromise and a reconciliation of various views among the people who are responsible for our defense. There are some people, and some of these views have been widely heralded in the press, who feel that if

we simply had enough B-52 bombers that that is the only thing we need to worry about, that the defense of this country would be safe. There are others who conceive the defense of this country as being in a huge central information center where you could simply push buttons to release a number of guided missiles anywhere in the world, and that that is the only way to secure the complete defense of the country. There are others who envision our defense as being centered in a group of huge super-carriers roaming the seas; and I suspect there are some other people who feel that if we would just build the Marine Corps to about 10 times its normal size that we would never have anything more to worry about. So it goes. If those views were to be followed we would not have air defense, for instance, a group of fighter interceptor bases to ring our country as a means of defense. Had we listened to all these suggestions most probably we would not have a great Army because there would be the feeling that ground forces were outdated and we do not need them. So we come down to the attempt to arrive at a reasoned judgment and a balanced program of defense for our Nation, and I believe that this appropriation bill does provide that kind of defense.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New York.

Mr. TABER. Would the gentleman care to tell the House at this time how much money has been provided in this bill for research and development over all?

Mr. DAVIS of Wisconsin. I am a little in doubt about the overall figure. It would depend on the inclusion of items collateral to research and development funds.

Mr. TABER. It would be more than 5½ billions of dollars, would it not?

Mr. DAVIS of Wisconsin. I was going to say that you could go as high as $6 billion. If that is not correct, would the gentleman from Massachusetts correct me?

Mr. WIGGLESWORTH. I think the record indicates that in the Department of Defense there will be over $5½ billion available for research and development and supporting activities, and that there will, of course, be funds available for other agencies.

Mr. DAVIS of Wisconsin. Funds that could be transferred.

Mr. WIGGLESWORTH. Not transferable but available for research and development in the field of national defense.

Mr. DAVIS of Wisconsin. My few remarks outside of general references will be confined principally to my work with the Air Force panel. As many of you know, this subcommittee of 15 held about a month of hearings to attempt to get the overall picture of the armed services; then we divided into panels of 5 each. It happened to be my responsibility to work with the Air Force panel. I suppose in a sense this necessary division is unfortunate in that perhaps it leads to what you might call provincialism, but the sheer bulk of the job and the details that we had to inquire into made it necessary and I suppose that will be true so long as our defense problems remain as complex as they are today.

There are three major problems that caused some controversy and a certain amount of discussion in connection with the Air Force. One of them is the importance of the procurement and production which is handled in a separate report that dealt with the procurement policies of the Air Force, and a considerable amount of inquiry was made along that line.

Whenever you have Government officials with authority to place contracts amounting to billions of dollars every year it will always be necessary to watch those appropriations and those contract lettings very carefully; but I think it is fair to say that the procurement policies and programs of the Air Force show a meritorious improvement in the course of the past year, since we last had a chance to examine them. I would say they are better in terms of overall policy. The record will show a greater percentage of the procurement has been based on competitive bidding and a lesser percentage on the cost-plus-fixed-fee basis. There has been a greater percentage that has gone to small business, and that, too, appears to be in accordance with desirable policy.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. On page 47 of the committee report, in discussing financial management, the statement is made:

> The Air Force responded to this criticism most admirably. The hearings this year, from the standpoint of information made available and presented to the committee, have been very satisfactory.

I presume it is along those lines the gentleman is discussing the matter. Would he say that in his opinion the information now supplied to the committee this year is adequate in order for us to form an intelligent judgment in regard to the appropriation bill before us?

Mr. DAVIS of Wisconsin. I would say generally the answer to the gentleman's question is yes. I would say the presentation and the format of that presentation were much improved. I would say, further, that the people who appeared before our committee were very well informed on the programs which they sought to present to us.

Mr. CURTIS of Missouri. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DAVIS of Wisconsin. Mr. Chairman, as I said, there can never be complacency in a program of the size of this procurement program, and when you are dealing with that amount of the people's money there must be the greatest vigilance. I think, too, as a corollary to that, we have a responsibility as Members of Congress, not simply to be beating the armed services over the head from year to year about their procurement policies. Collectively and individually we as Members of Congress have a responsibility to help them in improving their procurement programs. We have been guilty of something less than crystal clarity in providing the guidelines for their procurements. In theory I think we will all say that purchasing ought to be done on a competitive basis and on a bidding basis, the contract should be let to the man who submits the lowest bid to the Government; but I think as a practical matter we all recognize, first of all, that there is a great deal of our procurement that does not lend itself to competitive bidding. Secondly, we do believe in the necessity of alternate sources of some of our critical defense weapons. We believe also in the necessity for the dispersal of production facilities. And, also, from time to time there has been a feeling expressed here that certain areas of the country should be recognized as hardship areas and some of this procurement should be let in those areas. All of those things have come into play in lesser or greater degree to modify this general overall theory that we are to let all procurement bids to the lowest bidder. I say again we owe it to the Defense Establishment to give them understanding, constructive assistance in working with the problems which they have to deal with.

The second important matter of controversy was with respect to the B-52 procurement. That has been mentioned often enough—especially by my colleague the gentleman from Kansas [Mr. SCRIVNER]—to require little more. It should be pointed out again that the B-52 is a complex war machine. We cannot say "presto" and put a lot of B-52's on the production line simply by saying that that shall be so. The question will always arise in matters of this kind as to whether we have to buy large numbers of this particular weapon or whether we shall buy a moderate amount, keeping in mind that one particular weapon may be outdated by the time complete deliveries under procurement contracts could be made.

The third important matter for discussion within our subcommittee was our guided-missile program. I think this should be kept in mind: Most of our research and development is in the field of guided missiles and most of our money spent for guided missiles is in the field of research and development. So, when we are talking in the Air Force about research and development, we are talking mostly about guided missiles, and when we are talking about guided missiles, we are talking mostly about research and development. Certainly this is the most awesome, dramatic, and fearsome instrument of warfare in our arsenal. We have so much to learn about it. The possibilities are so great that we cannot afford to be second best in this field. But, I think this should be pointed out, and the record of our hearings will bear this out, that there is no development in the field of guided missiles that will be delayed by lack of money. The testimony of Secretary Quarles, in two separate instances, makes it very clear that there shall be all needed money made available. If it becomes necessary to use more money than is provided specifically in this bill, there is transferability on the one hand; on the other hand, Congress will be here after the first of the year to make those necessary funds available if necessary. I think most of us will buy that kind of a policy, and we feel that is the proper way it should be handled; that if there are significant breakthroughs the Congress should be informed and the Congress should have an opportunity to exercise its judgment in making these huge amounts of money available if the necessity for that does arise.

Secretary Quarles' pertinent statements were:

BALLISTIC MISSILES PROGRAM

Secretary QUARLES. Mr. Chairman, just to be sure that I am not misunderstood I might add that this restudy also developed the fact that we had considerable uncertainties in our ballistic missiles program which is developing so rapidly and the restudy made it seem likely that the present funding for the ballistic missiles research and development program would not meet the full situation as the year 1957 developed. However, there are such great unknowns in that whole area that we felt we could not at this time properly revise our budget request. We just do not see ahead clearly enough to do that. I am merely mentioning it in order to indicate that this is the one uncertainty in the 1957 picture that we are leaving unsolved at the time we make this supplemental request that you now have before you.

Mr. MAHON. When do you think that issue may crystallize to the point where you would know whether or not you would need additional funds?

Secretary QUARLES. I do not believe we can tell until along toward the end of this calendar year because it all depends on how fast we find it possible to move ahead in some of these technical areas. If things break against us, we will have enough money because we cannot move fast enough. If we get the breaks and can push ahead as fast as we would like to, we may very well have to come before you for a supplemental appropriation in order to meet that specific situation.

Mr. MAHON. Do you believe that is the best way to meet the situation?

Secretary QUARLES. It seems so to me, because any other way would be guessing at this time.

* * * * *

Mr. MAHON. I do not like to be in the position of begging the executive branch of the Government or the Department of Defense to spend more and more money. We want more and better defense, but we do not want to be in the attitude of beating you people over the head and trying to get you to spend or take more money from Congress which is in effect taking money from the taxpayers, but we do want to make sure that we are getting the type of defense program that we ought to have.

I think that should be obvious to you.

Secretary QUARLES. Mr. Chairman, you realize that it would be easier in administering a program of this kind to be sort of high, wide, and handsome about it, and spend everything that you might need. That is easier than making judgments that you can soundly spend less and do the job. These are human judgments, we recognize, and all I can say is that we are making them to the best of our ability and believe that if we execute the program that has been presented to you with the best economy and to the best of our ability, it is a sound program and a sound course of action for us.

So, Mr. Chairman, in conclusion, let me repeat, as I said in the beginning, that it is always easy to be scared to death and attempt to scare other people to death in relation to our appropriation for our national defense. The responsible thing is frequently not the dramatic thing, and I submit that this subcommittee has presented the responsible thing to this House for its action here this week.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, before discussing some of the Army portion of this appropriation bill, I feel it my responsibility to make several comments concerning the subcommittee of which I am a member, the staff, and the Army personnel that appeared before our group. The hearings this year under the leadership of the gentleman from Florida [Mr. SIKES] were very ably conducted and most constructive. In addition it has been a great pleasure and a very real privilege for me to serve with the other members of our Army panel: the gentleman from South Carolina [Mr. RILEY], the gentleman from Pennsylvania [Mr. FLOOD], and my good friend, the other Republican on this panel, the gentleman from Maryland [Mr. MILLER]. We were most adequately and effectively aided and assisted in our deliberations during the 3- or 4-month period that we operated by our Army panel clerk, Earl Silsby. This has been my 4th year on the Army panel. It seems to me that each year the Army presentation becomes progressively better. I thought we had good witnesses. They gave us all the information that we sought. And the action taken by the Army panel in reference to the budget this year, I think, reflects their presentation.

The President recommended to the Congress for the Army new obligational authority for the fiscal year 1957 totaling $7,761,425,000. The Army panel recommended to the full committee and now to the House new obligational authority for the fiscal year 1957 totaling $7,497,582,000. This appears to be a dollar reduction of $263,843,000. Actually the reduction in money is somewhat less than that inasmuch as $228, 944,000 of that proposed reduction involves what we call deutschemark support. Since the end of World War II, our Armed Forces in Germany have received considerable financial and manpower aid and assistance from the German economy. Last May the United States concluded an agreement with the West German Government providing that the deutschemark issue should be fully determined within the next year. It may be that Germany will substantially reduce this deutschemark support but as yet no conclusive decision has been reached.

Our subcommittee felt that since these negotiations were still in process, we should strike from the bill all of the deutschmark support which, as I indicated, totals slightly over $228 million for the Army. When negotiations are completed by the State Department and we know precisely where we stand then the other body can make certain necessary dollar modifications.

The actual dollar reduction as far as the Army is concerned totals $34,899,000. This is a very minor reduction when you consider the fact that the total made available in new obligational authority is $7.4 billion. In reality, however, the $7.4 billion obligational authority for the Army is not the full picture inasmuch as the Army has had since the end of the Korean war a substantial amount of procurement and production money which has not been used. So to get the full picture of the Army obligational authority for fiscal 1957 you have to take the $7.4 billion new money and add to it $1.8 billion approximately which they are authorized to use in the procurement and production field. The net figure then becomes for Army obligational authority about $9.4 billion in fiscal 1957.

It should be pointed out that the Army has on hand in depots, posts, camps, and stations, a total inventory of over $20 billion plus over $4 billion worth of inventory in the hands of troops. So that the Army supplies on hand dollarwise total almost $25 billion.

This availability of this inventory, all or most of it at the present time of conventional type weapons, ammunition and equipment, has permitted the Army in fiscal 1957 to plan for a different type of procurement program. Our Army has in its inventory a certain mobilization reserve of their conventional or old-type weapons. They have that mobilization reserve up to what they feel is a safe level for any Korean-type engagement and reasonably good for an all-out war. So the Army plans in the next fiscal year to change its equipment procurement program.

It was well pointed out by General Magruder, an outstanding witness before the committee, as Deputy Chief of Staff for Logistics, that the Army will expend most of its procurement and production money for new weapons, those which will greatly increase the firepower and the effectiveness of our Army.

I think that is probably the most significant change, in my opinion, in the Army program for fiscal 1957. It would be wise, in my opinion, if each of you would take the Army hearings and read what General Magruder had to say on page 1448. It is very worth while, and points out precisely what the Army had in mind.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. SPRINGER. I note on page 20 of the committee report that there will be a projected drop in Army personnel by June 30 of 1956 of approximately 65,000 men. It will then go back up to where it will be only 58,000 men below the present on June 30, 1957. My question is: In what categories or groups is this 65,000 being reduced?

Mr. FORD. Let me make a somewhat different answer to the gentleman's question. If he will turn to the Department of Defense hearings, the last hearings we held, he will find on page 95 the

actual Army strength beginning with July 31, 1955 and what they estimate the figure to be on June 30, 1956. It indicates that from a high on July 31, 1955 of 1,119,000 they will gradually drop down, not down to a valley and then up to a peak but rather a gradual drop down, to 1,040,250.

In other words, there has been some slight revision in the Army strength figures within the last several months because of the DEW line operations of the Army, the SCARWAF obligations of the Army, and the Reserve forces obligations of the Army, so that instead of going down and then back up they are gradually going to fall off to 1,040,250. Most of those reductions that have been made are in the support-type activities and in the training activities. That results from the fact that the Army reenlistment rate has gone up extremely well in the last year or year and a half. The net result is that you are having more people with experience staying on in the Army, which means you can cut down your training load. For every 4 men you train in the Army you have to have 1 experienced man as a trainer. As we build up our supply of trained men we get more experienced men and we increase our combat ratio. So that when we reduce our personnel it is not out of combat efficiency but out of support-type activities.

Mr. SPRINGER. I am glad to hear that. Sixty-five thousand men would be equal to approximately three divisions of men fully equipped. Is it the opinion of the gentleman from the testimony that has been rendered that this reduction is not going to appreciably affect our combat effectiveness?

Mr. FORD. It is my honest personal opinion that this reduction in personnel will have no appreciable effect on the combat effectiveness of our Army. In fact, our Army in fiscal year 1957, overall, will be a better Army, a stronger Army than in past or previous fiscal years.

Mr. SPRINGER. There is one further question: There have been quite a few articles here recently, and this has been with reference to the Air Force, as to the number of men who were not reenlisted. I notice in your report that the number of 6-year enlistments has risen during the past 2-year period, including 1956. Is the 6-year enlistment the only classification the Army has?

Mr. FORD. No; the Army has a reenlistment program of, I think, 4 years and possibly 3 years, plus an indefinite reenlistment term.

Mr. SPRINGER. On the 3-year and 4-year classifications, have those reenlistment rates been going up or down?

Mr. FORD. I cannot honestly break it down to that extent. All I can say is that the Army's reenlistment rate has gone up from around 20 percent as of several years ago to 68 percent at the present time. That is the regular Army reenlistment rate.

Mr. SPRINGER. I would like to ask this one further question which, perhaps, the gentleman may be able to answer. Can the gentleman give us any reason why the reenlistment rate in the Air Force should be so bad and the reenlistment rate in the Army appears to be at the present time on the increase, and projected ahead is estimated to be on the increase?

Mr. FORD. I am not qualified to comment on the situation in the Air Force. I can only say for the Army that they have made a very great effort to convince young men that the Army is a good career. As a consequence, they have been getting results. Perhaps it would be wise for the gentlemen to speak to the gentlemen on the Air Force panel in reference to that specific problem.

Mr. SPRINGER. I thank the gentleman.

Mr. FORD. Another significant point in this budget is that in the fiscal year 1957 we are finally going to conclude the cataloging, standardization and identification work for the Department of the Army. About 6 years ago, I think it was, Congress passed this legislation which required the services to standardize and to catalog. It was estimated at that time that substantial dollar saving would be the result. Last year we were told by the Army witnesses that they were 64 percent through this tremendous job. At the present time, they are about 85 percent through. By September 30, 1956, they anticipate to have the job done insofar as identification and stock numbers are concerned. That is a tremendous job. It might interest you to know that it cost about $21 million for this current year and it will cost about $27 million in the next fiscal year, to finally conclude this vital job.

You might be interested in certain similarities in this year's budget as compared to the fiscal 1957 program. Dollarwise, under direct obligations in fiscal 1955 the Army had $10.7 billion. In the current fiscal year, 1956, the Army will have direct obligations of about $9.5 billion. In fiscal year 1957 direct obligations will total approximately $9.4 billion. In other words, the Army has about leveled off. From a point of view of net expenditures in fiscal 1955, the Army had net expenditures totaling $8.9 billion. In fiscal 1956, they estimated it will be $8.5 billion. In 1957, $8.6 billion.

In other words, the Army's funds are about on a level plane and that, in my judgment, has produced results. From the point of view of personnel, as I have brought out in colloquy with the gentleman from Illinois, the Army personnel will get down in June this year to the figure, which I believe, will carry on for a considerable period of time—about 1,040,250. Included with the uniformed personnel for the Army, the Army has approximately 435,000 employed civilians. So the total Army personnel picture is about 1,500,000, when you include both uniformed personnel and civilians.

The Army has continued during fiscal 1956 and they expect more or less to finish in fiscal 1957 their financial management program. They have carried on with their integrated accounting, their financial inventory account, their industrial funds, their stock funds, their consumer funds and their internal auditing. All of these programs which have been pushed ahead in the last several years will pay big dividends dollarwise and otherwise.

Now, if I could turn to some of the differences between fiscal 1957 and fiscal 1956; first, procurement and production. The big change there is in missile procurement. If you will turn to page 425 of the defense hearings, you will find that the Secretary of the Army says that 55 percent of Army procurement in fiscal 1957 will be for missiles. That includes Nike, Honest John, and Corporal, missiles which the Army actually has with its troops. If you will turn to pages 1448 and 1450 of the Army hearings, you will find a statement by General Magruder, Deputy Chief of Staff for Logistics, indicating that in 1955 the Army spent $403 million for missiles. It was originally planned for missiles, procurement, and production, for fiscal 1956, to spend $406 million. That program has been revised upward so that in fiscal 1956 the Army will spend for missiles $489 million.

In fiscal 1957 you will find that the Army will spend for missiles, in procurement, and production, $861 million. Let me emphasize that this money is for Nike, Honest John, and Corporal, all of which are operational. In other words, the Army's program is aimed at these newer weapons. Almost 60 percent of the Army procurement funds will be in this category.

Now let us turn to another significant difference between fiscal 1956 and fiscal 1957. Under research and development we have almost the same situation. Greater emphasis is on missile research. In fiscal 1955 the Army spent on this kind of research $68 million. In fiscal 1956 they expect to spend $107 million on missile research. In fiscal 1957 they expect to spend $113 million on missile research. That is almost twice as much as was spent on this research in fiscal 1955. Actually it is better than 25 percent of the Army research and development fund.

In addition to this kind of money which is programed for fiscal 1957, if there is any further need for missile research for the Army, the Secretary of Defense has in a little kitty in his office $85 million in direct obligation authority, and authority to transfer an additional $50 million. So the Army is going to have the money they need, the total which they get is $407 million, $77 million more than for the present fiscal year, and they have authority to go to the Secretary of Defense and say "For a special project can we have some of this additional money which the Secretary of Defense has available for all three branches of the service for vital research and development projects?"

There is another significant change between fiscal 1957 and fiscal 1956. Last November the Army and the Air Force conducted Operation Sagebrush. That was a major exercise jointly conducted by the two services. You might be interested in the comments made on that exercise by General Taylor. If you will turn to page 435 of the Defense Department hearings, you can see his thinking.

The net result is that the Army is going to change their divisional structure. That is necessary because of the problems involved with atomic warfare. I think that those changes in divisional organization will be coming along rather rapidly now. I understand the Army has pretty well firmed up its views in this area at the present time.

You might also be interested that in fiscal 1957 the Army will put together the first completely air-transportable airborne division. It will probably be the beginning of many divisions in that category.

Another significant change, 1957 to 1956, is the full impact of the Reserve Forces Act of 1955. The legislative committee carried that legislation through the House and Senate last year. The services started the program in October 1955. The Army hopes to have around 88,000 young men trained under this 6-months' training program during fiscal 1957. They got off to a slow start, but they are building up very rapidly. Our committee wholeheartedly endorses this program, and if they need more money I am sure we would be most willing to make it available. Where you have this Reserve program building up as a result of the 6-months' training program you have to provide new facilities for the Reserve units. There is money in this budget for the construction of 180 new Reserve armories for the Army. Incidentally, that is going to cost about $35 million.

There is also a very significant change comparing this fiscal year with next, and that is the combat effectiveness of our Army. In 1953 the ratio of noncombat forces to total forces was not very good. Your combat ratio actually as 59 percent; today it is up slightly over 70 percent. I think it is the kind of Army we want and it is the kind of Army that our leaders have been able to get for the country. It may be difficult to go better than that, but they deserve commendation for that accomplishment.

I would now like to make a comment or two about the personnel in the Army. General Taylor made some very significant comments before our subcommittee, and if you will turn to page 442 of the Defense Department hearings you will see this statement. He was answering a question propounded to him by the chairman, the gentleman from Texas [Mr. Mahon]. General Taylor made this statement:

> The increasing professional character of the Army, as I said in my testimony, really gives me 30,000 more troops. The 1,025,000 really has 30,000 more effective troops in it for 1957 than it had the previous year, and there are other assets of that nature.

In other words, because your reenlistment rate has gone up, because you have increased the effectiveness of your training, the Army today even though the total numbers are slightly less, has, General Taylor says, 30,000 more effective combat troops.

I would ask you now to turn to page 535 of the same hearings where General Taylor had this to say. I was interrogating him. I will read you a portion of the colloquy:

> Mr. Ford. In other words, divisionwise we have shown a decided improvement?
>
> General Taylor. Yes.
>
> Mr. Ford. In some of the other units we have made some small decreases?
>
> General Taylor. Now, your question, Where are these 30,000 men? If we had not had the increase in our enlistments, the increase in professional percentage, 30,000 of our present men would have to be recruits receiving training by a certain number of people. Of the total 30,000, about 25,000 of that number would be recruits and 5,000 trainers and overhead. Instead, these people are in tactical units performing useful military work.

In other words, even though the numbers in our Army this next fiscal year will be about what we have at the present time, the net result is that our Army will be infinitely more effective.

Now let us turn to another part of the manpower situation and I refer to the Army Reserves. The Army Reserves in fiscal 1956 show a total on a yearly average of about 190,000. In fiscal 1957 they expect that yearly average to be 256,000. In other words we go from an average of 190,000 in fiscal 1956 to 256,000 in fiscal 1957. I believe in the prepared statement that the Secretary of the Army submitted to our committee he estimated the increase in the Army Reserve personnelwise would be about 35 percent.

The average strength of the National Guard for fiscal 1956 will be 376,000. In fiscal 1957 it is anticipated their average strength will be 407,000. In other words, numberwise your Army Reserves and your National Guard will be substantially stronger comparing this fiscal year with the next.

The next question is, Will they be any better trained? Will they be more adequate to do the job? I refer to General Taylor's testimony on page 536 of the Defense Department hearings. At that point I asked this question:

> Based on your observations within the last 6 months since you have become Chief of Staff, how would you rate the potency of our National Guard and the Army Reserve?
>
> General Taylor. I visited some of the guard training last summer and I was impressed by the general improvement in the quality of the training I saw. Certainly the guard is stronger in experienced officers than at any time I have had an acquaintance with it; also its strength is quite good.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman from Michigan 5 additional minutes.

Mr. FORD. Mr. Chairman, pursuing that particular point further, when General Lindeman, who is in charge of the Army Reserve program, was before the committee, I asked this question:

> General Lindeman, will you give for the record your estimate of the quality of the Army Reserves at this time compared with a year ago? I would appreciate your full and frank analysis of the readiness of the Army Reserves, comparing the current situation to the circumstances in 1955.
>
> General Lindeman. I feel that the quality of the Army Reserves has improved over last year.

He goes on to make certain other comments, but that is the net result of his testimony.

When General McGowan of the Army National Guard was before the committee, I propounded several questions to him. The gentleman from South Carolina, in addition, pursued this line of questioning. Mr. Riley asked:

> Do you have a proficiency rating of the National Guard?

Colonel Taylor, who was then testifying, said, "Yes."

Mr. Riley asked this question:

> Could you give us a little of your estimate of the proficiency of the National Guard?
>
> General McGowan. I can say it is at its highest point in history.
>
> I think the gentleman has in mind perhaps mobilization readiness.

On page 1324 of the hearings General McGowan, in response to a question, said, in effect, the same thing. I asked this question:

> Earlier in the hearing this afternoon Mr. Riley was asking you about the efficiency or quality in the guard today, and you explained means and methods by which that is evaluated?
>
> General McGowan. Yes, sir.
>
> Mr. Ford. If you were asked the categorical question, Is the National Guard today better trained than it was a year ago, what would you answer?
>
> General McGowan. I would say each year I have continued to be amazed at the evident increased efficiency of the units I have been associated with.

In other words, our Regular Army and our Reserve forces are today, according to the testimony of General Taylor and the responsible officials for the Reserves and the National Guard, are in the best shape in their history.

Now, we may have an amendment subsequently proposed today which would seek to increase the strength of the Army by one division. I would like to point out why I think that amendment is unnecessary. General Taylor was asked in the hearings, if he had an opportunity to get more money, what would he use that money for, and on page 466 of the hearings General Taylor replied as follows:

> Before asking for more manpower I would feel I needed more money for this particular Army.
>
> Mr. Sikes. What would that money be spent for?
>
> General Taylor. It would be spent in part for equipment. It would be spent for deferred maintenance. It would really go across the board, but the emphasis would be first on equipment.
>
> Mr. Sikes. What type of equipment?
>
> General Taylor. I will get my "shopping list" out.

Incidentally, he pulled out a shopping list, and he enumerated the kind of equipment that he would want if he had some additional money. He did not ask for a single additional soldier.

Now, he further emphasized that on page 439 in response to a question propounded by our chairman:

> Mr. Mahon. If you were going to have a sizable slice of additional money, how do you think it could be best applied? How would you want to apply it?
>
> General Taylor. I always have a priority list of Army needs. If you gave me another dollar, I could tell you how to spend it. I could use more money for equipment up to a certain point, then I would look at the Army force structure and see if I wanted to get more people.

Then the gentleman from Texas [Mr. Mahon] asked this question:

> So your first few millions would probably be spent for equipment?
>
> General Taylor. Yes; I would say so. In fact, the first 200 or 300 million.
>
> Mr. Mahon. What kind of equipment?
>
> General Taylor. Do you want my list?

And, he pulled out the shopping list.

Now, never once in his testimony—and he was interrogated by some able, experienced people—did he ask for an additional soldier. He said if he was to get more money, he would spend it on equipment. Now, he did say that if he could ignore all other considerations and if he could just pick the optium size Army, he would ask for an Army the size of 1.5 million. "But," he said, "under the current circumstances, if I got any additional money, it would be spent for equipment first."

Now, that brings up the final point. If we are to give them more money for equipment—and that is what General Taylor says he wants first—we do not have to appropriate another dime. The hearings brought out that the Army has in unobligated authority at the beginning of fiscal 1957 more money than they expect to obligate in fiscal 1957 under procurement and production. In fact, they will end fiscal 1957 with an unobligated balance of about $700 million plus reimbursements, which is almost three times what General Taylor says he would need if he was to buy additional equipment. So, we do not have to appropriate one dime in additional money to meet the most urgent needs that General Taylor says he has. The money is there for equipment. He says he does not need any more personnel. So, I say under the current circumstances the Army has ample funds; they have ample personnel; they are a well run, well led Army. They have got the best combat ratio I have ever seen. They have the best firepower, mobility, and communications in the history of the Army. They have the best Reserve program the Army has ever had, both Army Reserve and National Guard, and they have the support of some potent, formidable allied forces.

Mr. Chairman, I think the recommendations of this committee are sound. I fully and totally subscribe to them.

In conclusion may I say this. Sometimes we fail to appreciate how much money we are spending in toto for our national defense. I do not begrudge a dime of it. But do you realize, if this program goes into effect that in the fiscal year 1957 we will spend for the 3 services in the Department of Defense almost $3 billion a month, almost $100 million a day? It is well over 50 percent of the tax revenue which we extract from our citizens.

Because I feel that our Armed Forces overall are well led, well trained and ready to defend our country, even though the cost is great, I wholeheartedly subscribe to making this money available.

Mr. MAHON. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois [Mrs. Church].

Mrs. CHURCH. Mr. Chairman, I could not fail today to express my own strong conviction that section 633 should be removed from this bill. This section would simply perpetuate the roadblock placed by section 638 of the 1956 Defense Appropriations Act against the progress of the Department of Defense in eliminating and turning over to private enterprise its unnecessary business and industrial-type activities.

I am sure that this Congress knows of my own keen interest in securing ample consideration of all the recommendations of the Second Hoover Commission and of my even keener hope that this Congress, even in its closing days, will accomplish the implementation of such of the recommendations as will produce the Government economy and efficiency, so patently necessary. It was my belief in such necessity for action that has led me, during this 84th Congress, to introduce 77 bills drawn up to implement the recommendations of the Second Hoover Commission. One of these bills, H. R. 7316, seeks to establish a Defense Supply and Service Administration within the Department of Defense, and actually contains a provision that the Secretary of Defense shall report semiannually to the Congress on the progress being made in "the reduction or elimination of facilities and business enterprises that can be handled by private industry."

In the study that led to the introduction of this bill, I became increasingly aware of conditions which vitally call for the elimination of section 633 of this present bill. At the time of its careful investigation, the Hoover Commission estimated that there were 2,500 tax-supported Government-run businesses or industrial-type activities carried on by the Department of Defense; and what is more significant, it further stated that at least 1,000 of these could be eliminated and turned over to private enterprise without bringing any harm whatsoever to our national security or welfare.

The Hoover Commission endorsed the policy of the executive branch that "the Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels," and recommended that the commercial-type bakeries, meat-cutting plants, clothing manufacturing plants, laundries, and dry-cleaning plants operated by the Department of Defense be closed, except in isolated and overseas locations.

The final recommendation of the Commission was that Congress review all public laws which permit the armed services to engage in business operations which can be performed by private industry.

It is to the great credit of Secretary Wilson that, starting last June 1955, he moved vigorously to close some 46 of the estimated 1,000 business-type enterprises—enterprises which compete needlessly, I would remind you, with taxpaying enterprises. These include such things as bakeries, laundries, machine shops, and even ice cream factories. In the midst of the worthy efforts of Secretary Wilson to end such unnecessary commercial activities, this Congress, over the strong opposition of many of us, voted into the 1956 Defense Appropriations Act, section 638. President Eisenhower himself promptly made strong protest against this section, as a clearly unconstitutional invasion of the authority of the executive branch. The Comptroller General sided with Congress—and from that time on, the Department of Defense has been hampered in its efforts to decrease its unnecessary commercial activity.

Repeal of section 638, or removal of section 633 in this current legislation, would open the way for the Department of Defense to resume, without hampering on the part of the Congress, its de-competition effort.

I would like to point out to the Congress that this interest in the elimination of competition with private enterprise by departments of the Government is not new. As far back as 1932, the 72d Congress appointed a special committee of the House of Representatives to investigate Government competition with private enterprise. After extensive hearings, that committee made strong recommendations to counter this dangerous trend. In the 82d Congress, when I was then serving on the House Committee on Expenditures of the Executive Department—later re-named the Committee on Government Operations—the Intergovernmental Relations Subcommittee spent months in careful study of the various aspects of Federal supply management. The subcommittee, in drawing up its sixth intermediate report indicated the commercial-type operations in the military departments; and stated that, except in isolated areas and in emergency, such operations were to be questioned, and that private enterprise should be given an opportunity to replace them. The same subcommittee, in the 83d Congress, went even deeper into the problem and recommended in its seventh intermediate report that "a permanent vigorous preventive and corrective program be inaugurated"; and stated further that the only justifiable guides to be used are essentiality of service and economy. It further went on to say that even economy should not be accepted as a reason for Government operation, where competitive industry could provide the establishment of a fair price. In that same 83d Congress, H. R. 9835 passed the House and was under consideration in the Senate when Congress adjourned. Public Law 108 was actually enacted, however, in this 83d Congress, establishing a Commission on the Organization of the Executive Branch and declaring the policy of Congress to include, first, the abolishment of services, activities, and functions not necessary to the efficient conduct of Government; and second, the elimination of nonessential services, functions, and activities which are competitive with private enterprises.

Finally, this current Congress has produced in Senate Report No. 129 from the Senate Select Committee on Small Business the strongest condemnation of Government competition with private business. This report points out over 100 areas of business activity in which the military departments compete with private firms and states that the net result of such competition is proving a serious threat to the economic future of the Nation. In its closing statement, the committee unequivocally takes the position that "the time has come when we need a straightforward, aggressive attack upon a steadily growing cancer in our economy."

This congressional interest, so long expressed by words, led the Department of Defense to undertake a forthright and initially successful attack upon the problem, until blocked by the passage of section 638 of the 1956 Defense Appropriations Act.

The Department of Defense, itself, is opposed to section 638 of the 1956 Defense Appropriations Act and the inclusion of section 633 in the 1957 Defense Appropriations Act now under consideration. As Assistant Secretary of Defense—Supply and Logistics—Thomas P. Pike said in his testimony yesterday before the Committee on Armed Services, in support of section 27 of H. R. 7992:

> It is the basic policy of the Department of Defense not to engage in the operation of commercial and industrial type facilities unless it is militarily necessary or the product or service cannot be obtained from private sources at a reasonable price due to the lack of competition or for any other reason.

The Department of Defense has given assurance that full consideration in the reduction of their commercial and industrial activities will be given to the protection of the national security and economy. DOD Directive 4100.15 specifically states:

> No commercial and industrial type facilities of the Department of Defense will be terminated where:
>
> 1. The military demand for the product or service cannot be met by private industry at all times, including a period of mobilization without delay; or
>
> 2. The facility is required for the training of personnel for operation in a zone of action or advance base or overseas operations where commercial facilities will not be available; or
>
> 3. There would be a danger of compromising security information which would be prejudicial to the interests of the United States; or
>
> 4. It is ascertained that the product or service cannot be obtained from private sources at a reasonable price, whether by reason of lack of competition or for any other reason.

The program of reduction begun by Secretary Wilson deals principally with activities of a small-business nature, which were started only because of the circumstances of war and emergency. Such operations, like others in government, have perpetuated themselves long after the emergency is over and have, in fact, been part of a trend toward an increase in military, commercial and industrial type activities. Such a trend must be reversed and would be reversed if section 633 could be stricken from this current bill. A policy must be laid down by the Congress to encourage, not discourage, the Department of Defense in its reduction of operation of commercial and industrial type facilities. Not only would such action further economy of operation, it would, in addition, release military personnel for actual military service. Such a step, with subsequent reduction of government competition with free enterprise, would be merely a restatement and reimplementation of what has come to be known the world over as the American system.

The responsibility, in fact, the question of whether or not further reduction of nonmilitary operation will be carried on, rests at this moment not with the Department of Defense—which has proved its good intent—but with this Congress. I cannot believe that any Member, faced with the moral as well as the economic implications of this decision, will for any reason whatsoever, personal or political, fail to meet this challenge of his faith in government economy and in the American principles of free enterprise.

Mr. MAHON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, after I have utilized these few minutes, I hope we can proceed to the reading of the bill for amendment under the 5-minute rule.

Many statements have been made in Congress and in the newspapers and periodicals in regard to our defense program. To the American people I think these statements must be most confusing. It is my opinion that if we had the time to read all these statements and all the fine print the picture would probably be reasonably clear.

The defense picture is so big and complex that if one chooses his words and facts carefully he can leave almost any impression he wants to and still be accurate.

The Secretary of Defense was criticized yesterday for the use of the word "fearmongers." I think a better choice of words could have been made. However, the Secretary has a very fine sense of understanding of some of our problems. We do not always agree with him. The Secretary is chafing, in my judgment, under a situation that troubles everybody who thinks deeply on this problem of national defense. The Secretary, being an industrialist, knows that more difficult days are ahead than the present days. He has pointed out in these hearings that Russia is just entering the industrial revolution in a big way. We went through the industrial revolution a long time ago.

We know something of the terrific power that Germany had in World War II. She was relatively small as a nation, particularly in numbers of people, but we know something of the power Germany had. In my judgment, the Secretary feels that Russia is coming toward a period when she will develop terrific industrial power and she has one-fifth of the surface of the globe within her borders, that is, of the habitable surface of the globe. Her population is of course much larger than our own.

There is no indication that there is any lack of petroleum or lack of oil or other such important resources. There is no indication there is any lack of steel potential. So while the American people want to see all nations do well—we have a point 4 program to help raise the standards of all peoples insofar as we can, the only thing is that we do not want the resources of the Soviet Union to be developed and channeled almost exclusively into military production. As I say, nobody understands this particular matter any better than Secretary Wilson. In the testimony on the bill in response to a question, let me show you how he understands this—and I do not believe the American people yet understand it. They will understand it in a few years:

> Mr. CANNON. Inasmuch as we are preparing for defense against Russia, as you say, and you are asking to increase the budget, it is evident you think Russia is making some progress in armaments?
>
> Mr. WILSON. That is correct. Well, they have been ever since World War II instead of demobilizing and reducing their military program and military expenditures like we did in our country, they kept on and on—

That is not the point I am particularly referring to, but here is what I want to emphasize:

> Also, Russia itself has come late—

Come late—

> into what is often described as the industrial revolution.

That is the thing that Mr. Wilson has pointed out:

> But they did have the advantage of the knowledge of all the other things that other people have done.

The point he is making is that they can pass through the industrial revolution much faster than we did because they have the advantage of all the development by the other countries in the industrial revolution of the past. I quote:

> But they did have the advantage of the knowledge of all the things other people have done so what seems like a rather disturbing progress is what you could expect of people who had that opportunity.

From the Library of Congress, I quote these figures which point up what Mr. Wilson is saying.

In 1955, steel production in Soviet Russia was 45 million tons. Prior to World War II or about 1938, our production was 47 million tons. In other words, in steel production they are just about where we were when World War II started. Now, how long will it take the Soviet Union to produce as much steel as we do—I do not know. It is that kind of thing on the horizon which, in my judgment, is more significant than any paragraph in this defense bill.

Quoting the Secretary again:

> The Japanese made the same kind of progress 50 years sooner. If you go back 100 years, Japan was a feudal type country, but after they started to open it up and got the idea of technical progress and the use of mechanical horsepower and so forth, they made great strides in their industrial development.

I could continue to quote but I shall not take the time of the House. I would like to refer to the testimony of Secretary Quarles on page 155 of the hearings on the supplemental defense budget.

His testimony points up the fact that this situation in which we find ourselves now in all probability will worsen. It points up what I referred to yesterday that probably Secretary Quarles is correct when he talks about our going into this period of mutual deterrence—with

terrific power on both sides. It points up further the utter futility of hoping that by the mere expenditure of billions of dollars—and there are $33½ billion in this bill—we can settle the problems of our world.

It points up very much the urgent necessity that some method be found to settle the problems which have plagued our world. They cannot be settled by military might alone. Certainly we hope that our leadership, and I do not mean either Republican or Democrat, but I speak of the leadership of the free world, we hope that our leadership somehow will find some other approach than money.

If we just continue to rely on the power of American industry and money alone, we are going to lose this battle for peace just as surely as I am standing on the floor of this House today. And we will probably live to see it. We must have a more effective, bold program for peace if we are going to succeed. That is where the greatest challenge to the free world is today—not in the armament race.

The CHAIRMAN. The time of the gentleman from Texas [Mr. MAHON] has expired.

All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

> *Office of Public Affairs*
>
> For salaries and expenses necessary for the Office of Public Affairs, $450,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the members of the committee a few questions, beginning with this title I.

I note on page 2, under "Salaries and expenses" there is $60,000 for the Office of the Secretary of Defense for emergency and extraordinary expenses. Then on page 3 there is $32,500,000 for emergencies and extraordinary expenses. On page 4 there is appropriated $50 million to be used upon determination by the Secretary of Defense that such funds can be wisely and profitably and practically used. It seems to me that those funds can all be spent on the account of the Secretary of Defense and ought to be lumped together. Perhaps they are needed, but why are they listed separately?

Mr. MAHON. These funds, the first $60,000, have to do with the Office of the Secretary of Defense. Actually this is a legislative provision which would make available these funds for extraordinary things, such as the meeting which it held at Quantico each year under the direction of the Secretary of Defense.

Mr. GROSS. I am not so much interested in what they are being spent for because I suspect at least some of the spending is of a classified nature. You have $82 million spread out here for apparently the same purpose.

Mr. MAHON. It is for extraordinary purposes in one field—in the Office of the Secretary. Contingencies is a different situation, having to do with our intelligence operations and otherwise. When the Defense Department officials come before the committee on these confidential matters, they give the committee a list of the purposes for which the funds will be expended and they break it down in detail, and they are required to follow, in the expenditure of the funds, the pattern which they have laid out in their request for the funds. These items are in no way associated with each other.

Mr. GROSS. Then what might the $50 million be spent for, apparently and solely on the account of the Secretary of Defense?

Mr. MAHON. That is in the field of research and development, I believe.

Mr. GROSS. It is on line 2, page 4.

Mr. MAHON. That is the same. It is for research and development. In other words, if you give the services all they want for research and development, there would hardly be a limit. We have tried to limit it to what can be justified and then we tell officials that if they break through faster on the intercontinental-missile program or some other developmental work they have under way and this happens at a time when Congress is not in session and they feel they must have more money they can go to the Secretary of Defense, who has some funds which would be available.

Mr. GROSS. May I ask the gentleman this question: Is this the only money in the bill for research and development, this $50 million?

Mr. MAHON. No. The services are allotted in separate chapters in the bill funds for research and development projects. For example, the Air Force people have $610 million, which should be enough to carry them through on their research and development unless they have some breakthrough; and if that occurs, as I have previously stated, and they needed additional funds and make a proper showing, they can get some of the additional money which is placed in the hands of the Secretary of Defense.

Mr. GROSS. As I see the language of this section it does not say that this money shall be used for the purpose stated by the gentleman if there is a breakthrough. It uses this language:

> That such funds can be wisely, profitably, and practicably used in the interest of national defense.

It does not say that $50 million shall be used for research and development if there is a breakthrough; but I do not want to pursue the point. I just think this is a tremendous amount of money to give the Secretary of Defense to be spent largely as he desires and some of it without any accounting provision whatsoever. I think it is a tremendous amount of money, $82 million, for this purpose.

Mr. MAHON. The Air Force indicated at a pretty high level that it could well use $200 million more.

Mr. GROSS. I do not doubt that.

Mr. MAHON. We denied the suggested funds, but this is one of the answers to it; and on page 3, under the title "Emergency funds," we say under the Department of Defense:

> Available for research and development, to be merged with and to be available for the same purposes, and for the same time period as the appropriations to which transferred—

And so forth.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. GROSS. I thank the gentleman from Texas and I regret to spend so much time upon this proposition. There is another matter to which I wish to refer.

A little while ago the gentleman from Michigan [Mr. FORD] spoke of the reserve training program. When the bill was before the House of Representatives with respect to the 6 months' training program I believe I asked a question of the gentleman from Georgia [Mr. VINSON], concerning the necessity for expanding training facilities for the Reserves and asked whether that program would require the spending of substantial sums of money for facilities, and the answer I got back I am sure was that it would not require substantial expansion of facilities; yet I understand that it is proposed to construct a large number of buildings and perhaps other facilities.

Mr. MAHON. The situation is that there has been an estimate made as to the number of people who would be in this Reserve training program and funds were provided for the training program. The funds for installations and for construction generally except for National Guard armories and the Reserves are not included in this bill. Funds of that type will be included in the military public works bill which should be on the floor within about 3 or 4 weeks, but as I understand no additional funds will be requested for facilities, but I will yield to a member of the subcommittee who may have more current information.

Mr. SIKES. There is no money in here whatever for the training facilities for the 6 months' trainees. There is money here for the regular National Guard armory program and the Reserve armory program in continuation of the program we have had for a number of years.

Mr. GROSS. Then are the reservists using the same facilities?

Mr. SIKES. After completing the 6 months' training they go back home to the Reserve unit, and they will use the armories there.

Mr. GROSS. Does not that get to the point that if the 6 months' training program is expanded that because of such expansion additional facilities will be needed? They may not have been expanded so far, but that will be the reason for expanding existing facilities.

Mr. SIKES. Of course, if you are going to train the 6 months' trainees and then send them back home and do not give them facilities in which they can drill and keep on training you will not get much good from the expanded program.

Mr. GROSS. May I ask the gentleman, Is there any more money authorized under this bill for an increase in Army personnel to train the 6-months reservists?

Mr. SIKES. Yes, a slight increase.

Mr. GROSS. Yet we were told on the floor of the House it would not require an increase in personnel to take care of that matter, that it would be done without increasing the Regular establishment.

Mr. SIKES. I am not familiar with that, but there is a slight increase in Army personnel for the 6-months' training program.

Mr. GROSS. The gentleman has no responsibility for that, I know, but I believe I begin to see some light. What we were told when the 6-months' training bill went through may not be exactly correct from the standpoint of expansion of facilities and the use of Armed Services personnel.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SEELY-BROWN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on Wednesday, May 2, the gentleman from Texas [Mr. Patman] extended his remarks in the Congressional Record under the heading "Twelve Small Business Organizations Adopt Resolution to Support H. R. 9067." This extension appears on pages 7362 and 7363.

I have been forwarded copies of letters from Mr. John Marschalk, executive director, Small Defense Industries Association, 3780 West Sixth Street, Los Angeles 5, Calif., to Honorable William S. Hill, under date of May 8; and to Mr. Robert I. Black, Independent and Small Business Coordinating Committee, 1317 F. Street, Washington 4, D. C., under date of May 7.

The tenor and content of these letters is to deny any participation described in the remarks of the gentleman from Texas [Mr. Patman] in a meeting which was said to have been held in Washington, D. C., a few days before May 2, 1956, and which meeting apparently adopted a resolution in support of our chairman's tax bill. There was a list of not only association representatives but also individuals who were allegedly in attendance at the meeting in question. Mr. Marschalk states in the attached letters that apparently the report of Mr. Robert I. Black, acting secretary of the Independent and Small Business Coordinating Committee, to the chairman of the Small Business Committee, was in error, since no representative of the Small Defense Industries Association attended this meeting nor endorsed H. R. 9067.

Evidently Mr. Marschalk has done considerable checking on the attendance at the meeting where the resolution allegedly was drawn. In his letter to the gentleman from Colorado [Mr. Hill], under date of May 8, Mr. Marschalk says:

> First, the resolution by the committee for which Mr. Black was acting does not represent an action by the several associations who had representatives in attendance. The membership of each association must decide whether it wishes to join in support of the committee resolution. Thus, it is an error to state that 12 associations have joined in endorsing H. R. 9067.
>
> Second, it appears that at least four of the listed associations, including ourselves, did not, in fact, have any representative present at the meeting of the committee. At least 12 of the persons shown in the Congressional Record as having been present at the committee meeting did not attend.

The letters which follow make it very clear that the Small Defense Industries Association is supporting my bill, H. R. 9851, which provides new corporate tax rates for the specific purpose of aiding small business. However, H. R. 9851 in no way penalizes larger businesses. Mr. Marschalk also states in his letter to Mr. Hill that—

> Since the presentation of committee action misstates the views of this association, we feel it is highly probable that similar misstatement has been made with respect to others who did not attend. We cannot speak for the others absent, but feel sure they would want an opportunity to have the record corrected.
>
> We believe it is beyond question that all the associations—with representatives present or absent—do favor early congressional action to provide tax relief for small corporations, but we know of none who wish to impose inequities on any group of other corporations to accomplish this purpose.

It is also pointed out in these letters "that rates above 55 percent approach the levels of confiscation and hence pose a threat to the entire economy." The letters also state that "the greatest need exists among the smallest corporations and that any approach to corrective tax legislation should afford maximum relief to the smallest concerns." These assertions have my hearty concurrence.

In making this statement and including these letters, I want it understood beyond peradventure of doubt that I do not and shall not question the motives of the gentleman from Texas [Mr. Patman] in placing the report from Mr. Robert I. Black in the Congressional Record because, I believe, he acted in good faith in so doing. I know there are a great many of us on both sides of the aisle who sincerely and honestly desire to bring about tax relief for small and independent business. Personally, I have come to the conclusion, after long study and analysis, that the most effective aid which we can offer in support of our free enterprise system and the small and independent business institutions of this country is to speedily enact tax measures which will contribute to the health and prosperity of the entire small business community.

The letters follow with certain unimportant deletions in the opening paragraph as indicated from the letter to the gentleman from Colorado [Mr. Hill]:

Small Defense Industries Association,
Los Angeles, Calif., May 8, 1956.

Hon. William S. Hill,
House Office Building,
Washington, D. C.

Dear Congressman: This letter is addressed to you * * * as the * * * ranking minority member * * * of the House Select Committee on Small Business. Our purpose is to bring about the correction of serious errors which we are aware * * * you * * * will (not) wish to leave uncorrected, once the facts are known.

On May 2, Mr. Robert Black, signing himself as Acting Secretary of the Independent and Small Business Coordinating Committee addressed Representative Patman and forwarded to him a copy of a resolution purportedly endorsed unanimously by the representatives of twelve small-business associations.

On May 7, this association addressed Representative Patman, calling his attention to what we believed to be an unintentional error in Mr. Black's material. Mr. Black had indicated that Mr. William Brown of the Small Defense Industries Association was present at the meeting of his committee. This same material also indicated that Mr. Hampden Wentworth, president of this association, though not present in person, had an authorized representative at the meeting.

The facts are: Mr. Brown was not present; Mr. Wentworth was not present; nor was there any representative from the Small Defense Industries Association in attendance. The Small Defense Industries Association does not endorse H. R. 9067.

Today, we have received a copy of the Congressional Record for May 2. We find, on pages 6599 and 6600, that Mr. Black's error regarding the Small Defense Industries Association has been picked up and made a part of Representative Patman's remarks. As the only national association representing the smaller firms which specialize in defense production, SDIA is anxious that the viewpoint of our membership be known and that the record be set straight.

It is also deemed important to call attention to other errors which undoubtedly resulted from misinterpretation of the material furnished by Mr. Black to Representative Patman.

First, the resolution by the committee for which Mr. Black was acting does not represent an action by the several associations who had representatives in attendance. The membership of each association must decide whether it wishes to join in support of the committee resolution. Thus, it is an error to state that 12 associations have joined in endorsing H. R. 9067.

Second, it appears that at least four of the listed associations, including ourselves, did not, in fact, have any representative present at the meeting of the committee. At least 12 of the persons shown in the Congressional Record as having been present at the committee meeting did not attend. According to the record of the committee meeting, the following were present:

Julius Hoffman, president, and C. R. Green, assistant to the president, United Businessmen's Association of Philadelphia. (We know of no representative of this group who was in attendance at the meeting.)

S. S. Parsons, president, Parsons Engineering Corp., past president, Smaller Business of America, Inc.

Jules Schweig, president, Security Fire Door Co., and president, St. Louis Small Business Council.

Joseph D. Henderson, national managing director, American Association of Small Business, New Orleans, La. (We know of no representative of this association who attended.)

William I. Shuman, builder and developer, representing the Maryland Small Business Council, Baltimore. (We know of no representative for this group who attended.)

Robert Grant, South Bend, Ind., former Member of Congress.

Walter Ploeser, president, Mississippi Valley Association and former Member of Congress.

T. K. Quinn, president, T. K. Quinn Co.

Dewey Anderson, executive director, Public Affairs Institute.

Hampden Wentworth, president, Longren Aircraft Co.

William H. Brown, president, Aluminum Taper Milling Co.

Since the presentation of committee action misstates the views of this association, we feel it is highly probable that similar misstatement has been made with respect to others who did not attend. We cannot speak for the others absent, but feel sure they would want an opportunity to have the record corrected.

We believe it is beyond question that all the associations—with representatives present or absent—do favor early congressional

action to provide tax relief for small corporations, but we know of none who wish to impose inequities on any group of other corporations to accomplish this purpose.

In conclusion, we feel it proper to state the views of this association as endorsed by a large majority of its membership and in accordance with the official action of its board of directors:

1. Our association endorses H. R. 9851, the Seely-Brown bill, and is hopeful that it will receive bipartisan support.
2. In the quest for any compromise legislation, we feel that no graduated tax bill should embrace rates in excess of 55 percent on any corporation of any size. We believe that rates above 55 percent approach the levels of confiscation and hence pose a threat to the entire economy.
3. We feel the greatest need exists among the smallest corporations and believe that any approach to corrective tax legislation should afford maximum relief to the smallest concerns.
4. At this time, we believe any proposed legislation should maintain present levels of Federal revenue.

Our association will be deeply grateful for your courtesy in making a correction of the Record and for bringing this correction to the attention of those who may have been misinformed as to our position.

Most respectfully yours,
John Marschalk,
Executive Director.

(Copy to Robert Black; associations at interest.)

Small Defense
Industries Association,
Los Angeles, Calif., May 7, 1956.

Mr. Robert I. Black,
Independent and Small Business Coordinating Committee, Washington, D. C.

Dear Bob Black: Thank you very much for the copy of the material issued by you after the meeting of the Independent and Small Business Coordinating Committee on April 30.

Referring to my phone call, Bob, there is no question whatsoever about your integrity—Nor any question as to the integrity or sincerity of purpose of what you are doing.

What has disturbed us is whether outsiders will recognize this integrity, whether everyone will feel that there is no reason to be suspicious.

You will recall that one of the early rumors circulated about the proposed Institute of Independent Business was that it was inspired by certain Democratic Members of Congress in order to create a favorable sounding board for party proposals in behalf of small business.

When we first met in Washington nearly a year ago, you assured me this idea was quite false and pointed to the balance among Republicans and Democrats who were taking part. This was good enough for me and it was impressive to our SDIA members who have made it clear that it will never be the policy of our association to take political sides.

You will also recall it was our suggestion that an early subject of interest to all small business would be the matter of graduated taxes. In fact, I believe you said during our May 3 telephone conversation that it was my initiation of this topic which lead you to pursue it avidly.

All of your work, I'm sure, has been activity on a strictly nonpartisan basis. It is only the way a series of events took place which may lead some people to be skeptical. I've done my best to reassure those who have questioned me, but I realize there may be many more people who react this way, and I know you will want to be able to make a clear case that will reassure all. Here is the sequence of events which has caused the raised eyebrows:

1. On February 29, SDIA directors approved recommending a graduated tax scale designed to give relief to small and medium corporations—most relief to the smallest—a very slight increase (2 percent to those over $700,000), to about 1 percent of all corporations—and current revenues maintained at present levels. This proposal was described in our February bulletin with copies sent simultaneously to Republican and Democratic Members of Congress as well as the rest of our mailing list.
2. On March 8 * * * Congressman Horace Seely-Brown introduced H. R. 9851 which proposed the same scale recommended by this association.
3. On this same day, I talked with you in Washington and we discussed a meeting of various representatives of small and independent business to be held during the week of April 9. You felt this date would be workable and I made plans accordingly. It was our thought that with several tax proposals in the hopper—the Seely-Brown bill, the Patman bill and the Fulbright bill—we could get together and work out a scale and other provisions which would represent a compromise among the beliefs and desires of diverse representatives of small business.
4. You and I had two more telephone conversations during March, the last on March 28. In each case, you commented on the high interest in the Seely-Brown scale and mentioned a number of persons who seemed favorably inclined toward it—among them, as I recall, Miles Pennybacker, Walter Ploeser, and S. S. Parsons. I pointed out that our group wasn't concerned with pride of authorship, that we were anxious to work on a compromise proposal, that the one point we were set on was opposition to any bill that would impose a near confiscatory rate on very large companies. (For example, the 75 percent top rate in the Patman bill).
5. During our March 28 conversation, you again indicated that a meeting for the week of April 9 was all set. As a result, I scheduled my trip to cover the period from April 4 through April 23 to be able to attend.
6. Not until I was in Washington and reached you on April 5, did you indicate that the proposed meeting would not be held; that it was postponed to April 30. Let me emphasize, Bob, that I am personally sure that you had been working up to that moment to try and get everyone lined up to attend on the original date. But now, in view of what happened at the April 30 meeting, others need more convincing.
7. An April 30, a committee of four drafted a resolution which the group adopted—a resolution in support of the Patman bill. Two members of this committee were from the Smaller Business Association of New England. Of the entire group, nine were from the New England association, almost half of the total persons at the meeting.

Again, Bob, there is no thought that the committee was loaded, intentionally or otherwise. Nor have we any argument with the New England group. What we are having to answer is the question of whether this preponderance of New England representatives (which is where the Patman bill is understood to have been originated) had more than ordinary influence in bringing about the unexpected action.

These events are recited in sequence to make them easier to review. Many people think they need a lot of explanation, that there is a serious danger here which threatens any future hope of bringing small-business organizations together to achieve mutual strength.

So, Bob, how can we explain this series of events to the satisfaction of all—to remove all doubts and questions? How can we explain that a meeting which was called to work out a compromise among several measures wound up by endorsing a Democratic measure? How can we provide a clear answer to those people who have contended all along that the disguised purpose of the Independent and Small Business Coordinating Committee was to provide backing for Democratic Party legislation?

Most of all, how can we justify to our members the fact that the new committee has endorsed a measure which embraces near-confiscatory rates on the largest firms? Many want to know, if a 75-percent rate can be justified by expedience today, what is to prevent adoption of a 99-percent rate tomorrow?

Those people with whom I've talked are confident that not a single member of the committee would approve confiscation of any segment of business. But in what way can we demonstrate that the committee did not consider very-big business as expendable? Didn't anyone, in my absence, take opposition to this phase of the bill?

Best personal wishes,
John Marschalk,
Executive Director.

P. S.—You know the views of our board of directors—that any compromise scale will be acceptable providing it fulfills basic requirements: (1) maintaining present Federal revenue; (2) no punitive rates (over 55 percent) on any corporation of any size; (3) maximum relief to the smallest companies. At this writing, the Small Defense Industries Association cannot be listed as taking part in the resolution of the committee.

Mr. RIVERS. Mr. Chairman, I move to strike out the requisite number of words and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, recently General Twining, in his appearance before the Armed Services Committee, gave what I believe to be the finest, clearest and most honest analysis of the military problems facing the United States.

In summing up his testimony, General Twining made the following observation:

> In the situation we face, we cannot afford to be complacant. It looks like the Communists could catch up. If they continue their rapid pace, it may be necessary for us to speed up.
>
> The program I have outlined and the budget for fiscal year 1957 is austere. It meets only our most essential needs on a minimum basis. To keep this minimum program going and to reach and support 137 wings, will require an increased budget in 1958. On this basis, I urge support of this year's program.

Mr. Chairman, we are told by the administration that it is committed to the 137-wing program.

But you will notice that General Twining claims we will require increased funds in fiscal year 1958 "to reach and support 137 wings."

Does all this mean that the Department of Defense and the administration is again deferring necessary defense expenditures purely because of political expediency?

The fact of the matter is that the 137-wing program—less than the one the previous administration or the Joint Chiefs of Staff considered to be the minimum requirement—is in jeopardy. The truth is that the administration for politically expedient purposes has not requested the funds necessary to achieve the current goal.

It appears that the administration budget cutters have ignored many national security requirements.

All of this, Mr. Chairman, has occurred despite known Soviet developments.

During the past few years, the Kremlin has devoted considerable attention to neutralizing the one weapon that this country has in avoiding surprise attack and worldwide conflict. As General White, the Air Force Vice Chief of Staff, has so cogently pointed out, the U. S. S. R. has, during the past several years "expended great effort to make Soviet airpower equal or superior to our own."

In all types of aircraft, with the exception of medium-range bombers, the Soviets have now reached the point where they exceed the capabilities of the United States Air Force quantitatively.

Up until recent times, this country has been content to depend upon the quality of its weapons system. We have sacrificed the need for great numbers of aircraft and have instead concentrated on the improvements in weapons quality.

But, as General Twining has so clearly pointed out in his statement to the Armed Services Committee, the Soviets are even now closing the quality gap. "This," says General Twining, "concerns us much more than comparison of numbers."

General Twining's concern is prompted solely because of money, or rather, the lack of it. As he has indicated "planned readiness may not be possible" because of proposed limitations in operating and maintenance funds.

Lacking these funds, the experience and combat-crew proficiency that has given the Air Force that extra qualitative "oomph" will be lost. We must maintain these skills in old crews and support all efforts to create it in replacement crews. Additional funds must be given to the Air Force to finance more effective levels of readiness.

Mr. Chairman, the one-weapons system which provides the principal deterrent to potential Soviet aggression is the B–52. This one weapon, capable of near sonic speeds, can range throughout the length and breadth of the world. It could represent a naked sword hanging over the necks of the misguided leaders within the Kremlin. It could serve as a visible reminder to them that any aggressive attempts on their part would result in immediate retaliation and devastating destruction.

Instead of speeding up production of this weapon of retaliation, we can only be led to believe that the procurement of this aircraft and other vitally needed aircraft and their supporting elements is to be stretched out. We have already been given the shocking information that the actual rate of B–52 production does not now exceed four per month.

This administration proposes a $5.8 billion aircraft-procurement program for fiscal year 1957. This is $700 million less than what the Air Force requested. Of this amount, only $4.4 billion is to be used for the procurement of aircraft. The remaining amount is earmarked for the procurement of missiles systems. In the current fiscal year, on the other hand, $6.3 billion was devoted to aircraft procurements, with only $605 million being devoted to the procurement of missiles systems.

Now, I heartily endorse the expansion in the missile-procurement program, but to do so at the expense of procuring manned aircraft is foolhardy.

Mr. Chairman, is it any wonder that General Twining claims that the combat readiness of the Air Force is still a goal and not a reality? As long as the Department of Defense proposes budgets such as it has these past 3 years and for the next fiscal year the Air Force program will always be only a goal. It will never become a reality.

General Twining has said that achievement of this goal is dependent on two things—men and money.

This administration has given neither to the Air Force.

This administration's budget juggling act has created an impossible manpower situation as far as the Air Force is concerned. For instance, in 1953 the Air Force had 106 wings supported by 977,000 military personnel. In 1957, the Air Force is supposed to have 137 wings. To operate and maintain this force, the Air Force is expected to do so with 936,000 military personnel. Even a man like Houdini could not overcome an impossible situation such as this.

Mr. Chairman, money will make the difference between an effective and an ineffective combat force. The lack of funds these past 3 years not only reduced aircraft procurements but has seriously jeopardized the base expansion program of the Air Force. For instance, in 1950 the Air Force had 47 wings and 122 bases in the United States. By 1955, the number of wings had increased 160 percent, the number of bases only 40 percent. General Twining's warning could be no more pointed than when he said:

> Our present deficiency of facilities not only endangers our striking force, it slows our build-up.

This efficiency, Mr. Chairman, endangers the striking power of the Air Force. It has cut its combat capability. The Air Force has simply outgrown its base system. The lack of adequate facilities and the crowded conditions at installations that I have personally seen may well jeopardize our survival in war.

Mr. Chairman, as a member of the Armed Services Committee and as Chairman of the Special Subcommittee on Acquisitions and Disposals, I have been shocked to learn firsthand the utter unconcern that the Department of Defense has displayed toward the recommendations and requirements of the Air Force. I have witnessed the gradual retrogression of our Air Force's effectiveness.

Mr. Chairman, what the proposed fiscal year 1957 budget means is that the 137 wing Air Force program is dead, as dead as the 143 wing program. The life blood of both of these programs has been drained away by the scalpel of the Administration's fiscal surgeons.

All of this is most disturbing. This is especially so when the predominance of our airpower is seriously questioned by military leaders such as General Twining and General White. There was a time when we could enjoy the peace of mind that our technical superiority once gave us. Today, our margin of advantage is no longer so great that we can afford to continue with our complacent attitude.

Mr. Chairman, I recommend and give my urgent support to any consideration to an increase in the Air Force budget. This will insure the necessary build-up of this deterrent weapon dedicated to the maintenance of peace. By the addition of a minimum of $1.5 billion to the proposed Air Force budget for fiscal year 1957, a substantial contribution could be made to change the downward trend in the effectiveness of the Air Force.

It will permit the increased procurement of aircraft, the expansion of base support facilities, a stepped-up research and development program, and provide the necessary operating funds to achieve the desired and required state of readiness.

This additional amount is approximately the amount that the administration cut out of the Air Force's initial request.

The responsibility of the Congress is to give to the Nation an Air Force that will guarantee peace, or if peace is broken, survival.

I intend to live up to my responsibilities.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to speak very briefly about an amendment I intend to offer a little later. I will say at the start that this amendment has been adopted by the House on two different occasions. I shall offer the amendment not so much for the purpose of saving the money, although it would save a considerable amount of money, but in proportion a very small amount of the total in this bill. It has to do with the recruiting services.

One reason why I am going to offer the amendment is as a matter of principle and of policy. The armed services as we know spend money at times recklessly, without much consideration for economy. A year ago I offered an amendment which would have limited the amount of money to be spent for recruiting to 50 percent of what was spent the previous year. The amendment also would cut out the renting of space for recruiting service.

I am not interested in doing away with recruiting, but I am interested in trying to put a little common sense into it. At the time, that amendment was adopted in this body by a vote of almost 2 to 1 and I think everyone recognized that there was a problem that every person could understand. Many of us do not know how much money it should cost to build a guided missile. We do not know how much money it should cost to build a carrier or a B–52, although we are told that it costs several million dollars. We do not know how many of these we need.

But we know from our own knowledge and observation what is going on in the recruiting service throughout the country.

At the present time we have approximately 10,000 people, which would be equivalent to a division of men, in that service.

After the amendment adopted here last year was knocked out in the other body and was not restored in conference, I took the matter up with the chairman of the Committee on Appropriations and the chairman of the subcommittee, the gentleman from Texas [Mr. MAHON]. Through his courtesy we had directed a letter to the Department to get some direct information on the amount of money being spent for recruiting. That letter was sent under cover of the chairman of the Committee on Appropriations. We asked for the location, including the street addresses, in each city and town in which the Government is paying rent on buildings, rooms, office space, and other facilities, and so forth. A reply came back, directed to the chairman, which furnished certain information, but listed only 271 places throughout the country for which rent was being paid for recruiting facilities. It was apparent that that information which was given in response to that letter was erroneous and was a direct evasion of the committee's request.

We now find that the reason they did not give us the correct information is that in approximately 1,000 different places that were being used for recruiting services, the rent was being paid by the General Services Administration, so that instead of a few thousand dollars which they said in their letter was being spent—and may I say that they went to great lengths to get up this information, even had it duplicated, made many copies of it—they are paying a rental of $825,000 for 71 main recruiting places, and $278,000 as rent on small recruiting places; but of that amount something over $850,000 was being paid by the General Services Administration.

Mr. Chairman, I say to you that that is a good example of how the Department of Defense and the people who are in the military are trying to keep information from the public. There is nothing classified about this information. We know that we are assigning 10,000 people to the recruiting service. We are assigning to those individuals over 4,000 vehicles which are operated at a cost of over $2 million a year. They base that cost, for one thing, on a basis of getting 15 miles to the gallon, to operate those vehicles. Anybody who has ever operated a truck or even his own automobile knows that on these short trips you cannot average 15 miles to the gallon. I merely point this out so that when the amendment is offered, Members will understand the situation and support the amendment. The amendment will be offered at the proper place in the bill. Also I want to say that in offering this amendment, it is not intended as an effort to cut out all recruiting. It is an effort to cut out the wastefulness in there and to put the manpower to the best use. General Hershey pointed out to this committee and at other places that last year the report showed we appropriated something over $44 million for recruiting. Actually, with the Selective Service working, we can get all of the manpower necessary.

I take this time simply to give advance notice that this same amendment will be offered again, and I hope that I can have the same support I had a year ago.

The Clerk read as follows:

MAINTENANCE AND OPERATIONS

> For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; care of the dead; chaplains' activities; awards and medals; welfare and recreation; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at disciplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding $25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilities; donations of not to exceed $25 to each prisoner upon each release from confinement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of applicants for enlistment and persons in military custody; civilian clothing, not to exceed $30 in cost, to be issued each person upon each release from confinement in an Army or contract prison and to each soldier discharged for unsuitability, inaptitude, or otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; maps and similar data for military purposes; military surveys and engineering planning; contracts for maintenance of reserve tools and facilities for 12 months beginning at any time during the current fiscal year; alteration, extension, and repair of structures and property; acquisition of lands (not exceeding $5,000 for any one parcel), easements, rights-of-way, and similar interests in land; utility services for buildings erected at private cost, as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law; expenses of inter-American cooperation, as authorized for the Navy by law (5 U. S. C. 421f) for Latin American cooperation; not to exceed $4,681,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; $2,954,581,000: *Provided*, That during the fiscal year 1957 the maintenance, operation, and availability of the Army-Navy Hospital at Hot Springs National Park, Ark., and the Murphy General Hospital in Boston, Mass., to meet requirements of the military and naval forces shall be continued.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to ask a question of the gentleman from Florida [Mr. SIKES], but first I want to say that I appreciate very much his consideration as chairman of this panel, and also the consideration of the other members of the panel. I think you have done a marvelous job. I believe the Army will carry out the wishes of this committee.

May I ask this question: What amount of money will be available for use at the Army-Navy Hospital in case the order is carried out?

Mr. SIKES. May I say to my distinguished friend from Arkansas that there is in the fiscal 1957 budget for the operation of the Army-Navy Hospital at Hot Springs $1,367,000.

While I am on that subject, may I say for the benefit of those who are interested in Murphy General Hospital that there is in the budget $1,894,000 for the operation of that facility. That includes medical care and logistic support as well as the military personnel that would be required.

If my good friend will bear with me just a little longer, I must point out also that this is a considerable reduction from the amount of money that was required for the operation of those facilities in prior years. For instance, in fiscal 1953, which was the last time the facilities of the Army-Navy Hospital at Hot Springs were utilized to their capacity, and that was immediately following the Korean war, the total cost was $3,676,490.

I think I should point out to the House that we are seeing what we consider a deliberate attempt on the part of the Department of Defense to phase out one of the best hospitals the military services now own. As a matter of fact, testimony indicates that the only hospital in our military establishment which is superior to this one in facilities and equipment is the hospital in Hawaii. The Army-Navy General is the only general hospital that is sufficiently far-removed from the coastal areas of this country to be free from an attack if an attack were made on the coastal areas by guided missiles from submarines or by aircraft or missiles from hostile shores.

It is the only hospital located in the area utilized for the great Sage Brush exercise last fall. This important exercise taught us a great deal that we need to know about military operations under atomic conditions.

I want to take this opportunity to pay particular tribute to the gentleman from Arkansas [Mr. NORRELL] for his interest in the Army-Navy General Hospital, and to the gentleman from Massachusetts [Mr. DONOHUE], who is interested in Murphy General Hospital, and the others among our colleagues who have worked with our committee in helping to keep these two important facilities in operation.

I trust the Department will recognize and respect the need for these facilities and the fact that they are superior to those that would have to be substituted if the committee were not to insist on their continued operation.

Mr. NORRELL. May I again say thank you for your wonderful cooperation. I thank the gentleman very much.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, I wish to be recorded wholeheartedly in favor of H. R. 10986.

My particular interest in asking for this time is to express my concern of the Murphy Army General Hospital, located within my congressional district, and your approval of funds to continue its operation and services through the fiscal year 1957. This hospital is the only Army general hospital within the New England region and has been serving the population of that whole area; the next such general hospital to the New England area would be the one located at Valley Forge, Pa.

The permanent-type building construction and the most modern medical services available at Murphy Hospital make it the equal of any other such hospital in the United States. As evidence of the appreciation of its superior services and popular recognition of them, may I at this time introduce a statistical breakdown of the services rendered at the hospital during the period from January 1, 1953, through April 9, 1954—these being at the time when the Department of Defense was previously advocating the closing of the hospital as an unnecessary military medical unit.

PERIOD FROM JANUARY 1, 1953, THROUGH APRIL 9, 1954

Admissions:

Admitted 5,313 patients, 2,258 military and 3,055 civilians.

Delivered 913 babies.

Admitted direct from overseas, 537.

Dispositions:

Discharged 5,412 patients from the hospital, 2,347 military and 3,065 civilians.

Returned to duty 69 percent of all military patients.

Occupancy:

Average daily patient census	437
Average number of beds occupied	320
Occupied by military patients	264
Occupied by civilian patients	56
Average number of bassinets occupied	17

1. Outpatient service, 59,705 visits.
2. Dental service, 16,999 sittings.
3. X-ray service, 14,442 patients examined.
4. Laboratory service, 143,908 procedures performed.
5. Occupational therapy section, 12,891 patient visits.
6. Physical therapy section, 15,436 patient visits.
7. Physical reconditioning section, 15,758 patient visits.
8. Pharmacy section, 40,358 prescriptions filled.
9. Psychological tests administered to 581 patients.
10. Anesthetics administered, 1,453.
11. Operations performed, 2,061.

As some of you Members here will recall, the Defense Department last year did not request funds to continue the operation of Murphy Hospital, but this committee wisely decided that their reluctance was impractical and approved funds in the Defense Department Appropriation Act of 1956 with express direction to the Army to keep the Murphy Hospital in continuing operation for the fiscal year. Currently, the Defense Department is again persisting in their long attempt to close the hospital and have announced their intention of discontinuing this medical facility for all of New England unless your committee again approves funds for and directs the continuing operation of the hospital.

However, in this most recent pursuit of their determined objective, they have attempted to inject a bit of a more practical appeal than heretofore by stating that they need the hospital space to accommodate the housing of the offices of the New England Division of the Army Corps of Engineers, certain Air Force personnel, and the conduct of an electronics research project. Now this they try to tell us with the apparent thought that no one in Massachusetts or New England is aware of a military facility called the Boston Army Base, which embraces a total area of approximately 1,440,000 square feet of space. Some of this space is unquestionably being used, but I myself have been unable to obtain official advice on exactly how much of that space is actually being used. Their nearest approach to any true revelation is the vague information that most of it is being used or has been committed; I call your attention to that word committed, since no one in the Defense Department has yet told us how much space has been committed and to what or for what it has been committed.

On the other hand and in contradiction thereto, advice reaching me from sources associated with the Boston Army Base indicates that there is over 400,000 square feet of space at the Boston Army Base that could be used by the Army Corps of Engineers at a cost of approximately 35 cents per square foot for maintenance, whereas the Murphy Army Hospital maintenance cost of occupancy by the Corps of Engineers would approximate and might exceed as much as $1 per square foot. It would seem, then, that the Defense Department wishes to avoid any clear revelation of the factual space conditions at the Boston Army Base in order to use the excuse of space necessity for other military units in their clouded appeal for your influence.

Another factor undoubtedly bearing on this particular phase of the matter is the Defense Department officials' unhappy consciousness that the Members here will recall their economic fiasco of closing the hospital just 2 months prior to the Korean war, when they were forced to reopen it at an unnecessary cost to the American taxpayer of more than a quarter of a million dollars. Recalling their unfortunate and impractical action at that time, I think it is quite pertinent, on behalf of the many thousands of service personnel and their dependents in the New England area, to question whether their judgment can be any better now than it was then.

Daily we read about the mounting tensions and the increasingly threatening war dangers in the Middle East, around Formosa, and the many other trouble spots in our confused world of today. You and I know that the President, the Joint Chiefs of Staff, and all the Members of Congress are vitally concerned about the frightening possibility of open warfare breaking out at any one of the several tinderboxes now smoldering in response to the slow-match burning technique of Communist intrigue and propaganda incitement.

I submit to you that no member of the Defense Department can or will step forward to assure us, under these conditions, that the prospect of war is declining and the goal of peace in the world is just over the horizon. Nevertheless, it seems that these same officials still persist in wanting to make the same mistake that they did just before the Korean outbreak when there was much less evidence generally of war possibility than there is today. I earnestly believe that it is the high responsibility of this committee to insure that such an impractical gamble does not occur again at a time when no one can foresee the dangers of tomorrow, not even the Defense Department itself.

Let me please, at this time, further emphasize to you that while the Defense Department is attempting to tell us they do not need Murphy Hospital, they yet cannot or will not get us any estimate of the impact upon military hospital units of our area that unquestionably will arise from enactment into law of H. R. 9429, which was recently passed by the House and now is under consideration by the Senate. This bill, as you well know, the so-called Military Dependents Medical Assistance Act, is designed to provide medical care for all the dependents of members of the uniformed services, and I think you will agree that we can state with reasonable certainty that the measure will be enacted into law before this session of Congress ends.

On this score, may I in passing direct your attention to the letter of April 10, 1956, forwarded to the Vice President and the Speaker of the House, in which the Commander in Chief endorses and recommends early passage by the Senate of H. R. 9429. May I further quote the sentiments expressed on this subject by the Defense Secretary himself. He says:

> Medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, today approximately 40 percent of our military dependents cannot be given medical care through service facilities. This is one of the major obstacles in our efforts to enhance the attractiveness of military service because it affects the wives and children of servicemen directly.

Mr. Chairman, I certainly do not have to emphasize to you that despite possession of the most advanced weapons, the only true measure of the fighting efficiency and determination of any military unit is the height of their morale. In my judgment, the duty of the Congress is to exercise every possible effort to insure the maintenance and continuation of the highest morale among our uniformed services personnel, and it is im-

possible for me to understand how we can meet that duty if we cooperate in a military gamble of impractical limitation of the hospital treatment and medical attention to which the members of the Armed Forces and their wives and children from the New England area are rightfully and legally entitled.

In a weak attempt of acknowledgment, acceptance, and planned correction of the startling authoritative evidence that 40 percent of our military dependents cannot now be accorded adequate military medical treatment, and it seems in avoidance of dutiful comment upon the further impact on the presently limited military medical services that will be made by passage of H. R. 9429, some of the Defense Department representatives have tried to tell us that a good part of the patient load can be taken care of at private hospitals on a fee basis. I think that you and I will dismiss this inadequate response rather summarily because we all know, and particularly those Members who have served on the Veterans' Affairs Committee emphatically know, that the Veterans' Administration tried this same scheme, and the projected cost was astronomical and economically disastrous.

While we are speaking of the difference between wise and false economy, let us consider the military's exaggerated claim of tremendous savings that might accompany their planned closing of Murphy General Hospital. Realizing that the permanent-type buildings are already standing there, wards, laboratories, and operating rooms are already established there, and the medical instruments, or whatever you want to call them, such as X-ray machines, whirlpool baths, and so forth, are now there, then let us forcefully appreciate that the largest single operating cost item by far is military pay. It is obvious, of course, that military salaries must be paid wherever the personnel are, so there can be no savings on that item. If the hospital were to be closed or used for other purposes, there can be no question of accelerated depreciation of the hospital value of grounds and buildings which would be an actual financial loss. People of hospital experience tell me that the moving of permanently installed medical machinery is tremendously costly and extremely precarious because it is very seldom that such movement does not disastrously affect the sensitivity of these delicate recording instruments of modern medical science. It is, then, reasonable to say that such attempted movement would be inevitably accompanied by great cost and substantial losses which certainly cannot be interpreted as an economy action or a financial saving.

Please keep in mind that this proclaimed military savings attempt is in a field of uniformed services morale affecting the lives and safety of their wives and children. I think it is quite fair to ask if the Defense Department has been demonstrating as much anxiety to effect savings in other less vital fields of their responsibility.

Now, this committee itself has been concerned with the wasteful and extravagant operations of the Defense Department, but perhaps more recently the House Military Appropriations Subcommittee on Defense has been looking into this subject. As recently as last March 23 in a 96-page report issued by that subcommittee, the military establishment was charged with glaring errors in procurement and chaotic conditions in inventory that were costing the taxpayers untold millions of dollars. Among the documented accusations were excessive profits in many defense orders, tons of military equipment lost in the mud, planes out of commission for lack of 25-cent parts, instances where certain items were declared to be surplus on the one hand while the military was out buying the same items on the other, and so on. The Defense Secretary when asked about these deplorable happenings in appearance before the subcommittee on February 21, last, stated that he was "sad and mad" about the whole problem.

> I do not excuse these kinds of things if they are true—

He said.

> There is some explanation of it, probably, because people do not purposely do such sloppy things.

Now I am inclined to agree with our Defense Secretary that military people do not purposely do such sloppy things. I do not, for instance, for 1 minute think that certain Defense Department officials are purposefully trying to weaken the morale of a great number of our armed services personnel by attempting to greatly restrict the military hospitalization and medical treatment available to themselves and their dependents, but what I certainly do question is their balance of judgment. The continuing operation of Murphy Army Hospital for the next fiscal year would more actually and more truly cost in the neighborhood of less than a million dollars. It would then appear from the facts of the record that overlooking the certain savings to the taxpayers to be gained by scrupulous correction of admittedly existing waste and extravagance of untold millions, they are more intent upon gambling with military morale and military career incentives for the sake of an attempted savings of something less than a million dollars, and this at a time when the war clouds are increasingly darkening the horizon.

Now, I personally do not want this committee to recommend the expenditure of one unnecessary or unprofitable cent of the American taxpayers' money, but I most seriously question the practical wisdom and the economic trueness of any comparatively small savings gamble that takes a chance on destroying the high morale essential to the effectiveness of our fighting forces by not fully and completely providing military hospitalization and military medical treatment for them and their family dependents. To me, that is the moral, the patriotic, and the economic question involved in this matter, and on that question I pray your conscientious judgment and recommendation of funds to keep Murphy Army Hospital and other military hospitals open and operating, at least until the prospects of peace are less gloomy, foreboding, and threatening than they admittedly are today.

In summary, may I emphasize that Murphy Army General Hospital in Waltham, Mass., is designed to serve the whole New England area. It is admittedly ideally accessible by train, plane, and automobile. The New England area is among the very highest, if not the highest, potential military recruitment sections of the country in time of peace and in time of war. Lying adjacent to the city of Boston, Mass., it is advantageously located, for consultation services, next to one of the greatest and most renowned medical centers of the world. The expansion of military bases at Limestone, Maine, at Otis and Bedford Airfields, with accompanying military housing construction at these and other military units, is constantly bringing an ever-increasing military population to our area, thus projecting an ever-higher potential of military medical requirements and needs for the service people and their dependents.

The President himself has expressed his concern over the vital necessity of improving military career incentives to prevent the large military turnover involving staggering training costs for short service enlistments. The Secretary of Defense himself has declared medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, in spite of and in the face of these pronouncements by the two highest officials of national defense, certain of the Department officials appear to be unwittingly determined to disastrously weaken the currently declining incentives to pursue a military career by further elimination and deprivation of the New England section of the country of the full opportunity of hospitalization and medical treatment to military dependents.

Mr. Chairman, this great Nation has granted, in Christian generosity, untold billions of needed financial aid to desperate people in foreign lands and as a Christian country we can be modestly proud of such action. In reasonable amount, it is, at the very least, a gamble on the side of God and peace. However, our own American willing and patriotic taxpayers have a prior and predominant claim on the resources of this Government, and I think that they are more and more beginning to feel that this Congress should evidence more concern about their welfare. Investments in foreign lands to promote world freedom and national security may well be wise financial actions, but I believe the American taxpayers desire us to extend a comparable consideration to them and a calculated investment return to them of their own money. On all the facts that I know of this hospital situation, which remain contradicted, I am impelled to believe that a moderate investment here at home to protect against chance by trying to provide adequate military medical services to those entitled to them and thus insuring a higher military morale and greater military career incentive is a wise and sound investment.

I am confident that this committee will fully explore this problem and give this matter the same conscientious and patriotic attention they did last year when you approved the funds for the continuing operation of the Murphy Army General Hospital.

Mr. MILLER of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the last of the seven volumes of these committee hearings was released recently, press articles appeared quoting certain parts of the Record in which I had made suggestions regarding the merging of the Veterinary Corps with the Army and Air Force Medical Corps. Headlines and quotations, some of them out of context, gave some readers the impression that I was casting aspersions on the very fine traditions and upon the officers and men of the Veterinary Corps with the result that many communications, some of them rather hot, were received. So let me hasten to make the record clear. I have a high regard for the officers and men of the Veterinary Corps both past and present. They have performed gallant service for our Nation over the years. Through my own experience in two wars, I have observed some of them. I remember in World War I, in the regiment in which I served, the veterinary surgeon not only cared for our animals but he gave heroic and skillful attention to the human casualties at the battalion front line aid stations. In World War II, I well remember a veterinary colonel who served not only in his professional capacity, but also as G-2 in an important headquarters out in CBI. The devotion of these officers and men and their capabilities has always been great. However, I do feel the time has come when this service should be merged with the Medical Corps of the Army and Air Force. You can read these figures in the hearings. The Defense Department has in all nearly 2 veterinary officers and some 5 enlisted men for each horse or mule which is owned by the Department of Defense. The figures are rather interesting. In the present Veterinary Corps in the 2 branches mentioned, there are 2 generals, 34 colonels, 738 other officers, and 2,200 enlisted men. On the other hand, the Department of Defense has 167 horses, 43 of them in the Navy, and 314 mules. We do not have the figures for the very fine dogs who are also in the armed services, and they are among our most gallant defenders, but I doubt if they amount to more than 100 or 200 in the Department of Defense. Be that as it may, it seems ridiculous that we would maintain in these days and times of the atomic age a Veterinary Corps as such. The meat inspecting responsibility is a very essential one, but no one, I think, would say that it could not be performed just as well in the Medical Corps and that the fine personnel of the Veterinary Corps could be merged with the overall medical group. Incidentally, there it would probably be in better focus and better opportunities for advancement and promotion would be provided for the personnel.

The suggestion that our committee was considering had no reflection on the personnel involved, it was just a question of regrouping. I think it might well be looked into to see if the Medical Corps should absorb in both the Army and the Air Force the fine men and officers who are serving in the veterinary establishments.

Mr. BOLAND. Mr Chairman, I move to strike out the last word.

Mr. Chairman, I rise to express the gratitude of my community to the gentleman from Florida [Mr. Sikes] and his Army panel for the very effective manner in which they handled a problem that was giving much concern to Springfield, Mass.

The devastating floods of August 1955 weakened a dam owned by the Department of Defense resulting in a decision by the Department to declare surplus the dam and pond backed up by the dam. The area covered by the pond and known as Watershops Pond is some 220 acres. This pond had been in use for over 100 years and was widely known for its beauty and recreational value. Hundreds of homes had been built along the water's edge. Real estate developments had sprung up in the immediate area. The pond has always been a real asset to Springfield College.

This committee extended the courtesy of a hearing to Senators Saltonstall, Kennedy, Mayor Brunton, Dr. Stone, of Springfield College, and myself. It was impressed with the equity of our request. As a result of that hearing and the evolved testimony, the committee requested the Secretary of the Army to restore the dam and preserve the lake. Secretary Brucker cooperated wholeheartedly and work is now underway to effect the necessary repairs.

Mr. Chairman, this action by this congressional committee and the Department of the Army clearly demonstrates that this, indeed, is a Government with a sense of its moral obligations.

For the way in which it met and solved a purely local matter, I again express the thanks of my community.

The Clerk read as follows:

REDUCTION IN APPROPRIATION

Army Industrial Fund

> The amount available in the Army Industrial Fund is hereby reduced by $110 million, such sum to be covered into the Treasury immediately upon approval of this act.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. Jones of Missouri: On page 11, after line 22, add a new section, to read as follows:
>
> "No part of any appropriation in this act shall be used to pay rent on space to be used for recruiting purposes; and no part of any appropriation in this act may be used for pay and allowances of military personnel assigned to recruiting duty in excess of 50 percent of the amount expended for such purposes during the fiscal year ending June 30, 1956."

Mr. JONES of Missouri. Mr. Chairman, as I said previously, this is not offered for the purpose of cutting out recruiting activity. It is offered for the purpose of saving several million dollars both in the rent paid on facilities in towns and cities where free facilities are available and could be used.

Also repeating, I will say that this amendment has been adopted twice in the House. I think that this is an operation that all of us would be acquainted with and know something about by seeing the number of recruiting offices that are kept open over the country.

After this amendment had been knocked out last year—and to me it was in direct defiance of what the House had indicated was its desire—the Defense Department on July 1 last year made further commitments, and where they had been operating recruiting offices that were occupied by both the Army and the Air Force they instead rented two buildings in the same town. In many towns you will find four services operating recruiting, with each one of them maintaining a vehicle. Last year, at the request of our colleague the gentleman from Texas [Mr. Mahon], the Department of Defense did furnish this information which purported to show the number of people engaged in recruiting, and by adding that up we come to the figure of 9,216. That has since been increased.

We also find in those same figures there were 271 locations which were supposed to be used for recruiting. I wish to read from this letter to Mr. Mahon:

> It is noted for your information that the list of facilities noted in the above paragraph does not include the Armed Forces examination and induction stations, as these facilities handle all types of inductees and would be necessary regardless of the status of the recruiting program. The list of personnel and vehicles includes those persons whose primary duty is recruiting, but, of course, does not include those persons who perform minor recruiting functions which are incidental to their other duties.

So we have no way of knowing how many installations there are on which the Government is paying rent. We have no way of knowing the total number of personnel who are engaged. I have secured from the committee these figures which show, according to the hearings conducted this year, that they propose to spend $62,577,000 for recruiting; but the clerk of the committee told me it was his understanding that that was for operations only. That being the case, that is an increase of $18 million over the $44 million which was in the bill last year. So instead of trying to cut this down they are raising it instead. We also know that with the selective service there is ample opportunity to get all of the manpower necessary.

Last year before the committee General Hershey made a statement in which he said that he could supply all the men and could save at least $40 million in recruiting expense.

I think this amendment will have a good effect on showing the Department of Defense that we want to provide all of the money that is necessary for carrying on the defenses of this Nation, but that we are unalterably opposed to wasting money and not utilizing the free locations which could be used for recruiting and without paying all of that money.

For these reasons, Mr. Chairman, I ask for a favorable vote on this amendment.

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, 7 or 8 years ago when I first came to the House I had views

that coincided with those expressed by the gentleman from Missouri. Since serving on this particular subcommittee I have had an opportunity to see a different point of view, and as a result I rise to oppose his recommendations. It is true that you could cut down the number of personnel, the number of recruiting offices and seemingly save money, but when you add up the financial benefits which accrue to all three branches of the service and specifically to the Army through longer term enlistments, you find that you save substantial money by having recruiting programs.

It is true that General Hershey if we stopped all recruiting, through Selective Service could get for the Army, the Navy, and the Air Force all of the 2-year men that are required. But if you will analyze the situation you will find that that 2-year enlistment program is a very expensive operation, referring to General LeMay's testimony over in the other body just a few days ago. His big problem today in keeping his Air Force efficient is the fact that he is losing people who have been trained over the years.

A man in the military is relatively useless from a combat point of view or a maintenance point of view until he has had almost a year's training. The net result is that under a 2-year enlistment or a 2-year induction he has only 1 year of productive service. Consequently, it seems to me that if we can get people into the service on a 4-year hitch, a 6-year hitch, or longer, we can save tremendous sums of money and we can increase the combat effectiveness of our Army, Navy, and Air Force infinitely.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JONAS. In addition to that will the gentleman not agree with me that it is far better to build up our military strength through a recruiting program than through the Selective Service? Every man the recruiting service gets into the establishment is one less man who has to be drafted. Is that not true?

Mr. FORD. That is absolutely correct. The figures presented to our subcommittee for the Army indicate that the reenlistment rate among 2-year inductees is very low; something like 3 or 4 percent. This means that hardly any of your inductees intend to make the Army a career. So we have a very considerable turnover among those who serve just 2 years by compulsion.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield for a question?

Mr. FORD. In just a minute, please.

Among those who in the first instance have been recruited you find a much better reenlistment rate, and as a result we not only save money but we also increase our combat effectiveness.

One further point: This Congress passed last year the Reserve Forces Act of 1955. That program is almost entirely dependent upon the job that is done through your recruiting offices. There is no compulsion in that act. In fact, the Congress specifically said there should be no compulsion. The only way you can make that legislation work is to have good recruiters out selling our young men between 17 and 18½ years of age on the program. If you want to sabotage, if you want to ruin your Reserve Forces Act of 1955, you should approve the amendment offered by the gentleman from Missouri. If you want to make that legislation effective and give us for the first time a high-class Reserve program, you should vote down the amendment offered by the gentleman from Missouri.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent (at the request of Mr. Miller of Maryland), the gentleman from Michigan [Mr. Ford] was allowed to proceed for 3 additional minutes.)

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. Is it not a fact the testimony has shown that the anticipated inductions in the Army for fiscal 1957 are only 153,000, whereas, for instance, in 1955 there were 215,000 and in 1953 there were 563,000? Does that not show the recruiting, however it may be handled at the moment, is getting results and it would be unwise to alter it while it is making good progress?

Mr. FORD. The gentleman from Maryland has made an excellent point. Let me remind you that in fiscal 1957 they will induct 153,000. In fiscal 1955 they inducted 215,000. In other words, our recruiting program has substantially reduced the burden under Selective Service. When you sign up somebody by recruiting they intend to make the service a career. That is where we save dollars and increase our combat effectiveness.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I would like the gentleman to tell me how many people he thinks they are recruiting who would not be drafted, who are not coming in there before they come in from Selective Service? The gentleman has not touched on the point why it is necessary to have 3 separate buildings in a town for 1 man to occupy and each 1 of those men have an automobile.

Mr. FORD. Let me answer the first question first. I think it is immaterial how many are recruited who otherwise would have been inducted. The point is, we get people for longer terms of service, and they are the kind who reenlist. So we get people with previous training and we end up with a far more effective military service.

Secondly, I do not condone the three separate or duplicating offices.

Mr. JONES of Missouri. If the gentleman does not condone it, let us adopt my amendment and we will cut it out.

Mr. FORD. I do not think the gentleman's amendment necessarily ends that kind of expense and operation.

Mr. JONES of Missouri. It would end renting buildings everywhere and make them use the courthouses, the Federal buildings, the post offices, and other buildings that are available without paying that rent of over a million dollars a year.

Mr. FORD. The gentleman's amendment does not necessarily end the situation. What the amendment does, in my opinion, is this: It restricts, it hinders, a recruiting program which, according to the statistics we have seen, saves dollars and increases the military effectiveness of our personnel in the Army, Air Force, the Navy, and Marine Corps.

For the reasons stated I most emphatically urge disapproval of the pending amendment.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, recruiting is a selling activity. It is selling the American people on the advantages of military service; it is advertising; something that has to go on and on. The big companies do not stop advertising and say, when sales are good, "We can ride through next year on the advertising we have done this year." They keep on advertising. That is what the services are doing in their recruiting programs. They are selling the advantage of military service to the American people, some of whom are already in the service, admittedly. The program is directed primarily at getting long-term recruits and reenlistments. They are the nucleus, the hard core of any well-organized military force that must be able to move out tomorrow and do a job for defense.

The Navy and the Marine Corps expect to obtain in the next fiscal year, under the terms of this bill, 145,000 recruits and reenlistments through its recruiting program. The Army expects to obtain 144,000, and the Air Force 142,000. Now, if these people are not obtained by voluntary enlistment, what do you fall back on? The only people you can possibly fall back on, if we are to fill the gaps so that we can have personnel necessary for a functioning military establishment, are the 2-year inductees. And the 2-year inductees are the most costly kind of trainees. They spend the greater part of the first 6 months in basic training. Most of the time he is in the service, the chances are, he wants out. Certainly that is true if he did not want to be inducted into the service in the first place. In that case he wants to get out as soon as he can. That man gets little if any advanced training. There simply isn't time. Yet detailed and intricate training is essential for the personnel of our military services today. It costs considerably more to train and maintain a 2-year inductee, than a career man.

Under the terms of this amendment, no money could be used for rental. You could have no recruiting offices unless you could have free space. Where are you going to get free space? We have had no public building construction for years in this country. Most of the post offices and the Federal buildings are crammed full of activities and space cannot be relinquished. There would be little likelihood of obtaining free space. Under general law, many of the facilities now in use are paid for by GSA. This amendment would not touch that situation at all. Fifty percent of the current expenditures for recruiting would also have to be eliminated under the terms of the amendment before you.

On the surface it would appear to save money but only on the surface, because in operation you would be falling back on the 2-year inductee, the man who only has basic training, and you would have a military organization with lower morale, lower efficiency, lower effectiveness, and with higher operating costs.

Mr. Chairman, I think the amendment should be defeated.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SIKES. Of course I yield. And may I say now with respect to my distinguished friend, I know he is fully sincere and I respect him for his objectives, but I do not think his amendment should be accepted.

Mr. JONES of Missouri. The gentleman does not understand that I am trying to cut out recruiting by this amendment, does he?

Mr. SIKES. It could have the effect of cutting out a very effective part of recruiting. As the gentleman from Michigan well said, the 6-month training program is just now beginning to work. The recruiting services are doing an excellent job in acquainting the Nation with the value of the program. If the recruiting programs were cut at this time, it could cripple the 6-month training program.

Mr. JONES of Missouri. Can the gentleman justify the use of 3 buildings and also the use of a post office in a town of 10,000 population?

Mr. SIKES. I think the gentleman from Michigan has agreed, and I agree, that there should be as little duplication as possible, and I would like to see all duplication eliminated. However, I do not think there is as much duplication as the gentleman has indicated.

Mr. JONES of Missouri. I can show the gentleman—and I showed it to the chairman last night—that immediately after the beginning of the last fiscal year and in spite of the fact that this House adopted this amendment, the forces went out and rented additional buildings and separated the Army and the Air Force in various towns.

Mr. SIKES. The program was expanded in preparation for the 6-month training program, and for greater emphasis on career men, and, as a result, the facilities had to be expanded.

Mr. SHEPPARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know the gentleman who has offered this amendment has made his presentation on what he considers to be facts, however, I am very much concerned with the end result as it pertains to the Navy. I do not have the same information as to the other branches of our military service. I should like to present for the consideration of the Members of the House the following cost appraisals and other data relating to the pending amendment.

First, the cost comparison of 4-year voluntary enlistment versus a 2-year inductee. In the Navy, there is a difference in cost per year of service in operating forces for a recruit as compared with that of an inductee of $943.81. For the Marine Corps that difference is $868.88.

The estimated savings in fiscal year 1957 program as a result of using volunteer recruits instead of inductees is a total, for the Navy and the Marine Corps of $133,313,980.

The recruit provides the Navy with 3½ years of service in the operating forces, while the inductee provides the Navy with 1½ years of similar service. Both of these enlisted personnel require a half year training.

For the total 4-year cycle, the increased cost to the Navy Department in utilizing only inductees would be approximately $443,093,000.

The cost to the Government of procuring an inductee through Selective Service is comparable to the cost of recruiting a volunteer. Hence, there would appear to be no net savings to the Government.

In order for the Navy Department to realize a net savings of about $24 million, which is the approximate cost of the recruiting program, the Selective Service law would have to be revised to be revised to authorize induction for a minimum of 4 years.

It takes seven 2-year inductees to provide as many hours of service in the operating forces as three 4-year volunteer enlistees.

To maintain the same size operating forces in the Navy with inductees as maintained with 4-year volunteers would require increased manpower ceilings as the training load would approximately double.

Motivation of a volunteer 4-year enlistee and the quality of performance allied thereto are an intangible benefit to the Government which cannot be measured in terms of dollars. However, the probability of a volunteer, 4-year enlistee reenlisting is much greater than that of a 2-year inductee. Every reenlistment after 4 years' service would result in an additional savings of about $3,200 which is not included in the savings mentioned previously.

In summary, volunteer enlistments enable the services to maintain a higher state of readiness as well as substantially reducing requests for appropriated dollars for military personnel activities.

Directing the balance of my comments to the rental aspect of the matter, I had a very exhaustive examination made so that I could make this presentation of facts.

There are approximately 435 Navy recruiting stations and substations. Of this number 325 are joint facilities, used in cooperation with the other services. There are only 68 locations where the Navy and all of the other services occupy separate facilities in the same town. Of these, only 5 are in Navy-leased space. Annual cost of this leased space is only about $20,000.

In accordance with established policies of the Department of Defense and Navy Department, the Navy recruiting facilities are invariably operated jointly wherever practical.

Under the circumstances I have just recited, there is nothing that I can do insofar as the Navy aspect of the recruiting program is concerned but, very definitely, ask you to vote with me against the amendment.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. JONES of Missouri. Does the gentleman know how many personnel are used by the Navy in that recruiting program?

Mr. SHEPPARD. At the moment I do not have the figure, but I can get it for the gentleman.

Mr. JONES of Missouri. As of July 1, last year, it was 3,690.

Mr. SHEPPARD. At the time that was true. I will even go so far as to give you the benefit of the breaks and say it is 7,000. I have given you the facts with reference to the savings involved in any recruits instead of inductees, that is what we are interested in.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are now about at the end of the Army section of the bill. In committee I introduced an amendment to raise the Army one more division to give its manpower 20 divisions. In the cut last year, which I opposed, with the cuts in the Marines and the Navy, we found ourselves with 18 divisions. Combining certain regimental combat teams we brought that up to 19 combat divisions.

I wanted and intended to introduce an amendment today to raise that strength to 20 combat divisions, which would entail the expenditure of about $117 million and less than 22,000 men. I thought best, in view of the statements made by witnesses before the committee, not to pursue that today.

However, let me tell you this: General Taylor, a grand soldier and the Chief of Staff of the Army, before this committee of ours when I examined him and asked him how many men he thought he needed this coming year to do the best job that, under all the circumstances, he as Chief of Staff of the Army thought should be done, told me 1,300,000 men. This budget provides for 1,045,000. You will be over 200,000 men short of what the Chief of Staff of the Army told this committee in his best judgment the circumstances demanded and required.

I know what he said about "the first dollars you give me I will use for munitions and equipment." I heard all of that, too. But I heard General Ridgway before this same committee last year and, when I asked General Ridgway what he should do, he replied to my questions, and it cost him his head. He was fired for telling us the truth.

Mr. Chairman, I want to say these words for the Army. I do not recognize the Army as low man on the totem pole at the Pentagon. I see the Army as an equal partner in a tridimensional defense organization for the security of this Nation, not the stepchild of the "fly boys" and the Navy brass under any circumstances. The importance of the Army cannot be denied despite snide remarks that may be so intended. Let me say to you the Army has a great mission. For one thing, its existence as a strong fighting power is a deterrent to war—an advice to the enemy that the Army stands ready and it is ready. It is the great antiaircraft arm of your national defense, and only the Army for the past year has operating in the field the Nike antiaicraft installations defending the great cities of America. Only the Army is in the field with guided missile and antiaircraft and has been for a year and will develop a greater family of such ack-ack defense. That is the Army. It is your Army that is training the indigenous forces of our allied and other nations who are supporting us. It is the Army in the field which is facing the potential enemy nations in Europe. It is the Army in the field in Korea two miles behind the front line facing enemy troops and in Germany and all across Europe. Keep in mind, Mr. Chairman, that the Army undoubtedly is the queen of battle. They will go in and take ground and hold it, and not the long-haired, flat-heeled scientists and the laboratory technicians of the world—they will not hit a line and take the mud and stay there. That is the Army—and that is the queen of battle—the infantry in all countries in this war and in all wars.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Clerk will read.

The Clerk read as follows:

SHIPS AND FACILITIES

For expenses necessary for design, maintenance, operation, and alteration of vessels; maintenance and operation of facilities; procurement of plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement of equipment, supplies, special clothing and services; installation, maintenance, and removal of ships' ordnance; lease of facilities and docks; charter and hire of vessels; relief of vessels in distress; maritime salvage services; industrial mobilization; and departmental salaries; $766,040,000; of which $16,240,000 shall be transferred to the appropriation "Coast Guard operating expenses, 1957" for the operation of ocean stations: *Provided*, That notwithstanding the availability of the trust fund "Naval reservation, Olongapo civic fund," this appropriation shall be available for such support of the town of Olongapo as may be authorized by law.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question concerning the language on page 17, which reads:

> *Provided*, That notwithstanding the availability of the trust fund "Naval reservation, Olongapo civic funds."

What is the meaning of this civic fund? Are we now in the business of financing cities and towns?

Mr. SHEPPARD. This particular municipality is a part of a military operation and there are certain provisions in our agreements that we have to abide by. The expenditures which have taken place there and to which the gentleman presently is addressing himself, have to do with the protection of the entire military force within the reservation because of a lack of proper facilities—sanitation and various and sundry things of that character. It is a definitely established obligation which we have to take care of because of the circumstances which prevail there.

Mr. GROSS. I would like to ask one other question of the gentleman. Do we make this kind of a contribution anywhere else in the world?

Mr. SHEPPARD. Insofar as the Navy is concerned—not to my knowledge because we have no other situation of a comparable character.

Mr. GROSS. This does constitute an unusual and a very necessary situation?

Mr. SHEPPARD. Definitely.

Mr. GROSS. I thank the gentleman.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to my friend from Texas.

Mr. MAHON. I wish the gentleman from Iowa would yield to the gentleman from California to tell us how you pronounce Olongapo? Is it Olongapo or Olangapo with the accent on the last syllable? What is the pronunciation?

Mr. SHEPPARD. Not being a specialist in languages, as the gentleman knows, I will say from common use, let your vocal abilities function and you will have it.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

TITLE V

DEPARTMENT OF THE AIR FORCE

Aircraft and related procurement

For construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing and other purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; $6,048,500,000, to remain available until expended.

Mr. FLOOD. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. FLOOD: On page 23, line 17, strike out "$6,048,500,000" and insert "$7,048,500,000."

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FLOOD. Mr. Chairman, the purpose of my amendment, I take for granted by this time, is clear. The purpose of my amendment is to provide $1 billion additional for the purpose of purchasing B-52 long-range intercontinental heavy bombers to transport, if and when necessary, A-bombs and H-bombs any place in the world that it is necessary so to do.

I have in mind the startling news stories of 2 years ago this month when there came from Moscow the announcement that a great new bomber had flown across Red Square. At the next meeting of this committee I asked the Secretary of Defense about that and he said to me in effect, "Do not worry about that. That is a hand-made, experimental job. It is a fake and does not mean a thing." That is what the Secretary of Defense said 2 years ago this month.

One year later the same military observers in the same Red Square counted 20 big intercontinental heavy Russian bombers flying across the square in Moscow. That was 1 year ago this month.

Mr. Chairman, I am not going to burden this House longer with the pros and cons of this highly controversial problem. Yesterday in general debate I stated these as the questions involved in my amendment:

They are two: Has this administration decided that supremacy in the air is too costly and must yield to the balancing of the budget?

Secondly, has there been a top level decision that it is not necessary to stay ahead of Russia, that maintenance of a striking, yet not superior, long-range bomber force would be sufficient?

Those are the questions, Mr. Chairman, in this amendment.

I am aware because of my service during the years that I have sat on this defense subcommittee, I know all about the Navy air arm; I know about carriers. I went through all of that vote and that fight on this floor and in the Appropriations Committee several years ago. When the vote came to a tie in the Appropriations Committee to build the Forrestal carrier at the joint Senate-House conference I was the last man to vote, and I voted for the carrier. You got it by one vote, and you have built several since.

I know about carriers, and the air arm of the Navy. I know about the National Guard air arm and the Reserve air arm; of those things this committee and I are aware; but I say to you, Mr. Chairman, that the people of the United States knowing all about the Navy air arm, and the Army air arm, and the National Guard and Reserve air arms, under no circumstances will the people of the United States of America accept this policy of this administration that regardless of our air strength and regardless of our airpower we will not permit any nation to surpass us in the number and the quality of long-range intercontinental bombers, under no circumstance.

Now, that is the issue. Once the American people know the fact they would vote for this amendment to a man.

They are concerned about balancing the budget; so am I and you; but I say please do not balance the budget even in an election year before parity at least with Soviet Russia on B-52 bombers. I do not want to get elected to anything that much; no, Mr. Chairman.

There is word that we have 1,500 B–47 medium bombers. We do; they are great bombers; it is a great fleet. Where are they based? They must be based at airbases that are on the perimeter and periphery of potential enemy nations, everyone of them. In case of war every one of them will be based on foreign territory under the jurisdiction of a foreign sovereign nation, ally, quasi-ally, and neutral—pick your own word—but not on American soil. That is where your B–47 bombers will be.

Let me direct your attention, Mr. Chairman, to the political instability of all of those nations of which we speak; and how secure are your bomber bases for B–47's? You know and have heard that Soviet Russia has perfected or is about to perfect any day an intermediate range ballistic missile—1,500 miles. Every one of your air bases on foreign soil from which our B–47's must take off is a direct target today, tomorrow, within a year for Russian guided missiles; and they will destroy your bases and your bombers just like snapping your fingers.

I am not going to debate what an atom bomb or bombers will do to a fleet of carriers. We went through that. You decide. Suffice it to say it is highly debatable.

Mr. Chairman, in this business in the world today there is no margin for error, none. I say to you that with the new wings at 60 planes a wing, this amendment of mine, with the money already provided, will substantially increase the number of B–52 planes. We have about 50 of those planes today ready and available. We have been building them for nearly 2 years about 2 a month. You know the story in General LeMay's B–52 bomber testimony about what is good and what is bad. I am not going to talk about that. This is a good aircraft. It does not have the bugs of the B–36. It is a good plane. There are some bugs in it, there are some communication bugs in it that will be straightened out. But do not worry about the aircraft itself. It is a good one and we do not have anything to take its place. We are not building anything to take its place. Any plans for any substitute for B–52 will take years to produce. The B–58 is a substitute for the 47. The B–58 is not a substitute for the 52. This is what you have, this is all you have for the next 5 years, and Mr. Chairman, you better buy it now.

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

Mr. Chairman, I, too, have been a member of the Military Appropriations Subcommittee for a number of years, more years than has the gentleman from Pennsylvania; yet I do not claim I know all there is to know about the Army, the Navy or the Air Force. If we did have all this knowledge we would not need to hold hearings. But we do not have this knowledge. That is one of the reasons we have men come up to us who do know their job, the Secretary of Defense, the Secretary of the Air Force, the Chief of Staff of the Army, Navy, and Air Force, and the Chairman of the Joint Chiefs of Staff, to tell us what the problems and programs are and give us the benefit of their experience and knowledge based on that experience.

It should be clear to all who will look and listen that you do not fight bombers with bombers. You fight bombers with fighters. You were told by no less an eminent authority than the President himself that it is not a matter of matching the number of bombers against bombers. The Chief of Staff of the Air Force, General Twining, said the same thing. I assume that in his position as Chief of Staff of the Air Force he knows what he is talking about from many years of military experience.

In addition to that, as relates to incoming bombers we have been spending billions of dollars upon many things, including radar screens, the finest fighters in the air any place, including Russia, for guided missiles, both the Nike and the other ground-to-air missiles that will soon be in effect, together with guided missiles on the very planes themselves.

The B–52 program has been stepped up. This plane is being procured at a higher rate. They are being procured now on the basis of buying a few of them, flying the guts out of them, finding out what is wrong and then going into production as the last word. Already underway are plans for a better, a larger, a longer range, and a faster long-range bomber to succeed this one. If you desire to have a modern Air Force it is unwise to pile up a supply of expensive planes costing $8 million each which each day become obsolescent until finally they become obsolete. The present program keeps the Air Force modern. As a matter of fact, in recent months it has been possible for the Air Force to greatly increase the altitude, the speed, and the range of the B–36 which, though obsolescent, stilll can do a magnificant job and which General Twining and General LeMay say can get to chosen targets at any time they are called upon to do it.

Now, as far as planes are concerned, General Twining told us they were getting new planes and especially the B–52's as fast as the Air Force can absorb them, train the crews, train the specialists, and provide adequate bases. It does not do any good to have them if you do not have the men to fly and maintain them. And, if you read the testimony carefully, we need not worry about the production of planes. We can outproduce Russia any time we need to. But, it does take time to train these men to maintain these very complex new planes that we have which are filled clear up from end to end with more complex electronic and other gadgets. It is amazing. And, without these planes being in operation, there is no use having them around, with bugs in them, on the runways waiting for modification. I am sure we can trust the good judgment of the men now in charge of our Air Force to tell us, when the time comes, that they need and can use and will be able to absorb more of these bombers. When they do tell us, they will get the money based on their testimony, not upon some story printed in some newspaper or magazine.

Mr. Chairman, I trust this amendment will be defeated.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, all of us are interested in the defense of our country and naturally look with favor upon any proposal which gives promise of being essential to the defense of the country.

In seeking to solve the problems of our Nation we keep coming back to this business of seeming to think that all we need to do to answer the problem which confronts us is to provide money and more money. You will not at this time improve the defense posture of the United States, in my judgment, by appropriating an additional billion dollars for B–52's. Let us reflect just a moment. We are the fiscal agents of our people. When we pass this appropriation bill, do you know how much money will be available to the Department of Defense for expenditure come July 1? Sixty-nine billion dollars. That is more than the President estimates will be spent by the Government for all purposes in the coming fiscal year. Why make a gesture of fiscal irresponsibility and provide an additional billion dollars when the funds could not be properly used at this time? Next year the funds, no doubt, will be required. The available funds for the Air Force alone—and I am not speaking of the Navy but the unobligated available funds for the Air Force alone—on July 1, if this bill becomes law, for the procurement of aircraft and related items, will be $10.5 billion; $10.5 billion that the taxpayer must dig down in his pocket and provide to the Department of Defense. Not only will this be available for obligation, but if you couple that with funds obligated but unspent which the Air Force already has for the procurement of aircraft and related procurement, you find that the Air Force will have more than $18 billion for aircraft and related procurement. So, it just would not make good sense to provide the additional billion.

If we could snap our fingers and bring into being today 1,000 additional B–52's, we would not necessarily be a great deal better off. We would not have the men to man them, the mechanics and technicians. We need enough planes, but more is involved than just planes. It takes time to integrate a new plane. If we had the 1,000 B–52's now, they would be outmoded to some extent next year and the year after that. One thing that we desperately need to strengthen our Air Force is more trained personnel. That is where the weakness is; it is in trained personnel to handle our new aircraft that are being produced. We have the most modern jet fighters on the runways today that we cannot adequately use because we do not have the trained personnel for this new, highly efficient fighter that we have been able to produce. What we need is more technicians, more trained personnel, more experience. Of course, when these new planes come in, it just takes time to train the men. We always have that problem to some extent. It has been pointed out in this debate, I believe, that many of the B–52's that have already been produced are not being used because they have certain imperfections. It takes time to perfect a big new intercontinental bomber. That is typical of

all new aircraft. So it seems to me wiser to go along with the funds already provided for the B–52. And do you know how much we have provided for the B–52? Five and three-quarter billion dollars, including the funds in this bill, will have been provided for the B–52. So it seems to me that the increase in funds is unwise. Moreover, the Department could speed up the production of the bomber without the additional funds.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, I simply want to say that I think the gentleman has made a very factual and conclusive statement which impresses me.

Mr. MAHON. I thank the gentleman. We are providing for 11 heavy bomber wings. We have got to have the bases, the different types of runways, the different types of ground-handling equipment, the trained personnel for these 11 wings of B–52's, and there will be 45 in a wing. That will mean over 500 planes. For several years we have been providing funds for these purposes. And in this bill we have provided an additional $248 million for the B–52 in addition to the amount included in the President's original budget.

This question arose in our hearings and we urged the Air Force to go back and take a second look; "Don't be short on funds for the B–52. We will give you every dollar you ask for if you convince us you need it."

They required an additional $248 million and those funds are included in this bill for the B–52.

In my remarks yesterday I discussed the B–52 program in some detail.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Now I would like to say that these B–47's, 1,500 of them, referred to in the debate, are not over on the periphery between the free world and Soviet Russia. These planes are based, insofar as I know, without exception, on bases in continental United States. We have not been so foolish as to base this great striking power right at the front door of the potential enemy. We do rotate every month some of these planes to England and to North Africa. But they do not remain over there in a vulnerable position. That would be impractical and unwise.

Mr. Chairman, I think that just about covers the situation. I think the Members of this House want more and better planes. We are providing the funds for them. It is up to the people of the Department of Defense, our scientists, our technicians, labor and industry, to provide these planes. The B–52, while it has a lot of bugs in it now, is a great airplane. Probably when we have had a little more experience with it, we will find that it is going to be the finest plane that has ever been produced. It is a great plane. That is the reason we are putting so much money in it for additional procurement, in this bill, nearly $2 billion.

So let us go along in an orderly way and next year let us decide whether or not we need additional billions for the B–52.

Mr. PRICE. Mr. Chairman, I rise in support of the amendment.

It is difficult to disagree with such an able committee as that which has brought this military appropriations bill to the floor this afternoon. Almost every member has long service on the committee and has dealt with the military appropriations problems for many years.

I can get little comfort from the fact that we have an adequate force of intermediate bombers, the B–47, for instance, that can be refueled in midair. I personally would not want to conduct a war depending on the type of bombers it was necessary to refuel in the air either on the way to the target or returning from the target. I can well imagine would would happen with the pursuing enemy aircraft on their tail.

We know that under the prodding, the criticism from Members of this Congress, the administration civilian leaders in the Pentagon have month by month changed positions in regard to this matter of the B–52, the long-range bomber. We know that under prodding they have announced at least 1 and maybe 2 step-ups in the production of the B–52. So I am not going to accept the statement here this afternoon that we cannot again step up this program, although I recognize the fact that we do not have adequate manpower to keep our bombers in the air.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Texas.

Mr. MAHON. I think the gentleman is correct in saying that this program could be stepped up. Boeing is working three shifts but only to a very limited degree. Without an additional dollar, if we wanted to produce the B–52 faster, with the $5 billion contained in this and previous bills for the B–52 a step-up in production could be provided.

Mr. PRICE. I appreciate the statement made by the able chairman of this committee. As I say, I am almost in agreement with him. I recognize his responsibility. He has a very difficult task. When an executive department brings down an appropriation and says, "This is adequate to meet our needs," it is a little difficult for him or any other member of the committee to refute those statements.

I am not expressing my own opinion here this afternoon. I serve on two committees, the House Committee on Armed Services and the Joint Committee on Atomic Energy, and this service brings me into contact with most of our military leaders, sometimes not in committee meetings. Sometimes you learn a lot more outside of committee meetings than you learn in them.

The fears I express this afternoon have been expressed to me continuously and over the period of the last couple of years by our military leaders, who fear we are falling behind in our manpower and in equipment. They are concerned about another nation's having leadership over us in numbers. We have to fear that. We are not only falling behind in numbers of aircraft, we are falling behind in manpower, in trained manpower, in scientific and technically trained manpower, and in the production of engineers. We are falling behind in many ways, and it behooves us to show a little fear and to do something about it. We have an opportunity at least to show that we want to do something about it, and I think one way to show it is by supporting the amendment offered by the gentleman from Pennsylvania here this afternoon. We are not only cutting back our Air Force dollar-wise, we have already cut it back in personnel.

The gentleman from Texas yesterday made a profound statement in explaining one of the reasons why he felt you could not put too many more B–52's in operation at the present time. He said this:

> If we had 1,000 new B–52's tomorrow we would not have the crews to maintain and man them and the airfields to operate them from.

I agree with that 100 percent, but is it not time that we do something about it? Is it not time that we provided adequate funds to do something about it? We should have the trained crews and we should have the manpower. We should have the bases to house the planes that we need. Of course, you do not fight bombers with bombers, but it is better to have the bombers than not have them because they are the offensive weapon that we will need in world war III.

Recently, the Joint Committee on the Economic Report made its findings on the President's 1956 Economic Report. Based upon its studies, the Joint Committee concluded that this administration is not meeting its responsibilities in insuring a strong military posture.

I wish to quote the most significant conclusion reached by the Joint Committee:

> Our defense preparedness appears to have been limited by considerations of "economy" and by basing decisions as to requirements on what we have done so far rather than on what other nations are now accomplishing. We are not critical of efforts to obtain the greatest efficiency in our military spending and applaud efforts to provide greater strength at lower cost. The American economy, however, can support a substantially greater defense effort if needed.

Mr. Chairman, I have repeatedly charged this administration with shortsightedness and false budgeteering. The Pentagon, by its actions, is permitting this country's Air Force, our principal deterrent against Soviet aggression, to degenerate to a shocking state of impotency.

This Nation's Air Force is being starved for lack of funds, coordinated into feebleness by a bewildering variety of bureaucratic devices within the Defense Department and is being throttled by middle-of-the-road and wishy-washy philosophies.

In its proposed budget for fiscal year 1957, the Pentagon claims that the amount of money requested for the Air Force is designed to continue the buildup to a 137-wing Air Force. We are also told that this budget will insure the Air Force modernization with the latest and most advanced types of aircraft.

These two assertions are still further examples of the type of doubletalk that this country has been fed by this administration and the Pentagon.

Back in 1953, the present Secretary of Defense, completely disregarding the recommendations of the Joint Chiefs of Staff, threw overboard the previous administration's 143 wing Air Force program which was scheduled to be achieved by 1955. In its place, the present administration arbitrarily reduced this force goal to 137 wings. This new program was scheduled for completion by June 1957.

The Pentagon told us that the 143 wing program was unrealistic and could not be achieved by the scheduled year of 1955. To make certain of this, the Pentagon budgeteers cut $5 billion out of the 1954 Air Force budget, reduced the flow of new aircraft to a trickle, and have turned a deaf ear to the budget requests submitted by the Air Force since 1954. They reduced the Air Force's initial request for 1957 by $2.3 billion.

Cutbacks of the Air Force program have not been limited to dollars. Equally serious have been the unrealistic personnel ceilings that have been imposed.

The previous administration estimated that the Air Force would require at least 1.2 million men to operate, maintain, and administer the Air Force.

This administration, in cutting fat, has been more successful in cutting muscle. It has reduced Air Force manpower levels to the point where aircraft today are being grounded because of the lack of trained personnel. Over the past 3 years, the critical personnel situation within the Air Force has been made even more serious by budget bungling within the Pentagon and the Bureau of the Budget. Their ridiculous approach is evident when we note that in 1953 the Air Force had 106 wings supported by 977,000 military personnel. On June 1957, the Air Force has been told to support 137 wings within a ceiling of 975,000 officers and airmen.

By virtue of these cuts, the Air Force has suffered. The modernizing program has been set back. The rate of production and procurement of new aircraft has been sharply curtailed. The rate of new aircraft procurements for the period 1954–57 are but one-third the obsolescence and attrition rate.

Mr. Chairman, for the past 3 years, every responsible Air Force representative has spoken out against the Pentagon's highhandedness. Despite and in the face of ever-increasing censorship by this administration, these Air Force officials have in honest and unmistakable terms given their warnings of the tremendous progress made in Soviet airpower.

This new Soviet Air Force poses one of the greatest challenges ever faced by this Nation.

Despite warnings by the Air Force, this administration, for reasons of political expediency, has determined to limit the Air Force program to an arbitrarily imposed budget ceiling. The Pentagon refuses to recognize the implications resulting from the many Soviet achievements in their development of a mighty Red air fleet.

If the 1957 budget proposed for the Air Force is approved by this Congress as submitted by the Defense Department, the Air Force will fail to achieve the goal that this administration had set for itself back in 1954. It will serve notice to the Communists that our airpower will continue in a state of decline; that our policy of peace through strength is based on bluff alone.

The proposed budget simply continues the limitations that this administration has placed on Air Force base construction, personnel strength, recommended and required Air Force levels, and expenditures for modern aircraft and funds to maintain and operate them.

Both Secretary Quarles and General Twining have admitted that if this budget is approved it will necessitate a request for a greatly increased amount of funds in 1958 and even a greater amount in later years. This, in effect, is an indication that the administration is again postponing the buildup of the Air Force.

The administration's budget reduces funding for new aircraft procurements by $1.2 billion. It will purchase 600 less aircraft than are being bought in the current fiscal year.

It will result in the neglect of a dynamic research and development program, not only in the field of guided missiles, but also revolutionary advances in manned aircraft.

The pathetic support given by the Pentagon toward the development of missiles is already well known. In 1953, the Air Force devoted 25 percent of its research money toward the development of missiles. In 1957, it has been proposed to spend only 7 percent on this vital program.

There has been a similar watering down in the research and development of manned aircraft, new electronics equipment, and weapons. These and other projects are starving for lack of money to stimulate and exploit technological breakthroughs.

The budget contains a deficit of between $300 million and $400 million in critically needed maintenance and operations funds. This deficit will have an immediate effect on the combat capability of the Air Force.

And finally, proposed Air Force funding for fiscal year 1957 will further limit the necessary expansion of the Air Force's base support construction program. The lack of adequate air base facilities has led to a dangerous and impossible strategic situation. For the period 1950 to 1955, Air Force strength increased by 160 percent. The number of bases, on the other hand, increased only 40 percent. This has caused a serious overcrowding and, according to General Twining, has endangered our striking force.

Mr. Chairman, approval by this Congress of the proposed Air Force budget for the next year will result in that service's inability to reach its required state of readiness and modernity at any time in the near future. The pressures being exerted by the administration to reduce military expenditures purely on the basis of political expediency is self-deception in its most brazen form.

It is no secret that this country is already woefully behind the Soviets in those categories of combat aircraft that can cause us the most harm.

This budget will only widen the gap.

This administration has completely failed to devote adequate attention to the air defense needs of this country. It has ignored the problem; it has disregarded the real nature of the threat.

Mr. Chairman, matching Soviet capabilities and strength must not be delayed any longer. We must not fail to permit at least the present tempo of Air Force buildup. To do otherwise can only lead to national disaster.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Flood].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 608. No part of any appropriation contained in this act shall be used directly or indirectly except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or the Republic of Panama: *Provided, however,* (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned position to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citzens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than forty hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided, further,* That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

I would like to ask the chairman a question concerning the provision to be found on page 35, line 19:

Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

Is that not a tremendous amount of authority to give any President with respect to the working conditions compensation paid the people working in the Panama Canal Zone? What is the reason for it, if I may ask the gentleman?

Mr. MAHON. The gentleman refers to the language in the last part of section 608:

Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

The Panama Canal Zone is, of course, in a very vulnerable area. In the event of an emergency, it would be imperative that the President should have full authority, regardless of who the President might be, to suspend any regulations or provisions which might hamper the control of the Panama Canal Zone.

Mr. GROSS. Has this same language been carried in other appropriation bills?

Mr. MAHON. This is an old provision. It has been in this bill, I believe, since the gentleman from Iowa and I have been Members of the Congress. At any rate it has been in the bill for several years.

Mr. GROSS. I must confess I have never seen it before. But, if this provision can be included in a bill with respect to the Panama Canal Zone, would it not be possible to apply the same language to any part of this country or to any other area over which we have any control?

Mr. MAHON. May I say to the gentleman from Iowa that it shakes my faith somewhat when the gentleman from Iowa says that he has not seen this provision before because, I believe, the gentleman goes over these bills and scrutinizes them very carefully. I do not say this in any disparaging sense because I think the gentleman from Iowa performs a good service in scrutinizing legislation. I feel that it is desirable that all Members undertake to familiarize themselves with all the bills which come before us.

Now, in case of an all-out emergency or war, of course, the Congress would quickly take action with respect to legislation involving the Nation itself. But the Panama Canal Zone is in a very vulnerable position. This language has always been there a long time. Certainly I would not want to withdraw it from this bill.

Mr. GROSS. I think it is a tremendous grant of power to any President over any area or territory. I would like to ask one other question. Am I correctly informed that the Federal Government pays property taxes in the State of Michigan, and perhaps other States? Does the gentleman know?

Mr. MAHON. I believe that in many instances the Government makes payment in lieu of taxes in order to help support the local communities. There is no provision in this bill with respect to that matter, however.

Mr. GROSS. I will say to the gentleman that I read in the hearings a reference to the Federal Government paying property taxes to the State of Michigan. I found no explanation and that is the reason I raised the question.

Mr. MAHON. The Federal Government has much property all over the United States, and there is a great campaign about reducing the amount of land and property held by the Federal Government unnecessarily. In some areas the Federal Government owns so much that it is hard for the local communities to pay the costs of operation of the community government. There are payments in lieu of taxes.

Mr. SIKES. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. SIKES. I think what the gentleman is speaking of is taxes paid by the Federal Government on a standby plant which is not the property of the Government. Plants held in a standby status under certain contractual arrangements worked out with the local authorities are in that situation.

Mr. GROSS. Is that done in all States where we may have standby properties?

Mr. SIKES. I think this type situation is the exception. I do not think it is a general thing, although special legislation, I believe, was enacted last year to cover a situation in Missouri involving the Navy.

Mr. GROSS. I thank the gentleman.

The Clerk read as follows:

Sec. 609. Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this act, and by making available or causing to be made available to purchasing and contracting agencies of the Department of Defense information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this act.

Mr. ROOSEVELT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roosevelt: On page 36, line 13, section 609 is amended by adding at the end thereof the following language:

"The expenditures of all appropriations contained in this act effected by this section shall be made in accordance with the policies and provisions of Public Law 413, 80th Congress, section 2 (b) and Public Law 163, 83d Congress, section 203."

Mr. WIGGLESWORTH. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. ROOSEVELT. Mr. Chairman, I appreciate the gentleman reserving his point of order, because I recognize the propriety of the point of order. I have offered this amendment in recognition of the fact that this bill carries $34½ billion of appropriations, a large part of which, although of course not the majority of it, would I hope be made available to the small business of this country. The committee very obviously recognized this in writing into the proposed legislation section 609. However, I think it is important also for me to say that in this amendment there is no criticism implied or intended of the committee or of the administration or anybody else. It is simply that we may call attention again to the importance to our national economy of small business.

Probably no group deserves more credit for the winning of World War II than our small-business enterprises. It is important, therefore, that in any legislation we keep emphasizing this fact in order that it not be overlooked. Therefore, I have simply by this legislation renewed and called attention to legislation which already exists in order that the Defense Department may again have it called to its attention.

There is no restriction on the Department of Defense, no curbing of funds, there is no new legislation, there is no additional expense; it does stress existing laws written because Congress has recognized that the great importance of small independently owned business to the national defense must be emphasized at all times.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I gladly yield to the distinguished gentleman from Texas.

Mr. MAHON. The purpose of the gentleman's amendment, as I understand, is to emphasize existing law and to emphasize the will and purpose of Congress that small business be utilized in every reasonable and proper way under the enacted laws of the country.

Mr. ROOSEVELT. That is quite right, Mr. Chairman; and I do so because section 609 seemed to emphasize mostly information for small business to the exclusion of other things. I desire to place emphasis on all the aspects of helping small business. I sincerely hope the gentleman from Massachusetts will see fit to withdraw his point of order.

Mr. WIGGLESWORTH. Mr. Chairman, the gentleman from California [Mr. Roosevelt] was good enough to give me in advance a copy of his proposed amendment, and I have submitted it to a number of my committee colleagues. We are all very much in favor of helping small business. The bill as written is designed to that end. Because of the views entertained by those with whom I have conferred; however, I feel constrained to insist on the point of order.

this Nation.

striking force.

Provided, further, That the President may

to ask one other question. Am I cor-

Congress, section 203."

of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROOSEVELT. No, Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded.

The Chair therefore sustains the point of order.

The Clerk read as follows:

> Sec. 616. Notwithstanding any other provision of law, executive order, or regulation, no part of the appropriations in this act shall be available for any expenses of operating aircraft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with the regulations issued by the Secretaries of the Departments concerned and approved by the Secretary of Defense which shall establish proficiency standards and maximum and minimum flying hours for this purpose: *Provided,* That without regard to any provision of law or executive order prescribing minimum flight requirements, such regulations may provide for the payment of flight pay at the rates prescribed in section 204 (b) of the Career Compensation Act of 1949 (63 Stat. 802) to certain members of the Armed Forces otherwise entitled to receive flight pay during the fiscal years 1956 and 1957 (1) who have held aeronautical ratings or designations for not less than 20 years, or (2) whose particular assignment outside the United States makes it impractical to participate in regular aerial flights.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, many of us, many years ago when we were younger in school, remember an old poem which had something to say about "cannons to the right of them, cannons to the left of them, volleyed and thundered." The gentleman from Missouri, chairman of the Committee on Appropriations, usually is quite moderate in his remarks, but I feel that he did not measure his words quite as carefully today as he usually does when he charged—and these are the words as carried on the teletype:

> The President was talking in terms of 50 years ago, Cannon asserted; and if that is all the defense we have, God help us.

What he was talking about was the comment that President Eisenhower had made in which he pointed out the importance to our defense structure of our magnificent United States Navy and its naval air power. I was surprised when the chairman made that statement because my recollection is he became chairman of the Appropriations Committee about 15 years ago and during all of those years he has always supported all appropriations for the Navy. Certainly, if we have nothing of value in our Navy he must share some of the blame.

When he so referred to the President, who is Commander in Chief and under whose guidance, wisdom, judgment, and leadership we came to victory in the greatest war this world has ever known, I feel, again, that he did not measure his words well because all of us know the magnificent military mind of our President and the military achievements which he has attained. Certainly, we could go back and say, if the President is talking in terms of 50 years ago, that nevertheless the President did a magnificent job in World War II and we can depend on his military judgment to keep us secure at this time.

I would also point out that a careful study of some of the comments made some time ago by certain of the Soviet leaders will not bear out statements made by the chairman of the Appropriations Committee. I read those statements carefully. The Russians did not say they have a 1,500-mile missile. They said they will soon have it and it will carry a hydrogen warhead. So will we and so will ours. When they were talking about their development of the H-bomb their remarks were not comparing our progress but were related to England.

It seems to me a travesty to think all of this pandora box of the troubles aroused by the Russian threats had the key put in to open it back in 1933 when the United States recognized Russia which was then a tenth-rate power. With the very aid and assistance we have given them through the years, up to and including World War II, we have built them up to what we now facc.

I trust that when the chairman reads his remarks before he sends them to the printer tonight for the Congressional Record he will modify them and use the moderate language which he usually and customarily does use. I hope when he does that he will point some dates. You will recall I tried to get him to yield to inquire about the dates of the contract for the planes which did not fly and upon which we spent so many millions of dollars. I trust he will revise his remarks and put in the Record the dates so that we may be fully advised as to that situation, and be informed as to whose administration that occurred.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I am sure the gentleman knows quite well the Commander in Chief of the Armed Forces of the United States during World War II was Franklin D. Roosevelt, also Harry S. Truman.

Mr. SCRIVNER. Oh, yes, I know that but did not think that I had even mentioned them. But mentioning them have raised some other points that could well be referred to. The gentleman will probably take Mr. Truman's word against mine. One of the things Mr. Truman tried to emphasize in his articles in Life is the situation with which we are now faced, where we have had to publicly state the numbers of planes and things like that, which we have always held in security. Mr. Truman said that all that was necessary for an enemy of this country to do was to work up a congressional investigation and our enemies could get all of the information furnished them without the cost, by reading the papers. And further, it should be recalled that it was Mr. Truman who froze funds Congress voted to provide a 70-wing Air Force.

The Clerk read as follows:

> Sec. 629. During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

Mr. HAND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise only for the purpose of asking my distinguished friend, the gentleman from Texas [Mr. Mahon], a question or two about the language in section 629. Now, that language on the surface seems to be wholly innocent. It says that:

> During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

I confess without hesitation that I have not looked into this thing personally and with any great care, but the question has been raised with me that section 629 in effect, despite the innocence of its language, actually gives in excess of $12 million a year of business in flying Army mail to 2 or 3 of the favored and very large commercial air carriers. Can the gentleman give me any comment on that situation?

Mr. MAHON. Under our system, the Post Office Department itself is supposed to handle the mail, and the Post Office Department handles this overseas mail for the services. Now, if the Armed Forces should negotiate directly with the carriers and the Armed Forces should take over the handling of the mail, which has been the traditional function of the Post Office Department, it may be that some funds could be saved, at least temporarily. This mail is handled under the regulations of the Post Office Department and the CAB.

Mr. HAND. If I may interrupt, I understand that $8,000 or $9,000 a day might be saved by direct negotiations.

Mr. MAHON. It is claimed that some funds could be saved if we would change the basic law and permit the Armed Forces to take over the handling of this mail; at least for a time the carriers wanting to get into this field probably would carry it for less than the carriers who are now carrying the mail.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Kansas.

Mr. SCRIVNER. This language is similar to language that has been in the bill previously, and first arose in June 1954 in the conference report, and it became necessary at that time because of the action taken separating the subsidization of the mail. And, if you will refer to the Congressional Record, volume 100, part 7, page 8888, you will see where the gentleman from Massachusetts [Mr. Heselton] and I discussed this very language concerning which you are now raising a question. In that colloquy I made these remarks:

> Mr. Scrivner. This section became necessary due to the action which we have taken in separating subsidies for mail. When that arose there was no provision for the carrying of the airmail to and from the servicemen scattered throughout the world.
>
> This is merely authorization to the Defense Department to use available funds for that purpose under agreements with the Post Office Department; and of course, we expect the Post Office Department to get this mail carried in the most expeditious manner and at the lowest possible rate of pay.

Mr. HAND. Would the gentleman comment on the question which has been raised that this mail is actually all concentrated in the hands of 2 or 3 companies and they carry it at a much greater cost than may be the case if other companies were permitted their share of the business?

Mr. SCRIVNER. I am not familiar with the operations of the Post Office Department in making these contracts, but I assume that they give the contracts to the best and lowest bidder.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman.

Mr. MAHON. I should like to read here a statement prepared by the Defense Department with respect to this section.

Basic law—title 39, United States Code, section 654 C—provides that mail transported between the United States and its naval and military forces and between the forces shall be paid for "out of the appropriation for the transportation of foreign mail." Deletion of this provision would require the inclusion of funds in the Post Office Department appropriation for such payments.

We have the funds here in this bill for making these payments. Otherwise they would be in the bill for the Post Office Department. The rates are not fixed by the Department of Defense but properly fixed I think by the Civil Aeronautics Board and the Post Office Department.

At this point I insert the following statement on this problem:

> Under existing law (49 U. S. C. 486) rates for the transportation of mail are fixed by the Civil Aeronautics Board. The Board also determines which airlines are eligible to carry mail.
>
> The Department of Defense has no authority to enter into a contract for the transportation of military mail at rates not approved by the Civil Aeronautics Board. As a matter of fact, in a decision of the Civil Aeronautics Board of November 19, 1954, the Board specifically held that military mail was not cargo and was required to be carried by eligible carriers at rates fixed by the Board.
>
> Even if contracts could be entered into directly with carriers and at cheaper rates, the result would be a diversion of traffic from the carriers certified to carry mail. This loss of revenue to the certified carriers would merely result in increased subsidy to them by the Federal Government.

Mr. HAND. I want to say to the gentleman that I am, of course, reluctant to offer an amendment to a good bill which comes from my own committee, but I do hope that the gentleman from Texas [Mr. Mahon] and the gentleman from Kansas [Mr. Scrivner], will help, if it is necessary, in saving a little money that can be saved and also in seeing to it that all companies get a good crack at this mail delivery instead of just 2 or 3.

Mr. MAHON. Mr. Chairman, I should like to say to the gentleman that we had quite an extensive hearing in regard to the Military Air Transport Service—MATS—and this matter was discussed in considerable detail. It is true that a few airlines have the lion's share of this business, as I understand it. I share the gentleman's hope that it can be spread out as much as possible and handled by as many carriers as reasonably possible.

Mr. HAND. I shall address myself to the gentleman on that subject.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Chairman, I desire to comment further on the inquiry made of our distinguished committee chairman, by the distinguished gentleman from New Jersey [Mr. Hand], concerning unnecessarily high expenditures by the defense for commercial air shipment by Army Post Office mail between the United States and foreign countries. I should like to make it clear that I am in entire sympathy with the natural desire to cut down on unnecessary expenditures and I believe that the desirable savings can be accomplished.

I want to be very clear in my explanation of the matter so there can be no misunderstanding as to the position of our Committee on Appropriations. Our distinguished subcommittee chairman [Mr. Mahon] referred to the hearings on the Military Air Transport Service. As the chairman knows, I urged those hearings on MATS be held and the record indicates my position that MATS has gotten out of hand.

It is no longer just my position. It is the position of the Subcommittee on the Department of Defense Appropriations and with the adoption by the full Committee on Appropriations of the subcommittee report this became the position of the full Committee on Appropriations.

With the adoption today by the House of Representatives of this bill and House Report No. 2104, this becomes the intent of the House of Representatives.

We quoted the President's Air Coordinating Committee recommendation, page 46, of our report House Report No. 2104:

> The Government should, to the greatest extent practicable, adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers.

I invite attention to the following statement:

> The committee strongly endorses that statement.

There has thus been a statement of policy made that the Congress intends that the Government should adjust its air transportation policies so as to use the unutilized capacity of United States air carriers.

I point out to the gentleman from New Jersey that we are not just saying to the Pentagon: "Make more use of one airline."

We are saying to the Pentagon: "Make use of the unutilized capacity of all responsible United States air carriers."

Now, in encouraging the growth of a civil airlift reserve by transferring military air traffic, and by the word "traffic" I mean what the General Accounting Office says: "Military mail, cargo, and passengers," from the Government-owned airline to commercial airlines, we want to make sure that this transfer, this adjustment in policy, is made without unreasonable expense to the Department of Defense.

At present the Department of Defense is able to secure commercial air transportation for passengers and cargo at around 25 cents to 30 cents a ton-mile.

But, we find the Defense Department is spending about twice as much, or a rate of 53 cents a ton-mile for the shipment of sacks of APO mail.

There is no sense to such an arrangement.

Our committee does not sanction the use of soldier mail as a device to subsidize airlines by having the Defense Department pay unnecessarily high rates.

The Defense Department makes direct payments to ocean shipping lines when sacks of APO mail are sent by ocean vessel and there is nothing in section 629 which can possibly be interpreted as preventing the Defense Department from doing the same thing with commercial airlines.

Reference has been made here in today's discussion to title 39 United States Code 654 (c) and it was read here a few minutes ago. But that provision of law does not prevent the Pentagon from dealing directly with commercial airlines. That section of the code was cited by the Pentagon in its letter to former Senator Ferguson which appears in the Congressional Record, volume 100, part 6, page 8446 after what the Pentagon admitted themselves in that letter was "a quick review of the situation." At that time it was Senate amendment No. 35 of the appropriations bill and it is exactly the same language as section 629 before us now.

But there is nothing in this cited provision of the code which prevents the Defense Department from paying for the transportation directly. How does the Defense Department explain how they can pay the shipping lines directly? How do they explain loading APO mail on chartered commercial planes in the Pacific?

Of course, title 39, section 654 (c) of the United States Code is no impediment to the Pentagon from dealing directly with the airlines, nor is there any impediment in section 629, as it was numbered in the bill reported by our committee. My interpretation of section 629, which is the same as the old Senate amendment 35, is exactly in accordance with that expressed by the Postmaster General in his letter of July 9, 1954, to the Secretary of Defense:

> I would like to point out that the Post Office Department does not interpret the reimbursement amendment No. 35 as restricting your existing authority in any way, or precluding your Department from making direct arrangements with commercial air carriers for the transportation of such mail, or from moving it on the Military Air Transport Service.

The Civil Aeronautics Board establishes the rates, and selects the carriers, airlines have the lion's share of this busi- civil airlift reserve by transferring mili- lishes the rates, and selects the carriers,

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which the Post Office Department—which really is, as they have frequently complained, a captive customer—shall pay for transportation of mail, although the Civil Aeronautics Board has no such authority over Defense Department traffic.

What has been happening is that the Defense Department has been taking a restrictive interpretation of what is numbered in the committee bill now before us as section 629 and as a result has been making payments to cover the cost of commercial air transportation of Army Post Office mail only by the method of reimbursing the Post Office Department which in turn is forced to pay at the very high rate, set by the Civil Aeronautics Board, of 53 cents a ton-mile, which rate therefore has to be reimbursed, by Defense. Therefore the Defense Department is paying 53 cents per ton-mile for service which they could obtain directly from commercial air lines at rates as low as 25 cents per ton-mile, thus bringing about a saving of over 50%.

Instead, with Section 629, the Defense Department could perfectly well permit the Army Post Office to move APO mail on commercial airlines at the low freight rates of approximately 25 cents per ton-mile, and doing so would be in accord with the recommendation of the General Accounting Office on page 66 of its report of April 9, 1956, which states:

> We believe that the airlines should be able to carry mail at rates and yields that are closely related to those of freight.

This would encourage the Defense Department to carry out, at the lowest charge obtainable by the Army Post Office, at least the military mail part of the recommendation on page 30 of the General Accounting Office report of April 9, 1956, which reads:

> We believe it important that the Congress direct the Department of Defense to transfer, wherever possible, military mail, cargo, and passengers to United States certificated air carriers.

According to page 877 of the Federal Budget, the Defense Department, if restricted solely to this reimbursement method, is expected to have to spend $12,700,000 in 1957. The amount involved is, therefore, sufficiently large to warrant action by the Secretary of Defense in the interest of economy.

There is nothing in section 629 nor in our committee's report to prevent the Secretary of Defense from obtaining commercial air service for Army Post Office mail at charges below those set by the Civil Aeronautics Board.

The distinguished gentleman from Massachusetts [Mr. HESELTON] estimated—CONGRESSIONAL RECORD, June 24, 1954—that liberating the Defense Department to deal directly with commercial airlines whenever charges lower than those set by the CAB (for which reimbursement to the Post Office is required) were obtainable, as my proposed amendment would do, would save the Defense Department approximately $8,000 per day on the European channel alone.

Why does not Secretary Wilson do it? Why does not Secretary Wilson save $8,000 on tomorrow morning's shipment? The answer is that he can make this saving, and our committee intends for him to do it. It should be remembered that approximately 2 years ago the Congress expressed its intent that responsibility for payments for commercial air carriage of Army Post Office mail between the United States and foreign countries should rest with the Department of Defense and not the Post Office Department.

Reference-statements of intent by Senator BRIDGES, floor manager of the Post Office appropriation and Senator KENNEDY—CONGRESSIONAL RECORD, volume 100, part 5, page 6538—and the same statement of intent on the part of the House by Congressman CANFIELD, who was managing the bill for the House Committee on Appropriations and Congressman HESELTON — CONGRESSIONAL RECORD, volume 100, part 5, page 6840.

Still later there was a case before the Civil Aeronautics Board in docket 6489 holding that APO mail is not property within the meaning of the Civil Aeronautics Act and that therefore the property tariffs filed by two companies to carry this traffic at 25 cents per ton-mile had to be rejected.

Nevertheless, I am advised that a number of methods exist which, if properly pushed by the Department of Defense, could surmount any legal difficulties, which may be imagined to exist, to the transportation of APO traffic at rates below those set by the CAB. I have been advised, for example, that it would be possible for the CAB to set special rates for APO mail which are lower than those for United States mail and that the result would obviously be reduction in the expenditures of the Army post office on this item. A number of justifications for a lower rate have been suggested, among them the fact that APO traffic represents two-way loads for the airline carrying it, whereas United States international airmail is largely one-way traffic with the return loads being given to foreign-flag airlines by foreign postal administrations. It has also been pointed out that contract or charter agreements could be devised for the sake of lower rates for APO traffic. There have been additional suggestions that exemption orders such as have been issued in the past for military traffic, or special authorizations for the carriage of APO traffic could be secured, if the Defense Department pushed the case at the CAB and elsewhere.

I am not going to suggest, Mr. Chairman, what particular method should be used to secure a lower price on commercial air transportation of APO mail, but I do want to make it clear that the House intends the Defense Department to explore all possible methods and to make use of them. The Congress has provided that, for example, a letter from a girl in Texas to her soldier boyfriend stationed in Frankfurt, Germany, can be addressed to APO 858, care of Postmaster, New York, N. Y. This letter bears only 6 cents domestic air-mail stamp instead of the normal United States-international air-mail postage stamp of 15 cents, so that when the Post Office has flown this letter from Texas to New York and delivered it to the postmaster, the 6 cents has been used up. The postmaster in New York then turns the letter over to the Postal Concentration Center run by the Army. What happens then is up to the Army.

> The Post Office Department delivers mail to the various APO offices in our country such as New York and San Francisco, and the responsibility from there on rests with the Defense Establishment. (CONGRESSIONAL RECORD, May 19, 1954, quoting Congressman CANFIELD as floor manager for the Committee on Appropriations).

If the Army ships that letter by boat, the Army pays the shipping line directly. If the Army chooses to have that letter flown, it is the view of the Post Office Department that air delivery is a fringe benefit of the soldier, and the Army must pay the bill. If the Army chooses, it can fly that letter on MATS. If the Army wants to turn the letter over to the custody of the Post Office Department, the Army will have to reimburse the Post Office Department at the high CAB rate of 53 cents per ton-mile. There are other additional methods, however, which the Defense Department can employ to secure lower charges than this 53 cents for flying this letter from the airlines who are now flying this traffic or from other United States flag commercial airlines. We want the Defense Department to use all possible methods to secure lower commercial charges.

It is fair to say that on most APO channels—example: only 1,600 pounds a month, channel 8 to Brazil—it is not worthwhile for the Army to make special arrangements and they are probably better off turning their few APO sacks over to the custody of the Post Office Department and reimbursing the Post Office through section 629 of this bill for the commercial air trip to Rio.

But on channel 30 to Europe, for example, the volume of APO mail is some 450,000 pounds a month, and on channel 34 to Japan and Korea, the volume is as much or more. The huge return loads, back to the States from these areas are all sorted, sacked, and loaded onto commercial planes entirely by the Army.

The Post Office Department does not even see this return-haul APO mail, coming from soldiers stationed overseas to their families and friends in the States until after it has arrived in this country. The Post Office never has custody of it. The Army handles the whole thing. So why payment for this return haul APO mail should be made by Army via Post Office at an artificially high rate is something no one has explained yet. Here are two places where special arrangements such as contracts, charters, or special CAB exemptions for certificated freight lines, and so forth, for such large loads can be made, and should be in the interests of economy.

For example, suppose the APO loads to Frankfurt and back for 1 month totalled 450,000 pounds. At present the Army is paying 53 cents per ton-mile—which is equal to $1.06 per pound, New York City to Frankfurt, Germany—or a total of $477,000—to commercial airlines via reimbursing the Post Office—for that 1 month.

But is, instead of using the Post Office reimbursement methods, the Army pushed special arrangements to pay the

airlines directly, and if the Army had to pay for APO traffic no more than they are paying for passengers and cargo, around 25 cents per ton-mile; which is equal to 50 cents per pound to Frankfurt, their airline bill for the month would be only $175,000.

The saving in the Army expenditures on this 1 channel for this 1 month would thus be $225,000, or $8,400 per day.

Additional savings are possible on the large volume now moving to the Far East.

This is enough of a saving to warrant Secretary Wilson's attention; and therefore I say he should take the handcuffs off his own Department and push them into making this saving.

I do not believe there is any impediment in the availability of this appropriation for direct payment, as well as for reimbursement.

We have expressed ourselves clearly. Now it is up to the Secretary of Defense.

What is there to prevent his making a special arrangement for his Army Post Office to tender tomorrow morning's shipment out of Frankfurt bound for the States directly to a United States commercial airline at a freight rate? Nothing. Nothing at all. He can save his Department $8,000 a day, beginning tomorrow.

There isn't a commercial airline flying the United States flag across the ocean that wouldn't jump at a chance to carry APO mail at half the price the Defense Department is paying now. The airlines who are now carrying it—at twice a reasonable price would still be glad to take it at half the present price. And, as the GAO report to the Congress recommends, there are other United States certificated airlines, flying several trips a day across the Atlantic between the United States and Frankfurt, where most of this APO traffic moves, who are ready and able to provide the service for the Army Post Office, who could do it tomorrow morning, and who have actually offered to do so at rates of less than half what the Secretary of Defense is paying now. Their unused space should be used for this traffic, as our committee report obviously intends. There are other lines certificated by CAB across the Atlantic. Our report says the others are included too.

The distinguished gentlemen from New Jersey [Mr. HAND] and Massachusetts [Mr. HESELTON] have done a real public service in pointing up this place where money can be saved.

As a member of our Committee on Appropriations, who has been intimately bound up for weeks and weeks, in just this air-transport problem, on both the defense subcommittee and also on the Civil Aeronautics Board subcommittee, I assure the House that our committee intends that this potential $8,000 a day saving shall be made by the Defense Department.

PROGRAM FOR THE WEEK OF MAY 14

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of asking the majority leader if he would advise us of the program for the balance of this week and for next week.

Mr. McCORMACK. If this bill is disposed of today, we shall go over until Monday.

Monday is District day. The following bills are to be called up:

H. R. 2603, increase area, for residing.

H. R. 6782, regulation, sale of goods.

H. R. 7804, apply, uniform, simultaneous death act.

H. R. 10060, pay periods, police and firemen.

H. R. 10375, enlarge awards, police and firemen.

H. R. 10768, increase annuities, District of Columbia teachers and school employees.

The Department of Agriculture appropriation bill for 1957 will be the next order of business. If not disposed of on Monday, it will go over until Tuesday.

Tuesday is a primary day in Nebraska and Friday is a primary day in Oregon.

The usual procedure will be followed in case of any rollcalls on Tuesday and Friday, if a session, since they are primary days. If the Department of Agriculture appropriation bill is disposed of on Monday, there is no program for Tuesday.

On Wednesday we shall take up the District of Columbia transportation bill, H. R. 8901.

Any further program will be announced later. Conference reports may be brought up at any time.

Mr. ARENDS. The gentleman from Nebraska [Mr. MILLER] asked me if the gentleman could give us further information about the sugar bill conference.

Mr. McCORMACK. The gentleman did talk with me. Of course, the bill has been over 20 days in conference. I am sorry I cannot give any direct information on it at this time. I do not know if any member of the Committee on Agriculture who is a member of the conference committee is present and may be able to advise us.

Mr. ARENDS. Perhaps the gentleman can make further inquiry and give us light on that a bit later.

Mr. McCORMACK. I can say this with reservations. The best information I have is that it is the intention of the conferees to go into conference after the Agriculture bill is disposed of in the other body. It is thought that the conference report would come in the latter part of May. The gentleman from Nebraska [Mr. MILLER] in talking with me indicated that the bill has been in conference such a period of time that a preferential motion might be made. He did not say he was going to do that, but he indicated he had it in mind.

I make that announcement so that the House conferees may be aware of the fact that such a motion may be made. Like the gentleman from Nebraska, I hope the conferees will get together as quickly as possible and bring in a report as soon as possible. The gentleman from Nebraska has talked with me, and I thought his position was very fair. I do not know what he intends to do, but I am alerting the House conferees to the fact that he may make that motion. Of course the logical thing for them to do would be to meet to forestall any such motion being made.

The Clerk read as follows:

> SEC. 633. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a contractor without danger to the national security: *Provided*, That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense.

Mr. ALLEN of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ALLEN of Illinois: On page 46, strike out all of section 633, beginning in line 21 and extending through line 7 on page 47.

Mr. ALLEN of Illinois. Mr. Chairman, I spoke on this subject the other day so I do not expect to consume my 5 minutes.

On the question before this House now, we can all ask ourselves this question: Are we who speak so much for private industry, and we all have spoken in behalf of private industry, for it, or are we for the Government's keeping on with governmental enterprises when those charged with the responsibility of operating them do not want them and say they do not need them? Still, this section would force the Department of Defense to operate and supervise certain governmental enterprises despite the fact that that Department says they do not need them, they do not want them, and that certain of those enterprises are inefficient and unprofitable.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I wish to thank the gentleman for introducing this most valuable and necessary amendment. As the gentleman knows, I had planned to introduce this amendment myself, but deferred with great pleasure to his seniority and great wisdom. I have spoken at length on this amendment, and certainly commend it and hope it will be adopted.

Mr. ALLEN of Illinois. I thank the gentlewoman. I think I am correct in saying that there is not a Member in this body who has not, at some time or other, said that they were in favor of private enterprise, that they wanted private enterprise and would do all within their power to keep the Government out of business. I do not think there is a Member in this body who does not know that private enterprise cannot compete with governmental enterprises because of taxation, for one thing. Private corporations pay a 52-percent tax. There are real estate taxes. On the other hand, the Government does not have to pay such taxes and does not have the overhead expenses that private enterprise has. It seems inconceivable to me and unimaginable for us here in the Congress to force the Department

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of Defense to operate certain plants year as being opposed to this invasion to protect the taxpayer. Why? It has of Defense to operate certain plants which they claim, after the most careful consideration and study, that they do not need and they do not want. If I can give you an example which, perhaps might be considered a little on the ridiculous side, it would be the same situation if today when the cavalry is obsolete as a component of our Armed Forces, we were to insist that the Department of Defense keep open certain governmental enterprises for making saddles.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. McVEY. I want to associate myself with those who are in favor of striking section 633 from this bill. I think the striking out of this provision would be the exercise of the necessary restraining influence on the disposition on the part of various governmental departments to compete with private enterprise. I am very much in favor of striking this language from the bill.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. CURTIS of Missouri. I am very happy to join the gentleman in his remarks. I would like to make a further observation and see if the gentleman does not agree that not only is this in the interest of private enterprise, but the private enterprise that we are mainly talking of is small business. There is a good deal of talk about people being for small business, but it is in this area of small business that our military is mainly competing such as laundries and little garages and the 101 various activities that compete with small business. It is in that area that we who are interested in private enterprise and small business will all get behind this amendment, and I commend the gentleman for introducing the amendment.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MORANO. I wish to join the gentleman in his remarks. I am going to vote to strike this section from the bill.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. POFF. I join with the gentleman in his remarks. Is it not true that this section would have been subject to a point of order under a straight rule?

Mr. ALLEN of Illinois. The gentleman is correct.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HAND. I agree with what the gentleman has said. I offered a similar motion in committee, and I shall gladly support the gentleman's amendment at this time. In addition to what the gentleman says, I am very much convinced that this section is an unconstitutional invasion of the executive authority. I think we should be jealous when the executive branch invades our authority—the authority of the legislative branch, and we should be equally careful not to invade the authority of the executive. The President announced himself last year as being opposed to this invasion of the authority of the President.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. SIKES. Mr. Chairman, section 633 which was carried in the last defense appropriation bill as section 638 is quite well known to the House by this time. The best test of any piece of legislation is in its operation. Objectives, operation, and results are what you measure legislation by; not by the telegrams which attempt to influence your stand. The language of section 633 has been in operation for a year and we know how it works. I assure you that Congress has not created a monster in this section. Congress has created a safeguard, a simple and workable safeguard to protect the tax money of the people of the United States and to protect needed activities in the national defense establishment. I state categorically that section 633 has not resulted in any additional costs to the Government. Certainly it is reasonable to assume that before the Department of Defense decides to contract out to private industry an activity previously carried on within the Department, it would determine the economics of such a step. It would not be in the public interest to make such decisions blindly, without prior investigation.

Having determined the economy of such an action, it is only one step more for the Department of Defense to send to the Congress the figures showing why it is advisable to terminate that activity or dispose of it through private contract. It has worked no hardship whatsoever.

Now let us look at the actual operation of this section. The Department has sent to the Congress a list of 112 activities that it wanted to discontinue or contract out to private industry. What happened? The Congress gave its assent in all but nine cases. In only 9 cases out of 112 did the Congress say "We think you should not terminate or contract this activity." In most of those nine cases there was disagreement within the Department as to whether the work could be done more economically within the Department than it could under contract. In some of them there were important research aspects which would have been lost.

In 1 or 2 there simply was no private facility capable of doing the work, construction of facilities by private industry for such an operation at considerable cost—to be deducted from taxes of course—simply does not sound like good economy to me. In one operation it would have been necessary for the contractor to subcontract back to the Government for the operation to be carried on. There was nothing to indicate a saving.

Perhaps there were some more flagrant examples of activities scheduled for contracting to industry that the Government did not bother to send to the Congress because it was known there was no justification for a change.

Big business objects to this simple language which obviously is intended to protect the taxpayer. Why? It has shown by actual operation that there is nothing wrong with the section. It gives the people who appropriate the money for the operation of a specific activity an opportunity to look before the activity is contracted or given away and closed down, with possible injury to the Defense Establishment.

Do not forget there is a human side to this problem. There is know-how and skill accumulated through faithful service to the Government by the workers who carry on these activities. Are they to be turned out without a word and without consideration because big business smells a profit in what they are doing? The skill of these workers will be invaluable in time of emergency. Where will you turn for know-how or facilities at that time?

Let me say this: Some of the drive to eliminate this section seems to have come from recommendations of the Hoover Commission. I remember many instances when the recommendations of the Hoover Commission have not been considered sacrosanct. As a matter of fact, I think most of them have had to be tempered down quite a little bit before we found them practical, workable, or acceptable. Secretary Wilson said that this is working no hardship. He showed no disposition, on being questioned by me, to have this section eliminated. I submit it is a good section.

If you want the final measure on this, the House Committee on Armed Services has prepared a bill, and will present it shortly, which carries on this same operation. It is in different language, yes, but it will carry on the same activity that we proposed a year ago and which was adopted a year ago, and which has proved itself in operation.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SIKES] has expired.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

This is a wonderful time in the consideration of this bill for us to beat our breasts and talk about how much we love free enterprise. Most Members are on the floor and I do not see a man before me on either side of the aisle who is not devoted to free enterprise and willing to fight for it on any and all occasions. We are now fighting for the cause of free enterprise and economy and good management. But there is some degree of shadow boxing in this demonstration. One would think that the administration is just about ready to get the Government out of business. The Defense Department, headed by Secretary Wilson, is employing at this time about 1,170,000 civilians. About one-half of these people are directly or indirectly engaged in business-type or semibusiness-type operations. One would think that except for Congress Secretary Wilson would turn all these business-type operations over to private business. Please do not be misled; these are not the facts.

Under this section of the law all the Secretary has to do is to tell the Congress that he wants to discontinue a certain operation and we have 90 days in which to veto it. If we take no action, the Secretary is free to act. He sent up 112 suggestions and we agreed with him in all but 9. I have a list of the 112 here. The list is far from being impressive. Here it is: Officials wanted to close up coffee roasting shops in Atlanta, Auburn, Oakland, and in New York, and a few other places. The shops were using 191 people. We told them to go ahead. They could have done this 3 years ago. No one was stopping them. Not even this section of the bill was in effect until less than a year ago.

Then there is a ropewalk in Boston. They wanted to close that up. There are 78 people involved there. Out of this 1,170,000 civilians employed by the Department of Defense, there were 78 employed at the ropewalk. They wanted to close up the ropewalk; and under section 633 they cannot close it up over congressional objections but they can reduce it to one man, can reduce operations to the very minimum and let much of the work out to private enterprise. The ropewalk is, in a measure, a research and development project.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am delighted to yield to my distinguished friend from Massachusetts.

Mr. NICHOLSON. This ropewalk the Navy wants to close up received notice last June that they were going to be closed up, but due to a little political manipulation it still keeps open.

I would, however, like to call the gentleman's attention to the fact that we have a cordage company in Plymouth where the first people in the United States landed with the exception of the Virginia colony. What about their business? What about the Government going in competition with the Plymouth Cordage Co. or the New Bedford Cordage Co.? Is there anything in the Constitution that gives them that right?

Mr. MAHON. I believe this ropewalk is not manufacturing any rope at this time. It is mostly experimental. In time of war it does engage in considerable production.

I suggest that the gentleman discuss the problem with the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. That ropewalk has only been in existence since 1837.

Mr. MAHON. And here they have 51 people at a paint shop in Norfolk and some in Mare Island; and here is a bakery in Camp Kilmer with 9 people, and here is a cobbler shop. We are getting the Government out of business in a big way. Is this not wonderful? A cobbler shop in Gary Air Force Base in Texas, one man. We are getting the Government out of business. This is mostly administration propaganda.

And here is a cobbler shop at another Air Force base. We surely are getting the Government out of business in a big way—one part-time employee, that is all at this particular base.

This is so laughable. And over here in Fort Francis E. Warren, in Wyoming, they want to do away with the cobbler shop there and displace one cobbler. We agreed to all this but please do not think that this indicates that the Defense Department is really getting the Government out of business.

Go through this list. None of the projects amount to anything much compared to the total number of civilians employed by the Defense Department. The Defense Department is not getting out of business; the Defense Department has a half million people in commercial-type activities, and they come in here with this chickenfeed, this gesture which is apparently meant to impress people.

In the Department of Defense there are hundreds of thousands of people employed in arsenals, navy yards, repair depots and places of that sort. Do not be deceived by the discontinuance of a few cobbler shops, bakeries and minor operations where only a handful of people are normally employed. The Defense Department is making practically no progress in getting the Government out of business. The window dressing is not impressive if you take a good look at it.

I would be interested in knowing if the Defense Department wants to get out of business in a substantial way, removing thousands of civilians from Government payrolls, making a substantial reduction in the 1,170,000 civilians on the Defense payrolls. No such suggestion has been made by this Administration. I would be glad to agree to vast reductions if the cause of economy and defense can thereby be served.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent Mr. MAHON was allowed to proceed for 3 additional minutes.)

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I want to continue speaking about the importance of the Government getting out of business. Yes, I yield to the gentleman briefly, to my friend.

Mr. NICHOLSON. If all this is chickenfeed why not throw it all out and just forget about it?

Mr. MAHON. It is regrettable that the Government is not doing a better job of getting out of business. I have not heard from responsible officials any real substantial recommendation that the Government get out of business, particularly the Defense Department.

Secretary Wilson has a good sense of humor and he takes all this with a twinkle in his eye and a large grain of salt. On page 101 of the hearings on defense appropriations, Mr. SIKES said:

> I take it that this section has not caused you any material difficulty in its operation.

Secretary Wilson replied:

> I do not think so. It is just one of the added ones, you know, around your neck. We can carry that load.

If you knock the section out of the bill—that is a matter for you to decide—please do not think that free enterprise, which we all represent, has won a signal victory, because it will be pretty empty, just a few cobblers, bakers, candlestick makers and a small number of others. They are the only ones involved and unfortunately the Government seems to find it necessary to remain in business-type activity in a big way.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. PELLY. I wonder if the gentleman has not found that some of these eliminations are somewhat of an ideological spur which the Defense Department has given. I know of cases in my Navy Yard where it would increase greatly the expense to the Defense Department if certain activities were eliminated.

Mr. MAHON. There is one forge in the world capable of making the chain for the *Forrestal* carrier. It is in the Navy Yard. The committee was told that in order to make a showing on private enterprise, officials tried to give private enterprise the contract, then they found they would have to lease the forge to private enterprise to make this chain for the *Forrestal* carirer. How ridiculous can you get?

Mr. PELLY. I support the gentleman's position.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Is it not true, speaking of the chain for the *Forrestal* carrier, which was made at the Boston Shipyard, the contract had originally been let out to a private contractor to make the chain, but he came back to the Government saying he did not have the proper dies to make the chain and he returned the contract to the shipyard so that the shipyard might make the chain?

Mr. MAHON. Yes. We do not want the Government competing with private enterprise but there are instances, like in connection with the making of the chain for this big carrier, that it would seem utterly ridiculous to change the present procedure.

Let me make this point clear. Congress gave the Defense Department the money to set up the forging plant to make the big chain for the *Forrestal* carrier. Under section 633 it is provided that before the Defense Department can discontinue the operation, Congress must be consulted and given an opportunity to take affirmative action in opposition. If no affirmative action in opposition is taken, the Defense Department is free to abandon the enterprise. Why should not Congress keep its fingers on the purse strings and try to see to it that an increasingly better job is done when Government funds are involved. Business-type operations in the Government came into being through congressional appropriations. Congress should have some say-so in what is done with these activities. Expensive Government machinery should not be abandoned and heavy losses to the taxpayers incurred without Congress having an opportunity to take action.

As stated before, the Defense Department has suggested the closing of 112 business-type operations such as cobbler shops, et cetera. Congress has concurred in the closing of 103 of these installations. I feel confident that Secretary of

Defense Wilson feels that he is maintaining a wonderful batting average, and I do not believe that he is too unhappy about the situation.

I voted against this amendment when it was presented to the Appropriations Committee last year. I am about to decide that it is not such a bad amendment after all. I trust that we shall have an opportunity to concur in the closing of a much larger number of business-type Government-operated facilities. I certainly favor such action if such action is in the interest of national defense and economy.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it is mighty easy for us to get exercised over issues here in the House, particularly where it is represented as being pro or anti private enterprise. Understand, there are about $34 billion in this bill and our activities are spread throughout the world. Back through the years there have been many services, many things in our Military Establishment and many times those things had to be made by the Military Establishment itself. The Congress has made appropriations for these activities and for these workings in the Military Department. Now, due to the fact we are not actually at war, with time we have found that many of these activities could well be stopped by the Military Department and placed with private business even though the Congress has provided funds for these particular activities for years.

What has the Congress done in this section? It has said that we recognize that with changed conditions many of these activities could well be done away with but since we have given the money for these activities for years and since it may be essential to continue some of them, we direct that the military report to the Congress these activities which they have been carrying on for all of these years which have served the needs of the Service, but which the Department of Defense now wishes to close. We say, "Tell us about them before closure." There were only 9 out of 112 submissions where the committee has said the military should carry on. Why? Much of the work to support a big Military Establishment is research in its nature. You have to determine the type of rope and how the rope will stand up under trying conditions. You have to determine what kind of paint will stand up under the conditions of warfare. The Government is going to have to do much of that research.

Is it not sound to manufacture at least some quantity of the product on which you are doing experimental research so that in the use the military can minimize the cost of your research, or is it better to stick to less and invite somebody to go into business to produce something that the Government knows all about where the Government has to provide all of the initial expenses? There have been 9 times where we have said that since you have to carry on this research to serve the needs of the military department, we think you should produce enough of this product that you will have a sufficient quantity to really try out the results of your research.

My friends, it is one thing to favor private enterprise, and we should; it is quite another thing to set up a new private enterprise at increased cost of research carried on by your Government and give a handout to somebody that wants to move in on the Government. We need Government out of business, but we need some business in Government. Here again the Congress has told the military through the years, by giving them appropriations and approving their activities that "We support these many, many activities that you do; we give you the money for it; it is working well. Now we have agreed that much of it should quit." But, in order to be on sound ground, we have said, "Tell the Congress about it so Congress can at least tell the public what is going on, so it will be the real McCoy." Now, the rope factory, the chain factory, and the 8 or 9 other instances that have been outlined, you will find that the service affected, the service which knew about it, the service which we depend on, has been in accord with the Congress. It is the national Defense Department which has issued orders to the particular service, because somewhere somebody started this drive: Let us get the Government out of private business, even if we do it at tremendous cost to the taxpayers. I say you go too far when you overlook the last statement that I made.

Mr. MASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time just simply to serve notice on the House and on the Committee that there will be no more extensions of time, because I shall object.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, like my colleague from Illinois, I, too, in the past have proposed an amendment to strike this section from the bill. Let me say to my good friend from Texas, whom I admire, that Secretary Wilson may have said that he could live with this, but it is just like living with the measles. When we have them, we have to live with them, but you would be lots better off without them. So, I think we could get along without this.

Mr. Chairman, I earnestly urge that section 633, which is a proposed reenactment of section 638 embodied in the Defense Department appropriation bill last year, be stricken from the pending defense appropriation bill. It precludes the Secretary of Defense from disposing of any of the innumerable business enterprises in which our vast Defense Establishment has been engaged without first having the approval of the House and Senate Committees on Appropriations.

In the first place, this provision has no rightful place in an appropriation bill. It is not a limitation on an appropriation. It is legislation, pure and simple, over which the Committee on Appropriations, in my opinion, has no jurisdiction whatsoever. In this instance, and in altogether too many instances, the Appropriations Committee has arbitrarily arrogated to itself legislative powers that belong exclusively to our Committee on Armed Services.

Day in and day out our Armed Services Committee reviews the various aspects and countless operations of our Military Establishment. No real estate is acquired or disposed of by the Defense Department without the proposition being first reviewed by our committee. Members of our committee have an intimate, firsthand knowledge of every phase of our defense needs, functions, and operations, both at home and abroad. I think it is fair to say, and I do so with all due respect to the Appropriations Committee, that the Armed Services Committee is much more familiar with defense operations than the Appropriations Committee could possibly be. That is part of our job, so to speak.

Whether the Secretary of Defense should or should not discontinue any of the specific business-type enterprises in which our Military Establishment has been engaged is something for the Armed Services Committee to decide. There is no reason whatever why the Appropriations Committee should have the right to make such decisions. For that reason, if for no other, this section, giving the Appropriations Committee the right of review that belongs to the Armed Services Committee, should be stricken from the bill.

But there are other reasons, Mr. Chairman, why this provision should be eliminated. It retards, delays, and obstructs the splendid job our Secretary of Defense has been doing in taking the Government out of business in competition with private enterprise. And, in my judgment, taking the Federal Government out of those enterprises and activities that rightfully belong to private enterprise is one of the major undertakings of the present administration. I can see no reason for this provision except to obstruct the program and to protect certain bureaucratic vested interests.

At the last session of the Congress the Hoover Commission submitted its report on business enterprises in which the Federal Government is engaged. The magnitude and diversity of such operations is almost beyond imagination. To say the least, it is shocking and alarming. It has constituted a threat to our system of private, competitive enterprise, as well as an unnecessary burden on American taxpayers.

The Hoover Commission reported that in the Defense Department alone the total number of Government commercial and industrial type facilities probably exceeds 2,500, in which the capital investment probably exceeds $15 billion, involving 47 different categories of activities, such as coffee roasting plants, ice cream plants, cement mixing, jewelry repair shops, and even tree and garden nurseries.

To be sure, some of the business enterprise activities are essential to the Defense Establishment, such as when private enterprise itself cannot provide the service or possibly because of geographic isolation. But, at the very least, half of the defense facilities of this character could be eliminated without injury to our national defense or any essential governmental function.

In accordance with the Hoover Commission recommendations our able Secretary of Defense undertook to eliminate the unessential, and he has made excellent progress in that regard. He has been endeavoring to dispose of those facilities which have been in competition with private enterprise, where the capital invested could be recovered and where unnecessary expenditure and losses could be eliminated.

To this worthy undertaking on the part of the Secretary of Defense resistance developed. Personnel of the agencies operating the facilities protested. They did not want to lose their jobs. Citizens in the communities where the facilities were located protested. They did not want to lose this special benefit to their area. These vested interests, regardless of the public interest, seem to have been sufficiently loud and strong in their selfish protests to cause the Congress to write into the appropriation bill at the last session this wholly unnecessary restriction on the Secretary of Defense.

Except in a very few instances, Government business-type enterprises pay no taxes, little or no interest on the capital invested and generally the directing personnel is on the Government payroll. All this comes out of the taxpayer's pocket. Not only that, with the Government operating the business instead of private enterprise the Government is deprived of taxes that it would get from a private operation.

Section 633 of this bill brings into sharp focus the basic issue: shall we serve the public interest or shall we yield to the vested interests? If we want to serve the public interest, if we are really interested in getting the Government out of competition with private enterprise, we will vote to remove this provision from the bill.

The Hoover Commission made an exhaustive study of our governmental organization and operations. It was a monumental undertaking, with its findings and recommendations filling 38 volumes of ways and means to make our Government more efficient and to eliminate waste and duplication. It has outlined the way by which over $7 billion a year could be saved.

And yet this Congress has done nothing by way of legislation to carry out even a part of these recommendations. On the contrary, it is proposed by this provision to restrict the Secretary of Defense in his efforts to do what he can by administrative action for accomplishing what the Hoover Commission recommended for his Department.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I should like to ask if that means that Members who are not standing may claim time under that agreement?

The CHAIRMAN. The Chair will note the Members standing and allocate the time among them.

Is there objection to the request of the gentleman from Texas?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I object, unless I may have 4 minutes.

Mr. WOLVERTON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. Fogarty].

Mr. FOGARTY. Mr. Chairman, I rise in opposition to this amendment. Section 633 of the Defense appropriations bill is not discriminatory against private business. It does not prohibit the transfer of an activity now performed by the Government to private industry. All that it does is to safeguard the interests of the Nation by assuring that any proposed transfers are proper and for the good of the entire country.

I think the best refutation of the arguments being presented here this afternoon for the elimination of section 633 is to be found in the report which accompanied last year's appropriation bill. That report stated:

> Attention of the committee has, on a number of occasions, been directed toward plans within the Department of Defense for the disposal or transfer of work traditionally performed by civilian personnel of the Defense Department. The committee recognizes that there may be circumstances which make a contract operation more desirable than continuations of work by civilian personnel. In some instances, however, this represents a radical departure from established customs and it is conceivable that contract operations could, if carried to extremes, result in a loss of trained personnel and know-how within the departments with the dispersal of tools and facilities and result in an actually greater cost to the Government over the years. Particularly would this be true in the event of a sudden emergency which would require rapid expansion of on-base activities. In view of the Government's own great investment in its shops and facilities and the know-how of its civilian personnel and because of the committee's responsibility in the matter of appropriations it is felt that a justification of transfers before the appropriate committees of Congress is proper before the transfers take place.

All of us here know that the most peculiar rules of conduct in all the world are the rules applied by executive agencies in the interpretation of congressional intent. I have sat in on committee hearings on all manner of things from vocational rehabilitation to control of Indian lands—and listened to administrators of executive agencies tell Congressmen what Congress meant when it enacted a specific piece of legislation. I can recall very vividly the chairman of the House Committee on Education and Labor protesting that the United States Office of Education was not interpreting the law on vocational education in the manner in which the chairman had intended it should be interpreted when he helped to write the law. I can recall that the gentleman from North Carolina [Mr. Barden] then told the United States Office of Education that he knew what he had in mind when the law was written. The executive agency officials did not agree with him and there was little if anything that the cosponsor of that legislation could do about it.

I am talking from experience. I do not want to have that situation repeated.

I am quite willing to agree that the Defense Department should have some leeway in the awarding of contracts for the production of goods and services required by Military Establishments. However, I want it made clear right now that I cannot bring myself to the point where I am a party to granting to the Defense Establishment—or any other executive agency—what amounts to carte blanche authority to determine the areas within which the military establishments of our country shall take care of their own needs. You permit them to have this authority by your action today and you will live to regret the manner in which they will interpret that grant of power.

Far more than dollars and cents is involved here. Homes and families are of much greater concern than would appear whenever an executive agency official points to what he claims is a help to the national budget.

If the attitude of the Defense Department, as it is presently being demonstrated, is permitted to go unchallenged, it is my opinion that without doubt such conduct will be encouraged in all other Federal agencies. There are many, many thousands of Federal employees who will be threatened with the possibility of sacrificing years of faithful service to the whim of some official who encourages the demands of private corporations who seek first, last, and always their own preferred position in the economic life of the country.

I am fearful that the exercise of this authority to curtail and eliminate Federal activities which now employ hundreds of thousands of people, under the guise of helping private industry, actually will result in depriving those hundreds of thousands of the means of earning a living, paying for their homes, educating their children and contributing their share to the growth of a healthy economy. In all honesty, I say this autocratic authority in the hands of Federal officials—and I sincerely fear its spread beyond the ranks of the Defense Establishment—can have a most damaging effect upon the proper functioning of all Federal activities.

All I ask is that this Congress, made up of men and women elected by the people of the country, be afforded the honorable and honest privilege of taking a second look at the curtailment of any Federal activity which employs those who in the last analysis are the heads of America's families.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Chairman, years ago it used to be possible for the Committee on Appropriations to go over these Government industries and analyze them and do what it could to get rid of those that were not desirable. Today it cannot be done. There is no report made of all these operations and what they are doing, all these activities that infringe upon private industry. Let us adopt this amendment and fix it so that the Department of Defense can do what it believes ought to be done to get rid of them. It is time we did something along that line and stopped interfering with proper efforts on the part of the Department. Whatever happens, I am going to try next year to see that the Department of Defense comes forward not only with the 8 or 10 that they want to get rid of but the 400 or 500 that I believe they really should get rid of right away.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Davis].

Mr. DAVIS of Wisconsin. Mr. Chairman, I rise in support of the Allen amendment to strike section 633 from the bill.

All of us will recognize that this section is contrary to our general philosophy. All of us will agree with the theory that the Government should relinquish as many industrial and commercial activities as possible.

Perhaps it is natural for a congressional committee, such as the Committee on Appropriations, to desire to keep whatever authority may be placed in its hands. However, the existence of section 633 is harmful for the Appropriations Committee and harmful for the Department of Defense because it is an open invitation to backscratching among members of the Appropriations Committee.

It has been suggested that this section does no harm, that section 638 in the current year's Defense Department appropriations bill has worked out satisfactorily. Such proponents have cited the language of Secretary of Defense Wilson to the effect that the Department of Defense has not had much trouble with section 638. Does it not seem rather strange that the same people who now rely on Secretary Wilson's single sentence are for the most part the same people who delight in taking Secretary Wilson's statements out of context for the purpose of criticism and ridicule?

In fact, this section does more harm than shows on the surface. Certainly, people in the Department of Defense are aware that some very important Members of Congress on both sides of the aisle are interested in specific industrial and commercial activities now being conducted by the Department of Defense. Certainly, they are aware that influential members of the committee which passes on defense appropriations are personally concerned and interested in certain such industrial and commercial activities. I think it is logical to believe that the hullabaloo which has been raised over such items as a ropewalk and a telephone exchange has prevented the Department from submitting other discontinuances for approval.

I can hardly follow the logic of the chairman of our subcommittee, Mr. Mahon, of Texas, when he stated in effect that the way to encourage the Department of Defense to get out of business was to continue this roadblock in the way of doing just that.

Does it not appear incongruous that here we are today appropriating $33.7 billion to the Department of Defense under terms which permit great latitude and discretion and yet we will not permit the Secretary of Defense to exercise his judgment on the question of an operation of a ropewalk or telephone exchange?

In our subcommittee markup session I offered an amendment to strike section 633. In the full committee, Mr. Hand, of New Jersey, offered an amendment to strike that section. Both efforts were defeated. I hope the House will reverse those previous decisions by adopting the Allen amendment here today.

One further suggestion. If the House does not see fit to strike out section 633, I hope it will permit it to remain as is. In other words, I think the choice should be between the present language and the complete deletion of that language. I believe any so-called attempt to write compromise language can only be confusing.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. O'Neill].

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to transfer my time to the gentleman from Massachusetts [Mr. O'Neill].

Mr. MASON. I object, Mr. Chairman. There will be no transfers of time.

Mr. O'NEILL. Mr. Chairman, I rise to support section 633. It was interesting to note in the discussions here that there are only nine industries presently active in the navy yards, as I understand, and two in the Boston Naval Shipyard located in my district.

It is interesting that it was in the 20th Congress, in 1828, that the ropewalk was first established. For about 125 years now there have been certain people who have been trying to close this ropewalk over the objection of the Navy itself. Now, the Department of Defense wants to close the ropewalk over the objections of the Navy. Rope is a strategic material. It is one of the most important things used by the Navy. It is an integral part of the Navy. Actually, how much rope is manufactured in the ropewalk? The figures show that 1½ percent of the rope manufactured in the United States is manufactured in the Navy ropewalk. They make rope for the Navy. During the Korean conflict in 1952, the Federal Government bought for defense purposes 11½ billion pounds of rope. Three and one-half billion pounds of rope was manufactured in the ropewalk itself. We have heard all these bleeding hearts for small business, but I want to point out that there are only 15 manufacturers of rope and cordage in the United States. When it comes to the kind of rope that is manufactured at the Boston Naval Shipyard ropewalk, there are only four manufacturers of rope in America who are able to compete and bid. This is not small business.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Chairman, we had this fight last year and on a rollcall vote we kept the Sikes provision in. There will be another rollcall vote if the Committee of the Whole adopts it. The Sikes amendment is commonsense. I hope the Allen amendment to strike it out is defeated.

Mr. Chairman, I yield to my colleague, the gentleman from Massachusetts [Mr. O'Neill].

Mr. O'NEILL. I thank my colleague. At the present time, there are only 38 employees in this ropewalk in Boston. There were about 50 employees in the chain shop. We have heard about the controversy in the colloquy which was had with the gentleman from Texas [Mr. Mahon]. Actually, a contract was awarded to a company to build a die link chain for the *Forrestal*. They returned that part of the contract saying that they did not have dies sufficiently large enough to make the chain. So actually the chain had to be made in the Boston shipyard. Of the 112 businesses that were in the navy yards there are only 9 at the present time in operation. The gentleman from Texas [Mr. Mahon] has mentioned the number of employees. It is just a paltry few. We need these businesses that we have in the shipyards at the present time. We need them for the defense of the Nation. That is the reason. In 1939, when the draft act went through, and when we needed rope and cordage for tents, these 15 cordage plants could not supply it. If it had not been for the naval shipyard ropewalk, we would not have had enough material to supply our Armed Forces. In 1952, if it had not been for the fact that we had the ropewalk at the navy yard, the ships of the United States Navy and the soldiers who were in Korea would not have had sufficient rope. This ropewalk is needed in the event of a national emergency.

The Federal Government and the taxpayers of the United States have over $2 million invested in this activity. Do you want to shut down that plant? What about the taxpayers' investments? What about the welfare of these employees who have given a lifetime of service to their country?

The real issue is what is in the best interest of the national defense.

Those who best answer this are the Navy themselves. They are for the retaining of these plants.

I hope the Sikes—section 633—amendment remains in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. Wolverton].

Mr. WOLVERTON. Mr. Chairman, there is concern upon my part because of the effort that certain Members of great influence in the House insist that an amendment of the bill be made to strike out section 633, which reads as follows:

> Sec. 633. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a contractor without danger to the national security: *Provided*, That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense.

The above section is placed in the bill to prevent the closing down of any military installations unless and until the Appropriations Committees of the House and Senate, or either of them, either approve or fail to express dissent within the 90-day period.

This section has been included in the bill because too often there is an apparent desire upon the part of the Defense Department to close down facilities that have been built up through a period of years and have rendered, and still are rendering, valuable service to the Government. There is a prevalent thought in some quarters that private enterprise should take over all facilities that are capable of operation by it regardless of the efficiency of the operation that is being conducted by Government agencies.

There are many reasons that could be urged in opposition to such a course, among which are the following:

First. The effect on the employees that are now, and in some cases have been for many years, employed by the Government in these facilities would be most unfortunate. These employees have as high a degree of efficiency as exists in private industry. They have continued with the agency for many years. They are anxious to make it their career. They have gained seniority rights that could not be gained if suddenly placed in private industry.

Second. Many of these employees have made a career of their work with the Government. In many instances they have given years of faithful service. Thus, their age would prevent them going into private industry, and certainly it would be impossible for them to gain the status and security rights they now possess. All of this would be destroyed as they entered private employment. Their seniority and civil service security rights would be a thing of the past. Furthermore, most of them, as they applied for jobs in private industry, would be met by the age barrier that so frequently prevents them from gaining employment after reaching 45 years of age. These difficulties are real and substantial and should be recognized by those in the higher echelons. Unfortunately, such is not always the case. Too frequently the desire to eliminate Government work, that can be done in private industry, overlooks the human element, namely the effect on the worker and his family when dismissed from a Government job. The dollar and cent argument is given precedence over the human welfare argument. This should not be the case.

Third. But even if the dollar and cent viewpoint is given consideration, then it might be examined from the standpoint that many Government facilities are, in effect, pilot plants. They do not do enough work to disturb private industry or make it worth while for private industry to reach out and take it over. But the part that is done by a Government facility, small in amount though it may be, is nevertheless sufficient to fix and determine proper specifications and fair price. Thus, Government facilities are justified as a check on improper specifications, type and character of work done, and most important to make certain that the price is right. The work done under Government operation thus pays for itself many times over in making sure that the Government gets what it is entitled to and at a proper price.

Fourth. It has also been shown that the cost to the Government in maintaining these services and facilities has shown that Government operation is not any more expensive than private operation. Thus, even on a dollar-and-cent theory there is no real or practical reason for destroying Government facilities that by their very nature have and still are protecting the Government from overcharges or improper workmanship that could easily result if such Government activity did not exist.

Fifth. Furthermore, it should not be overlooked that these Government facilities also provide a skeleton force that can be quickly and effectively used in the case of emergency. This phase of the situation cannot be overestimated. Innumerable examples could be given where private industry was not in a position to immediately take up production and make delivery without disturbing the work they were doing as private concerns. The Government, time and again, has had to call on its facilities to do what private industry was not in a position to do. This in itself, in my opinion, is sufficient to justify the existence of Government facilities.

There are many additional reasons that could be offered of a substantial character in opposition to the removal of the slight protection to workers and the Government that is given by section 633 of the bill. This section should remain. In fact, it is my opinion that it could with great advantage be even increased in strength as a protection to workers and the Government.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. Dixon].

Mr. DIXON. Mr. Chairman, section 633 of the Defense Appropriations Act for 1957 is highly undesirable. The Commission on the Organization of the Executive Branch of the Government in its report on Government business enterprises found that there were at least 2,500 separate business enterprises in the Department of Defense. The Hoover Commission, which was charged by Congress with the task of recommending the termination of unnecessary business enterprises of the Government, found that at least 1,000 of these business enterprises ought to be eliminated. It made specific recommendations for the elimination of many types of these activities.

Section 633 is an unnecessary barrier to the Department of Defense in the elimination of unnecessary business enterprises. In the first place, the section slows up the process because the Department must give to the Appropriation Committees of both Houses at least 90 days notice of its intention to close any such activity.

Second, because this provision gives to each of the two Appropriations Committees a veto on such closings, it constitutes an unnecessary hurdle to the closing of undesirable business enterprises of the Government. Although, out of some 112 enterprises that have been submitted by the Secretary of Defense, only 9 have been rejected by an Appropriations Committee. I am afraid that when it comes to closing significant enterprises, the record will not be as good. Many of the enterprises that have been submitted since last August have been very small and insignificant. The only really significant ones that have been submitted have been rejected; that is, the paint factories at Norfolk and Mare Island Navy Yards, and the ropewalk and chain factory at the Boston Navy Yard.

Third, this provision implies that the Appropriations Committees have a better understanding of what is necessary for the defense of the country than the Secretary of Defense because it confers upon either committee the right to veto purely administrative action.

Fourth, this provision is an unconstitutional intrusion of Congress into the executive sphere of the Government. President Eisenhower, a year ago when he signed the 1956 Appropriations Act, made clear his strong opposition to the inclusion of a comparable section at that time. His opposition was based upon the ground that this was an improper intrusion by Congress into the executive sphere.

The Attorney General in a statement of July 14, 1955, indicated that he considered this section to be unconstitutional. He said in part:

> The practical effect of these provisions is to vest the power to administer the particular program jointly in the Secretary of Defense and the members of the Appropriations Committees, with the overriding right to forbid action reserved to the two committees. This, I believe, engrafts executive functions upon legislative members and thus overreaches the permitted sweep of legislative authority. At the same time, it serves to usurp power confided to the executive branch. The result, therefore, is violative of the fundamental constitutional principle of separation of powers prescribed in articles I and II of the Constitution which places the legislative power in the Congress and the executive power in the executive branch.

For these reasons, I strongly oppose the inclusion of section 633 in the Department of Defense appropriations bill.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Mrs. Church].

Mrs. CHURCH. Mr. Chairman, I offered during general debate this morning what I hoped were cogent reasons for passing this amendment. I now rise, being persistent, merely to ask the gentleman from Florida [Mr. Sykes] the question for which he did not have time to yield to me a little earlier.

What are the nine enterprises which the Defense Department wished to terminate and for the termination of which the Appropriations Committee refused permission?

Mr. MAHON. If the gentlewoman will yield?

Mrs. CHURCH. I yield.

Mr. MAHON. They are a paint shop at Mare Island, with 52 people employed. The ropewalk in Boston, with 78 employees. The chain forge plant in Boston. A micrometer shop employing about 12 people in Norfolk, and other small facilities.

Mrs. CHURCH. I wonder if the gentleman would place the rest of the list in the RECORD, because of the limitation on my time.

Mr. MAHON. Certainly. I shall gladly do so.

There have been two reports submitted by the committee which explain our action on the Department proposals, parts of which I insert at this point. To these inserts I have added the numbers of employees involved.

REPORT OF JANUARY 13, 1956

In compliance with provisions of the above, the Department of Defense has by letters of August 8, 1955, November 3, 1955, November 17, 1955, and January 4, 1956, advised the committee of its intent to discontinue a total of 56 commercial and industrial type operations and facilities at various Army, Navy, and Air Force installations. Although, with respect to the activities contained in the Department's letter of August 8, the 90-day period expired November 7, the committee requested and the Department agreed to withhold action until the reconvening of Congress in order that full and proper consideration could be given the Department's proposals.

The hearings on these facilities disclosed considerable doubt as to the advisability of closing the following facilities and which, accordingly, are disapproved by the committee. These are as follows:

	Number of employees
Ropewalk, Naval Shipyard, Boston, Mass	78
Chain manufacturing, Naval Shipyard, Boston, Mass	42
Paint manufacturing, Naval Shipyard, Mare Island, Calif	52
Paint manufacturing, Naval Shipyard, Norfolk, Va	51

The committee is of the belief that the ropewalk should be continued in operation to the extent necessary to provide the Navy with adequate research and development and testing facilities. Obviously a certain amount of rope will have to continue to be manufactured for this purpose, and it would seem that production adequate to an economical operation should be planned.

It was testified that the chain manufacturing shop is the only such shop where chains for the *Forrestal*-type carriers can be manufactured. This type production is planned to be continued by the Navy. However, as in the case of the ropewalk, sufficient output of other chains should be planned if necessary to insure economical operation. When and if requirements for the *Forrestal*-type carriers are fulfilled, another review of the chain manufacturing facility will be in order.

With respect to the paint manufacturing plants at Norfolk and Mare Island, the committee is convinced that it is premature to close these plants at this time. Information received indicates that the industry is not quite prepared to assume production of certain special-type paints now being manufactured. Many of the Navy ships are required to remain at sea for long periods of time and a special type paint, which has been developed by the Navy, and which is presently being used for this purpose, is not readily available from private industry. The Navy requested bids of 47 paint manufacturing companies some time ago for certain types of required paint, and only one qualified offer was received. Under all the circumstances, the committee feels that it would not be in the best interest of national defense or the Government for the paint shops at Norfolk and Mare Island to be discontinued. However, the committee would be glad to give further consideration to the matter at some future time if the situation is changed.

REPORT OF MAY 3, 1956

In compliance with provisions of the above, the Department of Defense has by letters of March 6 and 17, 1956, advised the committee of its intent to discontinue a total of 56 commercial and industrial-type operations and facilities at various Army, Navy, and Air Force installations, covering 9 types of activities. These are in addition to the 56 installations previously submitted and on which the committee has already acted.

Justifications for the closing of these facilities and testimony by other than departmental witnesses were carefully reviewed by the committee. It would appear that sufficient doubt exists as to the advisability of closing the photographic equipment and supply facilities and the watch, clock, and jewelry repair shops which, accordingly, are disapproved by the committee. These facilities are as follows:

	Number of employees
Photographic equipment and supplies:	
Mare Island Naval Shipyard, Vallejo, Calif	1
Puget Sound Naval Shipyard, Bremerton, Wash	2
Philadelphia Naval Shipyard, Philadelphia, Pa	2
Watch, clock, and jewelry repair:	
Norfolk Naval Shipyard, Norfolk, Va	12
Puget Sound Naval Shipyard, Bremerton, Wash	9

As to the first category, information received by the committee indicates that Government production of sensitized blueprint paper, the function of these facilities, results in a total annual saving of $57,846 when compared to costs under private contract at reasonable competitive prices. The Office of the Assistant Secretary of Defense (Supply and Logistics) responsible for the administration of section 638 was requested on April 16 to supply the committee with cost data for use in its consideration of the item. This information was not received in time to be of value.

With respect to the second category, above, it should be stated that the heading, as submitted by the Department of Defense, is somewhat misleading. It was testified by employees engaged in this activity at the Norfolk shipyard that these shops are primarily chronometer repair facilities and only a portion of the work is on clocks or watches. The shops have nothing to do with jewelry.

The present facilities were established in 1950 at the time this work was discontinued at the Naval Observatory in Washington, D. C., with one chronometer repair shop on each coast. In proposing discontinuance, the Department in its justifications stated, "* * * it has been determined appropriate to negotiate a one-year trial contract with commercial firms for a portion of the chronometer repair work prior to making a final determination on the future operation of these two facilities. In other words, the Department itself does not know whether or not this work can be performed satisfactorily under private contract. In the meantime it would be risking the loss of the experts it now employs for this purpose. It was also testified, and with considerable logic, that even if the repair and testing of chronometers were done under contract, the chronometers, because of the high degree of accuracy and extremely limited performance tolerances required, would have to be retested before placement on ships on account of possible damage resulting from shipment and handling. It does not appear that the proposal to discontinue these facilities has been given very thoughtful consideration.

The committee is dissatisfied with the manner in which this provision of law has been administered and with the poor judgment shown in certain of the proposals for discontinuing activities made to the Congress thus far. Provisions of the section are recommended for inclusion in the Department of Defense Appropriation bill for 1957. Additional comments of the committee on this provision are found in the report accompanying that bill.

Mrs. CHURCH. I am sure of that. I would like to say this, that we fought over this matter last year. There are many of us who might be affected by accepting this amendment. We are not unaware, further, of the human values involved, to which consideration should be given, and will be given, by those making the decisions.

Yet surely those decisions can and should be left to the Defense Department—and Congress should remove this unconstitutional roadblock to its serious attempts at efficiency and economy.

Some time ago in the other body a notable young Senator wrote a stirring book called Profiles in Courage. I think that we need that kind of courage here today.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise to oppose the amendment of the gentleman from Illinois [Mr. ALLEN]. We are considering here an appropriation bill for the national defense, for military departments, and facilities upon which our Nation must depend for its safety. Our prime purpose here then is to see to it that our national defense is equipped with all of the facilities to do the job required to adequately and completely protect this Nation.

In various areas of the Nation are located these facilities—the arsenals and navy yards on which the Army, Navy, and Air Force must depend for the production of certain types and kinds of tools and equipment needed by these military services.

Under the proposed amendment of the gentleman from Illinois, the manufacture, the production, of these military equipment necessities would be channeled into private business and taken from the arsenals and navy yards. To do this is an erroneous step for this Nation to take, and, very briefly, this is the reason it is wrong. Private business operates for profit and private gain. The arsenals and navy yards do not. They operate for the benefit of the military services. In the arsenals and navy yards there are thousands of highly skilled workers of many years experience. If the work is taken away from the arsenals and navy yards in favor of private business these facilities must close down much of their operation. This means the skilled workers must go. They must

sell their homes, uproot their families, and go wherever they can get employment. The important fact is they are lost to the navy yards and arsenals for good.

Now if this country should find itself in an emergency facing war or actually in war as we did on December 7, 1941, the military services are going to need the arsenals and navy yards in full capacity. Where would they obtain skilled workers? The older ones would be gone and there would be none in the process of training. Great manufacturing processes and operations cannot be built overnight. In any future war however, 24 hours will be a long time and very vital to the safety of our country.

This appropriation bill is for $32 billion. It is extremely foolish to throw away manufacturing processes and operations and organizations that have taken many years to perfect and billions of the taxpayers money to develop into the efficient facilities they are at this moment.

Our national defense is too vital, too precious, too well organized to be wrecked by political considerations bordering on the selfish. These political pressures to chip away the work so ably done, so efficiently performed by our arsenals and navy yards are resulting in a great disservice, and a great mistake.

There is enough needs of various types in this great Nation for private business. There is no need whatsoever to destroy the work of the arsenals and navy yards on the political grounds this work is needed by private business. To play politics with the national defense is to play with ultimate disaster. The manufacture of munitions, parts for guns, parts for ships, parts for airplanes is a very important operation. Upon the performance of these parts depends the lives of the military men using them and countless others. They must be made perfectly. On a number of occasions, it has been found, private business failed to measure up and men have lost their lives. There is, also, always the possibility of sabotage. Private business cannot be screened as closely and efficiently as can the military services, the arsenals and the navy yards. This was proved during the last war.

It seems to me there is enough required by this country together with the world responsibility it has assumed, particularly with our allies, for private business to have all that it can handle without taking the work away from the arsenals and navy yards, the work they perform so well and on which so much and so many depend.

These, then, are some of the reasons why I am opposed to this amendment.

The CHAIRMAN. The gentleman from Virginia [Mr. HARDY] is recognized.

Mr. HARDY. Mr. Chairman, the experience of this past year with the operation of this particular provision, it seems to me, points up very clearly the need for the continuation of this or a similar provision. We talk about small business. Once it was proposed to close the chronometer shop at Norfolk because the watch industry of this country was sick, yet there was a total of only 11 people employed in the chronometer shop. How silly can we get?

I completely agree that there are many of these things that should be closed but they should be done on the basis of practical commonsense.

I will agree also that perhaps consideration of specific proposals should be referred to the Armed Services Committee of which I am a member, but until we have the authority under which that committee can take these matters up we must retain this section 633.

I would like to mention just one specific proposal that was recently under consideration by the Department of Defense. That was a proposition to prohibit the manufacture of acetylene gas in the shipyard in Portsmouth in my district. Prominent business people in the shipbuilding and repair business tell me that the navy yard could not operate efficiently without producing and controlling the supply of acetylene. We must maintain our shipyards and we must permit and provide those essential subordinate activities which operating efficiency and effectiveness require.

I could cite other proposals which like this shows how far these crusaders would go if we let them. Congress must maintain a check on disposal as well as inauguration of business-type activities. Until new legislation is provided from the Armed Services Committee this section should be retained.

The CHAIRMAN. The gentleman from Indiana [Mr. BROWNSON] is recognized.

Mr. BROWNSON. Mr. Chairman, we have been hearing from distinguished members of the Appropriations Committee of the insignificant size of the commercial type operations involved in section 633. "An 11-man operation, a 31-man operation, a 50-man operation," they say. Their very testimony points out that this is truly small business which they are discussing; the very type of small business I am striving to protect from the competition of big government. The more they talk the more sure I am of the insidious qualities of section 633 which will be removed from this bill by the amendment of the gentleman from Illinois [Mr. ALLEN].

There are several vital issues which must be discussed this afternoon before we vote. Is this section of the bill constitutional? Is it proper and legal to direct the President to beg of the Congress permission to remove the Defense Department from areas of operations which are not its normal concern? Are we to allow log-rolling to rise above the welfare of our constituents?

When you vote on this amendment, today, remember President Eisenhower's message last year when he signed this same appropriation bill reluctantly and said, forcefully:

> This section violates the constitutional principles that the three branches of the Government are separate and coequal. The Congress has the right and power to grant or to deny an appropriation, but once the appropriation is made the appropriation must, under the Constitution be administered by the executive branch of the Government alone, and the Congress has no right to confer upon its committees the power to veto executive action or to prevent executive action from becoming effective.

Editorial comment from responsible publishers has been almost universally favorable to the elimination of this stumbling block in the path of Federal efficiency. In my own district the Indianapolis Star, the Indianapolis News, and the Indianapolis Times have expressed themselves in favor of the elimination of section 633 in the interest of economy, efficiency, and constitutional government. Only today, the Scripps-Howard publication in Washington, the Daily News, stated editorially, and I quote briefly:

> Members of the House Appropriations Committee still are insisting on veto power over the Defense Department's program for the disposal of commercial and industrial facilities the Department doesn't need.
>
> The Department was operating some 2,500 such businesses—from clothing factories and ice cream plants to cobbler shops and jewelry repair shops.
>
> The Hoover Commission last year reported the Department could dispense with at least a thousand of these operations—to the large benefit of the taxpayers. But the Appropriations Committee stuck a rider on the money bill saying the Department had to get committee O. K. before dropping any of these enterprises.
>
> Out of 112 proposals by the Department, the committee vetoed 9. And the Department went along with these vetoes—despite President Eisenhower's rebuke to the committee and his avowed intention to ignore the committee orders.
>
> In the new Defense Department appropriation bill, on which the House was due to vote today, the veto "gimmick" is riding high. If the House doesn't kick it out, the Senate should. And if it stays in, the administration has a legal and moral obligation to disregard it.
>
> The duty of Congress is to make policy. The duty of the executive department is to administer law.

My constituents are writing me daily in increasing numbers. They are clamoring and demanding economy and efficiency in Government to pave the way for tax reductions. They ask me, "What have you done to effectuate the recommendations of the Hoover Commission?" If this amendment goes to a record vote as the gentleman from Massachusetts, the majority leader, has suggested, my answer will be plain for all to see. This is the time the chips are down. Those who favor economy can clearly establish their position on this vote today. Only yesterday, the Honorable Thomas P. Pike, Assistant Secretary of Defense, stated in his testimony before the House Armed Services Committee that:

> The Department of Defense is opposed to section 638 of the Defense Appropriations Act for 1956 and inclusion of section 633 contained in the Department of Defense appropriations bill for 1957 as reported out of committee.

A previous speaker has referred to those of us who believe that private enterprise can shoulder the responsibility for production for defense as being bleeding hearts. If this be so, I plead guilty, because I have heard few arguments today which establish to my satisfaction the necessity for placing in the path of the Secretary of Defense this legalistic hurdle. Back in 1951 the Bonner subcommittee, of which I was proud to be a member, established the fact that the armed services were engaging unnecessarily and unprofitably in civilian-type enterprises. Wartimes must not be used as a peacetime excuse for the expansion of big government in competition with its small businesses.

The issue today is clear. When you vote for the Allen amendment to take out this section you vote in behalf of every small-business man in your district; you vote with every taxpayer who seeks economy and efficiency in Government; you support the Hoover Commission; and you vote against big government encroachment in the field of the small machine shop, the local carpenter, the local laundry and the small rubber stamp manufacturer. This is your chance, if you are for the small-business man. He is looking at you today. Stand up and be counted. He can share in our victory when this amendment is carried and the socialistic section 633 is finally removed from the Defense Department appropriation bill. You can share in his gratitude next November.

The CHAIRMAN. The gentleman from Massachusetts [Mr. Nicholson] is recognized.

Mr. NICHOLSON. Mr. Chairman, there is a lot more in this than just closing up a ropewalk. The Government in my day has gotten down to the proposition now of trying to run every city and town, trying to take over all the laws and their execution that have been passed through the last three centuries; and I think it is about time that the Government did what the Constitution says it should do. There is nothing in the Constitution that gives the Government the right to go into business. There are a hundred and one other things that the Government has assumed. It is about time that most of us should wake up here and get this Government where we had it. We have been making rope down in Plymouth for over 100 years.

I hope, Mr. Chairman, that today we will start turning back this country to the State and to the people themselves.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Meader].

Mr. MEADER. Mr. Chairman, I support the Allen amendment and oppose the Sikes provision in the appropriation bill for two reasons. First, I think the Sikes provision is unconstitutional. Second, I think it is socialistic.

No one has had a greater desire than I to see the prerogatives of the Congress preserved. I have frequently complained that Congress has permitted the executive branch of the Government to invade the policymaking, legislative functions of the Congress and I have urged the Congress to take steps to recapture its policymaking power under the Constitution.

By the same token, I do not believe the Congress should attempt to engage in ministerial and executive activities, including day-to-day decisions of the character here involved. In fact, our attempt to invade executive functions and to assume them makes it less likely that we can recapture the policymaking authority which we have lost, because our time is limited and there is just so much we can do.

Let us stick to policymaking and not attempt to invade the executive branch, and let us see that the Executive does not take any more power away from us.

The Sikes provision, while the magnitude of industrial operations it affects may not be great, expresses an underlying philosophy favoring Government performance of industrial and commercial operations instead of Government buying what it needs from the free-enterprise system under which our country has flourished.

This could go on. They start making boxes, then engage in scrap-metal processing, then coffee roasting, paint manufacturing and other manufacturing activities. Where is the end of it? You can justify all kinds of industrial activities such as making aircraft or tanks or ships under the philosophy of the Sikes amendment. Government in business is socialism.

Mr. Chairman, I hope the pending amendment will be agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS. Mr. Chairman, I am for the Sikes amendment and against the Allen amendment, because the Sikes provision is constitutional and it is not socialistic.

The Constitution says that Congress shall provide the Army and Navy; and the President shall be Commander in Chief.

Why should we not inquire into our creature? We created the Army and Navy. Why should we not ask the Defense Department: We have given you that money, what are you doing with it? The Sikes amendment is abundantly sensible and predominantly constitutional. It is ridiculous to say it is not. Everybody knows that.

There is a lot of talk about some of these other things, such as the Hoover Commission. Reference has been made to the Hoover Commission. But they had someone in the Hoover Commission who had an ax to grind for some ship operating company. They came and got the Hoover Commission to say: Let us abolish the Military Sea Transport. If we had abolished the Military Sea Transport where would we have been in Korea when Harry Bridges closed up all the docks? Constitutional? Of course this is constitutional.

Let me tell you something else. We are going to take this thing up in the Committee on the Armed Services. We fought this thing out and we won. We are going to take this thing up in our committee, and that is where it belongs.

If you do not have an accounting of those people in the Defense Department, you do not know where you are.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Curtis].

Mr. CURTIS of Missouri. Mr. Chairman, I rise in support of the Allen amendment, and I want to say right off the bat that I am awfully sorry to notice that it is all Members on this side of the aisle who have risen to speak in behalf of it. I am very happy to see the distinguished chairman of the Committee on Armed Services present.

Mr. VINSON. I have a very bad throat. I am for the Allen amendment. I only wish I could speak on it.

Mr. CURTIS of Missouri. The reason I made those remarks was because my interest in this matter came when, as a Member of the 82d Congress, I was a member of the Committee on Small Business and also of the Bonner subcommittee of the then Expenditures Committee. There we found out that there had grown up considerable competition to small business in the Military Establishment. Those committees were chaired by the Democrats, and a majority on the committees, of course, were Democrats, and I honor them for bringing this matter out. Here we have a chance to really continue on ahead with this program, and yet we find many of the people who were originally behind this program now trying to thwart it by throwing this particular Sikes amendment in the way.

There is one other aspect to the Allen amendment, and I have not much time to talk about it. It is not the United States Chamber of Commerce that is involved in this thing. I think the gentleman from Texas, listing these items as he did, clearly indicated that what I said is true, that we are talking about small business. That is the main area in which the Government is in competition. This is, indeed, a matter of private enterprise and of small business. I hope the Allen amendment will be adopted.

Now, Mr. Chairman, under the privilege to extend my remarks, I want to discuss one other aspect of the defense appropriation bill as reported by the Appropriations Committee. I had wanted to bring the matter out on the floor, but the time limit on debate has precluded this. However, the purpose of calling the matter to the attention of the House and the public is served by this extension of my remarks.

The Appropriations Committee report on page 6 discusses the general problem of the reputed current scarcity of scientists and engineers. The report stated the committee "is not in position to suggest any method or plan of training and education which would foster interest and eventually increase our potential in the field." This, of course, is true for many reasons not the least of which is the fact that the Armed Services Committee is the proper committee of the House to exercise jurisdiction in this area.

This whole matter of military manpower usage requires professional and unprejudiced studies. The human resource studies being conducted at the Graduate School of Business, Columbia University, is one of the most encouraging things being done along this line. Every publication this group has made to date should be familiar to the Armed Services Committees.

Yet the congressional and other governmental agency hearings and reports since World War II on subjects which directly bear on this overall and basic problem, such as universal military

training, extension of the Draft Act, the military reserve programs, military career compensation, the new code of military justice, Federal aid to vocational education, show a lack of comprehension of the basic problems involved.

As long as the Pentagon follows the blind philosophy expressed by General Hershey to the effect that the civilian skills are largely of no use to the Military Establishment and that the military in effect has to untrain and retrain the personnel it intends to utilize, we are not going to be able to cope with these problems.

Eighty percent of the skills needed and utilized by the present Military Establishment are not military—combat—skills, but rather are skills that exist and, in many instances, are highly developed in our civilian society. The supply of scientists and engineers in our society needed to fill our civilian and military requirements is dependent upon an intelligent approach to the entire problem of military manpower usage, recruitment and training.

It is slowly sinking in that the civilian distributive system, for example, should be utilized rather than duplicated by the Military Establishment. And incidentally, the issue on the Sikes amendment is to a large degree a rear-guard action on the military's part to remain in the distributive and servicing fields. I am hopeful that it will also start to sink in that it is just as important that the civilian educational and training system should be utilized rather than duplicated. This means, of course, that the military does not need to draft or enlist personnel to carry out these extensive functions, either as students or instructors. We have permitted our educational processes to be interfered with greatly by the manpower policies of the Military Establishment and we are experiencing some sad results.

I am putting in the Appendix of the daily Record an article recently written by James R. Killian, president of Massachusetts Institute of Technology, entitled "Four-Point Plan To Get Scientists" appearing in last week's Life magazine. This article merits real consideration.

The article interestingly enough starts off by accepting as a premise the widely publicized statements to the effect that Soviet Russia is passing us in educational output of engineers and scientists. I think it is about time there was some clarification in this matter of Soviet educational output in these fields. The recent rash of statements from high governmental officials, military leaders, Congressmen, Senators, columnists and commentators, most of which consist in quoting each other on this subject, all have their origin in a very fine study published last year. The book is entitled "Soviet Professional Manpower, Its Education, Training, and Supply," by Nicholas DeWitt, of the Russian Research Center, Howard University. This is a fine scholarly work and it is a shame that most of the statements made by public officials fail to pay attention to what is set forth in the book. Most statements are of such a nature that it is obvious that either the person making them has not read the book or has not used much judgment in evaluating what the book sets out.

First of all the book makes it quite plain that our knowledge about Russia's educational system is quite limited. In fact, Russia's knowledge about her own system is quite limited due to a lack of accurate and meaningful statistics. Second, the educational system of Russia is full of serious flaws.

I will give 2 short references to illustrate these 2 points, but I think it is advisable that anyone who wants to discuss the subject read the book for himself.

On page 133, under the heading "Training in Scientific Fields in Soviet Higher Educational Institutes," subhead four "Comparability of Soviet Scientific-Technical Training and American Professional Education" this basic statement appears:

> In other words a detailed comparative study of the quality of Soviet and American higher education is handicapped by the absence of standards essential for such comparisons. Therefore, this study perforce had to resort to generalities rather than to venture into details. Despite these shortcomings in the present survey, it seems, from the examples discussed above, that the following statements are justifiable.

On pages 146–150 under the heading "Factors Affecting Quality of Training" subhead seven, "Supply and Quality of Textbooks" the difficulties and inadequacies of the Soviet higher educational and professional training set out are such that the alarm being created among the American public about Russia's prowess in this field is incomprehensible. This is made more so when other basic features of the Soviet educational program are presented showing similar serious shortcomings.

The gentleman from Massachusetts, the majority leader, yesterday expressed resentment of the term "fearmongers" being applied to some of the public figures sounding the national alarm on the status of our military might in relation to that of Soviet Russia's. I agree with the gentleman to the extent that we need and will always need honest public discussion and indeed well-founded criticism of our defense problems. But it is quite within the realm of public debate to examine the statements and criticism made to determine if it is indeed based upon studies and intelligent differences of opinion or is based upon rumor, ignorance and catch words. I think the gentleman from Massachusetts will agree with me that misstatements or half statements whether stemming from willfulness or ignorance if creating public fear is fearmongering. I am willing to examine with him some of these statements including several that have been made on the floor during this debate. Regretfully I say that they fit the term "fearmongering."

I think it is doubly important that persons who occupy high positions or through their previous positions appear to have special knowledge in the area of military strengths be extremely careful of the statements they make in this area. Because, in this present cold war the contest to a large degree rests on the impression we or Russia make on the neutral countries. If Russia's game is bluff we certainly assist her in achieving her goal by overstating her prowess.

I am satisfied that much of Russia's game is bluff and I say this feeling quite strongly that it is much better to overestimate a potential enemy's power than to underestimate it. I am satisfied that some—not all by any manner of means—of the statements about Russian prowess are untrue, unsubstantiated, and are utilized to stir up the American people to a concern for their safety. I believe those who do this mean well. They see what they think is a dangerous apathy on the part of our people to the dangers in the modern world. I again say, this is a dangerous procedure when so much of the cold war is directed toward influencing other nations. Indeed, if Russia is so powerful the logical conclusion is their system cannot be as bad as we picture it to be. Well, I think their system is bad and I think their prowess, if accurately judged, bears out this statement.

I am going to close by giving an example of a half-truth that has been bandied about for some time about Russia's submarine prowess. It used to be that a strange submarine was sighted off the coast of California or in the Gulf of Mexico right around the time the military appropriation bill was up. Now the statement that Russia has 400—a couple of years ago it used to be 200—submarines is made by various military leaders and picked up by others, as our chairman of this subcommittee did yesterday in his address to the House. Well, maybe Russia has 400 submarines, but frankly I do not think it can be substantiated. But that is only part of the story.

A major restriction on the effectiveness of submarine power is the number of submarine bases Russia does not possess one ice-free open sea submarine base. Yet these facts do not discourage the irresponsible reiteration of this bit of fear mongering. These facts about the limitation of submarine warfare and Russia's particular limitation in this area is a simple matter to comprehend. It is not at all complicated and not at all classified information. The public can be given this information and the public can grasp the significance of it. So too the public can grasp the significance of other bits of fear mongering if it is pointed out to them. It is time to start separating proper public discussion and criticism in the defense areas from that which is improper, being based upon ignorance or untruths. Both political parties have a stake in accomplishing this.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Baldwin].

Mr. BALDWIN. Mr. Chairman, I rise in opposition to the Allen amendment and in favor of section 633 as it stands in the bill. It seems to me, if I understand section 633, it in no way prevents the Defense Department from disposing of activities. It simply requires them to justify that the disposition is for the best interests of this country.

thority which we have lost, because our behalf of it. I am very happy to see problem, such as universal military

not read the book or has not used much pression we or Russia make on the neu- country.

There is one example that occurred during the past years, in the nine cases mentioned by the committee, which seems to me to show the importance of having a check upon this. The Defense Department notified the Committee on Appropriations that it desired to close the paint manufacturing facilities at Norfolk and at Mare Island. When that matter came before the Committee on Appropriations the witnesses from the Navy Department testifying before that committee stated that they did not feel it was in the best interest of the Navy Department that these two paint manufacturing facilities be closed. The testimony before that committee showed that during World War II these particular paint-mixing facilities had developed types of bottom paints for use in our fleet that caused our vessels to be able to stay out in the ocean without coming into drydock approximately three times as long as they had ever been able to stay out before. This particular discovery in these two paint-mixing facilities saved our Government literally millions of dollars from the standpoint of bringing the ships in and getting them back as well as the importance from a defense standpoint of this discovery. In this particular instance private enterprise had an opportunity, but up to that time had never shown that they could develop this particular type of need for the Defense Department.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Hiestand].

Mr. HIESTAND. Mr. Chairman, I dislike very much to disagree with the distinguished gentleman from California who just spoke, but there are several other aspects in addition to the small-business angle and to the executive responsibility angle that might be here stressed.

First of all, the 84th Congress instructed the Government as far as possible to get out of business competing with its taxpaying citizens. I do not think we stress that enough. We instructed them to do it, and now we have given them the orders to do it, and they are trying to do it, but the proposed section 633 could check on them and force them to bring back request for permission, permission, if you please, to discontinue one man. They have to come to the committees of Congress and wait 90 days for approval and get the approval of both Houses before they can fire 1 man or 2 or 5. The word "silly" has been used. How silly can we get to ask the mighty Defense Department that has this terrific responsibility, when they want to clean up and make this more efficient, contantly to come up here and ask permission for the discontinuation of small departments?

Mr. Chairman, I sincerely hope that the amendment will carry.

The CHAIRMAN. The time of the gentleman from California has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. Allen].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. ALLEN of Illinois. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Mahon and Mr. Allen of Illinois.

The Committee divided; and the tellers reported there were—ayes 156, noes 116.

So the amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment with the recommendation that the amendment be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Keogh, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The previous question was ordered.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 46, strike out all of section 633, line 21 on page 46 through line 7 on page 47.

The SPEAKER. The question is on the amendment.

Mr. SIKES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 222, nays 156, answered "present" 1, not voting 54, as follows:

[Roll No. 46]

YEAS—222

Abbitt
Abernethy
Adair
Alexander
Alger
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Arends
Auchincloss
Avery
Ayres
Baker
Bass, N. H.
Baumhart
Beamer
Becker
Bennett, Mich.
Berry
Betts
Boggs
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bow
Boyle
Brooks, La.
Brown, Ga.
Brownson
Broyhill
Budge
Burleson
Burnside
Bush
Byrd
Byrnes, Wis.
Canfield
Carrigg
Cederberg
Chase
Chelf
Chenoweth
Church
Clevenger
Cole
Colmer
Coon
Cooper
Corbett
Coudert
Cramer
Cretella
Cunningham
Curtis, Mo.
Dague
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Utah
Devereux
Dies
Dixon
Dodd
Dolliver
Dondero
Donovan
Dowdy
Durham
Ellsworth
Fallon
Fenton
Fino
Fisher
Fjare
Flynt
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Gary
Gathings
Gavin
Gentry
George
Gray
Gross
Haley
Halleck
Hand
Harden
Harrison, Va.
Harvey
Hébert
Henderson
Heselton
Hess
Hiestand
Hill
Hinshaw
Hoeven
Holt
Hope
Horan
Hosmer
Huddleston
Jackson
James
Jarman
Jenkins
Jensen
Johansen
Jonas
Jones, N. C.
Judd
Kean
Kearney
Keating
Kilburn
Kilgore
King, Pa.
Knox
Krueger
Laird
Landrum
Latham
LeCompte
Lipscomb
Long
Lovre
McConnell
McCulloch
McDonough
McGregor
McIntire
McVey
Mack, Wash.
Martin
Mason
Meader
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Minshall
Morano
Mumma
Murray, Tenn.
Nicholson
Norblad
O'Konski
Osmers
Ostertag
Patman
Patterson
Phillips
Pilcher
Pillion
Poage
Poff
Prouty
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Riehlman
Robeson, Va.
Rutherford
St. George
Saylor
Schenck
Scherer
Scott
Scudder
Seely-Brown
Selden
Sheehan
Shuford
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Miss.
Smith, Va.
Smith, Wis.
Springer
Taber
Talle
Teague, Tex.
Thompson, Mich.
Thompson, Tex.
Thomson, Wyo.
Trimble
Tuck
Utt
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Vursell
Wainwright
Walter
Weaver
Westland
Wharton
Wickersham
Widnall
Williams, Mass.
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Withrow
Wolcott
Yates
Young
Younger
Zablocki

NAYS—156

Addonizio
Albert
Allen, Calif.
Andrews
Ashley
Ashmore
Aspinall
Bailey
Baldwin
Barrett
Bass, Tenn.
Bates
Bell
Bennett, Fla.
Blatnik
Boland
Bolling
Bowler
Bray
Brooks, Tex.
Burdick
Byrne, Pa.
Cannon
Chiperfield
Christopher
Chudoff
Clark
Curtis, Mass.
Delaney
Dempsey
Denton
Dingell
Dollinger
Donohue
Dorn, N. Y.
Dorn, S. C.
Doyle
Elliott
Engle
Evins
Fascell
Feighan
Fernandez
Flood
Fogarty
Forand
Garmatz
Gordon
Granahan
Grant
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gubser
Hagen
Hale
Hardy
Harris
Hays, Ohio
Healey
Herlong
Holifield
Holland
Holmes
Holtzman
Hull
Hyde
Ikard
Jennings
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Karsten
Kee
Kelley, Pa.
Keogh
Kilday
King, Calif.
Kirwan
Kluczynski
Lanham
Lankford
Lesinski
McCormack
McDowell
McMillan
Macdonald
Machrowicz
Mack, Ill.
Madden
Magnuson
Mahon
Mailliard
Marshall
Matthews
Merrow
Metcalf
Miller, Calif.
Mills
Morgan
Moss
Moulder
Murray, Ill.
Natcher
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Passman
Pelly
Perkins
Pfost
Philbin
Price
Priest
Quigley
Rabaut
Rhodes, Pa.
Richards
Riley
Rivers
Roberts
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Schwengel
Scrivner
Shelley
Sheppard
Sieminski
Sikes
Sisk
Smith, Kans.
Spence
Staggers
Steed
Sullivan
Teague, Calif.
Thomas
Thornberry
Tumulty
Udall
Vanik
Whitten
Wier
Wigglesworth
Williams, N. J.
Wolverton
Wright

ANSWERED "PRESENT"—1

Bonner

NOT VOTING—54

Anfuso
Barden
Belcher
Bentley
Blitch
Boykin
Brown, Ohio
Buckley
Carlyle
Carnahan
Celler
Chatham
Cooley
Crumpacker
Davidson
Dawson, Ill.
Deane
Derounian
Diggs
Eberharter
Edmondson
Gamble
Gwinn
Harrison, Nebr.
Hays, Ark.
Hayworth
Hillings
Hoffman, Ill.
Hoffman, Mich.
Johnson, Calif.
Kearns
Kelly, N. Y.
Klein
Knutson
Lane
McCarthy

Mollohan
Morrison
Multer
Nelson
O'Hara, Minn.
Polk
Powell
Preston
Radwan
Sadlak
Short
Taylor
Thompson, La.
Thompson, N. J.
Tollefson
Watts
Williams, N. Y.
Zelenko

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Brown of Ohio for, with Mr. Thompson of New Jersey against.

Mr. Taylor for, with Mr. Anfuso against.

Mr. Derounian for, with Mr. Carnahan against.

Mr. Bonner for, with Mr. Barden against.

Mr. Hoffman of Illinois for, with Mr. Hayworth against.

Mr. Gamble for, with Mrs. Kelly of New York against.

Mr. Kearns for, with Mr. Celler against.

Mr. Williams of New York for, with Mr. Klein against.

Mr. Gwinn for, with Mr. Boykin against.

Mr. Nelson for, with Mr. Buckley against.

Mr. Hillings for, with Mrs. Knutson against.

Mr. Radwan for, with Mr. Multer against.

Mr. Bentley for, with Mr. Watts against.

Mr. Belcher for, with Mr. Zelenko against.

Mr. Crumpacker for, with Mr. McCarthy against.

Mr. Johnson of California for, with Mr. Davidson against.

Mrs. Blitch for, with Mr. Eberharter against.

Mr. Morrison for, with Mr. Powell against.

Mr. Thompson of Louisiana for, with Mr. Polk against.

Until further notice:

Mr. Carlyle with Mr. O'Hara of Minnesota.

Mr. Chatham with Mr. Sadlak.

Mr. Cooley with Mr. Tollefson.

Mr. Deane with Mr. Harrison of Nebraska.

Mr. Hays of Arkansas with Mr. Hoffman of Michigan.

Mr. RAINS and Mr. YOUNG changed their vote from "nay" to yea."

Mr. BOLAND changed his vote from "yea" to "nay."

Mr. BONNER. Mr. Speaker, I have a live pair with the gentleman from North Carolina, Mr. Barden. If he were present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MAHON. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 377, nays 0, answered "present" 1, not voting 55, as follows:

[Roll No. 47]

YEAS—377

Abbitt
Abernethy
Adair
Addonizio
Albert
Alexander
Alger
Allen, Calif.
Allen, Ill.
Andersen, H. Carl
Andresen, August H.
Andrews
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Bailey
Baker
Baldwin
Barrett
Bass, N. H.
Bass, Tenn.
Bates
Baumhart
Beamer
Becker
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bosch
Bow
Bowler
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brownson
Broyhill
Budge
Burdick
Burleson
Burnside
Bush
Byrd
Byrne, Pa.
Byrnes, Wis.
Canfield
Cannon
Carrigg
Cederberg
Chase
Chelf
Chenoweth
Chiperfield
Christopher
Chudoff
Church
Clark
Clevenger
Cole
Colmer
Coon
Cooper
Corbett
Coudert
Cramer
Cretella
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Utah
Delaney
Dempsey
Denton
Devereux
Dies
Dingell
Dixon
Dodd
Dollinger
Dolliver
Dondero
Donohue
Donovan
Dorn, N. Y.
Dorn, S. C.
Dowdy
Doyle
Durham
Edmondson
Elliott
Ellsworth
Engle
Evins
Fallon
Fascell
Feighan
Fenton
Fernandez
Fino
Fisher
Fjare
Flood
Flynt
Fogarty
Forand
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Fulton
Garmatz
Gary
Gathings
Gavin
Gentry
George
Gordon
Granahan
Grant
Gray
Green, Oreg.
Green, Pa.
Gregory
Griffiths
Gross
Gubser
Hagen
Hale
Haley
Halleck
Hand
Harden
Hardy
Harris
Harrison, Va.
Harvey
Hays, Ark.
Hays, Ohio
Hébert
Henderson
Herlong
Heselton
Hess
Hiestand
Hill
Hinshaw
Hoeven
Holifield
Holland
Holmes
Holt
Holtzman
Hope
Horan
Hosmer
Huddleston
Hull
Hyde
Ikard
Jackson
James
Jarman
Jenkins
Jennings
Jensen
Johansen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Judd
Karsten
Kean
Kearney
Keating
Kee
Kelley, Pa.
Keogh
Kilburn
Kilday
Kilgore
King, Calif.
Kirwan
Kluczynski
Knox
Krueger
Laird
Landrum
Lanham
Lankford
Latham
LeCompte
Lesinski
Lipscomb
Long
Lovre
McConnell
McCormack
McCulloch
McDonough
McDowell
McGregor
McIntire
McMillan
McVey
Macdonald
Machrowicz
Mack, Ill.
Mack, Wash.
Madden
Magnuson
Mahon
Mailliard
Marshall
Mason
Matthews
Meader
Merrow
Metcalf
Miller, Calif.
Miller, Md.
Miller, Nebr.
Miller, N. Y.
Mills
Minshall
Morano
Morgan
Moss
Moulder
Mumma
Murray, Ill.
Murray, Tenn.
Natcher
Nicholson
Norblad
Norrell
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Konski
O'Neill
Osmers
Ostertag
Passman
Patman
Patterson
Pelly
Perkins
Pfost
Philbin
Phillips
Pilcher
Pillion
Poage
Poff
Price
Priest
Prouty
Quigley
Rabaut
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Riehlman
Riley
Rivers
Roberts
Robeson, Va.
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Mass.
Rogers, Tex.
Rooney
Roosevelt
Rutherford
St. George
Saylor
Schenck
Scherer
Schwengel
Scott
Scrivner
Scudder
Seely-Brown
Selden
Sheehan
Shelley
Sheppard
Shuford
Sieminski
Sikes
Siler
Simpson, Ill.
Simpson, Pa.
Sisk
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Spence
Springer
Staggers
Steed
Sullivan
Taber
Talle
Teague, Calif.
Teague, Tex.
Thomas
Thompson, Mich.
Thompson, Tex.
Thomson, Wyo.
Thornberry
Trimble
Tuck
Tumulty
Udall
Utt
Vanik
Van Pelt
Van Zandt
Velde
Vinson
Vorys
Wainwright
Walter
Weaver
Westland
Wharton
Whitten
Wickersham
Widnall
Wier
Wigglesworth
Williams, Miss.
Williams, N. J.
Willis
Wilson, Calif.
Wilson, Ind.
Winstead
Winthrow
Wolcott
Wolverton
Wright
Yates
Young
Younger
Zablocki

ANSWERED "PRESENT"—1

King, Pa.

NOT VOTING—55

Anfuso
Barden
Belcher
Bentley
Blitch
Boykin
Brown, Ohio
Buckley
Carlyle
Carnahan
Celler
Chatham
Cooley
Crumpacker
Davidson
Dawson, Ill.
Deane
Derounian
Diggs
Eberharter
Gamble
Gwinn
Harrison, Nebr.
Hayworth
Healey
Hillings
Hoffman, Ill.
Hoffman, Mich.
Johnson, Calif.
Kearns
Kelly, N. Y.
Klein
Knutson
Lane
McCarthy
Martin
Mollohan
Morrison
Multer
Nelson
O'Hara, Minn.
Polk
Powell
Preston
Radwan
Sadlak
Short
Taylor
Thompson, La.
Thompson, N. J.
Tollefson
Vursell
Watts
Williams, N. Y.
Zelenko

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Brown of Ohio.

Mrs. Kelly of New York with Mr. Derounian.

Mr. Boykin with Mr. Harrison of Nebraska.

Mrs. Knutson with Mr. Hillings.

Mr. Klein with Mr. Taylor.

Mr. Hayworth with Mr. Short.

Mr. Anfuso with Mr. Bentley.

Mr. Healey with Mr. Hoffman of Michigan.

Mr. Polk with Mr. Gamble.

Mr. Preston with Mr. Nelson.

Mr. Davidson with Mr. Crumpacker.

Mr. Morrison with Mr. Gwinn.

Mr. Zelenko with Mr. Hoffman of Illinois.

Mr. Chatham with Mr. Johnson of California.

Mr. Barden with Mr. Tollefson.

Mr. Carnahan with Mr. Vursell.

Mr. Celler with Mr. Williams of New York.

Mr. Carlyle with Mr. Belcher.

Mrs. Blitch with Mr. O'Hara of Minnesota.

Mr. Buckley with Mr. Radwan.

Mr. Multer with Mr. Sadlak.

Mr. McCarthy with Mr. Kearns.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTION OF SECTION NUMBERS IN DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, section 633 of the appropriation bill for the Department of Defense was stricken. I ask unanimous consent that the numbers of the remaining two sections of the bill be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill just passed may have permission to revise and extend their remarks and include brief excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

statements just made by our Netherlands The Senate amendments were con- 47th annual observance of the impor-

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Defense Department appropriation bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 401)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

The Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover, has set important and desirable objectives for the improvement of Federal administration and for providing more effective methods in the financing and control of Government services. Cooperative action on the part of the legislative and executive branches is required in order to bring about more rapidly the fulfillment of those objectives.

The Commission's report on Federal budgeting and accounting practices is an important contribution toward the attainment of more effective and economical governmental services. It includes significant recommendations showing how the Federal Government can bring about improvements in budgeting, accounting, and management practices generally. Because these recommendations pertain to vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made.

These recommendations of the Commission have been studied extensively by the executive branch with a view toward identifying all possible actions that can be taken to strengthen the administration of the executive agencies. I have already approved plans developed by the Director of the Bureau of the Budget to intensify efforts of the executive branch toward that objective. These plans include actions to accelerate the establishment and use of modern accounting methods and improved budget presentations and controls. I consider it desirable and necessary that the executive departments and agencies actively and fully participate in carrying out these plans.

The actions being taken by the executive branch to put many of the Commission's proposals into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate legislative provisions to support the major objectives of the Commission's recommendations.

The initial recommendation of the Commission's report on budget and accounting calls for the strengthening of the management review and budgeting functions of the Bureau of the Budget. This is of signal importance to the attainment of the Commission's objectives in this field. It has a direct bearing on how fast and how well the executive branch carries out the plans which I have approved. Because the resources of the Bureau of the Budget must be increased if it is to provide, on my behalf, strengthened leadership in the improvement of executive branch budgeting, accounting, and other management practices, I am proposing to the Congress a supplemental appropriation to permit an expansion of the Bureau's staff for this purpose.

Today's Government demands the use of the best and most economical methods that can be devised. To that end, we should take full advantage of the constructive proposals put forth by Mr. Hoover and his able associates.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 10, 1956.*

HON. CHAUNCEY W. REED

Mr. McCULLOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I wish to insert in the RECORD a letter sent to the Speaker of the House of Representatives by the Secretary of State, with a resolution adopted by the Council of the Intergovernmental Committee for European Migration.

Mr. Speaker, this letter concerns our late, great colleague, the Honorable Chauncey W. Reed.

DEPARTMENT OF STATE,
Washington, April 13, 1956.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit to you a copy of a special resolution concerning the late Hon. Chauncey W. Reed adopted by the Council of the Intergovernmental Committee for European Migration at its meeting on February 20, 1956. As you know, the late Representative Chauncey W. Reed served with honor as a member of a number of United States delegations to the sessions of the Council of the Intergovernmental Committee for European Migration and won the respect and admiration of the council for his many helpful services.

Sincerely yours,

JOHN FOSTER DULLES.

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION, FOURTH SESSION—SPECIAL RESOLUTION CONCERNING THE LATE HONORABLE CHAUNCEY W. REED (ADOPTED AT THE 30TH MEETING, FEBRUARY 20, 1956)

The Council of the Intergovernmental Committee for European Migration having learned of the untimely death in February 1956 of the Honorable Chauncey W. Reed, eminent Member of the Congress of the United States of America, distressed by the loss of his devoted services to the committee, wishing to pay tribute to his memory, a person known to all for his humanitarian principles, for his untiring efforts directed to the creation of the Intergovernmental Committee for European Migration, for his capable and effective service as chairman of the Subcommittee on the Constitution, and for his sympathy and understanding as a friend, resolves to request the delegation of the United States of America to convey to the Government of the United States and to his family and friends a copy of this resolution with the expression of the deep sympathy, the regret, and the homage of this Council.

RENE MITCHELL,
Chairman of the Council.

The verbatim report of the proceedings thereon held in Geneva, Switzerland, on February 20, 1956, is as follows:

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION, FOURTH SESSION—TRIBUTE TO THE MEMORY OF THE HONORABLE CHAUNCEY W. REED, UNITED STATES OF AMERICA, MADE AT THE 30TH MEETING OF THE COUNCIL ON FEBRUARY 20, 1956

The CHAIRMAN (Mr. Michell, Switzerland). Since our last session we have with great regret learned of the death of Mr. Chauncey W. Reed, a Member of the United States House of Representatives and former chairman of the House Judiciary Committee, a member of the United States delegation at several sessions and chairman of the Subcommittee on the Constitution at the sixth session of the committee in Venice. As chairman of the third session, I addressed on your behalf a telegram of condolence to the Speaker of the House of Representatives and I propose that we should stand to pay tribute to the memory of this generous man who had such a keen interest in the work of the committee. [Silence.]

I should like to submit for your approval the following draft resolution concerning the death of the Honorable Chauncey W. Reed:

"The Council of the Intergovernmental Committee for European Migration having learned of the untimely death in February 1956 of the Honorable Chauncey W. Reed, eminent Member of the Congress of the United States of America, distressed by the loss of his devoted services to the committee, wishing to pay tribute to his memory, a person known to all for his humanitarian principles, for his untiring efforts directed to the creation of the Intergovernmental Committee for European Migration, for his capable and effective service as chairman of the Subcommittee on the Constitution, and for his sympathy and understanding as a friend, resolves to request the delegation of the United States to convey to the Government of the United States and to his family and friends a copy of this resolution with the expression of the deep sympathy, the regret and the homage of this Council."

Mr. HAVEMAN (Netherlands). Mr. Chairman, I was very sorry, as I am sure are all the members of this committee, to hear the sad news of Judge Reed. I would like to express my sympathy with the American delegation in the loss of this important member. He took a large part in drawing up our constitution and showed great interest in many ways in the life of our committee. I remember him addressing the committee several times and I am quite sure that he will live in our memory for a very long time to come. I have the honor to support the resolution submitted by you, Mr. Chairman, to this committee.

Mr. HARRY (Australia). Mr. Chairman, I am sure we shall all regret the passing of Mr. Chauncey W. Reed. For those of us who were in Venice, his chairmanship of the Subcommittee on the Constitution will be an unforgettable experience. He showed then and continued to show, I believe, right up until the time of his death, a very keen interest in the growth and working of this committee, and I feel that a resolution such as you proposed would be most appropriate. Thank you, Mr. Chairman.

Mr. CONTEMPRE (Belgium). Mr. Chairman, I welcome rud should like to support the statements just made by our Netherlands and Australian colleagues, as there is nothing for me to add to the words of praise of those speakers who have preceded me. Mr. Reed was a remarkable president of our very important session in Venice during which our committee's constitution was drawn up. Thank you, Mr. Chairman.

Mr. SPINELLI (Italy). Mr. Chairman, the Italian delegation wishes to associate itself with the acceptance of this resolution for the commemoration of Congressman Chauncey W. Reed. My country has, through the course of centuries, experienced all aspects of migration problems and had the opportunity of appreciating at its fullest the contribution which the statesman of the United States of America, recently deceased, brought to the solution of such problems. The work carried out by Congressman Reed in the drafting of what became our Constitution, which used to be referred to as the Venice Constitution from the time that the most important act of all organizations was perfected, is still present in our minds. The contribution which Congressman Reed made to the committee will not be easily forgotten by any of us and particularly by those who in my country participate in the common effort of this undertaking, trying to improve the social and economic conditions of the people.

(The resolution was adopted.)

Congressman MCCULLOCH (United States). Mr. Chairman, members of the committee. On behalf of the delegation representing the United States of America, I wish to say that we are pleased, indeed, that the resolution in memory of our departed friend and colleague has been unanimously adopted by the committee. It is a fitting tribute to one who, until the very end, did so much for this committee and its great work. Those of you who have been members for a while know of his work as chairman of the subcommittee which drafted the Constitution for this committee, and likewise you know of his masterful presentation of that Constitution to the Congress of the United States, where it was unanimously approved. Our colleague, and my great friend, Chauncey W. Reed had a knowing mind and an understanding heart and if this committee has lost an able friend and adviser, which it surely has, the Congress of the United States has lost an outstanding leader in his important field. Our delegation and our country deeply appreciate and thank you for your resolution of respect and we wish you to know that a copy will be delivered to the members of his family and a copy will be spread on the official Record of the Congress of the United States of America.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 201, approving the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 19.
Page 34, after line 4, insert:
"A-6967612, Chang, Chao-Kang.
"0300-447092, Li, Fei-Yu Lin.
"A-7841866, Li, Tieh Tseng."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week and the week following be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a bill and report to accompany same on the agricultural appropriation bill for 1957, and that it may be in order to bring that bill up for consideration on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. H. CARL ANDERSEN reserved all points of order on the bill.

SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until tomorrow night, Friday, May 11, to file a conference report on the bill H. R. 10004, the second supplemental appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NATIONAL RAISIN WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. SISK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SISK. Mr. Speaker, I have the honor to rise today to call the attention of the Members to our country's longest celebrated event honoring one of our great food industries—National Raisin Week.

This important agricultural industry is centered around Fresno in my district of California, and this week marks the 47th annual observance of the importance to our economy of this product.

Each year observance of National Raisin Week includes a California-wide contest, participated in by our finest cooks and sponsored by the Central Valley Empire Association, to select the finest and most luscious raisin pie.

Today I have received the prize-winning pie, sent direct from the oven by air express, and I have had the honor, on behalf of the Central Valley Empire Association and the good people of my State, to present it to our honored Speaker. I leave it to the most agile of our Members to determine those who may share it with him.

Through the years, raisins have contributed greatly to California's economy. Since 1851 thousands of California farmers have depended on the stability and vigor of the raisin industry. Substantially all United States raisins and about one-half of the world's supply are produced and processessed in the San Joaquin Valley of California.

From a 500-ton crop in 1878, production of raisins has grown to a crop of 220,000 tons with a first sale value of about $40 million. Some 60,000 persons are directly employed in the industry. Raisins are a versatile food, with a great variety of uses to provide fine flavor and quick energy, alone or in combinations with other food products.

Our raisin industry is progressive and is quick to adopt means of helping itself. It was one of the first agricultural industries to broaden its markets by nationwide advertising, and I am sure many of you will recall from the past the pictured and printed question: "Had your iron today?" The industry stabilizes itself and seeks foreign markets under a national marketing order and has adopted the most modern methods of culture, processing and packaging. Even now, I am asking the cooperation of the Congress and the Department of Agriculture in research work to further expand the usefulness of raisins in packaged food products. This progressive and creative attitude will help solve surplus problems in this industry, and I think the same principles will work equally well in other surplus situations.

I am sure my colleagues will want to join with me and with the people of my district in our observance of National Raisin Week, honoring a great agricultural industry.

LEGISLATION TO STRENGTHEN THE ANTITRUST LAWS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. EBERHARTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I have today introduced legislation which would strengthen the antitrust laws.

The antitrust laws of the United States, effectively applied, have historically provided the chief bulwark against the development of monopoly in the United States. Today's headlines make clear that their vigorous enforcement, on a continuing basis, is essential to prevent the spread of monopolistic practices in this country.

One of the most important means of enforcement of the antitrust laws are the so-called private treble damage suits whereby one party, harmed through monopolistic practices of another, may sue under the antitrust laws and recover not only the actual damages suffered, but also an additional amount as punitive damages. It is this combination of compensatory and punitive damages working together which gives private parties the necessary incentives to institute suits under the anti-trust laws, thereby providing the Government with its most effective means of enforcement.

Unfortunately, the income-tax laws operate independently of the antitrust statutes. As recently interpreted by the Supreme Court, the punitive element in an anti-trust damage action constitutes taxable income fully taxable in the year of receipt. As a result of this decision, if a lawsuit is successfully prosecuted or settled against a violator of the antitrust laws, all of the funds so obtained are bunched together in the same year for purposes of the Federal income tax. This produces artificially high surtax rates and causes a confiscatory tax to result. In effect, the present application of the Internal Revenue laws removes all of the private stimulus to enforcement of the anti-trust suits.

To remedy this situation, the proposed legislation would exempt from tax the punitive element in an antitrust damage action—recovered through prosecution of a suit or its settlement. This will insure that parties wronged by a violation of the statute will receive the full benefits conferred upon them by the antitrust laws without dilution by taxes. This will also produce maximum private enforcement efforts as is intended by the Congress.

The bill would make clear as to the compensatory element of the damages—that is, the portion of the recovery which redresses the injured party for damages actually suffered—that this amount can be spread back for tax purposes over the years in which the damages were actually suffered. By this approach the wronged party will be placed in precisely the same position as he would have been had the violation of the antitrust laws never occurred.

In order to make this proposed legislation fully applicable, the bill provides for its application as if it were enacted as part of the Internal Revenue Code of 1954.

RUMANIAN INDEPENDENCE DAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, the 10th of May is the anniversary of Rumanian independence. But the people of Rumania are not free. After more than 10 centuries of sacrifice and struggle for democratic principles; they are once again trying to forge a national unity in order to gain their freedom and independence. Although the ruthless Russian war machine has abolished the celebration of Rumanian independence day, there is still that deep-rooted nationalism and faith in God that arises spontaneously in the hearts and minds of every man, woman, and child of Rumanian descent on May 10. This spirit of faith is the inspiration which welds the Rumanian people together in resisting the despotic rule of communism.

In the past decade, Rumania, has been sealed firmly behind the Iron Curtain. They have been denied all the basic hopes and privileges of free people. Tyrannical dictatorship is the order of the day. Purges, persecutions, and slave labor camps are the rewards of anyone that defies the Communist Government. Yet, with all these formidable punishments to keep the Rumanian people in line, there is still extensive activity by the Rumanian people to break the Communist yoke of despotism. The Rumanian people will not let their inherent consciousness of unity and independence be destroyed by brutality, lies, or stringent oppression.

The barbaric foreign rule of the Russians had not been able to uproot the Rumanian people's sacred attachment to the traditional celebration of the 10th of May. The Russians have deviously tried to alter the significance of this day by celebrating the 9th of May as the anniversary of a Soviet victory. Although flags are now raised on the 9th of May, Rumanians in their captive homeland still celebrate in their hearts and minds the day that follows.

Possibly never before in the history of Rumania has the future looked so dark. But on the other hand, never before has such a devoutly united feeling of hope and freedom arisen from a nation. No matter how dark the situation may seem, Rumania is a nation that in the past has achieved freedom and independence and will again.

We here in America are strongly aware that the Rumanian people have kept their courage and faith. Therefore, on this day representing freedom and independence, I wish to join with the American people in expressing the deepest hope that Rumania will soon be free.

REPORT OF THE BRADLEY COMMISSION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I find there is a very erroneous idea that the Bradley Commission is in reality not a report to the President of the United States as it is, but is a bill that has been sent to us for action. That is, of course, not the case. It is merely a report to the President with recommendations. I hope with all my heart those recommendations to the President will not be carried out. Many of them would make great hardships—I find everywhere and I think very ill thought out. Veterans and their dependents are living in fear.

We have just passed a $32 billion defense bill, expenditures for the men going into the national service. Certainly we want to do everything we can after they come out of the military service to protect them, and show gratitude for their sacrifices. It would be a sorry thing to pass a bill like this but not take care of the men in such matters as compensation, insurance, training, and so forth. As this bill was being debated and acted upon, I constantly thought of our men and women who have given their lives for us and of those who are so splendidly serving us. May I always help and support them in every way possible. I am mindful of the fact that much of the military service is not only trying but also fraught with great danger.

PERSONAL EXPLANATION

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds and to revise and extend my remarks.

The SPEAKER. Is there objection to te request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I just want to say that I was detained on a long distance telephone call from one of my constituents and arrived a few seconds too late for the vote on the Defense appropriation bill. Had I been here I would have made the vote unanimous by voting for the bill, because I supported it in the Committee on Appropriations and in the Committee of the Whole.

RUMANIAN INDEPENDENCE DAY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, May 10 marks a triple anniversary for all Rumanians. On this day in 1866, Prince Carol, who later became King Carol I, arrived in Rumania and the existence of the Rumanian Kingdom was proclaimed. On the same day in 1877, Rumania gained her full independence. And later, in 1917, the unification of all Rumanian provinces took place on May 10.

Thus this day is far more than the anniversary of a single event. It is a holiday on which we celebrate both the birth and growth of a nation which through the centuries has played a leading role in the cultural, political, and economic development of western civilization.

However, May 10, 1956, is not a joyous occasion for the Rumanian people and their friends around the world. All of us are aware that today the proud people of Rumania are living in tragic circumstances. All progress in that noble state has come to a halt under the crushing heel of the Communist regime.

The Communists have taken drastic steps to crush traditional Rumanian freedom of thought and expression. Because resistance within the country has been so vigorous, Red tyranny has been especially severe. The task of the gallant Rumanian people to keep alive the spark of liberty and national pride has been made that much harder, but they have not failed.

Word leaking out to us from behind the Iron Curtain indicates the degree to which Soviet domination has failed to intimidate the Rumanian people. A prominent case in point is the Rumanian farmer. Since the country is primarily built on an agricultural economy, the Russians have made great efforts to force the farmers to join together in collective farms. But the Rumanian farmers have stood solidly together, and in spite of the exorbitant taxes which have been levied on them and the fact that a large portion of their crop is confiscated by the government, they have resisted collectivization.

By decree of the government, these farmers have been reduced to virtual serfs, but this stringent measure, intended to cow them, has merely served to intensify their opposition to the Communist regime.

On this occasion we pay tribute to those loyal and sturdy patriots who stand fast in their faith for the future of Rumania and assure them that the American people have not forgotten their plight.

The men from Moscow fear Rumanian Independence Day so much that its celebration is denied behind the Iron Curtain. Nevertheless, loyal Rumanians, in their hearts and minds, continue to honor this sacred day.

Let us all hope and pray on this May 10 that the day is not too far distant when the Rumanian people will be able to celebrate openly their historic day of independence, free from Russian domination and once again a member of the family of free nations.

ADDITIONAL COMPENSATION FOR EMPLOYEES OF THE POSTAL SERVICE

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, yesterday I had introduced H. R. 11116, a bill to give postal employees a flat $600 pay increase. I am one of the Members of the House who feels that we did not give the rank and file employees an adequate pay increase under Public Law 68 passed early in this session. Many of us tried our level best to provide a better pay increase for the rank and file letter carrier, post office clerk, rural carrier, motor-vehicle employee, mail handler, custodial employees, and others, but our efforts were thwarted by administration opposition and vetoes. The pay of postal employees has not kept pace with the American standard of pay. According to the April 7, 1956, issue of The Nation's Business the Nation's income has increased 335.8 percent since 1941. The postal employee increase has been a mere 210 percent. We live in a dynamic economy, not a static economy. The standard of living is constantly on the move upwards; the increases we have granted to the postal employees have scarcely kept pace with the cost of living; these increases have failed to keep the postal employees in step with the standard of living prevalent in the United States today.

According to a recent study by the Bureau of Labor Statistics, a city worker with a wife and two children in Washington, D. C., for a "modest but adequate" standard of living, requires $4,522 per year. The Heller budget for a wage earner with a wife and two children in the city of San Francisco requires an annual salary of $5,465.74. Is it any wonder that in every large city in the country Civil Service Commission officials are finding few applicants for postal jobs? Is it any wonder that a postmaster in a California city was recently compelled to advertise nationwide to get men to take letter carrier jobs? After 25 years of faithful service the top pay is merely $4,710 per year, far less than the minimum prescribed by the Heller study. The need for an increase of $600 provided for in my bill is very great indeed and should be given favorable consideration.

THE HARDWOOD FORESTS OF THE SOUTH — AN IMPORTANT RESOURCE

The SPEAKER pro tempore (Mr. Mills). Under previous order of the House, the gentleman from Florida [Mr. Sikes] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, I want to discuss with you for a few minutes one of our most neglected and one of our most important resources, the hardwood forests of the South. I use this term "neglected resource" advisedly because the hardwood forests of the South are truly a great resource and in comparison with the attention other kinds of forests are receiving, they are really neglected.

First, let us see how large the resource is and what it means to the country as a whole, as well as the South. The total land area of the Southern States from Virginia through Tennessee to the eastern half of Texas is about 329 million acres. Of this, 193 million acres are classed as commercial forest land, or land available to grow forest products for commerce. The hardwood forests occupy one-third of the total land area of the South—an area one-third greater than the renowned southern pine.

This vast area supports nearly 175 billion board-feet of hardwoods in trees large enough for lumber. According to the most recent estimates, nearly 5 million feet of hardwood lumber were harvested in 1 year in the South. This cut was 60 percent of the total hardwood lumber produced in the country. So it is amply clear that the production of hardwoods occupies an extremely important part in the economy of the South and of the Nation.

One significant point to remember about hardwood lumber, much more than softwood, is that it enters into many remanufacturing processes, thus contributing more to labor and industry than the sawing of boards alone. The fabrication of hardwood lumber into furniture well illustrates this point. Through the manufacturing process the value of the wood is enhanced many times.

Manufacture of furniture is a good example of a rapidly growing southern industry dependent in large measure on southern hardwoods. The South now manufactures over 40 percent of all furniture made in the Nation. And much of the furniture made elsewhere is made from lumber from these southern hardwood forests. Hardwoods suitable for fancy veneers, paneling, and flooring are our most valuable forest trees. The place of hardwood in general construction is too well known to require comment. So again I say hardwoods are a very important resource.

But we do have problems that retard progress. The vast area of hardwood timber is something that Nature gave us and we have been cutting the best of it and letting the poorer species take over. This creaming process has left us with gradually deteriorating forests in terms of quality. Fires, disease and insects have all contributed to this situation. Fires in hardwoods are less spectacular than in pine forests but more insidious in their damage. Hardwoods have thinner bark and they do not have any pitch to heal over the fire scars. As a result the wood is exposed to decay and attack by insects. The losses from decay are enormous. Very little is known about these wood destroying diseases and insects which cause such heavy losses in hardwoods. Improved methods should be developed for detecting and combating them.

Because of these damaging agents our hardwood mills find a high percent of decay and cull in what ought to be high quality logs for furniture, flooring, and other special uses. In pine forests, after a severe fire you start over with a new stand of seedlings or a new plantation. With hardwoods you are likely to have the ground occupied by a stand of culls and sprouts and you cannot get a good forest back without investing a lot of money to get rid of worthless trees.

So the fire problem is different, and the firefighting job is different too. It calls for different equipment and methods. To get ahead, we need an active fire research program tailored to fit problems on hardwood lands.

How to achieve more intensive utilization and marketing of low-grade hardwoods is an extremely important problem. High quality hardwoods can be sold easily. The big problem is lack of sufficient markets for the poor grades. This problem is especially acute on small holdings in the South. There are 1.8 million private owners of small forests who own three-fourths of all commercial forest land in the South, and one-fourth of all the forest lands in the Nation.

The use of hardwoods for pulpwood in the South has more than doubled during the past 5 years but that still accounts for only a fraction of the hardwood pulpwood supply available. Expanded use of hardwoods for other products such as lumber and veneer has been encouraging but inadequate. Research must develop more efficient methods of timber marketing, improved procedures for supplying timber owners and operators with market and price information, and new outlets for surplus low-grade hardwoods. Progress should be possible with a stepped-up program of research in the processing of lumber from little used species and lower grades. What is needed more, however, is utilization outlets for large volumes of wood not suitable for sawing and fabrication. Further development in the pulping of hardwoods is one distinct possibility.

A promising field for using large volumes is that of chemical conversion. Wood, and especially hardwood, can serve as a base raw material for manufacture of many needed chemical products. The pyramiding plastics industry, for example, demands each year a much greater variety and amount of organic chemicals. Acceleration of research in chemical utilization of hardwoods applicable to southern species is needed.

In much of the South hardwoods are replacing pines as the great demand for softwood timber results in removal of the pine forests. This poses two problems. First, is the land better suited for growing pines or hardwoods and, second, how can the hardwoods be removed feasibly if the land is better suited to pines? There need to be, then, studies of the soils under which the many important hardwood species will do best in comparison with the pines. Such an approach will guide timberland owners in how to manage forest land most profitably.

An extreme case of where scrub hardwood has taken over a former pine area is in my own district in west Florida. Here there are large areas where the soil is too sandy to grow good hardwoods and the scrub oaks now present do not grow to real tree size. The obvious answer is to replace the scrub oak with pine if a way can be found. As I have stated on this floor before, a way is being found by the forest research men through the use of heavy machinery and the landowners of that area are pretty happy about the progress being made. It looks like we are on the way to a solution of this particular idle land problem.

I would not want to give the impression that all hardwood production problems are concerned with poor quality hardwoods. Actually we have millions of acres where good hardwoods still occupy the land. For example, in the bottomlands and on the better upland soils very fine hardwoods can be grown. For these forests there is a general lack of information on the best way to care for and harvest the trees and keep the land growing the more desirable kinds of hardwoods.

The hardwood forests of the South present both an opportunity and a challenge. They now support an important segment of the economy. Through an adequate research program in protection, utilization, marketing, and management they could be made to do much more.

It is with great gratification therefore that I observe that the Senate has seen fit to increase the funds for the forest-research program of the Forest Service, a substantial portion of which should be available for work on hardwoods. I sincerely hope that the House will support this increase.

PRESERVATION OF STATES RIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. Brown] is recognized for 30 minutes.

Mr. BROWN of Georgia. Mr. Speaker, while we were a group of Thirteen Colonies struggling for the right to be independent we were warned "no free government, nor the blessings of liberty, can be preserved to any people, but by a firm adherence to justice, moderation, temperance, frugality, and virtue, and by frequent recurrence to fundamental principles."

Our progress as a Nation is written in our devotion to the fundamental principles of our Government. We are a Federal Republic created by a group of sovereign States. Our charter of existence as a Nation is a document wrought soundly by men with strong faith in the principles they advocated. How difficult it must have been for these men to surrender the smallest portion of their right to local self-government. Only the complete failure to establish a nation under the Articles of Confederation convinced them that some surrender was necessary.

So to a Federal Government they delegated those powers which are essential to a national government. All other rights and powers were expressly reserved to the States and the people. And these are the rights and powers of a people who fought to govern themselves locally in the light of traditions of their own creation.

In our Constitution has been written the method by which our laws shall be enacted. What has happened through the years? Have we forgotten the fundamental principles so deeply embedded in our traditions? The penetrating vision of Jefferson warned us long ago:

> It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. Were this country not already divided into States, that division would have to be made, that each might do for itself what concerns itself, and what it can so much better do than a distant authority. If we were directed from Washington when to sow and when to reap, we would soon want bread.

We are today faced with our most serious internal crisis in many years. I refer to the issue of desegregation, raised by the Supreme Court on May 17, 1954. No other question has so greatly aroused human passions. The recent decision in the segregation case is but one of many instances of judicial legislation against the constitutional rights of our States. It is the constitutional prerogative of the Supreme Court to judge laws enacted by Congress when an issue is properly before the Court. It is not the function of any court to effectively amend a law into something more than the language of the law says it is. This practice has been disastrous to the rights of our States.

A review of recent cases of the Supreme Court clearly reveals that confusion has been created in many fields throughout the various States as a result of the Supreme Court having embarked upon a course of substituting personal concepts for the written provisions of the Constitution and of the laws enacted by the Congress. These personal concepts are set forth in recent opinions which more closely resemble essays on the establishment of a new social order than judicial decisions. In these opinions the Supreme Court acknowledges that words to them may have one meaning when written and another meaning when interpreted by the Court. In these opinions the legal precedent of judicial decisions has been abandoned, and in its interpretation of the 14th amendment to the Constitution, the Supreme Court has ignored the authority of the Congress to enforce by appropriate legislation the provisions of the 14th amendment. In one of these opinions the Supreme Court has spoken of looking beyond the tangibles, and in another it has looked beyond the language of specific acts and construed several acts of the Congress when taken in combination to constitute a plan by the Congress to take away the rights of a State.

The segregation cases are but one example of the effect that Supreme Court decisions are having upon the States and the fundamental rights of the individual citizens. The fact that the Supreme Court stated in the segregation case that it cannot turn back the clock to 1868 when the 14th amendment under consideration was adopted cannot, of course, be confined to public education. This decision means that to the present Supreme Court the wording of the 14th amendment had one meaning when it was written into the Constitution in 1868 and another meaning today.

This new concept of the Supreme Court strikes at the very heart of judicial interpretation and constitutional government in America, for, if the Supreme Court is to be consistent, this new theory of ignoring the meaning of words when written will have equal application to all other provisions of the Constitution, as well as legislation passed by the Congress.

In a decision rendered by the Supreme Court on January 8, 1934, concerning a matter unrelated to segregation, Justice Sutherland thought that it was hardly necessary to say that a provision of the Constitution does not admit of two distinctly opposite interpretations, and that it does not mean one thing at one time and an entirely different thing at another time.

In 1856, Chief Justice Taney stated that as long as the Constitution continues to exist in its present form, it speaks not only in the same words, but with the same meaning and intent with which it spoke when it came from the hands of its framers, and was voted on and adopted by the people of the United States. Chief Justice Taney further stated that any other rule of construction would abrogate the judicial character of the Supreme Court, and make it a mere reflex of the popular opinion or passion of the day.

In 1824, Chief Justice Marshall stated that—

> As men whose intentions require no concealment, generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution, and the people who adopted it, must be understood to have employed words in the natural sense, and to have intended what they have said.

In addition to the unwillingness of the Supreme Court to agree that the 14th amendment continued to mean what it said when adopted, there appears to be the same inclination on the part of the Supreme Court with respect to whether Congress means what it has said in legislation. For, in *Pennsylvania* v. *Nelson* (350 U. S. 497), the Supreme Court held in a decision rendered on April 2, 1956, that the Smith Act of 1940, as amended in 1948, supersedes the enforceability of the Pennsylvania Sedition Act.

In this decision the Supreme Court stated that the Federal statutes touch a field in which the Federal interest is so dominant that the Federal system must be assumed to preclude enforcement of State laws on the same subject. This decision of the Supreme Court precluding the enforcibility of a Pennsylvania State law was rendered even though the Smith Act appears in title 18 of the United States Code, which title codifies the Federal criminal laws, and even though section 3231 of that title provides that—

> Nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof.

In this case the Supreme Court ignored the language of the Congress in the same manner that it cast aside the language in the 14th amendment to the Constitution. I am glad that the various States have taken notice of this decision, for its restriction on the rights of the States cannot be limited to the State of Pennsylvania any more than the ill effects of the abandonment of judicial precedent in the segregation cases can be limited to one subject or to one State.

Therefore, I am supporting H. R. 3, introduced by Congressman Howard Smith of Virginia, on January 5, 1955, which provides that no act of the Congress shall be construed as indicating an intent on the part of the Congress to occupy the field to the exclusion of all State laws on the same subject matter, unless such act contains an express provision to that effect. His bill further provides that no act of the Congress shall be construed as invalidating a provision of State law which would be valid in the absence of such act unless there is a direct and positive conflict between an express provision of such act and such provision of the State law so that the two cannot be reconciled or consistently stand together. I urge that H. R. 3 be passed.

The hearings before the House Judiciary Committee, from April 28, 1955, to July 12, 1955, leave no doubt that the States view the encroachment of the Federal Government upon the rights of the States by means of judicial interpretation with serious concern. The attorney general of the State of Missouri stated that the Attorneys General Conference has had the matter of the preemption doctrine under discussion and were very much concerned with it because they think the States are being reduced to more or less vassals and that the Federal Government is being strengthened to an unusual degree. The attorney general of New Hampshire testified that he believed it would be helpful to the Court to have an indication from Congress that you do not want them to find this doctrine of suppression by implication unless there is a direct and positive conflict so that the two cannot stand together. The assistant attorney general of Illinois, the assistant attorney general of South Carolina, and a representative of the Speaker of the Texas House of Representatives appeared in support of legislation. A member of the Wisconsin Employment Relations Board testified that this board is always faced with an attack on the power of the board to take any action. The legislative director and assistant legislative director of the American Farm Bureau appeared as representatives of a voluntary organization of 1,609,000 farm families and quoted from their policy resolution as follows:

> In recent years a number of court decisions have seriously eroded the authority of State governments. The effect of these court decisions has been to declare that when the Federal Government has extensively legislated in a field, it has preempted this field and deprived the States of jurisdiction. Should the Federal preemption doctrine prevail, we foresee the eventual destruction of the States rights. We will actively support legislation to prevent this Federal preemption.

This restriction on States rights was extended to California in *Barrows et al.* v. *Jackson* (346 U. S. 249) in a decision rendered by the Supreme Court on June 15, 1953. In this case a group of citizens had entered into a covenant legally binding under the laws of the State of California, and it was alleged that respondent broke the covenant. The Supreme Court, while acknowledging the right to enter into such a covenant, construed the award of damages through a State court to be punishment of the respondent and thereby decided in favor of the breach of a covenant acknowledged to be legally binding under the laws of California.

In a case decided on May 16, 1955 (349 U. S. 1), the Supreme Court of the United States reversed the Supreme Court of the State of Michigan and in effect held it to be unconstitutional for a State judge to punish a contempt, previously committed before him while acting as a one-man grand jury, after a full hearing in open court. Yet, with respect to Federal courts, rule 42 (a) of the Federal Rules of Criminal Procedure allows a trial judge to immediately and summarily punish for contempt, and the Federal Court rule was upheld by the United States Supreme Court in *Sacher et al.* v. *the United States* (343 U. S. 1) on March 10, 1952.

Of the recent decisions of the United States Supreme Court which I have mentioned, each ignores either the written language of the Constitution or the written language of an act of Congress, and each of these decisions ignores article X of the Constitution which provides that—

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The means for amending the Constitution has been provided in the Constitution, and this power was not granted to the Supreme Court. The power for enforcing by appropriate legislation the provisions of the 14th amendment are lodged with the Congress under the last of the enumerated powers set forth in the 14th amendment, and this power was not granted to the Supreme Court. In *Gibbons* v. *Ogden* (9 Wheat 188), Chief Justice Marshall wrote that Congress is authorized to make all laws which shall be necessary and proper for this purpose.

The present Supreme Court would have us believe that "the history of the 14th amendment is inconclusive as to its intended effect on public education." Yet, in *Plessy* v. *Ferguson* (163 U. S. 537), the Supreme Court stated in 1896, that the most common instance of laws permitting, or even requiring, separation of the races is connected with the establishment of separate schools, and further stated that this has been held to be a valid exercise of the legislative power even by courts of States where the political rights of the colored have been longest and most earnestly enforced.

It has been pointed out on the floor previously that the same Congress which proposed the 14th amendment to the Constitution provided for segregated schools in the District of Columbia and that when the 14th amendment was submitted and ratified, segregation was and continued to be a matter for the determination of the States. It is an odd legal interpretation which gives less weight to the mutual understanding of the States at the time of the ratification of the 14th amendment than would apply to a contractual obligation between individuals. In Plessy against Ferguson the Supreme Court held in 1896 that the object of the 14th amendment was undoubtedly to enforce the equality of the two races before the law, but in the nature of things it could not have been intended to abolish distinctions based upon color, or to enforce social, as distinguished from political equality, or a commingling of the two races upon terms unsatisfactory to either. In 1896, the Supreme Court further stated that the State legislature is at liberty to act with reference to established usages, customs, and traditions of the people, and with a view to the promotion of their comfort, and the preservation of the public peace and good order.

Under the Constitution the legislative branch of the Government was established under article I; the executive branch, under article II; and the judiciary, under article III. And I repeat, that under article X, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The Supreme Court has arrogated unto itself powers under the Constitution which were never intended, and has usurped the power of the States and of the Congress by its insistence on invading the legislative field and its refusal to confine its activities to the judiciary. I am sure that the lawyers find it most difficult to advise their clients with any degree of accuracy as to what constitutes the rule of law today, for they must look beyond the Constitution and statutes to the personal concepts of the Court. Almost every field of endeavor can now become a matter for the Supreme Court, whether it be the processing of butter; the title to land; the growing, harvesting, and processing of sugar; the shipment of processed agricultural products; the method of figuring income taxes, or any number of activities which have been interpreted by the Court to be matters for Federal regulation.

The decisions of the Supreme Court affect the daily lives of the people of all of the States. The recent decisions of the present Supreme Court strike at the very foundations of the life we have known in America based upon individual freedom and liberty.

Is it any wonder that editorials are being written which refer to the Supreme Court as a Third House, when the rights guaranteed to the States under the Constitution are being ignored; the authority of the Congress is being disregarded; judicial precedent is being cast aside; and language is being written into the Constitution by means of judicial interpretation? Is it any wonder that the decisions of the Supreme Court bring uncertainty and confusion as a substitute for the peace and good order which earlier Courts felt obligated to preserve? The Constitution of the United States has served us well for more than 160 years, the wisdom and foresight of its framers remain unequaled in history, and it is my belief that it is not less imperative that we adhere strictly to the principles of constitutional government today.

It is now time for the Supreme Court to retrace its steps to the point that its decisions are in accord with the intent and purposes of the framers of the Constitution.

Mr. LANHAM. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield.

Mr. LANHAM. I commend the gentleman for the splendid statement he is making. At this point I want to emphasize the fact that it affects not only us in the South, but the very case that the gentleman discussed earlier in his remarks of *Pennsylvania* v. *Nelson* (350 U. S. 497) shows that the threat is not to the South alone but to our entire country and every State in the Union. Again, I want to say how important this statement is and how thoroughly I agree with my distinguished colleague.

Mr. BROWN of Georgia. I thank the gentleman for his contribution.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield.

Mr. LANDRUM. I compliment my distinguished friend and colleague for the statement he is making here, but beyond that I would like the Record to show, and I would like the people to know, that through more than 20 years of service in this Congress, Paul Brown has stood for the very things about which he is now talking. Had many of the people throughout these United States who have had the opportunity and the privilege of serving with him observed to the same degree and to the same depth that he has observed and is now observing the real threat that the alien philosophy in the minds of those who now occupy the Supreme Court have brought us to, we probably would not be faced with the many serious threats to the destruction of State government that we are threatened with today. I hope the Members of this body will join in supporting the Smith bill and that more of the Members will come to realize what our friend, the gentleman from Georgia, is saying here this afternoon—and that is that the Supreme Court is out to wipe out the lines of demarcation between the States and the Federal Government and destroy the sovereignty of the several States.

Mr. BROWN of Georgia. I thank the gentleman.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Georgia [Mr. Davis].

Mr. DAVIS of Georgia. I would like to say, Mr. Speaker, I have listened with great appreciation to the masterful and learned address which the distinguished gentleman from Georgia [Mr. Brown] is delivering to the House. I agree with him in these sound sentiments and I join with him also in his support of the bill H. R. 3 and commend the gentleman most heartily for his splendid address.

Mr. BROWN of Georgia. I thank the gentleman.

Mr. SMITH of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. Mr. Speaker, I wish to pay my respects to the gentleman for the fine manner in which he has addressed himself to the most serious domestic issue in which our country is involved today. The gentleman is performing a great service not only to the Congress but also to the country as a whole by the scholarly discussion he is making.

Mr. BROWN of Georgia. I thank the gentleman.

UNDERSTANDING THE SCHOOL DECISION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. Heselton] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have listened with great interest to the very able remarks of my friend—and I consider him my personal friend—the gentleman from Georgia [Mr. Brown], on a matter which is of great importance to everyone in this country.

I am reminded that Prof. Paul A. Freund, the Charles Stebbins Fairchild professor of law of the Harvard Law School, who is considered one of the great constitutional authorities of this country, recently wrote two very able articles discussing the background of the unanimous Supreme Court decision in the so-called school segregation case and the decision itself, *Brown* v. *Board of Education, etc.* (347 U. S. 483).

I placed them in the Congressional Record in March. Under permission to extend my remarks, I shall insert them at this point in the Record, for I feel they will be of great assistance to anybody who is interested in a dispassionate discussion of the issue involved here. They are:

I

Unanimous decisions of the Supreme Court are uncommon enough in ordinary cases, and especially rare in extraordinary ones. When, therefore, the unanimous decision in the school segregation cases provokes attacks on the Court for "judicial usurpation" and "naked judicial power," the lines of communication between the Court and the people have been badly tangled. The phrases just quoted are taken from the Declaration of Constitutional Principles issued by 19 Senators and 81 Representatives in the United States Congress.

This declaration (popularly known as the Southern manifesto) is only the latest and most dramatic item of evidence that we may be facing not only a crisis in race relations but—what could in the long run be even more shattering—a crisis in the role of the Supreme Court as the authoritative voice of our highest law. The latter threat, no less than the former, calls for the fullest possible measure of understanding.

One thing can surely be said of the segregation cases: They were not hastily or thoughtlessly decided. Every contention now advanced against the decision was presented to the Court in briefs, running to hundreds of pages, and in oral argument. The Court was exceptionally deliberate in its treatment of this litigation. The cases were originally set for argument in October 1952. Argument was postponed by the Court until December. In June 1953, the Court ordered the cases reargued at the following term, specifying certain questions, including historical inquiries, to be canvassed by counsel.

In December 1953 the reargument took place. The Court was assisted not only by the unusually thorough briefs of the complainants and the defendant States but by a full-scale brief submitted by Attorney General Brownell, in support of the complainants' position. On May 17, 1954, the decision was finally handed down; but even then the Court avoided precipitate action. Still another argument was ordered on the question of the form of relief.

The attorneys general of all States requiring or permitting racial discrimination in public education were invited to present their views, and the representatives of six States—Florida, North Carolina, Arkansas, Oklahoma, Maryland, and Texas—were in fact heard, in addition to the States directly involved in the cases—Kansas, South Carolina, Virginia, Delaware, and the District of Columbia.

The judgment of the Court was announced on May 31, 1955, more than 3 years after the cases had been docketed there, and after every forewarning that a momentous decision might be forthcoming, but still with forbearance in the order for enforcement. The NAACP had asked for decrees effective not later than the opening of the next school year. The Attorney General's brief had suggested decrees requiring plans to be submitted by the States within 90 days, "for ending, as soon as possible, racial segregation of pupils in public schools."

The Court took the more moderate course of directing the lower courts to enter "such orders and decrees consistent with this opinion as are necessary and proper to admit to public schools on a racially nondiscriminatory basis with all deliberate speed the parties to these cases." The phrase "deliberate speed" is a term of legal art deriving from 18th century chancery practice, and not as certain litterateurs surmised from the haunting refrain in Francis Thompson's religious poem The Hound of Heaven: "Deliberate speed, majestic instancy."

The literary reference does, however, serve by contrast to underscore the judicious restraint shown by the Court. Majestic instancy would have been too heroic a demand for mortal men faced with genuine problems of school districting, allotment of facilities, transfer of teachers, grading of pupils, and similar administrative burdens. Nevertheless the opinion made it plain that delay for reasons of community nonacceptance would not be legitimate. "But it should go without saying," the opinion of Chief Justice Warren declared, "that the vitality of these constitutional principles cannot be allowed to yield simply because of disagreement with them."

Those who disagree with the decision on constitutional grounds argue that it is not justified by either the language or the history of the 14th amendment. The Congressmen's declaration, for example, states: "The original Constitution does not mention education. Neither does the 14th amendment nor any other amendment."

This, of course, is true. The 14th amendment provides that "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person the equal protection of the laws."

But the argument from the silence of the Constitution about education proves much too much. It is the very essence of the Constitution that it speaks in generalities like "equal protection of the laws," and it is the very essence of the judicial process that it must apply the generalities to the concrete facts of experience. Nowhere does the Constitution mention agriculture; are there then literalists who would conclude that Congress is out of bounds in debating Federal price supports for agricultural commodities?

Note, too, that the argument from the silence of the Constitution would rule out any Federal standard whatever for public education, the separate-but-equal standard no less than desegregation. In this respect the declaration is not free from ambiguity, for it quotes with apparent approval the separate-but-equal doctrine as an "established legal principle almost a century old." It is not clear, that is, whether the usurpation by the Court is thought to begin when any facilities at all are required for the public education of Negroes, or equal facilities in separate schools, or admission without regard to race.

The argument from the historical background, rather than the text, of the 14th amendment, is subtler, and it leads to some basic questions about the nature of constitutional interpretation. To quote once more the declaration of the Members of Congress: "The debates preceding the submission of the 14th amendment clearly show that there was no intent that it should affect the systems of education maintained by the States."

Here there is a further ambiguity. If the meaning is that there was no specific, calculated purpose to deal with education, the statement is undoubtedly true. If the meaning is that there was a specific, calculated purpose to exclude education, the debates are plainer to the signers of the declaration than they were to the Court or to the Attorney General. The word used by Chief Justice Warren to describe the debates is inconclusive. This is hardly surprising, in view of the relatively minor role of public education at the time, and the correspondingly fragmentary attention it received in the spacious discussions in Congress over privileges and immunities of citizens and equal protection of the laws.

Most schooling in the South was private in 1869; for Negroes it was virtually nonexistent there; and throughout the country the public-school system and compulsory education as we know it were in a rudimentary stage. The Congress which approved the 14th amendment did not foresee the development in education which has taken place and did not foreclose the participation by Negroes in that development on a plane of equality, for equal protection of the laws was adopted as a standard without exceptions or exemptions.

Even if the legislative history had shown more evidence than it did of the intention not to cover public education the interpretation of the 14th amendment would not necessarily be circumscribed by that sentiment. The Founding Fathers in the convention of 1787 voted down a proposal to authorize Congress to grant charters of incorporation. This negative vote did not later prevent such charters from being granted and upheld, under general language which the framers approved.

Very often, and very properly, the real intention of constitutional assemblies is to establish principles and to leave the hard questions of their application to be worked out in the unknown future. Thereby trouble is not borrowed for the present, and the unfolding life of the future is not straitjacketed.

The process is misunderstood if it is thought to be peculiar to the 14th amendment. The sixth amendment, for example, provides that "the accused shall enjoy the right * * * to have the assistance of counsel for his defense." When this was formulated in 1789, the right of an accused person even to employ counsel to assist at his trial was denied in England for many types of crimes; not until 1836 was that right fully granted in England.

With us, however, the guarantee has come to mean more than the right to have the assistance of counsel who is employed. It has come to mean, as interpreted by the Supreme Court, the right of an indigent defendant to have counsel appointed for him by the trial court. This is simply an illustration of Chief Justice Hughes' pronouncement in the famous mortgage moratorium case in 1934:

It is no answer to say that this public need was not apprehended a century ago, or to insist that what the provision of the Constitution meant to the vision of that day it must mean to the vision of our time. If by the statement that what the Constitution meant at the time of its adoption it means today, it is intended to say that the great clauses of the Constitution must be confined to the interpretation which the framers, with the conditions and outlook of their time, would have placed upon them, the statement carries its own refutation.

II

Is there, then, no criterion of meaning for the general guaranties of the Constitution? Must the Justices do what they are accused of doing in the Congressman's declaration, substituting personal, political, and social ideas for the established law of the land?

The answer is that as the function of a Justice is necessarily something more than to be a grammarian, it is decidedly less than to be a zealot. The Court interprets to us our own ideals implanted in the constitutional document, as they have flowered in our national life. Justice Holmes put a complex idea concisely, in speaking of the provisions of the Constitution: "Their significance is not formal; it is to be gathered not simply by taking the words and a dictionary, but by considering their origin and the line of their growth."

"The line of their growth" is a key to the understanding of the segregation cases. Whatever the purposes of the 14th amendment may serve—and it has come to serve a good many collateral ones, such as the rule of "1 thing, 1 tax" in State taxation—its basic aim concerned equality of rights for Negroes. The development of that concept is a story of successive applications of the principle to a widening variety of practices.

In 1880 the right to be included on juries was established. In 1917 racial restrictions in zoning laws were held invalid, despite the argument of the municipality that property values and public order required the discrimination.

In 1927 the all-white primary election was ruled invalid, despite the argument of the State that primaries are a private political affair. In a passage resembling some current protests, the brief of the State of Texas declared, "It must be remembered that nominating primaries were unknown at the time of the adoption of the Constitution of the United States and of the constitution of Texas in 1876. The question of parties and their regulation is a political one rather than legal."

Although the 15th amendment deals with the right of suffrage, Justice Holmes said, for the Court, "We find it unnecessary to consider the 15th amendment, because it seems to us hard to imagine a more direct and obvious infringement on the 14th."

Then in 1938 a Negro applicant was ordered admitted to the law school of the University of Missouri, despite the State's offer to pay his tuition at a nondiscriminating law school in a neighboring State. Since Missouri had no separate (and equal) law school for Negroes, the color line had to be broken in the State university. Mr. Justice McReynolds, who dissented from the opinion delivered by Chief Justice Hughes, saw clearly enough the line of growth in education, and he did not like it. He said:

"For a long time Missouri has acted upon the view that the best interest of her people demands separation of whites and Negroes in schools. Under the opinion just announced, I presume she may abandon her law school and thereby disadvantage her white citizens without impairing petitioner's opportunities for legal instruction; or she may break down the settled practice concerning separate schools and thereby, as indicated by experience, damnify both races."

All of these cases had their sequels, in which the Court turned back attempts to circumvent the decisions or to blunt their effect by differentiating them from cases coming before the courts. Much of the progress was made before World War II. Since then, in Korea and in military posts around the globe, as well as at home, we have

(350 U. S. 497) shows that the threat previous order of the House, the gen- of the form of relief. the usurpation by the Court is thought to today, it is intended to say that the great around the globe, as well as at home, we have

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extended the principle of desegregation. The question before the Court in the school cases was whether the vital growth had come to an end in the educational sphere with the separate-but-equal doctrine or whether it carried through to desegregation.

The Court could have answered in any of three ways. It could have answered as it did, finding that the principle of equality was not exhausted by separate but equal facilities; that as a Nation we had moved beyond that stage in profession and to a substantial degree in practice; and that the real and painful difficulties of adjustment in certain areas would be given proper respect by allowing time for administrative changeovers.

The second possible choice for the Court would have been to leave the matter to Congress under the power to enforce the provisions of the 14th amendment. That course would have been the easiest for the Court to take, but it would not have been the most straightforward.

The advances already made in applying the principle of equality had been achieved through resort to the Court, not to Congress: zoning, primaries, university education. Congress was not in the habit of taking responsibility in this field, or indeed in any of the other ramifications of the 14th amendment as limits on the powers of the States. To have dropped the issue in the lap of Congress would have been extraordinary. Congress, on its part, could have been expected to regard the issue as a judicial one and to play an Alphonse-Gaston game.

The third possibility was to decide that education is not included in the guaranty of equal protection of the laws, or that the guaranty is satisfied by separate public schooling. This would have been a pronouncement that as a people we do not recognize fellowship in the educational process to be a minimum standard for governments to observe in our common life, that the vital growth of the principle of equality has not carried to this point.

Would we have been satisfied with this reflection of our own better nature as a people? For it is just that better nature which we mean the Court to hold up to us in interpreting the Bill of Rights. A philosopher, Alexander Meiklejohn, once described the Court's function in this way:

"That Court is commissioned to interpret to us our own purposes, our own meanings. * * * And its teaching has peculiar importance because it interprets principles of fact and of value, not merely in the abstract, but also in their bearing upon the concrete, immediate problems which are, at any given moment, puzzling and dividing us."

If the Court was wrong in the school cases it is because the Court misjudged our present-day ideal of equality in law. To judge the decision, therefore, is to judge ourselves, all of us, for the Constitution sets a common, not a sectional, standard for the country. That is why it is supremely important that we understand the meaning of the decision and the role of the Court in reaching it. That is why it is important, too, that those who believe the Court judged rightly, as well as the critics, should let their voices be heard.

I want also to refer to one of the very few valuable contributions to this subject made here on this floor or elsewhere in Congress. This was a special order by the gentleman from New York [Mr. KEATING], the ranking minority member of the Committee on the Judiciary on March 15, beginning at page 4223 of the RECORD.

His speech merits and should receive the thoughtful and serious study of every citizen of this country who is interested in this vital problem. It should have the widest possible distribution. I am glad to have this opportunity to call attention to it again. I urge that every group and organization now engaged in presenting the facts as to this problem to the American people should undertake to make it available to every one of its members and to all others who wish to have an understanding of this momentous and historical decision of the Supreme Court.

Our colleague's thorough and careful analysis of the history of the Brown case is by a lawyer of recognized and outstanding ability, an active member of the House Committee on the Judiciary and, for some time, the ranking minority member of that committee, who has had occasion to deal directly with this vital problem of civil rights before that influential committee. I am confident that each of his colleagues, irrespective of his or her individual opinion as to the civil rights issue, will concede that the gentleman from New York [Mr. KEATING] has exercised excellent judgment and strong leadership in making it possible for a majority of the Committee on the Judiciary to recommend recently the enactment of the civil rights legislation which had been recommended by the present Attorney General of the United States.

I want to include here the final two paragraphs of that speech by our colleague from New York, as follows:

> To this I would add one more brief quote, from an act done in the First Congress, from which we who are assembled here today trace our origin, in a document signed 180 years ago:
>
> "We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are Life, Liberty, and the pursuit of Happiness; that, to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed."
>
> I hope we shall be able to keep this great heritage in focus. I agree with my esteemed friends from Southern States that we are facing challenges akin to those which plagued our Nation in the sad days of reconstruction. But I am sure that, on reflection, none of us will wish to carry his partisanship on this matter beyond the limits of judicial reconsideration, or legislative or constitutional revision. And I hope that the wisdom and restraint of the Court's own language in these decisions will prove helpful to all of us.

I know that the great majority of this House expects and intends that it shall be given an opportunity to express its deep convictions upon these recommendations by the Committee on the Judiciary in the very near future.

I think all will admit, even though they may not approve, the undisputed fact that the executive departments have made substantial and significant contributions in implementing an excellent civil rights program.

Few would challenge the fact that progress has been made in the judicial department, and particularly by the Supreme Court of the United States and by the Federal courts, in defining and upholding the civil rights of American citizens.

Unfortunately, there has been little in the record of Congress over the years, so far as this great issue is concerned, to commend itself. We must admit, with regret, the fact that progress by Congress would have been possible if it had not been for unfortunate delay and obstruction, primarily through such inexcusable devices as filibusters.

Now that a constructive and valuable program has been recommended by a majority of one of our outstanding committees, each of us must accept an individual responsibility for doing everything within his power to insure that the individual Members of this House will have the opportunity to express herself or himself in this field of legislation before adjournment of this Congress. It is an absolute and unqualified responsibility of the House, irrespective of what may happen elsewhere.

Mr. Speaker, I ask unanimous consent further to extend my remarks at this point in the RECORD and to include certain extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DISTRICT TRANSPORTATION LEGISLATION

Mr. HESELTON. Mr. Speaker, now that H. R. 8901, the District of Columbia transit bill, has been rescheduled for consideration next Wednesday, I want to discuss certain further points with reference to H. R. 10871, which I intend to offer as a substitute for H. R. 8901, if that becomes possible under the parliamentary situation.

I want to emphasize that it is entirely possible that the only vote by the House may well be confined to acceptance or rejection of the committee substitute. Of course, if the committee substitute should be rejected, it would be possible to seek recognition to offer H. R. 10871 as a substitute. However, I want to add that I have also asked the advice of the House Parliamentarian as to whether H. R. 10871 could be incorporated in a motion to recommit and he has advised me that this cannot be done. While I do understand that the simple motion to recommit to the committee might be offered, in view of the time element involved and of all the circumstances, personally, I do not believe that public interest would be served by such a recommital. Consequently, I hope that it will be possible to present the single fundamental issue of whether the charter and franchise of the Capital Transit Co. which was revoked last August by the Congress shall be returned to that company, under its present control, or an interim Authority can be created to carry on the efforts of the District authorities to locate competent private operators prior to August 15, 1959. I hope it is clear by now that public ownership, as such, is not a real issue. Title III, section 301, section 303, and section 305 not only direct a continued effort toward such a sale but would terminate the existence of the interim Authority upon that sale and, most important, would require the Board of Directors of that Authority to report to Congress within 15 days of June 15, 1958, all the steps taken to bring about such a sale

and the reasons for failure to make such a sale, if none occurs by June 15, 1958. Therefore, Congress would retain full and complete authority after the receipt of such a report to pass any legislation it then considers necessary and proper. Only if Congress did not act upon such a report would the permanent Authority come into being.

At this point I want to include a brief memorandum of references I have prepared in order to reply to the inquiries I have received:

> Because of the increasing number of inquiries I have been receiving with reference to this legislation I have prepared this brief memorandum of references, thinking it may be convenient for those who are interested in this legislation.
>
> 1. The minority views I filed on April 27 is report 2034, part 2.
>
> 2. The so-called interim transit bill, which I hope to be able to offer on the floor, is House Resolution 10871.
>
> 3. The following citations to the CONGRESSIONAL RECORD to and including May 9 may be of some interest and possible value.
>
> (a) May 2, page 7325.
> (b) May 7, page 7592.
> (c) May 7, page 7646.
> (d) May 9, page 7857.
>
> 4. The following citations are to references to comments as to this legislation, although there may have been other references which have not come to my attention:
>
> (a) Congressman HAYWORTH, May 2, Appendix of the Daily RECORD, page A3510.
>
> (b) Congressman MACDONALD, May 8, page 7712.
>
> (c) Congressman MACDONALD, May 9, page 7836.

Several possible amendments to H. R. 10871 have been suggested to me. I have not had an opportunity yet to study them as I intend to do over this weekend. However, it seems to me that some of them are constructive and might improve H. R. 10871, if it becomes possible to offer that bill as a substitute. Therefore, I believe it would be useful to mention them briefly at this time.

The first would be an amendment to insure that, in acquiring any specific items of real or tangible personal property by eminent domain, the interim Authority could not take less than the entire interest in such items of property vested in the owner.

The second would make it clear that the interim Authority would not have the right to take by eminent domain both the assets represented by the capital stock of the Capital Transit Co. and also the capital stock itself.

The third would specify more clearly the employment rights and benefits the employees of the company would have in the event they were transferred to the interim Authority.

The fourth would provide that all present career employees of the Capital Transit Co. would have an opportunity to retain their positions under the interim Authority.

I hope to be able to discuss these, and any other amendments which may be suggested to me, on Monday or Tuesday of next week and to place in the RECORD the precise language of any such amendments as I would feel justified in offering or supporting.

RUMANIAN INDEPENDENCE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. MADDEN] is recognized for 20 minutes.

Mr. MADDEN. Mr. Speaker, all Rumanians in America and throughout the world are today commemorating May 10 as their historic day of independence.

The Kremlin, in its efforts to sovietize Rumania, has abolished and prohibited any commemoration of this national independence day. Since 1944 Rumania, a former free country, has been occupied and ruled by large Soviet military forces. The people are living under constant terror and slavery. The peace treaties with Rumania and Hungary provide that the Russian troops withdraw from Rumania and Hungary within 90 days from the conclusion of the Austrian Peace Treaty. After the signing of the Austrian Peace Treaty last year, the Russian troops should have withdrawn from the Rumanian border within 90 days, but up to now, they have not departed and evidently do not intend to do so. Our Government, the United Kingdom, and Soviet Russia are signators for the treaty providing for this withdrawal of Communist troops from Rumania. I firmly believe that it is the obligation of our State Department to insist that the Soviets fulfill their treaty obligations and retire from the Rumanian border. Apparently it was a great mistake to conclude the peace treaty with tyrannical governments forcibly installed by Moscow, but once our State Department made these incredible concessions to the Soviets, we should at least make an effort to see that these treaties are respected. The peace treaty with Austria has been concluded and over 6 months have elapsed, but there is no sign of the Russian troops withdrawing from Rumania and Hungary. The Soviet Union is thus violating its obligations under these peace treaties. Until now, the United States and the United Kingdom have not raised the issue of the withdrawal of the Red troops, although it is their obligation to do so. A profound silence reigns over the whole situation. Moreover, the Communist governments of Rumania and Hungary which have been infringing the treaties and are subservient accomplices to this last Soviet violation, have been rewarded for their crimes by being accepted as respectable members of the United Nations. The State Department should take the necessary steps for asking for the fulfillment of these treaty provisions. Articles 38 of the Rumanian and 40 of the Hungarian peace treaties provide for the procedure to be followed in this case. Congress could raise this vital problem and ask for action on this agreement to which the signature and interests of the United States are involved. Regardless of the recent change of face and smiling visits of Bulganin and Khrushchev to free countries, it is highly necessary that the Soviet dictators be compelled to live up to their treaties and agreements. This so-called change of attitude on the part of the Kremlin is nothing more than a strategic maneuver to get time to consolidate its control over captive nations so their economy can become stronger and in a few years continue their drive for world domination.

Rumania and the people of other captive nations, as well as the people living in free democracies, should not be misled by Soviet diplomatic maneuvers and relax in her fight for freedom and independence. If the people of the free world will continue their opposition to further Communist expansion and also expose the real facts and truth about communism, Rumania and other captive countries will again enjoy self-government and freedom. The history of the world reveals that tyrannical governments who rule by fear, slave labor camps, purges, and mass murders, cannot continue long in power. The Communist tyrant's rule over Rumania is sure to suffer defeat and extinction and we all hope that the day is not far distant.

I wish to incorporate with my remarks on this anniversary commemoration of Rumanian independence, a statement from Mihail Farcasanu, president of the League of Free Rumanians, setting out historical facts on Rumanian independence:

THE LEAGUE OF FREE RUMANIANS—HISTORICAL NOTE ON RUMANIAN INDEPENDENCE

> The independence of the Rumanian people was fully reestablished by the Congress of Berlin, 1878, after almost three centuries of being under the suzerainty of the Ottoman Empire. Up to the moment of the Turkish advance into the Danube area the Rumanian lands had been ruled by national Domni (independent princes) who took an active part in the defense of Europe and of Christian civilization, through an unceasing fight against the invasions from the East. "The victories you have gained with equal wisdom and bravery over the unbelievers, our common foe, have raised your fame to the point that your name is on everyone's lips, and all agree in exalting you"—wrote Pope Sixtus IV to Stephen the Great, one of these Rumanian Domni ruling in the second half of the XVth century.
>
> The Rumanian people, descendants of the Roman colonists of Dacia (the ancient name of the land inhabited by the Rumanians) form a strong Latin and Christian outpost at the Eastern confines of Europe. The country, numbering now 20-odd millions, has preserved its national integrity throughout centuries of vicissitudes. A deeply rooted nationalism and Christian faith are once more today the inspiration which welds the Rumanian people together in an unyielding resistance to communism.
>
> The circumstances under which the independence of Rumania was recognized in 1878 are worth remembering.
>
> On the eve of the war between Russia and Turkey on April 16, 1877, Mihail Kogalniceanu, Rumanian Minister for Foreign Affairs, signed a convention with Russia. The convention assured to the Russian armies free passage across Rumania, provisioning and the use of roads and railways, and pledged her to respect Rumanian laws and institutions. Article II of this convention had the following text: "In order that no inconvenience should result for Rumania from the fact of the passage of the Russian troops through her territory, the Government of His Majesty the Emperor of all Russias pledges himself to maintain and to make respected the political rights of the Rumanian State, such as derive from its internal laws and the existing treaties, as well as to maintain and defend the present integrity of Rumania."

What happened immediately after this convention was signed is typical. "Meanwhile the Russian attitude was disquieting," writes the English historian, Seton Watson. (A History of the Rumanians, Cambridge, 1934, p. 336.) "There was a tendency to override or ignore Rumanian susceptibilities and treat the country as a mere Russian dependency. Rumania's cooperation on equal terms was airily rejected by the vain and pompous Gorchakov (the Russian Chancellor): the most that he would concede was that she might join the war uninvited, but in that event there must be complete fusion and unity of command. 'Russia', it was stated quite explicitly, 'does not need the assistance of the Rumanian army'."

But "in the second half of July the Russians suffered more than one reverse, and, finding themselves in urgent need of reinforcements, pressed the Rumanians to come to their aid. * * * Prince Charles, with a fresh army of 50,000 men and 180 guns at his disposal, was this time able to lay down specific conditions for cooperation, and the Russians dismounting from their high horse, gracefully offered him the command of the united armies before Plevna. * * * On September 8 the Rumanian army had its real baptism of fire in the redoubts of Grivita, before Plevna: and the foreign attachés and correspondents were unanimous in their praise of its extreme gallantry and steadiness, which contributed very materially to the final defeat of the Turks." Osman Pasha surrendered on December 9.

The reward for this cooperation came very soon. On January 29, 1878, Gen. Ion Ghica—the Rumanian representative in Moscow—was officially informed that Russia demanded the districts of southern Bessarabia, which had been returned to Rumania by the Treaty of Paris. "The plea that the territory in question had been for centuries an integral part of Moldavia and had fallen to Russia the first time only 44 years before the Treaty of Paris, seems to have made not the slightest impression upon either the Tsar or Chancellor."

The possession of Bessarabia with control of the mouths of the Danube, was cynically made by the great powers an object for bargaining, and the Berlin congress sanctioned this amputation of Rumanian territory to Russia. "In politics," remarked Lord Beaconsfield to the Rumanian Prime Minister Bratianu, "ingratitude is oftentimes the reward for the most distinguished services." It was in vain that Gladstone accused the British Government of "selling Bessarabian liberty to Russia."

A similar incident happened, when, in the autumn of 1944, Sir Winston Churchill sold Rumanian liberty to Communist Russia. But this time there was no Gladstone to protest against this political felony. Thus was the great American principle of self-determination which President Woodrow Wilson upheld and made a reality in Eastern Europe, sacrificed to placate a Communist tyrant. The fact that from September 1944 until the end of the war, the Rumanian army substantially contributed to the Allied offensive and considerably shortened the war, being considered at that time, as the London Times put it, "the fourth combative force," has not affected the cynical bargain between the great powers in 1944. The situation is remarkably similar to that of 1878; when Russia raped a province from Rumania, her ally, who had saved her from defeat.

Rumania has been blatantly subjugated by Soviet Russia on March 6, 1945; through the politically and militarily enforced ultimatum delivered to King Michael, by Andrei Vishinsky 2 weeks after the Yalta Declaration. The United States and the United Kingdom officially recognized this enslavement by signing a so-called peace treaty with the nonrepresentative Moscow installed puppet government in Paris in 1947.

Thus does history repeat itself, but this time with infinitely more tragic consequences both for Rumania and for the world.

AID FOR THE AMERICAN SHIPBUILDING INDUSTRY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have had called to my attention by William A. Calvin, international president of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL–CIO, an article that recently appeared in the Wall Street Journal and written by Vinton McVicker.

This alert and progressive union is the bargaining agent for the employees of most of the shipyards in the United States of America and is to be complimented for the legitimate concern it evidences for a distressed and sick industry as well as for the shipyard worker. Mr. McVicker emphasizes that American firms are ordering quite a few new vessels, but that only a relatively small number of orders are being placed with American shipyards. The result is that while the general shipbuilding industry throughout the world is enjoying a high level of activity with a very reassuring backlog of firm orders, American shipyards have been desperately fighting for their very survival because of a dearth of orders for new ships in recent years.

This underutilization of our shipbuilding resources is of great significance to the Nation. First of all, shipbuilding is a highly technical operation, requiring a relatively large force of highly trained and specialized workers. The skills of these workers can be preserved only through constantly practicing their art—that of building vessels. This is possible only when the shipyards have orders for ship construction. In the absence of orders, the shipyards are forced to close down, turning loose their most irreplaceable commodity—their skilled workers.

The immediate distressing effect is to swell the unemployment ranks by the thousands. If the condition is allowed to persist for long, these skilled workers become completely dispersed and are absorbed into other industry, from whence they may never return. The ultimate ill effect would be an irreparable loss to the Nation of its shipbuilding technique. I am certain that the Nation will never permit such a major catastrophe to occur, although we came close to this prior to World War II. It would be unwise and dangerous to permit this condition to develop and to exist.

The second element of significance of the American shipbuilding industry is economic. This industry is a part of our broad economy; and so long as it remains a sick industry, it constitutes a cancerous spot in that economy. In this connection, it must be borne in mind that the industry is an important user of steel and of many prefabricated and finished items.

The shipbuilding industry is of major importance to my district and to the State. In addition to the Navy Yard at Boston, there are the Bethlehem yard at Quincy, and various other facilities throughout the area. The depressed condition of these installations has an undesirable effect on the entire economy of the State. And we are acutely sensitive to the resulting unemployment.

But this is not just a problem for Boston, nor even for New England alone. Privately owned shipyards exist in all coastal areas. Shipbuilding is an important industry on the Pacific coast and in the gulf area, as well as on the Atlantic coast. Thus, this problem of a depressed shipbuilding industry is truly one which is national in scope.

The third element of significance is the extreme importance of the shipbuilding industry to national defense. When war strikes, we are completely dependent on our ability to build ships quickly. Certainly the lesson of two world wars is that a strong merchant marine is absolutely indispensable to our war effort. For the safety of the Nation, we simply must maintain a foundation of personnel and facilities upon which to build and expand, if the time ever comes that we again must build a wartime lifeline of ships. In this respect it has been authoritatively established that the minimum safe nucleus of skilled shipyard workers for mobilization of the industry in wartime is 36,000. At the present time, the total amounts to only 11,000. While the industry is picking up now, we are still a long way from achieving this goal. If war came tomorrow, we would have less than one-third of what has been established as the minimum shipyard labor force on which to build a war-shipping potential.

We are seriously concerned with the trend of American firms taking their orders for new ships to foreign shipbuilders. The principal reason advanced is that costs are considerably higher in the United States—30 percent higher, according to Mr. McVicker, and 40 percent higher according to other sources. Thus, they say, cost is the prime factor involved in the placing abroad of ship-construction orders.

But this is not the complete answer. If we were to apply this reasoning to all fields of production and business activity the results to our American economy would be disastrous, with unemployment and reduced purchasing power resulting therefrom.

However, every study and effort should be made to try and bring our costs as near as possible to the prevailing cost levels in foreign yards, and I am informed from reliable sources that this can be done without affecting the American standard of wages and living among our workers in America's shipbuilding plants. There is a growing conviction that this high-cost problem in shipbuilding can be tackled with great success.

This is a conviction to which I heartily subscribe because I am quite aware of the vital importance of this great industry. For many years it was accepted

without question that the American shipbuilding industry was characterized by high costs and that nothing could be done to lower those costs. This is now being questioned in reliable quarters and some very constructive suggestions have been made.

It is clearly understood that building a large ocean vessel cannot be adapted to pure production-line methods as are employed to manufacture automobiles. But there are being advocated procedures which are expected to result in definite reductions of costs. One outstanding suggestion is for the standardization of basic ship design.

An example of the advantage of standardization was described for the wartime shipbuilding industry. At a particular shipyard which was building tankers, the first round, or in other words, production of vessels on the existing ways, took 149 days. By the time the yard had turned out 10 such rounds of tankers, the time for the 10th round had been reduced to 41 days. High volume of ship orders undoubtedly played an important part in effecting some economies. However, there was definite advantage gained from advancements in methods and techniques.

More and more, as the ship was put together in sections before going on the ways, methods were found to make the production not only faster but less costly.

The Chairman of the Federal Maritime Board and Maritime Administrator, Mr. Clarence G. Morse, has expressed himself on the subject in forthright fashion:

> Break down the cost picture into its various components: a basic degree of standardization can result in greatly decreased construction costs, the ready interchangeability of ships in various trades, the ability to stockpile a minimum of spare parts, improved cargo handling gear, modern propulsion machinery—all the advantages of good basic designing plus the evolution lessons of mass production. And, in the first instance, much lower design and plan costs.
>
> We are putting too much money into paper. I intend to lend my support to haying that money spent on iron and steel and still have the best designed, best built and best operated ships of the world.
>
> I don't think this is going to represent any aggregate loss of business to the ship designers because if we don't go along these lines of standardization, in my opinion, we won't have the total amount of shipbuilding we are all working toward. As a matter of fact, the impact of all these programs will be so great that it will be difficult to meet the normal engineering requirementa. There are many and varied modifications that each operator will need for his particular trade; in each of our joint enterprises under the subsidy laws there is a constant exchange of ideas and planning with the individual operator and his design agent. And there are limitless horizons ahead for the design of new and specialized equipment and building techniques which will call for all our expert services.
>
> I must repeat, the Government is not in favor of nonstandardized ship types. This position, I submit, is consistent with our entire economy; we must cut down on the overhead before we price our merchant marine out of business. Another thing which is often forgotten—our greatest problem today is not ship design, it is not ship operation—basically it is ship construction. We need more work and more skilled workers in our shipyards.

The Maritime Administration has implemented its position on vessel standardization through the establishment of a proposal for seven basic ship designs. The 7 consist of 4 dry-cargo types, a tanker, a bulk carrier, and a ship designed to carry truck trailers.

The last named type of vessel represents the water carrier counterpart of the railroad operation known as trailer on flatcars. Ship-trailer operations hold some promise of helping to revitalize coastwise and intercoastal shipping. Such a development is especially significant since by law only ships built in the United States can be used in coastwise or intercoastal trade.

A related factor germane to this discussion concerns the threat of block obsolescence, or having the existing merchant marine fleet become obsolete in a relatively short period of time. The threat involved in block obsolescence is having to replace a large number of ships in a few years' time. This leads to a very unstable, feast-or-famine condition in the shipbuilding industry. The solution is to place into effect a leveling off plan for ship replacement. Such a course would lend some assurance to shipyard operators of the continuing availability of a reasonable number of orders for new construction.

After reaching an alarmingly low level in recent years, the shipbuilding industry in the United States has received some encouragement lately. Favorable congressional legislation is one factor. Ships to accommodate truck trailers, mentioned earlier, is another factor. The prospects for shipbuilding activity have decidedly improved.

Now that we are in the process of revitalizing our shipyards, I think that this is an excellent time to consider new cost-saving methods and techniques, including the proposal to standardize the basic design of ships. It is my considered judgment that now, while shipyard operators are in the process of planning for the future of the industry, the operators should sit down at the conference table with labor representatives to seek new methods and techniques, and ways of adopting them. I recognize fully that it is a wise course to permit labor to have a voice in such far-reaching proceedings. And I am confident that both management and labor will recognize my proposal as a suggestion for positive action to aid in reviving the shipbuilding industry in the United States and maintaining it at the high level at which it properly belongs.

Mr. Speaker, we in America have a proud maritime heritage which has evolved through all the years of our existence as a Nation. We have built good ships to serve our foreign commerce needs, and those of other nations. This heritage is threatened because of high costs of operation in relation to the shipbuilding industry abroad. We need to effect significant savings in shipbuilding, and I am confident that with all our technological knowledge and inventive ingenuity we can devise methods and techniques which will result in such savings. This, Mr. Speaker, is the positive, forward-thinking approach to our shipyard problem.

The article that appeared in the Wall Street Journal follows:

RUNAWAY SHIPS—MANY AMERICAN FIRMS BUILD MONSTER VESSELS IN FOREIGN SHIPYARDS—TANKERS IN FRANCE, JAPAN; ORE CARRIERS IN GERMANY; BANANA BOATS IN BRITAIN

(By Vinton McVicker)

A CLOSE LOOK AT HAMBURG

HAMBURG.—To discover many of the merchant ships, great and small, which American companies are building today—and will build tomorrow—you must seek out shipyards in foreign lands.

At this moment Tide Water Associated Oil Co. is negotiating with French yards at Dunkerque and St. Nazaire to build 2 gargantuan tankers, each capable of splashing along at 17 knots, hauling 60,000 or more tons of crude oil in a single trip to its new Delaware River refinery from the neutral zone between Saudi Arabia and Kuwait. The expectation is that when delivered, in 1958, these would be the world's largest tankships, though so hot is the competitive pace of construction that no one can guarantee it. Tip one of these craft on end and it would fall just a few feet short of the RCA building in Rockefeller Center. Its total weight, loaded, would be over 80,000 tons—exceeding the *Queen Elizabeth*, world's largest liner. The price: Probably at least $8 million apiece.

A monster almost as large, and the biggest thing of its kind now afloat, is the 55,000-ton-capacity Sinclair *Petrolore*, which arrived at Santos, Brazil, a few days ago with a cargo of crude oil from Kuwait. It is of a revolutionary design, capable of hauling not only oil but also such dry cargo as ore and coal. Built this year by Universe Tankships, Inc., of Liberia, an affiliate of National Bulk Carriers, Inc., of New York, the *Petrolore* will be taken over next month by Sinclair Oil Corp. on a long-term lease. Slated for round-the-world service, the *Petrolore* will carry oil from Kuwait to the United States and ore from Venezuela to Japan. Universe Tankships has other vessels abuilding in Japan, two of them even bigger than the *Petrolore*.

Ore ships, banana boats

Here in Hamburg the order books of Germany's largest shipbuilder, Deutsche Werft, have a fresh entry. Hendy International Corp. of Philadelphia has signed up for 8 big seagoing ore carriers. Designed to haul 34,500 tons each, at better than 14-knot speed, the vessels are slated to carry ore for big United States steelmakers, as well as some bauxite for aluminum companies.

In the British shipbuilding center of Birkenhead an ore carrier destined to move bauxite is being assembled at the yard of Cammel Laird & Co. This 31,000-tonner is for Pan-Ore Steamship Co., Panamanian subsidiary of Aluminum Co. of America. Three 6,000-ton banana boats are being put together near Glasgow, Scotland, by Alexander Stephens & Sons, for a subsidiary of United Fruit Co. The same yard is making, for the same customer, an 8,700-ton cargo ship which will also carry passengers.

This is the merest sampling of the American business flowing into foreign shipyards. While United States yards are operating at a fraction of capacity, West Germany's yards have enough domestic and foreign business booked right now to keep them busy for 2 or 3 years, and Britain's shipbuilders have about 4 years' work in hand.

The explanation, of course, is that United States costs run at least 30 percent higher; American yards would get almost no business except for Federal construction subsidies to shipping lines. The oil companies and others who receive no subsidies turn to a cheaper source of supply. This great group includes even some of the shipping lines. For instance, Isbrandtsen Lines of New York, through its affiliate, Liberian Steamship Co. of 1955, Inc., has ordered a motor cargo ship of 4,550-ton capacity to be delivered late next year by Howaldtswerke Hamburg A. G., a yard owned by the German Government.

Even with a 10-percent pay increase that took effect October 1, the highly skilled craftsman in a German yard still averages only about 54 cents an hour. The parking lots at the gates hold motorcycles, motorscooters, and bicycles, with only a sprinkling of Volkswagens and other tiny German cars. There have been no strikes and no threats of strikes.

Such competition is likely to seem unfair to United States shipbuilders, who are constantly seeking more Government aid. But the fact is that dollars spent abroad for ships all find their way back to America in the form of demand for the myriad products which can be made cheaper in the States. The foreign shipbuilding boom itself creates such direct demand for United States wares; so far this year Germany has imported about 50,000 tons of ship plates—all of it from American steel mills.

Subsidies are not unknown in shipbuilding industries abroad, of course. The French Government pours subsidies into its yards, as into most of its export industries. The principal question in Tide Water's negotiations for its two new supertankers is how large a French subsidy will be made available. Germany has spurred shipbuilding with tax incentives and loans at cheap interest.

Tanker building

Even a casual glance shows that the international oil companies, including those headquartered in the United States, are prime instigators of the shipbuilding boom.

The Texas Co. now has a couple of 28,000-ton tankers abuilding at the Harland & Wolff, Ltd., yard in Belfast, Ireland, and 2 more turbine tankers of about the same size at the Deutsche Werft yard here in Hamburg, which earlier this year launched an 18,300-ton motor tanker for the company's Norwegian subsidiary. The company has a 16,000-ton tanker under construction in Norway and an 18,000-ton vessel in the works in the Netherlands.

Overseas Tankship, Ltd., an affiliate of Caltex, the joint creature of Standard Oil of California and the Texas Co., has two 18,000-ton tankers going up in the United Kingdom shipyards of Hawthorn Leslie, Ltd., and Scott's Shipbuilding & Engineering Co., Ltd.

Standard Oil of New Jersey affiliates have 27 tankers on order, mostly from foreign shipyards, and in the foreseeable future expect to order 26 more. One subsidiary, Panama Transport Co., has ordered two 35,500-ton tankers from Italian yards. In the Netherlands, Jersey Standard's Dutch affiliate expects delivery next spring of a 26,650-ton tanker, the Esso Nederland. In Denmark, the company's Danish affiliate has on order a 26,225-ton tanker.

French yards have just completed one 37,000-ton tanker, the Esso France, for the French affiliate of Standard Oil of New Jersey, and another tanker, the Esso Colombia, will shortly be launched for another subsidiary, Panama Transport. A British affiliate has two large tankers on order at the Vickers-Armstrong yards at Walker-on-Tyne, three small tankers going up in Yorkshire, and a bitumen carrier in Aberdeen, Scotland.

Jersey Standard's German shipping subsidiary, Waried Tankschiff-Rederei, has just placed orders with three Bremen and Hamburg yards for six 36,000-ton tankers, to cost about $36 million. The new order was given just as the company received the last of four smaller tankships from German yards. And the British affiliate of Esso has ordered two large tankers in Germany.

Britain still leads

Great Britain is still by far the world's biggest shipbuilder, with 2,147,000 gross tons under construction as of September 30, up from 2,058,000 a year earlier. But its share of the booming construction around the world was somewhat shrunken—34 percent compared with 37 percent a year before. One big reason: The postwar revival of the shattered shipbuilding industries of Japan and Germany. Germany nosed out Japan for second position last year; they are fighting it out again now. The Netherlands, France and Italy are not far behind.

Britons admit their prices are about 10 percent higher than German quotations, and delivery dates tend to be more distant. One result: Only about 24 percent of orders received in the past 12 months have been for foreign customers. In contrast, about 70 percent of Germany's total order backlog, about 2.4 million gross tons, represents foreign business. So perhaps it's worth a closer look.

German shipbuilding centers in Hamburg and in nearby Bremen, Bremerhaven, Kiel, and Lubeck—an area about the size of New Jersey. As you stroll through one of these yards—dodging trucks and steel-laden freight cars, hearing the rat-a-tat of riveters and thump of huge steel-stamping presses, seeing the sparks fly as flames cut through thick steel plates for ships' hulls, gazing upward at towering spiderwebs of girders in the shipways—it's hard to believe the ground about you was nothing more than a mess of tangled steel and rubble a few years ago.

For all today's rush of building, which keeps more than 90,000 workers busy on overtime schedules, is being handled in yards that for several years after the war lay wrecked and idle. Allied bombs had put them effectively out of service. And what little equipment was left had to be dismantled under orders from occupation forces.

Not until Allied restrictions on German shipbuilding were lifted in late 1950 and early 1951 could rebuilding start. After that, however, the cleanup and reconstruction job was swift. Today West Germany's shipyards equal the world's best in modern machinery and efficient operation. And in skilled, industrious manpower the yard managers say they can't be beaten anywhere.

BOATS IN BRITAIN

Foreign orders mount

As fast as yards were put into shape to resume work, orders poured in. They came first from German firms eager to rebuild their own merchant marine. But business from abroad grew quickly, too.

In 1951, first year of the revival, West German yards turned out 255,910 gross registered tons of ships—nearly all for German buyers. They doubled that tonnage in 1952, and more than half of that year's total was in ships to sail under foreign flags. Steadily upward has been the production curve since then, nearly 700,000 tons in 1953 and over 880,000 tons in 1954. Last year's output was worth about $426 million.

Before World War II, the total output of all German shipyards, including some now behind the Iron Curtain, ranged about 500,000 gross tons a year. Last year's West German production alone topped that by more than 75 percent. And this year the prewar all-German output was equaled by the West German yards in 8 months.

In those 8 months, through August, 182 oceangoing ships, aggregating 553,645 gross tons, were delivered. Of that output, 61 ships of 260,658 tons, were for export, the rest for German buyers. The foreign-flag vessels run bigger than those for home delivery.

The scarcity of steel and capital now make it hard to expand German output much more.

Steel obtainable from West German plants averages about 50,000 tons a month.. The yards need more than that for full-scale production, and are resorting to imports to the extent their finances permit.

Imported steel costs more, but the yards have to use it to meet guaranteed delivery dates. They claim they can get steel from America in 2 or 3 months from date of order, while home-produced plates may keep them waiting 8 months. The shipbuilders hope German steel output will grow enough to meet their needs in the next few years. However, shortage of capital slows down steel plant growth as well as shipyard expansion.

Visit to Howaldtswerke

Typical of the boom atmosphere in the shipbuilding industry is the Howaldtswerke Hamburg establishment here. It has orders on hand for 30 ships with cargo capacity of 300,000 tons.

That backlog is nearly three times the yard's 1954 output, which it expects to equal this year. Delivery dates on these ships run as far ahead as 1960, and the firm's capacity is booked almost to the limit through 1957.

On this yard's slipways at the moment are four 10,000-ton cargo ships. Three are for German owners, one for a shipping line in India. Tied up alongside, other ships are getting the finishing touches that come after launching. While this year's output will be about half foreign, half domestic, Dr. Niese estimates it will run 60 to 70 percent for export in the next few years.

One reason German yards have been able to snare so many foreign orders is that they started from scratch when the worldwide boom in shipbuilding began, while their British and other European competitors were already getting up to their ears in orders. Thus, the Germans were able to promise quicker deliveries. And, even more important in many cases, they could guarantee firmer prices on these quick jobs, since they didn't have to write into their contracts escalator clauses as broad as those British builders needed for protection against rising wage rates and material prices.

That differential is tending to shrink, some German builders admit, now that the German bookings are beginning to run almost as far into the future as those of their competitors.

British business to Germany

As things stand now, however, some British buyers still are turning to German yards with their orders, in spite of their own country's top rank as a shipbuilder.

Of 43 tankers ordered in the last few months by the Royal Dutch-Shell group (British and Dutch controlled), 8 are to be built in German yards, 21 in Britain, and 14 in the Netherlands. The German orders, for 2 tankers of 32,000 deadweight tons and 6 at 18,000 tons, went to Howaldtswerke Kiel, A. G. Weser, and Deutsche Werft.

A few months ago the British shipping firm, Shaw Savill & Albion, a subsidiary of Furness, Withy & Co., went into the market for four fast freighters for its New Zealand and Australia runs. After shopping around, it gave the orders for three of the ships to the Bremer Vulkayard at Bremen. Only one of the vessels was placed with a British firm, Harland & Wolff.

Th German builder promised delivery dates—one ship in November 1956, the others in early 1957—which the buyer said no British shipbuilder could approach. The shipping firm also estimated the British-built ship would apparently cost about 15 percent more than those built in Germany, because of differences in the escalator clauses.

Cost-cutting tricks

German shipbuilders say there is little if any difference in current labor and material costs between their yards and those elsewhere in Europe. Any price shaving they are able to do in comparison with European competitors, they say, reflects the industry and skill of their workers and their cost-cutting tricks in production.

Deutsche Werft demonstrated one of those economy measures when it built its biggest tanker to date, the *Cabimas*, launched last year for an American buyer, Gulf Oil Co. That 32,467-ton ship was constructed in two pieces, each in a shipway of its own. Then, after launching, the two parts were towed into a floating dock and welded together there.

This sectional building technique is being used in other yards also to speed up the work of putting big ships together.

Similar in method was a job Howaldtswerke Hamburg did in inserting a new midship section in a tanker for Standard Vacuum Transportation Co., Ltd., a joint subsidiary of Socony-Mobil and Jersey Standard. The *James W. McGuire* was sliced in two, and the newly built section was spliced between the bow and stern in a floating dock. The result was a longer tanker, of greater carrying capacity, rechristened the *Stanvac Nairobi*.

Another speedup method in nearly all German yards is the prefabrication of parts of ships, perhaps much of a bow or stern assembly or a large section of deck on the ground in roofed shops before work starts in the huge shipways. The steel plates are fastened together there, and then the entire assembly is hoisted into the spiderweb of girders that make up the shipway, for quick insertion. This jigsaw-puzzle method keeps any one ship's time in the ways at a minimum and lets it be moved out quickly for another.

Two supertankers finished in 1953 and 1954 did much to swell Germany's export tonnage in those years. Howaldtswerke Hamburg built them for Aristotle Socrates Onassis, fabled Greek-Argentine shipowner. Rated at 45,000 and 47,000 deadweight tons, they were the biggest cargo ships in the world when launched.

HOW HOLLYWOOD HELPS BUILD SUPER OIL TANKERS

PARIS.—Hollywood is cashing in on the boom in shipbuilding abroad.

American movie companies have no trouble earning francs in France, where the public is currently flocking to see not only such 1955 releases as We're No Angels and Strategic Air Command, but also revivals dating back to a King Vidor production of 1929. Their big trouble has been in converting those francs into American dollars; the French Government chronically blocks a large proportion of them.

But now, under a special deal, these blocked francs are being used to help build four huge tankers for Tide Water Associated Oil Co. Ordered last January, they are under construction at the Penhoet yard in St. Nazaire and the Chantiers de France yard in Dunkerque, at a total cost reportedly approaching $20 million. As the Motion Picture Export Association feeds francs into this project in Paris, it receives 24 hours later in New York dollars supplied by the oil company.

The oil concern benefits because instead of getting the official exchange rate, 350 francs to the dollar, it is able to obtain from beleaguered movie firms an amount approaching the black-market rate. That means a bonus of perhaps 30 or 40 francs for every dollar.

HON. FIELDING LEWIS WRIGHT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Mississippi [Mr. COLMER] is recognized for 30 minutes.

Mr. COLMER. Mr. Speaker, during the past weekend an event of monumental proportions in the annals and affairs of Mississippi and the Nation occurred. The Honorable Fielding Lewis Wright passed into the great unknown as a result of a sudden heart attack. Born at Rolling Fork, Miss., on May 16, 1895, educated in the public schools of Mississippi, the Webb School at Bell Buckle, Tenn., and the University of Alabama, Fielding Wright was a great civic leader. He served his native State of Mississippi as State senator, speaker of the house of representatives, Lieutenant Governor, and twice as Governor of the great State of Mississippi. He was a devoted member of the Methodist Church and a man of high and honorable character. In addition to the countless thousands of Mississippians he is mourned by his devoted wife and a devoted son and daughter. The whole State was left shocked and appalled as a result of the untimely death of this outstanding Mississippi statesman. For, truly he was a statesman in every sense of the word. In no sense of the word was he a politician in the common application of that term to the average public officeholder.

Neither the plaudits of the public nor the glamour of high office could sway him from the path of righteous duty once he determined that course.

Serene of purpose, a man of indomitable courage yet gentle of manner, he was most personable and approachable. A man of unusual modesty, unostentatious, often mistaken for a businessman, Governor Wright made Mississippi a splendid Governor. He gave it a business administration motivated only by the desire to do the job at hand.

Outside of his native State which today mourns his passing, Fielding Wright was best known for the fact that he was the vice presidential nominee of the States' Rights Party in 1948, with characteristic modesty having refused consideration for the nomination for the Presidency on that ticket. A firm believer in the Jeffersonian principle of States rights, a conservative, an outstanding opponent of the ever-increasing tendency to centralize all of the power of government, at the expense of liberty, in Washington, it was perfectly natural that he should be in the forefront of any States rights movement. No one realized more than he that the office for which he was nominated was not to be had by him under this movement. But, motivated by a desire to raise the storm signals of the dangers ahead, he reluctantly accepted the nomination and carried the fight. He loved and respected the Democratic Party. In fact, at the time of his death he was Mississippi's Democratic committeeman—a position he had accepted with reluctance and reservation and which he had threatened to leave if those presently in charge of the party machinery persisted in their efforts to ignore the Southland for which he had a great passionate devotion. Fielding Wright was a States rights statesman. He believed in the philosophy of the Founding Fathers. He had the courage to do something about it other than render lip service.

Mr. Speaker, we of the Mississippi delegation here in the Congress today honor and respect him for his manly principles, for his outstanding public service, for his courage and for his high sense of duty and integrity. We extend our sympathy to his splendid family and to the thousands of Mississippians who mourn the passing of this leader, this man of high integrity and devotion to duty.

A sturdy oak in the forest of men has fallen.

Mr. Speaker, the Honorable Frederick Sullens, editor of the Mississippi Jackson Daily News, and a long-time close associate and devoted friend of Governor Wright, paid tribute to this outstanding statesman in a timely and appropriate editorial as follows:

FIELDING L. WRIGHT PASSES

Rugged honesty, sincerity, unselfishness, frankness of speech and a passionate love for his native State were the outstanding traits in the life and character of Fielding L. Wright, whose notable career was brought to an abrupt close by a heart attack early Friday night. In his passing Mississippi has lost a statesman of first rank, a well-beloved citizen, and a man who played well all his appointed parts in human affairs.

Fielding Wright battled valiantly in behalf of many causes during his memorable career, and he always fought fairly. He was open and aboveboard in every thought and action. Indeed, some of his closest personal friends and supporters felt that he manifested too much kindness and courtesy in dealing with opponents but it was a trait of character for which he had no apology to offer.

Friendship was a word of much meaning for Fielding Wright. He had many thousands of devoted friends and admirers throughout the State, and for them he cherished a deep and abiding love. He bound his friends to him as with hooks of steel—the warm and devoted type of friendship that overlooks all petty faults or foibles and magnifies the good while minimizing the bad in mankind. Among those whom he counted as close friends he found nothing false or insincere, no selfish motives, no ulterior purposes. Their friendship was based on a genuine affection, a friendship that sprang from a trusting heart and became a love akin to that of David for Jonathan or Damon for Pythias.

Because of his rugged honesty, his unswerving devotion to duty and his eagerness to faithfully serve the State and its people, Fielding Wright did not accumulate a large amount of worldly goods but he did gather and jealously hold a huge fortune in friendships, and these friends meant much more to him than Midas-like wealth or the praise and applause of the multitude.

Another trait of Fielding Wright was his modesty. He was soft of speech, quiet of manner, devoid of pretense, never indulged in boasting or self-praise, and the qualities all too common among men in public life had no part in his being.

To every trust Fielding Wright was true. As a member of the lower house of the legislature, as speaker of the body, as Lieutenant Governor, and for 7 years Governor, he measured up to a high standard of faithful, fearless, and intelligent public service. It was frequently said that he was the most popular man who ever left the Governor's office; that he had more friends and fewer enemies than any man who had ever occupied that place. This was unquestionably true. Some may have differed with him concerning plans and policies, but none every doubted his sincerity or spoke of him with lack of respect.

It can be truthfully said of Fielding Wright that he concentrated his entire life to making his beloved State a better and more prosperous State in which to live. He was always advancing, always struggling to bring about a betterment of human conditions, to carry on some much-needed reform, to develop the natural resources of the State, to help humanity to a large chance and to put Mississippi in her proper place in the sisterhood of States. The value of the work he performed, of the things he achieved is beyond estimate. It is a subject that must be left for future historians to evaluate.

Despite his quiet, modest, unassuming manner, Fielding Wright was always at his best when fighting a battle in behalf of some worthy cause. In his inaugural message when installed as Governor for a 4-year term he sounded a clarion call to arms in behalf of the restoration of State rights—a call that culminated in the State rights movement and his own nomination as a Vice Presidential candidate. That one note in his inaugural message can rightly be called the foundation stone of the present State rights movement to which the Nation is now being awakened.

Fielding Wright was a man of mature judgment. He thought soundly on public questions and the issues of the day. He was never impractical, never blinded by passion, and always sought to improve social conditions and to promote the progress and prosperity of the State he so faithfully served.

Fielding Wright had within him the elements of greatness.

He was great because he always thought clearly and acted wisely.

He was great because he stood squarely for the highest and noblest things in life.

He was great because he was a man of courage and convictions.

He was great because he was a man of broad and sympathetic understanding.

He was great because he was honored and universally respected by the people he served.

He was great because he commanded the instant admiration and wholesome respect of all who met him.

He was great because of the genuineness and everlasting quality of his friendship.

Fielding Wright was a devoted husband and father and one of the beautiful things in his life was his love and devotion for his frail, white-haired mother. His private and home life was one of supreme joy and happiness. His mind and heart were ever centered on those who were near and dear to him by ties of kinship.

For the intimate friends of Fielding Wright the parting is hard. His death came as a rude shock. It seems well-nigh unbelieveable. Apparently he was in the best of health and spirits. In the midst of their sorrow they can find solace only from "Him who doeth all things well," confident that the useful life and goodly deeds of Fielding Wright will live and be a part of the warp and woof woven into the life of our commonwealth. To his loved ones we add:

"I cannot say and I will not say
That he is dead.
He is just away!
With a cheery smile and a wave of the hand,
He has entered into that unknown land;
Think of him still as the same, I say,
He is not dead, he is just away."

At this time I yield to the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Speaker, I wish to join with my colleagues in expressing our deep and sincere sorrow at the death of Hon. Fielding L. Wright, former Governor of Mississippi.

Governor Wright was one of the finest men, a man of sincerity, integrity and courage, one of the most outstanding public officials the State and Nation has ever known.

It was my privilege to enjoy a close personal friendship with Fielding Wright for many years. He was a man of energy and sound judgment. Possessed of even temper and splendid character, he kept himself in position to pass temperate judgment on issues presented, however heated the debate, in legislative councils or in the public press.

With the fairness of a real judge, he always applied his experience and good judgment to sound solutions.

He made Mississippi an outstanding Governor, serving continuously longer than any other in Mississippi's history. After discharging his duties in an exemplary manner he left our State in best financial condition we have ever known.

Governor Wright was one of the first to recognize the dangers which threaten the constitutional government. He was one of the first to point out the dangers of encroachment on the rights of the States by the legislative, judicial, and executive branches of the National Government. He could see the dangers in the attitude of the leaders of the two great national parties.

He was a candidate for Vice President on the States rights ticket, not for any reason of personal advancement but because he truly believed that existing conditions are destroying provisions of the Constitution and endangering our future as a Nation. Yet, as strongly as he felt, his earnest and sincere beliefs were expressed in such manner as to reflect credit to his State and the Southland, and to warrant the serious consideration of all citizens of the Nation.

Fielding Wright did not desire a multiparty system. He did know that unless the rights of the people to maintain their local differences within the respective States were continued, eventually the two-party system would be destroyed with a resulting many-party Nation, which would become ineffective as a nation on the order of France and Italy today.

Governor Wright was a good father, a fine husband and a loyal friend. We mourn his untimely passing. We take pride in his accomplishments and know that he leaves a sound and outstanding record, one which is a real challenge to all.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Williams].

Mr. WILLIAMS of Mississippi. Mr. Speaker, Mississippi will long mourn the loss of Fielding Wright. I knew Fielding Wright as a very close, intimate friend, and I feel a very great personal loss in his passing.

Fielding Wright was the embodiment of the best in human virtues. He was a man of deep convictions. He was a man of integrity, a man of limitless courage, and one who had the ability to put forward his beliefs.

Perhaps Fielding Wright will best be remembered throughout the Nation as one of the standard bearers of the States' Rights Party in 1948, when he was an unsuccessful candidate for Vice President on that ticket. However, Fielding Wright will be remembered by the people of Mississippi and the South, not for having a place on that ticket, but for having the courage to permit his name to be placed on it.

I recall his inaugural address in 1948, when he made a statement that I shall never forget, one that became his political creed and one which I have sought to adopt as mine; that "undying truths and eternal principles transcend party lines."

As far as I know Fielding Wright never made a dishonest move or committed a dishonest act. He was, indeed, a great man, and he will long be remembered and revered by Americans everywhere.

I join my distinguished dean and other Members of my delegation in mourning his tragic and untimely passing, and in extending our deepest sympathies to his family and loved ones.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Abernethy].

Mr. ABERNETHY. Mr. Speaker, I would like to join with my colleagues in paying tribute to and extending sympathy to the family of the late Fielding L. Wright, one of the great men of my State.

Although Mississippi has produced many men of accomplishment, none exceded Fielding Wright in quality or stature.

If we were to enumerate all of the qualities of this great man we would begin by referring to his sterling character. Being the possessor of such all other qualities naturally obtain. Irrespective of the accomplishments of any man, without character, good character, he cannot become nor can he be classified as one of greatness. Fielding Wright met this test with a high score.

As a defender of his country, as a lawyer, as a legislator, a governor, and just as a plain citizen with which, due to his modesty, he preferred to be associated, Fielding Wright was a leader among men. He left behind a record and a mode of life which all would do well to emulate. He led an unselfish life, always making paramount the interest and welfare of those for whom he served at great personal sacrifice. He regarded public office as a public trust. He neither sought nor expected reward. His only desire was to serve for the benefit of his fellow man.

Like our Founding Fathers, he was a staunch advocate of the individual and rights of the States. He spurned and opposed the centralization of power in the Federal Government.

In 1948 when the trend had turned toward the ideology of a government which our Founding Fathers attempted to guard against, Fielding Wright did not seek but accepted the position on the States Rights ticket for Vice President of the United States. He did so without expectation of being elected. He profoundly believed in the cause and the objective. Characteristic of his sacrificial nature, he accepted the post that he might sound the alarm and alert the country which he loved and defended as a soldier, to the dangers confronting it. The trend and events of this very hour have proven his position to be so right.

He was a man of great accomplishment. When the history of our Nation is written, historians will record as his greatest accomplishment the undying will with which he inspired the individual citizen and the States to continue their fight for constitutional government

and against the centralization of power at the Federal level.

For what greater cause, Mr. Speaker, could man devote a life of public service?

Mr. Speaker, because of the life of Fielding Wright, because of the principles in which he believed and for which he fought, because of his devotion to a great cause and because of his great ability, devotion to duty, unselfishness and unimpeachable character, our lives have been enriched and our country is a better place in which to live.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Winstead].

Mr. WINSTEAD. Mr. Speaker, with deep sadness I join in this memorial tribute to former Governor of Mississippi, Fielding L. Wright, who died May 5, 1956 of a heart attack. The Nation, as well as the State of Mississippi, has sustained a great loss in the passing of one of our most highly respected leaders and citizens.

Fielding Wright began his public service career as an attorney in his home town, later serving in both branches of the Mississippi Legislature. He served as Speaker of the House the last 4 years of his two terms as a member of that body. In 1944 he was elected lieutenant governor as running mate of the late Governor Thomas L. Bailey. After the death of Governor Bailey, he became Governor for the 2 years of the unexpired term. In 1947 he won the governorship over four candidates in the first primary.

Throughout his entire career, Fielding Wright was a strong advocate of constitutional government, states rights and all those principles which have made our country the greatest on earth. His dynamic leadership for the causes in which he believed made many refer to him as "one of the ablest Mississippians we ever had." Mississippi, the South and the entire Nation are poorer because Fielding Wright is gone.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Smith], in whose congressional district the late Governor Wright resided.

Mr. SMITH of Mississippi. Mr. Speaker, the sudden death of Fielding L. Wright was a great loss to the people of Mississippi and the United States. It will be hard to conceive of affairs in Mississippi without the steadying influence of his advice and counsel.

On Monday afternoon I joined the great throng of mourners who paid their last respects to Governor Wright at the Methodist Church on the banks of Deer Creek in the little town of Rolling Fork. The people of the Delta area, whom I have the honor to represent in the Congress, held Fielding Wright in the highest regard. In his campaigns for State offices, Fielding Wright always carried his native Delta by large margins, but his personal friendships extended to every county in the State. He stood for principles in public life that commanded firm respect, regardless of sectional differences within the State.

Fielding Wright began his service to Mississippi in the State legislature as senator from Sharkey and Issaquena Counties. He later moved to the house of representatives, where his role as a leader was recognized by his election as speaker of the house during the administration of Gov. Hugh L. White.

In 1944 Mr. Wright was named lieutenant governor of Mississippi, and he succeeded to the governorship upon the death of Thomas L. Bailey in 1946, winning election to a full 4-year term by an overwhelming margin in 1947.

Governor Wright's role of leadership in the States rights struggle has sometimes obscured the many accomplishments of his administration as governor of Mississippi. I was very proud to have had a part in that administration as a State senator.

Under the Wright administration there were vast improvements made in the public school system. A State-aid road program was established to revitalize the rural road work in the counties. The State 4-year medical school was authorized, and Mississippi took the lead among the States in a program of cooperation under the Hill-Burton law to provide adequate hospitalization for every community. An oil and gas conservation law was passed that has done much to assure sound development of the mineral resources of our State. A long struggle was climaxed when a workmen's compensation law was passed for the first time, a law which then Secretary of Labor Tobin described as a model for the entire country. Important new building programs were established for virtually every State activity.

Despite the great progress achieved in virtually every responsibility of the State government, the conservative financial guidance of Governor Wright enabled Mississippi to act without burdensome additions to the tax structure. The administration of Fielding L. Wright as Governor will long rank as one of the State's great periods of progress.

Governor Wright's great dedicated purpose, of course, was to bring the people of the United States to an awareness of the dangers that were involved in extensions of Federal power without regard to the needs and differences of the individual States. Thanks to his leadership, the entire South became aroused and for the first time responsible and farsighted peoples in other parts of the country began to see that the dangers of centralized power were far from limited to legislation and administrative action in the field of race relations.

The States rights presidential ticket symbolized the extent of the revolt against this trend toward centralization. Governor Wright accepted the nomination as the vice presidential candidate, not from any desire for personal glory, but solely in order to serve the movement to which he was so completely dedicated. I have always personally felt that he should have been the choice for President on this ticket.

The protest of the States rights movement having served an effective purpose, Fielding Wright continued his fight within the Democratic Party and in every other public forum that was available to him. His last speech just a few days before his death served notice that there must be no letup in the fight.

Because of his outstanding role in helping to awaken our Nation to some of the dangers confronting our system of government, Fielding Wright deserves rank among the great political prophets of his time. His passing is not only a loss to the Mississippi Delta and the State of Mississippi, but to the entire United States. I feel a distinct personal loss in a valued friend and constituent whom I greatly admired and respected.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Virginia [Mr. Tuck], who served as Governor of Virginia while Governor Wright was serving as Governor of Mississippi.

Mr. TUCK. Mr. Speaker, I join the distinguished gentleman from Mississippi and others in paying tribute to the memory of the Honorable Fielding L. Wright who served for more than 6 years as Governor of that great State. I had the privilege of serving as Governor of Virginia much of the time he served as Governor of Mississippi. I knew him for many years. I was closely associated with him in matters of mutual public concern. His administration of the affairs of his State were such as to enhance the already high standing of the office to which he was elected. He made a valuable contribution to the public service of his State and Nation, and set an example that should be emulated by all.

Fielding Wright was imbued with the fundamental principles upon which our Government was established. He had the intelligence, the character, the courage, the determination to adhere to these principles. He possessed admirable and sterling qualities of character and was thoroughly established in the confidence and esteem of those who knew him. He was my warm personal friend. I had unbounded confidence in him. His calmness and composure, and the straightforward manner in which he met the problems confronting him were such that he was a pillar of strength. I leaned heavily upon him for counsel and advice in hours of storm and stress.

It is regrettable that one so steeped in our American traditions should be called away from us at such a time as this, and particularly at an age when we could normally expect many more years of service and usefulness. But, "the wine of life keeps oozing drop by drop, and the leaves of life keep falling one by one." No one knows the day nor the hour when the grim messenger with inverted torch will beckon us on to that long and eternal home.

Despite the fact that in this hour we are sad and forlorn, we are nevertheless grateful that we were privileged to serve and be associated with a man of such qualities of mind and heart. I shall always appreciate the associations which I enjoyed with our late departed friend, and I shall ever cherish his memory.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Georgia [Mr. Davis].

Mr. DAVIS of Georgia. Mr. Speaker, it was with a great deal of sadness that I learned of the untimely passing of Governor Wright, of Mississippi. I did not have the privilege of knowing him intimately but I did have the privilege of making his acquaintance and talking with him on more than one occasion here in Washington when he visited our Capital City. I admired him and I respected him as a man and a public official.

He possessed in great measure a quality which is becoming more and more rare in public officials, the quality of having the courage of his convictions, and the courage to stand in support of those convictions even though it might have been his lot to stand almost alone, as he did.

His passing leaves a great vacancy not only in the State of Mississippi but in our country. I join with the distinguished Members of the House who have already spoken in extending my sympathy to his family in this time of bereavement.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Sheppard, for 20 days, to May 30, 1956, on account of official business.

Mr. Hayworth, for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Colmer (at the request of Mr. Forrester) for 30 minutes, today.

Mr. Madden, for 20 minutes, today.

Mr. Bailey, for 15 minutes, on Monday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks, was granted to:

Mr. Kelley of Pennsylvania in two instances.

Mr. Morano (at the request of Mr. Arends).

Mr. Dawson of Utah (at the request of Mr. Arends) and to include extraneous matter.

Mr. Arends and to include an editorial.

Mr. Cooper and to include a press release issued by him.

Mr. Machrowicz (at the request of Mr. Albert) and to include extraneous matter.

Mr. Powell (at the request of Mr. Albert).

Mr. Wickersham (at the request of Mr. Albert).

Mr. Anfuso (at the request of Mr. Albert).

Mr. Fascell and to include extraneous matter.

Mr. Miller of Nebraska.

Mr. Durham.

Mr. Macdonald.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 422. An act for the relief of William C. Irvine, chief warrant officer, United States Air Force; to the Committee on the Judiciary.

S. 742. An act to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

S. 764. An act for the relief of Robert Gartenberg; to the Committee on the Judiciary.

S. 832. An act for the relief of Jonas Dercautan; to the Committee on the Judiciary.

S. 1358. An act to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513–512–R, Richardson County, Nebr.; to the Committee on Public Works.

S. 1833. An act to amend the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

S. 1938. An act for the relief of Hildegard L. McNabb; to the Committee on the Judiciary.

S. 2507. An act for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung); to the Committee on the Judiciary.

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended; to the Committee on the Judiciary.

S. 2750. An act for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik; to the Committee on the Judiciary.

S. 2785. An act for the relief of Elsa Emelina Rosado y Rodriguez de Brower; to the Committee on the Judiciary.

S. 2801. An act for the relief of Brigitte Lechner Wagner; to the Committee on the Judiciary.

S. 2834. An act for the relief of Yue Yin Wong (also known as William Yueyin Wong); to the Committee on the Judiciary.

S. 2838. An act for the relief of Antonia Soulis; to the Committee on the Judiciary.

S. 2840. An act for the relief of Anniemae M. Swanson and Armylee V. Swanson; to the Committee on the Judiciary.

S. 2843. An act for the relief of Dr. Shou Soon Kwong; to the Committee on the Judiciary.

S. 2874. An act for the relief of Ethel Kallins; to the Committee on the Judiciary.

S. 2883. An act for the relief of Dr. Yong Whan Kim; to the Committee on the Judiciary.

S. 2888. An act for the relief of Elisabeth Dummer; to the Committee on the Judiciary.

S. 2931. An act for the relief of Oksanna Oztemel; to the Committee on the Judiciary.

S. 2941. An act for the relief of Lottie Windschild; to the Committee on the Judiciary.

S. 2944. An act for the relief of William Jeffrey Jonas; to the Committee on the Judiciary.

S. 2953. An act for the relief of Maria Cedrone De Rubeis; to the Committee on the Judiciary.

S. 3113. An act to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended; to the Committee on Merchant Marine and Fisheries.

S. 3361. An act for the relief of Egbert Carlsson; to the Committee on the Judiciary.

S. 3472. An act for the relief of Patricia A. Pembroke; to the Committee on the Judiciary.

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week; to the Committee on the Judiciary.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Basé;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service Hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and

H. R. 9132. An act to provide for the approval and the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.;

H R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

BILLS PRESENTED TO THE PRESIDENT

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H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

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H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

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H. R. 5495. An act for the relief of Arthur H. Homeyer;

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H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

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H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

ADJOURNMENT

Mr. SMITH of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p. m.), under its previous order, the House adjourned until Monday, May 14, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1829. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending March 31, 1956, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1830. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1955, pursuant to section 17 (b) of the Federal Deposit Insurance Act (12 U. S. C. 1827) (H. Doc. No. 397); to the Committee on Government Operations and ordered to be printed.

1831. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated during the 6-month period ending December 31, 1955, pursuant to section 302 (c) (10) of Public Law 152, 81st Congress; to the Committee on Government Operations.

1832. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to clarify the law relating to the grant of certain public lands to the States for school purposes"; to the Committee on Interior and Insular Affairs.

1833. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to provide for the relocation of the National Training School for Boys, and for other purposes"; to the Committee on the Judiciary.

1834. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill for the relief of Cyrus B. Follmer"; to the Committee on the Judiciary.

1835. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 4, 1956, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Pantego Creek and Cucklers Creek, N. C., authorized by the Flood Control Act approved June 30, 1948 (H. Doc. No. 398); to the Committee on Public Works, and ordered to be printed with one illustration.

1836. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1956, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Oceanside, Ocean Beach, Imperial Beach and Coronado, San Diego County, Calif., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 399); to the Committee on Public Works, and ordered to be printed with five illustrations.

1837. A letter from the Secretary of State, transmitting a report of a violation by an employee of the Department of State under subsection (h) of section 3679 of the Revised Statutes, pursuant to subsection (i) (2) of section 3679 of the Revised Statutes; to the Committee on Appropriations.

1838. A letter from the Administrator Federal Civil Defense Administration, transmitting a report on property acquisitions for the quarter ending March 31, 1956, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1839. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1840. A letter from the Chairman, Securities and Exchange Commission, transmitting the 21st Annual Report of the Securities and Exchange Commission covering the fiscal year 1955, pursuant to section 23 (b) of the Securities Exchange Act of 1934, approved June 16, 1934; to the Committee on Interstate and Foreign Commerce.

1841. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend section 69 of the Hawaiian Organic Act"; to the Committee on Interior and Insular Affairs.

1842. A letter from the President, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1955, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

1843. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to Section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1844. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the above society and of the corporate books and records pertinent thereto, covering the year ended December 31, 1955, pursuant to section 9 of the act of September 20, 1950, to incorporate the American Society of International Law (64 Stat. 869); to the Committee on the Judiciary.

1845. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1957 in the amount of $405,000 for the Bureau of the Budget, Executive Office of the President. (H. Doc. No. 400); to the Committee on Appropriations and ordered to be printed.

of making his acquaintance and talking with him on more than one occasion here in Washington when he visited our Capital City. I admired him and I respected him as a man and a public official.

He possessed in great measure a quality which is becoming more and more rare in public officials, the quality of having the courage of his convictions, and the courage to stand in support of those convictions even though it might have been his lot to stand almost alone, as he did.

His passing leaves a great vacancy not only in the State of Mississippi but in our country. I join with the distinguished Members of the House who have already spoken in extending my sympathy to his family in this time of bereavement.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SHEPPARD, for 20 days, to May 30, 1956, on account of official business.

Mr. HAYWORTH, for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. COLMER (at the request of Mr. FORRESTER) for 30 minutes, today.

Mr. MADDEN, for 20 minutes, today.

Mr. BAILEY, for 15 minutes, on Monday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. KELLEY of Pennsylvania in two instances.

Mr. MORANO (at the request of Mr. ARENDS).

Mr. DAWSON of Utah (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. ARENDS and to include an editorial.

Mr. COOPER and to include a press release issued by him.

Mr. MACHROWICZ (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. POWELL (at the request of Mr. ALBERT).

Mr. WICKERSHAM (at the request of Mr. ALBERT).

Mr. ANFUSO (at the request of Mr. ALBERT).

Mr. FASCELL and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. DURHAM.

Mr. MACDONALD.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 422. An act for the relief of William C. Irvine, chief warrant officer, United States Air Force; to the Committee on the Judiciary.

S. 742. An act to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

S. 764. An act for the relief of Robert Gartenberg; to the Committee on the Judiciary.

S. 832. An act for the relief of Jonas Dercautan; to the Committee on the Judiciary.

S. 1358. An act to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513–512–R, Richardson County, Nebr.; to the Committee on Public Works.

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S. 1938. An act for the relief of Hildegard L. McNabb; to the Committee on the Judiciary.

S. 2507. An act for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung); to the Committee on the Judiciary.

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S. 2840. An act for the relief of Anniemae M. Swanson and Armylee V. Swanson; to the Committee on the Judiciary.

S. 2843. An act for the relief of Dr. Shou Soon Kwong; to the Committee on the Judiciary.

S. 2874. An act for the relief of Ethel Kallins; to the Committee on the Judiciary.

S. 2883. An act for the relief of Dr. Yong Whan Kim; to the Committee on the Judiciary.

S. 2888. An act for the relief of Elisabeth Dummer; to the Committee on the Judiciary.

S. 2931. An act for the relief of Oksanna Oztemel; to the Committee on the Judiciary.

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S. 3113. An act to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended; to the Committee on Merchant Marine and Fisheries.

S. 3361. An act for the relief of Egbert Carlsson; to the Committee on the Judiciary.

S. 3472. An act for the relief of Patricia A. Pembroke; to the Committee on the Judiciary.

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week; to the Committee on the Judiciary.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

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H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

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H. R. 2924. An act for the relief of David J. Basé;

H. R. 3638. An act for the relief of Joseph H. Washburn;

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H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

ADJOURNMENT

Mr. SMITH of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p. m.), under its previous order, the House adjourned until Monday, May 14, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1829. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending March 31, 1956, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1830. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1955, pursuant to section 17 (b) of the Federal Deposit Insurance Act (12 U. S. C. 1827) (H. Doc. No. 397); to the Committee on Government Operations and ordered to be printed.

1831. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated during the 6-month period ending December 31, 1955, pursuant to section 302 (c) (10) of Public Law 152, 81st Congress; to the Committee on Government Operations.

1832. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to clarify the law relating to the grant of certain public lands to the States for school purposes"; to the Committee on Interior and Insular Affairs.

1833. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to provide for the relocation of the National Training School for Boys, and for other purposes"; to the Committee on the Judiciary.

1834. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill for the relief of Cyrus B. Follmer"; to the Committee on the Judiciary.

1835. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 4, 1956, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Pantego Creek and Cucklers Creek, N. C., authorized by the Flood Control Act approved June 30, 1948 (H. Doc. No. 398); to the Committee on Public Works, and ordered to be printed with one illustration.

1836. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1956, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Oceanside, Ocean Beach, Imperial Beach and Coronado, San Diego County, Calif., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 399); to the Committee on Public Works, and ordered to be printed with five illustrations.

1837. A letter from the Secretary of State, transmitting a report of a violation by an employee of the Department of State under subsection (h) of section 3679 of the Revised Statutes, pursuant to subsection (i) (2) of section 3679 of the Revised Statutes; to the Committee on Appropriations.

1838. A letter from the Administrator Federal Civil Defense Administration, transmitting a report on property acquisitions for the quarter ending March 31, 1956, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1839. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1840. A letter from the Chairman, Securities and Exchange Commission, transmitting the 21st Annual Report of the Securities and Exchange Commission covering the fiscal year 1955, pursuant to section 23 (b) of the Securities Exchange Act of 1934, approved June 16, 1934; to the Committee on Interstate and Foreign Commerce.

1841. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend section 69 of the Hawaiian Organic Act"; to the Committee on Interior and Insular Affairs.

1842. A letter from the President, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1955, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

1843. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to Section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1844. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the above society and of the corporate books and records pertinent thereto, covering the year ended December 31, 1955, pursuant to section 9 of the act of September 20, 1950, to incorporate the American Society of International Law (64 Stat. 869); to the Committee on the Judiciary.

1845. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1957 in the amount of $405,000 for the Bureau of the Budget, Executive Office of the President. (H. Doc. No. 400); to the Committee on Appropriations and ordered to be printed.

By Mr. ZELENKO:

School, Williamsport, Pa., urging enactment

wood, Cloverdale, Kansas, Bellville, Spring-

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRIEST: Committee on Interstate and Foreign Commerce. S. 3246. An act to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, with amendment (Rept. No. 2144). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10108. A bill to amend section 314 and section 374 of the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 2145). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2151. An act to provide for the segregation of certain funds of the Fort Berthold Indians on the basis of a membership roll prepared for such purpose; without amendment (Rept. No. 2146). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. Report of the Special Study Mission to the Middle East and the Western Pacific; (Rept. No. 2147). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHUDOFF:

H. R. 11142. A bill to provide a deduction for income-tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income-tax purposes for a taxpayer or spouse who is physically or mentally incapable of caring for himself; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 11143. A bill to authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of elderly persons to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

By Mr. DAGUE:

H. R. 11144. A bill to amend the Internal Revenue Code of 1954 to reduce the tax on certain cigars which do not contain reconstituted or processed tobacco; to the Committee on Ways and Means.

By Mr. DAWSON of Utah:

H. R. 11145. A bill to amend the definition of dependent to permit working mothers and widowers to deduct amounts paid for care of children while parent is working and to correct present inequities in this provision; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 11146. A bill to provide that certain lands shall be held in trust for Indian tribes on the Fort Peck, Fort Belknap, and Blackfeet Reservations, and to provide that such lands shall become part of such reservations; to the Committee on Interior and Insular Affairs.

By Mr. MORANO:

H. R. 11147. A bill to amend the Internal Revenue Code of 1954 to provide for increased deductions for employers who employ individuals who are 60 years of age or over; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 11148. A bill to amend the Internal Revenue Code of 1954 so as to provide relief with respect to the tax treatment of damages in antitrust actions; to the Committee on Ways and Means.

By Mr. HOLMES:

H. R. 11149. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PRIEST:

H. R. 11150. A bill to amend the Communications Act of 1934 with respect to the use of broadcasting stations by presidential, vice presidential, and congressional candidates; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD:

H. R. 11151. A bill to amend the Refugee Relief Act, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to the Committee on the Judiciary.

By Mr. TUMULTY:

H. R. 11152. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for retirement of certain officers and employees involuntarily separated from positions in the Canal Zone Government and the Panama Canal Company, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALGER:

H. R. 11153. A bill to amend the Davis-Bacon Act to establish a procedure for making wage determinations under that act, and to provide for judicial review of such wage determinations, to the same extent as wage determinations are made and judicial review is provided under the Walsh-Healey Act; to the Committee on Education and Labor.

By Mr. ANFUSO:

H. R. 11154. A bill to increase from $600 to $800 the personal income-tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); and to provide a deduction for certain expenses paid by a taxpayer for the education of his children; to the Committee on Ways and Means.

By Mr. BAKER:

H. R. 11155. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. CRETELLA:

H. R. 11156. A bill to provide that citizens or a free corporate union of Trieste may acquire certain surplus merchant vessels from the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRISON of Virginia:

H. R. 11157. A bill to amend the Internal Revenue Code of 1954 to grant nonprofit educational institutions exemptions from the excise taxes which are now applicable to public educational institutions; to the Committee on Ways and Means.

By Mr. HYDE (by request):

H. R. 11158. A bill to create a Czechoslovakian Claims Fund to settle claims of certain United States nationals against Czechoslovakia; to the Committee on Interstate and Foreign Commerce.

By Mr. KLEIN:

H. R. 11159. A bill to amend the Tariff Act of 1930 to provide for the free importation of silk waste, noils, and partially manufactured silk fibers if not twisted or spun and for the free importation of spun silk or schappe silk yarn of numbers finer than 40 (English) count, not manufactured in United States in appreciable commercial quantities; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 11160. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

H. R. 11161. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 11162. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. SCUDDER:

H. R. 11163. A bill to amend section 2 of the act of March 29, 1956 (70 Stat. 58), authorizing the conveyance to Lake County, Calif., of the Lower Lake Rancheria, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 11164. A bill to provide for the construction, equipment, and furnishing of a new building for the United States Court of Claims; to the Committee on Public Works.

By Mr. WHARTON:

H. R. 11165. A bill to amend the Communications Act of 1934, so as to direct the Federal Communications Commission to provide for the licensing of television reflector facilities and VHF translator facilities; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact legislation to waive certain charges against an employer relative to unemployment insurance; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 11166. A bill for the relief of Ilda dos Santos Thomas; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 11167. A bill for the relief of Joseph Romero; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 11168. A bill for the relief of Antonio Ciolino; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 11169. A bill for the relief of Mrs. Lore Anna Rominger Campbell; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 11170. A bill for the relief of Michael George Petrakis; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 11171. A bill for the relief of Mr. Gerard Phillip Dunn; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11172. A bill for the relief of Beniamino Rocco Giordano; to the Committee on the Judiciary.

H. R. 11173. A bill for the relief of Michele Pepi; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 11174. A bill for the relief of Edward J. Moskot; to the Committee on the Judiciary.

By Mr. RUTHERFORD:

H. R. 11175. A bill for the relief of Andres Amadeo Macha; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 11176. A bill for the relief of Alvise Pietro Naccari; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of the rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1014. By Mr. BOW: Four petitions of Floyd Hughes Post No. 693, Inc., Veterans of Foreign Wars, of Canton, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

1015. By Mr. BUSH: Petition of Loyalsockville Evangelical United Brethren Sunday School, Williamsport, Pa., urging enactment of S. 1636 and H. R. 8540, bills relative to humane slaughter methods; to the Committee on Agriculture.

1016. Also, petition of Eldred Grange No. 1604 urging enactment of S. 1636 and H. R. 8540, bills relative to humane slaughter methods; to the Committee on Agriculture.

1017. By Mr. SILER: Petition of Mrs. William Sharpe and 3,723 other residents of Columbus, Baltimore, Basin, Pickerington, Groveport, Mount Pleasant, Ragland, Dillonvale, Martin's Ferry, Adena, Harrisville, St. Clairsville, Ravenna, New Milford, Freedom Station, Steubenville, Wintersville, Russellville, Ripley, West Union, Youngstown, Amanda, Lima, Delta, Hamden, Chillicothe, Toledo, Zanesville, Lancaster, Norwood, Cloverdale, Kansas, Bellville, Springfield, Clyde, Batavia, Xenia, Jackson, Van Wert, Seaman, Clarksville, Salem, Conesville, Waynesfield, and other towns and cities in Ohio, urging the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1018. By Mr. WESTLAND: Petition of Mrs. Mary Owen, of Custer, Wash., and 40 other residents of the second district of Washington, urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Address by Hon. Alexander Wiley, of Wisconsin, Before Veterans of Foreign Wars

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, May 10, 1956

Mr. WILEY. Mr. President, on Saturday last I was privileged to speak to the Veterans of Foreign Wars at Oshkosh, Wis. It was Loyalty Day. On that particular occasion I was given a citation by the Veterans of Foreign Wars. I ask that excerpts from the address which I delivered on that occasion be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY STRESSES ACTION AS SYMBOL OF LOYALTY: OUTLINES IMPROVED PROGRAM FOR VETERANS: EXPRESSES SERIOUS CONCERN OVER BRADLEY COMMISSION FINDINGS

I am happy to join you in this luncheon today to celebrate Loyalty Day.

I know that you need not be reminded of the meaning of loyalty. For who, over the breadth of our great land, knows the meaning better than you V. F. W. men who have left our shores to fight and sacrifice for life and country.

Each of us is loyal in his own way in civilian life. We obey the laws; we live decent lives in our communities, doing what is requested of us.

But real, true loyalty is more than that. It is pursuing our freedom. It is helping to develop the greatness that is our land. It is inventing and producing the good things of life. It is performing our jobs the best way we know how—whatever our station is in life.

TRUE LOYALTY IS NOT STATIC

Loyalty is not static; it is a growing thing. Out of heartfelt loyalty, we must work toward progress, and attainment of future goals—which are now only dreams and visions.

We must accept the challenges in this atomic-jet age, and create things for a better life.

ACTION, NOT WORDS

Loyalty, as you know, must be demonstrated by action.

It was so demonstrated on the battlefield by you and your buddies.

It must and will be demonstrated in the Halls of Congress, in the office, factory, farmfield, and on every roadway of American life. It must be an active, living spirit of patriotism within each of us, flaming with the fiery zeal of modern-day Patrick Henrys.

Each of us, in his own way, doing a good job at that which he knows best and does best, is the kind of all-around loyalty that needs to be demonstrated.

LOYALTY DAY CELEBRATIONS

As we celebrate, the tramp, tramp, tramp of our marching men thrills our hearts with pride.

A tramp tramp, tramp—echoing in our hearts—is also the memory of men who have given their lives for us, who have died for our freedom, who protected our land of liberty.

To the hallowed memory of these great men of our past, and to the promise of the future, we need to rededicate our efforts to preservation and improvement of our climate of freedom.

FULL USE OF FREEDOM

We must make full use of our freedoms:

Freedom to live as we choose, to open a business, to enter a profession.

Freedom to travel, to be educated, to enjoy our rich heritage of music, art, and drama, and to benefit by the tremendous technological and scientific progress of our country.

Freedom to participate, freely and imaginatively, in our future progress.

WE MUST REBUFF COMMUNISM

We must realistically acknowledge that short of annihilative war communism is with us to stay, at least, for a while.

This major evil in the world today is not an abstract, theoretical form of Government. This is a real, ever-spreading totalitarinism that uses all the methods of deceit, terror, threat, promise, and subversion to attain its goals.

COLLECTIVE LEADERSHIP—A FARCE

The recent declaration of a return to a collective leadership by the Soviets, of course, is a farce. This is a mere disguise under which the top-echelon Communists are struggling for power. Why? Because not one of them is yet strong enough to assume the ghostly cloak of Stalin as supreme dictator of the Kremlin.

But the specter of Stalinism hangs over the Communist leaders. All the crimes he is accused of will be perpetrated again by other dictators of this Soviet regime oppressing the populace behind the Iron and Bamboo Curtains.

WITHOUT COMMUNISM WE WOULD HAVE A FREER LIFE

Without communism, we would have a freer life. We would have the opportunities to concentrate on building for a better America and a better world.

Without communism, we could apportion a greater share of our resources to feeding the hungry, sheltering the cold, and going about the tasks of enriching the earth with a better economic, cultural, and spiritual life.

As it is, we have an uneasy tension in the world. Free nations are attempting, by every possible means, to avert the capture of more innocent people by Soviet despotism, without the holocaust of a nuclear war.

Such a war, we are all aware, would destroy cities and nations. It would make the earth a wasteland in which only the mutilated escapees of atomic and hydrogen war would exist.

We must utilize every possible means, national and international, to avert such a war of human annihilation.

NATO

The recent proposals for achieving greater benefits from NATO, I believe, should be completely examined. We should weigh carefully the undeveloped idea of making the NATO military alliance, in fact, an economic and political force for peace.

As you know, Secretary Dulles is in Paris right now, together with the representatives of the other NATO nations to explore the possibility of utilizing NATO for the lessening of international tensions.

NEED OF LEADERSHIP

Our leadership, at whatever level it exists, must be constantly attuned to the progress of our times, and to the problems of our State and Nation. We must provide for the changing needs of our people and eradicate the shortcomings of existing programs.

A soldier can no longer go into battle with an old flintlock or muzzle loader; he must have modern weapons. So it is, if our country is to progress, that we must have new and modernized laws and programs to fulfill the needs of our fast-moving age.

ANTISUBVERSION

We must, of course, exert every effort toward meeting the external challenge of communism. This must be accompanied by a tough policy toward internal attempts at subversion.

The FBI has done an admirable job of keeping a finger on Communists and their activities.

As a member of the Senate Judiciary Committee, I, too, have had the opportunity and the responsibility to legislatively assist in this effort. I have joined in many legislative proposals to strengthen our laws.

Some of the objectives of my recent legislation are:

To toughen the penalties against seditious conspiracy and advocating the violent overthrow of the Government.

To crack down by requiring registration of Communists or other foreign agents who have been trained in espionage or sabotage.

To strengthen the antiperjury statutes, by simplifying the problems of convicting perjurers.

LAWS A-PLENTY—YET NEW LAWS ARE NEEDED

As we look at the maze of laws and statutes on the books, we might be inclined to think that enough laws have been passed to last this country for generations to come. However, this is not true. Laws become obsolete—just as guns, machinery, and automobiles become obsolete.

We are ever in need of new different laws—to cope with ever-new needs of our people:

Laws for projects like the St. Lawrence Seaway, to handle the increased commerce in American products.

Laws for tax reforms, liberalizing social security, and for cultural and educational purposes.

Laws to resolve the problems of agriculture, conservation, and water pollution.

And many other refinements of laws and statutes are required to meet the needs of modern times.

These legislative acts must, of course, be in accord with technological and economic changes, as these affect our population.

INCREASE IN VETERANS

In recent years, as we are all aware, there has been a tremendous increase in the number of veterans in the United States. In 1940, there were only 4 million veterans. These, and their families, represented only 11 percent of the population.

Today, there are over 22 million veterans. These, with their families, number 75 million, and constitute more than 45 percent of our total population—49 percent, if those still in the Armed Forces and their families are included.

VETERANS' PROGRAMS ARE FAIRLY GOOD

The status of veterans' programs, on the whole, is good. Naturally, however, there is considerable room for improvement. Changes in military, economic, and social conditions have outmoded some of the early concepts of veterans' benefits. The philosophy of help for veterans must be modernized, and the whole structure of our programs brought up to date.

The objective of an adequate program, of course, is to help the veteran overcome special, significant handicaps incurred as a consequence of military service.

These programs are based on the realistic acknowledgment that (1) we owe a special debt to our ex-servicemen, and (2) our veterans face special problems arising from their adjustment to society, when they rejoin the ranks of the civilians.

IMPROVEMENT OF VETERANS' PROGRAMS

We need public acceptance of the hard facts of life that, while the threat to the free world exists, it is likely to be the continued duty of each qualified civilian to make an individual contribution to our national defense.

Meanwhile, we must strengthen, rather than weaken, our veterans' programs.

We must improve the pattern of transition from civilian to military, and back to civilian life.

We need to provide more adequate benefits for the families of veterans (especially those in remote camps and outposts), including hospitalization and medical care. For these families suffer displacement, either in surroundings or in financial circumstances, often as great as the veteran himself.

In addition, we need to:

Iron out the existing inequities in the present programs of benefits to completely disabled veterans.

Provide adequate housing for servicemen, to provide them with satisfactory standards of living.

Preserve and improve retirement entitlements.

Continue and expand efforts to rehabilitate disabled veterans and integrate them into our social and economic life.

Develop a successful Reserve program, to unite with our active Armed Forces, for the needs of national defense.

SENATOR WILEY'S LEGISLATION

As you may be aware, I have been constantly concerned with the problems of providing adequate benefits for veterans. In the 84th Congress, I have introduced legislation for such projects as:

New Veterans' Administration facilities at Wood, Wis., to replace obsolete hospital and domiciliary units.

Extension of the GI home-loan benefits. (Only 17 percent of our Wisconsin GI's have thus far utilized their home-loan entitlements. If not renewed, the opportunity expires under present law in July 1957.)

And, too, I have offered legislation for construction of urgently needed housing for personnel in the Armed Forces and their families.

I have, of course, been an ardent supporter of well-merited benefits to veterans, dating back far beyond my participation in the original GI bill of rights for World War II veterans.

WARY OF BRADLEY COMMISSION REPORT

As you know, the House Veterans' Affairs Committee is now studying the Bradley Commission findings. The consensus seems to be that there are some sound recommendations made by this Commission on behalf of the severely disabled, combat veteran.

I am, however, extremely wary and seriously concerned with some of the Commission's additional proposals—for example, those relating to service-connected disabilities. Such proposals would undermine present programs which have proved necessary and effective in benefiting the Nation's ex-servicemen.

You may be assured of my vehement opposition to efforts to undo programs that have proved both desirable and successful in providing much-needed benefits for those who have served our country.

VETERANS' LEGISLATION IN CONGRESS

There are, as you know, literally hundreds of other legislative proposals before the Congress. Consideration of these, however, has been temporarily postponed, pending review and evaluation of the Bradley reports.

These pending bills, as you are well aware, touch upon a multitude of subjects: Pensions, employment, hospitalization, rehabilitation, educational benefits, and other real, significant problems facing veterans of today.

CONCLUSION

Since we are expecting a continuation—temporarily, at least—of world tensions, we must gear our veterans' programs, as our national-defense effort, to the long haul.

On this loyalty day, we must reaffirm our dedication to fulfilling the needs of those who have shown the utmost loyalty and devotion to our country.

Buoyed up by the spirit of loyalty—based on action—I believe that we shall succeed in meeting the great challenges of our times, of defeating atheistic communism, and of providing the greatest benefits for all our people.

Laos Celebrates Constitution Day

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. POWELL. Mr. Speaker, I wish to felicitate the people of Laos, His Majesty Sisavang Vong, and His Excellency Ourot R. Souvannavong, Ambassador of Laos, on the occasion of the celebration of Constitution Day, May 11, 1956.

For the ninth time the flags flutter high over Laos to commemorate their birth of freedom. As nationalism and anticolonialism spread throughout southeast Asia they found fertile soil in Laos. The Laotian people, fired by their own burning desires for freedom and inspired by the examples of their neighbors in the region, actively fought against colonialism and second class citizenship and thus achieved their independence.

Less disrupted by Communist aggression than some of its neighbors, Laos has consequently known a smoother transition from colonial status to independence. The government established at the close of the colonial era was that of a constitutional monarchy with a king who is popular among his people. A constitution guaranteeing democratic freedoms to the Laotian peoples was promulgated May 11, 1947. Legislative power is exercised by a national assembly elected by direct universal suffrage. The independence acquired has been gradually shaping up into a more concrete form and has become complete after the signature with France of a treaty of amity and association on October 22, 1953.

Laos has been active on the international scene. She has been a partner in the conclusion of agreements on American military and economic aid to the Indochinese States as well as a participant in numerous international conferences such as the Colombo plan. Laos also cooperates with several of the specialized agencies of the United Nations.

I salute Laos upon her accomplishments during her short period of nationhood and wish for the Laotian people continued success as they embark upon a new year of national life.

Statement by Hon. William A. Dawson, Republican, of Utah, on Legislation To Correct an Injustice in Present Child-Care Deductions for Income-Tax Purposes

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. DAWSON of Utah. Mr. Speaker, it has come to my attention recently that certain provisions of the new Income Tax Code are working to defeat tax relief for many divorced or widowed mothers who have to work to support their families. The 83d Congress, wisely, I think, recognized that providing child care during working hours placed an unfair burden on divorced mothers, widows and widowers working to provide for their children. As a result, the new income-tax law provides that the cost of child care, up to a reasonable maximum, is a deductible expense for income-tax purposes.

There is a hitch in the law, however, which prevents it from benefiting many mothers whom, I believe, Congress intended it should benefit. I refer to divorced mothers whose former husbands contribute something to the support of their child. There are many instances where these contributions enable the husband to claim the child or children as his dependents for income-tax purposes. The contributions, however, are not large enough to permit the mother to remain at home. In order to supplement the support payments, she must work and while working must pay for care of her children.

As the law is now written, she is not entitled to the benefits of the child care provisions because the children are dependents of her former husband in the eyes of the Internal Revenue Service.

I have today introduced legislation to correct this injustice. Its only effect would be to make divorced women, widows and widowers eligible for a child care deduction despite the fact that another contributor to the support of the children is entitled to claim them as dependents.

This is meritorious legislation. It will create no new discriminations or injustices. It will remove a hardship caused, I believe, by some unfortunate wording in the present law.

Rumanian National Independence Day

EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. MACHROWICZ. Mr. Speaker, the 10th day of May is a significant one in the annals of Rumanian history. On May 10, 1866, Prince Carol was chosen to the throne of Rumania and a constitution of liberal principles was adopted. On May 10, 1877, on the eve of the war between Russia and Turkey, Rumania signed a convention with Russia which established further progress toward Rumania's freedom and self-rule.

And again on May 10, 1881, Rumania was recognized as a sovereign kingdom and proceeded to expand its ancient culture without interference from her powerful neighboring countries.

Today, 75 years later, there is little cause for rejoicing among the people of Rumanian ancestry. A government has been imposed upon that freedom-loving nation, which has practiced the most brutal acts of tyranny and despotism known to modern civilization.

Actions of that government are wholly contrary to the principles, aspirations and freedoms guaranteed by our American form of democratic government.

Voluminous testimony taken 2 years ago before the congressional committee, of which I had the privilege of being a member, disclosed vividly the firm resistance of the Rumanian people to this autocratic tyranny and their indestructible will to continue their struggle for freedom until it is fully restored to them.

The question of restoring freedom to that poor country is a problem which deeply concerns us in the United States.

The Austrian Peace Treaty, concluded a few months ago, contained provisions that within 90 days thereafter Russian troops shall be withdrawn from Austria and Rumania. The time has long elapsed and Russian troops continue to occupy Rumanian soil.

It is important for us to remember that the peace treaty provisions are guaranteed by the three great powers—United States, United Kingdom, and Soviet Russia—the treaty being a contract between those three powers and the interested countries.

Although, therefore, the violation was merely that of Soviet Russia alone, it is still the equal responsibility of all three powers to implement the provisions of the treaty.

Of course, we had no business to enter into an agreement as partners of the Soviets who had already amassed a record of breaking every treaty it entered into. But, at least, we could show our own good will by demanding forcefully that the Communists keep their pledge and withdraw the Red troops as they obligated themselves to do.

On this Rumanian Independence Day, I sincerely hope that the President of the United States and our Secretary of State reaffirm and prove our friendship to the people of Rumania and adherence to the cause of Rumanian independence, by demanding immediate action from Soviet Russia to keep the solemn pledges it had previously given.

Statement of Hon. Augustine B. Kelley, of Pennsylvania, Regarding Farm Legislation

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, under permission to extend my remarks in the RECORD, I am including my statement regarding the farm legislation.

This is such a vital question today, and its solution means so much to the economy of the country as a whole. No real prosperity can exist in this country unless the farmers have prosperity. It is one of the soft spots and is indicative of trouble ahead for our economic prosperity.

The statement follows:

> The Congress is making another attempt at passing some farm legislation to help the Nation's badly depressed agricultural sector of the economy. When President Eisenhower vetoed the bill passed last month, it appeared for a while there would be no farm legislation. But the fact that the parity ratio—that is, the relationship of farm prices to farm and living costs—continues to hover around 82 percent, while the farm outlook remains anything but optimistic, has prompted the agricultural committees to try to get something through.
>
> I pointed out recently that the agricultural part of the economy and the coal industry have been experiencing similar troubles—that both are now running at a little more than 80 percent of the parity level of the Truman administration. These do not constitute isolated situations. The economy is so closely tied together that when large individual segments of it run into continuous difficulties, the whole economy eventually is affected.
>
> Some people in this administration act and talk as if it might be a good idea to help the farmer a little, this being an election year. That's why the administration apparently is so sold on the old Henry Wallace plan for paying farmers to take land out of production. They hope to be able to parcel out some of this money to the farmer between now and election day.
>
> But there is a stronger need right now than just being nice to the farmer in an election year and helping him along a little with a handout of something. It is, rather, imperative that we get the farm segment of the economy back into balance with the rest. And we must go after other depressed segments of the economy—and depressed areas, too—and make sure they get the kind of help which will put them back on a parity basis. Otherwise, the whole economy eventually sinks to the level of the depressed parts of it.

Florida's Senator George Smathers Endorses GI Home Loan Guaranty Extension

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. FASCELL. Mr. Speaker, Florida's Senator GEORGE SMATHERS too recognizes the need for immediate congressional action in extending the GI home loan guaranty program.

He has offered his assistance in obtaining favorable action on H. R. 10469 in this session of Congress.

I take this opportunity to call to the attention of my colleagues in the House the Senator's letter of endorsement and to urge them to make their views on this proven program known:

> UNITED STATES SENATE,
> COMMITTEE ON FINANCE,
> *May 2, 1956.*
>
> Hon. DANTE B. FASCELL,
> *House of Representatives,*
> *Washington, D. C.*
>
> DEAR DANTE: I would like to take this opportunity to commend you on introducing legislation to extend the Veterans' Administration guaranteed home loan program beyond July 25, 1957, the expiration date of the present law, on a sliding-scale basis.
>
> Unquestionably your action will receive the full support of all veterans, veterans' organizations, and industry, for the extension of this program is of extreme importance to the economy of their respective communities.
>
> Few of us realize that there are over 11 million World War II veterans under the age of 35, who have not used their GI home loan entitlement. Since a large percentage of

these will be unable to take advantage of the present law unless it is extended, the need for this legislation is readily apparent.

There is, as you know, considerable sympathy in the Congress to extend the program, with adequate safeguards to protect the interest of the veteran home buyers.

I can assure you that I will most certainly cooperate in every way to be of assistance to you in obtaining favorable action on your bill in this session of the Congress.

With kindest regards, I am
Sincerely yours,
George Smathers,
United States Senator.

A Method To Encourage Employment of the Aged

EXTENSION OF REMARKS
OF
HON. ALBERT P. MORANO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MORANO. Mr. Speaker, in recent years science has made tremendous advances in the conquest and control of infectious and degenerative diseases. Life expectancy of Americans has increased as a result.

The average age of persons eligible for gainful employment has also increased. However, American employers have not revised their long-standing prejudice against hiring people of middle age and beyond, even though such persons are otherwise well qualified to perform the duties of the job.

Of course legislation might be enacted to prescribe discrimination against job applicants because of age but such legislation would undoubtedly be difficult and expensive to enforce and would probably not be very effective.

I have therefore introduced today a bill whose purpose is to effectively encourage the employment of mature and qualified citizens by a fair and persuasive but noncoercive method which would be practicable and inexpensive and self-operating.

The present revenue act allows employers, in computing taxable income, to deduct 100 percent of all wages and salaries paid to employees. My bill would amend the revenue act to permit employers to deduct from gross income, in computing taxable income, 101 percent of wages and salaries paid to employees between the ages of 60 and 61; 102 percent of wages and salaries paid to employees between the ages of 61 and 62; 103 percent of wages and salaries paid to employees between the ages of 62 and 63; 104 percent of wages and salaries paid to employees between the ages of 63 and 64; and 105 percent of wages and salaries paid to employees between the ages of 64 and 65. Thereafter, the tax deductions could rise by 1 percent as the employee increased in age beyond 65 and remained employed. The maximum deduction should not exceed 115 percent of such wages or salaries paid—but to reach 115 percent the employee would have to be 75 years old. The foregoing increased deductions should apply only to the first $5,000 of wages and salaries paid to each such employees in any tax year; and employers should be limited to the usual 100-percent tax deduction with respect to that part of any wages or salaries in excess of $5,000 paid to any such employees in any tax year.

Of course, such proposed increased tax deductions would slightly affect Federal revenues but this would be offset by the taxes on the income of citizens who otherwise might not be employed at all. More important, however, than the effect on Federal income is the immeasurable benefit to the country by effectively encouraging the employment of its mature and qualified citizens at a time when the number of our mature citizens is constantly increasing.

Amending the Refugee Relief Act of 1953

EXTENSION OF REMARKS
OF
HON. TORBERT H. MACDONALD
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MACDONALD. Mr. Speaker, I have today introduced a bill which is designed to amend the Refugee Relief Act by permitting 20,000 persons of Armenian ethnic origin to enter the United States under the provisions of the Refugee Relief Act.

For the past 2 years I have repeatedly urged that the total number of refugees admissible under the Refugee Relief Act should be increased substantially. The bill I have introduced today would do this very thing for 20,000 refugees of Armenian ethnic origin.

At the time the Refugee Relief Act was passed the Congress of the United States was very thoughtful of the oppressed peoples of the world who, because of political and economic conditions, became refugees. These include people from Greece, Italy, Germany, Austria, and Holland.

However, the Armenians in the Refugee Relief Act of 1953 were not included although they have been persecuted and driven from their homes during World War I and in World War II and also on many other occasions have been forced from their homes. It seems to me that their sufferings and hardships are certainly comparable to the sufferings and hardships of any other single minority group in the history of the world. That is why I am asking that Armenians of ethnic origin be included within that 1953 act.

I want to take this opportunity to point out that my bill covers those who have left the area of Turkey which was formerly Armenia either under duress, or voluntary in order to escape religious and political persecution. The coverage of the bill is limited to those who on the date of enactment are registered with a consular officer abroad for an immigrant visa. Their entry must be chargeable to a country that has an oversubscribed annual immigration quota of 310 or less. From the foregoing it is plain to see that my bill seeks to admit those who as a matter of practical fact could never be admitted under the annual immigration quotas established by the McCarran-Walter Act.

Here in the United States, a quarter of a million Armenian citizens of Armenian origin are living proof of the magnificent character and spirit of a virile race. The records show that Armenians have proved themselves worthy of being counted among the most useful and loyal racial elements of our Nation. There are many people of Armenian descent living in my Eighth Congressional District of Massachusetts and it is very true that their contributions to our economic, social, and cultural life have been most welcome and constructive.

When this proposal is enacted into law it will end the persecution of at least 20,000 of those maltreated and displaced ethnic Armenians, for whom their relatives in this country will provide homes and jobs aiding them to become useful citizens of this great country of ours.

A Remedy for Delayed Sugar Legislation

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I hesitate again to take the floor to plead for action on the sugar bill, but because of the extreme delay in submitting a conference report to the House I feel that I must do so.

To reiterate, last July 30, 1955, the House, at the urgence of the chairman of the House Agriculture Committee, passed a bill amending the Sugar Act so as to give our domestic producers a more just and equitable share of the American sugar market. A part of the market that has been going to the Cuban and Puerto Rican sugar industry would be apportioned to the beet and cane sugar producers in the United States. Congress adjourned before this measure could be considered by the Senate, but promptly after the second session of the 84th Congress convened the other body began consideration of the bill, and on February 8 passed a bill which, in my judgment, is more satisfactory than the one approved by the House. Senate conferees were appointed that same day.

For some reason the gentleman from North Carolina failed to appoint House conferees until March 15, some 36 days after this action was taken by the other body, and then only after he had been repeatedly urged to do so by myself and other colleagues who are interested in this legislation.

I am now extremely disappointed to learn that the conferees, some 55 days after they were appointed by the House and more than 3 months after they were appointed by the Senate, have not made a report to the House; and, as a matter of

fact, they have not held a single meeting. This is hard to understand, because the chairman of the House Agriculture Committee, on July 30, 1955, when this bill was passed, said of the bill: "It is of far-reaching importance because it affects people in far distant places and it vitally affects every one of your constituents."

The fact that the gentlemen have other important legislation to consider does not lessen the urgency or importance of the sugar legislation. It is the farm program to many of my constituents in the Fourth Congressional District of Nebraska, and because of its importance and the extreme delay I may feel constrained on Wednesday next to ask that the matter be brought up on a motion of privilege. I hope, however, that the conferees will make this action unnecessary. I understand the conferees have a meeting scheduled for this weekend. If progress can be made by the conferees then the motion of privilege may not be necessary. I hope a bill can be promptly reported. It is long overdue.

Address by Hon. Herbert H. Lehman of New York, at Cornerstone Laying Ceremony of B'nai B'rith

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Thursday, May 10, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the Congressional Record an address I delivered at the cornerstone-laying ceremony of the B'nai B'rith, in Washington, D. C., on May 6.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of Senator Lehman At Cornerstone Laying Ceremony, B'nai B'rith, 17th Street and Rhode Island Avenue, NW., Washington, D. C., on May 6, 1956

If we were today dedicating the cornerstone of an ordinary building, however, beautiful it might be, however, useful or even, however, helpful to the community, this would not be an especially remarkable occasion. Our Nation's capital has many such beautiful structures, and has had many such occasions. But neither this nor any other city in the land has contemplated an institution like the one which is being launched by this cornerstone laying here today.

It is fitting that a unique establishment should be sponsored by a unique organization. B'nai B'rith is unique not only because it is America's oldest Jewish organization, having been founded in this country nearly 113 years ago. It is the only group that unites Jews of different doctrinal practices of the Judaic faith, of different economic backgrounds, of different social and political ideologies, and of different views on the fate and future of our people. And B'nai B'rith unites them, more than 350,000 men, women, and young people, for common action in a constructive program on which they can all agree, to promote the welfare of those of our faith, the interests of our beloved country, and the well-being of humanity generally.

I am proud that I have long been a member of B'nai B'rith, as was my father before me.

But if B'nai B'rith is unique, so will be this building whose cornerstone we dedicate today. For in spite of the fact that Jews have been part of the fabric of America for more than 300 years, this will be the first shrine in which their innumerable and priceless contributions to our country will be dramatically demonstrated. Elsewhere there are magnificent libraries and museums of Judaica, rendering splendid service to scholars, historians, and teachers. But only on this corner, where we stand today, will there be a popularly designed exhibit for all the people, showing Jewish contributions to American democracy, in the capital of world democracy.

It has been said that the mortar of ancient Judaic tradition cemented the foundations of American demorcracy. What are some of the basic concepts common to our faith and to our country? I would say they include liberty under law, equal justice for all, the sanctity of human personality, and the right of all to seek a richer, fuller, and more abundant life.

And on the strong foundation of these concepts and traditions, we have built in this country the freest and most democratic society the world has known in modern days. And here the freedoms have been developed to as great an extent as any other place on earth.

That achievement—and not merely material wealth—has made America great. And because history has propelled us into the position of moral leadership, we cannot shirk the responsibility that accompanies that leadership.

Today the challenge posed by communism to our free way of life is more formidable than ever before. The new and softer face presented by the ruling group in the Kremlin reveals no weakening of their basic determination to impose their kind of society and their view of man upon the whole world. The free world is properly concerned lest the Communist bloc, by concentrating all its human and material resources, achieve military superiority.

The Kremlin is building weapons as destructive as those we have developed. Indeed, they may be building them faster today than we are. But as long as Communist pilots, soldiers, scientists, and workers have to keep looking over their shoulders to see if they are being shadowed by their suspicious and intolerant masters, we should enjoy a clear advantage. If our scientists can work free of the restraints of serving any ideology but truth, we should not need to fear being outstripped by Communist technology. And we would have a better claim, too, on the minds and hearts of the millions throughout the world who are still uncommitted in the contest between democracy and communism.

Unforunately, we in this country have weakened our own cause by misreading the nature of the Communist threat, and the true requirements of American loyalty and security. For too many years we have lived in a fog of synthetically manufactured fear. We have treated with elaborate dignity the smears and reckless charges which in a happier day we would have recognized immediately as false. We have seen Congress permit its Chambers to be used as a privileged sanctuary for the launching of irresponsible assaults against the good name of perfectly loyal individuals and institutions.

In the last year or two, the fog has begun to lift. For this improvement, courageous individuals, and organizations like B'nai B'rith and others, who refused to be stampeded or silenced by the political demagogues, are to be congratulated. But much remains to be done.

Only the other day the Attorney General proposed to Congress the adoption of a law that he said would permit Government agencies to retain employees against whom security charges have been filed until final adjudication of their cases. This surely is the plain requirement of American due process, and one that is long overdue in view of the hardship that has been visited upon thousands of suspended employees who were finally restored to their jobs after months of heartache.

But the Attorney General does not need this authority from Congress. The Administration today has all the power it needs to institute, by executive order, this necessary reform. The Attorney General does little to improve the climate of freedom when he showe the lack of political courage implicit in passing the buck to Congress.

Many years ago, we proudly turned to the world the face of our Statue of Liberty with words of welcome that kindled hope and enthusiasm in millions of hearts in the tired lands of the old world. But in recent years the words of welcome have been blurred by the cruel hardships and inequities we have written into our immigration laws.

B'nai B'rith, to its credit, has fought constantly to return to the American tradition of humanitarianism and equality in our immigration laws. And we have made progress on this front. Today the principal leaders of both political parties have publicly and repeatedly decried the gratuitous insult offered to seven-eighths of the peoples of the world by the national origins quota system—a system that just a few years ago was considered too dangerous even to criticize.

I assure you that it would be vastly encouraging to me to see this Congress retract the insult inherent in the national origins quota system and make honorable amends, not only for the sake of our prestige everywhere, but for the sake of our own traditions and self-respect. I pray that thia culmination of our efforts will one day soon be realized.

As men and women who support the spread of democratic ideals everywhere, we are deeply troubled by the present situation in the Middle East. Today, Communist influence is strong there because of the vast quantity of aggressive armaments sold to Egypt by the Soviet bloc, while Israel's pleas for defensive weapons from the United States have gone unheeded.

We all pray that the present cease-fire, brought about by the United Nations, will endure, and ripen into real peace. But unless it does—and I fear it will not—the danger of war will continue. The best interests of our own country require a just and lasting peace in the Middle East. But peace cannot be established by merely wishing for it. It must be sought by bold and courageous action. One part of such a course of action would be to furnish defensive arms to Israel now—before it is too late.

The policy of our Government has not seemed to those of us outside the administrative branch either bold or courageous. I trust and pray that that situation is going to be remedied. I will not cease to raise my voice in protest until it is remedied.

One facet of this policy which has attracted my concern in recent months has been our Government's tolerance, and even complicity, in the intolerable discriminations practiced against American citizens by the Saudi Arabian Government and others. Once upon a time, our Government would have denounced, with fine indignation—as it frequently did in past generations—any government which sought to distinguish between one American citizen and the other on the basis of his religious faith or descent. But today, our Government actively connives with the Government of Saudi Arabia, for instance, to keep American soldiers who happen to be of Jewish faith from serving in American installations which happen to be in Saudi Arabian territory.

I know that great issues are at stake in the world today, but what greater function of American sovereignty is there than the traditional function of upholding the integrity of American citizenship? What greater obligation rests upon the American Government than the denial to any nation, regardless of the interests involved, of the right to distinguish and discriminate among American citizens on the basis of their religious faith?

I favor a policy of friendship with all Middle Eastern countries, and indeed, a policy of large-scale assistance to the Arab nations, as well as to Israel. But I place little store on relationships which are grounded on appeasement and acceptance of discriminations which are alien to every tradition we hold dear.

And so, as we glance briefly over some of the large issues that agitate our world today, we are increasingly conscious of the need for high and noble ideals that can serve as a beacon for our endeavors. Such ideals will be embodied in this new B'nai B'rith Building. They will serve their purpose well if they fill us not only with a modest pride in what people of our faith have already achieved in this blessed land, but with a firm determination to continue to be worthy of our great Jewish and American heritage.

Comment on Statement Regarding Admiral Radford

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include my newsletter for the present week regarding a statement by Admiral Radford and the press.

I think it is time cognizance should be taken that the freedom of the press should in no way be interfered with:

The newspaper editors of our country must be puzzled, indeed, by the reported statement of Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, that our free press is partly responsible for confusing and perhaps alienating our allies.

The admiral's position is that the free press—which he seems to regard as something of a necessary evil—digs around and comes up with so much divergent and contradictory material on national policy that it is difficult if not impossible for friendly nations abroad to follow the ins and outs of our policies. In contrast, he told the House Foreign Affairs Committee, the Communist line is more definite and consistent.

This may or may not be true as between our country and Soviet Russia. After all, the highest Communists in the Soviet hierarchy seem to have been very busy lately rewriting their own line to suit the newest conditions arising out of their devaluation of Stalin. But at least when Khrushchev puts out a policy statement, nobody else in the high command dares to dispute it.

On the other hand, we find numerous instances day after day in our own Government when one official disputes another, when one department's policy position is contradicted by another, and when the President and his Cabinet are not only disputing each other but changing their own statements in a few days' time.

This may be inefficient from Admiral Radford's point of view, but unfortunately it is the situation. What probably puzzles the newspaper editors, however, is what the admiral thinks they should do about it.

Should they edit the President's statements? Should they censor Cabinet officials who stick their feet in their mouths? Should they suppress the comments of high-ranking Government leaders just because their honestly held views might confuse people abroad?

The fact is that whenever the free press acts as if it considers itself the protector of a particular administration in office and considers its functions that of presenting the administration always in the best possible light—even to the extent of editing the President's statements, censoring Cabinet members or suppressing dissenting views of top officials—then the less it fulfills is obligations to the people of this country and to the cause of American democracy.

FAULT LIES NOT WITH PRESS

I would say to Admiral Radford that if there is confusion abroad about our policies, that is not the fault of the American press for reporting the contradictions in high policy. The fault would lie in the indecision and the wide diffusion of authority and in the lack of central direction and control over the farflung agencies and functions of government.

The Government of our country just can't be run successfully along the military chain-of-command principle. Mr. Truman used to point out, with a little slogan on his desk: "The buck stops here." It can't successfully be passed down to lesser officials. Policy must be centered at the top.

This is not to say that there should be no room for disagreement or controversy within an administration. The experts in the staff positions should certainly have an opportunity to voice their views and get them to the top through the regular channels. No one is infallible, and each high official should be big enough to listen to all the arguments—and even to pass along to the President the fact that there is disagreement on some important policy matter.

Instead, we have found by reading the resourceful American press, and through congressional hearings as well, that the President is frequently unaware of disagreements in his official family on some of the vital issues confronting the country. Dissent seems to be hushed up and kept from him. That is a bad policy.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. WICKERSHAM. Mr. Speaker, May 10 is Rumania's Independence Day. To all true Rumanians, that day is to them what July 4 is to all true Americans—the symbol of their individuality as a nation.

The collective leadership of the Soviet Union is afraid of days which recall liberty to the temporarily subjugated European satellites. They were afraid of Polish Constitution Day, May 3. They tried to change the Polish national holiday to July 22. They tried to change the date of Rumania's Independence Day to May 9—when the Russians observe VE-day. How miserably they have failed. Rumanians, in their homeland, take new heart on May 10, remembering the impact of that day on their history, and looking forward to the time when liberty shall be restored to them.

On May 10, 1866, the first elected monarch of Rumania was inaugurated.

On May 10, 1877, while engaged in the Russo-Turkish War, the principality of Rumania proclaimed its independence from the Ottoman Empire.

On May 10, 1881, Charles I was crowned king of Rumania by the will of the people who had chosen him to govern.

More than half a century of peace, progress, and prosperity followed May 10, 1881. It is no wonder that true Rumanians remember that date. It would be a wonder if they should ever forget it.

Mr. Speaker, I have been in Rumania twice since World War II—in 1945 and again late in 1954. I came away with a strong, well-founded respect for the unbreakable courage of the Rumanian people.

On one occasion I noticed a gang of men in convict uniform building a road. My American diplomatic escort told me that these men, guarded by Communists with machineguns, were sons of former Rumanian leaders in industry, science, and government. When the guards momentarily looked the other way, one of these men stared directly at me and raised his right hand. I recognized in that brief instant the sign of "V for victory." He had done this at the risk of his life.

On another occasion, a Jewish rabbi—his body unbelievably emaciated from starvation and forced labor—told me in broken English, "the best way to solve the problem of too few jobs for too many Rumanians is to close the eastern border and open up the western border."

It takes the bravery of the battlefield to dare death while engaged in slave labor. It requires a crown of courage to crack a joke in the shadow of imprisonment. But that, Mr. Speaker, is Rumania.

Rumanian oil, Rumanian lumber, Rumanian farm crops are siphoned into the Soviet Union, leaving only a small percentage for home consumption. Since I represent a great oil-producing and agricultural State, Oklahoma, this was of interest to me.

I asked one of Rumania's Communist leaders how the average Rumanian was making both ends meet. He told me, with pride, that the average monthly income for workers was then about $80 per month in our money. Next, I asked him how much the average worker was paying per gallon for gas for his car. His answer was that the average worker did not have a car. "How much per gallon if he had a car?" I insisted. He finally broke down and confessed that gasoline could be bought at $2.23 per gallon. I also learned that eggs could be purchased—at 30 cents apiece. Actually, they cost more than 30 cents apiece, for 4 out of 5 eggs sold in Rumania are not fit for human consumption.

Eighty dollars a month does not go far at such prices.

I do not know how Rumanians keep alive under such enforced exploitation. But they do. And they keep freedom alive, too.

Mr. Speaker, there is just one thing I wonder as we who are free prepare to honor Rumania's Independence Day. When I was in Rumania in 1954 there was a great deal of pointing with pride to the school, corresponding to our own West Point, that trained officers for the Communist army. It was then called the Stalin Military Academy. I wonder if it is still called the Stalin Military Academy in 1956.

It is my hope and prayer, Mr. Speaker, that on a not-too-distant May 10, we may welcome free Rumania once more into the fellowship of independent nations.

Right-to-Work Legislation

EXTENSION OF REMARKS

OF

HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Thursday, May 10, 1956

Mr. GOLDWATER. Mr. President, yesterday it was my pleasure to address a meeting of the Young Men's Business Club of New Orleans at New Orleans, La. I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BARRY GOLDWATER BEFORE THE YOUNG MEN'S BUSINESS CLUB OF NEW ORLEANS, NEW ORLEANS, LA., MAY 9, 1956

One fact should be made crystal clear before this discussion gets underway. I do not profess to speak for the Republican Party nor for the administration when I direct my remarks today to the subject of the right to work. I support right-to-work legislation, as do many members of the Republican Party, and, I am happy to say, also many members of the Democrat Party. I wanted to clear up this point before starting, because many times when a member of a party stands up to speak on a subject some people immediately take his remarks as being the position of his party or the administration that he represents. I do not represent the Republican Party nor the administration in these remarks any more than does Secretary of Labor Jim Mitchell when he attacks States rights. He has a perfect right to do that. I have a perfect right to defend them. The remarks that I make today, then, are my own, BARRY GOLDWATER, and mine alone.

It is time that we stop and ponder over what has been accomplished under the right-to-work laws since they were first enacted slightly over 10 years ago. Since that time a total of 18 States have seen fit to take advantage of section 14 (b) of the Taft-Hartley law and enact legislation in their States that guarantees the right of a worker to obtain and keep a job without being a member of a union; and, on the other side of the coin, to guarantee the union man the right to gain and hold a job in spite of his being a member of a union. When these laws were first enacted, in fact when the very spirit of 14 (b) was first developed, the CIO said that these would be right-to-wreck laws, they said that this section of Taft-Hartley and the subsequent enactment of right-to-work laws were destined to destroy unions. Now let's take a look at the record and see what has happened since the first enactment of these laws.

In 1945 there were approximately 54 million people in the civilian labor force and 14,800,000 of these are estimated to have belonged to unions. This means that in 1945, 27.5 percent of the civilian labor force belonged to unions. In 1955, and these figures are only estimates because the complete figures are not available as yet, we find the laboring force in the neighborhood of 64 million, with 18 million estimated to be members of unions; which would mean that 28 percent of the civilian labor force belonged to unions in 1955. Certainly, these figures do not indicate that there has been any destruction of the union movement nor any appreciable slowing down in the rate at which membership has been growing. But let's look further at what the right-to-work laws have accomplished in the 10 years that they have been in existence.

Secretary Mitchell said in Los Angeles last summer that the right-to-work laws have adverse effects on communities that adopt them. Now let's again turn to the record and see what has happened during this period. The study that I refer to will include only 11 of the 18 States that now have right-to-work legislation because only 11 of these States have had the laws a sufficient length of time to be able to base any judgment upon their experience. I want to commment at this point, also, before getting into these figures—that we cannot assume that the right-to-work law alone is responsible for the remarkable record that has been made in these various States; however, we can call it coincidence and it is still a true fact that the States that have enacted right-to-work legislation compare more than favorably with the rest of the Nation in any area we care to explore.

Total nonagricultural employment in the 11 States has risen 21 percent. During this time the total population in these 11 States has increased by 12 percent. During this same period, a 14 percent rise in nonagricultural employment occurred in the United States, while the Nation's rise in population was 12 percent. Now, going to another economic area, in the 11 States with right-to-work laws passed during the 1946–1948 period, the number of business establishments has increased approximately 24 percent while at the same time the increase nationally in the number of new business firms was only 15 percent. When we investigate the income from wages and salaries, we find that in the 11 right-to-work States that we are studying there was an increase of 69 percent, while the national income derived from wages and salaries rose just above 59 percent. While these increases were occurring, the opportunity to work was on the rise in the 11 States more than it was in the Nation as a whole. In the 11 right-to-work States we are examining, man-days idle due to work stoppages dropped 33 percent between the period of 1947 and 1953, while nationally the decline in man-days idle was 18 percent. Surely these figures should convince even the most skeptical that the fears of the CIO that the right-to-work laws would wreck the unions and the fears that are expressed by Secretary Mitchell that these laws are detrimental to the communities that enact them are baseless and groundless. I must reiterate that we cannot say that the right-to-work laws in themselves have created these situations, but it is a peculiar circumstance that in the States in the Union that have enjoyed the most healthy gains in nearly every area of their economies, we find right-to-work legislation.

Having looked quickly at the history of the right-to-work period, I think it is well at this time that we stop and ask ourselves why this legislation became necessary and why 18 States have passed these laws and why other States are seriously interested in adopting them for the protection of their own workers and their own economy. The concept of the right to work is based upon two premises, the first of which is the freedom of the individual and the second the right of association.

Let's explore the first one first—freedom of the individual. The right-to-work bill is a civil-liberties measure. As more and more employers in the country were signing agreements with the union or closed-shop clauses, it became evident that with the arbitrary power placed in unions, a man's membership in a union was becoming more important than his rights as a citizen because his livelihood depended on maintaining his membership. The obviousness of this fact created an interest among the very workers affected in the States that have enacted these laws to the extent that sufficient interest was aroused to create their passage.

I believe that the best expression I have ever read concerning the freedom of the individual was expressed by Mr. Bennett B. Patterson in his book, the Forgotten Ninth Amendment. Mr. Patterson said, and I quote, "Individual freedom and the recognition and development of the spiritual nature of mankind are the essence of democracy; indeed, they are the essence of life itself. We believe that by nurturing and encouraging the natural development of the individual to the point that he will achieve his greatest work, society as a whole will profit in the greatest measure."

Our whole system of government and our whole system of enterprise is based upon individual rights and freedom. Our basic writings abound with the proof of this statement and we need only look at the Declaration of Independence to find the substance of all our freedom. The Declaration of Independence says, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." That is not only the cornerstone of our Republic, an expression recognizing the source of our freedom as stemming from God, it also spells out our fundamental rights. The right to work is one of our rights. It is fundamental, for without it a man cannot retain the right of liberty or the right to pursue happiness, for both are dependent on his right to work.

For years those people who now travel erroneously under the name of liberal have been stating that the right to a job is one of the basic human rights and they go further to say that our Government is not only bound to protect this right but must create it. These same pseudoliberals are highly concerned today because 18 States have passed legislation or contained these provisions in their constitutions to protect the workers from being deprived of their jobs by reason of membership or nonmembership in a union.

The question that rises at this point is this: Is the right to a job really a basic human right or is this right restricted to union members only? Actually, there is no right to a job in this country or any other country that follows our concepts of freedom. Man was created equal, our Declaration of Independence says. He was created equal because he was a free child of God, but at the point of his birth the equality ceased. The right to a job, if such a right does exist, exists only in man's determination to get a job and to keep a job, and if there are rights connected with that then those rights are wrapped up in the expressions of the right-to-work law that recognizes that a right to work, whether a man belongs to a union or not, is a basic right, expressed in our Declaration of Independence and further outlined at various places in our Constitution.

The right to work is coextensive with the right of life itself. Shakespeare said something about this, and while Shakespeare was no labor-management relations expert, nevertheless his philosophy certainly can apply. In The Merchant of Venice, he wrote, and I quote, "You take my house when you do take the prop that doth sustain my house, you take my life when you do take the means whereby I live." When a man must belong to a union to obtain or retain work, then that man does not have the right to work under our concept of rights and we, in effect, if we fail to recognize that, would be living in agreement with Shakespeare's quotation, "You take my life when you do take the means whereby I live."

Let's look at the Constitution and see what the Constitution has to say about the subject of right to work and the other rights which man enjoys in connection with employment. The famous fifth amendment of the Constitution says in part, "No person shall be held to answer for a capital or otherwise infamous crime," then it goes on to list several other exemptions and says, "nor be deprived of life, liberty, or property without due process of law." Certainly, if a man is forced to join a union in order to obtain or retain employment, that action, being one of compulsion without the process of law, violates that part of the fifth amendment. Likewise, if a man were denied employment because of membership in a union, that action would be in similar violation of this amendment. Quite similar language is contained in the 14th amendment which says in part, and I quote, "Nor shall any State deprive any person of life, liberty, or property without due process of law."

Thus we see in amendments 5 and 14 the clear intent of the Constitution to protect any right bearing upon life, liberty, and property and the right to work is fundamental to these rights. If a man is denied work by either nonmembership or membership in a union, then he is deprived of these rights without the due processes of law.

There is another amendment, not often referred to by students of the Constitution, or generally known by the American public, but it contains what is to me one of the basic statements about our rights. The ninth amendment says, and I quote, "The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

When our Constitution was framed, in fact when our first basic papers were written, after our forefathers began to think about our concept of freedom, all of these documents believed that our rights were inherent because these rights and freedoms came from God. They didn't believe it was necessary to outline in detailed form each and every one of these rights and that is the reason that the Bill of Rights was not written when the Constitution was first presented. It was only after these wise designers of our documents began to think that the time might come when there would be some doubt about these rights that they set them down in the first 10 amendments to the Constitution. Believing the rights to be inherent by virture of their being a gift from God, the Constitution set out to protect these rights. The 9th is a broad statement of the protection and extent of these rights. It recognizes that all the rights of men are protected. It recognizes that the individual and not the State or the Federal Government is the source and basis of our social comport. It further recognizes that sovereignty rests with the individual. The right to work is a right that must be protected if the very rights of life, liberty, and the pursuant of happiness are to be maintained in this Government of ours.

Near the outset of this discussion, I stated that there were two aspects to the right-to-work bills, one being the rights of the individual, which we have just discussed, and the second being the right of association. After having studied these laws for the past 10 years and after having watched their operation, I have come to the conclusion that the right of association is probably the heart of the right-to-work movement.

The freedom of association being an important side of the right-to-work coin, we should see what our Constitution says in amendment I about this freedom. It says, and I quote, "Congress shall make no law respecting an establishment of religion," then it goes on and states, "or the right of the people peaceably to assemble." Again we get back to the freedom of the individual, for this right springs from the liberty of the individual to order his life as he sees fit, to choose where he will work, to choose his church, his political party, his lodge, his union—if he desires to affiliate with any of these. No law should compel him to join, or condemn him for joining, any organization or group. Some men want to belong to unions, some do not, it's as simple as that; but some union leaders want the right of assembly destroyed by the extension of compulsory unionism into the States where that right is now protected. There are young men who want to belong to the organization that I am addressing today, there are other young men who do not want to belong to it, and I am sure that both sides would resist any Federal law that would say that all young men have to belong to this organization. They may not want to belong because they don't like some of the members, they may not want to belong because they don't like the program; there are many reasons that would make a man hesitate at joining any organization, just as there are many compelling reasons that make men want to associate with others in the pursuance of a common objective.

Having reviewed the past history of the right-to-work movement, and having refreshed our minds on what I consider to be the two important points involved in any argument for a right-to-work law, let's look briefly into the crystal ball of the future to see what might be in store for those States who have, by an expression of their citizenry, adopted these laws.

There are several bills in both Houses at the present time that would destroy section 14 (b) of the Taft-Hartley law. As is to be expected, the pseudoliberals of today, blinded by their devotion to the doctrines of Walter Reuther, are the ones who have introduced and who are pressing for this legislation. One of these individuals is a Member of Congress by the name of JAMES ROOSEVELT. Mr. ROOSEVELT said on March the 15th of this year, and I quote, "I am sure he," referring to his father, "would have been horrified at the so-called right-to-work laws and would have done everything he could against them." Now again, in an effort to keep the record perfectly clear, I would like to remind the son of our former President of what his father once said on this subject, and I quote, "I tell you frankly that the Government of the United States will not order, nor will Congress pass, legislation ordering a so-called closed shop. It is true that by agreement in many plants of various industries the closed shop is now in operation. This is a result of the legal collective bargaining and not of Government compulsion on employers or employees. It is also true that 95 percent or more of the employees in these particular mines belong to the United Mine Workers Union. The Government will never compel this 5 percent to join the union by Government decree. That would be too much like the Hitler methods toward labor." Now if the remarks of the senior Roosevelt do not refresh the memory of the son, I would like to refer Jimmy to what his mother once said in her column My Day, "I do not believe that every man and woman should be forced to join a union."

I inject the Roosevelt name at this point only to show the extent to which some of the younger generation of the pseudoliberals will go in order to confuse the issue. While both President Roosevelt and Mrs. Roosevelt were strong advocates of strong unions and both did a lot to help in these movements and both provided constructive thinking to the progress of these organizations, both of these liberal-minded people recognized that compulsory unionism has no place in America.

It is difficult to understand why there exists here in America, the land of the free, the desire on the part of some people to force a man to join a union in order to gain and retain employment. There are unions in other parts of the world, successful unions, there are countries that are far more unionized than the United States, so with this in mind I obtained a report from the International Labor Organization and there are some interesting revelations in that report. Seven of these countries have compulsory unionism in some form but none of them have compulsion by law. The others prohibit, except in some rare cases, and these cases by collective agreement only. The most unionized group of countries in the world, the Scandinavian countries, prohibit compulsory unionism by law—it is not allowed—and yet, in spite of that, we find a greater percentage of the working people belonging to unions in these countries than in any other countries in the world. Universally, compulsory unionism is frowned on. Leaders across the world recognize that in compulsion you also have the seeds of destruction, but allow a man the freedom to join or not to join and when a man does become a union member after exercising his free right to determine this choice, he becomes a good union member and an asset to his organization that only can strengthen that group.

Maybe in this country Walter Reuther is afraid of free men's choices. Perhaps he doesn't recognize that free men recognize the need and the value of unions; that free men will join unions when the unions show free men that they are better off belonging to them than not belonging to them. Perhaps he doesn't recognize that Americans do not like coercion, that Americans do not like to be told what to do or when to do it, or to have to pay for a right to do it. Perhaps Mr. Reuther is not aware of the fact that many members of his union and many people who do not belong to unions do not like the way that his union has violated the desires of the minority group of his organization.

I speak now of political freedom and in this I speak for the President and for the Republican Party, for Ike told the AFL–CIO merger convention last December that "The rights of minorities holding differing social, economic, and political views must be scrupulously protected and their views accurately reflected."

And I speak of the forgotten civil-rights problem, I speak against the use of compulsory union dues for political purposes, and in that I feel sure that I speak for a strong minority of the union movement and for a great majority of the workers who are nonmembers of unions. Mr. Reuther's reply to the President's request that these rights of minorities be protected was merely that his unions would spend more, that they would destroy the Republicans, and that somehow they would get around the law, which they are doing today.

Here is a civil-rights violation that crosses both racial and political lines, yet it is being ignored by these same pseudoliberals. I am not talking about a mere handful of individuals, although I would stand up for the rights of any individual American. I am talking about some 8 million Americans

who have become second-class citizens as a result of the merger of the AFL and the CIO.

These second-class citizens come from both sides of the political fence. They are Republican workers who are forced to pay compulsory union dues, part of which are used for candidates whom the workers personally vote against. But they are also Democrats who find these compulsory union dues used to influence Democrat primaries. And you in the South know that this primary is the equivalent of the general election in the North.

I say to you in all sincerity that this is not a labor-relations problem—it is a civil-rights problem since it amounts to nothing less than nullification of the vote of an individual American, and I am sure I don't have to explain nullification to southerners.

Now what can you and I do, people who are interested in this right-to-work move, to protect it, to see that the Federal statutes remain on the books, that allow the several States to have these laws. I think you and I have to engage in a program of education. This program of education does not entail a bitter fight with some leaders of the union movement, it entails explaining to the working man what we mean when we talk about the right to work. If this is done, not only with the working man but with management itself, then I feel that a free expression of the people of the States will be heard by the State legislators and that the legislators assembled will act in accordance with the wishes of the people.

This is a matter of freedom that you and I are discussing today. It is a matter of nothing else. It is not wrapped up in economics, it is not wrapped up in the social problems of America, it is wrapped up in the basic freedoms of America and as Americans you and I have a duty to see that those rights and freedoms are observed and protected.

Administrative Changes In Excise Tax Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. COOPER. Mr. Speaker, for the past 2 days the Committee on Ways and Means has been considering an important report issued by the Subcommittee on Excise Tax Technical and Administrative Problems. This subcommittee, under the able chairmanship of the Honorable AIME J. FORAND, of Rhode Island, has made a thorough and comprehensive study of our Federal excise-tax structure. Based on that study, the subcommittee prepared a report containing 80 specific recommendations for improvements in our Federal excise tax structure.

As chairman of the Committee on Ways and Means, I today issued a press release setting forth the decisions of the committee reached to date in connection with its consideration of the subcommittee report. For the information of the Members of Congress and the interested public, I will insert in the Appendix of the RECORD a copy of that press release. The committee will continue its work on this report in executive session next Monday.

CHAIRMAN JERE COOPER, OF THE COMMITTEE ON WAYS AND MEANS, ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

Hon. JERE COOPER, Democrat, Tennessee, chairman of the Committee on Ways and Means announced today that the committee had reached the following tentative decisions thus far on the recommendations of the Subcommittee on Excise Tax Technical and Administrative Problems:

I. MANUFACTURERS EXCISES

1. Electric direct motor-driven fans and air circulators should be taxed only if they are of the household type rather than, as at present, if they are of the nonindustrial type.

2. The tax on television and radio components should be applied only to those suitable for use on or in connection with "entertainment type" sets rather than on all sets.

3. The tax on refrigeration components should be repealed.

4. Temporarily passed over, to permit further staff study, the recommendation that credits or refunds should be available with respect to the tax on gasoline destroyed by fire or as the result of a disaster (as so declared by the President) to the extent that the tax losses are not compensated by insurance or otherwise.

5. To remove items of little or no revenue significance, the base of the tax on sporting goods should be revised to delete: (a) curling stones; (b) deck tennis rings, nets, and posts; (c) lacrosse balls and sticks; and (d) sleds (measuring more than 60 inches in length).

6. The tax on trucks and truck trailers which are leased instead of sold should be limited to the tax due where these articles are sold. This is already true in the case of utility trailers. This treatment would be provided, however, only if the manufacturer sells (instead of leases) some of the trucks and truck trailers.

7. The tax on tires and inner tubes should be levied at the time the tire or the tube initially leaves the manufacturing plant or a warehouse within 20 miles of such plant, instead of at the time of the sale by the manufacturer in the case of sales by a manufacturer having wholesale or retail outlets.

8. Temporarily passed over, to permit further staff study, the recommendation that in the case of sales by manufacturers directly to retailers, the manufacturers' price on which the tax is computed should be based upon the price at which the manufacturer sells to wholesale distributors. This alternative to the actual price charged by the manufacturer would not be available where sales to the retailers are the normal method of distribution within the industry and would not be available where the manufacturer does not make a sufficient number of sales to independent wholesalers.

9. Temporarily passed over, to permit further staff study, the recommendation: "Present law provides that the base on which the manufacturers' tax is computed is to be constructed where a manufacturer makes a sale (otherwise than at arm's length) at less than the fair market price. In practice a sale to a selling subsidiary in such a case would be presumed to be not at arm's length. This administrative presumption should be codified."

10. Temporarily passed over, to permit further staff study, the recommendation that the status of cooperative advertising in relation to a manufacturers tax base should be clarified by a specific ruling of the Internal Revenue Service. The subcommittee has been informed that the Service will issue a ruling providing substantially as follows:

(a) The distinction between national and local advertising is abolished.

(b) Where a manufacturer's selling price to his customer contains an unsegregated advertising charge, it is a part of his tax base.

(c) In the case where a manufacturer makes a separate charge to his distributor for advertising and the proceeds are kept in a separate account earmarked for advertising, the separate advertising charge is not a part of the tax base. This separation can be evidenced by showing that the charge is either listed on the sales invoice or billed separately; the contributions from distributors are set aside as a fund to be used for advertising for the benefit of these contributors and the funds are so used, or the unexpended portion is held in trust or refunded to the contributor upon his withdrawal from the program.

(d) Where the manufacturer makes a contribution to the advertising account in the case of a separate fund, the amount of the manufacturer's contribution may not be deducted in computing the taxable sales price. However, the subsequent allowances against such contributions to distributors for expenditures by them or their dealers for advertising should be treated as readjustments of sales price.

11. For the purpose of eliminating competitive discriminations arising from the existing manufacturer's excise tax base—

(a) Gas incinerator garbage disposal units, which are in competition with electric garbage disposal units, should be taxed at 5 percent;

(b) Electric floor polishers and waxers, which are presently taxed under the category electric, gas and oil appliances should be removed from this tax base since they are in competition with untaxed vacuum cleaner attachments suitable for use in waxing and polishing floors;

(c) Tape and wire recorders should be taxed at 10 percent;

(d) Recordplayers, which are in competition with phonographs, should be taxed at 10 percent; and

(e) Tubeless tires should be taxed at a rate 1 cent a pound higher than tires requiring separate innertubes. This is recommended to preserve existing revenues from tires and tubes.

The committee rejected the recommendation that transitors, which are in competition with radio and television tubes, should be taxed at 10 percent.

II. RETAILERS EXCISES

1. Existing law imposes a 10-percent retail jewelry tax upon pearls, precious and semiprecious stones, and imitations thereof. The question as to whether or not a stone is semiprecious should not be decided until a sale occurs after the stone has been cut or polished. A cut or polished stone would then be subject to tax or free of tax, depending upon tests presently applied, such as Mohs' scale of hardness.

2. The so-called basket clause under the 10 percent tax on luggage should be removed and a longer list of articles should be specifically made subject to tax. They would be: Bathing-suit bags; beach bags, or kits; billfolds; briefcases of leather or imitation leather, brief bags; camping bags; card and pass cases; carryall bags; carrying kits; collar cases; cosmetic bags and kits; dressing cases; dufflebags; furlough bags; garment bags; designed for traveling; hatboxes for use by travelers; haversacks; key cases or containers; knapsacks, knitting or shopping bags (suitable for use as purses or handbags); makeup boxes; manicure set cases; memorandum pad cases (suitable for use as pass cases, billfolds, purses, or wallets); musette bags; pocketbooks; purses and handbags; ring binders, capable of closure on all sides, of leather or imitation leather; salesmen's sample or display cases, bags or

trunks; satchels; shoe and slipper bags; suitcases, toilet kits and cases; tote bags; traveling bags; trunks; vanity bags or cases; valises; wallets; and wardrobe cases.

The chairman stated that the revenue effect of these tentative decisions will be found in the subcommittee report beginning on page 13. He added that detailed explanations of these recommendations will be found in this subcommittee report beginning on page 16.

Series of Hearings To Be Held by Joint Committee on Atomic Energy

EXTENSION OF REMARKS

OF

HON. CARL T. DURHAM

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. DURHAM. Mr. Speaker, I wish to announce to my colleagues of the House a series of hearings to be held by the Joint Committee on Atomic Energy starting Tuesday, May 15, to explore ways and means and develop, if necessary, legislative assistance for expediting the critically important program for the peacetime application of atomic energy. I feel impelled to make this announcement—as did the chairman of the committee yesterday in the Senate—because of the extremely important nature of these proceedings.

For many months the Joint Committee on Atomic Energy has been carefully studying the progress of commercial application of atomic energy both domestically and in foreign countries. Last summer, for example, members of the committee attended the Geneva Conference as official observers and had an opportunity to study the status of progress in foreign countries.

When the current session of Congress reconvened, the committee conducted a series of comprehensive hearings to explore the development and status of peacetime applications of atomic energy here in the United States. These hearings were held under the statutory obligation of the committee to conduct such a review during the first 60 days of each session of Congress.

In addition to the foregoing, the committee a year ago established a panel of outstanding representatives of industry, science, and labor to study this same problem. The committee has before it for its consideration the report on the status of the peacetime applications of atomic energy of this group of men together with their recommendations.

As a result of these detailed studies and hearing one problem assumes major importance and that is the question of the financial liability of manufacturers and operators of nuclear reactors to the public in the extremely remote event of an operating accident.

Previous testimony received from representatives of the manufacturing and operating companies was to the effect that this was a major roadblock to further progress in the construction of reactors for power generation. For this reason the committee held an informal seminar of these representatives, together with spokesmen from the leading insurance firms and other interested organizations. This seminar was most beneficial in that for the first time, the committee was able to receive directly in an atmosphere of informality the views of all interested parties on this extremely critical problem.

As a result of the committee's long and thorough study of the problems involved, certain legislation has been introduced by members of the committee which have been designed to cope with these problems. The committee has before it for consideration during the forthcoming hearings to which I referred to above, commencing Tuesday, May 15, four bills: H. R. 9701, introduced by my colleague the gentleman from Illinois [Mr. PRICE], and H. R. 9802, introduced by the gentleman from New York and former chairman of the Joint Committee on Atomic Energy [Mr. COLE], both of which deal in different ways with the insurance problem. These two bills in effect would obligate the Federal Government to assume varying degrees of liability up to—in one instance—$500 million, in the rare event of an accident to a privately owned power reactor. The problem here, Mr. Speaker, is the apparent inability of regular insurance companies to provide at an economical price sufficient liability insurance to cover manufacturers and operators of reactors, in the highly unexpected event of a major accident during the course of operation of these facilities.

It is generally the opinion of members of this Joint Committee who have studied the problem over a long period of time and in great detail that the United States is ahead of our competitors on both sides of the Iron Curtain in the development of atomic energy for peacetime purposes. It is just as generally held by members of this committee that this lead is rapidly becoming very tenuous. We feel as time goes along and more information becomes available, that there is an increasing need for additional efforts by this country to maintain this leadership.

Therefore, another purpose of the forthcoming hearings is to develop additional information as to what, if any, other conditions exist both now and in the immediate future which are delaying or could prevent a rapid acceleration of our effort in this field.

Two members of the committee feel that the most rapid progress in the construction of large scale power generating nuclear powerplants can be accomplished by the Federal Government. To this end, identical bills have been introduced during this session and are now before the committee for consideration. My colleague, the gentleman from California [Mr. HOLIFIELD], has introduced a bill—H. R. 10805, which is identical to the bill introduced earlier in the Senate by the junior Senator from Tennessee [Mr. GORE], identified as S. 2725. These bills would authorize and direct the Atomic Energy Commission to build six nuclear power reactors at various locations around the United States to assure advancement of the art, in addition to or in the absence of similar activities of private industry.

If I may, Mr. Speaker, I would like to outline briefly the manner in which the committee plans to proceed in this matter.

Firstly, we are convinced that there is a considerable body of knowledge and fact as yet undeveloped and which needs to be made available as to what the potential hazards are in the operation of large scale power reactors. More specific information must be had as to what the standards are for the safe and efficient operation of such reactors. As an integral part of this problem is the need to know much more of the details of the methods and bases used by the insurance companies in computing the cost of and the limits to insurance coverage which this industry has made available up to the present time.

The committee also needs to develop information on any other roadblock that may now or in the future affect the most rapid progress in this program. The committee's attention has been drawn to the requests being made by private industry for changes to existing laws. For example, hearings have been recently held on a bill to amend the Holding Company Act so as to exclude those private utilities which join together in a common effort to construct a nuclear powerplant, from the provisions of that act.

Many of these same companies feel strongly that any funds they expend for research and development in the atomic energy field should be given special tax treatment.

Secondly, the committee plans to examine in executive session the most recent and up-to-date information available about progress of foreign governments in the peacetime applications of atomic energy in order to make the most current and factual comparison of our position vis-a-vis that of our competitors. To the maximum extent possible following these executive hearings, the committee will endeavor to make public this evaluation insofar as possible.

Thirdly, the committee will receive testimony from all interested parties on the Holifield and Gore bills in an effort to determine if the only manner in which the most rapid progress can be made is by means of a program of governmental construction of nuclear powerplants. To do this in the most impartial and effective way the committee needs to know much more than has been made available to it up to now about specific progress being made on the several projects initiated and financed by private industry. We hope that spokesmen for these organizations will come to us and frankly and candidly discuss their problems, their progress, and their plans for the future.

There are indications that the full responsibility for our progress in the field of peacetime applications of atomic energy may be too large and too technically complex for private industry to carry alone. I refer again to the report of the panel of civilian experts mentioned earlier—known as the McKinney panel. One of its most important conclusions was that if private industry does not or cannot assume the full risks and burdens of the nuclear power development program then the Government must do the

job. Therefore, if it appears at the conclusion of these hearings that Congress must make unusual and far-reaching concessions to private industry in addition to providing large-scale insurance or indemnity coverage to bolster up the lagging program, it may very well conclude that a substantial program of direct Government sponsorship and initiative is required to get the job done. This does not necessarily mean that it must be done by means of complete governmental financing and construction of atomic powerplants. It could mean a cooperative undertaking, for example, similar to the arrangements made between the Atomic Energy Commission and the Duquesne Power Co. which will result in the nuclear powerplant now under construction at Shippingport, Pa. Here the Government is building and financing the reactor and private industry constructs and pays for the generating facilities and will operate the whole plant.

At the conclusion of this series of hearings, Mr. Speaker, I am confident that the committee will be able to report to both Houses of Congress what in its collective judgment needs to be done in order to maintain the world leadership by the United States in this vitally important field of the peacetime application of atomic energy. We dare not delay the necessary action any more than we dare to shirk our responsibility in this matter. The Congress will then be in a position to take such steps as it deems necessary to keep our country in the forefront—not only for the great economic benefits to our citizens but to all freemen.

The Taxpayer's Burden Should Be Reduced

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. ANFUSO. Mr. Speaker, it is now generally believed that the United States Treasury will show a much greater surplus at the end of the current fiscal year than that originally estimated by Secretary of the Treasury George M. Humphrey. Last January Secretary Humphrey estimated the surplus at about $200 million. The Joint Congressional Economic Committee predicted in April a $2 billion budget surplus during this fiscal year. Our distinguished colleague the Honorable RICHARD M. SIMPSON, who is a member of the House Ways and Means Committee, has said he believes this year's surplus would be closer to $4 billion.

If the facts bear out these estimates and predictions, I think the time is propitious for serious consideration of a tax cut to benefit the low-income and middle-income sections of our population. Even if the surplus is around the $2 figure, instead of the $4 figure indicated by our colleague, it is still sufficiently large to warrant a reduction in the taxpayer's burden. Mr. Humphrey, as usual, claims it would be unwise, inexpedient, and unjustified to reduce personal income taxes at this time.

I believe the time to consider a tax cut that will benefit the lower income groups is right now, so that it can go into effect at the beginning of the next calendar year on January 1, 1957. In recent years, the low-income groups have not shared fairly in tax reductions, most of the tax benefits have gone to the big corporations, the big investors, and big business generally. The low-income and middle-income groups deserve tax relief without further delay. A tax cut for low-wage families is desirable as a matter of equity. I fear that if this is not done in the near future, another giveaway of some kind will be found to split up this year's surplus among the rich and big business will walk off with a juicy plum at the expense of the lower-income groups.

Mr. Speaker, for this reason I am now introducing a bill to raise the existing tax exemption from $600 to $800 for all taxpayers and their dependents, including the exemption for old age and blindness. This measure is aimed to aid directly the low-income and middle-income groups by providing added income for each family. For the average wage-earner, adoption of my bill would mean about $3 more each week in his pay envelope, or about $150 additional income per family per year. Incidentally, the added income will undoubtedly augment the purchasing power of the Nation, stimulate greater consumption, help to improve business everywhere, take surplus goods off the shelves, and serve as a boon to the economy of the country.

My bill also seeks to help the taxpayer in another way. It contains an amendment to the Internal Revenue Code which provides for a deduction for parents for expenses up to $1,000 incurred in connection with the education of their dependent children. This deduction is to be in addition to the regular exemption now provided in the law. The bill requires that the dependent must pursue a bona fide course of higher education beyond the high school level, meaning at a college or university or other institution of higher learning.

Of late, we have had several surveys and reports by governmental and private agencies which indicate a growing shortage of scientists and professional people of all types. It is noted that Soviet Russia is educating young people in the scientific and professional fields at a more rapid pace than we are doing. If we continue at this rate, we shall undoubtedly fall far behind and in time endanger the national security and the social and economic progress of our country because of a lack of sufficient trained personnel.

The fact is that we are not lacking in human resources, nor does the youth of America show a lack of ambition or ability. It is simply that we are not doing enough to encourage our people, to afford them with the means and the opportunity to develop their abilities in accordance with the needs and the well-being of our country. It is generally accepted that there exists a great need for increasing the supply of our scientific and professional manpower, which is of such vital importance to the Nation in times of peace or war.

The best way to accomplish that is by encouraging larger numbers of our youth to seek a higher education. But a college education is quite an expensive undertaking these days, and in many instances it is beyond the reach of low and middle income families. The loss in such instances is not merely that of the individual concerned or his family, but it is a loss for the entire country. When added up, it might perhaps affect hundreds of thousands of young people who are denied the opportunity of a higher education, and that means a terrific loss of trained manpower at a crucial time.

For our own self-interest, I believe we ought to help lighten the burden for parents who desire to give their children a higher education. A mere $600 deduction for a dependent who is maintained at school is not a realistic approach to the problem. It costs the taxpayer several times that much to maintain a son or daughter at college annually.

In looking into the figures, I find that the United States Office of Education has made a study of tuition costs at 196 private and public institutions of higher learning and has come up with an estimated average annual tuition of $305 in the academic year 1954–55. A survey conducted by the New York Times and published in its issue of June 22, 1953, estimates the average costs of room and board at about $523 per academic year. To these costs, should also be added such expenses as books, transportation, clothing, and perhaps other expenses, all of which could conservatively be figured at about $500 per year per student. Thus, the average total expense would be around $1,300 annually. My bill, however, would allow a reduction on expenses up to $1,000, although in instances where students live at home and no expenses are involved for room or other costs the figure would be considerably lower.

What would be tax savings to parents, or the revenue loss to the Government? It is difficult to give exact figures, but a rough estimate can be made. The Census Bureau estimated the number of college students in the country through the age of 24 in the current academic year at 1,824,000. Allowing for full-time and part-time students, and also deductions for tuition paid by the GI bill and other methods, the total tuition incurred for tax purposes is estimated at $309 million. For purposes of computation it is reasonable to assume that 25 percent would be a fair tax percentage to use in this instance, yielding a total of over $77 million. This means that about $77 million would accrue to parents of college students as a saving on their taxes which they would apply to tuition.

Even if we include tax savings on room, board, and other expenses, the total loss to the Government would not exceed $200 million annually. This is not a huge sum, comparatively speaking. We shall be spending about 25 times that

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amount in foreign aid alone during the

come into Washington to be heard on the

for future needs of an expanding popula-

MINERAL RESOURCES—URANIUM

hospitals in Sturgis and Hot Springs as

BERRY has been cooperating with the

amount in foreign aid alone during the coming fiscal year.

From the standpoint of our Nation's needs, we must approach this problem in a more practical manner. We must give the taxpayer a fair deduction for educational expenses in order to encourage him to afford a higher education for his dependent children. The resulting loss in revenue to the Government would be made up a hundredfold in the long run and the whole country would benefit by it.

Mr. Speaker, I believe that if Congress could see its way clear to amend our tax laws in these two respects—by increasing the exemption from $600 to $800 and by providing a deduction for educational expenses—the burden of the taxpayer would be considerably reduced.

Representative E. Y. Berry

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. ARENDS. Mr. Speaker, I have requested permission to extend my remarks today in order that I might briefly outline some of the outstanding accomplishments of our colleague, E. Y. Berry, who has so ably represented the Second District of South Dakota during his three terms in Congress. I know that you Members of the Congress who have worked closely with Congressman Berry are very much aware of his fine service while a Member of this body, but I take this opportunity to give permanent recognition to the stewardship of our colleague by inserting the following in the Congressional Record:

COMMITTEE MEMBERSHIP

Representative E. Y. Berry has done outstanding work on his committee and has earned the respect of his fellow members on the House Interior and Insular Affairs Committee. He is the fourth ranking Republican of the 29-member committee.

As indicative of the work he has done, both the Republican and Democratic chairmen of that committee have paid him high praise for his endeavors. On June 15, 1954, after Berry, as chairman of the Indian Affairs Subcommittee, had held extended joint hearings with the Senate subcommittee, Representative Miller, Republican, Nebraska, chairman of the full committee, said:

> I want to say at this point, for the Record, in my opinion the Subcommittees on Indian Affairs in the House and in the Senate have done a remarkable job of working with the different Indian problems. * * * Thank you very much (Berry) for your effort so far, and I hope you continue with as much patience as possible because I believe you are getting results we never had before. I think the joint hearings between the Senate and House committees have been a healthy thing. If we can work out more of these joint hearings, I think it would save much time and effort and money for the people that come into Washington to be heard on the problems.

It is not only the Republican members of the committee who have paid their tribute to Representative Berry. At the same time, Representative Clair Engle, Democrat, California, who is now the chairman of the full Interior and Insular Affairs Committee, paid this tribute to E. Y. Berry when he said:

> May I, too, express my admiration and appreciation to the chairman of the Subcommittee on Indian Affairs (Berry), who has certainly worked with tremendous diligence and perseverance on what is the most trying problem this committee has. He has demonstrated the patience of a Job equal to anything that Job suffered during his most troublesome days, and he certainly has my sincere admiration and respect and deserves the thanks not only of this committee but of all of the people of this country who are interested in getting a disposition of this Indian problem.

Western South Dakota has many interests, businesses, and resources. Berry has been active in promoting all of these. One of the principal resources is agriculture.

FARM PROGRAM

Berry has been an active worker for farm legislation that will give the farmer his fair share of the nationwide prosperity he has helped to create. His insistence on the importance and urgency of the passage of a sound farm bill which would increase agricultural income is evidenced by his statement on the House floor on March 26, 1956—Congressional Record, page 5581—when he said:

> Mr. Speaker, I take the floor today to demand that there be no congressional Easter recess unless and until the farm bill has been approved by both Houses of Congress and has been sent to the President.
>
> There is nothing to come before Congress this session that is as important to the economy of the entire Nation as the immediate passage of this legislation. By fast action, the differences between the two Houses could be resolved prior to the Easter recess. If, however, these differences are not resolved, there should be no congressional recess.
>
> Spring planting time is rapidly creeping up on the farmers all the way across the Nation. Time is tremendously important. So far as I am concerned, I, too, would appreciate a 10-day "breather" from our labors here on Capitol Hill, but I want no part of any vacation until the farm bill is passed and signed by the President.
>
> The continued high level of the economy of this Nation rests upon the foundation of a thriving agricultural economy. If the national economy is to remain at its present level, then farm income and the farm economy must be improved. * * *
>
> Mr. Speaker, I demand that the House and Senate withhold any plans for an Easter recess until the farm bill is passed.

SOIL BANK

In line with the President's suggestions, Representative Berry joined with members of the House Agriculture Committee in introducing a new soil-bank bill within minutes following the vote in the House on the President's veto. Berry has advocated the soil-bank plan as one of the ways to increase farm income without building greater agricultural surpluses and yet retain the productive areas in conservation programs for future needs of an expanding population.

WHEAT

Berry has also vigorously urged passage of a domestic wheat plan that would provide 100 percent of parity for all wheat used domestically with the farmer having the choice of selling the surplus on the world market or storing it for sale the following year. He introduced legislation providing for such a program following the President's veto of the farm bill.

WOOL

The Berry wool amendment to annual defense appropriations acts requires the armed services to buy only domestic wool in all military orders and has benefited the sheep and wool industry by millions of dollars. In 1952 when Congress was considering this matter the hard-working Congressman made the following remarks:

> Mr. Chairman, certainly we must protect American industry and labor through the Buy American provision of this defense appropriation bill, but we must, at the same time, protect our wool industry. The bill provides that the Army buy food and clothing grown and produced in the United States so long as it is available. This amendment simply requires that the clothing be made from domestic wool so long as that domestic wool is available. Is that not fair? Is that not just? Is that not American?

REA PROGRAM

He has assisted REA and RTA groups with loan applications and related matters. On the floor of the House he said:

> Mr. Speaker * * * the REA has done a magnificent job in our State in electrifying our farms and ranches. * * * I salute the pioneers and users, the borrowers and owners, of this vast REA program which has changed the lives and made a brighter future for every South Dakota citizen.

LIVESTOCK

The stockmen of South Dakota have been able to count on Berry as an aggressive proponent of their best interests. One example is the establishment of a foot-and-mouth-disease laboratory at Plum Island which was championed by the West River Congressman. He helped in obtaining an increased appropriation for the control of brucellosis in the present session and has been very active for several years in obtaining effective brand legislation.

RECLAMATION

Berry has been very active in promoting reclamation and irrigation development throughout the West. Speaking to the House in support of the small-projects bill on May 6, 1955, Berry said:

> I stated at the outset that this is a partnership bill. It provides more local autonomy in the development of badly needed and financially feasible projects. It is a move to permit the construction of many small projects which are being delayed because of the lack of local financing and which are not of enough magnitude to receive priority consideration by either the Bureau of Reclamation or by special legislation in Congress. It will provide many projects which the local people are not able to finance themselves, but which in the interests of the economy of this Nation should be constructed and can be constructed if this legislation passes Congress.

MINERAL RESOURCES—URANIUM

Last year during the first session of this Congress, Berry introduced and succeeded in guiding to passage through the House a bill validating the filing of mineral claims for uranium ore deposits located in lignite beds on public domain lands. The bill became law and served as a key to unlocking part of the potential mineral treasure chest in northwestern South Dakota. In his explanation of the problem before the House Interior Committee on June 20, 1955, Berry said:

> Mr. Chairman, Public Law 585, enacted last year, recognized the multiple-use doctrine which would permit multiple use of these public lands in the United States, that is, the right of a mineral locator to obtain a patent to his location, but which would be subject to the reservation to the United States of all leasing materials and the right to enter and remove such minerals. * * *
>
> The purpose of this bill is to bring these areas under the mineral location law with the right of removal upon the payment to the Government of a royalty for fuel minerals that are destroyed as uranium is extracted.

From report of proceedings, House Interior and Insular Affairs Committee, June 20, 1955.

GOLD

A strong advocate of a free market for gold, on March 22, 1956, Berry called the matter to the attention of the House, saying:

> Mr. Speaker, the Canadian Government announcement yesterday that it is going on a free market places the question squarely up to the United States whether it wants to stand on the sidelines alone or whether it wants to follow the free market lead of the other nations. Those of us who are interested in domestic mineral production have been pressing for this action for some time. The present price of gold at $35 an ounce precludes the mining of any low-grade ore resulting in the wasting of our gold resources.

MICA

Western South Dakota produces many more minerals which our Nation must have to be militarily and economically strong. When the domestic stockpile program for strategic mica began to lag because of pricing and grading policies of the Emergency Procurement Service, Berry vigorously pressed responsible officials for an equitable purchasing program that would give miners sufficient return on their investments. In testifying before the Senate Interior Committee on April 20, 1956, favoring the extension of the strategic mineral purchasing program, he said in part:

> The program has been changed very little, the price has been changed none, the grading has not been changed since the beginning of World War II. The result was that miners could not get enough out of their mica to pay them and the grading process was not satisfactory. In my county, at least, there has been very little mica mined recently. But I think under the new buying program this mica is going to come in. I doubt, however, that we are going to be able to fill the stockpile needs prior to June 30 of next year. I urge that this bill be enacted.

VETERANS

Berry has a splendid record of working for the best interests of the war veterans. He has successfully worked for the improvement of the veterans' hospitals in Sturgis and Hot Springs as well as nearby areas. He has urged increased payments under the GI bill and veterans' pensions. He has represented veterans before military appeal boards and cooperated with the servicemen's organizations.

BUSINESS IN GOVERNMENT

As a businessman himself, Berry has emphasized the need for business practices in Government:

> Mr. Speaker, while this does not involve a too great amount of money, it is, in my judgment, one of the most important bills to come before this Congress at this session because it demonstrates a trend in the program of this administration to put more business in Government and get the Government out of as much business as possible.

From the Congressional Record, volume 100, part 10, page 13160.

NATIONAL PARKS

Berry has ably represented the best interests of the national parks and monuments in his district. Supporting the Interior appropriation bill before the House on April 6, 1954, he said:

> Mr. Chairman, I commend the committee for including in this bill funds for the improvement of Mount Rushmore National Park. This great shrine is one of the great inspirational spots in America. Since this appropriation will be repaid to the Treasury of the United States, it is a good investment. * * * This entire development program is the result of cooperation between the National Park Service, the Mount Rushmore National Memorial Society, and friends of this great shrine in an effort to accommodate the increasing numbers of visitors who come each year.

AIRPORTS AND HOSPITALS

Berry has spoken out in favor of Federal-aid programs needed for the benefit of the Nation as well as his district where local communities are unable to do the needed job themselves, such as airport and hospital construction.

> Mr. Speaker. * * *. Federal assistance in airport construction is one of the most important considerations due general aviation, and I hope therefore that this $22 million item will be appropriated.

And—

> One of the services in which our rural communities are most deficient is adequate hospital facilities. Many of our small South Dakota towns have had difficulty interesting doctors because of the lack of needed hospitals. As you know, the authorization for this program was just signed by the President last week. It is one of the important parts of his health program.

INDIANS

The Indian people, not only of South Dakota, but of the entire Nation have never had a better friend or a more aggressive fighter for their rights than Berry. Believing that the Indian problem can be solved only through education and trades training, Berry is devoting much of his time to legislation to accomplish these ends. He feels that rehabilitation should be accomplished through loans to those who are able to make a success of operating ranches and livestock on the reservation areas and that a program of training for those who cannot successfully farm must be devised.

Berry has been cooperating with the Commissioner of Indian Affairs in his effort to bring industrial plants on or near Indian reservations to provide employment. His trades training program will fit these people for such employment. His plan to incorporate rehabilitation into bills providing settlement for damages to reservation areas is a new and effective program since it is handled by the Indians themselves through a business manager with authority to handle these finance programs without the delay of going through the Indian Department itself on each loan.

Berry has become nationally recognized for his work in behalf of the Indian people. As Mr. Engle, chairman of the Committee on Interior and Insular Affairs, has said:

> He * * * deserves the thanks, not only of this committee but of all the people of this country who are interested in getting a disposition of this Indian problem.

An editorial appearing in the April 12, 1956, issue of the Rapid City Daily Journal, which is the largest daily in the South Dakota Second District, expresses some of the reasons why the people of western South Dakota appreciate Congressman Berry's stewardship in his public trust.

The editorial follows:

No Wonder the West River Likes E. Y. Berry

> No congressional district in the United States has such a diversity of interests as South Dakota's Second Congressional District, which covers all of the State from the Missouri River west.
>
> The West River district has national parks, national forests, a large strategic airbase, an ordnance depot, a Federal fish hatchery, two Veterans' Administration hospitals, large acreages of public lands with oil and mineral deposits, vast expanses of farm and ranch land, reclamation projects, mining, and 30,000 Indian people with the Federal Government as the guardian for their properties.
>
> It takes a man of patience, balance, and a broad understanding of the multiple problems of this large district to represent the West River in Washington, D. C.
>
> We are fortunate to have just that man in Congress—Representative E. Y. Berry, of McLaughlin. Born near Philip, a lawyer and a newspaper publisher, Berry had a fine record of public service before being elected to Congress in 1950.
>
> Berry's diversified background made it easier for him to start out right in the difficult job of filling the vacancy Francis Case left when he was elected at the same time to the United States Senate. Case was extremely helpful, of course, in briefing Berry on the many ramifications of representing the West River in Congress. Case continues to be a helpful colleague—the two have worked closely on legislation benefiting this region during the past 6 years. Case and Berry have been close personal friends for years and their association in Washington has only increased this friendship and understanding for the benefit of South Dakota.
>
> HELLO, E. Y.!
>
> During the Easter recess of Congress, Representative E. Y. Berry returned to his district, where he visited with miners, Indians, Government workers, farmers, ranchers, townspeople—in short, his constituents. The people were glad to see him and to give him their viewpoints. All of us like to have personal contact with the men who represent us in Washington.
>
> Berry is personable and modest. There are many good reasons, aside from the point that they like him, why the people of the

West River were happy to see Berry. He has done a good job for them.

We checked Berry's record in the Congressional Record, and it is a record of accomplishment for the West River ever since his first term in Congress.

Perhaps you would like to review, as we did, the things Berry has done.

BERRY BILLS INTO LAW

His bill requiring the Armed Forces to use only domestic wool in the purchase of any material containing wool has meant millions of dollars to the sheep industry during the 4 years Berry's bill has been the law of the land.

His bill to validate the filing of mineral claims for uranium ore deposits in the lignite beds on public land opened up tremendous possibilities for northwestern South Dakota.

Berry's bill for the Cheyenne River Indians established a new pattern for the Indian people, giving them a new freedom in handling their own affairs. For the Indians whose land will be inundated by water from Oahe Dam, Berry's bill provides $3 million for the land plus $5.5 million for rehabilitating the displaced Indians.

Berry also successfully sponsored a bill providing long-term leasing of Indian land for commercial and industrial purposes.

Another helpful law for the Indians was the Berry law which authorizes the mortgaging of Indian trust property as the basis for financing Indian ranch units through regular commercial channels.

STRIKES FOR AGRICULTURE

For agriculture, still the West River's major industry, Berry—in addition to the wool bill—cosponsored legislation which increased durum wheat production outside allotment quotas while durum is in short supply.

He cosponsored the bill which established the foot and mouth disease research laboratory on Plum Island—legislation of great significance to all stockgrowers.

Berry also cosponsored legislation removing ASC acreage compliance requirements for eligibility to receive soil conservation payments.

OTHER ACCOMPLISHMENTS

And that's not all.

Berry has consistently worked for the expansion and development of Ellsworth Air Force Base, Rushmore Memorial, our national parks, and veterans hospitals in the West River.

He assisted in securing the uranium mill at Edgemont, helped straighten out the mica buying mess at Custer, has been active in promoting the Missouri River development program. Berry successfully led the fight in Congress for increased appropriations for coyote and rodent control and for increased appropriations to curb brucellosis in livestock.

Berry has worked closely with REA associations, assisting them to speed up loans to expand their services in our rural areas. He is an active spokesman for Eisenhower's highway expansion program and works closely with the Indian Department in locating small industries on or near Indian reservations.

IMPORTANT COMMITTEE

There is an impressive list of bills, still pending in Congress, which Berry introduced. All are of benefit to the people and the economy of the West River.

Berry is the fourth ranking Republican member on the Interior and Insular Affairs Committee which has 27 members. Aside from agriculture, this committee deals with all legislation vitally affecting western South Dakota. The subcommittees on which Berry serves handles legislation concerning public lands, irrigation and reclamation, mining, and Indian affairs.

While E. Y. Berry is hired to work for all of us, it never hurts to tell an employee he is doing a good job.

Congressman Berry, we in the West River appreciate your untiring efforts. You'll know how truly we appreciate your worth when the votes are tallied next June 5 and again in the November election.

SENATE

Monday, May 14, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Caradine R. Hooton, general secretary, the Methodist Board of Temperance, Washington, D. C., offered the following prayer:

O Lord, our Heavenly Father, who through good mothers and by Thy blessed Son hath taught us that love never faileth, we beseech Thee graciously to bless all who give themselves to creative service of their fellow men.

While we here enact laws for the common good and devise measures for national security, may we surely remember that it is not by might nor by power, saith the Lord, but by Thy spirit that we safeguard the public welfare.

In the conflict between old world customs and the Word may we not become so fearful of foreign intrigue as of internal disintegration. In the age-old race between the right and the wrong, may these Thy chosen leaders so allow Christian conscience to prevail over pagan caution that wise statesmanship may outdistance weak diplomacy.

Give us courage, Lord, to transform fear into faith, handicaps into hardihood, and lust for power into love of people.

Thus let us prove our heavenly birth
  In all we do and know,
And claim the kingdom of the earth
  For Thee, and not Thy foe.

In the name of the Lord Jesus Christ we pray. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 10, 1956, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Pursuant to the order of the Senate of May 10, 1956, the following report of a committee was submitted on May 11, 1956:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

H. R. 10875. A bill to enact the Agricultural Act of 1956; with amendments (Rept. No. 1966).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

Mr. MORSE. Mr. President, this is primary election week in the State of Oregon, and I am confronted with the same problem with which colleagues of mine are confronted from time to time, namely, the problem of deciding whether to stay here or to go home. Let me say good-naturedly that there is usually involved in that question the evaluation as to whether, if we do not go home, we may stay home permanently. So I am about to ask unanimous consent to be excused from further attendance on the sessions of the Senate this week.

Mr. President, I wish the Record to show the reason for my request. It is that I am going home not only to be able to vote come Friday next, but also to the best of my ability to seek to influence some votes between now and Friday next.

So that my constituents can read it, I wish to state for the Record that I have an understanding with the majority leadership of the Senate that every effort will be made to see to it that my vote will count in my absence, by obtaining live pairs for me on the issues which arise.

I regret very much, let me say for the Record to my distinguished friend, the Senator from New York [Mr. Lehman], that I shall not be here to participate in the debate on the Niagara power bill. But I have discussed it in times past. The Senator from New York knows that as he votes, so will I vote, by way of a live pair, because we have stood shoulder to shoulder in support of the Lehman proposals in connection with the Niagara power issue.

I also regret that I shall not be here to vote in case any controversy arises over any phase of the new farm bill. But here, again, I understand from the leadership that no serious controversy is anticipated. However, to the extent that any may develop, my record on the farm issue is likewise very clear; and with the cooperation of receiving a live pair, my vote on any controversy which may develop will be counted.

Therefore, Mr. President, I ask unanimous consent to be absent from the floor of the Senate from the close of business today until Monday next.

The PRESIDENT pro tempore. Without objection, leave is granted.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up the nomination on the Executive Calendar under the heading "New Report."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Two hundred and seventy-seven postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the nomination on the Executive Calendar under the heading "New Reports" will be stated.

FARM CREDIT ADMINISTRATION

The Chief Clerk read the nomination of Sam H. Bober to be a member of the Federal Farm Credit Board, Farm Credit Administration.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nomination today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ANNOUNCEMENT OF JOINT MEETING OF THE TWO HOUSES ON THURSDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I should like to announce that on Thursday, May 17, at 12:30 p. m., there will be a joint meeting of the two Houses in the Chamber of the House of Representatives to hear an address by the President of the Republic of Indonesia, Dr. Sukarno.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Improvement of Career Opportunities of Nurses and Medical Specialists of Armed Forces

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force (with accompanying papers); to the Committee on Armed Services.

Report of Attorney General on Operations of Defense Production Act

A letter from the Attorney General, transmitting, pursuant to law, his report on operations under section 708 (e) of the Defense Production Act of 1950, as amended, dated May 9, 1956 (with an accompanying report); to the Committee on Banking and Currency.

Sfc. Thomas F. Callahan

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Sfc. Thomas F. Callahan (with an accompanying paper); to the Committee on the Judiciary.

Procedure for Altering Certain Bridges Over Navigable Waters

A letter from the Secretary of the Army, transmitting a draft of proposed legislation relating to the procedure for altering certain bridges over navigable waters (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions calling upon the Attorney General of the United States to investigate and prosecute the violations of the civil rights of American citizens in the State of Mississippi

"Whereas it is apparent that numerous violations of the civil rights of American citizens have occurred in the State of Mississippi; among them (1) the unsolved murder of Rev. George W. Lee, of Belzoni, Miss., who was cut down by a shotgun blast from a speeding automobile to stop him from campaigning to register voters; (2) the unsolved murder of Lamar Smith of Brookhaven, Miss., killed on a lawn of the courthouse for having registered to vote after certain townsmen had warned him to the contrary; (3) the unsolved murder of Emmett Till of Chicago, Ill., and the refusal of a Leflore County, Miss., grand jury to indict for kidnaping those who had publicly admitted the abduction of said Emmett Till; and

"Whereas, it now appears that those responsible for these tragic crimes are not being brought to justice; and

"Whereas, it now appears and has been apparent that the local administration of justice in the State of Mississippi is either unable or unwilling to function; and

"Whereas it clearly appears that American citizens have been and continue to be denied in Mississippi the protection of civil rights guaranteed by the United States Constitution and amendments and laws enacted thereunder; and

"Whereas the general court has found the people of the Commonwealth to be shocked and horrified at these events and wishes to express the profound regret and sorrow of our citizens; therefore be it

"*Resolved*, That the General Court of Massachusetts urges the Attorney General of the United States to investigate the violations of the civil rights and the breakdown of local law enforcement in the State of Mississippi; and be it further

"*Resolved*, That the Attorney General of the United States invoke the Federal laws and the facilities of the United States Department of Justice to apprehend, indict, sentence and punish those responsible for these brutal crimes and those who have conspired to defeat the enforcement of law and the administration of justice in Mississippi; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the Attorney General of the United States, to the presiding officer of each branch of Congress, and to each of the Members thereof from this Commonwealth."

A telegram in the nature of a petition from William H. Mattax, of Tulsa, Okla., praying for the enactment of legislation to amend the Social Security Act relating to the lowering of the retirement age of those who reach the age of 60 years; to the Committee on Finance.

A resolution adopted by Miranda Grange 690, of Humboldt County, Calif., favoring the enactment of legislation to provide funds for the safeguarding against floods on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, and Van Duzen Rivers, Calif.; to the Committee on Public Works.

A resolution adopted by the board of county commissioners; Allegheny County, Pa., expressing the gratitude of the people of that county for the long and faithful public services rendered by the late Senator Alben W. Barkley, of Kentucky; ordered to lie on the table.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, petitions signed by approximately 400 citizens of the United States, praying for the enactment of the so-called Langer bill, to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting on the radio or television. I ask unanimous consent that one of the petitions, without the signatures attached, may be printed in the Record.

There being no objection, the petitions were referred to the Committee on Interstate and Foreign Commerce, and one of the petitions, without the signatures attached, was ordered to be printed in the Record, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

Mr. MAGNUSON. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the Record a petition signed by Mary Owen and 42 other citizens of the State of Washington, praying for the enactment of Senate bill 923, relating to the prohibition of alcoholic beverage advertising in interstate commerce.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the Record, as follows:

We, the undersigned, are depending on you, the Honorable Warren G. Magnuson, United States Senator from the State of Washington, and chairman of Interstate and Foreign Commerce Committee, to push the Langer bill, S. 923, until it comes before the Senate for a vote.

(Signed by Mary Owen and 42 other citizens of the State of Washington.)

SIZE AND WEIGHT OF PARCEL-POST MAIL—LETTER AND RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Record a letter sent to me by the Pacific Northwest Apparel Manufacturers Association, under date of April 27, 1956, transmitting a resolution adopted by that association, favoring the enactment of House bill 95f6, relating to the size and weight of parcel post mail matter.

There being no objection, the letter and resolution were ordered to be printed in the Record, as follows:

Pacific Northwest Apparel
Manufacturers Association,
Portland, Oreg., *April 27, 1956.*

The Honorable Wayne Morse,
The United States Senate,
Washington, D. C.

Dear Senator Morse: Attached hereto is a resolution passed by the Pacific Northwest Apparel Manufacturers Association. This association represents every major producer of sportswear and related apparel in the Pacific Northwest.

As you will note, the resolution deals with the attempt to eliminate the present discriminatory parcel-post size and weight limitations. This matter is of particular importance to business in the State of Oregon. We have many small communities served only by parcel post. We have many small industries whose shipments are in package size. The present restrictions result in additional cost to local businesses and in additional cost to the Post Office Department, to the benefit of no one.

We hope that we will have your support in this matter.

Sincerely yours,
W. F. Lubersky.

Resolution in Support of H. R. 9566

Whereas the existence of an efficient, economical parcel-post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel-post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it hereby

Resolved, that the Pacific Northwest Apparel Manufacturers Association, representing 17 businesses in Portland and Seattle, favors immediate enactment of H. R. 9566 and restoration thereby of uniform parcel-post size and weight limits. It is respectfully requested that Senator Wayne Morse insert this resolution in the Congressional Record and that he request the chairman of the Post Office Committee to schedule hearings now on parcel-post size and weight so that the citizens of Seattle, Wash., and Portland, Oreg., may have relief from the present law before the current legislative session is concluded.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 3412. A bill to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war-risk insurance for an additional 5 years (Rept. No. 1998); and

H. R. 8810. A bill authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont. (Rept. No. 1969).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3457. A bill to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington (Rept. No. 1970).

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 2937. A bill to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service (Rept. No. 1968).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 510. A bill for the relief of Mary A. Mouskalis (Rept. No. 1992);

S. 806. A bill to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice (Rept. No. 1993);

S. 875. A bill for the relief of Angel Maria Olaeta Goitia (Rept. No. 1994);

S. 1245. A bill for the relief of Agnes V. Walsh, the estate of Margaret T. Denehy, and David Walsh (Rept. No. 1972);

S. 1895. A bill for the relief of Anna Maria Fuller (Rept. No. 1973);

S. 2341. A bill for the relief of Gertrude Heindel (Rept. No. 1974);

S. 3011. A bill for the relief of Chan Lee Nui Sin (Rept. No. 1979);

S. 3058. A bill for the relief of Javier F. Kuong (Rept. No. 1981);

S. 3147. A bill for the relief of Elsie M. Kenney (Rept. No. 1982);

H. R. 1471. A bill for the relief of William J. Robertson (Rept. No. 1984);

H. R. 1878. A bill for the relief of Mrs. Gertrud Maria Schurhoff (Rept. No. 1985);

H. R. 5047. A bill to increase the compensation of trustees in bankruptcy (Rept. No. 1986);

H. R. 5652. A bill to provide for the relief of certain members of the Army and Air Force, and for other purposes (Rept. No. 1987);

H. R. 6623. A bill to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency (Rept. No. 1988);

H. R. 8309. A bill for the relief of Col. Henry M. Zeller (Rept. No. 1989);

H. R. 9257. A bill to amend title 18 of the United States Code, so as to provide for the punishment of persons who assist in the attempted escape of persons in Federal custody (Rept. No. 1990); and

S. J. Res. 39. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women (Rept. No. 1991).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2722. A bill for the relief of Fai Hoo (Rept. No. 1977);

S. 2930. A bill for the relief of Eladio Ledesma-Gutierrez (Rept. No. 1978); and

S. 3040. A bill for the relief of Gertrud Charlotte Samuelis (Rept. No. 1980).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2352. A bill for the relief of Maj. Luther C. Cox (Rept. No. 1975);

S. 2690. A bill for the relief of William G. Jackson (Rept. No. 1976); and

S. 3410. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges (Rept. No. 1983).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, with amendments:

S. 2226. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941 (Rept. No. 1971).

By Mr. WILEY, from the Committee on the Judiciary:

S. 1273. A bill to amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended; without amendment (Rept. No. 1996).

By Mr. DANIEL, from the Committee on the Judiciary, without amendment:

S. 3760. A bill to provide for a more effective control of narcotic drugs, and for other related purposes (Rept. No. 1997).

Mr. DANIEL. Mr. President, I ask unanimous consent that the names of the Senator from Wisconsin [Mr. Wiley] and the Senator from Montana [Mr. Mansfield] be added as cosponsors of Senate bill 3760, entitled "Narcotic Control Act of 1956," the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. CHAVEZ, from the Committee on Public Works:

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively; without amendment (Rept. No. 1995).

AMENDMENT OF HOUSING ACT OF 1949, AS AMENDED, RELATING TO URBAN RENEWAL ASSISTANCE TO DISASTER AREAS

Mr. BUSH. Mr. President, from the Committee on Banking and Currency, I report favorably, an original bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, and I submit a report (No. 1967) thereon. I ask that the bill be printed and placed on the calendar.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, reported by Mr. Bush, from the Committee on Banking and Currency, was received, read twice by its title, and placed on the calendar.

Mr. BUSH. Mr. President, I ask unanimous consent to have printed at this point in the Record, as a part of my remarks, a copy of a letter from the town of Farmington, Conn., which, I believe, will quite clearly set forth the need for this proposed legislation. I also ask unanimous consent to have printed in the Record, following the letter, a table having to do with urban renewal activities in flood areas and disaster projects.

There being no objection, the letter and table were ordered to be printed in the Record, as follows:

Town of Farmington, Conn.,
March 15, 1956.

Senator Prescott Bush,
United States Senate,
Washington, D. C.

Hon. Senator Bush: I first wish to sincerely thank you for the fine work that you are doing in Washington for our communities in Connecticut who suffered so heavily by the devastating floods of this past year. I personally am grateful and I know the majority of the citizens in Farmington are also very pleased with the manner in which you have conducted your office during these trying times.

I have two problems which I would like to see if you may be of some assistance. First, as you are aware, the town of Farmington wishes to take up some of this flood devastated land and make it into park and recreational use under the Federal redevelopment law. Our application is now in the hands of the Housing and Home Finance Agency, to be processed so that we may proceed to accomplish our objective. In talking with the officials in their New York office, they now express doubt that we will qualify for the full aid. They are now saying that our area is predominantly opened and thereby does not qualify for the full two-thirds Federal participation. We maintain that this area is predominantly residential because that is what it was before the flood and also we are under the impression that President Eisenhower said that this redevelopment law should be made available to communities such as ours to control areas heavily hit by the flood waters.

Also during all of our preliminary discussions with officials of the New York office, we were led to believe that this area would be definitely considered as residential and thereby qualify for the full Federal participation. At the present time, we have approximately 70 families who are up in the air about relocation and also what will happen with their damaged property.

I wish to request of you that you intercede with the Housing and Home Finance Agency to see that our application will be quickly processed to receive the full amount of Federal participation.

Secondly, in regards to your Senate bill 2853, I believe it to be an excellent piece of legislation and will happily do anything possible to see that this legislation is passed favorably and in the very near future so that the flood control projects in our area may be completed.

Thank you for all of your past cooperation.

Sincerely,
Stephen A. Flis,
Town Manager.

All Disaster Projects—Housing and Home Finance Agency, Urban Renewal Administration, Urban Renewal Activities in Flood Areas

Urban renewal projects (title I of the Housing Act of 1949, as amended)

	Planning advances	Capital grant reservations
Applications approved: Total (14 projects)	$821,273	$12,670,695
California: Santa Cruz	80,180	600,000
Connecticut:		
Naugatuck (2 projects)	42,672 27,604	844,000 261,333
Seymour (2 projects)	39,261 49,761	330,000 300,000
Norwalk	62,720	2,356,241
Washington	20,000	256,000
Waterbury	60,348	666,000
Putnam	75,868	1,687,912
Winsted	29,600	350,000
Torrington	44,400	407,090
Stamford	143,850	2,300,000
Pennsylvania: Scranton (2 projects)	25,000 120,000	602,119 1,700,000

Urban planning assistance projects (sec. 701 of the Housing Act of 1954)

	Status of application, approved—	Amount
Total		$236,989
Connecticut Development Commission:		
Conn. P-1—Planning assistance to 14 flood-affected small communities	Oct. 5, 1955	87,509
Conn. P-2—Regional planning in 2 river valleys (Farmington and Naugatuck)	Nov. 10, 1955	68,200
Conn. P-3—Regional planning in Quinebaug River Valley	Mar. 14, 1956	27,280
Oregon State Board of Higher Education:		
Oreg. P-1—Planning assistance for 3 small communities	Feb. 21, 1956	9,000
Oreg. P-2—Planning in Springfield-Eugene metropolitan area	May 14, 1956	11,500
Rhode Island Development Council:		
R. I. P-1—Regional planning of Rhode Island shore area	Nov. 19, 1954	16,000
R. I. P-2—Planning assistance to 7 small areas	Oct. 10, 1955	17,500

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BEALL (for himself and Mr. Bible):

S. 3838. A bill to provide for the maintenance and operation of the bridge to be constructed over the Potomac River from Jones Point, Virginia, to Maryland; to the Committee on the District of Columbia.

By Mr. POTTER:

S. 3839. A bill to provide for the duty-free entry of mosaics designed for the use of any corporation or association organized and operated exclusively for religious purposes; to the Committee on Finance.

By Mr. DIRKSEN:

S. 3840. A bill for the relief of the Vermont, Ipava, and Table Grove Unit School District No. 2, in the State of Illinois; to the Committee on Labor and Public Welfare.

By Mr. WATKINS:

S. 3841. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 3842. A bill to amend the Labor Management Relations Act, 1947, as amended, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Curtis when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (by request):

S. 3843. A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes; to the Committee on Government Operations.

By Mr. BUSH:

S. 3844. A bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas; placed on the calendar.

(See the remarks of Mr. Bush when he reported the above bill from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. LANGER:

S. 3845. A bill to authorize the Secretary of Agriculture to sell certain quantities of wheat and cotton to the Republic of India; to the Committee on Agriculture and Forestry.

S. 3846. A bill to provide additional compensation for employees of the postal service; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Langer when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 3847. A bill for the relief of Arthur L. Peirson, Inc.; to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 3848. A bill to amend section 172 (d) of the Internal Revenue Code of 1954; to the Committee on Finance.

By Mr. LANGER:

S. 3849. A bill to repeal all Federal retailers excise taxes, certain manufacturers excise taxes, and the excise taxes on facilities and services; to the Committee on Finance.

By Mr. MORSE (for himself and Mr. Neuberger):

S. 3850. A bill to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Morse when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself, Mr. Neuberger, Mr. Magnuson, Mr. Young, Mr. Jackson, and Mr. Langer):

S. J. Res. 171. Joint resolution to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. Morse when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

The following resolutions were submitted, and referred as indicated:

By Mr. JENNER:

S. Res. 262. Resolution authorizing the printing of a revised edition of Senate Document No. 85 as a Senate document and providing for additional copies; to the Committee on Rules and Administration.

(See the remarks of Mr. Jenner when he submitted the above resolution, which appears under a separate heading.)

By Mr. LANGER:

S. Res. 263. Resolution extending greetings to the Bundestag of the West German Republic for the unveiling of a bust in honor of Carl Schurz; to the Committee on Foreign Relations.

(See the remarks of Mr. Langer when he submitted the above resolution, which appear under a separate heading.)

By Mr. STENNIS:

S. Res. 264. Resolution relative to judicial service requirements of nominees to be Associate Justices of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. Stennis when he submitted the above resolution, which appear under a separate heading.)

By Mr. JENNER:

S. Res. 265. Resolution favoring withdrawal of Soviet armed forces from Rumania and Hungary, pursuant to treaty obligations; to the Committee on Foreign Relations.

(See the remarks of Mr. Jenner when he submitted the above resolution, which appear under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF PART 7 OF HEARINGS HELD BY SUBCOMMITTEE ON IMPROVEMENTS IN FEDERAL CRIMINAL CODE

Mr. DANIEL submitted the following resolution (S. Res. 266), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on the Judiciary, 1,200 additional copies of part 7 of the hearings held by the Subcommittee on Improvements in the Federal Criminal Code.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT, 1947, RELATING TO PRESSURE BY UNIONS ON BUSINESS TO UNIONIZE

Mr. CURTIS. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the Senator may proceed.

Mr. CURTIS. Mr. President, a number of small businesses in Nebraska are being forced out of business by the wrongful acts of a few union bosses. I refer to the practice of applying pressure on neutral employers to compel them to stop doing business with other business firms unless the other firm unionizes. Under present law it is an illegal secondary boycott if pressure is applied against employees; coercion of employers is not now covered.

I wish to call your attention to a letter of January 26, 1956, signed by John Bridge, executive chairman of the Motor Carrier Labor Advisory Council, of 56 East Walton Street, Chicago, Ill., directed to a trucking concern at Omaha, Nebr. The letter is as follows:

> Until further notice, I recommend that you discontinue freight interchange with the Nebraska carriers listed below in order to avoid unnecessary interruption of your service outside of the State of Nebraska: Heuton Transfer, Lyons Transfer, Abler Transfer, Ross Transfer.

These acts and other acts are not only directed against truckers, but against department stores and small businesses of all kinds.

Mr. President, the strengthening of the secondary boycott provisions of the Taft-Hartley law carried in the bill I am introducing today is in the interest of the employees, the employers, and the public. Great numbers of union members and the vast majority of union leaders disapprove of these wrongful acts intended to be reached by this legislation. These union members and leaders are to be commended for their desire to have these abuses eliminated and for their resentment of the actions of outside troublemakers.

In the State of Nebraska at this very moment a number of small-business men are being subjected to threats by the teamsters' union that unless they force their employees to join the teamsters, they will find that other firms will refuse to do business with them. This is the typical secondary boycott. These are not idle threats. One Nebraska trucking firm was put out of business within the past few weeks. His is a tragic story—the story of a mighty union abusing its monopoly power to put a 26-year-old company out of business and its 27 drivers out of work.

Coffey's Transfer Co., of Alma, Nebr., received a demand on August 22, 1955, that they compel their 27 drivers to join the teamsters. The union did not want to submit to a National Labor Relations Board election, and it employed all of the delaying tactics possible to postpone an election. When the election finally was held January 24—5 months after the organizing drive and its accompanying secondary boycotts began—not a single workman voted for the union.

Delays by the NLRB also contributed to the union's success in putting this firm out of business. Instead of seeking an injunction, when Coffey filed secondary boycott charges October 14, 1955, as the law requires, the Board's representatives gave the union an opportunity to sign an agreement promising to stop the secondary boycott. The union never kept its promise and the boycotts continued until Coffey was forced to close its doors February 28. Its 27 drivers and other employees had to look for new work.

Other trucking firms also were drawn into this dispute by the union. Employees of the Des Moines Transportation Co. in Minneapolis and Omaha were told to go on strike because Coffey was bringing freight to Des Moines in those cities.

In Norfolk, Nebr., at this very moment the Clark Bros. Transfer Co. is experiencing a secondary boycott that is strangling them out of business.

Their story is almost a carbon copy of the tactics used against Coffey. The attempt to force workmen into a union against their will, a refusal by the employer to comply with such an unfair demand, and the usual secondary boycott followup. The NLRB again attempted settlement instead of proceeding for an injunction, and again the union's promise to discontinue the secondary boycott was worthless. From a staff of 26 employees, 8 have been laid off because of the boycott. This small trucking company which has been serving Nebraska citizens for years is now facing a business death because the company maintains the principle of free collective bargaining and voluntary unionism.

These two examples are merely part of a statewide drive against small Nebraska trucking companies to use secondary boycotts to organize more drivers against their will.

But this is not just a State issue. This drive is directed from other areas. I have a copy of a letter dated January 26, 1956, from one John Bridge, executive chairman of the Motor Carrier Labor Advisory Council, Chicago, to the Bee Line Motor Freight Co. in Omaha, showing that the secondary boycott is an interstate conspiracy. The letter addressed to W. L. Pruner, president of Bee Line, reads:

> Until further notice, I recommend that you discontinue freight interchange with the Nebraska carriers listed below in order to avoid unnecessary interruption of your service outside of the State of Nebraska: Heuton Transfer, Lyons Transfer, Abler Transfer, Ross Transfer.

Next to violence, the secondary boycott is the most vicious weapon used by union bosses. The incidents in Nebraska are but a proverbial "drop in the bucket" when the overall situation is surveyed. Permit me to just hit a few high spots of current or recent secondary boycott activities in all parts of the United States.

In Massachusetts the teamsters have attempted to prevent shippers from using "piggyback" service on the New York, New Haven Railroad. They seek to restrain this type of service that has been given by the railroad for 18 years.

In Baltimore, the building trades unions are trying to compel contractors to agree to secondary boycotts in advance. By contract, they want general contractors to promise not to do business with a subcontractor whose employees are not members of the building trades union. To further monopolize the labor market they seek to make union subcontractors refuse to do work for nonunion general contractors. Secondary boycotts have been used to try to compel contractors to agree to such agreements.

The Daily Oklahoman of March 31 reports from Oklahoma City, and I quote:

> A teamsters, union plan to picket three large Oklahoma City grocery chains because they handle nonunion bread was revealed Friday.

Union men in Utah followed a cheese truck belonging to the Cache Valley Dairy Association of Smithfield, Utah, 2,300 miles to New York City to picket the truck on its delivery of cheese to the New York distributor. There was no labor dispute involved: the union was merely trying to compel the dairy to make its men join the union unwillingly.

In Los Angeles, carpenters refused to install doors made in Wisconsin and kitchen cabinets made in Iowa because they do not have a union label. Insisting on this restraint of trade, the union used a secondary boycott to force west coast firms to stop doing business with the companies in Wisconsin and Iowa. In the Iowa case, the vast majority of the cabinetmaker's employees were union members.

In New York City a new weekly newspaper, the New York Sunday Graphic, was boycotted out of business before it could get out of the pressroom. Why? Because the editor did not obtain advance permission from a circulation union that he could go into business.

Also in New York, folks who owned Royal typewriters were picketed if they attempted to have the typewriters repaired while the union at Royal was on strike against the firm.

In Akron, Ohio, the Burt Manufacturing Co. has a certified union—men who are members of the AFL–CIO steelworkers. But the AFL–CIO sheet metal workers refuse to install Burt ventilators because they do not make the ventilators. Architects are intimidated that if they order Burt products there will be trouble on the job site.

The Benjamin Electric Co., of Des Plaines, Ill., reports that although 80 percent of its employees are union members, their products cannot be sold in St. Louis and several other cities because the company refuses to apply the union's label to their product. The company's merchandise is kept off the market by a threat of a secondary boycott.

In St. Louis, Swift & Co.'s products were kept from meat market counters because of a secondary boycott by the meatcutters' union. The union insisted that Swift salesmen join it.

In Newcastle County, Del., the construction of an airport was held up nearly 5 months because the county gave the electrical work to the lowest bidding contractor. It happened his employees chose to remain outside the International Brotherhood of Electrical Workers.

I introduce, for appropriate reference, a bill to amend the Labor Management Relations Act of 1947, as amended, and for other purposes. I ask unanimous consent that the bill, together with an explanation of the bill, prepared by me, may be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanatory statement will be printed in the Record.

The bill (S. 3842) to amend the Labor Management Relations Act, 1947, as amended, and for other purposes, introduced by Mr. Curtis, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That the Labor Management Relations Act, 1947, as amended, is hereby further amended as follows:

(a) Section 8 (b) (4) of title I of such act is amended to read as follows:

"(4) To exert, attempt to exert, or threaten to exert (regardless of the provisions in any collective bargaining or other contract) against an employer economic coercion of any type, by picketing or by any other means, where an object thereof is—

"(A) forcing or requiring any employer or self-employed person to join any labor or employer organization;

"(B) forcing or requiring an employer or other person to cease doing business with any other person;

"(C) forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9;

"(D) forcing or requiring any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7;

"(E) forcing or requiring employees to join or refuse to join a labor organization;

"(F) forcing or requiring any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class, unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, That nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act."

(b) Section 10 (l) of title I of such act is amended by striking out the first sentence and inserting in lieu thereof the following: "Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (4) (A), (B), (C), (D), (E), or (F) of section 8 (b), the preliminary investigation of such charge shall be made forthwith and given priority over all other cases except cases of like character in the office where it is filed or to which it is referred."

(c) Section 303 of title 3 of such act is amended to read as follows: "Whoever shall be injured in his business or property by reason of any act or acts which are made an unfair labor practice under section 8 (b) (4) of the National Labor Relations Act, as amended, may sue therefor in any district court of the United States subject to the limitations and provisions of section 301 of this act without respect to the amount in controversy, or in any other court having jurisdiction of the parties, and shall recover the damages by him sustained and cost of the suit."

The explanatory statement, presented by Mr. Curtis, is as follows:

EXPLANATORY STATEMENT BY SENATOR CURTIS

The following statement explains the purpose, background, and detail of S. 3842 which I have today introduced before the United States Senate:

I. PURPOSE OF THE BILL

The bill is designed as a substitute for the present language of section 8 (b) (4) of the Taft-Hartley Act. Its purpose is to make more effective the prohibition on secondary boycotts which Congress intended at the time of the passage of the original act in 1947.

In drafting the language, an effort has been made to simplify the wording so that the intent shall be clear and understandable. As with the present language of section 8 (b) (4), secondary boycotts are the primary concern, but certain primary activities directly related to secondary boycotts are also covered.

II. THE BACKGROUND OF THIS PROPOSAL

1. Status of secondary boycotts prior to passage of the Taft-Hartley Act

Even before the passage of the Taft-Hartley Act, secondary boycotts were generally regarded as unlawful. Numerous court decisions going back for many years had adopted this view. Writing in 1940, a recognized authority on labor law, Mr. Ludwig Teller, said:

"American judicial decision has come into general agreement that there is a distinction between a primary boycott and a secondary boycott, and, as shall be seen hereafter, that the primary boycott, if peacefully carried on, is legal, while the secondary boycott, illegal because involving the exercise of coercion upon innocent third persons not parties to the dispute." (Teller, Labor Disputes and Collective Bargaining, vol. I, p. 454.)

Federal statutory relief became necessary because of the difficulty of securing adequate relief in Federal and State courts * * * a situation brought about by the restrictions placed on the issuance of injunctions in labor disputes by the Norris-LaGuardia Act and similar statutes in many States. Thus an admitted evil—the secondary boycott—existed, but affected parties were unable, because of procedural restrictions, to get effective help.

2. Legislative history of section 8 (b) (4) of the Taft-Hartley Act

Prior to the passage of the Taft-Hartley Act, lengthy hearings were held by congressional committees on the need for a more balanced labor-relations statute. As the committee reports show, one of the most discussed evils was the secondary boycott. Testimony before both the Senate and House committees showed in minute detail the unfair and undesirable technique and purpose of secondary boycotts.

There is no question but that the Congress in passing section 8 (b) (4) sought to prohibit the use of secondary boycotts in industries subject to the provisions of the act. The point is almost too clear to require documentation. The conference report to the House of Representatives referred to section 8 (b) (4) (A), as follows:

"Under clause (A) [of 8 (b) (4)] strikes or boycotts, or attempts to induce or encourage such action were made unfair labor practices if the purpose was to force an employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of another, or to cease doing business with any other person. Thus it was made an unfair labor practice for a union to engage in a strike against employer A for the purpose of forcing that employer to cease doing business with employer B. Similarly it would not be lawful for a union to boycott employer A because employer A uses or otherwise deals in the goods of, or does business with, employer B" (H. Rept. No. 510, 80th Cong., 1st sess., 43).

Senator Taft, who was sponsor of the bill in the Senate, discussed on the floor of the Senate the secondary boycott section in the following terms:

"Under the provisions of the Norris-LaGuardia Act, it became impossible to stop a secondary boycott or any other kind of a strike, no matter how unlawful it may have been at common law. All this provision of the bill does is to reverse the effect of the law as to secondary boycotts. It has been set forth that there are good secondary boycotts and bad secondary boycotts. Our committee heard evidence for weeks and never succeeded in having anyone tell us any difference between different kinds of secondary boycotts. So we have so broadened the provision dealing with secondary boycotts as to make them an unfair labor practice" (93 Congressional Record 4198).

3. The language of section 8 (b) (4)

Although intended to prohibit secondary boycotts, the language of section 8 (b) (4) does not use the term. It was apparently felt that, by describing the technique normally used, the matter could be more effectively handled. Consequently, it was made unlawful for a union or its agents to induce or encourage employees to refuse to perform work where an object is to force one employer to cease doing business with another. Within this phraseology certainly falls the majority of the situations which have traditionally been regarded as secondary boycotts. It did not, as subsequent experience has painfully shown, cover all. Moreover, this fact has led those who have sought to circumvent the act to use boycott methods which deviate sufficiently from the specified activity so as to be untouched by the sanctions of the act.

4. Board and court interpretations of section 8 (b) (4)

Congressional intent to prohibit secondary boycotts has not been carried out. Board and court interpretations have made serious inroads on the statutory framework. Inadvertent omissions in the original language have also contributed to the present situation. As a result, important loopholes now exist which, when carefully used by well-advised parties, can permit the very type of activity which Congress sought to prohibit.

Some of the so-called loopholes are listed below:

(1) Threats to Employers

The present language makes unlawful only the inducement of employees to refuse to perform work. The threat of a boycott directed to an employer or its agent goes unchallenged. Particularly where small businesses are concerned, the threat of a secondary boycott directed toward a company president or a plant manager can be even more effective than the inducement of his employees. Often, the company is in no position strategically to wait and see if the union means to or has the power to carry out its threat. This fact of life has been recognized by the unions, and threats to neutral employers have been used with telling effect.

(2) Hot Cargo Clauses

Early in the administration of the Taft-Hartley Act the Board issued a decision in the now famous Conway's Express case (Conway's Express (87 NLRB 130, enforced, 195 F. 2d. 906)) which, in effect, stated that a clause in a collective bargaining contract permitting unionized employees to refuse to handle goods labeled as unfair or "hot" by the union would serve as a valid defense to otherwise unlawful inducement of a secondary boycott. The Board's decision was upheld on appeal by the Second Circuit Court. Although the decision of the court may not necessarily be as complete an endorsement of the hot cargo clause as is generally thought, unions were quick to seize on the Conway decision as a convenient vehicle to circumvent the act. All that was needed was a clause in a collective bargaining contract permitting a secondary boycott. Given sufficient bargaining strength on the part of the union, the result was easy to foresee. Hot cargo clauses appeared all over the country. Secondary boycotts were conducted with impunity under the protective wing of such provisions.

A majority of the Board continued to follow the Conway doctrine until the McAlister case (McAlister Transfer, Inc., 110 NLRB No. 224) which was decided in 1954. At that time, changes in Board personnel resulted in a restudy of the matter In the McAlister decision, a majority of the Board adopted the view that hot cargo clauses could not be sustained as a valid defense against otherwise unlawful conduct unless the employer acquiesced in their observance. The present Board now follows the rule set forth in the McAlister case, with two Board members dissenting on the theory that the Conway decision is controlling, and a third Board member concurring specially with the majority opinion on the ground that the existence of such a provision should be regarded as illegal per se. See, for example, the Board's decision in Sand Door & Plywood Co. (113 NLRB No. 123).

It seems difficult to understand the Conway decision and the rationale behind it. In effect it espouses the principle that private parties can, by contract, set aside or circumvent an important matter of public policy embodied in a statute passed by the Congress. To my knowledge, no precedent exists for such circumvention. Even if the parties to a collective bargaining agreement containing such a clause were the only ones involved in congressional consideration of the secondary boycott problem, there still would be no justification for a contradiction of that policy once it had been clearly set forth. Here, of course, Congress was clearly considering interests going far beyond the primary employer and the union with which it is at the time doing business. Congress was seeking to protect neutral and third party employers, their employees, and perhaps most important, the community as a whole. Indeed, a major purpose of section 8 (b) (4) was to limit the area of industrial strife to those directly involved in the dispute. In this posture it is obvious that the hot cargo doctrine as set forth in the Conway case constitutes a flagrant attempt by an administrative agency to destroy a clear congressional mandate.

While the present Board has adopted a more reasonable view of the matter, the problem is so important that it should not be left to the opinions of appointees to administrative office. Congress must speak once and for all in regard to the matter.

(3) Refusal To Enter Employment

In certain industries where occasional or per-job employment is the rule, unions have found that a secondary boycott can be conducted, not by inducing employees to refuse to perform work—which is unlawful—but merely by refusing to let members accept work with an employer who is unfair. The technique is effective where the union controls most of the skilled help in the market and where employment is on a per-job basis. The present act does not, according to Board and court decisions, reach this type of tactic, and it was so held in *Joliet Contractors Association* (99 N. L. R. B. 139).

(4) Secondary Customer Boycott

The language of section 8 (b) (4) does not prohibit secondary customer boycotts. Thus, for example, a union can apparently picket the customer entrances of a retail store which is carrying a product manufactured by a company with which the union has a primary dispute. Similarly, a union can organize a consumer or customer boycott against a soft drink distributing company merely because that company advertises on a radio or television station with which the union has a primary dispute. These are examples of secondary customer or consumer boycotts where the secondary employer offers goods or services directly to the consuming public. Such a boycott is a potent form of economic pressure.

(5) Restricted Definitions of the Terms "Employer" and "Person"

For the general purposes of the application of the act, there are set forth in section 2 definitions of terms used in the act. Among the definitions included are those for the terms "employer," "employee," and "person." In applying the secondary boycott section of the act the Board has, in a number of cases, adhered strictly to these definitions, thus permitting otherwise unlawful conduct. For example, the *International Rice Milling Co., Inc.* (84 N. L. R. B. 360), the Board held that a railroad company was not an employer within the meaning of the act. Hence, its employees could be induced to refuse to perform work even though the objective was to force the railroad company to cease doing business with another person. The interpretation was reversed by the fifth circuit court in *The International Rice Milling Co., Inc., v. NLRB* (F. 2d 21), but the court's opinion has apparently not been generally accepted. See *Sprys Electric Co.* (104 N. L. R. B. 1128), where otherwise unlawful inducement was permitted because a governmental agency was the organization involved in the interruption of business.

It is my opinion that the legislative history of the present act indicates an intent on the part of Congress to broadly apply the secondary boycott prohibition. As our Fifth Circuit Court has pointed out, the need for restricted definitions of certain key words, which undoubtedly exist in connection with the application of some other parts of the act, does not exist in applying the boycott provisions.

(6) Ambulatory Picketing

In an early decision of the Board (*Schultz Refrigerated Services, Inc.* (87 NLRB 92)) picketing of the trucks of a primary employer was permitted wherever those trucks stopped to pick up or deliver. Subsequent decisions in the past several years have restricted the application of the doctrine, but it should be settled once and for all. The theoretical basis of the doctrine lies in a legitimate desire to protect primary picketing at or near the premises of the primary employer. The trucks become an extension of the premises. Hence, the following of the trucks has been permitted. The reasoning overlooks the obvious fact that picketing away from the premises of the primary employer has quite plainly the principal objective of inducing employees of the secondary employer to refuse to perform work. Consequently, in my judgment, it should be regarded as unlawful.

The above listing is not intended to cover all the loopholes that exist in the present framework of boycott protection. There are others. The proposed language is intended to cover all the indicated loopholes, but it is not intended that the construction of the proposed wording be limited to those situations covered by existing interpretation plus the loopholes. Where there is economic pressure on an employer for one of the stated objectives, the activity is intended to be unlawful, whether it fits a presently contemplated situation or not.

III. A COMPARISON OF THE LANGUAGE OF S. 3842 AND SECTION 8 (B) (4) OF THE TAFT-HARTLEY ACT

In this section, the several parts of the proposed bill are discussed and compared with comparable wording in Section 8 (b) (4) of the Taft-Hartley Act.

1. Introductory wording:

The present act makes it an unfair labor practice for a labor organization or its agents—

"(4) to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any service, where an object thereof is * * *."

The comparable language in S. 3842 reads as follows:

"(4) to exert, attempt to exert, or threaten to exert, (regardless of the provisions in any collective bargaining or other contract) against an employer economic coercion of any type, by picketing or by any other means, where an object thereof is * * *."

The proposed wording is at once a simplification and an extension of the present statutory language. The Taft-Hartley wording in essence makes unlawful the inducement of employees to refuse to perform work. Experience has shown that there are

other and equally effective forms of economic coercion against the neutral or third party employer besides inducing his employees to refuse to perform work. If the objective of the section is to prevent economic pressure directed toward a neutral employer in order to force him to cease doing business with some other person, then it inevitably follows that all sorts of economic pressure should be prohibited. In other words, if the vice of the secondary boycott is economic pressure against a neutral, all types of economic pressure should be prohibited, not merely the type which is traditionally the most used, that is, a refusal to work by his employees. There is no logical half-way point in attacking this problem. Either all economic pressure against the secondary employer is prohibited, or none at all. Union activity designed to coerce a third party employer is no less a secondary boycott because it uses an approach which is not usual. Indeed the limitation of the prohibition to a particular technique encourages resort to other means.

The proposed language references "economic coercion of any type" against a third party employer. Admittedly, this is a comprehensive reference. It is intended to be. Nothing less than this is acceptable if secondary boycotts are to be prohibited. This was, of course, the intent of Congress in 1947. I believe that it is the intent of Congress today. Let us effectuate that intent.

Before discussing by way of illustration the types of economic coercion which are covered let it be said that the language does not, nor is it intended to, limit or interfere with the right to conduct a primary strike. There were those who challenged the present language of the act as prohibiting the picketing normally incidental to a primary strike on the theory that the picketing had the effect of inducing employees of third party suppliers not to cross the picketline. Whatever an overly literal reading of the present language may reveal it is obvious that Congress, in 1947, intended no such result. Nowhere in the legislative history of the act is there the slightest indication of such intent. Obviously, it is a result which is not to be lightly inferred.

The proposed language does not interfere with the right to conduct a primary strike, nor with the usual picketing that normally occurs at or near the situs of this primary dispute. The extension of such picketing or other forms of inducement to the premises of a secondary employer does, of course, raise an entirely different problem.

On the postive side the proposed language prohibits the type of inducement covered by the wording of the present act. It goes beyond this to include all types of economic pressure whether directly or indirectly applied. Illustrative of the types of economic pressure intended to be covered by the language are the following:

(1) Threats of economic coercion directed to owners, managers, and their representatives.

(2) Threats to induce or the actual inducement of customer or consumer boycotts of the product or services of a secondary employer.

(3) Threats to refuse or the actual refusal to accept employment with secondary employers.

(4) The inducement of employees to refuse to perform work.

The above listing is illustrative, and is not to be regarded as covering all types of economic pressure covered by the wording.

The parenthetical inclusion in the proposed language relates to the hot cargo clause problem. By this wording, it is intended that hot cargo clauses shall not serve as a defense to otherwise unlawful conduct. It is further the intent of the wording that no contract language shall in any way be construed so as to bind an employer to permit or acquiesce in an otherwise unlawful refusal on the part of his employees to perform work. The declared public policy of the United States against secondary boycotts cannot be modified by private contractual agreements. I might add that, in my judgment, the insistence by a union of the inclusion of such a clause in a collective bargaining contract should be regarded as a refusal to bargain in good faith.

The term "employer" as used in this section is not limited to the strict definition of the term as set forth in section 2 of the present act. It is specifically intended to cover any employer, whether or not he be subject to other provisions of the statute. Among others this would include railroad companies, State and Federal Governments, employers of farm labor, etc.

It may be argued by some that the comprehensive nature of the prohibition proposed makes it subject to constitutional challenge. Such an objection is unfounded. It was raised and disposed of by the courts in connection with the present language of section 8 (b) (4). (*International Brotherhood of Electrical Workers, Local 501* v. *NLRB* 341 U. S. 694.) There is no constitutional right to induce, or threaten to induce, even by peaceful means, acts which are unlawful. Congress has declared secondary boycotts to be unlawful. Their inducement, or threats thereof, is not privileged.

2. "(A) forcing or requiring any employer or self-employed person to join any labor or employer organization":

The language here relates to forcing or requiring an employer or self-employed person to join a union. The wording is the same as that contained in the first part of paragraph "(A)" of the present Taft-Hartley Act. Although the language has received relatively little application insofar as the present act is concerned, no one will dispute the wisdom of its inclusion. It is placed in a separate paragraph here for purposes of clarification only. No change in meaning or interpretation is intended.

3. "(B) forcing or requiring an employer or other person to cease doing business with any other person":

This is the heart of the proposed amendment, just as generally similar language is the heart of section 8 (b) (4) of the present act. The paragraph is essentially the same as the last part of section 8 (b) (4) (A) of the Taft-Hartley Act. The only change is the elimination of the enumeration in the present language. It is felt that the phrase "cease doing business with" covers the specific items now mentioned such as selling, using, handling, etc. The use of the single phrase "cease doing business with" which is contained in the present act, along with the enumeration, is not intended to imply a more restricted interpretation of the language. The simplification is proposed merely for the purpose of clarity so that the average person on reading the language will more readily understand just what is meant.

4. "(C) forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9":

The language here is exactly the same as that now contained in section 8 (b) (4) (B) of the Taft-Hartley Act. Existing interpretation of that section is regarded as satisfactory.

5. "(D) forcing or requiring any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7":

This language is not contained in section 8 (b) (4) of the Taft-Hartley Act. It is designed to prohibit the use of economic coercion for the purpose of forcing an employer to interfere with the right of his employees to join or refrain from joining a union. Among other things, the wording would prohibit what is now known as recognition picketing.

The cornerstone of the Wagner Act and the Taft-Hartley Act is contained in section 7. In the original law, the guaranty set forth in section 7 declared as a matter of public policy the right of employees to self-organization—the right to freely select their own bargaining representative. Added to this basic right in 1947 was the corollary right to refuse to participate in union activity. Taken together, these guaranties form the basis of our national labor policy. It is a sound basis. The cornerstone is well laid.

With this as a basis, it follows necessarily that neither a company nor a union should have the right to coerce an employee in the exercise of his right to join or refuse to join a labor organization. And from this it follows that an employer should be free from economic pressure or coercion designed to force him to interfere with the rights of an employee.

Section 9 of the present act generally follows the scheme set up in the Wagner Act whereby the selection of a bargaining agent can be made by secret ballot in an election conducted by the National Labor Relations Board. This is a procedure which gives meaning to the guaranty of an uncoerced choice. The thousands of elections conducted by the Board over the past 20 years indicate beyond question the efficacy of the balloting procedure.

Today, however, a serious inroad on the right of freedom of choice has been made. It is an inroad which is not covered by present statutory language. It is recognition picketing.

In the usual situation, recognition picketing takes places where an employer has refused a demand that the union be recognized as a majority bargaining agent and thereafter a picket line is set up at or near the employer's place of business. The only way that the employer can resolve the situation is to recognize the union, regardless of the wishes of his employees, and sign up with the union. For the employer to do so is to engage in an unfair labor practice. Yet the fault is not his. Economic pressure of the picket line in some cases forces him to make a choice between signing up with a union or going out of business. It is difficult to blame him when he takes the course of saving his business, even though it means violating the law.

The election machinery set up in the act should be used to determine majority status. Recognition picketing should be permitted only where the employer refuses to accept the choice of his employees in selecting a bargaining agent.

The overwhelming majority of State courts today have declared recognition picketing to be unlawful. These courts have realized the inconsistency between a guarantee of free choice and economic coercion which forces an employer to select a bargaining agent for his employee. Consequently, in most jurisdictions, such picketing can be enjoined. This fact does not, however, solve the problem at the Federal level. With the Supreme Court's decision in the Garner case, which emphasized the preemption by the Federal Government in certain important areas in labor-management relations, State jurisdiction in recognition picketing situations may well be now limited to those situations in which the National Labor Relations Board either does not have jurisdiction, or does not seek to exercise its jurisdiction (*Garner* v. *Teamsters, C. & H. Union* (346 U. S. 486)). A large segment of the American economy is therefore left open to this patently unfair and coercive device.

The recognition-picketing problem is included in this section of the act because it is closely allied to the secondary boycott issue. Studies have shown that a majority of secondary boycotts arise from situations in

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The PRESIDENT pro tempore. The

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which the union is trying to recognize the employees of the primary employer. Unsuccessful by direct appeal, the union seeks to pressure the employer into recognition by putting economic pressure on the secondary employer who does business with the primary employer. The language of the present act covers those situations in which the recognition is being forced through the use of pressure on a secondary employer. The proposed language would add a necessary element to the protection by prohibiting economic pressure directed toward the primary employer. While such pressure is normally in the form of picketing, the proposed wording covers all types of economic pressure which has as an object the forcing or requiring of an employer to interfere with the right of his employees to join or refrain from joining a labor organization.

There can be no question today of the constitutionality of a prohibition against recognition picketing. In *Building Services Union* v. *Gazzam* (339 U. S. 532), the United States Supreme Court upheld a lower court decision permitting an injunction against recognition picketing in the State of Washington. The public policy of that State condemned interference with the right of employees of that State to self-organization. The same treatment would undoubtedly be accorded a congressionally enunciated policy on the subject.

6. "(E) forcing or requiring employees to join or refuse to join a labor organization":

The proposed language is not found in the Taft-Hartley Act. Its purpose is to prohibit the use of economic coercion against an employer where an object is the forcing or requiring of employees to join or refuse to join a labor organization. Obviously this purpose is related to that discussed in proposed paragraph "(D)."

In picketing situations today, where the union is seeking to become the bargaining agent, there is the much-debated problem of recognition versus organizational picketing. In a few jurisdictions, particularly in New York, there is an effort to distinguish between the two types. Theoretically, this can be done. Recognition picketing involves a situation in which the union demands recognition from the employer and, failing to get it, puts up a picket line. Organizational picketing, on the other hand, embraces the situation where the union makes no demand on the employer for recognition but pickets allegedly for the purpose of organizing the employees. While a difference does exist in theory, it is open to question as to how much validity it may have in practice.

From the employer's point of view, in both cases the picket line is there. If the existence of the pickets reduces the number of customers as it often does, for example, in the case of a retail store, or induces the employees of a third-party employer to refuse to pick up or deliver at the premises of the picketed employer, the economic effect is the same. The loss is just as great whether the union has demanded recognition or whether it claims merely to be organizing the people. The solution for the employer, if he cannot stand the pressure, is to force his employees into the union and to sign up.

From the point of view of the employees of the picketed employer, the difference is also insubstantial. The economic coercion against the employer is just as real in one case as in the other. If, as a result, they feel they have to join the union, their freedom of choice is impaired, whether the picketing is said to be organizational or recognition in character.

From the union's point of view, the answer is obvious. If recognition picketing is prohibited and organizational picketing is permitted, all the union has to do is to make sure that it never overtly demands recognition and sticks to its claim that the picketing is organizational in character. The important weapon is the picket line. If it brings about the requisite degree of economic coercion, the employer and the employees will be forced to line up.

From a legislative point of view—whether it be Federal or State—the restriction on organizational picketing raises a difficult problem. To the extent that it is an appeal to employees for support, it should be protected. To the extent that it coerces by economic pressure employees into joining a union, it should be condemned. This dual character of organizational picketing is the source of considerable confusion. My own view is that, where all the facts of the case show the picketing to be coercive—that is, to have the effect of forcing or requiring employees to join a union—it should be prohibited. Such is the intent of the language here proposed.

It is not the intent of this language to impinge upon the legitimate efforts of unions to preach the benefits of organization to employees. I would not intrude upon this right if I could. To me it is both important and necessary. On the other hand, I would not permit the use of this right as a technique to coerce employees in the exercise of their right to select or reject a union. In my judgment, organizational picketing in most contexts goes beyond an appeal to reason and becomes an instrument of coercion. Where election machinery is available, and where the law prohibits employer interference with the right of employees to select their own bargaining agent, let unions sell the benefits of organization by appeals to reason, not by the use of economic force.

The specific language used refers to "forcing or requiring employees." In my judgment, these words have nothing to do with persuasion, exhortation, or the right of free speech. Where organizational picketing has the effect of forcing or requiring employees to join or not to join a union, it should be struck down. It is at that point no longer privileged as free speech.

While the language is most importantly directed toward picketing, it also is intended to include other types of economic coercion where an object is forcing or requiring employees to join or to refuse to join a labor organization.

In some quarters there may exist a belief that the proposed language runs afoul of the constitutional guaranty of free speech. I would not propose it, nor support it if it did. I am convinced that it does not. My conviction is supported by two significant court decisions, one by the Supreme Judicial Court of Maine and the other by the Wisconsin Supreme Court. In the Maine case (*Pappas* v. *Stacey* (116 Atl. (2d) 497)) a restaurant was picketed for the alleged purpose of organizing the employees. The issuance of an injunction was upheld on the grounds that the picketing violated a Maine statute guaranteeing freedom of self-organization. Overruled by the court was the union's contention that the injunction infringed on constitutional rights. The decision was appealed to the Supreme Court of the United States, and was there dismissed without opinion (*Pappas* v. *Stacey* (U. S. Sup. Ct., No. 336, Oct. 24, 1955)).

The Wisconsin case (*Vogt, Inc.* v. *Teamsters Local* (Wis. Sup. Ct. (1956), 37 LRRM 2535)) also involved a typical organizational picketing situation. In an initial decision (*Vogt, Inc.* v. *Teamsters Local* (270 Wis. 315)) the Court reversed on constitutional grounds a lower court decision granting an injunction. On reconsideration, the original decision was reversed and the lower court judgment was affirmed.

While the Supreme Court of the United States has not directly passed on the question, I believe that these recent decisions indicate the direction of judicial thinking in those areas where it is necessary to draw a line between free speech on the one hand, and the right of employees to self-organization on the other. When speech in a context of action becomes coercive, it can be prohibited.

7. "(F) forcing or requiring any employer to assign particular work to employees in a particular labor organization or in particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, That nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act":

The wording here is exactly the same as that contained in paragraph 8 (b) (4) (D) of the Taft-Hartley Act.

The above represents an effort to set forth in detail both the reasons for the proposed changes in present language, and the intended application of the wording suggested. Obviously, not all situations can be spelled out in advance. In 1947, Congress thought it was outlawing secondary boycotts. The objective has not been reached. It may be that, even with the language here proposed, loopholes will develop. It is my sincere belief that if those who are construing the language of this bill will recognize and accept the fundamental concept of the intent of Congress to do away with secondary boycotts the objective can be achieved.

ADDITIONAL COMPENSATION FOR EMPLOYEES OF POSTAL SERVICE

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to provide additional compensation for employees of the postal service. I ask unanimous consent that a statement, prepared by me, in connection with the bill, may be read by the clerk.

The PRESIDENT pro tempore. Without objection, the clerk will read the statement.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, today I am introducing a bill to increase the salary of all postal employees $600 per year, and all substitutes 30 cents per hour. We passed a bill last year increasing salaries, but in the case of the majority of postal workers the increase was far too small. The salary for postal workers has not kept up to the improved standard of living. We must consider giving these employees a standard of living in keeping with the standard enjoyed by all other American citizens. The Heller Budget for Wage Earners indicates that for a man, wife, and two children a modest budget is $5,465.74 per year. The top pay of a letter carrier or postal clerk after 25 years is merely $4,710.

There is little wonder that the Post Office is finding it difficult to recruit employees; there is little wonder that the Post Office is finding it hard to retain employees.

Two recent examples have been brought to my attention that illustrate clearly that standard of pay in the postal service is far below that in private industry.

One of our letter carriers has been in the postal service for over 16 years and is now in the second longevity step. This carrier has a son, who has just turned 21 years of age, and has been employed by the telephone company as a splicer for the past 3 years. The son has had no specialized training and has progressed in the telephone company at the normal rate of advancement; yet during the year just past the son, with only 3 years of service, received over $500 in salary more than the father with 16 years of service.

In another instance, the wife of one of our letter carriers who has not worked in any job since their marriage some 18 years ago, recently went to work for one of the large concerns on the west coast. In a period of less than 6 months in the job, for which no specialized training or knowledge was required, her take-home pay exceeded that of her husband. Not only was the wife's pay greater, but the letter carrier claimed exemption for the three members of the family for income-tax purposes, while the wife took no exemptions.

Despite recommendations that have been or will be received from the administrative branch of Government, we have our responsibility to our postal employees. We shall have shirked our duty unless we grant our postal employees pay raises commensurate with their training and their faithfulness, and with the American standard of living.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3846) to provide additional compensation for employees of the postal service, introduced by Mr. Langer, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

INVESTIGATION OF RAILROAD FREIGHT-CAR SHORTAGE

Mr. MORSE. Mr. President, I shall not take the time of the Senate to read a statement which I have prepared on the annual railroad freight-car shortage, but I wish to say that I am greatly in debt to the distinguished Senator from Washington [Mr. Magnuson] for the magnificent job he has been doing as chairman of the Interstate Commerce Committee in trying to obtain some action on the part of the Interstate Commerce Commission and the railroads in regard to the freight-car shortage.

In order to buttress his work, I think we need to support it by the passage in the Senate of a joint resolution which I introduce on behalf of myself, my colleague, the junior Senator from Oregon [Mr. Neuberger], the junior Senator from North Dakota [Mr. Young], the senior Senator from North Dakota [Mr. Langer], the senior Senator from Washington [Mr. Magnuson], and the junior Senator from Washington [Mr. Jackson].

I ask unanimous consent to have my statement in support of the joint resolution printed at this point as a part of my remarks, together with the text of the resolution itself, and I ask to have the resolution appropriately referred.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and statement will be printed in the Record.

The joint resolution (S. J. Res. 171) to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage, introduced by Mr. Morse (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the Record, as follows:

Whereas annually serious freight-car shortages have occurred throughout the Nation; and

Whereas freight-car shortages in recent years have had increasingly adverse effects on the shipment and handling of many products, including lumber and grain and other farm commodities; and

Whereas the lack of freight cars for handling lumber, grain, farm commodities, and other products during peak shipping periods has caused great losses to farmers, workers, and businessmen, and has resulted in deterioration and spoilage and delays in the movement of a wide variety of products; and

Whereas American class I railroads between 1951 and 1955 have received enormous Federal income-tax benefits by way of rapid amortization of freight-car construction costs to assist in providing an adequate fleet of freight cars; and

Whereas despite such tax benefits the total fleet of freight cars continues to decline; and

Whereas there appears imminent a freight-car shortage of even more disastrous proportions this year; and

Whereas by law the Interstate Commerce Commission is required to submit to the Congress annual recommendations as to additional legislation relating to the regulation of commerce as may be deemed necessary: Now, therefore, be it

Resolved, etc., That the Interstate Commerce Commission shall immediately undertake, in consultation with shippers, railroads, and interested Federal and State agencies, a comprehensive investigation and study of the freight car shortage and shall report and recommend to the Congress by not later than 6 months from the date of enactment of this joint resolution, a comprehensive program to be undertaken by the Federal Government or the railroads, or both, to assure an adequate supply and proper distribution of freight cars within a reasonable time. Such investigation shall include, but not be limited to, the following subjects: (1) the establishment of a separate corporation to be financed by the railroads to supply an adequate pool of freight cars to serve the needs of the shipping public, (2) adequacy of funds available for hire of car service agents to enforce Interstate Commerce Commission orders, (3) adequacy of freight car construction and rebuilding facilities and programs in the United States and policies of the railroads with respect to such rebuilding and reconstruction.

Sec. 2. Such program as submitted to the Congress by the Interstate Commerce Commission shall include proposals for any legislation that may be required to obtain the necessary freight car supply; an estimate of the costs, if any, to the United States or to the railroads, or both, of carrying out such program; and any other matters that in the opinion of the Interstate Commerce Commission may be helpful to the Congress in its consideration of effective means to terminate the annual freight car shortages.

The statement, presented by Mr. Morse, is as follows:

STATEMENT BY SENATOR MORSE

The present indications are that this year's boxcar shortage will be one of the most serious that has hit the shippers of this Nation in the entire history of the perennial car shortage problem. The situation on car supply is becoming tighter and is considerably worse than it was at this time last year. During the week ending May 5, 1956, we had a shortage of 6,994 freight cars and a surplus of only 4,891. For the comparable week in 1955 there was a daily average shortage of 5,010 freight cars as compared to an average daily surplus of 15,726. Parenthetically, I should point out that we should not be misled by the coexistence of an average daily shortage and average daily surplus of cars. The difficulty is that the surpluses occur in areas other than where the shortage arises so the surpluses do not help eliminate the shortages.

So far as the lumber industry in western Oregon is concerned, if the present trend continues the car shortage will result in one of the most serious economic disruptions that has ever occurred in this vital industry. The freight car shortage probably will reach a peak during or immediately after grain harvest and will bring into bold focus the serious economic results of too few freight cars and improper distribution of the cars that are now in use. It is my opinion that the time has come to call upon the Interstate Commerce Commission for a searching and intensive study of the entire car shortage problem to be followed by recommendations to the Congress for legislation which will once and for all alleviate these annual shortages in rail transportation facilities which would appear to be wholly unnecessary if there were proper planning and coordination on the part of the American railroads and the agencies of Government that are charged with the responsibility of seeing to it that interstate commerce shipments travel swiftly, efficiently, and without interruption. American shippers are entitled to the finest types of transportation during peacetime and in times of national emergency our Government is entitled to rapid and complete transportation facilities. As the situation now stands neither American shippers nor the Government can be assured of attaining either of these objectives. The time has come to do something affirmative about this problem and I propose that we start at the Interstate Commerce Commission level.

The Interstate Commerce Commission is an arm of the Congress established to handle varied problems relating to the Nation's railroad transportation system. I know of no agency that is better equipped to handle an investigation of the freight-car shortage matter than the ICC. After all, it has been in business prior to the turn of the century. It has accumulated a wealth of facts and experience in this field and is ideally equipped to make a penetrating analysis of this problem which has become such a sore spot in our rail transportation program. For that reason, Mr. President, I am offering at this time a joint resolution calling for an investigation and report by the Interstate Commerce Commission to remedy the freight-car situation. I sincerely hope that the Congress will take speedy action on this resolution because the matter has become one of our prime domestic problems which urgently calls for rapid action and solution.

At this time I should mention that Senator Magnuson, of the State of Washington, chairman of the Senate Interstate and Foreign Commerce Committee, has been of inestimable help to all of us in our search for a solution of the car-shortage problem. At the request of Senator Neuberger and myself, Chairman Magnuson scheduled hearings on the boxcar shortage which brought to light many facts of great help to us in analyzing the situation. From Senator MAGNUSON and his committee there has been full cooperation in an endeavor to find ways to meet this shortage. He has given intensive study to this situation to get at the root of the trouble. The shippers throughout the Nation owe him a debt of gratitude for his efforts and I am sure that I express particularly the sentiments of lumber shippers in western Oregon when I pay the chairman this much-deserved praise.

It is my understanding that the subcommittee on Freight-Car Shortages, composed of Senator MAGNUSON, chairman, and Senators MONRONEY and SCHOEPPEL, will soon offer a report on S. 2770 on which hearings have recently been held. I shall look forward to this report because I am satisfied that it will be most informative and helpful.

On behalf of myself and Senators NEUBERGER, MAGNUSON, JACKSON, YOUNG, and LANGER, I have introduced, for appropriate reference, a joint resolution to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage.

PRINTING AS A SENATE DOCUMENT REVISED EDITION OF SENATE DOCUMENT 85, 84TH CONGRESS, ENTITLED "SOVIET POLITICAL TREATIES AND VIOLATIONS"

Mr. JENNER. Mr. President, the new leaders of Soviet Russia, in many public utterances since the death of Joseph Stalin, have proclaimed a desire for friendship with the nations of the free world.

It is again time to take cognizance of the record of the Soviet Union in its formal relationships with other nations—not the word-of-mouth promises but the official written pledges which the Kremlin has made since the imperialist regime was overthrown in 1917.

The Senate Internal Security Subcommittee has brought up to date a staff study of this record which was published in 1955. Its supply of the original document is nearly exhausted. Because of the newly aroused interest in the attitude of the Soviet leaders, I submit, for appropriate reference, a resolution providing that the study may be printed as a Senate document and as a revision of Senate Document No. 85, 84th Congress, 1st session, and that 12,500 additional copies be printed for the use of the Committee on the Judiciary.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 262) was received and referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a revised edition of Senate Document No. 85, current Congress, entitled "Soviet Political Treaties and Violations," and that 12,500 additional copies be printed for the use of the Committee on the Judiciary, United States Senate.

NATIONAL MINERALS POLICY—AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (S. 3764) expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy, which were referred to the Committee on Interior and Insular Affairs and ordered to be printed.

PROTECTION OF NATURAL RESOURCES—CHANGE OF REFERENCE

Mr. EASTLAND. Mr. President, at a recent meeting the Committee on the Judiciary authorized the chairman to request that the Committee on the Judiciary be discharged from further consideration of the joint resolution (S. J. Res. 139) to provide for the commemoration of the 50th anniversary of the First Conference of State Governors for the protection in the public interest of the natural resources of the United States.

On July 30, 1955, an identical joint resolution was introduced and referred to the Committee on Interior and Insular Affairs. When the present resolution, Senate Joint Resolution 139, was introduced on February 7, 1956, this measure was referred to the Committee on the Judiciary.

A study of Senate Joint Resolution 139 discloses that it primarily concerns the preservation of our natural resources.

Accordingly, Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 139, and that it be referred to the Committee on Interior and Insular Affairs.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

AMENDMENT OF UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948—MOTION TO RECONSIDER VOTE

Mr. EASTLAND. Mr. President, on May 9, 1956, the bill (S. 3638) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948, Public Law 402, 80th Congress, was reported from the Committee on Foreign Relations and passed the Senate on the following day, May 10, 1956.

Mr. President, I enter a motion to reconsider the vote by which S. 3638 was passed by the Senate.

The PRESIDENT pro tempore. The motion will be entered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. THYE:

Address delivered by him before the Reserve Officers Association at St. Paul, Minn., on May 5, 1956.

By Mr. WILEY:

Address on the subject of disarmament, delivered by him at a luncheon of the Civic Conference on Disarmament, at Chicago, Ill.

By Mr. MORSE:

Address delivered by Senator KEFAUVER at 25th annual convention of the Young Democratic Clubs of Oregon, at Portland, Oreg., on April 21, 1956.

NOTICE OF HEARING ON NOMINATION OF CHARLES E. WHITTAKER TO BE UNITED STATES CIRCUIT JUDGE, EIGHTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, May 22, 1956, at 10:30 a. m., in room 424 Senate Office Building, on the following nomination: Charles E. Whittaker, of Missouri, to be United States circuit judge, eighth circuit, vice John Caskie Collet, deceased.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, chairman.

NOTICE OF HEARING ON H. R. 5284, A BILL FOR THE RELIEF OF KEITH A. BOTTERUD

Mr. WATKINS. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, notice is hereby given of a public hearing that will be held on Wednesday, May 16, 1956, at 10 a. m., in room 424 Senate Office Building, on H. R. 5284, a bill for the relief of Keith A. Botterud. At the indicated time and place those interested in the proposed legislation will be afforded an opportunity to be heard.

The subcommittee consists of the Senator from West Virginia [Mr. NEELY] chairman, the Senator from Wyoming [Mr. O'MAHONEY], and myself.

ORDER FOR RECESS TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may be allowed to proceed for not more than 8 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. JOHNSON of Texas. Mr. President, I shall be glad to suggest the absence of a quorum, if the Senator from Arizona so desires.

Mr. GOLDWATER. I prefer to proceed without that being done.

Mr. JOHNSON of Texas. Mr. President, I have no objection to the Senator's request.

The PRESIDENT pro tempore. Without objection, the Senator from Arizona may proceed.

Mr. GOLDWATER. Mr. President, it is my understanding that S. 1823, the Niagara power bill, will come up for consideration today. Because of my required absence from the city in the next few days, I wish to make a few remarks on that bill.

S. 1823 is another example of the extremes to which the Federal power advocates will go in an attempt to force their philosophy upon the American people. Their basic philosophy was expressed by President Harry Truman when he said, on May 12, 1950:

> I am sure we will continue to overcome the opposition just as we already have done in building Grand Coulee, just as the people already have done in Nebraska, in large parts of Washington and Oregon and in other sections of the country where they have decided to distribute power through public bodies and cooperatives. The benefits of public investment must be passed on to the people whose tax money is being used. Those benefits must not be diverted for private profit.

Aside from TVA, a recognized Federal power monopoly, existing agencies of the Federal Government have no constitutional or statutory rights to develop any water resources except those the primary functions of which are flood control, navigation, or reclamation. The Niagara development embraces none of these features. It is strictly and entirely a power development.

The first attempt of Federal power advocates was to have this development accomplished by the Army engineers, but they soon found that approach doomed to failure. So the next attempt, a second best in their minds, was Senate bill 1823, which would turn the development over to the New York State Power Authority, with certain Federal requisites.

Now we hear that Niagara is a resource of the State of New York and should be developed by the people of the State for the State. This is an attempt to appeal to those who believe in States rights, as I do. But under this bill is the power developed by the people of the State of New York for the people of that State? Does the bill permit the State of New York, under its authorized power authority, to develop the project in accordance with the laws of the State governing that authority? The answers to those questions are obvious. All one has to do is read the bill.

The bill not only tells the State of New York how to develop power at Niagara, but also tells the State where this power will be sold, and under what conditions. It even tells the State how to distribute the power to the extent of authorizing the construction of transmission lines duplicating those already in existence. Passage of this proposed legislation would result in the amazing and incongruous picture of the State of New York, after first putting up the money, and after doing all the work, then being forced to operate the project according to the dictates of the Federal Government, which seems increasingly inclined toward domination of the States.

The bill directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of the Niagara project. The FPC is not permitted to use its own judgment or to consider the qualifications of other applicants in issuing the license.

The bill imposes upon the State agency a restrictive preference provision which denies any customer of an electric company the right to receive any of the power developed at Niagara except for that power which might be left over after needs of preference customers are satisfied. More than 5 million New York electric customers—97 percent of the total—who now get their power from private companies would be denied the right to share on an equal basis in the benefits of the Niagara development. Even worse, this preference provision is coupled with a further provision permitting withdrawal of even this leftover power should it be required by preference customers in the future.

The fact that these preference and withdrawal policies are in direct conflict with existing New York State laws has been entirely ignored. The New York law says that "such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural customers."

Tied in with the preference provision is an authorization for construction of duplicating transmission lines "as necessary" to carry the power to so-called preference customers, wherever they might be. This provision would turn the State power agency into an interstate power distributor. Under its provisions, the State would be forced to serve privileged groups as far away as Ohio or Pennsylvania, even if it had to build transmission lines to do so, while thousands of New York citizens were left on the sidelines.

The proposed legislation takes away from the New York State Public Service Commission the power of supervising the service and the regulation of rates for the additional electricity which would be produced at the Niagara project.

Usually when attempting to promote public power, proponents backing this bill try to justify the need by showing shortages or underdeveloped areas, either real or imaginary, or expanding development in areas which are already predominantly supplied by public projects. None of these arguments will hold in this area. The State of New York is 100 percent electrified. Power now being developed at Niagara is being developed by private companies, and has been for 61 years. Engineering plans which will be used for the development of this additional power, whether it be done by Federal, State, or private companies, are the plans that the companies presently developing power at Niagara proposed in the early 1920's. Over 95 percent of electric power consumers in the State of New York are now purchasing their requirements from private companies. Rural cooperatives, which would become preference customers under this bill, have less than 5,000 customers out of more than 5,000,000 consumers in the State of New York.

To me, one of the most important things we have to consider in any undertaking is what the people want, not what some people in an all-powerful Federal Government might want to force on them. So it is important to consider what the people of the State of New York want. Through statements of civic, farm, and labor groups, the people of the State of New York have registered tremendous support for a continuation of the Niagara development by regulated private utilities. More than 200 such organizations within the State have supported that position. In recent polls by New York State Representatives in Congress in areas which would receive Niagara power, the people have expressed overwhelming support of private development. Of the daily and weekly newspapers in New York State expressing themselves editorially on the subject, 180 have supported private development, while only 4 favor State development.

Furthermore, the House of Representatives in 1953, by a vote of 262 to 120, supported private development, at which time 32 of 41 New York Representatives in the House voted in favor of the private development. It seems that the ones who do not want this bill are those who are going to use the power and pay for the development. Have we become so dictatorial in this all-powerful Federal Government that we must tell the people of any State what is best for them, what they have to take, and how they must use it, without concern for what they want?

Mr. President, we could spend days arguing the pros and cons of this bill; but it has one unique feature which I think there is a tendency to overlook, and that is that if the bill passes, the Federal Government, by Federal statute, will impose upon a State requirements which are in conflict with existing State statutes. This can easily establish a dangerous precedent, in direct violation of States rights, which can be carried forward in future legislation concerning other functions of States. So, instead of being a States rights bill, it is actually a further Federal encroachment upon States rights.

DEATH OF DAVID F. CONNERY, ADMINISTRATIVE ASSISTANT TO SENATOR McNAMARA

Mr. LEHMAN. Mr. President, I learned with very deep regret this morning of the death last night of David F. Connery, administrative assistant to our colleague the Senator from Michigan [Mr. McNAMARA].

I have had the opportunity of working closely with Dave Connery. He has worked closely with my staff, and with the staffs of many other Members of the Senate.

He was a sweet, gentle soul, beloved by all. He was hard working and very close to the Senator from Michigan, not only as an aide, but as a friend.

I wish to express my deep personal sympathy to Dave Connery's family, and to the Senator from Michigan.

DEVELOPMENT OF NORTH ATLANTIC TREATY ORGANIZATION

Mr. NEUBERGER. Mr. President, in recent days, we have seen a good deal of attention directed to the question of the future development of the North Atlantic Treaty Organization. Before leaving for the NATO Council meeting in Paris, the Secretary of State announced that the time has come for NATO to grow from a military alliance to "the totality of its meaning" as the expression of a community of political and economic interests among its member nations. At the Paris meeting, various suggestions for nonmilitary functions for the Atlantic community were put forward by different members and seriously discussed. For the first time, more than lipservice seems to have been given to the need for meaningful action under section II of the North Atlantic Treaty, the section which already in 1949 recognized and established nonmilitary objectives for the Atlantic community.

A special 3-man committee has been charged with the task of recommending to the 15-nation organization steps which might be taken toward defining and carrying out new nonmilitary functions. The membership of this special committee—the Foreign Ministers of Canada, Norway, and Italy—is cause for confidence that this task will be undertaken with the energy of real conviction. Mr. Pearson, of Canada, in particular, has long been an outspoken leader toward maintaining the momentum of the North Atlantic Treaty toward forming a solid political core for a free and democratic world.

SENATOR FROM GEORGIA TAKES OVER TASK

Finally, the great importance which the United States is beginning to ascribe to this task can be recognized from the announcement that one of the greatest of American statesmen in the field of world affairs, the senior Senator from Georgia, and chairman of the Senate Committee on Foreign Relations [Mr. GEORGE], is to become this country's special representative to the North Atlantic Treaty Organization.

These are encouraging developments, and they have been long overdue. For a long time all suggestions of political institutions for the Atlantic community have met with nothing but timidity and total absence of imagination on the part of the administration. But, Mr. President, in the light of recent events, this is a time to abandon timidity, and to use our imagination. Perhaps the administration, always apprehensive about the isolationist fringe, has been surprised by the widespread approval and support which have greeted its first modest venture into political, rather than military, internationalism. Personally, I believe the American public is away ahead of the administration. I have no doubt that the Nation would support President Eisenhower in any farseeing program he might propose for developing into a political and economic community the military alliance he headed as NATO commander under President Truman's administration.

ATLANTIC COMMUNITY NEEDS STRONG BACKING

When testifying before the Committee on Foreign Relations, on July 29 of last year, I reviewed some of the conditions which already then made it apparent that the emphasis of the Atlantic community had to shift from military to political and economic problems, both within itself and in its relations with the rest of the world. I ask unanimous consent to have a condensed version of my testimony, as reprinted in the October 1955 issue of the magazine, Freedom and Union, included in the RECORD at the end of my remarks.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

(See exhibit A.)

Mr. NEUBERGER. Mr. President, although in the 9 months since I made that statement, many new events have emphasized the necessity for such a shift. I believe the six specific points of my recommendations at that time remain a good guide to the needed development of new functions.

I understand that, at the present time, our Government has suggested only a permanent council of high-level diplomatic representatives from NATO members to discuss and attempt to correlate various foreign-policy positions of their governments. Valuable as this may be, it will hardly do much to stimulate a sense of community among the people of the member nations themselves. The Atlantic community needs some public institution to represent these people, besides mere military and diplomatic committees.

WHY IS SUPPORT OF NATO JEOPARDIZED?

The pattern already exists in the form of our delegations to the United Nations. We also have permanent diplomatic representatives to the U. N.; but annually, our delegation to the General Assembly includes Members of the Congress and delegates drawn from public leaders outside the Government. I suggest today that an annual assembly of delegations formed on this pattern, to review the work of the Organization and to chart its course, might well be the next step for the Atlantic community.

In conclusion, Mr. President, I want to refer very briefly to one specific item of significance in this connection. At the very time when we are beginning to face up to the new challenge to Western unity, which is posed by the new, softer line of the Kremlin, the administration asked for only a very modest $300,000 for our contribution to the informational and educational work of NATO. The item was stricken from the budget by the House Appropriations Committee. I believe this is the very field in which a much bolder, better planned, and more dramatic program is called for. I hope, fervently, that funds for such a program will be restored by the Senate.

The future strength of the free Western democracies is not to be found in the secrecy of committees of professional soldiers and diplomats. It must grow from an informed popular understanding of our community of ideals, of institutions, and of social and economic progress in peace and freedom.

EXHIBIT A

EXCERPTS FROM STATEMENT BY SENATOR NEUBERGER BEFORE SENATE COMMITTEE ON FOREIGN RELATIONS ON JULY 29, 1955

[From Freedom and Union of October 1955]

EVENTS ARE DRIVING ATLANTIC DEMOCRACIES TO SEEK COMMON POLICIES, GREATER UNITY

Two events of the recent past point to the desirability of affirmative action on the resolution (S. Con. Res. 12).

One of these events is, of course, the conference among the four heads of state at Geneva. The other—less publicized and of less immediate impact, but also, I believe, of long-run significance—is the conference held in Paris of parliamentary delegations from the members of the North Atlantic Treaty Organization.

Our Government has treated the North Atlantic Treaty Organization as a military alliance, designed for military defense against military aggression by Soviet Russia. As a consequence, the very existence of NATO is always thought to be potentially at stake when, as at Geneva, the antagonists in the cold war meet to discuss lessening of tensions or new approaches to European security.

As long as NATO is thought to meet only the needs of military defense, it is vulnerable to every gesture of the Russian Government toward reducing Soviet military pressure in Europe. It permits the men in the Kremlin to jeopardize the essential unity of the West every time they decide to turn the record over and play the peace side for a while.

In its 6 years, NATO has been a historic success in its original role as a military shield for Western Europe. Yet I think it will be unable to fulfill even that original function unless it transcends its present limitations from the military to the political and economic field.

The central problem of Europe remains the future of Germany. Germany insists above all else on reunification, and it will achieve it in time. The German Federal Republic has joined NATO; but as long as NATO is only a military alliance, the Germans will regard it as merely a means to the end of reunification. The consequences of this limited view are suggested in a dispatch by Mr. M. S. Handler, datelined Bonn, July 23, in the New York Times of Sunday, July 24, which is entitled "Bonn Sees Geneva as Setback for German Reunification." The article concludes that if membership in the military alliance cannot soon achieve reunification, a future German government may break away from the entire policy of unity with the West so painstakingly built up by the 80-year-old Chancellor Adenauer.

Yet the possibility of a unified, rearmed Germany, free to engage in its traditional power politics, must be of the greatest concern not only to Western Europe but to the United States. Only the ties and guarantees of the North Atlantic Treaty made possible the rearmament of Western Germany. And only stronger, permanent, political ties within the West can make possible an acceptable solution to the problem of reunification.

I mention the problem of Germany only as the most immediate instance of the need of the Western democracies to speak with a single voice. The need also exists in relation to the Far East. And within the free world itself, there are many serious economic and social problems that call for united action.

It would be easy to multiply examples. But Senate Concurrent Resolution 12 does not seek immediate solutions to short-run problems; it should be judged in a wider historical context.

Oceans once meant security

Whether by this resolution or another, the development of greater unity among the

democracies of the Atlantic basin is, in any case, being forced on us by the conditions of modern history.

Fifty years ago, our own Nation, secure between two great oceans, could concern itself exclusively with the domestic problems of the economic development of this continent. Fifty years ago, France and Great Britain could think of themselves as centers of great sovereign empires with rich possessions far across the globe, and their physical security depended only on the adjustment of a delicate balance of power within western Europe itself. The ascendancy of western institutions of political and economic freedom throughout the world was taken for granted.

Yet in the lifetime of most of us, the position of western democracy in the world has changed radically. It has been on the defensive—not only because of the recent encroachments of communism, but since the crises following World War I. Both world wars and the great world depression of the 1930's started among nations who shared western traditions and were, or had been, parliamentary democracies.

As a result, not only has the West been weakened economically, but the values and institutions which we prize most highly have been challenged both within the western countries and in the great new nations which are now rising to independence from centuries of colonial status.

Common threat to freedom

The American people have recognized that challenge, and we have cooperated in extraordinary steps to meet it since the war: The Marshall plan in Europe, point 4 in Asia and other underdeveloped areas, the mutual security program. Yet if democracy is to regain the initiative throughout the world, we must think, not of challenges to the United States, or to Great Britain, or to France, but of the great challenge to the freedom, the social progress and the humanitarian ideals that are the joint heritage of western civilization.

Let us remember that, even together, we constitute only a minor fraction of the Earth's population. Yet, if in this century the Atlantic Community can rise above the narrow national divisions that, for many centuries, have brought it only death and destruction, freedom and democracy—rather than communism—will again be the truly revolutionary force in the world.

Needless to say, adoption of Senate Concurrent Resolution 12 would not be acceptance of any concrete program of creating specific political institutions for the Atlantic Community. It is only an essential first step to initiate the exploration of such possible political institutions. Without trying to suggest an exhaustive list, I might just mention a few important areas of common concern, in which common political institutions might develop common policies by the entire Atlantic Community:

Six fields for Atlantic government

1. Foreign policies toward the rest of the world.

The dangers and burdens of our relations with Soviet Russia and China, which now loom so large, would dwindle to manageable proportions if the immense military and economic power of the Atlantic Community stood behind a single authoritative, responsible agency of foreign policy.

2. Shared responsibility toward non-self-governing and underdeveloped countries within the rest of the free world.

The Atlantic Community should develop new patterns for sharing, above the national level, responsibility for assisting the technical and economic growth of underdeveloped countries and for the political stewardship of its remaining non-self-governing territories. Such an imaginative new approach should be designed to dispel the suspicion and resentment which burden individual members of NATO because of their heritage and colonialism.

3. International trade and currency policies, both within the Atlantic Community and toward the rest of the world.

The problems of world trade and currency transfers exist—except for the case of Japan—almost wholly within the Atlantic Community itself. They should be treated as internal economic problems by institutions of that Community. Western Europe has in recent years initiated many steps toward economic integration. At the very least, I believe, the Organization for European Economic Cooperation should be expanded into an Organization for Atlantic Economic Cooperation, to include as full members all members of NATO.

4. Transportation, travel and communications within the Atlantic area.

For obvious reasons, shipping, air transport and other aspects of travel and communication within this area is an internal problem of the Atlantic Community and might well be treated as such.

I would add to that list two considerations that seem to me important elements of Western policy, whether pursued through joint or separate institutions:

5. Nothing we do ought to be, or need be, inconsistent with full and wholehearted participation in the worldwide community of the United Nations; and

6. The Atlantic Community must not become an exclusive club. Its institutions must remain open to new members—without regard to race, creed, or prior status—who can and will accept its standards of political and economic freedom and democracy. Only thus can it point to goals which can claim the confidence and support of the rest of the free world.

In conclusion, as I have said before, events are driving us to seek these common policies in any case. The question is only whether we shall seek them effectively—through common democratic institutions responsive to popular control, or haltingly—through a dozen foreign offices individually responsive only to the divisive pressures of domestic politics.

Article II of the North Atlantic Treaty already contemplates the extension of NATO functions from military to economic and social fields. We are indebted to our northern neighbors, the people of Canada—whose associations with the countries in both the Old and the New World help them bridge the Atlantic—for having long taken the lead toward making this extension a reality. And dispatches from the Paris meeting of NATO parliamentary delegations—which included Members of Congress—indicate that, partly on Canadian initiative, the participation of representatives from democratically elected legislatures will become an accepted part of NATO's political processes.

This is an important development, for the open discussions of an assembly of legislators will, far better than the deliberations of ambassadors, symbolize the basic moral and political unity of the people of the western democracies. It is a development which should be encouraged and speeded along, as proposed in Senate Concurrent Resolution 12.

I believe that, with bipartisan leadership from the President and the Congress, the American people are prepared to enter upon the exploration that Senate Concurrent Resolution 12 proposes. The very beginning of our tradition as a nation stands as a brilliant experiment in the science of government, and we have often developed new political tools to meet new problems in our 166 years as a Federal State. And the period of isolationism is past. Under the pressure of hostile forces, we are again coming to recognize that the Atlantic has been not only a moat but also a great highway for the exchange of cultural values, ideas, and institutions, as well as of material goods.

The great majority of Americans trace their origin to one or several of the nations of NATO. The several peoples of the Atlantic area share each other's music, art, and literature. By study or by family ties, many of us understand a little of the language of another of us. And we know we share ideals of individual freedom and dignity that we want to pass securely on to future generations.

To protect and promote those ideals, we should continue to explore every avenue to closer political ties within the Atlantic community.

PROPOSED RECOGNITION OF RED CHINA BY THE UNITED NATIONS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Committee for One Million Watchdog on U. N., Red China," written by Pierre J. Huss and published in the Houston (Tex.) Chronicle of April 22, 1956; and an editorial entitled "United States Must Prepare Now To Slam U. N. Door on Red China," published in the same newspaper on April 24, 1956, relating to the proposed admission of Red China to the United Nations.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Houston (Tex.) Chronicle of April 22, 1956]

COMMITTEE FOR ONE MILLION WATCHDOG ON U. N., RED CHINA

(By Pierre J. Huss)

A whispering campaign alleging that immediately after the American presidential elections next November, the Eisenhower administration will give way in the U. N. Assembly to Red China's entry into the global organization is being sharply counteracted by United States sources.

It is an open secret among U. N. diplomats that the Western Powers supported by a sizable majority of small countries have a gentlemen's agreement to keep the Chinese hot potato off the Assembly's agenda for another year. This is accomplished at each annual Assembly session by a majority vote stipulating that debate on the seating of Red China in place of Nationalist China be shelved for the duration of the session.

Highly qualified Washington sources have said that the basis for this gentlemen's agreement stems from the January meeting of President Eisenhower and British Prime Minister Sir Anthony Eden, with the French in on it through diplomatic channels.

It is a generally accepted fact that as long as the Western Powers, together with their scores of supporters among the 76 U. N. members, stand together against the ousting of Nationalist China, the assaults of the Communist bloc aided and abetted by India will be of no avail.

There is an effective watchdog organization on the job against any sneak and covert moves to slip Red China into U. N. either by the front or back door. That is the powerfully organized "Committee of One Million," whose officers and members read like a who's who in the diplomatic and industrial field from coast to coast.

The honorary chairman is Warren R. Austin, former Senator from Vermont and first United States Ambassador to U. N. In a written opinion as to why Red China cannot be permitted to shoot or sneak its way into U. N., Austin said:

"In this era when a divided world lives under the shadow of nuclear war, we believe

U. N. will stand or fall on its ability to promote and maintain a just and lasting peace.

"Our committee speaks for 1 million Americans of both our political parties. We believe that the admission of Red China would undermine the integrity, destroy the influence and paralyze the functions of the U. N. by giving a double permanent veto to Communist totalitarian powers on the security council.

"To so reward a government which was an open aggressor against U. N. itself would make a mockery of the organization as an agency to preserve peace, and break faith with the men who died in Korea. It would amount to inviting the unrepentant criminal to sit on the judge's bench."

[From the Houston (Tex.) Chronicle of April 24, 1956]

United States Must Prepare Now To Slam U. N. Door on Red China

In the current issue of the news letter issued periodically by the Committee of One Million, United States Senator William F. Knowland brings up an important suggestion for consideration by Americans before they go to the polls in this election year. He proposes that each candidate for President or any other Federal office on both Democratic and Republican tickets be required to assert himself in opposition to the recognition of Red China and to admission of the Peiping regime into the U. N.

As Senator Knowland explains, we could not approve the admission of Red China to the U. N. without withdrawing our recognition from the legitimate government which is the Nationalist Government of Chiang Kai-shek on Formosa. This would mean repudiation of a government we have maintained friendly relations with for more than a quarter of a century, a government that staunchly supported us throughout our war with Japan and a government that has given constant and heroic resistance to the spread of communism.

On the other hand, such an act would dignify with diplomatic recognition the regime at Peiping which, under the leadership of Chou En-lai and Mao Tse-tung, has matched if not exceeded the barbarism and brutalities of Moscow. We know Red China was our enemy in Korea. We know Red China accounted for most of our 130,000 casualties in that war and we know that Red China still holds our civilians and military prisoners in violation of terms of the U. N. armistice negotiated to bring hostilities to an end in Korea. How, then, can we consider recognition of this government? How can we even consider the Red China regime a legitimate government? It is an oligarchy of military power holding 400,000,000 civilians in frightened captivity.

If we are to withdraw recognition from any nation let it not be from Nationalist China. Let it be rather from the Iron Curtain countries whose embassies in this country are packed with secret agents and spies. We have the ministries here of Poland, Czechoslovakia, Hungary, and Rumania all in addition to the Embassy of Soviet Russia. Let recognition of these be withdrawn, not Nationalist China.

The important thing for us to remember is that the U. N. delegations of these Iron Curtain countries, banking on the assistance of a considerable bloc of neutrals, will soon launch a new drive to seat Communist China in the U. N. To prevent this, our own officials must be sworn to use every effort to defeat the Red Chinese, even to the point of invoking the veto if necessary. This one defeat we must not permit ourselves to suffer. Only through our vigilance can we expect to win.

BAN BY SAUDI ARABIA ON AMERICAN SOLDIERS OF JEWISH FAITH

Mr. LEHMAN. Mr. President, on a number of occasions I have addressed the Senate regarding the ban by Saudi Arabia on American soldiers of the Jewish faith from serving at our base in that country. In my several statements I pointed out that the acceptance of this ban by our Government was, in my opinion, both morally and politically utterly wrong. I emphasized that the surrender of our sovereignty and our duty to protect the rights of all American citizens, regardless of religious faith, inevitably lowers our self-respect and the prestige of our country in the eyes of the world.

Therefore, Mr. President, some days ago I was amazed to note that President Eisenhower said, at a recent press conference:

> I have never heard this, that American Jews cannot go into our airbases.

Obviously, Mr. President, the President of the United States has been badly informed in regard to this very important subject. However, he does know the facts now and I deeply hope that he will assert himself vigorously to uphold the dignity, the honor, and the moral principles of our country.

The distinguished and widely read columnist and author, Mr. Max Lerner, recently wrote an article entitled "The Saudi Arabian Ban," which appeared in the New York Post on Friday, May 11. I commend this article to the reading of all Members of Congress and the people of America generally. I ask unanimous consent to have it printed in the body of the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

A burdened President, who depends on staff briefings for his knowledge of important events, cannot be expected to know things that most intelligent newspaper readers know. Yet granted this, it was a jolt to read the passage in the President's press conference on the anti-Jewish ban by Saudi Arabia.

When the Post reporter asked about the Saudi Arabian policy of barring American Jews from the United States airbase there, Eisenhower said, "Now I have never heard this, that American Jews cannot go into our airbases." He was told of the Pentagon confirmation of the silent understanding between American and Saudi Arabian authorities that no Jews were to be sent as part of our military forces. At this he shifted ground, said he would have to talk to the State Department ("that is where I get my exact information"), and ended by defending on grounds of sovereignty the Saudi Arabian right to determine if an American is persona non grata and can't enter.

It was a confused and shameful performance on the part of the President. It accords wretchedly with his high professions of morality in the conduct of government and his often stated principle that the individual is the supreme value.

Maybe it is a cruel thing to subject the President's remarks to a close scrutiny and analysis. But a great deal is at stake in this issue, and it is important to know how the President really regards it.

First there is the objective question of whether Jews are or are not in fact excluded from the soldiers and technicians we send to the airbase. At first the President averred that he had never heard that they were, then he gave his theory of why the Saudi Arabians have a right to exclude them. If he did not know of the agreement, then why defend it? And if he did know of the agreement he defended, why did he at first deny that it applied to American Jews in the American Armed Forces?

I am tempted whimsically to ask to whom else such an agreement with Saudi Arabia could apply? Did the Saudi Arabians insist on excluding Seventh-Day Adventists? Or Presbyterians? Or perhaps Republicans? Or people born in Kansas? Or residents of Texas or Pennsylvania? Obviously if they have exacted an agreement from us for excluding certain people, it applies to Jews. And it would be better for the President to be honest and say so.

Disposing of the factual question we turn to that of whether our action can be justified.

The President did justify and defend it. "Certain of our agreements," he said, "accord to a nation where these bases are situated the right to determine if an American is persona non grata and can't enter." I can understand that a nation leasing an air base to another may stipulate its right to reject particular persons who might be sent. But in this case Saudi Arabia has put a ban on a whole ethnic category, not on particular individuals. By accepting that ban we in effect enter into complicity with Saudi Arabia. We accept for working purposes of national defense the Arab theory that Jews as Jews are either dangerous or inferior or both.

Can the President possibly have understood the implications of what he was thus saying?

I put the same question to him on his argument from sovereignty. "After all," says the President, "we don't get that territory on the same basis as you do an Embassy. We are not a sovereign there." You can see what the President is driving at. In the case of our Embassies our own laws apply, while in the case of the lease of an airbase we have first to "get the territory," hence the Saudi Arabians "do have some rights that you have got to accord them."

No one doubts it. Saudi Arabia has the right not to lease the airbase, and the right to get a certain payment and certain terms when it does lease it. But the real question is not whether Saudi Arabia is sovereign on its territory, but whether America is so unsovereign and abject as to accept degrading and humiliating Saudi Arabian conditions.

Let me restate it. The issue is not whether Saudi Arabia had the right to stipulate its anti-Jewish ban in its contract with America, but whether we were right to accept the wrong they imposed on American Jews.

Suppose that South Africa, with its laws of apartheid, were to give us an airbase with the stipulation that no American with colored blood is to be sent there as part of the Armed Forces. Suppose Catholic Spain were to stipulate that no Protestants were to be sent. Would the President have dared, either in conscience or opportunism, to accept such a tabu?

If the Secretary and the President will look at the history of our diplomacy they will find that we have never until now practiced this kind of abjectness. When the Tsar of all the Russians tried to infect us in diplomacy with the guilt of his anti-Semitism we threatened to break off diplomatic relations. Airbases come and go, but the American doctrine of the equality of all religions and of all ethnic groups under the law must outlast the accidents of defense because it alone makes defense possible and worth while.

There is much intellectual confusion in what President Eisenhower has said about Saudi Arabia and the Jews. But the greater danger is his moral confusion. When a man who bases himself primarily on morality lets

his moral base slip from him, what else is left?

I suggest respectfully to the President that the place to start, intellectually and morally, is with the doctrine of the equal rights of Americans inside our own country. The next step is to say that we will enter into no contract with another nation by which we will barter away those rights, whether for airbases or any other earthly power. From that point on, we can't get lost.

BROADENING OF MARKETS FOR AMERICAN WHEAT AND GRAIN PRODUCTS

Mr. NEUBERGER. Mr. President, disposal of mounting grain surpluses is a problem of great concern to American wheat farmers. They, more than any other group, foresee the dangers in a constant buildup of the amount of wheat produced in excess of market demand. Contrary to the impression given in some quarters, wheat ranchers are not sitting idly by as the surplus picture darkens. This was evidenced in recent weeks by reports from Osaka, Japan, where an International Trade Fair has been in progress.

In an effort to broaden the market for wheat and American grain products, the Oregon Wheat Growers League set up an effective display at the Osaka fair. A report on the exhibition indicates the success of this venture. The wheat exhibit was literally mobbed by crowds of Japanese. Some 100,000 sweet rolls, thousands of samples of new processed wheat food—developed especially for the far-eastern market—and other baked wheat goods were given away as samples. Public reaction to the efforts of the Oregon Wheat Growers League to expand the overseas market for wheat products is proof that many outlets are available for the wheat surplus.

The Oregon Wheat Growers League has been in the forefront in attempting to solve the surplus problem. Their forward-looking officers and members undertook the pioneering educational work in promotion of the domestic parity "two-price" plan for wheat, which was included in the farm bill recently vetoed by the President. It is regrettable that the domestic parity program probably will not be put into effect this year. I believe that it deserved a fair trial as a new approach to reducing surpluses and to taking the Government out of the grain-storage business.

The project undertaken by the Oregon Wheat Growers League is only a part of the program which it has planned for tapping new consumer markets for wheat. The league has signed a contract for an expenditure of $391,800 over a 2-year period for wheat-promotion activities in Japan. This organization of wheat producers is to be commended for the initiative it has shown in trying to solve the major economic problem facing its industry.

Mr. President, I ask consent to have printed in the Record a story from the Pendleton (Oreg.) East Oregonian of April 30, 1956, and another of May 5, 1956, reporting on the activities of the Oregon Wheat Growers League in relieving the pressure of surplus wheat by opening new market opportunities.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the East Oregonian, Pendleton, Oreg., of April 30, 1956]

Three Hundred Ninety-one Thousand Eight Hundred Dollar Promotion Plan Signed

Oregon Wheat League secretary, Richard K. Baum, said today a contract had been signed with the United States Department of Agriculture calling for an expenditure of $391,800 over a 2-year period for wheat promotion activities in Japan.

Baum, who returned from Washington, D. C., last weekend, said it was the largest contract for marketing development signed to date by the foreign agricultural service.

Baum said $28,000 would be contributed by the league to pay for salaries and facilities.

Baum said Department spokesmen thought the development important because they think "the approach we're using can be applied to other countries."

VISITED JAPAN

Baum and USDA representatives have made trips to Japan during the past 2 years to set up promotions aimed at introducing United States wheat to Japan consumers. Wheat market analyst Joe Spiruta is presently in Osaka supervising grain exhibits at the International Trade Fair.

The wheat league would be completely responsible for expenditures under the new contract, Baum said. He said the league planned to contract with two Japanese organizations to promote the consumption of wheat foods.

LEAVES FRIDAY

Baum will leave Friday for Tokyo to work with Spiruta in furthering projects lined up in previous visits, he said.

Japan has ranked as one of the chief importers of United States wheat, particularly grain from the Pacific Northwest. The nation imported more than 45 million bushels of wheat in the last calendar year, Baum said.

The $391,800 is the equivalent of Japanese yen income to United States gained through the sale of surplus commodities to the far-eastern nation.

[From the East Oregonian, Pendleton, Oreg., of May 5, 1956]

Controlling Trade Fair Crowds Keeps Wheat Man on His Toes

Wheat promotion efforts of the Oregon Wheat Growers League at the International Trade Fair in Osaka, Japan, turned out to be almost too successful, according to a report just received from Joe Spiruta, Pendleton, who was in charge of the project for the league.

The exhibit literally was mobbed by crowds of Japanese. The final day, in fact, more than 100 police had to be called to keep the thousands of people from completely overrunning the wheat exhibits in the American pavilion.

One of the big attractions, Spiruta wrote, was the distribution of free samples of wheat foods. Some 100,000 sweet rolls, countless thousands of samples of new processed wheat food, and recipe folders printed in Japanese were distributed during the 15-day fair.

Japanese also had their first experience with American prepared cake mixes at the baking demonstration kitchen in the league's exhibit. Spiruta reports the cake mixes made a big impression on the Japanese public, millers and bakers, as did the scones, sweet breads and other baked goods prepared in this booth.

In the Ala demonstration booth, a Japanese home economist and four assistants spent full time preparing and explaining dishes made from this new wheat food. Public reaction assures a booming market in Japan for Ala, provided government restrictions can be overcome, Spiruta said.

Huge 4- by 5-foot full color photographs of Oregon wheat harvesting scenes made the League's exhibit the most attractive feature of the American pavilion, Spiruta said. A model combine in action, and displays of Pacific Northwest grains also proved crowd pullers.

Spiruta said twice as many people were reached through the exhibit as had been expected, and told wheat growers it will pay off in more new customers for Oregon wheat. He added:

"I am more than ever convinced that Japan, with her ever-growing population, will continue to be one of the most important outlets for Oregon wheat—if we are willing to devote the necessary time and effort needed to teach these people the use of wheat foods in their diet. The important thing is to give them, especially children, opportunities to taste wheat foods."

The Oregon man added that an intangible but important result of the United States exhibits at the fair was showing the American way of life to the Japanese people.

"I know of no better way of counteracting communistic propaganda," Spiruta said. "Oregon growers can take some pride from the fact that while helping themselves they also were helping their country and the cause of freedom."

THE CHRISTIAN LEADER AND POLITICS

Mr. WILEY. Mr. President, in this morning's mail I was pleased to receive from Ellis H. Dana, executive vice president, Wisconsin Council of Churches, at Madison, Wis., a most interesting brief exposition of the responsibilities of a Christian leader as an active public-spirited member of the American electorate. I believe that he has set forth a series of points which will be well received by innumerable thinking Americans as they seek to apply their Christian creed into their day-to-day conduct, particularly in view of the challenge of the November 1956 election.

I send to the desk the text of the statement and ask unanimous consent that it be printed in the body of the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Christian Leader and Politics

(By Ellis H. Dana)

A most interesting brochure had just come to my desk entitled "Questions for Christians in 1956," which is sponsored and put out by 16 national Protestant denominations, about issues and obligations in the forthcoming presidential election.

Among other things, this timely leaflet underscores the following guide points (with which, as a church leader, I heartily concur) that Christians as citizens should:

1. Take part in political life, working in the party of their choice to improve its practices and fulfill its promises.

2. Help develop informed public opinion on important local, State, national, and international issues, using discussion, forums, radio-TV, and all the channels of communication toward that end.

3. Resist name calling, accusation without proof, appeals to prejudice, wild promises that cannot be fulfilled, and other demagogic methods sometimes used in political campaigns.

4. Judge candidates by their stand on important issues, past performance, and integrity rather than their appearance, mannerisms, campaign slogans, or even church affiliation.

5. Find out what groups and interests give support to each candidate and party, what they expect to gain by it, and what influence they would have upon the candidate if elected.

6. Register and vote and encourage others to do so. Christian citizens should study the issues, the candidates, the pressures.

Yes, and I agree with my friend Charles P. Taft of Cincinnati, a great Episcopalian lay leader, that, "It is high time that men of religion, both clerical and lay, should face up to their responsibilities in life, and politics is one of them."

Of course, when and how to do it in politics becomes the peculiar problem for each one of us and often, as religious leaders, we can learn much by first consulting with informed and friendly lay leaders who may have more real wisdom, as experts on the issue at stake, than we. Having done that, however, then, we should never be unnerved at the prospect, nor the clear challenge to speak out and take part publicly.

Indeed, I have always felt that a Christian leader, as a Christian citizen, has a grave yet double responsibility—first to the unique institution which he serves inherent in the consecrated position he holds as its representative head and then also, at the same time, to his community and country. Thus, in this dual capacity he must be absolutely fair to both—sensitive, considerate and prayerful about the opportunities he chooses and the methods he uses, so far as possible trying to be objective and unbiased.

But beyond that, as a fearless Christian citizen leader, he must then be willing to run the calculated risks of whatever participation he conscientiously feels should be undertaken for a cause, or for an issue—in fact, against the likely possibility of being publicly misinterpreted and unfairly castigated. Even unwarranted personal attacks should not deter us from fighting for moral and religious principles in order better to help vitalize the public conscience; but this should be done in humility and with a spirit of good will.

And what redblooded American as an individual Christian—be he professional leader or layman—wishes to be classed among those who are fainthearted and weak-kneed, especially in these critical days? No great community nor people has ever been lifted up by complacent and fearful leaders.

For American democracy has always depended—as it depends even more surely today—upon the educated leadership contributions publicly shared and risked by those with helpful insights from all our professions and vocations, that is, if our democracy is to go forward in representing our political best. This is, after all, merely advancing our Christian best as we approach the problems in our community and country.

Yes, the Christian always has had and always will have a very real stake in politics.

STATEHOOD FOR HAWAII AND ALASKA

Mr. NEUBERGER. Mr. President, the Territory of Alaska, long unfairly frustrated in its search for statehood, has finally taken the desperate step of deciding to elect two Senators and a Member of Congress to lobby in the Halls of Congress for admission to the Union.

I ask unanimous consent to include in the CONGRESSIONAL RECORD a fine article entitled "Alaska Seeks Statehood the Tennessee Way," from Freedom and Union for April 1956. The author of the article is George Lehleitner, an enlightened business leader of New Orleans, La., who has been a true good neighbor and friend of distant Alaska in working diligently to try to bring about statehood, not only for Alaska but also for Hawaii.

I also ask unanimous consent to include in the RECORD a column entitled "Practice Versus Preachment," by the distinguished commentator, Marquis W. Childs, from the Washington Post and Times Herald of May 1, 1956.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Freedom and Union for April 1956]

ALASKA SEEKS STATEHOOD THE TENNESSEE WAY

(By George Lehleitner)

Resigned to the fact that, like Hawaii, they will not attain Statehood this year, Alaskans are now looking beyond the election and pinning their hopes on the 85th Congress.

Successive disappointments, however, have convinced them that more than hope is necessary if their dream of admission as the 49th or 50th State of the Union is to be realized in the near future. Consequently, when the voters of the Territory ratify their brand-new "State Constitution" in the April 24 primary, they are also expected to adopt the "Tennessee Plan."

So-called because Tennessee was the first, but not the last, State to gain entry into the Union by means of it, the plan simply provides for the election of two Senators and a Representative who go to Washington along with the full-fledged Members of Congress. There they will use moral persuasion and anything else they can properly get away with in an intensive and sustained effort to have the status of the Territory elevated to that of a State.

These tactics paid off for Tennessee after her application for admission had at first been stymied because of North Carolina's claim to the Territory. The Tennesseans jumped the gun by sending their elected representatives to Washington in defiance of their eastern neighbor; having convinced the 4th Congress that North Carolina was wrong in seeking to invoke section 3 of article IV of the Constitution, the "Volunteer State" was finally admitted as the 16th State, on June 1, 1796. Six other territories, including California and Michigan, followed suit in later years, so the precedent is well established.

Discovered by Vitus Bering, a Dane, in 1741, Alaska belonged to Russia until purchased from her in 1867 by Secretary of State Seward for the sum of $7,200,000. Regarded as so poor a bargain that it was contemptuously referred to as "Seward's Folly," it has since contributed to United States wealth almost $4 billion worth of products.

Over half a million square miles in area (Texas will cease to be the largest State in the Union when, eventually, Alaska is admitted), the Territory is fabulously rich and produces, in addition to canned salmon and furs, many minerals of great value in modern industrial production. Among these are tin, platinum, tungsten, gypsum, coal, lead, antimony and marble, as well as silver and gold.

First organized as a Territory in 1912, it has a locally elected two-house Legislature and a Governor appointed by the President for a 4-year term. Its delegate to the House of Representatives—Democrat BOB BARTLETT—is allowed floor privileges but no vote. The Territory is heavily Democratic and its population of 160,000 has more than doubled since 1939.

Last November 8, 55 delegates from all parts of the Territory met in Fairbanks to draft the Alaska State Constitution. By February 4 the delegates—six of them women—had produced a streamlined 15-article Constitution based to a large extent upon that of New Jersey (as revised in 1947), and of Hawaii (1950). This the voters of Alaska will undoubtedly ratify by an overwhelming majority on April 24. Moreover, delegates to the Constitutional Convention, in January, voted to refer the Tennessee Plan to the people, and unanimously recommended its adoption, which is thus also virtually assured.

Feeling on the statehood question is very strong in the Territory. It is felt that in this day and age Congress has been strangely slow to see the tremendous international capital which could be made out of the granting of statehood to both Alaska and Hawaii. Two years ago it looked as though they were on the verge of gaining the long-sought prize. The Senate voted approval of a statehood bill for both Territories by 46–43. All but three of those favoring the bill were Democrats and all but two of those against were Republicans. Hopes were dashed, however, when it was allowed to die in the House, and BOB BARTLETT and his opposite number from Hawaii—Mrs. ELIZABETH FARRINGTON, a Republican—have sought in vain to have the question reopened. In the meantime, both continue in Washington as House Representatives without power to vote.

With the ratification of its Constitution, Alaska will be on a par with Hawaii, though the latter has not, as yet, considered adoption of the Tennessee plan. Observers at the convention were unanimous in their tributes to the political maturity and sense of dedication of the Alaskans. Democrats and Republicans alike refrained from playing politics with the Constitution question.

The Constitution provides for voting at 19, and for a joint legislature—the senate with 20 members and the House with 40 (voting together they can overrule the Governor's veto). Some hard thinking on recent invasions of civil liberties resulted in specific clauses designed to protect the basic rights of citizens who may be the subject of investigation. Other clauses reflect the concern of the delegates to protect the Territory's enormous natural resources against reckless exploitation.

The convention, in its closing session, lauded New Orleans businessman George Lehleitner and appointed him an honorary member. Lehleitner has striven for 10 years to secure passage of the statehood bill and is respected for outstanding work not only on behalf of Alaska but Hawaii also. When both of them are States he will get two statues, and deserve them.

While the Alaskans are confident that the day of their entry into the Union is not far off, there is no complacency. Narrow and selfish interests in Congress have thus far served to frustrate their aspirations. There are still some minor technical difficulties which can be advanced by those who remain opposed to admission. Even so, the prospects look brighter than for some time past. Alaska may not gain admission within 4 months of sending its 2 Senators and Congressman to Washington as did Tennessee. But it will try.

[From the Washington Post and Times Herald of May 1, 1956]

PRACTICE VERSUS PREACHMENT

(By Marquis Childs)

"The quick admission of Alaska and Hawaii to statehood will show the world that America practices what it preaches."—Dwight D. Eisenhower in a speech in Denver on September 16, 1950.

One of the conspicuous—and tragic— failures of the decade since the war's end is the failure to admit the Territories of Hawaii and Alaska as States of the Union. It amounts to a confession that the American system is incapable of further expansion.

There still might be a chance for the bill for statehood for the two Territories, pending from the last session of Congress, if the President wanted to get his administration behind it. In the campaign of 4 years ago and several times since, he has preached the

admission of Hawaii and Alaska. But practice has fallen far short of preachment.

In the elections recently held in Alaska, the voters, by a majority of 2 to 1, adopted a constitution anticipating approval of statehood.

By nearly as large a majority, they approved what is known as the Tennessee plan. Under this plan, which was used by Tennessee to force the issue of admission to the Union in 1796, Alaska will go through the motions of electing 2 Senators and 1 Representative as though it were a State.

When the 85th Congress convenes next January the two Alaskan Senators and the Alaskan Representative will be waiting on the doorstep demanding admission. They will not be seated, but their voices raised in a demand for statehood may at last be heard.

Michigan, Oregon, and California all used the Tennessee plan as a lever to overpower the forces that more than a century ago resisted the westward expansion of the Republic.

Something of the same division that tore the country apart over slavery works against the admission of both Hawaii and Alaska.

Hawaii is an outstanding example of the capacity of the races of West and East to live together in harmony. The courage and the stamina of the Nisei in World War II were legendary. These men of mixed inheritance proved in the heat of battle their loyalty to a country that had not yet granted them full citizenship.

Yet the suspicion of race lurks behind the conventional arguments against statehood, particularly among southern Democrats. The same suspicion works against the Eskimo in Alaska.

Among some members of the world's most exclusive club; namely, the Senate of the United States, there is implacable opposition to letting down the bars to foreigners.

Racial prejudice coincides with certain powerful economic interests to insure a roadblock big enough regardless of the actual voting strength in Senate and House on statehood, to hold it back. Southern Democrats and conservative Republicants in this instance, as in so many others, form a working coalition exercising a veto power. Although it is not at all fashionable to speak about it, this is the focus of the stalemate that prevails in so many areas.

Although they have no proof for it, many Alaskans firmly believe that President Eisenhower has been influenced against statehood for Alaska by his good friend and close associate, Gen. Lucius Clay.

Clay is chairman of the board of the Continental Can Co., which has close ties to the Alaska canned-salmon industry. If one can believe the story of resentful Alaskans, Clay persuaded the President that Alaska was not yet ready for statehood.

The fear of the salmon fishing industry is that if Alaska should become a State, the industry would be subject to restrictive regulations that would really be enforced.

In a fiery speech at Alaska's constitutional convention last November, Ernest Gruening, Governor of Alaska from 1939 to 1953, charged that Alaska was America's colony and subject to the same kind of colonial exploitation this country denounces when practiced by European powers.

As a result of discriminatory legislation, according to Gruening, Alaskans pay higher freight charges, higher wharfage and longshoring charges, and higher maritime charges than anywhere else.

This increases the cost of living above the national average which, in turn, restricts the population and helps to keep Alaska in the status of a colony.

"If there is a clearer and cruder example of colonialism anywhere," Gruening said of the Federal law covering Alaska shipping, "let it be produced. Here is a clear case where the Government of the United States—through its legislative branch which enacted the legislation, the executive branch, through the President, who signed it, and the judicial branch which, through its courts, upheld it—imposed a heavy financial burden on Alaskans exclusively for the advantage of private business interests in the 'mother country'."

In the case for statehood, a distinction has long been made between Alaska and Hawaii. The latter, it has been argued, is far more ready for statehood with a rapidly growing population, industry, and agriculture in striking contrast to Alaska with its unpopulated areas of forest and mountain.

A bill granting statehood to the two Territories has been bottled up in a subcommittee for many months. The chances for action at this session are virtually nil. But the hope that springs eternal is that in the new Congress next year, practice will finally catch up with preachment.

The PRESIDENT pro tempore. Is there further morning business?

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE TARIFF ON WATCHES

Mr. BEALL. Mr. President, I have noted the article of May 11 in the New York Journal of Commerce entitled "Watch Tariff Reasoning Scored by Governor McKeldin." I believe the Governor's views to be of broad and timely interest to the Congress.

The article, which I request unanimous consent to have printed in the body of today's RECORD, refers to a recent letter sent by the distinguished Governor of the free State of Maryland, Theodore R. McKeldin, to President Dwight D. Eisenhower on the subject of our foreign trade policy and one particular aspect of it which has concerned him. This aspect is the watch tariff controversy which has stemmed from the July 1954 decision to increase the duties on Swiss watches by 50 percent. This is a matter in which I, too, have been quite concerned.

On November 16, 1954, Governor McKeldin addressed the National Foreign Trade Council in New York and called for a review of this 1954 tariff increase. In his recent letter to the President, which I also request be reprinted in the body of the RECORD, he makes an important and constructive suggestion that would permit a return to the lower tariff rate without adversely affecting the domestic watch industry. It is a positive suggestion that merits attention and support. I sincerely hope that it will be followed by the President.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

WATCH TARIFF REASONING SCORED BY GOVERNOR MCKELDIN

(By Tom Connors)

WASHINGTON, May 10.—Gov. Theodore R. McKeldin of Maryland has taken his fight for repeal of the 1954 tariff increase on Swiss watches directly to President Eisenhower.

The Republican Governor, who late last year asked Treasury Secretary George M. Humphrey to seek withdrawal of the 50 percent duty hike, has written to Mr. Eisenhower, asking the President to give "your personal attention" to a review of the 1954 action.

NEW STUDY URGED

Governor McKeldin called particularly for a "searching examination" of the thesis put forward by Mr. Eisenhower 2 years ago—that the jeweled watch manufacturing industry was essential to defense—as justification for the boost in import duties.

He also warned that recent moves by the domestic watch industry to further increase import restrictions threaten to become a broad cloak for protectionism covering the whole of United States trade policy.

The Maryland chief executive, an early Eisenhower backer who is said to be close to the President, expressed complete accord with the stated trade views of the Federal administration.

IMPACT ON TOBACCO

The 1954 order, however was a disappointment to him, not only because it had adverse effects on Swiss purchases of Maryland tobacco, but because he fears the defense argument put forward might lead to narrow, insular thinking which could block the United States off from its overseas allies.

The defense argument was also rejected by the Governor on the grounds that the basic need of the industry today is less for skilled production workers than for developmental personnel, scientists and engineers capable of designing the complex machinery used in modern automatized plants.

This view, which the Governor said is held by many industrialists, runs counter to the watch industry doctrine which is based on primary importance of the assembly-line worker and his protection from imports.

The Governor suggested that if protection is ever necessary for a domestic industry, it should not come from indirect means such as tariffs and import quotas which hamper our trade relations.

DIRECT AID FAVORED

Instead, the Governor said he believed that direct assistance, as part of the cost of the defense budget, should be granted to such vital industries, in keeping with the recommendations of the Randall Commission. Such assistance would be "simpler, more economic and more effective," he said.

In calling for a reexamination of the watch argument, Governor McKeldin referred to the announcement recently that the Office of Defense Mobilization is studying new appeals from the watch industry for tariff protection.

ABSOLUTE QUOTA SOUGHT

Domestic producers are requesting an absolute quota on watch imports, plus establishment of a Government jeweled-watch stockpile program.

Besides the ODM restudy of the 1954 decision, the mobilization agency also is studying a possible policy shift toward deemphasis of protecting high-degree production skills in favor of design-engineering and managerial talent.

The Tariff Commission also is restudying its 1954 recommendations to the President for higher watch tariffs. This is in line with an Executive order directing periodic reviews. USTC's new recommendations will be in the President's hands by the end of July.

ANNAPOLIS, MD., *May 1, 1956.*

The Honorable DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: As you know, I have been in complete accord with your efforts to improve free world strength and security

through the expansion of mutually bene-

domestic watch manufacturers will be sub-

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action department, is carrying the ball on the

ganized a $1 million firm that obtained lush

Mr. Pucinski's proposal is that the

through the expansion of mutually beneficial trade. I have, on the occasions when I was able, attempted to do what I could to advance the cause of your foreign trade policy. I shall endeavor in the future to offer firm and unwavering support to your enlightened program.

There is one aspect of our foreign trade policy in which I have become particularly interested. This is the relationship between our broad program of encouraging increased international trade and our efforts to maintain essential skills vital to the defense of the United States. My interest in this subject stemmed from the 1954 tariff increase on Swiss watch imports which, as you will recall, was based in large measure upon defense considerations. I cannot hide the fact that I was disappointed with that decision, not only because it was destined to have an adverse impact upon the sale of Maryland tobacco to the Swiss, who are our best cash customers in Europe, but also because I viewed the defense argument as possibly leading toward narrow, insular thinking which could block the United States off from its overseas allies.

In a speech I delivered to the National Foreign Trade Council last November 16, I expressed the hope that the watch tariff decision would be reviewed and that the duties would be restored to the level set in our 20-year-old trade agreement with Switzerland. I understand that the Tariff Commission is now engaged in such a review and that a decision is expected within the next 3 months.

I have noted in recent press announcements that a new study is also underway by the Office of Defense Mobilization, in accordance with section 7 of the Trade Agreements Extension Act of 1955, concerning the essentiality of the domestic watch industry to our national security. You will recall that, despite the sharply divergent views of your Defense Department, the 1954 decision to raise tariffs by 50 percent was based to a large extent on the consideration that the watch industry was essential to the national defense and that domestic production of watches should be sustained at a high level.

This aspect of the decision disturbed me for several reasons. First, it engendered a great deal of controversy both within and outside Government on the merits of the case. Many men, expert in their knowledge and sincere in their desire to do everything necessary to maintain our national security, questioned the validity of this finding of defense essentiality. For example, the view has been expressed by some eminent industrialists that the dynamic technology which is characteristic of American industry—of which automation is the most recent development—has changed the nature and degree of skills required in our industrial mobilization base. Where formerly the emphasis in precision manufacturing was on skilled production workers, the basic need today is for an adequate number of highly trained scientists and engineers capable of designing the complex machinery used in modern plants. At the same time, there is now a lesser degree of skill required for production-line workers, who can usually be quickly trained.

Second, I am fearful lest the defense argument become a broad cloak for protectionism. Since the watchcase is expected to be the first test under a section 7 proceeding, it seems to me that particular care must be taken because of its precedent-setting nature. In other words, should further protection be granted to the domestic watch manufacturers, it could lead to a deterioration in our trade relations with our friends and allies and, therefore, lead to that which we seek to avoid: the impairment of our national security.

Therefore, I express the earnest hope that the question of defense essentiality of the domestic watch manufacturers will be subjected to a searching examination in the light of these increasingly important considerations.

In conclusion, I am prompted to offer the following suggestion: Should it ever be deemed necessary to preserve the productive facilities of a domestic industry for reasons of national defense, direct means should be employed for that purpose rather than such indirect means as higher tariffs and import quotas. Such direct assistance, when granted, should be considered as a cost to the defense budget. It is simpler, more economic and more effective than the use of indirect devices that impair our international trade and our foreign-policy objectives.

This suggestion, as you know, is in keeping with the recommendations of the Randall Commission and is in accord with the views expressed by public groups who support your foreign-trade program. As this is a subject of such great importance to a policy in which I share your deep convictions, I trust it will merit your personal attention.

With highest regards and best wishes, I am

Sincerely.

Theodore R. McKeldin,
Governor of Maryland.

FOREIGN POLICY DISCUSSIONS WITHIN THE AFL–CIO

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the Record an article entitled "Inside Labor," written by Victor Riesel, on the subject of discussions and differences of opinion on foreign policy within the American Federation of Labor–CIO organization, between Mr. George Meany, president, and Mr. Walter Reuther.

There being no objection, the article was ordered to be printed in the Record, as follows:

Inside Labor

(By Victor Riesel)

(Editor's Note.—Victor Riesel, whose bravery during the painful period of hospitalization amazed everyone, continues to confound doctors, nurses, attendants, family members, and friends, with his magnificent acceptance of the fact of blindness. His spirit and morale are excellent. His interest in the column is—if that's possible—more intense. He's champing at the bit, eager to be back to his desk and already calling some of his contacts on the telephone. He's busy planning for the future—a future that portends not a letdown, but an intensification of his fight for decency in labor, politics, industry, and Government. Everyone is cautioning Riesel's family and staff that there must be a reaction and that it will be a severe one. We can only tell his millions of readers that as of this moment there is not the slightest indication of anything but a courageous, calm, almost philosophical acceptance of sightlessness.)

The brothers Reuther move in cycles. And the past weeks saw the resurgence of the tightly knit trio—Walter, Victor, and Roy—as they took on AFL–CIA President George Meany in a bitter fight that can literally shape the future of many a government abroad.

Immediate issue is India. But the implications of the ideological hassle between the leader of the conservative wing of labor and the trio of tacticians for the semi-Socialist segment of the AFL–CIO will be far-reaching indeed.

As America's mighty labor movement goes, so goes the powerful union forces in Europe and Asia. In many of those countries labor either controls the entire governmental apparatus or is the most influential section within cabinets. Decisions by these groups—shaped materially by the role of the United States unions—can make or break governments, change basic domestic and foreign policies, and vitally affect hundreds of millions of people. This, then is no mere casual debate going on between Meany and the three brothers.

The Reuthers themselves have served notice that this is no routine difference of opinion. Walter chose to pick up George Meany's challenge on foreign policy at a meeting of the AFL–CIO executive council in a bitter exchange of words that lasted for most of the session and reached vitriolic heights. This marks the first time that Meany has been taken on publicly by the leader of the old CIO unions.

Particularly interesting to informed observers was Walter's blunt statement that his brother, Victor, was authorized to speak for him when he's away and that what Victor said could be taken as what he thinks and would say. For Victor Reuther, long CIO's top man on international affairs, has been sparking the fight to get rid of George Meany's closest advisers on foreign policy.

Targets of the Reuthers are two men—Jay Lovestone, secretary of the Free Trade Union Committee, and Irving Brown, formerly the AFL's European representative, and more recently Meany's personal envoy to India. Meany dispatched Brown to the convention of the National Trade Union Congress, there to present the official views of American labor and take the sting out of some of Reuther's personal, off-the-cuff remarks which Meany felt misrepresented the position of United States unions.

Meany is a man who never ducks a fight. He took on John L. Lewis in the past. He took on the racket-ridden ILA. More recently he took on Dave Beck. And he didn't dodge the battle with Reuther.

The AFL–CIO president made it clear that he was totally anti-Communist and had no patience with a soft approach to Communist aggression, trade with Soviet nations or seating Red China in the U. N. This is the essence of the neutralist policy espoused by the Reuthers.

Meany feels that there is no such thing as neutralism in the battle against the global Soviet conspiracy. In his book, if you favor a soft position, you are neutral against us.

Reuther's public blasts at Meany will serve to promote some curious realinements of power within the merged labor federation. Many of the old-line craft unions—especially those in the construction trades—were somewhat leery of Meany's emergence as a strong leader. They were fearful of his insistence on concentrating more power in the national office. These were the elements which never quite took with total grace the expulsion of the ILA from the AFL—a move inspired by Meany.

These are the men, too, who will stand by the Teamsters in their fight to maintain strict lines of autonomy within the AFL–CIO. Prominent old-line unionists like Maurice Hutcheson, leader of the rapidly mushrooming Carpenters' Brotherhood, and Dick Gray, head of the Building Trades Department, have indicated that they will stand by Dave Beck in the battle over the ILA—which may yet be resolved by a formula that will bring the independent Longshoremen's Union back into the AFL–CIO.

They felt Meany was perhaps getting too close to Reuther for comfort. This battle will move them back behind Meany, who, in turn, will be forced to depend on them for support more and more as Reuther and the old CIO unions step up their attacks on him.

So, with labor's marriage less than 6 months old, feuds are "bustin' out all over." Walter and Victor Reuther are spearheading the fight on foreign policy. Kid brother Roy, who heads up the auto workers' political

action department, is carrying the ball on the political front as the Reuthers move for closer ties with the Democrats.

Keep your eyes on old man Valentine Reuther's three kids. They're up to something again.

SEVENTY THOUSAND DOLLARS IN A BROWN PAPER BAG

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the Record a recent article written by Ray Tucker.

There being no objection, the article was ordered to be printed in the Record, as follows:

Seventy Thousand Dollars in Brown Paper Bag—Who Paid Bill for Truman's Radio Time?

(By Ray Tucker)

Washington.—Were two of Harry S. Truman's windup radio speeches in the 1948 campaign paid for by an admitted income-tax evader who was then seeking to escape prosecution at a time when T. Lamar Caudle, of tragi-comedy memory, headed the Tax Division of the Department of Justice? The cost was $70,000, and the bill had to be paid in advance, because the Democratic National Committee was "broke."

Federal authorities and the McClellan lobby committee may try to answer this question in a revival of the so-called Truman administration scandals on the eve of another presidential campaign. On the basis of an exposé by the St. Louis Post-Dispatch, Senator John J. Williams, of Delaware, nemesis of crooked Internal Revenue Bureau officials in 1951 and 1952, has demanded action by Attorney General Brownell or the McClellan group.

The case has unusual political and historical interest, for Truman's slashing radio talks just before the election admittedly turned the tide against a seemingly victorious Thomas E. Dewey. In that year normally heavy Democratic contributors refused to give a nickel to Truman, who was hard put to pay for his whistle-stop campaign train or time on the air. But money flowed in from somewhere for his last week's Garrison finish.

It is a tangled tale of intrigue and political high finance as unwound by the aggressive Post-Dispatch and placed in the Congressional Record by angry Senator Williams.

Joseph Mitchell, owner of the Jefferson Loan Co., at St. Louis, came under investigation for income-tax evasion as early as 1947. He eventually pleaded guilty and served part of a 3-year sentence. But he managed to elude prosecution and conviction for 3 years through political influence.

In late October 1948 according to admissions by associates, Mitchell showed up at Democrat national headquarters here with the $70,000 in a brown paper bag. He denies having made the alleged contribution.

But S. Acey Carraway, then finance director of the national committee, has told of Mitchell's appearance with the money. Carraway says he rejected the offer when he learned from Caudle that the donor was suffering from income-tax pains.

Vernon Neubauer, then president of the Jefferson Loan Co., says that he heard Mitchell agree to make the $70,000 gift. Neubauer is now under sentence to prison on conviction of using the mails to defraud. Mitchell helped to get him convicted, because, he charges, he lost $1 million because of Neubauer's activities.

Carraway admits that he interceded with the Justice Department on Mitchell's behalf after receiving a $5,000 loan from Mitchell's firm on an unsecured note, to buy two farms in nearby Virginia. Only $100 has been repaid, although Carraway subsequently organized a $1 million firm that obtained lush contracts from the Navy.

In testimony before congressional committees, it was brought out that Caudle and Representative Frank W. Boykin, of Alabama, intervened many times on behalf of Mitchell. Carraway, Caudle, and Mitchell frequently hunted and fished at the wealthy Boykin's place near Mobile.

Ironically, it was an assistant attorney general named John Mitchell, who obtained the St. Louis Mitchell's conviction in the face of these political obstacles. But because of his persistence and success, Caudle ordered that no more tax cases be assigned to him.

Caudle, who was a picturesque figure during the "mink coat" era—his wife got one—was eventually fired by Truman. He is now under indictment at St. Louis for conspiracy to defraud the Government in another tax case.

SAFETY RECORD OF THE COLUMBIA-GENEVA STEEL DIVISION IN UTAH

Mr. WATKINS. Mr. President, recently, on March 27, I had occasion to refer on the Senate floor to a national safety award to the Columbia-Geneva Steel Division in Utah. This was on the occasion of the National Safety Council declaring—for the fourth consecutive year—the above Utah plant to be the safest major steel plant in America.

From later correspondence with the Geneva plant's general superintendent, Mr. L. F. Black, I am happy to report this further development: Geneva employees as of April 26 have not suffered a disabling injury since November 17, 1955, that is, a period of more than 5 months.

This has resulted in a new alltime safety record of 5,118,488 injury-free man-hours of employment at the Geneva works.

Such a figure is more meaningful if we regard it in this light: It represents 100 men working 40 hours a week for 52 weeks a year for a period of 23.79 years without accident.

I should like also to report to the Congress that in view of the recognition accorded the Geneva works' management and employees by publication of their safety achievement in the Congressional Record the Safety Summary issued for March 1956 has been entitled the "Congressional Record Issue."

Such an achievement, in such employment as blast furnace and open-hearth operations and on such a major scale, is worthy of study and emulation by leaders in industrial management and employment everywhere. I commend to them the Geneva plan for safety.

INVESTIGATION BY POLISH GOVERNMENT OF THE KATYN FOREST MASSACRE

Mr. DOUGLAS. Mr. President, the able chairman of the Illinois division of the Polish American Congress, Mr. Roman C. Pucinski, has made a positive suggestion to Secretary of State John Foster Dulles that deserves the most serious consideration in connection with the rumored investigation by the Polish Government of the Katyn Forest massacre of 15,000 Polish officers.

Mr. Pucinski's proposal is that the technical data and evidence gathered by the select committee of the House in 1952 be offered to the Polish Government to test their willingness to bring out the true facts, to see if in the Communists' new rewriting of history they are in any respect willing to tell the truth.

Because of the importance of this issue and the widespread public interest in it, as well as for the information of Members who may wish to support this request, I ask unanimous consent that Mr. Pucinski's letter to Secretary Dulles be printed at this point in the Record.

I wish to say, Mr. President, that I have written a letter to Mr. Dulles urging that he conform to it.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Copy of Letter Sent to Secretary of State John Foster Dulles on April 26, 1956, by the Illinois Division, Polish American Congress

The Hon. John Foster Dulles,
Secretary of State, State Department,
Washington, D. C.

Dear Mr. Dulles: Unconfirmed reports emanating out of Poland indicate the Warsaw Government has launched its own investigation of the Katyn Forest Massacre in which 15,000 Polish Army officers were murdered during world War II.

As you recall, a select committee of the United States House of Representatives conducted an extensive investigation of this crime in 1952 and, after assembling exhaustive evidence, concluded unequivocally that the Polish officers were murdered by the Soviet troops in the spring of 1940.

The record will show that the congressional committee's investigation was carried out within the strict provisions of the International Rules of Evidence and all of the testimony was taken under oath which should be ecceptable in any part of the world.

We, of the Illinois Division, Polish-American Congress, earnestly urge you take whatever steps are at your command to first determine whether the Warsaw Government actually has undertaken such a probe and then make available to the Warsaw Government all of the records and evidence produced by the United States congressional committee. The records of this committee, for which I served as chief investigator, now are stored in the National Archives Building and are readily available.

In order to test the sincerity of the Polish investigation, we suggest you also offer the Warsaw Government any technical assistance it may need from the United States committee's former staff.

You will recall that at the time of the congressional investigation, our committee had asked both the Polish and Soviet Governments to furnish us whatever evidence either government might have had bearing on this great international crime. Both these governments flatly rejected our invitation.

Our committee proved the Polish officers were executed on direct orders from Premier Joseph Stalin. We are fully aware the Warsaw Government may corroborate our findings and then place full blame on Stalin in keeping with the current Communist program of vilifying the late Premier. But the Polish investigation—despite any propaganda value to the Communists—can be helpful for many reasons. One such reason would be to corroborate testimony given before our committee that the present Soviet Ambassador to the United States, Georgi Zarubin, actually was commander of the camp at Kozielsk from which the Polish officers were removed to their death in the Katyn Forest.

We urge you to give this matter your earliest attention.

Respectfully,

ROMAN C. PUCINSKI,
President.

ADMINISTRATION'S ATTITUDE REGARDING INTERNATIONAL LABOR ORGANIZATION ANTI-FORCED-LABOR CONVENTION

Mr. DOUGLAS. Mr. President, it would appear from the story in the New York Times for last Friday that the praise and congratulations given by the Senator from Illinois and the Senator from Minnesota to the administration on the Senate floor last Wednesday on the question of the ILO anti-forced-labor convention was premature.

Although President Eisenhower, in rather general terms, to be sure, supported the ILO convention in his press conference on Wednesday, the later report suggests that the State Department is backtracking and is willing to condemn only international commerce in slave-made goods.

I, therefore, wish to reserve any congratulations until I can discover whether the State Department can make up its mind to give this Government's wholehearted support to a convention which clearly condemns all use of forced labor for political and economic purposes.

The apparent legalistic teetering of this administration over whether to join in a convention outlawing one of the worst crimes against humanity is a sorry demonstration of our real devotion to freedom and opposition to tyranny. I hope that sober reflection may persuade this administration to follow the more constructive recommendations of its Secretary of Labor, James P. Mitchell, rather than the timid counsels of its legal pettifoggers.

Mr. President, I ask unanimous consent that the article which appeared in the New York Times on Friday, May 11, concerning this matter be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES VIEW IN DOUBT ON FORCED LABOR—BUT AGREEMENT ON POSITION AT CONFERENCE OF ILO NOW APPEARS LIKELY

WASHINGTON, May 10.—The Government's position on an anti-forced-labor convention in the International Labor Organization is not as clear cut as at first seemed.

What the State and Labor Departments have agreed on is a parliamentary and legal approach that does not satisfy anybody completely but apparently stands a good chance of acceptance by all involved—employer and worker delegates as well as the Government.

On Tuesday, James P. Mitchell, Secretary of Labor told what the Government's position would be. The State Department was noncommunicative at the time but later let it be known that it took an unhappy view of Mr. Mitchell's phraseology.

UNOFFICIAL EXPLANATION GIVEN

There was a better interdepartmental feeling today, but the State Department was still unwilling to say officially what the Government's position finally is. As unofficially explained it is this:

The United States will offer a convention condemning the use of forced labor for the production of goods that go into international commerce. This will clearly give an international aspect to the subject. It meets the State Department's objection that forced labor, as such, is a domestic matter for each country and not an appropriate subject for a treaty or international convention.

If the United States fails to confine the convention to the international commerce aspect, it will give nominal support to a broader convention with the expressed reservation that it will not deal with it as a treaty.

The broader form of convention that is now proposed would outlaw the use of forced labor for political and educational purposes and also for economic purposes.

The ILO conference opens on June 6 in Geneva. The anti-forced-labor convention will have only a first reading then. A vote on adoption will not come until a year hence.

LABOR DELEGATE CRITICAL

George P. Delaney, employee delegate, said of the Government's position:

"While it moves in the direction of trade-union objectives, by no means does it meet the moral or legal obligations of United States Government participation in the ILO."

The employer delegate is Cleveland H. Smith, Jr., president of the Steel Improvement & Forge Co., Cleveland. He and Mr. Delaney will have staffs of advisers.

The Government delegates will be David W. Wainhouse, Deputy Assistant Secretary of State for United Nations Affairs, and J. Ernest Wilkins, Assistant Secretary of Labor.

LIBERALIZATION BY HOUSE OF REPRESENTATIVES OF SOCIAL-SECURITY PROGRAM

Mr. DOUGLAS. Mr. President, the House of Representatives passed a good social-security bill. In addition to expanding the coverage of the act, over which there is little dispute, the House bill liberalized the social-security program in two important respects. First, the House bill provided for payments to insured persons 50 years of age or older who are permanently and totally disabled. This is a vital step forward in providing protection for those who lose their ability to earn a living. Second, the House bill provided for retirement benefits to be paid to women at age 62. This was in recognition of the fact that wives tend to be younger than their husbands, and that forcing the wife of a retired man to wait until she is 65 before drawing her pension often works a real hardship.

Mr. President, what is the attitude of the administration toward these important improvements in our social-security program? This administration opposed both of them. Like Mrs. Hobby before him, Mr. Folsom, too, deserves the label "Secretary of not-too-much Health, Education, and Welfare." He came up here as we all know and opposed as vigorously as he could both of the House improvements.

The President is very fond of saying that he is a liberal in matters affecting human beings and a conservative in money matters. That is a fine slogan, but its test is in the application. How often in the 3 years he has been in the White House, has the President found an issue which affects human beings, so that he could be liberal? Somehow, this administration always seems to find that the issue involves money rather than human beings, and so it winds up being conservative.

Mr. President, how could we find an issue which more deeply affects human beings than social security? Isn't the problem of how to live, which faces the family whose breadwinner is totally disabled, a human problem? This administration doesn't think so. It sees this problem as one involving money, not human beings.

Apparently the President has had his way with a majority of the Senate Finance Committee, which announced that it has knocked out the House provision for disability payments and that it has knocked out the provision for lowering the retirement age for women. A sop was thrown to the old folks by permitting widows to receive benefits at age 62.

Mr. President, most of the issues which come before us involve both human beings and money. I am proud to say that I try, and the Democratic Party tries, to consider the human problems first. We do not scratch around to see if we can find that a few pennies are involved so that we have an excuse for refusing to consider the human values. We make an effort to meet the human needs if that is at all possible.

There are very real human problems which are still not met by our social-security program. Under 20 years of Democratic administration much has been achieved, but there are still many needed improvements. First among these is the need for disability payments. I intend to support the amendment of the senior Senator from Georgia to provide payments to the permanently and totally disabled without respect to age.

I agree with him that the need is the same at whatever age the man becomes disabled.

Some time ago I introduced an amendment to provide for a flexible system of retirement, with higher benefits for postponed retirement, but permitting retirement for both women and men as early as 60 years of age. This plan permits earlier retirement for those who are in poor health, but not permanently and totally disabled. It permits earlier retirement for wives younger than their retired husbands and for widows who are not part of the labor force but who are dependent upon social security for their major income. On the other hand, it encourages that who are able to do so to continue working by increasing their benefits if retirement is postponed. Surely, it is desirable to encourage our older workers to continue to use their talents if they are able to do so. I have explained my amendment in a letter to the Washington Post, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMENDING SOCIAL SECURITY

I read with interest your editorial on Amending Social Security of April 8. In the article you supported the disability features of the House bill but thought that there were good arguments against lowering the retirement age for women.

I have an amendment to the bill which I believe meets the objections your editorial and people in general have against lowering the retirement age for women. The amendment provides for a flexible retirement age with benefits scaled according to the age at which retirement begins. Benefits for retirement at age 65 remain the same as at present; but if retirement takes place earlier the benefit per month is reduced, and if retirement is postponed beyond age 65 there is an increase in the monthly benefit according to the following schedule:

Age at retirement	*Percent of present benefits at age 65*
60 [1]	70
61	76
62	82
63	88
64	94
65	100
66	104
67	108
68	112
69	116
70	120
71	124
72	128

[1] The earliest permitted.

(Under the present law full benefits accrue at age 72 without regard to continued employment.)

There are several advantages to my amendment. First, it would permit a man to retire and draw benefits for himself and for a younger wife who was not yet 65—fulfilling the same objective as reducing the retirement age for women to 62.

Second, it would permit persons in poor health, but not totally disabled, to retire before reaching age 65. It would not, however, promote this practice except where badly needed because of the reduced amounts.

Third, it would offer a positive inducement to persons who are able and willing to do so, to work beyond the age of 65 by providing larger pensions upon later retirement. The percentages have been worked out on an actuarial basis.

The cost to the system of adopting this amendment would be only slightly greater than the cost of reducing the retirement age for women to 62. That there is any cost at all is due to the fact that we have a system based on retirement at age 68½ and not based on retirement at age 65 as most people suppose. That is, the average age of retirement for recipients of retirement benefits under the Social Security Act is 68½, and the system saves the amount which would have been paid them between the ages of 65 and 68½.

I believe that the greater flexibility which my amendment would introduce into the Social Security system and the advantages to be obtained from it, make a worthy addition to the act, and I intend to continue to seek its adoption.

PAUL H. DOUGLAS,
United States Senator from Illinois.

WASHINGTON.

Mr. DOUGLAS. Mr. President, as was to be expected, the administration opposed my amendment along with the other proposed improvements in the Social Security Act. In a letter to the Finance Committee, Mr. Folsom argues at one point that "the reduced amounts to be paid under the amendment to persons who have been compelled to retire before age 65 might be inadequate for their maintenance." However, he proposes to give them nothing until they are 65. I am afraid I do not understand the kind of reasoning which concludes that a little is worse than nothing. But I fear that this is typical of the administration's lack of concern with human problems. The Senate must make sure that this type of thinking does not prevail.

CONSTRUCTION OF BRIDGES OVER POTOMAC RIVER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1981, House bill 7228.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 7228) to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes."

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I wish to ask the distinguished Senator from Nevada to give a brief explanation of the bill.

Mr. BIBLE. Mr. President, this particular bill authorizes the construction of a bridge across the Potomac River known as the Jones Point Bridge, the subject matter of which has been before the Congress for the past 4 or 5 years. All the interested parties are now in agreement. The bill has the unanimous approval of the Committee on the District of Columbia. The bill provides that the bridge shall be constructed by the Bureau of Public Roads of the Department of Commerce. The committee recommends favorable action upon the bill.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time and passed.

DESIGNATION OF PROPOSED BRIDGE OVER POTOMAC RIVER IN VICINITY OF JONES POINT, VA., AS "WOODROW WILSON MEMORIAL BRIDGE"

Mr. JOHNSON of Texas. Mr. President; I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1982, H. R. 8130.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8130) to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

Mr. BIBLE. Mr. President, I should like to make a brief explanation of the bill. The bill is a companion to the bill just passed, and designates the bridge proposed to be constructed in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

The bill received the unanimous approval of the Committee on the District of Columbia, and the committee recommends favorable action on it by the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

EFFECTS OF FOREIGN TRADE ON MINNESOTA

Mr. HUMPHREY. Mr. President, a book has recently been published by the University of Minnesota Press which is the culmination of 2 years of hard and dedicated effort, and in which I have had a particular interest. The book is entitled "The Effect on Minnesota of a Liberalization of United States Foreign Trade Policy," and it is the report of the Business Executives' Research Committee, under the advice and editorship of Harlan M. Smith and Robert J. Holloway, and is sponsored by the University of Minnesota.

The Business Executives' Research Committee is a cooperative research team of selected Twin Cities business executives and university faculty members studying specific economic problems, operating under the auspices of the school of business administration of the University of Minnesota. This is a report on studies made by them during 1954–55 on foreign trade policy and its effects on Minnesota.

These studies do not attempt to support either the more liberal or the more protectionist side of the trade debate. They simply try to assess the effects of foreign trade by studying the economy of Minnesota, the involvement and dependence of various sections of the Minnesota economy on foreign trade, the vulnerability of the other sections of the Minnesota economy to foreign trade, the number of Minnesota workers affected each way, and other related factors.

The project originated in my office in 1954 in conversations conducted with Dr. Howard S. Piquet of the Legislative Reference Service of the Library of Congress. Dr. Piquet had already written Aid, Trade, and the Tariff, and had directed several studies of the impact of world trade on various congressional districts. One such study of Indiana's Eighth District had been published in popular form in Harper's magazine. I asked Dr. Piquet whether he could do a similar study for the entire State of Minnesota. He told me that he would like very much to do it, but that the Legislative Reference Service was simply not equipped for the job.

As we explored the situation further, it became obvious that Minnesota would be an ideal State for such a pioneer study. Its variegated economy made it sufficiently interesting for analysis, and yet it was not so complex as to be unmanageable.

The more we considered the project, the more the possibility of a study under the auspices of the University of Minnesota seemed appropriate. Professors Holloway and Smith of the school of business administration at the university seemed especially well qualified to coordinate this study, and they in turn asked the university for a research grant for assistance. When the initial university grant appeared to be inadequate, many other leaders of business and the professions in the Twin Cities were contacted. Beginning in April 1954, my office was in continuous communication with various philanthropic, business, and community groups in Minnesota in an effort to procure the necessary additional financial assistance. Mr. John Cowles, president of the Minneapolis Star and Tribune; Mr. William P. Stevens, executive editor of the same newspaper; and Mr. C. B. Meech, manager of the international division of the Minneapolis Honeywell Regulator Co., were particularly helpful in cooperating with us during the initial stages. The search for additional financial support was eventually successful.

Dr. Holloway came to Washington in July 1954 to discuss this project with Dr. Piquet. Members of my staff worked with them in close consultation.

During the course of the winter of 1954 and 1955, the Business Executives' Research Committee and interested university faculty members conducted a series of meetings studying various aspects of the problem of tariffs and trade. An elaborate system of information gathering was devised, data from 400 Minnesota industries was reported to the faculty group, and the offices of other Minnesota Members of Congress were contacted. By May 1955 the study was in its last stages of discussion, and a preliminary report was in preparation. Unfortunately, at that time the project lost the talents of Dr. Holloway, who left on a teaching assignment in the Philippines in June. Under the competent editing of Prof. Harlan Smith, the project has been seen through to its completion and release last month.

Mr. President, this 176-page study is a detailed and unique analysis of the impact of foreign trade on Minnesota. It is a mine of information for the people of our State, and its conclusions are important to the entire country in the context of the continuing debate on American foreign trade policy.

Included in the study is a careful description of the composition of the Business Executives' Research Committee, the technical organization of the study, a statistical examination of Minnesota exports and import competition, and an up-to-date evaluation of current American restrictions on imports processed in Minnesota, and of foreign restrictions on Minnesota exports. Over 100 pages are devoted to a breakdown of the probable effects of trade liberalization upon Minnesota industries and agriculture. The industrial analysis is divided industry by industry into various degrees of impact; high benefit, moderate benefit, low benefit, high injury, moderate injury, low injury, and no effect. To a lesser extent, an evaluation is also made of trade liberalization upon American agriculture.

In a 40-page section discussion of the implications of the study for our foreign-trade policy, the following general conclusions were reached:

First. Trade restrictions on imports of the kinds of products produced in Minnesota are essentially like those for the United States. There are some free items, some with a wide range of duty rates, and some restricted by quota arrangements.

Second. Over half of Minnesota's manufacturing employment is in industries which would be unaffected directly by trade liberalization; of the remainder, a larger part is in industries which would gain from liberalization than in industries which would lose.

Third. Minnesota agriculture appears to be more vulnerable to increased imports than is the case of industry insofar as United States farm commodity prices are maintained above world prices.

Fourth. Reductions of tariffs and quotas would not always result in a large increase in imports due to a number of factors which in some cases give the local producer a distinct advantage over the foreign competitor.

As a result of these conclusions, and in the light of certain economic principles specifically listed in the concluding section of the report, the Business Executives' Research Committee has made the following 11 recommendations:

1. The BERC recommends that full support be given the implementation of the legislation extending the reciprocal trade agreements program.

2. The BERC is convinced that a clear-cut policy of tariff liberalization will help strengthen the community of political and economic interest between our allies and ourselves, and increase their sense of solidarity with the United States.

3. The BERC recommends that, as one of the strongest economic powers in the world, we should take the lead in liberalizing trade opportunities, and that considered reciprocal concessions be vigorously bargained for, but not be a prerequisite to unilateral reductions on our part. Concessions requested of other nations need not necessarily be tariff concessions.

4. One exception BERC makes to a program designed to minimize the restrictiveness of tariffs is the maintenance and protection, in some form or other, of industries truly essential to national security militarily.

5. In implementing a policy of promoting increased trade among nations, elements such as quotas, the escape clause, the peril-point provision, and "buy American" legislation, should be deleted, or substantially modified since in their present form they are a serious obstacle to those seeking to develop market opportunities in the United States for foreign goods.

6. The BERC is convinced that tariff simplification, and the reduction or elimination of red tape in customs procedure, would be extremely valuable, and consistent with a liberalized trade policy.

7. It is recommended that tariff reduction be sufficient in amount to encourage a freer exchange of goods, thus enabling free nations to earn dollars with which to purchase goods from us, raising the standard of living of all.

8. We further recommend that tariff reductions be gradual, and so scheduled as to cause minimum temporary dislocation to United States labor.

9. In the creation of an atmosphere favorable to increased trade, we must give clear assurance that the direction of our future tariff changes will be downward, thus adding stability to our commercial policy.

10. An educational program should be instituted, preferably under nongovernmental sponsorship, to educate the American public on the subject of reciprocal tariffs.

11: We make no recommendation with respect to liberalization of trade restrictions on agricultural products except to point out that study should be given to the possibility of reconciling foreign trade policy and agriclutural policy.

Mr. President, an article discussing the Minnesota study appeared in the April 9, 1956, Time magazine on page 37. I ask unanimous consent that the text of that article be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOGMA DOCUMENTED

Despite the high stakes involved—1955 United States commercial exports ($14.3 billion) and imports ($11.4 billion) were the largest in history—the perpetual debate on United States tariffs is seldom illuminated by any fresh statistical documentaton of the dogmatic claims of either low or high tariff men. Nearly 2 years ago the Minnesota Business Executives Research Committee, a study group sponsored by the University of Minnesota's School of Business Administration, decided that it was time to move the tariff controversy into the realm of local reality. Last week, after interviewing officials of about 400 Minnesota companies, the committee released an item-by-item survey of the probable effects on Minnesota's industry of a United States tariff reduction.

GAINS AND LOSSES

The committee discovered that many of the State's industries, such as iron ore mining and processing, the economic backbone of northern Minnesota, now have little or no tariff protection. Others, like the thriving apparel industry, specialize in products geared to ever-changing demands on the part of the United States consumer; because of their greater familiarity with the market, United States firms would continue to have an advantage over foreign competitors. All in all, tariff reduction would make little direct difference to 52 Minnesota industries employing 66 percent of the State's mining and manufacturing workers.

Another 26 Minnesota industries, accounting for 25 percent of the State's industrial labor, would directly benefit from liberalization of tariff laws. For instance, manufacturers of mining drills could, with tariffs off, sell more of them in the oil boom areas of central and western Canada.

Eleven industries, employing in 1947 about 7 percent of Minnesota's industrial labor, would be hurt by tariff reduction, the committee decided. Only three of the smallest of these would suffer serious damage. Some of the State's leather glove and belt manufacturers would be hard hit by foreign competition, and imports of cheap foreign china could cripple the production of pottery, one of the principal industries of Red Wing (population 10,645). Hardest hit of all would be Minnesota's four beet sugar refineries; unrestricted admission of Cuban sugar would wipe out the uneconomic growth of sugar beets by Minnesota farmers.

WEIGHT OF EVIDENCE

The committee did not make as detailed a study of Minnesota agriculture as it had of industry. The report conceded that freer trade would probably hit Minnesota farmers harder than it would manufacturers. But, the committee concluded, the evidence was that "a general policy of gradual liberaliza-tion of United States trade policy seems likely to benefit Minnesota more in the long run than to harm it."

Mr. HUMPHREY. Mr. President, a careful analysis of the study has also been prepared by the authors, Professors Holloway and Smith. This article entitled "Minnesotans Look at Foreign Trade Policy" appears in the March 1956 issues of Business News Notes, a publication of the School of Business Administration at the University of Minnesota. I ask unanimous consent that the text of this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINNESOTANS LOOK AT FOREIGN TRADE POLICY

(By Robert J. Holloway, associate professor of economics and marketing, and Harlan M. Smith, associate professor of economics)

THE PROBLEM

Is it desirable to increase United States imports? There seems to be no uniform opinion in the United States for during nearly every session of Congress the pros and cons of foreign trade are debated. There are volumes of testimony from protectionists and freetraders alike.

The Minnesota BERC sought a sound basis for consideration of foreign trade policy by citizens of the State. The group undertook to ascertain the probable effects of trade policy liberalization on Minnesota and its findings are summarized below. The specific conclusions are tentative and are subject to modification if more extensive evidence becomes available. Though the study was made from the standpoint of a single State, it recognizes that the problem of framing a wise foreign trade policy for the United States cannot be solved purely in terms of specific sectional economic interests.

PROCEDURE

The group began by delving into past and present and even future aspects of the problem. The heart of the project was an attempt to find the impact on individual industries in Minnesota likely to follow a reduction in United States trade restrictions in general and specifically a reduction of tariffs on the products of each industry considered. The approach was twofold. A statistical study attempted to depict Minnesota's trade position by showing the State's proportionate interest in imports and exports. A survey was also made to gather informed opinion from persons in the various industries. The League of Women Voters helped by interviewing several hundred business executives located throughout the State.

There is a high degree of conjecture in any estimates of the restrictiveness of tariffs and quotas or the likely impact of their liberalization. There is no way of knowing absolutely what will happen, but there are many factors within the situation of each individual industry which bear upon the likelihood of one result or another; an opinion based upon knowledge of these factors is better than an opinion which is less well-informed.

SELECTED FINDINGS

Minnesota's exports: An earlier university study showing the variety of exports of Minnesota manufacturers was confirmed by the BERC study. Though no statistical record of all Minnesota exports is available, an estimate of the importance of these exports can be made. By assuming that Minnesota's interest in exports is in proportion to its share of United States production and exports, one can get some idea of the importance of exports to the State and table 1, on this assumption, indicates the importance of exports to Minnesota in terms of employment.

TABLE 1.—*Employment in Minnesota dependent directly or indirectly on United States exports, 1947*[1]

Industry	Minnesota employment	Percent dependent on exports	Minnesota employment dependent on exports
Food (processed) and kindred products	46,565	6.0	2,794
Tobacco manufactures	22	12.1	3
Textile-mill products	2,569	14.5	373
Apparel	11,064	3.2	354
Lumber and wood products	4,239	6.9	292
Furniture and fixtures	3,182	2.5	80
Paper and allied products	8,958	9.6	860
Printing and publishing	18,143	6.0	109
Chemicals	2,416	13.1	316
Products of petroleum and coal	1,599	13.3	213
Rubber products	486	11.8	57
Leather and leather products	816	4.4	36
Stone, clay, and glass products	3,191	9.2	294
Iron and steel	6,141	16.6	1,019
Nonferrous metals	829	13.9	115
Plumbing and heating supplies	1,480	3.9	58
Fabricated structural metal products	3,687	5.1	188
Other fabricated metal products	4,972	11.5	572
Agricultural, mining, and construction machinery	10,407	19.6	2,040
Metalworking machinery	1,546	16.5	255
Other machinery except electrical	11,370	13.8	1,569
Motors and generators	1,915	16.4	314
Radios	767	9.4	72
Other electrical machinery	11,691	8.7	1,017
Motor vehicles	2,429	11.6	282
Other transportation equipment	603	11.7	71
Professional and scientific equipment	1,112	12.1	135
	162,199	....	13,488

[1] 1947 is the latest year for which this kind of data can be obtained. Employment figures are derived from the 1947 United States Census of Manufactures when available, and otherwise estimated.

It perhaps comes as a surprise that the State is exporting so many kinds of products—food, paper, and paper products, machinery and other kinds of metal products, to name but a few. Minnesota's primary interest is not in exporting and not all producers have a common export interest, however.

Trade restrictions: Foreign trade exists despite many kinds of restrictions but it is not easy to evaluate the degree of restrictiveness. Common methods used include the use of the average tariff rate, the percentage of dutiable imports to free imports, and the volume of trade which comes in over a tariff wall. For many reasons these measures can be misleading. For example, United States tariffs are lower now than in the early 1930's, yet a higher percentage of imports entered the country duty-free in 1931-35 than in the post-World War II period.

Another common method is to compute the average tariff level by dividing total tariff revenue by the total value of dutiable imports. This average obscures the fact that the duties on some products or on the exports of some countries may be quite high even though rates on others are low. Prohibitive rates will not be reflected in the average at all.

The volume of trade over a tariff wall can also be misleading. An almost prohibitive tariff rate may look insignificant simply because it appears that little trade is affected. On the other hand, the complete absence of imports may not mean that the duty is the obstacle. The duty may be entirely irrelevant, and other things may be preventing imports. A large volume of trade, however, does not necessarily indicate as it might seem to, that the duty is not restrictive. Trade might still increase greatly if the duty were reduced.

The simplest measure is, of course, the ad valorem tariff or the ad valorem equivalent. Here the danger lies in the inevitable comparison of rates between commodities. Clearly, on any single commodity, the higher the ad valorem rate the more restrictive is the tariff. But a given percentage rate on one product may have quite different significance from that of the same percentage rate on another product. What we need to know with respect to any single product is the extent to which a given rate excludes the imports of that commodity.

A better way to get a reliable idea as to the restrictiveness of tariffs or quotas is to interview persons who have direct knowledge of the significance of any given level of quotas or tariff rates for their industry. In this connection, the BERC and the League of Women Voters interviewed businessmen in many industries. The complexity of the problem and the paucity of accurate information made the interview a difficult task.

TABLE 2

DEGREE OF RESTRICTIVENESS OF TARIFFS AND QUOTAS ON IMPORTS COMPETITIVE WITH PRODUCTS OF MINNESOTA AGRICULTURE AND INDUSTRY

High

Meat animals and products.
Oil-bearing crops.
Processed dairy products.
Grain mill products.
Sugar.
Vegetable oils.

Moderate

Food grains and feed crops.
Other agricultural (wool).
Wood containers and cooperage.
Paper and board mills.
Converted paper products.
Other leather products.
Pottery and related products.
Blast furnaces, steel works, and rolling mills.
Nonferrous foundries.
Hand tools and hardware.
Construction and mining machinery (diamond drills only).
Electrical appliances.
Toys and sporting goods.

Low

Stone, sand, clay, and abrasives.
Meat packing and wholesale poultry.
Miscellaneous food products.
Textiles and apparel.
Sawmills, planing and veneer mills.
Fabricated wood products.
Metal furniture.
Partitions, screens, shades, etc.
Soap and related products.
Paints and allied products.
Miscellaneous chemical industries.
Miscellaneous rubber products.
Leather tanning and finishing.
Footwear (excluding rubber).
Glass.
Abrasive products.
Other miscellaneous nonmetallic mineral products.
Metal stampings.
Lighting fixtures.
Miscellaneous fabricated metal products.

Metalworking machinery.
Special industry machinery.
General industrial machinery and equipment.
Commercial machines and equipment, not elsewhere classified.
Valves and fittings.
Motors and generators.
Radio and related products.
Storage batteries.
Truck trailers.
Railroad equipment.
Instruments, etc.
Optical, ophthalmic, and photo equipment.
Medical and dental instruments and supplies.
Miscellaneous manufactured products.

Negligible

Poultry and eggs.
Farm dairy products.
Plastic products.
Vegetables and fruits.
Iron ore mining.
Canning, preserving, and freezing.
Bakery products.
Alcoholic beverages.
Tobacco manufactures.
Logging.
Wood furniture.
Pulp mills.
Printing and publishing.
Drugs and medicines.
Fertilizers.
Animal oils.
Petroleum products.
Coke and products.
Paving and roofing materials.
Cement.
Structural clay products.
Concrete and plaster products.
Iron and steel foundries.
Tin cans and other tinware.
Heating equipment.
Construction and mining machinery (except diamond drills).
Internal combustion engines.
Farm machinery and equipment.
Boiler shop and fabricated metal products.
Refrigeration equipment.
Valves and fittings.
Machine shops.
Electrical control apparatus.
Electric lamps.
Communication equipment.
Motor vehicles.
Ships and boats.
Clocks.
Jewelry and silverware.

Table 2 gives, in effect, the estimated degree of protection provided individual Minnesota industries by United States trade restrictions. A low rating means that in the absence of the trade restrictions the volume of imports would not be substantially larger. A high rating means that a considerably larger volume of imports could be expected upon removal of present restrictions.

Many industries either have no protection or believe that such protection as exists is of negligible importance to them. The highest degree of restriction is found on the imports of some farm products, either before or after processing. Where the imports are severely restricted, the restriction is accomplished by quotas rather than by tariffs alone. The industries which have moderately restrictive tariffs on the imports of their products are not, in general, the large industries in Minnesota.

Restrictions are found the world over and a number of Minnesota industries find exporting difficult because of restrictions placed by other nations. Minnesota producers of so-called nonessential goods also face severe restrictions placed by countries with dollar shortages.

Impact of trade liberalization: Much of the BERC study was directed toward estimating the impact of trade liberalization upon Minnesota industries and agriculture. Certain economic gains and losses for the State can be anticipated if foreign trade policy is liberalized. Some Minnesota industries can expect to feel increased competition from imports; others can expect export opportunities to expand as foreign countries acquire more United States dollars, or reduce their restictions reciprocally. Some industries could also expect to gain in terms of an increased availability of imports for use in their productive processes.

The impact of any trade liberalization would be unevenly distributed among Minnesota industries. Agriculture would be affected differently than manufacturing and individual industries within each of these major segments would feel different effects.

The BERC data indicated that industries with approximately 25 percent of the manufacturing employment would probably we benefited, while industries with about 7 percent would likely be injured. The balance, employing about 66 percent, would probably show little or no net effect. Of the total, about 12 percent of employment might expect a high degree of benefit and less than 1 percent would expect serious loss.

TABLE 3.—*The net effect of trade liberalization upon Minnesota manufacturing employment by industry groups benefited* [1]

[Number employed, 1947]

Industry	Number of employees
HIGH	
Farm machinery and equipment	7,196
Electrical control apparatus	6,361
Plastic products	3,640
Construction and mining machinery	3,211
Motors and generators	1,915
General industrial machinery and equipment	1,590
Internal combustion engines	1,191
Total	25,104
Leather products except footwear	[2] 456
Pottery and related products	[2] 336
Sugar refining	[2] 303
Total	1,095
MODERATE	
Refrigeration equipment	5,266
Advertising specialties	[2] 5,000
Heating equipment	[2] 1,172
Commercial machines and equipment, not elsewhere classified	[2] 995
Abrasive products	770
Miscellaneous electrial products	291
Medical and dental instruments and supplies	227
Total	13,721
Injured: Spinning, weaving, and dyeing	[2] 732
LOW	
Canning, preserving, and freezing	[2] 4,021
Boiler shop and fabricated structural metal products	3,687
Electrical appliances	[2] 1,970
Special industry machinery	1,923
Radio and related products	767
Tin cans and other tinware	[2] 660
Miscellaneous rubber products	486
Optical and photo equipment	[2] 421
Railroad equipment	[2] 370
Boats	[2] 245
Valves and fittings	183
Miscellaneous fabricated metal products	[2] 91
Total	14,824
Processed dairy products	6,143
Miscellaneous manufactured products	[2] 1,712
Hand tools and hardware	[2] 1,213
Stone, sand, clay, and abrasives	[2] 1,211
House furnishing and other nonapparel	[2] 1,139
Vegetable oils	907
Wood containers and cooperage	845
Total	13,170

[1] Industries likely to be unaffected, or to experience about equally benefits and injury, are not shown in this table. Employment data primarily from the 1947 U. S. Census of Manufactures.

[2] Number of employees estimated for part or all of the industry.

[2] Number of employees estimated for part or all of the industry.

Table 3 shows the net effect of trade liberalization upon Minnesota's manufacturing employment for 1947. In order to conserve space, the not affected group is not included in the table. The not affected group included both those industries which would not feel any effect at all and those industries which would register approximately equal gains and losses.

Each important industry was studied by some BERC member. Digests of the industry studies are included in the complete BERC report but cannot be included here. The report on the farm-machinery industry, as an illustration, showed that no United States tariffs exist on products of the industry, that local industry has felt no serious import competition and does not anticipate serious foreign competition in the future. Even if foreign suppliers were to develop products of comparable quality, they would face the problems of having to establish in this country an adequate marketing organization and adequate service facilities. It became quite clear that the farm-machinery industry in Minnesota could only benefit from a liberalization of United States foreign trade policy which would enable them to increase their exports.

Sugar refining, on the other hand, is clearly an industry which could be seriously injured by trade liberalization. Quota restrictions on imports make possible the present level of the Minnesota industry. Free trade in sugar would probably eliminate the domestic industry entirely. A careful and complete evaluation of the effects of reducing restrictions on sugar imports must go beyond the fairly obvious losses to the State's sugar-beet industry from increased import competition and examine the effects on Minnesota of increased exports to Cuba and a lower price of sugar for Minnesotans.

The farm machinery and sugar cases were exceptions in that the conclusions could be drawn rather quickly and with considerable assurance of the accuracy of the conclusions. In most cases the answers were clouded with many complicating factors, bearing indirectly as well as directly upon the issues.

Some factors lessen the importance of the tariff as a restriction on trade and also work against the Minnesota exporter. For example, some Minnesota apparel manufacturers do not fear foreign competition because the styles made and sold locally are considerably different from any foreign product. On the other hand, the Minnesota apparel firm may find it difficult to get foreign acceptance for his styles. Thus some of the most important kinds of impediments to world trade have little to do with our foreign trade policy.

Manufacturers of an article with a high style element, or requiring an extensive marketing structure, or needing elaborate repair and service facilities will probably not worry very much about the level of the United States tariff, nor will the firm be concerned about its export potential. In some instances Minnesota firms have overcome some of these problems.

Agriculture: Agriculture is a very important segment of the Minnesota economy and in 1954 accounted for about 11.4 percent of personal income distributed in Minnesota as compared to only 5.3 percent nationally. The controversy over what is wise and desirable international commercial policy with respect to agriculture appears to be even greater than the controversy over what international commercial policy is best for industry. The agricultural picture is complicated by the price-support programs for grains and dairy products. The BERC felt that, although a complete analysis of trade policy with respect to agricultural products requires full consideration of farm policy, a few things could be said on the problem of trade liberalization without entering into the issues surrounding the price-support program.

Prior to any discussion of trade-policy effects, a few facts about the present Minnesota agricultural situation should be presented. First, the Minnesota farmer is primarily a seller of meat, dairy, and poultry products. In 1954, about 70 percent of his cash farm receipts came from these sources. Second, the larger part of farm cash income in this State comes from nonsupported commodities. Third, most of the grain produced in the State is used as feed and the market for animal products, is therefore, more important than the grain market for the Minnesota farmers.

The probable effects of trade-policy liberalization upon Minnesota agriculture are summarized in table 4.

TABLE 4

IMPACT OF TRADE POLICY LIBERALIZATION UPON PRIMARY AND PROCESSED AGRICULTURAL PRODUCTS

Primary products

Low benefit: Corn, soybeans, peas and canning corn.

Not affected: Hogs, poultry and eggs, fluid milk, tobacco, other vegetables and fruit.

Low injury: Cattle, feed barley.

Moderate injury: Oats, malting barley, rye, flax.

High injury: Wheat, sugar beets, wool.

Processed products

Low benefit: Lard, hides, evaporated milk, soybean oil, canned corn, canned peas.

Not affected: Fresh meat, canned meat, grease and tallow, poultry, fluid milk, flour, prepared animal feeds, alcoholic beverages, tobacco manufactures, canning (except corn and peas).

Low injury: Butter, cheese (Cheddar), woolens and worsteds, dried milk.

Moderate injury: Linseed oil.

High injury: Sugar.

The Minnesota farmer's ability to compete with foreign producers in our domestic market and in the foreign market, in the absence of price supports and import restriction, depends upon his comparative advantage in various farm products. There is not sufficient factual evidence with respect to specific products to prove what would result in terms of injury from imports or benefits from exports.

Any change in trade policy with respect to agriculture is likely to produce some change in the pattern of farm production. Trade restrictions which are advocated as a means of avoiding changes in the pattern of farm production may not in the end be of benefit to farmers. Each case must be examined on its merits.

The BERC study indicates that changes from the existing agricultural pattern would probably come in wool, sugar, and to a lesser extent in wheat. These three products appear to be most vulnerable to import competition. On the other hand, expansion might come in soybeans, lard, and eventually in dried milk. There might be minor gains in exports of corn and canning crops. For other primary and processed products, little or no effects from trade policy liberalization would be expected. These best guesses of the BERC, it should be reiterated, must be regarded as speculative. More study needs to be given this highly controversial problem, especially with regard to the reconciliation of the aims of farm programs and trade liberalization. In general, there is somewhat less scope at the present time for liberalizing import restrictions on agricultural products than on industrial products.

Conclusions and recommendations: In addition to findings with respect to the products of specific industries, some of which have been mentioned here, the BERC reached several broad conclusions:

1. United States imports of some of the kinds of products produced in Minnesota enter duty free, others have a wide range of duty rates, and some are restricted by quota arrangments.

2. Over half of Minnesota's manufacturing employment is in industries which would be unaffected directly by trade liberalization; more is in industries which would gain from liberalization than in industries which would lose.

3. Minnesota agriculture appears to be more vulnerable than industry to increased imports insofar as United States farm commodity prices are maintained above world prices.

4. Reductions of tariffs and quotas would not always result in a large increase in imports due to a number of factors which in some cases give the local producer a distinct advantage over the foreign competitor.

In addition to reaching these conclusions, the BERC made several recommendations with respect to United States foreign trade policy. The results of the study prompted recommendations for a continuation and extension of the reciprocal trade agreements program, and for other trade liberalization measures. It is the belief of the BERC that a clear-cut policy of tariff liberalization will help strengthen the community of political and economic interest between our allies and ourselves.

The trade policy liberalization recommendations by the BERC call for a gradual program designed to prevent serious dislocation to the economy of the State. Tariff reductions should be sufficient in amount to encourage a freer exchange of goods, thus enabling free nations to earn dollars with which to purchase goods from us. The BERC made no recommendation with respect to liberalization of trade restrictions on agricultural products except to point out that study should be given to the possibility of reconciling foreign trade policy and agricultural policy.

Mr. HUMPHREY. In conclusion, Mr. President, I want to commend this entire study most earnestly to my colleagues. I can think of no better source for an up-to-date and reliable analysis of the impact on a community of 3 million people of our present foreign trade policies. As one who has long been devoted to the principles of liberalized trade, I am delighted that the conclusions of this study bolster my own position and show that the interests of the State of Minnesota coincide with the interests of the United States as a whole in increasing and developing world trade.

Mr. President, I also ask unanimous consent to have a special letter to the editors, which I prepared for the week ending May 19, 1956, printed in the RECORD at this point in my remarks.

There being no objection, the newsletter was ordered to be printed in the RECORD, as follows:

FOREIGN AID

As the Congress turns its attention this month to the vital question of world economic policy, it becomes ever more evident that the direction of our domestic and foreign economic policy will be perhaps decisive in the worldwide competition with communism. With the Soviet Union moving aggressively into the field of technical and economic aid, and making great efforts to expand its own economy, it behooves us to plan wisely.

MINNESOTA STUDY

An important document is fortunately now in the hands of foreign policymakers. It is a recently published book: The Effect on Minnesota of a Liberalization of United States Foreign Trade Policy—an intensive examination of the impact of foreign trade on our State. In the form of a report of the business executives' research committee—a cooperative research team of Twin Cities business executives and university faculty members—it covers studies made during 1954 and 1955. Published by the University of Minensota, it was edited by Profs. Harlan M. Smith and Robert J. Holloway of the university.

BEGINNING THE STUDY

This unusual project began 2 years ago in my office. I was discussing with Dr. Howard S. Piquet of the Library of Congress, an outstanding authority on world trade, his recently completed study of the impact of world trade on an Indiana congressional district. It occurred to me that a larger and more comprehensive study should be made of an entire State. Minnesota would be an ideal State for the study, with its varied economy and yet manageable size. Piquet agreed. From that day on I was to have the pleasure of working with many Minnesota leaders in business and education to find the necessary financial assistance for the proposed project. Among private, university, and corporate sources the funds were finally put together and the study begun. Eventually more than 400 Minnesota industries coordinated by the Business Executives' Research Committee of the university were to participate in the collection of data.

RESULTS

After 2 years of detailed study the report is complete. More than 162,000 Minnesotans are found to be employed in industry either directly or indirectly affected by United States exports. One-fourth of these workers would probably be benefited by freer trade, and more than 12 in a hundred would be benefited greatly. Only 7 percent of these workers would probably be adversely affected by a general liberalization of our foreign trade policy—and less than one in a hundred would expect serious loss.

NATIONAL PICTURE

You may be sure that the vital statistics and findings of this Minnesota study will be carefully considered. The facts are plain—that at least in one State the benefits of freer trade, with appropriate safeguards for vital industries, would far outweigh any losses due to greater imports. Again Minnesota leads the way. What Minnesota has been able to do may be followed by further studies of other sections of the Nation—the kind of factual data upon which a more constructive economic foreign policy can be built.

REBUTTAL OF CHARGES BY BERTRAND RUSSELL IN CONNECTION WITH ROSENBERG TRIAL AND SOBELL CASE

Mr. HUMPHREY. Mr. President, on April 23, I brought to the attention of the Senate my dismay over the unfounded charges by Bertrand Russell in connection with the Rosenberg trial and the Sobell case. My initial remarks may be found in the Congressional Record for that date on pages 6764–6767.

I am delighted to find that the Manchester Guardian, which first printed Lord Russell's attack on the FBI, carried an appropriate story on April 26, 1956, reporting my rebuttal to the original carges. I ask unanimous consent that the article I have just referred to, which was written by the Guardian's competent Washington correspondent, Max Freedman, be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Senator Attacks Lord Russell—"Reckless Liberties"

(From Max Freedman)

Washington, April 25.—The Sobell case and the Rosenberg case, together with Lord Russell's charges against the Federal Bureau of Investigation, have now reached the floor of the Senate.

The issue was presented by Senator Humphrey, Democrat, of Minnesota, who began by placing on the Congressional Record the letter from Lord Russell to the Manchester Guardian in which he accused the FBI of using perjured testimony and following Nazi-like methods. Senator Humphrey declared:

"I am dismayed by the reckless liberties which Lord Russell has taken with the facts and with our Nation's great legal and judicial traditions. What is more important, I am deeply concerned that, because Lord Russell has in the past been an anti-Communist and an independent thinker, the outside world may take his allegations seriously. There is no necessity for me to defend the FBI against this attack. It can stand with honor and distinction upon its own customarily excellent record. I believe, however, that something should be said to demonstrate to our British friends that Lord Russell's comments are irresponsible and false."

ILL-INFORMED ATTACK

The Senator then placed in the Congressional Record the letter to the Manchester Guardian from Mr. Green, a former attorney with the Atomic Energy Commission, and Mr. Ferman, the assistant director of the American Civil Liberties Union. Senator Humphrey said that he was deeply disturbed that a man with Lord Russell's worldwide reputation should have contributed such a damaging and ill-informed attack on American justice. He went on:

"It is even more serious when so many persons have long recognized the many fine contributions to literature and the social sciences which Lord Russell has made. I say, in a most forgiving and understanding manner, that the purpose of my comments today is merely to correct the record and not to chastise or unduly to criticize. Nevertheless, I feel that in matters of such gravity as this it is important for Members of Congress and other persons to speak out and to defend what we know to be true, namely, that the due process of law was followed; and that these cases were appealed not only to the highest courts of the land but also to two Presidents of the United States. I know of no President who would in any way have permitted a violation of the rules of justice in the name of security if he had any evidence to indicate that a person was innocent."

In conclusion Senator Humphrey declared that the evidence was replete as to the guilt of the persons concerned, and that the courts of the United States, as well as two Presidents, had made it crystal clear that justice was done.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.; and

H. R. 7164. An act for the relief of Lt. Michael Cullen.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cooper, Mr. Mills, Mr. Gregory, Mr. Reed of New York, and Mr. Jenkins were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2603. An act to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; and

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred, as indicated:

H. R. 2603. An act to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; and

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended; to the Committee on the District of Columbia.

H. R. 10986. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

DEPENDENTS' MEDICAL CARE ACT

The Senate resumed the consideration of the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes.

Mr. RUSSELL. Mr. President, the distinguished senior Senator from Massachusetts [Mr. Saltonstall], who is the ranking minority member of the Committee on Armed Services, and who has contributed mightily to the bill, has a statement to make. Since he has an appointment to be elsewhere, I shall waive my opening statement until he has an opportunity to make his statement.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Georgia, the chairman of the Committee on Armed Services. I wish to say that I join wholeheartedly in supporting the bill, and what few remarks I have to make will really be supplementary to the remarks the Senator from Georgia will make in going into detail on the bill. I wish to refer to one of the fundamental reasons why the bill should be passed and become a law at the earliest possible opportunity.

The point which I wish to stress particularly, almost exclusively in view of the detailed presentation which is to be made by the distinguished chairman of our commmittee, is simply this: The very highest priority must be given now, as never before, to the retaining of trained men in our Armed Forces and to the recruiting of young men who can in due course become equally trained and effective members of those forces.

The dependents' medical care bill is one item referred to specifically by the President in his special message to the Congress of January 1955 on personnel turnover in the military services. A more recent communication from the President, dated April 9, 1956, transmits a letter from the Secretary of Defense reviewing the serious nature of the personnel situation in the Armed Forces and outlining legislative proposals as a means of improving military career incentives.

In the earlier message, the President included striking illustrations of the investment in skilled manpower of the Armed Forces. It costs approximately $3,200 to put 1 man through the normal course of basic training. It costs an additional $2,000 to $5,000 to train a man in the typical technical skills which are essential in the military system of today. It costs $120,000 to train a jet pilot.

In this regard I was profoundly impressed, as were all who heard him, by General LeMay's recent public testimony to the effect that the principal problem faced by the United States Air Force is one of manpower, not of materiel. General LeMay made it strikingly clear that unless trained personnel, fully adequate in numbers and experienced in their skilled jobs, were made available in increasing numbers to the Air Force, no increase in the number of aircraft themselves would be of particular value from the standpoint of our Nation's security. The accent must, at this time, very clearly be upon men, not missiles; upon people, not planes. In saying this I do not minimize for one moment the great need for continued research, development, and progress in the field of guided missiles and in the production of the great B–52 bombers and more advanced type aircraft. I simply emphasize General

LeMay's statement that manpower must now be given top priority.

This bill, as I see it, will make a definite contribution toward stimulating both enlistments and recruitments in our armed services, and toward reducing the number of resignations from the services, which have in past months given us much concern.

Of course, it is almost impossible to trace an improvement in reenlistments or a reduction of resignations to any one legislative item. The dependents' medical care bill is one of several proposals which, taken together, are designed to make a military career more attractive generally. Already enacted are measures for increased pay, greater reenlistment allowances, more housing for dependents, and a career incentive measure for medical and dental officers.

Let me add that in the past year we have had some encouraging results regarding the rate of reenlistment. We want by every proper means to keep this momentum going, and to accelerate it if we can. The overall enlistment rate for regular personnel was 27.2 percent in the fiscal year 1955, and experience to date indicates that for the fiscal year 1956 this figure will increase to 42.8 percent. The reenlistment rate for those whose first enlistment was expiring was 15.7 percent for the fiscal year 1955, and it looks as if this figure will increase to 23 percent for the fiscal year 1956. This is encouraging, but we are simply making up somewhat for the tremendous drops in these rates which occurred prior to the fiscal year 1955. We cannot now afford to lose this important advantage that seems to be ours if, by the enactment into law of such measures as this, we can accelerate reenlistments and bring about a substantial reduction in resignations from the services.

From the economic standpoint it should be pointed out that the Department of Defense estimates that 949,000 persons will have their obligated tours of duty expire in the fiscal year 1957. Eight hundred and seventy-three thousand of these are enlisted men. Since it costs approximately $3,200 to give basic training to each replacement, if an additional 10 percent of the 873,000 could be induced to reenlist, an investment of almost $280 million would be preserved.

It is even more important, however, let me repeat, Mr. President, that highest priority be given to our trained men and to those who can and will become so if given sufficient encouragement and inducement.

This single bill is not in itself an answer to all our manpower problems, of course. It does, however, to my mind, represent a long step forward toward the attainment of our objective, namely, the completely adequate defense of the United States not alone in terms of weapons and materiel but, more important, in terms of the men and women ready, willing, and able to devote themselves without interruption of career to the building up of the Nation's security.

For those reasons, among others, I believe the bill should be enacted into law.

The chairman of the committee is thoroughly familiar with the provisions of the bill, and the committee has gone over the bill line by line.

After hearing the chairman of the committee explain the bill and the encouragement it will provide for continued service, particularly in the case of benefits to dependents, I am sure the Senate will pass the bill.

Mr. President, I thank the chairman of the committee for permitting me to speak at this time. I am confident that after he concludes his remarks it will be very clear why the committee unanimously supports the bill.

Mr. THYE. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I do not have the floor.

Mr. RUSSELL. Mr. President, I am glad to yield to the Senator from Minnesota.

Mr. THYE. I thank the Senator from Georgia.

Mr. President, I wish to commend the distinguished and able senior Senator from Massachusetts [Mr. Saltonstall], the senior Republican member of the Armed Services Committee, for his able presentation of the questions involved in the bill.

This subject has been of great concern to me, because from time to time I have observed that some of our ablest younger officers have left the armed services because of financial reasons. That has been particularly true in the case of officers with families. The provisions of the bill make me confident that, if it is enacted, we can expect reenlistments or continued service on the part of these men, who are so valuable to the armed services.

Therefore I wish to commend the Senator from Massachusetts for his strong support of the bill and his thorough explanation of its provisions.

Mr. SALTONSTALL. I thank the Senator from Minnesota for his remarks.

Personally, Mr. President, I agree with the views of the Senator from Minnesota regarding the effectiveness of the bill. It constitutes one of five steps which already have been taken or are in the process of being taken. There are several others yet to come.

We know how important it is to keep well-trained men in the armed services, and we know how seductive to them can be some of the aspects of private employment, particularly the high wages paid. Although we realize that it will never be possible for the armed services to maintain pay scales as high as those of private concerns, yet we believe that continued service in the Armed Forces will be greatly encouraged by making provision for increased additional benefits.

Mr. THYE. That statement by the Senator from Massachusetts is similar to the testimony Mr. Wilson gave last week before the committee.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Georgia for his courtesy in yielding.

Mr. RUSSELL. I have been glad to yield.

Mr. President, this bill is one of several pieces of proposed legislation suggested by the President of the United States and the Department of Defense to increase the so-called fringe benefits for the members of the armed services.

As stated by the administration spokesman, the primary objective of the bill is to undertake to reduce the tremendous turnover in military personnel.

The bill has an appeal to me which is over and beyond that purpose, because, Mr. President, enactment of this measure will eliminate a great inequity now existing between various members of the Armed Forces.

At the present time the dependents of those who are stationed overseas in the Armed Forces of the United States have available to them hospital and medical care of all kinds. Within the United States, the dependents, accompanying military personnel who are assigned to installations which have available hospital space and uniformed doctors likewise have complete medical and hospital care. The bill seeks to provide medical care for the estimated 40 percent of the dependents who do not have a military medical facility available to them. Glaring inequity has existed for many years, particularly in the cases of the lower enlisted grades of the armed services whose members cannot take their wives and children with them, sometimes for financial reasons and also because they cannot obtain living quarters for them near the post. Not only have those dependents been denied the companionship of the person who is in the Armed Forces, but they have been denied any medical care.

I doubt not that most Members of the Senate have received communications from dependents of members of the Armed Forces seeking assistance in the form of medical care which they seriously needed, and which they did not have the financial means to obtain. In some cases they were compelled to do without such care, because their sponsor, the one who was in the Armed Forces, was not able to have them near him, where medical care in the Armed Forces was available.

The bill would bring relief to the group which is now seriously disadvantaged in comparison to those dependents who can accompany their sponsors to stations where medical care from service facilities is available. It is heartening to me to know that the bill will eliminate this element of unfairness.

Mr. President, without question the most significant feature of the bill before the Senate is that it would authorize a contract to provide medical care from private physicians and in private hospitals for the spouses and children of members of the uniformed services who are on active duty. This represents a new departure in the field of dependent medical care. Indeed, it is almost revolutionary in its nature. For the first time it makes civilian medical care available to dependents who now are unable to secure such care from uniformed physicians and hospitals operated by the uniformed services. Such medical care as is now available to dependents is furnished by uniformed physicians and in hospitals operated by the uniformed services. At this point let me say that

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footwear, and spectacles, but exceptions to the highest courts of the land but also to two Presidents of the United States. I

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the term "uniformed services" includes the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, and the commissioned corps of the Public Health Service and the Coast and Geodetic Survey.

The civilian medical care that this bill proposes to authorize would be provided under a medical service, health insurance, or health plan. Under the medical-service concept, which is usually associated with the Blue Cross and Blue Shield organizations, members of these organizations pay monthly premiums for the privilege of availing themselves, when needed, of medical services and hospitalization to the extent provided in a contractual agreement. The organization itself secures agreements from physicians and hospitals to provide specific services and facilities in exchange for definite fees and charges.

The health insurance approach is, as the term implies, an insurance policy underwritten by insurance companies. The insured person pays a premium to the insurance underwriters. The policy specifies monetary benefits of definite sums in the event of need for medical care and hospitalization of the types covered by the policy. While these insurance benefits can be assigned to the hospital or the physician providing the services, the compensation of the physicians and hospitals flows directly from the person insured and the fees and charges do not necessarily correspond to the money benefits paid under the policy.

A third method that is possible of utilization under the bill is a group-health plan. Group-health plans generally provide medical service through physicians and clinics serviced by physicians who participate, and hospitalization is furnished through contracts with local hospitals.

The growth of systems involving prepayment of medical expenses in this country within recent years is impressive. There now are 70 Blue Shield plans in the United States and its Territories, with approximately 33 million people being covered. There are 86 Blue Cross plans covering more than 51 million Americans. Premiums paid to the companies comprising the American Life Convention and the Life Insurance Association of America, 2 organizations whose companies underwrite 85 percent of the group accident and health insurance in the United States, were in excess of $1 billion in 1955. These figures are mentioned merely to furnish some indication of the magnitude of existing programs for prepayment of medical and hospital expenses. Despite the extent of these programs, the scope of the medical care contemplated by the pending bill is somewhat different from any medical service program or health insurance operation now in effect. It appears that the plan of administration must be specially organized to carry out the medical care program involved in this bill.

The authority to enter into a civilian contract for the medical care of spouses and children is broad enough to permit utilization of any of these plans. Thus the Secretary of Defense, through negotiations with representatives who could administer each of the plans, would determine which method could provide the most satisfactory services for the least expenditure of Government funds.

The plan that would be entered into would cover all the spouses and children of active-duty personnel. The cost to the person receiving the care is limited to the first $25 of hospital expenses, or the prevailing subsistence rates in service hospitals multiplied by the number of days hospitalized, whichever is greater. The bill as received by the committee provided for payment of only the first $25 of hospital expenses.

A person receiving hospitalization in a service facility is required to pay a subsistence charge, now $1.75, for each day of hospitalization. Thus, the ultimate cost for long periods of hospitalization would have been somewhat greater in service facilities. In an attempt to eliminate considerations of cost from the election of civilian or military facilities, the committee adopted the alternate feature of deductibility mentioned above. Of course, a person receiving civilian hospitalization for any period of time must pay the first $25 of hospital expenses, and to this extent civilian hospitalization will prove more expensive than service hospitalization for short periods. However, the $25 deductible feature was adopted initially as a deterrent to prevent abuse and is, I believe, in accordance with recommendations of the Moulton Commission, a private group appointed by the Secretary of Defense to make a comprehensive study of dependent medical care, that there should be some restraint on excessive demands for medical attention. Still another reason for committee adoption of this alternate feature of deductibility is the realization that a person not requiring hospitalization would incur a cost of at least $1.75 per day for subsistence. Leaving the deductible feature at only the first $25 of hospital expenses would, in some cases, have had the effect of placing a dependent who required hospitalization in a better financial position than a contemporary who was not ill.

The civilian contract may provide the following maximums: First, hospitalization in semiprivate accommodations up to 365 days; second, medical and surgical care incident to a period of hospitalization; third, complete obstetrical and maternity service, including prenatal and postnatal care; fourth, required services of a physician or surgeon prior to and following hospitalization for a bodily injury or for a surgical operation; and fifth, diagnostic tests and procedures. Thus it will be seen that the authorization is fairly comprehensive, the principal item not included and which is available from service facilities being outpatient care. Inclusion of outpatient care generally would pose even more formidable problems of administration and costs. This program admittedly is experimental and it seems wise to begin on a cautious basis.

This brings us to the consideration of the so-called freedom of choice provision that is contained in subsection 201 (b) of the bill. This subsection provides that the dependents for whom civilian care will be contracted may elect to receive medical care in service facilities or in private facilities, except that the Secretaries concerned may limit this privilege of election where spouses and children are residing with members in areas where adequate service medical facilities are available for dependents. Many private physicians and hospitals apprehend that the power to limit choice would cause the construction of new service hospitals and the induction of more physicians to provide dependent medical care. The view of the Department of Defense is that unlimited free choice could result in an unjustifiable and an uneconomical failure to use existing capacities at service hospitals. Career medical personnel of the services also desire the opportunity for a diversified practice afforded by treatment of dependents. Members on active duty presumably are healthy and their treatment offers limited diversification. This subsection has been left virtually intact by the committee in the realization that an expansion of service facilities or an increased requirement for service physicians solely to provide dependent medical care could not be accomplished without congressional approval. The committee is not disposed to assume that the present Secretary of Defense, or some future one, would flagrantly abuse the power to limit free choice.

The new authority for Government payment for civilian care should benefit private physicians and hospitals, if not by increasing volume, then certainly by assuring payment for services rendered, and it is difficult to foresee that the power to restrict free choice will substantially diminish this benefit.

The cost of this new civilian contract authority is estimated at between $50 and $55 million for the first year of operation. This estimate is arrived at by making an assumption of the number of eligible dependents and a further assumption that physicians and hospitals will agree to abide by a maximum fee schedule. By setting up a proportion involving ratios of the medical care provided outside the United States to the number of dependents overseas, where almost all medical care is provided in service facilities, and the medical care provided within the United States to the number of dependents here, it has been calculated that 40 percent of the eligible spouses and children of members of the uniformed services do not now receive medical care in service facilities within the United States. Since there are some 2.1 million spouses and children in this country, this means that almost 840,000 eligible dependents do not now receive care in service facilities. This does not mean that all 840,000 were turned away from service facilities, since undoubtedly many of them lived in remote areas or did not require medical care. The incidence of illness and hospitalization expected to occur among the 840,000 spouses and children is the basis for estimating the first-year cost at the figures I gave, to wit, from $50 to $55 million.

It should be made abundantly clear that the cost to the Government will be in the nature of a cost-plus arrangement, although that term has come to have an unpleasant connotation. Because of the many uncertainties, the medical service and health insurance organizations could hardly underwrite the program on a risk basis initially. Even so, this arrangement may inure to the financial benefit of the Government. What the contract probably will involve is payment by an intermediary, acting as fiscal agent for the Government, of the actual costs of medical and hospital care, with the fiscal agent receiving a fee or charge for administering the plan. Assuming that the cost of administration is reasonable, and the figure of 5 percent has been mentioned, the Government could finance this type of program cheaper than if the payments or premiums had to include elements attributable to risk and to reserves.

The bill provides for a review and adjustment of payments within 4 months after the end of the first year in which the plan operates, and for a report to the Armed Services Committees within 90 days of this review and adjustment. These reports would serve to inform the Congress on the reliability of the cost estimates and the amount attributable to the cost of administration.

As referred to the committee, the bill contained permissive authority for the Secretary of Defense to enter into a civilian medical-care plan for dependents other than spouses and children of active-duty personnel—parents and parents-in-law—for retired members and their dependents, and for dependent survivors of deceased personnel. The cost estimates for providing civilian medical care to persons in these categories were somewhat high in relation to the numbers involved because of the relatively higher ages of the retired members and dependents who would have been eligible. The committee deleted this permissive authority in the thought that a new program such as this should be started on a limited basis. If it proves workable and reasonable in cost as applied to the spouses and children of active-duty personnel, consideration may be given at a later time to an extension of the program. This is surely not the last occasion for congressional interest in the dependent medical-care program and the committee was not inclined to grant at this time every authority that may conceivably be desirable at some time in the future, as a result of experience gained from the operation of the plan.

Having discussed the principal new authority that this bill would grant, I now turn to the types of medical care that can be provided, and the persons eligible to receive this care, in medical facilities of the uniformed services. Today, the military departments furnish medical care to dependents under authority of different laws. These statutory provisions are incomplete and, as a result, there are differences among the services in the type of dependent medical care provided and in the dependents who are eligible to receive this care. Dependents of members of the Coast Guard when it is operating as a service in the Treasury can secure medical treatment only in facilities of the Public Health Service. The second major objective of the bill is to apply to all the services a common standard of dependent eligibility and the types of medical care authorized for dependents. The results of unification of the Armed Forces, first attempted in 1947, have been disappointing to many of us, but this would be another step in that direction.

Beyond the objective of achieving uniformity among the services, the bill also contemplates interchangeability of the medical facilities of the Armed Forces and of the Public Health Service.

Eligibility for care of dependents in service facilities would be established for wives and unmarried legitimate children under the age of 21. Also included are children over 21 who are incapable of self-support because of a physical or mental incapacity prior to reaching this age, and children under the age of 23 who are full-time students. The children and the unremarried widows of deceased personnel would be eligible for care in service facilities. Comparable definitions are provided for dependents of women members of the services, except that a husband must be dependent on the member for over one-half of his support, and the unremarried widower of a deceased female member would be eligible only if he were dependent upon her at the time of her death for over one-half of his support because of a mental incapacity.

Parents and parents-in-law have been excluded by the committee from the definition of eligible dependents. All the services now extend care to parents who are in fact dependent on the member for more than one-half of their support. The Army and the Air Force include parents-in-law who are dependent on the member for more than one-half of their support, but the Navy does not. If parents are to be made eligible, it is difficult not to include parents-in-law, stepparents, and persons who stand in loco parentis to the member. In the realization that 95 percent of the dependents of active duty personnel are spouses and children, the committee has excluded parents from eligibility rather than to venture into these indistinct and questionable areas.

For dependents to be eligible, the member must be on active duty or active duty for training under orders that do not specify a period of 30 days or less. The eligibility of dependents would terminate when the member is released to inactive duty. Dependents of persons who died while a member of a uniformed service, retired members, including those retired under title III of Public Law 810, 80th Congress, and their dependents, and dependents of persons who died while retired members would be eligible for medical care in service facilities. This eligibility, I should emphasize, depends upon the availability of the necessary space, facilities, and capabilities of the medical staff.

Service hospitalization is prohibited for domiciliary care and for elective medical and surgical treatments. Hospitalization for chronic diseases and for nervous and mental disorders would be authorized only in special cases of hardship for not to exceed 12 months. There is a general exclusion of the furnishing of prosthetic devices, hearing aids, orthopedic footwear, and spectacles, but exceptions may be made and these articles furnished at Government cost to persons outside the continental limits of the United States and at remote stations within the United States where adequate civilian facilities are not available. Home calls and ambulance service could be provided only in exceptional circumstances. Dental care for dependents is prohibited except in emergencies, as a necessary adjunct to medical or surgical treatment, and outside the United States or in remote areas within the United States where adequate civilian dental services are not available.

The limitations and exclusions I have just mentioned differ from current practice in that the Army and the Air Force provide dental care to dependents generally when this does not interfere with the dental care of persons on active duty, while for practical purposes the Navy provides no dental care for dependents. Another difference is that the Navy does not provide dependent care for nervous and mental disorders, nor does it provide domiciliary care, while the Army and the Air Force are not prohibited from furnishing such care when the necessary facilities are available. Still another change is that dependents of Navy and Marine Corps personnel would for the first time be eligible for treatment of contagious diseases.

One of the significant committee changes relates to the eligibility of persons retired under title III, Public Law 810, 80th Congress, and their dependents for medical care from service facilities. This eligibility now exists in the Navy, but not in the Army or the Air Force. Considering the emphasis that is being placed on vitalizing the Reserve forces, the committee was reluctant to acquiesce in what the Reservists considered an invidious exclusion. Admittedly, this is an area in which it is hard to reach an equitable solution, since reservists retired under title III will have periods of active duty ranging from none to almost 20 years.

Eliminated from the bill was a provision designed to place persons retired after having served on active duty for at least 30 years in a preferential status regarding their continued care in facilities of the uniformed services. The committee was not unsympathetic to the wishes of retired personnel to be hospitalized in facilities of the uniformed services instead of being transferred to other Federal hospitals under the control of the Veterans' Administration. However, there was a reluctance to nullify existing Executive orders requiring persons retired for physical disability who require hospitalization for blindness, tuberculosis, and psychiatric disorders to be treated in facilities of the Veterans' Administration. The committee was advised that the Veterans' Administration has special facilities for the treatment of these diseases and the Executive orders on the subject seem not to be unreasonable.

The bill contains provisions requiring transfers of funds between departments when members, retired members, or dependents, receive medical or dental care from facilities of a uniformed service

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that is different from the one of which the member, or the sponsor of the dependent receiving care, belongs. The reimbursement is to be at rates established by the Bureau of the Budget to reflect the average cost of providing the care.

Retired enlisted personnel of all the services would be provided subsistence without charge when hospitalized in service medical facilities. Retired enlisted personnel of the Navy and the Marine Corps now receive a subsistence allowance when they are hospitalized in a Federal facility. This allowance is set off against the subsistence charge made against these retired persons when they are hospitalized. Retired enlisted personnel of the Army and the Air Force do not receive a subsistence allowance when hospitalized. To achieve uniformity, the bill provides that retired enlisted personnel of all services shall not be charged for subsistence when hospitalized in a service medical facility and repeals the existing law that grants subsistence allowances to retired personnel of the Navy and the Marine Corps when hospitalized.

Thus far, I have dealt more with what the bill would do than with the reasons for its enactment. Only last month, the President transmitted to the Congress a letter from the Secretary of Defense outlining major legislative proposals designed to improve military career incentives. Enactment of these measures was urged to stop expensive turnover of manpower in the Armed Forces. This bill is one referred to specifically in the President's message. Included in the letter from the Secretary of Defense are statistics disclosing the extent of fringe benefits now being offered by private industry. The statement is made that of industrial workers covered by some type of company sponsored health insurance plan, 70 percent of the covered workers are also offered health insurance for their dependents, and that for 38 percent of these, the employers assume the full cost for dependent coverage.

Mr. President, I am certain it is unnecessary for me to elaborate upon the importance of Congress taking every step possible to eliminate the great waste which is brought about by the excessive turnover of military personnel. A cynic might comment, however, that if the savings which it was estimated would accrue from the bills passed by Congress in recent years had actually accrued, the Department of Defense would practically be operating at a profit, because bill after bill has been introduced with the statement that the turnover of personnel would be reduced and thus there would be saved millions of dollars which it was necessary to spend in training replacements. Congress has enacted nearly every one of those bills, but the Military Establishment is not yet paying any dividends in the way of financial profit.

Seriously, it is practically impossible to establish a cause-to-effect relationship between the enactment of any one measure and a diminution of personnel losses. However, we are gratified to observe that within recent months reenlistments have increased. The Department of Defense officials attribute a part, at least, of the credit to the career incentive measures passed by Congress within recent years. I fervently hope that the passage of the bill will not only eliminate the inequities which have heretofore existed in furnishing medical care to the dependents of members of the Armed Forces, but that it will make a real contribution toward maintaining a more stable personnel structure.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. STENNIS. Mr President, I commend the Senator from Georgia for his excellent presentation of the bill and also for his work as chairman of the committee on the preparation of the bill. The bill has far-reaching consequences. It will set many precedents. It is of major importance, of course, to the members of the Armed Forces themselves.

I think there is one thought which the chairman shares with all members of the committee, namely, that a large amount of discretion is vested in the Secretary of Defense and the Secretary of Health, Education, and Welfare. As a member of the Committee on Armed Services, I should like to ask the Senator from Georgia if he does not agree with me that it is necessary to have a large amount of discretion vested in some Government agency in order to have the program operate successfully.

In the exercise of such discretion, does not the Senator feel that the utmost care, deliberation, painstaking attention, and sound judgment will be necessary in order to have the bill operate within the framework of what was intended by the committee in reporting it?

Mr. RUSSELL. As the Senator from Mississippi has well stated, this is one of the most unusual experiments to be conducted by the Government which has ever come to my attention, and I have been a Member of the Senate since the "100 days" of the Roosevelt administration in 1933. It is an entirely new venture into this field. It is, in effect, the Government undertaking to apply something similar to the Blue Cross and the Blue Shield to the dependents of persons in the Armed Forces.

It was impossible for the committee to write a detailed bill, which would have effectuated the purposes we had in mind, when there has been so little experience on which to predicate action. Therefore, it is absolutely necessary to vest very broad discretion in the Secretary of Defense.

As the Senator from Mississippi well knows, the committee undertook to elicit from the spokesman of the Department of Defense statements as to how it was proposed to exercise this discretion. The committee had to leave the matter of the administration of the plan very largely to the discretion of the Secretary of Defense, but we provided that periodic reports were to be made to the Congress.

The committee intends to keep in close touch with the operation of the program, so as to make certain that it is in no way abused and that it really accomplishes the purpose we have in mind, namely, the making available of medical care to the 40 percent of the dependents of those serving in the Armed Forces who are not now receiving it from service facilities.

Mr. STENNIS. I thank the Senator from Georgia for his additional remarks. I agree with him that we must emphasize the very grave responsibility which the Secretary of Defense and the Secretary of Health, Education, and Welfare carry under the operation of the bill.

It is my opinion that within the bill there is the framework of what could lead to the socializing of the great medical profession. I emphasize "could lead" to that. I do not believe the bill is intended to, or if soundly administered will, lead to that, or that the bill is a step in that direction. Nevertheless, it creates, as I see it, some possibilities which could be used as a leap in the direction of socialized medicine.

Mr. RUSSELL. If the proposed law is administered as it has been outlined to us it will be, it cannot lead to socialized medicine any more than the Blue Cross or the Blue Shield do; but I must say there are some elements of discretion which if improperly exercised might point in that direction.

Mr. STENNIS. That tends again to emphasize the importance of the sound, judicious use of the discretion vested in the two Secretaries.

Mr. RUSSELL. And it also emphasizes the responsibility of the Committees on Armed Services to keep in touch with the program, to make certain that no such thing occurs.

Mr. STENNIS. Yes; that is true, too. I thank the Senator from Georgia for yielding.

Mr. LANGER. Mr. President, I wish to commend the distinguished Senator from Georgia for the very excellent speech he has made in support of the bill. I agree with him wholeheartedly. I think it will be very fine for the Armed Forces to have this kind of measure passed.

Mr. RUSSELL. I thank the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on Armed Services was to strike out all after the enacting clause, and insert:

That this act may be cited as the "Dependents' Medical Care Act."

TITLE I

Sec. 101. The purpose of this act is to create and maintain high morale throughout the uniformed services by providing an improved and uniform program of medical care for members of the uniformed services and their dependents.

Sec. 102. (a) As used in this act—

(1) The term "uniformed services" means the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Commissioned Corps of the Coast and Geodetic Survey, and the Commissioned Corps of the Public Health Service.

(2) The term "member of a uniformed service" means a person appointed, enlisted, inducted or called, ordered, or conscripted in a uniformed service who is serving on active duty or active duty for training pursuant to a call or order that does not specify a period of 30 days or less.

(3) The term "retired member of a uniformed service" means a member or former member of a uniformed service who is entitled to retired, retirement, or retainer pay or equivalent pay as a result of service in a uniformed service.

(4) The term "dependent" means any person who bears to a member or retired member of a uniformed service, or to a person who died while a member or retired member of a uniformed service, any of the following relationships—

(A) the lawful wife;

(B) the unremarried widow;

(C) the lawful husband, if he is in fact dependent on the member or retired member for over one-half of his support;

(D) the unremarried widower, if he was in fact dependent upon the member or retired member at the time of her death for over one-half of his support because of a mental or physical incapacity;

(E) an unmarried legitimate child (including an adopted child or stepchild), if such child has not passed his 21st birthday; or

(F) an unmarried legitimate child (including an adopted child or stepchild) who (i) has passed his 21st birthday, if the child is incapable of self-support because of a mental or physical incapacity that existed prior to his reaching the age of 21 and is, or was at the time of the member's or retired member's death, in fact dependent on him for over one-half of his support, or (ii) has not passed his 23d birthday and is enrolled in a full-time course of study in an institution of higher learning as approved by the Secretary of Defense or the Secretary of Health, Education, and Welfare and is, or was at the time of the member's or the retired member's death, in fact dependent on him for over one-half of his support.

(b) Except as otherwise provided in this act, the Secretary of Defense shall administer this act for the Army, Navy, Air Force, and Marine Corps and for the Coast Guard when it is operating as a service in the Navy, and the Secretary of Health, Education, and Welfare shall administer it for the Coast and Geodetic Survey and the Public Health Service, and for the Coast Guard when it is not operating as a service in the Navy.

Sec. 103. (a) Whenever requested, medical care shall be given dependents of members of a uniformed service, and dependents of persons who died while a member of a uniformed service, in medical facilities of the uniformed services subject to the availability of space, facilities, and the capabilities of the medical staff. Any determination made by the medical officer or contract surgeon in charge, or his designee, as to availability of space, facilities, and the capabilities of the medical staff, shall be conclusive. The medical care of such dependents provided for in medical facilities of the uniformed services shall in no way interfere with the primary mission of those facilities.

(b) In order to provide more effective utilization of medical facilities of the uniformed services, the Secretary of Defense and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations to insure that dependents entitled to medical care in a medical facility of a uniformed service under the provisions of this act shall not be denied equal opportunity for medical care because of the service affiliation of the service member.

(c) The Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall establish fair charges for inpatient medical care given dependents in the facilities of the uniformed services, which charges shall be the same for all dependents.

(d) As a restraint on excessive demands for medical care under this section, uniform minimal charges may be imposed for outpatient care but such charges shall be limited to such amounts, if any, as may be established by the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare, under a special finding that such charges are necessary.

(e) Any amounts that are received in payment for subsistence and medical care rendered dependents in facilities of the uniformed services shall be deposited to the credit of the appropriation supporting the maintenance and operation of the facilities furnishing the care.

(f) Medical care under this section shall be limited to the following:

(1) Diagnosis;

(2) Treatment of acute medical and surgical conditions;

(3) Treatment of contagious diseases;

(4) Immunization; and

(5) Maternity and infant care.

(g) (1) Hospitalization under this section is not authorized dependents for domiciliary care or elective medical and surgical treatments.

(2) Hospitalization under this section is not authorized dependents with nervous and mental disorders or chronic diseases, except that the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, by regulation, may provide in special cases for hospitalization of not to exceed 12 months for dependents with such disorders or such diseases.

(h) Dependents shall not be provided under this section—

(1) prosthetic devices, hearing aids, orthopedic footwear, and spectacles, except that outside the continental limits of the United States and at remote stations within the continental limits of the United States where adequate civilian facilities are not available, these items, if available, from Government stocks, may be provided to dependents at prices representing invoice cost to the Government;

(2) ambulance service, except in acute emergency;

(3) home calls, except in special cases where it is determined by the medical officer or contract surgeon in charge, or his designee, to be medically necessary;

(4) dental care, except—

(A) emergency care to relieve pain and suffering but not to include any permanent restorative work or dental prosthesis;

(B) care as a necessary adjunct to medical or surgical treatment; and

(C) outside the continental limits of the United States and in remote areas within the continental limits of the United States where adequate civilian dental facilities are not available.

TITLE II

Sec. 201. (a) In order to assure the availability of medical care for the spouses and children who are dependents of members of the uniformed services, the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall contract for medical care for such persons, pursuant to the provisions of this title, under such insurance, medical service, or health plan or plans as he deems appropriate, which plan or plans shall not include more than the following:

(1) Hospitalization in semiprivate accommodations up to 365 days for each admission, including all necessary services and supplies furnished by the hospital during inpatient confinement;

(2) Medical and surgical care incident to a period of hospitalization;

(3) Complete obstetrical and maternity service, including prenatal and postnatal care;

(4) Required services of a physician or surgeon prior to and following hospitalization for a bodily injury or for a surgical operation;

(5) Diagnostic tests and procedures, including laboratory and X-ray examinations, accomplished or recommended by a physician incident to hospitalization.

For each admission the plan shall also provide for payment by the patient of hospital expenses incurred under paragraph (1) hereof either (1) $25 or (2) the charge established pursuant to section 103 (c) of this Act multiplied by the number of days hospitalized, whichever is the greater.

(b) The dependents covered under this section may elect to receive medical care under the terms of this act in either the facilities of a uniformed service under the conditions specified in title I of this act or in the facilities provided for under such insurance, medical service, or health plan or plans as may be provided by the authority contained in this section, except that the right to such election may be limited under regulations prescribed by the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, for such dependents residing in areas where the member concerned is assigned and where adequate medical facilities of a uniformed service are available for such dependents.

Sec. 202. Any insurance, medical service, or health plan or plans which may be entered into by the Secretary of Defense with respect to medical care under the provisions of this act shall contain a provision for a review, and, if necessary, an adjustment of payments by the Secretary of Defense or Secretary of Health, Education, and Welfare not later than 120 days after the first year the plan or plans have been in effect and each year thereafter. Within 90 days after each such review, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and of the House of Representatives a report covering the payments made during the year reviewed, including any adjustment thereof.

Sec. 203. In order to effectuate the purposes of this title, the Secretary of Defense is authorized to establish insurance, medical service, and health plan advisory committees to advise, consult, and make recommendations to the Secretary of Defense, provided that the Secretary issues regulations setting forth the scope, procedures, and activities of such committees. These committees shall consist of the Secretary of Defense or his designee, who shall be chairman, and such other persons as the Secretary may appoint. Their members shall be, to the extent possible, representative of insurance, medical service, and health plan or plans, and shall serve without compensation but may be allowed transportation and per diem in lieu of subsistence and other expenses.

Sec. 204. The scope of medical care provided under this title shall not exceed the maximum care provided under title I.

TITLE III

Sec. 301. (a) Medical and dental care in any medical facility of the uniformed services shall, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished to all persons on active duty or active duty for training in the uniformed services.

(b) Medical and dental care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to retired members of the uniformed services.

(c) Medical care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to dependents of retired members of the uniformed services and dependents of persons who died while a retired member of a uniformed service, except that any such care furnished such dependents shall be limited to the care authorized dependents of members of the uniformed services under title I of this act.

(d) When a person receives inpatient medical or dental care pursuant to the provisions of this act in a facility of a uniformed service that is not the service of which he is a member or retired member, or that is not the service of the member or retired member upon whom he is dependent, the appropriation supporting the maintenance and operation of the medical facility furnishing the medical care shall be reimbursed at rates established by the Bureau of the Budget to reflect the average cost of providing such care.

SEC. 302. Commissioned officers and warrant officers, active and retired, shall pay an amount equal to the portion of the charge established under section 103 (c) of this act that is attributable to subsistence when hospitalized in a medical facility of a uniformed service. Retired enlisted personnel, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall not be charged for subsistence when hospitalized in a medical facility of a uniformed service.

SEC. 303. Where a person who is covered under an insurance, medical service, or health plan or plans, as provided in this act, requires hospitalization beyond the period of time provided under such plan or plans, if such hospitalization is authorized in medical facilities of a uniformed service, such person may be transferred to a medical facility of a uniformed service for the continuation of such hospitalization. Where movement to such medical facility is not feasible, the expenses for such additional hospitalization required by such person in a civilian facility are authorized to be paid, subject to such regulations as the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare, may prescribe.

SEC. 304. All determinations made under this act by the Secretary of Defense or the Secretary of Health, Education, and Welfare with respect to dependency shall be conclusive for all purposes and shall not be subject to review in any court or by any accounting officer of the Government, except for cases involving fraud or gross negligence. Such determinations may at any time be reconsidered or modified on the basis of new evidence or for other good cause.

SEC. 305. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 306. The following laws and parts of laws are hereby repealed:

(1) So much of the act of July 5, 1884 (ch. 217, 23 Stat. 107), as is contained in the proviso under the heading "Medical Departments";

(2) The act of May 10, 1943 (ch. 95, 57 Stat. 80), except section 4 of such act, and except that part of section 5 which relates to persons outside the naval service mentioned in section 4 of such act;

(3) Section 326 (b) of the Public Health Service Act, except as it relates to dependent members of families of ships' officers and members of crews of vessels of the Coast and Geodetic Survey;

(4) Section 710 (a) of the act of July 1, 1944 (ch. 373, 58 Stat 714), as amended;

(5) Public Law 108, approved June 20, 1949, to the extent it authorizes hospital benefits for dependents of members of the Reserve components of the Armed Forces;

(6) Section 207 of the act of June 25, 1938 (52 Stat. 1180).

SEC. 307. This act shall become effective 6 months after enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9429) was read the third and passed.

FIFTIETH ANNIVERSARY OF THE DEATH OF CARL SCHURZ

Mr. LANGER. Mr. President, I ask unanimous consent, because of a temporary affliction to my eyes, that a speech I have prepared be read by the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, I wish to call attention to the fact today, the 14th of May, that half a century has passed since the death of Carl Schurz, who became an outstanding citizen of the United States.

At the time of President Grant's administration he was a Member of the Senate and as such a member of the Foreign Relations Committee. Therefore, it seems altogether fitting and proper that today he should be honored in this Chamber. The life of Carl Schurz has been a source of inspiration to many Americans and, I may add, he has been a hero to me since early boyhood.

Let us, for a moment, look back over the wide range of his life, his youth in Germany and the courageous part he took in the struggle for political freedom and unity of the people over there. Let us then visualize his amazing career in this country. From an unknown immigrant he rose, within 5 years, to be the unanimous choice of his party for the office of lieutenant governor of Wisconsin, losing the election by only a small margin of votes.

Today, we also remember him as an American Minister to Spain, as a major general of the Union Army and commander of the XI Corps in the Battle of Gettysburg, as a United States Senator from Missouri, as President Hayes' Secretary of the Interior, as an eminent editor and author, a sturdily independent, public-spirited citizen, and an outstanding political leader.

In the whole history of this Nation, there was perhaps no other man of foreign birth so perfectly welded into the life and fabric of his adopted country who played an equally important role.

Some of Carl Schurz' keen observations, though written many decades ago, are as timely today as if they were made just now. He was probably one of the first, in 1858, to perceive the greatness of Abraham Lincoln. In October 1864, when Lincoln's administration was severely criticized, and his reelection at the polls by no means certain, Carl Schurz wrote these words:

> I will make a prophecy which may perhaps sound strange at this moment. In 50 years, perhaps much sooner, Lincoln's name will stand written upon the honor roll of the American Republic next to that of Washington, and there it will remain for all time. The children of those who now disparage him will bless him.

Carl Schurz was not born an English-speaking person. He did not learn our language in school, but acquired the knowledge of it in manhood. Yet he became a master of it as he made American political ideals his own ideals. Some passages of his speech, On True Americanism, delivered in 1859, nearly a century ago, still have a timely note when we think of the unfortunate peoples now enslaved by the Kremlin dictators and their satellite henchmen:

> America and Americanism—

Schurz spoke of his early experiences in Germany—

> appeared to me as the last depositories of the hopes of all true friends of humanity. I say this to show you what America is to the thousands of thinking men in the Old World, who, depressed by the saddest experience, cling with their last remnant of confidence in human nature, to the last spot on earth where man is free to follow the road to attainable perfection, and where he acts on his own responsibility.

Schurz then proceeded to speak of the various elements making up the fabric of our Nation:

> The Anglo-Saxon establishes and maintains his ascendancy, but without absolutely absorbing the other national elements. They modify each other, and their peculiar characteristics are to be blended together by the all-assimilating power of freedom. This is the origin of the American nationality, which did not spring from 1 family, 1 tribe, 1 country, but incorporates the vigorous elements of all civilized nations on earth.
>
> The Anglo-Saxon, the leader in the practical movement, with his spirit of independence, of daring enterprise and of indomitable perseverance; the German, the original leader of the movement of ideas, with his spirit of inquiry and his quiet and thoughtful application; the Celt with the impulsive vivacity of his race; the Frenchman, the Scandinavian, the Scot, the Hollander, the Spaniard, and the Italian—all these peaceably congregating and mingling together. Thus was founded the great colony of free humanity, which has the world for its mother country.

Schurz ended his ringing appeal for true Americanism—let the makers of Yalta and Potsdam take notice—with these words:

> It is a matter of historical experience, that nothing that is wrong in principle can be right in practice. People are apt to delude themselves on that point; but the ultimate result will always prove the truth of the maxim.
>
> The logic of things and events cannot be turned and twisted by artificial arrangements and delusive settlements; it will go its own way with the steady step of fate.
>
> Thus we mean to answer the anxious question of downtrodden humanity: "Has man the faculty to be free and to govern himself?" The answer is a triumphant "Aye," thundering into the ears of despots of the Old World that "a man is a man for all that"; proclaiming to the oppressed that they are held in subjection under false pretenses; cheering the hearts of the despondent friends of man with consolation and renewed confidence. This is true Americanism, clasping mankind to its great heart. Under its banner we march; let the world follow.

In order fully to appreciate these words, it should be realized that the speaker, Carl Schurz, was then an American citizen of not yet 2 years standing. He was addressing in Boston's time-honored Faneuil Hall an audience of distinguished New Englanders, among whom were Henry Wadsworth Longfellow and Oliver Wendell Holmes. It was to them that he expounded the meaning of true Americanism.

The life of Carl Schurz thus proves to all the world that this truly is a land of opportunity. This is a land of political opportunity, not for those who preserve their alien identity, and would wish to scheme for aliens' aims, but for those who fully merge themselves into their adopted country and wholeheartedly dedicate themselves to the noble ideals guiding the course of this Nation of ours to an ever-greater role in the affairs of mankind.

Mr. President, I ask, furthermore, unanimous consent to have printed in the RECORD as a part of my remarks the English version of an article in commemoration of Carl Schurz, which has just been published in the Bonn weekly journal, Das Parlament. The article may indicate how closely the Germans are in unison with us in acclaiming the record of a great political figure. The author, Dr. Richard Sallet, is a known scholar and outstanding student of American-German relations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CARL SCHURZ, CHAMPION OF FREEDOM AND JUSTICE IN GERMANY AND THE UNITED STATES

(By Richard Sallet,[1] member of the Steuben-Schurz-Gesellschaft)

Born, March 2, 1829, Liblar near Bonn; died, May 14, 1906, New York City. In commemoration of the 50th anniversary of the death of the American statesman.

There is a long line of distinguished Americans of German birth, such as Peter Minnewit, who in 1626 bought Manhattan Island for $24, and in 1638 established the Swedish colony in what is now Delaware, or John Peter Zenger, the New York printer, who in 1735 fought the first successful battle for the freedom of the press, continuing with Theodore Frelinghuysen, Henry Melchior Muhlenberg, Baron von Steuben, John Jacob Astor, Francis Lieber, Ottmar Mergenthaler, and many others. None of them, however, played as prominent a role in American public life as Carl Schurz. The happy nature of a son of the Rhineland may have facilitated his auspicious start in the United States; but it was the intense urge for individual and political freedom—an urge which should be emulated by Germans of today—which rapidly led him into politics in America as naturally as a duck takes to the pond.

In his famous speech on True Americanism, delivered in April 1859 in Boston's traditional Faneuil Hall, Schurz tells a touching incident, how as a small boy in his native village of Liblar he had watched in the dawn of a morning the covered wagon train of an emigrant family wending its way along the ancient Roman military road to Cologne. They were part of that wave of German emigrants to America among whom we remember Gustave Koerner, later to become lieutenant governor of Illinois. Then and there it was, Schurz told his audience, that the United States for the first time entered his mind, when he overheard one of the bystanders characterize it as "the country where a man can be himself."

His brief career in Germany came to an abrupt and dramatic end. After an elementary education in his father's village school in Liblar he attended classes in the neighboring town of Bruehl and, then, the gymnasium in Cologne after which he was admitted to Bonn University. Here the rebellion of 1848 drew him into politics with an irresistible force. At the first students' meeting he showed early oratorical talent. With his teacher, Gottfried Kinkel, a young assistant professor, he stood on the stairways of Bonn's city hall unfurling the black-red-gold flag of a Germany united in freedom. But the people did not respond to his call for a levy in mass and young Schurz, a few months later, had to "skip town." He joined insurgent troops in the defense of Rastatt, Baden, and when this last stronghold of the revolutionaries fell, he escaped to Switzerland. Kinkel, his teacher, was arrested and imprisoned in Spandau. In the autumn of 1850, Schurz secretly returned to Germany and, in a most daring coup, got Kinkel out of prison and safely to Britain.

There and in France, Schurz earned a livelihood working as a newspaper correspondent. However, he was unable to adapt himself to refugee life there. Doubtful of an early political change in Germany, he decided to migrate to America and, in 1852, landed in New York. The former student of classic languages acquired his first knowledge of English from a classic piece of English political literature, the Letters of Junius, which he translated and retranslated checking his style. Thus, he himself became a master of this language. Frederic Bancroft, who edited the six volumes of speeches, correspondence, and political papers of Carl Schurz, called him "our American Burke," and stated that his mastery of English has perhaps never been and may never be surpassed by any German beginning to learn it after reaching manhood.

When in March 1854, Schurz for the first time visited the Nation's Capital, he was able to discuss with several Members of Congress the political affairs of Europe and America. Again it became evident that politics was his field. "When I come in touch with this atmosphere of political activity, I feel the old fire of 1848 running through my veins as fresh and young as ever," he wrote his wife. "I feel that the true vocation of my life lies where my endeavor will reach out to universal problems." One of those Congressmen meeting him again on the following day remarked: "Sir, you have a fair opening before you. You will have a future in this country. I talked about you with my friends and we came to the conclusion that, if you settle in one of the new States, we will meet you in a few years in this city, and then we shall listen to you in the Halls of Congress as you now listen to us."

Schurz heeded the advice and moved to Wisconsin, which had been admitted to statehood 6 years before, settling in the village of Watertown. His clear perception of American life is shown in one of his very first letters written from America: "If there should not be any brighter prospects, I shall at once go into a legal career. Lawyers are the regular politicians of the people." In 1858, he opened a law office in Milwaukee.

From the very first day, Schurz clearly saw his future in the United States and dedicated himself wholeheartedly to the country of his choice. This was in contrast to Francis Lieber, Frederick Kapp and others who for many years could not rid themselves of the idea of returning to the old country. Kapp abandoned a highly prosperous New York law practice, returned to Germany and was elected to the Reichstag.[2] "I love America," Schurz wrote in 1855 to Kinkel, "I am vitally interested in the things about me—they no longer seem strange. I find that the question of liberty is in its essence the same everywhere, however different its form * * * My interest in the political contests of this country is so strong, so spontaneous, that I am profoundly stirred. More self-control is required for me to keep aloof than to participate in them." Schurz never went into any venture in a half-hearted way; after carefully making up his mind he would then stand up and be counted.

The time of 1856, just a century ago, was eventful for both Carl Schurz and his wife, Margarethe Meyer Schurz. This year marks the 100th anniversary of the opening by Mrs. Schurz of the first American kindergarten in Watertown, Wis. Today, in the United States alone, tens of thousands of kindergarten classes are attended by the majority of American children of kindergarten age. The word has since been adopted by English-speaking people everywhere. Carl Schurz himself had been campaigning in 1856 for the presidential candidate of the newly founded Republican Party with such striking success that in the following year the Republican State convention unanimously nominated him for lieutenant governor. He lost the election by an eyelash, 107 votes, and this 5 years after landing as an immigrant in America. His speeches were widely printed and commented upon. Even in Minnesota, then the frontier of white man's settlement, his name became known in almost every log cabin, and sturdy pioneers came from far afield to listen to that tremendous Dutchman. Literary giants like Longfellow and Holmes were impressed by the careful and accurate diction with which he expounded his thoughts in English.

In 1860, Schurz headed the Wisconsin delegation to the Republican National Convention, participated in drafting the platform, and cooperated in nominating Abraham Lincoln. "You are an awful fellow. I understand your power now," said Lincoln to him when he listened to one of his speeches. After the Presidential inauguration, Lincoln appointed Schurz, 32 years of age at the time, to be American minister at Madrid. But the tour of duty in diplomacy was an intermezzo. A strong sense of responsibility for his adopted country drew him to the battlelines of the raging Civil War. One curious incident might be mentioned here: His Excellency the Honorable Carl Schurz, Envoy Extraordinary and Minister Plenipotentiary of the United States near the Court of Her Royal Majesty the Queen of Spain, chose to return from Madrid via Hamburg. However, the warrant for his arrest still being in the files of many police stations in Prussia, the Berlin Minister for the Interior, Count Schwerin, found it necessary to issue urgent instructions that no objection should be raised to the passage of "the Schurz." (The most noble count did not concede to the American diplomat as much as the humble appellation of "Mr.")

Carl Schurz was appointed brigadier general and went to the front. He was eventually promoted major general, then the highest attainable United States Army rank, and in 1863 commanded with distinction the XI Corps in the Battle of Gettysburg. After the war he settled down in Washington and became correspondent for the New York Tribune. The general's sword decorated a wall of his study while the children played with spurs and riding whip. A year later he edited the Detroit Post, and sometime thereafter joined his friend, Dr. Emil Praetorius, in publishing and editing the Westliche Post, a German-language daily in St. Louis. The career of newspaperman with which Schurz at one time or another was connected throughout his life found a temporary end in 1869. So successful had he been campaigning, in the preceding presidential election, for his old commander in chief, Ulysses S. Grant, that the Missouri Legislature after only 2 years of residence in that State elected him to the Senate in Washington.

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[1] Dr. Sallet has been following, in the United States, the career of Carl Schurz for many years and knew some of his friends and disciples. He was graduated from Harvard, received a doctorate from Königsberg, taught government at Northwestern University, had later been in the German Foreign Service, and is the author of several volumes dealing with diplomacy, history, and geography.

[2] His name is today remembered in Germany chiefly through his New York born son who, in 1921, headed an ill-starred putsch against the Reich government.

The office of United States Senator is the highest distinction which the American people can by elective choice confer upon a foreign-born naturalized citizen. When on March 4, 1869, the 40-year-old Carl Schurz took his seat in the Senate Chamber he may well have remembered the words of that Congressman at his first visit to the Nation's Capital 15 short years ago. Schurz was appointed to the Senate Foreign Relations Committee headed at the time by his friend, Senator Charles Sumner. Though Schurz had been in 1868 a temporary chairman of the Republican National Convention which nominated General Grant it did not mean that he was now willing to follow automatically the President's policies. Quite to the contrary: during his 6 years in the Senate, Schurz persistently fought the principal legislative measures of the Grant administration. When at the next presidential election in 1872 the Republicans renominated Grant, Schurz and other progressives organized a Liberal Republican Party and nominated as their candidate Horace Greeley.[3]

In the Hayes-Tilden campaign of 1876 Schurz supported the Republican candidate. After his election Hayes invited Schurz to join his cabinet as Secretary of the Interior. It was in this office that he achieved an outstanding record. Schurz brought about an improvement in the condition of the colored population; he saw to it that restitution was made for the wrong done the Ponca Indians of Dakota and that an end was put to exploitation of the Indian population; that the great forest reserve was protected against exhaustion and first steps were taken toward the exemplary American forestry service of today. He also laid the basis for the national parks which as preserves of nature are now being admired the world over; and he brought about, in his Department of the Interior, a civil-service reform that became a model reform for all Federal offices. (In later years he presided over the Civil Service Reform League.) Though Schurz achieved this record as a Cabinet member in a Republican administration it is characteristic of his thoroughly independent thinking that in the presidential campaigns of 1884, 1888, and 1892 he threw the whole weight of his influence in the balance for the Democratic candidate, Grover Cleveland, whose fight for integrity in administration has been his mark in history.

Returning to private life and the newspaper profession Schurz for several years was editor in chief and copublisher of the New York Post and for 6 years an editorial writer for Harper's Weekly. For 4 years he represented as general agent the Hamburg-American Line. He also distinguished himself as an author. In the biographical series on American statesmen, Houghton, Mifflin & Co. in 1887 published his two volumes on the Life of Henry Clay.[4] In its edition of June 1891, the Atlantic Monthly published his 30-page essay on Abraham Lincoln, a review of the big Lincoln biography of J. G. Nicolay and John Hay.[5] This book review, separately printed, went through numerous editions—the latest in 1920 with a foreword by Calvin Coolidge, the later President—and is still considered by American historians to be the best essay on Lincoln.

In the presidential campaign of 1896, Schurz once more favored the Republican candidate, William McKinley, and warned against unsafe currency plans of the Democratic candidate, William J. Bryan. When McKinley was elected plans were soon afoot to have Schurz join his Cabinet. It was at this point that Schurz gave an example of his uncompromising sincerity in public life—a principal note of his character: In a public letter he requested that under no circumstances be he considered for a place in the Cabinet. The writer suggests to project this occurrence upon our own West German political institutions to realize how far we are from having reached this high level.[6] When in 1900 McKinley was renominated, Schurz this time came out in favor of the Democratic candidate, Bryan, because conscience demanded that he oppose the imperialistic trend of his own party; he remained true to his ideal. Opposing the rising imperialistic trend, a chapter in American history which ended about the first decade of this century, filled a major part of his later years. While a Senator Schurz had successfully opposed Grant's intention to annex Santo Domingo and had later on fought every attempt—more correctly: temptation—to extend the domain of the United States over Cuba and other Central American countries. Adding tropical lands with a racially different population he regarded as dangerous to his ideal of freedom.

His political maxim was a sentence taken from the famous utterance of Stephen Decatur, "Our country, right or wrong!"—which Schurz had amended in his own characteristic way: "If right to be kept right; if wrong to be set right." Verily, this is a truly democratic way of thinking. Shortly before his death Schurz urged the then young Governor of Wisconsin, Robert M. La Follette, a sturdy independent, to go to the Senate in Washington. The latter has in some respects been a disciple of Schurz.

Viewing, in retrospect, the long career of this one-time rebel of 1848, the question may be raised: Does Carl Schurz still have a message for the present-day generation? The writer would draw the attention to three aspects of his life. Firstly, his conduct as a citizen. Schurz was an exemplary politician in the best meaning of that word. Never would he for political advantage compromise his principles of right and justice, but would rather choose to go the thorny path of opposition. Secondly, and this may be especially appropriate after 10 years of United States occupation rule in Germany, his opinion of the American people merits the attention of every interested German. In a letter to a fraternity brother of student days in Bonn he wrote: "Here in the United States you see humanity as it is with all its obvious shortcomings and all its hidden virtues. The former should not frighten you away from the effort to realize the latter. Only thus will you understand one another."

His views about the purpose of the German element in the United States is most noteworthy. How much confusion and tragic damage would have been averted had people in later years paid close attention to it: "The so-called mission of Germandom in America of which some people make so many words can consist only of a modification by the German way of the American way of thinking, while the two nationalities merge." On the position of the United States in a future world Schurz wrote in 1863 to this same fraternity brother these prophetic words: "In this Nation, the sum, the amalgam of all civilized nations there is a Titanic strength which will draw humanity forward like a giant locomotive. Old Europe is going to feel its power."

And, lastly, his observations on the relationship between the United States and Germany: About 100 years ago, not yet 3 years after his landing in New York, we read in a letter of the 26-year-old to his teacher and friend, Gottfried Kinkel: "It is my belief that the future interests of America and Germany are closely interwoven. The two countries will be natural allies. * * * However different the two nations may be in character, they will have the same opponents, and that will compel them to have a corresponding foreign policy. American influence in Europe will be based on Germany, and Germany's world position will depend essentially on the success of America. Germany is the only power in Europe whose interests will not conflict with those of America, and America is the only power in the civilized world that would not be jealous of a strong, united Germany * * * the Germans will become convinced of it as soon as they consider a national foreign policy." The letter, dated March 25, 1855, could almost have been written a century later.

Since the Venezuelan crisis had, like a sudden lightening in the dark, thrown American-German relations into sharp relief, the elderly Schurz contemplated about it on various occasions. On February 5, 1903, at a time when the reorientation of American policy toward Europe was in process, he answered an inquiry about the possibility of a war against Germany: "A war between the United States and Germany would be so awful, so incalculable a calamity that only the most absolute and evident necessity could serve as an excuse for it. * * * In fact, there is no real question of difference between the two countries important enough to disturb their ancient friendship. A war between them would therefore not only be criminal, but idiotic."

While at the conference of the Great Powers in Algeciras the United States was about to take position against Germany, Carl Schurz in one of his very last letters, dated April 8, 1906, wrote: "It is a matter of course that every proper effort to guard against any disturbance of the existing peaceable and friendly relations between the United States and Germany has my sincerest and warmest sympathy. The friendship between the United States and Germany is as old as this Republic itself. It has remained unbroken because it was demanded by all considerations of interest, of civilization and of international good will. And it is as much so today as ever before. There is between the two nations not the slightest occasion for discord. To provoke such a discord without the most imperative cause would be a crime as well as an absurdity. I am well aware that here as well as abroad voices are sometimes heard which represent as probable such a discord and even an armed conflict between the two nations. I do not hesitate to say that whoever wishes a war without the most commanding necessity belongs to an era of barbarism but not to the civilized society of this century."

In spite of the reassuring words to the addressee there is in this letter an underlying note of apprehension—so well justified since the Venezuelan affair—that the two nations were parting ways and that a critical period lay ahead for American-German relations which, a half century before, the young immigrant had so uncannily forecast. Five weeks later, Schurz fought his ultimate battle. "It is so easy to die," were his last spoken words.

Fifty years have passed since. They were filled with mounting political enmity, two bloody wars, crushing defeats of Germany, endless misery, and now a new beginning. And, again, "voices are sometimes heard" arguing that the relations between the two nations may once more become problematical. Are we to share the last worries of the great man? After a few brief years of pursuing a common goal, are we again moving toward a critical phase? This writer shares, and opts for, the conception of young Carl Schurz in March, 1855.

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[3] Horace Greeley found among the German element many admirers. The father of the later Reich bank president, then living in the United States, named his son in honor of the great American editor, Hjalmar Horace Greeley Schacht.

[4] Henry Clay is the great-granduncle of Gen. Lucius DuBignon Clay, lately head of the American Military Government in Germany.

[5] The two former private secretaries to the martyred President. John Hay became later well-known as Secretary of State.

[6] A few years before, a group of New York German-Americans, having learned of the difficult financial situation of Carl Schurz, subscribed to a fund of $100,000; but Schurz protested and refused to accept the gift.

Mr. LANGER. Mr. President, today, in the city of Bonn, West Germany, a bust of our American statesman, Carl Schurz, is being unveiled on the grounds of the university. Bonn had been the scene of his first political activities when, in the turbulent year of 1848, he had been a student at its university. The bust of Carl Schurz is to remind young Germans of this and coming generations of their obligation to live up to his inspiring example.

Mr. President, I ask unanimous consent to submit a resolution by conveying friendly greetings to the Bundestag of the West German Federal Republic upon the unveiling of this monument in honor of Carl Schurz, and I ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 263) was referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate hereby conveys friendly greetings to the Bundestag of the West German Federal Republic on the occasion of the unveiling of a bust on the campus of the University of Bonn in honor of Carl Schurz.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from New York.

Mr. LEHMAN. I wish to associate myself with the remarks of the distinguished senior Senator from North Dakota. I knew Carl Schurz as a boy and a young man. He was an intimate friend of my father, and I went to school with some of his sons. He was a man who had won the respect of the American people, both because of his service in the war, as a leader of the military forces, and also as a man of peace, who helped to build up the growing country and played a great role in bringing prosperity, security, and peace to our Nation.

I am very glad, indeed, that the senior Senator from North Dakota has given expression to his admiration, in which I share, for this man and has recommended the observance of the 50th anniversary of his death.

Mr. LANGER. I thank the junior Senator from New York.

Mr. PAYNE. Mr. President, I suggest the absence of a quorum.

Mr. LANGER. Mr. President, I have the floor. I shall not yield for that purpose.

ANALYSIS OF THE MIDDLE EAST SITUATION

Mr. MORSE. Mr. President, at this point will the Senator from North Dakota yield to me?

Mr. LANGER. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I thank the Senator from North Dakota; this is another example of the very great courtesy he always extends, not only to the Senator from Oregon, but to all his colleagues in the Senate. I would not request the Senator from North Dakota to yield to me at this time, except for the fact that I have some Senate business off the floor to which I must proceed at once.

Mr. President, I have the habit of accumulating in my office material which periodically I seek to introduce into the RECORD. At this time I shall request consent to have several such items printed in the RECORD.

Mr. President, I have received a very penetrating and keen analysis of the Middle East situation, by a constituent of mine, Mr. Fred E. Taylor, who lives at Lincoln Beach, Oreg. He has traveled extensively in the Middle East, and he has written me a letter setting forth his observations. I wish to say I believe they constitute one of the best discussions of the Middle East problems that I have read in recent months. He is critical of American foreign policy in the Middle East and, certainly, there is much about our foreign policy in the Middle East that should be criticized. I happen to hold to the point of view that in the Middle East we are selling freedom short, and it is going to plague us, as will be seen when the history of this particular period is written.

I ask unanimous consent to have Mr. Taylor's letter printed at this point in the body of the RECORD, in connection with my remarks. His letter gives an analysis which I hope each Senator will read.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LINCOLN BEACH, OREG.,
April 10, 1956.

Senator WAYNE MORSE,
United States Senate Offices,
Washington, D. C.

DEAR SENATOR MORSE: This letter is the substance of one sent the President's office in which I expressed my personal confusion and the deep concern of myself and many others over our policy in that portion of the globe long known as "a low pressure area of international storms," the Near and Middle East.

We cannot understand the spirit that would nurture potential democracies and friendly nations as we do on one hand and on the other seemingly disregard the one bastion of free people in that section of the world. In recent years I visited over 21 different countries. This does not qualify me as an authority, however, my study of these lands, extending over many years, together with my visit tags Israel as one of the relatively few countries where you actually see democracy at work—where even their bitter enemies, the Arabs, are given the right to vote and hold office, and they do. At the end of October 1955, there were 198,000 non-Jews (mostly Arabs) in Israel out of its population of 1,774,000.

On the other hand I talked to many in isolated places where, particularly the British were subsidizing and training Arab forces to fight Israel, much to the disgust and distrust of some of the British officers. The chickens are now coming home to roost. We delighted in our visit to the Arab lands and learned to think much of these sons of Ishmael, who have willingly, and according to the will of Allah, lived under centuries of oppressive rule, but I deeply regret our position of courting their feudal lords for their grimy oil dollars. Certainly our position is not morally sound and I doubt its economic stability over a long-term period.

I suggest that there are far more people than you may think who are much disturbed with the position we hold but who, like myself, hesitate to join the critics of any administration because of the tiresome and inconsistent bickering of political leaders. I say this as a registered Democrat for 40 years. This is my first personal letter to our national leaders in my 61 years of life, or to the newspapers, and trust my letter is clear enough as to not distort my motives.

No doubt the President and the Secretary of State have taken into consideration many important matters before making such serious decisions—no doubt among them are:

1. The Balfour declaration and its repudiation by the white paper.

2. The assassination of millions of Jews in Europe as the world looked on.

3. The Jewish return to what seemed to be the only place of reasonable refuge, Palestine.

4. The Arabs were more than willing to sell their properties in Palestine at bloodsucking prices of six times their values until the ambitious Jew changed the very face of the land—then he became jealous even though he was, by association with the new prosperity, in a much improved state. In their own sections the Arab continues to live in his traditional way—living standards of 2000 B. C.

5. The suffering Arabs excluded from Palestine were deluded by their Arab masters and forced into a position where they now suffer from what, in other similar cases, we dismiss so easily as "the fortunes of war." I have in my possession photostatic copies of official British documents which report that the Jews implored the Arabs during their exodus in 1948 to not leave their homes or their properties.

6. The number originally excluded or who left Palestine of their own choice is far less than that so carelessly published today by the Arabs who, in this case, do not show the traditional hatred of census taking, which heretofore included only the able-bodied men of fighting strength. Naturally, the increase since the exodus is great. What have the Arab leaders done for their unfortunate brothers?

7. The drums of the Arab leaders still beat the never-ending refrain, "We will never make peace with the Jews." "We shall never rest until they are driven into the sea and exterminated." Need we name names and dates?

8. I know that you are also aware of the thousands of "unauthorized attacks" on the part of the Arabs who deny any responsibility for these vicious raids on Israel villages and homes. You also know of the overwhelming proofs that these raids are actually planned by Arab authorities and that unbelievable human tolerance and restraint has been shown by Israel authorities. We also know that some of the relatively few retaliatory raids on the part of the Jews have been both official and unofficial, but just how much can a human twig be bent before breaking?

9. We also know that you are aware that Israel is an isolated island surrounded by a sea of enemies on a land area of 1,692,423 square miles against that of only 8,084 square miles in Israel. The 43,905,000 in the Arab League of Nations have ample room for their

traditional roaming propensities, while the 1,500,000 Jews in Israel must live by scientific and intensive use of their lands. Who would deny this people a small parcel of land which is traditionally theirs and legally theirs by right of purchase and defensive conquest after having been driven out of their own homes from country to country during the centuries, merely because they are guilty of being Jews? Where is our boasted tolerance of all races, colors and creeds? Of course, I may not like some of the Jewish traits but I doubt if he is enthusiastic about some of mine.

Would our Nation, with its reputation for humane policies then say (as reported in the papers): "We are committed to a balance in power among these nations." "We can't give them arms unless we give arms to the Arabs also." "We don't want to start an arms race." Would we be guilty of the annihilation of the little nation of Israel by allowing other nations to arm the huge Arab nations and let Israel rot on the vine as we seem to be doing? Certainly the army of 250,000 (one-sixth of its total population) ascribed to Israel cannot be taken too seriously when we consider their precarious position and the 43,000,000 hostile Arabs surrounding them. We could furnish "too little too late," to a seriously outnumbered nation.

Although this may not be subscribed to by either the Jew, the Arab or the Gentile, as a whole, it would not be amiss if our leaders would recall that the Bible has something to say about these problems and if they would follow its record of the Jew and the Arab. There are still a few people who believe that their future states are found in that record. Need I quote the portions? Do you not value the scholarly appraisal of the once desolate land of Palestine and its Arab-Jewish problem by our noted government soils authority, Walter Clay Lowdermilk, in his "Palestine—Land of Promise," or Justice William O. Douglas' "Lifting the Yoke of Feudalism."

I am sure you realize the concern we have for what may be a too modern approach to this age-old Arab-Jewish problem or its over simplification. Many people do not realize that the Arab, as an Oriental, actually thinks and acts contrary to an Occidental. I doubt if Nasser considers himself inconsistent, at least not according to Oriental standards. A neutral authority on Orientalisms is hard to find but he would be invaluable at a time like this. Ben Gurion and others who have dealt successfully with the Arabs by daily contact for so long really understand the Arabs and can get along with them providing there is no outside interference or exploitation by their feudal leaders. I wish that space would allow some illustrations.

In dealing with this deep-rooted problem of ancient origin, I hope our leaders will make a reappraisal of their stand and endeavor to reach a reasonable but firm solution. Temporary measures will surely result in continued tragedies for new generations.

Sincerely,

FRED E. TAYLOR.

GREAT LAKES BULK CARGO VESSELS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

THE COMMUNIST CONSPIRACY AGAINST PRIVATE PROPERTY

Mr. LANGER. Mr. President, I send to the desk the text of a speech I wish to make; and because of the temporary affliction to my eyes, I ask unanimous consent that the speech be read by the clerk.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, on February 1, I presented to the Senate a detailed account of the operations of the Moscow directed Communist conspiracy to undermine the principle of the sanctity of private property throughout the world, and especially in the United States, by promulgating legislation confiscating the private property in the United States of civilians of the countries with which we were formerly at war. All directed by and carried out by traitor Harry Dexter White, top Communist agent, his associates, and fellow travelers.

One of the purposes of that speech was to call attention to a flagrant violation of one of our basic principles which we heretofore had always observed, and also to demand justice for the victims of this outrage resulting from this Communist conspiracy. Another was to tear away the misunderstanding, confusion, and lies deliberately fostered by the Communists to make the world believe that two American Presidents, Franklin D. Roosevelt and Harry S. Truman, had with full knowledge abandoned American principles of the inviolability of private property against confiscation and instead had adopted basic Communist policy that there is nothing sacred about private property.

RELUCTANCE OF THE PRESS TO PUBLISH THE FACTS

I had hoped the subject concerning so vital a matter as justice and honor, both to President Roosevelt and President Truman and the victims of this conspiracy, that it would receive the widest attention in the press. I was disappointed in part. The chief comments from the major press services dwelt principally on the fact that the speech was read for me and was 80,000 words long. It seems appropriate therefore that I explain why it was read and why this occurs now.

The Lord has visited me with an affliction upon my sight. I am told that it is temporary, but even so, now I find it difficult to read in the conditions under which a speech is made. I have been told to spare my eyes as much as possible and I therefore ask your kind indulgence in that, on extended talks, my statements must be read for me by another.

I find, however, that the limitations of physical sight have served to sharpen the more important sight which must be had to see what is important and what must be done if principle and justice are to survive in the world. Hence, my present physical affliction may well be a blessing which the Lord has given me.

RESPONSE FROM CITIZENS

In view of the limited attention which the press and particularly the press in the eastern part of the United States saw fit to give to my remarks made on February 1, I have been amazed at the response to my speech. I have received many letters from distinguished Americans who are gravely concerned with these departures from American principles that I described. I have been commended by men who have been at the forefront in exposing and fighting the Communist conspiracy not only for years but for decades—Republicans and Democrats alike—who never believed that any President of the United States would deliberately and with full knowledge become a part of the Communist conspiracy by deliberately promoting spies and traitors—a charge which every American must not only reject but must deeply regret.

I have had countless more letters from these solid Americans who see confiscation of private property, the taking of estates, trusts, copyrights, patents, bank accounts, real property, shares in private businesses, as morally wrong and who resent any action which makes their government a party to wrong doing. I have even received some letters from abroad from people who appreciate that it is adherence to moral principle that is the difference between the free world and the Communist world of slavery. I received not one letter from anyone who disagreed with my statement that the basic difference between governments of the free world and Communist controlled governments lies principally in one thing, namely, that in the free world the governments are dedicated to the principle of the inviolability of private property rights as the foundation stone of personal freedom and their governments are designed to create and protect equality of opportunity and a better life for all under the free enterprise system. Communist governments are dedicated to the destruction of all private property rights, and consequently, all freedom, for Karl Marx, Engels, Lenin, and Stalin all taught that communism cannot succeed nor could the Communist Party dictatorship continue to hold power as long as the means of production are owned by individuals, and now Khrushchev preaches the same doctrine.

To all these people, students, professors, judges, diplomats, Congressmen, Senators, businessmen, and citizens who have responded to my speech, I give my deep and heartfelt thanks. My voice may be a voice coming out of the darkness, it may be a voice that is not repeated on broadcasts, but I have in these countless letters the proof that the truth I sought to spread does get through.

WITNESSES ARE COMING FORWARD WITH THE FACTS

I am deeply moved by the number of truly patriotic men and women, in and out of Government service, some associated with these confiscated businesses run by the Office of Alien Property, Department of Justice, who since my speech on February 1 have come forward to supply the remaining few links that are missing in this worldwide conspiracy and who confirmed all I said in that speech. I said patriotic men and women because as the subcommittee of the Senate Judiciary Committee in its report on Interlocking Subversion in Government Departments just released says in its foreword on page VI:

> Witnesses are few, and often loath to defy the physical and ideological victimization with which the Communists deal with so-called informers.

I quote further:

> Hence it is necessary to piece together every fragment of information with the most painstaking care in order to arrive at a conception of the nature of the enemy's apparatus in our midst.

I say to these men and women who have not yet come forward to have no fear but to come forward and tell me, or any Senator, Republican or Democrat of either the Senate Subcommittee Investigating Interlocking Subversion in Government Departments or the Senate Subcommittee Investigating the Communist Confiscation Policy under the Trading With the Enemy Act, what they know, and I assure them their disclosures will be held in confidence.

I FIRST EXPOSED HARRY DEXTER WHITE

The report of the Subcommittee of the Senate Judiciary Investigating Subversion in Government Departments confirms everything I said about that master conspirator, Harry Dexter White, and names his closest associates who took part in this confiscation program. May I recall that more than 2 years before the Attorney General, Mr. Herbert Brownell, exposed Harry Dexter White in a speech at Chicago on November 6, 1953, I had charged that Harry Dexter White was the top Communist agent in the United States, in speeches I made on this Senate floor which appeared in the CONGRESSIONAL RECORD on January 29, 1951, and again on February 5, 1951.

Yes, my speech of February 1 was 80,000 words long, but for the first time the entire conspiracy was laid bare, fully documented and fully proven.

It took 80,000 words to present the facts in chronological order from the time of the birth of the Communist policy in Moscow, based upon the teachings of Marx and Lenin to drive from the minds of men that there is anything sacred about private property until its final fruition, namely, confiscation, brought about by the lies, trickery, and deceit of traitors. And these lies involved two Presidents of the United States—Franklin D. Roosevelt and Harry S. Truman. Now it is proven that these two Presidents were betrayed by friends and neighbors in whom they had every right to have confidence. Ever since the end of World War II the Communists and fellow travelers and even some capitalist pirates who want to hold onto these stolen properties for their own gain, have made it appear that President Roosevelt inaugurated and President Truman carried out Moscow's policy for destroying private property rights throughout the world, thus laying the foundation for the spread of communism throughout the world as we have witnessed.

THE FRAUDULENT DOCUMENT IN THE BOOK GERMANY IS OUR PROBLEM

In my speech of February 1, I said that Communist conspirator, Harry Dexter White and his Communist associates and fellow travelers deceived the American people and President Truman into believing that President Roosevelt and Winston Churchill had actually approved the confiscation of all German private assets throughout the world when they initialed a document at the second Quebec Conference on September 11, 1944. I charged that the photostatic reproduction of the Morgenthau plan as it appeared in Morgenthau's book Germany Is Our Problem which was admittedly written by Harry Dexter White and which was published only a few months after President Roosevelt's death, was fraudulent because it included paragraph E providing for the confiscation of all German private assets throughout the world, and that this fraudulent reproduction implied that that document was signed by Winston Churchill and President Roosevelt with that provision in it. I charged that Winston Churchill and President Roosevelt never signed a document providing for worldwide confiscation of private property of German civilians but that the Communists deliberately made it look as if they did.

Fortunately, in the release of the second Yalta papers in December of 1955, there was included an unusual document. I say unsusal since it did not refer to Yalta at all, but referred to the Second Quebec Conference. This document was the memo made by Harry Dexter White for his chief, Henry Morgenthau, telling of their meeting immediately after the Second Quebec Conference with Secretary Cordell Hull and Secretary Stimson, at which Mr. John J. McCloy, who was then Assistant Secretary of War was present.

In order to prove this deceit and fraud perpetrated upon a President of the United States, I said in that speech that I was going to write a letter to Mr. McCloy and ask him for an explanation. I felt that he, being chairman of the board of a large banking institution in the United States and who after serving as Secretary of War became High Commissioner for Germany, would certainly have protested against such a confiscation clause had it been in that document. I now have a reply from Mr. McCloy and I want to put it in the RECORD so that all the people will know that President Roosevelt at no time approved the confiscation policy. Here is Mr. McCloy's reply to my letter. It reads as follows:

> MARCH 27, 1956.
>
> MY DEAR SENATOR LANGER: I have just had an opportunity to read your letter to me dated February 13. The letter came after I had left for a somewhat extended tour of the Middle East, from which I have very recently returned. I have also read with interest your references to me contained in the speech that you made to the Senate on February 1, which references are contained on page 1795 of the CONGRESSIONAL RECORD which you were good enough to send to me.
>
> Unfortunately, I do not have ready access to many of the records which were made at the time of the meeting to which you refer. My personal records are scattered about and so I would have to reply to you at the present time purely from memory. My recollection of the meeting in Mr. Hull's office to which you refer is, however, very vivid. I also recall very well the paper which was initialed by Mr. Roosevelt and Mr. Churchill and the manner in which it was presented to the group by Mr. Morgenthau.
>
> This paper set out the general principles under which Germany was to be administered after the expected victory was accomplished. There had been considerable discussion regarding the principles of our policy respecting defeated Germany. The discussions took place in the War Department, the State Department, and, to some extent, in the Treasury Department. If my recollection serves me right, the War Department was the first one to initiate any draft directives on this subject as it was presumably their responsibility to administer defeated Germany. However, the State Department proceeded to draw up some principles under which Germany was to be governed and the Treasury Department did likewise. Both of these proposals shocked Mr. Stimson, the proposal of Mr. Hull only a little less than that of Mr. Morgenthau. For Mr. Stimson's reaction to the Hull and the Morgenthau proposals and my part in it all, I would refer you to Mr. Stimson's book entitled "On Active Service in Peace and War." If you will refer to page 568 of this book you will there find a discussion of the so-called Morgenthau plan. It is an entirely accurate account so far as I can now recall.
>
> Mr. Morgenthau had apparently pressed upon Mr. Roosevelt and Mr. Churchill at Quebec an endorsement of his views as to how conquered Germany should be administered. On his return to Washington he brought with him the initialed memorandum which you referred to in your speech. He laid it before Mr. Hull and Mr. Stimson in the former's office in the State Department. I was present in Mr. Hull's office when the document was presented. I have no record to confirm it but I believe I recall that Mr. White was also present at this meeting. I say this because Mr. White was usually present at meetings which Mr. Morgenthau attended dealing with the administration of Germany. The initialed agreement between Mr. Roosevelt and Mr. Churchill is set forth in full at the bottom of page 576 and the top of page 577 of Mr. Stimson's book. I saw the original and it conformed to the copy in the Stimson book.
>
> I took part in the drafting of all the memoranda which Mr. Stimson submitted to his colleagues in protest to the so-called Morgenthau plan as well as to the original Hull plan.
>
> As you will see from the initialed agreement as it is set forth on pages 576–577 of Mr. Stimson's book, there is no reference made to the confiscation of German assets throughout the world. Though I think the original initialed memorandum has disappeared, there is no doubt that the reproduction of it in Mr. Stimson's book is complete and accurate. I believe that a number of photostatic copies still remain in existence.
>
> I believe the foregoing gives you the essential data that you are seeking in regard to the initialed agreement and to Mr. Stimson's and my connection with it. The record, I think, is quite clear that Mr. Stimson and I, from the beginning, were in strong disagreement with the so-called Morgenthau plan, particularly as it was reflected in the agreement between Mr. Roosevelt and Mr. Churchill which was initialed in Quebec; but it contained no reference to German assets

> throughout the world. If there is any further information that you seek and I am in a position to supply, I shall be glad to do so.
>
> Sincerely,
>
> JOHN J. MCCLOY.

Mr. McCloy also sent a letter to the Voluntary Citizens Committee for the return of all confiscated German and Japanese private properties, and I want to read it. It reads:

> DEAR MR. FINUCANE: I have your letters of February 6 and 24 in regard to the statements made by Senator LANGER on the floor of the Senate in regard to initialed agreement of Mr. Roosevelt and Mr. Churchill respecting the policies to be applied to Germany in the postwar period. I received a letter from Senator LANGER asking me to state what I know of this memorandum and I have replied in the form attached.
>
> As you will see from my reply to Senator LANGER, the initialed document which was presented to the meeting in Mr. Hull's office was as set out in Mr. Stimson's book. I think Mr. Morgenthau had the original copy with him and displayed it to us. He also had some photostatic copies. The agreement, as he presented it to us, had nothing to say about the confiscation of German assets throughout the world, nor did I ever hear it suggested that Mr. Roosevelt or Mr. Churchill advocated such a policy. Subsequently, I heard that some attempt was made to find the original initialed copy but it could not be located. I always had a feeling that someone in the White House—not Mr. Roosevelt—had destroyed it after all the criticism of the policy had appeared in the newspapers. I am certain the original was initialed in the handwriting of Mr. Roosevelt and Mr. Churchill, both of whose handwriting I was familiar with. There were also several photostatic copies about. The text of the initialed statement was just as it appeared in Mr. Stimson's book—no more, no less.
>
> Sincerely,
>
> JOHN J. MCCLOY.

Note what Mr. McCloy says:

> The original document which he saw which was initialed by Roosevelt and Churchill at Quebec did not contain a provision to confiscate German private assets throughout the world.

I am indeed happy that I, as a Republican, have contributed in a small measure to clearing the good name of our Democratic President, Franklin D. Roosevelt in this matter and I thank Mr. McCloy for his cooperation. My only regret is that Mr. McCloy did not come forward long ago and tell us the facts. He should have done so. Although Mr. McCloy in his letter is not clear as to whether or not Harry Dexter White was there, we now have Harry Dexter White's own memorandum proving that he was present at that meeting.

Note further what Mr. McCloy said. He said that the original document was destroyed by someone in the White House, not President Roosevelt.

Mr. McCloy also addressed a letter to the Senator from South Carolina [Mr. JOHNSTON], chairman of the Subcommittee of the Senate Judiciary Investigating the Operations of the Communist Conspiracy Under the Trading With the Enemy Act. Mr. McCloy's letter to Senator JOHNSTON is dated April 17, 1956, and I wish to read Mr. McCloy's letter. It is as follows:

> APRIL 17, 1956.
>
> MY DEAR SENATOR: I have your letter of April 13 and I am very pleased to take this opportunity to state my viewpoint on the matter of vesting former enemy assets and particularly to make clear some of the statements which have been made in connection with a recent letter I wrote to Senator LANGER in regard to some inquiries which he addressed to me respecting the memorandum initialed by Messrs. Roosevelt and Churchill at Quebec.
>
> Taking the latter subject first, I enclose a copy of my letter to Senator LANGER, which I understand has already appeared in the CONGRESSIONAL RECORD. In that letter I was simply replying to the suggestion that a reference of some sort to the seizure of enemy assets had been contained in the Quebec memorandum but had subsequently been suppressed. My letter denied that suggestion. However, I really believe that the contents of that memorandum, as well as the contents of my letter, have no real relevancy to the question of the vesting of former enemy assets. Whatever the motivation for the action which resulted in the seizure of enemy assets may have been, they were seized in accordance with a custom that is as old as the hills in case of wars. In short, I am quite clear that neither the seizure nor the possibility of return was an incident of the so-called Morgenthau plan.
>
> As to the general principle of the return of former enemy assets, I have always felt that, assuming the claims of American private citizens were adequately taken care of, our policy should always be directed toward the return of seized private property. I recognize that certain transcendent national policies or security considerations may be involved which would contravene in certain cases the full recognition of this policy, but these contraventions should be the exception rather than the rule. I have not examined the provisions of the various bills now before Congress but to the extent that they do operate to recognize this principle I would be in favor of them.
>
> I hesitate to express my views, particularly in relation to German assets, by reason of the fact that I was somewhat recently a Government official dealing with the rehabilitation of Western Germany. I am aware of some complexities in regard to the German situation as to which I would be hesitant to testify without a fuller knowledge of all considerations that might apply to particular pieces of the proposed legislation. But quite apart from my interest in Germany and my former position as United States High Commissioner to that country, I do feel that the principle that I have stated above is a sound one and ought to be recognized by the United States.
>
> Sincerely,
>
> JOHN J. MCCLOY.

Note what Mr. McCloy says in his letter to the Senator from South Carolina [Mr. JOHNSTON]:

> In short, I am quite clear that neither the seizure nor the possibility of return (referring to these confiscated German and Japanese private property) was an incident of the so-called Morgenthau plan.

I am afraid Mr. McCloy still does not know the facts, but I am happy that at this late date he agrees with the general principle of the return of former enemy assets. I say at this late date. He should have taken a position long ago, for while he was High Commissioner in Germany this is what he did. Under date of March 29, 1956, there appeared a long, 3-column story about Krupp global interests in the Wall Street Journal, and as a part of that story I wish to quote the following about Mr. McCloy:

> On July 31, 1948, after 3 years in jail awaiting trial, Alfred Krupp stood before a court at Nuremberg and heard 3 American judges sentence him to "forfeiture of all your property, both real and personal." He was also given a prison term that was supposed to run until April 1957.
>
> But in 1951, John McCloy, then United States High Commissioner for Germany (now chairman of the Chase Manhattan Bank) ordered Herr Alfred Krupp's release. And he canceled seizure of the industrial empire on the ground that confiscation of private property conflicts with American ideals of justice.

That is the quotation from the Wall Street Journal.

Mr. President, I am sure that if Mr. McCloy, along with other bankers and financiers throughout our great country, men who should always defend the private enterprise system, the right to own private property, had come before our committee, and said he was just as interested in taking care of the little people in Germany as he was in taking care of Alfred Krupp, we would not be in the situation we are in today.

I say that Mr. McCloy was right when he ordered the return of all the real and personal property belonging to Mr. Alfred Krupp.

I hope that this administration will now have his assistance and his cooperation and the cooperation of his associates in bringing about a complete return of these still confiscated private properties belonging to the "little" citizens in Western Germany.

Let us remember that McCloy was appointed High Commissioner to Germany by President Truman. I am sure Mr. McCloy's decision to return all the real and personal property belonging to Alfred Krupp had the approval of President Truman or he would never have done it. This is further proof that President Truman was against the confiscation policy.

ROOSEVELT WAS AGAINST THE CONFISCATION POLICY

If there are still some people who would like to confuse the matter further and who would like to blame President Roosevelt for adopting basic Communist policy, may I recall to them the speech President Roosevelt made from the White House to the American people less than 1 month after the Second Quebec Conference. That speech was broadcast nationally on October 5, 1944, and I quote from that speech which is reprinted in Vital Speeches, the issue of October 15, 1944. In that speech President Roosevelt confirmed his belief in the inviolability of private property for he said:

> I have never sought and I do not welcome the support of any person or group committed to communism or fascism, or any other foreign ideology which would undermine the American system of free competitive enterprise and private property.

I am sure that President Roosevelt did not refer to private property rights in the United States only. I am sure that President Roosevelt knew the basic difference between Communist-controlled governments and governments of the free world, and I am confident that he was not going to impose upon the German and Japanese people Communist principles by promulgating a Communist scheme to confiscate their private property.

CHRISTIAN LEADERS WARNING UNHEEDED

That Christian leaders throughout the world, during that period, knew what was going on, is established beyond a question of a doubt when 10 days before the Quebec Conference, where Harry Dexter White tried to put through the Communist program for the complete destruction of private property rights throughout the world, the Holy Father, Pope Pius XII, in a broadcast from Vatican City entitled "Rights of Private Property," made on September 1, 1944, stated as follows:

> Leo XIII in his encyclical "Rerum Novarium" laid down the principle that a legitimate economic and social order should rest on the indisputable foundation of the right to private property.
>
> Christian conscience cannot admit as right a social order that denies the principles or renders impossible and useless in practice the natural right to ownership of commodities and means of production.
>
> Are we to submit to the dictatorship of a political group that as a ruling class, will control the means of production?
>
> Future social and economic policy organizing activity of the state, of local bodies, of professional organizations, will not be able to achieve their lofty aims in continuing the fruitfulness of the social life and normal returns of a national economy unless they respect and protect the vital functions of private property in its personal and total value.

I repeat what Pope Pius XII said:

> Protect the vital function of private property in the personal and total value.

Talking about the end of the war, he said:

> The problem of the future aspect of the social order will be the subject of keen strife between the various tendencies.

He says further that in this struggle:

> The Christian social idea has the arduous but noble task of bringing forward and demonstrating to those who follow other doctrines in theory and in practice, that in this sphere, so important to the peaceful development of human relationships, the postulates of true equity and Christian principles can be closely joined, guaranteeing salvation and well being to all who can give up their prejudices and passions and listen to the preaching of truth.

In my limited way, and in all humility, I hope that what I say today will contribute to the winning of this struggle of the true Christian social idea by demonstrating the complete falsehood of the doctrine of confiscation anywhere in the world or that there is nothing sacred about private property as the Communists teach, and as some capitalist pirates practice, regarding other people's private property.

STEP BY STEP THE CONSPIRACY IS UNFOLDED

I have shown in my speech of February 1 that President Truman totally rejected the theory of confiscation of private property of German and Japanese civilians located in this country. I have documented the conspiracy and have shown that Harry Dexter White and his crowd forced the Office of Alien Property and the State Department to join with them in a message to President Truman asking for authority to recommend to Congress the passing of legislation to permanently eliminate existing German and Japanese private property rights in the United States with no provision for any return or compensation directly or indirectly and I showed that President Truman rejected this request. I charged that they would never have had to force the Office of Alien Property or the State Department to join with them in that memo to President Truman had either President Roosevelt or President Truman ever approved such a policy.

I shall return for a moment to the message Pope Pius XII sent to the world on September 1, 1944:

> The Christian social idea has the arduous but noble task of bringing forward and demonstrating to those who follow other doctrines in theory and in practice, that in this sphere, so important to the peaceful development of human relationships, the postulates of true equity and Christian principles can be closely joined, guaranteeing salvation and well-being to all who can give up their prejudices and passions and listen to the preaching of truth.

In the performance of the responsibilities arising out of this obligation to make the truth known, I began on February 1, before this distinguished body of Senators, each of whom is under a solemn oath to be a champion of law and justice, the presentation of the facts whereby the greatest and most vicious faction in the world today undertook, and so far has undertaken successfully, to make the Government of the United States an instrument for the destruction of individual rights rather than the steadfast and constant defender of them.

No sane and literate man today can deny that freedom and communism are irreconcilably opposed.

We Americans believe that man is born free and of right should remain free. We who believe in the Declaration of Independence believe also that man's right to be free was conferred upon him by God, and that the true function of government is to protect this and the other rights with which man is endowed by his Creator.

Whether we examine the matter philosophically or from the viewpoint of human experience, we must inevitably conclude that the right to freedom cannot stand unless it is accompanied and supported by the right to property, just as the right to property is meaningless unless men are free. There is no instance in recorded history to the contrary.

In propositions of this basic nature, we are concerned with fundamentals which permit of no deviation. Either private property is wholly inviolate or private property is not inviolate. Just as the person who harms no man in all the world except the man he kills becomes a murderer, and the man who steals only one purse becomes a thief, the sanctity of private property must be completely observed or the right to property is violated.

WHAT THE COMMUNISTS THINK OF PRIVATE PROPERTY RIGHTS

The opposite of freedom is communism. Whether we cite Marx in the Communist Manifesto of 1848:

> The abolition of bourgeois individuality, bourgeois independence, and bourgeois freedom is undoubtedly aimed at. In a word you reproach us with intending to do away with your property. Precisely so; that is just what we intend.

Or Stalin in 1929 and 1940:

> The last hope of the capitalists of all countries who dream of restoring capitalism in the U. S. S. R.—the sacred principle of private property—is collapsing and vanishing.

Or Stepanyan in 1946:

> War between people will disappear only when this private ownership and the antagonistic classes are destroyed forever.

Or Khrushchev in 1955:

> The days of capitalism in the world are approaching their end. Our system will win.

The answer is the same: The cardinal aim of the Communists is the destruction of the institution of private property.

I am sure James Madison would have termed any group in the United States united in a common program to achieve this stated purpose of communism a faction of the greatest danger to the rights of the individual and to the common good.

When such a faction badly admits to a philosophy which approves deceit, trickery, and lies, I have no doubt that James Madison and his colleagues of the Federalist papers would have characterized such a faction as a menace which no man who cherishes freedom can ignore without peril to his freedom.

William Henry Chamberlin in his introduction to Blueprint for World Conquest, a collection of the Communist plans for the conquest of the world by communism, only repeats in the terms of today what the authors of the Federalist papers said in 1787:

> With this precedent (of Hitler) in mind, it would be unwise to brush aside as trivial or unimportant the amazing blueprint of world conquest through internal propaganda, division, subversion, and treason which is unfolded in such minute detail (by the Communists). It would be more sensible to reflect on how large a part of the Communist dream of world conquest is already a reality.

These are the two worlds—the world of freedom and the world of communism. They truly are as far apart as the poles. There is truly no way for them to come together except by capitulation. If freedom is worth while, we will not capitulate.

On February 1, I presented to the Senate a documented account of the program and operations of the Communist faction to undermine the principle of the inviolability of private property in the United States.

I showed that this program of confiscation originated in Moscow.

I showed that the plan to carry it out was developed and executed under the guidance and direction of a group of Communists and fellow travelers in Government offices who have since been revealed in their true light by the several subversive activity committees.

I showed how this group of Communists and fellow travelers, through the skillful use of the well-known Communist practices of treachery, deceit, and lies, and a Democratic administration and a Republican Congress, were made the unwitting dupes to carry out this program directed at the destruction of the institution of private property, the institution which is both the cornerstone of economic activity in a free-enterprise society and an essential support of the right to be free.

I showed how this group of Communists and fellow travelers, through lies and trickery, made the people believe that President Roosevelt and President Truman had abandoned basic American principles.

I showed how this group of Communists and fellow travelers, by their agility and dexterity, maneuvered and infiltrated themselves into positions of responsibility in our Government so that they could and did use the prestige and power of the United States to cause other nations to adopt policies of confiscation. Fortunately, one by one these nations have seen the error of such action and have taken steps to make amends. It is high time that we do like wise.

CANADA JOINS THE OTHER NATIONS WHICH HAVE RETURNED THESE CONFISCATED PROPERTIES

I am pleased to hear that since my speech of February 1, our great and friendly neighbor, Canada, which was also the victim of Communist conspiracy—for Canada also had its problems with Communist traitors—has now joined the long list of allied countries which have already returned to basic principles and returned the confiscated properties, and has decided to return all these private properties to their German and Japanese owners.

It is high time that we do likewise.

I showed how this Communist-inspired assault on this great basic principle of morality and of our society was introduced on the theory that only the private property of enemy aliens would be confiscated. Wartime passion, the spirit of vengeance, the legitimate desire for recompense for those suffering from the brutality of World War II, were skillfully played up, while principle, tradition, and the fact that the penalty was imposed on individuals who were not responsible for the atrocities of their dictator masters was played down, if not ignored altogether.

I showed that once the principle of the inviolability of private property was undermined, it mushroomed and extended itself, under the Trading With the Enemy Act, even to confiscating the property of Americans and the citizens of friendly neutral nations.

THE PRIMARY OBJECTIVE OF THE COMMUNIST CONSPIRACY

What I said on February 1, I trust made clear that the primary objective of this Communist faction and their Moscow masters was to prove to the world that the principle of the inviolability of private property was disintegrating, not only in one country after another taken over by the Communists, but all over the world. This was the main objective. Of course, the Communists wanted the property for themselves, but this was secondary. The first objective was to keep the property from its rightful owners. For 15 years they have been successful. They have been successful because the Government of the United States has been their instrument which has prevented the return of this property to its owners. There is more reason for laughter in the Kremlin. Even the ghost of Stalin may be smiling, for if property is not secure in the United States, where in the world can a man go and hold his property inviolate?

The fact is that American citizens and the citizens of friendly neutral nations have had their property confiscated under the Trading With the Enemy Act without at any time having a hearing on the justice or correctness of the seizure of their property. I believe this is a fact which will shock every American who believes that every man is entitled to his day in court. Nevertheless, this fact is a true fact, and it exists by reason of action of the Government of the United States. It has happened here. It happened under the Trading With the Enemy Act. It has profoundly shocked me. It profoundly shocked our great and good friend, the late Senator Robert A. Taft. The letter in which Senator Taft expressed his intense and deep indignation over such practices by a government "dedicated to doing justice" will be studied with profit as long as there are men concerned with justice among men.

I repeat what I have just said, "Of course, the Communists wanted this profit for themselves." I mean just that. They actually tried to get it even in the United States. As an example of brazenness, effrontery, and audacity, it is unexcelled.

James Madison, in the 10th of the series of papers which are the greatest contribution to the literature of government an American has yet given to the world, asserts that the dangerous vice of faction is the greatest danger which popular government faces. By faction Madison meant any group of people, whether a majority or a minority, united and actuated in some common impulse of passion or interest adverse to the rights of others or to the common good. The instability, injustice, and confusion that factions introduce into the public councils, he adds, are the mortal diseases of popular governments. Because liberty of the individual, however, is, and must remain the purpose of our Government, Madison concedes we cannot eliminate the cause of factions, for freedom is too precious to have it curtailed merely because some who are free use their liberty to abuse others. The best alternative, and the alternative which was adopted by our forefathers, is a system to control the effects of factions.

The alternative adopted rests on the profound conviction that there is a sense of justice and of right in the American people which ultimately will triumph over passion, prejudice, corruption, and greed. It proceeds on the basis that if the American people are given the truth, they will cause decisions to be made which are right and just. Therefore, it is essential to this alternative that there be a means to bring the truth to the people so that they can soberly and calmly determine the way of justice. Accordingly, under this alternative, in order to make it effective, there is imposed on those who know the truth, and who are concerned with justice, the obligation to speak up so that the people may know and may act.

I mentioned that since my speech of February 1, more and more people are coming forward with the facts, and I shall tell them to the American people.

AMERICAN CITIZENS RIGHTS VIOLATED

It will be recalled that on February 1, I pointed out that even American citizens were threatened, intimidated, and dispossessed of their property by the traitors in the Treasury Department under Harry Dexter White. I told the story of Mr. Ernst Halbach, an American citizen, and his associates, all of whom were American citizens and who owned General Dyestuffs Corp., which had a contract with General Aniline & Film. I told how the record now establishes that Harry Dexter White sent his agents into that company and seized it, on the theory that these Americans were cloaks for the Nazis. I showed how Treasury agents under Harry Dexter White called on Mrs. Halbach alone in her home, where she was dying of cancer, and intimidated her through threats, to the point where Mr. Halbach was forced to sell his stock to the Government at a price way below its real value. I showed that Mr. Crowley, Alien Property Custodian, testified before our committee that Mr. Halbach was a patriotic man, and that all this was a mistake; and I showed that Mr. Halbach sued the Government to get back his stock that was vested. I showed how the Government could not prove that Mr. Halbach was a cloak for the Nazis, and then forced Mr. Halbach and his two daughters, who also were born in this country, and whose husbands were serving their country in the Army, to settle for a sum of money much less than the stock was worth, and paid them out of the funds actually in the treasury of General Dyestuff Corp.

Mr. Halbach and other American citizens settled in early 1945; so that result was that the United States Government then owned all the stock in General Dyestuff Corp. It had already vested over 90 percent of the stock of General Aniline & Film with which General Dyestuff had an exclusive distribution contract.

Mr. Edward M. Shaffer, an investigator appointed by Mr. Leo Crowley, Alien Property Custodian, to investigate this corporation, testified as follows:

> Mr. SHAFFER. I will summarize it. I believe that the United States Government made a mistake in vesting the stock of Mr. Halbach * * * the year 1939 saw the mark of the complete break, in my opinion, from the former association by personnel, and I mean Dietrich Schmitz and General Aniline Film & Dyestuff into a completely new and wholesome set of owners, namely, Halbach, Swenson, Dr. St. George, people of that nature * * * I believe it was in error to have designated these gentlemen as nationals of an alien enemy country and then proceed to seize their stock. I still feel that way. (Hearing before a subcommittee of the Committee on the Judiciary, United States Senate, 83d Cong., 1st sess., proposing amendments to the Trading With the Enemy Act of 1917, 1953, p. 340).

Judge John Burns, former counsel to the Securities and Exchange Commission, at the request of Mr. Crowley, also

investigated this matter. Judge Burns testified as follows before the hearings referred to above:

> Shortly after that, maybe 2 months from that, Mr. Crowley sent for me and said that he had vested the stock of General Dyestuffs, but he was somewhat concerned about the propriety of it, and he would like to have me go in as general counsel. My particular task in addition to acting as lawyer for the company was to make a very careful investigation and report to him as to whether or not I found any basis which would tend to prove that Mr. Halbach was either a non-national, under the wording of the statute, or that his holding was a cloak for alien interests. So I took up that assignment, and together with my partner, Mr. Rich, we made a very careful investigation, looking into practically all the files that seemed relevant. We talked to the employees, talked to Mr. Halbach and his associates, and tried to get as many leads as we could from Government sources to explore them to find out what possibly might be the basis of any charge against the owners of the dyestuff stock * * *
>
> To sum up, I reported to Mr. Crowley after this investigation that I could not find the slightest basis which would justify his action in vesting the stock of General Dyestuff. I recommended, out of a consideration of simple honesty and fairness to the American citizen, that Mr. Crowley should return the property. Thereafter I talked with him and he indicated very definitely general sympathy toward Mr. Halbach and accepted my reporting apparently without questioning.
>
> Later on, when Mr. Crowley went on some other Government assignment, I talked to his successor and made the same point; that I felt, in view of what I had come to know, that the retention by the Government of this property in the light of all those circumstances, particularly while the Government was continuing Mr. Halbach in the primary responsible position as operator, and while he was serving his country as the expert on dyestuffs for the War Production Board, that the deprival of his property under those circumstances was highly immoral. I did not see any legal basis upon which it would be supported. That is about all I have to say.

Mr. Halbach, president of General Dyestuff Corp. and in charge of its operations, not only continued in a management capacity for years after the seizure and vesting, but also served as consultant to the War Production Board during the war. Commendations for efficient and effective service were given him for his work. Thus, on September 7, 1945, Gen. Brehon Somervell, commanding general of the Army Service Forces, wrote Mr. Halbach:

> You and your associates and employees must have a deep sense of satisfaction as you look back upon your accomplishments on the war production front * * * now that the war is won, I want to express to you the gratitude and appreciation of the Army Service Forces for the magnificent achievements of your organization.

On December 20, 1945, Brig. Gen. Georges P. Doriot, Director of the Planning Division of the Office of the Quartermaster General, said in a letter to Mr. Halbach:

> This office wishes to express its appreciation and commendation to you and the personnel of your company for the many contributions afforded the Quartermaster Corps during the past few years. We are particularly grateful for the time you have given personally to the consideration of our problems * * *.

Mr. Crowley testified as follows concerning Mr. Halbach's character and patriotism:

> During my course as Alien Property Custodian, I got to know Mr. Halbach very well. You people that were here during the war know there was a lot of emotion, which there always is, during a war, and Mr. Halbach was accused of being a cloak for the Germans and being anti this and anti that. We had an investigation made of Mr. Halbach. I think the FBI did one for me. I know the military did. And I had Mr. Shaffer make an investigation for me. As Judge Burns told you, he made an investigation. And we found no evidence anywhere, where anyone could cause any criticism to be made against Mr. Halbach's integrity or against his patriotism.

Ultimately, however, Mr. Halbach was discharged from his position with the corporation by the Alien Property Custodian. The circumstances leading up to this event are described in a memorandum dated March 9, 1945, which appears as exhibit M in part 2 of the hearings of the subcommittee, at pages 857 and 858. The pertinent parts of this memorandum appear as follows:

> EXHIBIT M, MEMORANDUM FOR THE FILES, MARCH 9, 1945
>
> Re: Conference with representatives of Alien Property Custodian and Department of Justice concerning vesting on March 8, 1945.
>
> Present: For Alien Property Custodian: Messrs. McNamara, Creighton, and Cutler.
>
> For Department of Justice: Messrs. Jones and Parker.
>
> For Treasury: Messrs. Coe, Aarons, Alk, Arnold, Day, Friedman, Glasser, Richards, Saxon, Mrs. Gold.
>
> In leading the discussions, Mr. Coe followed, in general, the agenda and answers circulated on March 1 by Alk and Arnold.
>
> * * * * *
>
> Mr. Coe said that the Treasury was troubled by the fact that Halbach had not been discharged by General Dyestuffs. He indicated that the retention of such a person in a concern under the jurisdiction of the custodian appears to indicate an inconsistency between the domestic policy followed by this government and that which it was urging abroad with respect to the discharge of German fronts. Mr. McNamara responded that the difficulty is a conflict between the policy of the Government concerning blocked nationals and the business judgment of the General Dyestuffs directors who find Halbach a valuable employee. Halbach's resignation has been submitted and the custodian has informed the board that he must leave tha employ of the company but a vote on the matter has been postponed for a month. Mr. Jones then inquired whether cleaning out suspect personnel is not at least as vital a matter as the termination of German and Japanese property interests. The Treasury representatives agreed heartily and Mr. Coe asked whether there were other cases than that of Halbach to be cleared up. Messrs. McNamara and Cutler took the position that the Halbach matter is a "peculiar case."

A comparison of the date of the memorandum last quoted and the dates of the commendations previously mentioned is significant. This significance increases if reference is made to the report of the Subcommittee of the Committee of the Judiciary on Interlocking Subversion in Government, dated July 20, 1953, beginning at page 6, which discusses Harold Glasser and Virginius Frank Coe.

Those who read my speech of February 1, know that I established that Glasser and Coe were right-hand men of Harry Dexter White to carrry out this conspiracy to confiscate private property of all German and Japanese citizens throughout the world and to carry out the most essential part of the Communist program to drive from the minds of men that there is anything sacred about private property.

I suggest that every American citizen study not only this release of July 20, 1953, by the Subcommittee of the Judiciary investigating subversion in Government, but also the latest documentation on Harry Dexter White and his associates, released only a few weeks ago by the same committee.

V. Frank Coe was a close friend of Harry Dexter White, and one of his right-hand men in the Treasury Department. I named him as already a leader in this Communist conspiracy in 1951. Since that time he has appeared before congressional committees, and has refused to answer any questions. He has become a fifth amendment Communist. He was also a friend of Harold Glasser. Ex-Communist agent Elizabeth Bentley testified long ago that Harold Glasser was a member of the Perlo group; and later we discovered that Alger Hiss, of the State Department, had taken Harold Glasser and 2 or 3 others and turned them over to direct control of Soviet representatives in this country. The Communist apparatus of the Treasury Department that infiltrated every other department of the Government was so large that it will take considerable time to bring out the facts of each one's part in the conspiracy. I have only touched a few up to this time but I promise that I shall expose the parts that all of the leaders played in this program at a later date.

Now I wonder and I am sure everyone wonders why these things happened to American citizens. Not until after my speech of February 1 was I provided with facts which give us some of the answers. And I say the facts are amazing. I should say shocking. Here they are:

RUSSIANS WANTED TO TAKE OVER

We have now discovered that at the same time in early 1945 when the Treasury Department and the Office of Alien Property, Department of Justice, were trying to force Mr. Halbach and other American stockholders out and settle their suit—the same time the Harry Dexter White crowd was forcing the Office of Alien Property and the State Department to join with them in a message to President Truman, as I detailed in my speech of February 1, in which they asked for Presidential approval of their plan to recommend to Congress a program aimed at the permanent confiscation of German and Japanese private properties in the United States which President Truman refused to give them—that at the same time, the Russians in the United States under direction of their Embassy here in Washington were actually trying to take over General Aniline & Film.

Mr. Louis Johnson was ordered to entertain Russian agents who wanted to take over this American corporation.

It has come to light that early in 1945, someone in Washington connected with the seized General Aniline & Film Co., which latter company the Swiss, from the day it was seized until today, have claimed to be Swiss owned, ordered Louis Johnson, who at the time was a Government man appointed president of the General Dyestuffs Corp., to prepare for the arrival in New York of a dozen Russians who wanted to look over General Aniline & Film plants and eventually take them over or make some kind of a deal to get General Aniline & Film processes, if not the outright plants and equipment.

Finally, we know that this meeting took place regardless of the protests of Louis Johnson. Mr. Johnson gave a luncheon for the Russians at the University Club in New York. More than 12 people were at that luncheon; and after the luncheon the Russians took off to inspect each plant of General & Film. Nothing came of the Russians' plans, thanks to Louis Johnson and a few others. Now I know that Mr. Johnson, who later became Secretary of Defense, kept a diary in which he recorded the events of each day that he was in Government service. I think it is time for Mr. Johnson to come forward and tell us all about that luncheon, what preceded it, what followed it, and who the men were in the Treasury Department and Office of Alien Property who ordered him to give this luncheon. I am going to write Mr. Johnson a letter as I did to Mr. McCloy, and when I get his reply I will put it into the Record. I am also going to write a letter to Mr. James E. Markham, who was Alien Property Custodian at the time and who, I understand, was first asked to make these arrangements for the Russian visitors but who refused. Mr. Markham should tell us what happened. I am going to write a letter to Mr. Dallas Townsend, asking him to make available all the records in his Office of Alien Property to the Subcommittee of the Senate Judiciary investigating this matter.

The Communist conspiracy becomes clearer as we dig deeper. Obviously Mr. Halbach and the other Americans who owned stock in General Dyestuffs, which corporation in turn had an exclusive sales contract with General Aniline & Film for its products, had to be removed, if the Russians were either to get General Aniline and its equipment or its technical know-how or products. It is the duty of Mr. Brownell, as Attorney General, to give the committee investigating the operations of the Trading With the Enemy Act the facts on this matter. His Office of Alien Property still refuses to give out any information regarding General Aniline & Film and the reason given is that the Swiss are suing for a return and that such information might be detrimental to the Government's case, which claims the Swiss were cloaks for the Germans, but I do not believe the American people can ever be made to believe that giving them the facts surrounding this Communist conspiracy could hurt the Government. Furthermore, if it should be detrimental to the Government, and these things are true, I am sure the American people, in utter disgust, would repudiate the conduct of its officials as a shameful betrayal of a trust.

TERROR METHODS TO INTIMIDATE AMERICAN CITIZENS

More has come to light since my speech of February 1. It will be recalled I quoted from the hearings held by the Subcommittee of the Senate Judiciary investigating the operations of the Trading With the Enemy Act and the part played by Harry Dexter White and his fellow travelers in bringing about permanent confiscation of these private properties. I quote from the hearings held on April 1, 1953 as follows:

> Mr. Halbach. My wife, as you all know, was desperately ill and the newspaper notoriety and the beating that she got and she knew that I was getting, weighed terribly heavy on her and my daughter and myself and her brother, who is one of the trustees, were very anxious to relieve her of that stigma and the effect of that on her because she was an intensely and rabidly loyal American.

The testimony continues:

> The Chairman. As a matter of fact, your wife had cancer and these Federal men kept bothering her?
>
> Mr. Halbach. Federal agents came out. I came home one night and I could hardly believe it. I saw her face was scarlet and I said "what on earth is the matter with you?" She told me that these two agents from the Treasury had been there and questioned her about me and my connection and trying to intimate that I was German or something to that effect. I never could get it out of her. She was so upset and so bewildered by it all that I never could find out, except I knew these two men had been there.

Not until after my speech of February 1, did we discover that, one hour before Mr. Halbach appeared before the committee on April 1, 1953 to tell the committee the entire story, the United States Government, Office of Alien Property, Department of Justice, through General Aniline & Film, had just then sued him in the Federal Court of New Jersey for $6¼ million. He was notified of the suit by long-distance telephone. Terrorized as he was, after having been stripped of almost everything he owned, he was now being intimidated as a witness appearing before a congressional committee. I was a member of that committee and Mr. Halbach was a scared witness. He did not tell me, nor did he tell any other Senators taking part in the hearing, what had happened, except to say that an action to enjoin him from taking any employees of General Aniline & Film into his new business, just established, had been made, nor did any persons from the Office of Alien Property, Department of Justice, or their employees and appointees to General Aniline & Film who crowded the hearing room, even utter one word about this suit for $6¼ million. Had the members of the committee known all that had happened that day, I am certain that contempt citations would have been voted unanimously. This happened in a Republican Administration under a Republican Attorney General.

What was the suit about? It claimed that Mr. Halbach had opened his own little factory to make dyestuffs, and that he was taking experts from the Government—confiscated and operated General Aniline & Film. Now we have found out that Mr. Halbach's personal finances at that time were at the lowest point in his life. He had spent all of his savings in defending his good name and reputation; and here we have the preposterous situation of the United States Government suing him for $6¼ million. We have also found out that Mr. Halbach's little new division of his Verona Chemical Co., with 12 employees, did less than $15,000 business in dyes in the month of March 1953.

Why was this suit brought? Obviously, to close Mr. Halbach's mouth so that he would be afraid to tell the committee investigating the operations of the Communists just what had happened.

What happened to the suit? It was later quietly dismissed. By whom? General Aniline & Film controlled by the Government of the United States, Office of Alien Property, Department of Justice, who told their appointees in General Aniline & Film to dismiss the suit. There was no publicity in connection with the dismissal of the suit, as it was done in the judge's chambers.

I do not want to leave the impression that my friend, Dallas Townsend, who is now Director of the Office of Alien Property, had anything to do with the filing of the suit on April 1, 1953, against Mr. Halbach, because Mr. Townsend was not appointed until after May 19, 1953; but I must warn my friend, Dallas Townsent, that he too, like President Roosevelt and President Truman, may become the victim of his friends and neighbors, in whom he has apparently so much confidence, and those who have set out to hold onto these business plums for their personal gain regardless of what their conduct does to our foreign relations.

THE RELATIONSHIP BETWEEN UNPRINCIPLED CAPITALISTS AND COMMUNISTS

There is a definite affinity between capitalist piracy and communism. The two are closely related. Bishop Fulton J. Sheen, in his work entitled "Communism and the Conscience of the West," says, on page 79:

> Monopolistic capitalism concentrates wealth in the hands of a few capitalists and communism in the hands of a few bureaucrats, and both end in the proletarianization of the masses.

I say that is why we will always find an alliance between unprincipled immoral capitalists who will take the property of others as their own and Communists, who will take the property of others to further their scheme of state ownership of the means of production, which reduces men to slavery, and makes it possible for a small minority under a dictatorship to remain in power.

So it should not come as a surprise to anyone that some American capitalists who hope to profit still more will join with the Communists to defeat a return to basic American principles of justice and honor.

I appeal to the President of the United States to give direction now to his subordinate cabinet officers to put an end to these conditions and to return to basic American principles, and return all the confiscated properties in full.

WE MUST HAVE A WORLDWIDE MAGNA CARTA OF PRIVATE PROPERTY RIGHTS

I appeal to the President to lead the free nations of the world in creating a worldwide Magna Carta of private property rights. I do this because I believe in principles, and I further believe that we shall never be able to take from the backs of the American taxpayer the burden of the never ending foreign aid programs until such time as private capital, and the savings of all the people in the free world, are secure against confiscation when invested under a free enterprise system in underdeveloped countries in order to raise the standard of living of the people so vital to the peaceful development of those nations and our own security. Such investments can be secure only under a Magna Carta. I submit to the President of the United States that he is correct when he says that we must help the underdeveloped countries, but I disagree with the contention that this must be done solely at the taxpayer's expense. Of course, so long as the great United States fails to rectify the wrongs of the past, so long will this burden remain on the American taxpayer, and there cannot be such a Magna Carta. Government handouts, with all the bureaucracy that goes with them, is not the answer, for then we compete only with the Communists in creating government-controlled businesses in these underdeveloped nations. The development of these countries will come either under a system of communism or under the free-enterprise system, the capital for which must, for the most part, come voluntarily from the people of the free world. To bring that about we must first return to basic principles. To create such a Magna Carta we must first correct the wrongs of the past.

I am happy that in many countries of the free world, expressions along that line, the results of a great deal of sound thinking, are finally seeping through. Only 2 weeks ago, Ambassador Henry Cabot Lodge, upon returning to his United Nations post after a tour of the Midde East and Africa, said:

> Those who have studied Communist tactics in Europe and China know very well that the Soviet Union never extends economic aid without there being very dangerous strings attached and that the purpose is always infiltration of personnel with a view to eventually taking the country over.
>
> To neutralize it successfully does not mean to appropriate more money. But it may mean conducting our economic activities in a different way.

I agree with Mr. Lodge about Communist tactics, but I say that unless we return to the principle of the inviolability of private property, all we do will be in vain. Let me call attention to a speech made by an eminent economist. He believes that through cooperation of the peoples of the free world these problems can be solved. He is no stranger to the United States, although he is a citizen of the Federal Republic of Germany, our partner in the defense of the free world. He is Mr. Hermann J. Abs, who addressed the Society to Promote the Protection of Foreign Investments in Cologne, Germany, on March 27, 1956. The title of his address is "Free Enterprise and International Protection of Private Interests—Precondition for a Sound World Economy." I ask unanimous consent that his remarks be added as an appendage to my address.

The PRESIDING OFFICER (Mr. Bible in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

(The legislative clerk resumed reading Mr. Langer's statement, as follows:)

Mr. LANGER. I appeal to President Eisenhower to put an end to the confusion, and lead the way back to basic American principles.

The press gave much publicity throughout the country to what Ambassador Lodge said when he returned from his tour of the Middle East and Africa. Strangely enough, however, the American press was silent when important statements were made in West Germany less than 3 weeks ago. I am sure that if the Congress of the United States had, during this month, ratified a new treaty of friendship with the Federal Republic of Germany, it would not only have been printed in the press in the United States, but in all the newspapers in West Germany.

How does it happen, however, that on April 12, 1956, the Federal Republic of Germany ratified the new Treaty of Friendship, Trade and Shipping with the United States, and although the news was published throughout Germany and the United Press, although the Associated Press and the International News Service, in fact all of the press services in Germany, carried the story and put it on their cables to their New York offices, their cable offices in New York did not put one word on their wires to the newspapers in the United States on the ratification of this important treaty? I wonder whether this was because members of all the political parties making up the West German Government rose before the vote on this treaty and protested against the continued confiscation of the private property of their citizens in the United States? Only last week a former general manager of the Associated Press protested against the Government censorship which is still going on. Is this a case of Government censorship, the withholding of vital information that the American people are entitled to know, or do we still have a conspiracy of silence in the United States to drive from the minds of men that there is anything sacred about private property? The West German people are our partners, our friends, and yet we continue to hold onto their private property which everyone knows now was brought about by Communist traitors in our Government.

It is high time that the American people begin to realize that every nation of the free world has been and continues to be infiltrated by Communist agents and spies. We will find them in a Democratic administration and in a Republican administration. That is the way the Communists work.

The administration continues to withhold more than 50,000 words of documentation of the Yalta Conference. They have not, as yet, released any of the documentation of the second Quebec Conference which preceeded the Yalta Conference and the Potsdam Conference which followed. I demand that these papers be made available. I am positive they will show further that President Roosevelt and President Truman at no time supported a confiscation policy, the taking of the private property of German civilians throughout the entire world, but were unalterably opposed to it. I demand that these papers be produced.

I appeal to President Eisenhower to put an end to this confusion and lead the way back to basic American principles.

I submit that to return these properties only in part, as the administration has suggested to Congress, as a matter of grace, would be a ratification of Communist principle, alien to our historical American position. Only Communist-controlled governments claim the right to confiscate private property of persons and corporations without full compensation.

To return some of these properties in part as a matter of grace would ratify a Communist promulgated plot and basic Communist principles.

I know the Communists have created great confusion in the Office of Alien Property, Department of State, and there are many knotty problems, relating to full return, but I ask President Dwight D. Eisenhower not to listen to those who advocate compromise but to heed the words of Benjamin Franklin, who, when faced with a very knotty problem and when advised to compromise, said:

> We will stick with principles and the knots will untie themselves.

Exhibit 1

Free Enterprise and International Protection of Private Interests—Precondition for a Sound World Economy

(Address of Herman J. Abs, in Cologne, on March 27, 1956, upon incorporation of the Gesellschaft zur Förderung des Schutzes von Auslandsinvestitionen e. V. (Society To Promote the Protection of Foreign Investment))

The "German miracle," accepted slogan for postwar economic recovery in Western Germany which many of us must confess to have helped popularize, has lately evoked both justified and unjustified foreign demands upon the Federal Republic and the West German economy. Similarly, the Federal Minister of Finance's bulging till is an inducement for taxpayers and other interested parties to scramble for what they claim as their rightful shares of the overflow, as long as the going is good. This proves once again that wealth is not without its sacrifices, certain contributions toward the common welfare being rightfully demanded from those who can afford to part with some of their affluence.

German economic recovery is undeniable and not exclusively owed to the untiring labors of our people. Many favorable factors have been equally effective, last but not least the decisive material and moral assistance given to us during the first postwar years by our former enemies, particularly the

United States of America. Yet, all these efforts and aids would have been in vain—on this point I think all Germans agree—if the previous directed or controlled economy had not incidentally been replaced by a practically free market economy, i. e., if the brakes had not been removed which for years had repressed the natural impulsion of private initiative and free enterprise.

On this occasion it must be stressed once more that, as far as Western Germany is concerned, the bold decision to break with the past is owed in the first place to the Federal Minister of Economics who has spoken before me. Without being pretentious I may say that this new policy, even internationally, has contributed much toward hollowing out the state-controlled economic systems which had been built up in many countries as a result of two world wars. We all know that restoration of free enterprise has since had exceedingly wholesome effects on the standard of living of peoples in the Western World.

We must continue steadily along this path if present achievements are to be confirmed and further progress made toward the final goal of an absolutely free world economy, based on mutual confidence—in spite and because of the new countermining attacks recently being made from the East.

I began my address by alluding to German economic recovery and to our obligations resulting therefrom. The European countries were among the first beneficiaries of United States reconstruction aid. Now, Europe for her part is rightly expected to lend economic assistance both to countries which are in the process of development and to countries experiencing difficulties due to general adverse circumstances. As the Federal Minister of Economics has just stated, we are entirely conscious of our obligations and convinced that it is necessary to give these countries investment and credit aid thereby helping them to raise the standard of living of their peoples to a recent level.

Apart from development projects of basic character and from exceptional cases, where specific circumstances or overdimensional tasks are at stake, this aid can be given and taken in the first place by means of private capital and enterprise. Indeed, private initiative must prevail if we intend continuing along the road toward our recognized ideal, a free world economy.

Quite apart from the fact that national budgets, particularly in Europe, are too strained to be able to assume additional obligations in this field, a state which, beyond supervising and directing economic policy, undertakes definitely to act as an entrepreneur and creditor on a large scale, is inevitably drawn in a direction ultimately culminating in overall State control.

History proves that the present stage of economic development in both the European countries and the United States of America would never have been reached without efficient and profit-seeking private initiative and the pioneer spirit of large and small entrepreneurs. So-called capitalism, like all other human phenomena, certainly has its weak points, faults, and misuses. Yet, compared with any form of State controlled economy it has the decisive advantage of being best adapted to the peculiarities of human nature. The State as an entrepreneur is necessarily apt to operate clumsily and uneconomically, because efficiency and profitability, which are stimulated by free enterprise, have no more than indirect influence upon State actions. Numerous public institutions, particularly in less developed countries, which had been established to develop the resources of these areas, have failed because they were called upon to assume functions which Government cannot be expected to execute. Also, it is more difficult for such public enterprises to attract private, especially foreign capital, than for private corporations, because the former are subject to State interference, a circumstance which always entails great risks for the investor.

On the other hand, close collaboration between private enterprise, particularly in developing the productive potential of those areas, promotes cooperation between the native populations and foreigners, makes it easier for both to appreciate their respective problems, strengthens their sense of responsibility, conduces to a more profitable choice and operation of projects, and awakens new interest and more widespread activity. This is essential, if the development of these economies is to be borne upward by all classes of the indigenous people. If, thanks to such collaboration, these people feel convinced that they are taking an increasing share in the construction and extension of their economy, a conviction which is already widespread today in nations with an advanced capitalistic system, the construction work will proceed on a solid and evolutionary basis. At the same time, indigenous key personnel and skilled labor are bound to come forth and will soon be in a position to assume full responsibility on a broad scale.

This should not prevent the State from lending initial assistance, as it did in Germany atfer the end of the last war. But even in such circumstances, the State should never act as an entrepreneur, but pay chief attention to fostering and protecting private initiative. In this connection, permit me to draw attention to pertinent statements made in March 1955 by the vice president of the International Bank for Reconstruction and Development, Mr. Robert L. Garner, concerning the purpose of the International Finance Corporation. The IFC is typical for the consistent efforts of the Western World, particularly the United States of America, to arouse greater interest among private capitalists and entrepreneurs in foreign investments, primarily in important projects in such areas all over the world the economies of which are on the verge of fuller development.

Eager as private business and the banks are to contribute in this manner to creating a free-world economy and thereby raising the standard of living among all peoples, it is not easy for them to act accordingly considering the limited means and opportunities at their disposal. Beside other handicaps, two particularly important conditions are lacking:

1. Administrative, tax, and other regulations often make it difficult for foreign investors to become active, acquire participations, and to stand their ground on an equal footing with nationals and firms of the countries in question.

2. In some parts, tendencies are recently gaining headway either to make untenable foreign investments and discourage other foreign interests by discriminating measures or, what is far worse, to block or even expropriate the foreign capital and assets already invested.

Point 1 is a special matter not included in the subject of my talk today. Nevertheless, it is exceedingly important inasmuch as free, nondiscriminatory treatment is a fundamental precondition for major investments of private capital abroad. Governments which are interested in their countries' development should give greater attention to this question than heretofore.

The second problem—the security of foreign investments—is our chief concern today and even more important and decisive than the first. Without the guaranty that invested capital will remain the investor's property, bear interest, and be repaid in due time, it will be impossible to mobilize sufficient private capital for foreign projects. It must not be forgotten that private capital both in Europe and the United States has sufficient opportunities to work profitably at home without having to assume the additional risks regularly connected with foreign investment. After all, the private capitalists' funds and the private firms' enterprise applied in foreign countries are the product of their own and their employees' and stockholders' efforts, just as foreign aid from public funds can only originate from the savings and labor of the creditor country's people. Nobody, and least of all the countries which are in the process of development, will expect the investor to stake these assets if he realizes that his foreign investments and thus the proceeds of work done on foreign account are being endangered by official measures. Only the East can afford such risks, because no regard is had there to the wage level, standard of living and wellbeing of its populace. This is the only explanation for the uneconomical credit terms which the U. S. S. R. has recently been offering as an allurement to politically interesting countries of the Near, Middle, and Far East.

We have had occasion again only quite recently to experience a number of grave direct or indirect impairments of foreign interests which prove how thoughtlessly some of the countries belonging to the Western World and accepting the fundamental Western principles have disregarded the inviolability of private rights and property. May I call to mind, for instances, the blocking of the assets of numerous firms operating with foreign capital by the Argentine Government. What is the use of international rules of law, of property protecting clauses in Western constitutions, national laws and numerous commercial treaties, further of declarations on the equal treatment and protection of foreign capital made by statesmen in many countries, if they are not unreservedly observed in practice. The matter is all the more serious, because measures to discriminate and discourage foreign investors are beginning to multiply again at a time when our Western World is fighting desperately against Eastern collectivism which denies personal freedom and all private property rights.

These recurring relapses are attributable to past political and economic developments for which, in the end, responsibility does not rest with the countries in question but rather with the entire Western World. They are the fruit of two world wars with their devastating economic and financial consequences. These war effects have not only caused private rights in the international sphere to be impaired or extinguished. Even within the individual countries personal rights were overridden.

1. The rigorous foreign exchange control laws hailing from after World War I, for example, were nothing but a form of expropriation as far as they forced national subjects to liquidate their foreign investments and deliver the foreign exchange proceeds to their central bank, or if they deprived foreign creditors and investors of the interests on their credits and the profits from their investments. The interruption of the German foreign debt service before the last war was a further example for the radical disregard of vested foreign rights, in this case not from necessity, but due to unscrupulous political machinations.

2. One of the reasons for the general confusion over property protection which must not be passed over is the policy of confiscating private enemy property practiced as part of total warfare, insofar as governments went to the length of definitely expropriating and liquidating such assets. Such confiscations and controls are justified, if the firms which are operated with enemy capital or other forms of enemy participation, either of their own accord or influenced by enemy government agencies, are in a position or suspect of countermanding the opposite party's war efforts. However, the foreign owners of vested rights ought to be given back their

property or should at least be handed over the liquidation proceeds of their assets, as soon as relations between the former enemies have been normalized to an extent excluding the danger of interference with national interests. This normalization may be assumed where the countries involved have become partners and friends and are pulling together in politics and economic policy.

Only very few countries have declined to adopt the general practice of liquidating and confiscating foreign property; several others, among them especially Switzerland and quite recently Sweden, have recognized the fatal consequences which the violation of private rights will have for the Western World and have done their best to make good for former measures taken against private foreign property.

Neither myself nor anyone in Germany proposes to reproach the countries in question for the interference with foreign property which originated during the war. It is not for us to throw stones, because we practiced most of the unfortunate violations of the principles of unviolable private rights ourselves or even caused them to be employed by others—a fact which cannot be stressed often enough. I am solely concerned about the common cause of the Western World. In order to carry the victory in ideological warfare against the East, we should practice what we teach, otherwise we might be defeated with our own weapons.

Without self-praise I may say that in pursuance of this course of thought we have attempted to reestablish the reputation and credit abroad of the Federal Republic and German business and to make amends as best we can for the wrongs which have been done in the past to the life and property of so many of our contemporaries. But, much still has to be done in that direction in many fields. Both our Government, our official agencies, and every one of us in Germany must continue to do their very best in order to again pay full regard to individual rights of foreigners and nationals alike.

There is no need for me to explain that communism welcomes the above-mentioned diversity of attitudes in our Western World concerning the protection of private rights and properties. We positively know that communism has even nurtured such dissensions in order to prepare the soil for a Communist world revolution which, according to recent declarations made by Mr. Khrushchev and other Soviet statesmen, is still the final goal aspired by the U. S. S. R.

For several reasons many authoritative quarters in the West have failed to see through this game and adopt timely countermeasures. In view of the continual military menace from the East, the military-strategical warding off of open aggression naturally stood in the foreground of interest, while the defense of western ideologies was neglected in the delusion that they could be sufficiently protected by propagating the slogan of our "Western way of life." Now that Soviet policy has adopted the method of subversive disintegration and infiltration, the many gaps and loopholes in our line of defense are gradually coming to light. In the heat of the cold war we had no time to account for the fact that in many respects we had been straying from the "Western way of life" in our own garden. A typical example is provided by the Austrian Treaty. Certainly, this treaty was a political compromise and chiefly aimed at the evacuation of Russian troops. Only few realized, however, that the Soviets were no longer interested in clinging to this small outpost of their military power. To make up for this unimportant withdrawal, the U. S. S. R. planted the seed for a further consistent pursuance of collectivism in Austria. For example, the expropriation measures agreed in the Austrian Treaty to which I am alluding would, I believe, hardly have been approved by the three great Western powers if they had realized that, as a result of the automatic transfer of former German assets to the Austrian state, the most important branches of Austrian industry will remain collective property more or less indefinitely, together with the enterprises which had already been nationalized before by the Austrian Republic. I am not complaining about the attendant personal losses of the former owners. Scores and scores of individuals and private firms have in other fields suffered much greater war losses. I only speak of the effects of this successful Soviet move on our world economy and the consistency of western freedom.

By this time we have discarded most of our old garments and false notions and found our way back to recognizing that the individual and his rights are the fundamental and stimulant of economic activity. Yet, we are still burdened with heavy mortgages from the past which provide many points of attack for a further infiltration of Communist ideas.

We have seen how these encumbrances are already standing in the way of building up a really free world economy, an economy divested of all avoidable risks which would enable us to utilize fully all available economic resources in favor of the less developed areas. Which will be their true effects in the event of a general depression that nobody can prevent in case, for some reason or other, this depression were to assume universal dimensions? If, in such an eventuality, our attitude toward the ethics of our "way of life" were still interspersed with contrasting element, there would be little chance of mastering the situation without departing from our principles. The East is actually waiting for this moment, knowing that people whose moral principles are not firmly anchored are particularly susceptible to temptation and infiltration when destitute and depressed.

At this point, I should like to give you an example of how we, that is the European industrial states and the United States of America on the one hand, and the less developed countries on the other, are actually contributing to generate future world economic depressions. Every industrial country and national economy naturally seeks to maintain employment at as steady a level as possible—last but not least for social reasons. Other countries, in the first place those which, after having discarded colonial bonds, are beginning to stand on their own feet, just as naturally wish to catch up with the achievements of the industrialized nations. Thus, the aims of both groups are complementary. Yet, this can be a source of great danger—that is, of an excessive strain on all the parties concerned—particularly in the field of public finance and balances of payments. In some cases, the initially sound competition for markets among the supplying countries has been carried too far. Often, terms and conditions for deliveries abroad are being offered by these countries which are entirely inconsistent with sound financial and economic principles. In some purchasing countries such tempting offers naturally may awaken illusions, as if they might make spectacular and rapid progress without undue strain upon their financial or foreign exchange situations. Consequently, they would accept too many offers of that kind within too short a period. These illusions might even be encouraged if, in the interest of full employment, and considering the afore-mentioned uncertainty of legal protection abroad, the governments of the delivering countries relieve their private corporations and firms of most of the political, economic, and transfer risks involved in their deliveries and credits by providing state guaranties. This procedure with respect to the export of capital goods has become quite common in many countries. Unsound underbidding by means of credit terms will not cease before the practice is abandoned by which the delivering firms, together with their governments and taxpayers, in addition to the work they are performing for their foreign customers, assume most of the risks connected with the fulfilment of the latters' obligations. The accumulation of too many development projects at a time, which might be the result, contributes to a further increase in international indebtedness which has already assumed excessive proportions in a number of countries. In this manner, ever less importance is bound to be attached to the question of profitableness by the purchasing countries, and the suppliers are asked for accommodating terms which their national economies are really unable to afford.

I am convinced that, to the good of their countries and populations, the economic growth of the less developed areas would proceed on a more evolutionary, reasonable, and financially sounder basis if both sides were to reassure the full measure of their respective responsibilities—the supplying country for contracted deliveries and services, and the receiving country for the agreed payments. Otherwise, the receiving economies will be the first to experience setbacks in their development and a deterioration of their people's standard of living in the event of possible future depressions, if not before. An excessively forced opening up of too many of the so-called underdeveloped areas at a time might even become partially responsible for a general world economic depression. The present volume of private credits outstanding from capital goods deliveries is enormous, quite apart from the state-to-state development credits. In addition, European governments and others have assumed extensive guaranties against political and economic foreign risks. It is easy, therefore, to predict the economic, financial, and moral effects on both creditors and debtors which would result if the debtor countries' liabilities were to definitely rise out of proportion with their ability to raise and transfer funds for the discharge of their foreign obligations.

Viewed in this light it is neither in the interest of the delivering nor receiving country to demand that governments create new financing institutions for the provision of export credits which are to run for longer terms than justified by the economic circumstances. An appeal of this kind was recently made in our country.

The above-mentioned new Soviet economic offensive in the so-called underdeveloped areas of the Near, Middle, and Far East is being launched against this vulnerable spot in our western economic structure. The conditions at which the U. S. S. R. is offering credit and development aids are decidedly even more tempting than the assistance which the West has been able to propose or promise, unless the underlying political implications are recognized by the countries concerned. Certainly, the western states, when offering economic assistance to other countries, also have some political line in mind. But, contrary to Soviet policy, their fundamental idea and purpose is to increase wealth among the peoples of these areas by unfolding their productive potential. In this manner they seek to promote the economic and political independence of such countries to a degree permitting them to eventually play an important role in the free world, uninfluenced by open or subversive outside aggression.

To doubt that the Soviet economy will actually be able to fulfill promises of investment aid is a mistake frequently made in the West. The area controlled by the U. S. S. R. has enormous resources and can already boast of an unusual wealth of technical and organizatory experience. Contrary to democracies in the West, the U. S.

S. R. is able to rapidly turn economic activity toward new directions and purposes, because the Government is absolutely autocratic, and no consideration is had of their subjects' standard of living and general well-being. Also, the Soviet economic potential will become greater as disarmament proceeds, which we are all hoping for.

Yet, even if all or part of the Soviet offers were insincere, they are fit to produce perplexion, undue economic and financial optimism in countries which so far have not had a taste of communism. They conduce to multiplying the aforementioned exaggerations of competition and all the devastating consequences for debtors and creditors, suppliers and customers, to the disadvantage of a sound world economic development.

The Western World, and last but not least, the European countries, realize that the policy of a further unfolding of the economic potential in all countries is a condition sine qua non for attaining a stable and well-balanced period of world economic prosperity, and that the less developed areas must receive their full share from such policy. As already mentioned, I consider it the very duty of the advanced economies to lend these areas economic and financial aid and give them advice on the technical and administrative upbuild and operation of their development projects. In doing so, greater stress than heretofore must be laid on the following points:

1. Advancement in these areas must proceed at a pace and in a manner adapted to their structure and resources.

2. Care must be taken to reestablish and maintain stability of the currency and balance of payments in these countries, in order to avoid inflationary tendencies.

3. Indigenous capital, labor, and other resources must be induced to partake in the various projects on a broad line, so as to strengthen their sense of responsibility for and interest in the development of their economy and lay the foundation for the growth of national capital markets.

In this manner it will be possible to avoid or correct many of the mistakes which had been made during the last century in developing the industrial countries in Europe and North America, and even more recently in opening up new countries. Naturally, all this calls for mutual confidence and cooperation between the giving and receiving economies, whereby I wish to emphasize that this cooperation in operating and completing the common projects must amount to a form of true partnership, in which none of the parties can take advantage over the other. To this end, the foremost responsibility lies with those who invest their capital in the economies of the receiving countries. In particular, in developing and utilizing natural resources, it is very important that due consideration is had of the national interests of the countries concerned. On the other hand, these countries must see to it that the capital employed to their benefit and the plants erected with the help of foreign funds or materials are permitted to operate unhampered and on an equal footing in every respect. Further, guaranty must be given that foreign creditors and investors may dispose of the proceeds of their efforts and that the receiving countries will engage to abstain from measures designed to block, confiscate, or expropriate the vested foreign interests. This principle, of course, must be reciprocally recognized and practiced.

At this point, I refer to a suggestion which I already made last year, namely, the conclusion of an international Magna Carta, by which if possible all countries in the free world engage to respect and protect rightfully acquired foreign property and other foreigners' rights. By this Carta, the contracting parties should submit to sanctions determined by an international arbitration court in the case of proven violations of this fundamental agreement. Perhaps it might be suitable for the Magna Carta to embody general basic rules concerning the fair treatment of foreign investments. May I recall that as early as in 1931, the International Chamber of Commerce adopted a resolution which envisaged the same manner of protecting foreign rights. Unfortunately, this resolution was not carried into effect as a result of the aforementioned unfortunate developments. Similar ideas are found in the report of President Eisenhower's Commission on Foreign Economic Policy, published in 1954 and universally known as the Randall report.

The conclusion of a Magna Carta of this kind would entail the following great advantages:

1. It will be sure to give an important stimulus to the revival and unfolding of private initiative. Further, it will contribute decisively toward reestablishing sound relations between governments and private business.

2. It will create a stable fundament and favorable atmosphere for a more extensive investment of foreign capital and technical and material resources in construction and development projects, particularly in all the new areas all over the world.

3. This Magna Carta is the key to financial and economic stability and responsibility in the national and international sphere, both of which are absolutely essential if further progress is to be made toward developing a free, healthy, and balanced world economy.

4. It will contribute decisively toward reestablishing international confidence and legal security and at the same time provide effective evidence of the free world's firm belief in the inviolability of private rights and interests.

5. The Carta will support the moral buttress of the free world which we have erected against the property-denying forces of communism.

6. It will contribute to realizing the ideal of all devoted champions of freedom, which is to see the respect for individuals and their vested rights reinstated as the unwritten law of nations.

I am well aware that great efforts on all sides are needed to create the proper atmosphere for an international convention of this kind. As a preliminary, but essential preparatory task, past mistakes in the treatment of the private rights of foreign nationals must be made good, misunderstandings and distrust removed, and the entire attitude toward this important problem revised with a view to reaching our common goal.

Ladies and gentlemen, we are at a turning point in our struggle for the maintenance of freedom and the elementary rights of all peoples. The Communist intention to exert direct influence on world events, proclaimed at this year's Congress of the Soviet Party, the new Communist economic policy, insofar as it is to be carried beyond the eastern sphere of influence, and the new orders given to form peoples-front governments in the western countries, have surely opened our eyes to the crossroads lying ahead of us. The battle can only be won if we realize the whole implication of our own principles, carry them into effect without compromise, and reinstate them wherever and for whichever reason they were departed from or neglected during the past. This is the only way to resist underhand communistic disintegration activity, particularly in times of depression. It is the only means of finding a suitable platform from which to ward off political encroachment of the U. S. S. R. in the international economic sphere by constructive international cooperation among ourselves.

For very good reasons Germany is particularly concerned about future developments. We have first experience of politics during the previous German regime and the devastating effects they had on individual rights. Consequently, we are able to see clearly through the continually progressing infringement of personal freedom and private property in the parts of Germany on the other side of the Elbe, where, according to recent proclamations of influential Soviet statesmen, the present political system is to be perpetuated as a precondition for German reunification. If this demand of the Soviets is given way to even in the least degree, the rest of Europe might easily be carried away by the Communist current.

Most of the founders of the newly established Gesellschaft zur Förderung des Schutzes von Auslandsinvestitionen (society to promote the protection of foreign investment) belong to important circles of German political and business life and have an intimate knowledge of the perils surrounding us. They feel it to be their responsibility to help the world realize the extent of these dangers in the economic sphere and to seek and win friends and promoters of their cause all over the world.

We realize that, in order to reach the aspired ends, a great measure of insight and courage is needed, if only to discard misguided principles and practices of the law. But we know that many authoritative personalities as well as scores of unknown persons in the western world share our principles and give much thought to finding ways and means of emerging from our present dilemma. I am thinking, in the first place, of outstanding men in the United States of America. This freedom-loving country is particularly awake to the common problems because, by tradition, it has adopted the cause of the individual and the protection of his rights. In the shape of Government aid and private foreign investments the United States of America owns by far the most extensive interest abroad. By its influential position in the political world, its wealth and capital resources, the country feels particularly responsible for the continued advancement of the free world economy and the welfare of all peoples. Only recently, Americans of both the great parties, e. g., the Senators Johnston, Knowland, Langer, Wiley, and others have expressed their concern as to the maintenance of international protection of rights all over the world. Their concern is a result of the very same events and developments which I have described today.

In conclusion, I trust I have been able to contribute a modest but constructive share toward propogating and promoting the cause which, together with many of my countrymen, I have very much at heart. I hope this will give new impulse to all of us living in our world who share our fundamental ideals and are earnestly intent upon helping to assure the development of a secure, flourishing, free universal economy.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Scott in the chair). Without objection, it is so ordered.

REQUIREMENT OF JUDICIAL EXPERIENCE FOR APPOINTEES TO THE SUPREME COURT

Mr. STENNIS. Mr. President, last year, on March 14, 1955, I introduced S. 1440, which would add to section I of title 28 of the United States Code the requirement that at least 1 of each 2

successive appointees to the office of Associate Justice of the Supreme Court of the United States would have at least 10 years' judicial experience before being nominated to that office.

This bill was introduced because I felt it necessary that some qualifications of judicial experience should be a requisite for at least one-half of the nominees for this post and as a result of the fact that in recent years such experience has not been considered of prime importance by those persons who advise the President on his selection of nominees.

It seems to me that during the last 25 years the judicial branch has been the most neglected branch of our Government. But I believe it is still the most important branch of our great constitutional system.

This is not a personal attack on the character of any of the present members of the Court. Most of them have achieved eminence in other fields of government or the legal profession, but the fact remains that the cumulative prior judicial experience of the present Supreme Court is less than 10 years.

Mr. President, a seasoned justice is not created overnight. Judicial maturity is attained only after long years of painstaking study, research, and analysis. His experience should be gained under conditions where his aberrations and deviations from the law will be brought forcefully home in reversals by higher courts. He should not be placed in a position where his errors will be perpetuated in the law books for generations to come. A judicial approach is the result of years of development; it is the essence of self-restraint. Historically, the most effective check on the Supreme Court of the United States has been its own self-restraint.

Located, as it is, at the very apex of government, with its vast power to strike down State and congressional laws, and any and all parts of State constitutions, requires that men selected to fill its numbers be the best qualified in the entire United States. Certainly the best qualification is experience.

S. 1440 was introduced in good faith, although I was aware of the implicit constitutional question involved. The question of establishing qualifications for offices prescribed by the Constitution itself has never been settled definitely to my satisfaction. Subsequently, I have sought the opinions of several authorities on constitutional law, and the very variety of their opinions indicates to me the magnitude and the complexity of the question. I do not want an unanswered constitutional question to delay further consideration by the Senate of this important problem.

The President has historically been considered to have an untrammeled choice in making nominations, and there is considerable authority to the effect that this is a valid exercise of the Executive power under the separation of powers embodied in our Constitution.

Conceding then, for the moment, that such congressional or legislative act would be in contravention of the President's prerogatives, what is the constitutional duty of the Senate in respect to the process of appointment?

The answer is found in the Constitution itself. Article II, section 2, of the Constitution provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

In the earliest days of our history, President Washington solicited advice on his appointments and considered recommendations at great length before making his nominations to fill positions. With the growth of the two-party system in our country, however, the Senate's advice to the Executive in regard to nominations has been a totally neglected constitutional obligation. The function is now performed apparently by the Department of Justice or the Attorney General of the United States, himself an appointee of the President. It is, indeed, curious that this constitutional duty of the Senate should have, through neglect, crossed the line of the separation of powers and devolved to the Department of Justice—or the Attorney General—the chief litigant in our Federal courts.

The phrase "advice and consent" is not a new or novel concept, nor was it original at the time it was written into the Constitution. While its origin may be obscure, former Senator Pepper, in his oral argument before the Supreme Court in Myers against United States, traced this important phrase back to 759 when he said:

> The story, in English constitutional history, of the phrase "advice and consent" is coincident with the whole story of the rise and development of English parliamentary government. I find the phrase first used back in the eighth century, 759, when a Northumbrian king does such and such things with the "advice and consent" of his wise men. It comes down through Magna Carta. It comes down through all the ages. And when in 1787 it became necessary, as between those who were championing a strong executive and those who were championing the legislature, to find a middle ground, it was provided, in the language of old English law, that such-and-such things should be done by the President "with the advice and consent" of the Senate.

In America, I find that it was used in the second charter of the Massachusetts Bay Colony, in 1691.

Records of the Constitutional Convention indicate that, when the question of the appointive power was considered, an impressive group of delegates, including Benjamin Franklin, of Pennsylvania, urged that the Senate should have this sole responsibility. Alexander Hamilton, the Great Federalist, although insisting upon Executive nominative power, suggested that the Senate should have the power of "rejecting or approving" a nomination made by the President.

It was, however, Delegate Gorham, of Massachusetts, who, after pointing out that this method had been in use in his Commonwealth for 140 years, was successful in having "advice and consent" inserted in our Constitution, as it remains today.

"Consent" may well have been the power which Hamilton sought to have conferred on the Senate. It implies and means a concurrence of will or agreement. Hearings preceding confirmation usually determine whether consent to the appointment will be given or withheld.

However, no action is normally taken by the Senate to advise the Executive prior to the nomination of a particular person to fill a vacancy in a constitutional office.

This I suggest be done by action of the Senate, and I am today submitting a resolution to set forth and prescribe the minimum qualifications which the Senate would apply in confirming future appointments.

Mr. President, I ask uanimous consent that the resolution be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, for emphasis, I point out that this device in no way interferes with the discretion of the President in making his selection, but is, in essence, a restraint upon the future discretion of the Senate in its unique function of confirmation.

Other qualifications may occur to Senators, and while more restrictive criteria than mere professional experience may be the subject of debate on their merits, I feel that by the use of the Senate resolution our constitutional duty to provide a lawful and helpful guide to the President, regardless of who he may be, is one method of returning to the spirit and letter of our Constitution.

The PRESIDING OFFICER. Without objection, the resolution submitted by the Senator from Mississippi will be received and appropriately referred.

The resolution (S. Res. 264), submitted by Mr. Stennis, was received, and referred to the Committee on the Judiciary, as follows:

> *Resolved,* That from and after the date of adoption of this resolution, at least 1 of each 2 successive nominees confirmed by the Senate for the office of Associate Justice of the Supreme Court shall, at the time of the confirmation, have had at least 10 years of judicial service. For the purpose of this paragraph, "judicial service" means service as a justice of the United States (as defined in sec. 451 of title 28, U. S. C.), a judge of a court of appeals or district court, or a justice or judge of the highest court of a State or of any other State court having general jurisdiction.

Mr. STENNIS. Mr. President, had this standard of selection obtained for the last 25 years, I doubt that we would have heard of "paramount rights" which produced, instanter, a new Constitution law doctrine in the submerged and tidal land cases; I doubt that we would have seen the finger of scorn pointed judicially at judicial precedent and contemporaneous legislative construction in order to open a new area of Federal power in locally maintained public schools throughout the country. I doubt that we would have seen a case remanded to the very board whose constitutionality was in issue as in the Communist Party case decided Monday, April 30. Such startling concepts are hardly a stabilizing influence in our Government.

WITHDRAWAL OF SOVIET ARMED FORCES FROM NEIGHBORING COUNTRIES

Mr. JENNER. Mr. President, on May 10, Members of Congress marked the anniversary of the independence day of free Rumania, but there is something much more practical that Congress can do for the victims of the Soviet colossus.

Today, Rumania is occupied by 30,000 Soviet troops.

That is our official estimate.

Rumanian sources put the numbers at from three hundred thousand to five hundred thousand.

I am told that, as always, they occupy strategic positions like the coast of the Black Sea, where they can threaten Turkey, and the borders from which they can quickly move westward.

The presence of Soviet troops on the soil of Rumania is a direct violation of the peace treaty of 1947 and the Austrian Treaty of 1955.

There are officially 30,000 Soviet troops in Hungary in violation of the same agreements.

We have seen clearly in the recent hearings of the Internal Security Subcommittee that even a few Soviet agents, and their armed thugs, can kidnap on American soil those to whom we gave asylum, and leave no trace of them except a bloody shirt, a dismantled room, and letters from the sailors saying they refused absolutely to see the Soviet agents who wanted to brainwash them.

Is the United States going to sit idly by, as usual, while the Soviet Union flaunts its violations of its treaty pledges?

We have simple legal remedies under these violated treaties.

Why has our Government failed to invoke them?

The treaties were signed in 1947.

We were signatories along with the Soviet Union.

The treaties provided that the U. S. S. R. could keep Soviet troops in Rumania and Hungary, to maintain its lines of communication with Austria.

This was incredible on the face of it.

The shortest and most convenient lines between the U. S. S. R. and Austria lie outside Rumanian territory.

The Krakow line is only 400 miles long, and is far better equipped than the lines through Rumania, which are 800 or 900 miles long.

The number of supporting troops was also fantastic.

Secretary Byrnes tried again and again at the conference of foreign ministers to limit the Soviet forces to 5,000 men, even when they were supposed to have lines to guard.

This absurd provision in the peace treaties merely gave the Soviet Union 10 years of immunity in which to communize, by force, these two freedom-loving nations. These treaties signified that the Soviet troops would leave Rumania and Hungary not more than 90 days after completion of the treaty with Austria.

As we well know, the Soviet Union delayed the signing of the Austrian Treaty for 8 years, but it finally went into effect on July 27, 1955.

The 90 days have come and gone, and Soviet troops are still on the soil of presumably independent states. The puppet rulers of the satellites boast that they asked the Soviet Government to keep its forces in their country in spite of the treaty pledge, because of the "threat" of NATO.

Has our Government protested these violations of solemn international agreements? No, indeed. On the contrary both Communist governments were recently rewarded with admission to the United Nations, through the infamous "package deal."

The Soviet Union imposed its puppet government on Rumania by force, on March 6, 1945. At that very moment, Rumania had 19 divisions, or over 300,000 men, fighting alongside the allies, in Hungary and Czechoslovakia.

The Communist governments of Rumania and Hungary still exist only by means of bayonets and other forms of armed force. Apparently they dare not try to carry on without Soviet armed protection. They still continue to murder their political opponents, and leave their bodies unburied in the streets.

If Soviet troops occupy key points in these countries, how are they sovereign states? On what basis are they counted as sovereign states in United Nations voting?

How many Charley McCarthy governments is the Soviet Union going to be allowed to vote in the United Nations against our interests and our security, while she laughs at our softness?

The 1947 peace treaties provide that any dispute about interpretation of any clause is to be referred first to the heads of mission of the parties involved. If they cannot settle the dispute within 2 months, it is to be referred to a commission composed of—

> One representative of each party and a third member selected by mutual agreement of the two parties from nationals of a third country.

Should they fail to agree within 1 month upon the appointment of a third member, then—

> The Secretary General of the United Nations may be requested by either party to make the appointment.

This simple machinery lies right at hand; but it has never been invoked by the United States, to insist that Soviet troops withdraw from areas outside their borders, or that their puppets lose the status of members of the United Nations.

The issue concerns both our honor and our security.

When the Austrian treaty was before us, I said on the floor of the Senate that the agreement was a serious threat to American national defense. Neutralization of Austria was totally unlike the neutrality of the Swiss. The Swiss are armed with all the military strength they need to repel hostile threats to their liberty, but Austria was made into a disarmed and helpless victim waiting unprotected in a no-man's land between East and West.

The device of neutralization was designed to carve a new ring of satellites out of the free world, in order to protect past Soviet conquests and soften up a new area, which will be gradually transformed into new satellites, closer to us. A neutralized Austria was meant to be a smokescreen behind which the conquest of its neighbors could be carried to the bitter end, while the Soviet leaders traveled abroad to talk of peaceful coexistence. It is a "Cordon Sanitaire," in reverse, which protects the Soviet conquests from sight of the West, and bars the subject people from any help.

I have pointed out again and again that every addition to the Soviet system of satellite and neutralist states strengthens the Soviet war machine, and weakens the military and political strength of the United States. In addition, every victory of communism is a carefully calculated warning to the resistance leaders in the satellite states and to the anti-Communist leaders of the still free nations of Western Europe that the United States has abandoned them.

Politically and militarily, we are in retreat. In our apparent security and pleasant luxury, we may ignore for a while the clear meaning of these Soviet moves; but the resistance leaders and the West European anti-Communists are closer to the day of execution. Their minds are cleared by the nearness of danger. They know defeat and death are brought immeasurably closer to them by our submission to Soviet violations of its plighted word.

We know the time bomb is set for us also. Every step we take to dismantle the Soviet war machine in the satellite nations is a vital link in American defense.

I submit a resolution, asking that the President authorize the Secretary of State to insist forthwith on withdrawal of Soviet armed forces in neighboring countries in violation of its solemn commitments. If that fails, the resolution proposes that we close the embassies and all consulates of both nations, and have the American Ambassador to the United Nations insist upon the removal of these nations from the United Nations on the ground that they are subject provinces of the Soviet Union.

There being no objection, the resolution (S. Res. 265) submitted by Mr. JENNER was received and referred to the Committee on Foreign Relations, as follows:

> *Resolved*, That it is the sense of the Senate that the President should greatly strengthen the military defense of the United States and our position in the field of psychological warfare with world communism, by directing the Secretary of State to insist forthwith on the withdrawal of all Soviet armed forces from Rumania and Hungary, in accordance with the provisions of the 1947 and 1955 treaties.
>
> SEC. 2. It is further the sense of the Senate that, if the Soviet Government refuses to honor its treaty obligations, it is the solemn duty of this Government to close the embassies and consulates of Rumania and Hungary in this country, and to demand, through our representatives to the United Nations, the expulsion of these governments from the United Nations on the ground that they are occupied provinces of the Soviet Union.

NIAGARA RIVER POWER DEVELOPMENT

Mr. CHAVEZ. Mr. President, the development of hydroelectric power at Niagara Falls, N. Y., was first undertaken by private enterprise about 60 years ago. Since that time there have been many proposals for additional development of power at that location. Such development until recently was not possible, because much of the international water of the Niagara River was not properly allocated between the United States and Canada.

A treaty between the two countries was ratified in 1950 providing for the additional diversion of waters at Niagara Falls for power purposes, and dividing such diversions equally between them. The treaty contained a reservation providing that no project for use of the United States share of the water would be undertaken until specifically authorized by an act of Congress. The treaty also provided that either country could utilize the other's share of water until that country completed its power installation.

Since the ratification of the 1950 treaty, various bills have been introduced in Congress providing for the development of the available power on the American side of the Niagara River, but no action has been completed on these measures. In the meantime, power installations have been completed on the Canadian side, and Canada is now utilizing the United States share of the water provided by the treaty.

The Committee on Public Works has given careful consideration to the bills introduced in each Congress. Public hearings were held for 2 days in 1951. In 1953 joint hearings were held with the House Committee on Public Works for 2 days, and for 9 days on the Senate bills. Last year the committee held hearings for 3 days on this matter.

Some of the earlier bills provided for the development of power as a Federal project, but that idea has been discarded, and we no longer are concerned with proposed legislation of that nature. However, as the Senate placed the reservation in the treaty expressly reserving the right to Congress to pass legislation on how the power is to be developed, we, the Congress, could authorize its development as a Federal project if such a course were desired.

Two bills have been introduced in the 84th Congress providing for the development of power at Niagara Falls. One of these would direct the Federal Power Commission to issue a license to a private corporation for development of the power; the other one would direct the Commission to issue a license to the State Power Authority of New York, an agency of the State of New York, for such development, such license to include provisions granting preference in the disposition of the power to public agencies, municipalities, and cooperatives.

The State Power Authority of New York seeks authority for the specific purpose of developing the available power at Niagara Falls and the International Rapids section of the St. Lawrence River. The Federal Power Commission granted a license to the Authority for development of the St. Lawrence power, and construction on that project is under way. It will be completed in 1958. The State power authority now desires a license for developing the Niagara power in conjunction with the St. Lawrence project.

It should be noted that the State power authority obtains its funds from the sale of revenue bonds, just as any private company does, without appropriations from the State treasury. No Federal funds are involved in this case.

The Committee on Public Works of the Senate gave long and deliberate consideration to the two bills before it, disapproved the private-enterprise bill, and reported to the Senate S. 1823, the New York State Power Authority bill.

New York State claims ownership of the waters of the Niagara River. The private companies recognize this and now pay the State $1,900,000 annually for the use of the water which is being utilized for power purposes. They have stated that they would pay the State $5 million for the use of the additional water provided. Had the reservation not been placed in the 1950 treaty requiring an act of Congress to provide for this power development, both the State power authority and the private corporation could have made application to the Federal Power Commission for a license for such project.

The Federal Power Act provides that, in issuing preliminary permits or licenses, the Commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the Commission equally well adapted, or shall, within a reasonable time to be fixed by the Commission, be made equally well adapted, to conserve and utilize in the public interest the water resources of the region. Under these provisions the Federal Power Commission would have issued the license to the State authority, since both applicants propose the same plans for the power development.

The New York and New England area has the highest power rate of any section of the country. The wholesale power cost to rural electric systems in New York is 1.12 cents per kilowatt-hour, the Nation's average is .76 cent, and it is .58 cent in Alabama. The average cost of purchased power to municipalities and other publicly owned electric utilities is .97 cent per kilowatt-hour in New York, .44 cent in Tennessee. It is hoped that a source of cheap, dependable power will provide an adequate yardstick, and permit lower power rates and greater use of electricity over a large area of the northeastern section of our country.

It is my belief that, generally, where private enterprise is able and willing to construct power facilities, it should be permitted to do so, but that where going public agencies have been organized for development of public resources for the benefit of all the people, without the use of the taxpayers' money, they should be permitted such course of action. This latter procedure has been the established policy of the Federal Power Act and other Federal legislation for over 50 years.

The Committee on Public Works recommends Senate bill 1823 as the most desirable method of development. The New York State Power Authority is now a going organization. It is ready, willing, and able to undertake this project. It will dispose of the power to rural and domestic customers, and create widespread benefits to the general public in that area.

The electric power which can be produced at Niagara Falls is urgently needed in the northeastern section of the United States, and can be produced at less cost than at any place on the American Continent. It is estimated that by 1960 there will be a demand for 1,500,000 kilowatts additional capacity in the Niagara area alone, with a demand for 1,600,000 kilowatts in the adjacent areas.

The reservation to the treaty provides for development "for the public use and benefit." The most desirable method of conforming with this requirement is by public development, with the consumer safeguards contained in S. 1823.

These safeguards include the usual preferential rights of public agencies and nonprofit cooperative distribution systems to obtain their power supply from the Niagara project. They are necessary to effect the proper influence on the high electric rates in the area, which are now among the highest in the Nation.

The preference provisions contained in S. 1823 are an important part of any public power development. Preference in disposition of power from such development by a public nonprofit organization should be given to other public nonprofit bodies. Public development and public distribution—the two go hand in hand. They cannot be separated.

So we have here a proposal for development of a wonderful power project by a great State agency. If the provisions of S. 1823 are applied under our traditional Federal power policies, it will be possible for homes and farms to use more electricity, and industry in the area to modernize and expand.

Standards of living will rise, the economy will expand, and full employment will result. This expansion of business and industry will increase the regional prosperity and provide increased revenues and lower taxes. Public development and low-cost power, with all the consequent benefits, will make a great contribution to the Public Treasury.

Mr. President, so far as the bill is concerned, I wish to emphasize the fact that it is not going to cost the American Federal taxpayer one penny. Of late, I have been hearing much about States rights. The State authorities of the State of New York will provide the funds to construct the project.

GREAT LAKES BULK CARGO VESSELS

Mr. LEHMAN. Mr. President——

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. What is the pending order of business?

The PRESIDING OFFICER. Senate bill 3108, to encourage the construction of modern Great Lakes bulk cargo vessels.

Mr. MAGNUSON. That is what I thought. The Senator from Michigan and I have been here for 2 days, waiting to get action on the bill. It is the pending business, and it will not take too long to dispose of it.

The Senate resumed the consideration of the bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

Mr. POTTER. Mr. President, will the Senator from New York yield to me, in order to permit me to speak on the Great Lakes bulk-cargo vessels bill?

Mr. LEHMAN. I shall be very glad to yield, if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEHMAN. Then I yield.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield? I believe we should have a quorum call at this time, before the Senator from Michigan begins his remarks.

Mr. POTTER. Mr. President, the distinguished Senator from New York has been here all afternoon, as have several other Senators, including myself, waiting to present our views. With that in mind, there have been 4 or 5 quorum calls. I shall be delighted to yield, if the Senator from Delaware so desires.

Mr. WILLIAMS. There are not more than half a dozen Members on the floor at this time; and I think the measure the Senator from Michigan will discuss is of sufficient importance to justify a quorum call at this time.

Mr. POTTER. Very well.

The PRESIDING OFFICER. The Senator from New York [Mr. LEHMAN] has the floor.

Mr. WILLIAMS. I should like to have a quorum call had at this time, before debate on the bill begins. In that way I believe we shall avoid the necessity of considerable repetition.

Mr. LEHMAN. As a courtesy, I have been glad to yield to other Senators, with the understanding that in doing so I shall not lose the floor.

Mr. WILLIAMS. I merely suggest that there be a quorum call at this time, before the Senator from Michigan [Mr. POTTER] explains the bill.

Mr. LEHMAN. Of course I have no objection to having that done. Therefore, Mr. President, I suggest the absence of a quorum, provided it is understood that in doing so, I shall not lose my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from New York [Mr. LEHMAN] may yield to the distinguished Senator from Delaware [Mr. WILLIAMS] for not to exceed 15 minutes, without losing his right to the floor.

Mr. WILLIAMS. Mr. President, the Senator from Michigan and the Senator from Washington wish to present their arguments. Why not let them proceed first, and then the Senator from New York may yield to me for the purpose of offering an amendment?

Mr. JOHNSON of Texas. The Senator from Delaware wishes to offer an amendment, and the Senator from Washington and the Senator from Michigan wish to answer him.

Mr. WILLIAMS. Neither the Senator from Washington nor the Senator from Michigan has as yet discussed the bill.

Mr. JOHNSON of Texas. I understood that the request which I was making was satisfactory to the Senator from Michigan.

Mr. POTTER. Mr. President, it makes no difference to me if the Senator from Delaware wishes to offer his amendment at this time. However, neither the Senator from Washington nor I have spoken on the bill.

Mr. JOHNSON of Texas. The Senator from Michigan has no illusions that his presentation on the bill will cause the Senator from Delaware to forgo offering his amendment.

Mr. POTTER. I gave up that hope long ago.

Mr. JOHNSON of Texas. The majority leader thought an understanding existed between the two distinguished Senators.

Mr. POTTER. The arrangement suggested is agreeable to me.

Mr. WILLIAMS. Frankly, I am perfectly willing to approach the consideration of the bill on the basis that its authors and sponsors have no defense for its enactment. I think that is the true situation. But I wonder if the Senator from Michigan or the Senator from Washington wishes to allow the RECORD to stand that way.

Mr. JOHNSON of Texas. Neither the Senator from Washington nor the Senator from Michigan has explained the bill in detail. I understand that the Senator from Delaware wishes to move to recommit the bill.

Mr. WILLIAMS. I do not know. I shall offer an amendment, and may possibly make a motion to recommit the bill. But certainly the Senator from Washington and the Senator from Michigan have a right to present their arguments in favor of the bill.

Mr. JOHNSON of Texas. I understood that the agreement which I asked the Senator to enter into would be acceptable to my friend from Michigan. If not, I withdraw the request. The Senator from Michigan needs no one to protect him.

Mr. POTTER. The Senator from Michigan will lean over backward in extending courtesies to the Senator from Delaware.

Mr. JOHNSON of Texas. If the Senator from Delaware will do the same for the Senator from Michigan, we shall make progress. The Senator from Delaware can offer his amendment, discuss it, and ask for the yeas and nays upon it. The Senate can then proceed to vote upon his amendment. Then, if any other Senator wishes to offer an amendment to the bill, he may do so. The Senator from Delaware can then make his motion to recommit.

Mr. WILLIAMS. When would the Senator from Washington or the Senator from Michigan have an opportunity to present their arguments in favor of the bill?

Mr. JOHNSON of Texas. Whenever they choose to speak. That would be up to the Senator from Michigan and the Senator from Washington, and not to the Senator from Texas or the Senator from Delaware.

Mr. WILLIAMS. There is always too much talk in the Senate, and I do not wish to add unnecessarily to the volume especially when it is not necessary. If there are no arguments for the bill, I will not waste time debating against it. Let the bill remain on the calendar, and die.

Mr. JOHNSON of Texas. As I understand, the Senator from Washington and the Senator from Michigan are willing to vote on the bill without too much talking.

Does the Senator from Delaware object to the request? If so, I will withdraw it.

Mr. WILLIAMS. The orderly procedure would be for the Senator from Washington and the Senator from Michigan first to proceed to discuss the bill following which I will make my own remarks.

Mr. JOHNSON of Texas. Mr. President, I withdraw my request, and I ask unanimous consent that the Senator from New York may yield to the Senator from Michigan [Mr. POTTER] for 10 minutes, without losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I thank the Senator from Michigan for his usual courtesy.

Mr. POTTER. Mr. President, the bill under consideration, Senate bill 3108, is not complicated. It is in line with a policy which was established in 1936.

It is a bill to encourage the construction and maintenance of a fleet of privately owned United States-flag Great Lakes cargo vessels adequate to supply the demands of essential industries for basic bulk commodities in time of peace and in time of national emergency. Vast quantities of basic commodities flow over the Great Lakes between Canada and the United States in international trade, which is open to vessels of all nations. Without encouragement from the United States, Great Lakes vessels under the American flag will be unable to compete with foreign vessels for this international trade, because of much greater construction and operating costs. The result will be that the United States fleet will diminish to a point where it will be

sufficient to transport only the Nation's peacetime domestic needs.

Past experience has demonstrated that in time of war vessels of foreign flags cannot be counted upon to move the quantities of bulk commodities necessary to meet the demands of national defense industries. Without a Great Lakes fleet of United States flag vessels of sufficient capacity to transport essential commodities in both foreign and domestic commerce, the industrial strength of the Nation will be seriously impaired.

A tremendous commerce in the movement of such vital bulk commodities as iron ore, coal, limestone and grain occurs on the Great Lakes. In 1955 that commerce totaled 193,750,000 tons, of which 162,650,000 tons were domestic to the United States, 7,850,000 tons domestic to Canada, and 23,250,000 tons international between the two countries.

In recent years, two distinct trends have developed in Great Lakes commerce. First, international trade between the United States and Canada has increased; and, second, the portion of such trade transported in United States flag vessels has become less and less.

In 1925 the commerce in bulk commodities between the two countries amounted to 9,900,000 tons. In 1955 it had increased to 23,250,000 tons, to which may be added 4,750,000 tons of other commodities, for a total of 28 million. Considerable increase is probable within the near future.

In 1955 the movement of Ontario and Quebec-Labrador ores into the United States amounted to about 10 million tons. From Skillings' Mining Review, issue October 15, 1955, it would appear that this movement will be doubled by 1960.

The Lake Superior district supplied formerly about 85 percent of the iron ore required by the Nation's steel industry. Skillings' indicates that by 1970 this percentage may be reduced to about 50 percent, with South America, Africa, and other overseas sources supplying something more than Canada.

In time of war, it is inevitable that these overseas sources will be cut off. In that event, the Nation will again, as it has in past wars, have to rely on the Great Lakes area for iron ore and on Great Lakes vessels for its transportation.

Because of higher construction and operating costs, United States flag vessels have lost ground in the transportation of the bulk commodities moving between the United States and Canada. Of such commerce the percentage borne by United States vessels has shrunk from 76 percent in 1925 to 29 percent in 1955.

The commerce between the United States and Canada is open to the vessels of all countries. Upon completion of the St. Lawrence Seaway, United States Great Lakes vessels will be exposed to competition from large, modern, efficient, low-cost vessels of all countries.

Vessel construction and operating costs give foreign-flag vessels a great advantage over United States vessels in this international trade. Canadian costs are approximately 66⅔ percent of United States costs. Operating costs of other foreign vessels average less than 55 percent of ours. Construction costs in other foreign countries, where substantial bulk vessel tonnage is presently being built, average only about 40 percent of United States costs.

It is evident that the future size and capabilities of the Great Lakes bulk vessel fleet under United States flag depend upon the ability of such vessels to compete with vessels of other countries in this growing international trade between the United States and Canada.

At the present time there are 343 Great Lakes bulk cargo vessels under United States flag, representing a total trip capacity of 3,380,000 tons. Of these vessels, 103 are now 50 or more years old. By 1960, however, 201 vessels or approximately 60 percent of the entire United States flag Great Lakes bulk cargo fleet will be 50 or more years old. These vessels represent a total trip capacity of 1,900,000 tons.

Unless Great Lakes bulk vessels under United States flag are able to compete with foreign vessels in this international trade, the trend toward greater and greater use of the latter vessels will continue until finally United States vessels will have been driven entirely from this trade. In that event, the United States fleet will decrease to a capacity sufficient only to transport the Nation's peacetime domestic commerce in these bulk commodities. In time of war such a fleet would not be adequate to handle the increased foreign and domestic commerce which would inevitably result at a time when this Nation would be compelled to rely more fully on its own resources.

The existence of a strong and efficient Greak Lakes bulk fleet under United States flag capable of competing with foreign vessels is essential to the domestic trades. Unlike other geographical areas, Great Lakes domestic and foreign commerce are closely interwoven. Vessels move freely within the two trades and this flexibility is essential to achieve and preserve efficient and economic operation.

The more efficient are our own vessels the better will United States industry and agriculture be able to compete with foreign products, as, for example, Lake Superior iron ore in supplying the needs of our steel industry and the United States farmer in marketing his grain.

Therefore, in order to encourage the construction and maintenance of modern, efficient, high speed Great Lakes bulk cargo vessels, capable of meeting foreign flag competition, the needs of peacetime commerce, and the demands of national defense, it is proposed that citizens of the United States be permitted to transfer to the United States existing Great Lakes vessels as they become obsolete in exchange for an allowance of credit to be applied upon the cost of new vessels constructed in the United States. The allowance of credit should be based upon the inherent cost advantage of foreign flag operators in constructing similar vessels abroad. Vessels so acquired by the United States would be placed in a reserve fleet for use during periods of emergency.

In essence, that is the purpose of the bill.

We know that the St. Lawrence Seaway will be completed in approximately 3 years, and we also know that ships which are now on the drawing boards of many foreign ship construction companies are designed specifically for use in the Great Lakes trade. They will move into the Great Lakes area and take over the shipment of ore from the Labrador range to American ports.

We also know that ship construction costs in foreign countries are 40 percent lower than such construction costs in the United States. On the other hand, American ships must be built in American yards, where ship construction costs are 60 percent higher than they are in foreign countries. Therefore American ships will be unable to compete with foreign ships as the foreign ships come into the Great Lakes area.

Irrespective of the effect such a development would have on the domestic trade, it has been the policy of our Government in connection with national defense to develop a strong merchant marine for defense purposes. All of us realize how vital it was for us to maintain a strong Great Lakes fleet during the last world war.

In case of another emergency, the ships we have today would be wholly inadequate to take care of the vital link in our national defense which provides for the transportation of ore to our steel mills.

We also know that shipments of ore from foreign countries cannot be depended upon as sources of raw materials in case of war. Foreign ships, possibly because of enemy action or because of the needs of foreign governments, will be unable to furnish us with sufficient transportation of ore from foreign sources. Therefore we will be required to supply ore for our steel mills from the Great Lakes region. If we allow our ore carriers to dwindle away in the face of foreign competition, we will weaken a vital link in our national defense.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. WILLIAMS. Are there any limitations contained in the bill with reference to the number of ships which would be constructed?

Mr. POTTER. There is no limitation in the bill with respect to the number of ships, any more than there is any limitation in the present act with reference to the trading in of salt water vessels.

Mr. WILLIAMS. How many ships could be involved in this particular bill, under this authorization?

Mr. POTTER. I will say to the distinguished Senator from Delaware that the Congress has never, in measures of this kind, set a limit as to the number of ships. There is a problem of obsolescence. Various companies which operate ore carriers say that if there is a trade-in of 3 ships a year over the period of the next 5 years, that will probably be all that will be traded in.

We must also realize that there is a limitation upon the shipbuilding facilities on the Great Lakes. I do not believe there are sufficient facilities to build more than from 3 to 5 vessels a year.

Mr. WILLIAMS. Does the bill provide that they can be built only in the shipyards along the Great Lakes?

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from New York may yield 5 additional minutes to the Senator from Michigan.

Mr. LEHMAN. I shall be glad to do so, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. POTTER. I thank both the distinguished Senator from Texas and the distinguished Senator from New York.

Mr. WILLIAMS. How many ships, at the maximum, can be involved in this authorized trade-in? Is it not a fact that approximately 300 can be involved?

Mr. POTTER. If the Senator will refer to the definition of an obsolete ship he will find there are many obsolete ships in the ore trade.

Mr. WILLIAMS. An obsolete ship is described in the bill, and the bill is what we are acting on today. Is it not a fact that, based upon the definition in the bill, approximately 300 ships would be eligible?

Mr. POTTER. That is correct.

Mr. WILLIAMS. What is the average payment which would be involved for each ship under the formula contained in the bill?

Mr. POTTER. The bill provides that a shipowner may turn in an obsolete ship, as described in the bill, to the Maritime Board. It will be then placed in a laid-up fleet. The Maritime Board will then make a determination of the cost to replace the tonnage of a new vessel in a foreign yard. A contract will be let to an American yard for the replacement of that tonnage through a new vessel, as outlined in the bill, and a credit will be given for the construction of a new ship, the credit representing the difference between the cost of construction in a foreign yard and the cost of construction in an American yard.

The Senator well knows that the differential will run from 40 to 45 percent.

Mr. WILLIAMS. Is it not true that the cost is estimated at approximately $8 or $9 million for each ship?

Mr. POTTER. A 12,000-ton cargo vessel will cost approximately $7 million. I will say to the distinguished Senator that the cost can very well run from $7 million to $8½ million per ship.

Mr. WILLIAMS. The Maritime Commission used the figure of $9 million, based on the same formula which the Senator has just outlined. If the subsidy is to be 40 or 45 percent of the construction cost, the credit would amount to $3 million to $3½ million for each ship. Is that not a correct assumption?

Mr. POTTER. That may be correct.

Mr. WILLIAMS. Is it not also true that this subsidy of from $3 million to $3½ million, allowed under the formula in this bill, has no relation to the original cost of the ship, and that more than likely many of the ships will be traded in at an allowance that will be much more than the original cost of the ship when it was constructed?

Mr. MAGNUSON. Mr. President, will the Senator from Michigan yield?

Mr. WILLIAMS. I should like to have the Senator from Michigan answer my question, first.

Mr. POTTER. As the Senator well knows, we are requiring that the ships be built in American yards. Otherwise, by having the ships built in Germany or in Denmark, the 40 percent could be saved.

Mr. WILLIAMS. There is already a requirement that the ships be built in domestic yards.

Mr. MAGNUSON. Oh, no; there is not.

Mr. POTTER. There is not if the ships engage in international trade.

Mr. WILLIAMS. That is right.

Mr. POTTER. That is the purpose of the bill.

Mr. WILLIAMS. Does the bill restrict the ships strictly to Great Lakes carrying? Are there any restrictions as to where they can ultimately be used, such as in coastal traffic?

Mr. POTTER. The restrictions is to the Great Lakes region up to the head of the St. Lawrence River.

Mr. WILLIAMS. Are they restricted to that point, or can they go beyond that?

Mr. POTTER. They are restricted to the head of the St. Lawrence River.

Mr. WILLIAMS. The committee report indicates that they were not so restricted. The Comptroller General makes that point in voicing objection to the bill as well as taking exception to the more liberal trade-in formula.

Mr. POTTER. It is less liberal.

Mr. WILLIAMS. Let me read from the Comptroller General's statement at page 6 of the report.

I quote:

> Nothing in this subsection shall be construed as restricting the trade in which such new vessel may be used.

Over on page 5, reading from the Comptroller General's same letter, I quote:

> S. 3108 proposes a method of determining credit allowances for obsolete Great Lakes bulk cargo vessels acquired by the Government which is a significant deviation from the present provisions of sections 507, 510 (d), and 510 (h) of the Merchant Marine Act, 1936, applicable to other vessels.

Mr. MAGNUSON. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. MAGNUSON. That is not a statement by the committee. It is a letter from the Comptroller containing his opinion. We did not agree with some of the Comptroller's interpretations.

Mr. WILLIAMS. But the Comptroller General interprets the law. Does he not also point out that this is a more liberal formula?

Mr. POTTER. There is an amendment, which I should like to read to the Senator.

Mr. MAGNUSON. I think the Record shows that the Senator from Delaware pointed out that 300 ships could be traded in. It is still completely in the discretion of the Maritime Board, which could turn down any application. It is not mandatory. The Board has turned down many applications. By the same theory we can say that the 1,800 ships which are plying over the world may all be immediately turned in. The economy of the situation takes care of that, together with the discretion of the Maritime Board and, incidentally, the necessary financing. The proposition would have to be a solid one, or application could not be made. I think we would be very fortunate if the number topped five a year.

Mr. POTTER. That is correct. I wish there could be more. But, as a betting man, I would not take any bets that there will be five a year.

Mr. MAGNUSON. If something along this line is not done, in my opinion, we shall find our American ore-carrying fleet gone and carriers under foreign flags taking the business. If we do not pass this bill, such ships as we have in mind will be built in Japan. These are not very elaborate ships. They are easy to build. If the Panamanian flag should be placed on them, our fleet would disappear.

Mr. POTTER. The Senator from Washington, who is probably the best informed authority in the Congress on maritime matters, has been greatly concerned over what we call the run-away flags—American capital invested in foreign-built ships operating with foreign crews.

We are inviting the same thing to happen with reference to Great Lakes ships unless something is done along the lines of this bill.

Mr. MAGNUSON. It is true that the Comptroller General was concerned about two features, one of which was the matter of a trade-in on an obsolete ship. The amount would be determined by the Maritime Commission. If the amount is determined by the Commission to be $50,000, that is all that would be paid.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. WILLIAMS. If the Senator will back up that statement, I will go along with him. All we are arguing now is whether these ships ought to be traded in at actual or some inflated valuation.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that we may proceed for 10 more minutes without the Senator from New York losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. The Comptroller General made a valid objection when he raised the point as to whether or not these ships, at present age, would be worth while for a reserve fleet, or whether they were simply worth the price of scrap. That involves, I think, a difference of opinion. I do not know that they would be worth much, to be honest with the Senator, if we kept them, and at the same time acquired fast, new ships. Our concern is not so much about obsolete ships as it is about

the objective of the bill, which is to get new ones.

Mr. POTTER. The worth of these ships would be demonstrated in a time of national emergency. We would then have to utilize, as we did in World War II, every bulk carrier which would float. While it may be an inefficient operation in peacetime, we would find in time of war that the old vessels would certainly prove to be of great value.

Mr. WILLIAMS. The Senator from Washington made a statement on which I think we might reach an area of agreement, namely, that the bill be amended to provide for allowance only of the actual value of the ships.

Mr. POTTER. I might add that during World War II some allowances were made because vessels were needed.

Mr. WILLIAMS. What was done on previous occasions certainly does not justify a giving away of ships at present or authorizing a new form of hidden subsidy. The Senator from Washington well knows that a couple of years ago I argued the same proposition in connection with another bill when the Government was putting up for sale 6 ships on the Great Lakes, ships which cost $7¼ million apiece to build. Yet all the Government got for them when they were sold was $102,000 each. The ridiculous feature of that transaction was that 3 of the ships were sold to 1 company; and after the company paid $102,000 each for the 3 ships which cost the Government over $7 million, the RFC approved a loan of $4,500,000 on the same 3 ships, and the loan was stopped only after the matter was exposed in Congress.

So certainly that type of operation condoned in the past is no justification for what is sought to be done today.

Mr. MAGNUSON. That was probably the Maritime Board. But Congress must legislate to provide administrative authority. We cannot legislate the price of the ships. We cannot legislate the trade-in value. We cannot legislate the decision of the administrative authority that, in its wisdom, these ships are necessary.

Mr. POTTER. Irrespective of what the Government received from the sale of those vessels at that time, the vessels were put to important use during the Korean war. They will be much more valuable to our national defense by being in use on the Great Lakes for carrying ore than they will be in the laid-up fleet in the Delaware River.

Mr. WILLIAMS. With respect to the use of those ships, within 3 months after they had been given away, Congress was asked for authority to build more ships of practically the same type for use in the Korean war.

Congress authorized the sale of those ships and knew exactly to the penny what would be received for them. It was our responsibility.

Mr. HUMPHREY. Is it not true that the ships to which the Senator from Delaware refers were package freight ships?

Mr. WILLIAMS. Yes.

Mr. HUMPHREY. At the time that legislation was enacted, the Korean war had begun. Is it not also true that there were plans made for package service ships, ships which were available for less than full cargoes, but that that plan had to be held in abeyance, because those ships were used as ore carriers, at a time when it was necessary for us to build up our production as much as 20 or 25 percent?

Mr. POTTER. That is correct.

Mr. HUMPHREY. It is not at all unusual for the United States Government to sell ships at low prices or to give them away, is it?

Mr. POTTER. That is correct. We practically gave away thousands of ships to foreign governments.

Mr. WILLIAMS. Simply to keep the record straight, of the 3 ships which were sold for $102,944 each, one ship cost the Government $7,733,694, the second ship cost the Government $7,802,672, and the third ship cost the Government $9,125,039.

They were sold in the early days of the Korean war over the objections of the Department of Defense, the Department of Commerce, and the Navy Department. Every agency concerned came before Congress and said that in the interest of the security of the United States, those ships should not be demobilized from oceanic traffic and should not be placed on the Great Lakes. But Congress acted over the objection of every Government agency involved and practically gave them away.

Mr. MAGNUSON. How could the Department of Commerce object when they had to approve the sale?

Mr. WILLIAMS. They did not approve the sale. Congress approved it. The bill was passed over the objection of the Department of Commerce in the same manner that the pending bill, if it shall be passed, will be passed over the objection of the Department of Commerce.

Mr. MAGNUSON. The Comptroller General was the objector.

Mr. WILLIAMS. Am I to understand that the Senator from Washington believes the Department of Commerce favors the proposed legislation?

Mr. MAGNUSON. I do not know whether they are for it or against it.

Mr. POTTER. I am old fashioned enough to believe that Congress is the branch of our Government which legislates.

Mr. HUMPHREY. That is a very refreshing attitude.

Mr. POTTER. I do not feel that I must favor or disapprove of proposed legislation depending on whether a Federal agency is for it or against it.

The Department of Commerce came before the committee and said, "We must do something. If we do not, the Great Lakes fleet will go out of existence."

Mr. WILLIAMS. Who said that?

Mr. MAGNUSON. The Department of Commerce. They were off again and on again.

Mr. POTTER. We asked, "What do you recommend?"

They replied, "We do not have any recommendation to make."

I do not believe Congress can sit back on its hands and wait for an agency downtown to make up its mind as to what should be done.

This is a good bill. It conforms with existing maritime policy. As an independent branch of the Government, it is the responsibility of Congress to legislate; and I do not apologize one iota for the fact that we do not have a gold-worded letter from the Department of Commerce.

Mr. HUMPHREY. I thank the Senator from Michigan for his sponsorship of the bill, of which I am proud to be a cosponsor.

Is it not true that at the time Congress authorized the sale of certain ships for the package trade, the whole package trade business on the Great Lakes was at the point of actually being lost?

Mr. POTTER. That is exactly correct.

Mr. HUMPHREY. Is it not further true that those ships were surplus vessels, lying idle at great cost to the Government?

Mr. POTTER. That is true.

Mr. HUMPHREY. Is it not also true that the reason a concessional sale was made was that it would have required several million dollars to convert those ships for the kind of transport use to which they were to be directed?

Mr. WILLIAMS. That is not correct and there is no testimony to support the statement.

Mr. POTTER. That is correct. For the package trade, they had to be converted.

Mr. HUMPHREY. Is it not true that at the time the plans for conversion were being made, the Korean war began, and the ships had to be restored for use as ore carriers?

Mr. POTTER. That is correct.

Mr. HUMPHREY. With all deference to our friends from the coastal States, anyone who has lived along and been on the Great Lakes knows that the package ship is the life of the trade on the Lakes. I think it is about time we made up our minds that if we are going to utilize this great inland body of water for something else than fishing, even though we invite our friends to enjoy that pastime, it is necessary to have ships designed for the commerce of the Lakes. That will put revenue into the Federal Treasury.

The ships are lying idle, unused. The fact that they were able to be used during the Korean war was a part of the general legislation that the ships could be used for national security purposes.

Why have them lying now in some river or bay, where they will gather barnacles and rust, when they could be used for commercial purposes?

The purpose of the bill is to provide a modern fleet on the Great Lakes. No other country on the face of the earth would think of having within its boundaries a body of water such as the Great Lakes and not use it to its maximum.

All we are asking for is the privileges which the ocean carriers have, in substance, so that we can have a fleet on one of the greatest of the God-given bodies of water which the world has.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. LANGER. The arguments made by the Senator from Minnesota are so familiar to me. I heard him and the distinguished Senator from Washington——

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. POTTER. Mr. President, I ask unanimous consent that I may have 10 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. We heard the same arguments about this beautiful body of water and new ships not being used, but the Senator from North Dakota wants to know to whom those ships were sold and how many millions of dollars were made in buying them.

Mr. HUMPHREY. I would be happy to supply that information, but the Senator from Michigan is present and he has it.

Mr. LANGER. The Senator from North Dakota knows of some of the profits. I should be delighted to hear from the Senator from Michigan.

Mr. POTTER. Is the Senator from North Dakota referring to package ships?

Mr. LANGER. Yes.

Mr. POTTER. Some were sold to the Government and some were requisitioned during the war. I do not know what vessels the distinguished Senator has in mind.

Mr. WILLIAMS. If the Senator will yield to me, it will not embarrass me to tell the Senator from North Dakota who bought the ships, how much they paid for them, and what they cost.

Mr. LANGER. I should like to have that information.

Mr. WILLIAMS. These three particular new ships were sold by the United States Government upon orders of the Congress in 1950. They were built by the Bethlehem Shipbuilding Co. at Sparrows Point. They were not obsolete package ships, nor were they battle scarred. They were C–4's, the most modern freighters at that time, completed in 1946.

The name of one of the ships was the *Mount Mansfield*, a C–4, which was delivered to the United States Government on March 15, 1946, at a cost of $7,733,694.

The United States Government sold the ship in 1950 to the Nicholson-Universal Steamship Co. for $102,944 for use on the Great Lakes.

The second ship was the *Scott E. Land*, a C–4, delivered to the United States on May 17, 1946, at a cost of $7,802,672. The United States Government received $102,944 for that ship.

The third ship was the *Louis McHenry Howe*, another C–4, delivered on January 31, 1946, at a cost of $9,125,039. The Government received $102,944 for this ship, a total of around $310,000 for all three ships.

After they were sold I pointed out on the floor of the Senate that the RFC had approved a loan on these same three ships of four and a half million. They were sold under a bill passed by Congress at the beginning of the Korean war, over the objections of every agency of Government. The Secretary of the Navy and the Department of Defense said that the sale of the ships for use on the Great Lakes was detrimental to the security of the United States and strongly urged that they not be sold.

They said that the ships were badly needed to transport goods and supplies to our troops in Korea, yet Congress ignored their plea.

Let no one be disillusioned that the sale was a plain giveaway and those in Congress voting for it must accept the responsibility.

Mr. POTTER. Mr. President, we have been spending two-thirds of the time used on the bill on past history, without discussing the bill itself. I know the distinguished Senator from Delaware opposed the original sale. I believe the Government received much more value for those vessels during the Korean war, in the form of the transport of ore, than it would have received had the vessels been laid up in the Delaware River.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. HUMPHREY. Furthermore, the fact that the shipping companies asked for an RFC loan, as the Senator from Delaware has indicated, is exactly the reason why the ships were sold as inexpensively as they were to the shipping companies—namely, the ships could not be used on the Great Lakes as they were then constructed; they had to be converted. They had to be converted into package freighters for the Great Lakes. Those ships had to be moved all the way from the eastern seaboard to the Great Lakes. They were there when we needed them for the purposes of national security. Furthermore, the Government did not lose its right to these ships, as it loses no right to a ship whenever it needs it. Our package freight ships were taken by the Government in World War II; so the package freight service was destroyed.

I have no brief for the shipping companies, but I ask the Senator if it was better to let the ships lie idle on the eastern seaboard, gathering barnacles and rust, or enable them to be used.

Mr. WILLIAMS. It would have been better to have them used, as the Government agencies said, in the transportation of goods to Korea. The point is that if the trade on the Great Lakes cannot afford to pay more for ships than the percentage indicated by the relationship of $102,000 to $9 million, it is time it closed down.

Mr. MAGNUSON. What has that to do with the bill?

Mr. POTTER. It has nothing to do with the pending bill.

Mr. WILLIAMS. The question came up, and I was answering it. I do not blame Congress for wanting to forget that transaction.

Mr. MAGNUSON. This has nothing to do with the bill whatsoever.

Mr. POTTER. The Senator from Delaware has spent half the time talking about past legislation. Whether it was good or bad legislation is not under discussion.

Mr. WILLIAMS. I point out that what the Senate is being asked to do under this bill is comparable, to a lesser degree, to what was done previously. There is here being authorized a subsidy of from 3 to 3½ million dollars per ship and it is being done again over the objections of every agency of Government. Contrary to what the Senator from Washington has said about Commerce having approved this bill, I have a copy of a letter addressed to him as chairman of the committee, signed by the Secretary of Commerce, in which he says that the Department recommends against the favorable consideration of the bill. The Maritime Commission recommended against favorable consideration of the bill.

Mr. MAGNUSON. That is a part of the Commerce Department.

Mr. WILLIAMS. They are agencies of the Government, responsible for administering this law if enacted and they are both against it.

Mr. MAGNUSON. If the Senator from Delaware will calm down, we shall get the matter straightened out. There was testimony given by officials of the Commerce Department, which we shall be glad to put into the Record. I am not the author of the bill. The bill concerns the Great Lakes. The Senator from Michigan held all the hearings. It was testified that there was a great necessity for the bill.

There was a little quibbling about the financing formula of cost that should be used, with regard to foreign cost as against American cost. The Maritime Commission uses the cost of construction in Holland, which seems to be a sort of average throughout the world. It was testified that companies could not possibly afford to finance the ships unless the bill were passed. It is the same procedure that is used with regard to domestic freight and iron-ore carriers.

When the 1936 law was enacted, which established the maritime policy of the United States, the particular interests under discussion were not included because at that time their fleet was fairly modern and efficient, and they saw no reason to come under the act. Now most of the ships are more than 50 years old.

Mr. WILLIAMS. I say to the Senator from Washington if there be a need for a subsidy, let us recognize it and call it a subsidy, and not talk about a bona fide trade-in allowance, which is a backhanded way of getting a subsidy.

If it can be justified then spell it out openly and do not try to conceal it from the taxpayers under some fancy language.

If you propose a $3 million subsidy for two or three hundred ships say so in plain language and put the accurate price tag on it.

You know that if that is done not many of these subsidy bills would ever get by the committee.

Mr. MAGNUSON. Let us get this clear. The Senator from Delaware is always talking about a hidden subsidy. There is no hidden subsidy at all. The Maritime Act provides for a trade-in. A ship may be worth $50. A trade-in allowance is offered for the same purpose that a trade-in allowance on a refrigerator is offered. There may be an offer of $50 on a refrigerator which is worth only $25. That has been our consistent

maritime policy. That is not hidden. Everybody approves it. The Senator can go to the Committee on Appropriations and see that all the facts and figures are before the subcommittee dealing with the Commerce Department appropriation.

Mr. WILLIAMS. Would the Senator be willing to amend the bill so that there would be a provision that the trade-in allowance would be only the fair and reasonable value?

Mr. MAGNUSON. Then there would have to be added 40 percent.

Mr. WILLIAMS. If that were done, the American taxpayers would know what this program would cost them, what they were doing, and who would get the money. That is the point I am making.

Mr. MAGNUSON. The American taxpayer can find that out right now. When the budget request is submitted, that is all set forth. Let us take a carrier that is worth $200,000——

The PRESIDING OFFICER (Mr. Sparkman in the chair). The time of the Senator from Michigan has again expired.

Mr. MAGNUSON. Mr. President, I ask that an additional 2 minutes be granted the Senator from Michigan.

The PRESIDING OFFICER. Is there objection?

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, earlier in the day the leadership assured the Senator from New York [Mr. Lehman] that the Niagara power development bill would be considered by the Senate today. Since then, time has been yielded to the Senator from Michigan [Mr. Potter] in the belief that the Great Lakes bulk cargo vessel bill which he wished to discuss could be acted upon rather quickly. However, debate on that bill has become somewhat protracted. I wonder whether it will be satisfactory to all Senators concerned to have the Senate consider at this time the Niagara power development bill, and let the Great Lakes bulk cargo vessel bill go over. Perhaps the Senator from Michigan and the Senator from Washington will hold conferences with the Senator from Delaware [Mr. Williams] and perhaps the bill in which they are interested—the Great Lakes bulk cargo vessel bill—can be considered further by the Senate after action on the Niagara power development bill. However, in view of our agreement with the Senator from New York, I think it would be unfair not to proceed at this time with consideration of the Niagara power development bill.

Mr. MAGNUSON. However, the Great Lakes bulk cargo vessel bill has already been made the unfinished business.

Mr. JOHNSON of Texas. Yes; but it was made the unfinished business because of the belief that action on the bill could be completed speedily. However, that has not occurred.

Mr. MAGNUSON. On the other hand, I do not think there is any real opposition to the Great Lakes bulk cargo vessel bill. There may be some misunderstandings about the bill. The only real opposition to the bill would be on the part of those who might be opposed to enactment of a bill for private ore carriers.

Let me say that I am not the author of the bill; I have simply tried to be helpful to the Senate in connection with the explanation of the bill. The Senator from Delaware [Mr. Williams] has been asking questions in connection with the explanation.

Mr. POTTER. Mr. President, let me say to the distinguished majority leader that aside from having time for a clarifying amendment which I would submit, I do not care to have additional time. I do not know how much time the Senator from Delaware has planned to use.

Mr. WATKINS. Mr. President, I should like to speak for 12 or 15 minutes on the bill.

The PRESIDING OFFICER. The time yielded to the Senator from Michigan has expired; and the Senator from New York is entitled to the floor.

NIAGARA RIVER POWER DEVELOPMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1428, Senate bill 1823, relating to power development on the Niagara River.

Mr. BUSH. Mr. President, let me ask the Senator from Texas about the bill.

Mr. JOHNSON of Texas. It is the Niagara power development bill, which we have already agreed to take up.

Mr. MAGNUSON. In the event that bill is to be taken up at this time, I think we should withdraw consideration of the Great Lakes bulk cargo vessel bill.

Mr. JOHNSON of Texas. That would be the result of agreeing to the motion I have made.

Mr. BUSH. However, notice has been given that the Great Lakes bulk cargo vessel bill would be voted on this evening.

Mr. JOHNSON of Texas. However, Senators are not yet ready to vote on the bill. The Senator from Delaware wishes to submit an amendment, and the Senator from Michigan wishes to submit an amendment, and the Senator from Utah wishes to discuss the bill. We would be breaking faith if we did not now proceed to the consideration of Senate bill 1823.

The PRESIDING OFFICER. Is there objection to temporarily laying aside the unfinished business——

Mr. JOHNSON of Texas. Mr. President, I do not wish to have the unfinished business temporarily laid aside. I have moved that the Senate proceed to the consideration of Senate bill 1823. After that bill is disposed of, I wish to have the Senate take up whatever measures are ready for consideration at that time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas that the Senate proceed to the consideration of Senate bill 1823.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. I ask unanimous consent that on tomorrow, the Senator from New York [Mr. Ives] be recognized for 1 hour, immediately following the morning hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that at this time the Senator from New York [Mr. Lehman] will be recognized. I thank the Senator from New York for his courtesy and his indulgence.

Mr. LEHMAN. I thank the Senator from Texas.

ASSISTANCE FOR OREGON'S DISASTER-STRICKEN ORCHARDS

Mr. MORSE. Mr. President, will the Senator from New York yield to me, to permit me to make an extraordinary request?

Mr. LEHMAN. I yield.

Mr. MORSE. I make the request with an apology on my lips. Let me explain that I am trying to catch a plane to go to Oregon to the political wars, so to speak; and there is an emergency matter which I wish to discuss very briefly for the Record. I wonder whether I can impose upon the courtesy of the Senator from New York long enough to make a brief presentation of that matter, with the understanding that in doing so, I shall not cause him to lose his right to the floor.

Mr. LEHMAN. I am very glad to yield for that purpose to the Senator from Oregon.

Mr. MORSE. Mr. President, I so request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. Mr. President, in the month of November 1955 a disaster struck the fruit orchards of northeastern Oregon and part of the States of Idaho and Washington in the form of a sudden, unprecedented freeze which completely wiped out the long-established and highly productive fruit orchards of approximately 450 farm families in my own State. This was not merely the type of freeze which destroys 1 year's crop. It completely killed the trees themselves, leaving the farmers without the slightest hope for a fruit crop before approximately 7 years.

The sad fact is that a majority of the farmers who were hit by this tragic occurrence do not have the means or the financial reserves with which to rehabilitate their orchards. They are faced with heavy costs of clearing out the dead trees, purchasing nursery stock, and bringing the young trees to productive maturity. Activities of this type require money; but the orchardists who have brought their problem to my attention have told me that even after exercising the most diligent efforts, they have been unable to obtain locally or through the facilities of the Federal Government credit which will enable them to do this rehabilitation job under a loan program

form, from the Federal Government for

sion, and the Corps of Engineers, United

State legislature authorized and di-which is consonant with their practical needs.

Representatives of these Oregon orchardists have talked to officials of the Farmers' Home Administration in the regional office, as well as here in Washington; but their efforts have been futile. The FHA apparently takes the position that repayment installments should begin soon after the original loan is made. Obviously, such a condition does not accord with reality, because the plain fact is that it takes about 7 years from the time of planting the nursery stock to the time when production commences in paying quantities.

Mr. President, the farms that have been hit by this unprecedented disaster have generally, and over a period of 50 years or more, established their economic value, as evidenced by a fine record of production of an important item in our Nation's food supply. In most instances, the farmers who have experienced this disaster have exhausted their efforts to refinance their farm operations; and unless they can obtain assistance from the Federal Government, and obtain it quickly, there appears to be no alternative other than forced liquidation of some very fine farms. This, in turn, will simply mean that more farm families will have to join the growing numbers who are leaving their farms to reside in urban areas.

In order to assist in bringing these fine farms back into production, I am introducing a bill to provide financial assistance for the rehabilitation of such orchards. Under this bill, the Secretary of Agriculture is authorized to make emergency loans to orchard operators and owners in disaster areas, designated as such by reason of freeze, drought, hurricane, disease or other natural causes, provided they establish that they are unable to obtain financial assistance from private sources, and show that they have reasonably good chances of repaying such loans.

Loans made under the bill would be not in excess of $25,000, and for not to exceed 15 years, at 2½ percent interest per annum.

The repayment period would not begin prior to six crop years from the date of the loan in any case in which it is determined by the Secretary of Agriculture that the borrower's income will be insufficient to make payment at an earlier date. However, the bill would also authorize variable payments, to meet the situations in which net earnings and ability to pay are higher or lower than normal.

The bill would authorize the Secretary of Agriculture to assume not to exceed 50 percent of the cost of clearing the disaster-stricken orchards and initiating replanting or redeveloping the land.

Mr. President, I introduce this disaster-aid bill on behalf of myself and my colleague, the junior Senator from Oregon [Mr. Neuberger]; and I urge its prompt and sympathetic consideration by the appropriate Senate Committee, because of the emergency nature of the problem covered by this proposed legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3850) to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster, introduced by Mr. Morse (for himself and Mr. Neuberger), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That (a) the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to make emergency loans to eligible orchard operators and owners in the area declared by the Secretary in December 1955 to be a production disaster area because of unseasonable freeze, and in any area hereafter declared to be a production disaster area by the Secretary because of freeze, drought, hurricane, disease, or other natural causes.

(b) Any orchard operator or owner in any such area shall be eligible for assistance under the provisions of this act if the Secretary finds—

(1) he has suffered, as the result of any such disaster, substantial financial losses;

(2) he is in need of financial assistance which he cannot obtain from private credit sources on such terms and conditions as he could reasonably be expected to meet; and

(3) that he has a reasonably good chance of repaying it.

Sec. 2. (a) Any loan made under the provisions of this act shall be made—

(1) for an amount not to exceed $25,000;

(2) for a period not to exceed 15 years;

(3) at a rate of interest not to exceed 2½ per centum per annum; and

(4) under such other terms and conditions as the Secretary shall prescribe.

(b) The Secretary may delay the initial annual repayment of any such loan for a period of not more than 6 crop years from the date of the loan in any case in which he determines that the borrower's income will be insufficient to make the initial payment at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan.

(c) The Secretary is authorized and directed to establish, with respect to all loans authorized under the provisions of this act, variable repayment plans with payments adjusted, without regard to previous excess payments, to the net earnings and ability of the borrower to pay from year to year.

Sec. 3. The Secretary is authorized to assume not to exceed 50 percent of the cost incurred by any person eligible for a loan under this act in clearing orchard land of any trees rendered commercially unproductive or destroyed as the result of any disaster referred to in the first section of this act, and in the initial replanting or redevelopment of such land.

Sec. 4. (a) The Secretary is authorized and directed to utilize the facilities of the Farmers' Home Administration for the purpose of administering the provisions of this act.

(b) The Secretary is authorized to make such rules and regulations and such delegations of authority as he may deem necessary to carry out the provisions of this act.

Sec. 5. There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out the purposes of this act.

Mr. MORSE. Mr. President, I shall seek from the chairman of the Senate Committee on Agriculture and Forestry [Mr. Ellender] an answer in regard to whether, under the oncoming new farm bill, it will be possible to bring these orchardists and others who wish to participate in the so-called soil bank program under the conservation features of the soil bank, so that by election, they can, under the provisions of that bill, receive the payments if they keep the land out of the usual production, and if they seed it to some sort of cover crop or grass crop.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, I have been waiting and working for this moment for 6 years.

Since 1950 I have had pending before the Senate successive bills providing for the redevelopment of the waters of the Niagara—waters made available to the United States by the United States-Canadian Treaty of 1950—for the benefit of the people of New York, of neighboring States, and of the Nation.

Now, at last, there is before us a bill, introduced by myself in association with 16 other Members of the Senate, as amended, improved, and reported by a bipartisan majority of the Public Works Committee.

I congratulate the Public Works Committee, and especially the distinguished chairman of that committee [Mr. Chavez] and the distinguished chairman of the pertinent subcommittee [Mr. Kerr] for their patient, persistent, and brilliant work in conducting the hearings, working out the necessary agreements and reporting the bill in time for passage of this legislation in this session of Congress.

The bill was reported out on January 16. It has now been on the calendar for several months. There has been ample opportunity to study the terms of this bill. I look now for an incisive debate and a favorable decision.

Mr. President, the facts are simple and can be summarized as follows:

First. The pending legislation would authorize the State of New York to build, operate, and maintain a hydroelectric power project on the Niagara River, utilizing a diversion of waters agreed upon and made available under the terms of the United States-Canadian treaty of 1950.

Second. The pending authorization bill, S. 1823, would not cost the Federal Government, now or later, a single cent in Federal appropriations. New York State is ready and anxious to build the project and operate it. New York State seeks no financial help whatever, in any

form, from the Federal Government for this purpose.

Third. The pending legislation is necessary because of a reservation, the so-called Aiken reservation, named after its original sponsor, the senior Senator from Vermont, attached by unanimous vote of the Senate to the 1950 treaty. That reservation stipulated that Congress, by subsequent act, would dispose of the new power potential made available under the terms of the treaty.

Fourth. The Niagara development is multipurpose, under the specific terms of the treaty—to preserve and enhance the beauty of Niagara Falls, and to develop hydroelectric power. This development also has, for both countries, vital national defense implications and purposes.

Fifth. The Niagara River itself is a short stream linking Lake Ontario and Lake Erie. It is the western boundary between New York and Canada, and carries the full flow of the four Western Lakes into Lake Ontario, and forms a part of the Great Lakes-St. Lawrence water system.

Sixth. The power which would be developed on the Niagara would constitute one of the largest blocs of low-cost energy that could be produced at one site on the North American continent.

Seventh. Starting immediately after the ratification of the treaty, Canada has virtually completed the construction of the project works to utilize her share of the Niagara diversion. Canada has developed this additional Niagara power through a public agency of the Province of Ontario. All Canada's power in this area is publicly developed and publicly distributed.

Eighth. Canada today is using most of the United States share of the Niagara waters, in addition to her own share, as she is permitted to do under the terms of the treaty. She may continue to do so until we are ready to use our share.

Ninth. For many years New York State has had on its statute books legal authority and instructions to develop the hydroelectric potential on the St. Lawrence River. A public agency, the New York Power Authority, was created for this purpose and is now, in fact engaged in building project works on the St. Lawrence.

Tenth. In 1951 the New York Legislature, on the recommendation of Gov. Thomas E. Dewey, amended the State Power Authority Act, and authorized and directed the State power authority to include the Niagara power development in the mission and responsibility of the State power authority.

Eleventh. New York State is thus instructed by law, as well as by long-standing and frequently reaffirmed public policy, to develop the Niagara power resource, under public auspices, for the public use and benefit.

Twelfth. The Niagara River water-diversion plan, in a manner to preserve and enhance the beauty of the falls, was originally worked out under the direction of the New York State Power Authority. Subsequently, this general plan was translated into specific engineeering details by the Bureau of Power of the United States Federal Power Commission, and the Corps of Engineers, United States Army.

Thirteenth. The President of the United States has said—he so stated in a press conference only last week—that congressional action should be taken now, and that there is no justification for further delay. He has said, moreover, that the Niagara resource should be disposed of in the manner desired by New York State.

Mr. President, these are the simple and unchallenged facts. Now, let me define the basic issue which confronts the Senate by virtue of this legislation. There have been, unfortunately, attempts to confuse the issue.

The chief issue is clearly whether Niagara power shall be developed by the State of New York, under its statutory authority and instructions, or whether the Niagara resource should be given away by Congress, despite the laws of New York State, to a private power monopoly.

Make no mistake about it. That is the issue before the Senate. That is the issue in New York State and in the country.

The only legislative alternative to the pending bill, the only alternative bill submitted to the Public Works Committee, was, and is, S. 6, for the giveaway of Niagara Falls power to a private power combine.

I understand that my colleague, the senior Senator from New York [Mr. Ives] has been critical—and he will speak for himself, of course—of the preference provision of S. 1823, a provision which is identical with that in almost every congressional authorization of a public power project, dating back to 1906—I certainly did not invent it.

But, Mr. President, it is a fact that not a single Member of the Senate, so far as I know, submitted to the Public Works Committee any proposal for an amendment of that section or any other section of S. 1823.

My distinguished colleague from New York did not appear before the Public Works Committee to urge amendment or elimination of the preference provision or of any other provision of S. 1823.

Indeed, no Senator formally made or pressed any such or similar proposal.

I am, in fact, puzzled by the attitude of my colleague. He is on record, repeatedly, and recently—in the campaign of 1954—in favor of public development of the Niagara. In two previous Congresses, he had introduced proposed legislation for the public development of this resource by the New York Power Authority. He did not introduce such a bill in this Congress.

Senator Ives' proposal of previous years was somewhat different from mine. It did not provide for preferences. It did not contain safeguards of the consumer interest approved and reported by the committee. But it was, in other respects, similar to the bill which is before the Senate.

Governor Dewey, long the dominant figure in the Republican Party of New York State, if not the Nation, has repeatedly urged and advocated public development of Niagara power. Indeed, it was at his behest, in 1951, that the State legislature authorized and directed the New York State Power Authority to construct and operate power project on the Niagara.

Governor Dewey has vigorously condemned those who advocate the giveaway of the Niagara resource to private enterprise.

The only Republican to be elected to statewide office in the elections of 1954, Attorney General Jacob Javits, voted against a private giveaway of Niagara—identical to S. 6—while he was a Member of the House of Representatives 3 years ago.

Attorney General Javits has recently circulated among Members of the Senate a memorandum favoring and urging public development, and supporting the principle of S. 1823, although proposing a possible revision of some details.

The Republican chairman of the New York State Power Authority has taken a position somewhat similar to that of Attorney General Javits, although Mr. Moses has specifically said that the Power Authority can operate under the terms of S. 1823.

The present Governor of New York, Gov. Averell Harriman, and his administration, support S. 1823, as reported out by the committee, without qualification or reservation. Governor Harriman was elected, in 1954, on a platform pledging the public development of Niagara specifically along the lines of S. 1823. New York State thus voted for the public development of Niagara just a year and a half ago, in November 1954, and Governor Harriman has acted to carry out this statewide public mandate.

So, Mr. President, let us keep our eye on the real issue—the issue of the right of the State of New York to build and operate this power project versus the right of a private power monopoly to be given free access to this precious resource in violation of the law of New York State which reserves this resource to the people, to be publicly developed for the public use and benefit.

The Senate Public Works Committee has examined all the provisions of the pending bill, S. 1823. The committee has weighed all the arguments against preference, some of which were made by Bob Moses, chairman of the New York Power Authority. But the committee, in its wisdom, decided in favor of the preference provision, as committees of the Congress have on every similar occasion of which I have knowledge, since 1906, 50 years ago.

I am sure the proponents of this bill, including members of the committee, will be prepared to answer challenges to specific provisions of the bill. But let us keep the main issue before us.

I challenge the opponents of this bill to pose the main issue by offering on the floor of the Senate the private giveaway bill, S. 6, introduced by the Senator from Indiana [Mr. Capehart] and rejected by the Public Works Committee as a substitute.

I should like to see a record vote on that substitute proposal.

Of course this so-called private enterprise proposal is not new in the Senate. It has been presented to this body before. It was presented to the Senate back in

1931, in the form of a protocol to the Treaty of 1909, a protocol which provided that the Niagara Falls Co., which has since become a wholly owned subsidiary of the Niagara Mohawk Co., which is trying today to get possession of this resource, might build necessary remedial works at Niagara Falls and receive in return the right to develop power from 10,000 cubic feet per second of Niagara water.

Do Senators know what happened to that protocol? It was unanimously rejected by the Senate Foreign Relations Committee. Nineteen members of that committee voted unanimously against it. One of the votes cast was that of the distinguished senior Senator from Georgia [Mr. George], now the chairman of that great committee. I shall refer again to that historic action.

But this is the issue today, as in 1931, 25 years ago—and for years before that time and since that time—the attempt by selfish private monopoly to get possession of more of the Niagara resource than they had already obtained in the early years of this century. The Niagara Mohawk Co. today has the use of 20,000 cubic feet per second of the precious Niagara waters, which belong to all the people of New York State and of this country. They have it by virtue of a license issued by the Federal Power Commission in 1921, confirming grants secured by one means or another in prior years.

I do not propose—and this bill does not propose—to disturb the Niagara Mohawk Co. in its present enjoyment of the profits of those early grants and that 50-year license issued in 1921.

But I am opposed—and I know the Senate is opposed—to giving this private monopoly any more of the Niagara waters, secured by the treaty of 1950 for the benefit of the people of New York State and of the Nation.

Mr. President, I have summarized the facts and defined the chief issue. I shall be glad, and other proponents of this legislation will be glad, in the course of this debate, to reply specifically to points made against specific provisions in this bill, or to questions as to the basic validity of this measure,

But for the sake of an orderly consideration, I should like now to proceed to fill in, with some detail, the background of this proposed legislation and its antecedents.

Mr. President, as I said before—and I wish to emphasize—the pending bill, S. 1823, does not request, nor does it involve, now or later, the appropriation of a single dollar from the Federal Treasury.

The bill authorizes the construction, operation, and maintenance by the Power Authority of the State of New York of a self-liquidating power project on the United States side of the river. The Niagara is confined wholly to the State of New York and the Province of Ontario. It forms, as I have said, a part of the natural boundary between Canada and the United States.

S. 1823 would fully implement, and is wholly consistent with, the Niagara Treaty of 1950 with Canada.

I doubt if any project in history has received more thorough study and painstaking consideration than has been given by committees of the Congress to the subject matter of this proposed legislation.

In addition to the hearings held on the treaty by the Committee on Foreign Relations in 1950, the Committees on Public Works of both the House and the Senate have taken literally thousands of pages of testimony from hundreds of witnesses at public hearings held in 1950, 1951, 1953, 1954, and 1955.

Every phase of the Niagara development has been carefully explored. Every provision of the pending bill has been justified by the weight of the evidence taken at the hearings.

The result is S. 1823 as reported on January 16 by the Committee on Public Works with the support of a bipartisan majority of its members. The committee, moreover, has improved and perfected the bill, by amendments to shorten and clarify its provisions and compose differences of view which arose in the course of the hearings. I heartily concur in the committee amendments, and I wish to associate myself completely with the interpretation placed upon the provisions of the bill in the committee's report.

An identical bill, H. R. 8109, introduced by Chairman Buckley of the House Public Works Committee, is now pending before that committee in the House. The House committee, having also completed its hearings on this subject, is awaiting action by the Senate.

Mr. President, I request that the summary of the main provisions of S. 1823, as contained in the committee report, together with the conclusions of the committee, be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEHMAN. Mr. President, in a unique sense, the Niagara River is familiar to more people than is any other river on the North American Continent. The grandeur of its scenic spectacle, the magnitude of its potential hydroelectric power, are well known to the people of all the States of the United States and the Provinces of Canada, and countries the world over, who have been visiting it by the millions for many years. In 1955 the recorded visitors at the falls numbered 4,252,000.

I am sure every Senator recognizes the tremendous value of this marvelous resource of nature and takes pride in its conservation and development as a priceless part of our national heritage.

Now, just a word about the treaty obligation to preserve and enhance the beauty of the falls. This is being done (a) by remedial works designed to control the flow of water to insure an unbroken crestline over the escarpment now threatened with ultimate destruction by progressive erosion; and (b) by provisions, in the pending bill, to make the Niagara more accessible to the public by the construction on the United States side of the river of a magnificent parkway, comparable to the improvements already made on the Canadian side.

Mr. President, the hydroelectric project will create 1,600,000 kilowatts of new generating capacity. It will produce an annual average of approximately 10 billion kilowatt-hours of low-cost hydroelectric energy.

I am confident that legislation for these purposes commands the support of an overwhelming majority of the people of my State, and of the Nation. The passage of this bill, at this session, and its signature by the President, would be an historic and constructive achievement in the public interest and reflect lasting credit alike upon both the Congress and the President.

At the public hearings held in this Congress, and under the preceding administration, the Committee on Public Works has found no difference of opinion among the executive departments, their power experts, their engineers, and hundreds of other witnesses as to the economic feasibility and the desirability of developing the full power potential of the Niagara River.

The complete soundness of this development in a self-liquidating project is generally conceded. It is not questioned in the views filed by a minority of the committee. The minority, in fact, recognizes the tremendous value of the Niagara resource and favors its prompt utilization. But the minority does express a preference for its private exploitation by private utility corporations of New York State.

Let me turn now, briefly, to the so-called safeguard provisions—provisions designed to protect the interests of neighboring States, of the Nation, and of the general public, and of the consumers of Niagara power.

The committee found that these safeguard provisions are essential if the millions of consumers in New York, and in its sister States of the Northeast, are to realize the potential benefits of the Niagara, once it is publicly developed.

The committee accurately points out that the average residential rates in New York State for domestic and rural consumers "are among the highest in the Nation".

The committee bill carries the usual congressional provisions for service to public and rural electric cooperative agencies as preference customers. It provides for the use of existing transmission lines, or of nonduplicating lines built only where needed and where economically justified. It provides further that neighboring States shall have equal access to and a reasonable share of project power, subject to allocations by the Federal Power Commission in the event of disagreement. With these safeguards, the committee estimates that Niagara power could be used to produce "an annual saving of about a third of a billion dollars in the region's annual electric bill."

I need not labor the point that Niagara power is desperately needed in the Northeast and will readily be absorbed by consumers in New York, Pennsylvania, Ohio, and neighboring States. There is general and complete agreement on this point. The needs which will be served by the pending bill have, indeed, grown more urgent since the Senate gave its advice and consent to the ratification of the treaty nearly 6 years ago.

In the meantime, with the sanction of the Canadian Parliament, the Province of Ontario, through its public agency, the Hydro-Electric Power Commission, has already nearly completed a gigantic new project, directly across the Niagara River from the State of New York. This new powerplant, with an ultimate capacity of 1,275,000 kilowatts, is already in operation and will soon be utilizing the entire Canadian share of the waters of the Niagara made available by the Treaty of 1950.

Unless and until Congress acts, Ontario will also be free to use the United States share of the flow of the Niagara to produce power for consumption in Canada. Ontario has every right, under the express terms of article VIII of the treaty, to utilize our share of this water which otherwise, in the absence of the New York power development authorized by the present bill, would continue to run to waste.

It is therefore unmistakably clear that, until Congress acts, all the additional low-cost power that can be produced in such great volume on the Niagara, under the 1950 treaty, will be publicly developed and transmitted by the Ontario Commission to municipalities, rural electric cooperatives, and the expanding industries of that Province. Many of these industries, including the dairy industry, are directly competitive with producers in the Northeastern United States. Ontario already enjoys a competitive advantage, with electric rates far below the cost of power and electric service in New York, Pennsylvania, Ohio, and the New England States.

The rate for power in Niagara Falls, N. Y., is almost twice as high as the rate in Niagara Falls, Ontario, immediately across the river.

In the light of these conditions, presented at the hearings, the committee has wisely recommended the immediate public development of our share of the Niagara water. It has reported the present bill as the best means of utilizing this resource, under long-established congressional power policy, and in a manner to assure lower electric bills to consumers throughout the Northeast.

When the magnitude and the value of this power are taken into account, it is shocking to contemplate the losses which have already resulted from our delay in authorizing the development of the United States share of the treaty water.

Most recently, in the pending majority report, and before that, in 1954, in minority views, there was an estimate that rate reductions obtainable from the Niagara development could reach as much as $300 million annually for consumers in the Northeast.

My successor as Governor of New York, the Honorable Thomas E. Dewey, presented a pertinent engineering report to the committee at its hearings in the last Congress. This report estimated that the coordinated development of the Niagara and the St. Lawrence, and the integration of hydro and steam power supply, would result in rate reductions for New York State consumers alone, amounting to annual savings of $95 million.

So great is the value of this power, and so great is the demand for electric energy in the Northeast, that the Corps of Engineers reported to the committee in the 82d Congress that the sale of Niagara energy will yield revenues exceeding the estimated project cost of $400 million within 10 years.

These and other estimates on the record support the committee bill and the conclusion that domestic and rural consumers of the Northeast, and many small industries of the area, depressed and stunted for lack of low-cost power will enjoy a direct savings from this project, amounting to tens of millions of dollars a year.

In our consideration of the bill, there is another important factor which will surely not escape public notice and the thoughtful attention of the Members of this body.

The United States being the leader of the free world, it has been a part of our foreign policy under the present and the preceding administrations to aid and encourage the development of water resources, and thereby to raise the standards of living of the people of friendly and uncommitted nations, whose well being and security are important to our own.

All over the world the people are aspiring to improve the conditions of their daily living and to increase their industry and production by utilizing the gifts of nature from a bountiful providence.

Great hydroelectric projects are rising, or are finding a place on the drafting boards, in Pakistan, Iran, India, Formosa, Israel, Egypt, Turkey, Greece, Afghanistan, and in other quarters of the globe.

Many of these countries have looked to us and have secured loans and grants for such projects. Virtually all of these projects call for the public development of these water resources, under Government auspices.

And those projects which have been built have resulted, in those countries, in lower electric rates and production costs, the creation of new wealth, new industry, and new taxable income and values.

I have consistently supported the appropriations we have made to stimulate and assist these projects abroad, because I am convinced that raising the standard of living of these people is of critical importance to the security and well being of the United States and the free world.

But I say it would be nothing less than an economic crime against the American people if, while we are rightly aiding other nations to develop their great rivers, we continue, with profligate waste, to delay the use of such a magnificent resource as the Niagara.

After we have finished authorizing more foreign aid at this session, I do not see how any of us will be able to explain or justify a vote against the bill, a bill which would merely permit one of the sovereign States of the United States to proceed with a self-liquidating project that can be built, operated, and maintained in perpetuity without a single dollar of cost to the taxpayers of the United States.

The authorization of the Niagara project at this session of Congress under the present bill will, of course, bring its most direct benefits to the people of New York, Pennsylvania, and Ohio, and to the power-starved rural electric cooperative, municipal plants, and many of the diversified industries of the Northeast.

By the interconnection of the Niagara and the St. Lawrence developments, and with the delivery of power by interchange and displacement, this project will also fortify the available power supply throughout the Northeast, and thus directly serve the interest of neighboring New England States.

But, Mr. President, I am not urging the passage of the bill solely because of its direct and indirect benefits to the Northeast and to the people of my own State.

My colleagues will bear witness that I have consistently supported and voted for the authorization of sound river development projects in all parts of our country; and I have also supported and voted for the vast appropriations usually required for such projects, projects unlike that proposed in the pending Niagara bill for which no Federal appropriations will be required. I have cast my votes for TVA, Bonneville, and the upper Colorado, for instance, on the principle that a sound development of our resources in one section benefits the whole Nation, and that what is good for our country as a whole is good for the people of New York.

The wise application of this principle by Congress has made possible the great developments on the Colorado, the Tennessee, the Columbia, the Missouri, and other major streams. I have supported such projects, as I support flood-control and power development in the Northeast. While these projects seem to bring their most immediate benefits to people living in the vicinity of a given development, they inevitably contribute to the strength of our economy as a whole.

On precisely the same principle, I am appealing to the Senate now, not for the appropriation of Federal funds for the construction of a Federal project in the Northeast, but for the authorization of a State development of the unused resource which lies on our threshold on the Niagara frontier, without expense to the Federal Government.

Under the terms of the bill, this wholly self-liquidating project will be financed by the State through the sale of the revenue bonds of the New York Power Authority. That agency has already successfully marketed $335 million of its revenue bonds for the St. Lawrence project now under construction.

Mr. President, the proposal for a public development of our hydroelectric resources is certainly not new or radical in New York State.

This policy has been recommended and advanced by virtually every Governor of the State of New York for more than 50 years, regardless of party.

Long before I was elected Governor in 1932, the State development of our great waterpower resources in New York was urged by Theodore Roosevelt, by Gov. Charles Evans Hughes, and by Gov. Alfred E. Smith. The Power Authority of the State of New York was set up under Gov. Franklin D. Roosevelt in 1931. This was the first public agency of its kind created in the United States. Mr. President, you will find many of the important safeguard provisions contained in the pioneering Power Authority Act written almost verbatim into subsequent Federal statutes, and in the enabling legislation which set up similar agencies in South Carolina, Texas, Nebraska, Oklahoma, and other States.

My immediate predecessors, Governor Smith and Governor Roosevelt, envisioned the coordinated public development of both the St. Lawrence and the Niagara by the power authority of our State, but both projects were bitterly opposed and obstructed for many years by the private utilities and allied special interests.

During the 10 years of my administration as Governor of New York there never was a time when the private utilities were not using every device to gain control of the remaining undeveloped power of the Niagara. Time and time again, by action taken in the executive department, in the legislature, and in the highest courts of our State, it was necessary for the State government to beat back the importunate claims of private power companies to the outright ownership of the Niagara resource.

In 1939 I submitted to the legislature, and forwarded to the appropriate committees of Congress, the exhaustive engineering report of the New York State Power Authority for the development of the Niagara along with the St. Lawrence.

This report, for the first time, formulated a definite program for the coordinated public development of Niagara-St. Lawrence power and for the integration of these new sources of hydroelectric power supply with expanding steam power facilities of the State, both public and private.

In many messages and public statements as governor of New York, and in testimony before congressional committees, I strongly urged this program. A long step toward achieving its benefits was taken in 1951. In that year the legislature finally passed, and Governor Dewey signed, the State law giving the power authority the same mandate to construct the Niagara power project, subject to Federal approval, as that agency was given in 1931, and is now exercising, to build the St. Lawrence power project.

I have cited this history to show that New York State, by the action of its governors of both parties, Republicans and Democrats, has effectively conserved its major public power resources in the interest of the people, and thus far has prevented their alienation to private monopoly interests. If the principle of States rights is to be respected, then there is only one method by which the Niagara resource may be immediately utilized, and that is by public development.

To this end, I introduced the original version of the pending bill promptly after the United States and Canada signed the Niagara Treaty early in 1950. House hearings were held on a companion bill after the Senate approved the treaty. But it was then too late in the session to obtain a vote to authorize the project, so that we might keep pace with Canada in utilizing the treaty water.

The bill I introduced in 1950 has, of course, been revised to meet changing conditions. The very complete hearings held by the Committee on Public Works and close study of the project by the able members of the committee now give us a bill which has been greatly improved and strengthened. It retains, however, the basic provisions of the 1950 bill, namely, that the Niagara waters shall be publicly developed and the project shall be operated by the State of New York, through its accredited public agency, and that the usual safeguards shall be maintained, in authorizing the development, so as to protect wholesale customers and ultimate consumers in neighboring States as well as in the State of New York.

The bill containing these provisions was unopposed at the public hearings held in 1950. The distinguished Senator from Arkansas [Mr. McCLELLAN], at the next session in 1951, promptly called and ably conducted Senate hearings on the Niagara development, as chairman of the Public Works Subcommittee. In the course of those hearings, as the Senator from Arkansas will recall, my bill for public development of the Niagara was endorsed by the Federal Power Commission, the Corps of Engineers, the United States Army, the Rural Electrification Administration, and all the executive departments principally concerned with this project.

The Niagara Mohawk Power Corp., which dominates the power supply in most of upstate New York, presented no witnesses against the public project at the initial House hearings in 1950. By 1951, however, formidable opposition had been organized to resist public development on the Niagara in any form.

The organized opposition which was then launched has continued unabated, up to this session of the Congress, against the utilization of the Niagara resource by the method approved by the Committee on Public Works in the pending bill.

As a matter of fact, Niagara Mohawk had set its sights on winning control of all the remaining power at the falls long before the Senate approved the 1950 treaty.

Through a wholly-owned subsidiary, the Niagara Falls Power Co., Niagara Mohawk presently uses 20,000 cubic feet per second of Niagara water for power production, under a standard-form license for 50 years, granted by the Federal Power Commission in 1921. That use will not be disturbed; in fact, it may be considerably enhanced in efficiency and economy, under the terms of the committee bill.

For many years, the Niagara Falls Power Co. boldly asserted its claims to the use of all the water of the river and all the remaining power that could ever be developed from the Niagara Falls and Rapids.

During my administration as governor, this company tried by every means to establish its claims, but it tried in vain. The courts of the State of New York upheld and vindicated the dominant rights of the public over the public waters of the Niagara. And when the company, in a test case, sought to increase its diversion of Niagara water beyond the limit then fixed in the Federal license, its application was flatly rejected by the Federal Power Commission.

The pioneer developments of power at the falls, at the dawn of the electrical age, were not, of course, made by the Niagara Mohawk Power Corp. or by its wholly-owned subsidiary, the Niagara Falls Power Co. Through a long series of mergers and consolidations, the properties and rights of the original owners and enterprisers, and their successors, were taken over, step by step, until generations later, they passed under the complete control of Niagara Mohawk.

Having failed to establish its claims to all the remaining power of the river, Niagara Mohawk saw the glittering prize almost within its reach during the consideration of the Niagara Treaty of 1950. That treaty, for the first time in 40 years, permits increased permanent diversion of water from the Niagara for power purposes, beyond the limit of 20,000 cubic feet per second for the United States, fixed in the Boundary Waters Treaty of 1909.

Under the new treaty, the United States share of the Niagara diversion will amount to an annual average of 65,000 cubic feet per second. This more than trebles the amount of the permanent diversion heretofore used by Niagara Mohawk under its Federal Power Commission license, which will continue under the committee bill.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a question?

The PRESIDING OFFICER (Mr. KERR in the chair). Does the Senator from New York yield to the Senator from Illinois?

Mr. LEHMAN. I am very glad to yield.

Mr. DOUGLAS. Is it not true that, in addition to the increased diversion from 20,000 cubic feet a second to 65,000 cubic feet a second, the additional 45,000 cubic feet, instead of being dropped from a height of approximately 100 feet, will be dropped from a height of more than 300 feet, by being taken farther downstream through a canal, where the cliffs are higher above the river than at the falls themselves, so that from the same amount of water, approximately 3 times as much energy will be obtained?

Mr. LEHMAN. There is no question at all that the Senator from Illinois is correct. We certainly will get much more power as a result of the greater drop of the water from the falls. There is no question whatsoever about that. What the Senator from Illinois has pointed out is generally accepted by all the experts.

Mr. DOUGLAS. The Senator from New York may know that in November I spent 2 days studying the problems of water and power at Niagara Falls,

and then spent 2 days studying the situation at the St. Lawrence River. I was struck by the fact that the present utilization of power on the American side of the falls is very uneconomic, in that the full potential fall is not really being used. I believe the distance between the top of the falls or some distance above the falls and the immediate bottom of the falls is only a little over 100 feet. But if the water is taken downstream approximately 3 miles, through an open canal, and then is dropped over the side of the cliff near the Whirlpool Rapids, there will be a fall of more than 300 feet. That would be a much more economic use of a given amount of water.

On the Canadian side, I found that the Canadians have already done precisely that; and now, as the Senator from New York knows, in addition to the original generators which the Canadians installed some years ago, they have installed an equal number of additional generators to take care of the added diversion permitted them under the 1950 treaty. However, on the Canadian side the water is taken underground, I believe; whereas on the American side, because of the contour of the cliffs, it is not necessary to take the water underground, but, instead, it could be taken downstream in an open canal. Furthermore, in order to adjust the flow and preserve the scenic beauty of the falls, it will be possible for us to use the Canadian system of having the water from the falls go in part into an interior lake; and then the flow from the lake will take care of the flow of the falls during the daylight hours in the tourist season, so that a steady flow of power will be maintained. Am I correct as to that?

Mr. LEHMAN. The Senator from Illinois is eminently correct.

I wish to say that I was happy when I heard he had spent some days at Niagara Falls, both on the American side and on the Canadian side. The value of his visit there is certainly demonstrated by his very evident knowledge of the situation existing there. There is no doubt that what he has said is correct. The power can now be generated much more efficiently and much more economically than was the case when the plants on both the American side and the Canadian side were originally developed.

I wonder whether the Senator from Illinois noticed another matter which has given me very great concern; in fact, I think it has given the people of the United States very great concern. I love Canada, and I think Canada is a great nation. I have only the greatest admiration for Canada. On the other hand, I do not want to have the Canadians have any particular advantage over us, in respect to the development of resources. I am sure that the Senator from Illinois noted that on the Canadian side of the Niagara River, industrial development and residental development are proceeding at a very much more rapid pace than on the American side.

Mr. DOUGLAS. Of course the Senator from New York is entirely correct. The low power rates which the Ontario Hydroelectric Power Authority is able to offer to both residential customers and industrial users have permitted tremendous development. Yet the interesting thing is that scenically the Canadian side of the Niagara River is beautiful, whereas the American side of the Niagara River from Buffalo to Lake Ontario is a horrible eyesore.

Let me ask the Senator from New York whether my impression is correct, namely, is it the intention of the Power Authority that, if this project is approved, the earth which is excavated in order to construct the canal from a point somewhat above the falls to 3 miles or so below the falls, at the rapids, will be used in such a way that a scenic highway somewhat comparable to the highway on the Canadian side can be constructed there.

Mr. LEHMAN. The Senator from Illinois is correct. The bill provides for the building by the State of New York of a scenic highway, at a cost estimated to be approximately $15 million, right along the edge of the falls.

Mr. DOUGLAS. For that purpose, the earth which will be excavated to create the canal—and which otherwise would have to be disposed of elsewhere—will be used to create a beautiful parkway; is that correct?

Mr. LEHMAN. I am told that is correct. I am not an engineer, but I understand that is the intention.

The Senator from Illinois has referred to the great development of power for both residential use and industrial use on the Canadian side of the Niagara River. I should like to emphasize that, on the Canadian side, electric power is less than one-half as expensive as is power on the American side. To be exact, if my memory serves me correctly, on the American side 250 kilowatts of power cost $5.03, whereas on the Canadian side the cost is approximately $2.40—or less than one-half. I think that is a typical case, which I could multiply many, many times by giving the cost of public power in various other places. However, that is a graphic and dramatic case; and that situation has permitted the Province of Ontario to develop much more rapidly than it has been possible for the adjoining areas in the United States to develop.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a further interruption?

Mr. LEHMAN. I am very glad to yield.

Mr. DOUGLAS. The Senator from New York has stated that, although he is a friend of Canada, he does not wish to see Canada obtain more power than the United States obtains. Is it not true that if the United States does not act in this case Canada will be entitled not only to her half of the power but also to all the power which we do not use?

Mr. LEHMAN. Yes; all of it.

Mr. DOUGLAS. Although the Canadians have installed additional generators some miles down the river, they have the three antiquated plants at the foot of the falls, on the Canadian side, which they intend to use for the development of power which otherwise would be ours, but which will be Canada's unless and until we act. Is that not true?

Mr. LEHMAN. That is perfectly true. Even today I believe their output of power is more than three times as great as ours.

Mr. DOUGLAS. I only wish that Members of the United States Senate and House of Representatives could spend the night at Niagara Falls and stay in the hotel on the Canadian side, because, as the Senator from New York knows, one can look out the windows of the hotel on the Canadian side and see the three antiquated powerplants on the Canadian side at the foot of the falls, where the drop is only something like 112 feet. The Canadians will take water which belongs to the United States under the treaty of 1950 and convert it into electric power, but they will convert it very inefficiently, because they will have a drop of only a little more than 100 feet.

If we carry out the suggestions of the Senator from New York, we not only will be able to take the water, but by taking it downstream, we shall obtain a drop approximately three times the drop on the Canadian side of the falls, and hence will add to the total amount of power threefold, in addition to getting for ourselves some of the potential power now used by Canada.

Mr. LEHMAN. The Senator is quite correct.

The use Canada is making of this waterpower resource, I think, has been illustrated in an amusing way, and yet it is a rather tragic and pathetic way. I am told that last night in Buffalo, from 9:23 to about half past 11, a period of more than 2 hours, there was a complete blackout. The reason for the blackout was that something happened to power production on the Canadian side, and the Niagara Power Co. was getting its power from Canada. It was not generating it itself. It was importing power from Canada to supply the needs of Buffalo and some of the other areas.

Mr. DOUGLAS. And in all probability, was it not buying the power at low rates from the Ontario Hydroelectric Authority and selling it at high rates to the residents and industries of Buffalo?

Mr. LEHMAN. There is no question about it. As I said, it would be amusing, if it were not so tragic. I sympathize very much with the people of Buffalo and the surrounding area, who were in a complete blackout for more than 2 hours.

In view of the questions raised by the Senator from Illinois, I wish to read a memorandum, as a part of my speech, in reply to some of his questions.

DIVERSIONS OF NIAGARA WATER FOR POWER PURPOSES

Diversions of water from the Niagara River for power purposes have been strictly limited by international treaty between the United States and Canada for more than 45 years.

The Boundary Waters Treaty of 1909, signed by the United States and by Great Britain, on behalf of Canada, was negotiated under President Theodore Roosevelt by Secretary of State Root and Ambassador Bryce, submitted to the Senate by President Taft, and ratified in 1910.

This treaty limited United States diversions from the Niagara to 20,000 cubic feet of water per second, and Canadian diversions to 36,000 cubic feet of water per second. This apparent disparity was designed to offset the Chicago diversion from the Great Lakes system by the United States and also the use of Niagara water on the Canadian side by powerplants then owned by United States power companies which transmitted their output from Ontario to New York customers.

By exchanges of notes in the defense emergency preceding United States entrance into World War II and during the war both the United States and Canada arranged to increase their diversions on a temporary basis. I emphasize the word "temporary." Otherwise, the limits fixed in the 1909 treaty for permanent diversions stood until the Niagara Treaty of 1950. The new treaty increased the total permanent diversions to 130,000 cubic feet per second for both countries, evenly divided to permit an annual average of 65,000 cubic feet per second for each.

Canada has now virtually completed its new project on the Niagara, with an ultimate capacity of 1,375,000 kilowatts, to utilize the full Canadian share of the Niagara diversion under the treaty of 1950.

The United States, on the other hand, until S. 1823 authorizes redevelopment on our side, will enjoy the use of only 20,000 cubic feet per second on a permanent basis, and the temporary use of an additional 12,500 cubic feet per second permitted under the wartime emergency arrangements, which may be terminated at any time.

In summary, the United States Niagara diversions are as follows:

Under 1909 treaty, 19,725 cubic feet per second. This is all the water covered by the FPC license of 1921, permitting permanent use by Niagara Falls Power Co., the licensee, until 1971.

Niagara Falls Power Co. applied for, but was denied by FPC, an amendment to its license, permitting the permanent use of the remaining 275 cubic feet per second of the 1909 Boundary Waters Treaty water.

Under World War II temporary arrangements, 12,775 cubic feet per second, including the 275 cubic feet per second noted just above.

Total, permanent and temporary, 32,500 cubic feet per second.

Thus, the United States cannot use its full share of 65,000 cubic feet per second, on a parity with Canada, until the authorization for redevelopment in a new project on the United States side, provided for in S. 1823, is passed. Until then, the permanent use of water by the United States will remain at 19,725 cubic feet per second, and the temporary use at 12,775 cubic feet per second.

The recommittal or defeat of S. 1823 would thus delay for an indefinite period the use of waters capable of development in a project producing tremendous blocks of low-cost hydroelectric energy.

It should not be overlooked that the Niagara Falls Power Co., a wholly owned subsidiary of Niagara Mohawk Power Corp., has a very large vested interest in delay on this bill, S. 1823, even if it fails to obtain passage of S. 6, the Capehart private development bill.

The licensee may hope to continue its present temporary use of 12,775 cubic feet per second until Congress acts to authorize the new redevelopment project. The new project under S. 1823 would use this water, plus an additional 23,225 cubic feet per second, or a total of 45,225 cubic feet per second. The remaining 19,725 cubic feet per second would continue to be used by the Niagara Falls Power Co. under its 1921 FPC license, running until 1971.

The records of the Public Service Commission of New York show that the licensee has made millions of dollars in profits from its temporary use of the Niagara diversion, which would cease when the Congress acts.

Let me say to the Senator from Illinois that I am very grateful to him for posing these questions, because he has given me the opportunity, in addition to answering many other issues, of placing this memorandum in the Record in reply to his inquiry. I think there is comparatively little understanding of the main issue, that if we do not develop the power, Canada will develop it.

We will not gain. Of course, a motion to recommit would delay the bill for a long time. I cannot believe that Congress would ever turn over this great natural power resource to private development. It would not make sense to do so, and I cannot believe that the people of the United States would approve such action.

Therefore I am very grateful to the Senator from Illinois for asking the questions he has asked.

Niagara Mohawk vigorously supported the ratification of the 1950 treaty at the public hearings held early in that year before the Committee on Foreign Relations. The president of the corporation, Mr. Earl J. Machold, gave formal written notice to Chairman Connally and the committee that Niagara Mohawk would file an application for private development of all the additional Niagara power, under a license from the Federal Power Commission, as soon as the Senate approved the treaty.

The able Senator from Vermont [Mr. Aiken], with keen foresight, had anticipated this very demand on the part of Niagara Mohawk many months before the treaty was signed and submitted to the Senate. In a speech on this floor, February 8, 1948, the Senator warned that the utilities, even then, were driving for private development of the tremendous power potential of the Niagara. If such an attempt succeeded, the Senator aptly stated, it would be the biggest raid on our public power resources in the history of the Nation.

It was only as a result of the timely action taken by the Committee on Foreign Relations and by the Senate itself, in the consideration of the 1950 treaty, that such a raid was forestalled.

The Senator from Vermont, who was not then a member of the committee, submitted a draft reservation to the treaty, which, after deliberate consideration, was unanimously approved by the committee and reported to the Senate with the treaty. Its text is as follows:

> The United States on its part expressly reserves the right to provide by act of Congress for redevelopment, for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

Thus the committee proposed that instead of turning the new power potential of the Niagara over to the Niagara Mohawk Power Corp. by placing these waters under the jurisdiction of the Federal Power Commission, both branches of Congress and the President should exercise their constitutional powers to provide by the usual legislative method for the authorization of the Niagara project.

Let me point out and emphasize that at that time, in 1950, there was no public agency in the State of New York authorized by State law to apply for a license or to construct a public power project on the Niagara.

It was not until the following year that the New York State Legislature gave the State power authority this function and jurisdiction, subject to the 1950 treaty and congressional approval. The Niagara Mohawk Power Corp., on the other hand, had the corporate power to build the project and was in a highly strategic position in 1950 to obtain a license as the sole applicant.

The committee was, of course, also fully aware that most of the major river development projects undertaken, since the Federal Power Commission was created in 1920, have been authorized by congressional legislation, without in anywise repealing or amending the Federal Power Act or impairing the proper functioning of the Federal Power Commission.

The Aiken reservation was adopted by the Senate without a dissenting vote from any Member of this body, Republican or Democrat. The then minority leader, Senator Wherry, of Nebraska, drew attention to its text as reported to the Senate and stated on the floor:

> I understand the reservation, and I appreciate it very much.

The reservation was adopted on August 9, 1950, and thereafter, also without a dissenting vote, the Senate gave its advice and consent to the ratification of the treaty, subject to the reservation.

This was by no means the first time, Mr. President, as I have already said, that the Committee on Foreign Relations has been called upon to take timely and effective action to safeguard the Niagara resource in the public interest.

On February 18, 1931, the committee met to consider the Niagara protocol, a treaty which had been negotiated and signed with Canada to increase the diversions of water for power purposes. Under this treaty, it was proposed that the Niagara Falls Power Co. should build the remedial works at the falls. In return, the power company was to receive as a "gift"—as the committee chairman called it—the right to divert 10,000 cubic feet of water per second, in addition to the diversion under its license.

That treaty was rejected by the unanimous vote of the 19 members of the committee. Joining in this action were such notable members of this body as Chairman Borah, Senator Vandenberg, Senator Wagner, Senator La Follette, Senator Walsh of Montana, Senator Robinson of Arkansas, and our distinguished colleague, the present chairman of the committee, the senior Senator from Georgia [Mr. George].

The matter of the Niagara power diversion arose again in the defense emergency of World War II, and again the committee and the Senate acted to protect the public's immense stake in this resource.

We were then suffering an acute power shortage in New York as a result of the staggering demands for defense production. The program for public development of the Niagara and the St. Lawrence envisioned by Governor Smith had been blocked for more than 20 years. It therefore became necessary in the midst of the world war to increase our power supply from every available source.

We at Albany—and I was Governor at the time—cooperated with the Federal Government in a program to divert some additional amounts of Niagara water, on a strictly temporary basis, to meet the emergency. Washington exchanged a series of notes with Ottawa to agree on temporary increases in the Niagara diversions permitted under the treaty of 1909.

I recall vividly how the senior Senator from Georgia [Mr. George] held that these agreements, although temporary in nature, were, in effect, amendments to the 1909 Boundary Waters Treaty and would require the advice and consent of the Senate. As a result of his insistence on this procedure, New York was then able to maintain and reassert its policy for the use of this water for subsequent public development. I expressed the views of New York State on this matter in an official communication from myself as Governor, which the senior Senator from Georgia presented on the floor of the Senate during consideration of the treaty amendments. By the action then taken by the Foreign Relations Committee and the Senate, the wartime diversions were kept on a temporary basis and the Niagara resource has come down to us, unimpaired, for full-scale public development under the pending bill.

Mr. President, the only measure we have before us is S. 1823, reported by the Committee on Public Works with a strong nonpartisan recommendation for its passage.

One other bill has been introduced in the Senate and considered by the committee during this Congress dealing with the Niagara. That is S. 6, offered in each Congress since 1951 by the able Senator from Indiana [Mr. Capehart].

I recognize the complete sincerity of conviction of the Senator from Indiana in pressing vigorously, as he has for the past 5 years, in support of this private development bill. That measure was originally introduced in the House with perfectly open support from the Niagara Mohawk Power Corp. It has been endorsed by the heads of Niagara Mohawk at all the hearings held on the project since 1951. It, of course, provides for private utility development of all the remaining power of the Niagara.

It was stated at the hearing that, under the first version of this bill, the power would be developed, transmitted, and marketed, with full control over this enormous block of potential energy, from the bus bar to the ultimate consumer, by a single private power company—Niagara Mohawk.

Since 1951, however, Niagara Mohawk has announced agreements with four other large but completely noncompetitive private power companies in New York State, which, it states, will participate to some extent in the private development. Consolidated Edison of New York City, which has always been closely allied with Niagara Mohawk, is one of these companies.

The distinction drawn, in connection with the present version of the bill, between turning Niagara over to 5 companies instead of 1 company, is more apparent than real. Niagara Mohawk is the principal power company in upstate New York. It controls the main transmission lines running from the project site at Niagara Falls, east from Buffalo to Albany, and south to the gateways of the city of New York. Under the bill S. 6, Niagara Mohawk would unquestionably build, own, and operate the project, and control the transmission and distribution of the great bulk of project power.

The Senator from Indiana, I am sure, will be the first to concede that he is strongly opposed on principle to public power projects, whether they be State or Federal. He has opposed previous measures for public development of the Niagara, offered by my colleague [Mr. Ives], and endorsed by Governor Dewey, with the same vigor and impartiality as he now opposes the bill recommended by the committee.

As I said in the beginning of my remarks today, the choice here lies between S. 1823, recommended by the committee, and S. 6, rejected by the committee. Every Senator must realize, in making this choice, that S. 6 flies in the teeth of the laws of my State, and the declared policies of its Governors and the New York State Legislature for over half a century. S. 6 cannot be enacted without sweeping aside these State laws and public policies. It would inevitably lead to further intolerable delays and the continued shocking waste of our major unused hydroelectric resource.

I am aware, Mr. President, that another plan was proposed in the last Congress as an alternative to congressional authorization of the Niagara project.

It was not reintroduced in the Senate in this Congress. It was not made the subject of the 1955 public hearings before the committee, and it is not dealt with in the committee's report.

I refer to S. 2599, of the 83d Congress, 1st session. This bill was reported, but was not recommended for passage by a majority of the committee in the last Congress.

This previously proposed measure would call upon the Senate to reverse its historic record for safeguarding the Niagara resource, and, in effect, repeal the protective reservation to the Niagara Treaty of 1950.

Of course, no such bill has been introduced at this session and it is not pending before Congress. I assume that the general idea was considered—and rejected—by the Public Works Committee. I should like to state, at this point—in the event any Senators have been urged to consider this method as a possible alternative to the measure recommended by the committee—that in my own judgment, this would be a most unwise and unfortunate alternative.

It would completely bypass the ordinary legislative procedures of the Congress and take the matter out of the jurisdiction of the committees of Congress which have devoted so much study to the Niagara project over the years.

If the Federal Power Commission should be given the jurisdiction they do not now have to dispose of the Niagara resource, there would be no possibility, as the Federal Power Commission has itself affirmed, of stipulating safeguard provisions—those conditions which Congress has traditionally insisted upon for the protection of the interest of the consumers.

The law of New York State contains general language which is perfectly consistent with the preference provision of S. 1823, but the language of the New York law is not detailed in regard to preferences and other safeguards. Hence, it is highly essential that the Congress stipulate these conditions as set forth in S. 1823.

Moreover, the so-called shortcut method of turning over the Niagara resource to the discretion of the Federal Power Commission would raise the possibility at least of having this resource turned over to the private utility monopoly, under license from the FPC.

Finally, it would involve further inexcusable and unjustifiable delays in the use of this precious waterpower. The Senate has before it a bill reported by the Public Works Committee. If this bill is approved and if the House thereafter acts speedily, as it can because the House Public Works Committee has already completed its hearings on this proposed legislation, work on the Niagara project can start this very fall. To delay it further would be an extravagant waste, an imposition on the interests of the United States.

Should a proposal be made on the floor of the Senate to substitute for the pending bill the proposal to turn this resource over to the jurisdiction of the Federal Power Commission, I shall have more to say on the subject. I am sure the members of the Public Works Committee will, also, have further debate on the subject.

Certainly, at this point, the proposal I have just referred to is moot and academic.

Mr. President, I am not going to try to answer all the arguments which might possibly be raised against S. 1823, although we are fully prepared to answer each of them. But I shall wait until the arguments are actually made.

I know, for instance, that the proponents of the private giveaway will talk, as they did in committee, about the loss to the Federal Treasury of the taxes a private development bill. reserves the right to provide by act of Con- notable members of this body as Chair-

private utility might pay. We are prepared, at an appropriate time, to present the affirmative argument on the actual relationship of the Niagara development to the question of tax revenue and the question of our free enterprise system.

We are prepared to show beyond question that the Niagara project, as authorized under the terms of S. 1823, will result in the creation of new wealth, new industry, and new income, and will mean a substantial net increase in public revenues, and not a loss.

We shall likewise show that the Capehart bill, S. 6, rejected by the committee and described in the text of the bill as furthering private enterprise, proposes a program that is, in fact, neither private, nor does it involve enterprise in the ordinary meaning of the term. That plan would simply utilize the power of government to exploit a great resource in the public domain, to produce a sure profit for private owners under a government license, involving no risk and no enterprise on the part of the private monopoly combine.

Other proponents of this bill will discuss in more detail than I the safeguard provisions of S. 1823. These provisions will enable nonprofit and public agencies, including rural electric cooperatives and defense agencies of the Government, to gain access to a reasonable share of project power. It will do this in accordance with the long-established right of such agencies to be considered preference customers.

In closing, I wish to touch briefly on just one more of the extraordinary arguments put forward by the utility industry itself to influence congressional action on the pending bill.

An organized effort has been made to lead the general public and the Congress to believe that the people of New York State do not support the public development of the Niagara and would prefer to see their invaluable resources surrendered to private interests.

Hundreds of thousands, if not millions, of dollars have been expended over the last 5 years to promote the private development plan in radio and television broadcasts, in full-page magazine and newspaper advertising, and by the use of other mass circulation media.

I can assure you, Mr. President, out of a lifetime of experience in intimate contact with the people of New York State, that this familiar type of special interest propaganda is utterly false and completely misleading.

Mr. President, I have been a candidate for statewide public office in New York nine times since 1928, and each time I have stood unreservedly for public development of the State's major hydroelectric power resources. If the people of my State opposed that program and embraced the program of the private utilities, it is obvious that I would not be here addressing the Senate today.

In the last statewide election in New York, in 1954, as I have previously noted, the Democratic and Republican Parties, and also the Liberal Party, pledged, in specific planks in their platforms, the public development of the Niagara, along with the St. Lawrence, for the primary benefit of the people as domestic and rural consumers. A combined total of 5 million votes were cast in that election for our present Governor, Averell Harriman, and for his opponent, the senior Senator from New York [Mr. IVES], both of whom repeatedly advocated the public development of both the Niagara and St. Lawrence resources.

Mr. President, before this debate ends, I shall be prepared to present abundant concrete evidence of the public support in New York State for a public development of the Niagara. I propose to address myself at some little length to the synthetic charge that New York State does not want this public development.

There is not a scintilla of doubt in my mind as to how the people of New York State stand on this issue and I would be glad to challenge any New Yorker, of either party, to run for statewide public office on a platform of private development of the Niagara.

Mr. President, I have not given all the arguments for S. 1823. Many points which I have not covered are contained in the excellent report which is before you. I have, however, tried to summarize some of the arguments and to sketch in some of the historic background. I hope that the Senate will consider that the stage has been set for a speedy consideration of the merits of this bill and for an early affirmation of the action by the Senate Public Works Committee in recommending that the bill be approved.

EXHIBIT NO. 1

NIAGARA REDEVELOPMENT ACT OF 1956

(Excerpts from report to accompany S. 1823)

[The Committee on Public Works, to whom was referred the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.]

Senate bill 1823, introduced by Senator LEHMAN, authorizes construction of power facilities for utilization of the United States share of the waters of Niagara River in compliance with the reservation contained in the treaty between the United States and Canada, and in accordance with existing general laws of the United States and the provisions of the bill. The bill authorizes and directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of a project for power development of Niagara River, subject to the terms deemed necessary and required under the Federal Power Act, and including specific licensing conditions as follows:

1. In contracting for the disposition of project power, the New York Power Authority will give preference to public and nonprofit agencies, including rural electric cooperatives, and defense agencies of the United States, and make flexible arrangements in its contracts with private utility companies for withdrawal of sufficient power to meet the future needs of preference customers.

2. The use of such transmission lines as are necessary to make power and energy available to privately owned companies, preference customers, or neighboring States, at reasonable rates, shall be arranged by contract or acquired by lease, purchase, or construction.

3. Provisions shall be included to make a reasonable share of the power available to neighboring States within economic transmission distance, the Federal Power Commission to determine the applicable portion of such power available in event of disagreement.

4. Power shall be sold and distributed primarily for the benefit of the people, particularly domestic and rural consumers, at the lowest possible cost and to encourage the widest possible use.

5. If power is sold for resale, provisions shall be made for establishing resale rates approved by the licensee, consistent with (4) above.

6. In cooperation with the appropriate agency of the State of New York concerned with development of parks, the licensee shall construct a scenic drive and park on the American side of the Niagara River near Niagara Falls, pursuant to a plan approved by the Federal Power Commission, the cost of such drive and park up to a maximum of $15 million to be borne by the power project and considered a part of the licensee's net investment in said project.

The license issued shall be in conformance with the Rules of Practice and Procedure of the Federal Power Commission, but in the event of any conflict, the provisions of S. 1823 will govern.

COMMITTEE HEARINGS

The Committee on Public Works held hearings on S. 6 and S. 1823 on July 13, 14, and 15, 1955. At these hearings testimony was received orally or in written form from Senators, Members of the House of Representatives, the executive department, counsel to the Governor of the State of New York, representing the Governor, the chairman of the New York Power Authority, city and county officials, representatives of farm, labor, manufacturers, chambers of commerce, public power, and citizen groups, private power companies, and rural electric cooperatives.

These witnesses expressed their views with regard to the bills before the committee. Practically all of them agreed that there is urgent need for early development of additional power at Niagara Falls, to prevent the waste of water now going over the falls and to utilize the portion of such water allocated to the United States by the treaty. Information was presented on the need for power in the northeastern region of the United States, and the high power rates that now exist in the area.

GENERAL STATEMENT

As to the economic feasibility and the desirability of developing the full power potential of the Niagara River, the committee is convinced, and in fact there is no difference of opinion. The committee is further convinced that the unique Niagara Falls hydroelectric resource should be utilized under the long-established congressional power policy in a manner to assure lower electric bills to consumers throughout the Northeast.

Before the Niagara power can be developed in any way legislative action is necessary because of the reservation which the Senate attached to its ratification of the Niagara Water Treaty, retaining the jurisdiction of Congress over the manner of development of this resource. The Senate, under the terms of the reservation, reserved to Congress the final disposition of this hydroelectric resource.

There is no controversy as to the most desirable engineering plan of development. Plans have been developed for the proposed project by cooperation among the Bureau of Power of the Federal Power Commission, the Corps of Engineers, the New York Power Authority, and the Niagara Mohawk Power Corp. * * *

The committee believes that development of Niagara power by the Power Authority of the State of New York as provided in Senate bill 1823 will have the effect of bringing down power supply costs for these public and cooperative systems, and will mean lower rates for all the consumers throughout the region. Testimony presented at the hearings estimated that such development would result in a reduction of 20 percent in the power costs in the area, which would mean an annual saving of about a third of a billion dollars in the region's annual electric bill. It was estimated that the Niagara power alone would save approximately $25 million annually in fuel bills over an equal amount of power developed by steam-electric sources.

It is recognized that both Niagara and St. Lawrence power will be generated, transmitted, and distributed on the Canadian side of the rivers on a public-ownership basis. This may become a factor in competition for expansion of business and population. All classes of electric service are available at lower rates in Canada. As a result, average consumption of electricity in Ontario is more than double that on the United States side of the border. In 1950 the average home in Toronto purchased 3,888 kilowatt-hours of electric service at less cost than the average home in Rochester, N. Y., that only used 1,252 kilowatt-hours. Industrial power rates in Rochester are 82 percent higher than in Toronto, based on a power demand of 1,000 kilowatts and a monthly use of 400,000 kilowatt-hours of energy.

The committee therefore recommends enactment of S. 1823 at an early date to permit prompt planning and early completion of this most desirable project in order that the many benefits may accrue to serve the needs of the northeastern region of the United States.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I am very glad, indeed, to yield.

Mr. DOUGLAS. First, I wish to congratulate the Senator from New York not only upon his speech but upon the attitude which he has always taken as a citizen, as Lieutenant Governor of New York, as Governor of New York, and as United States Senator, in advocating the public development of the latent power at Niagara Falls and on the St. Lawrence.

I think, however, that the Senator from New York is much too modest when he says he has been waiting and working for this moment for 6 years, because I believe he has been working for this moment for well over 35 years.

If the Senator from New York will permit me to make a further remark, I may say that one of my chief sources of reading matter as a boy was the old New York World. My family were Yankee Democrats and subscribed to the New York World, which we received every morning, although it was always some 2 or 3 days late.

The New York World, under the editorship of the great Joseph Pulitzer, was insistent, in the early days of the century, first, that the scenic beauty of Niagara Falls should not be destroyed by power developments; and, second, that any development which did occur should be by public authority rather than by private companies. Am I not correct?

Mr. LEHMAN. The Senator is quite correct.

Mr. DOUGLAS. As I remember it, since the Senator from New York has mentioned it, when Charles Evans Hughes was elected Governor of New York as a result of the insurance scandals in 1905, he opposed the attempts of private companies to take the water of Niagara Falls and spoil the scenic beauty of that area.

Mr. LEHMAN. He opposed it very vigorously and very successfully.

Mr. DOUGLAS. Then later, in the years from 1918 to 1928, during 8 of which Alfred E. Smith was the Governor of New York, did not Governor Smith make as his principal campaign argument the fact that the waters of the Niagara should be developed by a public authority?

Mr. LEHMAN. The Senator from Illinois is entirely correct. I will have to digress a moment in my answer. I mentioned that I had lived and worked with this project for 6 years. I limited the period to 6 years because that was the period in which I was vested with authority, until the treaty with Canada was ratified. As a matter of fact, I have been living and working with this project, and with the St. Lawrence, as well, for 35 years.

The Senator from Illinois has mentioned Alfred E. Smith. That ties up entirely with my statement that I have been interested in the matter for 35 years.

Mr. DOUGLAS. The Senator from New York was one of the closest friends and one of the most confidential advisers of Governor Smith, was he not?

Mr. LEHMAN. I was. I remember hearing Governor Smith at a dinner of the League of Women Voters of New York describe the usefulness and the necessity, really, of developing both the St. Lawrence and the Niagara. He did it in such a graphic and dramatic way that he sold me on the proposition completely. That was the origin of my knowledge of the waterpower development of our natural resources and of my great interest in them. That was 35 years ago. I appreciate very much having the Senator from Illinois remind me of that, because it possibly would have escaped my recollection.

Mr. DOUGLAS. The Senator from New York probably does not remember the fact, but I first met the Senator from New York when he was lieutenant governor, in 1931, when the then Governor of New York, Franklin D. Roosevelt, called a conference on employment problems.

Mr. LEHMAN. I remember that very well.

Mr. DOUGLAS. I was invited to the executive mansion in the evening, and I remember conversing there with both Governor Roosevelt and Lieutenant Governor LEHMAN about the problem of the development of electric power on the Niagara and the St. Lawrence and the necessity for public development of low-cost power being obtained for the citizens of New York.

Mr. LEHMAN. I remember that meeting very well indeed. That was a good many years ago. I may say that one of the great satisfactions I have had in being a Member of the Senate is that I have been able to continue that association with the Senator from Illinois.

Mr. DOUGLAS. The Senator from New York has mentioned the fact that he has run for office 9 times since 1928, each time on a platform favoring the public development of the St. Lawrence and the Niagara. If I am correct, I believe the Senator from New York has been victorious in 8 of those 9 contests.

Mr. LEHMAN. That is quite correct. I was successful in 8 campaigns; and in the ninth, in which I was defeated, I ran 450,000 votes ahead of the ticket.

Mr. DOUGLAS. But the Senator was defeated at that time, in 1946, by a very honorable man, who is now the senior Senator from New York [Mr. IVES].

Mr. LEHMAN. Yes; and my only regret is that he is not on my side this time.

Mr. DOUGLAS. That gives the junior Senator a batting average in New York of approximately .889 percent. Is not that correct?

Mr. LEHMAN. I am not so fast in my mathematics.

Mr. DOUGLAS. I think that is the batting average. Would not that be an extremely high batting average in any political league? Perhaps the Senator does not want to answer that question, so I will say for him that it would be an extremely high average.

The people of the State of New York know the Senator's sentiment on this matter, do they not?

Mr. LEHMAN. I do not think there is anyone in New York who does not know my sentiments. I do not think there is anybody in New York State who has not had the matter presented to him in every one of the campaigns which have been waged since 1918.

Mr. DOUGLAS. That was true in the campaigns of Alfred E. Smith, who won 4 times out of 5, was it not?

Mr. LEHMAN. Yes.

Mr. DOUGLAS. And also of the campaigns of Franklin Roosevelt, who won both times that he ran?

Mr. LEHMAN. The Senator is correct.

Mr. DOUGLAS. The Senator from New York was victorious in his campaigns for governor in 1932, 1934, 1936, and 1938, and he has been twice victorious in his two campaigns for the Senate since 1949.

Mr. LEHMAN. That is correct.

Mr. DOUGLAS. And he was twice victorious in his campaigns for lieutenant governor in 1928 and 1930.

Mr. LEHMAN. Also, it is true of the present governor, Governor Harriman.

I think it may be a matter of some interest to state that the only governor within my memory, with whom I was personally acquainted, who did not support the public development of power was Governor Miller.

Mr. DOUGLAS. He was elected, I believe, in 1920.

Mr. LEHMAN. In 1920.

Mr. DOUGLAS. And he was defeated in 1922.

Mr. LEHMAN. Yes, he was defeated in 1922, when he did not support the public development of power. He was defeated by Gov. Alfred E. Smith. So the only governor who did not support public power was defeated for reelection.

Mr. DOUGLAS. I congratulate the junior Senator from New York, and I express the hope that we shall shortly see the successful fruition of the half century of struggle by the people of New York and the struggle of a third of a century by the distinguished junior Senator from New York. He deserves the richest praise from the people not only of New York but also of the Nation.

Mr. LEHMAN. I thank the Senator from Illinois very much indeed.

RECESS TO 11 A. M. TOMORROW

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. LEHMAN. Mr. President, in accordance with the previous order, I now move that the Senate stand in recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 1 minute p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Tuesday, May 15, 1956, at 11 o'clock a. m.

CONFIRMATION

Executive nomination confirmed by the Senate April 14 (legislative day May 7), 1956:

Farm Credit Administration

Sam H. Bober, of South Dakota, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for the term expiring March 31, 1962.

HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

The House met at 12 o'clock noon.

The Reverend Harold B. Sedgwick, St. Thomas' Church, Washington, D. C., offered the following prayer:

Almighty God whom to forget is to stumble and whom to remember is to rise again, set Thy seal, we beseech Thee, upon every work which we do in Thy name, that we may not begin an action without a pure intention—we may not continue it without Thy blessing.

Give to each of us a passionate desire to see the truth, courage to say yes when it would be easier to say no, and no when it would be easier to say yes. May we never be content with anything less than the best, for Thou hast entrusted into our hands great responsibilities and infinite powers.

Deliver us from pettiness when human life is at stake. Teach us when to speak and when to be silent, when to rise up and when to sit down—so by the manner of our life may be judged the stature of our soul. Finally, O God, grant that we may so quit ourselves this day that when evening comes, we may be deserving of rest and quietness that only Thou canst give, at peace with ourselves and with our own consciences. Amen.

The Journal of the proceedings of Thursday, May 10, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3732. An act to provide insurance against flood damage, and for other purposes.

The message also announced that the Vice President has appointed Mr. Johnston of South Carolina and Mr. Carlson members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–13.

AMENDING THE INTERNAL REVENUE CODE OF 1939

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Cooper, Mills, Gregory, Reed of New York, and Jenkins.

SUPPLEMENTAL APPROPRIATION BILL—CONFERENCE REPORT

Pursuant to authority granted on May 10, Mr. Cannon on May 11 submitted a conference report and statement on the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

REV. HAROLD BEND SEDGWICK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, the Reverend Harold Bend Sedgwick, who has just given the opening prayer, has the distinction of being the great-great-grandson of a former Speaker of this body. Dr. Sedgwick's distinguished ancestor was Theodore Sedgwick, a Representative from the great State of Massachusetts. He was the Speaker of the House during the sixth session of the Congress and was the first Speaker to preside over the House when this body first met in the city of Washington.

Speaker Sedgwick presided over this body on November 18, 1800, when the Congress first met in Washington. The quarters in which the House met and over which Speaker Sedgwick presided, were the rooms now occupied by the Senate Disbursing Office in the original north wing of the Capitol, now known as the Supreme Court section of the Capitol.

Theodore Sedgwick served as a delegate, as a Representative, and also as a Senator from the State of Massachusetts. He was a member of the Continental Congress and was also a delegate to the State convention that adopted the Federal Constitution in 1788. Among his many distinguished public services were his service as President pro tempore of the United States Senate in 1798.

The great-great-grandson of this eminent son of Massachusetts, Dr. Sedgwick, who served as our chaplain today, is rector of St. Thomas' Church in Washington, D. C. We are glad to welcome him to this House, once so ably presided over by his fine ancestor.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. McCORMACK. I want to associate myself as an individual Member of the House, and speaking for the Democratic Members, with the remarks made by my friend, the gentleman from Massachusetts [Mr. Martin], in relation to Dr. Sedgwick. We are very happy to have Dr. Sedgwick with us to offer prayer on the occasion of the meeting of the House today. I know it must bring to Dr. Sedgwick a great feeling of happiness to know that he offered prayer in the very body over which his great-great-grandfather presided with such dignity, strength, and effectiveness.

For my colleagues I join my dear friend from Massachusetts [Mr. Martin] in the very appropriate remarks that he made on the occasion of Dr. Sedgwick offering prayer in the House today.

EDWIN K. STANTON

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2057, an act for the relief of Edwin K. Stanton, together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

GRAPHIC ARTS CORPORATION OF OHIO

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2893, an act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio, together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of the Graphic Arts Corporation of Ohio, Toledo, Ohio, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by the said Graphic Arts Corporation of Ohio as the result of the performance of a contract, Numbered W33–038ac 2023, dated April 17, 1944, entered into with the United States Army Air Corps.

"Sec. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code.

"Sec. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

S. H. PRATHER, MRS. FLORENCE PRATHER PENMAN, AND S. H. PRATHER, JR.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5535, an act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr., together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 21, after "skull" insert "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Forrester]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LT. MICHAEL CULLEN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7164) for the relief of Lt. Michael Cullen, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 11, after "veterans" insert ": *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Forrester]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mrs. PFOST. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service may have until midnight tonight to file a report on the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain department activities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEGISLATIVE PROGRAM FOR THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to announce to the Members of the House at this time that the conference report on the supplemental appropriation bill will come up for consideration on Wednesday next. I also desire to alert Members on both sides that, as far as I know at the present time, there is liable to be a floor fight on this matter, so that the Members may govern themselves accordingly.

I also desire to announce that on Thursday next His Excellency, Dr. Soekarno, President of the Republic of Indonesia, who will be in the United States at that time on an official visit, will address a joint meeting of the Congress. That is Thursday, May 17, at 12:30 p. m. We hope that as many Members as possible will be present.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I rise to inquire about the conference report on the sugar bill.

Mr. McCORMACK. Well, the gentleman from Massachusetts went as far as he possibly could the other day, and there is nothing further that he can add, and there is no further assist he can give at this time.

SEVER DIPLOMATIC RELATIONS WITH RUSSIA

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, recent events involving Communist Russia call for a study of the intent and purpose of that Government. The American people are entitled to know if the Russian Embassy and other satellite embassies are espionage centers. The record, Mr. Speaker, would seem to indicate that Russia is an international outlaw. Her actions to date confirm that statement. Has not the time come when we should consider ending our relations with men who control a government we cannot trust? As we look about the world today we know that wherever there is trouble it is being agitated systematically by world-wrecking Communists. There can be no peace, no hope for peace, so long as godless communism has a seat in the family of nations and is accorded the dignity of diplomatic, cultural and economic recognition.

Mr. Speaker, toward that end I have today introduced a House concurrent resolution to establish a joint congressional committee composed of 5 Members of the Senate and 5 Members of the House of Representatives. The purpose of this committee will be to conduct a full and complete study and inquiry with respect to all aspects of the question of severance of diplomatic, economic, cultural and all other relations between the United States and the Union of Soviet Socialist Republics.

Mr. Speaker, it did not take the Australian Government very long to close the Russian Embassy in Australia when it was discovered it was serving as an espionage center with the sole purpose of destroying the Australian Government. Can we afford to do less in view of events that have transpired in the past 5 years, not only here but throughout the world?

Mr. Speaker, the diplomatic history of the Soviet is a long and sordid one. Since 1917 Moscow has renounced more than 1,000 treaties, the latest being flagrant Communist violation of the Korean armistice. Evidence continues to accumulate that the longer we try to do business with Communists the deeper we are in the hole. Moscow's idea of diplomacy is subversion, and I repeat that her embassies and those of her satellites are espionage centers.

Her diplomatic missions are not channels for peaceful international relations but are merely new avenues of intrigue.

Mr. Speaker, the record is clear, you cannot do business with Communists.

Faith, trust and confidence are the very foundations of international relationships. Russia lacks all of these virtues.

TENNESSEE AND THE RURAL DEVELOPMENT PROGRAM

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, Tennessee has deep interest in the rural development program. Examination of House Document No. 149, Development of Agriculture's Human Resources, shows Tennessee as having both substantial and serious low income and level of living areas in agriculture. Plans to improve these conditions should be encouraged.

Resulting from the interest of President Eisenhower, and the studies by the Department of Agriculture which culminated in the President's message to Congress on April 26, 1955, a meeting was held at Memphis, Tenn., in June 1955. At this time broad general plans were discussed on the national level for the rural development program.

In August, a Tennessee State meeting on the same subject was held in Nashville. Following this, three pilot counties were selected for intensive study and work to see what could be done through coordinated, concentrated effort. These three counties are Grainger, Macon, and Hardin. They are representative of different areas and conditions within the State.

Not only a State committee but an active county committee in each of these countries has been at work. Studies, plans, and programs have been developed. There is enthusiasm.

Hardin County says:

> It is * * * believed that through coordinated effort of all local groups and organizations using all available local resources along with States and Federal assistance, that outstanding progress can be made in raising the economic, social, educational, recreational, and religious level of the low-income group of people. * * *
>
> It is difficult to foresee, at this time, all the help needed to initiate and activate the work on specific problems identified in this plan as immediate approaches to the expansion and progress of the rural development program. However, it is recognized that consultant service and technical assistance in conducting research projects and surveys, additional full-time personnel, and extra funds will be needed for the immediate growth of this program.
>
> Technical assistance is needed from the State and national level to: Assist in research or factfinding studies; supply authentic information, both verbal and written; provide advisory and counseling services in all phases of this program.
>
> Some additional full-time personnel is needed at the local level, including: * * * a trained person to coordinate the rural development program; a veterinarian; and a forester.
>
> Additional funds will be needed to: * * * employ additional personnel; meet other expenses necessary to the development of the program.

Among the possible solutions listed by Macon County, are:

> More liberal low interest credit needs to be offered these low-income farmers. To be specific we need a full-time Farmers Home Administration supervisor in Macon County to make loans for fencing, seeding, fertilizer, and establishing foundation herds of livestock.
>
> The Soil Conservation Service district needs additional help for laying out contours in strawberry fields, digging additional livestock ponds, and general conservation practices on all farms.
>
> Add special agents to the present extension staff to carry out educational aspects of this program and do farm and home planning on these low-income farms in particular.

Grainger County includes among items of immediate help needed:

> Increased ASC funds for conservation practices. * * *
>
> Additional technically trained extension personnel. * * * More space is needed for materials, records, posters, demonstrations, office visits, and workshops.
>
> More adequate research information, census data, conservation needs, group desires, interests, farm potentials.
>
> A plan of action for reforestation and fire protection in the county, for watershed control of farms, communities, and the county.
>
> Credit loans for buildings, equipment, and farm-home needs. * * *
>
> Specialists' help in overall program.

In its budget requests for fiscal year 1957, the Department of Agriculture provided reasonable minimum sums for initiating the type of work outlined above in some pilot counties throughout the areas of need within the United States. The report of the Appropriations Committee recommends severe cuts in these sums. The needs are so great and the requests are so reasonable that I feel we should restore to the budget the full amounts for these purposes requested by the Department of Agriculture.

WORKMEN'S COMPENSATION LAW FOR THE DISTRICT OF COLUMBIA

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Mr. Speaker, this is District Day. At a meeting of the Committee on the District of Columbia, 2 or 3 weeks ago, we reported out a number of bills. Among them was H. R. 3015 which has for its purpose enacting a workmen's compensation law for the District of Columbia. I notice the bill is not listed for consideration today although the committee took definite action to the effect that it should be brought up on District Day.

My inquiry is, how do we bring up a bill in conformance with the wishes of the committee, that committee having voted out the bill to be considered on District day?

The SPEAKER. The Chair will state that the chairman of the committee has not consulted with the present occupant of the Chair on the matter of bringing up that bill.

Mr. MILLER of Nebraska. Mr. Speaker, the bill was reported out by the full Committee on the District of Columbia.

The SPEAKER. That does not automatically put it on the program.

Mr. MILLER of Nebraska. It is on the Union Calendar now, having been reported May 7. Does it require a rule to take it off the Union Calendar, or may any member of the Committee on the District of Columbia bring the bill up for consideration?

The SPEAKER. If the committee directs and authorizes some Member to bring it up, he may do so. The Chair will recognize him for that purpose.

PUBLIC WORKS APPROPRIATION BILL, 1957

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that it shall be in order to consider the public works appropriation bill for 1957 on May 22 without regard to the fact that it will be reported on May 21.

Mr. MARTIN. Reserving the right to object, Mr. Speaker, is that agreeable to the minority members of the committee?

Mr. RABAUT. I may say that the gentleman from Wisconsin [Mr. DAVIS] cannot be here on the day it was scheduled for before.

Mr. MARTIN. This is agreeable to him?

Mr. RABAUT. It is agreeable to him.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ATOMIC SCIENTIST WARNS UNITED STATES GOVERNMENT AGAINST DRAGGING ITS FEET ON PEACETIME AND INDUSTRIAL USE OF ATOMIC ENERGY—UNITED STATES BEHIND BRITAIN AND U. S. S. R. IN THIS VITAL FIELD

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BASS of Tennessee. Mr. Speaker, on April 19, 1956, Dr. Alvin M. Weinberg, a noted authority on atomic energy pointed out some appalling facts before the Atomic Energy Industrial Forum, at Oak Ridge, Tenn.

Certainly the development of atomic energy for peaceful and industrial use is a subject which demands immediate and forthright action by this Government. Dr. Weinberg pointed out that the British Government and the Government of the Soviet Union are already spending a billion dollars each for the development of industrial uses of atomic energy. The United States Government has turned this tremendous task over to private industry and in his remarks Dr. Weinberg indicated that certainly our Government is dragging its feet in the development of this great potential.

I am placing in the Appendix of the daily RECORD the full text of Dr. Weinberg's statement at Oak Ridge and I hope that the Members of this body will study his remarks and give serious consideration to the emergency need now existing on the part of the United States Government in the development of atomic energy for peaceful and industrial uses.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA

Mr. HARRIS. Mr. Speaker, in the absence of our distinguished chairman, the gentleman from South Carolina [Mr. MCMILLAN], I call up the bill (H. R. 6782) to amend section 7 of "An act making appropriations to provide for the Government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

> *Be it enacted, etc.*, That paragraph No. 39 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (sec. 47-2339, D. C. Code, 1951 edition), is amended to read as follows:
>
> "PAR. 9. (a) The Commissioners of the District of Columbia are authorized and empowered to classify dealers in secondhand personal property (referred to in this paragraph 39 as 'dealers') and to fix and collect a license fee for each such class of dealer, which fee, in the judgment of the Commissioners, will be commensurate with the cost to the District of Columbia of inspection, supervision, and regulation of such class of dealer.
>
> "(b) In classifying dealers the Commissioners may take into consideration the kind of property dealt in, whether the property is retained by the dealer for sale at retail, whether the property is disposed of by the dealer out of the District of Columbia, whether the property is disposed of by the dealer as junk or otherwise, and such other criteria as the Commissioners may deem appropriate.
>
> "(c) Any person engaging in the business of buying, selling, trading, exchanging, or dealing in secondhand personal property of any description, including the return of unused portion of any ticket, order, or token purporting to evidence the right of the holder or possessor thereof to be transported by any railroad or other common carrier, however operated, from one State or Territory of the United States, or from the District of Columbia, to any other State or Territory of the United States or to the District of Columbia, shall be regarded as a dealer, and shall obtain the appropriate license and pay the fee therefor fixed by the Commissioners. For the purposes of this paragraph 39, the term 'secondhand personal property' shall not include any item of personal property (1) received as part payment or allowance on the sale of a new or rebuilt item of personal property, (2) returned by the purchaser of a new or rebuilt item of personal property for credit, refund, or exchange, or (3) which has been repossessed.
>
> "(d) When any property has been stolen and sold in the District of Columbia to a dealer under such circumstances that the Commissioners of the District of Columbia, after such dealer has been afforded a hearing, are satisfied that such dealer had cause to believe, or could have ascertained by reasonable inquiry or investigation that the property was stolen, and that the dealer did not make reasonable inquiry or investigation as to the title of the seller before making the purchase, the Commissioners are authorized and directed to revoke the license of such dealer; and this action shall not be a bar to criminal prosecution for receiving stolen goods: *Provided*, That nothing in this subparagraph shall be construed as prohibiting the Commissioners from suspending or revoking the license of such dealer under the authority contained in paragraph No. 46 of this section."
>
> SEC. 2. Paragraph 46 of section 7 of such act is amended (a) by inserting the designation "(a)" immediately before the first sentence of said paragraph 46; and (b) by adding thereto a subparagraph "(b)" reading as follows:
>
> "(b) Notwithstanding any of the provisions of this section requiring an inspection as a prerequisite to the issuance of a license, the Commissioners are authorized to provide by regulation that any such inspection shall be made either prior or subsequent to the issuance of a license, but any such license, whether issued prior or subsequent to a required inspection, may be suspended or revoked for failure of the licensee to comply with the laws or regulations applicable to the licensed business, trade, profession, or calling."
>
> SEC. 3. The first section of this act shall take effect on November 1 next year after the approval of this act.

With the following committee amendment:

> Page 3, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following: "item of personal property (1) which the possessor thereof has acquired as part payment or allowance on the sale by such possessor of a new or rebuilt item of personal property, (2) which the possessor thereof has acquired by reason of its return to him for credit, refund, or exchange by a person having purchased such item from such possessor, or (3) which is offered for sale, trade, or exchange by the person who repossesses the same."

The committee amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, paragraph 39 of section 7 of the act of July 1, 1902, provides that dealers in secondhand personal property shall be licensed and further provides that every person engaged in the business of buying, selling, trading, exchanging, or dealing in secondhand personal property of any description shall be regarded as a secondhand dealer.

The scope of this provision of the License Act of the District of Columbia is such as to require the licensing, as a secondhand dealer, of every person dealing in used personal property, regardless of whether the sole or primary business of such person is the buying, selling, or exchanging of used personal property, or whether his dealing in used property is only incidental to his buying and selling of new personal property, or to his dealing in used personal property as a result of his repossession of new merchandise sold by him, or whether he acquires the used property as part payment for new merchandise.

Existing law also requires that every person licensed as a secondhand dealer pay an annual license fee of $50, without regard to the extent to which such person deals in used personal property. For example, the operator of a small gasoline station taking in a few used tires and batteries as part payment on new tires and batteries is required to pay the same annual fee as any other person dealing in any and all classes of used personal property.

Certain provisions of the License Act require that certain inspections be made before a license can be issued. Thus an accumulation of license applications creates a backlog for certain kinds of licenses.

In order to allow a better and more equitable administration and application of the License Act provision relating to the licensing of second-hand dealers, and to expedite the issuance of license for certain business, trades, professions, or callings for which prelicensing inspections are now required, the Commissioners have recommended legislation which would accomplish the following:

First. Amend existing law so as to authorize the Commissioners to classify dealers in secondhand personal property and to fix the license fee for each such class of dealer.

Second. Amend existing law so as to authorize the Commissioners, by regulation, to provide for making inspections required under the act either before or after the issuance of a license, as the best interests of the District may indicate.

This proposed legislation would accomplish the following:

First. Authorizes and empowers the Commissioners to classify dealers in secondhand personal property and to fix the fee to be charged for the licenses to be issued the dealers coming within each such class at an amount commensurate with the cost to the District of inspecting, supervising and regulating each class of dealer.

Second. Establishes a number of standards to be observed by the Commissioners in connection with the classifying of dealers in secondhand property.

Third. Excludes from the category of used personal property new property which has been repossessed, used property traded in on new or rebuilt property, and new or rebuilt property returned by a purchaser for credit, refund, or exchange. This provision will relieve from compliance with the requirement that they be licensed as dealers a large number of merchants who deal principally in new or rebuilt merchandise and take in used property only as an incident to the sale of such new or rebuilt merchandise.

Fourth. The bill also provides that the Commissioners may by regulation require either prelicensing or postlicensing inspections so as to prevent a log jam of license applications.

This legislation has the approval of the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPLICATION OF UNIFORM SIMULTANEOUS DEATH ACT IN DISTRICT OF COLUMBIA

Mr. HARRIS. Mr. Speaker, I call up the bill (H. R. 7804) to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act, providing for the disposition of property where there is no sufficient evidence that persons have died otherwise than simultaneously and to make uniform the law with reference thereto, shall be in effect in the District of Columbia on and after the date of the enactment of this act.

NO SUFFICIENT EVIDENCE OF SURVIVORSHIP

SEC. 2. Where the title to property or the devolution thereof depends upon priority of death and there is no sufficient evidence that the persons have died otherwise than simultaneously, the property of each person shall be disposed of as if he had survived, except as provided otherwise in this act.

SURVIVAL OF BENEFICIARIES

SEC. 3. If property is so disposed of that the right of a beneficiary to succeed to any interest therein is conditional upon his surviving another person, and both persons die, and there is no sufficient evidence that the two have died otherwise than simultaneously, the beneficiary shall be deemed not to have survived. If there is no sufficient evidence that two or more benficiaries have died otherwise than simultaneously and property has been disposed of in such a way that at the time of their death each of such beneficiaries would have been entitled to the property if he had survived the others, the property shall be divided into as many equal portions as there were such beneficiaries and these portions shall be distributed respectively to those who would have taken in the event that each of such beneficiaries had survived.

JOINT TENANTS OR TENANTS BY THE ENTIRETY

SEC. 4. Where there is no sufficient evidence that two joint tenants or tenants by the entirety have died otherwise than simultaneously the property so held shall be distributed, or descend as the case may be, one-half as if one had survived and one-half as if the other had survived. If there are more than two joint tenants and all of them have so died the property thus distributed or descended shall be in the proportion that one bears to the whole number of joint tenants.

The term "joint tenants" includes owners of property held under circumstances which entiled one or more to the whole of the property on the death of the other or others.

INSURANCE POLICIES

SEC. 5. Where the insured and the beneficiary in a policy of life or accident insurance have died and there is no sufficient evidence that they have died otherwise than simultaneously, the proceeds of the policy shall be distributed as if the insured had survived the beneficiary.

ACT DOES NOT APPLY IF DECEDENT PROVIDES OTHERWISE

SEC. 6. This act shall not apply in the case of wills, living trusts, deeds, or contracts of insurance, or any other situation where provision is made for distribution of property different from the provisions of this act, or where provision is made for a presumption as to survivorship which results in a distribution of property different from that here provided.

UNIFORMITY OF INTERPRETATION

SEC. 7. This act shall be so construed and interpreted as to effectuate its general purpose to make uniform the law in those States which enact it.

SHORT TITLE

SEC. 8. This act may be cited as the Uniform Simultaneous Death Act".

REPEAL

SEC. 9. All laws or parts of laws inconsistent with the provisions of this act are hereby repealed.

SEVERABILITY

SEC. 10. If any of the provisions of this act or the application thereof to any persons or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application, and to this end the provisions of this act are declared to be severable.

With the following committee amendments:

Page 3, line 22, insert the following:

"ACT NOT RETROACTIVE

"SEC. 7. This act shall not apply to the distribution of the property of a person who has died before it takes effect."

Page 4, line 2, strike out "7" and insert "8."

Line 6, strike out "8" and insert "9."

Line 9, strike out "9" and insert "10."

Line 12, strike out "10" and insert "11."

The committee amendments were agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, this bill is to make the Uniform Simultaneous Death Act, as amended, apply in the District of Columbia. The District of Columbia is without any orderly plan of distribution of estates in case of simultaneous death. The District of Columbia and the other courts of the Federal jurisdiction utilize the common-law rule when confronted with the problem of survivorship in common disaster cases.

The Federal courts, including the District of Columbia, in applying the common-law rule, encounter enumerable problems of proof, and the result of discarding presumptions and exacting evidence is to put the burden of proving survivorship on any party claiming to derive title to property from a deceased person whose ownership during life depended upon his outliving some other person who was deceased. The result is that if the party on whom the burden of proof rests cannot make his proof, his case fails.

The common-law rule is stated in Wigmore on Evidence in the following words:

> Where two or more persons have perished in the same disaster, there is at common law no presumption of law that either survived the other, or that all perished at the same time. The burden of proving that one survived another will commonly be on any claimant for whom the fact is essential to his own chain of title (3 Ed. 2532).

The Supreme Court has said in the case of *Young Women's Christian Home* v. *French* (187 U. S. 401, 23 S. Ct. 184, 186, 47 Ed. 233), as follows:

> The rule is that there is no presumption of survivorship in the case of persons who perish by a common disaster, in the absence of proof tending to show the order of dissolution, and that circumstances surrounding the calamity of the character appearing on this record are insufficient to create any presumption on which the courts can act. The question of actual survivorship is regarded as unascertainable, and descent and distribution take the same course as if the deaths had been simultaneous.

The result of the common law rule has been the burden of proof which resulted from it. Whoever had the burden of proving survivorship was faced with an impossible situation, since, by the very nature of the problem, survivorship could not be ascertained.

In order to provide a solution to the problem of death in common disaster, resort has been to statutory enactment. The pending bill is the Uniform Simultaneous Death Act, as amended, prepared some years ago by the National Conference of Commissioners on Uniform State Laws and amended by it.

Forty-one States have enacted the Uniform Simultaneous Death Act, including the neighboring States of Maryland and Virginia. This act provides that where title to property or devolution thereof depends upon priority of death and there is no sufficient evidence that the persons have died otherwise than simultaneously, the property of each person shall be disposed of as if he had survived, except as provided otherwise in the act. It further provides that if property is so disposed of that the right of a beneficiary to succeed to any interest therein is conditioned upon his surviving another person, and both persons die and there is no sufficient evidence that the two have died otherwise than simultaneously, the beneficiary shall be deemed not to have survived. And if there is no sufficient evidence that two or more beneficiaries have died otherwise than simultaneously and property has been disposed of in such a way that at the time of their death each of such beneficiaries would have been entitled to the property if he had survived the others, the property shall be divided into as many equal portions as there were such beneficiaries and these portions shall be distributed respectively to those

who would have taken in the event that each of such beneficiaries had survived. The second sentence of section 3 constitutes an amendment of the original act adopted by the Commission on Uniform State Laws.

The bill further provides that where there is no sufficient evidence that two joint tenants or tenants by the entirety have died otherwise than simultaneously, the property so held shall be distributed, or descent as the case may be, one-half as if one had survived and one-half as if the other had survived; and that if there were more than two joint tenants and all of them have so died, the property thus distributed or descended shall be the proportion that one bears to the whole number of joint tenants.

The bill further provides that when the insured and the beneficiary in a policy of life or accident insurance have died and there is no sufficient evidence that they have died other than simultaneously, the proceeds of the policy shall be distributed as if the insured had survived the beneficiary.

The act shall not apply in the case of wills, living trusts, deeds, or contracts of insurance, or any other situation where provision is made for distribution of property different from the provisions of the act, or where provision is made for a presumption as to survivorship which results in a distribution of property different from that provided in the act.

The Judiciary Subcommittee of the House District Committee held a public hearing on this legislation on April 11, 1956, at which time no one appeared in opposition thereto. The bill has the approval of the Bar Association of the District of Columbia as well as the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT OF PUBLIC SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10768) to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of August 7, 1946, entitled "An Act for the retirement of public school teachers in the District of Columbia," as amended, is amended by adding at the end thereof the following:

"(C) (1) The annuity of any person who now or hereafter is receiving or entitled to receive an annuity from the teachers' retirement and annuity fund shall be increased, effective on October 1, 1955, or on the commencing date of the annuity, whichever is later, in accordance with the following schedule:

If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum.
July 1, 1956, and December 31, 1956	6 per centum	4 per centum.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum.
July 1, 1957, and December 31, 1957	2 per centum	1 per centum.

"Such increase in annuity shall not exceed the sum necessary to increase such annuity, exclusive of annuity purchased by voluntary contributions under this act, to $4,104. The monthly installment of each annuity so increased shall be fixed at the nearest dollar.

"(2) The increases provided by this subsection, when added to the annuities of retired employees, shall not operate to increase the annuities of their survivors, except that the annuity of any such survivor who becomes entitled to annuity shall be increased by the percent provided in subsection (C) (1) of this section appropriate to the commencing date of such survivor's annuity."

With the following committee amendments:

Page 1, line 7, strike "(C)" and insert "(c)."

Page 2, line 14, strike "(C)" and insert "(c)."

The committee amendments were agreed to.

Mr. ABERNETHY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: Add a new section reading as follows:

"SEC. 2. Any person entitled to annuity pursuant to the provisions of the act approved January 15, 1920 (41 Stat. 387), as amended, or the act approved August 7, 1946 (60 Stat. 875), as amended, may decline to accept all or any part of such annuity by a waiver signed and filed with the Commissioners of the District of Columbia or their designated agent. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

Mr. ABERNETHY. Mr. Speaker, this bill would increase annuities of retired teachers and school officers and of annuitants under the act of August 7, 1946. The amount of the increase is set forth on a percentage basis and would depend upon the commencing date of the annuity, as shown in the following schedule:

If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum.
July 1, 1956, and December 31 1956	6 per centum	4 per centum.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum.
July 1, 1957, and December 31, 1957	2 per centum	1 per centum.

The increase, which would be permanent, would not exceed the sum necessary to increase regular annuities—excluding annuity purchased by voluntary contributions—to $4,104. The bill includes language limiting the increase in annuity provided by the bill to $4,104. This language is identical to that which is contained in Public Law 369, 84th Congress, which applies to persons retired under the Federal Civil Service Retirement Act. Public Law 369 became effective October 1, 1955. The provision limiting increases in annuities to $4,104 has been construed by the Civil Service Commission as not adversely affecting any annuitant already retired or to be retired in the future under the Civil Service Retirement Act. It is the intent of the committee that this bill will have the same effect. It was the intent of this committee, at the time this legislation was considered, that no teacher under the District of Columbia school system would suffer adversely under this legislation. This would include past, present and future teachers in the school system.

The present value of the increased disbursement resulting from enactment of the bill is estimated at $2,619,100. The first year cost would be approximately $252,800.

This bill gives to retired teachers and school officers and to surviving annuitants of teachers and school officers the same percentage increases as was given to retired personnel and surviving annuitants under the Federal Civil Service Retirement Act by Public Law 369, 84th Congress.

The Commissioners of the District of Columbia have reported that they favor the increases in annuities which would be effected by this bill.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Maryland.

Mr. HYDE. Mr. Speaker, I am happy to see this bill being acted on. I introduced a companion bill to it with only slight differences.

I recommend for the future consideration of the House that when annuity bills are being considered for civil-service employees the teachers of the District of Columbia be considered at the same time and not have to wait in the future for another year or maybe several years, which has happened sometimes in the past, before they are given the same annuity benefits that are given other regular civil-service employees.

I thank the gentleman from Mississippi for yielding to me.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA POLICE AND FIRE DEPARTMENT AREA OF RESIDENCE

Mr. HARRIS. Mr. Speaker, following the presentation of the bill by the gentleman from Mississippi [Mr. Abernethy], the chairman of the Subcommittee on Health, Education, and Recreation, I now yield to the chairman of the Subcommittee on Police, Firemen, Streets, and Traffic, the gentleman from Georgia [Mr. Davis].

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2603) to increase the area within which officers and members of the Metropolitan Police force and Fire Department of the District of Columbia may reside, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there shall be no limitation or restriction of place of residence of any officer or member of the Metropolitan Police force, or of the Fire Department of the District of Columbia other than residence within the Washington, D. C., metropolitan district. For the purposes of this act, "Washington, D. C., metropolitan district" shall be held to include the District of Columbia and the territory adjacent thereto within a radius of 20 miles from the United States Capitol Building. Any officer or member of the Metropolitan Police force or the Fire Department of the District of Columbia living outside of the District of Columbia shall have and maintain a telephone at all times in his residence.

SEC. 2. No member of the Fire Department of the District of Columbia shall, unless on leave of absence, go beyond the confines of the District of Columbia, or be absent from duty without permission. Nothing in this section shall be construed to limit the right of officers and members of the Fire Department to reside anywhere within the Washington, D. C., metropolitan district. Leaves of absence exceeding 20 days in any 1 year shall be without pay and shall require the consent of the Commissioners of the District of Columbia. Thirty days shall be the term of total sick leave in any 1 year without disallowance of pay. Leave of absence with pay of members of the Fire Department of the District of Columbia may be extended in cases of illness or injury incurred in line of duty, upon recommendation of the board of surgeons approved by the Commissioners, for such period exceeding 30 days in any 1 year as in the judgment of the Commissioners may be necessary. For the purposes of this subsection "any one year" shall mean a year from January 1 to December 31, both dates inclusive.

SEC. 3. The following laws or parts of laws are hereby repealed:

(1) Section 373 of the Revised Statutes of the United States relating to the District of Columbia (D. C. Code, sec. 4–132).

(2) The act entitled "An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the Police Department," approved August 9, 1935 (D. C. Code, sec. 4–132).

(3) The second paragraph under the heading "Fire Department" of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, as amended (D. C. Code, sec. 4–409).

(4) The act entitled "An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department," approved August 9, 1935 (D. C. Code, sec. 4–409).

With the following committee amendment:

On page 2, lines 13 through 16, strike out the following: "Leaves of absence exceeding 20 days in any one year shall be without pay and shall require the consent of the Commissioners of the District of Columbia."

The committee amendment was agreed to.

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside.

Under existing law police and firemen may only reside within a 12-mile radius. This proposed legislation would permit them to reside within a 20-mile radius.

It is felt that if this bill is enacted into law police and firemen will be able to secure better housing at a more reasonable rate. Since there appears to be a trend among the younger men in the Departments to have large families the enactment of this bill would mean that they would be able to secure better housing with more land at a more reasonable price—thus having a place for their children to play rather than to have them in an apartment or a row brick house. It is further felt that the morale of the members of the Police and Fire Departments would be improved due to better living conditions.

This legislation has the approval of the White House Police, the Metropolitan Police Department, the Police Association of the District of Columbia, and Local 36, Fire Fighters Association of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10060) to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 405 of the District of Columbia Police and Firemen's Salary Act of 1953 (67 Stat. 72), as amended (sec. 4–821, D. C. Code), is amended by adding thereto the following new subsection:

"(e) Notwithstanding the provisions of subsection (c) of this section, the period June 27 to June 30, 1956, both dates inclusive, shall constitute a special pay period for the officers and members of the Metropolitan Police force, the White House Police force, and the United States Park Police force. Each day during such period shall be a workday for each such officer and member, and the provisions of subsections (a), (b), (c), and (d) of the first section of the Act entitled "An act to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force," approved August 15, 1950 (64 Stat. 447), as amended (sec. 4–904, D. C. Code), shall not be applicable during such period."

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to amend the District of Columbia Police and Firemen's Salary Act of 1953, so as to have the Police Department pay and work periods coincide, and thereby to eliminate certain administrative difficulties.

Until July 1, 1953, the pay periods and the work periods for the Metropolitan Police force coincided, with both the pay period and the work period commencing on a Sunday and ending on a Saturday. This coincidence made it possible for the Police force to be at greater strength during the peak days of police activity—Friday, Saturday, and Sunday—while at the same time allowing the police officers their two days off per week on the less active days of the week. The Salary Act of 1953, however, went into effect on July 1, 1953, a Wednesday, causing the Police force pay periods to begin on that day and end on a Tuesday. Because of the need for greater police strength at the weekend, it is not feasible to make the Police work period coincide with the pay period, and the lack of coincidence tends to create administrative difficulties in the department and hardship for the officers.

The bill establishes a four-day transitional pay period, beginning June 27 and ending June 30, 1956. During this four-day period, the days-off provision in existing law would be suspended, and all members of the Police force would be on duty. It is understood the members of the force have no objection to this provision. Beginning Sunday, July 1, 1956, the work period and the pay period would coincide.

The cost of the bill, resulting from the additional police services during the four-day transition period, will be approximately $25,000. The current appropriation for the Police Department is sufficient to absorb the cost. No additional cost to the District will be incurred in the future.

July 1, 1956, is a particularly opportune time to change from the present pay period to a standard biweekly pay period running from Sunday to Saturday, since July 1, 1956, a Sunday, is the first day of the new fiscal year.

A bill to accomplish the same objective for the Fire Department was enacted as Public Law 139 of the 83d Congress.

The legislation has the approval of the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERITORIOUS SERVICE BY POLICE AND FIRE DEPARTMENTS OF THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10375) to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929, is amended to read as follows:

"That for the official recognition of outstanding acts in the line of duty by the members of the Police and Fire Departments of the District of Columbia there shall be awarded annually 1 gold medal and 1 or more silver medals, appropriately inscribed, to those members of each Department who have by outstanding or conspicuous services earned such awards."

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to enlarge the opportunities for the members of both Departments to receive more than 1 silver medal award in any 1 year.

The chairman of the Commissioners' Committee of Award for Valor, Police and Fire Departments, has recommended that it be made possible to award 1 or more silver medals to appropriate recipients due to the fact that in recent years, with the enormous growth of our city, the Committee has found great difficulty in the bestowing of the silver medal of valor on only 1 member of each Department, especially when the same act of heroism is performed by 2 or more officers of any one Department. The Committee also felt that there should be only one gold medal for each Department, when merited, as is now provided by law.

This legislation has the approval of the Board of Commissioners for the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA WORKMEN'S COMPENSATION BILL

Mr. MILLER of Nebraska. Mr. Speaker, may I be recognized for 3 minutes in connection with one of the bills which is to come up on District day? I would like to ask a question of the chairman of the committee relative to the compensation bill.

The SPEAKER. Without objection, the gentleman is recognized.

There was no objection.

Mr. MILLER of Nebraska. I want to ask the gentleman from Arkansas [Mr. Harris], who is acting as chairman relative to the bill H. R. 3015, the District workmen's compensation bill, which the gentleman was instrumental in getting out of committee and which was reported, as to when we may expect to have the bill called up. It is not on the calendar for consideration today.

Mr. HARRIS. All I can say to my distinguished colleague is that I had no advance information regarding the program today. The chairman of the committee could not be here today and asked me to act as the chairman today, which I was glad to do. I observe that the bill was not included in the program for this week. Today being District Day, the bills which were programed were called up and have now been passed and acted on by the House.

Mr. MILLER of Nebraska. I thank the gentleman.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION BILL, 1957

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes. Pending that, I ask unanimous consent that general debate on the bill be limited to not to exceed 2 hours, one-half of the time to be controlled by the gentleman from Minnesota [Mr. H. Carl Andersen] and one-half by myself.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. I have no objection to general debate being set at 2 hours, 1 hour on each side.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. Whitten]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11177, with Mr. Forand in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Mississippi [Mr. Whitten] will be recognized for 1 hour; and the gentleman from Minnesota [Mr. H. Carl Andersen] will be recognized for 1 hour.

The Chair recognizes the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, our subcommittee has the responsibility each year of reviewing the overall activities of the Department of Agriculture. We sit for weeks questioning witnesses from the Department, studying the facts and figures having to do with the various activities and programs in the broad field of American agriculture.

The gentleman from Minnesota and I, as well as other members of our subcommittee, have been at this job for several years. In that period of time we have come to understand, to a considerable degree, many of the programs, but it is extremely difficult to be really conversant with every field of activity that is touched by the Department of Agriculture.

It was my privilege to serve under the gentleman from Minnesota [Mr. Andersen] for several years while he was chairman of this subcommittee. The American farmer has never had a better friend. H. Carl Andersen knows farm problems and he knows the Department. As a member of this subcommittee and as chairman, he has made full use of such knowledge to the best interests of agriculture and the Nation.

I also want to thank the other members of the subcommittee for their help and cooperation in bringing this bill to you today. Mr. Marshall, Mr. Deane, Mr. Natcher, Mr. Horan, and Mr. Vursell deserve full credit for their contributions to this effort. I do not believe any group could be more devoted to American agriculture and its place in the general economy of the Nation.

We have been helped on that subcommittee by the staff member who devotes his attention to that subject, Mr. Ross Pope. He has worked with us for a number of years, and I believe he has more information at his fingertips and more sound judgment with regard to various agricultural programs than perhaps any man in the country. I wish to pay this tribute to these gentlemen because I have worked with them.

We have brought you a very good bill making appropriations for the Department of Agriculture this year, particularly in view of the circumstances with which agriculture and those who farm are faced.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. I said the other day in our Subcommittee on Appropriations for Agriculture, and I want to repeat it here that I have found the gentleman from Mississippi [Mr. Whitten] through the years, devoted to the best interests of agriculture. When I say agriculture, I mean nationwide. I do not know of a man in the Congress who has tried to do more for agriculture, as we know it, than the gentleman from Mississippi [Mr. Whitten]. I say that after having served with him on the Appropriations Committee for 14 years. I feel that the House should realize that it is largely through the efforts of the gentleman from Mississippi that the avenues of exporting farm commodities have again been opened.

The gentleman from Mississippi [Mr. Whitten] was joined in that great effort by our colleague the gentleman from Washington [Mr. Horan].

I want to say to the gentleman from Mississippi that I think he has performed a great service to agriculture.

Mr. WHITTEN. I wish to say to my friend and colleague from Minnesota that his kind words are much appreciated. Under his chairmanship one time and my chairmanship the next time, and it alternated over recent years, the committee has worked steadfastly for the benefit of agriculture in the United States. I do deeply appreciate his statement.

Mr. Chairman, in this bill we have tried to deal with the problem which agriculture has faced and which is one of the rather serious problems. Agricultural income has gone down drastically in the last several years. We find that farm income the last few years has gone down as much as 24 percent, whereas the income of the rest of the people of the country has gone up 14 percent.

We have checked into this matter of acreage reduction. We find that the cotton farmer has been reduced 35 percent and the acreage of the wheat farmer cut 25 percent. While we are curtailing production in the United States to the hardship of certain groups of farmers who have had their operations reduced, hoping that it might be some basis to correct the situation, we find that foreign agriculture has increased to a greater extent than our own agriculture has decreased. Over a period of years we have been trying to bring worldwide supply and demand into balance by working on our own country. Certainly the experience of the last few years has proven that cannot be done.

This being an appropriation bill, we cannot change the law governing cotton acreage or corn acreage; we cannot do anything in this bill toward price stabilization. There are many things we cannot do to correct situations that bother those engaged in agriculture. The thing we can do is try to give thought to those programs that may be of slight benefit in meeting the problems we have today.

Among those programs is that of research. This committee has always been very much interested in agricultural research. Today, due largely to newspaper articles and editorials in every farm magazine and disseminated by every farm organization, people have come to realize the great benefits that may inure to agriculture through the research program. Not only do the newspapers and magazines insist upon it in their editorial columns, but also in their news items.

I would point out that in the last 4 years we have made substantial increase in the funds for research. One of our problems in this bill has been in trying to see that there is no duplication, in trying to see that State and local governments put up their part of the funds, and in trying to see that projects are such as to be of real benefit.

In this bill we have substantially increased funds for research. We have provided funds for a seed storage facility, where we will accumulate basic stocks of early seeds that we have in this country for future use in meeting the needs of agriculture.

We have included funds for a poultry house at Beltsville; we have established a laboratory in Texas, and we have provided increased funds for soil and water research. In other words, what we have been doing is to allocate those funds so as to help the farmers throughout the length and breadth of the United States in the various fields of agricultural research; and we feel we have done a good job in that regard.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Florida.

Mr. HALEY. I want to thank the committee for including in the appropriation bill for the Agriculture Department this year funds for the research laboratory at Winter Haven. I note that you have reduced the amount considerably. I wonder if the gentleman would make a general statement on that and if the Senate in further exploring this matter is inclined to give it a little additional consideration, would the gentleman's committee feel kindly toward that?

Mr. WHITTEN. I may say to the gentleman from Florida, who has been vitally interested in this project and who appeared before us with a strong delegation, that in approving this project we have agreed with the gentleman's presentation to our committee. In our years of experience on this committee we have found that when you once sell the Budget on an item, as the gentleman and his cohorts have sold the Department and the committee, frequently the amount of money is at a maximum. As a result we find it necessary to hold the amount down in order to bring about a further review by the Department. But we do mean to go along with this project and to make it a sound one. Should it develop that these funds will not meet the need, it will have our sympathetic consideration to the extent it is necessary to help bring about, whatever it takes.

Mr. HALEY. I thank the gentleman.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. I want to say to the gentleman from Florida that first of all we were very much impressed with the attitude of the people of Florida in trying to meet the problem of the burrowing nematode in the citrus industry, which is the greatest single fruit industry in the entire world by far. Secondly, we were a little confused about the Budget item because previously we had had some overtures for laboratory funds even less than we allowed in this bill. However, I am sure that in the other body this will be worked out. I am only happy that we have made a start because I think the people of Florida richly deserve every proper Federal assistance in connection with your problem down there. It is something that should affect the whole Nation and it is something of a continuing nature. But we have made a start, I will say to the gentleman from Florida.

Mr. WHITTEN. Another item that is of prime interest to many people in the Congress and to the country as a whole is the school lunch program. That has been increased in this bill by over $16½ million. For a number of years the Congress has held the annual appropriation down to about $83 million. The States and local people have put up about four times that amount. But notwithstanding these efforts, 31 States ran out of funds during the spring of this year and were unable to finish out the school term. In view of the ever-increasing number of students in our schools, and in view of the fact that more schools are participating in the program, the committee felt it was time that a substantial increase be made for this program. I would point out, however, that this is not a program for which the Federal Government should pay the whole cost. If we provide greatly increased amounts of money at the Federal level, you will find there will be less interest at the local levels. So we have to balance the need so as to bring out a really strengthened program. May I say that a considerably larger number of commodities are expected to be available from purchases by section 32 funds and from other sources. The committee has approved this action after several years; in fact, it has directed the Department to take action in that direction.

We have in this bill also increased money for soil-conservation technicians. We are all familiar with the soil bank and with the pending legislation which would authorize it; we are familiar with the Department's efforts to bring about some improvement in farm conditions through the soil-conservation program. Yet the record shows that during the last number of years the soil technicians available to the soil-conservation districts to render this technical assistance are approximately one to each district. That is wholly inadequate. We have made substantial increases in the funds available for technical assistance in the soil-conservation districts. The increasing workload which will be made necessary by the soil-bank program will require additional funds beyond those in this bill. The funds in this bill are for the regular districts, the regular organization. We feel that it will be much more sound and the Government will get much more return if the work is carried out through the regular organizations and in the regular way.

We have carried forward in this bill 3 provisions which created quite a discussion last year. The record shows that the inventory of the Commodity Credit Corporation has increased from $1 billion in 1952 to $6 billion in 1955. For most of that time, the Department of Agriculture was not even offering these commodities in world trade on a competitive basis. It was at the insistence of this subcommittee that we first got them to offer limited quantities for sale in world trade, and we got them to sell additional quantities. Last year we finally got them to offer 19 commodities. We were able to get them to offer everything except cotton in world trade at less than the price offered in the United States, on the theory that it was much cheaper to move these commodities instead of paying storage and reducing acreage, and thereby putting the American farmer out of his home.

Beginning this spring they finally offered 1 million bales of cotton. They sold it in 60 days. They had hoped to sell it in 7 months. But, I was displeased, as was our committee, that now they have changed the rules in offering the whole 6.7 million bales of cotton and are turning down bids. This means that once again they are setting up an umbrella over world production. We have not covered that as fully as I would like in this report, but the Department gave us their assurance that, if their present practice did not bring the desired results in moving the commodities in world trade as the American farmer has a right for them to be moved, the present approach would be changed, and they would offer limited amounts for sale on a competitive basis and sell it.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. Referring to page 13 of the report with reference to the Foreign Agricultural Service, the gentleman will recall that Public Law 480 is administered primarily by the Foreign Agricultural Service. My question is this: Does the gentleman feel, as the result of the hearing this year, that the Foreign Agricultural Service is doing a better job and is able to meet this problem of the sale of our produce in world trade? Does he feel that they have done an improved job?

Mr. WHITTEN. I think they are doing a splendid job if you take into consideration all of the problems they have had. They have had this change from the old attaché service to the new one. I have had many people come to me inquiring about the possibility of obtaining personnel. They are not really salesmen as such.

We put in a provision last year to bring in information as to what foreign countries were doing in regard to their commodities. They are making full reports to Congress now showing what has happened throughout the world and what the demand and supply situation is. This, in turn, leads to selling in world trade, so that we can get the Department to offer these commodities for sale on a competitive basis.

Mr. SPRINGER. My second question is this. The Director of the Foreign Agricultural Service informed me last year that they had increased the number of agricultural attachés, who are the people primarily who look for these buyers in foreign countries. He informed me that they had increased the number from something like 50 to something like 90 in 1955. Is there any expansion of that program being considered in order to get these salesmen the gentleman mentioned just a moment ago?

Mr. WHITTEN. I think the funds will provide for some additional people. They had funds last year for more people than they were able to employ. The reason is that it takes a man who can fit into the program for a particular country, who knows agriculture, and who has a lot of other qualifications that enter into the makeup of a good man for that purpose. We are giving them funds as fast as they themselves think that they can get needed personnel.

Mr. SPRINGER. I have this third question. Are there any funds in this bill to implement Public Law 480? It was my understanding the other day from the Department of Agriculture that they were almost out of funds.

Mr. WHITTEN. Public Law 480 funds do not come in this bill, except for reimbursements to the Commodity Credit Corporation.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. Of course, Public Law 480 can be operated under the umbrella of the Commodity Credit Corporation.

Mr. SPRINGER. My point was this. What the gentleman from Washington [Mr. Horan] has just stated does not fully answer my question. Are there funds for the implementation of Public Law 480?

Mr. WHITTEN. Public Law 480, as I recall, provided that the Commodity Credit Corporation as a corporation shall provide funds for its operation. We, in turn, in this bill restore the funds to the Commodity Credit Corporation.

Frankly, the Corporation itself is getting close to the ceiling of its authority. There are two sources of funds to that Corporation. One is for the Congress to increase the borrowing authority. The other is through the sale of commodities, the money received therefrom being in turn available to meet all of the obligations of the Commodity Credit Corporation.

In this bill we do have substantial amounts for the restoration of the capital impairment of the Commodity Credit Corporation which, in turn, will strengthen it in carrying out its various obligations.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield to me?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. In this bill we have $67,477,228 that will be reimbursed to the Commodity Credit Corporation for exports under Public Law 480.

Mr. WHITTEN. In other words, the Commodity Credit Corporation has advanced that money and in this bill we repay the CCC for what it has spent in the past.

Mr. HORAN. If the gentleman will yield to me for a moment, he will find in the table on page 25 a special commodity disposal program. My colleague from Minnesota [Mr. Marshall] mentioned the exact amount, but on page 25 of this bill the gentleman will find $257 million. Of course, Public Law 480 is operated under that fund.

Mr. SPRINGER. Does that answer my question? I am still somewhat in the dark. Does that answer my question whether the Commodity Credit Corporation has adequate funds on hand with which to implement Public Law 480? The answer is yes, is that true?

Mr. WHITTEN. That is true at the moment. If we pass this bill it will restore over $1 billion to the Commodity Credit Corporation which will give them that much increased operating capital. So that they definitely will have ample funds to meet that problem.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, as a member of the Committee on Education and Labor, I should like to take this opportunity to express my appreciation of the action of the gentleman's committee in increasing the amount for the hot school lunch program.

Mr. WHITTEN. I appreciate the statement of my friend and colleague from West Virginia. May I say further, we have also urged the Department to make more commodities available under the purchase program, which will be in addition to the funds.

Mr. BAILEY. Now that flour and cornmeal are being processed, I see no reason why they should not be made available in the school hot lunch program.

Mr. WHITTEN. I would now like to discuss the committee's action under the various appropriation items included in the bill.

AGRICULTURAL RESEARCH SERVICE

The committee recommends a total of $49,972,000 for research, an increase of $10,816,845 over 1956. The increase will provide additional funds for nearly every phase of research activity conducted under this appropriation. It is in addition to over $8,000,000 of increases granted for this purpose since 1953, and is an increase of 56 percent in the past 4 years.

The budget for 1957 included funds for three new major construction projects: $810,000 to build a new research laboratory at Winter Haven, Fla.; $225,000 for a modern poultry brooder house at Beltsville, Md.; and $450,000 for a national seed storage facility. Of the amounts requested, the committee has approved $500,000 for the Winter Haven Laboratory, $150,000 for the poultry brooder house at Beltsville, and $300,000 for the national seed storage facility. Also, the committee has included $100,000 of the $330,000 requested for research on assistance to low-income farm families.

The committee recommends that the savings be used to strengthen other activities which also urgently need attention. It proposes that $200,000 be allocated to initiate construction of a horticultural, soil, and water research laboratory in the Rio Grande Valley of Texas. It also recommends that the funds for the National Arboretum be increased from the budget estimate of $372,570 to $500,000, to speed up work on buildings, roads, and other physical facilities at the Arboretum. The balance of the saving will be used to intensify soil and water conservation research work, particularly with reference to the Department's programs on the 11 major watersheds.

During the hearings on the bill numerous members and other witnesses made what appears to be a good case for special research projects costing limited amounts of money. The committee has not dealt separately with each of these because the Department, within the large amounts provided in this bill for research, has ample authority and funds to meet these and other similar research problems.

A total of $22,594,000 is recommended for plant and animal disease and pest control. This is an increase of $2,413,300 over funds available for 1956 and is a decrease of $1,106,000 in the budget estimate. The amount recommended includes the following increases: $500,000 for the contingency fund for emergency outbreaks of insects; $500,000 to be transferred to the Bureau of Customs for increased baggage checks to prevent importation of dangerous insects; $110,300 for increased inspection at ports of entry; $53,000 to strengthen inspection and quarantine work along the Mexican border; and $1,750,000 for eradication of the gypsy moth.

The committee is cognizant of the serious threat of the gypsy moth in the New England area and the need to take precautions to prevent its spread to the rest of the country. It had a great deal of testimony presented to it on this subject, most of which, however, was in support of an increase of only $1,500,000. The increase provided, together with the sum of $545,200 already included in the budget, will provide a total of $2,295,200 to meet this problem during the coming fiscal year.

In working out the program for the use of the additional $500,000 to be transferred to the Bureau of Customs, the Department is directed to develop a program which will prevent passengers from embarking at foreign ports on carriers destined for the United States with dangerous articles and materials in their luggage. It is recommended that all customs notices and declaration forms be revised to include adequate notice to travelers as to what items are not permitted to enter this country. It is also suggested that prominent signs and notices be posted at foreign points of embarkation to bring this matter to the attention of those destined for American ports. The committee also believes that, as far as practicable, arrangements should be made for preinspection at foreign ports to reduce to a minimum the inspection required upon arrival in the United States. The committee is of the opinion that the great majority of travelers will cooperate fully and will be anxious to avoid carrying prohibited articles in their luggage if given adequate advance notice.

The committee recommends the sum of $15,500,000 for meat inspection, an increase of $131,000 over the appropriation for 1956 and a decrease of $245,000 in the budget estimate. The committee feels that efficient operation of this service will permit it to meet its workload during the coming fiscal year within the amount provided.

The full budget estimate of $29,503,708 is recommended for payments to States, Hawaii, Alaska, and Puerto Rico. This is an increase of $4,750,000 over funds provided for fiscal year 1956. It represents an increase of nearly $17 million in the funds of this program since 1953, an increase of 133 percent.

For the fiscal year 1957, the sum of $3,500,000 is recommended for research on diseases of animals and poultry. This is an increase of $1,555,000 over funds appropriated for 1956 and is a decrease of $493,000 in the budget estimate. These funds are provided for the operation of the foot-and-mouth disease laboratory at Plum Island. Research officials of the Department estimate that this laboratory will be completed and in full operation in July 1956.

House Document No. 383, dated April 18, 1956, included a supplemental budget estimate of $18,915,000 for the construction of an animal disease laboratory at Beltsville, Md. The committee recommends an appropriation of $10 million for the coming fiscal year for this purpose.

In June 1955, the major animal disease research laboratories in Washington, D. C., Auburn, Ala., and Denver, Colo., were closed due to the lack of adequate safeguards to protect the health of laboratory workers. An appropriation of $250,000 was included in the Supplemental Appropriation Act, 1956, for plans and surveys for new laboratory facilities. Preliminary plans have been completed and form the basis for the estimate considered by the committee.

The committee is not fully satisfied with the proposed plans. It is particularly concerned with the proposal to locate these facilities at Beltsville. The former laboratory facilities were closed because of hazards to human and animal health. The location of the new facility at a research station where numerous persons and animals are located in connection with other types of activities, would present the same problem. The committee also questions the advisability of locating a facility of this type in an area where it could become a threat to the health of millions of people in the event of attack by hostile forces.

EXTENSION SERVICE

The sum of $49,615,000 is included in the bill for payments to States, Hawaii, Alaska, and Puerto Rico. This is an increase of $5,125,000 over funds available for 1956 and is a decrease of $500,000 in the budget estimate. The amount recommended represents an increase of over $17 million above the appropriations for the fiscal year 1953, an increase of 54 percent.

The budget estimates included an increase of $890,000 to expand educational work in low-income areas under the rural development program. The committee recommends a reduction of $500,000 in this amount in the belief that this program should be handled within the regular functions of the Extension Service. Since the purpose of the Extension Service is to work with farmers of all income levels to assist them in carrying out their farming activities, the committee believes that the problem can be met more adequately through added emphasis by regular personnel.

The committee recommends the sum of $3,650,000 for the Federal Extension Service, an increase of $20,000 over appropriations for 1956, and a decrease of $65,000 in the budget estimate. This amount includes $2 million for administration and coordination and $1,650,000 for penalty mail. The amounts recommended appear adequate to meet the needs of this Service during the coming fiscal year in view of sums expended during the past several years for this purpose.

FARMERS COOPERATIVE SERVICE

The bill includes $550,000 for the fiscal year 1957, an increase of $123,000 over the appropriation for 1956 and a decrease of $27,000 in the budget estimate. While the committee realizes the value of this program to the farmer cooperatives of the country, it is not satisfied that the program is making an effective contribution to those organizations. The testimony presented to the committee on this item did not support the funds requested. The committee urges the Service to review its programs and operations and to develop a better basis for future budget requests.

SOIL CONSERVATION SERVICE

The committee recommends an appropriation of $67,500,000 for conservation operations, an increase of $4,557,255 over the 1956 appropriation and an increase of $2,285,000 in the budget estimate.

The committee has substantially increased funds for soil conservation technicians to enable this organization to meet the increasing requirements of the soil conservation districts, both old and new. It is contemplated that extra and outside activities which do not fit into the district type of operation will be met from allocations from soil bank authorizations and will be in addition to funds in this bill.

It has come to the committee's attention that the soil technicians in this agency are frequently required to devote a considerable amount of time to routine clerical duties. The committee recommends that a portion of the increase provided for the next year be used to employ clerical personnel to relieve these technicians of clerical work so as to better use their technical training and abilities.

In view of the terrific demand for vegetative covering and seedlings which will develop from the new soil bank program, the Soil Conservation Service should take proper steps to see that this need is met. Since the total supply of such seedlings apparently will be far short of that necessary to meet the full demand which will grow out of the expanded program, it is apparent that the combined efforts of the Soil Conservation Service, the Forest Service, State and local agencies, and private nurseries will be called upon to the fullest extent. Therefore, the committee feels that this organization should review its conservation nursery program to make certain that all of the nurseries formerly operated by this Service are available to meet this need.

These nurseries should either be operated directly by the Soil Conservation Service, or should be handled on a cooperative or contract basis with State, local, or private organizations.

The committee is not entirely satisfied with the soil conservation research program of the Department. It has some doubts that the transfer of this responsibility to the Agricultural Research Service was a wise action. There is some question whether this type of research can ever be conducted satisfactorily and effectively outside of the direct jurisdiction of the Soil Conservation Service. The committee has taken no action to transfer the funds back to this appropriation heading, recognizing that the primary responsibility for organizational matters rests with the Secretary. It feels, however, that the Secretary should give this matter his personal attention to be certain that the most satisfactory and effective results are obtained.

The committee has provided a substantial increase in soil and water conservation research funds appropriated under the Agricultural Research Service, in view of the urgent need to expand soil conservation programs and to speed up the watershed protection and flood prevention activities. It expects the Soil Conservation Service to take an active part in determining how these funds can be most effectively used to improve research findings in this field. It feels that particular emphasis should be given to research within the 11 existing major watersheds.

The appropriations recommended for the coming fiscal year include $17,500,000 for watershed protection and $12 million for flood prevention. The amount recommended for watershed protection is an increase of $5,505,935 over 1956 and an increase of $1,500,000 over the budget estimate. The appropriation included for flood prevention is an increase of $2 million over 1956 and an increase of $1,300,000 over the budget estimate.

As was pointed out last year, construction on the 11 major watersheds authorized in 1936 is only about 25 percent complete after 20 years of work. Testimony from Department witnesses indicates that, on the basis of the amounts included in the 1957 budget, it will take up to 35 years to complete most of these projects. In view of the urgent need to complete these projects as rapidly as possible to conserve the soil, and in view of the additional cost which will result from stretching out the period of construction, the committee has exceeded the budget estimates for these programs. The committee urges that action be taken by the Department to push ahead the completion date of these projects.

The sum of $232,000 is recommended for 1957 for the Eden Valley project in Wyoming. In view of a delay due to construction difficulties, no funds were appropriated for this purpose in 1956. It is expected that this project will be completed in 1962.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

For the fiscal year 1957, an appropriation of $217,500,000 is recommended, an increase of $3 million over funds appropriated for 1956. It is expected that the amount recommended will provide adequate funds to meet all commitments made to participants under the 1956 program authorization. The committee recognizes the obligation of the Government under the program announced last year. If the amount provided proves insufficient, the committee will recommend additional funds when needed.

An advance authorization of $250 million for the 1957 program is included in the bill. This is the same amount as was provided for the 1956 program.

The committee is of the opinion that this well-established program of the Department should supplement whatever soil bank or diverted acreage program may be put into effect. For many years, this program has met a definite need for a long-range conservation, and the committee feels that it should be continued in the future, regardless of any other conservation and acreage reserve program which may be adopted.

AGRICULTURAL MARKETING SERVICE

A total of $26 million is recommended for marketing research and service, an increase of $1,672,860 over 1956 and a reduction of $581,000 in the budget estimate. This amount includes $13 million for marketing research and agricultural estimates and an equal amount for marketing services.

The increase of $1,347,370 for research and agricultural estimates provides additional funds to expand and improve the crop and livestock reporting service and to increase marketing research work. The committee has not approved the proposed increase for research on problems of low-income farmers under the rural development program. The committee feels that there is no real difference between the regular program designed to aid and assist all the farmers of the Nation, and those proposed for low-income farm families.

For marketing services, the committee has approved an increase of $325,490 over funds provided for 1956. The amount recommended includes an increase of $150,000 to expand and improve marketing news services in various areas of the country. The balance of the increase will strengthen grain and tobacco inspection services, supervision of federally licensed warehouses, and administration of the Packers and Stockyards Act.

The sum of $1,100,000 is recommended in the bill for payments to States, Territories, and possessions, an increase of $100,000 over funds available for 1956 and a decrease of $100,000 in the budget estimate. Payments are made on a matched-fund basis to State and Territorial marketing agencies for projects aimed at getting into use, in the marketing of farm products, improved methods and practices developed in the marketing research program. The additional funds provided will cover increased work designed to reduce spoilage, increase marketing outlets, reduce marketing costs and improve quality of products.

The committee recommends the sum of $100 million for the school-lunch program for the fiscal year 1957. This is an increase of $16,764,788 over funds provided for 1956.

Much evidence has come to the committee of very strong support throughout the country for an increase in this program. Numerous Members of Congress as well as individuals representing organizations interested in this program have urged the committee to provide a sizable increase for this appropriation.

Even before the passage of legislation establishing this program, this committee strongly supported it. Year after year, it has recommended the maximum possible appropriations for this purpose and has encouraged the use of surplus commodities of the Department to supplement such funds. For each of the past 3 years, it has restored large cuts proposed in the annual budgets, and has resisted all efforts to curtail this program.

The committee recognizes that, while Federal appropriations have remained approximately the same during recent years, the needs of the schools for funds under this program have continued to increase in view of steadily increasing school enrollments, in view of the larger number of schools participating each year, and in view of the increased cost of serving lunches. It believes that the need has reached the point where a rather substantial increase in funds for this purpose is necessary. Therefore, it has gone above the budget by $16,764,000 to provide the sum of $100 million for fiscal year 1957.

FOREIGN AGRICULTURAL SERVICE

For the fiscal year 1957, the committee recommends $3,600,000 for this program, an increase of $157,000 over appropriations for 1956, and a reduction of $200,000 in the budget estimate. In view of large increases granted to this activity during the past several years, the committee feels that the amount recommended for the coming year is ample. The increase will permit the Service to expand studies of foreign competition with American agricultural products, and will permit the strengthening of efforts to expand American export markets for United States agricultural products.

At various times the committee has received reports and charts showing the volume of agricultural exports during recent years. It has noted that such releases reflect such information in terms of total disposals of United States commodities, including donation, barter exchanges, grants, relief shipments, and sales for foreign currency under Public Law 480. Since they do not provide sufficient breakdown to indicate the quantity sold for dollars, the committee considers such releases to be misleading. Therefore, the committee urges that all future releases of this type clearly differentiate between sales for dollars through normal channels and exports made under various other categories of disposal.

The committee is not opposed to disposals through all channels available. It believes, however, that every effort should be made to sell United States commodities in world trade for dollars, prior to giving them away or exporting them under relief or grant programs. Also, it feels that the American public is entitled to know to what extent total exports result in sales for dollars.

COMMODITY EXCHANGE AUTHORITY

The committee recommends $780,000 for the coming fiscal year, an increase of $5,000 over funds available for 1956 and a decrease of $7,400 in the budget estimate.

The Supplemental Appropriation Act, 1956, provided $33,000 for regulation of futures trading in onions pursuant to Public Law 174, 84th Congress. However, the program did not become effective until September of last year and the appropriation covered only 10 months of operation. The increase recommended in this bill will place this program on a full year basis in 1957.

COMMODITY STABILIZATION SERVICE

An appropriation of $41 million is included in the bill for the agricultural adjustment programs, an increase of $1,850,000 over funds appropriated for 1956 and a decrease of $463,000 in the budget estimate.

In its report last year, the committee recommended that the regular full-time employees of the ASC county offices be required to meet civil service qualifications for their work and be paid on a basis comparable to other Federal agencies. This recommendation was based on a need to strengthen the personnel policies in the county offices, so as to hold such personnel fully responsible for performance of their duties, reduce turnover, and increase employment deficiency.

Pursuant to this directive, the Department has developed a 3-year program to increase the rates of pay for county committee employees to a level comparable to those paid by Federal agencies and private employers in the same areas. The increase recommended for this appropriation item will enable the Department to undertake this program.

The committee recommends the sum of $62,600,000 for Sugar Act program, an increase of $3 million over funds appropriated for 1956 and a decrease of $5 million in the budget estimate. The funds provided under this appropriation are used to establish consumption requirements, administer quotas, and make payments to domestic producers of cane and beet sugar who meet specified conditions. Since the inception of the program in 1938, collections of excise and import taxes have totaled $1,298,858,419 and expenditures have amounted to $986,210,043.

FEDERAL CROP INSURANCE CORPORATION

The committee recommends the full budget estimate of $6,210,000 for 1957. In addition, it recommends an increase of $500,000 for administrative and operating expenses to be paid from premium income. During the fiscal year 1956, this program is operating in about 950 counties. With the amounts recommended for next year, the program will be expanded to an additional 50 counties.

RURAL ELECTRIFICATION ADMINISTRATION

The budget for 1957 included the sum of $145,300,000 for rural electrification loans, together with a contingency fund of $25 million. The budget also included the sum of $49½ million for the rural telephone program. In view of strong representations from the REA co-ops throughout the country that total funds of $214 million will be required for rural electrification loans, instead of the $170,300,000 included in the budget, the committee has increased the contingency fund by the sum of $43,700,000. Also, in view of indications that $100 million may be required for the rural telephone programs, in lieu of the sum of $49½ million included in the budget, the committee has included a contingency fund of $50½ million for loans under that program.

For administrative expenses, the committee recommends the sum of $8,500,000, an increase of $364,215 over 1956 appropriations and a decrease of $200,000 in the budget estimate. The increase recommended will enable the administration to meet the increased workload involved in processing telephone loans and handling the construction program. It also will enable the administration to give closer attention to the protection of the Government's investment through its loan security work.

FARMERS' HOME ADMINISTRATION

The committee recommends the full budget estimates for loan authorizations administered by this agency as follows: Farm ownership loans, $19 million; production and subsistence loans, $140 million; and soil and water conservation loans, $5,500,000. In addition, the committee has, for the first time, provided a contingency fund of $50 million to meet unforeseeable needs for loans during the coming fiscal year. This contingency fund is similar to the one which has been carried in the REA portion of the bill for a number of years and is based on the same underlying considerations.

We have provided this contingency fund for all the loan programs of FHA should the need for additional funds arise, including funds for continuation of the rural housing program for the coming year.

The full budget estimate of $26,405,000 is included in the bill for salaries and expenses, an increase of $215,520 over the appropriation for 1956.

In the opinion of the committee, attention should be given to a thorough study of the organization and programs of this agency. Recent reports concerning the administration of this organization have been a source of concern to the committee. The committee recognizes that the farm is a unit that requires the most effective balance between farm and home management. It believes that the programs of this agency are vitally needed, particularly under present agricultural conditions. The committee has approved the increases in the budget recommendations so that the organization can restore the program for home supervisors, in part at least, which was discontinued several years ago. In the opinion of the committee, this can be one of the most vital programs to meet the needs of low-income farmers in these critical times.

OFFICE OF THE GENERAL COUNSEL

An appropriation of $2.7 million is recommended for the General Counsel for the coming fiscal year, an increase of $43,000 over funds available for the fiscal year 1956 and a reduction of $62,700 in the budget estimate. The increase covers additional legal service relative to the determination of surface rights on mining claims under the act of July 23, 1955.

OFFICE OF THE SECRETARY

The committee recommends $2.5 million for the Secretary's Office, an increase of $10,195 over funds provided for 1956 and a decrease of $10,500 in the budget estimate.

OFFICE OF INFORMATION

For the coming year, the committee recommends $1,325,000 for the Office of Information, an increase of $26,400 over funds available for 1956 and a decrease of $23,100 in the budget estimate. The increase will permit this office to conduct a special review of all Department publications. Such a study will cover the distribution, format, readability, and use of bulletins and publications. It is expected that such a study will improve the usefulness of these releases and it is hoped that it will result in a saving of funds in the future.

LIBRARY

The bill includes $725,000 for the library during 1956, an increase of $25,050 over 1956 and a decrease of $48,000 in the budget estimate. The increase will enable the library to meet the increased needs of the research personnel of the Department for scientific information resulting from expanding research programs of the Department.

COMMODITY CREDIT CORPORATION

The sum of $929,287,178 is included in the bill for 1957 for restoration of capital impairment of the Corporation through June 30, 1955.

The committee wishes to direct attention to the fact that nearly half of the amount is required for mandatory nonbasic commodities, which includes principally butter and milk. It also calls attention to the fact that only $194.5 million of the total is chargeable to basic commodities.

The committee recommends the full budget estimate of $31 million for the administrative expenses of the Commodity Credit Corporation during the coming fiscal year. The small increase over funds available for the current fiscal year will enable the Corporation to meet its responsibilities under price-support programs in the coming year and will cover any additional responsibilities resulting from the new soil-bank program. Under the bill recently passed by the House, the financing of the soil-bank program during the next year will be handled through the Commodity Credit Corporation.

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

The committee recommends $314,000 for the coming fiscal year, the same amount as provided for the fiscal year 1956. With the amount recommended, the Department can continue at present levels its investigations of domestic production of vegetable tannins, development of a domestic source of castor oil, and research on domestic production of strategic fibers.

REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION

For reimbursements to the Commodity Credit Corporation for non-price-support activities, the bill for the coming year provides funds as follows: annual disease eradication, $13,060,954; grading and classing activities, $367,740; and special commodity disposal programs, $257,420,988. These funds cover reimbursement to the Commodity Credit Corporation for advances made for these purposes during the fiscal year 1955.

The reimbursement for animal disease eradication includes $1,269,330 for advances made for eradication of foot-and-mouth disease in Mexico. It also includes $11,791,624 to cover costs incurred for an accelerated brucellosis eradication program authorized by the Agricultural Act of 1954.

The reimbursement of $257,420,988 under the heading "Special commodity disposal programs" includes $101,130,155 for the International Wheat Agreement; $88,628,927 for emergency famine relief to friendly peoples authorized by the act of August 7, 1953; $67,477,228 for transactions under Public Law 480; and $184,678 for hay and pasture seeds furnished in drought areas under the act of July 26, 1954.

FARM CREDIT ADMINISTRATION

The committee has approved administrative expense limitations of $6,356,000 for the Farm Credit Administration and its member institutions for the coming fiscal year, an increase of $66,000 over funds authorized for 1956.

The amounts recommended include $2,230,000 for the parent organization, the Farm Credit Administration, $550,000 for the Federal Farm Mortgage Corporation, $1,932,000 for the Federal intermediate credit banks, and $1,644,000 for the production credit corporations. These amounts represent limitations on the amount of corporate funds of these organizations which may be used for administrative expenses and are not direct appropriations from the Treasury of the United States.

The small increases provided for the Federal intermediate credit banks and the production credit corporations are necessary to handle an increased volume of loans and discounts growing out of the adverse conditions which have affected agriculture in recent years. These institutions are faced with increasingly difficult credit problems as a result of the cost-price squeeze on farmers and stockmen and the effects of drought and other adverse weather conditions which have affected extensive areas of the country for several years.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would first like to commend the chairman of the subcommittee for a very good statement on this bill.

May I ask the chairman one question for the record? I believe we should make this record positively clear in case there is need for interpretation.

You will note that on page 5 of the report we use this language under the heading "Soil Conservation":

> In this bill, the committee has exceeded the budget for the Soil Conservation Service by $5 million, to assure adequate technical assistance to an increasing number of soil conservation districts, and to accelerate the watershed protection and flood prevention programs of the Department.

Further, on page 9 we use this language which could be construed as contradictory. This is under the heading of "Soil Conservation Service":

> The committee has substantially increased funds for soil conservation technicians to enable this organization to meet the additional responsibilities which will result from the new soil bank program.

I am sure the chairman joins me in the interpretation that despite the need for the soil bank program the increased funds here made available are definitely for additional technical help to soil conservation districts for this nationwide operation.

Mr. WHITTEN. The gentleman is right. Our reference to the soil bank and to the problems that would come from it was an indication that that would increase the need for technicians and all that within the regular existing service. Of course, actually the soil bank is not yet the law and we have had no intention of trying to implement that law through any separate organization. This merely implements the existing Soil Conservation Service so that it can meet its existing problems and such other work as may be referred to it in the future.

Mr. H. CARL ANDERSEN. That is correct. I appreciate the gentleman's interpretation, which is in agreement with mine.

Now, I would like to say a few words about the bill we have before us. As is customary, the subcommittee chairman has just presented a detailed analysis of the various appropriation items. In the years in which I have served as chairman of the subcommittee it has been my responsibility to make such a presentation to set the stage, so to speak, for debate and approval of our bill. The gentleman from Mississippi [Mr. WHITTEN] has done his usual excellent job, and little remains to be said other than by way of emphasis.

AGRICULTURAL RESEARCH SERVICE

As has been indicated, we recommend a total of $49,972,000 for research. This is $10,816,845 above the appropriation just last year. It is also an increase of over $18 million over 1953, an increase of 56 percent in just 4 years. That is a most significant increase, and it reflects an important trend both in agricultural appropriations and in the administration of the Department of Agriculture.

Personally, I am pleased with this trend and am proud to have been a party to it. Agricultural research, like most research, is designed to find answers to problems. American agriculture is faced with a complex array of problems ranging all the way from falling commodity prices to invasions of our forest lands by gypsy moths and our fields by alfalfa aphids. Research takes time and money. Time is always running against us and our only hope to catch up is through expenditure of more money on vital research—and this bill out of our committee makes that additional money available.

As the gentleman from Mississippi [Mr. WHITTEN] has said, we have shown our confidence in the research personnel of the Department of Agriculture by leaving them rather wide discretion in the budgeting and use of the funds proposed for research. We have approved the full budget estimate of $29,503,708 for payments to the States, representing an increase of $4,750,000 or about 20 percent above the funds provided last fiscal year. This expansion of research in partnership with the States is most encouraging to those of us interested in concrete results from our research dollars.

EXTENSION SERVICE

Our committee has taken into consideration the fact that research by itself is no end unless the results of such research are given practical application, and we have accordingly materially expanded the appropriation for the Extension Service. We recommend $49,615,000 for payments to the States and Territories. This is an increase of $5,125,000 over last year, and is more than $17 million above 1953—an increase of 54 percent in 4 years.

You will note the close relationship between the increases for extension and those for research. In the last 4 years, we have provided a total of 54 percent in increases for extension and 56 percent in increases for research. There is a very sound reason for this. From a purely practical standpoint, research is wasted if the results are not applied in actual practice. Primarily, it is the job of the Extension Service to convey research findings to the farm people who need them and thus complete the research process. The Extension Service—all the way from the land-grant college to the county agent and his assistants—bridges the gap between the scientists and the men and women on the soil. That is why I have through the years urged approval of increased appropriations for the Extension Service not only to help our farm people help themselves but also to protect our investment of tax dollars in important agricultural research.

The men and women who make up the Extension Service throughout the Nation have done an outstanding job in their field, and I can assure you that this is one of the wisest possible expenditures of agricultural dollars. I cannot too strongly urge approval of the full amount we propose for this purpose.

SOIL CONSERVATION SERVICE

We are recommending $67,500,000 for conservation operations—an increase of $4,557,255 over last year of which $2,285,000 is above the budget estimate. As one of the more persistent advocates of an expanded and effective Soil Conservation Service, perhaps I owe a brief explanation of my personal position on the subject.

While most of the agricultural pro-

The appropriation proposed for flood

through the years and now we believe it

turn to the Farmers' Home Administra-

Mr. MARSHALL. Mr. Chairman, 4

of these ideas have even been accepted

While most of the agricultural programs included in this overall appropriation are for the immediate benefit of agriculture and farm people, the work being carried forward by the Soil Conservation Service is not only of benefit today but represents a permanent contribution to the physical wealth and well-being of our Nation. Many of the problems of agriculture could be solved tomorrow almost as well as today, but this is not true when it comes to conserving our precious soil and water resources. Topsoil is not replaceable. Once it has washed away and been deposited in the Gulf of Mexico or the bottom of the great rivers and tributaries, it is lost forever.

Our scientists have found substitutes for almost everything else, but so far they have not presented us with satisfactory substitutes for soil and water. It therefore behooves us, as a Nation looking to the future, to take steps now to conserve for our own time and for the generations yet to come these irreplaceable resources.

As has been established in the exchange a few moments ago between the gentleman from Mississippi [Mr. WHITTEN] and myself, we fully intend that these increases be made available to the Soil Conservation Service without any contingency upon soil bank or any other legislation which may be subsequently enacted. Reference has been made in our report to the pending soil bank legislation, but that is purely explanatory and has no real bearing upon the funds we propose to appropriate in this bill.

The increases over last year fall in three major categories. As I said earlier, $4,557,255 of the increase is for conservation operations. This will provide for more technicians in the present conservation districts and also for the staffing of new districts as they are organized. We have also suggested to the Department that clerks be employed where needed to relieve highly skilled and higher salaried technical personnel from clerical duties. By this provision of additional technical guidance and leadership to farmers interested in conservation, we fully expect to obtain many, many times the cost of the program in actual conservation practices.

The second major category is watershed protection, and we propose an increase of $5,505,935 in this field. This is an increase of $1,500,000 over the budget estimate. I have a deep personal interest in the watershed protection program as evidenced by my joint authorship of the Andersen-Hope pilot program and active support of Public Law 566 which came the following year.

The watershed programs have been widely accepted and are proving to be extremely popular not only with farm people but also with municipalities seeking protection from flood damages. In my own congressional district, I have seen townspeople join enthusiastically with their neighboring farmers in efforts to advance the watershed projects. I am happy to report that later this year we will start actual construction on one of the major watershed treatment projects in my district and the people in that area are giving it their all-out support.

The appropriation proposed for flood prevention is an increase of $2 million over last year and an increase of $1,300,000 over the budget estimate. We hope by increased appropriations and emphasis on this important work to make a further contribution to efforts to reduce the devastating effects of floodwaters on the upper streams with collateral benefits on the main channels themselves.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

We propose an advance authorization of $250 million for the 1957 program and an appropriation of $217,500,000. If this appropriation is insufficient, the committee is agreed that it will recommend more money as needed. We also feel that this program serves an extremely important purpose in its own right and should be continued whether or not a soil bank program is enacted. The fundamental purposes of the two programs are quite different and the enactment of the soil bank would have no bearing on ACP as a conservation program.

AGRICULTURAL MARKETING SERVICE

Research and related marketing services are vital to our agricultural economy. We propose an appropriation of $26 million to be divided equally between research and marketing services. This is an increase of $1,672,860 above last year. Personally, I would like to see even more funds made available for this important work if overall budget conditions permitted.

The very substantial increase we propose will facilitate expansion of crop and livestock reporting services and increased marketing research. As the hearings will show, our committee has impressed upon those responsible for research in the Department of Agriculture the desirability of placing increased emphasis on utilization and marketing research to develop new outlets and uses for agricultural products and to expand the old. Proper emphasis on such research can do much to solve the perplexing problem of surpluses of some commodities.

SCHOOL LUNCH PROGRAM

As in previous years, we have materially increased above the budget the appropriation for the school lunch program. We propose $100 million for the next fiscal year—an increase of $16,764,788 over last year.

Personally, I recognize the urgent need for even greater increases in this item and we propose to meet that need in part at least by increased distribution of surplus foods and perishables under the section 32 program. Despite past increases in the Federal contribution to the school-lunch program, the Federal share of the cost of individual meals served in the public schools has been shrinking each year. This is attributable to both increased school enrollment and improvements in the quality of the meals.

FOREIGN AGRICULTURAL SERVICE

We recommend $3,600,000 for the Foreign Agricultural Service, an increase of $157,000 over last year. I am sure our colleagues are well aware of the intense interest our committee has demonstrated insofar as the Foreign Agricultural Service is concerned. We have nurtured it through the years and now we believe it to be on the threshold of outstanding service to American agriculture. With a staff of men and women who excel in their field, this agency is now moving our agricultural products in increasing volume into markets throughout the world. Today, we are not only recapturing old markets lost through inept handling or neglect in previous years, but we are also opening up new markets we never enjoyed before. It is to the advantage of this Nation as well as our customers to move our abundance of food and fiber into world trade channels for the good of all. We are much encouraged by the progress that has been made and look with confidence to the future of this program.

RURAL ELECTRIFICATION ADMINISTRATION

For electrification loans, we have approved the entire budget estimate of $145,300,000 in regular funds and have increased the contingency funds from the budget estimate of $25,000,000 to $68,700,000. This will make available a total loan authority of $214,000,000, if necessary, to meet the maximum demand anticipated by the REA co-ops.

The REA program has shown good progress in recent years and we want to assure sufficient loan authority to maintain that progress. Among the encouraging developments in recent months was the approval of a loan to the Elk River Cooperative in Minnesota to facilitate the construction of an atomic-energy generating plant. Here we have demonstrated the pioneering of REA co-ops and in the months and years ahead this new plant is expected to contribute not only to the area it serves but also to the badly needed experience and know-how of this new source of power.

We have also approved the budget estimate of $49,500,000 in regular loan funds for the telephone loan program plus contingency funds of $50,500,000 for a total loan authority of $100,000,000 if needed. Again, we are pleased with the progress that is being made and want to assure sufficient loan authority so that no deserving application will be denied or delayed.

The repayment experience in both loan programs has been so outstanding as to warrant the full confidence of the Congress in them. I strongly urge the approval of our recommendations on these items.

FARMERS' HOME ADMINISTRATION

We have approved the entire budget estimates for loan authorizations of the Farmers' Home Administration. These include $19 million for farm ownership loans; $140 million for production and subsistence loans; and $5,500,000 for soil and water conservation loans—a total loan authority of $164,500,000.

Both farm mortgage and short-term debt have been rising sharply in recent years. Accompanied by continuing declines in farm commodity prices and farm income, credit has gradually tightened in farming areas. As a result, it may well be that many farmers who previously had little or no difficulty in obtaining necessary credit from commercial sources will find it necessary to

turn to the Farmers' Home Administration for credit.

This credit problem is being met in two ways. First, I have introduced bills to materially liberalize the credit operations of the Farmers' Home Administration. If enacted, these bills will permit the consolidation of existing indebtedness and also the refinancing of both unsecured and mortgage obligations. A number of other bills have been introduced along the same general lines, hearings have been held by the House Committee on Agriculture, and I hope that such legislation will be enacted at this session.

The other step we are taking is the provision in the bill before us of a contingency fund of $50 million to meet these anticipated needs as they arise. This additional credit may mean the difference between survival and failure for many good farmers throughout the Nation.

COMMODITY CREDIT CORPORATION

The committee will note that on page 19 of the report we have made available for restoration to the capital fund of the Commodity Credit Corporation the total sum of $929,287,178. That constitutes about one-half of the money in this bill.

The point I should like to call to the attention of the committee at this time is that basic commodities, concerning which we have had all the fuss and furor in the Congress recently, have consumed only $194 million of this $929 million. In other words, the only loss chargeable to the five basics which could possibly be shown on the books of the Commodity Credit Corporation amounts to approximately one-fifth of the total figure.

If you will refer to the bottom of page 18, you will see that we have expended $441 million that could be construed as a loss on dairy products, a mandatory nonbasic commodity, and on other nonbasic commodities we have entailed a loss of $162 million. This, with about $135 million in administrative expenses, makes up the total of $929 million restored to the Commodity Credit Corporation in this bill.

I would think the fact that we have found it necessary to restore only $194 million properly attributable to basics, in itself would be clear proof that the 90 percent of parity price-support program on the basic commodities has not been prohibitive as far as the taxpayers of the United States are concerned. Advocates of flexible price supports would do well to consider that it was necessary to practically give away $441 million worth of dairy products in this past fiscal year, largely because the Secretary reduced price supports on dairy products from 90 percent to 75 percent. Why, Mr. Chairman, dairy products represent more of a loss to the taxpayers of the Nation than the so-called potato fiasco. But, the point I am emphasizing here now is that in the face of these facts and figures certainly no one can make out a good case for flexible price supports.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, 4 years ago a great general left his profession to become a candidate for the highest office in the land. The general as candidate made two speeches that attracted headlines then, and endless attempts to interpret them ever since.

These two speeches were made with the clear intent of satisfying any qualms the voters might have about candidate Eisenhower's attitude toward the farm program.

One of these speeches was made at Kasson, Minn., on September 6, 1952, in which he said:

> And here, and now, without any "ifs" or "buts," I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the Basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

On October 4, 1952, he made another speech at Brookings, S. Dak., in which you will find these words:

> The Republican Party is pledged to the sustaining of the 90-percent-parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100-percent parity, with the guaranty in price supports of 90.

This is an election year and because this is an election year, there is ample indication that the administration will put its best foot forward to convince farmers that the inept handling, the lack of a positive program, and the grand economic theories of the past 4 years did not really exist. Like the candidate's words, the administration's deeds will be clouded in explanations, interpretations, and obscurations. Once again they will try to convince farmers that there has been a change of heart—at least until November.

In contrast, I think you will find that the work of our subcommittee on Department of Agriculture appropriations carries the same message year in and year out. Election year politics have not shaped the bill before you today. As in the past, it means what it says. It represents our best efforts to promote the welfare of American agriculture and to guarantee it full partnership in the economy of the Nation.

I have the highest regard for all of the members of this subcommittee and for our chairman, the Honorable JAMIE WHITTEN, of Mississippi. He has always extended to me the utmost courtesy and consideration.

It is a genuine pleasure to serve on this subcommittee. The record is filled with many instances in which we have contributed ideas and concrete suggestions for improving the administration of farm programs for the benefit of farmers and consumers. We only regret that the administration has negelected or ignored these recommendations at the expense of our farm families. I am proud of the fact that the efforts of our subcommittee have been constructive; that they have generated ideas and proposals which have won the approval of thoughtful men seeking answers to the complex problems of modern agriculture. Some of these ideas have even been accepted belatedly, and possibly reluctantly, by the administration after unfortunate delays at a time when prompt action was needed.

In reviewing the work of the Department of Agriculture, it would be well to consider facts and figures that come from the Department itself. The House can reach its own conclusions on the basis of the evidence presented.

The present Secretary of Agriculture, Ezra Taft Benson, first appeared before our subcommittee on February 25, 1953. In explaining why it was necessary to review President Truman's budget, memorandum No. 1320 from the Secretary of Agriculture was placed in the 1954 agricultural appropriations hearings on page 22. The following is a paragraph from that memorandum:

> As public servants, we must recognize the duty and responsibility we have to serve the public efficiently and well. The people of this country have a right to expect that every one of us will give a full day's work for a day's pay. They have a right to expect that we will find more effective and economical ways of doing our job. In these times of unprecedented public debt and continued high Federal expenditures, the public rightfully expects us to put forth even greater effort to effect savings in Government operations and to reduce public expenses. Fulfillment of this responsibility will require the undivided loyalty and support of every agency head and employee in the Department. We must work as a team if we are to meet the problems that lie ahead and render the greatest possible service to the farmers of America, the entire agricultural industry, and to this great and good country we love so much.

When the same Secretary of Agriculture appeared before our subcommittee this year with his budget for the regular activities of the Department for the 1957 fiscal year, he asked for $753,326,108—The Benson budget for the 1954 fiscal year was $639 million—Losses of Commodity Credit Corporation require an additional appropriation of $929,287,178.

In 1953, there were 63,928 employees in the Department of Agriculture and two assistant secretaries. The estimate for the 1957 fiscal year is 70,312 employees and 8 assistants.

On page 7 of the 1954 agricultural appropriations hearings, the Secretary said:

> No problem that we have inherited has been more difficult than the decision on the support price for butter.

On March 8, 1956, when your subcommittee was considering the supplemental appropriation, the gentleman from Illinois [Mr. VURSELL] asked the Under Secretary of Agriculture, True Morse, this question:

> Let me raise this point: I have been led to believe by reading some dairy magazines and by talking with farmers—quite a responsible dairy farmer today—that the dairy situation is considerably better than it was 2 years ago or even a year ago. Does the picture you get and the knowledge you have indicate that the dairy farmer is slowly pulling out of the low level of the depressed area into a little more satisfactory outlook for prosperity than he was in 2 years ago?

The Under Secretary, Mr. Morse, replied:

> Yes, sir. That varies by areas; but generally the dairy farmers have a much improved milk-feed ratio; in fact it has been more favorable than in any recent years and as a result we have had reports from many areas of definite improvement in the condition of dairy farmers.

Now, let us look at the record. In 1952, the dairy price support program cost the Federal Government $169,800,000 for the marketing year ending March 31, 1953. For the marketing year ending March 31, 1956, it is estimated by the Department that the cost of the dairy products acquired by the Government under the price support program will be $275,522,000.

For the week ending April 25, 1956, the Government bought 8,033,879 pounds of butter alone. From October 17, 1933, to June 30, 1954, the Government lost $267,238,427 in its transactions on butter, cheese, and dried milk. From July 1, 1954, through January 31, 1956, the Government loss on butter, cheese, and dried milk totaled $627,598,394. The House can decide if these facts and figures indicate that the dairy problem has been solved.

On page 25, of the 1955 agricultural appropriations hearings, my good friend and colleague the gentleman from Washington [Mr. HORAN] asked the Secretary:

> When you took office the livestock industry particularly was not in good shape, was it?

The Secretary replied:

> No indeed, it was not.

Let us look at the price today as reported by the Department of Agriculture in this year's hearings before your subcommittee. On January 15, 1953, the average price received by farmers for beef cattle was $19.70 per hundred.

On April 15, 1956—this year—the average price received by farmers was $15 per hundred.

On January 15, 1953, the average price received by farmers for hogs was $17.80 per hundred.

On April 15, 1956—this year—the average price for hogs received by farmers was $14.30 per hundred.

Of course, the Congress felt that Secretary Benson needed more help than we gave to his predecessor, Secretary Brannan. We proceeded to give him two additional assistant secretaries in accordance with the recommendations of the Hoover Commission.

Let us look at the advice some of these people are giving the Secretatry. On page 251, of the 1956 agricultural appropriations hearings, Dr. Butz, Assistant Secretary of Agriculture, said:

> With respect to this parity ratio that stood last month at 86, I believe, nobody can predict accurately what that is going to be in the next 12 months. My personal feeling is that this is now at a bottom and if it makes any material change in the next 12 months it should be on the side of a modest rise.

This statement was made on February 7, 1955.

As reported in the hearings this year, the parity index on April 15, 1956, stood at 82 and at no time during the past year has there been the modest rise above 86 that the Assistant Secretary predicted.

Throughout the land, the voice of the Secretary has been heard proclaiming that if it were not for the huge accumulation of surpluses accumulated during the period of high rigid price supports, farm income would be $2 billion higher.

Many people have asked me how the Secretary of Agriculture arrived at this figure.

Your committee was unable to find out. I would urge Members of the House to read his explanation on page 1508 of this year's hearings. It is about as clear as a drunken sailor trying to spell with an ouija board at midnight during an eclipse of the moon.

The dilemma of the cost-price squeeze facing American farmers is apparent to all of us. We need only review the price relationships of some of our commodities as shown on page 1504 of this year's hearings. These are figures offered by the Department of Agriculture.

Commodities under mandatory price support of 90 percent of parity, show less decline in price during the past 4 years than do those left to the discretion of the Secretary of Agriculture.

For example, on January 15, 1953, the average price received by farmers for cotton was 29.79 cents a pound.

On April 15, 1956, this price was 32.50 cents a pound.

Average price received for wheat on January 15, 1953, was $2.10 a bushel.

On April 15, 1956, the average price was $2.03 a bushel.

Average price received for corn on January 15, 1953, was $1.48 a bushel.

On April 15, 1956, the average price of corn was $1.32 a bushel. Now, let us look at the difference in prices of the nonbasic commodities:

Average price received for rye on January 15, 1953, was $1.65 a bushel.

On April 15, 1956, the average price of rye was $1.01 a bushel.

Average price received for oats on January 15, 1953, was 82.1 cents a bushel.

On April 15, 1956, the average price of oats was 62.3 cents per bushel.

Average price received for barley on January 15, 1953, was $1.37 a bushel.

On April 15, 1956, the average price of barley was 94.9 cents a bushel.

Average price received for potatoes on January 15, 1953, was $2.06 a bushel.

On April 15, 1956, the average price of potatoes was $1.72 a bushel.

Average price received for butterfat on January 15, 1953, was 68.3 cents a pound.

On April 15, 1956, the average price of butterfat was 57.9 cents a pound.

Average price received for eggs on January 15, 1953, was 45.8 cents a dozen.

On April 15, 1956, the average price of eggs was 38.5 cents a dozen.

There is a barrage of propaganda on the accumulation of surpluses. Just what are our surpluses now compared with stocks when this administration took office? Let's look at the record again. I am sure that you will find the information on page 1409 of the hearings of interest. Page after page of testimony elicited by the gentleman from Mississippi [Mr. WHITTEN], will confirm the point that much of this surplus is the result of the failure of the administration to offer these commodities on the world market at competitive prices.

One question often asked is how much these price-support programs cost the taxpayers. Pages 1294 and 1295 of last year's hearings, and pages 1824 and 1825 of this year's hearings show the costs of Commodity Credit Corporation price support operations.

Figures of the Department of Agriculture show that costs of price-support operations for the period October 17, 1933, through June 30, 1953, totaled $1,110,136,889. This covers the 20-year period for which Democratic administrations were responsible.

Cost of price-support operations from June 30, 1953, through June 30, 1956, comes to $2,035,615,222. This covers the 3 years for which Secretary Benson is responsible.

You will note that under Benson cost of price supports in 3 years has been nearly double the cost for 20 years of Democratic administration.

Last year I called your attention to the fact that Secretary Benson was a costly Secretary of Agriculture.

Since this is an election year, how much additional cost will there be for the taxpayers in the next fiscal year?

Another subject deserves mention here today. Two years ago my good friend and colleague from Minnesota, the Honorable H. CARL ANDERSEN, and I introduced a diverted acres or soil bank bill. In 1954, the Department of Agriculture was reluctant to give serious consideration to our proposal and recommended against passage of the bills.

In the opening months of this 84th Congress, we again introduced identical bills.

On February 8, 1955, the Secretary appeared before the Subcommittee on Agricultural Appropriations. On page 257 of the hearings you will find Mr. ANDERSEN asking this question:

> Let me ask, Mr. Secretary, relative to this proposal of Mr. MARSHALL and me, just what is your opinion of it?

The Secretary replied:

> I don't know that I have studied it enough personally to express on opinion.

A few months later an adverse report was sent to the chairman of the House Committee on Agriculture. In view of the recent statements of the Secretary and the President, this is a surprise, is it not?

But listen to this. The President and the administration now claim that the soil bank which incorporates the basic elements of our bill is the crash program they have always had in mind to solve the farm problem. Much to our surprise, it appeared in the President's state of the Union message, despite the written opposition of the Department of Agriculture only a few months earlier.

On Monday, April 30, 1956, more than 2 years after our bill had been introduced, the same Secretary of Agriculture appeared before our subcommittee and said:

> As the President said, the long delay in getting this bill makes it too late for most farmers to participate on the soil bank on this year's crops.

I emphatically agree with the Secretary's statement.

After 2 years of indecision on the part of the administration and the Department of Agriculture this confession comes with some ill grace. But that is not all. On the same day—and it appears on page 1501 of this year's hearings—Secretary Benson said:

> Mr. Chairman, I do not think I have made any exaggerated statements as to what it (the soil bank) will accomplish. I am hopeful it will be very helpful. Nobody knows what will be accomplished until we put it into operation and try it.
>
> I indicated that we had thought at first we might be able to bring about a balance in our production and marketing without resorting to a program which would pay the farmers for keeping land idle. Following our very heavy production of 1955 and the failure of the control of production through acreage control we came to realize we had to have something more vigorous and more dramatic.

In all frankness, I ask you if you think the Secretary would have accepted such a "dramatic" proposal if it were not an election year?

Of course, Mr. Chairman, we still have the Soil Conservation and Domestic Allotment Act on our statute books. In the period before World War II when we were faced with agricultural surpluses, this was an effective program for shifting production. This law remained the law of the land and could have been used by the present Secretary of Agriculture to great advantage.

Instead, however, the Eisenhower administration attempted to cut the authorization for this program to $140 million in 1954. This year, Mr. Benson is asking for $250 million for advance authorization and the committee is recommending this amount to the House.

If the need for vigorous and dramatic action is now so apparent to the Secretary, it would seem that he would request enough to place the diverted acres plan in operation. I am sure that the Congress would have given earnest consideration to such a request. Indeed, we might have done so without the interest of the Secretary if there were assurance that the program would be efficiently administred for the welfare of farmers.

The following figures supplied this subcommittee by the Department of Agriculture and found on page 2041 of this year's hearings show the extent of the decline in participation in this program by farmers.

In my own State of Minnesota, 114,362 farmers participated in the program in 1952.

In 1954, only 53,799 farmers participated.

Nationwide, 2,525,913 farmers participated in 1952.

In 1954, this number dropped to 1,134,758 farmers.

Why has this program, which had the cooperation of the farmers, failed to accomplish this objective in recent years?

Under Democratic administration, farmers were encouraged to take an active part in the management and direction of their farm programs. Farmers exercised independent judgment in electing their neighbors as community and county committeemen to administer farm programs.

When Mr. Benson became Secretary of Agriculture, he apparently was reluctant to let farmers run their own farm programs. Secretary Benson is an advocate of advisory committees. He apparently feels farmers should be content to advise.

On page 2044 of this year's hearings I am certain members will be interested in noting the changes outlined by Secretary Benson affecting local ASC committees.

Administration by advisory committees leaves farmers outside looking in. Their information comes second hand or not at all. Regulations become floundered in bureaucratic prose intelligible only to the author, if to him.

All of this in the name of economy. Once again, however, the facts show a different picture. In 1952, the total expense of operating county committees in Minnesota was $2,123,539. By 1955, it had risen to $4,640,157.

In Indiana it rose from $1,050,397 in 1952 to $2,871,298 in 1955.

In Iowa it rose from $4,481,449 in 1952 to $12,194,890 in 1955.

Across the Nation it rose from $44,280,557 in 1952 to $92,552,272 in 1955.

This committee has urged that the Department make a study of the spread between what the farmer receives for his products and what the consumer pays for such products. On page 767 of our hearings information from the Department shows that the farmer received 47 cents of the food dollar in 1952. This sank to 38 cents in December of 1955. In reviewing the hearings where we have noted the increase of personnel, storage costs, and salary increases, it might be well for the Department in making this study also to determine how much the Department itself has contributed to the profit of the middleman.

Page 1494 of this year's hearings shows the high income of the packers. Income was up as much as 749 percent over 1954. The packer profits were at an unprecedented high level. During this period the farmer was receiving less and less for his livestock.

I have only mentioned a few of the instances that a study of the Appropriations Committee hearings would reveal. Our newspapers and magazines are presently filled with news items expressing concern as to how the farmer will vote this fall. I am certain that a full and complete study of the hearings before the Agricultural Appropriations Committtee would indicate a good reason for such concern.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 17 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, our committee, in its exhaustive hearings, conscious of the fact that the farmers are not fully sharing in the prosperity of the Nation, has sought to help them where we justifiably could in certain sections of the bill, which has been explained by previous speakers.

The bill before us carries an appropriation of $783,061,708 for regular activities of the Department. It provides for loan authorizations for REA and Farmers Home Administration of $359,300,000—both in title 1 of the bill.

Under title 2 it provides for administrative expenses for the Commodity Credit Corporation of $31 million, together with an appropriation of $929,287,178 to restore capital impairment of CCC; and $271,163,682, most of which covers reimbursement to the CCC for funds advanced to finance programs authorized by the Congress to meet special emergency conditions.

These special activities and the amounts can be found on page 25 of the report. On page 18 of the report you will find explanation of the $929,287,178 item of expense of Commodity Credit reimbursement.

To avoid repetition of previous speakers, I would discuss only a few provisions which may be of particular interest to some Members:

RURAL ELECTRIFICATION

We allowed the full budget request of $145,300,000 for REA, and in addition provided for a contingency fund of $43,700,000 which can be drawn on by cooperatives if they need more money by justifying same before the Bureau of the Budget.

For the rural telephone program we approved the budget amount, and, in addition, provided for a contingency of $50,500,000—which can also be drawn on by justifying such additional request before the Bureau of the Budget.

While the committee feels such contingency may not be needed, yet, inasmuch as such appropriation does not affect Treasury balances until such funds are actually required, we decided to increase the contingency funds, as indicated, in case an emergency made such funds necessary.

REA is, as always, doing a good job and the committee wants to give it full cooperation.

SOIL CONSERVATION

Because of the great importance to the farmers, and to the future of our national economy, here is one of the changes in the bill in which we sought to give the farmer a little help. In some other parts of the bill we reduced appropriations where we thought justified in doing so, and we have added a part of such reductions to soil conservation.

The budget asked for $65,215,000 for fiscal year 1957, and we increased that amount $2,285,000 to a total of $67,500,000. The committee feels that more soil-conservation technicians will be necessary to meet the additional responsibilities, which will result from the new soil-bank program.

RESEARCH AND EXTENSION SERVICE

Now, briefly, I want to discuss two items in this bill: Research and Extension Service.

For agricultural research, the committee recommends a total of $49,972,000—an increase of $10,816,845 over the available funds for 1956.

Practically all publishers of farm journals, land-grant agricultural colleges of the Nation, the Farm Bureau, its county agents, and all farm organizations unanimously agree that the great forward strides in agriculture have been made possible largely through the work of the Agricultural Research and Extension Service.

Their work has made possible the tremendous increase in production, distribution, and marketing, which has helped to provide the highest standard of living in the world for our people.

Without the thousands of men and women, many of them the leading scientists of the world, in cooperation with the United States Department of Agriculture and with the State experiment stations and Extension Service, who constantly seek to improve and increase farm products, we would not have the abundance throughout our land, the surpluses we sell and give to other nations that are short of food—largely because they do not have the type of scientific research and Extension Service we have developed here in the United States.

Our scientists also do a tremendous job in protecting farm crops from the ravages of insects. They develop new farm products, and find new markets for the farmers' commodities. They find ways to help the farmer cut his cost of production, and find ways, by marketing research, to cut his cost of transportation and marketing.

These agricultural research scientists work in all phases of agriculture. For instance, breeding up of dairy herds for greater production; improving grades of cattle, hogs, livestock, and poultry, and the Extension Service assists the farmers by helping them apply the scientific knowledge gained by research, which brings to agriculture great and lasting benefits.

While the Congress helps the farmer with legislation to the best of its ability, yet, the best authorities agree that the Research and Extension Service has brought to the farmer far greater benefits than could the Congress.

They help the farmer to increase production. They protect the farmer's production by developing chemicals, and by other means, that help to protect the farmer's crops from the ravishes of insects. Even with this constant fight to protect them, we find the farmers sustain a loss of $3 billion a year to their crops, livestock, forests, home and farm buildings. Millions of acres of our forests each year are sprayed from airplanes in the fight against insects.

On the other hand, were it not for the work the scientists are doing, the loss would run double or more that amount, and the insect pests, if left unrestrained, would ultimately almost destroy agriculture. This insect fight alone is a much greater problem than the average citizen can imagine.

We now spend a total of about $12 million a year on plant pest control, insects and plant quarantine activities. We must keep up a continuous fight against the Japanese beetle, sweetpotato weevil, citrus black fly, the Mexican fruitfly, phony peach and peach mosaic, barberry eradication, pink bollworm, golden nematode, cyst nematode, white fringed beetle, hall scale, gypsy moth, grasshoppers, and many other insects.

HYBRID CORN

Back in 1909, research scientists of the United States Department of Agriculture, cooperating with various Department of Agriculture experiment stations, conceived the idea of plant-breeding and crossing, and building up a new variety of corn. They followed through on this work by plant cross-breeding, and developing, until 1933, when they produced hybrid corn.

During those years, they grew a stronger stalk, and developed a type of corn with the ears on the stock at almost even height. They developed a stronger shank, through cross-breeding, which fastens the ear to the stalk. When they announced the development of the Iowa hybrid 939 (in 1933, they had a corn that increased production 25 percent, and a corn with ears so uniform in height on the stalk, from the ground, that it was almost perfectly adapted to gathering with the least loss by the mechanized corn picker. This new method released a great deal of farm labor to industry, which was a saving to the farmer and a boost to industry.

RESEARCH SCIENTISTS—BRUCELLOSIS

When the research scientists began the fight against brucellosis, in 1930, 10 percent of the cattle were infected. Today the percentage of infection is down to 2½ percent, saving the farmers hundreds of millions of dollars.

The United States Department of Agriculture says that in the last 20 years losses from brucellosis have been cut from approximately $100 million a year to $50 million annually at this time. The Department estimates total losses in that time at about $1,500 million to the livestock industry: The efforts toward its complete eradication being increased through the experiment stations, county agents of the Farm Bureau, and by all farm organizations nationwide.

Tremendous savings to the livestock industry, and to the economy of our country which are being made compared with the small amount that is being spent in this brucellosis campaign again proves the great benefit gained through Research and Extension Service.

SOYBEANS

Soybeans, which were first used as a minor forage crop, have been developed through the research scientists in agriculture into one of the largest and most profitable crops in the Nation.

Since 1935, our scientists by plant breeding have developed 16 new varieties of soybeans, all producing higher yields with greater resistance to plant disease. On an average, these new varieties yield 20 percent more oil and 10 percent more beans than the varieties they have replaced. Our acreage has expanded 600 percent, with 17 million acres of soybeans planted and harvested last year. Our production increased from 49 million bushels in 1935 to 371 million bushels last year.

Today soybeans provide 70 percent of all vegetable oils used in margarine, and 54 percent in all vegetable shortenings.

Research scientists have opened one market outlet for 211 million pounds of soybean oil, which is annually used in paints, varnishes, and other industrial products requiring drying oil.

Entirely new industrial products have been developed, including acids, and special resins. In the fields of plastics, printing, paper, tile, textile sizing and automobile tire cord sizing the market continues to expand.

Finding of new uses for this farm product, and new markets have created such a demand that with the largest crop of soybeans ever produced in 1955, the demand has pushed up the price from $2 a bushel at harvest time, to about $3 and over at the present time.

Our exports in soybeans have increased tremendously to the countries of the Middle East and Europe.

RESEARCH IN LIVESTOCK

In 1935, we were getting 1,756 pounds of pork per sow. We are now getting 2,118 pounds of pork per sow.

In 1935, we were getting an average of 4,184 pounds of milk per dairy cow. We now are getting 5,512 pounds per cow.

In poultry in 1935, we were averaging 122 eggs per hen. We are now averaging 184 eggs per hen annually.

In 1935 we were producing 429 million broiler chickens. We produced in 1955 1,060,000,000 broilers. We used to have chicken on Sunday. Now it is chicken every day in all restaurants.

It's the same way with turkeys. In fact poultry has become a major part of our diet. The scientists have produced, by crossbreeding, and improving their feed ration, finer quality of fowl that will produce more pounds in a shorter time on less feed.

By research on proper feeding, the scientists have developed a chicken of increased weight in less time and on less feed. Hence the farmer makes more profit.

CCC SURPLUSES

We still have huge surpluses in the CCC, largely due to the fact higher yields for most crops were harvested in 1954, and again in 1955. And due to the fact that we carry over more than a billion bushels of old wheat last July 1 before the bumper 1955 crop came in.

We also had over 11 million bales of cotton on hand before the last big crop was harvested.

We had on hand more than enough wheat and cotton to supply a whole year's demand for both domestic consumption and exports, and the carryover is expected to be even a little larger this summer.

On February 29, CCC had $8.9 billion invested in inventory and loans; approximately $5.7 billion represented cost of inventory items—already taken over, and owned outright by CCC. The other $3.2 billion was advanced on nonrecourse price-support loans.

On February 29, $2.6 billion of CCC borrowing authority was tied up in net realized losses, not yet reimbursed receivables, under Public Law 480, other accounts receivable, storage facilities, and similar commitments. This, combined with the investment in price-support loans and inventories, brought the total of CCC borrowing power in use to $11.5 billion.

Heavy loan operations, partly because of the big cotton, corn crop, will make necessary a further increase of the CCC borrowing power during this session.

SALES RESULTS

Surplus disposal of CCC products of about $1 billion in fiscal 1953 have risen to $1,400,000,000 in fiscal 1954, and to more than $2,100,000,000 in 1955. Since last July, we have disposed of $1.54 billion worth of commodities, bringing the overall total to over $5.5 billion in the 3⅔-year period. It is estimated

that the disposal for the 1956 fiscal year will be increased to a total of $2.6 billion.

SALES PROCEEDS

I might add that sales have been stepped up to the point that from July 1, 1955, through March 1956 the Department of Agriculture has sold of commodities owned by the CCC on the competitive market—for dollars—in the amount of $1,108,317,720.22.

EXPORTS

Exports of all of our major United States commodity crops are presently at a high level. Total exports have increased by 16 percent in the past 2 years. In 1955, our agricultural exports stimulated by the special programs which are in effect were more than 60 percent higher than those of the immediate prewar period, 1936 to 1940. They were 22 percent above the average of the previous 30 years.

Sales proceeds, July 1955 through March 1956

PROGRAM AND COMMODITY	SALES PROCEEDS
Price support program:	
Basic commodities:	
Corn	$144, 142, 421. 64
Cotton, extra long staple	7, 611, 724. 88
Cotton, upland	147, 225, 404. 18
Peanuts, farmers' stock	2, 931, 865. 02
Rice, milled	23, 279, 597. 93
Rice, rough	25, 899, 330. 36
Tobacco	24, 652. 58
Wheat	399, 219, 723. 46
Wheat flour [1]	3, 992, 787. 45
Total basic	757, 327, 507. 50
Designated nonbasic commodities:	
Milk and butterfat:	
Butter	14, 138, 668. 36
Butter oil	630, 590. 29
Cheese	10, 840, 128. 25
Milk, dried	10, 334, 902. 21
Milk, fluid	-------------
Whey	627, 262. 03
Tung oil	4, 329, 036. 03
Wool	16, 364, 749. 35
Total nonbasic commodities	57, 265, 336. 52
Other nonbasic commodities:	
Barley	61, 650, 995. 20
Beans, dry edible	8, 264, 884. 19
Cottonseed and products:	
Cotton linters	10, 903, 936. 74
Cottonseed meal	3, 374, 630. 53
Cottonseed oil, crude	4, 351, 974. 89
Cottonseed oil, refined	35, 545, 546. 30
Flaxseed	25, 726, 170. 45
Grain sorphum	70, 014, 938. 40
Linseed oil	8, 520, 232. 87
Naval stores:	
Rosin	4, 593, 740. 93
Turpentine	355, 735. 29
Oats	13, 102, 631. 97
Rye	6, 443, 416. 32
Seeds, hay and pasture	6, 343, 960. 50
Seeds, winter cover crop	3, 021, 260. 26
Soybeans	31, 510, 821. 36
Total other nonbasic commodities	293, 724, 876. 20
Total price-support program	1, 108, 317, 720. 22

[1] Acquired by exchange of price support wheat for disposition under Public Law 480, title II.

Mr. Chairman, I think, in fairness to the Department of Agriculture, which is so essential to the prosperity of the farmers, and to the economy of our country, that we should all who know the facts admit that Secretary Benson and other officials in the Department of Agriculture who are responsible for its administration inherited, when they came to office, an emergency situation that never before faced any Secretary of Agriculture or his Department.

In this I refer to the fact that controls were not put on when they should have been, in the latter part of the previous administration, which permitted two bumper crops of wheat, cotton, corn, and farm products generally throughout the Nation, which had to be bought by the Government and stored, consisting of over billions of dollars worth of farm commodities. This at a time when farm prices had been falling from 1948 to the advent of Secretary Benson's being called to administer the Department of Agriculture.

As a member of this committee, before which Secretary Benson and his principal assistants testified last year, and again this year, and from the information we receive from them, I feel anyone, after evaluating the situation with which he was faced, and the effort he and his assistants have made to reduce these surpluses will agree that he has done a remarkably fine job, and deserves now and, in my opinion, in the future the commendation of the people of the Nation.

He has from the beginning had the courage to follow sound policies, which would remove the cause of these surpluses, and he has refused to compromise by giving the farmers only a sedative, which would wear off shortly, and they would find they were in a worse position as the months rolled on.

The sound policies that he and the President have worked out, and to which they have steadfastly adhered, have stopped the downward trend of prices which are now pointing up for farm products. His insistence on trying to remove the cause that has been penalizing the farmers is only beginning to pay off for the dairy interests, the livestock interests, the poultry interests, and other interests that bring to the farmers over 60 percent of their income.

After spending about 2 months in sitting across the table from Secretary Benson and his principal assistants, in committee, last year, and about 2 months this year, I have been impressed with their absolute honesty, their tremendous interest in alleviating the conditions of the farmers, and it is my belief if they have the proper cooperation of the Congress in enacting the soil-bank program, the Secretary has contended for, that agriculture from the present time on will become more profitable.

I believe we are on the threshold of better days for agriculture, but I insist, and most of the successful farmers of the Nation realize, that we must reduce the mountains of surpluses that are overhanging the market and depressing the farmers' prices before the farmers can fully share in the prosperity of the country.

That is the Eisenhower-Benson farm program, and, in my judgment, it is the only program that will put the farmer in a position where he will not have to produce for the Government, and sell his products at 80 or 90 percent of parity. If we can reduce these surpluses, and bring production in line with the demand, then the farmer will get 100 percent parity in the market place, to which he is entitled, without having to come to the Government, asking for 80 or 90 percent of what he should have.

This farm question will never be settled, as it should be, until we bring the surpluses down nearer to domestic and export demands.

May I repeat, public sentiment in the near future will give to Secretary Benson the rich commendation he deserves.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Illinois since he has been a member of our subcommittee has been one of the leaders in dealing with the programs about which he has been speaking in this research and extension work. As the gentleman knows, he himself urged very strongly the appropriations for research in this bill. As the gentleman knows I doubted that the qualified scientists necessary to justify this additional $10 million program in research in this particular field could be found at this time.

I wonder if the gentleman would not perhaps agree with me that in some way there should be emphasis placed upon the training of young people to qualify as scientists for working in this great field. I wonder if he would care to comment on this before he proceeds further. I would appreciate it.

Mr. VURSELL. I remember the position taken by the gentleman from Minnesota, and I think he took a rather sound position in raising this question; but I think part of the answer to the gentleman's question is simply that our committee has started to become more concerned with the programs that are being laid out and that we are recommending that there be a very careful selection of these programs. I am of the opinion that with the cooperation of the scientists, and they have always been very cooperative, that we can carry out this extended work probably without any additional help and expense to speak of. I think we can meet the problem through those methods and, of course, with emphasis on agriculture in this country we are and will continue to develop more competent people along that line.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield further?

Mr. VURSELL. I yield.

Mr. H. CARL ANDERSEN. I doubt whether there has been any one thing that has brought as much in direct returns to agriculture through the years as research. I recall 30 years back I worked in very close cooperation with one of the first county agents who came to my home county of Lincoln in Minnesota. When we look back over the years we can see that one item alone, the development of hybrid seed corn, has meant an additional half billion dollars income each year to the farmers of America. The money invested in research has been well spent. I hope some means can be found to accentuate the speed of training technicians and scientists in our land-grant colleges throughout America for this great work.

Mr. VURSELL. I think that is a very good point.

Mr. H. CARL ANDERSEN. May I make one short statement further. We are all proud of the fact we have on our subcommittee a colleague from the State of Minnesota [Mr. Marshall], whose father was the first county agent in the State of Minnesota. That is a good many years ago, I believe around 1913?

Mr. MARSHALL. In 1912–1913.

Mr. H. CARL ANDERSEN. He commenced his service in one county in my congressional district, Traverse County.

Mr. MARSHALL. That is correct, Traverse County.

Mr. H. CARL ANDERSEN. This illustrates just how closely knit both sides of this subcommittee are with extension and research. I thank the gentleman for yielding.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from California.

Mr. SISK. I notice on page 6 of the report, with reference to the hearings on the bill, that numerous Members and other witnesses made what appears to be a good case for special research. It goes on further to say:

> The committee has not dealt separately with each of these because the Department, within the large amounts provided in this bill for research, has ample authority and funds to meet these and other similar research problems.

Because of a statement that I made before the committee and due to my prime interest in a small research project which I believe only calls for an expenditure of $25,000 that we feel would eliminate the surplus in our raisin program, I was wondering if that applied in this case?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say to my colleague that this is the type of case we have in mind. I recall the testimony given before our committee. We did look on that with merit as we did other similar problems called to our attention. As big as the overall research activity of the Department is—there is over $92 million for research in this bill—certainly there should be funds to meet research needs of this type. These projects similar to yours that frequently come before us should have the attention of the Department. They have the money and they have the authority.

Mr. SISK. I thank the gentleman and I appreciate very much the statement of the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. Natcher].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill of the Department of Agriculture.

It has been a pleasure working with our chairman, the distinguished gentleman from Mississippi [Mr. Whitten], and the other members of this committee. We were ably assisted by our executive secretary, Ross P. Pope.

For fiscal year 1957 we recommend appropriations of $783,061,708 for regular activities; $359,300,000 for loan authorizations; $929,287,178 for corporate expenses; $271,163,682 for special activities, and $6,356,000 for the Farm Credit Administration.

Today, Mr. Chairman, we are searching for a constructive answer to the farm problem. Agriculture is undergoing a cost price squeeze while other segments of our population are prospering. We discuss our surplus commodities and at the same time realize that several million American families lack adequate diets, and throughout the world hundreds of millions of people today fear starvation. A decline in agriculture threatens the lasting prosperity of all of our people. It is impossible to have a sound prosperity unless the American farmer and agriculture generally receive an equitable share of the national income. It is a well known fact that well over one-third of our entire population is dependent upon the American farmer.

I, for one, believe that our surplus commodities are a blessing and not a liability. We must dispose of our surplus commodities in an orderly manner keeping in mind the necessity of such commodities in case of war. A Nation as wealthy as ours should be able to afford a year's supply of commodities properly stored in proper places in case of such an emergency. We will need a large national agricultural productive capacity in case of war. We appropriate each year huge sums for essential materials which are stockpiled, and it is just as wise to have adequate food supplies on hand if we are faced in the future with an all-out nuclear war. We might be faced overnight in this country with starvation. We must keep in mind that we only have a 3 months' supply of corn, 13 months' supply of wheat, 13 months' supply of cotton, 7 months' supply of rice, 1 month's supply of butter, and so on down the list of our surplus commodities. We have on hand today no important crop which exceeds a 14 months' supply.

The net income for the American farmer for the calendar year 1955 amounted to $10,710,000,000. Our decline in farm income became very severe in the year 1951, and since that time the net income of our farmer has dropped 35 percent, with 12 percent of same taking place during the year 1955. Farm production in 1955 was 12 percent greater than in 1947, but gross farm income was 9.4 percent below 1947 and net farm income was down 38 percent. Our national income from sources other than agriculture increased nearly 68 percent during this period of time. Our American farmer experienced a drop in parity ratio from 115 percent in 1947 to 80 percent in January of 1956.

Our total exports of agricultural products from this country in the year 1955 amounted to $3,143,000,000. Our farmer today produces enough food and fiber for 18 consumers, and this is twice as many as 30 years ago. Through research and ingenuity our output has been increased by improved power, machinery, seeds, fertilizers, and chemicals. One of our main troubles arises from the fact that means to increase production have grown much faster than ways to expand markets and increase utilization of the farm output.

The total farm mortgage debt of the United States has increased 86 percent in this country from January 1, 1945, to January 1, 1955. In my own State of Kentucky we have a total increase of 113 percent in our farm mortgage debt during this period of time. This is a concrete example of the situation facing the American farmer today.

Mr. Chairman, for the fiscal year 1957 appropriations totaling some $65,000,000,000 will be approved by the Congress of the United States, and only 4.8 percent of this amount is for agriculture. I say to you quite frankly that if 10 percent went for agriculture we would not be out of line.

SOIL CONSERVATION SERVICE

Our Soil Conservation Service was established on April 27, 1935, and today we have some 2,700 local soil conservation districts covering about 90 percent of all the farms and ranch lands in this country. Approximately 1½ million farmers and ranchers are active district cooperators applying soil and water conservation practices on their land. This is an increase of about 200,000 per year. We heard testimony to the effect that additional technicians were needed in nearly all of the soil conservation districts, and found that 45 percent of the districts today have fewer technicians than at any time in the past. In the Second Congressional District of Kentucky we have 12,572 farm cooperators in soil conservation. Some 4 or 5 years ago we were seeking additional farm cooperators, and now we do not have enough personnel to furnish cooperators the necessary technical service on our farms. Soil conservation is one of the great assets of our present-day Government, and in Kentucky we believe in soil conservation. We have 122 soil conservation districts. We realize that erosion is taking a heavy toll, and that in some instances our soils are deteriorating faster than we are building them up. We have enough good land left in this country to keep us prosperous and well fed if we conserve and improve it. Our committee recommends an appropriation of $67½ million for conservation operations, which is an increase of $2,285,000 over the 1957 budget estimates, and $4,557,255 over the 1956 appropriations; $17½ million for watershed protection, which is $1½ million over the 1957 budget estimates, and $5,505,935 over the 1956 appropriations; $12 million for flood prevention, which is $1,300,000 over the 1957 budget estimates, and $2 million over the 1956

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appropriations. We have resisted every effort to curtail the soil conservation programs, and to assure adequate technical assistants we have increased the amounts requested for the Soil Conservation Service. We recommend a total of $97,232,000 for Soil Conservation Service, which is an increase of $5,085,000 over the Department's budget request, and $12,295,190 over the 1956 appropriations. We sincerely believe that this figure should be approved, thereby placing our farmers in a position in this country to be able to continue to conserve soil and water resources.

SCHOOL-LUNCH PROGRAM

Our greatest asset is our schoolchildren and we all realize the importance of good school meals for both the health of the children and effective teaching programs. Over 10 million schoolchildren received their school lunches each day and this represents over one-third of all of our schoolchildren. The request made for the school-lunch program totaled $83,236,000, and, after hearing numerous witnesses, including a great number of the Members of Congress, we believe that the total appropriation for our school-lunch program should call for the sum of $100 million. This is an increase of $16,764,000 over the 1957 budget estimates, and $16,764,788 over the 1956 appropriations. We request approval of this item.

RURAL ELECTRIFICATION ADMINISTRATION

If the Hoover Commission report were adopted, and especially recommendation No. 36 of the report, REA would be destroyed. Recommendation No. 36 provides that the Rural Electrification Administration be recognized on a self-supporting basis, and that it secure its financing from private sources. When Ancher Nelsen, the Administrator of the Rural Electrification Administration, appeared before our committee I inquired as to whether or not he believed the Hoover Commission report on REA should be adopted, and I am glad to inform you that the Administrator disapproved of the suggestions made in the Hoover report concerning the destruction of the REA. When Secretary Benson appeared before our committee the same questions were asked, and he, in turn, stated that he was against the adoption of recommendation No. 36. Today 91 percent of our farmers have electric service. Our Rural Electrification Administration is one of the greatest achievements of our present-day Government, and this fact is recognized by every member of our committee. We recommend a total of $194,800,000 for loan authorizations for REA, with $145,300,000 for electrification and $49,500,000 for rural telephones.

FARMERS' HOME ADMINISTRATION

Farmers' Home Administration renders great service to a group of people who are unable to obtain the necessary financial assistance when in need. We recommend a total loan authorization for our Farmers' Home Administration of $164,500,000. Approval of this amount will assure the little farmer financial assistance for the future.

AGRICULTURAL RESEARCH SERVICE

We recommend an appropriation of $49,972,000 for research with this amount being $10,816,845 more than the 1956 appropriation. We further recommend $22,594,000 for plant and animal and pest control, which is $2,413,300 more than the 1956 appropriation. We recommend a total appropriation for Agricultural Research Service of $131,069,708 for fiscal year 1957, with this amount being $29,416,145 more than the 1956 appropriation.

EXTENSION SERVICE

Extension Service has been of great benefit to the American farmer and especially so in the State of Kentucky. Funds appropriated for our Extension Service are used to supplement funds appropriated by State, county, and local governments for the employment of county agents, home demonstration agents, 4-H Club agents, and State specialists who, in turn, bring into force the additional programs of the Department of Agriculture. The county agents in my district, and in my State, are well qualified, dedicated people, and have performed a great service. We are losing county agents in my section of Kentucky due to the fact that the salaries received are wholly inadequate to take care of present-day living costs. The county agent with the necessary education and experience to carry out his duties is certainly entitled to receive a better salary than he receives under the present salary scale as provided for in my State of Kentucky. I pointed this fact out to the Secretary of Agriculture when he appeared before our committee, and we were assured that although the Department of Agriculture was not responsible, under the law, for setting the salary scale for county agents, discussions would be held with the proper officials of our land-grant colleges concerning this matter. Our county agents must be well qualified from the standpoint of education and experience, and are entitled, in turn, to a salary commensurate with the duties that they perform. We recommend a total of $53,265,000 for Extension Service, with this being an increase of $5,145,000 over the 1956 appropriations.

GOVERNMENT-OWNED LANDS PRODUCING SURPLUS COMMODITIES

We are informed today that we have in cultivation some 350 million acres of land, and that this is 50 million acres too much for our present needs. During our hearings I requested the General Counsel for the Department of Agriculture to file as a part of his testimony a report showing the total number of acres of Government land which was today producing agricultural commodities. This report may be found on page 1260 of our hearings, and shows that the Federal Government owns 405 million acres of land in this country, which is 21.3 percent of the total land area. This report further shows that the Federal Government, through its different departments, in the year 1954 had under lease 245 million acres of land, which was being used for grazing, and that the Department of Defense had under lease 1,400,000 acres of Federal land under contract for farming purposes. It is almost impossible to ascertain what portion, if any, of the 245 million acres of grazing land is used for the purpose of producing commodities which are now in surplus. Land under lease from the Federal Government which was condemned or purchased for public work sites and for use by the different departments of Government which are under lease part time to original owners when the land may be used for cultivation of agricultural commodities is good practice, but, in my opinion, all land leased today by the Federal Government which is producing agricultural commodities now in surplus which does not fall in this category should be immediately withdrawn. If we have too much land in production certainly the Federal Government should not be in the business of producing agricultural commodities which are now in surplus.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

We recommend an appropriation of $217,500,000 for Agricultural Conservation Program Service for fiscal 1957. This is an increase of $3 million over the 1956 appropriations.

AGRICULTURAL MARKETING SERVICE

Our committee recommends an appropriation of $127,100,000 for Agricultural Marketing Service, with this being $18,537,648 more than the 1956 appropriations, and $16,083,000 more than the 1956 budget estimates. We all agree that the marketing activities of agriculture must be encouraged.

COMMODITY CREDIT CORPORATION

Our total investment in loans and inventories for basic commodities as of March 31, 1956, amount to $7,841,180,000. The total investment in loans and inventories for corn amounts to $1,910,615,000; cotton $2,275,499,000; peanuts $27,010,000; rice $229,309,000; tobacco $547,292,000, and wheat $2,820,422,000. We recommend an administrative expense authorization for the Commodity Credit Corporation of $31,000,000, together with an appropriation of $929,287,178 for restoration of capital impairment.

Mr. Chairman, as you well know, tobacco is one of our important agricultural commodities. This bill contains sufficient funds for proper administration of the tobacco program.

We all realize that agriculture must prosper if the Nation is to prosper, and our American farmer has the right to demand a standard of living in keeping with the contribution he makes to the national economy.

Our committee recommend this bill to the Members of the House.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, when the time came to add a Democrat to our subcommittee at the beginning of this Congress, it was our good fortune to have Mr. Natcher assigned to our group. He has been diligent in attending to his work, has rendered splendid service, and I think will be of inestimable value to our subcommittee in the years to come.

Mr. NATCHER. I thank my friend from Minnesota, and desire to say at this time that I consider my friend, Mr. H. Carl Andersen, as one of the able Members of this House, and a true friend of the farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield further?

Mr. NATCHER. I yield to my distinguished friend from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I shall yield 3 additional minutes to the gentleman from Kentucky.

Mr. NATCHER. I thank my friend.

Mr. H. CARL ANDERSEN. The gentleman has well stated that this problem of surpluses should be considered as a blessing rather than a curse. I think anybody who has had the good fortune or misfortune, whichever we may wish to term it, to go to the Near East, especially in the close vicinity of the Israeli border, and has been able to check into the manner in which about 350,000 human beings are living, in camps which are really indescribable, to say nothing of the additional 550,000 refugees who are being taken care of further inland, in Lebanon, Syria, and Jordan—when he sees all of those people with scarcely enough to keep body and soul together he will be set to thinking that we in America should consider ourselves blessed to have this superabundance of food. I think the gentleman would agree with me that conditions would be really bad in this country if the time ever comes when there is not sufficient food to feed our own people here in America.

Mr. NATCHER. I thank my friend for that fine statement and certainly agree with him.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield.

Mr. EVINS. I commend my friend from Kentucky on his very excellent statement on this bill.

I notice that the sum $145,300,000, which is $14,700,000 less than last year, was allocated for the rural electrification program, and that the amount for the rural telephone service is $25,500,000 less than last year. I am sure the gentleman has inquired fully from representatives of these two services as to the adequacy of the funds and whether or not these representatives could use additional funds. Will the gentleman explain the reductions?

Mr. NATCHER. I will say to my distinguished friend from Tennessee that at the time these two items were presented to our subcommittee they were carefully considered and a great deal of time spent with the Administrator of the Rural Electrification Administration and all witnesses who appeared before our committee to ascertain whether or not the amounts under discussion were ample for the fiscal year 1957. I, like my friend from Tennessee, am very much interested in the Rural Electrification Administration, and state that the amounts set forth in the bill are ample for 1957.

Mr. BASS of Tennessee. You were assured that these funds are adequate?

Mr. EVINS. You were assured that those funds were adequate?

Mr. NATCHER. The amounts in this bill are ample.

Mr. EVINS. I thank the gentleman for his explanation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the majority leader [Mr. McCormack].

Mr. McCORMACK. I want to congratulate the chairman of the subcommittee and all the members of the subcommittee of both parties for the action taken on the school lunch program. I understand there are $100 million in the bill for that purpose for the next fiscal year.

Mr. NATCHER. That is correct.

Mr. McCORMACK. That is $16,764,000 more than the budget estimate; is that correct?

Mr. NATCHER. That is correct.

Mr. McCORMACK. That makes not only me, but many other Members happy because this is one of the finest and one of the most meritorious programs that I know of. It is a highly constructive program. I want further to add that whenever I have appeared before the subcommittee, and I have done so on a number of occasions in connection with the school-lunch program, the members of the subcommittee have always been most gracious and most generous. I want to express my deep thanks to the chairman and all the members of the subcommittee not only for the hard work they have done on the entire bill, but particularly for the action taken on the school-lunch program.

Mr. NATCHER. I thank my friend, the majority leader. I will say quite frankly that, since I have been a Member of the Congress, our distinguished majority leader has always shown his interest in our school-lunch program and to agriculture generally. He, too, believes, Mr. Chairman, that our schoolchildren are our greatest asset.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the gentleman from Minnesota [Mr. Marshall].

Mr. MARSHALL. I think I would be remiss at this point if I did not call attention to the fact that, in addition to the school-lunch funds which we have appropriated in this bill, there are also available to the Secretary funds for the surplus commodities. Last year, he turned back to the neighborhood of $114 million which were unused, and this sum could be tapped and is available, or at least a good-sized portion of this sum is available for next year so that he can supplement the school-lunch program out of these funds for surplus commodities.

Mr. NATCHER. I thank my friend.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished chairman.

Mr. WHITTEN. I wish to express my appreciation to the majority leader for his kind reference to me as chairman of the committee. I would like to say that the gentleman from Massachusetts [Mr. McCormack] not only has evidenced his interest in the school-lunch program through the years, but there has never been a greater friend of American agriculture in the Congress. The gentleman from Massachusetts [Mr. McCormack] has always given us of his time and of his efforts in behalf of agriculture, and I wish to express my appreciation to him at this time.

Mr. NATCHER. I certainly join with my chairman in that statement.

Mr. McCORMACK. Thank you very much for your kind remarks; may I say to my friend from Mississippi, they are unexpected but deeply appreciated. I might say, like my friends, the gentleman from Mississippi and the gentleman from Kentucky, as well as other Members on both sides of the aisle, no matter what section of the country we come from, we view these great problems which confront our country from the angle of the best interest of the country as a whole.

Mr. NATCHER. I thank my friend.

Mr. H. CARL ANDERSEN. Mr. Chairman. I yield 5 minutes to the gentleman from Illinois [Mr. Springer].

Mr. SPRINGER. Mr. Chairman, I want to thank the ranking member of the committee on my side of the aisle for giving me this time. I am not a member of the committee but I did desire time to make one or two basic points.

I believe this committee in future years could render a great service to this Congress if they began thinking about the fundamental ways in which we are going to work out this agricultural problem ultimately. I have been a Member of this House for the sixth year. Each year that we come here, whether it has been my side of the aisle that has been in control, or the other side, we have merely tried to meet the agricultural problem through stop-gap measures. In other words, we have tried to legislate on something that occurred probably within the last 12 months. I think it is time for this committee to go to the problem of determining where we are going in agriculture and how we are going to meet the long-term problem in agriculture.

You say to me, "What have you got to suggest?" I have thought a lot about this, because I am as vitally affected as any member of this committee. It seems to me there are two things that have to be done. Preliminary to that, we want to be sure that agricultural income is not going to drop; that that is at least going to be retained.

One is to expand the sales which agriculture can make. Within this country we are somewhat limited. That is one reason why I, together with several others authorized Public Law 580, because I saw a chance to expand our markets abroad where we could get rid of this surplus.

That is one way of going at it.

In the second place, it seems to me we would have to have some reduction in supply itself. We cannot keep on producing surpluses beyond what we can use, especially within the basic crops that are supported; where we are paying, in effect, parity or a subsidy for the production of those particular products. That is the reason that you saw me on

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this floor at least six times asking that the soil-bank plan be passed and implemented this year. It provided a method for reducing acreage without reducing the farmers' income.

I do not see how you are going to basically get at the farm problem except in those two ways. First, you have to sell more. Second, you have to reduce the supply without reducing the farmers' income. Within those two suggestions I do not know what this committee could offer.

I am not going to be critical of it, because this committee has blazed the trail along two paths to help the situation. In the first place, you have said to the Department of Agriculture, "You must tell us what your needed reserve is. You have said to the Department of Agriculture: "You must tell us what our critical supply is; what we must have on hand if we reach an emergency which is declared as the result of aggression or some world action which we and our allies might have to face." Then we will know what our surplus is over and above the critical supply that we have to have available 365 days in the year. That is one thing you have done.

In the second place, you have put pressure upon the Department in the last 2 years to sell these surpluses upon the world market at the going price. You have said to the Secretary of Agriculture, "You cannot keep these surpluses in this country and sell them above the world price and make it impossible for us to make a sale." I want to compliment the committee because of those 2 things you have done in the last 2 years.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. WHITTEN. For the sake of emphasis let me point out 2 or 3 things that I am sure the gentleman is aware of, points he made also, and to say that in all the years we have been bringing these bills here the gentleman from Illinois has been most helpful to us in the discussions, taking our side on some of these matters where there was some controversy about it. But I want to point out that while our committee is greatly interested in these various programs and supports them, we have nothing to do wtih directing them. We handle appropriations for 1 fiscal year at a time. Other than having investigations and releasing the information, other than giving directives to similar information in the Department on actions which we took last year we cannot direct. We get information, of course, as to increased production, but when for instance we develop the facts on what happens to the spread in prices between the farmer and the consumer our hands are tied, for we cannot write new legislation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. Chairman, I wanted to say that we do devote a great deal of our attention to pointing out the long-range things that are essential.

Mr. SPRINGER. I understand the gentleman and I am willing to admit that a great deal of what he has said is true. In the last 2 years several things you have done had an impact upon our markets and surpluses.

I have talked with officials in the Department a great deal. If there is one critcism that comes to my mind it is that they do not do enough long-range thinking or develop fundamental approaches. Without that how are you going to meet the agriculture problem? I come back again to the proposition that we are doing too much year-to-year thinking and providing stop-gap legislation, trying to do things that may be beneficial for the moment, going about things from year to year, whereas it should be on a 5- or a 10-year basis.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. VURSELL. I believe the gentleman will agree with me that the officials of the Department of Agriculture have done a tremendous amount of thinking about moving these surpluses not only into the foreign markets but into the domestic markets as well. I undertake to say that in my judgment holding to what they consider a sound policy that they have done a remarkable job, and I have figures here to show that only in the last 9 months they have moved out of the Commodity Credit Corporation considerably over a billion dollars worth of food products.

In addition to that we have representatives abroad doing research as to how to get rid of these commodities, because this committee has insisted that all of the attachés of the Department of Agriculture be put under the State Department. They are making their reports directly to the State Department. They are giving them the world situation and they are looking as good salesmen at the same time for opportunities to increase the sales of our products abroad. The result has been that within the past 2 years exports have gone up 16 percent and we are now beginning to regain our export market. In my judgment it presents a rosy picture as to getting rid of surpluses by increasing exports and in other ways that are being thought out by our committee and are receiving the kind cooperation of Secretary Benson and Mr. Butz and some of the ablest men in Government.

Mr. SPRINGER. I thank the gentleman for the statement he has made, but I still come back to the proposition that the people down in the Department are not giving enough thought to the long-range fundamental problems of agriculture. I do think that is one of our greatest needs.

The gentleman from Illinois, Mr. Vursell, pointed out a minute ago the increased production of pork. There are great increases also in cattle and poultry. The same is true in the other basic commodities. In the next 5 or 10 years we are going to see additional substantial increases basically in production.

These are the basic problems we have to think about in agriculture, and that is all long-term thought.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. Albert].

Mr. ALBERT. Mr. Chairman, I take this time to make a brief statement and to propound an inqury of the gentleman from Mississippi [Mr. Whitten], chairman of the subcommittee.

The Committee on Agriculture has received reports from several States indicating that the spotted alfalfa aphid has spread over wide areas and has caused damage to alfalfa crops in several Western and Southwestern States ranging up to as much as 75 percent of the total crops. Losses have already been estimated in terms of tens of millions of dollars. The pest is spreading rapidly and will probably be found in all alfalfa producing States within a year or so. Control of the pest is very expensive.

A special subcommittee of the Committee on Agriculture has conducted hearings on this matter. We were told by Dr. B. T. Shaw, administrator, Agricultural Research Service, that the Department knows of no way of either eliminating this aphid or preventing its spread. Dr. Shaw expressed the opinion that the Federal Government's participation in this problem should be limited to research looking toward the control of the pest and the breeding of resistant alfalfa strains. He advised that the budget contemplates $28,000 for control, and $45,000 for the development of resistant types. Dr. Shaw was of the opinion that this amount was ample, particularly in view of the fact that these items could be increased if need be by his authority to transfer use of funds within his operations.

Apparently some of the directors of State experiment stations feel that it would be unwise to transfer any funds from other operations. They feel that all items in the budget are needed for the purposes for which they were budgeted. Dr. Louis E. Hawkins, who is director of the Oklahoma Experiment Station and chairman of the legislative committee of all of the 53 State and Territorial Agricultural Experiment Stations, has expressed to me the opinion that more funds should probably be earmarked for the spotted aphid program.

In this connection I would like to ask the gentleman from Mississippi, chairman of the subcommittee, whether he feels that the Department will have ample authority and will have ample funds in this bill to meet the aphid problem?

Mr. WHITTEN. I may say to the gentleman from Oklahoma that this bill carries a total of $49,972,000 for agricultural research services. The report points out what these projects are and we also point out that they have ample authority to transfer funds should the occasion arise and, having as many projects as they have, they can finish some projects each year. May I point out that in the budget of the Department itself they have $78,000 listed for research work having to do with the aphid problem. So within the funds in the bill, within the authority they have to transfer and with the knowledge that they complete some projects each year, certainly this is one of the projects they have plenty of authority and money to meet.

Mr. ALBERT. I thank the gentleman.

Mr. HIESTAND. Mr. Chairman, during the past 2 years the farmers of the Antelope Valley of California, which I have the honor to represent, have been hit with one of the worst blights in the history of hay farming.

Alfalfa, the major crop, has been attacked, and crop after crop has been practically wiped out by a rapidly spreading spotted aphid. Insecticides, very expensive insecticides, have been applied with only fair success, but at almost ruinous cost to the farmers.

I brought this tragedy to the attention of the Secretary of Agriculture last year, and immediately added funds were assigned for research for insecticides and research and development for substitute aphid-resistant varieties of hay.

Lahontan proved the best resistant variety, but seed takes time and several crops to raise in quantity.

I appealed for some sort of subsidy arrangement so the farmers could get their insecticides either free or at a reduced cost to save them from ruin. Unfortunately there was nothing in the law to permit it.

I, therefore, am very happy to hear from the chairman that at least part of the $10 million increase for research and development can be applied to this spotted aphid problem, so important to the alfalfa farmers of California and the 21st District.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I requested this time to confirm my understanding of the situation in regard to the gypsy moth control. As the subcommittee well knows, that has been a very seririous situation in New England, and particularly in Massachusetts, spreading, as I understand it, into parts of southeastern New York, northern New Jersey, and eastern Pennsylvania. As a result of a meeting between officials of the Department of Agriculture and of all interested States, including representatives of State agricultural and conservation departments, held there on March 5, my impression is, it was generally recognized that if the infestation is not controlled, it could cause very extensive damage to timber and recreational facilities and to fruit, shade, and ornamental trees everywhere east of the Mississippi River.

My understanding is that the bill as reported by the committee for fiscal 1957 represents an increase of $1,750,000, or a total of $2,295,000. I further understand that within a year or so a technique has been developed of using a spray, I think composed of DDT and oil, which completely eliminates the insect where the area is sprayed and that an excellent cooperative program has been established between the Department, the States, and the local governments, and also private individuals and organizations.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I am glad to yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman is correct. Furthermore, I want to say to the gentleman that I have appreciated the great interest which he has shown in trying to do something constructive toward preventing this very destructive pest from going all the way westward to the Rocky Mountains. And, that is just what will happen unless we get this thing under control. Further, I want to assure the gentleman that I am positive, from the attitude of the Department of Agriculture, that if this particular sum of money is not sufficient, they will come in early next spring with a request for a supplemental to not only hold the gypsy moth in check but to push it back and ultimately eradicate it.

Mr. HESELTON. I want to express my appreciation of the work that the subcommittee has done as well as of the fine individual efforts of the gentleman from Minnesota. I know the subcommittee does understand the threat and is anxious to cooperate wherever that can be done effectively. I would appreciate it if the chairman of the subcommittee would be willing to comment on the matter.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the chairman of the subcommittee. While the Northeast has the most heavily infested area, I understand the District of Columbia, all of Kentucky and West Virginia, most of Tennessee, and large parts of North Carolina, South Carolina, Georgia, Alabama, Mississippi, Missouri, Arkansas, Oklahoma, and Texas now have clear areas but which are highly susceptible. I know the gentleman from Mississippi [Mr. WHITTEN] has been deeply concerned and has demonstrated his determination that this threat must be controlled.

Mr. WHITTEN. I think the gentleman has fully covered it, and the gentleman is right concerning the amount of money placed in the bill. The committee recognized the importance of this problem when it placed the funds here. A technique has been developed, and they are highly hopeful that they can do it on a large scale. Up to this time they have not done so. But, I think the facts are as the gentleman has explained them.

Mr. HESELTON. It is my understanding from the subcommittee hearings that the method of spraying can only be conducted during the period April 15 to about June 15.

Mr. WHITTEN. That was the testimony of the Department; in other words, during the period that the larva is coming out, and we have to get at it in the inception.

Mr. HESELTON. And the committee had that definitely in mind in making his recommendation?

Mr. WHITTEN. Yes.

Mr. HESELTON. I thank the gentleman. I am certain as to the subcommittee attitude. I am confident that Congress, the Department, State, and local officials and interested individuals and groups recognize the seriousness of this infestation and will continue to cooperate fully to eradicate it as soon as possible.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Pennsylvania. I understand that a part of eastern Pennsylvania, as well as southeastern New York, including most of Long Island and northern New Jersey, are in an extremely dangerous and exposed position with reference to the spread of this pest.

Mr. FLOOD. I want to say to the gentleman and to the committee that in my district, in Luzerne County, in the mountains of Pennsylvania, we had serious trouble for many years with this infestation of the gypsy moth. For a number of years this committee and the Department were striving to halt this plague in that area, and it has been terminated and the situation cured. And, that is why I want to express my concern and the concern of the committee, since the gentleman's district is not too far from mine—right over the hill, so to speak—and we are alarmed again with this potential danger in the New Jersey area.

Mr. HESELTON. It is my understanding that if it is not controlled, past experience has shown that frequently a million-acre tract will be made worthless in a very short period of time. I believe the latest official estimate is that between 35 and 40 million acres are infested and I understand that from 8 to 9 million acres of this total developed during the increase of infestation in the last 2 years.

Mr. FLOOD. It is deadly in destruction. There is no question about that. It will devastate your trees.

Mr. HESELTON. I appreciate the gentleman's comments. They are encouraging as to what can be done but they are also a warning from experience of what might happen in any area susceptible to this pest.

At this point, under permission granted to me in the House, I include a letter to me from Mr. E. D. Burgess, Chief of the Plant Pest Control Branch of the United States Department of Agriculture, dated today, together with the enclosures to which Mr. Burgess refers.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
PLANT PEST CONTROL BRANCH.
Washington, D. C., May 14, 1956.

Hon. JOHN W. HESELTON,
House of Representatives.

DEAR CONGRESSMAN HESELTON: This will serve to confirm the information Dr. Clarkson furnished you by telephone on Friday and our conversation of this morning in regard to the appropriation outlook for gypsy-moth control.

The gypsy moth is an introduced pest which generally infests extensive areas of New England and New York. It is a destructive defoliator of forest, shade, and fruit trees and ornamentals. During periods of severe outbreaks it is not uncommon for a million acres or more to be completely defoliated. Its further spread during the past 2 years to the South and West is a matter of grave concern to both forest and recreational interests, nurserymen, and conservationists.

The number of inquiries reaching the Department, both from Congress and various sources in the States resulted in the Agricultural Research Service inviting State commissioners of agriculture to a meeting in Washington, D. C., on March 5 for the purpose of getting a more complete picture of what State officials, both within and outside the infested area, were thinking in regard to the future of this work. There is attached

a résumé of the conclusions reached. (See attached résumé.)

Your question as to the Department's recommendation for additional funds to expand spray operations during the remainder of the fiscal year 1956 and for fiscal year 1957 is shown in the following table:

Funds available for fiscal year 1956	$545,000
Amount of supplemental recommended for fiscal year 1956	[1] 500,000
Additional funds recommended for 1957	2,500,000
Total recommended for 1957	3,045,000

[1] Witnesses from outside the Department recommended that $1,500,000 be provided to expand work during the current season.

The amount reported in the House bill for fiscal year 1957 represents an increase of $1,750,000 for a total of $2,295,000.

There are attached two tables showing by States the Federal and non-Federal expenditures for gypsy-moth control for the period 1948 to 1956, inclusive.

If there is additional information that we can furnish please let us know.

Very truly yours,

E. D. BURGESS,
Chief of Branch.

RÉSUMÉ OF A MEETING HELD TO CONSIDER THE GYPSY-MOTH PROBLEM, ROOM 218–A, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C., MARCH 5, 1956

The meeting opened with 15 States represented. The chairman outlined the purpose, stressing the countrywide interest that has developed in the gypsy moth problem as indicated by the number of inquiries reaching the Department. There was need to consider with the States a source of action for the future, so as to derive the utmost in results from State and Federal expenditures. Such a meeting is in accordance with the policy on Federal-State relations in pest prevention and control activities jointly developed by representatives of the Department and the executive committee of the National Association of Commissioners, Secretaries, and Directors of Agriculture.

A colored movie of the gypsy moth reviewed the life habits of the pest, the extent and type of damage that it has caused in New England, and the effectiveness of current control procedures. Some 8 or 10 colored slides were shown emphasizing particular phases of the program.

A prepared statement on survey procedures described the unprecedented spread of the pest since 1953, and the improvements that have been made in trapping methods in recent years.

Representatives from States having had long experience with the gypsy moth were invited to present their views on the subject. Representatives from States as yet free from infestation were called upon to express their views.

The enclosed situation statement was then offered for consideration by the group.

The discussion that followed led to general concurrence in the following:

1. The gypsy moth is capable of causing extensive damage to timber and recreational values throughout the area from the Mississippi Valley east.

2. There is little to be gained and much to be lost by merely extending the present Federal-State resources to cover the enlarged area.

3. The demonstrated efficiency of control procedures now in use and the damage that would accrue to additional States as they become infested justifies a much more vigorous program than is now in operation.

4. A carefully planned and executed education and public relations program must precede expanded spraying operations.

5. Because of the many factors that must be taken into account in planning and executing a program of this kind it was considered inadvisable to estimate a completion date.

6. It was agreed that the quarantine has been highly successful in preventing long-distance spread of the pest. To prevent local spread, however, regulations must be backed up with spraying operations aimed at putting out the small fires that may come to light along the periphery of the generally infected area.

7. Survey procedures have been refined to a point that the presence or absence of the gypsy moth in a given area may be determined with a high degree of effectiveness and at relatively low cost.

Experience in carrying out large-scale control operations in Massachusetts were reviewed in some detail. This included a discussion of the spray program on Cape Cod 4 years ago and work of a similar character that has been done elsewhere in the State since then.

Considering the cost of year-to-year control in States such as Massachusetts, Connecticut, and eastern New York and the losses accruing in spite of such control effort, it was considered both feasible and economically sound to take the necessary steps to prevent further spread. There was complete agreement on effectiveness of procedures now available.

The 3 alternatives outlined on page 4 of the situation statement were discussed at length. Alternative No. 1 was considered inadequate. A program aimed at preventing or retarding the spread of an insect such as the gypsy moth cannot remain static. Either ground is gained or lost. To confine infestation to the area the gypsy moth now occupies without the help of a natural barrier of some kind has proved to be expensive and not entirely adequate.

The States bordering the generally infested area and those in line of spread were generally in agreement that an all-out eradication program should be undertaken immediately. While in earlier years, materials and equipment offered less encouragement to undertake eradication of a widespread pest, the point was made that modern methods provide much better opportunity for eradication than have existed heretofore.

Much attention was devoted to the need for educational work and public relations in advance of an expanded spray program, particularly in suburban areas and under circumstances where pastures for livestock, home gardens, and lakes and streams stocked with fish may be involved.

States within the generally infested area questioned whether the participating agencies should be committed to an all-out eradication program at this point. After reviewing experiences in Massachusetts, both with respect to the effectiveness of the spraying that was done on Cape Cod, and the favorable attitude of the public toward such a program once benefits are fully recognized, representatives of States that do not have infestation as yet but are in the path of recent spread were unanimous in their support of an aggressive spray program directed toward eventual eradication of the pest.

The concluding remarks of a number of conferees emphasized the need for complete Federal-State cooperation in an undertaking of this kind—and a positive goal to shoot at. The goal identified as being the most realistic was to undertake immediately the elimination of known infestations in Michigan, New Jersey, and Pennsylvania, and to spray a protective border in New York State, this year's work to be followed in 1957 and succeeding years with a further expansion of the program, looking to the eventual eradication of the pest. Representatives from Massachusetts, Pennsylvania, Michigan, and New Jersey each cited evidence of what can be done in the way of accomplishing permanent relief from the past. The approach generally favored would permit year to year evaluation of the program as progress is made, first in reducing the area of extension of the moth, and finally in working toward complete eradication.

MARCH 25, 1956.

U. S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL RESEARCH SERVICE

Gypsy-moth control

FEDERAL OBLIGATIONS

	1948	1949	1950	1951	1952	1953	1954	1955	Estimated, 1956
Connecticut	$71,900	$79,900	$70,226	$64,374	$76,426	$78,170	$88,570	$63,700	$61,300
Maine	23,300	23,600	22,851	21,500	17,984	41,460	21,827	21,500	18,700
Maryland [1]								8,000	5,900
Massachusetts	68,800	85,000	104,447	87,380	92,521	81,692	57,240	48,200	42,400
Michigan							3,020	15,200	13,600
New Hampshire	23,400	24,400	17,380	15,305	13,060	25,986	19,244	19,700	20,700
New Jersey	700	600	768	347	345	1,883	1,621	1,500	700
New York	126,300	140,300	145,013	171,731	187,994	128,567	182,292	258,000	234,700
Oklahoma [1]					14,446	23,572	10,970		
Pennsylvania	174,166	146,200	108,423	93,731	49,707	30,112	20,068	25,700	33,100
Rhode Island	9,114	9,400	8,500	7,278	5,712	6,495	6,925	4,600	3,200
Vermont	77,600	80,700	70,094	72,321	85,727	92,958	62,666	57,600	66,300
District of Columbia	28,584	27,158	21,845	23,854	41,026	26,799	27,980	32,900	44,600
Total	603,864	617,258	569,547	557,821	584,948	537,694	502,423	556,600	545,200

NON-FEDERAL OBLIGATIONS

	1948	1949	1950	1951	1952	1953	1954	1955	Estimated, 1956
Connecticut	$36,420	$48,721	$54,800	$57,240	$94,877	$57,960	$42,000	$255,000	$290,000
Maine	20,000	29,300	29,800	47,000	33,500	62,400	60,650	41,000	43,100
Massachusetts	862,053	910,543	814,270	1,246,315	588,175	849,628	812,070	1,279,500	870,500
Michigan								73,440	57,000
New Hampshire	36,496	42,337	34,205	88,718	91,052	89,700	84,092	184,000	136,350
New Jersey	13,175	13,781	15,410	14,435	12,845	23,680	23,680	23,680	20,455
New York	200,000	224,000	218,000	312,972	354,854	359,930	304,107	190,550	290,775
Pennsylvania	170,000	199,788	121,388	124,140	116,943	65,000	117,000	119,000	120,000
Rhode Island	9,000	6,000	5,000	98,800	106,763	120,483	113,075	104,210	110,900
Vermont	2,848	3,326	3,000	6,239	12,955	15,550	12,810	28,300	24,910
Total	1,349,992	1,477,796	1,295,873	1,995,859	1,411,964	1,644,331	1,639,184	2,302,481	1,954,050

[1] Equipment center.

The map which the subcommittee received and accepted for its files in its hearings—page 1644—provides an excellent visual picture of the status of the gypsy moth infestation as of September 1, 1955, as well as an indication of the disastrous potential spread in the hardwood forests throughout the area ranging easterly from northeastern South Dakota from a line running south to central Texas.

Much very valuable additional evidence is contained in the subcommittee hearings, particularly from page 1641 to page 1659, inclusive.

In view of the constructive action recommended by the subcommittee and approved by the full committee, I think it might be helpful to the many able Federal, State, county, and local officials, as well as to private groups and individuals, who are seriously concerned with the threat this moth presents, to mention several additional points from that testimony, as follows:

First. The gypsy moth is a serious pest of forest, fruit and shade trees, and ornamentals. The caterpillars, or larvae, feed on foliage and often strip large areas of woodland. Defoliation retards tree growth and weakens the trees. Repeated defoliations may kill the trees. While the gypsy moth normally prefers hardwood trees, pine and other valuable trees are frequently attacked. Gypsy moths cause damage not only to trees on farms and forest but also to trees in recreational and residential areas.

Second. Normally the natural spread of the gypsy moth is relatively slow. The female cannot fly, but newly hatched larvae are often carried considerable distances by strong winds. Usually long-distance spread occurs as a result of egg masses being carried on articles in commerce such as timber and quarry products. Christmas trees, nursery stock, and the like. The recent hurricanes along the Atlantic seaboard have also been a contributing factor in the recent spread of the pest.

Third. Until recently, a cooperative Federal-State regulatory and control program had been successful in confining gypsy moth infestation to the New England area and a narrow strip in eastern New York. During the outbreak of 1953 and 1954 which was the most intense and widespread of any yet experienced in this country, the current program proved inadequate to hold infestation in check. Recent surveys have confirmed a light but scattered infestation over large areas to the south and west of the area heretofore described as generally infested. This development leaves no natural barrier which could be utilized in a future holding program. Natural spread to the west and south is likely to continue at an accelerated rate. The threat to the extensive hardwood forests of the eastern and central parts of the United States is great.

Fourth. Quarantine enforcement: A Federal quarantine has been effectively enforced for many years to prevent interstate spread from the infested area. Partially infested States have parallel State quarantines to protect their uninfested portions. These quarantines regulate movement of products that may carry infestation and provide for treatment of infested materials so that they may move safely in commerce. Control work carried on in areas from which such products are shipped is an effective aid to quarantine enforcement.

Fifth. Adequacy of available procedures: In 1946 DDT in oil applied by aircraft as a mist spray was used for the first time with spectacular results. Since then control procedures have been further perfected and the per acre cost substantially reduced. DDT is applied when the insects are in the larval stage which permits a control season of about 60 days' duration. One properly applied treatment at the rate of 1 pound of DDT and at the overall cost of $1 per acre will achieve eradication.

Sixth. Outlook: The gypsy moth now infests an estimated 35 to 40 million acres. The infestation is mostly in New England, however, it now extends to some 8¾ million acres in southeastern New York and limited areas in 2 counties in Pennsylvania, and 2 in New Jersey where infestation was discovered following the widespread and destructive outbreak of 1953 and 1954. It is now generally accepted by forest conservationists and entomologists alike that there are no further natural barriers to fall back on as an aid in preventing spread to the west and south. Should the gypsy moth reach the southern Appalachians and the Ozarks, it may find conditions, both climate and forest type, more to its liking than it has in New England. It is estimated that the gypsy moth now infests about 2 percent of the area of the United States.

Seventh. State cooperation: On March 5, 1956, representatives of State departments of agriculture, plant boards, and conservation departments met with representatives of the Department to consider a future course of action. The size and scope of the problem was discussed and there was complete agreement on the following points:

Eighth. Method of financing: During the period 1948 through 1955 Federal support for all phases of this program approximated $565,000 annually. The amount contributed by cooperating States, cities, towns and individuals during this same period increased from $1,350,000 in 1948 to a maximum of about $2,302,000 in fiscal year 1955. It is expected that in the aggregate the States will share in the overall cost of the expanded program on about a 50–50 basis. The extent of responsibility resting with individual States will be worked out in joint conferences, giving apropriate recognition to values at stake in relation to the size of the area needing treatment, and the immediate benefits to be realized in the way of protection to woodlands, parks, and recreational areas.

Ninth. Proposed plan: This budget amendment is proposed to continue the expanded program and to cooperate with the States where infestation occurs in carrying out control measures where necessary to prevent widespread damage to timber and recreational areas in the fiscal year 1957. It would provide for spraying approximately 2½ million additional acres. Contracts would be let to apply DDT spray by either aircraft or mist blowers. Multimotored aircraft will normally treat 1,200 to 2,000 acres per hour of actual flying time. Contractors with necessary experience and equipment are available to do the job.

It is estimated that funds at this same level will be required for a period of 8 to 10 years to insure the initial treatment of all known infested areas, including scattered infestations in new areas totaling 8¾ million acres. The program being undertaken contemplates the eventual eradication of the gypsy moth.

Tenth. A recent letter requested by Hon. JAMIE L. WHITTEN, chairman of the subcommittee, from Hon. Ervin L. Peterson, Assistant Secretary of the United States Department of Agriculture:

> DEPARTMENT OF AGRICULTURE,
> *Washington 25, D. C., February 28, 1956.*
>
> Hon. JAMIE L. WHITTEN,
> *House of Representatives.*
>
> DEAR CONGRESSMAN WHITTEN: This is in response to your request for a statement regarding the gypsy-moth program.
>
> The larval form of the gypsy moth is a destructive defoliator of forest, shade, and fruit trees and of ornamentals. A pest introduced from abroad many years ago, it has been confined until recently to the New England States, a narrow strip of eastern New York, and sporadic infestations in New Jersey, Ohio, Pennsylvania, Canada, and Michigan. The Federal program of quarantine and suppression has been designed primarily to assist the States in eradicating outlying infestations, and preventing long-distance spread of the pest through quarantine action. Federal expenditures for these purposes have approximated $545,000 per year.
>
> During the past two seasons, trapping and inspection surveys disclosed a very serious spread of this pest in southeastern New York with extensions into northern New Jersey and eastern Pennsylvania. Winter egg surveys in these States, which are now substantially completed, have confirmed the earlier indications of scattered infestations in new areas totaling 8¾ million acres.
>
> The Department has not recommended an increase in the appropriation for this work. Gypsy-moth control is a joint responsibility. For the work to be successful a substantial proportion of the planning and financing of additional work must be done by State and local agencies and interested organizations in areas where infestation exists.
>
> You will recall that during the hearings we reviewed with the committee a statement of policy and procedures recently worked out by the Department and the States covering Federal-State relations in pest prevention and control activities. In furtherance of the procedures outlined in that statement, the Department is evaluating the gypsy-moth problem in collaboration with the States. The Agricultural Research Service has invited the heads of State departments of agriculture, plant boards, and conservation departments to a meeting to be held in Washington next Monday, March 5. All information available to the Department will be presented at that meeting for comparison and consideration with information presented by the States. The conclusions reached will help the Department in formulating and guiding its future program. We feel sure the meeting will also assist the States in formulating their programs.
>
> We are attaching a map showing the areas of new infestation as indicated by last summer's trapping and tables showing Federal and non-Federal expenditures during the period 1948–56.
>
> Sincerely yours,
>
> E. L. PETERSON,
> *Assistant Secretary.*

While emphasis has been placed upon an expanded spray program in the northeastern part of the country, a most significant statement as to the potential danger in other parts of the country was the following by Dr. W. L. Popham, Director, Crops Regulatory Programs of the Agricultural Research Service in the United States Department of Agriculture:

> We think the valuations would be much greater. Of course, such a program would have the added advantage of protecting very extensive areas of hardwoods in the southern Appalachians and Central States and into the Ozarks. Some of the scientists, entomologists, and foresters who made a rather exhaustive study of this problem a few years ago at the request of the Council of State Governments concluded that there may be areas in the central part of the country and in the Ozarks more to the liking of the insect than New England, where it happened to be introduced. In other words, historically it has been more damaging in the open types of timber to be found in the southern Appalachians—or more particularly across southern Illinois, Missouri, and the Ozark region.

This should be considered in the light of a brief statement filed by the Department at the request of the chairman of the subcommittee:

> LOSSES CAUSED BY GYPSY MOTH
>
> Defoliation by the gypsy moth causes economic damage by retarding the growth of trees, or creating other conditions that impair land values, and may ultimately kill the trees. The amount of defoliation varies from year to year. White pines and other conifers usually die after a single stripping of the foliage.
>
> Estimates based on a 20-year study of some 200 representative observation points in eastern New England put the standing timber value of hardwood trees killed in those areas at $16 million. Further estimates for the remainder of the infested area during that period placed the loss at $10 million. This was prior to the extension of the area of infestation to an additional 9 million acres in southeastern New York. No evaluation was placed on the accompanying mortality of young white pine trees, which has continued since the studies were made and is hard to estimate because the trees are usually killed before they obtain sufficient growth to have any more than potential value.
>
> A significant effect of defoliation is the loss in increment of tree growth. Apparently the loss of growth in trees varies proportionately with the amount of defoliation—a tree defoliated 75 percent generally will put on only 25 percent or less of its annual normal growth. Estimates place the monetary loss of growth of trees from defoliation and consequent loss of lumber in the infested area at an average of $1.5 million yearly.
>
> The death of trees in woodland creates several problems. One is the opening of the forest stand, which affects the remaining growth so that the subsequently developing trees may be unsuitable or of inferior quality for timber. It also affects the good forest cover that helps to regulate streamflow and minimize floods. The loss or damage to trees in recreation areas has proved a major consideration on Cape Cod and elsewhere in New England. Severe outbreaks have brought a reduction in land values. Heavy infestations of the caterpillars can make a home or vacation property extremely unpleasant, and, of course, increase the hazard of spread of the pest by the traveling public.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I have asked for this time to ask a question or two of the distinguished gentleman from Mississippi, mostly as a matter of clarification.

I notice the overall funds for the Soil Conservation Service have been increased to the extent of $5 million. That is set out on page 5 of the committee report. Then over on page 9, as I read the report, $2,285,000 of that $5 million has been allocated for the soil-bank program. Is that correct?

Mr. WHITTEN. No, that is not correct. The soil-bank program has not yet become law, as the gentleman knows.

Mr. AVERY. That is right.

Mr. WHITTEN. But in view of the large size of the soil bank or the large size of the program, if the Federal Government is to get real results from expenditures under the conservation part of it and under the other part of it, they must apply the best technical knowledge that they have. Now, we have the soil conservation district organization, which is short of employees and is hard taxed to carry on the present program. In addition to the short supply of technicians in the conservation districts now, we are going have four new ones, and recognizing that those technicians will be the best sort of information to handle the other program, we have increased these funds available to the soil-conservation program under existing law. But the fact that this other program is in sight did enter into our recognition of the need to strengthen this service.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the distinguished gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Kansas has discussed this question with me. He is very much interested in seeing that the Soil Conservation Service is supplied with ample technical help to do the job it has. Earlier today, the gentleman from Mississippi [Mr. WHITTEN] and I had a conference on the floor and agreed that it was not intended that this language on page 9 be interpreted as offsetting the language which the committee has in the report on page 5. It was the committee's intention to aid not only the new soil-conservation districts which have been formed but also to give additional necessary technical assistance to the districts now in operation.

Mr. AVERY. I should like to ask the gentleman this further question. I notice on page 5 of the report there is the language "to an increasing number of soil-conservation districts." That language would not preclude the use of this money for technical assistance to existing soil-conservation districts?

Mr. H. CARL ANDERSEN. Certainly not. It is the intent of the subcommittee that this additional money be used to increase technical assistance in the Soil Conservation Service wherever they need it throughout the United States of America.

Mr. AVERY. If I may ask one further question of the gentleman from Minnesota. We all know that in some areas there is a very critical need for increased technical assistance and in other areas of the country the need is not so great. Is there ample authority in the basic law for this increased amount of money to the districts to be used in areas where it is most needed or does it have to follow some established formula?

Mr. H. CARL ANDERSEN. I am sure that my subcommittee would agree with me in this statement, that the Soil Conservation Service has all the authority it needs administratively to do just what the gentleman wants to see done; that is to see that technical assistance be given where it is needed and can do the most good.

Mr. AVERY. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk proceeded to read the bill.

Mr. H. CARL ANDERSEN. Mr. Chairman, may I ask the subcommittee chairman, in view of the fact that there are no amendments of which we are cognizant, if he will not ask that the bill be considered as read and open for amendment at any point.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MACK of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I notice in this bill there is a $10 million item of appropriation for animal disease laboratory facilities. According to the report this is for an $18 million research facility, animal disease laboratory, to be located at Beltsville, Md. It occurred to me that it might be much more appropriate to locate such a facility, which is going to study animal diseases, in an area where the animals are produced and where they are available.

I am vehemently opposed to the construction of a laboratory near the densely populated area of Washington, D. C. I see no necessity for it. I think this type of facility should be located in the Midwest, where the markets, the packinghouses, and the livestock facilities are located.

I believe that some investigation should be made of this proposal to see if it would not be more appropriate to locate it in the center of the livestock-producing area. They have other research facilities that I know of; 1 in Alabama, 1 in Denver, Colo., and 1 in Illinois. They have many land-grant colleges throughout the country with facilities which could be used in conjunction with the research laboratory.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman.

Mr. MARSHALL. I might say to the gentleman that I am sure the committee shares some of his concern over this item. There is no question that something needs to be done from the Federal standpoint to establish a laboratory because of the fact that the health of the people working at these laboratories in Denver, Auburn, and in Washington has been impaired because of conditions at the facility. The committee is not at all satisfied that the laboratory as such should be in this thickly settled area, for a number of reasons. We are urging that the Department review that particular matter and come up with the best answer. The committee has not said that they shall not build it in Beltsville because we feel the committee should rely on the best advice of the people working on this. However, there is a great deal of concern on the part of the members of the committee about the placing of this laboratory at Beltsville, in a thickly settled area, away from the heavy animal population, and in a place where there is some danger to the public health of the citziens in this area.

Mr. MACK of Illinois. I thank the gentleman. There seemed to be considerable question in my mind as to why they would locate such a facility in this densely populated area.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The research that was done earlier was done in one of the departmental buildings here. Every objection that they had to using one of the departmental buildings could be applied to moving the project out to Beltsville. It was, therefore, our feeling as a committee that further study should be made of this location. We also feel that great economies could be brought about if it were put someplace else. After all, out at Beltsville we have all kinds of healthy animals and other research projects which would be endangered, in addition to human life. There is also the fact that you would be bringing 25 highly contagious diseases close to the District of Columbia.

Mr. MACK of Illinois. I thank the gentleman for his statement.

Mr. Chairman, I heartily favor the construction of such a research facility as I feel that this type of research is urgently needed. I do sincerely hope that the Department of Agriculture will reconsider the proposed site as it would be ill advised to locate this facility in the Beltsville area. This is a permanent institution with an estimated cost of $18,915,000, and, therefore, it should be appropriately located.

The committee report has questioned the advisability of locating a facility of this type in an area where it could become a threat to the health of millions of people in the event of an attack by hostile forces. Nearly half of the animal diseases to be studied are transmissible to man. In the event of a hostile attack we would be endangering the inhabitants of the entire area. This, I believe, should be considered when the Department of Agriculture makes its determination as to where this facility should be located.

In the hearings, a representative of the Department of Agriculture stated that reinforced concrete was to be used in the construction of these facilities to protect them from bomb attacks. This appears to be entirely inadequate and the only real solution to this problem would be to relocate this facility at some point removed from the highly populated area. Mr. Chairman, I am not going to offer an amendment to remove this appropriation, as I feel it is justified, but I sincerely hope that the Department of Agriculture will take appropriate action to locate this facility somewhere in the Midwest.

This also offers us a real opportunity to carry out the intent of decentralization of our Government. We have continued to build up the Washington area. Instead of locating facilities which could more logically be located in other sections of the country, it appears to me that this institution could serve its purpose much better if it were completely removed from the Washington area.

Mr. CRAMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take these few minutes for the purpose of directing a couple of questions to the chairman, and also to thank the committee for its consideration of probably one of the most important, or two of the most important agricultural problems in Florida today. One has to do with the Mediterranean fruitfly infestation which was recently found to exist in both Broward and the Miami-Dade County area and the other with regard to the activity of the Department of Agriculture concerning the spreading decline, a citrus disease which has meant much in the way of the destruction of many acres of citrus crops in the State of Florida. I want to thank the committee for the serious consideration which I know it gave to both of these all-important problems. But, I want to direct these questions to the committee in order to make certain that I fully understand the program for the future. It is my understanding that there was requested of the committee $856,000 for the purpose of additional customs inspections, and I see on page 7 of the report where the committee has actually provided a new item of appropriation of $500,000 which is less than that requested for the purpose of working out a program for the use of this additional money to be transferred to the Bureau of Customs to develop a program which will prevent passengers from embarking in foreign ports on carriers destined for the United States with dangerous articles and materials and for domestic inspections. I would like to ask this question, Mr. Chairman: Was it the opinion of the committee, and did it have testimony before it, as to whether this amount rather than the amount requested would be adequate to provide 100 percent inspection by customs in the future, it being my understanding that since 1953 there have only been spot checks and it being understood that this is one of the possible reasons and one of the possible sources of this fruitfly infestation in this area.

Mr. WHITTEN. May I say to the gentleman that the language in our report on page 7 probably expresses it much better than I can here on the floor. But, primarily the point we make is this: We went through the customs announcements and things of that sort. We have been trying to have a thorough check on everybody who lands in the United States. We did have that at one time, but then we got into this spot-checking business. Spot checks do not work. Neither is it sound to let all these things be taken aboard in foreign countries, particularly on planes and ships and then try to catch them after they get into our own country. But if you try to meet the problem by giving customs all the money it, in turn, says it will have to have in order to do this work for the Department of Agriculture, it turns out that that becomes completely out of line with what is sound. After going over this with all the witnesses, we think, and I think I reflect the views of all of us on the committee, that this amount would be enough to substantially meet the requirements of this inspection service, depending on the time element, if proper notice is given to the embarking passengers in foreign countries prior to taking off for the United States. In other words, there was evidence that if the passengers had notice before they took this contraband aboard, we would not have one-tenth the problem over here that we do. So this is now trying to reconcile what we really need for the time being, but at the same time we are telling them to review the whole thing and stop these things before leaving the foreign shores.

Mr. CRAMER. I appreciate the chairman's explanation and the fact that the committee has shown great awareness of this problem. But, is it true that $500,000 that has been provided will be adequate to give 100 percent inspection at customs in the areas in the State of Florida where it has been shown there is a definite need?

Mr. WHITTEN. We feel that if they will get busy on this, you can have 100 percent inspection prior to working the matter out. It is our opinion that the figures submitted by customs, which is a transfer, or at least they were in my own opinion, were considerably higher than actually should be the case.

Mr. CRAMER. You feel that these funds are adequate to carry out the inspection?

Mr. WHITTEN. I do.

Mr. CRAMER. I want to thank the chairman and to say that as of last Friday, as a matter of fact, 100 percent inspection has been put into effect in the State of Florida. I have only one additional question which I want to ask the chairman with reference to the $1,500,000 contingency fund for the control of the outbreak of insect plant disease on page 3 of the bill. As you know, that has been a very serious problem in Florida with regard to spreading decline. Is it the opinion of the committee with regard to that as well as this Mediterranean fruitfly problem that that contingency fund is adequate?

Mr. WHITTEN. Of course, I may say to my friend that when we agreed on this figure and on that sum, we recognized the problem that needed to be met, otherwise, we would not have gone along with it. In our judgment, we think it is sufficient to meet the problem of the Mediterranean fruitfly threat which has developed in recent weeks. The gentleman, perhaps, is aware that it came to

our attention after we had virtually gotten ready to mark up the bill. But we did reopen the hearings to hear testimony and I call the attention of the gentleman to the fact that it is an emergency fund. We told them it was adequate to initiate the program and we are looking forward to their taking it up in detail in the other body.

Mr. CRAMER. Then it is my understanding that you do contemplate sometime during the remainder of this session that a supplemental request will be made or, in the alternative, a request made in the Senate to take care of this, which is recognized as an emergency problem in Florida.

Mr. WHITTEN. I recognize that will probably happen. I would not want to commit myself other than as I have here. This would initiate a program, pending the working out of the problem.

Mr. CRAMER. I want to thank the chairman of the committee for the recognition which the committee has given to these two important problems in Florida and in the future, when the supplemental request is brought in, I trust it will be given the same careful consideration.

Mr. Chairman, I would take the opportunity at this time to compliment the Department of Agriculture on its effective and prompt action in regard to the two threats that have faced the Florida citrus industry this year.

Spreading decline—burrowing nematode—is an imported disease that is seriously threatening the great groves of our State and, since its appearance in the past 2 years, considerable research and many control methods have been effected. In conjunction with the State of Florida the Department has worked diligently to search out infected areas and to control the spread of this disease.

One hundred and fifty thousand dollars was appropriated from contingency funds in fiscal 1956 to make surveys of the infection which at the present time disclose, as of the 14th of May, that 878 acres of grove have been treated, 260 acres are ready for treatment and some 2,017 are being prepared for treatment. Total infection is known to have spread to 7,000 acres of our groves. Department of Agriculture requests for fiscal 1957 now total nearly $500,000 for further mapping and other steps planned to control spread of the disease and to prepare for elimination of certain areas and treatment of others. The State has fully participated in this program and has appropriated $1,800,000 for the biennium ending July 1957.

The Department has acted with sincerity and dispatch in moving to our assistance in this problem. We have been assured of their continued support as needed.

The Mediterranean fruitfly has recently been discovered in an area reaching from Pompano Beach to Kendall on the east coast of Florida. Those people familiar with the destruction caused by this infestation many years ago know how costly and dangerous it can be. Millions of boxes of fruit and millions of dollars revenue loss was suffered by the State by the previous infestation.

The fly was first identified by scientists in the Department of Agriculture on May 19 this year. Immediate action was taken on the two phases of protection needed to prevent spread of the infection and further infestation. Inspectors were immediately transferred to the State with 3,500 traps to determine areas of infestation. Ten thousand traps will soon be ready throughout the State and additional inspectors have been transferred to the area. With the interest of the White House being expressed, additional funds in the amount of $500,000 have been asked by the Department and approved today in the contingency funds to commence this work in the State. Additional supplemental appropriations requests will be made to meet the full need for fiscal 1957.

In the second phase of defense against further spread of this dangerous infestation the Department has set up $500,000 for 100 percent inspection by the Customs Bureau which has already gone into effect. Hearings were held May 9 on inspection quarantine methods for fruit shipment and will be effective this week on publication.

I think that the cooperation and action of the Department of Agriculture and customs is worthy of high commendation and I take this opportunity in the discussion of their appropriation requests in 1957 to make these remarks and point out the sincere efforts in the past of this administration to serve in the field of agriculture in a manner that is beneficial and of high importance. Their response to the need of a particular situation in a specified instance in the State of Florida is demonstrative of the attitude of the Department and its officials at all times.

The Committee on Appropriations has certainly to be complimented on its full realization of the needs of Florida in this instance in approving administration requests.

The CHAIRMAN. The time of the gentleman from Florida [Mr. CRAMER] has expired.

The pro forma amendments were withdrawn.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, the best ambassador of good will America has is former President Harry S. Truman. There is no person in the United States, in or out of public life, except possibly the President, who could visit other countries and attract and grip the imagination and interest of their people and in a manner favorable to our own country. For the world knows it was under the leadership of Harry S. Truman that communism was stopped in its efforts to dominate all of Europe, Asia, and Africa, and to bring all countries and peoples under the domination of the Kremlin.

In the national interest of the United States it is most unfortunate that the present administration feels so bitter toward former President Truman that it did not recognize the great psychological value that his trip abroad offered to us, and did not ask former President Truman, in his present trip abroad, to take some kind of an official status so that the full benefits of his visit and reception could be utilized in our own best interests.

Former President and Mrs. Truman are going to visit a number of countries abroad on their present trip. The people of the countries they will visit, most, if not all, free from Communist domination because of the leadership of Harry S. Truman, will I am sure, show them their affection by giving the President and Mrs. Truman a wholesome and rousing reception.

While former President and Mrs. Truman are abroad on their first tour of Europe since the former President dropped his official duties as President, and while he is traveling in no official capacity, the peoples of the countries they will visit will remember his sterling leadership which brought hope and confidence to them and which brought to Harry S. Truman the title of "Courageous Harry."

Despite the fact the visit abroad is as individual citizens, former President Truman will keep uppermost in his mind the doing and saying of those things that will be for the best interest of our country and the free world.

With or without any official status, Harry S. Truman is the best ambassador of good will the United States has today. It is small leadership and petty minds that fail to recognize this fact.

In their trip abroad countless millions of Americans wish former President and Mrs. Truman a most happy and pleasant journey.

Mr. WINSTEAD. Mr. Chairman, I wish to take this opportunity to pay tribute to my colleague and the very able chairman of the Subcommittee on Appropriations for Agriculture, Mr. WHITTEN, and the entire committee, for a job well done in bringing out this appropriation bill.

I feel that this entire bill is a good one, and I am especially pleased that the committee has seen fit to recommend increases for such vital programs as the lunchroom program, which has meant so much to so many people in every section of the country. With increasing attendance and a larger number of schools participating, funds have become wholly inadequate; to the Soil Conservation Service for additional technical assistance; the Agricultural Research Service; and the Extension Service. I am also pleased with their insistence upon competitive sales, together with many other provisions which will be helpful to our agriculture, at this time when farm income is lagging far behind other segments of our population.

Since it is admitted by all that the farmers of our country are in such serious trouble, I feel that this program will have the full support of every Member of the House.

Mr. DONOHUE. Mr. Chairman, I desire to join in complimenting the distinguished chairman and the very able members of his energetic committee who have labored so long and studiously to present this Department of Agriculture appropriation bill for fiscal 1957. This measure before us is obviously the result of the most studied effort on the part of the committee, after extensive hearings and the appearance of multitudinous witnesses, that could be exerted to provide for the full operation of the Department of Agriculture in the greatest public interest, while at the same time eliminating or reducing those items of expenditure which experience has demonstrated are of little or no value to the general welfare.

Among the great many important items provided for in this bill, there are two that have been of particular personal interest to me over the past several years. The committee has recognized the great importance of these items and very wisely insured their greater application and expansion.

The first one is the so-called school-lunch program for which I have earnestly advocated a substantial increase because I felt it was eminently justified. There is, I believe, no better investment this country can make than attempting to improve the health of our schoolchildren, the citizens of tomorrow. As we all realize, the number of students in our grade and high schools all over the country has been steadily increasing and is destined to continue so increasing for an undetermined number of years ahead. It is, then, practical as well as patriotic wisdom to reasonably guarantee that these guardians of tomorrow's national security receive during their school years the essential foundation of health that can come only from an adequate food intake during their most energetic days. The committee has seen fit to increase this item by over $16.5 million and directed the Agriculture Department to take other steps also that would appear to adequately cover the situation for the present at least, and the committee deserves the highest praise for this wise action.

In recognition of another serious problem, the control and eradication of the gypsy moth threat, the committee has provided a total of $2,295,200. It has long been authoritatively judged and warned that if the insidious infestation of this type of moth is not controlled, it would cause even greater damage than it already has to timber, recreational facilities, fruit crops, and ornamental trees. I understand that the increase in this year's bill of nearly $2 million is to encourage the use of a new technique in application of a most effective spray composition which promises to completely eliminate this dangerous insect and that an excellent cooperative program has been established between the Agriculture Department, and the various States and local governments and also private individuals and organizations. Certainly, such a program is in the general interest by promoting conservation of our physical resources and the committee has again demonstrated their patriotic wisdom in taking cognizance of the situation.

Of course, there are a great many other important provisions of this measure affecting the general welfare, such as soil conservation, agricultural marketing research and service, meat inspection to protect the general health, and so forth, all of which have been thoroughly explained by the floor managers of this bill and I do not intend to intrude unnecessarily upon the time of this House by repetitious recital. I very earnestly feel that the overall content of the measure has been conscientiously designed to economically promote our agricultural concerns in the greatest national interest, and I hope that the bill will be passed promptly and unanimously.

Mr. HALEY. Mr. Chairman, I rise to pay tribute to the great wisdom of the committee in including in the agriculture appropriations bill for 1957 emergency funds to combat the menace of another disastrous outbreak of an unwelcome visitor to our shores, the Mediterranian fruitfly.

This destructive insect, which threatens particularly a citrus industry vital not only to the great State of Florida which I am privileged to represent, but will affect the economy of other States as well, first reappeared in the southern tip of Florida only a few short weeks ago.

Memories of a disastrous earlier invasion of the fruitfly still lingers in Florida, and the first warning of its reappearance was answered promptly and unanimously by the Florida delegation in this House and in the other body. After conferring with leaders of the citrus industry, with officials of the Florida Plant Board, we met with officials of the Agriculture Department to outline a recommended plan for control of the fruitfly.

Time was of the essence, for the fruitfly is such nature that immediate and urgent steps must be taken not just to wipe it out where ever it exists, but to isolate it promptly when it is found, thus preventing its spread.

I am happy to say that our efforts were not unrewarded. Officials of the Agriculture Department, recognizing as we did that the fruitfly knows no politics and has no partisanship in its destructive operations, leaped into the breach to begin the fight against this deadly menace.

And similarly, the subcommittee on this bill, under the leadership of the able gentleman from Mississippi [Mr. Whitten], has recognized the need for action now to implement the plans of the Department to control the fruitfly.

The committee has recommended, and I urge this House to concur, that $500,000 be added to the Department's contingency fund for emergency insect outbreaks, that another $500,000 be appropriated for transfer to the Bureau of Customs for 100 percent inspection of baggage coming into Florida, and that $110,300 be added for increased inspection at ports of entry.

For many years, members of the Florida delegation in Congress have recognized that the present system of spot inspection of baggage is not adequate to prevent the recurrence of the Mediterranean fruitfly, and guard against other unwelcome visitors. We do not believe the fruitfly would be with us now had there been 100 percent inspection.

But this is no time for looking backward to what might have been. We say that the subcommittee has been wise in its handling of the problem, and we are assured that the funds sought are sufficient not only for the immediate emergency work needed, but to initiate a total inspection program to avert further emergencies.

I also would like to commend the committee's action in providing adequate funds for assisting the State of Florida in its all-out fight against spreading decline of citrus, caused by a burrowing nematode which, in its long-range effects, appears to be capable of wreaking as much disaster as the fruitfly.

This, too, is a vital matter, and I am happy to be able to state here that it is not a responsibility which the State of Florida has sought to shove off on the shoulders of the Federal Government. The record will show that the State government is bearing two-thirds of the cost of the research and control programs needed.

Mr. ROGERS of Florida. Mr. Chairman, I want to express gratification for the prompt action which the Congress has taken to meet an emergency situation in Florida which can have dire consequences for the entire Nation and particularly the southern one-third of the United States. I speak of the discovery of the Mediterranean fruitfly in Florida which was located in Miami but has now been found as far north as west Palm Beach, which is in my own congressional district. As soon as the first word of the discovery of the Mediterranean fruitfly in Florida was heard, the State of Florida went into action, as well as the Florida congressional delegation, which called upon the Department of Agriculture to lend all possible aid. I want to commend not only the State of Florida, but the Department of Agriculture as well, for the very fine cooperation that has been extended and is continuing to meet this problem.

Senator Holland, who is a member of the Appropriations and Agriculture Committees of the Senate, joined by Senator Smathers, presented the problem to the necessary committees of the Senate and had the experts from Florida and the Department of Agriculture to explain the extent of the problem. Our own House Agriculture Subcommittee of the Appropriations Committee, headed by its very able chairman, Hon. Jamie L. Whitten, when contacted by the Florida House Members, was most sympathetic to our problem. The gentleman from Mississippi [Mr. Whitten] took the unusual step of opening up his committee's hearings, which had already been concluded, to allow testimony to be presented to the committee so that the emergency situation could be dealt with effectively. I think this is one of the finest examples of showing how rapidly Congress can and does step forward to meet those situations which are in the national welfare. I want to commend the Appropriations Committee for expressing its concern about the discovery of the Mediterranean fruitfly in south Florida. The committee stated in its report:

> The committee is concerned about the recent discovery of the Mediterranean fruitfly in southern Florida. It feels that every necessary action must be taken immediately to control and eliminate this threat to the citrus industry of the country.

In the appropriation bill reported from the committee, and acted upon by the House, increases are given for $500,000 for the contingency fund for emergency outbreaks of insects; $500,000 to be transferred to the Bureau of Customs for increased baggage checks to prevent importation of dangerous insects; and $110,300 for increased inspection at ports of entry.

As I stated at the beginning, the Mediterranean fruitfly has now been found in West Palm Beach, which is some 70 miles north of the first located infestation in Florida. This means that the problem is larger than first anticipated, and I feel that we will have to call upon the Congress for additional funds when the full extent of the infestation is known. Work is going ahead rapidly now to discover this information. I feel sure that the committee which has acted so promptly in initiating a program to combat the Mediterranean fruitfly, will give the same careful consideration to requests for supplemental appropriations so that this infestation may be completely controlled.

Mr. FASCELL. Mr. Chairman, complete devastation of our Nation's fruit and vegetable crops could become a reality if the Mediterranean fruitfly recently discovered in Florida is not completely eradicated immediately.

The fly is now infesting fruit and vegetable crops at numerous spots in both Dade and Broward Counties, Fla. It was first found April 18, in Miami Shores, Fla., near the Miami International Airport. Pest-control experts of the United States Department of Agriculture and others were immediately rushed to the area after it had been definitely ascertained that adult Mediterranean fruitflies were present.

I have high praise for those in the United States Department of Agriculture who went into action so quickly to identify this menace and to curb it. Check points were set up around the infested area, extensive surveying by trappings is continuing in order to determine the locale of the infestation. Steps for eradication have already begun. Undoubtedly, the Department's recognition of the dangers facing the entire United States and their prompt action will save the Nation's major crops and untold millions of dollars.

The Mediterranean fruitfly has defeated all but one attempt by man to eradicate it. It has won and stopped entirely fruit and vegetable growing in Spain, Italy, Algeria, South Africa, Egypt, Tasmania, France, Greece, Brazil, Madagascar, Hawaiian Islands, and in the Holy Land. Crops can only be grown there if each fruit or host is individually bagged.

Only in Florida has the pest been stopped. That was in 1929. The United States Department of Agriculture knew then, as it knows now, that the Mediterranean fly has a capability of spreading and wiping out the entire crop of fruit and vegetables grown in the United States. They know definitely that it could infest all of the west coast area, the entire tier of Southern States, and while there is no definite proof as to how far north the fly could live and exist, nobody wants to find out. This last infestation of 1929 was brought under control and completely eradicated, but it took 5,000 men, 18 months, and $7½ million, as well as the assistance of the National Guard. The pest was found in 20 Florida counties before eradication was completed.

The present infested area is in Dade County in an 18-square-mile area surrounding the Miami International Airport. The infestation has also been found in South Broward County, on Miami Beach, and the most recent at Kendall, Fla., which is 8 miles south of the International Airport and in the heart of the great fruit and vegetable district of Dade County. Indications are that new infestations will continue to be found as trapping activities are extended.

Reaction and response of the local people and governmental units have been prompt and willing. Growers and producers have voluntarily offered men and equipment. The county commissioners of Dade County made available immediately $25,000 for State plant officials and for the United States Department of Agriculture to meet immediate payrolls. The State cabinet is making $100,000 available immediately and will supply for the State's participation a million dollars, or whatever sum is necessary.

A State quarantine on Dade County was invoked, and a Federal quarantine followed.

Federal assistance and participation is needed and requested. Any quarantine and inspection, to be effective, must be under Federal control. This will require the assignment of many personnel during the entire emergency. In addition, in the national interest, the Federal Government has a vital part to play in the eradication and control programs.

The United States Department of Agriculture has prepared a budget request for funds to meet this emergency; and that the budget request is now being considered by the Bureau of the Budget.

I am sure that the entire committee appreciates and recognizes the seriousness of this problem. We can't emphasize too strongly that action must be prompt and that whatever money needs to be spent should be spent to completely eradicate this pest. It is very obvious that $1 spent now will save hundreds of dollars later.

In behalf of the entire Florida delegation, I wish to express my appreciation to the chairman, Jamie Whitten, and the members of the Agriculture Subcommittee of the Committee on Appropriations who at my request extended to us the great courtesy of hearing this emergency matter and including it in the record and their report on the Agricultural Appropriation Act, although the regular public hearings of this subcommittee have been concluded for some time.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Forand, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, he reported the same back to the House with the recommendation that the bill do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MILITARY PROGRAM AND APPROPRIATIONS IN MUTUAL SECURITY BILL

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, the mutual security bill, now under consideration by the Committee on Foreign Affairs, of which I am a member, is a package affair that includes both military and nonmilitary programs. The military portion, consisting of tanks, guns, planes and other equipment, accounts for more than 60 percent of the funds requested in this bill, or approximately $3 billion.

The nonmilitary part of the bill is a collection of programs that go under a variety of names such as defense support, development assistance, and technical cooperation. This year the Administration is asking Congress to vote $1.9 billion for all of these, or slightly less than 40 percent of the new money requested.

The committee has been assured repeatedly that the military money in the mutual security program is not only for the defense of our allies but is for our own defense as well. Admiral Radford, Chairman of the Joint Chiefs of Staff, told our committee last year that "the military aid program is part and parcel of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures. The fact that this part of our program is not included in the Defense Department budget is more a matter of procedure and administration than of substance."

This year Admiral Radford testified that the mutual security program "is an essential part of the defense of the United States and of the free world. In planning military programs of the United States the existence and scope of the military assistance program is fully considered. There is no duplication. They supplement each other. Both are essential to our own national defense."

Mr. Gordon Gray, Assistant Secretary for International Security Affairs, Department of Defense, made the point that "but for the military forces generated, stimulated, and assisted by our military assistance program, to attain the same measure of military security in the world our own forces would have to be larger."

Mr. Gray threw further light on the close relation between this program and our own defense program when he informed the committee that our allies "are getting more and more of the same equipment that we have actively in the hands of our own troops. Indeed, there are some items now in our programs which are being delivered simultaneously to Allied countries and to our own troops, where this is possible without impairing the combat effectiveness of our own troops."

I have attempted, as have other members of the Committee on Foreign Affairs, to ascertain the reasons for not including the military portions of the mutual security program in our defense appropriations since the expenditures of these funds are so vital to our own defense. The answers that have been given to date have not, in my opinion, been satisfactory.

We were told last year, and again this year, by witnesses from the executive branch that the separation of the two military programs was due to historical reasons. That is, of course, correct. But it does not explain the reasons for perpetuating the separation of these two programs that are now recognized as having a common objective—the defense of the United States.

Mr. Struve Hensel, Mr. Gray's predecessor, admitted last year that there was much to be said for putting the military money of the mutual security program in the Department of Defense budget. He added that he thought it could well be handled from the money angle in that budget. Mr. Gray testified this year that "the Defense Department could live under either structure" and noted that "nobody has initiated a change."

Some of us derived hope last year that a change would be made when Secretary Dulles testified. On the matter of moving the military part of the mutual security program into the Defense Department's appropriation he stated that—

> That aspect of the matter will be reviewed particularly in connection with the reorganization which is planned, at which time * * * a number of the activities of the FOA which relate to direct military aid will be transferred to the Defense Department. * * * I would think that the reorganization which is taking place would at least give rise to a reconsideration of that matter for the future.

The reorganization about which Secretary Dulles spoke has taken place. If the merger of the two military appropriations was considered, it must have been rejected because this year we are right back where we were last year.

In my own judgment, funds for the military program should be included in the budget of the Department of Defense. I have reason to believe there is substantial support for this point of view. Therefore, I shall ask the Committee on Foreign Affairs to include a section in its report on the mutual security bill strongly recommending that all military expenditures now included in the mutual security program be incorporated in the future in the budget of the Department of Defense.

Such an approach, if adopted by the administration, will distinguish clearly between military and nonmilitary aid and will give the Members of Congress an opportunity in the future to vote for or against a mutual security bill that contains purely nonmilitary items.

The legislative situation is such at this time in the present session that it is impossible to include the foreign aid military money in the defense appropriation. But as a step in that direction, and in an effort to overcome the bureaucratic inertia that seems to exist, I shall also ask the Committee on Foreign Affairs to consider the possibility of reporting this year 2 rather than 1 mutual security authorization bills—1 military and the other nonmilitary.

Whether this moderate proposal is acted upon favorably or rejected, it will serve notice on the administration that there is an increased interest in presenting foreign aid military money as part of our Defense Department appropriation.

If the executive branch offers a package foreign aid bill again next year, it should be prepared to justify it on grounds other than historical.

THE SOLUTION OF THE ENGINEERING PROBLEM

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. HOLLAND] is recognized for 60 minutes.

Mr. HOLLAND. Mr. Speaker, the Western World is in a new, grave kind of danger. The West has many times been threatened by military and political domination from the East. But never before has it faced the loss of its leadership in science and technology.

Today that leadership is in the greatest jeopardy.

In fact, it will certainly be lost unless we find new ways to meet the new and dangerous challenge coming from Russia.

Today's struggle is no mere military struggle limited to the fields of Europe or Asia Minor. This is a military, political, economic, and technological race between two giants of the entire world—the United States and Russia. The key to that race is supremacy in scientific and technological manpower.

As Dr. Joel Hildebrand, president of the American Chemical Society, said recently:

> We are pitted against forces who have more land, more resources, more people than we have. If we let them go ahead of us in education, the national disaster for us and our way of life is inevitable. Our hopes lie in an enlightened people from whom we can obtain the essential leadership necessary to build the kind of world in which we all want to live.

And Gen. David Sarnoff, chairman of the board of the Radio Corporation of America, put it this way:

> American security and industrial strength—two goals which are completely intermeshed—are today dependent upon our success in overcoming present shortages and assuring an expanded reservoir of scientists, trained engineers and technicians. This hardly needs to be proved, it is so self-evident. There is no substitute for brains and practical skills in a technical age like ours. Automation, it is true, is advancing with giant steps. But every step, if it is not to turn into a stumble, demands additional contingents of qualified personnel.
>
> It is extremely disturbing, therefore, to learn that Soviet Russia is already turning out engineers at a greater rate than we do. It comes as a shock to be told that if the present trends continue, the land of communism will, within a decade or sooner, outstrip the United States across the technological board. In the struggle between freedom and communism now under way, this is a situation that we cannot afford to view complacently.

We have not, of course, been viewing it complacently. Nearly every educator in the United States has spoken out about our falling behind the Soviet world in this most critical area of competition—the education and training of enough scientists, engineers and technicians.

We have had enough warnings. We have had enough speeches. But we have had little action.

Today I propose action. I propose a concrete Government program that will lick the problem.

I shall not review in detail the dismaying statistics that describe our predicament so graphically. The full picture can be found in the report by the Joint Committee on Atomic Energy entitled "Engineering and Scientific Manpower in the United States, Western Europe and Russia."

But so that there need be no doubt as to the seriousness of this shortage of scientists and engineers, I shall just sketch some of the most important facts.

According to the Engineering Manpower Commission, the United States needed 35,000 new graduate scientists and engineers in 1955 to keep up defense work and to maintain our standard of living. We actually got 23,000—less than two-thirds of those needed.

With the advent of automation and other scientific advances, our needs will increase steadily. But there is little hope

of filling the gap—unless the kind of bold, constructive action I propose today is taken.

While American output of engineers lags, the Soviet Union has been expanding its output by leaps and bounds. The Russians are now graduating 10 times as many engineers as they did 25 short years ago. And with single-minded fanaticism they are continuing to expand. In 1954, they turned out 53,000 engineers and scientists. In 1955, the number is estimated at 63,000—nearly 3 times as many as were graduated here in the United States.

And they are not inferior engineers, either. According to former Senator William Benton, publisher of the Encyclopedia Britannica, Russian university training is far more rigorous than ours.

I am sure you all know of the desperate need for engineers in American industry, much of which is intimately involved in our national defense effort, in the development of jet planes, guided missiles, and earth satellites on which our very existence depends. I am sure you all read recently in Life magazine the elaborate recruiting setups large corporations maintain. These firms send their agents to college campuses all over the country, and almost always the number of firms bidding for students outnumber the students available. As a company official said as he watched 400 firms compete for graduates of the Massachusetts Institute of Technology, if the graduates had been divided equally, each firm would have gotten seven-tenths of a man.

Other schools give similar reports:

At the University of Alabama, 475 firms bid for 1 class of undergraduates.

At the University of New Hampshire, 93 students were available for 500 jobs offered.

At the University of Delaware, 75 prospective graduates were mobbed by 500 firms seeking new employees.

One more anecdote, as reported in the Pittsburgh Press will suffice to show the cut throat competition which the engineer shortage has brought on:

"When a small engineering college permitted a 2-day recruiting period on its campus, agents from 175 firms showed up to compete for the school's 123 graduates. All graduates got jobs, and—get this—1 eager agent hired away from their firms 6 of the other agents."

Even if there were no Russia, this lack of engineers would be a serious bottleneck to the expansion of our economy. The Russian threat makes it crucial.

Why has America fallen into this situation? And what is to be done about it?

To get the best answers to these questions and the best guidance in drawing up my bill, I went to those responsible for the education of engineers—the deans of America's engineering schools.

I wrote to the dean of every accredited engineering school in the country. By means of a questionnaire, I asked for their explanation of the shortage and their suggestions for solving this problem that threatens America's national security and industrial strength.

I would like to read you each letter I received. Every one contains valuable information every Congressman should have. But it would take hours.

I will be glad to furnish copies of the deans' letters and questionnaires to every Congressman who is interested in knowing what deans in his district are thinking.

The deans were unanimous in their grave concern over the engineering shortage. And they agreed on two main reasons for our failure to produce enough engineers.

First, we are wasting our precious manpower in failing to enable many bright high school students to continue to college. According to Government reports, only 53 percent of students with an I. Q. of over 120 reach college. And only 40 percent of them are able to graduate.

It is safe to assume that the great proportion of these intelligent youngsters do not go to college because they cannot afford to; and of those who do go, not enough go into engineering.

Thus we need to offer this vast, untapped reservoir of talent new incentives; first, to get them to college, and second, to get them into engineering.

My survey of deans found that the second big roadblock toward getting enough engineers is our shortage of qualified teachers of engineering at the college level, and of qualified mathematics and science teachers at the high school level.

And because of the much higher salaries industry can offer, many of the best teachers are being lured into industry every year.

As Dean E. J. Taylor, of the College of Applied Science, at Ohio University, put it:

> Our best young men, who should be going into teaching or research, are accepting employment in industry due to the large wage differential. This is a grave situation, and anything that can be done to prevent the loss of trained teachers and also to encourage talented young men to enter the teaching profession, should be done.

Dean W. W. Haggerty, of the University of Delaware's Engineering School, says his faculty lost six members to industry last year because of higher salaries involved.

> To replace them and to take account of increased enrollment, we were forced to hire new faculty members. All of these came from other schools or were recent graduates. In other words, we merely acted as a training ground for industry for the six men who left us. Since we anticipate that our faculty will nearly double in size in the next decade, this problem will become increasingly acute.

Dean Ben T. Bogard, of the Louisiana Polytechnic Institute, quoted an Iowa engineer as saying:

> If something isn't done, industry will soon eat up its own seed corn.

Now what kind of incentives can we offer in order to get more engineering students and teachers?

In Russia, the police state compels its youth to enter careers the State deems best. It conscripts the minds of the young people as it conscripts their bodies. May God forbid that kind of regimentation ever holding sway in our country.

In America, our methods of increasing our supply of trained engineers must conform completely to our tradition of free choice, and the measure I submit today does so with meticulous care.

Many of the incentives we can offer are intangible. As General Sarnoff put it:

> We must rekindle in our youth that sense of adventure in pushing forward the horizons of science, research and invention. They must be helped to feel the thrill of delving into the mysteries of chemistry and physics, of electronics, atomics and aerodynamics. They must be made conscious of wonderful scientific worlds to be explored, mapped and opened up for the good of all mankind.

Better teaching, especially in high schools—an integral part of the problem—can bring that reawakening about.

We must also give the engineer increased status in our society, and we must stop treating teachers like nursemaids and counselors at summer camps, and again lift them to the position of dignity and prestige their responsibilities deserve.

But the main incentives must be economic. Boyhood dreams of scientific adventures are vain unless the dreamer can afford to go to college. Improved status for the teacher is useless in aiding him to support a family.

The bill I propose today looks toward these essential economic incentives to attract our best talent to engineering and to teaching.

Although the need is immediate, it was the deans' consensus that this acute scarcity could not be remedied by a crash program. Only a long-range program, they feel, will do the job. Thus, this bill is designed not as an immediate, miraculous cure-all, but a plan that will, within a few years' time, return America to its preeminence in science and technology.

The question arises, why a Government program? We have had other suggestions toward solution of the problem. General Sarnoff suggests a program initiated by private industry to give engineers a year's leave of absence at full pay in order to let them teach in high schools. Bills now in Congress suggest tax credits for those contributing to educational institutions and for parents who make tuition payments for their children.

These are all valuable ideas, but it is evident that they do not offer more than a small part of the solution. It is apparent that private individuals and industry have not, cannot, and should not be expected to solve this problem. It is a national problem. What cannot be solved independently of Government, must be solved by Government, acting for the welfare and security of all the people. In this case, only the Federal Government has the resources and prestige required for adequate and effective action.

In broad terms, what will this bill accomplish?

First, it will meet our estimated future deficit of 13,000 new engineers a year.

Thirty scholarships will be offered to outstanding residents in each congressional district in the continental United States and in the Territories. This part of the program will become a reality in 4 years, the time it takes to turn out the first class of engineers.

Second, it will help meet our shortage of secondary-school teachers. It will offer outstanding engineering graduates the economic and professional incentives to devote a 3-year period to secondary-school teaching immediately after graduation.

The professional incentive would be the promise of a 3-year graduate fellowship leading to an advanced degree in engineering.

The economic incentive—to be applied both during the 3-year teaching period and the 3-year graduate fellowship—would be a Government grant sufficient to keep the grantee's income up to that of young engineers in industry.

The number of graduates who would enter this 6-year program is, of course, impossible to predict, but it is reasonable to assume that 60 percent, or nearly 8,000 qualified engineers will be available from each year's class to enter the 3-year secondary-school-teaching stint.

After the program attains its height, it will furnish approximately 24,000 high-school science and mathematics teachers the Nation would otherwise be without.

Third, the program will be of immediate benefit to engineering schools and engineering teachers. In order to help the engineering schools hold their faculties, engineering teachers at schools participating in the program will receive supplemental salary grants raising their incomes to the level paid industrial engineers with equal qualifications.

Teachers will then be able to afford to continue in their chosen profession, and engineering colleges will no longer have to worry about raids on their faculties.

These benefits will accrue to engineering schools and faculties as soon as the program starts.

Fourth, and perhaps most important in the long run, the program will eventually provide a steady, increased supply of engineers with advanced degrees for both industry and teaching. The salary supplements will apply to these teachers, as well.

I shall not take the time of the House to spell out all the details of this bill, but I would like to mention some other features.

This bill is, in effect, an amendment to the National Science Foundation Act of 1950, and administration of its program will be in the hands of the Foundation's Director, subject—as all the Foundation's activities are—to the decisions of the National Science Board.

But I should like to emphasize in that connection that a section of the bill specifically forbids any Federal direction, supervision, or control over the administration, personnel, or curriculum of any educational institution. This is not a bill to control the teaching of engineering in America. It is purely and simply an incentive bill, to encourage America's great engineering schools toward greater realization of their own goals, according to standards and policies which they themselves set out.

Let us take a student from his first examination to his graduate degree, and note how carefully all control over him or the schools he attends or at which he teaches is avoided.

The Foundation will hold exams in each congressional district early in each year, beginning in 1957, for entrance into college the following fall. Outstanding secondary school seniors in each district will take the exams, and the top 30 will be chosen. They will receive scholarships to the schools they choose, but only on the basis that the school accepts the scholarship plan and the applicants who apply.

Thus, there is no pressure on student or school. Schools are free to accept or reject applicants on the same basis they do now, insofar as this bill is concerned.

In addition to exemption from tuition fees, each student will receive a living allowance of $100 a month during the school year.

The school itself will receive not just the tuition fees for each student it accepts under this program, but the actual cost of training him. This provision should encourage schools to enlarge their facilities for training engineers. But they need not do so, if they choose not to.

If a student does satisfactory work, his scholarship will be continued until he receives his bachelor's degree.

Following his graduation, the student may apply for a graduate fellowship. Under this 6-year program, he is granted 3 years of schooling toward an advanced degree, provided he first spend 3 years teaching at a secondary school.

During the entire 6-year period, he will receive Government grants sufficient to maintain his income at a level equal to that afforded by private industry.

Again there is no compulsion about the school at which the graduate fellow must teach, or on any school to accept him.

But he need not apply for this graduate work. He is free to go into industry or out of engineering altogether. If he is held, it is purely by the incentives. I believe the incentives will hold him.

Again, he is free to go to any school that will accept him, without pressure on either party. All the student must do is keep up his grades, as he must do anyway. All the school must do is maintain its scholastic standing.

In a discussion of costs, it is essential to recognize that money appropriated for this bill will go to develop our most precious resources, manpower. It will be money spent to meet an imperative need. Nothing is too costly if it is essential.

For example, look at the billions we are spending on our military establishment, our foreign aid program, our farm program, and on other measures necessary to national welfare and security. In comparison, this program is a modest one.

The cost of the undergraduate phase of the program is estimated as follows:

$3,000 a year per student for 13,000 students, or about $40 million for each year's class. The teacher salary supplements are estimated at an additional $23 million. Thus, the cost of the undergraduate phase would be $63 million in the first year, rising to $183 million for the fourth and succeeding years.

Until it is known how many graduate students will enter the advanced fellowship program, that cost cannot be estimated, but it is not expected that it will exceed by much the cost of the undergraduate program.

It is my opinion that this program will pay for itself, not in money flowing back into the Treasury, but in increased know-how for the Nation. The fruit of that increased know-how will be, not only improved national defense and technological superiority, though on that basis alone the expenditure is not only advisable, but essential.

But this program will also help win the war against want, the cause of all wars. It will help bring about more scientific miracles that banish disease and make life easier and more enjoyable.

That has been the payoff of American technological skill, not only for America, but the whole world—a better life, control over disease, and progress toward abundance for all.

If we act promptly to clear this roadblock, that American payoff to the world can continue. If we fail to act, we are likely to lose the big race with Russia, and with it our chance to do anything for anyone, including ourselves.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Frazier (at the request of Mr. Priest) for remainder of the week, on account of Committee on Un-American Activities hearings in Denver, Colo.

Mr. Davis of Tennessee, for Wednesday and balance of week, on account of official business.

Mr. Utt (at the request of Mr. Martin) for 1 week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Evins, for 40 minutes on Wednesday next.

Mr. Patman, for 20 minutes on Wednesday next, to revise and extend his remarks and include extraneous matter.

Mr. Heselton, for 15 minutes on today and Tuesday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Record, or to revise and extend remarks was granted to:

Mr. Simpson of Pennsylvania (at the request of Mr. Martin).

Mr. Johnson of Wisconsin and to include extraneous matter.

Mr. Multer and to include extraneous matter.

Mr. Reed of New York and to include extraneous matter.

Mr. Bow in two instances and to include extraneous matter.

Mrs. St. George and to include extraneous matter.

Mr. Betts.

Mr. Jennings.

Mr. Heselton, his remarks today on the Agriculture Department appropriation bill and to include tabulations, correspondence, and minutes of a meeting.

Mr. Vursell to revise and extend the remarks he made in the Committee of the Whole today and include a table.

Mr. Vorys and include a speech.

Mr. Pelly in two instances, in one to include a letter.

Mr. McCormack (at the request of Mr. Albert) and include a compilation prepared by the Library of Congress.

Mr. Dingell (at the request of Mr. Albert).

Mr. Smith of Wisconsin.

Mr. Jensen.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3732. An act to provide insurance against flood damage, and for other purposes; to the Committee on Banking and Currency.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 15, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1846. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force"; to the Committee on Armed Services.

1847. A letter from the Attorney General, transmitting the third of the reports required by section 708 (e) of the Defense Production Act of 1950, as amended by Public Law 295, 84th Congress; to the Committee on Banking and Currency.

1848. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend section 104, title 4, United States Code"; to the Committee on Interior and Insular Affairs.

1849. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Sfc. Thomas F. Callahan"; to the Committee on the Judiciary.

1850. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill relating to the procedure for altering certain bridges over navigable waters"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 10, 1956, the following bills were reported May 11, 1956:

Mr. WHITTEN: Committee on Appropriations. H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2148). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference. H. R. 10004. A bill making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 2149). Referred to the Committee of the Whole House on the State of the Union.

[Submitted May 14, 1956]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Post Office and Civil Service. H. R. 9085. A bill to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School; without amendment (Rept. No. 2150). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 7992. A bill to enact certain provisions now included in the Department of Defense Appropriation Act and the Civil Functions Appropriation Act, and for other purposes; with amendment (Rept. No. 2150). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Post Office and Civil Service. H. R. 3489. A bill to amend the Federal Employees' Group Life Insurance Act of 1954 to bring employees of Gallaudet College within its coverage; with amendment (Rept. No. 2152). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Post Office and Civil Service. S. 3315. An act to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended; without amendment (Rept. No. 2153). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington September 10, 1954, and for other purposes; without amendment (Rept. No. 2154). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 10368. A bill to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes; without amendment (Rept. No. 2155). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2156. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2157. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. RHODES of Pennsylvania: Committee on Post Office and Civil Service. S. 3237. An act to provide for continuance of life insurance coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, in the case of employees receiving benefits under the Federal Employees' Compensation Act; without amendment (Rept. No. 2158). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 607. Joint resolution to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes; with amendment (Rept. No. 2159). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10285. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; with amendment (Rept. No. 2160). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 11040. A bill to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes; with amendment (Rept. No. 2161). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of May 10, 1956, the following bill was introduced on May 11, 1956:

By Mr. WHITTEN:

H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes.

[Introduced and referred May 14, 1956]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY (by request):

H. R. 11178. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BARTLETT:

H. R. 11179. A bill relating to the north one-half of section 33, township 28 south, range 56 east, Copper River meridian, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 11180. A bill to provide that certain retired officers of the Army of the United States who were advanced in rank at the time of or after their retirement shall receive retired pay of the rank to which advanced; to the Committee on Armed Services.

By Mr. GREGORY:

H. R. 11181. A bill to authorize the coinage of standard 50-cent piece in commemoration of the 100th anniversary of the city of Paducah, Ky., and in honor of the late Senator Alben W. Barkley; to the Committee on Banking and Currency.

By Mr. HARRIS:

H. R. 11182. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes", approved May 1, 1906, as amended;

to the Committee on the District of Columbia.

By Mr. KEARNEY:

H. R. 11183. A bill to amend the act of June 22, 1936, relative to flood control, and for other purposes: to the Committee on Public Works.

By Mr. McCARTHY:

H. R. 11184. A bill to amend paragraphs 1773 and 1774 of the Tariff Act of 1930 to permit free importation of certain religious articles by additional organizations; to the Committee on Ways and Means.

By Mr. McINTIRE:

H. R. 11185. A bill to reorganize the Department of the Interior by establishing a Commercial Fisheries Division under an additional Assistant Secretary of the Interior to exercise all functions having to do with the commercial fisheries, now carried on by branches of Fish and Wildlife Service of such Department; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Maryland:

H. R. 11186. A bill to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area; to the Committee on Merchant Marine and Fisheries.

By Mr. ROGERS of Texas:

H. R. 11187. A bill to repeal the act of September 25, 1950, relating to the Old Stone House in the District of Columbia, and to provide for the sale of such property; to the Committee on Interior and Insular Affairs.

By Mr. SHELLEY:

H. R. 11188. A bill to amend section 4 (a) (11) of the Refugee Relief Act of 1953 so as to permit the issuance of visas to certain refugees residing in the Far East; to the Committee on the Judiciary.

H. R. 11189. A bill to amend the Refugee Relief Act of 1953 so as to relax certain requirements for qualifying under such act; to the Committee on the Judiciary.

H. R. 11190. A bill to amend section 20 of the Refugee Relief Act of 1953 so as to extend the time for the issuing of visas under such act; to the Committee on the Judiciary.

H. R. 11191. A bill to amend section 5 (a) of the Refugee Relief Act of 1953 so as to increase the number of visas authorized to be issued under such section, and to raise the age limitation of orphans entitled to such visas; to the Committee on the Judiciary.

H. R. 11192. A bill to amend section 5 (a) of the Refugee Relief Act of 1953, entitled "Orphans"; to the Committee on the Judiciary.

H. R. 11193. A bill to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes; to the Committee on the Judiciary.

H. R. 11194. A bill to extend the time during which visas may be issued under the Refugee Relief Act of 1953; to the Committee on the Judiciary.

H. R. 11195. A bill to provide for the allocation of certain special nonquota immigrant visas which are authorized to be issued under the Refugee Relief Act of 1953; to the Committee on the Judiciary.

H. R. 11196. A bill to amend sections 201 and 202 of the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 11197. A bill to provide for the retention in public ownership of certain lands around the Jim Woodruff Reservoir, Fla. and Ga., being administered by the Florida Game and Fresh Water Fish Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of California:

H. R. 11198. A bill relating to the retired pay of certain retired officers of the Armed Forces; to the Committee on Armed Services.

By Mr. THOMAS:

H. R. 11199. A bill relating to clerk hire of Members of the House of Representatives; to the Committee on House Administration.

By Mr. HOLLAND:

H. R. 11200. A bill to amend the National Science Foundation Act of 1950 to encourage the training of additional engineers and the expansion of facilities for engineering education by providing supplementary salary grants for engineering teachers and scholarships and fellowships for engineering students; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 11201. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. GREGORY:

H. J. Res. 622. Joint resolution to designate the dam and reservoir authorized to be constructed on the lower Cumberland River in Kentucky as Barkley Dam and Barkley Lake; to the Committee on Public Works.

By Mr. SMITH of Wisconsin:

H. Con. Res. 238. Concurrent resolution to establish a joint congressional committee to conduct a study and inquiry with respect to severance of diplomatic, economic, and other relations between the United States and the Union of Soviet Socialist Republics; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred, as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to investigate and prosecute the violations of the civil rights of American citizens in the State of Mississippi; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States relative to requesting the enactment of certain clarifying amendments to the Revised Organic Act of the Virgin Islands, approved July 22, 1954, now under consideration by the House Committee on Interior and Insular Affairs; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 11202. A bill for the relief of Chu Leung; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 11203. A bill to direct the issuance of patent to Thomas C. Haley of Sitka, Alaska, to certain land in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BUDGE:

H. R. 11204. A bill for the relief of Ben Wilson Robison; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 11205. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 11206. A bill for the relief of Han Hong Wang and An-Yin Chen Wang; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 11207. A bill for the relief of Cyrus B. Follmer; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 11208. A bill for the relief of Edward H. Turri; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 11209. A bill for the relief of T. W. Wheeler, doing business as Winton Truck Lines; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11210. A bill for the relief of Maria Rodriguez Gomez Garcia; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 11211. A bill to provide for the advancement of Brig. Gen. Manus McCloskey, United States Army, retired, to the grade of major general on the retired list; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 11212. A bill for the relief of Alejo T. Tano; to the Committee on the Judiciary.

H. R. 11213. A bill for the relief of Ignacio Martal Romano; to the Committee on the Judiciary.

H. R. 11214. A bill for the relief of Marcos Sabuloan Jampas; to the Committee on the Judiciary.

H. R. 11215. A bill for the relief of Paulino Josue Elizalde; to the Committee on the Judiciary.

H. R. 11216. A bill for the relief of Jose Garcia; to the Committee on the Judiciary.

H. R. 11217. A bill for the relief of Magtangol C. Polintan; to the Committee on the Judiciary.

H. R. 11218. A bill for the relief of Modesto Erispe Tanoja; to the Committee on the Judiciary.

H. R. 11219. A bill for the relief of Emiliano Jesmundo Magellanes; to the Committee on the Judiciary.

H. R. 11220. A bill for the relief of Eriberto Chavez Abella; to the Committee on the Judiciary.

H. R. 11221. A bill for the relief of Federico Tamayo Dagdagan; to the Committee on the Judiciary.

H. R. 11222. A bill for the relief of Rodrigo Corope Alaura; to the Committee on the Judiciary.

H. R. 11223. A bill for the relief of Marcial Mariano Yamio; to the Committee on the Judiciary.

H. R. 11224. A bill for the relief of Carlos Odac Magahiz; to the Committee on the Judiciary.

H. R. 11225. A bill for the relief of Laudelino Tejada Avelino; to the Committee on the Judiciary.

H. R. 11226. A bill for the relief of Gaudioso Trumata Macias; to the Committee on the Judiciary.

H. R. 11227. A bill for the relief of Godofredo Matados de la Cruz; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 11228 A bill for the relief of Dr. Ting Su; to the Committee on the Judiciary.

H. R. 11229. A bill for the relief of Mrs. Boyd Dinehart and Richard Reams; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 11230. A bill for the relief of Valente Hernandez-Hernandez; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 11231. A bill for the relief of Aram Peltekian; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1019. By Mr. ASHMORE: Petitions of William R. Claytor, Jr., and 877 other residents of Slater, Greer, Taylors, Greenville, Simpsonville, Marietta, Piedmont, Pelzer, and Travelers Rest, S. C., urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1020. By Mr. BURDICK: Petition of E. W. Oster and 89 other residents of Williston, N. Dak., and the surrounding territory urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1021. By Mr. BUSH: Petition of Stanley Dominikoski and other residents of Morris Run and Tioga County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1022. By Mr. GROSS: Petition of George Welch and 22 other residents of Waterloo, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1023. By Mr. HINSHAW: Petition of James L. Orr and 44 other residents of Pasadena, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1024. Also, petition of Guy M. Voorhees and 44 other residents of Burbank, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1025. Also, petition of Clark W. McIntyre and 41 other residents of Pasadena, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1026. By Mr. NORBLAD: Petition of Mrs. A. R. Nelson and eight other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1027. Also, petition of Charles Carson and 135 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1028. By Mr. SHORT: Petition of Herman Thomas and other citizens of Stone County, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1029. Also, petition of Mr. and Mrs. J. H. Woods and other citizens of Purdy, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1030. By Mr. THOMPSON of Louisiana: Petition of Mrs. N. J. Amy of Eunice, La., and 12 other residents of Eunice, Rayne, and Ville Platte, of the Seventh District of Louisiana, urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1031. By Mr. VORYS: Petition of 45 residents of Ohio urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1032. By the SPEAKER: Petition of Mrs. G. J. Watumull, Watumull Foundation, Honolulu, T. H., petitioning consideration of their resolution with reference to urging a joint congressional investigation of the fluoridation of public drinking water, and the mortality statistics and high disease incidence in fluoridated areas like Grand Rapids, Mich., and Newburgh, Mass.; to the Committee on Appropriations.

1033. Also, petition of Herbert L. Wiltsee, southern representative, the Council of State Governments, Chicago, Ill., relative to a resolution adopted April 28 by the southern regional conference of the Council of State Governments at Charleston, S. C., relating to "rules of construction to guide the Supreme Court"; to the Committee on the Judiciary.

1034. Also, petition of the executive secretary, the American Tariff League, Inc., New York, N. Y., transmitting additional petitions to those sent on May 4, bringing to 635 the number of companies and unions for which petitions have been signed relating to the subject of H. R. 5550; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Address by Hon. Edward J. Thye, of Minnesota, Before Reserve Officers Association

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Monday, May 14, 1956

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the Congressional Record an address I delivered before the Reserve Officers Association at St. Paul, Minn., on May 5, 1956.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Senator Edward J. Thye to Reserve Officers Association, State of Minnesota, at St. Paul, Minn., May 5, 1956

Never before in our history has the United States been required to invest so heavily in preparing for conflict at a time when its citizens are receiving and enjoying the dividends of peace. As a world leader, we are in the position of leading the forces for freedom and peace in the tense struggle against Russia and her satellites.

This type of position in world affairs presents many problems which we have not faced before. On the one hand, we must make every effort to establish friendly relations and a desire for peace by all nations and, at the same time, think in terms of a war which promises mass annihilation. We must investigate all possibilities for disarmament, but, at the same time, continue our development of the most destructive weapons man has ever known. Within our own Nation, we must gradually build our Armed Forces into an effective and efficient fighting unit, but, at the same time, we must place a priority upon the factors which make up a peacetime economy and society.

We are, as a nation, in the position of a man working in the sunshine with the clouds of a summer storm in the background, threatening to interrupt his activity.

To maintain a proper balance between our search for peace and our preparation for a possible conflict demands the greatest skills of leadership available. In President Eisenhower, we have such leadership. He is particularly suited for leadership at this time because he, above all others, combines the type of statesmanship and diplomacy needed to build a foundation for peace, with the vast experience which he has in guiding the military destinies of the United States and the free world.

The many difficult problems which we have at the present day, however, demand the maximum efforts of all citizens in positions of responsibility. That is why I am pleased to have the opportunity to meet with the Minnesota State Reserve Officers Association. As a veteran of World War I, when I served as both an enlisted man and as an officer, and as your Senator, I understand your problems and recognize the importance of your program in supplying the type of leadership we need today.

Our main concern right now is to establish a proper balance between our manpower reserve and research into existing and new weapons within the budgets established by the administration and the Congress.

The greatest possible effort must be made in the development and research in the field of guided and interceptor missiles. We have already spent millions of dollars in missile research and development and will continue to make this program a priority in our defense preparation. We also realize that the Russians are concentrating right now on missile development. It is no secret that the intercontinental missile, when fully developed, will have a deep impact on relations between the major world powers. At the same time, an interceptor missile which is capable of destroying a missile already in flight will further change the pattern of any future conflict.

At this point, I would like to make clear that I do not view a conflict of major powers as imminent. I believe that all nations are coming to the point where they realize the futility of war. However, we cannot operate on the assumption that peace is assured. We must protect ourselves against any possible outbreak of war. We learned very costly lessons at Pearl Harbor and in June 1950, when the Korean war started. Never again can we afford to be caught off balance.

I should also like to take issue with those who state that manpower is no longer important to our defense planning because the next war will be a pushbutton war and will be over in a short time. No matter what scientific advances we make in the development of new weapons, we will still need well-trained manpower in all branches of the service.

The Congress had this in mind when it passed the Reserve Forces Act of 1955. The passage of that act was a major step in the development of a strong and effective Reserve, which can be trained and schooled in methods of modern warfare.

In drafting this legislation, the Congress recognized certain facts which make the task of building a Reserve force difficult. We might as well admit from the outset that we are a peace-loving Nation and that during times of peace it is hard to generate enthusiasm for an active fighting force and for a large Reserve. This is a psychological hurdle which must be met.

The young high-school graduate will always have doubts as to why he should be called into service during times of peace. That is only natural. Once he sees that he has a responsibility to his country to maintain its defenses, he will be willing to cooperate and serve in the active forces. However, he would like to have that new responsibility set forth in the most definite terms. That is what the Reserve Forces Act does. It gives the high-school graduate or the person under 20 a variety of alternatives in serving his country.

You are all aware of the provisions of the law and the choices the men have in fulfilling their military services. The opportunity to serve in Active Reserve units not only stimulated Reserve activity but also made the Reserve a most important element in our defense planning.

The present goal is to establish by 1959 an Active Ready Reserve of 2,900,000 men. We also hope to have a Standby Reserve of approximately 2 million men by 1959. Much of the responsibility of reaching that goal rests on you as Reserve officers. If we are to meet the goal, we must carry out a consistently effective education program to inform the prospective reservists of the various opportunities which are available. This program must be carried into every community and high school of the United States. The law is a good one. It seeks to alleviate hardships and inequities. It attempts to show the young men in definite terms what is expected of them and enable them to plan for the future. It allows them to proceed with their education at higher levels with the least amount of dislocation.

These facts must be made known to the parents of these men. It is only natural that a parent should be concerned over the future welfare of his child. Parents who want to send their children on to college and university should know that they can do so with no serious delay because of military service.

Prospective employers of these prospective servicemen should be aware of the provisions of the act. They should be encouraged to hire men of military age. They need not fear that a man will be taken away for a long period of time after he has been trained in a business or vocation. These were all factors which made your work difficult in the past. We have tried to make your task easier through this legislation.

The provision allowing for 6 months' active duty and 7½ years in the Reserve should stimulate greater scholarship achievements in our high schools. This, in itself, will have many favorable ramifications. The high-school graduates should also be told that the Armed Forces today make every attempt to place them in positions for which they have an aptitude or for which they have prior training and experience.

This entire program is designed to allow the graduate to fulfill his military duty when it interferes least with his education and plans for a career. This will remove him from the uncertainties of the draft calls.

Another provision of the law which is of great importance is the screening of ready reservists in peacetime. This is a constant process whereby persons of unusual civilian skills may be transferred to the Standby Reserve. This serves to stabilize our civilian labor force so that we may avoid serious dislocations and inequities if it becomes necessary to carry on an actual war.

This Reserve program should have the solid support of all citizens. This support will develop as the people become aware of the many benefits of this plan. It is too early to evaluate the success of the Reserve program either in terms of enlistments or of public acceptance and support.

Another problem which we face is that of retaining already trained men who are on active duty. This has become an increasingly serious problem, due to our domestic economic and social advances made in the past 10 years.

The high degree of prosperity which we enjoy in our civilian society has made a military career less attractive. Just the other day, I came in contact with a striking example of this. A major in the Air Force who had 13 years of active service found it necessary to take a job in civilian life. He told me that his date for retirement would come up at the same time that his children would be of college age. His desire is like most other parents—to send his children to college. The only way he can plan for that is to accept a position at a higher pay level. Here is one case, and there are thousands of them, where the Armed Forces will lose a trained and qualified man who has spent 13 years of his life in the military service.

As your Senator and as a member of the Appropriations Committee, I can see the same thing happening not only with officers and enlisted men but with highly skilled civilian employees. Private industry today can give to these men a greater amount of economic and financial security.

The last session of Congress took some steps to correct this situation, and the current session will take further action. Such items as reenlistment bonuses, improved medical care for military dependents, and increasing career incentives for doctors and dentists. It is necessary that action be taken to provide service personnel benefits which are more comparable with those enjoyed in civilian life.

There are indications that this inducement program has already eased the manpower situation. The general Department of Defense reenlistment rate for Regulars has increased from 27 percent in fiscal year 1955 to about 43 percent up to March 1 in fiscal 1956. As a result of the increased reenlistment bonuses and career incentive measures, there has been a sharp rise in the proportion of 6-year reenlistments. The total reenlistments in fiscal year 1954 was 47 percent, as compared with 77 percent in the current fiscal year.

There is another facet in this entire manpower situation which does not directly affect the Reserve program, but which is tied in directly with our entire manpower and research and development program.

At the present time, the United States has taken the lead in scientific and technological development, but at the same time we are faced with a shortage of future manpower in these same fields. We must continue our leadership in these areas and make certain that the Russians do not surpass us.

The Soviet Union today is graduating each year over twice as many engineers and scientists as are being graduated in the United States. We are faced with a marked and continuing decrease in the number of qualified teachers at the high-school and college levels in the basic-science fields. As a result, we have fewer and fewer students each year who are pursuing studies in the sciences and in engineering. We are now faced with a situation that at the same time as science and technology are moving to a position of unprecedented importance, the manpower to maintain our progress is declining.

To meet this situation, the President has appointed a nationwide commission to advise the administration as to what can be done to solve this dilemma. Along the same line, I have introduced in the Senate a resolution to establish a Joint House-Senate Committee on Scientific Research. The legislative branch cannot escape the fact that it is going to become more deeply involved in this area of activity. We will be called upon to work with plans and programs established by the executive branch of Government, including the Department of Defense. Such a committee would work in cooperation with the executive agencies, industry, and our institutions of learning. It would, as a result of its work, be in a position to advise and counsel the proper legislative committees which will be called upon to legislate in this area.

We must be ever mindful of our responsibility as a world leader to establish a firm foundation for peace and freedom for all peoples of the world. The Reserve Officers Association must play a key part in the progress which we make. Without a large and well-trained Reserve, we cannot prevail. No one can predict at this time whether our destiny is to be written in terms of war or peace. We must maintain a steadfast faith and confidence in the hopes for peace, but at the same time, we must be ready to defend the cause of freedom and justice whenever the time should come.

Status of Forces Agreements

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. BOW. Mr. Speaker, an examination of the reciprocal features of the NATO Status of Forces Agreement as they have worked out in 3 years of practice discloses that reciprocity exists only on paper. The numerical results, from any approach, fail to sustain the claim.

We have a million of our men serving abroad. There are only a few thousand foreign servicemen in our country at any one time, the total who may come and go during the year being about 12,000.

As of November 30, 1955, a total of 10,249 of our personnel had been accused of offenses subject to the primary jurisdiction of foreign courts throughout the world. In the same period only 3 foreign servicemen had been charged with any offenses in our courts.

Invariably proponents of the status agreements will say that we would not want to give up the right to try foreign servicemen in our courts, usually offering some unjustified hypothetical case of murder or rape. Again, this thought is not supported by the fact. In 1944 we adopted an act to implement the jurisdiction of service courts of friendly foreign sovereigns within the United States. The American Legion has favored granting the right of trial to foreign troops if the United States is given the right to exercise complete jurisdiction over its servicemen.

We should recall that our troops are serving abroad in complete organizations and prepared to try their own men. In many cases the foreign servicemen are in such small numbers that it would not be possible for them to hold a trial by their own nationals. We also have the Uniform Code of Military Justice which was provided by Congress in carrying out its constitutional right and duty to make rules for the Government and regulation of the land and naval forces.

The code contains all the safeguards provided for an accused under our Constitution and more safeguards than afforded by any foreign court under any

system of jurisprudence or by treaty. It was adopted so that all serving in our Armed Forces would be treated alike.

The Status of Forces Agreement, and similar agreements with countries outside NATO, have thwarted the will of Congress. Our servicemen in this country enjoy a favored position, while our servicemen stationed abroad are exposed to almost as many systems of justice and degrees of punishment as there are agreements.

Legislation Accomplished in This Session of Congress

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. McCORMACK. Mr. Speaker, in my extension of remarks, I include a memorandum prepared for me by the Legislative Reference Service of the Library of Congress comparing the legislation accomplished in this session of Congress with that accomplished in about the same period in the 2d session of the 83d Congress:

COMPARISON OF LEGISLATION ACCOMPLISHED IN THIS SESSION OF CONGRESS WITH THAT ACCOMPLISHED IN ABOUT THE SAME PERIOD IN THE 2D SESSION OF THE 83D CONGRESS

As of May 1, 1954, there were 60 public bills enacted into law.

As of May 1, 1956, there were 112 public bills enacted into law.

As of May 1, 1954, there were eight bills in conference.

As of May 1, 1956, there were 10 bills in conference.

As of May 1, 1954, there were 11 bills through conference.

As of May 1, 1956, there were nine bills through conference.

As of May 1, 1954, the Senate had passed 397 measures.

As of May 1, 1956, the Senate had passed 575 measures.

As of May 1, 1954, the House had passed 442 measures.

As of May 1, 1956, the House had passed 404 measures.

As of May 1, 1954, the Senate committees had reported 426 bills.

As of May 1, 1956, the Senate committees had reported 674 bills.

As of May 1, 1954, the House committees had reported 418 bills.

As of May 1, 1956, the House committees had reported 404 bills.

Yea-and-nay votes:

As of May 1, 1954, there were 48 in the Senate and 19 in the House.

As of May 1, 1956, there were 57 in the Senate and 19 in the House.

Executive nominations:

As of May 1, 1954, the Senate had received and considered 11,680 nominations requiring senatorial confirmation.

As of May 1, 1956, the Senate had received and considered 33,777 nominations requiring senatorial confirmation.

Some of the major proposals which have received action during the 2d session of the 84th Congress are:

Natural gas bill (H. R. 6645) vetoed February 17, 1956.

Disaster loans (H. R. 7871) approved February 2, 1956, Public Law 402.

Home disaster relief (H. J. Res. 471) approved February 10, 1956, Public Law 405.

Farm-gas tax exemption (H. R. 8780) approved April 2, 1956, Public Law 466.

Tax Rate Extension Act (H. R. 9166) approved March 29, 1956, Public Law 458.

Federal Highway Act of 1956 (H. R. 10660) passed House April 27, 1956.

Navy shipbuilding and conversion (H. R. 7993) passed Senate April 26, 1956.

Farm bill (H. R. 12) vetoed April 16, 1956; veto sustained April 18, 1956.

School-milk program (H. R. 8320) approved April 2, 1956, Public Law 465.

Merchant Marine Academy (H. R. 6043) approved February 20, 1956, Public Law 415.

Willful aircraft destruction, penalty (S. 2972) reported in House March 29, 1956.

Aeronautical research (H. R. 8675) passed House February 27, 1956.

Colorado River project (S. 500) approved April 11, 1956, Public Law 485.

Taxation of insurance companies (H. R. 7201) approved March 13, 1956, Public Law 429.

Medical-dental officers, incentives (H. R. 9428) passed Senate April 18, 1956.

Military dependents' medical care (H. R. 9429) passed House March 2, 1956.

Military-procurement contracts, advertising (H. R. 8710) passed House February 20, 1956.

Poliomyelitis Vaccination Assistance Act, extension (S. 2990) approved February 15, 1956, Public Law 411.

Military construction (H. R. 9893) passed House April 12, 1956.

Foreign Service pay increase (S. 3481) passed Senate April 12, 1956.

Food and Agricultural Organizations and International Labor Organization (S. J. Res. 97) passed Senate April 19, 1956.

Atomic Energy acquisitions (H. R. 10387) passed Senate April 19, 1956.

National bank examinations (S. 1188) approved April 30, 1956, Public Law 502.

Red Willow and Wilson Dams (S. 1194) approved May 2, 1956, Public Law 505.

Federal Reserve bank authority to purchase obligations (H. R. 9235) passed House April 19, 1955.

War orphans' education (H. R. 9824) passed House April 23, 1956.

Veterans' housing loans (H. R. 9260) passed House April 23, 1956.

Bank holding companies (H. R. 6227) passed Senate April 25, 1956.

Opposition Views on OTC

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. REED of New York. Mr. Speaker, I believe that the minority views on H. R. 5550, the bill authorizing United States membership in OTC, should be of interest to the Members of the House. These minority views will be found in the report of the Committee on Ways and Means on the bill (H. Rept. No. 2007, 84th Cong., 2d sess.). A summary of these minority views follows:

(1) OTC is designed to implement the General Agreement on Tariffs and Trade (GATT). Therefore, enactment of this bill will be interpreted inevitably as constituting congressional endorsement of GATT although the provisions of GATT itself have never been submitted to the Congress for approval.

(2) GATT is dedicated officially to the primary objective of substantial reduction of tariffs and enactment of this bill will commit the United States to the furtherance of this objective even though the Congress itself has not given its approval to any reduction in United States tariffs beyond the limited authority delegated to the President under existing law. This official dedication of GATT is of grave significance to the textile, chemical, and many other industries already hard hit by tariff reductions.

(3) OTC will create a permanent international bureaucracy susceptible to use as a powerful propaganda agency directed against the essential protection of United States industry, agriculture, and labor and to opening our domestic market to the low-cost producers of the world.

(4) Authorization of United States membership in OTC will result in an almost complete transfer by the Congress to an international organization of its constitutional authority over United States foreign-commerce policy. There is serious doubt of the constitutionality of such a delegation.

(5) Several of the substantive provisions of GATT conflict directly with established principles of United States law, particularly with regard to quotas on imports of agricultural commodities designed to implement our domestic price-support program.

(6) As a member of OTC, the United States will have but one vote. Thus, the United States, having the largest single proportion of world trade of any member nation and required to make the largest single contribution to the expenses of OTC, will be on a voting par with the other 34 member nations and will be bound by their majority decision.

(7) The agreement on OTC declares the intention of the contracting parties to seek a specialized-agency status within the United Nations. Achievement of such a status can only result in our tariff policy being further subordinated to considerations of international politics rather than to considerations of domestic economic interest.

(8) OTC contains no mechanism, by hearing or otherwise, for the direct presentation of the views of United States industry, agriculture, and labor in the formulation of recommendations vitally affecting their interest.

(9) Finally, the amendments adopted by the committee make no substantive improvement in the defects inherent in OTC–GATT.

Address by Hon. Estes Kefauver, of Tennessee, at Convention of Young Democratic Clubs of Oregon

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Monday, May 14, 1956

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by the Senator from Tennessee [Mr. KEFAUVER] at the 25th annual convention of the Young Democratic Clubs of Oregon, in Portland, Oreg., on April 21, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and fellow Democrats, I am always grateful for a chance to come to Oregon. I have been doing it for a long time now. I am grateful for the warmth and the loyalty of thousands of friends here. As a Democrat I have been gratified by the great growth of the Democratic Party in this State.

As both a Democrat and a Member of the United States Senate—and above all as an American—I am grateful that the people of Oregon are represented in the Senate by as fine a pair of Senators as represent any State of the Union.

Wayne Morse and Dick Neuberger are great Americans. They work assiduously for the welfare of this State and its people. But beyond that they work unceasingly for the welfare of all our people. Their voices are heard whenever the forces of progress and growth are under attack. They fight for a decent, liberal, prosperous America, and a peaceful world.

Wayne Morse and Dick Neuberger do not content themselves with just voting in the Senate and letting others carry the brunt of the battle. Wherever the fighting has been hardest, they have been in the thick of it. No one will ever call them lily livered.

The fact that Wayne Morse has been so effective in behalf of the people of Oregon and the Nation is the reason why this year he will be the No. 1 target of the Republican Party.

The other day, Douglas McKay told a reporter in Washington that Wayne Morse "has put more roadblocks in the path of the Eisenhower administration than any other single politician I can think of."

The Democrats of Oregon ought to glory in that statement.

Wayne Morse has often stood like the boy with his finger in the hole in the dike, keeping the land from being inundated by the galloping giveaways.

No wonder the Republicans hate him. No wonder the fat cats and big mules of the predatory interests will be pouring money into this State this fall in an unending stream. No wonder the Republican Party's propaganda experts will be as numerous in Oregon this fall as fleas on a lazy dog.

Mr. McKay calls Wayne Morse a turncoat for leaving the Republican Party. I doubt that Wayne Morse could be said to have left the Republican Party. I think it left him.

Wayne Morse represented the final beachhead of the liberal tradition in the Republican Party. From Abraham Lincoln, through Theodore Roosevelt, Gifford Pinchot, George Norris, Charles McNary—and perhaps even Wendell Willkie—it had been a long line. But as big business and selfish interests have gained more and more control of the Republican Party, there has been less and less room for liberalism.

I know how hard Wayne Morse worked to keep that faint flame alive in the Republican Party. The remarkable thing to me is that he strove so hard and so long when all the odds were against him.

I am glad that Wayne Morse made his great decision. I am glad for the Democratic Party—which he has strengthened not only here in Oregon, but nationally. I am glad for the liberal position in the Democratic Party which his presence and his counsel strengthen and encourage. I am glad for Wayne Morse, who has found a party in which, when he puts his shoulder to the wheel, the wheel turns.

Possibly there remains some doubt as to who will be chosen by the Republicans to oppose Senator Morse. I understand that Douglas McKay is the candidate of President Eisenhower and the Republican national committee. Perhaps he won't make the grade with the Republicans of Oregon, but whether he does or not, Mr. McKay is going to be the campaign issue.

He personifies the Eisenhower approach to the development of natural resources. The Eisenhower approach is "don't do it."

In the whole of McKay's tenure as Secretary of the Interior, he managed to hold just one press conference. I assume that there was too much he didn't want to explain.

At that one press conference, he announced the administration's partnership policy for power development. When he gets out here to campaign I hope you people of Oregon will ask him how it is that his partnership policy has failed to develop a single kilowatt of electric power.

I hope that the people of Oregon will find out from McKay how and why he sought to avoid the preference clause put in the law by Congress to see to it that the public got the first crack at power produced at Federal installations. I hope he will be asked about the abandonment of so-called wheeling arrangements for the transmission of power, which was one way of getting around the preference clause.

While he is out here and within easy reach, I hope you will find out something that Congress has never been able to find out—nor has the press been able to find out: That is why on earth he ever let that Al Serena deal go through.

The conservationists in this State—and there are a lot of them—also ought to find out on what basis Secretary McKay justifies opening up nearly every wildlife refuge to the oil companies.

I am told that Mr. McKay's chief asset is his amiability. In general this is a nice quality and one which we all admire. But when the country has an amiable Secretary of the Interior there always arises the question as to who he is amiable with. Is it the people who would like to destroy public power in America? Is it the people who want to do a little timber mining? Is it the people who tell the ducks and geese to move on somewhere else so that they can look for oil?

The simple truth is that the Eisenhower administration, by its failures in the field of resource development, has put a ceiling on the progress of the West and of this great State of Oregon. And Douglas McKay has been the instrument of that failure.

Oregon and the Northwest have been pushing forward on the impetus they got in the years of Presidents Roosevelt and Truman. The business and industry that won't get started, the jobs that won't be there when the need comes, the acres which will remain without water and life—the failures due to the inaction of President Eisenhower and Douglas McKay, lie in the future. But that future is too near at hand for comfort.

It took only a few moments and a scratch of the pen for Douglas McKay to write off the great dam at Hells Canyon. But the people of the Northwest may take generations to pay for one of the most callous acts in the history of western development.

I have nothing against the development and sale of power by private means and private capital. I have never been persuaded that power ought to be a governmental monopoly.

What I know the growth of the United States requires, however, is plenty of electric power at the lowest possible cost. And when the most power at the lowest cost can be produced only by public means, then we must adopt methods which will produce the most for the least. When Douglas McKay signed away Hells Canyon he was performing the act of a man who does not believe much in the future of America.

If America is going to grow—and if Oregon and the Northwest are going to grow—we must have tremendous new supplies of energy to make that growth possible.

The growth of industry in this area has in large part been due to prior development of power resources by the Federal Government. One of the greatest factors in this growth has been the increasing development of the electro-processing industries. In 1950 these industries were consuming 17 percent of all power used by industry. By 1975 these industries will be using an estimated 30 percent of all our industrial power. This means that power consumption by these industries alone will increase 425 percent in a quarter of a century.

The growth of these industries can continue only if power costs are kept low—and a difference of 1 mill a kilowatt may make an enormous economic difference—and the future supply growing to meet the demands to be made upon it.

There is no native source of great energy in this region except hydroelectric power. The only hope for the region lies in the development of the full potential of the Columbia, the Snake, and other rivers of the area. It is to this development that Douglas McKay has said "No."

As it is, it is going to take a long time to make up for the mistakes and the failures of President Eisenhower and Douglas McKay in the field of resource development. I hope and expect that next January a Democratic President and a Democratic Secretary of the Interior will be able to reverse this sorry trend. And I hope that Wayne Morse and Dick Neuberger will both be there in the Senate of the United States to help them.

The Democrats and independents of Oregon started the tide turning in 1954, when Dick Neuberger was sent to the Senate. This year let's go all the way. Unite and organize and fight—and put Oregon in the Democratic presidential column, elect Democrats up and down the line, and, most of all, reelect Wayne Morse.

Disarmament as a Part of a Just and Durable World Peace

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 14, 1956

Mr. WILEY. Mr. President, last Saturday it was my privilege to address a civic conference in Chicago on the theme of disarmament as a part of a just and durable world peace.

I ask unanimous consent that my address be printed in the Congressional Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Senator Wiley Urges Intensified Effort to Explore Disarmament Plans; Questions Real Soviet Attitude

It is, indeed, a special honor for me to be with you today. It is more than gratifying to see an assembly of local civic groups bound together by a mutual concern for meeting the greatest international challenge of our times—maintenance of world peace through the achievement of workable, safeguarded disarmament.

Secretary Dulles' remarks before the General Assembly in September of 1953 ring truer today than ever before. He said at that time:

"Destructive power inherent in matter * * * must be controlled by the idealism of man's spirit and the wisdom of his mind. They alone stand between us and a lifeless planet. There are plenty of problems in this world, many of them interconnected. But there is no problem which compares with this central universal problem of saving the human race from extinction."

Such is the measure of the problem of regulation and control of armaments in the grim atomic-hydrogen age.

THE SENATE IS FULFILLING ITS RESPONSIBILITY

It is fitting and proper that the Senate of the United States, acting on behalf of the people of our country, has wisely established our 12-man subcommittee, for the exclusive purpose of exploring this central problem.

It is my view, as I know it is yours, that the Congress has an inescapable obligation continually to review this problem with the highest officials of the Government of the United States, with leading citizens' organizations, and with individual spokesmen for the American public.

It is our task to help spotlight this challenge in all its implications and then, to leave no stone unturned, no channel unexplored, no constructive suggestion unconsidered in trying to help meet this immense and complex problem.

We are all aware that disarmament plans could not possibly be worked out by the executive branch in a vacuum, or all by itself.

Plans must and will be worked out in full accordance with the constitutional prerogatives of the Senate in its advice and consent function and in full accordance with the clear interests and responsibilities of the House of Representatives as well, speaking for our people.

WORLD OPINION'S CRUCIAL ROLE

In turn, disarmament discussions can only advance within the framework of what world public opinion wants and understands and is ready for; and that is where you in particular come in, with your constructive thinking and suggestions.

To better equip yourselves, you are, during this all-day session, getting the benefit of the judgment of a great many experts who have devoted a very considerable amount of time and energy to exploring all phases of this problem. I will not duplicate what they will say or have already said in their respective fields, but I may briefly touch upon some of their areas.

My own principal theme is, that you may feel confident that your Congress and, in particular, your Senate, is moving ahead, seeking earnestly to fulfill its responsibility in this awesome field.

We are not of course, seeking to arrogate unto ourselves any of the powers and rights of the executive branch in spearheading United States diplomacy, nor are we, however, idly sitting back and abandoning our own clear obligation to work as a member of the executive-legislative team, on behalf of world peace.

WE WATCH ENTIRE WORLD STAGE

We are keeping our eye on the main ball, and we are not losing sight of the other East-West balls either.

The talks in London were of course, but one part of the fast-changing world stage.

Inevitably, all that transpires in the dynamic field of foreign policy may affect the climate and, indeed, the fate of disarmament negotiations.

The latest Bulganin and Khrushchev statements from the Kremlin; the latest signs of dissension over the downgrading of Stalin; new developments in the explosive Middle East; new Soviet trade and technical assistance offers to underdeveloped lands; new Soviet cultural exchanges; the exploration by the three wise men of NATO of greater economic and political cooperation within that vital organization; new nuclear discoveries from laboratory and testing ground— these are but a few of the factors on the world scene which interrelate, if only indirectly, with the problem before us.

They give us clues, signs and omens of the state of Soviet thinking.

THE MOST BASIC OF ALL PROBLEMS: SOVIET INTENTIONS

And always, we get back to the most basic problem of all: Is there, in the heart of the Soviet leaders (as we know there is in our heart) a genuine desire to do everything humanly possible to have all of us succeed in the disarmament talks. Is there a real desire for—just and durable peace, because after all disarmament is not a goal in and of itself but rather is a vital part of a just and durable peace.

Or, are the Soviet leaders simply sparring for time? Are they simply maneuvering for propaganda value—for example, with phony offers on meaningless reduction of their huge ground forces?

Only the future will really tell. But the past does tell us something. And it is this: we have good reason to be on our guard, to be vigilant. We have good reason to be hopeful, and yet, not to be naive.

We have welcomed word from Harold Stassen, of progress made during the 5 Nation Conference of 6 weeks in London. Indeed, we have welcomed every sign at any time, that, despite the enormous gap which still separates East and West, we have moved toward a closing of at least part of the gap between the United States and her allies on the one hand, and the Soviet position, on the other hand.

There is no reason for discouragement or despair.

But we still don't know the real answer to the real question: What is actually in the mind of the Kremlin?

Does it actually desire to do everything possible to avert an H-bomb holocaust in the world, to avert it by genuinely constructive deeds—irrevocable, ironclad deeds?

Do the "powers" in Moscow truly realize the ominous implications of the ever-mounting East-West stockpiles of nuclear weapons and the ever-increasing destructiveness of these weapons?

Do the "powers" in Moscow actually seek some constructive way out of the arms race, the nuclear deadlock? Or are they only paying lipservice to the problem, while actually repeating their "Nyet," "Nyet," "Nyet"?

In his recent visit to Great Britain, Mr. Khrushchev said to a group of his hosts: "It would not be of much use to our peoples if we were to stand facing each other like fighting cocks. * * * Such an attitude would lead to an arms race involving tremendous costs; an arms race that can lead only to war; and with modern weapons, war can lead only to disaster for all."

As for ourselves, we clearly perceive the nature of such a possible disaster. So, we will work patiently and persistently, and we will seek "to move mountains" to see that disaster does not befall the human race.

SOVIETS CAN BE MOVED

For the present, we can only say that the Soviets are not immovable. They have moved. They are definitely subject to the pressure of world opinion and Russian opinion itself.

When we look back at the Soviet position in 1946, we very definitely see modifications. Russia has come a long way from her old arbitrary insistence that prohibition of nuclear weapons should precede an "effective system" of international control.

She now acknowledges the indispensable concept of stages in the process of bringing a disarmament program into being.

Yet, it is true that the Soviets have continued their pattern of "running from specifics." And the areas of disagreement still overweigh those of any agreement. Any optimism in London got a particular setback by statements of Messrs. Khrushchev and Bulganin in outright criticisms of the Disarmament Subcommittee's efforts.

Russia is still unwilling to agree to an adequate inspection system, including combined air-ground inspection and controls.

For the present, she accepts only ground installation inspection. She unsoundly maintains that aerial survey has nothing to do with real disarmament control—that it has "other aims." What these aims are were not specified.

It would seem that Russia suffers "conveniently" from "loss of memory," forgetting that in 1945 she herself introduced a proposal, providing an international air force under the United Nations, to help maintain peace.

Also, the Soviet Union still does not want to comprehend that a settlement of world political problems is part and parcel of general disarmament. How can we possibly agree to her disarmament plans which insist on the neutralization of Germany and Korea, which would mean the complete withdrawal of Western defense forces from world tension centers?

Nor has Russia met the West on definite proposals for even partial—first phase—nuclear disarmament.

She has failed too, to respond to our suggestions for certain confidence-binding gestures such as: Test control areas, exchange of technical missions, and exchange of information on troop movements.

Moreover, we must remember that President Eisenhower is still awaiting a belated reply from Marshal Bulganin in answer to our historic proposal in his letter of March 5. As you well recall, the President had suggested for the first time an East-West freeze on stockpiles of nuclear weapons (with appropriate inspection safeguards of course).

IRON CURTAIN HAS ONLY A FEW PEEPHOLES

Basically, the Iron Curtain remains exactly that. There are a few peepholes for looking through it, but there is no sign of anything like the comprehensive inspection system which must be at the very core of disarmament plans.

Meanwhile, Harold Stassen informs us that in another year, scientific know-how on the hydrogen bomb will have spread around the world. If this information becomes common stuff to other countries before an international disarmament treaty is drawn up, tensions and dangers will be seriously increased.

PROMISING NEWS ON U. N. ATOMIC AGENCY

While we are waiting for some disarmament blueprint, we must and will continue to take the lead in seeing that our "Atoms for Peace" program is carried out. We have already made great strides in seeing a United Nations Atoms-for-Peace Agency drafted and approved. But, the specifics have yet to be put down in print. As set up, this new atomic code would at least help assure to all peaceful nations throughout the world a share in the marvelous benefits of nuclear energy—benefits which will lift mankind to higher levels of well-being.

Most significant for our discussion here today, is that this proposed agency would bar the warlike use of any atomic materials pooled with it, and would set up an inspection system to see that this was carried out. Is it possible that this could be a first step in limiting atom bomb production? The prospects are promising, and the United States should drive for approval of this agency, when it comes up for authorization in September.

OPPORTUNITY IN JUNE AND SEPTEMBER

On an overall basis, our Government is wisely determined to continue its dedicated effort to try to come to sound terms with the Russians. The U. N. Disarmament Subcommittee will meet again in about 6 months—time enough for reappraisal of proposals and positions by both sides. It is obvious that Russia wants some thinking time on United States proposals. Perhaps we will get an inkling of something new when delegates of the five nations report to the full U. N. Disarmament Commission in mid-June, for a review of their latest effort.

As Mr. Stassen remarked, "It is America's policy to turn the armaments spiral downward." In carrying this policy out, we will never slacken our drive to reach a workable accommodation with the Soviets, if it is humanly possible.

We know that our own national interest—our very lives—are directly involved. Life on this planet is directly involved. We cannot afford to be lax. Nor can we afford to make mistakes. We cannot afford to be impractical. We cannot afford to allow scientific and military developments to render our proposals obsolete.

We are fortunate that the President of the United States and the Secretary of State clearly recognize all of the facts which I have mentioned, and that we have the services of so competent a leader as former Governor Stassen.

AVOID BOTH FALSE IDEALISM AND CYNICISM

We must constantly move ahead with judgment and discretion. We, as a people, must and will avoid the bluster of threatening statements, or the impatience of immaturity.

We must avoid any fuzzy-eyed idealism, which would cause us to take ill-conceived, unilateral disarmament steps, without the tightest and most effective safeguards.

But, at the same time, we must avoid the so-called realism which may only be a blind cynicism, which refuses to admit of the possibility of progress in this field.

Instead, the world needs hope; it needs faith. The world hungers for constructive efforts. We will not allow this hunger to go unmet.

Meanwhile, one-third of the Members of the Senate face reelection this year, and all of the House of Representatives. This issue, however, like other key foreign policy issues, must and will be kept out of partisan politics. It is too big, too important. And I am satisfied that this fact is clearly understood.

As we move ahead, it is up to us in the Congress to continue to furnish light for the American people, and for the peoples of the world, in cooperation with our associates of the executive branch.

It is up to us to warn America, however, that we may expect more and more Soviet propaganda tricks between now and the time the disarmament talks resume. We may expect that the Reds will make more showy efforts, for example, to reduce their swollen, conventional land forces. But we will not be deceived.

STAFF STUDIES BY SUBCOMMITTEE

Our subcommittee will help keep the spotlight on this problem. Our competent staff has, as you know, already completed several important studies which are being widely distributed throughout the country to interested citizens and civic organizations such as yours.

For example, our study of the Executive Branch and Disarmament Policy outlines all machinery within the executive branch responsible for carrying out a sound plan for control and reduction of armaments. After all, final policy can only be as effective as the agencies involved in formulating it. Are they as efficient and clear-cut as they could be? Is there possibly any duplication or overlapping of efforts? Are lines of coordination, for instance, between Mr. Stassen's office, and Departments of State and Defense clear in analyzing arms control proposals? These are some of the questions we hope to answer.

Another study, A Selected Chronology on Disarmament, has afforded us one of the first really concise outlines of disarmament developments over the decades. These past experiences are highly significant today, and should serve as vital lessons for present and future courses of action over the conference table.

These and other subcommittee publications are gladly available to the public, and should prove of further educational benefit.

Our group will not only keep itself informed of all current developments in disarmament policy; in cooperation with the President, we will continue actively to seek new approaches in controlling the destructive forces unleashed by nuclear energy. Probably the most important phase of our work is collecting the viewpoints of the experts and public. This has already proved a three-way learning process; enlightening to us; to those in attendance; and, I would venture to say, informative to the experts themselves.

Thus far, we have heard from such officials as Secretary Dulles, Mr. Stassen, Admiral Strauss, and Secretary Wilson. In our hearings with these and other representatives of the executive branch, I think we can stimulate fresh thinking on disarmament. In fact, it is not too presumptuous to believe that our conferences with them may have been helpful in presenting the recent arms control plan.

PAST MEETING IN BOSTON; COMING SESSION IN MINNEAPOLIS

But we have wisely gone to the people, as well, at the grassroots.

Our first out-of-town meeting in Boston was highly successful and informative. We heard from distinguished educators, scientists, clergymen, and private individuals. Their testimony not only took in specific parts of a total disarmament program, but they integrated disarmament with other foreign policy problems.

Needless to say, Boston certainly lived up to its reputation as a center of learning and pursuit of knowledge. Such opportunities to get an exchange of ideas, to talk out the problems at hand, and to receive original disarmament proposals, can but lead to new techniques.

We now look forward to our second "grassroots" meeting in Minneapolis on June 16. Again, printed copies of these hearings will be made available for public distribution.

Earlier, on June 8, we will have held another major hearing in Washington.

We are hoping for the broadest possible press coverage of it, for it is hard to conceive of hearings more genuinely meaningful to our own and all other peoples.

YOUR OWN ROLE

By our mutual efforts, we will help overcome any apathy which exists among our own people.

We know that time is running out and passive indifference must give way to an active searching for peace. Thus, it is up to responsible community organizations such as that of the groups represented here to continue leadership in this job of public education. We need your continued cooperation in stimulating broader interest.

Through your local discussions and studies, you are arousing expert opinions and working toward an ever-better informed citizenry. At the same time, you are enabling people to help shape and share in policymaking on this crucial subject. The American people must have a still wider chance to participate in constructive discussions on disarmament; for how else are they to understand it and finally accept the policies pursued?

Our universities and colleges should be moving more rapidly into basic research on this problem—in particular, tying in disarmament with their studies in foreign affairs and international relations. Our Boston meeting underlined the important role of our higher educational institutions, in concentrating more specifically on the problem.

CONCLUSION

In summing up, may I congratulate all those who have contributed to the conception and the holding of this conference.

I hope that the work carried on today will move ahead in the days and weeks and months up ahead.

The road to a practical blueprint for weapon control remains a long and hard one. But setbacks and disappointments should only serve to speed constructive efforts on all our parts.

As our President has said, "There is no alternative to peace."

To win this most prized of all goals, we must and will do our part—each and every one of us.

Logic of Arguments Against H. R. 4090

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. PELLY. Mr. Speaker, H. R. 4090 would amend part 2, title 3, of the Communications Act of 1934, so as to require the installation of an automatic radio alarm device on United States cargo ships of 1,600 gross tons or more carrying less than two qualified operators. Under this legislation, the device would be capable of being set manually to simultaneously receive and respond to international Morse code signals as follows: First, the ship station call signal; second, the international distress signal; third, the international safety signal; fourth, the international urgency signal; and, fifth, any other emergency code desired.

As a former member of the Interstate and Foreign Commerce Committee, I became familiar with this legislation at a hearing on a somewhat similar bill, H. R. 6004, which was held before this committee during the 83d Congress.

First, let me say that while my careful study of the report on this bill convinced me that there is no justification for making this device mandatory, at the same time, I recognize that the interest of the sponsor of this measure, the distinguished majority leader, is safety at sea, a very meritorious motive.

Since it may be that Members will not have an opportunity to read the entire 130 pages of testimony, I think that they should at least know that outside of the splendid statement in behalf of the objectives of his bill by the gentleman from Massachusetts [Mr. McCORMACK], the only other proponents were Abraham W. Sereysky, the son-in-law of the owner of the patents to this device, and Benjamin B. Green, the owner. These witnesses should be somewhat prejudiced. Also support was given it by Mr. Morris Harvey Strichartz, a representative of the Radio Officers Union. Since the ultimate effect of this bill might well require the employment of extra radio officers on cargo vessels that now only carry one

operator, it might be surmised likewise that Mr. Strichartz would be an interested party. So outside of the author of the bill, the proponents—all three of them—have a stake in the passage of this measure.

By the same token, representatives of certain groups opposing the legislation might have biased viewpoints. So let us discount the fact that the American Tramp Shipowner Association testified the equipment was "unnecessary from the standpoint of safety, efficiency, or sound operation." On a similar count, discount the testimony of the American Merchant Marine Institute and their statement that it was "inappropriate and premature to consider the mandatory installation of an unknown and untried piece of equipment" and, finally, discount the statement of the Pacific American Steamship Association. These opponents might be prejudiced.

Now the remaining part of the report on this legislation comes from agencies of Government which certainly should be completely objective. Two Departments, Treasury and Navy, have stated that they have no opposition. The Bureau of the Budget "suggests further study and experimentation before enacting." The Commerce Department recommends against enactment. The report of the Federal Communications Commission based on tests and technical examination states it is not convinced that the uses are clear enough to justify making the device mandatory. Of particular importance is the individual testimony of the Honorable Edward M. Webster, a member of the Commission, which boils down to the conclusion that H. R. 4090 is unnecessary and premature. So there are no Government agency reports favoring the bill—and three against its enactment.

Being against safety is like being against sin or motherhood. It just is not always the easiest position to take, but if this device had been in use in the past as far back as the sinking of the *Titanic* in 1912, I cannot find that any disaster would have been averted or any lives saved. The degree of safety that this equipment would add if installed on board a ship, to my mind, is exceedingly limited. Otherwise, cost, which is probably somewhere around $3,000 per unit, would have little bearing on the matter. The real cost, however, is not installation. Take, for example, the fact that tests indicate under favorable conditions during a 16-hour period when no radio operator might be on duty, the overtime for answering the alarms would amount to $32.90 per day, or estimating the ship to be at sea 50 percent of the time, approximately $6,000 per year per ship. Obviously, however, no radio operator could stand the strain of 10 alarms during his rest time, so the indirect cost would be actually the cost of a second operator, estimated to be in excess of $12,000 per year.

On the 266 Government-subsidized vessels, the Federal Government would pay the entire added cost estimated to be $3.3 million. On the 771 nonsubsidized vessels, the industry would have increased operating costs of $9.5 million.

These figures do not include any indirect expense such as that of providing space for a second operator. If such additional expense was arrived at by agreement through collective bargaining, we could find no fault with it, but passing legislation on the basis of the testimony presented in the hearings on this and former bills would be the triumph of emotion over good judgment and reason.

That H. R. 4090 duplicates existing equipment with an untested and untried device and bypasses international safety and communication conventions certainly suggests referring the bill back to the committee for further study. Any regulation having to do with navigational messages outside domestic waters and safety should be by international agreement and not be established by a law of this nature, particularly when it would set up a monopoly on an extremely limited and highly questionable system of safety communications.

H. R. 4090 is cloaked in respectability. The Commerce Committee sought to eliminate its private-interest element by an amendment providing that the patents on the device owned by the one organization must be available at reasonable cost to other organizations. How naive can we get?

There are presently approximately 1,000 cargo vessels that would come under the provisions of this legislation. In manufacturing so limited a number of pieces of equipment there would be no place for competition. There would only be one manufacturer whether it would be the present owner of the patents, or another organization which would acquire the rights. The bill could not help but create a monopoly. And the measure is private-interest legislation. It should be pointed out that through increased subsidy the Federal Government would have to make up a good part of the cost.

The Commerce Committee tried to keep the measure from being an out-and-out unconditional signed order for the owner of the patents. It provided an amendment saying the device must be found workable by the Federal Communications Commission.

Of course, this would open the door to political pressure on the Federal Communications Commission to approve the device even though it is subject to false alarms and other weaknesses. Why the hurry? The Federal Communications Commission is testing other equipment to perform the same function. Why hand one favorite patent owner an advance order and give his patents priority?

I do not charge there is anything wrong here, but I certainly think suspicious people would draw their own conclusions and I feel it would be a favor to the bill's sponsor to defeat the measure.

I know how busy Members are, and all I say to my colleagues is just read Federal Communications Commissioner Edward M. Webster's testimony in opposition to this legislation. That will convince any fairminded person of the logic of arguments against H. R. 4090.

Gen. John Salling: Symbol of America

EXTENSION OF REMARKS

OF

HON. W. PAT JENNINGS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JENNINGS. Mr. Speaker, I wish today to bring to the attention of the Members of the House an observance that will take place tomorrow, May 15, in Scott County of the Virginia Ninth Congressional District.

Tomorrow is the 110th birthday of Gen. John Salling, Virginia's only surviving veteran of the Confederate States Army and one of the last three surviving Confederate veterans. It is appropriate that we pause here today to take note of General Salling's birthday, and I know that every Member of Congress joins me in sending best wishes for many more years of health and happiness.

Last year, when General Salling celebrated his 109th birthday, the Bristol Herald-Courier published the following editorial, which I feel will be of interest to the Members. The press, of course, is again taking considerable interest in the general's birthday, and I am sure other editorials will be written in his honor tomorrow.

The editorial follows:

GEN. JOHN SALLING: SYMBOL OF AMERICA

The Nation was young when John Salling was born in 1846.

There were only 27 States in the Union and the population of the United States was somewhere in the neighborhood of 23 million.

We were at war with Mexico. "Californy" was just "out there," waiting for the great Gold Rush of 1849 and admission to the Union in 1950.

Just 14 years ahead lay another war, pitting South against North, States against States, Americans against Americans, the energies of men like John Salling against the stamina of men like "that Yankee" from Minnesota.

Ahead, too, lay the Spanish-American War, World War I, World War II, the Korean war. John Salling has seen them all.

Today, at 109 General Salling is a symbol of the Old South, the Confederacy, Robert E. Lee, Stonewall Jackson, Jefferson Davis. But today, General Salling also is a symbol of all America. He is a cherished link with the past, a man who has bridged the gap between "then" and "now," a man who has come to like "that Yankee," a man who has weathered the stress of time and the strains of physical labor.

He has seen 21 States swell the ranks of the Union. He has seen the population of the United States rise to more than 160 million. He has seen the advent of the automobile, the airplane, the military tank, electric lights, radio, television, atomic energy, movies, ironclad ships, submarines, mechanized farming, telephones.

He has been privileged to watch this Nation rise from the despair and destruction of internal conflict to a position as the greatest power on earth.

And, today, we are privileged to have him with us as a reminder of all the things which have come to pass in his lifetime. We hope this day will be a happy one for him and that we can repeat that hope again in the future.

General Salling, who is still quite active despite his 110 years, mined saltpeter for gunpowder during the Civil War. He has lived most of his life on his farm in Scott County, about 2 miles from his birthplace.

Many distinguished visitors are expected to call on the general during tomorrow's birthday celebration. Among them will be a delegation from the Governor of Virginia to present the general with a 10-gallon Texas-style hat and a Confederate shirt to complete his uniform. Also an area bakery will deliver a huge cake to the general's farm home.

Mr. Speaker, in observing the birthday of one of my most distinguished constituents, I would like to call the attention of the House to a bill, H. R. 6392, which I introduced last year for the relief of the last three surviving Confederate veterans. This bill is pending before the House Committee on the Judiciary.

This bill provides that the Administrator of Veterans' Affairs be "authorized and directed to pay to the proper person or persons an amount equal to the expenses incurred for medical treatment and care furnished on and after the date of the enactment of this act, and during the 1-year period immediately prior thereto."

In the natural course of events, these last representatives of the gallant gray host will not be with us much longer. Can anyone of us find it in his heart to deny these three Confederate veterans the comforts due to their venerable years with tender respect for the honored uniforms they once wore?

Last year, the Congress approved a bill for the relief of the last surviving Union veteran. I urge you to suppport this proposed bill to aid our last three Confederate veterans.

And so, Mr. Speaker, I wish to conclude by saying that General Salling, who at 110 maintains an active life, is interested in his farm and his Government, deserves our respect and our best wishes. He is, indeed, a symbol of America. I hope that his 110th birthday will be a happy occasion and that we will be privileged to observe many others with him in the future.

A Letter From the President to Hon. Frederic R. Coudert, Jr.

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mrs. ST. GEORGE. Mr. Speaker, we Congressmen are apt to be the recipients of a good deal of criticism, slings and arrows of outrageous fortune, some of it unjust. So it is pleasant for us all, regardless of party, when one of our number receives an approving word from his or her leader.

Our friend and colleague, Frederic R. Coudert, Jr., has received the following letter from the President, which we all know is well merited, but nonetheless welcome. The letter follows:

> The White House,
> *Washington, April 28, 1956.*
>
> The Hon. Frederic R. Coudert, Jr.
> *House of Representatives,*
> *Washington, D. C.*
>
> Dear Fritz: I should feel remiss if I failed to express to you my appreciation of your cooperation in the Congress in connection with a number of matters of vital importance to our country which have come before the Committee on Appropriations. I am aware that on several occasions your efforts have contributed a great deal to the success of key programs, and for this I am personally grateful. I look forward to the continuance of your effective public service in the years to come.
>
> With kind regard,
> Sincerely,
> Dwight D. Eisenhower.

H. R. 5550

EXTENSION OF REMARKS

OF

HON. RICHARD M. SIMPSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I wish to call to the attention of the House that officials of 635 predominantly small industrial concerns, agricultural producers, and labor unions from all over the United States, have filed with the Speaker of the House petitions protesting against passage of H. R. 5550, now pending before the House, and instead urging that the General Agreement on Tariff and Trade be brought before Congress in accordance with the treatymaking provisions of the Constitution.

The industries for which these petitions were signed are located in 42 States. They have their main offices or plants in such industrial centers as New York, Chicago, Los Angeles, Philadelphia, Detroit, Baltimore, Cleveland, St. Louis, Boston, San Francisco, and Pittsburgh, and, in addition, in 183 other congressional districts—approximately 350 districts affected.

The various industrial and agricultural products represented by the petitions include:

Cotton and wool textiles, thread cordage, lace, carpets, felt, blankets, narrow fabrics, elastic fabrics, hats, gloves, hosiery, embroidered articles, wearing apparel, glue and gelatin, colors and pigments, coal, chemicals, steel, nonferrous ores and metals, aluminum wares, silverware, wood products, leather, paper, plywood, building materials, scientific instruments and glassware, surgical and medical supplies, optical goods, tools, electrical equipment, machinery, antifriction bearings, refractory materials, bicycles and motorcycles, clocks, guns and ammunition, metal closures and fasteners, miscellaneous metal products, counting devices, fishing tackle, toys, games, plastic products, buttons, glassware, chinaware and pottery, ceramics and tiles, rubber products, pencils, brushes, sugar, figs, olives, raw wool, and miscellaneous food products.

Petitions were also signed by officials of labor unions and employees of many industries including: leather, glass, pottery, knit glove, scientific apparatus, rubber, lace, woolen textile, and wall products.

The petition which these officials signed reads as follows:

Petition Memorializing the President of the United States, the President of the United States Senate, and the Speaker of the House of Representatives on the Subject of H. R. 5550

We, the undersigned, respectfully petition and memorialize you in accordance with amendment I to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution, for the following reasons:

1. Passage of H. R. 5550 would impair the right of petition and redress guaranteed in our Constitution, since tariff policy and foreign commerce would be made subject to determination by an international agency.

2. H. R. 5550 would hinder labor and business from obtaining effective action by the Congress of the United States, as guaranteed by article I, section 8 of the Constitution, which declares: "The Congress shall have power to lay and collect taxes, duties, imposts, and excises * * * to regulate commerce with foreign nations, and among the several States * * *"

3. H. R. 5550 would remove from Congress its full and effective freedom to exercise its constitutional responsibilities in these fields.

4. H. R. 5550 would remove tariff and trade policy determinations from the Federal Government and subject them to an international organization in which the people of the United States are not adequately represented and where the United States delegate would have but 1 of the 35 votes, the same as the Grand Duchy of Luxembourg, Haiti, and other countries with populations less than many cities and States in this Nation.

Now, therefore, we request that this petition and memorial be formally placed before the Congress of the United States.

United States Foreign Aid During the Period July 1, 1940, Through December 31, 1955

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. SMITH of Wisconsin. Mr. Speaker, from time to time I have been submitting for the Record figures on the extent of foreign aid. At this time I submit the figures for United States foreign aid during the period July 1, 1940, through December 31, 1955. In other words the record on our spending programs abroad is brought down almost to date, at least to December 31, 1955.

The information contained in this report was furnished by Dr. Ernest S. Griffith, Director of the Legislative Reference Service, and particularly by Mr. Hermann Ficker, Analyst in International Trade and Finance, Economics Division. I am indebted to these men for

this material and commend them for the excellent service they have rendered:

As summarized in the first table United States foreign aid to all countries and international organizations for the period covering World War II and the postwar period ending December 31, 1955, amounted to $111,126,234,000. This total does not include United States capital investments in the International Bank for Reconstruction and Development ($635 million) and the International Monetary Fund ($2,750 million) although these add to the foreign aid underwritten (reclaimable) by the United States Government.

Lend-lease totals were divided into two sections, namely for the war emergency period and for the postwar period. During the postwar period additional funds were not authorized; the totals extended for lend-lease were merely for the supplies in the so-called "pipelines" and final settlement of goods not yet delivered.

Grants-in-aid are also divided into the war and postwar periods. In general no repayment was requested. The only condition stipulated in all grant agreements was that the United States could request a return of a percentage of Counterpart Funds in national currencies or in strategic raw materials from the recipients of aid.

On the other hand, net authorized credits are loans or other agreements which gave rise to specific obligations for repayment. Utilized credits for the war period amounted to $1,096,000,000, but only the total for the overall period July 1940–December 31, 1955, is given by country as there was a continual readjustment in payments as well as previous grants being transferred to the loan account:

Summary of aid

Lend-lease (grants-in-aid):	
I. (a) July 1, 1940–June 30, 1945 (war period)	$46,728,287,000
I. (b) July 1, 1945–Dec. 31, 1955 (postwar period)	2,040,033,000
Total	48,768,320,000
Grants-in-aid, other than lend-lease:	
II. (a) July 1, 1940–June 30, 1945 (war period)	1,400,010,000
II. (b) July 1, 1945–Dec. 31, 1955 (postwar period)	44,102,380,000
Total	45,502,390,000
Net authorized loans and credits:	
III. July 1, 1940–Dec. 31, 1955 (war and postwar period)	16,855,524,000
Summary total	111,126,234,000

I. (a) Lend-lease—July 1, 1940–June 30, 1945

[In thousands of dollars]

Bolivia	5,026
Brazil	347,945
Chile	22,038
Colombia	8,278
Costa Rica	156
Cuba	6,154
Dominican Republic	1,458
Ecuador	7,208
El Salvador	877
Guatemala	1,736
Haiti	1,362
Honduras	368
Mexico	38,621
Nicaragua	885
Paraguay	1,952
Peru	18,001
Uruguay	6,942
Venezuela	4,480
Unspecified Latin America	108,539
Belgium	68,774
United Kingdom	26,600,797
Australia	896,641
India	610,172
New Zealand	249,432
Union of South Africa	93,370
China (Formosa)	845,743
Czechoslovakia	2,760
Ethiopia	1,238
France	2,613,543
Greece	75,365
Iran	7,791
Liberia	236
Netherlands	114,690
Norway	37,039
Poland	12,119
Saudi Arabia	5,489
Turkey	90,041
U. S. S. R.	10,760,975
Yugoslavia	32,050
Unclassified	1,245,077
Total	46,728,287

I. (b) Lend-lease—July 1, 1945–Dec. 31, 1955

[In thousands of dollars]

Brazil	3,616
Colombia	11
Dominican Republic	3
Guatemala	1,347
Mexico	553
Paraguay	2
Peru	237
Belgium	59,480
United Kingdom	341,462
Australia	12,300
India	3,000
New Zealand	2,300
China (Formosa)	729,418
Czechoslovakia	2
France	372,441
Greece	5,956
Iran	750
Italy (civilian supplies)	134,444
Netherlands	64,334
Poland	92
Saudi Arabia	1,591
U. S. S. R.	277,254
Yugoslavia	76
Unspecified	29,364
Total	2,040,033

II. (a) Grants-in-aid—July 1, 1940–June 30, 1945

[In thousands of dollars]

Argentina	1,239
Bolivia	1,926
Brazil	12,693
Chile	2,864
Colombia	2,230
Costa Rica	1,722
Cuba	503
Dominican Republic	400
Ecuador	4,132
El Salvador	1,026
Guatemala	1,484
Haiti	1,131
Honduras	2,720
Mexico	8,130
Nicaragua	2,267
Panama	989
Paraguay	2,406
Peru	3,485
Uruguay	814
Venezuela	2,557
Unclassified Latin America	4,373
Austria	1,022
United Kingdom	16,158
Australia	108
Bermuda	1
British East Africa	301
Hong Kong	368
India	77
Trinidad and Tobago	3
China-Formosa	385,116
Czechoslovakia	5,717
Egypt	1,700
Finland	1,489
France	7,449
Algeria	15,945
French Equatorial Africa	118
French Morocco	68
Greece	3,627
Iceland	99
Iran	353
Ireland	308
Italy	310,166
Eritrea	15
Ryukyu Islands (Japan)	4,122
Liberia	236
Indonesia	3,625
Norway	70
Philippines	52,515
Poland	84
Portugal	1
Spain	1,759
Sweden	766
U. S. S. R.	15,205
Yugoslavia	1,028
Trust Territories in Pacific	1,826
International organizations	53,238
Unclassified areas	447,379
Total	1,400,010

II. (b) Grants-in-aid, July 1, 1945 to Dec. 31, 1955, and calendar years 1954 and 1955

[In thousands of dollars]

	July 1, 1945 to Dec. 31, 1955	1954	1955
Argentina	198		
Bolivia	42,554	14,718	21,331
Brazil	20,091	2,833	5,550
Chile	10,504	1,358	1,825
Colombia	7,155	1,322	2,184
Costa Rica	13,899	1,858	2,400
Cuba	1,437	242	416
Dominican Republic	2,002	276	534
Ecuador	8,514	1,267	1,681
El Salvador	5,026	883	1,196
Guatemala	20,964	463	10,708
Haiti	11,719	2,844	3,934
Honduras	6,005	1,006	1,812
Mexico	104,758	3,964	1,625
Nicaragua	10,530	1,326	2,012
Panama	9,113	1,796	2,756
Paraguay	8,271	1,047	1,944
Peru	14,708	2,462	3,296
Uruguay	1,994	235	253
Venezuela	2,152	152	189
Unspecified	300,109	40,011	30,827
Afghanistan	3,375	1,228	1,655
Albania	20,444		
Australia	239		
Austria	1,057,470	18,251	7,534
Belgium-Luxembourg	521,980	6,255	574
Burma	20,725	1,052	720
Canada	3,964		
Ceylon	167	9	112
China (Formosa)	1,420,111	105,538	92,941
Czechoslovakia	185,825	839	1,535
Denmark	247,600	1,117	248
Egypt	30,954	4,513	22,332
Ethiopia	8,736	1,667	3,885
Federation of Rhodesia	1		
Finland	3,522	46	1,424
France	3,914,830	461,789	405,871
Algeria	107		
French Morocco	647	201	175
French West Indies	17		
Tunisia	335	56	137
East Germany	17,349	6,946	2,099
Federal Republic of Germany	3,768,428	75,494	31,399
Greece	1,649,328	55,934	54,143
Hungary	5,855	2,999	497
Iceland	29,791	831	501
India	170,206	28,790	88,429
Indochina (total)	403,912	69,496	264,709
Cambodia	27,957	12	27,945
Laos	36,873	4	36,869
Vietnam	230,249	38,322	191,928
Unspecified	108,833	31,158	7,967
Indonesia	114,083	5,912	6,743
Iran	171,358	65,273	23,395
Iraq	7,382	2,216	2,908
Ireland	18,346		
Israel	240,167	55,958	22,909
Italy (civilian supplies)	2,401,706	112,495	65,354
Trieste	47,821	360	734
Japan and possessions	2,579,391	16,230	30,333
Jordan	26,120	6,705	13,418
Korea	1,310,360	161,746	259,223
Lebanon	15,315	3,796	6,777
Liberia	6,238	1,292	1,097
Libya	24,814	4,263	17,307

II. (b) Grants-in-aid, July 1, 1945 to Dec. 31, 1955, and calendar years 1954 and 1955—Continued

[In thousands of dollars]

	July 1, 1945 to Dec. 31, 1955	1954	1955
Nepal	3,076	637	1,946
Netherlands	846,870	15,424	[1] 1,854
Surinam	422	220	202
Norway	235,419	15,077	3,465
Pakistan	161,699	12,202	64,607
Palestine	175		
Philippines	750,584	17,279	13,165
Poland	364,886		
Portugal	15,979	3,031	1,370
Saudi Arabia	2,652	764	340
Spain	68,211	12,750	53,939
Sweden	87,143	8	1
Switzerland	1,803		
Syria	970	452	21
Tangier	17	17	
Thailand	36,569	4,624	14,327
Turkey	444,490	75,892	49,183
U. S. S. R.	188,180		
United Kingdom	3,396,667	163,457	81,343
Bahamas	34		34
British Borneo	137		136
British East Africa	29		29
British Guiana	97	18	74
British Honduras	147		85
British Leeward and Windward Islands	163		163
Federation of Malaya	546	47	488
Gambia	25		25
Gold Coast	16		12
Hong Kong	2,568	1,464	1,104
Jamaica	506		503
Malta	596	86	356
Nigeria	27		25
Sierra Leone	7		6
Singapore	24		24
Yugoslavia	730,305	52,931	81,411
Trust Territories in Pacific	4,444		
International organizations	1,092,148	43,447	47,759
Unspecified areas:			
Asia and Pacific	2,603,938	759,075	456,969
Europe	10,153,496	2,039,745	1,365,653
Near East Africa	1,506,676	324,369	308,509
South Asia	15,654	13	1,127
Other	330,979	38,541	40,185
Total	44,102,380	4,949,958	4,128,343

[1] Credit.

III. Net authorized loans and credits, period July 1, 1940, to Dec. 31, 1955

[In thousands of dollars]

Country	Total period July 1, 1940 to Dec. 31, 1955	Unutilized on Dec. 31, 1955
Argentina	162,137	60,072
Bolivia	47,043	2,621
Brazil	784,942	89,558
Chile	148,764	4,550
Colombia	86,293	2,812
Costa Rica	21,335	10,303
Cuba	80,228	8,060
Dominican Republic	3,284	
Ecuador	38,565	6,499
El Salvador	1,476	
Guatemala	2,619	2,125
Haiti	37,891	7,163
Honduras	1,118	
Mexico	309,747	64,836
Nicaragua	5,550	300
Panama	6,488	
Paraguay	13,900	7,670
Peru	147,755	120,134
Uruguay	22,011	2,673
Venezuela	23,822	5,376
Unspecified	144,624	7,111
Afghanistan	40,934	14,300
Australia	22,550	
Austria	34,807	4,446
Bahrein	17,048	
Belgium	234,972	
Luxembourg	3,000	
Belgian Congo	1,550	
Burma	5,043	
Canada	198,621	2,625
China (Formosa)	367,858	16,723
Czechoslovakia	30,377	
Denmark	54,341	
Egypt	25,674	7,740
Ethiopia	31,707	24,000
Eritrea	50	
Federation of Rhodesia and Nyasaland	60,686	11,291
Finland	152,313	
France	2,463,407	1,430
Algeria	680	
French Equatorial Africa	4,368	
French Morocco	18,378	40
New Caledonia	1,501	
Germany	1,345,706	124
Greece	126,790	2,073
Hungary	15,917	
Iceland	6,249	
India	409,216	45,270
Indonesia	180,770	32,952
Iran	120,626	55,780
Iraq	889	
Ireland	128,200	
Israel	162,398	5,401
Italy	481,209	26,355
Japan	620,474	75,359
Korea	27,428	2,500
Latvia	11	
Lebanon	1,550	
Liberia	44,773	18,100
Netherlands	472,172	
New Zealand	20,453	16,120
Norway	140,830	
Pakistan	35,136	20,000
Philippines	144,652	7,686
Poland	81,268	
Portugal	50,465	4,548
Angola	65	
Saudi Arabia	31,826	
Spain	142,033	47,424
Sweden	28,311	
Thailand	8,505	1,250
Turkey	155,520	11,182
Union of South Africa	151,714	30,179
U. S. S. R.	222,493	
United Kingdom	5,216,757	
British East Africa	2,394	
British Guiana	128	
British Honduras	482	
Jamaica	20,930	
Nigeria	674	
Yugoslavia	55,900	
International organizations:		
Schuman plan (European coal and steel)	100,000	
United Nations headquarters loan	65,000	
Export credits—Export Import Bank	167,143	167,143
Total	16,855,524	1,053,904

Sources:

(1) Foreign Aid, 1940–51; Office of Business Economics, Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce, 1952.

(2) Foreign Grants and Credits, Office of Business Economics, U. S. Department of Commerce, April 1956.

Gordon Keith Chalmers

EXTENSION OF REMARKS
OF

HON. JACKSON E. BETTS

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. BETTS. Mr. Speaker, last week Dr. Gordon Keith Chalmers died at the age of 52. Dr. Chalmers was president of Kenyon College at Gambier, Ohio, a small private church school of higher learning.

In Congress Kenyon has many friends. Kenyon Bolton, son of Congresswoman FRANCES BOLTON, is a trustee. Congressman PAT HILLINGS studied there while in the armed service. Former Congressman Robert Crosser and myself are graduates. Congressman WIDNALL, of New Jersey, and Dr. Chalmers were schoolmates at Brown University.

As head of Kenyon, Dr. Chalmers gained a wide reputation, both as an educator and administrator. But more than that, he appreciated the need of small private colleges in our system of education and understood their difficulties in a day when much attention is focused on large State universities operating at public expense. He realized the need of both private and public-supported colleges and universities to advance the educational and cultural life of America. To that end he served both as a member and head of organizations endeavoring to keep the small school a going concern on the American educational scene. His death is a loss not only to Kenyon, but to the intellectual progress of the country.

Cinco de Mayo

EXTENSION OF REMARKS
OF

HON. JOHN D. DINGELL

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. DINGELL. Mr. Speaker, on May 5 the Mexican people celebrate a day memorable in the annals of Mexican history. That day is the anniversary of the Battle of Puebla, in which the heroic defenders of Mexican freedom repulsed the proud, battle-hardened troops of Napoleon III who had invaded their soil. I think it is fitting that we in the United States also pay homage to the defenders of Puebla, for in a very real sense those brave Mexican troops struck a blow for freedom for the entire Western Hemisphere.

Mexico, after independence from Spain had been achieved, suffered a long period of intermittent warfare in the struggle to create a government. In 1857 the liberal forces at last established a democratic constitution. Benito Juarez, an Indian of humble origin but of great intelligence and honor, was elected president of the Mexican people in 1861. The aristocratic and conservative elements, however, fearing for the loss of their privileges, continued to give battle. They even intrigued with Europeans to put an end to the democratic, republican government of the young nation.

England, Spain, and France, vexed by the unpaid claims upon Mexico of their citizens, agreed to send a joint squadron to Mexico to force payment. The allied nations landed troops in the coastal cities. President Juarez promised to meet Mexico's obligations as soon as the weakened country was on the road to recovery. The President's promise satisfied Spain and England, who promptly withdrew their troops. But the French remained, and the ambitions of Napoleon III to set up a French colony in the Americas soon became apparent. Napoleon had visions of a vast French Empire, stretching from the border of the United States, down through the Isthmus of Panama, where the French had plans to build a canal, and even to the southernmost tip of Tierra del Fuego. The moment was opportune

to get a foothold. Mexico was weak and tired; French troops were already on Mexican soil; some powerful members of Mexican society supported the French designs; and the United States was too occupied with its own bloody civil war to keep check on French maneuvers. Napoleon ordered his troops to seize Mexico City, the capital.

On May 4, 1862, the French division of some 6,000 encamped on the outskirts of Puebla. The following day, an inferior force of raw recruits, badly equipped except for their grim determination and patriotism, clashed with the well-organized, well-disciplined troops of the French emperor. The Mexican victory in Puebla on that memorable May 5 was the event that gave the nation courage to continue resisting the invaders.

Napoleon sent reinforcements from France and finally forced Emperor Maximillian of Austria upon the Mexican people. But the battle of Puebla had given the Mexicans courage and confidence in themselves. The victory at Puebla had taught them that the mighty French were not invincible.

It was not until 1867 that Juarez returned to his rightful position of leadership in the Mexican capital. Many battles were fought before the French troops and puppet emperor were routed. But none holds the place in Mexican hearts of the first encounter, when Mexican men stood up to the might of Europe and in doing so served notice that the young American Republics were no longer prey for the imperialist nations of the Old World.

Status of Forces Agreements

EXTENSION OF REMARKS
OF

HON. FRANK T. BOW

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. BOW. Mr. Speaker, today a sergeant in the Marine Corps is serving a 4-year sentence in a Japanese prison. He was fortunate, through appeal, to secure a reduction in his original sentence of 8 years. This reduction was apparently only a sop thrown to the victim of foreign justice.

The observers at this serviceman's trial described the testimony on which he was convicted as not only preposterous and fantastic, but in some respects patently impossible. They further said the conviction was manifestly unfair and unwarranted. Testifying in February before a subcommittee of the Senate Armed Services Committee, General Hickman said the appeal had not cured the original defects in the trial amounting to a denial of justice.

This is but one example of the justice meted out to our servicemen abroad by foreign courts. Yet the House Foreign Affairs Committee told you in its report on the Mutual Security Act that hearings which the committee had held did not bring to light a single instance where an innocent American serviceman had been imprisoned by a foreign court, or an American sentenced for an act which in the United States would not be considered a crime. This also ignored the French practice of trying a man for an alleged crime solely to enable the prosecuting witness to assert a civil claim. Americans have been tried by the French when our court-martial board did not think the facts warranted prosecution. The penalty imposed may be only a small fine, but the serviceman is thus made a criminal statistic.

Rumanian Independence Day

EXTENSION OF REMARKS
OF

HON. KATHARINE ST. GEORGE

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mrs. ST. GEORGE. Mr. Speaker, the 10th of May has passed by silently in Rumania. But when that country was free, May 10 was the day on which they celebrated their independence and that freedom they have now lost.

We are partly to blame for the plight of Rumania, and of many other nations behind the Iron Curtain, and I want at this time to review some of the events that have led up to the present situation, specifically, in Rumania.

Once the Austrian peace treaty had been concluded and the Russian troops withdrawn from Austria, the Soviet Union had the obligation as provided in the peace treaties with Rumania and Hungary of withdrawing her armed forces from these two countries. It should be stressed that the formal motive, as mentioned in the peace treaties, of the presence of the Soviet armies in Rumania and Hungary was the insuring of the Russian lines of communication with the Soviet zone of occupation in Austria. The peace treaties with Rumania and Hungary provide that the Russian troops should withdraw from Rumania and Hungary within 90 days from the conclusion of the Austrian peace treaty. It should also be pointed out that these provisions are guaranteed by the three great powers, United States, United Kingdom, and the Soviet Union, the peace treaties being a contract between the three of them and the above countries. Therefore, the implementation of these treaties' provisions is the equal responsibility of all three.

It was, of course, an error to conclude peace treaties with nonrepresentative, tyrannical governments, forcibly installed by Moscow, but once that incredible concession was made to the Soviets and signed, we should at the very least have seen to it that these treaties were respected.

The peace treaty with Austria has been concluded, the 90 days from its conclusion have elapsed and then another 90 days have elapsed, and there is no sign of the Russian troops withdrawing from Rumania and Hungary. The Soviet Union is thus violating its obligations under these treaties. Until now the United States and the United Kingdom have not raised the issue of the withdrawal of the Red troops, although it is their obligation to do so. A profound silence reigns over this whole question. Moreover, the Communist Governments of Rumania and Hungary which have been permanently infringing on the treaties and are subservient accomplices to this last Soviet violation, have been rewarded for their crimes by being accepted as respectable members of the United Nations.

Why does not our country take the necessary steps, asking for the fulfillment of these treaty provisions as it is our obligation to do? Articles 38 and 40 of the Rumanian and Hungarian peace treaties provide for the procedure to be followed in this case. We in the Congress could raise this vital question and ask for action on this matter.

The independence of the Rumanian people was fully reestablished by the Congress of Berlin, 1878, after almost three centuries of being under the suzerainty of the Ottoman Empire. Up to the moment of the Turkish advance into the Danube area the Rumanian lands had been ruled by national Domni—independent princes—who took an active part in the defense of Europe and of Christian civilization, through an unceasing fight against the invasions from the east.

> The victories you have gained with equal wisdom and bravery over the unbelievers, our common foe, have raised your fame to the point that your name is on everyone's lips, and all agree in exalting you—

Wrote Pope Sixtus IV to Stephen the Great, one of these Rumanian Domni ruling in the second half of the 15th century.

The Rumanian people, descendents of the Roman colonists of Dacia—the ancient name of the land inhabited by the Rumanians—form a strong Latin and Christian outpost at the eastern confines of Europe. The country, numbering now twenty-odd millions, has preserved its national integrity throughout centuries of vicissitudes. A deeply rooted nationalism and Christian faith are once more today the inspiration which wealds the Rumanian people together in an unyielding resistance to communism.

The circumstances under which the independence of Rumania was recognized in 1878 are worth remembering.

On the eve of the war between Russia and Turkey on April 16, 1877, Mihail Kogalniceanu, Rumanian Minister for Foreign Affairs, signed a convention with Russia. The convention assured to the Russian armies free passage across Rumania, provisioning and the use of roads and railways, and pledged her to respect Rumanian laws and institutions. Article II of this convention had the following text:

> In order that no inconvenience should result for Rumania from the fact of the passage of the Russian troops through her territory, the Government of His Majesty the Emperor of all the Russias pledges himself to maintain and to make respected the political rights of the Rumanian State, such as derive from its internal laws and the existing treaties, as well as to maintain and defend the present integrity of Rumania.

What happened immediately after this Convention was signed is typical.

> Meanwhile the Russian attitude was disquieting—

Writes the English historian Seton Watson.

> There was a tendency to override or ignore Rumanian susceptibilities and treat the country as a mere Russian dependency. Rumania's cooperation on equal terms was airily rejected by the vain and pompous Gorchakov (the Russian Chancellor), the most that he would concede was that she might join the war uninvited, but in that event there must be complete fusion and unity of command. "Russia," it was stated quite explicitly, "does not need the assistance of the Rumanian Army." (A History of the Rumanians, Cambridge 1934, p. 336.)

But—

> In the second half of July the Russians suffered more than one reverse, and finding themselves in urgent need of reinforcements pressed the Rumanians to come to their aid * * * Prince Charles, with a fresh army of 50,000 men and 180 guns at his disposal, was this time able to lay down specific conditions for cooperation, and the Russians dismounting from their high horse, gracefully offered him the command of the united armies before Plevna. * * * On September 8, the Rumanian Army had its real baptism of fire in the redoubts of Grivita, before Plevna; and the foreign attachés and correspondents were unanimous in their praise of its extreme gallantry and steadiness, which contributed very materially to the final victory.

The reward for this cooperation came very soon. On January 29, 1878, Gen. Ion Ghica, the Rumanian representative in Moscow, was officially informed that Russia demanded the districts of Southern Bessarabia, which had been returned to Rumania by the Treaty of Paris.

> The plea that the territory in question had been for centuries an integral part of Moldavia and had fallen to Russia the first time only 44 years before the Treaty of Paris seems to have made not the slightest impression upon either the Tsar or Chancellor.

The possession of Bessarabia with control of the Mouths of the Danube, was cynically made by the great powers an object for bargaining, and the Berlin Congress sanctioned this amputation of Rumanian territory to Russia.

> In politics—

Remarked Lord Beaconsfield to the Rumanian Prime Minister Bratianu—

> ingratitude is oftentimes the reward for the most distinguished services.

It was in vain that Gladstone accused the British Government of "selling Bessarabian liberty to Russia."

A similar incident happened, when, in the autumn of 1944, Sir Winston Churchill sold Rumanian liberty to Communist Russia. But this time there was no Gladstone to protest against this political felony. Thus was the great American principle of self-determination which President Woodrow Wilson upheld and made a reality in Eastern Europe, sacrified to placate a Communist tyrant. The fact that from September 1944 until the end of the war, the Rumanian army substantially contributed to the Allied offensive and considerably shortened the war—being considered at that time, as the London Times put it, "the fourth combative force"—has not affected the cynical bargain between the Great Powers in 1944. The situation is remarkably similar to that of 1878; when Russia raped a province from Rumania, her ally, who had saved her from defeat.

Rumania has been blatantly subjugated by Soviet Russia on March 6, 1945; through the politically and militarily enforced ultimatum, delivered to King Michael, by Andrei Vishinsky 2 weeks after the Yalta Declaration. The United States and the United Kingdom officially recognized this enslavement by signing a so-called Peace Treaty with the nonrepresentative Moscow installed puppet-government in Paris 1947.

Thus does history repeat itself, but this time with infinitely more tragic consequences both for Rumania and for the world.

To Assist Farmers in Planting Woodlots, Windbreaks, and Shelterbelts

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JENSEN. Mr. Speaker, on May 7, I introduced a bill H. R. 11030, which will assist and encourage farmers to plant greatly needed woodlots and shelterbelts.

The bill is as follows:

H. R. 11030

A bill to provide assistance in soil and water conservation and the establishment of proper land use to farm owners and operators who convert small tracts of crop or other land to woodland and to cooperate and assist the States in carrying out such development

Be it enacted, etc., That it is hereby recognized that the planting and development of woodlands on small tracts of cropland and on other farm lands not suitable for cropping contributes to the public welfare in that it assists in the control of soil erosion and destructive floods, results in more favorable conditions of water conservation and flow and provides for windbreaks, shelterbelts, and woodlots yielding a more adequate supply of timber and other tree products; and that the growing of trees involves a deferment by the landowner of income from the land. It is hereby declared to be the policy of the Congress that in order to promote woodland conservation on privately owned lands and provide other assistance to owners and operators of small tracts of land, the Secretary of Agriculture shall assist in the establishment and maintenance of woodlands thereon.

SEC. 2. In order to effectuate the policy of this act, the Secretary of Agriculture (hereinafter called the "Secretary") is authorized—

(a) to approve plans for a conservation program of woodland tree planting submitted by State oil conservation committees, boards, or commissions in cooperation with State officials and State foresters for the purpose of assisting owners of small tracts of land in affecting the policy herein stated: *Provided, however,* That any such plan, insofar as it affects private land within the boundaries of legally established soil conservation districts, shall provide for the carrying out of the plan in cooperation with such soil-conservation districts, and to avoid duplication shall provide that the technical and other assistance provided such districts under other Federal authorizations for assistance in developing and carrying out their soil and water-resource programs shall be utilized in the planting of trees on farm woodlands and for windbreaks;

(b) to assist the State in carrying out such plan as he has approved under this act, which assistance may include giving of advice and technical assistance and furnishing financial contributions including the cost of planting, replanting, and other operations necessary to the establishment of woodland tracts as he shall deem proper, provided that the financial contribution expended by the Federal Government for tree planting and woodland development on non-Federal land within the State during any fiscal year shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary is authorized to make financial contributions on the certificate of the State official(s) in charge of the administration of the plan as to the amount of expenditures made by the State; and

(c) to give technical advice and assistance to owners of such tracts, including the marketing of the forest products produced therefrom.

SEC. 3. In any plan that coordinates woodlands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary shall obtain the cooperation, assistance, and approval of the Federal agency having jurisdiction thereof.

SEC. 4. The Secretary may prescribe such rules and regulations as may be appropriate to carry out the purposes of this act.

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this act, such sums to remain available until expended.

Mr. Speaker, the bill to assist farmers in planting and developing windbreaks and small woodlots is to complement title IV, the forestry provisions of the Agricultural Act of 1956, H. R. 10875. That section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation—to build up and maintain a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood. This bill seeks to provide farmers needed assistance to plant and manage woodlots and windbreaks largely for protection purposes and to supply wood for fuel and rough lumber for local farm use only. It is not intended to help commercial tree growers and large forestry enterprises.

I am particularly interested that this Congress give as much help and assistance as possible to those farmers who are in need of it, particularly those who have misfortune come to them because of drought or other circumstances over which they had no control. I want to see the farmer along with labor and business get an even break.

Somehow we have managed to do away with the rows of trees and the woodlots that served to protect farm crops from the hot winds of summer, and to save the livestock and buildings from the cold winds of winter. Of course, there were areas in my State of Iowa, and in the States to the west where trees were not native. However,

it has been demonstrated that trees will grow in most all of these areas, but farmers do need help to get them established.

Of importance right now is getting cropland out of production. Actually many farmers are trading crops for land. By that I mean crops are being harvested from land unsuited to cropping. This land is becoming poorer and poorer because of being cropped. Erosion is so serious on such land when it is cropped so as to reduce the yields and make such use unprofitable. Part of this kind of land should be converted to woods not only putting it to its best use but further reducing production of crops now in surplus.

Farmers need windbreaks to protect crops from hot winds that sear corn tassels and burn up grain. This is particularly true in the western Corn Belt. The cycle of dry hot weather that has persisted in the South and Middlewest since 1950 has cut yields on many farms to the point where farm income has been meager irrespective of the price of the product. Also, windbreaks are needed around every farm for shelter and protection for livestock and buildings throughout the central and northern parts of our country.

Wind erosion in the southern Great Plains has damaged over 5 million acres again this blow season. This is the seventh year that drouth has seriously damaged the wheat crop and reduced the productive capacity of much of the land in five southern Great Plains States. Shelterbelts have been successfully established in most of the Great Plains area and most of them could do a great deal toward holding the soil in place.

Nearly 40 million acres of cropland in this country are still being damaged at a critically rapid rate by erosion. Much of this acreage is in small tracts on thousands of farms. These small acreages make some contribution to crop surpluses too and they should be taken out of cropping and planted to trees. Not only will erosion on this land be reduced, but putting the land to trees will contribute immeasurably to reducing water runoff.

Farmers have been establishing good land use through the soil conservation district program for nearly 20 years. During that time some 20 million acres of cropland unsuited to continued cropping have been converted to grassland and woodland. The immediate need for further reducing crop acreage stimulates me to offer additional assistance to farmers in order to speed up the program of cropland conversion. The emphasis that has been placed up to this time on Federal assistance to private landowners and operators in forestry problems other than in the soil conservation district programs has been limited. Of course, under the Clarke-McNary Act, cooperation with the States has materially increased the production and distribution of trees and other planting stock. Also, the Secretary of Agriculture is directed under the Cooperative Forest Management Act to cooperate with the States in respect to management of woodlands and to provide technical services in the harvesting, marketing, and processing of trees. All of the work under these acts is done largely in cooperation with the States, and material contributions to the problem are being made. It is my intention in introducing this bill for stepping up the woodlands program that additional funds and assistance from Federal sources be made available to farmers cooperating with their soil conservation districts. It will augment the small amount out of the total Federal funds now being appropriated for forestry purposes which are utilized to assist farmers to plant and develop small woodland tracts.

Mr. Speaker, there is a clear difference between the provisions for tree planting in the soil-bank bill recently passed by the House, and the provisions and purposes of my bill, in that the soil-bank bill puts emphasis on commercial forests for the production of lumber, whereas my bill provides for small wood lots and shelter belts for farmsteads. For the past half century we Americans have carried on a tree-slaughtering program with a vengence, and in addition we have been straightening our small streams and creeks. Had we planned a desert here, we could not have made a better start. Our soil-conservation program on our farms has been most effective so far as water and soil erosion and flood prevention are concerned, and in which I have long taken a leading role in Congress.

But we are annually losing millions of acres of our priceless topsoil and crops from wind erosion. About 3 years ago I drove through the best agriculture section of France. There I saw what small wood lots and trees along the fence lines can do to stop wind erosion, and certainly it is now a national must here in the United States of America. Some may say trees along fence lines shade too much of otherwise productive cropland, but the greater area they protect from hot withering winds far exceeds the shaded area, also a fertilizer has now been developed which, when applied to shaded land, will produce about equal crops to unshaded land.

Taking the Seventh Iowa District as an example, I am very sure that, if every farm had a small woodlot, say 2 acres, as a windbreak for the buildings and a row or two of trees along the southernmost boundary of each farm the loss of crops from hot winds and drought would be greatly reduced. True it will take a few years before the trees will be big enough to be greatly effective, but there is no time a start can be made earlier than now. Maybe all of us will not be here long enough to enjoy and reap all the benefits but our children will.

Trees not only serve as windbreaks but the amount of moisture which a good sized tree will hold is almost unbelievable, which serves to moisten the dry destructive winds so only with a few hundred trees on each farm the combined benefit of thousands of trees in a neighborhood would be of untold benefit to exerybody.

I sincerely hope and pray that this tree-planting program will be put into effect at an early date.

Not One Federal Department Favors Enactment of H. R. 4090

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. PELLY. Mr. Speaker, H. R. 4090 would require an automatic radio alarm device on United States cargo ships of 1,600 gross tons or more carrying less than 2 qualified radio operators.

That I oppose H. R. 4090 in no way diminishes my regard for the objective of safety at sea, or recognition of this being the desire of the sponsor of the bill. I shall outline clearly the reasons why I believe the rule when it comes before the House next week should not be adopted, but first in fairness to the majority leader, who introduced H. R. 4090, I refer briefly to an article in the Baltimore Sun. It quoted me as saying the gentleman from Massachusetts was a friend of the owner of the patents for the device which would become mandatory under this bill.

I assure the House publicly as I have the gentleman from Massachusetts privately, I never made such a statement and consider it regrettable. Perhaps I should not dignify the newspaper article by this reference. It embarrassed me and makes my opposition to H. R. 4090 more difficult.

As to the reasons why I believe the rule should be defeated, let me say that one of my reasons is the high regard all of us have for the author of H. R. 4090. As I fear it was in the Interstate and Foreign Commerce Committee, it might well be if the measure reaches the floor, it might be adopted out of sheer deference to the majority leader. That, in my opinion, would be unfortunate.

Mr. Speaker, this is a highly technical subject; it deals with complicated and delicately balanced labor agreements; it deals with maritime law and intricate shipping regulations; it deals with involved electronic questions. The influence and personality of a zealous advocate of safety of life at sea should be matched by technical knowledge and testimony which the Interstate and Foreign Commerce Committee in reporting the bill ignored.

I am not in the well of this House representing the selfish interests of shipping companies. I am here, opposing this rule, because not one agency of the Federal Government from which the Commerce Committee requested a report, not one Department favored enactment of H. R. 4090.

The Department of Commerce flatly recommended against enactment, and the Federal Communications Commission's report found no justification for making the installation of this device mandatory even though it could be developed to a point where it is considered satisfactory. With such reports it is inconceivable that this bill if passed by

Congress would not encounter an Executive veto. Why, under such circumstances should the valuable time of Members be taken for consideration of a bill which will never, in my judgment, become law?

If, as I hope will not prove to be the case, a rule on H. R. 4090 is voted, I intend to offer amendments to defer effect of this bill: First, until reliability of operation of the device is assured by international standardization of criteria governing characteristics of signals to which the device is required to respond; second, until it is determined that agreement cannot be effected internationally to permit use of the present auto-alarm for the purposes which would be served by the call selector device; and third, unless and until an automatic radio call selector is required by the next International Convention for Safety of Life at Sea to be installed on all vessels subject to such Convention.

Frankly, Mr. Speaker, I believe granting of a rule and the adoption of these amendments is a waste of this body's time. But if we adopt a bill, for heaven's sake let us limit coverage until we can include foreign as well as domestic cargo vessels. Communications on the high seas should be on an internationally uniform basis. Otherwise we would have chaos.

Commissioner E. M. Webster, of the Federal Communications Commission, out of his wide experience and background testifying on this bill, emphasized, in opposing it, the desirability of a common standardized system in the world.

I hope the rule will be defeated. The legislation will add about $12 million to the cost of our merchant marine. If it would save lives it would be well worth the expense, but it will not; it simply would require installing a duplicative and unnecessary alarm system—if the patented device owned by one person can be perfected. I cannot find that any life in any sea tragedy from the disaster of the *Titanic* on down to the present, would have been saved—not one life—if this device had been in operation in United States cargo vessels.

And referring again to the cost, bear in mind Americans owning cargo vessels affected by H. R. 4090 can register their vessels under Panamanian or other foreign flag. They can, and have been in increasing numbers transferring ships foreign and replacing the personnel with low-wage foreign crews. The cost of $12 million to the American shipping industry under this bill would encourage that sort of thing.

There were five basic reasons advanced by Commissioner Webster in his testimony against H. R. 4090: First, there can be no operational reliability of this device because radio operators do not have a uniformity of speed in sending dots and dashes—the device is technically impractical and has, of course, never been tested under actual operational conditions at sea; second, no device should be made compulsory until after there has been sufficient experience and acceptance upon which to base an intelligent analysis; third, any merit to the device is convenience—not safety; fourth, cost is discriminatory against United States Merchant Marine and cannot be justified; and fifth, present international system is performing its job satisfactorily.

Finally, let me add one point more. Listen to this. Can any member of the Commerce Committee or the author of the bill state that the presently used auto-alarm which this new device, the automatic call selector, would duplicate—can anyone say the present alarm cannot be altered to serve exactly the same safety purposes as the device—the monopolistic device—under H. R. 4090 is proposed to serve.

There should be an investigation into alternative and more reliable methods.

I urge strongly defeat of this rule. Send H. R. 4090 back to committee for further study when it comes to the floor of the House.

Keynote Speech by Congressman John M. Vorys, Republican Mock Convention, Ohio State University, May 12, 1956

EXTENSION OF REMARKS

OF

HON. JOHN M. VORYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. VORYS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

KEYNOTE SPEECH BY CONGRESSMAN JOHN M. VORYS, REPUBLICAN MOCK CONVENTION, OHIO STATE UNIVERSITY, MAY 12, 1956

I am honored to be asked to address this convention. You have met to frame a platform to support a successful campaign, and 4 years of wise and good administration after victory in November.

The Democrat convention will be engrossed and involved in the ambitions and intrigues of half a dozen presidential candidates, all of whom I have met personally, none of whom is big enough to be President; but they want to run for it, anyway!

Our convention is different. We are concerned with principles. We are inspired and influenced by the radiating personality, the moving spirit of our humble, friendly, beloved, great President, Dwight D. Eisenhower.

Here is a curious thing. We have a President who does not believe in one-man government, indispensable men, a rubber stamp Congress. Last September 10, before his illness, he said, "We don't believe for a minute that the Republican Party is so lacking in inspiration, high quality, personnel and leadership, that we are dependent on one man. We don't believe it for a minute." * * * He said, "Never pin your flag so tightly to one mast that if a ship sinks you cannot rip it off and nail it to another."

Yet this humble man has shown such a genius for team work, such a lifting spiritual quality, such ability in action, such a hold on the hearts of the people, that his already deathless spirit will permeate the conventions of both parties and will influence their decisions. We have had many would-be dictators in the world; some in this country. Our President, who would not be a dictator, has a voluntary following, based on affection and respect, here and over the world without parallel in history. Others would rule by fear; he leads by friendship.

You are young people. Others may feel that what you do or say is unimportant. President Eisenhower does not. He believes in youth. He is an old soldier. He learned in war that winning battles depends upon—not just generals, but youth. He has said: "The old tactical textbooks say that the commander always visits his troops to inspire them to fight. I for one soon discovered that one of the reasons for my visiting the front lines was to get inspiration from the young American soldier. I went back to my job ashamed of my own occasional resentments or discouragements. * * * The young American in action is something to inspire anybody." On the political front, he has said, "Each lower echelon of leadership should in its composition, respond to the need for youth, for the idealism, the enthusiasm of youth."

So as you meet here, inspired by our President, remember that he is inspired by what you are doing.

II

I have been asked to make a keynote speech. I warn you, I am no orator. In fact, I am dubious about the value of campaign oratory, a phrase that has become synonymous in the public mind with hokum and buncombe. Campaign oratory makes everything black and white; what the opposition does is black, what we do is white. Our country is not that way; our parties are not that way; our government is not that way. I believe in 2-party government as the bulwark of cur liberties; one-party government is despotism, as in Russia. Many parties means paralysis of government, as in France. Therefore, I believe in two good parties; I just want ours to be the best. As the President has said, "No party has a monopoly on brains or idealism or statesmanship." You have heard about a bipartisan foreign policy. Many people do not know that in the committees in Congress, and on the floor, most of the work is bipartisan. We have many bipartisan policies, and bipartisan opposition to them: For instance, in agriculture, civil service, roads, veterans. I would estimate that easily 95 percent of the text of bills and reports and debates in Congress is bipartisan or nonpartisan. It is that critical 5 percent that counts, and makes the difference between the parties.

Many people wish there were greater differences between our two great parties. They wish the other party would accommodate by being against everything good, and for everything that is bad. It would make campaigning easier. But neither party will accommodate the other in this respect. This is hard on campaign oratory. It reveals, however, the essential unity of the vast majority of our people.

We have a big country, with a complex economy, many divergent regions and interests. Communism despises majority rule, so the Communist Party, the only party permitted, can be small and exclusive. In a free country a national party seeking a voluntary majority following must be large and inclusive. Measures that are vital necessities in one section may seem unimportant extravagances to those absorbed in the interests of another section.

An Italian statesman once said, "We have 14 parties, but only 2 factions; you have 2 parties and 14 factions." This was a witty remark, but it did not reveal the great weakness of government by coalitions of parties. We have many factions in this country who want their party to represent only their ideas. Their trouble is that they cannot get all the others to agree, or to drop out. So usually they exercise their right to stay in, and complain.

There is diversity within our parties. There is unity in many things among our people, but there are fundamental differences between our great parties in principle, in practice, in promises, in people.

III

There are cleavages between the northern and southern Democrats that may tear their party apart this year.

What is the Republican Party like in 1956? Some of our right-wingers say it has become Socialistic and is trying to out-deal the New Deal. On the other hand, the Democrat hopefuls in their campaign oratory are saying the Republicans are the party of big business. Both of these statements cannot be true. As a matter of fact, neither of them is.

We are the middle-of-the-road party, conservative in economics, progressive in meeting human needs. Three words sound the keynote of our country's great desires, our party's principles, practices, and promises. The Republican Party stands for peace, prosperity, and progress. For the first time in a quarter century we have both peace and prosperity. Everything but the guns are booming, and we are marching right up the middle of the road to progress in a Republican administration. We stand, as the President has said, for "a Nation whose every citizen has reason for bold hopes, where effort is rewarded and prosperity shared, where freedom expands and peace is secure."

IV

Let us look first to our record of performance. On the Archives building in Washington are inscribed these words, "The past is prologue." When it comes to campaign promises, the Democrats always outdo us. They are the most "promising" party in America; but we older people remember that Franklin Roosevelt won in 1932 on a platform to balance the budget and reduce spending 25 percent. People this year, hearing the Democrats, will remember Emerson's words, "What you do speaks so loudly I cannot hear what you say." What have we Republicans done?

Peace

The President promised to end the fighting in Korea. It ended July 27, 1953.

War for Formosa has been prevented.

We went to the brink of war in our offers to help stop Chinese Communist aggression in Indochina, but our allies failed us, and we refused to join in the abject cease-fire in Vietnam.

Nevertheless, we have furnished arms and defense support to keep South Korea, Formosa, and South Vietnam free in the face of constant danger of Red aggression.

We led in forming and implementing SEATO for mutual defense in Southeast Asia.

To the south of Russia, Secretary Dulles led in the northern tier concept, which resulted in the Baghdad Pact, binding together Pakistan, Iran, Iraq, and Turkey.

In Europe, Western Germany, with her sovereignty restored, has joined the Western powers in NATO.

Little Austria has at last secured a peace treaty.

The problem of Trieste has been settled.

Bases for our bombers are being built in Spain.

In Latin America the Communist regime in Guatemala was overthrown. Peron is gone from Argentina, and the 21 American Republics have joined unanimously in agreement to resist Communist aggression, subversion, or infiltration in any Latin American country.

The Soviets find themselves now completely hemmed in by a system of regional defenses, with weapons and defense support we furnish, backed by our mobile airpower and military might. And this complex, potent, deterrent to Communist aggression is maintained at less cost to us than the spotty forces supplied under the Truman administration.

So the Soviets have changed their strategy. They know that aggression will not pay right now, and so we have a strategic new look of sweetness and light in their unswerving campaign for world domination. As Secretary Dulles says, the fact that they changed, shows that they think they are unsuccessful.

We have helped the 18 underdeveloped countries that have emerged from colonial status to independence since World War II. We have furnished moral support, economic aid, and technical assistance. Now the Soviets are launching a program of economic aid and technical assistance. As Secretary Dulles says, if imitation is the sincerest flattery, perhaps we should be flattered that they are imitating our programs. He warns, however, that this flattering imitation increases, rather than decreases, the challenge of the Soviet new look.

The dramatic proposal of our President for the use of atoms for peace has captured the imagination of the world. The Soviet charges of American warmongering have been quietly dropped, because nobody believes them any more.

I was opposed to the President's going to the summit meeting at Geneva. I was thinking about Yalta. I should have known better. He made no promises or commitments, but his open-sky inspection proposals electrified the world in the cause of peace and effective safe disarmament.

We have certainly not yet achieved perfect peace.

We must not be lulled into a false sense of security by any means. The Soviet "new look" creates new problems and dangers. But we are not fighting and, with wars under Democrat administrations in recent memory, those who love peace would do well to go forward with Republican President Eisenhower, the master of war, now dedicated to peace, and a Republican team in Washington, down the middle of the road to more just and lasting peace.

Prosperity

Prosperity is like health and fresh air—hard to appreciate while you have it. We are the most prosperous nation in the world in all human history. We have had the highest wages, the highest national income, the highest employment, the highest standard of living, in our own history, in the last 3 years under this Republican administration dedicated to sound government fiscal policies, giving the American free-enterprise system a chance. This record of prosperity is not an accident, or a coincidence. It is the direct result of Republican policies.

Under the Republicans, controls were eliminated on wages, prices, rents.

A Republican Congress in 1954 made the biggest tax cut in all history—$7.4 billion, with 62 percent going to individuals and 38 percent to corporations.

Inflation is stopped and the cost of living has been stabilized. In 3 years the Republicans held the dollar to within 1 cent of its 1953 value, compared with a 12-cent loss in the last 3 Democrat years.

The budget submitted this year is in balance.

The Government got itself out of over 100 business activities and turned them back to private enterprise; everything from synthetic rubber plants and barge lines down to dry cleaning and coffee roasting.

Under a great Ohioan, Secretary of the Treasury George M. Humphrey, the fiscal affairs of the country have been managed with imagination, caution, and skill, to encourage private enterprise, to avoid an inflationary boom.

The pattern of prosperity is not perfect. Our farmers are not getting a sufficient share. Many factors account for this, especially the continuance of rigid price supports, initiated to produce wartime needs, into a period of peace by the Truman administration, resulting in ruinous surpluses. The Republican administration proposed the soil-bank plan, boldly designed to strike at the root of the problem, to compensate the farmer, save the land, and reduce our agricultural surpluses. A Democrat Congress loaded down this proposal with a pork barrel of panaceas to buy votes. Our President courageously vetoed it and went to the people. As a result, Congress sustained his veto, a soil-bank bill has passed the House, and I believe will pass the Senate.

The farmers have this choice; either to go back to the party which had depression or war for 20 years and pull everybody down to the farmer's present level, or to stay with the party that brought peace, and prosperity enough for all, including the farmers, if we are given enough time to adjust for past Democrat mistakes.

Progress

Sometimes fiction is stranger than truth. For years, the Democrats, their columnists and commentators, have pictured the Republican Party as mossback, reactionary, old fogies. This strange fiction is belied by the facts.

In their first period in power in 20 years, the Republican Party has proven progressive. In the last 3 years, forward steps have been taken in government, in human welfare:

1. The Department of Health, Education, and Welfare was established under a Cabinet officer. It was appropriate that this new Department, needed for 20 years, should have as its first head a woman, Mrs. Hobby.

2. An Air Force Academy has been established. As an old World War I flier, I can testify to the longtime need for this institution.

3. After three decades of talk, this Republican administration, with a Republican Congress, launched the St. Lawrence seaway, which, among other things, puts Ohio on the seaway map of the world.

4. The Eisenhower administration launched the plan for the interstate highway bill which has now passed the House. This pay-as-you-go measure to create a 40,000-mile defense highway system has been needed for many years.

The Republicans have been progressive in meeting the basic human needs of people; for instance:

1. Social security has been expanded to include 10 million more people.

2. Unemployment insurance has been extended to 4 million more people, in government and small business.

3. Vocational rehabilitation used to help 60,000 annually; now it helps 200,000 each year.

4. Civil rights have been made a reality in the District of Columbia. Integration has been completed in the Armed Forces. Following the Supreme Court decision handed down by Chief Justice Warren on school disintegration, a proposal for Civil Rights Enforcement Division in the Department of Justice has been submitted to Congress.

This is a partial record of progress under Republicans in the last 3 years. After long experience in Congress, I want to remind you that all of our problems have not yet been solved; many that look solved will need additional action later. But on meeting human needs, government needs, which party will be most progressive? The party that promises, or the party that performs, the Republican Party? Charting the future by the past, the Republican Party is going forward, up the middle of the road in peaceful, prosperous progress.

V

You will be drafting a platform for the future. It must contain principles, a program, for the campaign and for the 4 years of responsibility to follow. Our President has said, "Fellow Republicans, the campaign before us is concerned with those things that count most—people and principles."

We are interested in people as individual citizens with God-given rights and duties, their needs, and hopes, and ambitions, not as statistics, or blocs, or classes.

We must make solemn pledges we intend to use in the campaign and carry out afterward. These pledges must be based on principles, not on expediency.

We must avoid the Democrat tactic of setting class against class, selfish appeals to pressure groups, resulting in a meaningless mosaic of conflicting, insincere promises of everything to anybody.

On the other hand, our principles, our program, our pledges, our platform must be broad enough to include the legitimate needs and aspirations of many kinds of good people living all over a vast Republic, in a complex economy, so as to draw them together in a united citizenry.

It is not my function to name a ticket or outline a platform for you. I think it would be helpful, however, to remind you of some fundamental principles of our party, as expressed by our first Republican President and by our latest Republican President.

Abraham Lincoln, who stood for union and freedom, said: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves, in their separate and individual capacities. In all that the people can individually do as well for themselves, Government ought not to interfere."

President Eisenhower said, on April 17:

"I am a Republican, because I share our party's deep-lying trust in what freemen can do—a fundamental trust in the nature and capability of individual human beings.

"I believe the Republican Party, in its methods and traditions and broad philosophy:

"Offers the best hope of preserving the self-reliance and vigorous independence of individual Americans;

"Best serves the Nation in the search for peace with justice and freedom;

"Best fosters a competitive enterprise economy whose purpose is a wider prosperity fairly shared;

"Best answers the concerns of people for the meeting of their human needs;

"Best assures our children, and their children's children, the heritage of an America rich in all the resources of nature, dynamic in great traditions and ideals and purposes.

"I so believe because the Republican Party remains true to its heritage.

"Our party was born to vindicate the equal dignity of all men, their equal right to life, liberty, and the pursuit of happiness. The dedication of its earliest days still animates our party, in this age when worldwide corrosion eats away at freedom, and justice and opportunity for men."

VI

Our campaign, as the President said, is concerned with people and principles. After we have the principles for people incorporated into our platform, what about the people?

In our campaign we must remember that people do not vote in blocs or classes or groups. People vote one at a time, in secret.

We must get the Republicans to vote Republican. We must get many Democrats to vote with us. But the election for President and Vice President, for the House and Senate, will turn on the vote of the independents.

We have independent Republicans and Democrats, but how about the unattached, who say, "I belong to no party. I vote for the man."

There are three things we must do.

1. We must have a ticket and a platform that should appeal to any and every right-thinking citizen.

2. We must tactfully remind our independent friends that hardly anyone has the time, or the intelligence, to investigate every candidate thoroughly. I hear people say, "I'm going to vote against so-and-so" because of "this, or that." Then I find that they know nothing about the so-and-so they are going to vote for. People who do not claim omniscience, and do not want to be guilty of negligence, should associate themselves with the party that generally suits them, and then rely upon the collective choice of like-minded people on candidates, unless they know personally about each candidate and his opponent. Independents do not realize that they are political hitchhikers. They expect someone else to pick candidates, to write a platform—and then they may go along for the ride. Let's try, tactfully, to get them to understand the importance of the two-party system and then to join our party, and help it to get along.

3. When it comes to choosing a party, many of us were born into the Republican Party. We cannot say much, from personal experience, when an independent says, "why should I join the Republican Party?" We might call their attention to three very intelligent, very high minded, very experienced, very independent, very different men who asked themselves such a question: Abraham Lincoln, in 1856, had served in Congress as a Whig; the Whigs were dying out; there were a number of new parties around; he searched for principles and like-minded people, and became a Republican. There was Herbert Hoover, in 1920; he was a successful man; both parties courted him; he became a Republican. There was General Eisenhower, a successful general, a successful college president; both parties wanted him; he became a Republican. Henry Clay said, "I would rather be right than President." We cannot guarantee that every good man who joins us will become President. We can prove that wise, successful independents of presidential caliber became Republicans. An independent who joins us may not become President, but he will be right.

Finally, let us remember our keynote is peace, prosperity and progress, as proven by our pledges and our practice, based on our principles, promised in our platform. Politics is an exciting game, but it is more than that. It is more than a deal—new, fair, or otherwise. It is one of the noblest activities of a citizen in a country that would be free. Representative government is on trial all over the world, challenged by Communists seeking a popular front with Socialists. Our Constitution does not mention Democracy, but it guarantees to every State a republican form of government. Our party can guarantee to the Nation a republican form of government, with peace, prosperity and progress, after victory in November.

An Open Letter to Secretary of State Dulles

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. MULTER. Mr. Speaker, Secretary of State Dulles has recently stated to congressional committees that he does not know what Communist arms Egypt has received. I accordingly address him as follows:

DEAR MR. SECRETARY: Is it not a fact that as of April 16, 1956, your files record that Egypt had a minimum of the following: 50 Ilyushin jet bombers, 200 Communist jet Migs, 50 Stalin tanks (60 tons each), 400 Katushka rocket launchers, 6 Soviet submarines, 18 battle cruisers, Communist-made motor torpedo boats?

Please do not say the information is classified.

Nothing can be classified that the whole world knows about.

Sincerely yours,

ABRAHAM J. MULTER.

Gas and Oil Leasing on Wildlife Refuges

EXTENSION OF REMARKS

OF

HON. LESTER R. JOHNSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JOHNSON of Wisconsin. Mr. Speaker, the May 1956 issue of Sports Afield carries a statement by the former Secretary of the Interior, Douglas McKay, concerning his side of the controversy over the Department of the Interior order permitting oil and gas drilling on wildlife refuges. Because this matter is of such interest to conservationists all over the United States, I am putting in the CONGRESSIONAL RECORD Secretary McKay's article, The Truth About Our Wildlife Refuges. I might add that the two articles to which Secretary McKay refers have previously been reprinted in the CONGRESSIONAL RECORD. The first one, One Man Can Wipe Out Our Wildlife Refuges, by Arthur Carhart, was carried in the daily RECORD of May 23, 1955, pages A3538 to A3540. The second article, Refuges Doomed, was reprinted in the daily CONGRESSIONAL RECORD on page A1782 of the February 27, 1956, issue.

Secretary McKay's article, along with the note of the editor, follows:

THE TRUTH ABOUT OUR WILDLIFE REFUGES

(By Secretary of the Interior Douglas McKay)

(EDITOR'S NOTE.—It is Sports Afield's deep conviction that the greatest safeguard to the future of our wildlife resources is America's vast army of alert, well-informed sportsmen. In so vital a part of that future as the wildlife refuge program, it is imperative that these sportsmen have access to all the facts. In this connection, Sports Afield feels privileged to present this article by Secretary Douglas McKay, offering the Department of the Interior's side of the controversy over the recent order permitting oil and gas drilling on the refuges.)

Sports Afield readers have such a very real stake in the preservation of wildlife in this country that they are entitled to nothing less than the full truth about the operations of our national wildlife refuge system.

It is unfortunate and unfair that the truth has been distorted by articles such as those appearing in recent months under the headings "One Man Can Wipe Out Our Wildlife Refuges" and "Refuges Doomed."

In this connection a moral can be drawn from the old fable about the boy who cried wolf once too often. False prophecies of doom can do great harm to the cause of conservation. Certainly, sportsmen-conservationists cannot and will not be fooled all of the time by glibly voiced cries of alarm when no danger exists. This could lead to the very real danger that champions of conservation might fail to rally in time

when an actual threat to wildlife preservation arose.

Last June, for instance, Sports Afield readers were asked to believe the absurd charge that one man—the Secretary of the Interior—could "wipe out our wildlife refuges by merely signing a typewritten order." Moreover, it was insinuated that I was actually opposed to our excellent refuge program. The only hope of salvation, you were told, lay in appealing to the Congress to protect the refuges from the Secretary of the Interior.

It is ironic, perhaps, that shortly thereafter two congressional committees rejected the protests by sportsmen-conservationists against the proposed transfer of 10,700 acres of the Wichita National Wildlife Refuge to the Department of the Army and only the refusal of the Secretary of the Interior to sign a transfer order has protected the integrity of that vitally important wildlife sanctuary.

After barking up that wrong tree, uninformed alarmists recently have stampeded off in another direction to set up their cries of "Wolf. Wolf." This time the cause of true conservation is being harmed by widespread circulation of misinformation about the stringent new regulations governing oil and gas leasing on wildlife refuges.

Unfortunately, Michael Hudoba, Washington editor for Sports Afield, is among those who resorted to snap judgment rather than objective study of the new regulations. His article "Refuges Doomed?" presented an unfair and distorted picture of the effect the new regulations will have on refuge protection.

What is a National Wildlife Refuge? Although Mr. Hudoba does not answer that question, he is quite willing to say how they should be run.

His article refers to actions which defeat the very purpose of the entire refuge system, reverse policies to preserve the integrity of the wildlife refuges, and now open wildlife refuges to oil and gas leasing. It does this without in any way defining what the real purpose of the wildlife refuge system is or stating the true facts with regard to the availability of wildlife refuge lands for oil and gas leasing as well as other economic uses for more than 20 years.

Anyone who is casually familiar with a Federal wildlife refuge knows that it has two principal purposes. One is the protection of game against hunting and the other is the furnishing of suitable habitat to encourage or supplement other nesting, resting, and feeding areas. Insofar as migratory birds are concerned, each of the wildlife refuges is used by the birds during only a few months of the year and in many instances only on portions of the refuges are there concentrations of such birds. The balance of the refuge lands are utilized for a variety of purposes including the production through ordinary farming methods of grain and other feeds.

In other words, wildlife refuges are not wilderness areas nor are they national parks.

Of the approximately 16 million acres of public domain that is administered in part for wildlife conservation, only half—8 million acres—is administered solely by the Fish and Wildlife Service and about 7 million acres of that half lies in Alaska. On the other 8 million acres of land the Fish and Wildlife Service has rights along with the Bureau of Reclamation, the Bureau of Land Management for grazing, the Corps of Engineers, and other Federal agencies. Even where the lands were withdrawn for the sole use of the Fish and Wildlife Service, oil and gas leasing was permitted in many of the withdrawal orders. A total of 1,398,089 acres has been acquired by funds appropriated for the use of the Fish and Wildlife Service. Some of these lands, particularly in the refuges along the Gulf of Mexico, were acquired subject to the reservation of mineral rights and almost all of these areas along the gulf have producing oil and gas wells. More than half a million acres of lands have been leased by the Fish and Wildlife Service and its uses are subject to the terms of these leases.

The act of June 15, 1935 specifically contemplated that grants of privileges for economic use of refuges would be made and that part of the revenue therefrom would be returned to the communities where the refuges were situated. The term "privileges" includes not onyl sharecropping, grazing, timber removal, and similar activities, but also any other economic use of the areas as does not interfere with the use of the area for its primary purpose, namely, the conservation of wildlife.

Thus, to charges that any recent action of the Department "defeats and nullifies the basic refuge purposes" is to ignore completely the facts about the multiple uses which have historically been made of the refuges.

Are the wildlife refuges doomed?

Mr. J. Clark Salyer, chief of the Branch of Wildlife Refuges of the United States Fish and Wildlife Service, certainly is as well qualified to answer that question as Mr. Hudoba. While on the witness stand before the House Committee on Merchant Marine and Fisheries he was asked point blank:

"Now do you feel that under your regulations and operating plans, the wildlife will be protected adequately where an oil lease is entered into?"

Mr. Salyer replied:

"I do or I would be up here screaming bloody murder right now."

Is Mr. Salyer as well qualified as Mr. Hudoba to answer that question?

Mr. Salyer is a civil servant. He has no ax to grind. His record speaks for itself.

He is one of the dedicated group of wildlife conservationists who came to Washington with "Ding" Darling 22 years ago and laid the foundation on which the wildlife refuge system has grown from one-half million acres to over 17½ million acres.

Mr. Hudoba made the point that the new regulations would compel the Fish and Wildlife Service to prove the value of each acre of wildlife land. Mr. Salyer demonstrated the falsity of this conclusion in his testimony before Congress. He testified that before an oil lease could be granted the Fish and Wildlife Service would have to be satisfied that wildlife values are adequately protected. Representative Dingell then asked:

"So, in effect, the Wildlife Service, has to come forward and prove the need of protection of certain types in that area."

Mr. SALYER. "I wouldn't say we have to prove it. We have to state it."

Mr. DINGELL. "And you have to show that certain forms of action are necessary to preserve that?"

Mr. SALYER. "No, the shoe is on the other foot, with these new regulations. The oil companies have to do it."

Mr. DINGELL. "The oil companies have to do it?"

Mr. SALYER. "They have to show that they have a plan that will protect the wildlife interests."

Actually, it's a little surprising the new lease regulations didn't bring protests from oil and gas development interests. The new rules are that one-sided in their design to safeguard wildlife values on lands administered by the Department. They could not be more restrictive in favor of wildlife and still stay within the requirements and the intent of the various acts, treaties, and laws under which Fish and Wildlife Service areas were acquired and are administered.

An attempt has been made to mislead the public by an accusation that these revised oil and gas regulations—signed after 2½ years of study, conference and discussion by officials and experts of the Geological Survey, the Bureau of Land Management and the Fish and Wildlife Service—opened lands of the wildlife refuge program to oil and gas development for the first time.

This is not true.

Issuing leases for oil and gas exploration and drilling dates back to, and is authorized by, the Mineral Leasing Act of 1920. The intent of this act was later reaffirmed by amendment. The Mineral Leasing Act for Acquired Lands, and the act of June 15, 1935, relating to administration of wildlife refuges, also authorize oil and gas leasing on wildlife areas.

Under previous regulations pertaining to these acts, leases were in effect on approximately 4 percent of all wildlife areas administered by the Fish and Wildlife Service. Eleven separate areas were involved. The first lease for these areas was issued in 1947. From then until I became Secretary of the Interior in 1953, leases were issued on eight federally-managed wildlife areas: Creedman Coulee, Mont.; Desert Game, Nev.; White River, Ark.; Strawberry Valley, Utah; Bitter Lake, N. Mex.; Delta and Breton, La.; and Fort Peck, Mont.

Far from being the first Secretary of the Interior to open refuge lands to oil and gas leasing, I was actually the first one in the history of the Fish and Wildlife Service to close certain refuges to exploration in deference to irreplaceable wildlife values.

Soon after I took office it became obvious that Department of the Interior regulations relating to oil and gas leases, adopted in 1947, were not adequate in providing safeguards for wildlife values. Under those mildly protective rules an oil or gas lease had to be approved and issued automatically if certain minimum conditions were met by the operator-applicant. Several leases had been issued under such conditions, seemingly without anybody noticing that the Department's responsibilities for migratory birds and other wildlife were being overlooked.

I authorized a stop order on August 31, 1953, suspending leasing by the Bureau of Land Management under the 1947 regulations. The order was to stay in effect until new regulations could be drawn which would guarantee necessary protection to wildlife values on refuges, and at the same time reflect awareness of the publicly owned oil and gas reserves underground, and laws concerning those reserves. As Secretary of the Interior I cannot forsake one resource while catering to another. It would be remiss to ignore publicly owned oil reserves while safeguarding wildlife, as surely as it would be to disregard wildlife while protecting the public's rights in oil reserves under public lands.

Some unscrupulous conservation commentators charged that applications for oil and gas leases flooded the Fish and Wildlife Service as soon as the stop order was lifted and the new regulations were announced. The fact is that now, 3 months later, we can report that only the usual number of applications have been made, approximately the same number as under the old regulations. In fact, only one refuge—Lacassine Refuge in Louisiana—has been approved for oil exploration since the new regulation became effective. The new rules obviously have not encouraged oil and gas drilling operations on the refuges, as predicted.

Incidentally, applications for leases are not made to the Fish and Wildlife Service; the Bureau of Land Management is the leasing agency. One question would have set these reporters straight so their readers could have had accurate information.

The new lease regulations place absolute veto power, as well as the right to approve where wildlife values will not be harmed, with the Fish and Wildlife Service. Career wildlife management experts—some of them the same ones who have been responsible for developing the Service's refuge program over the past 22 years—will have sole authority to analyze probable effects of exploration and drilling. If they object to the proposals, no lease will be issued. This places authority where it ought to be, with the agency having primary responsibility and interest in refuge values.

This was not the case under the previous regulations. In the past it has happened more than once that in spite of Fish and Wildlife Service objections leases have been issued. The new regulations do not permit this.

Yet, it has been argued that placing responsibility for approving or rejecting lease applications with the Fish and Wildlife Service will force refuge personnel to neglect their fundamental duties and become oil and gas experts. I can't imagine a refuge manager not being delighted at the chance to have the say about what will be done on the area in his charge. I believe the refuge experts are the people who should decide what effect certain proposed activities will have on their areas. I intend to see to it that they do the deciding. Conservationists, in general, I am confident will say amen to this. If those people who are denouncing these protective segments of the code were responsible for carrying out the many mandates of the Fish and Wildlife Service I am sure they would welcome the reassurance the new regulations provide.

A look at some of the facts may tend to dispel unwarranted conclusions, and fears, and point out why so many refuge areas are not, and cannot be, entirely inviolate.

First, category A under the revised code, contains the so-called inviolate refuges, the areas on which no lease will ever be considered except in case of national emergency or when drilling may be required to protect publicly owned oil from being drained by other operations. These areas are the ones determined indispensable for rare or endangered species, remnant big game herds, and irreplaceable examples of unique plant or animal ecology. However, it should be noted that the Secretary of the Interior lacks authority to make even these refuges entirely inviolate. He can not prevent oil and gas developments where mineral rights within these refuges are privately owned.

At present category A contains about 3,200,000 acres. Of these more than 50,000 acres are subject to oil and gas rights retained by former owners. The Fish and Wildlife Service could not in the past, and cannot now, prohibit oil drilling on these 50,000 acres.

Category B, consisting of approximately 6 million acres, includes refuges designated as wilderness, recreational, and water development or marsh. These are refuges on which, the Fish and Wildlife Service has declared, oil or gas development might seriously impair or destroy usefulness of the lands for wildlife conservation purposes. Only after a complete, detailed operating program guaranteeing full protection of the particular refuge values has been approved by the Fish and Wildlife Service, will leases be issued for any of these B areas.

Of the 6-million acres of these group B refuges, more than 800,000 acres are outside the Fish and Wildlife Service's jurisdiction so far as oil and gas rights are concerned.

Of nearly 8 million acres of other National Wildlife Refuge lands, more than 2 million in the United States are available for oil and gas development, because under terms of their establishment as wildlife areas there is a provision that "nothing is to interfere with prospecting or development."

But there is reassurance in the fact that while heretofore this provision was interpreted as meaning that prospecting and developing could be permitted even over Fish and Wildlife Service objections, now operations on these areas require Fish and Wildlife Service approval. Wildlife values will be afforded protection they never had before.

Under the old regulations big-game ranges were open to leasing without consideration for wildlife values. This was true because most of these areas were administered jointly by the Bureau of Land Management for grazing and by the Fish and Wildlife Service for wildlife use. As a result, in the past many leases for oil exploration were granted on game ranges without the consent or even knowledge of the Fish and Wildlife Service.

This situation has been changed. Game ranges are to be accorded the same protection regarding wildlife values as all other areas in the Federal refuge program.

The frantic fear some conservationists have expressed over secondary uses on refuge lands is not justified. Multiple-use of many refuges has been pointed to with pride by both Department and Service people for years. Surplus animals have been transferred to restock underpopulated States areas. Timber—millions of board feet annually—and hay have long been harvested and sold. When certain fur animals, notably muskrats, become too numerous they are trapped and sold for their pelts. Grazing and share-crop farming have long been accepted as good refuge management practices. Numerous producing oil wells have been in operation on refuges for many years. Mr. Salyer has stated emphatically that those producing wells which are on Federal leases have not harmed wildlife values.

Over the years a good deal has been made of the fact that the law requires that 25 percent of revenues resulting from these secondary uses must go to the counties in which the refuges are located, for the local school and road funds. The point has been made that this compensation offsets loss to local tax rolls when lands are withdrawn for refuge purposes. Total revenue from these secondary uses last year was almost $2¼ million. It is clear that modern wildlife management as practiced by our refuge technicians is also good business.

Secondary uses are not limited to profit-making business. Last year 5¼ million people visited the refuges. Nature study, bird watching, biology classes, field trials for retrievers and pointing dogs and beagles, fishing, picnicking, and, on a few areas, hunting are some of the recreations that attracted these millions. We know the number of visitors will increase. Human values will have to be considered in future refuge program plans.

To make sure the people in the Fish and Wildlife Service who will be evaluating lease applications and drilling operation plans will understand fully the intent of the revised regulations definite guidelines have been prepared. These instructions tell which areas are to be inviolate refuges. They point out that where drilling may be consistent with an area's primary purpose it may be possible to gain improvements by establishing certain conditions in the lease agreement. For example, access road dikes may be used to create needed pools. Or eventually they may be cut to form nesting islands. Pest vegetation may be reduced and food plants established in sections where operations tend to spread the pest species.

To assure the refuge technicians that the new regulations have teeth in them, the instructions emphasize that refuge managers are authorized to suspend oil or gas operations where conditions of a lease are not being complied with. Indemnity bonds to guarantee conformance to approved plans are required automatically. Final approval for a lease can be given only by the Director of the Fish and Wildlife Service. He is sole judge, in case of dispute, as to compliance with operating plans.

There is no loophole. Every restriction and requirement suggested by the Fish and Wildlife Service has been incorporated in the regulations. The refuges have protection now they never had before.

Since becoming Secretary of the Interior I have frequently stated my belief that we need to expand our Federal refuge program. Nine new refuges comprising 28,095 acres have been established since January 1, 1953. The Migratory Bird Conservation Commission, of which I am Chairman, approved purchase of 30,189 acres of waterfowl habitat in 1955, and an additional 4,219 acres for the first half of 1956. Cost of these 34,408 acres of refuge land was $842,014. As of June 30, 1955, the number of refuges in our national program had increased to 276, having a total of 17,908,682 acres.

Our wildlife refuge program is healthier and bigger now than it has ever been. In addition, under the new lease regulations the refuges now have safeguards to insure their primary objectives.

SENATE

Tuesday, May 15, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. In the absence of the Chaplain, the Members of the Senate will repeat the Lord's Prayer.

Thereupon Senators, led by the Vice President, repeated the Lord's Prayer, as follows:

Our Father, which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil: For thine is the kingdom, and the power, and the glory, forever.

Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 14, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On May 10, 1956:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

On May 14, 1956:

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, Louisiana, to the State of Louisiana, and for other purposes; and

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6782. An act to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 7804. An act to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia;

H. R. 10375. An act to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929;

H. R. 10768. An act to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; and

H. R. 11177. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 6782. An act to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 7804. An act to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia;

H. R. 10375. An act to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929; and

H. R. 10768. An act to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

H. R. 11177. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Juvenile Delinquency Subcommittee, the Internal Security Subcommittee of the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce were authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a limitation on statements of 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and act on the nominations on the Executive Calendar under the heading "New Report."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nomination of George T. Anderson to be postmaster at Mayville, Mich, which nominating messages were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Report."

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of postmasters be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF SECTION 104, TITLE 4, UNITED STATES CODE

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 104, title 4, United States Code, which, with the accompanying paper, was referred to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter, in the nature of a petition, from Charles M. Baxter, of Seattle, Wash., relating to reciprocal trade agreements, and so forth; to the Committee on Finance.

A letter, in the nature of a memorial, from the American Tariff League, Inc., New York, N. Y., signed by Richard H. Anthony, executive secretary, transmitting a list of sundry officials of companies and agricultural groups, as well as labor unions and employees, who signed memorials remonstrating against the enactment of the bill (H. R. 5550) to amend the Tariff Act of 1930 with respect to the administration of the General Agreement on Tariffs and Trade; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 4604. A bill relating to the issuance of certain patents in fee to lands within the Blackfeet Indian Reservation, Mont. (Rept. No. 1999).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 6990. A bill to provide for the conveyance of certain lands by the United States to the Board of National Missions of the Presbyterian Church in the United States of America (Rept. No. 2000).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 3547. A bill to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque (Rept. No. 2003);

H. R. 6374. A bill to repeal legislation relating to the Gallup-Durango Highway and the Gallup-Window Rock Highway at the Navajo Indian Reservation (Rept. No. 2001); and

H. R. 9207. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands (Rept. No. 2002).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1907. A bill to provide that the United States hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo Grant and a small area of public domain adjacent thereto (Rept. No. 2004).

By Mr. SPARKMAN, from the Committee on Banking and Currency, without amendment:

H. R. 7540. A bill to provide for the sale of a Government-owned housing project to the city of Hooks, Tex. (Rept. No. 2006).

HOUSING AMENDMENTS OF 1956

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably an original bill to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, and I submit a report (No. 2005) thereon. I ask unanimous consent that a statement prepared by me relating to the bill may be printed in the Record.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the statement will be printed in the Record.

The bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, reported by Mr. Sparkman, from the Committee on Banking and Currency, was received, read twice by its title, and placed on the calendar.

The statement, presented by Mr. Sparkman, is as follows:

Statement by Senator Sparkman

These are the main features of the bill (S. 3855):

A new program of Federal Housing Administration insurance would provide liberal mortgage terms for elderly persons housing. Elderly persons 60 years of age or over would qualify for the new program. The bill provides for 40-year mortgages on both sales housing and rental housing.

On sales housing, mortgage insurance could be up to 100 percent of value. The only cash payment would be $200 at the time of purchase, which would cover closing costs, insurance, and similar expenses. Mortgage insurance on rental housing would be available to both private builders and to nonprofit organizations. An insured mortgage would be up to 100 percent of value if the sponsor is a public or private nonprofit organization or a public body such as a local community.

An important feature of the new program is a provision that permits third parties to make the required downpayment on sales housing, contribute toward rental payments, or assist in meeting equity requirements. A $50 million revolving fund is created in Fanny Mae to assist in financing the new program.

In addition to a new private housing program for elderly persons, the bill authorizes 15,000 low rent public housing units for elderly persons for each of 5 years beginning July 1, 1956. These would be specially designed units for elderly persons aged 65 or over.

The committee, by a 10-to-5 vote, restored the public housing program started under the Housing Act of 1949. This means a program of 135,000 units of public housing a year for at least 3 years, with authority for the President to raise this number to 200,000 or lower it to 50,000, depending upon economic conditions. The administration had asked for 35,000 units a year for 2 years. Senator Sparkman has said that the administration's request would fall short even of meeting the minimum needed to house low-income families displaced by Goverment action in urban-renewal areas. The administration itself has estimated the public housing needs of displaced families at approximately 130,000 units over a 3-year period.

Under a provision proposed by Senator Douglas, of Illinois, the bill would authorize payments of up to $100 to individuals or families, and up to $2,000 to business concerns, to reimburse them for the expense of relocation or business losses if forced out of their existing premises by slum clearance and urban-renewal activities.

The FHA program of insurance for home repair and modernization loans would be extended. The maximum loan amount would be increased to $3,500 from the present limit of $2,500 and the maturity could run to 5 years instead of 3. The committee also added a provision setting a ceiling on the interest rate at $5 discount on the first $2,500, and $4 discount on the portion of the loan over $2,500.

An expanded military housing program would increase the authorization from the present level of $1.4 billion to $3 billion and extend the program for 3 years. A provision was also included to protect existing military housing projects at installations where the Department of Defense is planning to build new housing projects.

A number of amendments are included to stimulate slum clearance and urban renewal. The committee report also urges the administration to accelerate its activity in the slum-clearance and urban-renewal field.

The farm housing program is renewed and extended for a 5-year period.

Liberalizing amendments are also included to assist the cooperative housing program and the program for families displaced by slum clearance and urban renewal.

The committee increased the revolving fund for college housing loans from $500 million to $750 million and rejected an administration proposal to increase the interest rate for college housing loans.

A Commission on National Housing Policy would be established to make recommendations, by June 30, 1957, on the housing needs of the Nation; the discounting of Government-supported mortgages; the prospect for developing new sources of investment funds; the extent to which the resources of Fanny Mae can be used to stabilize the mortgage market; and ways and means of increasing the supply of adequate housing for families of moderate income. The Commission would consist of 11 members—5 officials from the executive branch and 6 persons to be appointed by the President from private life.

A $2.5 million research program is authorized to study various aspects of the housing market. The Housing Administrator could enter into research contracts with agencies of State or local governments, educational institutions, and other nonprofit organizations.

The Administrator is also authorized to spend $500,000 annually for a 3-year period to provide scholarships and fellowships at the graduate level to train planning officials in the housing field.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL (for himself and Mr. Saltonstall) (by request):

S. 3851. A bill to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. Russell when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3852. A bill to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.; to the Committee on Interior and Insular Affairs.

S. 3853. A bill to amend title VI of the Public Health Service Act, as amended, in order to make certain nonprofit corporations and associations eligible for Federal aid under such title; to the Committee on Labor and Public Welfare.

By Mr. CARLSON:

S. 3854. A bill for the relief of Elizabeth Schueren and her two minor children; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 3855. A bill to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes; placed on the calendar.

(See the remarks of Mr. Sparkman when he reported the above bill, from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 3856. A bill to provide for the income tax treatment of indebtedness discharged more than 20 years after the date on which it was incurred; to the Committee on Finance.

By Mr. MAGNUSON (by request):

S. 3857. A bill to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTSON:

S. 3858. A bill to amend the act of June 28, 1935, authorizing participation by the United States in the Interparliamentary Union; to the Committee on Foreign Relations.

By Mr. IVES:

S. J. Res. 172. Joint resolution providing for participation by the United States in the ceremonies celebrating the 300th anniversary of the signing of the Flushing Remonstrance; to the Committee on the Judiciary.

AMENDMENT OF CENTRAL INTELLIGENCE AGENCY ACT OF 1949

Mr. RUSSELL. Mr. President, by request, on behalf of myself and the Senator from Massachusetts [Mr. Saltonstall], I introduce, for appropriate reference, a bill which is requested by the Central Intelligence Agency and is accompanied by a letter of transmittal explaining the purpose of the bill. I ask unanimous consent that the letter of transmittal be printed in the Record immediately following the listing of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the Record.

The bill (S. 3851) to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes, introduced by Mr. Russell (for himself and Mr. Saltonstall) (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter accompanying Senate bill 3851 is as follows:

Central Intelligence Agency,
Washington, D. C., April 13, 1956.

Hon. Richard M. Nixon,
President of the Senate,
Washington, D. C.

Dear Mr. Vice President: There is forwarded herewith a draft of legislation to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes, together with a sectional analysis of that legislation.

The Bureau of the Budget has advised that it has no objection to the submission of this proposed legislation to the Congress, and the Central Intelligence Agency recommends its enactment.

The purposes of this legislation are to provide for a limited amount of additional flexibility in the procurement operations of this Agency, to provide certain benefits to CIA employees serving abroad and their families, and to make certain technical changes in the existing law.

Section 1 of the proposed legislation contains three amendments to the Central Intelligence Agency Act of 1949, relating to procurement authorities. The first of these is designed to provide this Agency with authority identical to that of the armed services as to the circumstances under which purchases and contracts may be made without advertising. Although the volume of CIA purchases and contracts is negligible compared to that of the armed services, we are confronted in general with all of the typical situations with which the services are faced in this field. A second proposed amendment provides that Agency contracts in the research and development field may extend over an initial term of not to exceed 5 years, with a possible extension of an additional 5-year maximum period if funds are available therefor. I have described to committees of the Congress with jurisdiction over CIA matters certain types of special projects of a unique and important nature which this Agency undertakes from time to time in the research and development field. In order to provide necessary lead time in these projects we feel we need the authority to contract over a period of years in a manner substantially similar to authorities and procedures governing contracts by the military services in similar fields. The third and last amendment in the procurement field is technical in nature, and simply involves a redefinition of the term "head of the Agency" which conforms to the present organizational structure of the Agency.

Section 2 of this proposed bill is intended to provide a variety of benefits which will bring CIA employees and their dependents into a status comparable to that of employees and their dependents in other agencies which conduct substantial operations in the foreign field. The group of American employees serving overseas which most nearly correspond to those of CIA in terms of living conditions, medical problems, etc., are those in the Foreign Service, and for that reason the great majority of the proposed amendments are identical with authorities which are now in existence or have been proposed as amendments to the Foreign Service Act of 1946, as amended.

The attached sectional analysis contains a detailed description of the objects and purposes of each of these amendments, which deal with such matters as home leave, travel, storage, transportation, and medical care for dependents. I would simply like to add, in forwarding this proposed legislation to the Congress, that I regard the benefits proposed under this section as matters of the highest importance in maintaining the morale and effectiveness of the Central Intelligence Agency in carrying out its vital functions. The employees of this Agency, particularly those serving abroad, are not eligible for tangible benefits and awards available to other Government employees, such as appointments to high diplomatic posts, public decorations for services well performed, and so forth. They are in this exacting and at times hazardous business because they are interested in it and feel that what they are doing is of some importance to the security of the United States. These amendments are designed to help encourage the concept of a worthwhile career in the foreign intelligence field, and I am convinced that they will be of immeasurable benefit to this Agency and to the Government as a whole. As the Congress will observe, we are not requesting benefits or privileges over and beyond those now enjoyed or being requested by other agencies of the Government with important responsibilities in the foreign field. To have to operate without these benefits, however, could seriously affect the overall effectiveness of the Agency in the longer run.

Section 3 of the proposed legislation increases from 15 to 35 the maximum number of retired military officers which may be employed by this agency at any one time. This proposal is consistent with a recommendation by the Clark task force of the Hoover Commission, and is considered desirable. Although the agency has been able to adhere to the previous limit of 15 retired officers without a serious loss of efficiency, we feel that there have been cases where more qualified individuals for certain posts could have been obtained from the ranks of retired military officers had the authority been available.

Section 4 of the proposed legislation is designed to permit advance payments for such items as rent, where such payments are in accordance with the laws or customs of certain foreign countries, and the inability to provide them works a hardship on the individuals concerned. This proposed exemption from the operation of section 3648 of the Revised Statutes (31 U. S. C. 529) will place CIA overseas personnel on a similar footing with personnel of the Armed Forces and of the Foreign Service.

Section 5 of the proposed legislation is purely technical, and is intended to correct a typographical error in the original Central Intelligence Agency Act of 1949.

The net incremental cost to the agency resulting from this proposed legislation is estimated to be in the neighborhood of $80,000 annually. It is contemplated that these costs can be readily absorbed within our normal operating budget.

It is respectfully urged that the Congress act favorably on this proposed legislation during the present session.

Sincerely,

Allen W. Dulles,
Director.

AMENDMENT OF FEDERAL-AID ROAD ACT—AMENDMENTS

Mr. FULBRIGHT. Mr. President, on behalf of myself and Senators Sparkman, Capehart, Humphrey, Kennedy, Beall, Duff, Morse, Smathers, Lehman, Douglas, Wiley, and Smith of New Jersey, I submit amendments, intended to be proposed by us, to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes. These amendments are patterned after the bill (S. 3129) to establish corporate income-tax rates of 22 percent normal tax and 31 percent surtax, which proposes tax relief for small businesses.

I introduced S. 3129 on February 3, 1956, and on March 15, 1956, I offered it as an amendment to H. R. 9166, the bill which extended existing corporate tax rates. Subsequently, on March 21, 1956, I testified before the Senate Finance Committee in behalf of this amendment. For the information of the Senate, exhibit A to this statement contains a brief summary of the need for and the effects of this amendment.

In view of the urgency for extension of certain excise taxes contained in H. R. 9166, I was advised by the chairman of the Finance Committee that the committee would be unable to hear witnesses for or against my amendment, and that such hearings could be held at a later date if the amendment were offered to another revenue measure.

On April 11, 1956, and May 4, 1956, I wrote the chairman of the Finance Committee urging him to schedule these hearings. On May 8 the chairman wrote me that he would present my request to the committee, and I am still hopeful that hearings will be held. On May 11, 1956, I replied to the chairman of the Finance Committee and stated my intention to offer an amendment to H. R. 10660.

Mr. President, I will not burden the Record by repeating the statements I have previously made on this subject. This by no means indicates a change in attitude or determination to obtain consideration of my proposal. Since the last time I spoke on this subject, however, certain factors regarding the condition of small businesses in this country have come to my attention, and I believe that these factors strengthen the argument for small business tax relief.

First, there is the factor of business failures. These are the statistics on business failures for the last 6 years—the President's Economic Report of January 24, 1956, page 231:

1949	9,246
1950	9,162
1951	8,058
1952	7,611
1953	8,862
1954	11,086
1955	10,969

The number of business failures was dropping steadily from 1949 through 1952—the number in 1952 being almost 18 percent lower than in 1949. Beginning in 1953 the number of failures began to rise, and by 1955 failures were over 44 percent higher than in 1952. In no year since 1941 have there been more business failures than there were in 1954 and 1955—and it is common knowledge that these statistics relate almost exclusively to failures of small businesses.

The second factor which should be of grave concern to the Senate is the reduction in the rate of increase of operating businesses. Page 231 of the President's Economic Report of January 24, 1956, contains the following data:

Year:	*Net increase of operating businesses*
1949	52,000
1950	50,000
1951	58,000
1952	59,000
1953	26,000
1954	−4,000
1955	(1)

[1] Not available.

Although final figures for 1955 are not available, it appears that the increase in business firms for 1955 will be no higher than the increase in 1953. These statistics show that the average increase in the number of operating businesses for the 4-year period for 1949 through 1952 was approximately 55,000. In 1953 this steady increase declined over 50 percent, and in 1954 there was an actual net reduction in the number of operating businesses of 4,000. In fact, 1954 is the only year since 1943 in which there has been a reduction in the number of operating businesses in this country.

A third indicator of the need for small business tax relief is shown by the following statistics on the earnings, after taxes, of manufacturing corporations:

United States manufacturing corporations earnings (after taxes) by asset size

[Index: 1947–49=100]

Year [1]	Index of earnings		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	98	143	45	22
1948	103	112	19	
1949	55	90	35	
1950	122	130	8	
1951	96	106	10	
4th quarter 1952	86	103	17	
4th quarter 1953	49	103	54	58
4th quarter 1954	59	119	60	
1st quarter 1955	68	127	59	

[1] Annually 1947–51.

The computation of disparity in favor of large concerns is made for the purpose of comparison. Using 1947 to 1949 as an index of 100, the earnings index of large concerns averaged 22 points higher than the index for small firms throughout the period of 1947 to 1952. In the years 1953, 1954, and 1955, however, this average disparity has risen to 58 index points. In other words the relative disadvantage in earnings of small manufacturing corporations has almost tripled in the last 3 years.

A fourth factor pertinent to the consideration of tax relief for small business is shown by the following table of earnings, after taxes, on stockholders' equity:

United States manufacturing corporations—Earnings (after taxes) on stockholders' equity by asset size

[Expressed in percentage]

Annual rate for year	Index of earnings on equity		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	16.3	15.5	−0.8	2.8
1948	12.6	16.3	3.7	
1949	7.0	10.6	3.6	
1950	12.5	15.7	3.2	
1951	9.0	12.6	3.6	
1952	7.9	10.6	2.7	
1953	7.1	10.8	3.7	4.7
1954	5.4	10.3	4.9	
1955	6.9	12.3	5.4	

This table shows that the percentage of earnings on stockholders' equity has declined 1 percent for small businesses from 1952 to 1955, but that the percentage for large businesses has increased 1.7 percent during the same period. Furthermore, throughout the period 1947 to 1952 large firms returned to stockholders an average of only 2.8 percent more than did small firms. But in the last 3 years, 1952–55, earnings on equity for large corporations have averaged 4.7 percent higher than the earnings on equity of smaller corporations. The position of the owners of small businesses has declined steadily since 1952.

A final factor to indicate the deteriorating position of small business in recent years is in the record of net sales of manufacturing corporations. This record is shown by the following table:

United States manufacturing corporations net sales by asset size

[Index—1947–49=100]

Year [1]	Index of net sales		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	94	100	6	15
1948	105	107	2	
1949	97	100	3	
1950	104	120	16	
1951	115	140	25	
4th quarter, 1952	115	150	35	
4th quarter, 1953	97	146	49	49
4th quarter, 1954	103	150	47	
3d quarter, 1955	108	158	50	

[1] Annually, 1947–51.

The increase in net sales for small firms has lagged far behind the net sales of larger corporations. Using 1947 to 1949 as an index of 100, the net sales index of large manufacturing corporations averaged only 15 points higher than the index for smaller corporations throughout the period 1947 to 1952. This disparity in favor of large businesses rose rapidly in 1953 and for the last 3 years the net sales index for big corporations has averaged 49 points higher than the index for smaller firms. This trend to sales dominance by big businesses is consistent with increases in earnings and return on investment which have also characterized business activity since 1953.

I hope that it will be possible for the proponents and opponents of my amendment to be heard by the Finance Committee. In any event, however, I intend to press for the passage of this amendment, and I look forward to the support of all Members of the Senate.

I ask unanimous consent to have printed in the Record a brief résumé of the equitable readjustment of the tax burden for small business, without revenue loss.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on Finance; and, without objection, the résumé will be printed in the Record.

The résumé, presented by Mr. Fulbright, is as follows:

Equitable Readjustment of Tax Burden for Small Business—Without Revenue Loss

Sponsored by Senators Fulbright, Sparkman, Capehart, Humphrey, Kennedy, Beall, Duff, Morse, Smathers, Lehman, Douglas, and Wiley.

Present law provides normal tax rate of 30 percent, surtax rate of 22 percent. The first $25,000 is exempt from surtax.

The amendment reduces the normal corporation tax rate to 22 percent, and increases the surtax to 31 percent. The 31-percent rate would apply to income over $25,000.

Effect on revenue: Increase by $20 million a year.

Effect on corporations: See table below. Examples: Corporations with incomes $5,000 and less—save $400, 26.7 percent; $15,000, save $1,200, 26.7 percent; $25,000, save $2,000, 26.7 percent; smaller savings on incomes up to $225,000; slight increases on incomes above $225,000.

Number affected: Latest figures (1952 income tax returns) show out of 672,071 active corporations only 13,194 earned over $250,000. This proposal would reduce taxes for 98 percent of all corporations—with no revenue loss.

NEED

Three sources of small business capital: Equity, Loans, and Retained Earnings. Expense of raising equity of $300,000 in securities market: 20 percent to 30 percent. Large corporation financing may be fraction of 1 percent. Forty to fifty times as expensive to small corporation. Loans: 6 percent or higher for small, 3½ or 4 percent for large.

Small corporations are, therefore, more dependent on retained earnings, yet earn less per dollar of sales. (Second quarter of 1955 corporations with assets under $250,000 earned 1.1 cents per dollar of sales; corporations $100 million and over 7.4 cents per dollar.) Smaller corporations also losing out in volumn of sales—increased only 3 percent 1954–55, as against 19 percent for large corporations. Large corporation greatly exceeds small in ratios of profit on investment. (Second quarter of 1955: 5.3 percent for small, 13.5 percent for large.)

Number of new firms declines: Annual increase of new firms 55,000, 1948 to 1952; only 28,300 from 1954 to 1955.

Business failure—Increasing—Exclusively small business. In 1945, 809; 1953, 8,862; 1954, 11,086; 1955, 10,969.

Mergers also increasing. Dexter M. Keezer, V. P. McGraw-Hill Publishing Co.: "Maintaining this rate (present corporate tax rate) means that you are going to have larger corporate units at the expense of smaller units, a matter of great social, political and economic significance."

Effect of a normal tax rate of 22 percent and a surtax rate of 31 percent

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 31 percent)	Change	
			Amount	Percent
$5,000	$1,500	$1,100	−$400	−26.7
$10,000	3,000	2,200	−800	−26.7
$15,000	4,500	3,300	−1,200	−26.7
$20,000	6,000	4,400	−1,600	−26.7
$25,000	7,500	5,500	−2,000	−26.7
$50,000	20,500	18,750	−1,750	−8.5
$100,000	46,500	45,250	−1,250	−2.7
$225,000	111,500	111,500	(1)	(1)
$500,000	254,500	257,250	+2,750	+1.1
$1,000,000	514,500	522,250	+7,750	+1.5
$10,000,000	5,194,500	5,292,250	+97,750	+1.9
$100,000,000	51,994,500	52,992,250	+997,750	+1.9

(1) No change.

AGRICULTURAL ACT OF 1956—AMENDMENT

Mr. MUNDT submitted an amendment, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. HUMPHREY:

Article entitled "Nation's 'Age of Innocense' Becoming One of Maturity," written by Representative Eugene McCarthy, of Minnesota, and published in the Listener, British Broadcasting Corp. magazine.

NOTICE OF CONSIDERATION ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

Walter C. Dowling, of Georgia, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to the Republic of Korea, vice William S. B. Lacy resigned.

J. Graham Parsons, of New York, a Foreign Service officer of class 1, to be Ambassador of the United States to the Kingdom of Laos, vice Charles W. Yost resigned.

Notice is given that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

RUMANIAN INDEPENDENCE DAY

Mr. HUMPHREY. Mr. President, it had been my intention, prior to the weekend, to make a statement pertaining to Rumanian Independence Day. Because of the fact that there was no session on Friday, however, I was unable to do so. I ask unanimous consent that a statement which I prepared for a free Rumania rally which was held in Cleveland, Ohio, be printed in the Record at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Message by Senator Hubert H. Humphrey on Rumanian Independence Day

On May 10, Rumania's most important national holiday, free men everywhere will salute the people of Rumania, struggling today under Communist oppression. Their continued devotion to liberty and freedom serves as an inspiration to those countries still in possession of their freedom. The example of Rumanian resistance makes us ever more anxious to retain and cherish our own hard-earned liberties and to work continuously for the freeing of Rumania from Communist tyranny.

Rumanian Independence Day should be celebrated throughout America to prove to the Communists that their totalitarian domination cannot stamp out the national heritage of a once-sovereign people. Individuals and groups in this country are working for the ultimate freedom of Rumania. I stand with these groups again Communist aggression, against the suppression of free peoples under the guise of Communist liberation.

HEROIN SMUGGLING

Mr. DANIEL. Mr. President, according to the news services, the United Nations Commission on Narcotics, meeting at Geneva, Switzerland, has stated its alarm at the increased smuggling of heroin throughout the world during 1955.

A United Press report, datelined Geneva, Switzerland, May 15, says:

> Narcotics experts are alarmed at figures which show that the world's police forces in 1955 seized nearly one-third more heroin than the year before.
>
> They believe that more than twice that amount was smuggled undetected across borders with the United States and Canada the principal "target" countries.

These worldwide figures are completely in line with recent findings of our Judiciary Subcommittee concerning the increased incidence of heroin smuggling into our country, as evidenced by the increase in the number of seizures over those in previous years. Our committee recently received from the Bureau of Customs a report showing that its seizures of heroin at ports and borders increased 165.3 percent in weight during the first 8 months of fiscal year 1956, as compared with the same period in 1955. The total number of heroin seizures increased 19.7 percent. Seizures of heroin in 1955, moreover, were the largest since 1937.

Heroin, the most deadly of all narcotic drugs, is used by 80 percent of the drug addicts in this country. These facts make all the more important early enactment of the proposed legislation reported by the Judiciary Committee, Senate bill 3760, which would increase the penalities for the smuggling of this destructive drug into our country, and would greatly improve the procedures for apprehending and punishing the heroin smuggler. I hope that this bill, S. 3760, will be scheduled for early and prompt action at this session.

THE ROLE OF THE ORGANIZATION FOR TRADE COOPERATION AND THE INTERNATIONAL MONETARY FUND IN FURTHERING CURRENCY CONVERTIBILITY

Mr. MARTIN of Iowa. Mr. President, a group of nongovernmental advisers accompanied the United States delegation now completing their negotiations for new tariff agreements in Geneva. These negotiations were conducted under the powers granted to the President when we extended the Trade Agreements Act last year. The nongovernmental advisers included Elliott V. Bell, editor and publisher of Business Week, and chairman, executive committee, McGraw-Hill Publishing Co., New York; Homer L. Brinkley, executive vice president, National Council of Farmer Cooperatives, Los Angeles; Bryant Essick, president, Essick Manufacturing Co., Los Angeles, Calif.; and Stanley N. Ruttenberg, director of research, AFL–CIO, Washington.

They have recently reported to the President on their experience at Geneva and I ask unanimous consent that their statement to the President be printed in the Record at this point in my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Organization for Trade Cooperation—Statement to the President by the Nongovernmental Advisers to United States Delegation Negotiating Tariff Agreements in Geneva, May 4, 1956

Having had an opportunity to observe at first hand the tariff negotiations now drawing to a conclusion at Geneva, we are happy to report to you that the interests of our country have been well served. We have been greatly impressed by the competence of the career men from the nine departments and agencies of the Government who have handled these important negotiations. The members of the Trade Agreements Committee particularly have worked long hours for many months with a high degree of concentration and effort.

We were particularly impressed with the unfailing concern of our negotiators to advance the broad interests of the United States. By no stretch of the imagination could the tariff negotiations, as we observed them, be called a giveaway program. The entire program is, of course, based upon reciprocal concessions and we found our negotiating teams and the Trade Agreements Committee to be bargaining in what seemed to us to be the best Yankee tradition. They insisted on obtaining concessions of full value for each concession made by the United States. There is great need for a better public knowledge of these facts.

The hard work and intelligence that went into the tariff negotiations are the more noteworthy because the present tariff session, following upon earlier negotiations, was restricted to a comparatively narrow range of trading. It required patience and persistence on the part of our representatives to obtain the many important agreements that are being reached.

On the basis of our observations in Geneva we are strongly of the opinion that there is need for the permanent administrative machinery that is provided for in the proposed Organization for Trade Cooperation. The adoption of this administrative machinery subscribed to by all the interested nations would clearly be in our enlightened self-interest. It would help make all our trade agreements more truly reciprocal. It would also strengthen both the resolve and ability of the member nations to continue their efforts toward an expanding and mutually profitable world trade. It would provide an effective, continuously operating instrument in giving fuller effect to existing commitments to remove such trade barriers as currency restrictions, quotas, discriminatory taxes and other indirect devices that limit the exchange of our goods with other nations. Failure on the part of the United States, the world's greatest trading nation, to join in setting up this organization would cause great dismay and disappointment throughout the free world at a time when the Soviet Union is stepping up its foreign economic efforts.

Accordingly, we wish to support very strongly your recommendation for adherence by the United States to the OTC. We appreciate deeply the opportunity that has been given us to participate as observers in these tariff negotiations. It has been for all of us an interesting and rewarding experience.

Mr. MARTIN of Iowa. One of the principal benefits the United States will derive from the establishment of the Organization for Trade Cooperation is that there will be an organization to investigate and deal with trade barriers which have been erected in lieu of tariffs by some of the countries benefiting from tariff concessions which we granted.

Everyone realizes that the United States is one country in which there are no currency restrictions which can be used to block the import of commodities. The full benefits of the trade-agreements program will only be realized when the world once again can return to a complete mutilateral system of trading. This, of necessity, implies full currency convertibility. The International Monetary Fund is one of the mechanisms which our Government has supported to assist in bringing about currency convertibility. This organization is a specialized agency of the United Nations and makes periodic reports to the Economic and Social Council.

On April 19 Dr. John C. Baker, president of Ohio University at Athens, Ohio, and United States representative to the Economic and Social Council appointed by President Eisenhower, reviewed the annual report of the International Monetary Fund for the year 1955. Dr. Baker's comments are significant in that he believes that real progress is being made toward currency convertibility. We still have a long way to go, but I am happy we have made progress.

Mr. President, I ask unanimous consent to have printed in the Record at this point the text of Dr. Baker's statement on this occasion.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Dr. John C. Baker, United States Representative in the Economic and Social Council, on the Annual Report of the International Monetary Fund, 1955

Mr. President, once again we have had the benefit of hearing Mr. Rooth's clear and informative account of some of the more significant economic and financial developments of the last year. We have learned to look forward to this annual presentation of the fund's report by its managing director as an unparalleled opportunity to obtain sage counsel from a master of the subject.

These annual reports of the fund have come to be accepted as, perhaps, the most authoritative analysis of recent and continuing financial trends. The 10th annual report which Mr. Rooth has brought up to date by his remarks follows the worthy example set by its predecessors. To say this is to accord the report the highest of praise.

We have come a long way toward the goal of achieving the fund's objectives since that day, about 10 years ago, when the fund started to cope with the exchange problems of a war-shattered world. In those early days we all underestimated the task faced by the fund. At that time none of us quite realized that the task of restoring the physical destruction caused by the war was easy in comparison with the job of recreating the economic and financial foundations of the world trading community.

At times progress in this field has seemed dishearteningly slow. Over this 10-year period we have seen both successes and failures. At times it appeared as if the failures were more numerous than the successes. In retrospect, however, we must be impressed with the real achievement of this decade.

Trade and payments are freer from restrictions than at any time since the war. Reserves of gold and dollars held outside the dollar area have grown considerably since their postwar lows. In the last 2 years there has been an increasing tendency to reduce discrimination as between imports from different currency areas. In particular, there has been a trend toward more equal treatment of goods from the dollar area.

It is true that no country has formally announced the convertibility of its currency. However, during the last 2 years there has developed a large measure of de facto convertibility of some of the currencies important in world trade. Particularly encouraging in this respect are the actions taken to render sterling and deutschemarks more freely transferable, though the fund appropriately reminds us that some progress has been made in the case of other currencies also.

During the period covered by the fund's 10th report, progress has been significant but somewhat slower than in the preceding 12 months. To a large extent the year was one of consolidation of the gains previously realized. The fund's report wisely comments that this period of consolidation—this stage where national economies are being adjusted to the competitive conditions implied in measures taken earlier—is a necessary precondition to further progress.

The past year has been a year of almost universal prosperity. It is not surprising, therefore, that the economies of some countries have been subject to strain. New inflationary tendencies have begun to appear. What is most encouraging is that the important trading countries, notably the United Kingdom, have not attempted to cope with these new difficulties by reinstituting or intensifying exchange and import controls. They have instead used monetary and fiscal policy to dampen down import demand and thus to maintain stability in both the internal and external aspects of their economies.

All in all, one of the most encouraging signs of recent years has been the increasing evidence of financial sanity throughout the world. More and more there is a recognition that import controls, restrictions on exchange, multiple currency practices, and the like merely treat the symptoms of inflation. They do not get at the root causes. There is an increasing awareness that only through wise monetary and fiscal policies can countries maintain the financial stability which is necessary both to economic progress and to stable economic relations with the rest of the world.

There was a time when financial stability was considered a luxury which could only be afforded by the more developed countries. That time has passed. We now know that financial stability is of equal importance to the underdeveloped countries.

After all, the most basic element in the economic development is the wise and economical use of the resources at hand whether they be resources found within the borders of the developing country or resources imported from abroad. Only through financial stability—avoiding the extremes of inflation and deflation—can such a wise use of resources be assured. It is financial instability which underdeveloped countries cannot afford—not financial stability. In this connection we can all profit by studying the example of India which has maintained financial stability while carrying on a vast program of economic development.

If financial stability is in the best interests of all countries, so also is convertibility. We therefore welcome the explicit reaffirmation by the fund that the attainment of general convertibility would be in the best interests of the underdeveloped countries as well as of the more highly developed countries. We agree with the fund that while the initiative for action in this field rests mainly with the highly developed countries, the widespread attainment of convertibility would be of equal benefit to the developing countries. Under present conditions they have to dispose of their products at competitive prices in world markets. They need the freedom to use the proceeds of their exports to every country in payment for their imports from any country. It would be of benefit to them to purchase capital equipment to the best advantage regardless of the currency area in which it may be found. Finally, as the fund so aptly reminds us, convertibility of their currencies would be, perhaps, the single most important positive contribution toward the establishment of a climate favoring private foreign investment in the underdeveloped countries.

During the year there has been little new use of the fund's resources. Many countries which had previously drawn from the fund have effected repurchases—and many such repurchases have been voluntary. This in itself is a sign of strength.

In this connection it is a matter for satisfaction that the fund's report includes an agreed statement of the circumstances under which member countries can use its resources. This careful definition of the conditions governing the possibility of governments relying on these resources as a secondary reserve should make this potential source of temporary assistance of greater benefit to them.

One of the most significant developments of recent years has been the increasing use by member countries of the technical facilities of the fund in dealing with their internal and external financial problems. These quiet consultations, this technical assistance in the financial field, have become perhaps the most important contribution of the fund to the difficult problems faced by its members.

One technical assistance activity of the fund is worthy of separate mention. Its training program for junior officers from ministries of finance and central banks is now in its sixth year of successful operation. Each year the applicants, all of whom must be sponsored by their governments, have exceeded the available facilities. The fund has developed a happy combination of training in balance of payments and other statistical and research techniques with an opportunity to apply them by working with its staff on individual projects.

The fund is continuing to contribute importantly to the solution of the exchange problems faced by its member countries. It is worthy of our continued support. My Government will continue to give the fund the full measure of its support and cooperation.

Finally, the fund has assembled an outstanding staff of exceptionally competent and devoted technicians. This staff has achieved universal recognition for its contributions to the understanding and solution of the difficult financial problems faced by many member countries. My delegation congratulates Mr. Rooth and his staff on their effective performance in this highly technical field.

NIAGARA RIVER POWER DEVELOPMENT

Mr. JOHNSON of Texas. Mr. President, if there are no Senators who desire to speak in the morning hour, the Senator from New York [Mr. Ives], under the order entered yesterday, I believe, is to be recognized as soon as the morning hour is concluded.

The VICE PRESIDENT. If there is no further routine morning business, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The VICE PRESIDENT. The Senator from New York is recognized for 1 hour, under the order entered on yesterday.

Mr. IVES. Mr. President, in the first place, I wish to express my deep appreciation to the majority and the minority leaders for the great consideration they have shown me during my forced absence from the meetings of the Senate. I assure you, Mr. President, my absence was not of my own will.

For more than 6 years, 3 successive Congresses have been considering various bills providing for the development of additional hydroelectric power at Niagara Falls, N. Y. The need for this additional power in the western part of New York State and adjacent areas in other Northeastern States is acute.

This issue has been thoroughly studied in the Senate Committee on Public Works and in the House of Representatives. However, it has not previously come to the floor of the Senate. Therefore, I believe that I, as the senior Senator from the State of New York, should review the history of this important matter and my reasons for being opposed most strenuously to Senate bill 1823.

The development of hydroelectric power at Niagara Falls, N. Y., began before the turn of the century. Private power companies undertook at that time the construction of the first large-scale hydroelectric power development in the United States. The Niagara Mohawk Power Co. and its predecessors have served the Niagara frontier ever since. Therefore, the development of additional hydroelectric power from the waters of the Niagara River cannot be considered a new project. To this extent, it is comparable to the additional development of hydroelectric power on the Coosa River, in Alabama, which the 83d Congress authorized the Alabama Power Co. to undertake. If Niagara Falls were not one of the wonders of the world and if the Niagara River were not an international boundary, it is likely that the Congress long ago would have reached the same conclusion that the 83d Congress reached with respect to the Coosa River.

In 1950 the Dominion of Canada and the United States entered into a treaty providing for the development of additional hydroelectric power on both sides of the Niagara River, at Niagara Falls. At that time, the only group in New York State qualified to develop the power was an organization of private utility companies under the leadership of the Niagara Mohawk Power Co., which had already developed such power successfully at Niagara Falls.

When the 1950 treaty came before the Senate, a reservation to the ratification of the treaty, providing that the Congress should decide who would develop the power on the American side of Niagara Falls, was adopted. That is the only reason why we are still considering the question of Niagara power today.

One of the agencies of the New York State government is the New York State Power Authority. It was created many years ago for the sole purpose of developing power in the St. Lawrence River, 200 miles away from Niagara Falls. Only in 1951, when the government of New York State sought a way of preventing Federal development of the Niagara project, was the State power authority's scope expanded to include Niagara Falls. After the New York Legislature had amended the State Power Authority Act to that end, Representative W. Sterling Cole and I sponsored proposed legislation which would have permitted the New York State Power Authority to undertake the American portion of the Niagara power development authorized by the treaty of 1950 with Canada.

I introduced proposed legislation of this nature in both the 82d and 83d Congresses, for several reasons. First, I was unalterably opposed, as I am now, to Federal development; second, my proposed legislation was consistent with the laws of the State of New York, as well as with the public policy of both the Republican and Democratic Parties of the State of New York, as established for more than 20 years; and, third, I had great confidence in the administration of the State of New York at that time, and I believed that development of Niagara power by the State would not endanger the existing privately owned, integrated system which well serves more than 95 percent of the people in the State.

No action was taken by the 82d Congress. During the 83d Congress, the House of Representatives passed, by a vote of 262 to 121, a bill which would authorize development of the Niagara project by private enterprise. After extensive hearings the Senate Committee on Public Works reported favorably a bill which would have referred the entire matter to the Federal Power Commission, for determination. The issue would have gone to the Federal Power Commission originally, except for the treaty reservation. This bill was reported to the Senate just prior to the adjournment of the 83d Congress, and no action was taken.

The situation today is approximately the same as it was in 1950. The advocates of public power now endorse State development, but would require the inclusion of preferences to municipalities and rural electric cooperatives. These preferences would be inconsistent with the laws of the State of New York. The advocates of private development are still adamant. And so a hopeless congressional deadlock continues. The people of New York State have grown weary of this situation and rightly demand action.

I am unalterably opposed to Senate bill 1823. I am opposed to it because it is in direct conflict with the law and policy of New York State. Second, it would discriminate against over 95 percent of the residents of New York State by granting a preference to the few isolated cooperatives and municipally operated powerplants scattered throughout the State. Third every segment of the economy of New York is opposed to it, including labor, agriculture, business, and the overwhelming majority of consumers in the affected area.

The history of this particular bill is most interesting. In the 83d Congress, when it became obvious that sufficient support for Federal development was lacking, my colleague from New York joined with former Representative Franklin D. Roosevelt, Jr., to introduce bills substantially the same as S. 1823. They clearly preferred Federal development; but if that were impossible, they would settle for State development—but on their own terms. This proposed legislation, having failed in the 83d Congress, was introduced again in the present Congress.

The attorney general of the State of New York stated publicly in a document addressed to Members of the Congress, under date of February 13, 1956, that there is grave doubt whether the New York State Power Authority could proceed with construction if Senate bill 1823 were enacted; that the preference provisions contained in it are inconsistent with the State law, under which the power authority must proceed.

The present chairman of the power authority and his predecessor have testified time and again before the committees of the Congress against the preference provisions embodied in S. 1823. Thus, on March 13, 1954, the Honorable Robert Moses, chairman of the New York State Power Authority, said:

> The Lehman-Roosevelt bill (S. 2966, 83d Cong.) provides for a license to the New York State Power Authority but with conditions and preferences not incorporated in the State law, and never approved by our State legislature. Such legislation by Congress would represent an unwarranted interference by the Federal Government in State affairs.

Senate bill 2966 in the last Congress was similar to Senate bill 1823 now before the Senate. Again, as indicated in the hearings before the Senate Public Works Committee, Mr. Moses stated:

> The existing State law governing our authority gives no preference in service to public powerplants. We must operate under this law, and we do not and cannot prefer municipal as against private utility operation, nor could we as a practical matter sell our bonds on any such theory.

As recently as last January 12, Chairman Moses stated that the provisions desired by the sponsors of Senate bill 1823, authorizing the construction of duplicate transmission lines in many parts of New York State to furnish the scattered few cooperatives and municipal plants with preference power "could conceivably prevent the authority's acceptance of a Federal Power Commission license because of a direct conflict with New York law."

In the session of the New York State Legislature ended last month—and I point out that this is the most recent expression of the government of the State of New York on this subject—the present Governor requested the State legislature to enact legislation in the following words:

> I recommend that your honorable bodies enact legislation at this session which will enable the power authority to construct transmission lines and to require the autority in its sale of power to give preference to State agencies, municipalities, and other subdivisions of the State, and to rural electrict cooperatives.

These provisions were rejected by the New York State Legislature.

These facts and circumstances make it clear that S. 1823, the bill before the Senate, is a device seeking to employ a Federal legislative power of the Congress to impose upon the people of New York State that which they have expressly rejected. This alone constitutes sufficient reason for the defeat of S. 1823, but there are other compelling reasons for such action.

S. 1823 apparently envisions the use of Niagara power as far away as New York

City and New England. Without exception every responsible person familiar with the situation now agrees that Niagara power will never reach New York City or New England. The New York State Power Authority has publicly stated that geography makes it uneconomical for St. Lawrence power to reach New York City, and Niagara Falls is even farther away. In fact, the power authority has stated that—

> Western New York will form the principal market area for power from the Niagara development.

The project area is very highly developed. No area and no person in it is without electric service. New York is the Nation's second largest dairying State, and every one of its 106,000 operating farms is electrified. Of the 16 million people in the State, 95 percent receive their electricity from private utility companies, whose rates are regulated by the New York State Public Service Commission. Thus, under S. 1823, only the remaining 5 percent, comprising the consumers of scattered municipal distribution systems and five small REA cooperatives, would qualify in the preferred category for this tax-free hydroelectric power. Thus again, the 95 percent of New York consumers would be discriminated against in favor of the relatively few purchasers from the five cooperatives and scattered municipally operated plants in New York State.

On January 12, 1956, the chairman of the New York State Power Authority made several additional observations with respect to the preference provisions contained in S. 1823. I quote him again—

> The Lehman bill gives States and their subdivisions, cooperatives and defense agencies absolute preference in the purchase of power, apparently without regard to where they are located. * * *
>
> Consideration should be given to the question of whether the preference provisions and transmission line provisions in the Lehman bill taken together would require the sale of power to municipalities who demand it no matter how far removed and whether within the economic market area. If the postage stamp principle were adopted and all customers charged the same price for power and for the transmission of power, regardless of the distance involved, with the result that transmission costs to distant customers were borne in part by nearby customers, a distant preference customer might well have a motive to make such a demand. This, of course, could result in absurd situations.

I am still quoting Chairman Robert Moses, of New York State Power Authority:

> It should be borne in mind that most hydroelectric power developments are in areas of the country much less developed than that of the Niagara and hence legislative language and marketing practices adapted to such areas may not make any sense at all in this highly industrial region. In addition, seemingly slight changes or omissions in tested language of other statutes may have radical and unintended effects.

At an earlier date, the chairman of the power authority made the following statement with respect to both the development of hydroelectric power on the St. Lawrence, which is already underway, and the proposed development of Niagara power:

> It has been suggested that the Federal license for the St. Lawrence and the Federal law to be passed with respect to the Niagara should require that preference be given to municipally owned distributing and producing organizations and to cooperatives. This appears to be impractical because 98 percent of the consumers in the State receive their power from private utilities and only 2 percent from municipally owned utilities and cooperatives. These 2 percent cannot be given an absolute preference over the 98 percent because they are scattered all over the State, many of them hundreds of miles from the site where the power is produced, so that the cost of transmission would be prohibitive.

These observations by Mr. Moses are wholly consistent with my own views on this important matter—and are based upon his personal experience.

Is it any wonder under these circumstances that an overwhelming majority of the people in the area to be served are vigorously opposed to S. 1823 and have expressed clearly a desire that Niagara power be developed by private enterprise? Statewide organizations including every segment of the economy have continually urged successive Congresses to oppose similar legislation and approve private development.

Among these organizations are the following: The New York State Federation of Labor, the Independent Brotherhood of Electrical Workers, the CIO Utility Workers of America, the New York State Farm Bureau Federation, the New York State Grange, the Empire State Chamber of Commerce, the Association of Towns in the State of New York, the Association of County Supervisors in the State of New York, and the Associated Industries in the State of New York.

In this connection, because it is so pertinent, let me say that only the other day I received a letter which I should like to read into the Record. It came to me from Mr. Harold C. Hanover, secretary-treasurer of the New York State Federation of Labor. The letter is dated April 26, 1956, and reads as follows:

> New York State Federation of Labor,
> *Albany, N. Y., April 26, 1956.*
>
> Hon. Irving M. Ives,
> *United States Senator,*
> *Senate Office Building,*
> *Washington, D. C.*
>
> Dear Senator Ives: It has been brought to our attention that you are interested in the communication which we addressed on May 14, 1953, to Hon. George Dondero, chairman of the House Committee on Public Works, with reference to the proposed development of power resources of Niagara River, Niagara Falls, N. Y.

I shall not read the letter to Representative Dondero, of which I have a copy. I do not think it is necessary. I think Mr. Hanover's letter is quite conclusive. I continue quoting from the letter from Mr. Hanover:

> Herewith I enclose a copy of that letter, which is also noted in the Congressional Record, and rather than supply you with a duplicate addressed to you, I felt that you would like to have the letter as it exists, and to say to you that insofar as a great majority of our membership in the State of New York are concerned—

That is, the New York State Federation of Labor—

> we have felt from the very beginning that this work should progress under private auspices both from an economy standpoint to our citizens and from the maintenance of private employment by the several companies involved.
>
> Our position is amply borne out by a good look at what is transpiring on the St. Lawrence River under the auspices of the power authority of the State of New York. Many who have thought that this development would redound to the benefit of the average homeowner and consumer of electricity are now beginning to express genuine doubt as to the real worth of a power authority in this State.
>
> Frankly, our average citizen knows little or nothing about what is to transpire under this power authority and misgivings are expressed as articles are read in the public press citing contracts with private corporations at a rate which is not publicized, and the negotiation of further contracts with corporations and with adjoining States. I might add here that the sentiments conveyed in our letter to Mr. Dondero are just as true today as they were when written. In fact more so, for we have seen borne out in reality the statements which we made at that time.
>
> We do not feel that the consumers of electricity in New York State will pay more through private construction and management of the facilities of the Niagara River. As a matter of fact, we feel that in the long run the citizens will be paying less because the amount of taxes paid by these companies will serve to offset much of the hidden increase in taxes imposed upon them were the project to be done by the power authority.
>
> As we have repeatedly pointed out, if a question of rate per kilowatt hour is of paramount importance, we have a public service commission in the State of New York who are thoroughly competent to readjust rates of electrical energy so that our citizens in all parts of the State would be paying on a fair basis.
>
> In conclusion you may have gathered by now that we feel very strongly on this point, and we want to assure you that we have been steadfast in this thought and sincerely hope that in your approach to this problem in the near future you will be able to take the long view of this highly controversial problem, and we want to assure you that, should you take the viewpoint we have set forth you will have our utmost support.
>
> With sincere personal regards.
>
> Cordially yours,
> Harold C. Hanover,
> *Secretary Treasurer.*

In this connection, Mr. President, I am constrained to observe that my colleague in his remarks yesterday, to which I was unable to listen but which I have read very carefully in the Record, emphasized the fact that the overwhelming majority of the people of the State of New York are in favor of his bill.

I doubt that. I wish it would have been possible to hold a referendum to ascertain how the people of the State of New York stand on the question. However, the organizations I have listed, and many others which I could list, constitute not only hundreds of thousands of residents of New York State, but in their influence and in their actions represent millions of people of that State.

I do not believe there is any justification whatever for my colleague's remarks

regarding the sentiment on this question in the State of New York.

He also brought up the question of the campaigns in which he has been engaged, and the campaign of 1954, in which I was engaged. He referred particularly to that campaign. I wish to point out that at no time during the campaign of 1954 did I mention the Niagara redevelopment, so far as I can recall, and at no time did my opponents do so. That was not an issue in the campaign, nor has it been an issue in any campaign in which I have been engaged in the State of New York.

As everyone knows, or as everyone should know, I myself have stood for the State development of hydroelectric power at Niagara Falls, but not by any means on the basis proposed by my colleague from New York. I am in utter disagreement with him on that question.

Mr. President, I ask unanimous consent to have printed in the body of the Record, at the close of my remarks, letters I have received from the Utility Workers of America, CIO, the New York State Grange, and the New York Farm Bureau.

I am asking that the letters be printed in the Record because they are of more recent date than many others I have received which I could also put in the Record.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibits 1, 2, and 3.)

Mr. IVES. Mr. President, recent polls conducted by area Members of the House of Representatives—and this is very important—have shown that 75 percent of the constituents replying opposed S. 1823 and favored private development.

Under the circumstances which I have stated, I strongly urge the Senate to reject S. 1823. Its provisions would require my State to pursue a course which it cannot pursue under existing laws and policies, and which it does not desire to pursue.

If any Senator has any questions to ask, I shall be glad to yield for that purpose. Otherwise, I yield the floor.

Exhibit 1

Utility Workers Union
of America, CIO,
New York, N. Y., April 2, 1956.

Hon. Irving M. Ives,
Senate Office Building,
Washington, D. C.

Dear Senator Ives: In view of the action of the Senate Public Works Committee in reporting out the Lehman bill providing for construction by the State of New York of the hydroelectric installation at Niagara Falls, we want to advise you of our interest.

On many prior occasions, we have had the opportunity of informing you of our opposition to either State or Federal Government construction of the project, and you know that we have testified before the Senate and the House of Representatives in favor of the Capehart, Miller, Martin, and Dondero bills.

May we, therefore, take this opportunity, once again, of assuring you of our unalterable opposition to any legislation that will result in making our present and future members government employees. We want the advantages of labor legislation presently enjoyed by us maintained and passed on to our children.

Respectfully yours,
Andrew J. McMahon,
President.

Exhibit 2

New York State Grange,
Brasher Falls, N. Y., April 25, 1956.

Hon. Senator Irving Ives,
Washington, D. C.

Dear Senator Ives: It has come to my attention that the matter of public versus private development of the electrical power at Niagara Falls is again to be considered.

We of New York State Grange, 130,000 of us, want you to know that we stand solidly for development of that power to the fullest extent by private industry. It would seem to us that in all of the debates on the question that the wishes of the people outside of the city of New York were being bypassed.

We feel that government has too much to say regarding how our money shall be spent, and in this particular case we cannot sit idly by and see such a development take place, in which case there would not be any compensatory taxes levied to help pay the bills incurred.

Surely in these times of diminishing returns for agricultural products it would seem to us that any such contemplated project should be handled as far as possible by private capital so that the project itself as well as the returns from it would be taxed to help defray operating expenses of our local, State and National Governments.

We cannot see why the power from this project should be thrown on the market, tax free, to compete with power that has to pay taxes. We are expressly opposed to the preferential clause in the Lehman bill.

As you know we are an organization representing a cross section of the people of New York State. We therefore urge that you do all that you possibly can to obtain passage of a bill that will permit construction and operation of Niagara power by private capital.

For your information I am sending a resolution adopted at our 1955 session of the State grange at Rochester the vote on which was unanimous. I might also add that similar resolutions have been presented for the past number of years and always have passed the delegate body in the same way.

Yours sincerely,
Leland D. Smith,
Master, New York State Grange.

Exhibit 3

New York Farm Bureau,
Ithaca, N. Y., April 2, 1956.

Senator Irving M. Ives,
Senate Office Building,
Washington, D. C.

Dear Senator Ives: I am taking this opportunity to again reemphasize the policy of New York Farm Bureau in connection with the much debated Niagara power issue. By official action of the delegate body of New York Farm Bureau, our organization favors development of Niagara power by private enterprise.

Private enterprise, which has made our country great, cannot be strengthened by Government siphoning off the functions that private enterprise can and is willing to perform under private capital.

It is a well-established fact that the hydroelectric power in Niagara Falls is economically sound and can pay its way under private enterprise without Government subsidy, and without preference to any group of consumers. It is evident that Government's advantage in developing Niagara would lie largely in tax exemption. However, our country wasn't built on tax exemption, nor will it be strengthened by tax exemption. Under Government development the whole scheme of preferential treatment of municipalities and REA cooperatives is unsound and is nothing short of a vote-buying device.

We have not wavered in our conviction that Niagara should be developed by private enterprise.

Sincerely,
P. S. Foster,
Executive Secretary.

BIRTHDAY CONGRATULATIONS TO SENATOR BUSH

During the delivery of Mr. Ives' speech.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. JOHNSON of Texas. I wish to congratulate the distinguished Presiding Officer [Mr. Bush] on his birthday. I hope he will have many more. All of us have great respect and affection for the Senator from Connecticut, and I express to him the congratulations and best wishes of all Members of the majority. That does not carry over into November, but it certainly applies during the sessions of the Senate in the 84th Congress.

The PRESIDING OFFICER (Mr. Bush in the chair). The Chair hopes it is not out of order for the Presiding Officer to acknowledge this gracious statement.

Mr. IVES. Mr. President, I join in tendering congratulations to the Presiding Officer, and paying him tribute. I did not know it was his birthday, although I talked with him earlier in the day.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, it is hoped that we may be able to enter into a unanimous-consent agreement to vote on the pending bill some time tomorrow.

Following the disposition of the pending business it is the plan of the leadership to have the Senate proceed to the consideration of the farm bill, and perhaps conclude the consideration of that bill on either Thursday or Friday.

The Senate has already disposed of the urgent deficiency bill for 1956 and the Treasury and Post Office appropriation bill.

It is expected that the conference report on the second supplemental appropriation bill will be brought before the Senate tomorrow, after the morning business.

The Interior Department appropriation bill has already been passed by the Senate, and it is hoped that the Senate may be able to act on the conference report on that bill as soon as agreement is reached by the conference committee.

The leadership is informed that the Committee on Appropriations expects to report the agricultural, District of Columbia, General Government matters, independent offices, and Commerce Department appropriation bills some time during the week of May 18 to 25.

The State-Justice-judiciary appropriation bill is now before the committee and hearings on it are being held both mornings and afternoons. I am chairman of the subcommittee, and I hope we may have that bill before the Senate by the end of the month.

The public works appropriation bill will be reported to the Senate some time next month.

We have not yet started hearings on the Mutual Security appropriation bill, because authorizing legislation must be considered first. Of course, we will also have the legislative and supplemental appropriation bills at a later date.

The Committee on Appropriations is to be commended on the progress it has made on the various appropriation bills. I am hopeful the committee will soon be able to mark up and submit final reports of the bills I have enumerated.

I make this announcement at this time so that Members of the Senate who are interested in action being taken by the Committee on Appropriations may be informed that the Senate will take up the appropriation bills as soon as they are reported.

The Senate will also consider a social-security bill, which will be reported by the Committee on Finance. There will also be a number of housing bills and a number of other bills which have been placed on the calendar during the past few days.

I shall confer with the minority leader before making a definite announcement, but it is anticipated that there will be a call of the calendar on Monday next.

Mr. IVES. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I am delighted to yield to the Senator from New York.

Mr. IVES. I wonder whether the Senator could enlighten us as to his plan with reference to the highway bill.

Mr. JOHNSON of Texas. That is another very important piece of proposed legislation, and we expect to act on it very promptly as soon as the Committee on Finance acts on the tax title of the bill, which it is now considering.

I thank my good friend from New York for calling that bill to my attention. It is a very important piece of legislation. The Senator from Virginia [Mr. BYRD] and his committee have been carrying a very heavy load this year with tax, social security, and sugar legislation. As soon as his committee is ready to report the highway bill, the Senate will take it up.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The CHIEF CLERK. On page 1, line 4, after the word "in", it is proposed to strike out "ratifying" and insert "giving its advice and consent to the ratification of."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NEUBERGER. Mr. President, the Niagara power bill, which we are debating today, is the supreme test of the sincerity of the power program of the Eisenhower administration.

In innumerable speeches and statements, the President and his aides insist that they are opposed to further Federal projects like Grand Coulee and Bonneville, because they want construction by so-called local interests.

Here is a bill before us to let the State of New York undertake development of the remaining hydroelectric resources on the American side of the border, at Niagara Falls. Could anything be more truly and genuinely "local" than a State government? It is responsive to the people. It belongs to the people. It can be changed by the people.

Throughout the Pacific Northwest, where I live, the Republican administration talks continually of "local" erection of power projects. Why? Because in the Northwest, the only choice is between the Federal Government and private power companies. State governments in the Northwest do not have the financial means, nor have they implemented the political authority, to undertake huge dams such as those proposed by the 308 report of the Corps of United States Army Engineers at Hells Canyon or John Day. My own State of Oregon, for example, has had to saddle its citizens with the highest State income tax in the Nation so as to maintain its obligations in the field of education.

HOW "LOCAL" DO YOU HAVE TO GET?

But the government of the State of New York is something else again. New York's population equals that of all of Canada; it is 10 times that of Oregon. Its legislature has approved the necessary enabling bills to bring about State development of Niagara. The State has a power authority of the State of New York which has all the essential machinery to this vast undertaking. New York State is ready to go. Why will not the administration and the Republicans let it proceed? Is not the State of New York sufficiently "local"? How "local" do you have to get? Or, is an absentee-owned utility company in the Pacific Northwest regarded as "local" to that region, while the State government of New York is not regarded as "local" in New York?

I have emphasized these facts because they strip down to the last veil the hypocrisy in the power program of the present administration. In the Northwest, where State governments lack the finances to undertake vast multipurpose projects, we hear that we must surrender choice hydroelectric sites to so-called "local" interests. Invariably, these "local" interests are predominantly private power companies.

But in New York, where State government is ready, willing, and eager to tap Niagara's immense potential in thundering waters, the talk of local participation is as silent as the tomb—because, to the average American, his State government seems pretty authentically local; in fact, it is about as local as you can get, unless the city or county is to get in on the act.

The people of New York and New England have long had about the most outrageously high electric rates of any group of consumers in the entire United States. I repeat here the famous remark of former Gov. Thomas E. Dewey, of New York, when, in 1951, he said of the year 1949:

> The New York State cost (of electric power) was 170 percent higher than in the State of Washington; 146 percent higher than in Oregon; and 132 percent higher than in Tennessee.

In general the same condition holds for the entire New England area. It is high time that we give to the small electric consumer of the Northeast the advantages of low-cost power long enjoyed in other parts of the United States.

NO FEDERAL INVESTMENT AT NIAGARA

Some Senators may hesitate to give the license to a public agency such as the New York State Power Authority because of their fear of alleged socialism—creeping or otherwise. I would hasten to reassure such Senators that this is certainly no more socialistic than was the upper Colorado storage project, which many of my Republican colleagues voted for in April of last year. But the Niagara proposal has the added appeal that no Federal investment whatever is required.

In the case of the upper Colorado, the bill was supported by the power companies and by the administration. In this case, at Niagara, the electric cooperatives are for it, and the municipal electric systems are for it.

Now I want to show further comparisons between the upper Colorado storage project and this present proposal.

In each case we have a multipurpose project—on the one hand irrigation, flood control, and power generation, and on the other the preservation and enhancement of the beauty of Niagara Falls and, again, the generation of power. In the matter of power generation the total capacity as provided for in the 2 bills is nearly the same—1.1 million kilowatts in the combined and revised upper Colorado compared to 1.2 million kilowatts to be added at Niagara. However, the output at Niagara will be considerably greater because of the better flow conditions resulting from the huge storage basin of the four Great Lakes. Niagara is one of the best remaining partially developed hydro sites in the United States.

Although there are differences between Niagara power redevelopment and the upper Colorado project in costs and power output, there is a close parallel in the manner which both proposals provide for disposal of the electric energy produced. Provisions in the Niagara bill, as in the upper Colorado authorization, represent an extension of the historic

pattern giving to public bodies and other consumer-owned electric systems a priority for the available power.

PREFERENCE CLAUSE A TIME-HONORED PRINCIPLE

This principle was established in the Reclamation Act of 1906 so that consumer-owned systems—generally without the financial strength to construct their own generating facilities—could be assured of the power supply necessary for their continued operation. As a policy of Government, the so-called preference clause was deemed necessary to equalize the opportunities for development between publicly and privately owned facilities in a natural monopoly field. The preference clause was conceived to enhance the possibilities for the public to make a choice as to how it wants to be served in this field. As Theodore Roosevelt said in 1909:

> I esteem it my duty to use every endeavor to prevent the growing (power) monopoly, the most threatening which has ever appeared, from being fastened upon the people of the Nation.

The priority in availability given by the preference clause is the basic ingredient which insures the right of choice between public and private operation. Since 1906, the preference clause has been included in the Federal Water Power Act of 1920, the Salt River Project Act of 1922, the Boulder Canyon Act, the Tennessee Valley Authority Act, the Rural Electrification Act, the Bonneville Act, and the Fort Peck Project Act.

It is noteworthy that some of the strongest supporters of the preference clause in the past have been leaders of the Republican Party. On July 29, 1935, the first bill providing for sale and distribution of hydroelectric power from Bonneville Dam was introduced in the United States Senate. The author of the bill was Charles Linza McNary, Republican minority leader and Senator from Oregon since 1917. Section 3 of that bill provided as follows:

> In the disposal of such power not required for navigation facilities, preference shall be given to States, counties, municipalities, and to cooperative organizations of citizens not organized for doing business at a profit.

SENATOR M'NARY BACKED PREFERENCE CLAUSE

Charles Linza McNary, Republican minority leader in the Senate, was the father of the Bonneville Act, which carried forward the established principle for public preference. The strength of his belief in this concept of priority is indicated by the fact that he reaffirmed that viewpoint in later legislation for marketing of the power from Bonneville Dam. Section 4 of the Bonneville Power Marketing Act said:

> In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural customers, the Administrator shall at all times in disposing of electrical energy generated at said project give preference and priority to public bodies and cooperatives.

I should like to call to the attention of the Senate the striking parallel between the language of the preference clause advanced by the late Senator McNary and that which is contained in the Niagara power-redevelopment bill now under consideration. Section 4 of the Niagara bill, authored by the able Senator from New York [Mr. LEHMAN], provides:

> (4) Project power shall be sold and distributed primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use.

The similarity between the Bonneville and Niagara Acts makes it apparent that the concept espoused by Senator McNary lives on in subsequent legislation for development of our Nation's water resources. The preference clause has become the time-honored means for permitting freedom of choice in the distribution of energy from publicly financed water projects.

PRIVATE COMPANIES PROSPER UNDER PREFERENCE

Yet its existence will not prevent private companies from buying this power; it merely acts as a deterrent to monopoly. In the Pacific Northwest, private power companies buy a large share of the power marketed from Federal dams by the Bonneville Power Administration. For instance, during fiscal 1955, the Bonneville Power Administration sold approximately 21 billion kilowatt-hours of electricity. Of this total, about 4½ billion kilowatt-hours went to privately owned utilities and about 9 billion kilowatt-hours to industrial consumers. Both of these groups are nonpreference customers, yet they received more than 60 percent of the federally generated power in the Columbia River system.

Private interests—the nonpreference users—received their fair share of Bonneville power, and at even lower rates than did the public agencies. The average rate for Bonneville power sold to private industry was 2.12 mills per kilowatt-hour, and the average to private utilities was 2.17 mills per kilowatt-hour. Yet, some of the so-called preference customers—the public utility districts, cooperatives, and municipalities—paid an average of as much as 4.35 mills per kilowatt-hour, largely because of a lower power demand by their predominantly residential consumers.

Is there any indication that in actual practice the preference clause places an undue burden on the operation of privately owned utilities? Certainly that is not the case in the Pacific Northwest, where private utilities have grown and prospered since the advent of the Bonneville Power Act, fathered by the late Senator Charles McNary. It would appear that the effect of the preference clause, more than anything else, is a spur which makes the private companies more enterprising. Its existence makes them more conscious of their public utility responsibilities, more cognizant of the requirements of their customers. It is a prod toward competition in a field where complete monopoly can have many unfavorable aspects.

SHOULD NIAGARA BE SURRENDERED TO MONOPOLY?

In conclusion, I wish to comment briefly on one bit of irony in the reasoning of the minority views, which were submitted by some of my distinguished colleagues on the Senate Committee on Public Works. They claimed that citizens of other States would have to make up in their own tax payments, the $23 million in revenues which the private utilities allegedly would pay to the Government on their installations at Niagara Falls, if they are given the site.

This is a curious claim. It presumably could be amplified to support, for example, private operation of all our harbors, ship channels, and ports, if only the private interests acquiring these deepwater navigation avenues will pay taxes upon them. We might even have a private Army and Navy, which would charge fees for defending us, if these "Hessian armies" and mercenaries then would pay taxes to the Government on their weapons and uniforms.

Also, it is significant that the minority views complain bitterly over the fact that the so-called tax-free power authority will sell power only at 3 mills a kilowatt-hour. But the same minority views protest, with even greater bitterness, the public-power preference clause in the Lehman bill. Evidently, private utilities desire to purchase the 3-mill energy which is so much questioned in another portion of the report.

It is my belief that great benefits will flow to the people in the northeastern part of the United States from enactment of the Niagara power redevelopment bill. It will open a new source of low-cost power, distributed under a method which provides freedom of choice in the instrumentality of delivery. I will support this bill because it represents another forward step in the principle of developing the Nation's water resources with the widest possible benefits to the greatest number.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. I am glad to yield.

Mr. LEHMAN. I wish to compliment the Senator for his very clear and useful speech, which sets forth the facts regarding the preference clauses which are included in my bill.

Much has been said on the floor of the Senate and elsewhere about the effect of the passage of the bill upon the public development of Niagara, and the effect such public development will have on the private utility companies. Of course, the private utility companies want to get this extremely valuable resource under their own control, to do with it as they wish. But experience has shown that every time the price of power is reduced—and this will be possible, I am convinced, under my bill, provided the preference clauses remain—the per capita consumption of power is tremendously increased.

The anomalous situation exists that in Niagara Falls, N. Y., the power rate is twice as high as it is across the river, in Niagara Falls, Ontario. The electric bill of a residential user consuming 250 kilowatt-hours in Niagara Falls, N. Y., is $5.03. Yet right across the river—and the river nowhere is more than a mile or a mile and a half wide—the cost of 250 kilowatt-hours of electricity is only $2.39, less than one-half the amount charged in Niagara Falls, N. Y.

As a result, there has been phenomenal growth and development in both the field of industry and the field of residential expansion in Ontario, while many organizations, householders, and farmers on the United States side of the Niagara River have been penalized.

I point out that the cost of 100 kilowatt-hours in New York City is $4.44; in Yonkers, N. Y., $5.10; in Boston, Mass., $4.74; in Waterbury, Conn., $4.16; and in Providence, R. I., $4.60.

On the other hand, the charge for 100 kilowatt-hours in Tacoma, Wash., which has the benefit of the public development of power, is only $1.70; in Seattle, $2.72; in Eugene, Oreg., $1.80. As a result of the lower rates, which have been made possible by the public development of electricity, the consumption of power has tremendously increased in direct proportion to the lowering of the rates.

In Tacoma, Wash., where the rate is $1.70 for 100 kilowatt-hours, the average annual residential electric consumption is 6,659 kilowatt-hours, as against an average annual consumption in New York City of only 1,058 kilowatt-hours, a consumption which is less than one-sixth as great as that in Tacoma, Wash.

In Spokane, Wash., the annual average consumption is 5,726 kilowatt-hours; in Providence, R. I., it is only 976 kilowatt-hours—again, only about one-sixth as great.

I could mention area after area to prove my point, which is irrefutable, in my opinion, that the per capita consumption of power increases in direct relationship to the lowering of the price. There can be no question whatsoever about that.

I may say, too—and I repeat what I think possibly has been said—that wherever prices have been reduced because of the competition of public power, the profits of the private utility companies have increased. I do not believe there is a single large private utility company in the State of New York whose profits have not increased steadily over the past 10 or 15 years; and I feel certain that the profits of every private utility company on the Pacific coast, in the Southwest, and in the Southeast, where there is the competition of public development of power, have proportionately increased.

I again thank the Senator from Oregon and compliment him on a most valuable contribution which he has made to the debate.

Mr. NEUBERGER. After thanking the distinguished Senator from New York for his undeserved compliments to me, I wish to say to him: that we from the Pacific Northwest are particularly grateful to him, because he has had the political courage and the personal wisdom to include in the Niagara power bill the public power preference clause. We realize that there are many persons in his own State who do not understand fully the importance of the public power preference clause, and we regard the Senator as a pioneer of signal valor in the field of politics for including in the bill the public power preference clause, and for fighting for it.

I also desire to say that in fighting for the public power preference clause, he is carrying forward a political reform which was begun by one of the most illustrious sons ever produced by the State of New York, President Theodore Roosevelt, who played a very active part in politics in the State of New York, as the Senator from New York himself did before he came to the United States Senate.

I have listened with some amusement to some of the objections to the public power preference clause. Most of those objections come from Republican Members of this body. Yet I think it is of special significance that the public power preference clause was fathered during the Presidency of Theodore Roosevelt, one of the most outstanding Presidents who ever occupied the White House, and it was advocated repeatedly on the floor of the Senate by a Senator from my own State, Charles L. McNary. I have been particularly eager to bring before the Senate the record of the Bonneville Power Administration under the preference clause, which was sponsored by the late Senator McNary.

Today we are hearing on the floor of the Senate, from the opponents of the Lehman bill, how adverse the public power preference clause is to private utilities. Yet I have shown by figures which I have just obtained from the Bonneville Power Administration that during the fiscal year 1955 more than 60 percent of Bonneville's power, even under the preference clause, went to nonpreference customers. In other words, more than 60 percent of the energy went to either private utilities or private industry, neither of which comes under the scope or application of the preference clause.

The inclusion of the preference clause in the bill of the Senator from New York is for one purpose, and that is to prevent monopoly. That is the whole reason for the preference clause. If the preference clause is left in the bill, there will be competition in the distribution of power. There will be a yardstick to gage the rates charged by the private utilities. If the preference clause is deleted from the bill, as is proposed by the able senior Senator from New York [Mr. Ives], whose recovery from illness pleases us all, power from Niagara may be completely monopolized by the private utility companies. That is the issue before the Senate today.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. I was much interested in the statements of the Senator from Oregon about the upper Colorado project, which was fostered by the administration. That project provided for the generation of power by a Federal authority, the Bureau of Reclamation. Is that not correct?

Mr. NEUBERGER. That is true.

Mr. DOUGLAS. Is it not true that the upper Colorado would produce extremely high-cost power? As I remember, the upper dams will have generating costs of from 6 to 7 mills per kilowatt-hour. Is not that true?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. As the Senator from Oregon knows, I opposed the upper Colorado project, because I thought its irrigation features were excessively costly, and because I thought the generating costs, so far as power was concerned, were excessively high.

May I ask the Senator from Oregon what he understands to be the generating costs at Niagara?

Mr. NEUBERGER. I may say to the distinguished Senator from Illinois that I did vote for the upper Colorado project, although I had some slight misgivings. I supported it on the yea-and-nay vote because I believed the vast intermountain territory, which is a major portion of our country, urgently needs development, more population, and a greater agricultural and industrial economy, and I felt the upper Colorado project would contribute toward meeting that goal. The Rocky Mountain area requires this development.

Mr. DOUGLAS. I do not wish to get into an argument with the Senator from Oregon about the upper Colorado project. I think he was wrong in voting for it. I merely mentioned it to indicate that I am not an unqualified supporter of public power. I am opposed to it if it is uneconomical. However, what I am trying to get at is the difference between the costs of Columbia River power, on the one hand, and the Niagara and St. Lawrence power, on the other hand, both of which the administration is opposing, and the high-cost power on the upper Colorado, which the administration favored.

Mr. NEUBERGER. The Senator from Illinois has asked a very cogent question. As he correctly pointed out, power at some of the sites on the upper Colorado will cost between 6 and 7 mills per kilowatt-hour. Power from the vast Niagara Falls project will cost about 2 mills per kilowatt-hour. Power at Hells Canyon on the Snake River will cost approximately 2.7 mills per kilowatt-hour.

The Senator from Illinois has highlighted a curious irony and paradox of the power program of the present administration. It favors surrender to private utilities of Niagara Falls hydroelectric power, where energy can be generated for about 2 mills per kilowatt-hour, and it favors surrender to a private utility, in this case the Idaho Power Co., of the magnificent Hells Canyon site, where power can be generated for about 2.7 mills per kilowatt-hour, but it reserves for development by the taxpayers of the United States the upper Colorado where, as the Senator from Illinois has emphasized, the cost will be between 6 and 7 mills per kilowatt-hour. This is a policy of turning over the skim milk to the public and reserving the most nutritious, rich butterfat content, whipped cream for the private utilities.

Mr. DOUGLAS. I am very glad the Senator from Oregon makes this point, and I only hope that with the passage of time the consciousness of sin in connection with the upper Colorado project may deepen.

I should now like to ask the Senator from Oregon a question. I believe the Senator from Oregon said that the power rates in upper New York and northern New England—in fact, all of New England—were now approximately the highest rates in the country.

Mr. NEUBERGER. That is my understanding.

Mr. DOUGLAS. Would not Niagara and St. Lawrence power, distributed through municipalities and cooperatives at lower rates, be a powerful force in reducing general power rates in upper New York and in New England? They would largely afford a yardstick which would force the public utility commissions to reduce private power rates.

Mr. NEUBERGER. It most certainly would, if the lesson of recent history is to be again demonstrated. All one has to do is look not only at power rates, but at average residential consumption in areas where there is a Federal power yardstick. In such areas, for example in the TVA area and in the Columbia basin, where there is a Federal power yardstick, rates are low and consumption is high. Where the Federal power yardstick is lacking and there is no competition, rates are high and residential consumption is low. It is as simple as A, B, C. It is the record of the last quarter of a century in the United States.

For example, as the distinguished Senator from New York pointed out at Tacoma, Wash., which has the benefit of public power, and which purchases a part of its electric energy from the Bonneville Power Administration, through the protection of the preference clause sponsored by the late Senator McNary, the consumption in the average household is approximately 6,700 kilowatt-hours a year, whereas in some of the communities in Massachusetts, for example, and in other areas of New England the consumption is approximately 900 kilowatt-hours a year.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield further to me?

The PRESIDING OFFICER (Mr. Murray in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. Is it not true that the high rates in New England at least are holding back the industrial development of that region, because the high rates result in high power costs and hence are a competitive disadvantage?

Mr. NEUBERGER. I would answer the question of the Senator from Illinois by asking another question, albeit a hypothetical one: If the Senator from Illinois were an industrialist and if he depended upon electric energy to move the machinery in his plant, would he establish his plant in such an area as the Pacific Northwest or the TVA area, where electricity can be purchased for 2 mills a kilowatt-hour, or would he move the plant to New England, and pay anywhere from 8 to 15 mills a kilowatt-hour?

Mr. DOUGLAS. I think I would follow the advice of Horace Greeley and "Go west, young man."

Mr. NEUBERGER. "And grow up with the country," as Greeley also said.

Mr. DOUGLAS. Is it not true that the New York Power Authority is an independent corporation, although its members are publicly appointed, and that it has the power to issue bonds, contract debts, and obtain revenue? Will it not do so in connection with Niagara?

Mr. NEUBERGER. That is my understanding.

Mr. DOUGLAS. Is not the chairman of the New York Port Authority the very able Mr. Robert Moses?

Mr. NEUBERGER. I believe he is.

Mr. DOUGLAS. Is it not true that the New York Power Authority is generating power on the St. Lawrence River, below Lake Ontario, and that the waterpower of the St. Lawrence is being shared equally between Canada and the United States, and the power authority is developing approximately 1 million kilowatts of electricity there?

Mr. NEUBERGER. That is also my understanding.

Mr. DOUGLAS. Is it not true that so far as the St. Lawrence project is concerned, the New York Power Authority is selling the power in preference to the REA cooperatives and to plants which are municipally owned?

Mr. NEUBERGER. That also is my understanding of the situation.

Mr. DOUGLAS. When I was at the St. Lawrence, in November, a contract had just been made to supply 100,000 kilowatt-hours to the federation of REA cooperatives in Vermont, thus giving to Vermont some of the power that State has badly needed and for which the senior Senator from Vermont [Mr. Aiken] has fought. A contract had also been made to furnish 30,000 kilowatts to the city of Plattsburg, which has a municipal plant. If it is proper for the New York Power Authority to give preference to REA cooperatives and municipalities, insofar as the St. Lawrence power is concerned, why is it not also proper to do the same insofar as the power from the Niagara is concerned?

Mr. NEUBERGER. It seems to me that the Senator from Illinois has touched the Achilles' heel of the argument of the other side. They both hold with the hounds and run with the hare. When they wish to consider something as being socialism, they cry, "It is socialism." But when they want to do exactly the same thing in another realm, the cry "socialism" is not heard.

For example, we need refer only to the upper Colorado project. Many Members who now decry the Niagara project voted for the upper Colorado project. I may be dense and without very good thinking processes, but I doubt anyone could convince me that what is socialism in the State of New York is just good, old, free enterprise in the Rocky Mountain area. How can it be that public development of the upper Colorado conforms to all the free-enterprise clichés of the Eisenhower administration, but public development of Niagara Falls or Hells Canyon is socialism? It just is not possible to turn on and off the cry "socialism" like a beer spigot. But as the Senator from New York has pointed out, that is done in the entire discussion of the public power preference clause. We have heard the public power preference clause denounced as being socialistic; yet we point out that the public power preference clause was conceived by a Republican President of the United States, and was advocated on the floor of the Senate by one who served as Republican minority leader for—if I am not mistaken—10 or 12 years, which certainly is a long time in the annals of the Senate for one to serve consecutively as the leader in this body of a great political party.

The entire program of the administration in the field of hydroelectric resources cannot undergo careful scrutiny. What they really want to do is favor public power when they have available for development a site which is marginal, where the waterflow is not dependable, and where no private utility in its right mind would touch the site with a 300-mile transmission line, to say nothing of a 10-foot pole. But when they have a choice site still available, such as the remaining waters at Niagara Falls or Hells Canyon, on the Snake River, then they are 100 percent in favor of private enterprise, because that is a site which the private utilities crave.

Mr. DOUGLAS. Does the Senator from Oregon believe that attitude indicates that the administration believes in the socialization of losses?

Mr. NEUBERGER. The Senator from Illinois has a better knowledge of economics than I do; but it seems to me he has given a good description of the situation, because the administration believes in socializing sites which are of dubious payout, but in surrendering to the private utilities the sites which will be financially successful.

I cannot overemphasize the great service the Senator from New York has rendered in including in his bill the public-power preference clause. It would have been very easy for him to have omitted it from the bill; but he realizes, as we do, that such an omission of the public power preference clause would have permitted the remaining power at Niagara Falls to be monopolized by the private companies.

Mr. DOUGLAS. Is it not true that in upper New York State there are a number of municipalities which have municipally owned power systems? For example, I think of the city of Jamestown, N. Y., a city primarily composed of Americans of predominantly Swedish descent. I think Jamestown is a strongly Republican city. Yet, as I recall, it has a municipally owned plant. Steam plants of such relatively small size may become technologically obsolete. Would it not be a great aid to the conservative people living at Jamestown, N. Y., and vicinity, if they could get their power from Niagara, through a transmission line which would give them preference?

Mr. NEUBERGER. The Senator from Illinois is more thoroughly acquainted with the State of New York than I am; but it seems to me that if the people of Jamestown, N. Y., could supplement or replace obsolete steam-power equipment with low-cost Niagara energy, it is obvious that this would be to the benefit of the homes, stores, and industries in Jamestown.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. McNamara in the chair). Does the Senator from Oregon yield to the Senator from New York?

Mr. NEUBERGER. I am happy to yield to the Senator from New York.

Mr. LEHMAN. I wish to emphasize 1 or 2 points which I think may be misunderstood or, rather, not understood at all. We speak of preference clauses to public bodies, municipalities, defense agencies, and rural electric cooperatives. When we talk about preferences I do not want anyone to believe that we are asking for any preference in price for these organizations. There is no such thing. They will have to pay exactly the same price anyone else pays.

Mr. NEUBERGER. It is even possible, I may say to the Senator from New York, that as in the Pacific Northwest, the public agencies may pay a little more, because they will undoubtedly not buy power in as large quantities as do either industries or private utility companies. We in the Northwest have not objected to that. What we do not want—and I know the Senator from New York does not want it, either—is to have power monopolized so that public agencies are not assured of a supply.

I am glad the Senator from New York brought up the subject of price, because not only do we not seek any favoritism with respect to price, but all we ask is that the public agencies, which are in most instances far smaller than the private utilities, have the right not to be excluded completely from Niagara power or from Bonneville power.

Mr. LEHMAN. In my judgment, that is an absolutely accurate statement. The reason why I am pressing so vigorously for the inclusion of the preference clauses, and the reason why I am so unalterably opposed to any diminution of that policy, is, as the distinguished Senator from Oregon has already pointed out, that I want to prevent monopoly in the distribution of power. If we are to get reasonable power charges in New York and in other areas of the Northeast, in neighboring States, I think it is highly important that we have a yardstick on which to proceed.

I also point out to the distinguished Senator from Oregon that we are not making this fight for New York State alone. We are making it for other States in the Northeast.

Under the provisions of the bill which my colleagues and I have introduced, a reasonable share of this cheap power must be made available to Ohio, Pennsylvania, and any other States which are within economical transmission distance from the point at which the power is generated.

Mr. NEUBERGER. The Senator from New York has taken the broad-gage viewpoint, as he characteristically does. In other words, he realizes that Niagara Falls, like any other great thundering river, belongs to all the people, and he does not want Niagara Falls monopolized by a corporation. Nor does he want it monopolized geographically.

I am pleased that the Senator from New York stresses the issue of monopoly. In 1940, when I was a journalist, I was assigned to write for Life magazine a long profile of Senator Charles L. McNary, who had just been nominated for the Vice Presidency on the Republican ticket as Wendell Willkie's running mate. I spent a considerable length of time with Senator McNary at his farm home near Salem, Oreg., which he called Fir Cone, because of the fir trees which dotted the beautiful place where he was born and brought up.

I remember saying to him something like this: "Senator, some people who are prominent in national politics criticize the fact that you are on the ticket with Mr. Willkie. They think you are too radical, because you have sponsored public power preference clauses in various bills affecting the Pacific Northwest hydroelectric development."

I remember so well Senator McNary saying to me, as he sat there on the lawn at Fir Cone, "All that the preference clause does is to prevent monopoly."

Then he added, "It really should be called an antimonopoly clause. That would be a better description of it."

I recall today that statement by Senator McNary. It was brought to my mind, not during this debate, but a few days ago, when Mrs. Neuberger attended a luncheon for the ladies of the Senate, and for the first time met Mrs. Charles L. McNary, the widow of the distinguished Republican leader.

After the episode and meeting had been recounted to me by Mrs. Neuberger, again there entered my mind what Senator McNary had said in defense of the preference clauses. It seems to me axiomatic that unless there is a preference clause, this power will be monopolized.

Mr. LEHMAN. Mr. President, will the Senator yield for a further brief observation?

Mr. NEUBERGER. I am happy to yield.

Mr. LEHMAN. We have been talking about the difference in cost, as between New York and other sections of the country, which are served by publicly developed power. Of course, the rate which is charged for the use of electrical energy in the Northeastern States, the New England States, and New York State, is far above the average charge in the country, and dramatically above the rate charged in those States which are served by public power.

In 1949 Governor Dewey, who was my successor as Governor of New York State, in his message to the legislature set forth, among other things, the following figures, which I think are very interesting: The New York cost was 170 percent higher than the cost in the State of Washington; 146 percent higher than in Oregon; and 132 percent higher than in Tennessee.

Governor Dewey pointed out further that with such high-cost power it is not surprising that the average residential use of electricity is far below the national average—in fact, the consumption is lower in only 7 of the 48 States of the Union.

The States with which comparison has been made are all served by public power. New York State, of course, is not, and the Northeastern States are not. To me it would be a calamity, and a completely unjustifiable thing, to stop the development of this power publicly and turn it over, as it is now proposed in the bill introduced by my colleague from Indiana [Mr. Capehart] to the private utility companies.

Mr. NEUBERGER. As the Senator from New York has so ably pointed out, it would mean a continuation of high rates and low-power consumption in a region of the United States which should have low rates and high-power consumption.

I was particularly interested in the very able address delivered on the floor of the Senate a short time ago by the senior Senator from New York [Mr. Ives] in which he made the claim that the preference clause in the Lehman bill—and I quote him exactly:

> Would discriminate against 95 percent of the residents of New York State by granting a preference to the few isolated cooperatives and municipality operated powerplants scattered throughout the State.

If I may be pardoned for saying so, I believe that that statement of the senior Senator from New York is diametrically contrary to the fact. The way to do something for the 95 percent of New York consumers who are at present served by private utility companies is to provide for them the low-rate yardstick which Niagara Falls and the preference clause could make possible. Unless that low rate yardstick is created, they will continue to be at the mercy of the private utility companies for the rest of their lives, and, far into the future beyond that point, their descendants will be at the mercy of the private power companies, which charge high rates and bring about low consumption.

But if we pass the Lehman bill, and make available immense quantities of Niagara Falls power at low rates, with a public power yardstick, the private utilities will have to reduce their rates. That has been the example in the Pacific Northwest. That has been the example in Tennessee. I cannot think of a single argument which would tend to prove that a similar pattern would not be effective in the State of New York, and generally in the northeastern part of the United States.

The public power preference clause is what 95 percent of New York consumers need. Those are the people who were mentioned by the senior Senator from New York [Mr. Ives]. However, if his wishes prevail, those consumers will merely continue to be at the mercy of private utilities.

The only possible way to bring about the situation we have in the Northwest and in the Tennessee Valley, with low rates and high residential consumption and high industrial consumption of power, is with the public power preference clause.

Theodore Roosevelt, Charles McNary, George W. Norris and other progressive Republicans like that saw it a quarter of a century and more ago, as the distinguished junior Senator from New York sees it today in the bill he is sponsoring for Niagara Falls.

I wish to say to my friend from New York again that it is a great privilege to

work in the ranks under his leadership in the effort to save this invaluable hydroelectric resource for not only the people of New York State and New England, but also for all the people of the United States.

Mr. LEHMAN. Mr. President, I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a few more questions?

Mr. NEUBERGER. I am happy to yield.

Mr. DOUGLAS. The Senator from Oregon is a member of the Committee on Public Works. Does he remember the testimony of Mayor Dougherty, of Dunkirk, N. Y.?

Mr. NEUBERGER. I do.

Mr. DOUGLAS. Is it not true that, as the record of the hearings indicates, Mayor Dougherty pointed out that the city of Dunkirk, which has a municipally owned utility plant, has the lowest rate for residential electricity of any community on the Atlantic seaboard, in the New England States, in the Middle Atlantic States, and in the South Atlantic States? That is found at page 211 of the hearings.

Mr. NEUBERGER. I do indeed remember Mayor Dougherty's very effective testimony, either from reading or hearing it.

Mr. DOUGLAS. He testified that Dunkirk was buying its power from private utilities and paying 8.6 mills for it.

Mr. NEUBERGER. But nevertheless Dunkirk was underselling the private utilities in that area when it came to distributing the power to residential users.

Mr. DOUGLAS. That is correct. With a generating cost of a little more than 2 mills per kilowatt-hour, even if there were added the transmission cost for the 65 miles or so from Niagara Falls to Dunkirk, power could still be laid down in Dunkirk at a very much lower rate than consumers in Dunkirk are now paying. Is that not correct?

Mr. NEUBERGER. That is obvious. The Dunkirk power rate could be cut in half, perhaps even more, despite the low prevailing rates.

Mr. DOUGLAS. That is, the wholesale power costs. Is that correct?

Mr. NEUBERGER. That is correct; the wholesale power costs.

Mr. DOUGLAS. Is it not correct to say that Mayor Dougherty listed 22 municipalities in New York State which have municipal powerplants, and that this list is found at page 214 of the hearings?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. The mayor listed the following cities: Dunkirk, Ilion, Salamanca, Mohawk, Fairport, Penn Yan, Jamestown, Solvay, Green Island, Westfield, Springville, Watkins Glen, Freeport, Plattsburg, Herkimer, Bath, Wellsville, Hamilton, Rockville Center, Frankfort, Tupper Lake, Lake Placid, and Greenport. I had already mentioned Plattsburg in connection with the St. Lawrence Seaway.

Therefore, there would be a considerable demand already existing from these 23 municipalities, most of which apparently buy their power wholesale from private power companies. Is that correct?

Mr. NEUBERGER. That is correct. As I remember, in nearly every instance presented by Mayor Dougherty, the communities nearby, which had private power distribution, had higher rates than the communities which were served by municipal plants. That was not universally the case. There were a few isolated exceptions, as I remember.

Mr. DOUGLAS. There were six exceptions, as I remember.

Mr. NEUBERGER. I am not sure of the number. However, there were a few exceptions. Generally, the overwhelming pattern was that in those New York regions, a city with a public-power system charged substantially lower rates to the consumers than were charged the consumers in a neighboring community, which was served by a private power company.

Mr. DOUGLAS. Of course, in many instances municipal authorities in communities which own municipal powerplants have kept their utility rates high in order to make a large profit and in that way reduce the taxes levied upon local real estate. Therefore, a comparison of rates is not a perfect one, because in many cases the community has chosen to pass the benefit on not only to the users of electricity and perhaps not primarily to them, but to all payers of local taxes, or to finance municipal improvements, which otherwise would not be undertaken.

Mr. NEUBERGER. There are many cities which are served by public power where needed community services are financed out of profits or income from the public-power system.

Mr. DOUGLAS. One of the most amusing cases which has come to my attention is that of the beautiful little north shore community of Winnetka in my own State, which has as residents perhaps the largest proportion of corporation lawyers and utility lawyers in the country. The community set up a municipally owned electric plant, but the local authorities provided that the rates should be the same as those charged by the private utilities in the neighboring communities, so that there would be no pressure put upon the private utilities to readjust their rates.

Winnetka made large amounts of money on its utility operation, which it has used for public facilities and to reduce taxes. In that way the utility lawyers and utility executives and corporation executives living in Winnetka, along with its other citizens, profited greatly from this experiment which, for less favored people, most of them denounce.

Mr. NEUBERGER. Have they regarded themselves as having been socialized in the process?

Mr. DOUGLAS. I try to be a polite man, and I have never asked them that question. However, I would say that they were not socialized; no.

Does the Senator from Oregon remember the testimony of Mr. Gordon F. Clapp, who at the time of his testimony was deputy city administrator of the city of New York?

Mr. NEUBERGER. I do remember the testimony of Mr. Clapp.

Mr. DOUGLAS. He pointed out that the New York City Transit Authority buys one-third of the power used to operate the subways in New York City from the Consolidated Edison Co. and that it costs 15 mills per kilowatt-hour. That testimony is found at page 258 of the hearings.

Mr. NEUBERGER. I remember the testimony. That is a very high rate.

Mr. DOUGLAS. Yes; 15 mills. Mr. Clapp testified that, in view of the low generating costs, amounting perhaps to a little more than 2 mills per kilowatt-hour, it was his belief that either the power could be transmitted directly from Niagara Falls to New York City, or that a shuttle system could be used by which the power could be moved from Niagara for a distance of perhaps 150 or 200 miles, and the power released along the line through a wheeling arrangement; and that in this way it would be possible to get a very much cheaper rate for the power delivered in New York City.

Mr. NEUBERGER. The poor, harassed subway riders of New York City, who have had to face a constant increase in the subway fare, might perhaps get some relief if the subway systems of New York City could buy power generated at Niagara Falls.

Mr. DOUGLAS. The financial problems of New York City, which are very great, with large revenues having been devoted to——

Mr. NEUBERGER. To a so-called subsidizing of subways——

Mr. DOUGLAS. That is correct—the financial problems could be reduced, could they not?

Mr. NEUBERGER. Of course they could be reduced in that way. I recall that when I read Mr. Clapp's testimony, and noted that he mentioned the 15 mills per kilowatt-hour, I could not help but contrast that rate with the Bonneville rate for power which is delivered to industrial uses in the Pacific Northwest. That rate is a little more than 2.1 mills per kilowatt-hour. When we consider the vast amount of electrical energy that is needed to operate the subway systems of New York City with its thousands of trains, we can well imagine the difference it would make if the city could buy power for somewhere between 2 and 3 mills, instead of for 15 mills.

Mr. DOUGLAS. Of course the power would probably cost more than 2 or 3 mills delivered in New York City.

Mr. NEUBERGER. Perhaps it would. However, I still think this is a basic thing that we must consider, and I am sure the Senator from Illinois has taken cognizance of it—the Bonneville rate is extremely low at point of delivery. I should like to call attention to the fact that the Bonneville rate to the large aluminum plants in the Pacific Northwest is approximately 2.1 mills, delivered.

Mr. DOUGLAS. Delivered how far?

Mr. NEUBERGER. For example, the plant at Wenatchee is about 150 miles from the dam at Grand Coulee. I would say that the Reynolds Aluminum plant at Longview is approximately 100 miles from the dam at Bonneville. I am merely trying to estimate now, and I do not have a map in front of me. However, there are some substantial distances involved in the transmission of the energy.

Mr. DOUGLAS. In any event, there is a great latent demand for this power in New York State, is there not?

Mr. NEUBERGER. Of course, there is.

Mr. DOUGLAS. The demand comes not only from private concerns but also from municipal enterprises; is that correct?

Mr. NEUBERGER. The demand in the State of New York, which is the most populous State of the Union, is unlimited, it seems to me. If the rates should come down, the demand, of course, would be infinitely greater.

Mr. DOUGLAS. I was very much pleased to note that the distinguished senior Senator from New York, for whom I have in general a very high opinion, although with reference to this particular amendment I cannot agree with him, stated that the need for additional power in the western portion of New York State, and in adjacent areas in other Northeastern States, is acute.

Mr. NEUBERGER. It seems to me that the people of New York have this choice: If their need for power is going to be met by energy which may sell anywhere from 2 to 5 or 6 mills per kilowatt-hour, or energy that may sell anywhere from 8 to 15 mills per kilowatt-hour, all they have to do is to consider the difference in consumption as between the two contrasting rates in those general realms.

Mr. DOUGLAS. Would it not also be true that if the municipalities and cooperatives do not take all the power, as I assume they will not, there would then be left large amounts for industry?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. The aluminum industry and the ferro-alloy plants, which require a large amount of electrical power, would be expected to develop within this area.

Mr. NEUBERGER. These are industries which are vital to our manufacture of consumer goods as well as products for national defense. Along the line of the Senator's question, I believe it is significant to point out that under the preference clause the Bonneville Power Administration, in fiscal 1955, sold 9 billion kilowatt-hours of energy to industrial consumers.

Most of the industries were in the general aluminum or light metal field. I am speaking of 9 billion out of a total production of 21 billion kilowatt-hours of electricity. Under the preference clause, both private utilities and industrial users, neither of which qualify as a preference customer, have fared extremely well and successfully in the Northwest.

Mr. DOUGLAS. This has led not only to the making of aluminum, but has it not also led to the establishment of large numbers of aluminum fabricating plants, so that a wide and varied industry has developed, including forest products industries?

Mr. NEUBERGER. The Stanford Research Institute, which, to my knowledge, is very reliable, made a study in the Pacific Northwest about 2 years ago and pointed out that 85,000 new jobs had been created in the Pacific Northwest—directly or indirectly—solely because of the production of aluminum in that area. That number of jobs involves a vast payroll. It may not seem like a great many jobs in the most populous State of the Union, but 85,000 new jobs, when we consider all the families dependent upon the men on the payrolls, are an enormous addition to the economy of the Pacific Northwest. Without low-cost public power, there would have been no aluminum in the Northwest.

I should like to state the record of aluminum for the benefit of the distinguished Senator from Illinois and the distinguished Senator from New York.

Prior to the year 1940, not one single ounce of aluminum was smelted anywhere west of the Mississippi River—not enough to make a thimble. But, because of the low-cost energy available from Bonneville and Grand Coulee, there came about within a few years the production of nearly half our expanded national capacity of aluminum in the Pacific Northwest, in the States of Oregon, Washington, and Montana.

Every one of those aluminum plants was purchasing its power from the Bonneville Power Administration at the low rate of a little over 2.1 mills a kilowatt-hour.

Again, Mr. President, I wish to stress the fact that such a vast and burgeoning increase in the aluminum industry, created under a policy which also recognized the preference clause, would otherwise have been lost without the low-cost power.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. I yield.

Mr. LEHMAN. I am glad the Senator brought up the question of the need for power and its usefulness in such industries as the chemical and metallurgical industries, and he has given us his experience in the Northwest in connection with aluminum companies. I wish to point out that for years the great plant of the Aluminum Company of America, at Messina, N. Y., has been and is now importing large quantities of power from Ontario. The company has not been able to get the power elsewhere. It is bringing it 150 or 200 miles from Ontario, in Canada. This shows, of course, the great need for electric energy.

We are depending today on Canada for a great deal of the power used in New York State. I mentioned this briefly yesterday. Night before last all the lights in Buffalo went out and also in eight of the western counties of New York State. Why did they go out? They went out because electric power is being brought in from Canada, from a Canadian development on the Niagara River, and storms interrupted the transmission of the electricity.

Canada, as we know, has been manufacturing and producing far more power on the Niagara River than has this country, and it will continue to increase its production and, possibly, take all the available power, unless we do something about it. Canada has been exporting electricity to this country. There was a failure of the power, with the result, as I have said, that for 2 hours all the lights in Buffalo and in some adjacent counties, went out. There was a complete blackout in that area. We have to import power from Canada to light the city of Buffalo which is within a few miles of the Niagara River. That shows the great need.

Mr. NEUBERGER. The Senator from New York has touched on another irony of this situation. While the vast, thundering, colossal waters of the Niagara River go unused over the brink of Niagara Falls, industry in his State must import energy from Canada. To my mind, that is extreme irony.

In the Pacific Northwest there is a duplication of that situation, in some respects, because this administration has closed down on the development of such sites as Hells Canyon. We now have no further additions to the low-cost electricity for the aluminum industry, and, therefore, our country is confronted with the need to import aluminum itself from Canada, produced at the Kitimat project in northern British Columbia. So we have a situation in the extreme upper left-hand corner and the extreme upper right-hand corner of this country, where there is a developing shortage of energy for household use and industrial uses, because our great waterpower sites are not being developed in the public interest.

Mr. LEHMAN. There is no doubt that. I again thank the Senator from Oregon.

Mr. NEUBERGER. I wish to thank the Senator from New York for his courageous leadership in this issue. I have no doubt that he was acting in accordance with a great tradition, not only for his State but for the Nation, when he sponsored this bill. He is acting in the time-honored tradition of Theodore Roosevelt, Franklin D. Roosevelt, and of other great leaders of both parties in his and other States, such as Robert F. Wagner, Charles L. McNary, George Norris, and others who have favored the development of public resources for all the people. Those men long fought for legislation which would prevent resources from being monopolized.

Mr. President, I yield the floor.

Mr. SCOTT. Mr. President, it is significant, I think, that the pending proposed legislation for the development of over 1 million kilowatts of electrical capacity at Niagara Falls by the State of New York will require no Federal appropriation whatsoever. Notwithstanding the absence of Federal financing, the project will, nonetheless, be executed in conformity with established Federal power policy. The proposed legislation embodies those principles of Federal power marketing which have been announced and reaffirmed by the Congress for some 50 years.

By passing the bill, Congress can, without committing itself to any appropriations, make possible the construction of 1,240,000 kilowatts of capacity at a cost of some $405 million, or $327 a kilowatt, which is less than half of the $685 a kilowatt cost of the Colorado River Storage project power.

Not only will no Federal funds be required in the undertaking of this $405-million Niagara project, but also I think it can be anticipated that the taxpayers of the State of New York will not be

called upon to assume the financing burden.

The New York Power Authority, which presumably would undertake the construction of the Niagara Falls redevelopment, has already successfully financed and is currently carrying on the construction of the great St. Lawrence power development. New York State has not asked its taxpayers to underwrite construction of the St. Lawrence project, but has rather secured its construction capital through the issuance of revenue bonds. I think we can assume that similar procedures will be followed if the State of New York is authorized, under the pending legislation, to go forward with the redevelopment of Niagara.

We can, therefore, perceive that the proposed legislation will not lead to a federally controlled taxpayer-financed undertaking, as has been charged in many quarters, but that the project will actually be constructed from funds obtained in the commercial money markets available to the State of New York.

The people of the State of New York are to be congratulated upon evolving a plan for development of a great resource like Niagara Falls on their own initiative and with guaranties that the small municipal and cooperative electric distribution systems will share in equitable proportion with the major utility networks the benefits to be derived from the project.

It seems to me that the bill, S. 1823, now under consideration, is an excellent compromise between those who favor outright Federal development of natural resources, and those who support such development by investor-owned utility companies. The New York plan, as embodied in S. 1823, contains the guaranties which are necessary to assure that power from the project will be disposed of in a manner so that benefits will not arbitrarily be restricted within a special favored group of purchasers, nor within arbitrary geographical limits.

Since the turn of the century, the Federal Government has encouraged and aided the comprehensive development of water resources in many parts of the country, but not in the Northeast.

We can no longer afford to ignore the ever-pressing necessity for the conservation and utilization of all the water resources of the country, be they consumptive or nonconsumptive. In the bill, Congress has the opportunity to use its broad power for the encouragement of resource development in an area which has, until now, not had one source of low-cost power.

This opportunity to encourage resource development in the East does not depend upon Federal appropriations or upon the necessity of the Federal Government to undertake the operation of the project. All that is required is that the blessing of the Federal Government be placed on the State of New York to undertake a power development under a plan conceived by the people of that great State.

Niagara Falls is one of the best remaining undeveloped hydroelectric sites in the country.

There is no question that the power capabilities at Niagara Falls should be developed to its fullest extent, and I take this opportunity to say that I am wholeheartedly in favor of the proposed legislation, and to urge its merit upon every Member of the Senate.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. LEHMAN. I thank the Senator for his speech. I think it is a very clear statement of the situation.

I had to leave the Chamber for a minute or two while the Senator from North Carolina was speaking, so I am not sure whether he pointed out that the proposed development will not cost the Federal Government a single cent; that the cost will be defrayed by the State of New York through the sale of revenue bonds.

Mr. SCOTT. Yes, I pointed that out; and I am glad to reiterate it.

Mr. LEHMAN. I thank the Senator from North Carolina.

Mr. COTTON. Mr. President, if all the fancywork and all the trimmings were stripped from this debate, what we would have left would be the question of whether the taxpayers or the utility companies would develop the additional electric power at Niagara Falls.

As a matter of principle and practical Government policy, I do not believe the taxpayers should be burdened with this kind of load. The record is abundant and clear as to the willingness and desire of the utility companies to develop the power. No question of high dams or low dams is involved. There are no side issues of flood control, or navigation, or river valley development. It is simply a question of private versus Government enterprise, and I believe in private enterprise. That is the main reason why my name is affixed to the minority views included in the report of the Committee on Public Works.

However, there are also some technical differences which I believe should be brought to the attention of the Senate.

One of these differences between the public and private development of the Falls involves the remedial works in the Niagara River above the Falls. These remedial works consist of various engineering devices in the river to control the spread and flow of water at the Falls.

Under the terms of the Lehman bill, S. 1823, which provides for the development of the power by the New York State Power Authority, the cost of these remedial works would be borne by the taxpayers of the Nation.

If the Capehart bill is adopted instead, the cost of the remedial works will be borne by the power development and paid for by the utility companies and their customers.

The remedial works, which are now under construction, will cost about $12,800,000. Since Canada and the United States have split the cost equally, the United States share will be $6,400,000.

Let us briefly see who should pay these costs. In other words, are these remedial works so essential and so integrated with the power project that the power developers should pay for them? Or are they properly chargeable to the citizens of New Hampshire, which I, in part, represent, and the rest of the Nation?

The record before the committee is clear and indisputable. The remedial works are an essential part of the power project and should be paid for by the power project, as provided in the Capehart bill. Their cost should not be loaded onto the taxpayers, as provided in the Lehman bill.

The International Joint Commission, a joint agency of the United States and Canada, which is responsible for the design and construction of the works, concluded that they were essential to preserve the beauty of the falls because of the power project, and further that the power project would not be practical without the remedial works. The Commission recommended that the power developer pay for them, and not the taxpayers generally.

The Bureau of the Budget, the Department of the Army, the Federal Power Commission have all declared that the power project should pay for the cost of the remedial work.

In 1951, Commissioner Thomas C. Buchanan, then vice chairman of the Federal Power Commission, told the Senate Public Works Committee:

> Inasmuch as the remedial works are absolutely necessary in connection with the diversion of the additional water now available for power purposes, it would be appropriate that the United States share of the cost of the remedial works be borne by power and included in the cost of the power-development works. Such action seems clearly warranted. Incidentally, the Canadian share of the cost of the remedial works is to be borne by power on the Canadian side of the river.

I have read from page 79 of the hearings of August 1951. The Congress itself has taken the same position and insisted that the power development pay for the costs of these remedial works. The treaty between Canada and the United States regarding Niagara and the subsequent report of the International Joint Commission required the construction of the works within 4 years. Because of the delay in authorization of the power projects, and in order to live up to our agreement, funds have been appropriated for their construction. As a matter of fact, the final appropriations needed for this work are now under consideration in the appropriations committees.

The appropriations to date were requested and granted by Congress "on the basis that the United States share of the cost of these remedial works is to be chargeable against the construction of power-producing facilities at this site." These words are quoted from the statement of the managers on the part of the House accompanying the conference report on the 1954 supplemental appropriation bill. The conferees unanimously approved this arrangement and the Congress concurred.

I refer to House Report No. 1075, to accompany H. R. 6200.

Unfortunately, the committee majority and the Lehman bill blithely ignore this mass of fact and propose to saddle the taxpayer with this extra expense, all the while telling him what a great bargain he is getting.

If adopted in its present form, the Lehman bill would contain this additional public power subsidy to the tune of $6½ million. This is not an indirect subsidy. It is an outright gift. Some would call it a giveaway . The taxpayers of the country will pay this difference right out of their pockets. While $6½ million may not be a lot of money to the Federal Government in this day and age, to a frugal New England Yankee "it isn't peanuts," and it is more than we can afford to donate to a rich and powerful State like New York.

This item may be only a technical difference between the bills under consideration. To me it is typical of the difference between private and government development of power. It illustrates one of the reasons why I intend to vote, if I get the opportunity to do so, for the Capehart substitute, or for any bill which will permit the prompt and immediate development of the power facilities of the Niagara by private utility companies that are prepared and ready and willing to proceed with such development.

I have already sent to the desk an amendment to the Lehman bill which would require the New York Power Authority to pay for the cost of the remedial works. I shall call up my amendment for consideration by the Senate at an appropriate time.

Mr. President, returning now for a moment to the general question involved in the bill, as a member of the minority of the committee opposing it, I wish to make 2 or 3 brief points. In the first place, I want to make sure that the record of this debate and the records of the Senate make crystal clear, and put an end to any possible doubt, whether or not northern New England, of which my own State is a part, can possibly profit or can possibly receive a kilowatt of electric power as a result of development of the Niagara project.

I have noted that in the Senate in the past 2 days, yesterday and this morning, several references have been made to the fact that higher rates prevail in northern New York and northern New England. I do not know that I have heard any Senator assert directly that northern New England would be the beneficiary of any of the power to be developed by the project provided for by the bill.

If I am wrong, I hope the author of the bill, the distinguished Senator from New York, will correct me, but I wish to say to the Senate that I listened to the testimony in the hearings before the Committee on Public Works, I have examined those hearings, I have gone over the evidence, I have studied, to some extent, previous hearings on this question, and I have yet to find a direct statement in the record by any person of knowledge and authority to indicate that New England will receive any power as the result of the Niagara development.

I have before me a publication issued by the New York State Power Authority, in which I find this statement, which appears on page 21:

> Power market: Western New York State will form the principal market area for power from the Niagara redevelopment. After full absorption of power from the St. Lawrence project in central New York State, which it is estimated will be accomplished by 1962 at the latest, there will begin to be a shortage of power in that area (assuming the present rate of increase in demand to continue) which could, and undoubtedly would, be met by Niagara. Also, the project is within economical transportation distance of areas in Pennsylvania and Ohio, having a power demand equal to or slightly greater than that for western New York.

I call the attention of the Senate to the fact that not one single word is said about New England, and not one single mention is made, for instance, of New York City, as even being contemplated now or at any future time, in the statement by the New York Power Authority itself, which is issued for the information of the public, and I assume for the Congress as well.

I want to make it perfectly clear that it is not because my own section of New England, which is power hungry, and which is severely handicapped, as has been noted in the debate, and most sympathetically noted by some of the speakers favoring the bill, cannot possibly benefit from the contemplated development by a single kilowatt, I, as a member of the Committee on Public Works and as a Member of the Senate, am opposing the bill. That would be an extremely selfish attitude, and that is not my purpose.

The reason why I am emphasizing this fact is that in the debate on the development of the Niagara River so many references have been made—I am sure without any intent to hold out false hopes or any intent to deceive the people of my section—to the high cost of power in northern New York and in northern New England, and the suggestion has been so often made that those areas need more power, which I would be the last to deny, that the impression has been gained by many persons that the redevelopment of the Niagara will ultimately redound to the good of these power-impoverished areas. Therefore, I wish to make it plain—so that he who runs may read—that that is not the case. But that is not necessarily a reason for opposing the bill, as I shall show in a moment.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield to me?

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER (Mr. Laird in the chair). Does the Senator from New Hampshire yield; and, if so, to whom?

Mr. COTTON. I yield first to the distinguished Senator from New York.

Mr. LEHMAN. Mr. President, I am quite amazed at the statement just made by the Senator from New Hampshire. Two great public power developments are in existence or are contemplated in New York State. One—namely, the St. Lawrence—is already a reality. The other is the Niagara Falls development.

In the case of the St. Lawrence development, provision has already been made to provide to the New England States—notably, Vermont and New Hampshire—a reasonable and fair supply of cheap power. There is a further provision that if the States are not satisfied with the allocations of power made to them, they can appeal to the Federal Power Commission.

In the case of the Niagara development, of course no definite allocation for New Hampshire is provided in the bill. But let me say to the distinguished Senator from New Hampshire that the idea is to pool the power resources which come from the development of the Niagara and the St. Lawrence; and while more power will be provided, through public development of Niagara Falls, to New York, and, I hope, to Pennsylvania and Ohio, more power will also be made available to the cities, towns, and areas in the New England States.

Let me say that this matter should be of very great interest to the State of New Hampshire. The pamphlet to which reference has been made, and which I hold in my hand—and let me say the pamphlet has been issued by the Public Affairs Institute of Washington—shows that the rate charged in Manchester, N. H., with which I am sure the distinguished Senator from New Hampshire is familiar, is $4.72 per 100 kilowatts, as opposed to a rate of $1.80 in Eugene, Oreg., which is supplied by public power from the Columbia River; and a rate of $2.50 at Chattanooga, Memphis, Knoxville, and Nashville, which are supplied by the TVA.

So we find that the rates charged in New England are 2 or 3 times as high as those charged in the areas serviced by public power.

It is equally interesting to note that the amount of power consumed in New Hampshire is only a fraction of the amount consumed in the low-cost areas, such as Tacoma, Wash., which on the average uses 6,659 kilowatts annually; or Spokane, which uses almost 6,000 kilowatts; or Nashville, which uses 5,283 kilowatts. In comparision, we find that in New England the consumption is very much less. For instance, the consumption in Fall River, Mass., is 886 kilowatts, or less than one-sixth the consumption in Tacoma, Wash. The consumption in Lowell, Mass., is 991 kilowatts, or only about one-sixth that of Tacoma, Wash.; and the consumption in Providence, R. I., is only 976 kilowatts.

So this matter is of very great interest, in my opinion, to New England, as it is to New York.

Of course, I fully recognize the sincerity of the position taken by the distinguished Senator from New Hampshire; but I am disappointed that he does not see the situation as I do and as it is seen, I think, by many persons who have studied the high cost of power and the effect of high-cost power in the Northeastern States and New York and Pennsylvania. I wish to make that very clear to my highly respected colleague from New Hampshire.

Mr. COTTON. Mr. President, I reciprocate fully the high regard and respect the Senator from New York has expressed. But what he has said confirms my conviction that it is very necessary that the situation regarding the Niagara development and its effect on northern New England be made clear to the people of my State and to everyone else.

The Senator from New York has stated that the Niagara development should be of very great interest to the Senator from New Hampshire because, says the Senator from New York, power rates in New Hampshire are high.

I desire to assure the Senator from New York that power rates in New Hampshire are high; that the Senator from New Hampshire is keenly and bitterly aware of that fact; and that if New Hampshire were going to receive power from this development, that matter certainly would be of keen and intense interest to the Senator from New Hampshire. But let me say, first, to the distinguished Senator from New York that I have observed that he has asserted that at the present time the St. Lawrence Seaway has allocated cheap power to Vermont and New Hampshire. I am sure the Senator from New York is completely sincere in making that statement. However, it is my understanding—and heaven knows I have been sufficiently interested to watch most carefully and anxiously the development in connection with the St. Lawrence Seaway—that up to the present time, certain allocation has been made to Vermont, which of course is west of New Hampshire, and nearer to the Province of Quebec and to the St. Lawrence, but that as yet no definite allocation has been made to my own State. If I am in error about that matter, I shall be glad to be corrected; and if the Senator from New York has definite information to that effect, I shall be most happy to be apprised of it.

Let me ask him how much power has been allocated to New Hampshire.

Mr. LEHMAN. I do not know. But does the Senator from New Hampshire claim that New Hampshire is not entitled to cheap power which is developed publicly on the St. Lawrence River? Does the Senator from New Hampshire claim that is not a fact?

Mr. COTTON. The Senator from New Hampshire is most desirous of seeing New Hampshire get some of that power if it can get it. But the Senator from New Hampshire was about to add to his reply to the Senator from New York that even during the debate and throughout the propaganda and the controversy—not only in the Congress, but also in the press, over the radio, and in every public forum in this country—prior to the passage of the St. Lawrence Seaway bill, the only estimates, and the most favorable and optimistic ones, which at that time were made regarding the possibility that some of the St. Lawrence-generated power would seep through to my own State, were that eventually we might—I do not say we would—expect to receive an amount of power sufficient to care for the normal growth in my own State in 1 year. That is to say, if the use of and demand for power continue in accordance with the normal, average scale, all we could ever hope to get from the St. Lawrence Seaway project would be that amount.

I did not intend to labor this subject. I repeat that I am not opposing the bill merely because I do not believe that my particular State and my own people will get a share of the frosting. That is not my fundamental purpose. I do not wish to delay too long on this question. However, in view of the very sincere and helpful remarks of the distinguished Senator from New York, I refer him to page 136 of the hearings before the subcommittee of the Committee on Public Works last year, the most recent hearings. I invite the attention of the Senator to a diagram or chart which is supposed to indicate the farthest possible distance that could be reached by transmission lines from the Niagara project. A circle with a radius of 300 miles is drawn. It is my understanding that Robert Moses, chairman of the New York State Authority, has said that 200 miles is probably as far as it would be practicable to go.

It is also my very keen recollection that last year, in the hearings before the Committee on Public Works, experts and engineers of the Tennessee Valley Authority, which has the most modern and most powerful transmission equipment that has yet been developed, testified that the longest practicable distance for transmission would be 175 miles.

This chart goes far beyond what the engineers of the Tennessee Valley Authority say is practicable. It goes far beyond what I am told Robert Moses says is practicable. A circle with a radius of 300 miles is drawn, with the center at Niagara Falls. As I recall, the circle barely touches the extreme borders of Massachusetts, the southwestern corner of Vermont, and not a single other point in New England.

I wish to be entirely fair on that point before I leave it. I am speaking of direct transmission of power from the Niagara project to New England. It may be possible that throwing into the general power pool this additional power might indirectly, somewhere, at some time, release some existing power which may be serving a given area, to make more power available. I do not assert that that is not so. I do not say that it is impossible. However, I do say that the amount of such additional power would be negligible. It certainly would not be important.

I emphasize the fact that I am not opposing the bill merely on the ground that if the development would take care of New Hampshire I would be for it, and because it does not I am not for it. That is not the reason.

My memory does not go back far enough in the Congress to enable me to speak with certainty, but I believe that for the first time we are considering a proposal for public power in the absence of the factors usually taken into consideration. Such factors include low dams, high dams, navigation, irrigation, and all the other factors which have been more or less recognized as reasons for Federal development of power, and could be asserted as reasons for State development. None of those factors appear.

It is suggested that this power be developed by the New York State Authority, when private utilities are—and back in 1950, when the treaty was made, were—ready to develop it. Nine million dollars in Federal taxes would be paid by the private utilities. If the power is developed by the New York State Authority, it will mean that the people of my State and of every other State will bear their share of the loss in taxes.

I am not blaming the good people of New York or the good people of the Tennessee Valley, or the good people of the Columbia River Valley, for the fact that nature has been good to them, and that they have tremendous potentialities for cheap power. Nature has smiled upon them. If the State of New York can develop the tremendous power flowing over the great Niagara Falls, I do not want to see the people of my State, who are already carrying all the burden they can carry, as has been indicated again and again in this debate, compelled to contribute even in a small degree.

Last night, just before the recess, I noted, in the very able speech of the distinguished Senator from New York, the author of the bill, the assertion that if during the course of the debate the point should be raised that the proposed development by the State of New York Authority would mean tax-free power, and that the Federal Government would lose taxes, he would be prepared to nail that argument to the mast and to show how illogical it is, because he is prepared to show that the new industries which would be attracted to northern New York and to the area around Niagara Falls because of cheap tax-free power would more than make up to the Federal Government any possible loss of taxes.

That may well be so, but that answer is not much comfort to a representative from industrial New England, which, down through the years, has been the most highly industrialized section of the entire Nation.

Where are the industries coming from which will make up to the Federal Government its loss of revenue? They will come from Massachusetts and from New Hampshire. We have already lost many of our mills to the Tennessee Valley, while at the same time our taxpayers have been digging into their pockets year after year to see to it that the Tennessee Valley Authority has money without paying interest, and is able to grow and expand without the necessity of paying taxes.

Now it is suggested that there be another public, tax-free development. It has been asserted again and again—and I am sure it is a fact—that because such power would be tax-free, and be produced by a public authority, it could be provided cheaply. But who pays? The other States, where utilities are paying taxes, and where there is no possibility of that kind of development, will lose their industries. My good friend says that the Federal Government will not lose, because the new industries will pay additional taxes.

I refer to another point, which may be a minor one. There is no more majestic spectacle in the United States than the great Niagara Falls. Untold thousands of people travel to see it month after month and year after year. They have done so through the years and will continue to do so in the future.

The bill provides that if the proposed development shall be carried out $15 million of the income from the development shall be used to build a great scenic highway, which will attract many more people to Niagara Falls.

To use a power expression, I say more power to them and congratulations to the sponsors of the bill for having that in mind. However, I again say that the

State of New Hampshire, which I have the honor, in part, to represent, derives one-third of its income from the recreational and tourist trade, and that the White Mountains, with their majestic beauty, are one of the remaining assets in the East, as the wealth of the country moves westward and southward.

Again, it seems a little unjust that in the proposed development of public power some of the proceeds derived from that development should be used to increase and make more accessible the beauties of Niagara Falls, when we know that other States, which are struggling to pay for scenic highways and for other attractions, must compete with attractions in other States.

I have in mind an apt comparison. When I was on the Committee on Appropriations in the House of Representatives I had occasion, year after year, to go over the budget of the Tennessee Valley Authority. One of the items I found most irritating, if the Senate will forgive the word, was the item providing that some of the appropriations, or that some of the income from the development—and if it was income it was income from an investment without interest that Congress had made in the Tennessee Valley Authority—should be used to develop parks and places of scenic beauty along the Tennessee River; and that some of that money should be used—and I ask Senators to mark this particularly—to assist local chambers of commerce, and cities and towns in the Tennessee Valley, in advertising to the country the scenic attractions of the Tennessee Valley. In other words, the taxpayers of my State were contributing money, through the Federal Government, not only to develop cheap power, and in that way take away our industries, but also to advertise the allurements and attractions of another section of the country, in competition with our own activities.

My State is one-third agricultural, one-third industrial, and one-third scenic. Therefore I am opposed to the bill, not because New Hampshire would not benefit by it, but because through my years of service in Congress I have come to realize that if we let public power get its head under the tent, there will be no end to what will happen. Public-power projects expand over the years, and every time they expand, and every time they take in a further slice of territory, the burden becomes heavier on the rest of the country.

It is said with considerable justice that those of us who buy our power from private utilities pay high rates. However, when new slices of prolific territory are taken over by public projects, whether they be Federal or State, each time the pressure on the rest of the population of the country becomes heavier, and the burden harder to bear.

I was in complete sympathy with the distinguished Senator from Illinois [Mr. DOUGLAS] in his comments about the upper Colorado development. I voted against that bill. I believe that is an instance of development by the public of a lean section of the country where the power potentiality is meager. For every one such instance there are many other instances where public power is developed in prosperous places; but every time we expand such developments, whether it be in the Tennessee Valley or in upper New York State, the pressure on those who live around the perimeter becomes heavier.

Consequently, because I do not believe in taxing all for the benefit of a few, and as one of the signers of the minority views, I sincerely hope that the Senate will decide to let the private utilities develop the Niagara River power. The evidence before our committee indicates they are ready and willing to do so.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. DOUGLAS. First I wish to express my personal esteem for the Senator from New Hampshire. I should like, however, to ask the Senator whether he maintains that there is proposed a direct tax subsidy to be paid by the Federal Government to the New York Power Authority.

Mr. COTTON. Not at all. When the Senator came into the Chamber, I was referring to what may seem to be a trifling amount of money, and I was referring to the fact that whatever is lost in Federal taxes, other States must contribute.

Mr. DOUGLAS. Is the Senator from New Hampshire opposed to Government ownership of some of the forests?

Mr. COTTON. No; I am not opposed to Government ownership of forests, where it seems necessary to preserve and conserve our forests and our water supply.

Mr. DOUGLAS. Is it not correct to say that in the Senator's own State the timber in the White Mountains, a region which he has so properly extolled, was formerly owned by the State; that the State authorities, shortly after the Civil War, gave away for virtually a song, or sold for a very nominal price, all the timber land in that region; that private companies then came in and cut off the timber completely; that, as the result, the White Mountains were being ruined as a recreational area; that there was also heavy flood damage in that area; and that in 1905, Mr. John W. Weeks, then a Member of Congress from Massachusetts, later Secretary of War, and Senator, and the father of the present Secretary of Commerce, introduced a bill providing that the Federal Government should buy the forests of the White Mountains and conserve them?

Mr. COTTON. I may say to the distinguished Senator from Illinois that I think what he has said is all true. I should like to add, however, that it is true that back in those days, not only in New Hampshire but in many other States, private lumber companies committed acts which were most regrettable and which resulted in waste. They had very little regard for the conservation of our forests, and the country suffered greatly.

I would add, however, that I cannot see how that analogy applies to this discussion of power. I think the Senator from Illinois has a much more profound knowledge of the subject than I have. Every State in the Union has public utility commissions to control power and fix rates, and we also have a Federal Power Commission. In the period from which the Senator has tried to draw an analogy, when the forests were devastated, there was no such control.

Mr. DOUGLAS. Is it not true that the taxpayers of the State of Illinois and of other States paid large sums of money to buy up the forests of New Hampshire and restore them so that the people of New Hampshire might have abundant timber and so that the people of the country might have a great national scenic resort? This was a tax upon the people of the rest of the country, because the forests are largely tax-exempt when they are Government-owned.

Mr. COTTON. It may be true that some tax money from the citizens of the the great State of Illinois may have been used for the purchase of forests in the State of New Hampshire, but it so happened that money was raised in my State, I am proud to say, by public subscription to buy some of the lands and to turn them over to the Federal Government. It is also true that one national forest in the State of Minnesota is larger than the entire State of New Hampshire. Of course, I recognize that size is not important, but the fact remains that it is my understanding that the purchase and holding of forest lands by the Federal Government is carrying out a consistent public policy of conservation which applies to every region and every section of the Nation. Personally, I do not believe in the socialization of power, but if we must have it, we should have it everywhere, not merely where the sun shines on some favored few.

Mr. DOUGLAS. There is one national forest in the southern portion of the State of Illinois, but, in comparison with those in other States, the national forests in Illinois are meager. Yet we pay our taxes to protect the White Mountains and we do it willingly, because it is in the national interest. The State of Illinois being a level State with few hills or mountains, also has very little potential hydroelectric development. From a narrow point of view, the State of Illinois has nothing involved in the Niagara question, or in connection with the Snake River. Politically, I suppose it is disadvantageous to me to support such measures, because the public utility companies are very strong in my State. From a narrow point of view, we in Illinois have nothing to gain; but, like the Senator from New Hampshire and like nearly every other American, I am interested in the Niagara River. There has been developed a method which will conserve the power of Niagara and yet preserve the full flow during the daylight hours in the tourist season and which will merely utilize the flow during the night hours and during the nontourist season. It is done by a very ingenious system of a reservoir to steady the flow, which will make available to New York and other sections, including the Northeastern States, a tremendous reservoir of power which is not now used.

The Niagara River is an international river. It flows between the United States and Canada. It is the boundary

line between the United States and Canada at that point, and it would seem to me that the Federal Government must certainly have jurisdiction.

The late George Norris said that if the water which falls upon the earth is God's gift to man, then in our country the water as it falls belongs properly to the people of the United States. We may give temporary franchises to private companies, but I submit that we are merely using what is our own if we develop our resources for the purpose of obtaining power under a public authority.

As the Senator from New Hampshire well knows, and as I believe he stated, it is not the Federal Government that is to develop this. We are permitting the Power Authority of the State of New York to do it and to issue bonds on its own credit. There will be no financing out of taxes or out of appropriations. The market rate of interest will be paid and the New York Power Authority will provide for the amortization of the bonds as would an ordinary commercial enterprise. So, Mr. President, while I appreciate the sincerity of the Senator from New Hampshire, it seems to me that his argument is not well founded. Should not a State which wishes to develop power under a public authority be permitted to do so?

Mr. COTTON. I may say—and I shall say it very quickly, because other Senators are desirous of having the floor, and, as a comparatively new Member of this body, I do not wish to take too much time of the Senate—I may say, by way of comment on what the Senator from Illinois has just said so well, I am sure the State of New Hampshire is grateful to the State of Illinois and to every other State whose people have been broad-minded enough to contribute to the preservation of our national forests. If this particular bill is necessary to preserve the beauties of Niagara Falls and to develop our full share of the power potentialities, if this is the only way to do it, I think the people of New Hampshire might be willing to sacrifice in the matter of loss of taxes or in connection with anything else which might happen. But, having listened to the testimony of many persons and many organizations from the State of New York, including the Grange, the Farm Bureau, some of the labor unions, and chambers of commerce, and having listened to representatives of private utilities, I am convinced that the private utilities are ready and prepared to develop the power. Failure to pass the bill will not mean a waste of power.

Furthermore, Mr. President, I wish to correct one statement. The Senator from Illinois asked me if I claimed there was any direct subsidy, and I answered in the negative. I was talking originally about my proposed amendment, which I hope will be accepted; but there is no provision in the pending bill concerning the remedial work for which the Federal Government has already paid and that for which it is paying, and for which it is to be reimbursed under the Capehart bill if the development is made by private utilities. To that extent there is a direct subsidy unless such a provision is added to this bill.

Mr. DOUGLAS. Is this not a subsidy to preserve Niagara Falls as one of the great scenic wonders of the United States?

Mr. COTTON. The testimony was that the remedial works were necessary for power development. I invite attention to page 42 of the hearings. It was stated by Robert Moses that such works should be chargeable to the power development. I would also invite attention to the fact that the distinguished Senator from New York stated on page 23 of the hearings in 1951:

> The remedial works and the power works should be undertaken together. They should be built by an agency with the maximum amount of experience in this type of undertaking.

Unless I have misread his words, that apparently was his own conviction and suggestion at that time. The occasion was a debate as to whether the Federal Government or the State should take over the construction of the project. It was his contention that whoever developed the power should pay for the remedial works to be constructed, in order to spread the flow of water, preserve the falls, and, at the same time, permit the diversion of water for power.

Before yielding to the Senator from New York, I wish to place in the RECORD a direct quotation from the testimony of Robert Moses, chairman of the Power Authority of the State of New York, before the subcommittee of the Committee on Public Works, regarding the remedial works which are concerned in my proposed amendment. In a letter written by Mr. Moses to the Honorable DENNIS CHAVEZ, chairman of the Senate Committee on Public Works, under date of July 12, 1955, Mr. Moses said:

> Also, as part of the cost of the project, the licensee at its own cost and expense should pay to the United States the United States share of the cost of the remedial works undertaken in accordance with article II of said treaty. This will not exceed $10 million. It is our understanding that this is the wish of the administration and it is consistent with what is being done in Canada. We are presently paying our share of the Joint International Board of Engineers on the St. Lawrence.

In view of that statement, I was hoping that the distinguished junior Senator from New York would not oppose my amendment.

Mr. LEHMAN. We are not coming to a vote on the Senator's amendment at this time. I merely rose to correct an erroneous impression which was received by the Senator from New Hampshire as indicated in his quotation of a part of the hearings of 1951.

At that time I was advocating the building—the actual construction—of the remedial works and the power development by the Federal Government; but it was understood, of course, in the part of the plan which I was supporting, that at the completion of the construction of the works, the power development and operation would be turned over to the State of New York, against reimbursement by the State of New York with regard to all the costs. But that applied to the power development, not to the remedial works.

The remedial works do not increase the power potentialities of the Niagara; they simply regulate the flow of the Niagara waters, so as to preserve for all time, it is hoped, the beauty of the falls. Of course, the falls are a national monument, the property of all the people of the United States and of Canada. But the remedial works are not necessary to increase the flow. If anything, they regulate the flow, and slow it up to a certain extent.

I merely wished to correct a false impression which the Senator might have gained.

Mr. COTTON. I understand that completely. I did not in any way intend to misrepresent the attitude of the distinguished junior Senator from New York. I certainly would not do so, as he surely knows.

But is it not a fact that the reason why the remedial works must be constructed is to permit the diversion of water for power purposes? Unless they were constructed, it would not be possible to develop power without the danger of injuring the falls as a place of scenic beauty.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield.

Mr. JOHNSON of Texas. The leadership was hopeful that it would be possible to obtain a unanimous consent agreement which would set a definite time for voting on the unfinished business. The majority leader discussed with the distinguished minority leader the possibility of entering into an agreement to become effective at 2 o'clock tomorrow afternoon, to allow 30 minutes on each amendment and an hour on the bill. I assume that that would be agreeable to the distinguished author of the bill, with whom I spoke yesterday.

Mr. LEHMAN. That is entirely ageeable.

Mr. JOHNSON of Texas. The distinguished minority leader was pursuing that suggestion with some of the Senators on his side of the aisle, but he is now occupied in a policy meeting. I, myself, have just returned from a policy meeting. It would seem that we are making more policy, perhaps, than we are legislation.

As chairman of a subcommittee, I shall have to be at the hearing room for a meeting with the Secretary of State at 2 o'clock, so I wonder if my friend, the distinguished Senator from New Hampshire, would be considerate enough, in view of the problem which confronts us, to yield to me for the purpose of permitting me to suggest the absence of a quorum, in the hope that our friend, the distinguished minority leader, will come to the floor. It would be understood, of course, that by so doing the Senator from New Hampshire would not lose the floor.

Mr. COTTON. I shall be very glad to yield to the Senator from Texas with that understanding.

Mr. JOHNSON of Texas. The Senator from New Hampshire will be very gracious and accommodating to me if he will do so.

Mr. COTTON. As a matter of fact, I have completed my statement; and if the distinguished Senator from New York does not wish to question me further, I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Bible in the chair). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed unanimous-consent agreement on behalf of the distinguished minority leader, the distinguished author of the bill, the Senator from New York [Mr. Lehman], and myself, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That, effective on Wednesday, May 16, 1956, beginning at 1 p. m., during the further consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? The Chair hears none, and the agreement is entered into.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, notified the Senate that Mr. Donohue had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 1637) for the relief of Sam H. Ray, vice Mr. Lane, excused.

The message also notified the Senate that Mr. Donohue had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945, vice Mr. Lane, excused.

ENROLLED BILLS SIGNED

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say that I have conferred with the minority leader, and it is our purpose to complete action on the Niagara power bill tomorrow. If all the time allowed is used on the amendments and on the bill, it may be necessary to continue in session until a late hour, but tentative arrangements have been made with the distinguished chairman of the Committee on Agriculture to follow the pending bill with the farm bill. We hope to dispose of that bill on Thursday, if possible. Therefore, I desire that all Senators be on notice that we intend that the Senate remain in session until we complete action on the pending bill tomorrow evening, if it is at all possible.

APPEAL OF SENATOR WILEY, FOR FUNDS FOR NATIONAL INVENTORS COUNCIL

Mr. WILEY. Mr. President, the Senate Appropriations Committee now has under consideration a small but immensely significant appropriation request. It is for $90,000 for the National Inventors Council—an advisory unit in the Department of Commerce.

I have appealed this year, as I have appealed in many preceding years, for funds for this Council.

I ask unanimous consent that the text of a letter which I addressed to the committee, urging this allocation be printed at this point in the body of the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 11, 1956.

Re: Recommendations of $90,000 for National Inventors Council.

The Honorable Spessard Holland,
United States Senate, Chairman, Department of Commerce Subcommittee, Senate Appropriations Committee, Senate Office Building, Washington, D. C.

My Dear Mr. Chairman: Your subcommittee has just received the testimony of Mr. John C. Green, Director of the Office of Technical Services, of the Department of Commerce, respectfully urging $90,000 for the 1957 fiscal year appropriation for the National Inventors Council.

I would like to underline most emphatically Mr. Green's statement.

One can hardly think of a single modest appropriation for our entire defense-industrial establishment, which potentially can pay more handsome dividends to our country than this small $90,000 request.

Down through the years, I have been in close contact with the Council, and have been tremendously impressed with how much it has done with so very little.

Its record of achievement during World War II is of course particularly noteworthy.

But even since the war, while inventive ideas forwarded to it from the general public have naturally declined in number, it has compiled, time after time, invaluable suggestions to pass along to the Armed Forces.

The Council itself is, as your subcommittee may know, benefited by the presence of a number of truly outstanding Americans whose combined services virtually no private company could possibly afford.

With their splendid help, the flood of incoming ideas is most carefully sifted, for forwarding thereafter to the appropriate governmental unit.

The $90,000 requested would actually merely be a continuation of the status quo, since $50,000 is currently being supplied to the Council through the Pentagon (over and above the Council's own insignificant $40,000). But the $50,000 figure should be authorized directly by the Congress to the Council, it seems to me without having to be reallocated from the military budget.

Mr. Green has conservatively estimated that by November of this year, the Council's workload would be approaching 21,000 items a year, out of which perhaps 85 would find their way into productive use. A single one of that estimated 85 could repay the $90,000 many fold. Surely, therefore, we will make available the necessary funds for an adequate Council staff and facilities. Surely, with American-intensifying the competitive arms-industrial race with the Soviet Union, we will not fail to top the inventive genius of America.

And so, I do hope therefore, that you and your colleagues will act favorably on behalf of this $90,000 item.

I should like to ask that the text of this letter be printed in the body of the printed hearings of your committee.

Thanking you, and with best regards, I am

Sincerely yours,
Alexander Wiley.

PLANS FOR JUNE, DAIRY MONTH

Mr. WILEY. Mr. President, all over the State of Wisconsin intensive plans are being made for the celebration of June, Dairy Month, for making it the greatest success which even our own dairy-conscious State has ever achieved. Last year, the farmers of my State sold 15½ billion—I said "billion"—pounds of milk. The total of the cash receipts from milk sold, and the value of milk which they used on their own farms, was $516,318,000. It is only natural, therefore, that America's Dairyland should want Dairy Month this year to achieve maximum success. The 2.3 million milk cows in Wisconsin are the symbols, not only of a crucial economic factor, but they are the symbols of a whole way of life—a fine, constructive way—essential to American health.

As an indication of the grassroots efforts which are being made on behalf of June, Dairy Month, I send to the desk the text of a news clipping which

was published in the May 12 issue of the Janesville Gazette. It shows how public-spirited civic leaders are planning intensively for the full month observance. I hope that their efforts will be duplicated throughout the entire Nation.

I ask unanimous consent that the text of the writeup be printed at this point in the body of the Record.

There being no objection, the news article was ordered to be printed in the Record, as follows:

[From the Janesville Gazette of May 12, 1956]

Dairy Campaign Planned in June

June, Dairy Month will be widely observed in Rock County with the expectation of selling greatly increased amounts of milk and dairy products, it was reported Thursday night at a county dairy promotion meeting held in the courthouse here.

Thirty-five delegates, representing farm, processing, and distribution-retail attended the gathering to hear Dale Bruhn of the State department of agriculture outline plans for State and national campaigns and the part which this county might play in the observance.

Rock will join with Walworth, Jefferson, and Waukesha Counties to take the lead in setting up a dairy pageant of progress for the Junior Wisconsin State Fair, and for parade and entertainment there August 22 it was decided.

Those who volunteered to help during the campaign next month, included Robert Westfall, secretary of the Janesville Chamber of Commerce; John Bort of the Beloit Association of Commerce; William Muck, Footville; Tom Edge, Evansville; Hollister Raymond, Edgerton; Arnie Agnew, Milton Junction; Harvey Ernst, Whitewater; LeRoy Scott, Orfordville; and George Snyder, Clinton. Local leaders were asked to call meetings in their own communities within 10 days to work out plans.

Howard Miller, representing Pure Milk Association; Ernie Lowry, of the County Farm Bureau; William Canary, Footville banker; and County Agent Hugh Alberts were named to the county general committee.

WOMEN TO COOPERATE

Mrs. Harold Russell, State president of Farm Bureau women, announced plans for county and State cheesecake baking contests, with the Rock County event on May 23. She said that the average cheesecake requires in some form or another, 26 pounds of fluid milk.

One of the features discussed was that milk dispensers be set up at least 1 day per week during June in each urban district in Rock County. Milk would be furnished by the local dairy promotion committee.

Stores and other outlets for milk and dairy products will display special sales banners and literature. Orders for these materials will be handled by the county committee, with County Agent Alberts in charge. The orders are due by May 20.

NINETEEN HUNDRED AND FIFTY-FIVE DRIVE EFFECTIVE

Bruhn, in his talk to the group said that the 1955 June record indicated an extra 21 million pounds of milk sold in Wisconsin as a result of the effort. For this year, he said, dairy plants, milk bars, grocers, restaurants, bankers, feed and machinery dealers, newspapers, and radio-TV have pledged aid. The Wisconsin Bankers Association with 750 members, and the Wisconsin Feed Dealers Association with 800 members are expected to be of materials help. Allis-Chalmers, Sears-Roebuck, and other companies have also promised aid, he said. Major grocery chains and the Wisconsin Restaurant Association will cooperate.

Much of the planning and promotion expense will be handled by the American Dairy Association and by the State department.

Farm organizations represented included the Grange, Farm Bureau, Rock County Breeders, Rock County Guernsey Breeders, Rock County Holstein Breeders, and Pure Milk Association.

ORDER FOR RECESS TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JACKSON. Mr. President, S. 1823, the Lehman bill to authorize construction and operation of the Niagara project by the New York Power Authority, with appropriate application of the preference principle, has my most enthusiastic support.

I joined in cosponsoring this bill out of the conviction that public development of the Niagara project is legal, desirable, and, in fact, necessary to give the people of New York State and the entire northeastern area of our United States a yardstick against which private power costs and charges may be measured.

Mr. President, I am happy and proud that I come from one of the great public power sections of the Nation. More than 70 percent of power produced in the Pacific Northwest is generated by public agencies. This fact, combined with our great water resources, has given my region the lowest power rates in America.

For instance, the wholesale cost per kilowatt-hour of energy purchased by REA borrowers from all suppliers in my State of Washington is 3.1 mills; in Oregon, 3.5 mills; in Montana, 4.7 mills; and in Idaho 4.8 mills. The corresponding costs in the States that would benefit from the Niagara project are 8.6 mills in Ohio; 9.4 mills in Pennsylvania; and 11.2 mills in New York.

Consider now, Mr. President, the testimony in the hearings on S. 1823 that 95 percent of the consumers of electric energy in New York State are served by privately owned utilities.

I submit that one important reason for the difference between the average wholesale rate for power furnished by all suppliers in my own State, which is 3.1 mills, and that furnished in New York State, which is 11.2 mills, is that we in Washington State have a public power yardstick that squeezes the fat out of private rates but still leaves private utilities a healthy diet of profit.

I might add that the private utilities of the Pacific Northwest themselves have benefited handsomely from low-cost public power, for while they generate only 29.4 percent of the total power produced in Washington, Oregon, Idaho, and Montana, they distribute 62 percent of the power generated in those four States. In other words, they are able to buy low-cost public power for resale to their own customers.

A vital feature of S. 1823, Mr. President, is the provision requiring the New York State Power Authority to give preference to public agencies in New York and neighboring States, where feasible. The same preference principle is in effect in our Northwest States; and, as I have shown, it still leaves the opportunity for private companies to purchase public power. The preference feature of Senate bill 1823 would not prevent the sale of power by the New York State Power Authority, on a wholesale basis, to privately owned utilities.

The reason why the preference principle is so vital to Senate bill 1823 is that evidence shows that the many small municipal and rural electric cooperative systems of the Northeast are paying twice the cost for their purchased power supply that is being paid by similar systems in areas where the preference clause under Federal power policy is in effect. These systems generally are so small they cannot even consider any generation of their own. Public development of the full power potential of the Niagara River—under the treaty of 1950 with Canada—is the only way these systems will ever get the low-cost power which they need and their customers deserve.

Incidentally, I am sure everyone understands that no Federal funds are involved in Senate bill 1823. The only reason why the project is now before the Senate is that the treaty of 1950 with Canada reserved to the Congress the right to pass on whatever development of the Niagara there might be on the American side.

The question involved in Senate bill 1823 is, of course, not whether the Niagara shall be developed. The question is who shall develop it, whether it shall be developed to put great profit into the hands of a few, or to provide low-cost power for the people who will receive power directly from the Niagara installation, and lower-cost power for other consumers throughout the area. I say other consumers in the area will benefit from public development, too, because testimony presented at the hearings on Senate bill 1823 indicates that public development of this project, with its resultant low rates, would force a reduction of 20 percent in the power rates of the entire area.

It is said by advocates of private development that the United States Treasury will suffer heavily in loss of taxes if the Niagara site is developed by the New York Power Authority, instead of by a private utility. However, as the report on Senate bill 1823 points out:

> Experience in both the TVA and Bonneville Power Administration areas has demonstrated how low-cost power increases a region's contribution to the Public Treasury far more than would be accomplished by private utilities if the same power resources are turned over to them for development. The people of the area should not be asked

> to forego the inevitable expansion of business and industry, increased regional prosperity, and the increased revenues of more widespread, less burdensome taxes.

I should like to add some specifics to this assertion in the committee report. In my own State, in 1940, internal-revenue collections amounted to only $31 million. By 1954 they were up to $725 million, or 24 times as great.

Allowing for the increase in tax rates, for the increase in population of my State, and for the wartime boost to our economy, I hold that the profits and pay checks behind this tremendous increase in tax payments to the United States Treasury could not have come about without low-cost power—and lots of it.

Grand Coulee power started coming on the line in 1941; and during those same 14 years, from 1940 to 1954, while income-tax payments in my State were increasing 24 times, power production in my State increased nearly 6 times—from 3,944,180,000 kilowatt-hours in 1940 to 22,980,782,000 kilowatt-hours in 1954.

Opponents of public development of the Niagara say that the people of America will have to make up the loss in taxes that would be paid by the consumers of power produced by a private developer. They say the Nation's taxpayers will suffer, while a relatively few consumers of the public power will benefit.

I disagree completely. I say that not only will the direct consumers of the public power benefit, but other consumers throughout the area will benefit from a reduction in rates forced by the yardstick of public power. Lower power rates for industry—if experience in my own State and region is any criterion—will mean an increase in the general prosperity of the whole region. In turn, more money will flow into the United States Treasury, in the form of corporate and personal income taxes, than ever would be paid by the private power utility alone. The Nation's taxayers will not lose by public development of the Niagara. They will gain.

Mr. President, this is the real importance of Senate bill 1823. It is a bill to assure that all of our people, not merely a few, profit from the development of this, the greatest single potential power site in America.

Mr. LANGER. Mr. President, because of a temporary affliction to my eyes, I ask unanimous consent that my speech on the pending bill be read at the desk.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none. Without objection, the clerk will read.

The legislative clerk read as follows:

Mr. LANGER. Mr. President, the five big New York power companies want to grab off one of the most lucrative hydro sites in the country. This is the largest remaining hydro site in America, and probably one of the most feasible economically. Because it is the most feasible remaining hydro site, it would be a real financial bonanza for these five big New York power companies if they are able to complete this grab. I want to tell you right now that I am opposed to this grab, and I want to stand firmly behind the Senator from New York [Mr. LEHMAN] in support of his bill, which would permit the development of these resources for the people. There is no question that this would be a very lucrative venture for these power companies, and on this point I should like to quote no less an authority than Bob Moses, a prominent Republican, and present chairman of the New York Power Authority. Mr. Moses said in a memorandum which he submitted to the House and Senate Public Works Committees on January 12, 1956:

> New York State law mandates the power authority to develop the waters of the Niagara for power in the precise manner that it is now developing the same waters at the St. Lawrence. The State owns the bed of both streams and the right to use their waters subject to the paramount right of the Federal Government to control navigation and commerce.
>
> The bills sponsored by the utility people seek to interfere with this ownership and these rights of the State of New York, and to effect a grant of the State's property to the corporation which they would own and dominate.
>
> In establishing the corporation the sponsors would put some money into it, but undoubtedly the amount would not exceed $10 million out of a total cost of some $400 million. The balance of the $400 million which would be needed would be borrowed by the corporation at an interest rate in the neighborhood of 3½ percent. The corporation in selling energy would be allowed a return of 6 percent not only upon the $10 million of its own money which is used but also upon the $390 million which it borrowed. This 6 percent is after the payment of all taxes, including corporation income taxes. It would also be allowed depreciation. It would amortize the debt out of net revenue and the charges allowed for depreciation, such revenue including the difference between the 3½ percent interest paid and the 6 percent return allowed. With a 35-year bond issue, it would amortize more than half the debt in 20 years, about 70 percent in 25 years, and all of it in less than 35 years.
>
> The average depreciation on the project as a whole would probably not be more than 1 percent per year because a large part of the project features, for example, the tunnel or canal to be built, would hardly depreciate at all. Using the 1 percent figure, at the end of 20 years, the stockholders, instead of having $10 million worth of net assets would have $320 million with a debt of only $178 million; at the end of 25 years $300 million worth of property, with a debt of only $111 million; at the end of 35 years $260 million and no debt at all. This represents a gain of 2,500 percent after being assured at least a 6-percent return at all times on the money actually invested.
>
> Quite obviously, the stock of the corporation, being assured such a 6 percent return and schedued to receive such accretion of wealth, would become extremely valuable immediately after the corporation got started in business and become increasingly so as time went on. Hence, the promoters would not have to wait long to cash in on their enterprise and perspicacity. If at the end of the license the Federal Government exercised its right to recapture the project, the corporation would receive the original cost, less depreciation, in cold cash.
>
> The new Niagara power constitutes a one-shot deal and involves no risk. The private corporation which would perform the development would have no other power facilities, would own no distribution lines, and would merely sell its output to other corporations. Hence, that corporation would have a great natural resource turned over to it, not as an incident to other business carried on by it, but as a single and unique venture.

I surely would like to own something that would represent a gain of 2,500 percent after being assured of at least a 6-percent return at all times on the money actually invested. There are not very many private companies that are so fortunate as to be able to participate in such a lucrative venture. I am sure that the stock of such a corporation would be very valuable.

On March 2, 1921, the Federal Power Commission issued to the Niagara Falls Power Co., now the Niagara-Mohawk Power Co., a 50-year license for the development of power on the United States side of the Niagara River at Niagara Falls, N. Y. Apparently the power company did not feel that it should even pay New York State a small fee for the water which it was utilizing at Niagara Falls. In a memorandum to the Senate Public Works Committee on March 13, 1954, Robert Moses stated:

> For many years, private power interests which had gone a long way toward ruining the entire escarpment on our side, fought even against paying a reasonable rental for the use of the State's waters, and it took years of litigation to compel them to do so. I was associated with Gov. Alfred E. Smith more than 30 years ago in proposing a State power authority. Such an authority has been in existence for 23 years. In all that time, the private utility companies who now pose as the friends of cheap, widely distributed, labor-saving power by one means or another prevented the State authority from functioning.

Governor Dewey stated in an appearance before the Senate Public Works Committee on July 23, 1953:

> One of my first acts as governor was to ask the legislature for authority to charge the Niagara-Mohawk Co. for 15,000 cubic feet a second, which it was diverting from the Niagara without payment, and had been so doing for many years. The legislature passed that law and we started collecting for that diversion of water for the first time in the history of the State of New York, upon the basis that that waterpower belonged to the people of the State of New York, and that charge was paid and contested and tried out in the courts; and the courts sustained us.

Dewey apparently was not fooled by the desire of the power company to develop the people's resources without having to pay 1 cent for them. Power companies have a fine record of trying to utilize the people's resources for the maximum benefit to them rather than to the people who own the resources.

What sort of a record do these power companies have in the development of the water which is now available to them at Niagara Falls for power purposes? Are they fully utilizing this water? Have they developed it efficiently? Are they getting the maximum power output out of the water that they can now divert for power purposes? I should think that before any consideration is given granting them a license for the development of this great public resource that these questions should be answered. Apparently their record in this area, as in many other areas, is poor. In 1949 the Bureau of Power of the Federal Power Commission issued a comprehensive report on the possibilities for the development of Niagara Falls for power. This is one of the most comprehensive studies ever made on the development of the Niagara River for power. In this report it is stated time and time again that the power companies are not now utilizing the water available to them at Niagara for power purposes. The following quotations appear on page 11 of this report:

> Present facilities at Niagara Falls in the United States do not develop fully the existing diversions of water and as a result there is a continuing waste of a great and magnificent natural resource.
>
> The existing Schoellkopf station is valuable and adapted to any comprehensive plan for the redevelopment of Niagara Falls for power in the United States; the existing Adams station should be retired from normal generating service but can be used for voltage regulation and kept in standby reserve for generating use in event of a grave emergency.

Let us make it very clear that the FPC refers in its report to "a continuing waste of the great and magnificent natural resource" by the power company now having facilities at Niagara Falls. Why should we give them the full United States output diverted for power purposes when they have not even developed the amount which is now available to them? Why should we continue to let this great natural resource go to waste? I for one want to make it absolutely clear that I oppose any sort of legislation which could result in their getting a license for the development of Niagara power and also which would result in the rural electric cooperatives and municipal systems not getting preference in the marketing of such power.

Also, according to the FPC report, one of the present generating stations of the Niagara-Mohawk Co. at Niagara Falls is obsolete and should be retired from normal generating service. This is the Adams generating station which has an installed capacity of 80,000 kilowatts. I want this power at Niagara developed by a State agency which is committed to efficiently and fully utilize the potential available to them and which will under the bill introduced by the Senator from New York give preference in the marketing of that power to rural electric systems and municipal electric systems. Then we will have efficient development with a yardstick in the marketing of such power.

All through this comprehensive 1949 FPC report on Niagara you can find references to the fact that the Niagara-Mohawk Power Co. is not utilizing the amount of water available to them. I am reading from page 35 of the report:

> Existing power developments do not fully utilize the possibilities at the site either from the standpoint of use of presently authorized or temporary diversions, or in consideration of the maximum possible amounts of water available which may be diverted for power use.

I ask then, should we not pass legislation which would prevent a condition like this developing in the generation from the remaining water available at Niagara? I want to see these public resources developed to the maximum extent possible. I do not want any half development or quarter development. I want them fully developed, and I want some of the benefits to go to the rural electric systems through the preference contained in the Lehman bill.

On page 47 of the FPC 1949 report there is a description of the inefficient Adams generating station of the Niagara-Mohawk Power Co. I am now quoting from page 47 of this report:

> The Adams station is an old development utilizing only a fraction of the total head available. For years prior to World War II, it had been used only as a condenser for voltage regulation. Because of defense and war needs it was put back into service utilizing water made available by temporary agreement. Since it does not make the best use of the water necessary to operate the plant, it should be returned to an inactive status as a generating station, or used again for voltage regulation. During periods of extra large flows when water is available it could be used to generate steam replacement energy. It could be placed in service in event of extreme need occurring after the redevelopment although it would take water away from the falls and thus reduce the scenic spectacle to some undetermined degree.

I want to emphasize from this statement: "Since it"—the Adams generating station—"does not make the best use of the water necessary to operate the plant, it should be returned to an inactive status as a generating station, or used again for voltage regulation."

With such inefficient generating equipment now being used by the Niagara-Mohawk Co. at Niagara Falls, what assurance do we have that they will fully and efficiently utilize the amount of water which could be diverted for their use if the private power companies are permitted to develop this great public resource. I do not think we have any assurance at all, and that is why I am for a bill which stipulates that the New York Power Authority should develop this power and that preference should be given to rural electric systems and municipal systems. I am in favor of a little competition and I think this will bring a little competition into an area which has never had any competition from public generation of electric power. Also, I am for getting the benefits from this great public resource down to the farms, homes, and factories and I think this will be done through the preference contained in the Lehman bill. Without this preference we have no assurance that the total output of this project, even if constructed by a public authority, would not be sold to power companies and industry close to the site.

Perhaps these five big New York power companies are not interested in getting any low-cost power into the State of New York. The present rate structure certainly indicates this. For example, the Niagara-Mohawk Power Co. now generates approximately 400,000 kilowatts of capacity at the Niagara Falls site. This is a large block of hydroelectric power. But the typical electric bills for 1955 published by the Federal Power Commission shows that for residential electric service, the average bill in New York State for 250 kilowatt-hours a month was $7.85, which places New York State as the 13th highest State in the Union for such service and among the top 37 percent of all the States. I want some assurance that this will not continue. I want this power developed for the use of the people, for all the people, and I think the only way that this can be done is through the Lehman bill which provides for the construction and operation by the New York Power Authority with preference in the marketing of the power for rural electric cooperative and municipal electric systems. I am sure that when such a yardstick is established in the Northeast this rate situation will change and that these present high rates will start to decline.

Niagara Falls is a great and beautiful site, truly one of the natural wonders of the United States. Many a young married couple has started life together by going to see this beautiful site. I want to see the scenic beauty of the falls not only preserved but developed further so those who come to view the falls will see miles of beautiful parkways and parks. Power companies will certainly not be the ones who will undertake such a comprehensive development of the scenic beauty. Their record in the past has been very poor on this point, and no one should know better about their record on this than Mr. Robert Moses, a prominent Republican, chairman of the New York Power Authority, and also chairman of the New York State Council of Parks. Mr. Moses states in an introduction to a publication of the New York State Power Authority entitled "Niagara Power and Park Development," dated December 1954:

> The private utilities on our side have bedevilled the Niagara River for 75 years. In spite of a record of shameless exploitation, they still have the effrontery to claim that the only question here is that of making power, that this is exclusively their business, that further development at Niagara is merely an extension of their business and is opposed only by socialists who are against all private enterprise. This argument completely overlooks both history and the basic underlying issue, which is the unquestionable public ownership and inalienability of the greatest natural resource of the State of New York.
>
> Private exploitation of Niagara Falls and the Niagara frontier is an old story. The record shows that the private companies have never had any genuine interest in the preservation of these public assets. Their interest lies in the exploitation of the diversion and fall of water and its conversion into power by the cheapest and most expeditious means, regardless of basic State conservation policies, of scenic or other damage, and of future public need of these natural resources. Precisely these considerations led the Canadians to provide for the preservation of these great natural resources for their inalienability, for public control under international treaty, and for a unique frontier park and parkway system for the use and enjoyment by all of their people and visitors present and future. This has been the Canadian point of view for years, and one which we should from the beginning have emulated.

I do not want to entrust such great scenic beauty to exploitation by five greedy power companies whose only interest is in developing as cheaply as possible the amount of power which will be made available to them. I want some consideration to be given to the preservation of this great natural wonder. Young couples for generations to come can go there on their honeymoon and become inspired by this beautiful site. It is for that reason that I am pleased to note in the Lehman bill, section 2 (b) (6), there is a provision that stipulates the power project at Niagara shall bear $15 million of the cost of a scenic drive and park on the American side of the Niagara River near the Niagara Falls.

The question today really resolves itself into a very simple matter. Do we want a private exploitation of natural resources which belong to all the people, or do we want them developed for the benefit of all the people by the people's own agency? I want to put myself squarely on record in support of the bill introduced by the Senator from New York [Mr. LEHMAN] which provides for construction and operation of the Niagara power project by the Power Authority of New York with preference in the marketing of such power for rural electric cooperatives and municipal electric systems. I want the people to have a honeymoon at Niagara Falls, not the big five private power companies.

FARM DEPRESSION SPREADING TO TOWNS

During the delivery of Mr. LANGER's speech,

Mr. HUMPHREY. Mr. President, I wonder if the Senator from North Dakota will yield to me for a brief statement, which will require not more than 5 minutes.

Mr. LANGER. I yield on condition that I do not lose the floor.

Mr. HUMPHREY. I ask that the Senator from North Dakota may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LANGER. I am always delighted to yield to my distinguished neighbor from Minnesota.

Mr. HUMPHREY. It is always a joy to work with the Senator from North Dakota, and I appreciate his courtesy.

I wish to make a brief statement concerning an evaluation of the agricultural situation in the Midwest, on the basis of reports from country bankers.

COUNTRY BANKERS' REPORTS SIGNAL FARM DEPRESSION SPREADING TO TOWNS

In the April 21 issue of Commercial West, an authoritative trade publication of the banking industry in the upper Midwest, the results of a survey of leading bankers in Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin were published, vividly demonstrating what is happening to midwestern small town and city merchants due to the enormous drop in farmers' purchasing power.

Fourteen out of 21 Minnesota bankers specifically reported trouble for local farm machinery dealers. Eleven out of 19 North Dakota bankers and 12 of 20 South Dakota bankers reported similar trouble for implement dealers. Three of the 4 Wisconsin bankers quoted, and all of the 5 Iowa bankers reporting, told of decreases in demand ranging from slight to severe.

Listen to the comments of some of these bankers:

Austin, Minn.:

> Machinery dealers in the area are indicating that very little profitable business is being done.

Balaton, Minn.:

> Farmers are not buying as much machinery. Deposits are going down.

Hallock, Minn.:

> The farm implement retail business has been extremely slow and the automobile business only fair.

Rochester, Minn.:

> New machinery moving slowly. * * * Farmers are making their old machinery do until the farm prices situation clarifies itself. * * * There will be a few young farmers who, if they do not have a good season this year, will be forced to sell out this fall.

I should comment that the Rochester area is one of the best farming areas in the entire upper Midwest.

Listen to the comments of some other bankers:

Bismarck, N. Dak.:

> Sales are down as compared to 1955.

Killdeer, N. Dak.:

> Machinery dealers are hurt.

Valley City, N. Dak.:

> Most stores down in sales. Farm machinery sales down.

Williston, N. Dak.:

> The trend is still to the bigger farmer getting bigger and the smaller going out of business.

Arlington, S. Dak.:

> Machinery sales way down.

Miller, S. Dak.:

> Lots of machinery but very little of it being sold.

Vermillion, S. Dak.:

> Most businesses report less volume to date than a year ago. Farm machinery sales are down.

Princeton, Wis.:

> Machinery and implement dealers complaining that farmers are not buying.

Denison, Iowa:

> Machinery and automobile dealers report sales far below last year.

Jefferson, Iowa:

> No new machinery is being bought.

These men are hard-headed American businessmen.

When such trained observers report trouble for the farm machinery industry at the retailing level, that is a warning flag we must heed.

The farm depression has begun to move into the towns and cities of the Midwest. Unless this administration does something about it, it will not be farmers alone who will suffer, nor even small-town merchants. It will be the factories of Detroit and Dearborn and Moline.

Let the farmer go down—as this administration seems determined to do—and you will let the whole country go down the drain. It happened in the 1920's. It seems to be happening all over again.

I conclude by noting that the inventory of 1956 models of automobiles is at an all-time high in the history of the automobile business, with the exception of 1 month. At present there are more than 900,000 unsold automobiles, 1956 models, despite the sharp curtailments in automobile production. During the past week every automobile plant in the United States took off at least 1 day, laying off all workers.

Indications are that the recent credit squeeze placed on the economy by the Federal Reserve bank is beginning to take its toll. I sound a warning note in the Senate, as I shall do from time to time, and as was done a couple of years ago, when the tight-money, high-interest-rate policy was inaugurated. Subsequently it was relaxed. Again we are beginning to see the squeeze upon credit, and this credit squeeze is hurting the independent businessman and the farmer. They are caught in a period of deflation, so far as their business is concerned, while large business is apparently somewhat touched with inflation. If it continues, we can expect more and more trouble in the American economy.

I am hopeful that warnings such as this—and I hope warnings also from any other Members of the Senate—will alert our Government to the fact that it is possible to put on the brakes too much and in the process cause almost irreparable damage to the American economy.

It is about time that the credit policies of the Federal Reserve Board be carefully reviewed by the appropriate committees of Congress. I call the attention of the Committee on Banking and Currency and of the Joint Committee on the Economic Report to what I believe to be symptoms and signs of difficulty in some areas—I repeat, in some areas—limited as they are, in the American economic structure. I call the attention of those committees to the area of independent businesses of America having $1 million in assets or less, our agricultural economy, and certainly the automobile industry, which industry is a sort of bellwether as to what is going on in terms of consumer purchasing power.

Finally, I would note that the number of housing starts this year are sharply down from last year. The availability of credit at reasonable rates of interest is becoming an ever more serious problem. Surely, we cannot countenance a retreat in the construction and housing industries.

I hope that provisions for veterans' loans, which are rather liberal, and which have been very effective and useful, will be continued for several years to come.

The credit structure is good, if it is used for constructive purposes. However, I warn Members of Congress that interest rates of 5 percent or 5½ percent are too high in the American economy as it is presently constituted. That is exactly what is beginning to happen in far too many areas of the American economic structure.

I thank the distinguished Senator from North Dakota [Mr. LANGER] for his kindness and consideration in yielding to me at this point.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. LEHMAN. Mr. President, for the past 6 years, we have been witnessing in this country, and especially in New York State, operation avalanche, in regard to the Niagara project. I mean avalanche of propaganda—propaganda in favor of the turnover of the public resource of the Niagara Falls to the private power monopoly. Throughout the country, in every town and hamlet newspaper, in every magazine, in every public medium, there have appeared paid advertisements favoring the Niagara giveaway. An army of paid lecturers has appeared before every possible Rotary and Kiwanis Club, junior chambers of commerce, and other similar organizations throughout the country.

The whole focus of this propaganda has been to the effect that letting New York State develop this resource was socialism, while letting the private monopoly have this public resource was private enterprise.

Nowhere has operation avalanche concentrated so intensively as in New York State. And as a result there have been resolutions passed by various organizations in New York State, including some farm organizations and some labor organizations, in favor of the giveaway.

The arguments given by the proponents of the giveaway are familiar to all of us—the mythical loss in tax revenue and the dangers of creeping whatever-it-is.

And it was no great trick, on the basis of this cloud of propaganda, to get resolutions passed. It is a simple trick with which we are all familiar. And some, of course, took this stand out of sincere conviction.

What astounded me earlier today, however was to hear my distinguished colleague [Mr. IVES] take a leaf out of the propaganda book of the private monopoly crowd and use their leading argument as his own. I refer to his assertion that New York State does not want my bill.

Mr. IVES. Mr. President, will my colleague yield at that point?

Mr. LEHMAN. I should like to finish my statement, and then I shall be glad to yield. It will take no more than 3 minutes.

The fact is, and my distinguished colleague fails to mention this, that all the resolutions he refers to are not in opposition to my bill, S. 1823. They are in favor of the private giveaway bill, S. 6. These resolutions he refers to are opposed to any form of public development in New York State. And I challenge my colleague [Mr. IVES] to state otherwise. The record of the hearings are very clear on this point.

But these resolutions in favor of the giveaway do not represent the majority sentiment in New York State. They represent a minority sentiment, a tiny minority sentiment, in my judgment—a minority that, for the most part, has been fooled and bamboozled by propaganda.

The overwhelming majority sentiment in New York State is for public development. The State platforms of the Republican Party, the Democratic Party, and the Liberal Party—all three parties in New York State—favor public development of Niagara.

My senior colleague favored public development in his last race for public office. Attorney General Javits favors public development.

At this point I ask unanimous consent to have printed in the RECORD pertinent excerpts from the 1954 platforms of the Republican, Democratic, and Liberal Parties of New York.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

DEVELOPMENT OF THE ST. LAWRENCE AND THE NIAGARA RIVERS

(1954 platform adopted by the Democratic State convention)

We propose to speed the construction in the next 4 years of the projects for full development of the St. Lawrence and the Niagara Rivers conceived and long advocated by Democratic Governors and Presidents for their direct benefit of the people.

These invaluable resources were saved for the people, against Republican attempts to hand them over to private interests, by the forthright action of Gov. Alfred E. Smith, Senator Robert F. Wagner, President Franklin D. Roosevelt, and Senator Herbert H. Lehman.

The St. Lawrence project will be built by use of the engineering plans completed in 1942 in surveys ordered by Governor Lehman and President Roosevelt. These plans were adopted as the basis for approval of the project by the International Joint Commission in the last national administration. The Niagara will be redeveloped to preserve and enhance the scenic spectacle and to utilize its immense power potential under the treaty of 1950 with Canada negotiated by President Truman.

After inheriting these constructive plans and agreements, the Republican Party is again seeking ways and means to turn over the people's power to utility monopolies.

During the present Congress, on July 9, 1953, the House passed a Republican bill making an outright gift of the undeveloped power of the Niagara River to a combination of private utilities. New York Republicans in the House, led by a former Republican State chairman, voted 26 to 1 for this measure.

Again on August 19, 1954, a majority of the Republicans on the Senate Public Works Committee filed a report serving notice that they intend to press for this surrender of public power to private utilities at the January 1955 session if a Republican Congress is elected in November.

The administration at Albany, meanwhile, has sponsored the Ives bill in Congress to advance its plan to deliver Niagara power to the same utilities at the bus bar, that is, at the site of the powerplants.

We renew our support of the safeguard provisions of the Lehman-Roosevelt bill, S. 2966, 83d Congress, and we pledge enforcement of these safeguards in the marketing of St. Lawrence-Niagara power by vigorous State action.

These great natural resources belong to the people and they should be used to create new jobs, to expand the whole economy of the State, and to insure maximum benefits for labor, agriculture, commerce, industry, and the consuming public.

In order to protect the legitimate collective-bargaining rights of workers on both the impending St. Lawrence project and the proposed Niagara project on construction and operation jobs, we pledge to seek amendment of the Power Authority Act to assure such workers of all rights necessary to obtain equitable working conditions, including job security and wage levels prevailing in the private power industry.

The St. Lawrence-Niagara projects will annually produce over 15 million kilowatt-hours of electric energy. Under a Democratic administration, this low-cost energy will be made available to the people at yardstick rates to reduce the excessive charges now borne by millions of domestic, rural, and commercial customers for electric service throughout New York State.

PUBLIC POWER

(1954 platform adopted by the Liberal Party State convention)

The Liberal Party has long urged that development of the St. Lawrence-Niagara power potential be done by the State.

We are opposed to making the development of the power resources of the State another bonanza for private utility interests. We, therefore, advocate that the public power authority control the power from the Niagara and St. Lawrence waterways for the benefit of the people by distributing this power directly or through cooperatives, and State and municipally owned powerplants. Where it is necessary to distribute such power through existing private utilities, then it is essential that the strictest supervision be maintained by the State and that the cost of power to the consumer be fixed at a rate which will grant to the consumers every advantage of the savings resulting from hydroelectric power.

WATER RESOURCES

(1954 platform adopted by the State Republican convention)

For a generation the Democrats beat the political drums about the people's waterpower in this State, promised the public development of those resources, and accomplished nothing. Indeed, in recent years their practice has been outright obstruction.

After years of opposition by the Democrats in Washington, our Republican State administration last year at long last obtained a Federal license to proceed with the great St. Lawrence River power project. In June 1954 the Supreme Court of the United States upheld the license. On August 11 we actually started construction of this $300 million job. The cheap hydropower will give an enormous lift to the economy of our State.

One of our first acts in 1943 was to assert control over public waters diverted for power purposes, and to collect rent for water which had long been used free by private licensees at Niagara Falls. We have already collected for the people of the State $20,675,000 for the use of Niagara water.

The New York State Power Authority plans development of St. Lawrence power, together with the additional Niagara waterpower made available by the 1950 treaty with Canada. These two vast State projects, integrated with the existing private systems, will bring increasing benefits to our rural and domestic consumers, as well as to industry.

Democrat obstruction of our State power plan has recently narrowed down to one issue. The Democrats insist that preference should be given to publicly and cooperatively owned systems in the distribution of State-generated hydropower. Such preference would be an injutsice to the vast majority of our State's consumers who are served by private companies. We pledge fullest equitable benefits from the power generated at St. Lawrence and Niagara to all rural and domestic consumers, including municipal and co-op customers.

We state again our Republican pledge of many years standing: We shall continue to oppose the sale, lease, or licensing to private ownership of the people's interest in the State's undeveloped power resources. We also oppose Federal development of these waters as proposed by the Democrats.

Mr. LEHMAN. Mr. President, no candidate for statewide office dares in New York to run on the basis of private development. None has for the past 30 years.

New York State law requires public development. The private utility crowd tried and failed to get through the Republican State legislature, this very year, a resolution calling for a statewide referendum on public development of the Niagara. The legislature did not dare to adopt such a resolution, and that legislature is overwhelmingly Republican.

Oh, Mr. President, resolutions are not an accurate reflection of public sentiment. Resolutions and communications from constituents are illuminating but they do not prove what public sentiment is. I have received resolutions and telegrams, too.

A point has been made of the opposition of organized labor to my bill. Well, Mr. President, I submit, for the Record, a list of the labor unions in my State, representing a much larger membership than those cited in favor of the giveaway, who are all-out in favor of my bill.

Let me read a few of the names of these organizations and union leaders who have indicated their all-out support of S. 1823. I ask unanimous consent that the whole list appear in the Record.

The PRESIDING OFFICER (Mr. Sparkman in the chair). Without objection, the list will be printed in the Record.

Mr. LEHMAN. Mr. President, I shall read at random a few of the names:

United Clothing Workers of America, New York, N. Y.

Martin Gerber, regional director, UAW, New York, N. Y.

Paul Krebs, president, New Jersey State CIO, New York, N. Y.

Greater New York Joint Board of Textile Workers, New York, N. Y.

Michael J. Quill, international president, Transport Workers Union of America, AFL–CIO.

Jacob S. Potofsky, general president, Amalgamated Clothing Workers of America.

David Dubinsky, president, International Ladies Garment Workers Union.

United Shoe Workers of America, AFL–CIO, joint council B.

Jay C. Watkins, director of education and political action, region 9, AUW-AFL–CIO.

James Miller, president, and James Steele, secretary-treasurer, of the Greater Buffalo Industrial Union Council, AFL–CIO.

Jack R. Suarez, president, district 3, IUE, AFL–CIO, Schenectady, N. Y.

Dave Klein, president, United Optical Workers, New York, N. Y.

Julius Sum, president, Local 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO.

Louis Hollander, president, and Harold J. Garno, secretary-treasurer, New York State CIO Council.

Vincent LaCapria, comanager, and Abraham Miller, secretary-treasurer, New York Joint Board, Amalgamated Clothing Workers of America.

Mr. President, those are only a few of the persons or associations from whom I have received resolutions. I thank the Presiding Officer for having had permission granted to have the entire list, which numbers some 60 or 70, printed in the Record.

The list ordered printed in the Record is as follows:

Endorsement of S. 1823 by Labor Organizations and Leaders

Amalgamated Clothing Workers of America, New York, N. Y.

Martin Gerber, regional director, UAW, New York, N. Y.

Charles H. Kerrigan, regional director, UAW, New York, N. Y.

Paul Krebs, president, New Jersey State CIO, New York, N. Y.

Greater New York Joint Board of Textile Workers, New York, N. Y.

Michael J. Quill, international president, Transport Workers Union of America, AFL–CIO.

Matthew Guinan, secretary-treasurer, Transport Workers Union of America, AFL–CIO.

Frank Sheehan, director of organizations, Transport Workers Union of America, AFL–CIO, and more than 70,000 members employed in the bus, air, and rail transportation and gas utility industries in the New York area.

Nicholas Cappadona, Sr., chairman, Political Action Committee, 1,500 members of local 2067, United Steel Workers, Brooklyn, N. Y.

Local 14–149, Anthony Mazzocchi, president, Oil, Chemical and Atomic Workers International Union, Roslyn.

Adolph Rosenbaum, president, Greater New York Joint Council Barbers and Beauty Culturists Union of America, AFL–CIO, 1472 Broadway, New York City, representing 5,000 members.

Allied Trades Council, New York City.

Journeymen Tailors Union, local 1, ACWA, New York, N. Y.

Jim Trenz, 5 Court Square, Long Island City, president, local 453, CIO-AFL, Long Island City, N. Y.

Allied Crafts Union, New York City.

Joint Board of Fur Dressers and Dyers, New York City.

Broadway Chauffeurs Association, Inc., New York City.

House Wreckers Union, local 95, New York City.

Bartenders Union, local 15, New York City.

Marine Allied Workers, Brooklyn, N. Y.

Jack Rubenstein, New York State director, Textile Workers Union of America.

William Pollock, executive vice president, Textile Workers Union of America, executive council, Textile Workers Union of America, AFL–CIO meeting in Washington, D. C.

Edward F. Doolan, manager, Fall River Joint Board Textile Workers Union of America, on behalf of 13,000 textile workers in Fall River and vicinity.

Harold C. Troidl, area director, UAW–AFL–CIO, Buffalo, N. Y.

Jay C. Watkins, director, education and political action, region No. 9, UAW–AFL–CIO. After careful survey of cross-section of some 40,000 UAW members in Niagara frontier, we find overwhelming support for S. 1823 concerning Niagara power development.

James Miller, president, James Steel, secretary-treasurer, the Greater Buffalo Industrial Union Council, AFL–CIO, representing 100,000 organized workers in the Buffalo, N. Y., area.

Matthew Guinan, president, local 100, Transport Workers Union, AFL–CIO, representing 45,000 members and their families, New York City.

Jack R. Suarez, president, district 3, IUE, AFL–CIO, Schenectady, N. Y., District Council 3, IUE, AFL–CIO, New York State, representing 50,000 electrical workers wholeheartedly endorses your bill, S. 1823.

William Gierspach, chairman, legislative committee, local 116, UAW, 5416 Second Avenue, Brooklyn.

Dave Klein, president, United Optical Workers, New York, N. Y. (local 408, IUE, AFL–CIO, 112 East 19th Street, New York City).

Julius Sum, president, local 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO (6,000 members), New York City.

Michael DeCicco, manager, Furniture Workers Union, local 76–B, New York City.

Vincent Messina, manager, local 324, ACWA Union, New York City.

Helen Thompson, local 1001, Textile Workers, Newburgh, N. Y.

United Shoe Workers of America, New York City.

Louis Hollander, president, Harold J. Garno, secretary-treasurer, New York State CIO Council, 101 West 31st Street, New York City.

Michael J. Quill, president, Morris Iushewitz, secretary-treasurer, New York City CIO Council, and its half-million members, New York City.

Vincent La Capria, comanager, Abraham Miller, secretary-treasurer, New York joint board, ACWA (Amalgamated Clothing Workers of America), on behalf of the 50,000 members, 31 West 15th Street, New York City.

James Miller, president, James Steel, secretary-treasurer, the Greater Buffalo Industrial Union Council, AFL–CIO, 100,000 organized workers, the Buffalo, N. Y., area, Buffalo, N. Y.

William Swanwick, president, local 292, United Paper Workers of America, New York City.

Mortimer Gellis, president, local 1706, Insurance Workers of America, AFL–CIO, New York City.

Thomas Flavell, manager, local 169, Amalgamated Clothing Workers of America, New York City.

Local 504, Transport Workers Union, AFL–CIO, Elmhurst, N. Y.

District Council No. 15, OCAW, AFL–CIO, Niagara Falls, N. Y.

United Shoe Workers of America, AFL–CIO, Joint Council No. 3, signed by Fileno De Novellis, manager, Anthony Scimeca, secretary-treasurer.

Jack Curran, vice president, Oil, Chemical and Atomic Workers, International Union, CIO.

Jacob S. Potofsky, general president, Amalgamated Clothing Workers of America.

David Dubinsky, president, International Ladies Garment Workers Union.

Mr. LEHMAN. Finally, Mr. President, I submit for the Record a random sampling of the telegrams which have flooded my office in the last few days, since it became apparent that the phony argument, the misleading argument, that the people of New York are opposed to my bill, would be used on the floor of the Senate. I ask unanimous consent that these telegrams be printed in the body of the Record at this point in my remarks.

There being no objection, the telegrams were ordered to be printed in the Record, as follows:

New York, N. Y., *May 9, 1956.*
Senator Herbert Lehman:
Lehman's power bill deserves support.
Mrs. W. A. Carson.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's power bill deserves support.
Ruth Krasnoff.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Thomas Bond.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Louis Cacciari.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's power bill deserves support.
Paul Bollen.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
People are for Lehman's public power statute.
Connie Zurica.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Michael Bocco.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Arthur Somerville.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Adolph Schroeder.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
Ronald Stanley.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
John Demasi.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
Peter Avola.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
People are for Lehman's public power statute.
Frank Borzomati.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Eugene P. Perone.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Leon Adler.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Ted Berman.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Paul A. Lattanzi.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power. Keep up the good work.
Arthur Becker.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Sarah Morris.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Wm. J. Moir.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Max G. Gerscher.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
James P. Clark.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Alfred Foster.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
Samuel Samuels.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Stephen Urban.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Frances Weiss.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Murray Lessoff.

Garden City, N. Y., *May 10, 1956.*
Senator Lehman,
New House Office Building:
I strongly urge support of S. 1636 and ask your backing on this measure.
Mrs. George Shortmeier, Jr.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
People are for Lehman's public power statute.
Wanda Lock.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
The public favors public power; keep up the good work.
Harry Zaldin.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
Alfred R. Dottin.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
John O'Dea.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Harry Levine.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
Anna M. Jacobs.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
David Kornfield.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
Carl Trichter.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's power bill deserves support.
Francis Weinstein.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
The public favors public power keep up the good work.
Mrs. Anne Jacobs.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
We want Lehman's power proposal.
Pierce Eccles.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's public power bill should pass.
Carl Rose.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's public power bill should pass.
Manuel Castelo.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
People are for Lehman's public power statute.
Leonard Powers.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Mrs. Diana Horowitz.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
We want Lehman's power proposal.
Irwin Sloves.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
The public favors public power. Keep up the good work.
Elias Tevlin.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Eraine L. Mantas.

New York, N. Y., *May 9, 1956.*
Hon. Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Bernard Segal.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
Joseph Marine.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Madelaine Cole.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Edward P. Tolley.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Fred Hill.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
J. Van H. Whipple.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Hyman Rosenblum.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Charles Hunt Picaid.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Urge support of Senator Lehman's public power bill.
Hyman Abrams.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Veronica Keane.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
Ben Pincus.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
Anthony Trezini.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power keep up the good work.
Harry Kendell.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power keep up the good work.
Murray Zwang.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Matthew Intner.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Albert Levy.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
James Rosenthal.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Stephen Botsford.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Leon Rabbin.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power bill crowns a great career.
Frank McNabb.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Milton Seltzer.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
We want Lehman's power proposal.
Adolf Summerfield.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
We want Lehman's power proposal.
Irving Smith.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Jacob Bobbins.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
We want Lehman's power proposal.
Una Hadley.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
We want Lehman's power proposal.
Ben Rader.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Edward Stockvis.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Everett Hall.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's power bill deserves support.
Mrs. W. A. Carson.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Press passage of your public power bill.
Frances Schwartz.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
We want Lehman's power proposal.
H. M. Sachs.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Norman Natko.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
People are for Lehman's public power statute.
Seymour R. Thaler.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Louis Glassbert.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Eugene Young.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Louis Mangini.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Lehman's public power bill should pass.
Raphael Fuentes.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Hope your public power law passes.
Richard Mass.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power. Keep up the good work.
Mary J. Grissom.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
William V. Purcell.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Jack Holtzberg.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power. Keep up the good work.
Marie E. Anderson.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Mrs. Charlotte Trevillion.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
John Sachman.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Rosemary Dubois.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Donald A. Sachar.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Jacques Maignan.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's power bill deserves support.
Cesar Rodriguez.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Lehman's public power bill should pass.
Irving Rosen.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
We want Lehman's power proposal.
Alice Koch.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
William E. Horwill.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H Lehman,
United States Senate,
Washington, D. C.:
We want Lehman's power proposal.
Samuel P. Hornstein.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
Paul Wosner.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public plan.
Martin A. Janson.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
Bob Wassner.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:
The public favors public power. Keep up the good work.
Mrs. Muriel M. Leonard.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
The best of luck with your bill to develop Niagara power in our interests.
Colin Cattley.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
Please know that we are pulling for you and hope that the other Senators will vote to pass S. 1823.
Julius Bronzino.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
These so-called public utilities are not for the benefit of the public. Your bill S. 1823 is in the genuine public interest. I am on your side.
Jack Kirisits.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
My whole family is with you in your fight for the passage of your public power bill.
Ed Larkowski.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
We are with you on S. 1823.
Mert House.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
My family and I support you and your bill S. 1823.
Charles Cane.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
Our electric bill is too high now. S. 1823 is the answer to more and cheaper power rates.
Joseph L. Newton.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
It's about time we had someone concerned about the little folks. Please do everything possible to pass S. 1823.
Leonard Sidorski.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
Your bill S. 1823 will mean cheaper rates for us at home. Please make it pass.
George Frongillo.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
Am in full support of your bill S. 1823. The Niagara River and the falls are gifts from God to his people and it should be developed in their interest.
Joseph Yantomasi.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
When a comparison is made between an electric bill of a worker across the river and my bill here in Buffalo, how can I or any other worker fail to support you in your fight for public power as against the utilities and their private gouge.
Frank Telakowicz.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:
We need more Senators like you who will fight for legislation in our interest. S. 1823 is a dandy. Make it pass.
Richard Koenig.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:

The waters of the Niagara and the benefits derived thereof belong to all the people not some chosen few. Your power bill is the proper way to develop the power of the Niagara River.

Alice Lebert.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
United States Senator,
Senate Office Building,
Washington, D. C.:

If some of our Representatives' wives had to go out and work like I do to support my family, they wouldn't hesitate a moment in voting for your public power bill and other legislation for our benefit.

Margaret Snyder.

Elmhurst, N. Y., *May 9, 1956.*
Hon. Herbert H. Lehman,
United States Senate,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Jno Mele,
President, Air Transport Local 504, TWU, AFL–CIO.

Niagara Falls, N. Y., *May 11, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

District Council 15, OCAW AFL–CIO, representing 10,000 organized workers in the Niagara Falls, N. Y., area vitally interested in the passage of Int. S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low cost power for home and industrial consumption. Industry will have an added incentive to locate in our area thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1823. We urge its passage.

Wesley J. Hilts,
Secretary Treasurer, District Council 15, OCAW AFL–CIO.

New York, N. Y., *May 9, 1956.*
Senator Lehman,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Fileno de Novellis,
Manager.
Anthony Scimeca,
Secretary Treasurer, United Shoe Workers of America, AFL–CIO, Joint Council No. 13.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Your public power bill crowns a great career.

Amalgamated Clothing Workers of America.

New York, N. Y., *April 30, 1956.*
Senator Herbert Lehman,
Senate Office Building,
Washington, D. C.:

Congratulations on your fight in behalf of consumer of the State of New York. May license granted by the Federal Power Commission to the Power Authority of the State of New York including strong preference clause be a permanent blessing to the people of the State of New York.

Martin Gerber,
Regional Director, United Auto Workers.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Victory for Senate bill 1823 will confirm a permanent blessing to power consumers in the State of New York. Best wishes in your efforts in support of this measure. Accept this expression of my support in behalf of 100,000 members of the United Automobile Workers in the Northeast.

Charles H. Kerrigan,
Regional Director, UAW.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

On behalf of 250,000 members of the New Jersey State CIO I strongly favor Senate bill 1823, as reported out of committee without any weakening amendments. Congratulations on your fine fight in behalf of power consumers in the Northeast.

Paul Krebs,
President, New Jersey State CIO.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

The public favors public power. Keep up the good work.

Greater New York Joint Board of Textile Workers.

New York, N. Y., *May 11, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

The Transport Workers Union of America, AFL–CIO, and its more than 70,000 members employed in the bus, air, and rail, transportation and gas utility industries in the New York area are in solid support of your effort to protect theirs and their families living costs to the passage of S. 1823. This bill affords to them necessary consumer protection in the development of the Niagara River's hydroelectric resources. It will insure the lowest possible cost for power for all the people of the State and serve as a protection to the public as a yardstick against runaway power prices. It will moreover provide to the critical area of upstate New York a source of much-needed employment with resulting benefits to the entire State economy. You have the wholehearted support of TWU in your fight.

Workers Union of America, *AFL–CIO.*
Michael J. Quill,
International President.
Matthew Guinan,
International Secretary-Treasurer.
Frank Sheehan,
Director of Organizations Transport.

Brooklyn, N. Y., *May 11, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

One thousand five hundred members of Local 2067, United Steel Workers of America, fully support your fight to obtain passage of S. 1823.

Nicholas Cappadona, Sr.,
Chairman, Political Action Committee.

Roslyn, N. Y., *May 10, 1956.*
Senator Lehman,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interest so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Anthony Mazzocchi,
President, Local 14–149, Oil, Chemical and Atomic Workers International Union.

New York, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Honorable Sir: Joint council representing 5,000 members fully support your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests, so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Adolph Rosenbaum,
President, Greater New York Joint Council, Barbers and Beauty Culturists Union of America, AFL–CIO.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

People are for Lehman's public power statute.

Allied Trades Council.

New York, N. Y., *May 11, 1956.*
Senator Herbert H. Lehman,
Senate Office Building
Washington, D. C.:

Our union fully supports your fight for passage of S. 1823 to develop hydroelectric resources Niagara River under public auspices safeguarding consumers interests to spread benefits widely as possible making possible low cost power passage of this bill will mean more jobs and increased level economic activity for New York State.

Journeymen Tailors Union, Local 1, ACWA.

Long Island City, N. Y., *May 11, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

We are behind you in your fight for passage of S. 1823.

Jim Trenz,
President, Local 463, CIO–AFL.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Lehman's power bill deserves support.

Allied Crafts Union.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Press passage of your public power bill.

Joint Board of Fur Dressers and Dyers.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Hope your public power law passes.

Broadway Chauffeurs Association, Inc.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Your public power proposal is a very good one and should become law.

House Wreckers Union, Local 95.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Congratulations on your fine visionary public power plan.

Bartenders Union, Local 15.

Brooklyn, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
United States Senate,
Washington, D. C.:

Press passage of your public power bill.

Marine Allied Workers.

May 11, 1956.
Hon. Herbert H. Lehman,
United States Senate:

Workers, business, industry, farm-families, and housewives in New York, New England and neighboring States will all benefit from low-cost electrical power at Niagara Falls by Lehman bill. We urge enactment of this legislation.

Jack Rubenstein,
New York State Director,
Textile Workers Union of America.

May 11, 1956.
Hon. Herbert H. Lehman,
United States Senate:

Executive Council Textile Workers Union of America, AFL–CIO, meeting in Washington, D. C., wholeheartedly endorses Senate bill 1823 for public development of Niagara hydroelectric power under specified preference provisions to furnish low cost electricity to consumers in New York, Ohio, Pennsylvania and New England.

William Pollock,
Executive Vice President, Textile Workers Union of America.

Washington, D. C., *May 11, 1956.*
Hon. Herbert H. Lehman,
United States Senate:

On behalf of 13,000 textile workers in Fall River and vicinity, I urge support S. 1828 as reported from committee for development of Niagara power to insure lowering of rates now far too high in New England and nearby States.

Edward F. Doolan,
Manager, Fall River Joint Board Textile Workers Union of America.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

After careful survey of cross section of some 40,000 UAW members in Niagara frontier, we find overwhelming support for your bill S. 1823 concerning Niagara power development. Enactment of your bill will make available vast quantities of additional power at lower rates and will draw badly needed additional industry to our State and area. The UAW and its members in western New York vigorously support you in your endeavors.

Harold C. Troidl,
Area Director, UAW-AFL-CIO.
Jay C. Watkins,
Director Education and Political Action Region No. 9.

Buffalo, N. Y., *May 10, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

The Greater Buffalo Industrial Union Council AFL-CIO representing 100,000 organized workers in the Buffalo-New York area vitally interested in the passage of S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low-cost power for home and industrial consumption. Industry will have an added incentive to locate in our area thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1832. We urge its passage.

James Miller,
President.
James Steel,
Secretary-Treasurer.

New York, N. Y., *May 10, 1956.*
Senator Herbert Lehman,
Senate Office Building,
Washington D. C.:

Local 100 Transport Workers Union of America, AFL-CIO, representing 45,000 members and their families, wholeheartedly support your efforts to secure passage of S. 1823. This bill will protect the consumers' interest in the development of the hydroelectric resources of the Niagara River. Such a measure would spread the resulting benefits to all sections of our great State and would bring the lowest cost power to our people. It would also provide a yardstick against unwarranted increases from private companies. More jobs for workers throughout the State and increased activity for our business economy would be much desired additional benefits. We in TWU are solidly behind you in this fight.

Matthew Guinan,
President, Local 100, Transport Workers Union, AFL-CIO.

Buffalo, N. Y., *May 10, 1956.*
Hon. Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Delegates to the Western New York Citizenship Council (UAW–AFL–CIO) representing 30,000 members have unanimously adopted a resolution in support of your bill S. 1823 and commend you on your fight in behalf of the power consuming public.

Joseph Kinecki,
President.
Ralph Stone,
Recording Secretary.

Schenectady, N. Y., *May 10, 1956.*
Hon. Herbert Lehman,
United States Senate,
Washington, D. C.:

District Council 3 IUE–A. F. of L.–CIO, New York State, representing 50,000 electrical workers, wholeheartedly endorse your bill, S. 1823.

Jack R. Suarez,
President, District 3, International Union of Electricians, AFL–CIO.

Brooklyn, N. Y., *May 10, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Local No. 116, UAW, supports your fight to get S. 1823 passed in the United States Senate. We feel that cheaper electric power spread widely may benefit many consumers, make more jobs, and better the economy of our State in general.

Respectfully,
William Gierspach,
Chairman, Legislative Committee.

New York, N. Y., *May 10, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Our union fully supports your valiant fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices, with consumers' interests safeguarded. Passage of this measure will increase employment and level of economic activity in our State.

Dave Klein,
President, United Optical Workers Union, Local No. 408, IUE, AFL–CIO.

New York, N. Y., *May 10, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Six thousand members of our union support your fight to obtain passage of bill S. 1823 to develop hydroelectric resources of Niagara River under public auspices. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Julius Sum,
President, Local No. 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

Michael Decicco,
Manager, Furniture Workers Union, Local 76B.

New York, N. Y., *May 10, 1956.*
Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Local 324 ACWA Union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests.

Vincent Messina,
Manager, Local 324, ACWA.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman:

Lehman's public power bill should pass.

American Jewish Congregation, Lawyers Chapter.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

We want Lehman's power proposal.

Delmore Social Club.

New York, N. Y.
Senator Herbert H. Lehman,
Washington, D. C.:

Hope your public power law passes.

Professional Arts Club.

New York, N. Y., *May 9, 1956.*
Senator Herbert H. Lehman,
Washington, D. C.:

Press passage of your public power bill.

Alpine Social Club.

Brooklyn, N. Y.
Senator Herbert H. Lehman,
United States Senate, Washington, D. C.:

Lehman's public power bill should pass.

Bensonhurst Italian Organization.

Brooklyn, N. Y.
Senator Herbert H. Lehman,
United States Senate, Washington, D. C.:

Hope your public power law passes.

Heights Jewish Club.

BROOKLYN, N. Y.
Senator HERBERT H. LEHMAN,
United States Senate, Washington, D. C.:

Urge support of Senator LEHMAN's public power bill.

AFFILIATED YOUNG DEMOCRATS.

MAY 7, 1956.
Senator IRVING M. IVES,
Senate Office Building,
Washington, D. C.:

Request your cooperation and favorable vote on Lehman bill, Niagara power project. Cost of electricity to individual rate-payers as well as all industry in this area much higher than in Canadian sector or southern TVA area. Private interests attempt to gain at expense of taxpaying public who actually pay cost of improvements through Federal aid, yet power rates are increased constantly, resulting in doubled or trebled cost to user. Time the consuming public be considered.

HAROLD SMITH,
Record Section, TWUA Local 1085.

BUFFALO, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Greater Buffalo Industrial Union Council AFL–CIO, representing 100,000 organized workers in the Buffalo, N. Y., area vitally interested in the passage of S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low-cost power for home and industrial consumption. Industry will have an added incentive to locate in our area, thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1832. We urge its passage.

JAMES MILLER,
President.
JAMES STEEL,
Secretary-Treasurer.

NEW YORK, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguard of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power.

WILLIAM SWANWICK,
President, Local 292, United Paper Workers of America.

LONG ISLAND CITY, N. Y.
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823.

LOCAL 365 UNITED AUTOMOBILE WORKERS, CIO.

NEW YORK, N. Y., *May 10, 1956.*
Honorable HERBET H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

MORTIMER GELLIS,
President Local 1706, Insurance Workers of America AFL–CIO.

NEW YORK, N. Y., *May 10, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interest so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

LOCAL 169 AMALGAMATED CLOTHING WORKERS OF AMERICA.
THOMAS FLAVELL, *Manager.*

NEWBURGH, N. Y., *May 6, 1956.*
Senator HERBERT LEHMAN,
Washington, D. C.:

Pass the Niagara power project bill. Industry badly hurt due to high power cost in industry and also in rates for home use.

HELEN THOMPSON,
Local 1001.

UTICA, N. Y., *May 7, 1956.*
Hon. HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

I feel that passage of S. 1823 and speedy processing of Niagara project under public auspices as provided by that bill is essential to meet the vastly expanding power needs of hundreds of communities in the State of New York.

RICHARD H. BALCH,
Member of Public Service Commission, State of New York.

BATH, N. Y., *May 5, 1956.*
Hon. HEBERT LEHMAN,
Senate Office Building:

Grange Neils Creek wishes you to urge support of the Lehman bill S. 1823.

GENEVA PAWLING,
Secretary.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Urge support of Senator LEHMAN's public power bill.

UNITED SHOE WORKERS OF AMERICA.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington D. C.:

The New York State CIO Council has already gone on record in favor of development of hydroelectric resources as proposed in S. 1823 for the Niagara River and therefore strongly urges your utmost effort to obtain its passage so that the public owner of these vast and valuable resources, may obtain maximum benefit from them.

LOUIS HOLLANDER,
President.
HAROLD J. GARNO,
Secretary-Treasurer,
New York State CIO Council.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

On behalf of New York City CIO council and its half million members all who are constantly concerned with economic conditions in New York State we are in full support of your stand on public power utilities and send you our confident hope you will be successful in getting passage of S. 1823 which will develop hydroelectric resources of Niagara River under public auspices safeguarded in consumers' interests. This would spread benefits to the widest extent and make possible low-cost power. Passage of this bill will mean more jobs and increase the level of economic activity for our State of New York.

MICHAEL J. QUILL,
President.
MORRIS I. USHEWITZ,
Secretary-Treasurer.

TEXTILE WORKERS UNION OF AMERICA,
OFFICE OF THE EXECUTIVE VICE PRESIDENT,
NEW YORK, N. Y., *May 4, 1956.*
To the Members of the United States Senate.

DEAR SENATORS: We, the undersigned, a group of officers of local unions in New York State affiliated with the Textile Workers Union of America, AFL–CIO, once more strongly request and urge that you work and vote for S. 1823 (the Lehman bill) for the redevelopment of the Niagara River, etc.

Our union, which has a widely scattered membership in New York State, has specifically endorsed the terms and principles of the Lehman bill at at least two national conventions; we have endorsed the Lehman bill time after time at our State conventions. We insist that working people of our State are genuinely concerned with this issue and, despite the terrific and misleading propaganda of the private power companies, do understand clearly enough what is at stake in this controversy.

From the consumer standpoint, the interest of the people of New York is brutally clear: we pay roughly twice as much as we should for our electricity. As industrial employees, however, we have equally compelling reasons to be for the Lehman bill. The recent mass migration of the textile industry from several important areas in New York such as Yonkers, Amsterdam, and Utica should have shocked all public officials, as well as the average private citizen, into the realization that drastic measures must be taken if such types of manufacture are to continue to operate in this area.

One of the vital economic factors in the migration of these historic plants was the high cost of power for industrial purposes in the areas where they previously operated. Textiles and similar industries must have lower electric rates if they are to remain in New York or surrounding States.

We enclose herewith for your reference a summary of a speech on this problem made late last year by Leland Olds, formerly with the power authority of the State of New York and former chairman of the Federal Power Commission.

Hope that you will vote for S. 1823.

Sincerely yours,

Miraglia, Local 1790, Brooklyn, N. Y.; Krokenberger, Local 1303, Amsterdam, N. Y.; Campbell, joint board, Newburgh, N. Y.; Killian, joint board, Cohoes, N. Y.; Wolski, joint board, Buffalo, N. Y.; Mickus, Local 1, Amsterdam, N. Y.; Sablosky, Local 3, Rochester, N. Y.; Solimando, Local 20, Utica, N. Y.; Heitzmann, Local 41, Utica, N. Y.; Graniero, Local 42, Utica, N. Y.; Rzepka, Local 49, Buffalo, N. Y.; Greene, Local 93, New York, N. Y.; Perry, Local 129, Oswego, N. Y.; Gendron, Local 237, Cohoes, N. Y.; Epstine, Local 252, New York, N. Y.; Garrison, Local 488, Little Falls, N. Y.; Vincoski, Local 629, Salamanca, N. Y.; Smith, Local 683, Haverstraw, N. Y.; Hooper, Local 701, Fulton, N. Y.; Malone, Local 772, Little Falls, N. Y.; Murrary, Local 791, Crayville, N. Y.; Laraway, Local 792, Philmont, N. Y.; Lozier, Local 898, Newburgh, N. Y.; Bergeson, Local 933, Nassau, N. Y.; Guenther, Local 988, Port Jervis, N. Y.; Rettenbaugh, Local 1010, Conewango Valley, N. Y.; Karpovage, Local 1024, Tonawanda, N. Y.; Karagozian, Local 1032, Croton-on-Hudson, N. Y.; Kucia, Local 1067, Buffalo, N. Y.; Rusinek, Local 1095, Depew, N. Y.; Warren, Local 1122, Averill Park, N. Y.; Kossakowski, Local 1126, Cheektowaga, N. Y.; Lute, Local 1161, Lockport, N. Y.; Cole, Local 1246, Hudson, N. Y.; Simard, Local 1308, New York Mills, N. Y.; Leggio, Local 1318, Poughkeepsie, N. Y.; Bove, Local 1342, West Sand Lake, N. Y.; Murphy, Local 1326, Binghamton, N. Y.; Smith, Local 1085, Auburn, N. Y.; Chadwick, Local 856, Argyle, N. Y.; McCarthy, Local 464, Garnerville, N. Y.; Rahmlow, Local 221, Hornell, N. Y.; Barber, Local 222, Cohocton, N. Y.; Ward, Local 88, Binghamton, N. Y.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

On behalf of the 50,000 members of the Amalgamated Clothing Workers of America represented through the New York joint board, we express the hope you may obtain passage of S. 1823 so that the Niagara River hydroelectric potential may be publicly developed with safeguards to protect consumer interests to the end that low-cost power, more jobs and a heightened economic activity may be assured for the people of New York State.

VINCENT LA CAPRIA,
Comanager.
ABRAHAM MILLER,
Secretary-Treasurer, New York Joint Board, CWA.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

LEHMAN's public power bill should pass.

CITY COLLEGE CLUB.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Urge support of Senator LEHMAN's public power bill.

CONGREGATION TIFFERITH ISRAEL.

SUMMARY OF SPEECH BY LELAND OLDS

The last real hope of the people of the northeastern region for large-scale development of low-cost hydro has now shifted to the Niagara redevelopment project and this hope rests on the enactment by Congress of legislation requiring its public development, with the yardstick influence protected by strict enforcement of the priority right of public and cooperative electric systems to obtain power supply from this source, and public transmission where necessary to assure this preference.

Electric rates in the New York-New England-Pennsylvania-Ohio region can be brought down to levels prevailing in the TVA market area, once the grip of private monopoly is broken. And this could well mean more prosperous rather than less prosperous private power companies providing the bulk of the electric service just as they do today, except for the new dynamic sales policy which they would acquire.

If the people of the Northeast want such lower electric rates for their homes and farms, as well as to strengthen the competitive position of their industry, they must take immediate steps to secure enactment of Senator LEHMAN's bill for public development of Niagara power * * *.

Any bill, like the Capehart bill, proposing to turn this unexcelled waterpower resource over to private development, must be blocked as an unconscionable giveaway of the people's legitimate rights.

* * * * *

Residential and rural sales alone for the last year of record amounted to $280 million for New York State and more than $820 million for the States within transmission distance of the two great power projects.

Yet, right across the Niagara and St. Lawrence Rivers in Ontario homes are paying less than half as much for the same quantity of electricity as they must pay in similarly situated New York cities for the same service and they are getting 3 to 4 times as much electricity for the same money.

Just look at Toronto and Rochester. In 1952 the average Toronto home used 367 kilowatt-hours a month and paid an average bill of $3.81 for it. A Rochester home had to pay $4.36 for only 100 kilowatt-hours. For a home using 250 kilowatt-hours the monthly bills were $3.02 in Toronto and $7.27 in Rochester.

Or take New York City, where millions of homes pay among the highest rates in the country and compare it with Windsor, Ontario, 200 miles away from Niagara Falls. The average Windsor home used 286 kilowatt-hours a month for which it paid $3.64; while the average New York home paid $4.44 for only 100 kilowatt-hours. For 250 kilowatt-hours of monthly service homes paid $3.33 in Windsor and $7.85 in New York City.

Since 1952 rates for both 100 and 250 kilowatt-hours have gone up in Rochester and New York City.

The Federal Power Commission typical bill reports show that industrial power rates are higher in the cities of New York State than in comparable cities in Ontario.

Comparisons made by the Federal Power Commission at the request of a Congressman showed that in 1950 residential service was costing the homes of New York State over $100 million more than they would have been billed at rates in the TVA area. For the group of States that might benefit from the combination of Niagara, St. Lawrence and other water power in the Northeast, the corresponding excess cost of residential electricity was running at more than $300 million a year.

The total electric bill, including commercial and industrial as well as residential service, was running about $300 higher for New York State, and nearly $900 million higher for the nine-State combination, than it would have run if TVA area rates had prevailed throughout the region.

* * * * *

New York and its neighboring States have high rates because there has been little effective public competition. If the people of the region are to obtain the lower rates that are perfectly feasible, there must be more than just public development of the mighty Niagara and St. Lawrence resources. There must be public development, plus marketing of the power under an unlimited preference to public and cooperative systems with enough public transmission to assure these nonprofit agencies, or any future public or cooperative agencies, a low-cost power supply.

Only through adoption of these marketing principles will electric rate yardsticks begin to exercise a potent effect on rates in the region.

This requires enactment by Congress of a bill for development of Niagara power with the safeguards for the public interest, including both the preference for nonprofit electric systems and public transmission, in general accord with the provisions of the bill introduced by Senator LEHMAN * * *.

"Much is at stake. For the electrical age is moving rapidly forward. Abundance of low-cost power is the key to progress, to full employment, to increased productivity, shorter working weeks, and higher living standards. It means that power requirements are climbing toward 9 trillion kilowatt-hours by the end of the century, with both hydro- and atomic-power helping conventional fuel plants to carry the vast loads. It means residential and rural use exceeding industrial use within less than 20 years, if rates come down to perfectly feasible levels.

DELHI, N. Y., *May 7, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building:

Farmers in Delaware and Schoharie Counties urge approval of your bill S. 1823 for State development of Niagara Falls power. Farm electric power rates in most areas of New York are so high that many electrical farming methods are uneconomical. Preference provisions of your bill are consistent with New York law. All consumers over a wide area will benefit through the effect of yardstick rates.

ROBERT N. DONOVAN,
Delaware County Electric Cooperative.

GREENWOOD, N. Y., *May 7, 1956.*
Hon. HERBERT LEHMAN,
Senate Office Building:

I would appreciate it if you would support bill S. 1823.

MARSHALL WARINER,
Director of the Steuben REA.

DELHI, N. Y., *May 7, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building:

Domestic and rural consumers in New York need low-cost Niagara power. Only S. 1823 for construction of the Niagara project gives maximum assurance of lower electric rates. Lower rates have never been promised by sponsors of a private monopoly at Niagara Falls. Objections to preference provisions of your bill are not based upon fact. We hope your bill is approved.

STANLEY V. CAMPBELL.

BATH, N. Y.
Hon. HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

Our 1,400 members certainly appreciate your efforts to obtain Niagara power for the people. Our loads are continually increasing and we expect this increase to continue. We are looking forward to an early passage of the Lehman-Buckley bill.

GORDON MARGESON,
Manager, Steuben Cooperative, Bath, N. Y.

PENN YAN, N. Y., *May 3, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Sincerely urge you to support public development of Niagara power.

LELAND A. WELKER,
President, Municipal Electric Utility Association of New York State.

OGDENSBURG, N. Y., *May 2, 1956.*
HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Request you work and vote for passage Puffe's development of Niagara River power bill.

J. S. GRAHAM,
Alderman, First Ward.

PLATTSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urging favorable action on public development of Niagara power bill.

PLATTSBURG ELECTRIC.
JACK COGAN.

PLATTSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urging favorable action on public development Niagara power bill.

ALLEN M. LIGHT.

LAKE PLACID, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Request you take favorable action on public development Niagara power bill.

JUDSON M. WARE,
Treasurer, Lake Placid Village.

GROTON, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our board light commissioners urge favorable action on public development Niagara power bill.

E. H. CURTICE,
Village Clerk.

NORTH BALTIMORE, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Am anxious to have S. 1823 passed.

THE HANCOCK WOOD ELECTRIC CO-OP.

OGDENSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We wish to go on record as in favor of public development of Niagara River power.

LEO F. LEGAULT,
Chairman, Municipal Power Committee of Counsel of Ogdensburg, N. Y.

COLUMBUS, OHIO, *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:

We are supporting your bill on Niagara in the interest of rural consumers of electricity in the northern half of Ohio.

HOWARD A. CUMMINS,
Executive Manager, Ohio Rural Electric Cooperative, Inc.

CLAIRSVILLE, OHIO, *April 30, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Congratulations on getting your bill out of committee for redevelopment of Niagara. We are requesting support by our Ohio Senators.

L. W. PETERES,
President, Belmont Electric Cooperative.

COLUMBIA CITY, IND., *April 30, 1956.*
Senator LEHMAN,
Senator Office Building,
Washington, D. C.:

Believe S. 1823 to be in public interest and should be passed.

WHITLEY COUNTY REMC,
RICHARD C. SMITH, *Manager.*

FINDLAY, OHIO, *April 30, 1956.*
Senator HERBERT H. LEHMAN, of New York,
United States Senate Building,
Washington, D. C.:

We urge your vote for S. 1823 as we are confident that it is the most fair and equitable method to develop Niagara power.

JOHN S. SAWVEL,
Consulting Engineer.

CARROLLTON, OHIO, *April 30, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

We are supporting your bill on redevelopment of Niagara power. Will do everything we can on this matter.

BOARD OF DIRECTORS, CARROLL ELECTRIC COOPERATIVE, INC.,
PAUL SHEPHERD, *President.*

MARION, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

We want to thank you for your fight on the development of Niagara. If we can help in this fight, call on us.

KENNETH KINSLER,
Marion Rural Electric Co-op, Inc.

COSHOCTON, OHIO, *April 30, 1956.*
Senator HERBERT LEHMAN,
United States Senate,
Washington, D. C.:

We are supporting Senate bill 1823 100 percent. Ohio Senators have received 30 letters from this area urging their support.

OWEN MANNING,
Manager, Tuscarawas-Coshocton Electric Co-op.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

O. R. JERMILLLIAN CONTROL CO.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

HUSING & SON MEAT PACKERS.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

BLOOMS RESTAURANT.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

ROTH & SON MANUFACTURING.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

JOHNNY GOLF RANGE.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

BIDLACKS TRUCK STOP.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

HOBBS BROS. SAND & GRAVEL CO.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

BRINKMAN TURKEY FARMS.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

O. P. BROUGH QUARRIES.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:

We are backing your bill S. 1823.

L. C. GERDEMAN & SON.

UTICA, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Our 5,500 co-op farm members continue their active support of your bill for Niagara development, essential to assure them of continual source of economical co-op power for farm production needs.

LICKING RURAL ELECTRIC,
C. D. DUNLAP.

PAULDING, OHIO, *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We commend you for your untiring efforts in behalf of the people's best interest. We trust your Niagara bill becomes a reality.

FRANK B. WORKMAN,
President, Paulding Putnam Electric Cooperative, Inc.

NAPOLEON, OHIO, *May 1, 1956.*
Senator LEHMAN,
United States Senate Building:

We are giving the Niagara redevelopment bill strong support here in Ohio.

F. BYRON WORTMAN,
Manager, Tricounty Rural Electric Co-op.

MASSENA, N. Y., *April 28, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building:

The people of Massena are in favor of your bill for the Niagara redevelopment project, Senate 1823.

LAURENCE WHITE,
Acting Mayor.

BATH, N. Y., *May 1, 1956.*
Senator HERBERT LEHMAN,
Senater Office Building,
Washington, D. C.:

Urge favorable action public development of Niagara. Repeat "public." Historic position of municipal electric operation fosters competition in private monopoly enterprise; much needed for people of your State and Northeast. Policy established by State long ago proved by time. Our authority, New York State, only logical solution.

MUNICIPAL UTILITIES COMMISSION,
B. R. LAPP, *Superintendent.*

SYRACUSE, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge your support of bill favoring public development of Niagara Falls power potential and preference conditions for public agencies.

Mayor STANLEY E. MAJOR,
Village of Solvay, N. Y.

SPRINGVILLE, N. Y., *May 2, 1956.*
Senator HERBERT LEHMAN,
Washington, D. C.:

Village board of trustees of Springville urge favorable action on Lehman bill for Niagara development.

T. J. KENNY,
Village Clerk.

LITTLE VALLEY, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge favorable action on public development Niagara power bill.

VILLAGE OF LITTLE VALLEY,
W. F. ANDREW, *Mayor.*

DUNKIRK, N. Y., *May 2, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The city of Dunkirk, N. Y., respectfully urges your most vigorous action to expedite the passage of the Lehman-Davidson bill for the public development of Niagara power. The passage of this bill is most vital to the industrial needs and economic welfare of our entire community.

G. WARD YEOMANS,
General Manager, Dunkirk Municipal Water and Electric Department.

PLATTSBURG, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our citizens urge you oppose private power development of Niagara Falls and support public power development.

S. W. NILES.

WELLSVILLE, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Water and Light Commission of the village of Wellsville supports development of the Niagara Falls power project by the New York State Power Authority. Please make effort and use all influence possible to cause favorable action on this bill in the Congress.

WATER AND LIGHT DEPARTMENT,
FRED M. LEIPER, *Superintendent.*

CHERRY CREEK, N. Y., *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We thank you for your support of Lehman-Buckley bill and urge your efforts for preference clause in best interest of public consumers of electric power.

C. M. VAN WORMER,
Manager, Chautauqua-Cattaraugus Electric Co-op.

FREEPORT, N. Y., *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Municipal Electric Utilities Association of New York State respectfully urges favorable Senate action on the public development of Niagara power which will be in the interest of all the people of the State of New York.

MILFORD F. VAN RIPER,
Executive Secretary.

SHERBURNE, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge favorable action on Niagara power bill to be on Senate floor May 3.

GEORGE B. SLEEPER,
Village Clerk.

HARTWICK, N. Y., *May 1, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

We have sent telegrams supporting your bill S. 1823 we know and appreciate that you will do all possible to secure passage.

BOARD OF DIRECTORS,
Otsego Electric Cooperative.

AKRON, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge your continued support for public development of Niagara power. The Lehman bill provides the only method of construction of this project in a manner that would be consistent with our national policies.

RALPH G. DICKINSON,
Village Clerk-Treasurer, Village of Akron, N. Y.

HERKIMER, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We urge every effort to secure public development of Niagara power.

MOHAWK MUNICIPAL COMMISSION.
O. E. DAY, *President.*

PLATTSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urgent your full support to public development of Niagara power. Natural resources belong to the people.

JOHN P. LONG.

PLATTSBURGH, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge you give favorable consideration to public development of Niagara Falls for the benefit of all the people.

W. W. GOTTBURG.

ILION, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Realizing that the redevelopment of the power potential of Niagara Falls would provide a crucial test of our Nation's natural resources and power and its benefits would be available to local public agencies, rural electric cooperatives, and to neighboring States, we, therefore, earnestly urge full support by the United States Senate of Senator LEHMAN's bill, S. 1823.

ILION BOARD OF LIGHT COMMISSION.
RAYMOND A. BECKER,
Electric Utility Manager.

PENN YAN, N. Y., *April 30, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Respectfully urge favorable Senate action on your bill for public development Niagara power.

PAUL R. TAYLOR,
Counsel, Municipal Electric Utilities Association of New York.

POTSDAM, N. Y., *April 27, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We heartily concur and support the Niagara public-power bill, S. 1823. We recognize your long and arduous work on this public-power development you certainly have our support.

CHATEAUGAY COOPERATIVE MARKETING ASSOCIATION.

Mr. LEHMAN. Mr. President, this is a large number of telegrams, but it is small in comparison with the total number which I have received in my office.

I shall be very glad indeed to yield now to the distinguished senior Senator from New York.

Mr. IVES. Mr. President, does the Senator yield the floor?

Mr. LEHMAN. Yes, unless the Senator wishes to interrogate me, in which case I should be very glad indeed to submit to his questioning.

Mr. IVES. No; I would rather speak in my own right, if that is agreeable.

Mr. LEHMAN. Mr. President, I yield the floor.

Mr. IVES. Mr. President, in the first instance, I wish to point out that much of the matter about which my colleague from New York has been speaking, I covered in my remarks earlier today. I am sure he would be the last to make a statement that organizations like the Federation of Labor of the State of New York, the Utility Workers of America, CIO, the New York State Farm Bureau, the New York State Grange, the Empire State Chamber of Commerce, and the Association of Towns in the State of New York are not representative organizations in the State of New York.

While I am at this point, I should like to suggest that, after all, it is the towns which represent the people of the State of New York who are the rural constituents, as it were. After all, when it comes to the REA and the cooperative production of electricity, I think the Association of Towns, probably as nearly as anyone else, represents the rural people of New York State.

The Association of County Supervisors of the State of New York also is a very important organization in the representation of the rural people of the State of New York. I think the Association of Towns and the Association of County Supervisors of the State of New York represent the rural people of New York State more than any other official organization.

I am certain that my colleague will agree that the Associated Industries of the State of New York is an important organization, representing hundreds of thousands of persons in the State, and, through their individual membership in it, various groups, associations, and connections.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. LEHMAN. If the Senator listened to my remarks, I think he will recall that I did not question the fact that my senior colleague had received these telegrams. The thesis which I followed was that those persons or groups did not object to my bill alone, but objected to any bill which included or provided for public development. In other words, those persons are not so much against my bill as they are for S. 6, the Capehart bill. They want private development.

The Senator mentioned the Associated Industries of the State of New York. That is a great organization, an organization which is composed of many very responsible and reputable persons and firms. They are entitled to their judgment, just as I am entitled to my judgment; but they have always favored private development of the water resources of New York State, as far back as my memory goes—and it goes back 30 years, or almost 30 years.

The Chamber of Commerce, Associated Industries, and organizations of that sort, have strongly favored the private development and have strongly opposed the public development of the water resources of New York State.

I may go further and say that the Chamber of Commerce of the United States and similar organizations have opposed public development in all sections of the United States, unless such development was of a type in which private organizations were not interested, and did not want to risk their money.

Mr. IVES. My emphasis was not on the Chamber of Commerce of New York State, although that organization happens to be in favor of private development; nor was my emphasis on the Associated Industries of New York, although, as I stated, they favor private development, too. I was merely pointing to a group of organizations in the State which are very powerful in their membership and influence throughout the State.

Among those organizations is the Federation of Labor of the State of New York, whose influence in the State I feel certain my colleague will not belittle, and from whom I read a letter this morning during the course of my remarks before the Senate. It was from Mr. Harold C. Hanover, secretary-treasurer of the Federation of Labor of the State of New York. That organization has consistently opposed public development. I have not agreed with them on that. I think my colleague is a little off the track when he assumes I am taking the position that these organizations have taken with respect to private development.

Mr. LEHMAN. Not the labor organizations.

Mr. IVES. I am pointing out the organizations in the State of New York which are opposed to public development. They are opposed to the Senator's bill as it stands now. They have said so in letters which they have written to me. Probably they would be opposed to the bills I introduced in the 82d and 83d Congresses.

But this simply proves that neither my colleague nor I can say that the vast majority of the people of the State of New York are for this thing or that thing. The truth is that we do not know. We do not know how the vast majority of the people of the State of New York stand on this question.

As I said in my remarks this morning, it is probably unfortunate that we could not have a referendum this fall, or sometime, on this question, to find out how the people stand.

Personally in the past I have always been in favor of the State development of the Niagara River.

Mr. President, while my colleague is present, I wish to point out that at no time, in any campaign in which I have been engaged in the State of New York, has this question ever been an issue. It was not when he and I ran against each other, because we were both for public development. The question was not an issue in the last campaign when I ran against Governor Harriman. At no time was it mentioned by me in the campaign. I do not recall that it was mentioned by Governor Harriman in that campaign. Consequently it has never been an issue in the State of New York, so far as I am aware. But I do say there is a question as to how the people of the State of New York stand on this subject.

I have in my hand a letter I shall read into the RECORD. It is a photostatic copy of a letter sent to my colleague and sent to me, so I assume it is for public consumption and that there is nothing private about it. The letter is dated June 11, 1955. That was about a year ago, but it is as applicable now as it was then. At that time hearings were being held on this question. The letter was written by Andrew J. McMahon, president of the Utility Workers of America, CIO, local 1–2.

Before I begin to read the letter, I should like to point out that my colleague mentioned a great many leaders in the CIO in New York State. Perhaps they are in favor of public development of the Niagara River. I do not know except from what he has given us for the record, and I do not question it. I think it is undoubtedly true and accurate. But I want to point out that another great segment of labor in the State of New York is not in favor of public development. They disagreed with my colleague and myself on this question, and they have every right to disagree, and they constitute probably half of the labor body in the State of New York. The Federation membership is very large in the State.

I do not think either of us can say that the people stand either one way or another on this question. We simply do not know. It has never been an issue in the State of New York for years. Back in the twenties it was, when there was a certain amount of exploitation, but not since my colleague and I have been active in the political field of the State has it been an issue in any campaign that I know of.

Let me read from the letter from Mr. McMahon, president of the Utility Workers Union of America, CIO, local 1–2. The letter is dated June 11, 1955, and is addressed to the Honorable HERBERT H. LEHMAN, Senate Office Building, Washington, D. C.:

DEAR SENATOR LEHMAN—

This comes from the CIO, mind you, Mr. President, not from the American Federation of Labor—

I listened with great interest to your testimony on the Niagara bills before the House Committee on Public Works on Friday, June 10. It is regrettable that you were unable to remain for my appearance, which followed yours. For that reason, I am taking the liberty of enclosing a copy of my presentation.

Mindful of the time and energy you have devoted to this Niagara problem, I am confident that you will welcome 1 or 2 observations which I feel impelled to make. In testifying, you stated that the great body of unionists would be in favor of public development of Niagara, and you mentioned the International Ladies' Garment Workers Union, AFL, and the Amalgamated Clothing Workers Union, CIO, as illustrations of this fact. There are two readily apparent weaknesses in that statement.

In the first place, needleworkers do not work in the electric light and power field, and it is not their wages, hours, and working conditions that are at stake. Knowing the native prudence and hard-earned thrift of most of the workers in the garment trades, I am sure that they would be the first to arms if their interests were directly affected. I don't think any of them would be too happy if they actually knew that part of their tax payments are being used to pay part of the electric-light bill for people in other areas whom they have never seen.

In the second place, each and every needleworker has not been given the facts. In contrast, however, the communication lines have been set up in the electrical unions. On this vital question ours is an informed and vigilant membership. Because of my many appearances before governmental bodies, the the record shows that the position taken by the Utility Workers' Union of America, CIO, is known by every member of our union throughout the United States. This is also true of the International Brotherhood of Electrical Workers, AFL. Our combined membership is in excess of 700,000 in every major city, in every industrial center, and in every State of the Union.

It is imperative that you and all other legislators involved realize that our position was arrived at as a result of official meetings, conferences, and conventions. The unanimous votes of our membership, resulting in scores of petitions and resolutions, were made possible because of the bitter experience our membership and our union as a whole have had in attempting to live with and work with Government power projects at the Federal, State, and local level. Annexed hereto is a list of 44 labor bodies in the State of New York and elsewhere who share our opinion.

On September 20, 1951, you and I both appeared before the House Committee on Public Works and testified on the same Niagara project. The record of that hearing contains statements by you which show that you were then very mindful of the basic objections which my union has to Government operation in the light and power industry. On the record you said that our valid and weighty objection that workers on Government power projects were not covered by the provisions of either the Davis-Bacon Act or the Walsh-Healey Act could be met with new legislation—that legislative means could be found to insure genuine collective bargaining for such workers—and you also added that our objection on the question of taxes could be satisfactorily met.

In addition to what the record contains, you told me in the corridor on that same day, after the hearing, that legislation would be designed to meet our objections to the then Lehman-Roosevelt bill. Almost 4 years have passed and you have done nothing. Your current bill makes no reference to our problems, and in your lengthy appearance on Friday you said nothing about them.

In the true spirit of fashioning a better democracy, I welcome the conflict of ideas and objectives which is an essential part of our system of government. I would not, however, like to feel that you regard our objectives on such issues as wages, hours, and working conditions—true collective bargaining and equitable taxes—as beneath your notice and attention.

So that there can be no misunderstanding of our position and purpose, I am sending a copy of this letter to each member of the Public Works Committee of the House of Representatives.

Respectfully yours,
ANDREW J. MCMAHON,
President.

Mr. McMahon is president of the Utility Workers of America, CIO, local 1–2.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the enclosure in the letter.

There being no objection, the enclosure was ordered to be printed in the RECORD, as follows:

LABOR ORGANIZATIONS WHO HAVE ADOPTED RESOLUTIONS IN FAVOR OF PRIVATE INDUSTRY BUILDING THE NIAGARA PROJECT

FROM NEW YORK STATE

New York State Federation of Labor; Utility Workers Union of America, CIO; New York State Association of Electrical Workers; Bricklayers, Masons and Plasterers International Union of America.

Binghamton: International Brotherhood of Electrical Workers, Local 1125.

Brewster: International Brotherhood of Electrical Workers, Local 994.

Buffalo: American Federation of Grain Millers Local No. 110; Bakery & Confectionery Workers, Local 16; Bakery & Confectionery Workers, Local 431; Bookbinders & Bindery Workers, I. B. of B., A. F. of L., Local 17–34; Building and Construction Trades Council of Buffalo & Vicinity; Hotel Service Employees Local 181 of the Building Service Employees; IAIU, A. F. of L., Local 78; International Alliance Bill Posters, Billers, Distributors of United States & Canada, Local 24; International Association of Bridge, Structural & Ornamental Iron Workers, Local 6; International Brotherhood of Electrical Workers, Local 1339; I. L. G. W. U., Local 50; Journeymen Barbers Union, Local 141; Musicians Association of Buffalo, Local 43; Painters, Decorators & Paper Hangers of America, Local 1581; Photo Engravers Union, Local 4; Tug Firemen, Linemen, Oilers and Watchmen's Protective Association of American, Local 1728; Typographical Union No. 9; Wardrobe Checkers Local 65.

Chatham: International Brotherhood of Electrical Workers, Local 1143.

Elmira: International Brotherhood of Electrical Workers, Local B1111; Painters, Decorators & Paper Hangers, Local 324.

Geneva: International Brotherhood of Electrical Workers, Local 249.

Ithaca: International Brotherhood of Electrical Workers, Local 961.

Kenmore: International Chemical Workers Union Local 76.

Lancaster: International Brotherhood of Electrical Workers, Local B966.

Liberty: International Brotherhood of Electrical Workers, Local B945.

Niagara Falls: International Union of Operating Engineers, Local 463.

Oneonta: International Brotherhood of Electrical Workers, Local B992.

Poughkeepsie: Building & Construction Trades Council of Dutchess County and Vicinity; International Brotherhood of Electrical Workers, Local 320.

Syracuse: International Brotherhood of Electrical Workers, Local 1249.

Utica: International Brotherhood of Electrical Workers, Local 310.

OTHER STATES

Connecticut: A. F. of L., Local Union 1226, I. B. E. W., Montville.

Michigan: Seafarers International Union of N. A., Great Lakes District, Detroit.

New Jersey: New Jersey State Federation of Labor, Newark.

Pennsylvania: Pennsylvania State Electrical Workers, Association, A. F. of L., Harrisburg: Central Labor Union, Johnstown.

Mr. IVES. Mr. President, I merely cite that letter to point out that neither my colleague nor I can make any statement to the effect that labor in New York State is overwhelmingly one way or the other on this question. The CIO seems to be, to some extent, at least, with the exceptions I have pointed out in my remarks—and they are rather important exceptions—in favor of public development. The AFL seems to be strongly in favor of private development. But that does not mean anything so far as our arriving at a conclusion here is concerned.

Mr. President, I would have preferred to delay what I am about to say until tomorrow, but I shall say it now, in order that the RECORD may be perfectly clear. I do not think we are getting anywhere with this particular piece of legislation. As my colleague knows, and as I pointed out in my remarks this morning, and as I have represented just now, in the past I have been consistently in favor of State development of the Niagara River by the State power authority.

Now, let us be realistic about this. We all know that the action the House of Representatives has taken so far on this question has been entirely in the opposite direction. In the last Congress—the 83d Congress—the House voted, by a vote of 262 to 121, in favor of private development under a bill which I assume is very similar, if not identical, to the bill being sponsored by the Senator from Indiana [Mr. CAPEHART]. No other action has been taken on the subject in the House of Representatives; and, so far as we know, today the sentiment in the House is very little changed from what it was in the last Congress.

Therefore, Mr. President, I think we are on the wrong tack. In my opinion we have no business trying to pass a bill which, based on our past experience, we know will not be acceptable to the House of Representatives.

I realize what my colleague said in his speech on yesterday; I read it very carefully. I realize that a bill similar to his has been introduced in the House of Represtatives by Representative BUCKLEY, chairman of the Public Works Committee. I know that the House of Representatives could, if it wished to, pass that bill at this session. But I believe that nothing of the kind will be done, no matter what the Senate does. I do not think that bill will be passed by the House of Representatives; and I think that all our effort in that connection and in connection with my colleague's bill at this session will be utterly futile. I think we had better reorient ourselves. After the 6 years during which we have been considering this matter, I think the time has come for us to sit down and review the situation as we find it today.

All of us know that since 1950 we have made no progress whatsoever in obtaining the redevelopment of the Niagara River. I wish to point out that the important issue before us is the redevelopment of that river; nothing is so important as that. The question as to whether it should be done by the State of New York or whether it should be done by the private utilities is secondary, as compared to the question of getting action on the project.

I have lived with this issue a long time, and I have convictions on it. As I have pointed out time and again, my colleague and I in principle are not apart to any great extent. We are apart only as to the method, as to how it should be done.

I can assure my colleague—and he will have to agree with me—that he cannot say, any more than I can, that the overwhelming opinion of the State of New York is either this way or that way, for we simply do not know what it is today.

In light of that situation, Mr. President, I feel very strongly that the bill should go back to the committee—not with the idea of having the committee hold more hearings on it—not by a long shot. Neither the Senate Committee on Public Works nor the House Committee on Public Works needs take any action of that kind; it is not necessary at all. We have spent years on this question; three Congresses have worked on it. So the Members of Congress should know the issue; but they do not know the situation which actually exists in the State of New York.

I shall not make such a motion, Mr. President; but during the debate I think a motion should be made to send the bill back to the committee, not with instructions to the committee to come forth immediately with another measure in lieu of this one, but with the idea of having the parties in interest—the State of New York, where over a period of more than 20 years, both parties have stood steadfastly in favor of public development, and the parties in interest on the other side, in other words, those who want private development—get together and work out some kind of compromise.

Over the past number of years, I have had a little experience in this matter. I have been trying to get the parties in interest to compromise. There is plenty of room for compromise. That can be done by both the State of New York and the private companies. There is no reason in the world why the matter cannot be handled in that way, if the parties in interest are of a mind to get together and sit down and work it out.

I am not now offering a suggestion as to a plan. In the past I have offered several, and several others have been brought to my attention. But if we are to have action taken on this matter at any early date, a compromise must be reached.

I can assure my distinguished colleague from New York that if his bill were to be passed by the House and the Senate, litigation would be involved; I do not think there is any doubt of that. Or if my bill, which I introduced in the last two Congresses, were to be passed by both Houses, there would still be litigation. Or if the private bill were to be passed by both Houses, there still would be litigation and delay. We do not want that to happen. The time has come when we must get together on this question, for the sake of the people of the State of New York.

I trust that this matter will not become a partisan one. It never has been, for me; and it will not be good for the State of New York if the matter does become a partisan one. It will be very bad for New York if it does.

I trust that my colleague and I can view this matter, not as Democrats or Republicans, but as citizens of the State of New York, and can get the divergent groups together. I shall be very glad to lend my ability to any such move as that.

That is all I have to say at this time, Mr. President; but I think what I have said is most important for consideration.

Mr. LEHMAN. Mr. President, will my colleague yield to me?

Mr. IVES. Certainly.

Mr. LEHMAN. Mr. President, my colleague has brought up a question, and has expressed the hope that this matter will not be a partisan one. I wish to make it very clear that it is not in the slightest degree a partisan matter, and could not be made one.

I wish to point out to my colleague from New York that the public development of the water resources of New York State has been favored, so far as I know, by every Governor of New York in the past 40 or 50 years, with possibly one exception. It goes back to the days of Theodore Roosevelt, a Republican, as Governor of New York. Next came Charles Evans Hughes, a Republican. A little later came Alfred E. Smith, a Democrat; and Franklin Roosevelt, a Democrat; and then myself, a Democrat; and then Thomas E. Dewey, a Republican; and now Averell Harriman, a Democrat. Every one of those Governors has favored public development of the water resources of the State of New York, on the St. Lawrence and the Niagara.

So how can my colleague try, here on the floor of the Senate, to give the impression that partisan politics is being injected into this matter? That is not so, because every Governor of the State has favored this proposal. The matter has been laid before the people of New York time after time after time; and, as I said yesterday, I do not believe that anyone who favored private development of these resources would dare face the electorate of the State of New York. I wish to make that very clear to my colleague from New York.

Mr. IVES. Mr. President, I believe I still have the floor, do I not?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The senior Senator from New York has the floor.

Mr. IVES. Mr. President, I wish to point out that in no way did I state that this matter has become a partisan issue. My plea was that it never become a partisan issue.

Mr. LEHMAN. It never will, so far as I am concerned.

Mr. IVES. Neither will it, so far as I am concerned. But that is what it seems to be turning into.

Mr. HILL and Mr. BUSH addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. HILL. Mr. President——

The PRESIDING OFFICER. Let the Chair state to the Senator from Connecticut [Mr. BUSH] that, according to the list provided the Chair, the name of the Senator from Connecticut does not appear on it. However, the Chair will be glad to recognize the Senator from Connecticut at the conclusion of the speech of the Senator from Alabama.

Mr. BUSH. I thank the Presiding Officer for his courtesy. I do not feel abused, or that I have any particular right in the matter. I thought my name was on the list; it was, this morning. However, that is quite all right.

The PRESIDING OFFICER. The Chair will be very glad to recognize the Senator from Connecticut at the conclusion of the speech of the Senator from Alabama.

Mr. BUSH. Mr. President, I shall be glad to listen to the speech of the Senator from Alabama; I am sure it will edify us on this issue.

Mr. HILL. Mr. President, I appreciate the courtesy of the Senator from Connecticut. We have just had the benefit of the discussion by our two friends, the Senators from New York.

Mr. IVES. And we are friends, I can assure the Senator from Alabama.

Mr. HILL. I appreciate that, of course.

Mr. President, the power of Niagara must be harnessed, not only to the full extent of its potential, but under conditions which will insure that the tremendous output of this project will be sold at the lowest possible cost and marketed under policies insuring that all of the people will benefit, not merely the private power companies.

The legislation which this body is debating today contains a most important restatement of our 50-year-old national power policy. It combines the best and most progressive features of a number of our most important Federal statutes concerning the marketing of power and its transmission. Through S. 1823 alone will the publicly and cooperatively owned electric utilities receive a fair share of Niagara power. Through this bill the cooperatives and municipalities would receive their fair share of Niagara power.

We must not overlook the importance of these utilities to their communities and to the Niagara area as a whole as we consider the bill before us today. These publicly owned electric systems were providing a yardstick of electric service before TVA or Bonneville were born. They endured abuse from the private power monopolists before there were Federal power system to attack. In the Insull era of electric service the propaganda arm of the private companies branded them as "socialistic," a word which since has been applied to such great Federal enterprises as the TVA.

Yes, in the twenties the private power monopolists went all out to discredit and destroy the existing municipal systems. Many of the smaller and weaker municipal utilities succumbed to the propaganda attacks, but a significant number survived.

Why did the private utilities exert so much effort to destroy local public power? For the same reason that they now try to destroy the Federal power program. Privately owned utilities cannot endure the competition provided by the examples of public service—these yardsticks—lest they be forced to risk a little money and to use a little effort to build the consumption of electricity by pushing sales at lower rates.

The hostility is the same whether the competition is provided by an isolated municipal plant in upstate New York, an independent cooperative, a public utility district in the Northwest, or a great publicly owned power system like the TVA. The pattern of attack is the same. The utilities which are owned and managed for profit are determined not to find an easy coexistence with utilities which are operated with a view to giving the best possible service to the largest number of people at the lowest possible cost.

What I am deeply conscious of today is that the Niagara issue as it faces us in the Senate, and as it faces the people of the Northeast, involves a renewed attack on a power policy pioneered by local public power systems.

Too long have the people in this area, blessed as they are with a hydro resource which for sheer size and economy exceeds any other in our land, been denied the economic blessings which should be theirs from its full development. Too long have the private power companies underdeveloped this site and obstructed its maximum use.

Too long have the private power companies employed the divisive, emotional, and irrelevant arguments of their propaganda and lobbying arsenals to blind the public to the real issue at Niagara. Too long have these private monopolies attempted to take on the coloration of free, competitive enterprise and to give the impression that they are a squad of heroic St. Georges, battling all alone to save private enterprise from the dragon of "creeping socialism," a term applied with fine impartiality to any proposal by the people or their elected representatives to develop a resource which belongs to each and every American citizen.

Let us not confuse ourselves as to who is St. George and who is the dragon. In every river basin in the land the embattled people are the St. Georges and the power monopoly is the dragon. Let us not forget that our responsibility is to the common good, and not merely to the corporate good.

The issue of S. 1823 must not turn on whether it makes a few power companies happy or unhappy. It goes, almost without saying, that their lamentations over such developments as TVA, Hoover Dam, Grand Coulee and other fights the private power fraternity have lost to the people, have turned out to be lamentations only. From these great public enterprises the private companies have greatly benefited. The people showed them the way by the public power yardstick idea—how they could lower their rates and generate and sell more power at the same time to each individual consumer.

The people can show the way at Niagara, but only if we in Congress insure them a fair share of Niagara power. Without the safeguards which appear in S. 1823, monopoly can take over at Niagara. What this could mean to the region is perhaps best set forth in the words of the late Gifford Pinchot, when in 1925 he transmitted the report of his "Giant Power Survey Board" to the General Assembly of Pennsylvania. Governor Pinchot said:

> It is impossible to imagine the force and intimacy with which such a monopoly will touch and affect, for good or evil, the life of every citizen. The time is fully in sight when every household operation from heating and cooking to sweeping and sewing, will be performed by the aid of electric power; when every article on the average man's breakfast table, every item of his clothing, every piece of his furniture, every tool of his trade, that he himself did not produce, will have been manufactured or transported by electric power; when the home, the farm, and the factory will be electrically lighted, heated, and operated; when from morning to night, from the cradle to the grave, electric service will enter at every moment and from every direction into the daily life of every man, woman, and child in America.

This was extraordinarily prophetic, delivered in 1925, before the great development of the electro-process industries, before the days of the heat pump, before the days of the completely air-conditioned home or place of business, before the days of rural electrification, before the dawn of automation in industry, on the farm, in the office, and in the home, long before the days when the propagandists of monopoly could engage the attention of the eyes and ears of all America with radio and television programs.

Governor Pinchot added that the unregulated domination of such a necessity of life would give to the holders of it a degree of personal, economic, and political power over the average citizen which no free people could suffer and survive.

Governor Pinchot's message was delivered at about the time in the history of America's electric power industry when the number of publicly owned electric systems was beginning to slide downward from more than 3,000 in 1923 to about 2,000 at the beginning of the 1930's. Due in part to technological advancement, private power systems were launched on an expansion which was to make them regional in size. The very existence of small, publicly owned systems—the most effective check on the growing private monopolies—was threatened because they stood alone and independent, many with increasingly uneconomic sources of generation, as great combinations of capital permitted larger and larger units to develop and merge under private operation. There was then no public instrument to provide a regional source of power supply for municipal electric systems.

Great hydroelectric resources belonging to the people existed. They were awaiting development. Bust most municipal systems had no access to these resources nor the ability to finance such major undertakings. Then the Federal Government stepped in, and with the Boulder Canyon Act of 1928, the country's largest municipal electric system, the Los Angeles Department of Water and Power, was able to turn to partnership with the Federal Government. A new source of water and power for the city's use was created by the multipurpose development of the Colorado River.

Five years later the act creating TVA was passed. A regional corporation was established to control the waters of the Tennessee and its tributaries, so that the people might have the greatest possible benefit from the multipurpose development of this great natural resource. Power was to be provided for the people to use in their homes, on their farms, and in their business enterprises, with preferences in the sale assured to municipal and other nonprofit systems of distribution and to REA cooperatives.

When, in 1939, Congress authorized the TVA to purchase the generation and transmission facilities owned by certain private companies, and the municipalities and rural co-ops purchased their distribution systems, a great regionwide partnership was developed, the Federal Government owning and operating the wholesale end of the power business, with ownership and management of 148 power distributors vested in the people of the area. Today those distributors are delivering power to more than a million and a quarter consumers, the region's thriving commercial and industrial establishments and farms and homes where the average use of electricity has risen from about 600 kilowatt-hours a year prior to TVA to a new mark of a 5,200 kilowatt-hour average last year, and the number of customers is six times what it was before the partnership was born.

That is the kind of record being made all over the country wherever a genuine partnership exists between public-power agencies, where both parties to the arrangement recognize the obligations of public service, where both local and Federal management want to serve the greatest number of people at the lowest possible cost.

It is worth pointing out that never before in the history of the electric utilities has their financial strength and solvency and thus their ability to attract risk capital for new plant and facilities been so firm as it is today. Moreover, their common stock earnings have increased tremendously, and their revenues as well.

So, in discussing S. 1823, I wish to address myself to more important aspects of the Niagara issue than the lamentations of some utilities which would have us believe that the infusion of a little competition from low-cost public power into their areas would cause ruin.

It is time to cease to predicate our making public power policy on whether it will please or displease some multihundred million-dollar private monopoly, such as Niagara-Mohawk, but rather, give attention to the welfare of the consuming public as well as the publice power groups which must have some sources of power generation other than those of privately owned power companies that wish them nothing better than extinction.

During the past 3 years too little attention has been paid to the ultimate consumer and the nonprofit utility in the administration's power policy.

Every program of the past, in river basin after river basin, has been designed and carried out to benefit the man whose meter hangs on his back porch. It is time we got back on that track. Every one of our public river developments must have that as one of its primary considerations. If this is done, history shows, corporate profits will take care of themselves.

That is the story in the Southeast, where TVA operates. That is the story in the Southwest where the Southwestern Power Authority operates. That is the story in the great Northwest, where the Bonneville and Grand Coulee and other great public power developments operate.

It is very seldom, if ever, that consumers are organized and can, like the private power companies, support high-paid lobbyists in Washington, or multimillion-dollar carpaigns in magazines, newspapers, and over radio and television to deluge the public with their story.

Is this great body, which should be the lobby for all the people, which should represent all the people, to fail to speak for the power consumers of America, including those of the Niagara area, because the consumers are unorganized? Are their needs any less for their lack of paid spokesmen or high-powered propaganda? Are their pocketbooks any less worthy of being protected than the coffers of the power monopoly?

Mr. President, the people of the Niagara area, within some 300 miles of the proposed development, have never had a part in deciding on the what or the how of developing Niagara's 9.1 billion kilowatt-hours of low-point energy.

They have seen the province of Ontario for years proceeding with low-cost public power developments, and the people of that province paying a monthly bill for residential power of about one-half of what is charged by Niagara-Mohawk directly across the river. The private bridge across the Niagara River connecting our two countries gives a wry turn to this situation. I call particular attention to this. The cost of power for the bridge lights on the American side is about 4 times that on the Canadian side of this international bridge.

For years the people of this area have lived in the shadow of the Niagara potential, only partly developed, and with lower rates of power available only to residential users confined to areas close by Ontario and such long-established municipal utilities as Jamestown and Dunkirk, N. Y. To this extent and to this extent only, has the public-power yardstick had any effect upon consumers in this region.

There are 41 rural electric cooperatives which would benefit from Niagara power sold under the public body priority provisions of S. 1823. These cooperatives have no generating facilities and are forced to purchase energy from private power companies. This is reflected in their wholesale power costs reported by REA in 1954.

REA cooperatives in New York State paid an average of 1.12 cents per kilowatt-hour for their electricity at wholesale; for Pennsylvania co-ops the wholesale cost per kilowatt-hour was 0.94 cent and for Ohio, 0.86 cent.

Let us contrast this to what the average wholesale cost of power was in 1954 to REA cooperatives in areas where low-cost public power was available and public body priority and yardstick competition was in effect. The cooperatives in Tennessee in the TVA region paid 0.49 cent; in Oklahoma, where the Southwestern Power Administration markets Government power, the unit wholesale cost was 0.62 cent per kilowatt-hour, and in the State of Washington served by the Bonneville Power Administration, the wholesale cost was only 0.32 cent per kilowatt-hour.

In summary, the New York-Ohio-Pennsylvania area, denied low-cost public power in large blocks, showed New York rural electric cooperatives paying 137 percent more for wholesale power than Tennessee, Pennsylvania paying 51 percent more than Oklahoma, and Ohio paying 177 percent more than Washington.

Federal Power Commission data on municipally owned electric utilities for 1952 shows the same picture. Wholesale costs for purchased power per kilowatt-hour in New York State were 0.97 cent, or 52 percent greater than for Tennessee, at 0.44 cent; municipalities in Pennsylvania paid 1.31 cents wholesale for their purchased power, as compared to 0.30 cent for Oregon, or 337 percent greater; Ohio municipalities showed an average wholesale power cost of 1.74 cents per kilowatt-hour, against Washington's 0.34 cent, or 511 percent higher.

Remember this: The higher the power costs, the higher the power rates to the man with the meter on his back porch. That is why the cooperatives and municipalities in the Niagara area so desperately need Niagara power to reduce their wholesale costs in half or more, and to release them from their complete dependency upon the private power companies' high-cost power which, in turn, penalizes the members of the cooperatives and the citizens of the towns and cities conducting their own electric utility business.

Statistics on residential power rates show exactly what I mean: That the farther away from the yardstick competition of public power a man lives, the higher his electric rates.

The average residential consumer in New York State pays a monthly electric bill of $7.53 for 250 kilowatt-hours of electricity, as compared to the Tennessee householder's $4.93 per month, or 52 percent greater.

In a years' time, a New York residential consumer of 250 kilowatt-hours per month would pay $31 more than one in Tennessee, a not inconsiderable sum to a family of moderate income.

Mr. President, here are some figures showing annual savings to power users in New York, Pennsylvania, and Ohio, had they been charged TVA rates, Bonneville rates, or the rates charged by the city of Tacoma, Wash. The figures are based upon FPC's 1950 rate studies:

[In millions]

State	Savings under—		
	TVA rates	Tacoma rates	Bonneville rates
New York	$309.2	$334.0	$165.6
Pennsylvania	212.4	246.5	191.5
Ohio	165.6	191.5	138.6
Total	687.2	772.0	495.0

Low-cost Niagara power can at least start a downswing toward lower public and private utility rates, provided we insist upon the safeguards in S. 1823. Niagara-Mohawk has estimated that its taxes would amount to some $23 million if the private power company plan for Niagara is adopted. That $23 million does not look so impressive when it is held up to the potential benefits of all consumers in the Niagara area. If no more than half of the least of the annual savings I have listed were attained in the 3 States, the power users would save some $247 million every year. In 2 years this saving would be more than equivalent to the estimated cost of the Niagara project of about $420 million and all of this additional money in the pockets of power users would find its way into the market place—stimulating the economy through greater sales of goods and services—thus expanding the Federal, State, and local tax bases.

Mr. President, I wish to emphasize that not only will the municipal and cooperative systems be benefited, but if the New York State Authority is charged with the development and operation of Niagara power, every power consumer within transmission distance and many power consumers beyond transmission distance will benefit. That is the history in every section of the country where there has been a great publicly owned power development.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. LEHMAN. Has not the Senator, as the result of his long, wide, and very careful study of the entire power situation—and he is one of the pioneers in supporting public power development—found that as the cost of power decreases the rate of consumption increases almost exactly in the same proportion?

Mr. HILL. The Senator is correct. As the rate is brought down, the consumption goes up. We know the story of mass production, particularly in the automotive industry. When they began to bring the costs down, the prices were decreased and the demand became greater and greater. When electricity rates are brought down much more electricity is sold. Each individual consumer consumes more of it.

I cited earlier the enormous increase in the number of individual consumers in the Tennessee Valley area which has taken place since the establishment of the Tennessee Valley Authority. The private power companies, when forced to reduce their rates, do not suffer thereby; they sell so much more electricity because consumers use so much more. This, in turn, makes it more profitable than it is when there is lower consumption at higher rates.

Mr. LEHMAN. I read an article recently which stated that it costs the companies no more to transmit 200 kilowatts than it costs to develop 100 kilowatts.

Mr. HILL. I think that is true. As the companies sell more power, their profits increase. The whole history of the electric industry in the United States shows that the way to increase sales is to lower rates. The results of the transaction is greater profits for the private company.

Mr. President, never forget that the power business is public business. We are not debating public versus private business, and this phoney argument of taxes is just another example of the power monopoly attempting to have it both ways. We, the consumers, pay its taxes in our electric bills. We, the consumers, have no voice in how well or how badly it manages its business, but it is our business just the same. Because there is no competition we buy from whatever power company may be supplying the particular area in which we live. That is the only place from which we can get our power.

We, the consumers, own the Niagara River, and it is irrelevant whether we lose that $23 million in tax bait from Niagara-Mohawk if the public interest goal we have set over the past 50 years is served, and the power consumers finally get a long-deserved break in the Niagara area. If we swallow that $23 million in tax bait, we will have it for keeps at Niagara, and the hundreds of millions of dollars of savings to the region's power users which are in view with the passage of Senate bill 1823 will be gone, most probably, forever.

I should like to remind the private power companies that, like the utilities surrounding TVA, they will benefit from public development of Niagara. Hardly more than 10 percent of the Niagara generation will be used by the public agencies immediately. The private companies will get their fair share, and they will profit by the truth of private business—the lower the price, the more you sell, and the more money you make.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield further?

Mr. HILL. I yield.

Mr. LEHMAN. I am very glad indeed that the Senator from Alabama has brought up that point, because I think there has been a great deal of misunderstanding in connection with it. Many persons seem to have the feeling that under the bill which I introduced public utilities companies would be harmed in that they would be deprived of profit, but, as the Senator from Alabama has pointed out, only a very inconsiderable part of the additional power would immediately flow to public agencies. The greater part of the balance would be distributed to private utility companies.

Mr. HILL. The greater part would go to the private utility companies.

I notice in the Senators' bill that there is a provision for leasing. I take it that he has in mind the so-called wheeling process. There is nothing contained in the bill which can be considered in any way as trying to put private companies out of business. On the other hand, it would not only benefit the municipal systems and the cooperatives, but it would benefit private companies.

Mr. LEHMAN. In my bill there is a definite provision that the State Public Power Authority will not duplicate the transmission lines where transmission lines can be secured or leased at reasonable rates.

Mr. HILL. In other words, if there is a transmission line owned by a private company, the power Authority will first see if it can make use, on fair and reasonable terms, of the transmission line of the private company.

Mr. LEHMAN. That is quite correct.

Mr. HILL. Congress is not only called upon to exercise judgment in the public interest on an international river under its jurisdiction; it is also required to exercise sound business judgment. No region should be placed at the mercy of one type of utility to provide it with its electric energy. No private utility should be afraid to compete with a municipality or rural electric cooperative, each in its own service area, to provide lower rates, and to give the very best service to the people they serve.

The competitive aspect, everywhere it has been planted and nurtured, has not only been of immense benefit to the utility business, whether publicly, cooperatively or privately owned and managed, but has passed along tremendous dividends in the form of savings in power bills, increased economic activity, and a broader tax base.

It is not possible to overemphasize what it means to have lower power rates, not only in the savings to the consumer, but also in the development of industry in a particular area. When industry develops, what happens? The tax base is broadened. The truth is that as the power rates go down, the result is a greater consumption of power; and, furthermore, the reduced rates bring into the area more and more industry and provide more and more jobs, with consequent greater and greater payrolls, and more and more taxes into the Treasury.

It is to achieve these goals that our national power policy has striven since the days of Theodore Roosevelt. We in this great body must consider the proposed legislation free of the argumentative pitfalls laid before us by the self-serving propaganda of the private-power lobby.

The Nation stands today at a crossroad. We are engaged in a colossal struggle to prevent private monopoly from dominating the energy of our civilization.

If we follow the road down which the country has been diverted since 1953, with the power-company lobbyists and propagandists setting the signposts, the end of the road will be subservience to a huge energy monopoly.

But if in enacting Niagara legislation we follow the road marked by signposts set up by the great conservationists in the reclamation laws, the Federal Power Act, the Boulder Canyon Act, the Tennessee Valley Authority Act, and the other laws controlling our river-development programs, the end will be ever greater freedom, economic as well as political.

Low electric rates to homes and farms, low-cost power for expansion of modern industry, wider markets for electric facilities and appliances, all these will contribute to the expansion of free enterprise, to fuller employment, to a more prosperous agriculture, in the Niagara area and the Nation.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LEHMAN. I wish to compliment the able Senator from Alabama on his very clear and informative statement. It has been extremely useful, I think, to all those who heard him today. I hope his remarks will be very carefully read by all Members of the Senate.

I express to him and to the other Members of the Senate who are awaiting an opportunity to speak my regret over the delay in affording them that opportunity, the delay having been caused by an unexpected colloquy between the senior and junior Senators from New York.

Mr. HILL. I appreciate deeply the very generous words of my good friend, the distinguished junior Senator from New York. So far as his reference to delay is concerned, if a Senator cannot brook delay, he had better find himself another job.

After a great many years of service here, I can truthfully say that nothing about the work of the Senate is more pleasing to me than the fact that in the Senate we are free to have real debate and real discussion. If two Senators do not agree, they are free to come to the floor and "cross swords," in an effort to bring forth the true issues involved in the matter which is pending before the Senate.

So I hope the Senator will not worry about the delay.

Mr. LEHMAN. I shall not worry, in view of the very kind words of the senior Senator from Alabama.

Mr. HILL. I thank the Senator from New York.

Mr. BUSH. Mr. President, I shall not detain Senators long, but I wish to make some comments concerning the unfinished business.

First, I compliment the distinguished senior Senator from New York [Mr. IVES] upon the splendid statement he made this morning on the bill. The senior Senator from New York has said that he is unalterably opposed to the bill for three particular reasons: First, that the bill is in direct conflict with the laws of the State of New York; second, that the bill discriminates against more than 95 percent of the residents of the State of New York; and third, that the bill is opposed by every segment of the population of that State, including labor, agriculture, business, and an overwhelming majority of the consumers in the affected areas.

Mr. President, while my opposition to the bill includes opposition on all three of those counts, it is based on much broader grounds. In the 83d Congress, I had the pleasure of being the chairman of the Subcommittee on Rivers and Harbors of the Committee on Public Works. We held extended hearings on the question of what to do about the development of electric power energy on the Niagara River, so I listened for many hours to testimony on that subject.

At the end of those hearings, I came to the very positive conclusion—and it has not been shaken by anything I have heard since then—that the waterpower of the Niagara River ought to be developed by private interests, which for many, many years have been developing power on that river, and which now stand ready, able, and willing to continue and extend their operations.

The project calls for a plant installation which will cost approximately $400 million. As I have said, private companies are ready, able, and willing to provide the money to operate the hydroelectric plant. Therefore, I see no reason in the world why they should not be given a license to do exactly that.

I see no justification whatsoever for a public power development to be substituted, when private interests, that have proved ability, sound financial status, and good management, and that are well regarded in the neighborhood and throughout the State by all interests—consumers, labor, management, and so forth—stand ready to do the work. I see no reason why they should be sidetracked in favor of public power development.

It seems to me this is an instance of Lincoln's oft-quoted philosophy about the purpose of Government having a distinct bearing. While I do not attempt to quote Lincoln exactly, he said, in effect, that the purpose of Government was to do for the people those necessary things which the people could not do so well in their separate or individual capacities. Certainly we have every evidence that the people are perfectly willing and able to do this in their separate and individual capacities, and need no help whatever from the Government at any level. Therefore, my opposition is based on that ground, in addition to the other grounds I have mentioned. I believe very strongly that the Niagara should be developed by the private interests which are ready, willing, and able to undertake and go forward with the work.

Another reason why I oppose the bill—and this reason is stated in the minority views, of which I am 1 of the 4 signers—is that the proposed project does not involve irrigation, navigation, reclamation, flood control, or any other function of Government heretofore advanced as justification for a Government power development. The project is not a multiple-purpose one in any sense of the word, and Senate bill 1823 would, for the first time in the entire history of electric power development in the United States, authorize by Federal legislation public development of a power project pure and simple. It is a naked power project. There is no other reason for the bill before the Senate today.

Mr. President, this is the first time—I repeat for emphasis—that such a bill has ever come before the Congress of the United States; and I think it would be a calamity for the Congress to pass the bill. It is, as I have said, nothing but a naked public power project. I say that especially in view of the fact, and I revert to my previous point, that there are standing by, ready, willing, and able to go ahead, companies which can handle the project, and which have been handling development of power on the Niagara River since 1895.

I also oppose the bill because of the tax features. One of the basic reasons the proponents cite in favor of the bill is that it will provide low-cost power. We believe, and an examination of the facts will thoroughly demonstrate, that the cost of power to the consumers will be low only because all the citizens of the Nation, including those of New York, will pay the differential. The proponents propose to exempt from taxes all the power properties on the Niagara, all the income from those properties, and, furthermore, they propose to finance the project by the sale of approximately $400 million worth of tax-free bonds. The investor-owned utility companies would pay an estimated annual tax bill of $23 million on the Niagara development—$9,500,000 in local taxes, $4,500,000 in State taxes, and $9,500,000 in Federal taxes. If a Government or a State agency develops the Niagara power, taxpayers in South Carolina, Nebraska, New Hampshire, and everywhere else in the sales of goods and services—thus ex- Niagara-Mohawk if the public interest only been of immense benefit to the util-

delay is concerned, if a Senator cannot work. I see no reason why they should Hampshire, and everywhere else in the

country will pick up the tab for the $9 million in lost Federal revenues, and absorb it themselves. Taxpayers of New York, principally those of New York City, who will not get the benefit of any Niagara power, will make up the $4,500,000 in lost taxes to the State, whether they get low-cost power or not.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. BUSH. I should like to conclude my remarks first, if the Senator will permit me to do so.

Another major factor in the cost differential between private and Government power was emphasized by the witness who appeared in behalf of the New York State Association of Electrical Workers, A. F. of L., Mr. Robert W. McGregor. He pointed out that the revenue bonds which the New York Power Authority would issue to finance the project would be exempt from Federal, State, and local taxation, in distinct contrast to the bonds to be issued by the private companies. Power authority bonds would constitute a $10 million annual giveaway to financiers who purchased the tax-free bonds.

In other words, under the plan, the New York State Power Authority would issue $400 million worth of tax-free bonds, the income from which would go to individuals in the high tax brackets, and they would thus be enabled to escape entirely Federal income taxes on the interest paid on the bonds.

It seems very strange business for public power advocates to be playing into the hands of very high-income taxpayers who wish to avoid taxes by purchasing tax-free bonds. I think that is one of the glaring weaknesses of the pending bill, and it is inconsistent with the general philosophy of those who advocate public power.

Much has been said about how New York State feels about it, but we have evidence that member towns of the State Association of Towns have voted for development by private enterprise by a vote of 493 to 7. In the 83d Congress the House of Representatives passed the private enterprise bill by a vote of 262 to 120. The New York delegation voted for it by a bipartisan vote of 32 to 9, and all 32 were reelected to the 84th Congress. Polls taken this year by Republican and Democratic Representatives in Congress from the State of New York established a 70-percent rejection of the Lehman bill. Thus, the Lehman bill is apparently rejected by the people whom it purports to benefit.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. BUSH. I yield for a question.

Mr. IVES. I should like to ask the Senator from Connecticut if he does not appreciate the fact, as he undoubtedly does, that the two organizations to whom he has referred, the organization of Town Officials and County Supervisors, represent more than do any other groups the rural population of the State of New York. The rural population is supposed to get electric power, under the New York State law, as soon as they can, because the New York law provides that preference shall be given to domestic and rural consumers. Consequently, I would say their attitude toward the whole idea of public power development reflects the sentiment of the rural population of New York State. I happen to live in that area of the State of New York, and I want to point out that there is no question in my mind that upstate New York—I am not speaking of New York City—is overwhelmingly opposed to any proposal such as is embraced in the bill which is now before the Senate.

Mr. BUSH. I thank the Senator. That certainly conforms with the impressions I formed as chairman of the subcommittee 2 years ago. I do not think any evidence adduced since then indicates that the situation is any different now from what it was at that time.

I have in my hand a document entitled "Officers' Report to the Eighth Constitutional Convention of the Utility Workers Union of America, Affiliated With AFL–CIO," which I should like to submit for the Record. From page 26, through the top of page 29, there appears a discussion of power and related matters.

Mr. President, I ask unanimous consent that the portion of the document which I have marked under the head "Power—Related Matters" may be printed in the Record at this point in my remarks.

There being no objection, the extract was ordered to be printed in the Record, as follows:

Power—Related Matters

The inherent danger to our members contained in a policy of public ownership of the utility industry was brought home to your national officers, through the adoption, by the short-lived Progressive Party in July of 1948, of a political party platform that contained a "plank" calling for "public ownership of all gas and electric companies and the nationalization of large banks, railroads, etc." Following the recommendation of your officers, your third constitutional convention, held in October 1948, adopted a resolution calling upon our members to condemn such action, at any time, by any political party organization of any kind.

Unfortunately, while rejecting the third-party theory and aiding in its defeat at the polls, some people in the labor movement accepted and thereafter fostered its philosophy with regard to public ownership of the utility industry.

Obviously, this was a threat that could not be permitted to go unchallenged. Consequently, this matter was given considerable thought and consideration at every subsequent executive committee and executive board meeting. As a result of which your national officers appeared before congressional committees and various other State and Federal governmental bodies, as well as before forums conducted by private organizations, setting forth the policy of the organization.

In April of 1950 your executive committee, recognizing the danger to our members and their jobs, as a result of the drift toward nationalization being brought about as a result of Government encroachment in the public-utility field, recommended and President Fisher appointed a special committee to "look into the situation and come to you with a recommendation as to the policy that should be adopted for our guidance" in the national union's handling of this matter between conventions.

After long and careful consideration, the committee unanimously recommended, and the convention adopted, the following statement of policy with respect to the question of public power:

1. Where power is generated in conjunction with worthwhile water projects, the transmission, distribution and sale of such energy should, under proper regulation, be allocated to the private utility companies. Where investor-owned companies fail to provide the distribution and sale of electrical energy, then, and then only, should the Government undertake such duties.

2. Approximately one-fifth of the power generated in America today is distributed and sold by Government agencies. We believe that further encroachment of Government into the utility industry should be discouraged except in cases of national emergency.

3. It is our firm belief that the best interests of all of the people of this Nation can best be served and secured through collective bargaining in investor-owned public utility corporations.

4. We shall continue to advocate that the water resources of the Nation shall be developed. However, we shall object to any move that will result in these worthy projects being used as a means of destroying tax-paying utility companies who, under proper regulation, are furnishing adequate service.

5. We further recommend as a matter of policy that the national officers, the local union officers and members, use every means available to prevent further nationalization of the utility industry, and we further recommend, as a matter of policy, that we insist on fair and proper regulation of the utility industry and that every effort be made to compel utility managements to fulfill their obligations to their consumers and to their employees.

In keeping with the mandate of the fourth constitutional convention, your national officers have conducted a never-ending fight in a serious attempt to make the entire labor movement aware of our position, and of our reasons for that position. Beginning with the CIO convention held in Chicago, in the same year, your national officers have waged a vigorous campaign to bring about changes in the CIO resolutions on public power. In each successive CIO convention, from 1950 through 1954, an active floor fight was made in connection with this matter. Gradually our point of view began to seep through to the CIO high command. Little by little, the public power advocates began to lose ground. More and more efforts were put forth each year, by CIO officials, in an attempt to reconcile our differences. However, our position remained unchanged. We made it crystal clear, at CIO convention after CIO convention, that we had not the slightest intention of living within the framework of any utility industry policy that conflicted with the actions taken by our own conventions. During the course of each of our own conventions, continuous emphasis has been placed upon the importance, to our membership, of the maintenance of our position.

In fact, so important is this matter to our members, that the 1954 convention at Boston approved the appointment of a standing committee on public power. After the convention your president appointed Andrew J. McMahon of local 1–2 New York chairman of such committee and appointed Martin O'Dell of local 223 of Detroit, and James Watson of local 270 of Cleveland as members of the committee. This committee, with your national officers have attended many meetings, written letters and in general have kept up a continuous fight to protect the members from the setbacks that labor suffers when the Government takes over. Among other matters the committee reported having taken action on the following matters at the March 1955 executive board meeting:

1. Protested the appointment of Gus Scholle by Detroit Edison's President Cisler to a governmental power committee. A letter

of protest was sent to President Cisler upon his return to the United States of America.

2. Recommended that a similar letter of protest be sent to CIO President Walter Reuther.

3. Reported on a meeting the chairman of the committee had with Senator Ives.

The committee also made the following recommendations which were adopted by the executive board:

1. That UWUA continue to follow the position adopted at its conventions.

2. That UWUA continue to be furnished with all information necessary to carry out UWUA's power position.

3. That despite CIO's power position that UWUA continue to press before all legislative and other places the power position of UWUA.

How well the national officers followed through on the actions and recommendations of the committee was reflected in the resolution on power adopted at the first AFL–CIO convention. Never in the history of CIO did a resolution on public power make any reference to, nor give any form of recognition, to the accomplishments of private industry, or to the possibility of working out a program, in cooperation with private industry, designed to meet the needs of all of the people. However, as you may see from a reading of the resolution, such recognition is now an integral part of the AFL–CIO power program. So at long last, our efforts have begun to bear fruit. Not complete success, but a definite step in the right direction has been taken through the medium of the adoption, by AFL–CIO, of the resolution.

Mr. President, this concludes my remarks on this subject for today.

I wish to announce that on tomorrow, at a suitable time, I intend to move that the bill be recommitted. I do not wish to foreclose or shorten debate on the bill, if other Senators desire to speak on it tomorrow. But at a suitable time tomorrow, I intend to make such a motion.

Mr. President, I do not know whether the Senator from New York [Mr. Lehman] wishes to ask me to yield to him.

Mr. LEHMAN. I wish to make an observation. I did ask the Senator from Connecticut to yield, but he did not see fit to do so.

The Senator from Connecticut was very critical of the fact that the tax saving in New York would affect the people of various States of the Union, and the Senator from Connecticut mentioned a number of them.

Mr. BUSH. I certainly am very critical of that phase of the bill.

Mr. LEHMAN. I so understood the Senator from Connecticut. However, Mr. President, I was of the impression that we are a nation, not simply a number of parishes, each looking out for its own interests.

I think the Senator from Connecticut will bear me out when I say that time and time again I have voted, as a Senator from the State of New York, for projects which were not of any direct benefit to the State of New York.

Mr. BUSH. Well, Mr. President——

Mr. LEHMAN. Will the Senator from Connecticut permit me to finish? He has yielded to me.

Mr. BUSH. I should like to meet these points as they are raised.

Mr. LEHMAN. I should like the Senator from Connecticut to permit me to finish. Inasmuch as he has yielded to me, I assume that I am not limited regarding the manner in which I wish to present these matters.

Mr. BUSH. I certainly do not wish to limit the Senator from New York, but I should like to meet the points as he makes them.

Mr. LEHMAN. The Senator from Connecticut has the floor, and can decline to yield further to me; that would be within his rights.

Mr. BUSH. No, I do not wish to do so. I wish to have the Senator from New York make his points, but I wish he would permit me to answer them one at a time, as he raises them.

Mr. LEHMAN. But the Senator from Connecticut did not permit me to interrogate him at the time when he made his statements.

Mr. BUSH. I am sure the Senator from New York realizes that I wanted my remarks to be presented with continuity; I was not in any way attempting to avoid yielding.

Mr. LEHMAN. I was not so sure, because a little later the Senator from Connecticut yielded to other Senators.

But I am sure the Senator from Connecticut will bear me out when I say that time and time again I have voted for projects and appropriations which were not of any direct benefit to the people of New York, but for which the people of New York would have to bear their share of the cost. I have in mind projects affecting the Far West, the Southwest, the Northwest, and New England. I am sure the Senator from Connecticut will bear me out when I say that I have taken that position on any project when I felt it was in the national interest for me to do so.

Mr. BUSH. Let me ask the Senator from New York this question: Is it not true that I have also done the same? As a matter of fact, I think every Senator has.

Mr. LEHMAN. I do not know, but I am not critical of the Senator from Connecticut. He has been critical of what I have been advocating here. I started to say that I thought we were a nation, not a group of parishes.

Mr. BUSH. I certainly——

Mr. LEHMAN. Either the Senator from Connecticut will permit me to speak, inasmuch as he has yielded to me, or he can decline to yield further to me, and thus force me to take my seat.

Mr. BUSH. I would not do that, Mr. President. I yielded to the Senator from New York for what I thought would be questions by him. I did not anticipate that he would make a speech in my time. I am perfectly willing to yield the floor if he wishes to make a speech. But if he desires to ask me questions in regard to any point, I wish he would address his questions to me.

Mr. LEHMAN. Very well; I shall address a question to the Senator from Connecticut, and it will be a rather long one.

Mr. BUSH. Very well. [Laughter.]

Mr. LEHMAN. Does not the Senator from Connecticut feel that anything which affects the interests of the Nation as a whole, or any part of the Nation, anything which is sound, is of benefit to the particular locality which is immediately affected as well?

Mr. BUSH. I would say the Senator from New York is absolutely correct; and I like his use of the words "which is sound." I object to this bill because I do not think it is sound, because it is unnecessary for the Federal Government to enter into this project at all. That is the unsound feature of the bill.

Mr. LEHMAN. At the moment I was not speaking of the bill; instead, I was referring to the Senator's statement in which he took exception to the fact that South Carolina or Arizona or Connecticut or Tennessee or Oregon or Washington would have to bear a part of the taxes and be responsible for its part of an almost negligible loss of taxes.

Mr. BUSH. I would say to the Senator from New York that it does not seem to me to be very sound for taxes to be handed over to the people of other States, when there is no necessity whatever for doing so, and when private interests are able, proven, well-financed, popular in the area, have served it for 55 years, and are ready to proceed. Why should other States subsidize a power project in upper New York State, when there is no necessity at all for a public power project there?

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield for a question?

The PRESIDING OFFICER (Mr. Scott in the chair). Does the Senator from Connecticut yield to the Senator from New York?

Mr. BUSH. I yield for a question.

Mr. LEHMAN. Does the Senator from Connecticut not realize—and is he not afraid—that the public development of power at the Niagara River will reduce the power rates in the State of New York?

Mr. BUSH. I certainly am not afraid of it a single bit. I am surprised at the Senator's question. Why should I be afraid of it?

Mr. LEHMAN. Then why should the Senator from Connecticut object to it?

Mr. BUSH. I object to it because it is a subsidy to the public power interests. I think it is a subsidy that is completely unnecessary and unwarranted. That is why I object to it. But I am not afraid of it. I should like to see the people of New York get power as cheaply as they can. They are getting cheap power now.

Mr. LEHMAN. Oh, yes. I think that if the Senator from Connecticut were not afraid of it, he would not be threatening to move to recommit the bill. I assume that in making that motion he will have the support of the senior Senator from New York [Mr. Ives]. Certainly the Senator from Connecticut has been in the Senate long enough to know that if a motion to recommit is made, and if the motion prevails, the result will be to kill the bill.

Mr. BUSH. I hope it will kill the bill for this session, and I certainly intend to make the motion with that hope in my breast.

Mr. LEHMAN. I am very glad indeed to have that frank statement on the part of the Senator from Connecticut.

Mr. BUSH. Certainly there is nothing secret about it.

Mr. LEHMAN. I should like to ask another question of the Senator from Connecticut. He criticized the proposed method of financing this project, by the issuance of tax-exempt bonds.

Mr. BUSH. Yes; $400 million of tax-exempt bonds.

Mr. LEHMAN. Does the Senator from Connecticut recall any instances in which the State of Connecticut has issued tax-exempt bonds?

Mr. BUSH. Yes.

Mr. LEHMAN. The Senator from Connecticut did not object to them, did he?

Mr. BUSH. Let me say that I do not believe the issue has ever arisen in such a way that I had an opportunity to object to it on the floor of the Senate.

Mr. LEHMAN. Would the Senator from Connecticut be against it? Would he object to it?

Mr. BUSH. I say I object in toto to the theory of tax-exempt bonds. I do not believe one class of investors in the United States should enjoy immunity from the income tax, when everyone else has to pay the income tax. I hope that answers the Senator's question.

Mr. LEHMAN. No; it does not.

Mr. BUSH. Then, what does?

Mr. LEHMAN. Does the Senator from Connecticut recall that the city of New Haven ever issued any tax-exempt bonds?

Mr. BUSH. Of course it has.

Mr. LEHMAN. Does the Senator from Connecticut recall that Stamford, Greenwich, Meriden, and Hartford have issued tax-exempt bonds?

Mr. BUSH. I am proud to say to the Senator that the town of Greenwich has paid off all its obligations. We are very proud of that fact. I am glad the Senator gave me the opportunity to get it into the RECORD.

It would not make any difference whether the Senator or I objected to the issuance of tax-exempt bonds, so long as they were legal. If we can get the issue before the Senate, I will certainly express myself and cast my vote. But I do not believe, from what I have seen in the past 25 years, that we could persuade either this body or the House of Representatives to outlaw tax-exempt bonds, much as I think they should be outlawed.

Mr. LEHMAN. I do not think we could, either; and I think it would place a very great burden on the communities or agencies which issue such bonds. I doubt very much whether the Senator has ever advocated, in his own State, a prohibition against the issuance of tax-exempt bonds by any State or municipal agency.

Mr. BUSH. The Senator may be correct. I have never been an officer of the State government. That subject has never come under my surveillance.

Mr. President, I yield the floor.

Mr. KUCHEL. Mr. President, I thought it would not be wholly inappropriate for me briefly to discuss the pending legislation. During the past 3 years I have been a member of the Senate Committee on Public Works, which had had this proposed legislation and other bills of similar import before it.

I must say that I am rather distressed to find my friends, the two able and distinguished Senators from the State of New York, at some variance upon an issue which affects the people whom, together, they so very ably represent.

For myself, I think the issue, shorn of all the verbiage of this debate, is a simple one: Should a State be authorized to develop her own waterpower projects if she so desires?

For myself, I answer that question unequivocally in the affirmative.

This is a unique situation. I do not suppose that ever before in the history of the Congress of the United States has exactly this problem been presented. The Senate is asked to pass judgment on a continuing petition of the chief executives of the State of New York for development of certain water resources lying within her sovereign domain. Ordinarily the problem would not be a legislative one. It would properly be a problem for quasi-judicial determination by the Federal Power Commission, a creature of the Congress, whose jurisdiction and whose lines of authority were laid down by the Congress in years gone by.

I venture to suggest that, were it not for the peculiar set of circumstances which confront the people of the State of New York, regardless of how they may feel in this controversy, if the Governor of the State of New York were to petition the Federal Power Commission for the authority encompassed in the pending bill, there would be no question of the outcome. Such a petition, in my judgment, would be approved.

Historically the Congress has laid down the policy that where a State desires to construct her own hydroelectric projects; she has a preference when standing before the bar of the Federal Power Commission.

The State of New York does not have that opportunity today. When the treaty between Canada and the United States was before the Senate for ratification, an able Senator who still graces this body, the distinguished Senator from Vermont [Mr. AIKEN], offered a reservation to the treaty. In order that there may be some continuity to these remarks I should like to read the reservation which the Senate adopted:

> The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

That is why Congress is called upon to sit in judgment on the various methods of proceeding to develop power in the State of New York. That is why we are required to render this unique decision. Were it not for the treaty reservation, the Federal Power Commission, as I say, acting under its responsibilities laid down by Congress, would be required to give preference to the State of New York in the manner and in the fashion which that State desired in developing its hydroelectric capacity.

I fail to understand why Congress should apply a different rule with respect to the State of New York than it has laid down for all States of the Union in the Federal Power Commission legislation providing preferences.

I say I am grieved that there is some question as to what the people of a sister State desire. On one occasion one of the Members of the Senate endeavored to tell me what the people of California desired on a bill which my able colleague, Senator KNOWLAND, and I had introduced for one of our counties. I retorted that the California Senators would speak for California. But here, unhappily, our New York colleagues disagree. If we are to follow orderly procedure, we should respect the position of State officers. Two years ago there appeared before the Public Works Committee a distinguished American, Thomas E. Dewey, a Republican Governor of the State of New York, who testified at considerable length and asked that the State of New York be given the right to develop its own hydroelectric resources.

Not only his immediate predecessor, the able junior Senator from New York [Mr. LEHMAN], had taken that same position, but time and time again other chief executives of that sovereign State had publicly stated to the people a similar steadfast position on this question.

Three years ago and again this year Robert Moses, the head of the New York Power Authority, stated that the authority was in favor of the development of the Niagara by the State, particularly by his agency, created, indeed, for just such a purpose.

I ask unanimous consent that a letter Mr. Moses wrote to the Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, be incorporated in my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

POWER AUTHORITY OF THE
STATE OF NEW YORK,
New York, N. Y., July 12, 1955.

Hon. DENNIS CHAVEZ,
Chairman, Senate Committee on Public Works, United States Senate, Washington, D. C.

DEAR SENATOR CHAVEZ: In connection with hearings now before your committee on Senate 1823 by Senator LEHMAN and on Senate 6 by Senator CAPEHART and on other bills for the development of the Niagara River for power and other purposes, following is a compact repetition of the views repeatedly expressed by the New York Power Authority.

The authority is unequivocably opposed to the passage of the Capehart bill or any other bill which would provide for the development of Niagara power by private utility corporations. The waterpower resources of the Niagara River belong to the people of the State of New York and should be developed solely by a public agency. This has been the State policy consistently enunciated for the past 35 years by Governors Smith, Roosevelt, Lehman, Dewey, and Harriman and by the Legislature of the State of New York in the New York Power Authority Act originally enacted in 1931 and still in effect.

It is unthinkable that the preservation of the scenic beauty of the Niagara River and Falls, which is the subject of the treaty between the United States and Canada signed February 27, 1950, and the development of the waterpower thereof should be turned over to private utilities for their exploitation. The long and shameful history of despoliation of the Niagara River and Falls by private companies is a sure test of what the people could expect of future exploitation by these corporations.

The New York Power Authority has been granted a license for the development of the power of the St. Lawrence River. It is now actually engaged in constructing the necessary work at a rate of speed which will result in cutting by at least 2 years the most optimistic previous construction estimates. It is of the utmost importance that legislation be passed as quickly as possible in order to prevent further waste of the power of the Niagara River and to harness it as quickly as possible for the benefit of the people of the State of New York and its neighboring States.

Under the treaty between the United States and Canada, Canada is given the right to use all of the water of the Niagara for her own purposes until we are prepared to use our share. Every month's delay means that millions of dollars worth of electrical energy which belongs to us are going to waste or used by Canada.

If the development of these resources is turned over to private corporations, the New York Power Authority and the State of New York have announced their intention to resist such procedure by every available legal means up to the United States Supreme Court itself, which has indicated clearly the exclusive right and power of the State of New York to carry on such development. We strongly urge the defeat of the private utilities' bills and the enactment of legislation to authorize development of the power in line with the provisions of the Federal Power Act which gives preference to the power authority.

We have the following comments, however, to make with respect to the Lehman bill which differs in several respects from the bill prepared by the New York Power Authority and introduced by Congressman CHARLES A. BUCKLEY (H. R. 5706, 84th Cong.).

1. The prime purpose of the treaty authorizing the use of additional Niagara water for power was the preservation and enhancement of the beauty of the falls. Hence, as part of the cost of the project, the licensee should at its own cost and expense, in cooperation with the appropriate agency of the State of New York, construct a scenic drive and parkway on the American side of the Niagara River near the Niagara Falls, the cost of which should be included in the licensee's net investment in the project. The sum required for this parkway work will be approximately $15 million, not including the cost of placing spoil and fill excavated for the power conduits on the right-of-way of the parkway.

2. Also, as part of the cost of the project, the licensee at its own cost and expense should pay to the United States the United States share of the cost of the remedial works undertaken in accordance with article II of said treaty. This will not exceed $10 million. It is our understanding that this is the wish of the administration and it is consistent with what is being done in Canada. We are presently paying our share of the expenses of the Joint International Board of Engineers on the St. Lawrence.

3. The New York State Power Authority is the proper agency for the construction and operation of the project—as provided in section 2 (a) of the Lehman bill. However, we are willing to leave it to the Federal Power Commission to decide because of the preference which is given in the Federal Power Act to a State agency and because we are informed that that is the desire of the administration.

4. In several respects the language of the Buckley bill is superior to language which is contained in the Lehman bill. For example, the Buckley bill language has the advantage of being completely compatible with the language of pertinent New York statutes. Copies of the memorandum addressed to Congressman CHARLES A. BUCKLEY on May 25, 1955, and which describe the essential differences between the two bills are enclosed.

The basic objective, however, of the Lehman and Buckley bills is the same, that is, a license to the New York Power Authority to construct and operate the Niagara project.

The New York Power Authority is ready and anxious to proceed at once to carry out the objectives of the treaty and to develop at the earliest possible moment our share of Niagara power.

Cordially,

ROBERT MOSES, *Chairman.*

Mr. KUCHEL. The gist of the letter, as Senators who have read it know, is that Mr. Moses generally endorses the bill pending in the Senate. He pointed also to a companion measure in the House and likewise gave that bill his blessing.

As I say, I am grieved to be placed in the position of being required to sit in judgment on a State which I do not have the honor of representing. It does seem to me however, that the record is clear that the Governors of the State of New York, in Republican administrations and in Democratic administrations, have always taken one position, and that is that the State should be permitted to develop the State's waterpower.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield to the Senator from New York.

Mr. LEHMAN. I wonder whether, in addition to the things he has so clearly and ably pointed out, the Senator knows that for many years, to my knowledge, the three political parties which operate in New York State, the Republican Party, the Democratic Party, and the Liberal Party, have all included in their platforms a pledge for the public development of the water resources of the State.

Mr. KUCHEL. I thank my distinguished colleague for that comment, which is of considerable relevancy to this discussion.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. Having in mind what the Senator from California is now stating, and after considerable effort in the way of the hearings throughout the year, the committee came to the conclusion that the State of New York should be the one to handle the matter. Of course, the authority to handle it in the State of New York is the power authority. The bill reported by the Public Works Committee provides exactly what the Senator from California has in mind.

Mr. KUCHEL. I thank my able colleague for that comment. He is completely correct.

I wish to make a comment about the waters of the State of New York. First of all, let me read a sentence or two of the Federal Flood Control Act of 1944:

> It is hereby declared to be the policy of Congress to recognize the interests and rights of the States in determining the development of watersheds within their borders, and likewise their interests and rights in water utilization and control, as herein authorized, and to preserve and protect to the fullest possible extent established and potential uses for all purposes of the waters of the Nation's rivers.

I should like to read a sentence or two from the laws of the State of New York. I am quoting from the testimony of Governor Dewey at page 44 of the hearings on a similar bill in 1954:

> Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State.

Then it continues:

> They shall always remain inalienable, and ownership, possession, and control thereof shall always be vested in the people of the State.

I believe that language rather clearly demonstrates what the intention of Congress was in legislation it adopted, and what the intention of the people of New York State was, acting through their legislative representatives in Albany, with reference to the waters within the State of New York. They intend their waters to be inalienable and to remain in control of the people—all of them.

It seems to me that the adoption of the pending bill is not only the fairest means of proceeding, but, in my judgment, the only means of logically proceeding toward the development of New York's Niagara resources which need to be developed for the public good.

I wish to allude very quickly to the bill which is before the Senate. The first section provides that the bill constitutes compliance with the reservation in the treaty to which I previously referred.

It then provides that the Federal Power Commission is directed to issue a license to the New York Power Authority for the construction and operation of the Niagara project.

Next, it provides that the Federal Power Commission shall include in the license the conditions that the New York Power Authority shall—

> (A) Give equal preference for the purchase of such power to (i) counties and municipalities, including their agencies or instrumentalities, (ii) departments, agencies, and instrumentalities of New York State, (iii) rural electric cooperatives not organized or administered for profit but primarily for the purpose of supplying electric energy to their members as nearly as possible at cost; and (iv) the defense agencies of the United States.

Those are the four types of preferences included in the bill. To me they seem perfectly reasonable, and they are apparently not disharmonious with the position of the State of New York, as set forth in the letter written by Mr. Moses.

Then the bill goes on:

> (B) Make flexible arrangements and contracts for the disposition of project power to utility companies organized and administered for profit, with suitable provisions in such contracts for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of the foregoing classes of preference customers.

In other words, Mr. President, authority is given to dispose of any surplus power which, being generated, remains unused.

The next provision, to which the author of the bill, the Senator from New York [Mr. LEHMAN], alluded earlier in his colloquy with the Senator from Alabama [Mr. HILL], has to do with the Authority entering into so-called rental contracts or wheeling agreements in lieu of constructing duplicate transmission lines.

Next, the bill provides:

> The licensee shall make a reasonable portion of the project power available for use within economic transmission distance in neighboring States—

And so forth. The point I make, Mr. President, is that it seems to me, as I read the language, it is a bill to provide electric power for the people of New York, to be paid for by the people of New York, in accordance with preferences laid down in the bill, and only with respect to "a reasonable portion" of the power do adjoining States have an opportunity to purchase such power.

Mr. President, I felt it incumbent upon me to make these few comments. I listened to the testimony in the 83d Congress, and I listened again to the testimony in the 84th Congress, and I shall, on the basis of what I have just said, vote in favor of the proposed legislation. I shall oppose the motion which the Senator from Connecticut intends to make tomorrow to recommit the bill to the Senate Committee on Public Works.

Mr. President, I ask unanimous consent to have printed at this point in the Record a copy of a letter I have received from the Attorney General of the State of New York.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Capitol,
Albany, N. Y., March 19, 1956.

Hon. Thomas H. Kuchel,
United States Senate,
Washington, D. C.

Dear Senator: May I take this occasion to congratulate you on your outstanding efforts in aid of State development of sources of hydroelectric power. The basic policy of our State is expressed in the desire to have the Power Authority of the State of New York develop the great source of hydroelectric power in the waters of the Niagara for the benefit of the people of our State, also utilizing effectively private utility installations. It is my understanding that you have helped this policy in your work as a member of the Committee on Public Works of the United States Senate. I feel that this is a measure of your fine public service. It shows your interest in the full development of our resources in a way most compatible with our private economic system.

With renewed appreciation, believe me,
Sincerely yours,
J. K. Javits,
Attorney General.

Mr. LEHMAN. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. LEHMAN. Mr. President, I wish to compliment the Senator from California on his very clear statement. I think his analysis of the bill has been fair and accurate and should be readily understood by anyone who reads it.

PUNISHMENT FOR WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. SPARKMAN. Mr. President, I ask that the Chair lay before the Senate an amendment of the House to Senate bill S. 2972 to punish the willful damage or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes.

I make this request on behalf of the Senator from Washington [Mr. Magnuson].

The PRESIDING OFFICER (Mr. Scott in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, which were, to strike out all after the enacting clause and insert:

> That title 18 of the United States Code is amended by inserting immediately after section 14 thereof the following new chapter:
>
> "Chapter 2.—Aircraft and Motor Vehicles
>
> "Sec.
> "31. Definitions.
> "32. Destruction of aircraft or aircraft facilities.
> "33. Destruction of motor vehicles or motor-vehicle facilities.
> "34. Penalty when death results.
> "35. Imparting or conveying false information.
>
> "§ 31. Definitions
>
> "When used in this chapter the term—
>
> "'Aircraft engine', 'air navigation facility', 'appliance', 'civil aircraft', 'foreign air commerce', 'interstate air commerce', 'landing area', 'overseas air commerce', 'propeller', and 'spare part' shall have the meaning ascribed to those terms in the Civil Aeronautics Act of 1938, as amended.
>
> "'Motor vehicle' means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;
>
> "'Destructive substance' means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and
>
> "'Used for commercial purposes' means the carriage of persons or property for any fare, fee, rate, charge, or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.
>
> "§ 32. Destruction of aircraft or aircraft facilities
>
> "Whoever willfully sets fire to, damages, destroys, disables, or wrecks any civil aircraft used, operated, or employed in interstate, overseas, or foreign air commerce; or
>
> "Whoever willfully sets fire to, damages, destroys, disables, or wrecks any aircraft engine, propeller, appliance, or spare part with intent to damage, destroy, disable, or wreck any such aircraft; or
>
> "Whoever, with like intent, willfully places or causes to be placed any destructive substance in, upon, or in proximity to any such aircraft, or any aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material used or intended to be used in connection with the operation of any such aircraft, or any cargo carried or intended to be carried on any such aircraft, or otherwise makes or causes to be made any such aircraft, aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material unworkable or unusable or hazardous to work or use; or
>
> "Whoever, with like intent, willfully sets fire to, damages, destroys, disables, or wrecks, or places or causes to be placed any destructive substance in, upon, or in proximity to any shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air-navigation facility or other facility, warehouse, property, machine, or apparatus used or intended to be used in connection with the operation, loading, or unloading of any such aircraft or making any such aircraft ready for flight, or otherwise makes or causes to be made any such shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air-navigation facility or other facility, warehouse, property, machine, or apparatus unworkable or unusable or hazardous to work or use; or
>
> "Whoever, with like intent, willfully incapacitates any member of the crew or any such aircraft; or
>
> "Whoever willfully attempts to do any of the aforesaid acts or things—
>
> shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.
>
> "§ 33. Destruction of motor vehicles or motor vehicle facilities
>
> "Whoever willfully, with intent to endanger the safety of any person on board or anyone who he believes will board the same, or with a reckless disregard for the safety of human life, damages, disables, destroys, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to, any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or its cargo or material used or intended to be used in connection with its operation; or
>
> "Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or
>
> "Whoever, with like intent, willfully disables or incapacitates any driver or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or
>
> "Whoever willfully attempts to do any of the aforesaid acts—
>
> shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.
>
> "§ 34. Penalty when death results
>
> "Whoever is convicted of any crime prohibited by this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.
>
> "§ 35. Imparting or conveying false information
>
> "Whoever willfully imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this chapter or chapter 97 or chapter 111 of this title—
>
> shall be fined not more than $1,000, or imprisoned not more than 1 year, or both."
>
> Sec. 2. The part analysis preceding chapter 1 or title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:
>
> "2. Aircraft and motor vehicles........ 31"

And to amend the title so as to read: "An act to punish the willful damaging or destroying of aircraft or motor vehicles, and their facilities, and for other purposes."

Mr. SPARKMAN. Mr. President, on behalf of the Senator from Washington [Mr. Magnuson], I move that the Senate disagree to the amendments of the House, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Magnuson, Mr. Monroney, Mr. Smathers, Mr. Schoeppel, and Mr. Purtell conferees on the part of the Senate.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. SPARKMAN. Mr. President, I shall speak briefly in support of S. 1823—the Lehman bill. This bill provides for the construction of certain works in the Niagara River for power and other purposes. It authorizes and directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of a power development project on the Niagara.

I support this bill as a whole. But I shall restrict these remarks to those provisions of the bill which require the licensee, the New York Power Authority, when it disposes of project power, to give preference to the purchasing demands of the following agencies:

First. Counties and municipalities, including their agencies and instrumentalities.

Second. Departments, agencies, and instrumentalities of New York State.

Third. Rural electric cooperatives organized and administered on a nonprofit basis, primarily for the purpose of supplying electric energy to their members as nearly as possible at cost.

Fourth. Defense agencies of the United States.

The foregoing provisions are directly related to other requirements of the Lehman bill—that project power be sold and distributed primarily for the benefit of the people as consumers—and particularly for the benefit of domestic and rural consumers—at the lowest possible rates so as to encourage its widest possible use.

Moreover, the bill also provides that contracts under which project power is purchased for resale shall include adequate provisions for establishing resale rates to be approved by the licensee. These rates must accord with the general objective that sale be primarily for the benefit of the consuming public, and at low rates to encourage wide consumption.

The reasons for these provisions are simple. Peoples' resources must be used to benefit the largest possible number of people.

Historically, Congress, when it disposed of public property or resources, provided safeguards to insure the widest possible public benefit. Moreover, experience in power development projects elsewhere—for example, Boulder Dam, the TVA, and the Bonneville project—has shown that these so-called preference provisions for public and private nonprofit agencies are essential means of assuring widespread public benefit in the distribution of electric power. As the committee which reported this bill favorably put it:

> These safeguards are believed essential to make effective the yardstick influence of this power development on high electric rates throughout the region.

Of course, the designated agencies will not be able to puy power at a cheaper price.

Mr. President, I think that is one thing which perhaps some persons misunderstand. It is really an assurance that they will have an equal opportunity to share in the power produced.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. I am very grateful to the Senator for emphasizing that point in his remarks, because, undoubtedly, there is that misunderstanding. Some persons seem to think that what is contemplated is that certain particular agencies will be able to obtain the power at a preferential price. That is not intended. They will not be able to buy at any price different from that at which the power is sold generally, but it will be clear that if there should ever be a shortage, they would get at least a reasonable share of the power.

I may say to the Senator that it is perfectly obvious that initially the preferential customers will consume only a relatively small part of the power.

Mr. SPARKMAN. That is correct.

The last point made by the distinguished Senator from New York, Mr. President, is a point which I was about to make.

Nor do the provisions prevent large-scale consumption of power by large industrial users or, indeed, extensive purchase by private utilities for resale.

The provisions simply mean that counties and cities and nonprofit electric cooperatives may purchase as much power as they want from the prospective Niagara power project. And they get first choice.

This is essential where power is sold initially at wholesale as it must be from this anticipated project. Otherwise, small purchasers, who cannot take the power directly from the project site, would not receive the maximum benefits from the project. They would still have to purchase from the private utility companies. These utilities, in turn, would be the principal beneficiaries—indeed, almost the sole beneficiaries—of public development of the people's property.

As Mr. Gordon Clapp put it, in his testimony before the committee:

> The real and lasting effect of this harnessed natural resource depends upon how the power is marketed, how and where it is sold to the ultimate consumer, and at what rates. If this low-cost power is unwisely sold at the bus bar or confined to distribution at or near the site, it will produce a very limited local benefit confined to the industries and private utility companies already grabbing at this great natural asset. Under such a shortsighted policy, the people of the State and whole surrounding region would be deprived of a great opportunity to benefit manifold from the natural resources that belong to them.

I shall return to the experience in the Tennessee Valley to show that private utility companies and small consumers have benefited immensely by preference provisions. But before doing so, I should like to remind this body of the subject matter now under debate.

We are dealing with property rights of the United States Government. The use of waters of navigable streams for the production of power constitutes the exercise of rights in the public domain. Water power inherent in the flow of any navigable stream belongs to the United States. This is well established by long-standing judicial precedent.

I respectfully refer Senators to such cases as *United States* v. *Appalachian Power* (311 U. S. 377) and *Oklahoma* v. *Atkinson* Co. (313 U. S. 508).

Thus, more than one-half of the power and energy anticipated from the project will remain for distribution through privately owned utility companies. The large industrial consumers and the private utility companies will get all the power they need. And the small consumers will be assured low-rate electric power from their property.

Though the technical title to the bed of a stream may be in private hands or in State hands, the dam sites on navigable streams are public property. Private interests are not even compensable as against the control of the United States Government—volume 312, United States Reports, page 592.

Congress, we know, under article IV, section 3, clause 2, of the Constitution, may dispose of public property. But Congress must exercise this power in the public interest and for the general welfare. Chief Justice Hughes, in *Ashwander* v. *TVA* (297 U. S. 288, 338), put it this way:

> That method [disposal of property], of course, must be an appropriate means of disposition according to the nature of the property, it must be one adopted in the public interest as distinguished from private or personal ends.

When, for example, Congress disposed of public lands in the West it provided safeguards to assure widespread public benefits. These dispositions, whether by gift or otherwise, were integrally tied to the development of the western frontier, clearly a development in the national interest resulting in great improvement in the welfare of the entire Nation.

Moreover, it is doubtful, in view of the Supreme Court decision in *Illinois Central Railroad Company* v. *Illinois* (146 U. S. 387), whether the State of New York could constitutionally dispose of its property for private interest as opposed to general public interest. And, as I have noted, these preference safeguards are included to assure the disposition of public property—in this case, the power—in the public interest.

The facts of the Illinois Central case concerned a grant by the Illinois Legislature of submerged lands in Lake Michigan to a railroad company. The Supreme Court held this grant invalid under the 14th amendment, and stated:

> A grant of all the land under the navigable waters of a State has never been adjudged to be within the legislative power; and any attempted grant of the kind would be held, if not absolutely void on its face, as subject to revocation. The State can no more abdicate its trust over property in which the whole people are interested, like navigable waters and soils under them, so as to leave them entirely under the use and control of private parties * * * than it can abdicate its police powers in the administration of government and the preservation of the peace.

In the performance of our constitutional duty, we must see to it that the public rights in the Niagara River are used to benefit all the people. And these preference provisions are time-tested means of accomplishing this end.

Moreover, private utility companies will benefit from these provisions.

In the Tennessee Valley area, the estimated annual power produced per person increased 10 times from 1933 to 1951. This power effected a tremendous development of industry; it went to thousands of farmers and small consumers. These people bought refrigerators, ranges, electric pumps, electric farm appliances, freezers, small motors to grind feed, cut wood, and turn lathes, and many other electrical appliances too numerous to mention.

Many of the farmers bought through cooperatives, some of which now have as many as 19,000 members and an investment of nearly $7 million—the figures relating to the TVA area are from Lilienthal, TVA: Democracy on the March, 1953 edition.

I may say that the figures I have given relating to the TVA area are from the book written by Mr. David Lilienthal, entitled "TVA: Democracy on the March," 1953 edition. The original edition was published many years earlier, but it was brought up to date in 1953, and my figures are taken from that book.

These rural-electric cooperatives in the TVA area served nearly as much electricity as was used by the whole region, industrial use included, in 1933.

I wish to emphasize these figures because I think they are remarkable in that they show what happens when the power from a great project such as this is made available for use by the public generally in the public interest.

The cities, too, were changed. For example, in 1933, 225,000 homes that had electricity used about 130 million kilowatt-hours. In 1951, in the same area, 1,065,000 homes that had electricity, used 3,875,000,000 kilowatt-hours, or 30 times as much power, which means 7 times as much power in each individual home.

This expansion resulted from low rates. The assumption that people would use electricity widely if rates were drastically lowered proved to be well-founded, as did the equally valid theory that rate cuts had to precede increased use. As David Lilienthal said:

> What had proved to be a good business principle for Henry Ford in the pricing of his first automobiles, what was good business in the mass production field generally, would be good business in electricity supply. (Lilienthal, TVA: Democracy on the March, p. 23.)

Far from hurting private power companies in this area, these plans for widespread consumption of electricity at low rates have helped them immeasurably. For example, the Georgia Power Co., 23d in size among the country's utilities, sold more electric refrigerators the first year of the TVA induced rate reduction, than any other company in the country regardless of size. It was first in the sale of electric water heaters, and second in the sale of electric ranges.

Immediately after its rate reduction, the Tennessee Electric Power Co., 30th in size in the country, was first in total number of electric ranges sold, second in number of electric refrigerators, and third in number of electric water heaters. This company, with only 100,000 residential users, was selling more home electric appliances than companies in high-income States, like New York and Illinois, and having many times that number of customers.

The studies of the committee which reported the bill show that while the earnings available to common shareholders in private utility companies increased twofold from 1937 to 1952, the earnings for stockholders of the five major companies contiguous to TVA increased fivefold. And in the period from 1932 to 1952, the average bill for electricity service in the TVA area for 100 kilowatt-hours per month homes decreased 35 percent.

I could talk at considerable length about the industrial and agricultural development in the States adjacent to the Tennessee Valley. This has meant much to the prosperity of the entire Nation, and certainly to its defense efforts during the years since the inception of TVA.

All the people—consumers, small and large, and investors in private utility companies—have reaped immense dividends from public-power projects, which stimulate widespread public consumption of electricity at yardstick rates. Without these preference provisions, the whole concept would be totally emasculated.

By the way, Mr. President, I should like to interject a reminder at this point. When Congress passed the general flood-control legislation, which I believe was in 1944, it was written basically into the law that this preference should prevail in all power projects developed by the Government. That is all the Lehman bill proposes to do. There are some changes, incident to the particular location and the interest of the State of New York; but, generally speaking, the preference provision is the same as that which is contained in our general policy.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. In addition to the inclusion of the preferences in the flood-control bill of 1944, is it not a fact that these preferences have been recognized ever since the days of Theodore Roosevelt?

Mr. SPARKMAN. Yes; and it was Theodore Roosevelt who first started them. As a matter of fact, it was Theodore Roosevelt who really started the public-power programs in which the Government has engaged.

In spite of publicity concerning it, the public-power program of the Federal Government is not a big part of the whole, but it was started by Theodore Roosevelt, and priorities were set up by him, and the system has been adhered to since that time.

I have not made any research of the subject, but in trying to remember the various projects which have been authorized, certainly of the ones which have been started during the 20 years I have been in Congress, offhand I cannot recall any sizable project involving the public generation of power which did not provide for preferences.

Mr. LEHMAN. That was my impression, too.

Mr. SPARKMAN. Mr. President, the continued inclusion of the preferences in the Lehman bill is imperative if we are to observe our constitutional duty to see to it that the people's property is used for the people.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. I should like to compliment the distinguished Senator from Alabama on the very informative, useful, and enlightening statement he has just made. I think some of the figures he has given are more dramatic than any I have seen previously, and I wish I had had them.

I know in many places of the country in which there is cheap power the per capita consumption has increased; but the figures of increased consumption over the 20 years, I believe it was, which the Senator gave——

Mr. SPARKMAN. Eighteen years. They started in 1933. In one case I said up to 1951, and in another case to 1953.

Mr. LEHMAN. The increases have been very dramatic. I think the same increases have obtained, to a lesser extent, perhaps, and not quite so dramatically, in the various low-cost power areas, such as the area served by Bonneville and the area of the TVA development, and areas in the Southeast and the Southwest. The rates have been reduced to such a point that today they are less than half of those being paid in the Northeastern States, New England, New York, Pennsylvania, Ohio, and certain other States, and at the same time the per capita consumption in those States has increased not 25 or 30 times, as the Senator from Alabama has pointed out in the low-cost-power areas, but only 5 or 6 times. Consumption only is 5 or 6 times greater in New York, Rhode Island, Massachusetts, New Hampshire, Ohio, and Pennsylvania than it was.

That is something which few persons know about. That is why I am glad the Senator from Alabama and others of my colleagues have joined me in trying to bring home to the people the facts. I am very grateful to the Senator from Alabama.

Mr. SPARKMAN. I appreciate the remarks of the Senator from New York.

Of course, he realizes that the figures I gave were limited to the TVA area. I am certain the same comments would apply to the Bonneville, the Grand Coulee, and some of the other areas, although the figures would not be so dramatic, because perhaps in the TVA area there was a lower base to start with. Certainly a similar pattern would be shown.

The Senator from New York realizes I have lived in the TVA area all my life. I have seen these changes take place. I can remember when the TVA came into being. I do not suppose that in the rural sections in my area as many as 5 percent of the farm homes had electricity, but today in the TVA area in north Alabama, where I live, I dare say that 99-plus percent of the farm homes have electricity available. In the State of Alabama as a whole I think more than 90 percent of the farm homes have electricity available to them.

I should like to remind the Senator that the TVA serves only a very small part of Alabama. I think there are involved only 12 counties, plus 2 municipalities, and perhaps 1 or 2 cooperatives in other counties; but only a small part of Alabama is served by the TVA. However, I should like to point out another factor which few people understand. If rates are reduced, consumption will be stepped up, which will make it possible to reduce prices again. That is the pattern the TVA put into effect. That pattern was taught to the private-power companies. Today there is not a great deal of difference between the rates charged by the TVA and the Alabama Power Co., for instance.

I remember, back in the days when TVA started operating, the press was full of reports of the dire effects TVA would have on private-power companies. I remember that as late as 1939 Alabama Power Co. stock was selling for 50 cents on the dollar. Congress passed a bill which more or less drew a line and divided the areas to be served by TVA and private-power company operations. Within a year's time the stock of the Alabama Power Co. was up to 100 cents on the dollar. The power company had learned the lesson of applying the same yardstick that TVA was applying. Their customers stepped up their use as prices were reduced, and the company was able to reduce rates still more.

During the course of my remarks I stated that whereas private-utility companies' earnings as a whole had increased 2½ times, the power companies contiguous to TVA had stepped up their earnings 5 times—in other words, twice as much as the others—so such projects have an impact on areas other than the areas particularly served.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator from Alabama was speaking of the rates in the area of the TVA and the New York and New England rates. I do not know whether the Senator was present on yesterday when we were discussing this matter. The New York and New England area has the highest power rate of any section of the country. The wholesale power cost to rural electric systems in New York is 1.12 cents per kilowatt-hour, the Nation's average is 0.76 cents, and it is 0.58 cents in Alabama. The average cost of purchased power to municipalities and other publicly owned electric utilities is 0.97 cents per kilowatt-hour in New York and 0.44 cents in Tennessee. There will not be such difference in cost if the bill becomes law. The people of New York will receive the same kind of rates the people of the State of Alabama receive.

Mr. SPARKMAN. The Senator from New Mexico has given figures which are absolutely undeniable, and the effect it will have is also accurately stated.

I should like to say to the distinguished Senator from New Mexico that he will remember a few years ago I was a member of his committee, and I enjoyed serving under his chairmanship. At one time he appointed a subcommittee to make a study of the feasibility of river improvement—certainly a survey—of the New England area. I served on that subcommittee. The Senator from New Mexico may remember some of the evidence which was presented to us and some of the findings we made. We found that New England had perhaps the greatest abundance of undeveloped hydroelectric power possessed by any area in the Nation. Mr. President, I do not like to say anything which might sound critical of an area, but in this case we are dealing with facts regarding a project which might have a great impact on a particular area.

Mr. CHAVEZ. And New England still has those undeveloped hydroelectric resources.

Mr. SPARKMAN. Yes, because nothing has been done in that connection.

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. We authorized an appropriation of approximately $3 million for a survey of the Passamaquoddy project, the purpose of which was to produce power for New England.

I suggest that if the Lehman bill, including the provision for the system of preference, becomes law, on the one hand, and if the Passamaquoddy project is developed, on the other hand, and if in that connection provision is made for the same system of power preference, the Senator from New Mexico and all the others of us will see the power rates in the New York-New England area come down, as has occurred in other areas. That development will be the result of the impact of those two programs, one on each side.

Mr. CHAVEZ. Yes. However, it has been only of late that there has been increased interest in the Passamaquoddy project. When the late President Franklin Delano Roosevelt suggested the Passamaquaddy project, complaint was made that it would be all wrong. But the opponents have learned the hard way; and now they want a survey made of the Passamaquoddy area.

Mr. SPARKMAN. I believe that at one time the Passamaquoddy project was called "Roosevelt's folly."

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. And it was commonly referred to as "Quoddy."

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. I suspect that those who now are interested in it, probably will try to find a new name for it, in an effort to get away from the name "Passamaquoddy." However, even with a new name, the proposed project will be the same.

Mr. CHAVEZ. I wish that my State had the waterpower that New England has.

Mr. SPARKMAN. Of course. And I think the people of most of the other sections would take the same position. Most of the waterpower sites in other places in the country have been developed, but most of the waterpower sites in New England remain undeveloped, even today.

Mr. CHAVEZ. I know that New England has complained about the movement of factories to the South. I do not blame the factory owners for moving their factories to the South, if, for instance, in Tennessee they can obtain 0.44 cent power, rather than 1.12 cent power in Connecticut. Under those circumstances I do not blame the factory owners for moving their factories to the South, and they will continue to do so. However, New England could develop its own power, and in that way could help itself and also the rest of the country.

I have no direct interest in the Niagara project, but I know it is feasible to develop that project, and that the benefits accruing from it will also inure to Arizona, New Mexico, and the other States.

Mr. SPARKMAN. Of course, I have no direct interest in the Niagara project, either. However, I have seen various projects developed in such a way that all sections of the country profited. I believe that the able chairman of the committee will take that position in connection with this matter.

Mr. CHAVEZ. Yes.

Speaking of preference, let me remind the Senator from Alabama that the Hoover Dam was constructed many years ago, under the system of preference.

Mr. SPARKMAN. Yes; and all such projects have been developed in that way, going all the way back to the program commenced by Theodore Roosevelt in 1902. That program was acted on favorably by the Congress; and public power dates back to that time, and the public-power preference system began at that time. That is the real issue involved in this bill.

Mr. LEHMAN. Mr. President, the Senator from Alabama is absolutely correct.

Mr. SPARKMAN. So I think it is extremely important that at this time we continue what both Democratic and Republican Congresses have done for the past 54 years, namely, see that projects developed by the Federal Government or under the authority of the Federal Government are handled in such a way as to give a fair break to all the people, no matter how small their business may be.

Mr. LEHMAN. I thank the Senator from Alabama, and I am in full agreement with that position.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEHMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I am very happy to join the Senator from New York [Mr. LEHMAN] and other Senators who have spoken in behalf of Senate bill 1823, in speaking in support of this measure. I am a cosponsor, with the Senator from New York [Mr. LEHMAN] of Senate bill 1823. I urge that the bill be passed, because I sincerely believe that, if enacted into law, it will assure public development of the very great undeveloped hydroelectric resources at Niagara Falls.

Mr. President, I recognize that this development is in an area of the country which is somewhat removed from the State which I am privileged, in part, to represent. But I also recognize that the principle involved in the bill is of vital importance to the continuation of a long-established public policy relating to the use and development of hydroelectric-energy resources.

It is, therefore, in that spirit or within that philosophy, that I direct my remarks. My remarks will be somewhat general. If time permitted I should like to discuss in some detail all the reasons why I favor the bill, but I shall limit my remarks in the main to the overall arguments which I think sustain the position which the sponsors of the bill have taken.

Again, I invite the attention of Senators to the very excellent, detailed, and thoughtful address of the Senator from New York [Mr. LEHMAN] on yesterday. In the early part of his address in support of the bill he outlined 12 or 13 major reasons why the proposed legislation should be enacted. He also pointed out the importance of the Niagara Falls hydroelectric development not only to the State of New York, but to the entire surrounding area, which is one of the most important industrial areas in the world, as well as one of the most important agricultural areas in the Nation.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. LEHMAN. The bill provides assurance that the adjoining States, notably Pennsylvania and Ohio, will receive a reasonable share of the cheap power.

Mr. HUMPHREY. I thank the Senator for emphasizing that point. I think it underscores what the junior Senator from Minnesota just said, namely, that it is a bill which relates to one of the most important industrial areas in the entire world. The State of Pennsylvania, the State of Ohio, and the State of New York surely represent that type of industrial development. Furthermore, the population concentration in those areas is one of the most dense in the United States.

The Senator from New York pointed out that the proposed legislation would authorize the State of New York to build, operate, and maintain a hydroelectric power project on the Niagara River, utilizing a diversion of waters agreed upon and made available under the terms of the United States-Canadian Treaty of 1950. He also pointed out, as have other speakers today, that the Dominion of Canada has already proceeded under the terms of the treaty which relate to Canadian development, and that we are somewhat behind schedule, so to speak, in the development of the water resources which are available to the United States or any of its political subdivisions under the terms of the treaty of 1950.

Furthermore, it has been pointed out again and again that this authorization bill, Senate bill 1823, would not cost the Federal Government a single cent in Federal appropriations. So the issue of cost to the Government of the United States is surely not germane, and has no relevancy whatsoever to any argument which might be made against this particular bill.

Also, I understand that New York State seeks no financial aid whatsoever, in any form, from the Federal Government. Furthermore, this very project might well have been accomplished under the treaty itself had it not been for a reservation to the treaty which was ratified by the Senate. As we know, that reservation stipulated that Congress, by subsequent action such as we are now proposing to take, would dispose of the new power potential made available under the terms of the treaty. So what we are really called upon to do now is to ascertain and determine how the power potential shall be divided, and under whose auspices—whether it should be under the New York Public Power Authority or whether it should be a Federal power development or whether it should be a private power development.

I am sure that everyone recognizes that this is not what might be called a Federal power development. Congress has been brought into the subject only because of the so-called Aiken reservation to the treaty. Congress is called into the Niagara Falls electric power development program simply because, under the terms of the treaty, it is our duty to determine how this power resource shall be used and ultimately developed.

Long hearings have been held on the bill. It has been open for consideration for years, as my statement today will indicate. I shall not go through all the detailed explanations which have been listed in support of the bill. However, I should like today to invite the attention of Senators to the nature of much of the support which is to be found for the bill in other parts of the United States, particularly in the State of New York.

Let me begin by saying that Senate bill 1823 is completely in accord with the long-established Federal power policy, as embodied in the Federal Power Act, the Tennessee Valley Authority Act, the Bonneville Project Act, and many others.

The alternative and substitute measure, Senate bill 6, known as the Capehart-Miller bill, would turn this great public resource over to private development. In so doing it would not be in accord with the established Federal policy, or with the policy of the State of New York.

As a matter of fact, as is pointed out in the majority report of the Senate Committee on Public Works, Senate bill 6 "proposes, in effect, to make a completely unjustified exception to section 7 of the Federal Power Act, which assures public agencies a priority and preference over private applicants in securing a license for the development of the hydroelectric potential at any particular site."

There are many other arguments against the so-called substitute, the Capehart-Miller bill, which arguments will be made by other Senators, or have already been made.

I cannot conceive of any circumstances which would justify Congress in directing an exception to the rules established by the safeguarding provision of the Federal Power Act; but even if some future case might arise in which such an exception would be warranted, there could be no justification for any exception applying to perhaps the greatest of all public water resources belonging to two nations, the mecca of visitors from the entire world. I refer to Niagara Falls.

It has always been a matter of deep concern and surprise to me that this great power resource, which is so evident that even a 6-year-old child can see the potentialities, has not been utilized to its fullest. Anyone who has visited Niagara Falls and seen the plunging and lurching of that water can well understand that there is a treasure of gold, so to speak, in terms of potential energy from water power.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the distinguished Senator from Tennessee.

Mr. GORE. The distinguished Senator from Minnesota is unquestionably speaking factually and truthfully, but it seems to the junior Senator from Tennessee that he has made a remarkable understatement. Here is one of the greatest natural resources on the North American continent. The share which belongs to the United States by treaty is daily, hourly, and by the minute going to waste.

Mr. HUMPHREY. The Senator is correct. Let me say to the Senator from Tennessee that it is energy—which is, in fact, wealth—that cannot be retrieved. Once it has gone over the falls, it is gone forever, and every day we lose in the development is, so to speak, represented by money which has been lost, by development which has been lost, by industry which has been lost, and by industrial potentiality which has been lost.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. At the beginning of the Senator's remarks he drew attention to the fact that we have been rather slow, in comparison with Canada, in developing our resources, and that, therefore, Canada is ahead of us.

I wish to point out that it goes much further than that. Under the treaty to which I have referred Canada not only can use a part of the water belonging to us, but can use all of it until we develop it.

Therefore we not only lose industrial potential, but we build up competition right across the border in Ontario. No other section of Canada has grown industrially so rapidly as has that part of Ontario which borders on the Niagara River, because of the low-cost power in that area. Power in Ontario costs less than half of what it costs on our side of the border.

Mr. HUMPHREY. The Senator from New York is correct, of course. It always amazes me that our Government, in its foreign-aid programs, will go around the world and encourage every nation on the face of the earth to develop its hydroelectric power, and yet neglect our own power potentialities. We now have before the Committee on Foreign Relations a proposal to build a huge dam in Egypt. It would be the world's largest dam. A great deal of American money would be put into it. Of course, the proposal is somewhat nebulous at this time, but it is being constantly talked about. The administration says it is a splendid idea.

I suppose one way to get the pending bill passed would be to have the Russians say that they would lend the money for it. If that were the case, our Government would rush in and build the project immediately.

I hope we can do it ourselves without someone from the Kremlin trying to do it. Perhaps that would be the way to get it done. I say that because I notice whenever the Kremlin asserts that something should be done to harness the waters of the Euphrates or the Tigris or the Jordan or the Nile, our Government immediately sends 2 ambassadors and 4 foreign-aid specialists to the country involved, and our country says, "We would love to see it done." Our Government in that case does not worry whether it is a matter of public or private power. Of course, it is always public power. Our Government says to such a country, "Not only should you do it, but hurry up and do it and take our money, and get it done in a hurry. What is more, we will send you the engineers. Not only that, we will see to it that it all works well."

However, when we are confronted with a project in the United States of America, such as the wonderful power resources that exist in the Niagara area, our Government says, "Oh, we don't know about that. We don't think we ought to do that."

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield.

Mr. GORE. I wish to correct the Senator. The Government says that is creeping socialism.

Mr. HUMPHREY. Yes. However, when we talk about Niagara, that is not creeping. That river really rushes.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield to the Senator from Montana.

Mr. MANSFIELD. I am delighted that the distinguished junior Senator from Minnesota has brought into the debate the apparent paradox in the administration's thinking; that it wants to give Egypt $55 million to build the Aswan Dam on the Nile—and it would give that money to Egypt, not lend it—and that, as the Senator from Minnesota has indicated, it is willing to underwrite, free, the building of a development on the Jordan River for the benefit of Jordan and Israel; but that when it comes to a project in our own country, as has been pointed out by the distinguished Senator from Tennessee, as is the case with TVA, it is referred to as creeping socialism.

So far as multiple-purpose projects are concerned, under this administration, during the past 3 years and almost 4 months, not 1 such project has been started.

Apparently the administration talks one way to us and another way to the people outside the United States. Why does not the administration become interested in the development of American resources for the benefit of the American people?

Mr. HUMPHREY. The Senator from Montana makes a good point. I wish to say to my good friend from Montana that I thoroughly concur in his remarks. Since the administration seems to be so opposed to power developments at home and at the same time advocates them so strongly abroad, sometimes I wonder whether our friends overseas are not of the opinion that they are not good for them either.

Mr. GORE. Perhaps some of our friends overseas think we are Socialists.

Mr. HUMPHREY. One can never tell about that.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. I thoroughly concur in the remarks of the Senator from Tennessee, the Senator from Montana, and the Senator from Minnesota. However, I do not wish the issue before the Senate to be beclouded or misunderstood. I wish it to be very clearly understood that the State of New York is not asking for any money from the Kremlin and that, at the same time, it is not asking for any money from the White House or from the Treasury or from the taxpayers of the United States.

Mr. HUMPHREY. The Senator's proposal is without doubt one of the most legitimate that has ever come before Congress. It is a very worthy proposal. I suppose I was being a bit facetious. Nevertheless, it is somewhat strange that our Government should become so deeply concerned about a great number of public power developments around the world, and should advocate such developments everywhere in the world with American taxpayer money; but that, when New York State asks that it be permitted to pay its own way on the Niagara River project, and to finance it and to build it and to operate it—and I did speak in that connection in a spirit of levity——

Mr. LEHMAN. I am completely in accord with the Senator's remarks, of course.

Mr. HUMPHREY. In that connection I said what I did say for the purpose of sharpening the argument, which could otherwise become rather dull; and I did suggest that if either Khrushchev or Bulganin were to say, "We would like to see the Niagara power resources developed," undoubtedly our Government could not hurry fast enough to get it done.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I believe the Senator from Minnesota makes a very grievous error in that connection. The circumstances which he has related would undoubtedly prompt the administration to make a gift of the money if the project were sufficiently removed from an American private power company. However, the Niagara resources are entirely too close to a power company which has made a big campaign contribution. Therefore, I do not believe that Bulganin or Khrushchev could bring the administration around to this thinking under such circumstances.

Mr. HUMPHREY. I must say that I admire the Senator's outstanding knowledge in the field of public-power resources, his advocacy of the great Tennessee Valley Authority, and his basic understanding of the development of our resources. In view of that fact, I accept his modification and his explanation and limitations of my remarks. I thank him. He is entirely correct. The junior Senator from Minnesota should have been more careful in what he had to say, because the Senator from Tennessee is absolutely correct. I do not wish to bear down on this point any longer. What the Senator has said should stand uncontested.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I thank the Senator for accepting my amendment of his remarks. I wish to join in the desire not to contaminate the project advocated by the distinguished junior Senator from New York with guilt by association.

I doubt if the junior Senator from Minnesota wishes to go so far in that direction as to class the Niagara project as legitimate, if that characterization is to carry with it the inference that a sound project which requires Federal expenditure of money is not legitimate.

Mr. HUMPHREY. My good friend from Tennessee knows that the junior Senator from Minnesota feels that the federally sponsored and operated projects which have been so phenomenally successful, as is the case with the great Tennessee Valley Authority, and which have made such a worthy contribution to our expanding economy, are legitimate, honorable, and desirable, and workable, and that I always hope Congress will adopt such projects.

Mr. GORE. And in the public interest.

Mr. HUMPHREY. Always in the public interest.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I might add that the projects are also repayable. They are repayable within a 40-year period at 2 percent interest, and constitute investments in the welfare of the people and the development of the Nation's resources.

Furthermore, I should like to say that in the northwestern section of our country, Bonneville, Hungry Horse, and Grand Coulee will be repaid ahead of 40 years. Inasmuch as those multipurpose projects are supposed to last for 100 years, it means that for 60 years revenues from them will come into the Federal Treasury of the United States. Therefore they are assets.

Mr. HUMPHREY. The Senator is correct, of course. I should like to say again, as the Senator from New York [Mr. Lehman] has noted, that the proposal which is now before the Senate does not envisage a Federal project. It is one which would be operated by the State authority, and would be operated under the careful management of the State authority. It would be financed under the bonding capabilities of the State of New York. Its power resources would be available to the surrounding area. As was noted earlier, it would be a decided benefit to the industrial and community growth of the surrounding area, as well as of the whole State of New York.

In my discussion of the vital issue before us, I shall devote my remarks mainly to answering the attempt to mislead Congress into accepting the conclusion that "the people of New York have widely indicated a tremendous opposition to S. 1823—the bill providing for public development by the State of New York—and great support for S. 6."

S. 6 is the bill which would turn over the development to five privately owned power companies dominated by the Niagara Mohawk Power Corp.

Mr. President, I do not pretend to speak on behalf of the people of New York, but I think I may discuss their attitudes because these attitudes have over the years become widely known and because they have an important bearing on the present business.

That State has able spokesmen. A former Governor of that State, a man whose political life and private life in the State of New York is held in admiration by friend and foe alike on the political scene, has spoken ably, persuasively, and forthrightly on this very subject. He has spoken, of course, for his constituents. I hope the Senator from New York will permit me, as a man, as a fellow citizen, and as a fellow Senator, to offer some of the observations of the leaders of the State of New York with reference to this program. After all, the subject is not new. It was discussed by the Senator from New York [Mr. Lehman] when he was Governor of New York State. It was discussed prior to that time during the administration of the great Gov. Alfred E. Smith, and by other persons.

Let us begin by recognizing quite frankly a political fact of life in New York State. During the last generation, no candidate for Governor of New York State could hope to be elected who did not favor State development of the two great public hydroelectric resources on the State's northern and western boundaries with the Province of Ontario, those in the St. Lawrence and Niagara Rivers.

That is a well-known political fact in New York State, which is taken into account today by both major political parties.

The support of the people of New York for public development of the two great public hydroelectric resources on the St. Lawrence and Niagara Rivers has a long tradition behind it.

As far back as 1907, the New York State Legislature, by chapter 569 of the laws of that year, directed the State water supply commission "to devise plans for the progressive development of the waterpowers of the State under State ownership, control and maintenance for the public use and benefit, and for the increase of the public revenue."

Mr. President, that was 49 years ago. This was in accord with the recommendation of the then Gov. Charles Evans Hughes in his message to the legislature in that year. Governor Hughes had said that the waterpower resources "should not be surrendered to private interests but should be preserved and held for the benefit of the people."

Governor Hughes reasserted this principle in his 1910 message.

All I am suggesting is that the present administration catch up with Charles Evans Hughes. He has gone to his heavenly reward, but I suggest that this administration at least get in touch with the spirit of that great governor and public servant, and if they are unable to find the words of his recommendation relating to the development of the Niagara power resources, I have provided those words today from quotations from the Governor's address to the legislature, from his admonitions to the legislature, and from the act of the legislature.

From that time on the State's waterpower policy was in controversy until the middle 1920's when it definitely crystallized in favor of State development of St. Lawrence and Niagara power.

Mr. President, I wish to digress from my prepared manuscript to say that the Senator from New York [Mr. Lehman] was an advocate in this Chamber of the public development of waterpower resources of the St. Lawrence River. I regret that that development has not yet become a reality.

The crystallization of public opinion on this great issue was manifested in the election in every State poll from 1922 to 1954 of governors pledged to public development of these waterpower resources.

The last serious drive of private power interests to secure State approval for private exploitation of either of these great waterpower sites was turned back in late 1926 by Gov. Alfred E. Smith, with a vote of the entire State electorate supporting this waterpower policy behind him.

In other words, Mr. President, he received the support of his own people to defeat the efforts of the private utility companies at that time to take over the water power resources. That case is significant.

On September 24, 1926, the State Water Power and Control Commission, controlled by Republican forces who hoped to displace Governor Smith in the November election, decided to grant a license to the Frontier Corp. to develop St. Lawrence power. The Frontier Corp. was owned jointly by the Aluminum Company of America, General Electric Co. and du Pont, to be later turned over to the Niagara Hudson Power Corp., predecessor of Niagara Mohawk.

About six weeks later the voters of the State reelected Governor Smith on his pledge to keep the development of this resource for the people. After a sharp battle, the governor forced the companies into a position where they withdrew their applications and the State legislature proceeded to give the governor a veto over any such giveaways in the future.

I am pleased to be able to stand on the floor of the Senate and say a few words about the administration of Gov. Alfred E. Smith, one of the truly great humanitarians this Nation has produced, one of the ablest governors who ever graced the State House in Albany, who raised his voice in behalf of the people and the people's interests.

I should like to say to my friend, the Senator from New York, that I remember when Governor Smith was a candidate for the Presidency. I remember my father's admiration for Governor Smith. His pronouncements in that campaign were in the finest traditions of liberal democracy, and the American people have looked back, I am sure, wondering whether they had made a tragic mistake when they turned over the reins of government to one who did not see fit to use the powers of government in the public interest. Governor Smith was truly a great public servant, and his efforts to develop the water resources of his State demonstrated his leadership and courage against powerful economic interests in his section of the country, and particularly in his State.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. I wholeheartedly concur in the Senator's estimate of Governor Smith. He was the man who first interested me in politics. I managed his campaign in the early 1920's. He stimulated my interest in the public development of power. In 1926 I managed his campaign, to which the Senator from Minnesota has referred, which had a great bearing on the waterpower resources of the State of New York.

If it had not been for Governor Smith's persuasive powers I would not have run for lieutenant governor.

I only wish to say that I share the very high regard and admiration of the Senator from Minnesota for Alfred E. Smith, and I have thoroughly enjoyed the Senator's remarks about Governor Smith. He was a very great American.

Mr. HUMPHREY. Mr. President, my estimate of Gov. Alfred E. Smith has gone up by receiving the information that he persuaded the Senator from New

York to be a candidate for lieutenant governor. That was another demonstration of his keen political judgment, his sense of human values, and his qualities of leadership.

Until the present five-power-company drive, which is behind the Capehart-Miller bill, S. 6, that was the last serious effort of the power companies to reverse the will of the people of New York State to develop St. Lawrence and Niagara power on a public basis.

They waited approximately 25 years to reassert their determination to gain control over these great water resources. Apparently, the private-utility companies feel that the political climate in Washington is conducive to another effort on their part.

What a fortunate development it is that the man who stood by Gov. Alfred E. Smith in 1926 is on the floor of the Senate today to see that this effort on behalf of private power companies to grab and maneuver to get these resources does not reach fruition. Alfred Smith did his work for the people, and his friend, his partner in liberal democracy, is here in the Senate as the chief sponsor of this bill, which I think is of historic significance.

Again we see private power companies trying to get hold of these resources. There is no Alfred E. Smith at this time to curb their appetite, but there is a Senator Lehman, the sponsor of this bill. I am delighted. That is the reason why I am on the floor. I admire what the Senator from New York does for us, for his State, for the Nation, and for the world. I admire the principal position which he has taken on these great public issues.

In a special message to the New York Legislature in 1923—I am going back into history again—Gov. Alfred E. Smith demanded the repeal of all laws which gave to State officers power to grant leases to private companies, and asked immediate development of the Niagara and St. Lawrence Rivers by the State itself owning and operating powerplants and transmission lines to sell direct to municipalities.

In his annual message for 1924, Governor Smith advocated "a New York State Power Authority to develop the waterpower resources of the State." This position was reiterated in subsequent messages, and was an issue on which he was reelected in 1924 and 1926 and on which Gov. Franklin D. Roosevelt was elected in 1928 and reelected in 1930, the first stage of the battle of the people against the power companies ended with the enactment of the New York Power Authority Act of 1931.

Is it not amazing that now, in order to qualify as a liberal, one is supposed to be for public power or the development of power resources. Thirty years ago, men of the political persuasion and philosophy of Alfred E. Smith and Herbert H. Lehman were fighting this battle, and fighting it to a successful completion, to protect the great power resources of the people.

Section 1 of the Power Authority Act declared that the bed, waters, power, and power sites in, upon, or adjacent to or within the watershed of the St. Lawrence River, which includes the Niagara River, "owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in, the people of the State." It created the Power Authority of the State of New York and authorized it to proceed with the public development of St. Lawrence power.

Since 1931, all changes which have been made in the New York Power Authority Act have been designed to extend rather than diminish the principle of public development of these great resources. These changes have included the amendment of 1951, specifically authorizing the power authority to develop Niagara as well as St. Lawrence power.

These records of actions taken to assure the public development of St. Lawrence and Niagara River power, taken after polls of the entire electorate of the State after the issue had been squarely presented, are far more significant evidence of what the people of New York State want than the position taken by organizations which all too clearly reflect the all-pervasive influence of the power company public relations fellow-travelers.

But we can go further and examine more fully the reasons which led the people of New York State to favor public development of these great waterpower resources.

The entire record shows the long, continued popular support for development of the St. Lawrence and Niagara Rivers by the State of New York was based on a determination that the benefits of further development of these resources should flow to small consumers—indeed, to all, but with preference for the small consumers—of electricity in lower rates and larger use, rather than to a few very large industries.

Of course, this is where the preference clause comes in. I say to the junior Senator from New York that public-power legislation must have the preference clause within it. The preference clause is a public policy which has been under attack in recent years. The preference clause means exactly what the words imply: that the municipalities, the power authorities, the power districts, the rural electric cooperatives shall have preference, because they represent the people, rather than merely an economic institution.

By "preference" is not meant that others do not participate. "Preference" means priority; and in the instance of the Niagara hydroelectric development, there will be plenty of power for everyone. There will be an abundance of it.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. It is a fact, too, is it not, that the use of the word "preference" does not mean price preference?

Mr. HUMPHREY. That is correct; it means availability. It does not mean price discrimination. The rates and schedules will be established on the basis of the amount of energy used. There will be some minimums; and there will be, of course, steps in the power rates, I suppose, as there are in every other section of the country, when industrial or commercial customers use large amounts of power.

Mr. LEHMAN. Yes; but there will be no differentiation whatsoever in the basic rates, so far as the price is concerned.

Mr. HUMPHREY. None whatsoever; the Senator is absolutely correct.

I think it should be noted that if an effort were made in the Senate now to defeat the preference clause in the bill, a bill, by the way, which relies upon State development, not Federal development, and if that effort were successful, it would be a major breach in the whole preference clause structure of the Federal Power Act. I am convinced that if the preference clause were deleted by action of Congress, it would be the beginning of the end of the preference clause in every Federal power agreement which exists.

The final establishment of the Power Authority of the State of New York, which is now authorized to develop both St. Lawrence and Niagara power, was preceded by the legal, engineering, and marketing study of the St. Lawrence Power Development Commission. This Commission was established by the State legislature in 1930 to report a plan for the use of the St. Lawrence resources. It recommended the law which became the Power Authority Act.

In its report, the St. Lawrence Power Development Commission discussed the basic policy, which the people have supported for more than a generation.

Under a subcaption: "What Classes of Consumers Should Be the Beneficiaries of the Low-Cost Power?" the Commission asked further:

> Should all of them enjoy a pro rata reduction in their electric bills, or should the benefits of the low-cost power be concentrated as far as possible on the smaller customers?

The Commission's answer was unequivocal:

> Your Commission is firmly convinced that the latter policy is the proper one, and that an effort should be made to secure the maximum possible reduction of rates to domestic and small commercial users.

The Commission explained that:

> Industrial power users enjoy a strategic position not possessed by small consumers, which gives them power to bargain for low rates even though the public-utility company that serves them should try its best to secure the maximum profits from its business.

The Commission went on to point out that:

> The bargaining power of industrial users lies partly in their ability to produce their own power at low cost; partly in their readiness to relocate their plants in communities where they can get low-cost power; and partly in the fact that certain of the largest power-using industries, like the electrometallurgical industries, simply would not be able to carry on their business if they could not secure their current at extremely low wholesale rates.

The St. Lawrence Power Development Commission added that "smaller consumers of electricity throughout the

State are in a very different position," and "not being in a position to protect themselves by the exercise of their bargaining power, they require the protection of their Government in the enjoyment of services at the lowest possible rates."

This makes it clear why the people of New York State have always supported the public development of Niagara and St. Lawrence power. It was because public development of these great hydroelectric resources provided a means by which residential, rural, and other small users of electricity could enjoy the same bargaining power in obtaining the lowest possible electric rates as was already enjoyed by the big industrial and commercial users of power.

Development of St. Lawrence and Niagara power by the State was expected to give them this new bargaining power as a supplement to regulation. Public Service Commission regulation had clearly failed to give small users of electricity what big users had obtained by such bargaining power.

It is important to get a clear picture of exactly how the New York Power Authority Act proposed to give the small users of electricity—the homes, farms, and small businesses—this new bargaining power. Such an analysis will show why it is necessary to enact S. 1863, with its safeguards based on the basic requirements of Federal power policy.

Let us look at the New York act a little more closely:

In the first place the act declares that, in the development of hydroelectric power from the St. Lawrence and Niagara projects, "such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available." It directs that "all plans and acts, and all contracts for use, sale, transmission, and distribution of the power shall be made in the light of, consistent with, and subject to that policy."

In the second place, the act provides that, in order to implement the policy of channeling the benefits particularly to domestic and rural consumers, "sale to and use by industry shall be a secondary purpose, to be utilized to secure a sufficiently high-load factor and revenue returns to permit domestic and rural use at the lowest rates and in such manner as to encourage increased domestic and rural use of electricity."

In the third place, the act provides that, in furtherance of this policy and to secure wider distribution of such power and use of the greatest value to the general public of the State, the Authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power" on a cost basis. In this connection it provides also for arrangements to assure the necessary transmission of power to such municipalities and political subdivisions.

I am explaining the preference clause, which has been explained in detail by the Senator from New York.

In the fourth place, the act provides that rates of the transmitting and distributing public agencies or companies for power generated at the projects "shall be governed by the provisions and principles established in the contract, and not by regulations of the public service commission or by general principles of public service law regulating rates, services and practices." Rates to consumers are to be fixed initially and adjusted from time to time "on the basis of true cost data."

This provides a consistent pattern for developing and marketing power from the Niagara and St. Lawrence resources in such a manner as to assure all consumers of electricity, particularly domestic and rural consumers, advantages which they had not enjoyed and could not hope to enjoy under established public-utility regulation. It was specifically designed to supplement utility regulation by giving small consumers the same bargaining position in dealing with privately owned power companies which the St. Lawrence Power Development Commission declared was enjoyed by big industrial consumers. It is completely consistent with the Federal preference provision governing the marketing of such power.

Small consumers would have an alternative to dependence upon a private monopoly for their electric service. That alternative would be service through a municipality or other political subdivision of the State "now or 'hereafter' authorized by law to engage in the distribution of electric power." I have emphasized the word "hereafter" because it clearly indicates that, if the purposes of the people in providing for public development of Niagara and St. Lawrence power resources are to be achieved, the marketing of the power must protect the future opportunity of such public distribution systems to call for Niagara and St. Lawrence power in amounts which are reasonable in terms of the fundamental purposes of the Power Authority Act.

This requires recognition of the preference accorded public and cooperative electric systems in all Federal legislation providing for the marketing of power from Federal projects. It requires also provision for recapture on reasonable notice of power sold to privately owned power systems, to the extent needed to meet their reasonable requirements. The development of rural electric cooperatives since the Power Authority Act became law warrants their inclusion in such provision.

Others who will speak in support of S. 1823 for public development of Niagara power will go into greater detail on the close correspondence between the New York policy and the Federal policy for marketing power from Government power projects. I am giving special emphasis to the long-standing support which the people of New York have given to public development of these resources and to the sound reason for such support.

But I must assert at this point, with all the emphasis I can give my words, that the explicit safeguard for the preference to public bodies and cooperatives, which is one of the essential provisions of S. 1823, involves no conflict with the New York Power Authority Act. On the contrary, it is absolutely necessary to assure that the objectives of all the people of New York, as embodied in the act, shall be fully accomplished.

I may say to the Senator from New York that was the purpose of my discussion to point out that the safeguards in the proposed legislation sponsored by the Senator from New York and other Senators are in no way in conflict in any detail with the New York Power Authority Act. In fact, they are in harmony with the purposes of that act.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. So far as I have been informed, and I have studied the situation pretty carefully, I do not think there is any conflict between the State act and the Federal Power Act.

Mr. HUMPHREY. Is it fair to say that if the preference clause were deleted, or if the safeguards in the bill were deleted, then there would be conflict between the purposes of the New Yorker Power Authority Act and the bill which is presently before the Senate?

Mr. LEHMAN. There would be conflict with the New York Power Authority Act, and certainly would be conflict with the Federal power policy, which has been in existence for 50 years or more.

Mr. HUMPHREY. Mr. President, I believe we can find strong evidence of the extent to which the people of New York State backed that policy in the fact that the New York Legislature enacted the Power Authority Act as chapter 772, laws of New York, 1931, without a dissenting vote.

I may note in passing that just about 2 months earlier the Senate Committee on Foreign Relations had similarly, by unanimous action, rejected a proposed treaty with Canada which would have enabled the Niagara Falls Power Co. to develop more power at Niagara in exchange for private financing of certain remedial works at the falls.

The committee issued the following statement explaining its action—and this was back in the 1930's—

> The Foreign Relations Committee was unanimous in its action. It rejected the present treaty. It favors, however, all reasonable action upon the part of the United States to preserve the scenic beauty of the falls.
>
> It objects to this treaty because it purports to enter into a compact with private companies to do certain work and for which they are given the use of certain amount of water for power purposes.
>
> It is the view of the committee that the Government of the United States, insofar as its part is concerned, should do this work direct and not enter into a contract with private power companies and pay the price which is here proposed to be paid. The evidence of General Pillsbury disclosed that this contract would be worth something like $5 million to the power companies.
>
> The committee desires to have the power matter treated as a separate matter and that the United States should bear the expense.

Senator Wagner, of New York, was a member of the committee and voted against the treaty, along with Senator Borah, of Idaho; Johnson, of California; Moses, of New Hampshire; Capper, of Kansas; Fess, of Ohio; Goff, of West Virginia; Vandenberg, of Michigan; La Follette, of Wisconsin; Robinson, of Indiana; Swanson, of Virginia; Pittman, of Nevada; Robinson, of Arkansas; Black, of Alabama; and Shipstead, of Minnesota. In addition, Senators Walsh, of Montana; Harrison, of Mississippi; and George, of Georgia, also asked to be recorded as voting against this proposed Niagara Treaty.

Mr. President, that was back in 1930. Twenty-six years have gone by. In 1930 the Senate Committee on Foreign Relations went on record as being against private development of the Niagara resources, and they made it quite clear why they were so going on record.

I should like to say that some of the Senators I mentioned who were on the Foreign Relations Committee at that time were classified in later years as not being what one would call liberal but it seems to me that their quality of conservatism in 1930 was much better than is the quality of some liberalism in 1956.

I have mentioned great Republicans like Vandenberg, of Michigan; Borah, of Idaho; Johnson, of California; Capper, of Kansas; Moses, of New Hampshire. They were far ahead of this administration in terms of their support of public power, and of their protection of the great water resources, and in seeing to it that water resources were made available and eligible for public development rather than private development.

I should like to commend this section of my speech to the attention of any of the White House assistants who may be briefing the President or any member of the Cabinet, because it seems to me the record is pretty clear in showing what was the intent of Congress long ago as to the development of Niagara resources.

A glance at the record of hearings before the Senate Public Works Committee on the bills providing for development of the power at Niagara Falls contains evidence of widespread support throughout New York State for S. 1823, that is, for public development by the New York Power Authority, with a preference for public and cooperative electric systems in marketing the power. Taken along with the record of the Northwest Electric Consumers Conference, we find that supporters of the Lehman-Buckley bill include:

The mayor of the city of New York, represented by Gordon Clapp.

The Industrial Ladies Garment Workers' Union, speaking through its president, David Dubinsky.

The Amalgamated Clothing Workers, speaking through its president, Jacob S. Potofsky.

The Textile Workers Union, CIO, speaking through its legislative representative, John Edelman.

The New York State CIO Council, speaking through its president, Louis Hollender.

The Regional Organization of the United Auto Workers, CIO, speaking through its regional officer, Martin Gerkes.

The International Paper Workers, AFL, represented by its president, Paul L. Phillips.

The Electrical Workers, CIO, speaking through its field representative, Kenneth Peterson.

The Northeastern Electric Cooperative Association, by resolution.

The Municipal Electric Utilities Association of New York, represented by its then president, Ralph G. Dickinson.

These spokesmen for organizations, representing millions of people in New York, favored prompt enactment of Senate bill 1823, for public development of Niagara Falls power by the New York State Power Authority, with safeguards for the prior right of public bodies and cooperatives to the power supply from this source.

I have already emphasized at some length the long series of statewide elections in which the people of New York have, without exception, elected governors pledged to public development of the mighty waterpower resources in the Niagara and St. Lawrence Rivers. I have stressed the fact that strong support from the New York electorate put the New York Power Authority Act on the statute books 25 years ago; and that 20 years later, in 1951, the act was amended to extend and strengthen it, all this with the support of the people of the State. If I am not mistaken, in 1951 there was a Republican administration in the State of New York; and, despite that, there was support for the very program we are now advocating in the Senate.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. The Senator from Minnesota has given a very accurate account of the various administrations and various persons in New York who have supported this proposal. He may go on to mention the point I am about to stress, namely, that in every recent election in the State of New York that I know of, and certainly in the 1954 election, the platforms of all the parties in New York State—those of the Republican Party, the Democratic Party, and the Liberal Party—have stressed the importance of developing the waterpower resources of the Niagara River. There is no question at all about that. As a matter of fact, when my colleague from New York [Mr. IVES] ran for election to the office of governor, in 1954, he, too, endorsed public development of the Niagara power. So there has been no difference of opinion as to it.

The attempt to show that the people of New York do not want public development of these power resources is a new attempt, and the effort to build up that belief is a new one. Of course the private utilities do not want public development of these resources. But the people of New York State want it.

Mr. HUMPHREY. I think it is fair to say—and of course I stand ready to be corrected by the distinguished junior Senator from New York, who knows the political situation in New York as well as, or better than, any other living American does—that for the past 15 years, not one candidate on the platform of a major political party for election to the office of governor of New York has ever spoken against public development of the waterpower resources of the Niagara River.

Mr. LEHMAN. That is correct. Perhaps the Senator from Minnesota noted that in the course of my speech on yesterday, I dared anyone to run for election to any statewide office in New York on a program of private development of these waterpower resources.

Mr. HUMPHREY. I did note that in the Senator's speech. I was going to offer the challenge myself, but I thought it much better to have it emanate from the Senator from New York.

Not only do I think it fair to say that no candidate will run for election to any State office in New York in opposition to public development of the Niagara resources, but I venture to say that no Republican candidate and no Democratic candidate for election as President of the United States would dare run in the State of New York without advocating public development of the waterpower resources of the Niagara, because the people of New York understand this issue. They have had brilliant leadership on this issue. They know it means dollars and cents in savings to them, and that it means new industry and industrial growth and expansion and a much, much more equitable economic situation in the development of industry in the whole area surrounding New York, as well as in New York itself. I think that is a modest statement, and one made in the spirit of moderation, let me say.

Mr. LEHMAN. Mr. President, the Senator from Minnesota is eminently correct.

Mr. HUMPHREY. Mr. President, today, the highest elected officers in the State from both parties, the Democratic Governor and the Republican attorney general, both endorse public development of Niagara Falls power, and oppose the give away of this great resource to development by private corporations for private profit.

Let me quote a few sentences from the statement of the attorney general of New York, Jacob Javits, to the Senate committee, in opposing any bill which would turn development of Niagara power over to the private power companies. The New York attorney general said:

> As attorney general of the State of New York, I submit this memorandum in pursuance of my responsibility to prevent spoliation or deprivation of the property of the State of New York and to urge the passage of Federal legislation which will not vitiate the fundamental laws of the State.

Mr. Javits called attention to the provision of the Power Authority Act declaring that ownership, possession, and control of the Niagara and St. Lawrence power resources "shall always be vested in the people of the State." He emphasized further that the State of New York, by this act, "has given the exclusive right to develop hydroelectric power therefrom in the State of New York to a corporate municipal instrumentality created by the State known as the Power Authority of the State of New York."

The New York attorney general recognizes that the bill under consideration, S. 1823, would direct the Federal Power Commission to issue to the New York Power Authority a license for development of the new Niagara power. But he considers it clear that "the turning over of those waters to private interests for the development of power will be offered to the Congress as an alternative or as a reason for rejecting the instant measure—S. 1823."

Mr. Javits then urged that:

> The licensing directly or indirectly by Congress of a private utility corporation to develop the additional waters of the Niagara River made available for power purposes by the 1950 treaty would unquestionably circumscribe, if not vitiate, the rights therein of the people of the State of New York.

He continued as follows:

> In view of the provisions of the New York public authorities law to which I have called your attention, the granting to a private utility corporation of a Federal license to use for private profit the additional waters of the Niagara River, made available for power purposes by the 1950 treaty, would infringe the rights of the State to determine the powers and purposes of private corporations that may do business therein.

The New York attorney general then emphasized a point which should arrest any attempt to advance the "giveaway" substitute, Senate bill 6, for the Lehman-Buckley bill. He said:

> Such a license (to a private power company) would vest in such a corporation corporate rights, privileges, and franchises that could not be granted to it or exercised by it under the existing laws of the State of New York. After the 1950 treaty made such waters of the Niagara River available for power purposes, those waters were specifically declared by statute to be a part of the inalienable natural resources of the State of New York. Consequently, no private utility corporation could be created under the laws of the State of New York and no private utility corporation created under the laws of any other State could be authorized to do business in New York for the purpose of using such waters of the Niagara River for the development of hydroelectric power for private profit. Such use of the waters of the Niagara River would be contrary to the policy of the State.

Mr. President, I believe that in the House of Representatives the corresponding bill is sponsored by Representative BUCKLEY.

Mr. LEHMAN. Yes. That is the companion bill in the House of Representatives to the Senate bill, S. 1823, of which the Senator from Minnesota is a cosponsor.

Mr. HUMPHREY. Yes. I have referred to the corresponding bill—the similar bill—in the House of Representatives.

Mr. LEHMAN. Yes, it is a similar bill; and hearings have already been held by the House committee on that bill.

Mr. HUMPHREY. Yes. So we might very well call these proposals the Lehman-Buckley proposals.

Mr. President, I am very proud to be a cosponsor of Senate bill 1823, but I do not wish to attempt to take credit for the drive behind the bill and for the inspiration behind the bill. Credit for them go to the very able junior Senator from New York. Not only has he been the leader of the fight in the Senate, but, I say most respectfully, he has been the leader in this movement for at least 30 years.

Mr. GORE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. GORE. I wonder whether offhand the able Senator from Minnesota or the able junior Senator from New York can give an estimate as to the value of the power which has gone to waste since the distinguished junior Senator from New York has been pleading for the development of this project.

Mr. HUMPHREY. I would have to yield to the Senator from New York on that point, because I know he has lived for many years with the hopes for this development.

Mr. LEHMAN. I have no accurate estimate, but I can say that there is no doubt that the amount would run well into billions of dollars. As a matter of fact, both the House committee and the Senate committee, after hearings, estimated that if Senate bill 1823 or a similar bill were enacted, it would save at least $300 million a year for the entire area, which includes not only New York, but Ohio and Pennsylvania. If we multiply that amount by the number of years in which we have not enjoyed the use of these waters, obviously the savings would have been several billion dollars.

Mr. GORE. And the power is direly needed now.

Mr. LEHMAN. The power is direly needed now. A great part of it is being used by Canada in competition with us. Every bit of it will be used by Canada unless we develop it; and she has a perfect right to do it under the treaty.

Mr. GORE. I will not use the word "foolish" or the word "stupid," but how improvident can we be?

Mr. HUMPHREY. Leave those words in the RECORD, even if the Senator is not using them.

Mr. LEHMAN. I point out to the Senator from Minnesota and the Senator from Tennessee that we are now developing waterpower on the St. Lawrence. It required 30 years of effort to have that waterpower developed. The project is now under construction, and probably will be completed in about 3 years.

Mr. GORE. I congratulate the Senator for his magnificent work on that project, too.

Mr. LEHMAN. I thank the Senator.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I am happy to yield.

Mr. GORE. I wish to take this occasion to pay tribute to one of the most fruitful, conscientious, hard-working Senators who has ever graced this body, a man whose heart beats truly with the pulse of the public interest.

Mr. LEHMAN. I thank the Senator from Tennessee for his very gracious remarks.

Mr. HUMPHREY. Let me be privileged to associate myself in every way with the expression of the Senator from Tennessee, because it is a true reflection of the high regard in which the Senator from New York is held by so many of his colleagues in this body—and I hope by all. His work here in behalf of the people is an inspiration to me, and I know that I see in others the effects of the same sort of inspiration.

I have said enough to show how empty are the claims of supporters of the Capehart-Miller bill, S. 6, that the people of New York prefer private development of Niagara power. It is almost incredible that anyone should make such an assertion, because the evidence to the contrary is replete.

In addition, we must not forget that the people of New York can look across the Niagara or the St. Lawrence Rivers to the Canadian Province of Ontario, where the power from these rivers is being developed publicly by the Ontario Hydro-Electric Power Commission and furnished as wholesale power supply to some 900 Canadian municipalities which distribute the power to consumers.

The Senator from New York has already mentioned this.

The Ontaric Hydro-Electric Power System has been in operation for more than 40 years and has brought electric rates down to the point where homes in the various Ontario municipalities can purchase more than twice as much electricity for their money as homes in corresponding cities in New York State.

I have visited that area, let me say to the Senator from New York. I have visited the facilities of the Ontario hydroelectric power system. By the way, when one goes to Niagara Falls and crosses the border into our great sister country of the Dominion of Canada, he sees the amazing clock of the Ontario hydroelectric power system. The face of the clock is done in beautiful flowers. It is but a further reminder of the good judgment and vision of the people of the Province of Ontario and the people of Canada in utilizing this God-given blessing of water resources for the good of the people.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I have noticed with pleasure, during the course of the able Senator's remarks, that upon each occasion when he has referred to the beauty of the Niagara and the lovely scenery there, his countenance has brightened. I wonder if he has fond recollections.

Mr. HUMPHREY. I have beautiful recollections, let me say to the Senator from Tennessee. I like to have such recollections refreshed on every possible occasion. A few years ago I and my family went to Niagara, and up through the great State of New York. We are planning to do it again, if time permits.

I shall go no further into detail with the Senator from Tennessee. However, let me say to him that he has made my day a bright and happy one. I am grateful to him.

Furthermore, the Ontario Hydroelectric Commission can proclaim, as it did in 1945 in a booklet entitled "Electric Power Supply in Strategic Ontario":

> Ontario offers many advantages for industrial location. It has strategic position in relation to markets, it has the labor, the climate, the natural resources * * * and, above all * * * it has an abundant supply of low-cost electric power.

The people of New York State have established a basis for developing both Niagara and St. Lawrence power which will assure them some of the advantages already won by their neighbors in Ontario. The Congress of the United States cannot allow itself to be made the instrument of private-power interests which have already too long delayed the opportunity of the people of that State to go forward with their program under conditions which will safeguard the national interest.

I have devoted my remarks chiefly to refuting the claim that the people of New York want to turn the great Niagara Falls resource over to private power companies to be developed for private profit.

But we cannot overlook the fact that the issue before us has national as well as State implications. Not only is Niagara Falls a great resources symbol for all our people but the power policy which governs the use of this resource is a matter of outstanding importance to homes and farms throughout the land.

This power policy has raised the percentage of American farms enjoying the blessings of central station electricity from 11 percent in 1935 to 95 percent in 1955. In a true sense, including the running water that has come with it, this power policy has brought the American farm home into enjoyment of modern civilization.

This power policy has pioneered the way for low electric rates and larger use of electric conveniences for the Nation's 47 million homes, accelerating the trend which, according to the prediction of General Electric Co., will within another 15 years result in total residential use exceeding total industrial use of electricity.

This power policy has enabled great regions like the Southeast, the Pacific Northwest, and the Tennessee Valley area to make great strides toward freedom from the status of economic colonies of the Money Trust, which would centralize control of the Nation's economy in the hands of the few.

This power policy has proved a tremendous stimulus toward the goal of full employment for our expanding population.

The Lehman (S. 1826) bill provides the necessary safeguards to prevent development of Niagara Falls power from becoming a breach in that policy. And it does so in entire accord with the policy established by the people of New York State in their Power Authority Act, a policy designed particularly to benefit domestic and rural consumers.

Therefore, Congress should act promptly to approve this bill without amendments in order that plans may go forward without further delay for the development of this priceless public resource.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. I compliment the Senator for the magnificent presentation he has made of this very important subject. He has touched on issues which are of vital importance, not only to New York State, not alone to the area embraced by the power which may be generated on the Niagara, but on a nationwide basis, because what we do in connection with this bill will unquestionably affect to a very substantial extent the power policy of the Nation.

Mr. HUMPHREY. I thank the Senator. As I said to him earlier, and as I have said to him privately, I am interested in this bill because it is consistent with my views as to the development of America's great hydroelectric resources.

I am also interested in it because this measure, in particular, represents a continuation of the struggle in this country for the development of these great public resources for the public welfare and the public good.

I wish to say that I have read the minority views on the bill, as presented by some of our colleagues. I wish to say further, and very frankly and most respectfully, that those views, insofar as they contend that private enterprise has pioneered this project, do not square with what I believe to be the facts.

Furthermore, I should like to say that in one portion of the minority views the feeling is expressed that Congress might be overstepping its authority in deciding a State issue.

I cannot see the validity of that argument, because of the Aiken reservation to the treaty of 1950. That reservation makes it obligatory and makes it the responsibility of Congress to decide this issue.

If we were concerned only with the treaty, without the reservation, the State of New York would have proceeded long ago. It is the reservation in the treaty which has made it an obligation and a responsibility and a duty of Congress to decide the question of how the power should be developed, whether through public or private development.

I say this with the greatest respect to the signers of the minority views, and I ask them to examine the record on this point. One of the reasons I said what I did say today was to establish, insofar as I could, within the limits of my experience and knowledge of this subject matter, clear evidence showing that it has been the long-term tradition and stand of the political and civic leaders of the State of New York, as well as of the people of the State of New York, through organized groups and through industry, and as individuals, to develop the Niagara River water resources through a public authority. I believe that issue is clear and unmistakable in its validity and in its certainty.

Mr. LEHMAN. Mr. President, will the Senator yield for a brief observation?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. If we can, through public development, reduce the cost of power to the people of New York State—and I am convinced that we will be able to do so—and to the people of the neighboring States, we will have benefited all the people of the area.

At the same time, I believe we will have greatly benefited the private utility companies, because the history of every section of the country, where rates have declined because of competition of public power, shows that private utilities, through greater utilization of electrical energy in homes and in factories and on the farms, have benefited and have prospered and have increased their earnings and have grown in size.

The able junior Senator from Alabama [Mr. SPARKMAN], before the Senator from Minnesota began his address, gave some statistics which were absolutely startling and dramatic. They showed not only the growth of the usage of electrical power because of lower rates, but also the increased prosperity which came to the private utility companies all over the country wherever their rates have declined.

Mr. HUMPHREY. I wish to say to the able Senator from New York that, although I do not know the specific details of the data presented by the junior Senator from Alabama [Mr. SPARKMAN], I believe it is becoming generally accepted among thoughtful people and fair-minded people, in management and industry and by the public at large, that the great power developments are both a public and private good.

In my part of the country, for example, where we purchase many of the commodities which are manufactured in New York, in Pennsylvania, and in Ohio, the development of the Niagara project will be beneficial to us, because power costs are one of the major items in industrial production costs.

Therefore, we have an indirect interest, from an economic point of view. We also have a true interest from a national point of view. We have an interest in maintaining the long-established tradition, which goes back to the days of Theodore Roosevelt, of the public development of great God-given natural resources, for the benefit and for the enjoyment and for the enhancement and for the opportunities of the American people.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. I am sure the Senator from Minnesota, because of his very careful study of the subject, has noted that in the low-cost power States, such as Washington and Oregon and Tennessee, and certain sections of Alabama, where power rates are one-half or less what they are in the Northeastern States, and also, I am sure, in Minnesota——

Mr. HUMPHREY. And Minnesota, indeed.

Mr. LEHMAN. In those States the per capita consumption of power is 4 or 5 or 6 and in some cases even 7 times as great as in the high-cost power States.

Mr. HUMPHREY. I do know that, indeed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 37 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Wednesday, May 16, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 15 (legislative day of May 7), 1956.

DIPLOMATIC AND FOREIGN SERVICE

Walter C. Dowling, of Georgia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

J. Graham Parsons, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos, vice Charles W. Yost.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of May 7), 1956.

POSTMASTERS

ALABAMA

Olie R. Snead, Altoona.
Loyd C. McMillan, Daphne.
Annie G. Chambers, Gainesville.
John G. Little, Jr., Greenville.
Heamon P. Salter, Jr., McKenzie.
James C. Weatherwax, Moulton.
Grover C. Kicker, Jr., Mountain Creek.
Robert H. Blacklidge, Spruce Pine.
Jeff D. Cleckler, Thorsby.

ALASKA

Neil W. Taylor, Auke Bay.
Elvira M. Hehr, McKinley Park.
Lois G. Hudec, Northway.
Neva M. Pichler, Platinum.
Louise P. Trafton, Tok Junction.

ARIZONA

Eric E. Nelson, Bisbee.
Lucille E. Baughman, Cavecreek.
Carl M. Isaacson, Hereford.
Joe H. Cittadini, San Manuel.
Alvertia M. Boss, Silver Bell.
Margaret N. Parkhurst, Tacna.
Miles T. Preston, Wickenburg.
Dick Groves, Willcox.

ARKANSAS

Leonard E. Woods, Cash.
William R. Nutt, Hamburg.
Lonnie G. Smith, Havana.
Ferman R. Rogers, Luxora.
Dorothy G. Moses, McCaskill.
Hunt Singletary, Marion.

CALIFORNIA

Beatrice A. Gleason, Calabasas.
Ethel R. Sherrill, Nubieber.
Raymond T. Whitney, Pedro Valley.
William R. Robinson, Point Arena.

CONNECTICUT

Alice N. Allen, North Granby.

DELAWARE

Mark T. Berryman, Seaford.

FLORIDA

Warren J. McMillan, Jr., Alachua.
Donald A. Reeves, Baker.
Howard L. Evans, Bradenton.
Echo C. Beall, Campbellton.
Darence Junior Jones, Eau Gallie.
Rufus M. Miller, Flagler Beach.
William O. Kennedy, Inverness.
Maury J. Blalock, Madison.
Ross Rath, McIntosh.
Mary F. R. McGee, Melrose.
Walter K. Read, Ocala.
Samuel H. Wallace, Pompano Beach.
Kenneth B. Sears, Tavares.

GEORGIA

Carey H. Melton, Ashburn.
Wendell C. Leggett, Baxley.
George A. Lowman, Bloomingdale.
Robert L. Roland, De Soto.
Thurman O. Mobley, Glennville.
Robert D. Murphy, Jr., Greenville.
Branson C. Minter, Jakin.
Ione B. Todd, Lithia Springs.
Jerry L. McCullough, Ludowici.
Annie T. Gilbert, Pendergrass.
William I. Cushing, Pine Lake.
Clarence M. Brown, Riceboro.
Tommie C. Fenn, Rochelle.
Herbert C. Ray, Talking Rock.
James P. Woodall, Woodland.

HAWAII

John W. Ornellas, Hamakuapoko.
May L. Au, Hauula.
Raymond Ornellas, Hoolehua.
Masamitsu Nakamura, Kahuku.
Rose M. Shimizu, Kualapuu.
Zenmitsu R. Arakawa, Maunaloa.
Elsie M. Enanoria, Paauhau.
Harold H. Yoshida, Pahala.
Barbara B. Perry, Puunene.

IDAHO

George Paul Bragg, Ketchum.
Eytholle M. Greer, Rupert.
Gaylord R. Colvin, Jr., White Bird.

ILLINOIS

Arthur S. Petersen, Bensenville.
Earl F. Johnson, Buckley.
Frank Y. Mueller, Christopher.
Robert N. Carson, Colchester.
Lester T. Peacock, Harvard.
William Harold McCreery, Mason City.
Wesley H. Weihe, Nashville.
Donald L. Eilers, New Douglas.
William C. Kisselburg, Wauconda.
Fred H. Oehler, Jr., Wilsonville.
William A. Randles, Wolf Lake.

INDIANA

Otto L. Groninger, Akron.
Mark A. Galloway, Cromwell.
Robert A. Diddie, Crown Point.
Roscoe G. Brown, Laconia.
Clarence R. Howe, Troy.
Wallace L. Gilmore, Michigan City.

IOWA

Marvin R. Morgan, Anita.
Charles Harold Huff, Blakesburg.
William C. Kinney, Danbury.
Walter H. Thomas, Green Mountain.
Rex C. Robinson, Hampton.
Richard R. Kraus, Ryan.

KANSAS

Thomas M. Holmes, Altamont.
Raymond R. Miller, Hanston.

KENTUCKY

James Wayne Hargan, Fort Knox.
Thomas C. Thomson, Providence.
Milburn L. Ireland, Sonora.
Mary E. Lee Maynard, Trenton.
Joseph K. Burton, Utica.

LOUISIANA

Edith C. Lafargue, Keithville.
Louise E. Osborn, Roseland.

MAINE

Raoul D. Cyr, Madawaska.

MASSACHUSETTS

Edgar H. Peterson, Acton.
Robert R. DeRosier, Billerica.
Carl H. Carlson, Franklin.
William H. Polkins, Groton.
John H. Knox, Littleton.

MICHIGAN

Francis C. Fuller, Avoca.
Owen A. Kern, East Detroit.
George D. Smith, Morenci.
Raymond W. Hooker, Mount Pleasant.
Grant D. Maudlin, Royal Oak.

MISSISSIPPI

Murray H. Martin, Bentonia.
James T. Caviness, Blue Mountain.
Hilliard E. Griffin, Coffeeville.
James Marion Parks, Doddsville.
Taylor V. Beasley, Harperville.
Donald D. Hale, Lumberton.
Willie D. Brantley, Sebastopol.
Robert T. Freeman, Union.
Herbert L. Hogue, Walnut Grove.

MISSOURI

Lawrence L. Voelker, Bertrand.
Herschel E. Morris, Clifton Hill.
Roy Scantlin, Crocker.
Irene A. Escoffier, Kimmswick.
Ernest A. Homan, Jr., Marquand.
Edward D. Hogan, Martin City.
Arthur Williams, New Bloomfield.
Walter C. Raynes, Odessa.
Floyd S. Drew, Qulin.
Herbert L. Schlattman, Perryville.
Raymond M. Vollmar, Raymondville.
Sylvia Cooper, Sheldon.
Robert E. Nichols, Seymour.
Roscoe G. Smith, Wellsville.

MONTANA

Charles E. Rice, Bozeman.
James P. Graham, Columbus.
Irma M. Hughes, East Glacier Park.
Mabel W. Bowman, Frenchtown.
Ellis Crosby Willis, Fromberg.
Catherine Ann Triplett, Geyser.
E. LaVerne Kaufmann, Grassrange.
Alice H. Klempel, Lambert.
Lillian A. Hylland, Richland.
Raymond A. Merritt, Roundup.

NEBRASKA

Robert Eugene Maw, Hershey.

NEVADA

Mortimer W. Wagner, Boulder City.
Efton E. Swindler, Hawthorne.

NEW HAMPSHIRE

Lillian M. Tashjian, Beebe River.
Rene R. Heroux, Berlin.

NEW JERSEY

Francis E. Coffey, Blackwood Terrace.
Allegra M. Sweet, Closter.
Anthony J. Pellecchia, Hanover.
Frances L. Pitcher, Holmdel.
Charles A. Hicks, New Market.
Harry E. Apgar, North Branch Depot.
Harvey W. Dawson, Pedricktown.
Clyde A. E. Snyder, Sr., Point Pleasant.
Grace V. Ellis, Rosemont.

NEW MEXICO

Asa N. Ealy, Anthony (New Mexico-Texas).
Matthew J. Price, Fort Stanton.
Irene G. Fullerton, Prewitt.
Jose M. Maestas, Jr., Santa Rosa.

NEW YORK

Noel R. Pearson, Little Valley.

NORTH CAROLINA

John Clyde Garrison, Morganton.

OHIO

Jasper Kirt Everett, Cairo.
Beulah M. Lowe, Clayton.
Ruthella D. Termeer, Dublin.
Samuel W. Brown, East Liverpool.
William A. Gill, Jr., Fowler.
Donald G. Woodward, Geneva-on-the-Lake.
Samuel R. Kerns, Leesburg.
Robert F. Burton, Middle Point.
Galen A. Seeger, New Springfield.
Phillip H. Gifford, Urbana.
Walter H. Cowles, Walbridge.
Clarence R. Trumbull, Jr., Weston.

OREGON

Willard A. Hughitt, Redmond.
Robert C. Wright, Taft.
Roger C. Smoot, Talent.
Russell C. Neitzel, Westport.
Catherine E. Weckerle, Winchester.

PENNSYLVANIA

Joseph T. Hauser, Delaware Water Gap.
Florence L. Willard, Derrick City.
George N. Sterner, Dewart.
Edwin B. Kimmel, Elderton.
Louis J. Prime, Emporium.
Edward J. Flood, Flourtown.
Wilmer E. King, Harrisburg.
James F. Timothy, Hazleton.
John H. Hayes, Kersey.
John R. Deitcher, Jr., Line Lexington.
William Robert Miller, Linglestown.
Millie Morelli, Ludlow.
William Lise Stephenson, Mahaffey.
Fred D. Cleavenger, Mapletown.
Henry Douglas Carpenter, Middletown.
Robert P. Icelow, New Hope.
Charles M. Manwiller, Palmyra.
Alfred A. Yarnell, Petersburg.
Donald C. Shaffer, Portage.
George Spishock, Pricedale.
Malcolm Decker, Ramey.
Robert A. Hunt, Sandy Lake.
Donald J. Locke, Shade Gap.
Irvin K. Davis, Slatington.
John R. Hench, Spring Grove.
Mary I. Hoy, Villa Maria.
Robert H. Jenkins, Wapwallopen.
Ernest O. Clayton, Waynesburg.

PUERTO RICO

Carmen T. Alvarez Fuentes, Guaynabo.
Rafael Rexach-Rexach, Rio Grande.

SOUTH CAROLINA

Marvin E. Kelley, Liberty.
Myrtle E. Case, Ocean Drive Beach.
Jessie W. Jenkins, Wadmalaw Island.

SOUTH DAKOTA

Howard B. Jones, Armour.
Ethel M. Flood, Brandon.
Dale R. Dunn, Dell Rapids.
Ofa M. Simpson, Fort Pierre.
Raymond C. Drayer, Frankfort.
Marvin R. Smith, Gettysburg.
Raymond A. Andersen, Irene.
Kenneth W. Anderson, Midland.
Russell C. Bernhard, Parkston.
Maurice L. Wilhelm, Redfield.
LaVern R. Hughes, Stickney.

TENNESSEE

Morris F. Dozier, Ashland City.
Doris M. Huffman, Bartlett.
Kathleen West Keeton, Helenwood.
Ulysses B. Coker, Jacksboro.
William B. Tatum, Lyles.
Frank L. Oakes, Milligan College.
Larry E. Hagood, Persia.
John W. Jennings, Rives.
Joe A. Lavender, Rock Island.
Harold D. Huff, Thompsons Station.

TEXAS

William S. Clements, Atlanta.
Harlan B. Pitchford, Avinger.
Joyce M. Procknow, Benbrook.
Jack D. Cheek, Bullard.
Donald J. Laughlin, Groves.
Anita D. Wilkison, Hidalgo.
Henry T. Davis, Justin.
Robert D. Bohning, Lometa.
Joyce M. Kee, Melissa.
Mable D. Tompkins, Montague.
Ruby L. Ferrell, North Zulch.
Hal Singleton III, O'Donnell.
Lester J. Fuzzell, Placedo.
Allie Cayard, Port Neches.
Doris F. Weiss, Sabine Pass.
William W. Schulz, Schertz.
Hal M. Knight, Sterling City.
Robert W. Davis, Texas City.
Ila Mae Bullion, Truscott.
Charles S. Engle, Jr., Wolfe City.

UTAH

Henry D. Malmgren, Centerfield.
June I. Hunsaker, Honeyville.

VIRGINIA

R. Frazier Smith, Jr., Covington.
Hershel E. Boyd, Raven.
Ervin C. Brown, Sweet Briar.
William W. Edwards, Union Level.

WISCONSIN

Shirley E. Conway, Albany.
Ruth E. Hogan, Ashland.
Roy Bump, Baraboo.
Elsbeth P. Jacob, Caledonia.
Edward L. Williams, El Dorado.
Joseph L. List, Pound.
Harold A. Meyer, Shawano.
Henry L. Yulga, Stevens Point.
Hartvig J. Elstad, Whitehall.
Raymond J. Chamberlain, Whitewater.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 15 (legislative day of May 7), 1956:

POSTMASTER

MICHIGAN

George T. Anderson to be postmaster at Mayville in the State of Michigan.

* * *

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 15, 1956

The House met at 12 o'clock noon.

Dr. A. R. Holton, pastor of the Sixteenth Street Church of Christ, Washington, D. C., offered the following prayer:

Let us pray: Our Father, who art in heaven, Thou hast been our help in all ages past, our hope for all the years to come, our shelter from every stormy blast, and our eternal home. We thank Thee that it is under Thee that man has dominion on this earth. We thank Thee that Thou hast set our feet in large places, that Thou hast given us a great opportunity, that Thou hast given us the responsibility; and we pray, our Father, that today we may look up and acknowledge Thee, God of men and God of nations.

We pray that Thy blessing may be upon us in the deliberations of this day. And we pray, our Father, that it may become us to show that our knowledge is so incomplete we need Thee. The vast sea of the unknown is so much greater than the known, we need Thy wisdom.

Our achievements are so fragmentary, we need Thee to join the past with the present and with all the future. Our character is so limited, we need the perfection of God.

We thank Thee, Father, for the beauty of this spot and for the beauty of the springtime that is all around us, God's great springtime.

We pray, our Father, that we may all hear, "I am the resurrection and the life"; and may there come to men the same beauty of growth and development as there is in nature.

And now, our Father, we pray Thy blessing upon our young men on land, on sea, and in the air. Protect them from danger this day.

And we pray, our Father, that we may love mercy, that we may do justly, and that we may walk humbly with God.

May the meditations of our heart and the words of our mouth be acceptable in Thy sight this day. We ask it in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 9429. An act to provide medical care for dependents of members of the uniformed services, and for other purposes.

CALL OF PRIVATE CALENDAR DISPENSED WITH

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar may be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFUSING DECISIONS OF THE SUPREME COURT

Mr. PRESTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Speaker, once again the Supreme Court of the United States has demonstrated its ability to create confusion and chaos. On the front page of the Washington Post and Times Herald this morning there appears an interesting account of how the Supreme Court reversed itself in the case of Cahill against New York, New Haven & Hartford Railroad Co., Docket No. 346. In an earlier decision the Court required the defendant to pay the plaintiff $90,000, which it did, and the plaintiff has already spent a large portion of the funds. Yesterday the Court said:

> We deem our original order erroneous and recall it in the interests of fairness.

I comment on this decision for two reasons. First, I would suggest that the Supreme Court recall the segregation order on the grounds that it was erroneous. This will do more to restore order and social cohesion in America than any decision ever handed down by the Supreme Court. Secondly, since the United States Government is responsible for its torts, breaches of contracts, and errors resulting in damages to citizens, I have introduced a private relief bill reimbursing the plaintiff, Raymond G. Cahill, to compensate him for the error committed by an agency of the Government, the Supreme Court. This will enable him to reimburse the defendant as directed by the Court. Of course a subrogation clause is included in the bill to protect the Government in the event of a second recovery.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Private Calendar to be called on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUBSTITUTION OF CONFEREES

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, Representative Harold D. Donohue, be substituted for the gentleman from Massachusetts, Representative Thomas J. Lane, as a conferee on the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will notify the Senate of the change.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, Representative Harold D. Donchue, be substituted as a conferee for the gentleman from Massachusetts, Representative Thomas J. Lane, on the bill H. R. 1637, an act for the relief of Sam H. Ray.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will notify the Senate of the change.

ARMY ENDS ROTC HELP AT HOWARD

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revised and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am deeply concerned at what I read in the Washington Post this morning that the Army will terminate its support of the ROTC program at Howard University. While this is explained as being a routine matter, I think in the public interest it should be reexamined by the Army. This is no time for such action.

It is an instance in which a routine administrative decision can have repercussions in the public mind not intended. Most unfortunately, a retired general now holding in private employment a lucrative position in an area of present race feeling reflected upon the Negro soldiers of this Republic in a manner wholly unjustified and repugnant to me as I am sure it was to the overwhelming majority of the American people.

When I took the matter up with the War Department I was assured that the remarks of the retired general were contrary to the thinking and policy of the War Department.

The action of the War Department as regards the discontinuance of the ROTC program at Howard University was taken in January last. That completely disassociates the action from the deplorable remarks of the retired general. Nevertheless, there will be those who can be counted upon to promote such association in the popular mind. Failure of the War Department immediately to revoke the order discontinuing the ROTC at Howard University will be construed by these of prejudiced mind as a War Department concurrence with the remark of the retired general. The order should be revoked.

The fact is that Howard University ROTC has made a great contribution to our country and to the cause of race relations.

President Johnson, of Howard University, states:

> This is the place where the fight for the Negro's right for training for the officer corps of the Army was staged. It would be tragic indeed for the Army to disregard that kind of contribution to its own morale.

To terminate this program now would, as President Johnson said, be tragic.

COMMITTEE ON RULES

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MURRAY W. CHOTINER

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I have been following with interest the news stories on the case of Mr. Murray W. Chotiner.

My attention was directed to a Newsweek article published in 1951 in which there was some criticism directed toward Mr. William M. Boyle, the national chairman of the Democratic National Committee. At that time Newsweek quoted the now Vice President, Mr. Nixon, as saying:

> The fact that the introduction comes from the national committee constitutes influence.

Mr. Speaker, I would just like to point out at this time that the Vice President seems to be very strangely silent in the case of Murray W. Chotiner.

VICTOR RIESEL

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, one night early last month Victor Riesel, a New York labor columnist, stepped out of a restaurant in New York City and headed for his car. As he did so a thug emerged from the shadows and threw sulfuric acid in his face. Riesel gripped his face in pain and staggered back into the restaurant to seek help. One month later, after making every possible effort to save his eyesight, Mr. Riesel's physicians announced that he would remain blind permanently.

What was the cause of this brutal and cowardly attack? An hour before the assault Mr. Riesel had broadcast an attack on racketeering in the International Union of Operating Engineers. He said later he was convinced that his denunciations of extortionists in the union had provoked the incident.

The tragic case of Victor Riesel raises serious questions. Should Congress not immediately make a thorough and determined investigation of labor racketeering? What causes such cold-blooded violence? What can be done to stop occurrences such as the Riesel incident? Must we expect other, even worse, incidents? Is present legislation adequate to handle the problem of labor racketeering? How effective are present enforcement procedures? These and many other questions need to be answered. Perhaps Mr. Riesel's sacrifice can furnish us with a specific reason for looking into a situation which should have been investigated before now.

A thorough congressional investigation of the type needed would require a substantial appropriation and staff. In order to do more than merely scratch the surface of labor racketeering, extensive investigatory work should be required. An investigating committee might find itself battling a large segment of the criminal underworld. For these reasons any committee which undertakes the job should first prepare itself thoroughly.

It is now late in the congressional session. This is also an election year. Under these circumstances the chances appear slim that we could now get the thorough kind of investigation which the Riesel incident deserves.

On the other hand it seems a mistake to wait until next January before pressing the question. Now is the time for Congress to act. Even though an extensive investigation this session may not be practical, we could start a preliminary investigation.

I am suggesting to the chairman of the House Education and Labor Committee that he authorize such a preliminary investigation. He could appoint a special subcommittee to survey the possibilities of a full congressional investigation into labor racketeering. It should be possible to get such an initial inquiry underway with a minimum of redtape.

Victor Riesel is a brave man. Despite this personal disaster, he plans to continue his column and his exposure of labor racketeering. Nothing can be done to restore Mr. Riesel's eyesight. But we can do something about exposing and punishing racketeers who committed this crime. Congress and the executive can cooperate in pressing a relentless attack upon those elements which undermine the substantial and constructive work achieved over the years by the responsible sections of organized labor.

I hope that those of my colleagues who agree with me on this matter will join in urging that such a congressional investigation be undertaken.

Mr. Speaker, in conclusion I would like to include two items from recent newspapers which are connected with the Riesel case:

[From the Newark Star-Ledger]

RIESEL IS LABOR'S CONSCIENCE

(By Irene Corbally Kuhn)

The complete and permanent blindness inflicted by an unknown acid-throwing hoodlum on labor columnist Victor Riesel saddens everyone who respects and cherishes a courageous, valiant fighter. Victor Riesel is my long-time friend and colleague; and the only solace members of his profession can offer him is their obligation to tell his story so no one can forget.

Victor Riesel, for perhaps 20 of his 41 years, devoted his talents, energies, and principles to two ideals: The improvement of the lot of the workingman in and through responsible labor unions, and the ultimate destruction, through exposure in free, courageous American newspapers, of gangsterism in labor unions. He never forgot that his own father died as a result of a beating at the hands of labor goons, and this personal tragedy decided Vic's own course and shaped his professional life many years ago.

That the tragedy in the Riesel family should be compounded in the second generation so much later is proof enough, if any more is needed, that the labor movement in America has a terrible responsibility to root out the evils which still beset it. Henceforth, Victor Riesel is labor's conscience; and his blindness is the symbol of a sacrifice that will have been in vain unless the men who share the interests and principles he fought for carry on the fight for him.

[From the New York Daily Mirror of May 12, 1956]

POUR ON THE HEAT

We are indebted to Representative Peter Frelinghuysen, Jr., Republican of New Jersey, for a suggestion which should be put into effect with the full force of the Congress.

The blinding, acid attack on Victor Riesel, crusading Mirror labor columnist, raises the question whether existing legislation is adequate to combat labor racketeering, says Frelinghuysen.

He proposes the appointment of a subcommittee of the House Education and Labor Committee to go into the whole field of labor racketeering and the criminal debasement of some sections of the union movement.

"Mr. Riesel has lost his sight," says the New Jersey Congressman. "It is almost certain that the assault upon him resulted from his courageous attack on labor racketeers and extortionists. The least we can do on Mr. Riesel's behalf is assure him that the fight against these criminal elements will be pursued with renewed vigor and determination."

True, there have been investigations of labor racketeering by congressional groups in the past, but they definitely were not pursued with vigor and determination.

They were half-hearted, inadequately financed, and they never got off the ground.

There is clear indication that a perverted fear of antagonizing labor hamstrung some of these efforts.

What asinine nonsense.

As if honest elements inside labor, as if honest unions had anything to fear from an investigation of the criminal termites which have bored into some union structures and allied themselves with some union bosses and some businessmen.

These are traitors to and exploiters of everything for which the name of labor should stand.

Certainly such an investigation would have the support of George Meany, head of the merged labor movement, whose hatred for crooks is equal to his hatred for Communists.

Certainly a fearless, all-out and bipartisan investigation would win the heartfelt thanks of the American people—and particularly of labor, meaning the men and women workers who so often are the powerless victims of venal intrigue.

Here is an opportunity for a committee of Congress (and every Member of the group) to make a name for itself and put its mark on the very history of the country.

Pour on the heat.

LET US DO HONOR TO DORCHESTER DAY

Mr. KEOGH. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Rodino] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RODINO. Mr. Speaker, once again I rise to urge favorable action for an idea that goes deep to the souls of men and is pertinent, both nationally and globally, to the conflict that divides people at home and nations abroad. This idea is given its official wording in my bill, House Joint Resolution 77. What this resolution proposes is that the third day of February in each year be designated as "Dorchester Day." This would commemorate the singularly heroic episode of the four Army chaplains of different religious faiths who perished in the sea when the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland. Two Protestants, a Jew, and a Catholic went valiantly to their deaths together under circumstances of the highest human drama, leaving behind them an object lesson in self-sacrifice and tolerance to all mankind.

All of us are by now familiar with this magnificent story so indelibly a part henceforth of the folklore of America. But it seems to me God has given us to hand a biblical lesson in a 20th century form that deserves more significant emphasis than we as a people have given it. I believe it deserves a form of official recognition that will forever annually remind us of the unity and the brotherhood of man and his identity with God. To be given an instrument like this, so potent in its capacity to win men's minds, and not to exploit it spiritually to the full, is an act of omission and neglect I find particularly appalling at a moment when communism is molesting religious faith and when different races here on our own soil are seeking mutual grounds for cooperation and happiness. I am sure that the feelings expressed in my district—the 10th of New Jersey—are duplicated almost everywhere in the country. A few evidences of that feeling I submit herewith in the form of resolutions favoring my idea adopted by such organizations as the Essex County Chapter of the Catholic War Veterans, the St. Patrick's Day Parade Committee, of Newark, N. J.; and the Raymond V. Ryan Division, No. 3, of the Ancient Order of Hibernians, and their Ladies' Auxiliary Division, No. 14. I include also a copy of House Joint Resolution 77 itself, and hope that an event in American history, so pregnant with the noblest conduct of man, and so powerful in its appeal and its meaning for lifting up the hearts and the souls of men, will at long last win itself a place on the American calendar of holidays.

Whereas the Honorable Peter W. Rodino, Jr., has introduced the following resolution before the House of Representatives:

"Joint resolution designating the 3d day of February in each year as Dorchester Day

"Whereas the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland on February 3, 1943; and

"Whereas four Army chaplains of different religious faiths—George Fox, of Gilman, Vt., Methodist; Alexander Goode, of York, Pa., Jewish; Clark Poling, of Schenectady, N. Y., Reformed Church in America; and John P. Washington, of Newark, N. J., Roman Catholic—lost their lives in the sinking of such vessel while heroically serving their comrades and their country; and

"Whereas each of these men was awarded posthumously the Distinguished Service Cross for services rendered to his country above and beyond his prescribed duty; and

"Whereas the conduct of these heroic men will forever be an inspiring example of courageous and unselfish devotion to God and to country: Now, therefore, be it

"*Resolved, etc.*, That the 3d day of February in each year is hereby designated as 'Dorchester Day' in commemoration of the heroic conduct of George Fox, Alexander Goode, Clark Poling, and John P. Washington, the Army chaplains who lost their lives in the sinking of the Army transport *Dorchester* on February 3, 1943. The President of the United States is hereby authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on such day and inviting the people of the United States to observe the day in schools, churches, and other suitable places in an appropriate manner."

And whereas the Essex County Chapter of the Catholic War Veterans is completely in favor of this resolution: Therefore be it

Resolved, That the Essex County Chapter of the Catholic War Veterans go on record favoring said resolution and actively support and aid its passage.

Adopted February 20, 1956.

THOMAS F. CLOHOSEY,
Essex County Judge Advocate.

RESOLUTION

Whereas the St. Patrick's Day Parade Committee, Inc., comprised of representatives of 53 Irish organizations, have learned with pleasure of the introduction of House Joint

Resolution 77 by our Representative, Peter W. Rodino, for the designation of February 3d of each year as "Dorchester Day" in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester:* Now, therefore, be it

Resolved, That we commend the Honorable Peter W. Rodino for his very thoughtful act and we further implore him to secure the passage of said resolution.

Duly passed by the St. Patrick's Day Parade Committee on March 10, 1956.

Helen C. Curran,
Secretary.

Resolution

Whereas the Ancient Order of Hibernians, Raymond V. Ryan Division, No. 3, have learned with pleasure of the introduction of House Joint Resolution 77 by our Representative, Peter W. Rodino, for the designation of February 3 of each year as "Dorchester Day" in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester:* Now therefore be it

Resolved, That we commend the Honorable Peter W. Rodino for his very thoughtful act and we further implore him to secure the passage of said resolution.

Duly passed by the Ancient Order of Hibernians, Raymond V. Ryan Division, No. 3, on March 10, 1956.

Robert Fastow,
President.
Peter C. Keelen,
Secretary.

Ladies Auxiliary, Division No. 14,
Ancient Order of Hibernians,
Newark, N. J., March 23, 1956.

Congressman Peter W. Rodino,
House of Representatives,
Washington, D. C.

Dear Congressman Rodino: We the Ladies Auxiliary, Division No. 14, Ancient Order of Hibernians, have learned with pleasure of the introduction of House Joint Resolution 77, by you our Representative for the designation of the 2d day of February each year as "Dorchester Day," in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester.*

Therefore it is with great pleasure that we commend you for your most thoughtful act and we further implore you to secure the passage of said resolution.

Duly passed by the Ladies Auxiliary, Division No. 14, Ancient Order of Hibernians, on March 23, 1956.

(Mrs.) Marie D. Fastow,
President.

House Joint Resolution 77

Joint resolution designating the 3d day of February in each year as "Dorchester Day"

Whereas the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland on February 3, 1943; and

Whereas four Army chaplains of different religious faiths—George Fox, of Gilman, Vt., Methodist; Alexander Goode, of York, Pa., Jewish; Clark Poling, of Schenectady, N. Y., Reformed Church in America; and John P. Washington, of Newark, N. J., Roman Catholic—lost their lives in the sinking of such vessel while heroically serving their comrades and their country; and

Whereas each of these men was awarded posthumously the Distinguished Service Cross for services rendered to his country above and beyond his prescribed duty; and

Whereas the conduct of these heroic men will forever be an inspiring example of courageous and unselfish devotion to God and to country: Now, therefore, be it

Resolved, etc., That the 3d day of February in each year is hereby designated as "Dorchester Day" in commemoration of the heroic conduct of George Fox, Alexander Goode, Clark Poling, and John P. Washington, the Army chaplains who lost their lives in the sinking of the Army transport *Dorchester* on February 3, 1943. The President of the United States is hereby authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on such day and inviting the people of the United States to observe the day in schools, churches, and other suitable places in an appropriate manner.

DISTRICT OF COLUMBIA TRANSIT BILL

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. Heselton] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include the text of certain amendments he asked the Legislative Counsel to draft, as well as certain other material bearing on the consideration of the District of Columbia transit bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, at approximately 3:15 this afternoon, a reporter called me to inquire if I had seen a copy of a letter, dated today, signed by Mr. Daniel W. Bell, with reference to the Capital Transit situation, or a news release, also of this date, quoting from a letter written by Mr. Louis E. Wolfson, with reference to the same situation. I told him I had not seen either. He then brought them to my office.

Since the Capital Transit legislation is scheduled for action on the House floor tomorrow afternoon, I am including both at this point in the Record, together with such comments as I feel able to make at this time, as follows:

American Security & Trust Co.,
Washington, D. C., May 15, 1956.

The Honorable Oren Harris,
United States House of Representatives,
Washington, D. C.

Dear Mr. Harris: I am writing you with the greatest reluctance concerning the local transit situation, for I have no wish to inject myself into the controversy. In fact, I deliberately refrained from becoming involved in this matter until it became obvious that Washington was slowly but surely drifting toward an unpopular and costly public transit authority for want of any constructive alternative. Frankly, I was concerned lest a suggestion from me would be misinterpreted as "Wolfson" inspired, for both the Capital Transit Co. and Mr. Wolfson are valuable customers of the bank of which I am president, and an officer of our bank is on Capital Transit's board, as I used to be.

Still, something positive was, and still is, required. Moreover, as a small stockholder myself in Capital Transit, I had the distinct feeling that the non-Wolfson stockholder was the forgotten man in this whole situation. As I reviewed the series of proposals made by various groups, it became more and more obvious that none of them was a practical solution to Washington's transit problems. Finally, in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer, I took the initiative in quietly trying to develop a constructive new plan. We now have made sufficient real progress that I feel justified in reporting to you.

I am therefore in a position to state that serious discussions with responsible parties are well underway whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control. My statement is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson, and with a leading investment banking firm. The essentials of the program are:

1. The company's franchise would be restored and it would be accorded the same privileges and benefits which have been offered to various other groups of potential investors.

2. In order to completely eliminate Wolfson ownership and control, Capital Transit would purchase the Wolfson stock at a fair price per share. Such stock would be retired. Concurrently, the company would offer to purchase (for resale) and at the same price, the stock of any other stockholder.

3. In order to finance the reorganization, the company would borrow the necessary funds ($5 million to $6 million) against the issuance of medium term first mortgage bonds.

4. Both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms so that the company could enter into firm commitments with all interested parties.

Representatives of Capital Transit and Mr. Wolfson have indicated to me that they would be prepared, in principle, to accept this type of arrangement. Moreover, the investment banking firm engaged in these discussions has confirmed to me that it is prepared to take the leadership in attempting to provide the necessary financing for such action, provided normal investment banking standards are adhered to.

I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.

I emphasize that while I am attempting fairly to report my own judgment of the position of each of these parties, I cannot commit any of them—although they know that I am making this report to you. I further emphasize that the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees. While these factors have not, as yet, been fully explored I am confident such cooperation will be forthcoming with understanding.

I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

You are authorized to make such use of this letter as you deem proper. I should like to make it clear that I speak only for myself as a Washington resident and taxpayer.

Sincerely,

Daniel W. Bell.

Representative Oren Harris, Democrat, of Arkansas, chairman of the Transportation Subcommittee of the House Interstate and Foreign Commerce Committee, today announced Louis E. Wolfson has made a new offer to sell out his interest in the Capital Transit Co: at a "fair and reasonable price" if "the same offer is made to all stockholders."

Mr. Harris said the offer was made in a letter to him written by Mr. Wolfson Friday, the day after he had returned from a 5-week trip to Europe, received by the committee today.

In it Mr. Wolfson also concurred in the decision of the board of directors of Capital Transit Co. to recommend to the 2,500 stockholders of Capital Transit Co. that they continue in business if the House passes the franchise restoration bil' worked out by the subcommittee.

The bill is scheduled for consideration on the House floor tomorrow.

Mr. Wolfson, controlling stockholder of Capital Transit Co. and chairman of its board of directors, said there had been hints during his European trip "that negotiations were proceeding for the sale of my interest in the Capital Transit Co."

He declared that "over the past year I have been offered substantially above the market price for my stock only. That I turned down. But there has been no firm, businesslike offer made by anyone up to now for my stock and the stock of my fellow stockholders. Proposals that I, alone, be bought out and thus remove the 'menace' would put me in the position of receiving a preferred offer at the expense of other investors in the company. This I will not consider."

Describing the terms under which he would sell, Mr. Wolfson wrote, "I have stated, and I restate to you, that my stock is not for sale unless the same offer is made to all stockholders. I have stated I would be glad to recommend to the board of directors any legitimate, firm offer with substance and credibility that provided for a fair and reasonable price for the stockholders' equity.

"I am willing to sit down, or have my representative sit down, with any respected, responsible group, or individual, and negotiate price. Up to now this has not been done."

Mr. Wolfson repeated an earlier offer, declaring:

"If there are four other public-spirited citizens in Washington or elsewhere who are desirous of putting up money instead of criticizing, I stand on a former offer that I will take all my stock and place it in escrow with the understanding I will not receive any dividends for 5 years if they, after purchasing all other interests, will also do so."

"In addition I will resign as chairman of the board and as a director."

Mr. Speaker, while I have studied these documents with as much care as possible in the very limited time available, I do not have sufficient information as to them so that I will be justified in stating any conclusions. Rather I shall state several questions which they raise in my mind and which I think may occur to many of my colleagues. I do want to preface these questions by saying that I assume Mr. Bell wrote his letter in good faith but that I have no comment now as to why Mr. Wolfson wrote his letter.

These are my questions:

First. Are these letters more than a coincidence?

Second. Since Mr. Bell states that his statement "is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson and with a leading investment banking firm," is the House to be informed of when these discussions occurred, who was present, and as to what leading investment banking firm has participated? Is the House also to be informed as to the amount of stock ownership, if any, of the participants and of any persons represented and as to when any such stock was acquired?

Third. Since Mr. Bell stated that, "in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer," he undertook to develop a new plan, is the House to have the statement of Mr. Spencer as to this and the benefit of his views?

Fourth. Mr. Bell states that "serious discussions with responsible parties are well under way whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control." Is the House to be informed as to whether the "responsible parties" were others than those now associated with or favorable to the Wolfson interests and, if so, who they are? Is the House to be informed as to who is being considered to have "local ownership and control" and is the House to have any information by tomorrow afternoon as to their willingness to undertake this responsibility and as to their background and experience?

Fifth. Mr. Bell states that there are four "essentials of the program" and he outlines them in his letter. The first essential is that the "company's franchise would be restored." He is frank in his two later references to H. R. 8901. Is the House to be informed why its repeal of the Capital Transit's charter and franchise of last August must be reversed?

Sixth. Mr. Bell states that "Capital Transit would purchase the Wolfson stock at a fair price per share." Is the House to be informed as to what such a fair price is and how that figure has been reached?

Seventh. Mr. Bell states that "the company would borrow the necessary funds—$5 million to $6 million—against the issuance of medium term first mortgage bonds." Is the House to be informed as to who is ready to make this loan and upon what exact terms?

Eighth. Mr. Bell states that "both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms." Is the House to be informed as to how far this prospective underwriting has progressed and as to any of the details as to the undertaking?

Ninth. Is the House to be informed as to what is meant by Mr. Bell's statement that "representatives of Capital Transit and Mr. Wolfson have indicated" to him that they would be prepared to accept the type of arrangement Mr. Bell presents in principle?

Tenth. Mr. Bell emphasizes that "the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees." Is the House to be informed tomorrow afternoon how that cooperation is to be secured and evidenced?

These questions lead me to believe that it is wholly unrealistic and entirely unfair to expect the Members of the House to arrive tomorrow at any kind of a reasonable conclusion as to the merits of this program Mr. Bell submits today. I have no doubt that other questions of vital importance, as to which it is humanly impossible for any of us to obtain satisfactory answers by tomorrow afternoon, will arise in the minds of most Members of the House.

Last Thursday, in view of the rescheduling of H. R. 8901 for consideration tomorrow afternoon, I obtained a special order in which I stated:

> However, I want to add that I have also asked the advice of the House Parliamentarian as to whether H. R. 10871 could be incorporated in a motion to recommit, and he has advised me that this cannot be done. While I do understand that the simple motion to recommit to the committee might be offered, in view of the time element involved and of all the circumstances, personally, I do not believe that public interest would be served by such a recommital.

These two developments of today lead me to change that opinion.

As of this moment, I believe it will be absolutely necessary, if the House is to pass a considered judgment upon this proposed program, for it to have the benefit of as prompt and full an examination of it as is possible by its committee, resulting in a report which the House can have available. The committee could and, in my opinion, should call Mr. Bell, Mr. Wolfson, and his associates, and the other participants in the reported conferences and discussions before it, and when they can state all the facts fully and frankly and when they and these facts can be examined thoroughly. I also believe that "the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees," whose cooperation Mr. Bell states is a prerequisite, so far as the unnamed investment banking firm is concerned, should have the privilege of expressing their opinions as to the program put forward at this very late date. Therefore, it is my present opinion that a straight motion to recommit, which I understand is the only kind of such motion that can be made under the existing parliamentary situation, should be offered and it is my present intention to offer such a motion if I am recognized for that purpose. I regret that this seems to me to be necessary because I know that time is of the essence in this matter. But I feel confident that my colleagues will understand why I have felt compelled to reach this conclusion now. I must add that I do not believe that any of those keenly interested in a proper solution of the difficult problem confronting the House will feel that any possible blame can be attributed to those who, in good faith, voted to repeal the Capital Transit Co.'s charter and franchise last August and who felt compelled to oppose H. R. 8901 and the substitute reported by the majority of the committee. I knew nothing whatever of these reported discussions or negotiations. I doubt if any Member of the House or of the Congress had any such information. And I am reasonably certain that not a single Member of the House who is opposed to H. R. 8901 and to the committee substitute knows anything as to the details of the proposed program at this moment.

I am confident that my colleagues will understand that I cannot anticipate what may develop in the few hours remaining before we must take this legislation up for consideration. With all due respect to Mr. Bell, I still believe that H. R. 10871 is much better legislation than the substitute the majority of the committee has recommended. It may become necessary, in my opinion, to offer it, if it is in order to do so and I am recognized for that purpose.

Last Thursday, in my special order, I stated that several possible amendments to H. R. 10871 had been suggested to me. I outlined their objectives and expressed the hope that I would be able to discuss them, and any others suggested to me yesterday or today, and to place the precise language of any such amendments as I would feel justified in offering or supporting in the Record.

I have the language as prepared for me by the Legislative Counsel's Office but these developments of this afternoon have prevented me from giving the study to their merits I intended. While I shall attempt to complete that study before tomorrow noon so that I can discuss them during debate if it seems necessary to do so, I think I should include the specific language furnished me and it is as follows:

TO ELIMINATE RIGHT TO CONDEMN STOCK OF CAPITAL TRANSIT CO.

Page 13, strike out lines 4 through 12, inclusive, and on line 13 strike out "(c)" and insert "(b)."

TO REQUIRE THAT IF PROPERTY IS TAKEN BY EMINENT DOMAIN, THE ENTIRE INTEREST OF THE OWNER MUST BE TAKEN

Page 17, after line 22, insert the following new subsection:

"(e) In the event the Authority acquires specific items of real property or tangible personal property by eminent domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof."

PERSONNEL AMENDMENTS

Page 27, line 22, strike out the period and insert in lieu thereof a comma and the following: "and shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel, according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective bargaining agreement then in effect or thereafter adopted."

Page 28, line 20, insert after "officers" the following: "with less than 10 years' service."

Page 28, line 22, beginning with "sub-" strike out down through "status and employment rights," on line 25.

Page 29, line 3, after the period, insert the following: "Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position, comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective bargaining agreement then in effect."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Walter (at the request of Mr. McCormack), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to Mr. Bailey, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Cooper and to include a press release.

Mr. Multer and to include extraneous matter.

Mr. Celler in three instances.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corp. of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ADJOURNMENT

Mr. KEOGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 16, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1851. Under clause 2 of rule XXIV, a letter from the Secretary of Commerce, transmitting a report relating to war-risk insurance and certain marine and liability insurance for the American public as of March 31, 1956, pursuant to section 1211 of Public Law 763, 81st Congress, as amended, and was taken from the Speaker's table, and referred to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. House Resolution 481. Resolution to continue in effect House Resolution 190 and House Resolution 386, 83d Congress; without amendment (Rept. No. 2162). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 504. Resolution for consideration of H. R. 9052, a bill to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports; without amendment (Rept. No. 2164). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 505. Resolution for consideration of H. R. 9852, a bill to extend the Defense Production Act of 1950, as amended, and for other purposes; without amendment (Rept. No. 2165). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 506. Resolution for consideration of H. R. 10542, a bill to liberalize certain criteria for determining eligibility of widows for benefits; without amendment (Rept. No. 2166). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H. R. 11205. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.; without amendment (Rept. No. 2163). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF:

H. R. 11232. A bill amending chapter IV of the Federal Food, Drug, and Cosmetic Act making it unlawful to use so-called reconstituted, synthetic, homogenized, or reprocessed tobacco and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of Georgia:

H. R. 11233. A bill to amend section 204 (e) (1) of the Postal Rate Revision and Federal Employees Salary Act of 1948 to remove certain limitations with respect to the application of special rates of postage for certain types of books; to the Committee on Post Office and Civil Service.

By Mr. KILGORE:

H. R. 11234. A bill to amend the Longshoremen's and Harborworkers' Compensation Act to insure that employers will be immune from suit for injuries for which compensation has been paid; to the Committee on Education and Labor.

By Mr. McCARTHY:

H. R. 11235. A bill to amend paragraph 1807 of the Tariff Act of 1930 (relating to the importation free of duty of certain works of art); to the Committee on Ways and Means.

By Mr. WILLIAMS of New York:

H. R. 11236. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 11237. A bill for the relief of William F. Daniel, Jr.; to the Committee on the Judiciary.

By Mr. PRESTON:

H. R. 11238. A bill for the relief of Raymond G. Cahill; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1035. By Mr. BUSH: Petition of George C. Myers and other residents of Williamsport and Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1036. Also, petition of Mrs. Margaret Kempf and other residents of Williamsport and Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1037. By Mr. CRUMPACKER: Petition of Mrs. Edna W. Hess, of Goshen, Ind., and other residents of Elkhart County, Ind., urging the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1038. By the SPEAKER: Petition of Hermenegildo V. Santos, New York, N. Y., requesting a favorable reconsideration of Senate bill 2627; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Study of Aluminum Industry Announced

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, as chairman of the House Committee on the Judiciary and also as chairman of its Antitrust Subcommittee, I announced today that the Antitrust Subcommittee staff will undertake an extensive study of various conditions in the aluminum industry. Upon completion of the staff study the subcommittee will hold hearings on this industry.

The House Judiciary Antitrust Subcommittee has long concerned itself with the aluminum industry. As part of the subcommittee's examination into this industry, a predecessor subcommittee—the Subcommittee on the Study of Monopoly Power—held hearings in January and February 1951 in the course of which 32 witnesses testified. Based upon this comprehensive body of facts the subcommittee reached unanimous conclusions in its report, submitted to the House on March 13, 1951.

Following this report, the Government and the industry adopted policies which resulted in more than doubling the productive capacity of the aluminum industry.

In addition to the increase of productive capacity, the independent fabricating segment of the industry has also experienced a very substantial growth in this period.

Against this background the Antitrust Subcommittee deems it desirable to bring up to date the factual information concerning this industry, which is most important not only to the civilian economy but to the national defense.

It is particularly important for the subcommittee to determine whether the substantial expansion program of the past 5 years has resulted in greater or lesser concentration and competition at various levels from production through fabrication.

In the course of the study and the hearings, representatives from all segments of the industry will be given ample opportunity to submit relevant information to the subcommittee and to testify.

Age of Maturity

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, May 15, 1956

Mr. HUMPHREY. Mr. President, recently there appeared in a British publication entitled "The Listener," the British Broadcasting Corporation magazine, an excellent article by Congressman Eugene McCarthy of the Fourth District of Minnesota.

Mr. McCarthy is an outstanding scholar in the field of political science and political philosophy. His mature understanding of American government, coupled with his broad experience as a legislator and teacher of political science, qualifies him to interpret the American political scene. In his article entitled "Nation's Age of Innocence Becoming One of Maturity," Congressman Eugene McCarthy has related the historical growth of American participation in international relations. It is an article that should be read by every student of government and, in particular, every officer of Government. I commend it to the attention of my colleagues.

I ask unanimous consent that it be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

NATION'S AGE OF INNOCENCE BECOMING ONE OF MATURITY

(By Representative Eugene J. McCarthy)

Politics in the United States reflects the American belief in the basic innocence of Americans, a belief which has agitated the American mind since the time of colonial settlements. American colonists even before the Revolution considered themselves a people set apart and above; they were without the sense of inferiority which usually marks colonial societies. It was common for religious and civil leaders in the colonial settlements to speak as did William Stoughton in the 17th century, asserting that "God has sifted a whole nation that he might send choice grain over into this wilderness."

This belief that Americans, as inhabitants of a new land, and as people living under a new government, were themselves also new and innocent, set apart from the stream of tradition, has continued. It holds that Americans live in a condition of natural goodness, a state of existence or of mind labeled "Adamism" by R. W. B. Lewis, and one which leads us to accept, as Donald Creighton, a Canadian, has written recently, that we are the inhabitants of God's chosen continent, that in North America, Canadians and citizens of the United States are all just "folks," all members of one great big happy family.

The concept of innocence is basically antagonistic to government and government action. One of the earliest American political philosophers, Thomas P. Paine, expressed it in these words: "Government, like dress, is the badge of lost innocence. The palaces of kings were built upon the ruins of the bowers of paradise. Were the impulses of conscience clearly and irresistibly obeyed, man would need no other lawgiver."

A point of view nearly identical with that of Paine was expressed recently by Clarence Manion, former dean of the Law School of Notre Dame University. In his book, The Key to Peace, Manion states that government is a necessary evil, and that in a community of saints the moral law would be the only law needed to provide such a community with perfect peace, complete order, and universal justice.

According to the theory of both Paine and Manion the state arises from the evil or bad will of men, and moreover this evil and bad will remains the lasting justification for government. A philosophy of government built upon this concept permits the state only regulatory functions.

This American attitude of innocence is reflected not only in the attitude toward government and government officeholders, but even more sharply in reference to political activities. Political party participation is considered degrading by many citizens. The person who claims to be nonpartisan, or an independent voter, generally makes his claim without apology, and as one who has chosen the better part.

It is popular to attribute to citizens power of discernment, simplicity, and soundness of judgment. It is not popular to call upon the voters for self-examination or self-criticism, or to ask them to question their own previous judgment.

It is common to label political campaigns at every level of government crusades. The presidential campaign of 1952 demonstrates most clearly the use of the technique of the crusade.

When Candidate Stevenson in the 1952 campaign suggested that the morality of public officials reflected the general level of morality in a democracy and that in a democracy all citizens had some responsibility for political decisions, his opponent rejected the suggestion, and went on to ask whether the individual United States citizen was responsible for the fall of China, the scandal-a-day Government, or for the treadmill prosperity. The expected answer was a very positive "no."

Stevenson and other Democrats asked for patience and forebearance, especially in foreign affairs. The crusaders shouted that we had had enough of these virtues, and raised the question as to whether they were really virtues becoming to Americans.

It cannot be said with certainty that the crusading technique and the appeal to righteous simplicity was responsible for the victory of the Republican presidential candidate in 1952. There were other issues of vital concern. The appeal to innocence, however, ran throughout the GOP campaign.

The effects of the approach of innocence and simplicity have been most clearly evident, and I think most harmful, in our approach to international affairs. The current American attitude toward foreign countries and their problems as described by Mr. Creighton is very much in agreement with the views of Thomas Jefferson, who in 1823 urged the people of the United States never to take an active part in the affairs of Europe.

The early years of American history encouraged the attitude of indifference and separatism. Europe was absorbed in war; the War of 1812 and other disputes generally discouraged any move to establish closer ties with the Old World on our part. At the same time the western lands were being opened to settlement.

Earlier immigration weakened the homogeneity of existing culture, but it did not strengthen the bonds between Europe and America. If anything, it had an opposite effect. Most of the immigrants came seeking asylum; most were refugees from famine, poverty, or from political oppression. If anything, their coming strengthened the antipathy toward Europe and fortified the American sense of superiority.

Involvement in World War I was looked upon as temporary; to make the world safe for democracy in one great effort and then to return to our own affairs was the American hope. After the failure of Wilson's idealistic, if not utopian, efforts in the postwar period, the attitude of innocence and aloofness asserted itself again. The League of Nations was not perfect—therefore we would not join it.

We were certainly not ready for World War II; or, when the war ended, ready to accept great international responsibilities. We did not, however, withdraw from world affairs as we had done after World War I. The United States participated in the formation of the United Nations, and has joined in the deliberations and in the programs of this organization. We have given economic and military aid to allies and former enemies. We carried the major burden in the Korean war, and have obligated ourselves under the North Atlantic Treaty Organization and through the mutual security program.

But the United States is restless in its new role in world affairs; political leaders make a point of saying that we did not seek the position we now hold, as though it would have been bad to have done so. Many Americans look back to the days when the Nation could stand aside from the struggles for power, passing judgment upon the contestants and making fine, clear choices. There remains a strong temptation to return to the isolation and pleasant simplicity of early days when power and responsibility both were limited.

No such violent change is likely. If we really ever accepted what Denis Brogan calls the "illusion of American omnipotence," we'd be disillusioned. Considerations of self-preservation and of defense make the position of the extreme isolationists untenable. Self-preservation, however, is not our only motive. There has been a change of attitude. The age of innocence and of innocents, both at home and abroad, is changing to one of greater maturity.

Notice to Members

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, the House Judiciary Committee today voted out H. R. 1840, a bill to strengthen the Robinson-Patman Act and amend the antitrust law prohibiting price discrimination, which was introduced by the gentleman from Colorado, a member of the Judiciary Committee, Mr. BYRON G. ROGERS.

This bill is identical to H. R. 11, introduced by the gentleman from Texas, Mr. WRIGHT PATMAN, except that the ROGERS' bill eliminates the preamble termed "Declaration of purpose and policy."

Application is now being made for a rule to bring to the floor of the House the aforesaid bill, H. R. 1840.

The texts of both bills follow:

H. R. 1840

A bill to strengthen the Robinson-Patman Act and amend the antitrust law prohibiting price discrimination.

Be it enacted, etc., That subsection (b) of section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (15 U. S. C. 13 (b)), is hereby amended to read as follows:

"SEC. 2. (b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That unless the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce it shall be a complete defense for a seller to show that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

H. R. 11

Declaration of purpose and policy

A bill to reaffirm the national public policy and the purpose of Congress in the laws against unlawful restraints and monopolies, commonly designated "antitrust" laws, which among other things prohibit price discrimination; to aid in intelligent, fair, and effective administration and enforcement thereof; and to strengthen the Robinson-Patman Anti-Price Discrimination Act and the protection which it affords to independent business, the Congress hereby reaffirms that the purpose of the antitrust laws in prohibiting price discriminations is to secure equality of opportunity of all persons to compete in trade or business and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields

Be it enacted, etc., That subsection (b) of section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (15 U. S. C. 13 (b)), is hereby amended to read as follows:

"Sec. 2. (b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That unless the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce it shall be a complete defense for a seller to show that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. COOPER. Mr. Speaker, on Monday, May 14, 1956, the Committee on Ways and Means conducted another executive session with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. In the CONGRESSIONAL RECORD for May 10, 1956, on pages 8011 and 8012, there appears a résumé of committee decisions with respect to this subcommittee report as of that date.

Today, Mr. Speaker, I would like to include in the RECORD for the information of the Members of Congress and the interested public a press release that I have issued as chairman of the Committee on Ways and Means announcing the decisions of the committee subsequent to the issuance of that previous release.

The committee is scheduled to meet again at 10 a. m. in executive session on May 16, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, Tennessee, chairman of the Committee on Ways and Means, today announces the tentative decisions reached by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. On March 10, 1956, Chairman COOPER announced the decision of the committee with respect to section I relating to manufacturers excise taxes and section II relating to retailers excise taxes. In announcing today's committee action, Chairman COOPER indicated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m., May 16, 1956. The decisions reached by the committee today are as follows:

III. TAXES ON ADMISSIONS AND CLUB DUES

1. The admissions tax should apply only to events which take place in the United States, but should apply whether or not the payment is made within the United States.

2. Admissions to privately operated swimming pools, skating rinks, and other places offering participation sports should be exempt from tax, in the same manner as in the case of admissions to such places operated by State or local governmental units.

3. The Internal Revenue Service should issue new rulings under the cabaret tax to provide that where a private organization conduct an affair in a room customarily and regularly used as a cabaret and negotiates with the proprietor to provide the dinner and any other services desired, but not for the entertainment, the cabaret tax will not apply if the private organization by independent negotiations provides its own entertainment and the entertainers are not regularly employed by the proprietor either prior to or after the affairs in question. In tentatively approving this recommendation, the committee adopted a clarifying amendment to make it clear that the limitation on employment of the entertainers by the proprietor would not preclude employment on a subsequent date.

4. The proprietor, owner, or lessee of a cabaret should be required to collect the cabaret tax due from concessionaires and include such amounts when making his other payments for admissions, refreshments, service, or merchandise.

5. The cabaret tax should be made inapplicable to what are sometimes called milk bars. More specifically the cabaret tax should be made inapplicable where the following conditions are met:

(a) No alcoholic beverages or setups are served;

(b) Only light refreshments are served;

(c) Space may be provided for dancing but without any charge for dancing; and

(d) Music may be obtained from phonographs or jukeboxes or from instrumental music (in the latter case only if supplied without charge to the milk bar operator.)

6. Under present law life members are required to pay annually a tax equal to the amount paid by active resident annual members for dues or membership fees. Life members instead should, as a general rule, pay an annual tax equivalent to the tax on annual memberships providing privileges most nearly like that of the life members (but note No. 7 below).

7. As an alternative to the computation of tax in the manner provided in No. 6 above, life members should be permitted to base their tax on the actual amount paid, if they are willing to pay the tax at the same time they pay for the life membership. This principle, that the tax should be based upon the actual amount paid, should also be extended to other types of club membership fees.

8. Dues for the purposes of the present club dues tax are defined as including "any assessment, irrespective of the purpose for which made." An exception should be made to this phrase to exclude from tax, assessments for a building fund to replace a building destroyed where it was destroyed by a hurricane or other event which would qualify as a casualty in the case of property belonging to an individual. Such a fund could be built up free of the club dues tax, however, only to the extent that the building destroyed was not covered by insurance and only to the extent of the replacement cost of the destroyed building.

IV. TRANSPORTATION TAXES

1. Ferryboat service should be exempt from the application of the 3-percent tax on the transportation of property.

2. This recommendation was passed over to permit further staff study. The recommendation of the subcommittee would provide that "any movement through lines of pipe within the premises," in addition, to including any movements interpreted by the Secretary or his delegate as being within the premises under existing law, should also include any movement which constitutes an integral part of the operation of a refinery, a bulk plant, a terminal, or a gasoline plant. Present law imposes a tax equal to 4½ percent of the fare charged for the transportation of oil by pipeline, with an exemption for any movement through pipelines between the premises of a refinery, bulk plant, terminal, or a gasoline plant if the movement is not a continuation of taxable transportation.

3. "Air taxis" (i. e., airplanes under 12,500 pounds gross takeoff weight) where the aircraft has a seating capacity of less than 10 adult passengers, including the pilot, and where the aircraft is not operated on an established line should be exempt from the tax on the transportation of persons in the same manner as is presently true in the case of automobile taxis.

V. COMMUNICATIONS TAXES

1. An exemption for installation charges is provided under present law in the case of local telephone service and in effect applies to long distance telephone service and telegraph service. This exemption should be extended to the other communication taxes.

2. "Local telephone service" should be redefined so as to exclude all toll telephone massages, rather than only those for which a charge of over 24 cents is made and so as to exclude private leased wires in a local exchange area. (See Nos. 3 and 5 below for the extent to which these toll telephone messages and private leased wires should be taxed.)

3. The term "toll telephone messages" should be substituted for "long-distance telephone messages" and all toll messages, whether or not under 25 cents, included in this category. Shifting toll messages of under 25 cents to this category will extend slightly the exemption presently provided for the public press in the case of long-distance telephone messages.

4. Teletypewriter services are presently included in the 10-percent tax on leased wires, teletypewriters, and talking circuits special services. Teletypewriter exchange service should be defined as a service whereby teletypewriter subscribers are connected to central offices through which communications may be established with other teletypewriter subscribers similarly connected. In the case of this service, terminal facilities would continue to be included in the tax base as they are at present. However, the exemption for common carriers (such as railroads), telephone, telegraph companies, and radio stations, presently provided in the case of the tax on leased wires, teletypewriters, and talking circuit special services should be made inapplicable in the case of the new teletypewriter exchange service tax except where the service is purchased to render communication services.

5. In lieu of the present tax on leased wires, teletypewriter and talking circuit special services, a new tax should be imposed on wire mileage. The base of this tax would be the same as the present tax on leased wires, teletypewriters, on talking circuit special services, except for the separate treatment for teletypewriter exchange services, and except for the following revisions:

(a) Leased wire services within a local exchange area and involving oral transmission (presently taxed as local telephone service) would be added to the base of this tax.

(b) The base of this tax would be limited to charges for leased wires, etc., which may be obtained only from communications common carriers or in effect will exclude what might be called interior communications systems.

(c) The base of the recommended tax would exclude terminal facilities. It is the exclusion of these terminal facilities that accounts for the selection of the new name "wire mileage tax."

6. The base of the present 8-percent tax on wire and equipment service should be revised to exclude interior communication services, that is, those not making use of the franchises of communication common carriers for carrying wires along or over public rights-of-way. This would remove from tax fire-alarm and burglar-alarm systems, which are wired to give an alarm only on the subscriber's premises, as well as other types of purely interior communications systems.

7. The method of computing the communications excise taxes now appears to require a single tax computation for all items included in a single bill. A collecting agency should be permitted to base the tax computation on totals by groups of items or on specific items normally associated together for billing purposes.

VI. DOCUMENTARY STAMP TAXES

1. The so-called entity rule should be adopted for transfers of partnership interests in the case of the documentary stamp taxes. This would mean that the stock and bond transfer taxes and real-estate conveyance taxes would not be imposed with respect to—

(a) An adjustment of the interests of the partners;

(b) The sale or other disposition by a partner of his interest;

(c) The death or retirement of a partner;

(d) The admission of a new partner; or

(e) The liquidation of a partner's interest.

However, if in any of the above cases, stocks, bonds, or real estate are distributed by the partnership to a partner in either a current or liquidating distribution, or sold to a partner, a transfer tax would be imposed. Similarly, a transfer or conveyance tax would be imposed where a partnership is considered as being terminated under section 708 (b) of the 1954 code, and where the partnership sells or otherwise transfers property subject to the transfer or conveyance tax.

2. The purchase of stamps by clearinghouses of national security exchanges should no longer be required; instead such clearinghouses should be required to make daily payment by check to an authorized Government depository of the total amount of taxes shown on the broker-members' reports.

3. The present law provides no exemptions may be granted from the documentary stamp taxes in certain cases unless the delivery or transfer of the document qualifying for exemption is accompanied by a certificate setting forth such facts as regulations may prescribe. This statutory requirement for exemption certificates under the documentary stamp taxes should be liberalized by giving the Treasury the right to waive the requirement for certificates where they appear unnecessary.

4. The transfer tax should not apply to the return of stock or certificates of indebtedness deposited as collateral security.

5. Transfers made by an executor or administrator of certificates of indebtedness to a legatee, heir, or distributee should be exempt from the tax if the value of the certificates is not greater than the amount of the tax involved. This would extend the present rule for stocks to certificates of indebtedness.

6. The stock transfer and issuance taxes should be revised as follows:

(a) In the case of the stock issuance tax, the tax rate should be 10 cents on each $100 or major fraction thereof of the actual value of the total stock involved in a transaction. The minimum tax in any transaction should be 10 cents.

(b) In the case of the stock transfer tax where there is a sale or exchanges for value the tax rate should be 5 cents on each $100 or major fraction thereof of the actual value of the total stock involved in a transaction. The minimum tax with respect to such transactions would be 5 cents.

(c) The committee will resume consideration of this recommendation when it next meets at 10 a. m. on Wednesday, May 16, 1956.

President Appoints New Commission on Small Business—Again a Commission

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, on Thursday last, President Eisenhower appointed a Commission in Aid of Small Business. Why the solicitude for small business now? Can it be that election is only a few months hence?

This Big-Business Government has given small business the absent treatment for 3½ years of its existence. Small business failures are up 15 percent over last year's. Up to May of this year, almost 5,500 small firms went out of existence. The Commission is too late for them.

This new commission will go the way of all commissions. There are scores of them floating around in space in Washington. We have them on floods, taxes, natural resources, parks, science, labor, schools, health, and what have you.

They are usually set up with fanfare but like fireworks in the night they peter out in the darkness.

Who is the administration fooling?

Someone wisely stated:

> A commission is a group of uninformed, appointed by the unwilling, to do the unnecessary.

When Is a Shortage Not a Shortage?

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. MULTER. Mr. Speaker, the following is an address I made before the National Federation of Independent Scrap Yard Dealers, Inc., at the Hotel Roosevelt, New York City, on May 12, 1956:

Mr. Chairman, distinguished guests, ladies, and gentlemen, although I am very happy to have the opportunity to speak to you tonight, I am not quite so certain that all of you will be very happy with some of the things I have to say, but if all of you like some of the things I say and some of you like all of them, I will be content. If nothing else, I will get you to thinking about the important controversial matters that should concern citizens and taxpayers all of the time, but to which too frequently they pay too little attention except in election year.

It has been my happy privilege to serve for many years on two very important committees of the House of Representatives. One of them is the House Small Business Committee which, as you probably know, is a special committee authorized merely to investigate, study, and report to the Congress on problems affecting small business. The other committee is the Banking and Currency Committee which, despite its name, deals with many important matters other than banking and currency. Some of your members know from experience that we have jurisdiction over all control legislation, and more particularly the Export Control Act, which can and does touch your business rather closely. That is a standing committee which has jurisdiction not only to investigate and study, but also to report bills to the House for enactment into law.

The House Small Business Committee is one of the few committees of Congress which has been truly nonpartisan. I cannot recall a single recommendation from that committee which did not have bipartisan support. The welfare and progress of small business is of the foremost concern to the Nation's economy. Small business has a recognized place in the economic fabric of the United States and is the backbone of the American free enterprise system. However, small business cannot continue to exist nor can it compete with big business in this great age of economic advancement unless small business is given a fair chance and at least an equal opportunity to compete with big business.

The criticisms which have come from the House Select Committee on Small Business were always made constructively, never destructively, and always made without regard to the political affiliations of the appointee against whom directed. Therefore you should bear in mind that if I say something critical it is deliberately intended to be critical but is just as deliberately intended not to be political.

I sincerely believe that my Republican colleagues on the Small Business Committee will endorse what I say. My Republican colleagues on the Banking and Currency Committee may differ with my conclusions or opinions, but none of them can challenge any of the facts that I will present to you.

As the year rolls on you will hear more and more that small business is the backbone of the free enterprise system in our economy and that big business, aided by big business in Government, is more and more throttling small business.

While none of you are "small" in the colloquial sense, all of you are small business in accordance with our legal definition. Each of you represents a business which is independently-owned and not dominant in your industry. The Defense Department had an arbitrary legal definition that any firm with 500 employees or more was not small business, and any firm with less than 500 employees was small. The reason for the change of the definition is important. The Congress found that small business must be protected against the depredations of big business and of big Government, and accordingly enacted into law many aids, safeguards, and even preferences to and for small business. These laws were enacted because the facts as developed in many of our hearings sustained by volumes of testimony and documentary evidence demanded them.

Almost a year ago we enacted a law repealing this arbitrary Defense Department definition and making it mandatory that the definition as cited in the Small Business Act, which I have enunciated before, be uniformly applied in all Government agencies.

Now I do not care whether that policy has not been implemented and enforced by the Defense Department because the Secretary of the Department of Defense, Charlie Wilson, is big business or favors big business or because his subordinates unbeknown to him have failed to do so for fear of antagonizing the boss. You and I are not concerned with the motives, good or bad. We are concerned however that the Congressional committees that urged that policy upon him before enacting the law were told that the policy was a good one and should be the rule. We are more concerned with the simple incontrovertible fact that a concededly good doctrine was not voluntarily effectuated and the Congress was compelled to and did mandate it. The same agency (the Department of Defense) continues to ignore and flout the law. That is typical of how small business is being mistreated by the executive branch of the Government.

We get fine speeches from the top echelon about broadening the base, integrating small business into Government procurement, both military and civilian, and about requiring the big prime contractors to subcontract a fair portion of their contracts to small business.

I was amazed, literally astounded, to find that these high-sounding, well-worded directives of the top echelon of the Department of Defense took 6 to 9 months to reach the personnel in the field and then too frequently they were promptly ignored by the people charged with enforcing them.

I am amused and at the same time terrified by the Government economists who prate about our prosperity and stability. Our national gross income is stable, they tell us. Of course it is when you add big-business incomes to farmers' income to small-business income. The total of this gross is about the same for 1955 as for 1954. But they do not tell us that the gross income of big business is up over $1,200,000,000 and the gross income of the rest of our economy is down by a billion dollars. They tell us that bankruptcies for the whole country are no more than in the previous year. Of course.

But big-business failures have practically disappeared and those of the rest of our economy have nearly doubled.

They tell us that the number of business firms has remained stable in the last few years. That is, there has been no change.

They do not tell you that in the prior 3 years our economy grew to the extent of 50,000 new firms a year.

The distressed condition of the small-business community is ample proof of the ineffectiveness of the present administration in dealing with small-business problems.

In the first 6 months of 1952 firms with $250,000 in assets netted profits, after taxes, of close to $175 million. Last year for the same period they netted only $60,000,000. From 1952 to 1955 these small-business firms had 40 percent less funds available for reinvestment and expansion. Nineteen hundred and fifty-five saw an increase of $4 billion in profits after taxes for big business.

A recent survey has shown that 10,000 small companies will need $100 million this year to fulfill their contracts.

Big business can borrow long-term money at low rates from the insurance companies; they can sell bonds to the banks and investment houses or sell stock to underwriters and the public. Small business does not have these opportunities.

If your bankers have not told you yet, they will. They will say: "The Secretary of the Treasury and the Federal Reserve Board are afraid of inflation. They are tightening up on credit. They are raising reserve requirements so we will have less to lend. They are making us buy more Government bonds for the same reasons. They are raising the discount rates so we must charge you more interest so you cannot afford to borrow."

When new buildings are being constructed there is an increased demand for steel. When there is an increased demand for steel there is an increased demand for your product. Stop the new building and you reverse the trend. That is precisely what this administration has done. Without mortgage money there can be no building. Therefore less steel and less scrap is needed. Last year it was anticipated that there would be new building starts in 1956 of anywhere from 1,200,000 to 1,300,000. At the beginning of this year the estimate was revised downwards to 1 million starts. The April statistics indicate there will be a drop of 50 percent in many high-production areas. The reason—no mortgage money. The reason for no mortgage money can be laid directly at the door of this administration.

Congress set up a Small Business Administration, which should be able to help you, but don't be too optimistic about that. The Secretary of the Treasury and the Secretary of Commerce, both big-business men, control the Loan Policy Board of that Administration. Believe me, the Congress wants the Small Business Administration to succeed in serving you.

If it does not serve you, it is not for want of a good law. The authority is there, and the money is there. We cannot compel the administration to do a good job. Under our system of government the Congress enacts the laws, the President and his appointees execute and administer them.

It is safe to say that in the field of industry there are certain jobs which are so tough that only the small-business man can be persuaded to take them over. Your business is a typical illustration. The scrap dealers of America perform a vital, but I am afraid at times, a thankless job for the American economy. Scrap, whether it is steel, copper, aluminum, or the other metals, must be gathered and put back into our productive economy, if our economy is to survive.

This is especially true today when we are undergoing a period of great demand and great expansion for primary metals, which, in turn, has resulted in an acute shortage of these metals. We became aware of the importance of scrap during the war; we are now learning that it is just as important to our civilian economy, as it was to our wartime economy.

I regret to say that there appear to be many in responsible positions in the present administration who regard the small-business men who are engaged in the scrap industry as country cousins of the large integrated producers. They are to be tolerated but not actively supported or helped.

In the main, stockpile policy, export policy, and Government aids to production appear all to be weighted in the favor of large integrated producers; but if the American economy and our ability to successfully defend ourselves in times of war requires policies designed to encourage and protect large integrated producers, it also requires the same policies to encourage and protect the other equally important segments of the industry—small-business men who reclaim scrap and the small-business men who are dependent upon such scrap for their sources of supply.

Unfortunately, the Government not only fails to take positive steps to aid such small-business people but also does not even try to understand their problems. It has not gathered adequate facts or information upon which to make any determination about action to aid them. An example well known by all of you is the fact that there has not yet been completed by any Government agency an adequate survey of steel scrap available in the United States and the statistical position of steel-scrap dealers in our economy.

The House Small Business Committee has received numerous complaints from both the small-business men in the steel industry who are the nonintegrated producer and the small-business men who are the scrap dealers. The interests of these two groups would appear to be in conflict; but no real answer can be given because Government agencies have not bothered to gather the facts.

It is impossible to get any factual basis for departmental decisions. I am safe in charging that at least as to scrap metals, they appear to be operating in a vacuum.

Of course there is another problem of scrap dealera which I am afraid does not get too much sympathetic understanding—especially from the producers. That is the fact that you are an intensely competitive industry, and very sensitive to the laws of supply and demand. Nobody, of course, complains when the laws of supply and demand force your prices down to low and almost ruinous levels. However, if the same laws force the price of scrap up, the hue and cry is raised that prices are too high. If you must bear the risk of a low price, you are certainly entitled to the benefits of a high price where it la the result of competitive adjustment to the laws of supply and demand.

There is here involved, however, another extremely important point which your members of this industry know full well, but which the executive departments of our Government completely ignore. They certainly give no evidence of paying any attention to it. I now am talking about our national security.

If you think I am playing politics with anything so vital, let me assure you that I place our Nation's interest first. That party politics is always placed in a secondary position by me under such circumstances is best evidenced by the record I made aa an active member of my committees, when I tore into Democrats and Democratic appointees under similar circumstances.

I will content myself now with placing before you the simple facts as they are documented before the Congress and you draw the conclusions.

Four times in a comparatively short time scrap was in such short supply as to require embargoes against its export.

Now, don't misunderstand. I am not now urging an embargo. The responsibility of that decision is not mine. But if it were, I could not make it, because of lack of information.

What is worse is that the executive departments charged with getting the information and making the decision do not have the facts and have not sought to obtain them.

Please send for the hearings before the House and Senate Banking and Currency Committees of this year and read them.

We have on the statute books of our country two laws which are about to expire and which are about to be extended by the Congress. Both deal with scrap metals. Neither law should be extended unless there is a shortage or a potential shortage. The fact gathering for the basis of congressional action as well as Presidential executive departmental action is vested in the Department of Commerce, headed by big businessman Secretary Weeks.

Now let's observe how he performs his function.

When our Small Business Committee was flooded with complaints about scrap metals we went to the Government sources for our answers. We got a lot of gobbledegook by way of reply.

Secretary Weeks last December said, and I quote: "The steel scrap export situation has been under close surveillance and virtually continuous review for more than a year and a half."

Excellent. Certainly here come the facts. Listen to the next sentence from the same letter. Again I quote:

"Within the last 2 weeks, I have instructed the Business and Defense Service Administration in conjunction with the representatives of large and small members of the iron and steel industry to make an immediate and exhaustive review of all the current aspects of the domestic scrap situation, including supply, consumption, and future requirements."

Fine. After all, let us be fair. I concede that a year and a half of close surveillance is not immediate. But tell me, What was it if it wasn't an exhaustive review?

Surely, it was not boondoggling.

But didn't the Secretary also say it has been under virtually continuous review? Then why another review?

You would go broke, if you operated that way. But you are only small business and this is the way big business operates your Government.

I am going to be charitable. Christmas was only 2 weeks away when he ordered the survey. Christmas came and went and so did Easter, and still no answer.

In the meantime, the first of the laws I mentioned before is called up before the House Banking and Currency Committee for extension. Secretary Weeks sends up his Assistant Secretary to tell us the law should be extended for 3 years, that is the law under which you get your scrap export licenses and under which the Secretary can say how much, if any, scrap may be exported.

He tells us it is a good law, a workable law, it gives him all the authority he needs, just extend it for 3 years. You need not be a legislator to know that a man really must be a prophet to look ahead that far and say he needs an emergency measure for that many years.

Not pretending to have any prophetic powers, I say to the Department representative: Please give us the facts for this record. If they are classified or secret, say so, and we will take them in executive session. Oh, no, they say, they are not in that category, you can have them.

Fine. Come on. Give out. We are all ears.

Oh, wait a minute. Mr. Congressman, we don't have the facts.

I quote from Secretary McClellan speaking for his boss, Secretary Weeks:

"Secretary McCLELLAN. * * * What that major inventory is nobody knows. It has never been taken in this country, and to my knowledge in any other. I think it would be helpful if we could get it, but that is the inventory which we do not have.

"Mr. Multer. Isn't your Department in a position to get that information?

"Secretary McClellan. No, sir; not yet.

"Mr. Multer. Why not?

"Secretary McClellan. We don't have the information. (Appropriation.)

"Mr. Multer. Has your Department asked for the appropriation to get it?

"Secretary McClellan. I don't believe so specifically.

"Mr. Multer. Then I don't think it is fair for you to tell us you can't get it, because you don't have the money and your Department has not asked for the money for that. This is an item of information you should get and you can't get it unless you get money. I think you should go before the Appropriations Committee to get the money.

"Secretary McClellan. That may be forthcoming.

"Mr. Multer. Have you any idea when?

"Secretary McClellan. No, sir. I am not even certain that it will, but I think that it is one of the elements in this particular thing which has to be taken into account. It is the one unknown factor, which up to this time has only been estimated and never really evaluated specifically.

"Mr. Multer. Can you tell us for how long your Department has felt that that was information you should have?

"Secretary McClellan. I know ever since we have been concerned with the steel-scrap situation, we have tried to evaluate what that market is, but without inventory.

"Mr. Multer. How long is that period of time?

"Secretary McClellan. To the best of my knowledge, it has gone back for at least a year or year and a half that we have been worrying about that. We have sought the cooperation of the people in the industry, to help us evaluate that inventory."

But let us not overlook that he nevertheless insisted throughout his testimony that there was no shortage of steel scrap. I begged, I pleaded, I hammered. He stuck to his guns.

That was his testimony on February 23, 1956. He had the last word as follows, and I quote again: "That is an unknown factor, but one we are convinced in the light of the record is adequate at this time." Remember he was talking about steel scrap.

That is certainly a positive enough statement even though the factual vacuum is still present.

In April 1956, we move over to the House Ways and Means Committee. It is considering the second of the two bills I mentioned.

This bill (H. R. 8636) is to extend for 1 year—note how much more realistic the Executive has become—not 3 years, but 1 year, the lifting or exempting of payment of custom duties and import taxes on scrap metals being brought into this country. The only reason for that being done is because there is a shortage.

Accordingly, Secretary Weeks writes to the Ways and Means Committee. On April 17, 1956, he answers the committee's inquiry of January 26, 1956, and says, quote:

"The Department of Commerce favors enactment of H. R. 8636 because the types of metal scrap (e. g., iron, steel, aluminum, magnesium, molybdenum, and nickel) covered by the bill are in short supply. The continued suspension of the duties and taxes should encourage imports and increase the amounts of these raw materials to domestic industries. * * *"

He also tells us that the Bureau of the Budget (that means the President) approves his report just quoted from.

You may indulge the assumption that it took 3 months to answer an inquiry about what has been continuously examined, reviewed, and surveyed while the Department made an inspection. I use that word for lack of a better one to give the Department credit for doing something additional about the matter.

They are on the ball now. So I walk across the Capitol to the Senate Banking and Currency Committee which, on April 19, 1956, is hearing witnesses on H. R. 9052. Remember that is the one in which the House Banking and Currency Committee was told by Secretary Weeks' Commerce Department there is no shortage of steel scrap.

Finally and at last. Now we will get the facts. Listen. Secretary Weeks' Commerce Department speaking, quote:

"As regards the depletion of our national inventory, we find ourselves in a position of not having sufficient information either in Government or in industry to arrive at a sound judgment."

Twice during our lifetime, scrap has gone abroad only to be converted into bullets, bombs, and armaments with which to kill and maim our boys.

I know of no group of men and women that is more patriotic than you, or who would not sacrifice their business when the safety and security of our country require it. You have done that before and you are ready to do it again, if necessary. But for God's sake, for the sake of our great country, let us at least get at the facts.

I am sure you are as terrified and as horrified as I am at this disclosure.

Congress can only make the laws. It cannot enforce or administer them. At the risk of being accused of partisanship, I say the only remedy available to us is to elect to the presidency of our great country a man who will make appointments to high Government positions of only such men who understand the needs of our country and of all of its people, big and small alike, and who will devote themselvse to executing our laws in the spirit in which they were intended to operate, doing the greatest good for the greatest number.

I apologize for having introduced such a somber note into what was intended to be a festive evening. Thank you for listening to me.

SENATE

Wednesday, May 16, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Joseph Joshua Mundell, assistant pastor, Sacred Heart Shrine, Washington, D. C., offered the following prayer:

Almighty and merciful God, the true fountain of light and only author of all knowledge, vouchsafe, we beseech Thee, to enlighten our understandings and to remove from us all darkness of ignorance.

Thou who makest eloquent the tongues of those that want utterance, direct our tongues and pour on our lips the grace of Thy blessing. Give us a diligent and obedient spirit, quickness of apprehension, capacity of retaining, and the powerful assistance of Thy holy grace, that what we hear or learn we may apply to Thy honor and the eternal salvation of our souls. And may the blessings of Almighty God, the Father, the Son, and the Holy Spirit, come down upon us now and forever. Amen.

THE JOURNAL

On request of Mr. Johnson of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 15, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. Johnson of Texas, and by unanimous consent, the Armed Services Subcommittee investigating the Air Force, the Juvenile Delinquency Subcommittee and Internal Security Subcommittee of the Committee on the Judiciary were authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Liquidation of Reconstruction Finance Corporation

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the liquidation of the Reconstruction Finance Corporation, for the quarter ended March 31, 1956 (with an accompanying report); to the Committee on Banking and Currency.

Report of Board of Trustees of Federal Old-Age and Survivors Insurance Trust Fund

A letter from the Managing Trustee and members of the Board of Trustees of the Federal Old-Age and Survivors Insurance

Trust Fund, transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Finance.

Audit Report on Government Printing Office

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Government Printing Office, for the fiscal years ended June 30, 1954 and 1955 (with an accompanying report); to the Committee on Government Operations.

Provision of War-Risk, and Certain Marine and Liability Insurance for American Public

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, dated March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Lt. Col. Arnol A. Amunrud

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Lt. Col. Arnol A. Amunrud (with an accompanying paper); to the Committee on the Judiciary.

Report of Board for Fundamental Education

A letter from the firm of Ross, McCord, Ice & Miller, of Indianapolis, Ind., signed by Donald F. Elliott, Jr., transmitting, pursuant to law, an audit report of the Board for Fundamental Education, prepared by George S. Olive & Co., certified public accountants, for the 18 months' period ended December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Banking and Currency:

> "Resolutions memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts
>
> "Whereas it is proposed to raise rents in certain housing projects in the Commonwealth of Massachusetts; and
>
> "Whereas such action at this time would be unfair, unjust, and inequitable; and
>
> "Whereas before any action is taken by any housing authority a complete investigation should be made: Therefore be it
>
> "*Resolved*, That the House of Representatives of the General Court of Massachusetts memorializes the Congress of the United States to immediately take action to prevent a raise of rents at this time and to cause an investigation to be made of the proposed rent increases; and be it further
>
> "*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, to the members thereof from this Commonwealth, and to the Federal Housing Authority in the District of Columbia and the city of Boston."

A resolution adopted by the Republican Club of Castro Valley, Calif., favoring enactment of the bill (H. R. 3) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws; to the Committee on the Judiciary.

DEATH OF THE LATE SENATOR BARKLEY OF KENTUCKY—RESOLUTION

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the Record, and appropriately referred, a resolution adopted by the board of directors of the Burley Tobacco Growers Cooperative Association, Inc., expressing appreciation of the splendid efforts of the late Senator Alben W. Barkley, of Kentucky, in behalf of agriculture.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the Record, as follows:

Resolution of Burley Tobacco Growers Cooperative Association

The death of Senator Alben W. Barkley brought to an end a career of 50 years in public office marked by his effective championship of the proper application by Government of the principles of the democratic philosophy to the problems and concerns of common people and by his recognized superior leadership in the councils of his party and of his country.

A better and happier existence for all engaged in the basic industry of agriculture was one of the dominating desires of his life and particularly in the field of tobacco did he contribute his most vigorous and effective work to that end. Raised in the "tobacco patch" and for that reason acquainted at first hand with the adversities and hardships of tobacco growing, the plight and plea of the tobacco farmer always aroused sympathetic response in the mind and heart of the man who was regarded by so many as the Nation's greatest legislator. To Alben W. Barkley much credit is due for the legislative reforms and programs which have brought to the tobacco growers of the Nation stability of income which contributes measurably to the better and happier life for them which he desired and worked for throughout his whole career. His like will not soon succeed to the large role his death vacates. Therefore be it

Resolved by the board of directors of the Burley Tobacco Growers Cooperative Association of Lexington, Ky., That in the passing of Alben W. Barkley, the tobacco growers of Kentucky and of the Nation have lost a friendly and effective champion of their cause in the Congress but his great efforts in the half century of public service will continue in the future to yield untold profits and benefits to all who engage in growing tobacco.

It is ordered that a copy of this resolution be entered upon the permanent records of the association and a copy be sent to the family of Senator Barkley.

John Jones,
John M. Berry,
W. L. Staton,
Executive Committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

S. 3101. A bill to authorize construction by the Secretary of the Interior of the Crooked River Federal reclamation project, Oregon, (Rept. No. 2007); and

H. R. 1779. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon, (Rept. No. 2008).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with an amendment:

S. J. Res. 143. Joint resolution to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by the A canal under the jurisdiction of the Bureau of Reclamation (Rept. No. 2009).

(See the remarks of Mr. Neuberger when he submitted the above reports, which appear under a separate heading.)

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 5478. A bill to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation (Rept. No. 2010); and

H. R. 6084. A bill to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District (Rept. No. 2011).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 4656. A bill relating to the Lumbee Indians of North Carolina (Rept. No. 2012).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3149. A bill to amend the Civil Aeronautics Act of 1938 in order to permit certain air carriers to grant free or reduced rate transportation to ministers of religion (Rept. No. 2013).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Res. 259. Resolution to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document;

S. Res. 262. Resolution authorizing the printing of a revised edition of Senate Document No. 85 as a Senate document and providing for additional copies; and

H. Con. Res. 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means.

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Res. 251. Resolution to print additional copies of a report of the Committee on the Judiciary on its study of antitrust laws:

S. Con. Res. 77. Concurrent resolution authorizing the printing of additional copies of parts 6, 7, and 8 of the hearings on the study of the antitrust laws of the United States.

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 266. Resolution to print for the use of the Committee on the Judiciary additional copies of part 7 of the hearings before the Subcommittee on Improvements in the Federal Criminal Code.

REPORT OF BILLS AND JOINT RESOLUTION ON CROOKED RIVER PROJECT, WAPINITIA PROJECT, AND KLAMATH FALLS "A" CANAL

Mr. NEUBERGER. Mr. President, by direction of the Committee on Interior and Insular Affairs, I submit reports on 3 measures of great importance to each of 3 important sections of the State of Oregon. These measures are favorably reported by the committee, with the recommendation in each instance that they do pass. Each of the measures was sponsored by the distinguished senior Senator from Oregon [Mr. Morse] and myself, and received the unanimous approval of the Committee on Interior and Insular Affairs. The measures are:

S. 3101, to authorize construction by the Secretary of the Interior of the Crooked River Federal reclamation project on the Ochoco Creek and Crooked River, the latter a tributary of the Deschutes River of the Columbia River system in Oregon. The project includes a service area of approximately 20,000 acres, of which 10,220 acres are now irrigated with an inadequate water supply. The project will cost slightly more than $6.5 million, of which the major portion will be repaid by the water users. Slightly less than $2½ million of the cost will be repaid from surplus power revenues of the Dalles Dam powerplant on the Columbia River, now under construction. Authorization of the project has the unanimous support of the people of the Prineville area of the Crooked River Valley. When completed, the project will make an important contribution to the economical and agricultural stability of the community.

The next project is the Juniper Division of the Wapinitia project in Wasco County, Oreg. The senior Senator from Oregon [Mr. Morse] and I sponsored S. 2234, which would authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of this project. The House of Representatives, on February 20, 1956, passed an identical bill, which was referred to the Committee on Interior and Insular Affairs. Under the Senate procedures, the committee reported H. R. 1779, which was sponsored in the House by Representative Coon.

The third measure is Senate Joint Resolution 143, which directs the Secretary of the Interior to develop the best plan for eliminating hazards to the public from the operations of canal A of the Klamath irrigation project in the city of Klamath Falls, Oreg. More than 25 persons have been drowned in the canal in the 38 years of its operation. Many of these persons were children, and the tragedies have aroused the community to the point that action is demanded. It is the hope of the senior Senator from Oregon [Mr. Morse] and myself that the Interior Department, through the Bureau of Reclamation or otherwise, will proceed promptly to develop a plan for removal of this hazard; and that the city of Klamath Falls, the county of Klamath, the irrigation district, and all other organizations, as well as individuals, will cooperate in developing an effective method of removing the hazard. The joint resolution authorizes an appropriation of $5,000 of nonreimbursable funds to defray the cost of the investigation and report.

The PRESIDENT pro tempore. The reports will be received, and the bills and joint resolution will be placed on the calendar.

DOROTHY ATKINSON

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 267) to pay a gratuity to Dorothy Atkinson, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Dorothy Atkinson, executrix of Harry Colder, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRICKER:

S. 3859. A bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. Bricker when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. 3860. A bill to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Lehman when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 3861. A bill for the relief of Michael F. Corrigan and Louise A. Corrigan; to the Committee on the Judiciary.

By Mr. MONRONEY:

S. 3862. A bill for the relief of George Rudolph Bogdanich; and

S. 3863. A bill for the relief of Kobayashi Takayashi; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 3864. A bill to prevent discrimination against fiscal year taxpayers with respect to depletion allowance; and

S. 3865. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before the date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Finance.

By Mr. CHAVEZ (for himself and Mr. Martin of Pennsylvania):

S. 3866. A bill to facilitate the making of lease-purchase agreements by the Administrator of General Services under the Public Buildings Act of 1949, as amended, and by the Postmaster General under the Post Office Department Property Act of 1954, and for other purposes; to the Committee on Public Works.

By Mr. LONG (for himself and Mr. Ellender):

S. 3867. A bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico; to the Committee on Public Works.

(See the remarks of Mr. Long when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT (for himself and Mr. Capehart):

S. 3868. A bill to extend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

(See the remarks of Mr. Fulbright when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. J. Res. 173. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

(See the remarks of Mr. Mundt when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MANSFIELD:

S. J. Res. 174. Joint resolution providing for a study of the possibility and desirability of establishing a University of the Americas; to the Committee on Foreign Relations.

(See the remarks of Mr. Mansfield when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

The following resolution was reported and placed on the calendar:

By Mr. GREEN, from the Committee on Rules and Administration:

S. Res. 267. Resolution to pay a gratuity to Dorothy Atkinson.

(See resolution printed in full, which appears under the heading "Reports of Committees.")

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO RESTRICTIONS ON OWNERSHIP OR CONTROL OF BROADCAST STATIONS

Mr. BRICKER. Mr. President, I introduce, for appropriate reference, a bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes. I ask unanimous consent to have printed in the Record an explanation of the bill which I have prepared.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the Record.

The bill (S. 3859) to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes, introduced by Mr. Bricker, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. Bricker is as follows:

Explanation of the Attached Proposed Amendment to Section 307 of the Communications Act in Aid of Independent Television Stations

These amendments are intended to require the Federal Communications Commission to exercise its television license granting functions in such manner as to encourage competition in the national television industry by facilitating the growth of independent station operations and removing the restrictions which now preclude them from achieving competitive equality with station owners presently dominating and controlling the industry. This would be accomplished by prohibiting the Commission from adopting rules or policies setting abstract numerical limits upon the number of stations which any one person may own or control, entirely unrelated to factors of populations and markets covered by such stations, and by substituting for such sterile abstraction a realistic and workable public interest criterion of maximum coverage or service to 25 percent of the country's population.

Subsections (f) and (g) are designed and intended to permit independent television operators to acquire sufficient television outlets to become competitive with the few

dominant licensees in the industry today, without the meaningless and arbitrary restrictions upon ownership presently enforced by the Communications Commission.

Section 3.63 (a) (2) of the Commission's rules now limits to five the number of VHF television stations which any one person may own, control, or hold any stock or office in. This limit of 5 stations inflexibly applies whether such stations are located in the 5 largest cities of the country or in the 5 smallest cities, and whether the 5 stations in the aggregate cover 50,000 or 50 million persons.

The history of the television industry has shown that the three national television networks (NBC, CBS, and ABC) have been able to build or purchase their 5 stations in the country's top markets, thus permitting each network to cover from 25 to 40 million persons with its owned stations. Such stations have been built or purchased as allegedly necessary adjuncts of the companies' networking businesses. Through their station ownership in the top markets and through their networking operations, such networks now receive far greater amounts of advertising revenues than any independent operators.

Very few independent television operators, for financial reasons, are able to purchase large market VHF stations. If they desire to purchase stations they must do so in the smaller markets and receive smaller population coverage per station. Accordingly, an independent operator purchasing his limit of 5 VHF stations in the smaller markets cannot hope even to approach the coverage of any 1 of the 3 national networks.

These amendments would invalidate the Commission's limit of 5 VHF stations to 1 person, and substitute therefor a more realistic and beneficial criterion of maximum total net coverage of 25 percent of the country's population by stations controlled by 1 person. Inasmuch as relative financial position of station operators is determined by reference to total net populations covered, rather than total number of stations, population coverage is the only realistic and meaningful criterion available.

By substituting maximum net population coverage for the arbitrary maximum of five stations as the public interest criterion of multiple station ownership, the independent operator would then have the opportunity to become competitive in size with the networks, even though he cannot afford to buy the lucrative stations in the top markets. As a byproduct an independent operator can then become a network operator and thus a competitor of the present networks, thereby making available an additional source of network program material so vitally necessary to the life of television stations presently without network affiliation. The maximum figure of 25 percent would not render unlawful the holdings of any present licensee. NBC, the largest station owner in terms of populations covered, includes 23 percent of the country's population within the service areas of its owned stations.

Although these amendments would establish an upper limit of coverage to 25 percent of the country's population, it provides that the Commission is nevertheless still permitted to make the public interest determination of whether, in working toward such goal, an applicant's proposal would substantially lessen competition or tend to create a monopoly. The retention of this power by the Commission is believed necessary to restrain applicants taking undue advantage of the removal of the numerical limitation on station ownership by concentrating too many stations in a limited area.

The total end result intended to ensue from the enactment of these amendments would be a regulatory climate permitting and encouraging increased competition in the entire industry, with a more equitable and broad-based distribution of available television advertising revenues, and the formation of additional new competitive network organizations to provide for the programing needs of existing and future independent television stations.

SPECIAL SERIES OF STAMPS COMMEMORATING 100TH ANNIVERSARY OF FOUNDING OF VASSAR COLLEGE

Mr. LEHMAN. Mr. President, I introduce for appropriate reference, a bill to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College. I ask unanimous consent that the bill, together with a short statement I have prepared, be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the Record.

The bill (S. 3860) to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College, introduced by Mr. Lehman, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to prepare for issue, on as early a date as practicable during the year 1961, a special series of postage stamps, of such appropriate design and of such denomination as he shall prescribe, in commemoration of the 100th anniversary of the founding of Vassar College.

The statement presented by Mr. Lehman is as follows:

Statement by Senator Lehman

I have introduced a bill authorizing the Postmaster General to issue, in the year 1961, a special stamp to commemorate the 100th anniversary of the founding of Vassar College.

Vassar College was not, of course, the first college for women to be founded in the United States. However, it has long been regarded as the first institution whose faculty, course of study, and equipment were comparable to the finest men's colleges in the country. The contributions which Vassar College has made to the educational scene since its founding have fully justified its reputation as one of our finest institutions of learning. I think the issuance of this commemorative stamp during its anniversary year, 1961, would be a fitting tribute.

I am aware of the fact that the Postmaster General is asked to issue a vast number of commemorative stamps each year and I know that it is impossible for him to comply with all of these requests. I feel, however, that this event is so significant as to warrant its favorable consideration by the Congress. I hope, therefore, that my proposal will be approved without delay.

BARATARIA BAY WATERWAY, LA.

Mr. LONG. Mr. President, on behalf of myself and my colleague, the senior Senator from Louisiana [Mr. Ellender], I introduce, for appropriate reference, a bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico. I ask unanimous consent to have printed in the Record a statement, prepared by me, relating to the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the Record.

The bill (S. 3867) to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico, introduced by Mr. Long (for himself and Mr. Ellender), was received, read twice by its title, and referred to the Committee on Public Works.

The statement, presented by Mr. Long, is as follows:

Statement of Senator Long

In introducing a bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico, I desire to call attention to the importance of this project at this particular time in the development of our inland waterway system.

At the present time, there is no means by which barge traffic drawing in the neighborhood of 12 feet of water, and operating into and out of the Gulf of Mexico along the southern border of the State of Louisiana, can enter our inland waterway system except through the long route of the Mississippi River or through the deep-water Calcasieu Channel near Lake Charles. These two waterways are at the extreme eastern and western boundaries of the State.

For some time, growing oil and allied traffic has been in great need of a short route to connect the site of their operations in the general vicinity of New Orleans with the Intracoastal Waterway. In line with this growing need, authority was granted to the Corps of Engineers several years ago to initiate a necessary preliminary survey, with a view to determining the most advantageous route to achieve this purpose.

The Corps of Engineers, having completed this survey and a subsequent study of this proposed waterway, has issued a Public Notice of a favorable survey report. This notice, signed by the Division Engineer of the Lower Mississippi Valley Division, Vicksburg, Miss., recommends a plan for the modification of the existing project.

This plan is a channel 12 feet deep and 125 feet bottom width, from the Intracoastal Waterway in the general vicinity of Barataria, La., and proceeds in a southeasterly direction following old waterways to Barataria Bay. It proceeds along the western side of Barataria Bay, passes to the east of Grand Isle through Barataria Pass to the 12-foot contour of the Gulf of Mexico. The total distance of the waterway is approximately 35 miles, and the estimated first cost is $1,697,000 to the United States and $242,000 to local interests, with an estimated $80,000 annual cost to the United States for maintenance.

Being familiar with the demands for a short protected route to handle the barge traffic in this vicinity, my colleague Senator Ellender, who joins me in presenting this bill, and I, urge the prompt authorization of this project. We feel that in a very short period of time this project will become an integral part of the inland waterway system that is performing such an important job for our Nation today.

EXTENSION OF EXPORT-IMPORT BANK ACT OF 1945, AS AMENDED

Mr. FULBRIGHT. Mr. President, on behalf of myself and the Senator from Indiana [Mr. Capehart], I introduce, for appropriate reference, a bill to extend the Export-Import Bank Act of 1945, as amended. I ask unanimous consent to have printed in the Record a letter from the President of the Export-Import Bank of Washington, relating to the bill, be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the Record.

The bill (S. 3868) to extend the Export-Import Bank Act of 1945, as amended, introduced by Mr. Fulbright (for himself and Mr. Capehart), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter, presented by Mr. Fulbright, is as follows:

Export-Import Bank of Washington,
Washington, D. C., May 16, 1956.
The Honorable J. W. Fulbright,
Chairman, Committee on Banking and Currency, United States Senate.

Dear Senator Fulbright: There is enclosed herewith a copy of a draft bill which would extend for 5 years, from June 30, 1958, to June 30, 1963, the period within which Export-Import Bank of Washington may make loans.

The Bureau of the Budget has authorized the submission of this draft bill to the Congress as in accord with the program of the President. The bill is in harmony with the Economic Report of the President, transmitted to the Congress January 24, 1956, in which, on page 91, it is recommended that the lending authority of Export-Import Bank of Washington be extended beyond June 30, 1958.

The present limiting date of June 30, 1958, is restrictive of the ability of the bank to exercise its functions as prescribed by the Congress, and to obtain and retain the services of qualified personnel.

The limitation is especially restrictive in the field of financing large industrial or development projects abroad in conjunction with American firms. Many of these projects require a period of more than 2 years for completion. This is particularly true of electric power installations, heavy industry plants, and mining developments, in which fields there has been a substantial increase in the number of applications presented to the bank for consideration.

While from a strictly legal standpoint, the bank considers it has authority, after the statutory expiration date for making loans, to make disbursements against commitments made prior thereto, applicants are concerned over the possibility that the statutory limitation may interfere with their full utilization of the credit. In large development and project loans, interim financing is often used by the United States firm involved, and many use letters of credit, which, under present limitation, are required to have a termination date prior to June 30, 1958. Many firms assert that this is not conducive to normal and orderly procedures in construction, and is restrictive.

Action by the Congress at this time to extend the period for making loans would eliminate any question as to the availability of funds to complete projects, and enable the Bank to continue to consider on the merits applications for credits for projects requiring long construction periods.

The Advisory Committee to the Export-Import Bank, appointed pursuant to the 1954 amendment to the Export-Import Bank Act of 1945, has recommended that the bank request the enactment of the proposed legislation at this session.

In a similar situation, the bank, in May 1951, requested and the 82d Congress on October 3, 1951, approved a bill extending the lending operations of the bank from June 30, 1953, to June 30, 1958, thus taking action 2 years prior to the then expiration date for the bank's operation.

If any assistance is desired in connection with this draft bill it is hoped that you will not hesitate to call upon the directors and officers of the bank.

Sincerely yours,
Samuel C. Waugh,
President.

PROPOSED AMENDMENT OF CONSTITUTION RELATING TO ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. MUNDT. Mr. President, I ask unanimous consent to proceed for 6 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. MUNDT. Mr. President, I introduce, for appropriate committee reference, a joint resolution proposing a change in the method of electing the President and Vice President, by amending the Constitution of the United States.

I am introducing this new joint resolution at this time so that it may be studied, along with other proposals, as a part of the general subject of electoral reform recommitted to the Committee on the Judiciary on March 27, last. Unless the Committee on the Judiciary should so desire, it is not my intention to press for action on the resolution at this session. I should like to have it printed and available for study, however, and for that reason I would like to give a brief explanation of it at this time.

This proposal simplifies, and considerably shortens, the electoral reform resolution which was supported by a 48-to-37 rollcall vote on March 27 in this Chamber. It is framed to meet objections of many Senators who, at that time, declared themselves in favor of electoral reform, but did not like one or more provisions of the measure then under consideration.

I feel that the proposal I am now introducing will accomplish the badly needed objective of electoral reform; yet it contains none of the defects which evoked objections to earlier resolutions.

First of all, the joint resolution which I am introducing is framed to make mimimum changes in the Constitution. It will supersede present provisions of the Constitution in only three places; these are in paragraph 2, section 1, of article II in the 12th article of amendment; again, very briefly, in the 20th article of amendment.

The resolution provides, simply, that two of each State's quota of presidential electors be chosen by statewide popular vote, just as United States Senators are elected. For the remaining electors to which each State is entitled, my resolution provides that they shall be elected from single member election districts established by the State legislatures. It further provides that these single member districts shall contain, "as nearly as practicable," the number of persons which entitles the State to one Representative in the Congress of the United States. It also provides that these districts, once established, shall not be altered until another census has been taken.

In the event a State legislature fails to establish single member districts in accordance with constitutional standards, it is provided that the Congress may do so, upon petition by one-fifth of the membership of the legislature of the State.

Section 2 of my joint resolution provides for the contingent election of the President and Vice President by a joint session of Congress, if no candidates receive a majority of the electoral votes. In such a case, the President, or Vice President, or both, shall be chosen from those candidates for each office receiving the three highest numbers of electoral votes.

Mr. President, the joint resolution which I am proposing, if adopted by a two-thirds vote of the Congress and ratified by three-fourths of the State legislatures, would in truth give candidates in all the States an equal opportunity to be nominated for President, as the Constitution intended.

The joint resolution would exactly equalize the weight, importance, and effect of each ballot of each voter cast in a presidential election, no matter where he lives.

The joint resolution would end the unfair, unrepresentative, and distorted general ticket system, whereby a State's entire electoral vote is cast for the candidate who receives, perhaps, a single popular vote plurality in a contest involving millions of votes, thus virtually disenfranchising all other voters.

No longer would one area of the country dominate the election of a President, under this resolution. The so-called pivotal States could no longer swing an entire national election. No State would be pivotal. No State would be unimportant.

When the Daniel-Mundt-Thurmond "compromise" resolution was before the Senate last March, many Senators who sincerely wanted electoral reform, complained because this proposal offered States their choice of two ways to divide electoral votes: proportionally, by statewide election, or by congressional districts. These Senators argued that State legislatures might be found frequently shifting back and forth between the two systems, as political fortune dictated advantages.

Others protested that selection of the statewide proportional procedure for dividing electoral strength might someday lead to abandonment of congressional districts in electing Members to the House of Representatives.

Still others argued that the practice of legislative gerrymandering of congressional districts would be sharply increased in those States which chose to use the district system.

The joint resolution which I am introducing today meets all three of these objections. In the first place, it proposes a single method to be used by all States in dividing their electoral strength. Secondly, it retains the district system of choosing presidential electors. Finally, it provides equitable standards for the establishment of special districts for presidential electors in each State; and for "freezing" such districts between national censuses. Upon petition from the

State it provides that Congress can correct any failures of States to conform to the constitutional standards.

I have discussed my resolution with others who sincerely want to change the unfair procedure by which we elect Presidents and Vice Presidents today. We feel that in this resolution we have met the objections of those who really want electoral reform but could not bring themselves to support earlier, more complex proposals. I urge careful study of this proposal.

I should add, Mr. President, that Senator Strom Thurmond, who was one of the coauthors of the joint resolution we had before us in March, called me from his home in South Carolina yesterday and told me I could advise the Members of this body that this new joint resolution has his approval and that he expects to join me as a cosponsor of it when he returns to the Senate next January.

Mr. President, electoral college reform is long overdue in this country. It is the essence of un-Americanism to perpetuate a system wherein a single voter in New York State when he marks his ballot exerts 15 times the influence in his choice for President that is exerted by a single voter in Delaware. It is similarly unjustifiable to continue an electoral system which has grown up like Topsy in this country—never so intended by the Founding Fathers of our Constitution—whereby a single voter in New York State puts into operation 45 solidified electoral college votes to be cast en bloc for the winning candidate in his State while an equally important and intelligent American citizen voting in Delaware puts into operation by his ballot only 3 such electoral votes; a voter in South Dakota activates only 4 such votes; a voter in New Hampshire likewise determines the direction in which only 4 electoral votes will be cast; in Vermont and Wyoming each voting citizen controls only 3 electoral votes—and so it goes.

With equally patriotic and determined citizens of every State having the degree to which their cherished individual franchise is weighed and counted arbitrarily determined by the number of Senators and Representatives in his particular State, we confront a situation in our country in which "all men are created equal" that operates to give completely unequal and irrational weight to the votes of certain citizens compared with those of other citizens in other States. My joint resolution would correct all this.

Each State would continue to have its same quota of electoral votes but by eliminating the bloc system and the unit rule by which they are cast on the basis of a statewide plurality for one candidate or another, and voting for President electors by presidential election districts we shall provide for that equality of citizenship to which our Republic is dedicated and give each citizen of the United States the same authority, the same power and the same influence in determining who shall be President and Vice President of the United States. This is an objective toward which all freedom-loving Americans should energetically aspire.

It is not my purpose to review all of the persuasive and important arguments in support of electoral college reform at this time nor to run the full gamut of reasons why this new resolution which I now am introducing provides the effective and equitable remedy to an intolerable situation. Those interested in a more complete presentation of the reasons requiring a correction of our electoral college methods will find them by reading the Senate debate contained in the Congressional Records of March 20, 21, 22, 23, 26, and 27 of this year. On later occasions, also, I shall expect to discuss the merits of this new resolution on the Senate floor and before the country. In the meantime, it is hoped that all Senators and citizens generally who realize the close relationship which our "political machinery" and our electoral procedures have to the destiny of our free country will give this problem serious thought and develop a determination to right the situation early in the next session of the Congress.

Mr. President, I ask unanimous consent that the text of my joint resolution may be printed in the Record at this point as a part of my remarks.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the Record.

The joint resolution (S. J. Res. 173) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, introduced by Mr. Mundt, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"Article —

"Section 1. Two of each State's electors of President and Vice President shall be elected by the people thereof; and each State's remaining electors shall be elected by the people in single-member districts established by the legislature thereof, such districts to be composed of contiguous and compact territory and containing as nearly as practicable the number of persons which entitles the State to one Representative in the Congress; and such districts when formed shall not be altered until another census has been taken. If the legislature of any State fails to establish such districts, the Congress may establish them upon petition of not less than one-fifth of the members of the legislature of such State. The electors in each State who elect electors of President and Vice President shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

"Sec. 2. If no person voted for as President or Vice President has a majority of the whole number of electors chosen, then from the three persons having the highest numbers on the lists of those voted for as President and Vice President, the Senate and the House of Representatives, assembled and voting as one body, shall choose immediately from the respective lists the President, and then the Vice President, or either, as the case may be; a quorum for these purposes shall consist of three-fourths of the whole number of the Senators and Representatives, and the person receiving the greatest number of votes for President and for Vice President on the respective rollcalls, if such numbers are a majority of those present and voting, shall be the President and the Vice President. If additional rollcalls be necessary for either office the choice shall be between the two persons having the highest numbers on the first rollcalls for President and Vice President. But no persons ineligible to the office of President shall be eligible to the office of Vice President.

"Sec. 3. The Congress may by law provide for the case of the death, or inability to discharge the powers and duties of the said offices, of any of the persons from whom the Senate and the House of Representatives may choose a President or a Vice President whenever the right of choice shall have devolved upon them.

"Sec. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within 7 years from the date of its submission to the States by the Congress."

Mr. SMITH of New Jersey. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I am happy to yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. I wish to make a very brief statement supporting the position the Senator has taken in introducing his joint resolution. I should like to have this brief statement follow the remarks of the Senator from South Dakota.

Mr. MUNDT. I am very happy to yield to the Senator for that purpose. I am delighted at the Senator's interest and support. He has long been a close student of electoral college reform, and he has been very helpful in evolving the present joint resolution.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. President, I am glad that the senior Senator from South Dakota is persevering in his efforts for appropriate reformation of the electoral college system of electing Presidents. Few of us have failed to realize the existence of inequities and deficiencies in the present system, although we have signally failed to agree upon a method of eliminating them.

The proposal which Senator Mundt has introduced this morning is one that I feel deserves close scrutiny by the committee studying this matter. In certain essentials it is similar to a proposed amendment for the electoral college which I have introduced during the last few years. It has been designed to meet the most fundamental arguments advanced against the so-called Mundt-Coudert district system, through the requirement for election of electors from single member districts and the requirement that such districts be composed of contiguous and compact territory and contain as near as practicable the number of persons which entitles the State to one Representative in Congress.

Although comprehensive investigation and study by committee may reveal areas for improvement and modification, I commend the senior Senator from South Dakota for his continuing interest and efforts to find a solution to this thorny problem which will attract the support of the Congress.

I am very happy to identify myself with this effort.

Mr. MUNDT. I thank the Senator very much.

ESTABLISHMENT OF A UNIVERSITY OF THE AMERICAS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time I may proceed for 2 minutes in addition to the time customarily allowed in the morning hour.

The PRESIDENT pro tempore. Without objection, the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, last week I discussed on this floor certain aspects of the relations of the United States with the countries of Latin America. In the course of my remarks, I called attention to the dissatisfaction which has been spreading throughout our neighbors to the South, both with respect to the policies followed toward them and with respect to the degree of interest we have manifested toward the pressing problems they face. I ventured to suggest a number of courses of action which could be taken to arrest this alarming drift toward disunity and misunderstanding which, seemingly, has acquired increasing impetus in the past 3 or 4 years.

Among other things, Mr. President, I emphasized that we should do everything we can to encourage a mutual awareness of the community of interests which is essential to common concern and common progress. I pointed to the importance of increasing cultural exchanges in the fields of art, literature, and the sciences. To that end, I urged that careful exploration be made of the idea of establishing a great university of the Americas, in some centrally located area, suggesting perhaps Puerto Rico, as the confluence of the well-springs of culture which have fed the stream of civilization on the two continents.

Such a university could be invested with educational functions which would contribute to a greater appreciation of the problems raised by increasing cultural, economic, and commercial relations between the United States and our sister Republics. Such a university could offer a unique opportunity for students and teachers all over the Western Hemisphere to know each other better; to develop closer personal relationships, often lasting a lifetime; and to participate in an interchange of ideas, skills, and cultures. It would provide an invaluable means for inculcating a deeper understanding of the common problems, whether of a legal, social, or political character, which all of us face, and for contributing the talents and energies of the hemisphere to their solution. Some indication of how a university of this kind could serve the cause of mutual goodwill is furnished by the manner in which the point 4 program has operated in Puerto Rico since 1950. At its own request, Puerto Rico has been not a mere recipient under the program, but a cosponsor, joining with the United States in training programs for foreign students. Over the past 5 years the Commonwealth has appropriated annually over $35,000, much of which, along with funds contributed by the United States, goes for the subsistence of exchangees. Over 2,000 scholarship grantees, visitors, and observers were received in Puerto Rico between May 1950, and June 1955. Most of them came from Latin America and the Caribbean. It is not fanciful to contemplate the institution of similar scholarships and grants in a University of the Americas.

I therefore introduce for appropriate reference, a joint resolution under which the possibilities of creating a university for the nations of the Western Hemisphere would be explored, with a view to determining whether the establishment of such a higher center of learning for all our peoples is desirable and feasible. The joint resolution provides for a commission to study the entire subject, and directs it to give consideration to all pertinent factors, including the prospects of its successful operation, geographical accessibility, and the availability of existing facilities, and to report its findings to the President and Congress not later than January 31, 1957. With the facts thus assessed, we should be better equipped to proceed in the most appropriate manner, and to take such further steps as are indicated, to bring this university of the Americas into existence, once the project has been determined to be practicable. Presumably, those steps would be taken, eventually, through the organization of American states, to ensure that the enterprise be one to which all the American Republics would give their approval and support.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 174) providing for a study of the possibility and desirability of establishing a university of the Americas, introduced by Mr. MANSFIELD, was received, read twice by its title, and referred to the Committee on Foreign Relations.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. SCHOEPPEL submitted an amendment, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

Mr. AIKEN submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT (for himself and Mr. McCLELLAN) submitted an amendment, intended to be proposed by them, jointly, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. SMITH of New Jersey submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table to be printed.

Mr. HICKENLOOPER submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENT

Mr. HUMPHREY. Mr. President, it is time that Congress took some direct action toward halting the appalling death toll on the Nation's highways. During consideration of the new highway bill, H. R. 10660, the Federal-Aid Highway Act of 1956, an amendment similar to the one I intend to propose today was defeated by one vote in the House Public Works Committee. I am sincerely hopeful that the proposal will be adopted on the Senate floor during the debate on the highway bill.

My proposal would authorize and direct the Secretary of Commerce to conduct a comprehensive study on all phases of traffic safety. I would intend this survey to embrace the causes of accidents on streets and highways, the adequacy of accident records, the economic losses resulting from such accidents, and the various factors contributing to the advancement of safety on streets and highways, including, but not limited to, the design and physical characteristics of highways, uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, and traffic conditions.

This amendment will require the Secretary of Commerce to report to Congress not later than June 30, 1959, the results of such study, together with recommendations.

There seems to be little doubt, Mr. President, of the importance of such a comprehensive study on traffic safety. For 13 consecutive months, the traffic death tolls each month have exceeded the same month's toll for the preceding year. We are headed toward one of our worst highway fatality records in history, and it is going to keep on getting worse unless we do something about it.

An article appeared in the Chicago Sun Times for May 1, 1956, describing the recent American Psychiatric Association convention in Chicago. Officials at that meeting concluded that an all-out psychological assault on the Nation's highway slaughter problem was long overdue, but that the necessary facts were not yet at hand. The National Safety Council has proposed an overall research program on this subject, and my proposed amendment is designed to meet this growing demand for a nationwide study.

I ask unanimous consent that the article I have just referred to be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PSYCHIATRISTS SEEK ANSWER TO AUTO TOLL

(By Robert S. Kleckner)

Psychiatrists are concerned about the mounting slaughter on the Nation's highways.

There's more to it than drinking drivers, mechanical failures, or persons who are prone to have accidents, they say.

Dr. Karl Menninger, noted psychiatrist here for the annual convention of the American Psychiatric Association at the Morrison Hotel, observed Monday:

"Research into the driver himself, what makes him the way he is, on a long-term basis would be of great help. I believe the psychiatrists could come up with answers to make driving safer. But it would take money and time."

He made his statement as the National Safety Council said March was the worst traffic toll month on record with 2,960 dead. The council said that if the rate continues 40,000 persons will be killed in a year for the first time in history.

Some research already has been under way by a few psychiatric investigators. One report of a study about drivers will be made later in the convention.

The Office of Naval Research in Washington also is delving into the matter with a study of traits of good drivers. Results have not as yet been tabulated.

"An all-out assault psychologically is necessary, not just appealing to governors and police to crack down. We've got to learn facts," another convention delegate said.

Psychiatrists say angry, frustrated persons are most likely to get into trouble in traffic. Some get a surge of power when behind the wheel and feel that they are supermen, the experts point out.

The Safety Council would welcome overall research on the subject, but a spokesman added: "We haven't got the money to do it. Perhaps some groups will come to the rescue."

Mr. HUMPHREY. My proposed study would aim at supplementing and supporting the activities of private groups to encourage highway safety, rather than replace such effort. I am convinced that this amendment has the strong backing of such organizations and groups.

Mr. President, I submit today an amendment which is a simplified version of one advanced by Congressman JOHN BLATNIK, of Minnesota, during consideration of this bill in the House. It is necessary because the Bureau of Roads' interpretations of existing authority confine this authority to studying only design and physical characteristics of highways as related to safety. We need broad authority to study the entire problem and see just what can and should be done.

I ask unanimous consent that my proposed amendment be inserted at this point in my remarks.

Mr. President, in submitting this proposed amendment, I am sincerely desirous of cosponsorship on both sides of the aisle. I ask that this measure be held at the desk until the close of Senate business on Friday, May 18.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the desk, as requested by the Senator from Minnesota; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 50, between lines 8 and 9 insert the following new section:

"SEC. 118. The Secretary of Commerce is authorized and directed to conduct a comprehensive study of all phases of highway traffic safety, including but not limited to the design and physical characteristics of highways, and to report to the Congress not later than June 30, 1959, the results of such study, together with recommendations. Such study shall be carried out under the provisions of section 10 (a) of the Federal-Aid Highway Act of 1954."

On page 50, line 9, strike out "SEC. 118" and insert in lieu thereof "SEC. 119."

On page 50, line 12, strike out "SEC. 119" and insert in lieu thereof "SEC. 120."

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DUFF:

Address delivered by Senator CASE of New Jersey at the banquet of the Pennsylvania Federation of Young Republican Clubs, in Philadelphia, Pa., on May 13, 1956.

STATEMENT BY SECRETARY DULLES ON DISARMAMENT

Mr. SMITH of New Jersey. Mr. President, on yesterday, at his press conference, Secretary Dulles issued a statement regarding the recently proposed reduction of armed forces by the Soviet Government. This subject is very important, and has been widely discussed. I ask unanimous consent to have printed at this point in the body of the RECORD, as a part of my remarks, the full text of the prepared statement which Secretary Dulles gave to the press.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The United States welcomes the Soviet Government announcement of its intention to reduce its armed forces by 1,200,000 men within the next year, if this proves to be evidence of an intent to forego the use of force in international affairs. However, the obvious explanation is a need for greater manpower in industry and agriculture.

I pointed this out last week before the House Foreign Affairs Committee and forecast that the Soviet Union would probably shift a considerable body of manpower from the armed forces to the farms and factories.

REDUCTIONS BY UNITED STATES CITED

The United States since World War II has reduced its own forces by more than 9 million, from a level of 12,300,000 to under 3 million. We have already proposed at the disarmament discussions in London that an inspection system be established to provide for immediate reduction of Soviet and United States armaments to a basis of 2,500,000 men each as part of a disarmament program that would include reductions of armaments and major restrictions in the nuclear field as well.

It should be noted that there will be no verification of actual reduction in the Soviet Union from the now-estimated level of more than 4 million men, since there will be no inspection of the proposed reductions. The large forces of Communist China remain.

Moreover, the Soviet reductions deal largely with men rather than armaments, and there is nothing to prevent the speedy recall and equipping of large units of thoroughly trained reserves. In addition, the Soviet Union and its allies are free to move their forces throughout their central land territory and bring the threat of armed force to bear at any point around the rim of Communist-held territory.

The free world, however, must be prepared to defend the outer edge of this area and depend on shifts of forces along long lines of communication, the maintenance of which requires large forces.

Despite these factors, the United States has proposed the kind of reductions in manpower and armaments, and restrictions in nuclear capabilities, which can be taken now under the present circumstances, and which go beyond what the Soviet Union has proposed.

CHECKS HELD ESSENTIAL

A real disarmament program should include a system for guarding against great surprise attack. It should provide reductions in weapons, which can be more effectively controlled than manpower, as trained men can be rapidly shifted back to arms, if arms exist. It should also include an effective system for verifying these reductions. We continue to believe that it would comprehend effective measures to halt the nuclear armaments race as proposed by President Eisenhower March 1 to Premier [Nikolai A.] Bulganin [of the Soviet Union].

The United States is always ready to join with the Soviet Union and other nations in a program which allows the world to reduce further the burden of armaments in safety and security, bring under control the nuclear threat, minimize the danger of surprise attack by the President's open-sky plan as well as by other checks, and release more economic resources for peaceful purposes.

Mr. SMITH of New Jersey. Mr. President, I wish to call special attention to the last paragraph of the Dulles' statement, which seems to me to be most important in indicating that we in this country are always ready to discuss ways and means of reducing armed forces and ways and means of making progress on the road toward disarmament. I am calling particular attention to this part of Mr. Dulles' statement because the earlier part of his statement emphasizes the possible dangers, suspicions, and so forth. His concluding paragraph reads as follows:

The United States is always read to join with the Soviet Union and other nations in a program which allows the world to reduce further the burden of armaments in safety and security, bring under control the nuclear threat, minimize the danger of surprise attack by the President's open-sky plan as well as by other checks, and release more economic resources for peaceful purposes.

Mr. President, I also ask unanimous consent to have printed in the body of the RECORD an article entitled "Soviet Army Cut Believed Result of Internal Pressure," written by David Lawrence, and published in yesterday's issue of the New York Herald Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, May 15.—When the Soviet Union announces a cut of 1,200,000 men in her army, which in all totals at least 5 million, it's the same thing as saying that henceforth a reserve of men wearing civilian clothes will go on duty in the forced labor camps and in other projects of the Government.

Recently returned visitors from Soviet Russia say it is difficult to tell where the army begins and ends—there are so many persons under the direct discipline of the Government in the work camps and in the factories. The Soviets maintain quasi-military armies of civilians on duty throughout the country from the Baltic to the Pacific.

But it would be a mistake to assume that the Kremlin was actuated merely by a desire to deceive the allies. There is probably a much more vital reason for the announcement, and that's internal. The unpopularity of military service throughout Russia is well known.

PLACATING MOVE

The cut could be a move to placate sentiment internally, where the burdens of armament are beginning to cause concern to the rulers. For the Soviet people know that they could have more consumer goods if so much money and labor were not required for arms and munitions of war.

The official reaction here, not only in the executive departments but in Congress, is one of puzzlement. It is asserted that if the cut were sincere, then it should have been possible for the recent talks in London on disarmament to have made more progress and that there would have been more interest shown by the Soviets in the President's plan for aerial inspection.

Undoubtedly the Soviet move has propaganda value. The present Communist line throughout the world is to picture Soviet Russia as desirous of peace, while pointing to the allies and particularly the United States as placing an emphasis on military alliances. It is odd how many Americans, including some critics of the administration in Congress, have swallowed this line and echoed the Communist criticism.

AID AND DEFENSE

It is significant, on the other hand, that the Secretary of Defense, Charles E. Wilson, and Admiral Radford, Chairman of the United States Joint Chiefs of Staff, are discovering that the only way to get the foreign-aid program through Congress is to emphasize its military aspects. There isn't any enthusiasm in Congress for foreign aid expenditures which are not related to the defense of this country.

In testifying before a Senate committee that $3 billion of the $4,900,000,000 program is for military aid and a large part of the remainder is for economic aid to nations which furnish military defense to this country, Mr. Wilson said:

"To cut military assistance materially at this time would present serious risks to the defense of the United States and the free world and would require a complete reevaluation of our international position and of our own military budgets."

The Defense Secretary pointed out that America now is helping to support 200 divisions in allied armies, which is a force several times the strength of our own Army."

Admiral Radford supported this argument with the statement that it is better to help allied nations maintain their armed forces through military assistance than to attempt "to provide United States soldiers in the absence of those forces." He added that, besides the "lack of such unlimited manpower resources that would be required, the costs would be prohibitive even for this country."

This is the first time high officials have talked so bluntly about the reasons for the foreign-aid program. Many a boy not being drafted would be in uniform today were it not for the allied divisions supported by the foreign-aid program. The increased cost to the Federal budget would be several times the present $4,900,000,000 for foreign aid.

There is, of course, a tendency everywhere to rely less on conventional forces. The emphasis instead is on nuclear weapons. But the danger if that, if an agreement to ban the atomic bombs is ever made or there is mutual forbearance and failure to use such weapons, the Soviets would be stronger in ground operations in Europe.

It is suggested by Secretary Wilson that perhaps the Russians are cutting their armies because they want to divert more money to the nuclear side and that the United States cannot afford to change its programs just because Moscow makes a propaganda move.

Only when there is a free government in the Kremlin and when armed forces are withdrawn from the satellite states and their independence restored can there really be any trust that an era of peace has arrived in Europe.

SOCIAL SECURITY CHANGES

Mr. LEHMAN. Mr. President, on May 7, the New York Times published an excellent editorial entitled "Social Security Changes," which relates to a measure now under consideration by the Senate Finance Committee. The editorial was printed some days before the Finance Committee acted on some of the provisions referred to in the editorial. However, I feel that the editorial is so important, reflecting, as it does, an enlightened view of the proposed legislation on this subject, which soon will be before the Senate, that I ask unanimous consent to have the editorial printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Sweeping changes in the Federal social security system are pending in a measure (H. R. 7225) which the Senate Finance Committee is scheduled to report out this week. The bill, passed in the House by 372 to 31 after little debate and no open hearings last July, provides for full social security benefits to women workers retired at 62 and to all workers permanently disabled at 50—instead of at 65 in each case—and to totally disabled children after they pass 18, when benefits to children now cease. Coverage would also be extended to many of those now exempt: Self-employed persons (doctors excepted), such as lawyers and dentists, sharecroppers and some classes of employees. To cover the additional costs social security taxes would be raised from the present 2 percent each from employers and workers to 2.5, rising by steps to a top of 4.5 in 1975.

The most controversial provisions of the bill are those covering adult disabled persons and women. Committee hearings have shown physicians, including the American Medical Association, private insurance interests and some employers, to be against them, with organized labor and those in the social welfare field, including the Consumers League, strongly for them. The administration, through Secretary Folsom, opposes them because they would disturb the present balance of the social security system by adding taxes and stimulating demands for further changes. A compromise may be reached, however, which would avoid new taxes by providing scaled-down benefits for women after 62 and starting disability payments at 60 instead of 50.

There should be no compromise with the disability sections of this measure. The policy they embody has been approved, after thorough study, by nonpartisan advisory councils to the Senate committee both in 1938 and 1948. The administrative difficulties, feared by opponents of the bill, have proved soluble in the Railroad Retirement System, and malingering would be largely controlled by the 6 months' waiting period before payments begin and their suspension in case of refusal to accept vocational rehabilitation.

There are strong arguments for and against a reduction in the eligibility age for women, but the proposal has often been considered, and rejected, by competent, nonpartisan investigators. If lowering the age to 62 would stimulate the earlier retirement of women it would certainly not make for their well-being, nor would it be socially desirable.

The financial problems are not insuperable—far less than have been met in social security legislation before. Also, the tax burdens will rest, not on the public, but on those directly involved. Organized labor has publicly expressed its willingness to shoulder them and industry, partly at least through increasing productivity, ought to be able to do so too.

PRIVATE FOREIGN INVESTMENT IS FURTHERED BY THE INTERNATIONAL BANK—STATEMENT BY DR. JOHN C. BAKER

Mr. MARTIN of Iowa. Mr. President, on previous occasions I have urged that we concentrate our foreign-aid programs wherever possible toward the stimulation of private enterprise in the underdeveloped countries.

Last year, I voted for President Eisenhower's program to establish the International Finance Corporation, which will support investments in private enterprise overseas. The International Bank has performed a very useful service in stimulating the development of underdeveloped countries and in paving the way for private enterprise financing supported by the International Finance Corporation.

On April 18, Dr. John C. Baker, the president of Ohio University at Athens, Ohio, and the United States representative to the United Nations Economic and Social Council, reviewed the accomplishments of the International Bank during its 10 years of existence.

Mr. President, I ask unanimous consent that his statement to the Council may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. JOHN C. BAKER, UNITED STATES REPRESENTATIVE ON THE ECONOMIC AND SOCIAL COUNCIL, ON THE ANNUAL REPORT OF THE INTERNATIONAL BANK

Mr. President, 10 years ago, following the most destructive war in history, the International Bank opened its doors for business. Nothing quite like this institution had ever existed. It was an important experiment in international economic cooperation—one whose success or failure was bound to have a far-reaching impact for good or ill.

This postwar decade has witnessed not only reconstruction and recovery from the damages of war, but the greatest economic expansion of the past 50 years. It is fitting that, from this vantage point in time, we pause to take stock of the extent to which the bank has fulfilled the hopes of its founders and has contributed to the world's economic growth.

Today the problems of how to raise production and improve standards of living involve the hopes of more individuals and claim the attention of more governments than ever before. The contributions of the International Bank to their solution has been noteworthy and gratifying.

The bank was established, of course, primarily to be a financing institution. The steady upward climb in the volume of International Bank financing over the years has been most encouraging. As Mr. Black told us this morning, the Bank has now made 141 loans, equivalent to almost $2½ billion in 41 countries. The bank's annual report, which is before us, records more lending than in any previous fiscal year of the bank's operations—$410 million. Most important, an increasing proportion of bank lending is now going into underdeveloped countries. For example, out of a total of about $550 million of loans made by the bank between July 1, 1954, and February 1, 1956, over $415 million, or over 75 percent, was for underdeveloped areas.

Let us pause for a moment to consider the kind of benefits the bank's loans help bring to its member countries.

In July 1954, the bank extended a loan of about $19 million to Ceylon for a hydroelectric power development project. This project will supply power to southwestern Ceylon, the most productive and populous part of the island. In this area are located Colombo, Ceylon's largest city and chief port, and most of the factories that process Ceylon's main exports. Since Ceylon has virtually no fuel resources, this additional hydroelectric potential is essential to meet Ceylon's growing demand for power.

In August 1954, the bank made a loan of over $60 million to Mexico to help finance the modernization of the Pacific Railroad of Mexico. This railroad serves an important and rapidly growing agricultural region of about 8½ million acres, which depends on the railroad to carry its products to Mexican and American markets and to bring in manufactured goods. Although freight tonnage on this line more than doubled between 1940 and 1952, maintenance failed to keep up with this increased demand. The bank loan will help make possible improved and expanded rail services which, in turn, should stimulate agricultural production and thereby benefit the Mexican economy as a whole.

At first regarded only as a source of money, the bank has more and more come to be looked to by its members for advice on the problems of economic development. Such advisory assistance deals directly with one of the most fundamental problems facing underdeveloped countries—how most effectively to develop and utilize the resources available to them. It has taken many forms, ranging from comprehensive survey missions to member countries to actually stationing experts in member countries to work with local government agencies on a full-time basis.

It was the hope of the bank's founders that, in addition to making available governmental contributions for investment, it would stimulate the international flow of private capital. In accordance with this objective, the bank started to float its bonds on the money markets of the world soon after it began operations. Through this mechanism, the bank has for some time been an important vehicle for channeling private funds into economic development projects. Today, the bank's securities are held in high regard by investors. They have been successfully offered in Canada, the Netherlands, the United Kingdom, and Switzerland, as well as in the United States, and its bondholders are to be found in many other countries.

Increasingly, the Bank has also been able to encourage more direct participation of private investors in projects financed by it. It has done so by selling to private purchasers some of the loan obligations of its member countries. During the bank's last fiscal year, the bank, for the first time, raised more funds through such sales than by floating its own securities in capital markets—nearly $100 million. And in only a small minority of cases was the bank's own guaranty of these obligations required by the private purchasers.

The creation of basic facilities in underdeveloped countries, on which industrialization and diversification depends so heavily, has been the subject of much attention in this Council. The contribution that the International Bank has been making to building this foundation for the economic structure of many of its member countries is indicated by the fact that almost $1.3 billion of its loans have been for the development of electric power, highways, railroads, port improvements, and other transportation and communications projects.

For instance, a loan by the bank helped to create about one-sixth of the electric generating capacity that existed in India for the public utility power supply in 1953. A series of loans made by the bank to Brazil will, by 1958, have increased by two-thirds the power capacity that existed there in 1949. And a recent loan to Pakistan for a 30,000 kilowatt power station will more than double the generating capacity available to Pakistan's capital city of Karachi.

The bank has developed a flexibility of approach to the problems of its member countries that has contributed greatly to making it the useful instrument that it is today. For example, while the most typical pattern of bank lending has been loans for specific projects, the bank has been able to evolve a variety of other loan arrangements. In some cases, loans have in fact financed, not imports for single projects, but development programs embracing projects in several sectors of the economy, as in the case of the loans made to Yugoslavia in 1951 and 1953. In other cases, as in the loan made to Norway in the last fiscal year, the bank has provided the foreign exchange needed to import capital goods for general development. In areas where the necessary capital equipment for development projects could be produced locally, the bank has made loans to cover the foreign exchange impact of the increased domestic expenditures resulting from these projects. This was the case in the bank's loans to Austria and Italy.

The evolution and performance of the bank over these past 10 years gives us every right, I believe, to entertain continued high hopes for its work in the future.

The establishment of the International Finance Corporation, to which the bank has made such a helpful contribution, will, we sincerely hope, be but a matter of months. Nineteen countries, including my own, have completed all the action necessary for membership. We urge those 30 other countries which have expressed their intention of joining the corporation to complete the steps necessary to do so, in order that this new instrument can begin to make its contribution to economic development.

The technical assistance activities of the bank promise even more benefit in the years to come. The recent organization by the bank of the Economic Development Institute, to which Mr. Black made reference today, is an example of the ways in which we can expect the bank to continue to make its technical knowledge and experience available to those officials of underdeveloped countries who deal with the practical problems of economic development.

As a result of increasingly intimate contact between the management of the bank and its member countries, we can expect the work of the bank to be even more fruitful in the years ahead. As Mr. Black himself indicated at the last session of the Board of Governors, projects are now coming to the bank much better prepared and better thought out than was the case in the first years of the bank's operations. The bank is, consequently, able to deal with them more expeditiously. In addition, with a good deal of the necessary preparatory work having been done in underdeveloped countries, the coming years should see a significant rise in their capacity to absorb external capital effectively and wisely.

Finally, an expanding world economy and world trade, such as foreseen by Mr. Black in his excellent presentation this morning, should provide a most favorable environment for new investment in the underdeveloped countries. The bank can, therefore, look forward to increasing calls on its resources from its member countries.

Mr. President, the International Bank is more than a successful financial institution. It has developed into a many-sided international effort aimed at making the greatest possible contribution to the economic development and welfare of its member countries. It serves well the objectives of the United Nations—the furtherance of peaceful pursuits and economic well-being. We are amply justified in extending our congratulations to its distinguished president.

GOVERNMENT POLICY IN REGARD TO SEDITION AND SUBVERSION CASES — CORRESPONDENCE BETWEEN SENATOR WILEY AND THE ATTORNEY GENERAL OF WISCONSIN

Mr. WILEY. Mr. President, the Congress of the United States should act promptly to make certain, in clear and in unmistakable terms, that we definitely do not intend to preempt the right of the State governments to deal with the sedition and subversion problem.

I feel that the recent split decision of the Supreme Court invalidating the conviction of Steve Nelson in Pennsylvania, on the ground that Congress had intended to preempt this field, is not justified.

The chief law officer of the State of Wisconsin, the Honorable Vernon Thomson, has been in touch with me on this subject, and I have been glad to write to him to assure him that my own strong feelings parallel his, and those of three dozen other States interested in this subject.

I send to the desk the text of our correspondence, and ask unanimous consent that it be printed at this point in the body of the RECORD.

In my judgment, the minority opinion of the United States Supreme Court in the Nelson decision well expressed the viewpoint of the Congress and, I believe, of the American people.

I recognize that good jurists may differ, as the Court itself differed, but I see every reason why the Congress should now confirm its original intent.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

THE STATE OF WISCONSIN,
Madison, May 8, 1956.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The recent decision in the case of *Commonwealth of Pennsylvania* v. *Nelson* is a shocking extension of the Federal doctrine of preemption. This, followed by the Court's decision in the case of *Communist Party of the United States* v. *Subversive Activities Control Board*, has occasioned more than concern. It has, in fact, caused a feeling of alarm to observe the speed with which this doctrine is being applied in every field the Court finds available for its extension.

I hope that you will find justification in support of Senate bill 3617, which is designed to restore some balance between the power of the States and the authority of Government in those fields, unless expressly so provided.

With kind regards,
Very truly yours,
VERNON THOMSON,
Attorney General.

MAY 15, 1956.

Hon. VERNON W. THOMSON,
Attorney General, the State of Wisconsin,
Madison, Wis.

MY DEAR VERN: I was delighted to receive your letter of May 8, 1956, confirming your strong feeling on behalf of legislation to leave the States free to enforce their own antisubversion laws.

I feel that your message is of more than sufficient importance to bring to the attention of my colleagues in the Senate and so I am taking the liberty of reprinting our exchange in the CONGRESSIONAL RECORD.

It has long been my own feeling that the States should indeed not be hampered in their prosecution of communistic and other seditious activities.

As you are so well aware, the Federal Government, of course, must rigidly and aggressively enforce its own statutes against subversive activities. Nevertheless, Federal law cetrainly should not interfere with parallel enforcement by the States of State law.

After reviewing this whole matter again in detail I do not think it can be rightly claimed that the Congress of the United States affirmatively intended that its statutes against subversive activity should hamstring the States in the enforcement of their own laws. On the contrary, the Congress felt it necessary that forward steps against communism be taken on all fronts.

As you well know, the Attorney General of the United States, appearing as amicus curiae in the case of the *Commonwealth of Pennsylvania* v. *Nelson* before the Supreme Court of the United States, took the position that the Federal laws should not be deemed to have invalidated laws against subversion which were involved in that case. The Department of Justice was, unfortunately on the losing side. And, as you recall, the Supreme Court decided on April 2, 1956 with Mr. Justice Warren delivering the opinion of the Court but with a dissent by Mr. Justice Reed, with whom Mr. Justice Burton and Justice Minton joined, that Congress had "occupied the field to the exclusion of parallel State legislation, that the dominant interest of the Federal Government precludes State intervention, and that administration of State acts would conflict with the operation of the Federal plan."

Consequently, the United States Supreme Court affirmed the decision of the Supreme Court of Pennsylvania to the effect that "the Smith Act of 1940, as amended in 1948, which prohibits the knowing advocacy of the overthrow of the Government of the United States by force and violence, supersedes the enforceability of the Pennsylvania Sedition Act which proscribes the same conduct."

The basis of the decision was the Court's "conclusion * * * that Congress has intended to occupy the field of sedition."

The bill (S. 3617), to cope with this problem, would affirmatively state the intention of the Congress that the enactment of its specified prior laws concerning subversion or sedition "shall not prevent the enforcement in the courts of any State of any statute of such State prescribing any criminal penalty for any act, attempt, or conspiracy to commit sedition against such State or the United States, or to overthrow the government of such State or the Government of the United States." Future Federal laws on the subject would be similarly construed "except to the extent specifically provided by statute hereafter enacted by the Congress."

Your confirmation of support of S. 3617 is of material assistance to me in supporting this bill, and I very much appreciate it.

As you are aware, the bill does not, as some have charged, delegate Federal authority to the States. On the contrary, it merely affirms that the State statutes are not to be interfered with by Federal law.

Although the Federal Government could constitutionally occupy this field of sedition directed against the Government, it is not essential to the adequate enforcement of sedition laws that it do so. On the contrary, it should welcome the cooperation of effective law-enforcement machinery of the States in protecting our system of government against being undermined or overthrown.

Upon the passage of S. 3617, the intention of the Federal Government not to occupy the field of subversion to the exclusion of State enforcement of State laws would be so clear that there would no longer be a justiciable controversy as to the intent of Congress, which could be taken to the United States Supreme Court. The Supreme Court could step into the controversy because the Smith Act did not specifically negative, as does S. 3617, any Federal intent to occupy the field of subversion and so invalidate further laws on the subject.

With warmest personal regards, I am,

Sincerely yours,

ALEXANDER WILEY.

CONSTRUCTION OF DRAINAGE WORKS ON FEDERAL RECLAMATION PROJECTS — CONFERENCE REPORT

Mr. MURRAY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects. I ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:
>
> That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:
>
> In lieu of the matter inserted by the Senate amendment, insert the following:
>
> "*Provided*, That in the event construction work to be accomplished by any one repayment organization, pursuant to contract with the United States, exceeds a total cost of $200,000, such contract shall not be executed by the Secretary prior to the expiration of 60 calendar days (which 60 days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than 3 days to a day certain) from the date on which it has been submitted to the Speaker of the House and the President of the Senate for reference to the appropriate committees, except that such contract may be executed prior to expiration of such 60 days in any case in which both such committees approve said contract and notify the Secretary in writing of such approval."
>
> And the Senate agree to the same.
>
> JAMES E. MURRAY,
> CLINTON P. ANDERSON,
> ARTHUR V. WATKINS,
> *Managers on the Part of the Senate.*
>
> CLAIR ENGLE,
> WAYNE N. ASPINALL,
> LEE METCALF,
> JOHN P. SAYLOR,
> E. Y. BERRY,
> *Managers on the Part of the House.*

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report,

There being no objection, the Senate proceeded to consider the report.

Mr. MURRAY. Mr. President, the Senate amended the House bill by putting a limitation of $200,000 on the amount the Secretary of the Interior could expend on a single project under the bill. The House disagreed with the Senate's amendment. In the conference, the conferees agreed on compromise provisions, under which contracts of the type which are the subject matter of the bill involving more than $200,000 would be referred to the appropriate committees of Congress for approval. Such committees would have 60 calendar days in which to consider the project prior to execution of the contract.

The action of the conferees was unanimous, the report having been signed by each Member of the conference committee.

Mr. President, I hope the Senate will approve the action of its conferees.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

> H. R. 6137. An act for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers; and
>
> H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS of Louisiana, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HALEY, Mrs. PFOST, Mr. METCALF, Mr. MILLER of Nebraska, and Mr. SAYLOR were appointed managers on the part of the House at the conference.

NIAGARA RIVER POWER DEVELOPMENT

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business, which is S. 1823.

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments to Senate bill 1823 be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

This action will not deprive any Senator of the right to offer amendments to any part of the bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

> On page 1, line 4, after the word "in", to strike out "ratifying" and insert "giving its advice and consent to the ratification of"; on page 2, line 4, after the word "the", to strike out "reservations" and insert "reservation"; in line 5, after the word "is", to strike out "consistant" and insert "consistent"; on page 3, line 6, after the numeral "(2)", to strike out "The licensee shall construct or acquire, by purchase or other agreement," and insert "The licensee shall, if available on reasonable terms and conditions, acquire by purchase or other agreement, the ownership or use of, or if unable to do so, construct"; on page 4, line 20, after the numeral "(6)", to strike out "The licensee, in cooperation with the appropriate agency of the State of New York concerned with the development of parks in such State, shall submit to the Commission an appropriate outline plan for the construction of a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, such outline plan being subject to approval by the Commission. The cost of these scenic and recreational facilities shall be met in such part by the licensee as the Commission may approve." and insert "The licensee, in cooperation with the appropriate agency of the State of New York which is concerned with the development of parks in such State, shall construct a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, pursuant to a plan, the general outlines of which shall be approved by the Federal Power Commission; and the cost of such drive and park shall be considered a part of the cost of the power project and part of the licensee's net investment in said project: *Provided*, That the maximum part of the cost of such drive and park to be borne by the power project and to be considered a part of the licensee's net investment shall be $15,000,000."; and on page 5, line 22, after the word "of", to strike out "1955" and insert "1956."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barrett
Bender
Bennett
Bible
Bricker
Bridges
Bush
Byrd
Capehart
Case, N. J.
Case, S. Dak.
Chavez
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Frear
Fulbright
George
Gore
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. SCOTT] is absent on official business.

Mr. SALTONSTALL. I announce that the Senators from Maryland [Mr. BEALL and Mr. BUTLER] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). A quorum is present.

Mr. KERR. Mr. President, I send to the desk an amendment, and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, lines 8 and 9, it is proposed to strike out the words "New York Power Authority" and insert in lieu thereof the words "Power Authority of the State of New York."

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. Am I correct in the assumption that there is now 1 hour available on the amendment which has been offered, one-half of which hour will be under the control of the Senator from Oklahoma, and the other half of which will be under the control of the minority leader?

The PRESIDING OFFICER. That is correct.

Mr. KERR. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 15 minutes.

Mr. KERR. Mr. President, there is before the Senate S. 1823, a bill to provide for the public development of the hydroelectric power at Niagara Falls.

This question, Mr. President, is one of the very highest public interest. It involves fundamental principles which are now embodied in the law of the land, and have been for a period of more than 50 years. It involves, first, the question of the right of the State of New York to develop the hydroelectric power potentiality of the waters of Niagara River, which river constitutes a part of the western boundary of that great State. It is likewise a part of the boundary of the Dominion of Canada.

The rights of the United States and of the Dominion of Canada have been determined and certified in a treaty between the Dominion of Canada and the United States. That treaty divides the beneficial use of the waters of the Niagara between the Dominion of Canada and the United States.

Under that treaty the Dominion of Canada has proceeded to develop the power potentialities of a considerable portion of the waters which are recognized as belonging to the Dominion of Canada. There has not been a proportionate development by the United States of the potentialities of the waters allocated to the United States under the treaty.

In 1921 the Federal Power Commission granted to a private utility company in the State of New York a license to develop power from a limited portion of the waters of the Niagara River. The license was for a period of 50 years, which goes to 1971. The State of New York has requested the Congress to give it authority to develop the hydroelectric power from the waters which, under the treaty, have been allocated to the United States.

I think one thing that Senators should keep in mind is a provision added to the treaty in the form of a reservation by the United States Senate in 1950, when the treaty was ratified. In my opinion, Mr. President, the provision the Senate added to the treaty is one of the controlling features in connection with our consideration of this bill.

When the treaty came before the Senate, it was in a form which, if approved without reservation, would have left the question of the control of the waters allocated to the United States with many elements of doubt. For that reason, the distinguished Senator from Vermont [Mr. AIKEN] proposed, in the Senate Committee on Foreign Relations, a reservation reading as follows:

> The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

Under existing law, the State of New York, if an applicant before the Federal Power Commission, would have a preference right to a license to develop the hydroelectric power potentialities of the waters of the Niagara River adjacent to its boundary. By this provision of the treaty, however, neither the State of New York nor anyone else can develop the hydroelectric potentialities of these waters without an act of Congress. This provision made it crystal clear that the Congress of the United States intended to provide for the development of hydroelectric power from these public waters in a manner which would be for the public use and benefit—in other words, for the benefit of the greatest number of people. By that action, the Congress made it impossible for the Federal Power Commission to grant a further license to a private utility to generate electricity from these waters without a specific act of Congress.

By means of that reservation in the treaty, Mr. President, the Congress reiterated its traditional preference, under its formula, for the development of hydroelectric power for the public use and benefit; and for nearly half a century that formula—prescribed, fixed, and maintained by the Congress of the United States—has included a preference clause whereby REA cooperatives, municipalities, and Government installations may have a preference right to buy the power generated from a project using waters such as those available in the Niagara River. Therefore, the preference clause in the pending bill conforms to the treaty reservation spelled out by the Senate in 1950, and to the historic position of the Congress with reference to the development of public power.

Mr. President, I should say that the issue before the Senate is as follows: Shall we maintain the integrity of the preference clause? Shall we carry out the spirit of the reservation in the treaty with Canada, ratified in 1950? Or shall we abandon the one and repudiate the other?

The pending bill recognizes the preeminent right of the State of New York to the development of these waters. The pending bill is in accordance with the position of the present Governor of the State of New York, and is in accordance with the position of the previous Governor of the State of New York. I was a member of the Public Works Committee, as I recall, 2 years ago, when the then Governor of New York, Mr. Dewey, came before the committee and vigorously advocated the enactment of legislation similar to Senate bill 1823, which now is before the Senate.

Mr. President, shall we then, pass a bill conforming to the wishes of the State of New York and conforming to the spirit of our own laws with reference to the preference clause affecting rural electric cooperatives, municipalities, and public installations? Shall we preserve the integrity of the reservation to the treaty with Canada? Or shall we abandon them?

Some Senators say we should not pass the bill, because some other bill would do a better job. I remind the Senate that no other bill on this subject is now before us. I remind the Senate that in the absence of the development of this hydroelectric project, using the waters assigned to the United States, the Dominion of Canada has the privilege, under the treaty, of utilizing these waters for itself. In other words, Mr. President, time is running against the people of the State of New York, in the absence of the passage of this bill.

If we were to fail to pass this bill at this session of Congress, it would mean that for at least a year any start on any project by means of which the people of the State of New York and the people of adjacent areas would have the benefit of these great natural resources would be postponed, and those people would for the present be denied the benefit of such a development; and the matter would be undetermined until the Congress in another session, in another year, enacted into law legislation on the subject.

Therefore, Mr. President, the argument of those who oppose the bill on the ground that a better measure could be fashioned, loses its effectiveness for the very simple reason that, insofar as this Congress is concerned, it seems to me that we have one of two alternatives: either to pass the pending bill and authorize the beginning of the development of this project, or face a delay of at least 1 year, during which time nothing would be done in this field.

In my judgment, the real opposition to the bill comes from a group of private utilities which want this project to be available to them for their development. If the Government does not authorize the State of New York to develop this project, it cannot be developed, because under the treaty to which we have agreed, and by which we are bound, no project for redevelopment of the United States share of such waters can be undertaken until it is specifically authorized by act of Congress. But if we are not to permit it to be developed by the State of New York, are we not in duty bound to enact legislation under which some agency or entity will have the right, the opportunity, and the privilege of developing these waters for the creation of much needed electric energy?

The PRESIDING OFFICER (Mr. Wofford in the chair). The time of the Senator from Oklahoma has expired.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent—if it is necessary to ask unanimous consent—that the time of the Senator from Oklahoma be extended for another 15 minutes.

Mr. KERR. The Senator from Oklahoma has additional time, if he cares to yield it to himself. Does the opposition desire to utilize any time?

Mr. SALTONSTALL. Not at present. The opposition will be glad to yield 15 additional minutes to the Senator from Oklahoma.

Mr. KERR. Mr. President, I withdraw the amendment in the form in which I had submitted it, yield back the remainder of my time on the amendment, and ask unanimous consent that there may be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. The amendment is withdrawn.

Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The Legislative Clerk. On page 4, line 12, after the word "lowest", it is proposed to insert "possible." In lines 12 and 13, it is proposed to strike out the words "reasonably possible."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. Kerr].

RECESS

Mr. KERR. Mr. President, I ask unanimous consent that the Senate stand in recess until 3 o'clock p. m., at which time it shall reconvene, the first order of business to be a quorum call, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection?

There being no objection (at 1 o'clock and 25 minutes p. m.) the Senate took a recess until 3 o'clock p. m. the same day.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer (Mr. Bible in the chair).

The PRESIDING OFFICER. In accordance with the order entered prior to the recess, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. Kerr].

Mr. KERR. Mr. President, I yield 15 minutes to the Senator from Montana [Mr. Murray].

The PRESIDING OFFICER. The Senator from Montana is recognized for 15 minutes.

Mr. MURRAY. Mr. President, I rise to present briefly my views in support of Senate bill 1823, introduced by the Senator from New York [Mr. Lehman], on behalf of himself and other Senators, to provide for redevelopment of the Niagara Falls power site by the State of New York. This measure is designed to assure an abundance of low-cost power for domestic and rural consumers, and to stimulate the economic development of a section of the Nation now suffering from high-cost power rates which are slowing down industrial growth.

In the years since 1934, during which I have had the honor of serving as a Member of the Senate, I have consistently sponsored and supported proposed legislation which, in my opinion, would contribute to the economic growth of all sections of the United States. It is my conviction that the productivity of the United States will not automatically expand to meet the needs of our ever-increasing population. It is, therefore, incumbent upon the Federal Government to use fully the powers conferred

upon it by the Constitution in taking whatever affirmative action may be required to avoid such threats to our prosperity as can be anticipated, and to assure a constantly expanding economy.

We have learned by our bitter experience in the 1920's that to pursue a laissez-faire policy to absurdity is to allow the great corporations of the country, with their virtually complete control of private fiscal resources, to gain such a firm grasp upon the national economy as to make the entire population subservient to them.

It has been my purpose, as chairman of the Committee on Interior and Insular Affairs, and as a Member of the Senate, to foster resource development and economic growth on a broad scale and in a manner calculated to give the ordinary citizen an opportunity to participate in the economic welfare and prosperity of the Nation.

At the close of the Civil War, the South was prostrate, and the West was as yet undeveloped. The great industrial North was in the saddle. High tariffs had been adopted—so high that Abbott Lawrence, a New England manufacturer, had written approvingly that—

> They will keep the South and West in debt to New England the next hundred years.

There were surpluses in the Federal Treasury; but instead of lowering the tariffs to benefit consumers and raise purchasing power, the surpluses were distributed as pensions to veterans of the Union Army and their dependents. Out of $8 billion paid out in Civil War pensions, $7 billion went to the Northeast.

History shows how these pension payments stimulated the northeastern economy, financing rapid industrial development in that area, while the South was exploited. The West was then a colonial empire, without any balanced economy, and was unable to lift itself entirely by its own bootstraps.

Following the great depression of the 1920's, economic development began to be encouraged in the long-exploited regions of the United States. In the reclamation areas of the West, in the Tennessee Valley, and in the Pacific Northwest, we have raised production levels and living standards by harnessing a major portion of the fresh-water resources for the reclamation of arid lands upon which to raise food, and for the generation of hydroelectricity to provide light and power to those areas for industrial growth, and to stop the wastage of our soil by controlling floods.

In the States of the Pacific Northwest especially, the results of multipurpose river-basin development have been salutary. The great quantities of low-cost electric power being generated at Grand Coulee, Hungry Horse, and the other dams in that area have given rise to vast electrochemical and electrometallurgical industrial development. The benefits from these hydroelectric dams have not been allowed to flow exclusively to a few huge utility corporations monopolizing the field. The legislation authorizing development of our river basins in the Northwest has steadfastly guaranteed that the smaller, nonprofit municipal utilities and rural electric cooperatives will obtain an equitable portion of the benefits achieved through these multipurpose projects. In the Northwest, we do not have to depend on any "trickle down" theory of economics. We have provided our citizens with the opportunity to enjoy an adequate standard of living, and have made the area attractive to industrial expansion, by offering the electric power at reasonable rates.

We realize, however, that there is no reason which dictates that the power of the Federal Government shall be used to promote the prosperity of only a portion of the Nation. The Federal Government can, and should, use its powers to stimulate a vigorous economy, in all 48 States. The proposed legislation which we now have under consideration, S. 1823, affords the Congress an opportunity to use the power of the Federal Government to encourage natural-resource development in an area where the people want such development, but so far have been denied it.

This bill for redevelopment of hydroelectric power at Niagara Falls contains a so-called "preference" provision that will allow the small municipally owned utilities and rural electric co-ops to benefit from the power produced. In the reclamation States of the West and the Pacific Northwest, we have found such safeguards indispensable. Without them, the real purpose and benefits of Government-sponsored resource development disappear. There is no reason for the Federal Government or the government of any one of the several States to finance or use its credit for development of a natural resource for the purpose of diverting the benefits to a few large corporate interests. The basic justification for Government sponsorship of resource development is to assure that the benefits are realized by the people generally.

Low-cost power creates a situation which attracts new industries and makes possible the development of resources. It also protects existing industries by providing them power at rates which are competitive with rates in other areas in the Nation.

I have heard my colleagues from some of the Eastern States complain bitterly about the resource development programs that have been undertaken by the United States in other sections of the country. The essence of their complaint is that by developing low-cost power in Washington, in Oregon, and in Tennessee, we cause industries to leave their States where power costs are higher. There are two solutions to this problem. One of them is wholly unacceptable. We can stop Federal sponsorship of resource development everywhere, thereby bringing about an increase in power costs everywhere, or we can reduce power costs in those areas where they are highest by expanding Government-sponsored resource development programs into them.

To choose the first of these alternatives, to raise the whole national level of industrial operating costs, does not seem to me to be a reasonable approach at all. We cannot hope to expand our economy to meet the needs of our population by saddling industrial development with higher operating costs. The reasonable solution lies in the reduction of such costs in States where they are now disproportionately high. Our experience in the Tennessee Valley and the Pacific Northwest proves that lower power rates help everyone including the private utilities. They receive a substantial portion of the power developed. They sell more power and make greater profits at lower rates. The people benefit from this policy.

The bill now before the Senate for the redevelopment of electric power at Niagara Falls can be the initial step in expanding the concept of Federal-State resource development programs into an area of the country that is not keeping pace in industrial development. Under this bill the Federal Government will be required to make no investment in the Niagara Falls Project outside of the planning funds which have already been spent by the Corps of Engineers.

The combination of the St. Lawrence and Niagara power developments can serve to herald an era of renewed industrial activity in New York. To reject this legislation or to substitute for it another bill designed to turn the benefits of Niagara Falls over to big, monopolistic utility companies, is to reject an opportunity to strengthen the economy of the New York area and thereby benefit the whole Nation.

This legislation should be acted upon favorably. We should enact all proposals such as this that will contribute to high employment levels and to a continuing expansion of our economy sufficient to insure our people of a high standard of living.

We should vote down every amendment offered that will eliminate the preference clause in the Lehman Bill or otherwise prevent the benefits of low-cost Niagara power flowing to the people.

This legislation is in the interest of the national welfare and is in line with well established democratic policies which have witnessed our country grow and become the greatest industrial power in the world.

I yield the floor.

Mr. KERR. Mr. President, how much time remains of the 30 minutes allotted to me?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. KERR. I yield 17 minutes to the Senator from Tennessee [Mr. Gore].

Mr. GORE. Mr. President, the pending bill raises unique but important issues. The primary issue is whether the Congress will permit the State of New York to develop the hydroelectric potential available from the waters of the Niagara for the benefit of all the people of New York and the people of areas in nearby States, or whether it will defeat this bill in the hope—I anticipate a vain hope—that this resource could be given away for exploitation for the profit of a few.

There is another issue, however, and that is the issue of States rights. I think there is a very important place in the American scheme of government and our democratic society for States. I entertain the feeling that an activity of government, an undertaking on the part of the public, which can be done either better by the State or local government, or equally well, should be reserved to the States and local governments. I do not go as far on the question of States rights as do some of my colleagues. I believe that in this day and period a strong central government is necessary for a strong America. But, as I have said, those two points of view are not antagonistic, as I see it.

Here is involved a right which can be accorded a State which will not in any way prejudice the right or the strength of the United States Government.

The contest presented to the Senate today is not a contest between the Federal Government on the one hand and State governments on the other. The question is whether the United States Senate will approve a bill to permit the State of New York to develop a resource which resides within the boundaries of New York, or whether it will deny such privilege to a State and, instead, prefer a private group.

For many years the State of New York has spoken, not with a unanimous voice, but with a preponderant voice, in favor of public development, in favor of the development of this Niagara power resource for the benefit of all the people of the State of New York.

The sovereign State of New York has created a State power authority. It is not without experience. It is now engaged in the development of the St. Lawrence hydroelectric potential. It is an agency which has the sanction and the approval not only of the Legislature of the State of New York but of every Governor, I believe, for the past 20 years.

Mr. LEHMAN. More than 30 years, with one exception.

Mr. GORE. With only one exception, for more than 30 years, I am advised by the junior Senator from New York.

Will the Senate, then, turn a deaf ear to the State of New York If so, for what reason? Could it be only because of the voice of a few, the voice of a private interest?

I do not speak with any prejudice of private interests. There is a vast demand for power in this very area. There is a great demand for power which offers vast opportunities for investment of private capital in the expansion of generating facilities.

The bill before the Senate does not propose to do harm to any citizen or to any private interest. To take such a view is to hold that certain private interests have some special rights in the waters of the Niagara. This is not true. The resource in question belongs to all the people. Again I repeat, the question is whether we will give it away to a few for the profit of a few, or whether we will accede to the request of the great State of New York for a license to develop a resource entirely within its boundaries for the benefit of its people, and for the benefit, according to the formula in the bill, of the people residing in other States within transmission distance of this project.

I have been interested to read full-page advertisements by which private interests were undertaking to manufacture public opinion favorable to the granting of this great privilege to them. It was so widespread that I inquired about some advertising rates. I have been told that a one full-page advertisement in Life magazine costs more than $20,000.

The rate payers, the people who pay for electricity in that region, were saddled with that expense. That is written into the rate structure. Not only were there full-page ads taken in one magazine, but in many magazines. That is an expensive campaign.

Someone has said that public opinion is a commodity which can be purchased. I would not like to authenticate that statement. However, we see, from the success of the companies and business enterprises which undertake a smart, heads-up nationwide advertising campaign, that a favorable climate of public opinion can be created by widespread advertising campaigns.

I am not opposed to advertising. I raise this point for the purpose of indicating that there may be a need for a yardstick in this section of America. There may be a need for a yardstick as to the cost of producing and distributing power without adding to it the unusual cost of full-page national advertisements, in connection with a natural resource which belongs not to the few but to all.

That leads to the preference clause, which seems to be one of the points of controversy. As I understand, the preference clause, if applied to the potential of this development, would amount now to a very small percentage of the output. I say a small percentage, because this is an undertaking of vast proportions.

The potential capacity of Niagara is greater than the entire hydroelectric power output of the Tennessee Valley today. Here in a space of 20 miles a great river falls 300 feet. Were such a physical phenomenon in existence in Greeenland, it would be of scenic beauty. It is of scenic beauty where it is located now. However it is tremendously enhanced in value by the fact that this great natural resource is near great centers of population of our country.

That means that much power and economical power is needed. Some of the highest electric rates in the Nation are charged in the State of New York. The people are grossly overcharged. That can be demonstrated. The public development of this project would, I predict, have a very wholesome influence in bringing about a very badly needed reduction in the power rates of that region.

The pending legislation comes about by reason of a treaty reservation. It comes about as the result of a treaty with Canada and a reservation attached to the treaty. For that reason Congress must act before this project can be developed. It needs to be developed soon. The water falls in the Niagara River daily, hourly, incessantly.

A part of the power available from this resource is going to waste, and when the water is over the falls it is gone forever.

Another part, Mr. President, which belongs to the United States, is being utilized by Canada. If the United States is not going to use the power potentially available to it, certainly Canada should be allowed to use it. I am not objecting to the use of the water by Canada, even that portion which rightfully belongs to the United States, so long as we do not use it. It should be put to use for the benefit of mankind, for the benefit of the people of that region. If the United States is unable to agree upon a policy, if the United States is unable to act with foresight and fortitude to bring about the beneficial development of this resource, then, surely, we cannot raise a cry against Canada's use of the water in accordance with the terms of the treaty.

But, Mr. President, how improvident can we be? A great natural resource in that area of the United States which greatly needs this development is going to waste.

Mr. President, I wish to compliment the junior Senator from New York upon his successful fight, after 6 years, in finally bringing to the floor of the Senate a bill which embodies the mandate of the people of his State whom he so ably represents. I hope his efforts will be crowned with success by the approval of his bill before the sun sets today, and that it will receive the approval of the House of Representatives.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KERR. Mr. President, I ask the Senator from Tennessee how much additional time he will require?

Mr. GORE. About 5 minutes.

Mr. KERR. Mr. President, will the minority leader yield 5 additional minutes to the Senator from Tennessee?

Mr. KNOWLAND. I yield 5 minutes.

Mr. GORE. I thank my distinguished friend from California.

Mr. NEUBERGER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. GORE. I yield.

Mr. NEUBERGER. Is it not true that the present administration has laid great emphasis on the fact that these vast power projects should be built with so-called local participation?

Mr. GORE. That is true. I have been in some doubt as to the meaning of the term "local." I know that the Idaho Power Co. is referred to as a local interest, although it is owned at a point some thousands of miles distant.

Mr. NEUBERGER. The Senator is eminently correct. But, could anything be more local than is a State government in a particular State? Is not the State government of New York local in the State of New York?

Mr. GORE. If it is not, I do not know what the term means.

Mr. NEUBERGER. The reason why I asked the question of the Senator from Tennessee, who has been making such an able address on the subject, is that I have been amused to note that we never hear in this controversy that the development should be local, because the administration seems to realize that it would be hoist with its own petard, as it were, for the reason that the New

York State government is ready, able, and willing to proceed with the project.

Mr. GORE. And anxious.

Mr. NEUBERGER. I think "anxious" is a better word. I believe it was the gifted Mark Twain who said that the difference between using the exact word and a word that is nearly the exact word is the difference between lightning and a lightning bug. The Senator from Tennessee has used the exact word.

Mr. GORE. I do not speak from personal knowledge of the citizenry of New York, but I speak from having heard representatives of the State of New York testify before the committee of which I am a member.

Mr. NEUBERGER. I serve with the Senator from Tennessee on the Public Works Committee, and both of us have heard representatives of the government of the State of New York. But it is significant that evidently, according to the interpretation of this administration, the State government of New York is not considered to be a local agency. The administration constantly seeks "local" participation in power projects in the rest of the country, but we do not hear this cry in the State of New York.

Mr. GORE. I have been considerably perplexed as to what the administration means by "local interests." I have usually found it means, in the instance of the partnership power policy, a Wall Street financial interest. But possibly my judgment in that respect is harsh.

Mr. NEUBERGER. I think the Senator's judgment is borne out by the facts. According to the administration, an absentee-owned private utility is more local than is a State government, which is elected by all the eligible voters in a particular State.

Mr. GORE. There seems to be no controversy here regarding the fact that the State of New York has created an authority and has made an official request of the United States Government to be licensed to develop this resource which is within its boundaries. That is a local public development for all the people of New York, and they are generous enough to concede that it will be a regional benefit in that the bill provides that some of the power will be distributed to other States immediately adjacent to the project.

Mr. NEUBERGER. I thank the Senator from Tennessee.

The PRESIDING OFFICER. The additional time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, if the Senator from California will give me 1 more minute——

Mr. KNOWLAND. I yield 2 additional minutes.

Mr. GORE. I am indeed grateful for the contributions of my distinguished friend, the junior Senator from Oregon, and to my able friend, the forceful minority leader of the Senate, who yielded additional time.

Mr. LEHMAN. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. LEHMAN. I should like to compliment the Senator from Tennessee for his very fine statement, which has shed a great deal of light on a subject which has not been fully understood by all Members of the Senate or by the people generally.

I wish to point out that the rates which we pay to Canada, as well as the rates in the New England States, are the highest in any part of this country, more than twice as high as in those areas which are served by public power such as has been developed by TVA, Bonneville, Grand Coulee, and other great power developments. I am very glad indeed that the Senator has brought that out.

Mr. GORE. I thank the Senator from New York.

Mr. President, I believe that my colleagues who genuinely believe in States rights will be impressed with the plea of the State of New York for the right of public development of a publicly owned resource within its own borders, for the benefit of its own people. How can one who genuinely and sincerely believes in States rights turn a deaf ear to the State of New York in its plea, in favor of the siren call of a private group for the profit of a few?

Mr. KERR. Mr. President, if the Senator from California will yield back the remainder of the time, I will withdraw my amendment.

Mr. KNOWLAND. Mr. President, I yield back the remainder of the time on this amendment.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Oklahoma withdraws his amendment.

The bill is open to further amendment.

Mr. COTTON. Mr. President, I call up my amendment designated "5–9–56—F," and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated for the information of the Senate.

The Chief Clerk. On page 5, between lines 15 and 16, it is proposed to insert the following new subsection:

> (7) The licensee shall pay to the United States and include in its net investment in the project herein authorized the United States share of the cost of the construction of the remedial works, including engineering and economic investigations, undertaken in accordance with article II of the treaty referred to in the first section of this act whenever such remedial works are constructed by the United States.

Mr. COTTON. Mr. President, on this amendment, I ask that the yeas and nays be ordered.

Mr. KNOWLAND. Mr. President, I join in the request for the yeas and nays.

The yeas and nays were ordered.

Mr. COTTON. Mr. President, I yield myself 10 minutes.

There is one feature in the bill, S. 1823, as it is now before the Senate, which provides a direct subsidy by the Federal Government, a direct subsidy which is not asked for by the New York State Authority, a subsidy which it has repeatedly been determined should be borne by the power developer.

I refer to the cost of the so-called remedial works in the Niagara River, placed there under the direction of the International Joint Commission, pursuant to the treaty. These remedial works are paid for on the Canadian side by the Ontario Hydro Commission, and are being constructed and paid for on the American side by the Federal Government through appropriations obtained from Congress.

The remedial works are being placed in the river in order to control the flow of the water, so that the water may be diverted for power purposes without injury to the scenic splendor of the falls.

The total cost of the construction of the remedial works is now estimated at $12,800,000. The cost on the American side, which is now being borne by the Federal Government, is $6,400,000.

Mr. KERR. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield.

Mr. KERR. May I ask if the Senator from New Hampshire will state in a few words the gist of his amendment?

Mr. COTTON. Yes; this is the gist of it. The remedial works which are already in the process of construction, and are almost completed, have been placed in the river so that when additional power is developed, the water may be controlled, in order to preserve the falls, and to permit the diversion of water at night and at certain other times in greater quantities for power purposes.

It was contemplated that those who developed the power, whether private utilities, the New York State Power Authority, or anyone else, would reimburse the Federal Government for these expenditures. The chairman of the New York State Power Authority, in his letter to our committee, of which the distinguished Senator from Oklahoma is a senior and distinguished member, said it should be borne by the developer. The Federal Power Commission, the Bureau of the Budget, the Department of the Army and the International Joint Commission, likewise, have all said so.

My amendment simply provides that if the bill is passed, and if the New York State Power Authority takes over the development of the power, the New York State Authority shall reimburse the Federal Government the $6,400,000 which is being expended by the United States for the construction of the works, which are a necessary prerequisite to the development of the power.

Mr. KERR. If the Senator from New Hampshire will yield for the purpose, I wish to announce, on behalf of the managers of the bill, that we will accept the amendment. The distinguished junior Senator from New York [Mr. Lehman] does not agree with that conclusion, but after our discussion he has reserved his objection and has advised me that he will not oppose my accepting the amendment on behalf of the managers of the bill.

Mr. LEHMAN. Mr. President, I am perfectly willing to accede to the decision of my friend and colleague, the distinguished senior Senator from Oklahoma. I should, however, like to make my views a part of the Record by reading them. It will take only 3 or 4 minutes.

Mr. KERR. In the light of that statement, I wonder if the distinguished Senator from New Hampshire will agree to that request.

Mr. COTTON. Most certainly. I should like, however, to complete my statement in a few seconds afterward.

Mr. LEHMAN. I shall place the entire memorandum in the Record.

The total cost of the remedial works—and they have very little, if anything, to do with the development of the power—is $18,100,000, of which $9,050,000 will be borne by Canada, and $9,050,000 by the United States.

I emphasize the fact that New York State already, through its Power Authority, has accepted the responsibility for building and repaying the cost of a scenic highway which will run along the bank of the Niagara River for several miles. It will be a very wonderful scenic road. The road will cost $15 million, and New York State has made itself responsible for that amount. I feel that that is as much as should be charged to the cost of the power development. But I am very glad, indeed, to accede to the request of my colleague, the distinguished Senator from Oklahoma [Mr. Kerr], particularly in view of the fact that he has definite ideas on the subject. I always respect his ideas almost wholly—not wholly, but almost wholly.

Mr. President, I ask unanimous consent to have printed at this point in the Record my statement with respect to the amendment.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Lehman

This proposed amendment would apply to remedial works which are not authorized by the terms of the bill S. 1823 and could not properly be included as a part of the power development project. The report of the Committee on Public Works on S. 1823 shows clearly that no such amendment has a place in this bill. On page 5 of the report, under the head of "Remedial Works," the committee report states:

"The treaty of 1950, consistent with one of its purposes of providing for the preservation and enhancement of the beauty of Niagara Falls, requires the construction and completion of certain remedial works which are necessary to preserve the falls, which have been in a gradual process of erosion, especially on the American side.

"These works would consist of construction of a submerged weir upstream from the head of Goat Island to raise the level of the Grass Island Pool and to redistribute the water so as to produce an unbroken crestline of the falls, to cover the flanks of the Horseshoe Falls, and increase the flow over the American falls.

"These works have been under construction as a Federal project since 1951, and Federal appropriations, under the authorization of the treaty, have been regularly made therefor."

It is apparent from this report and the testimony taken at the hearings of the committee that the remedial works are separate and apart from the works required for the power development. Their purpose, as stated, is to produce an unbroken crestline of the falls, both in Canada and in the United States, for scenic purposes and for the benefit of visitors during the tourist season, not for power purposes or benefits. Accordingly the Congress has already decided that the United States should assume the United States share of the cost of the remedial works, estimated at less than $9 million, and that has already been provided for by congressional appropriations.

TOTAL COST, $18,100,000, DIVIDED EQUALLY BY UNITED STATES AND CANADA

To place this cost upon the power project, which has already assumed the cost of a new drive and park on the American side, would add a wholly unjustified burden on the power project and the consumers of project power. The amendment should be rejected.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield for a unanimous-consent request?

Mr. COTTON. I yield.

Mr. KNOWLAND. After consulting with the floor manager of the bill, the acting majority leader [Mr. Kerr], and in view of the colloquy which has taken place, I ask unanimous consent that the previous order for the yeas and nays on the amendment offered by the Senator from New Hampshire [Mr. Cotton] be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Without objection, the amendment offered by the Senator from New Hampshire is agreed to.

The bill is open to further amendment.

Mr. KERR. Mr. President, I thank the distinguished Senator from New York for his very gracious action in this matter, and the distinguished Senator from New Hampshire for submitting his amendment.

I ask unanimous consent that the Senator from New Hampshire may have at this time an additional 5 minutes in which to finish the statement he was making with reference to his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from New Hampshire may proceed for 5 minutes.

Mr. COTTON. I shall not even use 5 minutes. I merely wish to express my appreciation to the Senator from Oklahoma and the Senator from New York for agreeing to the amendment. I think it is a fair amendment.

I should like to call attention to the words of Robert Moses, the chairman of the New York State Power Authority, with reference to the remedial works. He said:

> As to the remedial works under construction by the Corps of Engineers and Ontario Hydro, these are fully as important as the hydroelectric plant and the power authority is not only willing but anxious to assume its share.

Mr. President, I appreciate the cooperation I have received from Senators on the other side of the aisle. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BUSH. Mr. President, I move that the bill be recommitted, and I yield to the distinguished Senator from New York [Mr. Ives] as much time as he may require to speak on the motion.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. What will be the amount of time available, under the unanimous-consent agreement, on the motion to recommit.

The PRESIDING OFFICER. The Chair advises the Senator from Oklahoma that on the motion to recommit there will be 30 minutes to each side.

Mr. KERR. Then the Senator from Connecticut, in yielding the time he did, could yield 30 minutes; could he?

The PRESIDING OFFICER. Is it the understanding of the Chair that the Senator from Connecticut yielded the entire 30 minutes?

Mr. BUSH. No; I said as much time as the Senator from New York might require.

Mr. KERR. Within 30 minutes?

Mr. BUSH. Within 30 minutes.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. IVES. Mr. President, I appreciate the time which has been allotted to me, though I do not expect to use all of it. I wish to point out, in connection with the bill, that there has been much misunderstanding in this Chamber regarding the preference clauses. Yesterday there were those who in their remarks indicated that they thought the preference clauses were in line with the law of the State of New York. That is not correct. They are in direct conflict with the law of the State of New York. The opinion of the attorney general of the State of New York, Jacob K. Javits, copies of which opinion were sent to the chairmen of the Public Works Committees of both Houses, indicates that he is not in favor of this bill as it stands, but is opposed to it. I now wish to read from that opinion:

> Paragraph (1) of section 2 (b) of S. 1823, as presently worded gives not only equal preference for the purchase of power to counties, municipalities, instrumentalities of the State of New York, cooperatives and defense agencies of the United States, but it gives them absolute preference in the purchase of power and this irrespective of their locations. Such a condition, in that it would require allocations of power to consumers to whom the power might not be capable of being made available economically, would pose the problem whether the power authority could, without amendment of the New York statute, accept a license that was issued subject to such a condition. It should be noted that the amount of power utilized by such purchasers in the State of New York is not quite small while the State is highly electrified.

In my remarks on yesterday, Mr. President, I cited the opinions not only of the attorney general, but of the chairman of the State Power Authority, the Honorable Robert Moses. The Honorable Robert Moses in this particular instance seems to be somewhat in conflict with his own ideas, but there is no question with regard to what I read into the Record yesterday as to his opinion that, at the least, the bill may be most unworkable in the State of New York. At the most, and this is altogether probable if the bill should be enacted, it might easily, and probably would, prevent the Authority from selling bonds for the Niagara development. That is

how uncertain the situation would be if this type of bill were passed by the Senate.

Mr. President, I wish now to read an editorial which was published in the New York Times today. I believe this editorial more nearly reflects the opinion of the people of the State of New York than does any other statement which has been made regarding this matter:

Niagara Power

> Once again the question whether the great electric power potential of Niagara Falls shall be developed by a State agency or by private industry is debated in Congress. A delay of more than 5 years has already occurred in taking advantage of the 1950 treaty with Canada that established water rights. The waste in benefits for the people incurred through this delay and waiting for the effectuation of policy now to be decided is costly and irrecoverable. This congressional session should reach a decision, and the right one.
>
> It would be unthinkable for Congress to turn over development of Niagara, this monumental and unique possession of the people, to the exploitation of a combine of private power companies. To do so would contradict New York State legislative policy, for since 1931 the Power Authority Act, passed unanimously by the legislature, has provided that all potential power sites in the watershed of the St. Lawrence River, which includes the Niagara, should be publicly developed. Every governor of New York but one since 1900 has favored development by the State. Every Democratic platform since 1918, every Republican platform since 1936, has favored public development of Niagara power.
>
> Debate now under way in the Senate turns chiefly on the Lehman bill, endorsed by the Public Works Committee. The committee noted that capital for the project, if developed by the New York State Power Authority, would be supplied by individual private investors buying the authority's revenue bonds, just as the development funds would be supplied through stocks or bonds bought by private investors if utility companies were permitted to develop Niagara.
>
> We support the general principles of the Lehman bill—but with one major exception. We oppose the so-called "preference" clause, which provides that in contracting for the disposition of Niagara electricity the power authority will give preference to public and nonprofit agencies, such as counties and municipalities and rural electric cooperatives, while making flexible arrangements and contracts with private utility companies "with suitable provisions * * * for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of * * * preference customers."
>
> Here, in a provision on which Senator Lehman sets much store, lies on the one hand a certain danger of inequitably discriminating limitation of the benefits of low-priced electricity to the relatively few customers now served by public-owned utility systems or, on the other hand, a built-in and almost irresistible temptation to villages, towns and cities within range of Niagara power transmission to set themselves up in the power business in order to become preferential customers of Niagara power. This would do grave damage to private utility companies by stealing away their customers; the companies have invested large sums to be ready to serve these customers.
>
> The way to help the greatest number of domestic and rural customers is by giving them power, as widely and fairly distributed as possible, with rates subject to such controls as are customarily exercised over utility company profits. The preference clause is unfair, and seems to us to invite socialization of the power distribution business.

Mr. President, in connection with the editorial let me say that during the course of the debate the name of a former Governor of New York, Thomas E. Dewey, has been mentioned. I believe in one speech he was represented as favoring the pending bill, or at least one very similar to it. I was in touch with Governor Dewey this morning. I wanted to find out how he stood on this question. I thought I knew, but I wanted to make sure. This is what he has wired back to me:

> May 16, 1956.
>
> Hon. Irving M. Ives,
> *United States Senate Office Building,*
> *Washington, D. C.:*
>
> I was greatly disturbed to hear from you this morning that certain sources in the United States Senate have implied that I favor approval of Senate bill 1823. In view of my testimony before the Senate committee and my numerous public statements over a period of years, I am surprised that my views could be distorted in this fashion. While I agree with many of the principles contained in the legislation, I am unalterably opposed to the preference provisions in this bill. I could not therefore support it in its present form and I hope it will be defeated. The editorial entitled "Niagara Power" in today's New York Times expresses my views on this subject.
>
> Thomas E. Dewey.

The editorial to which he refers is the one I just read.

This telegram should eliminate any idea of support by Governor Dewey of this particular bill.

Mr. President, there are other Senators who wish to speak, and I do not want to consume any more time than is absolutely necessary; but I should like to say, in my judgment, the bill should be recommitted. As I said yesterday, it should go back to the committee, not with the idea of further study by the committee of the Senate or the committee of the House, but with the idea of informing the parties in interest in New York, namely, the Governor of New York, and those interested in the private undertaking, that they must get together on a suitable plan through some kind of compromise. I am sure some kind of compromise can be reached.

The bill should not be enacted or passed by the Senate. I am sure it will not be enacted. The record in the House shows what will happen. In the last Congress the House passed a private power bill by a vote of 262 to 120. It turned down every proposal for State development by overwhelming votes. The same thing is apt to happen this time. Therefore, if it is desired to have the Niagara River developed—and it is important that it should be developed—the thing to do is force the parties in New York to get together on this question and work out a plan which we can agree among ourselves to bring before the Congress at its next session.

Mr. President, I shall not take any more time now.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. How much time have I left?

The PRESIDING OFFICER (Mr. Mansfield in the chair). The Senator from Connecticut has 20 minutes remaining.

Mr. BUSH. I thank the Chair.

I yield 5 minutes to the Senator from Florida [Mr. Holland].

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, since I intend to vote for the motion to recommit, I am glad to have an opportunity to state exactly why I shall do so.

I regret that the issue now presented is not in such shape that I can vote for what I would prefer to vote for, that is, to allow the State of New York to develop, subject to its own law, this very important water resource of the Niagara River which belongs to it.

Mr. President, I have read, hurriedly, and with considerable interest the record of this case, or so much of it as I could. On pages 19 and 20 of the hearings, I notice that the distinguished junior Senator from New York [Mr. Lehman] is recorded as saying this, with reference to the State of New York:

> Incidentally, it would be wasteful and inefficient not to operate these two great projects—

The other one he had mentioned was the St. Lawrence power project—

> in tandem, under the same management and under the same policies.

Mr. President, that statement would make it appear from the record that the junior Senator from New York thinks that if this bill is enacted into law, these two projects will be developed and operated in tandem. But it happens that that is not the case, because the St. Lawrence project—being now developed by the State of New York, and being properly so developed under our Federal Power Act, which gives to each State the right to claim for itself the privilege of developing its own power—is being developed subject to the law of New York, particularly in controlling the distribution which shall be made of the power developed there.

If this bill were passed and were enacted into law, the power from the Niagara River would be developed and then distributed subject to an entirely different principle, and the two projects would not be developed in tandem. They would not be developed under the same policies. Instead, they would be developed under policies which in some respects are diametrically opposite.

Mr. President, in the 83d Congress and prior thereto, as a member of the Committee on Public Works, I had an opportunity to hear the evidence with regard to this important matter. I wish to say that, in my judgment, the State of New York is entitled to exactly the same rights that we have allowed the State of South Carolina, the State of Oklahoma, and the State of Nebraska, in connection with previous matters; and the State of New York is entitled to have those rights without any diminution and without having placed in the pending bill the Federal preference clause which applies to Federal power projects. I am not willing to have a difference made between the treatment given, under Federal law, to the good States of South

Carolina, Oklahoma, and Nebraska, on the one hand, and the treatment given the State of New York, on the other hand. I think we would be branding ourselves with guilt for discrimination of the most serious sort, if we were to pass this bill in such form as to give to the State of New York the right to develop its own water resources, but only under conditions much different from those applying under general law and from those applying to the State of Nebraska, in the case of the development of all her water resources; and to the State of Oklahoma, in the case of the Grand River water resources; and to the State of South Carolina, in the case of the two important water resources already developed there under Federal and State law.

Mr. President, I regret that this bill is in the weak, objectionable, and discriminatory condition it is in. If I had not had other duties in the Appropriations Committee, it would have been a pleasure for me to have drafted and proposed an amendment which would have restored this bill to such a form that I could vote for it. I wish I could vote for it.

I have repeatedly said, in both private and public, that I stood ready to vote to give this power resource to New York on the same terms as those on which we have given similar power resources to other States. By my vote on the Public Works Committee, as the reports of the committee to the Senate will show, I have taken that position.

Mr. KERR. Mr. President, will the Senator from Florida yield for a question?

Mr. HOLLAND. I am sorry, but I do not have time to yield.

The PRESIDING OFFICER. The time yielded to the Senator from Florida has expired.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Connecticut will state it.

Mr. BUSH. How much time remains under my control?

The PRESIDING OFFICER. Fifteen minutes.

Mr. BUSH. If some other Senator on this side of the issue wishes to speak at this time, I am prepared to yield time to him.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit.

Mr. BRICKER. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KERR. Mr. President, do I correctly understand that the Senator from Connecticut does not care to use further time at the moment.

Mr. BUSH. Yes; not at the moment.

Mr. KERR. Then, Mr. President, I yield 15 minutes to the distinguished junior Senator from New York [Mr. Lehman].

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, without having the time required therefor charged to either side.

The PRESIDING OFFICER. Without objection——

Mr. JOHNSON of Texas. Mr. President, I withhold my request.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. LEHMAN. Mr. President, soon we shall vote on the motion to recommit, and thus to kill Senate bill 1823. The vote will be on a motion whose avowed effect will be to delay for an indefinite time the construction of the Niagara project. The people of New York and the people of the Nation should understand the import and intent of this motion.

My distinguished colleague from New York State [Mr. Ives], in stating quite frankly his motive, namely, to kill this bill, told the Senate that he wants to make a new approach to this problem—some kind of approach which would represent a compromise between the private power monopoly and New York State in the distribution of the benefits of the Niagara project. My colleague did not specify on the Senate floor exactly what his proposal was. He has offered no motion to amend my bill.

However, I was called today from Watertown, N. Y., and there was read to me a story which appeared this noon in the Watertown Times, an interview between the senior Senator from New York [Mr. Ives] and the Washington correspondent of the Watertown Times.

According to the report which appeared in this newspaper, my senior colleague advanced as one idea for a compromise between the private power monopoly and New York State, a plan whereby the State would develop the scenic aspects, such as the parkway, and would sell the river water to the private companies for power generation.

Mr. President, I do not know whether the senior Senator from New York is seriously advancing this proposal as his own.

Mr. IVES. Mr. President, will my colleague yield at this point?

Mr. LEHMAN. I am glad to yield.

Mr. IVES. I wish to point out that that was not my idea, but it was suggested to me in the past.

Mr. LEHMAN. But I assume that the Senator advanced the idea.

Mr. IVES. I have not advanced it at all.

Mr. LEHMAN. I assume the Senator advanced it to the correspondent of the Watertown Times.

Mr. IVES. Not at all. The correspondent of the Watertown Times asked me what suggestions had been made. I said that this suggestion, among others, was made to me, and I could name others.

Mr. LEHMAN. That is a rather specious excuse for the plan submitted by my distinguished colleague from New York.

Mr. IVES. I did not submit it; I deny that.

Mr. LEHMAN. I do not think the Senator will deny that he advanced that idea to the correspondent of the Watertown Times.

Mr. IVES. I said that to the correspondent of the Watertown Times, because he wanted to know what suggestions had been made.

Mr. LEHMAN. Mr. President, I do not know whether my colleague from New York is seriously advancing this proposal as his own. The newspaper report was not clear on this point. But if this is his proposal, or if this is the proposal of the private power companies, it strikes me as a sorry plan, indeed. It is a rather incredible division of the benefits of this public resource. New York State would build the parkway and pay the piper, but Niagara Mohawk would sell the power and get the profits. Yes, I know that under this plan New York State would get some small payment for the water—but what a recompense for turning over this great public heritage, which belongs inalienably to the people of New York State and to the people of the Nation. I, for one, am unalterably opposed to any such plan. I see no reason to compromise with the private power monopoly. They are now getting more than they deserve in the use of 20,000 cubic feet per second of the waters of the Niagara—a use they will continue to enjoy at least until 1971.

Delay, Mr. President, is in the interests of the private power monopoly at the expense of New York State and of the Nation. If no legislation is passed, Niagara Mohawk will continue to enjoy the use of an additional 13,000 cubic feet per second of Niagara waters which they have under temporary license as a result of wartime agreements between the United States and Canada.

Until the construction for the development by the State of New York or by a Federal agency of the great resource of water power on the Niagara River is authorized and consummated, Canada is permitted to use every possible horsepower, every possible kilowatt which may be developed from that great river resource. That is provided for in the treaty. It is clearly understood between our respective countries. Even today Canada is using a vastly greater part of that resource than she would have done if we had acted earlier in this important field.

The water to which I have referred, which Canada is now using to a great extent, and which the private utility company at Buffalo is using because of a temporary agreement entered into some years ago, and pursuant to a more permanent agreement entered into in 1921, is being used at a minimum head with a minimum return of power to the people of New York State, but a maximum return of profit to Niagara Mohawk Co. That is why, in my judgment, Niagara Mohawk wants to delay the passage of this legislation or of any other legislation other than that of an outright giveaway to the private power interests.

Mr. President, some question has been raised about whether a majority of the people of New York are for public development.

Public development is required under the laws of New York State. No responsible statewide official, of either party or of any party, has ever advocated anything other than public development. No one would dare to do so.

I challenge any individual who seeks statewide office at this coming election to advocate private development of the Niagara.

This is my 7th year in the Senate. I think my colleagues know me well enough to realize that I am plainspoken, and that I say what I believe to be right, letting the chips fall where they may.

There is no doubt in my mind that the proposal to recommit the bill would create a delay which could not possibly be less than 1 year, and might extend for many years. Such a proposal is merely a device to give the benefit of this great resource, belonging to the State of New York and the Nation, to the private utility companies.

We can test the sincerity of this proposal very easily. Let the distinguished Senator from Indiana [Mr. Capehart] propose his bill, Senate bill 6, as a substitute for my bill, and see what happens. Let us see whether the Senate will agree to the development of this great natural resource by private utility companies. I dare the Senator from Indiana or any other Senator to test that proposal by offering his bill as a substitute for the bill which 17 of my colleagues and I have introduced.

Yesterday I submitted for the Record a list of labor unions supporting S. 1823 and a number of communications which I have received urging the approval of my bill.

Mr. President, I submit for insertion in the Record at this point an additional list of the groups which have indicated support for S. 1823 and the membership that these groups represent. I ask unanimous consent that this list be printed in the Record at this point.

There being no objection, the list was ordered to be printed in the Record, as follows:

Groups Who Have Indicated Support for the Lehman Bill, S. 1823

Northeastern Association of Electric Cooperatives representing 14 electric cooperatives in New York and New England, serving 37,000 farm families.

Textile Workers Union of America, AFL–CIO, having a membership of 230,000 workers.

National Rural Electric Cooperative Association, the national service organization of 929 rural electric cooperatives serving 3,746,581 farm families.

Delaware County Electric Cooperative, Delhi, N. Y., serving 1,200 farm families.

Municipal Utilities, Bath, N. Y., serving 2,698 consumers.

Steuben Rural Electric Cooperative, Bath, N. Y., serving 1,300 farm families.

New York State Municipal Electric Utilities Association representing 44 municipal electric systems serving 92,353 consumers.

Northwestern Rural Electric Cooperative, Cambridge Springs, Pa., serving 8,000 farm families in northwestern Pennsylvania within 93 miles of Niagara Falls.

Otsego Electric Cooperative, Inc., Hartwick, N. Y., serving 1,200 farms.

New York State Association of Electric Cooperatives representing 5 rural electric cooperatives serving 5,500 farm families.

Allegheny Electric Generating Cooperative, Pennsylvania, a generation and transmission cooperative composed of 11 distribution cooperatives serving 57,000 farm families.

National Farmers Union representing 350,000 farm families in 35 States.

Northeast Electric Consumers Conference including the following affiliate organizations: Vermont State Farm Bureau, Farmers Union of the New York Milkshed, Vermont Cooperative Council, Northeast Association of Rural Electric Cooperatives, Central Electric Cooperative of Parker, Pa., Municipal Electric Utilities Association of New York, Municipal Electric Utilities Association of Massachusetts (40 municipal electric systems serving 183,852 consumers), Electrical Workers, CIO, International Brotherhood of Paper Makers, AFL, International Association of Machinists, AFL, Textile Workers, CIO, United Auto Workers, Chemical Workers, Stone Workers, Vermont Federation of Labor, and the Vermont CIO Council.

American Public Power Association, the national service organization of 274 direct members of municipal electric and local public systems serving over 3 million consumers.

United Auto Workers, AFL–CIO, have a membership of 1,300,000.

Amalgamated Clothing Workers of America, AFL–CIO, having a membership of 400,000 workers.

Jamestown, N. Y., Municipal Utility serving 18,588 consumers, 93 miles from Niagara Falls, N. Y.

Oil, Chemical and Atomic Workers, International Union, AFL–CIO, having a membership of 200,000 workers.

Dunkirk, N. Y., Municipal Electric System serving 6,415 consumers, 65 miles from Niagara Falls, N. Y.

Liberal Party of New York State which obtained 416,711 votes in the 1952 presidential election.

Ohio Association of Rural Electric Cooperatives representing 30 cooperatives serving 130,000 farm families.

Boonville, N. Y., Municipal Electric System serving 1,500 consumers.

Northwest Ohio Municipal Electric Association representing 36 municipal electric systems of northwest Ohio including such towns as Bryan, Napoleon, Paulding, Clyde, and Bowling Green.

International Ladies Garment Workers Union AFL–CIO representing over 440,000 workers.

Pennsylvania Rural Electric Association representing 13 rural electric cooperatives in Pennsylvania serving 70,000 farm families.

Pennsylvania Municipal Utilities Association representing 20 municipal electric systems.

Louis Hollander, president, New York State CIO Council.

Hon. Robert F. Wagner, Jr., mayor, city of New York.

Mr. LEHMAN. I also received late yesterday a telegram from the president of one of the largest and most highly respected railroad brotherhoods in America, the Brotherhood of Railroad Trainmen, and I ask unanimous consent that the very fine telegram I received from President W. P. Kennedy of that union, strongly endorsing my bill, be printed in the Record at this point. Also, a telegram from Air Transport Local No. 501 of the Transport Workers Union, AFL–CIO.

There being no objection, the telegrams were ordered to be printed in the Record, as follows:

Cleveland, Ohio, *May 14, 1956.*

Hon. Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

The Brotherhood of Railroad Trainmen, with members on both sides of the international border, have for years favored public development and distribution of power at Niagara Falls. The splendid example set by the Hydro Commission of Ontario should be equaled or excelled by the United States in its service to the people south of the border. There is no sane or sensible reason why Niagara Falls, N. Y., pays $5.03; Detroit, Mich., $7.74; Niagara Falls and Windsor, Ontario, pay $2.39 and $3.33 for the same amounts of electricity. The only good answer is in the favorable consideration of the Lehman-Davidson bills.

W. P. Kennedy,
President, Brotherhood of Railroad Trainmen.

Elmhurst, N. Y., *May 14, 1956.*

Senator Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

Air Transport Local 501 fully behind your fight to obtain passage of S. 1823, to develop Niagara River hydroelectric power under public auspices. It safeguards, too, as to spread benefits as widely as possible and enables low-cost power. We feel passage of S. 1823 will be more jobs for New York State.

Air Transport Local 501,
TWU, AFL–CIO.

Mr. LEHMAN. Another argument advanced by the opponents of S. 1823 is that the terms of S. 1823 are inconsistent with and repugnant to the provisions of the New York State Power Authority Act. I am not a lawyer, Mr. President, but I challenge this assertion. The basic policy provision in section 1005 of the State Power Authority Act reads that the Niagara and St. Lawrence resources shall be developed "primarily for the benefit of the people" and particularly for the benefit of "the domestic and rural consumers to whom the power can economically be made available."

The same section of the act states that the purpose of this policy is to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity.

To implement this basic policy, section 1005 also provides:

> In furtherance of this policy, and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall, in addition to other methods which it may find advantageous, make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold—

To such wholesale customers—

> subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price.

Mr. President, I ask Members of the Senate whether there is any inconsistency whatsoever between this language of the New York State Power Authority Act and the provision of the pending bill, S. 1823, stipulating that a preference in access to the project power shall be granted to public and nonprofit bodies.

To say that there is such an inconsistency is to mislead the Senate. The language of S. 1823 is very specific. Section 2 of S. 1823 contains a further development of the preference idea, a development similar to that through which all statutory language passes, in the light of experience.

The language of the State Power Authority Act, which I have quoted, has not been revised since 1931. This language, in turn, was based on the pioneering views of President Theodore Roosevelt.

The safeguard provisions of S. 1823 carry out the intent of the provisions of the State Power Authority Act, but in a more detailed and more specific manner.

I ask unanimous consent that there be inserted in the RECORD at this point a memorandum prepared by competent legal counsel, discussing in detail the relationship between the safeguard provisions of S. 1823 and the laws of the State of New York.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. CASE of South Dakota. Mr. President, reserving the right to object—and I shall not object—I wonder whether the memorandum includes the section from the New York State law which sets forth the preference provision.

Mr. LEHMAN. I believe I have already put that in the RECORD.

Mr. CASE of South Dakota. I believe it should be in the RECORD.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. Mr. President, may I ask for some more time?

Mr. KERR. Mr. President, I yield 2 additional minutes to the Senator from New York.

Mr. LEHMAN. May I have 5 additional minutes?

Mr. KERR. I yield 5 additional minutes to the Senator from New York.

Mr. CASE of South Dakota. I believe the text of the New York State law should be in the RECORD.

Mr. LEHMAN. I shall be very glad to put that in the RECORD. I ask unanimous consent that it may be printed in the RECORD, together with the memorandum.

Mr. CASE of South Dakota. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the memorandum and statute were ordered to be printed in the RECORD, as follows:

MEMORANDUM OF LAW SUPPORTING THE POSITION THAT S. 1823 IS IN FULL ACCORD WITH THE MAIN POLICY PROVISIONS OF THE NEW YORK STATE POWER AUTHORITY ACT

The main policy provision of the New York State Power Authority Act is clearly stated in paragraph 5 of section 1005.

This provision was unanimously adopted by the New York Legislature in the original act creating the power authority in 1931. It was carried over into the amended act of 1951, recommended by Governor Dewey, which directed the authority, subject to Federal approval, to develop Niagara power, along with St. Lawrence power, as a coordinated public power project.

This basic provision in section 1005 declares the policy that the Niagara, as well as the St. Lawrence, shall be developed primarily "for the benefit of the people," and particularly for the benefit of "the domestic and rural consumers to whom the power can economically be made available."

The same section of the act declares that the purpose of this policy is "to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity."

To implement this basic policy, section 1005 provides:

a. "In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price, provided, however, that in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State. To that end, the authority may provide in any contract or contracts which it may take for the sale, transmission and distribution of power that the purchaser, transmitter or distributor shall construct, maintain and operate, on such terms as the authority may deem proper, such connecting lines as may be necessary for transmission of the power from main transmission lines to such municipalities or political subdivisions."

When the Power Authority Act was amended and extended to the Niagara, on the recommendation of Governor Dewey in 1951, it also carried an important proviso to section 1005: This proviso reads:

"That in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provision may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power under the same terms and conditions as power is disposed of in New York State."

The basic policy set forth in section 1005 after its adoption in New York in 1931 was written into many of the acts of Congress authorizing Federal projects, and by other State legislatures in authorizing State projects.

For example, the statute which set up the South Carolina Development Authority to operate and maintain the Santee-Cooper project in that State declares the same policy in almost identical words borrowed from the New York act. The South Carolina project, unlike the Niagara project, was provided with loans and grants from the Federal Treasury under the general authority of various public works laws, under which the Congress encouraged the States, municipalities and other subdivisions to engage in such development projects.

For over 20 years after the passage of the power authority act of 1931, no Governor of the State of New York ever denied that the act closely followed the policy initiated by the Congress under Theodore Roosevelt in granting a preference to public bodies, and other similar agencies.

Nor was it denied that the act was broad enough to authorize the sale of project power on the same basis to rural electric cooperatives. Such REA cooperatives were not authorized to engage in the distribution of electric energy in New York when the 1931 act was first adopted. They were so authorized during the Lehman administration. And the power authority itself has reiterated its purpose over and over again to sell power directly to such cooperatives.

The bill S. 1823 provides in section 2 and paragraphs 1 and 2 exactly the same kind of preference which has been given by the Congress in scores of acts authorizing river-development projects where a great public resource clearly under our jurisdiction and belonging to all the people was involved. The same policy, as Senator MCCLELLAN pointed out at the 1951 hearings on the Niagara, was made generally applicable to projects under the control of the Corps of Engineers in section 5 of the Flood Control Act of 1944:

"Senator MCCLELLAN. The Federal power policy is set by the act of 1944 [the Flood Control Act] * * * and it does grant preference to co-ops, municipalities, and Government plants.

* * * * *

"The Ives bill, according to your interpretation of it [addressing the witness, Burton] would bring about a revision of that policy insofar as this project is concerned.

* * * * *

"If it is constructed under the Lehman bill, as it is now before us, I think the Lehman bill in the distribution of the power would substantially, if not wholly, conform to existing national policy" (pp. 124–125, 1951 Niagara hearings).

So it is perfectly clear that the type of preference given to rural electric cooperatives and public bodies in the bill S. 1823 is completely consistent with previous enactments by the Congress on the same subject. It is also completely consistent with the Power Authority Act of the State of New York, as interpreted by every Governor of the State, with the single exception of the testimony given by Governor Dewey in 1953.

Governor Dewey was then about to retire from public life. He never did oppose preference for rural electric cooperatives or municipalities when he was himself asking the support of the people as a candidate for Governor or President, from 1940 through 1952.

The senior Senator from New York [Mr. IVES], on the other hand, has always been opposed to the preference clause and has voted against it repeatedly as a Member of this body. He now asks, as Senator MCCLELLAN said at the 1951 hearings, for the revision of this policy which the Congress has approved over and over again and kept on the statute books in one form or another since the administration of Theodore Roosevelt.

The claim that preference will force municipalities into the power business to get a share of Niagara power is completely exploded by the record of what has actually happened where that policy applies. The city of Portland, under the very shadow of Bonneville, is served by a private utility. So are virtually all the large cities, outside of Tennessee, in the West and South which are within transmission distance of our great multiple-purpose projects which observe the preference policy.

Not a single new municipal plant has been authorized in New York State since the power authority started marketing St. Lawrence power in 1954. The power authority only last year contracted to sell 100,000 kilowatts of St. Lawrence power to the neighboring State of Vermont. That contract does not augment, and it does not diminish, the right of the cities of Vermont to engage in the distribution of electricty. As a matter of fact, the Vermont Legislature authorized the public service commission of the State to purchase this substantial block of St. Lawrence power, the power was made available, and no attempt was made by New York or the power authority to impose any arbitrary system of distribution on the people of Vermont.

Vermont asked New York to deliver the power at the Vermont-New York boundary

and that is now being arranged for, in exactly the manner Vermont requested. In its last annual report in February of this year the power authority states that it will deliver this power over a 230,000-volt transmission line and that, by agreement with Niagara Mohawk and with the New York State Electric & Gas Corp., those utilities "will strengthen existing facilities to provide the necessary transmission back-up" for the authority's line.

This is what is actually being done, and it belies the claim that the bill S. 1823 would impose arbitrary, inflexible transmission provisions or preference provisions inconsistent with State or Federal laws. The private utilities did at first contend that the power authority had no power under its act to build a transmission line to Vermont, and they threatened to bring an action in the courts to enjoin its construction. They have now entered into the agreement with the authority I have noted in their annual report, and the authority states that all these transmission facilities—both the authority line and the utilities' back-up facilities—will be completed by 1958 when the generators are ready to produce the first of the power available from the St. Lawrence.

The power authority has already announced that it will build transmission lines to interconnect the St. Lawrence with the Niagara, when the latter project is authorized and completed. The private utilities themselves, at a public hearing before the power authority on October 17, 1955, testified that such an interconnection was indispensable if these two great hydroelectric projects were to operate with maximum benefit in strengthening the power supply of the State.

So the provision in section 2, paragraph (2), of S. 1823 will impose no new policy on New York or any neighboring State in the matter of transmission of project power. It simply authorizes the acquisition of existing transmission lines when necessary, and the construction of nonduplicating lines where justified, to serve wholesale customers and neighboring States.

By reaffirming these sound policies in S. 1823, the Congress simply recognizes the established rights of such wholesale customers and the rights of all the States—in New England, Ohio, and Pennsylvania—within reach of project power.

POWER AUTHORITY ACT

(Originally enacted as chapter 772, laws of New York, 1931, approved April 27, 1931; reenacted with minor amendments as title I, article 5, of the public authorities law, chapter 870, laws of New York, 1939, approved June 15, 1939; amended by chapter 612, laws of New York, 1949, approved April 16, 1949; amended by chapter 328, laws of New York, 1950, approved March 31, 1950; amended by chapter 146, laws of New York, 1951, approved March 20, 1951)

ARTICLE 5—PUBLIC UTILITY AUTHORITIES

Title I—Power Authority of the State of New York

Sec.
1000. Short title.
1001. Declaration of policy.
1002. Power Authority of the State of New York.
1003. Trustees.
1004. Officers and employees; expenses.
1005. Powers and duties of authority.
1006. Power to compel attendance of witnesses.
1007. Acquisition of property.
1008. Consent of State.
1009. Contracts negotiated by authority.
1010. Bonds of the authority.
1011. Agreement of the State.
1012. Exemption from taxation.
1013. Repayment of State appropriations.
1014. Public service law not applicable; inconsistent provisions in other acts superseded.
1015. Title not affected if in part unconstitutional or ineffective.

§ 1000. Short title.

This title may be cited as the "Power Authority Act."

§ 1001. Declaration of policy.

Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State for the use and development of commerce and navigation in the interest of the people of this State and the United States. In order to provide for the most beneficial use of these natural resources, for the creation and development of hydroelectric power in the interest of the people of this State, and to preserve and enhance the scenic beauty of the Niagara Falls and river, such natural resources, including the beds and waters of the said rivers as instrumentalities of commerce and navigation, and the beds, waters, power and power sites in, upon or adjacent to or within the watersheds of the said rivers, owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in the people of the State.

§ 1002. Power Authority of the State of New York.

For the purpose of effectuating the policy declared in section 1001 of this chapter and of improving the Niagara and St. Lawrence Rivers as instrumentalities of commerce and navigation and developing the hydroelectric power resources thereof, there is hereby created a corporate municipal instrumentality of the State to be known as "Power Authority of the State of New York," hereinafter in this title referred to as "the authority," which shall be a body corporate and politic, a political subdivision of the State, exercising governmental and public powers, perpetual in duration, capable of suing and being sued, and having a seal, and which shall have the powers and duties hereinafter enumerated, together with such others as may hereafter be conferred upon it by law.

It shall report annually to the governor and the legislature upon its operations and transactions.

§ 1003. Trustees.

The authority shall consist of 5 trustees, who shall serve respectively for terms of 1, 2, 3, 4, and 5 years, to be appointed by the governor, by and with the advice and consent of the senate. Each trustee shall hold office until his successor has been appointed and qualified. At the expiration of the term of each trustee and of each succeeding trustee the governor shall, by and with the advice and consent of the senate, appoint a successor, who shall hold office for a term of 5 years, or until his successor has been appointed and qualified. In the event of a vacancy occurring in the office of a trustee by death, resignation, or otherwise, the governor shall, by and with the advice and consent of the senate, appoint his successor, who shall hold office for the unexpired term. Three trustees shall constitute a quorum for the purpose of organizing the authority and conducting the business thereof.

The trustees shall receive no salary, but each trustee shall be paid his reasonable expenses in the performance of his duties hereunder, together with a per diem allowance of $85 when traveling or rendering services as trustee, provided that the aggregate of such per diem allowances to any 1 trustee in any 1 year shall not exceed the sum of $8,500.

§ 1004. Officers and employees; expenses.

The trustees shall choose from among their own number a chairman and vice chairman. They shall from time to time select such employees, including engineering, marketing, and legal skill, as they may require for the performance of their duties and shall prescribe the duties and compensation of each officer and employee. They shall adopt bylaws and rules and regulations suitable to the purposes of this title. As long as and to the extent that the authority is dependent upon appropriations for the payment of its expenses, it shall incur no obligations for salary, office, or other expenses prior to the making of appropriations adequate to meet the same.

§ 1005. Powers and duties of authority.

Forthwith upon the appointment and organization of the trustees and subject to the conditions and limitations in this title contained, the authority, in cooperation with the proper Canadian authorities and those of the United States as hereinafter directed, shall proceed with the improvement and development of the Niagara River and the international rapids section of the Saint Lawrence River (which is defined as that part of the said river from Ogdensburg to the point where it leaves the territory of this State) for the aid and benefit of commerce and navigation and for the development of the hydroelectric power inherent therein in accordance with the provisions of this title.

The authority is authorized and directed:

1. To cooperate with the appropriate agencies and officials of the United States Government to the end that any project undertaken under the authority of this title shall be consistent with and in aid of the plans of the United States for the improvement of commerce and navigation along the Niagara and Saint Lawrence Rivers and shall be so planned and constructed as to be adaptable to the plans of the United States therefor, so that the necessary channels, locks, canals, and other navigational facilities may be constructed and installed by the United States, in, through, and as part of such project.

2. To negotiate with the appropriate Canadian authorities and agencies respecting the improvement and development of the Niagara River, and the international rapids section of the Saint Lawrence River for the aid and benefit of commerce and navigation and the development of hydroelectric power therefrom, and to plan and agree with them upon cooperative action to that end including any shifting of international boundary lines between Canada and the United States and upon the use, control and disposition of the facilities to be created and the hydroelectric power to be developed by any project authorized by this title. Such negotiations and agreements shall be conduced and concluded with due regard to the position of the United States in respect to international agreements, and any such agreements as may be reached with Canadian authorities or agencies may be submitted by the authority to Congress for its approval, if it be advised that such approval is necessary or desirable.

3. To apply to the appropriate agencies and officials of the United States Government and/or of the Dominion of Canada or its provinces, including the Federal Power Commission and the International Joint Commission, for such licenses, permits or approval of its plans or projects as it may deem necessary or advisable, and in its discretion, and upon such terms and conditions as it may deem appropriate, to accept such licenses, permits or approvals as may be tendered to it by such agencies or officials; and to enter into contracts with such agencies or officials relating to the construction or operation of the projects. Neither the authority nor any trustee, officer or agent thereof shall have any power to waive or surrender for any purpose whatsoever any right

of the State of New York, whether sovereign or proprietary in character, in and to the Niagara and Saint Lawrence Rivers, their waters, power, channels, beds, or uses, or the right of the State to assert such rights at any future time; provided, however, that nothing herein contained shall be construed as limiting the power of the authority to accept a license issued by the Federal Power Commission pursuant to the provisions of the Federal Power Act, as amended, and the terms and conditions therein imposed pursuant to law. If for any reason the authority shall fail to secure any such license, permit or approval as it may deem necessary or advisable, or shall decide not to make application therefor, it is authorized to institute suit, or to apply to Congress for legislation or take such other action in the premises as it may deem necessary or advisable, in the furtherance of the project and for the protection of its rights and those of the State.

4. To study the desirability and means of attracting industry to the State of New York, consistent with and in effectuation of the policy declared in subparagraph 5 immediately following.

5. To develop, maintain, manage and operate those parts of the projects owned or controlled by it in such manner as to give effect to the policy hereby declared (and all plans and acts, and all contracts for the use, sale, transmission and distribution of the power generated by the said projects, shall be made in the light of, consistent with, and subject to, this policy), namely, that the projects shall be in all respects for the aid, improvement, and benefit of commerce and navigation in, through, along and past the Niagara River, the St. Lawrence River and the international rapids section thereof, and that in the development of hydroelectric power therefrom such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price, provided, however, that in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State. To that end, the authority may provide in any contract or contracts which it may take for the sale, transmission and distribution of power that the purchaser, transmitter or distributor shall construct, maintain and operate, on such terms as the authority may deem proper, such connecting lines as may be necessary for transmission of the power from main transmission lines to such municipalities or political subdivisions.

6. To negotiate in the manner hereinafter provided a contract or contracts for the sale, transmission and distribution of power generated by any project authorized by this title which by the terms thereof will provide:

(a) Payment of all operating and maintenance expenses of the project.

(b) Interest on and amortization and reserve charges sufficient within 50 years of the date of issuance to retire the bonds of the power authority issued for the project.

(c) Continuous control and operation of the project by the authority.

(d) The effectuation of the policy declared in subparagraph 5 above.

(e) Full and complete disclosure to the authority of all factors of cost in the transmission and distribution of power, so that rates to consumers may be fixed initially in the contract and may be adjusted from time to time on the basis of true cost data, provided that in fixing such cost of transmission and distribution no account shall be given to any franchise value, going value, or goodwill based upon the existence of the contract and the availability of the power for sale by the transmitting or distributing company or any company associated therewith.

(f) Periodic revisions of the service and rates to consumers on the basis of accurate cost data obtained by such accounting methods and systems as shall be approved by the trustees and in furtherance and effectuation of the policy declared in subparagraph 5 above.

(g) That the rates, services, and practices of the purchasing, transmitting, and/or distributing public agencies or companies in respect to the power generated by such projects shall be governed by the provisions and principles established in the contract, and not by regulations of the public service commission or by general principles of public service law regulating rates, services, and practices.

(h) The rate structures agreed upon in such contract may provide different rates for different localities, classes of consumers, and amounts of current consumed, and for changes in the rates resulting from variation in operating costs and fixed charges.

(i) For the cancellation and termination of any such contract upon violation of the terms thereof by the purchasing, transmitting, or distributing public agency or company, or any subsidiary or associate thereof.

(j) For such security for performance as the authority may deem practicable and advisable, including provisions assuring the continuance of service by the purchasing, transmitting, and/or distributing public agencies or companies and/or the use of their facilities for such service and/or the continuance of an outlet and adequate market for the power generated by such projects.

(k) Such other terms not inconsistent with the provisions and policy of this title as the authority may deem advisable.

7. To proceed with the physical construction of any project authorized by this title, including the erection of the necessary dams, powerhouses and other facilities, instrumentalities and things necessary or convenient to that end, and including also the erection of such transmission lines as may be necessary to conduct electricity to industrial users located at or near the site; and including also the acquisition, by contract only with the owners thereof, of transmission lines or the use of such transmission lines, available or which may be made available, to conduct electricity to such point or points at which the electricity is sold by the authority to any person, corporation or association, public or private, engaged in the business of distribution and sale of electricity to ultimate consumers; or if the authority is unable to so acquire by contract the ownership or use of such transmission lines, including also the erection by the authority of transmission lines necessary for such purposes; and thereafter to maintain and operate the project in accordance with the provisions and policy of this title. The authority is specifically authorized to undertake the construction of any project in one or more steps as it may find economically desirable or advantageous, and as it may agree with the appropriate Canadian and United States authorities. Whenever in this title reference is made to "project," it shall be understood to refer to such part of any project authorized by this title as may from time to time be in existence or immediately projected.

8. To exercise all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this title; and as incidental thereto to own, lease, build, operate, maintain and dispose of real and personal property of every kind and character, to acquire real property and any or every interest therein for its lawful purposes by purchase, or by condemnation as hereinafter provided, to borrow money and secure the same by bonds or liens upon revenue from any property or contracts held or to be held by it, to sell water or electric power, and generally to do any and everything necessary or convenient to carry out the purposes of this title, provided that the authority shall have no power at any time to pledge the credit of the State nor shall any of its obligations or securities be deemed to be obligations of the State nor shall the authority have the power to lease or sell any dam or powerhouse at the site.

9. Notwithstanding any limitation hereinbefore expressed, the authority is authorized and directed forthwith or from time to time as it shall deem advisable and within the limitations of the appropriations made available for it to initiate and prosecute all inquiries, investigations, surveys, and studies which it may deem necessary or desirable as preliminary to the effectuation of the other powers and duties conferred upon it by this title.

§ 1006. Power to compel attendance of witnesses.

For the purposes of exercising its powers and performing its duties hereunder and of securing such information as it may deem necessary hereunder, the authority shall have the power to compel the attendance of witnesses and the production of documents in the manner provided for in the Civil Practice Act for the subpenaing of witnesses and production of documents before a referee or special master, and if a person subpenaed to attend before it shall fail to obey the command of such subpena without reasonable cause, or refuse to be sworn or examined, or to answer a pertinent question or produce a pertinent book or paper, the authority may apply to the supreme court or any judge thereof for an order requiring such person to show cause why he should not comply with the subpena or direction of the authority. The court, or a justice before whom such order shall be returnable, shall examine such person, determine whether or not the testimony or evidence is relevant or pertinent, and if it be so determined, shall order such person to comply accordingly forthwith, and in the event of refusal may commit the offender to jail, there to remain until he submits to the order of the court or such justice, or is discharged according to law. The power hereby conferred upon the authority may be exercised by any one or more of the trustees if he or they are authorized so to act on behalf of the authority by resolution or by law.

§ 1007. Acquisition of property.

If, for any of the purposes hereunder, including temporary construction purposes

and the making of additions or improvements, the authority shall find it necessary or convenient for it to acquire any real property as herein defined, whether for immediate or future use, then the authority may find and determine that such property is required for a public use, and upon such due determination, such property shall be and shall be deemed to be required for such public use until otherwise determined by the authority and with the exceptions hereinafter specifically noted such determination of fact shall not be affected by the fact that such property has theretofore been taken for, as is then devoted to, a public use; but the public use in the hands or under the control of the authority shall be deemed superior to the public use in the hands of any other person, association, or corporation. If the authority is unable to agree for the acquirement of any such property, or if the owner thereof shall be incapable of disposing of the same, or if, after diligent search and inquiry, the name and residence of any such owner cannot be ascertained, or if any such property has been acquired or attempted to be acquired and title or other rights therein have been found to be invalid or defective, the authority may acquire such property by condemnation under and pursuant to the provisions of this title.

1. When any real property within this State is sought to be acquired by condemnation, the authority shall cause a survey and map to be made thereof, and shall cause such survey and map to be filed in its office. There shall be annexed to such survey and map a certificate executed by the chief engineer of the authority, or by such other officer or employee as may be designated by the trustees, stating that the property or interest therein described in such survey and map are necessary for its purposes.

2. Upon filing such survey and map the authority shall petition a special term of the supreme court held in the judicial district in which the property is located, or the county court of any county where such property is located for the condemnation of such property or interest therein, as have not been otherwise acquired. Such petition shall be generally in the form prescribed by section 4 of the condemnation law, so far as consistent herewith. Such petition, together with a notice of pendency of the proceeding, shall be filed in the office of the county clerk of such county and shall be indexed and recorded as provided by law. A copy of such petition together with a notice of the presentation thereof to such special term of the supreme court or to the county court shall be served upon the owners as provided in sections 5 and 6 of the condemnation law. The authority may cause a duplicate original affidavit of the service thereof to be recorded in the books used for recording deeds in the office of the county clerk of the county wherein the property described in such notice is situated, and the recording of such affidavit shall be prima facie evidence of due service thereof.

3. At any time after the recording of the petition and notice as above provided the authority may enter upon and use and occupy all the parcels of real estate described in the proceedings for the condemnation thereof, provided that it shall first deposit with the court a sum equal to the assessed valuation of such real property, or in the event that the assessed valuation thereof cannot readily be ascertained, such sum as in its judgment shall be sufficient as compensation for the real property acquired. The sum so deposited shall be applied as provided in section 24 of the condemnation law. Upon the recording of the petition and notice and the making of the deposit, the owner or person in possession of such real property shall deliver possession thereof to the authority upon demand, and in case possession is not delivered when demanded, or demand is not convenient because of absence of the owner or inability to locate or determine the owner, the authority may apply to the court without notice for an order requiring the sheriff to put it into possession of such real property. Such an order must be executed as if it were an execution for the delivery of the possession of the property.

4. The proceedings thereafter shall be in the manner prescribed by the condemnation law so far as consistent herewith.

5. The commissioners appointed to ascertain and determine the compensation which ought justly to be made to the owners of property or interests therein appraised by them as provided in section 13 of the condemnation law shall make their report of the value thereof to the supreme court within 100 days from the date of their qualification.

6. The persons or corporations whose property shall have been taken by condemnation and who shall have agreed upon the compensation to be paid therefor in settlement of the proceeding, or to whom an award of compensation shall have been made by the court, shall be entitled to payment of the agreed or awarded compensation within 3 calendar months after the date of the agreement upon the amount of the compensation or of the entry of the order confirming the report of the commissioners of appraisal, together with interest upon the amount of such compensation from the time of the entry and appropriation thereof by the authority to the date of payment of such compensation; but such interest shall cease upon the service by the authority, upon the person or corporation entitled thereto, of a 15 days' notice that the authority is ready and willing to pay the amount of such compensation upon the presentation of proper proofs and vouchers. Such notice shall be served personally or by registered mail and publication thereof at least once a week for 3 successive weeks in a daily newspaper, having a general circulation in the county where such property or any part thereof is located.

7. The authority may, at its option, acquire such real property within the State of New York, under the general condemnation law or, in the event it is a licensee of the Federal Power Commission it may acquire such real property as is necessary for its purposes through the exercise of the right of eminent domain as provided in section 21 of the Federal Power Act, as amended.

8. The authority and its duly authorized agents and employees may enter upon any real property for the purpose of making the surveys or maps mentioned in this section, or for such other surveys or examinations of real property as may be necessary or convenient for the purposes of this title.

9. The term "real property" as used in this title is defined to include lands, structures, franchises and interests in land, including lands under water and riparian rights, and any and all other things and rights usually included within the said term, and includes also any all interests in such property less than full title, such as easements, rights-of-way, uses, leases, licenses, and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise, and also all claims for damages for such real estate.

§ 1008. Consent of State.

The State of New York hereby consents to the occupation and use by the authority of any and all property of the State of whatever kind or character on the Niagara River or within the international rapids section of the St. Lawrence River, and hereby vests the authority with and delegates to it the right to exercise any and every right and power of the State in connection therewith, whether proprietary or sovereign in character, which the State itself might exercise, provided that such consent and delegation of power shall not permit the impairment or limit or prevent the future improvement of the navigability of the Niagara River or the international rapids section of the St. Lawrence River, consistent with the maintenance of such projects, but on the contrary the projects shall be such as will improve and benefit commerce and navigation therein and provided further that the authority shall have no power to limit, waive, or surrender any right or interest of the State of New York in such rivers or the use thereof.

§ 1009. Contracts negotiated by authority.

Contracts negotiated by the authority as provided in subparagraph 6 of section 1005 of this chapter shall be entered into and executed as follows:

1. After agreement upon the terms of any such contracts shall have been reached by the authority and its coparty or coparties, the authority shall hold a public hearing or hearings upon the terms thereof. At least 30 days' notice of such hearing shall be given by publication once in each week during such period in each of six newspapers within the State to be selected by the authority. Copies of proposed contracts shall be available for public inspection during such period of 30 days at the office or offices of the authority and at such other places throughout the State as it may designate.

2. Following such public hearing, the authority shall reconsider the terms of the proposed contract or contracts and shall negotiate such changes and modifications in the contract or contracts as it then deems necessary or advisable.

3. When such contract or contracts are finally agreed upon in terms satisfactory to the authority and its coparty or coparties, and which the authority believes to be in the public interest, the authority shall thereupon report the proposed contract or contracts, together with its recommendations and the record of the public hearings thereon to the governor of the State who shall within 60 days therafter indicate his approval or disapproval thereof and give his reasons therefor.

4. If the governor shall approve such contract, then the same shall be executed by the chairman and secretary of the authority and it shall thereupon come into full force and effect and be binding upon the authority and all other parties thereto in accordance with its terms.

§ 1010. Bonds of the authority.

The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds for the purpose of financing any project authorized by this title, including the acquisition of any real or personal property or facilities deemed necessary by the authority.

In anticipation of the sale of such bonds the authority may issue negotiable bond anticipation notes and may renew the same from time to time but the maximum maturity of any such note, including renewals thereof, shall not exceed 5 years from the date of issue of such original notes. Such notes shall be paid from any moneys of the authority available therefor and not otherwise pledged, or from the proceeds of sale of the bonds of the authority in anticipation of which they were issued. Such notes shall not be isued in an amount in excess of the amount of bonds which the authority is authorized to issue, less the amount of any bonds or other notes theretofore issued and outstanding. The notes shall be issued in the same manner as the bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions, or limitations which a bond resolution of the authority may contain.

Except as may be otherwise expressly provided by the authority, the bonds and notes of every issue shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds or notes pledging any particular moneys or revenues. Notwithstanding that bonds and notes may be payable from a special fund, if they are otherwise of such form and character as to be negotiable instruments under the terms of the negotiable instruments law (constituting chapter 88 of the consolidated laws) the bonds and notes shall be and are hereby made negotiable instruments within the meaning of and for all purposes of the negotiable instruments law, subject only to the provisions of the bonds and notes for registration.

The authority shall have power from time to time, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose hereinbefore described. Refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed, or may be sold with the proceeds applied to the purchase or payment of the bonds to be refunded.

The bonds may be issued payable in annual installments or may be issued as term bonds or the authority, in its discretion, may issue bonds of both types. The bonds shall be authorized by resolution of the trustees of the authority and shall bear such date or dates, mature at such time or times, not exceeding 50 years from their respective dates, bear interest at such rate or rates, not exceeding 5 percent per annum, payable annually or semiannually, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, to be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. In the event that term bonds are issued, the resolution authorizing the same may make such provisions for the establishment and management of adequate sinking funds for the payment thereof, as the authority may deem necessary. The bonds or notes may be sold at public or private sale for such price or prices as the authority shall determine, but which shall not at the time of sale yield more than 5 percent per annum. Pending preparation of the definite bonds, the authority may issue interim receipts which shall be exchanged for such bonds.

Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized as to—

(a) Pledging all or any part of the revenues of the project or any revenue producing contract or contracts made by the authority with any individual, partnership, corporation, or association to secure the payment of the bonds or of any particular issue of bonds, subject to such agreements with bondholders as may then exist.

(b) The rentals, fees, and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds, and the regulation and disposition thereof.

(d) Limitations on the right of the authority to restrict and regulate the use of any project.

(e) Limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or of any issue of the bonds.

(f) Limitations on the issuance of additional bonds; the terms upon which additional bonds may be issued and secured; the refunding of outstanding bonds.

(g) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given.

(h) Limitations on the amount of moneys derived from a project to be expended for operating, administrative, or other expenses of the authority.

(i) Defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default.

Notwithstanding any other provisions of this title, any such resolution or resolutions shall contain a covenant by the authority that it will at all times maintain rates, fees, or charges sufficient to pay, and that any contracts entered into by the authority for the sale, transmission, or distribution of power shall contain rates, fees, or charges sufficient to pay the costs of operation and maintenance of the project, the principal of and interest on any obligations issued pursuant to such resolution as the same severally become due and payable, and to maintain any reserves required by the terms of such resolution or resolutions.

It is the intention hereof that any pledge of revenues or other moneys or of a revenue producing contract or contracts made by the authority shall be valid and binding from the time when the pledge is made; that the revenues or other moneys or proceeds of any contract or contracts so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

Neither the members of the authority nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

The authority shall have power out of any funds available therefor to purchase bonds or notes. The authority may hold, pledge, cancel, or resell such bonds, subject to and in accordance with agreements with bondholders.

Any bonds or notes issued by the authority are hereby made securities in which all public officers and bodies of this State and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, and all other persons whatsoever, except as hereinafter provided, who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them; provided that, notwithstanding the provisions of any other general or special law to the contrary, such bonds shall not be eligible for the investment of funds, including capital, of trusts, estates or guardianships under the control of individual administrators, guardians, executors, trustees, and other individual fiduciaries. The bonds are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this State and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of this State is now or may hereafter be authorized.

§ 1010a. Deposit and investment of moneys of the authority.

All moneys of the authority from whatever source derived shall be paid to the comptroller as agent of the authority, who shall not commingle such moneys with any other moneys. Such moneys shall be deposited in a separate bank account or accounts. The moneys in such accounts shall be paid out on check of the comptroller on requisition of the chairman of the authority or of such other person as the authority may authorize to make such requisition. All deposits of such moneys shall, if required by the comptroller or the authority, be secured by obligations of the United States or of the State of New York of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits. The comptroller and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its financial standing.

Notwithstanding the provisions of this section, the authority shall have power, subject to the approval of the comptroller, to contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment, and payment of any moneys of the authority, or any moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds, and to carry out any such contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies are authorized to give such security for such deposits.

Moneys of the authority not required for immediate use may, in the discretion of the authority, be invested by the comptroller in obligations of the United States Government or of the State of New York.

Subject to agreements with noteholders and bondholders and the approval of the comptroller, the authority shall prescribe a system of accounts.

§ 1011. Agreement of the State.

1. The State of New York does hereby pledge to and agree with the holders of any obligations issued under this title, and with those parties who may enter into contracts with the authority pursuant to the provisions in subparagraph 6 of section 1005 above, that the State will not limit or alter the rights hereby vested in the authority until such obligations together with the interest thereon are fully met and discharged and/or such contracts are fully performed on the part of the authority, provided that nothing herein contained shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such obligations of the authority or those entering into such contracts with the authority. The authority as agent for the State is authorized to include this pledge and undertaking for the State in such obligations or contracts.

2. Nothing in this title shall be construed as diminishing or enlarging any valid existing rights under any license heretofore issued pursuant to the provisions of the Federal Power Act.

§ 1012. Exemption from taxation.

It is hereby found and declared that the projects authorized by this title are for the aid and improvement of commerce and navigation, and that such aid and improvement

of commerce and navigation and the development, sale, and distribution of hydroelectric power is primarily for the benefit of the people of the State of New York, for the improvement of their health and welfare and material prosperity, and is a public purpose, and the authority shall be regarded as performing a governmental function in undertaking such projects and in carrying out the provisions of this title, and shall be required to pay no taxes or assessments upon any of the property acquired by it for such projects or upon its activities in the operation and maintenance thereof. The securities and other obligations issued by the authority, their transfer and the income therefrom shall, at all times, be free from taxation within this State. It is furthermore declared that the object and purpose of this title is that such projects should be in all respects self-supporting.

§ 1013. Repayment of State appropriations.

All appropriations made by the State to the authority shall be treated as advances by the State to the authority, and shall be repaid to it without interest either out of the proceeds of securities, or other obligations issued by the authority for the construction of any project pursuant to the provisions of this title, or by the delivery of noninterest-bearing obligations of the authority to the State for all or any part of such advances, or out of excess revenues from such project subject however to any pledges of such revenues made pursuant to any resolution or resolutions of the authority authorizing the issuance of obligations of the authority issued prior to 1960.

§ 1014. Public service law not applicable; inconsistent provisions in other acts superseded.

The rates, services, and practices relating to the generation, transmission, distribution, and sale of power to be generated from the projects authorized by this title shall not be subject to the provisions of the public-service law nor to regulation by, nor the jurisdiction of the department of public service, but shall be regulated and determined under the provisions of the contracts entered into by the authority as provided in subparagraph 6 of section 1005 of this chapter. The provisions of the public-service law and of the conservation law and every other law relating to the department of public service or the public service commission, or to the conservation department or commission or to the functions, powers, or duties assigned to the division of water power and control by chapter 619, of the laws of 1956, shall so far as is necessary to make this title effective in accordance with its terms and purposes be deemed to be superseded, and wherever any provision of law shall be found in conflict with the provisions of this title or inconsistent with the purposes thereof, it shall be deemed to be superseded, modified, or repealed as the case may require.

§ 1015. Title not affected if in part unconstitutional or ineffective.

If any term or provision of this title shall be declared unconstitutional or ineffective in whole or in part by a court of competent jurisdiction, then to the extent that it is not unconstitutional or ineffective such term or provision shall be enforced and effectuated, nor shall such determination be deemed to invalidate the remaining terms or provisions hereof.

Mr. LEHMAN. Mr. President, one final word. My distinguished colleague from New York [Mr. IVES] quoted at great length, in his remarks to the Senate yesterday, from Power Authority Chairman Robert Moses in support of his contention that my bill is, because of its preference provisions, impractical or unwise.

I should like to quote, at this point, from a statement the same Mr. Moses made on January 16, immediately following the action by the Senate Public Works Committee in favorably reporting S. 1823. Mr. Moses said—and I am quoting from the New York Times of January 17:

> There are certain features of the Lehman bill which could be improved upon, but we can work under it and shall be glad to do so if it becomes law.

That, Mr. President, is what Mr. Moses said on January 16, and this is my answer to the statements made by my colleague [Mr. IVES] and the quotations he ascribed to Mr. Moses.

As for any improvements in the pending bill, the Senate Public Works Committee studied all the proposals for changes, and while adopting some of them, rejected others. This bill has been studied enough by the committees of the Congress, and specifically the committee of the Senate. This bill is a good bill. The passage of this bill is urgently desired by the State administration of New York, headed by Governor Harriman. This bill was sponsored by 17 Members of the Senate. It was favorably reported by the Senate Public Works Committee after a year of study.

I ask that the motion for recommittal be rejected, and that the bill be passed by the overwhelming vote that it merits.

Just one more word, Mr. President——

Mr. IVES. Mr. President, will my colleague yield at that point?

Mr. LEHMAN. No; first I should like to finish my statement. Then I shall be glad to yield, if I have enough time remaining. My time is limited.

Let us be perfectly honest about this matter. The whole question is one that affects private utility development, ownership, and operation of the great remaining hydroelectric power resources of the country, and the development of those same resources by the public or the Federal Government or by a State government. In my opinion there is no other issue involved. No other bill was submitted to the Public Works Committee except S. 6, which was introduced by my distinguished and esteemed colleague from Indiana [Mr. CAPEHART]. I repeat my challenge to him to offer that bill as a substitute for S. 1823. No other bill was introduced by the senior Senator from New York [Mr. IVES] at this session of the Senate.

Mr. IVES. Mr. President, will the Senator yield at that point?

Mr. LEHMAN. He introduced no bill at this session of the Senate.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LEHMAN. I will not yield at this point. First I wish to finish my statement. I shall then be glad to yield if I have some time remaining. He did introduce a bill some years ago, but it has not been reintroduced since then.

I am certain of that. I would be very glad, if I had the time, to quote what the Senator from Connecticut [Mr. BUSH] has said with regard to the purpose of the recommittal motion. The purpose of the motion is to kill the bill, and he knows that if the recommittal motion prevails it will kill the bill at this session and possibly for many other years to come.

Mr. BUSH. Mr. President, I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I believe the able junior Senator from New York has perfectly described the issue before the Senate. He said the issue is public power against private power. In other words, in his opinion, this is a question whether private industry should do the job or whether the State of New York should do it. He just so stated. Let me tell the Senator why I am not offering my bill, S. 6, about which he has talked so much, as a substitute for the pending bill. It is because S. 6, or a companion measure to S. 6, was passed by the House of Representatives by a vote of 262 to 120. That is a majority of more than 2 to 1. Therefore, we can rest assured that the House will not accept the pending public power bill the able Senator has been debating. I am sure the House will insist upon a private enterprise bill.

There is only one issue involved, so far as I am concerned and so far as every other Senator ought to be concerned, and so far as every Member of the House of Representatives ought to be concerned, and that is this: Private industry has been located on the Niagara River and has been developing all the power which has been needed for that great area ever since 1895. They have been there for more than 60 years.

There is no flood control involved in this question. There is no navigation involved. There is no irrigation involved. The question is whether we want to put public power right on top of and alongside of private industry. That is the problem. If we are opposed to private power expanding and increasing its output at a place where it has been located and been producing for some 60 years or so, how in the world are we going to justify private industry producing power anywhere in America?

It has been said that these water resources belong to the people of the State of New York. Mr. President, half of that river is in New York. It is only about 20 miles long. The water originates in Minnesota and Wisconsin, and comes down through the Great Lakes. Then it goes into Lake Ontario and into Canada. I say that water belongs to the people of the United States. It is a Federal matter. It is not a State matter. However, that would not make any difference to me, and ought not to make any difference to any other Senator.

Let us make up our mind on one issue only. That is all we need do. It is whether we are to have public power in preference to private power in every instance. Particularly, Mr. President, are we to put public power on top of and alongside of private enterprise which has been in that area for over 60 years? Let us stop, listen, and think.

If we wish to be 100 percent for public power in America, that is one thing. If we want private power, that is another thing. I am for private power. I am for the private enterprise system. Sixty-five years ago certain American citizens had the courage to spend their money and develop hydroelectric power at Niagara. They had the right to believe, when they did it, that they would be given permission to expand.

We have no right to throw public power in on that job, when the private companies are doing a good job now. It has been proven that they are able and capable.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BUSH. Mr. President, I yield 2 additional minutes to the Senator from Indiana.

Mr. CAPEHART. We have no right to do it, when it has been proven that the private companies have the money and are capable. They own the transmission lines, and they are serving that whole area. Under those circumstances, I do not understand the thinking of Senators who, although they voted in favor of the natural gas bill, are now opposed to private enterprise in this instance.

I say, Mr. President, the same principles are involved. I say that if we continue to travel the public power road, we will ruin private industry in America. The idea is that if a project is publicly operated, it can furnish power more cheaply. Perhaps it can, because it pays no taxes. But it will not be any cheaper to the people in the long run. Suppose the power is furnished cheaper, who is going to pay the taxes in America if we do not have private enterprise? If everything is owned by the State, and if we are going to operate on the premise that in every instance the State can furnish something more cheaply, who is going to be left to pay the taxes?

Mr. President, we had better stop, think, and listen. If we vote to make this project a public power project against private industry, when private industry is there already and has been for 65 years, then, in my opinion, we shall have broken the backbone of the private power system in America.

I plead with Senators to recommit this bill.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BUSH. Mr. President, I yield half a minute more to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for half a minute.

Mr. CAPEHART. Mr. President, I am as certain as I am that I am standing here that the House will not approve this bill. The Members of the House on a previous occasion voted to defeat it by a vote of 220 to 162, and 75 percent of the Representatives from the great State of New York voted for private enterprise as against public power.

Mr. BUSH. Mr. President, I yield 2 minutes to the senior Senator from New York [Mr. IVES].

Mr. IVES. Mr. President, the reason why I am opposed to this bill in its present form is because of the preference provisions. I have stated again and again in the course of the debate that I have been in favor of public development of Niagara power, but the preference provision in the bill cannot be lived with by the people of the State of New York.

I listened attentively to what was said by my colleague from New York in reference to the State power authority. I wish to point out that the chairman of the State power authority contradicted himself time and time again in this connection. What I read yesterday from the same statement from which my colleague quoted is just as true today as it was yesterday, and is just as true now as it was when he said it. It is very, very questionable whether the preference provision will work. It is certainly most doubtful that the power authority can sell its bonds. Therefore, if we should pass this bill we would be passing utterly useless legislation so far as the State of New York is concerned.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. BUSH. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. BUSH. Mr. President, I made the point yesterday that this proposed project does not involve anything but naked public power. There is no irrigation, no navigation, no reclamation, no flood control involved. This is the first time this body has been asked to pass a bill which is a naked public power project.

I think the Senator from Indiana [Mr. CAPEHART] has drawn the issue very clearly. The fact is that there are private power organizations now serving the State of New York which have been serving it for more than 60 years, to the satisfaction of the people of New York. I conducted hearings 2 years ago on this subject. There were joint hearings conducted. All the evidence indicated that the people want private industry to develop the power. Private industry stands ready and willing to put up $400 million to place the project into effect. To refuse to give private industry the license to develop the project rather than to have it developed with the taxpayers' money seems to me to be an absolutely fallacious act and to make no sense whatever.

It has been said that the water in the Niagara River is the property of the State of New York and that it belongs to the people of that State. I see no difference in principle between water in the Niagara River and coal in the coal mines in Pennsylvania, or oil in Texas, or the rich earth on the farms of New York State, because they are all nature's products, and, historically in this country, they have been developed for the benefit of all by private individuals, the only exception having been when such development was necessary in the public interest and it could not be done nearly so well by private means.

So, Mr. President, I hope the motion to recommit the bill will be agreed to, so that the whole question can be further reviewed by the committee.

Mr. President, I yield back the remainder of the 3 minutes I yielded to myself.

Mr. KERR. Mr. President, how much time did the Senator from Connecticut yield back?

The PRESIDING OFFICER. The Senator from Connecticut used his 3 minutes. He has yielded back no time. He has 3 minutes remaining.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from Oregon [Mr. NEUBERGER].

Mr. NEUBERGER. Mr. President, I heard with a great deal of interest the claim of the Senator from Indiana that, because the House has voted for private development, the Senate should do likewise. It will be extremely significant, Mr. President, when the social security measure reaches the floor of the Senate, if we hear from the other side of the aisle that we should vote to lower the social-security retirement age for women to 62 because the House voted nearly unanimously for such a proposal. It will be extremely interesting to hear then that we should follow the House so implicitly.

Mr. President, I listened with astonishment to the telegram read which stated that public preference provisions are socialistic. I have a very complete document prepared by the Library of Congress on that subject. I have learned from that document that the public-power preference clause was born during a Republican administration, in 1906, headed by President Theodore Roosevelt, of New York.

Therefore, Mr. President, if we are to believe that the public power preference clause is socialism, we must likewise expect to hear that Theodore Roosevelt, who conceived it, was a Socialist.

The distinguished Senator from Florida [Mr. HOLLAND] made the point that we should not include the public power preference clause in this bill, because it applies merely to a State and not to the Federal Government. I would recall to the Senator's attention, and that of other Members of the Senate, the Raker Act of December 19, 1913, which granted to the city of San Francisco the right to store water for domestic use and power in national park lands. One of the conditions to which this grant by the Congress was subject was that the city of San Francisco was "prohibited from ever selling or letting to any corporation or individual, except a municipality or a municipal water district or irrigation district, the right to sell or sublet the water or electric energy sold or given to it" by the city.

In other words, Mr. President, there is ample precedent for the inclusion of the public-power preference clause, as applied to a State body.

In conclusion, Mr. President, I wish to invite the attention of the Senate to the record of the Bonneville Power Administration performing under the public-power preference clause which was included in the Bonneville Act by a great Republican Senator, the late Charles L. McNary, who was the Republican minority leader of the Senate at that time. Under the preference clause at Bonneville, during the fiscal year 1955, only 33.8 percent of the energy in terms of dollar value went to preference customers, and 66.2 percent in terms of dollar value went to nonpreference customers, such as private utilities and private industries.

In other words, the preference clause merely protected the public agencies from being shut out. It only prevented a private power monopoly. That is why it should be called not a preference clause, but an antimonopoly clause, because that is what it actually is.

Mr. President, I yield back the remainder of my 5 minutes.

Mr. KERR. Mr. President, does the Senator from Connecticut have anything further to say at this time?

Mr. BUSH. No; I am very much interested to hear from the Senator from Oklahoma.

Mr. KERR. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining.

Mr. KERR. I was informed that I had 8 minutes remaining. Was that information in error?

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining.

Mr. KERR. I yield myself 7 minutes. I have been greatly interested in the discussion by the proponents and advocates of the motion to recommit. I suggest to them that they get their notes together.

The senior Senator from New York [Mr. IVES] says he is for public development of the power project; that he strongly favors the development of power on the Niagara River by the State of New York through a public agency and for the public benefit. The Senator from Indiana [Mr. CAPEHART] says there is only one issue: public versus private power, thus demonstrating again his great capacity to become confused and to seek to confuse others.

There could not be a greater divergence of approach than that between the Senator from New York [Mr. IVES] and the Senator from Indiana [Mr. CAPEHART].

I must say that if we accept the statement of the Senator from New York [Mr. IVES], that the purpose of the recommittal of the bill is to work out a program whereby the power can be developed by the State of New York consistent with the laws of the State of New York, then the Senator from Indiana was just as greatly in error as it is possible even for him to be.

Mr. IVES. Mr. President, will the Senator yield?

Mr. KERR. No, sir.

The issue before the Senate is this: Shall we live up to the commitments and the mandate of the treaty which the United States Government made with Canada, wherein the United States on its part expressly reserved the right to provide by an act of Congress for the redevelopment, for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty?

The distinguished Senator from Connecticut said there is no difference between the water in the Niagara and the coal in Pennsylvania and the oil in Texas, and the rich farmlands of our Nation. I submit that no remark is necessary on the part of any other Senator to demonstrate the complete lack of understanding on the part of the Senator from Connecticut in making that statement. If he does not know the difference between water and oil, if he does not know the difference between water and coal, if he does not know the difference between water and rich farmland, I say he does not even know how farmlands become rich, regardless of the similarity of his approach on this bill and the method used ordinarily to enrich farmland.

The bill was specifically endorsed by the Governor of New York in his message to the legislature. He said:

> I believe that the public interest in the development of the electric potential and the scenic beauty of Niagara Falls would best be protected by the Federal legislation sponsored by Senator HERBERT H. LEHMAN with the amendments that were agreed upon at the Senate committee hearing. I hope that all persons who are interested in making available to our consumers the low-cost electricity of the Niagara will join in pressing for the adoption of this important legislation.

Mr. IVES. Mr. President, will the Senator yield?

Mr. KERR. No; I am speaking on limited time. The Senator from New York had an equal amount of time.

I should like to say this about the remarks of the senior Senator from New York [Mr. IVES]. For a while he stood in great dignity and quoted the statement of one Mr. Robert Moses, the chairman of the Power Authority of the State of New York. Then, when the junior Senator from New York [Mr. LEHMAN] quoted a statement of Mr. Moses, in which Mr. Moses said, "There are certain features of the Lehman bill which could be improved upon, but we can work under it and shall be glad to do so if it becomes law," the senior Senator from New York rose and said he had never heard a public official make so many contradictory remarks.

I say to the senior Senator from New York that if he had been attendant regularly upon the sessions of the Senate, he might have seen that record equaled here; but the rules of the Senate do not permit me to become more specific in that regard.

The senior Senator from New York says we ought to have a better bill. He does not have writer's cramp. If he had wanted to improve the bill, he could have offered an amendment to do so.

The distinguished Senator from Florida [Mr. HOLLAND], in the magnificent capacity he has to look after the interests of the people of the State of New York, says it ought to be a better bill; but he has not had the time to bring forth an amendment which would give us what he would regard as a better bill.

I say, Mr. President, that the effort to recommit the bill is an effort to kill it. I say the record is clear to the Senate that that is the purpose of the proponents of the motion to recommit. They do not want a better bill. If they did, they would have offered an amendment which would have sought to improve it. They want to kill the bill for 1956, and forever, in its present form. Had they wanted a better bill, they would not have slept their rights away until after the third reading of the bill, when it is closed to amendments, and then have offered their motion to recommit the bill.

The bill specifically prevents the giveaway of the Nation's greatest undeveloped hydroelectric power project to private utilities. Let Senators read the record of the private utilities which have some of the water potential of Niagara Falls and see who gets the power. The great corporations get it. The Aluminum Corporation of America gets more power than any other corporation, under a contract which is in effect for many years to come.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yield myself 5 minutes on the bill.

The Aluminum Company of America gets its power from the Niagara-Mohawk Power Co., one of the stalwart taxpayers to whom the Senator from Indiana [Mr. CAPEHART] referred, at a cost of 8.1 mills a kilowatt-hour. Who do you think pays for that, Mr. President? The Government of the United States pays 3.1 mills of the 8.1 mills under a subsidy contract with the Aluminum Corporation of America.

The Senator from Indiana says he is a farmer; and he well may be, because he certainly has indulged in a lot of hogwash on the floor of the Senate, talking about the taxpaying proclivities and capacities of the private utilities.

There is not a Member of the Senate who does not know that every cent of the taxes paid by a public utility becomes a part of its rate base and is passed on to the consumers. So when the distinguished Senator from Indiana talks about preserving the rights of the private utilities, which pay taxes, we know that we would also be preserving their right to pass on to the consumers every cent the utilities pay, plus reasonable charges for bookkeeping items and keeping track of the cost.

The bill recognizes and affirms States rights. The New York Legislature passed specific legislation authorizing the State Power Authority to develop the power resources of the St. Lawrence and Niagara Rivers. The bill preserves the preference principle in a provision which is similar to that provided for every project which has been authorized and built by the United States Government.

This bill insures low-cost electric power to the mass of consumers in New York State and adjacent areas. At this very moment customers across the river, with power developed by projects under the treaty the United States made with Canada, are buying power at half what the average consumer in the United States is paying.

The bill provides for development of the Nation's greatest hydroelectric power project now, not next year; and if it is not developed, the treaty provides that Canada may use the water which under the treaty is allocated to the United States.

I repeat, Mr. President, that the effort to recommit the bill is not in order that it might be improved, because if the Senator from New York [Mr. IVES] was for the bill without the preference clause, he could have offered an amendment to carry out that idea. He did not do so, nor has any other Senator seen fit to do so. Therefore, the Senate should not permit itself to be outwitted by the opponents of any kind of legislation except that which would give the potential away to the private utilities, and succumb to their inducements, as evidenced by the motion to recommit. The Senate should reject the motion to recommit.

Mr. IVES. Mr. President, will the Senator from Connecticut yield me some time? How much time remains?

Mr. BUSH. We have 3 minutes on the motion, and we have time on the bill.

I yield to the Senator from New York.

Mr. IVES. I wanted to point out a few errors of interpretation which have been made by my worthy colleague from Oklahoma [Mr. Kerr]. Yesterday in my remarks, I pointed out very definitely the statements of the chairman of the State power authority. The fact that he has made contradictory remarks should in no way invalidate other statements he made, some of which were in the very announcement to which the Senator from Oklahoma has referred. The opinion of the attorney general of the State of New York still stands, that the bill, if enacted, would not be workable, so far as the State of New York is concerned. I pointed that out.

The Senator from Oklahoma also referred to the recommendation of Governor Harriman. Governor Harriman recognizes, and he recognized during the session of the New York State Legislature, that if the bill is to be workable in the State of New York, we will have to change our Power Authority Act in the State, so he requested the New York State Legislature to do so, as follows:

> I recommend that your honorable bodies enact legislation at this session which will enable the power authority to construct transmission lines and to require the Authority in its sale of power to give preference to State agencies, municipalities, and other subdivisions of the State, and to rural electric cooperatives.

The legislature refused to act on that recommendation. Unless such action is taken, the result will be that the bill, if it should be enacted, will never work in the State of New York, at least not until the State law is changed.

Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. Case].

Mr. CASE of South Dakota. Mr. President, I shall vote for the motion to recommit, but on grounds which are somewhat different from those set forth by Senators who have heretofore spoken. It is my conviction, based on a study we made in the prior Congress, that passage of the bill would delay development of Niagara power.

The suggestion has been made by the author of the bill, the Senator from New York [Mr. Lehman], that the purpose of the recommittal motion is to kill the bill. Actually, that ought not to be the case. I think Niagara power ought to be developed, but the passage of the bill will delay it, first, for the reason which has been suggested, that the House will not accept this particular approach to the problem; second, because the sale of bonds will be uncertain, and will probably be enjoined, if the bill is passed in its present form; and, third, because the people of New York, if they realized that the bill changed their New York State preference law and substituted Federal preference, would abandon the bill as they would drop a hot iron.

The reason why the motion to recommit is not a method of killing the bill is that there is an alternative course open. It is the course recommended by the Public Works Committee in the prior Congress, as set forth in the report on Senate bill 2599, 83d Congress, 2d session, in which a different course was proposed. There was proposed a course recommended by the Bureau of the Budget and by the Federal Power Commission.

The report on Senate bill 2599, of the prior Congress, a copy of which I hold in my hand, contains a report by Rowland Hughes, Deputy Director of the Budget, and also by Jerome Kuykendall, Chairman of the Federal Power Commission, in which there is recommended "early enactment of legislation which will provide for full use of these waterpower resources, and, if non-Federal development is to be permitted, the Commission recommends enactment of Senate bill 2599."

The course which was recommended by the Public Works Committee was that there should be a simple bill which would assure that the development of the United States share of the waters of the Niagara would be undertaken, if authorized, in connection with the existing general laws of the United States relating to the authorization of such projects, and that such authorization should be in compliance with the reservation to the treaty.

That was another course. It was not exactly a compromise as between private and public power, but it was an effort to say, "Let this fall in the lap of the Federal Power Commission, where it ought to go, and let the Federal Power Commission plead the general laws of the Federal Power Act, as amended, and bring about a reconciliation between the preference law of the State of New York and the Federal law." There is a difference between the preference law of the State of New York and the Federal preference law. The report of the committee pointed that out. It stated:

> The testimony at the hearings brought out the fact that about 95 percent of the consumers of electric energy in New York State are now served by privately owned utilities and that the rural areas are almost completely served by those utilities. If the Federal preference clause should be imposed upon the State power authority, it would be required to give preference to the public agencies serving only 5 percent of the consumers in the State and to the much greater number of public agencies in adjoining States.
>
> This could easily result in denying the 95 percent of the New York consumers now served by private utilities a fair and equitable share of Niagara power. We think this would be unjust and discriminatory.

That was the report of the Public Works Committee of the prior Congress. When the people of New York discover that the preference law of the State of New York is to be invalidated, as has been suggested by the Senator from New York [Mr. Ives] when he said "We in New York believe that this bill proposes to say to the people of New York, 'You put up the money for the development, but you abandon your own preference law and take Federal preference,'" the people of New York will feel they have been sold down the river.

That is why I think the bill should be recommitted, and an opportunity should be given for the consideration of the third course which can be adopted, namely, to lay this problem in the lap of the Federal Power Commission for administration under the general laws of the United States.

Mr. President, I ask unanimous consent to have printed at this point in the Record, as a part of my remarks, an excerpt from the committee report which I send to the desk.

There being no objection, the excerpt from the report (No. 2501, 83d Cong., 2d sess.) were ordered to be printed in the Record, as follows:

> The Committee on Public Works, to whom was referred the bill (S. 2599) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, having considered the same, report favorably thereon, with amendments, and recommend that the bill as amended do pass.
>
> The amendments are for the purpose of clarifying the language relating to the treaty between the United States and Canada, and are indicated in the bill as reported by linetype and italics.

PURPOSE

The purpose of this bill is to permit authorization for the development of hydroelectric power on the Niagara River at Niagara Falls, N. Y., by utilization of the United States share of the water provided by the 1950 treaty between the United States and Canada, such authorization to be in accordance with the existing laws of the United States, and to constitute compliance with the reservation placed in the treaty.

NATURE OF MAJORITY REPORT

This report is nominally a majority report in support of the bill which a majority of the committee voted to report to the Senate. Some of the members who voted to report the bill did so either solely or primarily for the purpose of bringing the bill before the Senate for such action as it may choose to take. These members have reserved the right to express their separate views on this legislation. This majority report, therefore, represents the views of those members who recommended passage of the bill but it does not include the opinions of those members who voted to report the bill with a reservation of the right to express their separate views.

The Committee on Public Works held hearings on S. 2599, and other bills relating to development of hydroelectric power at Niagara Falls, on July 23, 1953, March 10, 11, 16, 29, and 31, April 14 and 29, and May 3, 1954. At these hearings testimony was received from Senators, Members of the House of Representatives, the Governor of the State of New York, the chairman of the New York State Power Authority, and representatives of farm, labor, public power, and rural electric cooperative groups. A brief digest of the bills before the committee is as follows:

THE CAPEHART-MARTIN BILL

H. R. 4351, the companion bill to S. 689 (Capehart-Martin), declares the policy of

Congress to preserve the scenic beauty of Niagara Falls, to further national security, and to assure development of low-cost electric power under the private enterprise system.

The Capehart-Martin bill authorizes and directs the Federal Power Commission to issue a license for power development of Niagara River to any United States citizens or corporation, with preference to be given to the applicant most able to proceed promptly. The licensee must give preference to Department of Defense for supplying power for national security, and must pay for remedial works to preserve the scenic beauty of the falls. The license would be subject to all other provisions of the Federal Power Act. The Federal Power Commission would make arrangements, if necessary, to apportion power equitably among States within economic transmission distance.

THE IVES BILL

S. 1971, introduced by Senator Ives, declares the policy of Congress to promote interstate and foreign commerce and national defense, and to provide for the preservation of the scenic beauty and public development and beneficial public use of undeveloped waterpower of Niagara Falls and River.

The Ives bill authorizes and directs the Federal Power Commission to issue a license to the New York State Power Authority for power development on the Niagara River.

The licensee must pay for remedial works to preserve the scenic beauty of the falls. The license is to include all provisions of the Federal Power Act and, in addition, shall require equitable distribution of power for the benefit of the people as a whole, particularly domestic and rural consumers, through any agency, corporation, or association, public or private, engaged in power distribution, all to be consistent with the Power Authority Act of New York State and to permit a fair share of power for other States within economic transmission distance.

THE CASE BILL

S. 2599, introduced by Senator Case, provides that any project for power development on the Niagara River may be undertaken if authorized in accordance with existing general laws of the United States, and that such authorization shall constitute compliance with the reservation in the treaty with Canada which requires specific authorization by act of Congress for such power development. This language is interpreted to mean that the Federal Power Commission could grant a license the same as for any navigable stream within the United States. Under the Federal power law, preference in granting a license must be given to public bodies.

THE LEHMAN-ROOSEVELT BILL

S. 2966, introduced by Senator Lehman, cites the purpose of the act to preserve the scenic beauty of the falls, to aid national defense, and to insure the most beneficial public use of the Niagara River waters for power, navigation, flood control, and other purposes. The bill declares the policy of Congress for direct governmental responsibility and cooperation in the Niagara River development, for construction and operation of power development by public agencies and for distribution of power as widely as possible and at the lowest possible cost to the consumer according to established principles. The bill authorizes construction of remedial works to preserve the scenic beauty of the falls directly by a United States agency.

The Lehman bill authorizes the designated public agency of New York State to develop power at Niagara under the Federal Power Commission license subject to the following conditions:

1. No part of the Niagara waters shall be diverted or sold, leased, or alienated to any person or private company; nor shall power facilities be sold, leased, or alienated.
2. Full recognition shall be given to national security needs.
3. In disposal of power, preference shall be given to public and nonprofit agencies, and to the Department of Defense and other defense agencies; and arrangements shall be flexible with withdrawal provisions so that said preference agencies may secure reasonable share of power.
4. Transmission facilities shall be built to make power available to preference agencies.
5. Power shall be distributed primarily for the benefit of the people, particularly domestic and rural consumers, at the lowest possible cost and to encourage the widest possible use.
6. If power is sold for resale, provisions shall be made to set resale rates to pass savings on to consumer and for promotional purposes. Contracts shall not exceed 20 years.
7. Provisions shall be made to make available reasonable share of power to neighboring States.
8. If and when the northeastern power pool is created by Congress or by interstate compact, Niagara power shall be coordinated with that pool.

DETAILS OF THE PROJECT

Location: The Niagara River is about 36 miles long, extending between Lake Erie and Lake Ontario. Niagara Falls is about 22 miles below Buffalo and Lake Erie.

Description: The river, draining four of the Great Lakes, has a large and fairly uniform flow. For 22 miles below Buffalo the river drops 10 feet to the head of the cascades. The cascades drop about 60 feet in 1 mile, where they are divided into two channels by Goat Island and lead to the American and Horseshoe Falls before plunging 160 feet into the Maid-of-the-Mist Pool. The river then flows northward in a narrow gorge between vertical cliffs 300 feet high, and falling about 100 feet in 6 miles.

Existing power development: The first large-scale hydroelectric power development in the United States was undertaken at Niagara over 50 years ago. The present development consists of the following plants:

Plant	Installed capacity	Date completed
American side:	*Kilowatts*	
Schoellkopf	365,000	1903–24
Adams	80,000	1895–1904
Total	445,000	
Canadian side:		
Rankine	80,000	1902
Toronto	108,000	
Ontario	138,000	
Sir Adam Beck No. 1	373,000	1930
Total	699,000	

Treaty of 1950: The United States and Canada ratified the Boundary Waters Treaty of 1909, which permitted permanent diversion of water for power purposes from the Niagara River above the falls, 20,000 cubic feet per second to the United States and 36,000 cubic feet per second to Canada. The two Governments negotiated and ratified a treaty in 1950 governing the uses of water for power purposes. That treaty provides that no diversions for power shall be made which will reduce the flow over the falls to less than 100,000 cubic feet per second each day between the hours of 8 a. m. and 10 p. m., from April 1 to September 15, and between 8 a. m. and 8 p. m. from September 16 to October 31, or to less than 50,000 cubic feet per second at any other time. The water for power purposes is to be divided equally between the two Governments. Under this treaty the diversions for power purposes would be from 44,000 to 210,000 cubic feet per second depending on the river flow, the time of year, and the time of day.

The 1950 treaty contained a reservation:

"The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress."

Because of this reservation, Congress must pass legislation before a private power company, State, or individual can be issued a license or permit by the Federal Power Commission to construct and develop a power project for use of the waters made available to the United States under the terms of the treaty.

Remedial works: The treaty of 1950 provides for completing the remedial works which are necessary to enhance the beauty of the falls. These works would consist of construction of a submerged weir upstream from the head of Goat Island to raise the level of the Grass Island pool and to redistribute the water so as to produce an unbroken crestline of the falls, to cover the flanks of the Horseshoe Falls, and increase the flow over the American Falls. This work is now under construction as a Federal project.

Plan of development: The Corps of Engineers and the Federal Power Commission have been engaged in studies of plans to develop the additional power at Niagara. Furtherance of these studies was authorized by resolution dated June 5, 1951, of the Senate Committee on Public Works. The proposed developments are:

1. An intake structure for diversion in the vicinity of Conners Island, about 2.8 miles above the falls, from which water would be carried through conduits for a distance of about 5 miles to a powerplant below the falls at Lewiston, having an installed capacity of about 1,350,000 kilowatts. The power head would be about 314 feet.
2. A pump-storage plant at the top of the Niagara escarpment 0.8 mile east of Lewiston, where water would be pumped during the night hours to a reservoir with surface area of 850 acres and a storage capacity of 22,000 acre-feet, to be used for generating electric power during the high-load hours of the day. The installed capacity would be 130,000 kilowatts.
3. The recapture of the discharge from the Schoellkopf plant below the falls, to be carried through a tunnel about 3 miles to the Lewiston plant, where an installation of about 120,000 kilowatts would operate on a head of a little less than 100 feet.

The entire average annual energy output from the 3 installations (1,600,000 kilowatts) would be approximately 8.4 billion kilowatt-hours.

Estimated cost: Based on preliminary studies the estimated cost of the proposed propect was approximately $337,470,000 in 1951, using closed conduits for conducting the water from Conners Island to Lewiston. The use of open canals for carrying the water would be about $69 million cheaper. Annual costs would be approximately $20 million, and the economic ratio is about 4 to 1. The cost of constructing the remedial works is rather small, probably not exceeding $17.5 million.

Canadian development: An additional development is now under construction on the Canadian side, known as Sir Adam Beck No. 2, with an installation of 1.2 million kilowatts. The first generators should go on the line in 1954. These facilities will utilize more than the Canadian share of the water. Under the terms of article VIII of the treaty of 1950 it is provided that:

"Until such time as there are facilities in the territory of one party to use its full share of the diversion of water for power purposes agreed upon in this treaty, the other party may use the portion of that share for the use of which facilities are not available."

The three Canadian plants immediately below the falls are old and obsolescent and are no longer operating efficiently. After completion of the plants on the American side, these plants will be retired, or used for standby or for voltage-regulation purposes.

Benefits: The electric power that can be produced at Niagara Falls is urgently needed in the northeastern United States, and this power can be produced at a cost far below the cost of generation by any other means, probably at less cost than any other power in the United States—about 2 mills per kilowatt-hour. It is estimated that by 1960 there would be a demand in the Niagara area alone of 1.5 million kilowatts, and an additional need for 1.6 million kilowatts in Ohio and Pennsylvania.

GENERAL STATEMENT

The witnesses expressed their views with regard to the various bills before the committee. Practically all of them agreed that there is urgent need for early development of additional power at Niagara Falls, to prevent the waste of water now going over the falls and to completely utilize the portion of such water allocated to the United States by the treaty.

The committee is fully aware of the economic feasibility and the desirability of developing the full power potential of the Niagara River. There is no controversy as to the most desirable plan of development. Plans have been developed for the proposed project by cooperation among the Bureau of Power of the Federal Power Commission, the Corps of Engineers, the New York State Power Authority, and the Niagara-Mohawk Power Corp., which owns and operates the existing hydroelectric development on the American side of the Niagara River. Clarification of certain points in connection with the project, or modifications considered necessary, may be determined by the Federal Power Commission in their studies and analyses of the applications for a license.

The committee has given extensive consideration to the four bills before it and to the testimony and arguments advanced in favor of each. A vote was taken on each bill in succession. Each of the four bills failed to receive a majority vote. This lack of approval for any of the four proposals would have continued the existing Federal prohibition against the project for a further period of time. In the face of the evidence that this presently wasted waterpower is badly needed in the area, some of the members expressed the view that the Senate should be afforded the opportunity to act on the matter in one way or another. Subsequently, the Case bill, S. 2599, was reconsidered and received a majority vote to report the bill to the Senate with some members reserving the right to explain their vote and their separate views on the bill.

The members of the committee who support this bill feel that it provides the only method of development which is fully consistent with the Federal policy relating to the development of waterpower in navigable waters as set forth in the Federal Power Act.

The Federal Power Act which was approved in 1920 effectuates the policy of Congress providing for the development, transmission, and utilization of power, and the fostering of other beneficial public uses on streams subject to Federal jurisdiction, upon lands of the United States, and at Government dams, by private and public agencies acting under licenses issued by the Federal Power Commission for terms limited to 50 years and upon conditions which protect every public interest in the water resources involved. Licenses so issued are predicated upon the fundamental premise that the projects are best adapted to plans for comprehensive river-basin development for all public purposes. The legislative history of the 1920 act reflects a congressional purpose to regularize and facilitate Federal permission for non-Federal water resources development through an administrative licensing system which would also safeguard the public interest and make possible ultimate public ownership.

Section 7 (a) of the Federal Power Act provides that, in issuing preliminary permits or licenses, the Commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the Commission equally well adapted, or shall within a reasonable time to be fixed by the Commission be made equally well adapted, to conserve and utilize in the public interest the water resources of the region.

Pursuant to licenses issued under that act, hundreds of waterpower projects have been successfully developed throughout the Nation, both by private and public agencies. By this qualified delegation of authority to the Commission, Congress has been relieved of the burdensome detail of examining and passing upon highly technical proposals, and waterpower development has been allowed to proceed in an orderly fashion with full protection of the public interest. This Federal power policy has functioned successfully for the past 34 years.

We note that many municipalities and State agencies have developed waterpower projects under this licensing system. Among the larger of them are the cities of Tacoma and Seattle, Wash.; the Box Canyon project of the Public Utility District No. 1 of Pend Oreille County, Wash.; the Rock Island project of the Public Utility District No. 1 of Chelan County, Wash.; Grand River Dam Authority, Oklahoma; South Carolina Public Service Authority; and the Loup River Public Power District, Central Nebraska Public Power and Irrigation District, and Platte Valley Public Power and Irrigation District, all in Nebraska.

We are unable to support the bill H. R. 4351, which would permit development by private companies, because it would constitute a departure from long-established policy by running directly counter to the public preference provision of the act, since it is established without question that the State of New York wishes to develop the project.

We also feel that the bills S. 1971 and S. 2966 do not provide a logical answer to the problem in that they, too, constitute a departure from the Federal Power Act by attaching conditions which are inconsistent with established policy. We think that any necessary conditions should be attached to a license after careful study by the competent technical staff of the Federal Power Commission.

We favor the bill S. 2599, because we think the only logical course is to return this project to the jurisdiction of the Federal Power Commission under the Federal Power Act. The international aspects of the project have been settled in the treaty of 1950. There is no reason for it to be treated any differently from projects on any navigable streams within the United States. Whatever the reason may have been for imposing the reservation in the treaty which has prevented development under the Federal Power Act, we believe that no justification for continuing that reservation exists today. We conclude that the State of New York should be afforded the same opportunity under the Federal Power Act which was available to the States of Oklahoma, South Carolina, and Nebraska when their State power agencies undertook waterpower developments on streams under Federal jurisdiction.

The State of New York has asserted its interest in the use and development of the waters of the Niagara River in legislation contained in the Power Authority Act. Pertinent portions of that legislation read as follows:

"Sec. 1001. Declaration of policy: Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State for the use and development of commerce and navigation in the interest of the people of this State and the United States. In order to provide for the most beneficial use of these natural resources for the creation and development of hydroelectric power in the interest of the people of this State, and to preserve and enhance the scenic beauty of the Niagara Falls and River, such natural resources, including the beds and waters of the said rivers as instrumentalities of commerce and navigation, and the beds, waters, power, and power sites in, upon, or adjacent to or within the watersheds of the said rivers owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in, the people of the State.

"Sec. 1002. Power Authority of the State of New York: For the purpose of effectuating the policy declared in section 1001 of this chapter and of improving the Niagara and St. Lawrence Rivers as instrumentalities of commerce and navigation and developing the hydroelectric power resources thereof, there is hereby created a corporate municipal instrumentality of the State to be known as Power Authority of the State of New York, hereinafter in this title referred to as the authority, which shall be a body corporate and politic, a political subdivision of the State, exercising governmental and public powers, perpetual in duration, capable of suing and being sued, and having a seal, and which shall have the powers and duties hereinafter enumerated, together with such others as may hereafter be conferred upon it by law.

"It shall report annually to the Governor and the legislature upon its operations and transactions."

We also call attention to the following comments of Mr. Robert Moses, chairman, Power Authority of the State of New York, contained in a letter dated March 13, 1954, which is printed in full in the hearings:

"This is the first time, so far as we know, that Congress has ever interfered with or obstructed the operation of the Federal and State laws on licensing power development where no direct Federal project is involved.

"The Congress would not now be debating this question at all if the Senate, in ratifying the 1950 Niagara Treaty with Canada, had not attached a reservation requiring congressional authorization of plans to redevelop the river 'for the public use and benefit.' This requirement manifestly includes scenic and park preservation. It has been seized upon to take the basic licensing power away from the Federal Power Commission and to impose conditions on the licensing by the Commission as to Niagara Falls never intended by the international treaty and contrary to present Federal and State law.

"Under the Federal Power Act the Federal Power Commission in all cases must give a preference to State and public agencies as against private companies in granting licenses, unless it can be proven that the private plans will better conserve and utilize the water resources in the public interest. At Niagara the engineering plans of the parties are identical. Conservation and beneficial utilization of this great State-owned natural resource cannot and will not best be promoted by exploitation for private profit.

"Under present Federal law, the Federal Power Commission may grant licenses only to those who are qualified under appropriate State law to develop the power facilities. In the case of the Niagara and St. Lawrence our State law specifically provides that development of these facilities shall be reserved to the State and the State power authority and shall be inalienable. Inalienable means that they shall not be delivered to private utility

companies. The intent is that the State power authority only shall be considered a proper applicant for licenses from the Federal Power Commission."

An amendment was proposed and rejected by a majority vote of the committee which would require that sales of power by the licensee from this project be made in accordance with the preference clause of section 5 of the Flood Control Act of 1944. The particular portion of section 5 referred to reads as follows: "Preference in the sale of such power and energy shall be given to public bodies and cooperatives." This was enacted to apply to power sold from dams constructed and operated by the Federal Government in the exercise of its control over navigable waters. Similarly, the Federal Power Act provides that preference be given to public bodies in the granting of licenses for developing hydroelectric power in navigable waters.

Neither of these laws contemplated any dictation as to the subsequent disposition of the power either after it was purchased from Government dams or developed under license by such public bodies. The omission of any such control seems to have been based upon the premise that public bodies organized as nonprofit agencies to perform a public purpose could be entrusted with the responsibility of conducting their operations in the best public interest. Such public bodies are required by their own charters or State laws to charge fair and nondiscriminatory rates. To require public bodies to give preference to other public bodies could result in discrimination against the selling agency and its individual customers. The demands of neighboring public bodies could reach such a volume that the selling agency would have insufficient power for a normal growth in demand of the individual domestic residents, farmers, and industries located in its own marketing area. Such a result would be contrary to the statutory purposes of the public body.

The testimony at the hearings brought out the fact that about 95 percent of the consumers of electric energy in New York State are now served by privately owned utilities and that the rural areas are almost completely served by those utilities. If the Federal preference clause should be imposed upon the State power authority, it would be required to give preference to the public agencies serving only 5 percent of the consumers in the State and to the much greater number of public agencies in adjoining States. This could easily result in denying the 95 percent of the New York consumers now served by private utilities a fair and equitable share of Niagara power. We think this would be unjust and discriminatory. We believe that New York State in its Power Authority Act has provided for equitable distribution of the benefits from Niagara power for all classes of consumers. Excerpts from that act relating to this subject are as follows:

"That in the development of hydroelectric power therefrom such projects (Niagara and St. Lawrence) shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price: *Provided, however,* That in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State."

The Federal Government has given financial assistance by loans and grants and has issued licenses for waterpower developments to numerous State, municipal, and cooperative public-power agencies in the past, such as those in Oklahoma, Nebraska, and South Carolina. It has not imposed any public-preference requirements upon these public-power agencies which are chartered and dedicated to the marketing of power in the best public interest. The imposing of such preference requirements might result in making the projects uneconomical to such an extent that it might be impossible for the public agencies to make satisfactory financing arrangements for constructing the projects.

With respect to the sale of power from Government-owned dams, it is noted that most all such sales are on a wholesale basis. With very few exceptions the Federal Government does not sell any power to individual customers. It is understood that these few exceptions apply mainly to very large industrial users whose demand would usually be beyond the capacity of the facilities of the local distributing agencies. For that reason practically all consumers except the very largest of industrial customers are served directly by the local public distributing agency which is a preference agency. This situation exists with respect to the Government-owned powerplants in the Tennessee Valley, the Columbia Valley, and other scattered locations throughout the Nation. If it should be good policy to require public-preference agencies operating their own licensed projects to give preference to other public agencies, then such a policy should be applied to all marketing of power from existing Federal dams. If such a policy should be imposed upon all existing Federal power projects it appears that this would result in utter chaos in the management of the distribution activities of the hundreds of local public agencies which are now selling Government power on a fair and equitable basis to domestic, farm, and industrial customers. The committee has not heard any direct testimony or request from any of these local public distributing agencies in support of such a drastic change in policy. It appears very doubtful that these local public-marketing agencies operate under the State or local laws which require them to conduct their operations in the best public interest. The committee feels that it would be wholly inconsistent and discriminatory to impose such conditions in this bill. It has therefore rejected the proposed amendment.

The reports of Federal agencies on S. 2599 are printed below. The Bureau of the Budget and the Federal Power Commission are favorable to the bill, and the Department of State and the Department of the Army do not object to its enactment.

Executive Office of the President,
Bureau of the Budget,
April 6, 1954.

Hon. Edward Martin,
Chairman, Committee on Public Works,
United States Senate,
Washington, D. C.

My Dear Mr. Chairman: This will acknowledge your letter of August 4, 1953, inviting the Bureau of the Budget to comment on S. 2599, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

S. 2599 would permit the development of the resources of the Niagara River in accordance with existing general laws of the United States; i. e., under a license granted by the Federal Power Commission. The bill further provides that this procedure shall satisfy the reservation imposed by the Senate when it consented to the treaty between the United States and Canada governing the use of the waters of the Niagara River.

The Bureau of the Budget, in a letter dated June 24, 1953, commented on two other bills relating to the development of the Niagara River. In that letter we also said: "Since the relative merits of the differing proposals, for such a large development are necessarily complex, it is the view of this Office that a complete analysis is essential and can best be accomplished by removing the existing barrier to the consideration by the Federal Power Commission under the Federal Power Act of proposals for redevelopment. Accordingly, the Bureau of the Budget would recommend that the committee approve, in lieu of S. 689, S. 1851, and S. 1971, legislation permitting the Federal Power Commission to so proceed." Enactment of S. 2599 would be consistent with this view.

In reaffirming this recommendation, the Bureau of the Budget, of course, does not intend in any way to judge whether the recent decision of the Supreme Court may have a bearing upon the licensing of projects under the Federal Power Act.

Sincerely yours,

Rowland Hughes,
Deputy Director.

Federal Power Commission,
Washington, April 12, 1954.

Hon. Edward Martin,
Chairman, Committee on Public Works,
United States Senate.

Dear Mr. Chairman: In response to your request there are enclosed three copies of the report of the Federal Power Commission on the bill S. 2599, 83d Congress, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

We have just been advised that there is no objection by the Bureau of the Budget to the presentation of this report to the Committee on Public Works.

Sincerely yours,

Jerome K. Kuykendall,
Chairman.

FEDERAL POWER COMMISSION REPORT ON S. 2599, 83D CONGRESS, A BILL TO AUTHORIZE THE CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT IN THE NIAGARA RIVER FOR POWER AND OTHER PURPOSES

This bill would authorize redevelopment of the Niagara River to provide for an increase in the hydroelectric capacity on the United States side of the international boundary without injury to the scenic beauty of the falls. The Niagara Treaty under which this redevelopment may be undertaken was ratified on August 9, 1950 (1 U. S. T. 694). Canada immediately started work to utilize the additional diversion permitted on the Canadian side and will complete her power facilities before power facilities can be constructed on the United States side. Canada, therefore, may use temporarily part of the diversion authorized for the United States.

It is expected that generating capacity of 1,695,000 kilowatts can be installed on the United States side with an average annual output of approximately 11.6 billion kilowatt-hours. By comparison, the ultimate installed capacity of the Boulder project is 1,327,500 kilowatts with an average annual output of 5.3 billion kilowatt-hours. At Grand Coulee the ultimate capacity is 1,944,000 kilowatts with an average annual output of 12.5 billion kilowatt-hours. And on the St. Lawrence there will be about 940,000 kilowatts on the United States side with an average annual output of 6.3 billion kilowatt-hours. It is neither good business nor in the public interest to continue to waste the waterpower resources at Niagara Falls.

The bill provides that redevelopment may be undertaken if authorized in accordance with existing general laws of the United States relating to the authorization of such projects. The Federal Power Act is a general law relating to water-resources development and utilization for the production of hydroelectric power and other purposes pursuant to licenses issued by the Federal Power Commission. Therefore, under this provision of the bill the Commission would be authorized to issue a license authorizing the redevelopment under the terms and conditions of the Federal Power Act to citizens of the United States, or to any association of such citizens, or to any corporation organized under the laws of the United States or any State thereof, or to any State or municipality.

The bill, therefore, would be consistent with the general policy of complete analysis and fullest development which has been in effect since the enactment of the Federal Water Power Act in 1920 in the utilization of waterpower resources by non-Federal agencies and would provide for consideration of all of the factors which should be considered under the Federal Power Act, including consideration, pursuant to section 7 (b) of the act, of the question whether the redevelopment should be undertaken by the United States itself.

Accordingly, the Commission recommends early enactment of legislation which will provide for full use of these waterpower resources and, if non-Federal development is to be permitted, the Commission recommends enactment of S. 2599.

FEDERAL POWER COMMISSION,
By JEROME K. KUYKENDALL,
Chairman.

DEPARTMENT OF STATE,
Washington, April 8, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works, United States Senate.

MY DEAR SENATOR MARTIN: Reference is made to your letter dated August 4, 1953, and the reply of this Department dated August 7, 1953, concerning your desire to receive the suggestions of this Department regarding S. 2599, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

As a matter of form, it is suggested that in lines 6 and 7 of the bill, the words "Executive N, 81st Cong., 2d sess.)." be stricken out and there be substituted therefor the official citation for this treaty, namely, "(TIAS 2130; 1 U. S. T. 694)."

There is no objection to the enactment of this legislation so far as the interests of the Department of State are concerned.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,
THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

DEPARTMENT OF THE ARMY,
Washington, D. C., April 9, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 2599, 83d Congress, a bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The Department of the Army has considered the above-mentioned bill. The purpose of the bill is to permit power redevelopment at Niagara Falls to be undertaken if authorized in accordance with existing general laws of the United States relating to such projects. The bill provides that such authorization would constitute compliance with the reservation of the Senate in ratifying the treaty between the United States and Canada concerning the uses of the waters of the Niagara River; this reservation states that no project for redevelopment of the United States share of the waters of the Niagara River for power purposes shall be undertaken until it be specifically authorized by act of Congress.

As stated in reports to your committee on bills S. 698, S. 1851, and S. 1971, the Department of the Army does favor the early accomplishment of a project to develop the United States share of the diversion of water for power at Niagara Falls. Whether the project should be authorized specifically, as provided in those three bills, or whether the work should be authorized in accordance with existing general laws, as would be permitted if S. 2599 were enacted, concerns a policy matter to be decided by the President and the Congress and with respect to which the Department of the Army would prefer to withhold comment.

With reference to line 4 of the bill, it appears that certain language has been inadvertently omitted and that after the word "States" the language "in ratifying the Treaty between the United States" should have been inserted.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,
ROBERT T. STEVENS,
Secretary of the Army.

Mr. KERR. Mr. President, I yield myself 3 minutes.

Mr. President, one of the most eloquent statements I ever heard in connection with the bill was made by the Senator from South Dakota before the Public Works Committee on March 14, 1956, when he was interrogating Mr. Ellis, of the Rural Electrification Administration, as follows:

> Senator CASE. But, I am perfectly willing to take the terms of the Lehman bill. That is what I referred to in my telegram to Mr. Severson. * * *
>
> The only way that any of those people, the common people, and the little people, the people who live on farms, the people who live in small towns, the consumers, could get any of the Niagara power was to have some provision here so that after the preference customers have been taken care of, they could have access to some of that power.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I shall yield in a moment.

Mr. President, the pending bill does not set aside the preference clause of the New York law. The bill would add to the preference clause of the New York law. The bill would so fix the law that preference customers, under Federal legislation, would get the power, but it would not violate the New York law. It would be in addition to the New York law, and I believe the Senator from New York [Mr. IVES] knows that to be so.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield?

Mr. IVES. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, the Senator from Oklahoma has read a statement I made in the course of the hearings on another bill. At that time we were dealing with a Federal development, and I was referring to a Federal development on the Missouri River.

When the Federal Government puts up the money, I think the Federal preference provision should apply, or as modified by Congress to fit circumstances. But when a State puts up the money to develop a resource which it claims, I think the State should not be denied the right to apply its own preference law.

In that telegram to Mr. Severson, I was referring to a Missouri River project financed by the Federal Government where I think special-preference provisions should be provided by the Federal Government. The Lehman language on preference would be preferable in that particular case to the general preference clause, in my opinion.

Mr. KERR. Is not the Lehman bill a Federal bill?

Mr. CASE of South Dakota. But it provides for State financing. At the hearings quoted I was discussing preference provisions for the construction of a federally financed project.

I have no objection to the Federal Government writing the preference provisions in the case of federally financed projects; but it seems to me that State law of New York is negatived if we here write different preference provisions, and then ask the State of New York to provide the financing for the project. They may not be able to sell their bonds.

Mr. KERR. I merely read the remarks made by my good friend, the Senator from South Dakota, for whom I have the highest respect, as I saw them in the record, as being one of the most eloquent statements I have ever heard in favor of the Federal preference clause.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Pennsylvania [Mr. MARTIN].

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Senator from Pennsylvania is recognized for 5 minutes.

Mr. MARTIN of Pennsylvania. Mr. President, I had intended to speak against the Lehman bill because I am entirely opposed to public ownership of utilities.

I think the time has come when here in the United States we must determine whether we intend to continue under the free-enterprise system which has given us the highest living standard of any nation in the world, and has made us a nation strong culturally, spiritually, and in every other way.

The distinguished Senator from Connecticut [Mr. BUSH] referred to other natural resources, such as coal, oil, gas,

the soil, lead, zinc, and so forth. It seems to me that if we continue along this line, eventually we shall put such natural resources under public control. Mr. President, to my mind that would not be good for the United States.

I shall not take any more of the time of the Senate to discuss the general issue, because at this time we are to vote on only the question of whether the bill shall be recommitted to the committee, for further consideration by it. I think there is good reason for doing that, when we take into consideration the preference which has been mentioned. To my mind, the preference provided in the bill is inclined toward socialism, insofar as the distribution of power is concerned.

Taxes have been referred to. Mr. President, we must have taxes if we are to maintain our schools, hospitals, roads, defense, and other governmental functions. This bill will deprive local government, State government, and the Federal Government of $23 million every year—an enormous amount of money. In addition, it will deprive the State of New York of $5 million a year in water rentals.

Mr. President, I have prepared a statement against the bill and in favor of private enterprise. I am sorry we are not substituting the Capehart bill for the Lehman bill; but I realize that it would be impossible to get through the House at this session a bill along the lines suggested in the bill of the distinguished Senator from Indiana [Mr. CAPEHART], and that it would be useless for us to attempt to do so.

So, Mr. President, by returning the bill to the committee——

Mr. IVES. Mr. President, at this point will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield if I have the time to do so.

Mr. IVES. I should like to clear up a point about which I think perhaps the Senator from Pennsylvania made a misstatement. He referred to the House, and I assume that he meant the Senate; I refer to his reference to getting the bill through.

Mr. MARTIN of Pennsylvania. I meant that if we were to substitute the Capehart bill for the Lehman bill, it woud then be necessary to send the bill to the House of Representatives, because the bill which passed the House of Representatives in the last Congress, by a vote of more than 2 to 1, of course died with that Congress.

Mr. President, in order that my ideas in regard to the pending bill, and particularly in regard to public power versus private-enterprise power, may appear in the RECORD, I ask unanimous consent that a statement I have prepared on this subject be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN OF PENNSYLVANIA

The issue confronting us is whether additional hydroelectric power is to be developed at Niagara by a governmental agency or whether we shall continue the private-enterprise plan which has been in successful operation at Niagara for more than half a century.

There is no disagreement as to the urgent need of legislation that will expedite the utilization of the United States share of the waters of the Niagara River for the expanded production of hydroelectric power as provided under the treaty of 1950 with Canada.

There is complete agreement that such increased production of electrical energy is essential from the standpoint of national security, the expansion of industrial production and economic progress.

The area of controversy concerns itself principally with whether we believe in the private-enterprise system or we do not believe in it.

The question that must be decided here is whether the circumstances surrounding the expansion of Niagara power are such that would warrant abandoning the private enterprise system and substituting governmental construction and operation.

As a Nation we profess to believe in private initiative. We boast that our economic progress, the growth of our industries and our standard of living, the highest in the world, were made possible because here in the United States, the so-called capitalistic system provided incentives for our people to invest their savings in productive enterprise, to launch large and small businesses, to give employment to others and thus build a greater and better America.

We have grown great because under our system we encourage private enterprise with legitimate profit as the motive. When we no longer offer such encouragement to private enterprise, American progress will slow down to a halt.

We are not concerned here with a new project in undeveloped territory in which private enterprise is unable or unwilling to invest risk capital. We are dealing with an addition to the hydroelectric development at Niagara Falls in which private enterprise pioneered and which has been in existence since 1895.

Development by a governmental agency through the use of public funds might be justified if there was no one else willing and competent to undertake a project of this magnitude.

But I subscribe to the principle that government should not undertake to do things that the people can do for themselves. So long as private capital stands ready to do the job government should not invade the field of private initiative and should not set itself up in direct competition with the power business or any other business.

I support the recommendation of the Hoover Commission that government should withdraw from industrial and commercial activities that compete with private enterprise.

I believe that the application of this principle would work just as much to the advantage of the American people in State government as it would in the case of the Federal Government. Our aim should be to limit the functions of Government, not to expand its tax consuming activities.

Those of us who are opposed to S. 1823 cannot close our eyes to the fact that utility companies, presently operating in the area, with a splendid record of experience and achievement, are ready, willing and financially able to undertake the expansion of existing hydroelectric facilities at Niagara.

We cannot ignore the fact that these utilities are publicly regulated, tax paying companies, owned by 310,000 stockholders, residing in every State of the Union. These utilities give employment to 42,415 working men and women with an annual payroll of $232 million.

I am unable to agree with those who would brush aside lightly the undeniable fact that private enterprise development involves payment of rentals to the State for the use of the water as well as additional local, State and Federal taxes, totalling $23 million a year. Of this tax total $9 million would be Federal; $4,500,000 would be paid to the State of New York; and $9,500,000 to local subdivisions of government.

In this connection it is important to remember that private enterprise now pays some $1,900,000 a year for the use of water in the existing hydroelectric development at Niagara and thus far has paid to the State of New York over $25 million in water rentals.

If private enterprise makes the additional development at Niagara Falls, the water rentals paid to the State would approximate $5 million a year. I ask you to keep in mind also that the same utilities, which are ready to go ahead with this $400 million project, paid taxes in 1955, including Federal, State, and local, of $195 million.

It has been argued that the New York State Power Authority can turn out power at lower cost than the investor owned, regulated utilities and that the lower cost of production would mean a saving to the consumers.

One of the most vigorous proponents of State development is Mr. Robert Moses, chairman of the New York Power Authority. Under date of January 12, 1956, Mr. Moses wrote a letter to the chairman of the Public Works Committees of the Senate and the House, supporting development of Niagara by the State.

In these letters he stated:

"The power authority will produce and sell power for about 3 mills while the corporation, which would be the beneficiary of the bill sponsored by the utility people, would charge upward of 4½ mills per kilowatt-hour at the bus bar."

Accepting Mr. Moses' figures and applying them to the production of approximately 8 billion kilowatt-hours a year in Niagara redevelopment, we arrive at a theoretical saving of $12 million a year to the consumers. But to my mind the saving claimed by Mr. Moses becomes more fanciful than real when it is achieved by the avoidance of taxes amounting to $23 million a year.

It is true that certain groups which gain a direct benefit totaling $12 million from tax-free State operation, but only at the expense of all the other taxpayers who would be penalized by a tax loss amounting to $23 million a year.

In other words the taxpayers in every State of the Union, far removed from the Niagara source of power, would be required to make a substantial contribution in taxes in order to subsidize a tax-exempt commercial enterprise by the State of New York.

I do not presume to speak for the people of the State of New York, but I have received a great many communications from business and farm organizations, labor unions, and civic groups in favor of private enterprise development at Niagara and against development by government, either State or Federal.

There has come to my attention also the results of polls taken by three Congressmen in their own New York State districts. These samplings of public opinion, according to the information supplied to me, indicated an overwhelming preference for private enterprise in carrying out the Niagara Power project.

I have been informed that the test in one district resulted in a vote of 90 percent in favor of private enterprise; in another the ration was 76 percent and in the area around Buffalo the response was 5 to 1 in favor of private enterprise development.

I am impressed also by the action of the New York State Association of Towns on a resolution favoring private instead of public development. Of the State's 535 town boards, the unit of Government closest to the people, 493 called for private enterprise development, 35 took no action, 5 favored State development, and 2 supported a Federal project.

Another clear indication of the sentiment in New York State is given in the vote by which H. R. 4351 was passed by the House of Representatives on July 9, 1953. This was a private enterprise bill, authorizing construction and operation of additional facilities by the electric companies. The record shows a vote of 262 to 120 for the bill with 32 Representatives of the State of New York voting in favor of private enterprise development and only 9 against.

President Eisenhower has stated that the Niagara issue should be resolved in accordance with the wishes of the people of New York. It seems to me that the evidence is overwhelming that the majority of the people want investor owned, tax paying, publicly regulated, private enterprise development at Niagara.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD some general remarks on the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I should like to address myself to the principal aim of the bill before us, that the power produced at the Niagara project be sold "primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use."

I have heard no disagreement with this aim. We are dealing with a great resource which belongs to all of the people of the United States. We have an obligation to assure the people of the greatest possible benefit from its development.

As a cosponsor of S. 1823, it is my conviction that only under this bill can we assure prompt, efficient redevelopment at Niagara without cost to the Nation's taxpayers, and at the same time provide the benefits which we are obligated to confer on domestic and rural consumers in the Niagara area.

Other proposals have been advanced for the construction of this project and there is general agreement, I am sure, that we must move ahead without further delay to harness the wealth which lies in the water of the Niagara. There has been far too much delay in settling this matter.

It is essential that we get on with the job at Niagara. Canada is making full use of her share—and part of our share—of the Niagara's water while we are debating here.

At the same time, it is essential that safeguards be included in the Niagara legislation.

The trickle down theory of national economics was thoroughly discredited in the early thirties. Similarly, the trickle down theory which has been advanced by those who favor turning Niagara over to a handful of private power companies, cannot be expected to bring significant benefits to consumers in the Niagara area.

Insofar as possible, the Congress must make sure that at least a portion of Niagara's power will go directly to consumers through the nonprofit municipally and cooperatively owned electric utilities now serving the people of the area. I am confident that by this route, and by no other, the impact of low-cost power will be felt most strongly.

It has been demonstrated in the Northwest that when people get together to serve themselves with electricity they tend to keep rates down. Low rates in turn result in higher usage and, in most cases higher profits. The same cycle has followed major public power developments throughout the Nation, most spectacularly, perhaps, in the area served by the Tennessee Valley Authority.

Over and over again the private utilities have shown a reluctance to embark upon this course. Unless they are prodded by the competition of nearby publicly owned utilities, the power companies often prefer to set a price which will bring a proper return upon investments already made instead of setting low prices as an incentive to greater sales.

Gradually they are following the leadership of the public systems in many parts of the Nation, notably in the Northwest, and adopting the high volume, low unit cost kind of approach which has proven so successful in other American industries.

But, I submit, this aproach has not shown itself in the area around Niagara. The private utilities are but lately emerging from a status quo philosophy which has in very recent years threatened economic stagnation.

We can see a rebirth in the Northeast, but only if the Congress plans wisely, and insists upon the safeguards which are essential to the Niagara legislation.

The Lehman bill follows the marketing principles which have brought abundant, low-cost power to the Pacific Northwest. These principles, as you know, are not partisan in origin and have been reaffirmed by the Congress in virtually all Federal power legislation.

I should like to review briefly the effect of these principles upon the rural and domestic consumers whom we are obligated to protect.

Within a 300-mile radius of Niagara Falls there are some 166 municipally owned electric utilities eager to buy power from the Niagara project, 52 of them in New York State, 40 in Pennsylvania, and 74 in Ohio. In addition there are 40 rural electric cooperatives.

At the present time these are well-established but relatively small utilities. Many of them, particularly in the towns and villages, were organized about the turn of the century or before, at a time when no other utility was interested in providing electric service. To me, these utilities represent the best kind of American enterprise in that the people themselves got together to further the progress of their communities.

As the electric industry has grown larger and more essential to our everyday life, the trend has been toward larger generating plants, interconnected for economy of operation. The scattered municipal utilities of New York, Pennsylvania, and Ohio have been unable to benefit greatly from this trend for reasons of distance and, in some cases, State or local laws.

As a result, the municipal utilities and cooperatives in this tri-State area are operating small independent generating stations or buying wholesale power from private utilities at wholesale rates which are among the highest in the Nation—3 or 4 times as high as the wholesale rates in sections of the country where there has been extensive development of low-cost hydroelectric power.

For example, according to the most recent Federal Power Commission statistics available, the local publicly owned electric utilities in the New England area in 1953 paid an average of 14.1 mills per kilowatt hour for purchased power. In New York the average was 11.1 mills; in Pennsylvania, 14.6 mills; and in Ohio, 16.2 mills.

Compare this with the costs in the Pacific Northwest, where Oregon's publicly owned electric systems paid an average of 3.2 mills per kilowatt hour during the same year and Washington also paid 3.2 mills.

The pending bill provides that public bodies such as municipal electric utilities and rural cooperatives shall have a preference in the sale of Niagara power, a provision which I consider absolutely essential if Niagara power is going to have a significant impact upon the area. Without this safeguard, the relatively small needs of these public enterprises would be subordinated to the quantity purchases of large industries and private utilities.

Many people seem to believe that the Pacific Northwest has benefited from low-cost power only because the Federal Government has developed some of the area's hydroelectric resources. I submit that this is only part of the answer. The wise marketing policies which Congress has written into Federal law have insured the consumers of the Northwest a share of the benefits from this development.

The needs of the small municipalities in Washington and Oregon have been so similar to those of the Northeast, that I would like to review briefly just what these wise policies of Congress have meant to such electric systems.

Historically, the towns of the two distant areas developed in much the same way. The town of Ellensburg, Wash., for example, established its publicly owned electric system in 1890. Similarly, the great municipal electric utilities of Seattle, Tacoma, and Centralia in Washington have been in existence since the turn of the century. Their success led to demands from the farmers of the State for central station electric service and the countrywide public utility districts which now serve many of Washington's consumers with low-cost power were authorized by the State legislature in 1931, after the people of the State endorsed the Grange-district power bill at the election of November 4, 1930.

In 1882 the first electric light plant in the Territory of Washington started operating at Tacoma, only 6 years after Thomas Edison exhibited the first practical electric light at the Centennial Exposition in Philadelphia.

The forward-looking communities of the Northwest built electric generating and distribution systems almost as soon as they took responsibility for providing water, roads and schools. For example, McMinnville, Ore., started its electric plant in 1889, Eugene, Oreg., in 1910.

At about the same time, such municipalities as Jamestown, Ilion, Rockville Centre, and others in New York were taking steps to set up municipal electric utilities.

There has been a great deal of talk about "local interests" in connection with the Federal power policy in recent years. It seems to me that the Lehman Bill points the way to a local development of a public resource which can spread its benefits over a three-State area through the most local kind of interest in existence—the local publicly owned electric utility.

I should like to point out that the municipalities in the Northwest have taken the lead, not only in establishing electric utilities, but in testing the low unit cost-high consumption theory which later found such great success in the Tennessee Valley and the Bonneville system. By lowering rates as early as 1910, the municipal systems in the Northwest encouraged electric cooking and water heating. Since that time the Northwest has led the world in the density of electrical ranges and water heaters and they have gone on lowering rates, year after year, bringing the bull benefit of low-cost hydro power to their consumers. As a result, they have been highly successful business ventures and their consumers enjoy electric appliances which consumers in the Northeast cannot afford to operate.

In the Niagara area, electric power has been too costly to be fully enjoyed by many of the rural and domestic consumers who must be the principal beneficiaries of any Niagara legislation we in Congress decide upon.

Since the 1,240,000 kilowatts anticipated at Niagara will be a relatively small part of the total power needs of the Northeast, it is important that these cheap kilowatts be marketed in such a way as to spread their effectiveness as widely as possible.

The experience of the city of Dunkirk, N. Y., in bringing power to its people at the lowest possible cost points up what can be done by the municipally owned utilities to provide a "yardstick" for private utility operation. The "yardstick" effect of such regional power developments as TVA and Bonneville is well-known; however, we are inclined to overlook the importance of the municipal utility competition in other parts of the country upon neighboring private power companies.

Dunkirk went into the electric utility business in 1888 for the reason that no one else at the time wanted to provide electric service to the town. Today, the people of Dunkirk enjoy the lowest rates for residential electricity of any on the Atlantic Seaboard, or in the New England, Middle Atlantic or South Atlantic States, despite the fact that Dunkirk buys its power wholesale from a private power company. It goes without saying that the utility operation at Dunkirk is efficiently conducted and that low-cost power from Niagara could mean an immediate and direct benefit to its citizens.

The question of electric rates brings to mind the situation which now exists in Canada. Under wholly public operation, the Hydroelectric Power Commission of Ontario provides Niagara power from its Sir Adam Beck No. 2 Generating Station to municipal distribution systems which supply consumers at rates which bear comparison with those south of the border.

It is certainly not my intention to imply that all-public operation is a desirable end in this country; on the contrary, there are contributions which both public and private utilities can make in the Niagara area. However, the private utilities in upstate New York might consider these figures for 1953—the latest available. Residents of Toronto paid an average electric bill of $4.68 for 386 kilowatt-hours per month, while residents of Rochester, N. Y., paid $4.59 for only 100 kilowatt hours. Another comparison shows that in Ottawa, residents paid an average bill of $4.03 for the use of 504 kilowatt-hours per month, while residents of Albany, N. Y., would have had to pay $10.50 per month for the same amount of power. Many similar comparisons can be made and they show two important facts: First, that Niagara power can be brought to peoples' homes at much lower rates than now prevail in the area and, second, that people who pay lower rates use a great deal more power.

Our principal concern here is, as I have stated, for domestic and rural consumers. It is axiomatic to say that these consumers benefit from the competition which characterize American industry. This competition is necessarily absent from the electric utility industry, which by its very nature must be a monopoly. Overlapping of service in the same territory in this industry destroys efficiency of operation.

The only element of competition in this field is injected by the local publicly and cooperatively owned electric utilities scattered across the Nation, often adjacent to service areas of huge private utilities. In my view, this competition brings benefits not only to the consumer-owners of these public systems, but also to consumers of neighboring privately owned utilities. Through this kind of competition the benefits of Niagara power can gain the widest possible distribution.

In addition to affording a preference to these local publicly owned utilities, in accordance with traditional Federal power policy, the pending bill provides that where satisfactory transmission agreements cannot be worked out, the Power Authority of the State of New York will be empowered to build transmission lines to load centers of the preference customers.

This I regard as an essential safeguard. Whether or not it becomes necessary to build such lines, the very existence of this provision can serve as a bargaining point in working out transmission agreements. All too often the private utilities with lines to Federal projects have been able to offer "take it or leave it" terms because the preference customers had no alternative but to "take it."

Without this provision, very little of the Niagara power would trickle down to the public systems, at least, at a price which would reflect the low cost of producing power at Niagara. If the low-cost factor is destroyed, one of the major arguments for building the Niagara power project also will be destroyed.

Certainly we must make sure that low-cost Niagara power will benefit consumers of private utilities in New York, as well as existing and potential industries in the area. It goes without saying that the bounty of Niagara should not be restricted to any one group. The preference to public bodies and rural electric cooperatives which has been written into the Lehman bill is needed, not to confer a special privilege upon municipalities owning their own electric utilities, but to prevent private monopoly of this great national resource.

There are many public systems in New York, Pennsylvania, and Ohio, but they are pygmies compared to the giants of private power which serve the vast majority of the consumers. Private power is dominant in the electric utility business in the three States nearest the Niagara project. Only by setting aside a portion of the power output specifically for them can the public and cooperative utilities be assured of getting any Niagara power at all.

Through the localized and limited competition offered by these public systems, the larger private utilities may be encouraged to test the theory which proved itself in the Northwest as early as 1910—that a utility which lowers its rates encourages consumers to use more electric appliances, building a greater electric load, and thus enabling the utility to make more money than it made before.

One of the public-utility districts in my State recently issued an annual report under the title "Progress Follows Power."

The truth in this title has been proven over and over again in Tennessee and in Washington and, more recently, in the Ohio Valley, where new industries are moving in with their own plans for adjacent powerplants, using nearby coal supplies to generate electric energy.

When Grand Coulee Dam's power began to flow, the "jackrabbits," which many diehards declared would be its only consumers, had to make way for factories and the people who work in them.

Industrial progress can come to Niagara, too. I hope to see a healthy competition among industries for Niagara power and Niagara plant sites and an overall renewal of interest in the eastern Great Lakes, a rebirth of communities which have found that progress has been following power—elsewhere.

But again, I submit, we must not permit the large power users to siphon off all of the benefits of this great resource. Only under the pending bill will the rights of consumers—rural and domestic—be fully protected.

I urge the passage of this bill without amendment. It has been approved by Senators of both political parties, serving on the Public Works Committee. It has been studied and revised to provide the maximum use of Niagara's waters and to protect the very real interest which the American people have in this national landmark. In my view, S. 1823 is the answer to the Niagara question which has plagued this body since the treaty with Canada was ratified in 1950.

Mr. MAGNUSON. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram from the Northwest Public Power Association, in regard to the pending bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

VANCOUVER, WASH., *May 16, 1956.*

Senator WARREN MAGNUSON,
Senate Office Building:

Urgent farmer-owned cooperative and utility districts as well as city-owned electric systems of Pacific Northwest are on record to insure that the antimonopoly or preference clause is a cornerstone in the Niagara legislation. Our experience with the Bonneville Act shows the preference clause determines whether the Niagara law will be a public law or a private-special-interest bill. Please read to Senate.

GUS NORWOOD,
Northwest Public Power Association.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. How much time remains to each side?

The PRESIDING OFFICER. The Senator from Texas has 81 minutes remaining under his control.

Mr. JOHNSON of Texas. That is on the bill itself. Has all time on the motion to recommit been consumed?

The PRESIDING OFFICER. Yes.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, if the Senator from Texas will withhold the suggestion, I wish to yield 10 minutes on the bill to the Senator from New Hampshire [Mr. BRIDGES]; and I now yield 10 minutes on the bill to him.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 10 minutes.

Mr. BRIDGES. Mr. President, I wish to speak on the bill which is before the Senate. I desire to address myself to the extent to which Senate bill 1823 would, if enacted, undermine the private enterprise system, and I wish to point out why that dangerous situation should not escape the serious consideration of every Member of this body.

Enactment of this bill would represent the greatest victory yet accomplished not only by those whose philosophy requires the unlimited expansion of public power, but by those who would nationalize all our basic industries. This bill, if enacted, would constitute the biggest and boldest step yet taken in that direction.

Never before has the Congress been asked to authorize Government development of purely a power project. Every consideration heretofore advanced to justify Government hydroelectric power production is absent in this project. No attempt is or can be made here to support Government power production at Niagara as an incidence of a multiple-purpose project. Concededly there is involved here only the production of power. There are not involved any considerations of flood control, irrigation, reclamation, water supply, the improvement of navigation, or any other governmental function producing byproduct power. This bill would, therefore, pave the way for limitless expansion of public power.

Moreover, when the Congress has authorized the expansion of existing public developments, it was argued that public power had preempted the situation, and hence should provide for the necessary expansion. At Niagara the reverse is true. The proposed development is not a new one. Private enterprise, pioneered 60 years ago at Niagara Falls, has been developing power to the fullest extent legally possible until our 1950 treaty with Canada. The Government development proposed in S. 1823 is simply an additional development utilizing the additional water made available by that treaty. For 35 years private enterprise has sought to make the additional development. There are no engineering differences as to the construction plans proposed by it, and which it filed with the Federal Power Commission in 1921.

Under this bill we are asked to authorize a power project which would avoid all Federal, State and local taxes, subjecting the taxpaying business enterprise next door to the most destructive competition at the hands of Government—competition of a nature which the Government itself forbids among citizens.

This bill would have government do nothing which its citizens cannot do for themselves. This is not an area in need of economic rehabilitation through subsidy or otherwise. There are some 15 million people in the State of New York and 95 percent of them receive their electricity from private enterprise. New York is probably easily the Nation's leading industrial State, and electric rates for large power consumers in western New York are actually lower than some of those in the TVA area. All the farms in the State are electrified. Service at rates regulated on a cost-of-service basis is available everywhere and to everyone. I have never heard of a power shortage in New York. Private enterprise is expending hundreds of millions of dollars annually to meet power requirements.

Yet, we are asked to authorize the establishment of well over $400 million of properties which will avoid all Federal, State and local taxes, estimated at $23 million annually. In addition, the project would be financed through the issuance of bonds to investors who would escape all taxes on their interest income. There is no justification under the circumstances presented here for requiring the people of the Nation, at their expense, through tax subsidy, to further enhance New York's industrial leadership.

The irony of the situation is that the people of New York themselves are bitterly opposed to this bill. They have expressed their recognition of the fact that tax-exempt power is not cheap power, but that its true cost is divided between the consumer and the taxpayer. The average tax bill in this country is $5 a day per family; the average electric bill is less than 25 cents a day. It is, therefore, obvious where the real interests of all of the people lie.

Evidence of the will of the people of New York, especially in the project's principal marketing area, western New York, is overwhelming. Industry objects to this bill. The huge concentration of industry on the Niagara Frontier, which consumes more electric power than is used in highly industrialized centers like Detroit and Cleveland, opposes S. 1823.

The workingman, through the New York State Federation of Labor, opposes this bill. The farmer is opposed to this bill. Every farm organization in the State of New York has recorded itself in opposition and in favor of development by tax-paying business enterprise. Business and civic organizations representative of all classes of electric consumers, as well as all categories of taxpayers, have joined in strenuous opposition to this bill. Concerted opposition comes also from local governments in New York, the "grass-roots" representatives of the people. The Association of Towns of the State of New York has endorsed private development by a vote of 493 to 7. The State association of county supervisors has recorded itself in opposition to this bill and in favor of development by tax-paying business enterprise. As administrators of local government they know full well the serious impact upon the people of the creation of huge amounts of tax-exempt properties. They know full well the dangers to the people and to the structure of our Government when government insists upon doing for the people what the people can do, and have so well done, for themselves.

If one desires further expression of the will of the people directly concerned here, let us look at the vote in the 83d Congress in the House of Representatives when it passed the private enterprise bill by an overwhelming majority. The New York delegation voted for private development by a bipartisan majority of better than 3 to 1. The vote was 32 to 9, and all of the 32 Representatives have been reelected to the 84th Congress.

It seems clear that the sponsors of S. 1823 do not speak for the people in the project's marketing area, but for public power advocates, whose ambitions to expand public power are unconfined. As a Member of the Senate from a Northeastern State, I can tell my senatorial colleagues that for public power advocates this bill, if enacted, would represent the culmination of years of effort to gain for Government power a substantial foothold in the Northeast.

There are specific provisions of this bill which clearly bear out that statement. Although they know full well that 95 percent of the people of the State of New York are served by private enterprise, the sponsors of S. 1823 would impose upon the project's market area the Federal preference policy in the distribution of project power. It is difficult to conceive of a more inequitable proposal under the circumstances here presented than the proposal—thus to discriminate against the great bulk of the people, who, at the same time, will be required to subsidize the project for the benefit of the few.

What are the real objectives of sponsors of such legislation in a fully developed area having the greatest industrial prosperity in the Nation and adequate power available for everyone? If they were frank they would say that the Federal preference policy in such an area would inspire the creation of publicly owned distribution systems through the taking over by local public authorities of existing privately owned facilities. The real objective, therefore, of such legislation is to foster the public ownership not only of facilities for the generation of power, but for its transmission and distribution as well—a substantial step toward the ultimate nationalization of the electric power industry.

This bill would make happy not only those who would nationalize the electric power industry, but those as well who would nationalize all of our basic industries. Since this bill, authorizing Government to build a pure power project, is without precedent in the history of the development of hydroelectric power, its supporters seek to justify it as involving development of a natural resource, the theory being that natural resources should be developed only by Government. Later, consistent with this philosophy, we shall be urged not to limit public development to this natural resource, namely, water power. We shall be told that, by reason of tax avoidance, we can have lower prices for other natural resources, and that Government should develop them, too—oil, coal, minerals, natural gas, and timber.

I need not portray the economic chaos which this bill invites. Obviously its enactment would seriously threaten not only the private enterprise system, which has made us the most prosperous Nation on the face of the earth, but the very structure of our Government and of our way of life. Let us strengthen both by rejecting this bill.

When private enterprise, with the safeguards of appropriate Government regulation, is ready and able to do a necessary job for the benefit of everyone, and to maintain its fair share of the tax burden, we must insist that Government confine itself to governing and leave to free enterprise the job of operating American industry.

This is a very unusual proposal. The issue is public power versus private power.

I have heard the Senator from New York [Mr. LEHMAN] dare anyone to vote on the question of public or private power. So far as I am concerned, I am ready to vote on that question now or at any other time. Judging by my knowledge of the State of New York and some of the sentiments which have been expressed, particularly by farm organizations, the New York State Federation of Labor, business and civic groups, and associations of towns, in their opposition to the bill and in favor of private enterprise, I believe I am on the right side, not only from the standpoint of my philosophy on national questions, but also from the viewpoint of the people of New York State.

Mr. WILEY. Mr. President, I have prepared a statement of my position on the motion to recommit, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I definitely favor recommittal of the bill, S. 1823, for public development of the Niagara electric project.

In my view, the legislation, as sponsored by the senior Senator from New York, is not justified, either from the standpoint of the people of his own State, or from the standpoint of the United States as a whole.

I see no reason why private utilities cannot be relied upon to develop this electric power, in a genuine, tax-paying, free enterprise way.

Admittedly, there are numerous moot points in this controversy. To my way of thinking, however, these moot points—this obvious difference of opinion within the Empire State itself—could best be settled within the Senate Public Works Committee.

I think that no good, therefore, is served, until and unless we can get the parties directly involved in the dispute—in the State of New York itself to sit down again and work this problem out by themselves, to the greatest possible extent.

I am certainly inclined to agree with my colleague, the distinguished junior Senator from New York, Mr. IVES, that the bill presently before us, S. 1823, "Is a device seeking to employ a Federal legislative power of the Congress to impose upon the people of New York State that which they have expressly rejected. This alone constitutes sufficient reason for the defeat of S. 1823."

The attorney general of the State of New York, the Honorable Jacob K. Javits, has stated publicly in a document addressed to Members of the Congress on February 13 of this year that there actually is grave doubt whether the New York State power authority could ever proceed with construction if S. 1823 were enacted; that certain provisions of it are inconsistent with State law under which the power authority must proceed.

Among the broad variety of organizations opposing S. 1823, are the New York State Federation of Labor, the New York State Farm Bureau and the Grange, the Association of Towns in the State of New York, various CIO Unions, and groups representing every other segment of the economy.

Under these circumstances, I do not see how we in the full Senate can possibly decide to try to ram this legislation down the unwilling throat of the Empire State.

Under these circumstances, I very definitely favor recommittal of the bill to committee.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the motion of the Senator from Connecticut [Mr. BUSH]. The yeas and nays have been ordered, and the Secretary will call the roll.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. The Senate is about to vote on the motion to recommit; and as I understand, a vote "yea" is a vote to recommit the bill. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. YOUNG (when his name was called). On this vote I have a pair with the junior Senator from Arizona [Mr. GOLDWATER]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. BENDER (when his name was called). On this vote I have a pair with the Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senators from North Carolina [Mr. ERVIN and Mr. SCOTT] are absent on official business.

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from North Carolina would vote "nay" and the Senator from Idaho would vote "yea."

I further announce that if present and voting, the Senator from North Carolina [Mr. SCOTT] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from North Carolina [Mr. ERVIN]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 38, nays 48, as follows:

YEAS—38

Allott
Barrett
Beall
Bennett
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Case, S. Dak.
Cotton
Curtis
Dirksen
Duff
Dworshak
Hickenlooper
Holland
Hruska
Ives
Jenner
Knowland
Martin, Iowa
Martin, Pa.
McCarthy
Millikin
Mundt
Payne
Potter
Purtell
Robertson
Saltonstall
Schoeppel
Smith, N. J.
Thye
Watkins
Wiley
Williams

NAYS—48

Aiken
Anderson
Bible
Case, N. J.
Chavez
Clements
Daniel
Douglas
Eastland
Ellender
Frear
Fulbright
George
Gore
Green
Hayden
Hennings
Hill
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
McClellan
McNamara
Monroney
Morse
Murray
Neely
Neuberger
O'Mahoney
Pastore
Russell
Smathers
Smith, Maine
Sparkman
Stennis
Symington
Wofford

NOT VOTING—9

Bender
Carlson
Ervin
Flanders
Goldwater
Malone
Scott
Welker
Young

So Mr. BUSH's motion to recommit was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the motion to recommit the bill was rejected.

Mr. LEHMAN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (putting the question). The motion of the Senator from New York to lay on the table the motion of the Senator from Texas appears to be agreed to.

Mr. BRIDGES. Mr. President, I ask for a division.

On a division, the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is now on the passage of the bill.

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

VISIT TO THE SENATE BY FORMER SENATOR HOMER T. BONE

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. President, I shall take only half a minute, but I wish to call the attention of the Senate to the fact that there is at this moment sitting in the Senate Chamber a former Member of this body, who has recently retired as a judge of the 9th Circuit Court of Appeals—Hon. Homer T. Bone. He has not been around the Senate since he became a judge. [Applause, Senators rising.]

HON. EDUARDO FREI MONTALVO, CHILEAN SENATOR

Mr. KNOWLAND. Mr. President, I yield a minute to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, earlier today the Senate had a visitor from Chile, Hon. Eduardo Frei Montalvo. We were unable to introduce him at the time because the roll was being called. I ask unanimous consent to have printed in the body of the RECORD a brief biography of the Chilean Senator.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

EDUARDO FREI MONTALVA, CHILEAN SENATOR

Eduardo Frei Montalva was born in Santiago, Chile, on January 16, 1911.

His political career began during his university days when he belonged to the Conservative Party youth, a group of which he once served as president. With other young men he broke away from the Conservative Party and helped found the National Falange Party sometime around 1940. This is principally a Catholic party, energetic, serious and idealistic. The philosophy of the Falange Party in Chile has no relation to that of the Spanish Falange; it is based primarily upon the social encyclicals Rerum Novarum, Quadragesimo Anno, and Divini Redemptoris, as interpreted by Jacques Maritan. Frei served as president of the National Falange Party from 1941 to 1948.

Frei is a liberal Catholic. He graduated from Catholic University (Chile) in 1933 with a degree in law. While at the university he was president of the Association of Catholic Students, and a year after he graduated he became president of the Chilean Catholic Youth Organization. In that same year he went to Rome as Chilean delegate to the Congreso Americano de Universitarios Católicos, and served as Secretary General of the congress. He represented Chile at Social Christian conferences in Montevideo in 1947 and 1949.

Professionally, Eduardo Frei is a teacher and a writer. He has taught labor law at Catholic University (and is known to feel strongly that a strong and healthy trade union movement contributes to the development of sound democracy).

He served as Minister of Public Works and Communications in 1945–46. Since 1949 he has been a member of the Senate, representing the mining provinces of Atacama and Coquimbo. In 1950 he was a delegate to the Congress for the Defense of Democracy, held in Habana, and later that year he went to represent Chile at the United Nations General Assembly at Lake Success.

He is a member of the Finance Committee of the Chilean Senate. His name is frequently mentioned as a possible candidate for the Presidency in 1958.

He married a girl descended from two prominent Chilean families (Maria Ruiz Tagle) and they have 2 sons and 4 daughters.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The question is, "Shall the bill pass?"

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks two telegrams which I have received on this subject.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *May 16, 1956.*

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Preference right to local people for power supply beyond control private monopoly domination must be provided. Urge all-out fight for basic preference clause based on past Northwest experience.

KEN BILLINGTON,
Washington P. U. D. Association.

SEATTLE, WASH., *May 16, 1956.*

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Preference clause provides the only surety for freedom of choice by local people as to what type of utility may best serve them. The inclusion of the preference clause places power supply beyond control of private monopoly. We urge the Senate retain preference clause in Niagara legislation. Our people supported for experience with Bonneville users of Niagara power must also have this protection of their basic rights.

A. LARS NELSON,
Master, Washington State Grange.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back my time on the bill, on the condition that the minority leader will do likewise.

Mr. KNOWLAND. If there are no requests for time on this side of the aisle, I am prepared to yield back all time on the bill, under the condition outlined by the majority leader.

The PRESIDING OFFICER. All time is yielded back. The question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BENDER (when his name was called). I have a live pair with the Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senators from North Carolina [Mr. ERVIN and Mr. SCOTT] are absent on official business.

On this vote the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Idaho would vote "nay."

I further announce that the Senator from North Carolina [Mr. SCOTT] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Arizona would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from North Carolina [Mr. ERVIN]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from North Carolina would vote "yea."

Also on this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Arizona would vote "nay" and the Senator from North Carolina would vote "yea."

The result was announced—yeas 48, nays 39, as follows:

YEAS—48

Aiken
Anderson
Bible
Case, N. J.
Case, S. Dak.
Chavez
Clements
Daniel
Douglas
Eastland
Ellender
Fulbright
George
Gore
Green
Hayden
Hennings
Hill
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kefauver
Kennedy
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
McClellan
McNamara
Monroney
Morse
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Russell
Smith, Maine
Sparkman
Stennis
Symington
Young

NAYS—39

Allott
Barrett
Beall
Bennett
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Cotton
Curtis
Dirksen
Duff
Dworshak
Frear
Hickenlooper
Holland
Hruska
Ives
Jenner
Knowland
Martin, Iowa
Martin, Pa.
McCarthy
Millikin
Payne
Potter
Purtell
Robertson
Saltonstall
Schoeppel
Smathers
Smith, N. J.
Thye
Watkins
Wiley
Williams
Wofford

NOT VOTING—8

Bender
Carlson
Ervin
Flanders
Goldwater
Malone
Scott
Welker

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. LEHMAN. Mr. President, I move to lay on the table the motion of the Senator from Texas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to lay on the table the motion of the Senator from Texas to reconsider the vote by which the bill was passed.

The motion to lay on the table was agreed to.

So the bill (S. 1823) was passed, as follows:

S. 1823

An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes

Be it enacted, etc., That pursuant to the provisions of the reservation of the Senate of the United States in giving its advice and consent to the ratification of the treaty between the United States of America and Canada concerning uses of the waters of the Niagara River signed February 27, 1950, which provides that no project for redevelopment of the United States' share of such waters shall be undertaken until it be specifically authorized by act of Congress, a project for the redevelopment of the United States' share of such waters for power purposes is hereby authorized, in accordance with existing general laws of the United States and this act. This authorization constitutes compliance with the reservation to said treaty and is consistent therewith.

SEC. 2. (a) The Federal Power Commission is hereby authorized and directed to issue a license to the New York Power Authority for the construction and operation of the project, upon its application therefor, and its acceptance of licensing conditions set forth in this section.

(b) The Federal Power Commission shall include among the licensing conditions, in addition to those deemed necessary and required under the terms of the Federal Power Act, the following:

(1) In contracting for the disposition of project power, the licensee (the New York Power Authority) shall (A) give equal preference for the purchase of such power to (i) counties and municipalities, including their agencies or instrumentalities, (ii) departments, agencies, and instrumentalities of New York State, (iii) rural electric cooperatives not organized or administered for profit but primarily for the purpose of supplying electric energy to their members as nearly as possible at cost; and (iv) the defense agencies of the United States, and (B) make flexible arrangements and contracts for the disposition of project power to utility companies organized and administered for profit, with suitable provisions in such contracts for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of the foregoing classes of preference customers.

(2) The licensee shall, if available on reasonable terms and conditions, acquire by purchase or other agreement, the ownership or use of, or if unable to do so, construct such transmission lines as may be necessary to make the power and energy generated at the project available in wholesale quantities for sale on fair and reasonable terms and conditions to privately owned companies, to the preference customers enumerated in subparagraph (1) (A) of this subsection, and to the neighboring States in accordance with paragraph (3) of this subsection.

(3) The licensee shall make a reasonable portion of the project power available for use within economic transmission distance in neighboring States and shall cooperate with the appropriate agencies in such States to insure compliance with this requirement. In the event of disagreement between the licensee and the power marketing agencies of any of such States, the Federal Power Commission may, after public hearings, determine and fix the applicable portion of power to be made available and the terms applicable thereto: *Provided,* That if any such

State shall have designated a bargaining agency for the procurement of such power on behalf of such State, the licensee shall deal only with such agency in that State. With respect to the share of the power so allocated, the arrangements made by the licensee for the sale of power to or in such States shall include observance of the preferences numbered (i) and (iii) in subparagraph (1) (A) of this subsection.

(4) Project power shall be sold and distributed primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use.

(5) In the event project power is sold to any purchaser for resale, contracts for such sale shall include adequate provisions for establishing resale rates, to be approved by the licensee, consistent with paragraph (4) of this subsection.

(6) The licensee, in cooperation with the appropriate agency of the State of New York which is concerned with the development of parks in such State, shall construct a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, pursuant to a plan, the general outlines of which shall be approved by the Federal Power Commission; and the cost of such drive and park shall be considered a part of the cost of the power project and part of the licensee's net investment in said project: *Provided,* That the maximum part of the cost of such drive and park to be borne by the power project and to be considered a part of the licensee's net investment shall be $15 million.

(7) The licensee shall pay to the United States and include in its net investment in the project herein authorized the United States share of the cost of the construction of the remedial works, including engineering and economic investigations, undertaken in accordance with article II of the treaty referred to in the first section of this act whenever such remedial works are constructed by the United States.

SEC. 3. The license issued under the terms of this act shall be granted in conformance with the Rules of Practice and Procedure of the Federal Power Commission, but in the event of any conflict, the provisions of this act shall govern in respect of the project herein authorized.

SEC. 4. This act may be cited as the "Niagara Redevelopment Act of 1956".

REORGANIZATION PLAN NO. 1 OF 1956, RELATING TO RESEARCH AND DEVELOPMENT PROGRAMS, DEPARTMENT OF DEFENSE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 405)

The PRESIDING OFFICER (Mr. McNAMARA in the chair) laid before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 1 of 1956.

Mr. JOHNSON of Texas. Mr. President, the message of the President transmitting Reorganization Plan No. 1 of 1956 has been read in the House. I therefore ask unanimous consent that the message, with the accompanying plan, be printed in the RECORD without reading and appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President, and Reorganization Plan No. 1 was referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1956, prepared in accordance with the Reorganization Act of 1949, as amended.

The reorganization plan is designed to improve the management of research and development programs in the Department of Defense. To this end, it establishes an office of assistant secretary for research and development in each of the three military departments. It thus places in effect an important recommendation of the Commission on Organization of the Executive Branch of the Government.

There is no function of the Department of Defense in which coordination leading to effectiveness and efficiency is of greater importance than in research and development. The National Security Act of 1947 established the Research and Development Board in the National Military Establishment. It was composed of representatives of the three military departments and a chairman directly responsible to the Secretary of Defense, and it was intended to coordinate and eliminate undesirable duplication in the research and development programs of the three military departments. Time and and experience proved that the Board was an organization unsuitable for the accomplishment of the required results. Reorganization Plan No. 6 of 1953 abolished the Research and Development Board and transferred its functions to the Secretary of Defense; further implementation of Reorganization Plan No. 6 resulted in the establishment of the Office of Assistant Secretary of Defense—Research and Development—in the Office of the Secretary of Defense.

The functions assigned to the Assistant Secretary of Defense (Research and Development) include assisting the Secretary of Defense on research and development aspects of Department of Defense policies, programs, and plans, including capital and operating budgets. In carrying out those responsibilities, he must review the research and development programs of the military departments to see that they are well coordinated and that collectively they form a sound and integrated overall Department of Defense program which is geared closely to current strategy.

At present the Department of the Army has a Director of Research and Development who reports directly to the Secretary of the Army. The Assistant Secretary of the Navy for Air has, among his duties, responsibility for research and development. An Assistant Secretary of the Air Force has been devoting full time to research and development matters. These arrangements, although constituting a recognition of the importance of research and development, are not adequate in present circumstances. In the Department of the Air Force the existing arrangement, while suitable for research and development matters, has resulted in inadequate provision for the coordination of other vital Air Force activities at the assistant secretary level. I am persuaded that the situation requires an additional Assistant Secretary in each of the military departments.

Accordingly, the accompanying reorganization plan establishes in each military department an office of Assistant Secretary for Research and Development. Each of these new officers will assist the Secretary in the improved coordination of the research and development functions of the military department concerned. It is my intention to appoint to these new offices individuals experienced in scientific fields and capable of assisting their Secretaries full time in reviewing the research and development programs of the military departments to see that they are well coordinated. Thus, the military departments will be uniformly equipped with technically skilled, full-time officials with the rank of Assistant Secretary charged with assisting the Secretaries of the military departments in the coordination of research and development functions. These officials, together with the Assistant Secretary of Defense (Research and Development), will collectively form an improved organizational arrangement for the coordination of sound and interrelated research and development programs throughout the Department of Defense.

After investigation, I have found, and I hereby declare, that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of an assistant secretary for research and development in each of the military departments. The rates of compensation for those officers are those prevailing for comparable officers in the executive branch of the Government.

While the taking effect of the reorganizations included in the plan will not bring about immediate savings, it is probable that it will bring about substantial long-run reductions of expenditures and also greater effectiveness of administration. An itemization of reductions in expenditures in advance of actual experience under the reorganization plan is not practicable.

The reorganization plan is another step in our continuing efforts to provide the best defense organization possible. I urge the Congress to permit it to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 16, 1956.*

REORGANIZATION PLAN NO. 1 OF 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 16, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

DEPARTMENT OF DEFENSE

SECTION 1. New offices in the Department of Army, Navy, and Air Force: The offices of Assistant Secretary of the Army for Research and Development, Assistant Secretary of the Navy for Research and Development, and Assistant Secretary of the Air Force for Research and Development are established in the Department of the Army, the Department of the Navy, and the Department of the Air Force, respectively. Each such Asssistant Secretary shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall perform—

(a) such functions relating to the coordination of the research and development functions of the military department concerned, and

(b) such other functions, whether or not relating to the coordination of those functions,

as the Secretary of the military department concerned may prescribe. Each such Assistant Secretary shall receive compensation at the rate prescribed by law for Assistant Secretaries of military departments.

Sec. 2. Necessary transfers: The Secretary of each military department may transfer within his department such records, property, and personnel, and such unexpended balances (available or to be made available for use in connection with any affected function) of appropriations, allocations, and other funds of the department, as he considers necessary to carry out this reorganization plan.

Sec. 3. Interim provisions: For each office established by section 1 of this reorganization plan, the President may designate a civilian officer of the executive branch of the Government to perform the functions of that office until it is filled by appointment under that section. By performing those functions the officer shall not forfeit any office that he otherwise holds.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 to the bill, and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate numbered 9 and 24, to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

BARKLEY DAM AND LAKE BARKLEY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2012, Senate Joint Resolution 166, and I call the attention of the distinguished Senator from Kentucky [Mr. Clements] to the request.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The Legislative Clerk. A joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Kentucky, as Barkley Dam and Lake Barkley, respectively.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CLEMENTS. Mr. President, the purpose of the joint resolution is to designate the lower Cumberland lock and dam on the Cumberland River, Ky., and the reservoir created thereby, as the Barkley Dam and Lake Barkley, respectively, in honor of the late Senator and former Vice President of the United States, Alben W. Barkley.

The site of the proposed lower Cumberland lock and dam is on the Cumberland River in Lyon and Livingston Counties, Ky., 30.5 miles above the confluence of the Cumberland and Ohio Rivers.

The project was authorized by Public Law 780, 83d Congress, in accordance with the recommendations contained in Senate Document No. 81, 83d Congress. The project is a multiple-purpose development for navigation, flood control, hydroelectric power, and other purposes. The reservoir will have a total capacity of 3,248,000 acre-feet, and a power installation of 130,000 kilowatts. The reservoir will extend about 120 miles upstream, a portion being in Tennessee, and have an area of approximately 100,000 acres. The estimated cost of the project is $167 million, and initiation of construction thereon is anticipated in the near future. The dam site is only a few miles from the Kentucky Dam, and the reservoir will extend almost parallel to Kentucky Lake, the largest reservoir of the Tennessee Valley Authority.

The lower Cumberland lock and dam project is located in the district in Kentucky in which the late Senator Alben W. Barkley resided. He was always a strong advocate and supporter of this project.

The committee believes it fitting and proper that this dam and reservoir bear the name of Barkley Dam and Lake Barkley in honor of the great statesman and beloved American from Kentucky who so ably served his State and the Nation in public office for over 50 years. The committee realizes that no engineering structure is capable of symbolizing the greatness of the man Alben W. Barkley, but we can honor his life in a modest manner by having this dam and reservoir bear his name.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 166) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

> *Resolved, etc.,* That the dam to be constructed on the lower Cumberland River, Ky., authorized by the Flood Control Act of 1954, and the reservoir to be formed by the waters impounded by such dam, shall hereafter be known as Barkley Dam and Lake Barkley, respectively, and any law, regulation, document, or record of the United States in which such dam and reservoir are designated or referred to shall be held to refer to such dam and reservoir under and by the names Barkley Dam and Lake Barkley, respectively.

The preamble was agreed to.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. McNamara in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, it is very important that the conference report be agreed to this evening. I have had submitted to me by the Bureau of the Budget a list of 21 agencies of the Government which are runnning out of money. The most serious situation is with respect to the payment of veterans. The statement is that the unexpended balance remaining in the appropriation as of April 30 was approximately $22 million. The Veterans' Administration cannot send checks to 600,000 veterans unless more money is made available.

I urge, therefore, prompt action on the report. It is a complete agreement between the two Houses.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, the Senator from New Hampshire and the Senator from Massachusetts [Mr. Saltonstall], after the consideration of the bill by the conferees of the Senate and the House did the rather unusual thing of declining to sign the conference report—not because we questioned very many of the items it contained, since we agreed with most of the figures in the conference report, but because of a very definite principle. For 2 or 3 minutes I wish to discuss that principle.

Mr. President, my refusal to sign was in order to express in the most emphatic way possible my disapproval of the conferees' rejection of Senate amendment No. 32 which dealt with the Tennessee Valley Authority. After the give and take of conference my only objection to the bill as agreed to by the conferees was in this one area, and although the course was open to me to sign the report objecting only to that item, I chose the course that I did as I have said, to express most emphatically my disapproval.

It has been one of the few times in the 20 years I have been in the United States Senate that I refused to sign a conference report as a whole.

If the Members of the Senate do not want to see the Congress of the United States gradually stripped of its powers one by one, and the power of the Congress of the United States generally diminished, they should take stock of the question involved, because it establishes the principle that the Congress has no more to say about the use of money in the building of TVA plants.

The particular item in regard to Tennessee Valley Authority was not merely a matter of whether to appropriate a sum of money or not, or a question merely of how much to appropriate. Actually what was involved was the fundamental question of whether or not

the Congress is to exercise any control whatsoever over the expenditure of public money by the Tennessee Valley Authority, or whether the Congress is to abdicate completely that time hallowed function and thus set an unfortunate precedent which will lead to further diminution of the congressional function in our scheme of government. My concern is thus directed to a matter of vital underlying principle. Here is a brief rundown of the factual situation:

There was inserted by the Senate amendment No. 32, providing for a direct appropriation of $3½ million to the Tennessee Valley Authority which was to be used for the commencement of construction of generating facility No. 4 located at the John Sevier plant. This was in accordance with the recommendations of the Bureau of the Budget and by this appropriation we were thus asserting congressional control over the expenditure of funds by the TVA. Opposed to this concept of congressional control was the roundabout reasoning resulting finally in an opinion by the general counsel for TVA that such new generating facilities could be constructed out of TVA revenues without any regard whatsoever for congressional authority.

The citations which the general counsel used in support of his theory refer generally to the law prior to the passage of the Government Corporations Control Act in 1945 with a further limitation in 1948. The 1948 limitation reads as follows:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

When the general counsel finally arrived at the point of this limitation he glibly interpreted it as follows:

> In thus prohibiting the use of revenues for construction of "new power producing projects" without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

One is astounded first at the counsel's use of the word "clearly" because it would seem under any fair interpretation that the most that could be said for TVA's position is that it is arguable. One is next astounded that by the use of words not found in the limitation or by the translation of words in the limitation to words not of like meaning a glib circumvention of the purpose of the limitation results. If any language is clear it would seem the words of the limitation are clear when it says in effect "no new power producing projects, except for replacement purposes." Yet by the use of the word "unit" and the contention of the general counsel that a "unit" is not a project, TVA could expand indefinitely, limited only by the amount of revenue available to it.

Let us review for a moment the history of what has become this electrical Frankenstein. It all started as a proposition for multipurpose dams to provide flood control, water conservation, improved navigation, and incidental power generation, possibly as a yardstick. Today, as a result of steam plant building, a large percentage of the power generated is steam generated. When the tail of power generation began to wag the dog of flood control, improved navigation, and water conservation, steam generating units were added to firm up the hydroelectric power and now TVA having exhausted all hydroelectric possibilities is continuing to build steam generating capacity far and beyond the complete total of hydroelectric generation. The market for this greatest of all producing and distributing systems in the country comes from industries lured from other sections of the United States, which sections have provided the tax dollars to create and sustain this monster. Now in complete defiance of the Congress that created it, TVA, grown rich on its tax exempt and subsidized revenues, plans to spend public money to increase indefinitely its empire.

In its headlong rush for empire it has now even stooped to duplicity in that the initial $3½ million to be spent is only a part of a $28 million project which in turn is a part of a $178 million project. In that regard a certificate of intention was only filed for 1 new project when in effect 6 are being undertaken to the total amount indicated.

Now, whether one is for TVA or against it—and the Congress has been very generous with TVA—the question is: Shall the Congress of the United States be bound by the interpretation of TVA's counsel, who has never faced an election by the American people, or by the people of the State of Tennessee or any other State of the Union, but who is one of the many thousands of lawyers who are appointed in the course of governmental administration? Are we bound by his off-the-cuff interpretation which adds up to saying Congress has no more power in this area; that its power has been abdicated? If so, we have gone a long way down the road to a complete nullification of legislative authority. For one, I shall not stand for it. This question is going to come up to hit Congress in the face in the years to come if we adopt the stated position of the Tennessee Valley Authority, fortified by the self-serving interpretation of its own counsel which says, in effect: "Abdicate; go home. We have no use for you. We shall proceed in our own direction."

Mr. President, this is an unprecedented situation which we have before us. It is a complete and utter challenge to the right of Congress to control the expenditure of public money. If we do not reassert our control in the immediate future, we must later attempt to control it through the painful course of backtracking, perhaps to find that we have locked the barn long after the horse has been stolen.

This is not a new problem, Mr. President, nor is it a partisan one. I refer to the Congressional Record of August 2, 1955, volume 101, part 10, pages 12888–12891, the 1st session of the 84th Congress, where is reported the colloquy of my colleagues, Senators McClellan, Fulbright, and Holland, in support of their Senate Resolution 146 dealing with this very question. This body should come to grips with this vital problem, to the end that the congressional appropriating function is restored and the people of the country can look to their elected representatives for the spending of their tax dollars.

I was in accord with all the other items in the appropriation bill, and ordinarily I would sign a conference report, making an exception in the case of this amendment. However, a great principle is involved in this instance. Either we are in favor of having Congress maintain control of this situation and similar situations, or we favor allowing Congress to pack its bags and go home, insofar as such matters are concerned. If Senators do not think the decision they make in this instance will confront them in the future, they are sadly mistaken. In my opinion, Members of both Houses who take the other position will live to see the day when they will regret it.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

The PRESIDING OFFICER (Mr. Pastore in the chair). Does the Senator from New Hampshire yield to the Senator from California?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, I think the distinguished Senator from New Hampshire, the ranking Member on this side of the aisle on the appropriations conference committee, has performed a very useful service in bringing this matter to the attention of the Senate. I fully subscribe to what he has had to say regarding the importance of the principle involved; and I speak as one who on occasions has voted in this Chamber in support of powerplants in the Tennessee Valley, when I felt it was necessary to do so in order to firm up hydroelectric power.

But the principle the Senator from New Hampshire has been discussing is one of great importance if the Congress is not to abdicate its responsibility to control the purse strings. If once we depart from that principle—whether on occasion we favor a particular power project or whether we are opposed to it—we shall be in grave difficulty, because in my opinion the principle of congressional control is essential to the orderly conduct of our governmental affairs.

Mr. President, the only point at all—and perhaps a minor one—where I would depart from the views of the distinguished Senator from New Hampshire is this: It may be that the Senate, for perhaps the same reason that influenced the majority of the conferees in this instance—namely, because of the necessity to make needed appropriations for various of the departments—will agree to the conference report. I, for one, would not want it to be assumed by the counsel of the TVA or the counsel of any other agency that such action in effect amounted to endorsement by us of abdication of congressional responsibility.

Regardless of what is done in the case of the conference report which now is before the Senate, I believe it important that the Senate and the House of Representatives give notice regarding this matter, and that the executive agencies also be put on notice regarding it. Apparently the question has arisen because of the fuzzy situation which now exists.

Mr. President, if the appropriate legislative committee does not promptly report to the Senate a bill which will reinstate congressional control over the purse strings, I think we should use some other vehicle to achieve that end. Inasmuch as the rule of germaneness does not apply in the Senate, we might do that in connection with consideration by the Senate of a bill whose enactment is both necessary and desirable. We might offer to such a bill an amendment which would tie down this matter, so that no one would be under the false impression that the Congress was going to abdicate its responsibility.

With that minor exception, I fully concur in what the distinguished Senator from New Hampshire has said.

Mr. BRIDGES. I thank the Senator from California.

Mr. THYE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. THYE. I wish to commend the distinguished Senator from New Hampshire for having brought this matter to the attention of the Senate and for discussing it here.

As a member of the Appropriations Committee, I have heard it discussed in the committee. I know the difficulties with which both the Senator from New Hampshire [Mr. Bridges] and the Senator from Massachusetts [Mr. Saltonstall] were confronted in conference when they held out for their position at a time when they knew positively that some of the Government agencies were running out of funds.

But a principle is involved in this case, and that principle is this: Shall a corporation within the Government proceed in an independent manner to exercise in its own discretion the power to reinvest, as it sees it, without coming to Congress, the revenues it derives from the sale of electricity generated within its system by both hydroelectric plants and steam plants?

Personally, I have voted for authorizations or appropriations to construct additional steam plants, so as to firm up hydroelectric power. I have done that in the past, during my service in the Senate; and perhaps I shall do so in the future.

On the other hand, in my opinion, it is clearly wrong for the Congress to surrender to a governmental corporation—in this case, to the TVA—the right to appropriate, from its earnings, funds to be spent to develop further generating capacity within the corporation's system.

Today I shall vote in favor of adoption of the conference report because the funds carried in it are needed for various of the Government agencies. However, I certainly urge that the Congress take a very careful look at the policy now being developed within the TVA because of a ruling by one attorney as to whether the TVA does or does not have that right. The attorney ruled that it had the right thus to appropriate its earnings. That matter must be examined, and a redetermination must be made, because if such permission is allowed the TVA, no doubt similar attempts will be made by other Government corporations, and perhaps also within the military forces. That must not happen, because it could undermine and destroy the fundamentals of our country and its Government.

So, Mr. President, although I shall vote for adoption of the conference report, I am opposed to permitting the TVA to appropriate from its own earnings for expansion of its own system.

Mr. SALTONSTALL. Mr. President——

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I joined with the Senator from New Hampshire [Mr. Bridges] in refusing to sign the conference report. It is the first time since I have been a member of the Appropriations Committee that I have refused to sign a conference report. I did so because—as the Senator from New Hampshire has said—I believe a very fundamental principle is involved. That principle is simply this: Are we going to permit a Government corporation—in this case, the Tennessee Valley Authority—to proceed to use its own revenues, which have accrued from its operations, to build extensions, without coming to Congress for approval in any manner, shape, or form?

This question arises in connecton with this supplemental appropriation bill because in his message, the President submitted a request for the appropriation of $3,500,000 for an extension to the John Sever plant No. 4. When the entire extension is built, it will cost $28 million. So this item involves only approximately one-seventh or one-eighth of the total cost of the extension.

The TVA has sufficient revenues with which to construct the extension. The question is whether the TVA can do so wthout coming to Congress.

The extension is a proper one. Those of us who have heard the evidence agree that the plant should be built. It is needed in the TVA system. As one member of the committee, I do not question that in any way. But I do question whether we should give up all right to approve these extensions in the future. If we do it in the case of the TVA—and let me point out that the law regarding the TVA reads in practically the same way as does the law regarding other Government corporations—we shall give up to that extent our right to determine how far the Government shall go into business by means of these separate corporations.

The House said the TVA could go ahead and build this facility, but it took the money out of the appropriation bill, because there was money enough in the TVA revenues to build it. Therefore the House said that no appropriation was necessary. A minority group of the Appropriations Committee of the House dissented very strongly from this decision, and signed minority views. But there was nothing in the bill itself concerning the TVA. The Senate committee recommended—and the Senate adopted the report of the committee—that this appropriation be put back into the bill. In this body we said, "We approve of the TVA going ahead, but we say that Congress should appropriate the money, instead of permitting it to be taken out of revenues, with no appropriation, and no action by the Congress."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. Does this proposal mean that the TVA would no longer have to come to Congress for authority to expand its business or to construct new powerplants?

Mr. SALTONSTALL. As I interpret the ruling by the counsel, the TVA would not have to come to Congress for any extensions of existing plants which involve capital, so long as it had accumulated earnings sufficient to pay for the construction. I do not think the ruling of the counsel applies to absolutely new entities for construction. If the TVA wished to construct a new entity, entirely apart from any existing steam plant, I believe the counsel for the TVA would rule that Congress must approve. But with respect to any extensions of existing plants, the counsel has ruled that it is not necessary to come to Congress. In this instance a total expenditure of $28 million is involved.

Mr. AIKEN. Does that mean that the TVA could make unlimited expansions of existing plants, whether such plants were steam or water powerplants?

Mr. SALTONSTALL. I think I should answer that question affirmatively. I know that it applies to steam plants, and I believe it would apply to water powerplants, if such plants existed.

Mr. AIKEN. Would it have any effect upon the expansion of the territory served by TVA, or would that depend upon the States involved?

Mr. SALTONSTALL. If by extending an existing plant the TVA could serve more private interests or extend its facilities into new territory, I would assume it could do so. In this case, that question is not involved. The only question involved here is with respect to an extension of the plant to take care of the growing needs of the TVA in its territory. I, for one, do not object to that. I think it should be expanded.

Mr. AIKEN. Is this the bill which has held up appropriations which are so essential to the Small Business Administration for making loans?

Mr. SALTONSTALL. This is the appropriation bill which includes the Small Business Administration. It includes a number of other Government functions. With respect to all such matters, the conference committee is in complete accord.

Mr. AIKEN. Is this the bill which has been holding up the appropriation for the Small Business Administration and keeping our small-business people on the anxious seat?

Mr. SALTONSTALL. I would answer that question affirmatively. I think that is true.

Mr. AIKEN. I think the Senator is correct. For that reason I expect to vote with him on this question. Although I have always supported the TVA, I object strenuously to its being used as a blackjack in this manner. For that reason, I shall vote against accepting the conference report, not because I am lacking in enthusiasm for the TVA and its legitimate work, but because we have had too many examples of legitimate advocacy

of public power being used to do things which are completely at variance with some of our ideas.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Does the Senator say that the issue here is the use of revenues as a capital construction fund?

Mr. SALTONSTALL. The issue here is whether or not the TVA can use earnings which are in its pocket today—and properly in its pocket—for the extension of existing TVA facilities, without coming to Congress for approval of the extension of existing facilities. This case involves the John Sevier plant No. 4. The $3,500,000 involved represents a start on a $28 million expenditure.

Mr. CASE of South Dakota. That perhaps answers the second question I intended to ask, namely, whether the money proposed to be used in this instance would be merely a downpayment or an initial payment on a project which would eventually cost a great deal more money, and commit the Congress, by appropriation or by the application of future revenues, to a much larger expenditure.

Mr. SALTONSTALL. It is a case of that character.

Mr. CASE of South Dakota. In that event I commend the conferees for taking the position they took in an attempt to prevent such a situation. If the conference report is adopted, I wish to join with those who say that this case should not be regarded as a precedent. I say that not only because of this incident, but because there is now pending before the Public Works Committee a bill introduced by the distinguished Senator from Oklahoma [Mr. Kerr], which bill proposes to deal with the whole issue of TVA financing for construction of new projects, or for additions to plants. The issues which are involved here will be involved in connection with that bill. I hope the action which Congress may eventually take on that bill will be regarded as a binding precedent or rule in connection with such situations, rather than this incidental action in connection with an appropriation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Let me make one further comment in connection with what the Senator from South Dakota has said.

I believe I describe the situation correctly when I say that the present administration believes that Congress should have the authority. Therefore the amount of $3,500,000 was included as an appropriation, to be appropriated by Congress in order that Congress might retain the authority to determine the question of the extension.

Counsel for the TVA has ruled that it is not necessary for Congress to approve such an extension. Therefore the House took the item out of the bill. The Senate put it back into the bill. The conferees left it out by a divided vote.

The issue is simply this: Shall we, by refusing to adopt this conference report, express ourselves as standing up for the principle that Congress shall have the authority to say how far TVA may extend its present facilities without coming to Congress?

I now yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, if the present discussion is to continue much longer, I should like to have the opportunity to bring up a conference report which I am sure can be acted upon quickly. Is there to be a yea-and-nay vote on the pending conference report?

Mr. SALTONSTALL. I would yield to the Senator from New Hampshire [Mr. Bridges], the ranking Republican member of the Appropriations Committee, on that question.

Mr. BRIDGES. I think there should be a yea-and-nay vote.

Mr. McCLELLAN and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield, and if so, to whom?

Mr. SALTONSTALL. I yield first to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, the Senator from Massachusetts has referred to this particular unit as costing some $28 million, of which $3,500,000 is at issue at the moment.

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. That is the amount necessary to initiate construction of the particular unit. But is it not true that there is already projected a further expansion by the TVA to the extent of $180 million odd? Is it not correct to say that this would become a part of the whole; and that there would be not only $3½ million spent, and not only $28 million spent, but that in order to finish the expansion the amount would run to something like $180 million, without Congress approving it? Is that not correct?

Mr. SALTONSTALL. I cannot answer the Senator's question as to the amount involved with respect to further expansions. However, I can say that it is my understanding that the bookkeeping of the TVA shows that they are ahead at the present time in revenues in their treasury and that they are able to pay to the United States Government all they should pay and still leave a substantial amount with which to go ahead on the expansion.

Mr. McCLELLAN. That is correct. There is no question about that. However, after all, TVA is owned by the taxpayers of the United States. It is owned by the Government. Is it not correct to say that every dollar of revenue that comes into the TVA is the equivalent of a dollar in taxes that is paid by the taxpayers, because it is a taxpayers' investment?

Mr. SALTONSTALL. There can be no question about that.

Mr. McCLELLAN. There can be no question about it. If there is a project in the Senator's State to prevent floods, for example, the Senator must come to Congress and to the Appropriations Committee to obtain money from the taxpayers' Treasury. Is that not correct?

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. However, we are about to make an exception in this instance. We are starting a dangerous precedent by saying that if the money is received from an investment from the Government in the nature of TVA revenues, then a divided board as in this instance—and only 2 of the 3 members of the board favored this procedure—can determine whether a capital investment of taxpayers' money can be made, instead of having Congress do so. Is that not correct?

Mr. SALTONSTALL. I would say to the Senator from Arkansas that he is fully aware of this subject, because last year, he submitted Senate Resolution 146, which was tabled on August 2, 1955. I would also say that it is my understanding, as the Senator from South Dakota [Mr. Case] has stated, that there are 2 bills now pending in Congress, 1 in the Senate and 1 in the House, to make it clear that this type of procedure cannot be followed.

Mr. McCLELLAN. The resolution the Senator mentioned was not tabled. It was submitted, and is now lying on the desk.

Mr. SALTONSTALL. I am glad to hear that.

Mr. McCLELLAN. It can be called up at any time. We are confronted with one basic and fundamental issue. If this privilege can be granted to TVA, may I ask why we should not have a similar agency to TVA set up for every river valley in the country, and accord such agencies the same powers?

For instance, in the Arkansas River Valley, we are now beginning to develop power. Is Congress willing to agree that all the revenues which come from power sales there may be used for investment in further capital projects?

It is a question of whether we are going to show continued favoritism to one area, and, after we have developed it and built it up and the taxpayers have developed its natural resources, whether we will then permit that area, through a TVA board, to take the profits and revenues from the development, and build steam plants, while the Senator from Massachusetts begs and I beg for money with which to prevent floods in our areas and to develop the water resources in our areas.

Mr. SALTONSTALL. I agree with the Senator from Arkansas. This is one of the few instances of a principle being involved in an appropriation bill. In most cases it is a question of what is the proper amount to appropriate. In this instance the question is whether Congress should give up its right to approve an extension.

Mr. McCLELLAN. I should like to make one further point. I am not opposing the expenditure of $3½ million or the expenditure of $28 million. I made a motion in the Committee on Appropriations that the Senate should provide an appropriation of $3½ million. Let us vote for it and put all areas in the country on an equal basis. I shall vote for it.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Texas. It was my understanding that the Senator from New Hampshire [Mr. Bridges] would probably speak for only a few minutes.

I did not understand that a yea-and-nay vote would be requested on the conference report. I hope that the matter can be worked out in a legislative bill, and that we can go ahead and adopt the conference report, because 600,000 veterans will have their checks held up if we fail to adopt it. It seems that we can act on the conference report at this time without a yea-and-nay vote. However, if there is to be a yea-and-nay vote, we ought to inform our colleagues who have left the floor. I hope Senators will not insist upon a yea-and-nay vote and that we will be able to adopt the conference report without a yea-and-nay vote. If a yea-and-nay vote is insisted upon, we shall have to notify Senators on both sides of the aisle to return to the Senate. I hope we may be able to vote on the conference report without such a vote, and that the principle can be taken care of on a legislative bill, in connection with which all Senators will be able to state their views.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HAYDEN. I merely wish to say that a yea-and-nay vote will not accomplish anything in connection with the conference report. The report must be agreed to in any event.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HAYDEN. The amount involved is only for a part of the project. The question which has been raised can be taken up at a later time and the principle involved can be very thoroughly discussed. It can be discussed on a bill which is now pending before the committee. In any event, the conference report before the Senate must be adopted. There is no getting away from that. A yea-and-nay vote would have no more effect than a voice vote.

Mr. CAPEHART. Mr. President, if Senator will yield, I should like to offer a suggestion.

Mr. SALTONSTALL. I believe I still have the floor.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. I should like to answer the majority leader by asking the senior Senator from New Hampshire [Mr. Bridges] how he feels about the suggestion made by the Senator from Texas.

Mr. BRIDGES. There is a difference of opinion, among Senators who feel very strongly on this issue, as to whether a record vote should be had. I should think, knowing them as I do, that the intimate friends of TVA—and I am not an enemy of TVA, although I am not one of its warmest friends, such as the Senator from Alabama and the Senator from Tennessee, for example—would wish to have ultimate control in this matter rest in the Congress.

If we can be assured that opportunity will be afforded to consider the principle involved on a legislative bill, to be taken up in the Senate, I will be perfectly willing to have a voice vote on the conference report.

Mr. JOHNSON of Texas. Of course, I cannot assure the Senator from New Hampshire that any committee will take any action on a bill, or that any action by a committee will be approved by the Senate.

Mr. BRIDGES. I know that the Senator from Texas is pretty good in getting what he wants. He gets it in Texas and in other places.

Mr. JOHNSON of Texas. I hope Senators will not pursue their intention to have a yea-and-nay vote, and that they will pursue the objective they have in mind on a legislative bill instead of on a bill which, if it is not passed, will hold up payments to 600,000 veterans.

In any event, I should like to know what the desires of the Senators are, because I do not want to mislead my colleagues, inasmuch as I have told them that there will not be any more yea-and-nay votes today.

Mr. SALTONSTALL. The Senator from New Hampshire and I were the two Senators who dissented on the conference report. I will say that we will agree to a voice vote.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CAPEHART. The Senators have already agreed on that point. I was about to offer a suggestion in connection with it. I do not believe there is any question about the principle involved, and about Senators being opposed to permitting TVA to do what has been suggested. I am certain they would be opposed to it. I wonder whether we could get an agreement from the leadership that if we adopt the conference report this evening the leadership will use every conceivable effort to get the matter corrected by legislative action.

Mr. JOHNSON of Texas. The leadership has not gone into the matter. I know nothing about the merits of the proposal. I am always glad to give any measure all the consideration it deserves; but I am not going to embrace a proposal about which I know nothing or agree that in return for not having a yea-and-nay vote I will support a proposal about which I know nothing.

Mr. CAPEHART. I am sure the Senator from Texas would be opposed to it. I am certain of that.

Mr. SALTONSTALL. I may say to the Senator from Indiana that I agree with what the majority leader has stated. I have heard off-the-record discussions by members of the Committee on Public Works, where the bill is now, with reference to some of the problems involved. There are some contentious problems involved in connection with rewriting the TVA Act. Therefore, I do not assume that we will have such a bill before us at this session.

But I think and I hope, Mr. President, that by this record we shall convince the majority of the TVA that they should ask the Congress for funds.

Mr. HOLLAND. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. Mr. President, I congratulate the Senator from New Hampshire and the Senator from Massachusetts on bringing up this matter, and I congratulate them, further, on their position on the question.

Despite the lateness of the hour and the immediacy of the needs which are embraced and supplied by this bill, I do wish to say that I think the Record should show that not only this year, but last year also, a decided majority of the Appropriations Committee of the Senate, on a rollcall vote and on a bipartisan basis, went on record with reference to a practice which is supported by the action taken under a report of the House.

Last year there was a report from the subcommittee which would have given authority for the use of revenues for the purposes which have been mentioned, but the Senate Appropriations Committee voted against it by a decided vote, on a bipartisan basis.

This year the matter came over with a House committee report which would have opened the door wide for the expenditures of revenues of the TVA on the objectives which Senators have discussed, and by a majority vote of the committee it was decided that we could not approve the practice. The committee was not, however, out of harmony with the continued development of the TVA. It voted for an appropriation of $3½ million.

I hope that an appropriate measure can be passed. I do not subscribe to the view that the committee is going out of the appropriating business. I feel very keenly about the matter. I addressed inquiries, in the discussion of this matter in the committee, to those who should have known what was involved in the plans for the steam plants which have already been constructed and which, under the ruling of counsel, can be increased by additional units paid for out of the revenue funds of the TVA.

The best information I could get was that they were not specifically described in the authorization, but only in a very general way. Senators are probably in complete accord with the facts in stating that such expansion by adding new units can go on ad infinitum by the use of revenue funds coming to the TVA.

Mr. President, that kind of a proposal is so completely out of accord with sound legislative procedure in the control of revenue measures by the Congress and with the continued responsibility of Congress for the development of TVA or any other great public enterprise, that I do not believe any Senator can support the continuance of that sort of practice.

I am hopeful, Mr. President, that we shall be able to consider the question in connection with a legislative measure. I wish to make it very clear for the Record that in both of the years recently behind us the Senate Committee on Appropriations, by a decided majority, has taken the position which I have just mentioned, and I have no reason to think it will cease to take that kind of a position.

I wish the record to show affirmatively, if any affirmative showing is necessary or can be effective so that those who read can see what has happened, that the Appropriations Committee does not subscribe to this loose and, I think, illegal practice, that the committee by a decided majority does not propose that the practice be continued, and that it will do all within its power,

at least by a majority vote, to regularize the procedure.

Mr. HICKENLOOPER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HICKENLOOPER. Mr. President, I wish to commend the Senator from New Hampshire and the Senator from Massachusetts for an able exposition of this particular situation which I think is not only dangerous but is abhorrent from the standpoint of any kind of sound legislative practice, from an appropriation standpoint, in connection with the control by Congress of the purse strings of government.

If we should have a record vote I would have to vote against the conference report as a matter of principle, on this one item alone. But I assume that we shall not have a record vote.

In many ways it is a completely reprehensible policy, in principle, to permit an independent agency to spend its own money without the permission of the Appropriations Committee of either body of the Congress. Without doubt, that practice is one which, if continued, must be repudiated, or it will certainly rise up to smite us in connection with every agency of the Government.

Mr. MUNDT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Massachusetts [Mr. Saltonstall] for the perseverance with which he has held his position in the committee.

I should like to associate myself with the remarks made by the distinguished Senator from Florida [Mr. Holland].

Speaking as one member of the Committee on Appropriations, it seems to me that we must be very, very careful not to abandon the American concept of control of the purse strings by Congress. We must be very careful not to relinquish that control.

Speaking as one who has frequently voted for TVA appropriations and who would be inclined to vote for such appropriations in the future, I think TVA is itself making a most serious mistake in accepting a decision made by a technical lawyer.

I salute the Senator from New Hampshire and other Senators who have held to their position. I agree that it is difficult to create a legislative decision on a conference report which involves vital money for important agencies of Government; and before the Senate recesses I hope the appropriate committee will bring forth a measure which will give us an opportunity to decide by a yea-and-nay vote whether the Senate wishes to capitulate its responsibility of control over the purse strings of an appointive agency, or whether it does not. This is an election year, and the people should have a right to know what their representatives think about this question before next November.

Mr. SALTONSTALL. I thank the Senator from South Dakota. I think the reasons for our position have been made clear.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I give notice to my colleagues that I shall not detain them for more than a very brief period of time. I could not, however, fail to give, at least, some facts on this issue. With all due respect to the many expressions which have been made, I wish to say, in all sincerity, that I do not think I have ever heard as much misinformation or such a one-sided presentation of an issue in the short time I have been a Member of the Senate. Such terms as "blackmail," "reprehensible," "Frankenstein," and others have been used.

Does the Senate know who disagrees with the interpretation of the law just presented to the Senate? The Comptroller General of the United States, the Republican chairman of the subcommittee that wrote the amendment in question, the chairman of the House committee, the chairman of the Senate committee. I helped to write it and I certainly disagree.

In this instance, the Bureau of the Budget, in the Office of the President of the United States, agrees that additional power is needed.

I hope Senators will not be prejudiced against the TVA because of a one-sided presentation.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. In a moment.

The able Senator from New Hampshire [Mr. Bridges] said, on the one hand, that this was unprecedented; on the other hand, he said it was not new. It is not new; it is entirely precedented. Authorization for use of receipts was written into the TVA Act in 1933. Were I not reluctant to take the time of the Senate, I would read it. The procedure now being used is one which has been followed year after year, with the approval of the senior Senator from New Hampshire, and with the approval of the House and the Senate.

There are legal requirements which this Government corporation must meet. It must meet its amortization requirement; and after the amortization requirement is met, after all the pay-back schedules have been met—and the TVA is far ahead of schedule—the law then gives to the board of directors discretion in the use of the remaining funds. In the exercise of that discretion, the directors have paid into the Treasury far ahead of schedule; but they have also replaced transformers; they have added new transmission lines and have added generating units; and then, for another example, the TVA took its own earnings, using its discretion, and completed the Watts Bar plant with its own revenue, after Congress had appropriated funds for its initiation and partial construction.

Congress may want to change the law. Congress has the right to change the law.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Let us change it some other day. We have had a long day. It is almost 7 o'clock. The Senator from New Hampshire has agreed that the Senate may vote on the conference report. The matter will be pursued through the proper legislative committees, where I am sure it will receive fair consideration.

Let us have a vote on the conference report, and then get on to the farm bill.

The PRESIDING OFFICER (Mr. Humphrey in the chair). The question is on agreeing to the conference report. [Putting the question.]

The Chair is in doubt.

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. All in favor of agreeing to the conference report will please stand.

Those opposed to the conference report will please stand.

The Chair is still in doubt.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may withdraw my request for a division.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. Humphrey in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10004, which was read as follows:

In the House of
Representatives, United States,
May 16, 1956.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 39, 40, 44, 45, and 61 to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"SHIP CONSTRUCTION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from five to ten; and the authority contained in that act for the Vessel Operations Revolving Fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce'."

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction', $3 million, to remain available until expended."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 9 and 24.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement of budget estimates and amounts recommended in the bill as agreed to in conference.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H. R. 10004, SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	DEPARTMENT OF AGRICULTURE				
S. 112 330	Agricultural Research Service, salaries and expenses	$5,294,000	$3,794,000	$5,519,000	$4,766,220
330	Agricultural Conservation Program Service	(1)	(1)	(1)	(1)
	School Lunch Program			10,000,000	
330	Farmers' Home Administration:				
	Loan authorizations	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
	Salaries and expenses	1,620,000	1,350,000	1,620,000	1,500,000
330	Commodity Credit Corporation, administrative expenses	(4,964,000)	(4,500,000)	(4,964,000)	(4,750,000)
	Total, Chapter I	6,914,000	5,144,000	17,139,000	6,266,220
	DEPARTMENT OF COMMERCE				
330	Bureau of the Census, salaries and expenses	[2] 428,000	[3] 428,000	[2] 428,000	[4] 428,000
330	Maritime activities:				
	Ship construction	(5)	(5)		(7)
	Operating-differential subsidies	30,000,000	30,000,000		30,000,000
353	War Shipping Administration liquidation	(6)		(6)	(6)
330	Bureau of Public Roads:				
	Federal-aid highways	100,000,000	100,000,000	100,000,000	100,000,000
	Forest highways	4,000,000	3,000,000	3,000,000	3,000,000
330	National Bureau of Standards, plant and equipment	(9)	(9)	(9)	(9)
	INDEPENDENT AGENCIES				
	SMALL BUSINESS ADMINISTRATION				
S. 112	Revolving fund	20,000,000		20,000,000	20,000,000
	Total, Chapter II	154,428,000	133,428,000	123,428,000	153,428,000
	AMERICAN BATTLE MONUMENTS COMMISSION				
330	Dedication of World War II Memorials	140,000	140,000	140,000	140,000
	COMMISSION ON GOVERNMENT SECURITY				
330	Salaries and expenses	200,000	200,000	200,000	200,000
	CORREGIDOR-BATAAN MEMORIAL COMMISSION				
330	Salaries and expenses	61,000	56,000		56,000
	Total, Chapter IV	401,000	396,000	340,000	396,000
	INDEPENDENT OFFICES				
	CIVIL SERVICE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
330	Investigations of United States citizens for employment by international organizations	119,000	107,100	107,100	107,100
330	Annuities, Panama Canal construction employees and Lighthouse Service widows	70,000	70,000	70,000	70,000
330	Administrative expenses, employees' life insurance fund	(8)	(8)	(8)	(8)
	Total, Civil Service Commission	189,000	177,100	177,100	177,100
	FEDERAL COMMUNICATIONS COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	FEDERAL HOME LOAN BANK BOARD				
330	Administrative expenses	(8)	(8)	(8)	(8)
	FEDERAL TRADE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	GENERAL ACCOUNTING OFFICE				
	Salaries and expenses	(8)	(8)	(8)	(8)
	GENERAL SERVICES ADMINISTRATION				
330	Operating expenses, Public Building Service	4,685,000	4,685,000	4,685,000	4,685,000
330	Refunds under Renegotiation Act	4,600,000	4,000,000	4,000,000	4,000,000
330	Acquisition of land and building, Chicago, Ill	(10)		(10)	(10)
330	Emergency operating expenses	(8)	(8)		(8)
330	Repair, improvement, and equipment	(8)	(8)		(8)
330	Operating expenses, Federal Supply Service	(8)	(8)		
S. 107	Expenses, general supply fund	(8)		(11)	(11)
330	Operating expenses, National Archives and Records Service	(8)	(8)		(8)
	Total, General Services Administration	9,285,000	8,685,000	8,685,000	8,685,000
	HOUSING AND HOME FINANCE AGENCY				
	OFFICE OF THE ADMINISTRATOR				
330	Salaries and expenses	403,500	398,500	398,500	398,500
330	Housing loans to educational institutions	(8)	(8)	(8)	(8)
330	Revolving fund (liquidating programs)	(8)	(8)	(8)	(8)
	FEDERAL NATIONAL MORTGAGE ASSOCIATION				
330	Administrative expenses	(8)	(8)	(8)	(8)

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[1] Language to continue emergency funds available through Dec. 31, 1956.
[2] Plus $100,000 derived by transfer.
[3] Plus $75,000 by transfer.
[4] Plus $87,500 by transfer.
[5] Language repealing limitation on number of ships for which construction differential subsidies may be paid.
[6] Language increasing limitation from 5 to 20.
[7] Limitation increased from 5 to 10.
[8] Language.
[9] Language authorizing use of $15,000 of 1956 funds for land acquisition.
[10] Authorizes use of $3 million by transfer.
[11] $450,000 to be derived by transfer.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	INDEPENDENT OFFICES—Continued				
	HOUSING AND HOME FINANCE AGENCY—Continued				
	FEDERAL HOUSING ADMINISTRATION				
330	Administrative expenses	(8)	(8)	(8)	(8)
330	Housing investment insurance fund	(12)	(12)	(12)	(12)
	PUBLIC HOUSING ADMINISTRATION				
330	Administrative expenses	$1,525,000	$1,436,500	$1,436,500	$1,436,500
	Total, Housing and Home Finance Agency	1,928,500	1,835,000	1,835,000	1,835,000
	INTERSTATE COMMERCE COMMISSION				
330	General expenses	(8)	(8)	(8)	(8)
330	Railroad safety	(8)	(8)	(8)	(8)
330	Locomotive inspection	(8)	(8)	(8)	(8)
	NATIONAL SCIENCE FOUNDATION				
330	International Geophysical Year	28,000,000	26,000,000	28,000,000	27,000,000
	SECURITIES AND EXCHANGE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	VETERANS' ADMINISTRATION				
330	Inpatient care	(8)	(8)	(8)	(8)
330	Outpatient care	3,882,200	3,882,200	3,882,200	3,882,200
330	Compensation and pensions	20,000,000	10,000,000	10,000,000	10,000,000
330	Readjustment benefits	185,000,000	185,000,000	185,000,000	185,000,000
330	General operating expenses	(8)	(8)	(8)	(8)
330	Medical administration and miscellaneous operating expenses	(8)	(8)	(8)	(8)
330	Maintenance and operation of supply depots	(8)	(8)	(8)	(8)
	Total, Veterans' Administration	208,882,200	198,882,200	198,882,200	198,882,200
	Total, Chapter V	248,284,700	235,579,300	237,579,300	236,579,300
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
330	Research in the utilization of saline water	200,000	200,000	200,000	200,000
S. 105	Oil and Gas Division	35,000		35,000	35,000
	BUREAU OF LAND MANAGEMENT				
330	Management of lands and resources	1,681,700	800,000	1,200,000	1,000,000
330	Construction	2,000,000		2,000,000	2,000,000
	BUREAU OF INDIAN AFFAIRS				
330 S. 105	Education and welfare services	2,000,000	1,871,000	1,871,000	1,871,000
S. 105	Construction	240,000		240,000	240,000
	GEOLOGICAL SURVEY				
330	Surveys, investigations, and research	1,650,000	1,650,000	1,650,000	1,650,000
	NATIONAL PARK SERVICE				
330	Jones Point Bridge	500,000		500,000	
S. 105 352	Construction	3,360,000	3,000,000	360,000	3,000,000
	FISH AND WILDLIFE SERVICE				
330	Federal aid in wildlife restoration [13]	(13,467,468)	(13,467,468)	(13,467,468)	(13,467,468)
	OFFICE OF TERRITORIES				
330	Administration of Territories	60,000	60,000	60,000	60,000
	Total, Department of the Interior	11,726,700	7,581,000	8,116,000	10,056,000
	DEPARTMENT OF AGRICULTURE				
	FOREST SERVICE				
330	Salaries and expenses	8,213,500	7,913,500	7,913,500	7,913,500
	INDEPENDENT OFFICES				
330	District of Columbia Auditorium Commission	25,000			
330	National Monument Commission	25,000			
	Total, Independent Offices	50,000			
	Total, Chapter VI	19,990,200	15,494,500	16,029,500	17,969,500
	DEPARTMENT OF LABOR				
	BUREAU OF EMPLOYMENT SECURITY				
	Mexican farm labor program			(14)	(14)
	BUREAU OF LABOR STATISTICS				
330	Special wage survey	(15)			
	Total, Department of Labor				

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[8] Language.
[12] Rescission of unexpended balances.
[13] Appropriation of receipts. Not included in totals of this tabulation.
[14] $65,000 to be derived by transfer.
[15] Request for transfer of $200,000 from "Unemployment compensation for veterans" was not allowed.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	OFFICE OF EDUCATION				
330	Payments to school districts	$25,000,000	$25,000,000	$25,000,000	$25,000,000
330	Assistance for school construction	9,900,000	9,900,000	9,900,000	9,900,000
	PUBLIC HEALTH SERVICE				
330	Grants to States for poliomyelitis vaccination	33,000,000	27,800,000	27,800,000	27,800,000
330	Construction of research facilities	3,190,000	3,190,000	3,190,000	3,190,000
	Assistance to States, general	55,000		55,000	55,000
	Communicable diseases	55,000		55,000	55,000
	Sanitary engineering activities	70,000		70,000	70,000
	Foreign quarantine service	20,000		20,000	20,000
	Retired pay of commissioned officers	130,000		130,000	130,000
	SOCIAL SECURITY ADMINISTRATION				
330	Grants to States for public assistance	57,000,000	47,000,000	50,000,000	47,000,000
	Total, Department of Health, Education, and Welfare	128,420,000	112,890,000	116,220,000	113,220,000
	NATIONAL LABOR RELATIONS BOARD				
330	Salaries and expenses	951,500	800,000	800,000	800,000
	NATIONAL MEDIATION BOARD				
330	Salaries and expenses	([16])		([17])	([17])
	RAILROAD RETIREMENT BOARD				
330	Salaries and expenses	[888,000]	[548,000]	[888,000]	[888,000]
	Total, Chapter VII	129,371,500	113,690,000	117,020,000	114,020,000
	PUBLIC WORKS				
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
330	Operation and Maintenance, Southeastern Power Administration	235,000	235,000	235,000	235,000
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS				
	RIVERS AND HARBORS AND FLOOD CONTROL				
330	Operation and Maintenance, General	15,350,000	15,375,000	15,375,000	15,375,000
	TENNESSEE VALLEY AUTHORITY	3,500,000		3,500,000	
	Total, Chapter VIII	19,085,000	15,610,000	19,110,000	15,610,000
	DEPARTMENT OF STATE				
330	Payment to Foreign Service retirement and disability fund	1,236,000	1,236,000	1,236,000	1,236,000
330	Extension and remodeling, State Department Building	900,000	800,000	800,000	800,000
330	Contributions to international organizations	349,790	349,790	349,790	349,790
	Total, Department of State	2,485,790	2,385,790	2,385,790	2,385,790
	DEPARTMENT OF JUSTICE				
	LEGAL ACTIVITIES AND GENERAL ADMINISTRATION				
330	Salaries and expenses, general legal activities	550,000	500,000	550,000	500,000
330	Salaries and expenses, Antitrust Division	364,000	364,000	364,000	364,000
330	Fees and expenses of witnesses	200,000	100,000	100,000	100,000
330	Salaries and expenses, claims of persons of Japanese ancestry	712,000	600,000	600,000	600,000
	Total, Department of Justice	1,826,000	1,564,000	1,614,000	1,564,000
	THE JUDICIARY				
	SUPREME COURT OF THE UNITED STATES				
330	Miscellaneous expenses	900	900	900	900
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES				
330	Travel and miscellaneous expenses	([18])	([18])	([18])	([18])
330	Salaries of referees	*(8,375)*	*(8,375)*	(8,375)	(8,375)
330	Expenses of referees	*(111,500)*	*(111,500)*	(111,500)	(111,500)
	Total, the Judiciary	900	900	900	
	Total, Chapter IX	4,312,690	3,950,690	4,000,690	3,950,690
	TREASURY DEPARTMENT				
	BUREAU OF ACCOUNTS				
330	Salaries and expenses	163,000	163,000	163,000	163,000
	COAST GUARD				
330	Reserve training	([19])	([19])	([19])	([19])
326	Reserve training, 1957	3,500,000	3,500,000	3,500,000	3,500,000
	Total, Treasury Department	3,663,000	3,663,000	3,663,000	3,663,000
	POST OFFICE DEPARTMENT				
S. 112	Operations	16,000,000		16,000,000	16,000,000

[16] Request for transfer of $31,000 from "Arbitration and emergency boards" was not allowed.

[17] Transfer of $25,000 from "Arbitration and emergency boards."

[18] $225,000 to be derived by transfer.

[19] $868,000 to be derived by transfer.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	THE TAX COURT OF THE UNITED STATES				
330	Salaries and expenses	$87,000	$87,000	$87,000	$87,000
	Total, Chapter X	19,750,000	3,750,000	19,750,000	19,750,000
	DISTRICT OF COLUMBIA				
330	Federal payment	2,000,000			
	OPERATING EXPENSES				
330	Metropolitan Police	(240,000)	(240,000)	(240,000)	(240,000)
	Department of Public Health:				
330	Medical charities	(150,000)	(130,000)	(150,000)	(150,000)
330	Freedmen's Hospital (1954)	(137,489)	(137,489)	(137,489)	(137,489)
	Public Welfare:				
352	Public assistance grants	(250,000)	(250,000)	(250,000)	(250,000)
330	National Training School for Boys (1955)	(337,000)	(327,000)	(327,000)	(327,000)
330	Department of Highways	(393,000)	(393,000)	(393,000)	(393,000)
330	Settlement of claims and suits	(44,708)	(44,708)	(44,708)	(44,708)
330	Judgments	(18,728)	(18,728)	(18,728)	(18,728)
330	Audited claims	(85,785)	(85,785)	(85,785)	(85,785)
	Total, Federal funds (Chapter XI)	2,000,000			
	Total, District of Columbia funds	(1,646,710)	(1,626,710)	(1,646,710)	(1,646,710)
	SENATE				
	Widow of Senator Harley M. Kilgore			22,500	22,500
	Office of the Secretary			2,535	2,535
	Contingent expenses of the Senate:				
	Joint Committee on the Economic Report			10,914	10,914
	Inquiries and investigations			600,000	600,000
	Stationery			2,900	2,900
				638,849	638,849
	HOUSE OF REPRESENTATIVES				
	Gratuity payment to beneficiary of deceased Member		22,500	22,500	22,500
	CONTINGENT EXPENSES OF THE HOUSE				
338	Special and select committees	400,000	300,000	300,000	300,000
338	Stationery (revolving fund)	100	100	100	100
338	Attending physician's office	1,000	1,000	1,000	1,000
338	Folding documents	15,000	15,000	15,000	15,000
	CAPITOL POLICE				
338	General expenses	1,700	1,700	1,700	1,700
	Total, Chapter XII	417,800	340,300	979,149	979,149
	JUDGMENTS AND AUTHORIZED CLAIMS				
S. 110 355	Claims, audited claims and judgments	2,367,341	1,614,562	2,367,341	2,367,341
	Total, Chapter XIII	2,367,341	1,614,562	2,367,341	2,367,341
	INCREASED PAY COSTS				
341	Increased pay costs	270,814,296	266,771,471	281,121,196	281,098,696
	Total, Chapter XIV	270,814,296	266,771,471	281,121,196	281,098,696
	Grand total	878,136,527	795,768,823	838,864,176	852,414,896

AGRICULTURAL ACT OF 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1983, H. R. 10875.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments.

AMENDMENT OF MERCHANT MARINE ACT OF 1936, RELATING TO UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES IN CERTAIN CASES—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) a bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> That the Senate recede from its disagreement to the amendments of the House and agree to the same.
>
> WARREN G. MAGNUSON,
> JOHN O. PASTORE,
> PRICE DANIEL,
> JOHN M. BUTLER,
> JAMES H. DUFF,
> *Managers on the Part of the Senate.*
>
> HERBERT C. BONNER,
> EDWARD A. GARMATZ,
> EDWARD J. ROBESON, Jr.,
> THOR C. TOLLEFSON,
> JOHN J. ALLEN, Jr.,
> *Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, may I ask the Senator from Washington if the conference report was signed by all the conferees?

Mr. MAGNUSON. It was signed by all the conferees on both sides. It allows the Department of Defense, at the

Department's own request, to ship passenger vehicles in available private merchant marine space. Heretofore, they have all been shipped via MSTS.

Mr. KNOWLAND. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR RECESS UNTIL 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is the plan to convene at 11 o'clock tomorrow morning and to proceed as expeditiously as possible with the consideration of the farm bill.

It is planned to have the Senate remain in session tomorrow evening until a late hour, say, 7, 7:30, or 8 o'clock.

If action on the bill has not been finished by that time, it is planned to have the Senate convene early on Friday in an attempt to complete action on the bill on Friday.

Six or seven appropriation bills will be ready next week; and there will be, also, the road bill and the social security bill—some of the most important legislation which will come before the Senate at this session.

We plan to make this a session of achievement. I want all Senators to be on notice that although the Senate recently has been recessing from Thursday until Monday, from this time forward we shall have to come early and stay late in order to pass some of the more important bills.

I also wish to announce that it is planned to call up the civil service retirement bill at the appropriate time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I was very much interested in the statement just made by the distinguished majority leader. How does he propose to make this a Congress of achievement when bills which are passed are vetoed at the White House?

Mr. JOHNSON of Texas. I do not think the bills which will be passed from now on will be vetoed.

COMMENDATION OF TIME MAGAZINE'S INTEREST IN WATER RESOURCE DEVELOPMENT

Mr. WATKINS. Mr. President, it is my pleasure today to give recognition to a great national magazine which has demonstrated its knowledge of and sympathetic interest with the paramount need for water resource development in the future growth and economic progress of the semiarid West. I am referring, of course, to Time magazine.

Some 18 months ago, four sparsely settled States of the upper Colorado River Basin were trying desperately to get the Nation's major newspapers and magazines to review objectively the proposed Colorado River storage project. At that time, the heavily subsidized southern California water lobby was spending thousands upon thousands of dollars distributing their own misrepresentations on this project in a variety of cleverly contrived propaganda brochures, many of which did not appear on their face to emanate from a selfish lobby.

A number of newspapers and magazines published this one-sided material, apparently without endeavoring to get the facts or, at least, to present both sides of the story. Others would not recognize that the largest single reclamation project ever proposed was of more than regional interest.

Consequently, the people of the four-State upper Colorado River Basin were extremely pleased when Time magazine, in a cover article on Secretary McKay in the issue of August 23, 1954, correctly assessed the value of water—liquid gold—to the West and included some pictures of Colorado River country. I ask unanimous consent to have this article printed at the conclusion of my remarks as exhibit 1.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. WATKINS. A few months later, in the issue of January 31, 1955, Time devoted a special article to the project. This friendly, well-written account was one of the best articles on the project to appear in a major national magazine, prior to congressional floor action, and I am certain that it made a major contribution to national understanding of and eventual support for the project.

Mr. President, I hereby request unanimous consent to have this second Time article printed at the conclusion of my remarks as exhibit 2.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 2.)

Mr. WATKINS. Mr. President, on March 12, after the project had passed the House, Time magazine's publisher, James A. Linen, devoted his Publisher's Letter section to an expression of gratification at the passage of a measure that many other publishers had chosen to regard as essentially a local or regional matter. In that statement he suggested that Time magazine could "associate ourselves with this progressive step." I hereby request unanimous consent that this letter be printed at the conclusion of my remarks as exhibit 3.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. WATKINS. Mr. President, as an active participant in that 6-year legislative struggle, I most emphatically endorse Time's association in that effort with those who appreciate and love the West, and know our extreme need for water-resource development.

I commend Time and its publisher and editors for this enlightened reporting in the national interest. As this great project unfolds in future years, I think the publisher and editors of Time will take some real personal satisfaction out of their contributions to this partnership effort in natural-resource development.

EXHIBIT 1

THE OLD CAR PEDDLER

In the vast, air-conditioned, limestone building covering 5 acres of Washington, D. C., which Harold Ickes built for his Interior Department in 1936, there is a sixth-floor suite lovingly planned by Ickes for Ickes. Two private elevators lead to the Ickes suite; 2 Alaskan totem poles flank the entry hall, 55 feet long. Beyond come stenographic offices and then the Secretary's private office: Walnut-floored, oak-paneled and immense (960 square feet, as much as a 5-room house). Nearby are the private aide's office, private dining room, private conference room (which Ickes sometimes used as his bedroom) and private bathroom (where Ickes used to wipe his feet happily on a bath mat emblazoned with the Republican elephant). In Ickes' enormous room, at Ickes' great, gleaming desk, there now sits a successor who cares nothing for Mussolinian magnificence. Douglas McKay, 61, veteran Chevrolet dealer—"the old car peddler," he calls himself—from Salem, Oreg.

This election year Doug McKay is engaged in a basic political struggle with the shade of Harold Ickes and his heirs. The issue: Federal management of resources versus the Eisenhower slogan of partnership between Government and business. In the West, this conflict is much sharper than in the rest of the United States. The West grew up under the Federal Government's wing. McKay's opponents are betting that it wants to stay there. Eisenhower, McKay & Co. think they see signs that the West, even on such issues as who develops water power, is ready to emerge from Washington's sheltering protection. Control of Congress (six seats in the Senate, about a score in the House) may depend on which of these views is correct. Doug McKay is politician enough to know this, but the unaccustomed weight on his shoulders doesn't worry him much.

COUNTRY BOY

When McKay was Governor of Oregon—his biggest job before coming to Washington with Ike—two of the toughest decisions he faced were whether to proclaim daylight time (thus annoying farmers) and whether to ban hunting when forests were tinder-dry (thus annoying Oregon's legions of deerslayers). In Washington McKay's horizons have enlarged considerably, without affecting the size of his hat. As Interior Secretary, he is the Nation's biggest landlord, greatest giver of light and water, master of forest and range, controller of minerals and oil, boss of 56,000 people and a $519 million budget.

"It's fantastic, me having this job," McKay told the crowds on a trip home to Oregon last year. "I'm just a country boy, just a punk governor from a little State." His appointment as Secretary of the Interior, he said, reminded him of the small boy who entered his pet pooch in a pedigreed dog show; when told he was sure to lose, the boy replied, "That's all right—I didn't expect him to win. I just wanted to enter him so he could meet a lot of nice dogs."

Personally—but not politically—McKay has been compared to Harry S. Truman. Both have a chipmunk's cheeky air; both are short, jaunty, friendly, and folksy. They would look even more alike if McKay's nose had not been flattened years ago by a fall from a horse. Like Truman, McKay has a zest for people and politics, a talent for off-the-cuff oratory and off-the-cob jokes. The resemblance to Truman ends there; McKay made money in business, and he learned his politics not from Kansas City's Pendergast but in Salem's antiseptic, traditionally Republican atmosphere.

CRUTCH AND CRIPPLES

At his first Washington news conference, early last year, Secretary McKay remarked that the Interior Department has as many parts as a Chevrolet. He knew the car parts were essential, but he added that he was not too sure about Interior's. Since then he has abolished 5 divisions, dropped 4,000 workers and cut the budget nearly $200 million from its pre-McKay peak. Interior remains one of the greatest, most powerful and least-known Departments of the Government.

Interior rules one-third of the Nation's area. It controls ranching, mining, lumbering and all economic activity on 750 million acres—an area greater than France, Germany, Italy, and Scandinavia combined. It supervises 16,000 Eskimos, 400,000 Indians, 3 million far-flung people from self-governing Puerto Rico to Yap, a South Pacific trust island where the currency is stones. It marketed, in 1952, more electric power than the Nation's eight biggest private utilities.

Interior's domain and duties seem boundless.

Its Reclamation Bureau has spent $2 billion to water the arid West and tame rivers like the Colorado. Reclamation built the world's greatest irrigation system—California's Central Valley project—and four biggest dams: Hoover, Shasta, Hungry Horse, and Grand Coulee (which has generating rooms twice as big as Yankee Stadium).

Its Bureau of Indian Affairs supervises 56 million acres of Indian land, operates 62 hospitals. One problem: Who is an Indian? A man who was only 1/256th Indian once cut himself in on tribal benefits. The answer: An Indian is, usually, anyone with at least one Indian grandparent.

Its Fish and Wildlife Service tries to keep the Nation's 32 million fishermen and hunters happy, runs 200 game refuges, breeds 227 million fish eggs yearly, has developed underwater television to study fishing from the viewpoint of a fish.

Its Office of Territories runs Interior's exterior, tries to entice industry to America's outposts. As one result, the Exquisite Form Brassiere Co. may set up a bra factory in Samoa.

It puts identifying bands and tags on birds, fish, crabs and the bats from New Mexico's vast Carlsbad Caverns; it runs a railroad; it operates 2,791 radio transmission stations; it combats the West's halogeton weed (which poisons cattle) and the South's water hyacinth (which smothers fish); it inspects mines; it maintains more than 60,000 graves; it flies 67 planes and three helicopters; it manages a herd of 1,500,000 fur seals on the Pribilof Islands; it is the world's biggest employer of engineers and it protects the Nation's last 23 whooping cranes, 577 trumpeter swans and a few midget deer.

WORK FOR WORTH

All this, to Secretary McKay, is too much. "Once we make a crutch of the Government," he believes, "we are on our way to becoming political cripples." He wants—at the right time and on the right terms—independence for the Indians, statehood for Alaska and Hawaii, private initiative on electric power and more private ownership of public lands.

On the last named point of this program, McKay has good historical precedent. In the 19th century, Interior's General Land Office did a land-office business virtually giving away land—for railroads, land-grant colleges and, mostly, homesteading.[1] Lincoln, who made homesteading the law, believed in "settling of the wild lands into small parcels so that every poor man may have a home." The theory was that the people would work the land, build up the Nation and make it great. In the 20th century came a new idea—the Federal Government should build up the Nation and make it great.

That idea grew to obsess Ickes and, until McKay, the Interior Department. In 1935, under Ickes, all public lands were closed to public settlement. Thenceforth the pattern was plain; the public domain was for the Government, not the public. The result: 54 percent of the 11 Western States is still Federal land, much of it undeveloped and unproductive. Nearly 100 million acres have never been surveyed. In Interior's forests some 9 billion valuable board feet of windthrown timber are moldering away, hindering new growth.

McKay believes in conservation, not decomposition. He has pushed the surveys needed for land development. In Nevada, which is 85 percent federally owned, says McKay, "the survey was going so slowly it wouldn't have been finished for a thousand years. I've fixed it so the job will be done this century anyway." He has pushed timber cutting to provide a permanent yield (as practiced by big western operators, like Crown Zellerbach and Weyerhaeuser, whose future lies in future forest growth).

McKay's definition: "Conservation means wise use * * * natural resources are not worth a thing unless you put work into them."

STRUGGLE FOR POWER

To Doug McKay there is no public-power issue. In 1932 he was president of the Salem Public Ownership League; he has long supported local public power, and he insists: "Public power is here to stay." The real issue is Federal power, which is very different—and which has increased from less than 1 percent of the Nation's total in 1935 to more than 13 percent last year.

McKay ended Interior's struggle for power. One evening last year, soon after taking over, McKay told his wife: "I've made my decision on Hells Canyon—boy, will I catch hell tomorrow." His decision: to drop Interior's delaying action against the Idaho Power Co. No Congress, Democrat or Republican, had ever authorized Interior to build at Hells Canyon, and no Congress in the foreseeable future would vote the needed funds ($842.5 million). But Interior had done everything possible to get the site and to stop Idaho Power from building dams with its own money.

HEALTHY CLIMATE

Partnership means simply that Interior will help power projects, where possible, and might pay part of construction costs (for flood control and navigation benefits, both Federal responsibilities). Henceforth, McKay said, the Federal Government will build only projects too big for any other outfit. Example: the $1.2 billion five-State upper Colorado project.

The Colorado Basin would benefit immensely; however, thousands of protests against the project have hit McKay's desk. Reason: professional nature lovers like Bernard DeVoto, Richard Neuberger, and Wallace Stegner, all of whom wear shoes and live in houses while writing about the great outdoors, have raised an outcry because the project would flood part of Dinosaur National Monument.

McKay's reply: "As it is, 2,200 people a year see that park. On the other hand, 3,750,000 people in the upper Colorado Basin are thirsting for water. I'm all for wilderness areas, but when there is a choice between that and man's chance to earn a living on reclaimed soil, I'm for the working man's chance."

To McKay, partnership is based both on principle and on practical sense. The Northwest alone requires $3.5 billion worth of new power by 1974, and no conceivable Congress would pungle up that much money for one region. "This country," said McKay, "is growing so rapidly that we must have the effort of everyone. The Federal Government cannot do it all." And a Federal dog-in-the-manger attitude holds off private capital.

Can local initiative and private capital produce the power? "You're darned right we can," declared Kinsey Robinson, president of Spokane's Washington Water Power Co. "We could have done it a long time ago if the climate had been right." Superintendent Paul Raver of Seattle City Light, former chief of the Federal Bonneville Power Administration, joined in a declaration: "We recognize our responsibility to produce 1.6 million new kilowatts in the next 10 years, and we intend to do it."

Partnership may be paying off. Presently planned new projects in the Northwest alone total a thumping 5,249,000 kilowatts capacity. Construction cost: $1.5 billion, not at Federal expense.

POWER POLITICS

McKay's partnership power policy is a hot issue in several States. In Kentucky, concern for TVA could defeat Republican Senator John Sherman Cooper, although he does not share his party's position. In Wyoming, ex-Senator Joseph C. O'Mahoney is trying to come back with an all-out attack on McKay. In Idaho, where Hells Canyon is a burning issue, some pro-McKay candidates lost last week's primaries. In Montana, Fair-Dealing Senator JAMES MURRAY is campaigning against McKay rather than his opponent. In Washington, two Republican Congressmen (WALT HORAN and RUSSELL MACK) have disassociated themselves from McKay's policy. In Oregon, McKay's own State, he is blamed for the shortage of kilowatts which requires dimouts. The Oregon issue is as clear as mountain air: a victory for journalist DICK NEUBERGER, the Democratic senatorial candidate, would be a stinging defeat, not just for Republican Senator Guy Cordon, but for McKay and administration policy.

As McKay expected, he has caught hell. No other member of the President's Cabinet, not even Ezra Benson, has suffered so much personal attack. Sample labels: "Dimout Doug, No-Dam Doug, and Giveaway McKay." Orators call him a stooge of the power trusts, lumber barons, cattle kings and the other Lucifers of New Deal demonology. McKay shrugs: "I've sold automobiles for 32 years, and I was once a second lieutenant in the Army, so I've been cussed by experts. It doesn't bother me a bit." Sometimes it does: when his honesty is questioned, McKay is apt to reply—firmly—in the next mail. He resented the charge of selling out the West: "How could I sell my own State down the river? Oregon's where I've made every penny I've earned, where everything I own is tied up, where my family has been now for generations."

HARD AND LOOSE

In Oregon, which has nice weather for ducks, McKay is called a real webfoot. His grandparents, covered-wagon pioneers, settled there more than a century ago. A great-grandmother died on the endless Oregon Trail, and a great-uncle was disemboweled by Indians, who filled his stomach with stones and tossed his body back into his cabin. His grandfather ran a Hudson's Bay Co. store, drifted to California looking for gold with 3 burros ("1 for groceries, 1 for dynamite, and 1 for chewing tobacco"), but returned empty-handed.

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[1] The first homesteader: Union Soldier Daniel Freeman, on January 1, 1863. A few minutes after the law came into effect at midnight, he dragged a protesting land registrar from a New Year's Eve dance to file his claim at Beatrice, Nebr., later built a log cabin for his family and planted 400 peach trees on his 160-acre quarter section. Typically, Interior has since reclaimed the claim. Now it's Homestead National Monument.

As a boy McKay milked the cows at his grandfather's farm on a Columbia River island. His father seldom came home with any money, and one day never came home at all. His mother found a job as a seamstress, and young Doug McKay went to work. He sold candy in a Portland theater between the acts, until stopped by the child-labor laws. Later he delivered papers, drove a meat wagon, then quit high school to work in a railroad office. But he yearned for a farm of his own; he studied nights and saved enough to get a degree at Oregon Agricultural College (now Oregon State). But the war came, and the farm went glimmering.

On the last night of 1918's Meuse-Argonne offensive, Lt. James Douglas McKay, back from patrol, stopped at his outfit's field kitchen just as a German shell landed. Shrapnel ripped open his leg, nicked an ear, and tore off part of his right arm and shoulder. He lived mainly because "he refused to die," an Army doctor said, but he left the hospital 13 months later with a gimpy right arm. After the shellburst, he could never again handle a plow.

Ever since, McKay has been careful of his health. On political campaigns, he has learned to sleep sitting up; in Oregon he carried a pillow in his car to sleep on while crossing town between speeches. He likes to quote the old colored mammy: "When I works, I works hard. When I sits, I sits loose. When I worries, I goes to sleep."

Exhibit 2

Dams Versus Dinosaurs

Early one morning shortly after he had fought the McCarthy censure proceeding to a finish, Utah's Republican Senator Arthur Watkins dragged himself from bed to answer his telephone. On the line was a Presidential aid who wanted to know if Watkins could be at the White House by 9:30. Weary Arthur Watkins managed to put off the appointment until 10 o'clock, then went down to receive Dwight Eisenhower's congratulations for a job well done. Just before he left Watkins had an idea. "Mr. President," he asked, "would you permit a suggestion for your state of the Union message?" Said Ike: "Go ahead."

Watkins proceeded to put in a plug for something near to his heart: the billion-dollar power and reclamation project proposed for the upper Colorado River Basin. There was, said Watkins, nothing socialistic about the idea; private utilities in the West were ready and eager to buy the power. Moreover, backing by the President would help refute some of the talk about the administration's giveaway policy on natural resources. "That's a good idea," said Ike, turning to an assistant and giving the necessary order.

The President did mention the upper Colorado Basin project in his state of the Union speech. He went even further than Watkins had hoped: last week, in his budget message, the President recommended that $5 million be appropriated to get engineering started.

Treasure House

Ike's powerful support was thereby given to a plan which has been talked about for some 50 years and has been passed over by four previous Congresses, largely because of unrelenting opposition from (1) southern California power interests who profit under the present distribution of Colorado River water and (2) conservationists (e. g., Ulysses S. Grant III) who for years charged (erroneously) that the big dam proposed for Echo Park, Colo., would flood out the dinosaur remains in the national park there. They have since shifted their argument to the claim that if Dinosaur National Monument is invaded today, Yellowstone will be tomorrow's victim. To the conservationists, Interior Secretary Douglas McKay has a trenchant answer. Says he: "As it is now, 2,200 people a year see that park. On the other hand, more than 3 million people live in the upper Colorado Basin States and they are hungry for water. Which is more important?"

The upper Colorado Basin includes 110,000 square miles of Colorado, Utah, Wyoming, New Mexico, and Arizona (the upper and lower basins are defined in a seven-State compact signed in 1922, with the dividing line at Lee Ferry, Ariz.). More than 43 million acres—an area larger than the six New England States combined—are already given over to public recreational use (the Federal Government owns 72 percent of all the land in Utah and 52 percent of Wyoming). Some 70 percent of the farming in the upper basin depends on irrigation but only a small portion of the land is irrigated. The upper basin is a treasure house: lead, gold, silver, zinc, coal, oil—and now, uranium. But the water is not to be had for full development of these resources.

The Big Six

The upper basin's water shortage is the supreme irony, for through the area flows the Nation's fifth longest river, the Colorado, draining one-twelfth of the United States. It rises in the Rockies of Colorado and Wyoming, travels some 1,400 miles southwest past mountain meadows, breathtaking gorges and desert wastelands. It borders southern California, which diverts its share of the water. Then it empties, with more than half its volume still unused (and of that which is used, the lower basin gets some 60 percent), into the Gulf of California. Along its vast upper reaches, the Colorado is the last great unharnessed river system in the United States.

The project now being backed by President Eisenhower proposes six major dams at Glen Canyon, Echo Park, Cross Mountain, Flaming Gorge, Curecanti, and Navaho. Each would have a dam, a reservoir, and a powerplant (exception: Navaho, for which no power unit is planned).

The Glen Canyon Dam would be the most imposing; next only to the Hoover Dam, it would stand 700 feet high, provide storage for 26 million acre-feet of water, and produce 800,000 kilowatts of power. In addition to the Big Six, there would be 14 lesser projects, for irrigation purposes at such odd-sounding sites as Gooseberry, Seedskadee, and Silt. The entire system, say its supporters, would open 300,000 new acres to farming, vastly enhance the agriculture of 470,000 acres now partly under irrigation, and produce 1,622,000 kilowatts of electrical energy for an area now in desperate short supply.

Insofar as the administration is concerned, the upper Colorado Basin has another great virtue. The people of the area want water; how they get it is less important. Missing, to a large extent, is the highly emotional issue of public versus private power that hampers reasonable discussion of power development in the Pacific Northwest. Administration advisers feel that they can make the upper Colorado a showcase for their policies on power development. If so, they consider it well worth braving the wrath of dinosaur fanciers and southern California.

Exhibit 3

Publisher's Letter

Dear Time Reader: Last week a branch of our Government took an action so very good for the country that the editors of Time and I like to think that we, along with much of the daily press, can associate ourselves with this progressive step. The House of Representatives passed the bill that authorizes some $750 million for the construction of power and reclamation projects in the upper Colorado River Basin.

Many of you will remember, I'm sure, our color pictures of this great river (Time, August 23, 1954), and the map and detailed report on the river projects which we published in the January 31 issue last year. People were talking about these Colorado River projects as far back as 50 years ago. The plans almost reached the drawing board stage, but four Congresses in a row passed them by. Now the development of the river basin, an area larger than all of New England, will enrich our whole country. New irrigation and power dams will increase the productivity of some 360,000 acres of land, but even more important it will open up the basin's wealth of lead, gold, silver, zinc, coal, oil, and uranium.

After last week's decisive vote in the Congress, we are sure we share with many other editors and publishers across the Nation a sense of gratification that an informed public opinion helped to bring the upper Colorado River Basin development to the verge of reality.

Cordially yours,

James A. Linen.

NIAGARA RIVER POWER DEVELOPMENT

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the Record, at this point in my remarks, a very fine telegram which I received from the Honorable Robert F. Wagner, mayor of the city of New York, on behalf of the 8 million residents of the city of New York. He expresses interest in and support of S. 1823 on behalf of himself and the people of the city of New York.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the telegram was ordered to be printed in the Record, as follows:

New York, N. Y., *May 15, 1956.*

Hon. Herbert H. Lehman,
The Senate, Washington, D. C.:

I understand S. 1823 for public development of Niagara power is about to be considered by the Senate. My support of this legislation is of course well known to you. I want you to know that in urging support of this bill I am thinking of the interests not only of the 8 million people of New York City, but of our entire State. Niagara development in association with St. Lawrence power development can bring new prosperity to New York State. We need the advantage of lower cost power for our continued industrial expansion and to stimulate greater use of electricity by all our people, rural and urban. I know that under the safeguards included in S. 1823 New York City will benefit from this legislation. Please advise me of anything further I can do to expedite passage of this bill.

Robert F. Wagner,
Mayor, City of New York.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the Record a number of communications which I have received this afternoon from various organizations and individuals in support of S. 1823.

There being no objection, the communications were ordered to be printed in the Record, as follows:

May 15, 1956.

Hon. John F. Kennedy,
Senate Office Building,
Washington 25, D. C.

Hon. Leverett Saltonstall,
Senate Office Building,
Washington 25, D. C.

We, the members of the Massachusetts delegation attending the ninth biennial convention of the Textile Workers Union of America, AFL–CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the Lehman bill, providing for public development of the unique hydrofacility at the Niagara Falls do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New England than providing lower cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Manuel Cattano, Local 590, Mary Cattano, Local 590, Manuel Mediros, Local 590, New Bedford, Mass.; Frank Soczen, Local 30, North Fairhaven, Mass.; Joseph Duggan, Local 1192, George E. Carignan, New Bedford Joint Board, Beatrice Carignan, New Bedford Joint Board, Charles Souza, Local 30, Otilia Souza, Local 30, Ida Pacheco, Local 593, Manuel Pacheco, Local 593, Louise Lima, New Bedford Joint Board, New Bedford, Mass.; Frank Vautour, Central Massachusetts Joint Board, Rose Vautour, Central Massachusetts Joint Board, Fitchburg, Mass.; A. W. Brown, Lawrence Joint Board, Methuen, Mass.; Anastazyia Moysenko, Lawrence Joint Board, Westville, N. H.; Joseph Dautain, Lawrence Joint Board, Joseph Mlocek, Lawrence Joint Board, Robert Barbin, Lawrence Joint Board, Angela M. Scherer, Local 783, Lawrence, Mass.; B. LaRacquin, Local 1394, Methuen, Mass.; Gladys Choquette, Local 704, Romer Choquette, Andover, Mass.; William F. Williams, Local 705, Methuen, Mass.; Albert J. Peterson, Local 913, Lawrence, Mass.; William J. Cormier, Local 637, Methuen, Mass.; Joseph H. Goldstein, Local 775, Northampton, Mass.; Emilo C. Dauphinas, Local 652, Mary Dauphinas, Local 652, Ludlow, Mass.

Mary S. Vaz, Local 652, Ludlow, Mass.; John Kulig, Local 144, Longmeadow, Mass.; Anna Sullivan, Local 113, Holyoke, Mass.; John Jarkowski, Local 775, Easthampton, Mass.; Dufud Vick, Local 144, Chicopee Falls, Mass.; Al Hodgman, Boston Joint Board, Lawrence, Mass.; Dave Glagebrook, Local 642, LeRoy Dudley, Local 642, Walpole, Mass.; John Welch, Local 115, Norwood, Mass.; Irene V. Boskin, Local 626, East Douglas, Mass.; Philippe J. Benoit, Local 1059, Lancaster, Mass.; Margaret Crowley, Local 1059, George Karras, Local 1359, Clinton, Mass.; Michael Botelho, Local 560, Hingham, Mass.; James Costa, Local 692, Earl R. Hayser, Local 804, James Berardi, Local 692, Alvin Giudaboni, Local 692, Lawrence M. Kuhn, Local 692, Samuel Dickson, Local 692, Plymouth, Mass.; Leo Watkins, Local 1037, Lawrence, Mass.; Manuel Dias, Local 1231, Alford Dyson, Local 1223, Alvin Almeida, Local 1227, Clarence Banks, Local 1213, Emile Gagne, Local 1223, Rose Machado, Local 1207, Mary Pelleteir, Local 1206, Mrs. N. R. Connell, Local 1201, Norman R. Connell, Local 1201, Fall River, Mass.; William J. Carrigan, Local 301, Pittsfield, Mass.; Stephen T. Wiencek, Local 841, Adams, Mass.; George A. Ellman, Local 496, Pittsfield, Mass.; Frank J. Kurpill, Local 780, Mathew Ciempa, Local 780, Adams, Mass.; Francis J. McMahon, Local 301, Pittsfield, Mass.; Ernest Hudon, Local 1325, Brattleboro, Vt.; Joseph A. Armeta, Local 780, Archie C. Brown, Local 780, Adams, Mass.; Henry Kulas, Berkshire Joint Board, Margaret Haslam, Berkshire Joint Board, Kathleen Slate, Berkshire Joint Board, Stanley Mikuzewski, Berkshire Joint Board, Peter Knappe, Berkshire Joint Board, Joseph Nowicki, Berkshire Joint Board, Irwin Morse, Berkshire Joint Board, Michael Sciola, Berkshire Joint Board, Stella Spence, Berkshire Joint Board, Adams, Mass.; John Viveiros, Local 1231, Mike Perry, Local 1212, Fall River, Mass.; Mario Pagano, George Pierce, Dracut, Mass.; Stanley J. Petkis, Holbrook, Mass.; Donald E. Cook, Local 1296, Lynn, Mass.; Sydney G. Abbot, Local 1013, Billerica, Mass.; Joseph Cobal, Local 1214, John Ironfield, Local 1208, Fall River, Mass.; Diana Halton, Local 693, Hadley Falls, Mass.; Rhea Turcotte, Local 693, Holyoke, Mass.; Catherine O'Neill, Local 113, Alice Beaulieu, Local 113, Leo Riel, Local 113, Holyoke, Mass.

Nello Rota, local 1058, Holyoke, Mass.; Mary M. Hidenfelts, local 1168; Francis Hidenfelter, Worcester, Mass.; Julio Macedo, Jr., local 590; Alfred Barloza, local 590; Gilbert T. Perry, local 590, New Bedford, Mass.; Carmen Simonelli, local 780, Adams, Mass.; Stuart K. Sprague, local 1280, 2 Hoosac Court, N. Adams, Mass.; Joaquim Alves, local 590; Roger Desrochers, local 590, New Bedford, Mass.; M. Andiadi, local 813; Joseph Carreiro, local 1203; John Fragoza, local 1212, Fall River, Mass.; Margaret Borden, local 740, North Dighton, Mass.; David Babeu, local 451; Harold T. Schofield, Taunton Junction Boulevard, Taunton, Mass.; Lydia Silvia, local 469; Manuel R. Silvia, Jr., local 469, Pawtucket, R. I.; Joseph Dickens, local 454, Franklin, Mass.; Frederick Borden, local 740, North Dighton, Mass.

May 15, 1956.

The Honorable Irving M. Ives,
Senate Office Building,
Washington, D. C.:

We, the members of the New York delegation, attending the ninth biennial convention of the Textile Workers Union of America, AFL–CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the Lehman bill, providing for public development of the unique hydrofacility at the Niagara Falls, do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New York State than providing lower-cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Jack Rubenstein, New York State director; Lucy Dempsey, Local 701; Harry E. Dempsey, Buffalo Joint Board, Utica, N. Y.; Louise McCarthy, Buffalo Joint Board; Frank J. Bartscheck, Buffalo Joint Board, Buffalo, N. Y.; Henry Simard, Local 1308, New York Mills, N. Y.; Barney Ceplis, Local 372, Utica, N. Y.; Alfred Chwalek, Local 1308, New York Mills, N. Y.; Lloyd Bunting, Local 898, Newburgh, N. Y.; Olga Lucy, Local 982, Garnersville, N. Y.; Emma Bormaur, Local 988, Port Jervis, N. Y.; Elsie Fletcher, Local 1001; Garnold Richards, Local 1326, Newburgh, N. Y.; Albert Biscardi, Local 215, Middle Village, N. Y.; Charles J. Cresanti, Local 444, Palisades Park, N. Y.; Irving Epstine, Local 252, East Meadow, Long Island, N. Y.; Sidney Lockman, Local 92; Charles St. Hill, Local 263; Charles Baumann, NYC Joint Board, Joseph Weintraub, Local 92, Brooklyn, N. Y.; Fred Krokenberger, Amsterdam Joint Board; Joseph D. Sorbo, Local 489; Frank Cassire, Local 489; Joseph Angelo, Local 489; Milton Yates, Local 489; Alvah Lansburg, Local 489, Amsterdam, N. Y.; Bert Gilman, Jr., Local 222, Wayland, N. Y.; Arthur S. Bussite, Jr., Local 221, Arkport, N. Y.; Kenneth Croston, Local 221, Hornell, N. Y.; Ann Szkotak, Local 20, Utica, N. Y.; Dorothy Garrison, Local 488; George Garrison, Local 488, Little Falls, N. Y.; Joseph Davoli, Utica Joint Board; Theresa Greco, Local 150, Utica, N. Y.

Charles Furgal, Local 20, New Hartford, N. Y.; John Graniero, Local 42, Utica, N. Y.; Emile Demees, Local 1351, Cohoes, N. Y.; Manuel Perez, Local 976, Hudson, N. Y.; Clara Link, Local 964, Rensselaer, N. Y.; Sophie Murray, Local 237; Jennie A. Rubino, Local 237, Mechanicville, N. Y.; Thomas Falcone, Local 237, Martin F. Clancy, Local 346, Troy, N. Y.; Joseph C. Killian, Cohoes Joint Board, Cohoes, N. Y.; John Cadden, Local 180, Richmond Hill, N. Y.; John J. O'Leary, Local 898, Newburgh, N. Y.; Bonnie Howard, Local 1001, Cornwall, N. Y.; Rose Kubina, Local 1001, John J. Riccio, 398, Newburgh, N. Y.; Joseph Sablosky, Local 3, Rochester, N. Y.; Harry Williamson, Local 701, Fulton, N. Y.; Charles Appolites, Local 3, Rochester, N. Y.; Theodore Finney, Local 701, Fulton, N. Y.; Stephanie Mankowski, Local 1067, Ethel Ellis, Local 49, Buffalo, N. Y.; J. Dutts, Local 3, Rochester, N. Y.; Francis Parish, Local 701, Fulton, N. Y.; George Perry, New York Joint Board, Oswego, N. Y.; Ruby Mills, Fulton, N. Y.; Venida DeStephen, James DeStephen, Local 129, Ann Ottman, Local 129, Oswego, N. Y.; Leo Shienrzynski, Local 49, Robert A. Jones, Local 49, Buffalo, N. Y.; Giacomo J. Capaldi, Local 3, Rochester, N. Y.; John Wolski, Buffalo Joint Board, Kenmore, N. Y.; Ann Warshauer, New York City; William Gordon, Local 1790, Joseph Miraglia, Local 1790, Brooklyn, N. Y.; Rudy Piarno, Local 1, Stanley Lipkin, Local 1, Steve Borowski, Local 1, Thomas Mickus, Local 1, Clarence Mahal, Local 1, Amsterdam, N. Y.; William DuChessi, Local 1, New York City; Robert J. Heitzmann, Local 41, Chester Buskey, Local 41, Charles Fero, Local 372, Utica, N. Y.; Peter Zeto, Local 1085, Rose Zeto, Local 1085, Albany, N. Y.; John Gaddes, Local 1122, Ruth Gaddes, 1122, Averill Park, N. Y.; Francis Murray, Local 1246, Emily Murray, Hollowville, N. Y.; William Moore, Local 791, Hudson, N. Y.; William Laraway, Columbia County Joint Board, Philmont, N. Y.; Sy Cohen, Local 856, East Schodack, N. Y.; Reginald Brownell, Local 129, Oswego, N. Y.; Edward P. Boardway, Local 129, Irene Boardway, Minnetto, N. Y.; Katherine Brownell, Oswego, N. Y.; John Arpino, Local 1085, Frank Manuscia, Local 1085, Auburn, N. Y.; Roger Solimando, Local 20, Utica, N. Y.; Francis E. Ward, Local 88, Binghampton, N. Y.; E. B. Jones, Local 20, Sauquait, N. Y.

Fred Koehler, local 653, John Walters, local 653, Utica, N. Y.; Andrew Corrav, local 1790, New York City, N. Y.; John Perrino, local 1790, Bronx, N. Y.; Stanley Artowicz, local 1790, Brooklyn, N. Y.; Vincent Lojacono, local 1790, New York, N. Y.; Robert Da Rin, local 1790, Jamaica, Long Island, N. Y.; John Cotton, local 1790, Harold Mitlof, local 1790, Daniel McDonough, local 1790, Brooklyn, N. Y.; Jerry Veltri, local 1790, Bronx, N. Y.; Morris Hyman, local 1790, Brooklyn, N. Y.; Merril A. Lott, Sr., local 646, Bertram S. Willetts, local 489, Kenneth King, local 646, Rose Krom, local 835, William R. Stewart, local 301, Winifred Stewart, local 835, Joseph Cozzoccio, local 489, Anthony Murdico, local 489, William J. Michalski, local 489, Peter Mason, local 489, Amsterdam, N. Y.; Emma Powell, local 489, St. Johnson, N. Y.

May 15, 1956.

Hon. Clifford P. Case,
United States Senate,
Washington, D. C.

H. Alexander Smith,
United States Senate,
Washington, D. C.

We, the members of the New Jersey delegation attending the ninth biennial convention of the Textile Workers Union of America, AFL-CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the Lehman bill, providing for public development of the unique hydrofacility at the

Niagara Falls, do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New Jersey than providing lower cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Chris Frawley, Charles Vigorito, Joseph Wardlow, William A. Stewart, Thomas Malatesta, Edward Macchiarella, Charles Lazzio, Joseph Maida, Frank Malzone, Paterson, N. J.; Albert P. Coviello, Union City, N. J.; Pat Munzo, Carmen Hushchiocchi, Frank Pollo, Louis Cappucci, Paterson, N. J.; Dominick Plescia, Lodi, N. J.; Louis C. Massara, Nick Cuccinello, Bernard Daly, Edward Remery, Anthony Spivi, Paterson, N. J.; Kurt Leinberger, Belleville, N. J.; John Daccurro, Lodi, N. J.; Julius Tabachuk, Passaic, N. J.; John Novak, Wellington, N. J.; Michael Gatti, Clifton, N. J.; Martha Wyckoff, Millstone, N. J.; Albert Hardy, New Brunswick, N. J.; Rene D. Rense, South River, N. J.; Ann Tidroski, Milltown, N. J.; Joe Drewienzo, North Brunswick, N. J.; Carmel Orlando, Bound Brook, N. J.

Helen Skorny, Somerville, N. J.; William H. Stress, Chester Hatcher, Millville, N. J.; Louis Baumbach, Vineland, N. J., John Drydenz, Sheldon J. Baker, Paterson, N. J.; Michael Merda, Freehold, N. J.; Mary Grosso, New Brunswick, N. J.; Charles J. Howard, Hartzell L. Dubell, Hightstown, N. J.; John Pricer, Union City, N. J.; Edward Schmidt, Weehawken, N. J.; Louis C. Ferecuzio, Clifford, N. J.; Sam La Casa, Paterson, N. J.; Frank Cuccio, Passaic Junction Boulevard, John P. Sokerka, local 656, Anne Schweighardt, local 656, Charles LeLuca, local 656, James Varcadipane, local 1022, Passaic, N. J.; Virginia Varcadipane, Paterson, N. J.; George Rivers, local 1022, Passaic, N. J.; Augie Lucenti, local 1733, Pat Munzo, local 1733, Louie McGraw, Paterson, N. J.; Dominick Solaro, local 1932, Stephen Reinhardt, local 1932, Harry Jackson, local 1932, Garfield, N. J.; Louis Verticchio, local 1733, Thomas DeModica, local 1733, Peter Lepkowski, local 75, Paul Hurema, local 75, Joseph Hirsch, local 75, Paterson, N. J.

Plattsburg, N. Y., *April 28, 1956*.

Hon. Herbert H. Lehman,
United States Senate:

Congratulations on your very fine support of Niagara public power bill, S. 1823, and also for your favorable vote. The program envisioned by the bill be of vital importance to the city of Plattsburg and northern New York which will certainly experience vast benefits from its potential resource. With best personal wishes and appreciation.

John J. Tyrell,
Mayor, City of Plattsburg, N. Y.

Bouckville, N. Y., *May 1, 1956*.

Hon. Herbert H. Lehman,
Senate Office Building,
Washington, D. C.:

We want to thank you for the diligent work you have done in preparing the Lehman bill S. 1823 which will be brought to a vote in the Senate this week.

All the members of our electric cooperative will be very happy in receiving lower electric rates which can be brought about by the passage of your bill.

Board of Directors,
Oneida Madison Electric
Co-op, Inc.,
Ray Todd, *President.*

Bouckville, N. Y., *May 1, 1956*.

Hon. H. H. Lehman,
Senate Office Building,
Washington, D. C.:

We want to thank you for untiring time and effort you have put forth in writing the Lehman bill S. 1823, which will be voted on in the Senate this week. We are very happy to see preference in the bill for electric cooperatives, also in writing the bill you have kept the rural and domestic consumers in mind, especially the people of New York State by stating that the FPC grant a license to New York State Power Authority authorizing them to develop the Niagara.

Blaine Stockton,
President, New York State Rural Electric Co-op Association.

New York, N. Y., *May 15, 1956*.

Senator Lehman,
Senate Office Building,
Washington, D. C.:

Our union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

John Kadash,
National Maritime Union.

Lockport, N. Y., *May 15, 1956*.

Hon. Herbert Lehman,
The Senate,
Washington, D. C.:

Six thousand five hundred members of local No. 686, UAW, AFL-CIO, in Lockport, N. Y., have voted to support your public power bill through their union. We urge full Senate support of S. 1823.

Jack Kyzmir,
President, Local 686, UAW, AFL-CIO.

Lockport, N. Y., *May 15, 1956*.

Hon. Herbert Lehman,
The Senate,
Washington, D. C.:

Niagara County CIO unions favor public development of power as proposed by S. 1823. Our council represents 30,000 Niagara County industrial employees. We congratulate you on your position on this bill.

William S. Hilger,
President, Niagara County Industrial Union Council, CIO.

Niagara Falls, N. Y., *May 14, 1956*.

Senator Herbert Lehman,
United States Senate,
Washington, D. C.:

There was a power failure affecting 1½ million people in the western New York area last night. The cause was reported to be a failure in a source of supply from Niagara Falls in Canada. This incident demonstrates the need for an immediate decision on the question of additional power development at Niagara Falls, N. Y. The people feel there has been too much delay on this matter and urge immediate action.

R. Robert Merino.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the Record a telegram which was addressed to the Senator from North Dakota [Mr. Langer] by James G. Patton, president of the National Farmers' Union, expressing support of S. 1823 and urging its passage by the Senate.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Washington, D. C., *May 16, 1956*.

Senator William Langer,
Senate Office Building:

According to our information there are 175,000 rural electric meters within transmission distance of the proposed Niagara site. Urge all friends of agriculture to vote for the Lehman bill.

James G. Patton,
President, National Farmers Union.

Mr. LEHMAN. Finally, Mr. President, I ask unanimous consent to have printed in the body of the Record, at this point in my remarks, one editorial from the Watertown Daily Times dated July 26, 1950, and one news article from the same paper dated July 13, 1950, one dated July 26, 1950, the other dated July 13, 1950, commenting on the proposal made by our colleague, the Senator from Vermont [Mr. Aiken], and suggesting that the treaty with Canada concerning the development of the power resources of the Niagara River contain a reservation clause.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Watertown Daily Times of July 26, 1950]

The Niagara Pact—New Phase

The Senate Foreign Relations Committee has recommended approval by the Senate of a treaty with Canada permitting further development of the Niagara hydroelectric power. But the committee inserted one very important reservation. Congress is to have the final say on who is to develop the power on this side of the line and how it will be done.

There is reason to believe that Senator George D. Aiken, Republican of Vermont, although not a member of the committee, had considerable to do with inserting this reservation. Aiken told reporters that this provision assured that the development will be a public power project. The Vermont Senator is a strong advocate of public power.

Everyone agrees that there should be further development of the Niagara power. But considerable concern was expressed that under the terms of the treaty as originally proposed that the privately owned utility companies would grab off the power. This, were it to occur, would be most unfortunate.

With Congress to have the final say as to how the power is to be developed and, perhaps more important, how it is to be distributed, we are inclined to agree with Senator Aiken that the chances all favor public development. The Vermont Senator, leading advocate of the St. Lawrence Seaway, has achieved another important victory for the people.

[From the Watertown Daily Times of July 13, 1950]

Aiken Considers Rider to Treaty—Vermont Senator Considering St. Lawrence Protective Amendment to Niagara Project

Washington, July 13.—Senator George D. Aiken, Republican of Vermont, was today considering sponsorship of a St. Lawrence protective amendment to the proposed Niagara power redevelopment treaty.

The Vermont Republican, an ardent proponent of the St. Lawrence Seaway, has frequently expressed fear that the Niagara plan was being advanced to delay development of the St. Lawrence River.

The Senate Foreign Relations Committee, headed by Senator Connally, Democrat, of Texas, was in executive session today to consider the Niagara treaty. The treaty has already been signed by representatives of the United States and Canada, but, to become effective, it must be ratified by two-thirds vote of the Senate.

Senator Aiken's proposed rider would require that any redevelopment of the American waters of the Niagara River be authorized specifically by act of Congress. This would have the effect of putting any project

at Niagara Falls on the same footing as the St. Lawrence Seaway. The seaway has been held up because Congress has consistently refused to authorize it.

Though not opposed in principle to the Niagara redevelopment, the Senator is concerned, friends say, that the private utilities may take it over and that, given the tremendous new generation capacity implicit in the redevelopment, they will then move to head off the St. Lawrence public project on the pretext that it is not needed.

The New England States, and Vermont in particular, figure to benefit from the low-cost power that is latent in the International Rapids section of the St. Lawrence, near Massena, N. Y. Niagara power, contrariwise, is too distant to be transmitted efficiently, and therefore economically, to the New England States.

President Truman has urged ratification of the Niagara plan as have both of New York's Senators, Irving M. Ives, Republican, and Herbert H. Lehman, Democrat. The President and Mr. Lehman both favor the St. Lawrence Seaway, and each supports a public project at Niagara. Mr. Ives is an avowed opponent of the St. Lawrence dual-purpose (power and navigation) plan.

Under the Niagara treaty, the water diversion would be greatly increased on both the American and Canadian sides and, with a rearrangement of generating installations to take advantage of the full head between Lakes Erie and Ontario, the power output would be immeasurably stepped up.

Niagara Mohawk Power Corp., which owns and operates the present plants on the American side at the falls, has endorsed the treaty presumably as a preface to bidding for a license to undertake the redevelopment.

Were the Aiken plan adopted as part of the treaty, such a license would not suffice. Congress would have to specifically authorize the American project, regardless of its sponsor, before work could begin.

THE NEW PHASE FOR THE ATLANTIC ALLIANCE—DIPLOMACY TODAY—ADDRESSES BY FORMER AMBASSADOR TO DENMARK, MRS. EUGENIE ANDERSON

Mr. HUMPHREY. Mr. President, our distinguished former Ambassador to Denmark, Mrs. Eugenie Anderson, of Minnesota, has recently delivered the Sidney Hillman lectures established by the Amalgamated Clothing Workers of America at Roosevelt University in Chicago. Her two addresses were entitled "The New Phase for the Atlantic Alliance" and "Diplomacy Today."

I ask unanimous consent that excerpts from both addresses appear at this point in my remarks.

There being no objection, the excepts were ordered to be printed in the Record, as follows:

The New Phase for the Atlantic Alliance

(Excerpt from speech by Eugenie Anderson at Roosevelt University, Chicago, Ill., February 28, 1956)

The foreign policies of the Atlantic Alliance are today clearly obsolete. Designed as they were to counter Stalinist outright aggression, they are no longer adequate for solving the new problems we face today. The so-called containment policy worked admirably to repel Soviet expansion from 1946 to 1953, but a new approach is needed now to halt the Khrushchev offensive.

The peoples of the Western democracies must wake up to the fact that we are threatened today by a new phase of Soviet expansion. In our complacent desires for relaxation of tensions, the West has been lulled by Soviet protestations, and Western echoes, of what we want to hear: peaceful coexistence, peace and prosperity, friendship and good will, etc.

However, if we look at the actual developments that are taking place in the world today, we can see plainly that the cold war has not been concluded. Indeed it has not even been called off, so far as the Communists are concerned. Khrushchev's recent speeches at the Soviet Communist Party Congress have reiterated defiantly the unchanging Communist goal of world conquest.

But instead of the blunt, aggressive tactics of the Stalinist period, the new Soviet drive has assumed even more dangerous forms of Communist expansion. While this new, more subtle phase actually began 3 years ago with the death of Stalin, the leaders of the Atlantic Alliance still have not developed an appropriate, coordinated Western strategy to deal with the Khrushchev-Bulganin peace offensive.

Meanwhile, it becomes clearer every day that the Atlantic Alliance has lost the initiative which we held up to the death of Stalin. Throughout Asia, the Communists have made enormous strides. All those formerly "uncommitted" nations, led by India, Burma and Indonesia, have moved perilously close to the Communist orbit. Well known, competent observers, such as John Cowles and Chester Bowles, have warned recently that the whole of Asia may slide under Communist domination very soon, unless new American policies are initiated promptly.

What are these new forms of Soviet expansion which are working so well to advance Communist power? First of all, the Communists have distracted Western energies by agitating numerous explosive situations in various parts of the world. While Khrushchev and Bulganin have talked about "peace and friendship", they have simultaneously proceeded to exploit allied differences in those conflict areas where full-scale war could so easily break out. Soviet intrusion into the intensely troubled Middle-East has increased greatly the danger there of outright war. Communist threats and attacks in the Formosa Strait continue to keep that disputed area acutely unsettled. Peace is anything but secure there, or in Korea, where a million and a half men remain under arms.

The major offensive of the Khrushchev drive, however, has proceeded toward the penetration of the formerly uncommitted nations of Southeast Asia, particularly India, Burma and Indonesia. Throughout this vast area, so rich in population and resources, so seething with revolutionary turmoil, the Communists have staged a spectacular diplomatic and economic offensive. Witness the successful Asian tour of Khrushchev and Bulganin, which created fantastic mass popularity for the Soviet Union. Witness also the Soviet economic aid program, with substantial economic and technical assistance treaties offered to virtually every Middle East and Southeast Asian nation, including Egypt, Syria, Turkey, Afghanistan, Pakistan, India, Burma, and Indonesia.

Simultaneously, the standard Communist tactics of infiltration and subversion have been intensified, concentrated in those countries, such as Indochina and Indonesia, which are divided or weak.

Meanwhile, the swift rise of Communist China has accelerated the Soviet drive in Asia; to all appearances there is close collaboration between the two Communist colossi, with "neutral" Asia caught in the middle.

What must the Atlantic Alliance do in order to regain the initiative, so indispensable for winning our life and death contest for freedom, so essential for preventing nuclear warfare? How can Western policies be reoriented in time to turn the tide in the present phase of the Khrushchev offensive?

First of all, we must face up to the dangerous dimensions of the new Soviet expansionism. Until we understand that the present primary Soviet objective is the conquest of the "uncommitted" nations of southeast Asia, and that its major weapons in this particular phase are economic, diplomatic and subversive, we cannot begin to cope with the problems. Important as it is for us to maintain overwhelming military superiority, we must recognize that military pacts and military assistance in southeast Asia are not alone adequate weapons in this phase of the struggle.

Secondly, Western policies, under vigorous American leadership, must become once again affirmative policies, not simply a series of defensive reactions to successive Soviet victories. We must move off the defensive, and initiate a peaceful campaign for strengthening the independence and welfare of those nations still free, and for achieving the independence of those unfree, whether they are enslaved by Communist dictatorship, or still remain bound under colonial domination. We must continuously prove by positive, related acts, not merely by isolated, negative stands, that America is still the original land of freedom. We must constantly reassert by our every deed and word that we are fighting for all peoples on earth. It is not enough to chant that we are the true anti-Communists.

In order to implement these positive, constructive policies, we must move out in front now with a new, imaginative program for Asian economic development. The "too little and too late" programs such as we have today, with their major emphasis on military assistance and pacts, will never solve the desperate economic and political dilemmas which engulf most of the free Asian nations today. What is needed right now is a broad, bold, humanitarian program for Asia such as the Marshall plan was for Western Europe. Such a plan would combine our deeply American principles of friendliness and neighborliness with self-help, good business organization, and enlightened self-interest. The question urgently before us today is not whether we can afford such a program.

The great question for the Atlantic Alliance in the new phase is how can we not afford whatever is required to win?

Diplomacy Today

(Excerpt from speech by Eugenie Anderson at Roosevelt University, Chicago, Ill., March 1, 1956)

A new diplomacy is emerging from the great international realities of our time. The unrelenting pressures of an expansionist totalitarian ideology, combined with the world instability wrought by revolutionary turmoil in Asia and Africa, have created the need for new kinds of diplomacy, adequate to our global foreign policy orientation. The old, dull diplomatic routines, which set our envoys above and apart with the "elite," have little relevance to the effective execution of American foreign policy today.

The United States remains engaged in a fierce struggle for the allegiance of all free and uncommitted peoples throughout the world. We are competing everywhere for their friendship. Their imagination cannot be kindled, their loyalties cannot be won by a handful of "old-line" diplomats seeking to influence the few political, economic, and social leaders in a given country. Important as their support is, it is simply not enough in the immense conflict of ideas and power systems which still rages throughout our tortured world. A new diplomacy is demanded if we are to gain and hold the confidence and devotion of this century's distracted humanity.

There are three major approaches for this new diplomacy. Each one of them is conditioned by an inescapable reality of international life today. Each of them is also an expression of American ideals and character: Our diplomacy must be consonant with our way of life. It must be a natural manifestation of all that is best in American democracy. Diplomacy, like every other national action, must be rooted in our own traditions, yet facing toward the future.

First of all, ours must be a vigorously democratic diplomacy. American envoys throughout the world today must be ambassadors of democracy, articulate advocates of equal rights for all peoples, pioneers for new opportunities and human welfare. American representatives must be everywhere in the vanguard of the struggle for freedom and a secure peace. Our ambassadors must practice a down-to-earth diplomacy, one which reaches out to the vast majorities of striving men and women, who constitute the ruling groups of our time. The American promise of hope in the future must be carried to the villages and the farms, as well as the cities and towns.

Secondly, American diplomacy must be also shirt-sleeve diplomacy, if we are to be successful in carrying out our economic-aid programs. The outworn diplomatic trappings, symbolized by stuffed shirts, striped pants, and plumed hats have little to do with the problems of living peoples in Asia and Africa, or indeed of any land. American diplomacy must be constructive, and consistent with the needs and desires of the aspiring majority of peoples everywhere. American security now is interwoven with the economic health and peaceful progress of every free nation. The point 4 program, and other forms of technical cooperation and economic assistance are needed more urgently than ever before. Soviet Russia is stepping up its economic aid to many Asian countries, combining it with a highly successful diplomatic blitz. We cannot afford to lag behind in this field. Our diplomacy must always be a true and vigorous expression of our American foreign policies, and of American character and ideals. It is time for us to put our ideals of human brotherhood into our diplomatic practices. It is time for us to demonstrate by our actions abroad, and at home, that we can serve humanity not only by scientific and technical advances, but by practical everyday democracy too. Ours must be a humanitarian diplomacy, for only a deeply serious American concern with the daily lives and hopes of all peoples will keep them within the folds of the free world.

A third major aspect of the new diplomacy is in the workings of the several defense alliances and the great international organizations, such as NATO and the U. N., to which we belong. Here again it is the broad exigencies of our time which have shaped our foreign policies, and have molded the diplomatic means appropriate for furthering American interests. Our national survival now depends to a large extent on our relationships with other free nations. Modern science has forged the world closely together. We can no longer escape our interdependence. Isolationism is dead and gone. In its place has grown up a complex network of international organizations, based on varying degrees of common purposes and common dangers, mutual interests, and similar needs.

Coalition diplomacy imposes certain restraints on the conduct of our foreign affairs. We can no longer act singly or impulsively. While, of course, maintaining a paramount concern for the security of the United States, we must preserve a parallel consideration for our allies and friends, whose fates are linked inexorably with ours. Our diplomats must be in steady consultation with those of many other nations. They must engage continuously in the closest multilateral negotiations. The views and needs of all our partners must be taken into account prior to basic policy decisions. Unilateral actions or hastily improvised moves based on domestic political considerations can lead to serious disaffections within the coalition. Partnership diplomacy calls for conciliation and compromise. Only by this approach can we keep the consent and support of all the various members within our important alliances.

Obviously, one of the primary aims of the Soviet diplomacy today is to break up the free world coalitions, particularly NATO. If the Communists could divide and destroy us one by one, then Soviet conquest would be easy. Or if the United States could be isolated from its allies, Communist purposes would be well served. Above all, our unity must be preserved. The United Nations and NATO must be nurtured and strengthened by more positive American diplomatic leadership.

Finally, the American people, too, have a role to play in their own diplomacy today. We have accepted the responsibilities inherent in our inescapable position of free world leadership. We must continue to create, by our example here at home, an inspiring vision of a free society. The power and integrity of a growing American democracy is an essential part of American diplomacy. Without this inner health, the new diplomacy would be of small avail.

BIPARTISAN EXPERIMENT IN POLITICAL FUND RAISING

Mr. HUMPHREY. Mr. President, the bipartisan experiment in political fund raising which I described on the Senate floor on May 9, as appears on page 7764 of the CONGRESSIONAL RECORD, has received additional attention in the press. On May 12, an Associated Press dispatch from Alexandria, Minn., was printed in the Washington Post and Times Herald. I ask unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANVASSED DURING RAINSTORM—EIGHTY-SIX PERCENT CONTRIBUTE AS MINNESOTA TOWN CONDUCTS BIPARTISAN DRIVE FOR FUNDS

ALEXANDRIA, MINN., May 11.—An elderly Norwegian woman who contributed $1 to a bipartisan political fund drive last night said she wanted 50 cents to go to the Republicans and 50 cents to the Democrats "because they're both good people."

Her remark set the tone for an experiment in party fund raising that brought a total of $715.95 into a common campaign pot as 34 volunteer teams canvassed homes during a 2-hour rainstorm.

John Obert, Alexandria newspaperman heading the project, said 86 percent of the 435 households contacted contributed to the fund.

Money raised from the campaign will be split between Republican and Democratic Farmer-Labor (DFL) Party organizations, both of which backed the plan.

Keith Wallace, Republican member of the steering committee, said he was "pleasantly surprised." He said, "I thought that if we got response from half the people contacted, we'd be doing good."

Ten contributors handed workers sealed envelopes marked for one party or the other.

Teams of fund collectors were to continue their work tonight and Saturday night in this city of 5,300.

Joe Tomlinson, Douglas County (Alexandria) DFL chairman, said, "I'm sure we are getting money from people who never contributed to party campaigns before. The idea is an asset to both parties."

Obert said the amount of money collected was secondary. Prime purpose of the drive was to determine "the extent to which the public is willing to participate in a campaign like this. If it goes over here, it might mean the start of a nationwide project along these lines."

Originally, it had been planned to send out teams composed of 1 Republican and 1 Democrat on the doorbell-ringing missions. But most of the canvassers declined to give their party identity.

Money collected will be split into three equal divisions, for the presidential campaign, the State's Seventh District congressional campaign, and the State race for governor. Funds, all to be expended in the county, will be distributed to political parties on the basis of the party vote cast for President in 1952 and for governor in 1954.

ILO ANTI-FORCED-LABOR CONVENTION

Mr. HUMPHREY. Mr. President, the State Department is apparently determined to keep us in suspense regarding its position on the ILO anti-forced-labor convention. From statements made last week by President Eisenhower and Secretary of Labor Mitchell, the American people were given to understand that the State Department had at long last reversed its unfortunate opposition to the proposed ILO convention.

The Senator from Illinois [Mr. DOUGLAS] on Monday had printed in the RECORD a New York Times editorial of Friday, May 11, which described the State Department's new compromise position. Apparently, the new position involves a willingness to condemn only international commerce in slave-made goods. Like the Senator from Illinois [Mr. DOUGLAS], I wish to reserve any further congratulations until I can discover whether the State Department has made up its mind to give this country's wholehearted support to a convention which clearly condemns all use of forced labor for political and economic purposes. Senate Resolution 248, favorably reported by the subcommittee, presided over by the Senator from Illinois, to the Senate Committee on Labor and Public Welfare, is hence still most pertinent and timely.

Mr. President, I wish the State Department would quit its legalistic hair splitting. This is a moral issue, and one of international importance, and the State Department insists on playing "tit-tat-toe" with it. I want the State Department to come clean and state its position unequivocally. If the State Department does not have anyone who can do it, some of us will volunteer our services. I have written the State Department in unmistakable language, so they can understand what our position is.

I remind the State Department that I congratulated the President on his position, but apparently the news has not gotten to the State Department. I did not know there was some kind of a curtain which sealed off the State Department from the Office of the President.

On May 11, 1956, an Associated Press dispatch discussed the Administration's continuing predicament on this issue. The article appeared in the Washington Evening Star. I ask unanimous consent that this article be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SLAVE LABOR POLICY SPLITS UNITED STATES DELEGATES TO ILO

United States delegates heading to an international showdown on slave labor in Soviet countries appeared badly split today on how far they should go.

This country's 4 delegates, 2 representing the Government and 1 each for employers and workers, all condemn forced labor without reservation. But they hold varying views on what the International Labor Organization should do about it.

State Department briefings this week apparently failed to iron out substantial differences within the delegation. The slave labor issue is the major topic due to come up at the ILO's June sessions at Geneva.

Labor unions, as represented by George P. Delaney of the AFL–CIO, want an ILO convention to ban slave labor. This would be the strongest possible type of action and would require Senate consideration as a treaty.

The employer group, represented by Charles H. Smith, Jr., Cleveland steel fabricator, says it is opposed in principle to any treaty-like action by the ILO interfering with internal affairs of another country, even Russia.

Midway between these views the Government is trying to draw a fine line. The State Department seemed for a time to side with the employers' view, preferring a bare policy statement.

Then, after Secretary of Labor Mitchell argued with Secretary of State Dulles and reportedly also with President Eisenhower, a new policy emerged. Mr. Mitchell said this week the Government will support an ILO convention both outlawing forced labor and banning slave-made goods in international trade.

Behind it all is a deep-rooted employer suspicion of the ILO. Both the National Association of Manufacturers and the United States Chamber of Commerce have asked the Government to consider pulling out of the ILO, a United Nations affiliate.

POETIC TRIBUTE TO THE LATE SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a poem written by Mr. Horace C. Carlisle, who now lives at Winston-Salem, N. C., but who was formerly a resident of Alabama, in tribute to our late beloved colleague, Senator Barkley.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

HUMANITY'S LOSS

S–enator Barkley, great statesman, is dead—
E–very man's friend and no mortal man's foe,
N–ational leader, of no one afraid,
A–s he fought wrong, in high places and low.
T–rue to his Nation, his State, and his own,
O–nward and upward, he kept keeping on,
R–elaxing not 'til his time came to go.

B–ravely contending for justice and right,
A–s he concluded his last speech, he fell—
R–eally he died without fear or affright,
K–nowing, beyond a doubt, that all was well.
L–ong in our memory will live his name—
E–very year will, methinks, add to his fame—
Y–onder in glory he's gone home to dwell.

—*Horace C. Carlisle.*

THE DISASTER IN OHIO

Mr. BENDER. Mr. President, last Saturday evening the principal county of Ohio, Cuyahoga County, suffered a great disaster. A tornado hit the cities of Lakewood, Rocky River, and a part of Cleveland.

On yesterday it was both my misfortune and my privilege to view some of the damage done. We have been asking the Governor of our State to do what the law requires, namely, declare the area affected to be a major disaster area. These municipalities are not equipped either financially or physically to cope with this problem. Some $12 million worth of damage was done.

However, I wish to congratulate the Governor for sending, a few hours ago, to the White House and to the Civil Defense Authority a telegram declaring this a major disaster area. I am glad he finally came to realize what these citizens have to cope with.

I hope the White House and the Civil Defense Authority will act with dispatch to help these communities.

RECESS TO 11 A. M. TOMORROW

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the previous order, that the Senate now stand in recess.

The motion was agreed to; and (at 7 o'clock and 12 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, May 17, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 16 (legislative day of May 7), 1956:

IN THE NAVY

Sidney F. Davis III, midshipman (Naval Academy), to be an ensign in the Navy, subject to qualification therefor as provided by law.

Theodore R. Hunley (civilian college graduate) to be a commander in the Dental Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Alvin E. Riehl (Naval Reserve officer) to be a commander in the Dental Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Gary E. Rademacher (Naval Reserve officer) to be a lieutenant in the Dental Corps of the Navy, in lieu of lieutenant (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Stephen H. Tolins (Naval Reserve officer) to be a captain in the Medical Corps of the Navy, in lieu of commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Francis Marshall (civilian college graduate) to be a commander in the Medical Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be lieutenant commanders in the Medical Corps of the Navy, in lieu of lieutenants as previously nominated, to correct grade, subject to qualification therefor as provided by law:

Scott G. Kramer
Carter B. Sigel

The following (Naval Reserve officers) to be lieutenants in the Medical Corps of the Navy, in lieu of lieutenants (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law:

Eugene M. Joly
Carl W. Rogers

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, in lieu of lieutenants (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law:

August Miale, Jr.
Russell Miller, Jr.

The following-named officers for permanent appointment to the grade of chief warrant officer in the United States Navy, subject to qualification therefor as provided by law:

Charles F. Pape, W–4.
Vincent Kozlowski, Jr., W–3.

Samuel O. Grayson for permanent appointment to the grade of chief warrant officer, W–4, in the United States Navy, in lieu of chief warrant officer, W–3, as previously nominated, subject to qualification therefor as provided by law.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 16, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and eternal God, whose thoughts toward us are always those of love and peace, we pray that daily our minds and hearts may be penetrated and permeated with a spirit that is akin to the spirit of our blessed Lord.

Give us those nobler feelings and attitudes which are the progenitors of insight and inspiration in achieving and building a better world.

Show us how we may release the hidden splendor of humanity and bring to fulfillment every lofty desire and aspiration which Thou hast planted within the soul of man.

Grant that the legislation that shall be proposed and enacted may bear clear and convincing testimony that the Members of the Congress are seeking the highest welfare of our country and all mankind.

Hear us in Christ's name.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 10, 1956:

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers.

On May 14, 1956:

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes;

H. R. 6535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 2972) entitled "An act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Magnuson, Mr. Monroney, Mr. Smathers, Mr. Schoeppel, and Mr. Purtell to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) entitled "An act to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects."

THE LATE THOMAS ROLPH

The SPEAKER. The Chair recognizes the gentleman from California [Mr. Mailliard].

Mr. MAILLIARD. Mr. Speaker, it is my sad duty to inform the House of the death of a former Representative from the Fourth District of California, Mr. Thomas Rolph.

Tom Rolph was a lovable and kindly man.

I want to take this opportunity to express my deep sympathy to his widow, Mary Bates Rolph, to his son Henry, who is now a member of the board of supervisors of the city and county of San Francisco, and to his daughter, Katherine Jane Metcalf. Both of his children are lifelong friends of mine.

I know that others in the House will want to join in expressing sympathy.

EX-CONGRESSMAN THOMAS ROLPH DIES—STRICKEN SUNDAY WITH PNEUMONIA

Former Congressman Thomas Rolph, brother of the late Gov. James Rolph and father of Supervisor Henry R. Rolph, died at his home at 52 28th Avenue here yesterday. He was 71.

Mr. Rolph succumbed to pneumonia. He had been ill since Sunday, when he and Mrs. Rolph returned to San Francisco from a business trip to New Orleans.

Tom Rolph was the youngest of seven children, born in the South of Market district to parents who came to California from the East in the 1860's.

CIVIC ACTIVITY

He left Mission High School at 16 to go to work, getting his diploma later at Humboldt Evening High School.

Though long active in civic affairs—he was chairman of the community chest in 1922—he did not enter politics until after the death of his brother, "Sunny Jim" Rolph.

Like his famous elder brother, he started his career in the shipping business. His first job was as an office boy for Williams-Dimond Shipping Co.

FOUNDED FIRM

In 1912, the year James Rolph was first elected mayor of San Francisco, Tom Rolph founded the building materials sales agency which he headed until his death—Rolph-Mills & Co., of 171 Second Street.

After James' death in 1934, Mr. Rolph accepted an appointment to the library commission from Mayor Angelo J. Rossi.

He came into the limelight next as a member of the grand jury, headed by Marshall Dill, which looked into police corruption exposed in the Atherton investigation.

ELECTED IN 1940

Mr. Rolph was elected to Congress as a Republican from the Fourth District in 1940. He served until 1944.

He was a past president of the Rotary Club, a past master of California Lodge No. 1, F. and A. M., and a member of the Pacific Union Club, Commonwealth Club, and Stanford Parlor No. 76 of the Native Sons.

He also had served as an official of the Panama Pacific International Exposition, a director of the San Francisco chapter, American Red Cross, and was a long-time leader of the Boy Scout movement.

A golfer for decades, he turned to gardening as a hobby in recent years.

Survivors in addition to Supervisor Rolph and the widow, Mrs. Mary Bates Rolph, are a daughter, Mrs. John Robert Metcalf, of 2864 Broadway; a brother, Ronald, and two sisters, Miss Elizabeth Rolph and Mrs. Mildred Moore.

Funeral services will be held at 11 a. m. tomorrow at the chapel of N. Gray & Co., Divisadero at Post Street.

Mr. Speaker, I yield to the gentleman from California [Mr. Hinshaw].

Mr. HINSHAW. Mr. Speaker, Tom Rolph was a great friend of all of us here in the House, a most genial personality, one who labored hard for his district in San Francisco and for the State of California and the Nation. His record of course is written in the books of the Congress of the United States for all to read for all time. I am sorry, indeed, to learn of his passing. We shall miss him when we journey to San Francisco next summer. Our sympathy goes out to his family in full measure.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from California [Mr. Phillips].

Mr. PHILLIPS. Mr. Speaker, all of us are saddened by the news of the death of Tom Rolph, those of us who worked with him especially. He came from a distinguished family, of which he was a most distinguished member. His brother was Governor of California when I first served in the State legislature.

Friendliness was Tom Rolph's marked characteristic. He had many friends, both in and out of the Congress. He was thoughtful of the newer Members, like myself, when we first came to Washington. He was respected. I served with him on delegation matters, and in fraternal organizations. He will be missed, and I rise today to remark that I shall be one of those who will miss him.

I am glad the gentleman from California [Mr. Mailliard] has given us the opportunity to pay this tribute to Tom Rolph, and I express my sincere sympathy to his family.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. Martin].

Mr. MARTIN. Mr. Speaker, I join with the gentleman from California in regretting the death of our friend, former Congressman Tom Rolph. He was a man of great ability, and for whom I had a great appreciation and fondness. He was a genuine friend and an able legislator with friends in both parties. California and the country have lost a fine citizen.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from California [Mr. Engle].

Mr. ENGLE. Mr. Speaker, I join in expressing my deep regret at the death of our former colleague, with whom I served and worked here in the House of Representatives.

Tom and his brother, Jim, the great mayor of San Francisco, were both excellent and outstanding public servants. Tom was a genial and kindly man, who always did everything he could to help the other fellow. It was for that reason that Tom was popular with the Members of the House when he served here.

Tom Rolph worked hard and effectively for the city of San Francisco which he represented. His name, as that of his distinguished brother, whom I also knew very well, is intimately connected with the history and progress of San Francisco, a city for which he had a deep affection. His passing will be mourned by his thousands of friends, of whom I am one, and I join in these expressions of sympathy to his family.

Mr. ALLEN of California. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield.

Mr. ALLEN of California. Mr. Speaker, Tom Rolph left the House of Representatives before I became a Member. I knew him somewhat better after he had served here than during the time of his service. I have known the family of which he was a member all of my life. His interest in affairs in Washington continued after he had ceased to serve here. Many times I talked with him about things which were currently before us. He was a distinguished public servant and a fine citizen of the State of California and of his own community. I join in deep regret that he passed away so suddenly.

Mr. MAILLIARD. Mr. Speaker, I ask unanimous consent that Members who may wish to do so may extend their remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAILLIARD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PAYMENT TO CROW INDIAN TRIBE FOR RIGHT-OF-WAY FOR YELLOWTAIL DAM UNIT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, with an amendment of the House thereto, and insist on the House amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Mrs. Pfost, Messrs. Haley, Metcalf, Miller of Nebraska, and Saylor.

PROVIDING MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, with an amendment of the Senate thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Vinson, Brooks of Louisiana, Kilday, Short, and Arends.

AMENDING MERCHANT MARINE ACT OF 1936

Mr. GARMATZ submitted the following conference report and statement on the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense:

CONFERENCE REPORT (H. REPT. NO. 2167)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

Herbert C. Bonner,
Edward A. Garmatz,
Edward J. Robeson, Jr.,
Thor C. Tollefson,
John J. Allen, Jr.,
Managers on the Part of the House.

Warren G. Magnuson,
John O. Pastore,
Price Daniel,
John M. Butler,
James H. Duff,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

S. 2286 as passed by the Senate authorized the transportation overseas, at Government expense, on privately-owned American commercial vessels, as well as on Government vessels, of motor vehicles owned by personnel of the Armed Forces and by civilian employees of the Department of Defense and of the Departments of the Army, the Navy, and the Air Force, traveling on permanent duty orders. As amended by the House, the bill permitted the utilization of privately owned American shipping services for the transportation of motor vehicles owned by any Government personnel whenever transportation of such vehicles at Government expense is otherwise authorized by law.

The House amendment also corrected a technical error and amended the title of the bill.

The Senate recedes and concurs.

Herbert C. Bonner,
Edward A. Garmatz,
Edward J. Robeson, Jr.,
Thor C. Tollefson,
John J. Allen, Jr.,
Managers on the Part of the House.

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

Mr. GARMATZ. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MR. AND MRS. HERMAN FLOYD WILLIAMS AND MR. AND MRS. W. C. SEGERS

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6137) for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "Mr. and Mrs. Herman Floyd Williams" and insert "Herman Floyd Williams and Bettie J. Williams of Marianna, Fla."

Page 1, line 6, strike out "sum of $16,097.26, to Mr. and Mrs. W. C. Segers" and insert "sums of $4,563.41 and $8,500, respectively, to Alma G. Segers of Marianna, Fla."

Page 1, line 7, strike out "5,000" and insert "$5,301.30."

Amend the title so as to read: "An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. Celler], I ask unanimous consent that the Committee on the Judiciary may sit today and tomorrow during general debate.

The SPEAKER. Is there objection?

There was no objection.

TRIBUTE TO HON. SAM RAYBURN AND RURAL ELECTRIFICATION PROGRAM ON ITS 20TH ANNIVERSARY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I think it appropriate to remind the House that on next Sunday, May 20, the country will celebrate the 20th anniversary of the actual creation of the rural electrification system. It was on May 20, 1936, that President Franklin D. Roosevelt signed into law the bill that had been led through the Congress by the Speaker of this House, the gentleman from Texas [Mr. Rayburn], and the late Senator George Norris, of Nebraska.

Members may recall that last year, at the beginning of the 20th anniversary year of the REA, we held something of a celebration.

Now the final anniversary date itself is at hand, and the Speaker of the House will be the principal speaker at the laying of the cornerstone, next Sunday, of the new building of the National Rural Electric Cooperative Association—a cooperative group that never could have existed without the REA basic law.

I trust the Speaker will not be embarrassed if I place in the Record certain excerpts from his own article in Rural Electrification magazine and excerpts from the reprinted statements of Senator Norris. It is not often, perhaps, that men in public office, men of vision though they be, have the opportunity to see their works and words vindicated. The time lag is sometimes too long; the thing that happens almost instantaneously and indisputably is very rare.

Senator Norris said before his death:

> In time REA bids fair to become greater in its effect upon agricultural life than the Department of Agriculture itself.

Is there anyone today who will dispute this apparently rash prediction that came before the death of Norris in 1944? The farm life of America has been transformed. People who toiled like the peasants of five generations earlier now have electric lights, electric milking machines, electric churns, toasters, radios, and television sets.

The Speaker said, in his article:

> While the Rural Electrification Act was being considered, many men wise in the financial world of this Nation argued eloquently that such a program was doomed to failure. Fears were expressed that even though the farmers and ranchers joined such a movement, they would certainly discontinue the service and refuse to pay their first monthly bill. Sincere though they were, they could not have been more wrong. They reckoned without the spirit and determination of the people who form the backbone of this Nation—(their) actions have been even more convincing than those of us who answered their arguments.

Can we remember—or even recall—the state of mind which allowed "men wise in the financial world" to argue seriously that farmers would refuse to pay their monthly electric bills, that when they were called on to meet the expense of the blessings of electricity for themselves and their families, they would turn crotchety and scroogish? This argument was seriously made, as the Speaker well remembers. But it turned out that in 1936 most of the members of the Congress and President Roosevelt thought in different terms about the character of the American people—and they were right. The self-proclaimed "men wise in the financial world" were wrong. The farmers have paid their monthly REA bills, just as city workers when they are decently paid remit promptly for their bills.

I said last year, when I was discussing the REA, that in my own experience I had seen the deprivation of farmers and small communities in the district that I have the honor to serve—the 24th District of Illinois. I saw the kerosene lamps lighting churches in little towns not 10 miles from the great utilities of the metropolitan area of St. Louis.

All this was changed by REA—and by nothing else.

Has it ruined the privately owned utility industry? "Certainly not," our Speaker replied, writing 20 years after. The REA co-ops "have created and are daily creating new markets for privately owned companies."

Our Speaker noted that the REA has lent about $2.5 billion to rural distributing systems and that three-fourths of them have repaid $78 million more in interest and principal to the United States Treasury in advance than they were required to pay. For every dollar lent to the co-ops, members have invested $4 for electrical wiring and appliances.

> The miracles of Aladdin's lamp have virtually been transposed into the everyday life of the rural people * * * through the accomplishments of the REA program. A fair appraisal of these accomplishments during the past 20 years is convincing proof that the work of (the) cooperatives is responsible for the greatest economic upsurge in the history of rural America.

So wrote our Speaker.

All of us have every reason to be proud of the work of REA. And we must especially congratulate the gentleman from Texas, who for so long has presided over our deliberations, that he has the opportunity to speak as the symbol and spokesman next Sunday of a remarkable American achievement in which he played an indispensable part.

SPEAKER RAYBURN AND MINORITY LEADER MARTIN HONORED BY SYRACUSE UNIVERSITY

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, last week Chancellor Tolley, of Syracuse University, announced that, on June 4, the university will confer honorary degrees upon two great American citizens. Quite naturally, the announcement received wide coverage and attracted much interest.

To me, the forthcoming ceremony will be most unique in that never before, to the best of my knowledge, has an institution of learning conferred degrees simultaneously upon two outstanding American legislators. I refer to our distinguished Speaker, the Honorable Sam Rayburn, and our distinguished former Speaker, the Honorable Joseph Martin, my good friends.

I am privileged to represent the congressional district in which Syracuse University is located and I feel highly honored that these two eminent statesmen are to visit my district to receive this additional recognition. For in being thus honored, they truly honor us.

I am sure that the faculty, student body, and residents of Syracuse look forward with pleasure and pride to the visit of these two fine gentlemen.

THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. ALLEN of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALLEN of California. Mr. Speaker, a few months ago a subcommittee of the Committee on Merchant Marine and Fisheries spent several days in the Los Angeles harbor area. The purpose of the visit was to observe conditions and have hearings with regard to the handling of cargoes over the docks in that area. An opportunity was given for all concerned to express their views with regard to both the existing conditions and the possibilities of improvement.

A day or so ago an informal report was made to several of us concerning actions which followed. It appears that the labor organizations working with the representatives of management formulated plans and carried them to fruition with the result that a great improvement, both in the productivity of the labor involved and the relationship between the various interests involved, came about. The visit of the subcommittee engendered a high regard for its membership and for the fair and impartial approach which it made to the problem it sought to understand.

While talking concerning the informal report which was made, the necessity for early enactment of H. R. 10765 which seeks to amend the Longshoremen's and Harbor Workers' Compensation Act was mentioned. This Compensation Act became law in 1927 and was last amended in 1948. It is supposed to fix compensation for injured workmen and to dependents of deceased workers in amounts proportionate to current earnings. The current weekly compensation payments are far below the amounts required to meet the formula by which the benefits were expected to be fixed.

I hope that parliamentary difficulties can be solved and that early action on the bill can be had looking toward its enactment into law.

RE-REFERENCE OF BILL

Mr. CURTIS of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of the bill H. R. 10890, and that the same be re-referred to the Committee on the Judiciary. I have cleared this with the chairman of both committees.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING THE SUGAR ACT OF 1948

Mr. POAGE. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RETURN OF CERTAIN LANDS IN THE TERRITORY OF HAWAII

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 5, after line 12, insert:

"(c) If an eminent domain proceeding for the condemnation of the property, or any part thereof, for public use is brought by the Territory or political subdivision within the time so allowed by the court, in such eminent domain proceeding, the property shall be valued and the proceeding shall be heard and determined in all respects as if filed upon the date of the original conveyance and as if an order had been made letting the Government into possession on said date: *Provided*, That at its option, the Territory or political subdivision may bring eminent domain proceeding for condemnation of the property or part thereof required for public use without invoking the preceding provisions of this sentence: *Provided further*, That in the event the Territory or political subdivision shall have discharged encumbrances upon the property for which it is entitled to reimbursement as provided by subsection (e), the same may be made a setoff in any eminent domain proceeding brought for condemnation of the property or part thereof required for public use."

Page 5, line 13, strike out "(c)" and insert "(d)."

Page 5, line 22, strike out "(d)" and insert "(e)."

Page 6, line 4, strike out "(e)" and insert "(f)."

Page 6, line 13, strike out "(f)" and insert "(g)."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment were concurred in.

A motion to reconsider was laid on the table.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 2149)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) "making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, 13, 25, 29, 32 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 19, 27, 31, 35, 37, 38, 41, 42, 43, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 65 and 66; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,717,530"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,750,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$515,500; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$67,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$117,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$27,000,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$175,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$160,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 11, 12, 16, 17, 21, 22, 23, 24, 26, 28, 30, 34, 36, 39, 40, 44, 45 and 61.

Clarence Cannon,
Michael J. Kirwan,
Jamie L. Whitten,
Prince H. Preston,
Louis C. Rabaut,
Managers on the Part of the House.

Carl Hayden,
Richard B. Russell,
Dennis Chavez,
Milton R. Young,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendment No. 1: Appropriates $1,717,530 for Agricultural Research Service, Salaries and Expenses, Research, instead of $1,217,530 as proposed by the House and $2,217,530 as proposed by the Senate.

Amendments Nos. 2 and 3: Appropriate $2,000,000 for Agricultural Research Administration, Salaries and Expenses, Plant and Animal disease and pest control, instead of $1,527,780 as proposed by the House and $2,252,780 as proposed by the Senate, and provide $650,000 for the contingency fund instead of $500,000 as proposed by the House and $725,000 as proposed by the Senate. The amount agreed to by the conferees for the contingency fund includes $283,000 for the eradication of the Khapra beetle.

Amendment No. 4: Deletes $10,000,000 for the School Lunch Program inserted by the Senate. In arriving at this determination, the conference committee was influenced by the following statement of the Department on this item:

"Historically, school lunch operations experience a sharp decrease beginning in late April, and many programs cease operations by the middle of May. The availability of an additional $10 million so late in the school year could not be used effectively during the remaining portion of the school term."

Adequate funds for this program will be given careful attention in the regular appropriation bill for fiscal year 1957.

Amendment No. 5: Appropriates $1,500,000 for Farmers' Home Administration, Salaries and Expenses, instead of $1,350,000 as proposed by the House and $1,620,000 as proposed by the Senate.

Amendment No. 6: Authorizes $30,750,000 for administrative expenses of the Commodity Credit Corporation, instead of $30,500,000 as proposed by the House and $30,964,000 as proposed by the Senate.

CHAPTER II

Department of Commerce

Amendments Nos. 7 and 8: Appropriates $515,500 for Bureau of the Census, Salaries and Expenses, instead of $503,000 as proposed by the House and $528,000 as proposed by the Senate, and authorize transfer of $87,500 from "Census of Agriculture" instead of $75,000 as proposed by the House and $100,000 as proposed by the Senate.

Amendment No. 9: Reported in disagreement.

Amendment No. 10: Appropriates $30,000,000 for Maritime Administration, Operating Differential Subsidies, as proposed by the House.

Amendment No. 11: Reported in disagreement.

Amendment No. 12: Reported in disagreement.

CHAPTER IV

General Government matters

Amendment No. 13: Appropriates $56,000 for Corregidor Bataan Memorial Commission, Salaries and Expenses, as proposed by the House.

CHAPTER V

Independent Offices

Amendment No. 14: Authorizes $117,500 for administrative expenses of the Employees' Life Insurance Fund, instead of $100,000 as proposed by the House and $135,000 as proposed by the Senate.

Amendment No. 15: Authorizes $3,438,800 for nonadministrative expenses of the Federal Home Loan Bank Board, instead of $3,338,800, as proposed by the House.

Amendment No. 16: Reported in disagreement.

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates $27,000,000 for National Science Foundation, International Geophysical Year, instead of $26,000,000 as proposed by the House and $28,000,000 as proposed by the Senate.

CHAPTER VI

Department of the Interior

Amendment No. 19: Appropriates $35,000 for Office of the Secretary, Oil and Gas Division, as proposed by the Senate.

Amendment No. 20: Appropriates $1,000,000 for Bureau of Land Management, Management of Lands and Resources, instead of $800,000 as proposed by the House and $1,200,000 as proposed by the Senate.

Amendment No. 21: Reported in disagreement.

Amendment No. 22: Reported in disagreement.

Amendment No. 23: Reported in disagreement.

Amendment No. 24: Reported in disagreement. A motion will be offered which will provide an appropriation of $3,000,000, of which $360,000 will be for the repair of facilities damaged during the recent floods on the Pacific coast as proposed by the Senate and the balance for the initiation of construction of the Jefferson National Expansion Memorial.

Amendment No. 25: Deletes Senate proposal to appropriate $500,000 for National Park Service, Jones Point Bridge.

CHAPTER VII

Department of Labor

Amendment No. 26: Reported in disagreement.

Department of Health, Education, and Welfare

Amendment No. 27: Makes available $3,500,000 for Public Health Service, Construction of Biologics Standards Laboratory Building, as proposed by the House, but restated merely to reflect technical language changes.

Amendment No. 28: Reported in disagreement.

Amendment No. 29: Appropriates $47,000,000 for Social Security Administration, Grants to States for public assistance, as proposed by the House, instead of $50,000,000 as proposed by the Senate.

National Mediation Board

Amendment No. 30: Reported in disagreement.

Railroad Retirement Board

Amendment No. 31: Authorizes the transfer of $838,000 from the railroad retirement account for Railroad Retirement Board, Salaries and Expenses, as proposed by the Senate instead of $548,000 as proposed by the House.

CHAPTER VIII

Public works

Amendment No. 32: Strikes out proposal of the Senate to appropriate $3,500,000 for the Tennessee Valley Authority.

CHAPTER IX

Department of Justice

Amendment No. 33: Appropriates $500,000 for salaries and expenses, general legal activities, as proposed by the House instead of $550,000 as proposed by the Senate.

Amendment No. 34: Reported in disagreement.

The Judiciary

Amendment No. 35: Authorizes the transfer of $8,375 from the referees' salary fund for salaries of referees, as proposed by the Senate instead of $6,375 as proposed by the House.

CHAPTER X

Post Office Department

Amendment No. 36: Reported in disagreement.

CHAPTER XI

District of Columbia

Amendment No. 37: Appropriates $150,000 for Department of Public Health as proposed by the Senate instead of $130,000 as proposed by the House.

CHAPTER XII

Legislative branch

Amendment No. 38: Inserts chapter heading.

Amendment No. 39: Reported in disagreement.

Amendment No. 40: Reported in disagreement.

Amendments Nos. 41, 42, and 43: Appropriate funds for contingent expenses of the Senate.

Amendments Nos. 44 and 45: Reported in disagreement.

CHAPTER XIII

Claims for damages, audited claims, and judgments

Amendments Nos. 46 and 47: Insert reference to Senate document and appropriate $2,367,341 as proposed by the Senate instead of $1,614,562 as proposed by the House.

CHAPTER XIV

Increased pay costs

Amendments Nos. 48 through 60: Appropriate funds to cover increased pay costs for various Senate activities.

Amendment No. 61: Reported in disagreement.

Amendments Nos. 62 through 66: Eliminate transfer provision relative to increased pay costs for military functions, Department of Defense, and provide for direct appropriation in the total amount of $10,417,900 as proposed by the Senate.

Amendment No. 67: Appropriates $175,000 for increased pay costs for Bonneville Power Administration, operation and maintenance, instead of $162,500 as proposed by the House and $187,500 as proposed by the Senate.

Amendment No. 68: Appropriates $160,000 for increased pay costs for general administrative expenses, Bureau of Reclamation, instead of $150,000 as proposed by the House and $170,000 as proposed by the Senate.

CLARENCE CANNON,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
PRINCE H. PRESTON,
LOUIS C. RABAUT,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, this is the conference report on the second supplemental appropriation bill, 1956, providing for such deficiencies as usually occur during a session of Congress. Estimates submitted by the Bureau of the Budget aggregated $835,902,923 and the bill as passed by the House carried $795,763,823.

The Senate increased the appropriations to the amount of $838,864,176.

The conference report now before the House recommends a total appropriation of $852,414,896.

The managers on the part of the House and Senate are in complete agreement on all items in this bill. But there are a number of amendments in technical disagreement which under the rules it is necessary to bring back to the House for consideration.

Mr. Speaker, at this time I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I wish to say a few words about amendment No. 32 on page 24 of the bill before us. In 1948 the following provision was adopted:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress (61 Stat. 577).

In spite of this legislative provision, the TVA, I understand, has made commitments involving $178 million upon power projects, in violation of the law, to be paid for out of power revenues. With the adoption of this conference report, which I shall vote against, the violation of the law will be supported by the majority report which was brought in by the Appropriations Committee when this bill was considered on the floor. The views of the minority members of the committee were clearly expressed in the minority report which was then presented and which I am going to insert in the RECORD as a part of my remarks at this time:

MINORITY VIEWS

The members of the Subcommittee on Public Works, who sign this minority report, disagree with the action and vote of the majority on the request of the Tennessee Valley Authority for funds with which to build an additional generating unit at the John Sevier plant.

There were 4 possible answers to that request:

(1) To agree, and to appropriate $3,500,000 in new money, to start construction on this unit. It must be understood this was only the request of the moment. The total needed is $28 million.

The idea of voting new money to TVA was refused by the subcommittee. The Congress, in the past few years has refused, more than once, to appropriate new money for steam plants or additional units to existing steam plants.

It should be noted that there is still grave doubt, in the minds of able lawyers, and of

Members of the Congress, whether there was actually any constitutional authority for the TVA to build steam plants at any time. Since this is a technical legal question, not to be discussed in this minority report, it should definitely be considered by the Congress with the thought of giving authority to take the question to the Supreme Court of the United States. Certainly no more money should be voted to the TVA to build steam plants or additional units, until the question is resolved.

(2) To take the money from its own funds, without further approval by the Congress, and build the additional unit, or any other structures in the future. This was the recommendation of the subcommittee's majority. We disagree. It is the line of reasoning expressed in the opinion rendered to the TVA Directors on September 10, 1955, by the TVA Counsel, Joseph C. Swidler, which, in our opinion, controverts itself. Counsel says, for example:

"This language (meaning sec. 26 of the TVA Act of 1933, as amended) standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steam plants and single-purpose power dams as well as individual generating units and transmission facilities."

The catch words are, of course, "standing alone." The point is that section 26 of the TVA Act does not "stand alone." It must be read not only with the remainder of the act but also with all other congressional actions (particularly those subsequent to its passage) or limitations thereto.

The citations given by Mr. Swidler, to support his opinion, refer, without exception, to the use of power proceeds by TVA prior to the passage of limitations on such use. We refer particularly to section 104 of the Government Corporations Control Act, which was passed in 1945 and to which a limitation was added in 1948, reading as follows:

"None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress."

Nothing could be clearer, to us, as to the intent of the Congress. However, Counsel for TVA offers this interesting interpretation (says Mr. Swidler):

"In thus prohibiting the use of revenues for construction of 'new power producing projects' without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities."

We challenge the use of the word "clearly." To us, the language is a definite prohibition, and if it is to be reinterpreted for the benefit of the TVA, this should not be by TVA's own counsel alone, but either by the Congress or the courts, or perhaps by both, as we have indicated above.

This opinion and interpretation have already been challenged in the Congress in part by Members sympathetic to the Tennessee Valley Authority. We suggest the reading of the CONGRESSIONAL RECORD, volume 101, part 8, pages 10400–10402; also of the RECORD, volume 101, part 9, pages 11584–11588, and of the RECORD, volume 101, part 10, pages 12888–12891.

It would be well, in view of the present request for new money, and the ensuing discussion, for all Members of Congress to reread the testimony of the then TVA Directors in 1935, in which the witnesses testified to the intent of TVA policy and their own opinions as to TVA's obligations. For example, Mr. David Lilienthal testified, regarding the way TVA would set the power rates:

"These rates are based on certain principles, and the first principle is that the consumers of electricity must pay all the operating cost of furnishing that electricity, without any contribution whatever from taxpayers.

"Second, that consumers of electricity, the people who pay the rates, shall pay taxes, through the rates, which, of course, is the way all utility operations pay taxes equivalent to the national average of taxes, local, State, and Federal, paid by private-owned utilities. Municipalities which purchase power from the Tennessee Valley Authority plant at the Wilson Dam and resell it in turn, at retail to their citizens also pay taxes, as required by their contract with the Authority, and those taxes are also equivalent to the amount a private utility would pay, a private utility in that community.

"Third, depreciation and amortization are provided for, both by TVA and by the municipalities. As to TVA, the rates charged include a margin to offset depreciation from year to year, so that in the course of years there is a reserve adequate to rebuild the plant as a new plant; and there is also a surplus which, if Congress so desires, can be used to pay back into the Treasury not only the present value of this depreciated wartime property, but also every penny of the original investment put into the property in order to defend this country against its enemies.

"Fourth: Interest is charged."

Dr. A. E. Morgan, the first TVA chairman, expressed his opinion of TVA power operations and rates in these words:

"They must be fair, with no special arbitrary advantage; they must pay taxes, just as private utility companies must do, and every other reasonable charge if they are to provide us with a fair comparison."

He refers of course to the "yardstick" theory, so often advanced by TVA and its supporters. We hardly need add that any resemblance of present TVA policies, including the current request for an appropriation to build the John Sevier unit, to the original testimonies on the basis of which the TVA Act was passed, is entirely coincidental.

(3) To permit the TVA to issue its own revenue bonds, to cover the $28 million it estimates it needs for this unit. Whatever icing may be spread over this proposal, it means essentially that these bonds, directly or indirectly, now or in the future, will be obligations of the United States Government, just as surely as if we had approved the original request for new money and then gone out and secured that money by borrowing it (with interest) or by taxing the people of the 48 States for it. This has been so often refused in recent years by the Congress that to propose it now, somewhat disguised, seems to us to be completely out of order.

Whether or not the TVA shall be permitted to set itself up as an independent agency, or utility, furnishing power in a designated area, paying local, State, and equivalent Federal taxes and interest, underwriting its operations from its own income, adjusting its rates to meet its needs under such incorporation, borrowing money to expand or replace its facilities, is a matter now before the proper legislative committees in this Congress. Certainly, if the TVA is to be given the right to its independence and to operate as any power utility operates, then it might properly have the authority to issue bonds. In that case, however, they would not be bonds of the United States adding to our already topheavy national debt: they would be bonds of a utility corporation, not of the autocratic power empire envisioned in the opinion of the TVA counsel and other TVA proponents. Such bonds would be sold to the public, as the bonds of any power utility are marketed. This is a reasonable suggestion; any idea that we should permit the TVA, an agency of our United States Government, to issue revenue bonds which would become contingent obligations of the United States is unthinkable.

If the TVA desires independence, let it separate its power functions from its other functions, if necessary, and then issue bonds for its entire power construction debt in the past. It would, by such a bond issue, with repayments determined, and on which it would pay interest, assume the financial responsibility for all money already advanced by the Treasury (or in other words by the taxpayers, the great majority of whom in no way benefit from this expenditure); pay normal interest thereon, and secure complete independence, with the pride and integrity which accomplishes independence.

The responsibility to recommend that such authority be given the TVA lies with a legislative committee, not with the Committee on Appropriations.

(4) The proper choice, in our opinion, is to follow the course already adopted by Memphis, the first of the captive municipalities to take itself out from under TVA bondage. This statement is made advisedly; under TVA contracts, no other power may be bought in its area, nor can a distributor provide power from its own or any other source, without TVA permission. Even the rates charged its customers, by the distributors of TVA power, may be set only with the approval of the TVA. Memphis has proved that this choice is feasible; it should be followed by other distributors in the TVA area.

The request of the TVA, for money to build an additional unit at the John Sevier plant, should simply be denied.

It must be understood that this in no way denies TVA any power for legitimate uses. The United States has first call on its power for its needs. TVA can, in case of emergency, secure power from the surrounding utilities, all of which are now tied in with the TVA grid. The TVA has bought such power in the past.

Actually, the immediate request is for a unit which would produce approximately 180,000 kilowatts of power. One private industry in Tennessee alone is currently asking for 235,000 kilowatts, for expansion, yet this industry, by name, announced through the press 3 months ago, that it intended and was fully prepared to build a plant for itself to supply the needed power. It was "enticed" (to quote the newspaper reports) to change its plan and expand in the TVA area, with the Federal Government expected to pay for the plant for added power.

Certainly, whatever else may be argued about the intent of Congress in 1933, there must be unanimous agreement that Congress never contemplated an authorization to entice industries into the TVA area, by offering power, sold at subsidized rates, and produced in steam plants. TVA itself, in the answer filed in the 18 company suit, January 8, 1937, implied it had no such authority and denied any such intent.

None of the requested additional power, therefore is to be used for national defense, nor for the needs of the Federal Government; this is an effort to draw industries into the TVA area, at the expense of the taxpayers of the other States where local, State, and Federal taxes are paid on power revenues.

We believe the request should be denied by the Congress.

GLENN R. DAVIS.
BEN F. JENSEN.
JOHN PHILLIPS.
T. MILLET HAND.
JOHN TABER.

The report of the Senate committee took the same position that the minority in the House took. That provision I have in front of me, and it appears at page 17 of the Senate committee report.

The adoption of this conference report means that without having the question of the interpretation of the law settled and without having it definitely understood that whenever the TVA or any other Government agency wants to go ahead and spend a lot of money, that they will come to the Congress for an appropriation or for legal authority to use funds for the particular purpose.

I do not think that Congress is meeting its responsibility when it permits any board, no matter who it is or what it relates to, to have jurisdiction over whether 400 or 500 millions of dollars be expended. It is not doing the right thing by itself or the processes of representative government when it is a law unto itself.

The only honest way that the TVA can be allowed to operate is by procuring its authority in the proper way from the Congress of the United States by the passage of laws which either appropriate money or deliberately permit the expenditure of funds that are in the hands of the corporation.

In the first place, I am going to ask the Comptroller General to enforce the law. These expenditures and operations are illegal and under the provisions of the Corporation Control Act it is their duty to stop it.

If that does not produce results, I am going to ask the proper legislative committees to review the situation and pass legislation which will properly bring about the result which the Congress thought it was bringing about in 1948 when the language which I quoted above was adopted.

Those who favor public power are making a great mistake in the manner in which they are treating the TVA because if there is to be public power in the TVA, it should be on the basis that they are paying interest on the money that they have had the use of, a proper amortization charge to pay back the Government's investment, their operating and maintenance expense, and a fair equivalent of what a similar utility would pay in taxes. If they would make that approach to the Congress it would improve their general standing.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to associate myself first of all with the gentleman's very able statement, a statement which I am sure speaks the facts and the law. Now, the unfortunate thing is that when this measure was first before us we were confronted not with legislation subject to amendment but by a statement in a report of a majority of the Committee on Appropriations. As everyone knows, you cannot amend a report on the floor. An attempt to get at the matter by direct legislative action would not have been in order because it would have been legislation on an appropriation bill. I state this only because I am absolutely confident that if the Members of the House had had an opportunity to express themselves they would have made it clear and unequivocal that TVA cannot apply its power revenues to the building of new steam plants, and certainly not without direct legislative approval.

May I say this further, with the gentleman's permission? All of us recognize that there will be necessity for added power-producing facilities in the Tennessee Valley. How are those added facilities to be provided? The administration's recommendation is that legislation should be enacted giving to TVA the right and the authority to issue revenue bonds. That is based on the proposition that some time TVA must come of age, and when it has come of age, matured, then it should get the money and pay interest on it, just as anybody else has to do.

The other suggestion that has been made from time to time is that the Congress continue to appropriate money, which simply means that the taxpayers of my part of the country, of the Middle West, of New England, of the West, further subsidize the below-cost production of power for that area.

The Congress of the United States has spoken definitely against that approach.

Then what is the resort here to be had? It is that the power revenues are to be used for further expansion. The gentleman has very ably stated that the Congress of the United States, whatever process is used, ought to remain in control. I cannot for the life of me understand the reasoning of those who support this proposition now who last year said that TVA is the child of the Government, the Federal Government, and it has to continue to provide the money, another $100 million, for a steam plant at Fulton, who now say that TVA is not the creature of the Government, that TVA can do with its funds whatever it wants to do.

Actually, TVA, as the gentleman has pointed out, has no legal right to spend these funds in this fashion. It has no moral right to spend them, because those funds are not the property of TVA. They are in the United States Treasury today. They are the property of the taxpayers of this country who have put $1,500,000,000 into TVA on which TVA has never paid the first cent of interest.

What TVA ought to be doing is to pay money back to the rest of the taxpayers instead of spending more of the taxpayers' money. Actually, if TVA is to be permitted to apply these power revenues to the building of additional steam plants, then they will be accomplishing the same thing by indirection that the Congress has said in recent years time and again that they cannot do, which is to require the taxpayers all over the country to build further steam-producing facilities in the Tennessee Valley.

So far as I am concerned, Mr. Chairman, if TVA as it is presently governed, insists on going ahead and spending this money, one day I hope they shall be brought to account, because they have no legal right to spend the money; they have no moral right to spend the money and if Congress permits it to be done it is an abdication of congressional responsibility. As I say, one day they shall be held to account.

The SPEAKER. The time of the gentleman from New York [Mr. Taber] has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. Jensen]

Mr. JENSEN. Mr. Speaker, I am wondering how many Members of the House realize that the conference report before us relates in part to a question of whether the Congress shall retain its proper control over the expenditures of hundreds of millions of dollars by the TVA, or whether it is to abdicate in favor of a TVA board of 3 men, not elected, but simply appointed by the President.

In 1947, when I was chairman of the Government Corporations Subcommittee of Appropriations, I was instrumental in getting enacted a limitation on the expenditures of TVA power revenues for new generating facilities. As I stated on the floor at the time of the debate on the Government corporations appropriations bill for 1948, the restriction placed therein was for the purpose of preventing construction for capital improvements to the TVA system without prior approval of Congress. I quote:

> They have to come before the Congress each year to get permission to spend for capital improvements if this bill becomes law.

The gentleman from New York [Mr. Taber] has just explained the limitation which the Congress placed on expenditures for capital improvements.

The Tennessee Valley Authority, according to law, can spend their revenues for replacements only. Certainly a new unit, a new steam plant, can by no stretch of the imagination be called a replacement.

Many of my colleagues know that the Tennessee Valley Authority was brought forth in 1933 as a navigation, flood-control, and river-development agency wherein electric power was to be incidental thereto. In the early years Congress was hoodwinked by the testimony of the TVA officials into thinking that there was to be an end to the construction program of the TVA. Of course we now know that these TVA officials and the TVA proponents had no such illusion. However, as Raymond Moley said:

> This grand design, however nobly conceived, could hardly have been sustained either by a reasonable obedience to the Congress or by the Supreme Court at that time. Hence the early requests for appropriations were, in the light of what happened later, relatively modest, and the professed purposes in the bill submitted to the Congress were hardly descriptive of the immense authority which eventually took form. To suggest that there be lavished vast treasure on a relatively small section of the Nation at the expense of all would have aroused opposition of other sections that would have quickly manifested itself in Congress. Such a stupendous piece of paternalism could never have been squeezed through the Constitution despite the fact that the general welfare clause was already opening a crack which would later turn into a veritable breach.

How much further are we to go? Is Congress to surrender its responsibility and let TVA go its merry way, to spend without restraint its ever-increasing power revenues amounting to hundreds of millions of dollars annually? I personally think the time has come for Congress to assert its authority and require the TVA to obtain approval for the expenditure of Federal funds.

They claim, of course, that it is their funds they are spending because they come from power revenues. They forget the fact that the TVA is supported by the taxpayers of America, hence it is the taxpayers' responsibility to see to it that the Congress of the United States, their representatives, see to it that the money is properly spent by TVA, whether it be revenues of TVA or appropriated funds. One of my colleagues from the TVA area has said that the TVA is merely using its power revenues which come from the people of the TVA who use TVA electric power. Surely he knows, just as we know, that 60 percent of TVA power revenues in 1955 came from the pockets of the taxpayers of every section of the United States in paying for the TVA power used by the Federal agencies such as AEC.

The people of my State are willing to pay their fair share of taxes to the Federal Government for those things that are necessary for the preservation of our Republic and its free-enterprise system. They are willing to pay for the electric power that lights their homes and operates their industries and farms because they know it is the cheapest and one of the best commodities they can buy, whether or not they buy it from private utilities who pay a big Federal tax or from others. However, my people do not want to pay taxes to be used to help pay for the electric light and power bills for people of other sections of the Nation, nor do they want their taxes used to subsidize electric power to heat over 130,000 homes in the Tennessee Valley or to be used to entice industry into the TVA area, which they are doing this very minute. The State of Tennessee is advertising all over America: Come to the Tennessee Valley with your industries to take advantage of the cheap power of TVA. And so not only my State but many States of the Union are losing industry to Tennessee because we are subsidizing their electric power costs. The time is long past due when the TVA power rates should provide for interest on the American taxpayers' investment in TVA power facilities which now totals approximately $1½ billion of appropriated funds. Surely it is not asking too much to insist that the power users of the TVA pay rates that provide for taxes equivalent to that paid by the folks in other parts of the United States of America. Section 8 of our American Constitution says in plain words that there must be equality of taxation.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. Baker].

Mr. BAKER. Mr. Speaker, additional generating units at John Sevier steamplant in East Tennessee and New Johnsonville steamplant in west Tennessee were recommended by President Eisenhower and the Budget Bureau.

They are essential to national defense.

TVA is far ahead of its statutory repayment schedule to the Treasury of the United States.

TVA has surplus funds obtained by power revenues to pay for these units. It is good business practice to permit it to do so, to install these needed units on a pay-as-you-go plan.

This practice would be followed by General Electric, Westinghouse, General Motors, the Aluminum Company of America, or Commonwealth Edison.

Why not TVA?

Is prejudice against TVA to be permitted to becloud your good business judgment on the advisability of the pay-as-you-go plan?

I do not favor giving the TVA Directors blanket authority to expend power revenues. They should report all such proposed expenditures to the Congress, which represents the owners of TVA, the people of the United States.

Expenditure of power revenues by TVA for necessary additional power requirements should be approved by the Congress.

The recommendations of President Eisenhower and the Budget Bureau recognize the need of additional electric power by Tennessee Valley Authority for national defense and the maintenance of the normal industrial, commercial, and residential requirements in the area served by TVA.

I urge adoption of the conference report.

The Public Works Committees of the House and Senate should promptly conduct hearings and report legislation covering this subject and clarifying the basic act; and should report legislation authorizing TVA to issue revenue bonds to finance its necessary additional power requirements, and get rid of this annual controversy.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield to my colleague, the gentleman from Tennessee [Mr. Cooper].

Mr. COOPER. I simply want to request the gentleman to emphasize the important point which he made in his statement, that the Tennessee Valley Authority is repaying these funds advanced by the Federal Government and is well ahead of schedule in the repayment of those funds; is that not correct?

Mr. BAKER. That is certainly true.

Mr. COOPER. And it is also true that the plan proposed to provide additional power facilities out of the power revenues of the TVA is on a sound, business basis.

Mr. BAKER. I certainly feel that way about it.

Mr. COOPER. And bear in mind that these power revenues are derived from payments made by the people in the TVA area for the power used by them and constitute the working capital which is needed by the TVA to carry forward this program.

Mr. BAKER. The gentleman certainly is correct and I thank him for his contribution.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. BASS of Tennessee. I would like to commend my colleague from Tennessee for the fine statement he has made on this subject. He has certainly been an able representative of the TVA area. I want to commend him, but I would like very much if he would move Johnsonville back into the middle of Tennessee instead of west Tennessee.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. REECE of Tennessee. I am glad the gentleman emphasized the fact that TVA is meeting its payments to the Federal Government. I would like to also emphasize the fact that the greater percentage of the power now generated by TVA facilities is going for national defense. It is very difficult for new industry to locate in the State of Tennessee because it is unable to get power made available to a new industry, with the result that at the present time, contrary to the statement of the gentleman from Iowa [Mr. Jensen], the new industries being established in the South are established outside of the periphery of the TVA.

The SPEAKER. The time of the gentleman from Tennessee [Mr. Baker] has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. BAKER. I yield to the gentleman from California [Mr. Phillips].

Mr. PHILLIPS. I felt that the gentleman intended to put into his comments some statement regarding interest, because I think the TVA should pay interest on the money it borrowed. For example, although the TVA has paid back $186,500,000 on the $1⅓ billion which it borrowed, it has not paid back enough to pay what the Federal Government has paid out in interest on the loan.

Mr. BAKER. May I say in response to the gentleman from California, and the gentleman from Indiana [Mr. Halleck] if you put the TVA on its own feet I think it will meet all competition and all requirements of private industry.

I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. And for that matter pay all the money that has been advanced to the TVA for power development if it is given authority to issue revenue bonds. But I think it ought to be made clear that in this conference report there is not involved the overall question of permitting the TVA to spend its revenue willy-nilly, as the gentleman from Indiana [Mr. Halleck] said, but that it applies specifically to this additional unit at an existing steam plant.

I wish to commend my able colleague and friend, Mr. Baker, not only for this splendid speech but also for his effective service to the TVA on all occasions.

Mr. BAKER. I agree with that. We should look at it from that standpoint, and later in this session have legislation on the whole subject.

I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman from Tennessee knows that since the TVA was established the Congress has appropriated over $2 billion of the taxpayers' money for the development of the TVA. The gentleman will agree that that is right, will he not?

Mr. BAKER. A little over $1½ billion.

Mr. JENSEN. Oh, no. It is nearer $2 billion.

Mr. BAKER. Perhaps so.

Mr. JENSEN. The gentleman knows, of course, that when Congress appropriates $50 million for the TVA for any one year it is not difficult for the TVA to write another check back to the Treasury of the United States for $20 million.

Mr. BAKER. But I would like to say this. I am not advocating further appropriations from the Federal Treasury. Put the TVA on its own feet, just like any other corporation.

Mr. JENSEN. That, in my opinion, is treading on dangerous soil, for this reason: The Congress of the United States has never given any agency of Government the power to issue revenue bonds, and I hope it never will.

Mr. BAKER. Mr. Speaker, I refuse to yield further for the only reason that I must make my own position clear. As I stated in my opening statement the stockholders and owners of the TVA are the people of the United States. The directors should report to Congress proposed unusual expenditures from the revenues before they make them and have approval of Congress, but have no more appropriations. You created the baby; let it live.

Mr. JENSEN. I will venture the assertion that your revenue bond program will get exactly no place in Congress.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Phillips].

Mr. PHILLIPS. Mr. Speaker, I wish to associate myself with the statements made by the gentleman from New York [Mr. Taber], and the gentleman from Iowa [Mr. Jensen], and the gentleman from Indiana [Mr. Halleck]. I am convinced, having been a member for 10 years of the subcommittee which has appropriated the money for TVA, that the people of the United States do not wish the Congress to abdictate its control over this agency.

I shall vote against the conference report.

The most important item, from a policy standpoint, in the report, is the provision which would permit the Tennessee Valley Administration to use its own funds to build new units, and to do this without the approval of the Congress. This would give the TVA the right to expand its power facilities without congressional approval, as required by earlier acts of the Congress, just so these new facilities tie in with an existing plant.

The power revenues of the TVA belong to the people of the United States, who have put up the money to build TVA and to underwrite its annual deficits. The supporters of this monopolistic enterprise have always been the first ones to insist on the idea that the TVA belongs to all the people.

I can illustrate the situation by using the Johnsonville steam plant as an example. It was presented to the Congress as a three-unit plant, to generate 375,000 kilowatts. We are told that adding units is like plastering a room that has been left unfinished because that room was not needed when the house was built.

In the Johnsonville plant, the TVA has therefore plastered an unfinished room to double the original capacity—to 750,000 kilowatts. That is not the end. Under letters of intent to the manufacturers, which the TVA failed to mention when its officers testified on this very appropriation bill, the TVA proposes additional plastering to the tune of another 500,000 kilowatts.

To my mind, increasing a plant capacity from 375,000 kilowatts to 1,250,000 kilowatts is a far cry from plastering a room that was left unfinished. If TVA can go from 375,000 to 1,250,000 kilowatts, without the approval of the Congress, what is to be the limit at this plant, and what is to prevent a like expansion at other plants?

This is the issue before us today. I do not think the taxpayers of the 40 States not in the subsidized area will like this idea, nor do I think they will like the idea of having TVA entice private industry into the TVA zone by offering subsidized power, particularly, as in the case of one recent industry, when the industry fully intended to build a powerplant, at its own expense, in another State.

The taxpayers of the 40 States have put up $1.3 billion to build the powerplants of the TVA system. On this account, TVA has paid back $186,500,000, including fiscal year 1956. If TVA had paid simple interest alone on the money advanced, it would have amounted to $210 million. Since the United States pays compound interest, that figure should be about $240 million. TVA is not breaking even.

I do not think the taxpayers want to continue to subsidize TVA and I think they want even less to have the Congress abdicate its control of this bureaucratic empire. This, as I said, is the issue today.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. Evins].

Mr. EVINS. Mr. Speaker, there are a few salient and significant facts in this continuing controversy that are worth repetition. We have just heard the distinguished gentleman from New York [Mr. Taber] state that he is going to see to it that the Comptroller General enforces the law with respect to the TVA. He implies that the authority is not being operated according to law. In this respect the gentleman is again wrong with respect to his attitude regarding TVA. We all know that the distinguished gentleman from New York wrote to the Comptroller General and asked for an opinion as to whether or not the TVA Board had authority to expend corporate funds of TVA for additions to the system. The Comptroller General in his reply did not indicate that the TVA did not have the authority to use its corporate bonds.

We have also heard the gentleman from Iowa [Mr. Jensen] just now state that he would be against TVA having authority to issue revenue bonds, that he would oppose the revenue bonds proposal. Apparently he is against any self-financing plan. When this controversy comes to be resolved the enemies of TVA oppose appropriations, they oppose the use of revenue bonds for financing and they now state that they are opposed to permitting the agency to use its surplus funds. Those who do not like TVA oppose its operations at every turn. They are going to cripple it and weaken TVA if at all possible.

As has been indicated earlier, there exists a need for additional power in this area. When General Vogel, the President's own appointee, became TVA Board Chairman, he took a new look at TVA's operations and made a new survey of the power requirements of the area. The Board thereafter made a unanimous recommendation for four new starts by TVA. This recommendation was made to the Bureau of the Budget for 1956, for the budget under which we are now operating. We know that the Budget Bureau did not approve the TVA Board request but they approved the now infamous Dixon-Yates contract as a substitute for the proposal recommended by the Board. We all know what happened during the last session of Congress. The matter was fought out in the House and Senate and later the President canceled the Dixon-Yates deal; so the TVA Board recommendation was not approved and the Dixon-Yates plan was rejected. The area got no additional power under either plan. We are soon to consider the 1957 budget request. We are faced with no alternative but to take some affirmative action to relieve the area power shortage.

The President sent up a supplemental request to Congress earlier this year recommending that 1 start be made at the John Seiver plant and that 2 additional starts be made at the Johnsonville plant. However, the President coupled his request with a proposal that it be approved along with the Budget Bureau's self-financing plan. We know that this proposal bogged down in committee. It is so complicated, so involved. The Secretary of the Treasury under the plan would be made, in effect, a member of the Board of TVA. The Secretary of the Treasury would be empowered to pass on the number and kind of bonds that could be sold, the amount of the issue, the length of the bond redemption period and the rate of interest to be charged, among other powers and restrictive limitations. There are so many limitations and restrictions thrown around the proposal that no action has been taken on the legislation. And we have just heard the statement that there is no chance of Congress acquiescing in the issuance of revenue bonds authority for TVA. The agency has an estimated surplus of $58 million. Why should not TVA be permitted to use some of its surplus funds to take care of its pressing needs? TVA is meeting required payments into the Treasury. In fact, TVA has paid some $186 million into the Treasury to date. I am advised that TVA paid in excess of $24 million into the Treasury prior to the enactment of legislation requiring annual repayments—and that with this sum plus required annual payments a total of $286 million will have been repaid into the Treasury through 1957. These facts show that TVA is exceeding expectations of her most ardent advocates. It is TVA's success that generates enmity among partisans and private power interests.

Yes. TVA is a successful and efficient organization that deserves better treatment from Congress than it has been receiving in recent months. It is paying its way and more.

Mr. Speaker, we hear much talk about making TVA responsible to Congress. We know that the TVA reports to the Congress annually. TVA makes an annual report to the Congress and appears annually before the Appropriations Committee and other committees.

Responsibility, Mr. Speaker, is a two-way street. The Congress also has a responsibility to the people in a seven-State area that is solely dependent upon TVA as a source of power supply. As we listen to appeals to make TVA responsible we should remember the Congress must measure up to its responsibilities.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman has very properly pointed out that the opponents of TVA are against appropriating any money for it. They are against TVA's standing on its own feet through the issuance of revenue bonds. They are against its using its own resources. Will the gentleman tell the Members of the House how it is possible for the administration to keep its commitment to TVA, which was to do nothing which would impair its efficiency, without at least permitting it to use one or the other of these methods of financing?

Mr. EVINS. There are no other feasible alternatives. Various proposals have been advanced from time to time as the gentleman knows, but they have been rejected by the administration and TVA enemies.

Mr. ABERNETHY. They are willing, they say, for TVA to stand on its own feet but they are unwilling for it to have feet on which to stand.

The SPEAKER pro tempore [Mr. Cooper]. The time of the gentleman from Tennessee has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. EVINS. I thank my distinguished chairman and would point out further that the TVA has the authority to employ its corporate funds for additions to existing plants. Section 26 of the TVA Act empowers the TVA to use such funds as are necessary and required in its normal business operations. Custom and usage as well as congressional intent and court decisions have confirmed this fact. The committee report proposes that TVA be operated in a businesslike manner through the use of its corporate funds. Certainly the House should stand by its position and vote down any proposal that might be made to recommit this conference report.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. Reece].

Mr. REECE of Tennessee. Mr. Speaker, I do not think any of us are in disagreement as to the TVA assuming it has authority to spend revenues without any consideration for the views of the Congress. I think the gentleman from Tennessee [Mr. Baker] has made that clear. The adoption of the conference report with the language that is contained in the legislation and in the report on the bill will have a tendency, in my opinion, to place a restriction on TVA since this does authorize or refer to the additional steam facilities at the John Sevier Steam Plant, indicating that the Congress is retaining its authority after TVA has been established regardless of what our attitude toward the establishment of it may have been, we must assume an objective attitude now. There is only one facility that can give power to that area and that is the Tennessee Valley Authority. We are completely dependent upon the Tennessee Valley Authority in that area for all of our power requirements. Our whole future depends upon the TVA. That increases the responsibility that the Congress has to see that provision is made for an orderly development of the Tennessee Valley Authority in order to meet the requirements of the people of that area.

Mr. Speaker, we have the responsibility of providing the machinery by which Tennessee Valley Authority may do that.

My colleague from Tennessee [Mr. Baker] has outlined what would appear to be a reasonable solution to this matter. I hope the Congress and its committees will give adequate attention to providing those facilities. In the meantime, it is necessary that we proceed as has been recommended by the Bureau of the Budget and the President to meet the immediate requirements and only the minimum requirements are being provided for in this conference report.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. Whitten].

Mr. WHITTEN. Mr. Speaker, as one of the conferees and speaking for those who signed the report, I would point out that all this debate would indicate that this situation is somewhat different from what it really is, as I see it. This is a supplemental appropriations conference report. A vote against this report would be a vote against an increase for agricultural research; it would be a vote against additional funds to finish the rest of the fiscal year on plant and disease control; it would be a vote against money for the Farmers Home Administration to carry on its housing program; it would be a vote to cut out administrative funds for the Commodity Credit Corporation to carry out its price support programs; it would be a vote to do away with subsidies vitally needed to carry on the merchant marine and the War Shipping Administration; it would be a vote against provision for the Federal Employees Life Insurance fund; acquisition of land in Chicago; and many, many other items. Now, those items are in here, and there is nothing in this conference report concerning the TVA. This conference report does not add to or detract from it; it does not cross a "t" and it does not dot an "i" in the authority in law which the TVA has.

The argument here is the age-old argument which was heard when the TVA was first created, and I think that argument should be answered, though I repeat again there is nothing in this conference report changing the law concerning the TVA.

The TVA is a Government corporation, and all the argument has had to do with changing the law and changing the TVA from a corporation, and making it an agency. If it were an agency, the situation would be different. This is not the only corporation which was given certain authority and responsibility by the Congress, in the legislation which created it. The Commodity Credit Corporation is another corporation created by the Congress, and the Congress, in the Commodity Credit Corporation Act, said to its board of directors, "You shall discharge your responsibility in supporting a farm price support program." I review the record of the Commodity Credit Corporation each year, yet it is beyond my reach to change that law. I cannot do it. The Appropriations Committee does not have the authority. The TVA is also a corporation created by separate legislation of the Congress. Such law provides whatever authority the TVA has. They either have it or do not have it. But, the law speaks for itself. Changing the law governing the TVA is beyond the reach of the Appropriations Committee under the rules of the House.

The pertinent provisions of law which created the TVA and as amended are as follows:

> Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation * * * in conducting its business in generating, transmitting and distributing electric energy (16 U. S. C. 831y).

Section 104 of the Government Corporation Control Act was rewritten in its present form in section 307 of the Government Corporations Appropriation Act, 1948:

> Sec. 104. The budget programs transmitted by the President to the Congress shall be considered and legislation shall be enacted making necessary appropriations, as may be authorized by law, making available for expenditure for operating and administrative expenses such corporate funds or other financial resources or limiting the use thereof as the Congress may determine and providing for repayment of capital funds and the payment of dividends. The provisions of this section shall not be construed as preventing Government corporations from carrying out and financing their activities as authorized by existing law, nor as affecting the provisions of section 26 of the Tennessee Valley Authority Act, as amended (61 Stat. 584 (1947)).

In the Government Corporations Appropriation Act, 1948, under which points of order against legislation was waived, Congress did include permanent legislation requiring that TVA amortize the appropriation investment in its power facilities over a period of 40 years, and limiting its use of revenues in the following terms:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes unless and until approved by act of Congress (61 Stat. 577).

In thus prohibiting use of revenues for construction of new power-producing projects without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities. Indeed, as House debate on the measure brought out, the House Appropriations Subcommittee which drafted the statutory language originally employed the term "facilities" and later substituted "projects," in order to make plain the distinction between dams and steam plants on the one hand, and individual generating units and transmission facilities on the other.

You will note it was provided that the TVA shall return to the Treasury such money as they may collect, save and except such part as may be essential to the proper operation of the TVA, which, according to the act of Congress, is the sole supplier of electricity over parts of 7 States. It is the only utility in that area. General Vogel, an appointee by President Eisenhower, testified that if you were to cut off all except preference customers of the TVA or if you were to make some cities supply their own power in the area where the TVA is the only utility, it would take 2½ years from the time they started construction to furnish such needed power, even if that was what the Congress decided they should do by legislation. Not only that, but President Eisenhower and the Budget Bureau have agreed that the TVA needs additional units at two existing projects at present, and further additional units will be needed in the immediate future. The TVA is running short of power to meet the needs of its customers in its own geographic area. These units do not involve any expansion in the TVA service area, but like every private company in the United States, the power needs are increasing, and about the time TVA has thought they have met it, the Congress will put some other war activities down there and demand that TVA supply that power, as we should.

All parties have agreed that unless new units are provided at existing projects there will be a power shortage in this area by late 1958. General Vogel, the President's appointee says there is no way to meet the needs in time to prevent a shortage except with new units at these particular projects.

Without additional units, the TVA system would have capacity deficiencies in 1957 and 1958. All other power systems are adding units, and building new plants, to establish and maintain margins of capacity.

Power use in the TVA area grows about 750,000 kilowatts per year, exclusive of increases in the defense loads. To meet this growth requires generation and transmission additions costing about $150 million a year. TVA's net income before depreciation was $78 million last year, and out of this TVA is paying $59 million into the Treasury this year. Clearly TVA will not be building all the capacity it needs—let alone any it does not need—from its revenues.

May I say these appropriations we have been making to TVA for power in the last 10 or 12 years have come about because we have put these military facilities in that area, at a cost of hundreds and hundreds of millions of dollars. Such military establishments would not be useful if we did not have the power. In fact such military needs use more than 50 percent of all power produced by TVA.

The law provides that the corporation should report to the Congress its activities and report on its various activities. But the Congress, not wanting to change this from a corporation to an agency, in the Corporation Control Act provided that such act should not be construed so so as to modify section 26 of the TVA Act, which makes provision for the Directors of the TVA to meet the responsibility of serving the TVA service area. Such Board of Directors has a direct obligation to use their authority under the law to meet the needs of the people in the area that it serves.

It was in 1948 that we provided the language which has been discussed here, and which I have quoted. Let us read it again:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects except for replacement purposes until and unless approved by act of Congress.

I, too, have felt that the TVA, in view of these attacks that are constantly being made on it, should return money to the Government. In 1948 I was a member of the subcommittee which wrote this provision and actually drafted the final language under which the TVA does return to the Government over a 40-year period the money that we put into it for power production. In other words, TVA is required to return money to the Treasury in such amounts as will average not less than 2½ percent each year.

Actually TVA is considerably ahead of schedule in such payments and I remind you it still belongs to the Government. Certainly, in my book that is interest on our investment. I repeat, each year an average of not less than 2½ percent of the money that we have put in it for power generation is returned to the Government.

Involved in the immediate situation is this fact. TVA is still making its payments. They were ahead in making their payments, but President Eisenhower and his Bureau of the Budget said that additional units in the existing projects are particularly needed. Some they recommended and they, as well as the Board of Directors, have recognized a growing need for power here as in all sections of the United States. But there are two ways that we can meet such needs. We can say that TVA, in addition to returning to the Government this money, which it has to return, an average 2½ percent each year which is a fair return, after such payments can take their funds from power revenues and meet these needs that all recognize—or the Congress can appropriate the money for such units in which case TVA would have 40 years in which to pay such money back.

It was the opinion of the majority of the House committee that it was much more sound for the TVA to use its power revenues, which is in addition to their repayments, instead of our appropriating money which would be paid back only in 40 years. That was the directive of the House committee report when the bill went through the House to start with. The bill went to the Senate and the Senate appropriated $3½ million for the unit at John Sevier. In conference the Senate receded.

If this conference report is voted down, it will mean and would be taken to mean that in view of the recommendation of the President of the United States and his Bureau of the Budget, you are asking that additional appropriations be made instead of telling the TVA Board of Directors that in addition to making their repayment—since they have got to have these units—they must stretch their power revenues to meet their needs for new units from those revenues, as provided in committee report of the House.

I think it is wholly unsound to vote against the many items there are in the bill. The TVA Act, whatever its meaning is, speaks for itself. I have my interpretation of it and I think I am sound, because I know the intent in drafting the act; that is, while they could not use the revenues to put in new projects, if it is a replacement they can do as I have indicated; but a power facility, a new unit at an existing project, represents a different thing, and the TVA retains its authority to do that. Whether I am right or my colleagues on my left are right, your vote on this conference report will not change the law one iota. The law has been written. It is on the statute books. It is there for interpretation. It will be there whichever way we vote. And it was there whatever we did in conference.

The attacks that are made each year on the TVA are not directed to this conference report, but they are directed to changing the basic law concerning TVA. I realize that is a controversial subject.

Another point made as to what the TVA should do comes from a mistaken idea that the TVA is an agency of the Government. It is a Government-owned corporation created by separate legislation, as is the Commodity Credit Corporation. It is just as much beyond my reach to change that Corporation when it comes before my Subcommittee on Agriculture as it is for this group to change the basic act here. If the Commodity Credit Corporation law is to be changed, it must come from the Committee on Banking and Currency.

May I say again, if you vote for this conference report, you have not changed the law concerning the TVA. If you vote against the conference report, you will be voting against the settlement of the passage of a badly needed bill, to provide funds for the various activities of Government which I have mentioned.

The situation is getting tight, and it is time we move on and appropriate the funds for these agencies. There is no money in the report for the TVA.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. May I say to the gentleman I am in agreement with him as to his analysis of the effect of this vote. While I protest the language that was contained in the majority report accompanying the bill originally and think it was completely in error, I do not think a vote against this conference report would prove anything one way or the other. So as far as I am concerned, I shall support the conference report.

Mr. WHITTEN. I thank the gentleman.

Mr. Speaker, in times past the TVA has always reported to the Congress the use of its own money for its needs in discharging its responsibility to the region where it is the sole supplier of power. In 12 instances the TVA has reported to Congress that it was using revenues to meet its needs within its own geographic area. On 12 occasions the TVA has used its power revenues to meet existing problems such as adding new units and other works, and reported it to the Congress. There is nothing new in what exists here. It is a problem that has had the recognition of the President and the Budget Bureau, and the unit at John Sevier is recommended by all concerned. Is it sound to let the TVA use their own revenue as against our appropriating additional money? Whether or not you differ with that view, the Senate has receded from its position of wishing money on the TVA, and in receding they have left us where if we do not adopt this conference report we are voting down all these many items for other departments and agencies. There is not a line in this report concerning the Tennessee Valley Authority except that the Senate receded on its appropriation. The conference report should be adopted.

Mr. CANNON. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I avail myself of this time in order to inquire of the majority leader as to the forthcoming program for the remainder of the week.

Mr. McCORMACK. After the disposal of the present conference report the District of Columbia transit bill will be the next bill in order.

On tomorrow the President of Indonesia will be our guest at a joint meeting of both bodies of Congress.

Following that there will be in order the consideration of the bill (H. R. 9052) to extend the Export Control Act of 1949. The rule on that bill provides for 1 hour of general debate.

Mr. HALLECK. May I inquire of the gentleman if there is not a very definite possibility that final action on the transit matter may go over until tomorrow?

Mr. McCORMACK. If it is not disposed of today it will go over until tomorrow. Just as a guess, I would say it is a strong probability that the bill will be disposed of today.

Mr. HALLECK. I ask the question only because I thought a misapprehension might have been created. There will be an hour of debate under the rule and 2 hours of general debate. The committee report of the bill was a complete amendment to the original bill, so I had rather assumed that possibly action would not be completed on it today.

Mr. McCORMACK. All I can say is that if the bill is not disposed of today it will continue under consideration tomorrow. Of course, taking up the extension of the Export Control Act will be dependent on the time the transit bill is disposed of tomorrow, if it does go over until tomorrow. There is no agreement or understanding about its being concluded today.

Mr. HALLECK. I thank the gentleman.

CALL OF THE HOUSE

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. COOPER). The Chair will count. [After counting.] A quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 48]

Alger
Andersen,
  H. Carl
Anfuso
Barden
Bolton,
  Oliver P.
Bonner
Brooks, La.
Burdick
Carlyle
Chatham
Clark
Cooley
Davidson
Davis, Tenn.
Deane
Denton
Dolliver, Iowa
Donovan
Durham
Eberharter
Ellsworth
Fascell
Gamble
Gary
Granahan
Green, Oreg.
Gregory
Harrison, Nebr.
Hébert
Hillings
Hoffman, Ill.
Holifield
Holtzman
Jennings
Johnson, Calif.
Kearns
Knutson
Lane
Lankford
Long
Miller, Calif.
Mollohan
Morrison
Moulder
O'Hara, Minn.
Pillion
Powell
Prouty
Radwan
Rivers
Rogers, Mass.
Rogers, Tex.
Sheppard
Short
Smith, Va.
Steed
Thompson, La.
Tollefson
Utt
Velde
Walter
Watts
Westland
Wickersham
Willis
Wilson, Ind.
Winstead
Wolcott
Younger

The SPEAKER pro tempore (Mr. COOPER). On this rollcall 359 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, there are a number of amendments in disagreement, merely technical in nature.

Mr. Speaker, I ask unanimous consent that amendments Nos. 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Speaker, reserving the right to object, in the amendments which the gentleman just enumerated did he include amendment No. 24?

Mr. CANNON. No.

Mr. GROSS. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 11: Page 4, line 20, insert:

"WAR SHIPPING ADMINISTRATION LIQUIDATION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946', is increased from '$5,900,000' to '$24,000,000.' Provided that the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by Fifty-eighth Statutes at Large, page 758."

Senate amendment No. 12: Page 6, line 4, insert:

"Independent Agencies

"Small Business Administration

"Revolving Fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $20 million."

Senate amendment No. 16: Page 11, line 1, insert:

"Acquisition of Land and Building, Chicago, Ill.

"For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Ill., together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, $3 million, to be derived by transfer from the appropriation 'Sites and planning, purchase contract, and public buildings projects'."

Senate amendment No. 17: Page 11, line 17, insert:

"Expenses, general supply fund

"For an additional amount for 'Expenses, general supply fund', $450,000, to be derived by transfer from the appropriation for 'Sites and planning, purchase contract, and public buildings projects'."

Senate amendment No. 21: Page 17, line 20, insert:

"Construction

"For an additional amount for 'Construction' $2 million, to remain available until expended."

Senate amendment No. 22: Page 18, line 4, insert: "*Provided*, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, 46 school buses presently on loan to the Bureau of Indian Affairs."

Senate amendment No. 23: Page 18, line 9, insert:

"Construction

"For an additional amount for 'Construction', $240,000, to remain available until expended: *Provided*, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: *Provided further*, That not to exceed $54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable."

Senate amendment No. 26: Page 20, line 21, insert:

"DEPARTMENT OF LABOR

"Bureau of Employment Security

"Mexican Farm Labor Program

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', $65,000, to be derived by transfer from the appropriation 'Unemployment compensation for veterans'."

Senate amendment No. 28: Page 22, line 13, insert:

"Increased Pay Costs, Career Incentive Act of 1955

"For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the act of March 31, 1955 (Public Law 20), as follows:

"'Assistance to States, general', $55,000;
"'Communicable diseases', $55,000;
"'Sanitary engineering activities', $70,000;
"'Foreign quarantine service', $20,000;
"'Retired pay of commissioned officers', $130,000;

"The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, Eighty-fourth Congress, but no appropriation shall be increased by more than $10,000 as a result of such transfers."

Senate amendment No. 30: Page 23, line 14, insert:

"NATIONAL MEDIATION BOARD

"For an additional amount for 'Salaries and expenses', $25,000, to be derived by transfer from the appropriation 'Arbitration and emergency boards', fiscal year 1956."

Senate amendment No. 34: Page 26, line 6, insert: "; and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from '$175,000' to '$200,000'."

Senate amendment No. 36: Page 28, line 1, insert:

"POST OFFICE DEPARTMENT

"Operations

"For an additional amount for 'Operations', $16,000,000: *Provided*, That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed $2,000,000) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading 'Operations' in title II of the Treasury-Post Office Appropriation Act, 1956."

Senate amendment No. 39: Page 31, line 4, insert:

"For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, $22,500."

Senate amendment No. 40: Page 31, line 7, insert:

"Salaries, offices, and employees

"Office of the Secretary: For an additional amount for the Office of the Secretary, $2,535: *Provided*, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at a rate not to exceed $8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by $3,000."

Senate amendment No. 44: Page 32, line 1, insert:

"Stationery: For an additional amount for stationery, $2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to $12,900."

Senate amendment No. 45: Page 32, line 5, insert:

"Administrative provisions

"The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: '*Provided further*, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the 1st day and prior to the 10th day of any month, such certification may be made at any time not later than the 10th day of such month'."

Senate amendment No. 61: Page 39, line 21, insert:

"National Mediation Board: National Railroad Adjustment Board: 'Salaries and expenses' (decrease of $18,000 in the limitation upon the amount available for compensation and expenses of referees)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 4, strike out lines 11 to 16, inclusive.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"Ship Construction

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from 5 to 10; and the authority contained in that act for the vessel operations revolving fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce;'."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 19, line 3, strike out "For an additional amount for 'Construction', $3,000,000", and insert in lieu thereof "For an additional amount for 'Construction', $360,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction,' $3,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, on this amendment, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. CANNON] for yielding me time. I am sorry that it is necessary to take the time of the House to go into an explanation of this matter somewhat in detail.

This is a matter essentially that involves locally the city of St. Louis, although it is of national concern, because it involves a national memorial park located in downtown St. Louis.

In order that the House may understand this matter, I have to go back a little bit in history. The matter was fully explained to the committees of the House that authorized it and also to the Committee on Appropriations. But because the rest of the House is not aware of the details, I do want to recount them. When I was still at law school, this measure was developed and large portions of a downtown section of St. Louis were razed in order to start this proposed Jefferson Memorial expansion park. Whether or not that was a wise decision, I am not here to argue or even to discuss. The fact remains that for over 20 years now we have had there in downtown St. Louis this bare area where buildings had been razed and nothing further has been done.

In compliance with the original idea, the city of St. Louis voted a bond issue of several million dollars to contribute its share to this program. That money is available. It was necessary to take the railroad tracks which run on a trestle in front of that area in order to make it a proper park, and put them underground. Therein lies the trouble, because it is necessary for the private railroads to put up some money themselves in order to go ahead with this program. That is where the underlying opposition has occurred to a large degree over a period of many years. Strangely enough, however, this program had never even been authorized. When I came to Congress one of the first things I tried to do was to get the program authorized, because there was no way of turning back and returning this property to private individuals or the city of St. Louis.

At the same time we have this concern over the cost to our Federal Government and the fact that we have an unbalanced budget. So I told the people of the city of St. Louis who were interested that I would introduce an authorization bill providing it was clearly understood that we would not be asking any appropriation on that until such time as a balanced budget was presented to the Congress.

I submit, how many times in the history of this Congress has a community through its representative been that fair on a matter of this nature? That was the basis on which this program was authorized, so that the city of St. Louis

could go ahead with their municipal planning, because if you do not know what is going to happen in the downtown section you cannot very well make any long-range plans for the rest of the programs you have in mind.

Now for the first time we did have that very happy thing occur in January. The President presented a balanced budget. Whether or not it will be balanced by the time the Congress is done is not the point. We have complied with the spirit and the technicalities of that provision which I myself asked to have put in. It seems to me a very strange thing when these people who allege that they are so interested in preserving our solvency come in and try to hit us over the head because we have voluntarily limited ourselves by such a restriction.

That is the issue. There still is an undercurrent fight that, in my judgment, probably comes from the railroads, in the belief that they are going to have to contribute a certain amount of money if we can get this appropriation through.

One final statement: There actually cannot be any money spent for at least a year, but we do need the appropriation so that we can start negotiations with the railroads and with the city of St. Louis towards getting the actual plans laid so that the tunnel can be built and the parkway can go ahead and the city of St. Louis can solve this problem of having this vacant area right in the heart of downtown St. Louis for the past 20 years.

I certainly hope the House will see the merits of this amendment and back us up on it.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I thank the gentleman from Missouri [Mr. CANNON] for giving me this time.

Mr. Speaker, this is a question of whether Congress is now embarking upon a program of providing funds for the civic improvement of St. Louis or any other city in the country.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for a correction?

Mr. GROSS. I yield.

Mr. CURTIS of Missouri. This is not the city of St. Louis. If you gentlemen will read the committee hearings on this, this is a national park to commemorate Thomas Jefferson and the westward expansion movement. The full details of all this were in the committee hearings.

Mr. GROSS. The gentleman will admit, of course, that this expenditure is to be made within the confines of the city of St. Louis?

Mr. CURTIS of Missouri. Yes, they have it right in the middle of us.

Mr. GROSS. Yes, of course it is, so it amounts to a civic improvement. I hope to explain that just a little further, if the gentleman will permit me.

When this program was before the House in the appropriation bill, I raised the point of order against the legislative provision making the $3 million available until expended. The chairman of the Committee of the Whole held it to be legislation on an appropriation bill. Now, we have it back with the same language, but it cannot be reached on a point of order because it is contained in a conference report. On March 20, when this same handout was before the House, I said this:

> I am opposed to this expenditure. Here is what the taxpayers of the country will contribute to this project in St. Louis: $1,875,000 for the relocation of railroad tracks and other railroad facilities; $1,125,000 for grading and filling along the Mississippi River waterfront; $500,000 for landscaping; $900,000 for paving, utilities, and so forth, and $600,000 for restoration of what is known as Old Courthouse. That is a total of $5 million so we can look forward to further heavy expenditures of taxpayer money in behalf of the civic improvement of St. Louis.
>
> Members of the House may well ask themselves how many millions of dollars the Federal Government is spending toward the relocation of railroad tracks and otherwise financing civic improvements in the cities and towns of their districts.

This appropriation of $3 million is only a start in a multimillion dollar program solely for the benefit of St. Louis. If this is approved, then the thing for all the cities and towns and you in your districts is to establish a monument, memorial or something of that kind, and then come to the Federal Government to get railroad tracks relocated, get your landscaping done; improve your waterfronts, riverfronts, lakefronts and so forth.

Mr. Speaker, I have no desire to take further time of the House. The issue is clear. A vote for the motion is a vote to use millions of dollars of all the taxpayers' money to do for the citizens of the city of St. Louis what they ought to do for themselves. I am opposed to this motion and to this initial expenditure from the Federal Treasury for the benefit of this one city.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

JEFFERSON NATIONAL EXPANSION MEMORIAL A NATIONAL PROJECT COMMEMORATING LOUISIANA PURCHASE

Mrs. SULLIVAN. Mr. Speaker, this project has been under way in St. Louis for more than 22 years. It is not a St. Louis project as such; it is a national project. It commemorates the Louisiana Purchase and the opening of the West. It was just 152 years ago this week that Lewis and Clark set off from this very spot for their historic journey to the Pacific.

But all that has been explained many times. This item was virtually eliminated from the bill once before on a technicality, on a point of order. There is no widespread opposition to this appropriation, I am sure. But now that it has been challenged again, at least the House will have the opportunity to vote on it, and I am certain it will be approved on its merits.

The Federal Government and the city of St. Louis have jointly worked together on this project, as I said, for many years. President Franklin D. Roosevelt helped us to get the work underway. It is National Park Service property, turned over to it by the city, at very substantial cost. World War II and the Korean war halted the work.

It was in order to end any controversy over whether Federal funds could properly be spent on this project that a bill which I introduced was enacted by the 83d Congress. It provided for expenditure of $5 million for the Federal share of the cost of this project, on a ratio of $3 of Federal funds for $1 of St. Louis funds. The issue was fully discussed in all of its aspects at that time. At the suggestion of my colleague from St. Louis [Cr. CURTIS] the bill was amended to provide that none of this $5 million of Federal funds could be spent until the Federal budget was declared in balance.

This year that condition was met. It was met on January 16 when the President announced in his budget message that we would end up the 1956 fiscal year next month with a balanced budget and that the budget he proposed for the 1957 fiscal year was in balance.

Now if it will just be remembered that the House Interior Committee and the Senate Interior Committee both approved this project in the 83d Congress, and that the House and Senate also approved it, and that the Budget Bureau approved it, and that the President signed it, it will be clear that there is nothing surprising about this appropriation. It is bipartisan and almost complete noncontroversial. The enabling law was enacted in 1954. The Budget Bureau informed us early this year that the requirements of the law insofar as a balanced budget were concerned had been met.

Thus, we have met every requirement necessary to get the appropriation. When the President announced a balanced budget and the Budget Bureau confirmed that the requirement had been met, we went to the National Park Service and to the top officials of the Department of the Interior to enlist their support on this. They proposed $3 million for inclusion in this bill. The Budget Bureau approved that and recommended it to the Congress. Our Appropriations Committee joined in the recommendation. Then it was attacked on a technicality, a point of order based on the language "to be available until expended."

Now, after full review and thorough consideration, the House and Senate conferees have agreed on this amount of $2,640,000, which will be used primarily to relocate the railroad tracks so that this great memorial can begin to take shape.

There was never any thought by the President or the Department of the Interior that the recommendation for funds was just a meaningless formality, I am sure. The only reason this money was included in a supplemental appropriation instead of the regular 1957 appropriation, as I understand it, was so that the planning work for relocation of the tracks, and the preparation of specifications for bids, could proceed during the early months of this spring, rather than be held up until July 1. But if the money had to be spent in the 1956 fiscal year, which ends in just a little more than a month, why of course it would not be of much use to us. We could not get the work underway in time for that. That is why we must have the appropriation available until expended, rather than have the money earmarked for use in the current fiscal year only.

As the Members know, the President's request for these funds did not arrive at the Capitol until we had already passed the Interior appropriation bill for the 1957 fiscal year.

I repeat, Mr. Speaker, that all of the necessary legislative requirements have been met according to the rules of procedure for the House of Representatives. I therefore ask, Mr. Speaker, that this amendment be voted upon and that we, finally and after all of the many delays and interruptions and roadblocks, get the work underway on the Jefferson National Expansion Memorial.

Mr. KARSTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. KARSTEN. Mr. Speaker, I join with my colleague in urging that these funds be made available for the construction of the Jefferson National Memorial project. I might say for the enlightenment of the gentleman from Iowa that this is not within the city of St. Louis, but is on Federal land and this is not a contribution to the city of St. Louis, but rather a contribution to the national park in which all citizens of America have a deep and vital interest. I would also like to point out that 2 years ago when this authorization passed the Congress an agreement, an implied agreement if you wish to so describe it, was made with the city of St. Louis and the people of Missouri, that when the conditions enumerated in the appropriation bill had been met, the funds would be provided and made available for the construction of this memorial.

The gentleman from Iowa [Mr. Gross] asks the Congress to "welch" on that implied agreement that the Congress had with the people of St. Louis. It is my hope that the views of the gentleman from Iowa will not prevail, because it will certainly destroy a wonderful memorial, not only for the State of Missouri and the city of St. Louis but the country as a whole. I hope that the funds will be provided so that this great work can go ahead.

Mrs. SULLIVAN. I thank the gentleman.

There is one other thing that I want to stress, and that is that this has been a bipartisan project all the way through. The gentleman from Missouri [Mr. Curtis] mentioned that when he first came here one of the first things he did was to try to get this authorization. Similar bills were introduced by the gentleman from Missouri [Mr. Karsten], the gentleman from Illinois [Mr. Price], and Senators Hennings and Symington.

Mr. PRICE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. PRICE. I concur in most of his statements made by the gentlewoman from Missouri and the gentlemen from Missouri, Mr. Karsten and Mr. Curtis. This is not a local memorial. This is a national memorial. It is to symbolize the opening of the great West. It is a memorial that every American, regardless of what State he comes from, should support wholeheartedly. The appropriation has been sought for many years, and it should be made now. Certainly we have arrived at the time when the pledge that was made to the people who supported this movement from the start should be given by the Congress of the United States.

Mrs. SULLIVAN. I thank the gentleman.

In conclusion I ask you to consider that this plan has been in formation for years. There is nothing new about it. It has been discussed time and again, and approved by all of the appropriate agencies, officials and committees. I hope you will, by your approval today, let us get started on this project now.

The SPEAKER pro tempore. The time of the gentlewoman from Missouri [Mrs. Sullivan] has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. Cannon].

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 134, noes 10.

So the motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that I may insert as a part of my remarks the minority views in the report that was submitted to the House on the bill just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on House Resolution 409 and H. R. 8901 and include tables.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 489 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the distinguished member of the Rules Committee, the gentleman from Illinois [Mr. Allen], and pending that I yield myself such time as I may consume.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, House Resolution 489 makes in order the consideration of H. R. 8901, a bill to provide a transportation system for the District of Columbia.

The resolution provides for an open rule, waiving points of order against the bill, 2 hours of general debate, and makes in order the consideration of the committee substitute amendment as the original bill for purposes of amendment.

H. R. 8901 created a public authority system for the District of Columbia. After the Subcommittee on Transportation of the Interstate and Foreign Commerce Committee has held extensive hearings—examining both the possibilities of a public authority and the proposals of private groups to succeed the present company—it was decided, in view of the emergency problem, adequate transit service could only be assured by the continued operation by the Capital Transit Co. Therefore, the committee adopted an amendment in the nature of a substitute bill providing that after August 14, 1956, the Capital Transit Co. would operate under its present charter and franchise with certain modifications. The company's franchise and the regulatory laws would be modified in the following ways:

First, the Public Utilities Commission would determine the rates of fare to be charged by the company on the basis of a system rate base figured on the net investment of the company as of July 31, 1955, with certain additions and subtractions which are outlined in the bill. The rates of fare now in effect, however, would continue unchanged until at least August 15, 1957.

Second, the company would be afforded the opportunity to earn 6½ percent on the system rate base, but there

is no guaranty to the company that it would receive such a rate of return.

Third, the company is granted certain tax relief and partially relieved of existing snow removal obligations.

Fourth, the company would no longer be required to secure approval of the Public Utilities Commission to issue evidences of indebtedness payable within a year or less.

Fifth, the Public Utilities Commission is granted authority to fix charges and establish rules and regulations governing the issuance of transfers by the company.

The committee substitute further provides that the company is to initiate a plan for the gradual conversion of streetcar operations to all-bus operations.

In short, the terms under which the Capital Transit Co. would operate are substantially the same as the District Commissioners were prepared to offer to other private applicants.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 489 so the House may proceed to the consideration of the bill, H. R. 8901.

Mr. ALLEN of Illinois. Mr. Speaker I yield 5 minutes to the gentleman from Indiana [Mr. Halleck].

Mr. HALLECK. Mr. Speaker, I rise in support of the rule and also in support of the bill or rather what is really a committee amendment from the Committee on Interstate and Foreign Commerce.

It was my privilege to serve on the great Committee on Interstate and Foreign Commerce for many years, so possibly for that reason as well as for many others I have followed this whole controversy with a great deal of interest.

As I understand, this proposal came from the committee with almost unanimous support, not quite, but almost unanimous, so certainly for that reason it should have very careful consideration and, may I say, favorable consideration. The basic issue before us here today is whether we want to create a new public transit authority here in the District of Columbia or allow the system to remain under private ownership.

When the franchise of the Capital Transit Co. was revoked last year by the Congress it was with the thought, I believe, that new private operators would be found to take over. May I say that so far as I can discern at that time the Congress had no thought of creating a public authority. I think it is worth while to keep that situation in mind, because some gentlemen who advocate the so-called public authority later undertook to make it appear that having marched up the hill we are now marching back down the hill. I do not agree with that at all. As far as I am concerned, if I know the basic issue involved we are maintaining a constant position.

What has happened in the meantime? As I understand it, six applicants have come forward with offers to take over the system. One applicant that I happen to know something about in particular gained the support of the Washington Board of Trade and I also understand there was committed financial support in a very considerable amount by a number of retail stores in the District of Columbia. But, for one reason or another, all of these applications were rejected. It may be that some people really want a public transportation system here in the District of Columbia. But I just do not happen to be one of that group.

This is not to say that I am opposed to the idea of a public transportation system for any city whose residents want it, are willing to support it and are willing to pay for its operation. But the situation here in Washington is peculiar. This community is unique in that the Federal Government carries a large responsibility for the operation and maintenance of municipal facilities and for the development of policies and programs.

This obligation, which rests ultimately with the Congress, includes the annual appropriation of money from the Federal Treasury to help carry on the routine pursuits of the Capital City. The other body has proposed establishment of a so-called interim public authority for a period of 3 years, the idea being that an attempt will be made during that period to find private individuals or a group that will take over the franchise.

As we say in the vernacular, let us not kid ourselves about that. If we set up a public authority now we are going to be stuck with it from now on. You all know as well as I do that if we set up this so-called interim public authority for 3 years, the idea of a public transit system will be so firmly imbedded in the District operation it will never be dislodged.

We have had lots of experience around here with temporary expedients. Nothing is more permanent than a temporary arrangement in Washington.

What are some of the things we can expect if we establish a public transit authority? First of all, it has been pointed out that we will lose $2 million annually in a tax subsidy. It is also well known that should an authority be established, an initial sum of $20 million will be needed to get the operation under way, and I hazard the guess that it will be more than that. I have heard this $20 million described as a loan. Let me say that it will come from the Federal Treasury and here again we have had some bitter experiences in my time down here with this business of lending taxpayers' money to public authorities and agencies created by the Congress.

Beyond the matter of money is the question of supervision. The Congress has already spent no one knows how much time and effort on this transit issue. What we have been going through is nothing compared to what we may expect in added burdens on this body if the transit system becomes a public authority.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman from Indiana two additional minutes.

Mr. HALLECK. Mr. Speaker, make no mistake about it, we will be plagued with the necessity for decisions on routes, fares and personnel problems.

Let me point out just one little item in this connection. I received a letter a day or so ago, and I assume you did, too, from the head of the Transit Employees Union indicating strongly the possibility of another strike if the bill we are now considering is enacted into law. May I ask, what assurance anyone is prepared to give that there will be no strikes under a public authority? An amendment to prohibit such a strike was voted down in the other body. Are we to assume there will be no strikes because a public authority with taxpayers' money to cover deficits will be as generous as necessary to prevent walkouts?

One more thing. Last week this body went on record as in favor of less Government competition with private enterprise when we knocked out a provision in the Defense Department appropriation bill that would have made it more difficult for the Defense Department to close out a lot of activities that are in competition with free enterprise. Are we going to turn around now and say that private operators cannot do the job of providing transportation here in Washington, so the Federal Government is going to move in?

The truth about the matter is that private operators not only can do the job but they can do it better and cheaper than a public authority can do it. While I hold no brief for past actions of the management of Capital Transit Co., at the same time it is now clear that the picture there is not all one of just blacks and whites.

As against the pitfalls, the complexities, the burdens and the principle of putting the Federal Government in the public transit business, restoring the franchise to the Capital Transit Co. is by far the lesser of two evils. If this franchise is now restored, recent events indicate enough has been accomplished to give us reason to believe new private management can be brought about. Certainly there is a far better chance to establish such new private management if we pass this House bill rather than open the door wide to permanent public authority as we would surely do under the proposal enacted by the other body.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. Broyhill].

Mr. BROYHILL. Mr. Speaker, I wish to thank the gentleman from Illinois for giving me this time on the rule, because the time in general debate on the bill is rather limited.

Mr. Speaker, I rise in support of the rule and the bill to restore the franchise to the Capital Transit Co. In fact, I introduced a bill, containing similar provisions, to the bill introduced by the gentleman from Arkansas [Mr. Harris]. There is no Member of this body who is more vitally interested and more vitally concerned with a public transportation system here in the Nation's Capital than am I. My entire congressional district is, you might say, within the shadow of Capitol Hill, and any cessation or interruption of public transportation in the National Capital itself vitally affects the people in my congressional district.

Mr. Speaker, it is indeed unfortunate that we are considering this legislation today in an atmosphere of controversy and confusion and disagreement. It is unfortunate that there is personal animosity involved. I do not say that that personal animosity was generated here on Capitol Hill, but it certainly was generated downtown by some leaders in the District government. So, there is some hatred of individuals involved in the consideration of this legislation. And, it is also unfortunate that so much of the time of the Congress has to be taken up in the consideration of the problem of transportation here in our Nation's Capital. But, in spite of all the controversy and confusion, the question here today is a very simple one, as pointed out by the gentleman from Indiana. The simple question is whether or not we want to have a transportation system here on August 14, when the present franchise of the Capital Transit Co. expires. Of course, the answer is "Yes."

But, there is another question, and that is, if we are going to have public transportation here on August 14, whether we want to have this transportation operated by private enterprise or whether we want it operated by the Federal Government, because that is in effect what the bill, which was passed by the other body, would do. It sets up a branch of the District of Columbia Government to own and operate the transit system here in the Nation's Capital, with no assurance whatsoever that we would be provided with adequate transportation; with no assurance that we could even make it pay; with no assurance that the taxpayers would not be called upon to subsidize a system here in the District of Columbia which is now paying for itself. So, the choice is between private ownership and public ownership. We have explored all other possibilities of having private ownership interested, and the only method of private ownership is to restore the franchise of the Capital Transit Co. and to correct the error we made last summer. Everyone who knows anything about transportation, all the experts, have stated that the Capital Transit Co. is a good company. They have good equipment. It provides good service. It provides this service at proper and reasonable rates. So, then, what is the objection to restoring this franchise to the Capital Transit Co.? It is just animosity and objection to the principal stockholder who is at the present time chairman of the board of Capital Transit Co. It is an objection to his management; simply because a few years ago he came in here and bought the controlling interests of the company and declared dividends which many people thought were in excess of what they should have been. But be that as it may, if this chairman of the board has committed a sin, if he has committed a violation of the law, let us come forth here with legislation penalizing him; hang him, if necessary; get him in any way you can. But let us not destroy a private industry, an industry that is now serving the people of the Nation's Capital, merely in order to get rid of one individual who has done something that we have objected to.

That has been the attitude downtown all the way through from the time that this strike started last July. They are trying to destroy one man and in trying to destroy one man, they are willing to destroy a thriving private industry here in our Nation's Capital.

It reminds me somewhat of the Uncle Remus fable about the fox and Br'er Rabbit. The fox wanted to destroy Br'er Rabbit, and after a little conniving, Br'er Rabbit talked the fox into throwing him into the briar patch.

What we have done here is this. The people downtown have attempted to throw Mr. Wolfson into the briar patch and leave the citizens of the District of Columbia and the Nation to be confronted with the boiling oil of the problems of the transportation industry. They want to destroy the transportation industry in order to destroy Wolfson. You cannot destroy Wolfson. You cannot junk the transportation industry here in order to get rid of Wolfson. I want to remind you that Mr. Wolfson made a fortune in the junk business down in Florida. You cannot junk the transportation industry and expect to injure Mr. Wolfson in any way at all.

I am not here to defend Mr. Wolfson. He is not on trial today. What is on trial is the transportation industry here in the Nation's Capital. I point out again that there is no action that we can take here today that would injure Mr. Wolfson in any way whatsoever.

We have learned in the last few hours—and I think that the gentleman from Arkansas [Mr. Harris] will discuss that a little bit in a few minutes—that there are other people, substantial people here who are ready, willing, and able to take over the stock which is now owned by the present chairman of the board. So, if favorable action is taken on this bill, I think we may be very well assured that the company will not be under its present management in the future. But even if it remains under its present management, what was it that we did last summer? And why did we do it? Why did we revoke this franchise? Because some unreasonable dividends were declared in the past, or because there was a strike against the present management.

The gentleman from South Carolina [Mr. McMillan], chairman of the Committee on the District of Columbia, and I, spent several days and nights trying to work out a solution to that problem. When the union first went on strike last July 1, everybody immediately jumped on the management of the Capital Transit Co., as though they were the only one at fault. The Capital Transit Co. had put the Public Utilities Commission on notice that they were going to have to be faced with a wage-increase demand on July 1. They were put on notice as early as last January. The Public Utilities Commission was aware of that, but no action whatsoever was taken in regard to their request for a fare increase. But no one condemned the Public Utilities Commission for their neglect or their adamancy in not giving careful consideration to that request for a fare increase. The union demanded an increase in wages and other fringe benefits that amounted to approximately $7 million, almost 7 times more than the one that they got in final settlement. No one criticized them for their unreasonable demands. We were present at these conferences, as I pointed out before, and we found in every instance that there was a willingness on the part of the management of the Capital Transit Co. to settle this strike in some way. They agreed to pay almost the same amount of increase that the union finally accepted, after the franchise was revoked. They agreed to do that and take a chance on the Public Utilities Commission coming back and granting a fare increase. But the union, under no conditions, would even consider any offer, or any negotiation with the Capital Transit Co. for any figure under $7 million, which they had originally demanded. So it was decided apparently that the only way of getting the union to accept the offer of the Capital Transit Co. was to revoke their franchise. But it was done on the advice of the District Commissioners that there were several private investors who were willing to come in and take over the operation of the public transportation system here in the District of Columbia. Then the franchise was revoked. Then we found the union accepted practically the same offer from the District Commissioners that had been made, in Mr. McMillan's office, just a few weeks before that, by the present management of the Capital Transit Co. And then the Public Utilities Commission granted the fare increase which had been asked for 6 months prior by the Capital Transit Co.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California.

Mr. HINSHAW. I gather from the statement the gentleman has been making that it would almost appear there had been afoot a conspiracy to cause a revocation of the franchise of the Capital Transit Co.

Mr. BROYHILL. That is my opinion. Just as soon as that strike occurred last summer it seemed to be that the action taken by the District Commissioners was to get the Capital Transit Co. out of town, destroy the Capital Transit Co. first, rather than to look for a long-range program for public transit service here in the metropolitan area.

After they revoked the franchise, they tried to get private owners to come in here and operate the transportation system. Early last fall it became evident that no one was willing to come in here and provide the type of transportation that was being currently provided by the Capital Transit Co. The Capital Transit Co. is in sound financial shape, the best financial shape of any privately owned transportation company in the country. They do not owe 1 thin dime to anyone, and have approximately $4 million in the bank.

To restore this franchise to the Capital Transit Co. will not be capitulating, will not be stupid, as some Members have suggested, but will be a sound, long-range approach to a transportation system here in the District of Columbia, and will not violate any fundamental American principle.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. Hyde], whose district adjoins the District of Columbia.

Mr. HYDE. Mr. Speaker, as has just been mentioned by the gentleman from Illinois, my district is really the only district which is entirely dependent upon this local system for its public mass transportation in and out of the District of Columbia. The district of the gentleman from Virginia has its own transportation systems, and the district of the gentleman from Maryland [Mr. Lankford] has other transportation systems coming in and out of the District of Columbia. So I have had occasion to look very carefully at this whole subject matter of the public transportation system in the District of Columbia and, I may say, so have the citizens' organizations in my district, whose home areas are directly affected by this local transportation.

I may say in that connection that the two big civic associations in Montgomery County, Md., representing thousands and thousands who live in the suburban area, have both made very, very lengthy studies of this problem and have both come to the conclusion that what is necessary is a public authority. Certainly they have come to the conclusion that the Capital Transit Co. should not be left in charge of the operation of the public transportation in this area.

For the moment, because of my limitation of time, I shall confine my remarks simply to the subject matter before us; namely, returning this franchise to the Capital Transit Co. That is what we have before us today. And anything else is speculation; that is, as to whether or not somebody is going to buy the stock. They have been talking about that for a year now. So what we have before us today is returning it to the Capital Transit Co. and under conditions much more favorable than the terms under which they have been operating.

This difficulty with respect to the Capital Transit Co. did not arise just with the strike of last summer. In the 83d Congress a senatorial committee under Senator Payne held an investigation of the Capital Transit Co. and filed a report. In that report the committee came to the conclusion that the present management of this company was not operating this company in the public interest. That was the conclusion of that committee before there was ever any strike.

In addition, the Public Service Commission of Maryland, which has had jurisdiction over the rates, routes, and schedules of this company in Maryland, has said in numerous rate cases that the Capital Transit Co. was continually whittling away the service to the people of the suburban area, and that under the present divided jurisdiction over regulation it was helpless to prevent this continued whittling away of the service.

The implications of the observations of the Maryland Public Service Commission was that much of that service could and should be maintained under proper management and under proper regulation, but because of the legal situation the Public Service Commission of Maryland was powerless to prevent it from being discontinued. The point I am trying to make is that studies and observations made of the present management of the Capital Transit Co. have shown that the Capital Transit Co. management was not operating this public utility in the public interest.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield.

Mr. ABERNETHY. Could not that situation have been corrected by the Public Utilities Commission itself?

Mr. HYDE. No; I am afraid not.

Mr. ABERNETHY. Could not they have revoked the franchise in Montgomery County?

Mr. HYDE. You mean could the Public Service Commission of Maryland refuse to grant a renewal of the permit? Yes.

Mr. ABERNETHY. Why did they not?

Mr. HYDE. Because then the people would not have had any kind of transportation in and out of the city. The solution of that problem, I might say to the gentleman, is the solution I offered in a bill to provide for areawide regulation of public transportation by one regulatory body. But, as the Public Service Commission of Maryland has said, as I said a moment ago, under the present divided jurisdiction among four regulatory bodies, it was powerless to deal with the situation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. Brown].

Mr. COLMER. Mr. Speaker, I yield 2 additional minutes to the gentleman from Ohio [Mr. Brown].

Mr. BROWN of Ohio. Mr. Speaker, I opposed the granting of the rule on this bill when the Committee on Interstate and Foreign Commerce came before the Committee on Rules with its application for a rule. I did so because I believed that by passing this bill, the Congress would not only be marching up the hill, as it did last August, but back down the hill again this year. What we will actually do by the enactment of this particular bill will be to give back to the Capital Transit Co. the franchise we took away from them by congressional enactment last summer. In fact, we will give them back a better franchise than they had before, for this bill will exempt them from a half million dollars in annual taxes, which it formerly paid, and also exempt them from a number of other costs and requirements. If we do this, it will be the silliest, most asinine and stupid action I have ever seen a legislative body take. I just do not like to be in a position, as a Member of the Congress, of permitting Mr. Wolfson or any of his group to make a fool out of either me or any other Member of Congress. So far as I am concerned, the Capital Transit Co. can, and should, be sold to private interests. I am not convinced in my own mind that the Commissioners for the District of Columbia ever made a real or sincere, or at least an effective, effort to get private enterprise operation of this transit company. I think if we enact legislation to give back to this same group of manipulators of the Capital Transit system a franchise, not only better, but twice as good and favorable in terms as the franchise we took away from them last August, we are going to be the laughingstock of the country and will just be delaying the final settlement of this issue which has to be definitely decided sooner or later, either by the creation of a new private enterprise system here to take over the transit company, or a public authority, to which I am opposed. This bill should be recommitted to the committee for further study.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. Hoffman].

Mr. HOFFMAN of Michigan. Mr. Speaker, this bill will no more solve the transportation problems of the people of Washington and vicinity than did our action in the previous Congress when we provided for the repeal of the company's franchise. The difficulty grows out of the attitude expressed in a letter to which reference has been made and which we all received yesterday.

The caption to and the second paragraph of that letter read as follows:

> 1. WE DON'T WANT TO BE FORCED TO STRIKE AGAIN AFTER AUGUST 14
>
> On the basis of the past record, it may be predicted that the Wolfson management will persist in its stubborn unwillingness to grant fair wages and working conditions to the employees. Our contract will be open soon, and the employees will be seeking improvements. Last year the management refused peaceful arbitration and provoked a strike. That strike lasted 7 weeks. The present bill will encourage the Capital Transit Co. to again provoke a strike in the hope of obtaining still further concessions from the employees and the public. We don't want to walk again after August 14.

The head of the local union, Mr. Walter J. Bierwagen, president of National Capital Local Division 689, knows that the people of Washington, and especially the Federal employees, do not want a citywide strike, especially a strike which makes it impossible for them to go about the Government's business. The balance of the letter reads:

> 2. H. R. 8901 IS NOT A PERMANENT ANSWER TO THE TRANSIT SITUATION
>
> H. R. 8901 does not offer a permanent solution to the transit problem in the District of Columbia. Congress will not be relieved of the transit problem by H. R. 8901. The substantial concessions contained in the bill afford the Wolfson management a further opportunity to garner more profits in addition to the rich dividends already received at the expense of the public of Washington. It can be expected that the Wolfson management will grab those profits just as fast as they can and then you will find the transit problem back in your laps. Perhaps the Wolfson interests will again present their proposal for a Washington Transit Authority which they themselves presented several years ago.
>
> 3. THE FREEZING OF THE RATE BASE IS ANTI-PUBLIC
>
> It is doubtful that the provision of the bill which freezes the rate base at a controversial figure is in the public interest. Indeed, such a provision does violence to ordinary concepts of public regulation of a public utility. The rate base of a public utility should be subject to constant reexamination by the

regulatory body. In view of the Wolfson management's record of public irresponsibility, it is incongruous to grant such great freedom from real regulation.

4. THE FARE PROVISIONS GIVE TOO MUCH FREEDOM TO MANAGEMENT

The bill also enables the management to establish its own fares subject to suspension by action of the Public Utilities Commission. The Commission must then act within 90 days, and thereafter, apparently, the company would be free to initiate the process all over again if it was dissatisfied with the action of the Public Utilities Commission. Is such a provision in the public interest?

The Senate bill, which was recently enacted by the Senate, S. 3073, does contain provisions which are fair to labor and the public. From the Senate bill will come a lasting solution to the transit problem and not a short-lived makeshift in the form of paying tribute to a company whose franchise was revoked last summer. The bill revoking the franchise was enacted and was signed by the President upon the theory that the Capital Transit Co. had failed to measure up to its responsibilities in the District of Columbia.

We ask you to oppose H. R. 8901 and to enact the Senate bill which provides for a public authority and does contain provisions fair to both labor and the public. We understand that the Heselton substitute, H. R. 10871, embodies the provisions of the Senate bill.

Respectfully yours,

Walter J. Bierwagen,
President.

What the union spokesman's letter means, if we are to judge the union's future conduct by its past record, is that if the union's demands are turned down at the bargaining table the Government's business will be suspended until such time as those demands are granted.

Just how far should we go in permitting labor organizations which have been granted special privileges—get that—which have been granted special privileges, to carry out measures which adversely affect the public health, welfare, and safety? How far are we going to permit them to tie up the Federal Government?

Several bills in years gone by contained provisions that whenever there is a strike which interferes with the public health, safety, and welfare the special privileges which have been granted to the unions shall not be further extended to them. When they go on strike and tie up a transportation system—I do not know how many thousands of Federal workers cannot get to their jobs and the Government is tied up when there is a strike on the transportation system. Just how long shall we permit a union to tie up the Federal Government? Would it be any different in a time of war? Suppose city employees shut off the water or the light—and they have done that in Michigan, back in 1937—what are we to do about that situation? The bills which were introduced several years ago provided that when there was a strike which interfered with the public health, safety, or welfare the members of the union who were on strike should have a cooling-off period, but after a certain designated time, unless they wanted to go back to work, unless they had secured a bargain which was satisfactory to them, then the employer might be permitted to hire others who applied. Is there anything wrong about that? If there is, I would like to know what it is.

It all comes down to this idea, expressed here several times today, that by this kind of legislation, going along with this legislation, as the head of the union tells us, we will have a strike in August, or later, with the result that the employees of the Federal Government in Washington cannot get to their jobs and Government stops. Is such a situation reasonable? Is it commonsense? It does not seem so to me.

Three groups are interested in the situation here in Washington.

The company has its funds invested. No brief is held by me for Wolfson or his associates. It is evident that the action of the last Congress was in part taken because of the feeling that he had improperly liquidated and taken part of the company's assets. Certainly the courts will require the Government to pay Capital Transit a fair price for the property taken over if we have a bill authorizing public ownership, which apparently the Senate will bring about sometime in the future if its attempted solution is adopted.

We have the workers, who assuredly are entitled to a living wage, to fair compensation for the service they render.

In between we have the riders, who must pay the bill.

The returns from the workers, if there are returns, will be divided according to some formula between the stockholders and the employees.

It is true that section 2, page 56, and other sections of the bill, provide procedure for the determining of the fare to be charged passengers, that section d of section 2, page 59, provides for transfers and the price at which they shall be sold. Again the company is taken care of by other provisions of the bill, as for example, section 5, subdivision a, on page 64, which has to do with snow removal.

Presumably the company will be forced through collective bargaining to pay its employees a rate of compensation comparable to other residents of the District or in other localities. It is obvious the company has no source of revenue to pay either profits or wages except as they are taken from the passengers. It is a matter of common knowledge as well as of experience that if the rates are too high there will be diminishing returns. Apparently it is the hope of the union that if the system is operated as a public utility by the public authorities, its members will secure more favorable consideration than if it is operated as a private enterprise. This because through political pressure public authorities who can throw a part of their burden upon the taxpayers, the public generally, are not quite as—shall we say penurious—as is the individual whose private funds must go to pay the bill.

Whatever legislation comes out of the Congress, it is apparent that the company, being engaged in the transportation of Federal workers, and its employees must continue by one means or another to permit the Government to function—which cannot be done if slowdowns, work stoppages, or strikes are permitted.

If it were permissible, I would urge as an amendment to the bill—though it is difficult to find a proper place to insert such amendment—6 new paragraphs to be inserted following line 19 on page 57, which read as follows:

> B1. Hundreds of thousands of Federal employees engaged in transacting the business of the Government must, of necessity, be able to go to and from their places of employment and their homes in the city of Washington without undue delay, if the routine business of the Government, including that of the armed services, is to be efficiently carried on.
>
> If the Capital Transit Co., is given a franchise to operate a transportation system which carries upward of a million employees over Washington streets each day it and its employees shall be subject to the following provisions. Many of such employees are rendering vital, necessary, indispensable services to the Federal Government. The Capital Transit Co. and its employees through their bargaining representatives have heretofore entered into a contract which, among other things, covered wages and working conditions.
>
> As a result of their action, the company was unable to transport to their places of employment hundreds of thousands of Federal employees. Those employees cannot reach their places of employment in time to transact the Government's necessary business as long as the refusal to work continues.
>
> The interest of the public, some of the functions of the Government, are being irreparably injured by the refusal of the employees to operate the transportation facilities of the company.
>
> Under the American system, no one can be compelled to work. Under the American system, governmental functions should not, they cannot, be seriously impeded without endangering the existence of the Republic.
>
> It is hereby declared to be the policy of the United States to eliminate the cause of certain substantial obstructions, which render it impossible for the Government to function fully and to mitigate and eliminate these obstructions when they occur, by requiring those operating quasi-public businesses to serve the public.
>
> B2. When used in this act, (1) the term "company" means the Capital Transit Co.; (2) the terms "employee", "employees", mean and include any individual or individuals who may be needed by the company to operate its transportation system in the city of Washington and who are willing to be employed by said company.
>
> B3. The company is hereby authorized and directed whenever its employees shall cease work to forthwith hire and employ for a period of at least 60 days any and all qualified individuals making application for employment and whose services may, in the judgment of said company, be necessary to the full and efficient operation of its transportation system.
>
> The company further is directed and authorized to pay to said employees so hired whatever sum may be necessary in order to secure their services: *Provided, however,* That it shall not be 50 percent more than its present wage scale.
>
> B4. The company shall, as soon as it may be able to obtain employees, enter into a new collective-bargaining contract with such employees and, thereupon, those employed under this act may, at their request, or at the request of the company, be released.
>
> B5. There shall hereafter and upon the restoration of transportation by the company, in the regular and usual way, be paid to the company from the Treasury of the United States, from an appropriation to be made by Congress, any and all sums which may be necessary to reimburse it for payments made by it to employees for services rendered under this act in an amount equal to the difference between the present wage scale of the company and the amount paid the employees hereunder.
>
> B6. The President shall forthwith appoint a five-man committee, to be known as the "Public Transportation Committee of the City of Washington", one of whom shall represent the union, one the company, the other three the people.
>
> Said committee is hereby given the authority, and all the authority, usually and customarily exercised by a regular congressional committee or a special investigating committee, shall take testimony, hold hearings, and, before the expiration of 60 days from the effective date of this act, make a report to the President, which shall contain the findings of the committee as to a fair wage to be paid to the employees of the company, a fair profit to be paid to the stockholders of the company, and a fair charge to be made to those who use the company's services.
>
> Thereupon, and after the report of said committee, the company shall proceed to hire as employees, regardless of their membership or nonmembership in any union, sufficient qualified individuals, at a wage recommended by the committee, to enable it to give adequate service to the public.
>
> If the revenues of the company are not sufficient to meet such compensation paid to employees a fair return to the stockholders at the rate fixed and to be charged by said committee to the patrons of the company, then there shall be levied upon the taxpayers of the District of Columbia a sum sufficient to enable the company to meet its obligation under such finding.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of my time, 4 minutes, to the gentleman from Massachusetts [Mr. Heselton].

Mr. HESELTON. Mr. Speaker, whether I can say what I would like to say to the few Members who are present now in 4 minutes, I do not know. I filed, as some of you know, a minority report on this legislation only for myself. My particular task at this moment has been made much easier by the cogent, forceful, and truthful remarks made by the gentleman from Ohio [Mr. Brown]. I can only underline and underscore every word he said. All of us, and the record is clear that there was no dissent last August, voted to cancel the franchise of the Capital Transit Co. I think our District of Columbia Committee urged us to do so. If any people was ever asked to walk up the hill and walk back down again, we are those persons today, and upon no satisfactory evidence whatever.

I listened to some of the remarks that have been made so far on the rule. The issue is not public ownership against private ownership. I am for private ownership and I think nearly every Member of this body is for private ownership. But does that mean we must cave in to the Wolfson group?

I am sorry some people are confused about that issue; I know that it has been spread around here industriously, extensively, particularly by a source outside the Congress.

But coming back for a minute to last August when this Congress acted without a dissent to pass Public Law 389, on August 14th President Eisenhower signed that bill and he made a public statement. We were away at that time. It might be well for us to listen to a rereading of one significant sentence:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time—

That is up to August 14 last year—

> has failed to measure up to its responsibilities in the District of Columbia.

I hope every Member of the House will remember that statement and his own vote of last August before we finish our responsibility in this matter now.

I do not believe there will be a single Member to take the floor this afternoon and say in all seriousness that the Capital Transit Co., has measured up to their responsibility since that time. But if so, please read the clear, undeniable record which is available to each Member.

Oh, I know there may be a lot of charges like bleeding hearts and so on, saying members are not aware of the situation. We were aware of it last year and we will be aware of it next August, only we will not be here to do anything about it. We will be aware of it if we pass this bill giving this franchise back to these people on a basis they never enjoyed before, with conditions they never enjoyed before. We will be aware of it within 3 years time, because it will come back to haunt us and we will have to do something then we do not want to do about it.

Sometime in the next couple of hours I hope you will take time to read some portions of the bill I would like to offer so you could vote on an alternative or the analysis in the minority views at the desks. But I cannot offer it under the parliamentary situation unless the committee substitute is voted down and we all know the chances against that.

Reference has been made to a bill passed in the other body. I sought to develop amendments to the committee substitute which I felt would answer the objections. That is impossible. It would simply create a more confusing situation if I succeeded. Consequently I put into the hopper a bill which does offer an alternative to us, an interim authority. The commissioners would become the board of directors of the interim authority with the absolute duty of selling this property to a private operator, a competent private operator with satisfactory experience and financial backing, an operator with some sense of responsibility.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Speaker, will the gentleman from Mississippi yield me 3 or 4 minutes?

Mr. COLMER. Mr. Chairman, I yield the gentleman from Massachusetts 3 additional minutes.

The SPEAKER. The gentleman from Massachusetts is recognized for 3 additional minutes.

Mr. HESELTON. I thank the gentleman from Mississippi.

If the Commissioners could not make such a sale, title III of this substitute, I would like to offer, in sections 301, 303, and 305, makes it imperative, makes it an absolute necessity, if they fail to bring about that sale before June 15, 1958, that they come back to Congress and make a report to that effect and give the reasons why they failed. Congress would thus have a full opportunity to act in terms of what may happen between now and June 15, 1958. I hope they can make a sale to a competent private operator; but they must report back to Congress and take its judgment. Congress can then do anything it feels is proper and just at that time, if there has been no sale.

I had not expected to take more than the 3 or 4 minutes the gentleman from Illinois allotted to me, but something happened about midafternoon yesterday that disturbed me greatly.

I placed in the Record last night under a special order which you will find in the body of the Record if you are interested, the text of a letter from Mr. Daniel W. Bell. This you will find at page 8200; and you will also find on the same page quotations from a letter from Mr. Wolfson.

Mr. Speaker, that letter raises more questions than you and I or all the Members of the House combined can answer this afternoon. I tried to list some of the questions that occurred to me, and there were 10 listed on page 8201 of the Record of yesterday, Tuesday, May 15. All sorts of problems are raised by that letter. To begin with, who is this unknown banking firm that is mentioned? How are they going to get the assurances that the company says it must have in order to complete this contract? From whom? The District authorities? From the public in Washington? From the Capital Transit employees? How can they do it? The letter says the banking company must have those assurances of cooperation. It is utterly impossible to place them before the House before it must vote on this legislation.

I had hoped, I hoped right up to the time this rule was called up for consideration, that it would seem advisable to take this bill off the schedule and to call Mr. Bell who has written this letter. I make no charge whatsoever against Mr. Bell. I understand he is a fine, outstanding, courageous member of the public here, and I believe that. I simply say it is unfair to ask whatever number of us are on the floor this afternoon to pass a considered judgment upon the offer that was made I understand yesterday afternoon and which I first learned about at 3:15 or 3:30 yesterday afternoon. I do not think a single Member will take the floor this afternoon and say they know what the details of those conferences have been or what this program is which Mr. Bell himself said was started last March. We know nothing about it. I wish this bill could be taken off the schedule so that the subcommittee could call this witness so that they might be able to tell us what it is all about. Lacking that possibility I can offer the substitute I filed only if the committee substitute is voted down. I do not know whether I shall offer a motion to recommit. I understand only one motion is possible, a general motion.

Time is of the essence and I know that. I will make up my mind about this motion in the next 2 hours.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. Macdonald].

Mr. MACDONALD. Mr. Speaker, before going into the merits of this bill, I would like to make it very clear that as a member of the Committee on Interstate and Foreign Commerce I have the greatest respect and admiration for the job that was done by the subcommittee under the distinguished chairman, Mr. Harris. It obviously is a very difficult problem. But they did a great job in many ways in trying to settle the problem. On the other hand, I cannot in good conscience say that the bill that is here on the floor today is best in the public interest or that it in fact will settle anything.

Mr. HESELTON. Mr. Speaker, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I did not have time to say that I thoroughly respect the members of the subcommittee. I hope they will feel that the gentleman and I are their friends. They had a very disagreeable and hard task. They did what they thought was right. The gentleman and I disagree.

Mr. MACDONALD. I thank the gentleman. I could not help but think as I sat here and listened earlier of the very short memories that Congressmen have. Perhaps that is true. I can remember last August sitting here and seeing every one on the side of the angels, taking Mr. Wolfson apart. Now we are back here again with the very same problem before us. It seems to me that it borders on the ludicrous to be back here in the Congress with such a bill. We took away Wolfson's franchise last August. Today we give it back to him with seven concessions which I will discuss later if the rule is adopted. I was especially astounded to see as defenders of the Wolfson administration the gentleman from Indiana and the gentleman from Virginia who are usually found supporting the Eisenhower administration. Today they came up here and talked about the same Mr. Wolfson who President Eisenhower summed up in this way:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Company, beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District of Columbia.

It is to this same Wolfson group that we are returning the franchise.

The gentleman from Virginia talked about the labor policies that caused this dispute. I would like to ask him whether it is a mere coincidence that in the 32-year period preceding Mr. Wolfson there were just 3 days of strikes, while in the 6½-year period that he has had this franchise there have been 55 days of strike. These 55 days out of 58 days of strike were due to one thing and one thing only, and that is that Mr. Wolfson has publicly said that he owed his only duty to his shareholders; the public-be-damned and the union-be-damned. He would not arbitrate. This very bill that we are asked to pass today has absolutely no provision for arbitration or any other method whereby the selected and elected collective bargaining agents of the rank and file employees of the Capital Transit system can have their just grievances aired; not decided on their behalf, but merely aired, and it seems to me entirely beyond the pale of reasonableness to come back within a period of months with a bill that gives this man more than we took away from him in August.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Klein].

Mr. KLEIN. Mr. Speaker, we have been listening here for almost 1 hour now to all these people on both sides of this question, all honorable men, all men who know what they are talking about, and yet I am certain that most of us are more confused than ever.

Mr. Speaker, my only point in taking the floor at this time is to call to your attention this fact: Just why should we have to take all this time of the Congress of the United States, in discussing this purely local question, with almost two weeks of public hearings by the Committee on Interstate and Foreign Commerce, and numerous executive sessions, as well as innumerable hearings last year in the District Committee on this particular matter. We have a Transit Authority in New York City, but we never asked the Congress of the United States to take up its time in discussing it. Many of you have private transportation systems in your own cities; some public authorities. Why should the Congress have to use its precious time for this local situation, and is it not the best reason for home rule in the District of Columbia? If they had home rule, they would work it out; they would not have to waste all this time and cause the expenditure of the taxpayers' money.

So, my only purpose in talking to you at this time is to say to you who are going to vote on this bill, I hope that you Members will sign discharge petition No. 2, which is on the Clerk's desk, calling for the discharge of the Committee on the District of Columbia so that we may be able to vote on home rule for the District. I think this debate is the best argument you could have for home rule.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. Harris].

Mr. HARRIS. Mr. Speaker, I asked for this brief time on the rule simply to say this: There are a good many Members on the floor now, and the rule is about to be passed upon. I ask the Members, if you will, to listen to those who sat in the hearing several days, day in and day out, in the morning and the afternoon, and who sat in executive sessions day after day trying to work this problem out, not for Mr. Wolfson, not for the Capital Transit Co., but for the people of the District of Columbia, to give us an opportunity to explain the facts.

Now, you have heard a lot of superfluous talk. I would not say irresponsible talk, but you have heard nothing from any Member who sat on your subcommittee, 10 Members of this House, other than myself, who, in my opinion, are as able and outstanding Members as we have in the House of Representatives. In the interest of the people of the District of Columbia, will you please just give us an opportunity to explain to you what the facts are, and I think you will come to the final conclusion or result, as we did, that as a practical and realistic proposition this was the only approach that we could make at this time to be assured that there would be transportation for the people of the District of Columbia when August 14 comes. I ask you, if you will, please, remain to hear this explanation.

Mr. COLMER. Mr. Speaker, I think this discussion merits the observation on my part that the rule should be adopted and the bill explained and debated as it will be under the provisions of the rule.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8901, with Mr. Kelley of Pennsylvania in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRIEST. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I shall take only a very few minutes to discuss the pending bill. The chairman of the subcommittee, the gentleman from Arkansas, Mr. Harris, and other members of the subcommittee will go into greater detail.

Mr. Chairman, may I say at this time that I have never known in my experience in the House of Representatives, an experience of nearly 16 years, any instance when a subcommittee under my observation has done a more exhaustive job or has done that job with more patience and more dedicated effort to work out a very complex problem than is true of the subcommittee that handled the pending legislation. I hope, as the gentleman from Arkansas [Mr. Harris] suggested, you will listen to the explanation by members of the subcommittee and follow the details of the bill before you.

The bill as reported, as you know, is a bill with a committee substitute. It provides for the continued operation of the transit system in the District of Colum-

bia by the Capital Transit Co. and under terms which the committee believes are fair and reasonable both to the company and to the riding public. Under the modified franchise here proposed, the residents of the District of Columbia and of the Washington metropolitan urban area will be assured, and the committee believes it is the only way they will be assured, of transportation facilities after August 14. Following the action of the Congress last year on the local transit matter some further legislation by the Congress now is necessary if there is to be any transit service after the coming August.

The Congress must provide a way for the citizens of the area to have a continuing transit system offering adequate service to the public at reasonable rates. To me, that is the crux of the whole situation, speaking broadly, that is, that there must be some action by the Congress and that action must come soon if we are to have a mass transportation system in operation after August 14.

Neither in the proposed public authority bill that was sponsored by the District Commissioners in the legislation as introduced, nor in the proposals of the other private applicants to succeed the present transit operator is there the requisite assurance that the public would have adequate services and have such services at reasonable rates.

Both the public authority proposal which the committee considered at very great length and the proposals of other private operators were based on obtaining buses so that they might operate an all-bus system beginning in August. The record is very clear that not enough buses could be obtained by that time to replace the streetcars and provide the service the public is entitled to have.

The proposed public authority, Mr. Chairman, furthermore was to be an autonomous creature, subject to no restrictions as to what it might charge and under no duty to provide service at reasonable rates whatsoever. Indeed, as a matter of fact, it had the power to do just the opposite, to charge whatever it desired to charge, to raise money to engage in other operations such as the building of bridges, toll roads, airports, or even docks and wharves.

The committee during its consideration of the subject never for 1 second lost sight of its duty to the public, and that duty as the committeee saw it was to provide a way that the public might have continuing service at reasonable rates. Hence, when the Capital Transit Co. indicated to the committee that it wished to continue operation if it had some of the modifications in the franchise that the District Commissioners had offered to other private applicants, the committee proceeded to work out with that company the terms of a modified franchise that would meet those basic objectives.

This franchise is what the committee is presenting today to the House. The committee believes that it is fair and that it is reasonable. The committee accordingly urges the approval of the House to this continued operation by a company that already is in existence, has the equipment and the organization to provide service, is free from indebtedness, asks for no loans from the Government and has indicated its readiness to operate under the terms and obligations imposed by the modified franchise.

We believe that the extension of the Capital Transit franchise offers the best way of assuring the residents of this area that they will have adequate services at reasonable rates after August. We believe that this is a workable and equitable solution to the problem with which the Congress is faced.

I know that the subcommittee held very long and arduous sessions, heard testimony, and interviewed various private applicants who desired to be considered in the consideration of the legislation, and exhausted every possible effort to reach a solution to this problem. I hope, Mr. Chairman, that as the terms of the bill are explained by members of the subcommittee the Committee of the Whole will give consideration to the merits of the legislation here proposed.

I join the gentleman from Virginia [Mr. Broyhill], as he spoke on the rule, in the hope that we may consider it free from personalities, because it is my firm conviction that the committee has brought before the House the best possible solution to the transit problem in the District of Columbia. I hope the committee will give most careful attention to the detailed explanation of the pending bill.

Mr. WOLVERTON. Mr. Chairman, I yield myself 5 minutes and at this time I wish to announce the gentleman from California [Mr. Hinshaw] will be in charge of the time on this side.

Mr. Chairman, the bill (H. R. 8901) that is presented to the House today is one which represents a solution of innumerable and varied problems that had to be solved before this legislation could come before you in the form it is in today. I wish it were possible for the Members of the House to fully understand the difficulties which were encountered in the task that has been assigned to the Committee on Interstate and Foreign Commerce to find a solution of the District of Columbia transportation problem. As you all well know, I have served for some time in the House of Representatives and have been on the Committee on Interstate and Foreign Commerce for a good many years. I confess there has never been a problem that has come before us that required more effort and more study to bring about a proper solution than the legislation which you have before you today.

Mr. Chairman, before I go further, may I take this opportunity to commend the chairman of the subcommittee, the gentleman from Arkansas [Mr. Harris], for the splendid, capable, and sincere manner in which he conducted the hearings and assumed the duties, responsibilities and obligations that he felt rested upon him in connection with this matter. I have known no one at any time who has striven more faithfully, more honestly and more capably to bring about a solution of a problem than the gentleman from Arkansas [Mr. Harris]. I am certain that in this respect I am not only expressing my own opinion, but also the opinion of every other member of the subcommittee who served with the gentleman in the consideration of this matter in seeking a solution of this problem.

Mr. HARRIS. Mr. Chairman, will my distinguished friend yield?

Mr. WOLVERTON. I yield to the gentleman.

Mr. HARRIS. Of course, I appreciate deeply the fine compliment the gentleman has paid to me, but I want to join also with the gentleman in saying that the subcommittee composed of 11 members—able members who gave of their time and efforts in trying to find a solution to this problem not because it affected their districts and not because it affected someone who was close to them and in whom, therefore, they were particularly interested, but because of the responsibility they assumed as Members of the Congress in trying to provide a service for the people of the District of Columbia. I want to pay my tribute here to each and every one of the other 10 members who gave of their time and assistance and cooperation in attending the hearings and being present at the executive sessions and assisting in helping to work out a very difficult and very troublesome problem.

Mr. WOLVERTON. What the gentleman has said with reference to the other members of the committee is certainly due them because, as he has stated, they did work in fullest cooperation with him. But, without his leadership, I doubt whether we could have come to the resolution we did and as effectually as we did, without the great personal work and attention given to the matter by the gentleman from Arkansas [Mr. Harris].

The fundamental thought that was in the mind of the committee, as they considered this matter, was to make certain that there would be public transportation in the District of Columbia and the surrounding environs.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. WOLVERTON. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, we know the difficulties that come to a community when its transportation system breaks down. We had that experience in this city last summer for some 50 days, or more. That was sufficient to impress everyone with the thought that something should be done to rectify and prevent if possible that kind of a situation from taking place again. I am inclined to believe that if there had been given the same thought to this matter and its solution as was given by the committee, and the same assistance given as is provided in this bill in the eight points that are set forth in detail on page 2 of the report of the committee it would have gone a long way in preventing the strike, because it would have enabled the company to give the increase in wages that was being asked by the workers. I am strongly of the opinion that it would have kept the transportation system operating in this city. But unfortunately that was not done.

When you speak of marching up the hill and marching down again, it may be if that had been done there would have been no necessity for anybody to march up the hill as we did but certainly having marched up the hill and recognizing the very substantial mistake that had been made there was nothing left to do but to solve it, whether you call it marching up the hill and down again or not. We are confident that this bill contains those features that will protect the public in the matter of fares to be charged and at the same time provide transportation by the only means that we know of that at this time is equipped to immediately give service. We were faced with a situation that was difficult in the extreme, and we feel that we have resolved it in a way that entitles this House to give its wholehearted support to this bill.

The purpose of the bill, H. R. 8901, which was reported almost unanimously, only 1 or 2 against it, and, which is now under consideration, is to provide for an adequate and economically sound transportation system to serve the District of Columbia and its environs.

The bill as originally introduced and referred to the Committee on Interstate and Foreign Commerce, proposed to create a Public Authority to provide mass transportation in the District of Columbia and its environs after August 14, 1956, the date on which the Capital Transit Co. will cease to operate if no change is made in the present law.

For reasons hereafter stated, the committee has adopted an amendment in the nature of a substitute, the provisions of which will be fully explained as this debate progresses.

Under the committee substitute the Capital Transit Co. would continue after August 14, 1956, to operate its mass-transportation system in the District of Columbia under its present charter and franchise, and under the applicable regulatory laws of the District of Columbia, with only such modifications as are provided for by the committee substitute.

The company's franchise, and the applicable regulatory laws, would be modified in the following respects.

First. A system rate base for ratemaking purposes would be specifically fixed for the company.

Second. A 6½ percent return on the system rate base would be recognized as fair and reasonable, but there is no guaranty to the company that it would receive such a return.

Third. The rates of fare now in effect, which were set by the Commissioners of the District on August 21, 1955, would continue in effect unchanged until at least August 15, 1957, and subsequent rate proceedings would be expedited by procedural changes.

Fourth. The company would be granted substantially the same tax relief as that which the Commissioners of the District of Columbia were willing to recommend for a new and suitably qualified private operator when they were attempting to find one last fall and early this year.

Fifth. The Public Utilities Commission of the District would be given authority to fix charges for, and rules and regulations governing, the issuance by the company of transfers between vehicles operated in the District.

Sixth. The company would be partially relieved of existing obligations with respect to snow removal.

Seventh. A duty would be placed on the company to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations.

Eighth. The company would be placed in the same position as other public utilities in the District of Columbia in that it would not be required to secure approval of the Public Utilities Commission to issue evidences of indebtedness payable within 1 year or less.

Much of the ground for controversy between the company and the Public Utilities Commission that has existed in the past will be removed by the provisions of the committee substitute—particularly the provision fixing a system rate base—including a provision relating to the determination of depreciation—and the provision recognizing at 6½ percent return as being fair and reasonable.

The committee strongly recommends the prompt enactment into law of the proposed committee substitute, so as to insure that adequate mass transportation at just and reasonable rates will be available to the public in the District of Columbia after August 14 of this year.

On July 1, 1955, upon the expiration of a 3-year contract between the Capital Transit Co. and National Capital Local Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, AFL, the employees of the Capital Transit Co. who were members of such local struck for higher wages and certain other benefits. As a result of the stoppage of service of the Capital Transit Co., large segments of the population of the District of Columbia and its environs were adversely affected, and to that extent, the functions of the Governments of the United States and of the District of Columbia were impaired.

When the Congress adjourned last summer at the end of the first session, it thought it had resolved the problem of continuing transit operations by enacting legislation giving the Board of Commissioners the authority which the Board had requested. Under this legislation, the Commissioners succeeded in restoring transit operations last fall, but they were unsuccessful in their negotiations for a successor to Capital Transit Co. Thus, at the commencement of the current session, the problem of assuring continued transit facilities for the people of the District and metropolitan area was still unsolved.

The hearings on the proposed legislation embraced the various proposals of interested groups to succeed the present company under plans calling for private operation.

It became apparent at an early stage of the hearings that the production facilities and time required for production and filling of orders, of the two bus manufacturers involved, were such that even if orders had been placed at that early date an adequate supply of buses could not have been made available by August 14 to meet the full service requirements of the people of the District of Columbia. Consequently, subcommittee consideration of ways to provide for continuing transit service had to be within the framework of this fact.

Following the Commissioners' indication that they were prepared to recommend certain franchise modifications, in the form of tax and other concessions, to a private operator, as mentioned above, the Capital Transit Co. stated to the subcommittee that it would like to continue operations if some such similar modifications might be worked out for it. The modifications of the franchise of Capital Transit Co. contained in the committee substitute, basically represent those modifications which the Commissioners had offered to other private applicants. The franchise, as modified by the committee substitute, is acceptable to the management of the Capital Transit Co., and it has indicated that it will promptly initiate the steps necessary for approval in accordance with its charter and bylaws.

It is the committee's opinion that adequate transit service for the people of the District of Columbia can be satisfactorily assured only by the method here proposed, namely, the continued operation by the Capital Transit Co.

It is clear to all that an emergency problem exists with respect to providing mass transportation in the District of Columbia after August 14, 1956. Realizing the seriousness of the problem, the members of this committee have devoted a great deal of time and thought, since early in February, to trying to reach an informed judgment as to the solution which will best serve the public interest in the District of Columbia and its environs. We believe this bill will accomplish it and we ask your support of the bill.

Mr. SPRINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (after counting). Seventy Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 49]

Alexander
Alger
Andersen, H. Carl
Anfuso
Barden
Bolling, Mo.
Bolton, Oliver P.
Bonner
Brooks, La.
Burdick
Carlyle
Celler
Chatham
Cooley
Davidson
Davis, Tenn.
Dawson, Ill.
Deane
Denton
Dollinger, N. Y.
Donovan
Durham
Eberharter
Ellsworth
Fernandez
Flood
Gamble
Granahan
Green, Oreg.
Gregory
Harrison, Nebr.
Hébert
Hoffman, Ill.
Holifield
Holland
Hope
Jennings
Jensen
Johnson, Calif.
Jones, N. C.
Kearns
King, Pa.
Klein
Knutson
Krueger
Lane
Lankford
Long
Mason
Miller, Calif.
Miller, N. Y.
Mollohan
Morrison
Nelson
O'Hara, Minn.
Perkins
Pillion
Powell
Prouty
Radwan
Reed, N. Y.
Rivers
Rogers, Mass.
Rogers, Tex.
Sheppard
Short
Shuford
Smith, Va.
Spence
Steed
Thornberry
Tollefson
Tumulty
Utt
Velde
Walter
Watts
Westland
Wickersham
Willis
Wilson, Ind.
Winstead
Wolcott
Younger

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KELLEY of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8901, and finding itself without a quorum, he had directed the roll to be called, when 342 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. HARRIS. Mr. Chairman, I want to make it clear that it was not my intention to cause a roll call for the membership to come back, but I do want to say I am glad to have the opportunity on behalf of our Committee to explain this problem to you in order that you can in your own mind determine which in your own conscience would justify you in accepting or joining in the recommendation that we make to you.

In the first place, let me give you a little background of a problem that is very difficult in connection with transportation for the District of Columbia. The Capital Transit Co. was organized under its present charter in 1933, I believe. It has provided transportation for the District of Columbia since that time. In 1949, the North American Co. owned substantial stock and the Wolfson family, referred to and known as the Wolfson group, purchased the stock from the North American Co. and, therefore, came into the picture.

Let me say to you my colleagues, as I ask you now to lend me your ears for just a moment, I come not as a member of the Committee on Interstate and Foreign Commerce and a Member of the House of Representatives to offer tribute to anyone to run the Capital Transit Co. of the District of Columbia. I come not to villify anyone. Nor do I come to praise anyone. I come to you this afternoon to present to you a problem that must be met in a practical and realistic manner.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. DOLLIVER. Is it not true that the North American Co. was a holding company and was required by law, passed by this Congress, to divest itself of the stock it owned in the Capital Transit Co.?

Mr. HARRIS. The gentleman is correct. I thank him for the timely comment as I neglected to mention it a moment ago.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. SIMPSON of Illinois. It was not ordered by the Congress that the North American Co. divest itself of its interest in the Capital Transit Co., but it was the Securities and Exchange Commission order.

Mr. HARRIS. Yes, but the gentleman from Iowa said that it was required by law passed by the Congress—which is true and the gentleman is right also.

Mr. Chairman, the Capital Transit Co. continued to be operated under the direction of the newly organized company, which actually took control in 1951. The reason we have the problem here before us today is because a year ago the contract expired between the Capital Transit Co. and the local union consisting of employees of the company. There are about 3,000, or more, employees who operate this transit system in the District of Columbia. A controversy arose between the employees and the Capital Transit Co. and they could not agree on a contract. A strike transpired, effective July 1, a year ago.

The matter was brought to the attention of the Congress. It was referred to the Committee on the District of Columbia, of which our distinguished colleague from South Carolina [Mr. MCMILLAN] is chairman. The District of Columbia Committee, of which I was a member, and 3 other members of our Committee on Interstate and Foreign Commerce, who are members of the District of Columbia Committee, 4 of the members handling this matter who were members of the District of Columbia Committee when it was brought to us last year, and therefore had this background information. The Congress was about to adjourn. The strike continued and the pressure was on for something to be done.

The Commissioners of the District of Columbia, who were making an effort to settle the strike and get the transit moving, came to the Congress and recommended that the charter of the Capital Transit Co. be revoked effective a year later, and ask for authority to operate the transit system for the District, and within that year they would provide a private operator to continue the operation of this system. It was on that basis, under the pressure of the Congress closing, that we revoked the charter then and gave the Commissioners authority to operate the transit system during the year, within which time they led us to believe, they said so in conference and they said it to our committee, that they would have no difficulty in obtaining an operator to take on and continue to operate the transit system under private management. On that basis the Congress accepted their recommendation, and that is the reason, under the pressure of the adjournment of Congress, that Public Law 389 was agreed to.

Let me explain to you what happened. Following Presidential approval of the bill, the District Commissioners proceeded and announced on August 22 that they would accept applications by private interests to operate the transit system in the District of Columbia. But here is what they required: They required every applicant who came in for the purpose of furnishing transportation to furnish all bus transportation; to do away completely with the streetcars. They would not let them under any condition or circumstances use existing equipment of streetcars to help out in this operation. They received applications—former Senator Tydings and a group of people from Baltimore came in with a proposition. The Kampelman group applied. There were 5 or 6 others who made application, but the requirements of the District Commissioners, as they announced on the receipt of the applications, was such that no private operator could comply. Senator Tydings said to the committee in the other body—and I have his testimony here—that they were required to enter into an operation that would cost a minimum of $26 million, and that they must raise the finances to do it; that they must meet other requirements that the District Commissioners have set down, and "We say to you frankly it cannot be met."

That situation went on until January of this year. In January the District Commissioners came to that great decision, a public authority. I want to say this now, however, that when the Commissioners told us last July that they could get other private operators they were honest in their opinion at that time. I do not want to indicate at all that they were at that time trying intentionally to deceive us. Nevertheless, they were not able to do what they thought they could do because of the attitude and the requirements that they made for someone to come in, take up the system and operate it in behalf of the people.

So in January of this year not being able to do anything about it they came to the Congress with the request that they wanted a public authority, they wanted Congress and the Federal Government to go into the transit business here in the District of Columbia, and they submitted a bill to us.

Our Committee on Interstate and Foreign Commerce did not ask for this bill; in fact, we would have preferred not to have it; but the Speaker of the House assuming his responsibility said it was an interstate problem because of the metropolitan area affected by it, that it was a matter affecting the transportation policies of this country, and referred it to our committee. That is the reason we have it today.

This committee started holding hearings immediately. We held hearings for several days, 2 weeks or more. The hearings were conducted on the public authority request of the District Commissioners in an effort to see what could be done in order to comply with their request.

The District Commissioner told us in no uncertain terms that it would be in the best interest to operate a bus system and do away completely with streetcars. Probably that would be so if there were sufficient time to obtain buses from the manufacturers of buses, and there are only two of them, General Motors and the Mack people—if there were sufficient time, maybe so, but they said to us that they still had to have a bus system. We went into that thoroughly. We had representative from General Motors and representative from the Mack Company here to talk to us. We heard labor, we heard the Board of Trade, we heard the applicants who wanted to operate under private management; we heard everyone who was interested in this problem in an effort to work it out.

I have heard a great deal of discussion under the rule from the opposition as to what has been done by the committee. You heard our distinguished friend from Ohio [Mr. BROWN] express his views. I have the highest respect for any of our colleagues who feels differently about it than I do; I have the highest respect for anyone who feels that there might be another way, a better way; but let me say to you, Mr. Chairman, that sitting in the hearings day after day and listening to everyone who has any interest whatsoever in this problem, we came to the conclusion that there is only one way by which we are going to have transportation in the District of Columbia from the 14th of August this year, and that is by utilizing the existing rolling stock. The reason we came to this conclusion was because after we got to a certain point the General Motors people called us, came down here and told us—Mr. Davis representing General Motors, said, "I want to tell you our company cannot furnish buses between now and August. We cannot furnish you buses before November and only part of them then."

The Mack representative from New Jersey called us and said: "We are sorry. We cannot provide you any buses."

What did that leave us with? The alternative of using the 801 buses owned by Capital Transit Co. by seizure. We had information presented to our committee, and there was one consultant, for instance, who said that 70 percent of the present buses of the Capital Transit Co. is 14 years and older. They had less than 400 buses then that were considered to be serviceable buses, which could provide constant transportation for the District of Columbia. I say to you under such circumstances, where are you going to get the transportation? Where are you going to get the rolling stock, the buses, if you do not use present equipment that is in place August 14? That was our problem.

We went all through it. For what purpose? Not to help Capital Transit, not to promote any special applicant or groups, not to necessarily help Mr. Kampelman, who was one of the applicants. And I might say he was one of those sincere individuals, in my opinion, who came before us, and had there been sufficient time he and his group, I think, could have worked out a plan which would have been successfully. They stayed in it until the bus companies, those that were manufacturing buses, called us and told us and told them that they could not provide the buses for them. We were trying within the time limitation, availability of equipment and under the circumstances to provide transportation for the District.

What were we going to do? I say to my friends who are not for this approach, What are you going to do? Has any one of them told you how they would have transportation after August 14? Did my distinguished and esteemed friend from Ohio say what he would do? As the Senator from the other body said:

> Come August 14 and they will be wearing out the soles of their shoes.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. Of course, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I will tell the gentleman what the gentleman from Ohio would do. If he had his way about it, he would recommit this bill to the gentleman's committee and direct the gentleman's committee to study the offer made by Mr. Bell in an attempt and in the hope they can make some agreement for the purchase of the Capital Transit Co. That is what the gentleman from Ohio would do.

Mr. HARRIS. I am glad to have the suggestion from the gentleman from Ohio because I know something about the proposition of Mr. Bell. With reference to the letter, I have talked to Mr. Bell, and he tells me they have been working on this since March. We did not know they were working on this kind of a proposition. I said to him, "Why did you not let us know something about it?" Mr. Bell said it was because they had nothing to go on. If the Congress will provide something like the bill reported, "We are in a position that we can move and can move fast." If you send it back to the committee it would stop them there, they could not move at all. Then we would have accomplished nothing but wasted time.

Mr. BROWN of Ohio. Of course, I think the gentleman will agree that the franchise is still in effect and will be until August and that Mr. Bell could buy this franchise tomorrow and the Congress could act next week as well as it could this week—is that not right—by buying control of the company?

Mr. HARRIS. It would not be that easy to work out.

Mr. BROWN of Ohio. Is it not a fact that Mr. Wolfson feels his franchise as voted out of effect by the Congress last August is to expire in August this year and, therefore, he would have to remove the tracks from the streets of Washington, repair those streets and take other action which would cost him millions? He might be willing to sell to some other private enterprise the operation a little cheaper than he will be after the passage of your bill.

Mr. HARRIS. I am going to put the letters I received yesterday from both Mr. Wolfson and Mr. Bell in the RECORD. You have to read the context of both of them to find that this kind of approach is necessary to get something started in order that they may have something concrete so that they can negotiate and work out the problem. Without this you will not have it. The gentleman is simply not informed of the situation and simply does not understand it sufficiently to properly appraise the problem.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. HARRIS] may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HARRIS. Now let me explain the bill reported by the committee under consideration here. You should know what it is. The District Commissioners proposed to private applicants or applicants for private operation certain concessions. They proposed them to the Kampelman group; they proposed them to any other private operator that would come in and provide transportation.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I think there is one thing that is very vital to the issue before the House now, and that is the question whether Capital Transit Co. has rendered satisfactory service in the past and whether they are capable of rendering satisfactory service in the future. I wish the gentleman would tell the House what Commissioner Spencer had to say about the service rendered by Capital Transit Co.

Mr. HARRIS. The hearings are replete with information from the Commissioners and from people who live in the District and from everybody who is familiar with the situation that the Capital Transit Co., as far as service is concerned, has rendered efficient and effective service. There is no question about that.

The question here today is, Are we going to assume responsibility to provide for the people of the District of Columbia, the Nation's Capital, transportation? It is the service to the people that is our responsibility. And we came to the conclusion, when new buses were not available, that if we could get the same people interested to operate it, under reasonable terms, it would be the most simple thing to do.

Now, here is what we did.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. HARRIS] may proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HARRIS. So, in order to get a private operator, as they promised they could a year ago, they offered concessions; we contacted representatives of the Capital Transit Co. to find out if they would be interested in using their equipment and continue to provide service. They absolutely said that they would not be interested under the conditions and circumstances which they had been operating under before. So, in executive session, we finally got them to agree that, if the Congress would provide them the concessions that they had offered to other private operators, and the Congress would restore their franchise under that condition, they would consider recommending to their board and the board to the stockholders that under those conditions they would continue to operate, and in that way we worked out a problem whereby, in the first place, the franchise would be restored; that the service would be continued; that the tax concessions would be given based on the same concessions offered other applicants; that the present rate of fares would remain as they are, which the District Commissioners set at least for a year, and then can be changed only as economic conditions would require and as approved by the Public Service Commission.

With your indulgence let me explain and give a more detailed outline of the problem and this bill.

THE PROPOSAL TO ESTABLISH A PUBLIC AUTHORITY

The Board of Commissioners prepared and on January 25, 1956, submitted to the Speaker of the House of Representatives, a draft of a bill providing for the creation of a Washington Metropolitan Transit Authority which, on August 15 of this year, would succeed to all of the franchise rights presently exercised in the District of Columbia by the Capital Transit Co. Upon introduction of the bill, it was referred to the Committee on Interstate and Foreign Commerce, which promptly scheduled it for consideration.

The consideration of the bill by the Subcommittee on Transportation and Communications was extensive, covering some 10 sessions of hearings during February and March and a number of executive sessions. Numerous witnesses appeared, including, among others, the Board of Commissioners of the District of Columbia and the Public Utilities Commission of the District of Columbia, together with a representative of the investment banking house and the counsel who had assisted in drafting the proposed bill, representatives of other governmental agencies, various applicants for a franchise to operate a transit system in the District of Columbia, representatives of labor, representatives of the Capital Transit Co., interested Congressmen, and representatives of the public at large. In all, some 62 specific amendments to the bill were proposed by the witnesses, apart from items questioned by members of the subcommittee.

ALTERNATE PRIVATE OPERATION PROPOSED

The hearings on the proposed legislation also embraced the various proposals of interested groups to succeed the present company under plans calling for private operation. These groups were among a number which previously had appeared before the District Public Utilities Commission seeking a franchise to undertake a mass transit operation in the District of Columbia.

In the case of one applicant which, in the opinion of the Board of Commissioners, possessed managerial experience and other worthwhile qualifications, the Board indicated that it felt warranted in offering the applicant certain tax and other concessions representing substantial differences from the franchise of the Capital Transit Co., and in recommending for the applicant a franchise giving it a return of 6½ percent of gross revenues. Indeed, the Commissioners stated to the subcommittee, that they were far from being wedded to their proposed public authority, and would have issued a permit for private operation by this applicant had it not been for the request by the applicant for the guaranty by the District of Columbia of an initial loan of $4 million.

BOTH PROPOSALS INVOLVED ALL-BUS OPERATIONS

The Commissioners' proposed public authority was predicated upon the selective condemnation of part of the Capital Transit Co. property; that is, its garages and its fleet of buses, and upon the purchase of additional buses to replace the streetcars not to be acquired. The proposal of the applicant for private operation, involving no condemnation power, was predicated entirely upon purchase of buses to provide a substitute service for that now being offered by both buses and street cars, and upon the construction or acquisition of new garages. Hence both proposals hinged upon the availability of buses and bus production.

While speedy consideration of the proposed public authority or of the alternate private group proposal was urged upon the subcommittee so that orders for buses might be placed, it became apparent at an early stage of the hearings that the production facilities, order book, and lead time required for production and filling of orders, of the two bus manufacturers involved, were such that even if orders had been placed at that early date an adequate supply of buses could not have been made available by August 14 to meet the full service requirements of the people of the District of Columbia. Consequently, subcommittee consideration of ways to provide for continuing transit service had to be within the framework of this fact.

CAPITAL TRANSIT CO. PROPOSAL

Following the Commissioners' indication that they were prepared to recommend certain franchise modifications, in the form of tax and other concessions, to a private operator, the Capital Transit Co. stated to the subcommittee that it would like to continue operations if some such similar modifications might be worked out for it. It seemed the part of wisdom to the subcommittee to look into this situation carefully and determine what could be worked out along that line. After all, the thing that has to be done is to make sure that there will be a mass-transportation system in operation in the District of Columbia after August 14 next.

Accordingly the subcommittee had conferences with officials of Capital Transit Co. and with the Commissioners. At the request of the subcommittee the Commissioners and the company officials conferred and reported back to the subcommittee. The result of this has been the preparation of, and favorable committee action upon, the substitute amendment the enactment of which is here recommended.

MODIFIED FRANCHISE PROPOSED FOR CAPITAL TRANSIT CO.

The modifications of the franchise of Capital Transit Co. contained in the committee substitute, basically represent those modifications which the Commissioners had offered to other private applicants. In addition, since it became apparent during the hearings that street railway operations could not be discontinued this August, there are certain provisions spelled out in the bill as reported as to rate base and conversion to bus operations which were not appropriate to the all-bus system applicants.

The committee believes that the terms on which Capital Transit would continue to operate under this proposal are fair and reasonable, both to the company and to the riding public.

If the recommended amendment goes into effect as law, the residents of the District of Columbia and the Washington metropolitan area will be assured of unbroken continuity of adequate transportation service at just and reasonable rates after this forthcoming August 14. Regardless of past events, Capital Transit is a going concern, has the necessary equipment, is unquestionably able to render the needed transportation service in as efficient and economical a manner as anyone. It is actually doing the job now and will be doing it until August 14. It would be wholly unrealistic to expect that a new private operator could now enter the picture and do the job, even if one were to appear. It is also wholly unrealistic to expect that any public authority could do the job this August, unless it were to take over the present organization and all of its facilities. This being so, it seems completely unnecessary, regardless of the multitude of policy questions involved, for the Government to put up the $20 million which it is claimed will do the job, when a private operator stands ready to do the same thing with its own finances, and to do this under all of the safeguards of regulation as to rates and services to which we are accustomed.

TAX CONCESSIONS

The reported bill makes eight modifications in the Capital Transit franchise. These are set forth in the committee report on the bill, but I should like briefly to discuss them.

The first modification has to do with the matter of taxes. The bill provides that Capital Transit shall be relieved of the gross receipt tax. This amounted to some $450,000 in 1954, and $421,000 in 1955. This is a concession that the Board of Commissioners was prepared to make to any private applicant. In such connection, however, it should be noted that the present agreement with employees provides for an increase of 5 cents an hour in the hourly wage starting July 1, 1956. One cent an hour means some $75,000 annually, so that the 5-cent increase already agreed to means an additional expense during fiscal 1957 of some $375,000.

The reported bill also provides that Capital Transit shall not pay the District gasoline tax unless the company earns a 6½-percent return on its rate base. This also is a concession the Commissioners proposed to make to any private operator. The gross District and Federal fuel taxes in 1954 were $395,000, and in 1955 were $348,000.

The Capital Transit Co. will continue to be liable for: The District real-estate tax which has averaged $120,000 a year over the past 10 years; for the District income tax which has average $78,000 a year for the past 10 years; and the Federal income tax which has averaged $790,000 a year over the past 10 years. These taxes, amounting to nearly $1 million a year over the past 10 years, would all have not been paid by the public authority proposed by the Commissioners in the introduced bill.

SIX AND ONE-HALF PERCENT RATE OF RETURN

The modified franchise also declares that a return of 6½ percent on the system rate base is a fair and reasonable return which the company shall be afforded the opportunity to earn. However, it should be clear that this is an expression only of legislative determination that this is a fair and reasonable return which the company should have opportunity to earn, it is in no way a guaranty that the company will receive such a return.

In view of the treatment being accorded the payment of District gasoline taxes, namely, that they are payable only if earned, it has been necessary to establish a rate of return above which the taxes become due. The 6½-percent rate is well within the range of rates of return which have been allowed utilities in the District of Columbia and in the States by State regulatory agency.

Here, too, the District Commissioners were prepared to offer such rates of return to other private applicants. Indeed, in the case of one group proposing an all-bus operation, the Commissioners were prepared to recommend a franchise providing for a rate of return based upon a 93½ percent operating ratio. That method is one that allows a return based upon annual expenses, rather than upon the net investment in property as provided for in the rate base method used in this bill. Apart from any considerations of the propriety of that method, of itself, it should be noted that in the case of a utility such as is this transit company, the 6½ percent of return on the rate base as herein provided would net any company substantially less over a period of years than the 6½ percent of revenues which the Commissioners were prepared to recommend.

SNOW REMOVAL

Because of changes in conditions since the District law was enacted, particularly the great increase in the use of the streets, including the space between streetcar tracks, by automobile traffic, it is felt that this provision should be modified to relieve the company of the duties of removing ice and snow, except the duty to sweep the snow from the streetcar tracks. The Commissioners were prepared to relieve any other applicant from the duty of removing or handling snow.

TRANSFERS, SHORT TERM INDEBTEDNESS

The Public Utilities Commission has authority to fix charges for and rules concerning transfers between bus lines and between bus and streetcar lines. The reported bill gives the Commission authority also over transfers between streetcar lines.

Under existing law, no public utility shall issue evidences of indebtedness for more than 1 year, unless authorized by the Public Utilities Commission. The Merger Act of 1933 applicable to Capital Transit Co. is in conflict with this provision, as it covers all indebtedness, regardless of time. This modification places the Capital Transit on equal footing with the other utilities in this respect.

Both of these modifications also have the approval of the Board of Commissioners of the District of Columbia.

RATE BASE—DEPRECIATION RATE

I have described 5 of the 8 modifications of the franchise made by the reported bill, which 5 are no more than, and in substantial respects much less than, the Commissioners were prepared to offer any private operator.

The Commissioners' formal consideration, of course, was restricted to terms of a franchise contemplating all-bus operations. Since the reported bill does not contemplate immediate cessation of streetcar operations, there are three more modifications which arise from this fact.

The reported bill sets the Capital Transit system rate base as of July 31, 1955, and provides a method for determining the rate base at subsequent dates. Included in the July 31, 1955 rate base is a figure of $20,256,678 representing the net investment in property, plant and equipment at that date. This net investment figure of $20 million is the depreciated value of the property, representing the book value, stated at original cost, of $48 million less the accumulated depreciation reserve of nearly $28 million.

By a series of orders from 1942 to 1951, the Public Utilities Commission required the company to write out of its property account some $21 million. In connection with the final writeoffs in 1951, the Commission stated this was the "balance of intangible items that have been determined by the Commission to be in excess of original cost of property." Similarly the Commission has exercised jurisdiction over the depreciation accounting, with the composite rate in effect from January 1947 being changed to a class rate in July 1953.

In spite of these actions the Commission in 1954 contended that the depreciation reserve was deficient in the amount of $2.4 million owing to alleged obsolescence of street railway properties. It is needless for me here to go into this record, or the fact that despite this contention the Commission agreed it might be rectified by a reduction in capital which had the effect that dividends might be paid out of capital surplus, a procedure which the Securities and Exchange Commission felt would be not in keeping with accepted accounting practice. Suffice it, that in adopting the rate base figure set out in this bill, the committee has accepted the adequacy of the depreciation reserve as stated on the books of the company. To make this clear, the bill also incorporates into the franchise the 1953 depreciation rates on various classes of property in effect as of July 31, 1955, for the future depreciation of the depreciable property in the property account as of that date.

This is not to say that the committee is of the opinion that property no longer employed in the performance of the transportation service cannot be taken out of the property account, the undepreciated value and abandonment loss capitalized, and written off over future years at different but accepted rates. To do other would gainsay the provisions of the bill relating to a plan of conversion from street railway to all-bus operations. But it is to say that, regardless of what might be the committee's opinion with respect to the elements constituting the proper evaluation of a rate base, the Public Utilities Commission, having adopted and followed the original cost-less-depreciation method for these years, and predicated the allowed rate of return upon such method, should be consistent in its application of this method.

In addition to the allowance of $20,256,000 representing the net investment in property, plant, and equipment as of July 31, 1955, the rate base also includes a sum of $1 million for cash working capital and a reasonable amount for material and supplies. In passing, it may be noted that the $20 million figure for net property account as of last July, has been reduced through the operation of the depreciation account to $18,832,556 as of March 31, 1956. Accordingly, as of this time, the total rate base approximates about $20 million.

RATES OF FARE—EXPEDITED PROCEDURES

The modified franchise retains for at least 1 year after this August the rates of fare set by the Board of Commissioners last fall in its agreement with the Capital Transit Co.

Thereafter, applications for changes in rates of fare are made subject to the same treatment by the Public Utilities Commission as now exists. The only change made in procedures is that the Commission is given a maximum of 90 days during which the Commission may issue its own order with respect to the fares proposed, otherwise the applied for rates go into effect. In view of the determinations herein made as to the rate base, the rate of depreciation, and the rate of return, all matters bulking large in the past in ratemaking proceedings, the committee is of belief that this is more than ample time for the orderly consideration of any rate application and the adequate protection of the public interest.

CONVERSION OF STREET RAILWAY OPERATIONS

As I have mentioned, the invitations to bid issued last fall by the District Public Utilities Commission for a successor private operator restricted applicants to an all-bus system. The Public Authority contemplated by the legislation introduced was also based on all-bus operations. In the hearings, the District Commissioners expressed the view that immediate conversion to all-bus operations is desirable, although witnesses representing civic groups urged retention of street railway service.

In 1955 Capital Transit Co. retained W. C. Gilman & Co. to study and make a report on the desirability of conversion of street railway operations to motor bus, and if so, what the conversion timing should be. This report, submitted September 26, 1955, is set forth in full in the printed committee hearings and is briefly summarized in the committee report. Generally the Gilman report recommended a conversion program calling for completion about 1962.

It is obvious that if there were to be a complete cessation of street railway service in the District this coming August, as was contemplated by the District Commissioners, it would be impossible to furnish to the residents of the area the full transit service to which they are entitled. However, the committee approves gradual conversion to an all-bus system within a reasonable time, in the interest of economy and efficiency of operation.

Accordingly, the committee bill includes a section making it the duty of Capital Transit Co. to carry out a plan

of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the Gilman report to which I have referred.

THE FRANCHISE AS MODIFIED

Apart from the specific modifications which I have set forth, the modified franchise here proposed in no way impairs or diminishes the obligations under or regulation imposed by existing law. The Public Utilities Commission of the District of Columbia has full authority to enforce, and the company has the full obligation to comply with, the duty imposed upon every public utility under existing law to furnish adequate service at reasonable rates. The Commission has full authority over the matter of accounts, both capital items and operating expenses. The modifications in no way detract from the Commission's existing authority over the company's financial practices.

PASSAGE OF BILL URGED

Mr. Chairman, I urge the favorable consideration by the House of the bill as reported by the Committee on Interstate and Foreign Commerce. It provides a modified franchise under which the residents of the District will be assured continuing transportation service. It provides for such service under terms which are just and reasonable.

Our committee has lived intimately with this problem for some months. We have never lost sight of the one basic goal which has guided us in all of our deliberations. This goal is that the people of the District and of this area shall have a continuing transit system offering adequate service to the public and that service be offered at reasonable rates. We believe that this goal is achievable through the proposal being here made. We are unable to see how any of the other propositions which have been before us will achieve this goal—how they will offer the public the adequate service to which it is entitled, or how this service will be offered under tested regulatory procedures providing the public with protection as to reasonableness of rates.

That precisely is the problem that we had and there was the time limitation. I do not see how anyone could expect to find any other way to provide transportation here except by utilizing the present equipment, the equipment that is now in existence and rolling. That is, if we are going to provide service; without even taking into consideration the principle involved, whether the Congress is going to commit itself not to $20 million, but $26 million, $30 million, so Senator Tydings said and, before it is over, it is likely to go to $40 million, or $50 million, or $60 million—who knows?

If we want to have the opportunity to operate this service in accordance with a principle and under a method that we in Congress believe in, this is the way to do it.

Under leave to extend my remarks, I am going to include the two letters that I received yesterday in order that Members may see that we have worked hard to get someone who is responsible behind this operation.

In the first place, Mr. Wolfson said, "I will be glad to bow out of the picture," and Mr. Bell said, "Our group is willing to move in and we will try in every way in the world to provide the service."

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HARRIS] has expired.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 2 minutes additional.

Mr. HESELTON. Mr. Chairman, will the gentleman yield to me?

Mr. HARRIS. I am glad to yield to the gentleman from Massachusetts.

Mr. HESELTON. Mr. Chairman, in the first place, I want to assure the gentleman that I know how hard he has worked on this matter. The gentleman knows that I hold him in the highest regard.

Mr. HARRIS. That feeling is mutual, may I say.

Mr. HESELTON. I know he is completely sincere and honest in everything he does. But in terms of what the gentleman from Ohio [Mr. BROWN] suggested, and in view of the fact that the letter from Mr. Bell was not received by the gentleman, as I understand it, until yesterday, until yesterday——

Mr. HARRIS. About 1 o'clock.

Mr. HESELTON. About 1 o'clock; and that the letter from Mr. Wolfson has not yet been made public, would not the gentleman agree with me that it might be helpful to all Members of the House if the gentleman would not only read Mr. Wolfson's letter to the few Members who are here now, but also take this bill back to our subcommittee, so that we may have the benefit of the gentleman's recommendations on this offer that apparently originated in March of this year, about which the gentleman did not know, about which I did not know, and about which no other Member of the House knew about until yesterday midafternoon?

Mr. HARRIS. The House had adjourned yesterday when I received the letter. In order that the membership have as much of the information as possible, I authorized all three papers here to publish those letters. The letter from Mr. Bell was carried in toto. I know that every Member of the House reads the papers and it was for the purpose of giving everyone an opportunity to get the information that I did what I did. The Members know that Mr. Bell said that before they could move further on the proposal it was necessary to have some kind of franchise such as is proposed here and if they got that they would be in a position to move and to move quickly.

Mr. HESELTON. Is it not true that I published Mr. Bell's letter, which I received at 3:15 yesterday afternoon, in the RECORD, and it is in the proceedings at page 7352, so that anybody who wanted to could read it? No paper in Washington published Mr. Wolfson's letter. We do not know anything about it and unless the gentleman tells us, we will not know.

Mr. HARRIS. How the gentleman got his letter in the RECORD after the House adjourned, I do not know.

Mr. HESELTON. The gentleman knows; I had a special order.

Mr. HARRIS. The letters and editorials follow:

CAPITAL TRANSIT CO.,
WASHINGTON, D. C., *May 11, 1956.*
HON. OREN HARRIS,
Chairman, Subcommittee on
Transportation and Communications,
Committee on Interstate and
Foreign Commerce,
House of Representatives,
House Office Building,
Washintgon, D. C.

DEAR MR. HARRIS: I returned to my office on Thursday, after 5 weeks in Europe, and have only now been able to assess the events concerning the transit situation which transpired during my absence.

As you know, the board of directors of Capital Transit Co. have stated they are willing to recommend to the stockholders that Capital Transit Co. return to business if the House passes the franchise restoration bill worked out by your committee and company representatives. I fully concur in the decision of the directors of the company.

Over the past several weeks prior to my visit to Europe I have chosen to leave unanswered many of the uninformed (and sometimes deliberate) misstatements made by individuals and special interests who are intent on placing the transit operations in the Nation's Capital in public ownership. To have answered them would have only brought, in my opinion, more vilification of me and my associates and would have only served to confuse the sincere efforts of your committee and the officers of the company who were endeavoring to work out an equitable arrangement in the public interest. I can't help but wonder under the present set of circumstances what has happened to the innuendoes, inferences, and direct statements made in the past that Wolfson and his associates wanted public ownership and how costly that ownership would be for the city. These same sources have now suddenly switched to becoming the advocates of the public ownership they decried not so many months ago. At least, my position has been consistent: I have always been, am now, and always will be for private ownership as the best means of serving the public interest. Public ownership in any form, no matter how sugar-coated, is socialistic in theory and diametrically opposed to fundamental incentives of private capital which have helped make this country great and provided the present standard of living and opportunities for all of us. Believe me, I am more convinced of this than ever, particularly since my recent visit to Europe.

Let me address myself, if I may, to some recent statements that nothing has occurred since last summer's strike to indicate that Capital Transit Co., or Wolfson in particular, is now any more responsible or responsive to the public interest than prior to the strike. For one thing Capital Transit Co. officials and myself have stated time and again that the responsibility for last summer's strike can be placed squarely in the lap of the Public Utilities Commission, as constituted prior to the strike, and the Board of District Commissioners.

Distortion of the facts then or since have not changed the situation. This was subsequently proved when the strike was settled on practically the same terms to the union that had been offered by the company prior to the Commissioners' settlement. The only difference was that a fare increase to pay for the increase in wages took place simultaneously. We had suggested this procedure before and during the strike but to no avail. Which party accomplished the fact is immaterial but it only verifies that the sufferers of the strike were the workers and the public and that the instrument and the power to have avoided the entire situation rested in the hands of the Public Utilities Commission had they seen fit to avoid the emotions and personalities that clouded the issues.

May I state to you that since the strike we have operated an efficient and safe transit system. As a matter of fact the company has since the strike been again declared the Nation's outstanding transit system safetywise. A coveted honor, indeed, when you realize the number of cities competing.

I noticed also in the Senate debate on the interim authority bill that much was made of the company being responsible for the strike because it refused to arbitrate. Blaming the company of course is the usual practice of the labor group. What was neglected to be stated was that more than a month before the strike actually ended, Mr. Broyhill and Mr. MacMillan suggested arbitration. The union turned this down because neither the arbitrators nor the methods were of the union's own choosing. This company has always been opposed to arbitration on the union's terms, for one thing, and has always been opposed to it in principle because it has been unable to fix prices commensurate or immediate with its labor increases and further, because, arbitration of a new contract, as the union wanted, is nothing more than a perpetual labor contract with a transit riding public in the middle paying higher and higher uncontrollable costs. I always have been an advocate of sitting across the table with the union and reconciling differences. On reflection, with the union now a strong advocate of public ownership, and the Senate having seen fit to pass an interim public authority bill with the union having power to strike and at the same time arbitrate or not as they see fit on their own terms, it is not difficult for any clear thinking person to arrive at the conclusion that if the union refused to settle with the company many days before the strike actually did end on almost the same terms as it did later with District Commissioners, it had in mind all the time that the resulting situation would be consummated in a demand that the rascals should be thrown out and substituted with public ownership.

There also have been some hints in the public press during my absence that negotiations were proceeding for the sale of my interest in the Capital Transit Co. I have stated, and I restate to you, that my stock is not for sale unless the same offer is made to all stockholders. I have stated I would be glad to recommend to the board of directors any legitimate, firm offer with substance and credibility that provided for a fair and reasonable price for the stockholder's equity. I am willing to sit down, or have my representative sit down, with any respected, responsible group, or individual, and negotiate price. Up to now this has not been done. The items in the newspapers have been speculative and have no basis in fact. Over the past year I have been offered substantially above the market price for my stock only. That I turned down. But there has been no firm, business-like offer made by anyone up to now for my stock and the stock of my fellow stockholders. Proposals that I, alone, be bought out and thus remove the menace would put me in the position of receiving a preferred offer at the expense of other investors in the company. This I will not consider.

I say to you, as I have stated before, that if there are 4 other public-spirited citizens in Washington or elsewhere who are desirous of putting up money instead of critizing, I stand on a former offer that I will take all my stock and place it in escrow with the understanding I will not receive any dividends for 5 years if they, after purchasing all other interests, will also do so. In addition I will resign as chairman of the board and as a director. Thus far no one has come forward to operate the transit system on a philanthropic basis with private capital for a limited period so I am led to believe that the stockholders of Capital Transit Co. are incurring a great capital risk in continuing in business if Congress sees fit to restore the franchise.

As you know the so-called tax concessions in the House bill will from a practical standpoint be nothing more than maybe wishful thinking. The bill offers less than that which would be required to make the investment a safe and conservative utility investment. The best it does is provide a fighting chance, with continued economy and efficiency, that the stockholders may hope for some fixed reasonable dividend.

I am sorry I have taken so much of your time with this letter but I imposed on you because I wanted you to have my views in the face of my long absence from the immediate arena of events.

May I personally compliment you, Mr. Priest, and the other members of your committee and subcommittee for your public spiritedness, your responsiveness to public desires, and your cooperative spirit in weighing the issues involved before you came to a decision. I am all for the House bill—as is the Washington Board of Trade and other business interests in the Nation's Capital—and trust that the issue of private versus public ownership of the transit lines and their operation will be met head-on by the House with the courage and conviction that private capital, with understanding, can do a better job of operating the transit lines than can a public authority.

Very sincerely yours,

L. E. Wolfson.

American Security & Trust Co.,
Washington, D. C., May 15, 1956.

The Honorable Oren Harris,
United States House of Representatives,
Washington, D. C.

Dear Mr. Harris: I am writing to you with the greatest reluctance concerning the local transit situation, for I have no wish to inject myself into the controversy. In fact, I deliberately refrained from becoming involved in this matter until it became obvious that Washington was slowly but surely drifting toward an unpopular and costly public transit authority for want of any constructive alternative. Frankly, I was concerned lest a suggestion from me would be misinterpreted as "Wolfson" inspired, for both the Capital Transit Co. and Mr. Wolfson are valuable customers of the bank of which I am president, and an officer of our bank is on Capital Transit's board, as I used to be.

Still, something positive was, and still is, required. Moreover, as a small stockholder myself in Capital Transit, I had the distinct feeling that the non-Wolfson stockholder was the forgotten man in this whole situation. As I reviewed the series of proposals made by various groups, it became more and more obvious that none of them was a practical solution to Washington's transit problems. Finally, in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer, I took the initiative in quietly trying to develop a constructive new plan. We now have made sufficient real progress that I feel justified in reporting to you.

I am therefore in a position to state that serious discussions with responsible parties are well under way, whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control. My statement is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson, and with a leading investment banking firm. The essentials of the program are:

1. The company's franchise would be restored and it would be accorded the same privileges and benefits which have been offered to various other groups of potential investors.

2. In order to completely eliminate Wolfson ownership and control, Capital Transit would purchase the Wolfson stock at a fair price per share. Such stock would be retired. Concurrently, the company would offer to purchase (for resale), and at the same price, the stock of any other stockholder.

3. In order to finance the reorganization, the company would borrow the necessary funds ($5 million–$6 million) against the issuance of medium-term, first-mortgage bonds.

4. Both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms so that the company could enter into firm commitments with all interested parties.

Representatives of Capital Transit and Mr. Wolfson have indicated to me that they would be prepared, in principle, to accept this type of arrangement. Moreover, the investment banking firm engaged in these discussions has confirmed to me that it is prepared to take the leadership in attempting to provide the necessary financing for such action, provided normal investment banking standards are adhered to.

I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.

I emphasize that, while I am attempting fairly to report my own judgment of the position of each of these parties, I cannot commit any of them—although they know that I am making this report to you. I further emphasize that the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees. While these factors have not, as yet, been fully explored, I am confident such cooperation will be forthcoming with understanding.

I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation, I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

You are authorized to make such use of this letter as you deem proper. I should like to make it clear that I speak only for myself as a Washington resident and taxpayer.

Sincerely,

Daniel W. Bell.

Washington Board of Trade,
Washington, D. C., May 15, 1956.

The Honorable Oren Harris,
United States House of Representatives,
Washington, D. C.

Dear Mr. Harris: Though you have been informally advised, I want to take this opportunity to inform you in writing that the board of directors of the Washington Board of Trade on April 26 voted to support H. R. 8901, the bill which would continue operation of the local transit system by the Capital Transit Co.

You will undoubtedly recall that we vigorously opposed the legislation passed in the closing days of the first session of this Congress terminating the franchise of the Capital Transit Co. since we saw in such legislation an extremely bad precedent and since we could not foresee any desirable means of furnishing adequate transit service upon termination of Capital Transit's operations.

Nevertheless, since the franchise was canceled we have employed all the means at our disposal to encourage the formation of another company to render service after August 14. A number of local groups have made similar attempts.

I believe you know of a proposal being supported by some of our most oustanding and responsible citizens which would reorganize the Capital Transit Co. under predominantly local ownership and buy out the Wolfson interests in the company. This proposal seems to be developing well and promises to be successful, probably by August 15. However, no further progress can be made unless the group and its affiliates is assured that it may continue its negotiations with Capital Transit Co. and its stockholders.

It is, therefore, highly desirable that H. R. 8901 be passed. We feel that since the proposal under consideration has so much promise, an opportunity should be provided to carry it to a successful conclusion so that the community may be spared the necessity of going into a costly authority operation.

We, therefore, earnestly hope that the Congress will adopt H. R. 8901.

Sincerely,

Edward R. Carr, *President.*

[From the Washington Evening Star of May 15, 1956]

The Sensible Way Out

The House bill to restore Capital Transit Co.'s franchise is a commonsense way out of the existing transit mess. It will be approved if there is genuine desire to see private transit operation continue in Washington. The interim authority bill, passed in the Senate last week, means Government ownership in its least desirable form.

Under the House bill, private operation of a debt-free company with a substantial cash reserve and sound assets would continue under conditions that should make it workable. Under the Senate's interim authority bill, the Commissioners, after seizing what they want of the transit property and paying for it with public funds, are authorized to sell it to a private operator if one turns up in the next 3 years. Even those who wrote and supported the Senate bill, however, are publicly skeptical that any such thing will happen. Once Government sets up its version of a transit operation and gets into business with a new payroll, the taxpayers are going to be stuck with it from that time on.

Consider, on the other hand, the strong likelihood of what would happen under the House bill. There is reason to believe that the Wolfson interests, with the recorded consent of other stockholders, would be willing to dispose of their own holdings and get out. It is believed that the money to buy them out would be available. Under predominantly local control, with inducements by way of realistic concessions based on the highly competitive character of what is no longer a private monopoly, a privately owned and public-serving operation could succeed. The House bill, at any rate, offers a practical way to find out, without the Government's invoking the extraordinary powers of eminent domain to destroy a company because some politicians are panting to vent their spleen on one of its stockholders. Private financing to produce change in controlling ownership is unlikely, however, until existing legislative uncertainties are removed, and private ownership is given another trial.

The House should pass the bill presented by its Commerce Committee, and insist that it become law. If experience reveals no reasonable or demonstrable alternative to public ownership of transit in Washington, we should get into it through the front door with a sound authority bill written in the conviction that it is the right thing to do. Let's not slip in through the back door, piously protesting public ownership, but wailing that it is wrong for Wolfson to be a transit stockholder.

[From the Washington Evening Star of May 16, 1956]

A Sound Transit Plan

A sound alternative to public ownership of transit in Washington has been offered by a responsible source. We believe that Members of Congress who prefer private to public ownership—and most of them who have spoken on the subject have been careful to assert that preference—will go along with it. For they know that Daniel W. Bell's reputation in this community stands for something more than wishful thinking, and that he is prepared to assume a purposeful leadership in bringing about a desirable solution of the transit problem.

The plan outlined yesterday by Mr. Bell in his letter to Representative Harris is no half-baked scheme. It has been given careful study by competent lawyers and underwriters. They have pronounced it feasible, provided it is supported in principle by the District authorities and the legislative leaders in Congress. If it receives no such support, of course, it can get nowhere. Failure to receive such support will be due to the same preoccupation with punitive measures which created the transit crisis, not to defects in the plan itself.

Under this plan the Wolfson interests would sell out. Control of the company would revert to local interests, conscious of the civic responsibility involved. That is what everybody has said was desirable. Now the proof of the pudding is available. Two things are necessary. One is to restore the franchise to the Capital Transit Co., as provided in the House bill now pending. The other is to give Mr. Bell and his associates the support which lies in accepting their proposition in the good faith with which it has been offered.

We have no doubts as to where the public interest lies, as between supporting by appropriate action the plan outlined by Mr. Bell, and rushing headlong into a highly undesirable and expensive form of public ownership spelled out under the bill passed by the Senate. The House bill offers a constructive approach to retention of privately owned and operated transit in Washington. It should be approved.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HINSHAW. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois [Mr. Arends] for the purpose of his asking a question of the majority leader.

Mr. ARENDS. Mr. Chairman, I take this time to ask the majority leader if he has any additional information relative to the program for the balance of this week.

Mr. McCORMACK. Yes. Earlier in the day the gentleman from Indiana [Mr. Halleck] inquired of me on the same subject. Since then the conference report on the sugar bill has become in order for consideration. Many Members are interested in it, so that will be the first order of business tomorrow. It is very apparent that this bill cannot be disposed of today even if general debate is completed. The conference report will be the first order of business after that, and after our guest has been received.

Mr. HINSHAW. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. Dolliver].

Mr. DOLLIVER. Mr. Chairman, certainly I am the last person in the world to claim any especial qualifications for speaking on this very complex subject. Very humbly, I do claim two things, however. One is that I attended all the hearings; both the public hearings and the executive hearings. The second is that I ride these transit facilities that are now in operation in Washington. I belong to a one-car family. When there are other uses for the family car I take streetcar No. 30 out here in front of the office building and ride out to the end of the line to get to my dwelling here in Washington.

I am not any protagonist of the Capital Transit Co., nor am I their antagonist. I must say, however, that this company is in good financial condition. They are not bankrupt, they are not ready to go into the hands of a receiver by any means from a financial standpoint. They have money in the bank, I am told. Further, according to my lights they are running a good transit system. I have ridden the Chicago transit and the New York subway and a good many different kinds of streetcars and bus lines all over this country. In my humble judgment, we have a pretty good transit system here in Washington.

That opinion of mine is substantiated by the fact that repeatedly the Capital Transit Co. has had awards for excellence of operation, safety of operation, and cleanliness of their buses. That certainly is in line with my experience with them. Their operators are courteous and competent, they run a system that is all right. Whatever you say about the management, I certainly want to pay my tribute to the people who run the buses and streetcars in this town. They are firstrate so far as I am concerned.

The controversy about this bill has gotten into so many bypasses and alleyways that I am going to try to oversimplify it. That is principally so that I will be able to understand it myself.

The first oversimplification is this, and it is just the opinion of one man who heard all that went on in these hearings in this 530-page book and about that much more in executive hearings. My considered opinion is that if we reject this bill and put the Capital Transit Co. out of business and go to a public authority we are not going to have any transit here in the city of Washington at all after the 14th of August.

The reason for my conclusion is this: Suppose you do set up a public authority, where are they going to get the rolling stock? Why, they are going to have to go to the Capital Transit Co. and take over theirs. The public authority would condemn the transit facilities. Do you think that the management of the Capital Transit Co., with the intransigence they have shown already, are going to sit idly by and submit to the piecemeal condemnation of their property? Why, they will take this thing into court and it will be tied up for months.

I am just saying, Mr. Chairman, that in my considered opinion, if this Congress rejects the proposition of the extension of this franchise as is proposed under the conditions that have been offered to any other private operator and that were implicit in any public operation, if you reject this bill you are condemning the people of Washington to another situation such as they experienced last summer. No public transit.

All the people who work here in our Capital and all through the Government departments are going to be dependent once again on shoe leather and the courtesy of their neighbors in carrying them to and from their places of work. Once more there will be confusion—no public transit.

So, if we reject this bill, Mr. Chairman, I think about August 15, 1956, we are going to be confronted with that no-transit situation just about the time, or a couple of weeks after, this Congress adjourns. I am not going to be very proud of that action on our part.

There is another consideration which affects me personally, and this again is an oversimplification. I come from the Middle West. The public-transit-authority advocates ask us to dip into the Public Treasury for $20 million to begin with, and maybe forty or fifty million dollars eventually, to provide public transportation for the people of the city of Washington.

I do not believe the people in my district are very much interested in taking their tax dollars to put upon the streets of Washington and to provide transit facilities here. Especially is this true when we have the alternative of private capital doing the very same job without requiring the public treasury to be tapped for that purpose. I do not think that would be very popular in any congressional district which is more than a few miles from the city of Washington. I do not see why any Member of this body would want to tax the people in his own district for the purpose of setting up an authority here. I feel sure, and that feeling is shared by many of my colleagues, such an authority would become a permanent millstone around the neck of this Congress. We would be back here every year making more appropriations to carry the people back and forth in this city—to and from their work.

The thing for us to do, representing not only the people of the city of Washington as their city council, is to remember our responsibility to the people who send us here and say to the Capital Transit Co. and to the District Commissioners and to the Public Utilities Commission, "Here is an out. We perhaps did march up the hill and then marched down again. We, perhaps, took an improvident action last year. But let us admit it and do the right thing now."

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. HALEY. Does not the gentleman agree with me that we should have never marched at all and we would not have had this problem with us if we had done nothing last year, which is what I said on the floor of this Congress, and I also said that we would be back here this year just where we are now?

Mr. DOLLIVER. Mr. Chairman, the gentleman is so right. He recognizes, as I do now, that hindsight is better than foresight. We were told, as the gentleman well remembers, that applicants would stand in line trying to take over this franchise. But, nobody showed up with the capacity to take it over. So, we are confronted with this problem today.

The third oversimplification on this thing, which appeals to me, is this. I believe in private enterprise. I believe where it is possible we ought to keep private enterprise operating in business. I think most of the Members of this body have that same attitude. Why is it necessary to create a public body to do this job when we have private enterprise that is ready, willing, and able to do it? I know this transit business has gotten very sick in a lot of places in the country. One of our colleagues from New York, I think, said a little while ago on the floor that they had public transportation in New York City—that the transit lines there are publicly owned and operated. I think that also is true in Chicago, Cleveland, and some of the other great cities of this country. It is true in certain other countries, also. For instance, the Moscow subway is run by the Communist government. But that is beside the point.

For my part, I believe in private enterprise. I think this Congress should go on record with a resounding vote that we all believe in it.

We will thus live up to our responsibilities in providing transit for the people who work in the District of Columbia. We will be true to our responsibilities to our own districts. Instead of dipping into the public treasury which, after all, belongs to 165 million Americans we will allow private enterprise to work. We will say to our constituents, "Here is a plan where you do not have to use public money." Let us keep private enterprise on the job. Let us voice our faith and belief in the American system when we have a chance to do it.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. Dolliver] has expired.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. Bailey].

Mr. BAILEY. Mr. Chairman, I am not about ready to vote to leave job security and economic security of the several hundred employees of the transit company in the hands of a bunch of economic wolves. It is plain that there is nothing in this bill to provide for collective bargaining. There is nothing to provide for arbitration. That means that when the 14th of August rolls around you will have another strike on your hands and there will be no machinery set up in this legislation to handle it.

In conclusion, let me say I do not believe a single Member of this House who has any regard for the welfare of organized labor will support this legislation. I shall be glad to join in a move to recommit it to the committee until you have written into it some provision to prevent future strikes in the city of Washington.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. Hale].

Mr. HALE. Mr. Chairman, I am in favor of the committee amendment to H. R. 8901, which is, of course, an entirely different bill. I was a member of the subcommittee which considered this legislation and reported it unanimously to the committee which reported it with, I believe, only two dissenting votes. Let me say that the subcommittee which considered this legislation did a very patient, painstaking job in a most difficult situation. No one on the subcommittee entered upon his task with any prejudices or preconceptions.

When we passed the legislation last summer which forfeited the franchise of Capital Transit Co. as of August 14, it was the expectation of many Members of this House, of many residents of the District of Columbia, and I believe of the District Commissioners, that a private group of capitalists could and would be found to step into the breach which we were creating.

Now you can debate many questions about transit in the District, but there are a few facts that stand out quite clearly and plainly.

The first is that mass transit in great American cities is an unattractive business in terms of profits, that gross receipts are declining in the face of steadily increasing private transportation. The more prosperous general conditions are the more people desert buses and trolleys for their own cars or for taxis which here in Washington at least charge very reasonable fares.

The District Commissioners tried faithfully and our subcommittee tried faithfully to get another private group to step into the gap. There were a good many private groups which were academically interested, but there was not any and is not any properly financed, properly skilled, responsible group that we could conscientiously trust to take over and do the business that is being done by the Capital Transit Co.

So you have the practical choice of letting the Capital Transit Co. go back on terms strictly stipulated in the bill or create a transit authority. Regardless of whether you like private enterprise or public ownership, the public authority would have to be financed out of the public till because there is no reason to suppose that such an authority can raise the money on a bond issue or otherwise between now and August 14. Such an authority would have to take over either by private negotiation or by eminent domain the buses and trolleys of Capital Transit Co. If you are out to punish Mr. Wolfson it is my idea that he would rather have his company liquidated on these favorable terms than he would to continue to run it under this bill. I have as little use for Mr. Wolfson as anybody. He is as far as I know quite justly a figure of infamy in the District of Columbia. But if our objective today is to punish Mr. Wolfson, we may find that the people whom we punish are the innocent people of this District who want to ride and cannot. Bear in mind likewise that this proposed public authority, while it would be a nonprofit organization, would be subject to the jurisdiction of no regulatory body whatever and as far as fares and service

are concerned I would rather take my chances with this much excoriated company under the jurisdiction of the Utility Commission of the District than I would with a wholly unregulated public authority.

I appreciate that the House may not like to march down the hill it marched up last summer, but I believe that the residents of the District legitimately want to ride rather than to march anywhere and I believe that this bill gives them the only chance there is to ride. Because the Capital Transit Co. has the actual physical means to do this job and no one else has. If they cannot do it, I believe that we can get better public authority legislation than that which is now proposed or has been proposed.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Macdonald].

Mr. MACDONALD. Mr. Chairman, I want to take this opportunity to make known my opposition of the bill, H. R. 8901, dealing with the transit problem in the District of Columbia.

Before discussing the merits of the bill I would like to state that I have the greatest respect for the work done by the chairman, Oren Harris, and every member of the Subcommittee on Transportation and Communications, for the immense difficulty of their task, and for the complete sincerity and integrity of their recommendations. I know personally that the subcommittee has worked diligently many hours and many days. But I cannot in good conscience agree that the passage of H. R. 8901 is the proper solution to this most serious problem.

First, we must remind ourselves of the reasons which motivated the Congress last summer to revoke the franchise of the Capital Transit Co. Congress enacted Public Law 389 last year because of a demonstrated record of public irresponsibility on the part of the Capital Transit Co. under the Wolfson management. The 7-week strike had in effect been provoked by the management and was the climax of a public-be-damned attitude frequently exhibited by the company. President Eisenhower summed this up when in signing the bill revoking the franchise, he said:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

During a period of less than 7 years the Wolfson interests have had a gain on their investment here in an amount of over 339 percent. During this same period the company has cut service. During the same period that the stockholders were being given these fantastic dividends from the company, the management continually refused to arbitrate disputes over contract terms with its duly elected, recognized collective-bargaining agents representing their employees. During the 40-year period in which the Capital Transit Co. itself, prior to Wolfson taking over, dealt amicably with the union which represents its rank and file employees and there were only 3 days of strike during this 32-year period, prior to the advent of the Wolfson interests. Since Wolfson took over, there have been 55 days of strike during a period of approximately 6½ years. It is difficult to see how, in the face of such a glaring record of public irresponsibility, the House today can contemplate giving the franchise back to the Wolfson interests, especially when we see that the franchise which was taken away only last August is being returned with substantial concessions made to these same Wolfson interests. Specifically, I point out:

First. Tax concessions proposed in this bill would exempt the company from payments of gross receipts taxes to the District, which last year cost it nearly a half million dollars.

Second. Likewise, the bill would exempt the Capital Transit Co. from all or part of the District's 6-cents-a-gallon gasoline tax, depending on whether CTC earned 6½ percent on its rate base. In other words, it would pay no city gasoline tax if earnings dropped below 6½ percent.

Third. A provision in the bill—section 2 (c)—allows the company to establish its own rates subject to the right of the Public Utilities Commission to suspend or modify such rates during a 90-day period. Thus, at the end of the 90 days, if the Commission does not go along with the company's rates of fare, the company may put into effect, again subject to a suspension order, the disapproved rates of fare, and this process could go on indefinitely. It is easy to visualize the Capital Transit management using as an excuse for fare increases, any request for justified increases in wages and improvements in working conditions made by the employees, and attempting to place the burden of such rate increases upon the employees.

Fourth. The provisions of section 2 (a) of the House bill freezing the rate base in the amount of approximately $20,200,000 is an unwise provision. The rate base is always subject to reexamination by any regulatory body in the light of new information available from engineering studies. Previous projections as to the life of the property, for example, may turn out to be either too optimistic or too pessimistic. The public interest should not be short-circuited by denying to the regulatory body the right to reexamine previous depreciation studies and to redetermine a rate base in the light of new information.

Fifth. The company would be permitted to shift from streetcars to buses gradually, not immediately, as the Public Utilities Commission wants.

Sixth. The company would be partially relieved of existing obligations with respect to snow removal. In other words the company would be required only to remove ice and snow from its streetcar tracks. It now must clean its tracks, space between the tracks, and a space 2 feet outside the tracks at street crossings.

Seventh. This bill contains absolutely no labor provisions for collective bargaining and/or arbitration.

Eighth. Congress in legislating the repeal last summer took into account the criticized past financial practices of the company under the ownership of Wolfson. There has been nothing happening since that time to indicate any change in management's attitude.

I do not think that it is in the public interest to restore a situation which will probably result in the citizens of Washington, D. C., having to walk to work again in the heat of summer. There is great reason to fear that we will have this very same problem back in our hands a year or two from now, along with a reasonable demand from the public for a lasting solution to this problem. I say, as a member of the House Interstate and Foreign Commerce Committee, that I do not favor a proposal to permit the Wolfson syndicate and operations to further milk the transit riders of the District of Columbia.

As to the last minute activities of Mr. Daniel W. Bell, I think they can be best disposed of by the gentleman most closely concerned with this problem, Mr. Wolfson himself, as reported in the May 15 edition of the Washington Evening Star, which states:

> Despite the Bell disclosure, Mr. Wolfson's letter to Mr. Harris—written Friday, 1 day after he had returned from a 5-week trip in Europe—said he had not yet had a "firm offer with substance and credibility" from "any respected, responsible group or individual."
>
> Also, said Mr. Harris, the Florida multimillionaire concurred in the decision of the CTC board of directors to recommend to the 2,500 stockholders that they continue in business if the House passes the franchise restoration bill worked out by the subcommittee.

Now, the name of Mr. Bell has been injected into this matter, and I would like to clear that up by asking the gentleman from Arkansas [Mr. Harris] just one question. Is it true that Mr. Wolfson, when asked about Mr. Bell, made the statement that he had received no firm offer of any sort from any responsible group or from any responsible individual?

Mr. HARRIS. No; the gentleman is not correct in that statement. In fact, if the gentleman will permit me, the letter that I received from Mr. Wolfson late day before yesterday afternoon was written on the 11th of May. That was Friday of last week. The letter from Mr. Bell came to me yesterday afternoon about 1 o'clock. Therefore, the Bell letter was not even in the picture at the time that I received the letter from Mr. Wolfson stating what he would be willing to do if some responsible person would come through and operate it, giving all of the stockholders the same opportunity as he would have himself.

Mr. MACDONALD. Is it not true that he stated to you that he had received no firm offer from anybody?

Mr. HARRIS. In that letter of last Friday he stated that he had had no firm offer from any reasonably responsible people. After that is when Mr. Bell's letter came saying that they would make such an offer.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. Hyde].

Mr. HYDE. Mr. Chairman, 2 questions were asked here just a moment ago, 1 by the gentleman from Mississippi [Mr. Williams] addressed to the gentleman from Arkansas [Mr. Harris] about the operation of the present company by the Capital Transit Co. The fact of the matter is that the Committee on Interstate and Foreign Commerce did not have that matter under consideration. The Senate did have a committee, however, which did investigate that question and found that it was not being operated in the public interest. And, the gentleman from Iowa [Mr. Dolliver] raised the point about tying up the operation of this line if it went into the hands of a public authority. I am reasonably sure that no court would permit the transit operation in this city to stop as the result of this business being taken over by a public authority.

Mr. Chairman, Congress is here today wrestling with a problem that has plagued municipalities and major cities throughout this country for many, many years. I do not like the idea of a public authority, and if I thought that we could properly operate it here under private ownership, I would be enthusiastically for it, but I think that the studies and the evidence that we have before us today show that that probably is not possible. The reason I say that, I hope I will have time to make clear.

Since I have been in Congress, one of my chief interests on behalf of my constituents living in Montgomery County has been the public transportation in the Washington metropolitan area. In the course of preparing legislation to deal with this problem, I have read studies made of the mass public transportation problem in the major cities of the United States. All of these studies conclude that urban mass transportation will probably have to be taken over by public authorities in our major cities in order to provide the service that the people demand at the fares they are willing and able to pay.

Why do they come to that conclusion? It is very simple. The reason for that dilemma is that the people are simply not using public mass transportation. Why are they not using it? The answer to that is also very simple. It is simply not convenient. It is more convenient to use the private automobile. Hence it has become necessary, according to the studies made in city after city in this country, eventually to recommend that they set up a public authority to operate urban transit.

The very action being taken here today I submit proves that that is so. They admit that they cannot operate completely as a private enterprise. How do they admit that? They say they must have tax concessions in order to operate. Well, there are many private businesses that would like to operate and pay dividends, and not have to pay taxes. And how do they admit it further? By the argument that they make on the floor here today about the burden that will be thrust upon the taxpayers if you have a public authority.

If this system can be operated profitably, where is the burden on the taxpayer? The reason that they are afraid it will be a burden on the taxpayer is because the studies show that this business cannot be handled, you cannot give the public the service that they must have—and in spite of the poor use being made of the public transportation, you still must have it because there are still so many people who cannot afford private automobiles—at the fares they are willing to pay under a system where they have to pay full taxes as any other private enterprise pays and where they can pay dividends on the stock of a private corporation.

I am forced reluctantly to come to that conclusion as much as I dislike the idea of a public authority or any form of public ownership and operation. I think I am as much a free-enterprise man as there is on the floor. But I submit I cannot be a fool about it, I cannot be bullheaded and stubborn when we are faced with the fact that in certain kinds of operations, we have to have public support. We do it with our merchant marine, and we admit we have to do it. And we will come to the point where public mass transportation in our major cities has to be operated under the authority system, because the private dividend-paying system simply will not work.

Mr. Chairman, I submit that the very arguments being made here today, and the nature of the bill that is before us, a tax concession bill, prove on their face that the private-enterprise system as we speak of it cannot operate properly in this field.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. Broyhill].

Mr. BROYHILL. Mr. Chairman, several Members have extended congratulations and commendations and praise to the Committee on Interstate and Foreign Commerce for the splendid job that they performed on this proposed legislation. I think those commendations were sincere and they were certainly in order.

As I said during the debate on the rule, I introduced a similar bill to the one before us today and after much time spent by the chairman of the Committee on the District of Columbia [Mr. McMillan] and myself, I felt somewhat disappointed that the subject was not considered by our committee. I can assure you that that disappointment is overshadowed by our appreciation of the wonderful job performed by the Committee on Interstate and Foreign Commerce. I attended some of those hearings, and I can attest the fact that they went into every detail of the subject thoroughly before they reported out the bill.

Since this is a District of Columbia matter, a local matter, so to speak, I know that many Members of this body are not as familiar with the problem as they are with many national and international problems of more importance. Therefore, I think it is imperative that we consider very seriously the recommendations of this committee and think about them very seriously before we ignore their recommendations.

I have no opposition to the metropolitan area authority as such. I have a bill providing for one myself which is now pending before the Committee on Interstate and Foreign Commerce. This substitute motion that will come up tomorrow, however, does not provide for that type of authority. I will discuss that further at that time.

I want to get now into the subject of the employees and how they are to benefit from this legislation or the substitute legislation which will be offered tomorrow.

It is rather surprising to me that representatives of the employees of this company would take the position of canvassing Members of this body, sending them letters, and asking Members of this body to destroy their employer. It just does not make sense to me that any group of employees or representatives of groups of employees would be part of a conspiracy to destroy their employer.

Is it because the union bosses themselves want more power for themselves, and they feel they can get more power under some sort of public ownership or Government-owned proposition, when they will be able to come to Congress, thinking they can get more concessions from Congress than they can from a private employer?

I know they would like to have the right to arbitrate. The Capital Transit Co. last year during the discussions and deliberations on the settlement of the strike agreed to arbitrate provided they could have an arbitrator who would consider ability to pay. But the unions do not want an arbitrator or will not accept an arbitrator who will consider the ability of the company to pay any settlement of a wage dispute. You tell me how you can possibly settle a wage dispute involving private industry unless some consideration is given to the ability to pay on the part of the company. It just cannot be done.

Let me tell you about the employees. I represent many hundreds of those employees of the Capital Transit Co. who live in northern Virginia. I have had several dozen of those employees visit me personally or call me on the phone or write me to tell me they did not want this franchise to expire. That is particularly true among the streetcar operators and streetcar maintenance men. They just cannot see any assurance of security for themselves in the future. Also there are the many hundreds of office workers who would have no security if this franchise is revoked. So if you have any consideration for the 3,000-some employees of this company you will vote for this bill to restore the franchise. In my opinion, the only people, as far as the employees are concerned, who want this company destroyed are the union bosses, because they can see in the future more power for themselves.

A great deal of discussion has been had about our walking up the hill last summer and walking down the hill this year. I think that has been very thoroughly covered by the gentleman from Arkansas [Mr. Harris]. What we are doing now is not walking down the hill but correcting an error we made last year.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. Williams].

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HALEY. The gentleman is a member of the committee. I would like to ask this question: Were the same terms and conditions which were offered to the Capital Transit Co., which were brought up by the gentleman from Massachusetts [Mr. Macdonald] and the gentleman from Maryland [Mr. Hyde], offered to all parties interested in this franchise?

Mr. WILLIAMS of Mississippi. They were the same conditions and concessions offered by the Commissioners to all parties who were seeking the franchise, yes.

Mr. HALEY. I thank the gentleman.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HARRIS. In fact, the concessions that have been given here, as the gentleman well knows, do not go nearly as far as what the Commissioners offered to the Kampelman group when they came in with an application for a franchise.

Mr. WILLIAMS of Mississippi. The gentleman is right. In fact, they have been scaled down considerably from what was offered to the Kampelman group and others.

Mr. Chairman, 11 Members of this House who make up the Subcommittee on Transportation of the Committee on Interstate and Foreign Commerce worked hard and unceasingly doing what obviously is a thankless and profitless job, considering legislation affecting the District of Columbia. No member of the committee has an ax to grind with reference to this matter. No member of the committee has any selfish interest in this matter at all. The committee worked hard. We probed around and we looked for an out, and we hoped and prayed that somebody could present an answer which would be acceptable and would insure transit facilities for the city of Washington on August 14.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to my colleague on the committee.

Mr. HINSHAW. I think it is significant to note that the 11 members of the subcommittee who heard the testimony were unanimous in favor of the provisions that we sought and that those who did not hear the testimony, or at least some of them, were opposed.

Mr. WILLIAMS of Mississippi. I thank my friend for calling that to my attention. He is absolutely correct. As far as I am concerned, we have performed our labors and we have presented to the House the only possible means to keep public transit going in the District of Columbia on August 14. If the House does not want to accept it, it is perfectly all right with me—I do not ride these buses anyhow: They are integrated, you know.

It may or may not be true that Mr. Wolfson is an unsavory character, as he has been represented by opponents of this bill—I do not know Mr. Wolfson, but one thing is certain in spite of what my good friend from Maryland [Mr. Hyde] says—at least a few people here in the District of Columbia who do know him, say he is rendering wonderful transit service here in the District of Columbia. That includes Commissioner Spencer, who so testified before the House and Senate District Committees last year, and it applies to the transit union president, who so testified before a committee of the other body this year. I do not know why so many have such a low regard for Mr. Wolfson. But so far as I can tell he has not done anything wrong in this instance. He has furnished good transit service to the people of the District of Columbia and he has furnished it at reasonable rates. You know, if you really dig into this thing and hear all of the facts presented, as we did over a period of about 6 weeks, you will learn that Mr. Wolfson is not really the villain that they portray him to be in this particular controversy. If you want to get down to brass tacks, the real villain in this thing is the PUC—and the first two letters of that agency appropriately describe their part in this controversy. Simply, here are the facts. Last year, the time came for the union to negotiate a new contract with the Capital Transit Co. They felt that they should receive certain additional concessions from Capital Transit, which were going to cost Capital Transit a good deal more money. So they made their demands on Capital Transit. Capital Transit looked them over and said, "Boys, we cannot pay you this on our present income."

The Capital Transit Co. then said to the PUC, "If you do not give us a raise in rates, we cannot meet the demands of the union for a new contract." The PUC said, "Boys, we are not going to give you a raise."

So the Capital Transit Co. said, "If we are going to have to absorb this increased cost, we will not make any money, and if we do not make any money we have no reason to stay in business."

So the union went out on strike. Who can blame them? The PUC had made it impossible for the company to meet their demands. There occurred a stalemate and Washington was without public transit. So the Congress canceled the franchise on August 14 last.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. Williams] has expired.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. WILLIAMS of Mississippi. I thank the gentleman.

So we canceled the franchise and gave authority to the Commissioners and the PUC to take such steps as were necessary to settle the strike and provide transit. So what did they do? They turned around and approved the increase that Capital Transit had previously requested, and settled the strike by meeting the union's demands.

It does not matter to me whether you pass this bill or not, but if you are interested in keeping the people of Washington off their feet, as the chairman said, you had better pass this bill. Otherwise they will be walking after August 14.

Mr. HINSHAW. If there was anything that was asinine, it was that, was it not?

Mr. WILLIAMS of Mississippi. Absolutely.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PRIEST. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Kelley of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, REORGANIZATION PLAN NO. 1, 1956 (H. DOC. NO. 405)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1956, prepared in accordance with the Reorganization Act of 1949, as amended.

The reorganization plan is designed to improve the management of research and development programs in the Department of Defense. To this end, it establishes an office of assistant secretary for research and development in each of the three military departments. It thus places in effect an important recommendation of the Commission on Organization of the Executive Branch of the Government.

There is no function of the Department of Defense in which coordination leading to effectiveness and efficiency is of greater importance than in research and development. The National Security Act of 1947 established the Research and Development Board in the National Military Establishment. It was composed of representatives of the three military departments and a chairman directly responsible to the Secretary of Defense, and it was intended to coordinate and eliminate undesirable duplication in the research and development programs of the three military departments. Time and experience proved that the Board was an organization unsuitable for the accomplishment of the required results. Reorganization Plan No. 6 of 1953 abolished the Research and Development Board and transferred its functions to the Secretary of Defense; further implementation of Reorganization Plan No. 6 resulted in the establishment of the office of Assistant Secretary of Defense (Research and Development) in the Office of the Secretary of Defense.

The functions assigned to the Assistant Secretary of Defense (Research and Development) include assisting the Secretary of Defense on research and development aspects of Department of Defense policies, programs and plans, including capital and operating budgets. In carrying out those responsibilities, he must review the research and development programs of the military departments to see that they are well coordinated and that collectively they form a sound and integrated overall Department of Defense program which is geared closely to current strategy.

At present the Department of the Army has a Director of Research and Development who reports directly to the Secretary of the Army. The Assistant Secretary of the Navy for Air has, among his duties, responsibility for research and development. An Assistant Secretary of the Air Force has been devoting full time to research and development matters. These arrangements, although constituting a recognition of the importance of research and development, are not adequate in present circumstances. In the Department of the Air Force the existing arrangement, while suitable for research and development matters, has resulted in inadequate provision for the coordination of other vital Air Force activities at the assistant secretary level. I am persuaded that the situation requires an additional assistant secretary in each of the military departments.

Accordingly, the accompanying reorganization plan establishes in each military department an office of assistant secretary for research and development. Each of these new officers will assist the Secretary in the improved coordination of the research and development functions of the military department concerned. It is my intention to appoint to these new offices individuals experienced in scientific fields and capable of assisting their Secretaries full time in reviewing the research and development programs of the military departments to see that they are well coordinated. Thus the military departments will be uniformly equipped with technically skilled, full-time officials with the rank of Assistant Secretary charged with assisting the Secretaries of the military departments in the coordination of research and development functions. These officials, together with the Assistant Secretary of Defense—Research and Development—will collectively form an improved organizational arrangement for the coordination of sound and interrelated research and development programs throughout the Department of Defense.

After investigation, I have found, and I hereby declare, that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of an assistant secretary for research and development in each of the military departments. The rates of compensation for those officers are those prevailing for comparable officers in the executive branch of the Government.

While the taking effect of the reorganizations included in the plan will not bring about immediate savings, it is probable that it will bring about substantial long-run reductions of expenditures and also greater effectiveness of administration. An itemization of reductions in expenditures in advance of actual experience under the reorganization plan is not practicable.

The reorganization plan is another step in our continuing efforts to provide the best defense organization possible. I urge the Congress to permit it to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 16, 1956.*

LESSENING THE PRESIDENT'S LOAD

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a magazine article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, we have heard so much about the President and the inability to do this and the inability to do that, but people have forgotten that for some years we have been insisting that there was too much demanded of any one man in the Presidency.

I have asked unanimous consent to extend by remarks that I may include as part of my remarks a very interesting article written on this subject by Mr. Samuel Kornhauser, of my old district.

(The article referred to follows:)

LESSENING THE PRESIDENT'S LOAD

(By Samuel J. Kornhauser)

Mr. Eisenhower's illness has emphasized the widely held opinion that the Presidency necessarily subjects the incumbent to excessive strain. The magnitude of the burden is usually summed up in the words: "It is a killing job." There is a prevailing feeling that something be done about it, and this has evoked numerous published comments and proposed cures. The suggested reforms, however, are not directed to reducing the accumulated load on the office, but to diverting from the President to additional subordinates some of the stress by which he is said to be harassed and enervated. They treat the surface manifestations, not the seat of the malady: the multifarious major tasks which have become lodged in the executive department, but do not belong there.

Obviously it is absurd to consume the President's time and energy with a multitude of mechanical exertions, some of which are not unimportant, but transferable, like signing papers, trivial handshakings, medal pinnings, and similar nonsense. Nor is it good business administration to have more than a few chief subordinates report directly to him. But if you remove all minor distractions, there would still remain the myriad, many-sided weighty problems constantly arising out of the the enlarged responsibilities which by law, and usage, have been engrafted on the office. The stark fact is that the executive department has become so enormous that no man, no matter how vast and versatile his capacity might be, can adequately cope with its immense exactions.

It is a huge labyrinth of bureaus and personnel which remove control farther and farther from the man in whom the Constitution vests all the executive power of the United States. This is the blight of bureaucracy. Yet the remedies proposed to mitigate the strain of the presidential responsibilities would make his control even more remote by further delegation and dilution. It is as if the cure for the evils of bureaucracy were more bureaucracy. Through such folly we have drifted into a perilous predicament. The real hope of extricating ourselves lies not in further distribution of the President's load, but in reducing the size of the entire Washington load. This means restoring the equipoise, which the Constitution demands, between the prescribed limited but sufficient powers assigned to the Federal Government and the unfettered exercise by the States of all undelegated political powers.

In his excellent article in the January Reader's Digest, Mr. William Hard has shown up much of the rubbish of superficial thinking which clutters this subject. He points out that no President has been killed by overwork. And he might have added that the alleged deadly nature of the office does not deter candidates from sustaining the most arduous exertions, immense sacrifices, and conscience-gripping compromises to obtain this killing job. Also, what tenant of the White House has willingly surrendered his lease after 4 years' occupancy? Mr. Hard further points to our two living ex-Presidents, both, in their respective terms, beset by the most onerous and vexatious problems, who are still in robust health—one 72, the other 81. Mr. Hard shows that under existing laws Mr. Eisenhower has done much to improve the dispatch of business in his department, and can do much more; that facts come to him in concise, compact form; and that many minor tasks have been shifted to others.

But no amount of streamlining of the colossal executive department can reach the heart of the disturbing issue it presents. The suggested palliatives are an attempt to perfect a huge bureaucracy, and there is no such thing possible as a perfected huge bureaucracy. The excessive burden laid on the Chief Executive is the harvest of the inordinate powers which have become centered in the Federal Government. The only effective means of reducing the President's tasks to the scope of reasonable human capacity is curtailment of the overgrown functions implanted in Washington.

All three departments of our Government share the blame for the growth of Federal authority to its present mammoth dimensions. Congress passed the laws which enthroned big government in Washington; a Supreme Court, dominated by sociological rather than judicial concepts, sustained these laws; and Presidents have, more and more, endowed themselves with self-made extraneous prerogatives. The impact of war and economic distress jarred the people, by and large, from their normal sanity; they fell for the lure of blessings bestowed by the State, blind to the fact that they were dissipating their richest heritage: the safeguards of human liberty erected in the Constitution.

The short cut to welfare through projects, endowed and administered by Washington, has led to an endless series of commissions, authorities, and agencies designed to supervise business and personal affairs and to supplant local self-government. As with an ad-

dict to narcotics, ever-increasing doses are needed to satisfy the craving. Management of this vast accumulation of anomalous establishments falls to the President and creates a large part of the removable load he now carries. That phase of the problem can be solved if Congress, by repeal of laws, restores the purloined powers of the States, and leaves to them exploits in the field of welfare legislation under the immediate eye and control of the citizens affected.

But there is one aspect of the problem, the solution of which rests chiefly with our Presidents themselves. Perhaps the most devastating strain on the Chief Executive is imposed by the adventitious function of legislative leadership which has become associated with his office. This is a wholly extra-constitutional function. The Constitution makes him an executive, not a lawgiver. In its initial sentence it ordains that "all legislative powers herein granted shall be vested in a Congress of the United States." That creates the exclusive right and responsibility with respect to legislation. Obviously, it follows that legislative leadership should come from within, and be maintained within, Congress alone. Yet now, not only is the President expected to originate a detailed program of desirable laws, but also to procure their enactment by resort to every resource at his command. The friction and heat engendered in the struggle to win over sufficient support for his bills create the most exhausting trials to which he is subjected.

Nothing in the Constitution justifies this intrusion into the field allotted to Congress. The Constitution directs the President to submit information to Congress and to recommend for its consideration such measures as he deems necessary and expedient. Nothing more is authorized. Nowhere, by word or implication, is the President given leave to use the power and prestige of his office to lash Members of Congress into obedience to his will. He is authorized to recommend, not command, enactment of laws. If, after submitting facts and recommendations, he would leave the responsibility for legislation squarely on Congress where it belongs, and content himself with giving advice, that would go far to relieve him of undue burdens.

Nor would renunciation of such accretions to the office impair its proper position and influence. From the beginning, the sphere of the presidency, within its plain constitutional limits, was enough to excite the ambition of men of stature and renown. With the extraordinary growth of our Nation, competent administration of the undilated functions of the office is enough to tax the most eminent ability. He is charged with the duty of enforcing obedience to law; of managing all executive departments, among which our colossal military establishment is alone an enormous task; of being the agency for contact and negotiations between our Government and all foreign governments, requiring him to keep watch on what goes on in every corner of the world, and to cope with the mess of international politics into which we have been plunged. In a word, the job held within constitutional dimensions is big enough.

The task, then, is not to find means of accommodating ourselves to the existing puffed-out powers of the presidency, but to cut down the office to its designed size. It can be done if our Presidents cease trying to play the role of prime ministers, and if Congress remains within the boundaries delineated to limit its range. The governmental machinery of 48 States can take up the load if the functions illegitimately assumed by Washington are abrogated.

America has given the world a priceless demonstration tat Federal union, subject to local self-government, can be successfully applied to a gigantic political aggregation, spread over a vast territory, and composed of a population derived from immigrants inured to many diverse ancestral cultures. John Fiske, eminent historian and philosopher, who had so competent a grasp of our constitutional system, put into these few words the essence of the Federal union concept: "How to insure peaceful concerted action throughout the whole, without infringing upon local and individual freedom of the parts * * *." We did that. Yet, particularly in the last quarter century we have allowed that rich heritage to become impaired.

It is a strange aberration which has led the bulk of our people to embrace and approve the prodigious centralization of power in Washington at the very time when big business finds it imperative to adopt a form of organization which accords the largest measure of local freedom to its parts, compatible with concerted action throughout the whole. Take General Motors, for example, a combination of numerous, separate, large business entities. This far-reaching industrial empire could not be well conducted directly from a central office. The management of each component is given the utmost freedom of administration within the scope of its allotted domain and objectives, including competition with associated units, but answerable to the central authority for conformity to directions designed to prevent disharmony and to promote overall success. Thus by this sincerest flattery does big business pay tribute to the essential principles of Federal union embodied in our system of national government nearly 170 years ago, and proved valid in the long test since. Surely in this connection there should be no dissent from Secretary Wilson's declaration that "what is good for General Motors is good for the United States."

The issue involved concerns every future President, whether he is 55 or 75. Not only the accumulated excessive burdens, but also the impossibility of duly discharging the obligations imposed, are detrimental both to the incumbent and the country. The remedy lies in reestablishing the submerged powers of the States, and confining to their designed province the limited functions of the Federal Government.

NATIONAL LIBRARY OF MEDICINE

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEEHAN. Mr. Speaker, today I introduced a bill to promote the progress of medicine and advance the national health and welfare by creating a National Library of Medicine.

Similar bills have been introduced in the Senate, and hearings have been held before the Subcommittee on Health of the Senate Committee on Labor and Public Welfare, on April 10–11 of this year. It is my thought that by introducing a similar bill in the House, hearings also could be held by the proper House committee, thus facilitating action on the proposal once the Senate and/or the House decide to consider it.

The bill I have introduced is essentially the same as the Hill-Kennedy bill, S. 3430, with one exception. That is, that in my bill I have specifically designated that this library be located in the City of Chicago, Ill.

The need for such a building was fully brought out over a year ago when the Hoover Commission recognized that the Armed Forces Medical Library collection has become, in fact, a national medical library and should be designated and supported as such. In spite of the fact that the Armed Forces Medical Library represents the greatest collection of medical books in the world and contains a priceless collection of medical literature dating back to 1904, the present facilities for housing this library are totally inadequate. Space is at such a premium that books are set up on old coal bins in the basement of the present quarters. The electrical wiring and steam fixtures are so old that there is always a danger of pipes breaking and circuits being overloaded to such an extent that the library may be destroyed. By no stretch of the imagination does the present building provide adequate fire protection for this valuable collection—as a matter of fact, the structure is in such condition that the material is in constant danger of being destroyed by fire.

At the present time the library receives about 10,000 medical periodicals a year, contains some 650,000 bound volumes and adds another 25,000 volumes a year. Its total collection to date comes to very nearly 1 million items and is so large that part of it at the present time is kept in a separate building in Cleveland, Ohio, over 400 miles away.

It must be remembered that this library is what is known as a mail order library, in the sense that the biggest volume of its loans are micro-film and photostatic reproductions of its collections and over 100,000 of these requests from all over the country are handled each year.

So far there has not been a single dissenting voice raised against the proposal to establish a National Library of Medicine and its proponents besides the Hoover Commission Task Force on Medical Services include, from among a list of many, the Association of American Medical Colleges, The American College of Surgeons, The American Medical Association, the Veterans Administration, the American Academy of Obstetrics and Gynecology, the American Dental Association, the American Hospital Association, and the American College of Physicians, all of whom realize and feel the need for the establishment of such a library housed under adequate facilities and convenient to the country as a whole.

It is recognized that the Armed Forces Medical Library at the present time contains almost all of the advances made in medicine and is unique in its adequacy, as there is no other collection of medical literature that can compare with it in this country, or, indeed, the world. The interest of most of the medical associations in the library is due to the fact that its functional, utilitarian service to medical progress and education is recognized throughout this country. As spokesmen of the American Association of Medical Colleges stated:

> We, as educators, are fully cognizant that any advance in medicine that was ever written down has almost certainly been recorded in this great library.

Dr. William Henry Welch, who is known as one of the four founders of

Johns Hopkins, listed the really great contributions of this country to medical knowledge as, first, the discovery of anesthesia; second, the discovery of insect transmission of disease; third, the development of the modern public health laboratory; and, fourth, the Army Medical Library and its index catalog.

In Dr. Welch's opinion, the library and its index catalog are the most important of the four, and his statement certainly should be the proof of the importance and necessity of establishing a National Library of Medicine.

In my own mind there is not much question of the necessity for setting up a National Library of Medicine in its own building and with facilities which would enable it to be of the greatest possible assistance to the medical profession and to the citizens of this country as a whole. In my opinion, the only problem involved here that might be of a controversial nature is the site of this proposed National Library of Medicine. In order to take matter of location out of the controversial field, I have in my bill specifically designated its location as Chicago, because of the many obvious advantages that city has to offer geographically as well as from the medical standpoint.

One of the most important functions of the library's service is that rendered by mail, which means transmission by both air and rail to all parts of the country. Chicago is the recognized railroad and air terminal of the United States, and of the world. From such a central location, the books, the microfilm and periodicals could be dispatched and returned in the shortest possible time, thus making them available for use by many more groups and individuals.

There is no question that Chicago already is the Nation's No. 1 medical center, in that it has the greatest facilities for medical treatment, education, and research. Forty-one national medical associations and societies maintain their national headquarters in Chicago, and nowhere is there more need for expanded medical library service than in that city.

Dr. Morris Fishbein, formerly head of the American Medical Association, has pointed out that there is "overwhelming argument for relocating the library in Chicago. Chicago is the national headquarters for the American Medical Association, the American College of Surgeons, the American Dental Association, and 38 other national medical groups. More than one-fifth of all the medical men in the Nation have come to Chicago in recent years for postgraduate work and it certainly would be most beneficial to have a library such as the National Library of Medicine located in the center of medicine in the country."

Chicago has dedicated much space to the advancement of medicine, and many new hospital facilities and research facilities are being located in the region as a result of a slum-clearance program and the foresight of Chicago's citizens in developing an area and an atmosphere conducive to medical research and medical practice.

With the acknowledged fact that Chicago is the medical center of the United States, it would seem to me of prime importance to remove the question of location from any possibility of controversy. This would eliminate delay in congressional action on legislation for this much-needed library, and once Congress had authorized its establishment, many months if not years of time would be saved if designation of the site was a provision of the statute, rather than an issue which would obviously bring forth pressure movements and even lobbying on the part of various cities, all trying to "get into the act" by vying for the library site.

SMALL BUSINESS PEOPLE CHOSE TO ENDORSE A TAX BILL WHICH IS GOOD FOR THE WHOLE COUNTRY

Mr. PATMAN. Mr. Speaker, on May 2, I spoke briefly about a letter I had received that day from Mr. Robert I. Black, informing me that a number of representatives of small business organizations had met in Washington to consider various proposals to give tax relief to small business, and that at the conclusion of their considerations these small-business people adopted the resolution endorsing the tax bill which I introduced, H. R. 9067.

Prior to that time I had no communication with Mr. Robert I. Black, either directly or indirectly, concerning any tax proposal. In point of fact I had no knowledge that any meeting on this subject was to take place, or was taking place, prior to the time I received word that a resolution in support of my bill had been adopted.

On May 2, I put Mr. Black's letter into the RECORD, thinking that other Members would be interested in it, since it is now rather widely recognized that the impact of the present tax structure is one tending to fatten the corporate giant and to eliminate small and medium size businesses from the American scene.

Among other organizations listed in Mr. Black's letter as endorsers of H. R. 9067, there was included the name of the Small Defense Industries Association of Los Angeles, Calif. On May 9, I had a letter from Mr. John Marschalk, executive secretary of that association, stating that the listing of his association as an endorser of H. R. 9067 was in error; that his association had not endorsed this bill, and that it does not approve of this bill. It appears that Mr. Marschalk wrote quite a similar letter to the gentleman from Colorado [Mr. HILL] and a letter in a similar vein to Mr. Robert I. Black. For on May 10, the gentleman from Connecticut [Mr. SEELY-BROWN] discussed these two letters from Mr. Marschalk and incorporated both letters, with some excisions, into his remarks.

Today I am in receipt of a second letter from Mr. Robert I. Black telling me "that he pulled a boner" in listing the Small Defense Industries Association of Los Angeles as one of the organizations endorsing H. R. 9067.

TAX PROBLEM IS TOO GRAVE FOR PARTISANSHIP

Mr. Black's letter further indicates the belief that Mr. Marschalk has utilized his boner to try to inject partisan politics into considerations of tax relief for small business. Mr. Black's letter also tells me that the small-business people who have, in fact, endorsed H. R. 9067 are determined that this shall be a nonpartisan or at least a bipartisan issue. I heartily subscribe to his determination. All Members of the House will agree, I think, when they full understand the small business-tax problem, that this problem is too vital to the welfare of our country to be a subject for partisan politics.

Mr. Black's letter points out that under this tax bill, H. R. 9067, not more than 2 or 3 corporations in the country would pay a combined normal and surtax rate which would be in excess of 70 percent, and these would pay a rate of slightly in excess of 70 percent. Furthermore Mr. Black points out that the tax rates on big business, under this bill, could hardly be called confiscatory, as one writer has tried to label them, since for many years prior to the recent repeal of the excess profits tax most of the big corporations, along with tens of thousands of smaller corporations, consistently paid an effective rate of 70 percent and none of these corporations lost their assets during these years, but on the contrary expanded their assets to the greatest amounts in history.

H. R. 9067 NEEDED TO CHECK INCREASING MONOPOLY

Mr. Black's letter likewise tells me that when the small business people considered the various tax bills which have been introduced and decided to endorse H. R. 9067, there a choice was determined not by which tax bill offers the largest tax reduction to small firms, but in fact, one of the tax bills which they considered offers a rate of 10 percent for the smallest corporations, whereas the lowest rate provided in H. R. 9067 is 22 percent. Their choice of H. R. 9067 was determined, Mr. Black tells me, by the fact that this bill is in the general public interest, and its help to small business is secondary to the general public interest; that it will counterbalance the incentives which underlie the wave of corporate mergers now taking place; that it will increase availability of investment funds to small business and thus bring about a general growth of business capacity; that it will provide these and other beneficial results without at the same time shifting any of the tax burden from small business to the consumers.

These are some of the important objectives which the bill was designed to achieve, and I am delighted to learn that small business people have acted in a public-spirited way in endorsing these objectives.

The bill has, however, even greater and more compelling objectives than these, as I pointed out in my statement of February 7 explaining the purpose of the bill. The present structure of corporate and personal incomes taxes is "rapidly bringing about fundamental changes in the structure of business, none of which are good. Among other things, the tax structure is channeling substantially all of the income available for investment in business growth

into a few super giant industrial corporations, and making them investment bankers. These corporations are rapidly taking possession of all of the productive wealth, yet the result is a slowing down of industrial growth and a disappearance of competition upon which our historic public policy depends for regulation of the free enterprise system. Small and medium size firms are being squeezed out."

SMALL BUSINESS PROFITS CONTINUE DOWNWARD

The changes which were made in the tax laws in 1953 and 1954 overwhelmingly favored the big corporations and the high-income families. These facts are reflected in the downward trend of small-business profits and the upward trend of big business profits since 1952. We now have results of the Federal Trade Commission and Securities and Exchange Commission financial reports of manufacturing corporations for the year 1955, and it is quite disturbing to me to note that profit rates of the bulk of the corporations, those at the lower end of the size scale dropped again in 1955 from the very low rates of 1954, which in turn had dropped from the rate earned in 1953, which in turn had dropped from the rate earned in 1952. The profit rate of the corporation is taken to be the corporation's profits, after taxes, as a percent of the stockholders' investment, or equity, in the corporation. Profit rates computed in this way reflect the net return to stockholders as a percentage of their investment in the corporation. Since 1952 profit rates of the smallest size group of corporations—those with less than $250,000 of assets—have been steadily going down, while profit rates for corporate giants—those with more than $100 million of assets—have been going steadily up. Year by year comparisons are as follows:

Profit rates after taxes

Year	Corporations with assets of—	
	Less than $¼ million	More than $100 million
1952	9.3	11.8
1953	6.8	12.1
1954	3.2	12.1
1955	2.2	14.6

BIGGEST CORPORATIONS HAVE BIGGEST PROFIT RATES

Perhaps the simplest way of comparing the changes in profit rates which have taken place since 1952 is to express the rates for each of the various smaller size groups of corporations in terms of percentages of the profit rates of the top size group. In other words, the 9.3 profit rate for the smallest corporations in 1952 was 78.8 percent as great as the profit rate of the corporate giants in that year. By the same token then in 1953 the profit rate of the smallest size group fell to 56.2 percent of the rate earned by the top size group; and in 1954 it fell to 26.4 percent, and last year, 1955, to a meager 15.1 percent. Similar comparisons for all of the various size groups of corporations for which data available are shown below, and in each case the profit rate of the size group being expressed as a percentage of the profit rate of the top corporations in that year:

Corporations with assets (expressed in millions)	1955	1954	1953	1952
	Percent	Percent	Percent	Percent
Over $100	100.0	100.0	100.0	100.0
$50 to $100	78.8	71.9	77.7	83.9
$10 to $50	75.3	71.9	81.8	82.2
$5 to $10	66.4	61.2	76.0	74.6
$1 to $5	61.6	46.3	62.0	67.8
$¼ to $1	57.5	52.9	58.7	61.0
Less than $¼	15.1	26.4	56.2	78.8

The above comparisons are based exclusively upon what are called profits. Actually, of course, the real net return to a corporation includes not only what the accountants put in the profits column, but also what they put in the column headed "Depreciation." The latter is in theory a return of money previously invested, while profits are net gains from money still invested. I venture the guess that if we compared both profits and depreciation combined, we would find even a greater difference between the uphill and downhill trends, as between big and small corporations since 1952.

GROWING CENTRALIZATION OF BUSINESS

Such overwhelming differences between the after-taxes profits of the larger and smaller corporations is, of course, bringing about a centralization of control over business, and a rapid monopolization of business. As I pointed out on February 7, the few corporations in the class of corporations having each more than $100 million of assets already held a high proportion of all the country's assets at the end of 1952. The proportion was, in that year, 52 percent. By June 30, 1955—2½ years later—the proportion had risen to 57 percent. In other words, if we assume that the same rate continues, and we rule out the very great likelihood that the rate will accelerate, then it will be only 20 years before all of the assets of corporations in the manufacturing field will be held by giants in the over $100 million asset class.

For the interest of the Members, Mr. Black's letter of May 14 is reproduced in toto, as follows:

MAY 14, 1956.

Hon. WRIGHT PATMAN,
Chairman, House Small Business Committee, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I have read the CONGRESSIONAL RECORD of Thursday, May 10, 1956, and noted the letters of Mr. John Marschalk's in which he disclaims, contrary to my letter to you of May 2, 1956, that the Small Defense Industries Association of Los Angeles, Calif., has joined in endorsing the Patman tax bill, H H. 9067.

Prior to the meeting in Washington at which the representatives of the small business organizations considered the various pending bills for small business tax relief, I had had a number of conversations with Mr. Marschalk, and I understood him to have an uncompromising preference for H. R. 9851, a bill which incorporates a tax schedule which Mr. Marschalk designed. However, I also had conversations and letters with some of the directors of Mr. Marschalk's organization which I interpreted as giving me proxy to list Mr. Marachalk's organization as a supporter of whichever of the various bills a majority of the group meeting in Washington decided to endorse. I will not now pursue this point however, but will simply state that I pulled a boner in listing the SDIA as one of the endorsers of H. R. 9067.

I sincerely regret any embarrassment that this incident may have caused you personally; and I particularly regret, from the standpoint of the welfare of small business, that Mr. Marschalk has utilized my boner to try to inject partisan politics into a matter so vital to small business, and to engage in misleading interpretations and highly unjustified characterizations of your tax bill.

Of all the small business people with whom I have discussed the tax proposals, Mr. Marschalk is the only one to hold out for a partisan political approach to this matter, or to have injected a partisan political approach in the first place. Before the Washington meeting I did have some apprehension that partisan considerations might come into our problem, from men of either or both political parties. In my conversations with Mr. Marschalk, he had violently objected to what he called getting behind a Democratic bill.

When the small-business people actually met together in Washington, however, one thing became immediately clear: they were acting solely as businessmen, and no partisan politics entered into our consideration at all—except that we made a determined resolve to keep this issue nonpartisan or bipartisan. Without naming names and attaching party labels, I could point out, for example, that the committee which drafted the resolution adopted in support of your bill was made up of two men who are quite prominent in the Republican Party, and two men who are prominent in the Democratic Party.

Mr. Marschalk was unable to be at this meeting—although he was invited and had in fact indicated a willingness to attend the meeting if it could have been set at a different date—and unfortunately, he is unaware of the nonpartisan or bipartisan spirit which prevailed among us, and which still prevails among us.

Referring now to an informal proxy which I received from the Honorable Walter Ploeser, I believe that since Mr. Ploeser is a former Republican member of the House and a former chairman of the House Small Business Committee, he would not object to my quoting from his letter to me. Mr. Ploeser analyzed the various tax bills on their merits and wrote me that he liked the Seely-Brown bill as the better of those submitted, and that he liked the Patman bill as a second choice. Then with no reference, and with no apparent consideration whatever to any partisan political angles, Mr. Ploeser concluded with the following:

"From a political and economic standpoint, it seems important to me that whatever review of the tax laws is made in behalf of small business, it is important that it affects the revenue of the Government as little as possible. Of course, preferably no reduction in revenue. In this regard I like both the Seely-Brown and Patman bills and I would be satisfied with either of them unless you have a better recommendation or can work out a combination of the two which is better."

In his publicly released letters last week, Mr. Marschalk referred to a 75-percent tax rate which would allegedly apply to the bigger corporations, under your bill, and characterized this rate as confiscatory. His references are highly misleading, in two respects.

By adding the maximum normal tax rate and the maximum surtax rate provided in your bill, one does of course get a combined rate of 75 percent; but it should also be pointed out that under your bill the actual effective tax rate would approximate 75 percent only in the case of a corporation whose taxable income was in the neighborhood of $15 billion. And of course no corporation of anything like this magnitude exists. The greatest corporate income is, I believe, in the neighborhood of $3 billion, and there are not more than 2 or 3 corporations in the country that would expect to pay rates in excess of 70 percent, and these only slightly in excess of 70 percent. For many years prior to the recent repeal of the excess profits tax, these corporations, along with tens of thousands of smaller corporations, consistently paid an effective rate of 70 percent. The results could hardly be called "confiscatory," since these corporations did not lose their business but, on the contrary, expanded their assets by the greatest amounts in history.

Many of us, I suspect most of us, who finally decided upon your bill as the best of those which have been introduced, reached this decision not on the basis of which bill offers the most tax relief to small business, but on the basis that your bill would best serve the general public interest and accomplish the objectives which you set forth for the bill. If we had been doing otherwise, we would have chosen one of the other bills, which offers an effective rate of 10 percent on the smallest corporations, whereas the lowest effective rate provided in your bill is 22 percent.

We felt, however, that to have general public support, the bill we endorsed should be one which would give general public benefits, as the unique features of your bill would do. For example, only your bill provides a rate which is graduated throughout the entire size range of corporations, and it is the only bill which would tend to counterbalance the incentives behind the present wave of corporate mergers. Checking the merger wave is definitely in the public interest.

As another example, it is apparent that the other bills we considered, while they would lighten the tax burden on small firms, they would also have the effect of shifting this burden, in larger measure, to consumers. The effect of raising the tax rate on the big-company industries, and at the same time maintaining a flat, or nongraduated rate for the various-sized firms in those industries, would, in many instances, merely result in increased prices to consumers. We are not looking for ways to shift a part of the tax burden from small business to consumers, but to shift to some extent the availability of investment funds which are presently available almost exclusively to the corporate giants.

In closing let me say that all of the people listed in my previous letter as endorsing your bill have received Mr. Marschalk's public letters and, as a result, substantially all of these people have communicated to me a reaffirmation of their endorsement of your bill. Several of these people have in fact told me that they are more than ever convinced of the rightness of our action in endorsing a bill which is unquestionably in the public interest, and which would do a tremendous good for our whole country. We believe the general public will overwhelmingly favor H. R. 9067 and that Congress will pass this bill.

I am

Sincerely yours,

Robert I. Black.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER. Under the previous order of the House, the gentleman from Tennessee [Mr. Evins] is recognized for 40 minutes.

Mr. EVINS. Mr. Speaker, as we all know, the problems of small business are numerous and seemingly increasing daily. The Congress, over the years, has recognized this fact and the importance of maintaining our free-enterprise system and competitive economy. The Congress has repeatedly shown its interest in assisting small business by establishing special and select committees of both the House and the Senate—to give continuing study to the problems of small business and to assist in many ways.

As I say, we all recognize that the problems are many. The solution of these problems is made more difficult when members of the committee inject partisanship into our deliberations and when members make charges against diligent efforts to do something constructive about the needs of small business and the problems with which they are confronted.

We who are occupied and concerned with the problems of small business must take time out to answer accusations made against the work of the House Small Business Committee—recently leveled at several of the subcommittees and unnamed subcommittee chairmen.

I say we must take time out to answer these charges, for our failure to do so would leave unanswered many inaccuracies recently inserted in the Record and several inferences of bad faith and improper motives on the part of members of the majority of the House Small Business Committee.

Mr. Speaker, on May 2, last, our distinguished colleague, the gentleman from Colorado [Mr. Hill], the ranking minority member of the House Select Committee on Small Business, inserted in the Record at page 7363 and following an extended speech entitled "The Select Committee on Small Business, House of Representatives, Past and Present." It should be pointed out that our colleague did not deliver the statement although he had reserved time to do so. As I have stated, he merely inserted it in the Record. Therefore, opportunity was foreclosed to any and all who disagreed to anything contained in his statement to enter any disagreement or make any comment thereon at the time.

The gentleman from Colorado [Mr. Hill] has sharply criticized the committee of which he is a member. His principal criticism is leveled at the investigations undertaken by the committee.

I assume that we are to understand from Mr. Hill's criticism that we are to do nothing, that the committee should be inactive, that we should just sit steady in the boat and ride out this session of Congress, and that we should not make any investigations nor perform any service. I am sure our colleague [Mr. Hill] recalls that when the Select Committee was organized at the beginning of the 84th Congress, the distinguished gentleman from Texas, Hon. Wright Patman, our chairman, whom we all admire and whom we must recognize as a sincere champion of small business, in fact I am sure he is generally recognized as one of the outstanding leaders of small business, not only in the House but in the Nation, announced the program of investigation and work to be undertaken by the committee. The gentleman from Texas [Mr. Patman] also announced that it would be his purpose to assemble the best and most capable staff possible and for the committee to be active and render a constructive service.

I shall not take the time of the House to go into any length regarding the background and the capabilities of the staff selected, but suffice it to say that the committee selected an able and outstanding staff and the staff has been rendering capable and valued service.

When the subcommittees were organized at a meeting of the full committee, the program for the committee and each of its subcommittees was outlined at that time, including the plans for investigations and studies to be undertaken. Mr. Hill was present. A detailed statement was read by each subcommittee chairman, specifically outlining the investigations to be conducted. No criticism was offered by our colleague [Mr. Hill] at that time. In fact no criticism was heard regarding the investigations planned by the committee.

It is certainly disappointing indeed at this late date to now hear criticism coming from our colleague of the very considerable constructive work performed.

The general overall impression one gains from reading Mr. Hill's statement—an impression which one cannot escape—is that the GOP and the Republicans are the true friends of small business and that all the good work undertaken in the Congress in the past many years in behalf of small business has been achieved by the Republicans.

My friend the gentleman from Colorado [Mr. Hill] speaks of his own contribution as a Republican member of the committee and we all must agree that his contribution has been considerable. I would not want to charge my friend with being partisan, but I must say that his statement smacks of partisanship.

Our colleague [Mr. Hill] also refers to the contribution of Mr. Len Hall, the chairman of the Republican National Committee, and of the fact that Mr. Hall once served as a member of the House Select Committee on Small Business. He also refers to the service on the committee of several of our Republican colleagues, including the minority whip, the gentleman from Illinois [Mr. Arends], the gentleman from Michigan [Mr. Hoffman] among others. In fact, our colleague [Mr. Hill] only mentions one Democratic member as having served on the committee, namely, the gentleman from Texas [Mr. Patman], and many references with respect to the chairman of the committee are not complimentary.

So, I will say that one can find, if he looks closely, some considerable degree of partisanship in Mr. Hill's unfortunate remarks. He uses his appeal for fair play to mask his partisan motives.

As I have been honored to serve as chairman of the Subcommittee on Regulatory Agencies and inasmuch as the work of my subcommittee has been singled out for criticism among others, I want to state that I have fully endeavored to discharge my duties and responsibilities. I hasten to add that I have done so in an effort to be constructive and to bring about beneficial results to

the small business of the Nation and in the public interest.

Our colleague has indicated that my investigation of the organization and operation of some of our regulatory agencies, namely the Federal Trade Commission, the Federal Power Commission and the Federal Communications Commission, was— to use his own words—of "little or no concern to the Small Business Committee." He repeatedly has asserted that there appeared to be no connection between investigations of these agencies and small business problems. The theme of his statement seems to be "Where is the small business angle?"

It is astonishing that the ranking minority member of our committee apparently is not aware of the fact that these agencies—our so-called independent commissions—in their actions and decisions daily affect the lives of all segments of our economy, both big business and small business.

It is certainly my duty to inform my colleague that these agencies do have a pronounced effect upon small business.

The Federal Trade Commission is often referred to as the small-business agency of the Government. The Commission is charged with the duty of enforcing laws to prevent unfair methods of competition and protecting the public interest against the growth and expansion of monopoly. The Commission is vitally concerned with every segment of small business of the Nation and consumer interest of the country. The manner in which the Federal Trade Commission is organized and operated is therefore of paramount importance.

The Federal Power Commission is charged with the duty of making decisions relating to the granting of licenses for power development projects and concerning gas and electric rates charged to consumers and the Government. The manner in which the Federal Power Commission is operated is of importance to consumers, small business, and our entire economy.

Allegations were made to our committee that certain rate schedules which the Federal Power Commission had permitted to go into effect discriminated unfairly to the disadvantage of small businesses and in favor of big business enterprises. That was alleged particularly with reference to the St. Louis area where small business users were being compelled to pay rates charged by large competing business concerns.

It is indicated that our investigation with respect to the Federal Power Commission was concerned with the now infamous Dixon-Yates deal. I want to state that while our investigation was not primarily concerned with this matter that phases of the Dixon-Yates contract developed during our investigation—I should add entirely new matter that had not been previously disclosed. It was determined that the Acting General Counsel and the Assistant General Counsel of the Federal Power Commission both prepared extensive legal memoranda opposing the Dixon-Yates contract early in the stages of its negotiations. These memoranda which opposed the contract and which pointed out the fact that they were one-sided and indicated that the Government interest was not fully protected and further that it appeared that the Government's interest could possibly be vetoed in any arrangement with the private power interests. These legal memoranda condemning the contract were suppressed and, of course, not initially followed. I am sure that my colleague would not oppose our committee collaterally protecting the public interest.

Concerning the Federal Communications Commission, it is significant to point out that this Commission affects small business in many ways. The Federal Power Commission is charged with the duty of granting franchise licenses to small radio broadcasting operators and the Nation's new and growing television industry, as well as other means of communication. The Commission, as everyone knows, has virtual powers of life and death over all enterprises engaged in the communications business.

I shall endeavor to deal with some phases of each of these commissions' operations separately and individually as time permits.

In order to more fully inform the Members of the House concerning our answer to the question, How does an investigation of these agencies affect small business?—I would like to state with respect to each agency investigation a full statement of the purpose of the scope of the inquiry will be included in the Record. It should be pointed out that the Rules of the House, as amended by House Resolution 151, March 23, 1955, require:

> The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

Perhaps my statements will not satisfy our distinguished colleague from Colorado because in his recent attack he said:

> The announced purpose of these hearings has seldom been followed and at times they have been concluded after touching on practically every subject but without proper exploration of the announced subject.

Therefore, it appears that our distinguished colleague from Colorado has concluded—without examining the evidence—that the evidence adduced at these hearings fails to have anything of any significance to small business. Concerning the manner in which the Federal Trade Commission is organized and operated, this appears to be true despite the fact that this Commission is charged with the duty of administering and enforcing laws vitally affecting small business. The staff and members of the committee are continuing our study of all the evidence adduced at these hearings. No final conclusions have been reached by the committee so precipitantly as our colleague, Mr. Hill, reached when he concluded that the Federal Trade Commission and other agencies should not have been investigated. He does not want any investigations.

While a complete report containing conclusions and recommendations has not yet been submitted by the committee, the committee does have a record of evidence. I wish to inform the Members of the House of some of the highlights of the evidence adduced during this investigation.

The staff of the committee, on January 2 of this year, presented to the chairman a report entitled "Summary of Federal Trade Commission Antitrust Complaints." This report contained a showing that the Federal Trade Commission in its enforcement of the Clayton Antitrust Act, as amended by the Robinson-Patman Act, has trained its antitrust guns away from big monopoly elements in the country and leveled their sights at numerous small matters. I commend the reading and study of this significant report.

I have been assured that members of the staff who prepared this report checked and double checked the factual information upon which it is based. The report was immediately made available to the Federal Trade Commission. We must assume that members of the Commission and its staff are sufficiently expert to determine whether that report contains errors. One month after the Commission had that report available to it, a member of the Committee on Small Business of the House, our distinguished colleague from Illinois [Mr. Yates], in his capacity as a member of the Appropriations Committee, inquired of officials of the Federal Trade Commission, in referring to the computations contained in that report and as announced by Mr. Patman, by asking, "Is this computation correct?"

The answer to that question as made on behalf of the Federal Trade Commission by its Executive Director, Mr. Alex Akerman, is as follows:

> Mr. Akerman. His computation, I am sure, is correct. (P. 1328, hearings, Independent Offices Subcommittee on Appropriations, House of Representatives, February 3, 1956.)

Despite this showing of accuracy of the committee report—and which was confirmed by the Commission's Executive Director—our colleague in an attempt to criticize the report observed that the information was gathered by members of the staff of the committee from various companies rather than from the Commission itself. He is correct in this regard. When the staff of the House Small Business Committee asked to be informed by the Federal Trade Commission concerning the matters which are set forth in this report, the Commission replied that it did not have in its files the needed information about the size of the companies against which it had proceeded. Therefore, the staff of the House committee asked each of the companies to supply information about its size. Was it wrong in doing this? The Commission apparently had not considered it worthwhile to ascertain whether it was proceeding against big business or small business when it instituted its charges against business concerns.

Now our colleague tells us we should not have made any effort to ascertain whether the Commission was derelict in turning its guns toward small business rather than monopoly interests.

Our distinguished colleague, the gentleman from Colorado, questioned the propriety of the Select Committee on

Small Business in inquiring of the Federal Trade Commission about a reorganization that had taken place in that agency. It should be noted, as indicated in my opening statement, that news reports and business trade journals indicate that significant policy changes were being effected at the Commission.

In the June 5, 1954 issue of Business Week there appeared an article under the title "Republicans Reshape FTC." That article then went on to state that the new Republican chairman of the Federal Trade Commission was moving to reorganize that agency, was shifting personnel, and changing its policies so as to make it difficult for Government lawyers not only to win cases brought in the interest of the public, but even to try such cases. Complaints had been received by our committee that many employees of the Commission with many years of service and who were strong in their efforts to enforce the laws committed to the Commission were reassigned, removed from their positions, and replaced by untrained employees who did not have the same regard for the laws which were designed to protect small business. Perhaps our colleague did not attend the hearing before our committee when the chairman of the Federal Trade Commission testified that he had in fact reorganized the FTC from top to bottom. The testimony taken before our committee also discloses that Mr. Edward F. Howrey, the then chairman of the Federal Trade Commission admitted that he was under pressure from the Republican National Committee to find jobs for persons who were applying to the Republican National Committee for help. The record of evidence before our committee shows also that Mr. Howrey became chairman of the FTC on April 1, 1953 and that within a few months thereafter more than 60 of that agency's staff members had been separated. These were lawyers, accountants, economists—trained staff members. Very quickly they were replaced by newly appointed untrained personnel.

Let us not forget that the Federal Trade Commission is supposed to be nonpartisan and independent of political control. Remember also it is an agency enforcing a number of laws that vitally affect small business. Testimony before our committee showed that when Mr. Howrey was reorganizing that agency by firing long-term personnel right and left, morale of the staff dropped to a new low. One witness testified that on the occasion of his visit to that agency, he noted that employees were terror stricken. Recently a master for a United States district court made a finding in a case brought by one of the employees who was discharged during that period of time. That employee was a veteran. In the finding by the Master for the court is a statement to the effect that error was made in the establishment of retention registers in connection with the Commission's reduction in force in 1953. The following statement was made:

> The Commission has done indirectly that which it cannot properly do directly. (See Civil Action No. 37155 in the United States District Court for the District of Columbia.)

More recently, namely on April 26, 1956, the Board of Appeals and Review of the United States Civil Service Commission announced that it had completed its consideration of an appeal which had been made by another employee of the Federal Trade Commission who had been discharged. In that connection, the United States Civil Service Commission stated:

> As a result of this consideration, it's the decision of this Board that the removal action was not justified and is not shown to be for such cause as will promote the efficiency of the service.

It is obvious that as a result of the manner in which this reorganization took place the prosecution of antitrust cases was impeded and the degree of protection afforded small-business men was diminished.

Our investigation disclosed that for several years the Commission conducted an investigation of several of the major tire manufacturing companies in the country; and that apparently no action was contemplated by the Commission to correct the illegal facts disclosed—the monopolistic practices disclosed thereby—however, I feel that because of our inquiry into this situation the Commission thereafter did take action in the public interest.

It would be difficult to find among cases handled by the FTC any case in which the welfare of small merchants and small business are more involved or more affected than in these tire cases. The small business interest was patent.

When we take into consideration these few highlighted facts—the discharge of experienced personnel—the press reports—the inept reorganization of the Federal Trade Commission—the failure to move decisively and to take appropriate action in monopoly cases and cases vital to small business, I am sure my subcommittee and its investigation does not warrant the criticism by the gentleman from Colorado.

Do we warrant the criticism of our colleague when he referred to the fact that our subcommittee had inquired into the matter of expenditure of funds by the Federal Trade Commission in the buying of expensive rugs for its highly placed, newly appointed personnel at a time when the agency was informing our committee and other committees of Congress that it did not have sufficient funds with which to investigate antitrust cases and matters complained about by small business.

I say to you that the Commission was not justified in making large expenditures of money for luxury for its personnel at the neglect of antitrust law enforcement and investigation of complaints of small business.

Gentlemen, the small business angle is in the complaints of many independent businessmen who have made their complaints known to the House committee and also who have been pleading with the Federal Trade Commission that this agency help protect independent business from monopolistic actions and practices.

The detailed evidence shows that the overall investigation of the Federal Trade Commission was a most wholesome one. It was constructive. It was designed to be helpful and to bring about exposure of prevailing practices and to effect improvement in the work of a great agency of Government in the interest of consumers, small business and our competitive economy. I am personally proud of the accomplishments of this investigation. Many members of the staff of the Commission have applauded the work of the committee. Several members of the Commission—Commissioners themselves—have indicated that the investigation was wholesome and beneficial in the public interest.

It is significant to point out that former Chairman Howrey resigned from the Commission following the investigation. Mr. Howrey, a very able corporate lawyer, has now returned to his corporate law practice, after having succeeded in placing in key positions within the Commission friends whom he appointed.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I am pleased always to yield to my chairman.

Mr. PATMAN. First, I want to congratulate the gentleman on the very fine statement he has made. It means a lot to me, knowing the gentleman is so sincere and honest in his efforts to help the small-business concerns of this country. I do not know of any chairman of any committee who has worked harder and has been more effective in doing things for the small-business concerns of the United States than the gentleman who is now addressing this House.

The gentleman has just mentioned a question about which I know just a little, something that his committee brought out, that when Mr. Howrey, a very prominent lawyer here in Washington, D. C., representing clients all over the United States of America, whose principal business is before the Federal Trade Commission, was appointed chairman of that Commission, those of us who knew something about the workings of the Commission and Mr. Howrey's connections were shocked. We could not understand why a man like that would be selected.

When he came before the Senate for confirmation the Senators were curious about his connections. One of them asked him if he expected to serve out his term of 6 years, and he said that he did expect to serve out his term. Upon the basis of that representation the Senate confirmed him, expecting him to carry out his word and stay there 6 years. But instead he stayed there about a year and a half, just long enough to place in key positions of power and influence, the bottleneck positions, the places where everyone had to go in order to get things done, people of his selection, of his choice. As soon as he got all these positions filled he went into private practice again to practice before the very people who are in these positions by reason of his recommendations.

I again commend the gentleman on his very excellent statement, and I back up every word he says.

Mr. EVINS. I thank my friend and distinguished chairman for his remarks. I may state, as I have said earlier and as we all know and recognize, that the gentleman from Texas [Mr. PATMAN] is the genúine, real champion of small business in this country. He is certainly recognized for his great contribution in this field.

A distinct public service has been rendered by this investigation and I am sure that all but the most partisan will agree that accomplishments have been achieved. The morale of the Commission has been improved or restored and I personally believe that this great agency, under the direction of our former colleague, now Chairman John W. Gwynne, is being operated with considerable improvement in the public interest. I only wish my colleague and friend from Colorado had heard the testimony rather than criticising the work of his own committee.

A considerable amount of criticism is leveled by our colleague about our investigation with respect to the organization and operation of the Federal Communications Commission. With respect to this agency, he again asked, "Where is the small-business angle?"

May I respectfully refer our distinguished colleague from Colorado to testimony which was given by the Governor of his State—the Governor of the great State of Colorado—who in testimony before the Interstate and Foreign Commerce Committee on April 24, last, stated:

> It is imperative that this Nation shall have (1) an equitable and fair distribution of television facilities, and (2) a competitive system that will avoid monopolies in the industry and among the big advertisers that use it. * * * It is readily apparent that our present television system falls far short of these objectives.

The Governor of the State of Colorado lent his voice to the voices of many small-business men who have testified before my subcommittee to the effect that the Federal Communications Commission has failed to give appropriate consideration to their pleas and that the Commission has failed to take steps to protect howetown broadcasters and small business in the communications field in various communities—from the stranglehold of big business and the national network systems.

Likewise, in testimony before our committee, information was adduced which bears on the question of whether or not the major national networks are in fact gaining a stranglehold on the broadcasting and telecasting industry, under the unwatchful eyes of the Federal Communications Commission. No one can deny that it is the responsibility of the Federal Communications Commission to provide a watchful eye over the communications industry and to act to prevent monopolies. Our inquiry in this field, although limited, has been constructive. The hometown broadcasters, independent operators, and small daytime radio station companies are complaining against prevailing policies of the Federal Communications Commission, and relief in the matter of administration and legislation is needed in the public interest.

I would point out to my friend that on April 30, last, the Honorable JOHN W. BRICKER, United States Senator from Ohio, submitted a report to the chairman of the Committee on Interstate and Foreign Commerce of the Senate entitled "The Network Monopoly." The opening sentences in this report are as follows:

> Two networks—Columbia Broadcasting System and National Broadcasting Co.—have an unprecedented economic stranglehold on the television industry. Effective competition is stifled under this yoke of economic domination. The result is a private monopoly.

Notwithstanding the appeals made by small radio and television operators to the House Small Business Committee and notwithstanding the report just mentioned by the distinguished Senator from Ohio, the Federal Communications Commission has not to date acted to stop this march to monopoly.

As recently as May 3, 1956, one of the leading officials of an association of small-business men in the communications industry has appealed to our committee to press its investigation further into the operations of the Federal Communications Commission—to endeavor to further find out why this agency is not acting to give segments of small business in the communications field the relief to which this industry is entitled.

As chairman of the Subcommittee on Regulatory Agencies, I am sure our investigation has served to highlight the prevailing practices of these agencies so vital to small business. Our committee supplements but does not conflict with other committees. The responsibility for moving to secure legislation dealing with such matters rests with our legislative committees and these committees are now giving attention to the facts which our investigation brought to light. The Small Business Committee, possessing wide jurisdiction, is, as we all know, essentially an investigative committee. There are those who do not want any investigations made. The fact that our investigation in the interest of small business has been criticized is indicative of the fact that at least some important facts have been brought to light which our critics would have preferred remain undisclosed.

Criticism is often the reward for positive and affirmative action.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER pro tempore (Mr. WRIGHT). Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, my distinguished colleague, the ranking minority member of the Select Committee on Small Business, the gentleman from Colorado [Mr. HILL], put into the CONGRESSIONAL RECORD on May 2, a rather remarkable attack upon his Democratic colleagues on the Small Business Committee.

The main burden of the remarks of the gentleman from Colorado [Mr. HILL] is that the majority on the committee are simply trying to make partisan politics and not help small business. He admonished us numerous times that the sole effort of the committee should be to help small business and that none of us should, at any time, be guided by any partisan motives when the welfare of small business is at stake.

As you know, Mr. Speaker, and as I think all Members of the House know, small business has for some years been involved in a legislative issue which small-business people regard as the life or death issue. This is the question of passing H. R. 11. There is a petition on the Clerk's desk to call up H. R. 11, and small-business people of all kinds and from all parts of the United States have been pleading with their friends in the House to sign this petition, so that the bill can be considered and passed during this session of Congress. The best brief answer I can give to my distinguished colleague's plea that the Members of the House should not let partisan considerations enter into questions of helping small business, is to take the liberty of quoting from a letter which the gentleman from Colorado [Mr. HILL] wrote to one of his constituents in reply to his constituent's plea that he sign the discharge petition to bring up H. R. 11. My distinguished colleague [Mr. HILL] told his constituent that this was a Democrat matter, he would be foolish to sign the petition, saying:

> Since this is a Democratic Congress, controlled by the Democrats, and this petition was filed by a Democrat, it is up to them to get the legislation on the floor for action and not the Republicans.

Now I leave it to the small-business people of the United States to decide whether my distinguished colleague the gentleman from Colorado [Mr. HILL] is putting the welfare of small business ahead of partisan politics.

There is one reminder I might add before leaving this matter. When I filed the discharge petition to bring up H. R. 11 on March 8, 1956, I invited bipartisan support; and to set the record straight, I pointed out at that time that the score as between Democrats and Republicans on this issue was precisely even—that neither one had done right by small business. More specifically, I pointed out that while I had introduced a similar bill to H. R. 11 during the Republican controlled 83d Congress, the Republican controlled Judiciary Committee had never given that bill consideration, it was also true that H. R. 11 had been introduced on the first day of the present Democratic controlled Congress, and that the Democratic controlled Judiciary Committee had also not given the bill consideration.

CONSULTATION ON THE COMMITTEE'S FUNDS AND PROGRAM

If the gentleman from Colorado [Mr. HILL] had read his statement before inserting it in the RECORD, I am sure that he would have caught and corrected some of the misstatements of facts having at least to do with the Administration of the Small Business Committee. For example, my colleague [Mr. HILL], speaking of the committee's request for funds, said:

> The minority was not consulted beforehand on any of these requests for funds.

And my distinguished colleague [Mr. HILL] also made similar complaints that the minority had not been consulted in advance or given an opportunity to advise on the committee's work program.

On January 30, 1956, several members of the Small Business Committee went before the House Administration Committee to discuss both our work program and request for funds. These members included our distinguished colleague [Mr. HILL] and the next ranking minority member of our committee, the gentleman from New York [Mr. RIEHLMAN]. The transcript of the hearings before the House Administration Committee on January 30 read in part, as follows:

> Mr. RIEHLMAN. I would say, Mr. Chairman, if you will yield at that point, that we did agree and I think Mr. HILL—I do not speak for the ranking minority member—but Mr. PATMAN has said that there was a concurrence on our part in respect to it.
>
> Mr. PATMAN. We spent 2 or 3 hours on it.
>
> Mr. RIEHLMAN. We went over very thoroughly the program we lined up for the remainder of the session of this Congress and the chairman was gracious to consent to give us an extra employee on our side and some increase in salary. I think that should be taken into consideration.
>
> Mr. PATMAN. And recognize the minority.
>
> Mr. RIEHLMAN. That is taken into consideration with respect to an amount of money we are asking for.
>
> * * * * *
>
> Mr. FRIEDEL. Did you concur with the request for $160,000?
>
> Mr. RIEHLMAN. With the understanding we have Mr. PATMAN on the other side.
>
> * * * * *
>
> Mr. HILL. Mr. PATMAN is chairman and he set up the funds. Of course, the responsibility is his to keep these investigations going and let me say that regardless of what we say to the preceding Small Business Committee, one committee has to build on the past. So if we have a continuation of this committee in the next Congress, much of this work that is done will continue on regardless of whether the Congress is Democrat or Republican. So I feel that Mr. PATMAN knew what his committee could do and we thought it was a little high but that is his job as chairman of this committee to ask for funds sufficient to keep the committee in good shape and going on its work until the 1st of January, 1957.

MINORITY COOPERATION

I note that on April 26, 1956, the gentleman from Colorado [Mr. HILL] and the other four minority members of the Small Business Committee simultaneously introduced identical bills to amend the Renegotiation Act of 1951. These bills numbered H. R. 10859 through 10863. This action on the part of all of the minority members was without, I believe, any consultation with the majority members of the committee or any consultation with the committee staff on the small-business problem which these bills purport to deal with. I hardly think this instance shows the kind of cooperation from the minority members which the gentleman from Colorado [Mr. HILL] insisted on May 2 that the minority should receive from the majority members.

I, for one, would have been delighted to have worked with the minority members in drafting a bill to amend the Renegotiation Act of 1951 to assist small business, although I could not subscribe to the bills which the minority members introduced. If the minority had given us an opportunity to help out on this matter, I could have pointed out that while the bills they introduced contained little more than a speech for small business, these bills also contained proposed amendments which would provide a certain and definite bonanza for big business.

The gentleman from Colorado [Mr. HILL] also made a number of complaints about the investigations made by several of the subcommittees of our committee, and some of the questionnaires which have been sent out. The complaint is, as I interpret it, that my colleague does not understand the relationship between these investigations and questionnaires and the welfare of small business. I will leave it to the respective chairmen of our subcommittees to explain these relationships.

There are however a few complaints which fall to my lot to answer.

There is a complaint for example about a staff report covering the antitrust complaints issued by the Federal Trade Commission. I will insert my press release on that staff report at the end of my remarks as exhibit 1. I believe that this will speak for itself.

REPUBLICANS WERE NONPARTISAN IN CRITICIZING DEMOCRATIC ADMINISTRATIONS

On May 9, another minority member of the Small Business Committee, the gentleman from New York [Mr. RIEHLMAN], made a speech elaborating on the previous attack from the gentleman from Colorado [Mr. HILL]. The gentleman from New York [Mr. RIEHLMAN] elaborated on the theme that the Small Business Committee is now bipartisan in its approach. He made the claim that prior to the present Congress the committee had always been nonpartisan in its approach to small business, and by way of supporting this claim he cites a great number of instances when the committee issued reports criticizing the Federal agencies during Democratic administrations, and while I was chairman of the committee. He did not cite, however, any report issued during the Republican controlled 83d Congress that was critical of any executive agency. I believe that the gentleman from New York [Mr. RIEHLMAN] has fully answered his own complaint, as well as that of the gentleman from Colorado [Mr. HILL]. Clearly the committee is nonpartisan when it has a Democratic chairman and issues reports critical of administrative agencies during a Democratic administration; but the committee is partisan when it has a Democratic chairman and makes criticisms of an administrative agency during a Republican administration. I suggest my colleagues should reevaluate the question whether their primary concern is to help small business or to protect the Eisenhower administration from criticisms.

THE CONTROVERSY OVER STATISTICS

The speech of the gentleman from Colorado [Mr. HILL] contains numerous allusions to the majority's distortions of statistics on small-business failures and small-business profits. It was promised that these "distortions" would be answered.

I presume that we have now had the answer. The May 9 speech of the gentleman from New York [Mr. RIEHLMAN] takes up the controversy which has recently arisen over these statistics and provides us with an analysis which asserts that "political merchants" have been spreading "political propaganda".

What are the origins of this controversy?

For the past several years and continuing until recently, the public has been treated to a barrage of press releases, reports and what not, describing the roaring prosperity of business in general and small business in particular.

Such matters relating to the alleged prosperity and the supposed "continued improvement of small business under the Eisenhower administration" have emanated mostly from the Small Business Administration. Allow me to cite two recent examples:

On January 20, 1956, the Small Business Administration turned out a press release containing the following statements:

> Assurances that 1956 will bring another banner year for small business were given today by Wendell B. Barnes, Administrator of the Small Business Administration, following a 2-day meeting with members of the Agency's National Council of Consultants.
>
> * * * * *
>
> The consensus of the group, Mr. Barnes said, was that all signs point to a roaring economy in 1956, with small firms steadily improving their relative positions. He said:
>
> * * * * *
>
> "I cannot emphasize too strongly that the decline in the relative position of small business that occurred during the Korean crisis and that persisted through 1953, has not been definitely reversed."

Then somewhat earlier, on December 27, 1955, the SBA turned out a press release which would have us believe that the competitive position of small business deteriorated throughout World War II, throughout the postwar years, and that this trend continued downward until the Eisenhower administration was, after 1 year in office, able to reverse the trend in 1954. I quote from that press release as follows:

> The competitive position of small business deteriorated during World War II and the postwar years. This downward trend continued through 1953, and was not reversed until 1954.

Despite such glowing assurances about the prosperity and continuing improvement of small business, some of the members of the Small Business Committee who have tried to keep abreast of at

least the major trends, have noted some indicators which point in the opposite direction from these assurances. For example, although stock prices and big business profits set record highs in the first quarter of this year, small business failures appear to have been on the increase. Dun & Bradstreet reported the following number of failures in the first 3 months of this year, as compared with the first 3 months of the 2 preceding years:

1956	3, 242
1955	2, 854
1954	2, 895

Thus it would appear that in the first quarter of this year, when we were having a highly advertised business "boom." business failures were about 12 percent higher than in the first quarter of 1954, a period which the President's Economic Report has characterized as a period of business contraction, and about 14 percent higher than in the first quarter of last year, a period which the President's report has called a period of recovery. I assume that all, or substantially all, of these business failures were among what we could reasonably call small firms.

Similar trends in business failures have been in evidence throughout the past 2 years. Consequently, some of the members of our committee have considered it to be within the province of the Small Business Committee to call the Members' attention to such matters. Several times during the past year I have called attention to the reports on business failures; and at other times other members of our committee have done likewise. We made enough references to this matter that the subject finally got the attention of the Small Business Administration. So beginning about the first of this year SBA began its rebuttals, or, began what you might call a propaganda drive, to try to take the sting out of the reports of rising small-business failures.

The first blast appeared in an SBA press release of December 27 last year. This release made a forecast for a "continuation of the higher level prosperity that market the past year"; said many glowing things about the prosperity and optimism of small business; and it also said:

> The extremely low rate of business failures is also a good sign for the future.

Then on January 11 an INS news story which appeared in the Washington Post and Times Herald purported to report on an interview with Mr. Wendell Barnes, the SBA Administrator, and said:

> SBA Administrator Wendell B. Barnes insists that despite allegations to the contrary small-business failures are at the lowest ebb of any normal year in recorded history.

Then again, on March 15, 1956, the SBA sent out a press release covering a speech by Mr. Wendell Barnes before the Society of Business Magazine Editors, which quoted Mr. Barnes as saying that according to Dun & Bradstreet:

> In 1955, the failure rate was less than 42 for every 10,000 concerns, the lowest we have ever experienced in a year of normal economic activity.

Let us look, then, at the failure rate, year by year, for the 10 years preceding 1955, and see if we can guess what Mr. Barnes had in mind about a year of normal activity. According to Dun & Bradstreet's report these rates are as follows:

Business failures per 10,000 firms in operation

Year:	
1955	42
1954	42
1953	33
1952	29
1951	31
1950	34
1949	34
1948	20
1947	14
1946	5
1945	4

In light of the record, then, we must conclude that when Mr. Barnes says that the Dun & Bradstreet failure rate for 1955 was the lowest ever experienced in a year of normal economic activity, he has in mind a definition of normal economic activity which precludes the 10 years preceding 1955. This leaves, however, at least one question still unanswered: Since Mr. Barnes has, without telling us, ruled out the 10 years preceding 1955 as containing no year of normal economic activity, by what standard has he decided that 1955 was a year of normal economic activity?

I believe that Congress and the public have a right to expect the administrative agency for small business to provide accurate reports on the important trends affecting small business. I believe that Congress should be able to expect SBA to provide readily understandable reports on some of the more complex economic developments affecting the welfare of small business, so that we will be kept abreast of matters which we might otherwise overlook. At least this is the kind of service we got from that agency before the present administration took it over.

On January 18, 2 months before Mr. Barnes last repeated his misleading statements about the trend of business failures, the gentleman from California [Mr. ROOSEVELT] extended his remarks in the RECORD calling attention to the misleading nature of these reports emanating from SBA. The gentleman from California [Mr. ROOSEVELT] had taken the time to analyze the failure statistics and trace the origins of Mr. Barnes' comparisons, to find out that what Mr. Barnes appeared to have in mind was that recent failure rates are not yet as high as the average for the past 56 years. It was by the comparison, apparently that Mr. Barnes arrives at the conclusion that business failures are at an extremely low rate.

The speech of the gentleman from New York [Mr. RIEHLMAN] on May 9 now repeats the arguments drawn from a comparison with the past 56 years. He makes the point that there were 42 business failures last year for each 10,000 business firms in operation, whereas the rate for the past 56 years was 72 for each 10,000 firms.

The main thing wrong about comparing the present rate of business failures with the average for the past 56 years is that things which happened 56 years ago, or 35 years ago, or even 10 years ago, are not particularly relevant to our problem today. We are primarily concerned, I should think, with current trends. Certainly if we had been properly concerned about small business 56 years ago, and about the growing monopolization of American business 56 years ago, or even 35 years ago, we would not now have many of the most serious problems facing us today.

Since the gentleman from New York [Mr. RIEHLMAN] has brought up this comparison with ancient history, however, I might also point out that a second thing which is wrong with comparing present and recent rates of small-business failures with the average for the past 56 years, is that this span of history includes too many years of prosperity under Republican administrations. The present high rate of small-business failures tends to be dwarfed and minimized by comparison to an average which is biased upward by the fact that it includes so many previous years of small-business disaster under Republicans.

In the past 56 years, 1900 through 1955, there were 28 years under Democratic administrations and 28 years under Republican administrations. Considering that the Democrats inherited, in 1933, the worst depression in all history, the average rate of business failures under the 28 years of Democratic administrations is rather high. More than that, the Democratic rate is high for still other reasons. In the early years of World War II the rate of business failures increased sharply because of two circumstances. First, a large segment of the population was necessarily inducted into the armed service. The draft boards necessarily took a great many business operators, as well as key personnel of business firms which were not essential to the war effort. Second, the Government prohibited the use of a great many kinds of materials and equipment to firms not engaged in activities essential to the war effort; and it denied supplies of such materials and equipment to still other unessential businesses. Thus a great many business firms were "war casualties" in these years. The same was true to a lesser extent in the earlier years of the Korean conflict, and in World War I—all years of Democratic administrations.

Even so however, if we take the Dun & Bradstreet failure rates as they are reported, we find that the average rate of business failures during the 28 years of Republican "peace and prosperity" has been about 80 percent higher than the rate of business failures in the 28 years of Democratic administrations; and if we make certain necessary adjustments in the Dun's figures, which I shall explain in a moment, we find that small business has failed at a rate 88 percent higher in the 28 Republican years than in the 28 Democratic years.

Taking the failure rate year by year as reported by Dun, I have divided the past 56 years into 6 time spans and computed the average failure rate for each span as follows:

Years	Number of years	Average yearly failure rate
1953–55 (R)	3	38.9
1940–52 (D)	13	27.5
1933–39 (D)	7	61.7
1921–32 (R)	12	111.2
1913–20 (D)	8	84.1
1900–12 (R)	13	105.6

These comparisons enable us to make several interesting observations.

First, we may note that during the 3 years of the present administration the average rate of business failures has been 38.9 failures per year for each 10,000 firms in operation. This compares with an average rate of 27.5 failures per year in the years of 1940 through 1952. Thus we may say that in the past 3 years of Republican "prosperity" and small-business "improvement," small businesses have failed at almost half again the rate of the previous 13 years, 1940–52, despite all the war casualties in the early war years.

A second observation we may make is that despite the severe depression, in the years 1933 through 1939, inclusive, small businesses failed in that period at about one-half the rate at which they had failed during the era of Republican "prosperity" embraced by the years 1921 through 1932, inclusive.

Just how great was the Republican prosperity of the 1920's? In my later remarks, I will insert a table showing Dun's failure rate, year by year, going back through 1900. I have labeled this "Exhibit 2." By reference to that exhibit we may see that in the years 1921 through 1932, inclusive, there was only 1 year in which the failure rate was below 100 firms per 10,000 firms in operation. That was the year 1923, when failures amounted to 93 firms per each 10,000 firms in operation. In no year since 1933, despite all the depression failures and all the war casualties, has there been a year with a failure rate anything like as high as the lowest failure rate in the great Republican prosperity of the 1920 decade.

In other words, the booming prosperity of the 1920's was about like that we are in now. Big business took bigger and bigger profits; the stock market set one high after another; tens of thousands of small businesses were destroyed; and all criticisms of the great prosperity were silenced. As a student of one aspect of that era, I would suggest that a primary cause of the terrific monopolization of business which took place in the 1920 decade and the wholesale destruction of small businesses which took place was the Republicans' refusal, as now, to enforce the antitrust laws, and particularly their refusal to try to stop the discriminatory pricing practices by which big businesses abused their power to destroy countless numbers of their smaller competitors.

A third observation which we can make from the year-by-year failure rates is this: In 13 Republican years, 1900 through 1912, the average failure rate was 105.6 firms per year per each 10,000 firms in operation; and in the following 8 Democratic years the rate dropped to an average of 84.1 failures, despite all the business casualties of World War I.

I have mentioned that certain adjustments in the Dun & Bradstreet figures are appropriate. The need for these adjustments arises in this way: beginning in 1939, Dun & Bradstreet has included in its counts of business failures certain voluntary discontinuances of business involving loss to creditors, which it did not previously include. Dun's states that the effect of including these categories of failures not previously included was to raise its failure rate by about 16 points in 1939, or about 29.6 percent. In other words, if these new types of failures were not included, the failure rate would be about 77.2 percent as high as it is with these categories of failures included.

Consequently, to make the failure rates for the years subsequent to 1939 comparable with those for the earlier years, we would reduce the rates for these later years to 77.2 percent of the rates shown in Dun's report. I have made these adjustments and averaged the failure rates in the 28 years of Republican administrations and the failure rates in the 28 years of Democratic administrations with the following results:

Yearly average rate of failures per 10,000 firms in operation

28 years of Democratic administrations	49.3
28 years of Republican administrations	92.8

As I indicated earlier, I believe that the thing we should be concerned about now is the presently increasing trend of small business failures. This is the thing that needs attention now, and the only thing about which something can be done. There is nothing we can do now about what happened over the past 56 years. Since the record of the past 56 years has persistently been injected into the present small business problem, however, I will allow others to draw their own conclusions from the fact that small businesses have failed at a rate 88 percent greater in 28 years of Republican administrations than in 28 years of Democratic administrations.

Here, then, is what justifies my distinguished colleagues' inferences and allusions suggesting that the majority has distorted the business failure statistics, and their promise to "straighten out the tangled and dangling figures which have been paraded before your eyes." On several occasions over the past 16 months I have called attention to the recent trend in business failures. On these occasions I have compared the latest report on the number of failures, or the rate of failures, with corresponding data for recent previous years, or with recent previous months, or weeks; and I have compared the data for recent months or weeks with data for the corresponding months or weeks in the previous year. In short, I have made precisely the same comparisons which Dun & Bradstreet makes and which are regularly carried in such business journals as the Wall Street Journal and the Journal of Commerce. And in each instance I have stated precisely what was being compared. The accuracy of my figures has never been challenged.

Mr. Wendell Barnes, on the other hand, has persistently turned out propaganda, and received a wide press on it, containing statements such as that the failure rate in 1955 was the lowest we have ever experienced in the year of normal economic activity, without giving anybody a hint as to what he has in mind as a normal year of economic activity. We must arrange to do some lengthy research of our own, dig up Dun's reports and study the figures, to discover that it is manifest that Mr. Barnes has in mind excluding the past 12 years as embracing any year of normal economic activity.

I should think my Republican colleagues on the Small Business Committee would be in somewise concerned about the presently increasing failures among small business, and would perhaps offer some suggestion for getting at the root of these failures; but it appears that their only concern is in helping Mr. Barnes in his propagandizing against small business.

DECLINE IN GROWTH OF BUSINESS POPULATION

The gentleman from New York [Mr. RIEHLMAN] has discussed also a matter which is quite closely related to the recent uptrend of small business failures. This matter has to do with the net growth, over the years, in the number of business firms in operation. I am not sure that his discussion on this matter reaches any definite conclusion, so I will simply put the figures for the past 10 years in the RECORD and let them speak for themselves. The following figures on the total number of business firms in operation, and the net growth from the end of one year to the next, are from the economic report of the President issued in January 1956:

[In thousands]

Year	Number of businesses	Increase (+) or decrease (−) for previous year
1945	3,113.9	+197.4
1946	3,487.2	+373.3
1947	3,783.2	+296.0
1948	3,948.3	+165.1
1949	4,000.0	+51.7
1950	4,050.7	+50.7
1951	4,108.5	+57.8
1952	4,167.4	+58.9
1953	4,193.9	+26.5
1954	4,189.8	−4.1

With reference to the above figures I will make only two observations.

First. I am told that the data for 1955 are not yet available.

Second. 1954 was the first year since 1944 in which we had a net decline in the number of operating businesses, although a sharp downtrend in the growth of the business population was already experienced in the year 1953. During World War II, there was a considerable contraction in the number of firms in operation, for the same reasons which

I have pointed out as accounting for a sharp increase in business failures in the early World War II years. However, with the release of men from the military services and the sharp cutback in requirements for military production, the business population expanded very rapidly in the first several years following World War II, then settled down to a fairly stable rate of growth amounting to between 50 and 60 thousand firms per year—that is, up until 1953. In 1953 the growth dropped to only 26,000 firms; and then in 1954 there was a net decrease of 4,000 firms.

DECLINE IN SMALL BUSINESS PROFITS

The May 9 speech of the gentleman from New York [Mr. RIEHLMAN] provides us with certain original compilations pertaining to small business and big business sales and profits and with certain conclusions that small business earnings are turning upward. With reference to these compilations I would respectfully like to offer some criticism of the statistical methods which have been used, and then offer an alternative method which I think may cause my colleague to reverse his conclusion that the financial position of small business is looking up.

The first of these compilations is prepared from the Treasury Department's annual Statistics of Income. It compares the volume of sales and the volume of profits of manufacturing corporations classified as having less than $1 million of assets in 1952, with similar data pertaining to 1947 for corporations which were classified as having less than $1 million of assets in that year. Corresponding comparisons are shown for firms variously classified as having more than $1 million assets in the 2 years.

A second original compilation is the same as the first, except that it relates to the years 1953 and 1955, and the data are gathered from "Quarterly Financial Reports" made by the Federal Trade Commission and the Securities and Exchange Commission.

These two tables show certain changes between unrelated data, and the differences between the changes appear to be of a greater magnitude as between the years 1947 and 1952, than between the years 1953 and 1955.

These comparisons lead the gentleman from New York [Mr. RIEHLMAN] to conclude, by ways which are not explained, that:

> As far as small manufacturing corporations are concerned, there was a significant loss in their financial position during the period 1947–52.

And also to conclude that:

> For nearly 2 years there has been an improvement in the financial position of small manufacturing corporations as well as the large.

And finally to conclude that:

> I do insist, however, that the decline in earnings experienced since that time was arrested in mid-1954 and that earnings are now definitely on the upswing.

I respectfully suggest that if my distinguished colleague attempted to formulate more precise and detailed conclusions before jumping to his broad generalizations he would perhaps find that his methods of comparisons do not support these generalizations. He would have to grapple with such questions as these:

First. Since a very large proportion of manufacturing costs are fixed costs which have to be met whether sales increase or decrease, does he expect that when there is a given percentage increase in the volume of sales there will be a corresponding percentage increase in the volume of profits.

Second. Since there are a great many firms whose assets are close to the borderline of $1 million, does he really expect when he compares the volume of profits and sales of firms classified as having less than $1 million of assets in 1 year, with the volume of profits or sales of firms classified as having less than $1 million of assets several years later, that this comparison really gives him an insight to the question whether the financial position of small business is better off or worse off?

If we assumed that my distinguished colleague's methods were sound, we would still be left wondering what happened in the year 1952. Since the comparisons purport to show what happened between 1947 and 1952, why do they not also show us what happened between 1952 and 1955, instead of between 1953 and 1955?

I will let that question pass, however, in the belief that my colleague's methods are not sound. There are, of course, circumstances under which it is appropriate to compare the size distribution of the business population at one time with the size distribution of the business population at another time. In other words, if sufficient details are presented such comparisons can tell us whether or not small firms account for a larger or a smaller share of the total business sales, the total business profits, or the total what not, than they do at another time.

I do suggest however, that it is extremely risky to draw conclusions about the trend of small business prosperity on the basis of whether sales or earnings of firms classified as having less than $1 million of assets in 1 year are more or less than the sales and profits of firms having less than $1 million of assets in another year. For example, if we assume there was no real change in business operations between 2 years, except that 1 firm which had slightly less than $1 million of assets grew between the years, and thus it had the sales or assets counted among the firms having more than $1 million of assets in the later year, we would conclude that small firms suffered a loss in their financial position. Or conversely, if there was no real change between the 2 years except that we found 1 firm whose depreciation account outran its new asset account, and it thus shifted from the higher classification to the smaller one, we would conclude that small firms were financially better off.

A much more meaningful trend in the prosperity of small firms can be had, I suggest, from the profit rates already compiled and published in the FTC-SEC reports. These rates are computed to show the profits of manufacturing firms, in a given size class, as a percent of the stockholders' equity in those firms. The term "stockholders' equity" really refers to what we might call the stockholders' investment. It is the amount of capital originally paid into the firm, plus all the accumulated earnings over the previous years which have not been paid out in dividends, but have been left in the firm. A virtue that these rates have over the comparisons which the gentleman from New York [Mr. RIEHLMAN] has made, is that when firms shift from one size class to another, between any 2 years being compared, then both the profit figures and the stockholders' investment figures shift along with them, so that we have a comparison of the profitability of firms in given size class at a given time.

Previously I have called attention to the profit rates of the smallest class of firms which is provided by the published reports—which class is for firms having less than one-quarter million dollars of assets. Since the gentleman from New York [Mr. RIEHLMAN] has, however, made his comparisons for firms with less than $1 million of assets, I will invite attention to the profit rates of firms having between one-quarter million dollars and $1 million of assets, as well as to the profit rates of firms having less than one-quarter million dollars of assets.

Profit rates [1] of 3 size groups of manufacturing corporations after taxes

Year	Corporations with assets of—		
	Less than $¼ million	$¼ to $1 million	Over $100 million
1951	8.6	9.2	13.3
1952	9.3	7.2	11.8
1953	6.8	7.1	12.1
1954	3.2	6.4	12.1
1955	2.2	8.4	14.6

[1] Profits as a percent of stockholders' investment.

From the above table we may note that the profit rate of firms having less than one-quarter million dollars of assets has dropped precipitously since 1952; and that the firms in this size class in the year 1955 had net profits, after taxes, of only 2.2 percent of the stockholder's investment. This represents a consistent drop from the 3 preceding years. I cannot agree that the downward earnings experienced by small manufacturing firms was arrested in mid-1954 or that these earnings are now definitely on the upswing. I believe that the 2.2 percent profit rate for these smaller corporations last year suggests that the stockholders might have fared better if they had had their money invested in Government bonds.

If we move now to the profit rates for corporations having between one-quarter million dollars and $1 million of assets, we can take some satisfaction in noting that the rate last year was somewhat better than in any of the 3 preceding years, although it was somewhat worse than in the year 1951. The total range has been from 9.2 percent in 1951, which is the first year for which data are available, to 6.4 percent in 1954. The rate last year was 8.4 percent.

Moving now to the giant corporations, those having over $100 million of assets, we find that these had a profit rate of 14.6 percent, after taxes, last year, which rate was substantially higher than that earned in any of the preceding 4 years.

Perhaps the simplest and most convenient way of showing the divergent trends in the profit rates between the smaller corporations and corporate giants is to express the above profit rates of the smaller corporations in terms of a percentage of the profit rate of the corporate giants. These percentages are as follows:

Profit rates of smaller manufacturing corporations as percent of the profit rate of corporations having more than $100 million of assets

Year	Corporations with assets of—	
	Less than $¼ million	$¼ to $1 million
1951	64.7	69.2
1952	78.8	61.0
1953	56.2	58.7
1954	26.4	52.9
1955	15.1	57.5

By the above method of comparison we may note that the profit rates of firms having $250,000 to $1 million of assets have fallen consistently since 1951, except that in the last year they were only 57.5 percent as great as the earnings rate of the corporate giants, whereas in 1954, they had only been 52.9 percent as great as the earnings rate of the corporate giants.

With reference to firms having less than $250,000 of assets, however, the recent record is much more alarming. In 1952 the profit rates of these firms was 78.8 percent as great as the corporate giants; last year the profit rates of firms in this smaller class were only 15.1 percent of the profit rate of the corporate giants.

AWARDING MILITARY CONTRACTS BY ADVERTISED COMPETITIVE BID

The gentleman from New York [Mr. Riehlman] has drawn an invidious comparison between what he calls the Eisenhower administration and the Truman administration on the basis of certain figures he presented on the percentage of the value of military prime contracts which were awarded on the basis of advertised competitive bids, as contrasted to such contracts that had been negotiated. Figures were presented for the years 1951 through 1955 and have the effect of indicating that the Eisenhower administration has stepped up the proportion of competitive bidding from the Truman administration.

I have no doubt that during the Korean emergency of 1951 and 1952, the military took advantage of its privilege of negotiating contracts rather than placing them by advertised competitive bid. However, I could point out to the gentleman from New York [Mr. Riehlman] that the 2 previous fiscal years, 1950 and 1949, were also in the Truman administration and if he began his comparison with the fiscal year 1949, his figures would look as follows:

Percentage of value of military prime contracts awarded by advertised competitive bid

Fiscal year:	
1949	29.8
1950	27.3
1951	12.1
1952	10.9
1953	10.8
1954	10.3
1955	16.2

I regret that the gentleman from New York [Mr. Riehlman] was so ill-advised in his speech of May 9 to aid in the Small Business Administration's propaganda effort at defeating a bill which the House passed, H. R. 8710. This bill would limit the Armed Forces authority for promiscuous negotiating of contracts and cause more contracts to be awarded on the basis of advertised competitive bid, in which case small business has an opportunity to obtain military contracts. The bill would also give the Armed Forces authority, for the first time, to negotiate contracts with small business by reason of the fact that they are small business. This bill, which was introduced by the distinguished chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. Vinson], would be a great boon to small business. I understand that officials of the Armed Forces are in favor of the bill, but when we were having the discussions with the Armed Services Committee about the bill, the SBA officials then opposed it and made clear the reasons for their opposition. Their reasons for opposing the bill were that the bill would enable the armed services to do something for small business without first getting clearance from SBA, on each contract which the armed services would propose to place with small business. In other words, this is just another instance of the Small Business Administration taking positions opposed to the interest of small business. And I might add incidentally, that of a large number of proposals which have been made to help small business I know of none on which the Small Business Administration has not taken a position against small business.

Exhibit No. 1

Summary of FTC antitrust complaints

	33 months under—	
	Republicans	Democrats
Number of complaints	59	56
Number of companies charged	60	66
Average assets of companies charged	$32,500,000	$256,200,000

Mr. Speaker, for almost 3 years now the country has been bombarded with propaganda about what a wonderful and vigorous job the Federal Trade Commission has been doing to enforce the antitrust laws. We have been told that under the present administration, the FTC has been reorganized and revitalized and has been doing its job with such wondrous vigor and efficiency as could hardly have been dreamed of under the previous Democratic administration. By way of proof for these claims, we have been offered numbers. Thus the number of suits started—or the number of new complaints charging law violation—has been compared with the number of complaints issued under the previous administration to prove that antitrust enforcement under the present administration is bigger and better than ever before. What this boils down to is a bigger and better numbers game than we ever had before.

It has been obvious to any thoughtful victim of this propaganda that mere numbers of complaints issued is in no way a guide to either the quantity or the quality of antitrust enforcement. Your Small Business Committee has, however, surveyed the antitrust complaints issued by FTC over the past 5½ years, and we have some facts which I think will interest the Members.

In collecting these facts we looked into a charge that the Small Business Committee frequently hears, which is that since the FTC was reorganized by Mr. Howrey, that the guardian of the public interest has trained its antitrust guns on small business.

The antitrust law which the Federal Trade Commission is charged with enforcing is the Clayton Antitrust Act, as amended by the Robinson-Patman Act. This act deals with monopolistic mergers, with monopolistic price discriminations, and with foreclosures of markets through exclusive dealing contracts and tie-in sales agreements.

Here then are the facts: In the last 33 months—since Mr. Howrey was appointed to the chairmanship of the Federal Trade Commission on April 1, 1953, up until December 31, 1955—the FTC issued 59 new complaints charging violations of the Clayton Antitrust Act. In the 33 months immediately preceding, while the Federal Trade Commission was under the chairmanship of Senator Mead, a distinguished colleague of ours, the Federal Trade Commission issued 56 complaints charging violations of the Clayton Act. In other words, the new Commission issued three more complaints than the old Commission in the same number of months.

In some instances a single complaint charged more than one company with violating the Clayton Act. In the past 33 months the FTC charged 60 companies with violating that act. In the previous 33 months under Senator Mead, the FTC charged 66 companies with violating that act. So there you have your numbers game. If the number of companies charged with violating the antitrust law were any index either as to quantity or quality of antitrust enforcement, then we could say that in 33 months under Chairman Mead, the FTC performed 10 percent more antitrust enforcement than it has performed in the 33 months just passed. But of course mere numbers of companies charged with violating the law do not mean any such thing.

But I come now to a comparison which does mean something.

During the 33 months under Senator Mead, the companies charged by the FTC with violating the Clayton Act were, on the average, approximately eight

times as big as the companies charged with such law violations during the 33 months since the FTC was reorganized by Mr. Howrey. The average assets of the companies charged in Senator Mead's period were $256.2 million. This average for the past 33 months has dropped to $32.5 million.

In short, the antitrust weapon which Congress put in the hands of the FTC was used during the previous administration to hunt monopoly elephants, but during the present administration, it has been used to hunt monopoly rabbits.

I do not suggest that small business should be immune from antitrust prosecutions. On the other hand, we cannot avoid the observation that the acts and practices dealt with under the Clayton Act are not, for the most part, illegal per se. The effects of these acts and practices, and the substantiality of these effects, are the tests of illegality plainly specified in the law. We would normally expect, therefore, that the bad practices of a giant corporation have a clearer and more substantial impact upon the competitive system, and upon the public interest, than have the same practices engaged in by a small firm.

If this suggests different treatment under the law, it is because the great and the small have different effects upon the public interest. Indeed, the acts and practices dealt with in the Clayton Act, as amended by the Robinson-Patman Act, would not be matters of public concern under a more competitive structure of business; and in point of historical fact, legislation on these acts and practices became necessary only after, and only because, a number of industries came to be dominated by monopolistic or quasi-monopolistic firms. Yet the giant corporations occupying these dominant positions are those which appear to have become immune to antitrust prosecutions by the "new" Federal Trade Commission, in its search for smaller game.

The smallest company charged with violating the Clayton Act during the entire 5½-year period is a tiny company whose total assets are only $16,000. This company was made the subject of a complaint during the chairmanship of Mr. Howrey, which complaint charges that company with antitrust law violation in connection with the sale of citrus fruits. The company in question has reported to your Small Business Committee that its total income from the sale of citrus fruits in the year 1954 was only $460.

I know nothing of the merits of the suit against this tiny company, and I do not mean to prejudge the issue. I do have great difficulty however, in reconciling the fact that while this tiny company is charged with violating the Robinson-Patman Act there have been at the same time hundreds and hundreds of complaints from small-business men about the price discrimination engaged in by several multi-billion-dollar corporations, and the Federal Trade Commission has been utterly unable to see any violation of the Robinson-Patman Act in these discriminations.

I also have great difficulty in reconciling the FTC's complaint against this tiny company when at the same time the FTC has watched the ballooning of the greatest wave of corporate mergers and consolidations in history with hardly batting an eye. According to FTC's own reports there had been, at the end of last year, some 522 mergers by corporations having individual assets in excess of $50 million. In all of the thousands of corporate mergers and consolidations which have taken place since the new antimerger law was passed, the FTC has issued only 5 complaints, and has not as yet actually stopped or unscrambled a single merger.

This is a serious matter. It cuts much deeper than the simple issue of false and misleading propaganda. When the Federal Trade Commission was reorganized by the Hoover Commission Reorganization Plan, its independence and bipartisan nature was destroyed and its antitrust enforcement brought under control of the White House. The result is that while the Federal Trade Commission hunts small game, thousands of small businesses are being squeezed out and destroyed by the monopolistic practices of certain big businesses, and these the FTC refuses to prosecute.

I hope that Congress will act during this session to return the Federal Trade Commission to the status of a bipartisan Commission, and as an arm of Congress.

Exhibit No. 2

Dun & Bradstreet's failure index—number of business failures per 10,000 operating firms listed by Dun's, 1900–55

Year:	
1955	41.6
1954	42.0
1953	33.2
1952	28.7
1951	30.7
1950	34.3
1949	34.4
1948	20.4
1947	14.3
1946	5.2
1945	4.2
1944	6.5
1943	16.4
1942	44.6
1941	54.5
1940	63.0
1939 [1]	69.6
1939	53.7
1938	61.1
1937	45.9
1936	47.8
1935	61.7
1934	61.1
1933	100.3
1932	154.1
1931	133.4
1930	121.6
1929	103.9
1928	108.5
1927	106.4
1926	101.0
1925	100.4
1924	100.0
1923	93.4
1922	119.8
1921	101.9
1920	48.3
1919	37.4
1918	58.7
1917	80.3
1916	99.7
1915	132.7
1914	117.6
1913	98.1
1912	99.8
1911	88.0
1910	83.8
1909	87.1
1908	108.2
1907	82.8
1906	76.8
1905	84.9
1904	92.3
1903	94.0
1902	93.1
1901	90.4
1900	91.6

[1] Previous to 1939, the record did not include voluntary discontinuances with loss to creditors, nor a full count of all attachments, foreclosures, and such, resulting in loss to creditors. The addition of these types of failure raised the level of the index about 16 points. Figures for both the old and the new series are presented in 1939 to provide a link between the two series and to demonstrate the similarity in trend.

NOTES AND EXPLANATIONS OF THE FAILURE INDEX

Dun's Failure Index relates the number of failures in each month to the number of industrial and commercial enterprises listed in the Dun & Bradstreet Reference Book. It shows the annual rate at which business concerns would fail if the number of failures and concerns listed in that month prevailed for an entire year. The index is expressed as the annual number of failures per 10,000 listed industrial and commercial enterprises. For example, in January 1944 failures numbered 120, or 4.8 a day, and 1,881,000 concerns were listed in the Dun & Bradstreet Reference Book issued in that month. If failures had been constant throughout this year at this number per day, they would have totaled 1,454 in the 12 months. Related to the 1,880,000 concerns listed, they would have occurred at the annual rate of 7.7 for every 10,000 listed concerns.

The figures on failures include all industrial and commercial enterprises which are involved in court proceedings or voluntary actions which are likely to end in loss to creditors. They take into account assignments, voluntary bankruptcies, receiverships, reorganizations and arrangements under chapters X and XL of the Bankruptcy Act, compromises with creditors out of court, voluntary withdrawals with loss to creditors, and discontinuances following such actions as attachments, executions, and foreclosures, if loss to creditors results. This material is gathered weekly by Dun & Bradstreet branch offices throughout the country.

Revisions in the index have been made twice in the past because of changes in the content of the failure record. In the early years real estate companies, holding companies, and such concerns as steamship lines, terminals, amusement places, etc., were included. Elimination of these in 1933 lowered the general level of the index from 2 to 3 points. The figures are given on the new basis only for 1933 and subsequent years.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. Yates] is recognized for 20 minutes.

Mr. YATES. Mr. Speaker, particular parts of the speech of the gentleman from Colorado [Mr. Hill], to which the gentleman from Tennessee has referred, contain charges against members of the committee, including myself, which require an answer from me.

I might say that I read the remarks almost with disbelief. My distinguished colleague from Colorado, William S. Hill, is my very good friend. I have the greatest respect and affection for him. I would not have believed he would allow himself to be used for such a statement. It is hard for me to believe that my distinguished colleague from Colorado himself could have written much of the material in his speech. And it is hard for me to believe that my distinguished colleague who is ordinarily so careful had not even bothered to ascertain the true facts before delivering the speech.

Unfortunately, the speech does raise an implication of questionable motives, both on my part and the House Small Business Committee and it must be answered. I want to direct my own remarks only to those matters in the gentleman's speech which touch upon the work of Subcommittee No. 3 of the House Small Business Committee, of which I am the chairman.

The gentleman's statement, referred to House Subcommittee No. 3's study and investigation of the problem of small businessmen in relation to an acute scrap shortage in the latter part of 1955 and 1956.

In this connection he quoted from a letter written by Sinclair Weeks, Secretary of Commerce, on February 7, 1956, in reply to a letter sent to him by the chairman of this committee, the Honorable Wright Patman. The gentleman from Colorado [Mr. Hill] concluded from certain remarks of Mr. Weeks in that letter that the interest of the committee staff "actually seems to border on a morbid sense of curiosity with implied accusations of wrongdoing."

Unfortunately, Mr. Hill made no request to the chairman of the House Small Business Committee, to myself, or to any member of the staff for the background and the reasons behind the letter to Mr. Weeks. If Mr. Hill wanted to know why we were taking such action, he had only to call me.

The investigation of the problems of small steel producers in relation to steel scrap was undertaken at the direction of the chairman, Hon. Wright Patman. The chairman, himself, in turn was acting upon the request not only of the small nonintegrated users but also many Members of Congress. Members referring complaints to the committee and asking for advice or investigations were the Honorable Harris Ellsworth, Republican, of Oregon; Hon. Louis Charles Rabaut, Democrat, of Michigan; Senator Theodore Francis Green, Democrat, of Rhode Island; Hon. Paul A. Fino, Republican, of New York; Hon. Ruth Thompson, Republican, of Michigan; Hon. William K. Van Pelt, Republican, of Wisconsin; Hon. Clyde Doyle, Democrat, of California; Hon. Edith Green, Democrat, of Oregon; Hon. Edward P. Boland, Democrat of Massachusetts; and Hon. Henry S. Reuss, Democrat, of Wisconsin.

On the basis of these complaints and a staff conference with 12 executives of small steel companies, as chairman of Subcommittee No. 3, I wrote a letter to the Honorable Sinclair Weeks on December 7, 1955, enclosing copies of specific complaints from the nonintegrated steel producers and asking Mr. Weeks to submit to our subcommittee the committees in the Department of Commerce and the members thereof who would take part in the decision to be made by the Department of Commerce as to whether steel scrap exports would be restricted for the first quarter of 1956. The letter further asked the Secretary of Commerce to state who would represent the interest of small business in such a decision, and whether records would be kept in full detail to show the extent to which the interests of small business were considered.

The purpose of these requests for information is clear. The small nonintegrated producers had expressed to the Small Business Committee their concern that their interests would not be adequately considered by Mr. Weeks and the Department of Commerce. In asking, therefore, for the names of the advisory committees in the Department of Commerce and the members thereof, the committee was desirous of obtaining information which would indicate or show whether this concern of the small nonintegrated steel producers was justified. The committee did not ask for papers or records, whether classified or confidential or not. The letter cannot be construed as, in the words of Mr. Hill, "a morbid sense of curiosity with implied accusations of wrongdoing," unless the concern over whether small-business interests are adequately considered by the Department of Commerce is morbid in itself in the mind of my distinguished Republican colleague. There is much justification for such a conclusion.

The letter requesting the information was written on December 7, 1955. That the situation facing the small nonintegrated steel producers was urgent was generally recognized. The New York Times, on December 12, 1955, reported in a lead story:

> The runaway market in scrap booms on—nonintegrated steelmakers who use purchased metal caught in squeeze plays. Price up $2 to $5 a ton.

Mr. Weeks nevertheless had not even acknowledged my letter by December 23, 1955, and as a result I wired him on that day as follows:

> Please advise me if and when you plan to answer my letter of December 7, 1955, concerning steel scrap exports for the first quarter of 1956?

On December 27, 1955, the Secretary of Commerce finally replied, stating among other things:

> It may be appropriate here to point out that all records of such deliberations are held confidential within the Department of Commerce and among the other representative agencies of the committee. This is necessary, of course, in order to eliminate the possibility of any particular business firm or firms securing advance information of proposed Government policy which might enable them thereby to gain financial advantages over their competitors. Furthermore, important consideration of national security are also reviewed by the committee even though the major issue is primarily one of short supply.

I had not, of course, asked the Secretary of Commerce to supply the House Small Business Committee with any records whatsoever. The Secretary's gratuitous remarks therefore appeared to contain "implied accusations of wrongdoing" against Members of Congress by stating that confidential records would not be given to me or any Member of Congress "in order to eliminate the possibility of any patricular business firm or firms securing advance information." I believe that all Members will agree that that is a very ugly implication and entirely uncalled for.

Accordingly, it was felt that the chairman himself, the Honorable Wright Patman, should reply to this gratuitous insult or accusation made by the Secretary of Commerce. He did so by letter of January 5, 1956, in which he asked the Secretary of Commerce:

> Does this statement mean that you would refuse to supply the House Small Business Committee with such records even though (1) the records related to Government policy already put into effect or (2) the committee kept such records confidential?

The Secretary again replied that the submission of the records to the committee, even under such circumstances "involves the possibility of creating improper opportunities of financial advantage."

I think any fair-minded person will readily agree that it was the Secretary of Commerce and not the committee that was guilty of "implied accusations and wrongdoing." I think it is most unfortunate that Mr. Hill relied upon the Secretary's remarks without checking with his own committee as to what were the true facts.

The distinguished ranking minority member in his speech also referred to the investigation by Subcommittee No: 3 of the complaints of small-business men in the aluminum industry. The general impression to be gathered from Mr. Hill's remarks on this subject is that he is critical of the way the investigation was conducted. Indeed, he seems to hold a grudge against the House Small Business Committee for devoting time to the problem at all. Mr. Hill asks:

> Just what is the matter with the aluminum situation? I, for one, would like to know.

This is indeed an astonishing statement, gentlemen. Certainly the gentleman could have asked me. My subcommittee had conducted extensive hearings. He is a member ex officio of my subcommittee. He never attended any meetings.

Perhaps the gentleman made his remark because members of the Eisenhower Cabinet are upset, because we have devoted a considerable amount of time and effort to the problems of small-business people in the aluminum industry. But there is no question that during the recent acute shortage, small-business men faced most serious problems; and there is no question in the minds of

these small-business men that the hearings and investigations conducted by Subcommittee No. 3 played a major part in getting them additional metal during the acute period of shortage.

If the Office of Defense Mobilization, the Department of Commerce, and BDSA, the General Services Administration, or any member of the Eisenhower team had really gotten up and fought for the small-business man during this period of shortage, there would have been no need for our investigation.

My distinguished colleague the gentleman from Colorado [Mr. Hill] states:

> From my look at the record, we never did learn whether or not the 20,000 or more small manufacturers of aluminum products were in trouble.

I do not know what record the gentleman from Colorado [Mr. Hill] looked at. It could not have been the record made by the House Small Business Committee, for the Government agencies involved, the large integrated producers, and, of course, the small-business men in the aluminum industry were in complete agreement that the most pressing and serious problems confronted small business.

The record at which the gentleman from Colorado [Mr. Hill] looked could not have been that supplied by the Attorney General of the United States on April 13, 1956. In this report to Congress, the Attorney General devoted his entire time to the problems of small business and raw material shortages, including the shortage of aluminum. The Attorney General cites the fact that chronic or temporary periods of shortage have serious adverse effects upon small business and the free enterprise economy, and recommends additional legislation since existing laws are inadequate. The Attorney General did not assume, as the gentleman from Colorado [Mr. Hill] did, that "every effort was being made to correct the situation," and that therefore nothing need be done.

I would suggest to the gentleman if he will not read the record of the hearings of the House Small Business Committee, to at least read the record and recommendations of the Attorney General contained in that report. He would find that among the recommendations, No. 3 to be exact, is that—

> An authoritative economic survey should be made of the current methods of distributing materials in short supply to the civilian economy, and their effects upon the operations of small business firms * * *. The results of such a survey * * * will furnish a substantial basis either for possible legislation action, if that be deemed necessary, or for a more knowledgeable and systematic policy of voluntary assistance by Government agencies to small business affected by these shortages.

This is exactly what the House Small Business Committee has been doing for the purpose of determining whether legislation is needed or whether better protection can be given to small business by the executive agencies of the Government.

But the gentleman complains that "although several months have elapsed since the hearings were concluded, we do not as yet have a report." The purpose of the hearings by the House Small Business Committee or any congressional committee is primarily to gather facts to determine whether legislation is needed or should be recommended. This is a serious function. It is not fulfilled by dashing off quick reports upon complex economic problems. Answers are not always easy and there are many diverse and often conflicting interests involved and the staff has been working on the report for months.

While partisan politics might dictate the issuance of slipshod or no reports, the need of finding real and nonpolitical solutions to the problems of small-business men require much greater thought and work.

Perhaps there may come a time under the leadership of the Eisenhower team when even Congress is not meant to give more than lip service to small business.

I regret that my good friend the gentleman from Colorado [Mr. Hill]—and he is my very good friend—if he is interested in the cause of small business, might find himself in much more sympathetic company if he followed the activities of the Small Business Committee of which he is ranking member, rather than the suggestions of an administration known for its affinity to big business. I suggest, too, that he can obtain more information on the committtee's activities from his colleagues on the committee—if he would only make inquiry—than from members of the executive branch who have an ax to grind—an ax that is usually used to chop down the interests of small business.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. PATMAN. I am glad the gentleman is answering the attack that was made. It is my understanding that neither the gentleman from Colorado [Mr. Hill] nor the gentleman from New York [Mr. Riehlman] gave notice to the gentleman from Illinois or the gentleman from Tennessee [Mr. Evins] or myself that these attacks would be made. We had no notice of them whatsoever. The gentleman from Tennessee [Mr. Evins] secured 40 minutes' time. Everyone knew what he was going to talk about. He was here and made his speech on the floor. He would have yielded for any questions if either of those gentlemen had wanted to question him. The gentleman from Illinois [Mr. Yates] delivered his speech on the floor of the House answering those attacks, and would have been glad to yield for questions. I, as chairman of the committee, would have been glad to yield for questions to either of the gentlemen. They did not give us any notice whatsoever. I want to commend the gentleman and I congratulate him on the fine job he has done. He has done an excellent job as chairman of that committee.

Mr. YATES. I thank the gentleman for his remarks. As a matter of fact, I spoke to the gentleman from Colorado [Mr. Hill] earlier this afternoon and indicated to him that I proposed to make a statement which would mention his name and which would answer many of the statements that were contained in his remarks which appeared in the Record of May 2.

PROPAGANDA IN HIGH PLACES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. Bailey] is recognized for 15 minutes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, the lull in the fight over our trade policies has, in no way, slowed down the propaganda efforts of those long-haired internationalists who would have the Congress approve H. R. 5550—legislation that would provide for United States membership of the Organization for Trade Cooperation.

The latest of these blitzkrieg efforts came when the White House was rebuffed by the United States Chamber of Commerce. When a resolution of approval of H. R. 5550 was handed the national chamber, meeting in Constitution Hall, the opposition voiced against the proposal should be a warning that industry will no longer tolerate the idea of "more trade and less aid" particularly when that slogan now reads "more trade and more aid."

It is refreshing to know that most of the 140 American industries, that are being adversely affected by our trade agreements, held membership in the National Chamber of Commerce and that their influence in opposition to the Organization for Trade Cooperation—OTC—and to the General Agreements on Tariff and Trade—GATT—is being considered.

Another attempt to spread propaganda is to be found in an insert in the Appendix of the Congressional Record under date of April 26 when Congressman Eberharter, of Pennsylvania, a member of the House Committee on Ways and Means, would try to mislead his colleagues into believing that the United Mine Workers of America are not opposed to the OTC proposal and to the passage of H. R. 5550.

The Eberharter article would also leave the impression that the coal operators are not still in opposition to H. R. 5550. The National Coal Operators Association has been and still is one of the leading opponents of this legislation.

In order to keep the record straight. I would like to read into the Record at this point, a letter I received some time ago from Robert E. Howe, director, Labor's Nonpartisan League:

Labor's Nonpartisan League,
Washington, D. C., March 5, 1956.

The Honorable Cleveland M. Bailey,
Member of Congress,
House Office Building,
Washington, D. C.

My Dear Congressman: For many years the United Mine Workers of America has opposed the Reciprocal Trades Agreement Act. We have opposed it because there is nothing reciprocal about it. It is used by the State

Department without regard for the best interests of American business and labor, which must meet low-wage foreign competition.

H. R. 5550, a bill now in the Ways and Means Committee, sets up a rulemaking body which would legalize the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Each year the opposition to the Reciprocal Trades Agreement Act grows stronger. We are confident the day will come when the plight of American industry will force Congress to rewrite this legislation. As long as the Congress maintains full power to regulate commerce and to levy and collect duties on imports, we must accept its decisions. But we bitterly oppose the usurpation of these powers by GATT and the legal recognition of its stepchild, the Organization for Trade Cooperation.

We respectfully ask each Member of Congress from the coal-mining States to oppose the passage of H. R. 5550.

Very truly yours,

Robert E. Howe,
Director, Labor's Nonpartisan League.

The United Mine Workers, early in the present session of the Congress, made known their opposition to H. R. 5550 in the form of a memorandum to all the Members of Congress.

I desire at this point to insert my copy of this memo which sets out clearly the constitutional questions involved:

Organization for Trade Cooperation—
H. R. 5550

The OTC, or Organization for Trade Cooperation, would be a specialized agency of the United Nations dedicated to the administration of the General Agreement on Tariffs and Trade, or GATT. This is the new international trade organization that Congress is now being asked to approve. The bill is H. R. 5550 and is now before the Ways and Means Committee of the House. The new OTC represents an effort to unload GATT on the United States in a form that will make it permanent.

The so-called Reciprocal Trade Agreement, of which OTC is a part, is now 21 years old. The United Mine Workers of America has opposed the Reciprocal Trades Act since its inception.

OTC has been advertised as calling for no supranational power, yet that is exactly what it would have in practice and in fact—and that is also exactly what the State Department wants it to have. Otherwise the Department would not be interested in it. Since the OTC would have an assembly, which means a law or rulemaking body, passage of H. R. 5550 would make legal the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Our Constitution conferred upon Congress in unmistakable black and white the power to regulate foreign commerce and to lay and collect duties on imports, Congress has legislated repeatedly since 1951, when the escape-clause amendment to the Trade Agreements Extension Act of that year was adopted. Congress has made its will known repeatedly in legislation, in many amendments to that escape clause, to make sure that all American producers faced with hurtful import competition have a reasonable remedy.

This legislation has been rendered impotent by the stubborn opposition of the State Department—a department that seems to find it hard to believe that American producers are entitled to the most elementary considerations of fair treatment.

For years the United Mine Workers of America has advocated and supported legislation to provide quota limitations on foreign imports. Now we are told that Congress cannot legislate quotas or provide the mechanism for their imposition by an administrative agency without violating the letter and spirit of the General Agreement on Tariffs and Trade.

By just what pattern of reasoning the State Department could arrive at the notion that they could properly bind Congress against any particular type of legislation on quotas, or anything else, has not yet been explained. These powers have been, in effect, usurped by GATT and because of ignorance and indifference on the part of the Congress, they have succeeded in getting away with murder. Now they are attempting to make the past actions of GATT legitimate by having Congress pass H. R. 5550 which sets up the Organization for Trade Cooperation.

By defeating H. R. 5550 Congress would recapture its constitutional authority and responsibility and once more labor and business, the producers of this country, would regain their lost voices in the determination and direction of trade policies that are of the greatest importance.

One of the best arguments to refute this propaganda is a petition filed sometime ago at the White House and with the Speaker of the House signed by more than 600 American industries protecting the approval of H. R. 5550.

This petition shows that, while some of the major labor groups still favor our trade policies, many labor groups in industries adversely affected are in opposition. They are:

Petition Memorializing the President of the United States, the President of the United States Senate, and the Speaker of the House of Representatives on the Subject of H. R. 5550

We, the undersigned, respectfully petition and memorialize you in accordance with amendment I to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treaty-making provisions of the Constitution, for the following reasons:

1. Passage of H. R. 5550 would impair the right of petition and redress guaranteed in our Constitution, since tariff policy and foreign commerce would be made subject to determinations by an international agency.

2. H. R. 5550 would hinder labor and business from obtaining effective action by the Congress of the United States, as guaranteed by article I, section 8 of the Constitution, which declares: "The Congress shall have power to lay and collect taxes, duties, imposts, and excises. * * * To regulate commerce with foreign nations, and among the several States. * * *"

3. H. R. 5550 would remove from Congress its full and effective freedom to exercise its constitutional responsibilities in these fields.

4. H. R. 5550 would remove tariff and trade policy determinations from the Federal Government and subject them to an international organization in which the people of the United States are not adequately represented and where the United States delegate would have but 1 of the 35 votes, the same as the Grand Duchy of Luxembourg, Haiti, and other countries with populations less than many cities and States in this Nation.

Now, therefore, we request that this petition and memorial be formally placed before the Congress of the United States.

Lists of labor endorsements follow:

SUPPLEMENTARY LIST NO. 2 OF SIGNATORIES TO PETITION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES, THE PRESIDENT OF THE UNITED STATES SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES ON THE SUBJECT OF H. R. 5550

The following signatories are from labor unions:

Amalgamated Meat Cutters and Butchers Workmen of North America, AFL–CIO: Leather Local 29, Girard, Ohio, D. L. Beach, president.

American Flint Glass Workers Union: Local 10, Moundsville W. Va., Robert W. Newell, president; local 22, Williamstown, W. Va., Ralph E. McKenzie, chairman; local 59, Moundsville, W. Va., Kenneth W. Miller, president; local 507, Moundsville, W. Va., L. W. Young, president; local 508, Williamstown, W. Va., Don Butler, chairman; local 16, New Martinsville, W. Va., Theodore Hoskins, Chairman-secretary; local 510, New Martinsville, W. Va., Charles Moore, president.

International Brotherhood Operative Potters: Local 4, East Liverpool, Ohio, Cecil H. Calhoun, president; local 148, East Liverpool, Ohio, Albert P. Oakes, president; local 20, Steubenville, Ohio, James Gouker, president.

International Brotherhood of United Potters: Local 103, Erwin, Tenn., William J. Campbell, president.

International Glove Workers Union of America: Milwaukee, Wis., Thomas Durian, president; local 137, Ballston Spa, N. Y., Alfred Wyman, president.

International Union of Electrical Radio and Machine Workers, AFL–CIO: Local 1121, Chicago, Ill., Ernest Krebs, president; Gaertner Scientific Corp., Chicago, Ill., John Rapp, chief steward; Gaertner Scientific Corp., Chicago, Ill., George N. Hoellen, Jr., assistant chief steward.

Providence Rubber Workers Union, AFL: Local 21172, Providence, R. I., Elnio Lostacco, president.

United Textile Workers of America: Local 1138, Albany, N. Y., George H. Rogers, president.

POST OFFICE DEPARTMENT REGULATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. Dingell] is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, a regulation was recently issued by the Post Office Department of the Government of the United States which is as bad as any regulation which has ever been issued by Nazi Germany, Communist Russia, or any other dictatorship. That regulation appears in issue 57 of the Postal Manual, dated March 28, 1956, at section 744.442, which reads as follows:

> (a) Information relating to the policies and decisions of the Post Office Department will be released only through official channels. Employees shall not actively engage in campaigns for or against changes in the service, or furnish information to be used in such campaigns unless prior approval has been obtained from higher authority.
>
> (b) If an employee has justifiable reasons for favoring or opposing changes in the Postal Service, he shall contact the proper officials and await specific instructions before engaging in local hearings or activities.

This regulation, for all intents and purposes, eliminates the right of any citizen who is also an employee of the post office to peaceably assemble or to petition for redress of grievances or to exercise his right of free speech, as is

provided by the Constitution. Under this ruling, no postal employee may take any steps to discuss working conditions or wage rates with anyone else connected with employment without prior approval of the Post Office Department, a most effective gag.

The situation under this regulation is intolerable, and has reached a point where employees are forbidden to post notices of employee organizations on bulletin boards in post offices. Worse, Mr. Speaker, postmasters throughout this country, under this autocratic regulation, are taking down employee bulletin boards, since there is no use to which they, or any other means of communication, can lawfully be put by employees to discuss their rights and questions affecting their employment in the accepted traditions of our democracy.

Mr. Speaker, if our Government has so much to fear from its citizens and employees it cannot long endure. It is obvious that where such a point has been reached, a government is ready for overthrow since it can neither trust its employees nor its citizens. I say that when people in government come to believe they must enact such regulations to strangle Federal employees, they must be replaced, because their thinking is not in conformity with the traditions of our country.

Fortunately, our Government still retains the faith, loyalty, love and affection of our people and its employees, in spite of such regulations, and despite such petty tyrants as would establish this sort of regulation.

However, if our Government is to deserve and retain the devotion of its people, we must strike down with a vigorous hand, any regulation which is so out of keeping with our democratic traditions. We must, also, smite with an equally vigorous hand, any and all who would so strike at our basic liberties, for they are ambitious and grasping men, and have within them much of what dictators and despots are made of.

There is yet another reason for just anger at this regulation. It is not only in direct violation of the spirit and principles of the Constitution, but it also violates a law of this Congress passed in 1912 and on the books continuously since that date. That law is the act of August 12, 1912, appearing as titles 5, United States Code, section 652 (c) and (d), which specifically states the will of Congress and the public policy of our country to be that Federal employees may engage in any form of organization, not imposing upon them the duty to strike, having for its objective the improvement of working conditions, and the condition of labor. That act also preserves inviolate the right of persons employed in the Civil Service of the United States to petition Congress or any member or committee thereof and declares that their right to furnish any information to Congress shall not be interfered with or denied.

Clearly this regulation is not only autocratic, and in open conflict with the long established principles of our Constitution but also in open defiance of a law of Congress.

I demand that the Postmaster General rescind the regulation forthwith and that he explain to the Congress and the people who is responsible for the regulation that we may take steps to see to it that such abuse never again occurs, and that the persons who are responsible are removed from our Government.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Lankford (at the request of Mr. Garmatz), for today and the balance of the week, on account of illness.

Mr. Granahan (at the request of Mr. O'Neill), for the balance of the week, on account of illness.

Mr. Doyle until June 8, 1956, on account of official business, including work as member of subcommittee, House Un-American Activities Committee.

Mr. Roosevelt, for May 18, 21, and 22, on account of official business for Committee on Education and Labor and Committee on Small Business.

Mr. Allen of California, from May 17 to May 23, 1956, inclusive, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Yates, for 20 minutes, today.
Mr. Bailey, for 15 minutes, today.
Mr. Dingell, today, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Cooper and to include copies of a press release made by him today.

Mr. McCormack in two instances.

Mr. Kelley of Pennsylvania.

Mr. Dodd in two instances.

Mr. Roosevelt and include extraneous material.

Mr. Heselton to revise and extend the remarks he made on the rule on the bill H. R. 8901 and include extraneous matter, to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mr. Curtis of Missouri and to include extraneous matter.

Mr. Williams of Mississippi and include an editorial.

Mr. Gwinn (at the request of Mr. Martin) and to include extraneous matter.

Mr. Evins and to include some statements made with respect to various regulatory agencies.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the Act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Thursday, May 17, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speakers's table and referred as follows:

1852. A communication from the President of the United States, transmitting proposed appropriations and other authorizations for the fiscal year 1957, and for other purposes, in the amount of $186,276,929 for various agencies (H. Doc. No. 403); to the Committee on Appropriations and ordered to be printed.

1853. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1957 in the amount of $273,705 for the House of Representatives, in the form of amendments to the budget for said fiscal year, and a proposed supplemental appropriation for the fiscal year 1956 in the amount of $400,000 for the Government Printing Office (H. Doc. No. 404); to the Committee on Appropriations and ordered to be printed.

1854. A letter from the Secretary of the Treasury, transmitting the quarterly report on the progress of liquidation of the Reconstruction Finance Corporation to March 31, 1956, pursuant to Public Law 163, 83d Congress; to the Committee on Banking and Currency.

1855. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation entitled "a bill to implement a treaty and agreement with the Republic of Panama, by transferring certain property to the Republic of Panama, amending the Classification Act of 1949, as amended, adjusting the fiscal obligations of the Panama Canal Company, and by other provisions"; to the Committee on Merchant Marine and Fisheries.

1856. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "a bill for the relief of Lt. Col. Arnol A. Amunrud"; to the Committee on the Judiciary.

1857. A letter from the Board For Fundamental Education, transmitting a report of the audit of the Board For Fundamental

Education for the year 1955, pursuant to section 14 (b) of Public Law 507, 83d Congress; to the Committee on the Judiciary.

1858. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Government Printing Office for the fiscal years ended June 30, 1954 and 1955, pursuant to the Accounting and Auditing Act of 1950 (31 U. S. C. 67) and the Legislative-Judiciary Appropriation Act, 1954 (67 Stat. 330); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee of Conference. S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense (Rept. No. 2167). Ordered to be printed.

Mr. QUIGLEY: Committee on the Judiciary. H. R. 11124. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges; without amendment (Rept. No. 2170). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7663. A bill to provide for settlement in part of certain claims of the Uintah and White River Bands of Ute Indians in court of claims case No. 47568, through restoration of subsurface rights in certain lands formerly a part of the Uintah Indian Reservation; with amendment (Rept. No. 2171). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government operations. Sixteenth intermediate report pertaining to administrative management of the Department of State. (Rept. No. 2172). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9764. A bill to amend the Employment Act of 1946; with amendment (Rept. No. 2173). Referred to the House Calendar.

Mr. COOLEY: Committee of Conference. H. R. 7030. A bill to amend and extend the Sugar Act of 1948, as amended, and for other purposes: without amendment (Rept. No. 2174.) Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3350. A bill to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired: with amendment (Rept. No. 2168). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3351. A bill to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired; with amendment (Rept. No. 2169). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 11239. A bill to provide that the Secretary of the Army shall make certain payments to the counties of Mecklenburg, Halifax, and Charlotte, Va., from the proceeds of sales of timber located on that portion of the land within the John H. Kerr Reservoir, Va. and N. C., situated in the State of Virginia; to the Committee on Public Works.

By Mr. BOSCH:

H. R. 11240. A bill to make the Prison Ship Martyrs' Monument in Fort Greene Park, Brooklyn, N. Y., a national monument; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 11241. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

By Mr. COLE:

H. R. 11242. A bill to amend chapter 14 of the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

By Mr. DEVEREUX:

H. R. 11243. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H. R. 11244. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 11245. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture.

By Mr. FALLON:

H. R. 11246. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HALEY (by request):

H. R. 11247. A bill to authorize the Secretary of the Interior to compromise, adjust, or cancel certain debts of individual Indians and Indian tribal organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11248. A bill to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration; to the Committee on Interior and Insular Affairs.

By Mr. HYDE:

H. R. 11249. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 11250. A bill to revise and modernize the fish and game laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KARSTEN:

H. R. 11251. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

By Mr. KEATING:

H. R. 11252. A bill to amend section 416 of the Agricultural Act of 1949, as amended, so as to authorize the donation to the Bureau of Prisons of commodities acquired through price-support operations; to the Committee on Agriculture.

By Mr. McCONNELL:

H. R. 11253. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Education and Labor.

By Mr. O'BRIEN of New York:

H. R. 11254. A bill to amend section 104, title 4, United States Code; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 11255. A bill to clarify section 1103 (d) of title XI (Federal ship mortgage insurance) of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. PRIEST (by request):

H. R. 11256. A bill to amend section 3 of of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. REES of Kansas:

H. R. 11257. A bill to provide that certain compensation payable to certain officers and employees reinstated or restored to duty by administrative or court action shall be paid out of current appropriations for the department or agency concerned; to the Committee on Post Office and Civil Service.

H. R. 11258. A bill to establish penalties for failing to comply with certain recommendations of the Civil Service Commission and for defeating, deceiving, or obstructing any person with respect to any preference granted him by the Veterans' Preference Act of 1944; to the Committee on Post Office and Civil Service.

By Mr. SADLAK:

H. R. 11259. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Kansas:

H. R. 11260. A bill to amend the National Labor Relations Act for the purpose of prohibiting compulsory unionism, and for other purposes; to the Committee on Education and Labor.

By Mr. SPENCE:

H. R. 11261. A bill to extend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

By Mr. TUCK:

H. R. 11262. A bill to provide that the Secretary of the Army shall make certain payments to the counties of Mecklenburg, Halifax, and Charlotte, Va., from the proceeds of sales of timber located on that portion of the land within the John H. Kerr Reservoir, Va., and N. C., situated in the State of Virginia; to the Committee on Public Works.

By Mr. UDALL:

H. R. 11263. A bill relating to the construction of school facilities in areas affected by school integration, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITTEN:

H. R. 11264. A bill to provide for the reconveyance of all mineral interests in lands acquired by the United States for certain reservoir projects to former owners thereof, and for other purposes; to the Committee on Public Works.

By Mr. WILLIAMS of New Jersey:

H. R. 11265. A bill to provide for studies of highway accident causes and their prevention; to the Committee on Interstate and Foreign Commerce.

H. R. 11266. A bill to amend the Davis-Bacon Act, and for other purposes; to the Committee on Education and Labor.

By Mr. O'BRIEN of Illinois:

H. R. 11267. A bill to promote the progress of medicine and to advance the national

health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. BOWLER:

H. R. 11268. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. BOYLE:

H. R. 11269. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. KLUCZYNSKI:

H. R. 11270. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. MURRAY of Illinois:

H. R. 11271. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. O'HARA of Illinois:

H. R. 11272. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. SHEEHAN:

H. R. 11273. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine to be located in Chicago, Ill.; to the Committee on House Administration.

By Mr. YATES:

H. R. 11274. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. CHRISTOPHER:

H. R. 11275. A bill to grant equitable compensatory time to postal employees; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H. R. 11276. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. FEIGHAN:

H. R. 11277. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. STEED:

H. R. 11278. A bill to authorize the establishment, maintenance, and operation of auxiliary communication networks composed of licensed amateur radio operators for military radio communications; to the Committee on Armed Services.

By Mr. BYRNE of Pennsylvania:

H. R. 11279. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. CHELF:

H. R. 11280. A bill amending chapter IV of the Federal Food, Drug, and Cosmetic Act with respect to the manufacture, use and shipment of various and sundry types of cigar and cigarette tobaccos and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOHUE:

H. R. 11281. A bill to extend for an additional 6 years the authority to make guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SADLAK:

H. R. 11282. A bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas; to the Committee on Banking and Currency.

By Mr. BASS of Tennessee:

H. J. Res. 623. Joint resolution to designate the dam and reservoir authorized to be constructed on the lower Cumberland River in Kentucky as Barkley Dam and Barkley Lake; to the Committee on Public Works.

By Mr. COUDERT:

H. J. Res. 624. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. J. Res. 625. Joint resolution designating the period beginning July 23, 1956, and ending July 29, 1956, as National Model Aviation Week; to the Committee on the Judiciary.

By Mr. DODD:

H. Con. Res. 239. Concurrent resolution to provide that the United States Delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

H. Res. 507. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CURTIS of Massachusetts: Memorial of the Legislature of the Commonwealth of Massachusetts memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts; to the Committee on Banking and Currency.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOSCH:

H. R. 11283. A bill for the relief of Albina Mesesnel Lombardi; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 11284. A bill for the relief of Stanley Chiu; to the Committee on the Judiciary.

H. R. 11285. A bill for the relief of Dr. Robert D'Annibile; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 11286. A bill for the relief of Sfc. Thomas F. Callahan; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 11287. A bill for the relief of Margaret Weydmann; to the Committee on the Judiciary.

By Mrs. HARDEN:

H. R. 11288. A bill for the relief of Yuriko Sato; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 11289. A bill for the relief of Janis Lee Owen and Jacqueline F. Algorri; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 11290. A bill for the relief of Florentia Bougades; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11291. A bill for the relief of Sapudin A. Patl; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 11292. A bill for the relief of Lloyd D. Ebanks; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. R. 11293. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 11294. A bill for the relief of Wladyslaw Kazmierczak; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 11295. A bill for the relief of Mrs. Hildegarde Weber Bennett; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 11296. A bill for the relief of Clement Alphonso Kepple; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 11297. A bill for the relief of Thomas P. Quigley; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1039. By Mr. BEAMER: Petition of locals Nos. 501, 107, and 115, American Flint Glass Workers Union, Dunkirk, Ind., in accordance with amendment 1 to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution; to the Committee on Ways and Means.

1040. By Mr. BOW: Petition of Charles Gampo and others, of Alliance, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

1041. By Mr. BUSH: Petition of Harry H. Pinge, Sr., and 44 other residents of Lock Haven and Clinton County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1042. By Mr. FORAND: Petition of Mrs. Raymond E. Olson, Pawtucket, R. I., and 31 others from Rhode Island, urging enactment of legislation to remove alcoholic beverage advertising from the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

1043. By Mr. JENKINS: Petition of 42 veterans of Bidwell, Ohio, and of Florida, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1044. Also, petition of 45 veterans of Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1045. By Mrs. KEE: Petition of Waldo Williams, Hinton, W. Va., and 45 other residents of Summers County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1046. By Mr. MARTIN: Petition of C. W. Cederberg and sundry residents of Attleboro, Mass., urging enactment of the Siler bill, H. R. 4627; to the Committee on Interstate and Foreign Commerce.

1047. By Mr. POLK: Petition of Jess P. Whitmer, Washington Court House, Ohio, and 45 other citizens of Fayette County, Ohio, and surrounding area, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1048. By Mr. WOLCOTT: Petition of William C. Cliff, of Applegate, Mich., and 21 others urging the passage of the Langer bill (S. 923) and the Siler bill (H. R. 4627) both pertaining to alcoholic beverage advertising; to the Committee on Interstate and Foreign Commerce.

1049. Also, petition of Gabrielle Van Houtte, Mount Clemens, Mich., and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1050. Also, petition of Mr. E. Grubba and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1051. Also, petition of Beulah Taylor, Port Huron, Mich., and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

A Fine Report About United States Mistakes in Asia

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. McCORMACK. Mr. Speaker, during the fall of last year a subcommittee of the Committee on Foreign Affairs, the chairman of which subcommittee being our distinguished friend and colleague from Wisconsin, Mr. Zablocki, spent 2 months studying the Middle East, south and southeast Asia for the purpose of a report to the Congress. The subcommittee constituting the mission consisted of 6 members. They traveled nearly 31,000 miles and visited 25 countries, starting in Greece and ending up in Japan. This subcommittee performed an important mission.

I congratulate the chairman of the subcommittee, Mr. Zablocki, and all the members of the subcommittee for the sacrifices they made in the performance of their trying task and for their constructive report.

The gentleman from Wisconsin [Mr. Zablocki] is recognized as one of the ablest and hardest working Members of the House of Representatives. His knowledge of foreign affairs is profound. He is recognized as one of our outstanding Members in the field of foreign affairs. And this is particularly important to our country at this trying period of the world's history. The people of his district are justified in feeling proud of him and the fine character of service which he is rendering as their Representative in the Congress of the United States.

The subcommittee made a most interesting and constructive report of 213 pages. It is one of the finest reports which I have ever read made by any committee or subcommittee. Again, I congratulate the gentleman from Wisconsin [Mr. Zablocki] and all the members of his subcommittee for the excellent contribution that they have made in their report.

In my extension of remarks, I include a deserving editorial about Mr. Zablocki and his subcommittee entitled "A Fine Report About United States Mistakes in Asia," appearing in the Milwaukee Journal of May 13, 1956:

> Congressional committee reports are usually pretty dull fare, fit for filing. Occasionally, however, one comes along that is as interesting as it is informative. Such a report is that of the study mission of the House Committee on Foreign Affairs.
>
> If you'd like a stimulating armchair trip through a most important part of the world, a real insight into the tangled affairs of the Middle East, sound explanations of why the West is having such headaches in Asia, this is your dish.
>
> The mission, headed by Wisconsin's Clement J. Zablocki, Democrat, Milwaukee, spent 2 months last fall studying the Middle East, south and southeast Asia. The 6 members traveled more than 30,800 miles, visited 25 countries, started in Greece and ended up in Japan. When they got back to Washington they studiously worked out their comprehensive report.
>
> Actually, there's nothing quite like it. Books are written about individual nations, or even geographical areas. But no one has offered a panoramic sweep of the vital areas fringing Communist Russia and China that form today's major battleground between freedom and tyranny. This the study mission, with aid from its staff members and assistance from the State and Defense Departments, has done.
>
> Here is a quick education in the geography, history, economics, religion and politics of the 25 nations visited, plus a discussion of each nation's problems with its neighbors and with the United States.
>
> There are significant conclusions, too, about American policies toward individual countries and, more important, toward the whole of free Asia.
>
> The study mission found neutralism on the increase. It blamed this on changed Communist tactics and on American acceptance of "the Communists into respectable society at Geneva." It said the conviction is strengthening in Asia that the United States stands with the colonial powers of Europe rather than with Asian peoples. It complained that we are still not doing a good job on human relations in our various aid programs, and added:
>
> "The key thing is not the amount of aid, it is the manner. It is not enough to analyze figures; we must do a better job of analyzing people. This is where the Communists have left us far behind."
>
> The report is 213 pages long. It is interestingly written. It has many maps. It will tell you most of what you need to know to be considered informed about a part of the world that is going to be important to Americans for a long time.
>
> Congressman Zablocki will be glad to provide copies of the study mission report to those requesting them. Requests should be addressed to him at the House Office Building, Washington, D. C.

Compulsory Inspection of Poultry and Poultry Products

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. DODD. Mr. Speaker, I have today introduced a bill calling for the compulsory inspection of poultry and poultry products.

This is a companion bill to H. R. 10527 and H. R. 10514.

Connecticut, with a poultry industry annually valued at some $70 million, not including baby chicks, is vitally interested in the adoption of Senate bill S. 3588. It is one of those rare industry proposals that serve both producers and consumers and, at the same time, promise greater agricultural stability.

The State of Connecticut has long recognized the need of slaughterhouse supervision. Licensing and inspections became statutory requirements at least as early as 1930. Steps are now being taken by our Department of Agriculture to amend previous regulations and adopt a new code comparable to the sanitary requirements of Senate bill 3588.

Income from poultry ranks first in Connecticut's cash farm income. Our broiler producers form one of the last bastions where their farms are owned and operated by the farmers themselves. As a result, the quality of the poultry produced on our Connecticut broiler farms can not be surpassed by any other area in the United States.

Broiler production now in excess of 25 million annually, increased 177 percent in Connecticut between 1940 and 1950. From 1950 to 1954 it was up another 80 percent and still growing in importance.

Connecticut action is influenced to a large extent by the price and sanitary code of the New York City market. This code requires, among other things, rigid inspection of eviscerated poultry coming into the city.

Many Connecticut plants are voluntarily conforming with the New York requirements. Others would like to under the compulsory requirements of Senate bill 3588.

There are 166 licensed poultry slaughterhouses in Connecticut. Five of these alone are processing more than 1,500,000 pounds of poultry weekly.

Over 20 percent of the poultry produced in the United States today is under a voluntary poultry inspection program administered by the Poultry Branch of the United States Department of Agriculture. This Department has had 27 years of experience in administering the voluntary poultry inspection program. It would seem to be only logical that those people with the experience and know-how would be the proper ones to be assigned the task of administering a mandatory program. The expense of this voluntary program has been borne by the industry. Under the mandatory inspection program for red meat, the expense is borne by the Federal Government. It appears to me that to continue requiring poultry meat to bear the cost of inspection and at the same time subsidizing red meat inspection is most unfair.

The mere fact that the poultrymen in Connecticut have requested this legislation, along with other poultry areas, indicates their interests in providing high quality poultry for the consumer's table.

I hope we can get some prompt action on this necessary legislation.

Gov. Adlai Stevenson's Record

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. ROOSEVELT. Mr. Speaker, because of certain distortions of the true record of Gov. Adlai Stevenson, of Illinois, with respect to old-age assistance, my colleague and distinguished member of the Committee on Ways and Means, the Honorable Cecil R. King, and myself have found it necessary to correct the record by issuing a public statement which is quoted below:

> Congressman Cecil R. King, Democrat, California, and Congressman James Roosevelt, Democrat, California, both from southern California, today issued the following joint statement in answer to an attack on Gov. Adlai Stevenson's record on social security and old-age assistance:
>
> "We have worked long and hard for the needed revision and expansion of our social security and public assistance laws. We feel that it is necessary to correct the erroneous and distorted statements now being circulated in California regarding the constructive record of Gov. Adlai Stevenson on old-age assistance.
>
> "We wish also to emphasize the accomplishments of Governor Stevenson in Illinois. The facts are that no Governor in the history of Illinois—indeed few Governors in the Nation have done more for the older people than Adlai E. Stevenson.
>
> "In his very first address—his Inaugural Address—Governor Stevenson called on the Illinois Legislature to raise old-age pensions, and within 3 months, old-age pensions were raised by 18 percent.
>
> "Governor Stevenson's 4-year Public Aid program made available $128 million more for old-age pensions and other forms of assistance than was spent in the previous 4 years under a Republican governor.
>
> "At Governor Stevenson's urging, the Illinois Legislature passed a modern Public Assistance Code which repealed the antiquated 'Pauper Law' and is now considered a model law throughout the Nation.
>
> "On 134 occasions in 4 years under Governor Stevenson, the Republican legislature in Illinois tried to pass bills for roads, bridges, pensions and other purposes without appropriating 1 cent to finance them, and Governor Stevenson insisted that the funds be provided before he would approve the bills.
>
> "Governor Stevenson at no time made the statement which the pamphlet quotes him as making about old-age pensions.
>
> "The Illinois Public Aid Commission at no time during Governor Stevenson's administration cut old-age pensions by 10 percent. According to the current Executive Director of the Commission, Mr. Garrett W. Keaster, there was no such cut during Governor Stevenson's administration.
>
> "It is our sincere belief that real progress in social security and public assistance can best be achieved with Governor Adlai Stevenson as President of the United States."

Federal Scholarship Loan Act

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. MULTER. Mr. Speaker, on August 2, 1955, I introduced in the House of Representatives a bill to increase the educational opportunities of needy students through a Federal loan fund.

Titled "The Federal Scholarship Act," the bill would set up a scholarship fund with an initial 2-year appropriation of $15 million. The fund would be on a self-liquidating basis, and would provide loans to enable needy and scholastically qualified students to continue post-high-school education.

I wish to stress that the fund should not cost the Government anything and would help to alleviate a general manpower shortage in certain fields, while at the same time increasing the opportunities of the youth of America.

All loans would bear only 1 percent interest and be repayable by the student during a 10-year period commencing upon the completion of his schooling.

The bill provides that any shortages in the fund shall be made up by the States according to the amount of assistance their students have received, thus making the Federal Scholarship Act a self-sustaining, Federal-State cooperative venture. The interest charge should pay all expenses of operation of the program and may eventually be reduced or eliminated.

The Federal Scholarship Act would grant qualified students $1,000 per year for 4 years in any institution of college grade studies, or $1,500 per year in any institution of post-college-grade studies. My bill provides that the States shall set qualification standards under which loans shall be granted, and that States will receive grants in proportion to their congressional representation.

The basic plan for Federal scholarship aid has been the subject of bills in every Congress since 1949. We had had a temporary wartime measure, the student war loan program, which granted $3⅓ million in its 2 years of existence during the Second World War. Since then, more than three-quarters of this sum has been repaid. About one-third of 1 percent of the loans, or about $13,000 out of over $3,300,000, is probably uncollectible according to the Deparment of Health, Education, and Welfare. The great majority of the 11,053 needy students who received loans have completed or are completing their repayments.

No Joint Commissions To Stop Competition

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. GWINN. Mr. Speaker, Victor Reuther, assistant to the president of the industrial union department of the AFL–CIO, addressed the Young Presidents' Organization in Hollywood, Fla., April 27.

Alexander R. Hammer, of the New York Times, reported Mr. Reuther's remarks to this meeting. He said:

> The labor official reiterated the belief expressed before by organized labor that "automation and atomic power has put the world on the threshold of undreamed of opportunities."
>
> "We do not approach these promises of technological advance with any sense of fear," he continued. "But we do insist that they be met with intelligent planning in order that we may be able to cushion the impact upon our social structure. Failure to plan, resistance to change, could result in serious dislocation. It is a community and national responsibility to see that no industrial worker be forced to pay the price of any technological advance."
>
> Mr. Reuther suggested that each basic industry should establish joint commissions of inquiry to make certain that management and labor at every industry level is prepared to meet the shock of automation. "As yet," he added, "there have been no such meetings."

Mr. Speaker, the suggestion that each basic industry should establish joint commissions to deal with automation has very grave implications. Our system of private enterprise is regulated by the forces of competition. When an industry establishes a joint commission, such as Mr. Reuther suggests, there will be little competition between its members in the form of improved products and better productive methods to reduce costs to the consumer and thus expand markets to make more and better jobs possible for workers.

Since 1939 the establishment of joint industry and labor-management committees has been the solution advanced by Walter and Victor Reuther to meet every problem. When World War II required the conversion of the automobile industry for defense, the Reuthers proposed a joint labor-management program to accomplish this task. Fortunately, this program was never adopted. Conversion took place. The weapons of war were made and we got on with the job. When the war was over, the Reuthers again advanced the same formula to meet the problems of reconversion. Again their advice as rejected. We are now told that a new crisis is upon us, namely, the introduction of automation and atomic power, and the same solution is again advanced.

The joint industry-labor committees, suggested by the Reuthers, were tried by Mussolini in Italy in the 1920's. They were the keystone of fascism. I do not want to see our competitive system lost and a cartelized industrial structure substituted in its place. The American people would never be content with such a system.

If competition were to be superseded by joint commissions operating at industry levels, they would in turn have to be supervised by Government over which the people would have some control. This is the easy, sure road to socialism. This is the reason that every problem always meets with he same recommended solution. It is in keeping with the socialistic aspirations of the Reuthers which have animated all of their actions since they first became prominent in the labor movement.

Automation is a fancy word for an evolutionary process which has been taking place ever since the start of the industrial revolution. We have made constant shifts of employment from one industry to another, from one occupation to another, and they have been met without hardship when our economy was operating at a high level of output. By reducing the cost of Government and by creating an atmosphere conducive to the expansion of private enterprise, we can secure the advantages of automation and atomic power without having to sacrifice our basic economic freedoms and without unemployment.

The Civil-Rights Issue

EXTENSION OF REMARKS

OF

HON. JAMES H. DUFF

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 16, 1956

Mr. DUFF. Mr. President, I ask unanimous consent to have printed in the Congressional Record the text of remarks by the Senator from New Jersey [Mr. Case] at the banquet of the Pennsylvania Federation of Young Republican Clubs at the Bellevue-Stratford Hotel in Philadelphia on May 13, 1956.

There being no objection, the address was ordered to be printed in the Record, as follows:

As young people interested in improving our great Government, I know you have given a good deal of thought to what I consider the No. 1 domestic problem of our Nation—how to accomplish the goal of equal treatment for all our people. In my opinion, this has become the most deeply divisive issue our Nation has faced in this century. Moreover, how we meet the problem is a matter of profound importance to millions outside the United States yearning and struggling for a better life.

There are those in this Nation who recognize the magnitude of the problem, but prefer to look away. There are those who can see it only in extremist terms, who would compel solutions, enforced, if need be, by punitive means. There are also those who would use it for narrow political ends. There may be some in our own party who take the short-range view that this is a matter splitting the Democrats and so let's stand back and let them fight each other.

But, in the long view, in the interests of our country, this is neither a sensible nor a morally just position to take. It is inconceivable to me that the Republican Party could adopt such a view. We cannot stand aside and watch this Nation be torn apart over an issue that can and must be resolved without resort to violence or compulsion.

The Negroes in our midst are Americans and have the same right to a vote, to a decent education, to a decent job, to a decent house, and to a decent life as the rest of us.

It seems to me high time to take the civil-rights issue out of the partisan arena. The hurling of wild predictions over what can happen if we give the Negro his long-postponed rights is harmful, as is the continuing exchange of charges over who's to blame for the situation. Meanwhile, the problem is aggravated as tempers flare among the extremists on both sides and the moderates are pushed ever farther and farther back from the conflict.

I can see no partisan advantage in watching American turn against American. This is a problem that cries out for calmness and moderation; for unity and understanding. This Nation has already discovered that in the sensitive area of foreign policy, a bipartisan approach is advisable, if not downright essential. It seems to me that the matter of racial relations and the broader one of civil rights should be moving in the same direction.

Our great need right now is to build a climate of opinion in which reasonable solutions are possible, to strengthen in all ways the position of those persons who could contribute to understanding and progress toward carrying out public school integration. This encouragement can take many forms—creation of opportunities for men and women of good will to meet and discuss ways of working out solutions to particular problems; sympathetic response to school districts that take steps toward fulfillment of the Supreme Court decisions and development of moderate legislation helpful to the same aim. At the same time, we need to refrain from words and actions which hinder rather than help progress and understanding. We must resist the temptation to take partisan advantage. Any smugness on our part; any ignoring of the fact that the North, where we Republicans live, is itself not without racial tension; any vain hope that we will profit while the other side fights—this approach is not going to help solve a problem which is too big for petty self-indulgence. The Supreme Court decisions call for great changes in long-standing habits of many of our States. This must be recognized by those who are truly interested in fulfilling our national conscience in a peaceful fashion.

President Eisenhower, in my opinion, is exerting the right kind of leadership. He has stood firmly for integration of our public schools on a steadily progressive basis. This has been a real contribution and I know he will be leading the way toward other steps as we determine what others are necessary and advisable.

In addition to exercising the great influence of his office and his own reputation for high moral principles, the President has urged the adoption of a moderate legislative program to strengthen and expand our civil-rights statutes. These proposals are supported by many Democrats as well as Republicans already and if we can create a climate of moderation and reasonableness they can be enacted.

We, as individuals and as Republicans, have an opportunity as well as a duty to lend our strength to calm voices of North and South who would find ways of doing this job that needs so badly to be done. Neither extremism nor partisanship will win the political day, any more than they will carry us toward the goal of real equality, with justice, for our fellow Americans of whatever color.

The temper of the people is, I believe, moderate on this issue. As we demonstrate our good faith and deep interest in steady progress toward solution, public good will and support will inevitably follow.

The Moral Is Crystal Clear

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. WILLIAMS of Mississippi. Mr. Speaker, the President has expressed publicly his opposition to the so-called antisegregation amendment to the pending school-construction legislation. The President's position on this matter is quite obviously one of expediency, as he knows that no such legislation can be forced through Congress that expressly denies funds to a great portion of this country.

In view of recent actions along these lines taken by the Civil Aeronautics Administration in its administration of the Federal Airport Act, it would be well for Congress to analyze the President's real intentions respecting the school legislation.

By an overwhelming vote, the Committee on Interstate and Foreign Commerce defeated an attempt to amend the Federal Airport Act so as to deny funds to airports for construction of separate facilities where racial separation is practiced. The Federal Airport Act makes no requirement that integrated facilities shall be a condition precedent to an airport's receiving Federal assistance.

In abject defiance of the expressed intent of Congress, the Department of Commerce, through the CAA, has written this policy into its regulations, and is denying assistance to airports for construction of terminal facilities where plans call for separate facilities in accordance with State laws. Quite obviously, this policy was dictated from the White House.

Are we so naive as to believe that the President, particularly in an election year when he is a candidate, is not going to extend this same policy to the administration of the school-construction legislation, if enacted?

We need not be fooled by the President's pronouncements regarding the antisegregation amendment or the school-construction legislation. This fact is pointed out clearly in the following editorial, taken from the Jackson (Miss.) Clarion Ledger, under date of May 9, 1956:

THE MORAL IS CRYSTAL CLEAR

We hope advocates of Federal aid to education in Mississippi and the South have derived some lesson from recent action by the Civil Aeronautics Administration, denying Federal funds for construction at airports where segregation is practiced. Our own Jackson Airport has been adversely (but negligibly) affected by this arbitrary decree.

Actually, Federal allocations for local airport improvements and additions have been reduced only from $40,000 to $35,000 by the CAA ruling, a comparative drop in the bucket in relation to the overall $85,000 program in which local funds are matched with Government money. This is entirely beside the point. The matter involves principle rather than principal.

The fact remains that a Federal agency, in this case the CAA, apparently can of its own authority prescribe conditions under which Federal funds may be granted or withheld to State or local authorities. If Washington agencies can deny funds for construction of segregated airport facilities, another agency can exercise the same authority in the case of segregated schools.

Conceding again that the CAA ruling in this particular instance is relatively unimportant, it unmistakably represents a dangerous and highly undesirable precedent for others in Washington to follow in prescribing rules and policies related to Federal aid. We invite the attention of all Mississippians to this phraseology in the CAA decree—"where duplicate facilities are provided that are intended for segregated use, the areas involved will be excluded from Federal aid."

Unlike other recent blows at the South's traditional practice of racial separation, the CAA ruling has prompted but little comment among southern leaders. City and State officials are expressing a cheerful willingness to pay all costs for segregated airport facilities which may be objectionable to Federal officials. This is especially true in the case of Jackson's municipal airport which, of course, will maintain the status quo.

The same attitude must and will continue to prevail with regard to education. Let those among us who cry loudly for Federal dollars in aid to schools pay heed to what has happened in the case of Jackson's airport and those of other southern cities denied Federal funds because of segregation. If Washington can prescribe terms and conditions for local airport construction, it can do so with regard to local schools receiving Federal moneys for their support. The moral is painfully clear and inescapable.

Petition To Secure Discharge of H. R. 11 From Committee

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. DODD. Mr. Speaker, on the Speaker's desk is a petition to secure the discharge of H. R. 11 from committee. This petition should receive the support of many Members of Congress.

I wish to call to the attention of my colleagues a decision of the circuit court of appeals for the seventh circuit holding that the company involved in that case had established a good-faith defense, and thus its price discriminations were not illegal as the Federal Trade Commission had charged.

This latest court decision highlights the weakness of the recent statement issued by members of the Federal Trade Commission to the effect that H. R. 11 is not necessary and that it is premature.

The members of the Federal Trade Commission have said that the Commission could issue complaints under the first court decision with respect to a good-faith defense.

Now this decision by the seventh circuit court of appeals would appear to have eliminated any grounds for action where good faith is a defense. Thus, it seems crystal clear that the members of the Federal Trade Commission have been mistaken and they should, therefore, support H. R. 11.

Small business is in serious trouble. The passage of H. R. 11 will help small-business men throughout the United States.

International Labor Organization Conference at Geneva

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, even though I will probably have to interrupt the trip to fly back to the United States for the House debate on my school construction bill, I am looking forward to attending sessions of the International Labor Organization conference in Geneva, Switzerland, next month.

As the ranking Democratic member of the Committee on Education and Labor of the House of Representatives, I have been designated by Speaker Sam Rayburn to serve along with the senior Republican member of the committee, Congressman Samuel K. McConnell, Jr., of Wynnewood, Pa., as a congressional adviser to the American delegation at this international conference. The delegation we will advise consists officially of one employee representative, one employer representative, and a Government official. Other countries are similarly represented.

Of course when the Soviet Union sends a delegation to this conference the idea of anyone in the delegation being an "employer representative" or "employee representative" is ridiculous on its face, because all delegates from the Soviet Union are, by the very nature of the Communist system, Soviet Government officials. But that would hardly be a reason to refuse to allow American participation, although that has been the proposal of some of our big business organizations.

As a matter of fact, the ILO is one of the best forums we have—we in the free world—for showing up the tyranny and reaction of Soviet policies. The free nations completely dominate the policies of the ILO, and it is a wonder Russia even participates, since so much of the work of the ILO centers on the attempt of free nations to eliminate the type of regimentation of workers so typical of the Soviet system.

It is, therefore, hardly coincidental that just before its delegation goes off to an ILO conference at which the question of forced labor will be voted on, the Soviet Union has suddenly repealed or modified its long-standing decrees providing harsh penalties or jail terms for quitting a job or trying to change jobs. Russia is now said, also, to be opening up some of its forced labor camps, and otherwise relaxing its barbarian policies against its own people.

And, in one of the most revealing episodes of all, the Soviets have suggested to Russian "unions" that they should engage more often in "a good wrangle" with the Soviet industrial management people—but not to the point of strikes, of course.

COLD WAR TACTICS

All of these developments sound a real warning to us in our efforts to counteract Communist propaganda drives in the so-called uncommitted parts of the world. While Russia takes steps like these to make the world think she is becoming more civilized, we in this country have been arguing over American participation in ILO. Some of our industrial leaders have even gone so far as to express dismay that the Communist delegates at these conferences could in some way subvert America or other free nations.

This does not make us look very strong or very confident about our own economic system. It sounds as if we are fearful of seeing free competition in the world of ideas as between our kind of industrial democracy and the Soviet system of economic repression and regimentation. The truth is that our brand of economics always shows up much better than the Communist variety if we place the two solidly in contrast in world gatherings like the ILO.

This administration has been showing amazing timidity about the slave labor issue, even though this issue was originally raised in the ILO by the United States—under previous administrations. The Eisenhower administration is so afraid of providing ammunition to the Republican isolationists and Bricker amendment supporters in Congress that it has dodged and twisted and ducked in trying to avoid facing the issue in the ILO. Now, however, the decision is that the United States delegation will be free to support moves to bar from world trade goods produced by forced labor. But for a while, high-level State Department opposition almost made us look rather silly on this. That kind of timidity plays right into the hands of the Communists.

Statement of Hon. Thomas B. Curtis of Missouri

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. CURTIS of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to set forth a statement which I presented to the Senate Committee on Post Office and Civil Service with regard to S. 3593—companion bill, H. R. 10237—a bill to give recognition of Government employee union representatives in presenting points of view on personnel policies including grievances to the heads of the various Federal governmental departments.

The statement follows:

STATEMENT OF HON. THOMAS B. CURTIS OF MISSOURI

I am glad the the Senate Post Office and Civil Service Committee is holding hearings on S. 3593 (companion bill, H. R. 10237), a bill to give recognition of Government employee union representatives in presenting points of view on personnel policies including grievances to the heads of the various Federal governmental departments.

For many years I have advocated a more formal recognition of our various Federal employee unions in matters affecting our Federal personnel practices. I have never put my ideas in bill form and I am not certain just how legislation should be worded in accomplishing the objectives I have felt were proper and worthwhile. Certainly on the face, S. 3593 and H. R. 10237, seem to accomplish these objectives and I trust that the committee, after it has studied the matter, will reach this conclusion, and above all, that the committee will report out favorably a bill that will accomplish the objectives we have in mind.

It seems to me axiomatic that to have good employee relations, and to have the most efficient results from employees, we must have good employee relations, the employees must have a basic voice in the decisions affecting the physical surroundings where they work, the social relations which go to make up the atmosphere in which they work, and the general personnel system which regulates the manner in which they work, when they work, how they are to be promoted, have a change of duty, etc.

If there were no such things as unions representing the views of the employees on their working conditions, etc., good management would require that it establish some democratic process whereby the views of the employees could be determined. How much healthier it is, however, to have the employees set up their own machinery and organization for accomplishing this desirable end. Dictatorship whether deciding living conditions in a society or working conditions in an office or plant, however benevolent, is not the way to get the best employee relations. I believe most modern businessmen have found this to be true.

The Federal Government has the identical problem that any private business has in this area. The only difference lies in the area of employee compensation and the right in private enterprise of the employees to use their basic economic weapon of strike. In the matter of employee compensation and certain basic areas of employment practices the Federal employee's weapon is the right he has collectively or singly like any other citizen to petition the Congress. In settling any manner of difference between the Federal Government and the Federal employee the right to strike, of course must not be employed and in its stead the right to petition the Congress must be substituted.

Incidentally, I want to state that though I disagreed with a great deal of the thinking of the postal employees in the last session of the Congress on some of the matters in their petition to the Congress, not for 1 minute did I question or object to the strong manner in which they came down to petition the Congress. I might have taken exception to some of the tactics they employed when their petitioning zeal seemed to get the best of them, but at all times I publicly stated they were entirely within their rights and that Congress must anticipate strong petitioning, knowing that these employees and the unions representing them, took, and take, no exception to the idea that the right to strike cannot ever be theirs.

I would say one final thing, and I hope it is not taken by labor leaders unkindly. I know it will not be taken by the farsighted labor leaders unkindly. Union leaders themselves sometimes forget that they are merely representatives of others and that their purpose is to help those they represent, not to perpetuate themselves in power. Because unions have attained the point where they are both legally and socially recognized in our society, they must now face up to certain restrictions necessary to keep labor dictators off the backs of the working men.

The day, I believe, is now past when the plea for labor leader responsibility can be passed off as merely an underhanded method of trying to prevent union organization. It is perfectly true that in the past this underhanded method was used and used effectively. There is no question that attempts are still being made to utilize it. However, as I have said, unionism is now strong enough to drive back these underhanded attacks. Unionism's greatest present danger is the labor dictator who is using the labor movement to further his own personal ends. Accordingly, I am hopeful that whatever bill is passed out by the Senate committee will have a due regard for the basic rights of the employee in relation to his labor representative.

I appreciate having the opportunity of presenting my views on this important matter to the committee. I intend to insert this statement in the CONGRESSIONAL RECORD so that it may be available to others.

Investigation of Regulatory Agencies

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. EVINS. Mr. Speaker, in connection with the statement which I made earlier today concerning the operation of our regulatory agencies in their relation to small business and our free-enterprise economy, under unanimous consent, I ask to have reprinted in the CONGRESSIONAL RECORD statements which I made at the opening of these investigations.

The statements follow:

THE FEDERAL TRADE COMMISSION

This subcommittee of the House Small Business Committee is commencing hearings this morning on the organization and procedures of the Federal regulatory commissions and agencies. Our hearings today will deal with the Federal Trade Commission.

This Commission is charged with the duty of enforcing the antitrust laws and other statutes in the public interest. Other regulatory commissions and agencies enforce other statutes and issue regulations which vitally affect small business. These agencies and commissions were established to carry out policies laid down by Congress. These policies basically are for the regulation of commerce. Power to regulate commerce is given Congress by section 8 of article I of the Constitution of the United States.

In several instances Congress has delegated its power in this field under specific policy guides and with specific objectives to agencies of the Government. In no instance does any of these agencies have the power to regulate commerce except as specifically provided for by Congress. At no place in the Constitution can it be found that any power to regulate commerce is delegated to the President.

In approving the legislation which established the regulatory agencies and commissions, Congress carefully and deliberately provided for such regulation to be independent of the executive branch of the Government. The constitutional and statutory concepts regarding the independence of these agencies and commissions have been affirmed by the Supreme Court of the United States in a number of cases, an important one of which was *Humphrey's Executor* v. *U. S.* (295 U. S. 602). That case arose after the President of the United States removed the late William H. Humphrey as a Commissioner of the Federal Trade Commission, on the ground, as the President said, that "the aims and purposes of the administration with respect to the work of the Commission can be carried out most effectively with personnel of my own selection." The Supreme Court held that the President of the United States was without authority to effect such removal of Commissioner Humphrey. In reaching this decision, the Court reviewed both the legislative history and the constitutional concepts underlying the FTC and said among other things the following:

"It is charged with the enforcement of no policy except the policy of the law. Its duties are neither political nor executive, but predominantly quasi-judicial and quasi-legislative.

"The Federal Trade Commission is an administrative body created by Congress to carry into effect legislative policies embodied in the statute in accordance with the legislative standard therein prescribed, and to perform other specified duties as a legislative or as a judicial aid. Such a body cannot in any proper sense be characterized as an arm or an eye of the executive. Its duties are performed without executive leave and, in the contemplation of the statute, must be free from executive control."

The Court further stated with reference to passage of the Federal Trade Commission Act:

"The debates in both Houses demonstrated that the prevailing view was that the Commission was not to be 'subject to anybody in the Government but * * * only to the people of the United States; free from 'political domination or control' or the 'probability or possibility of such a thing'; to be 'separate and apart from any existing department of the Government—not subject to the orders of the President'."

And here the Court spoke as it has many times before and since, on the separation of powers of our Government, as follows:

"The fundamental necessity of maintaining each of the three general departments of Government entirely free from the control or coercive influence, direct or indirect, of either of the others, has often been stressed and is

hardly open to serious question. So much is implied in the very fact of the separation of the powers of these departments by the Constitution; and in the rule which recognizes their essential coequality. The sound application of a principle that makes one master in his own house precludes him from imposing his control in the house of another who is master there."

However, as I pointed out on February 23, 1955, when our subcommittee was organized in this session of Congress, this committee has received a number of disturbing reports, in the press and otherwise, about the regulatory agencies, the FTC and other commissions. According to these reports the Hoover Commission reorganization for these commissions has effected radical changes in their basic concepts. Specifically the Hoover Commission plans make the chairman of each commission responsible to the President, to serve at the pleasure of the President. They give the chairman complete control and direction over the administration of the commission. Some of these reports suggest secretive and mysterious connections between the White House and these commissions.

For example an Associated Press story appearing in the press on March 3 of this year was to the effect that counsel of the Securities and Exchange Commission had been cited for contempt of a district court of the United States for refusing to produce certain SEC records in a public court trial. It appears that SEC insisted that this Commission is responsible to the executive branch of the Government, and is privileged to keep its records secret from the judicial branch. Yet the records in question were involved in a quasi-judicial action of that Commission which was properly under review by the court.

On last Tuesday, July 12, the Chairman of the SEC refused to tell a subcommittee of the Judiciary Committee of the United States Senate whether or not he had talked with anyone in the White House about the issuance of an order that the SEC postpone hearings. It is significant that the Chairman of the SEC did not claim privilege of secrecy on the ground that this was in the public interest or necessary to the security of the country. He claimed it a privilege to keep secret whether or not the President of the United States or his aids had influenced actions of the Securities and Exchange Commission.

Recently there has been considerable discussion in the press and elsewhere concerning some alleged overlapping consideration and action by the White House respecting the recent quasi-judicial handling of the Civil Aeronautics Board of a matter involving one very large and another small airline. If these reports concerning that matter should prove to be true, it would seem that not only are there connecting wires between the White House and the CAB but in that instance they became crossed and short circuited.

Earlier, Business Week magazine carried a lead article on what it titled "Republicans Reshape the FTC." This article appeared in the issue of June 5, 1954, said that the Federal Trade Commission was undergoing a change "in makeup, in philosophy, in organization." This article went on to say:

"Basically, of course, FTC remains an enforcement agency. * * * FTC's job has in no way changed, but the way it intends to carry it out has changed. As compared to the way the Democrats did things, the Republicans are making it easier for the businessman who is up on the FTC carpet, harder for the FTC lawyers handling the cases. * * * Some observers say that, as a practical matter, FTC is setting standards of proof that will make the lawyers' job almost impossible. * * * Finally, FTC has just adopted a complete reorganization program. The immediate significance of the reorganization, however, is that it gives (Chairman) Howrey the chance to name his own team. When the plan becomes effective July 1, the Republican majority will really have come into its own."

Clearly, one of the reasons the Congress had in mind for establishing the Federal Trade Commission as an agency independent of the President was to make certain that in the enforcement of antimonopoly laws it would remain free from political influence and not become involved in political considerations in the handling of antimonopoly matters.

The Congress realized that the Antitrust Division of the Department of Justice is subject to the direction of a political appointee, subject to removal at the pleasure of the President. Consequently, the Congress had every reason to believe that the Attorney General in his directing and prosecution of antimonopoly cases would do so in a manner in keeping with the views of the White House. Support is indicated for that belief in a recent press report to the effect that the Attorney General flew to Denver last summer to discuss with the President of the United States what should be done by the Antitrust Division of the United States Department of Justice about the proposed Bethlehem-Youngstown steel merger. It was to eliminate the problem of having all antimonopoly law enforcement in such hands that the Congress established the Commission independent of the Executive.

It is our purpose, therefore, to determine through these hearings whether it is true, as we frequently hear, that these supposedly independent commissions have become political puppets on telephone wires leading from the White House or from a political committee. Specifically, we expect to find out whether or not the reorganizations which have resulted from Hoover Commission proposals or otherwise have changed the effectiveness of these commissions in carrying out their responsibilities. This committee expects to inquire whether the conduct of these commissions and their officials make for effective enforcement of the laws assigned to them. We are interested in determining whether the Federal Trade Commission is effectively enforcing the statutes designed to protect small business against monopolistic practices and unfair methods of competition and whether the Commission is operating independently of Executive direction.

I am advised that at the FTC there have been at least two reorganizations within the Commission since the Hoover Commission submitted its recommendations on this Commission. We believe it is proper for us to inquire into the purposes of those reorganizations and the effects upon small business. At a later date the committee will make inquiry into specific legal cases undertaken by the Commission.

This subcommittee recognizes, as does the House Small Business Committee, the vital importance and the high purpose of the job which the FTC has to perform in the public interest. I am personally keenly aware of these things, as are several members of our committee staff—who were former employees of the Commission. It is intended that these investigations shall be constructive and, we trust, helpful in carrying out the mandate of Congress, and in assisting the Commission in being useful and more effective in reaching its declared goals and objectives, free from improper influences exercised upon its decisions in the public interest.

THE FEDERAL POWER COMMISSION

Our hearings today will concern themselves with the operations and functions of the Federal Power Commission. As provided for in the provisions of the rules of the House of Representatives—this statement is somewhat repetitious—the purposes of these hearings were stated in my public announcement. At the opening of these hearings it was to determine whether these agencies have ceased to be independent, as intended originally by Congress.

As we know, the Federal Power Commission was reorganized under Hoover Commission Proposal No. 9, I believe. That plan provides for the appointment of a Chairman by the President. The position is responsible to the President and the Chairman serves at the pleasure of the President. Under this plan the Chairman has complete control and direction of the Commission.

In addition, this committee has been informed that the Chairman of the Federal Power Commission and others directly connected with the executive branch of the Government instigated and brought about a further reorganization of the Federal Power Commission.

Information before us concerns these latter shake-ups and shiftings of the organization of personnel resulting in the removal from key regulatory policy positions of public officials and public servants of long years of experience who have dedicated themselves and have spent a large part of their lives in the public policy specified in the laws enacted by Congress to be administered by the Federal Power Commission.

It is our information that control over the policies and functions and duties previously asserted by these men has fallen into the hands of a relatively few employees without experience in serving the public interest in the field of the Federal Power Commission. On the contrary, these employees have come to their positions with the thought in mind that the public policy expressed in the laws entrusted to the Federal Power Commission, they are not in sympathy with them, and they should not, therefore, be enforced.

It is our purpose to determine whether any of these facts are true as they have been brought to the attention of this committee.

We are mindful that the Federal Power Act, as amended, and with particular reference to title 16, United States Code Annotated, section 803 of the code, provides that combinations, agreements or arrangements or understandings, expressed or implied, to limit the output of electric energy, to restrain trade or to fix, maintain, or increase the prices of electrical energy or services are prohibited by this act.

The information before us does not indicate that the Federal Power Commission has given full force and effect to that expression of public policy. Failure in that regard is looked upon as dangerous to the maintenance of our free competitive enterprise system and detrimental to a small, vigorous element of our economy.

Now, that sounds like a big order, but we probably will be able to cover these matters without too much time of the members of the Commission. Also we are in the closing days of the Congress, as you know, also.

THE FEDERAL COMMUNICATIONS COMMISSION

This subcommittee of the House Small Business Committee is resuming hearings this morning on the organization and procedures of the Federal regulatory commissions and agencies. Our hearings today will deal with the Federal Communications Commission.

At the outset, I would like to repeat again the subcommittee's jurisdiction and purpose in holding these hearings.

House Resolution 114, approved by the House on January 27, 1955, directed this committee to study the problems of all types of small business existing, arising, or that may arise with particular reference to whether Government agencies adequately serve and give due consideration to the problems of small business. Subcommittee No. 1 was established by the full committee to carry out this congressional directive.

The Federal Communications Commission and the other regulatory agencies were created by the Congress for the purpose of carrying out legislative policies of the Congress. In no instance does any of these agencies have the power to regulate any phase of commerce except as specifically provided by the Congress.

In approving the legislation which established the regulatory agencies and commissions, Congress carefully and deliberately provided for such regulation to be independent of the executive branch of the Government and the industries to be regulated.

Moreover, the independence of these agencies and commissions from the executive branch has long been recognized by the Supreme Court as an important part of our constitutional doctrine of separation of powers. As stated by the Court in an important case:

The fundamental necessity of maintaining each of the three general departments of Government entirely free from the control or coercive influence, direct or indirect, of either of the others, has often been stressed and is hardly open to serious question. So much is implied in the very fact of the separation of the powers of these departments by the Constitution; and in the rule which recognizes their essential coequality. The sound application of a principle that makes one master in his own house precludes him from imposing his control in the house of another who is master there." (*Humphrey's Executor* v. *U. S.* (295 U. S. 602)).

With particular reference to the Communications Act, 1934, Congress attempted to strengthen the independence of the Federal Communications Commission from political control of the executive branch by providing that not more than 4 of the 7 Commissioners shall be from the same party. To keep the Commission free from industry control, Congress provided that no Commissioner could be financially interested in any corporation or firm subject to regulation by the Commission.

In this connection this committee has received a number of disturbing reports indicating that the Federal Communications Commission is not in fact an independent agency or acting independently. There have been brought to our attention reports from individuals, Government officials, and the press that the Commission has become responsive not to principles and policies set forth by Congress, but instead the Commission has become responsive to, or under the influence and control of the White House, and the industry which the Commission is empowered to regulate. Such reports, if true, would vitally affect small and independent business in the communications industry and would prevent adequate consideration by the Commission of their problems.

I would like to give a few specific examples to show the nature of the reports that have come to the attention of the subcommittee.

We have received reports of changes in personnel and procedures in the FCC. For instance, as early as January 19, 1953, one of the leading trade publications, Broadcasting and Telecasting magazine, reported:

"After a 20-year patronage drought, it isn't difficult to understand the desire of the Republicans to shake loose as many jobs as possible in official Washington. But in their zeal to run the opposition out of office and reward the loyal party workers, there are signs that they intend to use a meat-ax rather than a scalpel.

"The reports are somewhat disquieting, at this stage, as they pertain to the FCC. There is the expressed attitude, for example, that the new Chairman should be an outsider who will have no compunctions about terminating the tenures of staff-level people, to make way for the GOP newcomers."

Reports which this committee has received from the FCC have detailed the changes in the personnel that have taken place since 1953 and they are substantial. At the same time officials of the Commission have advised members of this committee that the major networks have the power to hire and fire those who do not speak or vote in the networks' interests. That there may be substance in such charges as indicated by the fact that the Commission in a great majority of cases has appeared to follow policies approved by the networks but detrimental to independent and small-business segments of the communications industry.

This committee also has received reports with respect to policy changes. For example, it has been stated that aside from patronage one of the motivations behind personnel changes was to get a reversal of the staff position that in granting communication licenses, preference should be given to those not already holding a dominant position in the communications industry.

The press reported in April 1953, that Commissioner Hyde would be appointed as chairman only on a probationary basis. Later it was further reported:

"President Eisenhower announced Mr. Hyde's appointment from Augusta, Ga., where he was vacationing, on Saturday, April 18. He said the appointment would be for a 1-year term—establishing another FCC precedent."

Broadcasting-Telecasting magazine, one of the leading industry journals in the communications field, stated with respect to Mr. Hyde's appointment as Chairman:

"To be watched with great interest will be Mr. Hyde's policy views on a number of important issues. These include educational television reservations * * *, color television, pay-as-you-go TV, large screen theater television and perhaps more important, questions of diversification of ownership of more than one class of station by newspapers or others identified with media for the dissemination of information."

In its editorial of April 27, 1953, Broadcasting-Telecasting said:

"With Mr. Hyde as Chairman, things won't happen automatically. Mr. Hyde knows that he has to act. He probably can count on at least three members to vote with him in making staff changes. By June 30 he will have his fourth Republican member as the replacement for Commissioner and Ex-Chairman Paul A. Walker. It is to be hoped that this man will be a practical broadcaster.

"Mr. Hyde's appointment is for 1 year—an innovation probably deemed expedient to assuage hungry party men who wanted a new face as Chairman. If he doesn't achieve the desired result, the President will be free to name his successor a year hence."

This committee will look into these and other similar reports to determine whether they are true, and if so, what effect they have had upon the policies and decisions of the FCC in relation to small business in the communications industry.

The committee has received reports that political favoritism and influence have played a part in granting TV licenses. This matter will also be a subject of this inquiry.

Another important matter brought to the attention of the subcommittee has been reports that the FCC has changed its position with respect to the need for diversification of ownership and control of the media of mass information. In 1953 dominant members of the communications industry began clamoring for a change in the FCC policy which had long prevailed that a person not already strongly established in the communications industry should be given preference in the granting of new licenses. Those strongly entrenched in the industry sought to become even more firmly established by reversing this policy. Their success is indicated by a case decided by the United States Court of Appeals for the District of Columbia on January 19 of this year. In this case the court said:

"In the case at bar there appears some suggestion that the Commission has changed, or is changing, its view as to the dominant importance of local ownership and as to the evil of a concentration of the media of mass information" (*Pinellas Broadcasting Company* v. *FCC*).

In this case the court pointed out that this change of policy on the part of the Commission could well be addressed to the attention of Congress.

This committee is interested in obtaining the facts behind these and other reports and in determining which segment of our business economy would benefit by the apparent changes in the philosophy and practices of the FCC. Is it the small-business man who will not be given the chance to own radio and television facilities in his local community? Will the citizens of the United States be benefited if they get their news, or advertising from only one or a limited source—a source with no real interest in local problems but with regional or national power over what people will see and hear? Will not such policy changes on the part of the FCC present the ultimate danger of information and thought control?

In conducting this inquiry this committee is mindful of the fact that other congressional committees are making extensive investigations into certain aspects of the communications industry. The committee has been in contact with these committees and will not duplicate their work. Instead the facts developed by such committees will be considered by this subcommittee in preparing its report on its inquiry into the Federal Communications Commission's organization and operations.

Bandung—One Year After

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. McCORMACK. Mr. Speaker, I include, in my extension, remarks made in a forum in which I participated on the program The Georgetown University Forum of April 15, 1956, Bandung—One Year After, with my valued friend, Gen. Carlos P. Romulo, Ambassador from the Philippines and one of the world's great statesmen, and a fine representative of his country; His Excellency Aga Shahi, Counselor, Embassy of Pakistan, Washington, D. C., and Secretary General and member of the Pakistan delegation to the Asian-African Conference in Bandung. The moderator was Matthew Warren.

Mr. WARREN. "Bandung—One Year After," is the topic for the 491st consecutive broad-

cast of the Georgetown University Radio Forum, another in a series of educational and informative programs from Washington. The Georgetown Forum was founded in 1946.

This is Matthew Warren speaking by transcription from the Raymond Reiss Studio, on the campus of Georgetown University, historic Jesuit seat of learning in the Nation's Capital.

Today's discussion will be, "Bandung—One Year After." The participants are His Excellency General Carlos P. Romulo, Ambassador from the Philippines; His Excellency Mohammed Ali is ill, and in his absence we welcome the Honorable Aga Shahi, consular of the Embassy of Pakistan, Washington, D. C., secretary-general and member of the Pakistan delegation to the Asian-African conference in Bandung; the Honorable John W. McCormack, Congressman from Massachusetts, majority leader of the United States House of Representatives.

Transcripts of today's broadcast are available. Send 10 cents to cover the cost of printing and mailing, with your name and address to Georgetown University Forum, Washington 7, D. C. Please mention also the subject matter of the transcript desired.

April 18 marks the first anniversary of the famous Bandung Conference in which representatives from Asian and African nations met to deliberate some of the foremost issues facing the world today. Colonialism and imperialism, peace and national security were widely discussed. The impression created by this conference throughout the world was that a new and powerful third force, a moral force was in the making, a force for peace and justice based on the experiences of these former colonial nations.

This period of Bandung's first anniversary is a most appropriate occasion for a sober evaluation of the conference on the basis of developments in the past year.

General, to open our discussion, I would like to ask you to review the objectives of the conference.

General ROMULO. As I remember it, the conference had four objectives: First, to promote goodwill and cooperation among the nations of Asia and Africa, to explore our vast and mutual as well as common interests, to establish and further friendliness and neighborly relations; second, to consider social, economic, and cultural problems and relations of the countries represented; third, to consider problems of special interest to Asian and African peoples, for example, problems affecting national sovereignty and of racialism and colonialism; and last, to view the position of Asia and Africa and their peoples in the world today, and the contribution they can make to the promotion of world peace and cooperation.

Those are the four objectives that made us go to Bandung, Indonesia, to attend that Bandung conference.

Mr. WARREN. Thank you, General. Mr. Shahi.

Mr. SHAHI. This conference was a unique assemblage of nations from the continents of Asia and Africa. As the President of Indonesia stated in his opening address, "It was the first intercontinental conference of the so-called colored nations of the world in its history." The number of states represented were 29. As many as 13 of them had achieved their independence in the decade since the Second World War. In population they comprised over half of mankind.

Mr. WARREN. Congressman McCORMACK, What were the results of this conference now, to begin our evaluation, in the eyes of Congress?

Mr. McCORMACK. The people of America and the Members of Congress, in particular, followed the Bandung Conference very closely. It was the first meeting of its kind of Asian and African nations, all seeking independence and liberty and freedom, and many of them participating in the conference recently emerging from an era of colonialism. Throughout our history colonial peoples of the world have looked to the United States as the champion of liberty and independence. The names of George Washington, Thomas Jefferson, and many other Americans are just as well known in lands and among peoples of Asia and Africa as they are in the United States. Our emergence from colonialism to independence stood as an inspiration to those people, and to many others throughout the world, seeking the right of free determination.

For a long while I had been thinking about what contribution I could make in my own little way as a Member of Congress toward, and in an affirmative way, obtaining those objectives that all people who want to be free under the law seek, and at the same time, combating the viciousness of communism.

The Bandung Conference attracted my attention. The bravery of the men who participated there in their utterances against international communism, and to the face of leaders, powerful leaders of Communist nations, commanded my respect as well as the respect of other Members of Congress. It was really the Bandung resolution and the speeches, the utterances and the actions that took place there that was the culminating influence in my drafting the resolution that I did against colonialism and Communist imperialism, and which passed both the House of Representatives and the United States Senate by a unanimous vote of Members of both bodies.

The Bandung Conference was, I repeat, the contributing influence which crystalized my thoughts and my action.

Mr. WARREN. Thank you. Mr. Shahi, I would like to ask you if you feel we can now speak of the spirit of Bandung as being forcefully alive today?

Mr. SHAHI. Well, I would say that in some directions the spirit of Bandung is forcefully alive today. By these directions I mean the strong moral support extended by the conference to all peoples who are waging a national struggle for freedom from colonial rule. If you will just consider what has happened in the past year: Morocco and Tunisia have emerged as full sovereign independent states. The Sudan has achieved its independence. The Gold Coast and Malaya are at the very threshold of their independence. Therefore, in this direction, the spirit of Bandung waxes strong. But, on the other hand, one cannot but note with great concern certain recent events which have assailed the spirit. There have been attacks from both within the region and from outside on the spirit of Bandung. I refer in particular to the sustained attacks which certain statesmen of Asia have made against those countries which have thought it in the interest of their security to enter into collective defense arrangements with the West. And, also, there have been attacks by the Soviet Union on such arrangements, which have been misrepresented as aggressive alliances, when in fact they are purely for self-defense.

Mr. WARREN. General, would you please give us your reaction to the results of this conference?

General ROMULO. Yes; I will be glad to do that. First of all, I would consider Bandung more as an influence than as a spirit, that the influence of Bandung has been all pervasive and this was felt in the United Nations and in other elements of the world community. In the United Nations, for example, we decided to have a better representation of Asia in the Security Council. The Bandung Declaration made it emphatic that the Asian nations wanted better representation in the Security Council.

The last session of the General Assembly approved the representation of Asia in the Security Council through the election for 1 year of Yugoslavia, first, and then the Philippines after Yugoslavia. Well, the election of the Philippines is a spearheading movement started in Bandung for better representation of Asia in the Security Council.

Then, again, when you consider this new shift in tactics of Soviet Russia, where they are emphasizing the economic offensive, I think this is something that they learned through the discussions in the Political Committee and Economic Committee of Bandung. Because there they saw how all the Asian nations were grateful to the United States for the economic aid given to these countries by the United States, and so made it clear in their statements in that committee. So much so that one of the declarations in the Bandung statement specifies economic aid. This did not escape the so-called collective leadership in the Kremlin. They followed that conference very closely. They saw the effect of economic aid on those delegates, and now they are trying to imitate this economic-aid offensive that the United States started 5 years ago, and they are trying to encroach on that same economic aid that heretofore has been a United States monopoly.

Mr. McCORMACK. I think the spirit of Bandung is something that might undergo strain but cannot be destroyed. It is based upon truths. It is based upon soundness. However, there are strains directed, which the distinguished representative of Pakistan, Mr. Shahi, referred to, and my good friend General Romulo referred to. Within those countries they must differentiate between real friends and the voices of false prophets. They must realize that promises from certain directions would mean domination and ultimate enslavement. They must be able to differentiate between those who represent the forces of good and the forces of evil in the world. I think I can safely say that the United States of America represents the forces of goodness. The great majority of our people are against colonialism. The great majority of our people are sympathetic to the aspirations of the people of countries that participated in the Bandung Conference, and other countries seeking their emancipation and freedom.

We are only too willing to do what we can to assist. On the other hand, as I said, the voices of the false prophets represented by Communist Russia, must not be heeded in the best interest of their own country.

I think the Bandung Conference, successful as it was, must be implemented in a practical way. The leaders of those countries who want to improve the lot of their people, and that is real statesmanship, are entitled to the support of our country. I think it is in the best interest of the United States, as the nation having a rendevous with destiny, whether we like it or not, as if selected by God to be the leader of the forces of goodness in the world today, should affirmatively and effectively do those things which will cooperate with the leaders of those nations in building a stabilized government and a stabilized economy, and bringing to the people of those countries hope and confidence. I think that our country could do more, for example, in the direction of what is termed point 4 programs and projects.

I am hopeful that the leaders of those countries that participated in the Bandung Conference, in conference with the leaders of my country, will emphasize the economic uplift of their people as an important means toward bringing about stability and perseverance and strengthening of their nations.

Mr. WARREN. Mr. Shahi, do you feel the result of this conference was to establish a better bulwark against further aggression of Communist imperialism and colonialism?

Mr. SHAHI. It is very difficult to answer this question. Communist influence has tended to expand, firstly, in the Stalinist epoch, by means of outside force and encouragement of subversive movements. It would appear with the 20th Congress of the Communist Party of the Soviet Union that there has been a change in strategy and tactics. Now, the Soviet Union has proclaimed to the world that it has made fundamental revisions in Marxist theory, that it no longer regards war as inevitable, and that there could be more than one road to socialism, in an attempt to convince the uncommitted nations of the world that they have nothing to fear from communism.

Side by side with this there is a determined attempt to effect a political and economic penetration of these regions by the offer of aid, economic aid, and also by the declaration of unreserved support to the national liberation movement in the Asian-African region.

But the Asian-African countries which were represented in Bandung do not have a unity of outlook in regard to the best means to cope with the Communist forces directed from the outside. Some of these countries believe that their salvation lies in collective security arrangements, and therefore they have allied themselves to the West. But a number of important countries consider that their safety is best assured by a neutral policy, in other words, remaining outside these alliances. Of course, it is true that internally they are trying to raise the standards of living of their countries. But how far they can succeed can only be answered in time. In that sense, therefore, I do not think that it represents a bulwark against aggression.

Mr. WARREN. General, you were present at this conference, and so, of course, was Chou En-lai, the leader of the Communist Chinese. What was your impression of him?

General ROMULO. My impression of Chou En-lai is that he went there with Dale Carnegie's book, How To Make Friends and Influence People, in his hip pocket. The contrast in his attitude in Geneva, when he was there, and his attitude in Bandung, was quite marked, in the sense that in Geneva he was aloof, irascible, arrogant; in Bandung he was affable, cordial, friendly, humble, he was a good actor. But we must also admit that he is a very clever operator. When he saw me for the first time and met me for the first time in the home of the Prime Minister of Indonesia, he greeted me with one word, "Neighbor." And I answered him, "Yes, geographically."

Then, of course, he operated as if he were under the protecting wing of Prime Minister Nehru. Prime Minister Nehru was really the mother hen. He took him under his wing, gave parties in his honor, and invited the other delegates. In fact, the first dinner I attended was a dinner given by Prime Minister Nehru in honor of Chou En-lai. He had in that dinner only two of us, the Foreign Minister of Thailand and myself. So, Prime Minister Nehru was really the mother hen who was protecting or guiding Chou En-lai in that conference. However, I felt that the spirit of Bandung, or the influence of Bandung in our stand against aggression influenced Chou En-lai to such an extent that he had to make that proposal to negotiate Formosa on the very eve of the adjournment of the conference. He saw the strong feeling against aggression, and I am quite sure that the strong feeling against aggression in Bandung was transmitted by Chou En-lai to Soviet Russia.

So, while Bandung might not be a bastion against aggression, it served to pinpoint or to underscore to Soviet Russia and to Peiping the strong feeling against aggression by the representativees of 29 Asian and African nations assembled in Bandung.

Now, I agree with Mr. Shahi that since Bandung there has been quite a lot of strain from the region against those of us who have decided to enter into security alliances. Mr. Shahi will remember the argument that I had with Prime Minister Nehru, when in the Political Committee Mr. Nehru for almost two hours attacked the security alliances, and after his speech I answered him and called his attention to the fact that it was important for us, nations like the Philippines, Pakistan and Thailand, to enter into a security alliance like the SEATO, because, unlike, I said, Prime Minister Nehru, we cannot face the world and challenge the world as he did when he made the statement in his speech that morning and said, "The whole world can go to blazes, but India will remain alone." So, I told him that most of the countries represented around the table were small countries like the Philippines, and none of us could boast of the power and the size of India, and so therefore none of us could say that the whole world can go to blazes and like India we would stand alone.

Then I told him that while it is true that the empires of yesterday on which the sun was said never to set were disappearing one by one from Asia, what we fear today is the shadowy empire of communism on which the sun never rises.

Mr. WARREN. Mr. Shahi, we don't all understand here in America India's position of neutralism. Perhaps you could address yourself to that point.

Mr. SHAHI. Well, sir, you have asked me a very difficult question. This is the policy of Prime Minister Nehru of India, and certainly my country, which is a neighbor of his, has not been quite able to understand this policy. As far as we can see, it may suit India, and it may be possible for India to steer a neutral course, particularly when there is a kind of balance or near balance between the two great super powers of the world, and therefore there might be an advantage purely from the national point of view for a country like India not to commit itself and take a stand, but by throwing its weight sometimes on one scale, sometimes on the other, to enhance its own importance and its role in international relations and therefore build up national influence.

On the other hand, countries like mine do not think that this is a policy which would be right and proper, and they feel that but for the great strength of the United States of America, it would not have been possible for any country to play a neutral role because there would be only one super power which would dominate the world.

Mr. WARREN. Congressman, what is the American public opinion? Is it responsive now to the real significance of this conference? What should we know about it that we don't?

Mr. MCCORMACK. I think the Congress is thoroughly appreciative of what took place at Bandung, its significance. I think also in Congress there is some doubt about the position of Mr. Nehru. I know that my feeling is that the fact that he finds nothing good in any country but the Soviet Union bloc, tends to overextend my patience. I also know that at some time or other in my life I have to choose one side or the other, and so must nations at some time or other choose one side or the other.

I have been very much disturbed with the fact that he has never indicated even remotely anything favorable to not necessarily the United States but to those countries that are associated with us. He overlooks the fact that there is not one foot of territory that any other country has that we want. There is nothing that the United States wants but to make its contribution toward a stabilized world; in other words, world peace. I think the best evidence of the state of mind of the American people is shown by what we did some 10 years ago in fulfilling our promises to the Philippines. It is my opinion that we have to remain strong, but at the same time remaining strong militarily isn't the sole answer. We have to do those dynamic things, such as represented by point 4, that enables the leaders of other countries who want to be free under the law to strengthen themselves with their people, and to bring hope and confidence into the minds of their people.

Mr. WARREN. Thank you very much, Congressman. I am sorry, but our time is up for further discussion of today's topic, "Bandung—One Year After." You have attended the weekly discussion program, the Georgetown University Radio Forum, broadcast of which was transcribed in the Raymond Reiss Studio on the campus of historic Georgetown University in Washington, D. C.

Next week you will hear discussed, "Medical Education: Whose Responsibility?" Our panel at that time will consist of Congressman ANTONI SADLAK, Republican Member of Congress from Connecticut; Mr. E. J. Ade, director of public relations, the National Fund for Medical Education; Dr. Francis M. Forster, dean of the Georgetown University Medical Center.

This program has been presented in the interest of public education by Georgetown University. Your moderator: Matthew Warren.

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. COOPER. Mr. Speaker, today the Committee on Ways and Means met further in executive session with respect to recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems.

For the information of the Members of Congress and the interested public, I would like to insert at this point in the RECORD a press release I have issued announcing the decisions made today by the committee in regard to the subcommittee recommendations.

The committee is scheduled to meet again at 10 a. m. in executive session on May 17, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, of Tennessee, chairman of the Committee on

Ways and Means, announces the tentative decisions reached today by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. Previous announcements with respect to earlier decisions of the committee were issued on May 10, 1056, and May 14, 1956. These announcements are printed in the CONGRESSIONAL RECORD for May 10, 1956, and May 15, 1956, and appear on pages 7183 and 7354, respectively.

Chairman COOPER stated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m. on Thursday, May 17, 1956. A table of revenue estimates relating to the subcommittee's recommendations is printed in the subcommittee report beginning on page 13. A more detailed explanation of the recommendations appears in the subcommittee report beginning on page 16. The decisions reached by the Committee today are as follows:

"VI. DOCUMENTARY STAMP TAXES

"1 through 6 (b): Approved by the committee on May 14, 1956.

"6. (c) In the case of transfers which do not constitute sales or exchanges for value no transfer tax should be imposed.

"7. An exemption is presently provided from the stock issuance tax in the case of common trust funds maintained by a bank for the collective investment of moneys contributed by the bank in its capacity as a trustee, etc. This exemption should be extended to include a fund maintained by a bank exclusively for the collective investment and reinvestment of assets of qualified pension trusts of which it is a trustee or cotrustee.

"8. The stock issuance tax should not be applicable to the mere dedication of the earned surplus of a corporation to its capital account.

"9. In the case of statutory mergers and consolidations, at present, both a stock issuance and a stock transfer tax are imposed. Only the issuance tax should be applicable in these cases where the stock is issued directly by the acquiring corporation to the stockholders of the acquired, or consolidated, corporation.

"10. In the case of odd-lot transactions no tax should be imposed on the sale of an odd lot of stock (100 shares or the unit of trading on an exchange) by an odd-lot dealer.

"11. The committee deleted recommendation 11 which provided that no transfer tax should be imposed with respect to the transfer from one revocable trust to another where both trusts have the same grantor. This recommendation is included within the scope of recommendation 6 (c).

"VII. OCCUPATIONAL TAXES AND TAXES ON WAGERING AND COIN-OPERATED MACHINES

"1. The present tax on billiard and pool table of $20 per year per alley, or table, does not apply to billiard and pool tables in a hospital where no charge is made for the use of the tables, or to bowling alleys and billiard and pool tables maintained exclusively for the use of members of the Armed Forces if no charge is made for the use of the alleys or tables. These exemptions should be extended to include bowling alleys or billiard and pool tables maintained without charge by nonprofit organizations or by agencies of the United States Government.

"2. In the case of the wagering tax, the law should be changed so that an agent who refuses or is unable to name his principal shall be deemed prima facie to be the principal, for purposes of the 10 percent excise on wagering.

"3. The definition of a coin-operated amusement device should include devices which are actuated by remote control without the use of a coin.

"VIII. EXEMPTION AND REFUND PROCEDURES

"1. A more uniform system of exemptions and refunds or credits should be adopted for manufacturers' sales (or resales) for further manufacture, for export, to State and local governments, and for fuel supplies, etc., for certain vessels and aircraft. Such rules should also be followed where applicable, in the case of retailers taxes and the taxes on communications and transportation. This should be done by providing for the permanent registration of purchasers for any of the exempt purposes and tax-free sales should be made only to such purchasers. Tax-free sales would not require the use of exemption certificates but would be evidenced by a notation on the sales invoice of the registration number of the exempt purchaser. Where a sale is made by the initial manufacturer on a tax-paid basis and the purchaser subsequently uses or sells the article for one of the prescribed exempt purposes, a refund or credit should be allowed upon proof of such a sale. The refund or credit would be allowed whether or not there had been an indication at the time of the initial purchase that the article was intended for use for one of the specified exempt purposes. The refund or credit should be made through the initial manufacturer except in the case of purchases by another manufacturer directly from the initial manufacturer where used or sold for a taxable purpose. In this latter case the refund or credit should be made directly to the second manufacturer and based upon his purchase price of the article in question.

"2. The crediting devices with respect to tires (also inner tubes and auto radios and television sets) presently available for application against the excise tax on automobiles and trucks should be extended so that credits with respect to tires, etc., are available for crediting against any manufacturers' excise tax.

"3. With respect to tires, tubes, and auto radio and television sets mounted on, or incorporated in, other articles sold for export or to State or local governmental units, tax-free sales of the tires, etc. (or credits or refunds) should be allowed in the same manner as in the case of other articles sold for export or to State or local governmental units.

"4. Provision should be made in the statute that, where clocks are combined with other articles subject to a manufacturers' tax, the manufacturers' tax should apply to the entire combination in the manner now prescribed by ruling.

"5. It should be made clear that parts or components, which when incorporated in another article are free of tax as a result of Public Law 367, 84th Congress, 1st session, are, nevertheless, considered as taxable when sold as repair or replacement parts.

"6. It should be made clear that automobile parts and accessories, radio and television components, and camera lenses are subject to tax where they are used by the manufacturer as repair or replacement parts.

"7. In the case of documentary stamp taxes, the period of limitations should commence running in the case of an assessment from the time the stamp tax is paid, rather than from the time the tax became due. The redemption provisions in present law with respect to documentary stamp taxes should be revised by deleting from the redemption provision those cases where stamps have been improperly or unnecessarily used and where the rates and duties have wrongfully been collected. Also, the provision relating to the 3-year period of redemption (from the date of purchase) should be applicable only to unused stamps.

"8. The treatment presently provided by ruling exempting State and local governmental units from the tax on real-estate conveyances (but imposing the tax on the other party) should be added to the statute, but no distinction should be made between transfers or acquisitions for governmental, as distinct from proprietary, functions.

"9. In the case of the club dues tax, an indication of written consent from members, rather than the execution of a power of attorney, should be acceptable in the future as a basis on which to allow a refund or credit. The procedure followed should be substantially the same as that now followed in the cases of manufacturers' excises.

"10. It should be made clear that a refund on an initiation fee repaid to a member who is withdrawing from a club is payable irrespective of when the initial payment was made by the taxpayer.

"11. It should be made clear that a refund of the cabaret tax, or the tax on the transportation of oil by pipeline, should be made where the amount of the tax has been repaid to the consumer of the service or where the consumer of a service gives permission to the performer of the service to the allowance of the credit or refund. Thus, the refund or credit in the case of these taxes is not intended to be limited to only those cases where the collector of the taxes has borne the burden of the taxes.

"IX. FLOOR STOCK REFUNDS

"1. A uniform procedure should be provided with respect to all floor stock refunds of manufacturers' excises permitted by the Internal Revenue Code. To this end the following changes in existing law should be made:

"(a) Dealers should be given a period of 2 months and 10 days after the rate reduction date for filing their refund claims with the manufacturer. Manufacturer should be given an additional period of at least 1 month, or possibly as much as 3 months, for compiling dealers' claims and filing a single claim with the Government.

"(b) Instead of paying dealers' claims prior to, or at, the time of filing their claims with the Government, manufacturers should be required to state that within 30 days after they receive a refund or credit they will pass it on to their dealers.

"(c) The filing of claims by manufacturers should be integrated with the filing of their quarterly excise tax returns.

"2. The requirement that gasoline prices be reduced to reflect the floor-stock refund should be repealed.

"3. The technical error in the 1954 code which provides for floor-stock refunds on automotive parts and accessories should be corrected by the deletion of provision for such refunds.

"4. A statutory time limit for the claiming of floor-stock refunds should be provided with respect to the tax reduction provided for in present law in the case of tax-paid imported sugar or imported products composed in chief value of manufactured sugar.

"5. Claimants for refunds in the case of alcoholic beverages and cigarettes should not be required to keep detailed records relating to the price reduction provision for these products, since no such price reduction provision is now contained in the law in the case of the taxes on alcoholic beverages and cigarettes."

At the 10 a. m. executive session on May 17, 1956, the committee will resume consideration of the subcommittee report with section X, page 9, relating to general recommendations.

SENATE

THURSDAY, MAY 17, 1956

(*Legislative day of Monday, May 7, 1956*)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Dr. Oswald C. J. Hoffmann, of the Lutheran Church (Missouri Synod), New York, N. Y., offered the following prayer:

Lord God, Heavenly Father, the author and giver of all good things, we turn to Thee for guidance, help, strength, and moral courage to conduct the affairs of state with wisdom and rectitude. Direct the course of our country and of the world, we beseech Thee, in accordance with Thy will. Take away whatever hinders the nations from unity and concord. Prosper all counsels which make for the establishment and continuance of a rightful peace.

Look in pity upon the peoples of the earth who suffer under political oppression. Grant them in Thy good time the blessing of freedom and liberty to live without fear as those who have been endowed with heaven-sent rights by Thy creative power, and have been redeemed to be Thy children through the loving sacrifice of Thy son, Jesus Christ.

We offer special petitions for our friends in Norway, who this day commemorate the achievement of their national independence. Grant them a stable and prospering national life that is mindful of Thy fear and favor.

For our own land, we ask Thee, gracious God, to show us what we ought to do, and to give us the insight and power to do it, that we may not turn aside Thy gracious designs by willfulness or passion. Because we put our whole trust only in Thy mercy, be with us, as Thou hast been with our fathers in former days, so that all men everywhere may know that Thou art our helper and deliverer. Through Jesus Christ, our strength and our Redeemer. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 16, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, the Internal Security Subcommittee of the Committee on the Judiciary, and the Armed Services Subcommittee Investigating the Air Force were authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS AT 12:20 O'CLOCK P. M., TODAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate stand in recess at 12:20 o'clock today, subject to the call of the Chair, in order that we may proceed to the Hall of the House of Representatives to hear President Sukarno, of Indonesia.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Administrator, Veterans' Administration, Washington, D. C., reporting, pursuant to law, on the overobligations of certain appropriations; to the Committee on Appropriations.

AMENDMENT OF FEDERAL DEPOSIT INSURANCE ACT, RELATING TO SAFEGUARDS AGAINST CERTAIN MERGERS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking (with accompanying papers); to the Committee on Banking and Currency.

IMPLEMENTATION OF A TREATY AND AGREEMENT WITH PANAMA

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to implement a treaty and agreement with the Republic of Panama, by transferring certain property to the Republic of Panama, amending the Classification Act of 1949, as amended, adjusting the fiscal obligations of the Panama Canal Company, and by other provisions (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

FEDERAL POLLUTION CONTROL PROGRAM—PETITION

The PRESIDENT pro tempore laid before the Senate a telegram from the northeast division of the American Fisheries Society, signed by Harry Van Meter, secretary, Pittsburgh, Pa., embodying a resolution adopted by that society, favoring the enactment of legislation to extend and strengthen the existing Federal pollution control program, which was referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2379. A bill to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry (Rept. No. 2014).

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3449. A bill relating to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment (Rept. No. 2015).

FISHERIES ACT OF 1956 (S. REPT. NO. 2017)

Mr. MAGNUSON. Mr. President, from the Committee on Interstate and Foreign Commerce, I submit a unanimous favorable report, with amendments on the bill (S. 3275) to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, designated as the Fisheries Act of 1956. The bill is the result of almost a year's work on the part of myself and the other members of the committee. Hearings were held on both coasts and along the gulf, relating to the entire commercial fisheries problem. The bill is sponsored by more than 30 Senators. Much has been said about it.

I ask unanimous consent to have printed in the RECORD the names of the organizations which have endorsed the bill as it now stands, together with the names of the persons in the industry represented.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The list of names referred to is as follows:

LISTINGS OF ORGANIZATIONS AND INDIVIDUALS WHO HAVE ADVOCATED AND ENDORSED THE AMENDED SUBSTITUTE S. 3275

(Name of organization or person and number of persons in industry represented)

United States Senators; 28 cosponsors of bill. Others have indicated support.

United States Representatives and Delegate from Alaska; 15 separate House bills introduced. House Members awaiting action by Senate.

Alaska Territorial Fisheries Board; 5 members.

California State Legislative Council.

Louisiana State Wild Life and Fisheries Commission.

Mayor and special fisheries advisory council, city of Gloucester, Mass.

Alaska Fishermen's Union; 3,700 industry workers.

Vessel Owners and Fishermen from Juneau, Hoonah, Angoon, Sitka and Pelican, Alaska; 350 fishermen.

Bering Sea Fishermen's Union; 1,200 fishermen.

Fishermen's Marketing Association of Washington; 100 trawler vessel owners.

North Pacific Fisheries Association, Inc., Seattle, Wash.; 800 fishermen.

Puget Sound Purse Seiners Association, 170 vessel owners.

Puget Sound Gill Netters Association; 750 fishermen and boatowners.

Puget Sound Drum Seiners Association; 25 vessel owners.

Fishermen's Cooperative Association, Seattle, Wash.; 350 trawling vessel owners.

Deep Sea Fishermen's Union of the Pacific; 800 fishermen.

Southeastern Alaska Purse Seine Vessel Owners' Association; 48 vessel owners.

Wakefield Fisheries; operators of King Crab Fisheries, Bering Sea.

Rocky Mountain Trout Farmers, Inc.; 20 members.

Maine Sardine Packers Association, Inc.; 34 members.

Southeastern Alaska Seine Boat Owners Association.

Tacoma Shipbuilders Association, Tacoma, Wash.; 11 shipbuilding concerns, builders of modern fishing vessels.

The Texas Shrimp Association, Brownsville, Tex.

Massachusetts Fisheries, Boston, Mass.

International Longshoremen's Union, Washington, D. C.; 7,500 fishermen.

Toledo Commercial Fishermen's Cooperative, Curtice, Ohio.

Oyster Institute of North America, Annapolis, Md., 500 members Pacific and Atlantic oyster growers.

Sea Food Producers Association, New Bedford, Mass.

Fishermen's Cooperative Association of San Pedro, Calif.; 140 purse seine vessel owners representing 1,400 fishermen.

American Tuna Boat Association; 165 tuna clipper owners.

Fishermen's Union, Local No. 33, affiliated with the International Longshoremen and Warehousemen's Union, San Pedro, Calif.; 1,000 fishermen.

Cannery Workers and Fishermen's Union of San Diego, Calif., and International Association of Machinists, Lodge No. 389, AFL–CIO, San Diego, Calif.; 2,050 fishermen.

San Diego and San Pedro Tuna Fishermen's Wives Association; 3,000 fishermen's wives.

Halibut and Puget Sound Gill Net Fishermen's Wives Association, Washington State; 1,000 fishermen's wives.

California Canners Association, Inc.; representing 13 independent canneries in California.

National Fisheries Institute; representing 600 fish processor and marketing concerns in all sections of the United States.

AFL–CIO Seine Line Fishermen's Union, Los Angeles, Calif.

Ketchikan, Alaska, Chamber of Commerce.

Fishermen's Cooperative Auxiliary, San Pedro, Calif.

Commercial Fishermen's Fraternity Society, California, Oregon, Washington, and Alaska: 600 members.

Northwest Reefer Association; 15 refrigerated vessel owners.

F. E. Booth Co., Inc.; fisheries marketing concern, Atlantic and Pacific coasts.

Petersburg Vessel Owners Association, Petersburg, Alaska.

James Sullivan, president, San Diego Harbor Association; San Diego Port Authority.

Bernard Lorino, Hendrix Fish Market, Houston, Tex.

A. Powers, Dorchester, Mass.; fisherman.

Atlantic Lobstermen's Cooperative Association, Saugus, Mass.

Rio Grande Shrimp Fishermen's Association, Brownsville, Tex.

Tom Swensen, Kodiak, Alaska; independent fisherman.

Tim Panamaroff, Kodiak, Alaska; independent fisherman.

Fairbanks, Morse & Co., Seattle, Wash.; makers of diesel engines.

Chase Seafood Co., Everett, Wash.; fish packers.

East End Fishermen's Association, New Orleans, La.; 287 members.

A. J. Wegman, Pass Christian, Miss.

Mr. MAGNUSON. I ask unanimous consent that the bill, as proposed to be amended, may be printed in the RECORD, so that all may know what it contains.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 3275) is as follows:

Be it enacted, etc., That this act may be cited as the "Fisheries Act of 1956."

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that fish and shellfish resources make a material contribution to the food supply, health, recreation, and well-being of our citizens. They are a living, renewable form of national wealth, capable of being maintained and greatly increased with proper attention, but equally capable of destruction if neglected. The fisheries dependent upon them have occupied an important place in the economy of the Nation since its colonial beginnings. They give employment, directly or indirectly, to a substantial number of citizens. They attract all segments of the citizenry to outdoors, healthful, stimulating recreation in every part of the Nation. They furnish a large quantity of protein food. Their byproducts have a wide variety of essential uses in the arts, industry, and agriculture. They strengthen the defense of the United States through the provision of a trained seafaring citizenry and action-ready fleets of seaworthy vessels. Properly developed, the fisheries are capable of steadily increasing these valuable contributions to the life of the Nation. The Congress further declares that the provisions of this act are necessary in order to accomplish the objective of such proper development and that this act shall be administered with due regard to the inherent right of every citizen and resident of the United States to engage in fishing for his own pleasure, enjoyment, and betterment, and with the intent of stimulating the development of a strong, prosperous, efficient, and thriving fishery and fish processing industry.

FISHERY REORGANIZATION WITHIN THE DEPARTMENT OF THE INTERIOR

SEC. 3. (a) There is hereby established within the Department of the Interior a division of such department to be known as the Fisheries Division of the Department of the Interior. The administrative functions of such Division shall be administered under the direction and supervision of the Secretary of the Interior (hereinafter referred to as the "Secretary") by the Chairman of the United States Fisheries Commission created by section 4 of this act in his capacity as Assistant Secretary of the Interior for Fisheries.

(b) (1) All functions, powers, duties, and authority of the Fish and Wildlife Service of the Department of the Interior as are determined by the Secretary to relate primarily to fish, fisheries, whales, hairseals, sea lions, and related matters, together with those funds, liabilities, commitments, authorizations, allocations, personnel, and records of the Fish and Wildlife Service which the Secretary of the Interior shall determine to be primarily related to and necessary for the exercise of such functions, powers, duties, and authority, are hereby transferred to the Fisheries Division of the Department of the Interior, established by this section.

(2) In addition to the functions, powers, duties, and authority transferred to the Fisheries Division under paragraph (1) of this subsection, the Secretary shall exercise through such Division all functions, powers, duties, and authority conferred upon him under the provisions of this act.

(c) The Fish and Wildlife Service of the Department of the Interior shall hereafter be known as the Wildlife Service of the Department of the Interior. The Director and Assistant Directors of the Fish and Wildlife Service shall hereafter be known, respectively, as the Director and Assistant Directors of the Wildlife Service.

(d) The Secretary shall conduct continuing investigations, prepare and disseminate information, and make periodical reports to the public, to the President, and to Congress, with respect to the following matters:

(1) The production and flow to market of fish and fishery products domestically produced and also those produced by foreign producers which affect the domestic fisheries;

(2) The availability and abundance of the living resources which support the domestic fisheries;

(3) The competitive economic position of the various fish and fishery products with respect to each other, to competitive foreign-produced commodities, and to other competitive commodities;

(4) The collection and dissemination of statistics on food and recreational fisheries; and

(5) Any other matters which in the judgment of the Secretary or the United States Fisheries Commission created by section 4 of this act are of public interest in connection with any phases of fisheries operations.

(e) There are hereby transferred to the Secretary all administrative functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(f) There are hereby transferred to the Department of the Interior so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Secretary by section (e) of this section.

(g) The Secretary may request and secure the advice or assistance of any department or agency of the Government in carrying out the provisions of this act, and any such department or agency which furnishes advice or assistance to the Secretary may expend its own funds for such purposes, with or without reimbursement from the Secretary as may be agreed upon between the Secretary and the department or agency.

UNITED STATES FISHERIES COMMISSION

SEC. 4. (a) There is hereby created within the Department of the Interior, and responsible directly to the Secretary, an agency of the Government to be known as the United States Fisheries Commission (hereinafter referred to as the "Commission") which shall be composed of five members to be appointed by the President, by and with the advice and consent of the Senate. One of such members shall be designated at the time of nomination as Chairman of the Commission, and shall also administer the Fisheries Division as Assistant Secretary of the Interior for Fisheries. Each such member shall hold office for a term of 5 years, except that the terms of office of the members first appointed shall expire, as designated by the President at the time of nomination, as follows: 1 on January 1, 1957, 1 on January 1, 1958, 1 on January 1, 1959, 1 on January 1, 1960, and 1 on January 1, 1961. At least 2 members of the Commission shall be appointed from the area east and 2 from the area west of the Mississippi River. A vacancy in the membership of the Commission shall not affect the power of the remaining members to exercise the functions of the Commission, and shall be filled in the same manner as in the case of the original appointment, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor. Not more than three members of the Commission shall be members of the same political party. Three members of the Commission shall constitute a quorum. The Chairman of the Commission shall receive compensation at the rate of $20,000 per annum and each member of the Commission other than the Chairman shall receive compensation at the rate of $18,000 per annum.

(b) Not less than three members of the Commission shall have practical knowledge of fishing conditions and of the problems confronting the fisheries.

(c) The primary responsibility of the Commission shall be the formulation of all policies necessary in the administration by the Department of the Interior, including the Fisheries Division created by section 3 of this act, of the laws relating to fishing and fisheries. The Commission shall also—

(1) develop and recommend measures which are appropriate to assure the maximum sustainable production of fish and fishery products and to prevent unnecessary and excessive fluctuations in such production;

(2) on the basis of reports prepared by the Secretary in the exercise of his functions under this act and other information available to the Commission study the economic condition of the industry, and whenever it determines that any segment of the domestic fisheries has been seriously disturbed either by wide fluctuation in the abundance of the resource supporting it, or by unstable market or fishing conditions from any cause, the Commission shall make such recommendations to the President and the Congress through the Secretary with respect to credit relief and other measures as it deems appropriate to aid in stabilizing the domestic fisheries;

(3) develop and recommend to the Secretary special promotional and informational activities with a view to stimulating the consumption of fishery products whenever it determines that there is a prospective or actual surplus of such products; and

(4) keep under continuous review the activities of the Fisheries Division with regard to development, advancement, management, conservation, and protection of the fisheries and recommend changes, modifications, or variations in such activities to conform to policies developed by the Commission.

(d) The Commission shall cooperate to the fullest practicable extent with the Secretary of State in providing representation at all meetings and conferences relating to fisheries in which representatives of the United States and foreign countries participate. The Secretary of State shall designate at least one member of the Commission to the United States delegation attending such meetings and conferences, and to the negotiating team of any such delegation.

(e) The Secretary of State and all other officials having responsibilities in the fields of technical and economic aid to foreign nations shall consult with the Secretary and the Commission in all cases in which the interests of fisheries are involved, with a view to assuring that such interests are adequately represented at all times.

(f) Notwithstanding any other provision of law, the Commission shall be represented in all international negotiations conducted by the United States pursuant to section 350 of the Tariff Act of 1930, as amended, in any case in which fishery products are directly affected by such negotiations.

(g) The Commission may request and secure the advice or assistance of any department or agency of the Government, and any such department or agency which furnishes advice or assistance to the Commission may expend its own funds for such purposes, with or without reimbursement from the Commission as may be agreed upon between the Commission and the department or agency.

(h) The Commission shall consult periodically with the various governmental, private nonprofit, and other organizations and agencies which have to do with any phase of fisheries with respect to any problems that may arise in connection with such fisheries.

(i) The Commission shall make an annual report to the Congress with respect to its activities under this act, and shall make such recommendations for additional legislation as it deems necessary.

(j) The Commission is authorized to make a report to the President and the Congress through the Secretary concerning the following matters with respect to any fishery product which is imported into the United States, upon a request from any segment of the domestic industry producing a like or directly competitive product—

(1) whether there has been a downward trend in the production, employment in the production, or prices, or a decline in the sales, of the like or directly competitive product by the domestic industry; and

(2) whether there has been an increase in the imports of the fishery product into the United States, either actual or relative to the production of the like or directly competitive product produced by the domestic industry.

(k) There are hereby transferred to the Commission all policy functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(l) There are hereby transferred to the Commission so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Commission by subsection (k) of this section.

RELATIONSHIP BETWEEN FISHERIES DIVISION AND THE UNITED STATES FISHERIES COMMISSION

SEC. 5. The Fisheries Division shall be an administrative organization and the Commission shall be a policymaking body. Both agencies shall work in close cooperation and the personnel and facilities of the Fisheries Division shall be available for the requirements of the Commission.

THE RIGHTS OF STATES

SEC. 6. Nothing in this act shall be construed (1) to interfere in any manner with the rights of any State under the Submerged Lands Act (Public Law 31, 83d Cong.) or otherwise provided by law, or to supersede any regulatory authority over fisheries exercised by the States either individually or under interstate compacts; or (2) to interfere in any manner with the authority exercised by any international commission established under any treaty or convention to which the United States is a party.

AUTHORIZATION FOR APPROPRIATION

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that in addition to myself and the Senator from California [Mr. Kuchel], the names of Senators Payne, Saltonstall, Beall, George, Humphrey, Knowland, Schoeppel, Bush, Butler, Chavez, Duff, Eastland, Flanders, Green, Hill, Jackson, Johnston of South Carolina, Kefauver, Kennedy, Lehman, Malone, Murray, Pastore, Purtell, Smathers, Sparkman, Stennis, Mansfield, Ives, Bible, Monroney, Neuberger, and Potter may be added as additional cosponsors of Senate bill 3275, just reported by me, from the Committee on Interstate and Foreign Commerce.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT ENTITLED "OVERCROWDING AT WASHINGTON NATIONAL AIRPORT AND THE NEED FOR AN ADDITIONAL AIRPORT FOR THE NATIONAL CAPITAL" (S. REPT. NO. 2016)

Mr. MONRONEY. Mr. President, I submit herewith the report of the Committee on Interstate and Foreign Commerce concerning the overcrowding at the Washington National Airport and the need for an additional airport for the National Capital.

This report is signed by 10 members of the committee and includes, in addition to the committee's report, individual views of the other members of the committee.

I ask unanimous consent that the additional views of those Senators be printed with the report.

The PRESIDENT pro tempore. The report, together with individual views, will be received and printed, as requested by the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, away back in 1950, the Congress passed Public Law 762 of the 81st Congress, which directed and authorized the Secretary of Commerce to build an additional airport in, or in the vicinity of,

the District of Columbia. This act was signed by the President on September 7, 1950.

Shortly thereafter, funds were appropriated, and the Department of Commerce, through the Civil Aeronautics Administration, proceeded to survey this general area, in order to locate the best available site. The area near Burke, Va., in Fairfax County, was selected as the ideal location. Property purchases of about $1 million were started, and preliminary engineering work was done.

When the Department of Commerce asked for additional funds the following year, the Appropriations Committees of the Congress failed to make such funds available for that year, and the project has lain dormant since that time.

In the meanwhile there has been a tremendous increase in traffic and congestion at the Washington National Airport. As an example, in 1954 there were a total of 202,000 operations at the airport, and that number increased to 242,000 the following year. I have been informed that the traffic count for the year 1956 will be even greater.

In July of last year the Aviation Subcommittee, of which I am chairman, was requested by the committee to hold hearings and inquire into what action, if any, with respect to the airport situation, was contemplated by the Department of Commerce. Extensive hearings were held, and evidence which was presented indicated that the traffic was so dense and was increasing at such a rate that some action was highly necessary in the interests of safety. The subcommittee's report was adopted by the full committee and was published on July 29, 1955. The committee rejected the suggestion of the Secretary of Commerce for a tristate authority as being too time consuming, and recommended that the Department of Commerce request at the earliest possible moment funds with which to commence construction of an additional airport. The committee pointed out at the time that it was the responsibility of the Secretary of Commerce to determine whether to proceed at the site in the vicinity of Burke, Va., or to make another selection—Senate Report No. 1265, 84th Congress, 1st session. The Secretary of Commerce was requested to report on the opening day of the second session to the committee what he had decided and what he had accomplished.

We thought our report was clear and impossible to misunderstand. However, in a report dated December 1955 and submitted to the committee on January 3, 1956, the Secretary indicated that there were two alternatives for a second Washington airport, and requested the committee to make the decision. The first choice of the Department was the joint use of Andrews Air Force Base, with the site in the vicinity of Burke, Va., as a second choice. The Department again discussed public-authority financing, in the face of the previous report from the committee, which stated that such financing should not delay the commencement of construction.

An additional hearing was held and appropriate officials from the United States Air Force, the Air Transportation Association of America, and the Air Line Pilots Association testified. All were unanimous in agreeing on an airport in the vicinity of Burke, Va.

From the testimony presented, it appeared that the Department of Commerce had not discussed with the Department of Defense the problem of the joint use of Andrews Air Force Base, and the Air Force spokesman, speaking for the Department of Defense, advised that the exclusive use of Andrews Air Force Base was required in order to meet the mission of air defense in this area. He stated that it was a key air-defense base.

But all this and much more is contained in the report I am submitting. It is the consensus of the committee that the Department of Commerce should proceed as rapidly as possible to supply the second airport for Washington. Almost 6 years have passed since the enabling act was signed by the President, and in that period the need for the second airport has increased tremendously.

It is the hope of the committee that the Department of Commerce will promptly request of the Congress additional funds with which to proceed with the construction.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

Mrs. SMITH of Maine. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Gen. Walter Bedell Smith for a new 5-year term as a member of the National Security Training Commission; Lt. Gen. Cortlandt Van Rensselaer Schuyler to have the grade of general in his assignment as chief of staff to the Supreme Headquarters, Allied Powers in Europe; and of Brig. Gen. Harry Wells Crandall for appointment as Chief of Finance in the Army with the grade of major general. In addition to the above, there are 6 major generals and 20 brigadier generals in the Army Reserve, 9 major generals and 10 brigadier generals for temporary appointment in the Army, and special assignments of 1 admiral and 3 vice admirals in the Navy. Also included are the nominations of Adm. William M. Fechteler to be placed on the retired list with the rank of admiral and Gen. Anthony C. McAuliffe to be placed on the retired list in the grade of general. I ask that these nominations be placed on the Executive Calendar.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations are as follows:

Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission;

Lt. Gen. Cortlandt Van Rensselaer Schuyler, Army of the United States (major general, United States Army), to be assigned to a position of importance and responsibility designated by the President;

Brig. Gen. Harry Wells Crandall, Army of the United States (colonel, United States Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general (temporary), the Army of the United States;

Brig. Gen. Henry Kimmell Fluck, and sundry other officers, for promotion as Reserve commissioned officers of the Army;

Vice Adm. Robert P. Briscoe, United States Navy, for commands and other duties determined by the President, with the rank of admiral;

Vice Adm. William M. Callaghan, and Rear Adm. Carl F. Espe, United States Navy, for commands and other duties determined by the President, with the rank of vice admiral;

Adm. William M. Fechteler, United States Navy, when retired, to have the rank of admiral;

Gen. Anthony Clement McAuliffe, Army of the United States (major general, United States Army), to be placed on the retired list in the grade of general; and

Brig. Gen. Conrad Stanton Babcock and sundry other officers for temporary appointment in the Army of the United States.

Mrs. SMITH of Maine. In addition, as in executive session, from the Committee on Armed Services, I report favorably 1,832 nominations in grades below those of flag and general officers involving temporary and permanent appointments in the Army, Navy, Marine Corps, and Air Force. Included among these are the appointments as second lieutenants in the Army of the United States of 357 graduates of the United States Military Academy and also the appointment of a group of Military Academy cadets and Naval Academy midshipmen as second lieutenants in the Regular Air Force. All of these names have already appeared in the Congressional Record, so to save the expense of printing on the Executive Calendar I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Maine.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3869. A bill for the relief of Donald S. Beckwith; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3870. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. Clements when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 3871. A bill to establish the principle of a basic single salary wage scale in the Canal Zone for civilian officers and employees in the Federal Service; to the Committee on Post Office and Civil Service.

By Mr. DWORSHAK (for himself and Mr. WELKER):

S. 3872. A bill for the relief of Lorenzo Uturbe, Eusibio Asla, and Pedra Zabala; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MURRAY, and Mr. IVES):

S. 3873. A bill to provide for registration, reporting and disclosure of employee welfare and pension benefit plans; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. MONRONEY (for himself and Mr. KERR):

S. 3874. A bill to provide for the transfer and sale of certain lands of the Kaw Tribe of Indians located in the State of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3875. A bill to amend section 4 (a) of the Vocational Rehabilitation Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 3876. A bill to amend the Refugee Relief Act of 1953; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3877. A bill to promote the development and rehabilitation of the coastwise trade, to encourage the construction of new vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

PARTICIPATION IN THE 1956 OLYMPIC GAMES

Mr. BUTLER. Mr. President, I submit for appropriate reference, a concurrent resolution relating to American participation in the Olympic Games. I ask unanimous consent that a statement, prepared by me, on the subject of the 1956 Olympic Games, together with the concurrent resolution, may be printed in the RECORD.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the statement and concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 78) was received and referred to the Committee on Foreign Relations.

The statement, presented by Mr. BUTLER, is as follows:

STATEMENT BY SENATOR BUTLER

I rise to discuss an extremely important, but greatly underestimated and neglected aspect of our international relations—American participation in the Olympic Games.

I have made speeches before many groups concerning the active participation of volunteer, amateur American athletes in these great international sports classics every four years.

It is not my purpose to impose upon the valuable time of my colleagues by going into the subject too deeply at this time.

However, since I propose to introduce today a resolution for the consideration of the Senate, I would like to review briefly the current situation as it affects the participation of America's young people in the Olympic Games.

I am confident that my distinguished colleagues on both sides of the aisle know the spirit of the Olympic Games, why they are held, and what they seek to accomplish—that they are aware of the immeasurable amount of prestige these international athletic events have brought to our free way of life.

Our young people have enviable records of accomplishment in every field of athletic endeavor. They have been able to so distinguish themselves because they are athletes in the purest sense of the word.

They have voluntarily participated in these sports affairs.

They are amateurs.

They compete for the pure sport of it.

They participate for individual, personal achievement—not for pay, or to advance the political cause of the United States.

They religiously follow every requirement imposed by international Olympic rules and regulations.

Who among us can forget the celebrated case of James Thorpe?

Thorpe was an American Indian who participated in the Olympic Games at Stockholm, Sweden, in 1912. He won both the pentathlon and the decathlon. He was hailed as the world's greatest living athlete. In 1913, however, it was discovered that Thorpe had taken a small sum of money for playing baseball before the Olympics.

What happened to the "world's greatest living athlete" for accepting money and thereby theoretically removing himself from the ranks of the amateurs?

Bill Henry, on pages 121 and 122 of his book, "History of Olympic Games," writes—and I quote "* * * Thorpe was shorn of his glory by the officials of his own country, his trophies were awarded to the man who had won second place in the two events, and his records were expunged from the books."

Is not this adequate testimony to the dedication of Americans to the true spirit of the Olympic Games?

Need I offer any greater proof of the lengths to which American athletic officials will go to keep their records clean and honorable?

Another case in point is that of one of our great American athletes of the present day, Wes Santee.

The Wes Santee situation is still fresh in the memories of all sports-minded Americans, and, particularly, in the mind of my distinguished colleague from Kansas, Senator FRANK CARLSON.

Santee is a Kansan whom the people of that great State—and their representatives in this body, Senators SCHOEPPEL and CARLSON—can be rightly proud.

He was graduated from Kansas University and is now a member of the United States Marines. Santee was recently barred for life from his amateur standing by the American Athletic Union. This action makes it impossible for him to participate in this year's Olympic Games. This extremely harsh action—and some well-informed people believe it to be just that—was taken because he accepted more money for his participation in several AAU sponsored meets than the rules permit.

Santee was our best hope in the 1,500-meter or mile run at the Olympic Games to be held during November and December this year at Melbourne, Australia.

But, as in the case of Jim Thorpe, principle and the great Olympic ideal came first with American athletic officials.

Rightly or wrongly—for, I understand there is much merit in the arguments of those who uphold Santee—we have seriously threatened our own chances rather than violate in the slightest sense the underlying principles of the Olympic Games.

We have bent over backward—further, perhaps, than was necessary—to uphold principle.

I mention these cases only to prove that Americans have always—and, pray God, always will—chosen the honorable course; the only course which, in the final analysis, will preserve inviolate our sacred institutions.

There is a great body of irrefutable evidence, however, that the Soviets intend to use every devious and foul trick in the books to prostitute the spirit and ideal of the Olympic Games this year. This they intend to do to prove to the world that they are a superior race of men and women.

I will not further impose upon my colleagues at this time by going into that evidence. It was amply set forth in the CONGRESSIONAL RECORD, volume 101, part 9, page 11213.

As a result of a speech which I made a year ago in Baltimore on this same matter, I became the target of bitter attack by the Soviet newspaper Pravda, and by the Moscow radio. And so, I inserted in the RECORD an unclassified summary entitled, "Evidence of Professionalism in Soviet Sports," prepared by the Research and Intelligence Office of the United States Information Agency.

This article, which I commend to the attention of my colleagues, thoroughly demolishes any claims to honor and decency in the field of amateur athletics which the protesting Russians may choose to make.

Now I realize that in some quarters there has been increased agitation for the Government to step in and, in one manner or another, subsidize our athletes so that we can make a good showing in Melbourne.

There is talk in the House, I understand, that money from the President's Emergency Fund should be used for this purpose.

And Senator Magnuson of Washington, the distinguished Chairman of the Senate Committee on Interstate and Foreign Commerce on which I have the honor to serve, is proposing that we earmark a portion of the 10 percent Federal admissions tax on sports events to help finance our teams.

I do not disagree for one moment that more adequate finances should be forthcoming to finance our athletes.

I do believe, however, that we are treading on dangerous ground when we say that it should come from Government by whatever means. And, I say further, that finances are not our most immediate need.

Government subsidization of our athletca would make them official representatives of the American Government—which they are not.

They are free individuals.

They are, first of all and essentially, voluntary, amateur athletes representing only themselves or their teams.

They compete for personal achievement and the glorification of sportsmanship for its own sake.

They are not wards of the Government, nor are they propagandists for the party in power.

Young people participate in the Olympic Games not as apostles of American Republicanism, or as disciples of British Democracy, or as agents of Swiss Confederationism.

Pierre de Coubertin, who revived the Olympic Games, was insistent that the participants be ambassadors of the International Olympic ideal to their various countries, rather than the delegates of their nations to the International Olympic Games.

This is as it should be.

Therefore, our first and foremost concern should not be how many athletes we are able to send to Melbourne or how many events we are able to win.

In spite of much consternation in many quarters, we have always done amazingly well in both categories without Government intervention.

Rather, our first and foremost concern should be the preservation of the Olympic ideal.

I submit that that ideal cannot be preserved unless those who remain true to it are willing to band together and forbid Russia from participation. Let us not forget that the Soviets would destroy the Olympic Games—as they would any other free institution—when they no longer served the purposes of international communism.

And if it should prove impossible to prevent Russian participation in the Olympic Games, we should participate only under official protest of the shameful violations of the Olympic ideal by the Soviets.

The purpose of my concurrent resolution is to let the American people know that that is the sense of the United States Senate.

I urge my colleagues to choose the course of honor and give it their unqualified support.

The concurrent resolution (S. Con. Res. 78) submitted by Mr. BUTLER, is as follows:

Whereas the spirit of the international Olympic Games, held every 4 years and open only to amateur athletes of all nations, rules out the slightest taint of professionalism and commercialism on the part of participating athletes, and specific rules and regulations of the International Olympics Committee emphatically forbid such professionalism and commercialism; and

Whereas the Oympic committees of all non-Communist nations have, since the revival of the International Olympic Games in Athens, Greece, in 1896, conscientiously honored this fundamental precept and have abided by these rules and regulations; and

Whereas American athletic committees have scrupulously honored these precepts and consistently complied with these rules and regulations, even when such compliance seriously threatened our success in International Olympic competition, to wit: the case of Wes Santee, Kansas track star, who was stripped of his amateur ranking for life by the American Athletic Union for allegedly having accepted more money than the rules permitted for travel expenses to various track meets; and

Whereas there is ample proof, to wit: the testimony of International Olympics Committee president Avery Brundage, former Russian athlete and Russian Intelligence Officer Yuri A. Rastvorov, newspaper publisher William Randolph Hearst, Jr., and others, that Soviet Russia has expended billions of rubles in building up a mass army of professional athletes, who are not amateurs in any sense of the word, to participate in International Olympic competition, and that Soviet Russia is in various and sundry other ways flagrantly violating other basic rules of the International Olympic Games; and

Whereas Russian athletes are, in reality, only human weapons in the Communist conspiracy's cold-war arsenal to be ruthlessly used in the Soviet drive for supremacy in every phase of human existence; and

Whereas it would be tantamount to selling out our youth to pit them, without a protest and at a criminally unfair disadvantage, against Russian professionals in the Olympic Games to be held this year at Melbourne, Australia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that American athletic committees should do everything humanly possible to effect the disbarment of Russian professional athletes from the 1956 Olympic Games, and that said committees should actively solicit in this undertaking the cooperation of all other participating nations outside the Iron Curtain; and, be it further

Resolved, That it is the sense of the Congress, that in the event such cooperation of non-Communist nations and/or such disbarment of Russian professional athletes from the 1956 Olympic Games shall have been found to be unattainable, the athletic committees of the United States should participate in the 1956 Olympic Games only under official protest of the wanton violation by Soviet Russia of the spirit and rules of the International Olympic Games, and that copies of this resolution setting forth the sense of the United States Senate and House of Representatives be sent to the officials in charge of United States participation in the Olympic Games.

STUDY OF RATIFICATION OF INTERGOVERNMENTAL MARITIME CONSULTATIVE ORGANIZATION

Mr. MANSFIELD. Mr. President, on March 6, 1948, the Convention of the Intergovernmental Maritime Consultative Organization—IMCO—was signed at Geneva. As my colleagues here in the Senate know, IMCO is an international organization which would function under the United Nations as its specialized agency in the field of shipping. The United States ratified this Convention in July 1950.

The Organization will not come into being until ratification by 21 countries of which 7 must have 1 million gross tons of merchant shipping. To date only 17 countries have deposited their acceptances with the United Nations, in light of the recent withdrawal by Greece. Only 4 of the 7 nations with the necessary tonnage of shipping have ratified the Convention.

The Scandinavian countries have given notice that they will remain out of IMCO until there is a reorganization, they object to the economic sanction provisions. In addition there are a number of maritime nations who are remaining uncommitted.

The elimination of economic authority, would, according to all indications at hand, solve a number of the problems and the major maritime nations who are not now in IMCO would be willing to come in, giving the organization the necessary basic structure to begin an effective operation. The activities of the organization would be limited to technical and safety matters.

International action on a number of technical maritime matters has been deferred in recent years pending establishment of the IMCO facility. The modification of the IMCO Convention could result in rapid materialization of an intergovernmental maritime organization to function under the United Nations in the technical and safety fields.

In view of these circumstances I submit, for appropriate reference, a resolution authorizing the Senate Foreign Relations Committee to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 268) was received and referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate Foreign Relations Committee, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization (IMCO).

Whereas the United Nations Organization has recently announced withdrawal of the Instrument of Ratification of IMCO by the Government of Greece, and other maritime nations have previously recorded they could not participate in the IMCO as presently constituted;

Whereas 8 years have passed since the drafting of the IMCO Convention and it has been accepted by only 4 of the 15 countries having the largest merchant shipping tonnage, including the Government of the United States;

Resolved, That a study would appear desirable to ascertain whether the present ratification status of IMCO could be detrimental to the best interests of the United States; said study to be made by the Foreign Relations Committee of the United States Senate.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO CERTAIN TYPES OF EMPLOYMENT

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment.

Under existing law any employee the duties of whose position are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal law of the United States, attaining the age of 50 and completing 20 years of service who voluntarily retires from the service, can be paid an annuity computed in recognition of the hazardous type of service he has been called upon to perform. The Congress, in first enacting this provision, directed the agency affected, and the Civil Service Commission, to give consideration to the degree of hazard to which such employee is subjected in the performance of his duties rather than the general duties of the class of the position held by such employee. By administrative decision, psychiatric aides and correctional security officers in the Public Health Service hospitals treating mental and narcotic addiction cases have been denied the benefits of this provision. The bill I introduce would make it unequivocally clear that such persons engaged in detention-type activities should be included in this group for the purposes of computing retirement eligibility and benefits under the Civil Service Retirement Act.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3870) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

WELFARE AND PENSION PLANS DISCLOSURE ACT

Mr. DOUGLAS. Mr. President, I am about to introduce a bill and I ask unanimous consent to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], the Senator from New York [Mr. IVES], and myself, I introduce, for appropriate reference, a bill to provide for the registration, reporting, and disclosure of employee welfare and pension benefit plans.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3873) to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. DOUGLAS. This bill, Mr. President, has been drafted along the lines of the recommendations of the final report of the Subcommittee on Welfare and Pension Funds, which conducted an extensive investigation of this subject beginning in 1954, under the chairmanship of the Senator from New York, and continuing in 1955 and 1956 with the Senator from Illinois as chairman.

The findings and recommendations of the report were summarized briefly in the Senate by the Senator from Illinois on April 16, 1956, at the time of the transmittal of the report to the Senate.

These remarks appear on pages 5625 to 5627 of the CONGRESSIONAL RECORD.

REGISTRATION

The bill introduced today requires, in the first place, registration by all types of employee welfare and pension benefit plans covering 25 or more employees. This registration would provide basic, minimum data concerning each plan to permit its identification and classification.

REPORTING

For every plan which, with closely related plans, covers 100 or more employees, the bill, in the second place, requires the filing of annual reports. These reporting provisions are the real heart of the measure.

These annual reports would include full legal and financial data, as specifically provided in section 6 of the bill, and would be based upon an audit by an independent accountant. The bill requires, among other things, information concerning contributions, benefits paid, expenses, salaries and fees, reserves, and so forth. If benefits are provided by an insurance carrier, the required data includes premiums paid, claims incurred and paid, dividends, commissions, fees, retentions, and so forth. In the case of pension plans, or welfare plans which have a reserve fund, the report would include summary data concerning these reserves and their investment, and detailed information on (a) all investments in properties of any party in interest, (b) any investment in one security which exceeds 5 percent of the fund, and (c) any investment in one security which exceeds 10 percent of the outstanding securities of that issue.

SECURITIES AND EXCHANGE COMMISSION TO ADMINISTER

The agency charged with administration of the act under this bill would be the Securities and Exchange Commission, although the subcommittee found this allocation of responsibility its most difficult decision. This agency would be given discretion to require reporting by plans covering from 25 to 100 employees, if necessary to accomplish the objectives of the bill.

DISCLOSURE

Disclosure of the information in the annual report, in the third place, would be required by making copies available to beneficiaries and other interested parties at the office of the plan, and to the public generally, in the public documents room of the agency. In addition, summary data from the report as prescribed by the agency would have to be furnished to the beneficiaries.

ADVISORY COUNCIL

The bill sets up an Advisory Council drawn from insurance, banking, management, labor, related Government agencies, and the general public.

ENFORCEMENT

The administrative agency is empowered to make investigations and apply for court orders to secure compliance with the law. Criminal penalties are provided for those who willfully violate the law, who knowingly make false statements, and who embezzle moneys from any fund.

THREE-YEAR TERM

The bill provides that the act shall be effective for 3 years. The administering agency would be required to file, on or before January 1, 1959, a report giving its recommendations as to the continuance, simplification, or modification of the law. Congress would thus necessarily have a further opportunity, on the basis of 2½ years' experience to determine whether and in what form to make the protections of this bill a permanent part of our legal structure.

GENERAL CONCLUSIONS

Mr. President, I would only add at this time that the importance of this measure is clearly shown by the fact that over 75 million persons are now covered in some measure by employee welfare and pension programs. Annual contributions to them total more than $6.9 billion; twenty to twenty-five billion dollars in pension reserves have been piled up. Grave abuses and many opportunities for abuse have been revealed by our investigation, although the great majority of the plans seem to be honestly and responsibly administered.

Registration, reporting, and disclosure legislation under these circumstances seems a minimum protection that the Federal Government should provide for the millions of beneficiaries.

This is not a regulatory bill. It is only a disclosure bill. We who sponsor it hope that the healing qualities of sunlight on these plans will eliminate the abuses and make it unnecessary to go further.

I have been encouraged by the affirmative support for the general recommendations of our subcommittee from the leaders of organized labor and responsible editors. I hope, Mr. President, that management, banking, and insurance representatives will likewise give this necessary, protective legislation their careful study and understanding support.

For the information of Members on this subject, I ask unanimous consent that there be printed at this point in the RECORD an editorial entitled "Regulating Welfare Funds," from the Washington Post for April 17, 1956; an editorial entitled "Welfare Fund Laws," from the New York Times for April 21, 1956; and a news story and editorial from the AFL–CIO News for April 21, 1956.

There being no objection, the editorials and news story were ordered to be printed in the RECORD, as follows:

[From the Washington Post of April 17, 1956]

Regulating Welfare Funds

The Senate Labor Subcommittee report on shocking abuses in the handling of welfare and pension funds comes to the inevitable conclusion that there must be Federal and State regulation. Before their merger, both the A. F. of L. and the CIO vigorously attacked the misuse of the funds and called for stringent self-regulation. But the Senate study makes it clear that self-regulation has not provided the protection required. These multi-billion-dollar funds are as important as life insurance to millions of persons, and they must have confidence that their investment is properly handled. The public also has a valid interest in the proper management of the funds because, like banks and insurance companies, they have become a powerful economic force.

The assets of the pension funds alone now total about $25 billion. These funds have mushroomed in the postwar period, and it is not surprising that in some instances they have been managed by inexperienced or unscrupulous persons. The committee gave the majority of the managers a clean bill of health, but even for them it is apparent that the best safeguard against abuse is full disclosure of the operation. This is the main point in the committee's recommendation. "We can't solve everything at once," Chairman PAUL DOUGLAS said. "But the requirement of complete public disclosure should result in those responsible for handling these vast funds being more careful and considerate of the beneficiaries' welfare."

President Eisenhower said last year that the standards prescribed for such funds are not adequate to protect and conserve them. Most responsible union leaders have come to the same conclusion. It remains for Congress to draft a bill in line with the recommendations made by the Douglas subcommittee. Congress should approve the measure before it adjourns, for there no longer is any doubt as to the need for public disclosure and supervision.

[From the New York Times of April 21, 1956]

Welfare Fund Laws

Governor Harriman has acted wisely in signing the Mitchell-Holling bill to curb the abuses of labor welfare funds. It is far from adequate to meet the situation, but at least it is a good beginning, and the operations it will activate will be useful in going further. The passage of this law will also help the cause by spurring action on the recommendation for a Federal law made public this week by the Senate subcommittee of which PAUL H. DOUGLAS is the chairman.

The New York State statute covers only those funds which are jointly maintained by employers and unions, excluding those solely administered by either the one or the other. Like the Douglas committee plan, it requires annual registration and reports of operations, but it leaves to the discretion of the superintendent of insurance or banking just what information will be required. On the other hand, it gives the superintendents wide powers of examination into the affairs of every fund covered, with authority to enjoin malpractices and to remove and punish offenders.

The new law also provides for the actual regulation of fund operations. It prohibits payment of commissions by insurance companies or brokers for fund business, forbids union officers to have any interest in insurance concerns and imposes on fund trustees full responsibility as fiduciaries. It doesn't, however, provide an advisory council.

Sound public policy requires that the Federal Government be primarily a factfinding and reporting agency and that regulation be left to the States, which can do it better, as these two measures provide. But each State law should cover all welfare and pension funds, without exception or discretion.

We urge Senator DOUGLAS to introduce and press for a bill to carry out the proposals of his subcommittee, and we applaud President Meany's assurance that such a measure will have the support of the AFL–CIO.

[From the AFL–CIO News of April 21, 1956]

Meany Backs Fund Report—Fair Probe Is Praised by Labor

ALF–CIO President George Meany gave strong endorsement to the main features of a Senate subcommittee report recommending strict accounting and full disclosure of all financial details of employee welfare and pension funds.

The Labor Subcommittee, headed by Senator PAUL H. DOUGLAS, Democrat, Illinois, was praised by Meany for its disclosure of the acts of corrupt individuals and its deeper revelation of commercial insurance practices and lax State supervision that opened the way for abuses.

CONSTRUCTIVE APPROACH

"This represents a constructive approach which has largely been lacking in previous investigations," Meany said.

He specifically endorsed Federal legislation designed to bring about full disclosure of the financial operations of all types of welfare and pension plans and declared that the standards recommended by the subcommittee's report appear to meet the criteria spelled out by the AFL–CIO merger convention.

The one specific exception Meany noted was the Douglas subcommittee's suggestion of the Securities and Exchange Commission as the Federal agency with which welfare and pension fund data must be filed.

The merger convention recommended the Labor Department as the agency for filing.

Meany said that the Eisenhower administration bill, introduced by request of Labor Secretary James P. Mitchell earlier this year, falls short of our objectives, principally because under its terms the Secretary would have excessive discretion to exempt favored corporations or groups from reporting on their funds and could otherwise weaken or water down the reporting and disclosure requirement.

Final judgment on the Douglas subcommittee's proposals would be reserved pending introduction of an actual bill, the AFL–CIO president said, but "we strongly urge the Congress to act promptly" on the recommendations and to "enact an adequate disclosure law during the present session."

The subcommittee report called for total disclosure to a Government agency and to all beneficiaries of the receipts, expenditures, and other financial facts about all types of welfare and pension funds.

This would include union-administered welfare funds, funds jointly administered by unions and management, and funds administered by management alone, whether or not the latter were negotiated by collective bargaining.

ABOUT $25 BILLION INVOLVED

Pension funds now involve total reserves of about $25 billion, DOUGLAS told a news conference, and welfare and pension fund receipts amount to more than $6.8 billion a year.

An issue of tax exemption is involved in each case, and this places on the Government a "grave responsibility" for the sound operation of all systems and "protection of the equities of the beneficiaries and the public interest," he said.

The subcommittee has no desire to replace State regulation of insurance companies with Federal regulation, although it strongly recommended revision of State supervisory practices.

"We do recommend Federal disclosure of the details of all funds, whether handled through a trustee arrangement or insurance companies. We want to let some sunlight on the operation of funds. A little sunlight is often a great help," DOUGLAS declared.

The subcommittee proposed that an independently audited report on the receipts, expenditures, benefits, and investments of each fund be filed each year with a Federal agency with criminal penalties for failure to report or for reporting falsely.

It also recommended that embezzlement from welfare or pension funds be made a Federal offense punishable by criminal penalties.

It recommended, in addition, that a summary report be provided personally to each individual who is a beneficiary, actual or potential, of any fund.

This element of compulsory filing and disclosure transcends the Eisenhower administration bill, under which the Secretary of Labor would have blanket authority to exempt any fund from filing and would not be compelled to publish the reports.

FOLLOW AFL–CIO RESOLUTION

The subcommittee recommendations generally follow the AFL–CIO convention resolution on welfare funds.

The convention went further than the Senate subcommittee, however, in specifically calling for amendment of State laws that now require payment of an insurance agent's commission even if an agent or broker gives no service in developing a plan financed through an insurance policy.

The subcommittee in nearly 2 years of hearings revealed examples of gross mismanagement and self-enrichment by a few union officials, abuses of propriety if not worse by some management officials, improper payment of fat fees by insurance firms anxious for business, and profiteering by some insurance firms.

Most of the pension and welfare funds, it found, follow "sound practices" and are the result of "conscientious and ingenious efforts on the part of industry, labor, insurance, and banking to bring benefits to scores of millions of employees at low cost."

Subcommittee members, in addition to Chairman DOUGLAS, were Senators JAMES MURRAY, Democrat, of Montana, IRVING M. IVES, Republican, of New York, and GORDON ALLOTT, Republican, of Colorado. ALLOTT filed a supplementary statement of views indicating reservations about the recommendation that management-financed funds, as well as all others, be compelled to file reports.

[From the AFL–CIO News, Washington, D. C., of April 21, 1956]

To Protect the Welfare Funds

In an era when all too many congressional committees have resorted to headline hunting and vaudeville performances, the conduct of the Senate Subcommittee on Welfare and Pension Funds—headed by Senator PAUL DOUGLAS, Democrat, of Illinois—has been exemplary and constructive.

The committee has looked into the handling of these funds with an impartial and objective approach. It has looked not only at malfeasance and some bad practices by business firms but at the lessons to be learned from the great number of honestly administered welfare and pension funds.

It has found, for instance, that over 75 million Americans are directly covered or affected by the funds that have been developed in recent years. It has acknowledged the necessity of Federal legislation to insure their sound operation and to protect the rights and equities of individuals.

Average Americans who get their information from the daily papers are apt to have the seriously wrong impression that, because corruption makes news and honesty and integrity are rarely given public appreciation, all welfare funds are mishandled.

This misconception, to the extent that it is believed by sections of the public, is a serious danger, because millions of working Americans have benefited from the welfare and pension funds—in many cases established by unions and management through collective bargaining.

The AFL–CIO will strongly support most of the Douglas subcommittee recommendations. We have pointed out, in resolution and in speech, that welfare funds are a sacred trust, and that their handling must meet the highest ethical standards. Basic legislation designed to protect the workers' equities while leaving flexibility in the collective-bargaining area will be welcomed by decent unions, decent management, and the public.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Refugee Relief Act of 1953, Public Law 203, 83d Congress. This one bill, is in effect, a consolidation of S. 3570, S. 3571, S. 3572, S. 3573, and S. 3574, which I introduced on March 29, 1956, and of S. 3606 which I introduced on April 11, 1956.

Mr. President, a hearing was held on all six of these bills on May 3, 1956, and it is my thought that no further hearing need be held on the bill I am introducing today, since it makes no changes whatsoever. It is only a composite of the other six bills. This decision is, of course, subject to the concurrence of the other members of the Subcommittee on Refugees with whom I shall consult.

Mr. President, I am very sympathetic to the difficulties being experienced by the representatives of the voluntary agencies in working with this very difficult immigration law. I am also responsive to the wishes of these very dedicated representatives who have spent so much time and money in trying to bring refugees into the United States. So, Mr. President, when they petitioned me to introduce a "one-package bill," I agreed to do so, and this is it. If it will make their paths a little less rocky, I am glad to offer all these amendments in one bill. I reiterate that since a hearing has already been held on the other six bills and since this bill embodies those provisions only, I see no necessity for a further hearing.

I sincerely hope the bill which I am introducing today will have a happier fate than the other refugee bills.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 3876) to amend the Refugee Relief Act of 1953, introduced by Mr. LANGER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 4 (a) of the Refugee Relief Act of 1953 is amended by striking out paragraphs Nos. 1 through 10 thereof and inserting in lieu thereof the following:

"(1) Not to exceed 35,000 visas to German expellees residing in the area of the German Federal Republic or in the western sectors of Berlin or in Austria: *Provided*, That the visas issued under this paragraph shall be issued only in the German Federal Republic or in the western sector of Berlin or in Austria.

"(2) Not to exceed 40,000 visas to escapees residing within the European continental limits of the member nations of the North Atlantic Treaty Organization, the western sectors of Berlin, Austria, Turkey, Sweden, Iran, and Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(3) Not to exceed 2,000 visas to refugees who (a) during World War II were members of the armed forces of the Republic of Poland, (b) were honorably discharged from such forces, (c) reside on the date of the enactment of this act in the British Isles, and (d) have not acquired British citizenship.

"(4) Not to exceed 45,000 visas to refugees of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(5) Not to exceed 35,000 visas to persons of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Italy or in the Free Territory of Trieste.

"(6) Not to exceed 15,000 visas to refugees of Greek ethnic origin residing on the date of the enactment of this act in Greece: *Provided*, That such visas shall be issued only in Greece.

"(7) Not to exceed 12,000 visas to persons of Greek ethnic origin, residing on the date of the enactment of this act in Greece, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Greece.

"(8) Not to exceed 10,000 visas to refugees of Dutch ethnic origin residing on the date of the enactment of this act in continental Netherlands: *Provided*, That such visas shall be issued only in continental Netherlands.

"(9) Not to exceed 2,000 visas to persons of Dutch ethnic origin, residing on the date of the enactment of this act in continental Netherlands, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in continental Netherlands."

(b) Section 4 of such act is amended by striking out subsection (c) thereof and inserting in lieu thereof the following:

"(c) Any allotments of visas provided in paragraphs (4) and (5), paragraphs (6) and (7), paragraphs (8) and (9) of subsection (a) of this section, shall be available bilaterally within each of the three ethnic groups therein defined."

(c) Section 4 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any allotment of visas provided in this section which are unused by aliens who apply and for whom assurances are filed on or before October 31, 1956, shall be available for the issuance of nonquota immigrant visas during the years 1957, 1958, and 1959, to escapees as defined in subsection (b) of section 2 of this act, and to eligible orphans as defined in section 5 of this act, notwithstanding any other limitations contained in this act. Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1959."

"(e) (1) Not more than 1,000 aliens in Austria, Germany, Greece, and Italy may be issued visas and be admitted to the United States under the terms and within the numerical limitations of this act irrespective of the fact that they are found ineligible to receive visas or inadmissible to the United States under section 212 (a) (6) of the Immigration and Nationality Act insofar as it relates to aliens afflicted with tuberculosis. No alien shall be issued a visa under the provisions of this subsection unless (A) it is shown that arrangements satisfactory to the Attorney General and the Surgeon General of the United States Public Health Service have been made that such alien, when admitted to the United States, will not become a public charge, and will not endanger the public health, and (B) such alien is a member of a family unit, consisting of qualified applicants for a visa under the provisions of this act, which he intends to accompany or follow to join in the United States. The provisions of section 7 (a) of act shall not apply to any alien receiving a visa under the provisions of this subsection, but the Administrator shall prescribe such regulations as may be necessary for a special assurance to satisfy the requirements of the provisions of this subsection.

"(2) No visa shall be issued under this subsection to any applicant unless special assurances as provided for in subsection (e) (1) of this section have been filed in his behalf with the Administrator on or before October 31, 1956.

"(3) Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1957."

(d) Section 4 (a) (11) of such act is amended by striking out the following: "and only to refugees who are not indigenous to the area described in this paragraph."

SEC. 2. (a) Section 5 (a) of the Refugee Relief Act of 1953 is amended (1) by striking out "4,000," and inserting in lieu thereof "9,000", and (2) by striking out "10 years" and inserting in lieu thereof "14 years."

(b) Section 5 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any visa issued under this section to any eligible orphan who has been lawfully adopted abroad by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time as the adoptive citizen parent returns to the United States in due course of his service or business.

"(e) Notwithstanding any other provision of law, visas may be issued under this section to eligible orphans until December 31, 1959."

SEC. 3. Section 7 (a) of the Refugee Relief Act of 1953 is amended (1) by inserting immediately after "citizen or citizens of the United States" the following: ", or by any voluntary agency recognized by the Department of State", and (2) by striking out the seventh and eighth sentences thereof and inserting in lieu thereof the following: "This subsection shall have no applicability to the alien eligible under paragraph (5), (7), or (9) of section 4 (a) of this act, if such alien provides satisfactory evidence that he will not become a public charge. No visa shall be issued under the allotment of 45,000 visas heretofore made by paragraph (4) of subsection 4 (a) of this act to refugees in Italy, or under the allotment of 15,000 visas heretofore made by paragraph (6) of subsection 4 (a) of this act to refugees in Greece, or under the allotment of 15,000 visas heretofore made by paragraph (8) of subsection 4 (a) of this act to refugees in the Netherlands, to an alien who qualifies under the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act, until satisfactory evidence is presented to the responsible consular officer to establish that the alien in question will have suitable employment and housing, without displacing any other person therefrom, after arrival in the United States."

SEC. 4. Section 12 of the Refugee Relief Act of 1953 is amended by striking out "paragraph (6), (8), or (10)" and inserting in lieu thereof the following: "paragraph (5), (7), or (9)."

SEC. 5. Section 20 of the Refugee Relief Act of 1953 is amended to read as follows:

"SEC. 20. (a) No visa shall be issued under this act to any applicant unless assurances in his behalf have been filed with the Administrator on or before October 31, 1956.

"(b) Except as otherwise provided in this act, no visa shall be issued under this act after December 31, 1957."

PROVISION AND IMPROVEMENT OF HOUSING—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him, to the bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, which were ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mr. NEUBERGER. Mr. President, I submit, for proper reference, an amendment to the bill (H. R. 10660) the Federal Highway Act of 1956. This amendment would authorize extension of Federal aid for highways to the Territory of Alaska on the same terms and conditions as the several States, Hawaii, and Puerto Rico, insofar as expenditure for projects on the Federal-aid primary, secondary, and urban systems is concerned.

The people of the Territory of Alaska have for many years sought inclusion of Alaska in the Federal-aid highway programs in order that a long-range, comprehensive highway program could be developed and carried out. The lack of highway construction over the years has substantially contributed to the slow development of Alaska and impaired its ability to raise revenues to contribute to highway construction.

H. R. 10660 will continue that discrimination. It permits initiation of a vast highway construction program over the 48 States, Hawaii, Puerto Rico, and the District of Columbia, but not in Alaska. Every section of our country and every segment of our population and economy will greatly benefit, but the Territory of Alaska will derive little benefit therefrom.

Hawaii and Puerto Rico will receive additional funds under H. R. 10660 with

which to prosecute an expanded highway program. The resident will be assessed additional taxes to help pay for those roads. The residents of Alaska will be assessed the same taxes, but they will pay for additional roads constructed elsewhere.

The Territory of Alaska is only included in H. R. 10660 as it relates to taxation, not as to provision of funds for highway construction.

Mr. President, Alaska is a large territory, about one-fifth the size of the United States. Distances between populated areas are great. Transportation is difficult and expensive. The natural resources of the Territory are extensive, but full development cannot be completed without an adequate highway system. There are at the present time less than 4,000 miles of highways of all types in Alaska.

There are many large defense installations located in the Territory of Alaska. These are considered vital to the security of our Nation. A system of connecting roads would be of vast benefit to full operation of these defense facilities.

The amendment I propose would place Alaska on the same basis as Hawaii and Puerto Rico. Because of the large area of Alaska, only one-half of such area would be used to determine the area factor in the apportionment of such funds. The Territory would contribute funds in an amount of not less than 10 percent of the Federal funds apportioned each fiscal year. The proposed amendment would transfer all road functions from various agencies to the Secretary of Commerce, thus permitting more orderly and economical operations.

Mr. President, an accelerated highway program is the key to the economic development of Alaska. The strategic location of Alaska makes an adequate highway system essential for national defense. The citizens of Alaska pay all Federal taxes, and in fairness they should benefit from the Federal Highway Act, especially since they must also pay the increased highway taxes.

I believe the inclusion of Alaska under the provisions of H. R. 10660 is equitable, will accelerate its economic development, and be of vital assistance to national defense, and I therefore submit my amendment to this effect.

The PRESIDENT pro tempore. The amendment will be received, lie on the table, and be printed.

Mr. BENNETT submitted amendments, intended to be proposed by him, to House bill 10660, supra, which were ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. WILLIAMS submitted amendments, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which were ordered to lie on the table and to be printed.

Mr. YOUNG submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. MARTIN of Pennsylvania submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. ANDERSON submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. DANIEL submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) submitted an amendment, intended to be proposed by them, jointly, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

PROPOSED AMENDMENT OF THE CONSTITUTION, RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. BRIDGES. Mr. President, on February 8, 1955, the Senator from Maryland [Mr. BUTLER], on behalf of himself and sundry other Senators, introduced the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relative to equal rights for men and women. I ask unanimous consent that my name may be added as an additional cosponsor of the joint resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING AS SENATE DOCUMENT REPORT ON FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND (S. DOC. NO. 119)

Mr. BYRD. Mr. President, I ask unanimous consent that the report on the Federal Old-Age and Survivors Insurance Trust Fund, laid before the Senate on yesterday, be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Statement prepared by him on the Polish Constitution.

Statement prepared by him on Israeli independence.

By Mr. JENNER:

Excerpt from Executive Report No. 8 of the Senate Committee on Foreign Relations, dated June 15, 1955, dealing with the obligation of the Soviet Union to remove its troops from Rumania and Hungary, following ratification of the Austrian State Treaty.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the following nominations:

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Brazil, vice James Clement Dunn, resigned.

The Chair gives notice that at the expiration of 6 days, these nominations will be considered by the Committee on Foreign Relations.

TRIBUTE BY HON. SCOTT W. LUCAS TO THE LATE SENATOR BARKLEY

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a beautiful tribute which the Honorable Scott W. Lucas has written in memory of our beloved mutual friend and distinguished colleague, the late Honorable Alben W. Barkley.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

SENATOR ALBEN BARKLEY

In the evening of life a great and good American, yea, the No. 1 voice of the Democratic Party, is silenced by the hand of death.

The once vibrant and gracious Veep has vanished, leaving the mortal flesh to sleep peacefully throughout the years of eternity.

In this fateful hour there are no ceremonies of pomp and splendor; all is still, save the mournful organ and the minister's moving voice.

So, the journey to the grave begins, moving across plains, mountains, and cities, midst the people he loved and who loved him.

And, at the journey's end, his everlasting place of rest is found in Kentucky soil—soil that made him—soil that he worshiped.

This noble and patriotic character leaves behind a record for God and country that has few parallels in American history.

God grant that more Barkleys may spring from Kentucky soil. Such men in American life are indispensable if the destinies of humanity are to remain free.

ONE HUNDRED AND FORTY-SECOND ANNIVERSARY OF NORWEGIAN INDEPENDENCE

Mr. THYE. Mr. President, Norwegians and people of Norwegian descent recognize May 17 as the "Syttende Mai," in commemoration of the signing of the constitution of Norway. Today marks the 142d anniversary of Norwegian independence.

As one who enjoys the distinction of Norwegian descent, and as a Member of the Senate who represents one-fourth of the Norwegian population of the United States, I pay tribute today to the country of Norway, its people, and the contribution it has made in world history.

During this period when the cause of freedom and independence is engaged in a struggle with totalitarian ideologies, Norway's contribution to the cause of freedom takes on added significance.

This relatively small nation during World War II resisted the invasion of people by the forces of totalitarianism.

As an instrument dedicated to world peace, Norway has contributed much to the accomplishments of the United Nations. It is also significant that the newly appointed Supreme Commander of the NATO forces in Europe, General Lauris Norstad, of Red Wing, Minn., is a descendent of Norway.

To one who knows these people as I do, it is not difficult to understand this deep desire to preserve the principles of freedom which were written into the Norwegian constitution in Eidsvold on May 17, 1814.

These are the people who conquered the seas and tilled the rugged land of Norway. They became steeped in the qualities of courage, integrity, and adventure. They were practical and hardworking people. Yet they were dedicated to the advancement of education, science, the arts, and the Christian faith.

From the time when the first group of Norwegian immigrants arrived in New York on October 9, 1825, the sons and daughters of Norway have contributed much to the United States. They did not take this new land for granted. They came to love it, and always sought to make it a better land by their contributions to society. They cleared the forests, and built homes with the timber; they opened and plowed the land as farmers; they established schools for their children, and erected churches which became a part of their living faith in God.

Some of these descendants will live forever within the pages of the books they wrote, by the engineering feats they performed in the field of construction, and by their achievements in all areas of community and national activity.

I am pleased to pay tribute on this "Syttende Mai" to Norway for the heritage she has bestowed, not only to those of us who trace our lineage to her fjords and fields, but to all people who champion the cause of independence and freedom throughout the world.

Mr. HUMPHREY. Mr. President, Minnesota is deeply proud of its citizens of Norwegian descent and conscious of our many ties with this sturdy Scandinavian nation which gave so many of its sons and daughters to America. Today, May 17, is Syttende Mai—the anniversary of Norwegian independence.

Americans everywhere, but perhaps Minnesotans to a special degree, join in congratulating our friendly neighbor across the Atlantic on more than 140 years of independence and steady strengthening of democracy. Through grave economic difficulties, shattering wars, and great temptations to follow the example of other nations who turned to dictatorship as a possible solution to their difficulties, Norway has proudly and decisively clung to democracy and freedom. Indeed, the people of Norway have made the ideals of democracy a living reality.

It is typical of the people of Norway that this rejection of the false god of totalitarianism has been in deed as well as in word. Long will we remember Norway's magnificent stand against the Nazis. And Norway's determined defiance of Soviet Russia during the years when the Communists were massing overwhelming numbers of troops and tanks and guns and aircraft along the borders of free Europe was an inspiration again to the free world. Norway's refusal to be intimidated by her gigantic neighbor, her forthright stand with the West in NATO, were of great significance in the forging of that great bulwark of western defenses.

This small nation represents a moral force far beyond the relatively small number of its people. Norway's example of democratic government continues to serve as an inspiration to freedom-loving people throughout the world. And with hundreds of millions of uncommitted people in the new nations of the 20th century, still undecided whether to follow the pattern of totalitarianism or to push on toward a working pattern of democracy, Norway's brave example gains renewed significance.

As an American, I am proud to have Norway as one of our greatest and stanchest friends. I take deep pride in the contributions which Norwegian immigrants have made to our country, and particularly to the State of Minnesota, where their sturdy commonsense, their sense of craftsmanship, their love of hard work, and devotion to personal freedom have molded so much of the character of Minnesota.

I reflect with great pleasure that my mother, Christine Sannes Humphrey, of Huron, S. D., was born in Christiansand, Norway, and came to America as an immigrant child. I am also proud to say that my mother's father was a Norwegian ship captain for 20 years before he homesteaded in this country.

But while there is to me a special personal element in this observance of Norway's Independence Day, I speak for all Americans in extending our warmest greetings and good wishes to the people of Norway—our old and greatly admired friends.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, the city of Washington is pleased to play host during this week not only to Indonesia's First Citizen, its distinguished President, Dr. Soekarno, but also it is host to a most interesting and valuable Conference on Cultural Relations between the peoples of South and Southeast Asia, and the United States.

The conference meetings in our Nation's Capital represent the climax of a 3-week tour of the United States by participants from 10 Asian lands. The tour is sponsored by the United States National Commission for UNESCO, at the invitation of the United Nations Educational, Scientific, and Cultural Organization.

Arrangements for the tour were made in cooperation with the American Council for Learned Societies; the Asia Foundation; Edward W. Hazen Foundation; Fund for Asia; Rockefeller Foundation; the universities of California, Louisville, Michigan, and Minnesota; Massachusetts Institute of Technology; the American Society of Composers, Authors, and Publishers, and others.

I believe that the increased understanding gained through this conference will prove most helpful, in ever improved relations between our peoples.

The great spiritual ideals which our own and other free peoples share, the common love of liberty and independence, the deep desire for a better way of life for all men and women—these are the truths which we and our friends should well explore.

Tomorrow it will be my pleasure, together with colleagues of the Senate and House, to be host at a luncheon get-together in which we will have the pleasure of meeting the Asian participants at firsthand, here on the Hill.

Friday evening, a party has been arranged in honor of our guests from the East, and thereafter, they will hear an address by Mr. Norman Cousins, editor of the Saturday Review. The Honorable Paul Hoffman, who did so outstanding a job as first head of the Economic Cooperation Administration will also be on hand for words of greeting to our friends.

The theme of the overall conference is Human Values and Social Change in South and Southeast Asia and the United States.

Each day's program for the conference has been a full one, both here in Washington and in other cities in which the conferees have visited.

We hope that our friends will return to their lands with a deep feeling of having contributed to better understanding of their lands in the United States, and, in turn, to having gained a better understanding of our land and its culture.

"Man does not live by bread alone," but by things of the spirit. The United States is not just the land of skyscrapers, automation, and convertibles. It is a land of deep cultural interest and attainment. And while there are obvious differences between our own and other less developed lands, we share a great common heritage, and we have a deep respect for the ancient, rich cultures of Asia: Like them, we are changing, evolving for the better. And like them, we want to know our neighbors better—our Buddhist, Moslem, Hindu, Christian, and all other neighbors of all faiths.

I ask unanimous consent that a list of our visiting friends from Asia be printed at this point in the body of the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Participants in the Conference on Asian-American Cultural Relations, Sponsored in Washington, D. C., by the American Council of Learned Societies at the Request of the United States National Commission for UNESCO

Burma: U Lu Pe Win, director of archeological survey, Government of Burma. Daw Mya Sein, lecturer in history, University of Rangoon.

Cambodia: Sam Sary, member, Royal Council, minister of education.

Ceylon: Dr. G. P. Malalasekera, professor of Pali and of Asian studies, University of Ceylon.

India: Dr. V. K. R. V. Rao, professor and director, Delhi School of Economics, University of Delhi.

Indonesia: Dr. Bahder Djohan, president, University of Indonesia, Djakarta.

Laos: Dr. Tay Keoluangkhot, director general, ministry of education, Vientiane.

Pakistan: Dr. M. M. Sharif, professor of philosophy, Islamia College, Lahore, Pakistan.

Philippines: Dr. Vidal Tan, president, University of the Philippines.

Thailand: Dr. Sukit Nimmanhemin, executive member, council of Chulalongkon University, Bangkok.

Vietnam: Dr. Nguyen Quang Trinh, rector, University of Vietnam, Saigon.

IMPRESSIONS OF RECIPIENT OF FULBRIGHT SCHOLARSHIP AWARD

Mr. HUMPHREY. Mr. President, among the Minnesota recipients of last year's Fulbright scholarship awards was Robert Scharlemann, of Lake City, Minn. He has just sent me a report on his impressions after a year in Heidelberg, Germany, and I think his comments are a valuable testimonial to the effectiveness of the Fulbright program.

I pause to note that, regrettably, the Department of State, with the cooperation and support of the Bureau of the Budget, and, obviously, of the President, have cut the Fulbright scholarship program. I think this is an unfortunate error, and I am am hopeful that when that program comes before the Senate for authorization and appropriation we will provide a sufficient amount properly to implement a furtherance of this very helpful and constructive educational endeavor.

I ask unanimous consent that Mr. Scharlemann's letter be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Dossenheim bei Heidelberg,
Hauptstrasse 67 bei Hoerner, Germany,
May 8, 1956.

The Honorable Hubert H. Humphrey,
Washington, D. C.

Dear Senator Humphrey: This letter is to be a kind of acknowledgment and at the same time a kind of report. On June 8, 1955, almost a year ago, I received a letter from your office containing congratulations on my having received a Fulbright scholarship. I should like at this time, therefore, to do what I should long ago have done: to express my appreciation for your alertness.

At the same time you may be interested in my reactions to the Fulbright program and to my contacts and study here at the University of Heidelberg. A summary of those reactions would be one word: wonderful. (Or, as the German teenagers say: prima.) Wonderful enough, in fact, to have caused me to apply for a year's renewal of the scholarship—a request which the Commission had, alas, to reject. But to describe it as wonderful is still being too vague. So I shall try to be more explicit:

1. It has made me understand the United States better. This is true not only because the constant questioning that one is subjected to leads to a searching for information that one would otherwise not look for. It is true, rather, because just living and speaking with people on all topics, important and trivial; just being able to walk the streets of their cities and to observe; just being able to see the country and countryside in which they grow up; just being able to read in their newspapers of happenings in the States as though they were foreign news—all of this makes it possible to see the United States, to see ourselves, in such a way that normally would be impossible. One can only wish that all our Secretaries of State would at some time have spent a couple of such years in a foreign country. It might lead to a saner foreign policy.

2. It has made me understand Americans better. This is true, in the first place, because Europe provides the opportunity of closer acquaintance with the tradition and the culture from which we stem. It is true, in the second place, because contact with Europeans has made me aware of the significant (and, in my opinion, healthy) singularity of the attitude of Americans to tradition: they are interested in it but not bound by it. Not bound by it—that, I fear, is a freedom that Europeans long for but still miss. And if, in this connection, one has to blush at much of American tourism, one can feel rather happy at the behavior of American students here. On the whole, their contribution to good will and understanding has been considerable, as far as I (as one of them) am able to judge.

3. As a theology student, I have gained a new insight into the dangers as well as the strengths that theology can have in the life of a country and its people. It is always difficult to make clear that theology is not supposed to be something divorced from the problems of life and that theologians are not supposed to be ivory-tower scholars who argue about the velocity of angels while other people are about earning an honest living. My own research this year ("The Relationship Between the Doctrine of the Holy Spirit and the Doctrine of Grace in Christian Theology") may sound as abstruse as one can get theologically; but it does have significance for even something like the Voice of America broadcasts. (If it were only a device for exercising my skill in making theological or philosophical distinctions, I should have had a guilty conscience for accepting a Fulbright grant.) The danger, as one can, to be sure, see it in Germany too, is that theology become too abstruse and irrelevant. Yet the fact that resistance to Hitler's barbarism came from the German church; i. e., that it was theologically sparked, is a heartening reminder of the strength of a theology that in time of crisis can make giants of pygmies and heroes of students.

But let this be enough. Once again, thank you for your letter of last June. And may the Fulbright program live long.

Yours sincerely,
Robert Scharlemann.

DISCRIMINATION BY SAUDI ARABIA AGAINST AMERICANS OF JEWISH FAITH

Mr. HUMPHREY. Mr. President, 3 months ago on the Senate floor I raised the issue of discrimination by the Government of Saudi Arabia against Americans of Jewish faith. Since that time this issue has been receiving increased attention at home and abroad. On various occasions both President Eisenhower and Secretary Dulles have admitted and defended this Government's acquiescence in these discriminatory practices. I should like to repeat today my condemnation of an unalterable opposition to our official position on this matter.

Recently, Rabbi Max A. Shapiro, of Temple Israel, in Minneapolis, Minn., delivered a lecture on this subject entitled "A Matter of Principle." I should like to commend that lecture to the attention of my colleagues. It is an accurate historical review of similar incidents in American history when nations with whom we had treaty obligations denied equal protection and equal privileges, under the law, to Americans of other religious faiths.

I am happy to note that in other instances, going back to the earliest days of this country, back to the days of President Buchanan, back to the early 1800's and 1900's, our Government has stood for principle, and has either abrogated a treaty, or has insisted that the laws of other nations be amended so that Americans could be treated on the basis of equity and equality.

This is a fundamental principle. Our Constitution provides that there shall be no discrimination on the basis of religious affiliation.

Mr. President, I think it is about time the Congress of the United States paid more attention to some of the executive agreements, and, indeed, some of the treaty obligations, into which we have entered, which permit the kind of religious discrimination and second-class citizenship for American citizens to which I have referred.

I ask unanimous consent that the lecture by Rabbi Shapiro be printed in the Record at this point in my remarks.

There being no objection, the lecture was ordered to be printed in the Record, as follows:

A Matter of Principle—Aspects of United States Policy in the Middle East

It is not my purpose this evening to talk to you about the crisis in the Middle East—the significance of the Baghdad Pact—the effect of the new cease-fire agreement, or whether war is inevitable despite all that has occurred. All this you can obtain in the newspaper accounts and in magazines from sources far more authoritative than I.

What I do propose to consider is a matter of principle—a matter of principle relative to the relation of our country to Saudi Arabia.

On February 24, Secretary of State Dulles appeared before the Senate Foreign Relations Committee. He was questioned on American policy in the Near East. He made a number of remarks indicative of the attitude of the State Department in the Near East crisis—remarks which bear some scrutiny.

In answering questions about Arabia's discrimination against American Jews in particular and Jews in general, Mr. Dulles made the singular statement that animosity was present because the Arabs credited the Jews with the assassination of Mohammed. Where or how he arrived at that conclusion is not known—whether this was a carryover from an inner conviction of the crucifixion story is hard to tell—but that it was completely erroneous is most evident. For the Koran, the holy scripture of the Arab world, describes in great detail the natural death of Mohammed, and it is there for all to see. When Mr. Dulles learned of the factual inaccuracy of his testimony, he had the official record corrected, deleting the assertion that the Jews had killed Mohammed. The statement was made to read that Arab animosity goes back to the time of Mohammed—some 1,300 years ago.

This attitude of justification of Arab discrimination against Jews evinced a number of protests from the American Jewish community, but it was a second statement made by Dr. Dulles to which I want to call your attention at this time.

On questioning by Senator HUMPHREY, the Secretary of State admitted that no Americans of Jewish faith have been assigned to service at Dhahran, the United States airbase in Saudi-Arabia. This, he explained, was in pursuance of an Executive agreement of 1951, an agreement which does not require congressional action. On further questioning he indicated that we as a nation tolerate such discrimination "in order that this country and the Arab States may get along together to mutual advantage." "We hope," he stated, "that there can be greater moderation and greater tolerance, but we cannot prescribe it from abroad or expect to bring it about suddenly."

This raises some interesting and provocative questions. Are Americans, who happen to be Jews, placed in a second-class category because of their religion? Is our Government, because of pressure from an outside source, abrogating a basic principle of American democracy? Is our State Department more interested in expediency than principle? Are the rights of American citizens expendable items to be bargained away on the international trading counter?

And if all this is so, should we as a group protest? Should we call undue attention to ourselves; shall we jeopardize American strategic and economic interests merely to preserve basic American rights and principles? Or do we remain silent, for this, too, shall pass away?

Let us look at the record.

In 1851 the American Minister to Switzerland signed a general treaty with the Swiss Confederation establishing the rights of the citizens of each country to travel and sojourn in the other. Specifically it stated that the citizens of both countries "shall be admitted and treated upon a footing of reciprocal equality." Now the Swiss Confederation consisted of a number of cantons, each governed by its own constitution, some of which subjected the Jews to severe restrictions and disabilities; and when 5 years later, in 1856, a Mr. A. H. Goodman, an American Jew, was threatened with expulsion from one of the cantons, he appealed to Theodore Fay, the American Minister. Mr. Fay found that, under the provisions of the treaty, he was powerless to help.

But the case became known to the general American public. Jews in America held protest meetings. Editorial comments in the newspapers backed them up. Christians everywhere came to their support. An American principle was at stake. A committee headed by Rabbi Isaac M. Wise, the outstanding leader of Reform Judaism, was dispatched to meet with President James Buchanan to make protest. President Buchanan promised to do his utmost in the situation.

From the exchanges that followed between the two governments, it was evident that the Swiss cantons would have to amend their basic laws if American Jews were to have the same rights within their borders as other Americans. The United States pressed the issue, President Lincoln even going so far as to appoint a Jew as consul to Zurich. In 1874 the Swiss Confederation adopted a new constitution which erased all distinction between religions.

A similar situation developed in our relations with Russia during the 19th century.

In 1832 the United States concluded a treaty of commerce and navigation with Russia. This agreement specified that American citizens might enter and reside in that country subject to local laws and ordinances. As you know, the 1800's were years of vast Russian persecution against the Jews, and Russia taking her stand on the proviso that Americans were subject to local laws and ordinances, asserted the right to subject American citizens of Jewish faith to the same restrictions that she imposed on her own Jewish subjects.

Nothing was done until 1866 when a specific incident arose. An American Jew, Theodore Rosenstraus by name, was denied the right to acquire real estate in the city of Kharkov because he was a Jew. This appeal for diplomatic aid coupled with the appeal of another American Jew who was banished from St. Petersburg because of his religion set off a series of diplomatic exchange between the two countries.

The United States took the position, based on a note by Secretary of State Blaine, in 1881, that "it could not accept any construction of the existing treaty that discriminated against any class of American citizens on account of their religious faith." Although the Russians maneuvered and replied that "it was the desire of the Emperor to show all possible consideration to American citizens," new cases in the controversy continued to crop up. In 1893, the news that Russia was refusing to grant visas to American Jews precipitated resolutions in Congress calling upon the President to put an end to such religious discrimination.

The exchange of notes between the two governments continued. In 1907, however, the new Secretary of State, Elihu Root, issued a new note, a note that abdicated the American position to Russian demands. This pronouncement stated that all Americans who had been former Russian subjects could not expect American protection should they return to Russia for any purpose.

There was a vigorous outcry of protest and demand from the American Jewish community. The demand was that the treaty of 1832 be revoked, and a new treaty made, a treaty in which there would be no ambiguity as to the complete equality of the American Jewish citizens.

Our Government did not want to accede. It pointed out the importance of the far eastern trade with Russia. At a conference with representatives of the B'nai B'rith, the American Jewish Committee and the Union of American Hebrew Congregations, President Taft read a prepared paper to the effect that the abrogation of the treaty would do more harm than good. It would not only hurt the country, it could harm the Jews. Large investments in Russia would be jeopardized. Even war might ensue.

But the matter had now been taken up by the American public. It was a matter of principle not investments. The Constitution not only proclaimed the equality of each citizen but demanded no distinction among citizens because of religion. In accordance with this, the United States could not possibly maintain a treaty in which these principles were ignored by the other side.

The protests to the treaty on this matter of principle grew. A national citizens committee headed by two prominent Americans, Andrew D. White, a former Russian Ambassador, and William D. McAdoo, a prominent lawyer, was formed to press the issue. State legislatures passed resolutions calling for abrogation of the treaty. The pressure mounted and mounted. Finally in 1911, the House of Representatives voted, 300 to 1, that the treaty be annulled. Before the measure could reach the Senate, the United States Government terminated the agreement.

Which brings us to the matter in question. What is the situation in regard to Saudi Arabia? We do not have a treaty in the general terms of the Swiss or Russian agreements. The only provision in the agreement that bears upon our problem is a detailed exposition of a standard principle in international law whereby any state can exclude the nationals of any other state. We as a Nation have the right, and we exercise that right, to scrutinize the credentials of all members of foreign missions who come to this country.

On the surface there is no breach of the agreement when Americans unfavorable to the Arabian Government are refused admittance, or when our Government, in order to avoid embarrassment and unnecessary paper work does not submit the names of such persons when it presents a list of the members of our military or diplomatic mission. There is no breach of the agreement, no breach of the contract, but there is a moral breach. It is the same moral violation that existed in the situation with Switzerland and with Russia.

A lie is not necessarily verbal. Discrimination is not only an overt act. A lie can be told by silence. Discrimination can be practiced by innuendo, by a shrug, by a wink of the eye.

And in the case of our agreement with Arabia, discrimination is being practiced by inference. I know Dahran, the Arabian airbase. I was there in 1944. No American soldier cherishes duty in that heat and sand. But this is a matter of principle: American citizens are being placed in a second class category because of their religion.

In the matter of military or diplomatic personnel, the Arabian Government has placed a blanket rejection on all American Jews. It limits visas to Americans for business purposes only. And these violations are not unrecognized by our State Department—Mr. Dulles has stated: We hope the situation will change "but we cannot prescribe it from abroad."

We cannot dictate it, it is true. We cannot prescribe it, it is true. But we need not subscribe to it.

When we did not subscribe to this policy in the case of Switzerland, the policy was altered. When we did not consent to it in the case of Russia we terminated our agreement. Are we so changed today? Are we so devoid of principle today?

I know that conditions are different. I know that we are now engaged in a vast cold war. I know that we are concerned with investments, with making friends, with security.

But we are not merely a body of investors. We are not merely intent upon making friends. We are not merely a Nation out to encircle and entrap Russia. We are a country of free men.

Our greatness is built on our freedom. Our freedom is moral, not material. We as a people have a great passion for gain. We should have a deeper passion for the rights of man. The principles on which this country was founded and nurtured are not incompatible with great material prosperity. But we should be unwilling to have prosperity, we should be unwilling to have great gain, if citizens must be shunted for it—if they must lose the rights which belong to every American. The cost is far too high. The price is far too great.

JOINT USE OF COLUMBIA RIVER WATERSHED BY THE UNITED STATES AND CANADA

Mr. NEUBERGER. Mr. President, few domestic questions concerning water development are more crucial than the necessity for the United States and Canada to work out mutually satisfactory plans and agreements for the joint use of the great Columbia River watershed, which belongs geographically to both nations.

I ask unanimous consent to have printed in the body of the RECORD three illuminating and nonpartisan articles on this critical problem written by Mr. Peter Inglis, associate editor of the Vancouver, B. C., Daily Province, and published in that newspaper for April 23, 24, 25, and 26, 1956.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Vancouver (B. C.) Province of April 23, 1956]

COLUMBIA RIVER CRISIS: 1. THE PROBLEM—THE CLASH ON THE COLUMBIA—WILL CANADA OR UNITED STATES GROW?

(By Peter Inglis)

(First of three articles)

SEATTLE.—Summing up after nearly a full day of debate, Mr. Leon J. Ladner, Q. C., of Vancouver, brought it down from the legal stratosphere to its earthy essentials: "Competition for power is really the issue."

And, sitting on the sidelines, President Norman A. MacKenzie of the University of British Columbia murmured to a neighbor an even tenser summary:

"What it's really about is: Who grows?"

Mr. Ladner, Dr. MacKenzie and a half dozen other Canadian legal experts had come down to the University of Washington late last week for a Pacific Northwest regional meeting of the American Society of International Law to thrash out a number of the legal aspects of Canadian-American relations and, in particular, those of the program billed as "Diversion of Columbia River waters." (Actually it went a good deal further than that.)

The United States State Department and the Canadian Department of External Affairs took the discussion seriously: both had asked for a verbatim transcript, and a court reporter recorded it all.

If you want to regard it strictly as a debate, you can say that the Canadians won hands down—chiefly because they had done their homework better than most of their American colleagues.

But you could argue that it was something a good deal bigger than a contest of opinions. You might even claim, without exaggerating much, that it was a first serious step toward creating the atmosphere for an amicable settlement of a situation in which, in the words of Senator RICHARD L. NEUBERGER of Oregon in a recent report to the Committee on Insular and Interior Affairs of the United States Senate, "failure to reach agreement on a mutually beneficial program * * * would threaten the gravest crisis in modern United States-Canadian relations, as well as incalculable economic loss to both countries."

Certainly at the start both sides were firmly entrenched in fixed positions behind their respective interpretations of international law but by evening were approaching a meeting on the common ground of the good sense and friendship of their two countries.

At this point it might be well to take a look at the background of the Columbia River issue—a look which some of the American participants in the discussion had not taken closely enough (one of them even seemed to think that the proposal of the Kaiser interests to generate power on the Columbia in British Columbia for use in an aluminum smelter in the United States was still in the cards; he was unaware that it had been killed stone-cold dead long since by the Canadian Parliament's famous bill 3).

Very much condensed, the background goes like this:

The United States today is drawing some 7 million kilowatts, or about 9,300,000 horsepower, of hydroelectric power from the Columbia basin. It expects to need about double that amount within 10 years.

The American investment in existing power plants in the basin is about $1,500,000,000. New plants now under construction represent another $1 billion, and a further $2 billion worth are on the drawing boards, with the funds already authorized.

The plants now existing and under construction represent just about the full potential of the river as it is today. The projected construction requires a system of up-river storage to retain the surplus flow during floods and the months of heavy runoff (today wasted out to sea) and to release it during the seasons of lower water.

One of the principal means of storage would be the projected Libby Dam on the Kootenai River in northwestern Montana. The Kootenai starts life as the Kootenay in British Columbia, runs south to the international border; loops through Montana and the northeastern corner of Idaho, crosses back into British Columbia (picking its terminal "y" up again) and eventually joins the Columbia at Castlegar, some 20 miles north of the boundary. The dam would back a vast volume of water into Canada; the flooding would be 150 feet in depth at the boundary.

The water thus stored would drop only a modest 360 feet through the existing small dams on the West Kootenay in Canada, but would then fall through a head of nearly 1,300 feet on its way through the Columbia River dams in the United States. That is to say, each ton of water originating in Canada and stored in Canada would release nearly four times as much energy in the United States as in Canada.

The Libby Dam project, authorized by the United States Congress, was put before the International Joint Commission to secure the necessary Canadian approval. The Canadian section of the Commission proposed that the United States pay Canada substantially for the upstream storage, here and elsewhere, from which the United States would derive great downstream benefits. The United States section of the Commission claimed the Canadian figures were much too high.

Failing agreement on American payment for what was, in effect, Canadian power potential, the chairman of the Canadian section, Gen. A. G. L. McNaughton, who is also an engineer, came up with a proposal of his own for Canadian use of that potential.

He proposed to divert a large part of the flow of the headwaters of the Kootenay into Columbia Lake from which the Columbia River rises; to dam the Columbia either at Downie Creek or, more probably, at Little Dalles, just north of Revelstoke, and to divert about one-fourth of its flow (augmented by the Kootenay) through a 7-mile tunnel under the watershed into the Fraser Basin, where it would flow through Shuswap Lake, the South Thompson and the Thompson into the Fraser.

This would add between 2 million and 3 million horsepower to the power potential of the Fraser Basin and would be of immense value in meeting British Columbia's fast increasing energy requirements. (In its submission to the Gordon Commission on Canada's economic prospects, the Province estimated that its power consumption would increase by 457 percent between 1955 and 1975.)

The American members of the International Joint Commission, under Len Jordan, former Governor of Idaho, argued that this project would ruin the downstream American development of the Columbia. The Canadians maintained that it would not reduce the flow across the international border. (That the diversion of the Kootenay would make the Libby Dam project impossible was incontestable, but outside the mainstream of argument.)

There was an element of a certain wry humor in this situation. On the one hand the Americans were arguing that in the matter of storage upstream Canadian water was of relatively little importance—indeed, they launched a fairly intensive propaganda campaign, which still continues, to persuade Canadians that cheapening steam power and potential atomic power would make the water become steadily less valuable, so they had better let it go now. On the other, they contended that the diversion of the same water would ruin some $2 billion of power planning.

The deadlock in the International Joint Commission became so serious that Prime Minister St. Laurent raised it at his White Sulphur Springs meeting with President Eisenhower a month ago. On April 9 he said in the House of Commons that "there was a feeling that the Chairmen of the two sections (of the Commission) had publicly expressed views so diametrically opposed to each other that there was little probability of their making the kind of progress we would hope would be made" and that in his talks with Mr. Eisenhower "it was left that the matter would be further discussed between our Department of External Affairs and the Department of the Secretary of State."

Where do we go from here? To an agreed solution or to the International Court of Justice at The Hague? I shall discuss that choice tomorrow.

[From the Vancouver (B. C.) Province of April 24, 1956]

COLUMBIA RIVER CRISIS: 2. THE LAW—A DISTASTEFUL TREATY THAT REBOUNDED

(By Peter Inglis)

(Second of three articles)

SEATTLE.—I wrote yesterday that there was a certain wry humor in the American position toward Canada in the Columbia River argument—that on the one hand the river's water, when stored on Canadian soil for downstream use in the United States, is of trivial value; on the other, when a Canadian proposes to divert some of it into the Fraser it becomes of critical necessity to American power development.

There is a touch of the same sort of irony in the origins of the Boundary Waters Treaty of 1909, the hub around which the legal argument revolved, sometimes acrimoniously, in the Canadian-American round-table debate at the Pacific Northwest regional meeting of the American Society of International Law here late last week.

Article II of the act, which is its core in this instance, reads in part:

"Each of the high contracting parties reserves to itself or to the several State governments on the one side and the Dominion or provincial governments on the other * * * the exclusive jurisdiction over the use and diversion, whether temporary or permanent, of all waters on its side of the line which in their natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs. * * *"

The irony is that the first section, which repeats the so-called Harmon Doctrine that a country has absolute control of everything within its borders, was put in at the insistence of the United States Government and against considerable Canadian resistance; the second, providing legal recourse against the effects of this policy, was a reluctant sop from the United States to Canada.

Today, in the Columbia case, the United States is loudly protesting a proposal to divert a part of the river's flow in Canada, and American legal experts at the round table here were talking darkly of legal recourse going all the way to an injunction to prevent the diversion being carried out.

In 1909, in the matter of some minor Canadian-American rivers, the shoe was on the other foot. Prime Minister Sir Wilfrid Laurier, explaining to Parliament why he had felt compelled to accept a distasteful treaty, said:

"Was it not wiser, then, under such circumstances to say: Very well, if you insist upon that interpretation you will agree to the proposition that if you do use your powers in that way you shall be liable to damages to the party who suffers. At the same time we shall have the same power on our side, and if we choose to divert a stream that flows into your territory you shall have no right to complain, you shall not call upon us not to do what you do yourselves, the law shall be mutual for both parties."

(For this quotation, as for much other material in these articles, I am indebted to a masterly brief prepared by Mr. Leon J. Ladner, Q. C., of Vancouver, of which he was able to read only part at the meeting here.)

Thus what was sauce for the goose half a century ago has now become sauce for the gander.

And the gander doesn't like it.

The American position on the legal aspects of the Columbia argument was put by Mr. Elwood Hutcheson of Yakima, Wash., who quoted extensively from—and appeared to be speaking on behalf of—ex-Governor Len Jordan of Idaho, the chairman of the United States section of the International Joint Commission.

His argument, much condensed, was that:

First. The United States had an overriding need of Columbia water for power generation, irrigation of an eventual 1 million acres, its atomic program (the Hanford Atomic Works use an immense volume of water for reactor cooling), and navigation; furthermore, a diversion into the Fraser would endanger fisheries in which the United States has an interest.

Second. In the 1909 treaty "diversion" means only normal uses of water, and not a major alteration of the river's flow, and applies only to individuals, not governments.

Third. Legally, equitably and morally Canada has no right to divert a quarter of the Columbia's flow because of the common-law riparian doctrine which guarantees water to downstream users and also because of the arid-lands doctrine, developed during the settlement of the West (and actually conflicting with the riparian doctrine) of prior appropriation, or "first in time, first in law," which protects water users from future encroachments.

Fourth. The wording covering legal recourse mentions only "private parties" with a small "p" and not the High Contracting Parties, with capitals, who have overriding rights.

5. In any case, under the international-law principle of "rebus sic stantibus"—that a treaty only has force while the circumstances remain unchanged—the 1909 treaty can be abrogated.

6. Failing all this, the treaty itself provides that it can be terminated on a year's notice.

The Canadian legal position, set out by Prof. C. B. Bourne, of the University of British Columbia, with such remarkable skill that he was loudly applauded by Americans to whom what he was saying was thoroughly distasteful, goes this way:

1. The language of the Boundary Waters Treaty is absolutely clear, and hence so is the Canadian right to divert Columbia water.

2. Even if the Harmon doctrine embodied in the treaty is rejected (as it is by most countries) the alternative is an agreement based on apportionment of benefits—in other words, the countries sharing possession of a river must also share the benefits from it, which makes the test of a diversion its reasonableness—and the proposed diversion is reasonable.

3. The diversion would not injure any downstream interests and the question of compensation does not arise.

4. If the question were to arise, however, the Boundary Waters Treaty gives Americans the same rights as, and no more than, Canadians; in this case the rights are defined by the British Columbia Water Privileges Act of 1892, which provides that only licensed users of water are entitled to compensation, and it is highly unlikely that the courts would interpret an American right of prior appropriation as the equivalent of a license issued by the British Columbia controller of water rights.

5. The prior appropriation doctrine invoked by the Americans applies only to actual use of water; it does not apply to plans to use water in the future; declaring the intention to build dams, or even having them under construction, is not prior appropriation.

6. As far as the Government of the United States is concerned, its only claims for compensation from Canada would be political, not legal; it is extremely unlikely that an international court would uphold them.

Here were two fixed positions, and if the countries involved had been different the argument might have been left there deadlocked.

However, the people facing each other across the table were neighbors and friends. They began to look for a compromise.

[From the Vancouver (B. C.) Province of April 25, 1956]

Columbia River Crisis: 3. The Solution—Joint Development Would Benefit Both

(By Peter Inglis)

(Last of three articles)

Seattle.—As Mr. Leon J. Ladner, Q. C., of Vancouver, observed at the close of the Columbia River roundtable of the American Society of International Law, it would be an absurdity to think of Canada and the United States taking a dispute to the International Court of Justice or to consider the possibility of the United States abrogating a treaty after the two countries have observed it for nearly half a century.

By then, however, the discussion had drifted a long way away from the technicalities of the Boundary Waters Act and of Canadian rights to divert part of the river's flow, and had descended to practical commonsense.

A notable contribution came from Mr. Cameron Sherwood, onetime assistant United States attorney for the western district of Washington, who regretted that both sides had already taken insular positions and feared that if each proceeded independently both would suffer.

He argued for some sort of joint Canadian-American authority through which the two countries could share the full use of the river.

He was backed up by Mr. R. P. Parry, chairman of the Idaho Joint Commission for the Columbia River Compact.

Mr. Parry offered that compact, which has successfully reconciled what once seemed to be the irreconcilable interests of the States of Washington, Oregon, and Idaho, as a pattern for a joint Canadian-United States development and use of the Columbia.

The Columbia Basin, he argued, was a single unit, divided only artificially by the international boundary; to extract its full potential, planning must be applied to it as a whole. Doing otherwise, Canada would lose more power than she could gain by any diversion.

He proposed hydraulic and electrical integration of the two countries' shares of the basin—in other words, joint use of water and joint apportionment of the power derived from it.

With this latter point, the real nub of any settlement of the Columbia dispute had at last been reached; British Columbia must receive its fair share of the power the river creates, and in practice that means a share of the power developed by the $1,500,000,000 worth of dams now in service on the American section of the river, the $1 billion worth under construction, and the additional $2 billion worth now projected.

Strangely, nobody at the roundtable pointed out that the solution creates a new problem:

Today British Columbia's needs for power are relatively small compared with those of the American States in the Columbia Basin. But they are unlikely to remain so. The British Columbia Government's submission to the Gordon Economic Commission foresaw a nearly fivefold increase in the province's power consumption between 1955 and 1975, and this would alter the proportionate Canadian and American shares of Columbia power under any pooling arrangement.

This question had to wait until after the end of the roundtable before it was tackled.

The tackler was Prof. Maxwell Cohen, who holds the chair of international law at McGill and who had flown from Montreal to speak at the annual world affairs symposium dinner, held in conjunction with the international law meetings.

He said flatly it could be done, and his views are worth quoting in full:

"The entire Columbia River problem lends itself superbly not only to regional joint planning but to regional joint management.

"The only way we can assure the maximum utilization of the resources is by a commonly designed and agreed-on operation.

"This means something corresponding to a supranational or binational authority, and lessons might well be learned from the European steel and coal community, which has handled a much more difficult task.

"The only difficulty is that during the first period of operation the United States will need more power than Canada.

"It must be clearly understood, however, that as Canada's needs increase her allocation must rise, and the United States can have no vested interest in the first temporary allocation.

"The United States can compensate for this by preparing at the very same time supplementary sources of power originating in the United States such as, first, a more efficient utilization of the United States section of the Columbia and, second and more important, the development of atomic energy sources that are likely to come to fruition in the next 15 to 25 years."

In other words, American power for Canada, not Canadian power for the United States.

A visionary solution?

I thought so. But the Americans at the conference—many of them the hardheaded legal representatives of public bodies and private corporations with vested interests in the fullest development of the Columbia, seemed unanimous in their approval; the Seattle Times applauded Professor Cohen in a lead editorial.

And there it stands.

The disagreement that arose first from American refusal to accept Canada's terms for Canadian upriver storage of water for American turbines, and was accentuated by a Canadian proposal to divert the Kootenay into the Columbia and part of the Columbia's flow into the Fraser, has been taken out of the hands of the International Joint Commission and transferred to the ministerial and diplomatic level.

And here in Seattle a number of Canadians and Americans of good will have given the problem its first complete airing—with the department of external affairs and the State Department both asking for verbatim transcripts.

Perhaps this is a start toward settling potentially "the gravest crisis in modern United States-Canadian relations" (to quote Senator Richard Neuberger's report to a committee of the United States Senate) in the way that has become traditional on this continent—by friendly agreement, not by conflict.

[From the Vancouver (B. C.) Province of April 26, 1956]

The Seattle Times Says: "Share the Columbia's Resources"

As a footnote to the series of articles about the Columbia River debate, we reprint an editorial from the Seattle Times commenting on a Canadian proposal for settling what might become a serious dispute.

"A Canadian law professor has proposed an eminently reasonable method of approaching a solution of the dispute between his country and the United States over Columbia River power resources.

"Influential figures in the Canadian Government want to divert much of the upper Columbia flow into the Fraser River and thus keep the power in Canada. United States members of the International Joint Commission say that such action would infringe upon this country's vested rights.

"Maxwell Cohen, who holds the chair of international law at McGill University, Montreal, says many points might be made on both sides. But foregoing a lawyer's natural inclination to develop legal issues, he suggests a broader commonsense approach: Why shouldn't the two friendly countries agree on a joint development plan?

"Cohen indicated that his first thought was toward a form of supranatural authority, somewhat similar to the plan under which nations of Western Europe have pooled iron and coal resources. This method might not be acceptable, but some form of effective cooperation should be sought.

"The basic fact is that the Canadian portion of the Columbia River, if harnessed by storage dams, will provide millions of kilowatts of additional power—partly in Canada, partly in the United States. If the water should be diverted to the Fraser River, the cost would be tremendous. The Fraser River fisheries would be endangered. Essentially the same number of added kilowatts would be produced as if the stored waters were permitted to flow down the Columbia River route. But all the added kilowatts, under the diversion plan would be produced in Canada.

"Canada clearly is entitled to reasonable payment, in dollars or kilowatts or both, if its upstream storage facilities are developed in a manner which adds substantially to power production at plants on the United States section of the Columbia. If the two countries approach the problem on the basis of a development plan that will utilize the full power potential at the lowest development cost, it should not be too difficult to reach an acceptable formula for sharing costs and power.

"This would be infinitely preferable to permitting the dispute to become acrimonious, leading the two countries to the World Court, and perhaps getting a decision that would satisfy neither."

PEACEFUL USES OF ATOMIC ENERGY

Mr. BUTLER. Mr. President, to conserve the time of the Senate, I ask unanimous consent to have printed in the body of the Record a statement which I have prepared, relating to the peaceful uses of atomic energy.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Butler

It was my good fortune to be able to attend the International Conference on the Peaceful Uses of Atomic Energy, conducted under the auspices of the United Nations last August.

You will recall that this Conference was held as the first step to implement President Eisenhower's program to harness the atom for the peaceful uses of mankind. Secretary General of the United Nations, Dag Hammarskjold, in his opening remarks to the Conference on August 8, 1955, said, "Let us not fail to recall on this occasion that it is to the initiative taken by the President of the United States in the General Assembly of the United Nations in December 1953 that we owe the origins of this Conference." We can all take pride in President Eisenhower's leadership in this new field of human endeavor.

The Atomic Energy Act of 1954 makes it possible for us to share our basic knowledge concerning the atom with the scientists of other countries. Today's technology is based on our accumulated heritage; the scientific knowledge contributed by mathematicians, scientists, and scholars from earliest times living in many countries of the world. Each new discovery provides material for further research to extend our boundaries into the unknown. Sharing our research in this new field is the greatest contribution we can make toward enabling all the peoples of the world to use this great potential source of energy for the benefit of mankind.

Toward this end we have furnished technical libraries of nonclassified data on nuclear energy and its applications to 44 countries under the atoms-for-peace program. They include Italy, Spain, Australia, Sweden, Greece, Egypt, Burma, Denmark, Austria, the Philippines, Finland, Turkey, the Netherlands, New Zealand, Portugal, Peru, South Africa, Israel, Norway, India, Argentina, France, Japan, Brazil, the Council for European Nuclear Research (Switzerland), Chile, Republic of China, Dominican Republic, Haiti, Lebanon, Pakistan, Switzerland, Thailand, Uruguay, and the United Nations Library in Geneva. Additional libraries will be presented to Ceylon, Korea, Luxembourg, Guatemala, Costa Rica, Iraq, Venezuela, and Iceland.

The library was developed by the Technical Information Service of the Atomic Energy Commission. It occupies 300 feet of library shelving and weighs approximately 1,000 pounds. It consists of about 10,000 Atomic Energy Commission research and development reports, 34 bound volumes of scientific and technical texts on nuclear theory, and 11 bound volumes of abstracts of some 50,000 reports and articles published in this country and abroad. The library will be kept current and additional reports will be supplied as they are issued.

This program will make it possible for those foreign students, who come to the United States to study nuclear theory at the Argonne National Laboratory in Chicago, to continue their research after they return to their own country.

On March 28, Ambassador Henry Cabot Lodge, Jr., presented the library to the United Nations in New York. This is a further contribution to the program launched by President Eisenhower before the General Assembly of the United Nations in December 1953, now made possible by the Atomic Energy Act of 1954 enacted by the Republican 83d Congress.

Obviously, no classified material or information on atomic weapons will be included in these libraries. Our interest is only to further the peaceful uses of atomic energy. Ambassador Lodge stated that we expect to receive similar information for libraries in this country from those nations which are the recipients of our gifts.

I append at this point the text of Ambassador Lodge's statement on this occasion.

Statement by Ambassador Henry Cabot Lodge, Jr., United States Representative to the United Nations, at the Presentation of the Atomic Energy Library to the United Nations

When speaking of atomic energy, we have become accustomed to talking in terms of reactors and megatons, kilograms of fissionable materials, and millions of dollars for equipment and research. Today we are talking only of books—but books are the bedrock of scientific progress.

The library which the United States Government has the honor of presenting to the United Nations today contains 45 volumes of information on basic research in atomic energy as well as many thousands of articles and technical reports published in this country and abroad. There are also many thousands of cards which index and describe all the nonclassified literature of the Atomic Energy Commission.

This library will be kept up to date by the Atomic Energy Commission as new material becomes available.

In a statement made on the floor of the General Assembly on November 5, 1954, I announced that the United States was prepared to make available to other countries the vast amount of documentation on atomic energy that was already freely published—totaling more than 200,000 pages of information. I suggested that we would be able to give 10 libraries containing these documents to countries interested in using them.

Since that time, not 10 but more than 40 countries have requested these libraries; 33 have already been presented and the others are on their way. Several more have been given to regional and international organizations interested in atomic energy development.

Our only request in return is that other cooperating nations send us their collections of official nonsecret papers to be placed in appropriate libraries in the United States.

The United States program of using the atom for man's betterment rather than for his destruction has proceeded along two lines of action; making facilities available and making information available. As President Eisenhower has said, our purpose is to spark the creative and inventive skills, to put them to work for the betterment of the conditions under which men must live. The President has also stressed this must be a joint effort—"a continued partnership of the world's best minds."

For these reasons, it is a pleasure for me today to present to the United Nations headquarters this library, symbolized by this one volume, for the use of the United Nations Secretariat and the delegations of member countries.

AUTHORIZATION FOR THE COUNTY OF CUSTER, MONT., TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, which was, on page 2, after line 13, insert:

> Sec. 2. The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this Act which the Secretary determines is excess to the needs of the Department of the Interior.

Mr. MURRAY. Mr. President, the Committee on Interior and Insular Affairs, having considered the amendment of the House, reports favorably thereon and recommends that the Senate concur in the House amendment.

I so move.

The **PRESIDENT** pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I express the hope that the Senate will be able to complete action on the bill today. I can see no reason for extended debate, especially since the Senate debated the vetoed bill, H. R. 12, at great length, and most of the provisions of the pending bill are taken from H. R. 12.

To begin with, the pending bill, as it came from the House Committee on Agriculture, was substantially the same as the bill which the President vetoed, with the exception of two Titles—Titles I and V. Title I of H. R. 12 dealt with 90 percent of parity price supports, reinstating the dual parity formula, and a few other minor provision. Title V of H. R. 12 would have provided two-price systems for wheat and rice. As I have said, those two titles of the original bill which was vetoed by the President were eliminated. The resulting bill, as reported to the House by the House Committee on Agriculture, was essentially the same as H. R. 12, as adopted in conference, without, of course, titles I and V.

On the floor of the House several amendments were adopted. Those amendments were carefully considered by the Senate Committee on Agriculture and Forestry, which eliminated three of them.

The first one was to extend the acreage reserve program to grazing lands, and all field crops designated by the Secretary. As Senators will recall, when the Senate version of H. R. 12 was considered several weeks ago an effort was made to place grazing lands in the program; that proposal was voted down. Also an amendment was offered to include other crop lands in the acreage reserve program, which would have had the effect of placing in the acreage reserve program any crop whose production was found by the Secretary of Agriculture to be in excess of domestic consumption requirements. As I recall, that amendment was proposed to the Senate by the Senator from Maine [Mr. PAYNE] and other Senators from the northeastern section of the United States. The general objective of the amendment was to permit potato growers and the producers of other similar nonbasics to participate in the acreage reserve program of the soil bank. The House saw fit to place a similar amendment in the bill. The Senate Committee on Agriculture and Forestry struck that provision from the bill.

In order to implement its broadened acreage reserve program, the House increased the authorized appropriation for acreage reserve purposes from $750 million to $800 million. The Senate committee reduced that authorization to the original amount of $750 million, since our bill omits the authority for including grazing lands and field crops in the acreage reserve.

An amendment adopted on the floor of the House extended to all agricultural commodities the prohibition on leasing Government lands for agricultural production. The Senate Agriculture Committee interpreted that amendment to mean that it would have prevented the grazing of cattle, sheep, and other animals. As a result, the committee struck that provision from the House bill, and reinstated the original language of that section—language contained in the vetoed bill. This language, instead of applying the prohibition to all agricultural commodities, confined its application to price-supported crops. Thus on all Government lands, the prohibition against planting and use will apply only with respect to price-supported crops.

The Committee on Agriculture and Forestry sought to give to the President everything he asked for in regard to the soil bank, wth one exception. That one exception was the authority to make advance payments. I shall discuss that point in a moment.

Since the President, through his Secretary of Agriculture, had fixed price supports at levels ranging from 82.5 percent to 86.2 percent of parity on basic crops, it was felt that it would be an idle gesture if we attempted in committee to reinstate higher price supports. Therefore the committee contented itself with the rigid price-support system fixed by the Secretary of Agriculture and suggested by the President in his veto message.

As I have said on several occasions, it was my considered judgment that in order to take the sting out of his veto message, the President suggested that price supports be raised and made rigid administratively, instead of their being fixed legislatively in the manner Congress sought to fix them.

It has been said that the price supports announced by the President are fair as to all commodities. I challenge that statement, and I am sure that many other Senators, as well as many farmers, will also challenge the statement. The Benson-Eisenhower program of administratively-fixed rigid price supports does not treat all basic commodities fairly, equally, or on the same terms. The program is a lopsided, one-sided program. It is an election-year monstrosity.

As I shall point out in a prepared statement in a few moments, corn received treatment that was far better than that accorded any other basic crop; in fact, corn was treated better than any other crop. It will be remembered that the biggest ruckus with respect to the farm bill was raised in the commercial corn area. Yet, as a matter of fact, I do not know of any other section of the farm bill which caused the Committee on Agriculture more trouble, and on which it spent more time, than the corn and small-grain provisions of the bill.

I presume that because of the discontent which existed in the commercial corn area, with respect to income, support levels, and acreage allotments, the President saw fit to raise the support price on corn in the commercial area from 81 percent of parity to 86.2 percent, or to $1.50 a bushel. That level was to apply to those commercial corn farmers who complied with acreage allotments. However, as to all other corn produced in the commercial corn area—that is, where the farmer did not comply with his acreage allotment—the President, through his Secretary of Agriculture, administratively fixed a price support of $1.25 per bushel. This was done for the first time in the history of our present price-support law.

As a result, in the corn area we have an anomaly. Those farmers who abide by acreage allotments will receive a support price of $1.50 a bushel, or 86.2 percent of effective parity. Those who do not comply will receive $1.25 a bushel, or about 75.7 percent of modernized parity—which is the equivalent of 71.8 percent of effective parity. By virtue of this double-barreled approach—one applied only to the commercial corn area—it is my humble judgment—and I imagine the judgment of many other Senators, as well as many farmers—that corn has received highly preferential treatment. The committee discussed the advisability of giving similar treatment to all other commodities. However, in fear that doing so would result in another veto, the committee decided to retain the system of price supports as fixed, or to be fixed, by the Secretary of Agriculture in accord with the President's veto message. Let me turn now to the advance payments scheme which was suggested by the President. The bill does not authorize advance payments for soil-bank participation. In this respect, the Senate committee follows the House bill. The majority of our committee felt that such payments would be unwise, impractical, and basically unsound.

For my own part, I consider the pay-in-advance proposal only an agricultural will-o'-the-wisp—something which appears attractive when viewed from afar, but which disappears when approached for close examination.

We have been told that the pay-in-advance scheme would increase farm income. Nothing could be further from the truth. Advance payments would not represent extra income. That is a matter of pure logic. Since soil-bank payments would be based upon the money a farmer might have netted had he planted his land instead of placing it in the soil bank, the most he might receive would be a payment equal to his net income had he planted those acres. Thus, any attempt to becloud the issue by declaring that soil-bank payments this year for participation in the soil bank next year will increase income, is pure and simple hokum.

For any such payment received in advance by a farmer in 1956 he would get that much less in 1957. I do not believe it to be either commonsense or sound policy for Congress to offer American farmers a political lollypop this year, at the expense of paying for the lollypop next year.

The farm price program we formulate this year must be a program based upon our best judgment as to what is sound policy, not merely what is the most expedient election-year policy. It must consider the future, as well as the present. Nineteen fifty-seven will bring its own share of farm problems; there is neither excuse nor necessity for compounding next year's problems by putting off until then the problems we should face today. The American farmer has never asked his Government for anything but fair and equitable treatment. That is what he expects; that is what we must give him.

Title I of the bill provides for a soil bank consisting of an acreage reserve and a conservation reserve. The acreage-reserve program would be applicable to wheat, cotton, corn, peanuts, rice, various kinds of tobacco, and feed grains. It would not be applicable to grazing lands or to field crops to be designated by the Secretary, as was provided by the House bill. There are no acreage allotments for grazing lands or for field crops generally. Acreage-reserve programs for them would have presented many problems. The conservation-reserve program would be applicable to all cropland, including lands devoted to crops, such as tame hay, which do not require annual tillage.

Acreage-reserve payments would be required to be made as soon as compliance with the acreage-reduction requirements of the program had been determined, and could not be made before that time. Conservation-reserve annual payments could begin as soon as the producer had set aside his land and taken all practicable steps to establish the conservation use on it.

In that connection, Mr. President, I wish to say that we wrote into the report a provision that a farmer who desired to place some of his land in the conservation reserve could do so and receive payment therefor, provided he has set the land aside, and provided he shows a clear intention not to use the land to produce crops. In the event such farmer desired to plant certain of his land in trees, and if the trees were available, they could be planted immediately; if not, the land could be set aside. In that case the farmer would be entitled to receive conservation-reserve payments. We felt that he should not be in any way punished because he might not be able to get sufficient grass seed for the acreage set aside or a sufficient number of trees to plant on the acres he set aside. Let me read the language in the report to which I refer. It is found on page 6:

> Subject to section 105 (b) it is intended that the Secretary shall have authority under the Soil Bank Act to provide for making payments to producers prior to their compliance with all the terms and conditions of the program for the year for which the payment is made. Thus, it would be permissible for the Secretary in contracts entered into under the conservation-reserve program for any year to provide that all or a part of the annual payment (provided for in sec. 107 (b) (2)) to which a producer would be entitled for compliance with the conservation-reserve program for such year would be made when the producer certifies that the cropland which he has agreed to devote to a conservation use had actually been devoted to such use or that he has actually set aside such cropland for such conservation use and has taken all practicable steps to establish the conservation use on the cropland so set aside. Under section 111, the Secretary is specifically authorized to furnish producers materials and services to assist them in establishing the conservation use provided for in their contracts. It is also intended that the Secretary shall have authority to make cost-sharing payments under section 102 (b) (1) in a similar manner for use by a producer in defraying that part of the cost to be incurred by the producer in establishing the conservation use which the Secretary has agreed to bear.

So, Mr. President, with that language in the report, declaring our intention, it is my judgment that the Secretary of Agriculture can, if he so desires, put the soil-bank program into effect this year, without any question.

Conservation reserve cost-sharing payments could be made as the work progresses, or the Secretary could furnish materials or services for such work, or make payments to suppliers furnishing such materials or services.

I may say, Mr. President, that the soil-bank provisions have not been basically changed. Virtually the same language incorporated in the original bill—the bill vetoed by the President—is contained in the bill now before the Senate. So I can see no need to spend very much time in rehashing and rediscussing that portion of the bill. Consequently, I again express the hope that debate on this bill will not be too extensive.

Title II of the bill treats of surplus disposal and provides for—

First, the orderly liquidation of CCC stocks of agricultural commodities. It is in almost the identical language which was incorporated in the bill vetoed by the President. For the sake of the record, I shall gloss over and point out the various provisions under title II of the bill.

It provides further for—

Second, submission by the Secretary to Congress of surplus disposal, food stamp, and food stockpiling programs.

Third, reinclusion of $1\frac{11}{16}$ inch and longer cotton in the 45.7 million pound import quota now applicable to cotton stapling $1\frac{1}{8}$ inch up to $1\frac{11}{16}$ inches.

Fourth, sale for export of current CCC stocks of extra long staple cotton.

Fifth, sale at competitive prices for export of a sufficient quantity of cotton to reestablish the United States share of the export market.

I shall explain that program in detail a little later, Mr. President, because in that section of the bill the Senate committee made changes as compared with the provisions which were in the original bill as passed by the Senate. It is known as the Eastland amendment.

Sixth, agreements with foreign countries to limit their exports of agricultural commodities and products to the United States.

Seventh, additional annual appropriations of $500 million to supplement section 32 funds.

Eighth, transfer to the supplemental stockpile of materials acquired by CCC through barter for agricultural commodities.

Ninth, duty-free importation of strategic materials acquired by CCC through barter.

Tenth, authority to pay $15,000 per annum to an agricultural surplus disposal administrator.

Eleventh, authority to use CCC funds to pay ocean freight costs on donations under title II of Public Law 480, or section 416 of the Agricultural Act of 1949.

Twelfth, a bipartisan commisison to recommend means of increasing industrial use of agricultural products.

That section was phrased in the same language contained in the original bill, with some exceptions which I shall point out a little later.

Thirteenth, donation of food commodities to Federal penal institutions and to State correctional institutions for minors.

Fourteenth, denial of price support or other benefits for surplus agricultural commodities grown on certain future Federal irrigation or drainage projects.

Fifteenth, payment by CCC of processing costs on food commodity donations under section 416 of the Agricultural Act of 1949.

The only differences between this title and title III of H. R. 12 are as follows:

First. Section 203 was not contained in House Resolution 12 which was vetoed by the President; however, it is very similar to a provision contained in House Resolution 12 as it first passed the Senate. It would direct the Commodity Credit Corporation to offer cotton for export at prices not in excess of those charged by other exporting countries and, during the marketing year beginning this August, at prices not in excess of the minimum prices charged under the export program announced August 12, 1955. The experience of recent weeks demonstrates that only nominal amounts of cotton will be sold under the present export program. Competitive pricing is the key to increased cotton exports, and American cotton must be permitted to move freely into world trade.

This provision, coupled with authority included in the House bill permitting the President to impose import quotas on foreign-made textiles, could result in considerably reducing the carryover of cotton in the United States, without injury to domestic users of cotton—provided, of course, the programs are administered in accord with the intent of Congress.

Mr. President, Senators will recall that recently an effort was made to sell surplus cotton under Secretary Benson's vaunted surplus disposal program. What the Secretary of Agriculture did was to place a floor—a fixed price—under which the cotton could not be sold. The original intent was to sell that cotton at world prices; by the time the State Department got through with the program, the cotton was offered at prices substantially above world prices.

The purpose of this amendment is to prohibit the Secretary of Agriculture from placing a floor price above the world market on surplus cotton he sells for export.

That is the essential difference between the original Eastland amendment and the provision which we have incorporated in the pending bill.

In other words, the next time the Secretary of Agriculture attempts to sell surplus cotton on the world market, he will have to permit the cotton to be sold at world prices, whatever those prices may be. He is, in effect, prohibited from placing an arbitrary floor under the price of cotton.

The second change among the 15 different subjects which I mentioned a moment ago was in section 209. That section remains substantially the same as it was in the conference report, except that it omits the language designating the committees of Congress to which proposed legislation recommended by the Commission on Increased Industrial Use of Agricultural Products would be referred.

It will be remembered that the provision, in a measure, had the effect of changing the Senate and House procedure as to the reference of bills. When the so-called Curtis amendment was reinstated in the bill, that part with reference to bills being referred to committees, and also other procedure to be followed, was stricken, so that any bill introduced must now be referred under normal procedure.

Title III of the bill relates to marketing quotas and acreage allotments, and is similar to title IV of H. R. 12. It provides for:

First. Extending to the 1956 and 1957 wheat crops, the surrender and reapportionment provisions which were applicable to the 1955 crop.

Second. Minimum national and State cotton acreage allotments in 1957 and 1958 equal to those for 1956. A slight change was made in that provision, and I shall explain this item a little later.

Third. Mandatory minimum cotton acreage allotments in all counties, including counties making farm allotments on a history basis, and the allotment of an additional 100,000 acres among States and counties on the basis of their needs for additional acres to provide minimum allotments to farms entitled thereto, and to provide fair allotments to other farms. That provision is effective only in 1957 and 1958 and is the same as that passed by the Senate when it considered H. R. 12.

Fourth. Minimum national and State rice acreage allotments in 1957 and 1958 equal to those in 1956. This provision is identical with the one in that first bill, with the exception that we have now added the year 1958. It will be recalled, as I shall explain more fully a little later, that the vetoed bill contained a 2-price plan for rice, and in that 2-price plan the acreage for 1957 was frozen. The pending bill provides a 2-price plan for rice, as I shall indicate later, but it is not mandatory; it is left to the Secretary of Agriculture to impose it if he desires to do so.

Let me state at this point, Mr. President, that the purpose of the cotton and rice acreage freezes provided in this bill is to preclude further drastic reductions in cotton and rice acreage, thus precluding at least in part, any more of the disastrous income-cutting which mandatory acreage cuts have heaped upon the heads of producers of these commodities in recent years. The acreage freeze is, in effect, a method by which we hope to put a floor beneath income of the producers of rice and cotton. We have applied the freeze to both State and national allotments for good reason. This application was not made to mitigate against the interests of cotton farmers in any State: rather, it is in the bill because the very purpose of the acreage freeze requires that it be there.

Since the acreage freeze has been imposed as purely an emergency measure, it would frustrate the very purpose of that freeze to permit shifts in cotton acreage from one State to another. Our desire was to assure farmer A in State X that his cotton acreage allotment, for example, would remain as nearly the same in 1957 and 1958 as it is today. With an acreage freeze in effect, it would be grossly unfair for farmer A in State X to have his acreage further reduced in 1957 and 1958 in order to increase the acreage of farmer B in State Y. With the freeze in effect, permitting acreage to shift from State to State, it would, to all intents and purposes, increase the income of some farmers, while the income of others would be reduced.

As I stated a moment ago, a formula has been incorporated in the pending bill whereby cotton acreage would be increased by 100,000 acres in order to assist small farmers. That was done in order to give to small farmers what we determined to be a fair, minimum amount of acreage.

We have felt, and I hope the Senate will agree, that since an acreage freeze is to be imposed as an emergency measure—and such a freeze is obviously necessary—then it should be a complete freeze. It should not permit one farmer to benefit from that freeze at the cost of another farmer in another State. To do so would frustrate the entire purpose of both the cotton and rice acreage freezes.

Fifth. An increase in the marketing penalty for peanuts from 50 to 75 percent of the support price;

Sixth. Six percent interest on peanut marketing penalties and a lien on the crop for such penalties;

Seventh. Preservation of the acreage history for allotment purposes of farms foregoing the planting of their allotments during the period 1956 to 1959; and

Eighth. Price support levels and requirements for corn in the commercial area during the years 1956 through 1959, and for corn outside the commercial area and other feed grains in 1956 and 1957.

The provisions I have just mentioned under items 5, 6, and 7 are the same as those which were incorporated in the bill vetoed by the President.

As to item 8, in the light of the changes made by the Secretary of Agriculture administratively in regard to the price supports on corn, the Senate committee saw fit to make an effort to place the producers of small grains on at least a somewhat equal footing with the corn producers.

The provisions dealing with corn and feed grains were among the most difficult provisions to work out in the consideration of H. R. 12 and also in the consideration of the current bill. It was the purpose of Congress in H. R. 12 and of your committee in considering H. R. 10875 to provide price supports for each of the feed grains which would bear a fair and normal relationship to the support prices for the others, particularly for corn, which is the principal feed grain. The committee's recommendations have been designed to reflect the changed circumstances which have resulted from the actions of the administration since Congress passed H. R. 12.

In the President's message announcing his veto of H. R. 12, a new, revised program of rigid price supports for 1956 was announced. Under this new program, corn producers in the commercial corn area were the beneficiaries of rank favoritism. The entire program was a program by corn, of corn, and for the benefit by corn. Other feed grain producers were shabbily treated. Their competitive position was imperiled; the only logical end-result of the veto-message price support schedule, as announced, would have been to provide a bonanza for corn farmers in the commercial area—both compliers and noncompliers.

In his veto message of H. R. 12, the President objected to the feed grain price support provisions of that bill on the grounds that they would increase feed prices and distort price relationships. At that same time he stated that administrative action would be taken to raise the support price of corn, the principal feed grain, from $1.40 or 81 percent of parity—which had previously been fixed—to $1.50, or 86.2 percent of parity, and that the corn price support for non-cooperators would be raised from zero to a price to be announced. Since the veto message, the support price to cooperators has been fixed at $1.50, and the support price to noncooperators has been fixed at $1.25. The support price to producers outside the commercial area has been raised from $1.05 to $1.12½.

The committee saw no justification for fixing the support price for a farmer who is subject to acreage allotments, but does not comply with them, on the basis of a support level of $1.25, and fixing the support price for the farmer across the road who is not subject to acreage allotments on the basis of a support level of $1.12½.

The committee has, therefore, left the price for producers in the noncommercial area at 82½ percent of the level in the commercial area as prescribed by the House bill. This would result in a price of $1.237, which corresponds closely to the $1.25 price for noncooperators. The committee also felt that increasing the price support level for corn from 81 percent to 86.2 percent of parity, and increasing the price support available to noncooperators from zero to $1.25, would certainly result in distortion of the price relationships between corn and the other feed grains, unless corresponding increases were made in support levels for the other feed grains. The price of $1.25 fixed by the Secretary for noncooperators is equal to 75.7 per-

cent of the modernized parity price for corn, and the committee therefore fixed the 1956 support prices for the feed grains—that is, barley, oats, rye, and grain sorghums—at 76 percent of parity. Since support at $1.25 for noncooperators does not depend upon compliance with acreage allotments or whether an acreage reserve program is in effect for corn, the support price for 1956 for the feed grains would also be made available without regard to compliance with acreage requirements or soil-bank participation, and without regard to whether an acreage reserve program is in effect for corn.

In other words, we sought to give the producer of small grains a fair deal. In light of the fact that the President saw fit to have his Secretary of Agriculture administratively fix support prices for corn—I would say arbitrarily—at $1.50 in the commercial area for those farmers who remain within their allotted acreages, or $1.25 where the sky is the limit and they can plant as much as they want, we thought it was only fair to treat the producers of other feed grains in a similar fashion.

The formula I have just indicated would be effective for 1956 only. What prompted us to come to that conclusion was that because of the lateness of the season, it is now impossible to establish base acres for small feed grains.

The committee also considered the feed grain situation with respect to 1957. It will be recalled that the bill which the President vetoed provided for price supports for small-grain producers, conditioned on their planting only 85 percent of their base acreage. We have changed that, as I shall indicate, so as to place the producers of corn, both in the commercial area and in the noncommercial area, and all the small feed grain producers, in the same boat, we have accorded them, as nearly as we could, the same treatment.

For 1957 the bill would fix the support price for each of the commodities—barley, oats, rye, and grain sorghums—at a percent of parity 5 percentage points below that at which corn is supported in the commercial area. That was the same figure which was incorporated in the original bill. To obtain this price, feed grain producers would have to comply with acreage requirements and soil bank participation requirements similar to those for corn. Instead of being required to keep within 85 percent of their feed grain base acreage, as provided by H. R. 12 and the bill as passed by the House, they would be required, under the bill as it would be amended by the committee amendments, to keep within 100 percent of their feed grain base acreage.

That base acreage would be established by the Department of Agriculture, using the average plantings of those who produced small grains for the years 1955, 1954, and 1953.

If support were made available in 1957 to corn producers not complying with acreage requirements or soil bank participation requirements, support would have to be made available to feed grain producers not complying with similar requirements applicable to feed grains. In other words, it is another effort to place corn and feed grain producers in the same boat.

In such case the noncompliance support price for each feed grain would be required to be fixed at a level bearing the same relationship to the compliance feed grain support price as the noncompliance corn support price bore to the compliance corn support price. If noncompliance corn support prices were not made available in 1957, the Secretary would not be required to establish noncompliance feed grain support prices, but he would have the authority to establish such prices if he saw fit.

Section 308 (a) of the bill requires corn producers to comply with base acreage and soil bank participation requirements whenever base acreages are in effect for corn, and makes acreage allotments ineffective for 1956. Section 103 (b) (1) of the bill as it passed the House provided for base acreages for corn for each year for which an acreage reserve program is in effect. While the committee felt that an acreage reserve program can and should be made effective for 1956, the Secretary has indicated that he may not be able to institute such a program this year. Under the language of the House bill, if a program were not instituted, corn producers apparently would not be subject to any acreage restrictions in 1956; and the committee therefore recommended an amendment to section 103 (b) (1) to provide for a base acreage for corn for 1956 without regard to whether there is an acreage reserve program for corn for 1956.

Mr. President, the effect of this is simply to tell the corn farmers that if they desire the $1.50 price fixed by the Secretary for 1956, they will have to comply with acreage allotments based upon a national acreage of 51 million acres, instead of the present 43.3 million acres.

It will also be necessary for compliance that the farmer place in the soil bank the equivalent of 15 percent of his base acreage—in the conservation reserve if there should not be an acreage-reserve program in 1956—or, if he desires, and the Secretary should proclaim an acreage-reserve program, then the 15 percent could be taken out of his base acreage and put in the reserve acreage. But, I repeat, that would be only in case the Secretary of Agriculture should proclaim an acreage-reserve program.

The proviso inserted in section 308 (a) by the House, and retained by the committee, would permit the Secretary to provide price supports for corn producers not complying with base acreage and soil bank participation requirements.

Under the bill as passed by the House, the feed-grain price-support provisions for 1956 would be applicable only if an acreage-reserve program were in effect for corn. Since the Secretary has indicated a possibility that there might not be an acreage reserve for corn in 1956, the committee recommended an amendment, which would make these provisions applicable whether an acreage-reserve program were in effect for corn or not.

Aside from the treatment of feed grains, the only differences between title III of H. R. 10875 and H. R. 12, as passed by the Congress, are as follows:

First. Section 302 provides for apportionment of the 1957 and 1958 cotton-acreage allotments among the States in the same proportion that they shared in 1956.

Second. The provision contained in title V of H. R. 12, providing for a minimum national acreage allotment for rice for 1957 and its apportionment among the States in the same proportion that they shared in 1956, has been transposed to this title, and extended to 1958.

Title IV of the bill, which deals with forestry, provides for assistance to States for tree planting and reforestation, and for forest-product price reporting and research. Both sections of this title were passed by the Senate as part of H. R. 12, but the price-reporting and research provision was omitted from H. R. 12 as it came from conference. So the committee simply reinstated that amendment, which was offered by the distinguished Senator from Minnesota [Mr. HUMPHREY].

Title V of the bill provides for a two-price plan for rice, including a redefinition of "normal yield" necessary to facilitate its administration. This redefinition or "normal yield" was done at the suggestion and request of the Department; that is to say, the Department suggested that it would be best to include that language. The two-price plan is similar to that contained in H. R. 12, except that it would be discretionary, rather than mandatory.

Mr. President, there has been much talk about the two-price plan approach. It is now time for us to see how it works. Rice, which is a crop produced in only a few States, would be a guinea pig. In my humble judgment, if the two-price system should be applied and if there should be no interference in its operation from the State Department, it might open up a new avenue by which we can dispose of a great deal of these crops that we shall produce in the future, and thus in a measure recover our lost export markets.

This title would not be applicable in 1956, but could be made applicable for the years 1957 and 1958, or for the years 1958 and 1959 if the Secretary determined that the initiation of such a program was administratively feasible and in the best interests of rice producers and the United States.

Mr. President, as I have indicated, the two-price plan for rice is purely discretionary. The committee was advised that it might not be possible to put the two-price plan for rice into effect during 1956. The Secretary is given authority to put the rice program into effect for the years 1957 and 1958 or for the years 1958 and 1959 if he sees fit.

Title VI of the bill provides for—

First. Price support at competitive levels for cottonseed and soybeans if price support is made available for either. That provision was incorporated in the original bill.

Second. Freezing the transitional parity price for corn, wheat, and peanuts during 1957 and 1958 at 95 percent of their old parity prices; and

Third. A study of methods for improving the parity formula.

The provision for freezing the transitional parity price is the only provision in this title which was not contained in H. R. 12 as it passed the Congress.

Mr. President, it is my hope that the bill reported by the committee will be passed quickly and without change. It does not include all the provisions which I should like to have it contain, but considering what the President has done administratively in the past few weeks, this bill will assist—if administered as the Congress intends—in reducing production, and reducing surpluses without further depressing farm income.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me at this time without losing the floor, for the purpose of permitting me to suggest the absence of a quorum and to propose a unanimous-consent agreement.

The PRESIDING OFFICER (Mr. McNamara in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have at the desk a proposed unanimous-consent agreement. I ask that it be read.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Friday, May 18, 1956, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed agreement?

Mr. ELLENDER. Mr. President, reserving the right to object, I wonder whether it can be understood that since consideration of the bill will continue on tomorrow, we shall debate the bill today only until perhaps 5 or 6 p. m. Many Senators have dinner engagements.

Mr. JOHNSON of Texas. Mr. President, if the proposed agreement is entered into, I shall give the Senator from Louisiana assurance that the Senate will not sit later than 6 p. m.; and then the Senator from Louisiana can keep his engagement and the majority leader can keep his.

Mr. ELLENDER. Very well.

The PRESIDING OFFICER. Is there objection to the proposed agreement? Without objection, the proposed agreement is entered.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I give notice that the Senate will meet at 10 a. m. and will complete action on the bill tomorrow, if it is at all possible to do so.

Mr. BENDER. At what time?

Mr. JOHNSON of Texas. We shall convene at 10 a. m., and shall remain through the evening, if necessary.

Mr. BENDER. Very well.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF INDONESIA

Mr. JOHNSON of Texas. Mr. President, before the Senate takes a recess so that it may go to the Hall of the House of Representatives to hear an address to be delivered by the President of Indonesia, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the order heretofore entered, the Senate will now stand in recess, subject to the call of the Chair, and will proceed to the Hall of the House of Representatives, to hear an address to be delivered by the President of the Republic of Indonesia.

Accordingly (at 12 o'clock and 24 minutes p. m.), the Senate took a recess, subject to the call of the Chair.

The Senate, preceded by the Secretary, Felton M. Johnston; the Sergeant at Arms, Joseph C. Duke; and the Vice President, proceeded to the Hall of the House of Representatives to greet and to listen to the address to be delivered by His Excellency President Sukarno of the Republic of Indonesia.

(For the address delivered by the President of Indonesia, see House proceedings in today's Record.)

At 1 o'clock and 40 minutes p. m., the Senate returned to its Chamber, and reassembled when called to order by the Presiding Officer (Mr. Douglas in the chair).

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I should like to propound a unanimous-consent agreement, as follows:

I ask unanimous consent that the committee amendments to the pending bill be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement proposed by the Senator from Louisiana, the right of any Senator to offer an amendment to any section of the bill will be preserved. Is that correct?

Mr. ELLENDER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. That is customary.

Mr. BUSH. Mr. President, reserving the right to object, I should like to inquire whether the proposed agreement is agreeable to the Senator from Vermont [Mr. Aiken].

Mr. ELLENDER. I am sure it will be. It is the customary agreement which is entered into.

Mr. JOHNSON of Texas. It is customary.

Mr. ELLENDER. If the Senator from Vermont objects, I will withdraw it.

Mr. BUSH. On that basis, I shall not object.

The PRESIDING OFFICER. Without objection, the unanimous-consent agreement is entered into, and the committee amendments are agreed to en bloc.

The amendments of the Committee on Agriculture and Forestry, agreed to en bloc, are as follows:

On page 3, line 21, after the word "the", to strike out "1956"; in line 22, after the word "crops", to insert "and to the extent he deems practicable for the 1956 crop"; on page 4, line 5, after the word "respectively" to strike out "and such other field crops as the Secretary may designate"; on page 5, line 6, after the word "occurs" to strike out "within" and insert "not later than"; in line 8, after the word "Secretary.", to strike out "In addition to the foregoing the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."; on page 6, line 17, after the word "apply" to insert "to the termination of any contract"; on page 7, line 1,

after the word "established" to insert "for 1956 and"; on page 8, line 16, after the word "feed" to strike out "grain" and insert "grains"; on page 10, line 9, after the numerals "1956" to insert "(if such a program is in effect for such year)"; in line 11, after "(a)", to strike out the comma and "including grazing lands."; in line 17, after the word "acreage" to strike out "allotments," and insert "allotments or"; in line 18, after the word "acreages", to strike out "or other standards,"; on page 12, line 17, after the word "exceed", to strike out "$800,000,000" and insert "$750,000,000"; in line 22, after the figures "$23,000,000", to strike out "grazing lands, $50,000,000;" and insert "and"; in line 23, after the figures "$45,000,000", to strike out the semicolon and "and other crops, $50,000,000"; on page 13, line 6, after the word "farm" to strike out "acreage," and insert "acreage"; on page 14, line 9, after the word "do", to strike out "no" and insert "not"; on page 22, line 12, after the word "reimburse", to strike out "and" and insert "any"; on page 30, line 11, after the word "of", to strike out "agricultural commodities" and insert "price supported crops"; on page 33, after line 2, to insert:

EXPORT SALES PROGRAM FOR COTTON

Sec. 203. In furtherance of the current policy of the Commodity Credit Corporation of offering surplus agricultural commodities for sale for export at competitive world prices, the Commodity Credit Corporation is directed to use its existing powers and authorities immediately upon the enactment of this act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries and, in any event, for the cotton marketing year beginning August 1, 1956, at prices not in excess of the minimum prices (plus carrying charges, beginning October 1, 1956, as established pursuant to Section 407 of the Agricultural Act of 1949) at which cottons of comparable qualities were sold under the export program announced by the United States Department of Agriculture on August 12, 1955. Cottons of qualities not comparable to those of cottons sold under the program announced on August 12, 1955, shall be offered at prices not in excess of the maximum prices prescribed hereunder for cottons of qualities comparable to those of cottons sold under such program, with appropriate adjustment for differences in quality. Such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

On page 34, line 6, to change the section number from "203" to "204"; in line 19, to change the section number from "204" to "205"; on page 35, line 6, to change the section number from "205" to "206"; on page 36, line 4, to change the section number from "206" to "207"; in line 12, to change the section number from "207" to "208"; on page 37, line 18, to change the section number from "208" to "209"; on page 39, line 22, to change the section number from "209" to "210"; on page 40, line 10, to change the section number from "210" to "211"; on page 41, line 23, to change the section number from "211" to "212"; on page 42, line 19, after the word "section" to insert "and the provisions of section 344"; in line 23, after the numerals "1956" to insert "and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956"; on page 45, line 20, after the word "prescribed" to strike out "percentages" and insert "percentage" on page 47, line 1, after the word "minimum" to strike out "State"; in the same line, after the word "for" to strike out "1956"; in line 2, to strike out the word "Crop"; after line 2, to strike out:

Sec. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows.

And in lieu thereof to insert:

Sec. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

In line 22, after the word "acreage.", to strike out the quotation marks "; at the top of page 48, to insert:

"(6) The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."

On page 49, line 19, after the word "future" to insert "State, county, and"; on page 50, at the beginning of line 14, to insert "(if such program is in effect"; on page 51, line 19, after the word "law", to strike out "for each of the years 1956 and 1957 in which an acreage-reserve program will be in effect for corn," and insert "(1)"; in line 22, after the word "for", to insert "the 1956 crop and, if an acreage-reserve program is in effect for corn, for the 1957 crop of"; on page 52, line 1, after the word "area" to insert "(2) the level of price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats, shall be 76 percent of the parity price for the commodity,"; in line 4, after the word "and", to insert "(3) if an acreage-reserve program is in effect for corn,"; at the beginning of line 6, to insert "the 1957 crop"; in line 8, after the word "for", to strike out "each such" and insert "the"; in line 14, after the word "of", to insert "the 1957 crop of each of"; in line 23, after the word "of", to strike out "85 percent of"; on page 53, after the word "area", to strike out "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection." and, in lieu thereof, to insert: "Notwithstanding the foregoing provisions of this section—

"(1) if price support for the 1957 crop of corn is made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support shall be made available for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) to producers not meeting the foregoing requirements of this subsection at a level bearing the same relationship to the level of price support to producers of such feed grain who meet such requirements as (i) the level of price support for corn to producers in the commercial corn producing area not meeting the requirement of subsection (a) bears to (ii) the level of price support for corn to producers in such area who meet such requirements; and

"(2) if price support for the 1957 crop of corn is not made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) may, nevertheless, be made available to any producer who does not meet the requirements of this subsection at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program."

On page 56, after line 15, to insert:

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

Sec. 402. (a) For the purposes of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

On page 58, after line 8, following the amendment just above stated to insert:

TITLE V—CERTIFICATE PROGRAM FOR RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates"; (2) by changing the designation of subtitle D thereof to read as follows: "Subtitle E—Miscellaneous Provisions and Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"Subtitle D—Rice Certificates

"Legislative Findings

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this act.

"Effective Date and Termination

"SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

"Rice Primary Market Quota

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"Apportionment of Primary Market Quota

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"Review of Primary Market Quota

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this act.

"Price Support

"SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 percent or more than 90 percent of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which this section is applicable, but all the other provisions of such act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"Certificates

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 percent of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"Inventory Adjustment Payments

"SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): *Provided, however*, That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"Rice Set-Aside

"SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding 20 million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"Exemptions

"SEC. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed 3 acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"Processing Restrictions

"SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"Import Restrictions

"SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this act covering the rough rice equivalent of such processed rice.

"Regulations

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"Civil Penalties

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Reports and Records

"SEC. 380o. (a) The provisions of section 373 (a) of this act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"Definitions

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limted to—

"(1) whole grain rice,

"(2) second head milled rice,

"(3) screenings milled rice,

"(4) brewers milled rice,

"(5) undermilled rice or unpolished rice,

"(6) brown rice,

"(7) converted rice, malekized rice, or parboiled rice, and

"(8) vitaminized rice or enriched rice.

"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however*, That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than 100 pounds of rough rice for each 68 pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

On page 67, after line 20, after the amendment just above stated, to insert:

Normal Yield for Rice

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) 'Normal yield' for any county, in the case of rice, shall be the average yield per acre of rice for the county during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) 'Normal yield' for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such 5-year period is less than 75 percent of the average, 75 percent of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such 5-year period is in excess of 125 percent of the average, 125 percent of such average shall be substituted therefor in calculating the normal yield per acre.

And, on page 69, after the amendment just above stated, to insert:

TITLE VI—MISCELLANEOUS

Price supports—cottonseed and soybeans

SEC. 601 (a) Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

(b) The amendment made by this section shall take effect with the 1956 crop.

Transitional parity for basic commodities frozen during 1957 and 1958

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii), is amended by inserting after "full calendar years" the following: "(not counting 1956 or 1957 in the case of basic agricultural commodities)." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

COMMENTS ON VISIT AND ADDRESS OF PRESIDENT SUKARNO, OF INDONESIA

Mr. HUMPHREY. Mr. President, a very few moments ago we listened to a remarkable address by the President of Indonesia. I wish to say that I was deeply moved by his address. It was excellent, it was profound, and I think it was a lesson or an education and experience for Members of Congress in being permitted to hear directly from one of the great leaders of a free country a statement as to the attitudes of the peoples of Asia, their reflections and observations on the principles and the practices for which America stands.

Mr. President, the Congress, the Capital, and the country today are welcoming President Sukarno, of Indonesia. Within a few hours after his arrival here yesterday, President Sukarno had already won the esteem of Washingtonians. His personal friendliness and skill as an ambassador of good will are qualities which have impressed all of us on first acquaintance, just as they must have impressed little 5-year-old Richard Peterson, of Duluth, Minn., who engaged President Sukarno in a well-publicized curbstone interview downtown yesterday.

But President Sukarno himself has described his present mission as something more than a good-will visit. At the airport yesterday, his first words were:

> I have come here to confirm or to modify the impressions of your country which I have collected for so many years.
>
> I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

Mr. President, I think it would be well for all Americans to reflect for a considerable period of time on this description and definition of America—America as a state of mind, a state of values; America as the center of an idea.

I am sure President Sukarno was referring to the idea of human freedom and the constant and continuous emancipation of human beings in their talents, their abilities, and their capacities.

Mr. President, let us hope that the ideas of freedom, independence, human dignity, and progress which have so long been the goals of this Nation will be confirmed for President Sukarno in everything that he hears and sees during the 19-day tour of the United States on which he is about to embark.

Mr. President, 3 editorials and 2 articles concerning Dr. Sukarno's visit which have come to my attention during the last 24 hours seem to me to reflect especially well the warmth of our welcome to our distinguished visitor. The editorials appeared in the Washington Post and Times Herald yesterday, in the Washington Star yesterday, and in the New York Times this morning. The articles appeared in the Washington Star last night.

I ask unanimous consent that these items be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of May 16, 1956]

DR. SUKARNO'S VISIT

It is interesting, and perhaps even significant, that President Sukarno of Indonesia has chosen to come to the United States on the first official visit he has ever made away from his homeland. But it is not really surprising that he has done this. For he has long been a great admirer of our American system, and his most favored heroes are Paul Revere, Thomas Jefferson, and Abraham Lincoln. More than that, as another measure of what he thinks of our way of life, it is worth noting that primarily because of his influence his country's constitution, along with its 1945 declaration of independence, is patterned after ours in both letter and spirit.

These are points that should receive due consideration in any effort to evaluate Indonesia's position in relation to the free world and the world of communism. Ever since achieving full sovereignty in 1949, when the Dutch colonial rule came formally to an end, the country has grown increasingly neutralist, and its Communists—who rank fourth in political strength in the islands—have seemed to be worming themselves into more and more power. What is reassuring, however, is that 54-year-old Dr. Sukarno—an enormously popular and highly talented leader—is an anti-Red whose devotion to individual and national liberty has been proved over and over again. And the same holds true for all the key members and elements of his government.

After his 3-day stay here in the Capital this week, Dr. Sukarno, together with his large and distinguished official party, will spend about a fortnight visiting various parts of our country. As the George Washington of one of the world's most populous nations (80 million people)—a nation whose 3,000 islands are immensely rich in natural resources—he will have ample opportunity to talk with and to Americans representing all walks of life. This promises to be a mutually beneficial experience, one that should help diminish any misunderstandings that may exist now between us and the Indonesians, particularly regarding the general nature of our Government's foreign policy as it bears upon Asia and such issues as colonialism.

As for formal negotiations, there will be none, but President Sukarno undoubtedly will exchange views with our top officials on a number of political and economic matters. In that respect, as well as in others, his trip here can do much to strengthen relations between his country and ours. In any case, Washington and the United States as a whole, valuing both his and Indonesia's friendship, have reason to feel honored by his visit, and he and his party can be sure of a hearty welcome wherever they travel among us.

[From the Washington Post and Times Herald of May 16, 1956]

President Sukarno

Greetings to the George Washington of Indonesia on his arrival in Washington on a state visit. President Sukarno (he has no given name) has been his country's chief ever since it became independent of the Dutch. This relationship began a decade ago, yet Sukarno seems a permanent fixture. This is because he will always be regarded as the father of the Indonesian revolution. He and his Vice President, Mohammed Hatta, signed a declaration on August 7, 1945. Nobody except the Dutch knew them then. And the Dutch knew them only as thorns in their side whom they had to keep off-and-on in jail as dangerous agitators. In the last 10 years Sukarno, in his plain black Moslem cap and white drill coat, has demonstrated a familiarity as one of the most colorful personalities of the new Asia.

Fifty-six years old, he is the son of a Javanese schoolmaster and Balinese mother. By profession he is an engineer. But in his twenties he found he had a voice of singular enchantment to convey the message of freedom which burned in his youthful heart. To his deep-voiced oratory he joined a gift of organization, and by 26 he had founded and was the first chairman of the Indonesian Nationalist Party. His influence spread like wildfire among the Javanese.

Sukarno still has the power to set fire by his magic words. The art of his speaking lies in his skillful use of slogans, generally his own, and the light and shade which he imparts to his histrionics. He is always a show unto himself—thus appealing to the gaiety as well as the passion of the simple people. Nobody has his intimate knowledge of the problems of the peasantry, not only in Java but elsewhere in the archipelago. His is the self-avowed "gospel of the common man," and his towering standing was sufficient to end the disparateness between the Javanese and the Sumatrans when he became President.

Sukarno is not a common man, however, in his tastes and inclinations. Not so well educated as some of his fellow revolutionaries, he still is versed in literature and the arts. He quotes Shakespeare copiously, even to the common man, and he is a devoted admirer of Jefferson and the American Declaration of Independence. He was responsible for the introduction of the national red-white flag with its rampant and unchained bull in the center; he also wrote the national anthem. Intoxication has now worn off Indonesian freedom, and responsibility may now be the preoccupation of the Indonesian leaders. We hope Sukarno and his hosts will learn something from each other in the exercise of great authority.

[From the Washington Star of May 16, 1956]

Boy, 5, Finds Sukarno Has Warm Heart

Indonesia's President Sukarno wasted no time today in establishing himself as an official visitor with a heart.

Only minutes after he had arrived in the District, Dr. Sukarno asked the driver of his automobile to stop a short distance from the reviewing stand across from the District Building.

While police and secret-service men milled around and newsmen watched with surprise, the Indonesian President got out of the car and strode over to the curb where 5-year-old Richard A. Peterson, of Duluth, Minn., was waving an Indonesian flag. Grinning, Dr. Sukarno stopped to shake hands with the boy, who smiled warmly back.

Suddenly, young Richard noticed photographers crowding in for closeups. Self-consciously, in the manner of all 5-year-olds, he squatted down on the curb and dug his knuckles into his eyes.

Dr. Sukarno sized the situation up in an instant. He went back to the car, took his own son, Guntur, 12, by the hand, and went back to where Richard was crouching in confusion.

With another child in the act, Richard's trouble disappeared. The two boys shook hands, and the Indonesian President and his son continued, on foot, to the reviewing stand.

The notables on the stand straightened up to receive their distinguished visitor, but the time was not quite yet. Dr. Sukarno spotted a motherly looking woman among the spectators on the sidewalk. He walked over, took her by the hand and kissed her on the cheek.

"This is an Indonesian kiss," Dr. Sukarno told the startled woman, Mrs. Leonore Coon, of 1228 I Street NW.

Mrs. Coon was flustered, but not too flustered to reply, "Oh, no, that was an American kiss."

Dr. Sukarno smiled, turned away and proceeded to the reviewing stand. The reception got underway at last.

[From the New York Times of May 17, 1956]

Welcome to Dr. Sukarno

The esteem in which the United States holds the newly independent nations which have recently risen from colonial rule to sovereignty is illustrated again by the warm welcome given yesterday in Washington to President Sukarno of Indonesia and his party. They have come at the invitation of President Eisenhower on what is both a state visit and a goodwill mission and will be guests of this Nation for the next 3 weeks.

As Secretary Dulles has emphasized, there is a basic bond of sympathy between the United States and a country like Indonesia, if only because of their similar colonial antecedents. How thoroughly President Sukarno is aware of this common bond is shown in his opening speech at the Bandung conference, in which he hailed the American War of Independence, as the first successful anticolonial war in history.

Indonesia is so new a country that, as was the case of the United States during its early history, it is bending backward to guard against any infringement of its independence. For that reason it is following a neutralist policy of nonalinement with any power group, and President Eisenhower has expressed undertsanding and respect for that policy. For the same reason, Indonesia has fought shy of extensive American aid.

It is gratifying that President Sukarno and his party have come to the United States to take a first-hand look at this country and its people, and that, in Dr. Sukarno's words, they will seek "real understanding and friendship" between their country and ours. They will find that the United States will glady reciprocate.

[From the Washington Star of May 16, 1956]

Sukarno Given Warm Salute by Dignitaries—Indonesian President Will Observe United States as "Center of an Idea"

President Sukarno of Indonesia arrived at National Airport at 11:42 a. m. today and observed:

"I have come to learn something from America * * * from America as a state of mind * * * as a center of an idea."

He was met at National Airport by Vice President Nixon, Secretary of State Dulles and Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff. He was flown on the last leg of his trip, from Hawaii, in President Eisenhower's personal plane, the Columbine. With the Indonesian President was a large party, including his son, Guntur, 12.

President Sukarno, dressed in a "personal uniform" and wearing the national headdress, a high-crowned, brimless velvet cap called a kopiah, smiled a greeting to the welcoming dignitaries and told Mr. Nixon in excellent English that he had a "pleasant" trip. After hearing the national anthems of Indonesia and America and taking a 21-gun salute, the guest reviewed an honor guard of Army, Navy, Air Force and Marine units.

Nixon recalls visit

In a formal welcoming speech Mr. Nixon recalled having met Dr. Sukarno in Indonesia 2½ years ago.

"You, like our own George Washington, led your people from colonialism," the Vice President said. Mr. Nixon said he hoped this visit would strengthen the bond of friendship between the two countries.

"I am very happy to be in Washington today," Dr. Sukarno replied in an extemporaneous speech in English.

"I am grateful for the invitation President Eisenhower and the American Government rendered to me. I am also grateful for the kind reception here.

"I have come to America to see your country with my own eyes. I have come to observe the great achievements of the great American Nation.

"A state of mind

"I have come here to confirm or to modify the impressions of your country which I have collected for so many years.

"I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

"I carry with me the greeting of the Indonesian people to you. I carry with me the thanks of the Indonesian people to you for all the assistance you gave us for the national reconstruction period."

President Sukarno rode in a cream-colored Chrysler convertible with Mr. Nixon to the Lincoln Memorial. Then the car drove down spectator-lined Constitution Avenue to the reviewing stand in front of the District Building, where District officials extended a welcome.

Morris extends welcome

Dr. Sukarno was welcomed in the name of the District by Edgar Morris, chairman of the

citizens' reception committee, and Robert E. McLaughlin, president of the District Board of Commissioners. The Commissioner presented him with the key to the city.

The Indonesian President thanked everyone for the hospitality of the city and added, "A man's life is unpredictable indeed."

He recalled:

"I am the son of poor parents. My father was a small teacher whose salary was 25 guilders a month—that is $10 in American money.

"Thirteen years of my life I have passed in prison and exile. Just now I am being honored by you, received by you with great hospitality. * * * I have been only 1½ hours in Washington, but I feel quite at home."

After the District's greeting Dr. Sukarno went to the White House.

When the procession reached the White House, President Eisenhower walked briskly down the front steps to clasp Dr. Sukarno's hand.

The two Presidents and Dr. Sukarno's son posed for pictures before entering the White House for luncheon.

The visiting President and his party went to Blair House after the luncheon. Tonight at 8 Dr. Sukarno will attend a state dinner given by Mr. and Mrs. Nixon at the Pan American Union.

Invited to the White House luncheon, in addition to Dr. Sukarno, were 14 members of his party and 45 American officials of the highest rank.

On the guest list were Mr. Nixon; Chief Justice Warren; Secretary Dulles; United States Delegate to the United Nations Henry Cabot Lodge, Jr.; Secretary of Commerce Weeks; Secretary of Labor Mitchell; Secretary of Health, Education, and Welfare Folsom; Budget Director Percival F. Brundage; Lewis L. Strauss, Atomic Energy Commission Director; Allen W. Dulles, Central Intelligence Agency Director; John B. Hollister, International Cooperation Administration Director; and State Department officials, including Assistant Secretary of State Walter S. Robertson.

Guests from Capitol Hill included House Speaker Rayburn; the dean of the Senate, Walter George, of Georgia; Senate Republican Leader Knowland; Senate Majority Leader Johnson; and Democratic and Republican Representatives.

The Indonesian guests in addition to Mr. Sukarno were the Ambassador to Washington, MoeKarto Notowidigdo, and these Indonesians who accompanied their President Sukarno here:

Roesian Abdulgani, Minister for Foreign Affairs; Zainul Arifin, first deputy chairman of the Indonesian Parliament; Dr. Wirjono Prodjodikoro, chief justice; A. K. Pringgodigdo, chief of the President's Cabinet; Sanusi Hardjadinata, Governor of West Java; and Vice Air Marshal Suryadarma, air force chief of staff.

Also the Honorable Suwirjo, president director of the Indonesian Industrial Bank; Dr. Johnnes Leimena, member of Parliament; Sutarto Hadisudibjo, member of Parliament; Colonel Nazir, commander of naval bases in Java; Col. J. F. Warrouw, commander of the 7th Army Division; Dr. Ouw Eng Liang, physician to the Indonesian President; and Lieutenant Colonel Sugandhy, aide de camp to the Indonesian President.

Mr. Sukarno (he has no first name) comes at the invitation of Secretary of State Dulles, who visited him in the Indonesia capital, Djakarta, last autumn.

He will be shown every attention while he is here. It is felt in official circles that if he is favorably impressed with what he sees of Western life it may dilute somewhat the anti-Western bias that 300 years of Dutch rule has instilled in the hearts of him and his countrymen.

Accompanied by foreign minister

The 4-day stay is a visit of state and there is no agenda drawn up. Mr. Sukarno is accompanied, however, by his Foreign Minister, who at a stopover in Singapore expressed the view that United States aid would be most welcome to the young republic. Indonesia has greater natural resources than any other country of southeastern Asia but is desperately poor in the way of educated or technically trained people.

Mr. Sukarno, who speaks to Indonesians as their Bapak (father), is the founder and the leader of the country's dominant political group, the Nationalist Party, which won the first parliamentary election recently held in Indonesia.

A coalition government of which Ali Sastroamidjojo, former Indonesian Ambassador to the United States, is Prime Minister has been formed. It is made up of the Nationalist Party, the Moslem Party, and the Moslem Teachers' Party. No Communists, Western observers were relieved to see, have been taken into the cabinet, although they won approximately 15 percent of the seats in the newly formed 270-member house of representatives.

The resurgence of the Communist Party in Indonesia, the third largest republic in the world, has been a matter of grave concern in the West. In 1948 they attempted a military coup, to free Indonesia from President Sukarno. The movement was smashed and its leaders executed.

Reds aided by Moscow

But the party pulled itself together and with financial aid from Peiping and Moscow began to organize again. Some of its financial strength is derived from contributions made by members of Indonesia's dominantly Chinese financial interests.

The first government of Mr. Sastroamidjojo, which operated with Communist support, supposedly gave the Reds considerable respectability in Indonesia. Communists now dominate the largest labor union, talk in nationalist terms, ride with the prevailing tides. They polled one-fifth of the total vote cast in the recent elections.

The results of a second election, to determine the membership of Indonesia's first constituent assembly, have not yet been announced. Until they meet, the stature and tenure of President Sukarno's office will not be ascertained.

Now, he is an immensely popular leader of 80 million people, a superb orator whose prestige is felt throughout the neutralist world of southeastern Asia. Western critics have expressed concern that Mr. Sukarno's anticommunism has never been as vigorously stated as his anticolonialism. This attitude, however, seems understandable in a man who spent some 7 years in Dutch jails.

His slogan: "One people, one country, one language," sparked the long fight for Indonesian independence which was climaxed with a proclamation of independence (signed by him and Hatta) issued on August 17, 1945. At the same time, Mr. Sukarno declared himself president. He was unanimously elected to the office when the Dutch gave up the fight in 1949.

After the Bandung Conference a convocation of Asian-African leaders which was held in April 1955, Red China's premier, Chou En-lai, was cordially entertained by the Indonesians and, with the Indonesian premier, issued a joint statement promising "close cooperation in order to strengthen the mutual understanding and friendly relations between the two countries."

Mr. Sukarno opened the Bandung Conference with a reference to the anniversary of the ride of Paul Revere. He is a serious student of American history who has found ideals, it is said, in Washington and Jefferson.

The State Department is hopeful that meetings with President Eisenhower and other officials may instill a similar admiration for present-day American leaders.

Tomorrow he will visit Mount Vernon, address a joint meeting of Congress, visit the National Gallery, the Washington, Jefferson, and Lincoln Memorials.

Mr. HUMPHREY. Mr. President, as one Member of Congress, as a Senator, I personally extend the hand of fellowship to our distinguished visitor, and say that I trust the wish he expressed in his address, the hope which he so brilliantly stated, that there may be an enduring friendship between the United States of America and the Republic of Indonesia, may be realized in our time as well as in the days to come.

HOW LONG CAN THE FAMILY FARMER STAY ON THE FARM?

Mr. SYMINGTON. Mr. President, as we know, this year the Senate has devoted more time to the consideration of the farm problem than to any other single issue. It is the No. 1 domestic problem facing our country today.

In this connection, Mr. President, I read with a great deal of interest a recent article in the Saturday Evening Post by Winifred Bryan Horner of R. F. D. No. 1, Columbia, Mo., entitled, "How Long Can We Stay on the Farm?"

I wrote Mrs. Horner, and I ask unanimous consent that my letter, together with her reply, be printed in the Record at this point.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

April 16, 1956.

Mrs. David (Winifred Bryan) Horner,
Rural Free Delivery, Route 1,
Columbia, Mo.

Dear Mrs. Horner: It has been a long time since I have read an article with as much interest as I did yours, How Long Can We Stay on the Farm?

May I offer my congratulations to you for its content, as well as the way you have so ably expressed the problem and the thoughts incident thereto.

Inasmuch as I have recently gone on the Senate Agriculture Committee, it would be a privilege to talk to you and your husband sometime when I am back in Missouri. I hope it can be arranged when convenient to you.

Again, congratulations on the magnificent piece of work, and good luck to you and yours.

Sincerely,

Stuart Symington.

April 22, 1956.

Mr. Stuart Symington,
The United States Senate,
Washington, D. C.

Dear Mr. Symington: My husband and I are overwhelmed at the response we have received from my article in the Post, How Long Can We Stay on the Farm? Most of the letters have been from other young farmers thanking us for telling their story, which I attempted to do in an honest, straightforward and unhysterical way.

Of all the letters we received we were most grateful for yours of April 16, because we felt it represented a sincere interest in our problem. We would like to talk to you anytime you are in Missouri, and would arrange our schedule to suit your convenience.

You will not find us ready with an easy solution to the farming problem, since any of us who is acquainted with the problems knows that there is no easy solution. However, we do know many of the problems, particularly the ones in our area, and if we can be of service to you in any way by answering questions or supplying information we would consider it a privilege to be able to help. If you would like we could arrange a meeting for you with 2 or 3 farmers from the Missouri area, who, like us, are not waving any flags, but are concerned with the long-term economic and social welfare of agriculture.

We would like very much to have an opportunity to talk with you any time that you might suggest.

Very sincerely,

WINIFRED BRYAN HORNER,
(Mrs. David A.)

Mr. SYMINGTON. Mr. President, when Secretary of Agriculture Ezra Taft Benson appeared before the Senate Agriculture Committee on April 19, I asked the Secretary if he had read this fine article. He said he had not, so I suggested that he, or a member of his staff, take the time to read it. In fact, I commend this article to all nonfarmers whether they be working people, bankers, businessmen or public servants.

I hope the Secretary has read it since then, because this article presents vividly the problems faced by our farmers today.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "How Long Can We Stay on the Farm?" written by Mrs. Winifred Bryan Horner and printed in the Saturday Evening Post of April 14, 1956.

I respectfully recommend it to all Members of the Senate, because Mr. and Mrs. Horner are the type of persons who should be able to make a success in any field of endeavor.

They are qualified and dedicated young farmers in whom American agriculture and America itself have a great stake. Yet their problem, as well as that of hundreds of thousands of other family farmers, is well stated in the title of the article, "How Long Can We Stay on the Farm?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW LONG CAN WE STAY ON THE FARM?

(By Winifred Bryan Horner)

I know how the last buffalo must have felt before they put him on the nickel, because we, too, belong to a species that is becoming extinct. We are one of the young farmer families who, in the changing agricultural economy of this country, are caught in the current price squeeze. We don't have to read the newspapers to know that. In our record books the story is clear to anyone who can add, subtract or see red.

We are the displaced persons of the year. In the midst of an abounding prosperity, we are facing our own private depression. While nonfarm income has gone up 68 percent since 1947, the farm income has dropped 38 percent. Apparently our economy is burdened with surpluses of corn, wheat, rice, cotton and farmers. No one yet has suggested that we plow under the farmer, but it seems to follow that some of us should get out of the business. There is a happy theory that this process will naturally leave only the efficient farmer.

Who really is staying on the farm? In rare instances it is the young man who has inherited or married into a going farm concern. Frequently, it is the incompetent worker who cannot go elsewhere. It is the untrained farmer with less than a high-school education who is seldom drawn to the city anyway. His alternatives are limited and the attractions are not overwhelming. He'd rather be poor in a house with a view from a hilltop than to look through a cracked windowpane in an overcrowded flat.

In most cases, the person who is staying in agriculture is the older man who paid for his farm during the golden era of agriculture, 1939 to 1951. This man, with an unmortgaged $50,000 operation, can supply his income needs with a less than 5-percent return on his capital and nothing for his labor.

The young farmer down the road with a similar $50,000 enterprise is necessarily faced with a mortgage on which he must make an annual 5-percent interest payment to the banker. And if he is capable and college-trained, big business is leaning over his pasture fence waving an attractive pay check. This is the farmer who is abandoning agriculture—the competent, well-trained man under 40 who can double or triple his income by going into another field.

How can the present farm economy possibly hold this young man? And what will agriculture's future be without him?

We have been farming for 10 years. With a background of three generations of lawyers, engineers, and teachers, my husband grew up in St. Louis with an ambition to farm. In college, I worked on my A. B. degree with one eye on my books and the other on Dave. He ranked in the upper 1 percent of his class and graduated in agricultural engineering. We went into farming knowing that it was a business of high risk, keen competition, and low return. We did not expect to become wealthy. We were willing to forego a big salary in return for a 100-acre backyard for our children, the independence of being our own bosses and the beauty of a greening field on a sunny day. With adequate training, at least average brains, and a willingness to work hard together, we expected to make a decent living and a good life.

We invested our original capital of $7,500 in a milk cow and 130 acres of fertile but hilly land near Columbia, Mo. The 4 years' on-the-farm training to which Dave was entitled as a veteran was the boost we needed to get started. The VA instructor provided good technical help and the $90-a-month allotment guaranteed our eating in spite of our mistakes and allowed us to reinvest the farm income in livestock and machinery. A farmer is all in one—capital, labor, entrepreneur. At this point, we were mostly labor, but we were gaining some badly needed experience.

After 5 years in the hills, we were ready to branch out. The city shine was pretty well rubbed off. We had accumulated many blisters and calluses and a fair supply of know-how and capital. We figured, and agricultural economists agreed, that our small capital would return more if we concentrated it on modern, efficient machinery and more livestock, instead of trying to stretch it to cover land investment as well. With this idea, we sold our farm at a good price and entered into an owner-tenant arrangement that is customary in the Midwest. We supplied the machinery and labor. Our partner supplied the land. The livestock was owned jointly, and the profits were split 50–50.

From our point of view, the success of the partnership depended on the productivity of the land. With the same machinery, Dave's labor could produce crops five times as efficiently on flat, fertile ground as it could on hilly, infertile land. We also felt that the landowner must share with us a healthy interest in the farm dollar as a part of his living income. A wealthy man whose farm is a weekend hobby or an income-tax deduction is often very hard to rent from profitably because he is not interested in the immediate productivity of his farm in terms of dollars and cents.

After 2 years of fairly successful tenancy, we felt we were ready to go back into land investment in a modest way, and we needed a permanent home for our growing family. I had been making loud, clucking noises like a broody hen that wants a nest for her chicks—a 4-year-old, a 2-year-old and one on the way. In addition to the 245-acre farm that we purchased at this time, we continued our existing tenant arrangement and later took over operation of another farm for which we paid a flat annual cash rent. By this time we were in high finance, not as to profits but in the staggering number of figures involved in the bookkeeping. To help keep the records straight we had a separate checking account for each farm, and I found it a temptation, when our own balance got low, to embezzle a little for groceries from one of the others. A habit which the bookkeeper deplores and maintains will land me behind bars.

Dave sees the farm situation from all angles. During the day, he is the laborer and he cusses the "damn capitalists." After supper, he works over the books and mutters about the hired help. At 11 he goes to bed and nurses a managerial ulcer.

So now we are operating 600 acres of land, part of which we own and most of which we rent from others. We are beginning to hurdle one of the toughest obstacles of modern agriculture—to compete, you have to mechanize; to mechanize, you have to have acreage enough to warrant the machinery investment. You can't afford the land investment without the machinery; you can't afford the machinery without the land. By this time, the size of our operation both requires and justifies our considerable investment in modern machinery, and our crop work is almost entirely mechanized.

We had started with a team of half-broken horses that were thrown in on the purchase of our original farm. Our change from the muscle-and-blood type of horsepower was to a 1930 model tractor. On cold mornings Dave built a corncob fire under it to get it started. His theory, which seemed fairly sound, was that if it wouldn't start, he might as well burn it up anyway.

To stock this size operation with the kind of cattle we would like would require a considerable cash outlay. So we have had to increase our cattle herd slowly through the process of simple reproduction and not-so-simple borrowed money. We borrowed the money to buy a cow, which produced a calf, which produced a check, which paid for part of the cow. If this process would proceed without any hitches for 10 years, 4 cows would normally produce a herd of 41 cows, 20 yearling heifers and the accumulated income from 81 steers. Ain't nature grand? What isn't mentioned is that cows get kidney infections or Bang's disease, or they get baling wire in their stomachs and stretch out their mortgaged heads and die leaving you holding the note. The calves sometimes don't get born just because ma was too choicy in her sex life. On the farm, the reluctant lady is finished off in short order—hamburger.

In livestock farming, we learned never to underestimate the importance of the bull. This may seem like an obvious statement, but I am talking about his economic potential to the herd. The qualities of a good cow are reproduced in one calf once a year. The bull is reproduced in our herd 30 to 35 times each year. Consequently, whenever there's any extra cash, it goes into the purchase of a better bull with more steak on his southwest quarter.

Our savings account is on the hoof. No matter how short the ready cash, we keep the best heifer calves for the permanent herd and market only the steers and undergrade females. My first thought, when the bills get pressing, is to cash in some of those dollars in the pasture, but Dave regards them as our "steak" in the future. Like any good stockman, he knows each cow and never misses a sore eye on "Huntsdale Heifer," a barbed wire cut on "Bones" or a slight limp in "Old Cow's Second Calf." Today we have one of the better smaller herds of grade cattle in the county. Our bull won the blue ribbon in the commercial-cattle class at the fair and our pen of five calves took second place.

After 8 years, our acreage had increased fivefold, representing a $60,000 land investment, although only a small portion of this was our own capital. Our machinery had increased from 1 team to a $6,000 line of equipment. Our cattle had increased from 1 milk cow to 35 good-quality Hereford cattle. Most important, like any sound businessman, Dave had learned to produce a good product. Our calves sold as "good-to-choice" feeders. Our crop yields were above average for our county. Our record looked good and we felt confident we were operating on a safe margin and could withstand a normal weather hazard or a reasonable drop in the market.

That was in the fall of 1951. One year later we were $4,200 poorer. In September, 1951, we had 30 head of cattle worth about $300 apiece, a herd investment of $9,000. In September, 1952, the $300 cow had dropped to $160. The cattle were worth $4,800. Today the same cow has gone down to $110.

Other commodities have followed. In February, 1948, a bushel of corn on the free market was worth $2.80. Last fall it marketed for 95 cents. At the same time the cost of producing a bushel of corn has steadily increased. The tractor to plow the field now costs $800 more; the corn picker $400 more. The taxes on our 245-acre farm have almost doubled since 1948. Since 1947, farm income, in terms of what it can buy, has decreased 45 percent.

Close on the heels of falling prices, in 1953 and 1954 we had two record-breaking droughts. Water became our most valuable resource. We knew that our house water supply would be inadequate during dry periods, but decided that the $2,000 for a deep well could be better invested in livestock and machinery, and we could have water hauled when necessary. We failed to anticipate that the bank account and cistern would go dry at the same time. I improvised a suds saver for the automatic washer out of a barrel, a piece of hose and a few scientific principles. No one turned on a faucet without due consideration, and baths were at a minimum, a state of affairs which delighted the children.

One evening, without thinking, I mentioned to some guests from town that it cost 5 cents every time we flushed the toilet. That night, after they went home, I found a neat stack of nickels in the bathroom.

But personal inconveniences were nothing compared to the tragedy of seeing our crops and pastures burn up before our eyes. In the summer of 1954, the view from our windows was desolate and our account books looked just as bleak. The cost of gasoline, seed and fertilizer to put in our crop was about $2,000. Our gross income on what was left of the crop was $275—a cash loss of $1,725. Return on land and machinery investment, nothing. Return on about 500 hours of Dave's labor, nothing. What's this thing they call a minimum wage?

Have you ever tried to work out a budget on an income of minus $2,000? It was at this point that Dave, like most of the farmers in our area, had to get a job off the farm. We gnawed our living expenses to the bone, but we couldn't cut out the three meals a day. As it turned out, Dave couldn't escape the weather. For 6 months he worked for an air-conditioning company—the mechanical approach. Now he is a meteorologist with the United States Weather Bureau—the scientific approach. At present he is putting in 40 hours a week at the Weather Bureau and 40 on the farm.

We have managed to survive our greatest natural hazard—weather. The unseasonable frosts of Michigan and Minnesota, the wet spells of Iowa, the droughts and dust storms of the Midwest are the farmer's calculated risks. But, can we now survive the hazards peculiar to the present agricultural economy? Can we continue to pay $3,000 for a tractor and use it to produce corn that sells for only 95 cents a bushel? We are faced today with the problems of widely fluctuating prices and constantly rising costs, coupled with the unpredictable regulations out of Washington, where the farmer is tossed around like a hot potato in the political kitchen.

Farmers have pitifully poor public relations. Most nonfarming people have no conception of what we are facing, like the sweet young thing who cocked her head brightly and asked Dave, "Grasshoppers? Now let's see. Are they good or bad?"

Dave, like most thinking young farmers, realizes that we cannot hope to find an answer until we can make our problems clear and meaningful to the factory worker, the business executive, the city dweller, and particularly to the men who frame our laws in Washington. The existing farm organizations, in most cases, put forth sincere and undaunted efforts to accomplish this. But in order to be truly effective, they need a greatly increased membership of well-informed and interested persons. Too many farmers underestimate the importance of their organization and fail to relate their own participation to its success. Farmers are still poorly organized in an otherwise highly organized society, and we suffer for it. Dave has spent long hours working in our local farm bureau. We feel that this time is as important to our financial future as the hours he spends on the tractor, perhaps more so. Our lives are invested in that future.

We have seen our contemporaries leave, one by one. Some go fast, in a cloud of disgust, selling everything behind them. Most ease out slowly. First they get a good job off the farm. Then the farm work comes to a standstill because they don't have time for both. Then it's lonesome for the family, and pretty soon they are looking at a ranch house in the suburbs.

We know these people well. We know what they are facing. Most of these men are young, competent, and vitally interested in the problems of agriculture. They follow the latest scientific developments in good farming practices. They are informed on agricultural legislation and active in policy making through their local farm organizations. They have willingly done without the frills of modern living because they were convinced of the rightness of their way of life and the importance of their work. They had been steadily doing a good job, enlarging their operations, branching out, increasing their productivity. These are the young men who, in the present change, are leaving the farm. We believe that our education and experience are your investment, because we are your stock in the future of agriculture.

With 81 percent of the farm operators now over 35, it's getting pretty lonesome for the young couples these days. At most rural gatherings, you can count the farmers under 30 on 1 hand. When we bought our first farm at the age of 23, they called us those kids that bought the Martin place. Ten years later we're still "those kids." In our occupation there's nothing younger coming up, and until there is, we'll always be the youngsters in the crowd.

Where are the bright young men of agriculture? There are plenty of graduates from our agriculture colleges, but they are going into the Extension Service, research or the commercial aspects of farming. Many of them would rather work the soil, but can't manage the $40,000 to $75,000 investment that economists figure is required to finance an efficient farm operation. What if a $50,000 investment were required in other occupations? In 20 years' time, who would heal our sick; who would teach our children; who would interpret our laws? What is going to happen to farming? Who, then, will operate our farms?

We are vitally concerned and wish to be a part of the agricultural future of this country. We feel that our work of producing food is important and we know that we have the training and experience to do it well. We want to stay in farming. We like the life for our family. But we have a continuing obligation to provide our children with a decent standard of living, good medical care, and adequate educational opportunities. Bills mount up, reminding us of more immediate obligations.

Once again, Dave and I are faced with a decision. Our expenses are increasing. Our income is decreasing. Our indebtedness is mounting. Can we afford to stay in farming? That is our problem. But the problem facing this country today is that agriculture needs us for its future.

THE PROBLEMS OF THE SMALL FARMERS

Mr. SYMINGTON. Mr. President, the Weekly Record of New Madrid County, Mo., recently published some figures that speak eloquently about the problems of the small farmer in one of Missouri's richest agricultural areas.

Based on reports filed with the Farmers Home Administration, 99 farm borrowers had an average net farm income in 1955, after living and operating expenses, of only $65. In the preceding year, the average net income was $396.

Ironically, the farmer suffered this drop in net income despite the fact that his gross income rose from $4,679 in 1954 to $5,468 in 1955.

Average operating expenses rose from $2,405 to $3,240, and average living expenses rose from $1,210 in 1954 to $1,295 in 1955.

Mr. President, I ask unanimous consent that the article from the New Madrid County Weekly Record of April 27, 1956, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECORDS SHOW FARM NET INCOME DECLINE; PRODUCTION UP BUT PROFIT DOWN LAST YEAR OVER 1954

Well-kept records of 99 New Madrid County farmers show that their average net farm income, after all current family living and farm operating expenses were paid, was only $65 in 1955, as compared with an average net of $396 the preceding year.

That great decrease in net came in spite of the fact that both their production and gross income was up in 1955 over the preceding year.

The figures came from records of 99 farmer borrowers of the New Madrid County Farmers Home Administration, both landowner and renter type.

Average size of the farms increased from 89 acres to 102.6 acres in the period covered and per acre production on those farms was up for cotton and corn, but down a trifle for beans. They averaged 530 pounds of cotton in 1955 against only 444 pounds in 1954. Corn produced a 38.75 bushel average last year against the preceding one, but bean production was only 17.23 bushels in 1955, while in 1954 it was 18.72.

Gross income for the average farmer covered by the FHA records was $5,468 last year against $4,679 in 1954.

Cause of the decrease in net income was the continuing rise in farmer costs as shown by the figures of average expenses.

Family living expenses were up only a trifle, from $1,210 to $1,295, but farm operating expense jumped from $2,405 in 1954 to $3,240 last year, and capital purchases increased from $668 to $868.

Living expenses include food, clothing, medical, and other family costs; operating expenses are seed, fertilizer, labor, and small implements used in production of the crop, and capital purchases include major items, such as tractors and other large farm equipment.

DISCRIMINATORY TAX PROPOSAL IN HIGHWAY BILL

Mr. NEUBERGER. Mr. President, on May 17, 1956, State Representative Loran L. Stewart, of Cottage Grove, Oreg., testified before the Senate Finance Committee on H. R. 10660, the Federal highway bill that is now before Congress.

Representative Stewart, who served on the 1954 Oregon State Highway Legislative Interim Committee and as chairman of the Oregon House Ways and Means Committee in the 1955 legislative session, has pointed out a very discriminatory feature of the highway bill.

This discriminatory feature would increase the tax on gasoline and rubber used by trucks that travel a good share of their mileage off the public highways and on private roads, maintained by the lumber industry, in the forests where logs are gathered to the mill where the timber is processed.

Mr. President, under the Oregon weight-mile tax on trucks, a refund is made on the gasoline tax paid when the trucks travel over private roads. The experience with this State legislation in Oregon has been good, and I believe that it deserves careful study in the enactment of Federal gasoline and rubber taxes.

The lumber industry is vitally important to the economy of the Pacific Northwest. I feel that taxes which discriminate against so important an industry should not prevail.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the statement given this morning by State Representative Stewart before the Senate Committee on Finance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL HIGHWAY ACT OF 1956—H. R. 10660

(Statement of Loran L. Stewart in behalf of the National Lumber Manufacturers Association before the Senate Committee on Finance, May 17, 1956)

Mr. Chairman, gentlemen of the committee, I am Loran L. Stewart, of Cottage Grove, Oreg. I am president of the Bohemia Lumber Co., located east of Cottage Grove, Oreg. We are a small company; we do not own any timber of our own and are entirely dependent upon the United States Forest Service and the Bureau of Land Management for our supply.

I am director of the Industrial Forestry Association and a member of the West Coast Lumbermen's Association of Portland, Oreg., both of which are organizations of loggers, forest owners and lumber manufacturers in the Douglas fir region. I am here representing my own area and also the National Lumber Manufacturers Association, a nationwide organization of the lumber industry. With your permission, I would like to file for the record a statement prepared by the National Association on the revenue features of H. R. 10660, the highway bill, as it affects logging and off-highway use of logging trucks.

I have had the good fortune of being a member of the Oregon State Legislature for the last three sessions. In two of them I was a member of the house highways committee as well as the highway interim committee. At the present time I am chairman of the house taxation committee, so I am somewhat familiar with both highway and tax problems in the State of Oregon.

Highways are one of our important assets and we in Oregon have bonded ourselves to the limit of our capacity for construction of important highways, and we are still short of the necessary transportation facilities. We in Oregon, and I am certain the lumber and logging industry of the Pacific Northwest and the United States, are wholeheartedly in accord with an improved highway system. We also recognize that an expanded highway construction program is going to cost a great deal of money and someone must pay the bill. We should bear our fair share of the cost because we will benefit proportionately in marketing our products.

But there is a feature of this highway bill that gives wholly inadequate consideration to the problems of our industry and which on its face is highly discriminatory and inequitable. As I understand the intent of this bill from reading the House committee's report, the highway user will pay the cost of building the proposed highways through higher taxes on motor fuels, tires and trucks. This idea seems to be brought out clearly by the fact that gasoline used in boats and airplanes is exempted from the tax increase and, as indicated in the committee report, the tax will not apply to operation of mammoth trucks used exclusively off the highways. It would be consistent with this approach that all equipment used off the public highways should be exempt from the tax increases, or allowed refunds to the extent that taxes are imposed and paid; also equitable allowance should be made for the fact that trucks operate both on and off the highways.

I estimate that over three-fourths of the logging trucks in the Pacific Northwest are off-highway users during some portion of their trip from the loading point in the woods where logs are assembled to the point where they are dumped in the millpond or mill yard. The tax increases and the new taxes proposed in this bill will fall heavily upon our industry and particularly upon the small independent contractor engaged in logging. The bill in its present form is highly discriminatory because—

1. It taxes us for use of our own trucks over our own roads which we have already built and paid for.

2. Notwithstanding that loggers will pay highway use taxes under this bill, they will have to continue to build and maintain thousands of miles of roads annually at their own expense.

Since the Federal Government seems to be embarking for the first time on the highway use theory of taxation recognized in many States, what our industry is seeking before this committee is recognition from the start that nonhighway use—that is, operation of motor vehicles over privately-owned, privately-built or privately-maintained roads—should not be subject to highway use taxes. My own State of Oregon recognizes this principle.

May I diverge here to explain the workings of the pertinent part of the Oregon law? It is based fundamentally on two principles: First, the privilege tax which is, in effect, the license fee. Any truck or car that travels a mile or 100,000 miles on our highways is subject to this tax. A completely off-the-highway vehicle does not pay this tax because it is not privileged to use the highways. Second, the "use" tax which takes two forms: One, the gasoline tax which in effect says the more miles you use the highways, the more tax you pay. Two, the weight-mile tax which applies to heavier vehicles. The scale of this tax is graduated from the lowest weight to the highest weight vehicles, so in effect the more weight they carry, the more money they pay to use the highways. I believe, gentlemen, that this is exactly what this bill is attempting to do—the more gasoline or rubber used, that is, the more miles traveled, the higher the taxes.

Now let me explain a little of the mechanics of the operation of our use tax. Gasoline used in vehicles not operating on public highways is not subject to the gasoline use tax. If a logging truck operates over 10 miles of private roads and over 10 miles of public roads, the operator can apply for a refund on the gasoline consumed over the private roads, based on proportionate mileage, and on records that the Secretary of State requires him to keep.

The weight-mile tax I spoke of, which is also a use tax, is based on the same principle. If a logging truck operates over 10 miles of private road and over 10 miles of public road, it pays the weight-mile tax only on the mileage traveled over the public road. The mileage and trip records are kept on forms prescribed by the Public Utilities Commissioner, who makes periodic audits to see that proper payment is made.

Now, gentlemen, this has proved to be a relatively easy system to administer. Let me give the history of a test that was performed to determine the accuracy of collections and the extent of evasion, if any. In 1954, the Oregon State Highway Interim Committee, of which I was then a member, wanted to determine the operation of the weight-mile tax in Oregon. The committee hired an independent out-of-State organization, the Stanford Research Institute, to examine the records and results. They spent about 4 months in Oregon making various checks in cooperation with State police, highway officials and other agencies. After a very detailed analysis, they found that Oregon was losing on the first direct return 3.4 percent of the taxes due. This was phenomenally low and did not reflect a true picture of the satisfactory operation of the system because this deficiency was picked up in the course of regular audits by the Public Utilities Commission. I am sure the Stanford report is available if this committee would like to examine it.

The experience of my State amply refutes the implications found in the report of the House Ways and Means Committee on this bill that allowances for nonhighway use, as urged by our and other industries before the committee, would be difficult to administer. Further, I think the principle of our proportionate mileage tax based on allowances for mileage operated over privately owned or maintained roads could be extended to use of tires. The statement of the national association that I have filed covers adequately the fact that rubber is a very substantial item of cost in logging operations due to the classes of roads over which we operate. For this reason, logging operators keep detailed cost records on tire use, sometimes by individual tires upon which refund allowances could be based to the extent these tires are used off the highways. Such allowances might also be based on records kept for nonhighway use of fuel or the weight-mile tax, using the proportionate mileage principle. I might say that all the breaks would be in favor of the Government as our

consumption of fuel and rubber may be 2 to 6 times as high operating over logging roads as over public highways.

In conclusion, I would like to say that highway use taxes are so clearly discriminatory when applied to off-highway use. Congress should immediately and completely recognize the fact in this bill. There is no reason to defer this until studies are made as to whether highway use taxes are equitable as applied to all classes of highway users. Broad powers may be given to the Treasury Department to prescribe regulations governing refund provisions and to place the burden of proof upon the nonhighway user applying for refund of taxes paid. Such refunds should be limited to the tax increases proposed in this bill or to the amount of the new taxes proposed. It is my understanding that Senator MAGNUSON of Washington will offer an amendment to this effect.

PRECISION SKILLS

Mr. MANSFIELD. Mr. President, I understand the Office of Defense Mobilization is now considering the defense essentiality of the jeweled watch industry and its importance to this country. I should like to point out to the Senate that there are some skills which no civilized nation can afford to lose. This we take for granted when we consider the problem of providing food, clothing, and housing for our people. These are obvious needs, and we have insured a continuing supply of these necessities by farm-price supports and by Government-guaranteed housing loans.

Possibly because it is a small industry, as American industry goes, we have overlooked the fact that no nation in our fast-moving world of today can be dependent on another nation for the skills needed to produce timing devices. It is not a mere matter of producing watches and clocks. To keep time in a fixed place is a relatively simple matter. Our problem is vastly complex, since we must be certain that at all times we have the engineering skills and technical know-how to produce devices which will control the movement of objects through space at speeds that are sometimes fantastic.

To do this we must maintain and develop our horological skills. We must be certain we have plenty of men and women who know how to design and manufacture such basic devices as watches, chronometers, and airplane clocks because we need such persons to design and manufacture devices that will guide and control missiles that move at incredible speeds. This latter need was emphasized during the early days of the Korean war, when the Navy found that lives of its pilots, flying planes carrying antitank rockets, were imperiled because of a poorly designed timing device. Our horological engineers were called on to produce an adequate timing device within 30 days.

Fortunately because we have a jeweled watch industry, this was possible. It is in this industry that we find the design and production engineers, the chemists, and the metallurgists who can manufacture not only watches but also timing devices that were undreamed of a generation ago. For example, when the manufacturers of electronic calculators needed a metal tape capable of recording complex and sensitive impressions at extremely high speeds, they turned to the jeweled watch industry to fabricate the metal.

It has been argued that any manufacturer of timing devices can do everything the jeweled watch industry does except make jeweled watches. This is true only to the extent that more often than not the jeweled watch industry has to show the other manufacturers how to do it. During World War II, when the mass production of fuses was imperative, the jeweled watch industry showed a number of manufacturers how to produce the fuses. More recently, when the manufacturer of a new and extremely accurate gyroscope needed parts tooled with the utmost precision, the jeweled watch industry furnished him with them.

If we in the United States underestimate the importance of our watch and clock industry, we can be certain the Russians are not underestimating theirs. In his recent speech to the 20th Congress of the Communist Party of the U. S. S. R., Party Boss Nikita Khrushchev told the assembled comrades that Russia will step up its production of timepieces from 19.5 million a year as of 1955 to 33.6 million by 1960. Since those who make timepieces are the ones who best know how to make timing devices, it is obvious that Khrushchev is less interested in giving the Russians watches and clocks than he is in making certain that Russia's rockets and missiles go off on time.

The Russians are simply responding to a fact of life that we and other nations tend to ignore, namely, that every industrial nation must have its own horological industry. Between World War I and World War II Great Britain allowed foreign competition to destroy its horological industry. As a result, the British had to improvise, and not very adequately at that, when the manufacture of timing devices became imperative in World War II. Now the British have imposed high tariffs and quotas on foreign watches and have provided immense subsidies to watch manufacturers. The French have done the same thing, and so have the Germans.

There is no question at all in my mind that we in this country must turn our minds to the problem of saving our horological industry, and we must do it quickly.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles;

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1956, he presented to the President of the United States the enrolled bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilizing of privately owned shipping services in connection with the transportation of privately owned vehicles.

AGRICULTURE ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. AIKEN. Mr. President, I do not wish to take much time today on the bill. In fact, I shall not want to take much time tomorrow, when the Senate will begin to vote on the proposed amendments and finally on the bill itself, because I believe that as the different amendments are proposed, Members of the Senate will understand pretty well what they mean, without any prolonged debate, and I hope we shall be able to conclude action on the bill as early as possible tomorrow.

Let me say, Mr. President, that the bill as reported by the Senate Committee on Agriculture and Forestry does give more hope for the establishment of a soil bank program, and certain other phases of the agricultural program, than did the bill which was vetoed by the President a month or so ago.

The soil bank provisions in the bill are pretty broad. They put a great deal of responsibility upon the shoulders of the Secretary of Agriculture. In writing the bill, we have undertaken to word it so that the Secretary is not instructed to do the impossible for this crop year of 1956.

Under a recent date, Mr. President, I received a letter from the Secretary of Agriculture. The members of the Senate committee are in possession of the letter. However, in order that all Members of the Senate may know the contents of the letter, I ask unanimous consent to have it printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Department of Agriculture,
Office of the Secretary,
Washington, D. C.

Hon. George D. Aiken,
Senate Committee on Agriculture and Forestry, United States Senate.

Dear George: This is in response to your request for my comments on the possibility of getting a soil bank into operation on the 1956 crops.

H. R. 10875 contains the following language in section 103: "the Secretary of Agriculture * * * is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops * * *."

Section 103 further provides that "Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage-reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary."

It is now the second week of May. Wheat will soon be ready for harvest in the southern Great Plains. Winter oats and barley in the southern half of the country will soon be ripening. Much of the cotton is planted. Spring grains are mostly seeded. Corn is being planted. By the end of May 1956, plantings will be virtually completed.

I would not be discharging my responsibility if I failed to point out the grave difficulties associated with trying, at this late date, to get a soil bank operating on 1956 spring seeded crops.

Inclusion of feed grains in the acreage reserve requires the establishment of base acreages for these crops: oats, rye, barley, grain sorghum and corn in the noncommercial area. This means the assembling of data and the determination of bases on 100 million acres. We presently operate programs on 170 million acres. This provision would require an expansion of almost 60 percent in the scope of our operations. It would be necessary for local committeemen to establish for every farm a normal yield for every crop in the acreage reserve. In order to be equitable, one farm with another and one area with another, these yields would have to weight out to county check yields.

Even though we would do our utmost, we could not have this tremendous task accomplished, together with the necessary writing of contracts and checking of compliance, prior to the harvest date for many of these feed crops.

We have gone as far as we could go in making ready for the administration of this program, taking into account the many uncertainties as to its eventual form. But obviously we cannot write procedures before the law is passed, and questions of major importance regarding the legislation are still being debated.

Some may contend that we should omit the established procedure of determining bases and proceed on the basis of unverified data. Our experience is that unless historical data are used, the reported acreage figures may be in error by as much as 30 or 40 percent.

To launch a program like the soil bank at this late date, for 1956 spring-seeded crops, with inadequate data and hastily developed administrative machinery, would have these adverse effects:

1. Participation would be low. Farmers, with their crops already planted and with their investment already made in seed, fertilizer, and labor, would be reluctant to enter the program.

2. The intended reduction in production would not be accomplished. Since participation would be low and since the farmers most likely to come into the program would be those whose crops were likely to turn out below average in yield, the intended purpose of the program—reduction of surpluses—would not be satisfactorily achieved.

3. Costs would be excessive. The inducement necessary to cause a farmer to enter the program would be greater after he has made his outlay of money for production expenses than it would be if contracts could be made before planting.

4. It would be difficult to make the program properly effective in later years. If the program is launched hastily, precedents are established which prevent proper administration for the following years.

5. The program would be discredited in the minds of farmers and the public generally. The soil bank has much promise if it can be properly operated. If, in the first year of its operation, farmers do not participate fully and the program is demonstrably ineffective and expensive, then the program may be erroneously judged a failure. This would be especially true if it becomes a plow-up program. This program should be given a fair chance to operate.

On several occasions, the critical time element in this program has been referred to.

In his discussion before the Senate Committee on February 6, Under Secretary Morse submitted a summary which contained this statement: "If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1956." This statement was made with respect to the program recommended by the administration, which embodied an acreage reserve program intended to apply only to wheat, corn, cotton and rice. Since then the program has been made more complex and has been extended to feed grains, tobacco and peanuts, thereby adding substantially to the workload. Grazing lands are added in the House bill.

In his April 16 message regarding his action on H. R. 12, the President said: "The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops."

In my appearance before the Senate Committee on Agriculture on April 19 I said: "Farmers should know as promptly as possible the terms of the acreage reserve so as to plan for fall crops. Plowing will be underway within 90 days—then comes liming, fertilizing and seeding in rapid succession."

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeded crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

Sincerely yours,

Ezra Taft Benson,
Secretary.

Mr. AIKEN. In the letter the Secretary points out that because of the lateness of the season, it would be almost impossible for him to apply the provisions of the soil bank this year, particularly to crops which are planted in the spring. I think the tenor of his letter applies primarily to the acreage-reserve feature of the soil bank. However, if we could get a considerable amount of proposed legislation on this subject passed and on the desk of the President in acceptable form in the next week or so, it appears to me that it might be possible before very long to start work on the conservation reserve phase of the soil bank; and then, when fall comes, of course the acreage reserve would be applicable to the crops of wheat and rye, which are planted in the fall, and possibly in some sections of the country to winter oats or barley, although I am not sure as to that.

The bill contains some good provisions, among them provisions which will be of great interest to the small cotton growers of the South, and provisions relating to forestry, which could be very helpful in almost all sections of the country.

In the bill there are 2 or 3 provisions of which the administration does not approve, particularly the provisions relating to mandatory support prices for feed grains. As the bill is written, it would support feed grains at 76 percent of parity for this year, 1956. The reason why 76 percent of parity level was arrived at is this: Noncompliance corn is being supported this year at $1.25 a bushel, which amounts to 71.7 percent of transitional parity which applies to the corn crop this year. That is 75.7 percent of the modernized parity price for corn, and if applied on a comparable basis to feed grains, would provide 75.7 percent supports for grain, sorghums, oats, rye, and barley as their parity prices are computed under the modernized formula. So we have no particular objection to the provisions of the bill which would support feed grains at 76 percent of parity for this year, 1956. In fact, inasmuch as the price has gone up in recent weeks, that probably would result in a support price not far from the market price at the present time.

However, the administration objects to tying the support level for feed grains to the support level given to compliance corn grown in the commercial areas after this year. We do not believe it would be correct to tie the price of feed grains to the price of the higher grades of corn and the highest-priced corn. It is possible that we might agree to support the price of feed grains another year at the same comparable level—I say "the same comparable" level; it might not be the same percentage level—as that at which noncompliance corn is supported in another year, too.

At any rate, tomorrow, when we begin to consider the amendments in detail, we shall take up this proposal, and shall discuss it more fully. I hope we may arrive at decisions—which may entail compromises in some ways—which will enable us to obtain a bill which, even though not fully applicable this year, will be applicable for the fall-planted crops for the next 3 years thereafter.

Mr. DANIEL. Mr. President, will the Senator from Vermont yield for a question?

The PRESIDING OFFICER (Mr. Bible in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. AIKEN. I yield.

Mr. DANIEL. The Senator from Vermont is familiar with the provision with respect to feed grains which was included in the House bill, is he not?

Mr. AIKEN. Yes.

Mr. DANIEL. It calls for 81 percent support, but requires at least 15 percent of the average acreage for the past 3 years to be put into the acreage reserve or conservation reserve program.

Mr. AIKEN. That is correct.

Mr. DANIEL. Did the committee feel that the change it made would cost the Government more money or less money? In other words, the change which has been made by the Senate committee would not require that any of the acreage be set aside. Some of the feed-grain farmers feel that will cause the planting of considerably more acreage.

Mr. AIKEN. That will depend. The Senate committee changed the bill, so that feed grains would get the same treatment as that given to corn; and that would require feed-grain farmers after this year—they are not required to reduce the acreage this year; in fact, most of it is already planted—to retire an amount of their cultivable cropland equal to 15 percent of their base acreage for feed grains. They could take that out of the land they plant to sorghum or the land they plant to wheat or the land they plant to alfalfa, or even out of the land they plant to good tame hay. If they should take it out of land they plant to hay, it probably would not reduce the overall feed production of the country as much as would be the case if they took it out of land they plant to sorghum, and certainly it would not reduce the overall feed production of the country as much as if they took it out of land they plant to corn.

However, in some places there will be a greater incentive to take it out of land they plant to a higher-priced crop, because they will get more pay for doing so. If they were to take it out of land ordinarily planted to hay or alfalfa, they would receive only the pay which they would receive for putting it into the conservation reserve. If they place feed-grain acreage in the soil bank, they will receive acreage reserve payments, which are much higher. But under the bill, they are required to retire an amount of their overall cropland equal to 15 percent of their feed-grain base acreage in order to get the higher support price next year.

Mr. DANIEL. That is for next year, is it?

Mr. AIKEN. Yes, next year. This year, it is so late that they simply cannot be required to do it.

Mr. DANIEL. Let me say to the distinguished senior Senator from Vermont that the information we have received from the feed-grain producing States is that it is not too late, and that they can comply, and that they would like to see in the bill a provision permitting some of the acreage to be retired from production, so as to avoid overproduction. If we find that to be the sentiment of the feed-grain producers, and that they are giving us the true facts about still being able to comply, what would be wrong—even though this requirement is not made with respect to corn—with providing that for this year, feed-grain producers who retire 15 percent of their base acreage will receive 81 percent support, as the House has provided?

Mr. AIKEN. The House did not provide that next year they would receive any support above the present law, which this year is 70 percent. The House provided that it would be 81 percent next year, assuming that the support level for corn grown in the commercial area in compliance with the acreage allotments was 86 percent. But there is no assurance that that will be done. It is not known what it will be next year.

Mr. DANIEL. Then the Senator from Texas has not correctly interpreted the House version of the bill, because his interpretation of the House version is that it would provide 81-percent support for feed-grain farmers who retire 15 percent of their base acreage.

Mr. AIKEN. Not this year.

Mr. DANIEL. Not this year? I wonder whether the Senator from Vermont has checked on that.

Mr. AIKEN. The counsel tells me that that is only if the acreage reserve program is in effect for corn this year; and undoubtedly it will not apply this year.

However, as the Senator from Texas states, there is still a possibility that some crops could come under the soil-bank program for this year, because I understand that in his section of the country there is still time to plant sorghum.

Mr. DANIEL. Yes.

Mr. AIKEN. Possibly if the bill is enacted promptly it might be applied to some of the northern tobacco fields, where planting is not yet done. From here north, if the tobacco was planted before yesterday, it probably froze last night.

Mr. DANIEL. Would the Senator object to a provision of 81 percent support for those farmers who do lay aside 15 percent of their base acreage for this year?

Mr. AIKEN. I think we would have to do so, because feed grains include oats, barley, rye, and sorghum. The oats are practically all planted.

Mr. DANIEL. Would the Senator object to 81 percent of parity for producers who do lay aside 15 percent of their base acreage and put it in the soil bank?

Mr. AIKEN. Eighty-one percent would be an increase of 16 percent over present supports. I am sure there would be an uproar in most places in the country over that, because, after all, there are only about 220,000 farmers in the United States who produce more than a thousand bushels of feed grain to sell. Most of the States would lose heavily by reason of an artificial increase of 16 percent in support prices. I think the Senator's own State of Texas would lose something like $39 million a year, because there are so many more feeders than there are grain producers. After all, much of the grain which is produced for feed is in the nature of a stepchild. If one crop fails, the farmer can plant another. In the South the farmers can plant sorghum. In the north they can still sow barley.

I shall present figures tomorrow which will show just what the effect on each State would be. Of course, another factor is that acreage allotments for feed grains have not been established for this year. That is one reason why we cannot put the suggested program into effect. It is physically impossible to measure all the farms of the country this year to establish base acreages for feed grains. The Secretary says it is a physical impossibility to do it, so he strongly recommends that anything of that nature go over until next year.

There might be counties in which base acreages could be established—for example, a county in west Texas or east Texas. Possibly base acreages could be established for certain other counties. But for most farms, if the Senator will read the Secretary's letter, which I placed in the RECORD today, he will see that the Secretary points out the physical impossibility of establishing feed grain base acreages this year.

Mr. DANIEL. My question was based upon only those instances in which it would be possible for the base acreage to be figured and for the farmers to comply and retire 15 percent of their base acreage. For example, I think the figures for Colorado, Oklahoma, New Mexico, the panhandle, and south plains of Texas, and Kansas show that producers of about 60 percent of the grain sorghum of the country can still comply, and that quotas can be computed.

My question of the Senator is simply this: In cases where that is possible, with farmers reducing their acreage 15 percent, would we not be justified in paying the higher parity of 81 percent, and paying the 76 percent, as the Senate committee has provided, in instances in which the feed grain producers cannot comply or do not retire 15 percent of their acreage? The point I am driving at is this: Grain farmers tell us that they are going to have a greater over-production than ever unless there is some incentive to cut down their acreage this year.

Mr. AIKEN. I would not agree to that. According to the latest estimates of the Department of Agriculture, the feed-grain growers have voluntarily reduced their plantings this year about 6 million acres, which is about 4 percent below last year. Texas happens to be 1 of 4 or 5 States of the Union in which more than 5 percent of the farm income comes from feed grains. In North Dakota 13 percent or more of the income comes from feed grains. I do not know whether those figures are based upon a normal year or not. The figures I have are for 1954. There has been to some extent compulsory reduction in the planting of wheat and cotton in some years. At 81 percent of parity for the feed grains, if we were to increase the price of what the Texas people buy proportionately, the increased cost of the feed grains would be $26,800,000 a year.

Mr. DANIEL. The Senator means for those who buy the feed grains, does he not?

Mr. AIKEN. That is correct.

Mr. DANIEL. But does the Senator realize that the feed-grain producers are competing with those who buy feed grain in the poultry business and the cattle business, and that they are glutting the cattle and poultry markets by putting their own feed grains into their own poultry, cattle, hogs, and other livestock?

Mr. AIKEN. What the Senator proposes is to give the feed-grain producers of Texas another 15- or 16-percent increase in the support price, but to require them to reduce their acreage 26 percent, so he would raise the prices and reduce the income.

Mr. DANIEL. I understand that is not true. The farmers from whom we have heard agree that the Senator's figures as to total acreage reduction would be true in some instances. When we consider the 3-year average, it may mean that they are reducing acreage 25 percent, as compared with 1955.

Mr. AIKEN. The 3-year average represents a reduction of 10 or 11 percent from the 1955 figure. If we add 15 percent to that, we arrive at a figure of a 26-percent reduction.

Mr. DANIEL. The farmers who are raising feed grains say that that is exactly what should be done. They say that they should reduce acreage this year, and that an incentive should be given for them to do so; otherwise there will be an overproduction of feed grains. The Senator from Vermont is agreeing that there would be quite a reduction in acreage planted to feed grains if the House version were followed.

Mr. AIKEN. Yes. It is expected that there will be a reduction of about 6 million acres anyway.

Mr. DANIEL. Would not that be desirable, if we wish to cut down overproduction?

Mr. AIKEN. I am not so optimistic as to the completely beneficial effects of the soil-bank program as are some of its advocates. This is pure guesswork. I have no crystal ball. I doubt whether any real surplus of feed grains will be produced this year. I do not believe the amount we have on hand will be reduced to any great extent, but I do not think it will be added to.

Mr. DANIEL. The producers, who say that they speak for quite a few of the grain growers in Colorado, Oklahoma, New Mexico, Kansas, and Texas, represent to us that under the provisions of the Senate bill there will be a greater probability of overproduction of feed grains, because there is no incentive for them to reduce their production.

Mr. AIKEN. Certainly if there were a stronger price incentive there would have to be stronger controls, in order to hold production in line.

I will say to the Senator from Texas that I have noticed quite a reduction in the volume of our correspondence relating to farm legislation. Since we began discussing this subject a couple of months or so ago soybeans have gone up to $3 a bushel. Hogs have gone up to 17 cents a pound, and 4 inches of rain have fallen over a great area of the country which was suffering the most. Any one of those three things will probably do as much good this year as whatever legislation we may enact. At the same time, I think we should try to have a good bill enacted, so that we can put into effect the conservation reserve feature of the program this summer, and, when the time comes to plant winter wheat, put the acreage reserve program into effect.

Mr. DANIEL. Mr. President, am I to understand that the Senator from Vermont will support the Senate committee's version of the feed-grain proposal?

Mr. AIKEN. For this year; yes.

Mr. DANIEL. For this year?

Mr. AIKEN. Yes. In that respect we would split the differences so far as the House figures are concerned, and instead of providing no increase at all this year, and 16 percent next year, we would split it, and have 76 percent support for this year. I will go along with that. That is a very substantial increase, although the market price for these feeds has been working up, and the price in the open market is pretty nearly up to that support price.

Next year, if there is a support price for noncompliance corn—and I expect there will be—then we can give the feed grains a comparable support.

It seems to me this is a pretty fair arrangement. If we can work it out, together with 1 or 2 other things, there should not be too much trouble about getting the bill through quickly and in such shape that there will be no reason to question it. I am inclined to think that, although it might not reduce the total supply of feed grains quite so fast as the Senator from Texas would like to have it done, it would not result in any increase, or much of an increase, this year, because, except for the Senator's own territory, and a little of the barley area, feed grains have already been planted.

Mr. DANIEL. As I understand, the exception would apply to about 60 percent of the country's grain sorghums.

Mr. AIKEN. We have left the bill in such shape that if the Secretary of Agriculture finds it physically possible to do so, he may put an acreage reserve into effect in some of the sorghum areas this year. I do not know, but I suppose in the Senator's State planting is done until the first of July, in some areas.

Mr. DANIEL. I believe that is true.

Mr. AIKEN. The Secretary would have authority to take such action if he could physically do it. However, we cannot establish base acreages in that length of time, from which base acreages there would have to be taken off 15 percent if he participated in the acreage-reserve program for feed grains only. That could not be done this year. Therefore, we have let the farmers go into the conservation reserve this year and will support their product at 76 percent. Those two things will create better conditions than last year, but probably will not reduce the total production as fast as the Senator from Texas thinks it ought to be reduced.

Mr. DANIEL. I thank the Senator from Vermont. I should like to ask him to consider the statements and telegrams and other messages from producers who contend that the quota can be established, at least on sorghum grains, and that they would like to be required to take a cut, if the parity price incentive could be provided.

Mr. AIKEN. The Senator from North Dakota [Mr. Young] is on the floor, and I believe he will agree with me that we have left the bill open for the establishment of base acreages if it is found physically possible to establish them. However, it must be remembered that 2 million farms must be measured before all farm base acreages could be determined.

Mr. ANDERSON. Mr. President, when we come to vote on the farm bill tomorrow, we shall have to give careful consideration to an amendment which I understand will be proposed, to strike out the quota on extra long staple cotton. I desire to comment briefly on that.

The problem which seems to arise in connection with extra long staple cotton concerns a provision that would make the bale import quota apply to all cotton having a staple length of 1⅛ inches or longer. Our difficulty seems to have resulted from the importation of Peruvian cotton of an inch and eleven-sixteenths and longer.

When the first proposals were made in the Committee on Agriculture and Forestry, they were designed to bring under control the importation of Peruvian cotton, and were not designed to strike the Egyptian long-staple cotton provision.

At that time it was felt that the Peruvian cotton, which was exempted in 1940 for defense purposes, should remain as it was, that it should be used for defense purposes; that if not used for defense purposes, it should not be imported. First a few hundred bales came in; then a few thousand bales; now there are fourteen or fifteen thousand bales coming in each year; and in a short time, there will probably be 30,000 bales, as American capital goes into Peru and develops a new type of cotton for export to the United States. This is completely contrary to what had been our original understanding.

The inch and eleven-sixteenths cotton is not grown in the United States, and there was no real objection to letting a small amount come into this country when the Government needed it for parachutes, and things of that nature. However, when it is used as a means of forcing a reduction in Egyptian quota, and making impossible the sale of American long-staple cotton, I think it is a mighty bad thing, Mr. President.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Mexico said that the Government has to have some of that cotton in order to make certain materials which are being used now.

Mr. ANDERSON. That is correct.

Mr. JOHNSTON of South Carolina. Certain mills have been adjusted to use that particular type of cotton, and it is necessary that they have some of it.

Mr. ANDERSON. Yes; there is no question about that. I concede to the Senator from South Carolina that so long as the cotton is brought in for the manufacture of materials under Army contracts, there can be no valid objection against it; and I have never had any objection under those circumstances.

Mr. JOHNSTON of South Carolina. We do not need large amounts of it, as we did during World War II. At that time we needed three or four hundred times the amount we need at the present time.

Mr. ANDERSON. That is correct. My hope has been that, in trying to handle this extra long staple cotton provision, we will not create trouble all over the world. We are merely trying to correct a situation arising from the importation of Peruvian cotton in quantities far beyond those contemplated when the act was in effect.

Originally I sought to amend the language of the provision, so that at no time could the importation exceed a certain number of bales. Someone said, "Well, a war situation might arise, when the country would want to have a lot of it in a hurry."

I do not believe Congress would take very long to change such a provision if the occasion arose. However, we could still provide that, except upon the certification of the Secretary of Defense that the cotton was needed for defense purposes, the amount of cotton should not exceed—and insert the number of bales that would be reasonable.

Unfortunately, language was placed in the bill in a different fashion, and attempts may be made to strike the whole thing.

I wish to point out that the American grower of long staple cotton, who is largely located in California, Arizona, New Mexico, and western Texas, has just as much right to his market as do the Peruvians and Egyptians. If we tamper with this too long, and make too many restrictions, I believe we will find the American producer insisting that we go still further in the barring of these importations. That, I think, would be unfortunate.

Furthermore, the people in the Southwest have been disturbed by the insertion of an amendment which will fix and freeze for the next 3 years for States the allotments for upland cotton.

I desire to ask unanimous consent to have printed in the Record a table showing the 1956 and calculated 1957 State acreage allotments for upland cotton, calculated on the basis of present provisions of law; then calculated on a national output of 17,391,304 acres, allotted to the States on the basis of present law; and then the same allotments allotted on the basis of 1956 allotments.

I recognize that the able Senator from South Carolina is the author of that amendment. However, I point out that the amendment takes 140,000 acres from the State of Texas, about 18,000 acres from Arizona, some 27,000 acres from California, and only 4,500 acres from New Mexico; but I believe it is unwise for producers of cotton to start bringing this fight up again. We have fought this fight on the floor of the Senate several times. The able Senator from Mississippi [Mr. Stennis] has twice brought up this provision against small acreage for his section of the country, and we fought at the expense of the Western States.

This time, after the amendment was again defeated, the Senator from Mississippi said, "Surely, we ought to give a small acreage to those States that are in trouble." Therefore, Mr. President, there is provided in the bill 100,000 acres to accomplish that objective. I thought it would give a temporary breathing spell. But when the attempt is made to take 140,000 acres away from the State of Texas and deny the principle of growth which is used in the wheat acreage allotments, in tobacco allotments, and throughout the whole agricultural program, I think the States attempting it are going to make it pretty difficult for the States which will be affected by it not to wage as militant a fight against it as they possibly can. There are certain people who would like to see all the other cotton provisions stricken from the bill and let this provision go through.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. I know the Senator from New Mexico wishes to be fair. I have tried to get estimated figures for the years 1956, 1957, and 1958. We will take away approximately 139,000 acres from Texas in 1957, but we will yield back to Texas the next year a little more than she would otherwise get, approximately 111,000 acres.

Mr. ANDERSON. I hope the junior Senator from Texas is listening to this discussion, because that is approximately 110,000 acres which Texas would have gotten anyway. It is like saying that the able Senator from Mississippi has just cashed a paycheck and has the money in his pocket, and I am going to take it out of his pocket, because, soon, he will receive another paycheck and he can put it back.

We feel pretty keenly about this, and I hope people who are interested in reserve programs on wheat, tobacco, rice, and various other commodities will recognize it for exactly what it is, namely, a failure to follow the principle of growth and to recognize the existence of a 5-year program which was set up under the law.

I again state that so far as many of the people in the Southwest are concerned, they have not worried about the 2-year freeze. If it did not take place, the cotton acreage could come down from 17,400,000 acres to approximately 14 million acres, and if the Secretary of Agriculture wishes to do so he could apply it on a harvested basis as on a planted basis. If he applied the program on a harvested basis, cotton acreage would come down to 14,600,000 acres.

If that is what we want to face, let us face it, because some people would rather see all of it stricken from the bill than to have this question come up again.

Mr. President, I should like to have the table to which I have referred printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

1956 and calculated 1957 State acreage allotments for upland cotton

State	1956 upland cotton acreage allotments	Calculated 1957 State allotments on basis of present law and proposed amendments: Present provisions of law [1]	National allotment of 17,391,304 acres apportioned to States on basis of present law for States [4]	National allotment of 17,391,304 acres apportioned to States on basis of 1956 State allotments [5]
(1)	(2)	(3)	(4)	(5)
Alabama	1,025,141	905,503	994,116	1,025,141
Arizona	343,640	328,995	361,190	343,640
Arkansas	1,424,511	1,271,412	1,395,832	1,424,511
California	782,405	737,294	809,446	782,405
Florida	36,974	34,111	37,449	36,974
Georgia	903,221	805,369	884,183	903,221
Illinois	[2] 3,110	[2] 3,110	[2] 3,110	[2] 3,110
Kansas	[2] 29	[2] 29	[2] 29	[2] 29
Kentucky	7,799	6,841	7,511	7,799
Louisiana	610,891	543,435	596,616	610,891
Maryland	[2] 25	[2] 25	[2] 25	[2] 25
Mississippi	1,646,562	1,458,671	1,601,416	1,646,562
Missouri	378,055	341,192	374,581	378,055
Nevada	[2] 2,324	[2] 2,324	[2] 2,324	[2] 2,324
New Mexico	179,378	167,373	183,753	179,378
North Carolina	483,932	428,152	470,050	483,932
Oklahoma	845,616	755,397	829,320	845,616
South Carolina	726,193	649,484	713,043	726,193
Tennessee	563,491	510,886	560,881	563,491
Texas	7,410,893	6,877,025	7,550,010	7,410,893
Virginia	17,114	14,956	16,419	17,114
United States	17,391,304	[3] 15,841,584	17,391,304	17,391,304

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[1] Since 1955 measured acreage is used in lieu of the adjusted State acreages as provided by law the actual 1957 State allotments would vary from those shown in this column with a national allotment at this level.

[2] Minimum State allotments based on present available data.

[3] National acreage allotment based on present provisions of law and currently available data with respect to yields and acreages.

[4] Based on proposed amendment to freeze national allotment for 1957 at not less than the 1956 level.

[5] Based on proposal to freeze 1957 national allotment at not less than the 1956 level and to apportion national allotment to States on basis of 1956 State allotment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. As I stated, in 1958 they will get 111,000 acres more than they would have gotten if it were not for this amendment. So we subtract 111,000 from 139,000, and that is the amount that Texas is penalized—only that much.

Mr. ANDERSON. Mr. President, the able junior Senator from Texas is engaged in a primary fight, and I am not seeking to embarrass him. He is a very fine Member of this body, for whom I have nothing but the highest respect and the kindliest feelings, but I can see him going up and down the length and breadth of Texas, saying, "Do not worry. We are taking only 14,000 acres from you."

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Does the amendment actually take that acreage away?

Mr. ANDERSON. I have just placed in the Record a table which shows that it takes it away.

Mr. ELLENDER. The Senator knows that cotton acreage has been reduced from year to year; it has been taken from Southeastern States and has gone to the Western States—not vice versa, as the Senator has stated.

The national cotton acreage is and has been very small. It is now reduced to 17,300,000 acres. I think it would be no more than fair that it be frozen, not only at a national level, but at the State level as well. The Senator well knows we are providing in this bill for an overquota 100,000 acres in order to help the small farmer.

Mr. ANDERSON. All of which, or nearly all, goes to the Southeastern States.

Mr. ELLENDER. A few acres go to California and some other States. The bulk goes to the historic cotton area because the farms there are smaller than the western farms. Their acreage has also been reduced much more, proportionally, than in the West. We are placing the 100,000 acre figure in the bill now so as to permit small farmers to have enough acreage to live on. If the amendment which the committee has placed in the bill is stricken, it will mean that many farmers will be again subjected to reductions in acreage. The bill as it is now drafted and presented will give to every State, next year and the year following, the same amount of cotton acreage that is planted this year.

Mr. ANDERSON. Would the Senator be satisfied to have that provision written into the bill with reference to rice and other agricultural commodities?

Mr. ELLENDER. Yes. Let me say to my good friend from New Mexico that we have reached rockbottom when it comes to the allocation of cotton acres. This is only a temporary measure; it is not to be permanent. It is in order to give to the farmers of the country the same amount of acreage as they have this year—all the farmers, not just a few.

Mr. ANDERSON. What happens to history in that situation?

Mr. ELLENDER. It remains "as is."

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. Is it the interpretation of the distinguished chairman of the committee that there will be no cut below the present acreage for this year in any State?

Mr. ELLENDER. That is exactly correct. Every acre that is planted to cotton in Texas this year will be received by Texas next year. The same is true of Louisiana. In other words, what the bill does is to freeze the acreage on a State as well as on a national basis.

Mr. DANIEL. Where does the extra hundred thousand acres come from?

Mr. ELLENDER. That is over and above the national allotment.

Mr. ANDERSON. Mr. President, the amendment was presented by the Senator from Mississippi. We fought it on the Senate floor, and it was rejected. Then the Senator from Mississippi said, "Give us a chance. Give us just a little bit for our farmers." It was a most compelling argument. So, in the closing minutes of the discussion we said, "All right; put it in." Now they say, "Having got 100,000 acres, let us take 100,000 acres more off Texas; let us take 25,000 acres off California——"

Mr. ELLENDER. The Senator knows that is not correct; the amendment takes no acreage from any State. How can it be said that something is being reduced when it is unchanged? The Senator is incorrect in his statement.

Mr. ANDERSON. What is correct?

Mr. ELLENDER. The point is that as the situation now stands, cotton acreage would be taken in future years from those who now have reached rockbottom as far as their cotton land is concerned because of a little gadget put into the law long ago. Acreage is taken from one area and given to another. That is how, in my humble judgment, the cotton farmers in the West have increased their acreage so much. I do not want to take anything from the State of Texas or from the State of New Mexico. I do not want to take from them one single, solitary acre of cotton that is being planted this year. All I am asking, I may say to my good friend from New Mexico, is that since we are in the process of freezing cotton acres on a national basis, they should be frozen also on the State basis. If a freeze is justifiable—and I believe one is—then we cannot in good conscience freeze national acreage and yet continue to permit farmers in one area to increase allotments at the expense of farmers in another area. To be fair, a freeze should be a complete freeze. I do not know of anything fairer than that.

Mr. ANDERSON. The unfair part of it is that if the amount of acreage allotted to Texas, which it has earned lawfully under the present law, and would earn lawfully, instead of——

Mr. ELLENDER. "Would earn"—"earn" being defined as "taking from others." They took it from Louisiana. Louisiana will lose 8,000 acres, and Mississippi will lose 45,000 acres, although the allotments for the entire country are frozen at 17,300,000 acres, the same as was established for 1956.

Instead of cotton farmers having to come back to Congress and ask for more acres, through an increase in the national allotment, we simply say, "Be satisfied with what you receive on a 17,300,000 national acreage basis." Let us freeze that for 2 years, not only on a national basis, but also on a State basis.

As I said, the State of Texas will receive the same number of acres in 1957 and 1958 as was received in 1956.

Mr. DANIEL. Does the Senator mean the same number as Texas planted in 1956, as distinguished from the number of acres which were allotted?

Mr. ELLENDER. The same number as Texas was allotted, because the allotted acres are what count.

I do not see why all of the cotton States should not be put on the same basis in trying to live with the soil bank. If in Texas, and in Louisiana and Mississippi, as well, some of the cotton acres are not actually planted, they can be put into the soil bank. If a farmer has 7 or 8 acres he does not want to plant, he can put those acres in the soil bank and receive a fair return, a return which I understand would be about equal to what he would make if he had planted the acres.

I know the Senator from New Mexico is fair. I hope that before we reach a vote on the bill, he will consider that we have tried from time to time to assist the small farmer. The Senator from New Mexico has cooperated to the extent of voting that 100,000 acres over and above the national allotment be included in the bill so as to assist the small farmers. I am sure he is willing to be 100 percent fair, and not insist that, although the Congress freezes the national acreage allotments for 1957 and 1958, at the same level as in 1956, Louisiana, Mississippi, and other States must still receive less acreage than in 1956 in order to give some western States an increase over 1956.

Mr. ANDERSON. That is exactly what I am suggesting. When we reached 100,000 acres, that was to be the end. Now we are aggravating the situation by adding a new fight.

I am merely saying, as the Senator has suggested, that the fact that some States lose and some gain is nothing new.

My first experience in the House of Representatives a good many years ago was when the 1940 census had been completed. It was the responsibility of Congress to reapportion the membership of Congress. Why is not a bill introduced to provide that the present membership of the House of Representatives shall be frozen for the next two decades, so that California will not gain a few Representatives, and other States will not be hampered by having the number of their Representatives reduced because they have not grown in population quite so fast as some of their sister States?

But do we do that? No. We provide for apportionment on a basis which is automatic. It is not necessary to have Congress pass a law. We simply recognize the right to reapportionment on the basis granted. Agricultural legislation has been based upon that principle.

Why should anyone want now to say to the Senator from Arizona that he should be quiet, he should not object to this, he should go home and tell the people of his State that, after all, Congress allotted 100,000 acres to the Southeast, and they are not satisfied with that; they have to have some more? Why should he keep quiet while 27,000 acres are taken away from his State? Only 4,500 acres are affected in my State. I can be completely satisfied, if others want to keep quiet about it; but I think it is unfortunate that we are getting into this kind of fight again.

I have received several telegrams, which perhaps I need not place in the Record, but I intend to offer an amendment to strike from the bill those provisions which would prevent the principle of growth from operating. I hope the Senate will not unduly complicate the situation existing in the Cotton Belt by insisting that the States be penalized in this fashion.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. How does it happen that there has been a gain in acreage in the Southwest and in California, and a loss of acreage in parts of the South? Is that because land went out of cultivation in one area, and was put into cultivation in the other?

Mr. ANDERSON. That is due to many things. When I introduced the Cotton Acreage Adjustment Act of 1949, the bill was the result of hearings held across the entire Cotton Belt. A hearing had been held in Fresno, Calif., which was attended by farmers from the State of the able Senator from Arizona, by farmers from California, and by a few farmers from Nevada and New Mexico.

There had been a great meeting at Forth Worth, Tex., which was attended by farmers from Arkansas, Louisiana, Texas, Oklahoma, and some of the other States.

There had been a meeting in Atlanta, which embraced the southeastern tier of States.

At those meetings we tried to find some basis on which to amend the cotton acreage adjustment law, because, as had happened at the end of World War II, it looked as if the cotton acreage was going to shift out of the deep South into the more efficient producing areas, from Georgia and Mississippi to the areas of Texas, Arizona, New Mexico, and California. In order that that shift might be helped and might be made a little more orderly, quotas were set on the basis of acreages planted in those States during the preceding 5 years.

The study at that time recognized that the acreage would gradually shift to the West, and the appeal was, Do not close the acres out too fast. Let the Southeastern States, where the problem is more difficult, take a little more time. You will see new types of agriculture develop, and new uses of the land will come into operation. There will be a change in the picture.

Mr. HAYDEN. That is what I understand has taken place.

Mr. ANDERSON. That is what has taken place. One can go into the State of the able Senator from Florida [Mr. Holland] and find that a livestock industry has been developed there. If the farmers of Florida had been told that there would be cotton forever, I do not know how much of their land would have been planted to cotton. Similarly, such development is taking place in Georgia and Mississippi. Those States now comprise one of the remarkable agricultural areas because of the importance of livestock.

To insist that these past actions were wrong in order to halt obvious growth is something I cannot understand.

Mr. HAYDEN. I wanted to make it clear that the reason for this trend is that cotton can be produced at a lower cost per pound in the western area than it can be produced anywhere else in the United States. Second, the grades of cotton which are grown in that region are marketable; they do not go into the loan.

Mr. ANDERSON. I think that is true. I think perhaps it is fair to say that all the cotton grown in California is shipped without ever going into the loan; or if it does go into the loan, it does not remain there long. As I recall, one man put a block of a million dollars worth of cotton into the loan. A great outcry was made. I said, "I know that man. The Government will not lose anything on that." In a short time, he had moved all his cotton.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Louisiana.

Mr. ELLENDER. I desire to say to my good friends, the Senator from Arizona [Mr. Hayden] and the Senator from New Mexico [Mr. Anderson], that I do not want to quarrel as to any cotton farmer who has shifted from the production of cotton to a more profitable crop, and who has in the process abandoned his acres of cotton. I have no sympathy for him; he should have continued in the growing of cotton if he desired to maintain his base acreage. But here we have a situation that is different from that which prevailed at the time suggested by my good friend from New Mexico. Cotton acreage allotments have now been reduced to the point where it hurts. The national allotment is down now to 17,391,000 acres. I am sure the situation which will prevail in the Southeast, as well as the Southwest, in regard to the planting of cotton, will be different in 1957 and 1958 from what it was 4 or 5 or 6 years ago.

We have provided in the bill for a soil bank. Those cotton farmers who will not see fit to plant their allotted acres to cotton can put those acres in the soil bank. What is going to happen is that, no matter if Louisiana or Mississippi or any other Southern State plants all its allotted acres, or puts part of them into the soil bank, the formula which has been in the law for quite some time will cause those States to lose additional allotted acres in 1957 and 1958, partly because of trends and partly because of unusual conditions which caused Texas to plant a million and a half acres of wheatland to cotton in 1951.

I repeat, I am not here criticizing my good friends from New Mexico and Arizona about what has happened in the past, nor am I trying to blame them because some cotton farmers did not plant all of their allotted acres in the past. As cotton plantings in the West increased, there has been a steady shifting of cotton acreage allotments to the West. That shifting of allotments occurred in 1956, and it will occur in 1957 and 1958 if the Senate committee amendment is not adopted.

We have now reached the situation where cotton acreage has been reduced to a minimum. Additionally, the provisions in the bill creating a soil bank will result in every allotted acre being either planted or placed in the soil bank. We are freezing the national acreage allotment at the 1956 level to prevent further reductions being imposed on our cotton farmers. Under these conditions, I say it is morally wrong for farmers to have to suffer additional reductions in 1957 and 1958 because of a gadget in the old law, especially when those acres are being passed on to a few States in the West.

The conditions today are far different from what they were in the past, and I hope that before my friend from New Mexico offers his amendment he will sleep on it overnight and see the justice in what I am pleading for.

Mr. HAYDEN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. If the trend has been such that there has been less acreage planted in the Southeastern States and more acreage planted in the West, that trend was due to the fact that it was to the advantage of somebody in the Southeastern area to put the land which was used for the growing of cotton into other crops.

Mr. ANDERSON. I can say to the Senator from Arizona that some years ago the Commissioner of Agriculture in the State of Georgia, Mr. Tom Linder, printed a story in which he said cotton ought to be $1 a pound. His idea was that it took that much money to raise cotton. Well, it did not; but there are areas where the raising of cotton is expensive, and there are areas where it is raised more cheaply.

The Senator from Arizona, whose State would really be hurt by the amendment, should recognize that the same acreage would be planted in 1956, 1957, and 1958, which would give his State 3 of the 5 years, and affect its acreage forever, and that if his state is tied to those acres there will be no opportunity for the factor of growth to operate, and the State will be signing away forever the possibility of it.

Mr. HAYDEN. The trend should be recognized, and there should be some provision in the bill whereby the trend could continue as it has in the past, but if temporarily it was desired to allow more acreage to the South, that would be a very different proposal.

Mr. ANDERSON. Yes.

Mr. HAYDEN. Because the basic law would remain unchanged, and those areas where there was legitimate demand for increased acreage could have it and the law would allow it.

Mr. ANDERSON. Mr. President, I should like to continue this colloquy with my able friend the Senator from Arizona, but I understand the sugar bill conference report is ready, and I do not want to do more at this time than offer an amendment, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. ANDERSON. Mr. President, I also ask unanimous consent to have printed in the Record, at this point in my remarks, a statement which I have had prepared on the proposed adjustment in import quota of extralong staple cotton; also a telegram I received from John L. Augustine, head of the Farm Bureau of New Mexico; a telegram from James F. Cole, president, Dona Ana County Farm and Livestock Bureau; and a telegram from Fred G. Sherrill, of Los Angeles, Calif.

There being no objection, the statement and telegrams were ordered to be printed in the Record, as follows:

STATEMENT ON PROPOSED ADJUSTMENT IN IMPORT QUOTA OF EXTRA LONG STAPLE COTTON

1. EFFECT OF ADJUSTMENT

Section 304 (a) of H. R. 12 would have the present 95,000 bale import quota apply, beginning February 1, 1957, to all cotton having a staple length of 1⅛ inches and longer, as did the original quota when it was established in 1939. The exemption for Peruvian cotton ($1\frac{11}{16}$ inches and longer) made in 1940 for defense purposes would no longer apply. It is no longer needed by the military.

2. USE OF EXTRA LONG STAPLE COTTON

Either American-Egyptian cotton or Egyptian Karnak cotton can be used satisfactorily for the manufacture of most, if not all, products for which Peruvian Pima cotton is now being used (according to the Chief of the Standards and Testing Branch, Cotton Division, Agricultural Marketing Service, USDA, based on limited data available on the subject). About 60 percent of the extra long staple cotton consumed in the United States is in thread. One-fourth is in woven fabrics, with the rest being used in laces, gloves, machine ribbons, knitting yarns, and miscellaneous products. Almost 90 percent of the Peruvian Pima is used for woven fabrics. Although a smaller percentage of the American-Egyptian and Egyptian grown cottons are used for woven fabrics, the total bales used for that purpose exceed the quantity of Peruvian Pima cotton so used. Mills which use all types of extra long staple cotton report that all types are suitable for woven fabrics. Mills using extra long staple cotton state that Peruvian Pima is not used for thread because it lacks smoothness and does not stand up well in the sewing operation, and that it is too soft and lacks strength for use in machine ribbons. Its use in woven fabrics is based on the prestige built up for fine, silky cotton fabrics known as "Pima," with resulting strong consumer acceptance for "Pima" cottons.

3. ONE AND ELEVEN-SIXTEENTHS INCHES NOT GROWN IN UNITED STATES

United States farmers do not produce a cotton which has a staple length $1\frac{11}{16}$ inches and longer. Lengthening the staple beyond 1½ inches (the approximate length of most extra long staple cotton) does not necessarily improve the quality of cotton. Other characteristics, such as smoothness, strength, uniformity of staple length and maturity are more important than the extreme length of staple. Working in cooperation with United States cotton mills and cotton farmers, USDA has developed satisfactory extra long staple cottons which have a slightly shorter staple length than the Egyptian 1½ inches. By so doing, they have increased yields per acre sharply and have maintained or improved upon other desirable characteristics.

4. ONLY COTTON NOT LIMITED BY IMPORT QUOTA

Cotton having a staple length of $1\frac{11}{16}$-inches and longer is the only raw cotton not subject to import restrictions. It is directly competitive with American and Egyptian grown extra long staple cotton. Compared to the 500 to 1,000 bales being imported in 1940 at the time import controls thereon were suspended, imports have been increasing sharply, having reached an estimated 16,000 bales last year. This compares with 7,000 in 1951, 10,000 in 1952, 12,000 in 1953 and 14,000 in 1954. Aided by a World Bank loan (31 percent of the capital contributed by the United States), Peru is developing irrigation facilities for an estimated 60,000 additional acres to be devoted to cotton. Without quotas, there is on limit to the quantity of United States cotton which can be displaced by Peruvian. From 1950 to 1954, production of United States extra long staple cotton varied from 46,000 to 93,000 bales. The marketing quota on the 1956 crop is 35,000 bales. The quota-free imports of Peruvian cotton last year represented about 40 percent of the United States production.

5. EFFECT OF SECTION 304 (A) ON IMPORTS OF PERUVIAN COTTON

Section 304 (a) will not prevent or stop imports of cotton having a staple length of $1\frac{11}{16}$ inches and longer (Peruvian cotton). The effect would be to require that such imports displace Egyptian cotton rather than United States-grown cotton. Any additional expense incurred by importers of Peruvian cotton as a result of section 304 (a) would be offset by the present tariff advantage of 1¾ cents per pound which this cotton has over other imported extra long staple cotton. The objection to section 304 (a) is believed to be based upon the 5 cents to 10 cents price advantage which Peruvian cotton enjoys over Egyptian- and American-grown cotton.

6. TIMING OF IMPORTS

The present quota opens on February 1. This is timed to fit the Egyptian harvest. The Peruvian crop is harvested about 6 months later. If, at the time the Peruvian cotton was ready for shipment to the United States the global quota had been filled by imports of Egyptian cotton, importers of Peruvian would be placed at a disadvantage. They would either have to buy 6 months further ahead, or some adjustment in the quota should be made. If the attached language were added to section 304 (a), this problem would be adequately dealt with.

Las Cruces, N. Mex., *May 16, 1956.*
Senator Clinton P. Anderson,
Senator Dennis Chavez,
United States Senate,
Washington, D. C.:

We understand Eastland amendment to new farm bill to come before Senate May 7. Would appreciate your doing everything possible to push provision directing Agriculture Secretary to sell cotton at competitive world prices. Check provision pertaining to increased cotton allotments, 1957–58, to see if western areas fairly treated. Understand State Department attempting to delete long staple amendment. Don't let them get away with this. It's time to help our own people instead of everyone else in the world.

John L. Augustine.

Las Cruces, N. Mex., *May 16, 1956.*
Senator Clinton P. Anderson,
Senate Office Building,
Washington, D. C.:

First, we favor the Eastland amendment to make cotton sales for export. Competitive offering of cotton above the world market price is a signal to foreign growers to plant more cotton. Surpluses must be moved in the interest of farm economy at competitive prices. We feel that due to the influences of the State Department that legislation directing rather than permitting this action is necessary. Second, we oppose any provision in the law which allocates increases in cotton allotment equally on a percentage basis. The 5-year provision is a basic part of the law which recognizes the trend in cotton production. Efforts to defeat this will deprive New Mexico of a historic legal right to acreage increases. Third, we are reliably informed that the State Department has contacted Senator H. Alexander Smith regarding the removal of the provisions which were in the earlier farm bill regarding extra long staple cotton. The provisions concerning global quotas and directing the Secretary to dispose of surplus of extra long staple are essential to the survival of an industry which has gone all out to try to help itself.

James P. Cole,
President, Dona Ana County Farm and Livestock Bureau.

Los Angeles, Calif., *May 15, 1956.*
Senator Clinton Anderson,
Senate Office Building,
Washington, D. C.:

Another amendment to the farm bill H. R. 10875 has come to my attention which (a) freezes the national cotton allotment for 1957 and 1958 so that it will be the same as for 1956, and (b) provides that each State allotment for 1957 and 1958 shall be the same as for 1956. Under present circumstances I would say that the national allotment is amply large and I would not oppose that provision. I cannot see, however, why the result of trends in acreage which reflect essentially sound economic production of desirable qualities should be suspended during this period. This is the provision in the present act which distributes the national allotment to the States on the 5-year average rule. If this is suspended as item (b) above seeks to do, California will fail to get some thirty-odd-thousand acres which it should have, Arizona will fail to get some 20,000 acres which it should have, and New Mexico will fail to get some 5,000 acres which it should have. Inasmuch as the national allotment remains undisturbed it naturally follows that sections of the country producing less desirable qualities than we produce here will be planting our acreage and producing more of those less desirable qualities while we produce less of the more desirable qualities. Please do what you can to let the present law determine how the frozen national allotment shall be distributed. Thanks and best wishes.

Fred G. Sherrill.

Mr. ANDERSON. Mr. President, in closing, I point out that when the senior Senator from Louisiana asked that additional cotton be given to the small farmers of the southeastern section of the country, it was done on the basis that no planting history should be obtained. I suggest that he might bear that in mind in connection with this question.

EXTENSION OF THE SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I understand the Senator from Virginia is ready to present the conference report on the extension of the Sugar Act of 1948, which is a privileged matter. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of yesterday.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, in the case of the conference report on the sugar bill, H. R. 7030, which would amend and extend the Sugar Act of 1948, I am happy to announce a unanimous agreement, after a considerable period of time, on the part of House and Senate conferees on this bill. There were no dissenters on the final version, and the Senate amendments were generally accepted.

I am also glad to state that a few minutes ago the conference report was unanimously agreed to by the House of Representatives.

The House accepted all of a number of perfecting and technical amendments made by the Senate and, in large part, the more important amendments were adopted in full or compromised satisfactorily.

There were three important points of difference between the House and Senate versions of the bill. On one other point the difference was not so great. Those points of difference were:

First. The length of the extension of the Sugar Act. The House version of the bill was for 4 years; the Senate version was 6 years. The Senate conferees receded on this point, and agreed on a 4-year extension. It was unanimously agreed however, that the next extension should be taken up in 1959 to avoid the necessity for any hasty action during the last year of the present extension, and so that farmers and foreign countries can make their plans in advance of planting seasons.

Second. The proportion of increased demand allocated to foreign and to domestic producers. The House voted a 50–50 split. The Senate felt that because domestic producers had not been able to share in increased demand for a number of years, the division should be 55 percent of the increase to domestic producers and 45 percent to foreign producers.

The House conferees receded on this point, and the formula of 55–45 was adopted.

Third. The division of increased domestic demand allocated to foreign areas among the various participating countries took considerable compromising. The conferees decided that the element of greatest importance to a foreign country producing sugar was the amount in total that could be exported to the United States. Therefore, total United States requirements over the 4 years of the extension and the total share in those requirements by each country constituted the base from which we worked.

For example, under the House version of the bill, Cuba would have supplied 92.4 percent of the total amount of sugar allocated to the full-duty countries plus Cuba. The Senate version would have granted to Cuba 94.4 percent. The compromise decided upon by the conferees gives 93.75 percent to Cuba. The compromise gives Mexico 1.2 percent, Peru 2.3 percent, Dominican Republic 1.75 percent, and all other countries 1.0 percent.

I understand that the administration will accept these percentages.

Fourth. Both the House version and the Senate version of the bill carried formulas for the allocation of the first 188,000 tons of increased demand among domestic producing areas. Although the formulas were different, there was not a great deal of difference in the expected results. The House conferees receded, and accepted the Senate formula.

I hope the Senate will accept the bill as agreed upon by the conferees. On the major points of difference, the House conferees receded on 2, the Senate conferees receded on 1, and 1 was compromised satisfactorily. Although it would have been impossible to arrive at a solution of this great sugar problem which would make everyone happy, we feel that we have at least divided the unhappiness fairly equally.

I urge acceptance of the conference report.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BENNETT. I should like to make an observation: With respect to the foreign share of sugar, the amount in disagreement was equal only to 2 pounds in 100. In other words, if we set up as a symbol a 100-pound sack of sugar, to represent all the sugar which would come in from foreign producers, there was in disagreement only 2 pounds in 100; and by the compromise we finally saved for Cuba all but two-thirds of 1 pound. So by the compromise, Cuba lost only two-thirds of 1 pound out of 100 pounds; and the compromise agreement is two-thirds in line with the position taken by the Senate, and only one-third in line with the position taken by the House.

Mr. BYRD. I thank the Senator from Utah.

Mr. ELLENDER. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. ELLENDER. I wish to take this occasion to thank my good friend, the Senator from Virginia, from the bottom of my heart for having brought the sugar bill to a conclusion, particularly when he was able to maintain the Senate's version of the bill in respect to the division of the increased amount of sugar which is consumed in the United States because of the increase in our population. As he has stated correctly, the Senate conferees fought for 55 percent of the amount of that growth; and I am glad that is provided for in the conference report.

Again I wish to compliment my good friend, the Senator from Virginia, and also my good friend, the Senator from Utah [Mr. Bennett], and all other Senators who participated in the conference.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to express my very real gratitude and my warm compliments to the Senator from Virginia and the other Senate conferees, and to say that I think this is a good bill. As I understand, it stabilizes the matter of sharing on a 55–45 basis in the continuing market; and in the case of the increase after January 1, 1956, above 8,350,000 tons, it divides it on the basis of the same ratio—namely, 55 percent to domestic producers, and 45 percent to foreign producers.

Mr. BYRD. The Senator is correct.

Mr. HOLLAND. For which I certainly congratulate the conferees. Speaking for the sugar industry of my State, which does not always have easy sledding, and will not have under this bill, this arrangement will certainly stabilize the situation remarkably well, and will enable sugar producers to get rid of the stored up surplus, created not by added acres, but by added efficiency and increased production in recent years. The bill will allow the sugar producers to get rid of a surplus which now occupies two very large warehouses. I think that can be accomplished in a period of about 3 years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LANGER. How does the conference report treat cane sugar as compared with beet sugar?

Mr. BENNETT. Mr. President, if I may answer that question. The division as between the mainland cane producers and the domestic beet producers was written into the bill in accordance with an agreement between the two industries. With respect to the first 165,000 tons, they will be shared on the basis of 51½ percent to beets and 48½ percent to cane. Thereafter they will return to their original relationship, which will be based upon the difference between, roughly, 1,880,000 tons and 582,000 tons, or something of that kind. But we established a comparatively even relationship for the first 165,000 tons. Thereafter it reverts to the longtime relationship which existed under all previous legislation.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARRETT. I wish to commend the chairman of the Finance Committee and other members of the committee for the fine work they did in connection with the conference report.

Let me say to my distinguished colleague from Florida [Mr. HOLLAND] that his State is not the only one which has been experiencing some difficulty so far as sugar is concerned. We in the sugar beet area have also been in considerable difficulty.

I am very much pleased with the provisions to which the distinguished Senator from Utah [Mr. BENNETT] has just referred. As I understand the situation, the first 165,000 tons over and above the base of 8,350,000 tons will go to the domestic producers, 51½ percent to beet sugar, and 48½ percent to cane sugar producers.

Mr. BENNETT. It is not quite that way. It is the first 165,000 tons produced, over the base of 55 percent.

Mr. BARRETT. I understand. That is the amount which is allocated to this country.

Mr. BENNETT. That is correct.

Mr. BARRETT. The point which pleases me very much is that, as I understand, the estimate for this year is in excess of 165,000 tons increase, and consequently, the domestic producers will receive some benefit immediately from this legislation. So I am especially pleased about that particular provision in the conference report. Again I commend our conferees for their fine work. I think this is an excellent bill. The division, on the historic basis of 55 to 45, has now been reaffirmed, and we are now in such a position that we can look forward to some measure of prosperity in the sugar beet and sugar-cane industries.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. HOLLAND. Am I correct in my understanding that the reason for making a distinction in favor of cane sugar in the first year's distribution of the surplus was the fact that the cane sugar producers have on hand a much greater surplus, proportionately?

Mr. BYRD. That is correct.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SMITH of New Jersey. As a member of the Committee on Foreign Relations, I have been asked by our Filipino friends why, as they claim, they were discriminated against by being omitted entirely from participation in any increase in sugar consumption. I should like to have that explained for the RECORD, so that I may properly advise my Filipino friends.

Mr. BENNETT. Mr. President, the Senator's Filipino friends have been told repeatedly that their participation in the American sugar market is on the basis of a treaty. The Finance Committee has no authority to open up existing treaties. Members of the Finance Committee have never felt that the Filipino share could be considered by them. If the State Department wishes to increase the allotment of sugar to the Philippines, it should be prepared to open up the general Philippine treaty and handle it through the regular channels, which includes handling it through the Senator's committee.

Mr. SMITH of New Jersey. Then is it fair to say that there was no intention on the part of members of the conference committee from either the House or the Senate in any way to discriminate against our Filipino friends?

Mr. GEORGE. Mr. President, if the chairman of the committee will yield to me, the Philippines have a treaty, and that treaty governs sugar shipments into this country and the quotas. Under the treaty the Filipinos have preferential treatment, which will extend, as I recall, until 1970. We were clearly of the opinion that there was no discrimination against the Philippines. They already have an advantage.

Mr. SMITH of New Jersey. I wished to make it clear for the record that there was no intentional discrimination.

Mr. GEORGE. None whatever.

Mr. MILLIKIN. Mr. President, I wish to congratulate the Senator from Virginia [Mr. BYRD] for the very able work he did on the sugar bill in conference.

I wish also to congratulate the Senator from Utah [Mr. BENNETT], who did so much active work in bringing about the 55–45 division, which is traditional, and which is an improvement over the present situation. It gives better recognition to the home production of sugar.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939, RELATING TO PATENT RIGHTS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. YOUNG. Mr. President, I should like to make some very brief remarks today on the feed-grain provisions of the pending agricultural bill; and tomorrow, when we consider the bill and its amendments, I shall discuss further the feed-grain amendments and other provisions of the bill.

Last fall the price of hogs dropped to $9 or $10 a hundred pounds, and the corn price dropped to 95 cents or a dollar a bushel, in most Midwest areas. Always when corn and other feed grain prices drop, hog prices and cattle prices sooner or later follow. They usually follow shortly afterward.

Taking recognition of the fact that low feed grain prices, particularly low corn prices, mean continued low prices for hogs and cattle, Secretary Benson not long ago established a support price for corn in the commercial area at $1.50 a bushel, and another, new price support, which we have never had before, of $1.25 a bushel, to noncompliers, or those farmers who fail to comply with any acreage allotments. In addition to that, he established at least two more price-support levels in the noncommercial area.

The whole object, as I understand it, of this action was to prevent more free corn from going on the cash markets in the fall, and thus depress the cash price of corn.

I say again that he felt, and rightly so, that low corn prices mean low hog prices and low cattle prices.

The minority views of the Committee on Agriculture and Forestry, are rather amazing. They are almost in complete contradiction to what Secretary Benson did only a short time ago in establishing these higher price support levels for corn.

I should like to quote from the minority views as published in the report of the committee:

> 2. Prices of feed livestock would be reduced.

That is, if the feed grain provision in the bill prevailed.

> In deciding how much they can pay for feeder cattle, Grain Belt men figure the probable price of the finished animal and deduct the cost of feed. The higher the price of feed in the Grain Belt, the lower the price of feeder cattle on the western range.

Mr. President, no responsible cattlemen or hogmen would agree with that position. All of them know that continued low prices for feed grains and abundant supplies mean that farmers will translate those cheap grains into more and more production and surpluses of hogs and more and more production and surpluses of beef.

I should like to say that, with respect to the average farmer in the Midwest, particularly in Iowa, the price he gets for hogs represents the price he gets for his corn, because he puts practically all of that corn he produces on the market through hogs or cattle. If there is an abundance of cheap feed grain, and excessive feeding and excessive supplies, down goes the price of hogs and down goes the price of most everything that that farmer has to sell.

I should like to place in the RECORD figures which I obtained from the Department of Agriculture only yesterday. They gave the average price of feed grains for the past 10 years; that is, for oats, barley, sorghums, and corn. It also shows the price of feeder cattle and other cattle.

It will be noted from this table that the price of feeder cattle and the price of hogs follow almost exactly the price of feed grains, such as corn, wheat, oats, and others.

It is true that if feed grains remain cheap this fall, many cattle feeders may buy more cattle than they ordinarily would, hoping that they can feed the cheap grain to their cattle; and even if the cattle prices do not go up very much, at least they will not lose very much money.

That is what happened to a large extent last fall. Feed grain prices were cheap, and cattle feeders paid a little more than they ordinarily would, believing that with the very cheap grain they would still make a little profit. I believe that most of them will be mistaken. They will not make any money, some may lose even with present grain prices.

I ask unanimous consent that the table be printed in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Oats (per bushel)	Barley (per bushel)	Corn (per bushel)	Grain sorghums, soybeans		Beef cattle (per hundredweight) [1]	Stockers and feeders cost at Kansas City	Stockers and feeders average cost of 4 markets
				Per hundredweight	Per bushel			
1946	$0.805	$1.38	$1.53	$2.48	$2.56	$14.50	$15.87	$15.80
1947	1.04	1.73	2.16	3.27	3.34	18.40	20.81	20.36
1948	.717	1.16	1.28	2.29	2.27	22.20	25.54	25.23
1949	.655	1.06	1.24	2.00	2.17	19.80	21.34	[2] 21.21
1950	.788	1.19	1.52	1.88	2.47	23.30	26.67	[3] 26.90
1951	.820	1.26	1.66	2.36	2.73	28.70	32.63	[3] 32.85
1952	.788	1.38	1.51	2.80	2.72	24.30	25.55	[3] 25.76
1953	.743	1.17	1.48	2.36	2.73	16.30	17.35	[3] 17.13
1954	.712	1.09	1.42	2.25	2.46	16.00	18.97	[3] 18.64
1955	.596	.926	1.31	1.78	2.20	15.60	18.60	[4] 18.25
Apr. 15, 1956	.623	.949	1.32	1.93	2.63	15.00	[5] 17.31	[4] [5] 17.02

[1] National average price received by farmers for all beef cattle.
[2] 5 markets.
[3] 8 markets.
[4] 10 markets.
[5] Week ending Apr. 26.

Mr. YOUNG. Mr. President, I have also had the Department of Agriculture prepare some figures on the price of hogs, from 1930 to 1940—I left out the war years—and from 1946 to 1955. Again it appears from these figures that the price of hogs followed almost exactly the price of corn. For example, when corn prices went down, hog prices went down.

Again, Mr. President, that is almost in exact contradiction to the minority views of the Committee on Agriculture and Forestry, and it is almost in exact contradiction to what some Members of the Senate are trying to accomplish, that of trying to continue the cheap grain prices.

Mr. President, it is impossible to have two things at the same time; it is impossible to have cheap feed-grain prices and still have good cattle prices and good hog prices. That is impossible.

Perhaps to a dairy farmer in the East, who sells practically all of his milk in the large cities, under milk marketing orders at 90 percent to 100 percent of parity, and has 80-percent price supports for practically all the rest of his dairy products, such as butter and cheese, that is an excellent deal. However, to any farmer living in the Midwest who produces hogs, or cattle, or grain, this is a wrong philosophy entirely. We will never solve our hog- and cattle-price problem and our grain-price problem, and the problem of the average farmer, so long as we continue the policy of cheap feed grains.

Mr. President, I wish to comment a little more on a table which appears on the last page of the minority views.

According to the table one would be led to believe that every State in the Union was a deficit-feed-grain area. For example, according to the table, the State of Iowa buys 42 percent of its feed grains, Minnesota 20 percent, Illinois 25 percent, and so on.

Actually, what I believe is that this table is a report showing how much mixed grains the farmers in these respective States bought.

Mr. President, it has become a rather common practice for farmers to buy a great deal of mixed feeds. They will probably sell much of their feed grains and buy back concentrates or pellets or other things. Therefore, although the report would indicate that Iowa, for example, is a big feed deficit area, in reality, it is not.

Iowa, perhaps, produces practically all the feed grains it needs. That is certainly true of Illinois, Indiana, and some other Midwest States. The minority views would have us believe that these States are great feed deficit areas, and by raising the price of feed grain a little, we are doing great injury to the farmers of those States. That is as far from the truth as it is possible to be.

Mr. President, I believe this will conclude my remarks for today. I plan to have more to say tomorrow, when the various amendments are considered.

At this time I ask unanimous consent that the last table, to which I have referred, also be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison, corn and hog prices, average national price received by farmers (1930–40, 1946–55)

Year	Corn (per bushel)	Hogs (per 100 pounds)
1930	$0.598	$8.84
1931	.321	5.73
1932	.292	3.34
1933	.494	3.53
1934	.802	4.14
1935	.632	8.65
1936	1.035	9.37
1937	.490	9.50
1938	.469	7.74
1939	.542	6.23
1940	.601	5.39
1946	1.53	17.50
1947	2.16	24.10
1948	1.28	23.10
1949	1.24	18.10
1950	1.52	18.00
1951	1.66	20.00
1952	1.51	17.80
1953	1.48	21.40
1954	1.42	21.60
1955	1.31	15.00

NOMINATION OF SIMON E. SOBELOFF TO BE JUDGE OF THE FOURTH CIRCUIT COURT OF APPEALS

Mr. JOHNSTON of South Carolina. Mr. President, a Subcommittee of the Judiciary Committee on May 5 began its public hearings on the fitness of the Solicitor General, Mr. Sobeloff, to be a judge of the Fourth Circuit Court of Appeals of the United States. That date was a postponed meeting of one previously called and which had to be cancelled due to the untimely death of the late Senator Barkley. Most of us were in attendance at the funeral of our late colleague. All our engagements that week had to be postponed, rearranged, and otherwise interrupted or cancelled. Unfortunately, my case was no different from many others. I had prior engagements set for Saturday, May 5, from which I could not easily be excused. That same unfortunate situation affected the members of the subcommittee as only 2 of the 5 on it were able to be present. I sent the Chairman, Senator O'MAHONEY, a copy of charges against the nominee. These were put in the record. The witness most capable of substantiating those and other professional irregularities of Mr. Sobeloff, was not permitted to testify at length. He is Charles Shankroff, of Baltimore, Md. I had known Mr. Shankroff's charges for some time. He presented similar objections to me a long time ago. However, the Senator from Wyoming [Mr. O'MAHONEY] graciously permitted Mr. Shankroff to file a statement of his charges. Mr. Shankroff, who made the original charges, is an experienced real-estate dealer, and a gentleman about 74 year old. He told me he had never seen Mr. Sobeloff in person, except as he saw him across the witness table on May 5, 1956. His statement shows that he has no personal ax to grind, nor any personal grievances to satisfy. His testimony and statement are given solely in the public interest and out of a sense of civic duty. I commend Mr. Shankroff for being able to take such a lofty and detached stand in his attitude towards the personal and professional qualifications of Mr. Sobeloff for the judgeship to which he has been nominated.

The Senate will be interested in the grounds and objections Mr. Shankroff urges against the confirmation of Mr. Sobeloff. I trust the subcommittee will go into the charges in the latest statement of Mr. Shankroff. They need careful study and investigation.

Unless this nomination is withdrawn after the hearings progress, and the charges, which I believe are true, have been substantiated by the records of the receiver and by a study of the court records, all of which are available in both Circuit Court No. 2 and the City Court of Baltimore, Md., I shall have a great deal more to say about Mr. Sobeloff.

Mr. Shankroff made his original complaints against Mr. Sobeloff to me. I, in turn, transmitted them to the subcommittee. I have since conferred with Mr. Shankroff, in person, regarding his most recent statement of his objections to the confirmation. I stand ready to transmit any other true statement from any critic that can be verified to the subcommittee for its consideration. I stand ready to submit any evidence of wrongdoing on the part of Mr. Sobeloff, which would justify our refusal to confirm his nomination.

Mr. President, I send to the desk the letter of Mr. Charles Shankroff to the Senator from Wyoming [Mr. O'MAHONEY] and request that it be printed in the body of the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1956.

Hon. JOSEPH C. O'MAHONEY,
Senate Committee on the Judiciary,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I avail myself of the opportunity you twice extended to me Saturday, May 5, 1956, to give the subcommittee, of which you are chairman, a statement contining my objections to the confirmation of the nomination of Simon E. Sobeloff as judge of the Fourth Circuit Court of Appeals of the United States.

I ask that my statement be inserted in and made a part of the official transcript of the record of your hearings. I am furnishing copies hereof to the other members of the Judiciary Committee.

I want you and the committee to understand at the very outset that I have no personal grievance against Mr. Sobeloff. I never saw him until I appeared before the committee. I have not suffered from his wrongdoings. My sole concern is as a civic matter, and in the public interest. I speak entirely from the records as I have studied them. My entire concern is based upon my hope and belief that our judges should not only be men above every reproach but even above the suspicion of wrongdoing. I am sure this concept of mine is not too high and is fully shared by the committee.

I also wish to correct some of the errors in the transcript. I wish to straighten out some of the impressions that may be created by the testimony of Mr. Sobeloff and others. I wish your record to be an honest statement of the pertinent facts. I do not wish the committee to reach a conclusion upon tangent, incomplete, or twisted assertions of fact. Such a result would be unfortunate indeed.

(a) Mr. Hospelhorn (deputy bank examiner) stated his records (receiver's) were destroyed under a court order and were therefore not available. That is true to the extent it goes but he should have said their destruction was ordered on condition that the records be microfilmed. So the records are not in fact destroyed. They are available. None of the court records have been destroyed. Your subcommittee is entitled by subpena and can see the pertinent portions of both sets of records.

(b) First of all relating to myself, I am an experienced real-estate operator. I am experienced in researching court records and documents. I have devoted well over a year in a study of the Baltimore Trust Co. case. It is case No. 20,433a, Docket 44a of 1935, now pending in Circuit Court No. 2, Baltimore, Md. The subcommittee can obtain, by subpena, the proof of every statement of fact which I am about to make concerning this and the other cases.

(c) I am 74, not 72, years old.

(d) There were 15 court actions against the officers and directors of the Baltimore Trust Co.—9 in Circuit Court No. 2 of Baltimore City and 6 were in the City Court of Baltimore. They involved in the aggregate over 56 millions of dollars, not $150 million as I am reported to have said. These actions were settled by Mr. Sobeloff and his associates who represented the receiver for the small sum of $205,500. Sobeloff and his associates permitted the costs of these suits to be paid out of the assets of the receiver (the plaintiff). In the varying types of these 15 legal actions, the defendants were financially responsible and had the ability to respond in a much larger amount than the small settlement of $205,500. Judge Soper praised Mr. Sobeloff for his report on the liability of the officers and directors. I condemn Mr. Sobeloff for his neglect in the execution of his report and the small settlement he agreed upon.

I agree with Judge Soper that Mr. Sobeloff made a good report. Where I disagree, and Judge Soper remains ominously silent, is that Mr. Sobeloff did not pursue his good report and assist in forcing a full compliance therewith to the extent of the financial ability of those charged with the duty, responsibility, and financial liability to the depositors and creditors of the bank. The subcommittee should subpena Mr. Sobeloff's reports (3) from the clerk of court (Circuit Court No. 2, Baltimore, Md.). They are available. They go into the questions of fixed criminal and civil liability, the bank's building, etc., in detail.

Mr. Sobeloff should not be confirmed by the Senate of the United States for the following, among other, reasons:

(a) Having reported as an officer of the court on the statutory liability of the officers and directors of the Baltimore Trust Co. that their monetary liabilities to the receiver aggregated in excess of $56 million, he (Sobeloff) was derelict in permitting in 15 suits (6 in Baltimore City Court and 9 in Circuit Court No. 2 of Baltimore City) to be settled by the payment by only 17 of the 19 defendants of the small sum of $205,500, while the financial responsibility and ability to pay more by the defendants was much greater. The effect of the small settlement was obviously detrimental to the rights of the receiver and those creditors represented by him. Two of the defendants paid nothing though each (P. L. Goldsborough and Donald Symington) was reputed to be of large financial means. A careful examination of only 1 of the 15 cases will substantiate this charge. The other cases, if and when examined, will aggravate the charge and at the same time compound and multiply the indisputable proof of it.

In case No. 21647, in docket 45, at page 391, commenced August 6, 1936, in circuit court No. 2 of Baltimore City, Md., and entitled Hospelhorn, Receiver (Sobeloff being one of his attorneys of record) versus Wm. A. Dixon, A. E. Duncan, Albert D. Hutzler, Wm. B. Matthai, Safe Deposit and Trust Company, and Frank Newcomer, Executors, etc., I. Manning Parsons, Donald Symington, Henry E. Treide, and Herbert A. Wagner, a sworn complaint was filed for damages aggregating $20,206,014.79 for losses by reason of the negligence and inattention to duties by the defendants (former officers and directors). Mr. Sobeloff's fine reports charged acts of criminal and civil negligence. There were 42 accounts or items involving negligence in this one case alone. The court still has this record in its files as well as the records in the other 14 cases. The quaere is "Why should Mr. Sobeloff have made the excellent report (Judge Soper's testimony) of the criminal and civil negligence on the part of the officers and directors in the first instance (1936) and their legal liabilities thereon, and then permit, as attorney of record for the receiver, the officers and directors to escape a $56 million liability (1937) by the payment of only $205,500?"

I suggest the propriety of a careful analysis of each of the 15 cases. Let the sunlight in on this conflict and obvious dereliction or contradiction of duties. It may be said that this settlement was approved by the court. Well, if that be true, why didn't Sobeloff appeal on behalf of the receiver? Or was it then, in 1937, to Sobeloff's greater personal interest to protect those being pursued by the receiver at the original instance of Mr. Sobeloff in his reports? The committee in pursuit of the truth may develop the correct answer.

I submit that the records in the case show that Mr. Sobeloff received $30,000 from the receiver for his reports and later the sum of $7,500 for the services in the 15 lawsuits he permitted to be settled for the trifling sum of $205,500, excusing as he did all liability on the part of financially able defendants Goldsborough and Symington. Your record should show what other amounts he may have received for resisting stockholder's liabilities, the questionable sale of the building and the other assets of the Baltimore Trust Co.

If Mr. Sobeloff was right in his reports that the officers and directors were guilty of criminal and civil negligence wherein sworn losses in excess of $56 million were suffered by the creditors, how can he be right in settling those losses against financially responsible defendants for the negligible sum of $205,500? In which case was he right?

In an early suit by a stockholder, Mr. Sobeloff sought the court of appeals (Maryland) ruling on the statutory stock liability of a stockholder and it was determined in that decision that a liability of $10 per share was proper. Why did he permit, without appeal, Judge O'Dunne to settle the stockholders' liability later at only $5 per share? Whose interest did he represent? Did he represent the resisting and contesting stockholders or did he represent the best interests of the estate of the receiver? Did he at various times get compensation from both sides of this issue? Did the receiver not lose over $1 million in losses from inadequate assessments by Sobeloff representing conflicting interests at the time of the settlement?

The 15 cases are as follows:

Circuit court No. 2: Case No. 21647, docket 45A, year 1936, page 391; case No. 21648, docket 45A, year 1936, page 392; case No. 21649, docket 45A, year 1936, page 393; case No. 21650, docket 45A, year 1936, page 394; case No. 21651, docket 45A, year 1936, page 395; case No. 21652, docket 45A, year 1936, page 396; case No. 21653, docket 45A, year 1936, page 397; case No. 21654A, docket 45A, year 1936, page 398; case No. 21655B, docket 45A, year 1936, page 399.

City Court of Baltimore, Md.: Case No. 164, year 1936; case No. 165, year 1936; case No. 166, year 1936; case No. 167, year 1936; case No. 168, year 1936; case No. 169, year 1936.

A copy of 1 of these 15 suits is attached hereto for the information of the committee.

The foregoing suits for criminal and civil negligence whose damages are laid in an amount in excess of $56 million are not the ordinary types of negligence suits where the amounts claimed are flexible or elastic and dependent upon the arrival of a judgment by men of varying opinions. The amount of $56 million was mathematically determined in the excellent report of the fixed dollar liability by Mr. Sobeloff. How now can he justify or how could he then justify a settlement of a fixed liability for the miserly sum of $205,500, especially against defendants whose financial ability was beyond question as being competent to respond in a larger sum? Mr. Sobeloff's judgment is festered in either his (a) reports or (b) his settlement without dissent of a $56 million liability for $205,500.

I submit the above and the other 14 cases reveal that Mr. Sobeloff knowingly represented interests that were in conflict. His conduct is well within the condemnation of the Department of Justice in the case recently reported in the press against the firm of Sullivan & Cromwell.

On page 47, line 14, of the transcript of hearing, Mr. Enos S. Stockbridge made the astounding and conflicting statement:

"There was nothing in the situation which could by any stretch of the imagination create a situation of conflict of interest."

In other words, Mr. Stockbridge contends that Sobeloff's resistance in a court case against the receiver to a stockholders' liability does not conflict with the duties assumed by him and as shown in his reports as an officer of the court representing the receiver in recommending the officers', stockholders', and directors' fixed liabilities. Patently Mr. Stockbridge is in error in his conclusion, for he later admits in his next paragraph:

"Mr. Sobeloff was acting as a representative of the court to perform a duty assigned to him. As a matter of fact the settlement which resulted was of benefit to the stockholders, in that it was something less than the full statutory liability."

In other words, Mr. Stockbridge approves Mr. Sobeloff's failure as a representative of the court to secure a full assessment of stock liability helpful to the stockholders in an amount of over $1,200,000 and to that very extent harmful to the depositors and creditors. Was he representing the court correctly and properly in reducing the stockholders' losses and thereby increasing the creditors' losses? The contradiction of interests and results are patent to the discerning and inquiring mind. Doubletalk is no excuse for this.

Former Senator Radcliffe on page 60, at line 17, of the transcript says, "There was no criticism from any member of the committee of Mr. Sobeloff at any time but on the contrary, the members of the committee felt that in a very trying situation he had handled himself entirely with propriety."

On page 61 of the transcript, at line 6, Senator O'MAHONEY asked, "What was the official relationship between the committee and the nominee?" Senator Radcliffe answered, "None," and later Senator Radcliffe said at line 22, on page 61, "No, none whatever."

What then becomes of the former Senator's praise? The fact of the matter was that the committee there referred to acted before the date of the receivership and before Mr. Sobeloff's connection with the receivership. See Hospelhorn's testimony on page 67 of the transcript at lines 21 and 22. Mr. Hospelhorn in his testimony at page 65, line 7, says he was the former receiver of the Baltimore Trust Co. He is still the receiver, for the case is still open, pending and not closed.

Mr. Hospelhorn, on page 68, line 7, of the transcript, says he paid 70.34 percent on the dollar. This I believe, was the refund to the depositors only. The record will show that the stockholders, officers, and directors and guaranty fund contributors' losses exceeded $50 million. (See court records.)

Mr. Hospelhorn again on page 69 of the transcript says that Mr. Sobeloff had no connection with the Baltimore Trust Co. building. That statement is not true. Mr. Sobeloff made an elaborate report on the building showing it had been devalued to $1 subject to a trust note of $5 million. Rigger, a straw man figured in several deals for the building and in other deals of the trust company. The committee will wish to know whether Mr. Sobeloff represented, directly or indirectly, Mr. Funkhouser or his affiliates. On this point the further testimony of Mr. Sobeloff is necessary and the testimony of Mr. Funkhouser is essential. The sale in 1941 of the stock representing the ownership of the Baltimore Trust Building was part of a conspiracy by Rigger, Funkhouser, Hospelhorn and others to cheat and defraud the depositors and creditors of the Baltimore Trust Co. The transaction was not several or three steps removed as Mr. Hospelhorn (at p. 70, line 15, of the transcript) testified and before Mr. Sobeloff got into the picture with Mr. Funkhouser. This testimony is incorrect because the court record contains a letter from Mr. Hospelhorn dated in November 1942, that Mr. Funkhouser bought the stock and the $5 million note. Then, in 1942, Mr. Donald Symington (see his estate papers in probate court of Harford County, Md.) bought the remaining assets of the Baltimore Trust Co. through the Colonial Mortgage Co. which included the note of $5 million and other notes for $160,000. Mr. Symington at the same time acquired all the assets which the Colonial Mortgage Co. had bought which also included his own personal note of $700,000 for a consideration of about $300,000.

The foregoing proves lack of diligence on the part of Mr. Sobeloff in protecting one of the principal assets of the Baltimore Trust Co. for the benefit of the depositors and creditors.

The testimony of Sobeloff in quoting from a letter from Mr. James Bruce, at page 160, line 15, etc., requires examination. Mr. Sobeloff found dishonesty. He found fraud in his reports. He found criminal and civil negligence. These findings were against the officers and directors. The fact of the matter is that Director James Bruce—nephew of Howard Bruce, formerly chairman of the board of the Baltimore Trust Co.—returned $50,000 in securities which one Handley (a director) had wrongfully given to the guarantee fund of $7,500,000 in 1931. This $50,000 was returned by Director James Bruce to its rightful owner (a foreign depositor) through Handley. Handley became pressed and committed suicide. Director James Bruce, through his attorney, Mr. Levy, threatened to go into bankruptcy if he (Bruce) were forced to pay the $50,000. How such commendation from Bruce can help Sobeloff in face of Bruce's obvious falsehoods and conduct is beyond comprehension. When he (Bruce) says "He had nothing to do with the acts complained of" he obviously lies. (See Correspondence in the Court Records.) Where Mr. Sobeloff says at page 157 of the transcript that Mr. James Bruce contributed $50,000 to the settlement fund, he is incorrect, for James Bruce threatened personal bankruptcy when called upon to pay for his wrongful act and his uncle Howard Bruce gave $50,000 to make up for the $50,000 James Bruce required to be returned through Handley to the foreign depositor. The letters from Mr. James Bruce by his attorney, Mr. Levey, in elucidation of this circuitous transaction reflects no credit either on Mr. Bruce or Mr. Sobeloff's veracity or the propriety of their official conduct. This is so notwithstanding the fact that Mr. Sobeloff is solicitor general and Mr. Bruce was formerly an ambassador.

Another thing that requires further examination and exploration is the fact that notwithstanding Mr. Sobeloff's official duty as an officer of the court to aid in the collection and preservation of the assets of the Baltimore Trust Co. for the benefit of the receiver and ultimately for the benefit of the depositors and creditors of the trust company, he sought for other clients to diminish those assets for the benefit of his other clients. He sought to increase the receiver's obligations. He sought rent from the receiver for the Funkhouser interests (O'Sullivan Building, Inc., being in reality Raymond J. Funkhouser, the real owner in the transactions of the Baltimore Trust Building) although the receiver had a rent-free agreement to occupy space in the building for the receivership. (See petition filed October 21, 1943, signed by Simon E. Sobeloff in file No. 1117 in case No. 2043a in said receivership proceedings and also see answer of the receiver under file No. 1118, together with attached correspondence filed November 16, 1943.)

The undersigned will assist anyone designated by the committee to study the records on file in the clerk's office in Baltimore, or in any other proper manner assist the committee in determining the truth of the foregoing. I am familiar with the details in the record and have made copious notes from them. The undertaking is not an easy one. A competent analysis now may prevent the confirmation of an improper nominee to a lifetime position of power, trust and influence.

Respectfully submitted.

CHARLES SHANKROFF.

BENEFITS TO HOSPITALS BY THE FORD FOUNDATION

Mr. POTTER. Mr. President, it has come to my notice that a large number of voluntary, nonprofit hospitals in Michigan are benefiting to the extent of an estimated $8,900,000. Already nearly $4,450,000 has been distributed or is at this moment in process of being distributed by the Ford Foundation.

My State is thus benefiting very materially from this distribution, but, of course, each of the 48 States and the Territories of Alaska, Hawaii, and the Commonwealth of Puerto Rico are to enjoy the fruits of this $200 million program of foundation grants.

It seems to me that this is one of the most far-reaching, and important, philanthropic programs the Nation has benefited from in a long time, for it helps to safeguard the health of the Nation, and so it helps us to make the most of one of our most precious resources—the people of the land.

The effect of this unprecedented gift to the Nation's health institutions is almost beyond measuring. Huge as the sum might be, and important as the grants will be to many hospitals, it is clear, however, that they will not solve the problem of financing the health needs of the Nation. H. Rowan Gaither, president of the foundation, said that he hoped the grants would challenge people to raise more funds in their own communities toward extending further their hospital facilities. Quite understandably Mr. Gaither said that no foundation, regardless of its resources, could possibly afford to do the entire job, and he therefore places the responsibility where it belongs: squarely on the shoulder of all Americans.

Already there are indications that the foundation grants have catalyzed action at the community level. A hospital administrator in Maine said that his institution's fund drive had bogged down, but that the Ford Foundation's grant gave the campaign a new impetus that seemed strong enough to put it over. Other instances show that hospitals have used, or are going to use, the foundation grant as seed money, with which more funds would be raised. In still another case, a hospital plans to set up a foundation, part of the capital to come from the foundation's grant, the rest from local resources. The foundation would be used to further medical research. Only income from the foundation, no capital funds, would be spent for this program.

Because the Ford Foundation wanted to spur communities into action to expand their hospital services, only the voluntary, nonprofit institutions were declared eligible for grants. Those thought to be eligible were notified, and asked to file an application for a grant, the amount of which had been calculated on the basis of patient days of service provided, and the number of births in the institution. But regardless of these criteria, grants were made for not less than $10,000 nor more than $250,000.

The foundation felt that hospital boards of trustees were best equipped to judge the needs of their institutions, and so wide latitude was given them to determine how best to apply the funds. The only restrictions were that the grants could not be used to retire existing indebtedness, nor could they be used to pay for services currently being rendered by the hospital. This still made it possible for a hospital administrator and the board of directors to use the money in a way they think would be most beneficial to the community's health needs.

By far the most frequent application of the grants has been in new buildings and equipment, for many American hospitals are woefully inadequate to meet the demands of modern medicine.

First, hospitals are being used more and more every year, and with longevity increasing the amount of geriatric care, the strain on existing plant and equipment is enormous. Couple these facts with great advances in medical science, which demand space and facilities, and it can be seen that hundreds of additional beds, and everything that helps to support them in equipment, supply rooms, sterilization centers and such, must be made available if we are to maintain the health of the Nation. It might seem strange, at first, to discover that many hospitals plan to use their grants to buy new elevators, but here is one of the most pressing needs, especially for old hospitals. One administrator in a fairly new hospital said he wanted to put in the new elevator if for no reason other than the fact that long lines of visitors were forced to wait inordinate periods of time for the elevator when they came to visit their relatives who were patients.

Some of the grants will be used for education—teaching of various kinds, and especially new techniques. Others will be applied to improving the services of the hospital so that it can become accredited through a body of medical organizations led by the American Hospital Association.

However the funds are used, it seems clear from the way in which the grants have been hailed by everyone who has anything to do with health in the Nation—and this includes officers of hospitals that were not on the grant list because they were Government or profit institutions—that they will contribute greatly to the well-being of the Nation. And if the grants point up the need for additional hospitals, and couple this with the responsibility for providing this care, they will have matched in practicality the warmhearted way in which they were made.

TRAVELS OF RUSSIAN MILITARY ATTACHÉS THROUGHOUT THE COUNTRY

Mr. MAGNUSON. Mr. President, I call the attention of the Senate to what I consider to be a very unusual situation. I feel certain that all Members of the Senate, especially those who serve on the Committee on Armed Services, have had appear before their committees on many occasions witnesses from the Department of Defense, the Department of State, the Central Intelligence Agency, and other agencies of the Government, who every once in a while will not respond to questions on the ground that their answers would involve matters which were classified. I am sure my friend, the Senator from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will agree with me.

I appreciate the value of having many things relating to the defense of our country kept secret, top secret, or classified. I sometimes think the "classified" stamp is used too much. Often we read in the newspapers articles to the effect that a witness from some department has said, "I cannot tell you about that; or if I do tell you, you are not supposed to say anything about it." That may well be, because in some instances we would not want certain information to be made public.

But what I am about to relate is, I think, a most unusual incident of the right hand not knowing what the left hand is doing; of certain departments concerned with matters of national defense not correlating their activities.

In my State, during the past week, there has been a rapid-fire chain of events which graphically and dramatically illustrate what, to my mind, could be considered a glaring deficiency in our entire security system. Except for the alertness of a reporter on the Post-Intelligencer, a daily newspaper of Seattle, the Nation might not have known of this glaring example of deficiency in our security system.

It seems that two military attachés—not ordinary Russian visitors, but military attachés from the Embassy of Soviet Russia, persons interested in defense matters—appeared in the Pacific Northwest bearing cards or other credentials from the Department of State. I shall provide the actual designation in a few minutes; they are coming from my office, because I forgot to include them among the papers which I brought with me. One of the persons had one type of card, and the other had another. It was not a red card; it might have been a pink card; I do not know. However, these two individuals asked for vacation privileges, so that they might travel around the United States, and they designated the Pacific Northwest as the region they wished to visit. Perhaps they said they wanted to view the great scenic beauty of that area, of which the present occupant of the Chair, the Senator from Michigan [Mr. McNAMARA], is aware. One of them is a military attaché; I believe the other is a naval attaché. Both are connected with the Russian Embassy in Washington. Their names are Lt. Col. S. S. Fedorov, assistant naval attaché; and 1st Lt. I. P. Sakulkin.

Not only did they plan this trip, but, so far as I know, they are still in the West, having been allowed by the State Department to make the trip. There they are visiting what I consider to be some of the most vital defense establishments in the whole United States.

I understand that perhaps the Department of Defense was advised in advance where these attachés intended to go. But the disclosure of their travels after they reached the Northwest has caused great concern, because the people of that area were alerted to the fact that these men are not merely Russian visitors or Russian farmers, of the type with whom we are seeking to establish liaison, but are military attachés of the Russian Embassy.

The people of the Northwest were aroused when the disclosure was made by an able reporter whom I know, Douglas Welch, of the Seattle Post-Intelligencer. Other newspapers picked up the information, and everyone began to ask, "What about this? Why are these men here?"

These two men took a route which they announced in advance they planned to take. The first visit they made was to Seattle, where the B–52 bomber is manufactured. All the engineering plans and other details connected with the development and manufacture of the B–52 are to be found in Seattle. As my distinguished friend from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will attest, the B–52 probably is one of our most important planes.

There are restrictions on some places in the United States, where even American citizens may not go. There are some places where foreigners may not go. I do not know where it is that Russian military attachés may not go, in view of what happened on this trip, since they obtained the consent of the State Department. Seattle itself is not out of bounds, as it were. Perhaps 80 percent of the Boeing aircraft are manufactured in Seattle. There is another plant in Renton, which lies on the border of the city limits of Seattle, but wholly within the confines of the area. However, parts of King County, in which Seattle is located, have in some cases been off limits. But this restriction can be brushed aside by a certain piece of paper from the

State Department, which these men had. They went to Seattle. They moved around the Boeing plant and other places to which I suppose none of us—certainly not the average American or the average visitor, no matter whence he comes—could go, unless he had military sanction from another nation. Missions from other nations do come to look at these things.

Next, they immediately took a boat to Bremerton. That is across Puget Sound from Seattle. That, for some strange reason, is not in bounds at all, but out of bounds. There is located the largest Navy yard in the world. There is located the home of the greatest repair fleet in the world and the largest mothball fleet of the entire American Navy. I have to have a pass even to get into the administration building in the Bremerton Navy Yard.

These persons took a boat, apparently, and went around the whole place. Whether they went in the yard, I do not know, but they should not have been allowed to go even close to it.

There has been some suggestion, which suggestion is being run down, that they went inside the yard, but the fact that they could move around on the water made it easier than going in the yard. That is where our large naval ships of the *Forrestal* class are being converted into the guided missile class. Work on one, the *Franklin D. Roosevelt*, has just been completed.

Then they asked to go, of all places, into Kitsap County, after the State Department had given them this blanket letter. That would not be where the average tourist would go. They asked to go to a place called Bangor and a place called Keyport, and they did go. I do not mean that they asked to go; I mean they had free access to go, and they took a beeline there. Bangor is the greatest ammunition dump we have, with highly guarded secrets regarding ammunition, the loading of it, and otherwise. Keyport is the torpedo center on the Pacific coast for research and manufacture and repair of torpedoes, and many classified and top-secret things go on there.

Whether they got into the yard, or what they did, I do not know, but they went all around it. The information received is that they bought all the maps they could find. As a matter of fact, they joined the AAA, so as to get their maps. One would not have to join that association to get maps. I suppose they could be obtained at a filling station, but that is the way the minds of that type of people sometimes work.

After they got through with that, they rented a car and started to go north from Seattle to the next county north of King County, which is called Snohomish.

For some strange reason—it is not really a strange reason; I think I understand the reason—the next county to the north is out of bounds. It is common knowledge that there exists there a very secretive and high-powered transmitting unit for the whole Pacific.

Finding that they could not go through Kitsap County, they took a bus through that county, rerented a car, and went on north; but in doing so they could have swung around to the Whidby Island Naval Station, in which most highly secret methods of aerial warfare are being tested.

They went up to Bellingham. Then, so far as we know, they obtained another rented car and went down the coast to take a look at the coastline. Then they started up the Columbia. On the Columbia are many dams and locks and all the works which are necessary for our aluminum and light metal plants. For some reason, those places were not out of bounds.

Where these attachés are now I do not know, but about the only place they did not see in the State of Washington that means a great deal to the defense of this country was the highly restricted atomic energy plant at Hanford, and no one can get into that; but they probably went by there and took a little look at it. The amazing feature is that they announced some of their plans before they left, and yet obtained permission.

Their plans, so far as we can tell, were to fly to Tacoma, spend 4 or 5 days in Seattle, and 1 or 2 days in Bremerton.

No visitor that I know of who goes to that great scenic area for recreation would particularly specify a certain designated place on Puget Sound like Bremerton. Bremerton is the site of the largest navy yard we have.

Then these gentlemen announced that they wanted to spend 1 or 2 days in Port Orchard. One can swim across from Bremerton to Port Orchard. There is a little arm of the bay there. One can sit at Port Orchard for 1 or 2 days, and I suppose, with the right kind of long-distance lens, one can really observe the ships, learn when they come and go, determine the number of ships, and learn everything else about them, because one can look right down on the navy yard.

Why would two military attachés from Russia, 3,000 miles away, want to go to a little place called Port Orchard when they got their visas? I am willing to wager that not 1 out of 10 Americans have even heard of the place. But that is what they said they wanted to do. I suppose they thought their request would be turned down. They must have taken the first plane they could get passage on, when clearance was made of their request.

They wanted to spend 4 or 5 days in Seattle. That is not unusual. Then they wanted to visit Bainbridge Island. I used to live on Bainbridge Island. We never had any visitors there. That is why a few of us lived there. It is secluded. It is hard to get to. But it is located in the middle of the navy yard at Keyport. That is an ammunition station, where the ammunition for the fleet is loaded. There is not even a place to stay on Bainbridge Island, unless they stayed in my old cowshed. Much can be seen from there. That is where these persons said they wanted to go.

They also mentioned Keyport and Bangor. Then they were going to return to Seattle by auto over routes 14, 148, 21, and 21A; travel from Seattle to Bellingham by rail; and travel from Bellingham by auto to Oregon City, Oreg. They did not specify the dates. That is not unusual, because they were taking a general route south. But the areas to which they requested permission to go, and to which for some strange reason they were allowed to go—and we shall find out more about this matter—include practically every important defense installation in the Northwest. Mr. President, it would almost seem as if, by some strange coincidence, those two Soviet military attachés were drawn to each of those defense-installation areas by a powerful magnet. How strange it is that, while on an alleged vacation trip, they wished to stay on Bainbridge Island.

Mr. President, in view of this development, I have requested a report from the State Department.

Incidentally, among the areas included in the trip by these two Soviet military attachés is the eastern part of Washington, which has not been classified as a restricted area, although that where all the huge aluminum plants are located, and is also where Grand Coulee Dam is located, as everyone knows.

If this sort of thing can happen, apparently something drastic needs to be done about our security planning. Certainly, Russian military attachés should not be allowed this sort of leeway; and certainly in connection with our security operations, the right hand should know what the left hand is doing.

What the State Department has done about this matter, I do not know.

Someone may say, "Well, photographs of the Bremerton Navy Yard and the other installations could be obtained, anyway." I suppose that is true, if sufficient effort were made. But, Mr. President, to allow military attachés of the Communist Government—and probably top Communists—to go to these places and see for themselves is more than I can understand. If we need security at all, I cannot understand why such a trip should be allowed. If we do not need any more security than this development indicates, we should not have any at all.

Mr. President, in view of what has occurred, I have sent identical letters to the State Department, to the Department of Defense, to the Department of Justice, and to the Central Intelligence Agency. In all fairness, I must say that the State Department said it would look into the matter. As yet, I do not know what connection the CIA has, government-wise, with this situation; but I should like to find out. I do not know where these two men are now. Perhaps they are in California; I do not know. They obtained the cards or slips, although I suspect that the Department would like to revoke them. Certainly theirs was the most brazen sort of trip by such military personnel that I have ever known to be taken in the United States. If we need any security at all, such trips should not be permitted. The trip these two military attachés of the Soviet Embassy took is one which the average patriotic American would not be allowed to take in any case, without being granted special privilege of some sort.

Mr. President, at this point I shall read the letter which I sent to the Department of State, the Department of Defense, the Department of Justice, and the Director of the Central Intelligence Agency:

> MAY 17, 1956.
>
> The Honorable JOHN FOSTER DULLES,
> *Department of State,*
> *Washington, D. C.*
> The Honorable CHARLES E. WILSON,
> *Department of Defense,*
> *Washington, D. C.*
> The Honorable HERBERT BROWNELL,
> *Department of Justice,*
> *Washington, D. C.*
> *Director of Central Intelligence Agency,*
> ALLEN W. DULLES,
> *Washington, D. C.*
>
> MY DEAR MR. SECRETARY: The urgency of immediate steps being taken by the Departments of State, Defense, Justice, and Central Intelligence Agency to close the entire State of Washington to Soviet representatives, has been dramatically illustrated with the apparent ease by which two attachés of the Soviet Embassy during the past week have approached vital defense installations in my State.

That is a mild statement, because much more than that has come to light, and I think a great deal more will come to light.

I read further from the letter:

> It is inconceivable that the classification of closed areas has not extended already to the Olympic Peninsula which embraces the counties—

I designate the counties, because in the past that has been done—

> of Kitsap—

Where so many defense installations are located—

> Clallam, Grays Harbor, and Mason in view of the installations that section of my State contains.
>
> In view of the fact that Lt. Col. S. S. Fedorov, assistant naval attaché at the Russian Embassy and 1st Lt. I. P. Sakulkin announced their travel plans to the foreign liaison officer at the Department of Defense in the Pentagon, the route outlined should have been a clear indication to every agency involved that more than a vacation trip must have been contemplated.
>
> Let me recount the plans these men filed—2 days in Bremerton, the strategic site of our only deep-water naval base on the Pacific coast which can handle every type ship in the American Navy; 2 days at Port Orchard from which one can get a closer look at activities in the Puget Sound Naval Shipyard; 1 day at Keyport, site of one of our most productive strategic production centers during World War II; 1 day at Bangor which is one of our most vital naval ammunition depots on the Pacific coast.
>
> In addition, the travel plan of these two key Soviet representatives included a trip to Bellingham by car.

Up through the area I have mentioned, probably around by Whidby Island, the naval air base, which is right on the way.

I read further from the letter:

> Since Snohomish County is already classified as closed to Soviet representatives—

Some of these places have been closed to them, but the rest have been left open. But these men saw all they wanted to see—

> we can only assume that they followed a course even closer to our Whidby Island base where the Department of Defense presently has an expansion program underway.
>
> I am aware that as a result of excellent reporting by the Seattle Post-Intelligencer the Nation has been alerted fully of the seeming inadequacy of our present security program and the dangers posed.

Mr. President, I wish to say that I have referred to the articles published in the Seattle Post-Intelligencer—although I do not have clippings of all such articles published in it—because that newspaper printed the first story in regard to this matter, and of course did an excellent job.

I read further from the letter:

> I have your promise that a thorough investigation is being made concerning any violation of existing security regulations, but I point out again that events of this nature reemphasize the necessity of classifying the entire State of Washington as closed to visitors from Iron Curtain countries immediately.

In particular, it should surely be closed to military representatives of the Soviet Union.

I read the conclusion of the letter:

> I shall expect a full report of the investigation currently underway and of additional steps taken to bring all of our strategic national defense areas under the most complete security precautions possible.
>
> Sincerely,
> WARREN G. MAGNUSON,
> *United States Senator.*

Mr. President, in closing, let me say that I was going to submit for the RECORD a copy of a telegram, but I shall not do so until later.

AGRICULTURAL RESEARCH

Mr. STENNIS. Mr. President, soon Members of the Senate will be called upon once more to pass upon a proposed budget for the Department of Agriculture.

Today, I shall discuss one part of the Department's proposed budget, namely, that dealing with agricultural research. On previous occasions, I have spoken on this subject, and have tried to make clear the importance of research and education in reaching solutions to the many serious problems confronting agriculture. As we in the Congress come to grips with a farm problem that is as serious and immediate as any I have ever known, I retain my belief that ultimately research will play a key role in the development of new uses for crop and livestock products; in the development of new crops; in the development of new and stable market outlets at home and abroad; and in the improvement of practices to cut the cost of production and marketing of farm products at every step along the way.

In terms of the amount of money requested for the fiscal year beginning July 1, 1957, the administration has dealt generously with agricultural research. For this, I commend the President and Secretary of Agriculture Benson.

The budget requests a total of approximately $103 million for all of the Department's research activities. This is an increase of about 20 percent over the current budget. Such an increase should enable the Department to begin some projects which it has delayed because of the lack of funds. Perhaps it will even allow a general expansion of the program. I am confident that the money can be put to sound use.

I digress to comment upon the contrast. Even though this budget is approximately all the money we can judiciously spend in the next year on agricultural research, at the same time, in another committee, I hear evidence about military research running into billions of dollars. It is a constant reminder that our great need is to put more of our energy and effort into constructive channels rather than destructive channels. Along with others, I hope the day is approaching when we can make a constructive approach along many lines.

I am sure we are all aware of the fine organization within the Department that is responsible for agricultural research and how it functions. This unit is called the Agricultural Research Service, which carries on research in the production and utilization of farm products. The Administrator of Agricultural Research Service also coordinates other departmental research, although the administration and actual conduct of work are carried on by the individual agencies—for example, the Forest Service and the Agricultural Marketing Service. The Administrator also administers the Federal-grant funds to the State experiment stations for the conduct of research.

It is my privilege to visit from time to time many of these branch agricultural stations or State agricultural experiment stations. I believe that the fine cooperation which exists there is one of the finest examples we have in all our Government activities. Agricultural research scientists are working side by side, and hand in hand, at the State experiment stations. They work together so closely and coordinate their work so effectively that as one visits them and moves among them while they are at work, one cannot tell which is working for the State and which is working for the Federal Government. I think the same spirit prevails throughout their work at all levels.

There are about 3,000 research scientists in the Agricultural Research Service, plus 1,000 or more in other Department agencies. Some 1,200 of the scientists are located at the Agricultural Research Center at Beltsville, Md., a few miles north of Washington. Many project leaders have their headquarters at Beltsville, which serves as a coordinating point for much departmental production research conducted at other places. Utilization research is conducted primarily in four regional research laboratories located in New Orleans, La., Wyndmoor, Pa., Peoria, Ill., and Albany, Calif.

In all, there are about 500 Federal and State field locations. Most of these are field laboratories, substations, or other centers operated by the State agricultural experiment stations—which in turn are a part of the State land-grant colleges and universities. The States have some 7,900 scientific people—about half devoting full time to research, the others dividing their time among research, extension, and teaching.

The Federal research program is closely allied with the State-supported research and educational programs, and a great number of Department scientists are located at the State stations. Agricultural industry also conducts research, and the Department cooperates closely with industry on many problems, although the pattern is somewhat different and less closely knit.

I shall now give selected examples of what our agricultural research program has meant to the farmer, the consumer, and the Nation. These facts should be especially noted for the significance of agricultural research.

I. CHANGES FOR THE FARMER

MECHANIZATION

There has been a 40-percent increase in the number of tractors on farms since 1949. The number of mechanical corn pickers on farms has increased by half a million since the end of World War II.

In some cases machines, in one trip over a field, will plant, fertilize, and spray to control weeds, all at the same time, as with cotton in the South.

Besides the usual large equipment, farmers have milking machines, fence controllers, stock clippers, barn cleaners, welders, grain elevators, tool grinders, chick and pig brooders, automatic livestock and poultry waterers, and many other types of equipment that help them save time and labor and do a better job.

They used 10 billion gallons of gasoline and oil last year—plus an untold number of kilowatt hours of electricity. Electric power is now available on 9 out of 10 farms. Farmers are important customers of many industries. Their gross income in 1954 was about $30,460,000,000. They spend nearly half of their income each year for production supplies and equipment, including seeds, feed, and fertilizers.

Latest development: Some of the latest developments in mechanized equipment for the farmer include a device for tipping beehives that saves hand labor, a sugar beet thinner using counter rotating heads, a new mechanical silage feeder, a mechanical tung-nut harvester, improved aviation spray equipment, a liquid fertilizer applicator for small farmers, and an air-type heat pump which uses the sun's energy.

Aircraft spray: The farmers' "strategic air command" now numbers some 6,000 airplanes in agricultural activities. For the job of controlling grasshoppers in the old days it took 2 men with 20 pounds of bait per acre to cover 150 acres a day. Today, an airplane with 2 ounces of aldrin per acre can spray 1,000 acres in 12 minutes. Federal-State-rancher cooperative control work on range lands has saved about $38 for each $1 spent per year over the past 20 years.

LABOR EFFICIENCY

Man-hours: During the Colonial period at least 9 out of 10 Americans lived on farms. By 1820, each farmer could provide for himself and four other people. Today the American farmer can provide food and fiber for himself and 18 others.

In the past 30 years output per man-hour has more than doubled. However, despite increased efficiency and savings in total worktime on farms, the individual farmer still keeps busy. According to a recent survey, for example, an average days' work in September 1955 was a little more than 10½ hours for a farm operator and a little more than 9 hours for a hired hand.

Those figures are taken from statistics, but I think they are rather low. The work hours on many farms far exceed the hours reflected by those statistics.

While the population has been increasing, the number of farmers has been decreasing. Ten years ago there were about 10 million farm workers. Now there are about 8½ million.

Livestock efficiency: Beef cattle and hogs are fed and handled much the same as they were 20 years ago. Since 1935, productivity per man-hour has more than doubled in crops, but has gone up only 54 percent in livestock.

BETTER CROPS AND BETTER LIVESTOCK

Hybrid corn: Hybrid corn is adding nearly a billion dollars a year to our national income—a yearly dividend greater than the cost of all the years of research it took to produce it. All research on hybrid corn cost only about $15 million.

Grain sorghums: Grain sorghums, superior new varieties, may be the next important hybrid farm crop. The new forage is particularly adaptable to semiarid land. By 1960 most of the 10 million acres now planted in open-pollinated varieties of grain sorghums may be planted with the new varieties. The hybrids have a potential for increased yields of 20 to 40 percent over those of varieties currently in use. They promise gains at least equal to those which farmers now get from hybrid corn.

Broilers: Research during the past 20 years showed poultrymen how to get 42 percent more meat from the same amount of feed and how to get 162 percent more production from a man-hour of labor. The result: From a fringe farm operation worth $24.5 million to farmers 20 years ago, broiler production has mushroomed into a highly commercialized business, grossing $800 million and providing 20 pounds of poultry per person in 1954.

Meat-type hogs: Livestock, too, is changing. More farmers now are raising the meat-type hog, because that is where the markets lie. Research experience in developing these hogs may help in breeding some of the back belly fat from beet cattle without losing the marbling that makes prime cuts of meat.

Beltsville turkey: The Beltsville turkey with more white meat is a well-known innovation of research.

Beef: Beef cattle growers have learned to breed beef cattle that produce heavier calves that mature faster and on less feed. It is now possible for 1,000-pound steers to be finished for market 3 months earlier than they were 10 years ago, and 2 to 3 years earlier than 60 or 70 years ago.

NEW CROPS

Strawberries: In the spring of 1955, for example, nurseries had about 150 million high quality virus-free strawberry plants of 24 different varieties. Seven more virus-free stocks of eastern varieties are being propagated for release to growers in 1956 or 1957.

RECENT FRUIT AND VEGETABLE HYBRIDS

Onion—Early Crystal 281—an onion variety that matures earlier, for commercial planting in the South.

Watermelon—Charleston Gray—a superior watermelon for southern growers.

Spinach—Early Hybrid 7—a blue-mold and blight resistant spinach for the Texas-Arkansas area.

RECENT FIELD CROP HYBRIDS

Grain sorghum, mentioned earlier.

Oats—Ranson, Gary, and Minland—rust-resistant oats.

Grass—Emerald, Zoysia—winter hardy, nonfluffy, fast spreading, released in Georgia.

Bermuda grass—Suwanee—thrives in deep sand.

Bermuda grass—coastal—estimated to be bringing returns of about $6 million a year to Georgia farmers.

Grapes: A Loretto bunch grape with double chromosomes—bundles of inheritance determining factors—first bore a full crop at Beltsville in 1955. It had some berries 3 times as large and bunches 2½ times as large as the normal Loretto. This and several other new varieties seem to have the fine qualities of the grapes from which they were developed by chemical manipulation of genetic factors. Further tests and plant propagation procedures may require several years.

Apples: Nature is making the plant breeders wait, too, while new varieties of apple trees grow. One of these is a rare variation of the winesap. This was developed through a process of plant surgery from a winesap tree sport—a branch with double chromosomes in its deepest tissues—found in the J. J. Reimer orchard at Palisade, Wash. Bigger and better apples, too, seem to be on the way, as 1955 gives us a promising look at future harvests.

NEW PLANT INTRODUCTIONS

President John Quincy Adams in 1827 asked all American consuls to send rare plants and seed to Washington for distribution to interested growers. Through the years, the introduction of plants and seeds has been a continuing activity. Since the Department started its inventory in 1898 a quarter of a million plant introductions have been made. Some of these—like soybeans and crested wheatgrass—have helped to revolutionize farming.

Recent introductions: The Sunapee peach from New Hampshire, brought from the Caucasus in Russia; the Mysore raspberry from southern Asia; walnuts from northern China; and a wild tomato from Peru are some of the plants recently found to be adaptable to the United States. Plant exploration programs continue systematically to introduce other possibly valuable varieties to this country.

Medicinal plants: Medicinally valuable plants were the object of extensive searches by USDA plant explorers, who found one variety of Mexican yam containing a chemical compound that may prove useful in the manufacture of the antiarthritic drugs, cortisone and related compounds. Other explorers, through an arrangement between USDA and the National Heart Institute, send back tropical plants for study of their potential value as a source of cardiovascularly active chemicals.

Field crops: Field crops, too, were imported by the plant explorers and improved by the breeders. Many of the 4,730 grasses and 1,354 legumes brought into the United States during 1954 from Asia for trial are now under experimental cultivation. Forty-five grass introductions and 30 legumes brought in since 1948 are either now in breeding programs or are being released for commercial production. American-Egyption cotton, for example, is one of the new adaptations that is proving productive.

II. CHANGES FOR THE CONSUMER

DIET IMPROVEMENT

More protein: Today, because of agricultural research, we are eating more than a fourth more of the high-protein foods that we ate in 1935. More and better food costs us relatively no more than we paid for a less desirable diet 30 years ago. Twenty-five cents of each dollar still goes for food.

Examples: Today, the average United States take-home pay for 1 hour will buy 7 quarts of milk, whereas it would buy only 3½ quarts 30 years ago; 3 dozen instead of 1 dozen oranges; and 2 pounds instead of 1½ pounds of steak. We eat nearly twice as much ice cream now.

Variety: Our variety of foods then was limited and governed by seasons. Now we have a wide variety, including many foods that are processed and packaged for convenient use.

OTHER CONSUMER BENEFITS

Less time in kitchen: Through development of modern packaging, processing, and transportation of foods—in which private industry and farmers have led the way—kitchen time for the average housewife can be cut from 5½ hours if she buys the least highly processed forms of food on the usual markets of today to about 1½ hours a day if she buys the most highly processed forms of food to prepare a day's food for a family of four.

Prepared frozen foods: New evidence of the increasing trend toward built-in convenience in commercially prepared foods is the USDA report that production of prepared frozen foods increased 67 percent from 1954 to 1955. Prepared frozen foods—534 million pounds were produced in this country in 1955—are the items which have been wholly or partially cooked before freezing or have had other prefreeze preparation which usually is done in the home kitchen.

III. UTILIZATION RESEARCH BENEFITS—TYPES OF RESEARCH

Perishable commodities: Research on the perishable commodities—milk, eggs, and most of the fruits and vegetables—has been directed toward development of methods for converting them to a permanently stable, palatable, convenient-to-use form so that they are preserved and made available throughout the year. This conversion to a year-round product also tends to stabilize the price of these commodities.

Nonperishable or storable commodities: Wheat, corn, cotton, and inedible animal fats pose the most serious problems. During the past 50 years, for example, the annual per capita consumption of wheat has dropped from 230 pounds to about 140 pounds. One of the factors contributing to this decrease is changing food habits. Another is believed to be the rapid aging or staling of bakery goods. One approach to the staling problem involves the freezing of bread and bakery goods, or bread softeners—to prevent staling.

EXAMPLES OF RESULTS

Frozen orange juice: At the end of World War II, the citrus industry was deeply concerned with possible serious orange surpluses. There were even discussions on the possible need for Government price supports.

Then, frozen concentrated orange juice was introduced to the public. The basic work on this product had been done through a cooperative undertaking of the Florida Citrus Commission and the USDA. Because the product can be stored for more than a year, is convenient to use, and has practically the same flavor and quality as fresh juice, it was widely accepted by consumers. The industry has mushroomed during the past several years, and the expanded production of oranges has been absorbed without difficulty. This development has thus prevented a serious surplus problem.

Other frozen juices: Frozen concentrated lemon, tangerine, grapefruit, grape, and apple juices are now on the market as well.

Powdered juices: Fruit and vegetable juices can also be converted into another form. Orange, lemon, apple, prune, grape, and tomato powders of excellent palatability have been developed. The powdered juice can be stored on the kitchen shelf with other staples and can be reconstituted quickly by the addition of water—even ice water.

Dairy products: The present surplus of dairy products is well known. However, excellent progress has been made in producing flavorable food products from skim milk—formerly a by-product chiefly used as feed. This will permit the sale of butter at a price more competitive with that of other edible fat spreads. Advances are also being made in developing stable and palatable forms of whole milk. We believe that a stable whole milk concentrate or powder can do for the dairy industry what frozen concentrates have done for the orange grower.

Cotton: One of our big surpluses is in cotton. During the past several years cotton has felt keenly the increasing competition of manmade fibers, particularly in industrial utilization.

An intensive research program is underway to improve the properties of cotton through chemical treatment and modification; in brief, to tailormake cotton fibers for special uses. One of these fibers, acetylated cotton, has higher heat resistance than either natural cotton or synthetic fibers and is being used for commercial and home laundry ironing board covers. It also has marked resistance to biological attack and sunlight. Better flameproof cotton fabric using the chemical, THPC, is another example of chemical treatment. Actually, hundreds of tailormade fibers can be produced from cotton by treatment with chemicals.

Fats: Fats are in surplus largely because synthetics replaced them as a base for soap. Utilization research found new uses for inedible fats by developing methods to use them in products such as floor tile, garden hose, raincoats, and similar products.

Information has been obtained that has led to large-volume outlets for animal fats in feeds. When properly stabilized, fats are particularly attractive for feed use because of their high caloric value and the fact that they increase palatability of the feed, make pelleting easier, and help to eliminate dust problems. Consumption of fats in animal feeds already exceeds 200 million pounds a year. This has been an important factor in lifting the price of fats from about 5 cents to 7½ cents per pound and establishing a floor under the price at the higher level. It has contributed to increased returns to the livestock industry of some $50 million per year.

Thickening agents: Research on thickened frozen cooked foods and canned foods, including sauces, gravies, custards, puddings, and cream-puff fillings, has shown that undesirable changes in consistency of the product during storage can be satisfactorily prevented for 6 to 12 months by the use of thickening agents made from waxy types of rice or corn. These waxy grains are specific varieties with kernels having an unusual chemical composition. Liquid separation and a curdled appearance in processed food products are serious defects from the standpoint of consumer acceptance. Many manufacturers are now solving these problems by using the newly developed waxy-cereal thickening agents.

Bread freezing: Investigation of the rate of freezing of freshly baked bread and some other bakery products in a refrigerated air blast, and of the rate of defrosting these products by several methods, has disclosed the conditions that are essential for greatest retardation of staling. The staling rate of bread is greatest in the temperature range between 20° Fahrenheit and 45° Fahrenheit, and loaf temperature must be reduced or raised rapidly through this temperature zone to minimize staling. Information of this kind is essential for successful large-scale production and distribution of frozen bakery products.

Soybean oil: New compounds—vinyl ethers of soybean alcohols—have been prepared by chemical modification of soybean oil. These nonvolatile ethers can be converted to paint vehicles expected to be of use in making air dried or baked finishes. Evaluation studies indicate that hard and durable films can be obtained from these ethers by baking. These films have unusual resistance to acid, alcohol, and alkali—an important property for finishes needed in many industrial applications, particularly for consumer products. Further work is underway to evaluate fully the usefulness and importance of these ethers in pro-

tective coatings. They represent one of many possible types of industrial chemicals or intermediates which may help the vegetable-oil industry to capture new markets.

Penicillin: Penicillin production throughout the world today is based largely on a cultural method developed by the Northern Utilization Research Branch at Peoria, Ill. By using a mold found on a ripe cantaloupe plus a better diet for the mold, USDA scientists were able to increase penicillin production more than a hundred times. The wholesale value of penicillin is estimated at more than $100 million a year, but money value cannot be placed on the human lives saved.

Fertilizer bags: Utilization researchers found that with new dyes the acid in fertilizers did not make the bags unusable as dress materials. Now old fertilizer bags can be cleaned, and one would never know that the bright prints they offer were not purchased as brand new dress fabrics.

IV. PROTECTING THE GAINS

PLANT PESTS

Forage marauders: Four years of study of forage on the southern Great Plains led USDA researchers to conclude that approximately 30 pounds of rodents were produced per acre as compared with 40 pounds of beef, and during the period July 20 to September 24, 1954, grasshoppers were largely responsible for the disappearance of almost one-half of the forage.

Insect losses: Today, losses from insects in the United States, plus cost of control, amount to $4 billion a year.

Profit from control: An interesting example of how pest control can yield unexpectedly high profits is provided by the experience in the control of wireworms on 60,000 acres of lima beans in California a few years ago. When a soil insecticide was used, the net increase in value of the crops was more than $4 million.

ANIMAL DISEASES

Six times in this century scientists have eradicated the dread foot-and-mouth disease from the United States. A deadly form of Asiatic Newcastle disease was detected and eradicated before it could spread through our poultry flocks. Hog losses from cholera, once amounting to as much as $65 million in a year, have been reduced to a small fraction of that amount. Research has developed a reliable immunizing agent against brucellosis, and has reduced the extent of tuberculosis in cattle.

Tuberculosis in cattle: Success in reducing tuberculosis infection among cattle from 1.5 percent in 1935 to 0.12 percent in 1955 means a saving of well over $15 million a year to cattle owners and at the same time it reduces hazards to the human family, especially from bone and glandular tuberculosis that once was common in both young and old.

Lymphomatosis: Scientists at the Regional Poultry Laboratory at East Lansing have succeeded for the first time in producing chicks immune to the visceral form of lymphomatosis, or big liver disease, in inoculating the mother hen. If a practical means is developed to control lymphomatosis, it will save poultry producers up to $75 million a year.

QUARANTINES

In agriculture, as in medicine, the payoff for prevention is not listed in statistics, except as its value is reflected in estimates of what did not happen or in before-and-after comparisons.

1955 record: USDA inspectors intercepted 11,500 destructive plant insects and 7,000 destructive plant diseases from throughout the world during fiscal year 1955 in agricultural products in cargo, stores, baggage, mail, or as stowaways aboard vessels, planes, railway cars, and vehicles. Animal pest control also included quarantine activities. Unsterilized hay and straw from countries where foot-and-mouth disease is prevalent was destroyed.

WEED CONTROL

Today, to make ends meet, and perhaps realize a net profit, farmers must do everything possible to cut their costs of production. Especially valuable is research that cuts the cost of production without increasing output of crops now in surplus. Substituting lower cost methods or materials for those now in use is one way to do this. For example, if we can use chemicals instead of tillage or as a substitute for some of the tillage to reduce weeds we often can reduce costs. In Mississippi during the past 5 years, the cost of controlling cottonfield weeds with chemicals has averaged about $9 per acre, as compared with $15 for conventional methods.

V. IMPLICATIONS FOR MILITARY PREPAREDNESS

The saying is that "an army travels on its stomach," and today's army has many special needs in food, clothing, and materials. One thing the Department has done is to build up stockpiles or sources of strategic materials. They are doing—or have done—research on numerous strategic raw materials and substitute—abaca, hemp, kenaf, phormium, sansevieria, castor beans—production and mechanization—extra-long staple cotton, canaigre, opium poppy seed, guayule, hevea rubber, digitalis, and belladonna.

Another way they help meet special military needs is in converting foods into palatable and nutritious forms that use a minimum of shipping and storage space, and keep well through long storage, often under adverse conditions. Normal civilian supplies in many cases do not fill these requirements.

Preservation of perishable foods in a palatable form became a major project for agricultural research at the beginning of World War II. At that time, dehydration offered the fastest method of meeting the basic need. Dried milk, dried potatoes, and powdered eggs are the most familiar products of this wartime research.

A further development was the compression of dehydrated foods. Compression not only reduced space requirements by 50 to 80 percent; it also saved metal containers. For example, enough dehydrated carrots to serve 800 men can be compressed into a 5-gallon can. Compression of dehydrated meat not only saved shipping space, it also helped the meat retain palatability.

Human nutrition people are constantly learning more of what food elements the human machine needs to function at optimum levels. Their studies on food composition were the basis for development of survival rations and subsistence diets used by the Army and Navy during World War II. Although the war has long since been over, progress in food research has continued.

It should be pointed out to any skeptical World War II veteran that further research has given the dried egg a new personality. The culprit mainly responsible for wartime objectionable flavors—glucose—was discovered and is now eliminated before the eggs are dried. Today's product is so good it has made the new cake mixes a rousing commercial success.

One of the newer products is orange juice powder that dissolves instantly, even in ice water, to make a juice with the color, flavor, and nutritive value of fresh orange juice. It can be stored at room temperature, and the Army so far has taken the full output. I am sure the military is also interested in further developments along this line, which are bringing tomato and other juices in powdered form.

A new food preservation process, called dehydrofreezing, combines the space and weight economies of dehydration with the convenience and freshness—retention of freezing. Dehydrofrozen apples, for example, have a much firmer texture when thawed and make better pies than applies frozen in the usual way. Dehydrofrozen foods should have considerable value in supplying posts, camps, and stations, and for special overseas needs.

Agricultural research also has a share in protecting the health of men in the Armed Forces. Commercial production of penicillin during World War II is an example. Although Dr. Fleming of England had proved the almost miraculous power of penicillin to overcome infections, the problem was how to produce it in large enough quantities to save battle casualties. The British came to us. Together, we found the way. During 1945, more than 7,000 billion units were produced—enough to treat 700,000 serious cases, enough to save the lives of thousands of soldiers. In addition, this wartime research led to improved methods of recovery and purification of penicillin. It lengthened the storage life from 3 to 18 months, and reduced the wholesale price from $20 to 60 cents per 100,000 units. The penicillin story is only one example of agricultural research that has given us new and useful medicines.

One of the most recent agricultural research contributions to medical science is dextran blood plasma substitute. Dextran first went to war in Korea. It proved effective in treating shock, which usually follows battle wounds. This fluid, made from corn sugar, can save thousands of lives in an emergency. It can be mass-produced at low cost. And it can be stored without refrigeration.

In the search for new uses for farm products, scientists have developed a starch sponge, useful in curtailing hemorrhage. It can be sewed up in a wound if need be, since it will be absorbed by the body.

Another contribution is the new two-way stretch cotton bandage. Last year, the Armed Forces saved $5 million by using it instead of the more expensive elastic bandages. It allows free movement of a bandaged elbow or knee.

Agricultural research during World War II led to methods for sterilizing wool in such a way that the fabric was left soft and pliable. Loss in breaking strength was less than one-sixth. This is important to any army that spends millions of dollars each year for woolen clothing, blankets, and such.

More recently, with the cooperation of the Army Quartermaster, the Department has developed a mixture of DDT with chemical carriers that can be washed into woolens to protect them against clothes moths and carpet beetles for more than a year.

Cotton yarn and fabric highly resistant to rot and mildew, and able to stand greater heat than ordinary cotton was highly useful for uniforms in the Tropics. Here again, research is not content with the past, but is striving for further improvement. In cooperation with the Quartermaster Corps, advances have been made in flame-proofing cotton for military clothing.

A major cause for discarding shoes, particularly in the Army, is breakdown of insoles. How many pairs of shoes do our Armed Forces use each year? Let us say 3,000,000. Agricultural research has found a process for retanning the insole leather with alum, which increases wearability. If we can get the equivalent of 300,000 additional shoes from this process, that means a saving, at a conservative estimate of $5 a pair, of $1,500,000 a year. In addition to all this, wearing tests have shown the new insoles are far more comfortable.

During the Second World War, Department chemists hit upon a new method of stabilizing guncotton—or nitrocellulose. This method saved about two-thirds of the time formerly needed in making the explosive, and made possible substantial savings in the cost of smokeless powder for large-caliber guns.

Smokeless powder production gained another boost from the development of a machine that cuts cotton fiber to very short lengths—about one-tenth inch. This machine paved the way for emergency use of cotton lint in making smokeless powder, speeding up the process, and reducing cost.

Another contribution was the development of "soft grit" blasting, using ground corncobs and rice hulls, for the removal of hard-carbon deposits from cylinders and pistons of aircraft engines being overhauled. The soft grit is not abrasive and does not cause dimensional changes in the parts. Neither masking of parts nor use of hand tools is required.

A recent development is the lightweight respirator that protects against new insecticidal sprays and dusts. When German-developed insecticides from poison gases were first tried here after World War II, we had no breathing device to protect the users. This new equipment is worn over the nose and mouth, and filters or absorbs toxic fumes from the air.

I suppose all of us have heard of the diffusion fiberboard that protects against poison gases and disease-laden particles, and gives some protection against radioactive fallout. This development—the result of cooperative United States Forest Products Laboratory and Army Chemical Corps research—is another example of how diversified is the agricultural research contribution.

I need not remind Senators of the work on packaging of war shipments during World War II, or the application of Forest Service photogrammetry experience, and smoke-jumping techniques, to military needs.

Currently, forest fire-fighting research is opening interesting possibilities for the use of helicopters in protecting defense installations. Also of current interest are the studies underway on cellulose nitrate as a means of improving forest sources of raw materials needed for Army Ordnance.

There are many other lines of research that hold promise for future military application. We shall hear about them as time goes on.

I regret that the President, in both his budget message and his special farm message, failed to fully recognize and emphasize a problem which, from the standpoint of its benefits to agriculture, is just as important, if not more important, than the amount of money included in the budget. I refer to the need for a long range program of agricultural research. So far, we have operated on a year-to-year basis. Perhaps under existing authority, the Department can operate only on this basis. But the fact remains that the need to abandon this year-to-year approach and substitute for it a well-planned, coordinated program is just as acute, if not more so, than ever before.

The Nation's farm organizations and commodity groups are urgently recommending the establishment of a long range research program. They cannot, by themselves, achieve this sound objective. Certainly they must have the help of the Congress, and just as importantly, the executive agencies which plan these activities and schedule funds to carry them out.

We need, desperately, to decide just what we want to achieve through research for agriculture. We must then lay out a program which offers the best hope of achieving the desired result and, more importantly, standing by the program once it has been decided upon. Research is a continuing year-to-year activity. Much research work cannot be done on a short-term basis. We cannot turn research on and off without sacrificing many of the potential benefits or, I might add, without substantial loss through wasted motion and inefficient operation.

We can never achieve a research program that gives sufficient emphasis to fundamental research as long as we operate as we do now. Under a long range, planned program scientists could be assigned over a period of years to study specific problems which could return untold benefits to the farmers and to the country as a whole.

The payoff from research can be big. All of you, I am sure, recall the story of frozen concentrated orange juice mentioned earlier. This one successful research project restored stability to the citrus industry, created an entirely new industry producing a product which has won wide consumer acceptance. Without a doubt the tax revenue each year from the new wealth created by this one example of agricultural research is many times the original investment. Research is the spearhead of economic growth in a modern industrial nation and may be the most important single factor in the economic growth in the United States. What research has done for other industries, it can do for agriculture.

I am not underestimating the value of the type of research work we now have. But the point is that our present research program is inadequate. It does not allow, either in planning or financing, the scientists to attack many of the basic research problems—the projects which are likely to pay off in tremendous permanent gains for agriculture. Basic research is by nature a time-consuming, long-range business. Usually the payoff is many years away, but once achieved, the results fully justify the detailed planning and the long-range approach.

We need to know a great deal more about the cultivated plants which produce our food and fiber. Why does cotton shed many of the buds which appear on a stalk of cotton? Why is one plant disease resistant while another is not? What hidden treasures do the wild or uncultivated species of plants hold? Are not these things worthy of investigation?

We need a program projected over some set period—5 or 10 years, perhaps. No sudden increase in appropriations would be required. Rather, it would be a gradual increase, with the appropriation geared to the ability of the Department of Agriculture, within its present framework, to make maximum use of funds voted. We all know that capable staffs cannot be recruited overnight. Nor can necessary facilities be created in a matter of days. What is needed, I repeat, are moderate annual appropriation increases, scheduled to come as fast as they can be used in an orderly expansion of research work; changes in recruiting procedures which would permit hiring in January of June college graduates; surveys to determine facilities needed for future expansion; and realinement in salary schedules commensurate with responsibility and to more nearly meet industrial pay scales.

Our research people will have a blueprint in front of them from which to make their long-range plans. They can, with confidence that their plans will not be disrupted by wide fluctuations in appropriations, lay out basic research programs to extend into the future. Scientists can delve into some of the more fundamental problems. They can point

the way to a steady improvement in agriculture's position.

Agricultural research is not a partisan issue and I want to stress that it benefits not only the farmer but also the consumer and the Nation as a whole. I am proud that the Research and Marketing Act, which conceived the research program as it exists today, was passed by a unanimous vote of both Houses of Congress.

I am impressed by the fact that it has had the unanimous support of our farm and commodity organizations—practical farmers who see research, as I do, pointing the way toward a more stable prosperous agriculture.

I am pleased that the Republicans are wholeheartedly for agricultural research. I sincerely hope that the President's request for additional funds in the budget is a forerunner of a broad, long-range research program.

Mr. President, what I have said with reference to the long-range program and what I have said with reference to the need of getting competent young scientists is all the more apropos in view of the demands and needs of the military, and of the great industrial companies and corporations of our country, who are bidding the top prices for these prime young men as they come out of colleges and other training centers, which are especially equipping them for this purpose. We who are interested in agriculture, and those of us from States where it is such an important part of the economy of our people, must be alert to this added, long-range need, to provide and put into effect what I term a long-range program, and must make certain that money is provided to get these young men and to divert their interests into these channels, and to train them, as well as to get them over the years.

Otherwise such a program, competition for scientists being what it is, is bound to lag. I believe the present research program is making fine progress. We have had a substantial increase and expansion of its activities. However, the long-range program is absolutely necessary, and I believe the next few years will be very critical years.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10375) to enact the Agricultural Act of 1956.

Mr. STENNIS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNamara in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANIEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANIEL. Mr. President, I send to the desk an amendment to the pending bill, H. R. 10875, on behalf of myself, the senior Senator from Texas [Mr. Johnson], the Senator from New Mexico [Mr. Chavez], and the Senator from Oklahoma [Mr. Kerr].

The PRESIDING OFFICER. Without objection, the amendment will be received and will lie on the table.

Mr. DANIEL. Mr. President, this amendment would establish a price support for grain sorghums, barley, oats, and rye at five percentage points less than that for corn in the commercial corn-producing area during each of the years 1956 and 1957 for those farmers who place 15 percent of their base acreage into the soil bank. It changes the committee bill by making the same provision applicable to both years instead of only to 1957 and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language on feed grains except that during 1956, those farmers who do not place 15 percent of their base acreage in the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year. The Senate committee wisely inserted this provision in the bill to maintain a fair competitive relationship with noncooperators for corn, and our amendment adopts that policy. It would also leave intact the committee provision that if price support is made available in 1957 to corn producers not meeting acreage and soil-bank participation requirements, price support must be made available to noncomplying feed grain producers on the same relative basis. As to corn produced outside the commercial area, no change would be made in the Senate committee provision.

Mr. President, even in the face of increased corn production flowing from the Agriculture Department's liberal policy toward corn farmers, these feed grain producers want to cut down their acreage because they recognize the serious problems that a glutted feed market will bring. They are willing to do their part toward the solution of the existing surplus condition, but they cannot afford to curtail production at 76 percent of parity—their margin of profit is so small they will be forced to plant every acre not devoted to the basic crops. With an increased support level and participation in the soil bank, they will be able to make a fair return on a limited acreage.

If this amendment is approved, each farmer can figure for himself what 15 percent of his base acreage will be. Most of the grain sorghums produced in the Southwest are planted about the first of June, and I believe the planting season is at least that late or later for oats, barley, and rye. If the Agriculture Department acts promptly, data regarding acreage history will be available in a very short time, since acreage allotments on the basic crops were in effect for the last 2 years and much information is readily obtainable. Therefore, little or no plow-up would be necessary for those farmers desiring to participate in the program.

This is borne out, Mr. President, by telegrams which I have received from grain sorghum producers in the Texas Panhandle.

Mr. R. G. Peeler, a farmer in Castro County, president of the Grain Sorghum Producers Association, sent me a telegram which I ask unanimous consent to have printed in the Record at this point.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Hereford, Tex., *May 15, 1946.*

Hon. Price Daniel,
United States Senator From Texas,
Washintgon, D. C.:

The planting of grain sorghums is negligible at this time in west Texas, Panhandle of Texas, New Mexico, Oklahoma, Colorado and Kansas. These areas produce approximately 80 percent of all grain sorghums grown in the Nation. Normal planting time for these areas does not start until the last week in May and extends through June. If law is enacted soon requiring a layout in acreage on grain sorghums, do not believe plow up will be necessary because farmers in these areas are expecting and anticipating the enactment of this section of the farm bill. We do not believe it will be any more trouble to attain past history on grain sorghums at this time than at any other season of the year. Farmers in this area will be glad to participate in the soil bank program to cut down production. It, however, is imperative that farmers complying with the soil bank be supported at 81 percent of parity and those not complying at 76 percent of parity so as to stay in business and remain on their farms. The measuring of feed grains to assure compliance with the soil bank provision will not be any more difficult to administer than wheat and cotton, and can be done in a minimum length of time at $2.00 per farmer plus 1 cent per acre, by the usual contracting method. Your active support is appreciated by the feed grain farmers in this area and it is hoped legislation will be enacted soon that will give them some much needed relief.

R. G. Peeler,
Farmer, Castro County, Tex., and President of Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, Mr. Frank Moore, of Plainview, a farmer in Hale County, Tex., also sent me a telegram which I ask unanimous consent to have printed in the Record at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Plainview, Tex., *May 15, 1956.*

Senator Price Daniel,
Senate Office Building,
Washington, D. C.

Dear Sir: We are watching the new farm bill with keen interest as we have about 45 more days in which to plant our grain sorghum and as not more than 1 percent of the grain sorghums have been planted to date we can easily comply with the soil bank acreage reserve. We grain farmers are willing and want to reduce our acreage in order that a huge surplus will be avoided and we can start operating in the black again with an increase in price support. It will not be very difficult to figure the base acreage as we have been planting our remaining acres after our basic crops have been planted in 1954 and 1955. Many of us must have relief this year or we will not be farming in 1957. Anything you can do to help relieve our desperate situation will be greatly appreciated.

Sincerely,

Frank Moore,
Farmer, Hale County, Tex.

Mr. DANIEL. Mr. President, Mr. Melvin Glanz, president of the Hale County Grain Sorghum Producers Association, also sent me a telegram which I ask unanimous consent to have printed in the Record at this point.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Plainview, Tex., *May 15, 1956.*

Senator Price Daniel,
Senate Office Building,
Washington, D. C.:

Regarding the price support provisions contained in the farm bill now being considered by the Senate I should like to point out the danger of seriously increasing the already large surplus of feed grains if the acreage of such crops is unrestricted in 1956 as approved by the Senate Agriculture Committee. Less than 1 percent of the grain sorghum acreages of this area which produce 60 percent of the Nation's grain sorghums have been planted. The normal planting extends over the next 45 days with the greatest acreage planted between June 1 to the 15th. Therefore, there is still time to include the 1956 crop in the acreage reserve provisions of the soil bank. We farmers are anxious that a program which will halt the ever-increasing surplus of such feed grain be adopted. We also need relief from the present disastrously low price of feed grains which is the result of yearly acreage increases in feed grains as acreages have been reduced in the so-called five basic commodities. I believe these two needs of the feed grain producers can be accomplished if the 1957 price support and acreage control provisions of the present measure approved is adopted for the 1956 crop year.

Yours truly,

Melvin A. Glanz,
President, Hale County Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, I have a number of other telegrams which I shall not take the time of the Senate to read, but they all substantiate what is stated in the telegrams I have just placed in the Record.

Mr. Peeler and the other gentlemen whose telegrams I have placed in the Record speak not only for themselves, and for the growers in their area, but also for the members of their association in New Mexico, Oklahoma, Kansas, and Colorado.

To summarize, Mr. President, I believe members of the Agriculture Committee and its distinguished Chairman, the Senator from Louisiana [Mr. Ellender], have done excellent work in dealing with this difficult feed grain problem in view of their desire to report out a new farm bill as promptly as possible. They should be commended by the Senate and the entire farm population for their efforts to provide a fair competitive relationship between corn in the commercial area and other feed grains. I believe, however, that feed grain producers who want to do so should be given an opportunity this year to reduce their acreage and participate in the soil bank.

One of the best arguments for the amendment we have proposed is contained in the minority report on the bill where it is stated:

> The Department of Agriculture estimates that feed grains equivalent to 800 million bushels of corn by weight were produced in 1954 and 1955 on land taken out of controlled crops. Many of these grain producers have gone into livestock, dairy, and poultry production and have helped to depress the livestock, dairy, and poultry markets.

Mr. President, that is the same point which I earlier stated this afternoon in the exchange with the Senator from Vermont [Mr. Aiken]. He said that the poultry, dairy, and livestock industries might be hurt by the increase in the price of feed grains.

Actually, those industries have already reported that they are being hurt by the fact that the producers of excessive feed grains are going into the business, and feeding to their own cattle, hogs, and poultry the feed they would like this year to reduce. They want to get out of that kind of business. They are glutting the livestock market already and are hurting the producers of livestock by reason of the fact that in order to make ends meet, they must go into the business and compete with the livestock people themselves.

Mr. President, the feed grain producers want to do something to correct this situation. I hope the Congress of the United States will help them to attain this worthy objective.

REORGANIZATION PLAN NO. 2 OF 1956, RELATING TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 406)

The PRESIDING OFFICER (Mr. McNamara in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 2 of 1956.

The Chair is informed that the message, also transmitted to the House, has been read in that body and referred.

Without objection, the message, with the accompanying plan, will be printed in the Record without reading and appropriately referred.

The message from the President and Reorganization Plan No. 2, of 1956, were referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of mangement was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally, (1) supervision and regulation of the 11 home-loan banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, including concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home-loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to $750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately $28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the

Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federad Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who charters and supervises national banks and is a member of the Board of Directors of that Corporation but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

Dwight D. Eisenhower.

The White House, *May 17, 1956.*

Reorganization Plan No. 2 of 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 17, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

Federal Savings and Loan Insurance Corporation

Sec. 1. Board of trustees: (a) There is hereby established the Board of Trustees of the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the board of trustees).

(b) The board of trustees shall be composed of 3 members as follows: (1) 2 members, each of whom shall be appointed by the President by and with the advice and consent of the Senate and receive compensation at the rate now or hereafter prescribed by law for the chairman of the Federal Home Loan Bank Board, and (2) the Chairman of the Federal Home Loan Bank Board, ex officio. The President shall from time to time designate to be the chairman of the board of trustees one of the appointive members thereof.

Sec. 2. Transfer of functions: (a) There are hereby transferred to the board of trustees all functions of the Federal Home Loan Bank Board, including all functions of the Chairman thereof, with respect to directing and operating the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the Corporation) and with respect to the appointment and the fixing of compensation of officers, employees, attorneys, and agents of the Corporation.

(b) Except as transferred by the provisions of section 2 (a) of this reorganization plan, and exclusive of the function of granting approval required under section 406 (a) of title IV of the National Housing Act, as amended (12 U. S. C. 1729 (a)), which function of approval shall remain with the Federal Home Loan Bank Board, all functions of that Board provided for in the said title IV, including all functions of any member or agent of that Board so provided for, and all other functions vested in or performed by that Board by reason of its responsibility to or for the Corporation, are hereby transferred to the Corporation.

Sec. 3. Status of the Corporation; authority of the President: (a) The Corporation, including the board of trustees, shall hereafter be separate from and, except as provided in section 2 (b) of this reorganization plan in regard to approval required under section 406 (a) of title IV of the National Housing Act, as amended, independent of the Federal Home Loan Bank Board; but nothing herein shall preclude the Corporation or the Federal Home Loan Bank Board, in respect of their respective functions after the provisions of this reorganization plan take effect, from utilizing the information, services, and facilities of the other under interagency arrangements authorized or permitted by law.

(b) The Corporation, including the board of trustees and all matters under the jurisdiction of the board of trustees, shall be subject to the direction and control of the President of the United States.

Sec. 4. Incidental transfers: (a) All assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Corporation shall remain with the Corporation.

(b) So much of the assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Federal Home Loan Bank Board as the Director of the Bureau of the Budget shall determine to relate primarily to the Corporation or to its functions (including the functions vested in the Corporation by statute, the functions transferred to the Corporation by the provisions of this reorganization plan, and the functions transferred to the board of trustees by the provisions of this reorganization plan) shall be transferred from the Federal Home Loan Bank Board to the Corporation at such time or times as the said Director shall direct.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as the Director shall direct and by such agencies as he shall designate.

Sec. 5. Effective date: The provisions of sections 2, 3, and 4 of this reorganization plan shall take effect on the first day following the day on which the second of the two appointive members of the Board of trustees first appointed under this reorganization plan enters upon office as such member.

RECESS TO 10 A. M. TOMORROW

Mr. DANIEL. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess, in accordance with the previous order, until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 49 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, untill tomorrow, Friday, May 18, 1956, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 7), 1956:

Diplomatic and Foreign Service

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil, vice James Clement Dunn.

United States Court of Customs and Patent Appeals

Giles S. Rich, of New York, to be associate judge of the United States Court of Customs and Patent Appeals, vice Noble J. Johnson, elevated.

Noble J. Johnson, of Indiana, to be chief judge of the United States Court of Customs and Patent Appeals, vice Finis J. Garrett, resigned.

UNITED STATES CIRCUIT JUDGE

David T. Lewis, of Utah, to be United States circuit judge, 10th Circuit, vice Orie L. Phillips, retired.

UNITED STATES DISTRICT JUDGES

Frederick O. Mercer, of Illinois, to be United States district judge for the Southern District of Illinois, vice J. Leroy Adair, deceased.

Raymond J. Kelly, of Michigan, to be United States district judge for division No. 1, district of Alaska, for the term of 4 years, vice George W. Folta, deceased.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 17, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast been our guardian in the night, may we go forth into the hours of this new day with confidence, for Thou art our strength in weakness, our light in darkness, our joy in sorrow, and our hope in doubt and despair.

Grant that Thy loving kindness toward us may always be followed by our obedience toward Thee.

May this be a day when our hearts shall be kindled with an earnest desire to cultivate a spririt of friendship and good will toward a republic which is seeking a larger measure of freedom and security and a greater opportunity for growth and self-realization.

Inspire us with a sense of our need of Thy sustaining presence, for without the guidance of Thy divine spirit all our searchings and strivings for truth are futile and all our longings and labors for peace are fruitless.

Help us to hasten the coming of that blessed day when there shall be friendship and fraternity among all nations.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1823. An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 9 and 24 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) entitled "An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense."

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 3 minutes p. m.) the House stood in recess subject to the call of the Chair.

PROCEEDINGS DURING THE RECESS—JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF INDONESIA

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 25 minutes p. m., the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of Indonesia, into the Chamber, the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Massachusetts, Mr. MARTIN; the gentleman from South Carolina, Mr. RICHARDS; and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON; the Senator from Georgia, Mr. GEORGE; the Senator from California, Mr. KNOWLAND; and the Senator from Wisconsin, Mr. WILEY.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Chief Justice and Associate Justices of the United States Supreme Court.

The members of the President's Cabinet.

At 12 o'clock and 33 minutes p. m., the Doorkeeper announced His Excellency the President of Indonesia.

His Excellency the President of Indonesia, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the great pleasure, and I deem it a high honor to present to you the President of the Republic of Indonesia. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY PRESIDENT SUKARNO OF THE REPUBLIC OF INDONESIA

PRESIDENT SUKARNO. Mr. President and Mr. Speaker, I deem it a great honor and privilege to be able to address this honorable Congress, and I express my gratitude to you for this opportunity.

Standing here before you, Mr. President and Mr. Speaker, and before all the other honorable Members of this Congress, my thoughts, the thoughts of a man born in a cottage and grown up among poor people, go to the homes and hearts of the multitudes of the American people from all strata of your society, for whom you act as elected representatives. May I, therefore, convey to you and through you to the people of America, the most sincere greetings of the Indonesian people and their thanks for your past generous assistance, with the hope that this visit to the United States of America will foster closer relations between our two nations.

In our contemporary world, the impact of America is felt more and more. The influence of the American with his outlook, his ideas, his technical and scientific advances, reaches to almost every corner of Asia and Africa, whilst in America itself, Asia, the Asian and his personality, his ideals, the fruits of his labor, are gradually becoming a living reality. Americans and Indonesians are no longer strangers to each other. [Applause.] We know each other from the films; the beams of the radio reach into our very homes, and the magazines and daily press provoke us to think of each other. These cultural exchanges, coupled with the products of your industries and the fruits of our soil, have kept us always much closer together than the thousands of sea miles which separate our two countries.

I have come to the United States, as I said yesterday, to see your country with my own eyes and to observe the achievements of the great American Nation. I have come here to confirm or to modify the impressions of your country which I have collected from a distance over many years. But above all, I have come here to learn something from America—from America not merely as a place, not merely as a nation, but America as a state of mind, America as the center of an idea. [Applause.]

It was this very America which was in fact the first product of nationalism, of anticolonialism, and of the principle of

independence. It is this America which, as the hothouse of American technology, surpassed the development of older sister nations and became a great power—nay, one of the most powerful nations in the world today. Present-day America as a world phenomenon, with all its impact on the peoples of the earth, was the child of a marriage between the revolutionary America of Washington, Jefferson, and Lincoln and, the technological America imbued with the prodigious technical spirit of Edison and Ford. [Applause.]

The shot that was fired at Lexington on the 19th of April 1775 was heard around the world. It echoes still in the hearts of all who have recently won their independence, and it echoes still in the hearts of peoples who still struggle against their colonial bonds.

Over half the world the burning words which fired the American War of Independence have been closely studied as a source of inspiration and a plan of action. Yes, this period is the period of Asian and African resurgence.

If we could see the passage of history as yesterday I saw your country from the windows of an aeroplane, we could have no doubt that the world is passing through the period of Asian and African nationalism.

I hesitate at using that word "nationalism," for I know that in many countries and in many nations nationalism is an out-of-date political doctrine. Please remember, Mr. President and Mr. Speaker, that for us of Asia and Africa nationalism is a young and progressive creed. We do not equate nationalism with chauvinism, and we do not interpret nationalism as meaning the superiority of our peoples over others. No. For us, nationalism means the rebuilding of our nations; it means the effort to provide equal esteem for our peoples; it means the determination to take the future into our own hands. For us, nationalism is the love of country and the determination to improve it which, not so very long ago, illumined the actions of the founders of your Nation. Nationalism may be an out-of-date doctrine for many in this world; for us of Asia and Africa, it is the mainspring of our efforts. Understand that, and you have the key to much of postwar history. Fail to understand it, and no amount of thinking, no torrent of words, and no Niagara of dollars will produce anything but bitterness and disillusionment.

We who are living in Asia and Africa during this period of Asian and African nationalism, and particularly those of us who have been called upon to guide the destiny of nations, we ask that the rest of the world should show understanding and sympathy. After all, for what do we struggle? Not for fame; not for conquests; not for territorial aggrandizement; not for domination over other peoples. Our efforts and the sacrifices we have made have been for the release of our people from a colonial tyranny lasting for generations and centuries. It has been a struggle—it is still a struggle—for the simple human demands which the rest of the world has long taken for granted.

We ask you to understand our national struggle, and we ask you to sympathize with it. We ask you to understand and sympathize with the fact that our national struggle is still incomplete. How can it be complete when millions of our people in Asia and Africa are still under colonial domination, are still not free? How can the national struggle in Indonesia be complete when part of our own country and part of our own nation are still unfree?

I recall with the very greatest pleasure that shortly after the first Asian-African Conference last year, this Congress unanimously approved a resolution reaffirming America's traditional anticolonial attitude. That conference in Bandung, in which the leaders of 29 states took part, and which represented far more than half the population of the world, was a clear indication of history's direction. Practically all shades of the political spectrum were represented there, and almost all were but recently emancipated from colonialism. They were united by many things, but chiefly by their abhorence of colonialism. They produced a declaration which explicitly stated their continuing opposition to colonialism in all its forms. This Congress, noting that conference, and its declaration, then unanimously restated, for all the world to know, its own longstanding opposition to colonialism. By that action, this Congress demonstrated its sympathy with our efforts. In the scales of history, your weight was placed resoundingly onto the side of the future.

It is now almost 11 years since, on the 17th of August 1945, the Indonesian people proclaimed themselves independent. Note: I said the Indonesian people. Not those of Java alone, nor Sumatra alone, nor Celebes alone, but all of them, from the north of Sumatra to the southernmost corner of West New Guinea, which we call Irian Barat.

That Declaration of Independence covered every part of what was once called the Netherlands East Indies, which constituted the vast colonial empire in Asia of a small European country. We had no quarrel with the Dutch, as a people; we had no quarrel with the Government of the Netherlands as a government. Our quarrel, and the quarrel of our forefathers, was with colonialism; we had a quarrel with the colonial attitudes of some Dutch people; we had a quarrel with the colonial attitudes and actions of the Netherlands Government.

Four and a half years of fighting and negotiation followed. Four and a half years in which our colonially-impoverished country, suffering already from the torments of Japanese occupation, suffered more from the attempts forcibly to reimpose the colonialism we had rejected. Finally, due in no small part to the efforts of the United Nations and its bodies in which America was prominent, the Netherlands made formal recognition of complete and unconditional sovereignty to Indonesia.

But our struggle was not yet at an end. One part of our country, one section of our brothers, were not free—and even today are not free. The territory of Irian Barat, West New Guinea, is still a colonial outpost on Indonesian soil. Our Declaration of Independence had covered all of the Netherlands East Indies. The agreements by which Holland recognized that independence and that sovereignty had made reference to the whole territory of the Netherlands East Indies. But—part of our land, a part of the territories covered by those agreements, is still a colonial cancer in the body politic of our motherland.

We are told that the people of West Irian are not our brothers, and that they come from a different racial stock and therefore West Irian is not Indonesian. Where, again: Where is the country whose citizens are ethnically pure? In fact, for many hundreds of years past, West Irian has been recognized as being part of the Indonesian archipelago. Before colonial days, West Irian was part of the Indonesian national state of Modjopahit, one of the glories of the Hindu-Javanese civilization. West Irian was part of the Dutch Empire in Asia, and was administered and recognized without question as being a unit of the Netherlands East Indies. In all ways, and by ties of common colonial experience, West Irian has been, and still is, an essential part of Indonesia.

We are told that the people of West Irian are not ready for a change from their colonial status, and that they need the continued guidance of the West to train them for the transition to liberty.

We know this "guidance." We have had experience of this "training." It left us, after 350 years, with an illiteracy rate of 94 percent. It left us without sufficient doctors to treat even those who are sick unto death. It left us with a typically colonial economic and social structure.

I tell you this in all solemnity. In the 11 years of our independence, the Indonesian Nation has made more human progress, and has been the scene of greater human happiness than in all the tens of generations of colonialism that went before. Our people are free, and in freedom they have found their soul—just as the people of West Irian will do when they too are free. They can do what we have done. The figures are available. The lists of schools built, of recurrent epidemics abated, of diets improved, of infant mortality decreased. Forgive me, if I seem to boast. I do not intend to boast. I wish to give you a factual account. Let me cite just one item in the field of education. Illiteracy before the war was 94 percent; today it is 40 percent. [Applause.] That is what the ending of colonialism will mean in West Irian.

The return of West Irian is for us the remaining part of our national political aspiration. It is the final installment on the colonial debt. We see our brothers still in chains, who joined with us in proclaiming our common independence, and so our own freedom is not yet complete. The salt of liberty cannot have its full savor for us until all of Indonesia is again united under the freedom which is the birthright of all men.

Permit me to remind you, sir, of one of America's greatest sons, who said that this Nation could not exist half slave and half free. That father of the American tradition was not speaking then of colonial slavery, but his words apply in all their moving strength to this case.

Mr. President and Mr. Speaker, although somewhat belatedly, we of Indonesia are now in the stage of national turmoil through which you passed before us some 150 years ago. We are anticolonialists, for the sweat of our labor has been extorted by other nations, leaving us poverty stricken with the sorrow of our hearts. We are nationalists, for it is our right to win back the worthy place in the family of nations torn from our forefathers three and a half centuries ago. In all of this, we do not claim to have discovered novel principles. No, but like your forefathers, we regard our findings as universal values, as the common property of all mankind.

Present-day Indonesia has so much in common with the growth of the United States of America in the past. You are now reaping the fruits of your pioneering struggle, while we are still busy sowing the seeds from which our future national life will spring. You achieved your material and cultural prosperity based upon the principles of the democracy which is one of your proudest boasts today. Democracy is part of our principles too, part of our Pantja Sila, an instrument to build national prosperity and stability. But we Indonesians are well aware that, however noble the aim, practical democracy is not always easily attainable.

Last year we twice faced the test of the free and secret ballot, one of the fundamentals of political democracy. The conduct of these elections, one for the house of representatives and the other for the constituent assembly, showed that Indonesia is capable, as the international press reported, of taking the first steps along the road to democracy. Although the elections are not compulsory, about 80 percent of the electors, numbering some 35 million souls and scattered over thousands of miles in thousands of islands in our great archipelago, came to the polls and fulfilled their duties as responsible citizens. [Applause.] As a result of these elections, it has been possible to form a coalition government between the largest political parties. The PNI—Nationalist Party, the Masjumi and the Nahdatul Ulama—both Moslem parties, with the support of some of the smaller parties, have formed a coalition cabinet. I trust that this coalition, with more than ample support from parliament, will be stable enough to maintain itself throughout the entire 4 years of its mandate, so that the national process of growth will not be interrupted by intermittent changes of government.

Although these first elections have been successfully accomplished, I shall be modest, Mr. President and Mr. Speaker, in my claims for the establishment of democracy. For who has absolute democracy? We have our feet on the road to democracy, and we have made a good start. But we will not deceive ourselves with the false illusion that we have traversed the full extent of the road to democracy, if indeed, any end there be. The secret ballot, the free press, the freedom of belief, the voting in parliaments—these are all merely expressions of democracy. Freedom of expression has a guardian in a certain measure of prosperity, the achievement of freedom from want. For us, then, democratic principles are not simply an aim, the expression of desires inherent in human nature, they are also a means of providing our people with a reasonable standard of living. The freedom of expression and the freedom from want are indivisibles, two interdependent souls in one body. As with all other freedoms, freedom of expression is not absolute; its indiscriminate and unrestrained exercise could hamper the harmonious growth of other freedoms, could hamper the harmonious growth from want, and thus sow the seed for the destruction of the fundamentals of human freedom itself.

Your Nation began your struggle for liberty, equality, fraternity, and prosperity at a period in history when there was no great gap between the standards of nations. There was no great gap between haves and have-nots, there were no nations of abject poverty and extreme wealth, there were no nations of super technical development and utter technical backwardness, there was not so great a gap between the fortunates possessing full-fledged democracy and the sufferers living under complete tyranny. The contrasts today are great. The contrast between the joy of life cherished by some nations, and the burden of suffering imposed upon more than one half of the human race has outstripped all proportions. Such conditions do not stimulate normal growth toward emancipation, especially when the less-privileged are subjected to the competition of the privileged and the powerful in their daily human activities. But if the development of the newly independent countries in the direction of their prosperity be regarded as indispensable for the preservation of civilized man, there certainly will be no need for regrets over the world's wealth and the almost unlimited resources for the further development of man's technological civilization.

Mr. President and Mr. Speaker, the impact of your revolution has not always been of the same kind upon all countries of the globe. We in Indonesia attach great importance to the freedom of expression, to be preserved even in the Herculean task of firmly founding our national economy. Other revolutions have aimed immediately upon building heavy industry as the basis for freedom from want in the future, if necessary even at the sacrifice of some aspects of freedom of expression for the time being. These are rival conceptions, and they constitute a challenge to Indonesia which she must answer in translating ideals into practice.

The development of Indonesia in particular and of certain other countries of Asia in general will be the test case of the success or failure of the modern world's application of democratic principles. The solvency of less technically developed countries, the solution of the social and economic problems of newly independent peoples at a pace which can keep up with their consciousness of their own worth as equal members of the human family—these are all questions to measure the success of our democracy. In Indonesia, apart from the wealth of nature, our main capital is the sweat and tears of our population, the sacrifices even to the death of those who have gone before. It has been, and it still is, an investment of voluntary human cooperation and sacrifice, which is needed for the development of our country. There is no imposition upon the people to save part of their meager income as a means of accumulating badly needed national capital, neither would we introduce forced labor for national undertakings, nor the expropriation of existing big companies which are run mainly on the basis of profit motives.

Moreover, the present situation in the world is, as I have already mentioned, such that even we the economically weak nations have to compete in order to grow, compete with the forces of powerful and experienced nations, in order to survive the drives and thrusts of the current of elimination. Democracy, when all is said and done, is the introduction of equal opportunity in human activities amongst the indigenous people themselves, and, next to that, some degree of opportunity for foreign competitors to insure the best performance. This sometimes leads toward the presence of an anachronism in which colonial vestiges become strengthened at the expense of national growth. Taking all this into consideration, the question arises: will democracy succeed in Indonesia? Will democracy really bring prosperity and happiness in Indonesia? What is the reason for Indonesia's firm belief in the democratic process and progress? These are questions, Mr. President and Mr. Speaker, which have long occupied the minds of many Indonesian leaders. These problems I think also raise doubts—or hopes—among the statesmen and politicians of a number of western countries about the ability of the Indonesian people to outlive the shock of national responsibility in this turbulent world.

My answer, Mr. President and Mr. Speaker, is: Have no doubt about that [Applause.]

Immediately we had proclaimed our independence in August 1945, we attached as preamble to our constitution the Pantja Sila, the five guiding principles of our national life. Perhaps you know already what our Pantja Sila is. It gives us the five principles of our State. These are:

First. Belief in God. [Applause.]

Second. Nationalism. [Applause.]

Third. Humanity. [Applause.]

Fourth. Democracy. [Applause.]

Fifth. Social justice. [Applause.]

These five principles are the combined reflection of Indonesia's natural climate and the personality of its inhabitants. They were also partly formulated by President Eisenhower [applause] in his speech before the American Society of Newspaper Editors on the 21st of April last, when he spoke of certain principles:

First. "They believe deeply in the right of self-government";

Second. "They believe deeply in the dignity of man";

Third. "They aspire to improve the welfare of the individual as a basis of organized society." [Applause.]

So again: Have no doubts about democracy in Indonesia, Mr. Speaker. Even in the most difficult years immediately after the recognition of sovereignty, we were able to guard the unity of our country through another democratic concept, expressed in the motto of the State, "Bhinneka Tunggal Ika"—Unity in Diversity. [Applause.] Voluntary loyalty to the Indonesian motherland as a whole has been settled in our country without compulsion, without the process of civil war, despite subversive actions by people who do not want to see us free, despite provocation at home and abroad.

Having survived the early, most critical years of our national existence, more attention can be paid to upbuilding and rehabilitation, and especially to the investment of human skill. Just before I left Indonesia, we inaugurated a campaign for village community development, and parliament is soon to discuss the first national 5-year plan, with a total allocation of 11 billion rupiahs, or $1 billion.

However important they may be, our own national efforts on their own will not suffice to achieve steady progress towards viability for our country against the impact of economic or political competition from overseas. It is in this field that we ask your understanding and your cooperation for our mutual benefit. America is known the world over for generosity; if I am not mistaken the American taxpayer has already spent more than $50 billion in foreign aid. But that aid has brought variable results. An example of good results is the recovery of Western Europe after World War II; other results are still prospective in other parts of the world, whereas elsewhere American aid is regarded as of doubtful benefit for national progress.

Indonesia is indeed grateful for the technical assistance she has received to date from America, and in acknowledging my gratitude I want to express myself with the frankness of a friend. Am I allowed to be frank, Mr. President and Mr. Speaker? [Applause.] For the furtherance of their function as defenders of freedom, America and Indonesia need to realize how to obtain lasting results, and these depend upon the specific conditions of Asian countries and the development of the national aspirations of the Asian people, which, indeed, America cannot be expected immediately to know, or to understand. The approach to the question of foreign aid should be based upon different principles in different countries. Without adequate knowledge of those countries, and even if your motives in granting aid were solely the stability of this region, the results could be adverse, and the flow of even billions of dollars could lead only to strained relations. Certainly military aid is no substitute for Asian stability. It will only serve to make countries accepting it more dependent upon America, and their worth as genuine partners in the universal struggle for liberty, peace, and prosperity will consequently decline. The main aim should be for the people of Asia, like the Western nations, to become economically stable but also politically stable [applause] and thus be able to defend their freedom against all assaults. Political stability comes only with the stability of the political heart. [Applause.] I repeat: Political stability comes only with the stability of the political heart. And this heart of ours is now still an unsatisfied heart. The Asian people must soon be brought to the stage of development where they are capable of cherishing their hard-won freedom.

This two-sided struggle is a longer and a harder struggle, but until it is won, the process of emancipation of our people will not be complete. The Republic of Indonesia is a democracy which has leaned heavily upon the experience of the West, and particularly of your great Union for its national ideals. We know that is not enough. To the famished man, democracy can never be more than a slogan. What can a vote mean to a woman worn out by toil, whose children fret and ail with the fever of malaria? Democracy is not merely government by the people; democracy is also government for the people. [Applause.]

The fight for the emancipation of our people is our fight, and believe me we shall not shirk it. We ask for your understanding of it and your sympathy with it. We will accept with the greatest appreciation any assistance that may come to us, from whatever quarter it may come, for that assistance will lighten our burdens and shorten our struggle. Such assistance is not one sided but is of mutual benefit. Out of it comes a greater measure of goodwill, and perhaps more important: Out of it comes a greater volume of production in the world. But, from whatever quarter of this divided globe that assistance comes, we are determined that no material advantage will buy from us any part of our hard-won freedom [applause] for that freedom is more dear to us than the products which any country can give or sell. [Applause.] We welcome assistance on terms of mutual benefit. We reject the idea of exchanging intellectual and spiritual independence or physical liberty for momentary advantage. [Applause.]

And now, Mr. President and Mr. Speaker, finally, may I say this:

We live in a troubled world, in which man cannot rest and cannot give his whole thought and effort to the welfare of mankind. A shadow, pregnant with horror, hangs over the future. It is a manmade shadow, and its mushroom shape colors all our thoughts and all our dreams. In their technical and scientific skill, men have created something whose potentiality for good or evil is so great that the imagination of the same men is overpowered.

So far, the full horror of this latest of mankind's achievements has not burst on the world. So far only small samples of this victory over nature have been used for their designed purpose. And what is that purpose? May God forbid that man should ever take upon himself the responsibility for the use of this weapon. [Applause.] The destruction of this world is not the prerogative of man. [Applause.]

There is irony in the fact that, for the first time ever, man has it within his power to make the desert bloom like a garden, to banish poverty and want from the world, to open up a new era of brotherhood, and yet, at the same time, no man can look with confidence into the future. The rivers and the tides obey our command, we bestride the skies and pluck wealth from under the earth and the sea, we conquer the age-old plagues of humanity and even fight a winning battle against death. At the same time, we dig ourselves shelters in the rocks and prepare to sit and die in them, as man did during the dawn of the world. Have we then made so little progress? Have we learned nothing?

It may be that war is a natural function of man and that his combative feelings prevent his living in peace with his neighbors. It may be so, but I do not believe it. [Applause.]

In any case, should the new weapons begin to fall, the question would be academic, for then we would have, not war but universal death and the end of mankind's brief civilization. It is true that repeatedly throughout history man has crucified himself, only to rise again. Let there be no mistake about it. After an atomic war there would be no resurrection. Certainly we cannot let things slide and trust to luck that no megalomaniac will press the fateful trigger.

Mr. President and Mr. Speaker, in saying these things to you, I am well aware that I am saying nothing you do not already know, for this Congress of the United States of America has given anxious thought to this matter. We who have not got the atom bomb, we will watch every move you take in this matter. With hope in our hearts but fear in our breasts, we will applaud everything which helps to make the future safe for our children. We will support every action taken by you, or the responsible leaders of any country, to remove the shadow of the atom bomb from this world.

May God give men the will to avert calamity.

And may He give us, America and Indonesia, the best friendship which has ever existed between two nations.

Thank you. [Applause, the Members rising.]

At 1 o'clock and 27 minutes p. m., His Excellency the President of Indonesia, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice and the Associate Justices of the Supreme Court.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purposes of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 1 o'clock and 30 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p. m.

REORGANIZATION PLAN NO. 2 OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 406)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of management was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally (1) supervision and regulation of the 11 Home Loan Banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, including concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to $750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately $28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federal Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who charters and supervises national banks and is a member of the Board of Directors of that Corporation, but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

THE WHITE HOUSE, *May 17, 1956.*

PROCEEDINGS HAD DURING THE RECESS

Mr. McCORMACK. Mr. Speaker, I move the proceedings had during the recess of the House be printed in the RECORD.

The motion was agreed to.

FEDERAL INTERMEDIATE CREDIT BANKS

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 508, Rept. No.

2175), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10285) to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF SUGAR ACT OF 1948

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2174)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 101 (d) of the Sugar Act of 1948, as amended, is amended to read as follows:

" '(d) The term "raw sugar" means any sugars (exclusive of liquid sugar from foreign countries having liquid sugar quotas), whether or not principally of crystalline structure, which are to be further refined or improved in quality to produce any sugars principally of crystalline structure or liquid sugar.'

"SEC. 2. Section 101 (e) of such act is amended to read as follows:

" '(e) The term "direct-consumption sugar" means any sugars principally of crystalline structure and any liquid sugar (exclusive of liquid sugar from foreign countries having liquid sugar quotas), which are not to be further refined or improved in quality.'

"SEC. 3. Section 101 (i) of such Act is amended by deleting the parenthetical word '(Clerget)'.

"SEC. 4. Section 101 of such Act is amended by adding at the end thereof a new paragraph to read as follows:

" '(n) The term "to be further refined or improved in quality" means to be subjected substantially to the processes of (1) affination or defecation, (2) clarification, and (3) further purification by adsorption or crystallization. The Secretary is authorized, after such hearing and upon such notice as he may by regulations prescribe, to determine whether specific processes to which sugars are subjected are sufficient to meet the requirements of this paragraph (n) and whether sugars of specific qualities are raw sugar within the meaning of paragraph (d) of this section, or direct-consumption sugar within the meaning of paragraph (e) of this section.'

"SEC. 5. Section 201 of such Act is amended by striking in the second sentence thereof the words '1947 prior to the termination of price control of sugar' and inserting in lieu thereof '1947–1949'.

"SEC. 6. Section 202 (a) of such Act is amended to read as follows:

" '(a) (1) For domestic sugar-producing areas by apportioning among such areas four million four hundred and forty-four thousand short tons, raw value, as follows:

Area	*Short tons, raw value*
Domestic beet sugar	1, 800, 000
Mainland cane sugar	500, 000
Hawaii	1, 052, 000
Puerto Rico	1, 080, 000
Virgin Islands	12, 000

" '(2) To the above total of four million four hundred forty-four thousand short tons, raw value, there shall be added an amount equal to 55 per centum of the amount by which the Secretary's determination of requirements of consumers in the continental United States for the calendar year exceeds eight million three hundred and fifty thousand short tons, raw value. Such additional amounts shall be apportioned among and added to the quotas established under paragraph (1) of this subsection for such domestic sugar-producing areas, respectively, as follows: (A) The first one hundred sixty-five thousand short tons, raw value, or any part thereof, by which quotas for the domestic areas are so increased shall be apportioned 51.5 per centum to the domestic beet sugar area and 48.5 per centum to the mainland cane sugar area; (B) the next twenty thousand short tons, raw value, or any part thereof, by which such quotas are so increased shall be apportioned to Puerto Rico; (C) the next three thousand short tons, raw value, or any part thereof, by which such quotas are so increased shall be apportioned to the Virgin Islands; (D) any additional amount shall be apportioned on the basis of the quotas established in paragraph (1) of this subsection as adjusted by subparagraphs (A), (B), and (C), of this paragraph (2).'

"SEC. 7. Section 202 (c) of such Act is amended by striking out 'For' after '(c)' and inserting in lieu thereof '(1) For the calendar year 1956, for' and by adding at the end thereof the following new paragraphs:

" '(2) For the calendar year 1957 and for each subsequent calendar year, for foreign countries other than the Republic of the Philippines, (A) by prorating to Cuba 96 per centum and to other foreign countries 4 per centum of the amount of sugar, raw value, by which eight million three hundred and fifty thousand short tons, raw value, or such lesser amount as determined pursuant to section 201 exceeds the sum of four million four hundred and forty-four thousand short tons, raw value, and the quota established pursuant to subsection (b) of this section; and (B) by prorating 45 per centum of the amount of sugar, raw value, by which the amount determined pursuant to section 201 exceeds the sum of eight million three hundred and fifty thousand short tons, raw value, as follows:

Country	*Per centum*
Cuba	29. 59
Peru	4. 33
Dominican Republic	4. 95
Mexico	5. 10
Other countries	1. 03
	45. 00

The above proration of 1.03 per centum to foreign countries other than Cuba, the Republic of the Philippines, Peru, the Dominican Republic, and Mexico shall be apportioned to such other countries whose average entries within the quotas during 1953 and 1954 exceeded one thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954.

" '(3) For the calendar year 1957 and for each subsequent calendar year, the proration of 4 per centum under paragraph (2) (A) of this subsection for foreign countries other than Cuba and the Republic of the Philippines shall be apportioned, first, by assigning to each such foreign country whose average entries within the quotas during the years 1953 and 1954 were less than one thousand short tons, raw value, a proration equal to its average entries within the quotas during 1953 and 1954; second, by assigning to each such foreign country whose average entries within the quotas during 1953 and 1954 were not less than one thousand nor more than two thousand short tons, raw value, a proration of three thousand short tons, raw value; third, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were more than two thousand and less than three thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954, plus two thousand short tons, raw value; fourth, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were not less than three thousand nor more than ten thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954; and, fifth, by prorating the balance of such proration to such foreign countries whose average entries within the quotas during 1953 and 1954 exceeded ten thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954'."

"SEC. 8. Section 202 of such Act is amended by adding the following new subsection:

" '(e) Whenever in any year any foreign country with a quota or proration thereof of more than ten thousand short tons fails to fill such quota or proration by more than 10 per centum and at any time during such year the world price of sugar exceeds the domestic price, the quota or proration thereof for such country for subsequent years shall be reduced by an amount equal to the amount by which such country failed to fill its quota or proration thereof, unless the Secretary finds that such failure was due to crop disaster or force majeure or finds that such reduction would be contrary to the objectives of this Act. Any reduction hereunder shall be prorated in the same manner as deficits are prorated under section 204.'

"SEC. 9. (a) The second sentence of section 204 (a) of such Act is amended by inserting before the period at the end thereof a colon and the following: '*Provided,* That any deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under the provisions of section 202 (a) (2) shall first be prorated to other domestic areas on the basis of the quotas then in effect'.

"(b) The last paragraph of section 204 (a) of such Act is amended by inserting before the period at the end thereof a semicolon and the following: 'except that in the case of proration of any such deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under and by reason of section 202 (a) (2), the Secretary shall apportion the unfilled amount on such basis and to such other domestic areas as he determines is required to fill such deficit, and if he finds that no domestic area will be able to supply such unfilled amount, he shall add it to the quota for Cuba'.

"Sec. 10. Section 205 (a) of such Act is amended by inserting immediately before the final sentence thereof the following: 'In making such allotments, the Secretary may also take into consideration and make due allowance for the adverse effect of drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions seriously and broadly affecting any general area served by the factory or factories of such person.'.

"Sec. 11. (a) Section 207 (a) of such Act is amended by adding after the word 'year' the following: ', plus an amount equal to the same percentage of twenty-nine thousand six hundred and sixteen short tons, raw value, that the increase in the quota for Hawaii under section 202 is of one million fifty-two thousand short tons, raw value,'.

"(b) Section 207 (b) of such Act is amended by striking the period at the end thereof and by adding the following: 'which shall be principally of crystalline structure, plus an amount equal to the same percentage of one hundred twenty-six thousand and thirty-three short tons, raw value, that the increase in the quota for Puerto Rico under section 202 is of one million eighty thousand short tons, raw value, which latter amount may be filled by direct-consumption sugar whether or not principally of crystalline structure.'.

"Sec. 12. Section 207 (h) of such Act is amended by striking out 'The' after '(h)' and inserting in lieu thereof '(1) For the calendar year 1956, the' and by adding the following new paragraph:

"'(2) For the calendar year 1957 and each subsequent calendar year, the quota for foreign countries other than Cuba and the Republic of the Philippines may be filled by direct-consumption sugar to the extent of 1.36 per centum of the amount of sugar determined pursuant to section 201 less the sum of the quotas established in subsections (a) and (b) of section 202: *Provided*, That such limitation shall not apply to countries receiving prorations under section 202 (c) of seven thousand short tons or less. The direct-consumption portion of such quota which is subject to the 1.36 per centum limitation referred to above shall be prorated to countries which receive prorations under section 202 (c) of more than seven thousand short tons on the basis of average imports of direct-consumption sugar within the quota for the years 1951, 1952, 1953, and 1954.'

"Sec. 13. Section 301 (b) of such Act is amended by inserting after the words '(or processed)' the following: ', except for livestock feed, or for the production of livestock feed, as determined by the Secretary,'.

"Sec. 14. Section 302 (b) of such Act is amended by inserting after '(or processed)' the words 'within the proportionate share' and by striking the period at the end thereof and inserting the following: 'and of the producers in any local producing area whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions. For the purposes of establishing proportionate shares hereunder and in order to encourage wise use of land resources, foster greater diversification of agricultural production, and promote the conservation of soil and water resources in Puerto Rico, the Secretary, on application of any owner of a farm in Puerto Rico, is hereby authorized, whenever he determines it to be in the public interest and to facilitate the sale or rental of land for other productive purposes, to transfer the sugarcane production record for any parcel or parcels of land in Puerto Rico owned by the applicant to any other parcel or parcels of land owned by such applicant in Puerto Rico.'.

"Sec. 15. Section 405 of such Act is amended by inserting '(a)' at the beginning thereof, by striking out '(a)' and '(b)' and inserting in lieu thereof '(1)' and '(2)', respectively, and by adding the following new subsection:

"'(b) Any person whose sugar processing operations otherwise meet the requirements of section 101 (n) and who subjects to such processes sugar imported or brought into the continental United States under a declaration that it is raw sugar but which sugar subsequently is determined to be of direct-consumption quality, shall forfeit to the United States a sum equal to 1 cent per pound for each pound, raw value, of such sugar in excess of that part of the direct-consumption portion of the applicable quota or proration or allotment thereof remaining unfilled at the time of such determination, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.'

"Sec. 16. Section 407 of such Act is amended by adding at the end thereof the following sentence: 'The provisions of this section shall not apply to persons whose services are obtained pursuant to section 305.'.

"Sec. 17. Section 411 of such Act is renumbered as section 412, section 412 of such Act is renumbered as section 413, and a new section 411 inserted as follows:

"'Sec. 411. The Secretary is authorized to issue such regulations as may be necessary to carry out article 7 of the International Sugar Agreement for the Regulation of the Production and Marketing of Sugar (ratified by and with the advice and consent of the United States Senate on April 29, 1954), restricting importations of sugar into the United States from foreign countries not participating in such agreement, or to carry out the corresponding provisions of any such future agreements ratified by and with the advice and consent of the United States Senate.'

"Sec. 18. Renumbered section 412 of such Act (relating to termination of the powers of the Secretary under the Act) is amended by striking out '1956' in each place it appears therein and inserting in lieu thereof '1960'.

"Sec. 19. Sections 4501 (c) and 6412 (d) (relating to the termination of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out '1957' in each place it appears therein and inserting in lieu thereof '1961'.

"Sec. 20. Section 4502 (4), chapter 37, subchapter A, 'Sugar', of the Internal Revenue Code of 1954 is amended as follows: Strike out the parenthetical word '(Clerget)' where it occurs in the first sentence and delete the second sentence thereof.

"Sec. 21. (a) Section 4504, chapter 37, subchapter A, 'Sugar', of the Internal Revenue Code of 1954 is amended by adding before the period at the end thereof the following: ', and except that such tax may be subject to refunds as a tax under the provisions of section 6418 (a)'.

"(b) Section 6418 (a) of chapter 65 of the Internal Revenue Code of 1954 is amended by striking out the '(a)' immediately following 'section 4501'.

"Sec. 22. Except as otherwise provided, the amendments made hereby shall become effective as of January 1, 1956, except that sections 1 through 4 shall become effective upon publication in the Federal Register of regulations implementing such sections, or six months after the date of enactment of this Act, whichever is earlier."

And the Senate agree to the same.

Harold D. Cooley,
W. R. Poage,
E. C. Gathings,
T. G. Abernethy,
Clifford R. Hope,
Aug. H. Andresen,
William S. Hill,
Managers on the Part of the House.

Harry Flood Byrd,
Walter F. George,
Robt. S. Kerr,
E. D. Millikin,
Wallace F. Bennett,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and substituted new language which was in many respects identical with that adopted by the House and differed from the House provisions on only four major points: (1) the length of the extension of the Sugar Act, (2) the proportion of the increased demand in the United States allocated to foreign and to domestic producers, (3) the manner in which the domestic share of this increase is to be distributed among various domestic producing areas, and (4) the division of the foreign share of the growth in consumption among the producing countries. Following is the manner in which these major differences were resolved by the committee of conference:

(1) The Senate conferees receded on the length of the extension of the Act and agreed to the 4-year period in the House bill rather than the 6-year extension passed by the Senate.

(2) The House conferees receded on the division of the increase in consumption between domestic and foreign producing areas and adopted the Senate provision which will allocate 55 percent of the increase to domestic producers and 45 percent to foreign areas. The House bill would have divided the increase 50 percent to each.

(3) The conferees adopted the Senate formula with respect to the manner in which the first 188 thousand tons of increase in domestic quotas are to be allocated among domestic producing areas. Under the provisions of the House bill, the first 188 thousand tons of increase in the domestic quota would have been shared between the domestic beet area, the mainland cane area, Puerto Rico and the Virgin Islands in proportion to their present share in the sugar quota. Under the provisions of the Senate bill, adopted by the conferees, the first 165 thousand tons of increase will be divided between the mainland beet and cane areas—51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area. The next 20 thousand tons of increase will be apportioned to Puerto Rico, and the next 3,000 tons of increase to the Virgin Islands. Thereafter, any further increases in domestic quotas will be shared proportionately among all the domestic producing areas, including Hawaii.

(4) With respect to the division among foreign suppliers of the 45 percent of the increase in consumption which will be allocated to foreign countries, a compromise was worked out which was substantially half way between the maximum and minimum quantities allocated to the countries in the two bills. The following table summarizes the provisions of the House and Senate bills and the conference compromise on the basis of the percentage of the total foreign quota which will be supplied by the major foreign producing areas during the 4-year life of the bill, assuming an increase in consumption of 135,000 tons per year.

	House bill	Senate bill	Conference agreement
Cuba	92.4	94.4	93.75
Mexico	1.4	1.2	1.2
Peru	2.5	2.2	2.3
Dominican Republic	2.6	1.2	1.75
Other	1.1	1.0	1.0
Total	100.0	100.0	100.0

In terms of shares in the annual increase in consumption, the 45 percent of that increase which will be assigned to foreign countries will be divided as follows: Cuba, 29.59 percent; Peru, 4.33 percent; Dominican Republic, 4.95 percent; Mexico, 5.10 percent; other foreign countries, 1.03 percent.

The following table is a projection of the formula contained in the bill for the 4-year period covered by the bill, and shows the annual quotas and the cumulative total for foreign countries on the basis of the assumed increase in consumption of 135,000 tons per year:

Quotas under Sugar Act of 1948, as amended in 1956 [1]

[Short tons, raw value]

	1956	1957	1958	1959	1960	Total, 1957–60
Assumed requirements	8,535,000	8,670,000	8,805,000	8,940,000	9,075,000	35,490,000
Total, domestic areas	4,545,750	4,620,000	4,694,250	4,768,500	4,842,750	18,925,500
Total, foreign areas	3,989,250	4,050,000	4,110,750	4,171,500	4,232,250	16,564,500
Philippines	980,000	980,000	980,000	980,000	980,000	3,920,000
Total, Cuba and full-duty countries	3,009,250	3,070,000	3,130,750	3,191,500	3,252,250	12,644,500
Cuba	2,888,880	2,903,648	2,943,594	2,983,541	3,023,488	11,854,271
Full-duty countries	120,370	166,352	187,156	207,959	228,762	790,229
Peru	56,224	63,919	69,765	75,610	81,455	290,749
Mexico	12,394	27,579	34,464	41,349	48,234	151,626
Dominican Republic	29,892	45,320	52,002	58,685	65,367	221,374
Other countries	21,860	29,534	30,925	32,315	33,706	126,480
Nicaragua	8,472	9,837	10,613	11,387	12,162	43,999
Haiti	2,892	5,489	5,771	6,053	6,335	23,648
Costa Rica	[2] (1,084)	3,188	3,267	3,347	3,426	13,228
Formosa	[2] (1,114)	3,190	3,270	3,350	3,431	13,241
Netherlands	[2] (1,123)	3,223	3,317	3,411	3,504	13,455
Panama	[2] (1,114)	3,190	3,270	3,350	3,431	13,241
Belgium	[2] (182)	182	182	182	182	728
British Guiana	[2] (85)	85	85	85	85	340
Canada	[2] (631)	631	631	631	631	2,524
Hong Kong	[2] (3)	3	3	3	3	12
United Kingdom	[2] (516)	516	516	516	516	2,064
El Salvador [3]	4,478	------------	------------	------------	------------	------------

[1] 1955 requirements of 8,400,000 tons plus annual increments of 135,000 tons.

[2] Average 1953–54 charges shown for countries which do not have specific prorations in 1956.

[3] No charges against quotas since 1949.

In agreeing to the Senate provisions with respect to the method of distributing among domestic areas the first 188,000 tons of quota increase provided by the bill, the House conferees were motivated primarily by the urgent need of producers in the mainland cane and beet area for relief from the curtailment in production which has been required of them in the past 2 years. Although the bill does not direct the manner in which this first increase in domestic quotas is to be apportioned among producers, it is assumed that the Department of Agriculture will utilize these first quota increases insofar as practicable to relieve the distress of producers in these domestic areas.

Since enactment of the last previous extension of the Sugar Act, the Commonwealth of Puerto Rico and the Congress have adopted respectively the Constitution of the Commonwealth and the Puerto Rican Federal Relations Act. The committee of conference points out that Section 9 of such Act may be inconsistent with the proper operation of the sugar program in Puerto Rico and suggests that the Puerto Rico Legislature consider prompt action to resolve this possible conflict.

Harold D. Cooley,
W. R. Poage,
E. C. Gathings,
T. G. Abernethy,
Clifford R. Hope,
Aug. H. Andresen,
William S. Hill,
Managers on the Part of the House.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that any Members desiring to do so may extend their remarks at this point in the Record and that all others may have 5 legislative days in which to extend their remarks.

The SPEAKER pro tempore (Mr. McCormack). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOPE. Mr. Speaker, as far as I know there is no opposition to the conference report on H. R. 7030 to extend the Sugar Act of 1948. I think the bill agreed upon in conference is an improvement on both the House and Senate bills.

As agreed on in conference the bill gives domestic producers 55 percent of the increase in consumption and foreign producers 45 percent, thus restoring the traditional division which existed for a number of years prior to the act of 1948.

Domestic producers at present, both cane and beet, are ready and anxious to increase their production. Certainly foreign countries cannot object to going back to the provisions which began with the original Jones-Costigan Act and which continued until 1948 at which time domestic producers expressed their temporary willingness to accept a fixed quota in lieu of the original formula. The willingness of domestic producers to accept a fixed quota at that time was due in part to our inability to meet the production required under the previous formula and partly because it was felt that foreign areas, particularly Cuba, should be given an opportunity to adjust their wartime production to postwar levels without too much of a strain on their economy.

While there have been wide differences of opinion as to the basis on which the 45 percent of the increase going to foreign producers should be allocated, I believe that the provisions as worked out by the conference committee are as fair as can be devised and should be generally satisfactory to our foreign suppliers.

I therefore heartily favor the bill as set out in the conference report and hope that it will be accepted by both the House and Senate without opposition.

Mr. WOLVERTON. Mr. Speaker, the answers that have been given to the questions I have addressed to the gentleman from Texas [Mr. Poage] indicate that under this conference bill, now before the House, Mexico will receive an increased allotment of sugar that may be exported into this country. The amount that it is entitled to export under present law is so small that it can hardly be considered as worth while when we consider the importance of Mexico in its relationship to our own country. And, while I am gratified that there has been an increase in Mexico's allotment above that which is now allowed, yet, even with this increase it is, in my opinion, much too low. I am strongly of the opinion that we have been very derelict in our treatment of Mexico in this matter of sugar allotment and also in many other matters that pertain to the welfare of Mexico, and all of which could have been to our mutual benefit.

In my opinion, it is highly important that we should recognize that Mexico has been, and now is, an ally of the United States. We should treat it as such whenever and in whatever way is within our power. I do not mean to infer that it is not our duty to maintain friendly and helpful relations with the other nations in this matter of sugar as well as in other matters. But, in no instance is there a greater obligation, nor, in my opinion, as great an obligation, as we owe to Mexico. There are many elements that upon consideration would certainly justify this statement. For instance, and, by way of illustration, it would be highly appropriate if serious consideration should be given to the following:

First. Mexico is the only country that can deliver sugar to the United States overland, an inestimable advantage for United States consumers, especially in times of emergency.

Second. During World War II the United States strictly rationed its sugar consumption. If Mexico is granted an appropriate United States quota, it will be able to contribute to the relief of any future emergency to the benefit of United States consumers.

Third. Mexico is the most secure source of sugar for the United States. During World War II, sea lanes were frequently cut off even from countries as close as Cuba.

Fourth. From fourth place in 1954, Mexico today has advanced to third place among the countries of the world as a buyer of United States products. In this respect Cuba occupies 8th place, Peru, 24th; and the Dominican Republic, 40th. These are the Latin American countries whose United States quotas are greatly in excess of Mexico's.

Fifth. Mexico's 1954 purchases in the United States amounted to $630 million.

This total exceeded Cuba's by $200 million; it also exceeded the combined totals of Cuba, Peru, and the Dominican Republic by $50 million.

Sixth. While Mexico purchased $630 million worth of United States products in 1954, the United States bought only $330 million worth of Mexican products. In other words, for each dollar the United States spent in Mexico, Mexico spent almost $2 in the United States. Mexico's unfavorable balance of trade with the United States is 10 times greater than the combined balances of Cuba, Peru, and the Dominican Republic.

Seventh. Mexico, the third largest purchaser of United States products in the entire world, and the first in all of Latin America, is buying $1.60 worth of United States products for each $1 worth of Mexican products bought by the United States. Furthermore, Mexico's sugar industry is buying more than $7 worth of United States products for each $1 worth of Mexican sugar bought by the United States. A reasonable increase in Mexico's sugar quota will help protect this valuable foreign trade, which contributes to the industrial and agricultural prosperity of each State.

According to the United States Bureau of Census the total purchases in 1954 by Mexico were $624,473,000.

In view of the facts I have given, it is amazing that there should be such a discrimination, or what seems to be discrimination, against Mexico in this matter of a sugar allotment. The committee is to be commended for its effort to increase the allotment for sugar. And, while it is too small, in my opinion, it nevertheless is an increase over the allotment allowed under the existing law. It is a step in the right direction. It gives hope that in the future we can expect a further increase. I hope that such will be the result and at no distant day.

Mr. BAUMHART. Mr. Speaker, it is with great pleasure that I support the conference report dealing with the extension of the Sugar Act of 1948. This provides that mainland beet and cane producers will share in the increased consumption of sugar, under a formula providing that the first 165,000 tons of increase will be divided 51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area.

I am sure that the beet-sugar producers in northwestern Ohio will welcome enactment of this new policy. It will mean long overdue relief for this important agricultural group in the form of increased acreage for them after lean years of curtailed production.

Mr. GATHINGS. Mr. Speaker, charity begins at home. That philosophy has gone with me from my mother's knee to this very day. This conference report which is being considered today allocates 55 percent of the growth in United States sugar consumption to the domestic areas and 45 percent to Cuba and the high-duty countries. The domestic areas are entitled to this 5-percent additional allocation in the increased amount of sugar that will be consumed in the next 4 years as covered by this bill. The House passed a 50–50 division. The 55–45 agreement reached in conference will go a long way in alleviating the desperate situation which exists in the beet and cane areas in this country. These domestic growers have suffered cutbacks in acreage which should to a degree be restored. The acreage reduction taken by them is not as severe as the cotton, rice, and wheat farmers have had to assume, although it has been considerable. In the States where cane is grown the reduction in acreage has been about 18 percent. One of the main reasons for increasing the domestic quota of sugar is that there was an actual carryover of 396,000 tons over and above the quota that had been assigned to such area. Too, this sugar cannot be sold into channels of trade unless the domestic quota is increased. The excess quota sugar was built up due to the farmer applying more fertilizer on his crop as well as through better farming practices.

It is nothing but common justice that we allow the domestic growers of cane and beet sugar to have a shade of advantage over the foreign grower. The Senate bill carried this 55–45 ratio which was sustained by the conferees.

The conference report has given due regard and consideration to Cuba's need to maintain a sizable share of the nondomestic sugar quota. There is a reason for Cuba's acquiring and maintaining a goodly share of the increased consumption of sugar in the years that lie ahead. I am glad to have supported Cuba's interests as a member of the conference on this bill. Cuba is our friend. She is a good neighbor. She is deserving of our full support in the enactment of sugar legislation that is fair, equitable, and reasonable. This conference report deals more fairly with her than the House bill. Cuba is entitled in reality to even more liberal treatment than that contained in this report.

Out of the 6 million people who reside on the island, 500,000 are now unemployed. It has been necessary for the Government of Cuba to spend $100 million in public works in order to keep her people employed. Another thing that I would like to point out is that $676 million has been accumulated in balance of payments with the United States. This is due to the fact that Cuba imports more goods and services from the United States than the United States buys in sugar and other commodities from her. Another thing is that Cuban tourists spend more dollars in the United States than United States tourists spend in Cuba. One of the main reasons that the conference has agreed to give 94.75 percent of this 45 percent nondomestic quota of sugar to Cuba over the next 4 years is that she came to our rescue during the stress and strain of World War II. The then Secretary of Agriculture, CLINTON P. ANDERSON, went down to Cuba and begged for two crops of sugar to meet the needs of America at war as well as for the sustaining and maintenance of the economy at home.

At a risk of not being able to build up new markets for her sugar elsewhere, Cuba adhered to the urgent appeal of Secretary of Agriculture ANDERSON and agreed to turn over to the United States two full crops of sugar during the period of this horrible and disastrous war. Cuba sold us that sugar for about 4 cents per pound while the world price was 8 cents to 10 cents per pound. No doubt, she could have disposed of this sugar elsewhere at a higher figure. We are under moral obligation to Cuba to assure her of the major share of our business in sugar. Secretary ANDERSON speaking for the people of this Nation said to the officials of the Cuban Government:

> If you will help us out of this emergency, we will not forget you.

I believe that the conferees have in a great measure fulfilled this obligation, although I feel that it would have been wise and proper to have given Cuba even a larger share of this increased use of sugar that will be consumed by the people in this country. Our housewives during World War II cried out for sugar not only to meet ordinary daily family needs, but they were most anxious to obtain sugar for the canning of food, principally fruits. In addition, the bottlers of soft drinks were urging that they obtain a sufficient amount of sugar to carry on operations. These demands were in addition to the necessary sugar requirements of our armed services and allies. Yes, Cuba came to our aid when we needed her. She is a true friend.

The 4-year duration provision as contained in the House bill was adopted in conference as against the Senate 6-year extension. All in all, the conference report is meritorious, and I trust that the membership of the House will approve it.

Mr. HILL. Mr. Speaker, on July 30, 1955, this House passed H. R. 7030, revision and extension of the Sugar Act of 1948, by a vote of more than 4 to 1. Almost a year later we have H. R. 7030, as amended by the Senate and adjusted by the conference committee, before us for final action.

I urge the members to support this compromise bill to extend the Sugar Act of 1948 for 4 more years.

This conference report is, in my opinion, an excellent compromise. It continues one of our better farm programs. The main feature of the conference report is the return to the historic formula of dividing increase quotas caused by the increasing use and demand for sugar due to population growth.

The original Sugar Act of 1937 reserved 55.59 percent of this increasing consumption of sugar to domestic cane and beet areas. The Sugar Act of 1948 eliminated this provision. It provided that the allocation of increased consumption of sugar should be on the basis of 96 percent to Cuba and 4 percent to other foreign producers.

Prior to the enactment of the present law my home State of Colorado planted and harvested more than167,000 acres of sugar beets. After the fixed quotas of the 1948 act were applied, Colorado harvested 60,000 acres less than in 1947. For the past 2 years there has been a continued tightening of the quotas and a resulting drop in sugar-beet acreage. Under this bill domestic producers will once again be able to share in supplying the increasing demand for sugar.

Coupled with this return to the historic formula of dividing increased consumption the conferees adopted a provision of the Senate bill which would set aside the first 165,000 tons of increased quota to be divided between the sugar beet and cane growers of the continental United States. This will restore some of the recent acreage cuts.

The Secretary of Agriculture, I assume, will make the same provisions for allocating these increased quotas to domestic areas as he has done in the past.

The operation of the Sugar Act has been the most orderly and successful of all our agriculture programs. It is necessary to extend and improve this act to meet changing conditions. The conference committee adopted this report unanimously and I believe the House should accept these recommendations.

Mr. DIXON. Mr. Speaker, I rise in support of the conference report.

Our honored members of the conference committee are to be congratulated upon this splendid conference report. Their work has borne fruit because:

First. It gives greater sugar allotments to the domestic sugar beet and sugarcane industries.

Second. It takes nothing from present offshore allotments, but merely permits the domestic industry to enjoy 55 percent of the increase in consumption of our own country.

Third. It gives some increased allotment to Mexico, Peru, and the Dominican Republic, which countries give the United States so much of their trade by permitting them to share more equitably in supplying America's increased consumption needs.

Fourth. It diverts into the production of sugar, a commodity not in surplus supply in the United States, acreages now employed in producing surplus crops.

Fifth. It carries no appropriation of money. The sugar program supported by a very small excise tax on imported sugar has shown a profit of $312 million since it became effective in 1937.

For these and other reasons, I urge the adoption of the conference report.

Mr. THOMSON of Wyoming. Mr. Speaker, this is a moment for which the American farmers producing sugar have waited a long time—a much longer time than they should have been required to wait. I urge the immediate adoption of the conference report. It is a tremendous improvement over the bill that passed the House last July 30, almost a year ago. Those conferees and others who have supported these changes have shown a real understanding of the farm problem and a real concern for the American farmer and the American economy. They are to be congratulated.

Under the conference report the domestic producer will share to the extent of 55 percent—his historic basis—in the increased sugar consumption commencing next year. This reestablishes the principle that the American farmer producing sugar beets or cane sugar is to be permitted to share in the growth of America. The implications on the overall farm program are far broader.

That the American beet and sugar growers have had to wait too long is regrettable, to say the least. An increase in the tonnage allotment with a corresponding increase in acreage planted to sugar should have been granted this year. It seems to be pretty well established that our farm problem is one of surpluses and acreage restrictions. Here is a crop that we produce domestically only about one-half of what we consume. Land put into the production of sugar would have been taken out of the production of some other crop with a snowball effect to improve our general agricultural condition. Under other legislation, land is to be taken out of production at taxpayers expense. Here was an opportunity to put land into production to improve the farm economy and the general economy of the Nation. Let the record speak for itself. Myself, and several others, introduced bills early in the last session to accomplish this. Not until last July 30, on the eve of adjournment, was a bill presented to the House and acted upon. The Senate passed a bill in February 1956. Not until last Friday, May 11, did conferees meet. I repeat—it is regrettable that action was not taken in the time and in the form to have done some good this year.

I again call attention to the fact that we did not at any time propose to reduce the amount of sugar that Cuba or any other country had previously exported to this country. We merely asked that the American farmer be permitted to share in the growth of America by being allowed to share in the increased demand for sugar.

Some people would still attempt to confuse this with the price support programs on our so-called basic commodities. It is obvious to anyone that this is not such a price support program but is a control on the amount of imports which may come into this country. No one should object to that, particularly when we keep in mind that on some of the so-called basic crops we permit no import of competitive products and have been or are considering subsidizing the export of such commodities.

I again urge the immediate adoption of the conference report. Commencing in 1957, it will benefit not only our farmers who raise sugar but our general agricultural economy.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that this bill provides for increased production of domestic sugar?

Mr. POAGE. This bill gives to the domestic producers 55 percent of the market, which is more than they have been having; yes.

Mr. GROSS. So it does provide for increased production?

Mr. POAGE. Yes; it does.

Mr. GROSS. Increased acreage for sugar beets and so on and so forth?

Mr. POAGE. Yes.

Mr. GROSS. Does this have the approval of Ezra Benson?

Mr. POAGE. I did not ask Mr. Benson about it.

Mr. GROSS. I thank the gentleman.

Mr. POAGE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is the conference report on the recurring sugar bill. I think most of the membership are familiar with the fact that it becomes necessary from time to time to pass a sugar bill. We have been passing sugar bills for more than 20 years. It has been one of the agricultural programs that has worked very well.

This program actually supports sugar at 98 percent of parity for domestic producers. So those of us who have believed in high supports have felt that it had some special merit. This program supports sugar at a rather high level, a good deal higher than almost any other level of agricultural support in the United States.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. That is one of the reasons why I asked whether this bill has the support of the Secretary of Agriculture.

Mr. POAGE. Of course, the gentleman possibly is in a better position than I am to know the mind of the Secretary of Agriculture; but it is a program which most people of the United States have felt for some years worked reasonably well.

Mr. GROSS. Let me put it this way. The Secretary of Agriculture did not oppose the bill, then?

Mr. POAGE. He did not. As a matter of fact, the Secretary of Agriculture is definitely on record in favor of this kind of program for sugar and of a similar program for wool. But he is on record as being opposed to a similar program for almost anything else that I know of.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. At what percentage of parity is sugar supported?

Mr. POAGE. Ninety-eight percent.

Mr. HAYS of Ohio. And what is the percentage for wool?

Mr. POAGE. One hundred and six percent.

Mr. HAYS of Ohio. What are the two principal crops of the State of Utah?

Mr. POAGE. I do not live in Utah.

Mr. HAYS of Ohio. Are they not wool and sugar?

Mr. POAGE. I could not deny that.

But getting back to this bill, I think we have a reasonably well-worked-out program here if you accept the philosophy that we should extend to the domestic growers more than half of the market. Personally I have felt that the 50–50 division that we have long had between domestic and foreign growers was rather sound. While I do believe in supporting domestic production at a substantially high figure, I have never believed that you could support production on any crop with unlimited production. Consequently it was my own thought that we were making a mistake when we attempted in this report to provide as much acreage in the United States as the American farmers would use and then support the crop at 98 percent of parity. I have always thought that if we had a high support price we ought to accept some restrictions in production, just as we do with all other commodities. But that philosophy was rejected by a majority of the conferees so that this bill does provide for an increase in the acreage for American producers.

Mr. WOLVERTON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. Would the gentleman inform me what was done by the conferees with respect to the allowance that was granted by the House to Mexico for sugar?

Mr. POAGE. Yes. I have just mentioned the increase in the domestic production. That leaves only 45 percent of the increase for foreign nations. It leaves them with what they now have plus 45 percent of the increase in sugar consumption. Mexico had practically nothing to start with. We increased the allowance to Mexico so that Mexico gets a little more than 5 percent of the total increase.

Let me give the rest of the figures: 29.59 percent of the total increase goes to Cuba; 4.33 percent goes to Peru; 4.95 percent goes to the Dominican Republic; 5.1 percent goes to Mexico. All others get 1.03 percent of the total increase.

Mr. WOLVERTON. I take it from what the gentleman has said that it is an increase of the allowance to Mexico?

Mr. POAGE. It is a larger percentage increase, I believe, than to any other foreign country.

Mr. WOLVERTON. I am gratified to note that because I think there are reasons why Mexico would be justified in expecting a larger percentage than it has formerly had.

Mr. POAGE. The committee felt that due to the geographical location and the possibility of supplying the United States no matter what happened to the sea lanes it was well to give special consideration to Mexico.

Mr. WOLVERTON. In addition, there is no country in Central and South America that trades with us to the extent that Mexico does.

Mr. POAGE. That is correct, although I believe it was shown that the Dominican Republic buys more from the United States in proportion to what we buy from them than any sugar-producing country. The only other thing that I think is noteworthy in this report is that this extends the Sugar Act for 4 years. That was the House figure. I believe that is all there was in dispute between the House and the Senate.

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REPUBLICAN CURTAILMENT OF MAIL SERVICE TO RURAL PATRONS

Mr. PRESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Speaker, I rise to invite the attention of this body once again to the shameful curtailment of mail service to the rural citizens of this country. The claim is made that small post offices have been closed, rural carrier service curtailed, and rural mail service generally rendered inconvenient and inadequate because of alleged savings. I shall demonstrate that these so-called savings are minute in the extreme while the destruction of adequate rural mail service has been devastating to millions of our rural citizens.

In testimony before the Appropriations Subcommittee considering the 1957 budget, Mr. Norman R. Abrams stated:

> The discontinuance of small post offices has continued. We discontinue small post offices whenever we can do it and give equally good or better service with economy being shown. We have to date closed 3,048 post offices up to December 31 of this year from January 20, 1953, with savings of about $4,267,000.

Mr. Speaker, here we have the admission, nay the boast, that literally millions of rural citizens have had their mail service curtailed at a savings to the Post Office Department that is so small as to be negligible.

As to the claim that "equally good or better service" is given the patrons of the discontinued post office, this is absurd. Every Member of this House knows from his own constituents that the service substituted is practically never commensurate with that offered by the small post offices.

But let us consider the so-called savings effected by the hardships on our rural citizens. Mr. Abrams says that $4,267,000 have been saved.

Now, what is the budget of the Post Office Department for 1957? The 1957 budget is $3 billion.

Mr. Speaker, the Post Office Department has with deliberate premeditation worked untold hardship on millions of our rural citizens at a savings of less than two-tenths of 1 percent of its budget.

The Post Office Department is spending 3 billions of dollars. Yet it has deprived millions of our citizens of adequate mail service at a total saving over a period of 3 years of a little more than one-tenth of 1 percent of our budget.

The so-called saving of slightly more than $4 million in a total budget of $3 billion is being made at the cost of hardship on millions of our rural citizens.

We know what this Republican administration has done to farmers in the matter of lowering their income by billions of dollars. The closing of thousands of rural post offices at an infinitesimal saving seems additional evidence of the Eisenhower administration's determination to grind down our rural population to the status of second-class citizens.

FOREIGN AID COSTS

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, as the time draws near for our annual debate on the global giveaway program, it seems to me that we may understand it better if we can relate it to some local issue.

Such an issue was a proposal for $1,306,000 in new school bonds that appeared on the ballot in Plain Township, Ohio, last week, and failed to pass. The money was to be used to complete Plain Township high school, to add 12 classrooms to another school, and to build a new junior high school. I feel that the voters probably recognize a need for these schools and want to build them. I think that if there is any one reason for defeat of the bond issue, it is the fact that citizens generally feel they are overburdened with taxes and they are unwilling to add to that burden no matter how desirable the purpose.

I mention this because my computation shows that the cost of the new foreign-aid program for the citizens of Plain Township is almost the same as the amount of their bond issue. My analysis indicates that $1,352,312 of the Federal taxes collected from the people of Plain Township would be used as their share of the $4.9 billion foreign-aid program now before us.

The margin by which these citizens defeated the bond issue was very narrow.

If they had an opportunity to vote on foreign aid, I think they would vote "No" by an overwhelming majority.

If we could reduce Federal taxes by the amount these good Americans must now pay for our worldwide WPA, there would be little doubt about their willingness and ability to support local schools.

Similar comparisons could be made for any of our communities, and I think they should be in order to give an understanding of just what these vast amounts really mean.

I am told that the total cost of foreign aid since the end of World War II is about $57½ billion. Since Ohio contributes 6.36 percent of total Federal revenue this means Ohio people have a heavier per capita load than Americans generally.

While the national per capita cost of foreign aid for the past decade is about $380, the per capita cost based on Ohio's actual contribution to Federal income is $459.44 for every man, woman and child in our State. Based on the last census, we have contributed over $3½ billion to foreign aid. The 16th Congressional District has sent $189 million to foreign lands.

On the same basis, each Ohio resident is now asked to contribute an additional $39.21 for the new aid program. I should not have said "asked." Unless Congress reverses its record of the past several years, it will simply be taken from them, over my protest.

The new proposal means a drain of $11 million on Stark County, nearly $3 million from Tuscarawas, and over $2 million from Wayne County.

We are facing a taxpayers revolt in this country. The most common topic of conversation, the most frequent complaint in congressional correspondence is about high taxes. The defeat and near defeat of bond issues all over the Nation this spring is a symptom of public

sentiment on this subject. The people are critical of extravagance in Government at every level, from the school district to the Federal Government. And, they are particularly critical of the continued flow of American tax dollars abroad. I hope that this sentiment has made itself felt in Washington this spring, and that the Congress will not again acquiesce, almost without objection, to the tremendous outlay required for continued foreign aid.

Mr. Speaker, the following are the facts. I submit them for study:

Foreign aid costs, 16th District, Ohio (based on 1950 census): New proposal, $4,900,000,000.

Stark County:	
Alliance	$1,025,772
Beach City	36,857
Brewster	63,441
Canal Fulton	49,346
Canton	4,574,119
East Canton	39,249
Louisville	149,037
Massillon	1,160,390
Minerva	128,608
Navarre	69,127
North Canton	161,094
Waynesburg	49,326
Wilmot	13,900
Total urban [1]	7,911,480
Total rural	3,192,556
Total county	11,104,036
Tuscarawas County:	
Baltic	19,320
Barnhill	15,391
Bolivar	30,427
Dennison	175,761
Dover	375,711
Gnadenhutten	35,082
Midvale	24,493
Mineral City	32,585
Newcomerstown	178,795
New Philadelphia	508,891
Parral	7,832
Port Washington	20,155
Roswell	10,595
Shanesville	18,222
Stone Creek	8,954
Strasburg	53,586
Sugarcreek	34,857
Tuscarawas	27,447
Uhrichsville	260,402
Zoar	7,962
Total urban [1]	1,504,095
Total rural	1,253,151
Total county	2,757,247
Wayne County:	
Apple Creek	21,505
Burbank	15,429
Congress	7,293
Creston	50,993
Dalton	36,780
Doylestown	53,267
Fredericksburg	20,271
Marshallville	17,979
Mount Eaton	8,079
Orrville	202,311
Rittman	149,590
Shreve	50,583
Smithville	29,603
West Salem	33,726
Wooster	550,938
Total urban [1]	898,575
Total rural	1,302,679
Total county	2,201,254
Total, 16th District	16,062,538

[1] Cities and villages listed do not total the county urban figure inasmuch as many of the villages listed are classified rural by the Census Bureau.

Total foreign aid since 1945	$57,406,403,019.00
Ohio share (6.36 percent)	3,651,047,231.00
National per capita	381.60
Ohio per capita	459.44
New aid proposal	4,900,000,000.00
Ohio share	311,640,000.00
National per capita	32.51
Ohio per capita	39.21
Total foreign aid, 1945–55, for 16th Congressional District:	
Stark	$130,110,651.36
Tuscarawas	32,307,870.80
Wayne	26,976,479.04
Total	189,394,991.20
Per capita, Federal taxes	487.00
Per capita, Ohio State taxes	66.99

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8901, with Mr. KELLEY of Pennsylvania in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Tennessee [Mr. PRIEST] had 17 minutes remaining of the general debate and the gentleman from California [Mr. HINSHAW] had 19 minutes remaining.

The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I appreciate the consideration and I know the pressure upon the Committee for time. Consequently, I am not going to do something that I intend to do under the 5-minute rule. At that time I shall propound two parliamentary inquiries as to whether a substitute will be in order—I understand it will not be unless the committee substitute is voted down—and whether a motion to recommit with instructions will be in order. I understand only a general motion will be in order. However, I expect to obtain formal rulings as soon as we start to read the bill for amendment.

Time being limited as it is, I also intend to discuss certain other features of this bill during consideration under the 5-minute rule as far as I have the opportunity to do so.

There are some things I should like to say to the Members, certainly to those present. You and I all know that the gentleman from New York [Mr. KLEIN] was eminently right yesterday when he said that this was a perfect illustration of what Congress ought not to be having to do, that we have been occupying our time now for two afternoons at some heavy expense to the taxpayers, for whom some sympathy has been expressed, doing what ought to be done by a city council and what would have been done by a city council in any one of our districts. But I will deal with that a little bit more fully later.

What I want to do now is to comment on and quote two brief sentences that are in the RECORD of yesterday. Those sentences, in my opinion, crystallize the whole situation that is before us this afternoon. The gentleman from Ohio [Mr. BROWN], an honored, former member of the Committee on Interstate and Foreign Commerce, and now, as we all know, a ranking member of the Committee on Rules, made it clear to the few people who were assembled here yesterday afternoon that he did not vote for the rule. I want to quote the two sentences from what he said yesterday:

> If we do this, it will be the silliest, most asinine and stupid action I have ever seen a legislative body take. I just do not like to be in a position, as a Member of the Congress, of permitting Mr. Wolfson or any of his group to make a fool out of either me or any other Member of Congress.

I underline and emphasize every single one of those words because that is exactly what will be the situation if that happens.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I shall be glad to yield, but, first, Mr. Chairman, I make the point of order at this time that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and six Members are present, a quorum.

The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman, will the gentleman from California yield me 1 more minute.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 1 more minute.

Mr. HESELTON. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. I rise, inasmuch as the gentleman mentioned my name, to ask him if he can tell this committee the amount of profits or dividends that have been taken out of the Capital Transit Co. funds thus far by the operating group.

Mr. HESELTON. Since 1949, according to the public records of the District of Columbia, something like 339 percent.

Mr. BROWN of Ohio. And if this franchise, which was canceled by the Congress, is reinstated, then would not the present operating group have an operating franchise to sell as well as their equipment?

Mr. HESELTON. Without the slightest question. It is in the hearings. Mr. Broadwater was asked if they did not have about the same control now, and he said they did.

Mr. BROWN of Ohio. I would like to ask the gentleman one other question. Congress granted the original franchise; did it not?

Mr. HESELTON. That is correct.

Mr. BROWN of Ohio. Congress took away that franchise; did it not?

Mr. HESELTON. That is correct.

Mr. BROWN of Ohio. Congress took away the franchise effective, as I believe, next August 14.

Mr. HESELTON. Yes, without a dissenting vote.

Mr. BROWN of Ohio. And such was done at the request of the same people who are now asking us to pass this bill to restore the franchise. Let me ask the gentleman if this same Congress could not give an entirely new franchise to the Bell group, who want to form a free enterprise operation, with such a new franchise effective 1 minute after this present franchise expires?

Mr. HESELTON. There is not the slightest question about that—if we knew what the Bell group was going to do, but we do not know and cannot know before we have to vote this afternoon.

Mr. BROWN of Ohio. In view of those facts, do you not believe it would be the better part of wisdom and judgment if this bill were referred back to the committee for further study in order to give an opportunity to the Bell group to negotiate for the purchase, not of the franchise, but of the present company's operating equipment?

Mr. HESELTON. I do, and that will be the basis of the motion to recommit, which I shall offer.

Mr. BROWN of Ohio. If this franchise is not extended, the present operating group will be compelled, under the provisions of the expiring franchise, to tear up the tracks and rebuild the streets of the District of Columbia, and, of course, to sell its operating equipment to someone?

Mr. HESELTON. So I understand. If others want to see the Record, look at page 8289, where the gentleman from Ohio [Mr. Brown] made that clear beyond question yesterday. Just turn to yesterday's Record, pages 8283 and 8289.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Heselton] has expired.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. Flynt], a member of the subcommittee.

Mr. FLYNT. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Chairman, I want to make it clear that because of official business I shall not be able to be here if there is a record vote. If I were here I would vote against the bill and would vote for the substitute offered by the gentleman from Massachusetts [Mr. Heselton].

Mr. FLYNT. Mr. Chairman, as a member of the subcommittee which drafted this substitute to H. R. 8901, I think it is necessary to correct a few statements made yesterday during general debate and during the discussion on the rule.

In the first place, it was stated by at least 1 Member, and I believe by more than 1, that when a similar bill was considered last year by the Congress, in the House of Representatives, there was not a dissenting vote. Mr. Chairman, the Record shows otherwise. On a similar bill the Record rollcall vote, No. 144, on the 1st day of August 1955, shows that the vote was divided 215 on one side and 150 on the other.

Mr. HESELTON. Will the gentleman yield?

Mr. FLYNT. I yield.

Mr. HESELTON. Was that not on a vote on a motion to suspend the rules and pass the bill, which was turned down, and the next day the bill was passed without a dissenting vote?

Mr. FLYNT. That was on a motion to suspend the rules, which was the only rollcall vote taken on this measure at the last session in this body. It failed to receive the necessary two-thirds, and was taken up the next day again. There was a motion to recommit, which preceded the vote on final action, and the Record of the 2d of August 1955 shows that there were votes in support of the motion to recommit. My recollection is, and I have confirmed it by conversation with other Members, that on final passage there were many Members of this body on both sides of the aisle who voted "no" on final passage, even though there was not either a rollcall or a vote by division.

In the second place, I think it is worthy of note, all 11 members of the subcommittee which drafted this substitute went into consideration of this measure with a fair and impartial and open mind. There was not a single member of this subcommittee—indeed, there was not a single member of the Committee on Interstate and Foreign Commerce—who held any brief for or against any group or interest which had been parties to either side of this controversy. As a Member of this body, I resent, with every ounce of strength I have, the implication made in the other body that there was some ulterior motive in bringing this bill to the floor of the House. Those of us who served on this subcommittee had but one thing in mind, and that was to come forward with a bill that would provide mass transportation for the metropolitan area of the District of Columbia on the 15th day of August, 1956, and at the lowest possible cost to those who ride and to those who pay the taxes, alike. It is our considered judgment and our sincere belief that we have come forward with the only measure which will insure mass transportation after August 14, 1956. From the statements contained in the copy of the hearings, and which are reflected in the committee report on this bill, it would not have been physically and humanly possible for any private company or group other than the Capital Transit Co. to come forward with any method of mass transportation by August 14, 1956. It was also equally clear that it would have been impossible to set up the mechanics and the machinery for the operation of a public authority such as has been proposed by the other body.

The questions are purely and simply these: First of all, do you want a privately operated transit system in the District of Columbia? Or do you want public ownership of the transit system in the Nation's Capital?

Second, do you want any mass transportation at all in the District of Columbia on August 15, 1956.

Under all the testimony from the District Commissioners, from the Public Utility Commissioners of the District of Columbia, indeed, from every representative of every group, from every witness who appeared before our committee, the only possible way we can provide mass transportation to the people who live in this area after this franchise expires is by the adoption of H. R. 8901 and its being agreed to by the conferees of this body and the other body.

We of the committee have gone into this matter just as thoroughly as we could. This committee brings this bill before you and urges you to support it in order to make mass transportation possible after August 14, 1956, in the District of Columbia.

Mr. PRIEST. Mr. Chairman, I yield to the distinguished chairman of the Committee on the District of Columbia, the gentleman from South Carolina [Mr. McMillan], 5 minutes

Mr. McMILLAN. Mr. Chairman, I am delighted to have this opportunity to speak a few minutes on this important bill we have before us here today. I first want to congratulate the members of the Committee on Interstate and Foreign Commerce for the fine work they have done in preparing and reporting this bill to the floor of the House. They have given very generously of their valuable time in trying to settle this tough and very important problem.

I believe every person here who thinks twice will agree with me when I say that if we do not pass this bill the people who ride mass transportation in Washington will be walking after August 14.

Let me say that my committee held extensive hearings for almost a month last year on an almost identical bill, and we came up with almost the same conclusion the Interstate and Foreign Commerce Committee has in this bill. There has been a lot of talk about sending this bill back to the committee for further study. However, I have not heard anyone say how the committee could settle the problem if we sent the bill back to them.

I would dislike very much to have to go back to my district and tell my constituents that I dipped down into the Treasury of the Federal Government for $25 million to finance the operation of a transit system here in Washington. I certainly would not want any opponent to oppose me on any such vote as that or any such suggestion as taking the taxpayers' money and setting up a public transit authority in the city of Washington when we have a private operator who is doing a good job here in the city at the present time.

The District Commissioners testified before my committee to the effect that the transit company here was rendering efficient and good service; and what more can the Congress ask of any company?

So far as Mr. Wolfson is concerned, I have never seen him but once; but I do know that the transit officials here in Washington have been doing a good job, and that is all I care about.

There has been much emphasis placed on the vote last year. The bill we passed in the House last year did not even carry a provision canceling the franchise of the Capital Transit Co. The House conferees when we met with the conferees of the Senate adopted the Senate provision canceling the franchise.

I did not sign the conference report because I thought we would be right back here today as we are if we did adopt any such idea as canceling the franchise when we had no logical reason and when we did not have any operator ready and able to purchase the franchise or company at that time.

We have heard much talk about Congress being made to look silly, by being led down the road. Now, you can take your choice of being led down the road by the Congress or you can be led down the road by the Washington Post; you can take your choice. My good friend the gentleman from Virginia [Mr. Broyhill] and I spent altogether 40 hours last year meeting with union and company officials. We had excellent cooperation from the Capital Transit Co. officials while the union people would not agree to 1 thing or 1 offer made by the Capital Transit officials.

At this time I should tell you, Mr. Chairman, it is my opinion this matter would never have come before the Congress and there never would have been a strike if the Public Utilities Commission had properly and promptly performed the functions it is supposed to perform here in the District of Columbia. They expected the Transit Co. to increase the wages of the union employees without rearranging or adjusting their fares. I do not think any company that is operating a business or has any business sense at all would promise to grant an increase in wages to its employees unless it first knew where it was going to get the money to pay the additional expense. That is where this trouble we have today began. It lies on the doorsteps of the Public Utilities Commission.

Then we were promised by certain people on the other side of the Congress and the Commissioners that there were several purchasers ready to buy the Transit Co. immediately upon passage of the bill calling for cancellation of the Capital Transit franchise.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Florida.

Mr. HALEY. Is it not true also that the management said it recognized the right of labor to have an increase but where were the revenues coming from at that time?

Mr. McMILLAN. That is absolutely true. The lawyer representing the union said he did not care where the funds came from, that was not a concern of his, they wanted the salary increase notwithstanding.

Mr. Chairman, as a part of my remarks I include the following letters and papers:

Dupont Citizens Association,
Washington, D. C., March 21, 1956.
Clerk of the House District Committee,
House of Representatives,
Washington, D. C.

Dear Sirs: The following resolution was passed by the Dupont Circle Citizens Association at their regular monthly meeting on March 5, 1956.

"1. That it reiterates its opposition to the precipitous decision to abandon all street car operations in the District of Columbia and its environs;

"2. That it strongly urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between street cars and buses; and

"3. That it recommends that the District of Columbia and Public Utilities Commissioners make an objective study of relative costs and merits of street cars and buses, including, but not limited to, such pertinent factors as the possible use of some street car facilities in connection with the ultimate need of Washington for a rapid transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emmitted by buses; and be it further

"*Resolved*, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member of the clerks of the House and Senate District Committees, and the Capital Transit Co."

Elizabeth P. Reynolds,
Recording Secretary of the Dupont Circle Citizens Association.

Federation of Citizens
Associations of the
District of Columbia,
Washington, D. C., April 8, 1956.
Hon. Oren Harris,
Chairman, Subcommittee Considering District of Columbia Transit Interstate and Foreign Commerce Committee,
United States House of Representatives, Washington, D. C.

Dear Mr. Harris: Enclosed is a copy of a resolution adopted at the regular meeting of the Federation of Citizens Associations last night and bearing on the local transit situation. To our knowledge, our proposal has not been considered to date or at least no publicity has been given any suggestion that any renewal of the Capital Transit Co. franchise be for only a limited period.

Our Public Utilities Committee is unanimously opposed to renewal of the franchise on the basis of company proposals—no PUC regulation, charges for transfers (since a transfer is required to get downtown from some sections but not from others), elimination of special school fares, etc.

We hope that your committee will give serious consideration to our proposal which, we believe, would be a satisfactory solution to our local transportation problem until such time as recommendations of the official committee studying transportation from the metropolitan area viewpoint can be implemented.

Very sincerely yours,
Mabel E. Morris
Mrs. Edward B. Morris,
Secretary.

Federation of Citizens Associations of the District of Columbia Resolution

Whereas it is evident that some definite provision must be made very soon for continuation of mass transit in the District of Columbia after August 14, 1956;

Whereas no applicant has appeared who seems fit, willing, and able to become a successor to the Capital Transit Co.;

Whereas for this reason, Congressmen McMillan and Broyhill have introduced bills (H. R. 9977 and H. R. 9976) to restore the franchise of the Capital Transit Co.;

Whereas these bills contain many detailed provisions which are adverse to the interests of the citizens of the District of Columbia;

Whereas such bills also ignore, and may be prejudicial to, the results of the areawide mass transportation survey provided for by the Congress, due to issue in about a year; and

Whereas there have been proposed many and varied solutions to the present impasse: Therefore be it

Resolved by the Federation of Citizens Associations of the District of Columbia at its regular meeting on April 7, 1956:

(1) That, in the absence of any practical alternative, it would be in the public interest to restore the franchise of the Capital Transit Co.;

(2) That such restored franchise should be subject to substantially the same statutory and administrative regulation and control which were in effect prior to August 15, 1955, with the exception of the terms of taxation, concerning which some relief to the Company appears to be justified;

(3) That such restored franchise be limited, however, to a 5-year period, so that the Congress and the District authorities can take into consideration the results of the above-cited mass transportation survey before any permanent commitments are made regarding transit service in the District of Columbia; and be it further

Resolved, That copies of this resolution be sent to the District Commissioners; the Public Utilities Commission; the Chairmen of the Senate and House Committees on the District of Columbia, and the House Committee on Foreign and Interstate Commerce; the National Capital Planning Commission; and the Capital Transit Co.

Lincoln Park Citizens'
Association of Washington, D. C.,
April 18, 1956.
Chairman, District Committee,
House of Representatives,
Washington, D. C.

Dear Sir: It is evident that some provision must be made soon to provide for continuation of mass transportation in Washington, D. C., after August 1956 and, since no applicant has appeared who seems to be fit, willing, and financially able to become a successor to the Capital Transit Co., two bills have been introduced in the United States Congress to restore the franchise to that company.

The Congress has also provided for a survey of mass transportation and none of the many and varied solutions have materialized.

In view of the transportation situation, the Lincoln Park Citizens' Association at a regular meeting on April 16, 1956, unanimously agreed that, in the absence of any alternative, it would be in the public interest to restore the franchise of the Capital Transit Co., subject to approximately the same regulation and control in effect in the past, with the exception of the exemption of certain taxes which have been offered other prospective companies.

Very truly yours,
J. Watson Flannagan,
President, Lincoln Park Citizens' Association.

(Copy to Senate District Committee; House Committee on Interstate Commerce; Public Utilities Commission; Board of Commissioners, District of Columbia; Capital Transit Co.)

Fort Davis Citizens' Association,
Southeast Washington, D. C.,
Washington, D. C., February 27, 1956.
Mr. William N. McLeod, Jr.,
Clerk, House District of Columbia Committee, House Office Building, Washington, D. C.

Dear Sir: The Fort Davis Citizens' Association in regular meeting on February 20, 1956, voted unanimously to pass the resolution, a copy of which is attached.

Sincerely yours,
Hattie S. Caraway,
Mrs. John D. Caraway, Jr.,
Secretary.

Resolution

Be it resolved by the Fort Davis Citizens' Association, in regular meeting this 20th day of February 1956:

(1) That it deplores the irrevocable decision to abandon all streetcar operations in the District of Columbia and its environs;

(2) That it urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between streetcars and buses; and

(3) That it recommends that decisions to continue or abandon service by streetcars on individual lines be arrived at only after competent traffic studies have been made by impartial experts respecting considerations of passenger cost and adequacy of service to the public; and be it further

Resolved, That a copy of this resolution be sent to the District Commissioners, the Public Utility Commissioners, and the clerks of the House and Senate District Committees.

Washington, D. C., *February 12, 1956.*
Hon. John McMillan, *Chairman,*
Committee for the District of Columbia, United States House of Representatives, House Office Building, Washington, D. C.

Dear Sir: It is my privilege and honor to forward the enclosed three resolutions relative to our local transportation problem for the consideration of your committee. I apologize for the delay in sending these resolutions to your group.

Sincerely yours,
John P. Dodge, *Secretary, Citizens Transit Improvement Association.*

Resolution

Resolved, That the Citizens Transit Improvement Association urgently request the Congress of the United States to enact immediate legislation that will make possible the speedy establishment of a statutory authority, if such authority be found necessary or desirable, to assure adequate local, public transportation service after August 14, 1956; and be it further

Resolved, That Congress be urged to grant such an authority the right to operate a transit service, subject to regulation by the Interstate Commerce Commission, in the District of Columbia and in any territory contiguous to the District where appropriate State governing bodies request or approve such service; and be it further

Resolved, That copies of this resolution be sent to the Committee for the District of Columbia of the United States Senate and the United States House of Representatives, and to the Governors of the Commonwealth of Virginia and the State of Maryland.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

John P. Dodge, *Secretary, Citizens Transit Improvement Association.*

Resolution

Resolved, That the Citizens Transit Improvement Association urge the Congress of the United States to authorize the President after August 14, 1956, by Executive order, in the same general manner previously employed in coal, steel, and railroad strike emergencies, to direct the Public Utilities Commission of the District of Columbia (or other agency as designated) to seize and operate the facilities of any privately owned company engaged in furnishing local bus or street railway transportation in or into the District of Columbia, if, at any time, service by such company shall be terminated by strike, riot, refusal to render service, or termination of its franchise, such operation to continue only so long as the emergency exists and until normal service or service by a successor-operator is available to the public; further

Resolved, That the Citizens Transit Improvement Association urge the Commissioners of the District of Columbia and the Public Utilities Commission of the District of Columbia to seek and help prepare such legislation, and that copies of this resolution be sent to the Committees for the District of Columbia of the United States Senate and the United States House of Representatives, to the Commissioners of the District of Columbia, and to the Public Utilities Commission of the District of Columbia.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

John P. Dodge,
Secretary, Citizens Transit Improvement Association.

Resolution

Resolved, That the Citizens Transit Improvement Association urge the Congress of the United States to enact without delay such legislation as may be required to enable the District of Columbia or any transit authority created by Congress to seize by condemnation proceedings any local property which may be needed to facilitate and assure adequate transit service in Washington after August 14, 1956; and further be it

Resolved, That copies of this resolution be sent to the Committees on the District of Columbia, of the United States Senate, and the United States House of Representatives, and to the Commissioners of the District of Columbia.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

John P. Dodge,
Secretary, Citizens Transit Improvement Association.

Cathedral Heights-Cleveland
Park Citizens' Association,
Washington, D. C., February 28, 1956.
Mr. William N. McLeod.
Clerk, House District Committee, Washington, D. C.

Dear Mr. McLeod: The accompanying resolution was unanimously adopted at a meeting of the above-named association held on February 21, 1956, and I was directed to request your earnest consideration of the proposals it contains.

Yours very truly,
E. L. Florance, *Secretary.*

Resolution

Be it resolved by the Cathedral Heights-Cleveland Park Citizens' Association, in regular meeting this 21st day of February, 1956:

(1) That it reiterates its opposition to the precipitous and irrevocable decision to abandon all street car operations in the District of Columbia and its environs;

(2) That it strongly urges the District of Columbia and Public Utility Commissioners to hold public hearings on the preference of riders as between street cars and buses; and

(3) That is recommends that the District of Columbia and Public Utility Commissioners make an objective study of relative costs and merits of street cars and buses, including, but not limited to, such pertinent factors as the possible use of some street car facilities in connection with the ultimate need of Washington for a rapid transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emitted by buses; and be it further

Resolved, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member and the clerks of the House and Senate District Committees, and the Capital Transit Co.

Resolution unanimously voted February 21, 1956.

E. L. Florance,
Secretary, Cathedral Heights-Cleveland Park Citizens' Association.

Washington Highlands Citizens'
Association,
Washington, D. C., January 24, 1956.
The Honorable John L. McMillan,
Chairman, House District Committee, United States House of Representatives, Washington, D. C.

Honorable Sir: The Washington Highlands Citizens' Association at its regular January meeting approved a motion stating that it is the opinion of this body that a privately owned and operated transit system for the District of Columbia is preferable to a publicly owned and operated transit system and that the Public Utilities Commission should not preclude the possibility of private ownership but rather diligently keep looking for other qualified private owners willing and able to operate a transit system in the District of Columbia. It is further suggested that the franchise be offered back to the Capital Transit Co. with the same franchise concessions as the Commissioners for the District of Columbia offered the Tydings group.

Sincerely yours,
Charles W. Price,
Corresponding Secretary.

REPORT AND RESOLUTION OFFERED BY ITS PUBLIC UTILITIES COMMITTEE TO THE DISTRICT OF COLUMBIA FEDERATION OF CITIZENS ASSOCIATIONS IN MEETING ASSEMBLED SATURDAY, FEBRUARY 18, 1956, IN RE KEEP THE STREETCARS

REPORT

Previous resolution

At its meeting of Saturday, October 1, 1955, the Federation passed a unanimous resolution opposing any precipitous and irrevocable decision to abandon all streetcars in the District of Columbia and its environs. This resolution was based upon similar actions taken by several of our member bodies. Upon passage by the Federation, copies of the resolution were sent to each District and Public Utilities Commissioner, each member and clerk of the House and Senate District Committees, and to the Capital Transit Co.

No response

Although one Commissioner advised the Secretary of the Federation that the authorities would answer its resolution, no such response has yet been received.

Commissioners continue antistreetcar remarks

In the period since passage of the resolution mentioned above, the District of Columbia authorities have continued to voice the opinion that the streetcars must go. On January 26, Commissioner Lane was quoted as saying "Buses are cheaper to run. The economics of the situation is as clear as that." On February 6, in a talk to one of our member bodies, Commissioner McLaughlin affirmed that "it costs 40 percent more to run streetcars than buses" and that streetcars "put traffic in a straitjacket." Mr. McLaughlin also said that one of the reasons for the proposed streetcar abandonment is that many other cities are getting rid of streetcars.

On February 13, Commissioner Spencer asserted before a women's organization, that "There is a difference of some 50 percent in the cost of operating the two types of vehicles."

Reasons for this report

With constant repetition since last October of these and similar statements, your committee was much concerned that it had been in error in proposing the previous resolution to the Federation. Hence, it undertook to investigate the matter further, and this report is to advise the Federation of its findings.

Findings as to economy

The committee undertook initially, through a member of the Federation, to inquire of one of the Commissioners as to the basis of his claim that buses are more economical than streetcars. The Commissioner advised that his views were expressed by the data on pages 27–30 of the September 1955 issue of Mass Transportation, a trade publication. Upon examination, these pages were all found to be an advertisement of the General Motors Corp. Your committee believes that reliance upon the advertisements of bus manufacturers is hardly a sound basis for urging streetcar abandonment.

Next, your committee undertook to analyze the statistical and accounting data upon which the District of Columbia Public Utilities Commission has determined that it costs almost 30 cents a mile more to run streetcars than to operate buses. Our analysis found these data to be questionable in several respects, as follows:

Firstly, present practice of the District of Columbia Public Utility Commission is to make an arbitrary assignment of overhead costs, such as general office expense, executive salaries and administrative expenditures of the transit system. This arbitrary assignment results in an almost even division of overhead between streetcar and bus portions of the system, with a slightly greater share of such costs assigned to the streetcars than to the buses. Your committee found that this type of arbitrary assignment was contrary to accepted practice elsewhere, which tends to assign overhead costs on the basis of mileage operated by different types of vehicles. Had normal practice been followed in this respect, the bus share of Capital Transit Co. overhead would be almost twice as great as that for streetcars, instead of being recorded as somewhat less. Thus, in its assignment of overhead costs, the Public Utilities Commission is following an accounting procedure which inflates the cost of streetcar operation and tends to favor bus operation.

Secondly, the same conclusion was unavoidable in connection with the depreciation charges allowed by the Commission. With respect to streetcars, the normal life expectancy of these vehicles and their related facilities has been shortened by what the Commission calls an "economic obsolescence factor." This results in depreciation charges levied against streetcars which are in excess of actual wear and tear, as the result of an arbitrary determination that these vehicles are obsolete. Again, this tends to inflate the recorded costs of streetcar operation. Buses, on the other hand, are charged with depreciation on the basis of a 14-year life, this being the historical average life span of all transit buses which have been used in Washington. It was ascertained that the national average life of city buses is about 10 years. Why then have Washington's buses lasted 14? The answer appears to be in the fact that a major portion of CTC's bus mileage has been operated on the lighter traffic routes outside the central business district, where wear and tear are less than is to be expected on the trunklines now served by streetcars. The use of an economic obsolescence factor for streetcar depreciation by contrast to the depreciation of buses on a light-traffic base leads to this result: greater streetcar cost and lesser bus cost on the records. This type of bookkeeping seems to your committee to be definitely open to question.

Third, and more serious perhaps than either situation described above, is the PUC practice of measuring the operating and maintenance costs of all the streetcars against the operating and maintenance costs of all the buses, using what are called fleet averages. This, in your committee's judgment, is the same as comparing apples with grapefruit. What is means is that the costs which vary with service conditions are completely ignored. Most of the CTC bus mileage is chalked up outside the downtown area. Here traffic moves faster, vehicle wear and tear is less, fuel consumption is less. Most streetcar mileage, on the other hand, is operated on major downtown traffic arteries, where all vehicles move slowly, start and stop constantly, and operating conditions are at their most expensive. When, as in the transit business, labor costs are 60 percent of the total and a driver gets $2 an hour whether he drives at 30 miles per hour outside the central downtown area, or at 5 miles an hour along F Street, it is obvious that the costs per mile will be higher downtown than elsewhere, irrespective of the type of vehicle used. Since most streetcar miles are operated downtown or on heavily trafficked streets leading to downtown, whereas most bus mileage is on less heavily traveled thoroughfares, the costs of streetcar operation will show up higher when figured on a fleet average basis. By the same token, if buses are substituted on present streetcar routes, their cost experience is likely to be less favorable than present bus fleet averages, which are based substantially on light traffic routes. Thus the use of fleet average costs, which has been PUC practice, is misleadingly unfavorable to streetcars.

On the other hand, where the measure of cost is taken to be operating expense per passenger carried, official American Transit Association data give a decided advantage to streetcars in 5 out of 6 cities still running such vehicles, as follows:

Operating cost per passenger carried

[In cents]

City	Streetcar	Bus
Los Angeles	5.36	5.56
Baltimore	7.27	6.85
Washington	5.34	6.85
Toronto	4.90	6.27
Kansas City	8.27	8.95
Pittsburgh	6.76	9.35

Your committee could find only one study made of the investment required per year, to provide one transit seat to the riding public. This was made at Milwaukee 6 years ago, on the basis that trolleys were larger and lasted longer than buses, and included a 5 percent compound interest rate on investment. At 1950 prices, the study showed that the annual cost of furnishing a trolley car seat was $35.40, a trackless trolley seat $37.20, and a bus seat $47.20.

On the bases already described, your committee has concluded that present PUC bookkeeping practices quite possibly tend to distort the relative economics of the two types of vehicles, and, through certain arbitrary procedures, may very well be inflating the true cost of streetcar operation while reflecting less than actual cost of bus operation.

Findings as to traffic congestion

The committee next undertook to analyze the contention that streetcars contribute to traffic congestion. It found, initially, that streetcars bring downtown, according to the 1953 official traffic (cordon) count, about 25 percent of all the persons entering the central business area. On the other hand, the number of streetcars equals only about 2.5 percent of all vehicles entering the area. This would seem to indicate that streetcars use scarce downtown space about 10 times more efficiently than other types of vehicles, and that, to eliminate congestion we need more, not fewer, streetcars.

On the relative merits of the different vehicles insofar as they relate to traffic congestion, it was believed that automobile club officials could speak with relative objectivity. In this connection, the committee ascertained that Mr. William J. Gottlieb, president of the Automobile Club of New York, had this to say on the subject, in a letter he wrote on March 28, 1949:

"In many ways buses have tended to become far greater traffic disrupters than the trolley cars they have succeeded."

Even in Detroit, home of the bus builders, the automobile people don't favor buses. In the Free Press, Mr. W. L. Potts, traffic engineer of the Auto Club of Michigan, was quoted as having observed that buses are a major source of Detroit's growing traffic problem. Said Mr. Potts:

"Jammed beyond capacity, they (the buses) travel in pairs, trios, and foursomes, spreading their bulk across all available lanes of traffic. They cut in and out between passenger cars. They jockey with each other for position in the mad scramble to get in or out of the city. They load and unload virtually in midstreet, instead of at the curb. Buses are not the answer to the mass transportation problem in a city the size of Detroit."

On the west coast, experience is the same as in New York and the Midwest. The Los Angeles Times quotes the city board of public utilities and transportation as finding that "the actual experience of numerous buses in congested areas of the city has indicated that they have caused more traffic jams than the streetcars."

Whereas the above statements may not be conclusive for Washington, they seem to your committee at least to throw some doubt on the flat assertion that street cars are the less desirable vehicles in heavy traffic.

Finding as to general abandonment of streetcars

The Commissioners have told us that Washington should abandon its streetcars because other cities are doing so. But the Commissioners have not told us why they were. So your committee attempted to find out. The first fact that seemed pertinent was that almost $90 million has been spent on about 2,500 new streetcars in the United States since World War II. Why, if all this money was spent, are streetcars suddenly being junked everywhere? After much effort your committee believes it has unearthed the major, if not the only, answer. Published court records disclose that the Federal Government entered an antitrust suit against General Motors Corp., Phillips Petroleum Corp., Mack Manufacturing Corp., Firestone Tire & Rubber Co., and Standard Oil Company of California on a charge that these companies "conspired to acquire control of local transportation companies in numerous cities located in widely different parts of the United States, and to restrain and monopolize interstate commerce in motor buses, petroleum supplies, and tires and tubes sold to these companies."

The court report (334 U. S. 576) shows that the corporations named above developed an interesting merchandising technique. They furnished capital to a firm known as National City Lines, which was and is a transit holding company. National City Lines, using the capital supplied by General Motors, etc., bought control of local street railways, with the understanding that City Lines would substitute buses as quickly as possible, and then cause all requirements of the local systems in buses, petroleum products and tires and tubes to be purchased exclusively from the suppliers cited by the Government in its suit.

By the time the Government found out about this activity, National City Lines had already acquired 44 transit companies in 16 States from Maryland to California. In all these cities, including St. Louis, Salt Lake City, Los Angeles, Oakland and Baltimore, streetcars have been abandoned entirely or for the most part, so that the public has gotten the impression that streetcars are obsolete, whereas in fact their abandonment has nothing to do with their relative merits versus buses, but, rather, results from a conspiracy which the courts have found to be illegal.

Other pertinent findings

Has the widespread substitution of buses for streetcars cured the economic troubles of the transit companies? was the next question to which your committee addressed itself.

Our research disclosed that the substitution of buses has in many cases increased the economic difficulties of transit companies. For example, the Third Avenue Railway System, largest privately owned transit operation in the State of New York, went into bankruptcy 1½ years after it had abandoned its streetcars.

Los Angeles experience

In Los Angeles, in spite of all the economies and better service promised by the buses which have been largely substituted for streetcars, fares have risen 240 percent in the first zone since substitution. Gross revenue has declined from $20 million per year at the lower fare with streetcars to $16 million at the higher fare with buses. Obviously, the decline in riding has been enormous.

Youngstown experience

In 1947, the last year of streetcar operation at Youngstown, Ohio, approximately 1 million passengers were carried. Three years later an all-bus system was carrying only half as many passengers, and fares had gone up 140 percent.

Twin Cities experience

In their struggle to keep solvent despite streetcar abandonment, the transit companies have resorted to some interesting tactics, your committee found. Here is what one such company did, as described in the words of its president:

"We first of all cut schedules to the quick and, of course, ran into the immediate opposition of the city councils. First they issued a unanimous order directing us to restore all the service cuts. We refused. We appealed to the supreme court of the State and in the first decision affecting our business after taking over[1] the supreme court decided we were right, and that to deny us the right to tailor our own service would be taking property without due process of law. Thus the council learned for the first time that intemperate, arbitrary, and unreasoned action would get nowhere against our company.

"Following this definition of our rights, we subsequently tailored the service by more than 6,600,000 miles, made hundreds of schedule changes, relocated various lines, eliminated a great deal of costly shuttle operation, and discontinued 10 or more losing lines which were costing the company over $300,000 a year.

"During the time that we have managed the property, we reduced the personnel from 3,700 to 1,700 employees, due, in part of course, to the acceleration of our conversion (streetcar abandonment) program from 7 to 2 years.

"When we took over there was a 12-cent cash fare. During the 4-year period, we made 6 applications for increased fare and today we are operating with a 20-cent cash fare The Collier's article mentioned above describes how these applications were processed. It says, 'On July 17 (1951) the State railroad and warehouse commission granted the demanded boost in the transit company's fare to 15 cents. However, the commission's new chairman, Leonard E. Lindquist, had withheld his approval. In a letter to transit officials, Lindquist gave his reason. The company's president had threatened that unless the commissioner promised to grant the increase within 1 week, in only 48 hours, he would stop all transit service. "It would be hard to imagine," Lindquist wrote, "a more improper attempt to influence the decisions of a quasi-judicial body such as this."'

"Our next problem was one of taxes (continues the transit company president). We were paying close to a million dollars in personal and real taxes alone, in addition to all other impositions for a multiplicity of license and inspection fees. We felt these taxes to be exorbitant. * * * We prepared to go to the courts, but a few hours before the matter was for trial, the Commissioners granted us relief for 1 year alone in the amount of $135,000. Subsequently, and due to persistent effort on our part, we obtained additional relief so that after 4 years we were able to cut more than $600,000 off the personal property assessment.

"We likewise saved some $50,000 on real property taxes."[2]

Your committee was curious to determine what effect all this had had upon transit riding in the city described. It was developed that the number of passengers carried by the transit system had slid from 201,500,000 in 1946 to less than 100 million in 1953, 1954, and 1955.

The town described is, by the way, Minneapolis, Minn., which in some quarters is being advanced as a model transit operation for Washington. On the record in Minneapolis, here is what was happening while the street cars were being abandoned:

1. Two thousand men were thrown out of a job.
2. Service was discontinued on 10 routes.
3. The remaining service was reduced by over 6 million vehicle-miles a year.
4. The city lost tax revenues amounting to $350,000 a year.
5. Fares were increased 100 percent.
6. Riders declined over 50 percent.

Furthermore, your committee noted that the vice president and general manager of the Minneapolis transit company during the period when the above changes were taking place was Mr. B. M. Larrick, who has been mentioned in the press as a possible candidate for head of Washington's transit system. It was also determined that Mr. Larrick came to Minneapolis from the employ of the National City Lines, the corporation mentioned above as found guilty of antitrust violation.

Rider preference

Your committee was also interested to ascertain whether the rider preference for streetcars over buses was peculiar to Washington. Insofar as the committee could discover, every time these two vehicles have been put to popular vote, street cars have been preferred. For example, in Chicago, a poll showed 87.7 percent of those polled as preferring modern street cars to buses. In Cleveland, a similar vote went 93.3 percent in favor of the street cars. Flouting the popular choice, buses have been substituted in both these cities, and in both transit riding and revenues have declined, it was ascertained. Moreover, the experience of Cleveland and Chicago seems typical: insofar as we could find out, wherever street cars have been done away with, transit traffic and revenues have decreased.

Shaker Heights experience

By contrast, the city of Shaker Heights, Ohio, has retained its streetcars, and is the only transit company in the country where riding has increased since World War II.

Toronto experience

In Canada, Toronto is the only major city planning to retain large-scale streetcar operation. And consistently, only in Toronto has Canadian transit riding gone up—this despite a 110 percent increase in Toronto's auto registrations during the last decade. It was pointed out to your Committee that Toronto subsidizes its streetcars, but it was also pointed out that subsidy payments to Toronto's transit operation would not pay for one mile of superhighway at today's average costs.

Remarks of Mr. Blucher

Your committee was interested likewise to note some statements made by Mr. Walter H. Blucher, former executive director of the American Society of Planning Officials, and a noted city planning expert, who said:

"Transit companies are not providing comfortable and convenient vehicles. The PCC car, which is comfortable, is rapidly losing popularity with transit companies. What we have, for the most part, is a bus which is noisy, bumpy, jerky, often smelly and just plain uncomfortable.

"The Municipal League of King County in Seattle recently made a survey to determine why people refused to ride the transit buses. Some of those queried said they simply didn't like buses and would like the streetcars back. Others complained about the excessive price for a short haul."

Conclusions as to rider preference

From the data cited above, your committee concluded that many people will not ride buses if they can avoid it, and the widespread adoption of these vehicles is a real, if unpublicized, factor in the decline of the transit industry. This conclusion seems confirmed by Major Clarence A. Winder of Pasadena, Calif. Pasadena got rid of its streetcars some years ago, and now operates only buses. In the authoritative publication, The American City, for February 1955, Major Winder stated: "To say that rail transportation is dead, and that buses provide the total solution is to close our eyes to the facts."

Fuel costs

Your committee noted that Purdue University has issued a study showing that the price of electric power (used by street cars) has declined in the last decade, whereas the base price of gasoline has increased 41 percent and of diesel fuel has increased 146 percent.

Fares with an all-bus system

Your committee next checked on the probable rates of fare if an all-bus system is instituted for Washington.

On February 7, 1956, Senator Tydings testified at a Senate hearing that an all-bus system would cost $30 million, as follows:

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[1] On how they took over, see Collier's magazine, Sept. 29, 1951, p. 30, How Mobsters Grabbed a City's Transit Line, by Gordon Schendel.

[2] See Mass Transportation, August 1955, p. 26.

1,100[1] large buses	$24,750,000
100 small buses	1,250,000
Plant	4,000,000
Total investment	30,000,000

[1] In view of the Minneapolis story, the statement of Mr. Larrick that 900 buses "would be enough for the District" as quoted in the Post of February 14 is most revealing. The Star, same date, quoted Larrick as predicting (a) a fare rise; (b) elimination of transfer privileges, and (c) cutting of feeder lines, if District Transit Co. is selected to operate Washington's local transportation.

This presumes that an investment in plant equal to $3,300 per bus will be sufficient. Your committee noted that the equivalent national average is about $9,000 per bus, which would bring the total required investment to $36,800,000.

However, Mr. Tydings' data were adequate for the committee's analysis, because it seems highly improbable that the present volume of service can be maintained in Washington with less than a $30 million investment. Moreover, the Tydings figures show that an all-bus system, giving present service, would at least require an investment 50 percent greater than the present combined rail-bus system of CTC, which has a value for rate-base purposes of approximately $20 million. The PUC has permitted a 6.32-percent rate of return on the 1954 CTC investment of $23 million. This requires a 20-cent fare to sustain. The PUC has stated that it believes a 7-percent rate of return on invested capital is justified and reasonable. It is obvious to your committee, without probing the details of public-utility calculations, that a 6.32-percent or 7-percent return after taxes on a $30 million investment would require a higher fare to sustain, than does a 6.32-percent return on a $23 million investment, regardless of other petty variables.

Your committee recognizes that its analysis is greatly simplified by comparison with the involved procedures required by the law in determining rates of fare. Your committee recognizes also that other factors, such as the effective (as contrasted with the cash) fare, the level of traffic, the amount of tax liability and many other things also influence the fare level established by the PUC. For this reason, the committee has avoided any forecast of the probable rate of fare should an all-bus system be established, but the committee is firmly convinced that an increased rate of fare will be an inevitable result of the proposed streetcar abandonment.

Conclusion

In view of the facts recited above, the public utilities committee believes it would work a financial hardship on the working people and transit riders of the District of Columbia, without compensating advantages to the community, to substitute buses for the streetcars now operating in Washington. In this connection, the words of Guy A. Richardson, late chief executive of Chicago's transit system, seem pertinent. Said Mr. Richardson, in opposing streetcar abandonment in Chicago:

"It must be admitted that it is worthwhile to prevent the destruction of billions of dollars of invested capital by the junking of street railways and the substitution of a service which cannot be as economical or as satisfactory in large centers of population."

RESOLUTION

In view of the facts cited in the foregoing report of the public utilities committee:

"Be it resolved by the District of Columbia Federation of Citizens Associations, in regular meeting this 18th day of February 1956:

"(1) That it reiterates its opposition to the precipitous and irrevocable decision to abandon all streetcar operations in the District of Columbia and its environs;

"(2) That it strongly urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between streetcars and buses; and

"(3) That it recommends that the District of Columbia and Public Utilities Commissioners make an objective study of relative costs and merits of streetcars and buses, including, but not limited to, such pertinent factors as the possible use of some streetcar facilities in connection with the ultimate need of Washington for a rapid-transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emitted by buses; and be it further

"Resolved, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member and the clerks of the House and Senate District Committees, and the Capital Transit Co."

RESOLUTION IN RE RESTORATION OF FRANCHISE TO CAPITAL TRANSIT CO.

Whereas there is pending Congress H. R. 9977, and 9978, which, if enacted into law, would authorize the Capital Transit Co. to continue to furnish mass transportation for Washington after August 14, 1956, but under a revised franchise; and

Whereas it is believed that the buses, streetcars, and roadbed found in our city will compare very favorably with those in use in any city of the United States, and that the streetcars should not be abandoned for an all-bus system of mass transportation; and

Whereas several months have now elapsed, during which time the Commissioners and the Public Utilities Commission have searched diligently, but have not found a satisfactory private organization qualified to furnish mass transportation for Washington: Therefore, be it

Resolved by the Petworth Citizens' Association, Inc., in regular meeting, this the 20th day of March, 1956, That—

(1) It does approve of repealing Public Law 389, 84th Congress, which would revoke the franchise of the Capital Transit Co., August 14, 1956;

(2) It does approve that necessary legislation be enacted authorizing the Capital Transit Co. to furnish mass transportation for the city of Washington after August 14, 1956, but under a revised franchise;

(3) It does approve of subsidizing the Capital Transit Co. by exempting it from a gross-receipts tax;

(4) It is opposed to the abandonment of the streetcars as a means of mass transportation on any of the trunklines, such as Pennsylvania Avenue, 14th Street, 7th Street and Georgia Avenue, and Wisconsin Avenue; and

(5) It does accordingly approve in principle of the above-mentioned bills; be it further

Resolved, That copies of this resolution be sent to the chairmen of the Senate and the House Committees on District of Columbia legislation, the Capital Transit Co., the Commissioners, the Public Utilities Commission, and the Federation of Citizens' Associations.

MARION WEAVER,
President.

Attest:

FLORENCE V. CRAVER,
Secretary.

MARCH 20, 1956.

Whereas the Commissioners and the Public Utilities of the District of Columbia fail to regard the wishes of the citizens relative to the kind of transportation they prefer, but instead arbitrarily declare for a bus system; and

Whereas much objection has been raised by the people, hearings requested and articles in the press against forcing the public to change from the transit to buses; and

Whereas should a shortage occur in oil or gasoline from any unforeseen cause, the people would have no transportation by buses, or when ice and snow cover the city, or traffic is hindered from causes that may develop in the future, buses would not supply the public, as would the old tried and true transit system which the people want: Therefore be it

Resolved by the Columbia Heights Citizens Forum in regular meeting assembled this 17th day of March 1956, That Congress be requested to substitute the transit system even if it becomes necessary to return the Capital Transit Co. to Wolfson; that prior to forcing a bus system on the citizens of the District of Columbia that their wishes be had by a poll; and be it further

Resolved, That Congressmen BROYHILL and MCNAMARA be congratulated for their efforts in behalf of a transit system, and that a copy of this resolution be transmitted immediately to members of the Senate and House District Committees for earnest consideration.

Adopted unanimously.

NORTHEAST BUSINESS MEN'S
ASSOCIATION, INC.,
Washington, D. C., March 14, 1956.

GENTLEMEN: The Northeast Business Men's Association, at the last meeting February 23, 1956, discussed the matter of public ownership of the transit system.

The association wishes, at this time, to go on record as opposing public ownership, and advocates the private ownership and operation of the transit system, and believe that it would best serve the interest of the public.

Respectfully submitted.

AUGUST R. TERNEAK, *Secretary.*

(Copy to chairman of the House District Committee; chairman of the Senate District Committee; Board of Commissioners of the District of Columbia; chairman of the Public Utilities Commission.)

DISTRICT OF COLUMBIA DEPARTMENT,
AMERICAN FEDERATION OF
GOVERNMENT EMPLOYEES,
Washington, D. C., March 28, 1956.

Hon. JOHN L. MCMILLAN,
Chairman, District of Columbia Committee, United States House of Representatives, Washington, D. C.

DEAR SIR: I am enclosing a copy of a resolution adopted by the District of Columbia Department, American Federation of Government Employees, AFL–CIO, which is self-explanatory.

We would appreciate your assistance in carrying out the intent and purpose of this resolution.

Yours very truly,

RICHARD R. BAISCH,
President, District of Columbia Department, AFGE, AFL–CIO.
HAROLD W. JENNRICH,
Corresponding Secretary.
Harold W. Jennrich,
Arlington, Va.
Richard Baisch,
Cottage City, Md.

RESOLUTION ON WASHINGTON TRANSPORTATION SITUATION

Whereas we as Federal and District Government employees have a vital interest in the transportation situation in the city of Washington and environs; and

Whereas the present system, as operated by the Capital Transit Co., goes out of existence next August 14, by act of Congress; and

Whereas there appears to be a hasty and unwarranted decision to abandon all streetcar operations; and

Whereas such abandonment would cause untold hardship and suffering to Government employees, the public and the employees who operate these streetcars by wholesale dismissal; and

Whereas competent authorities in transit operations state that the street railway as a major form of internal transportation has many noteworthy advantages, among which are that it represents the most efficient form of utilizing maximum street capacity, and is useful in moving large passenger loads in and out, and within the most congested areas, like the city of Washington, where limited street capacities make it virtually impossible to handle the passenger loads by motor cars, or even by bus; and

Whereas the rail and equipment including street cars in this city are considered to be in first class condition, and to abandon and destroy such property would be economically unsound either in a peacetime status, or more importantly in a war economy when gasoline, tires, and replacement parts are curtailed and rationed: Therefore, be it

Resolved, That the District department, American Federation of Government Employees, AFL–CIO, in meeting assembled, regrets the tendency of some public officials of the Federal and District Governments, and others, to abolish the excellent streetcar operation in this city, and supplant it with an all-bus system; and be it further

Resolved, That we believe that for the present at least, the street car service should be retained regardless of who will eventually control the transit system in the District of Columbia; and be it further

Resolved, That copies of this resolution be sent to the Senate and House District Committees, the District Commissioners, the Public Utilities Commission, and to the press.

Washington, D. C., *January 11, 1956.*

Hon. John L. McMillan,
Chairman, District Committee,
House of Representatives,
Washington, D. C.

Dear Mr. Chairman: As a lifetime resident of Washington and one who is sincerely interested in its transit future, I take this opportunity to set forth the following views for careful study by those of your committee charged with the local transportation problem:

As usual, in their role of deciding what they want and not what the public wants, the Public Utilities Commission and District Commissioners have decided that we will have an all-bus system. In spite of the fact that all facts, figures, and public opinion point to a desire and need for continued rail operation here, the PUC has made up its mind, and the transit-riding public has the choice of busses or busses (if that could be called a choice). A survey would reveal that bus riders would rather ride streetcars, and the streetcar riders have no desire to ride busses.

A more apt name for the PUC would be "Private" Utilities Commission, as evidenced by their lack of regard for the public and their ability to ride roughshod over public opinion and interest. They are determined to perpetuate this economic waste by abandonment of the streetcar system, without regard for future rapid transit and in spite of the testimony of experts of industry and transportation that an all-bus system is a mistake.

The PUC seems determined to have buses in Washington at any price, the price being what the District taxpayer will have to pay in future years for a rapid-transit system when it is started from scratch. A transit survey made by a firm of experts for San Diego, Calif., reveals that a rail rapid-transit system is the only solution to the traffic problem in that city. This rapid-transit system will cost millions, because San Diego abandoned its fine streetcar system in 1949. How many millions would be saved now of the taxpayers' money if the nucleus of the rail system were still intact?

Washington has had many transit surveys and not one has recommended an all-bus system, but rather an integrated system of both bus and streetcar with an idea to removing all public transit to private right-of-way rapid transit.

Why won't the District Commissioners recognize the obvious—the obvious being that the citizens of Washington do not want an all-bus system. Stop trying to force a setup like that on us. Of course, the Commissioners are appointed and not elected, so they have no stake in the well-being of the city, and nothing to lose when it is shown in future years that the all-bus system was a mistake.

The favorite method used by the all-bus advocates is to compare the cost per mile between streetcar and bus operation, which would, of course, show that streetcar operation is more costly. If the New York transit system used this method they would abandon the subways. However, a more accurate method is to use the cost-per-passenger-mile method, and it shows that rail operation is quite a bit less costly than bus operation.

In order that you may see what other cities are doing for future rapid transit I enclose an article from the January 8 issue of the New York Times.

With the sincere hope that through the District Committees of the Congress the future of rapid transit in Washington may be protected, I remain,

Very truly yours,
Robert S. Crockett.

[From the New York Times of January 8, 1956]

Coast Plan Filed for Rapid Transit—San Francisco Bay Region Gets Proposal for System to Cost $1,500,000,000

(By Lawrence E. Davies)

San Francisco, January 7.—A $1,500,000,000 rapid-transit system for the San Francisco Bay area was proposed this week on the basis of 2 years of engineering studies.

The study was sponsored by the San Francisco Bay Area Rapid Transit Commission, created by the California Legislature. It was made by the New York firm of Parsons, Brinckerhoff, Hall & MacDonald. The Commission provided $750,000 to cover the costs.

The Stanford Research Institute is scheduled to report about March 1 on how the proposed transit system can be financed.

San Francisco spent much money on earlier rapid-transit plans only to have them pigeonholed. This time the entire bay area tackled as a unit the transit problem presented by virtually unplanned and uncontrolled growth of the area.

The plan filed this week is envisioned for completion in 1990. The population of the area is now about 3 million and by 1990 is expected to be at least 7 million.

SCOPE OF PROPOSED SERVICE

The projected rapid-transit system would take hundreds of thousands of interurban motorists from behind their steering wheels and put them in comfortable seats on subway-elevated trains.

The trains, perhaps traveling on rubber-tired wheels, would cover a 9-county area at speeds up to 70 miles an hour. They would negotiate San Francisco Bay between this city and Oakland to the east by underwater tube. They would cross the Golden Gate Bridge at a new level and would penetrate the Marin County district to the north. They would run deep into the San Francisco Peninsula to serve growing housing developments and industry.

The new, integrated system would take over the commuting business of the Southern Pacific Co., the key system, and the Greyhound Bus Lines, assertedly with no objections from these companies.

The report on the engineering study pictured the system as a "must" if the area's urban centers were to be reinvigorated instead of being permitted to decline through continued decentralization.

The engineers estimated that the basic features of the system, including bay tube, San Francisco subway and 123 miles of an eventual 390 miles of double track facilities, could be completed by 1962 at a cost of $720 million.

The second stage, involving 42 miles of track extension at a cost of $112,500,000, could be ready in 1970, according to the estimates. Ultimate extensions over the following 20 years would cost about $700 million.

UNDERWRITING ESTIMATE

The engineers estimated that the public would have to underwrite $30 million to $35 million a year for about 30 years for interest and amortization of funds that must be borrowed for capital costs of the first-stage construction.

"In the broader sense," the report declared, "this is the price of a dominating aspect of the bay area's standard of living. It is the cost, in terms of transportation, of fulfilling the accelerating demand for single-family houses in dispersed suburban areas and of presuming and enhancing at the same time the urban concentrations of employment and commerce, where the means to earn that standard of living must largely focus."

One result of the establishment of the system, the report said, would be postponement of the need for a second San Francisco Bay bridge, which would cost more than $300 million. It cited that, with construction of an underwater rapid transit tube, trains would be eliminated from the present Bay Bridge. The area now used for the rails would be concreted to provide additional motor traffic lanes.

The engineers offered alternative plans, but recommended only one. This, the "optimum plan," provides for subway under Market Street and tube under the bay.

The minimum plan, less costly, offers an elevated railway on Mission Street and retains rails on the Bay Bridge.

The first phase of the optimum plan would cost an estimated $716,500,000, that of the minimum plan $586 million.

FIGURES ON TRAIN COST

Neither of these estimates includes the cost of the trains. Walter S. Douglas, a partner in the engineering firm, outlined the details at a press interview. He said that the thinking about the trains was in terms of about 700 modern cars seating 76 passengers each and costing an aggregate of almost $100 million.

The average speed of the trains, including station stops, smooth acceleration and deceleration, would be 45 miles an hour. Automatic controls would permit operation at a minimum of 90-second intervals between trains.

The engineers indicated a preference for "supported" rails over a "suspended" system, such as the monorail system. They announced that Gibbs & Hill, Inc., of New York, retained for a special study of suspended systems, had reported such a system feasible.

Gibbs & Hill recommended that a test section be built and operated at a cost of $5 million before a complete installation of suspended rapid transit was approved. This would take about 2 years. Parsons, Brinckerhoff, Hall & MacDonald recommended that

tests be made on the supported type of train of several possible improvements, including the use of rubber tires to reduce noise. These tests would cost up to $4 million.

The rapid transit system, as envisioned, would not only reduce commuting time but could be operated at fares lower than those of existing commuter agencies and could compete successfully with the costs of private automobile transportation.

Until beyond mid-January the plan will be explained to groups in the nine interested counties. Then the bay area commission will begin to prepare the legislation necessary if the system is to be adopted.

Washington, D. C., *February 8, 1956.*

Hon. John L. McMillan,
House of Representatives,
Washington, D. C.

Dear Mr. McMillan: In the Washington Star of January 31 it was reported you were introducing a bill to cancel the August 14 termination date of the Capital Transit Co. franchise in order to protect the public against loss of transportation after that date.

This letter is to assure you of appreciation for your taking this step and to voice the hope that your bill will receive favorable consideration by Congress.

May I state that I think it would be sheer folly to abandon the excellent Washington streetcar service for buses. I have lived on the Mt. Pleasant line for over 40 years and it is very good service indeed, as are other rail routes about the city, much better than the 16th Street bus service on which line I also reside.

The other day an errand took me to Walter Reed Hospital. It was an uncomfortable journey and a comparatively slow one in a jouncing bus. Returning via the Georgia Avenue streetcar line I was favorably impressed with the contrast in service, the streetcar trip being smooth and quick despite the heavy passenger traffic.

It appears that District Commissioner McLaughlin is rendering the District a regrettable disservice in telling citizens' associations here that streetcars are on the way out, as he did according to the enclosed article, and as he has been doing at other such meetings.

When he was Chairman of the Public Utilities Commission I tried to get the Commission to discontinue an abandoned taxicab stand at Argonne Place and Harvard Street across the way from my home, but the Commission would not do so. The stand has not been used for years and is still not used and the curb space is much needed for parking of private cars in this overpopulated neighborhood.

The Commisison is as indifferent to this matter as it was to the ordeal the public experienced in the loss of transportation for 52 days last summer.

Very truly yours,
Lewis L. Young.

Washington, D. C., *January 9, 1956.*

Hon. John L. McMillian,
Chairman, District Committee,
House of Representatives,
Washington, D. C.

Dear Mr. McMillan: I recently saw an article in the Washington Post regarding the transit problem in which it stated among other things that you had said you were getting a lot of mail from people who want the streetcars retained in service. I would like to add the names of Mr. Kitchen and myself to this list.

So many people we know have expressed this same desire but so often have added that they didn't think it would do any good for us to write to Congress about it since we do not have any vote in the District. So, it warmed my heart to have you express some consideration for the wishes of the people of the District, who after all are the ones most affected by what is done regarding this matter.

For myself I always use a streetcar in preference to a bus if it is possible for they not only seem safer but are much more comfortable riding. We have excellent service on the Mt. Pleasant line and we will certainly be sorry to see any change made in this line. I know I am speaking for many, many other people who seem "resigned" to the worst.

Thanking you for your consideration, I am,

Very truly,
Mrs. Clarence Kitchen.

Washington, D. C., *May 9, 1956.*

Hon. John L. McMillan,
United States House of Representatives,
Washington, D. C.

Dear Congressman McMillan: In a letter, dated February 17, 1956, you expressed your agreement with my view that the people of Washington should not be deprived of street car service. I hope you continue to support this position.

In view of the fact that H. R. 8901 makes it the duty of Capital Transit Co. to convert to an all-bus operation, generally along the lines suggested by the Gilman report, I hope you will seek to leave the conversion section deleted from the bill.

Please consider these factors:

1. The people of Washington want street cars.

2. In his testimony before the Harris subcommittee, the president of C. T. C. stated that if it had been profitable to convert to an all-bus operation, C. T. C. long ago would have sought permission to do so.

3. Judging by the reasoning of the Gilman report, it is readily apparent that the Gilman concern was aware of the PUC's desire for an all-bus operation. The Gilman report seems to be preoccupied with averting immediate conversion to buses; hence, the working out of a program of gradual conversion. It is significant that the Gilman report makes no attempt to compare the profitability of present type operations with the estimated profitability of an all-bus system. Can it be that the Gilman concern despaired of convincing the Public Utilities Commission that total conversion to buses was unnecessary?

4. An all-bus operation would accelerate the decline in patronage that C. T. C. has been experiencing for 7 or 8 years. It would aggravate Washington's traffic problems by causing greater use of private automobiles, thereby causing more accidents. The earnings of Capital Transit Co. would be adversely affected. Moreover, Washington would experience smog on days of low wind velocity and high humidity, and the costs of maintaining Washington's streets would increase. Efforts to rejuvenate the downtown shopping district would be thwarted.

Sincerely yours,
Hilliard H. Goodman,
Chairman, Public Utilities Committee, Cathedral Heights Cleveland Park Citizens' Association Legislative Committee, Citizens' Transit Improvement Association.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include letters and papers.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HINSHAW. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, I think it is time that we rehearse a little of the history of this matter. In Senate report No. 1274 of the 83d Congress, 2d session, which is the report of the Senate District Committee on the District of Columbia, there is found on page 7 the following:

> There has been a question as to why some local financial group did not purchase the Capital Transit Co. stock owned by North American. The subcommittee have concluded that the conservatism of the local financial community, a belief that the company was not an attractive long-range investment, and, perhaps sheer lethargy, were the reasons why no local group came forward in the period from September 1947 to June 1949, when North American was open to offers.

Mr. Chairman, that is a very significant statement. Some people have wondered why somebody else did not buy control of the company from North American, but nobody came forward, although one man particularly was very active in attempting to find a purchaser among the local community. His name was, I believe, Gore. Finally the North American company was forced to divorce itself of certain stock owned by that company under the Holding Company Act. So there was ultimately an offer to purchase by the Wolfson brothers and their associates. North American held 109,485 shares, or 45.61 percent of Capital Transit's 240,000 shares. It is interesting to note that at the time the stock was worth something more than $13 a share above the market price. That is, the book value was worth $13 more than the market price. That had been caused by the very conservative dividend policy which had been exercised by the former local management of the company, in retaining earnings instead of paying them out in dividends.

I would like to recap the situation for just a moment. This has been taken from the records, and Members who wish to controvert the statement may check the record and check figures.

During the 10-year period from 1940 to 1949 the Capital Transit Co. paid cash dividends amounting to $3,960,000 out of net earnings which had amounted to $14,114,000. In other words, some $4 million was paid out in dividends and $10 million of net earnings were retained in the company. Now, because of the low dividend rate, the stock was not an attractive purchase by investors generally, but to a person who was on his toes, you might say—you can call it sharp if you want to—a company which was evidently worth $14 a share more than its market value was something to look at. They had $10 million of money which had not been paid out in dividends. In the 6-year period following the purchase by the Wolfson group, the Capital Transit Co. paid cash dividends amounting to $8,688,000, with earnings over the period of some $5,500,000. During this period, therefore, the company has paid out in dividends about $3 million more than it earned. Obviously, the dividend payments in the last 6 years have been partially made out of the earnings which had accumulated in past years and had not been paid out to stockholders, in those 10 years before 1950.

Capital Transit dividends

[Based on present 960,000 shares resulting from 4-1 stock split in 1951]

Year	Net earnings reported to PUC	Net earnings restated [1]	Dividends paid	Net earnings (restated) per share	Dividends per share
1940	$872, 082	$937, 458	$240, 000	$0. 98	$0. 25
1941	1, 299, 969	1, 546, 768	300, 000	1. 61	.31
1942	1, 717, 188	2, 710, 049	420, 000	2. 82	.44
1943	1, 508, 844	2, 571, 926	480, 000	2. 68	.50
1944	1, 534, 920	2, 321, 024	480, 000	2. 42	.50
1945	1, 317, 958	1, 915, 231	480, 000	2. 00	.50
1946	965, 854	1, 025, 002	480, 000	1. 07	.50
1947	(93, 416)	(52, 602)	480, 000	(.05)	.50
1948	396, 315	452, 522	120, 000	.47	.12½
1949	325, 816	751, 675	480, 000	.78	.50
Total	9, 845, 530	14, 179, 043	3, 960, 000	14. 77	4. 12½
1950	878, 274	1, 082, 123	720, 000	1. 13	.75
1951	1, 413, 250	1, 418, 270	960, 000	1. 48	1. 00
1952	1, 046, 389	1, 046, 389	3, 744, 000	1. 09	3. 90
1953	897, 461	897, 461	1, 536, 000	.93	1. 60
1954	754, 898	653, 143	[2] 1, 152, 000	.68	1. 20
1955 (6 months)	532, 031	532, 031	576, 000	.55	.60
Total	5, 522, 303	5, 629, 417	8, 688, 000	5. 86	9. 05

[1] Net earnings have been restated to give effect to retroactive applications of adjustments determined subsequently to the time that reports originally were filed with the Public Utilities Commission, and to include in the determination of net earnings of the years affected, certain items of income and expense which previously had been credited or charged directly to surplus, such as tax adjustments applicable to prior years and profit on sale of property.

[2] Plus 1 share, Continental Enterprises, Inc., for each share held.

Now, there is no contention that the net earnings themselves were unreasonable or not properly accruing to the stockholders. The Payne report, which has been referred to here, states:

> It has been determined that the company's earnings in the aggregate since its formation have not been excessive—

And further states in connection with a restatement of earnings for 1946–52 that the effect of different treatment of income taxes resulting from accelerated amortization "becomes academic in light of the fact that Capital Transit net earnings would at most have ranged from 1.7 percent to 6.2 percent of its rate base."

As the Payne report says, the real question is whether the dividend policy of the management is depleting the resources of the company to the point where its ability to render service may be impaired.

In May 1954, the two-member majority of the court of appeals held that a case had been made for a preliminary injunction against paying the April 1, 1954, dividend until the Public Utility Commission should have opportunity to pursue its investigation of depreciation. It stated that the Commission should have opportunity to consider the depreciation matter "because dividends and depreciation reserve draw upon the same reservoir." It explicitly stated it was not then deciding whether any dividend payments would jeopardize the ability of the company to perform its public obligations. The dissenting judge stated:

> The record shows, I think, that such payment will not impair the utility's capital nor its ability to furnish adequate service.

The Public Utilities Commission subsequently, August 6, 1954, reached an agreement with Capital Transit, under which the dividend payments were renewed. It is most interesting to note that the Commission, by the terms of this agreement, clearly shows that its opposition to payment of dividends did not stem from any belief that the company's working capital position was being impaired through the payment of cash dividends.

The Commission proposed that the claimed accumulated deficiency in depreciation reserve of $2,400,000 be cured by a reduction in capital of this amount which would be transferred to depreciation reserve, and stated that if this were done, the dividend suit would be dropped. Note that the Commission approved this bookkeeping entry, involving no impoundment of cash, and approved decreasing cash for dividends. Had the Commission been of belief that too much cash were being paid out, impairing the company's obligations to serve, it had other remedies, as the court pointed out. In passing, it may be noted that the Securities and Exchange Commission would not approve this unaccepted accounting practice, which in effect was payment of dividends out of capital surplus, and the capital reduction was not made.

What are the facts since that time, and the fact today? The Utilities Commission has taken no other steps to impound funds for working capital. Nevertheless, the company as of December 31, 1955, showed cash of $3,488,000 out of a total current assets of $4,620,000, with current liabilities being $2,246,609, or net working capital of $2,273,480.

Indeed, the Commission's consideration of cash working capital came in for comment by the Payne subcommittee, which, under date of May 1, 1954, reported:

> Recommendation:
>
> 1. The PUC should reconsider its decision to exclude cash working capital from the rate base. It would be very difficult to operate any company without working capital, and it is inequitable to require the investors to provide this capital without receiving a return for it. It would be particularly inequitable on the one hand to consider the restriction of dividend payments and on the other hand to exclude these restricted funds from the rate base. If the funds are needed in the business, then a reasonable return should be allowed the people who supply the funds. If they are not needed in the business, then there is no reason to restrict the payment of dividends.

Obviously, a man with money, a group with money, saw an opportunity to make money which nobody else seemed to want, and they took it. It was very simple. They have not been charged with illegal dealings, with improper dealings, in any sense of the word. Now, if they had been so charged, they could have been taken to court and convicted under the law if they were found guilty.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Is it not a fact that if the present management of the company had not been so liberal in paying out more in dividends than it earned, it would not now have to be necessary for Congress to take out of the taxpayers' money funds to make it possible for them to continue their operations?

Mr. HINSHAW. My dear sir, that is an erroneous thought, because they are not asking the Government for a cent.

Mr. BENNETT of Michigan. Well, the Government is giving them some money if this bill is passed.

Mr. HINSHAW. No; they are not. The Government is not giving them a cent.

Mr. BENNETT of Michigan. Well, they are exempting them from taxation. What do you call that? Is that not giving them something?

Mr. HINSHAW. Will the gentleman let me describe the situation?

Mr. BENNETT of Michigan. I think the gentleman is in error, and I wish he would.

Mr. HINSHAW. I will be glad to describe the situation. You see, not everybody understands that a public utility is entitled to an "opportunity to earn" a return on its investment. It is entitled to earn a return which has been generally established by decisions of the Supreme Court of the United States in past cases at something like 7 to 8 percent of the value of the property used and useful in the public service. Now, the provision that is made in this bill for reduced taxes does not add to the earnings of the company. It simply means that by lowered taxes they can make lower rates or pay higher wages or pay other expenditures of that sort. As a matter of fact, if you had a public authority, there would be no taxes paid at all; because an authority pays no taxes. This company pays taxes regularly into the treasury of the District of Columbia, and the taxes that would be forgiven by this bill are the same taxes that would be forgiven under any other proposal that was made by the District Commissioners to give over the operation of the District transit to any other organization.

During the course of the committee hearings on the bill no criticism was voiced of the actual transit operations by Capital Transit Co. Indeed, on the contrary, witnesses, including the Board of Commissioners of the District of Columbia and representatives of the Public Utilities Commission, commented upon the very favorable service being offered and the fact that the local operation

stacked well at the top of all transit operations in the country.

Some adverse criticism was voiced, however, of the management itself and certain statements were made concerning certain practices by the management during the past few years that were not favorable. Such adverse criticism has not implied any allegation of misconduct. Indeed, even the Payne committee of the Senate District Committee acknowledges that nothing illegal has been done. Basically, the adverse criticism is that the management, coming in in 1949, has undertaken to declare more dividends than the company's earnings in the period following 1949. This apparently is true. That is, the dividends have exceeded net earnings during the last 6 years. But remember that dividends fell far behind the earnings in the preceding 10 years, leaving a net balance of earnings that could be paid out of the $10 million.

How did they apply those payments that they made? Three million dollars, or a little more, was paid to retire the last of the bonds of the Capital Transit Co. They had a bonded indebtedness incurred some years ago of $12.5 million, reduced it by $9 million to $3 million. Those were paid off out of those earnings. The following statement clarifies that matter:

REDEMPTION OF 4-PERCENT BONDS DUE 1964

Capital Transit Co., in January 1945, issued $12,500,000 of first and refunding 4-percent bonds due December 1, 1964. The proceeds of these bonds were used to redeem all bonds and equipment trust obligations then outstanding relating to streetcars.

In 1948 and 1949, $9 million principal amount was outstanding. Thereafter, the company redeemed bonds as follows: 1950, $1 million; 1951, $1 million; 1952, $1.3 million; 1953, $1 million; forepart of 1954, slightly less than $1 million, so that the amount outstanding in February 1954 was $3,797,000. At that time, the company deposited with the trustee sufficient funds to call the entire balance outstanding, including a call premium of 1.65 percent.

On February 25, 1954, the company declared a quarterly dividend payable April 1, of 40 cents a share, or a total of $384,000. Inasmuch as the indenture securing the first and refunding 4-percent bonds contained a provision restricting payment of dividends on common stock except from earned surplus accumulated subsequent to November 30, 1954, which unrestricted earned surplus as of January 31, 1954, was only $89,536, it was obvious that the earned surplus had to be freed of the restriction by calling of the bonds before the dividend could be paid.

On February 27, the Public Utilities Commission filed complaint in the district court praying that the payment of the dividend and the redemption of the bonds be temporarily enjoined until it had completed an investigation into these transactions which it had authorized February 26. A temporary restraining order was issued, and the Commission appealed to the court of appeals for a temporary injunction.

The court of appeals decided, May 7, 1954, that no case had been made for an injunction against the bond redemption program.

The court stated:

> The Commission contends in substance that the disbursement of $3,910,277.17 to redeem all outstanding bonds and of $384,000 for a quarterly dividend, as part of a program of total dividends during 1954 of $1,536,000, with revenues showing an unstable tendency, might result in depletion of the company's liquid assets and working capital so that it could not maintain intact its capital devoted to the public service and adequately serve the community, and that the investigation will lead to some order within the Commission's statutory authority which would be rendered ineffective unless these disbursements are held in abeyance.
>
> * * * * *
>
> We are unable to conclude, however, that there is substantial likelihood the Commission validly can require a cancellation or modification of the bond redemption program. This is so because, aside from the new $1,500,000 loan, the redemption will practically free the company of debt and its assets of lien. The reduction now of liquid assets and working capital by the required outlay of nearly $4 million might be unwise. But the money will be used to pay a bonded indebtedness; and the Commission is quite unlikely to be able to find that the immediate redemption of all bonds is so improvident that it can be validly prohibited. This being so, this court should not require that it be enjoined. Good business administration might argue for a slower pace of redemption. But this hardly comes to saying that immediate redemption will render the company unable to perform its responsibilities to the public, either at present or as the Commission hereafter might validly direct. Should need arise for additional cash the borrowing capacity of the company, enhanced by elimination of the existing bonded indebtedness, would be available. Insofar, therefore, as our order of March 29, 1954, extended to May 7, 1954, enjoins the redemption of the bonds it will be allowed to expire and the denial by the district court of the preliminary injunction against this aspect of the company's program will be affirmed.

As long as a utility has adequate capital to perform its obligations, it would appear a matter of mere prudence to retire its indebtedness when it is able to do so. In this connection, it may be well to note the report of the so-called Payne subcommittee, of the Senate District Committee, which, speaking May 1, 1954—practically the same time as the court of appeals—said, at page 28:

> In a declining industry such as we have here, it would not be economically sound to withdraw the equity capital (through payment of dividends) in preference to paying off the debt. * * * If the capital requirements of the company continue to decline because of decreasing business, there will come a time when all of the debt has been paid off and all of the surplus has been paid out in dividends and there still is equity capital which is not needed in the business. When this point is reached, it is inevitable that the stockholders will want to withdraw the unneeded part of the capital, through redemption in part of the capital stock. While this point has not been reached, there is a definite trend toward it, especially with regard to Capital Transit, which, in addition to having a declining volume of service, will in all probability eventually replace its street car facilities with much less expensive buses. Both of these factors point toward a future reduction of capital requirements. It would not be at all wise to permit the company to reduce its capital stock without having first eliminated all of its debt, in addition to having provided adequate reserves for depreciation and obsolescence.

I reiterate that your subcommittee, having heard the bill, was unanimous in being unable to find that the Capital Transit Co. management had done anything illegal or had done other than provide good service to the people of the District of Columbia, Wolfson or no Wolfson.

Mr. HARRIS. Mr. Chairman, will the gentleman yield to me?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. With reference to the question asked by our distinguished colleague from Michigan [Mr. BENNETT] a moment ago regarding concessions, is it not true that under the settlement that was made through the District Commissioners last year, a 10-cent-an-hour increase was granted to the employees of the Capital Transit Co., plus an additional 5 cents an hour to become effective July 1 of this year?

Mr. HINSHAW. That is correct.

Mr. HARRIS. And on July 1 an additional 5 cents will be paid to the employees of the Capital Transit Co.?

Mr. HINSHAW. That is correct.

Mr. HARRIS. And is it not a fact that the hearings reveal that each 1 cent per hour of increase to the employees costs a total of $75,000 a year?

Mr. HINSHAW. I believe that is correct.

Mr. HARRIS. Therefore the additional increase in wages which goes to the employees on July 1 of this year will take up the amount of the concession on the gross income-tax receipts.

Mr. HINSHAW. That is about right. I should like to discuss another aspect of the business, because there was a time, very early in my career, when I was district manager for national account sales of a motor truck company in Chicago. I know something about the selling of buses and trucks. I have had a little experience in that, a long time ago, it is true.

According to the staff report of the Subcommittee on Antitrust of the United States Senate Committee on the Judiciary, 84th Congress, the General Motors Corp. has now acquired approximately 75 percent of the bus business in the United States.

The main business of those people at the present time is to find out how they can sell more motor buses and get the whole market, I presume. Two competitors have already gone out of the business, Twin Coach and Fageol. General Motors has owned slightly more than 50 percent of the stock of Yellow Truck and Coach Manufacturing Co., and the management of Yellow set up a holding company called the National Co. with a capital stock of $300,000 for the purpose of financing the conversion from streetcars to buses in certain small cities during the years of the depression, and has since carried on the business.

The General Motors Corp. has been convicted, along with others, in an antitrust action under the Sherman Act.

That interesting story is also contained in this Senate record.

It is interesting to note that a representative of the General Motors Corp. bus department has been stationed here in Washington for some time. I think he has taken a very keen interest in the forced sale of the Capital Transit Co. to a public authority assets and the transfer of this operation from streetcar to all-bus operation. He sees in the offing, I have no doubt—I would see it if I were in his place, and so would you—that something like 1,400 buses are to be purchased in the near future at a cost of about $22,000 each, and that is no small piece of business.

One of the objects of this company and of any other bus manufacturing company is to set up situations where you pretty nearly have to sell out a streetcar operation and get into the bus operation, and I would not be surprised but what there are some very favorable aspects to a strike in that respect. It would be interesting to know the full truth. But you can see yourself that the commission alone on the sale of $12 or $15 million worth of buses would be a considerable plum. The commission in the old days was 5 percent. I do not know what it is now. There is a tremendous profit that goes to the salesman who is on duty in the locality, and he wants to use every means he can, every method he can, to bring about the sale to what he considers a responsible buyer, and that responsible buyer under the authority bill would be the Government of the United States and not the people of the District of Columbia.

Mr. PRIEST. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I ask unanimous consent to proceed out of order, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE SUPREME COURT MUST BE CURBED

Mr. COLMER. Mr. Chairman, there is an old saying that where there is smoke there is fire. The Supreme Court of these United States is now under attack from many sectors. That attack is not confined to any section of the country. Neither is it confined to any one decision or action of the Court.

All Americans have respect for the Court as an institution. But in the final analysis, we all realize that the Court is what the personnel of the Court make it. It is nothing new for the Supreme Court to be criticized. It has been criticized from its inception. There have been no stronger critics than Presidents Andrew Jackson and Franklin D. Roosevelt. However, it is something new when a former member of that body takes it to task. In this week's issue of the U. S. News & World Report, one of the better and more reliable publications of the country, carries an article by the elder statesman, former Justice James F. Byrnes.

Few, if any, men have served their country in more varied fields than has former Justice Byrnes. Mr. Byrnes has served as a Member, United States House of Representatives, 1911 to 1925; United States Senator, 1931 to 1941; Associate Justice, United States Supreme Court, 1941 to 1942; United States Director of Economic Stabilization, 1942 to 1943; United States Director of War Mobilization, 1943 to 1945; United States Secretary of State, 1945 to 1947; and as Governor of South Carolina, 1951 to 1955.

Therefore, when this distinguished American says, "The Supreme Court must be curbed," it is time for all good Americans to give heed.

The article follows:

Two years ago, on May 17, 1954, the Supreme Court of the United States reversed what had been the law of the land for 75 years and declared unconstitutional the laws of 17 States under which segregated public-school systems were established.

The Court did not interpret the Constitution—the Court amended it.

We have had a written Constitution. Under that Constitution the people of the United States have enjoyed great progress and freedom. The usurpation by the Court of the power to amend the Constitution and destroy State governments may impair our progress and take our freedom.

An immediate consequence of the segregation decision is that much of the progress made in the last half century of steadily advancing racial amity has been undone. Confidence and trust have been supplanted by suspicion and distrust. The races are divided and the breach is widening. The truth is, there has not been such tension between the races in the South since the days of reconstruction.

One threatened consequence is the closing of public schools in many States of the South.

A further consequence is the harm done to the entire country by the demonstrated willingness of the Supreme Court to disregard our written Constitution and its own decisions, invalidate the laws of States, and substitute for these a policy of its own, supported not by legal precedents but by the writings of sociologists.

Today, this usurpation by the Court of the power of the States hurts the South. Tomorrow, it may hurt the North, East and West. It may hurt you.

Though there was no dissenting opinion from any member of the Court, the South dissents. That dissent is reflected in State legislation and in the day-by-day occurrences throughout the South, developments which portray the feeling of the people.

Only now do people living elsewhere begin to comprehend the determination behind the dissent of the South. Only now is an effort being made in the northern press to give thoughtful, balanced and reasonably impartial presentation of what might be called the southern point of view.

The suppression of that viewpoint outside the South has caused much of the Nation to suppose that such dissatisfaction as existed with the Supreme Court's decision was due to petty prejudice and would soon disappear. That theme has been further developed by the publication of "encouraging" reports of school-integration experiences here and there below the Mason-Dixon line. Those reports may be true of some border States and of predominantly white areas in mountain sections of the South; it is not true of any section where Negroes constitute as much as 10 percent of the population.

The problem is numerical as well as legal, educational, and—in recognition of the Supreme Court's concern—sociological.

The corruption of the reconstruction era is a matter of recorded history. The memory of the sufferings endured by the white people of the South is an inheritance. It was during this tragic era that the 14th amendment was literally forced upon the helpless States of the South.

When the white people finally wrested control of the State governments from the carpetbaggers and newly freed slaves, and the army of occupation was withdrawn, the South started on the long road to recovery. Agriculture and industry were gradually restored. A public school system was developed.

No one then seriously asserted that mixing the races in the schools was contemplated by the 14th amendment. In the constitutions of most of the States of the Union, not just those of the South, provisions were adopted for the segregation of the races in the schools.

In 1896 in a case known as Plessy against Ferguson, involving a statute providing for segregation of the races on railroad trains, the United States Supreme Court held that a statute providing for separate but equal facilities was not in violation of the 14th amendment to the Constitution. Thereafter, the Supreme Court in several cases involving schools upheld this doctrine.

Later, the Court, when it included such great judges as Chief Justice Taft and Justices Holmes, Brandeis and Stone, unanimously said that segregation in public schools had been "many times decided to be within the constitutional power of the State legislatures to settle without interference of the Federal courts under the Federal Constitution."

SOUTH'S STAKE IN SEPARATE SCHOOLS

Relying upon the stability of the law of the land, and upon the guaranty of State sovereignty in the Federal Constitution, the people of the South invested hundreds of millions of dollars in separate schools for the races. Under this segregated school system, the southern Negro made greater progress than any other body of Negro people in the history of the world.

The facilities for Negro students in many States were not equal to the facilities provided for white students. The degree of equality differed not only in States, but in counties within a State. The situation in South Carolina was typical of the South. As a rule, the facilities for Negro students in the urban centers were superior to the facilities provided in rural areas. The same was true of facilities for white students. Schools were dependent upon local taxation, and much of the inequality was due to the greater value of industrial property and higher income of the city dweller.

A realization of the inequality that existed between rural schools and urban schools, as well as between the races, influenced me greatly to become a candidate for Governor of South Carolina in 1950.

In my inaugural address I advocated a bond issue of $75 million and the levying of a sales tax of 3 percent for the purpose of equalizing the school facilities. In presenting this, I said:

"It is our duty to provide for the races substantial equality in school facilities. We should do it because it is right. For me, that is sufficient reason."

Of the $75 million authorized, 70 percent was allocated to Negro schools even though the Negro-school enrollment constitutes but 39 percent of the total school enrollment.

Subsequently, the bond issue was increased until it is now $137.5 million. In every school district there is a high school for Negroes and more than one elementary school. On the whole, the Negro school buildings are superior to the white schools because they are modern. The number of Negroes transported by bus to these schools was increased 450 percent in 3 years.

Similar educational programs have been under way in other Southern States.

In South Carolina, with a Negro population of 823,622, there are 7,500 Negro schoolteachers, whereas in 12 States east of the Mississippi and north of the Mason-Dixon line, with a Negro population of 3,351,402, there are only 7,712 Negro teachers. There is no difference in the scale of pay for white and Negro teachers.

About the time the educational program was inaugurated in South Carolina, there was pending in the United States court a case from Clarendon County, asking equal facilities for Negro schools. Later, that suit was withdrawn, and a suit was brought by the same complainants, asking the court to declare unconstitutional all segregation laws.

The three-judge court, presided over by Judge Parker, senior judge of the fourth circuit, held that under the decisions of the United States Supreme Court from 1896 to that date, the segregation provisions of the Constitution and statutes of South Carolina were not in violation of the 14th amendment. The lawyers for the National Association for the Advancement of Colored People appealed the case to the United States Supreme Court.

In that Court, the case for Clarendon County was argued by the late Hon. John W. Davis. He was so convinced of the soundness of the decision of the three-judge court that he agreed to argue the case and declined to accept compensation for his services.

Had the Court been unanimous in the view that segregation statutes were in violation of the 14th amendment, such an opinion would have been written within a few months.

Instead, after many months, the Court announced that the cases should be reargued, and counsel should direct their argument to certain questions.

The first question was:

"What evidence is there that the Congress which submitted and the State legislatures and conventions which ratified the 14th amendment, contemplated, or did not contemplate, understood, or did not understand, that it would abolish segregation in public schools?"

Such a question would not have been asked if a majority of the Court was already satisfied that Congress and the State legislatures did contemplate that the amendment would prohibit segregation in public schools.

Attorneys representing the parties involved and the attorneys general of many States having segregation statutes filed briefs. The overwhelming preponderance of the legislative history demonstrated that abolishing segregation in schools was not contemplated by the framers of the 14th amendment, or by the States.

We can only speculate as to how the Court reached its decision. In that speculation, it is interesting to read in the Harvard Law Review of November 1955, an article entitled, "The Original Understanding and the Segregation Decision," written by Alexander M. Bickel, who, according to the Review, was the law clerk to Mr. Justice Frankfurter during the October term, 1952, when the case was first argued. After a lengthy résumé of the evidence, the writer states:

"The obvious conclusion to which the evidence, thus summarized, easily leads is that section 1 of the 14th amendment, like section 1 of the Civil Rights Act of 1866, carried out the relatively narrow objectives of the moderates, and hence, as originally understood, was meant to apply neither to jury service, nor suffrage, nor antimiscegenation statutes, nor segregation. This conclusion is supported by the blunt expression of disappointment to which Thaddeus Stevens gave vent in the House."

The Court, in its opinion, did not admit, as did Mr. Bickel, the conclusiveness of the evidence that the 14th amendment did not apply to school segregation. The Court said the evidence was inconclusive.

PREVIOUS DECISIONS WERE REVERSED

Our Constitution is a written instrument. The 14th amendment does not specifically mention public schools. Having decided unanimously that the legislative history was not conclusive that the Congress or the States intended it should apply to schools, one would think the Court would have stopped there and upheld the previous decisions of the Court. Instead, it proceeded to reverse those decisions and legislate a policy for schools.

An explanation of this extraordinary decision is offered by Mr. Bickel in his Harvard Review article on page 64, where he said:

"It [the Court] could have deemed itself bound by the legislative history showing the immediate objectives to which section 1 of the 14th amendment was addressed, and rather clearly demonstrating that it was not expected in 1866 to apply to segregation. The Court would in that event also have repudiated much of the provision's 'line of growth.' For it is as clear that section 1 was not deemed in 1866 to deal with jury service and other matters 'implicit in * * * ordered liberty * * * to which the Court has since applied it."

If this law clerk is correct (and I can assure you the law clerks in the Supreme Court are well informed), it means that the Court, having previously interpreted the 14th amendment to apply to jury service and other matters not specifically delegated by the Constitution to the Federal Government, felt that the soundness of those decisions would be questioned unless the Court held the 14th amendment to apply to schools.

But there was a distinction. Previously the Court had held that State laws providing separate but equal school facilities did not deny a constitutional right. The control of schools had been proposed by some framers of the 14th amendment and rejected. There was no legislation by Congress prohibiting segregated schools. The only change in conditions was that several million Negroes had migrated to the big cities in Northern States and constituted the balance of political power in several States.

Once the Court becomes committed to a course of expanding the Constitution in order to justify previous expansions, there is no turning back. When next the Court is called upon to "read into" the Constitution something which was never there, another segment of the people may be the victim. It may be you.

The Constitution provides that any amendment submitted to the States must be ratified by three-fourths of the States.

Change was purposely made difficult by the framers, who jealously guarded their liberties. They knew "the history of liberty is the history of limitations on government."

COURT IGNORED A WARNING

In amending the Constitution, the Court ignored the warning of George Washington in his Farewell Address:

"If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed."

Frequently, the Court has applied a constitutional principle to subjects not specifically mentioned in the Constitution, and not conceived of by its framers. That has been done, for instance, in applying the "commerce clause" to congressional legislation affecting forms of transportation and communication not in existence when the "commerce clause" was adopted. Material progress, which could not have been anticipated, justified the Court in applying the principle of the "commerce clause" and sustaining the laws affecting commerce between the States.

Ordinarily, the Court has been controlled by legal precedents. In the segregation opinion, it could cite no legal precedent for its decision because all the precedents sustain the doctrine of separate but equal facilities.

In 23 of the States that ratified the 14th amendment, the courts of last resort held it did not abolish segregation. The Supreme Court itself, in 6 cases decided over a period of 75 years, upheld the doctrine of equal but separate facilities.

The Court ignored all of these legal precedents and the Constitution and said, "We cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written."

Why not? The function of the Court is to interpret the Constitution, not amend it. Heretofore, whenever in doubt about the proper interpretation of the Constitution or a statute, the Court has turned the clock back to the time of adoption to ascertain the intent of the draftsmen. When the Court states, "We cannot turn the clock back to 1868," will it ever consider the intent of the framers of the Constitution in 1787?

If the age of a constitutional provision is to be held against its soundness, what about the age of our religion? If time invalidates truth in one field, will it not do so in another?

If the Court could not turn the clock back in these cases, why did it ask counsel for the litigants and the attorneys general of all interested States to file briefs as to the intent of the Congress in 1868, in submitting, and the States, in ratifying, the amendments?

And why were counsel asked to argue whether the Court was bound by its previous decisions, such as *Plessy* v. *Ferguson?*

It is apparent that, when the Court found the legislative history it requested was overwhelming against the conclusion it had reached, it declared the evidence "inconclusive," disregarded the Constitution and—invading the legislative field—declared that segregation would retard the development of Negro children.

That was a terrible indictment of the Negro race. Because—whether a person be black, brown or yellow—whenever the Supreme Court says he cannot develop unless while in school he is permitted to sit by the side of the white students, the Court brands that person an inferior human being.

Now mark this well! The Court not only ignored the Constitution and its own decisions, but, in establishing a policy for schools, ignored the record in the case.

In support of its decision, after citing K. B. Clark, who was employed by the National Association for the Advancement of Colored People, it cited the writings of a group of psychologists who had not testified in the trial court. Counsel for the States had no opportunity to rebut the opinions of these psychologists. In such procedure there lies danger for all of us.

And the Court was guilty of what it has frequently condemned. As late as 1952 in the case of *Beauharnais* v. *Illinois* (343 U. S. 250), the Court said:

"It is not within our competence to confirm or deny claims of social scientists as to the dependence of the individual on the position of his racial or religious group in the community."

Counsel had no opportunity to cross-examine these psychologists as to their qualifications as well as their affiliations. However, in the United States Senate on May 26, 1955, Senator EASTLAND, chairman of the Senate Judiciary Committee, submitted an amazing record of several of the authorities cited by the Court. He said:

"Then, too, we find cited by the Court as another modern authority on psychology to override our Constitution, one Theodore

Brameld, regarding whom the files of the Committee on Un-American Activities of the United States House of Representatives are replete with citations and information. He is cited as having been a member of no less than 10 organizations declared to be communistic, communistic-front, or Communist dominated."

As to E. Franklin Frazier, another authority cited by the Supreme Court, Senator Eastland said, "The files of the Committee on Un-American Activities of the United States House of Representatives contain 18 citations of Frazier's connections with Communist causes in the United States."

In support of its findings, the Court said, "See generally Myrdal, 'An American Dilemma, 1944.'" I have seen it. On page 13, Professor (Gunnar Karl) Myrdal writes that the Constitution of the United States is "impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people."

On page 530, Myrdal states, "In the South the Negro's person and property are practically subject to the whim of any white person who wishes to take advantage of him or to punish him for any real or fancied wrongdoing or insult."

Millions of people, white and colored, know this is absolutely false. Members of the Supreme Court know it is false. It is an insult to the millions of white southerners.

Senator Eastland also listed some of those who were associated with Myrdal in writing his book. He stated that the files of the House Committee on Un-American Activities show that many of Myrdal's associates are members of organizations cited as subversive by the Department of Justice under Democratic and Republican administrations.

I am informed by the Senator that no member of the Senate and no responsible person outside of the Senate has challenged the accuracy of his statements on this subject. Loyal Americans of the North, East, South and West should be outraged that the Supreme Court would reverse the law of the land upon no authority other than some books written by a group of psychologists about whose qualifications we know little and about whose loyalty to the United States there is grave doubt.

And loyal Americans should stop and think when the executive branch of the Federal Government brands as subversive organizations whose membership includes certain psychologists, and the Supreme Court cites those psychologists as authority for invalidating the constitutions of 17 States of the Union.

RIGHT TO CRITICIZE COURT

Some advocates of integrated schools shudder to think of anyone's criticizing a decision of the Supreme Court or, certainly, this decision of the Court. Well, whenever a member of the Court dissents from the majority opinion, he expresses his views and criticizes—sometimes in vigorous language—the Court's opinion.

In recent years there are many examples. But a case in point is the dissent of the late Justice Owen J. Roberts, who differed with his colleagues on the Court in the case of *Smith* v. *Allwright*, The Supreme Court in that case reversed prior decisions and declared the Democratic Party in Texas was, in effect, an agency of the State and that its actions (in conducting white primaries) was "State action." Said Mr. Justice Roberts:

"I have expressed my views with respect to the present policy of the Court freely to disregard and to overrule considered decisions and the rules of law announced in them. This tendency, it seems to me, indicates an intolerance for what those who have composed this Court in the past have conscientiously and deliberately concluded, and involves an assumption that knowledge and wisdom reside in us which was denied to our predecessors."

The decisions of the Supreme Court must be accepted by the courts of the United States and the States, but not necessarily by the court of public opinion. The people are not the creatures of the Court. The Court is the creature of the people.

One hundred representatives of the people in the United States Congress have issued a manifesto criticizing this decision. Such criticism is nothing new. There is precedent for criticism by the people.

After the decision in the Dred Scott case, Abraham Lincoln criticized the Court, declaring the decision erroneous and pledging the Republican Party to "do what we can to have it overruled."

President Franklin D. Roosevelt, on March 9, 1937, commenting on a decision of the Supreme Court, said:

"The Court in addition to the proper use of its judicial functions has improperly set itself up as a third house of the Congress—a superlegislature, as one of the Justices has called it—reading into the Constitution words and implications which are not there.

"We have, therefore, reached the point as a Nation where we must take action to save the Constitution from the Court and the Court from itself * * *.

"Our difficulty with the Court today rises not from the Court as an institution but from human beings within it."

ENFORCEMENT OF DECISION

The fifth section of the 14th amendment authorizes Congress to enforce that amendment. Congress never legislated to require integrated schools because the 14th amendment did not embrace schools. On the contrary, Congress specifically appropriated for segregated schools in the District of Columbia. Now that the Supreme Court has amended the Constitution to embrace schools, Congress could legislate on the subject but the Supreme Court knows the representatives of the people will not legislate. Therefore, it calls upon the States of the South to enforce its new policy for schools.

The people of the South are law-abiding. They do not talk or even think of armed resistance. They realize the United States Government has the power to enforce a decision of the Supreme Court. But they believe the decision will close many schools, and think that the Court that ignored the Constitution and rendered the decision should assume the responsibility for its enforcement.

It is unrealistic to expect local school officials to destroy the public schools. With few exceptions, school trustees in the South are white men. They are highly respected in their communities. They serve without compensation. Do you think they will force the children of their neighbors into mixed schools? Many trustees will resign. Negroes will not be selected to succeed them. The schools will be closed.

When northern newspapers criticize local officials who will not cooperate in the enforcement of this decision, they should recall the prohibition era. There were few northern newspapers clamoring for the enforcement of that law by local authorities.

The so-called "best people" of many States did not hide their violations of the prohibition law. They regarded it as "smart" to boast of making gin in the bathtub and carrying whisky in a silver flask to public places. They fought the law until it was repealed.

However, there was this difference: The prohibition law was enacted as a result of an amendment to the Constitution which was adopted in the manner provided by the Constitution. It was not, as in this case, a decision of nine men on the Supreme Court—in effect—amending the Constitution.

The National Association for the Advancement of Colored People, financed by tax-exempt organizations and some well-intentioned but misguided people, for years demanded the reversal of the "separate but equal" decisions of the Supreme Court, even though 40 years ago Justice Charles Evans Hughes, speaking for the Court, said the question could "no longer be considered an open one." Now these same people would deny to the people of the South even the right to criticize the recent decision in the school case.

"PRACTICAL DIFFICULTIES" AHEAD

A statement of some of the practical difficulties certain to follow enforcement of the segregation decision demonstrates the seriousness of the problem.

The case from South Carolina originated in a school district in Clarendon County where there were approximately 2,900 Negro students and 290 white students. The goal of educators is to limit a class to 30 students. In the Clarendon district, all classrooms have more than the standard.

No white student will ask to go to a Negro school. But suppose some Negroes in the 10th grade of a Negro school ask for a transfer to the 10th grade of a crowded white school and the trustees decide it is unwise to further increase the enrollment in that school. Will the Court decide the rejection was on account of race, instead of efficiency, and cite the trustees for contempt?

Suppose the Negroes are admitted. It is agreed that the average Negro child, having had little training at home, does not possess the training of the average white child in the same grade and age group. Shall the white children be held back to help the Negroes progress?

The white parents in the District of Columbia can answer that question. They have had some sad experiences in the last year. As a result, approximately 60 percent of the students in the public schools of the Capital of this Nation are Negroes. Many white families have moved to Virginia; many, though they can ill afford it, have placed their children in private schools.

If the Negro students are not able to do the work of the white students, can the races be segregated in the classroom and assigned different class work? Would not the scars inflicted upon the Negro child by such segregation be far deeper than the harm done him by associating with only Negro students in segregated schools?

Should the races be mixed in a school, will a board of trustees composed of white men in a Southern State employ Negro teachers? If not, what will happen to the Negro teachers now employed in the South?

Today, high schools in the South are more social institutions than in the past. There is a cafeteria where all students lunch together. There is a gymnasium where students of both sexes engage in various sports.

Athletic contests, as a rule, are held at night. Students, following the team, travel in school buses. When the races have been accustomed to separation in buses, who can assure there will not be serious consequences?

These are only a few of the problems.

There is a fundamental objection to integration. Southerners fear that the purpose of those who lead the fight for integration in schools is to break down social barriers to childhood and the period of adolescence, and ultimately bring about intermarriage of the races. Some Negro leaders deny this. Others admit this objective. Because the white people of the South are unalterably opposed to such intermarriage, they are unalterably opposed to abolishing segregation in schools.

Disraeli said, "No man will treat with indifference the principle of race. It is the key to history."

Pride of race has been responsible for the grouping of people along ethnic lines throughout the world.

Race preservation is the explanation of the political unrest in South Africa. In the United States, it is not peculiar to the white people of the South. For many years, fear of the Japanese influenced legislation in California.

Today, in 23 of the States, intermarriage of the races is prohibited by law. These laws reflect the fear of mongrelization of the race. To prevent this, the white people of the South are willing to make every sacrifice.

It is useless to argue whether the racial instinct is right or wrong. It exists. It is not confined to any race or to any country. It cannot be eliminated from the minds and hearts of people by the views of psychologists or by the order of a court.

The degree of tension between the races depends upon the percentage of Negro population. In Vermont, where there are few Negroes, there is little tension. But in Detroit, Chicago and Washington, where the Negro population is increasing, tension is increasing.

Frequently it has been asked why the white man of the South who owned no slaves fought in the Confederate Army as bravely as the slaveowner. He had no financial interest. It was not greed. It was to preserve the rights of the States and thereby preserve his race. For this he fought and died. His grandchildren have the same racial instincts.

Abraham Lincoln was not charged with racism, but he said, "While the races remain together there must be the position of superior and inferior, and I as much as any other man am in favor of having the superior position assigned to the white race." He further said, as to political equality, "My own feelings will not admit of this, and if mine would, we well know that those of the great mass of the whites will not. Whether this feeling accords with justice and sound judgment is not the sole question, if indeed it is any part of it. A universal feeling whether well or ill-founded cannot be safely disregarded."

Since Lincoln's words were uttered, the Negro living by the side of the white man of the South, under segregation laws, has made great progress—educationally, culturally, and economically. The white man of the South wants to help the Negro continue to progress, first because it is right and, second, because it is to his own advantage. Unlike Lincoln, he does not say there must be the position of superior and inferior. He says in State-supported facilities there should be equality but he also says "equal facilities" does not mean the same facilities.

WHERE DO WE GO FROM HERE?

Frequently, the question is asked: Where do we go from here? Solomon, with all his wisdom, could not give a positive answer. We do know that the approximately 40 million white southerners will do everything that lawfully can be done to prevent the mixing of the races in the schools.

The hope is for voluntary segregation. As the Negro has progressed educationally and economically, a constantly increasing percentage of them have developed a pride of race. That Negro does not want his children forced into schools where they will not be welcomed. He prefers to have them attend schools for Negroes, taught by Negroes. However, recent events indicate such men will be coerced by the National Association for the Advancement of Colored People and northern Negroes to demand admission to white schools. Therefore, there is fear for the future.

Plans vary. In some States, the legislature has repealed the statute requiring children to attend schools. When the overwhelming majority of the people of a State are opposed to integrated schools, they could not be expected to enforce laws requiring children to attend mixed schools.

In most States, the law now requires trustees or other school officials to assign children to schools. In the cities where the Negro population is usually concentrated in 2 or 3 areas, schools have been placed in those areas. It is reasonable that Negroes should be assigned to the schools nearest their homes. In the rural districts there is no such segregation of homes. There the problem will be more difficult, and more dangerous.

In South Carolina and in some other States, laws have been enacted providing that if—by order of any court, State or Federal—a student is assigned to a school different from that to which he is assigned by school officials, all appropriations for the school to which that student is assigned and all appropriations for the school from which he comes shall immediately cease. Similarly, it is provided that funds appropriated for operation of school buses shall be available only for segregated buses.

The theory of this legislation is that under the Constitution there are three branches of Government which shall forever be kept separate. It is the function of the legislative and executive branches of State governments to appropriate for and administer school funds. If a State or Federal court shall arrogate to itself the right to assign children to schools different from the assignment made by the officials designated by the legislative and executive branches of the State government, no funds shall be available for such schools.

It is predicted by counsel for the National Association for the Advancement of Colored People that the United States Supreme Court will declare these appropriation laws unconstitutional. In view of the segregation decision, no man can say positively the prediction will not come true.

If the Supreme Court shall declare unconstitutional all State statutes having, in its opinion, the effect of continuing segregated schools, then as a last resort many States will discontinue public schools. Some financial assistance would be provided for parents, white and colored, sending children to private schools. Such a plan is proposed in Virginia.

By an overwhelming vote in South Carolina in 1952, there was eliminated from the State Constitution the provision that public schools must be provided for "all children between 6 and 21 years of age." The purpose was to permit the legislature to be free to discontinue public schools should all other efforts fail.

NEGROES COULD SUFFER MOST

Should this happen, it will be unfortunate for both races. It would be particularly unfortunate for Negroes because they do not have the financial ability to purchase or to build and equip schools. That fact does not deter the reckless leaders of the National Association for the Advancement of Colored People from jeopardizing the continued existence of Negro schools as well as of white schools.

Should the public schools close, the white people of the South will see that an education equal to that given white children is available to the Negro children who are being used as pawns by the National Association for the Advancement of Colored People in an effort to solve overnight a great social problem.

Integration is now demanded in other fields. In South Carolina, for example, there are recreation parks, supported by public funds and equipped with vacation cabins, lakes and other facilities. For the maximum enjoyment of all, and for the preservation of good order, the parks are operated on a segregated basis—some for whites and some for Negroes.

Recently, a suit was brought in a Federal court to force the admission of Negroes to a park set aside for white people. The General Assembly, rather than wait for another race-mixing decree, promptly and unanimously ordered the park closed. The suit was dismissed by the court. For the future, money is appropriated only for segregated parks. Similar suits have been brought in other States. All parks may soon be closed as a result of litigation inspired by the National Association for the Advancement of Colored People and some northern sentimentalists who do great injury to their fellow man. Woodrow Wilson once said:

"It will be a bad day for society when sentimentalists are encouraged to suggest all the measures that shall be taken for the betterment of the race."

THREATENED: POWER OF STATES

Tragic as may be the consequences in destroying the public-school system in the South, more frightening are the consequences of the trend of the present Court to destroy the powers of the 48 States.

In the case of *Pennsylvania* v. *Steve Nelson*, decided April 2, 1956, the same Court that declared unconstitutional the segregation statutes of 17 States invalidated the laws of 42 States prohibiting the knowing advocacy of the overthrow of the Government of the United States by violence, as long as there is a Federal law against sedition.

The Department of Justice protested to the Court that the State laws did not interfere with the enforcement of the Federal statute. But the Court struck down the laws of 42 States. Justices Reed, Burton, and Minton vigorously dissented.

One week later the Court declared unconstitutional a provision of the charter of New York City under which Professor Slochower, an employee, was dismissed for failure to answer a question in an authorized inquiry, on the ground that his answer might incriminate him. It is encouraging to the people that the same three Justices dissented and were joined by Justice Harlan.

Power intoxicates men. It is never voluntarily surrendered. It must be taken from them. The Supreme Court must be curbed.

The Constitution authorizes the Congress to regulate the appellate jurisdiction of the Supreme Court. Loyal Americans who believe in constitutional government appeal to the court of public opinion in the hope that you will urge the Congress to act before it is too late.

The present trend brings joy to Communists and their fellow travelers who want to see all power centered in the Federal Government because they can more easily influence one Government in Washington than the 48 governments in 48 States.

But the trend of the Court is disturbing to millions of Americans who respect the Constitution and believe that in order to preserve the Republic we must preserve what is left of the powers of the States.

You may be unconcerned today. You may cry tomorrow.

Mr. PRIEST. Mr. Chairman, I yield the remainder of the time to the gentleman from Illinois [Mr. Mack].

Mr. MACK of Illinois. Mr. Chairman, I wish to commend the chairman of the subcommittee, Mr. Harris, on his leadership in solving one of the most difficult if not one of the most embarrassing problems we have had confronting this Congress. I am proud to have been associated with his subcommittee and to have participated in the writing of this legislation.

Due to a short period of hospitalization, it was not possible for me to attend all the public hearings held on the transit problem, but without exception, I attended every executive session which was held on this subject. When I first entered into the discussions I wanted to vote against Wolfson. But when I became familiar with the problem confronting us, I found that there would be no opportunity to vote for or against Wolfson and also found that to enact public authority legislation at this late date would be extremely ill advised.

Our committee has acted to the best of our ability and we feel we have acted in the public interest. We are not performing a miracle nor are we proposing anything revolutionary. We are merely reinstating the franchise for the Capital Transit Co. A franchise slightly amended—but the same basic franchise they have operated under for the last 25 years. Some reference has been made that this is bad legislation. I cannot agree, but if it is bad legislation it has been bad for a quarter of a century.

The members of this subcommittee who are most familiar with the complexities of this subject—the ones who have studied it for nearly 6 months—have reported this legislation without a dissenting vote. In our full Committee on Interstate and Foreign Commerce of 31 members, we had only 2 dissenting votes on our recommendation to solve this dilemma. We must enact some legislation, otherwise the people in the District of Columbia will be without transportation on the 14th of August. It has been suggested by one of our colleagues that we recommit this bill and take an attitude of "wait and see." The difficulty with this theory is that we have already consumed too much time before constructively approaching this problem. Perhaps Congress acted too hastily last August in passing Public Law 349. Perhaps Congress should have gone even further and prepared appropriate legislation or standby legislation. Unfortunately, this was not done and, therefore, the Congress must face this responsibility and take action immediately.

The question before us today is whether we are going to provide an adequate transportation facility at fair and reasonable prices after August 14.

In this bill, we are accomplishing just that. We are continuing the present transit system at present fare for at least a year. This is a transportation problem. We are not voting for Wolfson. We are voting for or against adequate transportation.

Many of my friends from the city areas are laboring under the misapprehension that this vote is for or against a public transportation system. This is not the case. This is not a question of private versus public transportation exclusively.

I hope the Members have read sections 203 and 204 of the Heselton substitute. It reads as follows:

> The Authority shall have the power to acquire in its own name by purchase, lease, gift, or otherwise, or under such terms and conditions, and in such manner it may deem proper or by the exercise or power of eminent domain to the extent authorized by this act, or the law of any State with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, pension and retirement funds, franchise, license, patents, permits, papers, documents, and records of any transportation system in the Washington metropolitan area.

Mr. Chairman, the substitute being offered by the gentleman from Massachusetts is not an authority bill—it is a seizure bill. If you want the Government to seize the property of the Capital Transit Co., then vote for the substitute being offered to our bill. I am not opposed to a transit authority bill, but I am bitterly opposed to public seizure of private property.

If you authorize this public authority bill, you are authorizing them to seize not only the rolling stock but the real estate of the Capital Transit Co. as well. This is not the way to enact public transportation legislation in the District of Columbia.

To accept the substitute bill would be authorizing the seizure of private property.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will read the substitute amendment printed in the reported bill for the purpose of amendment.

Mr. PRIEST. Mr. Chairman, I ask unanimous consent that the committee substitute may be considered as read, and printed in the Record at this point and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. HESELTON. Mr. Chairman, reserving the right to object, and I shall not object if Members have an opportunity to express themselves. I shall object until they do have that opportunity. I object.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REPEAL OF CERTAIN PROVISIONS OF LAW SO AS TO PERMIT CONTINUANCE OF OPERATIONS; EFFECT ON RATES

Section 1. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes", approved August 14, 1955 (Public L[illegible] 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

Mr. HYDE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the application of a few facts and logic to those facts will certainly indicate to the House that the Capital Transit Co., at least under its present management, has no intention of continuing to operate this transit system in the Nation's Capital. The facts on their face I submit show that.

Mr. HARRIS. Will the gentleman yield?

Mr. HYDE. Just in a moment I will yield.

Mr. HARRIS. The gentleman is making some harsh statements. I just wanted to have the gentleman advise the House how he knows.

Mr. HYDE. That is the point I wish to make clear. I said I think the application of a few facts and the application of a little logic to those facts will indicate that. In the first place, the admissions made by the bill itself, namely, its tax-free features, and the arguments made that if you have a public authority you will have the transit system run at public expense, would certainly indicate that you do not expect a profit to be made from the future operations of the transit system in the Nation's Capital. They certainly do not intend to operate as a normal free enterprise when they operate with the tax concessions that are in the bill.

Mr. HESELTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One-hundred and twenty Members are present; a quorum.

The gentleman will proceed.

Mr. HYDE. Speaking of the burden on the taxpayers about which the opponents of the authority idea complain, it seems to me that from a reading of this bill you will find, by virtue of the tax concessions, there will be at least some $800,000 revenue for which the District will have to go to tax sources to obtain, which it is now obtaining from the Capital Transit system. So the very substitute being offered here will on its face throw a burden on the taxpayers.

Does the Capital Transit Co. under its present management really want to operate this company as a long-range income investment? Let me call your attention to what they have done with it. They bought it. They have, according to figures given on this floor, taken some 300 percent out of it already. They have stripped it down. In addition to that they bought it in the face of a Nationwide history of urban transit not paying. They bought it in the face of the fact that the number of passengers of the present system dropped in half since the war and revenues dropped proportionately. Those are the facts, Mr. Chairman, I submit that argue that the Capital Transit Company does not intend even if their franchise is restored, that is the present management does not intend, to continue operating this line as an income investment business. They have obtained what they wanted to obtain from the business; and now I submit the deduction from these facts certainly argues that they now simply want to dispose of it and they want to get the most out of it. I do not blame them for this from a financial standpoint; representing their stockholders they are perfectly justified in attempting to do the best they can to get the most they can for their investment, but I submit that we, as representatives of the public, have a duty. If the public is going to take this over through a public authority, which I submit they are eventually going to have to do anyhow, we should try to make the best deal for the public just as Mr. Wolfson wants to make the best deal he can for himself and his stockholders.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. HARRIS. Would not the franchise of the Capital Transit Co. still exist in the district which the gentleman represents?

Mr. HYDE. Yes.

Mr. HARRIS. Then the situation insofar as the gentleman's district is concerned has not been changed at all, has it?

Mr. HYDE. I would say that when the arm has lost the body, the arm is substantially damaged.

Mr. HARRIS. Probably so, but they would still have the franchise; it has not been taken away from them in the gentleman's district in Maryland. How, then, would the gentleman's district benefit by the setting up of a public authority here? Would it be permitted to operate in the gentleman's district?

Mr. HYDE. The gentleman from Arkansas is completely wrong about that. The public authority would, as a matter of fact, be able to operate, for the Legislature of the State of Maryland in the session of last February passed legislation to enable the authority to operate there.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

(On request of Mr. Heselton, and by unanimous consent, Mr. Hyde was allowed to proceed for 3 additional minutes.)

Mr. HESELTON. Mr. Chairman, will the gentleman yield for a question?

Mr. HYDE. I yield.

Mr. HESELTON. The gentleman represents the adjoining district in Maryland, as I understand.

Mr. HYDE. That is right.

Mr. HESELTON. Would the gentleman describe how this whole transit situation affects not only the people of the District of Columbia but also the people of neighboring Virginia and Maryland, and particularly the district which the gentleman represents so ably?

Mr. HYDE. It affects my district more seriously than it does any other, because people in Montgomery County, Md., rely almost wholly upon this system for transportation in and out of the Nation's Capital, whereas in Virginia they have other means that take care of the problem. I think as a matter of fact this Capital Transit line touches Virginia at one bridge, that is, one of the old bridges.

In southern Maryland, in the fifth district, the neighboring county, Prince Georges, Capital Transit does operate somewhat, but I believe there are several other busline services there also.

So this whole proposition affects my district more seriously, I believe, than any other neighboring district.

And I might say this, when I had some legislation before this Congress which eventually got to the President but was vetoed, to provide an areawide transit regulatory commission, that bill was opposed by the Capital Transit people. They did not appear and testify against it, but I know they were opposing that particular piece of legislation. It was said to me at that time, and on this I am afraid that is as far as I can go in documenting the matter, you do not want it, you do not need that, but what we are going to have to have is an authority to operate this company.

Let me call the attention of the members of the committee to the fact that Congress has appropriated $400,000 which is now being spent to study this problem and that a preliminary report coming from that study, the testimony on which has been given in the Senate, indicates that that study is going to recommend the authority.

Mr. HESELTON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is not my intention to prolong this proceeding and I shall certainly not object to waiving of the reading of the bill when Members such as the gentleman from Maryland [Mr. Hyde] and others who are more directly concerned than any of the rest of us have had an opportunity to state some of the arguments against the bill and some facts upon which they base their arguments. I hope they will be given the opportunity.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Tennessee.

Mr. PRIEST. May I say to the gentleman that the unanimous-consent request was that it be considered as read and open to amendment, which would simply make it possible for gentlemen who wish to speak by striking out the last word or offering other amendments to do so quicker. That was the purpose of my request.

Mr. HESELTON. I am not in any way criticizing my chairman, whom I respect in every sense of the word. We all know he has a duty to perform and he is always courteous and considerate in every way. But I felt I should undertake to protect those who have not had an opportunity to speak, not being members of the committee. There are 2 or 3 things I want to clear up right now and I shall have to offer 1 or 2 pro forma amendments if the members of the Committee will bear with me.

Mr. Chairman, I regret very much that District legislation does not bring to the floor more Members. I think the latest count was 106. The earlier count was 102 if I recall correctly. It is obvious we cannot expect Members of Congress who are busy with many and tremendously important responsibilities to attend debates such as this. We are fortunate to have such a good attendance as there is here now. I say that because I know perfectly well that, first, from the parliamentary angle I cannot offer a motion to substitute unless the substitute offered by the committee is voted down, and I am under no illusion as to that. It is not going to be voted down. We have to recognize that. I wish I could place my substitute before you for a vote, but I cannot under the circumstances. Consequently, I will simply offer it for the Record and I shall ask for a ruling. I know what the ruling will be because I have consulted the House Parliamentarian, whom we all respect.

I can only offer a motion to recommit generally. I cannot offer a motion with instructions. I wish I could because I would include my substitute bill, H. R. 10871. That is why I asked my good friend and committee colleague, the gentleman from Illinois [Mr. Mack] to yield to me. I know he could not because he was under pressure as to time, too. But he said something inadvertently that I think he did not mean. I understood him to say that a motion will be offered by one of his colleagues on the committee to recommit this bill and to adopt, as I recall it, a wait and see attitude. Am I right?

Mr. MACK of Illinois. I do not believe the gentleman has correctly stated it. I think I said one Member of the House had suggested that as an alternative.

Mr. HESELTON. The gentleman meant me?

Mr. MACK of Illinois. No, I did not mean the gentleman.

Mr. HESELTON. I have publicly said I would offer a motion to recommit and I am the only member on the minority side against the bill so I thought I might be recognized. I apologize, however, if I misunderstood.

Mr. MACK of Illinois. I may say to the gentleman I did refer to him as being the Member who would propose to offer a substitute bill.

Mr. HESELTON. We have disposed of that, because a substitute will not be ruled in order.

Mr. MACK of Illinois. I referred also to another Member of the House who wanted to adopt a wait and see attitude.

Mr. HESELTON. All right. Then, that is clarified, and I apologize if I misunderstood.

But I want to make it clear that when I make this motion to recommit, and I shall seek recognition to offer it, it will not be for the purpose of adopting a wait and see attitude. We cannot afford to do that. Time is of the essence here. Something has to be done, and we all know it. We know what happened last year, and we know what this Congress did without a dissenting vote. And I firmly believe that H. R. 10871 is better legislation than the committee substitute and would be much more likely to result in satisfactory private ownership most of us want.

Now, my colleague on the committee, the gentleman from Georgia [Mr. Flynt] referred to the vote to suspend the rules. That was on a motion which was not carried by a two-thirds vote on a rollcall. The rollcall is in the Record, and my friend knows where it is. I voted against suspension of the rules. So did many others, and the very next day, August 2, 1955, it came up on a closed rule, but with reasonable debate possible, which was offered by the chairman of the Committee on Rules, the gentleman from Virginia [Mr. Smith]. It was passed by a voice vote. Why? Because the gentleman from Virginia [Mr. Smith], the gentleman from Arkansas [Mr. Harris], and colleagues whom we all respect said we had to do it. That is a matter of record. I am not ashamed of the fact I voted for it and I have no apology for that vote. I thought we had to vote affirmatively after hearing the bill explained.

The President of the United States was confronted eventually with the bill we passed without a dissenting vote and he signed it. We were away at the time, but the President made a public statement, and I want to read it:

> Both the Congress and the Commissioners of the District of Columbia have concluded that Capital Transit Co., beginning several years ago and continuing up to the present time—

That was last August 14—

> has failed to measure up to its responsibility to the District of Columbia.

Now, is it rancor, is it bitterness, is it unfairness on the part of any of us to oppose the return of this franchise at this time to this company with better conditions than they ever had before? I do not think so.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman. I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Chairman, I appreciate the consideration of the Members here.

There has been a charge in one of the newspapers of irresponsibility. Now, I can take a certain amount of criticism, as all of us can, and we, in public life, know there will be that sort of a charge made. But, last evening's Washington Star—and I am going to name the paper, because twice before it has misrepresented the facts as to my position on this legislation—in big headlines said: "Broyhill hints plot against CTC." I did not understand the gentleman had done so. "Charges conspiracy is 'almost apparent.'" I do not think he did, and I do not think any Member of the House did. Why are they exaggerating this? Are they charging that Members of Congress who voted without a dissenting vote last year to cancel this franchise, upon ample evidence, are engaged in a conspiracy? Are they charging the President of the United States, who signed that bill, is a party to that conspiracy? If they are, I repudiate them. I say that 1 of 2 things is self evident, and that is, whoever in that press gallery wrote that story or whoever rewrote it downtown wants this bill, H. R. 8901, passed so much that they are attempting to smear and lie about the Members of this Congress or there has been gross negligence. And, I am not going to take it.

I want to go on further and point out what I mean. It was in that same issue of that paper, although they either did not publish it in another issue or withdrew it, but without any retraction or apology—and I do not expect them to give it to me and I do not want it—they published the statement "Representative Heselton, Republican, of Massachusetts, who is leading the House fight"—I am simply expressing a lone dissenting voice here, and I was the only one signing the minority report, and they know it—"and supporting public ownership." Now, they know, if they took the trouble to read the public record, that I have said two times on May 7 and 9, on this very floor, in this very place, and once more on the rule yesterday, that I was against public ownership. I hoped that we would find a satisfactory and competent and financially able and experienced group, such as Mr. Bell thinks he has, who would come in and take this over and operate it. Why are they lying? I do not know. Maybe I am too resentful of it. Maybe you would not be quite so resentful of it. They suggested 2 weeks ago that I had hinted I would withdraw my support. I never made any such statement to anybody and they know it. I happen to know that they went into my district and, because there are provisions in this bill that are supported by the labor union organization here—and I respect them—they went into my district to try to find out whether I was a tool of labor unions. Well, they found out I was not. They found out that I had been opposed in most of my elections by members of the unions, who had every right to oppose me. But I resent, I resent deeply, not only their characterization of me, but their effort to draw this whole House membership, the Congress and the President of the United States into an alleged conspiracy.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, on this whole troublesome problem of transit in the District of Columbia we are confronted with a very practical proposition. I am sure that every Member of this Congress on both sides of the argument and both sides of the aisle is motivated only by one purpose, and that is to get transportation for the people of the District of Columbia at reasonable rates and transportation that will be stable and uninterrupted.

I have to disagree with my friend from Maryland [Mr. Hyde], because I rise in support of the pending bill offered by the Committee on Interstate and Foreign Commerce. It seems to me that in Maryland they are somewhat dependent upon this company for transportation and would prefer a public utility that would perhaps be supported by the District of Columbia or the Federal Government to some extent. I want to say that over on the Virginia side we have 2 private corporations who have been operating for many years, running buses on the Virginia side and into the District of Columbia. We do not have any trouble over there. They seem to be well financed and they seem to be making a profit. They are being run under private industry in which I know all Members of Congress believe.

I think that we should not undertake here to set up a public authority under which Congress is going to supervise the operation, all the details of this public authority; because that is what is going to happen to you. If you set up a public authority and some driver of a bus gets fired, he is going to be up here the next morning to see some of you in order to get back his job. You had better stay out of that kind of a mess.

Confronted as we were with this problem last year when this strike was going on and people were walking to work, Congress did what we thought was best. We did not do it on our own knowledge. We did it because the District Commissioners who had the matter in charge recommended it. They thought they could get a private concern to buy the company. They have been trying ever since. I know that. I have had some experience with the efforts which they have made to get some group of people who could finance this proposition to come in here and buy it. And they have not been able to do so.

In the face of this complicated situation what are we to do about it? We ought to do what we do with our committees. These complicated things we refer to a committee of the Congress. We referred this to a committee of the Congress, not to set up a private concern or to set up the other kind, but to bring us their honest judgment on what was the best thing to do.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Indiana.

Mr. HALLECK. It seems that everyone pretty much is agreed that we do not want a public authority, at least we do not want one permanently. Does the gentleman agree with me that if we ever once set up a public authority we will never get rid of it?

Mr. SMITH of Virginia. You surely will not, and you will have more trouble than you have now.

Mr. Chairman, what did we do about it? When this subject came back up to us this year it was referred to the Committee on Interstate and Foreign Commerce, and they referred it to a subcommittee. That subcommittee was composed of the gentleman from Arkansas [Mr. Harris] on the Democratic side and the gentleman from Minnesota [Mr. O'Hara] on the Republican side, both of whom are Members of long experience with District of Columbia affairs on the District Committee. You could not have gotten a better group of people to handle that subject and advise this House than you did. They have studied it carefully, they have done a lot of work on it, and they have brought it back to us.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman mentioned the name of our colleague the gentleman from Minnesota [Mr. O'Hara] as being one of the members of the committee. As everyone knows, our colleague, Mr. O'Hara, had an attack several weeks ago and he is at home. I had the pleasure of viting with Mr. O'Hara Sunday afternoon, and he asked me to say to this Congress that he was 100 percent for the substitute bill which the committee has worked out and reported for the consideration of this House. I wanted that in the Record, and I thought this was an appropriate place for it.

Mr. SMITH of Virginia. Mr. Chairman, all I urge this Committee to do is this. Let us do the commonsense thing and take the advice of the people who have studied it and in whom we have confidence, and who know more about it than we do as individual Members of the House. Let us pass this bill and send

it over to the Senate. Let us see what they are going to do about it, and at least get it on the way, because if we do not get on the way to do something the people of Washington are going to be walking on the 15th day of August.

Mr. BROYHILL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from Massachusetts a few moments ago made reference to an article that appeared in the last edition of the Evening Star yesterday evening, in which I was quoted as saying on the floor yesterday that it seemed there was a certain conspiracy going on to drive the Capital Transit Co. out of this town.

I want to make perfectly clear right here and now that there was nothing stated by the gentleman from Virginia yesterday which cast any reflections whatsoever on the gentleman from Massachusetts or any other Member of this body.

That statement was made in answer to a question by the gentleman from California [Mr. Hinshaw] and I believe the purport of it, and he can correct me if I am wrong, was that, in my opinion, did it not appear that there was a conspiracy going on to get the Capital Transit Co. out of town. I said indeed it was, in my opinion, and I was referring to the District Commissioners, the Public Utilities Commission, and the union bosses.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Arkansas.

Mr. HARRIS. Our distinguished colleague from Massachusetts seems to be quite concerned about the statement in the paper yesterday afternoon. I of course am not doing this to defend any paper or to take any side one way or the other, but in view of what has been said and what the gentleman has said, I think for the benefit of the membership it might be well to read just what was said in the Record on yesterday:

> Mr. Hinshaw. Mr. Speaker, will the gentleman yield?
>
> Mr. Broyhill. I yield to the gentleman from California.
>
> Mr. Hinshaw. I gather from the statement the gentleman has been making that it would almost appear there had been afoot a conspiracy to cause a revocation of the franchise of the Capital Transit Co.
>
> Mr. Broyhill. That is my opinion. Just as soon as that strike occurred last summer it seemed to be that the action taken by the District Commissioners was to get the Capital Transit Co. out of town, destroy the Capital Transit Co. first, rather than to look for a long-range program for public transit service here in the metropolitan area.

Mr. BROYHILL. I appreciate the gentleman reading from the Record in order to verify what was said. If there is any inference made on my part toward the gentleman from Massachusetts, or any other Member of this body, I want to make it clear right now that it was not so intended. But, I would repeat and reemphasize that it was my opinion yesterday and it is my opinion today that when this strike occurred, it seemed like every action taken on the part of the union, the Public Utilities Commission and the District of Columbia Commissioners were solely to destroy the company and get them out of town rather than to have a peaceful, proper and orderly settlement of the strike.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DINGELL. I wish the gentleman would tell me who those people are who are participating in this conspiracy because, frankly, I would like to join them and do what I can to get the Capital Transit Co. out of this city of Washington and get somebody in who would give decent rides for a decent fare and have some consideration for somebody besides Mr. Wolfson.

Mr. BROYHILL. I believe I have already stated twice who I thought was a part of the conspiracy. Of course, I can add to that several other groups including one of the newspapers here in town, namely, the Washington Post and Times Herald who have been just as anxious as anyone else to get the management of the Capital Transit Co. out of town. Throughout these negotiations last year, and I said this before here on yesterday, the Capital Transit Co. offered the union the same amount that they finally settled after the franchise was revoked. The Capital Transit Co. once before asked for the same fare increase from the Public Utilities Commission which was granted after the franchise was revoked So nothing was accomplished by the revocation of the franchise that could not have been accomplished if there was a willingness on the part of the public officials, including the union, to cooperate before the Congress adjourned last summer. Mention was made of this Public Transit Authority. I have no objections to public authorities as such. There are many authorities operating throughout the Nation which render a very fine service for the people including among them the New York Port Authority. I think a public authority is a proper thing when they can come into operation and operate certain facilities involving the movement of people and goods and give us what private industry has not, cannot and will not provide.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am speaking with reluctance because of my respect for the members of this committee and my great affection for one of the members of the subcommittee, my dear colleague the gentleman from Illinois [Mr. Mack]. I am speaking with a little awe because I am following the great gentleman from Virginia who has told us that always we should follow the advice and counsel of committees, a bit of advice, I am afraid, at times as chairman of the Committee on Rules he himself does not follow too rigidly. But a sense of conscience impels me to speak. I do not like to see a good friend of mine beset by a holdup man with his friends gathering around to counsel that he give up his money because the holdup has a gun. Perhaps if they were friends less scary and with more backbone, they would pounce upon the man with the gun and find that the gun was phony and as harmless as a piece of bologna sausage. That is exactly what we have here. The only excuse given us for passing a bill that strips the people of the District of Columbia as naked as an oak tree in December is that unless we do as we are told there will be no local transportation after August 14. That is what you might call bluffing big at poker. If the committee calls the bluff, and refuses to give the transit company its old franchise back plus everything else visible and grabbable, the bluffer tomorrow will be on his knees begging to be given one more chance to negotiate on an honest basis.

There was a time when pirates tried the bluff on the American people. Is not this a time to remember our reply to that bluff: "Millions for defense, not one cent for tribute."

After all, the House of Representatives of the Congress of the United States has some dignity. I think it has in its makeup a lot of virility and a lot of red blood. I do not want to see it cringing on the floor of this chamber in fear of a man with a phony gun.

I am speaking with such feeling and indignation because I have had a little experience in traction matters, enough at least to know on one reading a franchise that gives everything to the company and leaves the public entirely without the usual franchise protections. We had our traction problems in the city of Chicago. We went through on a large scale what the District is going through on a relatively small scale. We had years of litigation. Then we came up with an authority. In that work, as one of the three traction attorneys for the city of Chicago, I spent 10 of the busiest years of my life. With that experience and some measure of understanding that must have rubbed off, I cannot be silent when I see come before a body of which I am a Member, a proposed piece of legislation that, in my well-considered opinion and with all respect for the sincerity and integrity of the members of the subcommittee, is the most atrocious piece of traction legislation ever presented to any legislative body.

I think back to the days when we had traction scandals in our State legislatures and our city councils; when traction was a great political issue. We had it in Springfield, Ill., in the days of Yerkes, and when members who voted for Yerkes bills did not return to public office. Cleveland had its Johnson, Detroit its Pingree, Chicago its Dunne. Traction was the issue everywhere. Now, I am seeing presented in this bill a pattern of the things of half a century and more ago that aroused our people into a frenzy of indignation and remedial political action.

Have you taken time to read this bill, my colleagues? You do not have to read it as great lawyers. You just have to read it as little fellows with a little commonsense. In every sentence and in every provision there is a give-away and a lack of proper protection to the public interest.

If we were doing this in a city council, in a municipality where they had the power of the electorate—not in a district where the people are chained—the people would drive us from public life. Not one of us would ever again come back to the city council or any other place in the public service or esteem.

Now I am not scolding. I am trying to save the dignity of this body and the future regrets of its Members.. Do you know what will follow in the District of Columbia if you pass this bill? I wish I had the time——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent (at the request of Mr. Yates) Mr. O'Hara of Illinois was granted 5 additional minutes.)

Mr. O'HARA of Illinois. Thanks for the privilege of continuing 5 minutes. Let me make the most of it. Let us get right down to the bill. You will not find a paragraph or a page where there is not something given away that should have been held on to. This is in the nature of a franchise ordinance. It is a contract. What lawyer on this floor would say that in a franchise ordinance you should not bind the other party?

Just listen to this, you lawyers:

> The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia.

Not even a formal written acceptance or a commitment to abide in good faith. A city council elected by and answerable to the people would be most careful and particular to protect the public in what it was getting in exchange for privileges given to one using the public streets for profit. I would think the city council negligent that did not bind with a bond to performance of its obligations one to whom it was giving a valuable franchise.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am sorry; I have not the time. I may say to my dear friend that I found it impossible yesterday to get any time in general debate, and it seemed almost equally difficult for Members who desired to speak in opposition to the bill, so I must decline the suggestion that I surrender my little remaining time to the side that already has enjoyed a generous share of the debate.

Here is the provision in regard to the conversion to bus operation:

> It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts—

Think of it. The economic concepts contained in some report; nothing else binding upon the company. Mr. Chairman, the streetcar is gone; everybody knows that. Streetcars are a liability, not an asset, since it is inevitable they must go, and then the tracks must be removed, the rails and the foundation torn up and the streets repaved. That runs into money. It is the obligation of the company in any municipal franchise I have seen. As I read this bill there is no obligation of any sort upon the company to purchase 1 bus or to remove 1 foot of trackage or repave 1 yard of the streets. New buses? Poppycock. All this bill requires the company to do is to read a report and put in a supply of economic concepts. Imagine the people of Washington riding around in a bus fabricated from concepts. How silly can we get in accepting such words as "general conformity with economic concepts" as legal language binding the beneficiary of our bounty to compliance with some clearly defined obligations?

I wonder also how you are protecting in this careless piece of legislation, how you are protecting the people of Washington from the cost of rebuilding the streets and their repaving. Mind you, the original franchise was drawn years ago before the bus had come into use. There is great expense in the conversion from street cars to buses, yet in this bill I fail to find one word to bind the company and protect the public. Instead we have an essay on economic concept.

Mr. Chairman, we should not be deceived by rainbows of diction. I know everybody is well-intentioned, and giving the subcommittee credit for more wisdom than God ever gave a similar number of men, I am saying to them that I doubt if after 3 or 4 months of study with all their other duties they possibly could have come to an understanding of the very complex matter of mass transportation. Yes, they are coming in here, sincere, honest, earnest, able but, nevertheless, overworked men like all of us in the Congress, and they are saying to us frankly that this is the best deal they can make under circumstances, therefore this must be good legislation; and I am saying to you with 10 years of experience in this field that I think this is the most unworkable and one-sided piece of traction legislation that has ever been presented in a legislative body, and that if you enact it the repercussions from the people of the District when time has proved its character will hit the Congress as a hurricane.

Mr. HARRIS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I fully realize that there are a lot of able and experienced Members of this Congress in various fields. I have learned from experience that regardless of what subject might be brought up you better know something about it if you get involved because somebody else, a Member of the House, will know something about it, too.

I appreciate the fact that my distinguished colleague from Illinois has given you something of the benefit of his long years in traction operations. I have never had any experience in the traction business. My experience has been in the legislative end of it. I do not claim to know how to operate one. I do not know anything about the Chicago situation, but I do think I know the problem here.

Our committee studied the legislative responsibility for a long time. The gentleman from Illinois castigates the bill. As we told you yesterday this bill is the only way by which the people can have transportation on and after August 14 of this year. The gentleman tries then to show you why it is such a bad bill. He refers to the language in the bill which says that the matter shall be referred to the board of the Capital Transit Co. and from them to the stockholders.

The Congress a year ago revoked the franchise of the Capital Transit Co. The gentleman, with his long years of experience, I am sure, must understand there is no way you can get the Capital Transit Co. back into business except by approval of the stockholders of that company. He says that is bad legislation. He must either be trying to be facetious or has no conception of the facts. I respect his sincerity, but I am sure it is for a different reason.

Then he refers to just one other matter in the bill which he says makes it bad legislation also. He referred to the changeover from streetcars to buses. The District Commissioners have insisted that there be an all-bus system. You have heard the members of the committee who sat days and days and heard the testimony say that it is not possible to have transportation in the District of Columbia and provide service with the limited time we have by using buses and buses only. There are not sufficient buses owned by the Capital Transit Co. to furnish such a service. General Motors and the Mack Co., the only bus producers in the Nation, say they cannot supply any new buses.

There is only one other alternative and that is to utilize what streetcar operations we have until there can be a realistic and practical changeover to an all-bus system. We provide that in this bill. We say it shall be done under the economic justification and according to the report of W. G. Gilman Co., one of the most outstanding consultants in this field in the United States.

Mr. Chairman, is this committee to accept a statement from Members who have heard none of the testimony, who are not and cannot be familiar with this program except maybe because of some experience they have had somewhere else, or are we going to take the word of an experienced consulting firm that came here and made a survey over weeks and weeks of the transportation problems of the District of Columbia?

Those are the only two items the gentleman from Illinois [Mr. O'Hara] cites as specific examples that this is such bad legislation. The fact is he does not even touch the major principles involved, yet he is so sure it is bad because of his familiarity with a public transit authority in Chicago.

Now, what is all this about? I am just putting it up to you. It does not mean anything in the world to me. And, we have got a choice, as we in the committee had. We have got the choice of using the buses and streetcars that are now available, or else we will not have transportation service when the franchise is up August 14.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Does not the gentleman think that from now on the transit system is going to be an

uneconomic proposition and that it must be subsidized in order for this company or any other company to operate?

Mr. HARRIS. Let me answer the gentleman. Everyone who knows anything about the transit business in the country will say that it is a dying industry.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. PRIEST. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas [Mr. Harris] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HARRIS. That is the reason the committee accepted the recommendation of the District Commissioners and the Public Utilities Commission in granting concessions, and that is the reason we did it in this bill, because they were willing to give it to any other private operator to come in, and we feel, under good management, that the operation of such a system with the present equipment here and gradual change-over to the bus system is the way that it can be done and provide the best service for the people of the District of Columbia. As I said to you, we have got to decide whether or not we are going to use the existing equipment, or we are going to provide no transportation August 14.

I agree with the gentleman from Indiana and the gentleman from Virginia that once you set up a public authority you have got it from here on out; you cannot get rid of it. The testimony is that it will not cost you $20 million, but it will be, as it has been in Cleveland and Chicago, enormous; it is going to cost you many, many more millions of dollars to provide that service. It is just a question of what we are going to do, assume the responsibility or are we going to say to the people of the District of Columbia that the Congress is not going to permit you to have transportation. That is the question we have here today.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. HALLECK. First of all I want to commend the gentleman and the members of his committee for the fine work that they have done on this very troublesome matter, and I would just like to comment for myself that I think we have had a very good attendance here in the Committee of the Whole.

Mr. HARRIS. I think it has been splendid, I will say to the gentleman.

Mr. HALLECK. I think the gentleman puts his finger on it when he says that if we do not pass this bill there will be no transportation in the District of Columbia on August 14.

Mr. HARRIS. And the Congress is going to be gone then, too.

Mr. HALLECK. Is it not also true that the committee bill is really a substitute for the bill from the other body, so that the whole matter will finally be adjusted in conference?

Mr. HARRIS. I want to comment on that.

Mr. HALLECK. And if this bill were to be recommitted at this time, we certainly would be destroying or avoiding the very objective that we want to attain.

Mr. HARRIS. Certainly.

Let me just say this to you. I know you are realistic and practical thinking people here. Now, there are just two things in here that are bothering us. One is Mr. Wolfson. Now, that is a fact. But, have you ever thought about the fact that the Wolfson group owns only 31 percent of this company? Have you ever thought about the fact that there are 2,400 other good American citizens who own stock in Capital Transit Co.? Have you ever thought about the fact that there are 1,100 good American citizens right here in the District and in the surrounding metropolitan area who own 200,000 shares in Capital Transit Co.? Are you, because of enmity against one man or one little group, going to say, "We are going to throw the other 2,400 people, good American citizens, who have invested their money in it, to the wolves"? Now, is that what we are going to do here? Here is what we are trying to do. You have read the newspapers. You have read the record. We have a program under way which includes the admission of Mr. Wolfson that he will gladly sell out to some responsible people. Mr. Dan Bell has said that—

> If you will give us something in the nature of this bill we will redouble our efforts and we can move fast.

That is one of the problems.

Here is another problem; and if it were not for that one we would not be having all this controversy here. That is, the labor people say there is no provision in here for labor. The gentleman from Indiana [Mr. Halleck] said a moment ago that this bill is going to have to be written in conference. Let us send it on to conference. There is a provision in the Senate public authority bill referring to labor, which has to do with a voluntary method of arbitration. They said that would meet their desire. Let us send it to conference and I can virtually assure the Members of this body that so far as I am concerned that bill can be worked out to their full satisfaction.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

(By unanimous consent (at the request of Mr. Heselton), Mr. Harris was given permission to proceed for 2 minutes additional.)

Mr. HESELTON. Mr. Chairman, will the gentleman yield to me?

Mr. HARRIS. I yield to my colleague from Massachusetts.

Mr. HESELTON. The gentleman mentioned a number of stockholders who would be affected, something like 3,000——

Mr. HARRIS. 2,400.

Mr. HESELTON. Does the gentleman think that if those 2,400 stockholders got the same dividends and the same stock split and the same advantages that the Wolfson group got, of 339 percent in the last 9 years, that they are going to suffer very much?

Mr. HARRIS. Of course, the gentleman has his own figures so far as 339 percent is concerned.

Mr. HESELTON. I take them from the public record.

Mr. HARRIS. All stockholders got the same dividends over the years. That has happened since 1933. But from a realistic standpoint let me say this: There are only two major questions causing this controversy. Let us try to work them out so that we may assume a responsibility here to our people, the people of the District of Columbia. If you send this bill back to the committee, it will be weeks and weeks, if ever, before we will be able to get out another bill. This subcommittee said, 100 percent of them, that they were opposed to a public authority except as a last resort. There is no time to set up a public authority. Where are they going to get the management if the District Commissioners were given this authority? If what they have done in the last year is any criterion, God help the people of the District of Columbia with a public authority.

That is what I have to say about it. We are just asking the Members to give us a chance, and I believe we can work this out and assume a responsibility in keeping with what the gentleman from Massachusetts said he believed in, and the gentleman from Ohio said he believed in; and that is a private-enterprise operation. If they believe in that, let them join with us and give us the opportunity to work this out.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, I thought I had completed my remarks on this proposed legislation, but I rise to say to you that in 38 years of legislative experience this is one of the most peculiar activities, here on the floor, that I have ever seen. We have seen the very people, here in the well of the House, who last August were imploring us to take away this Capital Transit franchise, today asking us to now reinstate it in a much more beneficial form than it was originally; reinstate it with provisions that will give the Capital Transit Co. $500,000 a year in tax exemptions, and many other benefits; and will put the Capital Transit Co. in a position where, if anybody else, if any other private group, wants to run a transit system in the District, the only way they could do so would be to buy out the Wolfson interests. If I understand figures correctly on the balance sheets, the present operating group has already taken 337 percent in profits, or in cuts or capital return, whatever you want to call it, on their original investment, and now they propose to sell the transit operation. If they get this bill through, they can sell it, because anybody who wants to operate here has to buy from them once they again hold the franchise. They say they will sell for a fair and reasonable price, $20 million, I understand. What was the original investment, anyhow, in this Transit Co.? If they sell for $20 million, they will declare another 337 percent in profits, or in capital gains.

Let me say this to you: Remember, if this present franchise is permitted to expire, the company will be required to take up its tracks and repair the streets of the District at an estimated cost of $5 million. Where would they sell their streetcars if this franchise expires, unless they sell them to some new company which might be formed to take a new franchise here in the District of Columbia? They would undoubtedly have to sell those streetcars for scrap, because streetcars are not selling today, and you cannot tell me anybody would buy them except for scrap.

If you enact this legislation, what you are doing is forcing the Bell interests—and they are stable, substantial, local financial interests—to pay the present operating group of Capital Transit the amount they want in order to get the right to operate a transit system here in the District. They will have to buy the franchise, not just the equipment, from the Wolfson interests. Remember that. All you are doing is playing into the hands of those very people who made suckers out of us before. I have no criticism of them. They are looking after their own interests and the interests of their stockholders. They are not to be blamed for that. But you and I as the councilmen for the District of Columbia and as the keepers of the Treasury keys, have a responsibility in this matter and we ought to see to it that this bill goes back to the committee. I am against any kind of public authority; I do not believe in public ownership of these operating agencies, but this bill ought to go back to the great Committee on Interstate and Foreign Commerce for further study so as to give an opportunity for Mr. Bell and his group and Mr. Wolfson and his group to get together, not on what Mr. Wolfson may describe as a fair and reasonable price of $20 million, if that is correct, and it may be correct, but on an honest, decent basis for a new operating group to buy out the old company.

Remember, the Congress gave this franchise in the first place and took it away. We can vote a new franchise tomorrow, next week, or the 1st of June, effective on August 15, 1 minute after midnight, after the present franchise expires, and it will be just as effective as this present franchise, although the present interests would not own the franchise. It would go to whomever the Commissioners of the District of Columbia or the Congress might select.

Mr. DOLLIVER. Mr. Chairman, I move to strike out the last two words.

Mr. HARRIS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. DOLLIVER. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that, following the time of the gentleman from Iowa, debate on all amendments to this section close.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. DOLLIVER. Mr. Chairman, I have been both elated and disheartened by the discussion that has been going on on this floor on this subject for the last 2 days: Elated because we are getting a vigorous debate on a very important subject, and disheartened because some of my colleagues do not seem to recognize the real issue that is here.

We have heard Mr. Wolfson berated and condemned from beginning to end by the opponents of this measure. With that I can have no particular quarrel.

But, Mr. Chairman, that is not the real issue here. You can go off into that bypath and explore it and find it is a dead end. It does not give you a transit system. We are confronted with a cold, hard proposition here of whether we are going to have any public transit in the District of Columbia after August 14.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman for a question only.

Mr. BROWN of Ohio. Did not the Congress of the United States let the District of Columbia go without any public transportation for some 57 or 67 days last summer and adjourn without taking any action except canceling the franchise?

Mr. DOLLIVER. My recollection of that unhappy episode in the history of the District of Columbia is that after that drastic action was taken by the Congress, then the District Commissioners and the Public Utilities Commission made concessions by way of tax exemptions and fare increases to the point where the strike could be settled.

The real issue is whether we are going to have transit in this town after August 14. If you want to take the responsibility as Members of this House to vote to recommit this bill with the inevitable legislative difficulties that will arise under such circumstances; if you want to delay a conference report after a recommital; if you want to depend on these negotiations which are now supposed to be taking place, and which I believe are taking place, between the Wolfson and the Bell interests, of which I personally know nothing; if you want to take that responsibility and say to the people who work in the departments of this Government and in the businesses of this city that after August 14 they are going to have to depend on shoe leather and the convenience of the neighbors for car transportation—that is your responsibility.

For my part, and I have studied this to the best of my ability over these weeks that we had these hearings, and as I said yesterday I attended all of them, both public and executive hearings, the only answer at this time is to vote for the substitute bill which was presented by your Committee on Interstate and Foreign Commerce.

To be sure, as was pointed out by one of the previous speakers, this whole transit industry has been called a sick industry. Perhaps, indeed, it is because in many of our great cities they have had to come to some kind of transit authority. But here we are confronted with a proposition that we can keep a private enterprise in operation and I think we ought to do it.

There is another factor in this situation which has not been dwelt upon to any great extent. Suppose we do get this thing balled up worse than it is now and we have no transit after August 14? There are several hundred employees of this company who are going to be out of work—not because of a strike for higher wages, but because this Congress will have acted irresponsibly and will have put them out of a job. I do not want to accept the responsibility for that. Of course, there are going to be some conflicts of interests between the employees through their union and the operators and managers of this company. That happens in every kind of industrial employment situation. But, we will have to meet that when we come to it. I earnestly and honestly urge you to vote for the committee bill.

Mr. PRIEST. Mr. Chairman, I renew my request that the remainder of the committee substitute be considered as read and printed in the Record at this point and open for amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The balance of the substitute amendment is as follows:

ESTABLISHMENT OF RATES; SYSTEM RATE BASE; RATE OF RETURN; SERVICES

Sec. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plan, and equipment subsequent to July 31, 1955; plus the sum of $1,000,000 for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ per centum on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

EXEMPTION FROM GROSS RECEIPTS TAX; CONTINUED EXEMPTION FROM MILEAGE AND CERTAIN OTHER TAXES

Sec. 3. (a) As of June 30, 1956, paragraph No. 5 of section 6 of the act entitled "An act making appropriations to provide for the expense of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph No. 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: "*Provided*, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-602 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

MOTOR-VEHICLE FUEL TAXES

Sec. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor-vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, chapter 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceed or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½-percent rate of return on the Capital Transit Co's. system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½-percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

SNOW REMOVAL

Sec. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7-614), is hereby repealed.

CONVERSION TO BUS OPERATIONS

Sec. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

EVIDENCES OF INDEBTEDNESS

Sec. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

NOTIFICATION OF ACCEPTANCE BY THE CAPITAL TRANSIT CO.; EFFECTIVE DATE OF THE FOREGOING PROVISIONS

Sec. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

Amend the title so as to read: "A bill to make provision for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I certainly do not intend to prolong this debate any further. I did not offer any objection to the request which was made in good faith in order to get us to the point where we can vote; and we must vote.

The gentleman from Ohio [Mr. Brown] made some very pertinent comments. I did not want to interrupt him, although I felt it might have been material at one point to read to you a telegram, to those of you who have been patient enough to sit here—and I do not think the attendance has been anything significant or remarkable during this debate this afternoon, even though my friend from Indiana [Mr. HALLECK] disagrees with me. But I would like to read this telegram, because I would like to have you, who have been so patient to go through with this debate on this city council matter hear it—and this should have been handled by a city council and not by the Congress of the United States, confronted with vital and important problems, in which their constituents are vitally interested. I do not minimize the interest of the people of Washington in this problem, but I think a city council would have handled all that we have gone through, much more quickly, better and at less expense to the general taxpayers all over this country.

The telegram reads:

> The Washington taxicab industry opposes the proposed District of Columbia gasoline tax exemption incorporated in the Capital Transit franchise restoration measure. As you know, Capital Transit also will be exempted from paying the increased gasoline tax provided in the Highway Revenue Act. We passed that bill recently. We feel that, if any one public utility is given relief from paying the District of Columbia gasoline tax, all other public utilities should be exempted.
>
> ERWIN DOLLAR,
> *Executive Vice President, Associated Taxicab Operators, Inc.*

Now, you and I probably do not ride the streetcars a great deal. The gentleman from Mississippi [Mr. WILLIAMS] says he does not ride them at all, for obvious reasons, Be that as it may, we probably do not even get on the buses, but we do use taxicabs and use them frequently, and so do a lot of people in this city. They are a vital part of District transportation. What are you going to do if you pass this bill? You are going to open a Pandora's box this afternoon, and you will never be able to close it. There are other people coming in here with perfectly legitimate claims. If you exempt one segment of the public utilities, you can expect to be asked to exempt segment after segment of the utilities, and most of them will not be able to say, "We have earned 333 percent."

Mr. YATES. Will the gentleman yield?

Mr. HESELTON. I yield.

Mr. YATES. The gentleman has stated that the company will have an exemption from paying the motor fuel tax. In the section mentioned on page 62, in spite of the fact that they are to be exempted from paying such taxes, in fixing the operating expenses that are to be paid in determination of the rates to be charged by this company, the company is to be given allowance on the amount of gasoline it has purchased as though it had paid that tax.

Mr. HESELTON. I think the gentleman is right, but please excuse me from analyzing the bill. I think it is terrible.

There has been some suggestion that somebody is going too far when they criticize the Wolfson group. I know most of you did not have an opportunity to read my minority report, but let me quote something in it which appeared in the Washington Star of March 28, 1954. So far as I know, Mr. Wolfson never denied it. He is quoted as saying:

> I have the responsibility to see that the stockholders of the Capital Transit Co. get a fair return. If there is no fair return, then I will have to take other action to protect their interests. If necessary, I will even go so far as to liquidate the company. I will protect the stockholders within the limits of the law, in spite of anything, including Congress and the Public Utilities Commission.

That shows what Mr. Wolfson's attitude was on March 28, 1954.

Now look at the letter Mr. Wolfson sent to my good friend, the chairman of the subcommittee. I think this is an insulting letter; I think it should be resented by our committee, because in this letter dated May 11 he wrote:

> As you know, the board of directors of the Capital Transit Co. has stated they are willing to recommend to the stockholders of the Capital Transit Co. return to business if the House passes the franchise restoration bill worked up—

By whom?—

> by your committee and the company representatives.

I do not believe the company representatives dictated to my colleagues on the committee, but Mr. Wolfson wrote that and it is in the CONGRESSIONAL RECORD.

I am not going to back down on what I did last August. The franchise was canceled, and it deserves to remain canceled.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the pending bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MACK of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. HESELTON. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. MACK of Illinois. Yes.

Mr. HESELTON. Would it be in order for me to offer a substitute during the period when the debate is open for those who have been standing?

The CHAIRMAN. Yes; you have that opportunity.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Chairman, if the gentleman will yield, I would like to ask the majority leader, the gentleman from Massachusetts [Mr. McCORMACK] if he will inform us as to the program for next week.

Mr. McCORMACK. I will be happy to.

On Monday we will take up the Consent and Private Calendars. There will be two suspensions if they do not pass by unanimous consent. One is H. R. 11124, annuities for widows and children of Federal judges, and S. J. Res. 607, to continue the tin smelter in Texas. Following that we will take up H. R. 9052, the Export Control Act.

Tuesday, Wednesday, Thursday, and Friday:

Public works appropriation bill for 1957 will come up on Tuesday. If the extension of the Mutual Security Act of 1956 bill is reported out of committee and a rule is reported out, it may be brought up after the public works appropriation bill. You notice I have a qualification there. Whether or not it will be depends on the ability of the Committee on Foreign Affairs to report the bill out and get a rule in time.

H. R. 9852, to extend the Defense Production Act.

H. R. 10542, a bill out of the Committee on Veterans' Affairs relating to widows of veterans eligibility for benefits.

That is with the usual reservation that conference reports may be brought up at any time, and any other program will be announced later.

Mr. ARENDS. I thank the gentleman.

Mr. MACK of Illinois. Mr. Chairman, I am taking this time to raise my voice in opposition to the comments made here by two of my colleagues from Illinois. I highly respect both of my colleagues. I know that they are both very able attorneys with many, many years of experience. I know also that they are both dedicated to the public transit authority in Chicago, Ill. Mr. Chairman, I have the feeling that some of my very highly respected colleagues from the State of Illinois feel that this vote this afternoon is a vote for or against the transit authority in the city of Chicago. If that were the case they would have my support but nothing could be any further from the truth. We are voting on a transit bill, a transportation bill, for the District of Columbia. So let us not interject Chicago affairs into the picture when we are discussing the business affairs of the District of Columbia. The situation is completely different. This pertains to the Capital Transit Co., and whether or not the Congress wants to use an authority to seize their rolling stock as well as their real estate and other assets. I say that if the Congress or if the Government wanted to seize the Capital Transit Co., they should have seized it last year when we had an emergency here and not be seizing the company now when everything is running smoothly. Personally, I can see nothing too objectionable about public authorities. In fact, if an authority can be established in orderly form, I would support it. They have public authorities doing a good job in New York, Cleveland, Boston, Chicago, and many other cities. I am not criticizing authorities but I am vehemently opposed to government seizure of private industry. The opponents of this bill would want us to use a public authority for this purpose.

That is the question today. If you pass a public authority bill, there is no way in the world you can acquire buses, streetcars, or anything else, unless you get them from the Capital Transit Co. and the Capital Transit Co. is not just about to sell that equipment to a public authority here in the District of Columbia.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to my colleague from Illinois.

Mr. YATES. I wanted to clear up one point. The gentleman made a reference to what my attitude may be. I thought I was talking to the bill that was before

us. I had no intention at all of talking about the Chicago Transit Authority. The question in my mind is whether or not the franchise should be given to the Wolfsons in view of the concessions that are made. In my opinion, there are too many concessions that are provided in this bill.

Mr. MACK of Illinois. I appreciate the gentleman's statement. What we are doing is reinstating the franchise that we have had here for perhaps 50 years; at least 25 years. We have liberalized the franchise somewhat. If some of the Members want to argue about the liberalization of the franchise or the concessions that we are making, they can offer an amendment to eliminate some of those concessions.

This is a good bill and is the only sound solution to the problem confronting us. It is going to extend the present franchise. We do not want to get into a situation where we have to seize private property here in the District of Columbia, and that is what we would be doing if we followed the suggestion of the opponents of this legislation.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman.

Mr. FLYNT. Is it not absolutely correct that every concession contained in this bill now before the Committee for consideration was recommended, not by the committee, but by the Public Utilities Commissioners and by the District Commissioners of the District of Columbia?

Mr. MACK of Illinois. That is correct.

Mr. HESELTON. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

> Substitute amendment offered by Mr. HESELTON to the committee amendment——

Mr. HESELTON. Mr. Chairman, the substitute has been fully explained and is of record. I do not think there is any doubt about what it is.

Mr. FRIEST. Mr. Chairman, I want to reserve a point of order against the substitute amendment. I do not want to deny the gentleman the opportunity to make his speech, but I reserve a point of order against the amendment.

Mr. HESELTON. Mr. Chairman, I do not want to make an explanation of it. It is in the RECORD. It provides an interim authority.

Therefore, I ask unanimous consent that the bill which I am offering, which is a long one, be considered as read and that we have a ruling of the Chair as to its propriety.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. HARRIS. Mr. Chairman, reserving the right to object, may I inquire of the gentleman who is proposing the substitute if this is the same bill which passed the other body, which provides for a public authority, with a so-called interim arrangement?

Mr. HESELTON. With this exception. This is identically the same bill; I have admitted it before, but I had to choose it as the only alternative. I could not devise amendments to the committee substitute to satisfy me. It is the bill as reported by the Senate committee. There are, however, in the Senate version 3 or 4 amendments which I have not offered because I know the substitute is not admissible from the parliamentary angle.

Mr. HARRIS. It is a public-authority approach to the problem?

Mr. HESELTON. It is an interim public-authority approach.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The amendment is as follows:

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

SEC. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprise without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definition

SEC. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

Sec. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

Sec. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

Sec. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority," which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the 15th day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and a vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of Authority

Sec. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof or from any agency, instrumentality, board, commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

Sec. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits, papers, documents and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer, or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) In exercising the aforesaid powers to acquire a transportation system the Authority is hereby authorized to acquire the capital stock of the corporation owning such transportation system and the Board and the officers and agents of the Authority are hereby authorized to act as the officers and board of directors thereof for the purpose of transferring the property and assets of such corporation to the Authority and for the purpose of liquidating the liabilities thereof and dissolving the same.

(c) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of passengers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

Sec. 204. (a) Subject to and in accordance with the procedures, conditions, limitations and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal or public utility primarily operating or engaged in teminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in the transportation or terminal business of such railroad, terminal or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the Authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the chairman or vice chairman of the Board declaring that such real or personal property or any interest therein, descibed in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said propery taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so desposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

Control and use of public ways

Sec. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities or appliances in, upon, under, over, across, or along the public roads, streets, or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities, and appliances. The cost of the required removal or relocation of such public utility structures, facilities, and appliances shall be paid by the Authority: *Provided*, That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities, or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails or refuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway, or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across, or along any such public road, street, highway, or other public way.

Equipment trust certificates

Sec. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses, and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases, and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgment of deeds and in the form required for acknowledgment of deeds and such agreements leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions, and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

Sec. 207. (a) The Authority, including but not limited to its franchise, reserve, surplus, loans, income, assets, and property of any kind and nature, shall be exempt from all taxes, special assessments, fees, and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, ch. 3, D. C. Code, 1951 edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided*, That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality, or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities, and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

Sec. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided*, That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant tc section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

Sec. 209. (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings, and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other department, division, commission, board, bureau, agency, or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

Sec. 210. (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance, and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance, or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights, subject to all rights and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective-bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment of rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105); as amended:

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) (1) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition) is amended by inserting immediately before the semicolon at the end thereof the following: ": *And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this act shall be deemed to be a covered employer."

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

Sec. 211. (a) The Authority shall file with the Congress annually, within 6 months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within 6 months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

Sec. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within 6 months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on an appeal whatever.

Vehicle regulations

Sec. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of Authority property

Sec. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify, and enforce all such usual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort and quiet of passengers, and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the municipal court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation was committed. Prosecutions for violation of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

Sec. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees, and representatives of existing transportation companies within the Washington metropolitan area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the metropolitan police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

Sec. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington Metropolitan Area without securing any further franchises, rights, or permits under any other law or laws of the

United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Co. at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized, at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20 million, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to Title II of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia by reason of advances made to the Authority pursuant to section 217 of this act.

Franchise

SEC. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

SEC. 303. The Commissioners of the District of Columbia are hereby empowered to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of authority

SEC. 304. In the event the Authority effectuates the sale of its property as authorized by this title, the existence of the Authority as a body corporate shall continue only for the purposes of liquidation. The Authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

SEC. 305. If the Authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the Board of Directors of the Authority shall within 15 days after such date report to Congress as to steps which the Authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

SEC. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959, be perpetual, and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the Board of Directors of the Authority shall consist of five members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as three of the appointed members of the Board of Directors shall have qualified, the Commissioners shall constitute such Board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the Board shall belong to the same political party. The members of the first Board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any Director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning the first day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such Director shall hold office until his successor has been appointed and has qualified. Each such Director shall receive compensation, as may be fixed by the Board, for attendance at each meeting of the Board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the dischage of his duties. No Director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition).

(2) The members of the Board of Directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C. secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents, or employees such power or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions, or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

SEC. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending, or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement, or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption with or without premiums, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the chairman or vice chairman of the Board or by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the chairman or vice chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee or trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

SEC. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment or redemption of bonds, reserves or other purposes and to covenant as to the use, investment and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holderr of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition, or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers, and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without obtaining the consent of any department, division, commission, board, bureau, agency, or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or in any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

Sec. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of Authority only

Sec. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision or of municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal of or interest on such bonds. Nothing in this act contained shall be construed to authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

Sec. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend or improve, maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

Sec. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

Sec. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

Mr. PRIEST. Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Massachusetts [Mr. Heselton] is not germane to the committee substitute.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. HESELTON. Only to say that I have the highest regard and respect, as we all have, for our Parliamentarian, who told me that I cannot offer it, and therefore I concede the point of order.

The CHAIRMAN. The point of order is sustained.

The Chair recognizes the gentleman from Illinois [Mr. O'Hara] for 2½ minutes.

Mr. O'HARA of Illinois. Mr. Chairman, there is not anything that can be picked out of a pocket that is overlooked in this bill. I notice that they did not even overlook the matter of snow removal. That is small change compared with the grab of tax immunity. But suddenly on the District the cost of snow

removal previously required of the company was something else to be grabbed, and grabbed it is.

What about fares? This bill gives the company the right to increase them at any time and in any amount merely by giving 10 days advanced notice.

Of course, there is provision for a review, but this is not written in the language and manner usual when the thought is to place the public interest in priority. The clear import of the provision in this bill is to minimize the chance of the increased fares being upset.

There never was a traction ordinance or piece of traction legislation of which I have heard to compare with this. In any city where the people have the right of suffrage they have a chance of righting things or at least of making their reactions felt. The advocates of this bill now rest their case mainly on one argument. They are afraid the company will stop running its cars on the 15th of August. That is the last thing in the world the company will do. It will be down on its knees the very moment we do not give it an extension. It will come begging and say, "What will you give us. Please, let us run our cars a little longer until we can work out something." Let us look to ordinary commonsense and not fear for guidance. We are grown men and women.

Mr. MURRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to my able colleague from Chicago.

Mr. MURRAY of Illinois. Is it not a fact that after giving them that franchise we in effect subsidize them also?

Mr. O'HARA of Illinois. Certainly. The gentleman from Illinois is absolutely right. He hits the matter exactly on the head. The Congress ended the company's franchise because of its derelictions that had brought local transportation to a sorry mess. Now the same company is demanding that the Congress accept the guilt for the company's derelictions and pay it a subsidy running into countless thousands. In effect, the company demands its ransom.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. Bailey].

Mr. BAILEY. Mr. Chairman, yesterday I made the statement that I had no intention of voting to leave the job security and the economic security of several thousand employees of the traction company in the hands of a bunch of economic wolves. I have not changed my opinion. After listening to the distinguished gentleman from Chicago [Mr. O'Hara], I am more convinced that we should vote to recommit this bill.

I have no explanation to offer as to how we might settle it. I would hate to acknowledge publicly by voting for this bill that we have made the mistakes the gentleman said we made last year when we passed the original bill.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Georgia.

Mr. LANHAM. Is there anything in this bill that would guarantee we would not have a strike within 30 days after August 14?

Mr. BAILEY. No. You are certain to have one. There is no collective bargaining, there is no arbitration, there is no fact-finding board, so you are facing that situation.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Hinshaw] to close debate.

Mr. HINSHAW. Mr. Chairman, this has been a very pleasant debate, I am sure. All present have enjoyed themselves immensely. May I point out that the committee that actually heard the testimony, that actually sat and listened for days and days and weeks, and sat in executive session, turned out to be unanimous in favor of the bill that is being presented to you, yet a number of those who did not hear the testimony on the bill have other ideas. It is a question of whether you are willing to rely on your committee and what it has come up with or whether you rely on somebody else.

Mr. MACK of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MACK of Illinois. If the gentleman will permit me, I would like to reply to the gentleman from West Virginia [Mr. Bailey]. Concerning the labor provisions, the labor provisions in this bill are the same that we have had in the bill since 1933 and, if he thinks it is not sound labor legislation and that it is discriminating against labor, I would think he would have offered an amendment during the length of time that the gentleman has been here.

Mr. HINSHAW. I thank the gentleman. That could have been done.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. HARRIS. I would like to give the Members the benefit of this information. It has been suggested that this bill be sent back to the committee to explore the idea that has been put forward by Mr. Bell. Mr. Bell's letter which was received a day or two ago said:

> I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.
>
> * * * * *
>
> I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation, I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

Mr. Bell says that they must have this legislation if he is to be permitted to proceed with what he proposes.

Mr. HINSHAW. Mr. Chairman, in the limited time of 2½ minutes it is impossible for me to yield further. I am simply going to say that nothing can be sold to Mr. Bell if the franchise is not reinstated. This bill, in effect, reinstates it, and that is that. If the franchise is not continued, then there is nothing to sell except the assets of the company. It is ridiculous to think otherwise. Any Member on this floor who wanted to offer an amendment to the bill, which would strike out those portions that were objectionable to them, had the right to do so. The provisions are clearly stated in the bill. Nobody offered such an amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the Committee amendment.

The Committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Kelley of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, pursuant to House Resolution 489, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

Mr. HESELTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HESELTON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Heselton moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. PRIEST. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. Brown of Ohio), there were—ayes 90, noes 90.

Mr. BROWN of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point or order that a quorum is not present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors and the Sergeant at Arms will notify absent Members and the Clerk will call the roll.

The question was taken; and there were—yeas 161, nays 172, answered "present" 2, not voting 98, as follows:

[Roll No. 50]

YEAS—161

Addonizio
Ashley
Aspinall
Auchincloss
Ayres
Bailey
Baker
Baldwin
Bass, N. H.

Bates
Baumhart
Bennett, Fla.
Bennett, Mich.
Betts
Blatnik
Boggs
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bow
Boyle
Brown, Ohio
Burdick
Burnside
Byrne, Pa.
Canfield
Carnahan
Carrigg
Chelf
Christopher
Chudoff
Church
Corbett
Cretella
Dawson, Ill.
Dawson, Utah
Delaney
Denton
Devereux
Diggs
Dingell
Dodd
Dollinger
Donohue
Dorn, N. Y.
Doyle
Elliott
Engle
Fallon
Fino
Forand
Ford
Frelinghuysen
Friedel
Fulton
Garmatz
Gavin
Gordon
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Hagen
Hand
Hayworth
Healey
Henderson
Heselton
Hess
Holifield
Holland
Holmes
Holtzman
Hope
Hosmer
Huddleston
Hyde
Johansen
Johnson, Wis.
Karsten
Kearney
Keating
Kee
Kelley, Pa.
Kelly, N. Y.
Kilburn
King, Calif.
King, Pa.
Klein
Kluczynski
Knox
Knutson
Lanham
Lesinski
McCarthy
McConnell
McCulloch
McDonough
McVey
Macdonald
Machowicz
Madden
Magnuson
Mailliard
Marshall
Meader
Metcalf
Minshall
Morano
Morgan
Moss
Multer
Murray, Ill.
Murray, Tenn.
Natcher
O'Brien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
O'Neill
Ostertag
Patterson
Pfost
Philbin
Phillips
Polk
Price
Prouty
Quigley
Rains
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rodino
Rogers, Colo.
Rooney
Sadlak
Scott
Seely-Brown
Shelley
Sieminski
Sisk
Spence
Staggers
Sullivan
Taber
Thompson, Mich.
Thompson, N. J.
Udall
Vanik
Van Zandt
Vorys
Westland
Widnall
Wier
Williams, N. J.
Wolcott
Yates
Younger
Zablocki
Zelenko

NAYS—172

Abbitt
Abernethy
Adair
Albert
Allen, Ill.
Andresen, August H.
Andrews
Arends
Ashmore
Avery
Bass, Tenn.
Becker
Belcher
Bell
Bentley
Berry
Blitch
Bosch
Boykin
Bray
Brooks, Tex.
Brown, Ga.
Brownson
Broyhill
Budge
Burleson
Bush
Byrnes, Wis.
Cannon
Chase
Chenoweth
Chiperfield
Clark
Clevenger
Colmer
Coon
Cooper
Coudert
Cramer
Crumpacker
Cunningham
Curtis, Mass.
Curtis, Mo.
Dague
Davis, Wis.
Dempsey
Derounian
Dies
Dixon
Dolliver
Dorn, S. C.
Dowdy
Evins
Fascell
Fenton
Fernandez
Fisher
Fjare
Flynt
Forrester
Frazier
Gary
Gathings
Gentry
George
Grant
Gubser
Hale
Haley
Halleck
Harden
Hardy
Harris
Harrison, Va.
Harvey
Hays, Ark.
Hébert
Herlong
Hiestand
Hill
Hillings
Hinshaw
Hoeven
Horan
Hull
Ikard
Jackson
Jarman
Jenkins
Jennings
Jensen
Jonas
Jones, Ala.
Jones, Mo.
Judd
Kean
Kilday
Kilgore
Krueger
Laird
Landrum
Latham
LeCompte
Lipscomb
Lovre
McIntire
McMillan
Mack, Ill.
Mack, Wash.
Mahon
Martin
Matthews
Merrow
Miller, Md.
Miller, Nebr.
Mills
Mumma
Nicholson
Norblad
Norrell
O'Konski
Osmers
Passman
Pelly
Pilcher
Poage
Poff
Preston
Priest
Ray
Reece, Tenn.
Rees, Kans.
Richards
Riehlman
Roberts
Robeson, Va.
Robsion, Ky.
Rogers, Fla.
Rutherford
Schenck
Scherer
Selden
Sikes
Siler
Simpson, Ill.
Simpson, Pa.
Smith, Kans.
Smith, Miss.
Smith, Va.
Smith, Wis.
Springer
Talle
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, Tex.
Thomson, Wyo.
Trimble
Tuck
Van Pelt
Vinson
Vursell
Weaver
Wharton
Whitten
Wigglesworth
Williams, N. Y.
Withrow
Wolverton
Wright
Young

ANSWERED "PRESENT"—2

Edmondson
McCormack

NOT VOTING—98

Alexander
Alger
Allen, Calif.
Andersen, H. Carl
Anfuso
Barden
Barrett
Beamer
Bolling
Bonner
Bowler
Brooks, La.
Buckley
Byrd
Carlyle
Cederberg
Celler
Chatham
Cole
Cooley
Davidson
Davis, Ga.
Davis, Tenn.
Deane
Dondero
Donovan
Durham
Eberharter
Ellsworth
Feighan
Flood
Fogarty
Fountain
Gamble
Granahan
Gregory
Gwinn
Harrison, Nebr.
Hays, Ohio
Hoffman, Ill.
Hoffman, Mich.
Holt
James
Johnson, Calif.
Jones, N. C.
Kearns
Keogh
Kirwan
Lane
Lankford
Long
McDowell
McGregor
Mason
Miller, Calif.
Miller, N. Y.
Mollohan
Morrison
Moulder
Nelson
O'Hara, Minn.
Patman
Perkins
Pillion
Powell
Rabaut
Radwan
Reed, N. Y.
Riley
Rivers
Rogers, Mass.
Rogers, Tex.
Roosevelt
St. George
Saylor
Schwengel
Scrivner
Scudder
Sheehan
Sheppard
Short
Shuford
Steed
Taylor
Thornberry
Tollefson
Tumulty
Utt
Velde
Wainwright
Walter
Watts
Wickersham
Williams, Miss.
Willis
Wilson, Calif.
Wilson, Ind.
Winstead

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hays of Ohio for, with Mr. Alexander against.

Mr. Edmondson for, with Mr. Rogers of Texas against.

Mr. McCormack for, with Mr. Williams of Mississippi against.

Mr. Celler for, with Mr. Barden against.

Mr. McDowell for, with Mr. Chatham against.

Mr. Lankford for, with Mr. Fountain against.

Mr. Kirwan for, with Mr. Durham against.

Mr. Anfuso for, with Mr. Shuford against.

Mrs. St. George for, with Mr. Jones of North Carolina against.

Mr. Buckley for, with Mr. Carlyle against.

Mr. Saylor for, with Mr. Rivers against.

Mr. Mollohan for, with Mr. Winstead against.

Mr. Bowler for, with Mr. Wilson of Indiana against.

Mr. Roosevelt for, with Mr. Hoffman of Michigan against.

Mr. Donovan for, with Mr. Allen of California against.

Mr. Davidson for, with Mr. Bonner against.

Mr. Barrett for, with Mr. Dondero against.

Mr. Fogarty for, with Mr. Scudder against.

Mr. Granahan for, with Mr. Gamble against.

Mr. Sheppard for, with Mr. Johnson of California against.

Mr. Tumulty for, with Mr. Kearns against.

Mr. Walter for, with Mr. Velde against.

Mr. Keogh for, with Mrs. Rogers of Massachusetts against.

Mr. Miller of California for, with Mr. Miller of New York against.

Mr. Moulder for, with Mr. Brooks of Louisiana against.

Mr. Powell for, with Mr. Morrison against.

Mr. Taylor for, with Mr. Willis against.

Mr. Hoffman of Illinois for, with Mr. Riley against.

Mr. Byrd for, with Mr. Gwinn against.

Mr. Flood for, with Mr. Deane against.

Mr. Eberharter for, with Mr. Davis of Tennessee against.

Mr. Feighan for, with Mr. Davis of Georgia against.

Mr. Bolling for, with Mr. Beamer against.

Mr. Perkins for, with Mr. Thornberry against.

Until further notice:

Mr. Gregory with Mr. McGregor.

Mr. Watts with Mr. Cole.

Mr. Wickersham with Mr. Ellsworth.

Mr. Steed with Mr. Harrison of Nebraska.

Mr. Rabaut with Mr. O'Hara of Minnesota.

Mr. Patman with Mr. James.

Mr. Lane with Mr. Holt.

Mr. Cooley with Mr. Sheehan.

Mr. BOYKIN changed his vote from "yea" to "nay."

Mr. DODD changed his vote from "nay" to "yea."

Mr. McCORMACK. Mr. Speaker, I have a live pair with the gentleman from Mississippi, Mr. Williams. If he were present he would vote "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. EDMONDSON. Mr. Speaker, I have a live pair with the gentleman from Texas, Mr. Rogers. I voted "yea." If he were present he would vote "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. Priest, the title was amended so as to read: "A bill to make provision for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. PRIEST. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

Sec. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States, and among such States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprice without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) granting to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definitions

Sec. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

Sec. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

Sec. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

Sec. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority", which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the fifteenth day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of authority

Sec. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof, or from any agency, instrumentality, board, commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the Authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

Sec. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits, papers, documents and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of pasesngers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

Sec. 204. (a) Subject to and in accordance with the procedures, conditions, limitations, and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in the transportation or terminal business of such railroad, terminal or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the Chairman or Vice Chairman of the Board declaring that such real or personal property or any interest therein, described in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said property taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just conmpensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of the money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so deposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

(e) In the event the Authority acquires specific items of real property or tangible personal property by eminent domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof.

Control and use of public ways

Sec. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities, or appliances in, upon, under, over, across, or along the public roads, streets or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities, and appliances. The cost of the required removal or relocation of such public utility structures, facilities, and appliances shall be paid by the Authority: *Provided*, That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities, or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails or refuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway, or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across, or along any such public road, street, highway, or other public way.

Equipment trust certificates

Sec. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses, and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases, and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgment of deeds and in the form required for acknowledgment of deeds and such agreements, leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions, and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia, who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

Sec. 207. (a) The Authority, including but not limited to its franchise, reserves, surplus, loans, income, assets, and property of any kind and nature, shall be exempt from all taxes, special assessments, fees, and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, chapter 3, D. C. Code, 1951 edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided,* That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance, and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality, or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities, and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance, or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

Sec. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided,* That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant to section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

Sec. 209 (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other department, division, commission, board, bureau, agency, or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties, and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

SEC. 210 (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia, and shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective-bargaining agreement then in effect or thereafter adopted.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers with less than 10 years' service shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to all rights and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective-bargaining agreement then in effect. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, not withstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes", approved September 1, 1954 (68 Stat. 1105), as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition), is amended by inserting immediately before the semicolon at the end thereof the following: ": *And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this act shall be deemed to be a covered employer".

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

SEC. 211. (a) The Authority shall file with the Congress annually, within 6 months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within 6 months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

SEC. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within 6 months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of

the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on any appeal whatever.

Vehicle regulations

SEC. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of authority property

SEC. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify, and enforce all such visual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort, and quiet of passengers and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the Municipal Court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation is committed. Prosecutions for violations of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

SEC. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees, and representatives of existing transportation companies within the Washington Metropolitan Area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the Metropolitan Police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the Governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter, or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

SEC. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington metropolitan area without securing any further franchises, rights, or permits under any other law or laws of the United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Company at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized, at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20,000,000, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume, or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to title II of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient, in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia by reason of advances made to the Authority pursuant to section 217 of this act.

Franchise

Sec. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

Sec. 303. The Commissioners of the District of Columbia are hereby empowered to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of Authority

Sec. 304. In the event the Authority effectuates the sale of its property as authorized by this title, the existence of the Authority as a body corporate shall continue only for the purposes of liquidation. The Authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

Sec. 305. If the Authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the Board of Directors of the Authority shall within 15 days after such date report to Congress as to the steps which the Authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

Sec. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959, be perpetual, and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the Board of Directors of the Authority shall consist of 5 members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as 3 of the appointed members of the Board of Directors shall have qualified, the Commissioners shall constitute such board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the Board shall belong to the same political party. The members of the first Board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning on the 1st day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such director shall hold office until his successor has been appointed and has qualified. Each such director shall receive compensation, as may be fixed by the Board, for attendance at each meeting of the Board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the discharge of his duties. No director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, ch. 5, D. C. Code, 1951 edition).

(2) The members of the Board of Directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "an act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter, the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents, or employees such powers or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions, or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

Sec. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation, or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending, or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement, or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption with or without premium, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the Chairman or Vice Chairman of the Board or by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the Chairman or Vice Chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee or trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

Sec. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment or redemption of bonds, reserves, or other purposes and to covenant as to the use, investment, and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition, or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers, and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without obtaining the consent of any department, division, commission, board, bureau, agency or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

Sec. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same, shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of authority only

Sec. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal or of interest on such bonds. Nothing in this act contained shall be construed to authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

Sec. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend, or improve, maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

Sec. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

Sec. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

Mr. PRIEST. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Priest: Strike out all after the enacting clause of S. 3073 and insert the provisions of the bill H. R. 8901 as passed:

"Be it enacted, etc.—

"REPEAL OF CERTAIN PROVISIONS OF LAW SO AS TO PERMIT CONTINUANCE OF OPERATIONS; EFFECT ON RATES

"Section 1. (a) Section 14 of the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes', approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

"(b) The act entitled 'An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933, and for other purposes', approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

"ESTABLISHMENT OF RATES; SYSTEM RATE BASE; RATE OF RETURN; SERVICES

"Sec. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of $1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

"(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

"(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.), on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

"(d) Notwithstanding the provisions of the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

"(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

"(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled 'Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

"EXEMPTION FROM GROSS RECEIPTS TAX; CONTINUED EXEMPTION FROM MILEAGE AND CERTAIN OTHER TAXES

"Sec. 3. (a) as of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: 'Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1 1902, as amended.'

"(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: '*Provided*, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

"(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

"(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

"(2) The compensating use tax levied under the District of Columbia Use Tax Act;

"(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-603 (j) (4)); and

"(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

"MOTOR-VEHICLE FUEL TAXES

"Sec. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor-vehicle fuel tax levied under the act entitled 'An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924, as amended (D. C. Code, title 47, chapter 19).

"(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Company's system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Company shall pay such amount to the said Commissioners or their designated agent.

"(c) If not paid within the period specified in subsection (b), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

"(d) Where the amount of the motor vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

"(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

"SNOW REMOVAL

"Sec. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

"(b) The paragraph which begins 'Hereafter every street railway company' which appears under the heading 'Streets' in the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes,' approved June 26, 1912 (D. C. Code, sec. 7-614), is hereby repealed.

"CONVERSION TO BUS OPERATIONS

"Sec. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

"EVIDENCES OF INDEBTEDNESS

"Sec. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled 'Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes', approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

"NOTIFICATION OF ACCEPTANCE BY THE CAPITAL TRANSIT CO.; EFFECTIVE DATE OF THE FOREGOING PROVISIONS

"Sec. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

"(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill H. R. 8901was passed were vacated and that bill was laid on the table.

WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. Harris, Williams of Mississippi, Willis, Wolverton, and Crumpacker.

THE LATE DR. FRANKLIN MENGES

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, I am saddened to inform the House of the death of a former Member, a predecessor as the Representative of the 19th Congressional District of Pennsylvania, Dr. Franklin Menges, who passed away at his home in Arlington, Va., early Saturday at the age of 97.

His death followed by 3 weeks that of his wife, May McIlhenny Menges, who died April 22 at the age of 86.

A Republican Congressman from the 19th District from 1925 to 1931, Dr. Menges had been in failing health for the past month. In his later years, Dr. Menges maintained his interest in church activities and was a leading layman in the Lutheran Church. He attended church services as recently as Easter

Sunday, and kept abreast of governmental and scientific developments.

Dr. Menges was born October 26, 1858, at Menges Mills, York County, Pa. He attended Baugher Academy in Hanover and was graduated from Gettysburg College in 1886.

He was an assistant professor of chemistry for 10 years at his alma mater.

From 1896 to 1903 he directed the scientific department of York High School.

His election to Congress in 1924 marked his entrance into politics, and he served three terms before being defeated by the late Harry Haines.

Dr. Menges blamed his defeat on the question of repeal of prohibition. "The repeal," he said, "was the beginning of the cocktail hour, and the seeds of juvenile delinquency and grave decisions by vodka."

Concerned with world arms races, in 1951 he addressed a letter to the American Chemical Society, of which he was a member, asking: "Will you please tell me why the scientists of this Nation and those of China, India, and Indonesia, instead of inventing chemical combinations for the annihilation of the human race, cannot get together and invent highly nutritious concentrated foods, easily transported, and feed the starving people instead of killing them?"

Holder of a doctorate in philosophy from the former Pennsylvania college, now Gettysburg College, Dr. Menges' affiliations included the Lutheran Laymen's fellowship and the National Geographical Society.

He is survived by 3 daughters, Mrs. Richard Schwartz, Derwood, Md.; Mrs. Phillips Elliott, Brooklyn, N. Y.; and Frances Menges, at home, 1217 South Oakcrest Road, Arlington; a foster son, John H. Newcomer, East Berlin; 2 sisters, Mrs. David G. Lott and Ruth McIlhenny, Gettysburg; and 6 grandsons and a granddaughter.

I extend to each my sincerest sympathy, and I know they are comforted in the knowledge that Dr. Menges made a firm imprint upon his times.

GUARDING TEXTILE INDUSTRY FROM LIQUIDATION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I was very much pleased to learn just recently of favorable action by the United States Tariff Commission on the application of the Stevens Linen Associates, Inc., of Dudley, Mass., in my district, for relief under the Trade Agreement Extension Act of 1951.

The recommendations of the Commission, if acted upon favorably by the President, will, by adopting a higher rate of duty applicable to imports of toweling, forestall further serious injury to this important domestic industry being caused by foreign imports.

The findings and recommendations of the Commission amply confirm and justify the previous protests, which I had made from time to time, pointing out the alarming increase of imports in this and other categories and expressing grave concern over the impact of increasing Japanese and other foreign imports upon important segments of our textile industry.

As I pointed out some time ago to the Commission, the textile industry is not only gravely threatened, but in all likelihood much of it will be liquidated completely unless some way is found to stop the flood of cheap textiles from Japan. The Commission's report ably summarizes the situation as it affects this particular industry in my district, and it shows that this largest domestic producer of linen toweling was put in great jeopardy by repeated reductions of the rate of duty under the reciprocal trade agreements. The figures clearly show the steady growth of competitive goods from overseas and various cutthroat practices which militated against the prosperity and well-being of this established industry.

That imports of these products from 1952 to 1955 have been three times as much as domestic production is a startling, shocking fact, and in any case unmistakably disclose the intolerable conditions precipitated by current trade agreement policies. When these greatly increased imports are considered in relation to certain reduced trends of domestic consumption of toweling because of technical innovations and the like, the seriousness of the situation comes into even clearer focus. As imports increased, profits of the industry decreased until the operating profit for 1955 was only one-half of 1 percent as against the average for all United States manufacturing corporations of 8.6 percent and an average for United States manufacturers engaged in the production of textile mill products of 3.6 percent. The disparity between textile profits and profits in other industrial lines demonstrates clearly what has been happening to the textile industry and, unless some relief can be given to this industry across the board by way of minimizing and equalizing foreign competition, the prospects for its survival are dim indeed.

The curtailments in this industry have caused great hardship in recent years, not only to owners, managers and operators, but to faithful, worthy, skilled workers and to many splendid American communities. In some instances, readjustments have been made and other industry has been developed to take up the slack, so to speak. But in many places no such replacements have been made and these industries have been permanently lost.

If it had not been for the great ability, skill, and ingenuity of the management of the Stevens Linen Co. in adapting itself with extraordinary flexibility to the hardship conditions being imposed upon it by the stark reality of unfair, competitive foreign imports, it is doubtful indeed that this industry could have survived.

It is a good example of how critically and severely foreign imports are harming many American domestic industries that employ our fellow citizens at highest wage standards, thus, making possible the superior standards of living that obtain in this country. The Commission was bound to find in the circumstances that this industry has been seriously injured, that increased imports contributed substantially toward this serious injury and that the low 10-percent trade-agreement rate of duty in large degree nullified the protection intended by Congress to be afforded to the industry.

The President will now be called upon to take action in this matter, which is referred to officially as "escape-clause investigation No. 44, under the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended."

In view of my great concern and anxiety in these matters, I have felt constrained to urge upon our distinguished national leader that he take favorable action upon the recommendations of the report and give his approval so that the new rate may become applicable at an early date. In the interest of this industry and its workers, I beseech this consideration from our Chief Executive and expectantly await his wise consideration and favorable action.

This case points up very distinctly the general problems of American industry presently threatened with serious injury as the result of the operation of the trade treaties responsible for the steadily increasing flow of foreign imports. It may be asserted that the present action of the Tariff Commission indicates that an administrative remedy is available for those so sorely beset. This is true, but it is not a complete answer to the problem, because it takes a long period of time to press such applications before the Tariff Commission and the President. It involves, not only hard work, but considerable expense to the interested parties. They cannot always be sure of such favorable action as was so fortunately taken in this case.

The problem is much more complex and reaches deeply into our entire American industrial economy. It is a matter of policy, which will have to be decided, if American industry is to be guarded against the increasing threats of sweatshop and coolie labor—low standards, low wages, long hours, poor working conditions and the other antisocial accompaniments of many competitive foreign industries, which are today flooding our American markets with cheaply produced goods.

I do not want my views regarding this question to be misunderstood. I do not believe or desire that this country can retire into its shell and refuse to trade with other nations. On the contrary, I am a strong believer in the free exchange of goods, products, commodities and services by the nations of the world. Furthermore, I believe in encouraging this free flow of trade by every fair, practicable means. On the other hand, I do not believe that this Nation can afford to allow products, which are produced at a mere fraction of competitive American goods, to be imported into this country to undermine American industry, displace American labor, and precipitate conditions of depression and unemployment in the industrial sections of the Nation.

The problem becomes one of properly controlling and repressing domestic monopolistic industries as well as international cartels, of regulating substandard produced goods from foreign countries and of establishing standards that will permit the free flow of trade without endangering, impairing, or destroying American industry and the employment of American citizens. This doctrine is not jingoism, chauvinism, or isolationism. It acknowledges the desirability and need of foreign interchanges—economic, cultural, and spiritual—but at the same time it recognizes that our high-geared, high-level productive system, with its full employment and incomparable wages and living conditions, stands in a unique position in the world economy. If it is to continue to thrive, to grow, to prosper, yes, even to exist, it must be protected against invasion by low-standard, cutthroat competition. It must be guaranteed by this Congress an opportunity to exist as a vigorous, living organism providing daily bread, sustenance, and support for our workers and steadily lifting the standards of living in the Nation by its great contributions, its progressive spirit, its scientific development, and its newer techniques, which are so rapidly transforming this country and will, in due course, exert great influence in transforming the world, by spreading knowledge of better methods and making possible the enjoyment of higher standards for all.

When we use American taxpayers money to build and establish foreign industries producing competitive goods in world markets, and then agree, under the trade treaties, to tariff rates, which allow their products to come into this country to the detriment and destruction of American industry, we are in effect pursuing a very dangerous policy—one which, in my opinion, can in the long run have no other result than to destroy large segments of American industry and leave our great prosperous economic system in a condition of lassitude and ultimate depression. This practice is pernicious. This policy smacks of a lunar aberration rather than sound economics.

I plead for a rule of reason regarding foreign trade. I ask that we so implement our treaties and laws affecting foreign trade that no domestic industry honestly and capably managed will be put at a disadvantage within the United States in the competitive process which features trade relations. In my opinion, such a program would redound to the interest of our country and, if intelligently pursued, it should redound to the interest of fair dealing with foreign nations and flourishing world trade.

Trade treaties or otherwise, we have not been able to prevent foreign nations from setting up tariffs, quota systems, licenses, exchange restrictions and other devices which bar or hamper the importation of American-made goods into foreign markets. Only our Nation of all great nations of the world still follows a quasi-free trade policy.

In the face of these conditions and prospects, this Congress should jealously guard its constitutional prerogatives and earnestly discharge its constitutional duty to regulate trade and commerce with foreign nations. That is our plain obligation to the people. Let us fulfill it.

BARKLEY DAM AND LAKE BARKLEY

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively, and ask for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

> Whereas the Congress is keenly aware that the late Senator Alben William Barkley was so devoted to the people of the United States that he dedicated his life in unselfish public service to secure peace, to provide happiness, and to preserve freedom for the citizens of the United States, rising to the positions of Representative, Senator, and Vice Pfesident in said service; and
>
> Whereas the Congress deems it fitting that the fine qualities of statesmanship, patriotism, and loyalty exemplified in the life of the late Alben William Barkley should not be forgotten by the people he served so well: Now, therefore, be it
>
> *Resolved, etc.,* That the dam to be constructed on the lower Cumberland River, Ky., authorized by the Flood Control Act of 1954, and the reservoir to be formed by the waters impounded by such dam, shall hereafter be known as Barkley Dam and Lake Barkley, respectively, and any law, regulation, document, or record of the United States in which such dam and reservoir are designated or referred to shall be held to refer to such dam and reservoir under and by the name Barkley Dam and Lake Barkley, respectively.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BASS of Tennessee. Mr. Speaker, I introduced a resolution similar to Senate Joint Resolution 166, which was introduced by Senator Clements, of Kentucky, and passed by the Senate on yesterday. Since Senator Clements represents the State of our late and distinguished friend, Senator Barkley, I am more than happy to ask that his resolution be considered in lieu of the one that I introduced for the same purpose. I am very happy that the Congress through this means is able to pay tribute to an outstanding statesman, Senator, and Vice President, the late Hon. Alben W. Barkley, of Kentucky.

ELECTION OF HON. JOHN W. McCORMACK AS SPEAKER PRO TEMPORE

Mr. ROONEY. Mr. Speaker, by direction of the Speaker, I offer a privileged resolution (H. Res. 510) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved,* That Hon. John W. McCormack, a Representative from the State of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.
>
> *Resolved,* That the President and the Senate be notified by the Clerk of the election of Hon. John W. McCormack as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. McCORMACK presented himself at the bar of the House and took the oath of office as Speaker pro tempore.

ARMED FORCES DAY PRAYER

Mr. HOSMER. Mr. Speaker, President Eisenhower's Armed Forces Day proclamation calls upon religious groups of all faiths to participate in the observance of Armed Forces Day, May 19, 1956. Armed Forces Day this year finds the world without overt battlefield hostilities. An uncertain peace hovers over the nations of the globe. The continual possibility of its sudden disruption poses a disquieting threat to the lives of millions. Thus the appropriate slogan for Armed Forces Day, "power for peace."

The keynote of our national policy is permanent peace with fairness and justice to all nations. In keeping with our strong desire to live in peace with the rest of the world and the knowledge that we must remain strong in order that this peace may be assured, the observance of Armed Forces Day should have a dual significance. First we must recognize the debt of all Americans to those who serve in the Armed Forces and bring home to all Americans the need both for renewed awareness of the dangers confronting our country and for a heightened sense of responsibility and sacrifice. Secondly, Armed Forces Day should never be restricted simply to a display of armed might and technological superiority.

To ignore the importance of religious strength in the matter of our national defense would be to ignore our most potent weapon against aggression. In the spiritual and moral strength of our people can be found the true strength of our Nation.

This year the Armed Forces Chaplains Board has written a special prayer for Armed Forces Day. The Chiefs of Chaplains of the services will enlist the support and cooperation of chaplains in the field to focus attention on the spiritual aspects of the observance during the week of Armed Forces Day. In the civilian domain, active interest and support of the clergy and lay leaders of all faiths have been solicited for the Armed Forces Day effort to emphasize the spiritual and idealistic, as well as the material and the military, aspects of our Nation.

Increased attention to the religious significance of Armed Forces Day is being supported by the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force. Working closely with the Defense Department has been the Foundation for Religious Action in the Social and Civil Order. This close cooperation between all services and all faiths is representative of the goals of our Nation.

I am pleased to direct the attention of my colleagues to the prayer for Armed Forces Day. In this prayer we offer thanks for the service and sacrifices of our Armed Forces while asking God to watch over the men and women who protect our country. This prayer is a prayer of thanks and a prayer for peace. it is hoped that you will all join with me in repeating this prayer on Armed Forces Day.

A PRAYER FOR ARMED FORCES DAY

Almighty God, on this Armed Forces Day, we give Thee thanks for all those who by their sacrifices and devotion to duty have made our heritage of freedom secure. Grant that we may prove worthy of our birthright and that in the days to come our land may be a power for peace in accordance with Thy will. Thou dost hold us to account for the use of all our powers and our privileges, thus keep us ever mindful of the responsibilities our citizenship requires.

Protect and assist all those who at home and abroad, on land and sea, and in the air are serving our country. Shield them from danger; keep them strong and steadfast; give them courage and faith. Uphold their hands that they, with all those who stand ready in reserve, may faithfully perform their duties and at all times remain true to the precepts of their Code of Conduct.

Finally we pray that we may become and remain Thy good servants, more completely surrendered in our devotion to Thee and to our country, and that Thy peace may return to this world to Thy honor and glory. (The Armed Forces Chaplain Board.)

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore (Mr. McCormack). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Saylor (at the request of Mr. Gavin), for 1 day, May 17, 1956, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. Christopher, for 30 minutes, on Monday next, to revise and extend his remarks, and to include a letter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Robsion of Kentucky and to include a table.

Mr. Cooper and to include a press release.

Mr. Miller of Nebraska.

Mr. Hill and to include extraneous matter.

Mr. Hosmer and to include extraneous matter.

Mr. Udall.

Mr. Keating.

Mr. Marshall and to include extraneous matter.

Mr. Heselton, his remarks today during consideration of the bill H. R. 8901 and to include extraneous matter.

Mr. Martin and to include an address by Mr. Vursell.

Mr. Colmer to revise and extend his remarks made on Committee of the Whole and to include extraneous matter.

Mr. Davidson (at the request of Mr. Multer) and to include extraneous matter.

Mr. Hinshaw to revise and extend remarks made in Committee of the Whole and to include certain tables and other extraneous matter.

Mr. Rees of Kansas and include extraneous matter.

Mr. Curtis of Missouri and include extraneous matter.

Mr. McCormack (at the request of Mr. Priest) and include extraneous matter.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1823. An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers;

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.), under its previous order, the House adjourned until Monday, May 21, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1859. A letter from the Administrator, Veterans' Administration, relative to reporting three violations of subsection (h) of section 3679 of the Revised Statutes, pursuant to section 3679 of the Revised Statutes, as amended, subsection (i) (2); to the Committee on Appropriations.

1860. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking"; to the Committee on Banking and Currency.

1861. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 22, 1956, submitting a report, together with accompanying papers, on a review of reports on Chetco Cove, Oreg., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on February 17, 1949; to the Committee on Public Works.

1862. A letter from the Assistant Secretary of Agriculture, transmitting a report covering the receipts, expenditures, and work of the agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, pursuant to the Hatch, Adams, Purnell, and supplementary acts, and title I, sections 5 and 9, of the Bankhead-Jones Act of June 29, 1935, as amended by the act of August 14, 1946, authorizing payments to States, Alaska, Hawaii, and Puerto Rico for agricultural experiment stations; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 508. Resolution providing for the consideration of H. R. 10285, a bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; without amendment (Rept. No. 2175). Referred to the House Calendar.

Mr. ROBERTS: Committee on Interstate and Foreign Commerce. H. R. 5257. A bill to amend the act entitled "An act to fix a reasonable definition and standard of identity of certain dry milk solids" (21 U. S. C., sec. 321c); with amendment (Rept. No. 2176). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10670. A bill to amend the District of Columbia Unemployment Compensation Act so as to extend the coverage of such act to employees of the municipal government of the District of Columbia employed in the District of Columbia institutions located in Maryland and Virginia; without amendment (Rept. No. 2177). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 8149. A bill to amend the first sentence of paragraph (a) of section 756 of title 11 of the District of Columbia Code, 1951 edition (par. (a) of section 5 of the act of April 1, 1942, ch. 207, 56 Stat. 193), relating to the transfer of actions from the United States District Court for the District of Columbia to the Municipal Court for the District of Columbia; without amendment (Rept. No. 2178). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 9475. A bill to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; with amendment (Rept. No. 2180). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committee were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10374. A bill to amend the act to incorporate the Oak Hill Cemetery, in the District of Columbia; without amendment (Rept. No. 2179). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H. R. 11298. A bill to provide for the maintenance and operation of the bridge to be constructed over the Potomac River from Jones Point, Va., to Maryland; to the Committee on the District of Columbia.

By Mr. DAVIDSON:

H. R. 11299. A bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; to the Committee on Public Works.

By Mr. FALLON:

H. R. 11300. A bill to provide for the modification of the Baltimore Harbor and channels, Maryland; to the Committee on Public Works.

By Mr. GARMATZ:

H. R. 11301. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. HALEY (by request):

H. R. 11302. A bill to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians; to the Committee on Interior and Insular Affairs.

By Mr. PRIEST:

H. R. 11303. A bill to amend section 345 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. R. 11304. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 11305. A bill to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H. R. 11306. A bill relating to the procedure for altering certain bridges over navigable waters; to the Committee on Public Works.

By Mr. BURLESON:

H. R. 11307. A bill authorizing the demolition and removal of greenhouses and other structures from Square 576 West and the construction of greenhouses and other structures, in replacement thereof, at the Botanic Garden Nursery, and for other purposes; to the Committee on Public Works.

By Mr. KLEIN:

H. R. 11308. A bill to amend section 12 of the Securities Act of 1933, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

H. R. 11309. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of Texas (by request):

H. R. 11310. A bill to provide increases in monthly rates of compensation for service-connected disability and death payable under laws administered by the Veterans' Administration and to liberalize the requirements for awarding additional disability compensation to veterans who have dependents, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 11311. A bill to provide insurance against flood damage, and for other purposes; to the Committee on Banking and Currency.

By Mr. McCARTHY:

H. Res. 509. Resolution to provide equal recording facilities for public service broadcasts by Members of the House of Representatives using the Joint Senate and House Recording Facility; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (by request):

H. R. 11312. A bill for the relief of Jen Zien Huang and Ethel Chun Huang; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 11313. A bill for the relief of Tseh An Chen and Cheh Chen Chen; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 11314. A bill for the relief of Eva Fischer; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. R. 11315. A bill to permit Bertha R. Dudley to be admitted to and treated in St. Elizabeths Hospital; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 11316. A bill for the relief of Dr. George Kelemen; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 11317. A bill for the relief of Joseph Klich and his wife Katherine Klich; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 11318. A bill for the relief of Mrs. Christa Ernst; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1052. By Mr. HOEVEN: Petition urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1053. By Mr. McDOWELL: Petition of Mrs. Lulu B. Harper, of Wilmington, Del., and other residents of Delaware urging the passage of legislation to prohibit alcoholic beverage advertising over the radio and television and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

1054. By Mr. SHORT: Petition of Mr. A. D. Roberts and other citizens of Kansas City, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1055. By Mr. SILER: Petition of Mrs. H. K. Buttermore, Sr., Mary Alice, Ky., and some 3,500 other residents of Kentucky, Ohio, Michigan, Indiana, Minnesota, Kansas, New York, Pennsylvania, Alabama, Arizona, Illinois, and Missouri, urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Israel Independence

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, May 17, 1956

Mr. BUTLER. Mr. President, May 4 was the eighth anniversary of the independence of the State of Israel. It hardly seems possible, in view of the many accomplishments of this young Nation, that so short a period has elapsed since the date it first achieved independence.

I ask unanimous consent to have printed in the Congressional Record a statement I have prepared commemorating this occasion.

There being no objection, the statement was ordered to be printed in the Record, as follows:

ISRAEL INDEPENDENCE

It is with particular pleasure that I extend my congratulations to the State of Israel on the eighth anniversary of its independence. One cannot think of this state, so new to the family of nations, without marveling at its remarkable achievements during the short span of its existence.

In spite of the almost continual border difficulties which have consumed so much of her time, which have sapped so much of her energy, and which have resulted in such a tragic drain on her manpower, Israel has made impressive progress in shaping a modern, thriving country.

Since that momentous May 14 in 1948 when the Jewish provisional government under David Ben Gurion proclaimed the State of Israel, with Chaim Weizmann as

President, the Jewish Government, in addition to its eternal struggle for survival in the conflict-riddled Middle East, has dealt with many other challenging problems. These have included the absorbing of many survivors of Nazi tyranny, of providing food, housing and education facilities for its mushrooming population, and, finally, of directing the Israeli economy toward a firmer and more independent base through long-range agricultural and industrial programs.

Evidence of Israel's success in meeting these challenges are everywhere to be found. Though the housing problem is still far from solved, the thousands of tents which were thrown up in such haste to accommodate the staggering influx of refugees have already been replaced with less primitive housing. And construction of permanent housing is constantly in process. To meet the overwhelming food shortage, barren desert wastes have been converted into fertile fields by the use of improved technological skills, and increased irrigation. Moreover, industrial output has more than doubled since the establishment of Israel's independence. Largely through the use of outside funds, billions of dollars have been wisely invested in such industrial enterprises as those relating to steel construction, and heavy manufacturing, and in chemical and textile plants—to name a few.

But in meeting the problems of an infant country trying to acquire the basic essentials of life, the Israelis have not neglected the development of their magnificent and ancient traditions of learning and culture. When Israel was but 6 months old, the Knesset passed the Compulsory Education Law which established universal, free and compulsory education for all children from 5 to 14. Since then, the Israelis have been constantly facing the formidable problems of school and teacher shortages, which are complicated by language differences among the pupils.

Quite clearly, in the light of these striking accomplishments, the Israelis have given proof of a vigor and resourcefulness in the molding of their splendid new nation which will not only continue to contribute toward the development of a stable, prosperous state, but which will ultimately have a beneficial influence throughout the whole Middle East. Let us hope that soon the swords of that area may be beaten into plowshares, and that Israel may devote herself fully, in peace, to the development and enrichment of her great and ancient heritage.

Public Power at Niagara—The First Step Has Been Taken

EXTENSION OF REMARKS
OF

HON. IRWIN D. DAVIDSON

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. DAVIDSON. Mr. Speaker, I learned with a great deal of gratification and pleasure that last night the Senate passed Senator LEHMAN's bill, S. 1823, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes. By its action, the Senate gave its approval to a principle which I have long advocated, that this great natural resource should be developed by public authority for the benefit of the people.

The first great step toward harnessing the power potential of the Niagara's waters was taken last night. It now remains for this House to approve this redevelopment project.

Because of my deep concern and feeling about the importance of this project and its value not only to the people of New York, but to the Nation as well, I am today introducing a bill identical in every respect with the bill passed last night. I do this to make unequivocal my position in support of the measure and the project which it envisions.

Delay in the passage of this act will be exceedingly costly. Too much water has already flowed, unutilized, over the falls at Niagara. Each second, an additional 23,000 cubic feet of water is lost. With it goes the potential electric energy that might have been produced. What a tremendous loss that is for the consumers of electrical power in the area. What a waste in terms of the benefits that would be derived from this electricity.

I respectfully urge each of my colleagues in the House to give this legislation his earnest support and his vote, so that the harnessing of our share of the Niagara power may begin. The benefits that will be derived therefrom will redound to the ultimate good of all the people of our Nation.

Poll of Political Preferences of High School Students Throughout the Nation

EXTENSION OF REMARKS
OF

HON. JOHN M. ROBSION, JR.

OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. ROBSION of Kentucky. Mr. Speaker, Kentucky recently extended the right to vote to persons between the ages 18 to 21. We were, therefore, particularly interested in the poll conducted by Wesleyan University to determine the political preferences of high school students throughout the Nation. The total vote in that poll was 433,253 from 12,140 classrooms and it was divided as follows:

Eisenhower (59.76 percent)	258, 927
Knowland (1.63 percent)	7, 072
Stevenson (19.19 percent)	83, 130
Kefauver (17.29 percent)	74, 900
Miscellaneous write-ins (2.13 percent)	9, 224
Total (100 percent)	433, 253
Republican candidates (61.94 percent)	268, 372
Democratic candidates (37.83 percent)	163, 915
Unidentifiable by party (0.23 percent)	966
Total (100 percent)	433, 253

President Eisenhower received a clear majority in every State except 5 (Georgia, 44 percent; Louisiana, 47 percent; Minnesota, 43 percent; Mississippi, 46 percent; and South Carolina, 41 percent), and he was the leading candidate in all States. Vice President NIXON received the largest write-in vote.

In the Farm Belt, constituting the States of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin, Republicans received 103,093 votes; Democrats received 57,631 votes; others 227.

In the so-called solid South, consisting of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia, Republicans received 69,074; Democrats received 56,917; others 584.

The vote for each candidate whose name was on the ballot State by State was as follows:

State	Eisenhower	Knowland	Stevenson	Kefauver
Alabama	7, 597	248	4, 696	2, 090
Arizona	938	37	289	168
Arkansas	2, 269	86	1, 039	903
California	7, 951	276	2, 731	1, 607
Colorado	2, 743	47	1, 043	549
Connecticut	3, 643	69	974	355
Delaware	169	5	71	46
Florida	8, 532	181	2, 294	1, 930
Georgia	3, 967	242	3, 021	1, 205
Idaho	1, 363	42	330	326
Illinois	17, 612	351	4, 941	3, 435
Indiana	8, 603	203	2, 044	2, 116
Iowa	6, 667	184	1, 139	2, 541
Kansas	4, 687	134	1, 099	940
Kentucky	6, 665	118	2, 110	2, 069
Louisiana	3, 944	130	3, 226	817
Maine	3, 064	43	542	391
Maryland	2, 402	63	527	556
Massachusetts	6, 956	129	1, 810	1, 150
Michigan	9, 223	141	1, 796	1, 786
Minnesota	5, 135	119	1, 811	4, 860
Mississippi	2, 261	116	1, 576	507
Missouri	10, 399	355	2, 482	4, 240
Montana	3, 280	154	1, 001	1, 317
Nebraska	3, 346	120	465	912
Nevada	435	9	78	72
New Hampshire	1, 487	32	159	449
New Jersey	3, 959	86	895	677
New Mexico	2, 104	70	749	533
New York	5, 532	100	971	615
North Carolina	6, 914	188	3, 654	2, 500
North Dakota	3, 384	111	479	1, 945
Ohio	18, 509	420	4, 621	4, 031
Oklahoma	2, 972	73	1, 236	939
Oregon	2, 664	39	589	512
Pennsylvania	25, 960	624	8, 134	6, 227
Rhode Island	1, 290	30	304	227
South Carolina	2, 689	189	2, 025	852
South Dakota	1, 464	66	212	618
Tennessee	7, 037	155	1, 583	4, 828
Texas	10, 543	440	4, 598	3, 245
Utah	826	33	210	100
Vermont	990	30	113	131
Virginia	7, 581	221	3, 383	1, 639
Washington	1, 804	55	819	526
West Virginia	4, 972	114	2, 164	1, 643
Wisconsin	10, 581	324	1, 388	4, 859
Wyoming	1, 174	36	39	376
Alaska	17	0	0	1
District of Columbia	151	1	52	28
Other	1, 062	33	418	322

President Eisenhower was asked at his May 4 press conference to comment on the poll and whether his landslide vote among the high school seniors and juniors resulted from his appealing repeatedly to the youth of the country to take an active interest in their Government and get ready for their responsibilities of citizenship. He replied:

> Well, someone brought in that survey, showed it to me, and I would be less than human if I said I didn't get a lift out of it. Of course I did, because I like youngsters—as a matter of fact, I probably trust them more than lots of people do. [Laughter.] But I think the main thing to be commented upon in that survey is this: The youngsters are taking such an interest in their Government, the policies that are being applied, and the people that are trying to run them.
>
> Now, maybe their judgments are based upon less exact information than you people have. But the fact is that they are taking the interest. Interest in our Government is the one thing that is necessary if this type of Government is to be successful over the years.
>
> The young people must do it, and they must continue through their lives; so I applaud them for taking the interest and going to the trouble of doing all this. I thank every one of them that think I am doing O. K.

Thomas O'Neill, a well-known political analyst, interprets the poll as evidence of a change in the political preference of the young people to the Republican Party. In his April 30, 1956, column in the Baltimore Sun he stated:

> Hints that the Democrats may be in for a long siege of dark days appear in a novel presidential preference poll just completed by Wesleyan University. The university consulted the political preferences of nearly half a million students in junior and senior high schools across the Nation in a poll of presidential favorites for November. Like their seniors in other straw votes, the school boys and girls plumped heavily for Mr. Eisenhower, a result which even the Democratic Committee could have anticipated. The chill for the Democrats lay in evidence that the upcoming generation of new voters is shifting to a Republican orientation after a long period in which a stout Democratic asset was that party's appeal to a preponderance of first-voters at each succeeding election. Even Democrats who are ready to concede the reelection of Mr. Eisenhower have looked forward to a comeback in 1960 when he would be ineligible to run. Now they must consider the prospect of more extensive defeats unless a new attraction for young voters can be discovered and developed. * * * Across the Nation, an astonishing 62 percent of the students preferred a Republican over a Democratic President, including the Southern States. This proportion is a sharp reversal of the findings that most persons of voting age consider themselves Democrats and suggest that the new generation of voters will extend Republican rule at Washington incalculably beyond the present administration. President Eisenhower's personal popularity was only in part responsibile for the strong Republican showing. His share of the total vote was slightly less than 59 percent.

The Small Business Committee

EXTENSION OF REMARKS
OF

HON. WILLIAM S. HILL

OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. HILL. Mr. Speaker, I was flattered that my friend and associate on the Small Business Committee of this House required yesterday nearly 7 pages of the RECORD in response to some suggestions I made on this floor quite recently.

However, in thousands of words of talk for the RECORD, I must insist that the gentleman from Texas [Mr. PATMAN] failed to answer my points satisfactorily.

I said in my suggestions that the full committee has not held a single meeting during the first 5 months of this session of Congress, except for a short assembly in pursuance of the resolution for more money to spend in investigations.

I have not yet heard any answer as to why the committee has no meetings.

Why have a committee that does not meet?

My second point was the subcommittees of small business are wandering far afield from matters pertaining to small enterprise and invading areas of which are properly the concern of standing committees of this House.

Here again there was lament and protest but no explanation or expression of regret.

My third point was that much of the $330,000 granted by this House for use of the committee was wasted in pursuits as useless as a fox-terrier dog chasing the community cats. I said, and I repeat, we have reams of pages covering hearings, but not as many pages of report as might be found in a small-town telephone directory.

I say again to my worthy chairman and friend: When do we meet as a committee; when do we agree on an agenda within our realm, and when do we report on the matters that cost so much of the public money?

Statement by Senate Foreign Relations Committee on Obligation of Soviet Union To Remove Troops From Rumania and Hungary

EXTENSION OF REMARKS
OF

HON. WILLIAM E. JENNER

OF INDIANA
IN THE SENATE OF THE UNITED STATES
Thursday, May 17, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent statement by the Senate Foreign Relations Committee, pointing out the obligation resting on the Soviet Union to remove its troops from Rumania and Hungary, with the coming into effect of the Austrian State Treaty.

The citation is from pages 8 and 9 of Executive Report No. 8 of the Committee on Foreign Relations. It is dated June 15, 1955, nearly a year ago; but it is even more pertinent today than it was when first made.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

> AUSTRIAN STATE TREATY
>
> 10. WITHDRAWAL OF SOVIET FORCES FROM SATELLITES
>
> When the State Treaty with Austria comes into effect, there will no longer be a peace-treaty basis for the Soviet Union to maintain its troops in Rumania and Hungary to protect its lines of communication to Austria.
>
> The committee asked the Secretary of State whether steps will be taken to ascertain whether Soviet troops will be withdrawn from these countries in compliance with the terms of the peace treaties. Mr. Dulles recalled that some provisions of the treaties of peace with Rumania and Hungary, as well as Bulgaria, have been flagrantly violated in the past. He stated, however, that the Department is actively studying "to see what basis we have for asking for the withdrawal of troops" since "one consequence of the making of the treaty should be withdrawal of Soviet troops from Hungary and Rumania."
>
> The committee fully supports the Department of State in its efforts to seek full compliance with those provisions of these treaties relating not only to the withdrawal of Soviet troops from Rumania and Hungary, but also to treaty limitations imposed on the size of the armed forces which Rumania, and Hungary, and Bulgaria as well, may maintain.

Department of Health, Education, and Welfare—Personal Property Made Available for Distribution to and Real Property Disposed of to Educational and Public Health Institutions, January 1 Through March 31, 1956

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD I include a report from the Department of Health, Education, and Welfare showing a State-by-State list of real and personal property distributed during the quarter January 1, 1956, through March 31, 1956. This property was made available to educational and public health institutions in accordance with Public Law 61 of the 84th Congress:

Department of Health, Education, and Welfare—Personal property made available for distribution to and real property disposed of to educational and public health institutions, Jan. 1 through Mar. 31, 1956 (acquisition cost)

[In accordance with sec. 5, Public Law 61, 84th Cong.]

States	Personal property	Real property	Total
Total	$54, 716, 724	$3, 006, 998	$57, 723, 722
Alabama	1, 327, 895	----------	1, 327, 895
Arizona	659, 147	53, 567	712, 714
Arkansas	487, 735	3, 538	491, 273
California	5, 016, 531	193, 715	5, 210, 246
Colorado	557, 238	14, 805	572, 043
Connecticut	543, 558	----------	543, 558
Delaware	355, 633	----------	355, 633
Florida	2, 687, 350	800	2, 688, 150
Georgia	1, 269, 436	3, 100	1, 272, 536
Idaho	----------	----------	----------
Illinois	2, 927, 273	----------	2, 927, 273
Indiana	1, 294, 709	----------	1, 294, 709
Iowa	1, 260, 609	----------	1, 260, 609
Kansas	537, 102	----------	537, 102
Kentucky	1, 012, 276	----------	1, 012, 276
Louisiana	1, 121, 102	----------	1, 121, 102
Maine	260, 877	----------	260, 877
Maryland	1, 349, 571	----------	1, 349, 571
Massachusetts	1, 328, 471	----------	1, 328, 471
Michigan	1, 435, 454	10, 512	1, 445, 966
Minnesota	1, 110, 240	----------	1, 110, 240
Mississippi	805, 037	185, 801	990, 838
Missouri	1, 584, 471	----------	1, 584, 471
Montana	186, 012	----------	186, 012
Nebraska	619, 542	----------	619, 542
Nevada	72, 666	----------	72, 666
New Hampshire	176, 083	----------	176, 083
New Jersey	868, 271	----------	868, 271
New Mexico	264, 454	----------	264, 454
New York	2, 547, 389	----------	2, 547, 389
North Carolina	1, 405, 932	----------	1, 405, 932
North Dakota	148, 194	111, 630	259, 824
Ohio	2, 254, 359	1, 895, 408	4, 149, 767
Oklahoma	705, 587	128, 373	833, 960
Oregon	747, 807	14, 528	762, 335
Pennsylvania	2, 241, 587	----------	2, 241, 587
Rhode Island	564, 552	----------	564, 552
South Carolina	584, 929	----------	584, 929
South Dakota	652, 791	75, 582	728, 373
Tennessee	1, 277, 462	----------	1, 277, 462
Texas	2, 821, 068	265, 677	3, 086, 745
Utah	402, 230	----------	402, 230
Vermont	239, 417	----------	239, 417
Virginia	1, 678, 502	----------	1, 678, 502
Washington	1, 551, 298	39, 854	1, 591, 152
West Virginia	950, 079	----------	950, 079
Wisconsin	1, 194, 820	2, 308	1, 197, 128
Wyoming	143, 197	----------	143, 197
Alaska	107, 494	----------	107, 494
Dist. of Col.	367, 070	----------	367, 070
Hawaii	275, 846	7, 800	283, 646
Puerto Rico	736, 371	----------	736, 371
Virgin Islands	----------	----------	----------

The Dairy Industry

EXTENSION OF REMARKS

OF

HON. FRED MARSHALL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. MARSHALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the May 1956 issue of the Nation's Business, a publication of the Chamber of Commerce of the United States:

AGRICULTURE

Although milk production is expected to exceed last year's record by another 2 percent or 3 percent, the consumption of total fluid milk has increased even more. As a result farmers were receiving slightly higher prices for their dairy products while Government purchases and stocks have declined.

The possible effects on future market prospects of raising of price supports on dairy products may be found by reviewing the past 3 years. For the marketing year beginning April 1, 1953, manufacturing milk was supported at $3.74 per hundredweight, 90 percent of parity; actual average price received was $3.46. CCC bought 11,200 million pounds (milk equivalent) of dairy products at the support price. In 1954 the support price dropped to $3.15, 75 percent of parity; the average price was $3.16. CCC bought only 5,700 million pounds. Last year the support price remained at $3.15 and the average price rose to $3.19. CCC bought 4,600 million pounds.

As of March 28, 1956, excess stocks of cheese and nonfat dried-milk solids were less than one-fifth of the peak inventory built up under 90 percent supports.

Thus it appears that stable and improved dairy farm incomes depend on greater production efficiency, merchandising effort and competitive prices, and a minimum of price-depressing accumulation in Government stocks.

While most of the figures given in the article are true, it would seem that the conclusions reached are misleading. On March 28, 1956, the Commodity Credit Corporation had 225.7 million pounds of uncommitted stocks of cheese and 40.7 million pounds of uncommitted stocks of nonfat dried milk. The peak inventory of cheese was reached on September 29, 1954, when the CCC held a total of 435.7 million pounds. Peak inventory of nonfat dried milk was reached on April 28, 1954, when the CCC held a total of 599.3 million pounds. As of March 28, 1956, excess uncommitted stocks of cheese and nonfat dried milk were, therefore, a little more than one-fourth of the peak inventory.

The article gives the impression that there is no longer a dairy problem. If the following information is considered along with the chamber of commerce article, we get a truer picture of the dairy industry.

For the fiscal year ending June 30, 1954, the CCC loss on dairy price support operations was $130,704,719.

For the fiscal year ending June 30, 1955, the loss was $440,274,495.

For the 1956 fiscal year from July 1, 1955, to January 31, 1956, the loss has been $250,101,280 and 5 months of this fiscal year are not included in this figure. Purchases by CCC during April and May of this year have been considerably larger than a year ago.

E. M. Norton, secretary of the National Milk Producers Federation, has said that dairymen suffered a $600 million a year setback when price supports were dropped to 75 percent of parity in April 1954. Since then they have been battling a serious price-cost squeeze. If the $600 million is added to the loss by the Government on price-support operations since April 1954, the impact on the national economy caused by the drop in price supports is more evident.

It is true that the consumption of both fluid milk and manufactured dairy products has increased among the nonfarm population in the past 2 years, but it is interesting to note how much of this increase has been due to Government donations of dairy products and the special school milk program and not to the reasons given in the last paragraph of the above article. Per capita consumption of all dairy products in 1953 was 682 pounds of which 14 pounds came from CCC donations and other programs.

In 1954, the total per capita consumption of dairy products was 691 pounds of which 21 pounds came from CCC donations and other programs.

In 1955, the per capita consumption of dairy products was 699 pounds of which 29 pounds came from CCC donations and other programs such as the special school milk program.

In other words "merchandising effort and competitive prices" accounted for an increase of 2 pounds per capita in 1954 and 1955, over 1953. There was no increase at all in per capital consumption from commercial sources in 1955 over 1954.

The fact that farmers have shown "greater production efficiency" is borne out by the fact that production increased from 123.5 billion pounds of milk in 1955 to an estimated 127 billion pounds for 1956.

After reviewing the above facts and figures, we are still wondering if it would not have been possible to carry out the same kind of a program under 90 percent price supports.

Power for Peace and the Foundation for Religious Action

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. HOSMER. Mr. Speaker, I would like to take this opportunity to pay tribute to the splendid works of the Foundation for Religious Action in connection with the observance of Armed Forces Day.

To broaden and deepen the meaning of Armed Forces Day, May 19, 1956, and the Armed Forces Day slogan, "Power for peace," the Foundation for Religious Action in the Social and Civil Order and the Department of Defense are jointly emphasizing the spiritual factor in observance of this event.

The suggestion for such a program stemmed from the foundation and has the aim of emphasizing America's need to strengthen her national power for peace in all its phases—spiritual, psychological, and educational, as well as political, economic, and military. Nothing less is demanded if we, as a people, are to meet the prolonged crisis which we face along with free men everywhere.

The foundation is bringing the "power for peace" observance to the attention of church and synagogue authorities of the principal denominations and interdenominational councils, and in the Washington area to a number of individual churches and synagogues.

The foundation has endeavored to focus attention on both the debt of all Americans to those who serve in the Armed Forces and the contribution made by the churches and the chaplains of the services to the Nation and its Armed Forces.

The Foundation for Religious Action in the Social Order was established in 1953 to emphasize in an age of material greatness the importance of the spiritual, to interpret the importance of the religious dimension in practical affairs and to spell out what Americans can do to act in a world crisis. The foundation is an action body and does not sponsor discussions of dogma or church unity, nor does it engage in evangelism with a view to making converts for any church or doctrine.

In observing Armed Forces Day, we should all remember that our national security depends on a deep and abiding religious faith. Religious faith fosters attitudes that contribute to peace among men. With peace as our objective, the cultivation of spiritual factors in our daily living will build and strengthen the fabric of our national security.

Our Armed Services: Defense Against the Common Enemy, or Defense Against Each Other

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. MILLER of Nebraska. Mr. Speaker, article I, section 8 of the Constitution of the United States declares:

> SECTION 8. The Congress shall have Power To lay and collect Taxes, Duties, Imposts, and Excises * * * to * * * provide for the common Defence * * * of the United States;
>
> * * * * *
>
> To raise and support Armies * * *;
>
> To provide and maintain a Navy;
>
> To make Rules for the Government and Regulation of the land and naval Forces.

As a peace-loving, peace-prospering nation, we have nevertheless long recognized that we must maintain our armed services at top military strength in the

interest of assuring adequate defense against the common enemy.

The morning press and radio tell us that, as the latest step in our program of defense, it has been suggested that 2 of the 3 Military Departments engaged concurrently in missiles research programs—whether offensive missiles or defensive missiles—should stage a "duel." This proposed duel will pit the Army's "Nike"—developed through research at taxpayers' expense—against the Navy's "Talos," also developed through research at taxpayers' expense. It is interesting that both happen to be ground to air weapons.

It is conceded that missiles will serve both as offensive weapons and as defensive weapons, but it is difficult to understand justification for planning one to finality only to prove that the other—developed to finality—is outmoded, ineffectual, and useless.

As ridiculous as the proposed duel may seem to some, it is good that the proposal has been made; in fact, the proposal is a sound one in light of the status quo of armed services' activities, and the author of the idea is to be commended. Good that it happened, and a sound proposal, because it gives emphasis to the conclusion of many of us that Congress and the President have a clear and present duty to call a halt to Army against Navy, Navy against Air Force, Air Force against Army, and so forth.

It is clear that each of the three military departments is going ahead—independent of each other—in multimillion—or billion—dollar missiles' research programs. Further, that each is prosecuting its individual research program to finality.

To what end?

So that the Congress, the President, and the taxpayers can stand by to witness the spectacle of a gigantic duel between the Army, Air Force, and Navy aimed at proving that two ultimate missiles can and should be discarded in favor of a third ultimate missile.

Missile airframes are missile airframes; launching bases for missiles are launching bases for missiles; propellants are propellants, and warheads are warheads. These are the common denominators in our research programs, and the unknowns are being pursued in at least three different military laboratories.

If these programs were pulled into one military department—or better yet, pulled into one research department directly under the Secretary of Defense—only one program, the best both offensively and defensively, would be pushed to finality. All research talent, know-how, brains, energy, and funds would be commonly pooled toward a common goal for the common defense.

On May 10, 1956, the distinguished chairman of the House Appropriations Committee, during debate on the Armed Services Appropriation Bill, stood in the well of the House to tell us General Curtis LeMay within the past 2 weeks—in commenting on our supercarrier Navy—has said that his bombers could sink every carrier at sea in 2 hours.

Is the next duel to be between the Navy's carrier *Forrestal* and the B-52 of the Strategic Air Force: Or will we have a warmup by testing the B-47 against the *Nautilus?*

The next duel, Mr. Speaker, should be between the taxpayers and those who have failed, refused, or been unable to unify the armed services.

The burden, under the Federal Constitution, is that of the Congress.

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. COOPER. Mr. Speaker, today the Committee on Ways and Means met further in executive session with respect to recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems.

For the information of the Members of Congress and the interested public, I would like to insert at this point in the RECORD a press release I have issued announcing the decisions made today by the committee in regard to the subcommittee recommendations.

The committee is scheduled to meet again at 10 a. m. in executive session on May 21, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, of Tennessee, chairman of the Committee on Ways and Means, announces the tentative decisions reached today by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. Previous announcements with respect to earlier decisions of the committee were issued on May 10, 14, and 16, 1956. These announcements are printed in the CONGRESSIONAL RECORD for May 10, 15, and 16, 1956, and appear on pages 8011, 8204, and 8328, respectively.

Chairman COOPER stated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m., on Monday, May 21, 1956. A table of revenue estimates relating to the subcommittee's recommendations is printed in the subcommittee report beginning on page 13. A more detailed explanation of the recommendations appears in the subcommittee report beginning on page 16. The decisions reached by the committee today, are as follows:

X. GENERAL

1. Uncertainty with respect to the tax to be paid upon the sale of installment accounts at less than face value should be resolved by statute. The administrative rule now in effect requires payment of tax upon the face value of installment accounts irrespective of the selling price. However, an exception is made in bankruptcy and receivership cases where the taxpayment is based on the selling price. This rule should be codified and extended to similar sales made in other legally distressed situations.

2. It should be made clear that the type of contract recognized under Louisiana law, which is similar to an installment contract, qualifies for the privilege of deferred tax payments as an installment contract.

3. Statutory authority should be given to the Secretary of the Treasury or his delegate to authorize by regulations that a person, who is liable for the filing of returns with respect to the retailers' taxes and the transportation of property tax, may designate his supplier or shipper to perform such acts as are required of him in connection with the filing of the returns relating to these taxes.

4. The subcommittee has agreed to ask the State Department for a report on the question of whether or not the present foreign diplomatic exemptions should be continued and if so the proper extent of such exemptions.

5. Exemptions from manufacturers, retailers, transportation, and communication excise taxes should be provided for elementary and secondary schools and colleges and universities operated by nonprofit organizations.

XI. TOBACCO AND ALCOHOLIC BEVERAGE TAXES

The committee began consideration of the recommendations contained in this section and will resume consideration of section XI when it next meets on Monday, May 21, 1956.

Postmaster General Summerfield Asserts the Post Office Department Has No Intention of Changing Existing Regulations Affecting Rights and Privileges of Postal Employees

EXTENSION OF REMARKS

OF

HON. EDWARD H. REES

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. REES of Kansas. Mr. Speaker, my attention has been directed to a recently publicized statement concerning certain regulations of the Post Office Department indicating, if enforced, might affect certain rights of employees in the postal service. Of course, I am opposed, as you are, to regulations that would jeopardize the privileges of those employed in the postal service of our country.

I addressed an inquiry to the Postmaster General concerning this matter. It occurred to me Members would be interested in my inquiry and the reply of the Department. Here they are:

MAY 15, 1956.

Hon. ARTHUR E. SUMMERFIELD,
The Postmaster General,
Washington, D. C.

DEAR GENERAL SUMMERFIELD: Postal employee leaders have called my attention to regulations of the Department which they charge might be used to curtail the rights of the Department's 500,000 employees. Postal leaders say that the policy could curtail the rights of employees to take action for the improvement of their working conditions and benefits without prior approval of the Department.

The controversial regulation, they say, appeared in the March 28 edition of the Postal Manual. It reads as follows:

"Information relating to the policies and decisions of the Post Office Department will be released only through official channels.

Employees shall not actively engage in campaigns for or against changes in the service, or furnish information to be used in such campaigns unless prior approval has been obtained from higher authority.

"If an employee has justifiable reasons for favoring or opposing changes in the postal service, he shall contact the proper officials and await specific instructions before engaging in local hearings or activities."

Union officials tell me that is a violation of the Lloyd-LaFollette Act of 1912 which, as you know, specifically gives Federal workers the right to petition Congress as to improvement in their benefits and working conditions as well as the airing of their grievances. Federal workers tell us the regulation would prevent employees from having their grievances and personnel matters aired within the Department.

It would seem to me that, if the contention of the postal employees is a correct one, and that the Department has issued regulations as described in their complaint to me, you should have an explanation therefor. I will appreciate if you will let me know when you issued these regulations, also why they were issued. Apparently they must be recent or I would have had complaints prior to this.

Knowing the fairness of your attitude toward the problems of the employees in the postal service, I am sure you must have reason for the issuance of this regulation.

Respectfully submitted,

EDWARD H. REES,
Member of Congress.

MAY 17, 1956.

Hon. EDWARD H. REES,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN REES: Your letter of May 15, 1956, states that postal employee leaders have called your attention to certain regulations of the Department which they charge might be used to curtail the rights of employees. If the facts concerning postal regulations were as represented to you by these employee union leaders, I would be the first to share your deep concern in the matter. The claim that these rules are intended to restrict employee rights of free speech simply is not true. Here are the facts:

In 1949, the previous Post Office Department management issued a restriction on campaigns for changes in the mail service on the part of Postal Transportation Service employees. This regulation was reprinted recently in a revised chapter of the new Postal Manual.

It is this regulation which a few of the employee leaders have chosen to distort and misinterpret in an apparent attempt to influence legislation. The Department had no intention whatever of changing any existing privileges of employees and made this fact clear to anyone who inquired. In fact, the chapter of the Postal Manual which reprinted this old regulation made specific reference to part 741 of the same chapter which clearly stated the Department's intent and policy to protect fully the rights of employees.

Part 741 specifically provides for "the presenting by any person or groups of persons of any grievance or grievances to the Congress or any Member thereof" and that "the right of persons employed in the civil service of the United States, either individually or collectively, to petition Congress, or any Member thereof, or to furnish information to either House of Congress or any Member thereof, shall not be denied or interfered with."

Thus, these rights to present any grievance to Congress or any Member thereof, to petition Congress, or any Member thereof, or to furnish information to either House of Congress, or any committee or member thereof, are specifically set forth. Further, in a sincere effort to provide proper recognition for employee organizations, this same chapter of the Postal Manual recognizes the right to organize and contains the following instruction to all postal field management: "Consultation with employee organizations concerning mutual problems is not only the sensible course, but also the policy of the Department."

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

The Polish Constitution: Symbol of Freedom

EXTENSION OF REMARKS
OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Thursday, May 17, 1956

Mr. BUTLER. Mr. President, among the many brave and gallant peoples presently enslaved by the Communist conspiracy are the people of Poland. It is altogether fitting that their millions of friends in America and throughout the free world note the 165th anniversary of the adoption of Poland's Constitution, which remains one of the great documents in man's long struggle to be free and independent.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared in commemoration of this important anniversary.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POLISH CONSTITUTION: SYMBOL OF FREEDOM

Today we are commemorating the 165th anniversary of Poland's constitution, and I am grateful for the opportunity to assure the Polish people in our own country as well as the millions of our Polish friends behind the Iron Curtain that we have not forgotten the plight of Poland.

This anniversary is one of the great events in the long history of Poland. For it was by the constitution of May 3, 1791, that it was decreed that Poland would be a nation of freedom, based on laws made by the people. It contains this statement: "All power in civil society is derived from the will of the people."

The road to constitutional reform was not an easy one, although Poland was one of the first of the pioneers of liberalism in Europe. In 1347, Poland established the first complete code of laws existing then in Christian Europe. In 1413, the leaders of Poland and Lithuania executed an agreement, the language of which proclaimed the brotherhood of nations for the first time in history. In 1430, the security of the individual was recognized and safeguarded by law in Poland, and as this same law was constantly broadened, it became the nucleus of Poland's unparalleled political and religious liberties.

For 2 years preceding the Polish constitution of May 3, 1791, the Polish Diet held intense discussions until there was general concurrence in the character of the constitution. The resultant document included many of the political principles and constitutional practices of the countries most advanced in democracy at that time. It contained many of the forms and practices found in our own Constitution as well as in the British. Such things as the separation of powers, bicameral legislation, the elements of cabinet responsibility, the independent judiciary, and majority rule, all these and more are found in the Polish constitution.

It may readily be seen that the fact that Poland succeeded in these early days to achieve such great progress was due almost entirely to the genius of the Polish people themselves. The descendants of these same democratically minded people have now been thrust ruthlessly under a terroristic, totalitarian police state.

For the sake of these Poles under the Soviet oppression let us all now rededicate ourselves to the cause of constitutional democracy. We know with certainty that the day will come when the Polish people and their oppressed neighbors in Eastern Europe will be enabled to throw off the chains that bind them. We are also confident that the free men in our own great Nation will help assure the return of Poland to its traditional position of honor among the free nations of the world.

Armed Forces Day

EXTENSION OF REMARKS
OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. KEATING. Mr. Speaker, on Saturday, May 19, we celebrate a day heavily charged with overtones as to the future of our Nation, Armed Forces Day. The numerous displays of our strength and publicity concerning how our defense effort works, should go a long way toward increasing public understanding of our defense program.

Armed Forces Day is particularly timely this year because it follows so closely on the heels of the passage of the Defense Department appropriation bill here in the House. There were several aspects in the consideration of that measure which deserve the attention of everyone concerned with the future of our Nation.

If there ever was a subject that ought to be completely nonpartisan and nonpolitical, our national defense effort is it. Yet there has been in recent months a good deal of headline-grabbing and wild charges with political overtones, centering around the President's policies with respect to the development of our medium and heavy bomber force.

Mr. Speaker, everyone agrees that we cannot permit our Defense Department, and particularly our Stategic Air Force, to become second best. But this is a matter for the experts. What the Russians are really doing, and how our total defense organization compares with them, is something that only our military and intelligence experts can balance out for us. And so far as I am concerned, there is not a man in this country better qualified to do this than President Eisenhower himself. The President rightly cautioned against letting ourselves be misled by what he characterized the "numbers racket" in this field.

The House Appropriations Committee concurred with the President when they made their report on the Defense Department budget. Because these men have been studying this whole situation with minute care, their judgment is

doubly significant at a time when our defense preparations are under partisan political attack from snipers who, unlike the members of this committee, have no responsibility for study and determination of what is an adequate and proper figure to fix for our national defense.

Let me quote a few lines from the committee report:

> The committee, after extensive hearings * * * feels that, barring unforeseen developments, the amount appropriated is generally adequate to fully implement our projected military requirements for the fiscal year and will enable the Department to continue to give the country an increasingly strong and well-balanced force. The 1957 military budget, perhaps more so than any previous budget in our history, reflects changes and improvements in methods of warfare which we have been forced to develop in an attempt to retain superiority over any possible aggressor.

Mr. Speaker, I hardly think it necessary to remind the Members of this body that the vote on final passage of the defense budget was 377–0. This smashing victory represents a well-deserved vote of confidence from both sides of the aisle in our defense leaders and their work. It is to be hoped that from now on we will have a lot more cooperation with and trust in our military experts and a lot less partisan pettiness and wild charges.

As we celebrate Armed Forces Day let us remember these things and continue to work to keep our defenses strong. We must never forget that our Armed Forces represents a powerful force for world peace, because they are the greatest deterrent to possible aggression.

I hope that public understanding of our national defense program will be increased by Saturday's activities and that the world will more and more come to see in our strong defenses not a threat to the world, but an affirmation of America's peaceful aspirations.

Concentration of 95 Percent of Federal Research Funds in a Few Big Firms To Be Investigated by Select Committee on Small Business

EXTENSION OF REMARKS
OF

HON. STEWART L. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. UDALL. Mr. Speaker, Harlow H. Curtice, president of General Motors Corp., said yesterday that United States leadership in the free world depends on speeding technological progress. Speaking at the dedication ceremonies for GMC's new $100 million technical center in Detroit, Mr. Curtice warned that our country was engaged in a great competitive struggle for survival and was being challenged particularly in the technological area. "We must put more emphasis on basic research, pure research," he declared.

During the past 5 years, as my friend and colleague FRANK THOMPSON, JR., Democrat, New Jersey, pointed out in a speech on the floor on May 9, the United States has spent $22 billion on such research, nearly half the total amount spent in such pursuits since 1860. One of the things which disturbs me most is the revelation that in the 7 months ending January 31, 1956, the Department of Defense awarded research and development contracts amounting to almost $1 billion, to be more precise, $982 million, and of this huge sum only 5 percent went to firms having 500 employees or less.

At the conclusion of the discussion, in which several Members of the House participated, Chairman WRIGHT PATMAN, of the Select Committee on Small Business said:

> I assure the gentleman from New Jersey, however, that our committee will do all it can to gather revealing information on this important subject and report this information to the House.

The response to this discussion has been exceptional and I include here some of the comments that have been made upon it as well as a letter from George J. Burger, Jr., of the National Federation of Independent Business. The text of Congressman THOMPSON's legislative measure, House Resolution 452, to authorize the Select Committee on Small Business to investigate and study the problems of small business with respect to basic and applied scientific research and development work is also included:

[From the Trenton Evening Times of May 16, 1956]

STRANGLING SMALL BUSINESS

Even the most casual study of bankruptcy statistics, a dismal subject at best, inspires genuine anxiety concerning the future of small business. Independent business enterprises with moderate resources are finding the struggle for survival increasingly difficult and it is becoming distressingly apparent that they are not helped by administration policies.

The problem of the weakening position of small business in the Nation's economy inspired forthright and enlightening discussion in Congress a few days ago when Representative THOMPSON, of New Jersey, introduced a resolution calling for an investigation of the amount and proportion of funds distributed by Federal departments and agencies for research and development facilities.

Introduction of the resolution had been preceded by a great deal of revealing inquiry and was followed by a discussion which accented in striking fashion the extent to which Federal research funds are devoted to the interests of big business. In fact, as Representative THOMPSON charged, 95 percent of Government money for this purpose is concentrated on the research activities of a few great enterprises.

"Obviously," as he insisted, "these firms that are able to have a substantial part of their experimental and research and development activities financed by the Federal Government will have a great lead, sometimes an insurmountable lead, in the commercial race."

Research is as essential as it is expensive. Without it an industry cannot keep pace with the march of progress. When great corporations have this vital cost assumed for them by the Federal Government, their advantages in the competitive field are increased immeasurably.

The great disparity in allocations of money for this purpose constitutes an injustice with fatal possibilities with respect to the survival of relatively small-business enterprises. Mr. THOMPSON has accordingly performed an important public service by raising the issue so effectively in Congress.

[From the Newark News of May 14, 1956]

CAPITAL COMMENT

(By Thomas L. Stokes)

HOUSE EXPLORES PRIVATE RESEARCH WITH TAX MONEY

WASHINGTON.—The House of Representatives recently took a look at one aspect of the growth of big-business control of our economy and our Government which, strangely enough, is nurtured by public money provided by all of us as taxpayers.

Soon after the discussion in the House about the outlay of Government money for scientific development and research, and how the bulk of it goes to a few corporations, former President Harry Truman coined a phrase for this spreading control of big business over our Government. He called it "a new feudalism" in a message to the annual convention of Americans for Democratic Action.

Said Truman, "Centers of private power, beyond democratic control are exerting greater and greater influence over our national life, driving small business to the wall and strangling individual enterprise."

DISCERNS DANGER

Two days earlier in the House Representative THOMPSON, Democrat, Fourth District of New Jersey, had precipitated the discussion of Government research money and what happens to it. Recognizing the need of a big-scale research and development program, most of which is for defense, he warned of the danger to the free competitive enterprise system in the way the Defense Department is funneling most research contracts to big companies.

For example, the Department's figures for the 7 months ending January 31, this year, show that only 5 percent of nearly a billion dollars in research contracts during that period went to firms having 500 or fewer employees. It was pointed out during the debate by Representative PATMAN, Democrat, of Texas, chairman of the House Small Business Commitee, that "this 5 percent of the money could be compared with about 45 percent of the manufacturing activities carried on by firms with less than 500 employees."

The increasingly large contribution of our taxpayers to research by private companies was revealed in figures presented by Thompson. They showed that, of the $4.21 billions expended for research and development in 1955—which compares with $1.75 billions in 1946—the Federal Government contributed $2.42 billion or 57 percent. Private industry supplied 41 percent—$1.71 billion. The rest came from nonprofit institutions. While Government, itself, did most such research not many years ago, now 75 percent is done by private industry and a large part of that at public expense.

OTHER ADVANTAGES

Along with the money, the favored corporations get other advantages that help them to expand their control over our economy. As explained by Thompson:

"Obviously these firms that are able to have a substantial part of their experimental and research and development activities financed by the Federal Government will have a great lead, sometimes an insurmountable lead, in the commercial race. The firms that receive the research and development contracts are in a position to hire, preempt and control the available research personnel, the supply of which, as we know, is now critically short. These companies will gain the know-how and have the inside track with new products and new processes.

"Furthermore * * * when the Department of Defense grants a contract for research and development work, it actually allows the private firm receiving the contract to take out the patents on patentable inventions it makes with the use of Government money."

NATIONAL FEDERATION OF
INDEPENDENT BUSINESS,
Washington, D. C., April 5, 1956.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: I have talked with our president, Mr. C. Wilson Harder, about your March 30 letter, and he has asked me to tell you that he is personally much in accord with your idea of promoting a study into the problem of federally financed research and development work and all its ramifications into the business world.

Beyond doubt, findings resulting from such a study could have much value in helping the Congress to appraise the role smaller, independent business can play in connection with these contracts and in connection with work resulting from such activity. At the same time it could go far toward helping to remove whatever arbitrary roadblocks have been thrown in small business' path.

It goes without saying that many of the helpful innovations which have strengthened our productive muscle have come right out of the minds and work of smaller businessmen. This segment of our economy continues to have a tremendous potential in this direction, provided its capabilities are fully used.

Mr. Harder has asked me to remind you, however, that since it is our policy to take a stand on legislation only after polling our membership, and that since we have not had a chance to poll our members on your bill, he cannot commit the federation as an organization. Perhaps if we had had some earlier notice we might have been able to poll, just as we are polling currently your and Senator FULBRIGHT's tax reduction bills, and possibly, assuming membership favorable vote, secure the widespread expressions you desire.

We know you understand our position, and with very best wishes,

Sincerely,

GEORGE J. BURGER, Jr.,
Assistant to President.

[From Labor]

NEWS OF CONGRESS—SENATE GROUP TRIMS DOWN PENSION BILL AS IKE ASKED—MILITARY FUNDS HELD AMPLE; CHARGE UNCLE SAM HELPS MAKE "BIG BIZ" BIGGER

(By Albert H. Jenkins)

MAKES "BIG BIZ" BIGGER

Some significant facts and figures on how Uncle Sam's huge expenditures for scientific research and developments are distributed were given to the House this week by Congressman FRANK THOMPSON, Jr., Democrat, New Jersey. Among them were these:

1. In the year beginning next July, the Government will provide $2.2 billion for research. Of each dollar, 85 cents will go for developing new weapons, and only 15 cents for studies and improvements in such fields as labor, health, welfare, commerce, and agriculture.

2. Last year, the Federal Government provided 55 percent of the $4.2 billion spent on research, and private corporations put up only 41 percent.

3. Of the Government's research billions, 95 percent is going to a few big corporations, and only 5 percent to smaller firms.

4. The big corporations get the patents on discoveries and developments they make with the Government's money, THOMPSON pointed out.

He said these patents, and the big corporations' almost complete monopoly of Government research money, are helping to make big business still bigger and more powerful.

Resolution

Resolved, That the select committee to conduct a study and investigation of the problems of small business, created by H. R. 114, acting as a whole or by subcommittee is authorized and directed to conduct a full and complete investigation and study of (1) the amount and proportion of funds distributed by Federal departments and agencies for research and development facilities and work to the various segments of industry and the various size and classes of firms, (2) the methods, standards, and criteria being used by the Federal departments and agencies for distributing such Federal funds among various competing firms and size and classes of firms, (3) the methods and procedures adopted by the Federal departments and agencies to safeguard the interest of small business in research and development work and to assure broad participation by such firms in federally sponsored and federally aided research and development programs, and the extent of the success of such methods and procedures, (4) the extent to which the award of Federal research and development contracts determines the distribution of Federal contracts for procurement of supplies and services, (5) the extent to which the granting of Federal funds for research and development work influences or determines the employment by small business of scientific and technically trained research personnel, and (6) the procedures and methods in use by Federal departments and agencies concerning the assignment of patents and the licensing of patented inventions made or developed with the assistance or use of Federal funds.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

Vursell and Nelsen Against Hoover REA Report

EXTENSION OF REMARKS
OF
HON. JOSEPH W. MARTIN, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. MARTIN. Mr. Speaker, with leave to extend my remarks in the RECORD, I am inserting a radio-broadcast discussion participated in between Mr. Ancher Nelsen, Administrator of REA, and my colleague, the Honorable CHARLES W. VURSELL, on May 10, 1956.

This is one in a weekly series of interesting and informative broadcasts on farm problems by Mr. VURSELL, carried by several radio stations in the 23d Congressional District of southern Illinois.

The matter follows:

VURSELL AND NELSEN AGAINST HOOVER REA REPORT

My friends, this is your Congressman, CHARLES W. VURSELL. In this broadcast today I have a pleasant surprise for you. I am honored to have with me on this program the top Administrator of REA, Mr. Ancher Nelsen.

Mr. Nelsen has directed this organization, nationwide, from his office in Washington for the past 2 years, and I am safe in saying that no administrator is more highly respected or has done a finer job in helping to bring light and power, and REA telephone service, to the farmers since this organization started than has Mr. Nelsen, who will participate in a brief discussion with me today.

However, before calling upon Mr. Nelsen, as your Congressman I want to make a short statement. It has been my pleasure to serve in the Congress for 14 years, where I have had an opportunity to see REA grow, and an opportunity to help it to expand its growth—through always seeing to it that we in the Congress constantly provided adequate funds for its operation and development.

When I came to Congress, the REA organization was about 6 years old, and about 47 percent of the farmers had been reached with its service. Today, about 95 percent of the farmers of the Nation receive light and power. Of all of the billions of dollars I have helped to appropriate over the past 14 years, none of it, in my judgment, has done as much to aid the farmers, to lift the drudgery from farm work and farm women, and build up the economic welfare of our Nation as has the money we have loaned to REA cooperatives.

This organization has turned on the light and power in the farm homes of America. It has helped to modernize and make farm life more enjoyable. It has brought about a condition that helps to keep more of our fine young men and women on the farms of our country.

By making electricity available to the farmers, they have spent billions of dollars for electrical appliances, which has helped to employ labor, increase business, and build up the economy of the Nation.

Let me tell you what REA has done for Illinois: The 27 cooperatives in Illinois have extended REA service to over 95 percent of the farms in our State. Up to January 1, 1956, these cooperatives have borrowed from the Government $84,510,000, and paid back to the Government in interest $8,950,838, and repaid on principal $18,167,359. This includes a current balance of $5,147,854 of payments made ahead of schedule. In other words, they have paid interest and payments due, and have a prepayment for the future to their credit of $5,147,854.

The fine thing about it is that the record throughout the 48 States is almost as good as the record in Illinois.

In my congressional district, the 5 REA cooperatives have borrowed a total to date of $17 million from REA, and have invested $15,600,000 of that amount, with which they have built and now operate 8,400 miles of line, and serve 28,600 rural customers, who are my constituents. These REA cooperatives are also paying their loans ahead of schedule.

At the close of 1955, they had paid $6,600,000 on principal and interest due on

their loans, of which $2,400,000 was paid in advance on principal.

Now, my friends, you have heard quite a bit of talk about the Hoover Report, which sought to change the loan and financing status of REA. As a Member of Congress, I would like to say to you: first, I am opposed to making any change in the present set up of REA, and second, in my judgment, the Congress that brought into being the REA, and has helped to nurture its growth for 20 years, is so proud of its accomplishments that you need not have any fear that we will permit its present organization to be handicapped, or changed, in any way, that would mar the fine record it has been making.

Mr. Nelsen, I am going to ask you to comment on any of the phases of REA that come to your attention at the present time. I know my people will be glad to hear this information from the very top of this great organization.

Mr. NELSEN. Well, Congressman, first may I say that I appreciate the opportunity of appearing on this program with you. I think it is a compliment to me and a compliment to the program.

The rural electrification program has been one of the outstanding contributions to rural America. I say that to you as a farmer. I happen to own and operate a farm in Minnesota. I helped organize the system that serves my farm, and I know farming with kerosene lamps, and it isn't easy. When electric power came out there it was a great contribution.

One of the things we have tried to do in the years I have been acting as Administrator is to try to apply some of the commonsense business administration that we learned on the farm—we have tried to apply that to Government. We have tried to make loans where they are necessary—where they are needed. We have not tried to outbid anyone else, but we are trying to do what is necessary.

We have encouraged that the farmers, directors and managers assume more responsibility and learn more about the business of running their cooperatives. Therefore, they become stronger; because it is necessary to understand your responsibilities to do a good job.

We have encouraged greater financial strength. We encourage the cooperatives to have their rate structure such that will permit them to acquire greater ownership and less Government equity, and more farmer equity—and, therefore, owning it. So right across the board, our objective has been to do what any good farmer wants to do; that is, to own and operate and understand the business. And we have been very successful in that respect, because today we find the financial picture with REA cooperatives nationwide to be the best in its history. We find at the present time over $80 million of advance payments to the Government of the United States. We find that only about 13 of the cooperatives are behind in their payments. We find also that about 700 to 900 have paid advance payments to the Government. So, I think, when you add the total score we find ourselves in a very strong position.

And I want to say regarding the Hoover Committee report, we hear so much talk about it—I think mostly politically inspired, because we had Hoover Committee reports under previous administrations—and they are recommendations to the Congress for consideration. But our position on the present report is this: that we felt the recommendations in that report went far beyond where they should go, and had not had adequate study, and, therefore, we in REA recommended against it. The Secretary of Agriculture supported our position, and the President of the United States supported our position, and, on top of that, the Congress has supported our position, so, I think, we are in fine shape. We are financially strong. The farmers are getting electricity. We are paying back our loans. And, as a farmer, I feel very proud of what the rest of the farmers nationwide have done.

Mr. VURSELL. Now, that is fine, Mr. Nelsen. If there is anything further you would like to say I note we have almost 2 minutes of time.

Mr. NELSEN. Well, you may be interested also in the telephone program. That is part of our responsibility. We started out, I think the first year with about a $4 million loan program. Gradually that has gone up. Today it runs around $80 million per year.

A part of the contribution that the telephone program makes to rural telephone is the competition. The Bell companies and the independent companies are all doing a little more just because we are in it to push them a little bit. Incidentally, a big percentage of our loans are made to the small independent companies who have difficulty in getting finances. So we are trying to improve rural telephones. In this past year we had the most successful year in the history of rural telephony in the extension of telephone service to farm people.

Mr. VURSELL. That is fine, Mr. Nelsen. I see our time is almost up, but I want to compliment you for the very fine job you have done. I am delighted to have you here with me on this program today. I know our listeners are as well.

This is your Congressman, CHARLES W. VURSELL, signing off until this same time over this same station next week.

Appointment of a New Secretary of the Interior

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. CURTIS of Missouri. Mr. Speaker, one of the major differences between the Eisenhower administration and the preceding administrations of Presidents Roosevelt and Truman lies in the philosophy of the relationship between Federal and local government and between Government and private enterprise in the field of developing our power and other natural resources.

In each of the annual Economic Reports of the Eisenhower administration much effort has been devoted to spelling out the belief of the Eisenhower administration that a balanced partnership between Federal Government, local governments, and private enterprise in the development of our power and other natural resources is the best way to get the greatest and cheapest abundance of these necessities for our society. There is plenty of room for honest argument as to just where the balance should be struck, but there is no room for argument which refuses to recognize that the issue is one of balance and not one of one side being for cheap abundant power and the other being against cheap abundant power. As a matter of fact, there is not just two sides to the question. There are many sides. Some believe that the balance proposed by the Eisenhower administration still unduly weighs the responsibility of the Federal Government at the expense of private enterprise. My own personal view is that the Eisenhower administration is still weighing too heavily the Federal Government at the expense of both local government and private enterprise.

Mr. Leland Olds, testifying before the Joint Committee on the Economic Report on the President's 1955 Economic Report, complained that there was no attention paid to the problem of getting cheap adequate power for our people in the report. In questioning Mr. Olds on his views, I made the following suggestions for his comment: That he, Mr. Olds, was what is known as a public-power advocate. Mr. Olds admitted that he was. I suggested then that his complaint with the President's report was not that no attention was devoted to the problem of getting more cheap power for our people, but rather that the President had not suggested the Federal Government develop plans for moving further into the field directly. The President's report gave emphasis to plans which required more private initiative and which had a better balance between Federal Government, local government, and private participation. The objectives of Mr. Olds, the Eisenhower administration, and people holding views similar to mine, is to get as much cheap power for our people as we can. The issue is not centered on differences in motives, but rather in differences as to how we best attain these desired objectives.

However, the public-power advocates and others who are advocating the philosophy of greater Federal governmental participation in the areas of the development of our natural resources will not accept this statement of the question. I think it is fair to say, generally speaking, these people advocate greater Federal governmental participation in almost all areas of economic and social development in our society. They are opposed not only to a greater participation of State and local governments in all areas of social and economic development, but also a greater participation of private enterprise in these areas. Theirs is not just a holding action; they want the Federal Government to assume more responsibility.

The Americans for Democratic Action have been the public spokesmen of this philosophy and are directing the strategy of public debate on it. Although this is a relatively small group of citizens, in its ranks are individuals influential in the thought-molding professions of our society. They consist of traditional politicians, teachers, professors, authors, newspaper reporters, columnists, book reviewers, book publishers, and other persons in the administrative work of these professions. Accordingly, the strategy they develop on the public discussion of a political issue becomes important.

As I have stated, this group refused to accept the issue for discussion as being one of how we attain the fine objectives we all agree upon. Instead, this group decided to pose the issue as one of motives and opposite objectives. They are for cheap adequate power; the other side is for the opposite. They are for good; their opponents are for bad.

So the issue has been presented to the people by them under the huckster slogan "giveaway." The term "giveaway" implies insidious, improper motives. It has been applied by this group to every step taken by the Eisenhower administration where it has tried to effect a different balance, a balance away from the amount of present Federal governmental participation in economic developments in our society.

These spokesmen of ADA have not been content with merely implying improper motives; in many instances they have made frontal attacks on the motives of all persons connected with a particular issue where the importance of the Federal Government in a matter was being diminished. The Dixon-Yates controversy affecting the TVA as it did is a classic example of the methods employed. The strategy was a series of hit and run attacks. The public today has forgotten many of the charges made as detailed charges. They only remember, as those knowing public psychology planned they remember, there was something unsavory alleged. One of the first charges was that Bobby Jones, a personal friend of President Eisenhower, was financially interested in the Dixon-Yates proposals and therefore * * *. This charge was disproved almost immediately, but those who know public relations media and public psychology knew the refutation would never attain the prominence of the original charge. In the Dixon-Yates matter, one attack after another on the motives of the persons involved was made, refuted, and dropped, only to be picked up after a reasonable period of time and referred to vaguely and collectively to persuade the public that something unsavory was connected with the matter.

The basic issues involved in the Dixon-Yates matter were never honestly posed to the public or discussed by the ADA group although there was much area for honest public discussion.

So it has been with one giveaway after another, including the tideland oil question. Not once has this crowd of intellectuals honestly posed the questions so the American public could give consideration to the real and sometimes difficult issues involved. Furthermore through the power they possess in their thought-molding professions they have been rather successful in poisoning the air throughout the country on matters that can and should be the subject of honest and searching debate.

Now we come to one of the purposes behind such campaigns. The Secretary of the Interior has resigned. This governmental department makes a great deal of policy in regard to issues of power and natural resource development. This department, under Secretary McKay, has been conscientiously following the philosophy of President Eisenhower in this area in spite of all attacks. It is most important to the ADA to have a Secretary of the Interior in this administration who is not a person of courage and strong convictions. The smear campaign can hurt a strong and able man, but it cannot make him change his course. The smear campaign can make a weak man—a man who doesn't study or know his subject—temporize and modify his views. Particularly, as men have learned, if he does modify his views he receives, through the same power these people exercise in the thought molding fields, great praise as a humanitarian. He is no longer an anti-intellectual, an ante-diluvian.

So the campaign has been on for some time to keep the Under Secretary of the Interior Clarence Davis, an honest, hard-working, and knowledgeable man, from being appointed by the President to the Secretaryship. The campaign against Davis I feel is pointed toward a few people in the administration who have been known in the past to have been influenced by these campaigns, either because they have been taken in by the cleverness of them, or because they feel that the public in general have been taken in by them.

An article entitled "Republican 'Giveaways': the Charges and the Facts" appearing in Harper's magazine, May 1956, illustrates the techniques employed.

This article cloaks itself—not too cleverly either—in the guise of being an objective and intellectual examination of the issues involved in the approach our society should adopt in the development of our natural resources. An alert, thoughtful person can see the dishonesty without even having to refer to outside materials. The fact that it was printed and headlined in Harper's magazine assist in taking the unalert intellectual unawares. I am curious as to why the editors of Harper's participated in this attempt at public deception on this important public issue.

I am setting forth a résumé of the background of Clarence Davis, the person the ADA is seeking to keep out of the Secretaryship of the Interior. I want to point out an interesting fact. Nebraska has long had a system of State ownership of power. Clarence Davis has had a great deal to do with the development of this system. So it can be seen his record is not really that of leaning primarily toward private enterprise in the balance of Federal Government, local government, and private enterprise. If anything it is one leaning toward State and local government. But either private enterprise or local government is anathema to those who want to enlarge the Federal Government. Much as I believe the emphasis should be more on private enterprise, I have no great fear of State or local operation except for the inherent inefficiency of the personnel system it brings, because our local and State governments are still close enough to the people to be watched. I do fear the concentration of economic power in Washington, D. C., or in Wall Street; it makes no difference. I greatly fear the concentration of both economic and political power wherever it be. A totalitarian state is nothing more than a state where economic and political power rests in the same hands. This result can be achieved by the economic groups taking over the political groups as in fascism or nazism or it can be achieved by the political groups taking over the economic groups as in communism. Or it can be a catalysis where the Military Establishment takes over both and coordinates and controls them.

One thing alone will keep a republic a republic and a people of a society free and that is honest public debate which means respect for the wisdom and motives of one's opponents and of the people of the society who listen. Clarence Davis is a public servant whose entire career bespeaks honesty, integrity coupled with great ability and great courage. He would make a splendid Secretary of the Interior.

CLARENCE A. DAVIS

Mr. Davis was born at Beaver City, Nebr., November 21, 1892, the son of Thomas M. and Nannie Galvin Davis. In 1916 he married Florence Wells, of Schuyler, Nebr. They have 1 son, Thomas M. Davis II, and 3 grandsons.

Education: Attended public schools of Beaver City, Nebr. (population 1,200), graduating in 1910. He attended Nebraska Wesleyan University, 1910–13 (A. B., 1913), taking the 4 years' work in 3, and had many college activities; baseball team, track team, tennis team, debating team, class orator, etc., and graduated from Harvard Law School (LL. B., 1916).

Legal biography: He practiced in Omaha, Nebr., from 1916 to 1917, with the firm of Baldrige and De Bord. He removed to Holdrege, Neb., in 1917 and was elected attorney general in 1918.

Attorney General of Nebraska, 1910–23; counsel to Nebraska in interstate water litigation and in preparation of Nebraska-Colorado Interstate Compact regarding the South Platte River, 1923; member of commission compiling Nebraska statutes, 1922; member Uniform Laws Commission, 1922–25; general practice in Holdrege, Nebr., 1923–36; general practice in Lincoln, Nebr., 1936–53; member of law firm of Davis, Healey, Davies & Wilson; general counsel to Western Public Service Co., 1925–41; general counsel to Consumers Public Power District, 1941–53; counsel to Missouri Valley Development Association; lecturer on administrative law, University of Nebraska, 1943; trustee, Nebraska Wesleyan University, 1923–27.

Member of the Lincoln, Nebr., the Nebraska State, and the American Bar Associations, and a member and vice president of the Federal Bar Association; member of advisory board of editors, American Bar Association Journal, 1948–52; president, Nebraska State Bar Association, 1951; member of house of delegates, American Bar Association; member of the General Resolutions Committee of the American Bar Association, 1950, 1951, 1952, and 1953; has been on the council of the sections of municipal law, public utilities, and an adviser-member of the committee sponsoring the Administrative Procedure Act; member, committee on Lawyers' Reference Service of American Bar Association, 1951–52; chairman of the Missouri Valley regional meeting of the American Bar Association in Omaha, 1953; member of National Conference of Bar Association Presidents, and a member of its council, 1951–53; and presently a member of the committee of the American Bar Association on Civil Service and a member of the Federal Bar Association Committee on the same subject.

He has been a director of the American Judicature Society since 1951; is a member of the Institute of Judicial Administration and a member of the American Law Institute.

He is a member of the Nebraska Reclamation Association, the National Reclamation Association, the American Public Power Association, and a member of its legislative committee in 1952.

Other affiliations and activities: He is a member of the Episcopal Church, Scottish Rite (K. C. C. H.), Masons, Shrine, Pi Kappa Delta, Order of Coif, Lawyers Club (New York), University and Country Clubs (Lincoln, Nebr.).

SENATE

FRIDAY, MAY 18, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Merciful Father, whose faithfulness is constant, with all our fickleness, whose forgiveness outlasts all our transgressions against Thy holy love, we bemoan the delusions which so often have led us to mistake shadows for substance; we confess that by false pride in our own achieving we have been lulled into cushioned optimism. Now, with jarred and jolted minds, we see the whole circle of the world grown somber and terrible with suspicion and conflict, with rumors of war, and with the smoke of a judgment which engulfs us all.

In this testing day when Thou art sifting out the souls of men before Thy judgment seat, give us that penitence for our own sins, that contempt for our own prejudices, that hatred for our own hate, that shall enable us to put on the whole armor of God as we fight for the emancipation of the downtrodden and exploited, and against the rulers of the darkness of this world, against spiritual wickedness in high places. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 18, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN C. STENNIS, a Senator from the State of Mississippi, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. STENNIS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, had been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed, without amendment, the joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message further announced that the House insisted upon its amendments to the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. WILLIAMS of Mississippi, Mr. WILLIS, Mr. WOLVERTON, and Mr. CRUMPACKER were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World II by organizations composed of persons of Japanese ancestry, and it was signed by the Acting President pro tempore.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The subcommittee of the Committee on the Judiciary considering Senate bill 3143.

The Subcommittee on the Air Force of the Committee on Armed Services.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Subcommittee on Health of the Committee on Labor and Public Welfare.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and act on nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar, under the heading "New Reports" will be stated.

NATIONAL SECURITY TRAINING COMMISSION

The Chief Clerk read the nomination of Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc, and, without objection, they are confirmed.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I make the same request with respect to nominations in the Navy.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy will be considered en bloc, and, without objection, they are confirmed.

NOMINATIONS PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read nominations in the Regular Army of the United States, in the Regular Air Force, and in the Navy, reported from the Committee on Armed Services, and placed on the Vice President's desk without being printed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE SERVICE

On motion of Mr. Johnson of Texas, and by unanimous consent, it was

Ordered, That the Senator from Illinois [Mr. Douglas] be excused from further service as a member of the Committee on Labor and Public Welfare, and that he be assigned to service on the Committee on Finance; and

That the Senator from Louisiana [Mr. Long] be excused from further service as a member of the Committee on Interior and Insular Affairs, and that he be assigned to service on the Committee on Foreign Relations.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Amendment of Agricultural Trade Development and Assistance Act of 1954

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

Report of Agricultural Experiment Stations

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on the agricultural experiment stations, for the year 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

Validation of Payments in Settlement of Accrued Leave Made to Certain Members of Army and Air Force

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to validate certain payments in settlement of unused accrued leave heretofore or hereafter made to certain members of the Army and the Air Force, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

Audit Report on Army Industrial Fund, Diamond Ordnance Fuze Laboratories

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Army Industrial Fund, Diamond Ordnance Fuze Laboratories, Washington, D. C., Ordnance Corps, Department of the Army, for the period September 27, 1953, to June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

Report of Maritime Administration, Department of Commerce

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration, Department of Commerce, on activities and transactions of that administration under the Merchant Ship Sales Act of 1946, for the period January 1 to March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Report on Backlog of Pending Applications and Hearing Cases, Federal Communications Commission

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

Suspension of Deportation of Certain Aliens

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

Granting of Applications for Permanent Residence Filed by Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders issued granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the Florida South Chapter of the American Institute of Architects, Miami Beach, Fla., protesting against the enactment of legislation to alter the central portion of the Capitol Building in Washington, D. C.; to the Committee on Public Works.

A resolution adopted by the Holy Name Society of St. Jerome's Roman Catholic Church, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 8904. A bill to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement (Rept. No. 2019).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

S. 1637. A bill to extend the time limit within which recommendations for and awards of certain military decorations may be made (Rept. No. 2020).

By Mr. STENNIS, from the Committee on Armed Services, with an amendment:

S. 1961. A bill to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes (Rept. No. 2021).

By Mr. JACKSON, from the Committee on Armed Services, with amendments:

H. J. Res. 261. Joint resolution authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C. (Rept. No. 2018).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 250. Resolution prohibiting the introduction of bills or joint resolutions by two or more Senators jointly (Rept. No. 2022).

By Mr. RUSSELL, from the Committee on Appropriations, with amendments:

H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2023).

AUTHORITY TO SUBMIT A REPORT BY COMMITTEE ON APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I be permitted to submit a report from the Committee on Appropriations on the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, not later than Monday midnight, May 21.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 3878. A bill directing the Secretary of the Interior to convey certain land situated in the State of Montana to Theresa Brost; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (for himself, Mr. Monroney, Mr. Langer, Mr. Hennings, Mr. Neely, and Mr. Payne):

S. 3879. A bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; to the Committee on the Judiciary.

(See the remarks of Mr. O'Mahoney when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3880. A bill for the relief of Richard S. Wolffers; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN:

S. 3881. A bill authorizing the demolition and removal of greenhouses and other structures, and the replacement thereof, at the Botanic Garden, and for other purposes; to the Committee on Rules and Administration.

By Mr. BEALL:

S. 3882. A bill to revise and modernize the fish and game laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. EASTLAND:

S. 3883. A bill for the relief of Jew Gim Gee;

S. 3884. A bill for the relief of Mrs. Seto Shun Yee; and

S. 3885. A bill to provide for jury trials in condemnation proceedings in United States district courts; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 3886. A bill concerning gifts of securities to minors in the District of Columbia;

S. 3887. A bill to amend the act entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," approved June 29, 1938;

S. 3888. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended;

S. 3889. A bill to amend the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944, as amended; and

S. 3890. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; to the Committee on the District of Columbia.

By Mr. DIRKSEN (by request):

S. 3891. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only with respect to that portion of the amount paid for any admission which is in excess of $1; to the Committee on Finance.

By Mr. GOLDWATER:

S. 3892. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3893. A bill to authorize the furnishing without charge therefor, from data collected by the Bureau of the Census, of data necessary or useful to individuals who have filed, or who desire to file, application for old-age assistance benefits; to the Committee on Post Office and Civil Service.

A BILL TO GIVE AUTOMOBILE DEALERS THEIR DAY IN COURT

Mr. O'MAHONEY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may be allowed to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wyoming may proceed.

Mr. O'MAHONEY. Mr. President, on behalf of myself, the Senator from Oklahoma [Mr. Monroney], the Senator from North Dakota [Mr. Langer], the Senator from Missouri [Mr. Hennings], the Senator from West Virginia [Mr. Neely], and the Senator from Maine [Mr. Payne], I introduce, for appropriate reference, a bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3879) to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers, introduced by Mr. O'Mahoney (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. Mr. President, let me say that some of the sponsors of the bill are members of the Judiciary Committee's Subcommittee on Antitrust and Monopoly, on the one hand, and others are members of the Interstate Commerce Committee's subcommittee headed by the Senator from Oklahoma [Mr. Monroney], which carried on the investigation of the practices of the automobile industry in interstate commerce. This bill is intended to supplement the antitrust laws of the United States, so as to balance the power now heavily weighted in favor of automobile manufacturers, by enabling local auto dealers to bring suit in the United States district courts to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in terminating or not renewing their franchises.

DEALERS UNDER CONTROL OF MANUFACTURERS

The investigations conducted in 1955 by Senator Monroney for the Automobile Marketing Subcommittee and by myself for the Senate Judiciary Subcommittee on Antitrust and Monopoly have already produced far-reaching promises of improved relationship between manufacturers and dealers in the automobile industry. It was clearly demonstrated by the facts and admissions developed under oath in the two investigations that local dealers in automobiles have for years been completely under the actual control of the manufacturers, and that they have been subjected to coercion and intimidation which have deprived them of economic freedom.

Although the dealers have invested their own capital in the establishment of their local facilities and in the purchase of the cars and equipment they were expected to sell, they were not their own masters in their own shops. On the contrary, they were under the domination of the manufacturers and agents and representatives of the manufacturers and had no public forum in which their disputes could be adjusted except in those provided by the manufacturer. The individuals before whom they were required to take their pleas for the adjustment of grievances were not impartial because they were the paid employees of the manufacturers.

So far as the automobile industry was concerned big business had established its own judicial system to handle the complaints of the dealers. This was a system wholly out of harmony with the American system of adjudicating conflicts arising out of contracts. It was a system which, if followed by all big business, would have destroyed completely the procedure established under the Constitution of the United States for the adjudication of such problems. It was a system, the effect of which was to make the dealers independent in name only, and to deprive them of the right to sue for justice in the courts established under the American Constitution.

NEITHER GOVERNMENT NOR INDUSTRY HAS POWER TO CONTROL FREE ENTERPRISE

The men who established our form of Government deliberately undertook to frame a Constitution which would preserve the individual from arbitrary control by Government. An industrial system which makes the dealer the pawn of the manufacturer is in complete conflict with the ideal of impartial justice established by the Founding Fathers.

To make sure that the Government could not control the people, the Constitution divided the powers of Government. To Congress it gave the exclusive power to make the laws. To the President, it gave the executive power to carry out the laws made by Congress. To the courts, it gave the independent power to adjudicate all cases arising under the Constitution and the laws.

The history of the automobile dealer franchise has demonstrated the complete inability of the dealer to obtain redress for any of his grievances with the manufacturer. The hearings dealing with General Motors last fall highlighted the one-sided character of the franchise. These hearings revealed that the automobile manufacturers have used their superior power and bargaining strength with individual dealers so as to require dealers, as a condition of doing business, to enter into one-sided agreements in which the automobile manufacturer obtained many rights and benefits without assuming any of the obligations.

The evidence produced at the hearings over which Senator Monroney and I presided made it perfectly clear that the manufacturers wanted to hold in their own hands complete control over the dealers. If the framers of the Constitution were careful to provide that the Government itself has no power to control the people, then surely it must be plain that no industrial corporation, however big it may be, has the power of control which the people denied to the Government.

That the automobile manufacturers want this power has been clearly demonstrated by what has happened since the hearings of the two committees. The spokesmen for both General Motors and Ford have made it plain that they wanted no United States court sitting in judgment between themselves and their dealers. Because of what was revealed at our hearings they have made many concessions with respect to the franchises to be issued by the dealers. But with all the concessions that they have made as a result of the public hearings of Congress, they are still attempting to retain for themselves the final power to adjudicate disputes and cancel franchises. There is a string attached to every concession they have promised; and unless the doors of the Federal courts are opened to the automobile dealers, they will continue to remain the pawns of the manufacturers.

This our bill does. It opens the door of the Federal court to the local dealer.

It provides, under the United States Constitution, a system which will deal justly with both the manufacturer and the dealer. It gives the Government no control over the contracts, but it does deprive the manufacturers of the control they will continue to exercise, even though the concessions promised are granted.

The bill I introduce today, therefore, is one which should appeal to the manufacturers as well as to the dealers, because it places the adjudication of disputes, not in the hands of an arbiter selected and paid by the manufacturer, but in the hands of the judges appointed by the President and confirmed by the Senate, under the American system.

GOOD-FAITH PRINCIPLE OF ANCIENT ORIGIN

The good-faith principle had its origin in ancient days when, in a dispute over a contract, the courts looked beyond the terms of the contract which the parties had made; and when it appeared that one of them was obliged to sign, the courts applied the principles of equity, in order to protect the party which had been subjected to coercion. These courts of equity realistically appraised the differences in the bargaining position of the parties, and concluded that if the evidence showed that one of the parties was under coercion or intimidation by the other, or was the victim of the superior power of the other, there should be imposed by law upon the party possessing such power an obligation to treat fairly with the other. This is the purpose of this bill.

I ask unanimous consent that the bill may be printed in the Record.

There being no objection, the bill (S. 3879) was ordered to be printed in the Record, as follows:

Be it enacted, etc.—

Sec. 1. As used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, station wagons, or other automotive vehicles, including any person, partnership, or corporation which acts for such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the agreement, contract, understanding, or arrangement between any automobile manufacturer and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement, contract, understanding, or agreement.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, station wagons, or other automotive vehicles.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of the automobile manufacturer, its officers, employees, or agents to act in a fair, equitable, and nonarbitrary manner so as to guarantee the dealer freedom from coercion, intimidation, or threats of coercion or intimidation, and in order to preserve and protect all the equities of the automobile dealer which are inherent in the nature of the relationship between the automobile dealer and automobile manufacturer.

Sec. 2. Any automobile manufacturer engaged in commerce who makes or grants any franchise to an automobile dealer, shall have the duty to act in good faith in all dealings or transactions with such dealer.

Sec. 3. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover twofold the damages by him sustained and the cost of suit, including a reasonable attorney's fee, by reason of the failure of said automobile manufacturer to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer.

REVISION OF CIVIL SERVICE RETIREMENT ACT—AMENDMENTS

Mr. JOHNSTON of South Carolina. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, and request that it be printed and lie on the table.

The proposed amendment establishes a threefold ceiling on the amount of annual benefits which may be paid to surviving children.

First. The amount to any one child may not exceed $600.

Second. The total benefit to one or more children may not exceed 40 percent of the deceased employee's average salary.

Third. The total may not exceed $1,800 irrespective of the fact that 40 percent of the deceased employee's salary might be in excess of such an amount.

The above limitations apply in the case of surviving children with one parent still living. In the case of children with neither parent living, the ceilings are approximately 20 percent higher.

In no event could total family benefits—widow plus children—exceed 80 percent of a deceased employee's average salary. The earned annuity of an employee cannot exceed 80 percent of his average salary. In the event of his death, his widow receives 50 percent of his earned annuity, thus in no case could her benefits be in excess of 40 percent of the employee's average salary which together with the 40-percent limit on benefits to children would make a total not in excess of 80 percent. It should be appreciated that it would take a combination of, first, long years of service on the part of the deceased employee; and, second, a large number of surviving children for the total family survivorship benefits to even approach the 80-percent figure.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

Mr. JOHNSTON of South Carolina. Mr. President, I also submit amendments, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, which I request may be printed and lie on the table. These amendments are of a perfecting nature, to correct typographical, grammatical, and other errors of a like nature.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENT

Mr. KERR submitted an amendment, intended to be proposed by him, to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, which was ordered to lie on the table and to be printed.

Mr. CHAVEZ. Mr. President, I submit amendments, intended to be proposed by me, to House bill 10660, the Federal-Aid Road Act. I ask unanimous consent that a statement prepared by me relative to the amendments may be printed in the Record.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table; and, without objection, the statement will be printed in the Record.

The statement presented by Mr. Chavez is as follows:

Statement by Senator Chavez

Safety Program

It apparently is the feeling of the Bureau of Public Roads that the authorization in the 1954 act was not sufficiently broad to permit them to undertake a comprehensive study of all phases of traffic safety. They have made studies which relate to the engineering and physical characteristics of highways, but they have not undertaken a study of uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, etc.

It would seem that the attached amendment, which is similar to that proposed by Congressman Blatnik, would clarify the intent of Congress in the field of safety and might be advanced as a committee amendment to S. 10660. The amendment proposed by Senator Humphrey is along the same lines, but it may not clarify the intent of Congress to the Bureau of Public Roads. It seems that it would be desirable to specify the studies desired and also the monetary limitations.

Section 14 of the Federal Aid Highway Act of 1950 authorized the Commissioner of Public Roads to assist in carrying out the action program of the President's Highway Safety Conference and to cooperate with State highway departments and other agencies in a program to advance the cause of safety on streets and highways. There was authorized not to exceed $75,000 annually for this purpose.

Section 9 of the Highway Act of 1952 continued the authorization as contained in the 1950 act and increased the authorization for funds to $150,000 annually.

Section 10 (a) of the 1954 act authorized the Secretary of Commerce to engage in research on all phases of highway construction, reconstruction, modernization, development, design, maintenance, safety, financing, and traffic conditions, including testing, etc. The funds required were to be taken out of the administrative and research funds.

RULES OF INTERPRETATION GOVERNING QUESTIONS OF EFFECT OF ACTS OF CONGRESS ON STATE LAWS—ADDITIONAL COSPONSORS OF BILL

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the names of the Senator from Indiana [Mr. Jenner] and the Senator from South Carolina [Mr. Wofford] may be added as cosponsors of the bill (S. 3143) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. ELLENDER:

Address delivered by him at New Orleans, La., on May 12, 1956, at the 57th annual meeting of the Rice Millers Association.

By Mr. BIBLE:

Statement by him on observance of Armed Forces Week and the National Broadcasting Co.'s Wide, Wide World television program of May 13, 1956.

By Mr. HRUSKA:

Statement prepared by him relative to Rumanian Independence Day.

TWO GREAT AND DISTINGUISHED CHAIRMEN RETIRE

Mr. MANSFIELD. Mr. President, as eloquently stated on numerous occasions in the past week, it was with a sense of deep sadness that the Senate of the United States learned that our distinguished colleague and friend the senior Senator from Georgia [Mr. George] had announced that he had decided not to run for reelection, and that he would be relinquishing his post as "dean of the Senate," chairman of the Senate Foreign Relations Committee, and adviser and counselor to all, on both sides of the aisle.

I know that the people of Georgia will miss him in the Senate, the people of the Nation's Capital will miss him, but, above all, the people from all parts of the United States will miss him. Senator George has filled the capacity of a Senator at large for the entire Nation, a recognized leader of national standing.

The people of my State of Montana will miss the senior Senator from Georgia, a man so distinguished in affairs of state, both domestic and international. Montanans have paid tribute to the President pro tempore in the editorial columns of the State's newspapers.

At this point in my remarks I ask unanimous consent that 2 editorials be printed, 1 from the Daily Missoulian of May 11 and 1 from the Billings Gazette of May 12.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Daily Missoulian of May 11, 1956]

Turn of the Political Wheels

Walter F. George, of Georgia, has been a constructive Member of the United States Senate for a very long period, politically speaking.

He arrived in the Senate on November 8, 1922, just after election to fill a vacancy created by death. He was then 44. Now, at 78, he announces that "for good and sufficient reasons" he will not be a candidate for renomination in Georgia's Democratic primary this year.

One of those reasons undoubtedly is the senatorial aspirations of 42-year-old Herman E. Talmadge, a former governor who for months has been stumping the State with a view to replacing Mr. George when his term expires next January.

Some of the things Talmadge says about the veteran George, now the dean of the Senate, have a familiar ring. He pounds hard on the theme George has been in the Senate so long that he has lost touch with Georgia, and that he is more interested in national and international affairs than the welfare of the people of Georgia.

Probably every year since he arrived in the Senate, back in 1922, Mr. George has seen colleagues edged out on such premises.

One of the Senate veterans when Mr. George was sworn in was Senator Porter J. McCumber, of North Dakota, then chairman of the blue ribbon Finance Committee—through which must pass all tax and other revenue raising measures. But as George went in McCumber was on his way out. In his 24th year as a Senator, a few months earlier McCumber had been defeated for Republican renomination on the contention that he had been away from North Dakota too long. The primary victor, who also won the November general election, was Lynn J. Frazier, a former governor who at the time was the idol of the Nonpartisan League. Eighteen years later Fraizer was ushered out of the Senate in the same way, by the voters in the Republican primary of 1940.

Harry Flood Byrd, of Virginia, now is one of the Senate's pillars, its fourth ranking Member in point of seniority. But a quarter of a century ago he was like Herman Talmadge, of Georgia, a former governor with a good record and a strong statewide following—eager to break into the Senate.

The obstacles were the Virginia incumbents, Claude A. Swanson and his veteran junior colleague, Carter Glass. Swanson had been consecutively Representative, Governor, and Senator since 1893. The span was snapped at the end of 40 years—with Byrd as his successor in the Senate—when Mr. Swanson resigned to accept a 1933 appointment as President Franklin D. Roosevelt's Secretary of the Navy.

That probably averted a Byrd-Swanson clash in the 1934 Virginia primary, just as George's current abnegation has erased from the 1956 political schedule a much heralded George-Talmadge contest in Georgia.

Along the way Senator George has overcome many obstacle in retaining his seat, among them a purge attempt by President Roosevelt in 1938. Senator George, yielding to the inevitability of time and the tide of events, is bowing out of the Senate with the same serene dignity with which in his heyday he turned back the unseating effort of President Roosevelt.

[From the Billings Gazette of May 12, 1956]

Elder Statesman Retires

Senator Walter George, of Georgia, has announced that he will not be a candidate at the forthcoming election to succeed himself. While this decision not to run again will be regretted, it is probably a wise one, from the standpoint of the aged solon's personal welfare. The Senator was 78 years old last January. He has said that his health is not too robust, and he doubtless feels that he is not up to making another hard campaign. Although former Gov. Herman Talmadge had not filed as a candidate for the Democratic nomination against George, it was common knowledge that he has intended to make the race.

In a contest against Talmadge the odds would have been in favor of the younger man. A defeat would have left a blot on one of the most distinguished records ever compiled by a Member of the United States Senate. First elected in 1922 to fill out the unexpired term of Senator Tom Watson, who died in office, Senator George will have served continuously in that position for 35 years when his present term expires next January. During that long period of service his independence, intellectual integrity, and talents for statesmanship have won the increasing admiration of all his colleagues.

Because he could not conscientiously support some of the measures of the New Deal program, President Franklin Roosevelt placed the name of the Georgia Senator on the list of those Members of Congress he wished to purge in 1936. He went down to the Senator's home State and delivered a speech attacking George, but to no avail. The voters rallied to the support of their leader and reelected him by an increased majority.

Ever since our Government has become ever more deeply involved in world affairs Senator George has been an influential factor in the development and conduct of foreign policies. President Eisenhower and Secretary of State Dulles have sought and relied upon his support in the managament of the administration's foreign relations. He has never hesitated to disagree with them, but his disagreements have never once been motivated by partisan political considerations. The high regard in which he is held by the President is evidenced by the latter's prompt statement, upon learning of the Senator's decision to retire, that he hoped to find some congenial position in the Government service that will enable him to have the advantage of frequent consultation with the veteran legislator on matters affecting the administration's foreign policy.

Mr. MANSFIELD. Mr. President, the only consolation, and it is a sound one, in the Senator's departure from the Hill is that he will continue to serve this country as the President's special ambassador to the North Atlantic Treaty Organization. I sincerely hope that he will return from time to time, enabling those of us in the Congress to have the benefit of his advice and counsel.

Mr. President, not only is Congress losing one great statesman, but the Honorable James P. Richards, chairman of the House Foreign Affairs Committee, has also announced his intention to retire from Congress at the end of the present term after 24 years of service. Dick Richards and his charming wife, Katharine, have decided to go back home to their farm in South Carolina, where they plan to spend their remaining years. It will be difficult for Mrs. Mansfield and me, as well as for our colleagues, to see them leave the Washington scene, but I am sure they will be back many times in the days to come to visit with us and to give us the benefit of their sound advice, which has been such a tower of strength in the past.

I served with Mr. Richards on the Committee on Foreign Affairs, and I can say without qualification that seldom have I worked with a man of such untiring energy, wise statesmanship, and sound understanding, a man so constantly devoted to his duties as a representative of the people from his State and the Nation. His years as chairman of the Foreign Affairs Committee have been marked by a wise and sane leadership in a time when there has been and is constant turmoil in our international affairs.

The loss of these two chairmen of the congressional committees concerned with American interests in world affairs will create vacancies difficult to fill. The record and standards set down in the field of world affairs by these two great statesmen will make the task somewhat easier. Again, I say we in Congress will be most fortunate in having access to their advice and knowledge in the years to come.

The Congress, the Nation, and the free world are the better off because of the accomplishments of these two great Americans from Georgia and South Carolina. Chairmen George and Richards have left their imprint on the course of history and both will be remembered with gratitude and affection in the years ahead.

Mr. President, I ask unanimous consent that at this point in my remarks I may have printed in the Record a news article from the New York Times of Friday, May 18, 1956.

There being no objection, the article was ordered to be printed in the Record, as follows:

Man in the News—A Quiet Congressman: James Prioleau Richards

Washington, May 17.—The Pittsburgh Pirates lost a budding prospect for their outfield a few decades back when James Prioleau Richards chose law over baseball.

As a result of that decision, Mr. Richards now is winding up 23 years in Congress in a style that can only make the Republican administration wish he had stayed with baseball.

Today, as chairman of the House Foreign Affairs Committee, Representative Richards was in the vanguard of congressional forces that dealt the President's foreign-aid proposals a severe defeat. President Eisenhower, who was a pretty good pitcher at West Point, might well be wishing tonight that Mr. Richards had accepted that offer from the Pirates.

The foreign-aid action and the coming fight on the House floor will be Mr. Richards' curtain bow on the congressional stage. He is quitting this year and going back to South Carolina to practice a little law, hunt, fish, and tend to his cattle.

Though his position makes him one of the most important men in the House of Representatives, he remains relatively unknown compared to his compeer, Senator Walter F. George, of Georgia, chairman of the Senate Foreign Relations Committee.

Richards' Anger Recalled

The reasons for this are two:

First, Mr. Richards, a persuasive southern internationalist of judicial training, is not given to the political grandstanding of which Washington headlines are made.

Second, the House committee never has attained the pivotal importance of the Senate group, largely because the Constitution charges the Senate with the greater responsibility for overseeing the conduct of foreign affairs.

On occasion, the administration tendency to treat the House group as a poor cousin of the George committee has moved Mr. Richards to jealous defense. Last February, for example, he denounced the administration for treating the House like a "weak-minded, illegitimate son" and got an apology from the State Department.

The Capitol consensus is that the House committee has gained fresh prestige under his direction.

Mr. Richards, born in Liberty Hill, S. C., in 1894, is now a robust 61 years old. He is a big man, tall and powerfully built, and his carriage still is that of the athlete. A full shock of silvery gray hair and a deep ruddy complexion round out the picture of a politician who even now would not look out of place in the role of baseball manager.

He began as a farm boy and took a year at Clemson College with the idea of mastering the agricultural sciences. At the end of the year he was interested in law and shifted to the University of South Carolina.

By 1921 he was in practice back in Lancaster, near his home, and a year later he was launched into politics as county probate judge. He held that office until South Carolina sent him to Congress in 1933.

In World War I he enlisted a few days after President Wilson's declaration, served in France with a trench mortar battalion, and rose from private to second lieutenant.

His appointment to the Foreign Affairs Committee came in 1935. As chairman he shares with Senator George the chief burden of congressional responsibility for this country's international affairs. The position also calls for him to share in the formulation and development of foreign policy through prior consultations with the executive branch.

The job is a full-time one and leaves little leisure for the hunting and fishing that are his favorite pastimes. He lives with his wife, Mrs. Katharine Wylie Richards, in Georgetown, and has a son and a daughter in college and another son practicing law in South Carolina.

He has not been entirely lost to farming. When he leaves Washington this summer he will divide his time between law practice and his cotton and cattle farm in Heath Springs, near Lancaster.

An old friend, summing him up today, said:

"He's just a real old down-to-earth South Carolinian who loves to hunt and fish, loves his farm, and loves his cows."

EXTENSION OF SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, I note, in looking at the Record, that on yesterday the conference report on the extension of the Sugar Act of 1948 was agreed to. I am indeed sorry I was not on the floor at that time, because there were some remarks I had intended to make then which I shall make now.

I had occasion during the debate on the sugar bill to call the attention of this body to the statement made by an old friend and colleague in Congress, Gen. Carlos P. Romulo, Ambassador of the Philippines to the United States. In that statement he pointed out that under the bill we were about to pass, the Philippines were singled out, among the major areas, for exclusion from the benefits of increased consumption of sugar in this country.

I am told that this was done in accordance with the recommendation of the State Department that any increase in the Philippine sugar quota be considered when the sugar legislation is next amended, and when the Philippine sugar had become subject to our customs duty.

Mr. President, sugar from the Philippines this year begins to pay 5 percent of our duty under the Revised Trade Agreement with the Philippines, so that it has met one of the conditions mentioned by the State Department. I wish to state now that I believe the Philippines has not been given a square deal in this bill, and that it is my hope that this injustice can be corrected at an early date.

Mr. President, we must not allow a country such as the Philippines, which has been such a loyal and courageous ally, to be the victim of discriminatory legislation on our part. We must correct the injustice as soon as possible, and I hope that when next the sugar bill comes up for consideration, the Congress will give serious consideration to the needs of the Republic of the Philippines.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. I am sure there was no intention or desire on the part of the American Congress to discriminate against perhaps one of our oldest friends in the Pacific, the Republic of the Philippines. It was pointed out on the floor yesterday by the distinguished Senator from Georgia, the chairman of the Committee on Foreign Relations [Mr. George], and other Senators, in the colloquy which took place, that our relations with the Philippines with reference to sugar were governed by treaty, and that it was not appropriate, under the circumstances, to deal with the matter in this particular legislation. As the Senator from Montana knows, in any event there was no method of amending the conference report in order to take care of the situation about which Ambassador Romulo and others had expressed concern.

I am sure that the long history of the friendly relationships between the Republic of the Philippines and the United States of America will work toward the solution of any problem along this or any other line, so that an equitable adjustment may be brought about. I would not want the impression to be received in either that part of the world or elsewhere that there was an act of discrimination by the United States Congress, because I am sure that was not intended, and I am sure the Senator from Montana fully agrees that there was no intent to discriminate.

Mr. MANSFIELD. Mr. President, in answer to the distinguished minority leader, let me say that I am in full accord with his remarks. I realize there was no chance on yesterday to amend the conference report, and I am heartened, and I know the Republic of the Philippines will be heartened, as well, by the assurances he has given on the floor this morning to the effect that in the future the Philippines will receive full and complete consideration in connection with any legislation of this kind enacted by Congress.

RURAL ELECTRIFICATION THREATENED BY RISING POWER COSTS AND INADEQUATE POWER SUPPLY

Mr. MURRAY. Mr. President, on May 20, 1936, 20 years ago this month, President Franklin D. Roosevelt signed the Rural Electrification Act. Known as the Norris-Rayburn Act, after its sponsors—Senator George W. Norris, of Nebraska, and Representative Sam Rayburn, of Texas—the act formally wrote into the law the rural electrification program begun a year earlier, in May 1935, when President Roosevelt had established the Rural Electrification Administration by Executive order.

Public Power magazine is the official publication of the American Public Power Association, a national management organization representing over 800 publicly owned electric systems throughout the country. The current issue of this magazine contains an article by Mr. John M. Carmody, a former Administrator of the Rural Electrification Administration, which deserves careful reading and thoughtful consideration by everyone who believes that farm families are entitled to the continued benefits of low-cost electricity. Mr. Carmody writes from first-hand knowledge of the early struggles of REA against the private power monopoly, and warns of the present dangers to the REA movement. He says:

> Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.
>
> The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I ask unanimous consent to have Mr. Carmody's article printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Power Supply Seen Greatest Weakness Since Early Days of REA Program

(By John M. Carmody)

Rural electrification has had such phenomenal growth during the past 20 years that one hesitates at this late date to review some of the difficulties that nearly choked the young Rural Electrification Administration program to death before it really got its roots down. I do it only because I see a relationship between those early days and present moves to cripple rural electric cooperatives.

Some of those early troubles were external, some internal. REA passed through and survived at least two serious crises. One was during its first year, when the organization was flirting with private utilities in the hope that they would borrow cheap money and build rural extensions to their lines. The other crisis came almost immediately after REA was transferred, by unfortunate congressional action, to the Department of Agriculture. That one lasted nearly 2 years. The record of that bungling, internal crisis is so clearly stated by published reports that I shall do no more than mention it here.

Now, in my view, REA is faced with another crisis, this time external, with an internal assist called by the teasing name of "partnership." Recommendations of the Hoover Commission, if approved by the Congress, would drive these splendid farmer-owned electric cooperatives, which already have survived two crises, into the clutches of New York investment bankers for control by them and their private utility clients. Could anything be worse?

Investment bankers and private utilities already have demonstrated their influence—witness attacks on TVA, the Dixon-Yates scheme, the abandonment of Hells Canyon, abominable restrictions by the Department of the Interior and a general softening on essential REA generating plants and transmission lines. Only separately and through their own organization can the REA eletric cooperatives weather this attack. It is because this attack is related in some respects to an earlier crisis in REA that I think it useful to relate some of REA's early history.

The program started simply enough. Morris Llewellyn Cooke, appropriately the first administrator, for many years had needled private power companies to extend electric service to more farm families. The Giant Power Survey sponsored by him and Gov. Gifford Pinchot, of Pennsylvania, in the early 1920's, a project to encourage generation of electricity at various coal mines to transmit energy by wire rather than by railroad cars, was one phase of this endeavor. Subsequently, when Gov. Franklin Delano Roosevelt, of New York, appointed Mr. Cooke, a Pennsylvania Republican, to be a member of the New York State Power Authority he was able to pursue his studies into the cost and feasibility of providing rural service.

Incidentally, by way of momentary digression and because it has a bearing on the origin of REA, Mr. Cooke was the first person to say to me, long before speculation became general, "Governor Roosevelt will be the next President of the United States." We were sitting together at dinner at Princeton University where John D. Rockefeller III, a Princeton graduate, was addressing a dinner meeting during a management conference that both of us were participating in. I recall it distinctly because it was a new thought to me, in view of Mr. Roosevelt's invalidism and because it was long in advance of the Chicago convention. I mention it here because it was President Roosevelt who started REA on its way with Mr. Cooke as the first Administrator, 2 years after he had approved Senator George Norris' plan for TVA.

At the time of the Princeton dinner, Mr. Cooke was still a member of the New York State Power Authority, and I was editor of a management journal in New York. Both of us were active in the affairs of the Taylor Society, a widely known management society which later merged with the Society of Industrial Engineers, of which I was president, to become the present-day Society for the Advancement of Management.

Neither of us could know, as we listened to young Mr. Rockefeller at Princeton and talked about Governor Roosevelt's future that both of us were later to be active in a fabulous new organization, REA. Mr. Cooke was the first Administrator, and I was Deputy Administrator briefly, and later Mr. Cooke's successor as the second Administrator.

I have said the program started simply enough. Mr. Roosevelt became President, as Mr. Cooke had predicted. As President, he approved and encouraged a broad river basin study of the Mississippi River Valley, that Mr. Cooke promptly proposed. That study furnished further evidence of the need for increased rural electric service.

The study and report came at a propitious time. Relief funds were available to put idle men to work if worthy projects could be found. Why not electrify more farms? Mr. Cooke suggested an answer: set aside some of the available recovery funds for that purpose.

It was on May 11, 1935, that President Roosevelt issued an Executive order that made $100 million available for rural electrification. Rural electrification, therefore, has 2 birthdays, 1 to commemorate this event and another to mark the passage by the Congress on May 20, 1936, of the Norris-Rayburn Act. It was this act that definitely provided for preference in loans to cooperatives, municipalities, and other public bodies.

To implement the Executive order of May 11, 1935, a small staff was assembled, chiefly engineers and lawyers. If private utilities borrowed the new, low-cost money, as was expected, a few persons experienced in the utility field would suffice. The program was started on that basis. It seemed logical enough at that time. The private utilities had the facilities and the know-how. Cheaper money than they normally borrowed was being offered to them.

Conferences were held with many private utility executives. Discussions went on for months. Applications for loans were piling up. Farm men and women were growing impatient. They began to organize their own cooperatives. Farm Bureau groups in some States, Indiana and Ohio particularly, set up their own rural electrification organizations to assist their members in getting loans and in doing the necessary planning, surveying, engineering, and construction. Some loans were made to these groups. REA engineers did a splendid job of developing totally new standards for rural construction that cut costs materially, thereby giving borrowers many more revenue miles per dollar cost.

But discussions with private power companies went on. The hope that they would borrow this low-interest money, build extensions to existing lines, reduce rates and provide real rural service on an area coverage basis died hard with sturdy individualists on the staff who were shaping policy. Convinced finally, however, that the private power companies had no intention of taking advantage of his generous offer, with appropriate conditions attached, the Administrator turned to the cooperative method, as several members of the organization had been recommending. A whole year had passed, and, although several loans had been approved, only $5 million had been paid out for actual construction of approximately 5,000 miles of line—a drop in an oaken bucket.

Mr. Cooke saw the handwriting before some of his close associates and advisors, especially the chief counsel and top consulting engineer, an oldtime utility operator. The Administrator was aware of the deficiency in line construction, but he did not wish to let the President or Senator Norris down. He was tired. He needed a rest. He wanted to resign. When I told him I was leaving the National Labor Relations Board, of which I was one of the original members, he asked me to come in as Deputy Administrator, with the understanding with him and with President Roosevelt that I would succeed him as Administrator when his resignation became effective. I accepted.

Mr. Cooke has been criticized for offering the new program with its low-cost money to private utilities and especially for not realizing earlier in the long, drawn-out negotiations that the private utilities had no intention of meeting his terms—lower rates and area coverage. I think it should be said, in defense of that position, that it seemed more important to him and to some of his close advisers that rural areas get electricity than how they got it. They knew no other way than to have existing private companies do the job. Those closest to him at that time distrusted cooperatives, even when he began to see them as the way.

I believed REA cooperatives would provide the answer to the farmers' need for electric service; I gave recalcitrant private utilities no quarter. Honest indignation sometimes is a useful administrative instrument.

The long debate had been costly. Much precious time had been lost. The worst feature of the resultant delays, however, was the opportunity given to and seized upon by many private power companies to build spite lines. In some cases, in this cream-skimming process, embryonic electric cooperatives were completely destroyed, leaving large numbers of farm families completely without service. Some of them may never get it. That was the unfortunate, destructive side of the program.

It had another side, a constructive one. The tough fight led to the development of even stronger electric cooperatives than might otherwise have been built on a wide scale. But here we have the real heart and strength of the REA program. Spite lines and vicious propaganda backfired.

Farm men and women are building and operating their own lines which they will own ultimately. They are in business for themselves with their neighbors. They live together, they work together, they fight together for their common interests and the common good. REA has grown up, thanks to the devotion rural men and women have given it. It will live if these men and women do not forget its early struggles. It will live if they do not go to sleep and permit the Hoover Commission proposals—sweetly worded proposals to destroy them—to prevail with the Department of Agriculture, the Administration and Congress.

Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.

The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I did not learn of the internal schism between private company operation and cooperatives until I was pitched into it as I began to get hold of operating problems. That was September 1936, more than a year after the executive order establishing REA and 4 months after the Congress had passed the Norris-Rayburn Act. The fight was still on. As so frequently happens in such internal organizational disputes, clashing personalities as much as principles kept the pot boiling. It was just as well, I think as I look back, that my colleagues did not know that I knew private utility philosophy and practice from away back. I had followed the Federal Trade Commission's investigation into private utilities in the 1920's carefully and knew their tricks. Mr. Cooke's general counsel, for instance, told me, "We do not intend to build any generating plants." This was after the first cooperative project in Pennsylvania had been nearly snuffed out by "spite lines" built by nearby private utilities whose quoted wholesale rates were so outrageous that only a generating plant or a threat to build one would bring them to their senses. In this case, the mere threat to build one did just that.

We really got rolling early in 1937. All hope that private power companies would do more than a "dog in the manger, spite line" job was abandoned. The REA organization concentrated on organizing and serving farm electric cooperatives in every appropriate way.

The program was alive. Enthusiasm ran high in REA and throughout rural areas. Buried projects were dug out of many desks. The status of every project from application to construction was put on the table in full view of the entire staff for examination and reexamination at what we called our weekly production meetings. There were no private decisions. Every delay in any department had to be explained.

The weakest thing about REA then and now, in my view, is the necessity to depend on private power companies for energy. Even now, when private utilities find this REA business so profitable as to offer wholesale rates greatly reduced from those early antisocial, holdup days, it still constitutes a weakness.

Further development of two sources of energy may fill this gap. I refer to solar energy, still over the horizon, and atomic energy, on the brink of practical usefulness. After the Government has spent billions to bring atomic energy within reach of all of our people, private utilities are scheming desperately to grasp monopoly control of nuclear generation of electricity.

Here lies a new challenge to rural electric cooperative members to protect their investment and their successors.

Those early excessively high wholesale rates constituted a form of robbery. With the exception of Michigan, after Frank Murphy became Governor, and Pennsylvania where Richard Beamish was a member of the public service commission, almost every public service commission gave REA a hard time. I am aware of all the weakness of regulation generally, a sort of captive operation, but I never understood the cruel attitude of regulatory agencies toward farm groups who only wanted electricity. They were not asking special privileges. Few State legislatures were friendly to cooperatives.

The first REA generating plants were built in 1937, soon after I became Administrator. We should have built them earlier, and more of them, but these first ones had a wholesome effect immediately on wholesale rates in many places. Others followed, but I always have regretted we did not build more of them. I always have felt that some of the municipals missed an opportunity to tie town and country closer together at that time.

I cannot "warm up" to the new-fangled, phony "partnership" plan, nor can I believe that the best interests of REA electric cooperatives are served by throwing them to the private utility wolves on any pretense of saving money or getting better management. Plenty of lip service, but the knife has a keen edge.

THE LATE DAVID P. CONNERY

Mr. McNAMARA. Mr. President, yesterday there was laid to final rest a man who was much more to me than my administrative assistant. He was my friend.

David P. Connery was my friend for many years. In January of 1955, he and I came to Washington—two men, not so young in years, but young in the ways of the United States Senate. Together, we worked to make the best contribution possible to this great body, to the people of Michigan, and to our country. The very fact that I became a Member of this body was due in large measure to Dave Connery, who was a tireless worker in my campaign.

Dave Connery was a man of kindness and courage. His kindness was evident in every act. He loved people. And all of us who knew him and worked with him returned that love and respect.

His great courage was never more evident than in the final months of his life. Dave Connery, at the age of 60, died of cancer. Yet, from the time he first was hospitalized last July, he never gave up hope or the fight for life. At the National Institutes of Health, where he finally passed away last Sunday, the doctors have utilized every bit of medical knowledge in their possession, not only to save his life, but the lives of countless others victimized by cancer. I know that Dave would salute them for their valiant efforts, and he would hope that what they learned from him will aid others.

Dave Connery was a Canadian by birth. He chose newspapering as a career, eventually serving for many years as city editor of the Windsor Star in Windsor, Ontario. He was a friend of the working people, serving at one time as assistant to the Ontario Minister of Welfare and the president of the United Auto Workers.

It is impossible to say in words how we will miss Dave Connery, but I know that I have benefited immeasurably from knowing him.

Personally, and on behalf of the members of my staff, I extend our deepest sympathies and condolences to his widow, Mrs. Dena Connery, his son, Lance, and the other members of his family.

Mr. President, I ask that several messages be printed in the Record at the conclusion of my remarks.

There being no objection, the messages were ordered to be printed in the Record, as follows:

United States Senate,
Washington, D. C., May 15, 1956.

Hon. Patrick McNamara,
United States Senate,
Washington, D. C.

Dear Pat: Please accept the heartfelt sympathy of Maurine and me—and of all my staff—upon the untimely and tragic death of your administrative assistant, David P. Connery. All of us liked and respected Dave, and he had made himself a part of the Senate community in a very short time. John Jones, who had worked with Dave, particularly asks to join in this brief expression of sympathy.

I do hope you will extend our condolences on to that very attractive woman, Mrs. Connery, and also please accept them for yourself for we know how much you relied on Dave for friendship and for assistance.

With all good wishes, I am,
Sincerely,
Richard L. Neuberger.

May 15, 1956.

Mrs. David P. Connery,
3636 16th Street NW.,
Washington, D. C.

Dear Mrs. Connery: The news of Dave's passing has just reached me, and I find words are inadequate to express how I feel.

Please accept my heartfelt sympathy in your hour of bereavement.

With every good wish,
Sincerely,
Martha W. Griffiths,
Member of Congress.

Washington, D. C.

Senator Pat McNamara,
United States Senate,
Washington, D. C.:

We share your sorrow in the loss of David Connery. It was a privilege to have known him and we highly valued, as we will always cherish the memory of his friendship. Mrs. Diggs and my congressional staff join me in expression of our deepest sympathy.

Charles C. Diggs,
Member of Congress.

Oscommon, Mich., *May 17, 1956.*

Pat McNamara,
Senate Office Building,
Washington, D. C.:

The sad news about Dave has just reached me. His host of friends in party have come to respect and admire him deeply. All of us will miss him and join with you in your loss.

Neil.

May 15, 1956.

Dear Senator McNamara: I was so sorry to learn in this morning's Free Press that you have lost your helper, associate, and aid through the ravages of cancer. It must be very sad indeed to have the years of interest and compatability severed so painfully and sadly. My sympathy is for you, as well as for Mr. Connery's family.

I shall write you again with happier subjects in mind.

Yours,
Sally Butzel Lewis.
Birmingham, Mich.

IDAHO POWER RATES

Mr. NEUBERGER. Mr. President, the other day my attention was attracted by material placed in the body of the Record purporting to compare the cost of electricity to customers of rural electric cooperatives in sections of Idaho and Tennessee with the price to rural customers of the Idaho Power Co. The figures selected for comparison were intriguing, not because of what they told, but what they did not reveal.

For instance, the so-called statistics failed to disclose that the Idaho Power Co., a blue-chip utility blessed with low production costs because of highly favorable sites and stream-flow on the Snake River, has an established policy under which new farm customers may be required to pay powerline construction charges exceeding a minimum figure. Thus, a farmer might be required to pay hundreds of dollars before he could avail himself of the company's so-called business-managed kilowatts.

Nor did the selective and partial statistics disclose that the co-ops selected for comparison serve some of the most rugged and sparsely populated sections of the West, where construction costs are high and operating conditions difficult when compared with Idaho Power's more compact service area. Nor did the figures explain why the co-ops came into existence in the first place, namely, because the private company did not want to add these areas, believed to be unprofitable, to its system. Growth of the rural cooperatives in the last 20 years is a revealing indictment against the private utilities' lack of real free enterprise. A vast market for sale of electricity existed in rural America, but the utilities chose to ignore the demands of farmers to share in the age of electric conveniences. When the utilities failed to adequately extend service to rural districts, farmers were forced to undertake the task themselves through formation of cooperatives. Yet, since the financial success of the rural electric cooperative program has been proved, spokesmen for private utilities brand as "creeping socialism" this program to relieve farmers and farm housewives of some of the former drudgery of rural life.

The utilities had the freedom to be enterprising, but they failed to use it. As a result, the great rural-electrification program came into being, fathered by the late Senator George Norris. Would critics of the co-ops have the farm wife return to the days of kindling splitting by hand for cooking, and nursing of sick children by the light of kerosene lamps?

The REA program gave a greater boost to farm living standards than any single development of the last half century. Its usefulness and benefits cannot be disparaged or discounted by handpicked statistics which attempt to compare incomparable objects.

I have asked the National Rural Electric Cooperative Association, an organization dedicated to promoting the interests of the consumer-owned, nonprofit rural utilities, to analyze the statement and comparisons recently placed in the Record by the distinguished junior Senator from Arizona [Mr. Goldwater]. The statement prepared by NRECA explains in detail the true meaning of the figures used. I think it would be well to look behind the statistics. I ask unanimous consent to have the material prepared by the NRECA printed at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement on Idaho Power Rates by National Rural Electric Cooperative Association

The Idaho Power Co. makes its service available to farms in its service area at its standard residential and domestic rate. A farmer purchasing 6,428 kilowatt-hours per year, as apparently the average large farmer served by the Idaho Power Co. system did in 1953, would pay an average rate of 1.71 cents per kilowatt-hour. However, in 1953, only 27.3 percent of all the residential type customers served by the Idaho Power Co. were reported by that company to the FPC as farm consumers. The other 72.7 percent, which are ordinary residential users, might purchase lesser quantities of energy each year at an appreciably higher rate.

In fact, the publication Typical Residential Electric Bills for 1953, published by the Federal Power Commission, shows that the small city consumer, purchasing 1,200 kilowatt-hours a year from the Idaho Power Co., paid an average rate of 3.4 cents per kilowatt-hour in 1953, or twice as much as the farmer paid. By comparison, a small consumer using 1,200 kilowatt-hours per year in Chattanooga, Tenn., pays only an average rate of 2.5 cents per kilowatt-hour, 26 percent less than the Idaho Power Co. rate. The rate to the small city consumer using 1,200 kilowatt-hours per year in Boise, Idaho, Nampa, Idaho, Twin Falls, Idaho, and several other cities in that State is 3.4 cents per kilowatt-hour. In Knoxville, Tenn., Nashville, Tenn., and many other cities in that State, the average rate for the small city consumer is $2.50, and in some cases as low as $2.25. In Jefferson City, Tenn., the rate is $3.50. That city is served by the Appalachian Electric Power Co.

Thus, it is easily seen that the Idaho Power Co. can offer a low rate to 27.3 percent of its customers comprising its farm service, if the other 72.7 percent pay a higher rate.

The cooperatives of Idaho do not have the advantages of a diversified customer group. They do not serve a single town with a population of 2,500 or over, according to FPC figures. The area served by the cooperatives is sparsely settled. They encounter a density of 2.4 consumers per mile of line and sell approximately 10,800 kilowatt-hours per mile of line per year. The Idaho Power Co., by comparison, enjoys a consumer density of 8.85 consumers per mile of line, and sells 152,000 kilowatt-hours per mile of line per year, or 14 times the kilowatt-hour sales density of the cooperatives.

Fifty-three percent of the total energy sold by the Idaho Power Co. goes to industrial and commercial consumers.

By comparison, only 21.9 percent of the cooperatives' kilowatt-hour sales are in the industrial and commercial category.

There is also one additional fact that was completely ignored in the statistics presented by the junior Senator from Arizona. The Idaho Power Co. has on file with the FPC a statement of policy which provides that the company will not build additional line or add capacity to existing line to serve farm consumers unless the estimated construction cost of such line is less than 10 times the estimated annual revenue from it. If the estimated construction cost is more than 10 times the annual revenue, then the customer desiring service must make a cash payment to the company to cover a portion of the construction cost, or guarantee a minimum monthly payment for 10 years. The annual sum of such minimum guaranteed monthly payment must be one-twelfth of the estimated construction cost of the new line. In other words, the customer desiring such service must guarantee to pay in revenue to the company 83.5 percent of the cost of such line within a 10-year period, whether he uses the electricity or not.

Let us assume that a farmer who lives 1 mile away from an existing line of the company desires to take service.

Let us assume that his immediate need for electricity is 3,214 kilowatt-hours per year, about one-half of the average of all the other farms in the Idaho Power Co. service area. This is a reasonable situation because the load of the normal farmer grows each year and a new farmer coming on the line would not have many appliances. It costs about $1,700 to build a mile of line. Our farmer, in order to get service, would have to guarantee to pay the Idaho Power Co. $141.50 per year for a 10-year period instead of the $80.60 which would be his bill under the normal rate schedule. In other words, such a farmer would pay 4.4 cents per kilowatt-hour for his energy, or 76 percent above the normal rate, simply because his farm is difficult to serve.

It is just such policies as this that have brought the rural electric cooperatives of Idaho into existence. It is a long-standing policy of REA cooperatives to strive for area coverage, that is, to serve all farms within their service area. The cooperatives must build many long lines to serve a few farms, but all farmers served enjoy the same rate schedule. A rural electric cooperative serves a predominantly farm load in a sparsely settled area as a general rule. An investor-owned utility company serves the heavily settled urban and suburban areas and all the industrial and commercial aspects of such areas. To infer that the rates charged by each should be equal is to admit ignorance of the basic difference between them or to be victimized by misleading statistics. Now a word about taxes.

The material inserted into the Record by the junior Senator from Arizona correctly shows that the Idaho Power Co. paid $7,823,072 in taxes during 1953, amounting to about 3.51 mills per kilowatt-hour. However, $4,113,600 of this amount was Federal income tax and $253,700 was State income tax. The rural electric cooperatives are not subject to either State or Federal income taxes because they operate on a cost-of-service basis and earn no net income. The Idaho Power Co. would not pay income tax either except for the fact that it enjoys a substantial net income each year.

The cooperatives of Idaho paid $93,016 in taxes during 1953, which amounted to about 1.4 mills per kilowatt-hour. Certainly no one could suggest that an organization which does not earn income should pay an income tax, or that the taxes paid by such an organization would be comparable to those paid by the large investor-owned, profit-earning corporations. Such a comparison is analogous to saying that the taxes paid by a man earning a salary of $5,000 per year are comparable to those of a person earning $100,000 per year.

If the taxes paid by the Idaho Power Co. and by the cooperatives of that State are placed on a comparable basis, by excluding income tax, the figures show that the company paid $3,455,772, or 1.66 mills per kilowatt-hour in taxes, exclusive of income taxes, compared to the cooperative payment of $93,016, or 1.4 mills per kilowatt-hour in taxes. Here then is a little difference, especially considering that the cooperatives own only distribution lines and own no generating facilities of their own.

If they generated their own power, the increased taxes would likely result in their nonprofit taxes actually being higher than Idaho Power Co. taxes.

EQUITY INVESTMENT IN UNITED STATES AND FOREIGN CORPORATIONS

Mr. WILEY. Mr. President, the eyes of the Nation and the world have been on the Senate Foreign Relations and House Foreign Affairs Committee as they have continued their review of the administration's proposals for mutual-security assistance in the 1957 fiscal year.

Meanwhile, however, an increasing number of Americans are fortunately giving their attention to ways and means of encouraging to a larger extent, private investment abroad.

I am sure it is the consensus of the Congress and of our people, as a whole that, to the most feasible extent, we should rely in the future upon the movement of private capital, rather than on governmental assistance.

PREVIOUS COMMENTS BY SENATOR WILEY

On a good many occasions on the Senate floor, I have developed this theme—stressing the role of American private investment overseas, the role of American banks, investment trusts, other financial institutions like the International Bank, the Export-Import Bank, the International Finance Corporation, and others.

MY QUESTIONS ON PRIVATE INVESTMENT

As the mutual-security bill has been reviewed, I have asked questions repeatedly of administration witnesses, regarding the extent to which foreign countries are or are not improving the climate for American investment.

PRIVATE EQUITY SHARES

One of the phases of considerable interest to me has been the climate and conditions for an increasing amount of ownership of Americans in foreign enterprises through the purchase of equity stock.

As everyone is aware, there is always obviously a certain risk in stock purchases, even in the best so-called blue chips here at home.

But in the United States, in this great country of ours, we have seen how the willingness of millions of investors to risk their savings has been responsible for making America emerge as the greatest, richest, most powerful, freest nation on earth.

It is our hope that conditions will be such in foreign lands as to attract more and more equity capital from America—not, I emphasize, on a wild speculative basis, of course, not on a get-rich-quick basis, but on a sound, sensible, continuing, partnership basis.

For capital to go abroad, whether it is in the form of private direct investment in a factory or a mine or a mineral, or in any other form, there must be still more opportunity, more possibility of financial return—considering the larger risks inevitably involved—than there might be in our own country.

That is why foreign governments and peoples have a heavy responsibility to create and maintain conditions which will attract capital which might otherwise be expended in the enormous opportunities here in America.

Foreign governments must help cut red tape, nuisance restrictions, unfair taxation which impede private investment. Basically, they must keep their financial house in order.

Time after time, United States bankers and other financial leaders have been repelled from investment by loose or arbitrary fiscal practices abroad, incompatible with free enterprise.

Thus far, only a fraction of the United States investment potential abroad has been achieved.

ONE BILLION FOUR HUNDRED MILLION INCREASE IN 1954

According to the Department of Commerce for the year for which statistics are most recently available, in 1954, there was however, an increase of $1.4 billions in the value of United States private investments in foreign securities, and short and medium term credits and assets abroad.

Of that amount, $860 million resulted from net capital flow from the United States. The remainder reflected improved market values for the dollar bonds and local currency bonds and equity securities of foreign countries.

Incidentally, in our own country, the amount of foreign-owned investment and assets increased by $3 billions during 1954. The largest component of that sum consists of foreign-owned short term dollar assets, including obligations of the United States Government. But most of the increase represented the sharp rise in the market value of United States corporate stocks.

Since America is the world's greatest financial power, the capital flow will basically be from our shores.

Numerous proposals have been advanced, therefore, for bringing larger numbers of both large and small private investors into ownership of foreign securities.

Lest they get "burned" however, on relatively unfamiliar foreign economic details, particular care and discretion must always be exercised by the investor. And care must be taken by official regulatory authority as well, while allowing the free enterprise system to operate.

MY REQUEST ON SEC

Recently, I called upon the Securities and Exchange Commission for information with regard to the registration of new foreign issues on American exchanges. I believe that the recent pattern of such registration has been a healthy one, being pursued on a sound basis by the New York and the American Stock Exchanges.

I send to the desk the text of the information supplied by the SEC.

And as background, I append the text of an article which was published in the October 8, 1955, issue of Business Week. I ask unanimous consent that the text of this material be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Private, long-term portfolio capital movements by type and area, 1951–55

[Millions of dollars: capital outflow]

	1951	1952	1953	1954	1955
All areas, by type	−437	−214	185	−225	−92
New foreign securities	−491	−286	−270	−309	−116
Amortizations and redemptions	113	66	139	124	203
Transactions in outstanding issues, net	25	131	223	76	−9
Banking and commercial loans, net	−84	−125	93	−116	−170
Canadian capital movements by type, total	−232	−30	−1	67	173
New securities	−302	−158	−203	−167	−34
Amortizations and redemptions	88	38	108	89	160
Transactions in outstanding issues, net	−20	100	94	145	51
Banking and commercial loans, net	2	−10			
All capital movements, by area, Canada, total	−232	−30	−1	67	173
Latin American Republics, total	30	34	34	−80	−195
Europe, total	−35	−90	209	85	3
Other countries, total	−47	−10	4	−124	−48
International institutions, total	−153	−118	−61	−164	−25

Source: Department of Commerce, Survey of Current Business.

Foreign bonds listed on New York Stock Exchange

[In millions]

Date	Number of issures	Number of issues	Par value	Market value
Dec. 31, 1953	25	55	$607.734	$506.7
Dec. 31, 1954	36	76	609.831	531.3
Dec. 31, 1955	35	74	567.867	484.2

Foreign stocks (common) listed on New York Stock Exchange

[In millions]

Date	Number issuers	Number issues	Number shares	Market value
Dec. 31, 1953	19	17	74.1	$1,915.3
Dec. 31, 1954	20	18	77.0	3,065.1
Dec. 31, 1955	22	20	87.6	4,063.2

Foreign stocks (common and preferred) listed on New York Stock Exchange

Date	Number of issuers	Number of issues	Number shares	Market value
			Millions	*Millions*
Dec. 31, 1953	19	20	74.6	$1,943.3
Dec. 31, 1954	20	21	77.6	3,097.2
Dec. 31, 1955	22	23	88.2	4,124.1

Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955

	1954	1955
Number of statements filed (see list of names attached)	22	24
EFFECTIVE REGISTRATIONS		
Number of statements	17	17
Number of issues	18	20
Dollar amount (millions of dollars)	162.9	297.3
Cash account of issuer:		
Number of statements	14	14
Number of issues	14	15
Dollar amount (millions of dollars)	152.5	171.2

Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955—Continued

	1954	1955
Cash account of issuer—Continued		
Mining:		
Number of issues	8	6
Dollar amount (millions of dollars)	10.9	7.7
Manufacturing:		
Number of issues	0	4
Dollar amount (millions of dollars)		53.3
Investment companies:		
Number of issues	6	5
Dollar amount (millions of dollars)	141.7	110.2
Other: Dollar amount (millions of dollars)	10.4	126.1

Foreign companies registered under the Securities Act of 1933, calendar year 1954

SEC file No. 11252: Philippine Long Distance Telephone Co.

SEC file No. 10704: Scurry Rainbow Oil, Ltd.

SEC file No. 1196: Canadian Delhi Petroleum, Ltd.

SEC file No. 10764: De Von Le Duc Oils, Ltd. (Withdrawn August 1954.)

SEC file No. 11308: Investors Group Canadian Fund, Ltd.

SEC file No. 10921: Scudder Fund of Canada, Ltd.

SEC file No. 11036: United Funds, Canada, Ltd.

SEC file No. 11045: Canada General Fund, 1954, Ltd.

SEC file No. 11050: New York Capital Fund of Canada, Ltd.

SEC file No. 11060: Lake Lauzon Mines, Ltd.

SEC file No. 11191: Templeton Growth Fund of Canada, Ltd.

SEC file No. 11242: Stancan Uranium Corp.

SEC file No. 11335: Canada General Fund, 1954, Ltd.

SEC file No. 10903: Trican Petro Chemical Corp.

SEC file No. 11074: Keystone Fund of Canada, Ltd.

SEC file No. 11315: Aluminum, Ltd.

SEC file No. 11322: Canada Petrofina, Ltd.

SEC file No. 10828: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.

SEC file No. 10829: Mediterranean Petroleum Corp., Inc., VT and Mediterranean Petroleum Corp., Inc.

SEC file No. 11159: Israel Mediterranean Petroleum, Inc., VT and Israel Mediterranean Petroleum, Inc.

SEC file No. 11160: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.

SEC file No. 11262: Rhodesian Selection Trust, Ltd.

Foreign companies registered under the Securities Act of 1933, calendar year 1955

SEC file No. 11817: Northwest Nitro Chemicals, Ltd.

SEC file No. 11928: Home Oil Co., Ltd.

SEC file No. 11545: De Von Le Duc Oils, Ltd. (Withdrawn June 1955.)

SEC file No. 11349: Nipissing Mines Co., Ltd.

SEC file No. 11383: Consolidated Fenimore Iron Mines, Ltd.

SEC file No. 11393: Consolidated Subury Basin Mines, Ltd.

SEC file No. 11427: Southern Union Oils, Ltd.

SEC file No. 11520: Wilrich Petroleum, Ltd. (Withdrawn April 1955.)

SEC file No. 11523: Dyno Mines, Ltd. (Withdrawn April 1955.)

SEC file No. 11560: New Bristol Oils, Ltd. (Withdrawn May 1955.)

SEC file No. 11580: Stancan Uranium Corp. (Withdrawn November 1955.)

SEC file No. 11613: Peruvian Oils & Minerals, Ltd.

SEC file No. 11619: Saxon Uranium Mines, Ltd.

SEC file No. 11804: Scudder Fund of Canada, Ltd.

SEC file No. 11858: Yellowknife Uranium Corp. (Withdrawn November 1955.)

SEC file No. 11999: Canuba Manganese Mines, Ltd. (Withdrawn January 1956.)

SEC file No. 12127: Canada General Fund 1954, Ltd.

SEC file No. 12175: Algoma Central & Hudson Bay Railway Co., first-mortgage bondholders committee.

SEC file No. 11618: Bonnyville Oil & Refining Corp.

SEC file No. 11620: North Penn Gas Co.

SEC file No. 11807: Canadian Petrofina, Ltd.

SEC file No. 11456: Israel Pecan Plantations, Ltd.

SEC file No. 11939: "Isras" Israel Rassco Invest. Co., Ltd.

SEC file No. 12020: Industria Electrica de Mexico, S. A. (Electrical Industry of Mexico, Inc.).

Additional and new foreign issues listed on New York and American Stock Exchanges, 1954 and 1955

	Effective	Issue
NEW YORK STOCK EXCHANGE		
Royal Dutch Petroleum Co., 50 Guilder par ordinary shares	July 15, 1954	4,200,000 shares.
Commonwealth of Australia 3¾ percent bonds due 1969 [1]	Jan. 5, 1955	$25,000,000.
Belgium 4 percent bonds due 1964 [1]	Jan. 21, 1955	$15,000,000.
United Steel Works Corp., in liquidation participating certificates, in bonds of 9 German issuers.[1]	Mar. 6, 1955	$21,500,000.
Norway 4¼ percent bonds due 1965 [1]	May 19, 1955	$7,500,000.
Rhodesian Selection Trust Ltd., ADR's representing 5 shillings par	June 28, 1955	21,176,000 ADR's.
Frankfurt-On-Main refunding 4⅞ percent bonds due 1973 [1]	Oct. 28, 1955	
AMERICAN STOCK EXCHANGE		
United Rayon Mfg. Corp. (AKU) ADR's for ordinary shares, 1,000 HFL par.	Jan. 29, 1954	2,057,230 ADR's.
San Carlos Milling Co. Ltd., $8 par capital stock	May 9, 1954	200,000 shares.
Israel-Mediterranean Petroleum, Inc.-American VTC for 1 cent par common.	Nov. 1, 1954	443,800 VTC's.
Pan-Israel Oil Co., Inc., American VTC for 1 cent par common	do	1,593,000 VTC's.
Philippine Long Distance Telephone Co	June 21, 1955	1,358,000 VTC's.

[1] Additional issues, other new issues.

WALL STREET GOES FOREIGN NOW

"London has had its day as the world's banker. It is New York's turn now."

If you heard this sentiment once in Wall Street back in the fall of 1945 you heard it a dozen times. That was before even the wisest of New York's international bankers realized that the postwar reconstruction job would take about 10 years—a decade during which Uncle Sam, rather than the private financial institutions of either London or New York, would in one guise or another play the role of world banker.

Now you are hearing the same refrain again. And this time what starts it going is not just a gleam in a New York banker's eye, as it was in 1945. Hard cash is being put on the line by leading investment banks, by some of the big commercial banks, and by a number of brokerage houses that have been specializing recently in foreign securities.

These institutions—and those interested aren't all in New York—think that the time has arrived to add a new dimension to United States banking operations—the sharing of ownership in foreign enterprises by the purchase of equity stock. This would supplement the outward flow of dollar funds that already comes from (1) direct investments abroad by big United States manufacturers, oil companies, and mining firms; and (2) loans made by the World Bank and the Export-Import Bank.

I. HOW IT'S DEVELOPING

There is little or nothing to resemble the 1920's in the current "go foreign" flurry in Wall Street. There has been plenty of interest in foreign securities, especially British and Dutch industrial blue chips. But you don't hear even a whisper about the kind of European and South American bonds that whetted the United States investor's appetite in the twenties and then soured him on foreign securities for a generation.

In the picture: Here are some of the developments that make up the present flurry:

New York's Kuhn, Loeb & Co. and First Boston Corp. joined hands this week with S. G. Warburg & Co., Ltd., of London, to form a new $10 million international investment firm—Transoceanic Development Corp., Ltd.—to acquire equity investments in foreign countries other than Canada. A dozen United States banking and brokerage firms, a dozen British and continental investment banks, and one Canadian bank are in Transoceanic (a Canadian company) as participants. Some United States and foreign financial institutions are complaining this week about being left out.

The Chase Bank, affiliate of New York's Chase Manhattan, has in the works a similar investment banking operation intended to finance and develop new enterprises both in Canada and abroad. A Canadian corporation already has been formed for this purpose.

Set to get in on the act is the Inter-American Capital Corp., backed by Time, Inc., and a New Orleans group. This outfit, which will be managed from New York, will devote itself exclusively to pushing investment in Latin America.

Plans are on foot for extending the mutual funds idea into the foreign field. One big contender (BW—Aug. 20, 1955, p. 141) is the International Resources Fund, Inc., managed by Capital Research & Management Co., of Los Angeles, which is planning to float a stock issue this month through New York's Kidder, Peabody & Co. and others.

There is talk in Wall Street that in the foreseeable future several of the blue-chip British and continental industrial corporations might sell a portion of any new stock issues in the New York market. That prospect is one of the things that led Lazard Freres & Co. and Lehman Bros. last month to buy a 10-percent interest in the Mediobanca of Milan, Italy.

Adding up: In some Wall Street circles, these developments add up to (1) the revival of an international capital market; and (2) the emergence of New York as an international investment banking center, potentially as the world center.

But you will find some "streeters" who have their fingers crossed on both counts, even assuming healthy economic conditions here and abroad. And there are others who take such a dim view of market prospects here in New York that they think the whole business will prove to be a bubble that will burst, they say, just as soon as the bears take over in Wall Street.

II. WHAT'S BEHIND IT?

There is not much disagreement, though, about the things that have produced the go-foreign mood on Wall Street. What you have had in the past year is the conjunction of favorable developments abroad, favorable by postwar standards, and a changing investment climate in the United States.

On the foreign side there has been (1) the easing of cold-war tension, which has made the wark risk look a lot more remote; (2) the economic upsurge in Western Europe, which has brought the lowering of exchange restrictions; and (3) the eagerness of many underdeveloped countries to speed their economic growth.

Potential: The United States, potentially, at least, has still untapped resources of industrial know-how and capital. New York bankers will tell you of the flood of foreign visitors, from Africa and Asia as well as Europe and Latin America, which they have been receiving this year.

These visitors come to New York, as they used to go to London, looking for know-how or capital or both. Though London remains the biggest single source for trading funds—used to finance the trade of the sterling area—it hasn't anything like the potential New York has for providing private investment funds.

On top of that, American investors are looking this year for greener pastures than Wall Street has been able to provide (Business Week, June 4, 1955, p. 130). The difference in yields between New York and London tells a good part of the story. Late in September (just before President Eisenhower's illness) the average gross yield for the Financial Times industrial index was 5.1 percent against 4 percent for the Dow-Jones industrial average.

III. NEW DIMENSIONS

Even the enthusiasts don't say that total United States private investment will suddenly shoot up as a result of this new interest in foreign equities. All they are claiming is that a new dimension is being added to the picture. And they don't for a minute belittle the importance of what the big United States corporations have done during the postwar period by way of direct investments abroad and what the World Bank has done with its loans.

Actually the World Bank has been tapping some of the investment funds that Wall Street now hopes to draw on. The bank has sold some $500 million worth of its own bonds in the United States market. And soon a subsidiary of the bank—the International Finance Corporation (Business Week, Sept. 10, 1955, p. 105)—may be doing very much the same kind of job as the new Transoceanic Development Corporation.

Perhaps just as important, the bank has helped reestablish some order in postwar international financing—something that private banks probably couldn't have achieved in the shaky postwar years.

A natural: Transoceanic Development Corporation is an entirely new departure for Wall Street. But Kuhn, Loeb and First Boston Corp. think it's a natural for today's world. Its aim is to provide new capital for the expansion of mining, manufacturing, and commercial enterprise in any foreign country that provides attractive investment opportunities.

In exploiting such opportunities, Transoceanic has the advantage not only of S. G. Warburg's international connections but of its own relations with a dozen top-flight British, Dutch, German, and French investment banks. Then on the United States side it gains the same kind of depth from its American participants.

Setup: Transoceanic's initial paid-in capital is $5 million, of which three-fifths has been taken up by United States and Canadian participants and two-fifths by European participants. The firm has no present intention of going to the public for more capital. It feels that its resources are more than adequate for the kind of operations it plans for the near future.

Here's the way it might operate:

Normally, Transoceanic won't be making big dollar investments in new foreign enterprises or the expansion of existing ones. For example, one of its numerous projects calls for only a 3- to 5-percent participation by Transoceanic. The rest of the resources would come from United States and European participants and their clients. The idea is to provide funds when they are needed as a catalyst to get promising foreign projects off paper.

Transoceanic set up shop in Canada for two reasons: (1) The tax advantage it can gain there; and (2) the preference of its European participants to handle their financing through Canada rather than New York.

Another direction: A different kind of operation is involved in the recent Lazard-Lehman deal with Italy's Mediobanca. Previously, Lazard had been buying into a French bank or two, with the idea of gaining a strong position in French overseas banking operations. Then Lazard hooked up with Lehman to get an operating position in Italy.

The Mediobanca, which was formed in 1946 by three of Italy's leading banks, virtually dominates the investment banking business in Italy. Most of Italy's big industrial corporations use it to handle their public issues. Undoubtedly, if firms such at Fiat, Pirelli, or Montecatini should want to sell part of an issue in New York, Lazard and Lehman would get the business.

Uncertainties: According to Wall Street rumor, there is still some uncertainty as to whether International Resources Fund will go ahead with its plan for a public issue in October. Capital Management, the fund's manager, says it is 99 percent sure the issue will hit the market in mid-October. If it does, investors will be able to buy into a mutual fund whose securities will be split roughly 50–50 between United States corporations with foreign interests and foreign enterprises.

All this new activity involving foreign securities hinges on a healthy stock market here in the United States. If the market turns really sour, as a few "streeters" now predict, much of the current flurry might soon look like no more than a bubble. These "streeters" say it has always been hard to sell even high-grade Canadian securities in a declining market, and European securities would be likely to suffer even more.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, yesterday, as is shown at page 8340 of the CONGRESSIONAL RECORD, I spoke about the conference on Asian-American cultural relations. Today it was my privilege to speak to the participants in the conference who are mentioned in yesterday's statement, at a luncheon in the Vandenberg room in the Capitol.

In my remarks I said:

> I want to convey warmest greetings to our visiting friends of Asia.
>
> Today, on Capitol Hill, they are climaxing, I believe, a 4-week tour of the United States, which started in San Francisco, and which has continued through the Midwest and the East.
>
> COMMENTS IN CONGRESSIONAL RECORD YESTERDAY
>
> Yesterday, on the Senate floor, I was pleased to convey my initial word of greeting to you.
>
> Around the table I have been glad to distribute tearsheets of my remarks—page 8340 of the May 17 CONGRESSIONAL RECORD.
>
> WELCOME TO ASIAN AND UNITED STATES GUESTS
>
> We are pleased to welcome each of you here. We are pleased, too, to welcome the distinguished men and women in universities, the State Department, and elsewhere, who have helped make your visit to the States and to Washington, in particular, rewarding, I trust.
>
> VOICES OF EAST WELCOME
>
> Yesterday, we, in the Congress, had the privilege of hearing from the distinguished President of Indonesia, Sukarno—a great voice from the East.
>
> Today, in our midst, we are pleased to have the president of the University of Indonesia, Dr. Djohan, as well as our other fine friends.
>
> We are happy to get to know you better, and we know that you want to get to know us better.
>
> OUR DIFFERENT CULTURES
>
> We want to learn more about your culture, your ancient, rich heritage and tradition.
>
> Each of you come from heritages which are obviously somewhat different from ours—Hindu, or a Moslem, or Buddhist, or other; but we share the same love of liberty, and the same belief in the human personality and human dignity.
>
> OUR BASIC QUESTION—HOW TO IMPROVE RELATIONS
>
> The question which I should like to submit to our friends from Asia is a positive question, an affirmative question.
>
> It is this: In your travel throughout the United States, what has impressed you most in American culture?
>
> What are the points of agreement between our cultures, and how may we strengthen our cultural ties?

Each of our friends from Burma, Cambodia, Ceylon, India, Indonesia, Laos, Pakistan, the Philippines, Thailand, and Vietnam responded to the question. They spoke of their impressions gained from the 4 weeks they had spent in America, and they mentioned many points of agreement between the cultures of their lands and our own.

Also present at the luncheon and addressing the group were the Senator from Montana [Mr. MANSFIELD], the Senator from Alabama [Mr. SPARKMAN], and Representatives FULTON and JUDD.

It is such meetings as these which break down barriers of misunderstanding. Everyone present felt that there should be more such visitations among the citizens of the various countries.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. BIBLE. Mr. President, I ask unanimous consent that on Monday next, immediately following the conclusion of the morning hours, there be a call of the calendar for the consideration of measures to which there is no objection, beginning at the point where the previous call ended.

The ACTING PRESIDENT pro tempore. As the Chair understands, the request should also include a request for the consideration of Calendar No. 1874, House bill 3054, a bill for the relief of Allen Pope, his heirs or personal representatives, which bill was carried over from the previous call of the calendar with the agreement that it would be

called at the next succeeding call of the calendar.

Mr. BIBLE. That is correct; and my unanimous-consent request should be amended to that extent.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Is there further morning business?

Mr. BIBLE. Mr. President, of course, the farm bill is the unfinished business. The Senate is operating today under a unanimous-consent agreement for limitation of debate. In order to give all Senators the opportunity of making insertions in the RECORD, I think it might be in the interest of order and expedition in connection with today's proceedings to suggest the absence of a quorum at this time.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. With the understanding that morning business is not closed, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES conferees on the part of the Senate.

SUGGESTIONS BY DEMOCRATIC PARTY IN MONTANA FOR A NATIONAL FARM PROGRAM

Mr. MURRAY. Mr. President, while the President's veto of the first farm bill makes it clearly impossible to write an adequate farm program into law this year, I think it is appropriate to place in the RECORD at this time a yardstick of what farmers need and want.

The Democratic Party in Montana recently has developed specific suggestions for a national farm program. These suggestions represent a summation of ideas and conclusions reached by 23 regional farm forums held in Montana under the sponsorship of the Democratic Party of the State. Each of the 56 counties was represented at these forums. More than 800 farmers and stockmen participated in the discussions. At the summation meeting, consultants from Montana State College and Representative LEE METCALF participated.

I ask unanimous consent to have the material printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONTANA DEMOCRATIC PARTY SUGGESTIONS FOR A NATIONAL FARM PROGRAM

We, the undersigned, recognizing need for a sound farm program in order to safeguard the economy of our State have selected from those ideas submitted at the farm forum meetings the following propositions as a suggested farm program for Montana.

We believe that a farm program to be successful must be administered at the State and local level embracing sufficient flexibility to readily conform with the problems of each individual State.

Regional chairmen: Senator William Groff, Victor; Representative Arnold Rieder, Boulder; Edward V. Kottas, Lewistown; Lester Butledge, Big Sandy; A. A. Healow, Billings; Representative Lloyd Barnard, Saco; Representative John J. McDonald, Jordan.

County committee members: Clarence Bick Ronan; Alfred Anderson, Hamilton; Boyington Paige, Philipsburg; Farmer Bean, Gold Creek; Ulrich W. Deschamps, Missoula; Paul K. Harlow, Thompson Falls; Tom Ambrose, Big Fork; Carl Starbakken, Libby; Leslie Staudemeyer, Dillion; Clark Raymond, Sheridan; Hugh J. Murphy, Butte; Al Donich, Deer Lodge; Robert Hensley, Townsend; Paul Ringling, White Sulphur Springs; J. Rogan, north of Helena; Paul Hodge, Moccasin; Paul Holzer, Benchland; Elden Freed, Winnett; Francis Manley, Cut Bank; Shade Denson, Shelby; Robert Elings, Conrad; Orval Brain, Chester; Senator Gordon McGowan, Highwood; Raymond Lenhart, Havre; John R. Hoehn, Chinook; Merrill Plummer, Fairfield; Allen V. Chesbro, Jr., Belt; Nobel Meisdalen, Malta; Lovitt Westlake, Bozeman, W. W. Pepper, Wilsall; Claude Gray, Big Timber; John Reitz, Harlowton; Nat Allen, Ryegate; Frank V. Oset, Roundup; Adolph Schaak, Billings; Karney J. Redman, Wyola; Robert Brastrup, Joliet; Jake Frank, Park City; Ronald Osterberg, Glasgow; Alton Wesen, Glasgow; Sid Cotton, Glasgow; J. E. Carney, Scobey; Henry Crobn, Dagmar; C. R. Casterline, Culbertson; Frank Daniels, Sidney; Bob Dever, Glendive; Martin Beck, Vida; L. P. Larson, Wibaux; Glen Edsall, Brusett; Janet McDonald, Forsyth; Senator Dave Manning, Hysham; Marcus Tonn, Miles City; Rudolf F. Lutts, Carlyle; Ben Jurica, Powderville; John H. Walling, Ekalaka; Gottlieb Ulrich, Marsh.

Respectfully submitted.

LESTER RUTLEDGE,
Chairman.

MAY 5, 1956.

SUGGESTIONS FOR NATIONAL FARM PROGRAM

1. Responsible Department of Agriculture officials should furnish information to the public to show the American farmer in his true light as a modern businessman requiring special skill in his job in safeguarding this keystone of America's economy.

2. Adequate reserve of farm commodities should be set aside for national protection in case of war, drought years or other emergency on the national level. The cost of maintaining such a reserve should not be a charge against agriculture but against national defense. Such reserves should not be marketed excepting in times of national emergency.

3. More research into livestock diseases including beef and dairy cattle.

4. More research looking for a better and more profitable utilization of byproducts of farm products and livestock.

5. Representatives of the Department of Agriculture should go to foreign countries and search our new markets for our farm commodities.

6. Greater effort should be made to substitute food for money in aiding foreign nations.

7. Need is seen for the Department of Agriculture to take a realistic modern approach to the changing course of agriculture and to problems peculiar to the various regions in the United States. Much can be done with existing laws to bring about a greater prosperity in our agricultural industry which will benefit both producer and consumer.

SUGGESTIONS FOR FARM PROGRAM FOR MONTANA

Livestock

1. There should be regulations preventing diseased cattle from being butchered and used for human consumption, and to permit sale of such cattle for animal food only. If necessary a compensatory payment should be made to producers.

2. It is suggested a compensatory payment should be provided on heifers weighing up to 800 pounds. This will tend to reduce numbers. The compensatory payment could be based on a fluctuating price that protects the producer so he will realize an adequate but not excessive return on his investment. Payment should be direct to the producer. Payments could be stopped when consumption reaches a desired level with cattle numbers.

3. It is thought greater consideration should be given to a food stamp plan for State and Federal institutions and welfare agencies to increase consumption of beef.

4. Expanded use of beef in school lunch programs.

Dairy

1. Continuation of the milk control law.

2. Consideration of increased parity for producers.

Sheep

1. Continuation of present compensatory payment law.

Sugar beets

1. We endorse the recent Senate bill as passed giving us 55 percent of the population increase.

Wheat

1. Agricultural programs should be administered by farmer committees elected by farmers at community meetings. The delegates elected at these meetings would elect the county committees and overall State committee. Such groups would work with the Department of Agriculture and problems could be met on a regional basis. Provisions of programs should be presented for discussion at community farmer meetings and opinions expressed by the farmers at these meetings given consideration.

2. Price supports should be based on a parity formula which would stabilize the price of wheat and other farm commodities in terms of what it will buy of goods used in operation of the farm.

3. We feel regulation should be on a bushel allotment, rather than on an acreage allotment basis. In effect it would mean marketing control rather than production control. There would be consideration given to some control over feed grains, keeping in mind the relation of feed grains to livestock production.

4. Issuance of a marketing card for the maximum bushels an operator can sell at 100 percent of parity as his share of the domestic market, export market, etc. This amount can be determined by the past history of the farm.

5. If the price at the elevator for such maximum bushels is below 100 percent of parity the Government should make up the difference.

6. Maximum bushels of production for industrial size farms should be on a sliding scale basis.

7. It is suggested there should be strict compulsory controls, with all producers either coming under the controls or being subject to severe penalties.

8. Parity should be increased as maximum bushel production is reduced.

9. Stricter regulation of imports of farm commodities, particularly those which are below parity or in surplus.

10. Continue program to provide credit to farmers for needed expansion to secure a family-size farm and for building storage space for surplus products.

11. The Northwest States were on a 50–50 basis (summer fallow and crop) when the program was started and these States thereby were penalized because they had to reduce again on this half of their acreage. This acreage was lost to other States where corn, cotton, tobacco, etc., acreage was diverted to crops which the Northwest States had produced.

12. Encourage on the farm rather than commercial grain storage. This would effect a considerable saving to the Government and reduce criticisms of the program by the consumer.

13. Smaller on-the-farm producers should be protected, with stricter regulations for industrial-size farms.

14. Penalties for violations should be on both the seller and buyer.

15. Higher sanitary and grain-mixing standards are urged for grains to attract foreign buyers and expand domestic use.

16. Food-stamp plan for underprivileged people.

17. Expanded school-lunch program.

18. Expanded use of surplus foods in public institutions.

19. Extra bushels from overproduction stored on farms at farmers' expense as insurance against crop failure years.

20. Surplus farm commodities in the Government's possession should not be offered for sale in the domestic market at less than parity.

21. Soil conservation should be expanded to bring about as far as possible wise use of the soil to maintain and increase its fertility for future generations.

22. Marketing quotas should be on a sliding scale to favor the family-size farm.

23. More research for improving quality and safeguarding Montana crops.

Feed grains

1. Parity for feed grains should be based on corn parity in same ratio as feed value of such grains is to corn.

AGRICULTURAL ACT OF 1956

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The ACTING PRESIDENT pro tempore. The Senate is operating under a unanimous-consent agreement. The bill is open to amendment. If there be no amendment to be proposed——

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill is open to amendment.

Mr. YOUNG. Mr. President, I call up my amendment, identified as "5–17–56–H."

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The Legislative Clerk. It is proposed on page 42, between lines 6 and 7, to insert the following new section:

SALE OF WHEAT FOR FEED

> Sec. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The Senator from North Dakota has 30 minutes on the amendment, and the majority leader has 30 minutes on the other side.

Mr. YOUNG. Mr. President, I yield myself 5 minutes, or as much as is necessary.

The amendment embodies a provision requested by President Eisenhower in his message to Congress earlier this year. It was a provision contained in the agricultural bill introduced by our colleague, the Senator from Vermont [Mr. Aiken]. It would permit the Secretary of Agriculture to dispose of up to 100 million bushels of wheat a year for feed or other purposes, without regard to the present provision of the law which requires wheat to be sold at 105 percent of the prevailing price support level.

The Government has about 900 million bushels of wheat on hand, about a year's supply—considering our own domestic needs, wheat for seed purposes, and for export needs. Some of this wheat is getting old. I think the Secretary of Agriculture should be given the right to sell, if he deems it advisable, up to 100 million bushels of wheat per year under limitations of this amendment.

I believe the amendment itself is very simple, and that the explanation I have made is sufficient, unless there are some questions.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPPEL. I wish to say to the distinguished Senator from North Dakota that I am glad he has offered this amendment. I wish to say for the record that on the 16th day of May of this year I had an identical amendment printed. It is identified as "5–16–56–A." I am happy to join with the Senator from North Dakota in the amendment he has offered, because I think it is worthwhile, and takes care of a situation which needs alleviation. As the Senator has stated, the President recommended it in his message to Congress. Moreover, the Secretary of Agriculture, in his letter dated July 1, 1955, to the President of the United States, made this recommendation, in paragraph 4:

> We recommend that the Congress give consideration to legislation that would authorize the Secretary of Agriculture to dispose of not to exceed 100 million bushels annually of low-grade wheat for feed at prices 10 percent above the support price for corn.

The amendment which the Senator from North Dakota has called up is identical with the amendment I had intended to offer. I am happy to join with him. I think it is a desirable amendment, and that the Senate ought to adopt it, in fairness, in view of the other provisions of the agricultural bill.

Mr. AIKEN. Mr. President——

The PRESIDENT pro tempore. How much time does the Senator from North Dakota yield to the Senator from Vermont?

Mr. AIKEN. I request 2 minutes.

Mr. YOUNG. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, the proposal is in accord with the original recommendations of the President. At that time there was a fear on the part of some that it would interfere with the marketing of corn and other feed grains. Since that time corn has been protected by a minimum support price of $1.25 a bushel. Furthermore, it will be noted that the amendment does not require the Secretary to dispose of 100 million bushels of wheat a year for feed, and certainly he would not be expected to do so if it would break the market. I know that no one would expect him to do that, and certainly the Senator from North Dakota would not intend that.

I see no objection to the amendment.

Mr. BIBLE. Mr. President, I yield 5 minutes to the senior Senator from Louisiana [Mr. Ellender].

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry did not consider this amendment in connection with H. R. 10875 and did not have any testimony with respect to it.

I merely wish to point out that if the amendment is adopted, I am quite certain that it will adversely affect the price of feed grains. Under the law as it now stands, the Secretary has authority to sell feed grains if such sales will not substantially impair any price-support program. If he finds, for instance, that there is a shortage of corn, the Secretary now has authority to dispose of feed grains along the line suggested in the pending amendment.

But, as I understand it, the amendment would permit such sales even though the Secretary might be unable to determine that they would not substantially impair the price-support program—and even though such sales would have an unfortunate impact on that program.

Mr. President, it is my considered judgment that with a new 51 million base acreage for corn fixed in the bill, plus a provision permitting the Secretary of Agriculture to support corn grown by farmers who do not comply with acreage allotments, this year we

shall have corn running out of our ears; and I presume the Government will, under the program, purchase a good deal of the corn. If we compound this situation by increasing the feed supply even more—and that is what would happen if the Secretary sells 100 million bushels of wheat without taking into consideration the effect of that sale of wheat on support prices, the Government will have to take over even more corn.

In addition I understand an effort will be made sometime during the day to change the provisions of the small-grains section of the bill, thereby reducing price supports proposed for such grains.

As I pointed out in the debate when the Senate bill was substituted for H. R. 12, if it were possible for the Secretary of Agriculture to limit the production of small grains—that is, he could fix a base acreage upon the average of the land planted in 1953, 1954, and 1955—and to say to producers of small grains, "We will support your production at a higher price if you participate in the soil bank program, and if you plant only 85 percent of your base acres," the supplies of feed grains would be reduced without a reduction in the income of feed-grain producers. But if the present support levels for corn—both compliance and noncompliance—are retained and if small-grain production is not controlled and reduced, I am sure we are going to have feed grains in huge surplus at the end of this year. To further aggravate this situation by adding a tremendous amount of wheat to this over-supply of feed would, in my opinion, result in chaos.

The ACTING PRESIDENT pro tempore. The time granted the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am very happy to yield an additional 5 minutes to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana may proceed.

Mr. ELLENDER. Mr. President, I do not know what the Senate is going to do in respect to those provisions of the bill pertaining to small grains. I understand a compromise is in the offing. As chairman, my primary purpose is to protect the provisions of the Senate committee bill. Of course, if a new and better program for feed grains can be placed before the Senate, I would be one of the last to oppose it.

I merely wish to point out that if this amendment is adopted, in my humble judgment, it will further depress the price of grain, which, of course, is what many areas of the country desire.

The main opposition to the so-called small-grains amendments, as included in the pending bill, is that they will raise the price of these grains; and raise the prices of poultry and cattle feed, particularly in the Northeast. If, as is contemplated, we change the provisions of the pending bill in such a way as to permit farmers to plant whatever acreage to grain they desire, and support production at 76 percent of parity, and then direct the unrestricted sale of 100 million bushels of wheat for feed, it is my judgment that the hog producers who do not grow their own feed, the cattle feeders, the poultry producers of the Northeast, and the dairy farmers will get cheap feed at the expense of the Federal Government.

Mr. President, I thought I would submit these views to the Senate before it votes on the amendment. I believe that Senators who are sincerely interested in the growing of corn—Senators from the corn-producing States—particularly my friend, the Senator from Iowa [Mr. Hickenlooper], and others in a similar situation—should be made aware of the implications of the amendment.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Has it been the observation of the distinguished Senator from Louisiana that when there is cheap grain the prices of livestock also go down?

Mr. ELLENDER. There is no doubt of it.

Mr. DANIEL. Has the Senator from Louisiana ever heard of our having a good livestock market when there was cheap grain?

Mr. ELLENDER. I never have. In my humble judgment, this amendment will be more or less a bonanza for the sections of the United States in which the producers are able to protect by marketing agreements and other means the prices of their commodities, as is done in the Northeast. The producers in the Northeast can enter into marketing agreements and sell their milk and milk products on a protected market; and, of course, the people of that area want cheap grain. They are opposed to the provisions of the pending bill affecting small grain.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am happy to yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. If we have a 76-percent support price on all small grains without acreage control, and if next year we should have the same program in effect, that is, a price support without acreage controls, we would further aggravate the price structure of all the protected grain commodities, particularly corn. Corn is bound to suffer.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. My major purpose in offering this amendment is to afford some relief to certain areas of the United States, particularly the Pacific Northwest. Farmers in those areas are not buying all their feed grains from United States farmers. For example, the Pacific Northwest is a feed-deficit area, and there is a great deal of low-grade wheat, the condition of which is bound to deteriorate. The farmers of that area are not permitted to use it. They are importing large amounts of feed grain from Canada and elsewhere. It is not my purpose in offering the amendment to depress the price of feed grains, because I agree with the chairman that cheap feed grains mean cheap hog prices, and cheap prices for other commodities. But so long as there is this grain which is bound to deteriorate and which will have to be sold later, why not sell some of it now, when it can be sold to good advantage without destroying the market?

Mr. ELLENDER. The Senator will recall that when we held hearings in the Northwest the wheat growers stated that they would like to use some of their own wheat for feed, but they were obtaining most of their feed from Iowa, North Dakota, and South Dakota.

Mr. YOUNG. They can buy it cheaper in Canada now.

Mr. ELLENDER. What will happen, of course, is that the price of feed grains will be further depressed. The Senator knows that. The prices of oats, barley, and other grains are bound to be depressed when as much as 100 million bushels of wheat are put into feed consumption channels.

Mr. YOUNG. Would not the Senator agree that much of the wheat is bound to deteriorate, and will have to be disposed of anyway?

Mr. ELLENDER. The Secretary has authority to dispose of it now. We do not need this amendment to permit the Secretary to dispose of that wheat, but, under existing law, he must not undertake such a program if it would substantially affect the prices of other supported grains.

Mr. YOUNG. No. He must sell it at a higher price. Under this provision, he could sell it at a lower price than is possible in the present law, and before it goes out of condition.

Mr. ELLENDER. What does the Senator mean by the following language in his amendment:

> *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains.

There is such a provision in the law now, and I do not see any reason to repeal it.

Mr. YOUNG. As the Senator knows, the present law provides that the Secretary may not sell wheat or any other grain unless it is going out of condition, except at a stipulated price, namely, at the price support level plus 5 percent. This amendment would permit him to sell it at a somewhat lower price before it goes out of condition. Of course, when it goes out of condition he can sell it for any price he can get for it.

Mr. ELLENDER. I am sure the Senator is familiar with section 407 (c) of the present law, which contains the following language:

> Sales for seed or feed, if such sales will not substantially impair any price support program.

The present law does not say anything about whether or not the commodity is deteriorating; it gives the Secretary authority to sell wheat for feed, provided such sale does not affect the price support program for other grains.

Mr. YOUNG. The Senator knows that there is another provision in the law under which the Secretary may not sell such grain for less than the price support level plus 5 percent. Over the past several years a great deal of corn was disposed of because it was going out of condition.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has again expired.

Mr. BIBLE. I yield 5 additional minutes to the Senator from Louisiana.

Mr. YOUNG. Why not permit the Secretary to sell a little of the wheat in areas where it is badly needed, and where it will not affect the price of other feed grains.

Mr. ELLENDER. Has not the Secretary now the authority——

Mr. YOUNG. No; he has not.

Mr. ELLENDER. Has not the Secretary the authority at present to sell grains which have deteriorated?

Mr. YOUNG. He has authority to sell grains which have deteriorated, but this amendment would give him permission to sell the grain before it goes out of condition.

Mr. ELLENDER. What the Senator wants to do is to dispose of grain before it goes bad.

Mr. YOUNG. To dispose of low-grade wheat, which is not suitable for milling and before it goes out of condition.

Mr. ELLENDER. I merely wished to bring the situation to the attention of the Senate. As chairman of the committee, I should like to point out that the committee did not consider the amendment in connection with the pending bill. No witnesses testified as to the effect of the proposed amendment on other price supported grains. I argue the question from the standpoint that, with noncompliance corn producers able to plant—and I am sure they will plant—all the corn they can and still receive price support, we can expect more corn this year, than we have ever had in the history of our country.

Mr. YOUNG. The Senator knows that this amendment was considered by the committee earlier this year.

Mr. ELLENDER. It was proposed in a bill which was introduced on behalf of the administration by the Senator from Vermont [Mr. AIKEN]. However, as the Senator knows, we did not hear complete testimony on it. I heard every word of the testimony during the farm-bill hearings, but I do not recall much mentioned in connection with the unrestricted sale of 100 million bushels of wheat.

Mr. YOUNG. Which indicates that there was not much objection to it.

Mr. ELLENDER. If there had been no objection to it, we would have put it into the bill; but the fact is that we did not do so.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I believe I heard the distinguished chairman just state that this amendment was not considered by the committee. Is that correct?

Mr. ELLENDER. That is correct—that is, by way of receiving testimony thereon. It was in a bill introduced by the distinguished Senator from Vermont, but it was not even brought up in connection with H. R. 10875.

Mr. HOLLAND. If the Senator will further yield, does not the Senator remember that the entire question of feed grains was a subject which occupied by far the largest part of the committee's attention?

Mr. ELLENDER. I have so stated many times on the floor of the Senate.

Mr. HOLLAND. Does not the distinguished chairman know that members of the committee who have not too much at stake in the final passage of the bill, one way or the other, have been working for days to find some kind of solution of the feed-grain situation, which will be mutually acceptable, without having any knowledge that this amendment was to be offered?

Mr. ELLENDER. To be frank, I have not been included in the councils of those who are trying to offer a substitute for the freed-grain provisions of the bill. However, I do know that some work has been done. I know that quite a number of Senators are now engaged in that endeavor.

Mr. HOLLAND. If the Senator will yield very briefly, it seems to me that the Senator from Louisiana very properly takes the position that it is his duty as chairman of the committee to stand by the committee's recommendations.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. But, nevertheless, he has been kept advised from day to day, for the past several days, of the very strenuous effort which is being made to compose the differences on the feed-grain problem.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Does the Senator note, from the date of the amendment, that it was submitted for printing only yesterday?

Mr. ELLENDER. I learned about it this morning. I made inquiry about it. I did not know of the existence of the amendment until it was brought to my attention today.

The ACTING PRESIDENT pro tempore. The acting majority leader has used 20 minutes of his time.

Mr. BIBLE. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. HOLLAND. Will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I should merely like to say that we are hopeful that we have worked out a satisfactory agreement. We have worked very hard on such an agreement, and have done so without any knowledge of the fact that this amendment was about to be proposed. It does inject a new aspect. It brings up the question of 100 million bushels of wheat, to be disposed of at a reduced price—at some price not even mentioned—for feed purposes, which means, of course, that such wheat would be competitive with all other feed grains.

Mr. ELLENDER. There is no doubt about that.

Mr. HOLLAND. Therefore we hope that the distinguished chairman of the committee will insist that the amendment be rejected.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Will the amendment help the wheat farmer in connection with this year's crop, and will it raise or lower the price of wheat?

Mr. ELLENDER. It will not help him because wheat production is controlled and wheat farmers have a price support program, insofar as they comply with acreage allotments.

Mr. CAPEHART. Will the amendment directly or indirectly have the tendency to raise the price of wheat or to lower it?

Mr. ELLENDER. The price to whom?

Mr. CAPEHART. To the farmer.

Mr. ELLENDER. No; it will not. I say that because the wheat farmers are now growing wheat under allotted acres at a fixed support price of about 82.7 percent of parity. Therefore the amendment would not affect the price of wheat they produce.

Mr. CAPEHART. It will not affect the farmer who comes under the price support provisions. However, I am talking about the farmer who does not comply.

Mr. ELLENDER. If he does not comply, he gets no price support.

Mr. CAPEHART. Would the amendment have a tendency to increase or decrease the free, open market price?

Mr. ELLENDER. It would decrease it.

Mr. CAPEHART. It would decrease the price for free open-market wheat?

Mr. ELLENDER. Yes. Take, for example, the small 15-acre wheat farmer. He sells his wheat to his neighbors; he does not comply with acreage allotments, and he is not penalized. If 100 million bushels of wheat are put on the market, as proposed by the amendment, the market is bound to be affected.

Mr. CAPEHART. In the Senator's opinion it would decrease the free open-market price of wheat?

Mr. ELLENDER. It would, in my opinion.

Mr. CAPEHART. And it would have a tendency to decrease the free open-market price of corn and oats and rye and barley, and other feed grain. Is that correct?

Mr. ELLENDER. There is no question about it. It would increase the free market supply and thereby decrease the price. As I said, it would further aggravate the situation.

Mr. President, I relinquish the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 2 minutes remaining.

Mr. ELLENDER. I relinquish the remainder of my time.

Mr. BIBLE. Mr. President, may I inquire whether any other Senators desire to speak in opposition to the amendment? Apparently not at this time.

Mr. YOUNG. Mr. President, I yield myself 2 minutes.

My amendment does not require the Secretary of Agriculture to sell 100 million bushels of wheat. It merely gives him permissive authority to sell it. He would sell the lower quality feed wheat, which we now have in storage to the extent of 900 million bushels. That wheat would be absorbed by a market which is now being supplied to considerable extent by Canadian growers. The bill provides further that the Secretary shall not dispose of it if such disposition would have any adverse effect on other grain markets.

We are disposing of, and have been from time to itme, a large amount of corn. Some of that corn I do not believe was out of condition. Historically, the wheat farmers have supplied a large part of the feed market. They have now lost it.

I believe the corn interests here are being a bit unreasonable, if they feel that they should have four separate price supports for corn this year and then refuse to permit the Secretary to dispose of some surplus wheat.

I believe the amendment is entirely reasonable.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will not adopt the amendment. The Senate, in its consideration of the original farm bill, the Senate Committee on Agriculture and Forestry, and the House in their actions this year have shown that they are trying to do something which will assist the feed grain producers in meeting the problem with which they are confronted.

It appears to me that if we adopt the amendment and provide that 100 million bushels of wheat may be sold for feed, we will further depress the open market price of feed grain and corn and wheat. The adoption of the amendment would further complicate the problem which confronts us in our effort to do something about putting feed grain on a comparable basis with corn in the price support program.

I regret that I must differ with the distinguished author of the amendment, because I know he is interested, and has always been interested, in trying to enact legislation which would assist the feed grain producers. From what I have heard on the floor of the Senate this morning, the amendment would have an adverse effect, even though I know the Senator from North Dakota does not intend that his amendment should have that effect.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. YOUNG. I am one Member of the Senate who is certainly opposed to cheap feed grains. It is my firm belief that cheap feed grains mean cheap prices for pork, beef, dairy products, and so forth. If the effect of the amenoment was to hurt these producers I certainly would not propose it. I would not propose it if I thought for a moment that it would have any adverse effect on the market of grain or other commodities.

However, we cannot seal up forever all the wheat and not let some of it be used for feed purposes. I do not know of any reason why the Secretary of Agriculture should not be given permissive authority to sell some of the stored wheat. Why encourage the production of more corn and then not permit the sale of any wheat for feed purposes.

Mr. DANIEL. From what I have heard other members of the committee say on the floor and from what I have otherwise learned of the amendment, I believe it would further depress the feed grain market.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. BIBLE. Mr. President, I yield 2 additional minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will follow the advice of the chairman of the committee and of other members of the committee, and vote to reject the amendment.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, one of the most difficult tasks in connection with the farm program was that of trying to work out a satisfactory solution of the small feed grain problem. The pending amendment, in my opinion, would upset the whole applecart, so to speak. The 100 million bushels of wheat which would be disposed of would be in competition with other small feed grains. There can be no question about that. That would be the effect if 100 million bushels of wheat were thrown into the corn and other feed grains markets. Of course, the effect also would be to depress the market in the fields of other small feed grains.

The amendment was not considered by the committee. We did not study it. Naturally, as one member of the committee, I would hesitate to vote for it, much as I admire the Senator from North Dakota who submitted the amendment, because he and I generally see eye-to-eye on farm problems.

I believe if the amendment is adopted we will have undone all the work of the committee in the effort to solve the feed-grains problem. For that reason, I hope the Senate will not adopt the amendment.

The ACTING PRESIDENT pro tempore. The Chair will state that those opposing the amendment have 3 minutes remaining. Those proposing the amendment have 24 minutes remaining.

Mr. BIBLE. Mr. President, if there are no further requests for time, I am prepared to yield back the remainder of our time, if the proponents of the amendment will yield back the remainder of their time.

Mr. YOUNG. Mr. President, I do not desire to say anything further on the amendment.

The ACTING PRESIDENT pro tempore. The Chair understands that all time has been yielded back on the amendment. The question is on the adoption of the amendment offered by the Senator from North Dakota [Mr. YOUNG].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, and that the time be not taken out of either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 3 minutes on the bill to the Senator from Iowa [Mr. HICKENLOOPER].

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 3 minutes.

Mr. HICKENLOOPER. Mr. President, I am sorry that I have to oppose this amendment. I shall try in 2 minutes to state my reasons.

The whole purpose of our action on the agricultural bill is to assault the problem of surpluses at the source. There may be some disagreement as to the best method of accomplishing this objective. While I realize that the amendment does not provide a compulsory dumping of 100 million bushels of wheat a year, it is permissive, and the pressure would be tremendous to compel any Secretary of Agriculture to do that, and we could look forward to the probability that he would do it.

In effect, Mr. President, it would add to the already overburdened surplus of the total feed supply. That is what is depressing the market at this time. The adoption of the amendment would only compound the difficulty, in my view. While I have every sympathy with the Senator from North Dakota [Mr. YOUNG], and I am sorry I must oppose this amendment, for the reasons stated I think it would not contribute to relieving the surplus feed supply but would contribute to the overburden and bring upon us more trouble.

Mr. YOUNG. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. YOUNG. If it would compound farm difficulties, why did President Eisenhower and Secretary Benson ask for it?

Mr. HICKENLOOPER. I do not know why. I have not talked to either of them concerning it. I am looking at the question from my standpoint and from the standpoint of adding more cheap feed to an already overburdened supply.

That is my position, Mr. President.

SEVERAL SENATORS. Vote! Vote!

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG]. [Putting the question.]

On this vote the Chair is in doubt.

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Case, N. J.
Case, S. Dak.
Chavez
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Flanders
Frear
George
Goldwater
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kerr
Knowland
Kuchel
Laird

Langer
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McClellan
McNamara
Millikin
Monroney
Mundt
Murray
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. Ervin], the Senator from Arkansas [Mr. Fulbright], the Senators from Tennessee [Mr. Gore and Mr. Kefauver], the Senator from Massachusetts [Mr. Kennedy], the Senator from New York [Mr. Lehman], the Senator from Oregon [Mr. Morse], the Senator from West Virginia [Mr. Neely], and the Senator from North Carolina [Mr. Scott] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. Carlson] and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Idaho [Mr. Welker] is necessarily absent.

The Senator from Wisconsin [Mr. McCarthy] is detained on official business.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. KNOWLAND. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the junior Senator from North Dakota [Mr. Young], which will be stated.

The Legislative Clerk. On page 42, between lines 6 and 7, it is proposed to insert the following new section:

SALE OF WHEAT FOR FEED

Sec. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURRAY (when his name was called). On this vote I have a pair with the distinguished senior Senator from West Virginia [Mr. Neely]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the distinguished senior Senator from Oregon [Mr. Morse]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. Ervin], the Senator from Arkansas [Mr. Fulbright], the Senators from Tennessee [Mr. Gore and Mr. Kefauver], the Senator from Massachusetts [Mr. Kennedy], the Senator from New York [Mr. Lehman], the Senator from Oregon [Mr. Morse], the Senator from West Virginia [Mr. Neely], and the Senator from North Carolina [Mr. Scott] are absent on official business.

On this vote, the Senator from North Carolina [Mr. Ervin] is paired with the Senator from Arkansas [Mr. Fulbright]. If present and voting the Senator from North Carolina would vote "nay" and the Senator from Arkansas would vote "yea."

The Senator from Tennessee [Mr. Kefauver] is paired with the Senator from Massachusetts [Mr. Kennedy]. If present and voting the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

The Senator from New York [Mr. Lehman] is paired with the Senator from North Carolina [Mr. Scott]. If present and voting, the Senator from New York would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. Carlson] and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Idaho [Mr. Welker] is necessarily absent.

The Senator from Wisconsin [Mr. McCarthy] is detained on official business.

If present and voting, the Senator from Kansas [Mr. Carlson], the Senator from Nevada [Mr. Malone], and the Senator from Idaho [Mr. Welker] would each vote "yea."

The result was announced—yeas 49, nays 31, as follows:

YEAS—49

Aiken
Allott
Barrett
Beall
Bennett
Bridges
Bush
Butler
Byrd
Case, N. J.
Case, S. Dak.
Chavez
Cotton
Curtis
Duff
Eastland
Flanders
Frear
George
Green
Hill
Hruska
Ives
Jackson
Knowland
Kuchel
Laird
Langer
Magnuson
Mansfield
Martin, Pa.
McClellan
Millikin
Mundt
Neuberger
Pastore
Payne
Potter
Purtell
Russell
Saltonstall
Schoeppel
Smith, Maine
Smith, N. J.
Sparkman
Watkins
Wiley
Williams
Young

NAYS—31

Anderson
Bender
Bible
Bricker
Capehart
Clements
Daniel
Dirksen
Douglas
Dworshak
Ellender
Goldwater
Hayden
Hennings
Hickenlooper
Holland
Humphrey
Jenner
Johnson, Tex.
Johnston, S. C.
Kerr
Long
Martin, Iowa
McNamara
Monroney
O'Mahoney
Robertson
Stennis
Symington
Thye
Wofford

NOT VOTING—15

Carlson
Ervin
Fulbright
Gore
Kefauver
Kennedy
Lehman
Malone
McCarthy
Morse
Murray
Neely
Scott
Smathers
Welker

So Mr. Young's amendment was agreed to.

Mr. AIKEN. Mr. President, I call up my amendment identified as "5-16-56-C."

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Vermont will be stated.

The Legislative Clerk. On page 69, beginning with line 22, it is proposed to strike out all down through line 8, on page 70.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized for 30 minutes.

Mr. AIKEN. Mr. President, this amendment would strike out a provision of the bill which would partially restore one of the provisions of the bill passed earlier in the year, and to which the President objected in his message. The provision of the bill which this amendment would strike out does not fully restore the dual-parity formula; it freezes transitional parity at its present level, not only for this year, but for 2 more successive years.

I realize as well as anyone else that a parity formula which is designed to meet conditions in one year may not be workable a few years later; and I freely admit that it probably needs some revision. I understand that the Department of Agriculture already is starting work on a revision of the parity formula which it can recommend to Congress. That work will take some time; but it will not take 2 years. Neither is it necessary to freeze the present transitional parity level where it is. There are only 3 crops, of approximately 160, which would benefit by such a freeze. Corn, wheat, and peanuts would receive slight benefits. They are already getting the benefit of a transitional parity price this year, but we should not freeze it at the same level for another 2 years following the calendar year 1956.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield to me?

The PRESIDING OFFICER (Mr. McNamara in the chair). Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AIKEN. I yield.

Mr. YOUNG. I may say that the whole purpose of freezing the transitional parity formula where it is is to prevent the modernized parity formula from going into effect until a new and fair parity formula can be enacted into law.

The Senator from Vermont knows that the dairy groups and almost all other farm groups believe that the modernized parity formula does not represent a fair parity value.

My purpose in freezing it for 2 years was to enable the Department of Agriculture to make a study of parity formulas and to make recommendations thereon to Congress so that Congress could provide for a new parity formula.

I believe perhaps that could be accomplished in a year. Although I should like to see 2 years allowed, if the Senator from Vermont will modify his amendment so as to have it provide that the transitional parity formula shall apply for only 1 additional year (1957), and with the provision that the Secretary of Agriculture shall be required to study these formulas and to make recommendations to Congress early next year, I will be willing to accept the amendment as thus modified.

Mr. AIKEN. Mr. President, as I have said, I think the parity formula needs a rather generous and thorough review and possibly an overhaul. In fact, I do not believe we can establish today a parity formula which will hold good and equitable even 10 years from now. I thoroughly approve of the proposal of the Senator from North Dakota that the parity formula be studied, with a view to revising it, so as to bring it more nearly up to date.

As the situation is today, the producers of certain commodities can make substantial profits by producing on the basis of 60 percent or 65 percent of parity, whereas other producers—and the Senator from North Dakota mentioned the dairy farmers—will very little more than break even at 100 percent of parity. I do not know where the producers of grain crops fit into the picture.

Today, we are trying to work out a farm bill which has many very fine features in it.

If it is agreeable to the Senate, I do not believe any great damage would be done by continuing the present transitional parity for 1 year more. I think that if we were to continue it for 2 years more we might just make a bad matter worse. If we restrict the time to 1 year, I think we are more likely to get a good, thorough review and recommendations for a new formula, than if we were to let it remain in effect for any additional time.

I would change the amendment so as to meet halfway the Senator from North Dakota. It was his proposal to put that in the Senate version of the bill. I would be glad to do that. I do not think the administration would be very happy with it.

Mr. YOUNG. I would not be entirely happy with it, either.

Mr. AIKEN. But in a spirit of compromise, I think that would be meeting each of the two points of view halfway.

Mr. THYE. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. THYE. I am very pleased to have the ranking minority member of the Committee on Agriculture and Forestry state that he is willing to accept a compromise on this amendment.

I had studied the amendment, and had reached the conclusion that I would have to oppose it, because I felt definitely that to go through with the full transitional parity and take the loss involved in the case of both the dairy commodity producers and the wheat producers, would be an injustice to agriculture; and I felt that the Department of Agriculture should make a study.

There is no reason why the Department cannot complete the study within a year's time and submit to Congress a recommendation and a complete explanation of what the parity equivalents are with respect to the various commodities and products. Then we can act intelligently in the following year.

So long as the ranking Republican member of the Senate Committee on Agriculture and Forestry is willing to modify his amendment, I think we have arrived at a good compromise, and have reached a solution which will not require a yea-and-nay vote on the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE of South Dakota. I am happy to see this problem approaching a solution. However, I think there is a slight conflict in the language which appears in the bill, as between the title and the text of the bill. Perhaps there is some technical feature which I do not understand.

I invite the attention of Senators to the fact that, on page 69, lines 22 and 23 constitute the heading "Transitional Parity for Basic Commodities Frozen During 1957 and 1958."

As I understand the colloquy, it is the Senator's intention to strike out, on page 70, in lines 2 and 3, the words "or 1957."

Mr. AIKEN. Mr. President, to meet the views which have been represented by the Senator from North Dakota [Mr. Young] and other Senators, and in the spirit of compromise and endeavor to obtain a good bill, I wish to modify my amendment by striking out the language of the amendment and proposing that there be stricken out, in line 23 on page 69 of the bill, the words "and 1958"; and, in lines 2 and 3 on page 70, the words "or 1957."

I modify my amendment accordingly.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The question is on agreeing to the amendment offered by the Senator from Vermont, as modified.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. As I understand, the amendment would provide that transitional parity be carried forward 1 more year, through 1957.

Mr. AIKEN. Through 1957 instead of through 1957 and 1958.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. As I understand, that would allow a full year for congressional study.

Mr. AIKEN. That is true.

Mr. MUNDT. It would enable Congress to make a careful study of the parity situation while the transitional parity remained in effect.

Mr. AIKEN. It would give Congress the remainder of this year and another year in which to thoroughly overhaul the parity formula.

Mr. MUNDT. I think that is very satisfactory, and a constructive compromise.

Mr. ELLENDER. Mr. President, I listened to the discussion between the distinguished Senator from Vermont and the distinguished Senator from North Dakota. As I understand, the language in the bill would remain the same, except that the transitional parity would be frozen for 1 year instead of 2.

Mr. AIKEN. It would be frozen where it is for 1 year instead of 2.

Mr. ELLENDER. I have no objection.

The PRESIDING OFFICER. Does the Senator from Vermont yield back his remaining time?

Mr. AIKEN. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the modified amendment offered by the Senator from Vermont [Mr. Aiken].

The amendment, as modified, was agreed to.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. Bible in the chair). The amendment offered by the Senator from South Dakota will be stated.

The Legislative Clerk. On page 30, after the period in line 12, it is proposed to insert the following:

Nothing contained in this section shall prevent the production of such crops on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations, especially of waterfowl for beneficial use.

Mr. MUNDT. Mr. President, if I may have the attention of Senators, I think this amendment can be disposed of in a great deal less time than the 30 minutes allotted to me. This is one of the happy situations in which I am proposing what I hope is a noncontroversial amendment to the agricultural bill.

The Fish and Wildlife Service has called to my attention the fact that, without the definitive amendment which I have proposed, it would have to dispense with the established practice of providing feed for migratory waterfowl on wildlife refuges. The practice which is being followed at the present time, and which has been followed for many years, is that the Fish and Wildlife Service makes a sharecropping contract with farmers of the area, whereby they permit a considerable portion of their grain to remain unharvested and available for the birds, whereas if we were to insist upon the language of the bill, without this interpretive amendment, the Department of Agriculture would then require the Fish and Wildlife Service itself to operate these farm tracts and would bar these wildlife refuges from raising price-supported crops.

Section 125, if not amended, would leave the Department of Agriculture authority to restrict cultivation of lands lying within wildlife refuges. Such an order would have a devastating affect upon the national wildlife refuge program and would probably destroy the progress in this conservation field made over the past two decades. My amendment specifically denies such authority to the Department of Agriculture.

The Department of Agriculture proposed in an administrative letter of February 10, 1956, to the President to stringently regulate the leasing of Government land for cultivated crop use. There is no reason to believe the Department of Agriculture has substantially altered its position at this date. The present language of section 125 leaves the Department of Agriculture a free hand to implement its administrative intention of earlier this year and the section should be amended because:

First. It would result in the closing of our wildlife refuges. Over $70 million have been devoted to the management and development program to preserve our continental waterfowl resources.

During the calendar year 1954, 597 individual permittees farmed 32,163 acres of Government-owned land for themselves and 26,255 acres for the Fish and Wildlife Service of the Department of the Interior. By sharecropping the Service has been able to maintain a minimum continental waterfowl population in the face of the thousands of acres lost through oil and gas pollution, salt water infiltration of intracoastal canals and waterways, sulfur and other mining polution, and the tremendous acceleration of marsh and pothole drainage in the United States. By their sharecropping program the Fish and Wildlife Service has found it can increase the carrying capacity of our original refuge lands nine times. The Service has advised me that sharecropping is the only hope of preserving the waterfowl population and that it cannot continue the operation of important waterfowl refuges if sharecropping is not permitted.

Second. Production of price supported commodities now in surplus supply on wildlife refuges is not statistically important. In 1954 the 597 permittees operating within Federal wildlife refuges harvested 562,851 bushels of grain for their own use. In doing so they made available to waterfowl 500,408 bushels of grain and 9,524 acres of green forage. If the Fish and Wildlife Service were required to operate themselves the farms presently operated on a sharecropping basis it would require additional appropriations of $5 million and 1,000 new personnel. This would be manifestly impossible from the standpoint of the Federal budget.

The 562,851 bushels of grain raised by producers for themselves on wildlife refuges is statistically unimportant and indeed not a significant factor in the overall accumulation of surpluses.

Third. Approval of the section as it now reads would seriously damage the good name of the Government. In the purchase of each refuge project, some farms had to be purchased or condemned outright, and very few of the farmers bordering upon the approved boundaries escaped without some severence of their holdings. They were assured that, having sold their land to the Government and suffered such damages, grazing and farming opportunities on refuge lands in connection with the waterfowl food production program would be given first to them, on a share crop basis.

Mr. President, as a former State president of the Izaak Walton League in South Dakota and as one who for more than 6 years served on the South Dakota Game and Fish Commission, I know how hard it has been to bring back satisfactory duck populations in this country. Surely we do not want to take a backward step now that our constructive efforts have begun to bring gratifying results.

I have discussed this amendment with the chairman of the committee. I hope he will join me in making this amendment a part of the proposed legislation.

Mr. ELLENDER. Mr. President, section 125 of this bill, which is now sought to be amended by the distinguished Senator from South Dakota, is a section similar to the one which was incorporated in H. R. 12, which was vetoed by the President. When that section was presented to the committee, it was worked over very carefully by the various departments of Government involved. They took the position, after a study of the question, that the bill should be amended so as to assure the maintenance of a satisfactory wildlife population in our national wildlife refuges. Since that is the purpose of the Senator in offering this amendment, I shall have no objection to the amendment. As I understand, the purpose of the amendment is to make section 125 of the bill—which prohibits leasing of Government lands for the production of surplus price-support crops—inapplicable to crops produced on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations. Section 125, as it appears in the bill with the committee amendment, is identical to a similar section contained in H. R. 12, the language of which was supplied to the conferees by the executive branch, and which had been prepared as a result of lengthy study by an interdepartmental committee. I have been advised by the Department of the Interior that section 125, as it appears with the Senate amendment, will permit production on national wildlife refuges where necessary to maintain satisfactory wildlife populations.

Mr. MUNDT. The purpose is to place the support of Congress behind the practice which already prevails and to make clear by the legislative history of this bill that Congress intends that the prevailing practices be continued.

Mr. ELLENDER. I have no objection to the amendment, Mr. President.

Mr. MUNDT. I should like to add that the chairman of the committee is correct when he says that an amendment similar to this amendment was contained in the vetoed bill. However, I wish to make it clear in the Record that the President raised no objection in his veto message to this particular section.

Mr. ELLENDER. I understand that to be the fact. I did not mean to infer that there was any objection on the part of the President.

Mr. MUNDT. I thank the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. My reason for wishing to be recognized, Mr. President, was merely to state that in my opinion the pending amendment is a good amendment. I wish to commend the author of the amendment for having offered it. I believe it improves the bill.

Mr. MUNDT. I thank the Senator, both for his words of commendation and for his support.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back the time in opposition.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. Mundt].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I call up my amendment, which lies on the desk, to insert certain language on page 4, line 24.

The PRESIDING OFFICER. The Secretary will state the amendment.

The Legislative Clerk. On page 4, line 24, after the word "grazing.", it is proposed to insert the following:

> In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under this contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

Mr. O'MAHONEY. The proposed amendment is substantially the same amendment which was offered by my colleague the senior Senator from Wyoming [Mr. Barrett] when the former farm bill was under consideration by the Senate. It was worked out by us generally in connection with representatives of livestock growers throughout the country, and constitutes an effort to apply a penalty to prevent the grazing of soil-bank reserve land, so that the soil bank will not increase the supply or population of livestock in the United States as a result of that provision, and thereby create a livestock problem more serious than the one which now confronts the industry.

The amendment was adopted by the Senate when it considered the previous farm bill, and it was sponsored by the following Senators: Barrett, Allott, Bible, Case of South Dakota, Bennett, Curtis, Daniel, Dworshak, Goldwater, Hruska, Kuchel, Langer, Magnuson, Malone, Murray, Mansfield, Watkins, Welker, and myself. That indicates the bipartisan character of the Senators backing the amendment.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARRETT. Is the amendment substantially the same as that which was adopted by the Senate on the farm bill that was previously before the Senate?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. The purpose of the amendment is merely to make certain that lands which are diverted under the two different provisions of the soil bank will not be used for grazing purposes. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. I can see no reason why the langauge, having been acceptable before, should not be acceptable to the Senate at this time.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ALLOTT. I desire to make my position well known on this amendment. Having joined in sponsoring a very similar amendment during the consideration of the previous farm bill, it seems to me that such a provision as is contained in the amendment is almost a necessary part of any farm legislation which may be passed.

Therefore, I appreciate the opportunity to express my support of the amendment. By all means it should not be omitted as a part of the new act.

Mr. O'MAHONEY. Mr. President, in view of the fact that there are two reserve programs contained in the bill, a similar amendment should be added on page 15, line 8. If there is no objection, I should like to state that amendment and ask that the Senate adopt both at the same time.

I offer an amendment on page 15, line 8, after the word "contract," to add the following words: "including the prohibition of grazing of conservation acreages."

I believe there is no opposition to the amendment, and I hope it may be adopted.

Mr. ELLENDER. I merely wish to state that, as the Senator from Wyoming [Mr. O'Mahoney] has just pointed out, the two amendments were adopted unanimously when the bill was considered by the Senate several weeks ago. In conference, both amendments were modified to the extent of a 50-percent penalty to be applied to violators. I have no objection to the adoption of the amendments and to taking them to conference in an effort to work out satisfactory provisions.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. The Western Livestock Association of North Dakota and the livestock men of my State generally are unanimously in favor of the amendments.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back my time.

Mr. O'MAHONEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing, en bloc, to the amendments offered by the Senator from Wyoming [Mr. O'Mahoney].

The amendments were agreed to.

Mr. ANDERSON. Mr. President, I call up my amendment "5–17–56–I."

The PRESIDING OFFICER. The Secretary will state the amendment.

The Legislative Clerk. On page 42, lines 18 and 19, it is proposed to strike out the words "and the provisions of section 344."

On line 23, after the figure "1956", strike out the comma, insert a period, and strike out the remainder of the paragraph.

Mr. ANDERSON. Mr. President, the language now contained in the bill, although it appears to be an attempt to carry over the 1956 acreage into the years 1957 and 1958, rather effectively repeals the provisions now in the Cotton Acreage Act which relate to the principle of growth.

I say that because cotton acreage history will be based upon a five-year period. If we freeze in the States the 1957 and 1958 allotments at the level of the 1956 allotment, we shall have successfully frozen them for 3 of the 5 years, and thereby shall have made it possible to freeze them for the rest of the history of cotton growing in this country, unless the law is finally repealed or some other adjustment made.

I do not believe that was the purpose of the amendment of the committee which my amendment proposes to strike out. I believe it is possible that those who sponsored it thought it could be adopted and that it would not affect history. But we cannot have a provision of this nature in the bill and expect anyone who comes from the States of California, Arizona, New Mexico, or Texas to vote for the bill on final passage. This would be the worst thing that could ever happen to agriculture in those States. There must be some recognition taken of the fact that it would defeat everything that was written into the Cotton Acreage Adjustment Act of 1949.

Mr. President, I have great respect for my able friend from Mississippi [Mr. Stennis]. He would like to have me withdraw my amendment until there is an opportunity to consider some alternate language which is being proposed.

I ask unanimous consent that I may withdraw my amendment at this time without sacrificing my right to present it subsequently for consideration without the time being taken from either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The Legislative Clerk. On page 50, it is proposed to strike out line 7.

Beginning on page 51, with line 19, strike out through line 19 on page 54.

Mr. WILLIAMS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS. Mr. President, the purpose of my amendment is very simple. It merely strikes out of the bill all those provisions which would for the first time extend mandatory support prices to barley, grain sorghums, oats, and rye. Under the existing law, support prices have been given to those commodities only at the discretion of the Secretary of Agriculture. This bill would compel the Secretary of Agriculture to support those products at 76 percent, or an increase of about 10 percent.

As evidence of what is already being done under the existing law with reference to those commodities, I point out that in the first 7 months of the current fiscal year, the Government has already lost $30,014,254 on barley; $36,915,655 on grain sorghums; and it has sustained a loss of $11,118,217 in supporting oats and $5,894,803 in supporting rye.

This bill now proposes to write into the law a mandatory provision whereby the Secretary of Agriculture would be compelled from now on not only to continue to support these commodities but also to continue to support them at an even higher level than that which was obtained in the past. The loss would be almost beyond estimation both from the standpoint of the Federal Treasury and from the standpoint of the feeders of livestock and poultry.

Mr. President, I ask for the yeas and nays on the amendment. I will then be willing to yield to any Senator who wishes to speak on this amendment. The question involved is merely whether or not for the first time we are going to extend mandatory support prices to those feed grains.

Mr. President, I ask that the yeas and nays be ordered on this amendment.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I reserve the right again to ask for the yeas and nays.

At this time I yield 3 minutes to the Senator from Vermont [Mr. Aiken].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, ordinarily I would support the amendment offered by the Senator from Delaware. I think the amendment provides for something that should be done. I am practical enough, however, to know that it cannot be done. I also know that many of us, and many Department of Agriculture officials, administration representatives, and others have been working to find a mutual ground on which we can get together and obtain legislation which will not be harmful to any of the States of the Union and which will benefit many of them.

The proposal which we will make will be offered by the Senator from Florida [Mr. Holland] in an amendment relating to the support prices for corn and feed grains. I shall strongly support the proposal of the Senator from Florida when it becomes the pending question before the Senate. I agree with the Senator from Delaware that, from the point of view of our sections of the country, his amendment would be the best thing. However, I am practical and, in order that New England and the northeast part of the country do not get something which is very bad such as the feed-support provision of the House bill, I feel that I must support the amendment to be offered by the Senator from Florida which I shall join him in offering.

Mr. WILLIAMS. Mr. President, the Senator from Vermont will agree with me, will he not, that the rejection of my amendment would be injurious both to the dairy industry and to the poultry industry in that it would raise the feed cost far above that which prevails under the existing law?

Mr. AIKEN. I do not think anyone can answer that question. We know that the great abundance of feed grains, and their low cost, have encouraged many people to go into livestock and poultry production thereby increasing the competition and depressing the markets for our northeastern producers. I do not think anyone can say what the ultimate advantage or disadvantage would be.

I will say, however, that if I were not trying to view the farm bill objectively, and to work out the best possible bill, my inclination would be to vote for the Senator's amendment. But I think, under the circumstances, it is better to support a proposal which I feel can be approved and which will result in obtaining legislation which will be of benefit to nearly all the people of the United States and detrimental to almost none of them.

Mr. DANIEL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DANIEL. Does the Senator realize that in the original farm bill the Senate expressed itself in approving much higher support prices?

Mr. WILLIAMS. Yes; and the President vetoed the bill, and I agreed with him. I recognize that the amendment to be offered by the Senator from Florida is better than the provision already in the bill; however, I do not believe in compromising until we have been defeated. I believe in first ascertaining whether we have enough votes, and in this instance I feel confident of victory.

Mr. President, I ask unanimous consent that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall not object—I think the Senator from Delaware and Senators from areas like his own are entitled to have a chance to go on record in this matter, and the time of the Senate will be saved if we proceed in this way, rather than to have every Senator affected make a speech, or to have a quorum call and another request.

However, I must say that I think the amendment offered by the Senator from Delaware goes much further than the Senate would possibly go, in view of the expressions heretofore made on the floor during the debate on the previous bill, and also in view of the fact that since that time price supports have been granted for noncomplying corn in the commercial corn areas, which make even more serious the plight of the small grain producers.

So while I am not at all agreeing with the amendment of the distinguished Senator from Delaware, I feel that his request is meritorious, and I hope it will be granted.

Mr. DANIEL. Mr. President, I wish to make the record clear that my failure to object to the unanimous-consent request a moment ago was simply to expedite the matter. I shall not object to the unanimous-consent request, but I certainly oppose the amendment offered by the Senator from Delaware because I think it would do great harm not only to the proposed legislation, but also to the farmers of the country who raise corn and other feed grains.

Mr. CASE of South Dakota. Mr. President——

Mr. WILLIAMS. My request is merely to have a record vote on the amendment. I do not see how there could be any objection to that.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I had hoped to ask the Senator from Vermont [Mr. Aiken] what the alternative was. I have heard rumors that an alternative amendment would be offered following whatever action might be taken on the amendment offered by the Senator from Delaware. I was wondering if we would save time by having a record vote if the amendment is doomed to failure. I do not know whether it is or not; I have heard rumors that it was.

Mr. WILLIAMS. The only thing which would cause the amendment to be doomed to failure would be that it did not receive enough votes to be adopted. We will not know about that until we have had an opportunity to vote on it.

Mr. CASE of South Dakota. How Senators might vote on the amendment of the Senator from Delaware might be affected by what the alternative proposal might be. If another amendment is to be offered, perhaps we should know something about it before we commit ourselves on the amendment offered by the Senator from Delaware.

Mr. HOLLAND. Mr. President, simply for the information of the Senator from South Dakota, the Senator will find on his desk a mimeographed copy of the amendment which will be offered after the disposition of the pending amendment—that is, if the pending amendment be defeated by a vote of the Senate. The amendment proposed to be offered by the Senator from Florida for himself and on behalf of other Senators, including the Senator from Vermont [Mr. Aiken], will by no means strike from the bill all provisions favorable to the small grain producers, but will afford far better treatment of them if the bill shall be passed.

The amendment offered by the Senator from Delaware would, in effect, strike from the bill entirely provisions affecting the producers of small grains, and leave them subject to the conditions of the present law.

I hope the vote may be taken promptly; and then, if I am permitted to do so, I shall be glad to offer my amendment, a copy of which is on the desk of all Senators.

Mr. CASE of South Dakota. If the amendment offered by the Senator from Delaware should be rejected, would there then be any occasion to offer the amendment which the Senator from Florida intends to propose?

The PRESIDING OFFICER. The 10 minutes of the Senator from Delaware have expired. Does the Senator from Delaware yield himself additional time?

Mr. WILLIAMS. I do not yield time to Senators to debate the amendment if they are opposed to it.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Florida.

Mr. WILLIAMS. Mr. President, may we have the yeas and nays ordered on my amendment?

The PRESIDING OFFICER. The Senator from Delaware has previously made a unanimous-consent request that the yeas and nays be ordered on his amendment. Is there objection to that request?

Mr. CASE of South Dakota. Mr. President, I do not think I am being arbitrary or unreasonable in trying to ascertain whether or not we shall be foreclosed an opportunity to vote on another amendment in connection with this matter. The Senator from Florida was about to answer that question.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. If the amendment offered by the Senator from Delaware, which is now under consideration, should be rejected by the Senate, would not the Senator from Florida have a right to offer his amendment, a copy of which has been printed and is lying on the desk of each Senator, and which relates to a much more definite treatment of the problem than does the amendment of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Florida may offer his amendment.

The Senator from Florida was recognized for 5 minutes.

Mr. HOLLAND. I simply wanted to bring out that fact, which I think was all that stood in the way of the granting of the request of the Senator from Delaware for a yea-and-nay vote.

I am perfectly willing to discuss my amendment now, but I do not think this is the proper time to do so. The Chair has advised the Senate that in the event of the rejection of the pending amendment offered by the Senator from Delaware, the Senator from Florida could offer his amendment. I hope that that ruling will now lead to a granting of the request of the Senator from Delaware.

Mr. CASE of South Dakota. Mr. President, I withdraw my reservation of objection.

The PRESIDING OFFICER. In order to clarify the record, there is pending a unanimous-consent request by the Senator from Delaware that the yeas and nays on his amendment be ordered. Is there objection to that request? If not, the yeas and nays are ordered.

Is there any further request for time on the amendment offered by the Senator from Delaware?

The time in opposition to the amendment is in control of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated earlier during the debate on this measure, I do not suppose there is a provision in the bill which has given us more difficulty than has the provision affecting feed grains and corn. I cannot believe that the Senate will refuse to enact some kind of legislation which will protect the feed grain producers, in the light of what has been done for the producers of corn.

I understand there is in the offing a compromise amendment which will be offered by the Senator from Florida. So far as I am concerned, as chairman of the Committee on Agriculture and Forestry, I, of course, will try to maintain those provisions which were incorporated in the bill by the committee. But if the compromise is acceptable to the Senators from the grain States, and an agreement can be reached, the fight I intend to make for the committee provisions on feed grains will undoubtedly be fruitless. I realize that.

However, I am very hopeful that the amendment offered by the distinguished Senator from Delaware will be rejected, so that in due time the Senate may have an opportunity to consider the small grains sections, as provided in the bill, or as may be provided by the amendment which I understand is to be offered by the distinguished Senator from Florida.

The PRESIDING OFFICER. Does the proponent of the amendment, the Senator from Delaware, yield back the remainder of his time?

Mr. WILLIAMS. I am ready for a vote on this amendment unless some other Senator wishes to speak.

Mr. President, I ask unanimous consent that there may be a quorum call, with the time for the quorum call not being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll, with the understanding that the time for the quorum call will not be charged to either side.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I was wondering if the Senator from Louisiana wished to discuss the amendment further.

The PRESIDING OFFICER. The attention of the Senator from Louisiana is called to the inquiry of the Senator from Delaware. The question is, Does the Senator from Louisiana care to discuss the amendment further?

Mr. ELLENDER. No, Mr. President. If the Senator is willing to yield back his time, I shall do likewise.

Mr. WILLIAMS. Mr. President, I shall yield back the remainder of my time, but first I should like to take about 1 minute in further explanation. The issue here is very simple—it boils down to the question as to whether or not the Senate wants to authorize mandatory support prices for all types of feed grains. The adoption of this new principle will substantially raise the feed cost to all poultry and dairy farmers without any corresponding benefits. This year we have already lost $30 million on barley, $36 million on grain sorghums, $11 million on oats, and $5 million on rye. How much more do the producers of these commodities want?

Let us not write into the law that the Secretary shall have to continue to support these commodities, not at his discretion, but at mandatory price supports much higher than at present.

I am confident that such action would seriously affect both our poultry industry and the dairy industry in the Northeast. I urge the adoption of this amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Delaware [Mr. Williams].

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Case, N. J.
Case, S. Dak.
Chavez
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
George
Goldwater
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kerr
Knowland
Kuchel
Laird
Langer
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER (Mr. Bible in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Williams].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called Williams amendment, designated as "5–17–56–G." Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. The parliamentary inquiry is this: Should the Williams amendment be agreed to, would the Aiken-Holland compromise amendment then be in order, or would the so-called Daniel amendment, dealing with the subject of feed grains, then be in order?

The PRESIDING OFFICER. The Chair is advised that if the Williams amendment were agreed to, an amendment offered by the Senator from Florida [Mr. Holland], or any other Senator on the same subject matter could not be challenged on the ground of inconsistency with the action taken in agreeing to the Williams amendment. A point of order would not lie against such an amendment.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Williams]. On this question the yeas and nays have been ordered, all time has been used or yielded back, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SPARKMAN. On this vote I have a pair with the Senator from Oregon [Mr. Morse]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mr. HILL. On this vote I have a pair with the Senator from North Carolina [Mr. Scott]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. Fulbright], the Senators from Tennessee [Mr. Gore and Mr. Kefauver], the Senator from Massachusetts [Mr. Kennedy], the Senator from New York [Mr. Lehman], the Senator from Oregon [Mr. Morse], and the Senator from North Carolina [Mr. Scott] are absent on official business.

On this vote the Senator from Arkansas [Mr. Fulbright] is paired with the Senator from New York [Mr. Lehman]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from New York would vote "yea."

The Senator from Tennessee [Mr. Kefauver] is paired with the Senator from Massachusetts [Mr. Kennedy]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. Carlson] and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Idaho [Mr. Welker] is necessarily absent.

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from Idaho [Mr. Welker]. If present and voting, the Senator from Kansas [Mr. Carlson] would vote "nay" and the Senator from Idaho [Mr. Welker] would vote "yea."

The result was announced—yeas 39, nays 44, as follows:

YEAS—39

Allott
Barrett
Beall
Bender
Bennett
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Case, N. J.
Cotton
Dirksen
Duff
Dworshak
Flanders
Frear
Goldwater
Green
Ives
Jackson
Jenner
Knowland
Kuchel
Magnuson
Martin, Pa.
Millikin
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Smith, Maine
Smith, N. J.
Watkins
Williams

NAYS—44

Aiken
Anderson
Bible
Case, S. Dak.
Chavez
Clements
Curtis
Daniel
Douglas
Eastland
Ellender
Ervin
George
Hayden
Hennings
Hickenlooper
Holland
Hruska
Humphrey
Johnson, Tex.
Johnston, S. C.
Kerr
Laird
Langer
Long
Mansfield
Martin, Iowa
McCarthy
McClellan
McNamara
Monroney
Mundt
Murray
Neely
Neuberger
O'Mahoney
Schoeppel
Smathers
Stennis
Symington
Thye
Wiley
Wofford
Young

NOT VOTING—12

Carlson
Fulbright
Gore
Hill
Kefauver
Kennedy
Lehman
Malone
Morse
Scott
Sparkman
Welker

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment offered by the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ELLENDER. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I send forward amendments and ask that they be stated. I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1, on page 4.

On page 8, beginning with line 4, strike out through line 5 on page 10.

On page 12, line 21, strike out "other feed grains, $175,000,000."

On page 25, beginning with the comma in line 1, strike out to and including "1956" in line 4.

On page 51, beginning with line 19, strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

> (d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

Mr. HOLLAND. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield so that I may request that the yeas and nays be ordered?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, at the proper time I shall suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, this amendment is offered on behalf of the Senator from Vermont [Mr. AIKEN] and myself. It has been generally discussed with all Senators with whom we have been able to discuss it this morning, because it represents a very serious and determined effort to bring together the thinking of the Members of the Senate on the important feed grain question on which it has just been demonstrated there is considerable division in the Senate.

Mr. President, the reason why there are several amendments incorporated into one is that it is necessary to make various places in the bill conform to the purposes of the amendment.

The purposes of the amendment, if I may outline them in three brief sentences, are these:

First, to fix a price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, at 76 percent of parity price for the commodities as of April 15, 1956.

To explain that provision, Mr. President, the intent is to put the small feed grain producers on a parity with the producers of corn, the noncomplying producers of corn, in the commercial corn area, who were granted a price support on April 15, 1956, so that there will be given by that provision of the amendment, as we believe, equality this year as between corn and small grains, so far as that can be done by legislation.

The second provision of the amendment is applicable to the corn produced in the noncommercial area. It follows the same philosophy as that expressed in the first provision which I have just mentioned.

The price support for noncomplying corn producers in the commercial area, when it was fixed, established a new principle which had not been effective theretofore. The amendment provides that noncomplying corn producers in the commercial area will be placed on the same basis as corn producers outside the commercial area. So, the second purpose of the amendment is to grant 82½ percent of the level of price supports for grain in the commercial corn-growing areas to the corn producers in the noncommercial area. That is about five-sixths of the support price.

Mr. KERR. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. KERR. I do not quite understand the explanation which the Senator has given with reference to corn in noncommercial corn States.

Mr. HOLLAND. Mr. President, I recognize that this is a very complex subject, and I shall do my best to explain it clearly. I ask that the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and other Senators who are quite familiar with the subject matter follow my explanation.

The present law provides for corn producers in the noncommercial areas a price support at 75 percent of the prevailing price support given to compliance corn in the commercial areas.

Mr. KERR. On the allotted acres?

Mr. HOLLAND. That is correct. The effort is to work out some kind of parity of treatment between corn in the noncommercial areas and the noncomplying corn producers in the commercial areas who never had a price support until it was recently announced by the Secretary of Agriculture.

Mr. KERR. Mr. President, will the Senator from Florida yield for another question?

Mr. HOLLAND. I yield.

Mr. KERR. Is the Senator saying that if his amendment is adopted all corn producers in the noncommercial areas will have a support price at the same level as that of the noncomplying corn producers in the commercial areas?

Mr. HOLLAND. They will have support at the level of about five-sixths of the support level for complying producers in the commercial areas, and that will amount to almost the same thing which the Senator has said.

Incidentally, we followed the same philosophy as that which was followed in fixing 76 percent in the first branch of the amendment which I have just mentioned, because there it was a matter of making the price supports for small grains as nearly as possible the same as were granted to the noncomplying corn producers in the commercial corn areas.

Mr. KERR. If I read the language correctly, it leaves a different impression with me. As I read it in paragraph (d), subparagraph (2), it provides:

> (2) The level of price support for corn produced outside the commercial corn-producing area—

I take it, that is in States other than the corn-producing States.

Mr. HOLLAND. In counties not in the commercial areas.

Mr. KERR. I read further—

> for any crop for which base acreages are in effect.

Have there been base acreages in effect in the noncommercial corn-producing areas?

Mr. HOLLAND. The amendment represents an effort to give comparable treatment to noncommercial corn to that which is given small grains on which the price support is fixed at 76 percent of parity.

Mr. KERR. I understand that, but I am trying to get it clear as to whether if the producer of corn in the noncommercial areas is to receive the benefit of this amendment he must observe acreage limitations.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the answer to the question of the Senator from Oklahoma is that the producer would not have to observe acreage limitations at all. The reference to the crop which is under acreage limitation is an effort to relate back to corn. Corn in the commercial areas will be under acreage limitations, but areas outside the commercial areas need not be under acreage limitations, under the language of the amendment.

Mr. KERR. In other words, the producer in the noncommercial areas would have acreage limitations but would receive approximately the same support level as would the corn producer in the commercial areas?

Mr. ANDERSON. That is correct. The corn producer outside the commercial area is not complying with acreage limitations, and the corn producer inside the commercial area is not complying. Therefore, they would receive the same support.

Mr. HOLLAND. One of the reasons for the provision is that another portion of the bill allows the corn producers in the commercial areas the right by referendum to vote whether to terminate acreage control. If acreage control is applicable in the commercial areas and noncompliance corn is supported, then the treatment, which we have discussed, is to be given corn in the noncommercial areas.

Of course, if there is no price support there, there is not going to be any corn price support anywhere.

Mr. KERR. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. KERR. Then, as has been stated by the Senator from New Mexico, the real effect with reference to support prices is to put the producer of corn in the noncommercial areas in the same position as the noncomplying corn producer in the commercial areas?

Mr. HOLLAND. As nearly as may be; and in doing that, we are following the precedent of the first part of the amendment with reference to treatment given to the producers of small grains.

Mr. KERR. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. My understanding is substantially the same as that stated by the Senator from Florida. Translating it into dollars and cents, my understanding is that the corn of noncompliers in the commercial areas would be supported at the $1.25 national average. Applying the five-sixths formula to 86½ percent would mean that the corn producer would be supported this year, in noncommercial areas, at about $1.24. So that makes the price substantially the same.

Mr. HOLLAND. It sounds like that arithmetically, but the way it would be applied, it would not exactly equal that. I confess that the experts on the Department staff would have to explain that. But it comes very close to the figure which the Senator from South Dakota has stated.

Mr. CASE of South Dakota. I think an amendment of this nature is needed to avoid chaos and confusion, particularly in States which have counties which are in a commercial corn area, and counties which are not in a commercial corn area.

Mr. HOLLAND. The question of the Senator, as to whether the amendment relates to 1957 must be answered in the affirmative, but it also, I understand, applies to later years. This provision of the amendment is a permanent change in the law and will apply to later years.

Mr. CASE of South Dakota. But would it require in 1957, a producer of feed grain or corn in a noncommercial corn county to put some land into the soil bank?

Mr. HOLLAND. This particular amendment would not. I have said earlier that this particular amendment, if adopted, would eliminate the acreage reserve provisions of the soil bank in their application to small grains.

The amendment would leave effective to small grains the conservation reserve provisions.

A sizable number of Senators have worked out this amendment together, and we are fully persuaded that, in view of the scarcity of data, now available, and of the indicated attitude of the administration not to approve an additional 100 million acres of land under any control basis, the allowing of 2 years, at least—1956 and 1957—to work out a better program, with the other provisions, as described, is the very best that we can hope to obtain in this situation.

We have conferred not only with one another, not only with Senators who are strongly for higher price supports for small grains, as, for instance, the distinguished Senator from Texas [Mr. DANIEL], and others, but we have conferred with the Department of Agriculture experts and directly with the Secretary of Agriculture, in an effort to get any suggestions we could from him. We have tried to save as much as possible for the small-grain producers. We think that there is no indication whatever that a sound program can be worked out for acreage reserve participation by the small-grain producers in the first 2 years.

If the developments in 1956 are quicker than are anticipated, Congress can take additional action early in 1957. As I see it now, this is the best that can be done at this time to take care of the small-grain producers.

I do not have to call to the attention of the Senator from South Dakota the fact that the sponsors of this amendment opposed the amendment of the Senator from Delaware, which was just rejected, which would have entirely eliminated the possibility of giving any relief at all to the producers of small grains. We are trying to get for them everything we think it is reasonable for them to have, based upon the present data available and considering the present confused situation.

The fact that corn is divided artificially into two areas, a commercial area and a noncommercial area, and that that division does not adapt itself readily to any of the small grains, makes the problem a very complicated one to work out.

Mr. CASE of South Dakota. It is a very complicated problem, particularly in a State like mine, where a portion of the State has counties in the commercial corn areas, while immediately adjacent there are counties which are not. We have three classes for corngrowers.

I think an amendment of this kind is necessary, regardless of how one stands on the question of high or low price supports. If there is to be a corn-support program, it is necessary to have an amendment such as this to preserve the relationship between corn grown on unallotted acres, unrestricted, and the small grains, which can be used as a substitute for corn as feed.

Mr. HOLLAND. I share that conviction, and so do the other Senators who have collaborated in this matter. We are glad to have our purpose so clearly stated and approved by the Senator from South Dakota.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the Senator from South Dakota [Mr. CASE] made a very good statement just now, when he said this is the sort of amendment which could be supported regardless of whether one favored high supports or flexible supports or rigid supports, because the amendment would provide an opportunity for the Department of Agriculture to keep careful track of the acreage allotted to oats, rye, barley, and grain sorghums for the growing years 1956 and 1957. That ought to provide sufficient information to allow these grains to come under the acreage reserve program by 1958.

Mr. CASE of South Dakota. I hope there will be a record vote on the amendment, because I think the votes of Senators on the previous amendment might be misunderstood.

The Senator from Florida will recall that prior to the other vote I reserved the right to object in order that the Senate might be assured that the amendment now pending would be offered, and there would be no alternative. I think the votes of some Senators on the other amendment might be misunderstood unless an opportunity were afforded to record their votes on this amendment.

Mr. HOLLAND. I thank the Senator from South Dakota; I think he has made a good point which ought to be considered.

The third objective of the amendment is that if price support is made available for the 1957 crop of corn in the commercial corn-producing areas to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghum, barley, rye, oats, and corn produced outside the commercial corn-producing area respectively, at a level not less than 70 percent. The price shall never go to less than 70 percent, and it shall be fixed in the same way as 76 percent was fixed for this year, namely, by relating that price support to the price support which is given to the noncomplying corn in the commercial areas.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. I should like to add a word to what the Senator from Florida is saying. I was one who helped to prepare the amendment. I believe it will work no hardship on anyone, but will be helpful to many feed grain producers in the country. In fact, I think it will leave the price of feed grains about where it is now on the open market, although I cannot be exactly sure of that. The price of feed should stay approximately where it is now. If it goes higher, it will not be because of the amendment, but because of market trends. The price seems to be at a fairly good level at present. If it can be maintained at nearly that level, I believe it will be helpful, and will assure the feed grain producers of America of a good price. Also, it will not be harmful to the livestock, dairy, and poultry producers.

Mr. HOLLAND. I appreciate the comment by the Senator from Vermont. I think every Senator has received telegrams from producers in the field of dairy products, in the field of livestock, and in the poultry field who are disturbed about the provisions in the bill, but not about this amendment, which I feel is moderate enough to give grave concern to none of them.

One purpose of the amendment, among others, is not to permit the small-grain producers to slide down, down, and down to deeper distress, but to give them fair treatment, as we see it, along with the corn producers.

Mr. AIKEN. The livestock and poultry producers were understandably disturbed about the provisions of the House bill which raised the supports much higher than the amendment which is now being offered by the Senator from Florida, and also perpetuated high feed-grain supports by tying them to the support price for commercial corn. The compromise offered is a considerable reduction from the supports which were required by the House bill.

Mr. HOLLAND. The Senator from Vermont is correct.

I now yield to the Senator from New Mexico, after which I shall yield to the Senator from North Dakota.

Mr. ANDERSON. The Senator from Vermont has not asked me to say this. I hope that if I misstate his position, he will correct me. There might be some persons who would wonder why the Senator from Vermont, on the last vote, voted "no" on the Williams amendment. I assume he voted "no" on that amendment because he knew that this perfecting amendment, which he was offering jointly with the Senator from Florida, would be called up next.

Under the circumstances, I think the Senator from Vermont acted very generously in trying to get these provisions before Congress, and those areas which produce feed grains are indebted to the able Senator from Vermont for taking the position which he did on the Williams amendment.

Mr. AIKEN. I thank the Senator from New Mexico.

Mr. President, I wish to say that the amendment now being offered by the Senator from Florida is as fair a proposition, both to the consumers and producers of grain, as we can work out. It is better to have it come about this way than in a one-sided manner, where one type of producer might make gains temporarily, but a year or two later might wake up and find he had lost a good share of his market.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. I think this amendment represents a fair compromise. I would have much preferred to have seen higher price supports provided for feed grains. I firmly believe that cheap feed grains are detrimental to the dairy industry, to the cattle industry, to the hog industry, and to the poultry industry. So I was strongly for the original provision in the bill which was vetoed by the President recently.

Under the provision in the original bill, there were 90 percent supports. The feed grain producers would have received 85 percent supports, which is 15 percent higher than they are getting now, which is 70 percent. In order to get that higher percentage, they would have had to put into the soil bank program 15 percent of the acreage they normally plant to feed grains. It would not have been easy for the feed grain producers to put that extra acreage into the soil bank, but I thought it would be worth while for them since they would get 15 percent higher supports.

Under the pending proposal feed grain producers will get 76 percent of parity for this year's crop which is 6 percent more than the scheduled 70 percent supports.

Mr. HOLLAND. That is for 1956.

Mr. YOUNG. For 1956. For 1957 they will get a minimum of 70 percent.

Under the House provision and the provision which it is now proposed to strike from the bill, feed grain producers would get 5 percent less than price supports for corn in the commercial area, if they put 15 percent of their acreage into the soil bank. So next year, if price supports for corn should be 80 percent of parity—and I think that is probably all they will be, with corn production increasing—feed grain producers would get only 75 percent of parity. But in order to get that 75 percent of parity, they would have to put 15 percent of their acreage into the soil bank program. That would mean additional regimentation and land measuring, and I do not think it would be worth while to get that little higher support price in return for the regimentation to which they would be subjected.

I think the compromise is the best we can get through Congress this year.

Mr. HOLLAND. Mr. President, I appreciate greatly the statement of the Senator from North Dakota, because if anybody has fought, clear up to the highest requirement of courage, to have adopted a conviction held by him that high price supports should be provided, he has done so. I want it to appear in the Record that I appreciate his statement, because I think it is in line with the fact that the pending proposal is a fair compromise.

Mr. KNOWLAND. Mr. President, will the Senator yield for a request that the yeas and nays be ordered.

Mr. HOLLAND. I yield.

Mr. DANIEL. Mr. President——

Mr. KNOWLAND. The request, if granted, will not foreclose the offering of a substitute, as I understand.

Mr. DANIEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. McNamara in the chair). The Senator will state it.

Mr. DANIEL. Is the minority leader's interpretation correct that ordering the yeas and nays will not forego any amendment?

The PRESIDING OFFICER. The Chair is informed that is correct.

Mr. KNOWLAND. Mr. President, on the amendment of the Senator from Florida I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, I had agreed to yield to the senior Senator from North Dakota. May I ask the chairman of the committee to be prepared to grant me more time from the time on the bill, because I am approaching the end of my allotted time, or perhaps I may have time granted by the minority leader.

Mr. KNOWLAND. Mr. President, I shall yield 5 additional minutes to the Senator from the time on the bill, if he needs it.

Mr. HOLLAND. Mr. President, I now yield to the senior Senator from North Dakota.

Mr. LANGER. Will the Senator please state for the Record the difference between the House provision for price supports and the pending amendment?

Mr. HOLLAND. I have been working so hard to bring about a compromise affecting certain provisions of the Senate committee bill that I have probably forgotten the details of some of the original provisions in the House bill. I should prefer to have the chairman of the committee, the Senator from Louisiana [Mr. Ellender], answer that question, and I ask unanimous consent that I may yield to him.

Mr. ELLENDER. I shall give an answer to that question in a short while.

Mr. HOLLAND. The chairman of the committee has assured me that he can answer the question and will do so later in the debate. In our committee we made a great many changes in the provisions of the House bill. We have been discussing for a long time changes proposed to the bill as reported by the Senate committee. I would not care to try to state with complete accuracy the provisions of the House bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Georgia.

Mr. RUSSELL. Under the present support program as defined by the Secretary of Agriculture, corn in the commercial corn-producing area, where there is compliance, is supported at $1.50 a bushel. If the farmer does not wish to comply, he can plant all he wishes, and the Secretary of Agriculture, for the first time, rewards noncompliance by supporting that corn at $1.25, whereas farmers outside the commercial corn area have a support price of only $1.12.

Mr. HOLLAND. Seventy-five percent of the prevailing price support in the commercial area.

Mr. RUSSELL. The Secretary not only rewards noncompliance in the historically Republican farm Corn Belt States, where there have been reports of some disaffection, but he discriminates against producers in the noncommercial area by allowing them only $1.12 a bushel.

Does the amendment perpetuate that injustice, or discontinue it, or deal with it?

Mr. HOLLAND. The amendment corrects the injustice.

In the second provision of the amendment, to be found at about the eighth line down, the distinguished Senator from Georgia will see that the level of price support for corn produced outside the commercial corn-producing area is fixed at 82½ percent of the level of price support for corn in the commercial corn-producing area, when there is compliance. Eighty-two and one-half percent is about five-sixths. One dollar and twenty-five cents is five-sixths of $1.50. So it seeks to give equal treatment.

Mr. RUSSELL. That is for 1956. How about 1957?

Mr. HOLLAND. For 1957 the same provision is continued. It will be a permanent change in the law.

Mr. RUSSELL. This is the first time any Department of Agriculture or Secretary of Agriculture has sought to reward noncompliance with the laws enacted by the Congress. I am glad this amendment seeks to correct that injustice. Once the election to take place next November is behind us, I hope the Secretary of Agriculture will go back to the previous philosophy, and not reward noncompliance, but place all commodities on the same basis.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I was assured of additional time from the minority leader.

Mr. BRICKER. Mr. President, does the Senator from Florida need additional time on the bill?

Mr. HOLLAND. Yes.

Mr. BRICKER. Will 5 minutes suffice?

Mr. HOLLAND. That will be sufficient at this time.

Mr. BRICKER. I yield 5 additional minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 additional minutes.

Mr. SCHOEPPEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. Regarding the amendment submitted by the Senator from Florida, I wish to say that, having been in the Chamber and having listened to the remarks of the distinguished Senator from North Dakota [Mr. Young], I certainly concur in the position he has taken in reference to this amendment.

I desire to state to the distinguished Senator from Florida that, originally, in view of the situation which has existed in the sorghum grain areas and in some other areas in respect to the related grains, I had some misgivings about what the bill proposed.

I realize that this amendment provides certain equitable considerations for the sorghum grain producing areas and the areas which were very badly disturbed about the situation which heretofore existed. I think the amendment constitutes a fair compromise and a fair approach to a solution of the problem.

I should like to have the Senator from Florida know that I hope the amendment will prevail, because—as the Senator from North Dakota has said—it will permit the farmers affected to get away from many of the unfortunate and unpleasant details involved in working out the situation. So I feel that the farmers could live with this amendment, and that they will be satisfied with it.

Mr. HOLLAND. I thank the distinguished Senator; and on behalf of the Senator from Vermont [Mr. Aiken] and other Senators who sat in on the attempt to reach this compromise, as well as on behalf of myself, I accept the compliment he has given. We are grateful to the Senator from Kansas.

Mr. DANIEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. DANIEL. I also wish to compliment the Senator from Florida and the other Senators who have worked on this provision, although it is less than some of us feel should be adopted.

As a matter of fact, some Members of this body, including the junior Senator from Texas, have prepared an amendment to increase the support price with acreage limitations.

I should like to refer to the last part of the amendment submitted by the distinguished Senator from Florida. It seems that his amendment would provide that in the future the Secretary would support small grains on a comparable basis with corn, but the last part reads:

> Taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price support programs, and such other factors as he deems pertinent.

As I understand, all that language, except the last eight words, is included in the provision of the present law concerning factors to be considered by the Secretary in figuring price supports. Is that correct?

Mr. HOLLAND. Yes, that is correct; in the existing law there are eight different factors, and all of them are represented in the smaller number stated in this amendment. However, the Senator from Texas is also correct in stating that the last eight words of the amendment, namely, "and such other factors as he deems pertinent," are not found in existing law.

Mr. DANIEL. It seems that those eight words, which are new to this type of legislation, would allow the Secretary to take into consideration factors not specified by the Congress. So those eight words might constitute very broad authority.

I wonder whether the Senator from Florida would have any objection to the elimination of those words, or whether they play any important part in his amendment.

Mr. HOLLAND. So far as I am concerned, it seems to me that they do not play an important part; but on this point I yield to the Senator from New Mexico [Mr. Anderson], who is quite familiar with these provisions.

Mr. ANDERSON. Mr. President, I was going to suggest to the Senator from Florida that he strike them out, and that he add the word "and" in the third line above, preceding the words "the ability to dispose of stock.", and so forth.

I think the Secretary of Agriculture has sufficient discretion as regards the other factors, and I do not believe he needs to take into consideration "and such other factors as he deems pertinent."

Mr. HOLLAND. Mr. President, I appreciate the expression on the part of the Senator from New Mexico.

I should also like to have the Senator from Vermont [Mr. Aiken] express himself on the proposed deletion of the last eight words, which I think can be deleted without doing violence to the purpose of those of us who worked on the amendment.

The PRESIDING OFFICER (Mr. Monroney in the chair). The time of the Senator from Florida has expired.

Mr. BRICKER. Mr. President, I yield an additional 5 minutes to the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Ohio.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I had not considered this matter before. However, certainly the last eight words of the amendment are not the meat of the amendment; and it seems to me that undoubtedly the amendment would be fully effective if those words were omitted. I would have no great feeling about the matter either way.

Mr. HOLLAND. I thank the distinguished Senator from Vermont. That is my own feeling about it.

Mr. AIKEN. Certainly more responsibility would be put on the Congress, and less on the Secretary.

Mr. DANIEL. Yes. In view of that, I wonder whether the Senator from Florida would consider modifying his amendment by striking out the last eight words thereof.

Mr. HOLLAND. Mr. President, with the consent of the Senator from Vermont and the Senator from New Mexico, I am glad to modify my amendment by striking out the last eight words and by inserting a new word—the word "and"—between the words "therefor" and "the", which are the first two words in the third line from the bottom of my amendment. I so modify my amendment.

The PRESIDING OFFICER. Inasmuch as the yeas and nays have been ordered on the question of agreeing to the amendment of the Senator from Florida, unanimous consent will be required in order to modify the amendment at this time.

Is there objection to the proposed modification of the amendment of the Senator from Florida?

Mr. HOLLAND. Mr. President, I hope there will be no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the amendment of the Senator from Florida is modified accordingly.

Mr. HOLLAND. Mr. President, I have outlined the meaning of the amendment as fully as I could. It is submitted in a sincere desire to bring together those who feel there should be no legislation in this field and those of us who feel that the producers of small grains are in a very distressed situation and that their situation should not be ignored at the time of passage of this bill.

The Senate has already gone on record by a very considerable vote in favor of giving more relief than this amendment would give these producers. The bill reported by the committee would give them more relief. But I believe this amendment is the most we can hope to get together on; and I say that after having discussed the matter with many Members of various points of view, as well as with those in the administrative branch of the Government.

Mr. AIKEN. Mr. President, will the Senator from Florida yield 1 minute to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. I think we must also take into consideration the fact that it has been reported by some Members of the House that if the modifications made to the bill by the Senate are not too far out of line with the thinking of the House, our amendments might be accepted by the House, rather than to have the bill go to conference, and thereby entail a long delay. I cannot conceive that any amendments or changes thus far made by the Senate in the bill would warrant any long delay in presenting the bill to the President and having it enacted into law.

Mr. HOLLAND. I thank the Senator for his contribution; and I join him in the sincere hope that the bill, as passed by the Senate, will be acceptable to the House, and will be enacted into law without the necessity of a conference.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I had to step off the floor for a moment, and I wish to be sure about two things: As the amendment is drawn, it will not require the producers of small grain to comply either with an allotment system or with the acreage reserve; is that correct?

Mr. HOLLAND. The Senator from Colorado is correct.

Mr. ALLOTT. I thank the Senator very much.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. DANIEL. Mr. President, I call up my amendment identified as "5–17–56–K"——

Mr. LANGER. Mr. President, will the Senator from Texas yield for a moment to me? The distinguished Senator from Louisiana [Mr. Ellender] promised to answer a question I asked a while ago. I ask unanimous consent that he be allowed to answer that question at this time.

Mr. ELLENDER. I intended to say a few words in respect to the amendment of the distinguished Senator from Florida. Will the Senator from Texas withhold the offering of his amendment?

Mr. DANIEL. Yes. I yield to the chairman of the Committee on Agriculture and Forestry with the understanding that I may have the floor after he completes his discussion on his own time.

The PRESIDING OFFICER. Does the Senator from Louisiana control time against the amendment?

Mr. ELLENDER. Yes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. I yield myself 15 minutes.

As I have stated on the floor of the Senate on various occasions, I do not know of any subject which came before us that required more time and prompted more delay than the proposed legislation dealing with corn and the various small-grain crops. The committee worked hard and earnestly in order to place in the bill a provision which would be acceptable. I believe we succeeded in that by incorporating in the bill the language which now appears.

I am a realist. In the light of the recent vote upon the Williams amendment, I fear that the language which is now in the Senate bill will in all probability be deleted and the so-called Holland amendment substituted.

I point out to the Senate that the House bill provided mandatory supports for feed grains, which would include oats, barley, rye, and grain sorghum; but to qualify for such supports the farmer who produces small grains would have to plant only 85 percent of his base acreage.

Because the President, in his veto message, directed the Secretary of Agriculture, to support noncompliance corn in the commercial area, the committee felt justice required that similar treatment be accorded the producers of small grains. So, the Senate Committee on Agriculture and Forestry placed the small-grain grower in the same category, as nearly as possible, as the producers of corn in the commercial area who do not comply with base acreages. For 1956 they would be entitled to support at the same percentage of modernized parity as noncompliance corn, and would not be subject to acreage requirements. What we did for 1957 was simply to provide that in order for a producer of small grains to obtain price support, as fixed in this bill, it would be necessary for him to place in the soil bank an amount equal to 15 percent of his feed grain base acreage. This is the same treatment as is now accorded corn.

As Senators know, the bill would increase the total base acreage for corn from 43.3 million to 51 million acres; farmers in the commercial corn area can plant their entire base acreage, and obtain price support at 86.2 percent of parity, provided, of course, that they place the equivalent of 15 percent of their base acreage in the soil bank. Of course, they could participate in the acreage reserve, only if the Secretary of Agriculture this year placed that program, in effect, for corn.

Since the corn grower is able to get price support at 86.8 percent of parity, or $1.50 a bushel on production achieved on his entire base acreage, we felt that, in justice to the producers of small grains, they should have similar treatment, that we should, in a measure, relate their price-support program to that of corn. That is all the bill does. Since the corn growers, under the provisions of the bill as now presented to the Senate, can plant 100 percent of their corn base, and get the full 86.2 percent price support, provided they place the equivalent of 15 percent of their corn base in the soil bank, I felt, and the majority of the committee felt, that similar treatment should be accorded to the small-grain grower.

What do we have in the amendment which we are now considering? The amendment would strike out the provisions for a feed grain acreage reserve program; and would take away mandatory price supports for feed grains in 1957 unless support is made available for noncompliance corn. It would retain the price support of small feed grains at 76 percent of parity in 1956, which is the equivalent of the price-support accorded noncompliers in the commercial corn area. It would also retain in the bill the same price-support level for corn in the noncommercial area, as provided in the House bill, which is 82½ percent of the commercial corn level, but it would make it applicable to 1958 and 1959, as well as 1956 and 1957. Finally, it provides price support for feed grains and noncommercial area corn at not less than 70 percent of parity in 1957 if in that year corn producers not complying with their acreage limitations are given price support.

As I stated on several occasions when H. R. 12 was still before us, it is my considered judgment that we shall have less feed grain produced only if acreage is curtailed—if those who produce feed grains are required to place a certain percentage of their land in the soil bank. Under the committee amendment during 1957, those who produce small grains would be encouraged to restrict their plantings. The amendment now proposed would remove any incentive for acreage reduction in 1957.

Without acreage controls in 1957, the cost to the Government for these programs will be much more than if we said to the producer of the small grains, "In order to make yourself eligible for price support, you have to place in the soil bank the equivalent of 15 percent of your base acres."

We fix in the bill what the base acres would be, the average of the years 1953, 1954, and 1955.

As I recall the figures, this would mean an average planting of all the small grains of about 63 million or 64 million acres. When, in 1953 and 1954 the administration set price support for small grains at 85 percent of parity, the acreage was around 61 or 62 million acres.

Last year, the support price for small grains was cut back from 85 percent to 70 percent of parity. Under the theory of flexible price supports, one would conclude that the farmers would plant less acreage, since the price of the feed grains was reduced. I say the farmers do not seem to practice what Mr. Benson preaches; instead of reducing acreage, they increased their acreage by some 7 million acres.

What we are doing now is making the sky the limit for the planting of small grains all over the country.

With price supports in effect for producers of corn in the commercial area, whether they plant within their allotted acres or not, we are going to have so much feed grain produced that I predict there will not be enough storage facilities to take care of the vast amounts which will be placed under law.

Mr. President, as I have said, I am a realist. I know that since the Williams amendment was defeated by only 5 or 6 votes, the Holland amendment will probably be adopted.

However, let us remember that under the Holland amendment the producers of small grains will have no incentive to do other than plant all the acres they desire and still receive a support price of 76 percent in 1956 and possibly an even higher support level in 1957.

I would say that the House of Representatives is adamant in its desire to sustain the provisions now carried in the House bill.

The PRESIDING OFFICER. The Senator has 30 minutes available. He has yielded himself 15 minutes, which have now expired. Does he desire to yield himself additional time?

Mr. ELLENDER. I yield myself 5 additional minutes.

The adoption of the Holland amendment will place the whole question in conference, and we may end up with a conference provision that will permit excess planting.

Under the provisions of the House bill—which I prefer—for a grower of a grain to be able to get price support, he must plant only 85 percent of his base acreage. The Senate bill has changed that to 100 percent, provided the farmer places the equivalent of 15 percent of his base acreage in the soil bank.

Mr. President, I have attempted, as chairman of the committee, to explain both the House version and the Senate version of the feed grain provisions, so as to make the record clear why I believe that fewer acres will go into the soil bank under the Senate bill. The House provisions make it mandatory for at least 15 percent of a farmer's base acres to go into the soil bank, and further, that his total feed grain plantings not exceed 85 percent of his base acreage. Under the Senate bill he can plant 100 percent of his base acreage. Under the Holland amendment, the sky will be the limit as far as feed grain plantings are concerned. I predict that next fall or next spring someone will come to Congress and ask for more money with which to build warehouses in order to store the enormous amounts of grain that will be produced under the Holland amendment.

I am not trying to infer that Senators, in voting for the amendment, are motivated by selfish reasons. However, everyone knows that the poultry producers are very eager to have cheap feed grain. The dairy producers are very eager, also, to have cheap feed. The dairy producers, particularly those who operate in the northeastern part of the country, are able to protect the prices of their milk under marketing agreements and orders. Of course, they want cheap feed; it means that much more profit to them.

If the Holland amendment is adopted, it—together with the Young amendment that was adopted a few minutes ago, dumping onto the market 100 million bushels of wheat—feed grains will be cheap, and those people will be the beneficiaries of a windfall, wheat that has cost the Government as much as $2.50 a bushel will be sold at the price of other feed grains, or about $1.50 a bushel.

That is what will happen, Mr. President. I have worked with the wheatgrowers, and I want to help them. There is an International Wheat Agreement by which much wheat has been disposed of—I have supported that program. Here, there is another gadget which has been proposed by the administration, to make it possible to dump 100 million bushels of wheat on the market in competition with corn and other feed grains.

The PRESIDING OFFICER (Mr. Monroney in the chair). The time of the Senator from Louisiana has expired. He has 10 minutes remaining which he can use.

Mr. DANIEL. Mr. President, I should like to call up an amendment for the purpose of offering it as a substitute for the Holland amendment as modified.

The PRESIDING OFFICER. The Chair will advise the Senator from Texas that all time has not been used in opposition to the amendment which is now pending. If the Senator from Louisiana will yield back his remaining 10 minutes——

Mr. ELLENDER. Mr. President, I yield back the remaining time at my disposal on the Holland amendment. Am I to understand that I will still have more time after the distinguished Senator from Texas offers his amendment?

The PRESIDING OFFICER. The Senator from Louisiana will have only the time allotted on the final passage of the bill.

Mr. ELLENDER. Will not the Senator from Texas have 30 minutes on his substitute amendment?

The PRESIDING OFFICER. That is correct.

Mr. ELLENDER. That is what I have in mind, Mr. President. I yield back the remaining time available to me.

The PRESIDING OFFICER. The Senator from Texas has been recognized.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may explain my amendment without its being read by the clerk.

The PRESIDING OFFICER. Is there objection to waiving the reading of the amendment offered by the Senator from Texas? The Chair hears none. Without objection, the amendments will be considered en bloc as a substitute for the pending amendment of the Senator from Florida, and the amendments of the Senator from Texas will be printed in the Record.

The amendments offered by Mr. Daniel for himself and other Senators are as follows:

On page 3, beginning with line 24, strike out "other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats)."

On page 4, line 7, after the comma insert "and for the 1956, 1957, 1958, and 1959 crops of feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats (also hereinafter referred to as 'the commodity'))."

On page 8, lines 4 and 5, strike out "each year in which an acreage reserve program will be in effect for corn" and insert in lieu thereof "each of the years 1956, 1957, 1958, and 1959."

On page 8, lines 14 and 15, strike out "1957 and subsequent years in which an acreage reserve program will be in effect for corn," and insert in lieu thereof "each of the years 1957, 1958, and 1959."

On page 51, lines 19 to 21, in lieu of the matter printed in linetype insert the following: "for each of the years 1956 and 1957."

On page 51, lines 21 to 23, strike out the matter printed in italic.

On page 52, strike out the matter printed in italic in lines 1 to 6.

On page 52, line 14, strike out the matter printed in italic.

On page 52, lines 15 and 16, strike out "corn produced outside the commercial corn-producing area."

On page 52, line 16, strike out "and oats" and insert in lieu thereof "oats, and the 1957 crop of corn produced outside the commercial corn-producing area."

On page 52, line 23, restore the matter printed in linetype.

On page 53, lines 6 to 16, in lieu of the matter printed in linetype, insert the following: "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats at 76 percent of the parity price for the commodity to any producer who meets the requirements of eligibility therefor where (A) such producer does not meet the additional requirements for price support prescribed by this subsection, or (B) there is no acreage reserve program in effect for such crop."

The PRESIDING OFFICER. The Senator from Texas is recognized for 30 minutes.

Mr. DANIEL. Mr. President, I shall not take anywhere near that much time. I merely wish to say to the Senate that my amendment would be more in line with the provisions written into the bill as it was passed by the House and sent to the Senate.

My amendment would establish a price support for grain sorghums, barley, oats, and rye at 5 percentage points less than for corn in the commercial corn-producing area during each of the years 1956 and 1957, for those farmers who place 15 percent of their base acreage into the soil bank.

In other words, Mr. President, the principal feature of this amendment is what has already been explained by the Senator from Louisiana, in that it would require 15 percent of the base acreage heretofore devoted to those grains to be placed in the soil bank program and, thereby, reduce the production of grain.

The amendment changes the committee bill by making the same provision applicable to both years instead of only to 1957, and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language with respect to feed grains except that during 1956 farmers who do not place 15 percent of their base acreage into the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year.

Mr. President, I, too, am a realist and understand from the vote taken on the Williams amendment that the attitude of the Senate, perhaps, is to vote for and to support the Holland amendment. I hope, however, that when the bill goes to conference, the conference committee will consider trying to work out a program affecting small grains which will be more nearly in accord with the House provisions; that is, similar to the amendment which I have offered in the nature of a substitute for the Holland amendment which would provide for an increased percentage of parity this year for farmers who reduce their base acreage 15 percent. If that is not possible, I trust provision will, at least, be made for a reduction of acreage next year and an increase in the percentage of parity, which will be an incentive for the grain farmers to reduce their acreage.

Mr. President, I agree with most of what the Senator from Louisiana has said concerning the merits of the Senate committee version, and, certainly, with what has been said in the House report concerning the merits of the small-grain provision contained in the House bill. I realize that the Senate will probably not adopt my substitute, but I am offering it on behalf of myself, the senior Senator from Texas [Mr. Johnson], the Senator from New Mexico [Mr. Chavez], and the Senator from Oklahoma [Mr. Kerr], in order that it may be in the record, so the conference committee may consider it, and in the hope that when the bill is finally passed the provision with reference to feed grains may be nearer to what the House has provided.

Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. Daniel] as a substitute for the amendment offered by the Senator from Florida [Mr. Holland], as modified.

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Florida, as modified.

All time has been used or yielded back, and the yeas and nays have been ordered.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barrett
Beall
Bender
Bennett
Bible
Bricker
Bridges
Bush
Butler
Byrd
Capehart
Case, N. J.
Case, S. Dak.
Chavez
Clements
Cotton
Curtis
Daniel
Dirksen
Douglas
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
George
Goldwater
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. Holland] for himself and the Senator from Vermont [Mr. Aiken]. The amendment will be stated by the clerk for the information of the Senate.

The Legislative Clerk. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats)," in line 1 on page 4.

On page 8, beginning with line 4, it is proposed to strike out down to and including line 5 on page 10.

On page 12, line 21, it is proposed to strike out "other feed grains, $175,000,000."

On page 25, beginning with the comma in line 1, it is proposed to strike out down to and including "1956" in line 4.

On page 51, beginning with line 19, it is proposed to strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], and the Senator from North Carolina [Mr. Scott] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. Fulbright] and the Senator from Massachusetts [Mr. Kennedy] would each vote "yea."

The Senator from Oregon [Mr. Morse] is paired with the Senator from North Carolina [Mr. Scott].

If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. Carlson] and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Idaho [Mr. Welker] is necessarily absent.

If present and voting, the Senator from Kansas [Mr. Carlson], the Senator from Nevada [Mr. Malone], and the Senator from Idaho [Mr. Welker] would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

YEAS—73

Aiken
Allott
Anderson
Barrett
Bender
Bennett
Bible
Bricker
Bridges
Bush
Byrd
Capehart
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Dirksen
Douglas
Duff
Dworshak
Eastland
Ervin
Flanders
George
Goldwater
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Ives
Jenner
Johnston, S. C.
Kefauver
Knowland
Kuchel
Laird
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Smith, N. J.
Sparkman
Stennis
Symington
Thye
Watkins
Wiley
Wofford
Young

NAYS—14

Beall
Butler
Chavez
Clements
Daniel
Ellender
Frear
Humphrey
Jackson
Johnson, Tex.
Kerr
Langer
Monroney
Williams

NOT VOTING—8

Carlson
Fulbright
Gore
Kennedy
Malone
Morse
Scott
Welker

So the amendment offered by Mr. Holland for himself and Mr. Aiken was agreed to.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, which were to strike

out all after the enacting clause and insert:

Repeal of certain provisions of law so as to permit continuance of operations; effect of rates

Section 1. (a) Section 14 of the joint resoluction entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes," approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

Establishment of rates; system rate base; rate of return; services

Sec. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of $1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

Exemption from gross receipts tax; continued exemption from mileage and certain other taxes

Sec. 3. (a) As of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: "*Provided*, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-603 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

Motor vehicle fuel taxes

Sec. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, ch. 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor-vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Co.'s system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor-vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor-vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor-vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor-vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor-vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor-vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

Snow removal

SEC. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "Streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7–614), is hereby repealed.

Conversion to bus operations

SEC. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

Evidences of indebtedness

SEC. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

Notification of acceptance by the Capital Transit Co.; effective date of the foregoing provisions

SEC. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

And to amend the title so as to read: "A bill to make provisions for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BELL, and Mr. CASE of New Jersey conferees on the part of the Senate.

THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. MCNAMARA. Mr. President, certain developments have plunged the District of Columbia transit situation into even greater gloom than it has been for the past year. A conference committee now will have the task of compromising two diametrically opposed views.

The only conclusion I can reach is that the Capital Transit crowd is determined to create so much confusion that it will win back its disreputable franchise by default. One move in this direction was the timing of a so-called proposal by one part of the Capital Transit gang to buy out the other. The net result would be the same poor service to the customers.

I will not go so far as to say this offer was a phony. But I believe it was made with $3 bills, and I do not have much faith in the value of $3 bills. The people of Washington do not, either. All they want is a good transit system, and they will not get it under the Capital Transit gang, no matter what smokescreen is raised.

Mr. President, I ask unanimous consent that three editorials on the transit matter from the Washington Post and Times Herald be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 16, 1956]

ISSUE BEFORE THE HOUSE

Daniel W. Bell's letter to Chairman HARRIS, of the House Commerce Subcommittee, once more revives hope of continued private operation of Washington's transit system. As president of the American Security & Trust Co., Mr. Bell is a man of substantial influence in the community. His proposal that Capital Transit be reorganized, that the Wolfson stock be purchased by local interests at a reasonable price, that the company's franchise be restored, and that it continue to provide transit service under local private management will have a strong appeal to many groups. Much experience in recent months, however, has emphasized the vast gulf that separates hopes and plans from actual achievements in this sphere.

The unfortunate thing about Mr. Bell's plan is that it is so tardy and that it is vague on a number of essential questions such as the purchase price. Despairing of continued private operation of an acceptable transit system here, the Senate recently passed a bill to create a public transit authority. The House is scheduled to vote today on a measure to restore the Capital Transit franchise and set up a new regulatory system. It is obvious from his letter that Mr. Bell intended to bolster the flagging support for that bill or something similar to it. Yet Members of Congress cannot intelligently base their votes on a plan to which many directly interested groups are not yet committed.

On several occasions action on the public authority bill has been postponed by last-minute efforts to find a private operator. In each case the results were disappointing. As a result of this experience, the Senate modified its bill so as to create an interim public authority which would continue the search for a private operator while temporarily providing transit service after the expiration of the Capital Transit franchise in August. This bill has the great advantage of backing up the search for a private operator with authority for public operation if necessary. We cannot help thinking that the Bell plan is more compatible with the Senate bill than with the House bill coming up for action today.

The worst vice of the House bill is its tendency to undermine utility regulation in the District. It would give Capital Transit a special standing before the Public Utilities Commission. It would freeze the rate base and the rate of return and enable the company to frustrate efforts of the PUC to control transit rates in the public interest. Regardless of who owns Capital Transit, Congress should not thus destroy effective transit regulation. In fairness, it could not do so without giving similar privileges to other utilities, thus heading back toward the grave abuses of 50 years ago.

Congress could reasonably relieve a reorganized transit company of the gross receipts tax, but other features of the existing House bill would not be acceptable to the Senate, the District Commissioners, or, in all probability, the White House. Consequently, passage of the bill in its present form would serve only to delay an ultimate solution. Even if a restoration bill were desirable and could be passed in acceptable form, the company could scarcely be reorganized in time to take over service by August 14. Several weeks will be required to finish legislative action, then 45 to 60 days would be required to get permission from the stockholders. No margin of time would be left to handle the many details that such transactions always involve.

In our opinion, the Bell proposal should encourage the House to abandon the so-called restoration bill and accept the measure already passed by the Senate. This would give an ample opportunity for Mr. Bell and his associates to work out the details of their plan and at the same time permit the proposed interim authority to provide transportation if necessary until a new private system is ready to operate.

[From the Washington Post and Times Herald of May 17, 1956]

THE WOLFSON BILL

As debate on the Capital Transit restoration bill began in the House yesterday, it became increasingly clear that the measure offers no solution of Washington's transit dilemma. The whole purpose of the bill is to keep Capital Transit in operation and to give it assurance of highly preferential treatment as a public utility. Undoubtedly the bill has gained strength since Daniel W. Bell, president of the American Security & Trust Co., advanced a plan to buy the Wolfson interest in the company. But the Bell plan has not disposed of the basic issues.

We begin with the assumption that the city would like to have a well-regulated but privately operated transit system freed from the control of Louis E. Wolfson. But we do not believe that the House bill would produce this result. In the first place, it is tailor-made for the continuation of the Wolfson management. Actually it is the transit company bill with some modifications. If a new private management is to take over, very different legislation should be passed.

In the second place, there is no real prospect that this legislation could become law. One effect of the bill would be to undercut utility regulation in the District. We do not believe for a moment that this would be acceptable to the Senate, the President, the people of the District, or for that matter, to the people of the country. Congressmen delude themselves if they think that they can vote to hamstring regulation in the District and not have that public disservice jump out at them in their own constituencies. From the national as well as the local point of view, this bill is so bad that it must not be enacted whether or not Mr. Wolfson remains in the picture.

If time were not of the essence, the House might begin afresh and write a new bill to encourage the Bell proposal. Unfortunately, however, further delay would plunge the Capital into another transportation crisis in August. Congress should not for a moment contemplate adjournment for the

political season without having settled this problem or having given the local authorities the power to do so.

One other factor must be carefully weighed. If Capital Transit should be continued as a going concern, the community would lose the notable advantage of starting afresh with an all-bus system. Private buyers would presumably find it necessary to take over all Capital Transit equipment along with its obligations—including the obligation to repave the streets when the streetcar rails are removed. The cost to the city that would result from continuation of the present system is estimated as high as $17 million. Probably this is excessive, but the economic advantages of taking only that portion of Capital Transit equipment which would fit into a modernized system would certainly be substantial.

The city might be willing to forego these possible economies if there were at hand some practical means to assure the reorganization of Capital Transit and to avoid scuttling the regulatory system. But in the absence of some feasible plan for that purpose, the public interest points strongly in the direction of the Senate bill. Although that measure would set up an interim public authority, it would also be an invitation to private capital to take over the new system to be created by the authority. In our opinion, a group of Washington citizens could pick up from the interim authority with much better chances for success than if they absorbed all the liabilities of the existing transit company. Perhaps Mr. Bell, who we are sure has the community interest at heart, could revise his plans so as to make them conditional on the granting of a new franchise.

In any event, the approaching emergency must be met, and the only feasible means of meeting it seems to be enactment of the bill already passed by the Senate.

[From the Washington Post and Times Herald of May 18, 1956]

POLES APART ON TRANSIT

Passage of the Capital Transit restoration bill by the House throws a heavy burden on the conference committee which will try to reconcile this backward-looking measure with the Senate bill for a public authority. Obviously no compromise between the two measures is possible in the ordinary sense of the word. You can't mix public and private operation in the same system. Yet some type of legislation will have to be forthcoming. Congress could not simply let these conflicting measures die because of the great difficulty of reconciling them.

Two courses appear open to the conferees. They could agree to the Senate bill with some modifications. This would be justified by the offensive nature of the bill passed by the House and by the 161-to-172 vote on the motion to send the bill back to committee. The strong vote for recommittal shows the repugnance felt by many Members of the House for an abject surrender to the Wolfson interests as contemplated in the measure that finally passed. In addition to restoring the Capital Transit franchise which Congress revoked for compelling reason last August, the bill would lift the company virtually out of the regulatory orbit of the Public Utilities Commission. The Senate bill, by contrast, would enable local officials to meet the coming emergency through an interim authority, which could be supplanted by a private operator if one could be found. It offers a workable plan for both the immediate need and the long-range future.

The alternative course would be to amend the House bill drastically so as to restore normal regulation of the transit system and permit a restoration of the franchise contingent upon reorganization of the company. This would be, of course, a bid for Daniel W. Bell to go ahead with his plan under which local investors would buy out the Wolfson interests. The trouble with this alternative is that it would carry no assurance that the Bell plan would be pushed to fruition and accepted by the stockholders. If the conference committee should turn to this course, therefore, it should certainly make allowance for the District Commissioners to meet any emergency that might arise through failure of the reorganization plan.

This really points back to the interim authority of the Senate bill. How can a crisis for the city be avoided without some such agency to step into the breach while a new transit system is taking shape? Legislators on both sides of the controversy should be able to see this pressing aspect of the problem and to make certain that it is met in any compromise that may be effected.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ANDERSON. Mr. President, I call up my amendment, identified as "5–17–56–I."

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words ", and the provisions of section 344."

On line 23, after the figure "1956", it is proposed to strike out the comma, insert a period, and to strike out the rest of the paragraph.

Mr. ANDERSON. Mr. President, I yield myself 5 minutes.

I yield to the junior Senator from Mississippi [Mr. STENNIS] such time as he may desire.

Mr. STENNIS. Mr. President, I appreciate the Senator's yielding to me. I asked him to yield for the purpose of offering a substitute to his amendment. The Senator from New Mexico offered an amendment striking out——

The PRESIDING OFFICER. Is there objection to the offering by the Senator from Mississippi of a substitute for the amendment offered by the Senator from New Mexico? The Chair hears none.

Mr. STENNIS. The Senator from New Mexico offered an amendment with reference to certain features of cotton acreage. For myself and on behalf of my colleague [Mr. EASTLAND], I offer as a substitute for his amendment an amendment which will not change the history of cotton acreage of any State. It will not take from any State any acreage in either of the years 1957 or 1958, to which these amendments both apply. It merely provides that the cotton acreage reduction within any State shall not exceed 1 percent for either the year 1957 or 1958. There will be certain reductions that will apply——

The PRESIDING OFFICER. The Chair will ask the Senator from Mississippi if the amendment has been stated.

Mr. STENNIS. It has not been read. I ask that it be read, Mr. President.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Mississippi, which has been offered for himself and the senior Senator from Mississippi [Mr. EASTLAND] as a substitute for the amendment of the Senator from New Mexico.

The LEGISLATIVE CLERK. It is proposed to strike out the matter printed in italics in lines 19 and 20, page 42; and in lieu of the matter printed in italics in lines 23 and 24 on page 42, and lines 1 and 2 on page 43, insert the following:

Provided, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 percent, such State allotment shall be increased so that the reduction shall not exceed 1 percent per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments.

Mr. STENNIS. Mr. President, continuing, very briefly, with the explanation, I wish to say the only effect of the amendment is to provide that in the application of the distribution of the national acreage to each State for the years 1957 and 1958, no State shall lose over 1 percent of its State acreage. That means there will necessarily be some small increase in the total amount of acres, nationally. But for the 2 years added together, in round numbers it will not be over 1 percent of the national acreage, which was the 1 percent discussed and more or less agreed on this year in the course of the debate on the preceding farm bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. How many acres will be involved over this period, in the 1 percent?

Mr. STENNIS. In round numbers, 175,000 each year, or 350,000 for the 2 years. But when the amounts for the 2 years are added together, by no means will the amount exceed 1 percent for each year.

Mr. JOHNSON of Texas. I thank the Senator from Mississippi.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. The figure the Senator from Mississippi used was 175,000 acres. Actually, some of that acreage is acreage these States would normally gain.

Mr. STENNIS. Yes.

Mr. ANDERSON. The net amount of acreage which might be added is approximately 100,000 the first year and possibly 50,000 or 70,000 the second year.

Mr. STENNIS. That is correct.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi permit me to assure the Senate that the States of Texas, Arizona, California, and New Mexico would not lose any of the acreage they normally would gain or earn under the present law.

Mr. STENNIS. The Senator from New Mexico has correctly stated the situation, and that is clearly the language of the amendment, namely, those States would not lose any of the acreage they would normally gain under present law.

Mr. ANDERSON. And the second aspect is that certain other States would not be cut more than 1 percent; but the difference between what they are to be cut and what they would have been cut without the amendment would not be used in establishing history.

Mr. STENNIS. That is correct; no history would be affected by adoption of this amendment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I have talked over this matter with the Senator from Mississippi, the Senator from New Mexico, and some of the other Senators who are interested in it. In the committee, I submitted an amendment calling for a freeze of acreage in 1956, 1957, and 1958. At this time I am ready to agree to the amendment offered by the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from South Carolina, and I thank him for his work on this very important subject matter.

I also thank the Senator from New Mexico for his attitude toward this substitute amendment.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. When the Senator has used up the time available to him, I shall be glad to yield back the remainder of the time available to me, if either the majority leader or the minority leader—whichever one has control of the time—is willing to yield back the remainder of the time under his control.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

Mr. BIBLE. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. BIBLE. As the Senator from Mississippi knows, the State of Nevada has been vitally interested in the apportionment of 1,000 additional acres for cotton in the State of Nevada. Is there anything in the amendment which in any way would affect that particular apportionment?

Mr. STENNIS. No; this amendment would not affect the situation in Nevada in reference to its acreage.

Mr. BIBLE. I thank the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am ready to yield back the remainder of my time, if the remainder of the time under the control of the other side is also yielded back.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. I ask unanimous consent to have printed at this point in the body of the RECORD, a table showing the effect of this amendment, so there may be no misunderstanding as to how it will work out.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated acres gained or lost in 1957 resulting from the proposed acreage amendments by States

State	Estimated cotton acres saved by holding national allotment at 1956 level for 1957	Estimated acres saved by holding State acreage at 1956 level for 1957	Acres gained or lost resulting from freeze of State allotment compared with floor under national allotment	Acres gained or lost resulting from amendment that no State lost more than 1 percent in 1957 compared with 1956 allotment	Acres gained in 1957 by operation of 1 percent amendment compared with 1956 allotment (17,391,304 acres)	Percent change in acreage allotment in 1957 retaining 1956 national acreage allotment
Alabama	88,613	+119,638	+31,025	−10,251	20,774	−3.03
Arkansas	124,420	+153,099	+28,679	−14,245	14,434	+5.11
Arizona	32,195	+14,645	−17,550	+17,550	None	−2.01
California	72,152	+45,111	−27,041	+27,041	None	+3.46
Florida	3,338	+2,863	−475	−475	None	+1.28
Georgia	78,814	+97,852	+19,038	−9,032	10,006	−2.11
Illinois						
Kansas					None	
Kentucky	670	+958	+288	−78	210	−3.69
Louisiana	53,181	+67,456	+14,275	−6,109	8,166	−2.34
Maryland						
Mississippi	142,745	+187,891	+45,146	−16,466	28,680	−2.74
Missouri	33,389	+36,863	+3,474	−3,474	None	−.92
Nevada						
New Mexico	16,380	+12,005	−4,375	+4,375	None	+2.44
North Carolina	41,898	+55,780	+13,882	−4,839	9,043	−2.87
Oklahoma	73,923	+90,219	+16,296	−8,456	[1] 7,840	−1.93
South Carolina	63,559	+76,709	+13,150	−7,262	5,888	−1.81
Tennessee	49,995	+52,605	+2,610	−2,610	None	−.46
Texas	672,985	+533,868	−139,117	+139,117	[2] None	+1.88
Virginia	1,463	+2,158	+695	−171	524	−4.06

[1] 21,000 acres in 1958.

[2] 36,251 acres in 1958.

NOTE.—Estimates based on 10,000,000 bale marketing quota for 1957.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the substitute offered by the Senator from Mississippi [Mr. STENNIS] for himself and his colleague [Mr. EASTLAND] to the amendment of the Senator from New Mexico [Mr. ANDERSON]. [Putting the question.]

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from New Mexico, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SMITH of New Jersey. Mr. President, I am submitting three amendments at the request of the State Department and the administration.

The PRESIDING OFFICER. Does the Senator from New Jersey wish to have his amendments stated?

Mr. SMITH of New Jersey. Mr. President, the first amendment I call up is identified as "5–15–56–F."

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4, on page 34.

Mr. SMITH of New Jersey. Mr. President, I yield myself not to exceed 10 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. President, this amendment would strike from the bill the so-called Eastland amendment. Inasmuch as I am a member of the Foreign Relations Committee, I have been requested by the State Department to present the position of the State Department on the Eastland amendment, from the standpoint of possible international complications.

To clarify the matter, I desire to read to the Senate the position of the State Department, as evidenced by a memorandum sent by the Secretary of State to the President, at the White House, and approved by the President. The subject of the memorandum is "Section 203 of H. R. 10875."

The memorandum reads as follows:

> This section, if enacted into law, could seriously injure the economies of Mexico, Brazil, Turkey, Pakistan, Peru, Egypt, and other countries, and hence would jeopardize our relations with them.
>
> Section 203 would require the sale of upland cotton in world markets at prices no higher than those offered by other exporting countries for comparable quality. In no event could prices be higher than they had been under the 1-million bale program completed earlier this year.
>
> The stated objective is to regain a fair share of the world cotton market. The result, however, would almost surely be a progressive and severe decline in world prices for cotton. Other exporting countries are unable to hold stocks. They would be obliged to dispose of their current production at almost any price. The United States would be required by law to follow prices downward.
>
> The U. S. S. R. exports only a small amount of cotton which ordinarily does not affect world market prices. Section 203, however, would create a situation in which the U. S. S. R. could determine the world price. Small lots of Russian cotton sold at price reductions in Liverpool, for example, could force the United States to meet the Russian prices.

Mr. President, I may add parenthetically that recently Russia has acquired a great deal more cotton from Egypt

through barter for arms supplied to Egypt. The memorandum continues:

> Other countries perforce would have to follow the United States lead. Thus the cotton-exporting countries of the free world would be at the mercy of the Communists. Their resentment, however, with considerable logic, could be directed toward the United States policy of meeting every reduction in price, as specified in the proposed bill.
>
> Any attempt by other countries to escape the downward spiral by resorting to bilateral agreements, conducted without regard to market prices, would set back our hopes for a multilateral trading system—the only system which offers increasing opportunities for private trade and the exporting of a wide range of United States products.
>
> This section would make the prices under the 1-million bale program a ceiling, even though substantial quantities of United States cotton are already being sold for export on a bid basis at considerably higher prices under the present program. Some 224,000 bales have been sold on bids received last week at prices several cents per pound higher than the ceiling which this section would arbitrarily impose.
>
> In view of the circumstances I have outlined above, the Department of State has no other recourse than to protest vigorously against section 203.

I submit the memorandum as a statement from the Department of State, from the standpoint of our foreign policy.

My amendment would strike out section 203 on page 33 of the bill, from line 4 down through line 4 on page 34. This provision is known as the Eastland amendment.

On this question I have been requested to ask for the yeas and nays. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested.

Mr. KNOWLAND. Mr. President, I withdraw the suggestion of the absence of a quorum, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Has the Senator from New Jersey completed his statement?

Mr. SMITH of New Jersey. I have completed my statement on this matter. I am glad to present it as the position of the administration, which I have checked carefully with the White House and the Secretary of State.

Mr. ELLENDER. Mr. President, this amendment would strike out section 203 of the bill, which provides for an export sales program for cotton and requires the Secretary to sell sufficient cotton at world prices to restore the United States historical share of the world cotton market. For the marketing year beginning this August this section would require cotton to be offered at prices not in excess of the minimum prices for which cotton was sold under the export program announced August 12, 1955. The minimum sale price under the program, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents a pound.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from page 7 of the report of the committee.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Export sales program for upland cotton (sec. 203): This section directs Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to offer its cotton for sale at prices not in excess of prices at which other exporting countries are offering comparable qualities of cotton. It further provides that during the marketing year beginning August 1, 1956, Commodity Credit Corporation shall offer cotton for sale for export at prices not in excess of the minimum prices accepted under the special cotton-export program announced on August 12, 1955. The special cotton-export program provided for the sale of not more than 1 million bales of cotton having a staple length of fifteen-sixteenths of an inch and shorter. The first offers were opened on January 3, 1956, and the sale of the 1 million bales was completed with offers opened on February 28, 1956. The minimum sale price, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents per pound. Minimum acceptable prices for other qualities were also determined on a port basis and by using the premiums and discounts prevailing in the 14 designated spot markets, as follows:
>
> Offers opened January 3: August 1955 through November 1955.
>
> Offers opened January 10, 17, 24, and 31: August 1955 through December 1955.
>
> Offers opened February 7, 14, 21, and 28: August 1955 through January 1956.

Mr. ELLENDER. Mr. President, section 203, under the heading "Export sales program for cotton," was offered in the committee by the distinguished Senator from Mississippi [Mr. EASTLAND]. I now yield him 10 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. EASTLAND. Mr. President, I have listened with amazement to the brief filed by the State Department. I have always known that it was an agency whose purpose it was to give away our country. The statement it has filed today is conclusive proof.

The State Department begins by saying that this provision would cause a price war and would result in a drastic decline in world cotton prices. That is the first point that is raised.

Recently, in a conference with the Secretary of Agriculture, at which a number of Senators were present, the Secretary of Agriculture stated that his limited one-million-bale export program, similar to the program proposed in the bill, and which was in force in January and February, had actually stabilized world cotton prices. Anyone who knows anything about merchandising must be aware that the one way to prevent a price war is to tell foreign cotton producers, "We are going to meet your price." We started the 1-million-bale program the first of January, and the facts show that at its completion cotton prices were higher than they were when we started the program.

The statement is made that Russia could ship a limited amount of cotton into the export market, that the United States would be bound to follow a small downward sale, and that Russia could therefore undermine the economies of friendly countries.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator from Mississippi would be willing to agree to a slight modification in the language of section 203, to take care of the criticism which has been made. I personally feel that there may be something to the suggestion of the State Department. I read from page 33, line 10: "to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries."

If we were to add two qualifying phrases, I think we could dispose of the State Department's criticism with reference to the Russian situation. I wonder if the Senator from Mississippi would be willing to add, at the end of line 10, the words "level of", and in line 12 on page 33, after the word "offered" to insert the words "in substantial quantities."

With those changes, I think the provision would be satisfactory. It would encourage the export of cotton by offering to make the cotton available at prices not in excess of the level of prices at which cotton of comparable qualities is being offered by other exporting countries—not isolated prices, but the general level of prices.

Mr. EASTLAND. That was the intention all along, and that is stated in the declaration of intent filed in support of the provision.

Mr. ANDERSON. If the words "in substantial quantities" were added, a small item or a piecemeal bid could not upset the entire transaction.

Mr. EASTLAND. That is correct.

Mr. ANDERSON. I have an amendment which I had intended to propose later. If the Senator from Mississippi will agree to the amendment which I have suggested, that will obviate the necessity of my offering my amendment.

Mr. SMITH of New Jersey. Mr. President, what was the second change suggested.

Mr. ANDERSON. On page 33, line 12, after the word "offered", to insert the words "in substantial quantities."

Mr. President, inasmuch as the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], what I have in mind may not be in order. However, I ask unanimous consent that section 203 on page 33 may be amended as I have suggested.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Am I to understand that unanimous consent has been given to amend certain language in the bill in accordance with the suggestions made by the Senator from New Mexico?

Mr. ANDERSON. The Senator is correct.

Mr. AIKEN. Was unanimous consent given?

Mr. ANDERSON. Yes; unanimous consent was given.

Mr. President, the third and last suggestion I have is this: The Commodity Credit Corporation ought not to be compelled to accept bids in excess of these prices unless they have accepted all the bids at lower prices.

I should like to suggest an amendment on page 33, line 19, after the numerals "1955", to insert the following:

> The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

In other words, I do not want the Commodity Credit Corporation to be favoring anyone. At one time we had a rather extensive experience in the handling of cotton. We have not moved as much of it since as we moved at that time, but we moved more than 7½ million bales of surplus cotton in about 14 months. We had the services of a competent group of cotton exporting firms, and they had to follow a practice such as is outlined here.

I submit this language to the Senator from Mississippi and ask him if he sees any objection to it.

Mr. EASTLAND. I am familiar with the language, and it is acceptable to me.

Mr. ANDERSON. Mr. President, I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. Smith], the language on page 33, line 19, may be amended in the manner I have suggested.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—may we have the full language read by the clerk?

Mr. ANDERSON. Probably I have been proceeding out of order.

Mr. KNOWLAND. No. I think this procedure is entirely in order, but in order that the Senate may be fully informed as to the amendment, I ask that the language, as amended, be read.

The PRESIDING OFFICER. The clerk will read the language as amended.

The Chief Clerk. On page 33, line 19, after the figures "1955", it is proposed to insert a new sentence, as follows:

> The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

Mr. ANDERSON. I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. Smith], the language of the original bill may be amended to include the language just read by the clerk.

The PRESIDING OFFICER. Without objection, the amendment to the bill, offered by the Senator from New Mexico, is agreed to.

Mr. EASTLAND. Mr. President, that language meets every objection that has been leveled at this provision. The charge has been made that the bill places a ceiling on the price at which cotton can be sold. That criticism is eliminated by the amendment. I should like to call attention to the fact that under the million-bale program there was fixed a price of 25½ cents a pound. Nevertheless, a great part of that cotton moved at 28.2 cents a pound. Last week, under the 27-cent floor a great deal of cotton moved at 29.23 cents a pound.

The reason for that is that American cotton is the only farm product which is not priced competitively by the Commodity Credit Corporation.

There is no reason in the world why that situation should exist, and why a great segment of our agricultural production should not be priced at competitive prices.

There are 4 or 5 international cotton houses, with millions of dollars invested in Latin America, and I am ashamed to say that they have entirely too much influence with our State Department. Their whole purpose is to protect their investments.

I do not believe it is too much to ask that the American cotton farmer be permitted to sell on a competitive basis. I do not believe it is too much to ask that the Commodity Credit Corporation's stocks be priced competitively so as to enable us to retain a fair share of our export business.

The bill provides that only enough cotton shall be sold to reestablish the historic share of the American export cotton market for the American farmer in an amount to be determined by the Secretary of Agriculture.

The Secretary of Agriculture has already determined, in his press conference, when he announced the program, that 5 million bales of cotton is our historic share of the market.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ANDERSON. I wish to say that there will naturally be a good deal of criticism of the Secretary of Agriculture if he does not move the cotton. I am firmly persuaded that Secretary Benson—and I am perfectly willing to put this on any record—desires to move the surplus cotton. I have participated in at least two conferences with him on this subject, and I believe that Secretary Benson, given a reasonable chance to do so, will be able to move the cotton.

I say very frankly that the reason why a former Secretary of Agriculture was able to move cotton very quickly was that he had the advantage of a war trading act, which permitted competitive prices in the world market. There was no great genius involved in it. He merely had the advantage of being permitted to sell the cotton.

The language we are considering now would instruct the Secretary of Agriculture to move the cotton on a competitive basis.

Secretary Benson made the announcement that he thought he could move 5 million bales. I, for one, am very anxious to permit him to move the 5 million bales. If he does not move them, perhaps I shall feel free to criticize him. In the meantime, although I am on the opposite side of the political fence from him, I do not intend to criticize him for not moving cotton when his hands are firmly tied under the law.

He was up against a good deal of opposition on the 1 million bale experimental program. He moved those million bales satisfactorily, and he did it without disturbing the world market. I think that fact ought to be put in the Record.

Now he has asked for permission to move 5 million bales of cotton, and I believe he ought to be given the chance to move them.

I have tried to clarify the language a little, so that the law will make it a little easier for the Secretary of Agriculture to do it. I believe the Secretary of Agriculture is entitled to have that opportunity. It is hardly just to criticize the Department of Agriculture for accumulating agricultural products when it cannot move them. When I was in the Department, I was subjected to page after page of criticism for not moving potatoes, when the law would not allow me to do so. From that day on, I have been very sympathetic with anyone in that job who is asked to move a product when he cannot do so under the law. I believe the language we are proposing will permit the Secretary to move the cotton. Certainly I am in favor of giving him a chance to try to do so.

Mr. EASTLAND. I thank the distinguished Senator from New Mexico [Mr. Anderson]. He made a very great record as Secretary of Agriculture. I believe that Secretary Benson is anxious to move these surpluses, but I believe he is stymied by the State Department.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. I am asking the Senator from Mississippi to yield because the matter under discussion——

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from Mississippi.

Mr. AIKEN. Mr. President, I am asking the Senator to yield because I wish to make my own position clear on this subject, and I wish to have it plainly understood that my position is not that of the State Department or of the Department of Agriculture or of the administration. I could not have supported the provision now in the bill, which was put in at the suggestion of the Senator from Mississippi. With the amendments suggested by the Senator from New Mexico [Mr. Anderson], I understand that the wording now does not require the Secretary to sell cotton in the foreign market at any price which may be offered, but only to compete with those areas of the world which offer cotton in substantial quantities, as determined by the Secretary of Agriculture.

Those quantities may be 50,000 bales or 100,000 bales, or a million bales; however, in no case would they be likely to be 20 bales or 50 bales. Is that correct?

Mr. EASTLAND. Substantial quantities.

Mr. AIKEN. They must be substantial quantities.

Mr. EASTLAND. That is correct.

Mr. AIKEN. I understand that the language in the bill as it now reads

provides that the Secretary may accept all the bids he can get above the maximum level which has been set, so long as he accepts all the maximum bids. In other words, if the maximum is set at 25.5 cents he may accept bids at 28.5 cents, provided he accepts all such bids. Is that correct?

Mr. EASTLAND. Yes; and he has been doing that.

Mr. AIKEN. As I understand, too, he is not required to compete in the market with the lowest price which may be offered by producers in any foreign country, but he is required to compete with the general level of the prices in the world market. Is that correct?

Mr. EASTLAND. Of course, if there is an isolated sale of a small amount of cotton, that would not set the market. The bill provides "at prices not in excess of the level of prices at which cottons of comparable qualities are being offered in substantial quantities by other exporting countries."

Mr. AIKEN. I also understand the Secretary is directed to recover only the Nation's traditional share of the world market, and that the Secretary will determine what that is, whether it be 4½ million or 5 million bales.

Mr. EASTLAND. He has already determined that.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Record at this point an explanation of the legislative intent of section 203 of House bill 10875.

There being no objection, the explanation was ordered to be printed in the Record, as follows:

Explanation of Legislative Intent of Section 203 of H. R. 10875

Section 203 contains three general intents. For this reason, this explanation of legislative intent is divided into three parts.

1. The first part directs the Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries.

With respect to this first part, it is the intent that the Commodity Credit Corporation shall make cotton available at the level of prices at which cottons comparable to those produced in the United States are being offered by other exporting countries in substantial quantities.

The Commodity Credit Corporation, in making cotton available at competitive prices, could provide either for the sale of CCC cotton for export at competitive world prices or for a cash export subsidy on United States cotton sufficient to make it competitive in world markets.

It is also the intent of this part that the Commodity Credit Corporation shall make cotton available at competitive prices immediately upon enactment of this act, but that it shall be discretionary with the Secretary of Agriculture to withhold actual deliveries of CCC cotton until August 1, 1956.

2. The second part provides that during the marketing year beginning August 1, 1956, the Commodity Credit Corporation is further directed to encourage the export of cotton by offering to make cotton available at prices not in excess of the minimum prices at which cottons of comparable qualities were sold under the special cotton export program announced on August 12, 1955.

With respect to this second part, it is the intent that under any Commodity Credit Corporation sales program during this period the Commodity Credit Corporation shall accept bids, if such bids are the highest received for any particular lot of cotton, which are equal to or above the minimum sales price of 25½ cents per pound, basis Middling fifteen-sixteenths of an inch at ports, as established by the Commodity Credit Corporation under the special cotton export program announced on August 12, 1955, and completed on March 2, 1956.

Under any Commodity Credit Corporation program for the sale of CCC cotton for export at competitive world prices during the marketing year beginning August 1, 1956, it is also the intent of this second part that the Commodity Credit Corporation is directed to accept all bids at prices ranging down to the previous "floor" price of 25½ cents. It is not intended, however, that the Commodity Credit Corporation should not make cotton available at lower prices if it is necessary to meet competition. Neither does it preclude the Commodity Credit Corporation from accepting the higher of several bids for the same particular lot of cotton above the "floor" price of 25½ cents.

Under any Commodity Credit Corporation program for the payment of a cash export subsidy on cotton exported during the marketing year beginning August 1, 1956, it is also the intent that the amount of such subsidy shall be not less than the spread between 25 cents (minimum sales prices at port of 25½ cents minus one-half cent allowance for average cost of transportation from interior origin points to port) per pound and the average price of Middling White fifteen-sixteenths inch cotton on the 14 designated spot cotton markets.

This section provides that for the marketing year beginning August 1, 1956, cottons of qualities other than those sold under the special CCC cotton export program announced August 12, 1955, shall be made available for export at the minimum prices at which cottons were sold under such program with appropriate adjustments for differences in quality.

3. The third part provides that such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

With respect to this third part, it is the intent that the Secretary of Agriculture will take whatever steps are necessary to reestablish and maintain our fair historical share of the world market for United States cotton. The Secretary in statements to the press has indicated what our fair share of the world market should be, and it is the intent that the Secretary of Agriculture should utilize all his powers to achieve such a goal as rapidly as possible and in an orderly manner. This goal, however, should be increased proportionately as world consumption of cotton increases.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. YOUNG. For years we have had an International Wheat Agreement which permits United States wheat to meet world competition. Also wheat is sold outside the wheat agreement by our Government on a competitive basis. If it were not for that agreement, we would probably be in a price war at this time, and the wheat producers would have lost the world market completely. I think cotton farmers will be in the same situation, unless there is included some such provision as that which the Senator from Mississippi has suggested. We teach farmers in foreign countries how to raise cotton; we furnish them with machinery with which to do it. How can the American cotton farmers compete in such a situation?

Mr. EASTLAND. I thank the Senator from North Dakota.

Mr. HOLLAND. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. I completely support the position taken by the distinguished Senator from Mississippi, and I think it is in line with reason.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. Mr. President, I yield 2 more minutes to the Senator from Mississippi.

Mr. HOLLAND. If this country ever comes to the point where, as the owner of vast supplies of surplus agricultural property it is not willing to try to regain lost portions of our world trade at prices commensurate with and competitive with those received by other nations, we shall be a spineless, jellyfish sort of an entity instead of a progressive, aggressive, democratic Nation. I think anyone who finds fault with the program suggested by the Senator from Mississippi has not familiarized himself with what his amendment contains.

Mr. EASTLAND. Mr. President, I thank the Senator from Florida for his able and appropriate remarks.

I yield back the remainder of my time.

Several Senators. Vote! Vote!

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time to be taken out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that further proceedings under the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. Mr. President, in view——

The PRESIDING OFFICER. Does some Senator yield time to the Senator from Minnesota?

Mr. KNOWLAND. I yield the Senator 1 minute.

The PRESIDING OFFICER. On the bill?

Mr. KNOWLAND. On the bill.

Mr. THYE. Mr. President, in view of the compromise that was worked out on the pending amendment, I ask unanimous consent that the order for the yeas and nays be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, may I inquire why the Senator from Minnesota is making his request?

Mr. THYE. Because a compromise was reached, and I cannot see the necessity of taking up the time with a yea-and-nay vote, because it is apparent that the objection to the amendment has been removed. I would have supported the amendment, but in view of the fact that a compromise has been reached which seems agreeable, at least to a vast majority of us, I concluded to ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. SMITH of New Jersey. Mr. President, I admit my lack of detailed knowledge of the ways and means of agriculture, and the prices of various agricultural products, and I acknowledge embarrassment that the Senator from Minnesota should ask that the order for the yeas and nays be rescinded, because I have been requested to have the yeas and nays taken. The administration feels quite strongly about the particular section involved, and I reserve the right to object, so as to have an opportunity to hear further comment on the matter.

The PRESIDING OFFICER. The Senator from New Jersey objects.

Mr. SMITH of New Jersey. No; I only reserved the right to object.

The PRESIDING OFFICER. The Chair understood the Senator from New Jersey to object.

Mr. SMITH of New Jersey. I feel I would be discharging my responsibility better if I carried through with what I was asked to do in regard to this section. I may say now that on other amendments I intend to offer I shall not ask for the yeas and nays, but it seems the issue involved in the section under discussion is one on which the administration wants to have an expression, and I hesitate to withdraw the request for a yea-and-nay vote.

Mr. ANDERSON. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH of New Jersey. I yield.

Mr. ANDERSON. Does not the Senator feel that some Members on both sides of the aisle will find themselves in an unfortunate position? The able Senator from Vermont has stated his position on the question. Frankly, I might have suggested some language to amend the section had I not thought the Senator from Vermont was correct in his position. I wonder if, having arrived at a compromise, it would avail any good purpose to have a yea-and-nay vote. I feel it would serve a useful purpose if the suggestion of the Senator from Minnesota could be adopted.

Mr. AIKEN. Mr. President, I was merely trying to keep the State Department out of the controversy. I did not think the State Department would like a yea-and-nay vote in the Senate that would put every Senator on the spot particularly after the provisions of the bill had been modified.

In the first place, the ostensible objections which the State Department raised have been overcome by the modifications offered by the Senator from New Mexico. Whether those are the real reason why they oppose this provision is another question. I think the Department of Agriculture would like to sell the cotton. I am simply amazed that the Department of State insists that the Senate should have a yea-and-nay vote. That is ridiculous.

Mr. SMITH of New Jersey. The State Department has not insisted on a yea-and-nay vote since the modifications have been made, as they were unaware of any proposed modification at the time they urged me to ask for a roll call vote.

Mr. AIKEN. That is correct.

Mr. SMITH of New Jersey. I am taking the responsibility and am simply trying to present these views to my colleagues.

In the light of what has been said, I withdraw the objection.

Mr. AIKEN. The original language was not satisfactory.

Mr. THYE. Mr. President, the only reason why I asked that the yeas and nays, which had been ordered, be set aside was simply that so far as I could see, the objection which any Department of the Government might have had to the amendment had been overcome by the compromise agreed to by all concerned who took part in the discussion of the provision. It was for that reason that I asked that the order for the yeas and nays be rescinded. I could see no good to be accomplished by carrying through with the yeas and nays.

I understand the distinguished Senator from New Jersey has withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Minnesota that the order for the yeas and nays, previously entered, be rescinded?

Mr. DOUGLAS. Mr. President, reserving the right to object, I feel that the issues have not been very clearly defined. The bill has been amended on the floor, but it appears to me that there is still a very large element of dumping——

The PRESIDING OFFICER. Does any Senator in control of time wish to yield time to the Senator from Illinois?

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. DOUGLAS. I apologize to the Chair for speaking without having had time yielded to me.

The PRESIDING OFFICER. The Senator from Illinois has been yielded 2 minutes.

Mr. DOUGLAS. As I read it I think the amendment in its present form still provides for dumping—not to such an extent as would have been possible under the original words, but still a very large amount. I should like to hear the subject discussed in more detail as to the effect upon our international relations before I would feel justified in withdrawing objection.

Mr. LANGER. Mr. President, I object to rescinding the order for the yeas and nays. It seems that Senators are afraid to have their votes recorded. I object.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. I am glad to yield it back.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. STENNIS subsequently said: Mr. President, I had prepared certain remarks relative to the first amendment offered by the Senator from New Jersey [Mr. Smith]. At the time the amendment was under debate, the Senate was ready to vote, and I did not ask for time.

I now ask unanimous consent that the statement be printed in the Record immediately before the vote on the first amendment offered by the Senator from New Jersey [Mr. Smith].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

Statement by Senator Stennis

OUR CRITICAL COTTON SITUATION

I rise in support of section 203 of the agricultural bill which directs the Commodity Credit Corporation to use existing authority to export cotton at competitive world prices. In discussing the importance of this provision, I feel it must be made amply clear that cotton faces one of the most critical situations in its history.

A. Fifteen million bale carryover August 1, 1956 (our highest in history).

B. Export market has dwindled to less than 2 million bales (and most of this has moved under Government-aided programs, such as Public Law 480 and special 1-million-bale export program for cotton).

C. Cotton acreage has decreased from 28.3 million acres in 1953 to 17.4 million acres in 1956 (without certain provisions contained in this bill, acreage would be reduced another 1.5 million acres in 1957).

D. Domestic markets are seriously threatened by synthetic competition.

IMPORTANCE OF COTTON EXPORTS

Our export market for cotton is the very heart and life of our cotton program. Without an export program which will meet price competition and regain a fair share of our world market, means that we will continue to lose this market and if present trends continue, we will find ourselves in a situation whereby we will be producing for domestic market only. This will mean continued reduction in acreage allotment, as well as an increase in surplus, and would in the end result in complete failure of our entire cotton program, not to mention the serious impacts on our cotton industry and total economy.

FAILURE TO INITIATE ADEQUATE EXPORT PROGRAM

We have already waited too long to initiate a forward-looking cotton export program and the time has come when we must take firm and positive action. We have had a pressing need for a realistic and forward-looking program for the past 2 years. Last year we had high hopes that the Department of Agriculture would announce such a program, but when the final announcement was made, the program was limited to 1 million bales of low-grade short-staple cotton. This was indeed disappointing and has failed to meet our critical situation. Again this year we had high hopes that the administration would develop a realistic program to meet world competition and to regain a fair share of the cotton export market.

EXPORT PROGRAM ANNOUNCEMENT VERY DISAPPOINTING

Cotton prices announced under the new USDA cotton export program are 3 to 4½ cents a pound above prices of principal competing cottons now being offered in volume in foreign markets for shipment after August 1, 1956. These prices are 2½ to almost 7 cents per pound under prices of rayon in principal producing countries. This is certainly disappointing and particularly so when cotton is faced with one of the most serious problems of our time.

I had visualized the new export program which the Secretary announced a few weeks ago as a determination on the part of the administration to meet this critical situation, by selling surplus cotton at competitive world prices with the primary objective of regaining a fair share of the world market. If the 27½ cents per pound is set as a minimum price for export, it will be one of the most disappointing developments of our agricultural program. An aggressive long-range cotton export program designed to meet price competition and to discourage foreign production is a pressing necessity. The regaining of a fair share of this market is so very important to the actual existence of our cotton industry that unless we move our surplus supply, which is the highest in history, in an orderly way over a period of 2 or 3 years, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in acreage allotments. While our cotton farmers have reduced their acreage in an effort to keep supplies within demand, foreign producers have expanded their production to such an extent that their production is within 1½ to 2 million bales of supplying foreign demands.

UNCERTAIN UNITED STATES POLICY DEMORALIZED EXPORTS

World trade in cotton is already badly demoralized because of uncertainty in United States policy and has been at almost a standstill for the last year awaiting a decision on the United States plan. The setting of a price floor at the unrealistic level of only a few cents under the announced loan program for 1956 prices will cause greater confusion and uncertainties in world trade. If foreign price competition is not met under the new export program, the primary purpose is defeated and the net result will be a greater total loss to the Government without actually increasing exports. Failure to meet our critical export program will result in continued acreage control at levels far too low to give our farmers a fair standard of income.

MILLION-BALE EXPORT PROGRAM ANNOUNCED LAST YEAR

Under the million-bale export program, the minimum sales price was 2 cents a pound below the minimum under the new program. CCC also included in the minimum price under the million-bale program the costs of freight from interior locations to ports, and the cost of standard compression, which together average about three-fourths cent per pound. Under the million-bale program, the procedure for arbitrating the quality of the cotton purchased from CCC was different, and had the effect of further reducing costs, compared to the current program, another ½ cent to 1 cent per pound. In total, the price of cotton to the shipper was 3¼ cents to 3¾ cents per pound less under the million-bale program than under the new program.

THE NEW PROGRAM

The first sale under the new program resulted in the sale of 10 million bales at a price of 27½ cents per pound; a price of 26½ cents per pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The second sale made under the new program resulted in a sale of 200,000 bales of cotton, but most of this cotton was purchased under unusual circumstances by shippers who had pressing commitments from domestic mills. Most of this cotton was purchased and actually shipped to domestic mills, but will be substituted for export after August 1, 1956. Therefore, this is not a true demand for exports under the new program.

THE COST OF HOLDING CCC STOCKS

The storage costs and interest charge on cotton now owned by CCC plus cotton which they expect to own by August 1, 1956, will cost more than $100 million per year.

This is a most serious and pressing problem which should be met with full force of competitive prices. A simple and direct way is to make United States cotton competitive and to lower the present minimum CCC sales price. The administration has not met this important criterion, and I urge the Senate to adopt this export amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey. The amendment will be stated for the information of the Senate.

The Legislative Clerk. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4 on page 34.

The PRESIDING OFFICER. As the Chair understands the situation, the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey. All time has been yielded back.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], and the Senator from North Carolina [Mr. Scott] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. Fulbright], the Senator from Georgia [Mr. George], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], and the Senator from North Carolina [Mr. Scott] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Idaho [Mr. Welker] is necessarily absent.

The Senator from New Hampshire [Mr. Bridges] is detained on official business.

If present and voting, the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Idaho [Mr. Welker] would each vote "nay."

The result was announced—yeas 13, nays 71, as follows:

YEAS—13

Allott
Bender
Bricker
Case, N. J.
Cotton
Douglas
Knowland
Martin, Pa.
Millikin
Payne
Smith, N. J.
Watkins
Williams

NAYS—71

Aiken
Anderson
Barrett
Beall
Bennett
Bible
Butler
Byrd
Capehart
Case, S. Dak.
Chavez
Clements
Curtis
Daniel
Dirksen
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
Goldwater
Green
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Ives
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
McCarthy
McClellan
McNamara
Monroney
Mundt
Murray
Neely
Neuberger
O'Mahoney
Pastore
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smathers
Smith, Maine
Sparkman
Stennis
Symington
Thye
Wiley
Wofford
Young

NOT VOTING—11

Bridges
Bush
Carlson
Fulbright
George
Gore
Kennedy
Malone
Morse
Scott
Welker

So the amendment offered by Mr. Smith of New Jersey was rejected.

Mr. SMITH of New Jersey. Mr. President, I call up my amendment, identified as 5–16–56–E, and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The Chief Clerk. On page 32, beginning with line 7, it is proposed to strike out down through line 2, on page 33.

Mr. SMITH of New Jersey. Mr. President, I allow myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SMITH of New Jersey. As in the case of the last amendment, I shall read a memorandum from the Department of State, which I have been asked to present to the Senate.

As stated previously, at the request of the Department of State and the administration, I want to call the attention of my colleagues to what the Department of State feels to be unfortunate with regard to section 202. I read, for the benefit of the Senate and the Record, a memorandum from the Secretary of State to the President, which the President has approved, on the subject of section 202 of H. R. 10875. The statement is as follows:

> Peru in particular would be hurt by the enactment of section 202, with the possibility also of wide repercussions elsewhere in Latin America. Section 202 would further restrict our import quota on extra-long staple cotton and subsidize the export of such cotton—a type which the United States does not normally export. Under the circumstances, the Department of State must protest against section 202.

I have no further statement to make except to reiterate the objection to this section by the Department of State, and I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. MONRONEY. Is it not a fact that the State Department has been doing most of this pushing on the cotton situation to try to show Mr. Nasser, the Prime Minister of Egypt, that we are anxious that he remain our friend? And is not it also a fact that the smallest countries to be affected are the countries named by the State Department? Yet, with all the overtures, money, and everything else we have showered on Mr. Nasser, with all the extreme favoritism shown him on the part of our Embassy, we saw only yesterday the fruits of his friendship in his recognition of Red China.

It certainly seems to me that we have gone far enough in appeasing Mr. Nasser, who trades Egyptian cotton, not on the open market, but at a secret price, in exchange for Russian Mig's and Russian bombers, to strengthen his position in the Middle East.

In my opinion, the responsibility for the amendment worked out by the State Department rests, not on Latin America, but on the Middle East, where the State Department hopes to appease Mr. Nasser,

Mr. SMITH of New Jersey. Mr. President, I am entirely in accord with the expression by the Senator from Oklahoma of consternation over the recent action of Egypt. I feel just as strongly as he does about it.

However, I do not consider that the objection by the State Department to this particular section is based on a desire to appease Egypt. I think it is based on the situation in Latin America. If I am correctly informed, some of the countries of Latin America have been troubled about the action which might be taken under this particular provision. I think that is the basic reason why the State Department has called this provision to our attention.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. Is it not a fact that in the case of this amendment, as well as the preceding amendment, there are other reasons for advocating the amendment, besides the bare wishes of the State Department? I am informed that in my State certain textile plants are adjusted to use the extra-long-staple cotton which must be imported. If those plants are deprived of an adequate supply for their manufacturing processes, it will work a hardship upon them.

I am much more interested in that situation than I am in some of the philosophies of the State Department or in the attitude of Egypt from the point of view of our foreign relations. That statement applies also to the last amendment voted on. I am interested in the fact that when we dump cotton on the world market, it is promptly manufactured into cloth which can be imported into the United States and sold here in competition with the cotton produced by our own industries.

That is why I believe there are sound economic reasons for this amendment and the previous one, in addition to reasons which may be advanced by the State Department.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for his statement. I cannot join in the statement he has made, because I do not know the situation to which he refers.

Mr. McCARTHY. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. McCARTHY. Mr. President, let me say that I have very seldom been in agreement with the Senator from Oklahoma [Mr. Monroney], but this is one time when I agree wholeheartedly with what he has said. I may say that I do not think the State Department should dictate to the Senate how the Senate should vote. I think it would be a great mistake for us to adopt the amendment of the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, in answer to the Senator from Wisconsin, I wish to say that I do not think the State Department is attempting to dictate how the Senate should vote; but the State Department is objecting in view of the fact that, from its standpoint, the amendment would cause some international misunderstanding. I think that is a legitimate objection, or else I would not have brought the amendment to the attention of the Senate.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes more.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Jersey was asked about certain cotton mills in New Hampshire which need long staple cotton for their operations. A similar situation exists in South Carolina. For tnat reason, there is written into the pending bill—the provision has been carried over from the conference report on the previous agricultural bill—the provision that—

> Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield further to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. If this section of the bill, including the provision mentioned by the Senator from South Carolina, remains in the bill, is it to be interpreted as assuring the protection of the supplies essential for our own textile mills, in the case of this type of extra long-staple cotton?

Mr. JOHNSTON of South Carolina. That is my understanding of the bill as it is written at the present time. The same situation exists in South Carolina.

Mr. COTTON. I thank the Senator from South Carolina for his assurance.

Mr. GOLDWATER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Mexico—pardon me; I meant to say "the Senator from Arizona." I apologize for saying "New Mexico," although New Mexico is also a very fine State.

Mr. GOLDWATER. Mr. President, the Senator from New Jersey does not need to make any apology for referring to me as being from New Mexico; but the Senator from Arizona much prefers his own State. In fact, the junior Senator from Arizona wishes to talk for just a moment about his own State.

This amendment would vitally affect the farmers of Arizona. I know that probably it is part of the job of the State Department to worry about the Peruvians and the Egyptians. However, it is the job of the junior Senator from Arizona to worry about the Arizonians. I think it is high time that the administration began to be concerned more about the farmers and producers in the United States, along with their concern about international economic situations over which we have little control. Unless we protect our own markets, in the interest of our own farmers and producers, the situation for them will be an impossible one. Certainly that will result if our markets are opened freely to all the other nations of the world.

I wish to add my protest, too, to attempts by the State Department to intimidate this body, by means of requesting the yeas and nays on the question of agreeing to such an amendment, and to other attempts to influence the action taken by this body.

Mr. SMITH of New Jersey. Mr. President, I wish to say that the State Department has not attempted to intimidate the Senate. I asked whether they wished to have the yeas and nays on the question of agreeing to the amendment, and they said they did. There has been no attempt to intimidate.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I wish to add my word of protest. The Senator from New Hampshire is worried about the supply of long-staple cotton. I wish to say to him that Texas, Arizona, New Mexico, and California can furnish all the long-staple cotton needed in the United States. So I wish to register my protest.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, this amendment would strike out section 202 of the bill, which provides for, first, the inclusion of cotton stapling $1\frac{11}{16}$ inches and longer in the quota applicable to cotton stapling $1\frac{1}{8}$ inches up to $1\frac{11}{16}$ inches; and, second, the sale at competitive world prices of Commodity Credit Corporation stocks of domestically produced extra-long-staple cotton. The section which would be stricken by this amendment was inserted in H. R. 12 pursuant to an amendment offered by the Senator from Arizona [Mr. Hayden], and was carefully considered and amended by the conferees. Cotton stapling $1\frac{11}{16}$ inches and longer was originally included in the quota of 45.7 million pounds established on September 20, 1939, under section 22 of the Agricultural Adjustment Act. Because of special temporary needs for cotton stapling $1\frac{11}{16}$ inches and longer, it was exempted from the quota on December 19, 1940. The need which gave rise to this exemption no longer exists; and the extra cotton which is brought in on account of the exemption competes with our domestically produced extra-long-staple cotton, which is already in oversupply.

Mr. President, I ask unanimous consent that the portion of the committee report dealing with the part of the bill now under consideration be printed at this point in the body of the Record, in connection with my remarks.

There being no objection, the excerpt from the report (No. 1966), was ordered to be printed in the Record, as follows:

> Extra-long-staple cotton (sec. 202): Subsection (a) provides that the existing import quota on extra-long-staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall hereafter cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of $1\frac{11}{16}$ inches and longer to bring such cotton back within the quota. The quota is 45.7 million pounds, or approximately 95,000 bales. About 16,000 bales of $1\frac{11}{16}$-inch cotton was imported in 1955. The section also requires that dates for the quota year conform to normal marketing practices. The present quota year is from February 1 to January 31. Cotton stapling $1\frac{11}{16}$ inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. This section will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.
>
> Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra-long-staple cotton. These stocks currently total about 97,000 bales.

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished Senator from New Mexico [Mr. Anderson].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I shall try to use even less than that amount of time, in view of the fine statements which have been made by the Senator from Oklahoma [Mr. Monroney], the junior Senator from Arizona [Mr. Goldwater], the Senator from Wisconsin [Mr. McCarthy], the senior Senator from New Mexico [Mr. Chavez], the senior Senator from Arizona [Mr. Hayden], and other Senators.

Actually there are only about 30,000 bales of this long staple cotton produced in all the United States. Egypt exports 90,000 bales a year to the United States. It is not too much to give the farmers of America 30,000 bales out of a 130,000-bale market.

We have tried to be reasonable. There was some language which was objectionable to the very able Senator from South Carolina [Mr. Johnston], who was speaking in the interest of a mill in his State. He took exception to that language. He was well within his rights. The Senate Committee on Agriculture and Forestry, under the able leadership of the Senator from Louisiana [Mr. Ellender], recognized the situation and amended the language, which made it possible for the committee to agree upon the language.

As I recall, the veto message did not mention this particular section strongly if it mentioned it at all. I believe we would do well to vote down the pending amendment, because the provision in the bill obtains for our farmers only a small share, not of the world market, but of the domestic market. Surely the American farmer ought to be entitled to a fourth of the domestic market.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Arizona [Mr. Hayden].

Mr. HAYDEN. Mr. President, I had intended to use a part of my time to read a paragraph from the committee report, but that paragraph has been inserted in the Record by the Senator from Louisiana [Mr. Ellender].

With regard to the use of this particular type of cotton in manufacturing, the maximum amount of such cotton imported in any one year has been about 15,000 bales. The bill adequately takes care of that supply.

First. American grown long-staple cotton will satisfy all use requirements as well as Peruvian long-staple cotton, and will make better thread than Peruvian long-staple cotton. Cotton imported from Peru is used in this country primarily to make fine shirting. It costs 5 to 8 cents per pound less than American long-staple cotton. The United States does not grow cotton stapling $1\frac{11}{16}$ inches and longer because of high cost of production.

Second. The import duty on Peruvian cotton is $1\frac{3}{4}$ cents per pound. The import duty on cotton of $1\frac{1}{8}$ to $1\frac{11}{16}$ inches long is $3\frac{1}{2}$ cents per pound. There is a very low tariff rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. Smith]. Are Senators prepared to yield back their time?

Mr. SMITH of New Jersey. Mr. President, I yield back my remaining time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. Smith].

The amendment was rejected.

Mr. SMITH of New Jersey. Mr. President, I have one remaining amendment. It is designated "5–16–56–G." I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The Legislative Clerk. On page 58, beginning with line 9, it is proposed to strike down through line 20 on page 67.

Mr. SMITH of New Jersey. Mr. President, I should like to modify my amendment in order to limit it.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. SMITH of New Jersey. The amendment as submitted would strike out all of title V. I find, on checking the request which the State Department made to me in this connection, that the objection to title V was due to some discrimination against Cuba. The feeling was that this provision violated the most-favored-nation clause.

I ask, therefore, that my amendment be modified as follows: On page 59 of the bill, line 25, strike out the words "or exported to Cuba"; and on page 64, of the bill, line 20, strike out the words "other than Cuba."

That would simply place Cuba back on the same basis with other countries, with no discrimination against it. The first change made by my amendment is in section 380c, and the second is in 380k (c).

In support of my amendment I wish to read a memorandum sent to me by the Secretary of State, and approved by the President, with regard to this particular amendment. The subject of the memorandum is "Two-Price Plan for Rice, Proposed in H. R. 10875." The memorandum reads as follows:

> H. R. 10875 as reported by the Senate Agricultural Committee authorizes a domestic allotment program for rice, at the discretion of the Secretary of Agriculture. The bill provides, however, in section 380c and 380k (c) of title V that the processed rice of the United States, if this plan were instituted, would not be available to Cuba at the low price which would apply to exports of the same product to all other countries.
>
> This would be discriminatory against Cuba and would be contrary to the most-favored-nation principle, which is fundamental to our international trade policy.
>
> Nondiscrimination and equal access to resources in international trade are directly related principles. They have especially great importance to us in view of our dependence on foreign sources for many materials of high strategic value.
>
> The proposed violation of the most-favored-nation principle would set a precedent of great danger for the future accomplishment of our objectives in international trade. We would be placed under obvious handicaps if it became necessary for us to contend against violations by other countries of their commitments to us regarding most-favored-nation treatment.
>
> The problems which the proposed legislation would create make it necessary for the Department of State to express its disapproval of sections 380c and 380k (c) of title V.
>
> John Foster Dulles.

I have limited the application of my amendment to Cuba in order to prevent this discrimination. The remaining sections are not affected.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The original amendment offered by the Senator from New Jersey would have deleted the provision of the bill authorizing the Secretary to institute a 2-price program for rice in 1957 and 1958, or in 1958 and 1959, if he determines that such a program is administratively feasible and in the best interests of rice producers and the United States. Except that it is discretionary, the 2-price program provided for by the bill is substantially identical to that approved by Congress when it passed H. R. 12. Initiation of the program would be dependent upon a determination by the administration that it is in the best interests of the United States. Two-price plans have been proposed for many years, and the only way that we shall ever determine their effectiveness is by putting such a program into operation. Because of the small number of States involved, and the small percentage of world production represented by United States production, rice is the most suitable commodity for which an experimental program could be tried. The plan would become effective only if the Secretary determined it would be in the best interests of the United States, and then only for 2 years.

With respect to the statement by my colleague from New Jersey with respect to Cuba, let me say that I have discussed the question with many Cubans, particularly those involved in the importing of rice. I have heard no objection to including Cuba in our primary market; in addition, as I have said, this plan is purely discretionary.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. Smith]. Are Senators prepared to yield back the remaining time?

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. Smith].

The amendment was rejected.

Mr. DIRKSEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The Legislative Clerk. It is proposed to strike out all of title V, on page 58, after line 8, through line 10, on page 69.

Mr. DIRKSEN. Mr. President, I am not sure that the amendment will prevail, but I certainly would not like to see the consideration of the bill concluded without at least making a record on the rice title.

I quite agree with my distinguished friend from Louisiana [Mr. Ellender] that it is wholly permissive and in the hands of the Secretary of Agriculture whether such a program shall be instituted. That is correct.

However, the fact is that once it is incorporated in a statute it means that a great deal of pressure will be placed upon the Secretary of Agriculture. I doubt whether that ought to take place, particularly in respect of a two-price system on any commodity, for it is the opening wedge for other commodities, as we saw in our earlier deliberations on the farm bill.

It is a fact that rice production in the United States has doubled in the past 10 years, and most of the increase, of course, has gone into the export market.

However, just as soon as the Asian countries were able to resume their usual production, our real troubles began. During the war period I think the prices in the main were pretty well above support levels. After the war they began to drop, and then our exports began to drop also.

From 1953 until 1954 and 1955 the figures indicate that our exports dropped nearly 33⅓ percent. The net result is that beyond that we have the problem caused by increased war production. As I say, with a doubling of rice production over a period of 10 years, we cannot help but have a surplus problem with respect to this particular commodity.

To indicate what is necessary, and in order to demonstrate the problem, the Department of Agriculture estimates that on the 1st of August we shall have in stock 30 million bags of rice. The normal carryover was about 3 million bags. We will have at least six times the normal carryover, and we will have enough in the carryover to provide a full year's consumption of rice.

No one disputes the fact that a problem exists. The question is how to solve it. I doubt very much whether this proposal will solve the main problem. What it proposes to do, in my judgment, is merely to freeze the wartime production. I do not believe that is the solution at all. If pressures can be exerted on the Secretary of Agriculture to go through with a plan of this kind, we shall have actually frozen the production at a high level. The problem then will be to get rid of it.

There is another amendment pending, proposed by the distinguished Senator from Arkansas [Mr. Fulbright], which provides in essence that the President shall make an effort to dispose of surplus rice to oriental countries. There is no escape clause in it. There is no provision for consideration of the customs of other countries. Anyone who goes to the Orient and looks around will find warehouses up and down the Irrawaddy River in Rangoon filled with rice, and he will find that prices are going down and surpluses exist. However, the committee amendment provides that the President must make the effort to sell our surplus rice to oriental countries.

All that can come out of it, of course, is a great big international headache before we get through. However, that is not all the committee amendment provides. It says that before any offer is rejected, the President must submit it to Congress. That is a sort of indirect veto upon the action of the Executive. It is an indication of the difficulties which will be encountered.

If we are producing at the wartime level, and if we have 30 million bags of rice in the carryover, and if that is 6 times more than our normal carryover, then, in my considered judgment, there is only one way to deal with the problem, and that is to bring about an acreage reduction, so that the production of rice will be geared to our needs and to a reasonable reserve and to the exports.

The amendment which was offered by the distinguished Senator from New Jersey [Mr. Smith] provided for the elimination of Cuba as a part of the primary market. I believe it is astounding to write into any piece of legislation a provision that a sovereign foreign country like Cuba and a territorial possession like Puerto Rico shall be included in the primary market, along with the domestic market of this country. What control do we have over Cuba? None at all.

Therefore, as a matter of fact, it seems to me that we are going extremely far when we include a sovereign country as a part of the primary market of America. It can lead to no end of trouble.

As I sense this thing, in the non-Cuban areas, in the Caribbean particularly, it would be possible, no doubt, to get hold of quite a good deal of rough rice, to mill it elsewhere, and then to dispose of it in rice-consuming areas. Then what starts out to be a primary market becomes a secondary market before we get through.

There is another feature which should be mentioned. I refer to the provision that the value of the certificate shall be equal to the difference between 90 percent of parity price of rice and the level of the price support. Perhaps that can be done, but the bill says nothing about the market price, so far as I can determine. We can very easily envision a situation in which rice in Cuba and in the domestic market will be selling at 100 percent of parity. It would appear to me that indirectly, at least, we would be putting a rather interesting regressive tax on the modest consumers, the humble people, who are the real rice consumers of the country.

There are a great many other things in the bill which I do not like. There is the provision, for example, for refunds to the owners of rough rice. That will become effective on the last day of July. I do not know too much about the rice business, but I do know that the new year for rice begins on the 1st of August; and all the training I have had tells me that as we come to the end of a crop year, whether it is in futures or in cash markets, the supplies become a little slim, and prices go up. Therefore, if we provide on the last day of the old crop year that those who are the owners of rough rice shall get 35 percent of parity, it looks to me as though we will have additional trouble.

There are many other things one could say about the bill. I have become very unhappy about a situation of that kind, with all the complications and difficulties of enforcement.

Finally, of course, our whole hope has been to withdraw a few of the Federal controls and to leave agricultural producers with less instruction on the part of the long hand of the Federal Government.

As I envision the administrative machinery necessary to carry out the processing tax which is involved, if this provision should become law, and if the program should be instituted by the Secretary of Agriculture, there will be other complications.

Therefore I wish the Record at least to disclose my observations, and I hope that the Senate in its wisdom will strike out this title. I know that my distinguished friend from Louisiana has labored long and earnestly with the problem. I can understand that. However, this is once more a two-price system. If it starts, then, of course, it can move into any other commodity. Then we will simply be multiplying our problems, rather than dissipating them.

Consequently, while my hopes are not too high that the amendment will prevail, I still believe the record should be

made before our discussions of the bill have been concluded.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Title V as it appears in the bill has been approved by all segments of the rice industry. The rice industry would like to make the two-price plan mandatory. The reason for including this title in the bill was this: Two-price plans have been suggested for the past 15 or 20 years. I had occasion to talk to the Secretary of Agriculture about this subject. Although he did not say he was in favor of a two-price plan for rice, he indicated that since two-price plans have been talked about for so many years, it might be a good idea to try such a plan on a crop which is produced in only 4 or 5 States and by only a few farmers.

The consumer will not suffer, contrary to what was indicated by my friend from Illinois.

Rice would be sold at whatever the market price may be. Assuming that the market price is 65 percent of parity, the millers of the rice purchased at that price would be required to purchase certificates equivalent in value to 25 percent of parity before milling the rice which will be consumed domestically.

Normally, a miller would not have more than 90 percent of parity invested in rice destined for domestic consumption. A farmer, on the other hand, would receive certificates equal to the difference between the support price in effect for that year's rice crop and 90 percent of parity as to that portion of his production which would be consumed domestically.

Mr. President, as I have stated, this authority to inaugurate the two-price plan is discretionary on the part of the Secretary of Agriculture.

Since the bill will be late in its passage, the committee decided that it might not be feasible to attempt to put the two-price plan into operation in 1956, so it voted to give discretionary power to the Secretary of Agriculture to put the two-price plan into effect for 1957 and 1958, or 1958 and 1959.

Mr. President, I hope the Senate will reject the amendment proposed by the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I am sensible of everything that my distinguished friend from Louisiana has said, but I wish to leave this last thought with the Senate.

Whenever we have been discussing an agricultural bill, if, for instance, the Secretary of Agriculture may have said he did not have the requisite authority to act, then, of course, there was an immediate search through the statutes to see whether the authority was there. Then the pressures began.

What we are doing today, if this title is retained in the bill, is to confer authority upon the Secretary of Agriculture and leave it to him whether a two-price program for rice shall be initiated. If, perchance, some difficulties arise with respect to this particular commodity, then all the pressures in kingdom come will be applied to an administrative official of the Government to induce him to place the plan into effect.

I do not believe that is the salutary or happy way to deal with a problem of this kind, because the implications are so great, and the possibilities applying the same principle to other fields are so great, that a two-price system would very probably disorganize and negative everything the Senate is trying to accomplish in the pending bill.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from New Mexico [Mr. Anderson].

Mr. ANDERSON. Mr. President, this is a provision which was placed in the bill because of the feeling of a great many persons that we ought occasionally to try to find new ways of dealing with agricultural surpluses which can get quickly out of line.

The Senator from Illinois very correctly said there was virtually no carryover of rice for many years, but suddenly the carryover went up to 29 million bags.

There is need under certain conditions and with reference to certain commodities for a plan to dispose quickly of surpluses. I have in my own mind wondered whether we could do something about it, and, at the request of the able chairman of the Committee on Agriculture and Forestry, I finally held some hearings with reference to the rice situation. We tried to find a good commodity on which to make the test. If a test is ever to be made of a two-price system I hope it will be made on some commodity like rice which has a relatively small number of producers. It was for that reason that the provision was added to the bill.

I believe the chairman of the committee came to the same conclusion. I hope the provision will remain in the bill. It does not thrust something down the throat of the Department of Agriculture. If the Department finds it desirable to try a two-price system it can try it on the one commodity on which it can be tried without too much damage to the agricultural community.

That is why I voted to put the provision into the bill, but I voted against it as to wheat. Wheat can be grown in many States, but rice can be grown in only a small number of States.

Furthermore, American rice production is approximately 1 percent of the world production. If I am incorrect in that statement, I hope the Senator from Louisiana will correct me. It is about 2 percent of the world production; is it not?

Mr. ELLENDER. It is 1½ percent of the total world production.

Mr. ANDERSON. So, what we do does not affect the world price. It does not destroy the State of Burma, or Thailand, or any other nation. Therefore, Mr. President, I hope the provision will remain in the bill so that the Department can test it and find out whether a two-price system will work on this commodity. If it will, it may work equally well for wheat, and we shall have found a method of handling some of our surplus commodities.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Laird in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. Dirksen]. [Putting the question.] The "nays" appear to have it.

Mr. DIRKSEN. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HICKENLOOPER. Mr. President, I call up my amendment designated "5–16–56–B."

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The Chief Clerk. It is proposed, on page 50, line 22, after the period, to insert the following:

> For the purpose of eligibility for price support on the 1956 crop of corn, a producer may satisfy the requirement that he devote an acreage to the soil bank by entering into a contract under the conservation reserve program prior to December 31, 1956.

Mr. HICKENLOOPER. Mr. President, this amendment was prepared after consultation with the Department of Agriculture in connection with the soil-bank proposal for this year.

I wish to invite attention to the fact that corn is the only one of the basics which is required to contribute a portion of its allotment to the soil bank. Corn has assumed that obligation. However, as the situation now stands, the Secretary of Agriculture is given discretion to determine whether it is feasible to place an acreage reserve program into effect this year with respect to the Corn Belt. There is some question about it. Personally, my inexpert opinion in the matter is that it could be put into effect. There are those who know a great deal more about the subject than I do who feel that it is not feasible to put an acreage reserve program into effect this year for corn.

It will be noticed in the bill—and my amendment does not change it except that it extends the time—that as a condition for eligibility for price support, a producer must do two things: First, he must devote an acreage of cropland tilled in normal rotation, at the option of the producer, and, second, he must not exceed his farm base acreage for corn.

My amendment would not change either of those provisions. He must stay within his farm base acreage for corn. That is number 1. He must devote an acreage to either the acreage reserve or the conservation reserve equivalent to 15 percent of his base acreage allotment. That is number 2.

My amendment is prepared against the possibility that it may not be feasible or practicable to install an acreage reserve program for corn this year. The amendment extends the period during which the farmer can qualify for eligibility for price supports this year, still keeping within his basic corn acreage. He may not exceed that. But the amendment extends to December 31, 1956—this year—the period within which he can enter into a contract to go into the conservation reserve program.

The proposal is this simple: In many places; indeed, on the vast majority of the farms from, we might say, at least the Iowa line, or north from there, and from there southward, the crops are already in. The planting is done. Unless the farmers plow up existing plantings and sustain the loss of their seed, and such other things as have gone into the planting, they may find themselves unable to cooperate in either the acreage reserve or the conservation reserve.

My amendment merely extends the time by contract to the 31st of December. It does not reduce the requirement that the farmers must contribute 15 percent. It does not reduce the requirement that they must remain in their acreage allocations.

Again I point out that corn is the only one of the basics which is not required to contribute to the acreage reserve or the conservation reserve.

I hope the amendment will be adopted as a clarifying amendment. I think it will be very helpful in enabling more farmers to come into the program and contribute the 15 percent in view of the lateness of the season.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The only reason why corn has been singled out as one of the basic crops which must comply with the acreage reserve program is that it is still the season of the year when the crop is being planted, and the farmer can adjust his planting so as to comply. Either he must reduce his acreage planted to corn by 15 percent or he must allow to lie idle an additional number of acres out of his available acreage.

Mr. HICKENLOOPER. That is correct; but I call the Senator's attention to the fact that the bill as it now stands provides that the Secretary of Agriculture shall have discretion as to whether or not he will establish an acreage reserve program for this crop year, because of the lateness of the season and the time when the bill will go into effect. If the Secretary should determine that it is not feasible to establish an acreage reserve program for this year, he will have a conservation reserve program. But there may be some serious complications involved, and some actual deterrents against the farmer complying with his acreage allotment.

The amendment extends the time, in view of the planting season, under which the farmer can contract to go into the conservation reserve on December 31, 1956.

Mr. THYE. This is an important question, because throughout the Corn Belt of the Nation the farmer this week is planting. Many a farmer is trying to ascertain through the channels of radio, television, and the newspapers exactly what Congress has done, and what the farmer may do to qualify himself to become eligible for the program.

It is for that reason that I have asked the questions. I want to make certain that we will help the farmers to adjust their operations to the legislative machinery which we are trying to provide by the bill. If in the event the Secretary of Agriculture were to establish acreage allotments——

Mr. HICKENLOOPER. He will establish acreage allotments, but there is a question——

Mr. THYE. He will because the act makes mandatory 51 million acres.

Mr. HICKENLOOPER. Yes.

Mr. THYE. He has already set the amount at 43 million acres, and the producer has been informed of a number of acres which his farm will be eligible to have planted to corn.

Mr. HICKENLOOPER. Yes.

Mr. THYE. The Senator from Iowa and I are endeavoring to legislate so as to provide a 51 million acre base. That would mean that the permissible acres would be increased by that amount.

The Secretary may state that the farmer would have to allow to remain idle 15 percent of the number of acres planted to corn, if the farmer is to qualify under the acreage allotment and receive the $1.50 ceiling price.

Mr. HICKENLOOPER. The point is that the bill gives discretion to the Secretary and provides that if, in his opinion, an acreage reserve program is feasible, he can put it into effect. Of course, that is where the farmer has underplanted allotted acres. If the Secretary does not think such a plan is feasible, he does not have to put an acreage reserve program into effect, but the conservation reserve program will be in effect.

Mr. THYE. That leaves the Secretary with discretion as to whether he puts the plan into effect with the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. That is the reason why I am stressing the point. I wish to make certain that we ourselves do not legislate without completely understanding the issue and the question, assuming that the Secretary does not put the acreage reserve program into effect. If he does not, then the acreage goes into the other conservation program.

Mr. HICKENLOOPER. That is correct; and in most cases the land which would normally go into the conservation reserve, cropland which has already been planted, is in the process of growing at this time.

Mr. THYE. If that acreage is the acreage designated by the producer to be set aside, in a contract entered into with respect to it, that contract would have to be over a period of how many years?

Mr. HICKENLOOPER. Three years.

Mr. THYE. Not less than 3 years?

Mr. HICKENLOOPER. That is correct.

Mr. THYE. The Senator states that under his amendment the farmer would be eligible to designate acres any time between now and when?

Mr. HICKENLOOPER. December 31, 1956.

Mr. THYE. He would draw his compensation at what time?

Mr. HICKENLOOPER. He would be eligible to draw his compensation under the bill at the time he set the acres aside and began the practices which are called for. That is, he would be eligible for annual compensation at the time he set the acres aside and began the practices which are called for under the contract.

Mr. THYE. And "begin the practices" would mean that the farmer could not take a crop off that land in the calendar year 1956; would it not?

Mr. HICKENLOOPER. Not if he agreed to it immediately. But he would have until December 31 to make a contract. If he waited until that time, the contract would be for the reduction in the next year.

Mr. THYE. That would be for the 1957 crop; therefore, he would get no compensation in 1956.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. However, if the Senate passes the bill today, and if it should become law within the week, then that producer could very well say, "Rather than to plant 15 percent of my tillable land to soybeans, I will let it lie idle and enter into a contract with my Government not to produce soybeans or any other crop on that 15 percent of my tillable land," and he could continue to qualify to plant his full quota of the 51 million acres as will be very soon designated by the State committee and the county committee as his individual quota. He could plant all of that to corn and be qualified to receive the $1.50 commodity loan on the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. For these reasons, I think the amendment offered by the Senator from Iowa is reasonable and fair. It does not advance any money. It permits a farmer, if he desires not to plant soybeans or some other kind of crop, to enter into a contract immediately and to qualify himself for payment this year.

But if his crop is already in, and he wishes to make his plans and to designate them to the Secretary by December 31 of this calendar year, and if he wishes to enter into a long-term contract, it will be permissible for him to do so and still qualify to receive loans upon his full acreage allotment planted to corn.

Mr. HICKENLOOPER. The effect of the amendment will be felt in the event that an acreage reserve program is not established for this particular crop year. The only thing left open would be a conservation reserve program. If the acreage reserve program goes into effect this year, then the farmer would have to underplant his corn acreage if he wanted to go into the acreage reserve program.

Mr. THYE. That is correct.

Mr. HICKENLOOPER. I shall not labor the point. The matter came up yesterday. Really, this is a suggestion of the Department of Agriculture. It is not my original suggestion. I could see the justice of it.

I hope the chairman of the committee will see fit to take this amendment to conference. If there is something wrong with it, it can be rejected in conference. If further examination shows merit and necessity for the amendment, then the conferees may retain it. I believe it has merit. I believe if an acreage reserve program is not considered feasible this year in the Corn Belt, something like this amendment is needed in order to get the necessary acreage into the reduction program.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. THYE. Mr. President, what we want to do is to get as many acres out of crop production in this calendar year as is possible, because what we are confronted with is surpluses. Surpluses are not going to be reduced unless the number of acres which are to be harvested is reduced. If there is provided in a measure an inducement not to plant and not to have the crop to harvest, the overall surplus will be reduced. With the present corn allotment, as provided in the bill, at 51 million acres, and the provision to set aside acres and have them lie idle, and to compensate the farmers for the idle acres, there is a basis for having the feed producer, such as the producer of sorghum grains, barley, rye, and oats, obtain relief. There are going to be considerable acres planted to corn. There are going to be fewer acres planted to barley, oats, and sorghum grains, because the producer of the latter crops has the opportunity under the program to be compensated for the acres he keeps idle.

In this calendar year there can very well be accomplished a very great reduction in the quantity of overall feed grains which will be grown, and at the end of the calendar year there will be a much improved surplus feed or commodity situation in this land.

For that reason, Mr. President, I believe that the amendment offered by the Senator from Iowa will help us to bring about contracts with the Government whereby certain tillable acres will lie idle, which will reduce the overall feed supply or crop supply in the coming calendar year.

I support the amendment.

Mr. ELLENDER. Mr. President, I hesitate to differ with my good friend from Iowa. As he well knows, the committee discussed the question of whether or not there should be advance payments for soil-bank participation. I realize that the amendment which is proposed does not purport to deal with advance payments. As I stated earlier, it is not the purpose of soil-bank payments to increase the income of farmers per se; farmers could obtain the equivalent of those payments by planting their land instead of putting it into the soil bank. Thus, such payments would result in no increase in farm income. Too, if a farmer received a payment in 1956 for soil-bank participation in 1957, the amount of that payment would be subtracted from his 1957 income. The soil bank would permit farmers to take allotted and planted acres out of cultivation; production would thus be reduced—and surpluses reduced.

If the amendment, as suggested, were adopted, what would happen? A grower of corn could plant his base acres. He could use the remainder of his cultivated acres to plant other crops which are now in surplus. As soon as those crops were gathered, he could say, "We will set aside these acres." He could do so anytime before January 1. Certainly, this would not accomplish what we had in mind when we agreed to increase corn acreages from 43 million acres to 51 million acres. We conditioned that 8 million-acre increase upon corn farmers putting the equivalent of 15 percent of their base acreage into the soil bank. Adoption of the pending amendment would simply mean that the farmers of Iowa and the farmers of any other commercial corn-producing State would get a bonanza. This is just a rather concentrated dose of the same kind of favored treatment commercial corn has already received in abundance. It would be possible for a corn farmer to get price support in 1956 by, in effect, merely promising to participate in a 1957 soil bank. He could plant his full corn allotment, plant the remainder of his farm to a secondary crop, harvest and sell that secondary crop anytime before January 1 of 1957, and still get compliance price support. Not an acre would have been taken out of production in 1956.

I submit this is not what was contemplated by the Senate committee. Surpluses cannot be reduced by merely signing a contract to perform some act in the future. A contract should provide that if a farmer desires to place any of his cultivated acres into the soil bank, he must agree not to plant anything on that land—to not produce any feed, or other crop of any kind, in order to make himself eligible for payments.

As I understand the amendment, it would permit the Secretary of Agriculture to consider as taken into the soil bank in 1956 acres that are planted to crops and from which crops have been harvested. The difficulty is that although he does not set them aside, the farmer merely designates them before January 1, 1957 for the soil bank in 1957 he has already produced on those acres a crop which he should not have produced, if the soil bank theory, as I understand it, is to be adhered to.

Mr. President, the House has voted down any proposal which smacks of advance payments. I believe the proposal was not submitted to the Committee on Agriculture and Forestry for the reason that it was known the committee was opposed——

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. HICKENLOOPER. I disagree with the Senator on the matter of the proposal to the Senate committee. The Senator may not have been present at the moment, but I offered in the committee the amendment, which was called the Hope amendment in the House, and which provided for advance payments. I withdrew that amendment, or the offer of it, based on the specific assurance which is contained in the report, not only of the House, but of the Senate, that payments would be eligible, under the language of the bill itself, when the land had been set aside and the practices had been begun—which to me was satisfactory.

Mr. ELLENDER. I did not mean to say that the committee did not discuss the proposal, but what I meant to say was that the committee took no action on it.

Mr. HICKENLOOPER. I agree with the Senator on that phase of it.

Mr. ELLENDER. I apologize if I said anything different; that is the impression I intended to convey. The Senator recalls that we placed language in the report that a farmer would become eligible for payments, under the conservation-reserve program, in cases where he set aside that land but may not have the grass seed to grass the land, or may not have the trees to plant on those set-aside acres.

Mr. HICKENLOOPER. Not alone the conservation acres, but also the acreage reserve.

Mr. ELLENDER. That is correct. It is possible to do that; it is in the report.

Mr. HICKENLOOPER. Yes; it is in the report.

Mr. ELLENDER. I hope the Secretary of Agriculture will be able to carry out both programs in the case of corn; and I think he can to a large extent—provided we get the bill to the President, and provided he signs it, by Monday or Tuesday of next week.

But the point I am raising here is that if we were to adopt this amendment, as I understand it, it would run counter to the soil-bank concept. Under this amendment, a farmer would sign an agreement to set aside acres in the future—acres on which he would now be growing a crop. That is far beyond the concept of the soil bank. It is a concept which, in my humble judgment, is closely related to the advance payment idea which was so objectionable to the House of Representatives, and which certainly should be objectionable to the Senate.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I certainly assure the Senator from Louisiana that it is not my understanding that upon signing a contract, advance payment would be given. I do not think there is in the amendment anything which would result in that. I think the language is still the same—namely, that the land must be set aside and the practices under the contract must be begun before payment can be made. That we agreed to.

Mr. ELLENDER. Yes; but the land could be planted this year, and the crops grown thereon could be gathered, and then the contract could be signed. As I understand the amendment of the Senator from Iowa, that is what it would permit.

I believe that under the language of the bill as it is now presented to the Senate, ample opportunity would be given to any farmer to set aside a given number of acres for the conservation reserve. He could make up his mind now—as soon as this bill passes—to set it aside and not to plant crops on it.

But as I understand the amendment of the Senator from Iowa, a farmer would have until December 31, 1956, to sign the contract, and in the meantime he could put crops on those acres, harvest those crops, and compete with many——

Mr. HICKENLOOPER. But he would not get paid for it.

Mr. ELLENDER. No; he would not get soil bank payments, but he would get increased price support. But why not let the soil bank remain as the committee contemplated; why not have the contract entered into and the support available provided the farmer actually sets aside that land, and provided the farmer does not devote those acres to any crop which will further aggravate our existing surpluses.

I thought the Senator from Iowa was satisfied——

Mr. HICKENLOOPER. This amendment is offered only against the possibility that the acreage reserve may not be feasible this year.

Mr. ELLENDER. I thought the Senator from Iowa was very well satisfied with the language which was placed in the bill. We raised a pertinent question, I may say——

Mr. HICKENLOOPER. I am satisfied with the language in the bill and the interpretation in the report, which I think is clear—at least, to me——

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. But we did leave in the bill provision for the exercise of discretion by the Secretary as to whether the acreage-reserve program would be put into effect this year; and the fundamental reason for that was the question as to whether it would be feasible or workable.

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. I want to get as much acreage committed to either the acreage reserve or the conservation reserve as possible.

Mr. President, I do not care to pursue the amendment any longer; I think all of us understand it.

I merely suggest that the Senator from Louisiana take the amendment to conference; and if in conference, upon study and examination, it is considered that the amendment is not a sound one, the conference committee does not have to accept it. But if upon later examination the amendment is considered to have merit, the conferees on the part of the Senate could insist upon it.

Mr. ELLENDER. Under the rules, if the Senate adopts an amendment, the conferees on the part of the Senate have to strive for its adoption by the conference committee. Personally, as I understand the amendment, I cannot "go" for it; I shall be frank with the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, the Senator from Louisiana has been in the Senate for many more years than I have, but I have seen many, many amendments taken to conference for examination, even though the chairman of the committee has stated that he did not particularly favor the amendment, but stated that he was willing to take it to conference, for study, and to examine it, as to its merits or demerits.

Mr. ELLENDER. Mr. President, if the Senator from Iowa wishes me to take the amendment to conference, for study, I have no objection. But for the Senate to adopt the amendment, with the understanding that the conferees on the part of the Senate would work to have it included in the conference bill, is something else. Personally, I would be opposed to it. I prefer to be frank with my good friend, the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I appreciate the Senator's frankness. He is always frank in stating his position. I am only attempting to say that this matter came up only yesterday evening, as a matter of fact. Frankly, I have not had time to look at all phases of the matter. If there are contingencies——

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER (Mr. Wofford in the chair). The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I have been trying to understand the amendment. I understood that it was a Department of Agriculture amendment. I talked to the Secretary of Agriculture, and I do not believe he is familiar with the amendment.

I have been handed, by the able Senator from Vermont [Mr. Aiken], an explanation which he has received; and I wish to check it with the chairman of the committee.

Mr. HICKENLOOPER. I have an explanation which comes from the Department of Agriculture. I do not know whether the Senator got the explanation from——

Mr. ANDERSON. I got it from the Senator from Vermont [Mr. Aiken], and it is authentic.

Mr. AIKEN. They are identical, and they were given to me by counsel for the Department of Agriculture.

Mr. HICKENLOOPER. Mr. President, I do not know whether the Secretary of Agriculture knows anything about it, but certainly his agents know.

Mr. AIKEN. Mr. President, it is my understanding that the amendment will permit the grower who keeps within his share of the 51 million acreage reserve this year to qualify for the supports if he agrees before December 31, 1956, to put 15 percent of his cropland into the reserve for the next year.

Mr. ELLENDER. Yes; for the following year.

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. But he is permitted to plant that acreage in 1956.

Mr. AIKEN. Up to 51 million acres.

Mr. ELLENDER. As to corn, yes; but he would also be able to plant the land he promises to put in the soil bank to other crops.

Mr. ANDERSON. Mr. President, I wish to say that this amendment, if agreed to, would provide 25 cents a bushel more this year, for something to be done next year.

Mr. ELLENDER. That is right. In other words, it provides for an advance payment.

Mr. HICKENLOOPER. No, Mr. President I do not agree. The farmer will have to keep within his allotment anyway.

Mr. ELLENDER. That is, if he is to receive the $1.50.

Mr. HICKENLOOPER. Yes; but not if he is to receive the $1.25. This is not necessary if he is to receive the $1.25. But it does protect the conservation reserve.

Mr. AIKEN. Under the present law, the farmers would have to reduce to 43 million acres this year. That was increased to 51 million acres, with the understanding that the corn farmers would have to put an acreage equal to 15 percent of that in the soil bank. By means of this amendment, we would give them 51 million acres on which to produce corn, and do nothing about placing acreage in the soil bank this year.

Mr. ANDERSON. That is exactly correct.

Mr. ELLENDER. As a matter of fact, as I have pointed out, the farmer could plant the land and could gather the crop from it, and then could set aside 15 percent of the land from which he gathered the crop in 1956. I find no essential difference between that and an advance payment. It is really an advance payment.

Mr. HICKENLOOPER. I do not agree that it is advance payment. However, Mr. President, I do not care to discuss the matter further. I think the amendment has merit. I hope it can be taken to conference and examined there. If it cannot be, well and good. I am prepared to have the Senate vote now on the amendment, and to yield back the time remaining under my control, if those on the other side are prepared to yield back the time remaining under their control.

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I wish to ask a question of the chairman of the committee. It has been said that the amendment should be taken to conference, and that if in conference there were objection to the amendment, it could be taken out of the bill while the bill was in conference.

But what if the House accepts the Senate amendments, and does not request a conference? In that case, the amendment will be in the bill.

I think the amendment is a dangerous one, because I do not know what it would do to other feed grains. I do not think it ought to be accepted.

Mr. ELLENDER. Neither do I.

Mr. HICKENLOOPER. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. Hickenlooper].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The Chief Clerk. At the end of title 3 it is proposed to insert the following:

WHEAT USED ON FARM WHERE PRODUCED

Sec. 309. That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1955 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm:

"'(2) That such entire crop of wheat is used for seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner, or operator of the farm;

"'(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm.'"

Mr. BYRD. Mr. President, this amendment was adopted by the Senate last year but was not concurred in by the House. It simply provides that when a farmer has excess wheat he may feed the excess wheat on his own farm, or may use it for seed or for any other purpose on the farm. In the valley of Virginia suits have been started by the Department of Justice against certain farmers to fine them because they are using their excess wheat to feed to their own stock.

The purpose of this amendment is to remove any penalty from a farmer who raises excess wheat and feeds the wheat on his own farm.

I believe the distinguished chairman of the committee has indicated that he would accept this amendment, because it was adopted by the Senate last year.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The Senate has had under consideration the same provision in a separate Senate bill, and it was also included in H. R. 12. The Committee on Agriculture and Forestry has passed upon it many times. My good friend from New Jersey [Mr. Smith] had it adopted earlier this year. So far as I am personally concerned, I see no objection to it.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. THYE. If a farmer produces wheat for his own poultry or hogs or dairy cattle, there is no reason in the world why the Government of the United States should in any sense try to dictate to him. If he does not plant the land to wheat he is going to plant it to barley or some other grain which is adapted to the particular area.

I think the amendment is entirely proper. There is no reason in the world why a farmer should not be privileged to seed what he wishes to seed on his own acres, and to harvest the crop and use it on the farm as he sees fit, so long as he does not put it into the channels of the market, or send it to be processed or traded with someone else to replace someone else's wheat. I think the amendment is a good one.

Mr. ELLENDER. As the Senator well knows, the Committee on Agriculture and Forestry has approved this very provision on several occasions, and I do not know of any opposition to it.

I ask unanimous consent that there be printed in the Record at this point as a part of my remarks an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the Record, as follows:

This amendment is identical to S. 46, which was passed by the Senate on March 28, 1955, but which has not been reported by the House Committee on Agriculture. It would exempt wheat producers from marketing penalties, beginning with the 1955 crop, if such producers used the entire crop produced on the farm for seed or feed on the farm. This amendment would be retroactive to forgive claims for marketing penalties under the 1955 crop. A provision similar to this one was included in the Senate amendment to H. R. 12, but was rejected in conference.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ALLOTT. As I understand, the farmer would still have to comply with his allotments, if any.

Mr. ELLENDER. Yes; in order to receive price support.

Mr. ALLOTT. This amendment would apply only to the surplus stored on the farm.

Mr. ELLENDER. It would apply only where the entire wheat production was used on the farm for feed or seed.

Mr. ALLOTT. I wish to associate myself with the remarks of the Senator from Louisiana and the Senator from Minnesota. I think the provisions of this amendment should be adopted.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. Byrd].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, on behalf of my colleague [Mr. Fulbright] any myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The Chief Clerk. On page 34, between lines 4 and 5, it is proposed to insert the following:

SALES OF RICE UNDER PUBLIC LAW 480

Sec. 204. (a) Section 101 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof the following: "The President shall exert every effort to consummate agreements with oriental countries under this session for the sale of rice so long as rice remains a surplus agricultural commodity."

(b) Section 108 of such act is amended by adding at the end thereof the following: "Each such report shall fully describe negotiations for agreements for the sale of rice which have occurred since the last purchase report, and no offer by any country to enter into an agreement for the purchase of rice under this title shall be rejected until the details of such offer shall have been reported to Congress."

Mr. McCLELLAN. Mr. President, the amendment which I have just offered on behalf of my colleague and myself would merely require the President to make every effort, under section 101 of Public Law 480, to consummate agreements with oriental countries for the sale of surplus rice for foreign currency.

Section 101 of Public Law 480 authorizes the Secretary to enter into such agreements. This amendment would urge him to do so. It is our understanding that the State Department is currently holding up such an agreement, and this amendment would encourage prompt consideration of that agreement.

I have been asked whether it is mandatory. It is not mandatory. It is merely an expression of urgency in an effort to try to consummate these agreements. The amendment would also require the President to include in his reports to Congress the facts concerning negotiations for agreements for the sale of rice, and to withhold the rejection of any country's offer to purchase rice until the details of such offer could be reported to Congress. I trust the amendment will be accepted. I have made the explanation of it according to the information I have received from the committee as to what the effect of the amendment will be.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ALLOTT. Without any commitment as to my position on the amendment, I should like to invite the Senator's attention to the last page of the amendment on page 2, starting in line 2, apparently something has been omitted, because the last sentence does not make sense as it now reads. It reads: "and no offer by any country shall enter into an agreement for the purchase of rice," and so forth. An offer cannot enter into an agreement.

Mr. McCLELLAN. I believe that should refer to a country entering into an agreement. I ask unanimous consent to strike out the word "shall" in line 3 of page 2 of the amendment, and to substitute the word "to." That part of the sentence would then read: "and no offer by any country to enter into an agreement for the purchase of rice under this bill shall be rejected," and so forth. I so modify my amendment, Mr. President.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

Mr. ELLENDER. Mr. President, I should like to ask a question of the distinguished Senator from Arkansas. Am I to understand that under the proposed section 204 (b) any agreement entered into between the President and any foreign government would have to be submitted to Congress, and no action could be taken on it unless Congress passed upon it?

Mr. McCLELLAN. No; that is not correct. It provides that each report the President submits in connection with the negotiations shall describe the negotiations for agreements, and no offer by any country to enter into an agreement shall be rejected until the details of the offer shall have been reported to Congress.

Mr. ELLENDER. Does that not in effect give Congress the veto power in such negotiations?

Mr. McCLELLAN. No; it does not give any veto power to Congress. The power to reject is still vested where it is now, except that the details of an offer shall be reported to Congress, so that Congress may have information about the offer. Congress cannot veto it. It only gets a report.

Mr. ELLENDER. But it would give the Congress an opportunity to take legislative action, if it thought that necessary. I wonder whether the Senator would be willing to modify his amendment to make it more or less a directive to the President to dispose of this rice, and to strike out section 204 (b). I am afraid it might cause difficulty in the House, thus raising the possibility of delay in enacting farm legislation.

Mr. McCLELLAN. I may say to the distinguished Senator that the amendment as proposed, in subsection "a", makes it an urgent request to the President.

Mr. ELLENDER. I understand there is not much objection to that part of the amendment, but subsection "b" is the one to which I have heard determined opposition expressed.

Mr. McCLELLAN. I ask my good friend to take the amendment to conference and there give it further study.

Mr. ELLENDER. We are hopeful that it may not be necessary to have a conference on the bill, so that it may be enacted promptly without too much delay. That is the primary reason I ask the Senator to delete the second paragraph.

Mr. McCLELLAN. I will say to my good friend that that is a very optimistic hope.

Mr. ELLENDER. That may be; but it is possible that the bill may be enacted without a conference. If the Senator will simply make his amendment a directive to the President to make every effort he can to sell the surplus rice, and eliminate section 204 (b) I believe he would increase the possibility of the bill not having to got conference.

Personally, I am in full accord with the Senator's view that as much rice as can be sold abroad should be sold. I think the administration has been dragging its feet in this matter, but—in all due regard to the Senator—I urge him to modify his amendment so as to increase the possibilty of this bill not having to be sent to conference.

Mr. McCLELLAN. Of course, I wish to cooperate. I know the Senator is aware of that fact. If he believes the bill will not go to conference, and if he believes it will help to get the bill through if I modify the amendment, of course I shall be happy to modify it. I am sure the Senator knows the conditions with respect to our rice surplus and how they have been aggravated, and the urgent necessity of trying to dispose of the surplus.

We have seen instances in connection with amendments to the bill of a department of Government apparently pretty well dictating the policies of this country with respect to foreign trade. I have had a little experience along that line recently in the course of my committee's investigations. I should like to have Congress make some expression in this regard, and I hope the Senator will take the amendment to conference.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HICKENLOOPER. Did I understand the Senator to modify his amendment with respect to subsection (b)?

Mr. McCLELLAN. No; I have not modified it as yet in that regard. I pointed out that the provision is not mandatory. I said that Congress does not have a veto power under that subsection.

Mr. HICKENLOOPER. I shall wish to say something about that point a little later. However I suggest that beginning in line 4 on page 1 the Senator amend the sentence so to provide that the President shall exert every reasonable and proper effort, instead of the present language. The words "shall exert every effort" are rather inclusive and mandatory. It would seem to me that the President, under that language, would have to employ the whole machinery of Government if he were to make every effort. It would appear to me that every possible effort would encompass every phase of the Government.

Mr. McCLELLAN. I believe that in the accepted use the term "every effort" it is understood that the purpose is to urge the President to make every reasonable effort, of course.

Mr. HICKENLOOPER. If the Senator were to provide that the President shall make every reasonable effort, that would be all right, I believe.

Mr. McCLELLAN. I should think the words there would have that connotation. There is no other intention of course.

Mr. HICKENLOOPER. The words in the language now in the amendment are subject to the interpretation I have suggested.

Mr. McCLELLAN. If the Senator from Iowa would agree to the amendment with that modification, I would have no objection to modifying the language to read that the President shall make every reasonable and proper effort in that connection.

Mr. HICKENLOOPER. I believe that that comes very much closer to what I consider the Senator's intention to be.

Mr. McCLELLAN. Of course, the President does not have to make other than a reasonable and proper effort. That seems to be implied.

Mr. HICKENLOOPER. I wish to discuss the latter part of the amendment also.

Mr. McCLELLAN. Then I shall wait with my modification until the Senator has made his remarks.

Mr. AIKEN. I do not believe that the Senate should accept this amendment. It directs the President to do what the Secretary of Agriculture is already doing. This spring we sold about 10 million hundredweight of rice to Indonesia and Pakistan. There is a report current that India is in the market for a great deal of rice. I do not understand that to be the fact. I understand that India is in the market for other commodities, but that it can purchase rice from neighboring Asian countries.

Mr. LANGER. Our Ambassador to India, Mr. Cooper, said that India is in the market for wheat and cotton.

Mr. AIKEN. Yes; for wheat and cotton, and also for dairy products. I believe some people have the mistaken idea that we can sell India some rice, when, as a matter of fact, if I am correctly informed, the Indians do not want to buy our rice, but want to trade with the neighboring countries of Burma and Thailand in order to get their rice.

Furthermore, Mr. President, the second part of the amendment, stating that no offer by any country shall be rejected until the details of such offer shall have been reported to Congress, makes Congress the arbiter of every proposed deal where there may be a little difference of opinion as to the price.

I do not believe Congress wants to make the determination of whether an offer for the purchase of rice from some Asiatic country, which might involve a great many technical details, shall be accepted or not. I do not believe we want to place Congress in that position.

Why should we instruct the Secretary to do what he is already doing? He sold almost all the rice the Commodity Credit Corporation had, until the receipt of the new crop.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. ANDERSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. Sales of rice to oriental countries have to be made under one section of an act. Suppose someone offered cash? I do not quite understand the purpose of the amendment. It provides clearly that it must be done under the soft-currency section of the trade act. I do not understand it Mr. President.

Can the Senator from Arkansas explain to me why we want to bar a country from paying us dollars, if it can do so?

Mr. McCLELLAN. Mr. President, we do not bar them any more than we did in the original act. It is in furtherance of the policy in the original act.

Mr. ANDERSON. But the President is supposed to exercise every effort——

Mr. McCLELLAN. To carry out the policy set forth in the original act.

Mr. ANDERSON. But the particular section of the act to which the Senator has reference provides for soft-currency sales. Why do we want to do it under that section in preference to sales for dollars or sterling?

Mr. McCLELLAN. That is a part of the policy of the act to which this is an amendment. The act declared it to be the policy of Congress to expand international trade between the United States and friendly nations and facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, and to make maximum use of surplus agricultural commodities in furtherance of the foreign policy of the United States; also to stimulate and to facilitate the expansion of foreign trade in agricultural commodities produced by the United States by providing means whereby such surplus agricultural commodities in excess of the usual marketing of such commodities may be sold through private trade channels and foreign currency accepted in payment.

Mr. ANDERSON. This is the soft-currency section of the trade act. Suppose someone wanted to buy some commodity for hard currency.

Mr. McCLELLAN. There is nothing to prevent selling for cash. The original act does not say that a sale cannot be made for American dollars.

Mr. ANDERSON. It provides for soft currency or giveaways.

Mr. McCLELLAN. Where we cannot sell for cash. That is the whole purpose of it. We can sell for American dollars, but the purpose is to try to get rid of the surplus, and, in this instance, to get rid of it for soft currency if we cannot get rid of it otherwise.

Mr. ANDERSON. If it said "If we cannot get hard currency"——

Mr. McCLELLAN. This does not say that.

Mr. ANDERSON. It says:

> The President shall exert every effort to consummate agreements.

Under this section——

Mr. McCLELLAN. Section 101.

Mr. ANDERSON. That is the soft currency section.

Mr. McCLELLAN. That is correct.

Mr. ANDERSON. But, why?

Mr. McCLELLAN. Because he will not be able to get rid of the surplus for hard currency.

Mr. HICKENLOOPER. Mr. President, does the Senator from Arkansas modify his amendment as suggested a few moments ago?

Mr. McCLELLAN. Mr. President, I am willing to modify it if I know the amendment will be accepted. I do not like to eliminate anything unless I receive something in return.

Mr. President, I am perfectly willing to offer the modification. I think the first part of the amendment should be modified by inserting in line 5, after the word "every" the words "reasonable and proper."

I think that is a proper modification. I hope the amendment will be accepted.

I further modify the amendment, Mr. President, by withdrawing subsection (b). With those modifications, Mr. President, I trust the amendment will be accepted.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Arkansas. [Putting the question.]

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested.

On a division, the amendment was rejected.

Mr. CHAVEZ. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 49, between lines 8 and 9, it is proposed to insert the following:

> VIRGINIA AND VALENCIA-TYPE PEANUTS
>
> SEC. 408. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows: "The Secretary is authorized and directed to increase the allotment for any State producing Valencia- or Virginia-type peanuts upon the written request of one or more processors within such State if such processors provide the Secretary with such assurances as he may deem necessary that the peanuts produced on the additional acreage requested will be purchased by such processor or processors at not less than the parity price."

Mr. CHAVEZ. Mr. President, an amendment similar to this was adopted by the Senate when the last farm bill was passed. It has for its purpose protecting the acreage of those States—and there are about 10 of them—which have less than 10,000 acres of peanuts in production. They are States like New Mexico, Texas, and even Virginia.

This type of peanut is very limited in its acreage. The amendment provides that the acreage which those States now have shall not be reduced any further. It used to be that New Mexico had as much as 12,000 acres. Now it has 5,600 acres. We should like to have the amendment agreed to because we want to protect the 5,600 acres.

I hope the chairman of the committee will take the amendment to conference.

Mr. ELLENDER. Mr. President, an amendment similar to the amendment which has been offered by the distinguished Senator from New Mexico was adopted by the Senate and made a part of H. R. 12, but it was eliminated in conference. A while ago, the Senator from New Mexico spoke to me about the amendment. I told him that the House conferees were against this provision, but that so far as I was concerned I would leave the question to the Senate. I doubt, however, that the amendment could be retained in conference, if we have a conference.

Mr. CHAVEZ. I know the Senator from Louisiana will do his utmost on behalf of the amendment. That is all I can expect.

Mr. ELLENDER. There has been a widespread expression of opinion by many Senators that the bill should not be overloaded with amendments, so as to perhaps avoid the necessity of a conference.

Mr. CHAVEZ. I think the protection of 5,600 acres of peanuts in my State is extremely important.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back the remainder of his time?

Mr. CHAVEZ. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated "5–17–56—J" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 56, beginning with line 16, it is proposed to strike out down to line 8 on page 58.

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 8 minutes.

The amendment strikes out all of section 402 of H. R. 10875, relating to "Forest products; price reporting; research."

Section 402 would authorize the Secretary of Agriculture to:

First. Establish a system of price reporting in the marketing of such products;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

Mr. President, the authorization to do all of these things has been in the hands of the Secretary of Agriculture for more than 25 years. Making it compulsory that these things be done will require thousands of woodlot and forest owners, loggers, and forest mills to file a set of Government reports at least four times a year.

In my remarks made on the floor on March 15, 1956, I included a list of current sources of information on this subject. I shall not take the time of the Senate to read those sources now, but I refer Senators to page 4818 through page 4823 of the Record of that date.

Mr. President, I ask unanimous consent that for the convenience of the Senate the discussion of the amendment appearing on those pages of the Record may be printed at this point in my remarks.

There being no objection, the matter was ordered to be printed in the Record, as follows:

Mr. Martin of Pennsylvania. Mr. President, I call up my amendment designated -7-56-N, which I ask to have read.

The Presiding Officer. The clerk will state the amendment offered by the Senator from Pennsylvania.

The Legislative Clerk. On page 48, beginning with line 3, it is proposed to strike out over through line 20 on page 49, as follows:

"FOREST PRODUCTS; PRICE REPORTING; RESEARCH

"Sec. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

"(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

"(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

"(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

"(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

"(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary."

Mr. Martin of Pennsylvania. Mr. President, I suggest, if it be possible to do so, that the junior Senator from Minnesota [Mr. Humphrey] be notified that my amendment is under consideration, because I know he is interested in opposing the amendment.

The Presiding Officer. The junior Senator from Minnesota will be so notified.

Mr. Ellender. I have sent for him.

The Presiding Officer. How much time does the Senator from Pennsylvania yield to himself?

Mr. Martin of Pennsylvania. I yield myself 15 minutes, although I do not think I will require that amount of time.

Mr. President, this amendment proposes to strike out all of section 602 of S. 3183, entitled "Forest Products; Price Reporting; Research."

Section 602 would authorize the Secretary of Agriculture to—

First. Establish a system of price reporting on forest products and sales of standing timber;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

I oppose this section for two very fundamental reasons:

First, because none of these proposals will provide any immediate or long-term benefits to farmers.

Second, because section 602 is unnecessary, as Congress has already given the Secretary of Agriculture authority to perform the work provided in this section.

The Secretary of Agriculture has had this authority for years—in the Organic Act of the Department of Agriculture of 1862, in the McSweeney-McNary Forest Research Act of 1928, and the Research and Marketing Act of 1946. Section 602 implies that farmers and other sellers of forest products cannot get prices or price information on forestry products. This is not the case.

Many States already provide information on markets and prices for forest products. For the other States there is ample authority for cooperative agreements between such foresters and the Secretary of Agriculture to provide needed information.

Economic information regarding forest products, and research to develop methods for accumulating market information, is already being done. There is no useful purpose for duplicating authority or by compelling the Secretary of Agriculture to act when a more efficient action is being and can be taken by the States, in cooperation with the Secretary of Agriculture, if the States so desire.

I have in my hand more than two dozen references to reports and publications which represent a small sample of the coverage of this field.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, a listing of these publications and sources of information on the prices of forest products.

There being no objection, the listing was ordered to be printed in the Record, as follows:

"LISTING OF SOURCES OF INFORMATION ON FOREST PRODUCTS PRICES

"From the forest products industry

"1. All farmers or other sellers of forest products may at any time learn the prices offered for forest products which they have to sell from any buyer, dealer, pulp mill, sawmill, or other user of forest products if the latter is in the market and within an economical shipping range. Many mills post their prices in newspapers, magazines, over the radio, mail out notices periodically, and otherwise make known to all who might be interested in their prices, specifications and needs as to volumes of forest products.

"2. Prices for pulpwood, logs, and lumber are from time to time published in industrial trade journals which reach in turn many branches of the United States Forest Service, and State forestry and extension services who have various publications or means of getting this information to farmers and other sellers of forest products.

"3. Examples of articles or tables of prices printed in trade journals are as follows:

"A. Page 98, Pulp and Paper magazine, May 1955: Pulpwood Prices in Lower Columbia River Area; Pulpwood Prices in Lake States; Trends in Prices of Southeast Pine.

"B. Page 172, the Lumberman, 1955 Forest Industries Yearbook number: Volume and Value of Timber Cut, According to Product, Southern Forest Region, July 1, 1953, to June 30, 1954. Page 173, Volume and Value of National Forest Timber Cut, 1905–54. Page 176, Comparison of Average Stumpage Prices, 1954, Forest Service Region 6; Volume and Value of Timber Cut From Department of Interior Lands. Page 178, Comparison of Average Appraised and Bid Prices for Major Species, Region 5; Comparison of Average Stumpage Prices, 1954, Forest Service Region 1. Page 179, Comparison of Stumpage Prices, Eastern Forest Service Region, 1954.

"Page 180, Average Stumpage Prices, Southwest Forest Region, 1954. Page 183, Southern Pine Stumpage Prices, 1953–54, for Forest Service Region 8 (all species of southern pine timber included together). Page 184, Comparison of Average Stumpage Prices, 1954, Forest Service Region 3; Comparison of Average Stumpage Prices, 1954, Forest Service Region 4. Page 183, Southern Pine Stumpage Prices, 1953–54, for Forest Service Region 8 (all species of southern pine timber included together).

"C. From compilations of Southern Pine Association, New Orleans, La. (source: U. S. Forest Service, Atlanta, Ga.); Southern Pine Stumpage Costs Based on National Forest Timber Sales—1953.

"D. Page 98, the Timberman, February 1956, Log Prices Hold at Previous Levels.

"E. Pages 134–135, the Lumberman, September 1955; Log and Lumber Prices.

"From extension foresters, State forestry colleges or departments

"All State extension forestry departments, State forestry departments, forestry and agricultural schools and colleges have some of the most significant data on hand concerning prices of forest products or are in a position to advise farmers how to get prices. Some States issue periodic reports or occasional bulletins in this field, such as—

"A. Wisconsin Forest Products Price Review; compiled in the extension forestry office, College of Agriculture, University of Wisconsin, under the supervision of Fred B. Trenk, extension forester, the district foresters of the Wisconsin Conservation Department, and the wood-using industries cooperating.

"B. Forest Market Report, 1952; extension service in agriculture and home economics, University of New Hampshire, in cooperation with the State forestry and recreation commission.

"C. Marketing Woodlot Products in the State of Washington; institute of forest products, department of conservation and development, 303 Anderson Hall, University of Washington, Seattle, Wash.; Bulletin No. 15, 1954.

"The United States forest experiment stations are constantly making studies, doing research and issuing reports, notes, and advice to farmers and other forest owners. Examples of some of their work in this field are:

"A. Southeastern Forest Experiment Station, Asheville, N. C.; Trends in the Price of Southeastern Pine Pulpwood, 1938–52.

"B. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 57, Pine Sawtimber Stumpage Prices in South Carolina, 1948–54.

"C. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 43, Pine Sawmilling Costs by Log Size.

"D. Pulpwood and Log Production Costs in 1945 as Compared With 1940; R. P. Reynolds, forest economist, Southern Forest Experiment Station.

"E. Pulpwood Production Costs in Southeast Arkansas, 1950; Southern Forest Experiment Station.

"F. Cost of Producing Pulpwood on Farm Woodlands of the Upper Connecticut River Valley, United States Department of Agriculture, Northeastern Forest Experiment Station, Yale University.

"From United States Forest Service, Washington, D. C.

"For years the United States Forest Service has been making special studies and issuing technical bulletins such as TB No. 626, Stumpage Prices of Privately Owned Timber in the United States (July 1938).

"It used to issue each year a statistical bulletin entitled 'Stumpage and Log Prices.' These were compiled from questionnaires sent to thousands of buyers of forest products and worked in cooperation with the Bureau of the Census. This series came out annually from 1928 to 1948 except for a few years. The service still collects information of this type quarterly but it no longer publishes these bulletins which could in the past be obtained free or at a nominal charge by farmers or others interested. The service does not need any authorization to publish these bulletins, and should resume this service to tree farmers, foresters, and all buyers and sellers of forest products.

"From United States Bureau of the Census

"Some figures on the prices paid or costs of pulpwood, sawlogs, and other forest products are collected and issued periodically in the United States Census of Manufacturers. These figures are, of course, available to all the previously listed sources of information that are in a position to get this to tree farmers, foresters, and others concerned."

Mr. Martin of Pennsylvania. Mr. President, the essentials of section 602 were contained in S. 2105, a bill introduced by my distinguished colleagues, the Senator from Minnesota [Mr. Humphrey], the Senator from Oregon [Mr. Neuberger], and the Senator from Alabama [Mr. Sparkman], in the first session of this Congress. Without public hearings having been held, we now find the terms of S. 2105 appearing as section 602 of S. 3183.

I am sure the matter was discussed in committee, but those who would object to section 602 have not been given an opportunity to be heard.

It is strongly suggested that the purpose of section 602 (d), calling for a study, is a prelude to "recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices on such products."

Mr. President, we are all interested in farm legislation, and we should concentrate on a solution of the problem of farm products prices and the increasing farm surpluses. I am opposed to extending this to forest products.

I realize that the reference to parity prices is not in section 602 now, but the study contemplated is still called for.

We should see that this proposal, involving additional Federal expenditures and costly, unnecessary reports, in a field that has little bearing on the farm problem, should have a full and complete hearing.

Mr. Anderson. Mr. President, will the Senator yield?

Mr. Martin of Pennsylvania. I yield.

Mr. Anderson. Did I understand the Senator to say the text of S. 2105 was in section 602 of the pending bill?

Mr. Martin of Pennsylvania. Yes. I think that is correct.

Mr. Anderson. Is the Senator aware that S. 2105 was very drastically changed by the Committee on Agriculture and Forestry, and that what the Senator has been talking about is something that is not in that bill?

Mr. Martin of Pennsylvania. I beg to disagree with the distinguished Senator from New Mexico. It does call for making these reports.

Mr. Anderson. What is wrong with the making of a report?

Mr. Martin of Pennsylvania. Referring to my own State, half of Pennsylvania is covered with woodland. Owners are now cutting second growth timber for pulpwood and chemical wood, and those small owners do not want to be worried with having to make these quarterly reports.

Mr. Anderson. The Secretary is the one who is going to make the reports, is he not?

Mr. Martin of Pennsylvania. How will he get the information if he does not get it from the owners?

Mr. Anderson. Subsection (d) of section 602 of the bill provides:

"The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products and within 2 years thereafter he shall report thereon to the Congress."

Does the Senator object to that?

Mr. Martin of Pennsylvania. Mr. President, I have great confidence in the Senator from New Mexico, but I do not see how the making of such reports would be of any advantage to the owners of these small tracts of woodland which exist in many places in the United States. That is becoming quite an industry. In my own State farmers farm their land during the agricultural season, and in the wintertime they cut timber for pulpwood and chemical wood. It used to be done for pit posts, but such use has been supplanted by steel. I think the making of the reports is an unnecessary expense to such owners. I do not see how it will be of any advantage, as far as the farm bill is concerned.

Mr. Anderson. May I say to the able Senator that timber is still a crop in many areas, and, therefore, is part of a farm bill. The committee from which the bill has been reported is the Senate Committee on Agriculture and Forestry, and it seems to me that forestry is a part of the activities of the committee and that it belongs in a farm bill.

I believe what the Senator has been objecting to is something that was in S. 2105, but it was eliminated from the bill when it was before the Committee on Agriculture and Forestry. I have in my hand a copy of S. 2105, which the Senator has the privilege to examine, if he wishes. The language in it was that the Secretary of Agriculture should collect all that information, and make his recommendations as to an appropriate formula for the establishment of parity prices for such products.

That is what stirred up all the protests from the sawmill operators, but when the language was changed by the Committee on Agriculture and Forestry so it bore no relationship to that, I understand all those people withdrew their opposition to it.

I am not sure the Senator from Pennsylvania has the latest information on the bill, because when we eliminated the provision requiring the persons affected to submit a report, the forest people agreed to it. I know the able chairman of the committee, the Senator from Louisiana [Mr. Ellender] had protests from his State, but when the forest people found out that language had been eliminated, they agreed that the bill was satisfactory.

I wondered if there are operators in Pennsylvania who object to the Secretary of Agriculture's making the report. We have taken out of the language the provision that the sawmill operators, generally speaking, objected to, and that was arriving at a parity formula.

Mr. Martin of Pennsylvania. I agree fully that this is a matter for the Committee on Agriculture and Forestry, because forestry, particularly what we in our State call small woodlots, is a very important segment of agriculture. In my own State there is a payroll in the forestry industry which amounts to about a half million dollars. It has really become a big business. As I stated a moment ago, half of Pennsylvania is covered with woodland. With the exception of probably 10,000 acres, the timber is all second growth. Our people feel this is just a step for requiring a quarterly forestry report, which will require a great deal of effort. Farm people do not have the clerical help to make reports of this kind.

In addition to that, it seems to me it involves an additional expense. It probably means that the Secretary of Agriculture will have to have a payroll for additional employees.

Mr. Humphrey. Mr. President, will the Senator from Pennsylvania yield to me?

The Presiding Officer (Mr. Bible in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. Martin of Pennsylvania. I am glad to yield.

Mr. Humphrey. I think my good friend, the Senator from Pennsylvania, has already made the point that—as has already been pointed out—the language to which we are now referring is not the language of the bill (S. 2105), to which there was objection. Instead, the Senator from Pennsylvania is speaking of the fear that these farmers will have to do considerable clerical work in making the reports.

However, if the Senator from Pennsylvania will note subsections (b), (c), and (e) of section 602 of Senate bill 3183, the pending bill, as those subsections appear on pages 48 and 49, he will note in subsection (b) a provision that—

"The price supports made by the Secretary * * * shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate—"

And so forth. Then in subsection (c), we find that—

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

So the entire purpose here is, as has been stated by the Senator from Pennsylvania in the course of his own argument, to provide to the very large number of small-timber farmers, accurate economic and statistical information in regard to current price trends. Throughout the Nation there are thousands and thousands of timber farmers who have no means at all of knowing what the overall market price for various types of timber is unless they obtain that information from the large timber companies. It seems to me that when statistical information is being presented by the Department of Agriculture in regard to practically every commodity one can think of, except timber——

The Presiding Officer. The 15 minutes yielded to himself by the Senator from Pennsylvania have expired.

Mr. Humphrey. Mr. President, will the chairman of the committee yield some time to me?

Mr. Ellender. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The Presiding Officer. The Senator from Minnesota is recognized for 5 minutes.

Mr. Humphrey. I thank the Senator from Louisiana.

Mr. President, it appears that, because of the very lack of such information, there is need for the compilation of such statistical and economic reports.

The language of Senate bill 2105, to which there was some objection, required that the Secretary set up a formula for a parity-price structure. But that language has been stricken from the pending bill, Senate bill 3183.

The only purpose at all in this case is to give timber farmers a chance to market their products under conditions under which they will know what the going market price is, rather than to have to have the big lumber companies say to them, "This is the price." No one in the world would want to operate on such a basis. The Department of Agriculture, the Department of Labor, and the

Department of Commerce prepare statistical material on practically every conceivable subject, save timber.

Mr. Flanders. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. Martin of Pennsylvania. I am glad to yield.

Mr. Flanders. The Senator from Pennsylvania has described a forest situation which seems to me to be almost a duplicate of that existing in my own State.

What I do not understand is why that is not an argument for having price reports from the Department of Agriculture, for somewhat the reasons as those stated by the Senator from Minnesota. I do not know what the purchasers of lumber in my State think about the matter; but I feel very safe in saying that the producers of lumber from small tracts would strongly welcome such price reports, and would be grateful for them.

I hope we shall not make it impossible for them to take advantage of such reports.

Mr. Martin of Pennsylvania. In answer to the distinguished Senator from Vermont, let me say that before he entered the Chamber, I submitted a long list of places in various parts of the United States where that information can be obtained. I have not received any complaint from a single small woodlot owner in my State that he has not been able to secure this information. But I have received a considerable number of complaints that they are fearful that they may be required to make quarterly reports, and that this provision will be the first step in requiring them to do so.

Mr. Humphrey. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. Martin of Pennsylvania. I am glad to yield.

Mr. Humphrey. In view of the market quotations the Department of Agriculture issues on milk products, on cereal grains, and fruits and vegetables, and on practically every other commodity one can think of, I think it is fair to say that the farmers themselves are not required to make quarterly reports.

Generally, there is cooperation by the local State marketing services, along with whatever Federal agencies may be operating in the area—and with all of them directing their activities to the study of these particular commodities, and working in cooperation with the Department of Agriculture. I know that is the situation in our State, and I am sure it must be a rather universal situation—namely, that a State agency works with the Federal agency, in connection with these marketing reports.

Mr. Aiken. Oh, yes. So far as I know, all the State agencies favor the issuance of this information. As I understand, the Forest Service now has authority to issue most of the reports contemplated by the section, but it never has had appropriations with which to do the work.

The original proposal of the Senator from Minnesota contained a proviso for establishing parity prices for forest products. I think it would be almost impossible to do so, because 1 stand of timber might be worth $25 a thousand, and an identical stand only a mile away might not be worth $10 a thousand on the stump, because of the terrain.

Mr. Humphrey. As in the case of many proposals, when we get them under the light of examination, we find their weaknesses.

Mr. Aiken. Yes.

Mr. Humphrey. "So we withdrew that provision; and the bill does not now contain any direction at all for the establishment of parity prices for forest products. But the bill does contain a direction for the issuance of marketing reports, in the provision on page 49 that—

"The Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

The Presiding Officer. The time of the Senator from Minnesota has expired.

Mr. Ellender. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

The Presiding Officer. The Senator from Minnesota is recognized for 5 minutes more.

Mr. Humphrey. Mr. President, I merely say that we are here dealing with two features of the bill. One of them calls for the preparation and issuance of marketing reports; the other relates to the stimulation of research and investigation—and I now read from the provision—"to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting, and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

It seems to me that part of the bill has great economic value.

Mr. Ellender. The Senator from Minnesota is referring to section 601 and section 602 of the bill, in title VI, beginning on page 46—the section relating to reforestation programs, is he not?

Mr. Humphrey. That is correct. That is the proposal the Senator from Vermont sponsored—a proposal which I believe is long overdue; and I believe it may amount to one of the greatest advances in forestry that has been made in years. I refer particularly to section 602, under the heading "Forest Products; Price Reporting; Research." It deals with the marketing of forest products.

Mr. Martin of Pennsylvania. My amendment proposes that all of section 602 be stricken from the bill.

Mr. Humphrey. Mr. President, the Senator from Pennsylvania and I have had some personal conversations about this subject.

Let me say, in passing, that I have just left the Senate restaurant, to return to the floor; and I left at my table in the restaurant a platter of wonderful roast beef. It is unfortunate to have to do that.

Mr. Martin of Pennsylvania. I am very sorry that occurred.

Mr. Humphrey. However, let me say that I think the Senator from Pennsylvania and I understand each other's positions now, particularly in light of the original proposal contained in Senate bill 2105, requiring the Secretary to set up a formula for a parity price structure. That provision of Senate bill 2105 has been deleted from the bill which now is before us; but the pending bill—S. 3183—still contains the provisions to which we have just referred, namely, those dealing with price reporting and research in the case of forest products.

I have received telegrams and letters on that subject; and I have replied that the language calling for a formula for a parity-price structure for forest products has been eliminated from this bill, and that in the pending bill we have included provision for the minimum which should be done, namely, bringing up to date the reporting services of the Department of Agriculture. I hope that provision will be left in the bill.

Mr. Martin of Pennsylvania. Mr. President, I may say that the principal objection I have received to this part of the bill comes from our Pennsylvania Department of Forests and Waters. It claims that it already is giving this kind of service; and it says that this section of the bill will call for a duplication and for an additional payroll on the part of the Federal Government which will be unnecessary.

Mr. Anderson. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. Martin of Pennsylvania. I yield.

Mr. Anderson. Did I correctly understand the Senator from Pennsylvania to say that the Pennsylvania Department of Forests and Waters has been making a study of price trends and relationships for basic forest products, such as is mentioned in section 602 of the pending bill?

Mr. Martin of Pennsylvania. That is correct.

Mr. Anderson. Has that department published anything on that subject.

Mr. Martin of Pennsylvania. It has issued bulletins; and any citizen of the Commonwealth has a right to get in touch with our department of forests and waters. That department has been doing this work for several years.

Mr. Anderson. It has been issuing reports on price trends?

Mr. Martin of Pennsylvania. It studies all such matters, including the matter of additional output for forest products.

Mr. Anderson. Does the Senator from Pennsylvania happen to have one of that department's reports with him?

Mr. Martin of Pennsylvania. I do not, I am sorry to say.

Mr. Anderson. It has been a well-kept secret.

Mr. Martin of Pennsylvania. It has not been in Pennsylvania.

Mr. Cotton. Mr. President, will the gentleman from Pennsylvania yield to me?

Mr. Martin of Pennsylvania. Mr. President, I yield myself 5 additional minutes.

I now yield to the Senator from New Hampshire.

Mr. Cotton. Mr. President, I wish to say to the Senator from Pensylvania that I desire to associate myself with him, in support of his amendment.

In my State we have a pulp and paper industry which has been struggling to hold its own for a long period of time. If section 602 means anything, if it has any force or effect, it will lead to the establishment of the kind of reporting service and the kind of investigating service which will mean the requirement of reports and statistics to satisfy every snooper who comes along to get statistics on everybody's business.

My people are extremely apprehensive, not with respect to what section 602 provides on the face of it today, in this measure, but what it may lead to. If it is as innocuous as I am sure it is believed by its proponents to be, the service and the information can readily be obtained by the Department of Agriculture without the authority proposed to be written into this farm bill. If it has any force or effect, it may lead to all kinds of reports.

My people would have desired to appear before the committee with regard to this section if they had been given the opportunity. While I am sure that this provision was placed in the bill with perfectly good intent, I must commend the Senator from Pennsylvania for his amendment.

I think section 601 is thoroughly justified. In view of the fact that section 602 was not placed in the bill as the result of hearings, and in view of what it may lead to, I think section 602 could well be deleted without unduly weakening the effect of the bill.

Mr. Anderson. Mr. President, will the Senator from Pennsylvania yield so that I may ask the Senator from New Hampshire a question?

Mr. Martin of Pennsylvania. I yield to the Senator from New Mexico.

Mr. Anderson. Section 601 was also placed in the bill without hearings. Would not the Senator like to strike that too?

Mr. Cotton. No.

Mr. Anderson. That gives the State something.

Mr. Cotton. If something good is in the bill without hearings, I am for it. But if I am afraid of something in the bill, which has been placed there without hearings, I am against it.

Mr. Ellender. Mr. President, I yield 3 minutes to the distinguished Senator from Vermont [Mr. Flanders].

Mr. Flanders. Mr. President, with regard to the local sentiment with respect to the proposed operation, I think I can say confidently to the Senator from Pennsylvania that my own people in the State of Vermont have become increasingly interested in obtaining a better commercial return from their hardwoods. They have just awakened to the fact that they live in one of the finest hardwood producing regions in the country, and that they have never been accustomed to making a business out of the exploitation of those hardwoods. From conversations and correspondence which I have had, not directly with relation to section 602, but with relation to the problem of getting a substantial return from one great natural resource, I feel safe in saying that the people of our State would be thoroughly in favor of section 602.

Mr. Humphrey. Mr. President, will the Senator from Louisiana yield to me?

Mr. Ellender. Mr. President, how much time have I?

The Presiding Officer. The Senator from Louisiana has 20 minutes.

Mr. Ellender. I yield 5 minutes to the Senator from Minnesota.

Mr. Humphrey. Mr. President, I merely wish to invite the attention of the Senator from New Hampshire [Mr. Cotton] to the fact that under the terms of the bill the Secretary is not only authorized to establish a price reporting service for basic forest products, but he is directed to do so.

The opposition which I have encountered with respect to this section comes from the lumber companies. I have received several letters and telegrams from that source. Some of the largest timber and lumber firms in America have their headquarters or their bases of operations in the State of Minnesota. I regret that they have not shown an interest in this reporting service, but I also say that the small timber farmer, who is an important part of the agricultural economy, is entitled to fair, prompt, accurate, economic information as to his market prices. Today he is at the mercy of the purchaser, who will tell him what the price is, without any comparison whatever as to what is going on in other areas or other regions. It is not right.

The only purpose of this section is to bring economic information, on an area and regional basis, to the attention of the timber farmers, so that they can see whether or not they are getting a fair price for their commodity. It is strictly an informational service.

When we look at the basic law of the Department, we find that when the Department was established the first thing the Secretary was directed to do was to supply and disseminate information. In this particular section the single purpose, with the exception of improving the research in respect to the marketing of timber products, which surely is a desirable effect, is to see to it that information relating to quality and price of timber products, and all forms of forest products, is made available to the producers.

While I do not wish to pit one area against another, the commissioner of conservation in our State, and the State Forestry Service, have advised me this week that they are in support of a price-reporting system.

We have 22 million acres of forest land in the State of Minnesota, 11 million acres under State and Federal jurisdiction, and 11 million acres privately owned. That seems to me to be a substantial amount of territory.

If I thought this section would accomplish anything more than the provision of economic information, I would say that it would merit prolonged consideration. But why deny to one group in our economy information which another group receives? We have a Securities and Exchange Commission demanding information with respect to stocks and bonds—information as to price, and all other factors relating to stock certificates. Such information is made available to the public. That is a Government operation.

We have a Bureau of Labor Statistics, furnishing information with regard to labor problems.

We have a Bureau of Agricultural Economics, and a Marketing Service for agriculture. However, strange as it may seem, we have no information on forest products, yet forest products represent one of the great assets in the agricultural economy.

Mr. Cotton. Mr. President, will the Senator yield?

Mr. Humphrey. I yield.

Mr. Cotton. If the Secretary is to have the authority, and is to be instructed to obtain this information, how does the Senator understand he is to obtain the information?

Mr. Humphrey. The language in subsection (c) is as follows:

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

The Secretary may seek the cooperation of State agencies and private groups, large holders of timber, and conservation groups. He may use such sources of information as he chooses, with respect to any marketing condition.

Mr. Cotton. Which impression does the Senator wish to leave in the Record—that the Secretary will require the information, or seek it?

Mr. Humphrey. He is authorized to cooperate with State foresters. That is the language of the subsection.

Mr. Cotton. I assure the Senator that I am asking these questions for information, and not to be argumentative.

Does this section contemplate giving the Secretary authority to require from private industries periodic reports, statistics, and information about their business?

Mr. Humphrey. Mr. President, the language says:

"The Secretary is authorized to cooperate with the State foresters and other appropriate State officials or agencies as well as with private agencies, and under such conditions and terms as he may deem appropriate."

Mr. Cotton. May we understand——

The Presiding Officer. The time of the Senator has expired.

Mr. Ellender. I yield 2 more minutes to the Senator from Minnesota.

Mr. Cotton. May we understand, and may the Record so show, that it is not the intention of Congress in enacting section 602 to give the Secretary of Agriculture or anyone else authority arbitrarily to force private operators to make reports on their business.

Mr. Humphrey. I would not want to say that. I do not know whether the Secretary would find it necessary to do so.

Mr. Anderson. Mr. President, I believe I can answer that question. Perhaps I can be helpful to the Senator from New Hampshire on that point.

Mr. Humphrey. I yield to the Senator from New Mexico.

Mr. Anderson. At the present time the Secretary of Agriculture has a right to gather current information on the markets and the prices of wheat. That does not give the Secretary authority to go to the Pillsbury Mills and say to them, "I want to know exactly how much money you are making every day of the year."

That is not the intention of the provision. It should be remembered that farm forests are becoming extremely important in this country. In great areas of the South efforts have been made recently by hundreds of people to retire some land and put it into slash pine. We are short of newsprint and other types of paper.

I believe it would be very helpful if we could get more information about that. The enactment of the provision would provide current information on markets and prices, and would aid in the more efficient marketing of farm products.

Mr. Cotton. If the section referred to becomes law, is the information, so far as private operations are concerned, to be furnished on a voluntary basis, or is it to be on a compulsory basis?

Mr. Humphrey. I am sure it is purely voluntary. It would be a request by the Secretary of Agriculture. He can make the request, but there is no language in the provision which says that he can order anyone to do it. It says he shall cooperate. He is authorized to cooperate, but he cannot demand it.

Mr. Martin of Pennsylvania. Mr. President, we are getting some very good information. I should like to comment on subsection (f) which provides:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

The Presiding Officer. The time of the Senator has expired.

Mr. Ellender. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

Mr. Aiken. Mr. President, will the Senator yield?

Mr. Humphrey. I yield.

Mr. Aiken. As I understand, the regulations would pertain to administrative procedures only, and would not compel a mill owner or timberland owner to do this or that.

Mr. Humphrey. I should say so. The Senator's explanation is correct. This is ordinary language. It would spell out the responsibility—and that language is always used—in order to authorize the Secretary to issue such regulations as he deems to be appropriate in carrying out the provision of the section. That is the only way in which the Secretary could operate.

Mr. Thye. Mr. President——

Mr. Martin of Pennsylvania. Mr. President, I should like to make a little further comment on subsection (f). It has very much to do with the intentions of this section. I wish to read it again:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

Would not that language permit the Secretary to force every small timber owner in this country to make a report as to how much acreage he has, how much he has sold during the year, what price he received for it, and so forth? Could not the Secretary of Agriculture issue regulations of that character?

Mr. Humphrey. That is not my understanding, because the language in subsection (c) provides that the Secretary is authorized to cooperate, not directed to cooperate.

Mr. Anderson. Mr. President, will the Senator yield on that point?

Mr. Humphrey. I yield.

Mr. Anderson. It is a well-established practice of the Department of Agriculture that unless there is a penalty accompanying regulations for reporting, the Secretary cannot enforce it on anyone. That has been decided about five times. The question has been settled that unless there is a penalty provision attached, the Secretary cannot compel anyone to do it. If a smaller farmer does not wish to answer the inquiry of the Secretary, all he need do is to write back and say, "It is none of your business."

Mr. Martin of Pennsylvania. Mr. President, in answer to that I should like to say that the farmers of Pennsylvania wish to comply with the law. If they get a request from any department of Government they answer it to the best of their ability. I do not want them to have the feeling that there is something being held over them.

The Presiding Officer. The time of the Senator from Minnesota has expired.

Mr. Ellender. Mr. President, I yield 2 minutes to the senior Senator from Minnesota.

Mr. Thye. Mr. President, I have received quite a number of communications relative to section 602 of the act. I have made reply to them. There has been some apprehension on the part of those engaged in the production of pulpwood and in the harvesting of pulpwood. They have had some concern in connection with this section. I can assure them that their fears are groundless. There is nothing in this section of the act that will make anything mandatory.

I have a message from an association which thought this would be a reestablishment of what was in the old NRA Act. Nothing could be further from the truth. I merely wish to say that crop reporting cards and livestock reporting cards are sent out through regular channels of mail to producers, and they fill in those cards to show what their livestock is and what they anticipate will be the number of cattle and the number of hogs, and so forth.

That is information which is of value to everyone in the production of agricultural products and in the processing and purchasing of agricultural commodities.

Therefore I would say that the timber price reporting we have provided for in the bill under section 602 will be a service to anyone engaged in forestry or pulpwood activities. It will be of benefit to the little farmer, who may have a few cords of pulpwood or a few posts or a few telephone poles. He will know about national market trends and about values.

For that reason I wish to say to those who have written to me, if they will read the Record, that they need have no fears. I believe it will be a valuable service to them. It will not be mandatory. It will not be a regulation which will compel them to fill out extensive questionnaires periodically.

Mr. Ellender. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. Anderson. I merely wish to point out to the Senators from Pennsylvania and New Hampshire, who have a perfectly sound reason to question this matter, that the soil-bank provisions, on which we will vote soon in connection with this bill, in section 224 of the bill, provides:

"The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act."

I express the hope that we will not strike that provision from the bill. The Secretary of Agriculture must have the power to prescribe such regulations. Other agricultural laws contain similar provisions. If we go back to the original Soil Conservation and Domestic Allotment Act of 1938, we find that it authorizes the Secretary of Agriculture to conduct surveys and investigations and research relating to the character of soil erosion and the preventive measures needed. The same provision is carried in other acts. I do not believe the Secretary of Agriculture will say to every farmer in the land, "You give me a detailed description as to exactly how much soil erosion exists on your land, or I will send you to jail."

The Department of Agriculture does not work that way. The Secretary of Agriculture does not work that way. The Department of Agriculture tries to be friendly to the farmers of this country, and tries to help them. The Department was established for the purpose of disseminating information, first to the agricultural colleges, then to the extension agencies, and then on to the actual people who serve the farmers.

I am glad we have had this discussion this evening, because I would not want the Secretary of Agriculture to take any advantage out of this provision and try to destroy what has been going on for years. I do believe that the committee, which considered this subject very carefully and which struck from it the language that we regarded as objectionable, has put the provision into such shape that we can safely adopt it, without doing any damage to anyone.

The Presiding Officer. The Senator from Louisiana is recognized.

Mr. Ellender. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. Dirksen].

Mr. Dirksen. Mr. President, basically I share the solicitude of the Senator from Pennsylvania with regard to matters of this kind, but he will note that these functions cannot be exercised until a specific appropriation is made. If the Senator's people wish to come before the subcommittee on agricultural appropriations, while I cannot speak for the chairman, I think I can say that they will receive a very good hearing, and if there are any abuses, the appropriation can be denied.

Mr. Anderson. Mr. President, will the Senator from Illinois yield?

Mr. Dirksen. I yield.

Mr. Anderson. The Senator from Illinois was a member of the Appropriations Committee of the House when I was in the Department of Agriculture, and he recognized the power of the purse, and if there was a function which was going badly, he saw that it was trimmed down. That is what would happen under this provision.

The Presiding Officer. The Senator from Pennsylvania has 9 minutes remaining.

Mr. Cotton. Mr. President, will the Senator from Pennsylvania yield?

Mr. Martin of Pennsylvania. I yield.

Mr. Cotton. I wish to say to the distinguished Senator from New Mexico that after he completed his assurance, all that I was interested in was having the record clearly show that it was not the purpose of the Congress to impose a compulsory reporting system upon the farmers.

I was a little bit disturbed by the remarks of the Senator from Illinois, because I do not like to have the record indicate that the people have recourse to the Appropriations Committees to stop appropriations before they are safe on this point. If the record clearly shows that nothing in the section is intended to make a compulsory reporting system incumbent upon the operators, I am perfectly satisfied, and I thank the Senator from New Mexico.

Mr. Anderson. The purpose of a section of this character is to establish the legislative history, and I think that has been adequately done.

The Presiding Officer. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. Martin of Pennsylvania. Yes, Mr. President.

Mr. Ellender. Mr. President, I yield back the remainder of my time.

The Presiding Officer. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate-House conference committee, after careful consideration, dropped the provision from the earlier farm bill.

It adds nothing to the solution of the farm crop-surplus problems which are the indicated objectives of the Soil Bank Act.

Prices of forest products, and particularly of forest stumpage, have local application only. Little interstate commerce is involved in the sale of primary forest products, and no interstate commerce is involved in stumpage sales—this in itself points to price reporting being a State or private responsibility.

Any producer of primary forest products may obtain price information by contacting the purchasing companies or consulting foresters. Such prices are current in application and much more significant than those obtained through reported averages of past transactions.

Private-industry associations are already reporting and publishing price information.

Mr. President, it seems to me this is an unnecessary provision, and I sincerely hope the Senate will strike it from the bill.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. MARTIN of Pennsylvania. How much time does the Senator desire?

Mrs. SMITH of Maine. A half minute.

Mr. MARTIN of Pennsylvania. I yield a half minute to the Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I wish to associate myself with the able senior Senator from Pennsylvania and express my support of the remarks he has made. Section 402 would place an undue burden on the forestry industry in my State, and I feel that the disadvantages would far outreach any benefits which might be derived.

Mr. ELLENDER. Mr. President, the amendment to strike out section 402, which provides only for forest products, price reporting, and research by the Department, was incorporated in the bill at the behest of the Senator from Minnesota [Mr. Humphrey]. The section does not impose any reporting requirements or obligations on the private trade.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MARTIN of Pennsylvania. Were any hearings held on this section of the bill?

Mr. ELLENDER. Not on the forest section.

Mr. MARTIN of Pennsylvania. As I understand, on this particular section of the bill there were no hearings by either the Senate committee or the House committee.

Mr. ELLENDER. That is correct; there were no hearings on section 402.

Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. Humphrey].

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Mr. President, a few moments ago we tried to modify some language in section 203. Apparently the language which I offered was not proper. The Department of Agriculture has objected to it, and I think their objection is sound.

I ask unanimous consent to have the language revised in accordance with the language I am submitting.

The PRESIDING OFFICER. The clerk will state the amendment.

The Legislative Clerk. On page 33, line 19, after the figure "1955.", it is proposed to insert:

> The Commodity Credit Corporation may accept bids in excess of the maximum prices specified therein, but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton.

Mr. ANDERSON. That has been submitted to the attorneys for the Department of Agriculture. They withdraw their objection to the other language, and are happy to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. Anderson].

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. Humphrey].

Mr. HUMPHREY. Mr. President, the provision to which the amendment of the Senator from Pennsylvania [Mr. Martin] is directed is section 402. Of course, the purpose of the amendment is to eliminate the provision, and thereby to deny the timber farmers, who are thousands in number, the opportunity to receive from the Government the same kind of price information which practically every other farmer in the United States receives.

Arguments have been made against this provision of the bill on the ground that it was not needed. I submit it is needed, because the price reporting services which are presently available to timber farmers are generally from the buyers of timber, and, in some limited areas, from some State jurisdictions.

Furthermore, Mr. President, there is a growing need for accurate information as to prices of timber relating to the species and the type of timber which has been or will be produced.

The bill provides a tremendous program of reforestation. It provides for tree planting, under its conservation reserve section. The growth of timber in this country has become a major farm production item.

Mr. President, I am not unaware of where the real opposition to this provision comes from. It comes from the timber interests, from the Lumbermen's Manufacturing Association, from the large users of timber. They have been able to buy timber from farmers, most of whom are small farmers, at the user's own prices, at their own will, without any competent, accurate price reporting available to the producers of the timber.

The timber barons of this country have had quite a heyday. I do not intend to make any prolonged speech on this subject at this time, but if it becomes necessary, I shall do so. The timber interests stripped our forests until the Government brought them into line. One of the great disgraces of this country was the manner in which our forests were depleted, and it was not until Government, Federal and State, took a hand, that this tendency and trend of the destruction and depletion of our forests was reversed.

Fortunately, we have a good reforestation program operating between Government and private industry. That is as it should be. But here is the last opportunity for the large manufacturer associations in the lumber business and the large buyers of timber to have their way—namely, to have no accurate price reporting.

I should like to know, Mr. President, what wheat farmers would do if their Government did not give them accurate price reporting. I should like to know what cotton farmers would do if their Government did not give them accurate price reporting on the basis of grade and quality. I should like to know what any other segment of American history would think if there were no statistical information available, of an economic nature, relating to prices. They would be here demanding some help.

The provision under discussion was placed in the bill because the small timber farmer is not well organized, and he needs someone to stand up for him. There are hundreds of small timber farmers in the State of Minnesota. There are thousands of them throughout the United States. All in the world this provision requires is simply that the Secretary of Agriculture shall provide current information on marketing and price to aid these timber farmers, so they may more accurately market their forest products.

There has been lobbying. I should like to say to the Senator from Arkansas, who has written to us as to whether or not lobbyists have been working on us, "Yes, I have been lobbied on this amendment by the Lumbermen's Manufacturing Association, and I do not like it." I can say I have not been lobbied by the small producers. We are going to have to stand up and be counted as to whether we are going to deny the right of the timber producer to get accurate information, or knuckle down to the lobbying of the Lumbermen's Manufacturing Association.

Our own Government sells $100 million worth of lumber a year, and it has to sell it at the mercy of the purchaser's market. The Government does not even provide accurate marketing statistics for its own timber, much less for that of the small producer and independent farmer.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask for 1 more minute.

Mr. ELLENDER. I yield the Senator from Minnesota 1 more minute.

Mr. HUMPHREY. I have been asked by the able Senator from Mississippi whether the provision is in the bill or whether I wish to add it. The provision is in the bill. The amendment offered is to strike it out. It was in the bill originally passed by the Senate. An amendment was offered to strike it, but it was defeated. The provision was lost, to be sure, in conference.

But, Mr. President, I have been assured that if the same conferees participate in the conference on this bill, this provision will not be lost, because in the conference on the previous bill there was a misunderstanding as to the purpose of the particular amendment which now is represented by the section of the bill to which the amendment of the Senator from Pennsylvania is directed.

Let me say that the purpose is clear and explicit, namely, accurate marketing information. I do not believe anyone would wish to deny accurate marketing information to those affected by this amendment.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Oregon [Mr. Neuberger].

The PRESIDING OFFICER (Mr. McNamara in the chair). The Senator from Oregon is recognized for 3 minutes.

Mr. NEUBERGER. I thank the Senator from Louisiana.

Mr. President, as one who, in part, represents the State which produces more lumber than does any other State in the Nation, I think I can say that the pending amendment to eliminate the price-reporting provision of the bill in the case of timber products is aimed at the small owners of timber in the United States.

I have before me the Timber Resource Review compiled by the United States Forest Service. The review constitutes one of the most extensive surveys ever made in the history of our forest resources. It points out that in the United States there are approximately 3,400,000 forest ownerships on farms.

I read from the Review:

> Farm and other private ownerships constitute a large and heterogeneous group, comprised of cropfarmers and livestock ranchers, business and professional people, housewives, wage earners, mining and landholding companies, and a wide variety of other miscellaneous owners.

These are the people who will be the principal victims if this amendment is adopted; they will be forced to sell their products in the dark; they will not know what the prevailing price is, until it is too late for them to realize a fair price. Small lumber dealers and small timber operators, without their own reporting facilities, likewise will suffer if the amendment is adopted to eliminate a government price-reporting service in the realm of forest products.

Those outside the Senate who want this amendment agreed to are the large timber operators who have gone around buying up the farm woodlots for token payments, for only a fraction of what they are really worth. What other reason is there for this amendment?

It seems to me that if we are to safeguard the 3,400,000 farm owners of timber in the United States, we need to retain in the bill the provision that our Committee on Agriculture and Forestry has so wisely included in it.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. CASE of South Dakota. I am inclined to think that we should keep this provision in the bill. A firm from Oregon came to the Black Hills of South Dakota the other day and out-bid a local timber firm, and bought 30 million board feet of timber in the Black Hills. So I think it would be a good idea to retain this provision in the bill, so that our timber owners may have an idea of what their timber is worth, before they sell it.

Mr. NEUBERGER. Mr. President, regardless of whether the timber purchaser referred to by the Senator from South Dakota came from the Black Hills or from my State of Oregon or from New Hampshire——

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. NEUBERGER. Mr. President, will the chairman of the committee yield 2 minutes more to me?

Mr. ELLENDER. I yield an additional 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. NEUBERGER. I thank the chairman of the committee.

Mr. President, let me say that regardless of where the timber purchasers may come from, if they benefit financially by not paying a fair price, that is against the public interest.

Regardless of where timber owners are located in America, we should let them have adequate knowledge of what their timber is worth, just as those who own cotton or any other product should know what their commodity is worth.

The Forest Service is established in the Department of Agriculture, because over the years Congress has regarded trees as a crop. Mr. President, if the Forest Service is to remain in the Department of Agriculture, as I think it should, the farmers who own woodlots are entitled to the same protection that is received by farmers who own fields of wheat or fields of cotton. Why favor price reporting for grain farmers or dairy farmers, and then oppose it for tree farmers?

Mr. CASE of South Dakota. Mr. President, I think the persons to whom I referred bid for the timber in open competition. But apparently the Oregon firm could pay more than those in South Dakota could pay. However, they were rather surprised, since that was a rather sizable sale, to have the Oregon firm outbid the local people.

Mr. NEUBERGER. So far as competitive bidding is concerned, we have no control over that. The best price offered must prevail.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the junior Senator from Vermont [Mr. Flanders].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. FLANDERS. Mr. President, I wish to speak briefly in support of this provision of the bill. I speak in support of it from the standpoint of the area I know best, namely, the New England States, particularly my own State of Vermont.

On every farm there is a woodlot. In some cases, the woodlot is a major part of the farm. The aggregate of these farm woodlots amounts to an enormous acreage; and the value, particularly in the case of the hardwoods, amounts to millions of dollars, even though each woodlot is a small one.

In marketing the timber, each owner of a small woodlot is dealing, not with his regular business of farming—presumably, dairy farming—but, for the moment, with a matter in which he has not had a great deal of experience. Certainly the value which can be realized by the farmers of my region, if they are given authentic information regarding the price of the wood they have to sell, will be very great.

So I trust that the Senate will vote to retain this particular reporting provision in the bill.

Mr. MAGNUSON. Mr. President——

Mr. ELLENDER. I yield 1 minute to the Senator from Washington [Mr. Magnuson].

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. MAGNUSON. Mr. President, I do not wish to belabor the point; but I desire to associate myself with the remarks of the Senator from Minnesota [Mr. Humphrey], the Senator from Oregon [Mr. Neuberger], and the Senator from Vermont [Mr. Flanders], in opposing the amendment of the Senator from Pennsylvania [Mr. Martin].

In my State there are many, many small tree farmers. I know personally of instances in which they have not gotten for their timber the price they should have gotten.

I think this provision can go a long way in giving them information regarding what their timber is really worth, so they may get a fair and square deal for the great amount of hard work they have put in on small tree farms.

The PRESIDING OFFICER. Does the Senator from Pennsylvania desire to yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. Mr. President, I yield 1 minute to the Senator from New Hampshire [Mr. Cotton].

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I think I shall need only half a minute.

I wish to ask whether the wording of this provision is exactly the same as the wording of the similar provision in the agricultural bill the Senate passed a few weeks ago; and I refer particularly to the discussion which occurred on the 15th of March.

Mr. ELLENDER. In other words, the corresponding provision of House bill 12?

Mr. COTTON. Yes.

Mr. ELLENDER. Yes.

Mr. COTTON. In connection with that bill, the legislative record which was made was that the compiling of this information could be done only in cooperation with the State authority, and that the provision did not empower the Federal Government to require reports of statistics from individuals.

Mr. ELLENDER. As I understand the provision, it is not compulsory at all to make the reports. These reports would be in the same category as those on cotton, corn, and other commodities upon which the Secretary of Agriculture is authorized to make reports.

Mr. COTTON. Mr. President, let me say that I feel deeply about this matter. But in view of that assurance, I desire to associate myself, as I did before, with the Senator from Pennsylvania and the Senator from Maine in their position on this amendment.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has either been used or yielded back.

The question is on agreeing to the amendment of the Senator from Pennsylvania. [Putting the question.]

Mr. MARTIN of Pennsylvania. Mr. President, on this question, I ask for a division.

On a division, the amendment was rejected.

Mr. MONRONEY. Mr. President, on behalf of myself and my colleague [Mr. Kerr], I call up my amendment which is at the desk; and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 17, after line 7, it is proposed to insert a new paragraph, as follows:

> In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 a conservation reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands conservation reserve program.

On page 14, in line 9, after word "clover", insert "grazing lands."

On page 21, in line 17, strike out "$450,000,000" and insert "$525,000,000, which shall include $75,000,000 for carrying out the conservation program for grazing lands."

Mr. MONRONEY. Mr. President, I yield myself 5 minutes.

This amendment is similar to the provision which was voted into the bill in the House, except that it is carried forward in the conservation reserve program instead of the acreage reserve program. Also it provides $75 million instead of $50 million for allowing livestock raisers, those who raise cattle throughout the Nation, to participate in the soil-bank program.

The raising of livestock is the only important or major part of our agriculture which is completely ignored and kept entirely out of participation in the soil bank; yet I feel that the facts, particularly across the Great Plains area, will show that if the real purpose of the bill is to increase and improve the fertility of the land, our overgrazed and wornout grasslands, which are being used today for the overproduction of livestock, are most in need of a conservation program.

The purpose of the bill, as stated by its sponsors and by the administration, is to reduce overproducion, which is depressing the price of agricultural commodities. A second purpose is to improve the fertility of the soil. We definitely have a condition of overproduction in the livestock industry. Whereas there were 76.8 million cattle on the ranges on January 1, 1947, on January 1, 1956, there were 97½ million. We have seen these increased numbers give us the greatest losses, percentagewise, of any segment of the agricultural industry.

No part of agriculture is suffering as much from the present depressed prices as is the livestock industry. The prices average only 70.25 percent of parity. When we consider that beef is selling at 71 percent of parity, calves at 71 percent, sheep at 63 percent, and lambs at 77 percent, we get an average of 70.25 percent of parity.

All other farm products combined have an overall average of 84.6 percent of parity. The drop from 1951 to 1953 in the price range of livestock when it was brought to market was more than 50 percent, and the shrinkage in the capital asset value of cattle on the range today represents a drop in 1 year of nearly $100 million, notwithstanding the increase of 409,000 head of cattle. If we are going to recognize the problems of overproduction in respect to cotton, corn, wheat, small grains, and everything else, the livestock industry, which furnishes nearly 50 percent of the farm income of the Nation, should have an opportunity to participate and to rest its grazing lands and build up their fertility.

I invite attention to the fact that no one can enter this program unless he agrees to meet the requirement of a production reduction in the number of cattle on the range, in a percentage comparable to the amount of acreage being withdrawn.

I know there will be some wisecracks made to the effect that cattle cannot read. We shall be asked, "What are you going to do? You cannot fence in the range." That same question might be asked with respect to every acre placed in the acreage reserve program or in the conservation reserve program, because cows cannot read those signs, either. Gates can be left open, and milk cows can graze on all the other acres provided for in a $1,200,000,000 program. This industry would be far easier to police, because of the location of the grazing lands, than all the other acreage involved in the remainder of the program relating to row crops.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield myself 1 more minute.

Inasmuch as the purpose of the bill with respect to row crops is to build up pasturelands and put new cattle raisers in competition with existing cattle raisers, the cattlemen ought to be entitled to rest some of their grazing land and conserve the grasslands, while the new subsidized competition being put into the cattle business at Government expense takes place.

I should like to see this amendment, which is similar to the provision adopted by the House, enacted into law.

I yield 3 minutes to my senior colleague [Mr. Kerr].

Mr. KERR. Mr. President, the purpose of the distinguished junior Senator from Oklahoma and myself in supporting this amendment is, first, to get more productive land in the soil bank, in order that the benefits of the soil bank may be general in character, and therefore available to the producers of cattle.

In the next place, the purpose of the amendment is to help bring about an orderly reduction in the number of cattle on the range in such a manner as not to have a depressive effect on the market or to add to the financial burden of the cattle producers.

I hope the distinguished chairman of the committee will agree to accept the amendment, failing which I shall ask for its adoption by the Senate.

Mr. ALLOTT. Mr. President, I should like to ask the Senator in charge of the time for the opposition to yield to me 2 minutes.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I must rise in opposition to this amendment. It is bad. The same questions involved in connection with this amendment were discussed at length on the floor during the debate on the first farm bill.

I should like to read into the Record a telegram which I have received from the Colorado Cattlemen's Association, dated May 9, 1956. The telegram refers to the Albert amendment. I believe that the position of the Colorado Cattlemen's Association is also the position of the American National Cattlemen's Association on this subject, the only difference being as to whether it applies to the conservation reserve or the acreage reserve. The telegram reads as follows:

> Denver, Colo., *May 9, 1956.*
>
> Senator Gordon Allott,
> *United States Senate,*
> *Washington, D. C.:*
>
> It's Colorado Cattlemen's Association's understanding that there is being considered for the soil bank price supports on small grains other than wheat and corn. Our association opposes such an amendment, feeling that it will only multiply the already serious problems of our feeders. If controls accompany supports it will ultimately lead to more land to grass and more cattle numbers in areas not now producing cattle, thus intensifying our cow numbers. Our board members, along with the 25 local association presidents, at meeting today in Denver, were very relieved to hear that the Jennings amendment and the Albert amendment to the soil bank were killed. We are particularly opposed to portion of the Albert amendment that would call for a reduction of cattle numbers, feeling that such a move would force marketing and slug market bringing new low in prices.
>
> David G. Rice, Jr.,
> *Executive Secretary, Colorado Cattlemen's Association.*

In the opinion of the American Cattlemen's Association, the Colorado Cattlemen's Association, and many others, the effect of this amendment would be to throw upon the market more cattle at a time when they are building the consumption of beef, and, as the telegram says, to slug the market and depress the price of cattle, to the detriment of our stock raisers.

Mr. KERR. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the junior Senator from Oklahoma yield 1 minute to me in order that I may answer the question of the senior Senator from Oklahoma?

Mr. MONRONEY. I yield 1 additional minute to the Senator from Colorado.

Mr. KERR. Mr. President, can the Senator inform us as to what percentage of the land grazed by the Colorado Cattlemen's Association is public domain, and therefore not the land of those using it, and consequently not eligible for soil-bank payments, if this amendment were adopted?

Mr. ALLOTT. No; I cannot give the Senator that information offhand, but I shall be happy to procure it for him.

Mr. KERR. Would the Senator say that it is about three-fourths of the land?

Mr. ALLOTT. It is my opinion that it is a smaller amount of land.

Mr. KERR. What percentage of land in Colorado is public domain?

Mr. ALLOTT. Thirty-seven percent.

Mr. KERR. Thirty-seven percent. I thank the Senator.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes. I do not expect to go into detail with respect to the pending amendment, except to say that, as will be recalled, the same kind of amendment was debated at length on the Senate floor when we considered the Senate version of H. R. 12. I wish to say that when the Senate Agriculture Committee considered the pending bill, we considered whether or not we should retain a provision in the House bill similar to that now being proposed by the distinguished Senator from Oklahoma [Mr. Monroney]. It was the unanimous decision of the committee to omit that part of the House bill.

I hope the Senate will defeat the amendment as it did in the case of a similar amendment when the Senate version of H. R. 12 was considered.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. MONRONEY. I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. Monroney].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendments "5–17–56–F," and ask that they be stated.

The PRESIDING OFFICER. The Secretary will state the amendments.

The Legislative Clerk. On page 13, after the period in line 3, it is proposed to insert the following:

> The compensation paid any producer for participating in the acreage reserve program

with respect to land in any one State in any year shall not exceed $25,000.

On page 17, after the period in line 7, it is proposed to insert the following:

No annual payment to any person with respect to land in any one State shall exceed $7,500.

On page 70, after line 8, it is proposed to insert the following:

Sec. 603. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"Sec. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed $50,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitation."

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. WILLIAMS. Mr. President, one phase of the amendments was adopted by the Senate when they were offered during the debate on the previous bill, by a vote of 84 to 9. The amendments as modified and as now before the Senate were approved by the Senate by a vote of 78 to 11.

The purpose of the amendments is to put a limitation on the amount of payments which can be made under the acreage-reserve program to any one individual or corporation, so that no payment could exceed $25,000. Under the conservation-reserve program the limitation would be $7,500. It provides a limitation under the price-support provisions of the Agricultural Act of $50,000 for any individual or corporation.

The amendments would prevent benefits of this $2 billion bill ending up as a bonanza for the corporate type of farming or other large individual farming.

I pointed out in a previous discussion that if the amendment were not adopted it would be possible under the provisions of the bill for one large wheat grower in the Montana area, who has about 340,000 acres of wheat, to put half of that under the acreage-reserve program and collect a check from the Government for $3,400,000 for doing nothing.

Certainly it is not the intention of the Senate, and by a vote of 78 to 11 it repudiated that proposal. Unfortunately, the amendment did not hold up in the conference committee. However, I am hopeful that the conferees will feel more kindly toward it this time. I am asking whether the chairman of the committee will not agree to accept the amendment and avoid delaying the Senate further in the discussion of the bill.

Mr. ELLENDER. Mr. President, I object to the amendment.

Mr. WILLIAMS. Mr. President, inasmuch as the amendment was adopted previously by a vote of 78 to 11, I cannot help thinking that it will be agreed to by the Senate again. Therefore, I shall submit it to a voice vote. If it is not agreed to, I shall suggest the absence of a quorum, and ask for a yea-and-nay vote.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. ELLENDER. I wish to state to my good friend from Delaware that, as he will remember, there was a voice vote on his amendment in committee, and I think he was the only one who voted for it. It is true that the Senate went into this matter at considerable length.

As chairman of the committee, when the matter first came up, I opposed it. I am satisfied that if the provisions suggested are incorporated in the bill, we shall have to have a conference with the House. It is my opinion that the House will not approve a bill with these provisions in it. Therefore it would be an idle gesture for us to vote for the amendments. I hope the Senate will reject these amendments.

The PRESIDING OFFICER. Are the Senators prepared to yield back their time?

Mr. ELLENDER. If the Senator from Delaware yields back the remainder of his time, I shall be glad to yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

Mr. ELLENDER. I do also.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Williams]. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. ELLENDER. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. WILLIAMS. I object.

Several Senators requested a division.

The PRESIDING OFFICER. As many as favor the amendment will rise and stand until counted.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. Byrd], the Senator from New Mexico [Mr. Chavez], the Senator from Illinois [Mr. Douglas], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore] the Senator from Rhode Island [Mr. Green], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], the Senator from Rhode Island [Mr. Pastore], the Senator from North Carolina [Mr. Scott], and the Senator from Florida [Mr. Smathers] are absent on official business.

On this vote the Senator from Illinois [Mr. Douglas] is paired with the Senator from North Carolina [Mr. Scott]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. Morse] is paired with the Senator from Florida [Mr. Smathers]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. Neely] and the Senator from Rhode Island [Mr. Pastore] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Ohio [Mr. Bricker], the Senator from New York [Mr. Ives], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New Jersey [Mr. Smith] and the Senator from Wisconsin [Mr. Wiley] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada [Mr. Malone] would each vote "yea."

On this vote, the Senator from Idaho [Mr. Welker] is paired with the Senator from Wisconsin [Mr. Wiley]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

YEAS—44

Allott
Barrett
Beall
Bender
Bennett
Bridges
Butler
Case, N. J.
Case, S. Dak.
Cotton
Curtis
Dirksen
Duff
Dworshak
Flanders
Frear
Goldwater
Hayden
Hickenlooper
Hill
Hruska
Humphrey
Jenner
Kuchel
Langer
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McNamara
Mundt
Neuberger
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smith, Maine
Sparkman
Watkins
Williams
Young

NAYS—29

Aiken
Anderson
Bible
Capehart
Clements
Daniel
Eastland
Ellender
Ervin
George
Hennings
Holland
Jackson
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Laird
Lehman
Long
Magnuson
McClellan
Millikin
Monroney
Stennis
Symington
Thye
Wofford

NOT VOTING—22

Bricker
Bush
Byrd
Carlson
Chavez
Douglas
Fulbright
Gore
Green
Ives
Kennedy
Malone
Morse
Murray
Neely
O'Mahoney
Pastore
Scott
Smathers
Smith, N. J.
Welker
Wiley

So the amendment of Mr. Williams was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. AIKEN. Mr. President, I wish to make a statement in regard to the last amendment which was agreed to.

The PRESIDING OFFICER. Does the Senator from California yield time to the Senator from Vermont?

Mr. KNOWLAND. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. No one in the Senate is more in favor of a limitation on the payments to one individual farmer than am I. Under ordinary circumstances, I would have voted for the Williams amendment. However, the adoption of that amendment assures the bill going to conference, from which it may never return. If it does return, it is likely to come back in such shape that it will be killed in one House or the other.

We have not been any further from having a farm bill passed by Congress at any time since the veto of the first bill than we are right now. I think there are other Senators, probably, who voted against the amendment for the same reason I did.

We have tried, month after month, to get a farm bill which would really be of benefit to the farm population of the country. We have worked all day in, I think, a statesmanlike manner; but at the last minute we have seen the Senate take action which means that the soil bank and farm legislation seem very far away at this time.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I agree completely with what the Senator from Vermont has said. I have taken the same view he has taken on some of these questions. I commend him, and I particularly wish to commend the Senator from Louisiana [Mr. Ellender], the chairman of the committee, with whom I disagree on many agricultural policies, but who has stood here today and tried to make certain that the bill as passed by the Senate would be a bill which would not need to go to conference.

The able Senator from Louisiana and the able Senator from Vermont have tried their best to make certain that we would not delay the possibility of obtaining a passable bill which would give the farmer a chance to participate in increased benefits and in a soil bank this year. But because someone believed it to be desirable to vote for a limitation on the payments, in order to prevent a situation which the smart people know how to avoid, we kill the chance of getting a bill which does not have to go to conference.

This is a bad vote—a very bad vote, indeed. I commend the Senator from Vermont for calling it to the attention of the Senate.

Mr. AIKEN. The amendment offered by the Senator from Delaware ordinarily would have been desirable; but used as a means of killing the bill, it is very harmful.

Mr. SALTONSTALL. Mr. President, I move that the Senate reconsider the vote by which the last amendment was agreed to.

Mr. WILLIAMS. Mr. President, I make the point of order that the bill has been read the third time, and that the motion of the Senator from Massachusetts is not in order.

The PRESIDING OFFICER. Is the Senator from Massachusetts moving that the Senate reconsider the action by which the amendments were ordered to be engrossed and the bill to be read the third time?

Mr. SALTONSTALL. I move that the Senate reconsider the votes by which the amendments were ordered to be engrossed and the bill to be read the third time.

The PRESIDING OFFICER. The Senator's motion is in order and he has 30 minutes on the motion.

Mr. SALTONSTALL. Mr. President, I made the motion after listening to the Senator from Vermont. I do not come from a State where farming is as important an industry as it is in some other sections of the country. I believe we should pass a farm bill. I do not think we should take any chance on having the bill killed by either House if there is an opportunity to have a bill passed without the necessity of having a conference. I therefore have made the motion I have made in order that the Senate may reconsider its action in the light of what was said by the Senator from Vermont [Mr. Aiken] and the Senator from New Mexico [Mr. Anderson].

Mr. CAPEHART. Mr. President, will the Senator from California yield 5 minutes to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, there can only be one purpose of the soil bank, and that is to reduce production. That can be the only reason for it and its only purpose. There is only one way by which to reduce production, and that is to take out of production X number of acres. We in the Senate cannot shoot someone because he happens to have a large number of acres or a small number of acres.

If we expect to help the small farmer, we can help him only by getting rid of the surpluses and reducing production, so that the market price will rise and the farmer will get the benefit of higher prices in the market place.

If we limit the number of acres which the so-called large farmer can take out of production, then he will not take them out of production, and we will be defeating the very purpose we are trying to achieve. I do not know why we want to do that.

If we want to consider eliminating the soil bank entirely, that is one thing. If it is thought that the soil bank is no good, and it is desired to eliminate it, that is fine. But if we want to vote for a soil bank to try to help every farmer, and particularly the small farmer, to get higher prices, then it is necessary to obtain a reduction of production by the large farmer.

I do not quite understand the reasoning, unless it is simply desired to kill the whole bill. If that is the purpose, I am perfectly willing to vote to kill the soil bank, and the conservation acreage provisions, but I do not want to do it indirectly.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. Did not the President recommend a cutoff on price supports?

Mr. CAPEHART. I do not know whether or not he did.

Mr. HUMPHREY. In the same message in which he advocated the soil bank?

Mr. CAPEHART. He may well have done so; but if he did, he was as wrong as he could be.

Mr. THYE. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Minnesota.

Mr. WILLIAMS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. THYE. Mr. President, I simply wish to associate myself with the remarks of the able Senator from Indiana. If ever a question was stated well, he stated it. What are we endeavoring to do? We are endeavoring to reduce the number of acres which will be harvested annually. That is the only way in the world by which we shall be able to reduce the surpluses of farm commodities and farm products. The distinguished Senator from Indiana stated the case well.

Mr. President, I have voted for and against amendments today in an attempt to obtain a bill which can be passed at this session of Congress. If this amendment prevails and the bill must go to conference, we may as well write "curtain" on trying to get a farm bill passed at this session of Congress.

For that reason I oppose the amendment. I hope the motion offered by the distinguished Senator from Massachusetts [Mr. Saltonstall] will prevail, and that we may have an opportunity to reconsider the vote, and pass a bill which can get through conference, if it has to go to conference.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS. Mr. President, this is a sad day in the affairs of the United States Senate if we have reached the point where we cannot vote on amending a major agricultural bill providing for $2 billion, without taking into consideration the fact that the amendment must be agreed to in some form acceptable to the House of Representatives. Why not delegate our authority, and send the bill back to the House, and tell them to write it? Certainly, every Senator who answers to the rollcall will vote as he thinks about the amendment. The President, in his message in January, asked for the same provision which we in the Senate approved by an overwhelming vote. The same provision was approved by a previous yea-and-nay vote of 84 to 11.

There is only one reason why we would reconsider the amendment. It would be because the big landowners would blackmail the United States with a threat that "if you do not pay us billion-dollar checks, or big checks, we will see that you cannot get any farm bill."

There is certainly no argument which can be used that the bill will be vetoed, because of this provision, inasmuch as the President of the United States has asked for it.

If Senators believe in the principle, if they want to support it, let them vote for or against it on its merits. Three months are left. There is not a feature of the agricultural bill which can go into effect in this crop year. We have plenty of time. There is no urgency about it. Certainly, there is plenty of time to consider the bill in conference. If the conferees do not want to accept the amendment, they can reject it, if they are afraid to accept it, or vote on it.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JENNER. I cannot understand why this distinguished body, which overwhelmingly adopted the same amendment in the original consideration of the farm bill, by a vote of 79 to 11, though the bill was vetoed, should now take the attitude some distinguished Senators are taking.

In the first place, the President of the United States says there must be some limitation on payments in this bill. Secondly, why should the United States Senate sit here tonight and authorize the payment to landowners who own many thousand acres of $87,500 of the taxpayers' money for complying with this program? We are not here to sustain the man who owns 350,000 acres. We are not here to sustain the city farmer. We are not here to sustain corporation farmers. We are here to sustain family-size farmers, and not to protect the big landowners. We are here to protect the taxpayers' money which is paid into the Treasury of the United States.

What is the urgency? Why are we afraid of a conference? The provision could not possibly go into effect this year. A similar provision was in conference last year, but was taken out of the bill. Let the House conferees refuse to agree to it again, if they want to do so; but I submit that the provision is for the protection of the family-size farmers, not for the corporate and city farmers, or for the man who owns ten, twenty, thirty, or forty thousand acres of land. He does not need the protection of the taxpayers of the country.

Mr. WILLIAMS. Mr. President, I move that the motion of the Senator from Massachusetts be laid on the table, unless he wishes to debate it further.

Mr. SALTONSTALL. Mr. President——

Mr. WILLIAMS. Mr. President, I withhold my motion temporarily.

The PRESIDING OFFICER. The Chair is advised that such a motion would not be in order until the time has been yielded back.

Mr. SALTONSTALL. Mr. President, how much time remains on the side of those in favor of the motion?

The PRESIDING OFFICER. The Senator from Massachusetts has 28 minutes remaining to him.

Mr. SALTONSTALL. Mr. President, I yield 5 minutes to the senior Senator from Oklahoma.

Mr. KERR. Mr. President, it is not often that the senior Senator from Oklahoma has agreed with the Senator from Vermont on a farm bill. I have often found myself in disagreement with the Senator from New Mexico with respect to a farm bill. But what those Senators have said with reference to the amendment is entirely correct. This amendment will not be to the detriment of the big farmer; it will be to the detriment of the family-sized farmer.

The purpose of the soil bank is to take acres out of cultivation. The family-sized farmer is not going to take them out of cultivation. The soil bank is a voluntary program. A man who has a few acres and a large family is going to cultivate every acre that is allotted to him. He is not going to take a small percentage of what he and his family can produce from an acre of cotton or corn or wheat or peanuts or rice or tobacco, and take land out of cultivation when he and his family can cultivate it and get the full benefit of what it will produce.

Yet that small farmer's welfare rides on the reduction of acres. Then where can we get a reduction of acres? Since the program is voluntary, and since the small farmer cannot afford to reduce further the limited allotment available to him under the bill, and to take a small percentage of what he would get by cultivating his acres, the only chance we have is to get them from the man who has many acres. When that is done, he is given a small percentage of what his land would produce if it were in cultivation, but a reinforcement is built under the market for what is produced by the small farmer.

Therefore, as I said a while ago, often as I have disagreed with the distinguished Senator from New Mexico and the distinguished Senator from Vermont, they are entirely right in what they have told us about the amendment. It does not benefit the small farmer; it hurts him. It does not promote the soil bank; it eliminates any possibility of the soil-bank program succeeding.

Mr. AIKEN. Mr. President, will the Senator from California yield me 2 minutes on the bill?

Mr. KNOWLAND. I yield 2 minutes on the bill to the Senator from Vermont.

Mr. AIKEN. Several speakers have stated that the President recommended limitations such as were included in the last amendment to the bill just adopted. The President did not at any time make any recommendations as to limitations of payments on the conservation reserve or the acreage reserve. What the President said on January 9, 1956, was this—and I read from his message:

> I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

The President asked the Congress to consider placing a limit on price-support loans, not on the conservation reserve or the acreage reserve.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. What the Senator has said is correct, but when the Secretary of Agriculture, who is the spokesman for the President, sent the original soil bank proposal to the President, there was a limitation of $7,500 under the acreage reserve, exactly as the amendment proposes, and it was favored by the Senator from Vermont.

Mr. AIKEN. That is correct. I would be for the amendment now, but I cannot vote for it as a means of killing farm legislation at this session.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JENNER. This amendment provides for a maximum of $50,000 under price supports as a fair limitation. Does the Senator know any family-sized farm which can draw $50,000 price supports under any bill before the Congress?

Mr. AIKEN. I think there are many of them.

Mr. JENNER. Are they family-sized farmers?

Mr. AIKEN. Yes. There are farmers in my community who produce more than $50,000 a year.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator from Vermont has expired.

Mr. JENNER. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1 minute.

Mr. JENNER. Mr. President, in other words, this amendment allows any one farmer in the United States $50,000 under the price-support features of the bill, $25,000 under the acreage-control provisions, and $7,500 under the soil-conservation provisions of the bill. I wish to ask whether any Senator thinks there is in the country a family-sized farm which could draw $87,500 from the taxpayers in connection with this program.

This amendment is for the purpose of preventing the making of these payments to persons who do not need Government support, and is to protect and to help the family-sized farms.

Mr. ELLENDER. Mr. President——

Mr. CAPEHART. Mr. President, will the Senator from Massachusetts yield 3 minutes to me?

Mr. SALTONSTALL. I yield 3 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. Mr. President, I hope the motion made by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail. I fear that my good friends, the Senator from Delaware and the Senator from Indiana, do not understand the philosophy back of the soil bank.

As was stated by my good friend the Senator from Oklahoma, the idea was to reduce production, so as not to aggravate further our surpluses. That is the proposal.

Mr. WILLIAMS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield.

The PRESIDING OFFICER. The Senator from Louisiana declines to yield.

Mr. ELLENDER. That is the reason and the purpose of the soil bank.

Whether the reduction is made on a farm of 10,000 acres or a farm of 10 acres makes no difference; the bill will not give the producer additional income. All it will do is give him an amount equal to what he might have obtained for the use of his land if he had planted the acres. That is all the soil bank does.

I want us to enact a farm bill, and I want us to get it to the President as soon as possible. As has been stated by my good friend the Senator from Vermont, if the bill is loaded down with a great many amendments—amendments which will have to go to conference—we shall not have a bill in time to assist the farmers this year.

If the motion of the Senator from Massachusetts prevails, and if those of us who desire a farm bill this year can also prevail with respect to a motion to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to——

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. AIKEN. I suggest that if the purpose of the proponents of the amendment is to limit the payments which can be made to any one farm, that can be accomplished in connection with the appropriation bill.

Mr. JENNER. But that will be very difficult to accomplish. In fact——

The PRESIDING OFFICER. The Senate will be in order. The Senator from Louisiana has the floor.

Mr. ELLENDER. Mr. President, as I have indicated, the purpose of the soil bank has been explained so often on this floor that I am surprised that some Members of the Senate apparently do not yet understand its philosophy.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. SALTONSTALL. Mr. President, I yield two additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. ELLENDER. I thank the Senator from Massachusetts.

Mr. President, the soil bank provisions will not enrich any farmer, because if he were to plant the acres that he may place in the soil bank, he probably could make more money. But if he does plant them, the result will further aggravate our surpluses.

Let us bear in mind that the main purpose of the soil bank is not to further aggravate our surpluses, to reduce production, and to bring supply in line with demand. It is hoped that as a result, prices will rise, and the Government will be able to get out of the business of having to lend so much money on these commodities.

Mr. President, let us vote in favor of the motion to reconsider, and then let us vote to reject the amendment of the Senator from Delaware [Mr. WILLIAMS], and thereby have a bill which I believe the House of Representatives will accept. In doing so, we can have the bill on the President's desk probably Monday or Tuesday of next week.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS. Mr. President, the Senator from Louisiana has said that the Senator from Delaware and the Senator from Indiana, in offering the amendment providing limitations on the acreage-reserve payments and soil-conservation payments, did not understand the soil-bank plan and did not understand what they were doing. Included in that statement, the Senator from Louisiana should have said that Secretary Benson likewise did not understand what he was doing.

Mr. ELLENDER. I do not mind including him, too. [Laughter.]

Mr. WILLIAMS. The original soil-bank plan which was introduced in the Senate by the Senator from Vermont was sent here by the administration and called for a conservation-payment limitation of $7,500. I think the Senator from Louisiana was a cosponsor of a similar measure. The Senator from Louisiana may not have been a cosponsor of it, but it had 5 or 6 cosponsors.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 more minute to me?

Mr. KNOWLAND. I yield an additional minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS. Mr. President, there is no question that the Secretary did urge that such limitation be imposed; and in his message to Congress the President of the United States recommended the other feature, namely, a limitation on the acreage-reserve payments.

If there is no further debate on the bill, Mr. President, I should like to suggest that the remaining time be yielded back.

Mr. KNOWLAND. Mr. President, time still remains for debate on the motion, does it not?

The PRESIDING OFFICER. A motion to lay on the table is not in order until all time has either been used or yielded back.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute on the bill itself.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, I rise to support the motion of the Senator from Massachusetts [Mr. SALTONSTALL] that the Senate reconsider, first, the action of the Senate in ordering the third reading of the bill. If that is done, the Senator from Massachusetts, as I understand, will then move that the Senate reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to.

I hope the motions to reconsider will be adopted by the Senate, for the reasons which have been stated by the Senator from Vermont, the Senator from Oklahoma, and the Senator from Louisiana, the distinguished chairman of the committee.

Mr. SALTONSTALL. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. HOLLAND. Mr. President——

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield 5 minutes to me?

Mr. SALTONSTALL. Very well, Mr. President; I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I wish to call attention, first, to the fact that this point is not one which was overlooked by either the Senate committee or the conference committee. This matter was very carefully considered in the Senate committee, and was attached to the Senate committee's report (No. 1484) filed on the previous bill; and the subject matter was dealt with under the subject of proposed regulations.

I read the following:

> 2. Maximum and minimum participation (these should be administrative affairs, not specified in the law; also there should be discretion to take care of farmers who for reasons of sickness or disability may not wish to operate their farms).

It was so left that in the case of sickness or disability, farms could be retired entirely from production, regardless of the amount involved, so as to better serve the soil-bank principle.

In connection with the conference report, Senators will find similar statements on page 52. For instance, the proposed regulations, setting up the acreage reserve program for grains, would allow a maximum of "50 acres or 50 percent of allotment, whichever is larger," to be placed in the program and similar limitations are set out for every other kind of crop.

We have been through this matter in conference. We found that it was a subject matter on which we could not agree with the House conferees. If we place such provisions in this bill, we are likely to have the same experience. Up to this stage we have not placed in the bill anything which we think would require a conference. We found that the Department of Agriculture was not at all extravagant in its ideas on this subject. Its testimony supported the statements we have made as to the regulations which were intended, covering maximum and minimum figures, and similar matters.

I voted against the amendment, because I felt that the wise course was to make every effort to get a satisfactory bill, and to try to retire as much land as possible. I do not think we have an extravagant spendthrift occupying the office of Secretary of Agriculture. Under this report, if he were inclined to be such, he could not be and still comply with the suggestions of the Congress.

I hope the motion to reconsider will be agreed to, and that we can go back and undo the wrong, and get a bill which can become law shortly, without the necessity of being confronted by some conferees who, I think, have no desire to see a soil bank bill enacted into law.

Mr. SALTONSTALL. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. Dirksen].

Mr. DIRKSEN. Mr. President, I intend to vote for the motion to reconsider, but only for one reason. I would be the last person to deny to any Member of the Senate an opportunity to reconsider his vote, if he desired to do so. I shall vote precisely as I did before, but I am perfectly willing to see the amendment reconsidered. Then the decision will be up to the conscience and judgment of every individual Member of the Senate. So I sincerely hope that the motion to reconsider will be agreed to. I trust we may have assurances that when the time comes there will be a yea-and-nay vote on the amendment. I would certainly not like to be foreclosed from that opportunity.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remaining time on my side.

Mr. CAPEHART. Mr. President, will the Senator yield to me 1 minute?

Mr. SALTONSTALL. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I voted against the amendment purely because I sincerely and honestly believed, from the top of my head to the bottom of my feet, that such action was to the best interests of the small farmer. That is the only reason I did it. I care nothing about the large farmers, except that I wish to see a reduction in production in order to get the small farmer's prices back up where they belong. I voted as I did because I believed it to be in the best interests of the little fellow, and not the big fellow.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remainder of my time, if the minority leader wishes to do likewise.

Mr. KNOWLAND. Mr. President, I wish to say, in reply to the inquiry made by the Senator from Illinois, that, first of all, I hope the motion to reconsider will be agreed to. Personally, I shall vote to reconsider, and then vote in opposition to the amendment of the Senator from Delaware. Nevertheless, I give assurance, so far as I can, that I will support a demand for a yea-and-nay vote, in order that Senators may not be foreclosed from the opportunity to which the Senator from Illinois has referred.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of the time allotted to him?

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time allotted to me, and then I shall be prepared to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. SALTONSTALL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken
Allott
Anderson
Barrett
Beall
Bender
Bennett
Bible
Bridges
Butler
Capehart
Case, N. J.
Case, S. Dak.
Clements
Cotton
Curtis
Daniel
Dirksen
Duff
Dworshak
Eastland
Ellender
Ervin
Flanders
Frear
George
Goldwater
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Jenner
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Kuchel
Laird
Langer
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
Martin, Pa.
McCarthy
McClellan
McNamara
Millikin
Monroney
Mundt
Neuberger
Payne
Potter
Purtell
Robertson
Russell
Saltonstall
Schoeppel
Smith, Maine
Sparkman
Stennis
Symington
Thye
Watkins
Williams
Wofford
Young

The PRESIDING OFFICER. A quorum is present.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. At the present moment my motion is a motion to reconsider the action of the Senate in ordering the amendments to be engrossed and the bill to be read the third time. Is that correct?

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

Mr. WILLIAMS. Mr. President, we all know what the issue at stake is. If it is agreeable to the Senator from Massachusetts, I would have no objection to reconsidering the vote by which the amendments were ordered to be engrossed and the bill ordered to a third reading, in order that he may make his motion directly on the amendment, following which I shall make a motion to table that motion, and we can have a direct vote.

The PRESIDING OFFICER. The Chair is advised that that can be done only by unanimous consent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. If that course of action is followed, will there then be an hour's debate on the motion to reconsider the vote by which the Williams amendment was agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. Mr. President, we do not wish to take too much time. I am wondering if we could not include in the unanimous-consent request a provision that there be no further debate, that the Senate proceed immediately to vote, and that the yeas and nays be ordered.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. As I understand, if I now ask unanimous consent to reconsider the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered, I can then make a motion to reconsider the action by which the Senate adopted the amendment of the Senator from Delaware, and ask that all time on that motion to reconsider be waived.

The PRESIDING OFFICER. The Senator is correct.

Mr. SALTONSTALL. I therefore ask unanimous consent that the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered be now reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Would it be possible to include all of that in one unanimous-consent request?

The PRESIDING OFFICER. It could be done in one unanimous-consent request.

Mr. RUSSELL. I would object to its being done piecemeal. If it is all done at one time, and included in one unanimous-consent request, I have no objection to it.

Mr. SALTONSTALL. Mr. President, I adopt the suggestion of the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? Without objection, the request of the Senator from Massachusetts is modified as suggested by the Senator from Georgia and the modified unanimous-consent request is agreed to.

Mr. SALTONSTALL. If it is now in order to do so, I yield back all my time.

Mr. RUSSELL. I understood that that was included in the unanimous-consent agreement.

The PRESIDING OFFICER. That is a part of the unanimous-consent agreement. The question now is——

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. As I understand, the Senator from Massachusetts would still be permitted to make a motion to reconsider the vote whereby my amendment was agreed to.

Mr. RUSSELL. No; that has all been included in the unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. That has all been included in the unanimous-consent agreement.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. Would a motion to lay on the table be in order at this time?

The PRESIDING OFFICER. The Chair understands that the parliamentary position at this time is——

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the combined unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. Such a request is in order. The request is sufficiently seconded, and the yeas and nays are ordered.

Mr. JENNER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JENNER. As I understand the parliamentary situation, since the Senate has adopted the combined unanimous consent request of the Senator from Georgia and the Senator from Massachusetts, we are now back where we were a moment ago, and we are now voting on the original question, namely, on the amendment offered by the Senator from Delaware, and that the yeas and nays on that question have been ordered.

The PRESIDING OFFICER. The parliamentary situation, as the Chair understands it, is that the question now is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The yeas and nays on that question have been ordered, and the clerk will call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. I wish to be sure that I understand the parliamentary situation. As I understand, we are now voting on the motion of the Senator from Massachusetts [Mr. Saltonstall] to reconsider the previous action of the Senate in agreeing to my amendment. A "yea" vote will be against a limitation, as proposed in my amendment; and a "nay" vote will be for the action previously recorded by the Senate. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. A vote "yea" is a vote in favor of reconsideration. A vote "nay" is a vote against reconsideration. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). On this vote I have pair with the Senator from Mississippi [Mr. Eastland]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. Byrd], the Senator from New Mexico [Mr. Chavez], the Senator from Illinois [Mr. Douglas], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Rhode Island [Mr. Green], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], the Senator from Rhode Island [Mr. Pastore], the Senator from North Carolina [Mr. Scott], and the Senator from Florida [Mr. Smathers] are absent on official business.

On this vote the Senator from Illinois [Mr. Douglas] is paired with the Senator from North Carolina [Mr. Scott]. If present and voting, the Senator from Illinois would vote "nay" and the Senator from North Carolina would vote "yea."

The Senator from Oregon [Mr. Morse] is paired with the Senator from Florida [Mr. Smathers]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Florida would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. Neely] and the Senator from Rhode Island [Mr. Pastore] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada [Mr. Malone] are absent on official business.

The Senator from Ohio [Mr. Bricker], the Senator from New York [Mr. Ives], and the Senator from Idaho [Mr. Welker] are necessarily absent.

The Senator from New Jersey [Mr. Smith] and the Senator from Wisconsin [Mr. Wiley] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada [Mr. Malone] would each vote "nay."

On this vote the Senator from Idaho [Mr. Welker] is paired with the Senator from Wisconsin [Mr. Wiley]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 49, nays 22, as follows:

YEAS—49

Aiken
Anderson
Beall
Bender
Bennett
Bible
Butler
Capehart
Case, N. J.
Case, S. Dak.
Clements
Curtis
Daniel
Dirksen
Duff
Ellender
Ervin
George
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Humphrey
Jackson
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Laird
Lehman
Long
Magnuson
Mansfield
Martin, Iowa
McClellan
McNamara
Millikin
Monroney
Neuberger
Saltonstall
Sparkman
Stennis
Symington
Thye
Watkins
Wofford

NAYS—22

Allott
Barrett
Cotton
Dworshak
Flanders
Frear
Goldwater
Jenner
Kuchel
Langer
Martin, Pa.
McCarthy
Mundt
Payne
Potter
Purtell
Robertson
Russell
Schoeppel
Smith, Maine
Williams
Young

NOT VOTING—24

Bricker
Bridges
Bush
Byrd
Carlson
Chavez
Douglas
Eastland
Fulbright
Gore
Green
Ives
Kennedy
Malone
Morse
Murray
Neely
O'Mahoney
Pastore
Scott
Smathers
Smith, N. J.
Welker
Wiley

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. Williams]. All time is yielded back, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Mississippi [Mr. Eastland]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. Byrd], the Senator from New Mexico [Mr. Chavez], the Senator from Illinois [Mr. Douglas], the Senator from Mississippi [Mr. Eastland], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from Rhode Island [Mr. Green], the Senator from Massachusetts [Mr. Kennedy], the Senator from Oregon [Mr. Morse], the Senator from Montana [Mr. Murray], the Senator from West Virginia [Mr. Neely], the Senator from Wyoming [Mr. O'Mahoney], the Senator from Rhode Island [Mr. Pastore], the Senator from North Carolina [Mr. Scott], and the Senator from Florida [Mr. Smathers] are absent on official business.

On this vote, the Senator from Illinois [Mr. Douglas] is paired with the Senator from North Carolina [Mr. Scott]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. Morse] is paired with the Senator from Florida [Mr. Smathers]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. Neely] and the Senator from Rhode Island [Mr. Pastore] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. Bush], the Senator from Kansas [Mr. Carlson], and the Senator from Nevada

[Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 28, nays 43, as follows:

YEAS—28

Allott
Barrett
Case, S. Dak.
Cotton
Dirksen
Dworshak
Flanders
Frear
Goldwater
Humphrey
Jenner
Kuchel
Langer
Mansfield
Martin, Pa.
McCarthy
McNamara
Mundt
Neuberger
Payne
Potter
Purtell
Robertson
Russell
Schoeppel
Smith, Maine
Williams
Young

NAYS—43

Aiken
Anderson
Beall
Bender
Bennett
Bible
Butler
Capehart
Case, N. J.
Clements
Curtis
Daniel
Duff
Ellender
Ervin
George
Hayden
Hennings
Hickenlooper
Hill
Holland
Hruska
Jackson
Johnson, Tex.
Johnston, S. C.
Kefauver
Kerr
Knowland
Laird
Lehman
Long
Magnuson
Martin, Iowa
McClellan
Millikin
Monroney
Saltonstall
Sparkman
Stennis
Symington
Thye
Watkins
Wofford

NOT VOTING—24

Bricker
Bridges
Bush
Byrd
Carlson
Chavez
Douglas
Eastland
Fulbright
Gore
Green
Ives
Kennedy
Malone
Morse
Murray
Neely
O'Mahoney
Pastore
Scott
Smathers
Smith, N. J.
Welker
Wiley

So Mr. WILLIAMS' amendment was rejected.

Mr. JENNER subsequently said: Mr. President——

Mr. KNOWLAND. Mr. President, I yield a half minute to the Senator from Indiana.

Mr. JENNER. Mr. President, following the vote just taken, I should like to have printed in the RECORD the yea-and-nay vote on the amendment when it was adopted originally, when H. R. 12 was under consideration, and also the first vote today on the Williams amendment, which has just been rejected.

The PRESIDING OFFICER. Is there objection?

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

[From CONGRESSIONAL RECORD of March 12, 1956]

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

On this question, the yeas and nays have been ordered; and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Hampshire [Mr. COTTON] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. COTTON] would vote "yea."

The result was announced—yeas 78, nays 11, as follows:

Yeas—78: Aiken; Allott; Barkley; Barrett; Beall; Bender; Bennett; Bible; Bricker; Bridges; Bush; Butler; Byrd; Carlson; Case, New Jersey; Case, South Dakota; Chavez; Clements; Curtis; Daniel; Dirksen; Douglas; Duff; Dworshak; Ervin; Flanders; Frear; George; Goldwater; Gore; Green; Hennings; Hickenlooper; Hill; Hruska; Humphrey; Ives; Jackson; Jenner; Johnson, Texas; Johnston, South Carolina; Kennedy; Kuchel; Langer; Lehman; Magnuson; Malone; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Monroney; Morse; Mundt; Murray; Neely; Neuberger; O'Mahoney; Pastore; Payne; Potter; Purtell; Saltonstall; Schoeppel; Scott; Smathers; Smith, Maine; Smith, New Yersey; Sparkman; Symington; Thurmond; Thye; Watkins; Welker; Wiley; Williams; Young.

Nays—11: Anderson; Eastland; Ellender; Fulbright; Hayden; Holland; Kerr; Knowland; Long; McClellan; Stennis.

Not voting—6: Capehart; Cotton; Kefauver; Millikin; Robertson; Russell.

So Mr. WILLIAMS' amendment, as amended, was agreed to.

[From the CONGRESSIONAL RECORD of May 18, 1956]

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Masachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virgina [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senate from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS.] If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the senior Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

Yeas—44: Allott; Barrett; Beall; Bender; Bennett; Bridges; Butler; Case, New Jersey; Case, South Dakota; Cotton; Curtis; Dirksen; Duff; Dworshak; Flanders; Frear; Goldwater; Hayden; Hickenlooper; Hill; Hruska; Humphrey; Jenner; Kuchel; Langer; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Mundt; Neuberger; Payne; Potter; Purtell; Robertson; Russell; Saltonstall; Schoeppel; Smith, Maine; Sparkman; Watkins; Williams; Young.

Nays—29: Aiken; Anderson; Bible; Capehart; Clements; Daniel; Eastland; Ellender; Ervin; George; Hennings; Holland; Jackson; Johnson, Texas; Johnston, South Carolina; Kefauver; Kerr; Knowland; Laird; Lehman; Long; Magnuson; McClellan; Millikin; Monroney; Stennis; Symington; Thye; Wofford.

Not voting—22: Bricker; Bush; Byrd; Carlson; Chavez; Douglas; Fulbright; Gore; Green; Ives; Kennedy; Malone, Morse; Murray; Neely; O'Mahoney; Pastore; Scott; Smathers; Smith, New Jersey; Welker; Wiley.

So the amendment of Mr. WILLIAMS was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

Mr. ELLENDER. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. WILLIAMS and other Senators requested the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. JOHNSON of Texas. Mr. President, I yield a few minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, just prior to the vote on this bill, a statement that I have prepared, comparing the bill before us, H. R. 10875, to the bill S. 2949, known as the

administration bill, introduced earlier this year.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Herein is a list of the differences between S. 2949, which was prepared by the Department of Agriculture, and H. R. 10875 as reported by the Senate Committee on Agriculture. The differences are as follows:

1. The declaration of policy in H. R. 10875 takes wildlife conservation interests into account.

2. H. R. 10875 includes in the acreage reserve program, along with the commodities covered by S. 2949, the following: corn produced outside the commercial area, grain sorghums, barley, rye, oats, peanuts, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44.

3. H. R. 10875 permits reserve acreage to be grazed, if necessary, to relieve disaster.

4. H. R. 10875 provides specifically for inclusion in the acreage reserve program of lands on which the 1956 crop is plowed under, or the reduction in acreage otherwise made, within 21 days after enactment of the act.

5. Provisions for the control of noxious weeds have been specifically included in the acreage and conservation reserve programs by H. R. 10875.

6. H. R. 10875 prescribes acreage reserve contracts containing penalties for violation.

7. H. R. 10875 provides for a base acreage of 51 million acres for corn in lieu of an acreage allotment for 1956 and for 1957, 1958, and 1959 if producers vote for discretionary price support in lieu of acreage allotments and mandatory price support.

8. H. R. 10875 contains price-support provisions for corn and feed grains.

9. H. R. 10875 makes participation in the soil-bank program a requirement for price-support eligibility for corn and feed grains, and provides a base acreage similar to an acreage allotment for feed grains.

10. H. R. 10875 restricts acreage-reserve payments in kind to payments made with respect to grains, limits the amount of grain which may be used for payments in kind, restricts the time for making payments in grain with respect to the normal harvesting season, provides that payments shall be such as to encourage underplanting allotments for more than 1 year, and requires the Secretary to make adjustments in yields for abnormal conditions in establishing rates of compensation.

11. H. R. 10875 requires acreage-reserve compensation to be paid as soon as compliance with acreage-reduction requirements have been determined.

12. H. R. 10875 imposes an annual limitation of $750 million upon the overall acreage-reserve program and individual annual limits on acreage-reserve programs for each commodity.

13. Section 106 of S. 2949, which authorized the sale of certain quantities of Commodity Credit Corporation stocks at market prices without regard to the salea price limitationa of section 407 of the Agricultural Act of 1949, is omitted from H. R. 10875.

14. H. R. 10875 provides for soil, water, wildlife and forest conserving uses on conservation reserve lands.

15. H. R. 10875 extends the conservation reserve program to lands devoted to such soil-conservation crops as tame hay which do not require annual tillage.

16. H. R. 10875 permits harvesting of timber and wildlife or other natural products from conservation reserve lands.

17. H. R. 10875 provides for inclusion in conservation reserve contracts of a prohibition against diversion of lands from conservation, woods, grazing or other use to any use specified by the Secretary as one which would tend to defeat the purpose of the contract.

18. The penalty provisions applicable to soil bank contracts have been substantially modified to provide special penalties for grazing or harvesting, to provide different forfeitures for more serious violations, and to provide administrative and court review of contract terminations for serious violations.

19. H. R. 10875 permits the Secretary to use advertising and bid procedure in determining lands to be covered by conservation reserve contracts.

20. H. R. 10875 provides for the establishment of a conservation reserve goal and for its distribution among States on the basis of the needs of the country and of the various States.

21. H. R. 10875 provides for annual reports to Congress on the conservation reserve program.

22. The limitation of $5,000 on annual conservation reserve payments to any person with respect to land in any State is omitted from H. R. 10875.

23. H. R. 10875 authorizes 15-year conservation reserve contracts for tree cover.

24. The annual conservation reserve program would be limited to $450 million by H. R. 10875.

25. H. R. 10875 authorizes the Secretary to produce, as well as purchase, conservation materials and services for the conservation reserve program.

26. H. R. 10875 requires compliance with acreage allotments as a condition of eligibility for soil bank participation.

27. H. R. 10875 prohibits the reapportionment of acreage allotments diverted from production as a result of soil bank participation.

28. Section 118 of H. R. 10875 provides for utilization of a number of Federal and State agencies.

29. Section 119 of H. R. 10875 provides for the utilization of land use capability data.

30. H. R. 10875 provides for the use of appropriated funds in carrying out the soil bank after June 30, 1957.

31. Provisions for the protection of tenants and sharecroppers have been consolidated and substantially modified in H. R. 10875.

32. H. R. 10875 prohibits the leasing of Government lands for the production of surplus price-supported crops.

33. H. R. 10875 provides for pooling of conservation-reserve land.

34. H. R. 10875 provides for the orderly liquidation of CCC stocks and submission to Congress of surplus disposal, food stamp, and food stockpiling programs.

35. H. R. 10875 brings cotton stapling 1$\frac{11}{16}$ inches and longer within the quota applicable to cotton stapling 1$\frac{1}{8}$ inches or longer, and requires CCC to sell its current stocks of extra long staple cotton.

36. H. R. 10875 provides for an export sales program for cotton.

37. H. R. 10875 authorizes agreements limiting exports by foreign countries to the United States.

38. H. R. 10875 authorizes $500 million to be appropriated annually to supplement section 32 funds.

39. H. R. 10875 provides for transfer to the supplemental stockpile of other materials acquired through barter, as well as strategic materials so acquired, and authorizes appropriations to reimburse the Commodity Credit Corporation for materials so transferred.

40. H. R. 10875 increases the amount authorized to be appropriated under title II of Public Law 480 to $500 million, and authorizes payment by CCC of ocean freight costs on donations under title II of Public Law 480 and section 416 of the Agricultural Act of 1949.

41. H. R. 10875 provides for a bipartisan commission to recommend legislation for the increased industrial use of agricultural products.

42. H. R. 10875 provides for food donations to certain penal institutions.

43. H. R. 10875 prohibits extension of certain benefits to crops grown on certain Federal irrigation or drainage projects.

44. H. R. 10875 authorizes the Commodity Credit Corporation to pay the cost of processing donated food commodities.

45. The provision of S. 2949 for extension and enlargement of the special school milk program is omitted from H. R. 10875, having been taken care of by other legislation.

46. The provision of S. 2949 changing the base grade of cotton for purposes of parity and price support is omitted from H. R. 10875.

47. The provision of S. 2949, reducing CCC's minimum general sales price for basic and storable nonbasic commodities to the current support price plus carrying charges, is omitted from H. R. 10875.

48. H. R. 10875 provides for extension to the 1956 and 1957 wheat crops of the surrender and reapportionment provisions applicable to the 1955 crop.

49. H. R. 10875 provides for minimum national and State acreage allotments for cotton for 1957 and 1958.

50. H. R. 10875 provides mandatory minimum cotton farm acreage allotments in all counties (including those on a historical basis) and provides 100,000 additional acres.

51. H. R. 10875 provides minimum State rice acreage allotments for 1956 and minimum national and State rice acreage allotments for 1957 and 1958.

52. H. R. 10875 increases peanut marketing penalties to 75 percent of the support price.

53. H. R. 10875 imposes interest at 6 percent on peanut marketing penalties, and imposes a lien upon the crop until the penalty is paid.

54. H. R. 10875 provides for the preservation of the acreage history of unused allotments where proper notice is given to the county committee.

55. S. 2949 contains special durum wheat provisions similar to those of Public Law 431 of this Congress.

56. S. 2949 would have reduced the size of the commercial wheat area.

57. S. 2949 would have repealed the peanut minimum national acreage allotment provision.

58. H. R. 10875 provides for assistance to States for tree planting and reforestation.

59. H. R. 10875 provides for forest products price reporting and research.

60. H. R. 10875 provides for a 2-price plan for rice.

61. H. R. 10875 provides for support at competitive support levels for cottonseed and soybeans whenever the price of either is supported.

62. H. R. 10875 freezes the transitional parity price of corn, wheat, and peanuts at 95 percent of old parity in 1957 and 1958, and provides for a study of the parity formula.

63. S. 2949 provides for a gasoline tax refund. This has been passed by other legislation.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield to me for half a minute?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. I ask unanimous consent that the bill be printed with the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, in order that there may be no misunderstanding, I merely wish to repeat what I said previously about the amendment which was just rejected.

That amendment was recommended by the President to be included in the bill, and the Secretary of Agriculture testified before the committee and urged the limitations provided by the amendment. It has been recommended by the administration throughout; and the original bill which was introduced by the Senator from Vermont and practically every member of the Committee on Agriculture and Forestry except myself included the same provision as has just been rejected.

The PRESIDING OFFICER. Do the Senators in control of the time yield back the remainder of their time?

Mr. KNOWLAND. I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I should like to ask several questions of the distinguished chairman of the Committee on Agriculture and Forestry, on a matter of some importance.

The first question is, Under the conservation reserve program, is it intended to put land into trees and vegetative cover which might otherwise be used for producing field crops which are in surplus supply?

Mr. ELLENDER. The answer is "Yes."

Mr. NEUBERGER. The second question is, Would the fact that good, sound productive soil was once in trees and is now available for crop use rule out such land as being cropland eligible for the conservation reserve program?

Mr. ELLENDER. The answer is "No."

Mr. NEUBERGER. The reason I have asked the questions is that there are some areas of Oregon and Washington which were planted in fine fruit trees, but, because of a disastrous freeze, they are about to be used for the production of field crops.

However, if the particular farmers can get some assistance under the conservation reserve program, they will return the land to nursery stock and vegetative cover for a number of years, and thereby avoid increasing the production of crops in surplus supply.

Does the language of the bill authorize the Department of Agriculture to include such acreage in a conservation reserve contract? Is that the opinion of the distinguished chairman of the Committee on Agriculture and Forestry?

Mr. ELLENDER. If the land is considered as cropland it could be put in the conservation reserve and put into vegetative cover or trees; but I doubt that it could be put into trees such as apple trees, or even nursery stock. In my opinion, that could not be done within the purposes of the act.

In other words, if the land that has been an apple orchard and crops have been regularly produced on it, the land could be put into the conservation reserve program, but it could not be put back into apples or back into a producing crop, as I understand the bill.

Mr. NEUBERGER. In other words, if it was used for nursery stock, it would not qualify under the conservation reserve.

Mr. ELLENDER. That is correct. I do not see how it could be used for the production of any agricultural commodity and still meet the purposes of the act.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on the final passage of the bill.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 10875) was passed.

GREAT LAKES BULK-CARGO VESSELS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk-cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

CONFERRING JURISDICTION UPON UNITED STATES DISTRICT COURTS TO ADJUDICATE CERTAIN CLAIMS OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. CLEMENTS. Mr. President, on behalf of the Senator from West Virginia [Mr. NEELY], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, notwithstanding any lapse of time or statute of limitations, and notwithstanding section 1346 (d) (2) of title 28, United States Code, the United States district courts shall have jurisdiction of all civil actions or claims to recover fees, salary, or compensation for official services of employees of the United States which were filed prior to October 31, 1951, and were thereafter dismissed for want of jurisdiction as a result of the amendment made to such section by section 50 (b) of the act entitled 'An act to amend certain titles of the United States Code, and for other purposes', approved October 31, 1951.

"Such cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court within 1 year after the effective date of this act."

And the Senate agree to the same.

MATTHEW M. NEELY,
PRICE DANIEL,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

JAMES B. FRAZIER, Jr.,
WILLIAM TUCK,
PATRICK J. HILLINGS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CLEMENTS. Mr. President, the language of H. R. 5862 as it passed the House of Representatives and the language of the amendment in the nature of a substitute which was adopted by the Senate are designed to accomplish precisely the same purpose. For that reason, there is no disagreement on the purpose that is to be achieved by the proposed legislation. The conferees have agreed that the language in the House version, so far as it adopted the form of temporary legislation rather than a permanent amendment to title 28 of the United States Code, should be adopted. However, the conferees felt that additional language which was contained in the Senate version should be supplied to the House version to make clear that cases affected by this measure may be restored, by appropriate petition, in the courts from which they were dismissed.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE REPORT OF A COMMITTEE

Mr. EASTLAND, by unanimous consent, as in executive session, submitted the following favorable report of a nomination from the Committee on the Judiciary:

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board, vice Kathryn McHale, term expired.

NOMINATION OF SENATOR LONG TO A THIRD TERM IN THE SENATE

Mr. JOHNSON of Texas. Mr. President I wish to congratulate our beloved friend and colleague, the Honorable RUSSELL LONG, one of the youngest Senators ever to enter this Chamber, who today has been nominated—the time for filing

has closed without his having any opponent—to his third term in the United States Senate.

I believe the record will show that Senator LONG is the youngest person ever to have been nominated to a third term and elected to a third term—nomination in this instance being equivalent, I am confident, to election.

I know that all Senators share my very high regard and deep affection for Senator LONG.

Earlier today an order was entered upon the recommendation of the Democratic steering committee, electing Senator LONG to one of the great committees of the Senate, the Committee on Foreign Relations.

Senator LONG is the able son of worthy parents. Both his father and his mother served in this Chamber with distinction.

I know all my colleagues will want to join with me in congratulating Senator LONG upon this attainment of an honor which has come to few, if any, men in our history.

PEOPLE'S CAPITALISM

Mr. HUMPHREY. Mr. President, earlier this year under the auspices of the United States Information Agency, and based on a proposal of the National Advertising Council, an exhibit called People's Capitalism was on display at the Union Station. Certain aspects of this exhibit caused widespread concern, particularly among observers who have considered possible repercussions in Asia and Africa, areas sensitive to any representation of the United States as a boastful, materialistic power. There was a feeling among many observers that People's Capitalism, as first displayed, presented a picture of an America, proud only of its material achievements and largely devoid of deeper spiritual or philosophical foundations.

Typical of the reactions of many observers are the comments of Mr. S. Douglas Cornell, executive officer of the National Academy of Sciences in Washington. I ask unanimous consent that a 10-paragraph description written by him of the People's Capitalism exhibit be inserted at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PEOPLE'S CAPITALISM

The People's Capitalism exhibit fills me with dismay. Dismay because it shows with all the terrible persuasiveness of the skilled professional salesman the stark materialism of America that many foreigners, in my opinion, fear for its emptiness of spiritual values even more than they envy for its material achievements. Dismay, too, because if that aspect of America is the best message for the world that public-spirited business organizations of the country, and the USIA, can prepare, then we are indeed in an era of spiritual poverty and we may well despair of America's willingness to find the humility and make the sacrifice that alone can bring an answer to the divisions within and outside our country.

What is the exhibit designed to do? If it is to show what America has accomplished economically and industrially, then it does a splendid job. But I cannot see the relevance of that to other people's problems in the world today except insofar as it shows the magnificent physical equipment that we have to help others. It fails to say how, or even whether, we propose to use our wealth, our resources, our great good fortune, our energies, and our hearts to help solve the world's problems. That is what would carry a truly compelling message to other peoples.

If it is intended to show that the prosperity we have gained is what other nations should desire and could achieve if they emulated us, and that therein lies the answer for a groping, longing world, then it seems to me to be based on a fundamental fallacy. Other peoples will not be convinced. They know something of the extraordinary combination of natural resources, geography, transportation, communications, temperament, energies, and talents that built our industrial civilization. Why should an account of that kind speak persuasively to India, where there is no coal and millions lack the fuel to warm themselves or to cook their food? Or to China with teeming millions in an agrarian culture? Or to Japan, crowded into a narrow strip of habitable land and heavily dependent on foreign sources for raw materials and even food? Or to Burma, or Indonesia, or Afghanistan?

America cannot meet the deepest needs of people today by displaying the material results of our particular combination of fortunate circumstances, and saying, in effect, "You should be like us, and you can be if you will work as hard and be as lucky." Many other people work harder than we do, and they haven't been as lucky. And many of them see us enthroning material prosperity as our standard and economic success as our god, and the wise among them don't want that.

The exhibit is not an effective answer to Soviet propaganda. The Soviets already know what we have accomplished in industrial production; indeed, they keep saying publicly that they are striving to match our high performance. Everyone else knows it too. And the statistics of public participation in our capitalism, no matter how heartening to us, won't mean much to the peasant who cannot comprehend them or to the intellectual who has learned to mistrust all statistics, and especially "official" ones.

What people everywhere need most to know is the answer to the question, "What is in America's heart?" Not the heart of an advertising man alone, nor of a Government official, but in the hearts of the men and women who are America. There is fear that, as has been said recently by a Canadian philosopher, both America and Canada have pursued economic prosperity at the expense of everything else and have won exactly that—economic prosperity at the expense of everything else.

America has a slumbering heart—a heart that once responded to the spiritual challenge of a revolution fought to establish moral standards as the very basis of democracy and freedom. Our Founding Fathers understood these things with crystal clarity. In 1776 John Adams said, "There must be a positive passion for the public good, and public interest, honor, power, and glory, established in the minds of the people, or there can be no republican government, or any real liberty." And in his Notes on Virginia Thomas Jefferson wrote, "Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?"

Where are those elements in the People's Capitalism exhibit? How does America propose to use her good fortune to meet the world's needs? What is in America's heart? If others already fear that we have subordinated the spiritual values that are the foundation of our democracy to an economic and material god and to standards that have nothing to do with moral conduct, then the People's Capitalism exhibit will go far to confirm those fears.

Where is the exhibit that will speak to people because it shows evidence that we are striving to raise in the modern world that "standard to which the wise and honest can repair" that was enjoined on the Constitutional Convention 169 years ago by George Washington?

I realize that these comments do not themselves offer constructive alternative material for an exhibit. The preparation of an exhibit for extensive overseas showing would require the greatest care and a searching effort to find the facets of American life, and the evidence of American convictions, that would carry a message of courage, strength, moral purpose, and faith in a future, to give to the peoples of the world. I should be glad to discuss these matters further.

Mr. HUMPHREY. Mr. President, when the distinguished senior Senator from New Jersey [Mr. SMITH] brought Mr. Cornell's analysis to my attention early in April, I wrote to the Senator agreeing with many of the criticisms which had been made of the People's Capitalism exhibit.

I ask unanimous consent that pertinent portions of my letter to the Senator of April 6, 1956, be inserted at this point in my remarks.

There being no objection, the portions of the letter were ordered to be printed in the RECORD, as follows:

The Honorable H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

DEAR ALEX: Thank you very much for your letter of April 2 and the enclosed copy of the letter you have written to Secretary Dulles about the exhibit, People's Capitalism. Alex, I agree with you completely and want to endorse everything you said in your letter to the Secretary. I think that Mr. Cornell's account is also precisely in point. Why is this point so hard for some people to grasp?

I am sure that you were as distressed as I was to read in President Eisenhower's speech to the National Advertising Council on the same day that you wrote your letter, April 2, that the People's Capitalism exhibit seemed imaginative to him. I was even more distressed to find him adding: "I don't know how many of you have seen it, but to me it is the kind of message that America ought to be carrying abroad. I would have liked to have seen some kind of adjective put between 'people's' and 'capitalism,' * * * something of the order of 'competitive' or something of that kind."

This statement by the President was all the more ironic because he went on later in his speech to stress the importance of our belief in "the dignity of man, the independence of nations, the right of people to determine for themselves their own faith"—rather than stressing the 150 gadgets in a new American kitchen.

I have lauded today the constructive elements of the President's speech. I am attaching a news release which says so in so many words. I wish I could similarly laud the President's endorsement of the People's Capitalism project and regret that I cannot.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, during recent weeks, I have been pleased to hear that the United States Information Agency was reconsidering some aspects of the People's Capitalism exhibit. This information was substantiated by an article appearing in the Washington Star on May 16, 1956, entitled "USIA Revising Exhibit on People's Capitalism." I ask unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USIA REVISING EXHIBIT ON PEOPLE'S CAPITALISM

The United States exhibit designed to show people overseas how the American system of capitalism works for everyone in this country is undergoing changes in its individual displays.

The exhibit, named People's Capitalism, is the work of the United States Information Agency. It was based on an idea offered by the Advertising Council.

When it was given a trial showing in Washington last February, President Eisenhower and thousands of Washingtonians and representatives of foreign nations visited it. The USIA solicited suggestions from all visitors.

CHALLENGED BY EXPERTS

One of the comments voiced by several local museum experts was directed against the opening display in the exhibit, a copy of an old home labeled "This is the way Americans lived in 1776." The experts said that many of the house's furnishings dated from a later period than 1776, some of them from the mid-19th century.

One of the principal changes the USIA is making before sending the exhibit overseas this summer is to change the designation of the old house to read "This is how Americans lived in the time of Abraham Lincoln."

Another change will double the space given to the section on the cultural and spiritual development of the United States.

A third change is being made in the exhibit's final display, a prefabricated steel house designed to show how Americans have advanced through the benefits of capitalism. A USIA spokesman said the house is being revamped to make it less slick and give it a lived-in look.

GOING TO NEAR EAST

The Agency plans to ship the exhibit to India and the Near East sometime in the middle of the summer. A spokesman said the Agency hopes to line up appearances at a series of trade fairs in Asian countries.

He said USIA was not disturbed by the sometimes caustic criticism aroused by the exhibit here, especially concerning the old house.

"Our purpose in showing the exhibit in Washington was to provoke reaction, so we would know what to do with the show before we sent it overseas," he said. He said the problem of the date of the furnishings of the old house had been solved by simply updating the house to a later period.

Mr. HUMPHREY. Mr. President, at this point, Mr. President, none of us has any way of knowing whether these revisions will be major or minor, but I do hope that appropriate officials in the USIA will consider the considerable criticism which has been directed to the exhibit, and that they will redesign it so that it will give a meaningful representation of American life to the people overseas who are often more interested in democratic ideas than in refrigerators and bathtubs.

POLITICAL PROBLEMS GREATER THAN MILITARY PROBLEMS

Mr. HUMPHREY. Mr. President, Secretary of Defense Wilson and Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, testified earlier this week before the Senate Foreign Relations Committee. I ask unanimous consent that an article about the hearing by Doris Fleeson entitled "Radford Points to Worry Area," be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RADFORD POINTS TO WORRY AREA—ADMIRAL SAYS OUR POLITICAL PROBLEMS ARE GREATER THAN MILITARY ONES

Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, has lent his great prestige to those who contend that the Russians are beating the United States on the political and diplomatic fronts of the cold war.

The admiral expressed satisfaction with the country's military posture. He said that since 1950 we had generated a very great military strength which had prevented the spread of the Korean war and an attack on the United States. But he added:

"It is in the political and diplomatic field that we have to worry. The new Russian approach, their ability to talk sweet and disarm criticism, poses new problems for us in critical areas. There our troubles are greater than in the military field."

Answering a question by Senator HUMPHREY, he said he knew of no promise of aid to any nation made by the Soviet Union that it did not keep. He said he hoped the Russians would run into trouble as they expanded their promises, but he agreed with Mr. HUMPHREY that it would be an unwise assumption to suggest that they couldn't deliver on their commitments.

More reporters than spectators were in the caucus room when Foreign Relations Committee Senators questioned the Nation's top military man and his civilian boss, Secretary of Defense Wilson. At issue is the administration's expanded foreign-aid bill of $4.9 billion.

It is now admitted that cuts in the program during the past 2 years were achieved by emptying the pipelines. Now they have to be filled again, hence the increase.

Senators recalled that the famous old hearing room was jammed to capacity and had a waiting line outside when Senator HUMPHREY heard witnesses recently on his bill to enforce humane slaughter upon the Nation's packinghouses. In past years foreign aid and military figures of Radford's eminence also have attracted crowds when they discussed the American position as compared to Russia.

Present apathy may in part be due to the fact that Americans now accept foreign aid as one of the disagreeable necessities of life in a cold war era.

It is also illustrative of the role the American Presidency plays in the creation and expression of the national will. So long as the President refuses to admit concern the public refuses to get excited. This is especially true of President Eisenhower in the military-foreign affairs realm where his experience has been so great.

A parade of witnesses has been appearing before congressional committees on the topic of countering the changed Russian policy, the successful Russian penetration of the Middle East and Africa, and Russian progress in nuclear weapons and general technology. That parade is growing very long.

Its message remains rather simple. The Russians are doing fine with their new line. We have still to devise a product to outsell theirs. Nor are all military leaders in accord with Admiral Radford that the Pentagon is more than holding its own.

Perhaps Secretary Wilson, whose natural candor occasionally bursts the confines of the teamwork imposed on all the Eisenhower administration, has given the answer to the lack of a creative new program. In so many words he told the Senators that the administration recognizes the new trend but hasn't been able to make up its mind where the trend is carrying us.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, on Monday there will be a call of the calendar.

Then it is proposed to consider the Great Lakes bulk cargo vessels bill, provided the Senators who are interested in the bill are present. That bill will be followed by the retirement bill. We have an agreement that speeches may be made on the retirement bill, but there will be no yea-and-nay votes on that bill on Monday. We hope the retirement bill can be acted on Tuesday, and that we can then take up the agricultural appropriation bill.

The agricultural appropriation bill will probably be followed by the housing bill, and that will probably be followed by the highway bill.

We ought to consider all those bills next week, although they may not be considered in the order I have stated.

We also expect the Senate to consider the State-Justice-Judiciary appropriation bill sometime next week.

I am informed that there will be reported to the Senate during the week, very probably, the District of Columbia, the general government, the independent offices, and the Commerce Department appropriation bills.

So I want the Senate to be on notice that we shall consider perhaps 4 or 5 appropriation bills during the coming week and perhaps the early part of the next week.

RECESS TO MONDAY

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. JOHNSON of Texas. Mr. President, if there are no further statements to be made by any Senator, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 8 o'clock and 1 minute p. m.) the Senate took a recess until Monday, May 21, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 18 (legislative day of May 7), 1956:

FEDERAL COMMUNICATIONS COMMISSION

T. A. M. Craven, of Virginia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1956, vice Edward Mount Webster, term expiring.

UNITED STATES DISTRICT JUDGE

Frederick Van Pelt Bryan, of New York, to be United States district judge for the southern district of New York, vice William Bondy, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 18 (legislative day of May 7), 1956:

NATIONAL SECURITY TRAINING COMMISSION

Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission for a term of 5 years; expiring June 19, 1961.

IN THE ARMY

APPOINTMENT AS CHIEF OF FINANCE, UNITED STATES ARMY, AS MAJOR GENERAL IN THE REGULAR ARMY OF THE UNITED STATES, AND AS MAJOR GENERAL (TEMPORARY), ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTION 206 OF THE ARMY ORGANIZATION ACT OF 1950 AND SECTIONS 513 AND 515 (C) OF THE OFFICER PERSONNEL ACT OF 1947

Brig. Gen. Harry Wells Crandall, O16238, Army of the United States (colonel, U. S. Army).

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (major general, U. S. Army), in the rank of general.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress.

To be major generals

Brig. Gen. Henry Kimmell Fluck, O415805.
Brig. Gen. Henry Kirksey Kellogg, O286132.
Brig. Gen. Ralph Julian Olson, O232882.
Brig. Gen. Joseph John Scannell, O350527.
Brig. Gen. Edmund Robert Walker, O291567.
Brig. Gen. Edward Otto Wolf, O298530.

To be brigadier generals

Col. Noah Dwight Allison, O278182.
Col. Cliff. Frederick Beyers, O267530.
Col. Francis Halsey Boland, Jr., O233853.
Col. James Charles Cairns, O285315.
Col. Leonard Nichols Dunkel, O178133.
Col. Gilbert William Embury, O233743.
Col. Leslie Lee Evans, O246332.
Col. John Simon Gleason, Jr., O398999.
Col. William Joseph Hixson, Jr., O302021.
Col. Graber Kidwell, O295004.
Col. John Martin McGreevy, O278060.
Col. Eugene Maier, O270647.
Col. Theodore Henry Marshall, O235213.
Col. Leon Lewis Mathews, O255628.
Col. Fernando C. Mencaccy, O278275.
Col. William Eugene Miller, O283629.
Col. George Poindexter Munson, Jr., O257114.
Col. Edward Anderson Pagels, O318906.
Col. William James Sutton, O263659.
Col. Harley Bruce West, O268317.

RETIRED LIST

Gen. Anthony Clement McAuliffe, O12263, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Conrad Stantion Babcock, O16104.
Brig. Gen. William Everett Potter, O17098.
Brig. Gen. Carl Henry Jark, O17556.
Brig. Gen. John Elliot Theimer, O17566.
Brig. Gen. Henry Ray McKenzie, O17623.
Brig. Gen. Barksdale Hamlet, O18143.
Brig. Gen. James Lowell Richardson, Jr., O18232.
Brig. Gen. August Schomburg, O18422.
Brig. Gen. Edwin John Messinger, O18503.

To be brigadier generals

Col. Jacquard Hirshorn Rothschild, O18077, United States Army.
Col. John Anderson Berry, Jr., O18473, United States Army.
Col. Gunnar Carl Carlson, O18515, United States Army.
Col. John Chandler Steele, O18668, United States Army.
Col. Robert Augur Hewitt O18713, United States Army.
Col. Ray Joseph Laux, O42102, United States Army.
Col. Joseph Edward Bastion, Jr., O19162, United States Army.
Col. Chester Braddock DeGavre, O19262, United States Army.
Col. William Beehler Bunker, O19402, Army of the United States (lieutenant colonel, U. S. Army).
Col. John Lathrop Throckmorton, O19732, Army of the United States (lieutenant colonel, U. S. Army).

The nominations of Julian Leo Abell and 356 other cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 1, 1956, upon their graduation, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification, which were received by the Senate on May 7, 1956, and which may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Julian Leo Abell, which is shown on page 7581, and ending with the name of Martin B. Zimmerman, which occurs on page 7583.

IN THE AIR FORCE

The nominations of Francis Marshall and 422 other persons for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on May 9, 1956, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Francis Marshall, which is shown on page 7797, and ending with the name of Marie L. Killwey, which occurs on page 7798.

IN THE NAVY

To be admiral

Vice Adm. Robert P. Briscoe, United States Navy, to have the grade, rank, pay, and allowances of admiral while serving in commands and other duties designated by the President.

To be vice admirals

The following officers to have the grade, rank, pay, and allowances of vice admiral while serving in commands and other duties designated by the President:

Vice Adm. William M. Callaghan, United States Navy.
Rear Adm. Carl F. Espe, United States Navy.

RETIRED LIST

Adm. William M. Fechteler, United States Navy, when retired, to be place on the retired list with the rank of admiral.

The nominations of Asher P. Seip, Jr., and 1,051 other persons for appointment in the Navy, which were confirmed today, were received by the Senate on May 7, 1956, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Asher P. Seip, Jr., which appears on page 7583, and ending with the name of John B. Wyatt, which occurs on page 7586.

EXTENSIONS OF REMARKS

Observance of Armed Forces Week and National Broadcasting Co.'s Wide, Wide World Program

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Friday, May 18, 1956

Mr. BIBLE. Mr. President, the week from May 14 to 20 marks this country's observance of Armed Forces Week. I want to call the attention of the Senate to an outstanding tribute paid to our soldiers, sailors, marines, and airmen on Sunday, May 13, by the National Broadcasting Co.'s Wide, Wide World television program.

Conceived on the theme of power for peace, this program inaugurated Armed Forces Week, and enabled some 35 million viewers from coast to coast to observe nationwide demonstrations by the Army, Navy, Marine Corps, Air Force, and Coast Guard.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD some further observations of mine about this program and Armed Forces Week which I believe are timely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

Using some 83 television cameras, the largest number ever assembled for one program, Wide, Wide World established the dedicated theme of Armed Forces Week when Dave Garroway, the narrator, said:

"There's nothing free about freedom. We don't inherit it as we would a building and just move in and live. It has to be bought and cherished and maintained. Each of us can add to the strength of the Nation—morally, economically, politically, and militarily. And out of this strength will come power—out of this power will come peace."

In presenting the various services, Wide, Wide World first introduced the Chiefs of Staff and Commandants of all our Armed Forces at the Pentagon. They, in turn, explained to the viewers the role played by each service in the defense of this country and as a deterrent to war, later presenting their commanders in the field in live demonstrations of "power for peace."

Through the eyes of television on last Sunday afternoon, the viewers of this Nation were able to see an Army demonstration from Fort Benning, Ga., an infantry-tank-artillery demonstration team in action, showing modern techniques and weapons used by today's Army and also, an airborne assault where the viewer was present with live cameras in the plane as the paratroopers prepared to jump and actually took part in the jump as one of the men carried a portable signal corps television camera with him in a graphic exhibition of combat television.

The Navy's participation included a special run by the U. S. S. *Albacore* off Long Island with live cameras above and below decks, a visit to the aircraft carrier *Essex* off San Diego as a parade of Navy jets were brought up from below decks and launched into the air.

At Quantico, Va., the Marine Corps portrayed its newest assault methods of vertical envelopment, as helicopter assault units flew over simulated beach defense areas and seized vital points of land with concentrated firepower.

The Wide Wide World cameras again went into action at San Diego, this time showing the Coast Guard's watch on sea and shore to protect the lives and the property of our countrymen. Here the viewers participated in an air-sea rescue mission.

The pentagon of power needed to keep our country strong and free was completed from Eglin Field, Fla., where the Air Force paraded before this great television audience the plane designed to give this country the superior global airpower on which the security of the free world depends. The Air Force also showed how planes are tested under Arctic conditions.

To complete this American story of "power for peace," the live television cameras allowed the millions of viewers to pay their first visit to the Combat Operations Center of the Continental Defense Command in Colorado Springs. This dedicated defense mission portrayal was climaxed with a training mission in which an unidentified plane was intercepted at sea and downed by rocket power.

This week marks the seventh year that we have celebrated Armed Forces Day and appropriately enough through the live television cameras of NBC's Wide Wide World, millions of Americans were able to participate in this salute to the men and women of our Armed Forces. These men and women and their comrades in arms stationed all over the world are America's visible strength.

Together they make up the ultimate all-American team in maintaining power for peace.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, May 18, 1956

Mr. HRUSKA. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared relative to Rumanian Independence Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

May 10 was, in brighter years, the most hallowed national holiday to Rumanians. May 10 is Rumanian Independence Day, the anniversary of Rumania's uniting her provinces into one nation and declaring her independence.

May 10 is no holiday on the Communist calendar. There were no celebrations, no ceremonies, no reminders of this revered holiday. But no communistic rule will ever stamp out the heritage and meaning of this independence day.

Rumanian Independence Day is being perpetuated in the hearts of freedom-loving Rumanians now living under the Communist yoke. It is to them another inspiration to sustain them to the day of liberation. A people who has known freedom cannot forever be kept in bondage with chains no matter how strong, or with a police state no matter how ruthless.

Americans of Rumanian descent continue to keep alive the spark of freedom behind the Iron Curtain. May 10 was marked in the United States by traditional ceremonies and celebrations as were held in Rumania before the Communist aggressor subjected this gallant nation. It was an inspiration to hear an outstanding Rumanian-American, the Reverend Father Eugene Lazar, pastor of the Rumanian Orthodox Church, Gary, Ind., deliver the opening prayer as the United States Senate convened on May 10. Its text is as follows:

"O Heavenly King, spirit of truth, who art present everywhere, treasure of blessings, and bountiful giver of life: Come Thou and abide among us, as we pray that unto our God-fearing President, and the Members of this House, and all civil authorities, and our Armed Forces, Thou wilt grant a peaceful life, health, salvation, and conquest over the enemies of these United States of America.

"O Almighty God, our help and refuge, fountain of wisdom and tower of strength, who knoweth that we can do nothing without Thy guidance, direct us to divine wisdom and power, that we may accomplish whatever task we may undertake, faithfully and diligently, as we beseech Thee, O Master, to remember those who live in oppression and fear, in countries behind the Iron Curtain, as they seek the same freedoms Thou hast bestowed upon us so generously, who are judged and condemned to prison and exile and bitter slavery, and who have need of Thy mercy.

"As Thou desirest, O Lord, that all people be free, we ask that Thou especially remember the God-fearing people of the Kingdom of Rumania, on this memorable day, and as in the past they found and enjoyed the gift of freedom, assist them to find the same road to recovery, to liberation, and to freedom from injustice and the yoke of tyranny, and that Thy blessings be upon them as upon us in this hour.

"This we ask in the name of the Risen Christ our Lord and Saviour. Amen."

Rice Production

EXTENSION OF REMARKS

OF

HON. ALLEN J. ELLENDER

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Friday, May 18, 1956

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me at New Orleans, La., on May 12, 1956, at the 57th annual meeting of the Rice Millers' Association.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BY SENATOR ALLEN J. ELLENDER OF LOUISIANA, AT NEW ORLEANS, LA., ON MAY 12, 1956, AT THE 57TH ANNUAL MEETING OF THE RICE MILLERS' ASSOCIATION

It is indeed a privilege and a pleasure to be present here with you today. It is a privilege, because I can always be sure when I am with this group that I will come away from your meeting having learned a great deal; it is a pleasure to be with you because I count so many of you among my personal friends. Those of you whom I do not know personally, I hope to meet and chat with informally some time in the near future. I invite all of you to visit me should you come to Washington.

May I say that I am very much pleased to be away from Washington, if only for a few short hours, to discuss with you a subject in which we all have a great and abiding interest—rice.

I am not going to glorify rice today; the good Lord and you folks who grow, mill, and market rice have already done that. On the other hand, I am not going to gloss over the problems our rice industry faces this year, and probably in the year to come. Instead, I want to talk to you straight from the shoulder.

Just a little more than 5 months ago I had the opportunity of visiting throughout the Louisiana Rice Belt. As a matter of fact, during last fall I visited almost every agricultural belt in our country, talking with farmers, and getting their views in an effort to help draft a farm program which would halt the drastic decline in farm income. Net farm income in 1951 was $14.8 billion and as of the last quarter of 1955, it had fallen to $10.3 billion or a net decline of $4.5 billion over the last 4 years. Falling farm income has become an infectious disease, one which is gnawing away at the economic health of our entire Nation. Farm income has fallen even as corporate and labor income have continued to reach record highs—this in spite of the fact that agriculture is basic—that it is the single most important segment of our entire economy.

To a very large extent, the hearings I held, as chairman of the Senate Committee on Agriculture and Forestry—hearings which drew farm opinion from every major agricultural region of this fertile country—were the basis of the President's farm message of January 9. They provided the raw material from which Congress drafted, approved, and sent to the White House a farm bill which the President promptly vetoed.

As you are well aware, among the provisions of this bill was a two-price plan for rice, a program which you, the rice millers, and other segments of the rice industry suggested and helped us draft. It was aimed at three specific objectives: First, to make available to the American consumer an abundant supply of rice at reasonable prices; second, to increase the income of rice farmers and protect them against further drastic cutbacks in acreage; and, third, to restore the American rice industry to its traditional competitive position in world markets.

The two-price plan for rice was your industry's idea; it had its genesis at the grassroots of the American rice-producing States. It was, I believe, a sound, forward-looking approach—a new look in agriculture. It has been vetoed, but the fight is not yet over.

As a matter of fact, the fight has only begun. Just the day before yesterday, the Senate Agriculture Committee reported a new farm bill, one which contains a soil bank. But, even more important, it contains provisions which are designed to return economic vigor to the American rice industry.

One of the new rice provisions empowers the Secretary of Agriculture to institute a 2-year trial of a 2-price plan for rice before 1959. The Secretary could declare that the 2-price program would go into effect in 1957, to run through 1958; he could, in the alternative, choose 1958 as the initial year, and operate the 2-price plan over the years 1958 and 1959.

In the meantime, rice acreage for 1957 and 1958 would be frozen at present levels; this freeze would affect not only the national rice acreage allotment, but the State allotments as well. No State would have to suffer an acreage reduction over the next 2 years.

There is also one other little gadget in the new bill, one which was in the measure President Eisenhower vetoed, and one which I think is a must. That provision specifies that no rice-producing State's 1956 acreage allotment would be less than 85 percent of its 1955 allotment.

Of course, there are still three big hurdles for us to jump. First, the Senate must pass our committee's bill; second, we must preserve in conference our amendments, particularly those affecting rice, such as the minimum rice acreage and optional two-price plan provisions. Third, the President of the United States must sign the bill.

Perhaps I am an optimist, but I think that if the President will just sit down and read the bill himself—if he will just give it a little more independent thought than he gave the first farm bill, he will sign the measure into law.

Several weeks ago I took time off from my regular work on the Senate Appropriations and Agriculture Committees to talk a little commonsense to the Secretary of Agriculture and to President Eisenhower.

I told them this:

I said it was unfair, unwise, and plain bullheaded for them to come to Congress with a straight soil-bank bill and expect us to approve it as submitted, with nothing else in the way of relief for the rank and file farmer. I told them I thought it was unconscionable for them to expect the Congress to become a rubberstamp. As chairman of the Senate Committee on Agriculture and Forestry, I am more than willing to meet the administration halfway in an effort to bolster farm income now, immediately, this year. But I am going to insist upon one overriding objective. I want to see all American farmers treated as equally as we can. I want to see that no area, no commodity, no one group of farmers, gets the cream while the rest get whatever happens to be left over.

Therefore, I want to assure you that before I cast my vote on final passage of a soil-bank bill, I am going to do my utmost to see that it contains the two-price plan and minimum rice-acreage provisions voted by the Senate Agriculture Committee. I want to see all commodities given a square deal.

I announced this position several weeks ago. Subsequently, some of my Republican colleagues came to me and said: "Senator, what are you trying to do? We do not know what you mean about treating commodities equally. Did the President not treat them equally, even after he vetoed the bill?"

My answer to that was "No—emphatically no."

Let me tell you why I think President Eisenhower's veto of the farm bill was a political veto, that it was directed not at the merits or demerits of the bill, as it purported to be, but, rather, was aimed first and foremost at capturing votes in the November elections.

I have never undertaken to speak harshly of President Eisenhower before. On the other hand, I think that you, as vital members of the American rice industry and the American agricultural economy—I believe that each of our citizens, everywhere—should be familiar with the President's veto message, what it meant, and what it accomplished. I think it should be understood that the veto message was a sham, a collection of platitudes, generalities, inconsistencies, and misstatements of fact. The message demonstrates that the President of the United States neither studied nor understood the bill he vetoed.

Let me briefly review some of the reasons the President gave for vetoing the farm bill. Let us see how these so-called reasons measure up with the facts, and with actions subsequently announced by the President.

First, President Eisenhower said that the farm bill's 1-year, 1-shot, emergency 90 percent of parity price supports for the basics would have increased agricultural production.

The bill would not have increased production; you know it, I know it, and President Eisenhower should know it. The Senate bill reinstated 90 percent of parity price supports for 1 year, 1956. Acreage allotments for 1956 had been promulgated, distributed, and placed in effect as of the time the bill was passed. Many of these allotted acres had been planted at that time. Our bill provided for no increase in acreage; it provided only that on basic crops produced from allotted acres, farmers would receive price support of 90 percent of parity, for 1 year only. There was no possible way for the farm bill, the bill vetoed by the President, to have increased production of the basic commodities.

Of course, Secretary Benson has theorized that if price supports are increased, if commodity prices are raised, then farmers will pour the fertilizer to their land. He has said 90 percent of parity price supports will inspire farmers to coax maximum production from each acre they are permitted to plant. This may sound good to an arm-chair, ivory-tower farm expert, but let us look at it from the point of view of the dirt farmer.

Put yourself in a typical farmer's shoes. Imagine that your acreage allotment for rice is 100 acres. You know that you are going to have to wring from that 100 acres enough income to pay your fixed operating costs, to buy your food, to clothe your children, to meet your mortgage payments. If you must produce 2,300 hundredweights of 90 percent of parity rice to break even, then if price supports are reduced 15 percent, you will coax 15 percent more production from your 100 allotted acres. You will do your best to produce 2,645 hundredweights of 75 percent of parity rice. This is more than just human nature, it is practical business sense. When Ford or General Motors or Chrysler find themselves with a surplus of automobiles, they don't cut prices; no indeed, they cut back on production. Ladies and gentlemen, the whole Benson philosophy is fallacious; it has dragged American agriculture to the brink of ruin. If General Motors has found that price cutting is no solution to overproduction, then the American farmer is certainly in the same boat. Here is one time when I agree that what is good enough for General Motors should be good enough for the farmer.

Not only has the American farmer found that price cutting—income cutting—is no way to increase farm profits, but the President of the United States seems to be convinced, as well, for he has thrown the Benson sliding scale right out the White House window.

You will recall that in vetoing the farm bill, President Eisenhower said that the conference farm bill was a step backward from, and I quote, "the sound and forward-looking legislation in the Agricultural Act of 1954." I do not concede that the 1954 Agricultural Act is either sound or forward looking; however, if President Eisenhower thinks it is, he should establish price-support levels which are consistent with his convictions. Having declared that the only way to solve our farm ills is to move ahead under the sliding scale—since he has stated that the new farm bill had to be vetoed because it contained rigid price supports—it is inconceivable that, in almost the same breath, President Eisenhower would abandon the flexible price-support program.

But that is precisely what he did. President Eisenhower vetoed the farm bill because it reinstated rigid price supports for 1 year, yet, in that same message he announced that the Secretary of Agriculture would place in effect his own system of rigid price supports for 1956.

How, you may ask, did he manage to do this since the 1954 flexible price-support law specifies that as surpluses increase, support levels must fall?

In almost every law, particularly one as complicated and complex as the agricultural support program, there is at least one loophole. The President and Secretary Benson found this loophole and lost no time scooting through it, like mice after cheese—or like politicians after votes. That loophole in the Farm Act now on the books provides, in effect, that whenever any commodity important to the national welfare is not bringing the price it should under the sliding scale, then the Secretary can fix a new support price. Of course, this is what the Secretary of Agriculture and President Eisenhower did. I wonder, however, how Mr. Benson must have felt when his boss told him to do so; I wonder, because only 2 years ago the Secretary was making speeches to the effect that the six basics were receiving preferential price-support treatment. He even had his Department print up a little booklet stating that only about 25 percent of our total farm income is derived from the basic commodities. Suddenly, however, Mr. Benson has seen the light; he has discovered that this 25 percent has such a far-reaching effect upon the national economy that he must invoke authority contained in one of the sliding-scale loopholes in order to raise support levels. It evidently took a Presidential order to force Mr. Benson to recognize something you and I have known for a long, long time—that the six basic commodities are, indeed, basic to our farm economy.

Acting under this emergency authority, the President had Secretary Benson institute his own program of rigid price supports. In lieu of 1-year, rigid legislative price supports, the President decreed 1-year, rigid, lop-sided administrative price supports. He supported cotton at rigid 82½ percent of parity; wheat at rigid 84 percent of parity, peanuts at rigid 86 percent of parity, tobacco at rigid 90 percent of parity, and rice at rigid 82.7 percent of parity.

Here is the interesting part, however. Corn, the sixth basic, gets a little different treatment. Corn eats high on the hog. Corn gets not just a single rigid price support, not just a two-price program, but corn gets a rigid, three-price program for 1956.

Under the support schedule announced by the President in his veto message, corn in the noncommercial corn area will be supported at about 64.6 percent of parity.

Corn in the commercial corn area will be supported at two levels. First, for those corn farmers who comply with their acreage allotments, support will be available at 86.2 percent of parity. However, for producers who choose to not comply, and who decide to overplant their allotments, price support will still be available at 72 percent of parity.

Compare this with rice, where producers must content themselves with support at 82.7 percent, provided they comply with acreage allotments. If they do not comply, then they are penalized. Rice farmers who overplant their allotments do not receive price support on production derived from lands over and above their allotted acres. In addition, they are penalized 50 percent of the parity price for each hundredweight so produced. Corn farmers in the commercial belt, however, get price support at 86.2 percent of parity if they remain within their allotted acres. They can also get support at 72 percent of parity on all the corn they desire to produce, from all the land they desire to plant. They are eligible for this support level with no controls, no quotas, no allotments, no marketing penalties, no nothing.

For the first time in the history of our farm program, noncompliance corn in the commercial area is to be eligible for price support. Why? Is acreage planted to corn going to hit an all-time low? It is not. Quite the contrary is true.

In testimony before the Senate Agriculture Committee, during an executive session on the farm bill, Department of Agriculture experts predicted that corn farmers in the commercial corn belt would probably plant 56 million acres this year. This compares with a national acreage allotment of 43 million acres. Boiled down, this means corn farmers are expected to overplant their acreage allotments by at least one-third.

Let us consider another inconsistency in the veto message. President Eisenhower said he veoted the farm bill because it would have supported feed grains at 85 percent of parity. Yet, as a result of his veto, feed grains are now supported at 70 percent of parity. This 15 percent drop in feed grain supports will not reduce production. The conference bill, on the other hand, would have cut production. Under our bill, if a feed grain producer desired the 85 percent of parity price support, he would have been required to reduce his base acreage by 15 percent and, in addition, put the equivalent of 15 percent of his base acreage into the soil bank. Now, however, feed grain supports are set at 70 percent of parity on unlimited production. The sky is the limit on this year's production of corn and feed grains, with price support available nevertheless.

I am convinced that the present corn and feed grain support programs will increase the production of both; feed grain and corn prices will be kept low.

Who will this program benefit?

The Government? Of course not; we will end up this year with corn and feed grains coming out of our ears.

The feed grain producers? I do not believe so, because they are going to have to work off their surplus sometime in some way.

The feeders? Of course, they will benefit. They will be able to buy feed at cheap prices.

Do the commercial area corn producers benefit? Certainly. They can flip coins with the Government and be assured they will always win—86.2 percent of parity on allotted acres, or 72 percent on all-out production.

The President's farm program, as announced in his veto message, creates an agricultural "elite"; corn stands out alone; it receives treatment head and shoulders above that given the other producers. The feeders, too, get a bonanza. They are assured of cheap feed, the market is assured of an eventual oversupply of meat, and the Government is assured of having to undertake another costly meat purchase program.

I have never been one to engage in political prognosticating, but I have a hunch that the President's farm program—a program which is designed to benefit principally the corn producers and the cattle feeders—was hatched in the fertile minds of the Washington lobbyists for one national farm organization—the only major farm organization which sought a veto of the farm bill—the only farm organization for which the welcome mat is always out at the White House and Mr. Benson's office.

This national organization, it should be noted, draws almost one-half of its total membership from 12 farm States—all of which are corn States, and all of which are cattle feeding States. The President's farm program is a support program by corn, for corn and of corn. Everybody else gets a "sop."

Despite this sorry picture, the President of the United States has piously announced that he does not believe in playing politics with the welfare of our farmers. Well, let us look a bit deeper into the President's veto message and see who is playing politics with what.

The President stated in his veto message that the two-price plans for wheat and rice would bring hardship upon our consumers and would injure our foreign relations.

Would the rice program have injured the consumer? It most emphatically would not. You, as millers, would have bought rough rice at the market price. Before you milled the rice, you would have purchased from the Government a marketing certificate equal to the difference between what you paid on the market and 90 percent of parity. No miller would have had more than 90 percent of parity invested in the rice he milled.

Of course, the President might say that 90 percent of parity raises consumer prices. But, if he does, what happens to his often-expressed objective of farmers obtaining 100 percent of parity in the market place? How does he square his veto message with the objective of the soil bank, which is, as I understand it, to create artificial shortages, raise prices, and increase farm income to as near parity as possible? Parity is parity, whether it be achieved by way of price supports, in the market place, or through the soil bank. It is unbelievable that the President vetoed the two-price plan for rice because it might have cost consumers 10 percent less than his avowed objective of 100 percent of market place parity. This does not make good sense, but then, neither does the President's veto message.

Would a two-price plan hurt our foreign relations? Well, it might hurt some feelings in a few Far Eastern countries, but it would also bring us some friends, particularly in Japan, the Philippines and Indonesia, to name only three. It would certainly improve the competitive position of American rice.

Since 1953, the Department of Agriculture and the administration have been preaching that farm commodity prices must fall before American agriculture can once again compete in world markets. Yet, when we attempt to make our farm exports competitive without further bankrupting our farmers, we find the administration saying "No."

I think it is high time we began to put our own welfare first, to ignore the extremely sensitive feelings of our foreign competitors—feelings which become sensitive only when we cut off our gifts or seek to compete on equal terms in world markets. It is time for rice, cotton, wheat, and other farm commodities for which there is export demand to compete on equal terms with foreign products. We must permit American rice to be sold where we can find buyers.

You know and I know that the State Department does not like this idea. Not long ago I discussed the problem of foreign rice sales with a gentleman in the Department of State. He was most emphatically opposed to our selling rice to Japan, to the Philippines, and other deficit areas on the basis of the best price getting the business. He said that the Department preferred placing the rice we shipped abroad, so that we would not injure the feelings of a few neutralist countries. The administration, of course, prefers to sell rice under Public Law 480 so they can use local currency proceeds for economic aid. This is one means of bypassing Congress.

If the alternative to having a few injured international feelings is the creation of a huge, centralized, Government selling agency—if we must buy foreign friendships by slashing our domestic agriculture to the bone and bleeding our farmers white—if the basic theory of competitive selling is to be abandoned in favor of an all-powerful program of foreign sales, handled by Federal bureaucrats—then I think a two-price plan for rice is necessary for another reason. We need it to bring commonsense and free enterprise back into our Government operations.

Recently, national news magazines quote Prime Minister Nehru of India as stating that he liked to deal with the Russians because they had something to sell, not to give away. He said the Russians "drove a hard bargain."

Let us, then, begin to do the same. Why should we not obtain some of this same friendship and respect by selling rice instead of giving it away. If the neutralist nations like to deal on a business basis, let us deal with them as businessmen. Let us turn off the spigot which has poured billions of dollars of American tax money into their treasuries. Let us abandon the philosophy which has funneled our rice production into warehouses because selling it abroad might make somebody mad.

I have had my fill of this administration preaching the virtues of increased competition, only to find that when the Congress takes steps to make farm products competitive, the administration has its veto stamp ready for immediate use.

I have taken up much of your time, but before I conclude, I want to mention the soil bank. The soil bank, you will recall, is something the President said he desired very much. Of course, he vetoed a bill that had the Eisenhower soil bank in it, but he still wants a soil bank this year.

The President has said that quick action on a soil bank will permit him to increase farm income by a half-billion dollars this year, by paying farmers in 1956 for soil bank participation in 1957. This, ladies and gentlemen, is poppycock. Soil bank advance payments will not increase farm income—they will only increase farm debt. The entire purpose of the soil bank is to pay a farmer who does not plant his land about the same net amount he would have earned had he put that land into production instead of the soil bank. The soil bank theory is not complicated. Under it, production will be cut; artificial shortages will eventually be created; prices will rise; surpluses will be reduced, and farm income will increase. Let no one be fooled, however; farmers could, generally speaking, obtain just as much income from planting their land as putting it in the soil bank. Therefore, when the President of the United States speaks of increasing farm income by soil bank payments, he is talking through his hat.

Paying farmers in advance this year for soil bank participation next year will not help raise income; it is simply another form of Government loan, because any advance a farmer might receive in 1956 will be deducted from his 1957 earnings.

Let me tell you this, and I hope somebody sends Ike a copy of this speech:

The entire program announced by the President in his veto message was a political farm program, designed to benefit, first and foremost, a favored few, principally the producers of corn. The President's plea for an advance-payment soil bank was an outright admission that the Chief Executive neither understood nor appreciated the purpose or operation of the soil bank program.

Within a very few days, the President will have on his desk a new farm bill, one which is aimed at strengthening our sagging farm economy, and restoring to our farm price programs the concept of equal treatment for all farm commodities.

I hope it will contain the rice acreage freeze, and, in addition, the optional two-price plan for rice. I am going to do everything in my power to see that these provisions stay in the bill. I am also going to leave no stone unturned to see that the bill finally approved by the Congress provides for a similar freeze on cotton acreage at the State level.

I am going to continue my fight to eliminate at least the major portion of the favored treatment accorded corn under the President's administrative support plan. I want to see feed grain producers given a fair program, one which is workable, and one which will not further aggravate our surplus of these commodities. Corn produced in the noncommercial corn area, such as the corn grown here in Louisiana, should be given a little fairer treatment.

We have tried to achieve these objectives in the Senate version of the bill. It is not any personal idea of perfection, particularly with respect to its corn and feed grain provisions, but it is a fair compromise. As such, it should be acceptable to the President—provided, of course, he is desirous of helping our farmers.

I want to serve notice on the President, on his Secretatry of Agriculture, and on anyone else who may be pressing for some kind of pay-in-advance soil bank that I am not going

to support any such scheme. The pay-in-advance proposal is an attempt to use soil-bank payments as political propaganda, to turn the soil bank into an installment-plan vote-buying device.

I hope that as I wage this battle, I am going to have the support of the rice industry; I hope that as I continue to fight for increased rice exports, you, the millers, are going to be at my side, as you have been in the past.

I worked long, long hours on the farm bill that was vetoed by the President; I have done the same on the new bill. I have done my level best to keep our farm program out of politics and to keep politics out of the farm program. I want you to know that I shall continue to do so in the future.

We are faced with a serious crisis in agriculture. Our farmers are in precarious economic health. You, as millers, know that if our farm economy is permitted to deteriorate further, the end result will be chaos for you, for the national economy, for the Nation as a whole. I feel very deeply that the very roots of our American way of life are found on our farms. We must keep these roots strong and healthy we must shield them from the blight of partisan politics—we must guard them against economic stagnation—we must make them immune to the dry rot of unrestricted "bigness."

Thank you for inviting me to speak here today.

SENATE

MONDAY, MAY 21, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Gerald V. Case, pastor, Second Presbyterian Church, Boise, Idaho, offered the following prayer:

Eternal God, as we pause for this moment to address Thee in prayer, may we recognize Thy sovereignty over all of life.

Wilt Thou bless these servants of Thine in the field of government, that all of their actions may be in accordance with Thy will. May our country continue to be blessed with the good things of life, and may we be faithful in our stewardship of them.

Bless now this session of the Senate, as it convenes for its labor of the day.

In the name of Christ Jesus our Lord we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C. May 21, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBERT GORE, a Senator from the State of Tennessee, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. GORE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BIBLE, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 18, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 18, 1956, the President had approved and signed the following acts:

S. 419. An act for the relief of Eli E. Hood;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. BIBLE. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements made in connection therewith be limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of executive business, for the purpose of considering the new report on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

WITHDRAWAL OF NOMINATION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, withdrawing the nomination of Fred A. Lemm, to be postmaster at Schiller Park, in the State of Illinois, transmitted to the Senate on January 25, 1956, which was ordered to lie on the table.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will proceed to state the new report on the Executive Calendar.

SUBVERSIVE ACTIVITIES CONTROL BOARD

The Chief Clerk read the nomination of James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BIBLE. Mr. President, I ask unanimous consent that the President be notified forthwith of this confirmation.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXTENSION OF TEMPORARY PROMOTION ACT OF 1941 TO THE COAST GUARD

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to extend the existing application of the Temporary Promotion Act of 1941, as amended, to the Coast Guard, and for other purposes (with accompanying papers); to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS FOR WORK IN THE UNITED STATES

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report on military prime contracts with business firms for work in the United States, for the period July 1, 1955, to March 31, 1956 (with an accompanying report); to the Committee on Banking and Currency.

AUDIT REPORT ON THE GOVERNMENT OF THE VIRGIN ISLANDS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Government of the Virgin Islands of the United States, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT OF DEPARTMENT OF LABOR

A letter from the Secretary of Labor, transmitting, pursuant to law, a report of the Department of Labor, for the fiscal year 1955 (with an accompanying report); to the Committee on Labor and Public Welfare.

TEACHING HOSPITAL FOR HOWARD UNIVERSITY—TRANSFER OF FREEDMEN'S HOSPITAL TO HOWARD UNIVERSITY

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

AUTHORIZATION FOR CERTAIN APPROPRIATIONS, ATOMIC ENERGY COMMISSION

A letter from the Chairman, Atomic Energy Commission, Washington, D. C., transmitting a draft of proposed legislation to amend Public Law 506, 84th Congress, 2d Session, authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A letter from the 1937 Supreme Court Security League, Charleston, S. C., signed by Mrs. Robert Pinckney Tucker, chairman, relating to appointment of members of the Supreme Court of the United States (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Washington-Metropolitan Chapter of the American Institute of Architects, Inc., signed by J. Rowland Snyder, secretary, embodying a resolution adopted by that chapter, protesting against any changes or alterations in the design of the Capitol Building in the District of Columbia; to the Committee on Public Works.

RESOLUTION OF HOUSE OF REPRESENTATIVES OF THE COMMONWEALTH OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY] and myself, I submit, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution of the House of Representatives of Massachusetts, memorializing the Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts.

There being no objection, the resolution was referred to the Committee on Banking and Currency; and, under the rule, the resolution was ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts

Whereas it is proposed to raise rents in certain housing projects in the Commonweath of Massachusetts; and

Whereas such action at this time would be unfair, unjust, and inequitable; and

Whereas before any action is taken by any housing authority a complete investigation should be made: Therefore be it

Resolved, That the House of Representatives of the General Court of Massachusetts memorializes the Congress of the United States to immediately take action to prevent a raise of rents at this time and to cause an investigation to be made of the proposed rent increases; and be it further

Resolved, That copies of these resolutions be sent forthwith by the secretary of the commonwealth to the President of the United States, to the presiding officer of each branch of Congress, to the Members thereof from this commonwealth, and to the Federal Housing Authority in the District of Columbia and the city of Boston.

FOOD AND DRUG LAW GOLDEN ANNIVERSARY WEEK—PROCLAMATION

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, and appropriately referred, a proclamation by His Excellency, Governor Herter, of Massachusetts, relative to the Food and Drug Law Golden Anniversary Week.

There being no objection, the proclamation was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS—BY HIS EXCELLENCY, CHRISTIAN A. HERTER, GOVERNOR—A PROCLAMATION—1956

Whereas June 30, 1956, will mark the 50th anniversary of the signing by President Theodore Roosevelt of the first Federal Food and Drug Act, amended and reenacted in 1938 as the Federal Food, Drug, and Cosmetic Act, and the Federal Meat Inspection Act; and

Whereas 1956 will also mark the 60th annual convention of the organization today known as the Association of Food and Drug Officials of the United States; and

Whereas the purity, integrity, and abundance of our food, drug and cosmetic supplies are unexcelled in the world today and stand as a tribute to the industries producing them; and

Whereas the maintenance and protection of the purity and integrity of our food, drug, and cosmetic supplies are essential elements of our national strength, safety and economic welfare; and

Whereas for this protection we are indebted to Dr. Harvey W. Wiley, who, as crusader for the first Federal legislation, became known as the father of the pure food and drug law; to the distinguished and dedicated public servants at all levels of government who have administered these laws over the years; and to the leaders in industry who have supported the enactment and improvement of these laws and have cooperated in their enforcement; and

Whereas the division of food and drugs of the State department of public health was one of the earliest pioneers in food and drug law enforcement, setting an example for the rest of the country to follow, especially in the comprehensive work of Albert E. Leach on food inspection and analysis developed in the laboratories of our State health department, which has served as the basis for food and drug analysis throughout the country and many parts of the world for many years and is still considered the finest work of its kind.

Now, therefore, I, Christian A. Herter, Governor of the Commonwealth of Massachusetts, do hereby proclaim the week of June 24–July 1, 1956, to be Food and Drug Law Golden Anniversary Week, and I request the appropriate officials of the Commonwealth of Massachusetts and all citizens of Massachusetts to cooperate in the observance of that week. I also urge all industrial, business, professional, labor, agricultural, educational and civic groups, and the people of Massachusetts generally, to observe 1956, as an anniversary year with gatherings, discussions, exhibits, and other appropriate commemorative activities to foster public recognition of the benefits derived from Federal, State and local food, drug and cosmetic laws.

Given at the executive chamber in Boston, this 15th day of February, in the year of our Lord 1956, and of the independence of the United States of America, the 180th.

By His Excellency the Governor:

CHRISTIAN A. HERTER,
EDWARD J. CRONIN.
Secretary of the Commonwealth.

RESOLUTION OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, on behalf of myself and my colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL], I present for appropriate reference, and ask for unanimous consent to have printed in the RECORD, resolutions adopted by the House of Representatives of the Commonwealth of Massachusetts on April 25, 1956, and adopted in concurrence by the Senate on April 30, 1956.

There being no objection, the resolutions were referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance

Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation which would authorize State unemployment insurance agencies to waive any charges against an employer where it would adversely affect his experience rate if the unemployment is caused by the curtailment of business resulting from hurricanes, floods, or other acts of God; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth.

TEXTILE EMPLOYMENT PROBLEM IN NEW ENGLAND—RESOLUTION

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the City Council of the City of Fall River, Mass., on April 25, 1956, concerning the textile employment situation in the New England area.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF CITY OF FALL RIVER, IN CITY COUNCIL, APRIL 25, 1956

Whereas the textile employment situation in New England has become acute; and

Whereas low tariff rates on foreign imports of textiles are slowly forcing the textile industry from New England, thereby creating unemployment figures that will run into the thousands: Be it

Resolved, That the Congress of the United States be requested to take immediate steps to impose higher tariff rates on textile imports thereby eliminating the marketing of lower-priced foreign textiles that are produced and sold at a lower consumer cost than can be manufactured in the United States; and be it further

Resolved, That the city clerk be directed to forward a copy of this resolve to the Congressmen and Senators from this district.

In city council, April 25, 1956, adopted.

JAMES T. CAREY,
City Clerk.

Approved May 3, 1956.

JOHN F. KANE,
Mayor.

SUPPORT PRICES FOR GRAIN SORGHUMS—LETTER

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Julian B. Thayer, president, Eastern States Farmers' Exchange, West Springfield, Mass., dated May 7, 1956, to the board of directors of the exchange, relating to support prices for grain sorghums.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EASTERN STATES FARMERS' EXCHANGE,
West Springfield, Mass., May 7, 1956.
To the Board of Directors:

Recognizing our primary function to prosper our members through the best in the procurement of farm supplies, the Eastern States Farmers' Exchange has traditionally kept out of the field of attempting to speak as an organization for its members on matters pertaining to legislation—except for some very broad issues in which all cooperatives had a vital stake. We will not depart from that procedure 'till such time as the board might indicate it wished to do so.

We are, however, today confronted with a very serious issue, namely, what sort of a farm bill is to presently become law?

The inclusion of a proposal to support grain sorghums, oats, barley, and rye at somewhere between 70 percent and 81.5 percent of parity, and to perhaps make mandatory cuts in acreage for these grains up to 20 percent of last year's production, can have only one effect on the northeastern farmers in the feed deficit areas.

My personal opinion is that the very substantial increase in the price of grain which our farmer members have experienced in the past few weeks is due largely to the effects of anticipated farm legislation.

Should the new amendment referred to above become law, I can only conclude that the immediate impact on our already swollen feed costs would be extremely serious.

I hardly need add that in such an event my opinion is that our northeastern farmers would be in a cost-price squeeze deluxe.

Certainly, with the present abundance of all things we are producing here, it would be naive to even hope to cover any part of these new costs by an increase in the price of our products.

The purpose in bringing this matter to your attention is simply to alert you to some of the implications which appear to be in this proposed legislation.

My profound respect for the judgment of you men leads me to believe that any expression of opinion you as individuals see fit to send to your respective Senators and Representatives will be more helpful to them in the complex and difficult legislative situation they must resolve.

Faithfully yours,

JULIAN B. THAYER,
President.

FLUORIDATION OF PUBLIC WATER SUPPLIES—MEMORIAL

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a memorial which I have received from Mrs. Richard T. Cash, 2 Summer Street, R. F. D., Norwell, Mass., dated May 6, 1956, concerning the use of fluorine in public-water supplies.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

NORWELL, MASS., *May 6, 1956.*

Hon. JOHN P. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SIR: In view of increasing agitation for the use of fluorine in public-water supplies, we wish to call to your attention our strong objections to such a measure. We believe there has been an attempt to suppress any unfavorable results stemming from the use of fluoridated water, and to present to the general public only arguments tending to support the practice.

The fact that there is even an element of risk should justify the exercise of caution. We believe that you, sir, would not want to place your own good health, or that of your family or friends in jeopardy, and feel sure that after serious consideration, you will agree that it would be well to determine what the scientific evidence against, as well as for the procedure may be.

We believe that the statistics pertaining to this subject should be examined by a congressional body assisted by a competent independent satistician.

Will you kindly read this letter to Congress and have it inserted in the RECORD.

Respectfully yours,

IDA M. CASH.
(Mrs. R. T.)
RICHARD T. CASH.

THOMAS M. PEPPERDAY—LETTER AND MEMORIAL

Mr. CHAVEZ. Mr. President, I have received a letter from Diego Abeita, chairman of the Irrigation Committee, Middle Rio Grande Pueblos, together with a memorial adopted by the Tribal Council in honor of public-spirited citizens in my State.

I ask unanimous consent that the letter and memorial may be printed in the RECORD.

There being no objection, the letter and memorial were ordered to be printed in the RECORD, as follows:

ISLETA PUEBLO,
Isleta, N. Mex., May 18, 1956.

DEAR SENATOR CHAVEZ: We just thought that you might be interested to know that the Pueblos are grateful for the services that public men render to their fellow human beings. It is our feeling that maybe one of our delegation might have this memorial placed in the CONGRESSIONAL RECORD as a tribute to our friend, Mr. Pepperday.

Thanking you very much and with very best regards, I am,

Sincerely yours,

DIEGO ABEITA,
Chairman, Irrigation Committee,
Middle Rio Grande Pueblos.

We are the governors of the pueblos of Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta, and the chairmen of their irrigation committee. We are meeting in Albuquerque. We want to say how sorry we are that Mr. Thomas M. Pepperday, the owner of the Albuquerque Journal, is dead. We speak not only for ourselves but for all of our people.

We are sad in our hearts because our good friend is gone, and we will miss him very much.

We, the Indians, usually do not get a chance to visit great people but Mr. Pepperday always was ready to see us and to hear us tell our story. He always gave his attention to us in his paper and when he thought our case was right he supported us even against great powers. When he thought we were wrong he did not support us but even then he opened his mind to us and he told our side of the story fairly.

If we wanted to we could put down some of the gains that have come to our people directly from the support of Mr. Pepperday. But his influence was greater than that. For the very fact that he and the Journal were interested in us as human beings, that they were aware of our needs and would state our case publicly, was in itself a powerful guaranty that those who were employed to work for us would be faithful to their trust and that the unscrupulous could be kept at bay. His watchfulness in our interest in itself gave us a feeling of comfort and confidence.

Besides, we know that he helped individual Indian young people and hardly anybody knew about it. One of our leaders today, a man on whom we rely heavily, owes his early training and his education to Mr. Pepperday's help and encouragement. We liked Mr. Pepperday not for what he did for us, not for what we could get from him, but because we felt and knew that he was our friend, that he liked us and we liked him. We will miss him. We want Mrs. Pepperday and the people who worked with Mr. Pepperday on the paper and all the people of Albuquerque to know how we feel. We will pray for him. We are going to send a copy of this to Mrs. Pepperday and to some of our other friends, not only in New Mexico but in the rest of the country, so that they will know how we feel. We are signing this at a special meeting we held in Albuquerque on May 18, 1956.

Diego Aberta, Chairman, Irrigation Committee, Middle Rio Grande Pueblos; John C. Rainer, Chairman, All-Pueblo Council; Raymond Herrera, Governor, Pueblo of Cochiti; Santiago Pena, Governor, Pueblo of Santo Domingo; Pete Johnson, Governor, Pueblo of San Felipe; Jose Bobe Pino, Governor, Pueblo of San Ana; Ignacio Baia, Governor, Pueblo of Sandia; Ramon Zuni, Governor, Pueblo of Isleta.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 911. A bill for the relief of Eftalia G. Stathis and Ariadni Vassiliki G. Stathis (Rept. No. 2024);

S. 1869. A bill for the relief of George Papoulias and Irene Papoulias (nee Birbilis) (Rept. No. 2025);

S. 2800. A bill for the relief of David Chih-Wei Kwok (Rept. No. 2026);

S. 2842. A bill for the relief of Toini Margareta Heino (Rept, No. 2027);

H. R. 1402. A bill for the relief of Santiago Gonzales Trigo (Rept. No. 2028);

H. R. 2045. A bill for the relief of Joe Bargas (Rept. No. 2030); and

H. R. 5079. A bill for the relief of Tom Wong (Foo Tai Nam) (Rept. No. 2029).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1104. A bill for the relief of Zoltan Klar and his wife, Vilma Hartmann Klar, and their minor son, Tibor Klar (Rept. No. 2031); and

H. R. 909. A bill for the relief of Charles O. Ferry and other employees of the Alaska Road Commission (Rept. No. 2032).

ILLICIT NARCOTICS PROBLEM IN THE DISTRICT OF COLUMBIA (S. REPT. NO. 2033)

Mr. DANIEL, from the Committee on the Judiciary, pursuant to Senate Resolution 67 and Senate Resolution 166, 84th Congress, submitted a report entitled "Illicit Narcotics Problem in the District of Columbia," which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 3894. A bill to facilitate the making of lease-purchase agreements by the Administrator of General Services under the Public Buildings Act of 1949, as amended, and by the Postmaster General under the Post Office Department Property Act of 1954, and for other purposes; to the Committee on Public Works.

By Mr. SALTONSTALL:

S. 3895. A bill for the relief of Clifford L. Clarke; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 3896. A bill for the relief of Venanzio Girardi; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. Payne, Mr. Byrd, Mr. Bridges, Mr. McClellan, Mr. Jackson, Mr. Humphrey, Mr. McCarthy, Mr. Mundt, Mrs. Smith of Maine, Mr. Bender, Mr. Martin of Iowa, Mr. Welker, Mr. Chavez, Mr. Hruska, Mr. Bush, Mr. Flanders, Mr. Ives, Mr. Thye, Mr. Magnuson, Mr. Saltonstall, Mr. Butler, Mr. Martin of Pennsylvania, Mr. Dirksen, Mr. Bennett, Mr. Curtis, Mr. Smith of New Jersey, Mr. Beall, Mr. Mansfield, Mr. Case of South Dakota, and Mr. Langer):

S. 3897. A bill to improve governmental budgeting and accounting methods and procedures, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. Kennedy when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 3898. A bill for the relief of Lloyd C. King; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 3899. A bill to provide for the conveyance of certain mineral rights to Barney B. Bryant of Topeka, Kans.; to the Committee on Interior and Insular Affairs.

S. 3900. A bill for the relief of Jalal Besharat; to the Committee on the Judiciary.

By Mr. DANIEL (for himself, Mr. O'Mahoney, Mr. Eastland, Mr. Welker, Mr. Butler, and Mr. Neely):

S. 3901. A bill to amend certain laws affecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. Daniel when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL:

S. 3902. A bill for the relief of Andres Amadeo Macha; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 3903. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes; to the Committee on Agriculture and Forestry.

RESEARCH AND DEVELOPMENT PROGRAM FOR COAL

Mr. DIRKSEN submitted the following resolution (S. Res. 269), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized to conduct a full and complete study and investigation for the purpose of determining—

(1) whether or not there is a possibility of developing under existing law a cooperative research venture in which the Federal Government, interested and affected State governments, industry, labor organizations, and private corporations might participate;

(2) what part the various departments or agencies of the Federal Government might play in such a research and development program for coal and how the Federal and State governments might best cooperate in such a program;

(3) whether or not an effective research program for coal might be developed in the same magnitude and on the same general organizational basis as the various research programs which have been and are now being conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and other similar groups;

(4) which fields such a research program for coal should include in order to accomplish the best and most expeditious results for an economic revival of the bituminous coal industry, including but not limited to, the general categories of coal production, coal transportation, coal distribution (including market studies and other matters relating to distribution), coal utilization in conventional forms, development of new and expanded uses of coal, gasification, chemical production, and a general appraisal of all coal technology;

(5) what progress has heretofore been made in the production of synthetic liquid fuel in the overall energy program and what advances in our present knowledge and skills with respect to the production of synthetic liquid fuel may be reasonably anticipated in the future; and

(6) whether the public interest would be served by the construction of an experimental plant for the conversion of coal into a synthetic fuel to permit more rapid development of techniques for the production of synthetic liquid fuels.

Sec. 2. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date during the present Congress.

Sec. 3. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REVISION OF GOVERNMENT APPROPRIATION, BUDGETING, AND ACCOUNTING PROCESSES

Mr. KENNEDY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the Senator from Massachusetts may proceed.

Mr. KENNEDY. Mr. President, on behalf of myself and Senators Payne, Byrd, Smith of Maine, Bridges, McClellan, Jackson, Humphrey, McCarthy, Mundt, Bender, Martin of Iowa, Welker, Chavez, Hruska, Bush, Flanders, Ives, Thye, Magnuson, Saltonstall, Butler, Martin of Pennsylvania, Dirksen, Bennett, Curtis, Smith of New Jersey, Beall, Mansfield, Case of South Dakota, and Langer I introduce for appropriate reference a bill to revise the Government's appropriation, budgeting, and accounting process.

This bill, which has received vigorous bipartisan support, implements recommendations of the Hoover Commission on budgeting and accounting. In effect, this bill would place the entire governmental financial structure on an annual accrued expenditures basis, as opposed to the obligations system now in operation. This is a revolutionary change in our appropriations process which is being proposed only after the most careful consideration and deliberation. It would permit a much closer supervision by Congress over the expenditures of the executive branch of the Government and would provide for the top management of the executive branch a more complete and more meaningful understanding of the financial operations of the Government. Almost all major private corporations have adopted this system of budgetary control and the Hoover Commission's report substantiated by a comprehensive review by the important fiscal departments and agencies in the Government indicates that this system can profitably and effectively be adopted by the Federal Government. It is evident that a change of this nature cannot be made instantaneously but that considerable time and effort will be necessary to place this system into operation—possibly agency by agency over a number of years.

The President in his message to Congress of May 10, House Document No. 401, indicated that the executive branch of the Government planned to put into operation those portions of the Hoover Commission recommendations on this subject capable of being implemented by administrative action. The bill that we have introduced today provides the legislation necessary to permit the Government to convert to the accrued expenditure basis.

The heart of this change in procedure is the provision of the bill authorizing appropriations to be made on the basis of expenditures actually made or accrued by the various departments and agencies during any single fiscal year. Thus we will no longer see the departments and agencies rushing to obligate their unused funds as the end of the fiscal year approaches. Nor will the Congress appropriate money for fiscal year 1957 which is to be used in 1958, 1959, or 1960. The amount appropriated for each fiscal year will equal the estimate of the expenditures actually to be made or accrued during that year. This bill does not affect the right of agencies to contract for expenditures in future fiscal years—they simply will follow the existing requirement that advance approval be obtained from the Appropriations Committees. It will, however, be necessary for the agency to justify in the annual budget that portion of any long-term contract which accrues in the fiscal year, thereby providing Congress with an annual review of each agency's program and financial activities.

In order to enable Congress to appropriate on this basis, it will be necessary for the agencies to use accrual accounting and to submit budgets on an accrued expenditures basis. Thus the bill authorizes these changes to be made in the Government's budget and accounting processes.

Hearings were held last March by the Reorganization Subcommittee on a bill incorporating some of the features of the bill introduced today. At that time there was general approval of the basic goal of the Hoover Commission recommendations and subsequently the General Accounting Office in cooperation

with the Department of the Treasury and the Bureau of the Budget and staff members of the Senate Government Operations Committee drafted the bill which is being introduced today. Drafts of this bill have been distributed to all of the departments and major agencies of the Government and it is the intention of the Reorganization Subcommittee to hold additional hearings on this important legislation beginning June 4.

The Task Force on Budgeting and Accounting of the Hoover Commission, headed by Mr. J. Harold Stewart, of Boston, one of the Nation's foremost accountants, estimated that if the recommendations of the Hoover Commission on budgeting and accounting, of which this bill is by far the most important feature, were adopted the annual savings to the Government would be significant. I am sure it would be difficult to defend such an estimate, but I am convinced from my own study of this subject that there would be substantial savings to the American taxpayer as a result of this important change in our fiscal process. Equally important would be the better understanding that the executive branch and the Congress would have of the programs and financial operations of the whole Government.

Mr. President, I ask unanimous consent that the bill be permitted to lie on the table for 3 days so that other Senators who wish to may join in sponsorship, and that the bill be printed in the Record at this point.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3897) to improve governmental budgeting and accounting methods and procedures, and for other purposes, introduced by Mr. Kennedy (for himself and other Senators), was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the Record, as follows:

Be it enacted, etc.—

AMENDMENTS TO THE BUDGET AND ACCOUNTING ACT, 1921

Section 1. (a) Section 201 of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 11), is further amended by inserting "(a)" after the words "Sec. 201."; by changing subsection (a) to subparagraph (1); by adding after subparagraph (1) a new subparagraph "(2) at such times as may be practicable, information on program costs and accomplishments"; by changing subsections (b) through (j) to subparagraphs (3) through (11), respectively; and by adding the following new subsections:

"(b) The amounts of proposed appropriations referred to in sections 201 (a) and 203 of this act shall, to the maximum extent deemed desirable and practicable by the President, be determined on an annual accrued expenditure basis.

"'Annual accrued expenditures' shall relate to goods and services to be received in a fiscal year, advance payments, progress payments, and such other payments as are authorized by law to be made in such fiscal year.

"This subsection shall not apply to appropriations made specifically for the payment of claims certified by the Comptroller General and of judgments; appropriations for the refund of Federal taxes and of other moneys erroneously received and covered into the Treasury of the United States; appropriations made by private relief acts of Congress; appropriations for the payment of interest on trust funds; revolving funds or appropriations thereto; appropriations for the payment to former members of the Armed Forces, their dependents and beneficiaries, of any benefits to which they are entitled by reason of military service; appropriations for the payment of pensions and annuities; appropriations for the payment of any obligation of the United States for which liability is fixed by treaty; and other appropriations or funds analogous to the foregoing.

"(c) The conversion to the use of annual accrued expenditures for stating proposed appropriations in accordance with section 201 (b) of this act shall be accomplished in such manner and at such times as may be determined by the President.

"(d) As of the end of each fiscal year, the excess of any appropriation or fund made on an annual accrued expenditure basis over the accrued expenditures under such appropriation or fund shall lapse, unless hereafter provided otherwise in an appropriation act or other law. Any remaining balances of each such appropriation or fund shall be merged with any appropriation or fund made for the same general purpose for the ensuing fiscal year and shall constitute a single account."

(b) Section 216 of such act, as amended (31 U. S. C. 24), is further amended by inserting "(a)" after the words "Sec. 216" and by adding the following new subsections:

"(b) The requests of the departments and establishments for appropriations shall, in such manner and at such times as may be determined by the President, be developed from cost-based budgets.

"(c) For purposes of administration and operation, such cost-based budgets shall be used by all departments and establishments and their subordinate units. Administrative subdivisions of appropriations or funds shall be made on the basis of such cost-based budgets.

AMENDMENTS TO THE BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

Sec. 2 (a) The Budget and Accounting Procedures Act of 1950 is amended by inserting after section 105 thereof the following new section:

"ACCOUNTING AND BUDGET CLASSIFICATIONS

"Sec. 106. The head of each executive agency shall, in consultation with the Director of the Bureau of the Budget, take whatever action may be necessary to achieve, insofar as is possible, (1) consistency on accounting and budget classifications, (2) synchronization between accounting and budget classifications and organizational structure, and (3) support of the budget justifications by information on performance and program costs by organizational units."

(b) Section 113 of such act (31 U. S. C. 66a) is amended by adding at the end thereof the following new subsection:

"(c) As soon as practicable after the date of enactment of this subsection, the head of each executive agency shall, in accordance with principles and standards prescribed by the Comptroller General, cause the accounts of such agency to be maintained on an accrual basis to show the resources, liabilities, and costs of operations of such agency with a view to facilitating the preparation of cost-based budgets as required by section 216 of the Budget and Accounting Act, 1921, as amended. The accounting system required by this subsection shall include adequate monetary property accounting records as an integral part of the system."

(c) Section 118 of such act is amended by inserting "113 (c)" after the words "section 111."

SIMPLIFICATION OF SYSTEM FOR SUBDIVIDING FUNDS

Sec. 2. Section 3679 (g), Revised Statutes, as amended (31 U. S. C. 665 (g)), is further amended by adding at the end thereof the following sentence: "In order to have a simplified system for the administrative subdivision of appropriations or funds, each agency shall work toward the objective of financing each operating unit, at the highest practical level, from not more than one administrative subdivision for each appropriation or fund affecting such unit."

Mr. KENNEDY. In addition, at this time I should like to pay tribute and express the thanks of the Subcommittee on Reorganization to the Senator from Maine [Mr. Payne], who did a tremendous amount of work on this subject, and whose testimony before our committee was invaluable. He is a cosponsor of the bill which we are introducing. I note that he is now present in the Chamber.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PAYNE. I rise at this time to pay a word of well-deserved tribute to the junior Senator from Massachusetts [Mr. Kennedy] for the great interest he has taken in this very vital subject. As I have stated on previous occasions, it is a subject which is not too glamorous, but it certainly means a great deal in the final analysis in putting our fiscal house in order.

Without the prodigious labors of the junior Senator from Massachusetts, the members of his staff, and other members of the subcommittee of the Government Operations Committee in connection with this problem, it would have been impossible to bring the proposed legislation to the point where there is some hope of obtaining action by the Congress this year to put into effect something which has been needed for a long time in order to place our accounting and budgeting processes on an orderly basis.

I ask unanimous consent that a statement which I have prepared in this connection be printed in the Record at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Payne

My distinguished colleague, the junior Senator from Massachusetts [Mr. Kennedy], has just introduced a bill, which I am cosponsoring, which will carry out the major recommendations of the Second Hoover Commission Report on Budget and Accounting. Taken with the recent action of the President when he approved the adoption by the Bureau of the Budget of several of the Hoover Commission recommendations, this bill will result in implementation of substantially all of the Hoover Commission's budget and accounting recommendations. If the bill introduced today is passed, the net result will be a vastly improved financial structure for our Federal Government.

This fiscal procedures measure is the successor to S. 3199, which I introduced on February 14 in behalf of myself and 21 of my distinguished colleagues. S. 3199 was designed to carry out the majority of the Hoover Commission budget and accounting recommendations and included several which could be implemented by executive action, but which at that time had not been adopted. The bill did not include what is probably the most important of the 25 recommendations of the Hoover Commission in this field, namely, that the President's budget and congressional appropriations be stated in terms of annual accrued expenditures rather than in terms of obligational authority as at the present time. Basically, this provision would mean that Congress would only appropriate funds for 1 year even for long lead time programs. It would restore much of the control of the purse to Congress that has been lost under the present system of appropriating the total amount in advance for a program that will not be completed for several years.

Although I am wholly in favor of Recommendation No. 7 of the Hoover Commission Report on Budget and Accounting, I purposely did not include it in S. 3199 because I felt that it might be necessary to lay a foundation of sound fiscal reporting before attempting such an important change. It was my hope that the committee in holding hearings on the bill would give careful consideration to including this provision in the bill. On March 21, the Reorganization Subcommittee of the Senate Government Operations Committee, under the very able leadership of the junior Senator from Massachusetts [Mr. Kennedy], started hearings on S. 3199. In my statement as the first witness before the subcommittee I strongly urged that testimony be heard on the feasibility of adopting the annual accrued expenditure provision at this time, and that the subcommittee give careful attention to the desirability of including the provision. Following my statement, the General Accounting Office and the Bureau of the Budget testified substantially in favor of the bill, but both wanted the annual accrued expenditure provision included. After several days of hearings, the chairman of the subcommittee [Mr. Kennedy] directed the staff to work with the two agencies on an amendment to S. 3199 to include the recommendation.

Shortly after the hearings, the Director of the Bureau of the Budget announced that several of the Hoover budget and accounting recommendations had been adopted, some of which were included in S. 3199. Therefore, instead of preparing an amendment to S. 3199 a new bill was drafted and has been introduced today.

The subject of accounting lacks the glamor of many other topics, but it is no less important. As an accountant with experience in business and in government at both the State and Federal level, I can and do fully endorse the steps that have been taken by the Bureau of the Budget to carry out the intent of the second Hoover Commission. However, unless Congress acts favorably on the bill which has just been introduced only about half of the job will have been done. As all of us know, it would be a rare instance when a job half done could achieve anywhere near half of the effectiveness of the whole job, and the case at hand in no exception.

Without overstating the case, I believe I can say that the bill which has been introduced today, as unglamorous as it may be, is one of the most important pieces of legislation before this Congress. In his message to Congress dated May 10, 1956, President Eisenhower stated:

"The actions being taken by the executive branch to put many of the [Hoover] Commission's proposals [budget and accounting recommendations] into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate legislative provisions to support the major objectives of the [Hoover] Commission's recommendations."

The Hoover Commission Task Force on Budget and Accounting estimated that the savings which could be expected to result from effective implementation of its recommendations would be in the vicinity of $4 billion. Obviously this is a figure that cannot be fully substantiated, but it clearly indicates that improved fiscal performance can mean very large savings to the Nation. It is my hope that Congress will not adjourn without having taken action on this legislation.

CONVEYANCE OF CERTAIN PROPERTY TO PIERCE COUNTY, WASHINGTON—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (S. 3457) to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington, which was ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mrs. SMITH of Maine. Mr. President, for 6 months I have been driving for a governmental study of means of increasing highway safety in our country. I have made specific appeals to the President of the United States and to the Senate Committee on Labor and Public Welfare. President Eisenhower has responded favorably, but the Senate committee has not responded at all. I made an appeal to the Senate Public Works Committee but received no response.

I am at a loss as to the thus far senatorial indifference to this matter—an indifference to a tragic and alarming condition—the annual tragedy of nearly 40,000 deaths, a million injuries and a multibillion-dollar economic loss caused by automotive accidents. In a nutshell, it is a matter of mass murder and maiming on the highway—to which there is an alarming and shocking degree of complacency.

At the very beginning of this session, on January 5, 1956, I introduced Senate Resolution 156 to investigate methods of increasing highway safety in the United States and to have the Senate Labor and Public Welfare Committee make such study. That resolution was referred to the Senate Labor and Public Welfare Committee and I regret to say that as of this time that committee has not given any consideration to this important proposal.

In recent weeks representatives of the Advisory Council to the President's Committee for Traffic Safety have conferred with me and asked me, because of the leadership I have taken in this matter, to take the lead in attempting to get an amendment unsuccessfully offered by Representative Blatnik to the highway bill when the House recently voted on that bill—to get such an amendment adopted by the Senate when it considers and votes on the highway bill.

I agreed to do so but not until May 16, 1956, did they finally come up with the type of amendment they recommended be offered instead of the form of the Blatnik amendment. On that day they also talked with other Senators including the distinguished junior Senator from Minnesota who shortly thereafter that day took the Senate floor and submitted the proposed brief amendment.

I wish to commend the junior Senator from Minnesota in his very prompt action and I welcome him to the drive that I have now been making for several months. I am gratified that his response was not only so favorable in contrast to the past lack of response from the Senate committees I have referred to but also with the very marked promptness of his response.

His amendment is desirable but I am not joining on it as I feel that I prefer an amendment in the form modeled after my Senate Resolution 156. If the Senate is not to look into this matter, then I would hope that the executive branch of the Government would.

And so I have taken the language of Senate Resolution 156 and merely substituted the Secretary of Commerce for the Senate Committee on Labor and Public Welfare. In spite of this I hope the Senate committee will still see fit to look into this matter and certainly no harm or loss can come from both the Secretary of Commerce and the Senate looking into the ways of saving human lives and stopping wholesale slaughter on the highways.

The objective of the proposed amendment of the junior Senator from Minnesota and the objective of my proposed amendment are basically the same. However, there are some basic differences.

In the first place I would require the Secretary of Commerce to report 2 years sooner than the junior Senator of Minnesota would. I would require a report in not less than a year and by not later than June 30, 1957, while the junior Senator from Minnesota would allow 3 years and permit the report to be made by June 30, 1959.

I differ on the time aspect because, while I acknowledge that studies sometimes take a great deal of time, all of us realize that a study or a survey can sometimes be the means of brushing something aside and letting the mere operation of time kill it.

I do not want that to happen on this because I consider this matter to be extremely urgent with nearly 40,000 people being killed on the highway each year—at that rate the total in 3 years would be 120,000.

Time is of the essence. This cannot be a leisurely, take-your-time approach—and anything longer than a year for the first report is just tragically too long.

And certainly if more time is needed—as I would expect because I think this should be a continuing study—then authorization for the study can be extended. My point is that the sooner a report is required the sooner we will get corrective action and the sooner we get corrective action the sooner we will save lives and stop highway murder and maiming.

My proposed amendment differs from the proposed amendment of the junior Senator of Minnesota in that it would specifically bring into participation in such a study and investigation with Federal officials, the representatives of automobile manufacturers as well as State and local officials. It proposes a study of the advisability of uniform State and local highway safety and speed laws, a study of vehicles, educational programs, and other facets, which though they might be covered by the proposed amendment of the junior Senator from Minnesota, are not specifically covered and on which we have no specific assurance that they would be covered.

I ask unanimous consent that my proposed amendment be inserted at this point in my remarks. While I hope that it will be given bipartisan support, I do not want to seem to be getting into competition with my very good friend from Minnesota over this and so I am not asking that it be held at the desk for any open time.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

On page 50, between lines 8 and 9, insert the following new section:

"Sec. 118. The Secretary of Commerce is authorized and directed to make a full and complete investigation and study for the purpose of determining what action can be taken by the Federal Government to promote the public welfare by increasing highway safety in the United States. In making such investigation and study the Secretary of Commerce shall give consideration to—

"(1) the need for Federal assistance to State and local governments in the enforcement of necessary highway safety and speed requirements and the forms such assistance should take;

"(2) the advisability and practicability of uniform State and local highway safety and speed laws and what steps should be taken by the Federal Government to promote the adoption of such uniform laws;

"(3) possible means of promoting highway safety in the manufacture of the various types of vehicles used on the highways;

"(4) educational programs to promote highway safety;

"(5) the design and physical characteristics of highways; and

"(6) such other matters as it may deem advisable and appropriate.

"The Secretary of Commerce shall report his findings, together with such recommendations as he may deem advisable to the Congress not later than June 30, 1957."

On page 50, line 9, strike out "Sec. 118" and insert in lieu thereof "Sec. 119."

On page 50, line 12, strike out "Sec. 119" and insert in lieu thereof "Sec. 120."

Mrs. SMITH of Maine. Mr. President, I ask that my proposed amendment which I intend to offer be received and printed in anticipation of the time when the highway bill is brought before the Senate for consideration and vote.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AGRICULTURAL APPROPRIATIONS—AMENDMENT

Mr. HOLLAND. Mr. President, as the Senate knows, the State of Florida has been subjected to another invasion of the Mediterranean fruitfly, which at the present time seems to be confined largely to the areas in the neighborhood of Miami. The scientists of the Department of Agriculture who have recently handled a problem of this kind in Hawaii, together with the scientists of the State of Florida, and others who have been brought into consultation, have suggested as an emergency measure a kind of treatment which includes not only ground treatment, but also air dusting, which they wish to see begun as soon as possible, before the fly shall have spread to other areas of the State.

They have submitted a request for Federal participation in the amount of $1,500,000, which request, I understand, has cleared the Bureau of the Budget, and will shortly be before the Congress.

I realize that this is a subject for consideration by the appropriate committees in both Houses, and that it may be decided that an urgent deficiency bill will be the best way to approach the problem. At the same time, inasmuch as the Senate will shortly have before it the bill—H. R. 11177—for agricultural appropriations for the fiscal year 1957, and inasmuch as it would be in order to attach this item to that bill if that were decided by the two committees to be the appropriate course, I wish the Senate to have the subject matter before it.

Therefore, I submit at this time a proposed amendment covering the item of $1,500,000, of which $1,250,000 would be available for expenditure in the remaining portion of this fiscal year, and the other quarter of a million dollars for expenditure after July 1.

In order that the Senate Committee on Appropriations may be advised of this important item and may participate fully with the appropriate committee in the House in deciding which is the better method to deal with this vital item, I submit an amendment intended to be proposed by me to H. R. 11177, and ask that it be printed and likewise referred to the Senate Committee on Appropriations.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and referred as requested by the Senator from Florida.

SURVIVORS OF PVT. JAMES WALTER MILROY—CHANGE OF REFERENCE

Mr. RUSSELL. Mr. President, on March 6, 1956, the bill, S. 3372, for the relief of certain survivors of Pvt. James Walter Milroy, was referred to the Committee on Armed Services. This bill relates to the administration of the Servicemen's Indemnity Act of 1951, which was considered by the Committee on Finance. Therefore, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the bill and that it be referred to the Committee on Finance.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Record, as follows:

By Mr. WILEY:

Address delivered by him at Arnold Air Society banquet, University of Wisconsin, Madison, Wis., on May 19, 1956, relative to the need for strengthening United States airpower.

NOTICE OF HEARINGS ON VARIOUS CIVIL-RIGHTS PROPOSALS BY COMMITTEE ON JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the committee will resume hearings on the various civil-rights proposals beginning at 2:30 p. m., Thursday, May 24, 1956, in the committee room, room 424, Senate Office Building.

Persons desiring to be heard should notify the committee in order that a schedule of witnesses may be prepared.

NOTICE OF HEARING ON NOMINATION OF DAVID T. LEWIS, TO BE UNITED STATES CIRCUIT JUDGE, TENTH CIRCUIT

Mr. WATKINS. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, May 29, 1956, at 2:30 p. m., in room 424, Senate Office Building, on the nomination of David T. Lewis, of Utah, to be United States circuit judge, 10th circuit, vice Orio L. Phillips, retired.

Prior to the above-mentioned date all persons interested in the above nomination should file with the committee such representations as may be pertinent.

The subcommittee consists of the Senator from Texas [Mr. Daniel], the Senator from Wyoming [Mr. O'Mahoney], and myself, chairman.

FIFTY-FOURTH ANNIVERSARY OF DECLARATION OF INDEPENDENCE BY REPUBLIC OF CUBA

Mr. LEHMAN. Mr. President, May 20 is observed throughout the Western Hemisphere as the 54th anniversary of the Declaration of Independence of the Republic of Cuba.

The celebration of this event brings to mind the close relationship of Cuba and the United States through the years. But especially we recall the circumstances by which the freedom-loving people of Cuba, deeply desirous of achieving the reality of self-determination rather than the fiction of autonomy under the heavy-handed rule of Spain, enlisted the aid of the United States to bring to Cuba democracy and equality, and freedom from intolerance.

Less than 4 years after an American Army and Navy came to the aid of heroic Cuban nationalists, Cuba was able to achieve full independence under her first President, Estrada Palma. Since that time, Americans have had every reason to be justly proud of the democratic way of life, as well as the prosperity, that has distinguished Cuba among the Latin American Republics as one of the most politically and economically stable nations in the hemisphere.

Both Cubans and Americans may be proud of the real progress that has been made in achieving great gains through enlightened partnership over the years.

On this occasion of Cuban Independence Day, we can remember the good neighbor policy and the trust that it stands for, in the assurance that hemisphere relations depend on just such enduring friendships as the one which has bound Cuba and the United States over the last 50 years.

There are many extraordinary ties between the United States and Cuba, not only in terms of our history, but in terms of our economy. For many years, New York City has been the home of thousands of persons of Cuban birth and descent. Many of these individuals are an integral part of the life of our metropolis and they have brought to New York a rich heritage which has become part of its varied cultural pattern.

For New Yorkers, Cuba is a favorite vacation spot, but above all, Cuba is a good neighbor. Let us be sure that we think of New York as a good neighbor of Cuba, as well as vice versa. We must always try to conduct ourselves in that spirit, both here, in New York, and in Cuba.

We take pride in Cuba's steady economic development. We take pride in Cuban culture. And well we may, for some of it has become part of ours.

Most of all, we must keep in mind that we have a direct stake in Cuba's economic growth and prosperity, and in the living standard of her people.

On this anniversary of Cuban Independence Day, we must not lose sight of this central fact.

I congratulate the government and the people of Cuba on this 54th anniversary of their declaration of independence.

RECENT ELECTION IN THE REPUBLIC OF KOREA

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be allowed to proceed for not more than 4 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from California may proceed.

Mr. KNOWLAND. Mr. President, I think it is quite fitting and proper that some mention be made relative to the recent election in the Republic of Korea. The Republic of Korea had its birth under the auspices of the United Nations and under the auspices of the United States of America. As Members of the Senate know, and as the American people understand, the original intent of having the entire country we know as Korea participate in elections was never carried out because of the refusal in North Korea to permit even the original free elections to be held. The people of the Republic of Korea have recently gone through an election campaign. President Syngman Rhee has been reelected, but with a reduction in the majority which he received in prior elections.

One of the leaders of the opposition party, under their democratic system, was elected as Vice President. I think it is a fine demonstration of the free way of life in the Republic of Korea that the people could go through a great campaign, that they could have opposition parties, that there could be a substantial vote polled for opposition candidates, and that a candidate of the opposition party could be elected Vice President and his election could be recognized and conceded by the party to which the President belongs.

Mr. President, it has been very easy to criticize some of our friends in the Far East. There seems to have been a concerted move over the years to tear down and undermine not only the President of the Republic of China, Chiang Kai-shek, but Ngo Dinh Diem, Premier of Vietnam, and other democratic leaders. Yet here is a demonstration which has no equal in the Soviet world. What a thing it could be if opposition candidates could campaign in Poland, could conduct a vigorous campaign, and could be elected without being liquidated. What a great thing it would be if in the Soviet Union itself opposition candidates could poll up to 50 percent or more of the votes and be elected to some high office in the Soviet Union, or if that could happen in Czechoslovakia, Lithuania, Latvia, Estonia, and other countries which have been taken behind the Iron Curtain.

Mr. President, when we are recognizing the abilities of those who represent the so-called neutralist countries, I think too often we do not pay sufficient attention to those who have been our devoted friends in that great area of the world.

Mr. President, I wish to make these few remarks, and to ask unanimous consent that an excellent editorial, entitled "A Good Outcome in Korea," which was published today in the New York Times, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A GOOD OUTCOME IN KOREA

After a few days of tension and excitement there has been a sound and sensible settling down in Korea to the election facts. The outcome, on the whole, will probably be good. President Rhee has been reelected, as was expected. An opposition candidate, Dr. John M. Chang, has been named Vice President.

The Cabinet has tendered its formal resignation and there will probably be some changes to reflect the strength of the opposition as shown by Dr. Chang's victory. There will obviously be no palace revolutions and the danger of local outbreaks has died down. In the one "incident," at Taegu, the contesting political parties ultimately sat down to a peaceful and amiable settlement of their differences. This can be a good omen and it can set a good pattern.

As Dr. Chang pointed out in his first press conference, his points of agreement with President Rhee far outweigh in importance his points of difference. Both are American-trained and American-influenced. Both are Christians. Both are strongly anti-Communist. Both are dedicated to the building of a new and strong democracy in Korea.

It is unlikely, therefore, that the election outcome, unusual as it is, will bring about any significant change in the attitude of Korea and the Koreans toward the United States and the United Nations. No international position has been repudiated or even modified by the electorate. This electorate, however, has given a strong demonstration of patriotic democracy in action. It should have silenced the thoughtless charge of "dictatorship" in Korea. This, also, is all to the good.

The composition of local political differences in a free election is of the utmost importance at this time. Korea has some gigantic problems to face and some enormous tasks ahead. If the contending parties, having blown off the necessary steam, can now get on with the big business of building, there will have been much gained.

President Rhee and Vice President Chang can give the leadership in that task. We are convinced that its magnitude and their own great responsibility will bring them together rather than separate them.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE OPPOSES VOLUNTARY COVERAGE OF LAWYERS

Mr. WILEY. Mr. President, the Senate Finance Committee has recommended mandatory coverage of self-employed attorneys under the old-age and survivors insurance system.

For a number of years I personally have reported that sentiment is cordial toward pension coverage, particularly because some attorneys are already covered, for example, attorneys working for larger corporations and companies. But attorneys of my State apparently feel that they would prefer the right to elect voluntary—that is, optional—coverage, on an individual basis.

Some of the county bar associations of my State, according to public opinion polls, favor mandatory coverage. In many counties, opinion tends to favor voluntary coverage, or in a few instances, no coverage at all.

In view of the division of opinion within the Wisconsin bar, and in view of the differences of opinion elsewhere among American attorneys, I would personally prefer that optional coverage should be granted. That is why I introduced a bill, S. 1779, for the purpose of permitting voluntary coverage.

In doing so, however, I pointed out at the time that I very clearly recognize that the Department of Health, Education, and Welfare has traditionally opposed optional coverage, and has urged that, if attorneys or any other group are included, it be on a mandatory basis.

Confirmation of this position came in the form of a letter from the Department to the Senate Finance Committee, stating the Department's case against optional inclusion.

I may say incidentally that the only group which has ever been granted voluntary coverage was the ministerial profession, which, of course, occupies a unique position.

So that the record may now be complete, and so that attorneys may be aware of the nature of this problem, as the social security bill comes to the Senate floor, I send to the desk the text of Secretary Folsom's letter to Chairman BYRD, of the Finance Committee.

I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 17, 1956.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in response to your requests for reports on the

following bills: S. 1344, S. 1779, S. 1830, S. 1840, S. 1841, S. 2751, and S. 3109.

These bills would amend title II of the Social Security Act to provide old-age and survivors insurance coverage for self-employed dentists and lawyers. S. 1344 and S. 1830 would extend old-age and survivors insurance on a compulsory basis to dentists and lawyers, respectively; the other five bills would make old-age and survivors insurance available to one or both of these groups on an individual voluntary basis. In general, these bills would be effective for taxable years ending after enactment of the bill.

The Department of Health, Education, and Welfare believes that members of the now excluded self-employed groups should be covered under old-age and survivors insurance on a compulsory basis. We are opposed to covering members of any of these groups on an individual voluntary basis. The primary objections we have to individual voluntary coverage are the same as those which your committee stated in its report on the 1954 social security amendments:

"Your committee concluded * * * that extension of coverage on an individual voluntary basis involved grave dangers with respect to the financing of the system, as well as discrimination against the great majority of workers covered under the program on a compulsory basis.

"Those who would elect coverage under a voluntary option are primarily those who could expect the largest return for a relatively small contribution. The deficit in their contribution would have to be made up by increasing the contribution rate for the covered group as a whole."

For these reasons, we recommend against the enactment of S. 1779, S. 1840, S. 1841, S. 2751, and S. 3109. We favor the enactment of the provisions of S. 1344 and S. 1830.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

M. B. FOLSOM,
Secretary.

A NEW REALISM IN FOREIGN POLICY

Mr. HUMPHREY. Mr. President, one of the most astute, imaginative, and persuasive voices currently contributing to our national foreign-policy debate is that of Chester Bowles, the former Governor of Connecticut and Ambassador to India. I ask unanimous consent that an article entitled "For a New Realism in Foreign Policy," written by Mr. Bowles, and published yesterday in the New York Times magazine section, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Future critics of current American foreign policy may focus on a factor that now receives but little comment—its lack of widely shared purpose, its ideological emptiness. The key to this crucial weakness and to our growing frustration as well may be found, I believe, in the age of Wilson.

When World War I was over, Americans suddenly realized that people all over the world were looking to them for leadership. They saw that Woodrow Wilson embodied many of the hopes and dreams of mankind. They saw tens of thousands of French peasants kneel in homage as his train sped through the countryside.

They saw whole governments, as in Italy, shake as our President went over their heads to appeal to their people. They saw the millions in Asia and Africa straighten up with the new conviction that soon they would no longer be the world's forgotten men.

Here was world power and influence in its most profound sense—the kind of power and influence that is lacking today. How had it come into being? The answer lies in what Wilson stood for.

"The world must be made safe for democracy," Wilson had said. That was America's purpose, and because it was it was also the purpose of most of mankind, for that one happy interval we no longer felt frustration, we were in tune with our fellow men everywhere.

The American people agreed that it would be a war to end wars. And in the peace that was to come they would work with others to "make the world itself at last free." They would be "the champions of the rights of mankind"—including "the right of those who submit to authority to have a voice in their own governments."

"America was created to unite mankind," Wilson said. And with this purpose in mind, his urgent advice was for Americans not only to think of America, but in order to be truly American, "always, also, to think first of humanity."

It may be said that America then was younger in her knowledge of world affairs—naive and youthful and idealistic. That may be so, but in our first entry into the world after our century of developing the West we managed to capture and to lift the spirit of the world. We, the new world, came, young and dedicated, to the rescue and liberation of the old, and the Old World responded and gave us its heart.

We were naive, too, dangerously naive, and because of our lack of experience we lost much of what could have been gained. Perhaps Wilson compromised too much in Paris and certainly too little in Washington.

Yet on the central question of his time he was everlastingly right. Over and over again he warned us that, if we rejected his wisdom, if we seceded from the emerging world community, we not only would "break the heart of the world" but would pay for our failure with our blood.

In 1939 the time that Wilson foresaw came, and again the New World was forced to go to the rescue and liberation of the old. By 1945, 30 million people were dead and much of Europe and Asia lay in ruins.

But World War II was fought without clear agreement on the kind of world which we wanted to bring into being. It was fought negatively to destroy our enemies, not positively to create new horizons of opportunity, cooperation, and growth.

Eleven more years have passed and we still drift in the shadow of destruction, frustrated and uncertain. Since the Korean war we have spent $146 billion, an average of $1,000 annually for every American family, to assure our national security. Yet our position throughout the world is certainly less strong than it was 3 years ago.

Military leaders bluntly assert that our defense position vis-a-vis the Soviet Union has deteriorated. The Near East is threatened. NATO is under increasing pressure from Cyprus to Iceland. Our influence and prestige in Asia and Africa have diminished ominously. Our industrial capacity, our armaments, our grants, our loans, our conferences, our NATO, SEATO, and Northern Tier alliances have not even enabled us to stay where we were. It is not surprising that many Republicans, as well as Democrats, are demanding a reappraisal of our foreign policy, and an agonizing one at that.

Yet if this means no more than a review of budgets and tactics, I submit that it is too narrow an approach. Foreign policy is not an end in itself. It is the means by which a nation pursues its national objectives beyond its frontiers.

This poses the fundamental question: What is America's national purpose? What does she want from the world? What is she prepared to contribute?

If we were to put these questions to a cross-section of Americans, a majority might answer as follows: "We have a great country and we ask only the right to enjoy its blessings undisturbed. The Russians threaten that right. Our purpose must be to put them in their place."

The implications of this answer should be carefully examined. If our national purpose is limited to a determination to "enjoy the blessings of our great country" without further regard for the interests of others, why should other nations be concerned with our interests?

Once their old fears of Soviet aggression relax—and in most of the world these fears are now fast diminishing—why should other nations support our aims, join our alliances, or follow our voting lead in the United Nations?

Many Americans will promptly raise the counter-question: "Why should we care what others think?" This question, sometimes articulated and sometimes not, reflects a lingering isolationism. It can be answered on the same short-term, narrow ground on which it is asked.

Although we Americans produce 50 percent of the world's manufactured goods, we are only 6 percent of the world's people. Another 15 percent is associated with us through alliances of varying reliability. The Moscow-Peiping bloc makes up 35 percent. The remainder of the world, living largely in Asia, Africa and South America, and constituting nearly 50 percent of mankind, is committed to varying degrees of neutralism.

Although these billion or more people are largely impoverished and illiterate, there has been a momentous change in their attitudes. Today they are wide-awake to the promise of the better life which they know modern technology can now provide. They are earnestly and aggressively seeking freedom from the last vestiges of colonialism. They want the respect of their fellow men.

The new Soviet tactics appear to have one primary objective: to win the confidence of these uncommitted Asians, Africans and South Americans who will hold the balance of power in tomorrow's world, if not in today's, to draw them into an ever-closer economic and political relationship, and eventually to cut us off from the resources and the people on whom our security and prosperity depend.

This possibility cannot lightly be brushed aside. Already our expanding industrial machine imports nearly 50 percent of its raw materials. The bulk of these materials must come increasingly from Asia, Africa, and South America. Eighty percent of the oil in the non-Communist world is within 300 miles of the Persian Gulf.

In the last few years the Soviet economy has developed to a point where it has much to offer these crucial, underdeveloped continents. If we will look the world squarely in the face, we must recognize the bitter fact that to much of mankind it is the totalitarian Soviet Union and not democratic America which also offers the more persuasive vision.

We may recognize and dismiss this vision for what it is—a global fraud. But to continue to minimize its explosive appeal to frustrated, hungry, insecure people who are searching for some decisive way to cure the world's ills would be the ultimate folly.

Every night over the Voice of Moscow in a hundred or more different languages millions of people in Asia, Africa, and South America hear the totalitarian Communists speaking the magic words of social revolution, supporting colonial struggles for freedom, backing the dark-skinned majority of the human race against all discrimination by the white minority, offering the use of science and technology for rapid economic development, while we stand mired in our own doubts and divisions and anchored in situation after situation to the despised, doomed status quo.

We have even allowed the Soviet Union to steal from us the title of champion of peace.

On the lowest level of unadulterated, material self-interest, how can American power and influence be maintained in the next decade or two if the new Soviet tactics, aided by our continued blindness to the interests and aspirations of others, cut us off from this crucially important half of mankind? How could we avoid isolation and eventual economic and political strangulation? To put it positively, how can we associate our future with that of other peoples on the basis of mutual self-interest?

What we need is not simply a reappraisal of our military program, our alliances, our foreign-aid program, but, perhaps even more important, a reappraisal of our relations with our fellow men, our proper role in world affairs, our national purposes and aspirations.

It is an indication of our present ideological bankruptcy in world affairs that anyone who suggests that principles have a legitimate place in American foreign policy will at once be charged with being out of touch with reality. To many writers on foreign policy, Wilson was no more than a sloganeer, a master of rhetoric and exhortation, but a failure in the rough, hard game of world politics.

Principles, they agree, are essential in personal dealings. But foreign policy is a more critical business. Here, they say, our primary concern must be a tough-minded understanding of power.

If you ask them for a definition of power, you will receive a confident answer: Power is a composite of military forces, industrial capacity, stores of nuclear weapons and bases from which to deliver them, radar warning systems, dispersion of cities, natural resources, communications, geography, allies.

I wonder if this Maginot Line concept of power, which is so widely accepted as the ultimate in international realism, does not lie at the very heart of our present worldwide dilemma? Let us examine for a moment a few of the dangerous dead ends into which this narrow approach has already taken us. I suggest this review not because better answers were evident at the time, as indeed in many instances they were not, but because it may point the way to a more effective approach in the future.

How realistic were we to assume that the corrupt government of Chiang Kai-shek, based on feudal landlordism and a bankrupt leadership, could keep a lid on the revolutionary surge of the Chinese people?

How realistic were we to assume that the Communists could be stopped in Indochina—even by one of the ablest of professional armies—as long as the anti-Communist effort remained based on a dying French colonialism tied to an outmoded land system and strangled by corruption?

How realistic were we to lead the United Nations forces across the 38th parallel in Korea on the assumption that Peiping's warning was a bluff and that the Chinese would not dare to enter the war—only to be forced ignominiously to accept a truce at that same line 3 years later?

How realistic are we to assume that a military program which upset the balance of power in South Asia by arming Pakistan, thereby opening the door into Afghanistan for the Russians and further antagonizing India, will increase the security of that critically important area?

How realistic have we been to assume that we could keep the Soviet Union out of the Middle East by building a military barrier?

How realistic have we been largely to ignore the powerful, inevitable growth of nationalism in Africa in order to avoid differences with our western colonial allies?

How realistic are we to stake not simply our prestige, but the question of peace or war on two small islands a few miles from the China coast, which are at the mercy of Chinese military power whenever Peiping decides to call our bluff?

How realistic have we been to focus 99 percent of our $146 billion national security budget since the Korean war on military defense or defense support with less than $900 million going as point 4 aid to the half of mankind who, sooner or later, may hold the balance of power between the Soviet bloc and the Atlantic nations?

How realistic have we been to assume that a NATO without effective political or economic roots could not be weakened by new tactics; that Germany can be united on our terms; that Japan will continue to reject neutralism regardless of her economic difficulties?

When the history of our era is written, I believe that such attitudes will appear doctrinaire, foolhardy, and proof that many American policymakers had lost sight of the power of ideas and people in a period of global revolution People and ideas—these have provided the prime, explosive mixture that has overturned the governments of half the world in a single decade, even though power in the classic sense has consistently favored the status quo.

As long as ideas influence the minds of men, and as long as men and their aspirations are a major component of power, ideas, both good and evil, will continue to upset nations, defy armies and write history. The recognition of this essential dimension of power is, I believe, the New Realism. Wilson understood this; we have largely ignored it.

What we must seek, therefore, is a balance between ideas and defense: on the one hand, the bringing together under the banner of a militant new freedom of those people of the earth—and today they are by far the majority—who seek the goals that we seek, self-determination, human dignity, and expanding opportunities, and, on the other hand, the power of a massive, competent defense to provide a screen behind which those goals can be vigorously pursued.

The most powerful ideas and principles in history created our American Revolution, the Revolution for equality of opportunity under law. If we will only look, we will see that our revolution is alive and marching in Asia, in Africa, in South America. If we but rediscover the mission of Jefferson, Jackson, Lincoln, and Wilson we will find, I believe, that we are again in step with the peoples of the non-Communist world.

We have learned enough about the difficulties—about the passions of nationalism and colonialism, about the great gaps between nations, regions, and races, about the intricacies of diplomacy, about the abilities of our antagonists—so that we should have no illusions about the formidable problems that we will face in striving to achieve a more politically stable world in which individual rights are meaningful and expanding steadily.

Military defense is the first essential component in our foreign-policy program. Without the screen provided by massive military power we will be denied even the opportunity to promote our national purposes, and eventually be reduced to the status of a second-class power.

The second area for more positive action in foreign affairs is the creation of a balanced, interrelated, and bold policy in regard to world economic development. Here again it is important that what we do reflect our true national purpose. The development of viable, politically stable nations in Asia and Africa and South America, associated with us on the basis of mutual interest, is essential to this purpose.

Such connections will be assured for the long haul only if conditions are created in which libertarian concepts can develop and grow; where the individual will have increasing opportunities for economic advancement, an expanding measure of dignity, and a stake in political stability. This can only come about as his country forges forward, as living standards rise, and, above all, to the degree that he feels he is participating in that development and has a just share in its growth.

An intelligently conceived, expanded, long-range program of economic assistance is essential to this objective. I believe that such a program should be based primarily on long-term loans with the highest quality technical assistance where it is required.

The third of the three areas of action in which our foreign policy must be made more effective may be discussed under the general heading of diplomacy. In this case I define diplomacy in its broadest sense to include not only our day-to-day negotiations with other governments, but also our approach to other peoples.

This phase of our work abroad will determine in large measure what others believe to be the advantages and disadvantages of a close economic and political relationship with our country. Here again our efforts should never lose sight of the creative goals which our policies are designed to achieve. The manner in which we present our defense and economic development programs will in itself do much to shape foreign attitudes toward America.

In our relations with the Communist nations we should distinguish between their legitimate interests and concerns, which need not necessarily conflict with our own, and their frequently stated, expansionist goals which lie at the heart of the present conflict. In dealing with non-Communist nations, both allied and neutral, we should recognize not only our own national purposes, but those which motivate other peoples and their governments. Only by understanding their perspective on world events, even when we disagree with it, will we find it possible to communicate, much less to reach agreement or accommodation.

Palmerston was once quoted as saying, "Britain has no permanent friends; only permanent interests." This observation is valid today for us, but only if we consider our interests in the framework of the revolutionary, fast-changing world in which we live. If we do so, we may be surprised at the extent to which they coincide with others'.

A year ago at Bandung the representatives of 28 Asian and African nations outlined their four primary objectives: freedom from colonial domination; dignity of the individual regardless of his race, creed or color; expanding economic opportunities, and peace.

These concepts are not Marxist. They are western and American—no more and no less than a reflection in these two vast continents of the continuing American Revolution for which Jefferson, Lincoln, Wilson, and Roosevelt spoke so eloquently.

What I have suggested represents no less than a major change of emphasis in our relations to other peoples and a fresh approach to the problem of American security, development, and growth.

If we have a purpose on this earth—and I profoundly believe that we have—it is to assure the preservation and the ultimate expansion throughout the world of the spirit of liberal democracy with its primary regard for the dignity and integrity of man.

Everywhere, throughout my travels across the United States—East, West, North, and South—I have found Americans seeking earnestly to throw off their frustration, to achieve a new sense of direction. Where their present vision of America's world role is too narrow, it is because leaders of both political parties have thus far failed to offer the broader vision which great Americans have provided in earlier critical periods of our history.

ELECTION OF GEORGE I. BLOOM TO BE REPUBLICAN STATE CHAIRMAN OF PENNSYLVANIA

Mr. MARTIN of Pennsylvania. Mr. President, when a Member of a Senator's staff receives a high honor in his own State, it is worthy of note in this Chamber. It is therefore an extreme pleasure to bring to the attention of the Senate the action of the Republican State Committee of Pennsylvania in electing as its State chairman the Honorable George I. Bloom, who has served as my administrative assistant since I first came to the United States Senate in 1947.

I consider myself most fortunate to have had the able, loyal, and efficient services of George Bloom, not only here in the Senate, but also during the 4 years when I served as Governor of Pennsylvania.

I am happy to state that George Bloom's election as Republican State chairman, was by unanimous vote of the State committee, at its meeting in Philadelphia, last Saturday. I am sure that my colleagues on both sides of the aisle will be pleased with this richly deserved recognition of George Bloom's outstanding ability.

George Bloom is an outstanding American, and during his lifetime has devoted his great ability to good, clean, and efficient Government.

THE ILO CONVENTION AGAINST FORCED LABOR

Mr. HUMPHREY. Mr. President, the State Department has not yet fully clarified its position with regard to the proposed ILO convention against forced labor. Time is running short, because the 39th ILO Conference which will consider this matter is scheduled to convene next month, in Geneva. Mr. George P. Delaney, the labor member of our ILO delegation, has already departed for Europe. I ask unanimous consent that an article written by him to the editor of the New York Times, and published in that newspaper on May 13, 1956, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ILO AND FORCED LABOR

To the EDITOR OF THE NEW YORK TIMES:

Before departing for Europe, where I will represent the American workers at the 39th Annual Conference of the International Labor Organization, I wish to avail myself of this opportunity to congratulate the New York Times for the very enlightening and intelligent views expressed in regard to Senate Joint Resolution 117, which was introduced by Senator HUMPHREY in the Senate some weeks ago.

Senator HUMPHREY is to be congratulated for having initiated this important resolution, and the constructive argument which the New York Times has set forth in its editorials of April 29 and May 2, I am sure, will be helpful in determining the decision of the Senate committee dealing with this resolution.

As an American citizen who has had the advantage of following closely the efforts of organized labor in the United States in its fight against the Soviet Government exploiting workers of Russia and the Iron Curtain countries, I am at a loss to believe that the United States Government would fail to give effective moral leadership to the establishment of a convention by the International Labor Organization to abolish this inhuman exploitation of workers.

The Department of State's position has been most difficult to understand, since one is familiar with the courageous and forthright efforts they have made in the past to call the attention of the world to the extent and use of forced labor for political and economic reasons in Russia, Red China, and other satellite nations.

Let me again assure you that the workers' representative on the United States delegation will vigorously support the adoption of a convention and will work diligently to solicit support from every other delegate attending the 39th International Labor Conference. I wish also to again offer my congratulations to the Times for its vigorous stand on this issue.

GEORGE P. DELANEY,
International Representative American Federation of Labor-Congress of Industrial Organizations.

WASHINGTON, *May 8, 1956.*

CALL OF THE CALENDAR

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Under the order entered on Friday, the Senate will proceed to consider measures on the calendar to which there is no objection.

Mr. BIBLE. Mr. President, in accordance with the order just announced by the Acting President pro tempore, as I understand, the Senate is to proceed to the call of the calendar beginning with Calendar No. 1979, with the exception of one bill which had previously been passed over and is also to be considered on the call of the calendar today. That exception is Calendar No. 1874, H. R. 3054. I would suggest that the call of the calendar begin with that bill.

The ACTING PRESIDENT pro tempore. The Senator from Nevada has correctly stated the parliamentary situation.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

Under the order previously entered the Secretary will state the first order of business.

ALLEN POPE

The bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives was announced as first in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3332) to amend the Employment Act of 1946, as amended, was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the bill?

Mr. BIBLE. Mr. President, I request that the bill go to the foot of the calendar. We had a request regarding it from the Senator from Illinois [Mr. DOUGLAS], who is elsewhere engaged.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

ROADLESS AREA OF THE SUPERIOR NATIONAL FOREST

The bill (S. 2967) to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, except as hereinafter provided, the provisions of the act approved June 22, 1948 (62 Stat. 568), are hereby extended and made applicable to the following described lands:

Township 61 north, range 6 west, fourth principal meridian: Sections 5 to 8, inclusive; west half section 4; west half section 9.

Township 61 north, range 7 west, fourth principal meridian: Sections 1 to 12, inclusive.

Township 61 north, range 8 west, fourth principal meridian: Sections 3 to 8, inclusive.

Township 61 north, range 9 west, fourth principal meridian: Sections 1 to 12, inclusive.

Township 61 north, range 10 west, fourth principal meridian: Sections 1, 2, 11, and 12.

Township 62 north, range 3 west, fourth principal meridian: West half of section 3; sections 4 to 9, inclusive.

Township 62 north, range 4 west, fourth principal meridian: Sections 1 to 6, inclusive; sections 8 to 15, inclusive.

Township 62 north, range 5 west, fourth principal meridian: Sections 1 to 24, inclusive.

Township 62 north, range 6 west, fourth principal meridian: Sections 1 to 20, inclusive; north half section 21; sections 22 to 24, inclusive; sections 29 to 32, inclusive.

Township 62 north, range 7 west, fourth principal meridian: Entire township.

Township 62 north, range 8 west, fourth principal meridian: Sections 1 to 34, inclusive; north half section 35; north half section 36.

Township 62 north, range 9 west, fourth principal meridian: Entire township.

Township 62 north, range 10 west, fourth principal meridian: Sections 1 to 6 inclusive; sections 8 to 17, inclusive; sections 21 to 23, inclusive; sections 33 to 36, inclusive.

Township 62 north, range 11 west, fourth principal meridian: Sections 1 and 2.

Township 63 north, range 1 west, fourth principal meridian: Sections 4 to 9, inclusive; sections 16 to 21, inclusive.

Township 63 north, range 2 west, fourth principal meridian: Sections 1 to 4, inclusive; sections 9 to 16, inclusive; north half of section 17; north half of section 18; sections 21 to 24, inclusive.

Township 63 north, range 3 west, fourth principal meridian: North half section 13; north half section 14; north half, southwest quarter section 15; sections 16 to 21, inclusive; west half section 22; west half section 27; sections 28 to 33, inclusive; west half section 34.

Township 63 north, range 9 west, fourth principal meridian: Lot 3 section 15; lots 4, 6, 7, 8, 10, 11 and 12 section 16; lots 6 and 7 section 19.

Township 63 north, range 10 west, fourth principal meridian: Section 6, north half section 7; lots 7 and 8 section 24; northeast quarter, lots 1, 3 and 4, southwest quarter southwest quarter, east half southwest quarter, southeast quarter section 25; lots 5, 6, 7, 8, 9, 10, southeast quarter southeast quarter section 26; lots 3 to 6, inclusive, lot 8, southwest quarter, southwest quarter southeast quarter section 27; lots 5 to 8, inclusive, south half section 28; lots 5 to 8, inclusive, south half section 29; lots 10 to 14, inclusive, southeast quarter southeast quarter section 30; sections 31 to 36, inclusive.

Township 63 north, range 11 west, fourth principal meridian: Sections 1 to 4, inclusive; north half of sections 9 to 12, inclusive; lots 9 to 12, inclusive, section 25; lots 5 and 6, section 26; section 35 except lot 3; section 36.

Township 63 north, range 13 west, fourth principal meridian: Sections 5, 7, and 18.

Township 63 north, range 14 west, fourth principal meridian: Sections 12, 23, and 24.

Township 64 north, range 1 east, fourth principal meridian: Lot 15, section 5.

Township 64 north, range 1 west, fourth principal meridian: Sections 21, 22, 27, 28, 33, and 34.

Township 64 north, range 2 west, fourth principal meridian: South half of sections 3 to 6, inclusive.

Township 64 north, range 3 west, fourth principal meridian: South half of sections 1 to 4, inclusive; sections 5 and 6.

Township 64 north, range 4 west, fourth principal meridian: Sections 1 to 5, inclusive; sections 8 and 9.

Township 64 north, range 9 west, fourth principal medidian: North half of sections 25 to 30, inclusive.

Township 64 north, range 10 west, fourth principal meridian: Sections 19 to 24, inclusive; north half of sections 25, 26, and 27; sections 28 to 33, inclusive.

Township 64 north, range 11 west, fourth principal meridian: Sections 8, 17, 21 to 28, inclusive; sections 33 to 36, inclusive.

Township 64 north, range 13 west, fourth principal meridian: Sections 14 and 23; north half northwest quarter, southwest quarter northwest quarter section 26; section 27.

Township 65 north, range 3 west, fourth principal meridian: Section 18.

Township 65 north, range 4 west, fourth principal meridian: South half section 6; sections 7, 18, 19, and 30.

Township 65 north, range 5 west, fourth principal meridian: Sections 1 to 5, inclusive; sections 8 to 17, inclusive.

Township 65 north, range 12 west, fourth principal meridian: Sections 18, 19, 28, 29, 30, 32, and 33.

Township 65 north, range 13 west, fourth principal meridian: Sections 4 to 9, inclusive; sections 13, 14, 16, 17, and 24.

Township 65 north, range 14 west, fourth principal meridian: Sections 1 to 3, inclusive.

Township 66 north, range 4 west, fourth principal meridian: Sections 4 to 8, inclusive; sections 17 to 20, inclusive.

Township 66 north, range 5 west, fourth principal meridian: Section 1; sections 3 to 7, inclusive; sections 10 to 15, inclusive; sections 21 to 29, inclusive; sections 32 to 35, inclusive; west half section 36.

Township 66 north, range 16 west, fourth principal meridian: Sections 29 and 30.

Township 66 north, range 15 west, fourth principal meridian: Sections 18 and 19; sections 25 to 30, inclusive.

Township 66 north, range 16 west, fourth principal meridian: Sections 13, 24, and 25.

Township 67 north, range 4 west, fourth principal meridian: Entire township.

Sec. 2. With respect to the lands described in section 1 of this act, the second proviso of section 5 of the aforementioned act of June 22, 1948, is hereby revised to read as follows: "*Provided further*, That the first payment to the State of Minnesota under the provisions of this section shall be due at the close of the fiscal year 1959."

Sec. 3. Section 6 of the aforementioned act of June 22, 1948, is hereby amended by striking the figure "$500,000" and inserting in lieu thereof the figure "$2,500,000."

URBAN RENEWAL ASSISTANCE TO DISASTER AREAS—BILL PASSED OVER

The bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Mr. President, may we have a brief explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Calendar No. 1984, S. 3844.

Mr. BUSH. Mr. President, the bill would provide Federal assistance in the rehabilitation and rebuilding of disaster areas such as those affected by the recent major floods and hurricanes of 1955. It would permit Federal agencies to extend urban renewal assistance to disaster-affected communities without the obligation of certain requirements and limitations which the statute now requires under normal situations. I shall mention those requirements in a moment.

The bill would amend existing law to authorize Federal planning grants to a community affected by a major disaster without regard to whether the community's population is less than 25,000; and would increase the planning grant organization from $5 million to $10 million.

The requirements which the bill would waive are as follows:

It would waive the requirement of a workable program, except that a workable program would be required by some future date, determined by the Housing Administrator. One must bear in mind that the proposed law would take effect immediately after a flood disaster occurred in a community. Therefore it would waive the immediate requirement, but the bill would require the community to file such a plan at the later date.

The bill would waive the requirement that the urban renewal plan conform to a general plan for the locality. In some of the smaller communities which have been devastated there has been no general plan. Therefore the bill would waive this requirement in the case of a disaster-stricken community.

The bill would waive the requirement that there be a feasible method for the temporary relocation of families displaced from the project area. Inasmuch as the displacement of many families would probably already have occurred as a result of the major disaster, the relocation requirements would be modified to permit the local public agency to present a plan for the encouragement—to the maximum extent feasible—of the provision of dwellings suitable for families displaced by the catastrophe or by subsequent redevelopment activities.

The fourth waiver would be a waiver of the requirement that a public hearing be held before any land shall be acquired by the local public agency. The purpose of that, of course, is to save time and to get the job done.

Fifth, the bill would waive the requirement that the urban renewal area be a slum or blighted area.

Sixth, the bill would waive the requirement with respect to the predominantly residential character of urban-renewal areas.

I might say with respect to the last point that an area I have in mind, for instance, is Farmington, Conn., which wishes to take advantage of urban renewal assistance to disaster areas offered by the law. The present requirement is that the area be predominantly residential. Of course, the Farmington area was predominantly residential until the Farmington River came through there and swept away 95 percent of the houses in the area. Therefore, it is not now predominantly residential. Nor is it a slum area.

In other words, this bill is a practical approach to giving these communities an incentive to take advantage of the intent of the law under disaster circumstances. It has been proven that the present provisions need this amendment in order to get the communities started in connection with the urban renewal work made necessary when there is a very great disaster.

Mr. President, I ask unanimous consent that there be inserted in the Record at this point the general statement which appears in the report accompanying Senate bill 3844.

There being no objection, the statement was ordered to be printed in the Record, as follows:

General Statement

By adding a new section 111 to the Housing Act of 1949, this bill would provide Federal assistance in the rehabilitation and rebuilding of disaster areas such as those affected by recent major floods and hurricanes. It would permit Federal agencies to extend urban renewal assistance to disaster-affected communities without the application of certain requirements and limitations which the statute now requires in normal situations. In addition, FHA mortgage insurance under sections 220 and 221 of the National Housing Act would be made available in major disaster areas as declared by the President. Finally, the bill would amend existing law to authorize Federal planning grants to a community affected by a major disaster without regard to whether the community's population is less than 25,000; and would increase the planning grant authorization from $5 million to $10 million.

Title I of the Housing Act of 1949 provides Federal aid to assist communities in redeveloping slums and blighted areas. Thus, communities with the help of the Federal Government may plan and execute urban renewal projects which may include slum clearance, rehabilitation, and conservation, or a combination of such activities. Under the present urban renewal program, a community or a local public agency must comply with a number of requirements in order to qualify for Federal aid.

The development of an urban renewal plan, including demolition, rehabilitation, conservation, and the relocation of tenants,

has proved to be both complicated and time consuming. Thus, while the benefits of the urban renewal program would be extremely helpful to many communities which have suffered damage as the result of a major disaster, the difficulty of complying with the requirements imposed by the statute prevents these communities from receiving this type of Federal aid at the time when such aid is most urgently needed.

The administration, therefore, has recommended, and this committee agrees, that where the local governing body certifies and the Housing Administrator finds that an urban area is in need of redevelopment or rehabilitation as a result of flood, fire, hurricane, earthquake, storm, or other catastrophe which the President has declared under existing law to be a major disaster, the Housing Administrator should be authorized to extend urban renewal assistance without regard to number of requirements contained in title I of the Housing Act of 1949. The requirements which this bill would waive are as follows:

1. The workable program requirement (sec. 101 (c)), except that a workable program would be required by some future date determined by the Housing Administrator.

2. The requirement that the urban renewal plan conform to a general plan for the locality.

3. The requirement that there be a feasible method for the temporary relocation of families displaced from the project area (sec. 105 (c)). Inasmuch as the displacement of many families will probably already have occurred as a result of the major disaster, the relocation requirements would be modified to permit the local public agency to present a plan for the encouragement (to the maximum extent feasible) of the provision of dwellings suitable for families displaced by the catastrophe or by subsequent redevelopment activities.

4. The requirement that a public hearing be held before any land shall be acquired by the local public agency.

5. The requirement that the urban renewal area be a slum or blighted area.

6. The requirement with respect to the "predominantly residential" character of urban renewal areas.

In addition, the local public agency, in preparing its urban renewal plan, would be required to give due regard to the removal or relocation of dwellings from the site of the recurring floods or other recurring catastrophes.

Section 220 of the National Housing Act provides FHA mortgage insurance for residential construction in urban renewal areas. This section would be amended to permit the Federal Housing Administration to make available its mortgage insurance aids to replace housing in disaster-affected communities.

Section 221 of the National Housing Act provides FHA mortgage insurance to assist in relocating families from urban renewal areas and in relocating families to be displaced as a result of Government action in a community which has an approved slum clearance or urban renewal project. The mortgage insurance made available to displaced families under section 221 also would be made available in disaster-affected communities.

Section 701 of the Housing Act of 1954 presently authorizes the Housing and Home Finance Administrator to make planning grants to States or to cities and municipalities having a population of less than 25,000. The bill would authorize the Administrator to make planning grants to cities and other municipalities having a population of 25,000 or more, if those communities have suffered damage as a result of a catastrophe which the President has declared to be a major disaster.

In addition, the present $5 million authorization for planning grants under section 701 of the Housing Act of 1954 is increased to $10 million. This planning program has been delayed by the inadequacy of many State laws, but during 1955 many States took legislative action to permit communities to avail themselves of the benefits of this planning program, and applications in preparation indicate that activities under the program will increase rapidly. The proposed $5 million increase, while not predicated upon the anticipated demands of disaster-affected areas, will be helpful in meeting the normal increase in demand and in permitting disaster-affected communities to avail themselves of the benefits of this program.

The provisions of this bill were originally contained in S. 3302, a bill which included a majority of the administration's housing recommendations for 1956. Sections 305 and 306 of S. 3302 were deleted by the committee and are now reported as a separate bill. This new bill thus contains all of the administration's recommendations with respect to urban renewal aids for disaster areas. The language of the bill is identical with the language recommended by the administration on this subject.

The PRESIDING OFFICER. Is there objection to the consideration of Senate bill 3844?

Mr. RUSSELL. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BUSH subsequently said: Mr. President, when Calendar No. 1984, Senate bill 3844, was reached on the call of the calendar a few moments ago, the Senator from Georgia [Mr. Russell] objected to consideration of the bill, because he wished to examine it a little further. He has now authorized me to say that he withdraws his objection, and that it would be in order for the bill to pass.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas.

The PRESIDING OFFICER. The Chair understands that the objection previously raised by the Senator from Georgia [Mr. Russell] to Calendar No. 1984, Senate bill 3844, has now been withdrawn. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title I of the Housing Act of 1949, as amended, is amended by adding at the end thereof a new heading and section as follows:

"DISASTER AREAS

"Sec. 111. Where the local governing body certifies, and the Administrator finds, that an urban area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster, the Administrator is authorized to extend financial assistance under this title for an urban renewal project with respect to such area without regard to the following:

"(1) the 'workable program' requirement in section 101 (c), except that any contract for temporary loan or capital grant pursuant to this section shall obligate the local public agency to comply with the 'workable program' requirement in section 101 (c) by a future date determined to be reasonable by the Administrator and specified in such contract;

"(2) the requirements in section 105 (a) (iii) and section 110 (b) (1) that the urban renewal plan conform to a general plan of the locality as a whole and to the workable program referred to in section 101 (c);

"(3) the 'relocation' requirements in section 105 (c): *Provided*, That the Administrator finds that the local public agency has presented a plan for the encouragement, to the maximum extent feasible, of the provision of dwellings suitable for the needs of families displaced by the catastrophe or by redevelopment or rehabilitation activities;

"(4) the 'public hearing' requirement in section 105 (d);

"(5) the requirements in sections 102 and 110 that the urban renewal area be a slum area or a blighted, deteriorated, or deteriorating area; and

"(6) the requirements in section 110 with respect to the predominantly residential character or reuse of urban renewal areas.

"In the preparation of the urban renewal plan with respect to a project aided under this section, the local public agency shall give due regard to the removal or relocation of dwellings from the site of recurring floods or other recurring catastrophes in the project area."

Sec. 2. Clause (d) (1) (A) of section 220 of the National Housing Act, as amended, is hereby amended to read as follows:

"(A) be located in (i) the area of a slum clearance and urban redevelopment project covered by a Federal-aid contract executed, or a prior approval granted, pursuant to title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954, or (ii) an urban renewal area (as defined in title I of the Housing Act of 1949, as amended) in a community respecting which the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by subsection 101 (c) of the Housing Act of 1949, as amended, or (iii) the area of an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended: *Provided*, That, in the case of an area within the purview of clauses (i) or (ii) of this sentence, a redevelopment plan or an urban renewal plan (as defined in title I of the Housing Act of 1949, as amended), as the case may be, has been approved for such area by the governing body of the locality involved and by the Housing and Home Finance Administrator, and said Administrator has certified to the Commissioner that such plan conforms to a general plan for the locality as a whole and that there exist the necessary authority and financial capacity to assure the completion of such redevelopment or urban renewal plan: *And provided further*, That, in the case of an area within the purview of clause (iii) this sentence, an urban renewal plan (as required for projects assisted under said section 111) has been approved for such area by the said governing body and by the said Administrator, and the said Administrator has certified to the Commissioner that such plan conforms to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and that there exist the necessary authority and financial capacity to assure the completion of such urban renewal plan, and".

SEC. 3. Section 221 (a) of the National Housing Act, as amended, is hereby amended by—

(1) adding immediately before the period at the end of the first sentence the words ", (3) there is being carried out an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended"; and

(2) striking out "clause (2)" in the places it appears in the last proviso and substituting "clause (2) or (3)."

SEC. 4. (a) The second sentence of section 701 of the Housing Act of 1954, as amended, is hereby amended to read as follows: "The Administrator is further authorized to make planning grants for similar planning work: (1) in metropolitan and regional areas to official State, metropolitan or regional planning agencies empowered under State or local laws to perform such planning; (2) to cities, other municipalities, and counties having a population of 25,000 or more according to the latest decennial census which have suffered substantial damage as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster; and (3) to State planning agencies for the provision of planning assistance to such cities, other municipalities, and counties referred to in clause (2) hereof.".

(b) The last sentence of said section 701 is hereby amended by striking out "$5,000,000" and inserting "$10,000,000."

BENEFITS PAYABLE TO WIDOWS OF CERTAIN FORMER EMPLOYEES OF THE LIGHTHOUSE SERVICE

The bill (S. 2937) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first section and section 2 of the act entitled "An act to provide benefits for the widows of certain persons who were retired or are eligible for retirement under section 6 of the act entitled 'An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes,' approved June 20, 1918, as amended," approved August 19, 1950 (33 U. S. C. secs. 771 and 772) are each amended by striking out "$50 per month" and inserting in lieu thereof "$75 per month."

SEC. 2. The amendments made by this act shall take effect on the first day of the first month which begins after the date of the enactment of this act.

FISH HATCHERY IN THE VICINITY OF MILES CITY, MONT.

The bill (H. R. 8810) authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont., was considered, ordered to a third reading, read the third time, and passed.

PROPOSED CONVEYANCE OF LAND IN PIERCE COUNTY, WASH.—BILL PASSED OVER

The Senate proceeded to consider the bill (S. 3457) to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments.

Mr. MORSE. Mr. President, Senate bill 3457 would authorize the Secretary of the Treasury to convey a small tract, comprising less than an acre of land, in Pierce County, Wash., "for public use through the Brown's Point Improvement Club."

Section 2 of the bill provides that the property shall revert to the United States in the event it ceases to be used for public purposes.

Senate Report No. 1970 accompanying S. 3457 indicates that on the basis of original cost, the tract in question would be worth $513. The report does not state the present fair market value of such land.

The land has been declared excess to the needs of the Coast Guard, and if the conveyance were to be made, the property would be used for social and recreational activities by the residents of Brown's Point, particularly children.

There seems to be no reason for applying an exception to the Morse formula in this case. The principle is just as great, Mr. President.

Therefore, I wish to offer an amendment of the type I ordinarily offer in such cases, namely, for the payment of an amount equal to 50 percent of the fair-market value and containing a reservation of mineral rights.

I submit the amendment and ask that it be printed. It is my understanding that because the Senator from Washington is not here today, the calendar committee plans to let the bill go over. But I should like to have my amendment printed so that it will be available to the Senate when the bill is next called up.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. BIBLE. Mr. President, the statement by the Senator from Oregon is correct. I ask that the bill go over until such time as the Senator from Washington is able to be present.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSAL OF ASSETS SEIZED UNDER THE TRADING WITH THE ENEMY ACT

The Senate proceeded to consider the bill (S. 2226) to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941, which had been reported from the Committee on the Judiciary, with amendments, on page 3, line 3, after "(c)", to strike out "to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. Such cash shall be carried with the Treasury in accounts in the names of Czechoslovakia, Rumania, and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. The respective amounts to be credited to the three accounts shall be certified to the Secretary of the Treasury by the Attorney General" and insert "to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Czechoslovakia and Poland shall be carried with the Treasury in accounts in the names of Czechoslovakia and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Rumania shall be covered by the Secretary of the Treasury into the Rumanian claims fund created by section 302 of the International Claims Settlement Act of 1949, as amended, and shall be subject to disbursement under section 309 of that act;"; on page 4, line 10, after the word "Treasury", to strike out "the" and insert "for deposit in the Treasury as miscellaneous receipts all"; and after line 20, to strike out:

Such cash shall be carried with the Treasury in accounts in the names of persons certified to the Secretary of the Treasury by the Attorney General to be claimants thereto. The respective amounts to be credited to these accounts shall likewise be certified to the Secretary of the Treasury by the Attorney General. The Secretary of the Treasury shall maintain these accounts subject to proof of claim satisfactory to him submitted by any claimant in whose name any account is carried, or by the successors in interest to such claimant: *Provided*, That amounts determined to be payable upon proof of claim shall be subject to such applicable blocking regulations issued under Executive Order 8389 of April 10, 1940, and amendments thereto, as shall remain in force at the time; and

And insert:

Upon such transfer, the Attorney General shall publish notice thereof in the Federal Register, together with notice of the rights conferred by this subsection upon any person having any claim with respect to any cash so transferred. Within 2 years after the publication of such notice, any person having any claim to any cash so transferred may file in the District Court of the United States for the District of Columbia an action against the United States for the recovery of the cash so claimed. Upon the filing of any such action, such court shall have jurisdiction to hear and determine such claim, and to enter judgment against the United States for such sum, if any, as the court may determine to be the amount to which such claimant would have been entitled to receive from any such account if the transfer authorized by this subsection had not been made, except that the amounts so determined to be payable shall be subject to the provisions of any applicable blocking regulations issued under Executive Order No. 8389, dated April 10, 1940, as amended, which remain in force at the time of the entry of such judgment; and

So as to make the bill read:

Be it enacted, etc., That the Attorney General, notwithstanding any provisions to the contrary in the Trading With the Enemy Act, as amended, or the Settlement of War Claims Act of 1928, as amended, is authorized and directed as soon as practicable after the date of enactment hereof—

(a) to transfer to the Secretary of the Treasury for deposit in the miscellaneous receipts of the Treasury all cash credited, or which may hereafter be credited, on the books of the Attorney General in the following accounts maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended:

(1) Trust No. 47667, consolidated unclaimed balances account;

(2) Trust No. 47669, unpayable balances account;

(3) Government earnings—interest account; and

(4) Undistributed income—interest reserve;

(b) to transfer to the Secretary of the Treasury the assets, other than cash, credited on the books of the Attorney General in Trust No. 47863, German claimants, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. The Secretary of the Treasury shall, if possible, liquidate such assets and deposit the net proceeds of their liquidation in the German special deposit account created under section 4 of the Settlement of War Claims Act of 1928. The Secretary of the Treasury is authorized in his sole discretion at any time to abandon or destroy any asset transferred to him pursuant to this subsection upon his determination that such asset has no value or a value less than the cost of its liquidation;

(c) to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in Trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Czechoslovakia and Poland shall be carried with the Treasury in accounts in the names of Czechoslovakia and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Rumania shall be covered by the Secretary of the Treasury into the Rumanian claims fund created by section 302 of the International Claims Settlement Act of 1949, as amended, and shall be subject to disbursement under section 309 of that act;

(d) to transfer to the Secretary of the Treasury for deposit in the Treasury as miscellaneous receipts all cash credited on the books of the Attorney General in the following accounts maintained with respect to property or interests acqired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended:

(1) Trust No. 47675, Polish claimants;

(2) Trust No. 47677, Czech claimants; and

(3) Trust No. 47687, Bulgarian, Hungarian, and Rumanian claimants.

Upon such transfer, the Attorney General shall publish notice thereof in the Federal Register, together with notice of the rights conferred by this subsection upon any person having any claim with respect to any cash so transferred. Within 2 years after the publication of such notice, any person having any claim to any cash so transferred may file in the District Court of the United States for the District of Columbia an action against the United States for the recovery of the cash so claimed. Upon the filing of any such action, such court shall have jurisdiction to hear and determine such claim, and to enter judgment against the United States for such sum, if any, as the court may determine to be the amount to which such claimant would have been entitled to receive from any such account if the transfer authorized by this subsection had not been made, except that the amounts so determined to be payable shall be subject to the provisions of any applicable blocking regulations issued under Executive Order Numbered 8389, dated April 10, 1940, as amended, which remain in force at the time of the entry of such judgment; and

(e) to transfer to the Secretary of the Treasury, pending the ultimate disposition thereof, the participating certificates issued to the Alien Property Custodian or the Attorney General pursuant to section 25 of the Trading With the Enemy Act, as amended.

SEC. 2. (a) No person shall have any claim to any cash or other assets transferred by the Attorney General to the Secretary of the Treasury pursuant to section 1 except persons claiming cash transferred pursuant to subsection (c) or (d) thereof.

(b) The cash or other assets transferred by the Attorney General to the Secretary of the Treasury pursuant to section 1 shall not be liable to lien, attachment, garnishment, trustee process or execution, or subject to any order or decree of any court.

SEC. 3. The Trading With the Enemy Act, as amended, is further amended by striking paragraph 15 of subsection (b) of section 9.

SEC. 4. The word "person," as used herein, shall be deemed to mean an individual, partnership, association, or other unincorporated body of individuals, or corporation or body politic.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill, and may we also have a statement covering the points as to whether there is any known objection to the bill?

Mr. EASTLAND. Mr. President, the bill would permit the termination of the administraton of the World War I vesting program of the Office of Alien Property. The proposed legislation was requested by the Department of Justice.

Under the terms of the bill approximately $600,000 in cash is transferred from the custody of the Office of Alien Property to the miscellaneous receipts of the Treasury. This cash represents abandoned or unprosecuted claims, unallocated interest, and interest reserve.

Other assets, most of which are of dubious value, are transferred to the Secretary of the Treasury for disposition as provided in the bill or as otherwise provided by law.

Hearings were held on this bill and no witnesses appeared in opposition. Also, there was no opposition to a favorable report of the bill by the committee.

The committee recommended the bill in order to aid the Department of Justice in the termination of a program which has spanned a period of nearly 40 years.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGNES V. WALSH

The Senate proceeded to consider the bill (S. 1245) for the relief of Agnes V. Walsh, the estates of Margaret T. Denehy and Daniel Walsh which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "appropriately", to strike out "the sum of $10,000 to each of and insert "to", and in line 9, after the word "Massachusetts", to insert "the sums of $500, $900, and $325.15, respectively", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the following parties: (1) Agnes V. Walsh, of Cambridge, Mass., (2) the estate of Margaret T. Denehy, late of Cambridge, Mass., and (3) David Walsh, of Cambridge, Mass., the sums of $500, $900, and $352.15, respectively. The payment of such sums shall be in full settlement of all claims against the United States of such parties for personal injuries sustained by the said Agnes V. Walsh and the late Margaret T. Denehy, and for personal injuries and property damage sustained by the said David Walsh, when the automobile in which the above-named persons were riding was struck by a United States Navy motor vehicle at Boston, Mass., on August 24, 1945: *Provided*, That no part of the amount appropriated in this act for any of such parties, in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of such party, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNA MARIA FULLER

The bill (S. 1895) for the relief of Anna Maria Fuller was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Anna Maria Fuller may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground of exclusion of which the Secretary of State or the Attorney General had knowledge prior to the enactment of this act.

GERTRUDE HEINDEL

The bill (S. 2341) for the relief of Gertrude Heindel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (3) of the Immigration and Nationality Act, Gertrude Heindel may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

MAJ. LUTHER C. COX

The Senate proceeded to consider the bill (S. 2352) for the relief of Maj. Luther C. Cox, which had been reported from the Committee on the Judiciary, with amendments, on page 1, at the beginning of line 6, to strike out "Army" and insert "Air Force", and in the same line, after the word "of", where it appears the second time, to strike out "$15,000" and insert "$8,215.25", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Luther C. Cox, major, United States Air Force, of Ferndale, Md., the sum of $8,215.25. Such sum shall be in full satisfaction of the claim of the said Luther C. Cox against the United States for compensation for the death of his wife, Helen Cox, who was fatally injured as the result of an accident occurring on February 5, 1955, near Saalfelden, Austria, in which a United States Army ambulance struck an automobile in which the said Helen Cox was riding, and for burial and other expenses incurred by the said Luther C. Cox incident to such death: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM G. JACKSON

The Senate proceeded to consider the bill (S. 2690) for the relief of William G. Jackson which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", to strike out "$65,000" and insert "$15,000", and on page 2, line 3, after the word "of", to strike out "10" and insert "5", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William G. Jackson, of Chattanooga, Tenn., the sum of $15,000. Such sum shall be in full satisfaction of all claims of the said William G. Jackson against the United States for compensation for permanent and disabling injuries sustained by him when a building at Maxwell Air Force Base, Ala., on which the said William G. Jackson had been assigned to work while he was an inmate of a Federal prison, collapsed during construction on January 18, 1955: *Provided*, That no part of the amount appropriated in this act in excess of 5 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FAI HOO

The Senate proceeded to consided the bill (S. 2722) for the relief of Fai Hoo, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Fai Hoo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELADIO LEDESMA-GUTIERREZ

The Senate proceeded to consider the bill (S. 2930) for the relief of Eladio Ledesma-Gutierrez, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "act", to insert a comma and "upon payment of the required visa fee", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Eladio Ledesma-Gutierrez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHAN LEE NUI SIN

The bill (S. 3011) for the relief of Chan Lee Nui Sin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (25) of the Immigration and Nationality Act, Chan Lee Nui Sin may be admitted to the United States for permanent residence if otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

GERTRUD CHARLOTTE SAMUELIS

The Senate proceeded to consider the bill (S. 3040) for the relief of Gertrud Charlotte Samuelis, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "fee", to insert "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gertrud Charlotte Samuelis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to such alien as provided for in this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAVIER F. KUONG

The bill (S. 3058) for the relief of Javier F. Kuong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Javier F. Kuong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELSIE M. KENNEY

The bill (S. 3147) for the relief of Elsie M. Kenney was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elsie M. Kenney shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BILL PASSED OVER

The bill (S. 3410) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM J. ROBERTSON

The bill (H. R. 1471) for the relief of William J. Robertson was considered, ordered to a third reading, read the third time, and passed.

MRS. GERTRUD MARIA SCHURHOFF—BILL REFERRED BACK TO COMMITTEE ON THE JUDICIARY

The bill (H. R. 1878) for the relief of Mrs. Gertrud Maria Schurhoff was announced as next in order.

Mr. EASTLAND. Mr. President, I ask that the bill (H. R. 1878) be referred back to the Judiciary Committee, inasmuch as information has been received relating to the case which requires further study and investigation by that committee.

The PRESIDING OFFICER. Without objection, the bill will be referred back to the Committee on the Judiciary.

INCREASE IN COMPENSATION OF TRUSTEES IN BANKRUPTCY

The bill (H. R. 5047) to increase the compensation of trustees in bankruptcy was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CERTAIN MEMBERS OF THE ARMY AND AIR FORCE

The bill (H. R. 5652) to provide for the relief of certain members of the Army and Air Force, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

INTERSTATE COMPACTS RELATING TO MUTUAL MILITARY AID

The bill (H. R. 6623) to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency was considered, ordered to a third reading, read the third time, and passed.

COL. HENRY M. ZELLER

The bill (H. R. 8309) for the relief of Col. Henry M. Zeller was considered, ordered to a third reading, read the third time, and passed.

PUNISHMENT OF PERSONS ASSISTING IN ATTEMPTED ESCAPE OF PERSONS IN FEDERAL CUSTODY

The bill (H. R. 9257) to amend title 18 of the United States Code, so as to provide for the punishment of persons who assist in the attempted escape of persons in Federal custody was considered, ordered to a third reading, read the third time, and passed.

EQUAL RIGHTS FOR MEN AND WOMEN—JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relating to equal rights for men and women was announced as next in order.

Mr. BIBLE. Mr. President, obviously, the joint resolution is not calendar business, and I ask that it go over.

The PRESIDING OFFICER. The joint resolution will go over.

MARY A. MOUSKALIS

The bill (S. 510) for the relief of Mary A. Mouskalis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mary A. Mouskalis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien, as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

USE OF INFORMATION FILED BY A PUBLIC PROSECUTING OFFICER

The bill (S. 806) to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3182 of title 18 of the United States Code is amended to read as follows:

"§ 3182. Fugitives from State or Territory to State, District, or Territory

"Whenever the executive authority of any State or Territory demands any person as a fugitive from justice, of the executive authority of any State, District, or Territory to which such person has fled, and produces a copy of an indictment found, an information filed by a public prosecuting officer, or an affidavit made before a magistrate of any State or Territory, charging the person demanded with having committed treason, felony, or other crime, certified as authentic by the governor or chief magistrate of the State or Territory from whence the person so charged has fled, the executive authority of the State, District, or Territory to which such person has fled shall cause him to be arrested and secured, and notify the executive authority making such demand, or the agent of such authority appointed to receive the fugitive, and shall cause the fugitive to be delivered to such agent when he shall appear. If no such agent appears within 30 days from the time of the arrest, the prisoner may be discharged."

SEC. 2. Section 3183 of title 18 of the United States Code is amended to read as follows:

"§ 3183. Fugitives from State, Territory, or possession into extraterritorial jurisdiction of United States

"Whenever the executive authority of any State, Territory, District, or possession of the United States or the Panama Canal Zone demands any American citizen or national as a fugitive from justice who has fled to a country in which the United States exercises extraterritorial jurisdiction, and produces a copy of an indictment found, an information filed by a public prosecuting officer, or an affidavit made before a magistrate of the demanding jurisdiction, charging the fugitive so demanded with having committed treason, felony, or other offense, certified as authentic by the governor or chief magistrate of such demanding jurisdiction, or other person authorized to act, the officer or representative of the United States vested with judicial authority to whom the demand has been made shall cause such fugitive to be arrested and secured, and notify the executive authorities making such demand, or the agent of such authority appointed to receive the fugitive, and shall cause the fugitive to be delivered to such agent when he shall appear.

"If no such agent shall appear within 3 months from the time of the arrest, the prisoner may be discharged.

"The agent who receives the fugitive into his custody shall be empowered to transport him to the jurisdiction from which he has fled."

ANGEL MARIA OLAETA GOITIA

The Senate proceeded to consider the bill (S. 875) for the relief of Angel Maria Olaeta Goitia, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 4, after the word "act", to strike out "Angel Maria Olaeta Goitia" and insert "Angel Marie Olaeta-Goitia", so as to make the bill read:

Be it enacted etc., That, for the purposes of the Immigration and Nationality act, Angel Marie Olaeta-Goitia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Angel Marie Olaeta-Goitia."

AMENDMENT OF FOREIGN AGENTS REGISTRATION ACT OF 1938

The bill (S. 1273) to amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (b) of the Foreign Agents Registration Act of 1938, as amended (56 Stat. 248), is amended by adding thereto a new paragraph (6) to read as follows:

"(6) A domestic partnership, association, corporation, organization, or other combination of individuals, supervised, directed, controlled, or financed, in whole or in substantial part, by any foreign government or foreign political party;".

SEC. 2. Section 3 (d) of such act is amended to read as follows:

"(d) Any person engaging or agreeing to engage only in private and nonpolitical financial or mercantile activities in furtherance of the bona fide trade or commerce of such foreign principal or in the soliciting and collecting of funds and contributions within the United States to be used only for medical aid and assistance, or for food and clothing to relieve human suffering, if such solicitation or collection of funds and contributions is in accordance with and subject to the provisions of the act of November 4, 1939, as amended (54 Stat. 4, 8), and such rules and regulations as may be prescribed thereunder;".

Sec. 3. Section 4 (a) of such act is amended to read as follows:

"(a) Every person within the United States who is an agent of a foreign principal and required to register under the provisions of this act who transmits or causes to be transmitted in the United States mails or by any means or instrumentality of interstate or foreign commerce any political propaganda shall, not later than 48 hours after the beginning of the transmittal thereof, send to the Librarian of Congress two copies thereof and file with the Attorney General one copy thereof and a statement, duly signed by or on behalf of such agent, setting forth full information as to the places, times, and extent of such transmittal."

Sec. 4. Section 4 (b) of such act is amended to read as follows:

"(b) It shall be unlawful for any person within the United States who is an agent of a foreign principal and required to register under the provisions of this act to transmit or cause to be transmitted in the United States mails or by any means or instrumentality of interstate or foreign commerce any political propaganda unless such political propaganda is conspicuously marked at its beginning with, or prefaced or accompanied by, a true and accurate statement, in the language or languages used in such political propaganda, setting forth that the person transmitting such political propaganda or causing it to be transmitted is registered under this act with the Department of Justice, Washington, D. C., as an agent of a foreign principal, together with the name and address of such agent of a foreign principal and of each of his foreign principals; that, as required by this act, his registration statement is available for inspection at and copies of such political propaganda are being filed with the Department of Justice; and that registration of agents of foreign principals required by the act does not indicate approval by the United States Government of the contents of their political propaganda. The Attorney General, having due regard for the national security and the public interest, may by regulation prescribe the language or languages and the manner and form in which such statement shall be made and require the inclusion of such other information contained in the registration statement identifying such agent of a foreign principal and such political propaganda and its sources as may be appropriate."

Sec. 5. Section 4 of such act is amended by adding thereto a new subsection "(e)" to read as follows:

"(e) Any person not within the United States who uses the United States mails or any means or instrumentality of interstate or foreign commerce within the United States to circulate or disseminate any political propaganda shall be regarded as acting within the United States and as subject to the provisions of this act, except that this subsection (e) shall have no application to such person outside the United States when his use of the United States mails or a means or instrumentality of interstate or foreign commerce within the United States is confined to the transmittal of prints or other material to a person duly registered under the terms of this act."

CONTROL OF NARCOTIC DRUGS—BILL PASSED OVER

The bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, was announced as next in order.

Mr. BIBLE. Mr. President, this is not properly calendar business, so I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

EXTENSION OF WAR-RISK INSURANCE

The bill (S. 3412) to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war-risk insurance for an additional 5 years was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1312 of title XIII of the Civil Aeronautics Act of 1938, as amended (act of June 23, 1938, ch. 601, 52 Stat. 977, as amended by the act of June 14, 1951, ch. 123, 65 Stat. 69, 49 U. S. C. 722), is amended by striking out the word "five" and inserting in lieu thereof the word "ten."

ISSUANCE OF PATENTS IN FEE TO LANDS WITHIN THE BLACKFEET INDIAN RESERVATION, MONT.

The bill (H. R. 4604) relating to the issuance of certain patents in fee to lands within the Blackfeet Indian Reservation, Mont., was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS TO THE BOARD OF NATIONAL MISSIONS, PRESBYTERIAN CHURCH

The Senate proceeded to consider the bill (H. R. 6990) to provide for the conveyance of certain lands by the United States to the Board of National Missions of the Presbyterian Church, in the United States of America, which had been reported from the Committee on Interior and Insular Affairs without amendment.

Mr. MORSE. Mr. President, the bill H. R. 6990 would authorize the Secretary of the Interior to convey by quitclaim deed to the Board of National Missions of the Presbyterian Church in the United States the interest of the Makah Indian Tribe in a certain lot 5, block 20, of the Indian village of Neah Bay, Wash.

No consideration is involved in the proposed transfer.

The Makah Tribal Council adopted a resolution approving the proposed conveyance and the Department of the Interior and the Bureau of the Budget have interposed no objections.

The conveyance would enable the church to take title to the land upon which the church and parsonage are located.

It appears that this is the type of case to which the Morse formula is inapplicable. The United States holds bare legal title to the land as trustee for the Indian tribe. The cestui que trust—the Indian tribe—has approved the transfer. No property interest of the United States is being given away.

I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

GALLUP-DURANGO HIGHWAY AND THE GALLUP-WINDOW ROCK HIGHWAY

The bill (H. R. 6374) to repeal legislation relating to the Gallup-Durango Highway and the Gallup-Window Rock Highway at the Navaho Indian Reservation was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

The bill (H. R. 9207) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands was considered, ordered to a third reading, read the third time, and passed.

SALE OF CERTAIN LAND BY THE PUEBLOS OF SAN LORENZO AND POJOAQUE

The bill (S. 3547) to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of August 9, 1955 (69 Stat. 555), is amended by inserting after "townships 6, 7, and 8 north", the following: "range 14 west, townships 7 and 8 north."

BILLS PASSED OVER

The bill (S. 1907) to provide that the United States hold in trust for the Pueblos of Zia and Jemez, a part of the Ojo de Espiritu Santo Grant and a small area of public domain adjacent thereto, was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, was announced as next in order.

Mr. BIBLE. Mr. President, obviously the bill is not calendar business, so I ask that it go over.

The PRESIDING OFFICER. The bill will be passed.

SALE OF HOUSING PROJECT TO THE CITY OF HOOKS, TEX.

The bill (H. R. 7540) to provide for the sale of a Government-owned housing project to the city of Hooks, Tex., was considered, ordered to a third reading, read the third time, and passed.

CROOKED RIVER FEDERAL RECLAMATION PROJECT, OREGON

The bill (S. 3101) to authorize construction by the Secretary of the Interior of the Crooked River Federal reclamation project, Oregon, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of furnishing water for the irrigation of arid and semiarid lands (including approximately 20,000 acres of land in Crook County, Oreg.) and for other beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Crooked River Federal reclamation project. The principal new works of the said project shall include a dam and storage reservoir at or near the Prineville site, a diversion dam and canal below said reservoir, and related pumping plants, canals, conduits, drains, and other facilities. The operation of said works shall be integrated with the operation of the existing Ochoco Dam and Reservoir and of the Government-owned generator in the Cove powerplant of the Pacific Power & Light Co., which works shall, for the purpose of this act, be considered as works of the Crooked River project.

Sec. 2. In constructing, operating, and maintaining the Crooked River project, the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), except that (1) any contract entered into under section 9, subsection (d) of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U. S. C., sec. 485h) for payment of those portions of the costs of constructing, operating, and maintaining the project which are allocated to irrigation and assigned to be paid by the contracting organization shall provide for the repayment of the portion of the construction cost of the project assigned to any contract unit or, if the contract unit be divided into two or more blocks, to any such block over a period of not more than 50 years (exclusive of any permissible development period) or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the said period under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay; (2) the construction charge obligation of the Ochoco Irrigation District set out in its contract with the United States dated April 24, 1950, may, if the district so elects, be merged with and paid under the same conditions as other obligations undertaken by it under this act; (3) that portion of the cost of constructing the new works of the project which is allocated to irrigation but is beyond the ability of the water users to pay shall be charged to and returnable to the reclamation fund from net revenues derived by the Secretary of the Interior from his sale of power from the Dalles project, Oregon, which are over and beyond the amounts required to amortize the power investment therein, as provided in section 5 of the act of December 22, 1944 (58 Stat. 887, 890; 16 U. S. C., sec. 825s), and to return interest on the unamortized balance of said investment; and (4) construction of any of the new works herein authorized shall not be commenced until the Secretary shall have certified to the Congress, in accordance with the provisions of the act of July 31, 1953 (67 Stat. 261, 266), that an adequate soil survey and land classification of not less than 20,000 acres of land to be served by the project has been made and that those lands are susceptible to the production of agricultural crops by means of irrigation or that their susceptibility to the sustained production of agricultural crops by means of irrigation has been demonstrated in practice. Those costs of constructing the project which are properly allocable to flood control and to the preservation and propagation of fish and wildlife as provided in existing law, and the like costs of operating and maintaining the same shall be nonreturnable and nonreimbursable under the reclamation laws.

Sec. 3. The Secretary is authorized, in connection with the Crooked River project, to construct minimum basic public recreational facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. The cost of such facilities shall be nonreturnable and nonreimbursable under the Federal reclamation laws.

Sec. 4. In order to promote the preservation and propagation of fish and wildlife in accordance with section 2 of the act of August 14, 1946 (60 Stat. 1080, 16 U. S. C., sec. 661a), an appropriate screen and fish ladder shall be provided at the diversion canal headworks of the Crooked River project below Prineville Reservoir and a minimum release of 10 cubic feet per second shall be maintained from said reservoir for the benefit of downstream fishlife during those months when there is no other discharge therefrom, but this release may be reduced for brief temporary periods by the Secretary whenever he may find that release of the full 10 cubic feet per second is harmful to the primary purpose of the project.

Sec. 5. There are hereby authorized to be appropriated $6,339,000 for construction of the new works of the Crooked River project, plus such amounts, if any, as may be required by reason of changes in the cost of construction work of the types involved therein as shown by engineering indexes and, in addition thereto, such sums as may be required to operate and maintain said project.

Mr. NEUBERGER. Mr. President, I wish to thank the Senate for the passage of S. 3101, a bill which was introduced by me for myself and my distinguished senior colleague [Mr. Morse].

I wish to preface my remarks with a summary which explains the project. The data, contained in the favorable report of the Senate Committee on Interior and Insular Affairs on S. 3101, is as follows:

Location: Surrounds and adjacent to town of Prineville, Crook County, Oreg.

Purpose: Storage for irrigation, flood control, and drainage.

Source of water: Ochoco Creek and Crooked River, tributary of Deschutes River, Columbia River system.

Service area: Twenty-thousand acres; 9,900 acres dry land (new), and 10,220 acres now irrigated with an inadequate water supply with 51,000 acre-feet of water available for other lands.

Industry of area: Agriculture and lumbering.

Rainfall of area: About 9 inches annually, half of which falls from April to October; inadequate for sustained crop production without irrigation.

Proposed works: Prineville Dam and Reservoir with 155,000 acre-feet capacity; small diversion dam, and 6.3-mile diversion canal; pumping plant and distribution canal; relift pumping plant, and drainage works. Will use 46,500 acre-feet of existing Ochoco Reservoir capacity and existing distribution system of Ochoco Irrigation District.

Source of pumping energy: Federally installed generator in Cove Creek powerplant of Pacific Power & Light Co., to be included in repayment coverage.

Estimated construction cost: Six million five hundred and ninety-eight thousand dollars, including $200,000 already expended for investigations; $570,000 for drainage, and $259,000 for unpaid portion of generator cost. Annual operation and maintenance and replacement costs, $38,000 annually.

Construction cost allocations: Irrigation, $5,903,000; flood control, $653,000; fish and wildlife, $29,000; recreation, $13,000. Recreation cost to be nonreimbursable if responsible local agency agrees to operate and maintain same. Flood control and fish and wildlife costs would also be nonreimbursable.

Irrigation allocations: Four million and forty-nine thousand dollars to 20,210 acres of project lands and $1,854,000 to deferred acreage to be watered by 51,200 of storage excess to needs of project.

Benefit-cost ratio: Annual benefits exceed costs 2 to 1; direct benefits, 1.25 to 1.

Outstanding debts: The Ochoco district owes an estimated $117,500 on outstanding RFC bonds and $500,000 to the United States for rehabilitation of Ochoco Dam to be repaid in 40 years after RFC bonds are discharged. These obligations are consolidated in arriving at the repayment ability of the district.

Type of crops to be produced: Potatoes, small seed crops, hay, pasture, and feed grains. Wheat acreage on the new lands will be reduced under irrigation, thus eliminating surplus crop production.

Use of surplus power revenues from the Dalles Dam powerplant: The Congress, by act of June 17, 1952, established a direct precedent in Columbia River Basin for use of power revenues to aid irrigation in connection with Foster Creek development and Chief Joseph Dam and powerplant. Previously, the mammoth Columbia Basin irrigation project with lands to be irrigated 150 miles or more removed from Coulee Dam was authorized on a much more extensive basis. In the Missouri River Basin, irrigation in Kansas is aided by power revenues with the nearest powerplant in South Dakota. However, Columbia Basin irrigation and power as well as those in Missouri Basin are treated as one project.

I ask unanimous consent that a table on the repayment plan at Crooked River, which I have prepared, be printed in the body of the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Repayment plan

By district lands in 50 years, with variable repayment formula (exclusive of development period)	$2,299,000
By deferred nondistrict lands	1,854,000
By surplus revenues from the Dalles Dam powerplant on Columbia River (see explanation below)	2,445,000
Total	6,598,000

Note.—The variable repayment formula might extend the repayment period beyond 50 years.

Mr. NEUBERGER. Mr. President, as the information contained in the committee report indicates, the Crooked River reclamation project is financially feasible. It will provide extensive benefits to present irrigated farms by adding to the available water supply, and will open attractive new farming opportunities on lands not presently irrigated. Passage of S. 3101 means a forward step in the economic development of an important section of the State of Oregon. I thank the Members of the Senate for its adoption.

This is an historic day in central Oregon. Passage of the Crooked River project bill by the Senate climaxes 20 years of patient pioneering by devoted men and women in the general region of

Crook, Jefferson, and Deschutes Counties. Passage of the bill is a great achievment for them.

Mr. MORSE. Mr. President, I should like to supplement what my very able colleague has said about S. 3101. In the passage of the so-called Crooked River reclamation project bill we are doing a great service to the people of that area, in helping to provide not only irrigation benefits, but also flood-control benefits.

WAPINITIA FEDERAL RECLAMATION PROJECT, OREGON

The bill (H. R. 1779) to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I may say that H. R. 1779 is identical with a Senate bill which my colleague from Oregon [Mr. Neuberger] and I introduced earlier this year. I am very happy to rise on the floor of the Senate and support the House bill, which is identical with the Senate bill. The House bill was passed by the House, it has come to the Senate, and, in my judgment, should be passed by the Senate today.

Mr. NEUBERGER. Mr. President, I ask unanimous consent that a statement which I have prepared on the bill be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Neuberger

Mr. President, I would like to present for consideration of the Senate a few comments on H. R. 1779, a bill to authorize construction, operation, and maintenance of the Juniper divisions of the Wapinitia reclamation project.

A brief explanation of the project, as summarized in the favorable report of the Senate Committee on Interior and Insular Affairs, will outline the benefits and feasibility of the project and the favorable recommendations for its authorization. The data explaining the project are as follows:

Location: Juniper Flat, Wasco County, north central Oregon.

Service area: 2,108 presently irrigated acres with supplemental water supplies.

Proposed construction: Wasco Dam and Reservoir, with a capacity of 13,060 acre-feet.

Estimated cost: $553,000, of which $518,000 would be allocated to irrigation, to be fully repaid without interest during a 40-year period. The amount of $35,000 would be allocated to nonreimbursable recreation facilities.

Benefit-cost ratios: 1.8 to 1 for total benefits, and 1.6 to 1, based on direct benefits.

Annual repayments: $12,950, or at the rate of $5.30 per acre, on the construction costs, and $760 annually for operation and maintenance costs.

Favorable reports: Federal and State agencies either recommend or are not adverse to construction of the project. Department of the Interior recommends enactment of the bill, and the Bureau of the Budget also favors enactment, with a requirement for a firm understanding with respect to the prior water rights of the Pacific Power & Light Co. reached before construction begins.

H. R. 1779, passed by the House of Representatives on February 20, 1956, is an identical companion bill to S. 2234, on which hearings were held by the committee on May 7, 1956.

As mentioned previously, H. R. 1779 is an identical companion bill to one sponsored by the senior Senator from Oregon [Mr. Morse] and myself. The Wapanitia project which it authorizes is fully justified and should be constructed promptly. Water users of the Wapanitia project will repay $518,000 of the cost during a 40-year period. Even the nonreimbursable allocation of projects costs of $35,000 is a beneficial and worthwhile investment because it will provide recreational facilities and development in a section of Oregon which has unique scenic attraction. Besides the recreational advantages, its construction will give greater stability to farming operations in the area, thereby contributing to the economic progress of the surrounding communities. I urge adoption of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of H. R. 1779, Calendar No. 2025?

There being no objection, the bill (H. R. 1779) was considered, ordered to a third reading, read the third time, and passed.

ELIMINATION OF HAZARDS WITHIN THE CITY OF KLAMATH FALLS, OREG.

The joint resolution (S. J. Res. 143) to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by a canal under the jurisdiction of the Bureau of Reclamation was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed at this point in the Record an explanation which I have prepared on Senate Joint Resolution 143.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Neuberger

I would like to make a few brief remarks on the subject of Senate Joint Resolution 143, a proposal sponsored by myself and the senior Senator from the State of Oregon [Mr. Morse] to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by a canal under the jurisdiction of the Bureau of Reclamation.

This is a matter of major concern to the mothers and fathers of children in the vicinity of the Klamath irrigation-project canal, which has taken the lives of 25 persons in the 30 years it has been in operation. This hazardous deathtrap has become an increasingly serious threat because of the concentration of homes around the canal as the city has grown in recent years.

Senate Joint Resolution 143 was amended by the Senate Committee on Interior and Insular Affairs to make the small amount authorized for the study nonreimbursable and nonreturnable. In reporting favorably on the resolution, the committee explained the amendatory action. The report said:

"As all funds appropriated in connection with reclamation developments are reimbursable unless otherwise provided by law, the committee takes the position that the limited amount authorized by the resolution should be nonreimbursable, but without recognition of any preconceived obligation on the part of the United States to defray the cost of the facilities found necessary to provide adequate protection for human life, especially the children of the community.

"The committee does conclude, however, that there is a responsibility on the part of the Secretary of the Interior to take the leadership in developing a plan that will provide protection for the public in connection with facilities constructed by the Bureau of Reclamation for irrigation service in the Klamath Falls area. The cooperation of the city of Klamath Falls, the county, local school districts, and other State or local agencies is urged not only in the development of a plan for safety measures but in the construction of facilities that will safeguard the public, especially children, from the hazards incident to irrigation operations of the canal.

"In view of the appalling loss of life over the years, attributable to the operations of the canal, no time should be lost in developing a workable plan for protective measures and for financing the construction necessary to achieve the necessary results."

I urge the passage of Senate Joint Resolution 143.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 143), which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 6, after the word "resolution", to insert "which amount shall be nonreimbursable and nonreturnable," so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior shall provide for an investigation and study for the purpose of determining the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by the A canal under the jurisdiction of the Bureau of Reclamation.

Sec. 2. There is authorized to be appropriated such amount not in excess of $5,000 as is necessary to carry out the provisions of this joint resolution which amount shall be nonreimbursable and nonreturnable.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

PER CAPITA PAYMENTS TO MEMBERS OF THE RED LAKE BAND OF CHIPPEWA INDIANS

The bill (H. R. 5478) to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation, was considered, ordered to a third reading, read the third time, and passed.

SALE OF CERTAIN LANDS OF THE AGUA CALIENTE BAND OF MISSION INDIANS, CALIFORNIA

The bill (H. R. 6084) to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District was considered, ordered to a third reading, read the third time, and passed.

LUMBEE INDIANS OF NORTH CAROLINA

The Senate proceeded to consider the bill (H. R. 4656) relating to the Lumbee Indians of North Carolina, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 16, after the word "States", to insert "Nothing in this act shall make such Indians eligible for any services performed by the United States for Indians because of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Lumbee Indians."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The preamble was agreed to.

BILL PASSED OVER

The bill (S. 3149) to amend the Civil Aeronautics Act of 1938 in order to permit certain air carriers to grant free or reduced rate transportation to ministers of religion, was announced as next in order.

Mr. HRUSKA. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

PAYMENT OF GRATUITY TO DOROTHY ATKINSON

The resolution (S. Res. 267) to pay a gratuity to Dorothy Atkinson was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Dorothy Atkinson, executrix of Harry Colder, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF REPORT OF THE COMMITTEE ON THE JUDICIARY

The Senate proceeded to consider the resolution (S. Res. 251) to print additional copies of a report of the Committee on the Judiciary on its study of antitrust laws, which had been reported from the Committee on Rules and Administration with an amendment, in line 2, after the word "than", to strike out "10,000" and insert "9,300", so as to make the resolution read:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 9,300 additional copies of Report No. 1879, 84th Congress, of the Committee on the Judiciary to the Senate on its study of the antitrust laws.

The amendment was agreed to.

The resolution, as amended, was agreed to.

PRINTING AS SENATE DOCUMENT PAMPHLET ENTITLED "LAWS CONTROLLING ILLICIT NARCOTICS TRAFFIC"

The resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document was considered and agreed to, as follows:

Resolved, That the pamphlet entitled "Laws Controlling Illicit Narcotics Traffic", prepared by the Subcommittee on Improvements in the Federal Criminal Code for the use of the Committee on the Judiciary, be printed as a Senate document; and that there be printed 5,000 additional copies of such Senate document for the use of the Committee on the Judiciary.

PRINTING OF REVISED EDITION OF SENATE DOCUMENT 85

The resolution (S. Res. 262) authorizing the printing of a revised edition of Senate Document 85 as a Senate document and providing for additional copies was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document a revised edition of Senate Document No. 85, current Congress, entitled "Soviet Political Treaties and Violations", and that 12,500 additional copies be printed for the use of the Committee on the Judiciary, United States Senate.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON H. R. 5550

The concurrent resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON THE STUDY OF ANTITRUST LAWS

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 77) authorizing the printing of additional copies of parts 6, 7, and 8 of the hearings on the study of the antitrust laws of the United States, which had been reported from the Committee on Rules and Administration with an amendment, in line 5, after the word "Monopoly", to insert "during the 84th Congress, 1st session,", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on the Judiciary 1,000 additional copies each of parts 6, 7, and 8, of the hearings held by the Subcommittee on Antitrust and Monopoly during the 84th Congress, 1st Session, on a study of the antitrust laws of the United States, and their administration, interpretation, and effect.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PRINTING OF ADDITIONAL COPIES OF PART 7 OF HEARINGS ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

The Senate proceeded to consider the resolution (S. Res. 266) to print for the use of the Committee on the Judiciary additional copies of part 7 of the hearings before the Subcommittee on Improvements in the Federal Criminal Code, which has been reported from the Committee on Rules and Administration with amendments, in line 2, after the word "Judiciary", to strike out "1,200" and insert "860", and in line 4, after the word "held", to insert "during the 84th Congress, 1st session,", so as to make the resolution read:

Resolved, That there be printed for the use of the Committee on the Judiciary 860 additional copies of part 7 of the hearings held during the 84th Congress, 1st session, by the Subcommittee on Improvements in the Federal Criminal Code.

The amendments were agreed to.

The resolution as amended was agreed to.

TRAINING OF NEEDED PERSONNEL FOR THE FISHING INDUSTRY

The bill (S. 2379) to promote the fishing industry in the United States and Territories by providing for the training of needed personnel for such industry was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. May the Chair ask if it would be possible for the bill to go to the foot of the calendar?

Mr. BIBLE. Mr. President, I ask that the bill go to the foot of the calendar, so as to permit the present occupant of the chair to explain the bill. However, I have no objection to the Chair's explaining the bill from the chair.

Mr. MORSE. Mr. President, I suggest that we waive the ordinary rule and let the Presiding Officer make the explanation from the chair.

Mr. BIBLE. Mr. President, we have no objection to that procedure.

The PRESIDING OFFICER (Mr. Payne in the chair) Without objection, the junior Senator from Maine will state that this is a bill which will for the first time give due recognition to the needs of the fishing industry in this country, by providing trained and competent personnel to meet the needs of the industry.

The bill contains a provision which is very similar to the provision which is in effect with regard to agricultural extension service work. Secondly, it provides, at the college level, for the education of instructors who will be able to go into the schools where courses will be established, set up those courses, and provide the industry with its needs. It means a great deal to many thousands of our people who depend for their livelihood on the products of the sea. At the present time, with the exception of one school in Washington, which has done considerable work in the field, and a few other institutions which have undertaken a very small amount of work, there is no concentrated effort toward this end, and yet there is a great need for it.

Mr. ELLENDER. Mr. President, what will the bill cost, and where will the money come from?

The PRESIDING OFFICER. I am sorry I do not have a copy of the bill before me, but as I remember it, the bill provides $550,000 for vocational education and extension work, and $550,000 for the other phase of education, in the colleges.

Mr. ELLENDER. Will this teaching take place in existing schools?

The PRESIDING OFFICER. It will take place in existing schools.

Mr. ELLENDER. How will the money be spent?

The PRESIDING OFFICER. It will be spent on a 50–50 matching basis, in exactly the same way as the present vocational and industrial education funds are being spent, except in this case the money will be used for education in fisheries in the States that wish to participate in the program.

Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2379) to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 2, line 2, after the word "including", to insert "scientists"; in line 4, after the word "commercial", to strike out "fishing" and insert "fisheries"; after line 24, to insert:

(d) The several States and Territories, in order to receive the benefits of this section, shall be required to match by State or local funds or both 100 percent of the appropriations made under authority of this section.

On page 3, line 7, after "(5)", to strike out "$375,000" and insert "$550,000", and, in the same line, after the word "education", to insert "and."

The amendments were agreed to.

The PRESIDING OFFICER. On page 3, in line 8, there is a typographical error in the printing of the committee amendment; at that point the word "extensive" should read "extension." Without objection, the correction will be made.

The question now is on the engrossment and third reading of the bill.

The bill (S. 2379) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the Secretary of the Interior is authorized to make grants, out of funds appropriated for the purposes of this section, to public and nonprofit private universities and colleges in the several States and Territories of the United States for such purposes, including the establishment of scholarships, as may be necessary to promote the education and training of professionally trained personnel (including scientists, technicians, and teachers) needed in the field of commercial fisheries. Any amount appropriated for the purposes of this section shall be apportioned on an equitable basis, as determined by the Secretary of the Interior, among the several States and Territories for the purpose of making grants within each such State and Territory. In making such apportionment the Secretary of the Interior shall take into account the extent of the fishing industry within each State and Territory as compared with the total fishing industry of the United States (including Territories), and such other factors as may be relevant in view of the purposes of this section. The Secretary of the Interior may establish such guides and curricula for educational courses as may be necessary for the purposes of this section.

(b) There are authorized to be appropriated not in excess of $550,000 for the fiscal year beginning on July 1, 1955, and for each fiscal year thereafter for the purposes of this section.

(c) The Secretary of the Interior may establish such regulations as may be necessary to carry out the provisions of this section.

(d) The several States and Territories, in order to receive the benefits of this section, shall be required to match by State or local funds or both 100 percent of the appropriations made under authority of this section.

Sec. 2. (a) Section 3 (a) of the Vocational Education Act of 1946 is amended by inserting after paragraph (4) the following new paragraph:

"(5) $550,000 for vocational education and extension service in the fishery trades and industry and distributive occupations therein, to be apportioned for expenditure in the several States and Territories on an equitable basis, as determined by the United States Commissioner of Education after consultation with the Secretary of the Interior, taking into account the extent of the fishing industry of each State and Territory as compared with the total fishing industry of the United States (including Territories)."

(b) Section 3 (b) of such act is amended by striking out "paragraphs (1) to (4)" and inserting in lieu thereof "paragraphs (1) to (5)."

Mr. MORSE. Mr. President, I wish to commend the distinguished Presiding Officer, the junior Senator from Maine [Mr. Payne], for his explanation of Calendar No. 2038, Senate bill 2379, a bill of which I have the honor of being a cosponsor.

I ask unanimous consent to have printed at this point in the Record, following the explanation of the bill by the Senator from Maine, the material contained in the committee report, beginning on page 2, under the subheading, "Background and Need for Legislation," and continuing through page 4, to the end of the paragraph preceding the language "The report of the Task Force on Natural Resources."

There being no objection, the excerpt from the report (No. 2014) was ordered to be printed in the Record, as follows:

BACKGROUND AND NEED FOR LEGISLATION

Hearings were held from March 19 through March 26 with testimony from interested parties from all sections of the country. The testimony was virtually unanimous in support of the bill with the exception of a somewhat adverse departmental report.

The fishing industry has been a part of the American economy from the very beginning. Fishing was conducted on the Atlantic coast of the North American Continent by several European nations long before there were any settlements in the New World. When the Jamestown and Plymouth Colonies were established, fishing was one of the key means of livelihood of the people. From that day to this the fishing industry has occupied an important role in our economy as one of the principal sources of high protein food products.

When Senator Payne introduced S. 2379 on June 30, 1955, he stated on the Senate floor in part as follows:

"Probably no phase of our commercial fishery industries has received less attention than the development of progressive fishery educational facilities in this country. Whereas this field of vocational and academic training has received growing attention and action in other major fishery producing nations, the meager facilities in this country have remained almost unchanged during the past three decades.

"This inadequacy has left a serious mark on the efficiency of the industry, but just as important has been its effect on the management and conservation of our fishery resources. At no time has this been better illustrated than by the current difficulties being experienced by Government in its management staffing program.

"As the world's fishery industries become more advanced technologically, this serious deficiency in educational facilities is becoming more pronounced and can exert an even more serious effect on this Nation's standing as a major fish producing and processing factor. While this condition merits immediate consideration because of the importance of the fisheries contribution to the gross national product, it can be even more serious in that it can adversely affect our independence for protein food from foreign sources during periods of international emergencies."

The above remarks by Senator Payne are an excellent summary of the situation revealed at the hearings held by the committee. That foreign nations are actively promoting fisheries training and education was amply demonstrated. That the United States has for all intents and purposes done nothing in this field was also amply demonstrated.

In a statement to the committee Mr. Thomas D. Rice, executive secretary of the Massachusetts Fisheries Association, Inc, pointed out how effectively educational programs have benefited agriculture and indicated what similar programs could do for the fisheries. Mr. Rice's remarks on this subject were as follows:

"The vocational and academic training programs presently functioning under the direction and the sponsorship of the United States Department of Agriculture have improved upon and expanded the eating habits of all in the United States. The training programs were coordinated with the scientific studies of plant and animal life conducted by the Department's staff of scientists. The end result has been greater efficiency in the production of land foods and a broader understanding by the farmer of the whims of nature which has increased his ability to exploit such vagaries to his own betterment. The crop-rotation plan developed by the Department of Agriculture is an excellent example of what a farm-education program can accomplish.

"We need the same structure of education in the fishing industry. A great deal can be done to increase the efficiency and the value of the industrial use of the resources of the sea. We need a practical educational program that begins in the fishing ports of the Nation by the inauguration of extension courses so that those already working in the fishing industry can acquire new ideas, new and efficient methods of catching and preparing for market, the commodities they produce. We need vocational training courses in our high schools and at the trade-school level to attract the youth of our country into our industry. In this connection I must hasten to add that this prospective field of employement has been sadly neglected. We are suffering today because of this neglect. The average age of the fishermen working out of the port of Boston is 59 years.

"Vocational training and extension courses in netmaking, boatbuilding, navigation, diesel and gas engineering, care and handling of fish, mechanics of marine and shore refrigeration, utilization of byproducts along with many, many other practical subjects, too numerous to mention at this time, would raise the production standards of the industry far beyond present levels. They would be the means of increasing the supply of diversified foods so badly needed in times of national emergencies."

BILLS PASSED OVER

The bill (S. 3449) relating to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment was announced as next in order.

Mr. HRUSKA. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3275) to establish a sound and comprehensive national policy with respect to the development, conservation for preservation management, and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF SUPPLIES AND EQUIPMENT TO THE CITADEL, CHARLESTON, S. C.

The joint resolution (H. J. Res. 261) authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. MORSE. Mr. President, reserving the right to object—although I shall not object—I wish to state for the Record that this measure has to do with relics or museum pieces of military equipment or battle equipment used in past wars; and the joint resolution provides that certain items of this sort shall be donated to The Citadel for instructional and educational purposes and for the enlightenment of the students, the cadets at the Citadel, a considerable percentage of whom will, as history shows, wear the uniform of our military forces.

The Military Establishment assures me that these relics are without intrinsic value, save and except whatever value they may have as scrap metal when sold for junk. I wish that statement to appear in the Record. Aside from that value, I am assured that these relics have no value.

No value being involved, Mr. President, in my judgment the Morse formula does not apply. Therefore I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 261) authorizing the Secretary of the Army to make such tranfers of supplies and equipment as may be available to The Citadel, Charleston, S. C., which had been reported from the Committee on Armed Services with an amendment, to strike out all after the resolving clause, and insert:

That, notwithstanding any other provision of law, the Secretary of the Army is authorized to donate to The Citadel, the Military College of South Carolina, such ordnance field pieces (tanks and guns) used in World War II or during the Korean conflict and captured enemy materiel as are available and determined by him to be appropriate for use by that college for memorial purposes.

The amendment was agreed to.

The joint resolution was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the Secretary of the Army to donate surplus supplies and equipment for memorial purposes to The Citadel, Charleston, S. C."

The preamble was rejected.

GRADING OF CERTAIN PERSONNEL OF THE ARMED FORCES

The bill (H. R. 8904) to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement was announced as next in order.

Mr. ELLENDER. Mr. President, may we have an explanation of the bill?

Mr. BIBLE. Mr. President, in the absence of the distinguished chairman of the Armed Services Committee, the Senator from Georgia [Mr. Russell], I should like to point out that the purpose of the bill is to preserve the retirement rights of a large number of Army, Navy, Air Force, and Marine Corps officers. Existing legislation, which authorizes such officers who hold a temporary grade higher than their permanent grade to retire in the higher rank, will expire on December 31, 1956. This bill would provide permanent authority so that officers who at the time of their retirement were serving in a temporary grade higher than their permanent grade could be retired in the higher rank, provided they had served satisfactorily for at least 6 months in the higher grade.

Mr. ELLENDER. How many officers will be affected by this measure?

Mr. BIBLE. I am advised that 2,500 officers will be affected by it.

Mr. ELLENDER. How much will the bill, if enacted, cost the Government?

Mr. BIBLE. I am advised that it is estimated that enactment of the bill will cost $691,000 for the next fiscal year.

Mr. ELLENDER. And how much thereafter?

Mr. BIBLE. It is difficult to approximate the exact amount thereafter, but it will be approximately the same sum.

Mr. ELLENDER. Each year?

Mr. BIBLE. That is correct.

Mr. President, I ask unanimous consent that a statement which the distinguished chairman of the committee has prepared on the bill be printed in full at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR RUSSELL

TEMPORARY GRADE RETIREMENT ACT

The purpose of H. R. 8904 is to preserve the retirement rights of a large number of Army and Air Force officers. Existing authority, which authorizes Army and Air Force officers who held a temporary grade higher than their permanent grade, to retire in the higher rank, expires on December 31, 1956. This bill would provide permanent authority to such officers who at the time of their retirement were serving in a temporary grade higher than their permanent grade to be retired in the higher rank, provided they serve at least 6 months satisfactorily in the higher grade.

In addition the bill will permit Army and Air Force officers who at the time of their retirement previously held higher temporary grades for at least 6 months in the higher temporary grade. Existing law permits such retirements only if the previous higher temporary grade was held between the dates of World War II—September 9, 1940, and June 30, 1946. The bill therefore deletes these dates. There is already permanent authority for Naval and Marine Corps officers to be retired under the features outlined above for Army and Air Force officers.

The bill would also permit personnel of all services who do not retire as offices to be advanced after a combined total of 30 years of service, both active and retired, to any previously held higher temporary grade either enlisted, warrant or commissioned. Existing law permits such advancements only to the higher grade held between the dates of World War II.

In addition the bill contains provisions affecting small groups of personnel already retired.

It might also be noted that there are about 2,500 officers (1,700 in the Army and 800 in the Air Force) who have completed 20 years of active service and who are serving in temporary grades higher than their permanent grades. If this legislation were not enacted they would probably apply for retirement since after January 1, 1957 they can retire only in their permanent grades.

It is of significance to note that the President of the United States, in a communication to the Congress on April 9, 1956, personally urged the enactment of this legislation as being vitally important to the matter of personnel stability in our Armed Forces.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8904) to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement was considered, ordered to a third reading, read the third time, and passed.

AWARDS OF CERTAIN MILITARY DECORATIONS

The Senate proceeded to consider the bill (S. 1637) to extend the time limit within which recommendations for and awards of certain military decorations may be made, which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

"That, notwithstanding any other provision of law, a decoration or device in lieu of decoration which, prior to the date of enactment of this act, has been authorized by Congress to be awarded to any person for an

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act or service performed while on active duty in the military or naval forces of the United States, or while serving with such forces, may be awarded at any time not later than 1 year after the date of enactment of this act for any such act or service performed between June 27, 1950, and July 27, 1953, inclusive, if written recommendation for the decoration or device in lieu of decoration has been submitted to the appropriate office in a military department at the seat of government before the date of enactment of this act."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the time limit within which awards of certain military and naval decorations may be made."

CONVEYANCE OF PART OF ETHAN ALLEN AIR FORCE BASE

The bill (S. 1961) to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Reserving the right to object—and I shall not object—I wish to state for the Record that this bill is very similar to a considerable number of other bills we have passed, in which Federal military property has been transferred to the States for use for National Guard purposes, in which the Federal Government has a great security interest. The bill provides for the proper reversionary procedure, and I have no objection.

Mr. AIKEN. Mr. President, I thank the Senator from Oregon for his explanation of the bill. I may add that the bill is necessary because the State must build a highway to the National Guard lands. This highway would cross one edge of the Air Force lands.

The National Guard land referred to was formerly used only as a campground for the summer maneuvers and training of the National Guard, but about 2 years ago the permanent headquarters of the Vermont National Guard were moved to this land. It therefore becomes necessary to have a good road, and this seems to be the simplest way to authorize the State to build it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment, on page 3, line 5, after the word "gas", to strike out "the right of reentry and use by the United States in the event of need therefor during the national emergency;" and insert "the right of reentry and use by the United States in the event of need therefor during a national emergency declared by the President or the Congress;", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Air Force is authorized and directed to convey to the State of Vermont all right, title, and interest of the United States in and to certain land comprising a part of the Ethan Allen Air Force Base, together with improvements thereon, and appurtenances thereto belonging; such property being more particularly described as follows:

Parcel No. 1: Beginning at a brick masonry pillar, such pillar being at the intersection of the southwesterly property line of Ethan Allen Air Force Base and the northwesterly side of Vermont Highway Numbered 15 and running thence north 45 degrees 30 minutes west 243.6 feet more or less along such property line; thence north 44 degrees 30 minutes east 55 feet more or less across a road to a bound; thence north 81 degrees 43 minutes east 176.9 feet more or less to a bound; thence south 44 degrees 14 minutes east 47.7 feet more or less to a bound; thence south 7 degrees 50 minutes east 162.9 feet more or less to a brick masonry pillar on the northwesterly side of Vermont Highway Numbered 15; and thence in a southwesterly direction along such highway to the place of beginning.

Parcel No. 2: Being a strip of land 55 feet wide adjacent to and on the northeasterly side of the southwesterly property line of the Ethan Allen Air Force Base, beginning on such property line at a point 243.6 feet more or less northwesterly from the beginning point in parcel numbered 1 and extending in a northwesterly direction along such property line for a distance of 2,785 feet, more or less. The property authorized to be conveyed herein shall include the hydrant line along Feigle Street.

Sec. 2. The property authorized to be conveyed by the first section of this act shall be used for the training of the National Guard of Vermont and for other military purposes, and the conveyance authorized herein shall be made without monetary consideration therefor, but shall be subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency declared by the President or the Congress; and the condition and limitation that if the property shall fail or cease to be used for the training of the National Guard of Vermont or for other military purposes, the title to the property so conveyed shall revert to and revest in the United States, and all improvements made thereon during its occupancy by the State of Vermont shall vest in the United States without payment of compensation therefor.

Sec. 3. The costs of any surveys necesary as an incident of the conveyance authorized herein shall be borne by the State of Vermont.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 250) prohibiting the introduction of bills or joint resolutions by 2 or more Senators jointly was announced as next in order.

Mr. BIBLE. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over, because obviously it is not calendar business.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF EMPLOYMENT ACT OF 1946, AS AMENDED

The PRESIDING OFFICER. When the call of the calendar began, Order No. 1979, Senate bill 3332, was ordered placed at the foot of the calendar. The bill will be stated by title for the information of the Senate.

The Legislative Clerk. A bill (S. 3332) to amend the Employment Act of 1946, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BIBLE. In that connection, I specifically invite the attention of the Senator from Illinois [Mr. Douglas] to this particular piece of legislation, with respect to which an explanation was requested.

Mr. DOUGLAS. Mr. President, this bill comes to the Senate with the unanimous approval of the Banking and Currency Committee. It was originally introduced by the Senator from Utah [Mr. Watkins], the Senator from Vermont [Mr. Flanders], and the Senator from Arizona [Mr. Goldwater], members of the minority of the Joint Committee on the Economic Report.

The committee made only two minor changes in the bill and the bill would make two minor amendments to the Employment Act of 1946. The first change is that the Joint Committee on the Economic Report would have its title changed to the Joint Economic Committee.

The second change relates to the date at which the President must file his economic report. The present act requires him to file the report at the beginning of each regular session. That has been increasingly interpreted in a very liberal fashion by the Office of the President, and the reports have been coming in quite late. It has been difficult for the joint committee to hold its hearings, so that, in turn, it might make its report by the first of March. The law requires us to submit our report to the Congress by the first of March. The Senate committee struck out a provision in the bill extending the time to March 20 for it is felt the Congress should have the views of its Joint Economic Committee as early in the session of Congress as is possible. Thus there is no change in this date.

We have given more latitude to the office of the President by providing that the report shall be filed not later than January 20 of each year, thus extending for 17 days the time when the President must file his report, if the present Act be interpreted literally. Although the bill will not allow a great deal of time for public hearings on the report and the preparation of the report of the joint congressional committee, nevertheless, we believe that it will provide adequate time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 8, after "January",

to strike out "15" and insert "20", and on page 2, after line 4, to strike out:

Sec. 3. Section 5 (b) (3) of such act (relating to the time for filing the report of the Joint Committee) is amended by striking out "March 1 of each year (beginning with the year 1947)" and inserting in lieu thereof "March 20 of each year."

So as to make the bill read:

Be it enacted, etc., That section 3 (a) of the Employment Act of 1946, as amended (relating to the time for filing the economic report of the President), is amended by striking out "at the beginning of each regular session (commencing with the year 1947)" and inserting in lieu thereof "not later than January 20 of each year."

Sec. 2. Section 5 (a) of such act and the heading thereof are each amended by striking out "Joint Committee on the Economic Report" and inserting in lieu thereof "Joint Economic Committee"; and any other statute in which the name "Joint Committee on the Economic Report" appears is amended to conform to the foregoing change in the name of the joint committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the call of the calendar.

ORDER TO INCLUDE SENATE BILL 746 IN THE NEXT CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the next call of the calendar may include Calendar No. 1975, Senate bill 746, a bill to provide for the return to the former owners of certain lands including Indian tribal lands, acquired in connection with the Garrison Dam project, of mineral interests in such lands.

This request is made on behalf of the Senator from North Dakota [Mr. Young].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BUSH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Mr. Udall had been appointed a manager on the part of the House at the conference of the two Houses on the resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, vice Mr. Haley, excused.

The message announced that the House has disagreed to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956; asked a conference with the Senate on the disagreeing votes of the two Houses therein, and that Mr. Cooley, Mr. Poage, Mr. Grant, Mr. Hope, and Mr. August H. Andresen had been appointed managers on the part of the House at the conference.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1016. An act for the relief of Mrs. Ida Bifolchini Boschetti;

H. R. 2284. An act for the relief of Maj. Robert D. Lauer;

H. R. 2904. An act for the relief of Maj. Orin A. Fayle;

H. R. 3268. An act for the relief of Comdr. George B. Greer;

H. R. 3964. An act for the relief of Kingan, Inc.;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4640. An act for the relief of James M. Wilson; and

H. R. 6184. An act for the relief of Lt. P. B. Sampson.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3366) for the relief of Mary J. McDougall.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States;

H. R. 7030. An act to amend and extend the Sugar Act of 1948, and for other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 21, 1956, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

AGRICULTURAL ACT OF 1956

The PRESIDING OFFICER (Mr. Payne in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Ellender, Mr. Johnston of South Carolina, Mr. Holland, Mr. Eastland, Mr. Aiken, Mr. Young, and Mr. Thye conferees on the part of the Senate.

GREAT LAKES BULK CARGO VESSELS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is S. 3108.

The Senate resumed the consideration of the bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

REVISION OF CIVIL SERVICE RETIREMENT ACT

Mr. BIBLE. Mr. President, I ask unanimous consent that the unfinished business, S. 3108, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1813, S. 2875.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The Legislative Clerk. A bill (S. 2875) to revise the Civil Service Retirement Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment.

THE NOMINATION OF SENATOR MORSE BY THE DEMOCRATIC PARTY AS CANDIDATE FOR SENATOR FROM OREGON

Mr. NEUBERGER. Mr. President, we are pleased to welcome back on the floor the senior Senator from Oregon [Mr. Morse], who has just been overwhelmingly nominated as the candidate of the Democratic Party of his State for another term in the Senate. In running for the first time as a Democrat, he polled approximately 83 percent of the popular vote of his party, according to unofficial but nearly complete returns. This compares with approximately 49 percent of the Republican Party vote which was polled by ex-Secretary of the Interior McKay, who will be Senator Morse's opponent in the November general election.

Speaking as a life-long Oregon Democrat, I want to say I am proud that Wayne Morse has chosen voluntarily to give his allegiance to our party. Like such great personages as Abraham Lincoln, Wendell Willkie, Theodore Roosevelt, and Sir Winston Churchill, the senior Senator from Oregon [Mr. Morse] has put principle above party, and thus has changed his party rather than subordinate his principles.

The issue in the fall in Oregon will be as sharp and clear as the mountain air of our majestic State. As Secretary of the Interior, Douglas McKay helped to reverse time-honored policies of conservation which had been respected since the era of Gifford Pinchot. He surrendered to special privilege such priceless national assets as mighty hydroelectric-power sites, national forest timber, and the sanctity of wildlife and wildfowl refuges. Wayne Morse has steadfastly and persistently opposed these unwise relinquishments.

Mrs. Neuberger and I, who love our native Oregon, will consider it a privilege to campaign for Wayne Morse and in opposition to Mr. McKay. We will regard ourselves as fighting for the heritage of all Americans, now and in the future—for the resources which are the legacy of American boys and girls through all the years to come.

Wayne Morse is a great Senator and a great American. He puts principle first, political party second. Ideals to him are more important than political labels. In November of 1956, the people of Oregon will consider political party membership as of far less significance that the fate of fir and pine forests, of rushing mountain rivers in deep chasms, of the marshes and swamps where migratory birds nest and breed on their way along the Atlantic and Pacific flyways, of vast fish runs in swift and rampant streams.

It is a pleasure to announce that Wayne Lyman Morse is the nominee of the Democratic Party of Oregon for reelection to the United States Senate in this year of 1956.

Mr. DOUGLAS. Mr. President, I wish to join the junior Senator from Oregon in expressing pleasure at the nomination of Senator Morse for another term in the Senate from the State of Oregon. All of us value Senator Morse very highly. I regard him as probably the most expert constitutional lawyer in the Senate, and a man who has a thorough knowledge of the Constitution, how it was drawn up, what it means, and how it should be applied in everyday life. I have learned a great deal from Senator Morse. Perhaps one of the most important things that I have learned from him is the importance of correct legal procedure.

Those of us who are not lawyers tend to emphasize the substantive features of legislation and administrative actions, and perhaps in the past we have not paid proper attention to the necessity for correct procedures to protect individual liberties.

Senator Morse has a thorough appreciation of the necessity for adequate procedure, both in administrative law and in civil and criminal law. This is badly needed in these days.

I believe his general thesis, that our liberties are no more secure than the procedural rights which are granted to men and women, is fundamentally correct.

Senator Morse, of course, is a man of great ability, tremendous energy, and indomitable courage. He is one of the most valuable men who has ever come to the United States Senate, and all of us hope to greet him upon his return here next January.

Mr. HUMPHREY. Mr. President, I wish to join with the Senator from Oregon and the Senator from Illinois in paying a well-deserved tribute and honor to Senator Wayne Morse on the tremendous victory that has just been his in the primary election in the State of Oregon.

As a member of the Democratic Party, I am very pleased to see Senator Morse on the Democratic ballot as the standard bearer of the Democratic Party in Oregon for the office of United States Senator.

I have always admired Senator Morse's political principles. I have admired and respected his unique capacity for being able to outline those political principles in terms of effective political action.

As has been noted, Senator Morse had a resounding vote of confidence in the Democratic primary. There were those, of course, who would like to have had us believe that the Democrats of Oregon might not welcome into their ranks this able and distinguished Senator. All those doubts—and I believe they were doubts inspired by the opponents of Senator Morse and the opponents of the Democratic Party—can now be put at rest.

The Democratic Party nationally and the Democratic Party in the State of Oregon are proud to have within their ranks one of the most able, forceful, and brilliant political spokesmen of our time. Senator Morse is a constructive constitutional liberal. I emphasize "constitutional liberal," because, as the Senator from Illinois [Mr. Douglas] has pointed out, Senator Morse is greatly concerned, and justly so, over procedural matters in the actions of Congress and in items of legislation which are ultimately passed by Congress.

Many times I have heard Senator Morse say that the substance of legislation is conditioned by the procedures. In other words, procedural rights guarantee substantive rights.

All of us who have served in the Senate with him have been students, in a sense, of the professor of constitutional law, and former dean of a great law school, who has been able succinctly and pointedly to demonstrate again and again the importance of fair procedure.

Senator Morse is known as an effective speaker. But I should like to say that that quality of speech is more than just a facile tongue; it reveals an alert and imaginative and well-informed mind.

Senator Morse is a student of government and of law. He translates that knowledge of government and of law into legislative programs and political pronouncements which relate to the welfare of the American people. He is fearless, courageous, and, above all, constructive. His service to his country is well known, both as an administrator in the Federal Government during his years of service on the War Labor Board and certainly as a Member of the United States Senate.

Senator Morse has served with distinction and honor on the Senate Committee on Armed Services. I have heard his work praised again and again by members of that committee, including the able and respected majority leader, the Senator from Texas [Mr. Johnson].

Senator Morse was one of the most effective and constructive members of the Labor and Public Welfare Committee. His knowledge of labor law and of labor-management relationships is second to none. I would say that he is one of the outstanding students in the field of labor law and one of the outstanding practitioners of labor-management relationships.

His work in behalf of health and education program and in all the area of social welfare is well known to his colleagues in the Senate and to the public generally.

Furthermore, Mr. President, Senator Morse, in recent months, has expanded his service in the Senate by being an active member of the Senate Committee on Foreign Relations and of the Senate Committee on Banking and Currency. I note these two assignments because, when the senior Senator from Oregon openly affiliated with the Democratic Party, the response of the Democratic majority in the Senate was to give the Senator from Oregon two of the most important committee assignments within the gift of the United States Senate.

May I point out, Mr. President, that the Democratic steering committee considered the assignment of Senator Morse to those committees with care, and it was the feeling of the committee, namely, the committee responsible for the committee assignments, that Senator Morse was well qualified to be a member of the Senate Committee on Foreign Relations because of his broad knowledge and understanding of the world in which we live and of the grave problems which affect it, and also because of his unrelenting and fearless opposition to any form of totalitarianism, and, in this generation, that form of totalitarianism known as communism. If any Member of the Senate can qualify for being an effective anti-Communist, it is Senator Morse.

He is not only that, Mr. President; he is profreedom. He has championed the cause of individual liberty and political freedom in this Chamber and, at the same time, has struck hammer blows against any form of tyranny over the mind or the body of man.

Mr. President, I think one of the little things which may have gone unnoticed is his work on behalf of the people of the District of Columbia. Senator Morse has served with diligence and great honor to himself and to the Capital City as a member of the Committee on the District of Columbia. That is not an assignment which Senators generally wish, but he has stood by his assignment and has championed the cause of home rule, the cause of equal opportunity for all citizens regardless of race, color, or creed; he has stood up for the finest of democratic principles in the District of Columbia. This is a service which has gone unheralded, and yet it is symbolic of the meticulous nature of the Senator from Oregon and of his devotion to public service.

Finally, Mr. President, may I say that we admire and respect the able Senator and are very happy to welcome him into the ranks of the Democratic Party because of his sound principles of conservation and his dedication to the development of our great natural resources. Many is the time, Mr. President, that the voice of Senator Morse has been heard in this Chamber speaking for the

development of our great river valleys, our great water resources, and, at the same time, he has stood courageously on the floor of the Senate to fight against the giving away of the people's heritage—our forest lands, our water resources, our land resources, and our great national parks.

Senator Morse has been and is an able and devoted servant of the State which he has the privilege of representing in part. And may I say, most frankly, Mr. President, that Senator Morse is very fortunate to have at his side his able colleague, Senator Neuberger. They stand together as a team for the good of their country.

Mr. President, in the coming general election the issue will be joined in Oregon with respect to our national resources and their protection and development. The exponent of the Republican philosophy, Mr. McKay, will stand as the standard bearer of the Republican Party in Oregon. Senator Wayne Morse will be the standard bearer of the Democratic cause. These two men will not be simply personalities in a political contest. They represent philosophies, and it will be interesting to watch the developments. I predict that when the final vote is counted it will be found that the people of Oregon responded to the forthright, progressive, liberal message of the Senator from Oregon, and repudiated the philosophy which has permitted much of our great natural resources to be given away, conservation programs to be weakened, and the public interest to be diluted.

Mr. ANDERSON. Mr. President, I desire to associate myself with the remarks which have been made with reference to the renomination of the able Senator from Oregon [Mr. Morse]. I have watched his work for a long time, and observed his contributions while he was a member of the Republican Party in the Senate. We all recognized that when there was before the Senate a bill to grant some portion of land belonging to the United States for some purpose, no matter how worthy, he asked us to consider the Morse formula, because he has steadily taken the position that in the consideration of special bills all the rights of the people of the United States should be protected.

Senator Morse takes a great interest in the work of the District of Columbia, as the Senator from Minnesota has pointed out. That, Mr. President, is to a great degree a thankless sort of job. As a matter of fact, Senators have been criticized in their home States because they spent too much time representing the District of Columbia. In some instances word has gone out that perhaps it would be better for a Senator to take care of the home folks instead of being mayor of the District of Columbia. I am extremely happy, therefore, that the Senate of the United States will have the opportunity of again having the Senator from Oregon as a representative of the voteless people of the District of Columbia in the work he does in their behalf.

Mr. President, as a westerner, as a member of the Senate Committee on Interior and Insular Affairs, and as chairman, for the present, at least, of the Subcommittee on Irrigation and Reclamation, I welcome Senator Morse because of the great interest he has taken in the conservation of our resources in this country. The protection of these water resources against exploitation requires constant vigilance to make sure that they will be available for the people of the coming generations. I know the Senator from Oregon has been firm and immovable in his support of the conservation of the natural resources of the country.

I recall also, Mr. President, his long continued interest in the cause of the conservation of timber. This interest was brought to my attention when I was associated with the Department of Agriculture, and I have steadily observed that he has not wavered in the slightest in his desire to make certain that the timber resources of the United States not only shall be conserved, but that they shall be harvested at the proper time for harvesting.

We have had in this country a situation in which much timber could not be harvested because access roads were not available. Timber, like any other crop, can become overripe and can be wasted through the inability to harvest it at the time the timber becomes ripe.

It was my good fortune to fly, in a small plane, over a great area of the timber resource of the Northwest which is in the State so ably represented, in part, by the senior Senator from Oregon, and to see there the evidences of hundreds of thousands of acres of timber which presented the possibility of becoming overripe.

The senior Senator from Oregon has steadily fought for a program of construction of access roads which would permit this timber to be harvested. I think that in that activity he has served a useful purpose, not only to the people of his State, but to all the people of the United States.

Therefore, I am happy to join with other Senators in expressing our joy at his nomination to be the Democratic candidate for the Senate in the coming election, and to express my hope and conviction that he will be returned to the Senate of the United States.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to express my agreement with what has been said by other Senators who have spoken about the distinguished senior Senator from Oregon. I am happy to acknowledge that when it comes to the subject of conservation, he is one of the outstanding Members of the Senate.

In my opinion, wastefulness in the use of our natural resources is something which we must guard against if we hope to preserve the resources of our country.

I have always found the senior Senator from Oregon to be out in front fighting for those whom we call underprivileged, the poor people, the working people. When I say "working people," I mean those who work in factories or in other ways earn their living by the sweat of their brow. The senior Senator from Oregon is one who has always stood up and fought hard for the people in the United States who needed help.

Mr. President, it is for these reasons that I add my humble remarks to those which have already been made in behalf of the senior Senator from Oregon, Senator Wayne Morse. Not only is he able, but he is courageous, and at all times performs his duty fearlessly.

I would have felt that I was derelict in my duty if I did not align myself with those who have today paid tribute to the Senator from Oregon.

Mr. LEHMAN. Mr. President, I was delighted to read in the press that our colleague, the senior Senator from Oregon [Mr. Morse], was renominated on the Democratic ticket last week by an overwhelming vote.

Since I came to the Senate 7 years ago, I have worked no more closely with any man than with Wayne Morse. As a matter of fact, I worked with him closely before he became a Democrat, during the years when he was a Republican and I served in this body with him. I worked with him more recently, when he was an Independent.

In my opinion, there is no more liberal-minded Member of this body today than Wayne Morse. There is no greater student of constitutional law. No man has concerned himself more fully, or with greater effectiveness, with legislative procedures and legislative traditions, than has Wayne Morse.

No man has fought harder or more continuously and constructively for human liberty, for equality and justice for all men and women, regardless of race, color, or creed, and for the dignity of the individual, than has Wayne Morse.

I am very glad indeed that Wayne Morse will be here for the next 6 years, as I have no doubt of his reelection to the United States Senate. He will continue to serve his State and the Nation with great devotion, and with unusual effectiveness, as he has served for the past many years in the United States Senate.

REVISION OF CIVIL SERVICE RETIREMENT ACT

The Senate resumed the consideration of the bill (S. 2875) to revise the Civil Service Retirement Act.

The PRESIDING OFFICER (Mr. Douglas in the chair). The Chair announces that under the precedents of the Senate, the committee substitute for the text of the bill will be regarded as the original text for the purposes of amendment.

The Chair now recognizes the senior Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, S. 2875, the bill to revise the Civil Service Retirement Act is, in the judgment of many students of good government, the most progressive and important piece of employee legislation that has been acted upon by the Post Office and Civil Service Committee during the past several decades.

Certainly no other measure has been so long sought, fervently desired, and completely endorsed by the rank and file Federal employee.

The civil-service retirement and disability program was established in 1920.

Since that time the act has been amended many times on a piecemeal basis, until today it is one of the most complex measures on the statute books. The present law is difficult to administer. Glaring inequities have developed and grown over the years. Benefits have not kept pace with the times, and full understanding of the law escapes all but the few who live with it on a day-to-day basis. Congress and Federal employees alike have long recognized the need for a complete revamping of the retirement act.

Deficiencies and inequities in present law have been cited by management and employees as one of the reasons for the high separation rate of career personnel. The failure of the Government to keep pace with industry in retirement matters has been given as one of the reasons why it has become so difficult to attract scientists, engineers, doctors, nurses, and other classes of professional and skilled personnel needed to staff and efficiently and economically perform a multitude of Federal services.

In recognition of these facts, the 82d Congress, on July 16, 1952, enacted Public Law 555, which authorized the establishment in the executive branch of a committee on retirement policy for Federal personnel to conduct a study and report thereon to the Congress. The report of that committee was submitted during the 1st session of the 84th Congress. Since then that report and a multitude of related material have been the subject of long and careful study.

Yes, S. 2875 is truly the product of long study, extended conferences, full public hearings and exhaustive executive sessions by a special subcommittee and again by the full committee.

The bill, within the framework of the existing civil service retirement system, will:

(a) Provide many long-justified, highly desirable, and sorely needed liberalized and expanded retirement, survivorship, and disability benefits;

(b) Provide an opportunity for continuity of coverage under the old-age and survivorship insurance program or the civil-service retirement system to employees who shift back and forth between private and Federal employment;

(c) Remove or correct inequities now existing;

(d) Clarify ambiguous and conflicting provisions in existing law, to the end that the retirement system can be more easily and equitably administered by the Civil Service Commission and better understood by the several million present and future Federal employees who will have a vested interest in it.

Moreover, the bill provides a sound and systematic method of pay-as-you-go financing—

(a) To assure the perpetual integrity and solvency of the civil-service retirement and disability fund; and

(b) To require that all future costs of benefits to be derived from the plan be shared equally by employer and employee on a current basis.

Mr. President, the legislative history of the civil-service retirement system makes it quite clear that it has been the continuing intent of Congress since approval of the original act in 1920 that the cost of the program should be shared equally by the Government and those subject to it. In practice, however, the Government has failed to meet its share of the cost of the program, whereas employees have met their share of the cost through the regular payroll deductions required by law.

Mr. President, I hold in my hand a table entitled "Civil Service Retirement and Disability Fund," which shows how the fund has been handled since 1921—that is, since the initiation by Congress of the retirement system. In looking at the figures for a term of years, I notice that for the first few years, the Federal Government's appropriations were zero, up until 1929. In 1929 the Federal Government started making appropriations for civil-service retirement purposes. I call attention to the fact that in 1929 the employees' contributions were $28,122,943.18. The Government's appropriation was $19,950.000.

It will be noticed that in the next year the Government increased its appropriation.

In the following year, 1931, it also increased its appropriation.

Then for the next 5 years the appropriation remained at the same amount, although it will be found that in practically every year the employees' contributions were increasing..

Then in 1936, when the Government had not been keeping up on its obligation, it will be found that the Government appropriated more than the employees contributed. The employees' contribution was $32,405,114.23, and the Federal Government appropriated $40,150,000.

In 1937 it will again be found that the Federal Government increased its appropriation by a little over $6 million.

It will be found that in 1938 the Federal Government almost doubled its appropriation. In that year the Federal Government appropriated almost twice what the employee contributions amounted to.

I bring this matter to the attention of my colleagues to show that the Federal Government has made contributions year after year. It will be found that up until 1954 the Federal Government was making very substantial contributions.

In 1954 the Government decreased its contributions from $325,304,154.19 to $35,303,239.17. The Government cut its appropriation to about 10 percent of what it had been the year before.

It will also be found that in 1955 the Government's appropriation was cut to almost the same ratio.

If that trend continues and the Federal Government does not match the funds contributed by the employees, the fund will go on the rocks. If the Federal Government continues to cut its appropriations, the fund will not be able to continue.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, the table which I send to the desk, for the information of those who care to look into this matter.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U. S. CIVIL SERVICE COMMISSION

Civil service retirement and disability fund—Summary of cash receipts, disbursements, and balances for fiscal years 1921 through 1955

Fiscal year ended, June 30	Receipts				Disbursements						Transfers from (+) to (−) other retirement systems	Balance in fund June 30
	Deductions from salaries of employees and voluntary contributions[1]	Government appropriations	Interest on investments	Total receipts	Payments to retired employees[2]	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements			
1921-28	$142,729,800.09		$13,211,143.86	$155,940,643.95	$51,032,215.83		$21,966,957.44	−$43,788.62	$72,955,384.65			$82,985,259.30
1929	28,122,943.18	$19,950,000.00	4,446,797.16	52,519,740.34	12,006,059.88		4,067,423.54	−9,913.35	16,062,570.07			119,442,429.37
1930	29,048,108.65	20,500,000.00	5,899,257.42	55,447,366.07	13,107,731.55		5,049,107.36	−30,340.00	18,126,498.91			156,763,296.73
1931	29,944,191.69	21,000,000.00	7,332,320.46	58,276,512.15	19,859,891.09		4,160,371.69	−27,945.37	23,992,317.41			191,047,491.47
1932	31,889,697.70	21,000,000.00	8,588,812.85	61,478,510.55	23,545,700.19		3,924,374.87		27,470,075.06		−$1,467,800.94	223,588,126.02
1933	30,493,792.21	21,000,000.00	9,752,298.53	61,246,090.74	30,048,405.96		4,789,286.09		34,837,692.05			249,996,524.71
1934	28,703,458.68	21,000,000.00	10,518,358.79	60,221,817.47	39,620,913.80		8,035,785.74		47,656,699.54			262,561,642.64
1935	30,089,204.72	21,000,000.00	10,822,890.96	61,912,095.68	46,970,622.68		5,773,407.52		52,744,030.20			271,729,708.12
1936	32,405,114.23	40,150,000.00	11,712,785.15	84,267,899.38	50,243,146.50		6,465,675.63		56,708,822.13			299,288,785.37
1937	34,990,072.51	46,200,000.00	13,012,960.98	94,203,033.49	51,900,514.78		7,228,159.49		59,128,674.27		−3,152.77	334,359,981.82
1938	37,322,049.95	73,234,760.00	16,635,825.67	127,192,635.62	54,153,266.80		8,322,354.32		62,475,621.12			399,076,996.32
1939	39,180,390.16	75,086,760.00	19,229,490.57	133,496,640.73	56,530,979.43		7,287,249.24		63,818,228.67			468,755,408.38
1940	42,944,829.42	87,171,760.00	21,564,999.99	151,681,589.41	59,252,240.81		8,063,235.48		67,315,476.29			553,121,521.50
1941	55,402,455.43	91,559,110.00	25,163,610.35	172,125,175.78	62,736,210.79		9,633,919.52		72,370,130.31		−57,703.07	652,818,863.90
1942	86,927,206.68	101,761,202.00	29,722,392.61	218,410,800.29	65,181,672.41		11,185,722.80		76,367,395.21		−10,384.05	794,851,884.93
1943	226,149,125.31	106,137,575.00	37,788,863.36	370,075,563.67	69,463,337.67		14,168,467.69		83,631,805.36			1,081,295,643.24
1944	269,408,079.79	175,993,037.00	52,767,637.64	498,158,754.43	74,207,149.21		28,954,250.38		103,161,399.59		−4,379.92	1,476,298,618.16

[1] Includes payments into the fund for purchase of creditable service.

[2] Includes payments of accrued annuities to estates of deceased annuitants, and payments to survivor annuitants for the fiscal years 1941-48.

U. S. CIVIL SERVICE COMMISSION—Continued

Civil service retirement and disability fund—Summary of cash receipts, disbursements, and balances for fiscal years 1921 through 1955—Con.

Fiscal year ended, June 30	Receipts				Disbursements						Transfers from (+) to (−) other retirement systems	Balance in fund June 30
	Deductions from salaries of employees and voluntary contributions	Government appropriations	Interest on investments	Total receipts	Payments to retired employees	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements			
1945	288,114,029.05	195,790,875.00	68,582,148.62	552,487,052.67	80,257,778.58		72,293,349.39		152,551,127.97		−6,891.16	1,875,227,651.70
1946	279,537,869.58	246,220,000.00	84,430,220.33	610,188,089.91	88,995,694.43		196,195,067.85		285,190,762.28			2,201,224,979.33
1947	255,895,491.10	221,293,000.00	94,394,089.36	571,582,580.46	101,264,807.24		192,608,630.23	+1,199.28	293,874,636.75		−13,329.10	2,478,919,593.94
1948	234,847,511.44	245,530,000.00	107,112,645.48	587,490,156.92	114,517,734.93		126,056,064.60	+849.54	240,574,649.07		−15,021.11	2,825,820,080.68
1949	325,149,015.50	226,032,000.00	122,798,553.78	673,979,570.28	146,704,613.65	$2,609,943.10	68,421,210.60		217,735,767.35		+5,499,236.04	3,287,563,119.65
1950	355,649,805.37	304,508,880.54	143,173,559.13	803,332,245.14	164,430,000.29	5,777,921.51	96,291,714.37		266,499,636.17		+17,833,623.83	3,842,229,352.45
1951	374,872,990.23	307,117,455.27	164,561,022.06	846,551,467.56	185,421,904.44	10,897,666.71	72,534,135.97		268,853,707.12			4,419,927,112.89
1952	414,782,450.77	312,776,021.36	188,130,280.70	915,688,752.83	203,625,518.34	16,079,596.08	78,879,612.88		298,584,727.30			5,037,031,138.42
1953	420,034,454.57	325,304,154.19	214,609,442.91	959,948,051.67	246,711,413.29	23,472,466.16	91,023,429.55		361,207,314.00			5,635,771,876.09
1954	425,000,030.73	35,303,239.17	225,654,018.14	685,957,288.04	281,560,565.67	29,445,478.97	96,118,629.17		409,124,673.81			5,912,604,490.32
1955	440,284,878.46	33,678,729.94	234,377,235.52	708,340,841.92	310,280,639.20	34,858,748.06	82,655,739.37		427,705,126.69			[1] 6,194,844,496.61
Total	4,989,927,747.20	3,396,298,559.57	1,945,984,662.38	10,332,210,969.15	2,703,629,734.44	123,141,820.59	1,334,153,332.78	−109,938.52	4,160,814,949.29		+21,754,187.75	

[1] Includes $137,341.81 collections and $507.16 repayments in transit, credited by Treasury in July 1955, $50 in the accountable officer's cash fund, and accounts receivable as of June 30, 1955, in amount of $1,694,289.

Mr. JOHNSTON of South Carolina. Mr. President, this table shows the amount of contributions made to the fund by the Government and by employees. However, these figures alone do not reflect the true status of affairs, for had the Government contributed its share on a current basis, the fund would have benefited from the interest thereon to the same extent as it has by the accrual of interest on employee contributions. Additionally, on several occasions, benevolent Congresses have provided increased benefits to retired employees. When that has occurred, the Government, more often than not, has made no compensating appropriations to the fund; and, of course, the recipients of the increased benefits, because of their retired status, did not make the usual employee contribution. Thus, any current deficiency in the fund—to the extent one exists—is a direct liability of the Government, due in part to its not having met its share of normal costs by not matching the contributions of employees, and in part to granting increased benefits to retired employees without, at the same time, providing for the increases through immediate appropriations to the fund or by adoption of some other appropriate method of financing the additional cost.

The Civil Service Commission estimates that, for all future service, the benefit structure provided by the bill involves a cost of not to exceed 14 percent of payroll. The bill proposes to meet this future service cost fully by a salary deduction of 7 percent for each employee, and by an agency contribution matching the employee deduction. Thus, for the first time since enactment of the retirement program in 1920, machinery is provided to require both the employer and the employee to share equally on a current basis the future service costs.

The committee is of the firm belief that the cost of retirement is a valid part of the cost of continuing Government operations, and should be taken into account currently. In other words, the deferred compensation which ultimately becomes payable in the form of retirement benefits should be accounted for as part of the current cost of defense, of public health, and of each of the many services provided by the Government. The provision for an agency contribution matching that of its employees recognizes all of these considerations.

Additionally, the bill provides that all moneys in the civil service retirement and disability fund shall be invested in securities of the United States, bearing interest at the rate of 3½ percent per annum. During the first 30 years of the program, moneys in the fund were invested in securities of the United States, bearing interest at the rate of 4 percent per annum. In 1953, the interest rate was reduced by action of the Secretary of the Treasury to 3 percent per annum. That action curtailed the income of the fund by many millions of dollars a year.

Mr. President, for fear that some persons may misunderstand the table which I had placed in the RECORD, showing the amount of interest received for the last 2 years, I should like to explain that while it may appear that more interest was being received, it was due to the fact that bonds had been bought, and the bonds matured at the end of 10 years. That made it appear as though a great amount of interest was being received, but the reason for it was that the interest had accumulated over several years.

By fixing the interest rate at 3½ percent a year, the earning power of the fund will be restored to a proper level.

Mr. President, I think it most important to note—even at the expense of repetition—that the financial provisions of the bill establish the retirement fund on a solid and solvent footing. The cost of the program is met on a pay-as-you-go basis, and is not left for future generations to pay. That is accomplished by increasing the contribution of employees from 6 to 7 percent. In other words, the employees themselves will pay for a sizable portion of the added benefits provided by the bill. A second new provision requires that employee contributions be matched by the agencies out of current operating funds. No longer will it be possible to defer the cost of the program—as we have witnessed in the past 3 years—simply to offer a so-called balanced budget to the public. A third provision requires that moneys in the retirement fund be invested at a proper rate of interest.

I am proud of these provisions of the bill, and I suggest that their adoption will remove from the political arena for all time to come, the question of the financial position of the civil service retirement system.

Mr. President, among the major changes in benefits provided by the bill are the following:

First. The bill provides for increased retirement benefits by raising the computation factor from 1½ percent of the "high 5-year average salary" times years of service to 2 percent with respect to all service in excess of 5 years.

Second. The bill permits optional retirement, after 30 years of service, at any age. However, if under the age of 60 at the time of retirement, the annuity of the employee is to be reduced on a sliding scale, based on the number of months the employee is under the age of 60 at the time of retirement.

Third. The bill authorizes an immediate annuity to employees involuntarily separated, through no fault of their own, who have attained the age of 50 years, and have rendered at least 25 years of service. Under present law, a void exists with respect to employees with 20 years, but less than 25 years, of service. Such employees cannot withdraw their contributions from the retirement fund, and they must wait until they reach the age of 62 years before becoming entitled to a deferred annuity. The bill alleviates this situation, at least with respect to older age employees who have reached the point in life when it is difficult, if not indeed impossible, to start another career.

Fourth. The bill provides to surviving widows immediate annuities equal to 50 percent of the annuity earned by the husband at the time of his death, and payable until her death or remarriage. Under present law, she receives no annuity until she attains the age of 50 years.

Fifth. The bill increases the benefits payable to surviving children. Under the amendment now at the desk, such payments would be raised, but would be limited to an amount so as not to exceed: (a) $600, in the case of one child; (b) 40 percent of the deceased employee's "average salary," with respect to total payments to all surviving children; or, (c) $1,800 total, with respect to all children.

Under present law, payments to surviving children may, and often do, run as low as $5 a month; in no case do they exceed $30 a month. I think there should be no doubt that such amounts are totally inadequate.

Sixth. The bill reduces the service prerequisite for election of survivorship benefits from 15 years to 5 years, and extends the right of election to employees with entitlement to deferred annuities.

Seventh. The bill provides that a surviving widow or dependent widower shall receive an automatic immediate annuity equal to 50 percent of such part of the annuitant's earned annuity as does not exceed $2,400; and when so elected by the annuitant, the surviving widow or widower shall receive, in addition thereto, 50 percent of such part of the annuitant's earned annuity as exceeds $2,400, both amounts payable immediately, and until the survivor remarries or dies. An employee making such an election is required to take a reduction of 10 percent on such part of his annuity as is in excess of $2,400.

Under present law, the annuity of an employee making the survivorship election is reduced by 5 percent of the first $1,500 of his or her annuity, and by 10 percent of all in excess thereof, plus three-fourths of 1 percent for each year the designated spouse is under age 60 when the employee retires.

Eighth. The bill provides that the annuity of any employee retired due to total disability after meeting the 5-year service requirement be: First, 40 percent of his "high 5-year average salary"; or, second, the amount of his earned annuity had he continued to work until reaching the age of 60 years, whichever is the lesser. Present law provides no minimum for a total disability annuity but accords the employee only the amount of his earned annuity at the time the disability occurs.

Ninth. The bill provides a method for the transfer of service credit between civil-service retirement and social security to provide continuity of coverage to employees who shift back and forth between Federal and private employment. Under the method provided, if an employee with less than 20 years of service should leave the Government, he would have the option, first, of leaving his contributions in the retirement fund with entitlement to a deferred annuity upon reaching age 60; or, second, of taking a refund (a) of the full amount of his contributions in the retirement fund, or (b) the amount of his contributions in the retirement fund less the amount he would have contributed to OASI had he been covered under OASI during the period of service involved.

In the event the employee exercises the option to obtain OASI coverage, the Civil Service Commission will transfer to OASI the amount withheld from the employee plus a matching amount representing the employer's contribution, and OASI will credit the employee with the service involved.

If the employee, at a later date, should reenter the Federal service, he would again have an option, first, of leaving his service credit with OASI; or, second, of restoring his service credit in the civil service retirement system. If he makes the latter choice, he would be required to pay back the refund he received, and OASI would return to the civil-service fund the amount it received. In no case, however, would an employee be allowed to gain credit under both systems for the same period of service.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CURTIS. Suppose Federal service credited to an individual at the present time can be applied both to civil-service retirement and social-security retirement. Would the bill take away such dual coverage, if it is permitted under the present law?

Mr. JOHNSTON of South Carolina. No; it would not change the law in that respect. Such an individual cuold still be covered under both laws if he had already earned it. The bill applies only to service performed after January 1, the date set out in the bill.

The provision relating to an employee's reentry into the service will provide adequate protection against loss of coverage to employees who move in and out of the Federal service.

Tenth. The bill overcomes many differences in benefits, requirements, and conditions existing under present law. It removes certain inequities and corrects others, and to the extent possible and justified, its provisions are made applicable on an equal basis to all groups which make up the more than 2 million individuals covered by the act.

Following extensive public hearings and exhaustive executive sessions, S. 2875 was reported to the full committee by unanimous vote of the five-member subcommittee. Again following deliberate consideration, the bill was reported by the full committee by a vote of 12 to 0—although in each instance, one member, while voting to report the bill, reserved the right to oppose it or offer amendments on the floor.

When this member of the committee made that statement, the chairman stated that it had always been the custom for every member of the committee to reserve the right to offer such amendments as he might see fit to offer after the bill had been reported from the committee. It would not be right or just for any member of the committee to be bound to refrain from offering amendments on the floor of the Senate, any more than it would be just to bind any other Member of the Senate and prevent him from doing what he thought was right in drafting the laws of the Nation.

I do not recall any major bill of such far-reaching importance that has been reported by the committee with more complete endorsement than Senate bill 2875.

Mr. President, Senate bill 2875 is a good bill. It is a progressive bill. It is a needed bill. Its enactment will raise the morale of Federal employees, increase their efficiency and productivity, and keep with the Government many employees who are already learned in their fields. They will remain with the Government if we pass this type of measure. If we do not pass such legislation they will leave the employ of the Federal Government and go into private business. That is particularly true because private business concerns at the present time are very far ahead of the Federal Government from the standpoint of retirement systems.

The cost of the bill, if enacted, will prove to be a sound investment, from which Uncle Sam will receive handsome dividends in the years to come. It will also induce some employees to retire a little sooner than they would otherwise retire; and, at the same time, the bill would take up a certain amount of slack in unemployment at the present time.

Mr. President, I should like to read into the RECORD at this time a letter from a very close friend of mine, Mr. J. C. Wilcox, an attorney in Columbia, S. C. It so happens that Mr. Wilcox and I went to college together. I had written to him and asked him what he thought of the pending bill. He made a study of it and wrote me the following letter:

COLUMBIA, S. C., *February 24, 1956.*

Hon. OLIN D. JOHNSTON,
United States Senate,
Washington, D. C.

DEAR OLIN: I thoroughly enjoyed your talk 2 weeks ago tonight. At that time you asked me what I thought the reaction of Federal employees would be if your retirement bill, S. 2875, met with rough sledding and in an attempt to save it, same was amended to increase the amount of money that employees pay into the retirement fund from 6 to 7, or possibly 7½ percent. I told you at that time I thought their reaction would be favorable but I planned then and there to give you a more complete reply after inquiring from a number of representative individuals. Therefore, since I have seen you, I have contacted and discussed this subject with exactly 100 people. About 24 of the hundred were Government employees located at Fort Jackson; about 27 were from the VA regional office; about 20 were from the VA hospital, and the remainder were from other Government agencies. I attempted to avoid all people having 29 to 35 years of service, and those with 2 or 3 years of service, and attempted to get answers from those people with from 6 to 22 years of service. Of the 100 contacted, 80 were entirely favorable to increasing the amount, if necessary, from 1 to 1½ percent, and some of them expressed a willingness to increase same even to 2 percent. Four of the 100 contacted were noncommital. Sixteen were passive and presented some position against it. After talking with these 16 for a few minutes and explaining the bill, 12 of them reversed themselves and asked to be recorded as very much in favor of the bill. Of the remaining 4 who dissented, 3 have since called me over the telephone and reversed themselves. So, of the hundred contacted, the count at present is 95 unqualifiedly for the bill; 4 noncommital; and 1 passive. I think these figures are very interesting, and they are sincerely given. I think you might say at least 95 percent of the employees are definitely in favor of your bill as against all others and would like to have it even if it takes 1½ percent additional takeout from their pay.

Incidentally, I have reviewed some figures which I suppose you know quite well. There is a reserve at present of approximately $6½

billion in the fund. About $5½ billion has been accumulated by payments of Federal employees. Beginning on August 1, 1920, 2½ percent was taken from their pay for 5 years and 11 months. Then, beginning on June 30, 1926, 3½ percent was taken from their salaries for a period of 16 years. Then beginning June 30, 1942, 5 percent was taken from their salaries for a period of 6 years, and from June 30, 1948, 6 percent has been taken from their salaries. These payments have built up a reserve of approximately five and one-half billion, and the Government has added approximately one billion to make the present reserve six and one-half billion. During this time, approximately two and one-fourth billion has been paid out in benefits. While these figures might lead one to believe that the reserva is sufficient, it is also true that new blood has come into the retirement act, Members of Congress and legislative help, which as I see it jeopardizes the reserve fund somewhat due to the fact that while these employees pay their full voltage of 6 percent, they have only been paying for a short time and I see no reason to put the passage of the bill in any jeopardy whatsoever by attempting to pass it without additional revenue. It looks to me like the difference between a retired employee existing and living, and I respectfully suggest that the tremendous number of your constituents coming in the category of retirement would be greatly pleased and benefited by the passage of the bill and would heartily endorse an additional takeout of 1 or 1½ percent.

Sincerely yours,

J. C. WILCOX.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. I should like to congratulate the distinguished Senator and other members of his committee for the fine work they have done on the pending bill. I have had an opportunity to study the committee report, and I believe the bill is a sound one. In my opinion, it would greatly improve our retirement system.

Mr. JOHNSTON of South Carolina. I thank the distinguished Senator from Louisiana for his very generous remarks. Having served with him on the committee for several years, and knowing that he has studied this subject, I appreciate all the more his complimentary statement.

Mr. LONG. There are many fine employees of the Federal Government serving at the present time who have given loyal service to the Government. The retirement system, to which they have contributed over the years, would be improved by the passage of the pending bill.

The Senator has directed his attention year after year to improving the retirement system, and he is certainly going in the right direction with the bill he has brought before the Senate.

Mr. JOHNSTON of South Carolina. I thank the Senator from Louisiana. Needless to say, I am very proud of the bill now before the Senate. If no Senator desires to ask me any questions at this time, I yield the floor.

Mr. NEUBERGER. Mr. President, enactment of S. 2875 will represent a great step forward for the retirement system of Federal employees. As a Member of the Senate Committee on Post Office and Civil Service, I have considered it a privilege to have had a part in the study and formulation of this measure, which will affect the future security and living standards of millions of Americans who are giving their working years to the public service.

Among the improvements which S. 2875 will make in the present retirement system, I think the new survivorship benefits are among the most important. Under present law, the widow of a Federal employee receives no such benefits until she reaches the age of 50 years. Under S. 2875, she will get an annuity of one-half of that earned by her husband immediately from the time of his death. Even more important, S. 2875 provides annuities for surviving children under the age of 18 of $600 a year, or $720 if they are also motherless.

These survivorship benefits are earned with the completion of 5 years of service. I am sure that the knowledge of having provided in this manner for their families will add greatly to the average Federal employee's sense of security. This should also play an important role in making continued Federal service attractive to capable men during the years of their greatest family responsibilities.

Two other provisions of S. 2875 will be beneficial to Federal employees in their own retirement. One increases from 1½ percent to 2 percent, after the first 5 years, the percentage of salary which serves as the basis of computing the annuity, and thus permits substantial increases in annuities. These increases are made advisable by a rising cost of living.

The other provision provides a method of transferring credit for years of Government service to the social security system. This will be of importance to individuals who leave Federal employment after less than 20 years of service, or whose careers bring them in and out of Government work irregularly, for some years at a time.

Mr. President, after long and thorough study, S. 2875 won the unanimous support of our retirement subcommittee. I felt privileged to make the motion to report the bill favorably to the full Committee on Post Office and Civil Service, which also voted unanimously to report the bill favorably to the Senate. S. 2875 is designed to place the retirement fund on a sound basis by increasing from 6 percent to 7 percent the deductions from employees' pay, and by providing, for the first time, that the employing Federal agencies must budget an equal contribution to the fund as a current cost of their activities. In spite of the increased deduction, S. 2875 has the support of the organizations of the Federal employees themselves.

I believe our Federal personnel deserves a modern and adequate retirement program which should be not only equal, but in fact a model, for the programs of large private industries; and I am confident that the Senate will adopt S. 2875 as a step in that direction.

It has been a privilege to work with the senior Senator from South Carolina [Mr. JOHNSTON], as his colleague on the Post Office and Civil Service Committee of the Senate, toward this goal of a more secure and comfortable retirement for our faithful Federal Government employees.

Mr. LEHMAN. Mr. President, the Senate is now considering a much-needed piece of legislation to amend the Civil Service Retirement Act. I hope it will be promptly approved.

I wish to congratulate the distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], and his associates for bringing this bill before the Senate for consideration.

There is a pressing need to revamp the retirement system for Federal employees. At the same time, any proposal to liberalize benefits and to correct existing inequities must also include provisions to insure the continued solvency and financial integrity of the civil-service retirement fund.

I am pleased to see that the Senate Post Office and Civil Service Committee, in drafting this legislation, was fully aware of its responsibility to see that the fund would be in a position to meet its obligations to the millions of Government workers who are contributing to it and who are dependent on benefits at some future date.

It is no secret that the Government has been having great difficulty in attracting capable and well-qualified personnel. It has also been faced with a high percentage of separations from Government service after relatively short periods of employment. The attraction of Government as a life-time career is facing increasing competition from private industry and business.

There are a number of explanations for this situation. One of the most obvious ones, of course, is the failure of the Government to provide adequate salaries. We must be realistic and accept the fact that, to a large extent, salary levels comprise a major incentive. And on this level, the Federal Government is in a poor position to compete.

But in addition to salary levels during periods of employment, there is also the inducement of security, in other words, retirement provisions.

Congress took steps during the last session of Congress to raise salary levels. In passing the pay raise bills, Congress saw to it that Government salaries were brought somewhat in line with outside pay scales. Frankly, I felt that the increases for civil service and postal employees were inadequate and I was very distressed at the administration's adamant refusal to approve a higher figure. Although the pay raises were a step in the right direction, much still needs to be done along these lines. I hope that such action will be forthcoming in the very near future.

However, this is not the question under consideration at the moment. Today we are concerned with the retirement provisions for Government personnel.

I think it is clearly recognized that the present retirement system, good as it is, has failed to keep pace with retirement and pension programs that have been adopted by private industry.

The changes in the civil-service retirement system embodied in S. 2875 are practical and sound. This legislation will help to persuade present career employees who might otherwise leave to remain with the Goverment. It will make them happier in their jobs—more content and more secure.

The bill corrects many inequities and inconsistencies in the present law. Its improvements include the following:

First. It changes the computation factor for figuring benefits so as to result in increased benefits.

Second. It permits optional retirement at any age after 30 years of service, thus eliminating the requirement that the individual be at least 55. Although it calls for a reduction in the annuity for every month the retiree is under 60, the reduction which is on a sliding scale, is far less than under the present law.

Third. It permits an individual who is involuntarily retired after the age of 50 with 20 years of service to receive an immediate annuity. Under the present law, he cannot withdraw his money from the fund if he has contributed for more than 20 years. Yet he is not entitled to an immediate annuity unless he has 25 years of service, but must wait until he reaches 62 at which time he becomes eligible for a deferred annuity.

Fourth. It provides considerably expanded survivorship benefits to widows, children, and dependent widowers. At the same time, the reduction in an employee's annuity in the case where he elects survivorship benefits will be much less than under the existing law.

Fifth. It establishes, for the first time, a minimum in the annuity payable in the case of total disability. It also changes the standard to be used in judging whether a disabled worker has been restored to earning capacity. The determining factor would be whether his income amounts to 80 percent of the "current rate of pay" for the position he held at the time of disability. This means that increases in salary levels since the individual became disabled would be taken into account.

Sixth. It establishes a procedure to permit the transfer of credit between the civil-service retirement system and social security.

I think this last point is one of the most important. Until now, the law has failed to make provisions for people who spend part of their lives as employees of the Federal Government and part as employees of private business and industry. It has failed to take into account the person who is a government worker for a time and is self-employed for a time.

I think this problem has become increasingly acute as social-security coverage is broadened to the point where it is well on the way to becoming universal. The Nation is faced with a situation where thousands of people have been unable to acquire benefit rights either under the civil-service retirement system or under social security. By establishing a procedure to permit the transfer of credits between the civil-service retirement system and social security, S. 2875 represents a major advance. The enactment of this bill will mean that thousands of our citizens who now find themselves, in a sense, between Scylla and Charybdis, will be able to face the future with knowledge that they will have some benefits to look forward to when they retire. And what, for many is an even greater cause for concern, they will know that their dependents and survivors will not be left unprovided for.

S. 2875 would solve the problm in the case of an individual who leaves Government service with less than 20 years of service. He would receive a refund from the retirement system equal to the amount which he has contributed less the amount which he would have paid in to the old-age and survivors insurance fund had he been employed for that period in a job covered by social security rather than by the civil-service retirement system.

If he returned to Government service, he would have the option of retaining his OASI credit or of once again coming in under the civil-service retirement system. In this case, he would have to pay back the amount he had received in the form of a refund, and OASI would return to the retirement fund the amount it had received.

This procedure will preserve the retirement benefits of people who leave the Government after periods of loyal and faithful service. But it will also mean that the Government will be able to obtain the services of many highly qualified people who are, in a number of instances, reluctant to accept positions with the Federal Government because to do so may have an adverse effect on their status under social security.

I mentioned earlier the provisions of S. 2875 to maintain the actuarial soundness of the fund. The bill calls for an increase, as of January 1, 1957, in the contributions to be made by the employee from the present rate of 6 percent of his salary to 7 percent. It also provides that, beginning after June 30, 1957, each agency or department of the Federal Government will make a like contribution. The money paid out by the Government in the form of retirement benefits is as much a part of the continuing cost of Government operations as are the numerous other functions of the Government. As such, I think this requirement, that the Government, as an employer, match the contributions of its employees on a current basis, is a valid proposal. Other systems—for example, the railroad retirement program and OASI—are set up on the employer-employee matching basis. I can see no reason why the civil service retirement system should operate differently.

This bill further provides that the earning power of the fund be improved somewhat. The moneys in the fund are invested in United States securities which, as a result of action taken by the Secretary of the Treasury, pay interest at the rate of 3 percent. S. 2875 provides that the moneys be invested in Government securities bearing interest at 3½ percent.

Although S. 2875 is an excellent bill, it is deficient in one major respect. It contains no provision to increase the benefits of former employees now on the retirement rolls. I think this is a serious omission. However, the Committee on Post Office and Civil Service has indicated that it is aware of the need for action along these lines, and I understand that the chairman of the committee, the Senator from South Carolina [Mr. Johnston] intends to hold hearings on proposed legislation for this purpose which has already been introduced. I am pleased to note the committee's concern over the problems faced by those who have already retired, and I hope legislation to provide much-needed increases in their benefits will be approved.

I am also pleased to note the inclusion in the bill of a statement declaring it to be the policy of Congress that retirement annuities shall be adjusted whenever adjustments are made in the salaries of current employees. I realize that this statement has no force of law and that it cannot be carried out without specific legislation. I believe, however, that it takes cognizance of a very serious problem, and I hope that future Congresses will respect this declaration of policy and will honor it.

The support for S. 2875 is widespread. The measure has received the full backing of the organizations representing civil-service employees. My mail for weeks, now, has been overwhelmingly in favor of the bill. I have had thousands of letters, telegrams, and postcards, not only from the employee organizations, but also from individuals, telling me how much these changes will mean to them. I think it is significant that out of all the thousands of communications I have received, only one objected to the proposed increase of 1 percent in the employee's contribution. I believe that this is indicative of the sense of responsibility which our Government employees have. They want and need the improvements contained in S. 2875 . At the same time, they recognize that they must be willing to pay for them. They have shown that they are glad to accept this obligation.

We have shown too little gratitude to the civil-service employee in years past. Our Government workers have been the subject of both neglect and abuse. We, as Members of Congress, are presented with an opportunity to prove to these men and women that we appreciate their devotion and hard work. We can show them that we believe that they should not be made to suffer because they are working for the Government. By enacting S. 2875, we can demonstrate that the Federal Government as an employer, is as concerned about the future welfare of its employees as is private industry. Let us not put our Government at a disadvantage in this respect. Let us, by giving our wholehearted support to S. 2875, show that we intend to keep faith with civil-service workers.

APPOINTMENT OF DOCTORS OF OSTEOPATHY IN THE MEDICAL CORPS

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1894, House bill 483.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The Legislative Clerk. A bill (H. R. 483) to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps of the Army and Navy.

Mr. SYMINGTON. Mr. President, I should like to announce that the bill has been cleared with both the majority and minority leaders of the Senate. Therefore, I request the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 483), which had been reported from the Committee on Armed Services with an amendment. to strike out all after the enacting clause and insert:

(a) The second sentence of section 201 (a) of the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, is amended (1) by inserting "(1)" immediately before the word "qualified" and (2) by striking the period at the end thereof and inserting a comma and the following: "or (2) doctors of osteopathy who are qualified under subsection (g) hereof."

(b) Sections 201 (b) and (e) of such act are amended (1) by inserting immediately after the word "medicine" wherever it appears therein "or osteopathy" and (2) by inserting in the second sentence of section 201 (b) after the word "medical" the following: ", osteopathic."

(c) Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(g) to be eligible for appointment under this act a doctor of osteopathy must (1) be a citizen of the United States, (2) be a graduate of a college of osteopthy whose graduates are eligible for licensure to practice medicine or surgery in a majority of the States, and be licensed to practice medicine, surgery, or osteopathy in one of the States or Territories of the United States or in the District of Columbia, (3) be recommended for such appointment by the Surgeon General of the Army or Air Force or the Chief of the Bureau of Medicine and Surgery of the Navy, (4) possess such qualifications as the Secretary concerned may prescribe for his service, and (5) under regulations prescribed by the Secretary of Defense have completed a number of years of osteopathic and preosteopathic education equal to the number of years of medical and premedical education prescribed for persons entering recognized schools of medicine who became doctors of medicine and who would be qualified for appointment under this title in the grade for which such doctor of osteopathy is applying."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed at this point in the Record a statement in respect to the bill.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Providing for Appointment of Doctors of Osteopathy as Medical Officers in the Armed Services

(Statement by Senator Symington)

The purpose of H. R. 483 is to provide permissive authority for appointing doctors of osteopathy as regular medical officers in the Medical Corps of the three military services. At the present time only doctors of medicine are eligible for such appointments. The bill expressly provides that in order to be eligible for appointment a doctor of osteopathy must (1) be a graduate of a college of osteopathy whose graduates are eligible for licensure to practice medicine or surgery in a majority of the States; (2) must have a license himself to practice medicine, surgery, or osteopthy in one of the States; (3) be recommended for appointment by one of the three Surgeons General; and (4) meet whatever qualifications the Secretary of the service concerned may prescribe.

I should like to point out the important aspects of this legislation. First, the Secretary of Defense personally supported the bill in a letter to the chairman of the committee. Mr. Wilson stated that the enactment of H. R. 483 is desirable so long as the legislation is considered to be authorizing only, and not mandatory. The committee requested Mr. Wilson to personally clarify the position of the Department of Defense because of conflicting testimony on this bill by the departmental representatives.

Second, the authority of the bill is entirely permissive in nature and would require appointments only in such numbers and subject to such qualifications as may be prescribed. As noted in Mr. Wilson's letter, the legislation would leave up to the three services their degree of participation under it.

Third, the bill places sufficient authority in the hands of the Departments so as to insure that any doctors of osteopathy appointed will be fully qualified. It might be noted that the committee adopted two amendments which greatly strengthen the bill: (1) As already noted, the doctors of osteopathy, in order to be appointed, must be recommended by one of the Surgeons General. As a matter of administrative practice, the committee feels certain that the departmental Secretaries would not appoint a doctor of osteopathy without the approval of one of the Surgeons General. By making this amendment a matter of statutory authority, however, it will serve to dispel the fears of the doctors of medicine that doctors of osteopathy might conceivably be appointed without the approval of the Surgeons General. It is the understanding that the Surgeons General at the present time approve all applications for appintment of doctors of medicine as medical officers. (2) The bill contains a provision which will require that in awarding a particular rank to doctors of osteopathy, the shorter period of education which a doctor of osteopathy may have completed as compared to a doctor of medicine, be taken into account in order that the doctor of medicine would not be penalized in terms of comparative rank.

Fourth, in a number of States doctors of osteopathy are eligible to receive upon passing the appropriate examination a license to practice medicine and surgery, just as doctors of medicine. In view of the fact that many are fully licensed it is possible that doctors of osteopathy might provide a source of needed personnel for the military services.

NARCOTICS CONTROL ACT FOR THE DISTRICT OF COLUMBIA

Mr. DANIEL. Mr. President, I introduce for appropriate reference a bill to be entitled "The Narcotics Control Act for the District of Columbia." The bill is introduced on behalf of myself and the other members of the Subcommittee on Improvements in the Federal Criminal Code of the Committee on the Judiciary which conducted an investigation of the narcotics traffic, namely, the Senator from Wyoming [Mr. O'Mahoney], the Senator from Mississippi [Mr. Eastland], the Senator from Idaho [Mr. Welker], and the Senator from Maryland [Mr. Butler]. It is introduced also on behalf of the able chairman of the Committee on the District of Columbia, the Senator from West Virginia [Mr. Neely].

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3901) to amend certain laws affecting the control of narcotics in the District of Columbia, and for other purposes, introduced by Mr. Daniel (for himself and other Senators) was received, read twice by its title, and referred to the Committee on the District of Columbia.

Mr. DANIEL. Mr. President, the report which I have submitted and the bill which I have introduced undertake to correct a very bad situation which exists in the District of Columbia concerning narcotics addiction and the narcotics traffic.

As a part of its nationwide investigation into the illicit narcotics traffic, our subcommittee of the Committee on the Judiciary examined the situation in the District of Columbia and spent several days hearing witnesses.

We found that there are approximately 900 narcotic addicts in the District of Columbia who are known to local law enforcement officials. Only four States in the Union have reported a greater number of narcotic addicts than the number reported in the District of Columbia. In other words, if the District of Columbia were counted as a State, it would rank fifth in the Nation in the number of reported narcotic addicts.

So far as the cities of the country are concerned, Washington, the Capital City of the Nation, ranks first in the number of reported narcotic addicts, in percentage of drug addicts compared with the general population.

Although Washington is very far behind New York City, Los Angeles, and Chicago in the total number of addicts, nevertheless, when Washington is considered on the basis of population, it has more reported narcotic addicts than has any other city in the Nation.

In the view of the committee, there is one reason for this situation. In the District of Columbia there is only Federal jurisdiction. There is not sufficient local legislation to enable the District of Columbia officials to combat the narcotics problem here. The District of Columbia does not have adequate laws concerning the treatment and rehabilitation of addicts or the removal from the streets and other public places of habitual addicts who have been treated and who have failed to respond to treatment.

These addicts account for a large proportion of all the crimes committed in the District of Columbia, and they are constantly spreading their addiction to other people.

Therefore, our subcommittee believes that changes must be made in the District of Columbia law in order to provide treatment where treatment seems advisable, and also to provide isolation or confinement for the habitual addicts who continue their addiction after treatment efforts have failed, who continue to spread addiction by mingling with other persons in public places, and who continue to become involved in crimes throughout the District.

The purpose of the committee report and the bill is to give to the appropriate committee of the Senate, the Committee on the District of Columbia, the benefit of the investigation made by the subcommittee of the Committee on the Judiciary, and of our suggestions as to laws which would improve the narcotic situation in the District of Columbia.

I might say the bill has been reviewed by all of the officials of the District of Columbia who are concerned with either the treatment of narcotic addicts or the prosecution of narcotic offenders.

Much work has been done on this proposed legislation. I commend it to the District of Columbia Committee. The members of our Judiciary Subcommittee will continue to work with them and assist them. Our staff is available to the Committee on the District of Columbia for any assistance they can offer. I hope, Mr. President, that the bill will be considered this session.

We have been joined in this proposed legislation by two members of the Committee on the District of Columbia in the House, Mr. Abernethy, of Mississippi, and Mr. Miller of Nebraska, and I understand their committee will consider the problem soon. I see the distinguished Senator from Oregon present——

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. MORSE. I have not received advice as yet from the committee as to which subcommittee the bill will go. There has been some discussion that it may come to my subcommittee of the Judiciary. If it does, I want to assure the Senator from Texas that hearings will be held at the earliest possible date. By that I mean the next few days. I shall give the bill my study and attention. It may need some modification, based on what the hearings will disclose, but as to the objectives of the bill and the need for legislation, I do not think there is any question. We can take judicial notice of them.

I wish to commend the Senator from Texas for the leadership he has given to the Senate in this drive against one of the most vicious menaces which face the American people, namely, the narcotic drug traffic.

Mr. DANIEL. I thank the Senator. I am delighted he is present on the floor and that he has made the statement, because it is my understanding that the subcommittee of which he is chairman would probably receive the bill. I say to the Senator from Oregon that our staff and the members of our committee stand ready to assist in every way we can when the Senator's committee considers the proposed legislation.

TRIBUTE TO EMPLOYEES OF STATE DEPARTMENT

Mr. SMITH of New Jersey. Mr. President, last week there was published in the New York Times of May 17, 1956, a column written by Arthur Krock entitled "A Good Word Very Much in Season."

As a member of the Committee on Foreign Relations, I was impressed by the column, and wanted to have it inserted in the Record. It is a tribute to our Foreign Service personnel and the fine service being rendered by our career employees in the field.

I ask unanimous consent that the article be printed in the body of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Good Word Very Much in Season

(By Arthur Krock)

Washington, May 16.—One distinct improvement in the national atmosphere as contrasted with the previous Presidential election year of 1952 is the absence of political attacks on the working personnel of the State Department. What Secretary Dulles had to say in praise of this personnel before a Senate appropriations subcommittee yesterday may therefore have been received with the appreciation these public servants deserve.

Four years ago Congress and the people were duly agitated over charges, some sustained and some unsubstantiated, that posed issues of the loyalty, competence and private behavior of diplomats and underlings in the Department of State and in the field. This also produced a crop of deprecatory remarks at any reference to an employee of State. This crop was nourished for growth, harvest and reharvest by administrative acts taken against individuals in this and the previous administration with the primary purpose of abating political attacks on the Department.

The perspective which time supplies to public opinion has since revealed the unfairness of some general and specific conclusions as to the caliber of the State Department personnel. Though a few good men were sacrificed at the expense of American diplomacy, these conclusions apparently have now been modified or wholly rejected. It was on this restored foundation of fairness that Secretary Dulles yesterday built his plea.

In the 4 years since 1952 more Members of Congress than ever before have seen the work of the Foreign Service at first hand. Some have returned with criticisms that merit official attention, but in the main these Members have been favorably impressed with the diplomatic career service. Congress continues to charge the Department with inefficiency in its business management. But if there is still a disposition at the Capitol to dispute the praise which Dulles extended to the rank and file it was not manifest yesterday.

THE WORKHORSES OF DIPLOMACY

He described the group as "a dedicated body of men and women who are rendering a splendid service to our Nation * * * fully aware of the responsibility they are carrying and * * * carrying it well * * * with a patience, a determination, and a skill of which we can all be proud." Then he paid this tribute to the so-called old-fashioned diplomacy he has been accused of undermining by constantly appearing where our envoys were conducting it:

"It took 8 years and almost 400 four-power meetings before the Austrian Treaty finally came into being last year [that brought] the liberation of Austria and the withdrawal of Soviet troops * * * the first backward step taken by the Red Army in Europe since the end of World War II.

"It took a year of patient and delicate diplomacy to settle the Iranian oil controversy * * * that started the vital oil flowing again toward the free world and saved Iran from the imminent grip of communism. It took a year of intensive * * * negotiation to bring about a Trieste settlement, ending a dangerous dispute between Italy and Yugoslavia that had persisted for many years."

The Secretary could have noted that a career diplomat, now regretably retired from the service, did the spadework and laid the base on which the Austrian Treaty was placed. This was Samuel Reber. To the Iranian settlement the contributions of Loy Henderson and Herbert Hoover, Jr., now Deputy Under Secretary and Under Secretary of State, respectively, were invaluable. In the solution at Trieste Llewellyn E. Thompson, Jr., now Ambassador to Austria, played a major part. But their staffs from the Department's rank and file were also indispensable to these diplomatic strokes.

INDOCHINA SALVAGE CORPS

Dulles again did not elaborate when he told the subcommittee that "only a remarkable contribution by our foreign missions over the past 2 years helped to prevent the French military defeat at Dienbienphu in 1954 from involving the loss of all Indochina to militant communism." But the roster is long, and few would have recognized most of the names upon it.

"I have been associated in my life with a good many business enterprises," he added, "but I have never known one where there was the sustained intensity of work I have found in the Department * * * and in the Foreign Service." It was a good word, very much in season.

The Secretary had a purpose, of course, beyond the desire to give credit where credit is due. He wants Congress to restore the cuts it tentatively has made in the State Department's budget, and he specified subnormal living and working conditions, an inadequate staff and niggardly expense allowances to meet the expanded diplomatic activity the world situation requires. But though his tribute to the diplomatic personnel occurred in this practical context, that does not impugn its accuracy or detract from its value as a corrective of an unfair public impression, unfairly stimulated.

LEGISLATIVE PROGRAM

Mr. BIBLE. Mr. President, I do not know whether there are any Senators who care to have the floor. If not, I wish to state that I shall shortly move that the Senate stand in recess.

Tomorrow the Senate will continue consideration of the civil service retirement bill, and will remain in session until voting is completed on the bill.

As soon as that bill is disposed of, the Senate will then take up the agricultural appropriation bill, and later in the week the Housing Act, and other appropriation bills, as they come to the floor.

Mr. President, before I make the motion for a recess I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BIBLE. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 22, 1956, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 21 (legislative day of May 7), 1956:

Subversive Activities Control Board

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1959.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 21 (legislative day of May 7), 1956:

Postmaster

Illinois

Fred A. Lemm to be postmaster at Schiller Park, in the State of Illinois.

HOUSE OF REPRESENTATIVES

Monday, May 21, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCormack.

Rev. Frank Freed, pastor of the West Covina Baptist Church, Los Angeles, Calif., offered the following prayer:

Shall we now pray? Our Father in heaven, we thank Thee this morning for our great Nation and for all of Thy blessings that Thou hast so abundantly poured forth upon our lives; and we come to Thee this day asking that Thou wilt specially guide these our leaders. We pray that Thou wilt guide them in every deliberation of their minds and every wisdom, and that Thou wilt guard them from any steps into any dead-end roads. We pray, our God, that Thou wilt lead them according to Thy word and Thy will, and that Thou wilt continue to make our Nation that which stands forth for Thy love, and Thy peace, and Thy righteousness throughout our world.

We ask this in Jesus' name and for His sake. Amen.

The Journal of the proceedings of Thursday, May 17, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10875. An act to enact the Agricultural Act of 1956.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5862) entitled "An act to confer jurisdiction upon the United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7030) entitled "An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 6143) entitled "An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd, Mr. Kerr, Mr. Frear, Mr. Millikin, and Mr. Martin of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 9429) entitled "An act to provide medical care for dependents of members of the uniformed services, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. Byrd, Mr. Johnson of Texas, Mr. Saltonstall, and Mr. Bridges to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3073) entitled "An act to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McNamara, Mr. Morse, Mr. Bible, Mr. Beall, and Mr. Case of New Jersey to be the conferees on the part of the Senate.

CROW INDIAN TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Haley] be released as a conferee on the part of the House on the joint resolution (S. J. Res. 135) providing for payment to the Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none and appoints as a conferee in his stead the gentleman from Arizona [Mr. Udall]. The Clerk will notify the Senate accordingly.

AGRICULTURAL ACT OF 1956

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10875) to enact the Agricultural Act of 1956, with Senate amendments thereto, disagree to the amendments of the Senate and ask for a conference with the Senate.

Mr. MARTIN. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from Texas when the committee is going to meet?

Mr. POAGE. This afternoon.

Mr. MARTIN. For the purpose of bringing it back fairly quickly?

Mr. POAGE. We hope we can bring it back tomorrow.

Mr. MARTIN. Might it not be possible to get action today? It seems to be a desirable bill with which all seem to be satisfied.

Mr. POAGE. I am afraid not.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. Cooley, Poage, Grant, Hope, and August H. Andresen.

ANSWER TO LEONARD HALL'S CLAIM ON WORKERS' PROSPERITY

Mr. HOLLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOLLAND. Mr. Speaker, for a number of weeks now, Chairman Leonard Hall, of the Republican National Committee, has been trying to tell workers that the Eisenhower administration is not biased against them, and that in fact they are better off under the Eisenhower administration than they were during the Democratic administration of President Harry S. Truman.

I appreciate that the difficulty of Mr. Hall's task forces him to strain pretty hard for evidence to support his strange proposition. But I do think it necessary to call to the attention of the American people the truth about the meaningless figures and misleading terms Mr. Hall has been using.

He says, for example, that "labor's" share of the total national income amounted to a 69-percent average during the 3 years of the Eisenhower administration, compared to just a 65-percent average during the 7 years of the Truman administration. This kind of use of percentages is meaningless. Just how meaningless is shown by the fact that in 1932, at the depth of the worst depression in our history, labor's share of the national income amounted to 73 percent—4 percent more than under Eisenhower. It would have been cold comfort to the workers who stood in breadlines to have been told by politicians such as Mr. Hall that their "percentage of the national income" was so high.

Moreover, it is not "labor," as the term is generally accepted, that is receiving 69 percent. The figures Mr. Hall uses come from page 173 of the Economic Report of the President, and actually measure "compensation of employees"—which lumps together the topmost corporation executives and directors as well as ordinary workers, and calls them all "employees." I am sure that most

$75,000 a year executives do not classify themselves as "labor"; nor are they such, except perhaps to a politician who is trying to hoodwink workers about which party has their interests at heart.

I think the following figures give a much more accurate picture of whether workers are getting an even break under the Eisenhower administration: In the 3 years of Republican administration, while corporations' profits after taxes have increased 34 percent, the average person's income after taxes has gone up only 8 percent. In 1955 alone, while United States Steel profits went up 89 percent, Jones & Laughlin up 100 percent, and Youngstown Sheet & Tube up 106 percent, steelworkers' wages rose only 14 percent. While General Motors profits went up 48 percent, auto workers' wages rose only 10 percent; while Standard Oil of New Jersey profits rose 23 percent, oil workers participated only to the extent of 5 percent; while Monsanto profits went up 78 percent, chemical workers' wages gained only 5 percent.

To see if they are getting an even break under this administration, I suggest that workers all over the country compare the improvement in their economic well-being over the last 3 years with that of the corporations for which they work. If they do that, no amount of statistical shenanigans by Mr. Hall will be able to dissuade them that Republican "prosperity" is lopsided in favor of big business, and against the average citizen.

PUBLIC WORKS APPROPRIATION BILL, FISCAL YEAR 1957

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 11319) making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior and civil functions administered by the Department of the Army for the fiscal year ending June 30, 1957 (Rept. No. 2181) which was read a first and second time and with accompanying papers referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. DAVIS of Wisconsin reserved all points of order.

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent that members of the committee may have until midnight tonight to file minority views on the public works appropriation bill and that those views be printed with the committee report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WATER POLLUTION CONTROL BILL

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the House Committee on Public Works have until midnight tonight to file a report on the water pollution control bill, H. R. 9540.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE LATE HONORABLE LORING M. BLACK

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I am indeed saddened today at the news of the sudden death of Loring Black, a former Member of this distinguished body. We both came to this House together, having been elected in 1922.

Loring served many years with us. He left his mark upon this body as an eminent Member. His was a congressional career of rare accomplishments, he was an excellent debater and of the highest integrity of purpose. I am, indeed, grieved because Loring was my dear friend. He leaves behind him a good name.

As the Psalmist said:

> Better is the fragrance of a good name than the perfume of precious oils.

Mr. MULTER. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD on the passing of our late distinguished colleague, Loring M. Black, of New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I was truly shocked this morning when I learned of the sudden and untimely passing of my dear friend, Hon. Loring Milton Black, who long and honorably served in the House of Representatives as a Democrat from Brooklyn, N. Y.

It is with deep emotion and a feeling of great sorrow and loss that I raise my voice in brief, but nonetheless sincere tribute to the life and character and public service of Loring Black.

While it was not my privilege to have served with him here in the House, I have nevertheless known him for many years and we had a very close personal association and friendship right up to the time of his passing. It was just on Thursday last that I had a chat with him here in the Capitol and made an appointment to see him during this week.

Loring Black was born in New York City on May 17, 1886, attended the public schools, and was graduated from Fordham University, New York City, in 1907. He studied law at Columbia University, was admitted to the bar in 1909 and thereupon commenced the practice of law in New York City. He served as a member of the New York State Senate in 1911 and 1912; resumed the practice of his profession in New York City; and again served as a member of the New York State Senate in 1919 and 1920. He was elected a Member of the United States House of Representatives to the 68th Congress and the five succeeding Congresses, serving from March 1923 to January 1935. He was not a candidate for renomination in 1934.

Loring enjoyed the reputation of being a most persuasive and eloquent orator and was gifted with a keen sense of humor. He was a brilliant lawyer and achieved great success in his profession.

I feel a great personal loss in the passing of Loring Black as I have long considered him one of my very dear friends and advisers. I always held him in the highest esteem and had profound respect for his ability and integrity.

His record in Congress and in the legal profession was filled with many achievements. His many years of public service and his distinguished record in private life will long endure. I am sure that I speak not only for myself but for all the Members of this body who knew him when I say that his kindness, his memory, will linger in our hearts forever. I extend to his dear wife my sincere sympathy in her sad bereavement. May he rest in peace.

Mr. MULTER. Mr. Speaker, it was with extreme regret that I learned of the sudden and untimely demise of our very good friend, the Honorable Loring M. Black. He served in this House with distinction and honor to himself, the Borough of Brooklyn, and the city and State of New York, as well as the Nation, for 12 years.

Although it was not my privilege to serve with him in the House, it was my good fortune to have known him for many years and to have been able to call him my friend.

He was able, to the point of brilliance. His advice was sound and much sought after. He will be grievously missed, not only by his good and dear wife, but by all his many friends.

Mr. KEOGH. Mr. Speaker, I was greatly saddened yesterday by the sudden passing of my good and old friend, Loring Black, and our former colleague who served in the House from 1923 to 1935, as a Representative from Brooklyn.

Loring served with distinction in the House and was an active opponent of the prohibition law and its enforcement. He also sponsored much beneficial legislation on behalf of our veterans and was an early worker in the field of narcotics control. Loring was a gentle, kindly man, and I shall often recall the many pleasant hours I spent in his company. His was a friendship that I greatly treasured over the years, and I shall miss his keen sense of humor, his friendly visits and the many talks we had together. A gentle spirit has left us and we, his friends, are poorer for the loss, but we shall cherish his memory and hope that he now rests in peace.

ARMED SERVICES DAY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, over the weekend I was privileged to see a wonderfully fine and impressive exhibition of our armed services in different military establishments. I was privileged to review, with General Milburn at Fort Stevens, a very fine infantry group. I have never seen finer marching and was never more impressed with the strength and the power of the men.

I should like again to express my deep gratitude to the officers and men and women who are working to keep our country safe; they face danger day after day even in peace.

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during general debate today and on Wednesday, May 23.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. THOMPSON of Texas assumed the Chair.

THE LATE EUGENE J. BUTLER

Mr. McCORMACK. Mr. Speaker, I as unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on Thursday last one of the most beloved men in Washington, Eugene J. Butler, died.

For 26 years Mr. Butler was a member of the staff of the legal department of the National Catholic Welfare Conference, and since 1951 he was its director. In performing his duties he had occasion throughout the years to appear before committees of the Congress, and to discuss matters of importance and concern to the National Catholic Welfare Conference with many hundreds of Members of the Congress and with officials in the executive branch of our Government. He also had occasion to meet many thousands of persons who were not in public life or in the Government service.

Everyone who ever met Gene Butler was impressed by him. They recognized he was not only an able and fair gentleman but that he was honorable and trustworthy. By reason of his fine personality, his deep knowledge of any matter he was engaged in, and his noble qualities of mind and character, Gene Butler always obtained the maximum favorable results possible. It will be most difficult for the National Catholic Welfare Conference to fill his place.

Mr. Butler, or "Gene" as his friends called him, was born at Scranton, Pa., and came to Washington in the service of the National Catholic Welfare Conference 26 years ago. He attended St. Thomas College, now the University of Scranton; also Holy Cross College and Fordham University Law School.

During his years of service with the National Catholic Welfare Conference he became widely known throughout the country. He received many honors, among which was the Knight Commander of the Order of St. Gregory the Great, conferred upon him in 1954 by Pope Pius XII. The Catholic University of America conferred upon him last year an honorary doctorate of laws for his outstanding zeal and talent.

I first met Gene Butler shortly after his arrival in Washington. During the years he has been with the National Catholic Welfare Conference and until his death we have seen each other hundreds of times. There quickly developed between us a close friendship which has grown and developed throughout the years. In his death I have lost one of my closest friends. I shall miss him very much.

To Mrs. Butler and her children and to his brothers and sisters Mrs. McCormack and I extend our deepest sympathy in their bereavement.

Mr. Speaker, I ask unanimous consent that all other members who so desire may extend their remarks at this point in the RECORD in relation to the late Eugene J. Butler.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROONEY. Mr. Speaker, I was deeply saddened by the passing last Friday morning at Georgetown University Hospital of my dear friend of long standing, Eugene J. Butler, director of the legal department of the National Catholic Welfare Conference.

Gene Butler was widely known throughout the country as counselor and adviser to Roman Catholic institutions and welfare agencies and because of his vast experience and legal knowledge rendered an extraordinary service to his church and faith. He was a real Christian gentleman and was always kind and considerate to his host of friends and associates. For 21 years before he became its director he was a member of the staff of the National Catholic Welfare Conference legal department.

He was recognized as an outstanding expert on the legislative matters and problems in which the National Catholic Welfare Conference had an interest and he held the confidence of the high-ranking Catholic clergy throughout the country. With his wonderful personality and charm, as well as his sincerity of purpose, he always had ready access to his many friends in the House and Senate who respected his opinions and high ideals.

I feel fortunate, and benefited much, in having a close friendship with Gene Butler for many years. After becoming a Member of the House I had many occasions to see him on matters in which we had a mutual interest, and I always found him most patient, kind, and understanding. He possessed a fine intellect and legal mind. He had a great amount of commonsense. I always admired his zeal and uncompromising loyalty to his faith and the Christian principles in which he so deeply believed.

Mr. Speaker, I have lost a true friend in the loss of Gene Butler. Because of his many good deeds, scrupulous principles, and successful career, he leaves a respected heritage to his loved ones. His widow and four children have my deepest sympathy in their hour of sorrow. I am sure he is in heaven.

> May He support us all the day long
> Till the shades lengthen and the evening comes
> And the busy world is hushed
> And the fever of life is over and our work is done.
> Then in His mercy may He give us a safe lodging
> And a holy rest and peace at the last.
>
> —*Cardinal Newman.*

Mr. RABAUT. Mr. Speaker, Mr. Eugene J. Butler, general counsel for the National Catholic Welfare Conference, was a man of sterling quality. His death at a young age is a blow to the institution and its members whom he served so well. He was a familiar figure here on the Hill, always interested in the less fortunate of the world. He will be missed in Washington and other places where his counsel was so often sought. I extend my deepest sympathy to his family.

Mr. KEOGH. Mr. Speaker, many years ago, as a student at the Fordham University Law School in New York, it was my pleasure to become acquainted with a fellow student, Eugene J. Butler. A few years later, upon my election to the 75th Congress, our acquaintance ripened into a friendship founded on my part by my deep respect and admiration for him. Everyone with whom he came into contact in connection with his work for the National Catholic Welfare Conference shared that respect and admiration.

I was profoundly grieved to learn of his passing a few days ago after a long and painful illness. The fortitude with which he bore the long ordeal of his fatal affliction was a mark of the sterling character that he had displayed in his daily work. Never have I heard one word of adverse criticism of him. By the same token, never would he voice a word of criticism against any of the thousands of persons with whom he became associated in his long years of service. That service has now come to an untimely end. Gene Butler will be sorely missed by his family, his employers and fellow workers, and by the membership of the Congress.

CONSENT CALENDAR

The SPEAKER pro tempore (Mr. McCORMACK). This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? Three objections are required.

Mr. METCALF, Mr. WIER, and Mr. BYRNES of Wisconsin objected.

GENERAL SERVICES ADMINISTRATION

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SIMPLIFYING ACCOUNTING

The Clerk called the bill (H. R. 9593) to simplify accounting, facilitate the payment of obligations, and for other purposes.

Mr. ASPINALL. Mr. Speaker, at the request of the gentleman from Illinois [Mr. DAWSON], who is unavoidably detained today, I ask unanimous consent that the bill be passed over without prejudice.

MENTAL HEALTH STUDY GRANTS

The Clerk called the bill (H. R. 9048) to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill.

Mr. CUNNINGHAM. Mr. Speaker, in view of the fact that this bill calls for $1,500,000, a half million more than it is customary to consider on the Consent Calendar, and also because there are no departmental reports, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I urge Members of the House to give favorable consideration to the bill H. R. 9048, now before the House.

The objective of this bill is to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill. What could be more appealing than to assist in the adoption of legislation that has such a worthy as well as necessary objective.

We are all aware of the extent to which mental illness handicaps an ever-increasing portion of our population. There are more persons in our institutions for the care and treatment of mental illness than for any other disease. The number who require such treatment far exceeds that of any other class requiring medical treatment. The problem that is presented is one of the most challenging that can come before a legislative body. This and all other questions affecting the care and treatment of the ill has always been one of the most interesting subjects that I have had to deal with in my long service in the House. I have appreciated the privilege it has been for me to have the opportunity to serve on the committee of Congress that has had jurisdiction over the public health of our Nation. And it has been most gratifying to me, at different times, to have been chairman of the committee and thereby in a position to be materially helpful in introducing and assisting in the passage of legislation that would improve and increase health facilities helpful in dealing with the health conditions of our people.

The principal purpose of the bill H. R. 9048 is to broaden the present authority of the Public Health Service to make grants for the purpose of developing improved methods of diagnosing mental illness and caring, treating, and rehabilitating the mentally ill. The Surgeon General, upon recommendation of the National Advisory Mental Health Council, would be authorized to make special project grants for the support of investigations, experiments, and demonstrations in the field of mental health, with particular emphasis on projects designed to improve the operation and administration of State institutions for the care or treatment of the mentally ill. These special project grants would enable State institutions to conduct experimental programs and to adapt to their own particular needs and circumstances the new advances in the care and treatment of the mentally ill which are being developed through more basic research studies.

Federal grant funds appropriated in the field of mental health have been used in the past for research project grants, research fellowship grants, teaching grants, training grants, and grants to States for prevention and control of mental illness.

The States are required to match every $2 of Federal funds with $1 of State funds. Actually, however, the States have matched every Federal dollar with five State dollars.

It is believed that the Federal Government by providing funds for experimentation and research can be a good partner to the States in their efforts to provide for the mentally ill. Since the States themselves are saddled with the heavy burden of sustaining the operating costs of mental hospitals year in and year out, they are understandably hesitant to appropriate funds for the types of pilot plans and experimental projects which could be initiated under this bill.

The committee held hearings on the provisions incorporated in this bill. No opposition was expressed in the course of the hearings to the provisions of the bill. It was unanimously approved by the committee.

A great deal might be accomplished, first, through studies of methods of management and training; second, by investigating possible substitutes for hospital care through the increasing use of outpatient facilities and foster homes; third, by studying what can be done about placing patients out in the community; fourth, by determining how social workers can be used in this connection whose salaries cannot be provided out of the regular budgets of mental health hospitals; and fifth, by making statistical studies and studies of possible standardization.

Most importantly, perhaps, additional research projects might be initiated into care and therapy at State hospitals. For example, a study conducted at a State hospital demonstrated that by making substantial additions to the personnel for the purpose of providing intensive treatment of patients, the rate of releases at such hospital increased more than 2½ times.

The increasing number of the aged who become mental patients suggests the need of studies of some new type of institution for these patients. These institutions might be halfway between a home and a mental hospital. Also, it appears well worthwhile to investigate the possibility of so-called day-care hospitals in which patients come during the day from their homes and are given therapy but go back to their homes at night. Adoption of this plan of treatment would cut substantially the expense of operating hospitals for the mentally ill.

Statistics show that in 1953, the States and Territories spent in excess of $500 million for the operation of mental health hospitals. If federally financed pilot projects can assist in any way in reducing this tremendous financial burden now carried by the States and Territories, the small expenditures involved in the financing of such projects would be repaid many times over.

In the President's budget document for fiscal 1957, provision is made for the later submission of a budget request of $1,500,000 for special mental health project needs. This request is contingent upon enactment of the instant legislation.

This bill should have the support of the Congress.

DISPOSITION OF MONEYS ARISING FROM DEDUCTIONS MADE FROM CARRIERS

The Clerk called the bill (H. R. 8102) to provide for the disposition of moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit for account of the Departments of the Army, Navy, or Air Force shall be credited to the proper appropriation, account, or fund out of which such or similar material may be replaced.

SEC. 2. The seventh paragraph under the heading "Ordnance Department" of the act of March 3, 1905 (33 Stat. 840), is amended by deleting therefrom the words "moneys arising from deductions made from carriers on account of the loss of or damage to military stores in transit shall be credited to the proper appropriation or funds out of which such or similar stores shall be replaced and."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACT OF JULY 17, 1953

The Clerk called the bill (H. R. 8709) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to know something of the nature and purpose of this bill. There is nothing before us on the Consent Calendar to indicate the purpose of the bill.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. PRICE. The purpose of this bill is to continue the statutory authority for the Secretaries of the military departments to construct, expand, rehabilitate, and convert plants privately or publicly owned which may be necessary for defense production or mobilization purposes and to provide for the maintenance, storage, and so forth, of such plants. This is merely an extension of existing law until 1957. It is a 1-year extension of existing law.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of July 17, 1953 (67 Stat. 177), as amended, shall remain in effect until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such date as may be specified by a concurrent resolution of the Congress, or until July 1, 1957, whichever is earlier.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND IN THE CITY OF HOGANSVILLE, GA.

The Clerk called the bill (H. R. 7896) to provide for the conveyance of certain land in the city of Hogansville, Ga., to the city of Hogansville.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is hereby authorized to convey to the city of Hogansville, Ga., all right, title, and interest of the United States in and to the land described in section 2 in consideration of the sum of $1, upon such terms and conditions as may be necessary to safeguard the interest of the United States. Such land was acquired by the United States of America on April 6, 1954, for the express purpose of erecting thereon a post-office building at Hogansville, Ga. Such building has not been constructed, and the land has been declared surplus to the needs of the Federal Government.

SEC. 2. The land referred to in the first section of this act is located in the city of Hogansville, Troup County, Ga., and is more particularly described as follows: All that tract or parcel of land lying and being in Hogansville, county of Troup, State of Georgia: Beginning at a point being the intersection of the northerly side of High Street with the easterly side of Loyd Street; running thence along the easterly side of Loyd Street north 3 degrees 30 minutes east 164.2 feet to a point; thence south 86 degrees 30 minutes east 1.6 feet to a point of curve; thence along the arc of a curve to the right having a radius of 9 feet, chord length of 12 feet bearing north 63 degrees 40 minutes 8 seconds east, a distance of 13.1 feet to a point in the southwesterly side of East Main Street; thence along the southwesterly side of East Main Street south 59 degrees 30 minutes east 256.8 feet to a point in the westerly boundary of land now or formerly of T. H. Phillips; thence along the westerly boundary of said land of Phillips south 0 degrees 41 minutes east 47.4 feet to a point in the northerly side of High Street; thence along the northerly side of High Street north 87 degrees 59 minutes west 244.4 feet to the point or place of beginning, containing 26,859.95 square feet, together with the improvements thereon; and also together with all right, title and interest of the owner of the premises herein before described in and to all streets, roads, avenues, alleys, alleyways, and rights-of-way abutting or in anywise appertaining to the land herein described, together with any and all leaseholds or other interest therein of whatsoever kind or character.

With the following committee amendments:

Page 1, lines 7 and 8, strike out "$1.00, upon such terms and conditions as may be necessary to safeguard the interest of the United States." and insert in lieu thereof: "$3,000, upon condition that such land be used for public purposes and upon such terms and conditions as may be necessary to safeguard the interests of the United States."

Pages 2 and 3, strike out all of section 2 and insert in lieu thereof:

"SEC. 2. The property referred to in section 1 of this act is a parcel of land located on the south side of East Main Street, bounded by High Street and Loyd Street in the city of Hogansville, Ga., containing approximately 26,860 square feet, known as the post office site, Hogansville, Ga., acquired by condemnation, order and confirming judgment of which were filed May 13, 1954, in the office of the clerk of the Superior Court, Troup County, Ga., and recorded in book 95, page 492."

By adding a new section as follows:

"SEC. 3. If at any time within the 20 years next following the conveyance provided for herein the realty so conveyed is no longer used for public purposes, title to such realty, together with all improvements thereon, shall revert to the United States of America."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING LAND TO SCHOOL DISTRICT NO. 8, MOHAVE COUNTY, ARIZ.

The Clerk called the bill (S. 2822) to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer by patent to School District No. 8, Mohave County, Ariz., all right, title, and interest of the United States and the Hualapai Tribe of Indians in and to a tract of approximately 9 acres of land within the Hualapai Indian Reservation described as part of the southwest quarter of section 23, township 25 north, range 11 west, Gila and Salt River meridian, as long as such lands are used for school purposes and are available to Indians and non-Indians on the same terms unless otherwise approved by the Secretary of the Interior: *Provided,* That if said tract no longer is used for school purposes or is made available to Indians and non-Indians on different terms without the approval of the Secretary of the Interior, the Secretary may publish in the Federal Register a declaration to that effect and all right, title, and interest therein shall revert to the United States in trust for the Hualapai Tribe: *Provided also,* That the Secretary of the Interior may not approve any terms or conditions which would discriminate against Indians: *And provided further,* That all mineral rights, including gas and oil, are reserved for the use and benefit of the Hualapai Tribe. The lands to be so transferred to said school district are described in detail as follows: Starting at the north quarter corner of section 23, township 25 north, range 11 west, Gila and Salt River meridian, Mohave County, Ariz., marked by a Government set brass capped iron pipe; thence, north 89 degrees 57 minutes east, along the north line of said section 23, a distance of 109.09 feet to a point; thence, south 2 degrees 48 minutes 30 seconds west, a distance of 2646.76 feet to a point; thence, north 84 degrees 20 minutes 45 seconds west, a distance of 109.04 feet to a point; thence, south 33 degrees 28 minutes 15 seconds west, a distance of 949.8 feet to the place of beginning marked by a half-inch iron pipe; thence, south 28 degrees 31 minutes 45 seconds west, a distance of 313.73 feet to a corner, marked by a half-inch iron pipe; thence south 61 degrees 48 minutes 15 seconds east, a distance of 167.08 feet to a corner and point along the northwesterly right-of-way boundary of an oil cake paved road, marked by a half-inch iron pipe; thence, south 26 degrees 41 minutes 45 seconds west, a distance of 273.58 feet along the said northwesterly right-of-way boundary of said paved road, marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 446.41 feet to a corner marked by a half-inch iron pipe; thence, south 26 degrees 40 minutes 30 seconds west, a distance of 188.92 feet to a corner marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 403.75 feet to a corner marked by a half-inch iron pipe; thence, north 9 degrees 16 minutes 15 seconds east, 365.56 feet to a corner marked by a half-inch iron pipe; thence, south 88 degrees 47 minutes 15 seconds east, a distance of 423.09 feet to a corner point marked by a half-inch iron pipe; thence, north 75 degrees 12 minutes 45 seconds east, a distance of 289.71 feet to a corner marked by a half-inch iron pipe; thence, south 79 degrees 28 minutes 45 seconds east, a distance of 202.61 feet to the place of beginning.

With the following committee amendment.

Page 2, line 7, strike the words "Secretary may" and insert the words "Secretary shall immediately."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING BIENNIAL INSPECTION OF HULLS AND BOILERS OF CARGO VESSELS

The Clerk called the bill (S. 743) to authorize biennial inspection of the hulls and boilers of cargo vessels, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4417 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 391), is further amended to read as follows:

"Sec. 4417. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every year thereafter, the hull of every steam vessel carrying passengers; to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for passengers and the crew, and is in a condition to warrant the belief that she may be used in navigation, with safety to life, and that the vessel is in full compliance with the applicable requirements of this title or acts amendatory or supplementary thereto and regulations thereunder; and if deemed expedient, to direct the vessel to be put in motion or to adopt any other suitable means to test her sufficiency and that of her equipment.

"(b) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every 2 years thereafter, the hull of each steam vessel, not carrying passengers; to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew, and is in a condition to warrant the belief that she may be used in navigation, with safety to life, and that the vessel is in full compliance with the applicable requirements of this title or acts amendatory or supplementary thereto and regulations thereunder; and if deemed expedient, to direct the vessel to be put in motion or to adopt any other suitable means to test her sufficiency and that of her equipment.

"(c) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every year thereafter, the hull of each sail vessel of over 700 gross tons carrying passengers for hire and all other vessels and barges of over 100 gross tons carrying passengers for hire; and to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the passengers and crew, and is in condition to warrant the belief that she may be used in navigation with safety to life.

"(d) Whenever it is found on board any vessel subject to the provisions of this title, or any acts amendatory or supplementary thereto, that any equipment, machinery, apparatus, or appliances do not conform to the requirements of law or regulations promulgated thereunder, the owner or master of said vessel shall be required to place the same in proper condition; and if there shall be found on board any such vessel any life preserver or fire hose so defective as to be incapable of repair, the owner or master shall be required to destroy the same in the presence of an official designated by the head of the department in which the Coast Guard is operating. In any of the foregoing cases the requirements may be enforced by revoking the certificate of said vessel and by refusing to issue a new certificate until the requirements have been fully complied with. In any case where the head of the department in which the Coast Guard is operating has delegated to a Coast Guard official the authority to enforce the said requirements by revocation of certificates of inspection, the action of said Coast Guard official may be reversed, modified, or set aside by the head of the department in which the Coast Guard is operating on proper appeal by the owner or master of said vessel. Appeals shall be made to the head of the department in which the Coast Guard is operating within 30 days after the final action of the aforesaid Coast Guard official.

"(e) Vessels subject to inspection under this title or acts amendatory or supplementary thereto while laid up and dismantled and out of commission may, by regulations established by the head of the department in which the Coast Guard is operating, be exempted from any or all inspection under sections 4417, 4418, 4426, and 4427 of the Revised Statutes."

Sec. 2. Section 4418 of the Revised Statutes, as amended (U. S. C., 1952, edition, title 46, sec. 392), is further amended to read as follows:

"Sec. 4418. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect, before the same shall be put into service and once at least in every year thereafter, the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment, of all passenger vessels subject to inspection.

"(b) The head of the department in which the Coast Guard is operating also shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every 2 years thereafter, the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment of all vessels subject to inspection other than passenger vessels.

"(c) The head of the department in which the Coast Guard is operating shall require the Coast Guard to determine to its satisfaction by thorough examination that the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment of all vessels which are subject to inspection under subsections (a) and (b) herein are in conformity with law and the rules and regulations of the head of the department in which the Coast Guard is operating, and may be safely employed in the service proposed. No boiler, unfired pressure vessel, or appurtenances thereof shall be allowed to be used if constructed in whole or in part of defective material or which because of its form, design, workmanship, age, use, or for any other reason is unsafe.

"(d) At each original inspection and at each annual or biennial inspection thereafter, whichever is applicable, all boilers, unfired pressure vessels, and main steam piping shall be subjected to hydrostatic tests or such other tests as may be prescribed by the head of the department in which the Coast Guard is operating. The ratio of the hydrostatic test to the maximum working pressure shall be determined by action of the head of the department in which the Coast Guard is operating."

Sec. 3. Section 10 of the act of May 28, 1908 (ch. 212, 35 Stat. 428, as amended (U. S. C., 1952 edition, title 46, sec. 395)) is amended to read as follows:

"Sec. 10. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every year thereafter, the hull and equipment of every seagoing barge of 100 gross tons or over carrying passengers; and to determine to its satisfaction that such barge is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew and passengers, and is in a condition to warrant the belief that she may be used in navigation with safety to life.

"(b) The head of the department in which the Coast Guard is operating also shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every 2 years thereafter, the hull and equipment of every seagoing barge of 100 gross tons or over, not carrying passengers; and to determine to its satisfaction that such barge is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew, if manned, and is in a condition to warrant the belief that she may be used in navigation with safety to life.

"(c) Upon the satisfactory completion of the inspection authorized herein, a certificate of inspection shall be issued in the manner and for the purposes prescribed in sections 4421 and 4423 of the Revised Statutes."

Sec. 4. Section 4453 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 435) is amended to read as follows:

"Sec. 4453. In addition to the annual or biennial inspection, the head of the department in which the Coast Guard is operating shall require the Coast Guard to examine, at proper times, inspected vessels arriving and departing to and from their respective ports, so often as to enable them to detect any neglect to comply with the requirements of law, and also any defects or imperfections becoming apparent after the inspection aforesaid, and tending to render the navigation of such vessels unsafe; and if there shall be discovered any omission to comply with the law, or that repairs have become necessary to make such vessel safe, the master shall at once be notified in writing as to what is required. All inspections and orders for repair shall be made promptly. When it can be done safely, repairs may be permitted to be made where those interested can most conveniently do them. And whenever it is ascertained that any vessel subject to the provisions of this title or acts amendatory or supplementary thereto, has been or is being navigated or operated without complying with the terms of the vessel's certificate of inspection regarding the number and class of licensed officers and crew, or without complying with the provisions of law and her said certificates as to the number or kind of life-saving or fire-fighting apparatus, or without maintaining in good and efficient condition her lifeboats, fire pumps, fire hose, and life preservers, or that for any other reason said vessel cannot be operated with safety to life, the owner or master of said vessel shall be ordered to correct such unlawful conditions, and the vessel may be required to cease navigating at once and to submit to reinspection; and in case the said orders shall not at once be complied with, the vessel's certificate of inspection shall be revoked, and the owner, master, or agent of said vessel shall immediately be given notice, in writing, of such revocation; and no new certificate of inspection shall be again issued to her until the provisions of this title or acts amendatory or supplementary thereto have been complied with. Any vessel subject to the provisions of this title or acts amendatory or supplementary thereto operating or navigating or attempting to operate

or navigate after the revocation of her certificate of inspection and before the issuance of a new certificate, shall, upon application by a department or agency charged with the enforcement of such title or acts, to any district court of the United States having jurisdiction, and by proper order or action of said court in the premises, be seized summarily by way of libel and held without privilege of release by bail or bond until a proper certificate of inspection shall have been issued to said vessel: *Provided*, That the owner, master, or person in charge of any vessel whose certificate shall have been so revoked may within 30 days after receiving notice of such revocation appeal to the head of the department in which the Coast Guard is operating for a reexamination of the case, and upon such appeal the said head of the department shall have power to revise, modify, or set aside such action of revocation, and direct the issuance to such vessel of her original certificate or of a new certificate of inspection; and in case the said head of the department shall so direct the issuance of a certificate, all judicial process against said vessel based on this section shall thereupon be of no further force or effect, and the vessel shall thereupon be released."

Sec. 5. Section 4454 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 436), is amended by deleting the word "steamer" and inserting in lieu thereof the words "inspected vessel"; and by deleting the words "Coast Guard" and inserting in lieu thereof the word "examining."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARIFY AND CONSOLIDATE AUTHORITY REQUIRING ESTABLISHMENT, MAINTENANCE, AND OPERATION OF AIDS TO MARITIME NAVIGATION ON FIXED STRUCTURES

The Clerk called the bill (S. 1378) to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 85 of title 14, United States Code, is amended to read as follows:

"§ 85. Aids to maritime navigation on fixed structures; penalty

"The Secretary shall prescribe and enforce necessary and reasonable rules and regulations, for the protection of maritime navigation, relative to the establishment, maintenance, and operation of lights and other signals on fixed structures in or over navigable waters of the United States. Any owner or operator of such a structure, excluding an agency of the United States, who violates any of the rules or reglations prescribed hereunder, commits a misdemeanor and shall be punished, upon conviction thereof, by a fine of not exceeding $100 for each day during which such violation continues."

Sec. 2. Section 18 of the Federal Water Power Act, as amended (U. S. C., 1946 ed., title 16, sec. 811), is further amended by striking out the words "Secretary of War" in the first sentence and inserting in lieu thereof the words "Secretary of the Department in which the Coast Guard is operating."

Sec. 3. The analysis of chapter 5 of title 14, United States Code, immediately preceding section 81 of such title, is amended by striking out the item

"85. Failure to maintain lights; penalty"

and inserting in lieu thereof the following:

"85. Aids to maritime navigation on fixed structures; penalty."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 4482 OF THE REVISED STATUTES

The Clerk called the bill (S. 460) to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river steamers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4482 of the Revised Statutes, as amended, is amended to read as follows:

"Sec. 4482. Every steam vessel navigating rivers only shall also be provided with an approved life preserver for each and every person allowed to be carried on said vessel by the certificate of inspection, including each member of the crew, which life preservers shall be kept in convenient and accessible places on such vessel in readiness for immediate use in case of accident. In lieu of an approved life preserver for each such person, the head of the Department in which the Coast Guard is operating may permit the use of such proportion of approved floats to the total number of persons carried or authorized to be carried as he may determine."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 4153 OF THE REVISED STATUTES

The Clerk called the bill (S. 1790) to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnages of certain vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (f) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 77 (f), is further amended to read as follows:

"(f) In the case of a vessel which is screw propelled in whole or in part, the following deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-two thirteenths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 13 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however*, That, in lieu thereof, the deduction shall be one and three-fourths times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-two percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 13 percent and less than 20 percent of the gross tonnage of the vessel; or

"(3) Thirty-two percent of the gross tonnage of the vessel or one and three-fourths times the tonnage of the propelling-machinery space, whichever the owner of the vessel elects, if the tonnage of that space is 20 percent or more of the gross tonnage of the vessel."

Sec. 2. Subdivision (g) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 77 (g)), is further amended to read as follows:

"(g) In the case of a vessel which is propelled in whole or in part by paddle wheels, the following deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-seven twentieths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 20 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however*, That, in lieu thereof, the deduction shall be one and one-half times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-seven percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 20 percent and less than 30 percent of the gross tonnage of the vessel; or

"(3) Thirty-seven percent of the gross tonnage of the vessel or one and one-half times the tonnage of the propelling-machinery space, whichever the owner elects, if the tonnage of that space is 30 percent or more of the gross tonnage of the vessel."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 3 OF THE ACT OF APRIL 25, 1940

The Clerk called the bill (S. 1791) to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (c) of section 3 of the act of April 25, 1940 (54 Stat. 164; U. S. C., 1952 edition, title 46, sec. 526b) is amended to read as follows:

"(c) Motorboats of classes A and 1 when propelled by sail alone shall carry the combined lantern, but not the white light aft, prescribed by this section. Motorboats of classes 2 and 3, when so propelled, shall carry the colored side lights, suitably screened, but not the white lights, prescribed by this section. Motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision."

Sec. 2. Section 3 of the act is further amended by adding after subsection (d) thereof the following new subsections:

"(e) When propelled by sail and machinery any motorboat shall carry the lights required by this section for a motorboat propelled by machinery only.

"(f) Any motorboat may carry and exhibit the lights required by the Regulations for Preventing Collisions at Sea, 1948, act of October 11, 1951 (65 Stat. 406–420), as amended, in lieu of the lights required by this section."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR A CONTINUING SURVEY AND SPECIAL STUDIES OF SICKNESS AND DISABILITY IN THE UNITED STATES

The Clerk called the bill (S. 3076) to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes.

Mr. BYRNES of Wisconsin. Mr. Speaker, in view of the fact that there is no departmental report accompanying the committee report and no estimate of the cost of this survey, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. This bill, S. 3076, is to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof.

It is, therefore, the purpose of this act to provide, first, for a continuing survey and special studies to secure on a noncompulsory basis accurate and current statistical information on the amount, distribution, and effects of illness and disability in the United States and the services received for or because of such conditions; and second, for studying methods and survey techniques for securing such statistical information, with a view toward their continuing improvement.

There are several reasons why enactment of this legislation is justified.

Reliable information on the number of people who suffer from various kinds of diseases, accidents, injuries, and handicapping conditions, and the nature and duration of the resulting disabilities, is urgently needed for essential public and private purposes. Many of the national figures used for these purposes today are of doubtful accuracy, either because they are badly out of date—the last national health survey was completed in 1937—or because they are based on small local surveys the results of which cannot be used to build up an accurate composite picture of the Nation's health.

Because of the great importance of this information it is essential that surveys in this area be conducted in such a manner that all interested parties can agree substantially with their conclusions. In order to accomplish this, there must be continuous study to improve statistical methods so that the greatest possible accuracy and reliability may be assured. Furthermore, a series of hearings conducted earlier by the House Committee on Interstate and Foreign Commerce to inquire into public and private research and control efforts with respect to the major diseases is convincing of the importance of a sound statistical base for experimental design and analysis. Consequently, it is believed that the necessity for a constant effort to improve statistical methods extends beyond the immediate area of the proposed national morbidity survey program and applies equally to all medical statistics upon which so many important decisions in the public health and medical fields now depend.

Accordingly, there is included in this bill language specifically directed toward the improvement of statistical and survey methods, for this survey program in particular and for the whole field of health and medical research and study in general.

Each year Congress appropriates moneys for research, training, demonstrations, and other activities in the health fields. Similarly, State legislatures and county and municipal bodies appropriate funds for health purposes. All of these governmental agencies—Federal, State, and local—must plan the wise expenditure of appropriated funds and the efficient and economic use of their staffs and other resources to accomplish those health missions that are of paramount importance. Accurate, comprehensive, and current sickness and disability data are always useful and sometimes essential for the planning, financing, and administration of many public programs.

In the course of the hearings conducted by the House Committee on Interstate and Foreign Commerce during the 83d Congress dealing with the causes, control, and remedies of the principal diseases of mankind, it became evident, for example, that valid nationwide statistics are not available for the serious crippling neurological diseases, such as cerebral palsy, multiple sclerosis, muscular dystrophy, and Parkinson's disease. Indeed, much of the incidence and prevalence data used for the purpose of estimating the cost and social impact of these diseases appeared to be either educated guesswork or else were based on local studies from which it was not possible to derive national averages.

It is also apparent that the national figures in wide use today with regard to the number of persons afflicted with major chronic diseases (such as heart disease, cancer, diabetes, or rheumatoid arthritis) constitute adjusted estimates based on the almost wholly urban national health survey which was conducted about 20 years ago.

Moreover, there are known to be many people, old and young, handicapped by serious disabilities such as blindness, deafness, paralysis, deformity, or missing limbs. Only the roughest estimates are available of the total number of people who are so disabled, and there is even less information about the distribution of the handicapped population by age, sex, and economic circumstances.

There are many additional examples of areas in which health and medical workers are hampered by the lack of—or would benefit from—reliable statistical information.

The absence of data on health problems of our aged population has been pointed up again and again. The most elemental facts are not known; for example, we cannot even answer such a question as how many bedridden old people are dependent upon help from outside the family for their nursing care.

The number of subjects with reference to which information is desirable and necessary are numerous and varied. We need legislation to provide a system by which such information can be obtainable and usable. This bill should have the support of the House.

AMENDING UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

The Clerk called the bill (H. R. 9606) to amend the United States Information and Educational Exchange Act of 1948, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we might have an explanation of the purposes of this bill?

Mr. JUDD. Mr. Speaker, the purpose of this bill is to plug a loophole in the present Information and Educational Exchange Act. The act authorizes bringing selected persons here from friendly countries for a period of training or education in our schools with the idea that they will then go back to apply their knowledge and skills in their own countries and to interpret our country more accurately to their own people. Unfortunately, it sometimes works out that after they come here they become enamored of American life and want to stay here. They make friends who also say they should stay in the United States, or come right back as immigrants; so they try to get their status changed from an exchange visitor to that of a permanent resident, or they arrange to go across to Mexico or Canada for a short while and then come back as immigrants. That defeats the whole idea, which was that those persons would come here to get training and then go back to make their training available to their own countries.

This bill will correct that situation by making it impossible for persons who come here as exchange visitors to apply for an immigrant status or for a change in their status as visitors until they have gone back and worked or resided at least 2 years in their own countries or other friendly countries.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. WALTER. I wish to take this opportunity to congratulate the committee on reporting this bill, because on numerous occasions the Committee on the Judiciary has had presented to it private bills that would alter the status of those people who come here for the purpose of learning something about our ways in order to take back to the countries whence they came, and then if they remain here their countries are deprived of the training and education they have acquired here. I think this is a very important measure and I congratulate the committee on reporting it out.

Mr. GROSS. This means that it is mandatory for such students to go back to their own countries?

Mr. JUDD. Yes, or to cooperating countries. Under the present law they have to leave the United States, but there is nothing to prevent them from turning right around the next day and applying for a visa to come in as an immigrant. Most of us have had such cases presented to us for special bills. I have said to them, "My children do not get educated at public expense. I have to pay for their education. Why should we bring a lad from another country and train him at public expense and then take him back in as an immigrant without his having rendered the service to his own country for which he was given the training?" This bill simply corrects that loophole.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. BAILEY. Is this permanent legislation or simply temporary?

Mr. JUDD. This is permanent legislation.

Mr. BAILEY. And applies only to the exchange program; not to the case of ordinary visitors?

Mr. JUDD. No. This does not apply at all to ordinary visitors. It is only to persons who are brought here under our exchange-of-persons program.

Mr. GROSS. I think we are bringing in entirely too many persons into this country. Will the legislation stop the increasing number of foreign students who come to this country and become mentally ill, or perhaps insane? Does it have anything to do with them?

Mr. JUDD. No; this would not have anything to do with a student becoming insane. But I think any person who had the idea that he might come to this country as an exchange visitor, and then by some means get a shift in his status, would be discouraged from coming, in the first instance.

Mr. GROSS. Since it is demonstrated that there is an increase in the number of foreign students coming to this country who have become insane, is it not about time the State Department, or some other body, screened these students who are coming here?

Mr. JUDD. They are supposed to be screened, not only by our own representatives abroad but also in most cases by committees of citizens of the sending countries. They are interested in having their best representatives come here. Our people usually sit down informally with such committee and go over the various candidates in order to pick out those persons to come to our country who, when they go back, will be of the greatest value in their own countries.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RABAUT. For what period of time must they return to their native country?

Mr. JUDD. Two years.

Mr. RABAUT. Two years before they could make application for a visa?

Mr. JUDD. That is right. They must reside 2 years in their own country or in a cooperating country before they can make application to come here under some other status for permanent residence.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to substitute a similar bill, S. 2562, in lieu of the bill H. R. 9606.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. JUDD]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 201 of the act of January 27, 1948 (Public Law 402, 80th Cong., 62 Stat. 6, as amended by sec. 402 (f) of the Immigration and Nationality Act, 66 Stat. 163) entitled "An act to promote the better understanding of the United States among the peoples of the world and to strengthen cooperative international relations" is amended by inserting "(a)" after the section number and by adding a new paragraph reading as follows:

"(b) No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa, or for a nonimmigrant visa under section 101 (a) (15) (H) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least 2 years following departure from the United States: *Provided,* That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such 2-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further,* That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status subsequent to the date of the enactment hereof."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 9606, was laid on the table.

JOINT SESSION OF CONGRESS TO HONOR SURVIVING VETERANS OF WAR BETWEEN THE STATES AND MEDAL TO BE PRESENTED TO THEM

The Clerk called the joint resolution (H. J. Res. 569) to provide for a joint session of the Congress to honor the surviving veterans of the War Between the States, and to provide for a medal to be struck and presented to such veterans.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That there shall be a joint session of the two Houses of the Congress on a date to be determined by agreement between the President of the Senate and the Speaker of the House for the purpose of honoring the last surviving veterans of the War Between the States who served in the Union or the Confederate forces.

SEC. 2. (a) There is hereby created a joint committee, which shall consist of 4 members, 2 to be appointed by the President of the Senate and 2 by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members.

(b) The joint committee shall prepare and report to the Senate and House of Representatives a fitting and appropriate program and procedure for such joint session.

(c) The joint committee shall extend a cordial invitation to the last surviving veterans of the War Between the States who served in the Union or the Confederate forces to attend such joint session. The joint committee shall provide for the payment of the expenses of such veterans incidental to their attendance at such joint session.

(d) Expenditures of the joint committee shall be paid from the contingent fund of the House of Representatives on vouchers signed by the chairman of such joint committee.

SEC. 3. (a) The Secretary of the Treasury shall strike and furnish to the joint committee gold medals, with suitable emblems, devices, and inscriptions to be determined by the Secretary in honor of the last surviving veterans of the War Between the States who served in the Union or the Confederate forces. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes of the United States. The joint committee shall present a medal struck under this section to each surviving veteran of the War Between the States who served in the Union or the Confederate forces.

(b) Presentation shall be made to any surviving veteran of the War Between the States at his home with appropriate ceremonies by members of the joint committee in the event the veteran is unable to travel to Washington for the joint session.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is authorized and directed to strike gold medals, with suitable emblems, devices, and inscriptions to be determined by the Secretary in honor of the last surviving veterans of the War Between the States who served in the Union or the Confederate forces. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes of the United States. The President or any person designated by him is authorized to present a medal struck under this section to each surviving veteran of the War Between the States who served in the Union or the Confederate forces.

"SEC. 2. Presentation shall be made to any surviving veteran of the War Between the States at his home or at any other suitable place with appropriate ceremonies."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The title was amended so as to read: "Joint resolution to provide for a medal to be struck and presented to each surviving veteran of the War Between the States."

A motion to reconsider was laid on the table.

REVOLVING FUND FOR PURCHASES OF COINAGE METALS

The Clerk called the bill (H. R. 10230) to amend sections 3526 and 3528 of the Revised Statutes relating to the coinage of subsidiary silver coins and minor coins of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3528 of the Revised Statutes, as amended (31 U. S. C.

3[illegible]0), is further amended by striking out "[illegible]2,000,000" and inserting in lieu thereof "[illegible]3,000,000".

SEC. 2. The third sentence of section 3526 of the Revised Statutes, as amended (31 U. S. C. 335)), is amended to read as follows: "This fund shall be charged with the cost of the alloy metal, with the wastage incurred in such coinage, with the recoinage loss on silver coins recoined pursuant to section 9 of the act of March 14, 1900 (31 Stat. 48), as amended, and with the cost of distributing silver coins."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO STATE OF INDIANA

The Clerk called the bill (H. R. 9810) to provide for the conveyance of certain land of the United States to the State of Indiana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to convey to the State of Indiana all of the right, title, and interest of the United States in and to certain real property located in Vigo County, Ind., containing approximately six acres, and more particularly described in section 2 of this act. Such conveyance shall be made on the payment of consideration by such State to the Attorney General in an amount equal to the fair market value of such real property determined by the Attorney General at the time of such conveyance. Such amount shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 2. The real property referred to in the first section of this act is located in the northeast quarter of section 27, township 11 north, range 9 west in Vigo County, Ind., and is more particularly described as follows: Commencing at the stone at the northeast corner of section 27, township 11 north, range 9 west, and running thence south on the east line of said section a distance of 8[illegible]6.79 feet; thence west at an angle of 90 degrees, a distance of 806.80 feet to intersect the westerly right-of-way line of United States Highway Numbered 41 at a point in the centerline of the Wabash Road, and said intersection point being the place of beginning; thence southwardly and to the left at an angle of 90 degrees and 50 minutes from the last given course above a distance of 75.0 feet; thence left 68 degrees and 54 minutes a distance of 165.0 feet; thence right 44 degrees and 53 minutes along the westerly right-of-way line of said United States Highway Numbered 41, a distance of 583.0 feet; thence right at an angle of 89 degrees and 37 minutes a distance of 6[illegible]1.50 feet to the centerline of the Wabash Road; thence eastwardly along and with the centerline of said Wabash Road a distance of 168.50 feet to the place of beginning and containing 5.95 acres, more or less.

With the following committee amendments:

Page 2, line 1, after the word "conveyance", strike out the period and insert the following: ", such value to reflect any reservation, exception, restriction or condition to which the conveyance is made subject."

Page 2, line 2, after the period insert the following:

"Such conveyance shall reserve to the United States all minerals including gas and oil in the property to be conveyed under this act, and shall provide that if the property shall be used for any purpose other than for a State police barracks or other use which in the opinion of the Attorney General is incompatible with the use of the adjoining premises by the United States for a penal institution, all right, title, and interest in and to such real property shall revert to and become the property of the United States, which shall have the immediate right of entry thereon."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARTER OF INCORPORATION TO NATIONAL MUSIC COUNCIL

The Clerk called the bill (H. R. 8110) to incorporate the National Music Council.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following persons: Stanley Adams, New York, N. Y.; Irl Allison, Austin, Tex.; Leon Barzin, New York, N. Y.; Marion Bauer, New York, N. Y.; Edwine Behre, New York, N. Y.; Thomas H. Belviso, Pelham Manor, N. Y.; Robert Russell Bennett, New York, N. Y.; Duane Branigan, Champaign, Ill.; Howard C. Bronson, Hague, Va.; John Brownlee, New York, N. Y.; L. Perkins Bull, Glencoe, Ill.; Earl Campbell, Washington, D. C.; Leon Carson, New York, N. Y.; Robert A. Choate, Boston, Mass.; James Francis Cooke, Philadelphia, Pa.; Paul Creston, Yonkers, N. Y.; Kathleen Davison, Des Moines, Iowa; Norman Dello Joio, New York, N. Y.; Vera Wardner Dougan, Beloit, Wis.; Walter G. Douglas, New York, N. Y.; Deane Edwards, Rye, N. Y.; S. Lewis Elmer, New York, N. Y.; Herman Finkelstein, New York, N. Y.; Charles Warren Fox, Rochester, N. Y.; Arthur Flagler Fultz, Boston, Mass.;

Percy Walter Gatz, White Plains, N. Y.; Karl Geiringer, Boston, Mass.; Ira Gershwin, Beverly Hills, Calif.; Ray Green, New York, N. Y.; Vernon Hammond, Philadelphia, Pa.; Howard Hanson, Rochester, N. Y.; Otto A. Harbach, New York, N. Y.; Ernest E. Harris, New York, N. Y.; Arthur A. Hauser, Berwyn, Pa.; Carl Haverlin, New York, N. Y.; Patrick Hayes, Washington, D. C.; Frank W. Hill, Cedar Falls, Iowa; Mark M. Horblit, Boston, Mass.; Edwin Hughes, New York, N. Y.; Edna Wallace Johnston, Winter Park, Fla.; Archie N. Jones, Austin, Tex.; S. Turner Jones, Baldwin, N. Y.; Arthur Judson, New York, N. Y.; Harrison Keller, Boston, Mass.; Ruth Kemper, New York, N. Y.; Raymond Kendall, Los Angeles, Calif.; Richard Korn, New York, N. Y.; Olga Koussevitzky, Lenox, Mass.; Otto Luening, New York, N. Y.; Mae MacKenzie, Pittsburgh, Pa.;

Joseph E. Maddy, Ann Arbor, Mich.; Donald F. Malin, Boston, Mass.; Maria Marti, Detroit, Mich.; Jane R. Mayer, New York, N. Y.; Charles Mayer, New York, N. Y.; Peter Mennin, New York, N. Y.; Ada Holding Miller, Providence, R. I.; Howard Mitchell, Washington, D. C.; Dmitri Mitropoulos, New York, N. Y.; Douglas Moore, New York, N. Y.; Harold C. Morris, New York N. Y.; Carol Morse, New York, N. Y.; Walter W. Naumburg, New York, N. Y.; Herman Neuman, New York, N. Y.; Geoffrey O'Hara, Pawling, N. Y.; Ralph Sylvester Peer, New York, N. Y.; Gustave Reese, New York, N. Y.; Claire R. Reis, New York, N. Y.; Cornelia B. Rogers, New York, N. Y.; Willard Rhodes, New York, N. Y.; James Sample, Erie, Pa.; William A. Schroeder, New York, N. Y.; Elie Siegmeister, Great Neck, N. Y.; Izler Solomon, Peekskill, N. Y.; Sigmund Spaeth, New York, N. Y.;

Harold Spivacke, Washington, D. C.; Marshall Stearns, New York, N. Y.; William Richard Steinway, New York, N. Y.; Paul Swarm, Decatur, Ill.; Bernard U. Taylor, New York, N. Y.; Anthony Ralph Teta, New Haven, Conn.; Charles A. Wall, New York, N. Y.; Sidney William Wattenberg, New York, N. Y.; Eleanor Hale Wilson, Seattle, Wash.; Philip Wyman, Cincinnati, Ohio; and their associates and successors, are hereby created a body corporate by the name of National Music Council (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers and limitations contained in this act.

SEC. 2. A majority of the persons in the first section of this act, or their successors, are hereby authorized to meet to complete the organization of the corporation by the adoption of a constitution and bylaws, by the election of officers, and by doing all things necessary to carry into effect the provisions of this act.

SEC. 3. The objects and purposes of the corporation shall be—

(1) to provide the member organizations with a forum for the free discussion of problems affecting national musical life in this country;

(2) to speak with one voice for music whenever an authoritative expression of opinion is desirable;

(3) to provide for the interchange of information between the various member organizations;

(4) to encourage the coordination of efforts of the member organizations, thereby avoiding duplication or conflict;

(5) to organize exploratory surveys or fact-finding commissions whenever the corporation shall deem them necessary for the solution of important problems; and

(6) to encourage the development and appreciation of the art of music and to foster the highest ethical standards in the musical professions and industries.

SEC. 4. The corporation shall have power—

(1) to sue and be sued, complain and defend in any court of competent jurisdiction;

(2) to adopt, use, and alter a corporate seal;

(3) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(4) to adopt and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects or accomplishing the purposes of the corporation, subject to applicable provisions of law of any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by a corporation operating in such State;

(7) to transfer and convey real or personal property;

(8) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(9) to use the corporate funds to give prizes, awards, loans, scholarships, and grants to deserving composers, conductors, and others for the purposes set forth in section 3, and for such other purpose as may be determined to be proper by the board of directors;

(10) to publish a bulletin, magazine, and other publications; and

(11) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

SEC. 5. The activities of the corporation may be conducted throughout the various States, Territories, and possessions of the

United States. The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the Corporation, such designation to be filed in the office of the clerk of the United States District Court for the District of Columbia. Notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed sufficient notice of service upon the corporation. The principal office of the corporation shall be established at such place as the board of directors deems appropriate.

SEC. 6. Eligibility for membership in the corporation and the rights and privileges of members, shall, except as provided in this act, be determined according to the constitution and bylaws of the corporation. In the conduct of the official business of the corporation each member shall have one vote.

SEC. 7. The corporation shall be governed by a board of directors, which may be known and referred to as an executive committee, composed of not less than 10 persons who shall be representative of members of the corporation or such other persons as shall be selected by the members of the corporation, and such persons shall be elected by the members of the corporation annually or at such other regular intervals as may be specified in the bylaws of the corporation.

SEC. 8. The officers of the corporation shall consist of a chairman of the board, a president, one or more vice presidents, a secretary, a treasurer, and such assistant officers as the board of directors shall designate. The officers shall perform such duties and have such powers as the bylaws and the board of directors may from time to time prescribe.

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person except upon dissolution and final liquidation of the corporation as provided in section 15 of this act.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to any officer, director, or employee of the corporation, and any officer who participates in the making of such a loan shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

SEC. 10. The corporation and its members, officers, and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends, or to engage in business for pecuniary profit.

SEC. 13. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the board of directors, and committees having any authority under the board of directors; and it shall also keep a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member, or by his agent or attorney, at any reasonable time.

SEC. 14. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securites held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than May 15 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such reports shall not be printed as public documents.

SEC. 15. Upon final dissolution or liquidation of the corporation and fater the discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation shall be used by the board of directors for the purposes stated in section 3 above or be transferred to some recognized educational foundation.

SEC. 16. The corporation shall have the sole and exclusive right to use the name of National Music Council as representing such corporation and such seals, emblems, and badges as the corporation may lawfully adopt.

SEC. 17. As a condition precedent to the exercise of any power or privilege granted to the corporation under this act, the corporation shall file in the office of the Secretary of State, or in the office of another appropriate officer, in each State and in each Territory or possession of the United States in which the corporation is doing business, the name and post office address of an authorized agent in such State, Territory, or possession upon whom legal process or demand against the corporation may be served.

SEC. 18. The corporation may acquire the assets of National Music Council, Inc., a corporation organized under the laws of the State of New York, upon discharging or satisfactorily providing for the payment and discharge of all the liabilities of such corporation, and upon complying with all laws of the State of New York applicable thereto.

SEC. 19. The provisions of this act shall take effect on the filing in the office of the clerk of the United States District Court in and for the Southern District of New York of affidavits signed by five of the incorporators named in the first section of this act to the effect that National Music Council, Inc., referred to in section 18 of this act, has been dissolved in accordance with the laws of the State of New York, but only if such affidavits are filed within 3 years after the date of the enactment of this act.

SEC. 20. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SUBDIVISION E OF SECTION 58, BANKRUPTCY ACT

The Clerk called the bill (H. R. 9956) to amend subdivision e of section 58, Notices of the Bankruptcy Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That subdivision e of section 58 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

"SEC. 58e. The court shall, in every case instituted under any provision of this act, mail or cause to be mailed a copy of the notice of the first meeting of creditors to the district director of internal revenue for the district in which the court is located, and to the Comptroller General of the United States. Whenever the schedules of the bankrupt, or the list of creditors of the bankrupt, or any other papers filed in the case disclose a debt to the United States acting through any department, agency, or instrumentality thereof, (except for any internal revenue obligation payable to the Secretary of the Treasury or his delegate) a notice of the first meeting shall be mailed as well to the head of such department, agency, or instrumentality."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE FEDERAL REGISTER ACT, AS AMENDED

The Clerk called the bill (H. R. 10417) to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of July 26, 1935, as amended (49 Stat. 501; 44 U. S. C. 305) is amended by adding the following new subsection.

"(c) In the event of an attack or threatened attack upon the continental United States, by air or otherwise, and a determination by the President that as a result of such attack or threatened attack (i) publication of the Federal Register or filing of documents with the division is impracticable, or (ii) under existing conditions publication in the Federal Register would not serve to give appropriate notice to the public of the contents of documents, the President may, without regard to the provisions of this act or of the Administrative Procedure Act (60 Stat. 237), or of any other provision of law, suspend all or any part of the requirements of law or regulation for filing with the division or publication in the Federal Register of all or any documents or classes of documents. Such suspensions shall remain in effect until revoked by the President, or by concurrent resolution of the Congress. The President shall establish such alternate systems for promulgating, filing, or publishing documents or classes of documents affected by such suspensions, including requirements relating to their effectiveness or validity, as may be deemed under the then existing circumstances practicable to provide public notice of the issuance and of the contents of such documents. Such alternate systems may, without limitation, make provision for the use of regional or specialized publications or depositories for documents, or of the press, the radio, or similar mediums of general communication. Compliance with such alternate systems of filing or publications shall have the same force and effect as filing with the division or publication in the Federal Register pursuant to the provisions of this or of any other act, or of any regulation. With respect to documents promulgated under such alternate systems, each agency shall preserve the original and two duplicate originals or two certified copies thereof for filing with the division when the President determines that it is practicable to do so."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOBACCO MARKETING PENALTIES

The Clerk called the bill (H. R. 10108) to amend section 314 and section 374 of the Agricultural Adjustment Act of 1938, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 314 (b) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1314 (b)), is amended by deleting the first two sentences thereof and inserting in lieu thereof the following: "The Secretary shall require collection of the penalty upon a proportion of each lot of tobacco marketed from the farm equal to the proportion which the acreage of tobacco harvested on the farm in excess of the farm acreage allotment is of the acreage of tobacco harvested on the farm. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States until the end of the marketing year next succeeding that in which the funds are collected, and upon certification by the Secretary there shall be paid out of such special deposit account to persons designated by the Secretary the amount by which the penalty collected exceeds the amount of penalty required to be collected under this section."

Sec. 2. Section 374 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1374) is amended by inserting in the first sentence of subsection (a) thereof after the comma following the word "peanuts" the word "tobacco" and a comma.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEGREGATION OF FUNDS OF FORT BERTHOLD INDIANS

The Clerk called the bill (S. 2151) to provide for the segregation of certain funds of the Fort Berthold Indians on the basis of a membership roll prepared for such purpose.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to segregate the fund on deposit in the Treasury of the United States titled "The Three Affiliated Tribes of Fort Berthold Reservation, North Dakota" on the basis of a membership roll prepared for that purpose and approved by the Secretary. The segregated shares of adults, including interest accruals thereon, shall be subject to expenditure in accordance with plans prepared and submitted by such adults and approved by the Secretary. The segregated shares, including interest accruals thereon, of persons who are minors or non compos mentis shall be subject to expenditure in accordance with procedures approved by the Secretary. The Secretary may require any segregated share of a member to be used to pay a debt that is owed by such a person to the tribes or to the United States and that is due and payable.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 9085) to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after the effective date of this act persons employed as members of the civilian faculties of the United States Naval Academy and the United States Naval Post graduate School shall be included within the terms of the Civil Service Retirement Act of May 29, 1930, as now or hereafter amended, and on and after that date the act of January 16, 1936 (49 Stat. 1092), as amended, shall not apply to such persons.

Sec. 2. The act of May 29, 1930 (46 Stat. 468), as amended, is further amended by adding at the end of section 9 the following:

"In lieu of the deposit prescribed by this section, an employeee who by virtue of section 1 of this amendatory act is included within the terms of the Civil Service Retirement Act of May 29, 1930, as amended, shall deposit, for service rendered prior to the effective date of this amendatory act as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the act of January 16, 1936 (49 Stat. 1092), as amended, as is based on the monthly allotments which were registered with the Navy Allotment Office toward the purchase of that annuity, the deposit to be made within 6 months after the effective date of this amendatory act. Should the deposit not be made within that period no credit shall be allowed under this act for service rendered as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School subsequent to July 31, 1920."

Sec. 3. This act shall take effect on the first day of the second month following the month of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 3 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 693), is amended by adding at the end thereof the following new subsection:

"'(d) On and after the effective date of this subsection and subject to subsection (b) of this section, this act shall apply to each person employed as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School. On and after such effective date, the act of January 1936 (49 Stat. 1092), as amended (34 U. S. C. 1073–1073f), shall not apply to each such person.'

"Sec. 2. Section 9 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736b), is amended (1) by inserting '(a)' after 'Sec. 9.' and (2) by adding at the end thereof the following new subsection:

"'(b) In lieu of the deposit prescribed by subsection (a) of this section, an employee who is brought within the purview of this act by reason of subsection (d) of section 3 of this act shall deposit, within 6 months after the effective date of this subsection, for service rendered prior to such effective date as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the act of January 16, 1936 (49 Stat. 1092), as amended (34 U. S. C. 1073–1073f), as is based on the monthly allotments registered through the Navy Allotment Office toward the purchase of such annuity. If such deposit is not made within such period of 6 months, no credit shall be allowed under this act for such service rendered after July 31, 1920, and prior to the effective date of this subsection. If such deposit is made within such period, such service shall be held and considered to be service during which the employee was subject to this act.'

"Sec. 3. The amendments made by this act shall take effect on the first day of the second calendar month following the date of enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GROUP INSURANCE FOR EMPLOYEES OF GALLAUDET COLLEGE

The Clerk called the bill (H. R. 3489) to amend the Federal Employees' Group Life Insurance Act of 1954 to bring employees of Gallaudet College within its coverage.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954 is amended by striking out "(but not including" and inserting in lieu thereof "(including Gallaudet College but not including."

With the following committee amendment:

After line 6, page 1 of the bill, insert:

"Sec. 2. This act shall become effective on the first day of the first pay period which begins at least 10 days after date of approval."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF REEMPLOYMENT REQUIREMENT IN CASES OF DEATH

The Clerk called the bill (S. 3315) to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of the next to the last paragraph in section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting after the word "separated" the following: "has been separated by death or".

Sec. 2. The amendment made by this act shall take effect as of August 31, 1954, but no annuity shall be paid by reason of such amendment (a) for any period prior to the date of enactment of this act, or (b) unless the amount of any lump sum death benefit heretofore paid under the Civil Service Retirement Act of May 29, 1930, as amended, is redeposited in the civil service retirement and disability fund.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVENTION OF GREAT LAKES FISHERIES

The Clerk called the bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington,

September 10, 1954, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Great Lakes Fishery Act of 1956."

Sec. 2. As used in this act, the term—

(a) "Convention" means the Convention on Great Lakes Fisheries between the United States of America and Canada signed at Washington September 10, 1954;

(b) "Commission" means the Great Lakes Fishery Commission provided for by article II of the convention;

(c) "United States Section" means the United States Commissioners on the Commission;

(d) "Great Lakes State" means any of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, or Wisconsin;

(e) "Great Lake" means any of the following bodies of water: Lake Ontario (including the St. Lawrence River from Lake Ontario to the 45th parallel of latitude), Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, or Lake Superior.

Sec. 3. The United States shall be represented on the Commission by three Commissioners to be appointed by the President, to serve as such during his pleasure, and to receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) one shall be an official of the United States Government; and

(b) two shall be persons residing in Great Lakes States, duly qualified by reason of knowledge of the fisheries of the Great Lakes, of whom one shall be an official of a Great Lakes State: *Provided, however*, That the Commissioners appointed under this subsection shall not be residents of the same State.

Sec. 4. (a) The United States section shall appoint an advisory committee for each of the Great Lakes, upon which committee each State bordering on the lake may be represented by not more than four members. In making such appointments, the United States section shall make its selection for each State from a list proposed by the Governor of that State; and shall give due consideration to the interests of—

(1) State agencies having jurisdiction over fisheries;

(2) the commercial fishing industry of the lake;

(3) the sports fishing of the lake; and

(4) the public at large.

(b) A member of the advisory committee for one lake may also be a member of the advisory committee for one or more other lakes.

(c) The members of the advisory committee shall receive no compensation from the Government of the United States for their services as such members. Not more than five members of all the committees, designated by the committees and approved by the United States section, may be paid by the Government of the United States for transportation expenses and per diem incident to attendance at each meeting of the Commission or of the United States section.

(d) The members of the advisory committee for each lake shall be invited to attend all nonexecutive meetings of the United States section relating to that lake and at such meetings shall be granted opportunity to examine and be heard on all proposed recommendations, programs, and activities relating to that lake.

Sec. 5. Service of any individual appointed as a United States Commissioner pursuant to section 3 (b), or as a member of an advisory committee pursuant to section 4 (a), shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, and 434 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99) except insofar as such provisions of law may prohibit any such individual from acting or receiving compensation in respect to matters directly relating to the convention or this act.

Sec. 6. In order to carry out the obligations of the United States under the convention, the United States section is authorized—

(a) to acquire any real property, or any interest therein, by purchase, exchange, gift, dedication, condemnation, or otherwise;

(b) to construct, operate, and maintain any project or works designed to facilitate compliance with the provisions of the convention relating to the sea lamprey control program; and

(c) to enter into contract or agreement with any State or other public agency or private agency or individual for the construction, operation, or maintenance of any such project or works.

Sec. 7. The Secretary of the Interior is authorized, upon the request of the United States section—

(a) to transfer to the United States section any lamprey control project or works under his jurisdiction now existing or now under construction; and

(b) to act for or on behalf of the United States section in the exercise of the powers granted by this act.

Sec. 8. The United States section shall, for the purposes of those provisions of Title 28, United States Code: Judiciary and Judicial Procedure, relating to claims against the United States and tort claims procedure, be deemed to be an agency of the United States.

Sec. 9. At least 30 days before approving a proposal to utilize a lamprey control measure or install a device in any stream, the United States section shall cause notice of such proposal to be sent to the official agency having jurisdiction over fisheries in each of the States through which the stream flows.

Sec. 10. The Secretary of State shall upon the receipt from the Commission of any recommendation of a conservation measure made in accordance with article IV of the convention transmit a copy of the recommendation with his comments thereon to the Governor of each Great Lakes State for consideration and such action as may be found to be appropriate. The Secretary of State shall also inform such other public agencies as he may deem appropriate.

Sec. 11. Any agency of the United States Government is authorized to cooperate with the United States section in the conduct of research programs and related activities and, on a reimbursable or other basis, to enter into agreements with the United States section for the purpose of assisting it in carrying out the program for the control of lamprey populations.

Sec. 12. Nothing in this act shall be construed as preventing any of the Great Lakes States from making or enforcing laws or regulations within their respective jurisdictions so far as such laws or regulations do not conflict with the convention or this act.

Sec. 13. There is hereby authorized to be appropriated from time to time such sums as may be necessary for carrying out the purposes and provisions of the convention and this act.

Sec. 14. If any provision of this act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CIVIL SERVICE ACT OF JANUARY 16, 1883

The Clerk called the bill (H. R. 10368) to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Civil Service Act of January 16, 1883, is amended by adding at the end thereof the following new section:

"Sec. 11. (a) Each report, recommendation, or other communication, of an official nature, of any department, agency, or independent establishment of the executive branch of the Federal Government (including any corporation wholly owned by the United States) which—

"(1) relates to pending or proposed legislation;

"(2) is submitted or transmitted to the Congress or any committee thereof in compliance with law or on the initiative of the appropriate authority of the executive branch; and

"(3) officially proposes or recommends the creation or expansion, either by action of the Congress or by administrative action, of any function, activity, or authority of any such department, agency, independent establishment, or corporation, to be in addition to those functions, activities, and authorities thereof existing at the time such report, recommendation, or communication is submitted or transmitted to the Congress or any committee thereof,

shall contain a statement, with respect to such department, agency, independent establishment, or corporation, for each of the first 5 fiscal years during which each such additional or expanded function, activity, or authority so proposed or recommended is to be in effect, disclosing the following information:

"(A) The estimated maximum additional—

"(i) man-years of civilian employment, by general categories of positions,

"(ii) expenditures for personal services, and

"(iii) expenditures for all purposes other than personal services,

which are attributable to such function, activity, or authority and which will be required to be effected by such department, agency, independent establishment, or corporation in connection with the performance of such function, activity, or authority, and

"(B) Such other statement, discussion, explanation, or other information as may be deemed advisable by the appropriate authority of the executive branch.

"(b) Subsection (a) of this section shall not apply to the Central Intelligence Agency."

Sec. 2. The amendment made by the first section of this act shall become effective on January 1, 1957.

With the following committee amendments:

Page 2, line 3, strike out "legislation;" and insert in lieu thereof "legislation which, if enacted, will entail an estimated annual expenditure of appropriated funds in excess of $1 million,";

Page 2, line 7, strike out "branch; and" and insert in lieu thereof "branch, and";

Page 2, line 23, strike out "The" and insert in lieu thereof "the";

Page 3, line 9, strike out "Such" and insert in lieu thereof "such"; and

Page 3, line 11, immediately before the period insert "or which may be required by the Congress or a committee thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTINUANCE OF LIFE INSURANCE OF DISABLED EMPLOYEES

The Clerk called the bill (S. 3237) to provide for continuance of life-insurance coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, in the case of employees receiving benefits under the Federal Employees' Compensation Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the Federal Employees' Group Life Insurance Act of 1954, as amended, is amended to read as follows:

"(a) Each policy purchased under this act shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission.

"(b) If upon such date as the insurance would otherwise cease the employee retires on an immediate annuity and (1) his retirement is for disability or (2) he has completed 15 years of creditable service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation. Periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States shall be credited toward the required 15 years provided the employee has completed at least 5 years of civilian service.

"(c) If upon such date as the insurance would otherwise cease the employee is receiving benefits under the Federal Employees' Compensation Act because of disease or injury to himself, his life insurance may, as provided in subsection (b), be continued during the period he is in receipt of such benefits and held by the United States Department of Labor to be unable to return to duty."

SEC. 2. The amendment made by this act shall become effective as of August 29, 1954.

The bill was ordered to be read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEXAS CITY TIN SMELTER

The Clerk called the resolution (H. J. Res. 607) to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SPENCE. Mr. Speaker, reserving the right to object, I have an amendment which merely strikes out reference to a certain amendment.

Mr. CUNNINGHAM. Mr. Speaker, this bill, I understand, is to be called up under a suspension of the rules. I, therefore, ask that it be passed over without prejudice. It is my understanding that it is desired to consider it under a suspension.

The SPEAKER pro tempore. The Chair may say to the gentleman from Kentucky that the Chair will recognize the gentleman at the proper time to move to suspend the rules and pass the bill.

COMMITTEE ON THE JUDICIARY

The Clerk called House Resolution 481.

There being no objection, the House resolution was read, as follows:

Resolved, That effective from January 3, 1955, the provisions of House Resolution 190, 83d Congress, agreed to March 26, 1953, and House Resolution 386, 83d Congress, agreed to August 1, 1953, are continued in effect.

The resolution was agreed to and a motion to reconsider was laid on the table.

CHANGE OF DATE OF TOBACCO QUOTA ANNOUNCEMENT

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9475) to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I am not going to object, I understand this is simply the changing of a date and it is also recommended by the committee of the Department?

Mr. BASS of Tennessee. The gentleman is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 312 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1312), is amended (a) by inserting in subsection (a) immediately following the words "December 1 of any marketing year" the language "with respect to flue-cured tobacco, and February 1 of any marketing year with respect to other kinds of tobacco; and (b) by striking out in subsection (b) the words "prior to the 1st day of December" and inserting in lieu thereof the language "not later than the 1st day of December with respect to flue-cured tobacco and not later than the 1st day of February with respect to other kinds of tobacco."

With the following committee amendments:

Page 1, line 8, strike out the semicolon following the word "tobacco."

Page 2, line 2, strike out the period following the word "tobacco" and insert a period after the quotation mark.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIFTY-FOURTH ANNIVERSARY OF THE INDEPENDENCE OF CUBA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, bonds of affection and interest bind the peoples of the United States and Cuba. Yesterday, May 20, was the 54th anniversary of the independence of Cuba. It would be violative of a sentiment that is very deep in our national heart if recognition were not given to this happy anniversary in the House of Representatives of the Congress of the United States. I know I speak not only for myself but for all my colleagues in congratulating the Government and the people of our sister Republic.

A reception at the Cuban Embassy in honor of the occasion was given by Ambassor Miguel Angel Campa, assisted by his beautiful and charming daughter, Maria Teresa de la Campa. In November of this year Dr. Campa will celebrate his 50th year of service as a career diplomat. That career of outstanding public service started when the Republic of Cuba was only 4 years old.

Washington indeed is very fortunate in having as the Cuban Ambassador a gentleman of the character and stature of Dr. Campa. In the half century of his illustrious career is reflected the spirit of achievement in democratic government that has marked Cuba's marvelous progress in the 54 years of her independence. He was twice Secretary of State, filling that high office in the highest measure of statesmanship.

The first President of the Republic of Cuba in arms during the 10 years of struggle that preceded the entrance of the United States into the fight for Cuban independence was Carlos Manuel de Cespedes. The most distinguished decoration conferred by the Cuban Government is named for him. His son, Carlos Manuel Cespedes, was President of Cuba in 1933.

In 1902, when Cuba attained her independence, Tomas Estrada Palma became the first President of the newly created Republic. He was born in Bayamo, which has been immortalized in these lines of the Cuban national anthem: "Come, O Bayamese, rush to the battle. All our proud country's enemies defying: Do not fear valiant men, for in dying for our Fatherland's sake, there is life . . ."

One of the very distinguished guests at yesterday's reception was Tomas Estrada Palma, the son of the first President of the Cuban Republic. Dr. Palma is a member of the Cuban delegation of the Organization of American States.

Representative also of Cuba's war for independence was Dr. Bernardo Nunez, a physician and resident of Washington. Dr. Nunez is the grandson of Gen. Emilio Nunez, of immortal fame as Cuban patroit, and whose photograph I am honored to have hanging in my congressional office, surrounded with many framed

photographs taken last winter during my visit to Cuba after an absence of 57 years. Dr. Nunez also is the nephew of Gen. Emilio Nunez, Cuba's permanent Ambassador to the United Nations.

There is so very, very much in our common history that binds us to Cuba. The "message to Garcia" is recalled in the story of Cuba's fight for independence. It may interest my colleagues to learn that Gen. Calixto Garcia died at the Raleigh Hotel in Washington. A plaque in commemoration is on the Pennsylvania Avenue facade of the hotel. General Garcia's son, Gen. Garcia Velez, was one of Cuba's first Ministers to the United States. His daughter, Amelita, was born at the Cuban Embassy in Washington and lived here for many years as the wife of the Cuban consul.

To President Batiste, to Ambassador Campa, to all the fine men and women and children of the Republic of Cuba go our congratulations on this happy 54th birthday anniversary.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

ERNEST B. SANDERS

The Clerk called the first bill on the Private Calendar (S. 415) for the relief of Ernest B. Sanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest B. Sanders, of Miami, Fla., the sum of $15,000, in full and final settlement of all claims against the United States for personal injuries, pain and suffering, permanent disability, and loss of earnings sustained by him and resulting from an accidental and improper division of or injury to an artery while he was a patient in the United States marine hospital at Savannah, Ga., during March of 1933: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, after the word "act", insert the following: "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OHIO CASUALTY INSURANCE CO.

The Clerk called the bill (H. R. 5591) for the relief of the Ohio Casualty Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Ohio Casualty Insurance Co., as surety of Carl A. Olson, the sum of $570.06. Such sum represents a refund of the amount such company was required to pay to the United States by reason of the erroneous certification of certain lump-sum leave-payment vouchers by the said Carl A. Olson while he was serving as certifying officer of the War Assets Administration.

With the following committee amendment:

Page 1, line 11, after "Administration", insert a colon and the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

P. M. MARKLEY, INC.

The Clerk called the bill (H. R. 5961) for the relief of P. R. Markley, Inc.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRUCK AND AXLE MANUFACTURING CO.

The Clerk called the bill (H. R. 4037) for the relief of Truck and Axle Manufacturing Co.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ESTATE OF CHARLES O. FAIRBANK

The Clerk called the resolution (H. Res. 488), referring the bill H. R. 10826 to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 10826) entitled "A bill for the relief of the estate of Charles O. Fairbank," together with all accompanying papers, be referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon, including de novo the question whether such land was known mineral land on January 26, 1903, as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EDWARD R. MAHER

The Clerk called the resolution (H. Res. 490) providing that the bill H. R. 6365 and all accompanying papers shall be referred to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6365), entitled "A bill for the relief of Edward R. Maher," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House of Representatives, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CPL. OSCAR H. MASH, JR.

The Clerk called the bill (H. R. 4456) for the relief of Cpl. Oscar H. Mash, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cpl. Oscar H. Mash, Jr., United States Army, the sum of $1,688. The payment of such sum shall be in full settlement of all claims of the said Cpl. Oscar H. Mash, Jr., against the United States on account of medical and hospital expenses actually incurred for hospitalization and treatment of his wife, Elizabeth L. Mash, in a private hospital during the period beginning on December 29, 1953, and ending on April 20, 1954, both dates inclusive, after the personnel of Walter Reed Army Hospital refused to admit the said Elizabeth L. Mash to that institution: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, line 2, after the word "inclusive" strike out down to and including "institution" on line 4 and insert "after the said Elizabeth L. Mash could not be admitted to Walter Reed Army Hospital because of the lack of available facilities therein: *Provided*."

Page 2, line 7, strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT D. GRIER AND JANE GRIER HAWTHORNE

The Clerk called the bill (H. R. 6029) for the relief of Robert D. Grier (individually, and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitation placed upon the time within which claim may be filed for refund of any income tax, interest, or penalty illegally or erroneously assessed and collected, and any defense based upon the existence of a settlement previously entered into with respect to any such tax, interest, or penalty, are hereby waived in favor of Robert D. Grier (individually, and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne with respect to their claims for the refund of any income tax, interest, and penalties paid by them for taxable years beginning on or after January 1, 1940, and ending on or before December 31, 1945, if such claims are filed with the Secretary of the Treasury or his delegate within 6 months after the date of the enactment of this act.

Sec. 2. If all or any part of any of such claims is disallowed by the Secretary or his delegate, or if the Secretary or his delegate has not rendered a decision upon any such claim within 6 months after it is filed, suit thereon may be instituted in the Court of Claims or in any United States district court of competent jurisdiction; but no suit on any such claim or part thereof may be instituted after the expiration of 2 years from the date of mailing by registered mail by the Secretary or his delegate to the said Robert D. Grier or Jane Grier Hawthorne (as the case may be) of a notice of the disallowance of such claim or part thereof.

Sec. 3. (a) Except as provided in subsection (b), judicial proceedings for the determination of such claim or claims, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the case of claims over which the court has jurisdiction under section 1346 of title 28 of the United States Code.

(b) (1) The United States shall not be liable for any interest on any portion of any such claim for any period prior to the date on which such claim is filed with the Secretary of the Treasury or his delegate pursuant to this act.

(2) Nothing in this act shall be construed as an admission of liability on the part of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. WARREN D. COOPER AND HER SON, TEDDY DEVERE COOPER

The Clerk called the bill (H. R. 8008) for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1940 edition, title 5, secs. 765–770), the Department of Labor (Bureau of Employees' Compensation) is hereby authorized and directed to receive and consider, when filed the claim of Mrs. Warren D. Cooper, widow of Warren D. Cooper, and their son, Teddy Devere Cooper, age 11, for compensation under such act, within 6 months from the date of enactment of this act, on account of personal injuries alleged to have been sustained by Warren D. Cooper on September 23, 1934, while in the performance of his duty as a member of the Civilian Conservation Corps at Camp P–270, Orofino, Idaho; and the Bureau, after such consideration of such claim, shall determine and make findings of fact thereon and make such award, pursuant to said act of September 7, 1916, to Mrs. Warren D. Cooper and her son, Teddy Devere Cooper, as on the basis of such findings shall appear equitable.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That sections 15 through 20, inclusive, of the Federal Employees' Compensation Act, as amended (U. S. C., 1952 ed., title 5, secs. 765–770), and as made applicable to enrollees of the Civilian Conservation Corps, are hereby waived in favor of Mrs. Warren D. Cooper, as widow of Warren D. Cooper, and Teddy Devere Cooper, their minor child, and their claim for compensation for the death of said Warren D. Cooper on January 19, 1950, which is alleged to have resulted from personal injuries suffered by him on September 2, 1934, while in the performance of his duty as a member of the Civilian Conservation Corps at Camp P–270, Orofino, Idaho, is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended and extended to enrollees of the said Corps, if filed with the Department of Labor (Bureau of Employees' Compensation) within 6 months from the date of enactment of this act: *Provided*, That no benefits except medical expenses shall accrue prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KNOX CORP.

The Clerk called the bill (H. R. 8643) for the relief of the Knox Corp., of Thomson, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Knox Corp., Thomson, Ga., the sum of $7,809, in full payment of all claims of the said corporation again the United States for refund of commitment fees paid by the corporation to the Federal National Mortgage Association in 1954 in connection with the Booker T. Washington and Fairhaven Homes projects under section 213 of the National Housing Act. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

JOHN R. HENRY

The Clerk called the bill (H. R. 9371) for the relief of John R. Henry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be and he is hereby authorized and directed to credit the accounts of John R. Henry in the amount of $947.47. Such credit represents the improper rates of compensation paid to him, while employed at Wright Air Development Center, Wright-Patterson Air Force Base, Ohio; from October 25, 1951, through May 1955.

Sec. 2. That the Secretary of the Treasury be and he is hereby authorized and directed to pay out of any money in the Treasury, not otherwise appropriated, such sum that has been repaid by the said John R. Henry or deducted from his wages.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

RESIDENCE IN SAMOA FOR NATURALIZATION PURPOSES

The Clerk called the bill (H. R. 4031) to consider residence in American Samoa or the Trust Territory of the Pacific Islands by certain employees of the governments thereof, and their dependents, as residence in the United States for naturalization purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Arnis Pone and Andre Hagentornas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

Sec. 2. For the purposes of the Immigration and Nationality Act, Emma Meinikoff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 19, 1952.

Sec. 3. Residence and physical presence in American Samoa or the Trust Territory of the Pacific Islands by the following-named individuals shall be regarded as residence and physical presence in the United States and a State of the United States for the purpose of fulfilling the residence and physical presence requirements for naturalization prescribed by chapter 2 of title III of the Immigration and Nationality Act (66 Stat. 163, 239): Isle Dvorak, David Lehine, Lidia Lehine, Guy Lehine, Janis Pone, Valentina Pone, Arnis Pone, Alexander Hagentornas, Ludmilla Hagentornas, Elfryda Hagentornas, Andre Hagentornas, Eugene Meinikoff, Emma Meinikoff, Karl Rist, Nadeschda Rist, and Toivo Egon Rist: *Provided*, That each such individual continues to maintain the status of an alien lawfully admitted for permanent residence within the meaning of the act.

With the following committee amendments:

On page 1, beginning on line 4, after the word "act", strike out the remainder of line 4, all of lines 5, 6, 7, 8, and the words "Nationality Act", on line 9.

On page 2, line 3, strike out "Sec. 3" and substitute in lieu thereof "Sec. 2."

On page 2, line 10, strike out the name "Ilse Dvorak," and substitute in lieu thereof the name "Ilse Berta Susanne Michels."

On page 2, line 13, strike out the name "Andre Hagentornas."

On page 2, line 14, after the name "Eugene Melinkoff,", insert the word "and."

On page 2, lines 14 and 15, strike out ", Karl Rist, Nadeschda Rist, and Toivo Egon Rist."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MITSUKO A. HACHITA

The Clerk called the bill (H. R. 4137) for the relief of Mitsuko A. Hachita.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the Immigration and Nationality Act, Miss Mitsuko A. Hachita shall be held to be classifiable as a returning resident under the provisions of section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUDITH KAO

The Clerk called the bill (H. R. 5208) for the relief of Judith Kao.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Judith Kao shall be held to be classifiable as a nonimmigrant alien within the provisions of section 101 (a) (15) (F) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUMIKO FUJIKI KIRKPATRICK

The Clerk called the bill (H. R. 6742) for the relief of Rumiko Fujiki Kirkpatrick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rumiko Fujiki Kirkpatrick shall be held and considered to be a nonquota immigrant.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN RELATIVES OF UNITED STATES CITIZENS

The Clerk called the joint resolution (H. J. Res. 456) for the relief of certain relatives of United States citizens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, the aliens hereinafter named shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: Helene S. Banyai, Maisie K. Bartholomew, Liselotte H. Brahaney, Simone M. L. Bugayong, Mary C. Eslinger, Bernetta M. Facundo, Lottie M. Farwell, Joan Feeley, Pamela Fryman, Maria G. Hahner, Christiane B. Heath, Adelheid A. Hopson, Margaret A. Huffman, Jeanne Jackson, Steliani Janinis, Sydney A. Jensen, Doreen E. Leperi, Ethel I. Main, Giovanni Morvini, Betty M. Mulvany, Lavinia P. Parker, Marguerite J. Parks, Isobel M. Parrish, Jeanne J. L. Pennington, Pearl Petika, Antonia T. Pierce, Marie T. G. S. Piquette, Marcelle Sullivan, Lucienne S. Tappy, Antonietta Uhl, Jacqueline Walton, and Emilienne S. Yetter.

With the following committee amendments:

1. On page 2, lines 3 and 4, strike out the names "Helen S. Banyai, Maisie K. Bartholomew."

2. On page 2, lines 4 and 5, strike out the names "Simone M. L. Bugayong, Mary C. Eslinger, Bernetta M. Facundo."

3. On page 2, line 6, strike out the names "Jan Feeley, Pamela Fryman."

4. On page 2, lines 8 and 9, strike out the names "Steliani Janinis, Sydney A. Jensen, Doreen E. Leperi, Ethel I. Main, Giovanni Mervini."

5. On page 2, line 11, strike out the names "Isobel M. Parrish, Jeanne J. L. Pennington."

6. On page 2, line 14, strike out the word "and."

7. On page 2, line 14, after the name "Emilienne S. Yetter", change the period to a "comma" and add the following names:

Viviane Lucienne Therese Felicie Renee Vennin Carter, Tomye Kawase Macy, Anni Selley (nee Puchta), Takako Burba, Alice Halbrook, Maureen L. Filson, and Lucienne J. Seftel (nee Gachoud).

8. At the end of the bill, add a new section 2 to read as follows:

"Sec. 2. For the purposes of the Immigration and Nationality Act, Charles Masaki Macy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 1026) for the relief of Nihat Cengiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nihat Cengiz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following:

"The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Nihat Cengiz and Rudolf Fritz Liermann. From and after the date of the enactment of this act, the said Nihat Cengiz and Rudolf Fritz Liermann shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have been issued.

"Sec. 2. For the purposes of the Immigration and Nationality Act, John Soudas, Catherine Callimanopoulos, Mary Callimanopoulos, Guiseppi Castrogiovanni, Anna Castrogiovanni, Stefano Castrogiovanni, Pil Nyi Kwak, Albino Braiuca, Lilu Yuen Chuang, Lin Tsai, Kimiko Yamada Clark, Leopold Riedl, Bozena Riedl, Hisakazu Hozaki, and Georgina Feher shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"Sec. 3. For the purposes of the Immigration and Nationality Act, David Hayes, Nenita Santos, Elizabeth Santos, George Henry MacDonald (formerly Frederick William Arthur), and Catherine Toews shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees.

"Sec. 4. For the purposes of the Immigration and Nationality Act, Mary Parlich Goldstein shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended to read: "A bill for the relief of certain aliens."

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the bill (S. 1244) for the relief of Eva Gershbein Rubinstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (1) of section 212 (a) of the Immigration and Nationality Act, Eva Gershbein Rubinstein may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, notwithstanding the provision of section 212 (a) (1) of the Immigration and Nationality Act, Eva Gershbein Rubinstein and Lydia G. Dickerson may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 2. Notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Maximilien Beauvois may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 3. Not withstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Lina Diaz (formerly Lena Reeg) may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

"SEC. 4. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Katina R. Landrum and Renza Marsale Bartlett may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 5. Notwithstanding the provisions of section 212 (a) (17) and (19) of the Immigration and Nationality Act, Antonio Rubi Mendiola may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

"SEC. 6. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read:

A bill to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

A motion to reconsider was laid on the table.

TAKAKO IBA

The Clerk called the bill (S. 2327) for the relief of Takako Iba.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Takako Iba, the fiancee of Goddard Friel, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Takako Iba is coming to the United States with a bona fide intention of being married to the said Goddard Friel and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Takako Iba, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of said Takako Iba, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Takako Iba as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION IN THE CASE OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 76), amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the concurrent resolution (S. Con. Res. 67) favoring the suspension of deportation in the cases of certain aliens be, and it is hereby, amended by striking out "A–7250943, Tsou, Tang.", as shown on page 8, line 4, of the engrossed concurrent resolution.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN RELATIVES OF UNITED STATES CITIZENS

The Clerk called the joint resolution (H. J. Res. 611) for the relief of certain relatives of United States citizens.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, the aliens hereinafter named may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: Aleksander Belosonoks, Odette F. D. Bohlman, Alberto A. Checcaglini, Sofia Z. Collette, Kathleen Connor, Monique H. T. Constantino, Maria O. G. Correia, Joan M. B. Devaughn, Camillo Di Re, Margarethe S. Dyl, Ingeborg E. Felts, Giovanni Ferrari, Krista Fibranz, Ugo Giannatiempo, Yoshie K. Grant, Kathleen Green, Ellen R. Hansen, Margarete Inman, Lisa T. Johnson, Al S. Lane, Teresina I. B. Lenzi, Jean B. I. Levin'as, Jean B. Marie, Josephine D. Mayer, Reinhold H. Meric, Charlotte B. Migliorini, Anna G. S. Miller, Jane Moore, Fumiko Y. Peak, Carmela Piemontese, Gisela B. Ramirez, Mauro Simone, Maria K. Troll, and Mary J. M. Wai.

With the following committee amendments:

On page 2, line 2, after the word "act:", insert the name "Etsuko I. Ashley,".

On page 2, line 2, after the name "Belosonoks", insert the name "Hisae S. Blauvelt."

On page 2, line 5, after the name "Camillo Di Re", insert the names "Aiko Tanaka Dodge Sumiko A. Duncan."

On page 2, line 8, after the name "Lisa T. Johnson", insert the name "Katsuko K. Ketchum."

On page 2, line 12, after the name "Mauro Simone", insert the names "Mitsuko M. Spenard, Triantafyllos S. Triantafyllou."

On page 2, line 12, after the name "Maria K. Troll", insert the name "Antonio Villani."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ROY COWAN AND OTHERS

The Clerk called the bill (H. R. 11205) to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan, Dorothy Gessner, Norris Larson, L. A. Anderson, Albert and Evelyn Moen, Allan Overland and Reuben Overland, Reuben Overland, C. N. Barrett, as agent of certain landowners, Joseph Hartl, Annie Elsperger, John F. Elsperger, and Kathleen Elsperger, his wife, Robert M. Elsperger, Roman F. Elsperger, Bernard F. Lange, Roy A. Noltimier, Donald Noltimier and Agatha Noltimier, his wife, Henry Noltimier, Maude Wright Webster, Ewald Henke, Harry L. Overland and Bella Overland, John Magnuson, Roy G. Sylvester and Walter E. Sylvester, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by said persons arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak., as a result of the activities of the Fish and Wildlife Service in connection with the establishment and maintenance of a migratory wildlife refuge.

SEC. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claims may be instituted by the claimants within 1 year after the enactment of this act. Proceedings for the determination of such claims and review thereof, and payment of any judgments thereon shall be had as in the case of claims over which said court has jurisdiction under section 1491 of title 28 of the United States Code.

SEC. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN PUBLIC LANDS

The Clerk called the bill (H. R. 3350) to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall, as soon as practicable after the date of the enactment of this act, sell to W. E. Purdy and Zemma Purdy, of Roseville, Calif., approximately 18 acres of land, more particularly described in section 2 which was acquired by the United States from W. E. Purdy and Zemma Purdy as necessary for the Folsom Dam and Reservoir project and which is not being used for project purposes. W. E. Purdy and Zemma Purdy shall have the right to repurchase such real property at the price which they are paid therefor, reduced by such amount as the Secretary may deem appropriate if any improvements have been removed or other injury done to the property since its acquisition by him.

SEC. 2. That certain parcel of land located in the southeast quarter of the southeast quarter of section 11, township 10 north, range 7 east, Mount Diablo base and meridian, said southeast quarter of the southeast quarter also being known as lots 15 and 16, Rosedale Colony tract, as designated on a map filed March 27, 1903, in book "A" of maps at page 38 in the office of the recorder, Placer County, State of California; and in the northeast quarter of the northeast quarter of section 14, township 10 north, range 7 east, Mount Diablo base and meridian; more particularly described as follows: Beginning at the junction of the west right-of-way of the Relocated Folsom Auburn Road and the west line of the northeast quarter of the northeast quarter of section 14, thence north along said west line of the northeast quarter of the northeast quarter of section 14 to the north line of section 14; thence north along the west line of the southeast quarter of the southeast quarter of section 11 to the north line of said southeast quarter of the southeast quarter of section 11, thence east along said north line to its junction with the west right-of-way of the relocated Folsolm Auburn Road; thence southwesterly along the west right-of-way of said road to the point of beginning. Said west right-of-way being described as follows: Beginning at a point on the north line of lot 15 of Rosedale Colony tract which point bears north 1 degree 28 minutes 3 seconds west, 1,313.45 feet from the second corner common to sections 11, 12, 13, and 14 thence southerly on a curve to the right having a radius of 950.0 feet, 348.19 feet; thence south 42 degrees 29 minutes 27 seconds west, 766.52 feet, thence south 58 degrees 56 minutes 29 seconds east, 814.77 feet, thence southwesterly 900.15 feet along a curve to the left having a radius of 2,050 feet; containing 18 acres, more or less.

With the following committee amendments:

Page 1, strike all of line 5.

Page 2, line 2, strike out remainder of line 2 after "Purdy" and all of lines 3 to 6, inclusive and insert the following: "shall have the right of first preference to purchase such real property at the full current appraised value as determined by the Secretary of the Army."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF PUBLIC LANDS NOT USED FOR PURPOSE ACQUIRED

The Clerk called the bill (H. R. 3351) to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of [illegible] Interior shall, as soon as practicable after the date of the enactment of this act, sell to Elvie Briggs, of Folsom, Calif., approximately 47 acres of land, more particularly described in section 2, which was acquired by the United States from Elvie Briggs as necessary for the Folsom Dam and Reservoir project and which is not being used for project purposes. Elvie Briggs shall have the right to repurchase such real property at the price which she was paid therefor, reduced by such amount as the Secretary may deem appropriate if any improvements have been removed or other injury done to the property since its acquisition by him.

SEC. 2. Commencing at a fence corner marking the southeast corner of the north half of the northwest quarter of section 28, township 10 north, range 8 east, Mount Diablo base and meridian running thence north 1 degree 4½ minutes west 1,983.9 feet to a point in the center of a county road (Green Valley-Placerville Road), thence following the center line of the said county road to a point of the easterly boundary line of that certain right-of-way granted by Natomas Company of California, a corporation, to McComber Estate Co., a corporation, described in that certain deed dated the 5th day of November A. D. 1917, and recorded in the office of the county recorder of the said county of Sacramento on the 29th day of March A. D. 1917, in book 482 of deeds, page 332, thence following the easterly boundary line of the said right-of-way south 4 degrees 25 minutes west 1,620.0 feet to a point in the southerly boundary line of the north half of the northwest quarter of said section 28 north, 89 degrees 34½ minutes east 1,258.0 feet to the point of commencement; being a portion of the northwest quarter of said section 28 and a portion of the southwest quarter of said section 21 and containing 47 acres, more or less, lying in the counties of Sacramento and El Dorado, State of California.

With the following committee amendments:

Page 1, lines 4 and 5, strike the words "to Elvie Briggs, of Folsom, California."

Page 1, line 10, strike the words "to repurchase" and insert the words "of first preference to purchase."

Page 2, strike all of lines 1 to 4, inclusive, and insert the words "full current appraised value as determined by the Secretary of the Army."

Page 3, line 4, change the period to a comma and add the following language: "excepting therefrom the following: (1) all that portion of land located in the west half northeast quarter northwest quarter of section 28, township 10 north, range 8 east, Mount Diablo base and meridian, all within the county of El Dorado, State of California, and more particularly described as follows: Beginning at a point from which the quarter corner common to sections 21 and 28, township 10 north, range 8 east, Mount Diablo base and meridian, bears north 65 degrees 22 minutes east, 1,250.9 feet to said quarter corner being a standard General Land Office brass capped monument, thence from said point of beginning north 89 degrees 26 minutes east 330.0 feet, thence south 0 degrees 34 minutes east 660.0 feet, thence south 89 degrees 26 minutes west 330.0 feet, thence north 0 degrees 34 minutes west 660 feet, more or less, to the point of beginning, containing 5.0 acres. All four corners of the above-described parcels are monumented with one and one-fourth inch capped iron pieces; and (2) that portion of the following described easement for an access road that may be located within the property conveyed by Elvie Briggs to the United States of America by deed dated December 22, 1948, recorded in book 1610 at page 73 of the official records of Sacramento County and in book 262 at page 467 of the official records of El Dorado County, Calif.

"A perpetual easement for the operation and maintenance of an access road 50 feet wide described as follows: Beginning at a point monumented with a one and one-fourth inch capped iron pipe from which the quarter corner common to sections 21 and 28, township 10 north, range 8 east, Mount Diablo base and meridian, bears north 65 degrees 22 minutes east, 1,251.9 feet, thence from said point of beginning north 45 degrees 34 minutes west 8.00 feet to the beginning of a curve to the right having a radius of 25.00 feet, thence along said curve to the right of 18.33 feet to the end of curve, thence north 3 degrees 34 minutes west 173.16 feet to the beginning of a curve to the right having a radius of 200.00 feet, thence along said curve to the right 31.42 feet to the end of the curve, thence north 5 degrees 26 minutes east 446.46 feet to the beginning of a curve to the left having a radius of 200.00 feet, thence along said curve to the left 59.34 feet to the end of curve, thence north 11 degrees 34 minutes west 35 feet, more or less, to the southerly right-of-way line of that certain county road known as the Green Valley Road."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OAK HILL CEMETERY, DISTRICT OF COLUMBIA

The Clerk called the bill (H. R. 10374) to amend the act to incorporate the Oak Hill Cemetery, in the District of Columbia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 3, 1849, to incorporate the Oak Hill Cemetery, in the District of Columbia (9 Stat. 773, ch. 128) be amended by adding at the end thereof the following new section:

"SEC. 11. Notwithstanding the provisions of section 10 or any other provisions of this act, the board of managers is hereby granted authority to alienate, transfer, sell, or otherwise dispose of any real property owned by the Oak Hill Cemetery Co. which has not been set aside or used for burial or interment purposes and which is separated from the ground set aside and used for burial purposes by a public street. Any ground transferred or sold under authority of this section shall be free from any restrictions under this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. IDA BIFOLCHINI BOSCHETTI

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1016) for the relief of Mrs. Ida Bifolchini Boschetti, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 2, strike out "in excess of 10 per centum thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MAJOR ROBERT D. LAUER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2284) for the relief of Maj. Robert D. Lauer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MAJOR ORIN A. FAYLE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2904) for the relief of Maj. Orin A. Fayle, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COMDR. GEORGE B. GREER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3268) for the relief of Comdr. George B. Greer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 12, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

KINGAN, INC.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3964) for the relief of Kingan, Inc., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 8 and 9, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JAMES C. HAYES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4026) for the relief of James C. Hayes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 6 and 7, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

KAHZO L. HARRIS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4162) for the relief of Kahzo L. Harris, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER for tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JAMES M. WILSON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4640) for the relief of James M. Wilson, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LT. P. B. SAMPSON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6184) for the relief of Lt. P. B. Sampson, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 3 and 4, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARY J. McDOUGALL

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3366) for the relief of Mary J. McDougall, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, after "McDougall", insert: "of Napakiak, Alaska."

Page 1, line 8, after "quarters", insert: "at Napakiak, Alaska."

Page 1, line 10, strike out "in excess of 10 per centum thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ANNUITIES FOR WIDOWS AND DEPENDENT CHILDREN OF FEDERAL JUDGES

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 51]

Allen, Calif.
Allen, Ill.
Anfuso
Ashley
Barden
Barrett
Bass, N. H.
Bell
Bentley
Berry
Bolton, Oliver P.
Bosch
Bowler
Brownson
Buckley
Budge
Byrd
Byrne, Pa.
Carlyle
Chatham
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Crumpacker
Curtis, Mo.
Davidson
Dawson, Ill.
Deane
Delaney
Derounian
Diggs
Dingell
Dodd
Dollinger
Dolliver
Donovan
Dorn, N. Y.
Doyle
Durham
Eberharter
Elliott
Engle
Fascell
Fino
Fjare
Flynt
Frelinghuysen
Fulton
Gamble
Garmatz
Gathings
Granahan
Green, Pa.
Gregory
Griffiths
Gubser
Gwinn
Haley
Hand
Hays, Ohio
Hayworth
Healey
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Holt
Holtzman
Hyde
Johnson, Calif.
Kearns
Kelly, N. Y.
Keogh
King, Calif.
King, Pa.
Klein
Landrum
Lane
Latham
McCarthy
McConnell
McDowell
McGregor
Macdonald
Machrowicz
Mack, Wash.
Mailliard
Mason
Meader
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Moulder
Mumma
Nelson
O'Hara, Minn.
O'Neill
Osmers
Passman
Patman
Perkins
Philbin
Phillips
Pillion
Powell
Prouty
Reece, Tenn.
Riehlman
Riley
Roberts
Roosevelt
St. George
Scott
Scudder
Seely-Brown
Selden
Sheehan
Sheppard
Shuford
Steed
Taylor
Thompson, La.
Thompson, Mich.
Thornberry
Velde
Vorys
Watts
Westland
Wickersham
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Winstead
Wright
Yates
Zelenko

The SPEAKER pro tempore. On this rollcall 291 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNUITIES FOR WIDOWS AND DEPENDENT CHILDREN OF FEDERAL JUDGES

The SPEAKER pro tempore. The gentleman from New York [Mr. CELLER] moves to suspend the rules and pass the bill H. R. 11124.

The Clerk read as follows:

Be it enacted, etc., That (a) item 375 in the analysis of chapter 17 of title 28, United States Code, immediately preceding section 371 is amended and a new item 376 is inserted immediately thereunder, to read as follows:

"375. Annuities to widows of justices.

"376. Annuities to widows and surviving dependent children of judges."

(b) The catchline to section 375 of title 28, United States Code, is amended to read as follows:

"§ 375. Annuities to widows of justices"

SEC. 2. Chapter 17 of title 28, United States Code, is amended by inserting at the end thereof, immediately following section 375, a new section reading as follows:

§ 376. Annuities to widows and surviving dependent children of judges

"(a) Any judge of the United States may by written election filed with the Director of the Administrative Office of the United States courts within 6 months after the date on which he takes office (or within 6 months after the enactment of this section) bring himself within the purview of this section.

"(b) There shall be deducted and withheld from the salary of each judge electing to bring himself within the purview of this section a sum equal to 1½ percentum of such judge's salary, including salary paid after retirement from regular active service under section 371 (b) or 372 (a) of this title or after retirement from office by resignation on salary under section 371 (a) of this title. The amounts so deducted and withheld from the salary of each such judge shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the 'judicial survivors annuity fund' and said fund is appropriated for the payment of annuities, refunds and allowances as provided by this section. Every judge who elects to bring himself within the purview of this section shall be deemed thereby to consent and agree to the deductions from his salary as provided in this subsection, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all judicial services rendered by such judge during the period covered by such payment, except the right to the benefits to which he or his survivors shall be entitled under the provisions of this section.

"(c) Each judge who has elected to bring himself within the purview of this section shall deposit, with interest at 4 percentum per annum to December 31, 1947, and 3 percentum per annum thereafter, compounded on December 31 of each year, to the credit of the judicial survivors annuity fund created by this section a sum equal to 1½ percentum of his salary received for service as a judge of the United States (including salary received after retirement from regular active service under section 371 (b) or 372 (a) of this title and salary received after retirement from office by resignation on salary under section 371 (a) of this title), and of his basic salary, pay, or compensation for service as a Senator, Representative, delegate, or Resident Commissioner in Congress, and for any other civilian service within the purview of section 707 of title 5. Such interest shall not be required for any period during which the judge was separated from all such service and was not receiving salary under section 371 (a) or 373 of this title. Each judge may elect to make such deposits in installments during the continuance of his judicial service in such amounts and under such conditions as may be determined in each instance by the Director of the Administrative Office of the United States Courts. Notwithstanding the failure of a judge to make such deposit, credit shall be allowed for the service rendered, but the annuity of the widow of such judge shall be reduced by an amount equal to 10 per centum of the amount of such deposit, computed as of the date of the death of such judge, unless such widow shall elect to eliminate such service entirely from credit under subsection (o) of this section: *Provided*, That no deposit shall be required from a judge for any service rendered prior to August 1, 1920, or for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

"(d) The Secretary of the Treasury shall invest from time to time, in interest bearing securities of the United States or Federal farm loan bonds, such portions of the judicial survivors annuity fund as in his judgment may not be immediately required for the payment of annuities refunds and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and of carrying out the provisions of subsections (f), (g), (i) and (j) of this section.

"(e) The amount deposited by or deducted and withheld from the salary of each judge electing to bring himself within the purview of this section for credit to the judicial survivors annuity fund created by this section covering service from and after August 1, 1920, shall be credited to an individual account of such judge.

"(f) If any judge who has elected to bring himself within the purview of this section resigns from office otherwise than on salary under section 371 (a) of this title, the amount credited to his individual account, together with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of this relinquishment of office, shall be returned to him.

"(g) In case any judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title) or after retirement from office by resignation on salary under section 371 (a) of this title, after having rendered at least 5 years of civilian service computed as prescribed in subsection (o) of this section—

"(1) if such judge is survived by a widow but not by a dependent child, there shall be paid to such widow an annuity beginning with the day of the death of the judge or following the widow's attainment of the age of 50 years, whichever is the later, in an amount computed as provided in subsection (n) of this section; or

"(2) if such judge is survived by a widow and a dependent child or children, there shall be paid to such widow an immediate annuity in an amount computed as provided in subsection (n) of this section, and there shall also be paid to or on behalf of each such child an immediate annuity equal to one-half the amount of the annuity of such widow, but not to exceed $900 per year divided by the number of such children or $360 per year, whichever is lesser; or

"(3) if such judge leaves no surviving widow or widower but leaves a surviving dependent child or children, there shall be paid to or on behalf of each such child an immediate annuity equal to the amount of the annuity to which such widow would have been entitled under paragraph (2) of this subsection had she survived, but not to exceed $1,200 per year divided by the number of such children or $480 per year, whichever is lesser.

"The annuity payable to a widow under this subsection shall be terminable upon her death or remarriage. The annuity payable to a child under this subsection shall be terminable upon (A) his attaining the age of 18 years, (B) his marriage, or (C) his death, whichever first occurs, except that if such child is incapable of self-support by reason of mental or physical disability his annuity shall be terminable only upon death, marriage, or recovery from such disability. In case of the death of a widow of a judge leaving a dependent child or children of the judge surviving her, the annuity of such child or children shall be recomputed and paid as provided in paragraph (3) of this subsection. In any case in which the annuity of a dependent child, under this subsection, is terminated, the annuities of any remaining dependent child or children, based upon the service of the same judge, shall be recomputed and paid as though the child whose annuity was so terminated had not survived such judge.

"(h) As used in this section—

"(1) The term 'widow' means a surviving wife of an individual, who either (A) shall have been married to such individual for at least 2 years immediately preceding his death, or (B) is the mother of issue by such marriage, and who has not remarried.

"(2) The term 'dependent child' means an unmarried child, including a dependent stepchild or an adopted child, who is under the age of 18 years or who because of physical or mental disability is incapable of self support.

"Questions of dependency and disability arising under this section shall be determined by the Director of the Administrative Office of the United States Courts subject to review only by the Judicial Conference of the United States the decision of which shall be final and conclusive. The Director may order or direct at any time such medical or other examinations as he shall deem necessary to determine the facts relative to the nature and degree of disability of any dependent child who is an annuitant or applicant for annuity under this section, and may suspend or deny any such annuity for failure to submit to any such examination.

"(i) In any case in which (1) a judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title) or after retirement from office by resignation on salary under section 371 (a) of this title, before having rendered 5 years of civilian service computed as prescribed in subsection (o) of this section, or after having rendered 5 years of such civilian service but without a survivor or survivors entitled to annuity benefits provided by subsection (g) of this section, or (2) the right of all persons entitled to annuity under subsection (g) of this section based on the service of such judge shall terminate before a valid claim therefor shall have been established, the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"First, to the beneficiary or beneficiaries whom the judge may have designated by a writing received by the Administrative Office of the United States Courts prior to his death;

"Second, if there be no such beneficiary, to the widow of such judge;

"Third, if none of the above, to the child or children of such judge and the descendants of any deceased children by representation;

"Fourth, if none of the above, to the parents of such judge or the survivor of them;

"Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such judge;

"Sixth, if none of the above, to such other next of kin of such judge as may be determined by the Director of the Administrative Office of the United States Courts to be entitled under the laws of the domicile of such judge at the time of his death.

"Determination as to the widow or child of a judge for the purposes of this subsection shall be made by the Director of the Administrative Office of the United States Courts without regard to the definition of these terms stated in subsection (h) of this section.

"(j) In any case in which the annuities of all persons entitled to annuity based upon the service of a judge shall terminate before the aggregate amount of annuity paid equals the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, the difference shall be paid, upon establishment of a valid claim therefor, in the order of precedence prescribed in subsection (i) of this section.

"(k) Any accrued annuity remaining unpaid upon the termination (other than by death) of the annuity of any person based upon the service of a judge shall be paid to such person. Any accrued annuity remaining unpaid upon the death of any person receiving annuity based upon the service of a judge shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"First, to the duly appointed executor or administrator of the estate of such person;

"Second, if there is no such executor or administrator, payment may be made, after the expiration of 30 days from the date of the death of such person, to such individual or individuals as may appear in the judgment of the Director of the Administrative Office of the United States Courts to be legally entitled thereto, and such payment shall be a bar to recover by any other individual.

"(l) Where any payment under this section is to be made to a minor, or to a person mentally incompetent or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate. Where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, the Director of the Administrative Office of the United States Courts shall determine the person who is otherwise legally vested with the care of the claimant or his estate.

"(m) Annuities granted under the terms of this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"(n) The annuity of the widow of a judge who has elected to bring himself within the purview of this section shall be an amount equal to the sum of (1) 1¼ percent of the average annual salary received by such judge for judicial service and any other prior allowable service during the last 5 years of such service prior to his death, or retirement from office by resignation on salary under section 371 (a) of this title, multiplied by the sum of his years of judicial service, his years of prior allowable service as a Senator, Representative, Delegate or Resident Commissioner in Congress, his years of prior allowable service performed as a member of the Armed Forces of the United States, and his years, not exceeding 15, of prior allowable service performed as an employee described in section 698 (g) of title 5, and (2) three-fourts of 1 percent of such average annual salary multiplied by his years of any other prior allowable service, but such annuity shall not exceed 37½ percent of such average annual salary and shall be further reduced in accordance with subsection (c) of this section, if applicable.

"(o) Subject to the provisions of subsection (c) of this section, the years of service of a judge which are allowable as the basis for calculating the amount of the annuity of his widow shall include his years of service as a judge of the United States (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title), his years of service as a Senator, Representative, Delegate or Resident Commissioner in Congress, his years of active service as a member of the Armed Forces of the United States not exceeding 5 years in the aggregate and not including any such service for which credit is allowed for the purposes of retirement or retired pay under any other provision of law, and his years of any other civilian service within the purview of section 707 of title 5.

"(p) Nothing contained in this section shall be construed to prevent a widow eligible therefor from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity service used in the computation of her annuity under this section shall not be credited.

"(q) The judges of the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands and judges of the United States, as defined in section 451 of this title, who are entitled to hold office only for a term of years shall be deemed judges of the United States for the purposes of this section and shall be entitled to bring themselves within the purview of this section by filing an election as provided in subsection (a) of this section within the time therein specified. In the case of such judges the phrase 'retirement from office by resignation on salary under section 371 (a) of this title' as used in subsections (b), (c), (g), (i), and (n) of this section shall mean 'retirement from office by resignation on salary under section 373 of this title or by removal or failure of reappointment after not less than 10 years' judicial service,' and the phrase 'resigns from office otherwise than on salary under section 371 (a) of this title' as used in subsection (f) of this section shall mean 'resigns from office otherwise than on salary under section 373 of this title or is removed or fails of reappointment after less than 10 years' judicial service'."

Sec. 3. Paragraph (7) of subsection (a) of section 604 of title 28, United States Code, is amended to read as follows:

"(7) Regulate and pay annuities to widows and surviving dependent children of judges and necessary travel and subsistence expenses incurred by judges, court officers and employees, and officers and employees of the Administrative Office, while absent from their official stations on official business."

Sec. 4. The first paragraph of section 605 of title 28, United States Code, is amended to read as follows:

"The director, under the supervision of the Judicial Conference of the United States, shall submit to the Bureau of the Budget annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the courts and the Administrative Office and the operation of the judicial survivors annuity fund, and such supplemental and deficiency estimates as may be required from time to time for the same purposes, according to law. The Director shall cause periodic examinations of the judicial survivors annuity fund to be made by an actuary, who may be an actuary employed by another department of the Government temporarily assigned for the purpose, and whose findings and recommendations shall be transmitted by the Director to the Judicial Conference."

Sec. 5. Funds necessary to carry out the provisions of this act may be appropriated out of any money in the Treasury not otherwise appropriated.

Sec. 6. A judge who resigned prior to the date of enactment of this act and who on that date is receiving salary under section 371 (a) of title 28, United States Code, or who resigned, was removed or failed of reappointment prior to the date of enactment of this act and who on that date is receiving salary under section 373 of title 28, United States Code, shall be considered a judge within the meaning of section 376 of title 28, United States Code, as added by section 2 of this act, and as such shall be entitled within 6 months after the date of enactment of this act to make the election authorized by and to receive the benefits of that section. A judge who retired from regular active service under section 260 of the Judicial Code of 1911 or the act of August 5, 1939, chapter 433, and who is living on the date of enactment of this act shall be deemed for the purposes of this act to have retired from regular active service under section 371 (b) or 372 (a), as the case may be, of title 28, United States Code.

Sec. 7. In the case of a living widow of a judge of the United States as defined in section 451 of title 28, United States Code, who died prior to the date of enactment of this act, an annuity shall be paid as provided in section 376 of title 28, United States Code, as added by section 2 of this act, as if such judge had died on such date and had elected to bring himself within the purview of such section 376, but had not made the deposit provided for by subsection (c) of the said section: *Provided*, (a) That such widow has not remarried; and (b) that the amount of such annuity and the reduction therein because of such deposit not having been made shall be computed on the basis of the actual length of judicial and other allowable service of such judge: *And provided further*, That notwithstanding the provisions of subsection (g) of such section 376 such annuity shall be payable even though such judge had not rendered 5 years of civilian service prior to his death. In the case of a judge of the United States as defined in section 451 of title 28, United States Code, who dies within 6 months after the date of enactment of this act after having rendered at least 5 years of civilian service computed as prescribed in subsection (o) of section 376 of title 28, United States Code, as added by section 2 of this act, but without having made an election as provided in such section 376 to bring himself within the purview of that section, an annuity shall be paid to his widow and surviving dependent children as provided in such section 376 as if such judge had elected on the day of his death to bring himself within the purview of such section 376 but had not made the deposit provided for by subsection (c) of the said section.

The SPEAKER pro tempore. Is a second demanded?

Mr. KEATING. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Under the rules of the House is not a Member who is opposed to the bill given preference in a demand for a second?

The SPEAKER pro tempore. Is the gentleman from New York opposed to the bill?

Mr. KEATING. I am not, Mr. Speaker.

The SPEAKER pro tempore. Is the gentleman from Iowa opposed to the bill?

Mr. GROSS. Mr. Speaker, I am opposed to the bill and I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, H. R. 11124 provides for the payment of annuities to widows and dependents of Federal judges. I wish to state at the outset that the bill applies to the following Federal judges: United States district judges, judges of the United States Court of Appeals, judges of the Court of Customs and Patent Appeals, judges of the Court of Claims, judges of the Customs Court, and Federal judges of the Territories.

Mr. Speaker, I have just enumerated the judges whose widows and dependent children would be eligible under the bill. The bill does not apply to the Justices of the Supreme Court, the judges of the Court of Military Appeals, or the judges of the Tax Court. The judges of those courts have their own system which has been established for some time.

I want to emphasize that the system is optional, not compulsory. A judge is not compelled to join the system for the benefit of his widow and dependent children.

I want to emphasize also that the judges pay substantially toward the expenses of the operation of this annuity system. The judges are not the beneficiaries directly, only the widows and the children surviving the judges are the beneficiaries.

This bill has the approval of the American Bar Association and the Department of Justice. It was recommended by the Commission on Judicial and Congressional Salaries, which Commission was appointed by this Congress in 1953. The bill has the recommendation of the judicial conference.

Contributions by the judges to the system are at the rate of 1.5 percent of the annual salary of the judges, and the 1.5 percent is deducted. That is similar to the situation that appertains to our own retirement system.

Congress has now provided for the retirement of a majority of public servants under the Civil Service Retirement System and for most of the remainder under other plans—for example, those in the armed services, Tennessee Valley Authority, Foreign Service, Public Health Service, the Federal judiciary, the judges of the Tax Court, and Canal Zone employees.

Congress has also quite properly provided a retirement system for its own Members and for the survivor annuities for widows and dependent children of our membership.

Retirement and survivor benefits are also in existence under the social-security legislation covering private industry generally and under the railroad retirement plan for railroad employees. In addition to social security and railroad retirement, many industries have supplementary retirement plans to guarantee the plans.

The Constitution, in order to insure an independent judiciary, provides tenure for life for judges during good behavior. Thus, a judge does not get a pension because he gets compensation for the duration of his life. But compensation terminates with death. There are, at present, no annuities for the dear ones of the judges, as is the case with all other Government employees.

Even upon retirement from active service it has been found difficult for those retiring judges to augment their salaries. Retirement is usually at 70 or 65 after 15 years of service. A judge then is too old to establish any appreciable earning capacity or to make new worthwhile contacts so that he can adequately provide for his dear ones. Also, so-called "retirement" at 70 is a misnomer because the judge still remains in commission and may be assigned judicial duties in his circuit. He cannot practice law. Other Federal officials may retire in their early 60's, freed from official duties and under no occupational restrictions.

The bill now before us is to be administered by the Administrator of the Courts. All eligible United States judges may, within 6 months after taking office, and present existing judges 6 months after enactment, elect to come under the system.

This proposed legislation provides substantially the same protection to widows and surviving dependent children of Federal judges as is now available for widows and children of Members of Congress. These benefits would be computed on substantially the same basis as those now payable to the survivors of a Member of Congress who dies in office. Thus the widow's annuity would be a sum equal to 1¼ percent of the judge's average basic salary multiplied by his years of service, but limited to a maximum of 37.5 percent of such salary.

Likewise, the surviving children would receive benefits computed on the same basis as now under the congressional system.

The bill, as I indicated before, does not provide retirement annuities for the judges themselves but only for their survivors. The contribution rate for these survivors' benefits, as stated, is 1.5 percent annually of the judge's salary. This is a proper and equitable charge. Actuarially, studies show that the cost of survivor benefits under the Civil Service Retirement Act is less than 20 percent of the total cost of the program. The 1½ percent rate for the survivor benefit system for judges is 25 percent of the rate paid by Members of Congress both for retirement and survivor benefits.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. COLMER. I want to ask the gentleman why this bill, which seems to be very broad and quite comprehensive, setting a new precedent, is taken up under suspension of the rules rather than following the usual procedure. Frankly, I do not know whether I am for or against the bill. I have never seen it nor heard of it before this time. But just glancing at it, it seems that it does set a new precedent and that we are legislating in a new field and undoubtedly, it is going to cost the Treasury a great deal of money.

Mr. CELLER. No; I must interrupt the gentleman by saying it will not cost the Treasury a great deal of money. There will be some deficit, but it will be comparatively small. The judges, as I indicated, mainly pay the freight. They pay 1½ percent out of their salaries each year and the cost will not be much beyond that. Furthermore, it is not establishing a new precedent. We are not hewing out new paths. We have established retirement and annuity benefits for any number of Federal employees. I mentioned quite a number of sets of employees where we had done exactly that.

Mr. COLMER. Is that true of the wives and children of the Members of Congress? Are wives and children of Members of Congress similarly provided for?

Mr. CELLER. Yes, sir, it is true. The pending bill provides for widows and children of the judges. That is the purpose of this bill. I wonder whether I understand the gentleman correctly?

Mr. COLMER. I ask if the widows or wives and children of Members of Congress are provided for?

Mr. CELLER. Yes; they are in previous acts. Not in this bill. We have passed legislation heretofore to provide for annuities to widows and children. You pay 6 percent of your salary for that purpose.

Mr. COLMER. You are talking of an indirect provision.

Mr. CELLER. No, it is direct. You pay 6 percent to cover your own retirement plus annuities for your surviving widow and children.

Mr. COLMER. I must confess to the gentleman that if that is the law, I did not know it.

Mr. CELLER. Yes, that is the law.

Mr. COLMER. My understanding of the law is that I, as a Member of Congress, have the right to have my annuity go to my widow, if I see fit.

Mr. CELLER. That is correct, or to your children if you wish.

Mr. COLMER. I did not know that. That is a matter of choice, in other words.

Mr. CELLER. That is right.

Mr. COLMER. That is a matter of choice when I pay the 6 percent, but here you make a direct provision for them; do you not?

Mr. CELLER. We make a direct provision not for the judges' retirement, but we make direct provision here for the annuity for his dependents.

Mr. COLMER. That is what I am talking about.

Mr. CELLER. That is correct.

Mr. COLMER. As I indicated a moment ago I do not know whether I would favor or oppose the bill. At this time I am merely protesting the method of consideration of the proposal. There is no emergency here. The bill should be considered under the regular procedure—with a rule and ample debate, with opportunity for amendment.

Mr. KEATING. Mr. Speaker, will the gentleman yield? I believe I may be able to clear up the gentleman's point on that.

Mr. CELLER. I yield to the gentleman from New York.

Mr. COLMER. I wanted to complete my inquiry, but I am glad to defer to the gentleman.

Mr. KEATING. I wish to reply to the gentleman, if I am able to, because this is the same question that has been raised by several members on this committee. We in the Congress pay 6 percent, which covers retirement for ourselves after a certain age and also covers benefits for our widows or dependent children. Under this bill the judges pay 1½ percent, which covers only the benefits for widows and dependent children. We are told by the actuaries that the actual cost of that 6 percent which we pay, which is properly allocable to the annuities for widows and dependent children, is about 20 percent. Therefore, of the 6 percent which we pay, 1.2 percent is for that same type of benefit. The judges are going to pay for that same benefit, as I understand it.

Mr. CELLER. As far as the annuities for dependents of the judges are concerned, they will pay a little more than we pay for the same benefits.

Mr. KEATING. That is correct, as I understand it.

Mr. COLMER. I am not familiar with the legislation, and I have not had an opportunity to study it. I just do not think that a matter of this moment ought to be considered under suspension of the rules.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WILLIAMS of Mississippi. How much do the judges themselves pay in order to defray the expense of their own annuities?

Mr. CELLER. Now there are no annuities so they pay nothing. Since they are paid for life, and the Constitution provides for that—tenure for life—there is really no retirement for them as Members of Congress have.

Mr. WILLIAMS of Mississippi. They are paid full salary for life, so this retirement program in that respect differs from the congressional retirement, in that the benefits received by a Member of Congress are on a graduated basis, depending on the number of years that he serves, and, further, upon the retirement of a Member of Congress if he elects to bring his wife and dependents under the program he must receive a reduced annuity. So I cannot see any comparison at all between the two programs. It looks to me like a gravy train for the judiciary.

Mr. CELLER. Well, I admit the judges have an advantage, but what shall we do? Do nothing for their survivors—their widows and children? That would not be fair, because, after all, in all other phases of Federal service we do provide for widows and dependents of the deceased Federal employees? So if we do not pass this bill we leave the judges' survivors in the lurch, so to speak.

The SPEAKER pro tempore. The gentleman from New York has consumed 15 minutes.

Mr. WILLIAMS of Mississippi. I am not opposed to setting up some type of retirement program. This may or may not be a good one, I do not know, but I have the same question as my colleague from Mississippi [Mr. Colmer]. I wonder why this was not brought up under a rule so that we could have an opportunity to discuss it.

Mr. CELLER. The full committee unanimously approved this bill, and the subcommittee before that. I took it up with the Speaker and the Speaker was agreeable to bringing it up under suspension. We felt there would be no opposition to it, and I understand the same situation prevails on the other side. In the interest of timesaving we decided to bring it up this way.

The contribution made by the judges, namely 1½ percent of annual salary, to cover cost of the system is really more than we Members of Congress pay for the protection of our widows and dependents. Our contribution for survivor benefits is about 1.2 percent out of the 6 percent we pay in total. The judges will pay 1.5 percent.

Also contributions are required to be paid by retired judges out of their retirement salaries until death. Moreover, in order that judicial service before election to come under the program may be credited, either deposit must be made by the judge for such service (with interest), or the annuity is reduced by 10 percent of the unpaid deposit. This last provision is the same as is followed in regard to Members of Congress.

Judges presently retired and receiving salary may also elect to come under the program. Further, each living widow of a judge deceased before the passage of the act would receive an annuity computed as if he had died on the enactment date and had elected to come under the system. The annuity would be computed on the actual length of the judge's service and would be reduced by 10 percent of the unpaid contributions. Similar provision is made for widows of judges who die within 6 months after passage of the act without having filed an election to come under the program. No annuity would be payable to the widow of a judge whose total allowable service was less than 5 years, nor to any widow who had been married to the judge for less than 2 years unless she was the mother of his child.

The bill departs from the congressional survivor system in only four respects. First, the annuity is based on the average basic salary for the last 5 years of service instead of the average since August 2, 1946. Second, service as a Member of Congress is to be included in addition to judicial, military, and prior civilian service. Third, the contribution rate is, for the reasons indicated previously, 1½ percent of salary instead of the 6 percent currently paid by Members of Congress. Fourth, all living widows of deceased judges are to be included, whereas the congressional system was retroactive only in respect to Members who died after November 3, 1952.

As indicated previously, the proposed judicial contribution of 1½ percent is appropriate, as compared with the 6 percent paid by Members of Congress, in view of the fact that it is intended to provide for survivors' benefits only and not for retirement benefits also, as does the congressional system.

When the congressional system was amended to provide for survivor annuities, March 6, 1954, benefits were provided for widows of Members who died after November 3, 1952.

Thus we recognized the principle of aiding widows, made widows as such prior to the enactment of legislation. The provision, designed to cover the past service of those coming into the system for the first time, is thus extended to the living widows of those deceased judges, numbering 120, for whom no previous provision has been made. It is argued these widows should not be penalized because a survivor benefit system for judges was not established sooner. Congress has provided $5,000 annuities for living widows of Justices of the Supreme Court by Public Law 702, 83d Congress. Similar provision has been made in the past by private acts and then by public law for widows of Presidents. Remember, too, widows of those dying before the enactment date of the Supreme Court legislation were made eligible for benefits, while no contributions were made. The bill would make modest provision for the living widows of other deceased Federal judges. The annual annuity would be only about $2,500 a year, or only about 10 percent of the salary of current judges and only half of the pensions for widows of Supreme Court Justices and Presidents.

In the first full year of operation, the total benefit payments to widows and the relatively few orphans who may be eligible are estimated at about $280,000. This cost will gradually rise over the years—to roughly $400,000 5 years from now, $700,000 a year 15 years from now, and an ultimate level of about $850,000 a year 25 years from now—based on the present number of judicial positions and salary rates. This increase is due in part to a large number of eligible widows and in part to larger average payments—based on higher current salary rates and the lengthening period of contributions by judges. Approximately 380 judges, including retired and resigned judges, will be eligible to participate in the system. It seems likely that about 340 such judges will actually elect to be covered and, accordingly, their contributions will amount to about $120,000 a year. Thus, in the first year, the cost to the general Treasury will be about $160,000.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. Gross] is recognized.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

I think, as does the gentleman from Mississippi, that this bill is in the nature of a gravy train for the Federal judiciary. I should like to ask the gentleman from New York [Mr. Celler]: What are the present salaries of Federal judges?

Mr. CELLER. District judges receive $22,500; court of appeals judges, $27,500. Does the gentleman want all of the others?

Mr. GROSS. I think that is sufficient. District judges receive $22,500; court of appeals judges $27,500; yet there is no deduction whatever, not one thin dime, from their salaries for a pension fund. That is correct, is it not?

Mr. CELLER. There is no pension fund.

Mr. GROSS. Nor is there any deduction of any nature from their salaries?

Mr. CELLER. No; because there is no pension fund. They get their salaries for life.

Mr. GROSS. That is exactly right; they get their salaries for life, yet the gentleman is trying to compare the Federal judiciary with Members of Congress.

Mr. CELLER. Only as to survivors of deceased judges and survivors of Members of Congress.

Mr. GROSS. Let me ask the gentleman why do not Federal judges set apart 6 percent of their salaries to take care of annuities for their widows?

Mr. CELLER. We set aside 6 percent to cover our pensions, our own retirement plus the annuities for our widows or children. That matter costs generally about 1.20 percent. That same cost to the judges is increased to 1.50 percent. So the judges for the benefit of their dependents who survive them will under this bill pay more than we for like benefits to our survivors.

Mr. GROSS. The gentleman talked at some length about other Federal officials or employees. Does the gentleman know of another Federal official or employee holding a lifetime appointment and can only be retired for cause?

Mr. CELLER. Only the judiciary.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. The gentleman should mention in assessing the cost of this program and in apportioning the cost of this judicial retirement of benefits for widows and children that the additional revenue which is saved by a retired Congressman having his annuity reduced in order to take care of his dependents does not apply in the case of the Federal Judiciary. On page 7 of the report (section 373, subsection (p)) it states that under this bill a widow may receive an annuity and also any other annuity to which she is entitled and that the same service shall not be used in computing both annuities. Does the gentleman know of any other instance in Government where a person can draw two survivor retirements based upon different terms of service?

Mr. GROSS. No; I do not.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. I would like to inform the gentleman that there are other instances where a man can draw two different pensions from two different systems: For instance, the State or municipal system and the Federal system.

Mr. GROSS. There are certain limitations, however.

Mr. MULTER. No, there are no limitations. According to the statutes one must make his contribution, serve his time and reach the age limit; then he can draw from both systems.

If the gentleman will yield further on the question he asked about Supreme Court Justices paying into the retirement system; that is not before us in this bill.

Mr. GROSS. I did not say anything about the Supreme Court Justices; I will get to them in a minute.

Mr. MULTER. The only way you can reduce the salary of the Federal judiciary is by an amendment to the Constitution, because the Constitution fixes their terms for life; therefore there is no pension; he draws his full salary.

Mr. GROSS. Since the gentleman has raised the point let me ask him this question: What is there in law to prevent a Federal district judge or a judge of the court of appeals from writing magazine articles to enhance his income once he has retired? Does the gentleman know of anything in law to prevent him from doing some writing for a price or opening a law office?

Mr. MULTER. If he has retired from the bench?

Mr. GROSS. When he has retired.

Mr. MULTER. He cannot retire; he can resign, but he cannot retire in the true sense of the word. He always remains subject to assignment. He is appointed for life and remains a judge for life unless he resigns or is removed for cause.

Mr. GROSS. Let us not argue over words. Is there anything in law to prevent him from enhancing his income under retirement by the practice of law or by writing and so forth and so on?

Mr. MULTER. No Federal judge can practice law as long as he remains a Federal judge, which means that unless he actually resigns or is removed from office he cannot practice law during his lifetime after appointment as a Federal court judge.

Mr. GROSS. Let us say that a judge reaches age 70 and goes on retirement at full salary. That is possible; is it not?

Mr. MULTER. It is possible, yes.

Mr. GROSS. Then there is nothing to prevent him from practicing law.

Mr. MULTER. I disagree with the gentleman. He cannot practice law. When he reaches 70 years of age and he does not sit on the bench any longer he, nevertheless, even though not sitting, is a full-fledged member of the judiciary and cannot practice law; and I do not recall the case of any judge who has written magazine articles, any Federal judge.

Mr. GROSS. Any Federal judge?

Mr. MULTER. No, sir.

Mr. GROSS. Then why does another law apply to the Supreme Court of the United States?

Mr. MULTER. I do not know.

Mr. GROSS. The gentleman well knows that we have at least one Supreme Court Justice running all over the world writing magazine articles and books, spending a lot of time that ought to be devoted to his judicial duties enhancing his income of $35,000 a year.

Mr. MULTER. We ought to address ourselves to that by way of legislation rather than to take it out on the widows and dependents of judges. This is a bill for the widows and dependents of judges.

Mr. GROSS. I understand that.

Mr. MULTER. Who, I presume, will get it only if the judges have served well and faithfully.

Mr. GROSS. In view of what is going on in the Supreme Court, I am not convinced that a judge who is no longer on active service, who has reached 70 years of age, cannot go out and enhance his income if he wants to.

Mr. MULTER. He cannot practice law as long as he lives and has not resigned or been removed from the bench.

Mr. GROSS. Going back one minute to the Supreme Court, I think it would have been a far better service if the committee had brought in legislation to stop the kind of practice I have just mentioned.

Mr. MULTER. Why get mixed up here with the Supreme Court Judges?

They are not concerned with this bill. This bill does not concern them. It concerns the widows and dependents of the other Federal judges.

Mr. GROSS. I think you ought to bring in some legislation to stop that, and I think the gentleman thinks so, too.

Mr. MULTER. I am not on the Judiciary Committee, so I cannot tell the gentleman now whether or not that committee has any such legislation pending.

Mr. GROSS. What the Federal judges ought to do is to set up their own annuity system for their widows and dependents. Here they are with lifetime salaries of up to $27,500 a year and no deductions for any cause or any purpose. I know of no reason why they should not set up their own annuity system for their widows and without further charge to the taxpayers.

Mr. MULTER. Let us consider legislation to that effect then. Let us not consider that in connection with this bill. That has nothing to do with this bill.

Mr. GROSS. It has everything to do with it. Perhaps you who support this legislation can explain it to old-age pensioners. I do not want that responsibility.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Speaker, like my distinguished colleague from Mississippi [Mr. COLMER], I do not know whether I support this legislation or not. In the 40 minutes that we have for debate, it is impossible for anyone to explain all of its ramifications and intricacies, as broad as this one is.

I do not intend to vote for the motion to suspend the rules and pass this legislation for that reason. I recognize, of course, that there may be a great deal of merit in setting up some kind of a retirement system for our judges' widows and dependents; but, as I understand these various retirement programs, this is somewhat of a departure from the ones already in effect. As I understand it, congressional retirement, for instance, is administered by the Civil Service Commission. This retirement act will be administered by the judiciary. I think it should be explained to the House why it is not administered under the same set of civil-service rules and regulations and by the same people that administer congressional retirements.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from New York.

Mr. CELLER. We asked the Civil Service Commission to administer this act and they were disinclined to administer it because of the complications that would arise from the fact that Federal employees would pay 6 percent, which includes retirement and annuities for dependents, whereas this is a system for the Federal judges' widows and dear ones and would provide for 1½ percent. Because of the complications that would arise, they stated they were disinclined to administer it and have suggested that the administrator of the courts do it, since it refers exclusively to the judges of the Federal courts.

Mr. WILLIAMS of Mississippi. I thank the gentleman, and I think his explanation of that one little minor provision in this bill is the best argument that I have heard why this should not be considered under a closed rule or under suspension of the rules. I think the House would be making a grave mistake to pass this legislation without giving it full, complete, and thorough consideration and without having every provision in the bill explained to the satisfaction of the membership. We are not being given an opportunity to work our will on this legislation, and for that reason, I, for one—even if I am the only one in the House—intend to vote against the legislation.

Mrs. BLITCH. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. Before I ask this question, I want the gentleman to understand that there are Federal judges for whom I have the deepest respect and who I know to be very conscientious in carrying out their duties and keeping their dockets cleared.

Mr. WILLIAMS of Mississippi. If I may interrupt the gentlewoman, unfortunately, they are not on the Supreme Bench.

Mrs. BLITCH. I said some, and the gentleman knows what I was talking about. I do not want to make an indictment of the whole judiciary system here, but I want to ask the gentleman this question: Does he know of any provision anywhere wherein any member of the Federal judiciary is required to spend a certain amount of time on court cases and is required by law to keep his calendar as nearly cleared as possible?

Mr. WILLIAMS of Mississippi. I know of no such law, but perhaps if we did have such a requirement, the level of our Supreme Court, for one, would be considerably higher.

Mrs. BLITCH. And do you not think, sir, if there was such a requirement, there would not be so many Federal judges in our courts, not only the Supreme Court, taking very extended vacations several times a year?

Mr. WILLIAMS of Mississippi. Of course, I know of no provision that requires them to work any certain length of time. If I may say so, from experience in my State—of course, I know more about them than any cases—they are overworked.

Mrs. BLITCH. That applies to my State, also, and that is why I wanted to be sure that they were not included in this overall indictment that has been made about the Federal judges. I am asking for information, and that is why I asked the gentleman if there was any such provision.

Mr. WILLIAMS of Mississippi. Perhaps some of the members of the Committee on the Judiciary could tell the gentlewoman. I have no knowledge of such a law.

Mrs. BLITCH. I thank the gentleman.

Mr. WILLIAMS of Mississippi. As I said a moment ago, I am not necessarily opposed to this legislation. However, my vote against it will be predicated on the idea that it should be fully debated in the House. I do not believe we should support this legislation without at least some idea of what it provides.

Mr. GROSS. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker, the purpose of the bill is to provide for the payment of annuities to the widows and dependent children of Federal judges. The report submitted with H. R. 11124, now under consideration, gives clear and forceful reasons to justify it.

I am convinced that there is a definite need to establish a system whereby benefits may be paid to the widows and dependent children of members of the Federal judiciary. In 1950 the American Bar Association recorded its conviction that adequate provision should be made for the dependents of Federal judges. Such a position has been reaffirmed on more than one occasion since then.

The Judicial Conference of the United States, at its March session in 1955, resolved and recommended to Congress "the enactment of legislation to authorize provision for payment of annuities on a contributory basis to widows and dependent children of judges comparable to the provisions made under existing law for annuities to widows and dependent children of Members of Congress." This recommendation was reaffirmed by the Conference at its September meeting in 1955.

Congress has provided for the retirement of the majority of public servants under the civil-service retirement system.

The civil-service retirement system has been in existence since as early as 1920. The amendments of 1930 included provisions not only for retirement benefits but also for surviving dependents of retired employees. It is common knowledge that many private industries have supplemented social security and railroad retirement by their own plans. It is seen therefore that both Government and private industry employees have received the benefits of such systems for retirement and the payment of annuities to survivors. The same consideration should apply to the survivors and dependents of United States judges.

It is common knowledge that under the present economic conditions—the decline in the purchasing value of a dollar and rising prices—any individual encounters great difficulty in providing adequately for his dependents.

Most of the judges who retire from active service still remain in commission as a judge and therefore forbidden to practice law.

All United States judges may, within 6 months after the date of enactment or within 6 months after taking office, elect to come under the system. Once such an election has been made, the contributions of the judge would then be withheld from his salary and upon his death his widow and surviving dependent children would receive annuities. The widow's annuity would be a sum equal to 1¼ percent of the judge's basic salary multiplied by his years of service. There is a maximum limitation, however, of 37½ percent of such salary. The rate

of contribution to be made by the judge who elects to come under the system for these judicial survivor benefits is 1½ percent of his salary. Actuarial studies indicate that this is a fair and equitable charge, especially in comparison with the civil-service retirement system.

The Department of Justice recommends the establishment of such a system and as has been previously noted, so does the Judicial Conference of the United States. This bill is right and just. It should have the support of the Congress.

Mr. GROSS. Mr. Speaker, I know of no reason why the members of the Federal judiciary, holding lifetime jobs and being paid as high as $27,500 a year, cannot set apart 6 percent of their salaries or any amount they so desire to provide annuities for their dependents. I am opposed to the bill.

Mr. CELLER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. TRIMBLE). The question is on suspending the rules and passing the bill.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. CELLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. TRIMBLE). The gentleman will state it.

Mr. CELLER. Is there any arrangement that there would be no rollcall votes today?

The SPEAKER pro tempore. Not that the present occupant of the chair knows of.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 238, nays 52, not voting 143, as follows:

[Roll No. 52]

YEAS—238

Abbitt
Adair
Addonizio
Albert
Alexander
Alger
Andersen, H. Carl
Andresen, August H.
Arends
Ashmore
Aspinall
Avery
Ayres
Bailey
Baker
Baldwin
Bass, Tenn.
Bates
Baumhart
Beamer
Becker
Belcher
Bennett, Fla.
Bennett, Mich.
Bentley
Betts
Blitch
Boggs
Boland
Bolling
Bonner
Boykin
Boyle
Bray
Brooks, La.
Brooks, Tex.
Brown, Ga.
Brown, Ohio
Burdick
Burnside
Bush
Byrnes, Wis.
Canfield
Cannon
Carnahan
Carrigg
Cederberg
Celler
Chelf
Chenoweth
Christopher
Church
Clevenger
Cooper
Cramer
Cunningham
Curtis, Mass.
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson, Ill.
Dawson, Utah
Dempsey
Denton
Dixon
Dondero
Dorn, S. C.
Edmondson
Elliott
Ellsworth
Evins
Fallon
Feighan
Fenton
Fernandez
Flood
Fogarty
Forand
Ford
Forrester
Fountain
Frazier
Friedel
Gary
Gathings
Gavin
George
Gordon
Green, Oreg.
Hagen
Hale
Harden
Harris
Harvey
Hays, Ark.
Hayworth
Henderson
Herlong
Heselton
Hess
Hill
Hillings
Hinshaw
Holifield
Holland
Holmes
Hosmer
Huddleston
Hull
Ikard
Jackson
James
Jarman
Jenkins
Jennings
Jensen
Johnson, Wis.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N. C.
Judd
Karsten
Kean
Kearney
Keating
Kee
Kelley, Pa.
Kilburn
Kilday
Kilgore
King, Calif.
Kirwan
Kluczynski
Knox
Laird
Landrum
Lanham
Lankford
Lesinski
Lipscomb
Long
Lovre
McCormack
McCulloch
McDonough
McDowell
McIntire
McMillan
Mack, Ill.
Madden
Magnuson
Mahon
Mailliard
Martin
Meader
Metcalf
Miller, Md.
Mills
Minshall
Moss
Multer
Murray, Ill.
Natcher
Nicholson
Norblad
Norrell
OBrien, Ill.
O'Brien, N. Y.
O'Hara, Ill.
Ostertag
Patterson
Pelly
Pfost
Pilcher
Poff
Polk
Preston
Price
Priest
Prouty
Quigley
Rabaut
Radwan
Rains
Ray
Reece, Tenn.
Reed, N. Y.
Rees, Kans.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Richards
Robsion, Ky.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney
Rutherford
Schenck
Scherer
Selden
Shelley
Short
Sieminski
Simpson, Pa.
Sisk
Smith, Kans.
Smith, Miss.
Spence
Springer
Staggers
Sullivan
Taber
Teague, Calif.
Teague, Tex.
Thomas
Thompson, Mich.
Thompson, N. J.
Thompson, Tex.
Thomson, Wyo.
Trimble
Tuck
Tumulty
Udall
Vanik
Vinson
Vorys
Walter
Whitten
Widnall
Wier
Wigglesworth
Willis
Wolcott
Wolverton
Zablocki

NAYS—52

Abernethy
Andrews
Auchincloss
Bow
Burleson
Chase
Chiperfield
Colmer
Coon
Dague
Devereux
Dies
Dowdy
Fisher
Gentry
Grant
Gross
Hardy
Harrison, Nebr.
Harrison, Va.
Hoeven
Horan
Johansen
Krueger
LeCompte
McVey
Marshall
Matthews
Miller, Nebr.
Murray, Tenn.
O'Konski
Poage
Rivers
Robeson, Va.
Sadlak
Saylor
Schwengel
Scrivner
Siler
Simpson, Ill.
Smith, Va.
Smith, Wis.
Talle
Utt
Van Pelt
Van Zandt
Weaver
Wharton
Williams, Miss.
Williams, N. Y.
Withrow
Younger

NOT VOTING—143

Allen, Calif.
Allen, Ill.
Anfuso
Ashley
Barden
Barrett
Bass, N. H.
Bell
Berry
Blatnik
Bolton, Frances P.
Bolton, Oliver P.
Bosch
Bowler
Brownson
Broyhill
Buckley
Budge
Byrd
Byrne, Pa.
Carlyle
Chatham
Chudoff
Clark
Cole
Cooley
Corbett
Coudert
Cretella
Crumpacker
Curtis, Mo.
Davidson
Deane
Delaney
Derounian
Diggs
Dingell
Dodd
Dollinger
Dolliver
Donohue
Donovan
Dorn, N. Y.
Doyle
Durham
Eberharter
Engle
Fascell
Fino
Fjare
Flynt
Frelinghuysen
Fulton
Gamble
Garmatz
Granahan
Gray
Green, Pa.
Gregory
Griffiths
Gubser
Gwinn
Haley
Halleck
Hand
Hays, Ohio
Healey
Hébert
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Holt
Holtzman
Hope
Hyde
Johnson, Calif.
Kearns
Kelly, N. Y.
Keogh
King, Pa.
Klein
Knutson
Lane
Latham
McCarthy
McConnell
McGregor
Macdonald
Machrowicz
Mack, Wash.
Mason
Merrow
Miller, Calif.
Miller, N. Y.
Mollohan
Morano
Morgan
Morrison
Moulder
Mumma
Nelson
O'Hara, Minn.
O'Neill
Osmers
Passman
Patman
Perkins
Philbin
Phillips
Pillion
Powell
Riehlman
Riley
Roberts
Rogers, Mass.
Roosevelt
St. George
Scott
Scudder
Seely-Brown
Sheehan
Sheppard
Shuford
Sikes
Steed
Taylor
Thompson, La.
Thornberry
Tollefson
Velde
Vursell
Wainwright
Watts
Westland
Wickersham
Williams, N. J.
Wilson, Calif.
Wilson, Ind.
Winstead
Wright
Yates
Young
Zelenko

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hand and Mr. Halleck for, with Mr. Hoffman of Illinois against.

Mr. Hébert and Mr. Keogh for, with Mr. King of Pennsylvania against.

Until further notice:

Mr. Chatham with Mr. Allen of Illinois.
Mr. Barden with Mr. McGregor.
Mr. Cooley with Mr. Sheehan.
Mr. Shuford with Mr. Taylor.
Mr. Deane with Mr. Kearns.
Mr. Durham with Mr. Johnson of California.
Mr. Carlyle with Mr. Gwinn.
Mr. Riley with Mr. Fino.
Mr. Hays of Ohio with Mr. Derounian.
Mr. Passman with Mr. Cretella.
Mr. Thompson of Louisiana with Mr. Oliver P. Bolton.
Mr. Flynt with Mr. Dolliver.
Mr. Garmatz with Mr. Hoffman of Michigan.
Mr. Gregory with Mr. Holt.
Mr. Watts with Mr. Hyde.
Mr. Winstead with Mr. Bass of New Hampshire.
Mr. Byrd with Mrs. Francis P. Bolton.
Mrs. Knutson with Mr. Vursell.
Mrs. Griffiths with Mr. Westland.
Mr. Engle with Mr. Seeley-Brown.
Mr. Yates with Mr. Berry.
Mr. Machrowicz with Mr. McConnell.
Mr. Barrett with Mr. Miller of New York.
Mr. Granahan with Mr. Morano.
Mr. Green of Pennsylvania with Mr. Cole.
Mr. Byrne of Pennsylvania with Mr. Coudert.
Mr. Chudoff with Mr. Dorn of New York.
Mr. Clark with Mr. Frelinghuysen.
Mr. Dodd with Mr. Curtis of Missouri.
Mr. Doyle with Mr. Fulton.
Mr. Miller of California with Mr. Wilson of Indiana.
Mr. Morrison with Mr. Young.
Mr. Roberts with Mr. Scott.
Mr. Roosevelt with Mr. Riehlman.
Mr. Williams of New Jersey with Mr. Pillion.
Mr. Bowler with Mr. Osmers.
Mrs. Kelly of New York with Mr. Mumma.
Mr. Klein with Mr. Crumpacker.
Mr. Anfuso with Mr. Wilson of California.
Mr. Buckley with Mr. Wainwright.
Mr. Zelenko with Mrs. St. George.
Mr. Holtzman with Mr. O'Hara of Minnesota.
Mr. Healey with Mr. Nelson.
Mr. Delaney with Mr. Mason.
Mr. Dollinger with Mr. Bosch.
Mr. Donovan with Mr. Budge.
Mr. Powell with Mr. Corbett.
Mr. Davidson with Mr. Fjare.
Mr. Bell with Mr. Gamble.
Mr. Macdonald with Mr. Hope.
Mr. Philbin with Mr. Scudder.
Mr. Donohue with Mrs. Rogers of Massachusetts.
Mr. Mollohan with Mr. Phillips.
Mr. O'Neill with Mr. Gubser.
Mr. Sheppard with Mr. Brownson.
Mr. Sikes with Mr. Latham.
Mr. Wickersham with Mr. Broyhill.
Mr. Moulder with Mr. Mack of Washington.

Mr. Perkins with Mr. Merrow.
Mr. Patman with Mr. Velde.
Mr. Haley with Mr. Tollefson.
Mr. Fascell with Mr. Hiestand.

Mr. WITHROW changed his vote from "yea" to "nay."

Mr. HINSHAW changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 10875) entitled "An act to enact the Agricultural Act of 1956", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE to be the conferees on the part of the Senate.

REREFERENCE OF EXECUTIVE COMMUNICATION NO. 1602

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that an executive communication, No. 1602, from the government of the District of Columbia be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on the District of Columbia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DISPOSAL OF GOVERNMENT-OWNED TIN SMELTER AT TEXAS CITY, TEX.

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 607 to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes.

The Clerk read the resolution, as follows:

Resolved, etc., That the Federal Facilities Corporation (hereinafter referred to as the "Corporation") is hereby authorized and directed, notwithstanding any other provisions of law, to take steps immediately to sell or lease, as soon as practicable and in accordance with the provisions of this act, the Government-owned tin smelter at Texas City, Tex. (hereinafter referred to as the "smelter"), and the waste acid plant and other assets of the Government's tin program (such plant and assets being hereinafter referred to collectively as "other assets"). The sale or lease of the smelter and other assets shall be in such manner and on such terms and conditions as the Corporation determines will best promote the interests of the United States.

SEC. 2. In carrying out the provisions of this act, the Corporation shall—

(1) advertise for, and receive, proposals for the purchase or lease of the smelter alone or with some or all of the other assets;

(2) process materials and repair, recondition, improve, and otherwise prepare the smelter and other assets for advantageous sale or lease;

(3) negotiate and enter into a contract of sale or lease which in the opinion of the Corporation is most advantageous to the United States;

(4) execute and deliver deeds and other instruments appropriate for the purpose of effecting the sale or lease of the smelter and other assets; and

(5) take such other actions and exercise such other powers as the Corporation determines to be necessary or appropriate to effectuate the purposes of this act.

SEC. 3. There is hereby created the Tin Advisory Committee (hereinafter referred to as the "Committee"), which shall consist of the following members: The Secretary of State, the Secretary of the Interior, the Secretary of the Treasury, the Director of the Office of Defense Mobilization, and the Administrator of General Services. Each may designate a representative to act in his stead as a member of the Committee. In carrying out the provisions of this act, the Corporation shall consult with the Committee. The Attorney General shall, upon request, give advice and assistance to the Corporation and the Committee.

SEC. 4. (a) The period for the receipt of proposals for the purchase or lease of the smelter and other assets shall be not less than 90 days and shall be fixed by the Corporation, giving due regard to the purposes of this act.

(b) Promptly after the termination of the period for the receipt of proposals as fixed under subsection (a), and for such period thereafter (not less than 30 days) as may be determined by the Corporation, the Corporation shall negotiate with those submitting proposals for the purpose of entering into a definitive commitment for sale or lease.

SEC. 5. (a) Section 2 of the joint resolution entitled "Joint resolution to strengthen the common defense and to meet industrial needs for tin by providing for the maintenance of a domestic tin-smelting industry," approved June 28, 1947, as amended (50 U. S. C., sec. 98 note), is amended by striking out "June 30, 1956" and inserting in lieu thereof "January 31, 1957."

(b) All tin acquired by the Corporation by reason of the extension under subsection (a) shall be transferred to the General Services Administration, which is authorized and directed to reimburse the Corporation therefor at its cost.

SEC. 6. If a contract of sale or lease is effected pursuant to the provisions of this act, then such joint resolution of June 28, 1947, shall terminate (notwithstanding any provision thereof) at the close of business on the date of the transfer of possession of the smelter, but the Corporation may take all action necessary or appropriate for the purpose of completing the disposal of supplies, byproducts, concentrates, and other remaining property. If no contract of sale or lease is effected pursuant to the provisions of this act prior to January 31, 1957, of the smelter and other assets or any part thereof, then the smelter or other assets or such part thereof as is not sold or leased shall promptly be reported as excess property for transfer and disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (40 Stat. U. S. C. 471–492).

SEC. 7. Nothing in this act shall be construed as preventing the Corporation from performing or otherwise administering contracts or other legally binding obligations.

The SPEAKER pro tempore. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, under existing law authority for operation of the Government-owned tin smelter at Texas City, Tex., expires on June 30, 1956. This joint resolution extends its time of operation for 7 months to January 31, 1957. The purpose of the extension is to give the Government an opportunity to effect the sale of this property. I understand that the administration feels there is a good chance of making a desirable sale.

Mr. WOLCOTT. Mr. Speaker, I agree with what the gentleman from Kentucky has had to say about this measure, and it is a lot better to dispose of this plant in the manner set forth in the act.

Mr. Speaker, I have no further requests for time.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Speaker, I am very much in favor of the passage of this bill which provides the only means I know of for disposing of the plant as a going concern.

Mr. Speaker, the measure under consideration, House Joint Resolution 607, marks the culmination of an effort of mine which has lasted close to 9 years. The Texas City tin smelter is naturally very close to my heart because it operates within my congressional district and in my home county. There has never been any question in my mind that the proper disposition of the smelter would be to take it out of Government hands entirely and sell it or make a long-time lease of it to private industry. The necessity for building up a stockpile of this highly strategic material has induced the Government to continue its operation up to the present.

There is one peculiarity in the operation of a tin plant which makes it essential that the plant be disposed of as a going concern. Once you pull the fires from the furnaces and stop the constant care of the acids which are used in the process, the plant falls to pieces very rapidly. Within a matter of weeks it could be sold only for junk and at a very great sacrifice. This is recognized by the Government and certainly by those in the Congress who have taken the trouble to inform themselves.

It is also agreed that the operation of a smelter in the Western Hemisphere is essential to our national defense and to the protection of American industry against the operations and price manipulations of foreign cartels. This is the only tin smelter in North or South America and it is the only one in the world which is equipped to handle the comparatively low grade ore which is mined in Bolivia.

The Texas City plant, therefore, should be kept in operation and in readiness for greatly expanded operation. If it can be done without cost to the Government, there is no question that it should be.

Here is the reason for the passage of House Joint Resolution 607: Up to now,

the plant cannot be sold by the branch of Government which is charged with its operation—the Federal Facilities Corporation. Under the law it can only be sold by the General Services Administration and then only after it ceases to operate and becomes surplus. When it becomes surplus, it becomes worthless except as junk.

House Joint Resolution 607 authorizes the Federal Facilities Corporation to sell it and gives the Corporation until January 31, 1957, to do so. The measure was unanimously recommended by the Committee on Banking and Currency. It was also recommended by the administration. The Federal Facilities Corporation believes it has at least one interested buyer. The plant represents an investment of some $13 million and if it is sold as a going concern the taxpayers who built it will realize far more for their investment than if it is sold for junk.

The Office of Defense Mobilization on January 29, 1956, sent to the President a well prepared report called "A Study on the Feasibility of Maintaining a Permanent Domestic Tin Smelting Industry in the United States." However, since this report may be referred to in future negotiations, I invite attention to some misconceptions which the report might create in the minds of uninformed readers. The main error to which I invite attention appears under the heading "Conclusions":

> 1. Neither the United States defense nor the national economy nor relations with other friendly countries requires the Government's continued participation in a domestic tin-smelting industry in the United States:
>
> * * * * *
>
> (b) Should a wartime demand arise for domestic smelting facilities as a result of unforeseen developments, an up-to-date and efficient smelter could be built quickly as in World War II. Ores and concentrates could be contracted for and held in readiness for the smelter, and stockpile metal could supply industry until the new flow of domestic production began.

The word "quickly" can mean lots of things but in a later paragraph the implication is that "quickly" means within a period of 6 months, for you will note that on page 5, in the first paragraph, the statement is made:

> Plans were made for such a smelter to be located at Texas City, Tex. Negotiations for contracts and construction began in October, 1941; smelting operations began in April 1942.

The actual situation was that on January 8, 1941 a memorandum of understanding was signed by the RFC and immediately the essential steps for the selection of a site and the construction of the smelter commenced without, incidentally, waiting for a definitive contract. For defense reasons which would be even more compelling in a third world war, the selection of a site was an important matter and Tin Processing Corp. devoted its efforts first to determining what sites would be most advantageous from the point of view of raw materials, labor conditions, etc. As early as January 18, 1941, a determination was made to choose a site satisfactory to the defense organization in the general Houston-Galveston area. By March 7, the decision had been narrowed down to two sites in Texas City. Negotiations were begun in February with Ford, Bacon & Davis and a complete agreement for the design and construction of the smelter was executed on April 24, but even before this, Ford, Bacon & Davis had drilled test pits on the 50-acre tract at Texas City which was finally selected for building the smelter. Also, on May 24, Ford, Bacon & Davis set up a construction office and actual construction payrolls were begun. During all this period Ford, Bacon & Davis were preparing initial purchase orders for construction materials and Tin Processing Corp. was busy with contracts for such things as hydrochloric acid, natural gas and electric power for the plant. The first concrete was actually poured for the foundations of the ore storage building on July 11, 1941. From this you will see that the statement "Negotiations for contracts and construction began in October 1941" is very misleading. It is a fact that smelting operations began on the 5th of April 1942, which was considered a minor miracle at the time. It seems to me, therefore, that a fairer statement of the situation would be that a smelter could not be expected to be built in less than 15 months. It should also be remembered that in time of war, certainly in the period in which the smelter was built, various essential items require high priority approval and the smelter was no exception. Fortunately, top priorities were given for the materials needed or else the smelter could never have started operations when it did.

In considering the elimination of the smelter it should also be kept in mind that if the smelter is in actual operation before high priorities come into effect, materials under high priority can be put to good use elsewhere.

On page 6 of the study, the number of employees at the smelter is stated as "approximately 550 people." This figure is based upon the much reduced operation schedule and actually, as you know, the smelter when in full operation requires a force of approximately 900 people.

Both on page 2 and on page 9 the statement is made that should a demand for domestic smelting facilities arise, "an up-to-date and efficient smelter could be built quickly, as in World War II." This statement can well be taken to mean that the present smelter is neither up to date nor efficient. Actually, neither of these inferences is correct and if the smelter is closed and a new smelter should have to be built, the only type of smelter that could be built would have to be exactly the same as exists at Texas City without the benefits of day-to-day research and experience that exists while the smelter is in operation. Actually, the smelter at Texas City makes better use of available Bolivian ores and equal results with high-grade alluvial ores as any other world smelter and it has been producing high-grade tin from complex low tin content ores never treated commercially in any other smelter.

There are, of course, certain things that could be done at the smelter, such as the production of alloys, which have not been done because the Government did not wish to compete with private industry in the United States.

I am not suggesting that these comments would necessarily change the attitude of the administration that the United States Government should not continue to operate the tin smelter and I would, of course, much prefer that some basis be found for private operations of this facility. I merely point out that a decision should not be based on a misunderstanding of the actual facts of the case.

In view of the foregoing and of the desire of this Congress to get the Government out of business without undue and unnecessary loss to the taxpayers, I strongly urge the passage of House Joint Resolution 607.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I have long believed that, quite apart from the strategic value of tin, we should continue to import tin from Bolivia until such time as that country had been able to reshape its economy. As long as tin was the sole item produced there, there was little hope for improvement of the standards of living of its people.

Much progress has been made in Bolivia in that direction. I believe, however, that it still is dependent upon our Government, and I believe that so long as possible we ought to continue to purchase as much Bolivian tin ore as possible. That was one of the reasons why I always urged that the Texas City tin smelter should be kept in operation.

As appears from the House Banking and Currency Committee report on the bill now before us, it is no longer feasible that our Government continue to operate that plant.

Assurances have been given to us by our executive department that negotiations are presently underway which may result in a sale of the plant to private enterprise which will continue to operate it.

This bill, if enacted, will give the Executive Department the necessary authority to sell the plant as a going business, thus insuring its continued operation. Continued operation of the plant, I believe, is not only in the best interests of our national security, but also will keep employed about 600 people in Texas City who would otherwise be thrown out of work.

It should be noted that in the event sale is not consummated, the plant must nevertheless continue to be operated until January 31, 1957.

If by the end of the calendar year the plant has not been disposed of as a going business to a private industry, the new Congress can consider and act upon the proposal of further operation of the plant by the United States Government.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Speaker, I would just like to get this information, in view of the fact that no figures have been announced here. The first question has to do with the cost of the operation, whether it is operating at a loss now that causes the need for a sale; and, if there is a sale, what did the plant cost the taxpayers of this country, and what is the prospect of getting any money back out of it?

Mr. THOMPSON of Texas. Mr. Speaker, if the gentleman will yield, the plant cost the taxpayers about $13 million. It should be understood that under Government operation it has been operating for the stockpile. If the plant closes down it falls apart very quickly. The operation of a tin smelter is such that if you draw the fires from the furnaces they cave in, and become junk in a short time. Therefore, in order to sell it to the best advantage possible, it is necessary to sell it as a going concern. The administration indicates that they do have a buyer, but that buyer would be a profitable buyer of the plant only if an opportunity comes to sell it to him while the plant is in operation.

Mr. WIER. I was wondering, if they did have a buyer, that they would get a reasonable price for it.

Mr. THOMPSON of Texas. They think that they would.

Mr. WIER. My only interest is this: This is not a giveaway.

Mr. THOMPSON of Texas. It is not a giveaway, provided we have the implementation of the measure that is now before us.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

MAKING FACILITIES OF FARMERS HOME ADMINISTRATION OF HELP TO ORCHARD OPERATORS

Mrs. Green of Oregon. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, today I have introduced H. R. 11331, a bill to correct what I believe was a condition never intended by Congress, a bill whose effect will be to make the facilities of the Farmers Home Administration truly of help to orchard operators and other farmers whose circumstances vary from the average. I would like briefly to explain this bill and its purposes.

The immediate occasion for this measure was provided by the disastrous freeze that struck a prosperous and important fruit growing area on the Columbia River this past winter, in the Milton-Freewater and Pendleton areas of Oregon and the Walla Walla section of Washington. This is an area that produces a third of our total prune supply as well as important amounts of cherries and apples. It represents a capital investment of $5 million and contributes yearly $2 million to $4 million to the economy of the area. It has for 50 years been a flourishing and vital industry for these people.

As a consequence of last winter's freeze, where in the course of a few days the temperature went from a high of 65 degrees to a low of 14 degrees below zero, these orchards were almost totally wiped out. The consequences of this disaster and the attempts these farmers have made to rehabilitate their business have brought sharply into focus the inadequacies of the present FHA program and the need for this legislation.

Beyond the immediate need presented by this problem, discussions with the Department of Agriculture in this case amply demonstrate the need for a broader and more flexible loan policy in the Farmers Home Administration. If orchard growers and other farmers whose problems do not fit the present policies of FHA are not to be discriminated against—if they are to have at least the same benefits as farmers in other more fortunate circumstances—this legislation is certainly a necessity.

The purpose of the bill is simple. Although the Farmers' Home Administration supposedly makes loans of the general type needed here, our experience in this situation has indicated that, in fact, FHA loan terms are of little or no help in the peculiar problems of orchard operators. This bill, therefore, spells out authority for the Secretary of Agriculture to make loans on terms that reflect realities of orchard growing. Specifically, it permits loans of a maximum of $25,000 each for up to 15 years at 2½ percent. Most important, it permits a schedule for repayment that allows payments to begin as late as 8 years after the loan is made. This is very important due to the fact that new orchards will only begin to come into production after about 7 years. Under present FHA policies which require repayment to begin generally within 2 years, it is simply not economically practical to make loans to orchard operators. If this very vital, local industry is to get back on its feet, the loan policy specified in this bill is absolutely necessary.

In addition, my bill permits the Secretary of Agriculture to pay up to 50 percent of the cost of clearing dead and blighted orchard land and planting new seedlings. The total cost of this rehabilitation for the 4,000 acres involved is estimated at about $600,000. It is now about 20 percent done. If it is to be completed by next year, help is badly needed. The cost of the Agriculture Department's assistance is estimated at not over $250,000 to $300,000. Even if this help is given, it will be 7 or 8 years before these orchards are back in production, 15 years before they are fully recovered. This provision does no more than extend to the orchard farmers the kind of help now given to drought and flood-stricken areas. These people are doing everything they humanly can to get themselves back on their feet. It seems to me this is as little as we can do for them to give this modest support and encouragement to a vital sector of private enterprise and to restore an industry of very great importance to the thousands of people who depend on it.

Action on this bill has already begun in the Senate. I hope it will be possible to give it early consideration in the House. If we do not act promptly it will be impossible to get seedlings planted even by the end of next year. It is going to take a long time and a lot of hard work and sacrifice for these people to make up their losses. Let us give them what little help we can.

EXTENSION OF EXPORT CONTROL ACT OF 1949

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 504 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. Ellsworth] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 504 provides for an open rule and 1 hour of general debate.

H. R. 9052 as originally introduced would extend the Export Control Act of 1949 for a period of 3 years. The committee amendment to the bill provides that the act be extended for 2 years to June 30, 1958, to insure a review of the administration of the act by the next Congress.

The bill provides that the authority to regulate exports would be continued. The purpose is threefold—first, to provide so-called security controls on strategic materials such as aluminum, aviation gas, electronic equipment, and some types of machine-tool equipment to safeguard the national security insofar as it might be affected by the export of these materials. Second, to prevent these materials from going unchecked to the European Soviet bloc, Communist China, and North Korea; and third, to protect our domestic economy by the regulation of the export of commodities in short supply such as aluminum and aluminum scrap, copper and copper scrap, iron and steel scrap, and nickel and nickel scrap.

The committee report complies with the Ramseyer rule, and I urge the adoption of House Resolution 504.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, there appears to be no opposition on this side of the aisle to the adoption of this

rule. I have no requests for time. I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9052, with Mr. Mack of Illinois in the chair.

The clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think the Members of the House are familiar with the purposes of the Export Control Act. It was passed in 1949. It was passed under a Democratic administration and it has been extended and approved by a Republican administration. The purpose of H. R. 9052 is to control the exportation of products that are essential to our national security or that are in short supply.

High on the list of essential materials for which export controls are needed are iron and steel scrap. Iron and steel scrap are essential for the semi-integrated and nonintegrated producers of steel and iron in this country. The exportation of steel scrap has increased very greatly. While there is no amendment in the bill specifically limiting the exportation of iron and steel scrap, the committee has in the report expressed its desire that such exportation would not be sufficient to reduce domestic production or materially affect the economy of the producers.

I hope the bill will be passed as it is essential for our national safety and economy.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. McDonough].

Mr. McDONOUGH. Mr. Chairman, I agree with what the chairman of the committee has just said concerning the necessity for a very careful control, especially of scrap iron. The committee has attempted in the report, without putting it in the bill, to express the intent of Congress and provide the Secretary of Commerce with every precaution and with every authority to control an unusual amount of export of scrap iron. The testimony before the committee indicated an excessive amount of export of scrap iron hurts small business more than it does the large producers of steel, because in many of the large plants they have a byproduct of their own manufacture while the small foundry has to operate on scrap iron picked up from wherever they can find it. The advantage and the temptation for exporting scrap iron is rather pressing for the reason that there is a ready market for it and it commands a high price. I was inclined to believe that the bill should provide a limitation on the tonnage of scrap iron that could be shipped out of the United States each year for the 2 years that the control will be on. But the committee has felt that the precautions that we provide in the bill are sufficient for the Secretary of Commerce to operate. I think if the members of the committee will read the committee report and read these precautions that they will find they are sufficient. I want to make this statement for the reason, I believe, that the intention of Congress should be very definitely expressed, that we do not favor excessive exports of scrap iron during the 2-year period. And we are so notifying industry.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. DIES. There seems to be some fear on the part of exporters of scrap iron that this is an attempt to put them out of business. There is nothing in the bill to that effect, of course. This just continues the act.

Mr. McDOUOUGH. That is right.

Mr. DIES. Is there any ground for that fear?

Mr. McDONOUGH. No; there are no grounds for that fear at all. As a matter of fact, we found in the testimony before the committee that the increase in scrap-iron tonnage exported had advanced from 233,000 tons to 1.6 million tons from 1943 to 1946, and to 5 million tons in 1955. Now, the question is whether 5 million tons a year of scrap iron going out of the United States is detrimental to us. Certainly, it is not detrimental to the people who are shipping it because they are getting a premium price per ton for each ton that they ship out of the United States.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. WIER. I would like to get this clear. Listening to the chairman of the committee and now listening to you, while you say there is nothing in the bill itself, and I can find nothing in the very short bill which prohibits the shipping for export of scrap and iron, nevertheless, you stand there and say that you believe you have given the Secretary of Commerce the necessary, let us say, weapons with which to deal with this.

Mr. McDONOUGH. We have said so in the report. We have provided the export control. I will read that section. It is in the report.

Mr. WIER. I have just read it. I do not see it, but I am a little skeptical the way you say, "We have in the report made our position clear to the Secretary of Commerce so that he may act."

Mr. McDONOUGH. That is right. That is the way I interpret the committee report.

Mr. WIER. I do not want to go along with any understanding in the report that leaves to the Secretary of Commerce the right——

Mr. McDONOUGH. In other words, you believe the bill should be amended?

Mr. WIER. At this moment I am opposed to any provision for the export of scrap iron, because the situation in the United States does not justify it.

Mr. McDONOUGH. We think it justifies it if more than 5 million tons a year are shipped out.

Mr. MULTER. Will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. MULTER. I think the answer should be that the law as we are extending it gives the Secretary of Commerce the right to embargo the export of steel scrap if the security of this Nation requires it.

Mr. McDONOUGH. That is exactly what I intended to say, and the report states that.

Mr. DIES. Will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. DIES. This bill gives him no more power than he already possesses?

Mr. McDONOUGH. It gives him no more power than he already possesses, but he does have authority to embargo, in the Export Control Act.

The CHAIRMAN. The time of the gentleman from California [Mr. McDonough] has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. Brown].

Mr. BROWN of Georgia. Mr. Chairman, I rise to strongly support H. R. 9052. This measure as reported by the Committee on Banking and Currency would extend the Export Control Act of 1949 for a period of 2 years beyond its present termination date, June 30, 1956. This act, which is administered by the Secretary of Commerce, authorizes the regulation of exports to the extent necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, to safeguard the national security insofar as it might be adversely affected by exports of strategic commodities; and third, to further our foreign policy.

Controls under the Export Control Act are basically of two types—security export controls and short supply export controls. Security export controls are imposed on such strategic goods as electronics equipment, aviation gasoline, aluminum, and advanced types of machine tools. Short supply export controls are used only on those goods where foreign demand may impose an excessive drain or an inflationary impact upon scarce domestic supplies. They may also be imposed as a device for sharing our scarce supplies among friendly nations on an equitable basis or to meet only the more essential types of foreign demand.

The need to control exports in the interest of national security will probably continue for the foreseeable future. There is no evidence that the underlying pattern of Soviet hostility has changed. It is clear that we must continue to take special precautions to see that United States goods of strategic significance do not go unchecked to the troubled spots of the world. In particular, we want to deny strategic goods to the European Soviet bloc and to implement the United

States policy to embargo all goods to Communist China and North Korea.

At the present time only eight commodity groups are subject to short-supply controls. This compares with approximately 200 at the height of the shortage period during the Korean emergency.

The commodity groups now subject to short-supply controls to the free world, as well as to security controls to the Soviet bloc, are aluminum and aluminum scrap, copper and copper scrap, industrial diamonds, hog bristles, iron and steel scrap, nickel and nickel scrap, and Salk vaccine. The degree of control over these commodities varies. Nickel metal and refined copper of United States origin are under a so-called closed quota which amounts to a practical embargo. Iron and steel scrap and aluminum metal, on the other hand, are under so-called open-end control under which licenses are issued fairly freely unless it appears that undue amounts are being exported. The other items are subject either to specific quantitative quotas or special licensing restrictions.

Mr. Chairman, I shall not indulge further upon the time of this Committee but in closing I strongly urge your favorable vote on H. R. 9052.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. McVey].

Mr. McVEY. Mr. Chairman, it does not take much time to explain the purpose and intent of this bill. That service has been well performed by the chairman of the committee and others who have spoken on this subject already.

I want to register myself in favor of the measure because I think it is essential to our security and the protection of a stable economy.

Mr. Chairman, we have before us today H. R. 9052, which provides for an extension of the Export Control Act of 1949. The bill as originally written provided for an extension of this act for 3 years, but it has been amended in the committee to provide for a 2-year extension only. This act is administered by the Secretary of Commerce. It authorizes the regulation of exports to whatever extent is necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, to safeguard the national security insofar as it might be affected by the exports of strategic commodities; and third, to further our foreign policy.

There are two types of controls under this act. One is security export controls, and the other short supply export controls. Security export controls apply mostly to the shipment of strategic material. Short supply controls are used on goods for which a foreign demand may impose an excessive drain upon scarce domestic supplies.

A difficult problem is presented with regard to indirect shipments to Russia by way of free countries. Some safeguard is provided by reason of the fact that the United States Customs Service through trade intelligence and other sources abroad obtains informations and acts upon alleged attempts to move United States goods through indirect channels to Russia. Applications for shipment of strategic materials to free countries are not approved if there is reason to believe that the goods may be diverted to the Soviet bloc.

There are eight commodity groups subject to short-supply controls. They are aluminum and aluminum scrap, copper and copper scrap, industrial diamonds, hog bristles, iron and steel scrap, nickel and nickel scrap, Salk vaccine, and selenium. A shortage of iron and steel scrap is high on the list of essential materials for which export controls appear to be necessary. The smallest producers are hit hardest in case of a shortage of scrap. Large steel mills with blast furnaces for producing pig iron are not as dependent on scrap as are the small steel mills.

It is to meet contingencies like that produced by the shortage of scrap and other materials over which security restrictions must be placed that it seems necessary for the extension of H. R. 9052 for another 2 years. The committee shares the grave concern for the security of the country and other needs for export control, and feels that the extension of this legislation is just about a must on the part of the American Congress. It is a pleasure to support this measure.

Mr. SPENCE. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. Multer].

Mr. MULTER. Mr. Chairman, I am not opposing this bill. As you have been told, the bill comes from the committee unanimously. I will offer an amendment later, but at this time I want to call the attention of the House to some very important facts with reference to this Export Control Act and the way it has not been administered by the Secretary of Commerce.

In December 1955 the House Small Business Committee received many complaints about the handling of metal scrap, particularly iron and steel scrap; whereupon a letter was addressed to the Secretary of Commerce, who has charge of the operation of this act. That brought forth from the Secretary of Commerce a letter dated December 27, 1955, some 3 weeks after the letter from the Small Business Committee of this House.

In that letter, a copy of which I hold in my hand, the Secretary of Commerce advised us that 2 weeks before he wrote the letter, 1 week after the inquiry, he had ordered a full and complete survey of the matter insofar as the export of iron and steel scrap was concerned, and insofar as the accumulation of scrap and availability of scrap in this country was concerned.

We had a right to expect that something would come of it, particularly since in that letter the Secretary of Commerce said, and I quote:

> The steel scrap export situation has been under close surveillance and virtually continuous review for more than a year and a half.

Then he tells us he has ordered a complete survey.

When his Assistant Secretary of Commerce, Mr. McClellan, appeared before our committee, when we were considering this matter, he told us that for more than a year and a half his department had been worrying—worrying for a year and a half—about this steel scrap situation, and they had reviewed it.

We knew the price of scrap had gone up by 50 percent. We were exporting 5 million tons as against 1 million tons the previous year, and our national security required that somebody in the executive department do a little worrying about this very serious situation.

When the gentleman was before our committee in February and again in March he told us on behalf of the Department of Commerce that the survey had not been made because they did not have any money with which to make the survey.

I asked: "When do you think the survey will be made?"

He said he hoped shortly. And I asked: "Will you ask for an appropriation for that purpose?" And he said, "He hoped so."

I understand from the Appropriations Committee that there has been no request made to that committee for an appropriation for a survey. But all through his testimony, the Department of Commerce representative insisted that there was an adequate supply of iron and steel scrap in this country, more than enough to warrant the continued export of steel scrap, and that there was an adequate supply in this country for our domestic operations.

That is fine. We have a right to rely on what that Department tells us. In January of this year the distinguished Committee on Ways and Means of the House had before it another bill also dealing with steel scrap, it was one to continue to exempt from import duties and taxes the importation into this country of iron and steel scrap. There can be no excuse for that kind of bill to be enacted unless there is a shortage of iron and steel scrap in this country.

I do not blame the Department for putting off answering that inquiry from the Ways and Means Committee until April, because they told the House Small Business Committee they were going to review that subject; and they told the Banking and Currency Committee that the matter had been worrying them and should be reviewed. We had a right to assume the delay in answering was caused by their desire to complete their review.

I was very much surprised to learn after the Ways and Means Committee unanimously reported their bill to extend the exemption of the taxes on the importation of iron and steel scrap, that under date of April 17, Secretary Weeks, of the Department of Commerce, wrote to our distinguished colleague, the very able chairman of the House Ways and Means Committee, the gentleman from Tennessee [Mr. Cooper], and said as follows:

> If this bill is enacted it will continue the suspension of import duties and taxes on ferrous and most types of nonferrous metals until the close of June 30, 1957.
>
> The Department of Commerce favors the enactment of H. R. 8636 because the types of metal scrap, e. g., iron and steel, etc., covered by the bill are in short supply.

I repeat, he said they are "in short supply." He therefore recommends the enactment of the bill. Two days later we go across the hill to the Senate Committee on Banking and Currency considering the very bill we are considering today to extend the Export Control Act and the representative of the same Department of Commerce on April 19 tells that committee:

> We do not have sufficient information upon which to base a judgment so as to answer your inquiry as to whether there is a shortage or there is not a shortage.

I think that is a terrifying way for any executive department to handle anything so important as this. It is bad enough that it actually affects the domestic economy, but when it goes further and affects the national security—I do not have to remind you what happened to scrap in years gone by—it is a horrible example of how not to act. The Department of Commerce tells us they have been worrying about this for a year and a half, they are going to review it, they need money to review it, but have not asked for the money; it is in short supply; then they tell another committee it is not in short supply and finally state to still another committee that they do not have enough information upon which to base a sound judgment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa?

Mr. GROSS. Does the gentleman have any idea how much this increase in export of steel has contributed to the continual rise of steel prices in this country?

Mr. MULTER. It has not contributed at all for this reason, and this is borne out by the facts in the record: The price of steel, the finished product, has continually gone up all through the years while the price of scrap has fluctuated as much as from 50 percent down to 50 percent up. It has gone from $20 to $54. All during the time, when it was going up and down, the price of steel has gone up and not once did it drop as the price of scrap dropped. The following table of prices was furnished by the Department of Commerce:

Price of steel scrap, pig iron, and finished steel, selected periods

	Composite price of No. 1 heavy melting steel scrap,[1] per gross ton	Composite price of pig iron,[2] per gross ton	Composite price of finished steel,[3] per net ton
1947—June	$32.79	$33.15	$57.68
1948—June	40.66	40.51	64.22
1949—June	20.78	45.91	74.10
1950—June	30.29	48.38	76.74
1951—June	43.00	52.69	82.62
1952—June	41.37	52.77	82.62
1953—June	40.97	55.32	90.34
1954—January	28.67	56.59	92.68
April	25.38	56.59	92.68
July	26.87	56.59	95.78
October	32.83	56.59	95.96
1955—January	34.63	56.59	95.94
February	36.17	56.59	95.94
March	37.27	56.59	95.94
April	36.50	56.59	95.94

[1] Average of No. 1 heavy melting steel scrap delivered to consumers at Pittsburgh, Philadelphia, and Chicago.

[2] Based on averages for basic iron at Valley furnaces and foundry iron at Chicago, Philadelphia, Buffalo, Valley, and Birmingham.

[3] Weighted index based on steel bars, shapes, plates, wire, rails, black pipe, hot and cold rolled sheets, and strip.

Price of steel scrap, pig iron, and finished steel, selected periods—Continued

	Composite price of No. 1 heavy melting steel scrap, per gross ton	Composite price of pig iron, per gross ton	Composite price of finished steel, per net ton
1955—May	$34.40	$56.59	$ 95.94
June	34.96	56.59	95.94
July	39.50	58.46	101.62
August	43.76	59.09	103.48
September	44.25	59.09	103.48
October	44.75	59.09	103.48
November	45.47	59.09	103.48
December	51.71	59.09	103.48
1956—(week):			
Jan. 4	53.33	59.09	103.48
10	53.67	59.09	103.48
17	53.17	59.09	103.48
24	50.83	59.09	103.48
31	50.83	59.09	103.48
Feb. 7	49.50	59.09	103.48
14	49.00	59.09	103.48
21	48.67	59.09	103.48
28	47.83	59.09	103.48

Source: The Iron Age.

IRON AND STEEL SCRAP SITUATION

Scrap iron and steel are on the positive list and an export license is required for shipment to all destinations except Canada. Criteria under which licenses have been issued have varied from time to time with the changing supply situation.

CONSUMPTION

	Short tons
Total consumption of both purchased and home scrap in 1955 including exports	81,373,000
Total purchased scrap (open market supplies, including export)	40,741,245
Export shipments to all destinations in 1955	4,955,245

Exports were 6.09 percent of total scrap consumption and 12.16 percent of purchased scrap consumption.

CONSUMERS' INVENTORIES

Inventories held by integrated mills, nonintegrated mills, and cast-iron foundries (all types of consumers):

	Short tons
Dec. 31, 1954	7,349,000
Dec. 31, 1955	7,209,000

Shrinkage in total inventory by all consumers during the year 1955 was less than 2 percent.

DEALER'S INVENTORIES

There are no authentic figures on the tonnage of inventories in scrap dealers' yards. However, a recent spot-check survey conducted by the Department in the major industrial areas throughout the country indicated that stocks were generally adequate and demand normal.

IRON AND STEEL SCRAP PRICE

During 1955 the maximum changes in the composite price of No. 1 heavy melting steel scrap, as published by Iron Age, the most authoritative price index used by the industry, was from a low of $34.40 in May to $53 in December. This represented a maximum spread of 54 percent. However, during 1956 the price of scrap has steadily declined. It was $47.83 on February 28, 1956. The volatile nature of the scrap market in recent years is disclosed in the attached exhibit B.

COMPARATIVE PRICES

Although scrap prices have increased during recent years the rate of increase has been less than for other raw materials going into the production of steel or for semifinished or finished steel:

Bureau of Labor Statistics price index for December 1955 (based on 1947–49 as 100)

Iron and steel scrap	126.4
Pig iron	141.3
Iron ore	161.0
Semifinished steel	170.3
Finished steel	154.8

FOREIGN DEMAND

The major portion of these exports go to the coal and steel community in Europe, the United Kingdom, Japan, Mexico, and Canada. These friendly countries rely to some extent on the United States as a source of supply and their steel production as well as their domestic economy would be adversely affected by any drastic curtailment of our exports to them.

Several months ago the United States Government advised the Western European governments, the United Kingdom, and Japan (the areas to which major shipments were made during 1955) that their steel industries should not continue to look to this country for unlimited supplies of scrap. In response the scrap-consuming countries have indicated that they expect their requirements on the United States for the year 1956 to be less than actual shipments in 1955.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GROSS. Does the gentleman recognize scrap metal as a strategic material?

Mr. MULTER. Yes, sir; very definitely.

Mr. GROSS. Is there any connection between this legislation and the Battle Act? Is there any direct connection?

Mr. MULTER. I cannot answer the question. What is the Battle Act?

Mr. GROSS. The Battle Act provides for control over the shipments of strategic material to Iron Curtain countries. It provides that the President within his discretion can shut off the shipment of strategic materials to Iron Curtain countries. Thus far the President has not seen fit under any circumstances, as far as I know, to shut off the flow of strategic materials to any country.

Mr. MULTER. We have been assured—and I hope this assurance can be relied on to a greater extent than this other information coming from the same Department—by the Department of Commerce that their intelligence is that very little of the end use products of steel go behind the Iron Curtain, either as steel or as finished product that comes from the steel into which the steel scrap goes. I hope they are more correct in that statement than in the rest of the information they have given us.

Mr. GROSS. I hope so, too.

Mr. MULTER. Our committee put into the report a directive to the Department of Commerce to immediately make this survey they have been talking about and which they have not made up to date. When we get to considering this bill under the 5-minute rule, I will offer an amendment directing the Department of Commerce to make this survey. We do not know where we are, we do not know whether we need this scrap or do not need the scrap. We do not know whether we can continue to export 5 million tons a year or not. Our information seems to be that in the next year we will export more scrap. If we need it here, the provisions of the law permit the Secretary of Commerce to put an embargo on it. I am not taking the position we should embargo the export of this material today. Our committee does not know the answer to that problem. But we should get it and get it at once.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. O'Hara].

Mr. O'HARA of Illinois. Mr. Chairman, I am directing my remarks to the paragraph on page 5 of the report entitled "Prosecution of Criminal Offenses." It deserves the thoughtful reading of my colleagues. Therein the members of the Banking and Currency Committee express their great concern over the apparent collapse in criminal prosecutions.

The committee was told that since 1953 some 27 criminal prosecutions had been disposed of, but on further inquiry it was learned that "disposed of" was a term used to cover a history of futility. The number of convictions was almost negligible. I can imagine few more serious offenses than that of illegally shipping strategic materials behind the Iron Curtain. Certainly that offense is as serious as that of counterfeiting. Yet while the counterfeiter is run down and vigorously prosecuted, he is seldom if ever permitted to plead guilty and get off with a small fine or a reprimand, violators of the Export Control Act seem to have been permitted almost to write their own tickets. You will find on pages 66 and 67 of the public hearings on H. R. 9052 the complete record of all criminal cases disposed of that were pending on April 1, 1953, and that were commenced between April 1, 1953, and December 31, 1955.

It is not a very imposing record. A typical case was that of an offender seeking to get truck tires into Rumania by falsely stating that they were consigned to Italy. The corporation pleaded guilty and was fined $1,000. The charges against the individual were dismissed on his motion.

I call attention to another case of unauthorized transshipment to Hong Kong via Lisbon. This case was reported as "disposed of" and naturally I desired to ascertain the manner of its disposal. This information was furnished later in a letter to Chairman Spence from the Assistant Secretary of Commerce, which will be found on page 67 of the hearings. The explanation given is that the case was referred to the Justice Department for prosecution, that Justice referred it to the United States attorney in San Francisco, that the United States attorney presented it to a grand jury and that the grand jury refused to indict. I do not know what the facts were, or how strong or weak the evidence may have been in this and the other cases reported as disposed of. Not knowing the facts, it would be unfair to attempt to form any conclusion. I am merely calling attention to the result.

It is claimed that this is a field in which for various reasons criminal prosecutions are very difficult. Nevertheless the difficulties in criminal prosecution have never stood in the way of Federal prosecutors in proceeding vigorously and successfully against violators of other Federal laws. In the old prohibition days there were plenty of difficulties stemming from the fact that principals had in their employ many small fry who when they were caught took the rap and left the principals undetected. That was when the Federal prosecutors used so effectively the blanket indictment for conspiracy. There should be some effective way of bringing to justice exporters who conspire to ship to the potential enemy behind the Iron Curtain.

The Banking and Currency Committee did not attempt to place the blame for a very apparent laxness in criminal prosecutions. Assistant Secretary of Commerce McClellan did agree with the committee that the criminal prosecutions should be stepped up. I trust that that will be done. That my colleagues may be better informed on this phase I suggest their reading of pages 53–58, 65–69, and 168–170 of the hearings.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Well, what does the gentleman expect when, under the Battle Act, the President refuses to discontinue foreign aid to a nation that ships strategic materials to the Iron Curtain countries? That is a much milder form of penalty than the gentleman is speaking of. You can, but I do not think they are going to, prosecute people under criminal procedures when you do not even apply the sanctions provided under the Battle Act to stop foreign governments who admittedly have been shipping strategic materials back of the Iron Curtain.

Mr. O'HARA of Illinois. I think the gentleman from Iowa is seeking to carry the gentleman from Illinois into an alien land. The gentleman from Iowa, as I understand, is criticizing a Republican President, and the gentleman from Illinois, being a Democrat, should not be drawn into a family spat.

Mr. GROSS. I will criticize any administration that fails to enforce any of the laws of this country.

Mr. O'HARA of Illinois. I am glad to know my friend from Iowa agrees with me in my contention that there should be a vigorous prosecution of the violators of the Export Control Act.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. Saylor].

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Chairman, the proposal to extend the Export Control Act comes at a time when the shortage of a strategic material is presumably being ignored by those charged with the administration of the act. Lack of knowledge on the part of responsible officials as to the importance of steel scrap is one theory that has been advanced as the reason for the present serious condition in the steel industry. A more logical explanation is that the Department of Commerce, wherein administration of the act has been placed, is being subjected to undue pressure from the State Department. Regardless, it is incumbent upon Congress to make it clear that an adjustment be effected as soon as possible.

Last week the distinguished gentleman from Ohio [Mr. Vanik] inserted into the Record a letter signed jointly by Adm. Ben Moreell, chairman of the Jones & Laughlin Steel Corp., and Mr. E. T. Weir, chairman of National Steel Corp. The letter, which I presume went to all Members of Congress, called attention to the fact that supplies of scrap are being exported without regard to requirements in this country.

Admiral Moreell, whose distinguished military record is well known to all of us, also made outstanding contributions to this country as a member of a Hoover Commission task force. Mr. Weir is a student of world affairs and has, in fact, made first-hand investigations of economic conditions in other parts of the world in the post-war period. I therefore believe that their joint statement merits especial scrutiny and consideration.

As representative of an area where the steel industry comprises a substantial part of our economy, I am particularly interested in all matters affecting this industry. Actually, steel is so vital to the national welfare and security that no Member of Congress—regardless of the area he represents—would permit the continuance of a Government policy detrimental to this great industry. I remind you that scrap is as important as coal and iron ore in the steel-making process and thus is a vital component of a prosperous economy and a strong defense structure.

I cannot forget the days when our steel plants were idle and thousands of our workers were without employment. I do not want the jobs of these citizens to be jeopardized because of a shortsighted program attributable to the Federal Government.

The House Committee on Banking and Currency issued a report, following hearings on the proposed extension of the Export Control Act, in which it was explained that a reduction of exports of scrap is necessary in order that America will be reasonably certain of an adequate supply for domestic needs. Congress is extending the act because we think that it is important to protect our strategic materials. The Department of Commerce has used this authority to restrict exportation of such items as nickel, copper, and tungsten. It should not be permitted to accede to the pressure of the State Department, which apparently is willing to torture the steel industry through excessive exports of needed material just as it has created havoc in the coal and glass industries through excessive imports of competing products.

There is no evidence that the State Department in its invasion into the field of foreign commerce takes into consideration the economic welfare of the United States. If a group of performers in one of the many international sideshows which the State Department has assisted in setting up were to suggest that this Nation begin exporting a valuable resource to Saturn on the chance that it might tend to promote planetary camaraderie, you can be certain that it would not be long until our so-called diplomats converged upon Congress with a request for funds to get the project underway. Because of this atttiude—characterized by ethereal planning, obsessed with the idea of subordinating national authority to that of world associations, and completely devoid of sympathy for United States industry and labor—the State Department should not be permitted to exercise controlling influence on either import or export policies.

Unless the exportation of scrap required for use in our own country is terminated, it may be necessary for Congress to take further action. Meanwhile I trust that the Department of Commerce will take notice of the report drawn up by the Banking and Currency Committee, then act without delay to correct the prevailing policies regarding exportation of steel scrap.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Vanik].

Mr. VANIK. Mr. Chairman, I intended to introduce an amendment to limit the exportation of iron and steel scrap to 2½ million tons per year. I will withhold this amendment pending the course of future decisions of the Department of Commerce. In its present form H. R. 9052 gives the power to the Secretary of Commerce to regulate exports including iron and steel scrap to the extent necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, safeguard the national security insofar as it might be adversely affected by exports of strategic commodities; and, third, to further our foreign policy.

I am in hearty accord with the purposes of this legislation. Our foreign policy requires that we provide some supplies of scrap to our friends in foreign lands, but we must provide adequate safeguards to protect the domestic economy from an excessive drain of its strategic supply of steel and iron scrap in the interest of national security.

In 1954 we exported a total of 1,264,395 tons of iron and steel scrap, while in 1955 the export of iron and steel scrap rose to almost 5 million tons, or an increase of almost 300 percent. These figures exclude exports to Canada. Our attention should be directed to the skyrocketing exports of iron and steel scrap during the year 1955 and continuing well on into 1956. This alarming increase in export of our iron and steel scrap abroad commands the attention of every Member of Congress. The tremendous increase in exportation of scrap is profitable indeed to the scrap iron and scrap steel industry which enjoy most favorable conditions in exporting precious American scrap abroad. The high exportation of scrap is defended by the industry on the basis that so long as the machinery for scrap collection is mobilized, the scrap supply will be adequate for any emergency. It is also contended by the scrap industry that security regulations and license requirements prohibit export unless on approval by the Department of Commerce except on exportation to Canada. The fact of the matter is that the shortage of scrap in America has forced vast segments of American industry to pay the highest prices in history for scrap which is required in the production of steel in the gray iron foundry industry and in the making of iron and steel castings. The defense efforts of the United States require the extensive use of scrap for gray iron castings which are used extensively in the manufacture of combat vessels such as trucks, landing tanks, and marine vessels; 90 percent of the weight of all machine tools are in the form of gray iron castings which cannot be built without extensive use of steel and iron scrap.

At the present time most of our iron and steel scrap is exported to the coal and steel community in Europe, the United Kingdom, Japan, Mexico, and Canada. It is true that these friendly countries rely to some extent on the United States as a source of supply, but if 2½ million tons of scrap was sufficient for them in 1954, why should more than 2½ million tons be required for 1956 or 1957? These countries should be forced in some measure to use pig iron as an alternative just as many great industries in America are required to use pig iron.

The exportation of scrap has risen so radically that it will undoubtedly have an effect on rising prices for finished steel products, and the American consumer will be charged with this added burden in the cost of finished products.

Although exportation can only be made by permit issued by the Department of Commerce and it is presumed that export permits will only be given to those countries with which America is on friendly terms, how long can America count upon the government of a friendly nation today remaining in a state of friendship after huge supplies of American scrap have been accumulated? There is no assurance that scrap sold to the United Kingdom, Italy, or France, or any other country might not eventually find its way to the weapon-making plants behind the Iron Curtain. Indeed, the reserve supplies of iron and steel scrap in America are strategic, as fully strategic as any other precious metal we possess. Scrap iron and steel can be readily and quickly converted into items essential to the national defense of our country.

The positions taken by Mr. Ben Moreell, chairman of the Jones & Laughlin Steel Corp., and Mr. E. T. Weir, chairman of the National Steel Corp., on this issue are very sound. I quote from their letter of May 15, 1956:

> The continued export of large quantities of scrap is both absurd and dangerous. This statement can be demonstrated by simple arithmetic. In 1956 it will be necessary to import about 25 million tons of iron ore. In 1955 approximately 5 million tons of scrap, equivalent to 9 million tons of iron ore, were exported. The effect was to cancel out more than one-third of the protection which the steel companies are seeking to give to the deficient raw materials position of the United States.
>
> * * * It certainly seems pointless for steel companies to bring iron ore from foreign sources that have explored, acquired, and developed at enormous expense when incoming ore boats are being passed by shiploads of scrap on the way out—and with each ton of outgoing scrap neutralizing about 2 tons of incoming iron ore.
>
> * * * The control of excessive exports of any strategic material is provided for by the Export Control Act now in force. Where stockpiles of such materials, sufficient to protect the defense needs of the United States are available, an argument could be made for removing control from exports.
>
> In the case of iron and steel scrap, there is no such stockpile. In fact, no one knows at present how much scrap can be obtained from our so-called hidden reserves. But there is every indication that those reserves are being rapidly depleted and, should an emergency arise, the steel industry could discharge its obligations to the country only with great difficulty, if at all.

The present 90-day supply of iron and steel scrap could prove to be fatally inadequate and deficient to the national defense of the United States of America. In the event of a threat to the national security, production of civilian steel and iron products becomes curtailed and scrap supplies run out.

I regret that this legislation does not restrict the exportation of high quality iron and steel scrap. Since shipping costs are the same for high quality or low quality scrap, it is only natural that the high-quality scrap should find its way into export. It is the high-quality scrap which is strategic to America's security. It is my hope that the administration will use the power provided in this legislation to aggressively restrain the exportation of high-quality steel and iron scrap and reduce the export authorizations of other grades below the 5-million-ton peak of 1955 in the interest of domestic economy and the national defense.

I want to take this opportunity to call the attention of the Members of Congress to an article which appeared in the April issue of a trade magazine entitled "Foundry," in which Editor Frank G. Steinebach sets forth a guide for Congress:

A Guide for Congress

> Since scrap is the principal source of metallics for ferrous foundries, anything affecting the supply has a direct bearing on the ability of foundries to meet demands for castings, for a nation either at peace or at war. For some months foundrymen in various sections of the country have been

greatly concerned over the unlimited exportation of iron and steel scrap, as permitted by the Department of Commerce. This movement of scrap from the country has resulted in shortages in some areas, a diminishing supply of quality scrap and inflationary tendencies in prices.

As a result, foundrymen and representatives of other industries using scrap have been telling the Congress about the problem. And because the members of Congress generally are sensitive to word from back home, it was quite natural for the House Banking and Currency Committee to hold a hearing on scrap exports when considering a bill to extend the present authority of the Department of Commerce to regulate exports.

On March 6, at the invitation of the committee, F. Kermit Donaldson, executive vice president of the Steel Founders' Society of America, Lowell D. Ryan, managing director of the Malleable Founders' Society, and Donald H. Workman, executive vice president, Gray Iron Founders' Society, testified before the committee in Washington. Excellent and convincing statistics provided by these men were well received by the committee, and emphasized again the value of well organized and efficiently managed trade associations to the foundry industry.

Recommendations of the three representatives were summed up as follows:

1. Launch a comprehensive and objective study of the potential scrap supply likely to exist in the next 5 to 15 years.

2. Make an immediate analysis of steps which could be taken to limit the total amount authorized for export, with the limitation imposed on a qualitative basis.

3. Work out a program—with due regard to foreign requirements and commitments—whereby these foreign countries can (a) be encouraged to increase their pig-iron-producing facilities, and (b) be encouraged to use other than top-quality grades of scrap.

These recommendations surely are reasonable and constructive. They should be considered carefully by the Congress in order that foundries and steel mills may produce the castings and other iron and steel products needed for the normal expansion of our growing economy in times of peace, or for the defense of the Nation in time of emergency.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I am heartily in favor of what the gentleman desires to accomplish. We have written into the report directions as to what we think should be done with regard to the exportation of scrap. If they are not followed, we might take more drastic action, but I think we ought to assume that they are going to act in accordance with our directions and if that were so, there would be no need for an amendment to the law. But I am in accord with what the gentleman desires to accomplish.

Mr. VANIK. I thank the distinguished gentleman from Kentucky, the chairman of the House Banking and Currency Committee.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Minnesota.

Mr. WIER. On the basis of the statements made by the gentleman from Ohio and by the chairman of the committee [Mr. Spence], I have been sitting here trying to learn who can establish the fact whether there is a shortage of scrap iron and steel in this country.

Mr. VANIK. This proposed legislation delegates that responsibility to the Department of Commerce. My concern is whether or not we are providing an adequate supply when we provide for a 90-day supply of iron and steel scrap. It could prove to be totally inadequate, because, in the event of a threat to the national security, scrap becomes immediately unavailable. We had the experience in World War II and the Korean war. The production of civilian metal products is curtailed and therefore the production of scrap is automatically curtailed.

This bill extends for 2 more years the delegation of authority to the Secretary of Commerce to control the export of scrap. It will be my objective to watch the way the licenses are granted.

I regret that somehow we were not able to prepare legislation which would prohibit the exportation of the highest quality scrap to foreign nations, because it is that scrap which is most strategic to our national defense effort.

In view of the reports that have been submitted and the testimony before our committee, I certainly hope that the Department of Commerce will be guided by what has been said in committee and here on the floor and curtail in some way the volume of all scrap shipments and in particular the exportation of high-quality scrap to foreign nations.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Holland].

Mr. HOLLAND. Mr. Chairman, over the weekend I had the opportunity of discussing the scrap problem with a few representatives of the steel companies in my district. They were pleased with the House report on this bill. They could not give me an estimate of what they consider a required amount of scrap necessary to have in stockpiles. They had no definite idea of how much scrap we had today in the United States. They agreed that our request in the House report for a survey of scrap on hand in the United States would be very valuable to the steel industry. They also agreed that the Department of Commerce should exercise a tight control on the exporting of scrap.

I believe we have in these 2 issues solved 2 problems that have caused the steel industry much concern.

I feel as the representative of a district that has over 78,000 steel employees that this bill will afford much needed protection to the industry and especially to the smaller industries.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield to the gentleman from California.

Mr. McDONOUGH. Has the gentleman had any complaint from the small steel foundries in his district about the shortage of scrap?

Mr. HOLLAND. There has always been a fear that a shortage of scrap may exist in the future. However, I have not had any direct complaints of a shortage of scrap existing at this time.

Mr. McDONOUGH. Does the gentleman have many scrap gatherers in his district?

Mr. HOLLAND. Quite a few.

Mr. McDONOUGH. Does the gentleman know whether they are exporting it or selling it to the gray iron firms?

Mr. HOLLAND. They are selling it to the local firms.

Mr. SPENCE. We have no more requests for time, Mr. Chairman.

The CHAIRMAN. If there are no more requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 12 of the Export Control Act of 1949 (63 Stat. 7), as amended by Public Law 33, 82d Congress (65 Stat. 43), and Public Law 62, 83d Congress (67 Stat. 62), is hereby amended by striking out "1956" and inserting in lieu thereof "1959."

With the following committee amendment:

Page 1, line 7, strike out "1959" and insert "1958."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Smith of Virginia:

"After line 7, insert '*Provided,* That not over 2½ million tons per annum of scrap iron shall be exported during the next year pending a survey by the Department of Commerce.' "

Mr. SMITH of Virginia. Mr. Chairman, I have offered this amendment principally to stimulate the discussion and consideration of this question which seems to be pretty grave as to whether we should strip ourselves too closely on the question of scrap iron. I find a disturbing thing in the House committee's report. They recognize the danger of our exporting scrap iron to the point where we would be deprived of it in an emergency. They recommend that the Department of Commerce make a survey. I think that is fine. I do not know what else they could have done—I am not quarreling with the committee about it, but it does seem to me we ought to be able to do something that would be adequate to protect an ample supply of scrap iron. As is said in the report, we have previously stripped ourselves of scrap iron to the point where we have endangered our steel industry. Now, when we are getting letters from all the steel producers expressing their fear about this situation and the fear that we will strip ourselves to the danger point—all we are doing in the committee report is saying we recommend the Department of Commerce make a survey and while we are making that recommendation the scrap iron is being exported. There seems to be no limit upon it. I do not think that what is proposed in the report is adequate.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. I congratulate the gentleman from Virginia on bringing up this amendment and this discussion because I agree with him fully that this is a very serious situation. I have received a great many communications, letters and telephone calls from the steel industry in Pennsylvania and Ohio to the effect that the export of scrap steel and scrap iron to foreign countries endangers the supply of this very necessary material and could bring about great injury to this country in time of war.

Mr. SMITH of Virginia. I thank the gentleman. His mind is running along the same channel as mine because I remember during the time that I have been a Member of Congress we had a serious question of a shortage of scrap iron when our steel industries were threatened with having to be shut down from time to time, because we were short of scrap iron. I do not think it is adequate just to say to the Department of Commerce to make a survey and tell us whether we have enough or do not have enough while in the meantime the country is being drained of scrap iron. I would hope that we could do something more adequate than what has been done in the bill although I recognize the difficulties the committee is laboring under and I do not want to criticise them or their bill. But, I just feel that we should give this matter a little more consideration before we just drop the matter and say to the Department of Commerce, "Make us a survey of some kind or another." I do not know how they are going to find out how much scrap iron is laying around in these hills, but I do think we ought to do whatever is necessary to insure that our steel mills are not going to have to shut down either in the event of an emergency or otherwise.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Georgia. I would like to read to the gentleman what is in the report.

Mr. SMITH of Virginia. Yes; I have read the report.

Mr. BROWN of Georgia. The report says:

> Some means must be found either through agreements with foreign producers to whom we are now exporting scrap or through the imposition of stricter controls under the Export Control Act to reduce the exports of scrap to a level where we can be reasonably sure of an adequate supply of scrap for domestic needs.

It seems to me that is pretty strong. You are going to find it rather difficult to find out just how much scrap we have all over the country, especially on the farms and behind the houses and so on. It seems to me that we have gone as far as we can go or should go at this time.

Mr. SMITH of Virginia. I feel we have never gone as far as we could until we fully protect our domestic needs, and if somebody has made an agreement with somebody in Europe that we are going to give them scrap iron, we had better do something about it.

Mr. McDONOUGH. I understood the gentleman to say that he offered this amendment for the purpose of stimulating discussion. I trust the gentleman is serious in pressing his amendment.

Mr. SMITH of Virginia. After I have stimulated discussion, if I find that the idea meets with favor I shall certainly press it.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. Smith] has expired.

Mr. TALLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the distinguished, able, and esteemed gentleman from Virginia [Mr. Smith] knows, I do not enjoy speaking in opposition to his views, but his amendment is presented in such a manner as to invite comment; and that I will do.

At the outset I should like to summarize the situation as it is at this hour. I am making this summary on the basis of a consultation which was had as late as this forenoon with the Department of Commerce.

As point 1 in that summary, I want to say that the House Committee on Banking and Currency thoroughly reviewed the pending legislation in the light of the scrap situation, and concluded that no change in the act was necessary, aside from an extension of time.

In the second place, under present law the Secretary of Commerce already has the legal authority to impose export quotas when such action is found to be necessary.

In the third place, exports of scrap are now being controlled by being placed on the Department of Commerce positive list of commodities, which require individual licenses to all destinations. Those licenses last for only 90 days, so they can be checked on, and if errors or malfeasance occur, corrections can be made. Exporters are required to submit a certificate of availability of supply with each license application, and to submit evidence of recent past shipments, in line with what I have just stated. Those requirements are intended to prevent speculative buying of scrap for export.

Fourth, the House committee report, as has been stated by the chairman of the committee and others, urges the Secretary of Commerce to regulate and to reduce exports of scrap so as to assure an adequate domestic supply.

Also, the committee report recommends that a survey of scrap supply be made; the survey referred to by the gentleman from Virginia [Mr. Smith] and others.

It is believed that these recommendations are all that the situation requires, and make unnecessary any amendment of the act.

Fifth and last: While scrap exports have been at a relatively high level, it does not appear that the mills or foundries have had any difficulty in getting supplies. The hearings show that, because I pressed Mr. Wolcott, not the gentleman from Michigan, but another Mr. Wolcott, on that very point in connection with the hearings, and he could not say that he had not been able to get sufficient scrap.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I was wondering if perhaps it would not solve the problem better if there were included in the bill a directive to the Department of Commerce to make a survey within a certain limited time and report to the Congress and let us see whether we have got enough to continue this high rate of export

Mr. TALLE. I may say to the gentleman it is my personal feeling that the Department of Commerce has recognized what is in the report and that it will proceed to fulfill the intent of the committee when it put that statement in the report.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. Talle was allowed to proceed for 5 additional minutes.)

Mr. TALLE. I will continue now to say what I had in mind in connection with my fifth and closing point: Steel scrap prices have risen over a period of time. This has been due more to the high level of domestic demand than to exports.

I pressed that matter during the hearings, and if Members will turn to page 4 of the hearings they will find that the Department exercises great care in checking and rechecking exports to both friendly and other countries.

Then again on page 30 and page 31 of the hearings Members will find that I quoted there two significant paragraphs from Assistant Secretary McClellan's statement which emphasize the great care exercised by the Department as well as the progress that is being made. It appears to me that the Department of Commerce is doing everything it can to guard against having these supplies go to unfriendly countries.

I continue my fifth point: Also there is recent evidence of price declines and continuing adequate supplies of scrap.

May I say Mr. Chairman, that the stock market is a highly sensitive market. The market for scrap is not so sensitive as the stock market, but it is a sensitive market, so that it responds quickly to changes in demand and changes in supply. It is not surprising, therefore, that prices go up and down rather quickly. The forecasters of business prospects take that into account, and it is customary for them to inlude the price of scrap in the indicators they use in forecasting.

May I say with reference to the proposed survey of scrap supplies that I was born and reared on a farm and know something about the difficulty of making a survey of scrap, because scrap, you know, can be found in greater or less quantity on every farm in the United States. What a task to take such an inventory. I would wager that tons of it are in basements right here in the capital city and that it would move into the market if the price were such as to make it worthwhile for people to bring it out.

The illustration I used in connection with the hearings was my own farm experience. In those days, when a grain binder was taken apart and sold for scrap on the farm it was customary to save that large middle wheel of the machine called the bullwheel. That bullwheel was saved because the housewife liked to have it in the front yard where she would use it for making a most beautiful flower bed. I remember distinctly how those bullwheels disappeared during World War I when the price of scrap went up high.

I noticed, too, that the junk yards became vacant when the price of scrap went up high. How to make a survey that would be anything like a reliable one as to scrap is something beyond me. Nevertheless, I do favor the undertaking. Let it proceed as fast as it can go, but I throw out the warning that after you have made the survey, and you have what you believe to be facts, please remember that they can be very wide of the mark.

I have such a high regard for the gentleman from Virginia that I hesitate to oppose his amendment, but I must say I find no usefulness in it, because the Department of Commerce has indicated that it intends to do exactly what the gentleman from Virginia proposes to achieve by his amendment. The Department has recognized the Committee report and the intent of the report. Therefore, I urge that the amendment be not agreed to.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Iowa.

Mr. GROSS. I notice on page 2 of the report that in the last 6 months of 1955 only about 400 of the applications for proposed shipments were declared to be destined for the Soviet bloc as compared with 100,000 applications for shipments to the free world. How many of the 400 applications were actually granted for shipment of junk to the Soviet bloc, does the gentleman have any, idea, or was that developed in the hearings?

Mr. TALLE. That question came under some consideration. I would suggest that further reading be done in the hearings which clearly show that every effort is being made to prevent any of it from going to the Soviet bloc. You will notice that the applications number at least a hundred thousand and that about 400 of those appeared to be suspect and perhaps destined for the Soviet bloc. But the Department is certainly doing its best to prevent such action.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I realize that the gentleman from Virginia is actuated by the highest motives in proposing this amendment. I oppose it because I think it would be a dangerous amendment. The control of the exportation of goods is essentially an administrative matter. If we cut off the exportation of scrap to Europe, which usually goes to the iron and steel community, it might adversely affect their economy. To let any strategic materials go behind the Iron Curtain would be the height of folly. But to send essential materials to our friends is an evidence of friendship and confidence.

Suppose we cut it off. They have been relying on it. Our world is growing smaller all the time and a spark thrown in any part of the world may cause a holocaust that would consume all of us. Their friendship is important to us, particularly friendship that comes from confidence, the friendship that may come to us by reason of sending them things that are essential to their defense. We have been doing that, and I know they must appreciate it. Now we cut it in half. Next month and the next after we say, "You get no scrap." What will be their reaction? It might be very dangerous to our friendship and to our future relations, and I would not want to take that chance. This evidence of friendship, this kind of help, is better than a hand-out. When you send the nations things they can use either for their own defense or against us, they know that we have confidence in them, and I do not want to destroy that confidence.

This bill applies to the Export Control Agency and what we write in the report should be as effective for all practical purposes as if it were written in the bill.

The people I represent are deeply interested in the scrap export situation. They are alarmed, but they have not asked that we cut off the exportation of scrap. They are interested in our economy and national welfare.

Now, I hope there will be no amendment exercising control in spheres where we have insufficient knowledge.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the distinguished gentleman from Virginia presented this amendment, he emphasized that he was doing so with the thought of stimulating discussion, and I think that the discussion has been good; it has been wholesome. In 1938 Walter Judd, now a distinguished Member of this body, was a medical missionary in China. He came back to the United States that year, and his main purpose in coming back was to warn the people of the United States against the continued shipment of scrap iron to foreign countries, notably Japan. Over a period of 3 years Walter Judd addressed some 1,400 audiences: Chambers of commerce, Rotary clubs, churches, fraternal organizations, and almost in every instance his listeners would say unanimously "He is right, and something ought to be done about the situation." Everybody agreed that he was right and something ought to be done. He predicted dire consequences. Nothing was done, and America suffered those consequences. So, I am giving voice to this thought in this discussion today that this committee stick close to this situation and see that the Department of Commerce, the administering body in the field of export licenses, does something about a real, honest-to-goodness survey, and that we are not caught short as we were caught in 1941.

Mr. MULTER. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. Multer as a substitute for the amendment offered by Mr. Smith of Virginia:

"On page 1 after line 7 insert the following:

"'Sec. 2. The Secretary of Commerce is hereby directed to immediately make a complete survey of the iron and steel scrap available and potentially available and to file with the Congress an interim report within 3 months and a final report not later than January 31, 1957. Such survey shall be made by full-time employees of the Department of Commerce without limiting, however, the Department of Commerce from calling upon other departments of the Government to make available to the Department of Commerce such information as is available to them.'"

Mr. MULTER. Mr. Chairman, the amendment offered by the distinguished gentleman from Virginia [Mr. Smith], I am very happy to say, has stimulated much worthwhile discussion on this subject. I think the gentleman would be among the first to agree that without the necessary information we cannot take a definite step and say, "We shall now embargo the shipment of any of this scrap." There is not any doubt that there is a dearth of information on this subject. Without the information we cannot act intelligently.

The Department of Commerce under the existing law, has the authority to step in and embargo these shipments any time if finds either that there is an inflationary impact upon the domestic economy requiring it or that the national security requires such embargo. All they need to do is furnish themselves with the facts and then act in accordance therewith.

When the committee report was prepared, I was prepared to go along with the committee and say that a direction in our report would be sufficient. I cannot agree with the gentleman from Iowa, [Mr. Talle], who addressed us a few moments ago when he says that the Department now is alerted to the necessity of a survey and is prepared to make one.

They indicated as late as April 19 that they have no sufficient information, on which to base a sound judgment, and on that date there was no indication that they were prepared to make a survey. I am afraid the direction in our report is not sufficient. We must put specific language into the bill to require that they stop worrying and start acting and that they make a survey promptly; at least, give us an interim report within 3 months and a final report by January 31 of next year. In the meantime, as soon as the information becomes available to the Department, under existing law they can step in and act in accordance with whatever that survey may show.

In the meantime, let us indicate to the Department that they must move forward and move promptly, and give us this survey without any further delay.

I urge the adoption of the substitute.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman's amendment provides a firm date?

Mr. MULTER. Yes; my amendment requires an interim report within 3 months and a final report on or before January 31, 1957.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. Multer].

The question was taken; and on a division (demanded by Mr. Wolcott) there were—ayes 28, nays 8.

So the substitute amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Virginia [Mr. Smith] as amended by the substitute.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. McCormack, having resumed the chair, Mr. Mack of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports, pursuant to House Resolution 504, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. Spence, the title was amended to read: "A bill to amend the Export Control Act of 1949 to continue for an additional period of 2 years the authority provided thereunder for the regulation of exports."

A motion to reconsider was laid on the table.

THE CASE OF SPENCER WELSH

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, on April 16 I addressed this body at some length, outlining the case of Spencer Welsh, an ex-prisoner of war, who had been denied his claim for compensation without the opportunity of facing his accuser. I had some sharp things to say about procedures involved.

In all fairness, I should now inform the House that the Foreign Claims Settlement Commission reopened Mr. Welsh's case and has now approved his claim for compensation. I am pleased with this result, Mr. Speaker, but I think it is unfortunate that it was necessary for a Member of Congress to intercede with the White House to achieve the result.

In addition, I would hasten to point out that while this action settles the case of Spencer Welsh, it does not dispose of the basic issue involved—the question of the right of any American to a fair trial. Unless and until all of the POW cases now pending before the Foreign Claims Settlement Commission are properly disposed of, everything that has been said concerning the Spencer Welsh case still applies.

Mr. Speaker, as a part of my remarks, I include an editorial from the York (Pa.) Gazette and Daily published on May 18. The editorial follows:

AN AMERICAN SOLDIER

In March of 1950, at the age of 17, Spencer Walter Welch, of Manchester Road, York County, enlisted in the Army. On August 28, Private First Class Welsh, attached to the 8th Regiment of the 1st Cavalry Division, shipped out overseas for Korea. On November 5 in the late afternoon, near Unson, North Korea, Welsh was in a trench near a rice field with about 30 other infantrymen of K company. They fought, were surrounded, at last laid down their rifles and were captured.

About 3 years later, on August 22, 1953, Welch, now 20 years old, was released from a prisoner-of-war camp near Ziniju. He telegraphed his sister, "Feel like a new man already. Can't wait to see you again." On September 11 he arrived home. A few weeks later he and other countians who had come back from war prison were entertained by city council Democrats. After that, Mayor Howard Eyster presented him with a gold watch, and Mr. Eyster and the York Chamber of Commerce secretary were hosts at a hotel dinner for the returned prisoners of war.

Welsh received an honorable discharge and the good-conduct medal shortly after his return. On March 1, 1954, he filled out and mailed to Washington a form he had received on which he had stated his claim for money due him, by act of Congress, for the 34 months he had spent in a prison camp. About a year and a half later, on October 27, 1955, he was notified that the Foreign Claims Settlement Commission had denied his claim. He was given 40 days within which he could appeal. Welsh secured a York attorney and did appeal.

Through the assistance of this attorney, Welsh obtained a list of reasons for denial of the claim. The gist was that he had not proved he had not collaborated with the enemy. On January 17, 1956, Welsh and his attorney discussed the matter with an officer of the Claims Commission. On February 16, the Gazette and Daily published a report on the entire case and called it to the attention of Congressman James M. Quigley. After conferring with Welsh and with officers of the West York and district Veterans of Foreign Wars, to which Welsh belonged and which had interested itself in his case, Quigley wrote a letter to President Eisenhower.

He said among other things that the charges "were couched in the vaguest and most general terms"; that Welsh was never informed whether "he had one or many accusers"; that the so-called hearing with an officer of the Claims Commission was "a mockery of American justice"; that "the entire burden of proving his innocence was upon Mr. Welsh."

Contact was slowly established between the White House and the Claims Commission, which had said it could not possibly reopen the case. Quigley and other Congressmen—more than 200 veterans were in similar positions—introduced bills calling for due process in Claims Commission hearings. Senator Hennings of Missouri, chairman of a Senate Committee on Constitutional Rights, informed the Commission that Welsh and others would be invited to tell their stories in public before the committee. Monday the Foreign Claims Commission told the Gazette and Daily that the Welsh case, and others, would be "reviewed."

Yesterday, more than 5½ years from the day Welsh was captured in Korea, the "review" of the case resulted in a grant of his claim on the United States. The whole thing is worth thinking about.

A TRIBUTE TO THE REA PROGRAM ON ITS 20TH ANNIVERSARY

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include an address by Speaker Sam Rayburn.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on Sunday, May 20, it was my privilege to attend the dedication ceremonies of National Rural Electric Cooperative Association's new million dollar six story office building. The date of May 20 was a significant and fitting day for the dedication ceremonies.

Twenty years ago—on May 20, 1936—President Franklin Roosevelt signed the Norris-Rayburn bill creating by law the Rural Electrification Administration as an established Federal agency. The agency, it will be recalled, was created a year earlier—on May 11, 1935—by Executive order of President Roosevelt.

The progress and accomplishments of rural electric cooperatives in the last 20 years are now well recognized and a part of the great history of rural America. Twenty years ago less than 11 percent of the Nation's farms had electricity. Today more than 92 percent of the farms in our country have electricity. Most of the credit for this accomplishment must go to the REA program and the rural electric cooperatives.

As I have stated here on the floor in the past—and I wish to repeat it again—that while the primary purpose of the REA program has been to benefit farmers and farm housewives this program has also been a boon to industry, businessmen, and labor. The REA program has contributed more than most of us realize to the prosperity of the United States.

Before the REA program, when only 11 percent of the Nation's farms had electricity, very few farmers bought much in the way of electrical equipment and appliances from the merchants on main street. As the REA program expanded its services in rural America, farmers bought all types of electrical equipment, power tools, and appliances from main street merchants in hundreds of villages and cities serving farming areas.

Conservative estimates indicate that the more than 4 million REA consumers created a market that was worth around $15 billion during the last 20 years. One doesn't have to be an economist to realize that this huge market has created employment and business volume. I know that it has stimulated business greatly in the Ninth District of Wisconsin.

I have had some personal experience with the REA program; therefore I can sincerely pay tribute to the accomplishments of this program. When I operated a farm, I was a member of the Jackson County Electric Cooperative. The Ninth Wisconsin District—which I have the privilege of representing—is well served by 10 REA cooperatives furnishing power to the 11 counties in the district.

In 1955 the REA cooperatives of the Ninth Wisconsin District served 33,605 consumers. Most of the consumers are farmers, but our REA co-ops also serve many rural business establishments and industries located in the rural areas. In 1955 REA co-ops in the Ninth District had 10,539 miles of power lines, and the figure has increased during the last year.

According to the 1954 agricultural census, there are 27,648 farms in the 11 counties of the Ninth Wisconsin District. The census studies reveal that 26,497 farms in the Ninth District—or 95.7 percent—have electricity. The great majority of these farms have obtained electricity since the REA program. This, then, is what the REA program has meant to farmers in the Ninth Wisconsin District.

In looking over other 1954 census statistics, I note that our Ninth District farmers had 19,023 milking machines, 4,129 power feed grinders, 1,524 electric pig brooders, 10,048 television sets, and 9,975 home freezers. This, by no means, tells the story of electric appliances, equipment, and power tools purchased by Wisconsin's Ninth District farmers since the REA program started 20 years ago. Yes, the REA has meant much to farmers, business, industry, and labor in my district.

It gives me real pleasure, then, to salute and commend REA on this occasion. The REA cooperatives have served our farmers and the Nation well in peace and war. On the basis of contemplated expansion programs, I know that the REA movement will give us better and greater service in the future.

I also want to salute our great leader and Speaker of the House, the Honorable Sam Rayburn, coauthor of the REA Act. It was my pleasure to hear Speaker Rayburn give the dedication address yesterday, and I am happy to put his great speech in the Record at this point:

REMARKS OF HON. SAM RAYBURN, SUNDAY, MAY 20, 1956, AT CORNERSTONE LAYING, NEW NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION BUILDING

On this occasion of the laying of the cornerstone of the National Rural Electric Cooperative Association's new office building in Washington, D. C., please believe me when I say that it is a cause of profound satisfaction to me that I was permitted to take part in the creation of the Rural Electrification Administration which has contributed so magnificently to the economic and cultural life of all Americans.

I am for free enterprise as much as anybody, but free enterprise had the opportunity for half a century to electrify the farm homes of the country, but when Rural Electrification was authorized, fewer than 10 percent of the farm homes of America had the comforts and conveniences of Rural Electrification. In the great Southwest where I live, fewer than 3 percent were electrified. Now more than 90 percent of the farm homes of that great area have rural electrification, and it has not cost the Government anything in loss.

When debating this bill on the floor of the House, one of the strongest arguments that was made against it was that we were going to waste $450 million—that the farmers would take electricity and when the bill came around, they would not have the money to pay it. If we had retained the same economy we had had during the preveous 4 years, the farmers wouldn't have taken out any electricity because they wouldn't have had even the money to wire their homes. We had created an economy whereby the rural people could not only wire their houses and buy all of the necessary things to bring electricity into their homes, but the vast majority of the rural cooperatives have made advance payments on their loans—many times several years in advance—amounting to millions of dollars.

What has rural electrification done for the business interests of the country—the manufacturers, the wholesalers, the retailers? Conservative estimates from all available sources are that the farmers and ranchers have purchased in the neighborhood of $15 million worth of merchandise which they could not have used without electricity in their homes. This made profits for manufacturers and every business concerned that touched these products. It made profitable labor for thousands of unemployed men and women.

Has this program spelled the doom of the privately owned electric industry? Certainly not. You have created, and are daily creating, new markets for these privately owned companies. Rural electrification has not hurt the power companies, but has helped them in great ways. Rural cooperatives bought from private-power companies in 1954 alone $57 million worth of wholesale power in order that they might serve their markets and customers through a network of 1,332,000 miles of electric wires. Today, electricity costs the average farmer approximately one-third less per kilowatt-hour than it did in 1940. By contrast, during this same period, feed prices advanced 225 percent, farm wages 400 percent, and farm-machinery prices 100 percent. The rural market today is the largest user of electrical energy per average consumer by about 50 percent.

Surveys made last year reveal that more than 200 different services are performed on our farms and ranches by electricity.

But statistics are in a large sense only the cold entries in a dollar ledger, which reflect little of the contribution which your program has made in the life of our Nation.

It was in the spirit of forward-looking men that your Government felt the least of its obligations was to provide a financial atmosphere whereby through your own efforts you might have hopes of emerging from the darkness which surrounded you and your children. You sought no charity, and you received none. You sought only opportunity for self-betterment. No responsive government could do less for its governed, and no government will long endure which does not provide hope for its people that one day they may achieve, with dignity, freedom of mind and soul and body.

On this 20th anniversary of the creation of your program, it is well to reflect upon your achievements, but it is no time to sit, but now is the time to go forward and further forward.

If I could leave a final word with you today, it would be to rededicate our minds and our energies to furthering this program and to be ever thankful that we live in a land where people are so free that they can do what they want to do—that is, follow any occupation or avocation that they will to follow—say what they want to say, write what they want to write, vote like they want to vote. This is as much freedom and liberty as people can have. So, everyday should be a day of thanksgiving with us that we live in such a land, which places the responsibility on this generation that we must live up to and fulfill our obligations in order that we may preserve, protect, defend, and perpetuate the institution of this the greatest, freest, and best government ever devised by the wisdom of man.

DEPARTMENT OF AGRICULTURE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. Christopher] is recognized for 30 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I have sought this time to discuss a situation that has existed in my State for a long time and still exists there and is becoming more aggravated all the time. Nothing seems to be transpiring that shows any inclination on the part of the Department of Agriculture to relieve that situation.

There was a congressional investigation held in Jefferson City by Senator Schoeppel, of Kansas; Senator Humphrey, of Minnesota; and Senator Symington, of Missouri, last year. The report of that hearing is a very voluminous document.

In was my privilege to sit through that entire hearing. The hearing convened at 9 o'clock there 1 day and was called to order by the chairman, Mr. Humphrey, and witnesses were sworn in and heard, hour after hour for an entire day, until midnight that night. The next morning the investigating committee met at 9 o'clock and it was 1 o'clock that night before the committee adjourned, having finished their hearings.

I speak to you this evening as a man who knows the old PMA farm program and a lot about the ASC program that we have at the present time. I, myself, was a county committeeman for 6 years and serviced the corn, wheat, and soybean programs in my county during that entire time. The county committee could have employed a loan supervisor, but we had enough time that I could be spared from the office to service these commodity loans, which I did at no increase in salary. During that entire 6 years, I might say, my salary was $4.50 a day and 3 cents a mile for the actual mileage that I drove my car in the discharge of my duties. For 4 of the years that I served on that county committee, the other 2 members of the committee were Republicans. For 1 of the years that I served on the committee, both of the other members were Republicans. We had no trouble and we had no difficulties. We felt that it was a nonpartisan program. Now there are about as many Republican farmers in my district as there are Democrats. We felt

that the farm program was designed to help the farmers of Missouri to conserve the soil of Missouri and to make the Missouri farm a better place to live for the farmers and their families. Many of our township committeemen were Republicans and I had to be elected by the farmers of my county in order to serve on that committee. And the community committeemen who were Republicans and were elected delegates to the county convention that elected the county committee came in and voted for me year after year because they believed in me and trusted me, and I believed in and trusted them. We had a good farm program, but when we got the present Secretary of Agriculture the Department wrote a set of rules and regulations and stripped the county committee of its authority and its powers and placed those powers in the hands of an office manager. The regulations say that the county committee shall hire the office manager and may fire him. They have not been allowed to exercise that power in my State. I want to read in the Record some of the testimony that was taken at Jefferson City, Mo., before the three members of the body who conducted that investigation there. These men were examined under oath.

Mr. Cummins was from Newton County, Mo., a county that has always been Republican. Mr. Cummins was 1 of the 55 county committemen who has been fired. The charge against most of them has been insubordination. Mr. Cummins was called to the stand during that hearing and he said:

Mr. Cummins. I might state in there, if you want the reasons why I accused it of being in politics I can give you those if you want it.

Senator Humphrey. Go right ahead.

Mr. Cummins. First was a letter Mrs. Davis sent out to all the Republican county chairmen.

Senator Humphrey. Who is Mrs. Davis?

Mr. Cummins. I understand she was vice chairman of the Republican State Committee. I don't remember her initials or where she lived. That letter was shown to me by a Republican friend of mine. Page 544.

Senator Humphrey. What did that letter say?

Mr. Cummins. Well, I can't quote the letter—all of it. I didn't keep it. He wanted it back, and I gave it back to him.

Anyway, it was to get out and hold these elections and see nobody was put on the community and county committees except Republicans.

Senator Humphrey. And to whom was that letter sent?

Mr. Cummins. The fellow who showed it to me said it was sent to the Republican county chairman of all the counties in the State. Whether they all got it or not I don't know. It was in our county, anyway.

Senator Humphrey. Was this the letter Senator Symington placed in the Congressional Record at the time of his comments on this situation?

Mr. Cummins. I don't know whether he placed it there or not.

Senator Humphrey. I think there was such a letter from a Mrs. Davis.

Mr. Cummins. That would probably be the letter, then.

Senator Humphrey. Did you make any public announcement about this?

Mr. Cummins. I did not. This letter, as I understood it, was passed out through the township Republican committee. That is where I got it first. One fellow in particular, who had been a committeeman and who had held county office down there, he said, "I am opposed to this farm program being kicked around that way," and he said "I am a-going to see that the election is not carried out in this way," and he went to Republicans in several townships and they did not participate in the election in several of the townships where he went.

Senator Humphrey. In other words, one of the Republican neighbors of yours resented this kind of a letter?

Mr. Cummins. That is right, he resented it.

Senator Humphrey. Now Mr. Cummins, you have been in this program a long time. Do you think the morale of this program is good?

Mr. Cummins. It was better than it is at the present time.

Senator Humphrey. What is the political complexion of your county?

Mr. Cummins. Well, I'd say mostly Republican. However, in the last election about half of the county officers elected were Democrats. Up to then the county officers had all been Republican—up until the last election.

Senator Humphrey. The letter you mentioned was signed by Mrs. L. C. Davis, vice chairman of the Republican committee?

Mr. Cummins. That is right.

Senator Humphrey. It was from Montgomery City, Mo., May 29, 1953:

"Dear County Chairman or Vice Chairman: The PMA election will be held on July 31 at the township level. At this election a county committeeman or committeewoman and an alternate committeeman or committeewoman will be chosen. This county committee in turn elects a county board from its membership and the law requires that the board must be selected by August 1. The board consists of chairman, vice chairman, and 3d member and 1st, 2d,, and 3d alternates.

"Who votes at the township level: Any farm owner, or operator, or sharecropper whose name is on the mailing list at county PMA office. If you have never participated in these elections, you must go to the county PMA office and have your name put on the mailing list. A husband and wife can vote, or if either cannot come, a vote may be cast by proxy.

"Your county board selects, with the approval of your State PMA board, a county office manager who cannot be a PMA committee member.

"This office manager must be named by August 3. He is on a full-time basis, and he in turn chooses a chief clerk with the O. K. of the fieldman of that particular area. Your county office manager is required to have 2 years of high-school education and must either live or have lived on a farm.

"It is recommended that you immediately decide who would be the logical choice for county office manager in your county, start boosting him and file his applications for the post at your county PMA office. Lest this be the type of office that would conveniently lose a Republican application, you are advised to file a duplicate with the Republican State committee.

"There are 4,300 PMA employees in Missouri. They should be Republicans if we lend our energy to see to it that they are. The salary of county office manager ranges from $2,500 to $4,000 depending upon the workload of the county. By workload is meant the scope of the program in the county. The chief clerk's salary is approximately $2,300 and it is recommended that this post be given to a woman. In addition, there will be in each county 1 to 3 clerks, dependent upon workload.

"Enclosed is list of members of the present PMA board in your county. Copies of this information are being sent to you under separate cover for distribution to your committee who will have to help you at the township level.

"Will you keep the Republican State headquarters, Montgomery City, advised as to the progress you are making and feel free to ask our assistance at any time.

"Sincerely,

"Mrs. L. C. Davis,
Vice Chairman."

Mr. Cummins. After the community elections were held and the delegates election was held to elect the county committee, when we held that county election, the Republican county chairman insisted on sitting in on that meeting. I didn't object to it.

Another fellow came along who had furnished me the information and he said, "If that fellow is going to sit in there," he says, "I am going in, too. I am going to find out what is going on."

The man picked to be the county chairman also sat in on that election. He has since passed away. I will not mention his name unless you insist on it.

Senator Symington. The man picked to be county chairman?

Mr. Cummins. To be county chairman in my place, sat in on the county meeting, to elect the county chairman.

Senator Humphrey. Well, that is a rather smooth operation.

Mr. Cummins. I don't remember at this time the exact vote on it. I might state a little further, before they voted, one of these delegates came to me—and he is a Republican, too—and he said, "Do you know what's a going on at this election?"

I said, "Frankly, I know exactly what's a going on." I said, "I refuse to mix this thing in politics." I said, "It looks like it is going to be made a political football." I said, "If you will put me on, I will try to administer it to the best of my ability, but I will not mix it in politics."

He said, "I will not vote to mix it in politics." He said, "I am going to vote for you," and called the name of another Republican delegate there, and he said, "We will both vote for you to try to keep this thing out of politics."

The result of the election was, if I am not mistaken, I got 7 votes and the other fellow that was slated to be the Republican, or county committeeman, got 3.

Senator Humphrey. And then you were removed?

Mr. Cummins. I was removed.

Senator Humphrey. To summarize this, Mr. Cummins, is the chairman of this subcommittee stating it correctly when I say, as follows, that it is your view that you were dismissed because of your letter to Senator Symington?

Mr. Cummins. I don't think there is any doubt about it.

Senator Humphrey. And that in that letter you stated what you believed to be substantially the facts?

Mr. Cummins. That is right.

Senator Humphrey. And, therefore, you did not retract?

Mr. Cummins. I did not retract.

Senator Humphrey. Do you retract at this time?

Mr. Cummins. No, sir.

Senator Humphrey. Do you reiterate? Do you restate?

Mr. Cummins. I can restate if it is necessary. I still believe it.

Senator Humphrey. Have there ever been any members of the county committe during your service in this program who were Republican members?

Mr. Cummins. Well, about half of them.

Senator Humphrey. Were they ever removed because they were Republicans?

Mr. Cummins. No, sir.

Senator Humphrey. Did any of them ever make any—did they make it known to their neighbors that they were Republicans?

Mr. Cummins. No, sir. Politics never made any hand whatever in Newton County.

Senator Humphrey. So you can say that your program in Newton County operated on the basis of the farm program?

Mr. Cummins. That is exactly right, as near as we could operate it.

Senator Humphrey. You didn't contest people's political affiliations?

Mr. Cummins. No, sir.

Senator Humphrey. Nor report them to the State committee when the Democrats were in?

Mr. Cummins. No, sir. In fact, the clerks under me were both Republicans and they are still in the county office. They are both Republicans.

Senator Humphrey. During your time as chairman, they were Republicans?

Mr. Cummins. That is right. I hired them for their ability and not for their political affiliations.

Senator Humphrey. It seems to me like they have lost a mighty good man, Mr. Cummins.

I want to ask you this question, Mr. Cummins: In your affidavit, the question was asked, "What took place there?"

"They asked why I put what I put in the letter and I told them that is what I believed and that it was true.

"What else?

"They again told me if I would retract the statement I made to Senator Symington, I would be reinstated. I again refused because the statement is true and correct. Thereafter in about 2 weeks, I received a letter from them stating that I had been discharged because I had refused to retract the statement I had sent to Senator Symington. There is no doubt in my mind but that it was the effort of the Republican Party of the State of Missouri, acting through Mrs. L. C. Davis to put the PMA under the control of the Republican Party.

"What was Mr. Colbert's reaction when you refused to retract your statement?

"Answer: The meeting with Mr. Colbert was a very stormy session. Mr. Colbert was very angry and pounded on the desk with his fist, demanding that I retract the statement made to Senator Symington."

Is that true?

Mr. Cummins. There are more things that happened over there that aren't in that statement. I could tell you that.

Mr. Colbert said he had fired a lot of the county committees and he intended to fire a lot more.

Senator Schoeppel. Now, this is the statement he makes in this letter: "These office managers must be Republicans."

Now, is that true, or is it a misstatement?

Mr. Colbert. May I answer and say that is a misstatement, and we can prove that definitely, because sometimes—let me say this to you, Senator—sometimes and many times, we didn't know what the man's politics was when we appointed him and usually found out after we appointed him.

Senator Schoeppel. What do you say about that, sir?

Mr. Bailey. It is not necessary for office managers to be Republicans, unfortunately.

Mr. Cummins. A very prominent Republican came to me and said, "There will be no office manager appointed in Newton County unless he has the endorsement of the Republican county chairman."

Before an office manager was hired, as I stated before, we had those two applications and I asked the people which one they wanted. They told me. I went and talked to this man about it and I told him, I said, "Frankly, you haven't got the endorsement you need to get this job." I said, "You go get it and then there won't be any kick on you."

Senator Schoeppel. But unfortunately, here—and I apologize for burdening this record, but I think it is pertinent: Here, we are coming into Missouri on a matter that stands or falls in certain instances here on allegations made of political activity. None of us on the committee wish to inject politics as such into it, but by reason of the necessity of some of these things, we are almost required, in the interests of getting the complete disclosures before this committee into the record, to go into some of those things, and that is the only reason I am indulging in it in any respect whatever.

I want to clear up some of those things, and I want to keep it free from politics. The agricultural program in this country and the policy will need the best brains and the most earnest consideration of every Democrat in the House and Senate and every Republican that is in the House and Senate, if we are to come up with something as constructive, and to that end that is how I am willing to work.

I include herewith the following letter:

Butler, Mo.
May 10, 1956.

Hon. H. L. Manwaring,
Deputy Administrator,
Department of Agriculture,
Washington, D. C.

Dear Mr. Manwaring: We, the Bates County ASC Committee, we are writing in regard to the shocking and serious manipulation of the ASC program in Bates County, Mo. We do not believe that the Department in Washington have or will approve if they knew the truth of the gross injustice which is being forced on the elected county committee.

The State committee and farmer fieldman has consistently refused to cooperate with the county committee in employing an office manager. We have had several applications for office manager that are well qualified. The State Committee has consistently refused all of our applications that have been filed in our office. One applicant, in particular, who is not affiliated with any faction, has lived in the county about 3 years, has a degree from agriculture college, about 1½ years' experience in ASC, as program man, and is well liked by everyone he has done business with, but was not acceptable by the State committee, as they said they were afraid he would or could not say "no." One member of the State committee stated he was acquainted with this fellow and that they were just common people. (Does this constitute a reasonable objection?) No reason was given for dropping the other applications.

On April 2, the fieldman came in and took an application from his pocket (one that we had never seen) and told us that we would have to take him or he was going to send in a roving office manager, Tom Pope. Mr. Pope was office manager in our office and was dismissed on November 31, 1955, for being unsatisfactory and uncooperative. A copy of the dismissal was mailed to the Washington office. Mr. Pope took an appeal to Washington in which his dismissal was approved and we were so notified by the State committee, but the State committee reinstated him and employed him from the State office as a roving office manager and sent him to Bates County. The county committee stated that they did not think the State committee would do this as they had stated the Washington office had said that for the best interest of the program and all concerned it would be better to dismiss Mr. Pope and then on this 2d of April for the fieldman to come in and demand the committee to take the application that he produce or else he was going to send in Mr. Pope who had been dismissed, but the committee refused to accept the application.

This same date the fieldman asked the committee about a picture of President Eisenhower that was on the wall in the office and had disappeared seemingly some time before and had never been called to the attention of the committee and had never been notified of it being gone, hinting very strongly that it had been removed by the committee or by the janitor of which we knew nothing about. After the committee had left that evening the fieldman proceeded to fire the janitor who had done the work for years and is also janitor for the balance of the courthouse, and ordered the locks taken off the doors and new ones put on and gave the keys to a clerk in the office and told her (so she stated) to refuse the county committee a key, as they did not need a key to the office. The county court on hearing of this action called the committee and the clerk, who had the keys, to meet with them on April 9 at which time the clerk told the court of the action of the fieldman. The court stated that if that was the way the State was going to operate and take locks from courthouse doors without their knowledge, refuse keys to elected committees from their own office, and give keys only to hired help they were going to terminate the lease, as they did not approve of that kind of business. Notice to vacate was received on the 10th of April to vacate May 15, 1956. Our office (ASC) is located in the courthouse basement, rent free, with water and heat furnished, and conveniently located to other county offices that we do business with; namely, the extension and recorder's office.

On May 2, in a meeting which was arranged with the county court and the State ASC committee, the court told the State committee that if they would cooperate with the county committee in employing an office manager according to regulations and stop causing all the confusion that they would be glad to cooperate, but it seems the State committee refuses to do this.

Unless something is done very soon, we will have to vacate; therefore, we are bringing all of this to your attention, in case you do or do not know of these actions, as a suitable location will be hard to find and will be expensive.

The county committee would be glad to go over this situation and other things that have been going on—and we think the Washington office should know—with a representative of the Washington office together with the State committee, anywhere in Missouri, and this should be done immediately.

We have been told that we were going to be held responsible for a good program in Bates County. The record will show that the 1956 program is progressing very well compared with the 1955 program, a much better signup of farmers in 1956, and are far ahead in carrying out conservation practices. As of April 1955, only 80 orders were issued for practices compared to over 300 on same date in 1956.

We are dissatisfied with getting wheat acreage reports to the farmers. This was called to the attention of the fieldman in early February and he has been told repeatedly since that the committee was concerned, as clerical help had been refused by the fieldman and the farmers were complaining. And again on April 2 this was taken up with the fieldman and he said it was progressing satisfactorily, but the committee knew better. And again on April 16 the fieldman came in with the roving office manager, Tom Pope, and hired two clerks to measure wheat acres, and to date the measuring is not completed, with the deadline date of June 1 for farmer that is overplaned to get in compliance if he so desires. The committee has had very poor cooperation from the fieldman.

The county committee has worked time without pay to do what they can to carry

out a good program. The committee feel that they are entitled to more cooperation and would greatly appreciate it. We have tried to work to the best interest of the program. No publicity has been made on our part to cause more confusion, but it is getting to the point now where the public needs to be informed and we intend to do so. A wheat supervisor was hired in the office without the county committee being informed and had been employed 40 days before it was brought to the attention of the committee. That is some more cooperation for you.

The Democratic organization has never taken any part in the ASC elections. Beginning in and including 1953 the Republican organization has been entering into all elections, hiring office manager and clerical assistants. In 1953 the vice chairman of the State Republican committee sent out letters to county Republican committee members and urged them to get out and work for Republican delegates to elect the county committee, as there were several jobs available in ASC and should be given to Republicans. On May 1, the evening before the State ASC committee met with the county court, a meeting was held at the hotel with the chairman of the county Republican committee, and several persons were present. The chairman lives approximately 20 miles from Butler; so this was not just a coincidence.

This letter appears to be very rambling, but things here are in a rambling condition and need to be corrected. If this condition continues here in Bates County, the program will suffer.

We would appreciate an early reply what there is, if anything, to be done. This situation is injuring the program and the farmers in the county. If the regulations in the handbook don't mean what they say they do, they should be disregarded and do away with all county committees in the State, as they have no authority.

An early reply will be appreciated.

Bates County ASC Committee,
Grover Boyd, *Chairman,*
Fred Wheatley, *Vice Chairman,*
W. D. Kegerreis, *Member,*
By Grover Boyd.

Now, there are reams of that testimony, but it proves simply this: It proves that an office manager to be employed in my State needs and in most instances must have the endorsement of the Republican county chairman. Fifty-five county committeemen have been fired by the State committee in my State. Some of those men have been serving their farmers for 20 years and have been elected by their neighbor farmers, both Republicans and Democrats, year after year after year, because they were honest men, because they were reliable, because they knew the farm program from A to Z, and because they were rendering the best service that could be rendered in the county.

When I was on the county committee in my home county, we felt no need for an office manager. We had a chief clerk and from 2 to 4 other clerks; 2 clerks all the time and 4 when the load got heavy, and we took care of the entire program without an office manager. We did not know we needed one. But, when the office manager comes into the county office, not the county committee but the office manager hires and fires the clerks and the stenographers. The county committees are relegated to a back seat. Now they are limited to a few days' work in the county office each month and the office manager takes over.

Mr. Speaker, I would like to just see what would happen if we had the same system here in our congressional offices. Let us just suppose, for instance, that when the voters of our congressional districts elect one of us to office, and we come over here to represent our people in the Congress of the United States, we could not hire our own office manager. Suppose we had to check with the Speaker of the House and find out who he would O. K. as an office manager in our office. Suppose the Speaker of the House, before he could render a decision on who our office manager should be, had to talk with Paul Butler to see if he suited him. How would we like that? How would we like to have an office manager, no matter how good he might be, that was selected for us by the Speaker of the House and the chairman of the National Democratic Committee? How would the Republican boys like to have their office manager selected that way, and that office manager given the authority to hire the clerks and their stenographers? How would we like it if we failed to get along with that office manager so selected and we fired him and then we were notified by the Speaker and Mr. Butler, or at least the Speaker, that we were fired and a stain was put on our reputation so that we could never run for any other office again? That is what happened to these county committeemen in our State that have been fired by the State committee. There is a shadow on their name. They are ineligible for a position even in a community committee. That is the most abominable thing that has ever transpired in my State, and I want something done about it, if this Congress has to take the necessary action, because some of the best farmers in my State, the most loyal to their neighbors and to this program, have been discharged for insubordination and made ineligible for any position in the farm program in the future.

Mr. Speaker, I have legislation now before the Committee on Agriculture to correct that situation, and I hope to be able to get it out of that committee and bring it to the floor of this House, because Senator Schoeppel, of Kansas, said in my hearing in Jefferson City that the situation in Missouri was a disgrace and he hoped it would never happen in his State.

PREMATURE PUBLICATION OF STAFF REPORT ON PUBLIC WORKS AND RESOURCES SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. Jonas] is recognized for 10 minutes.

Mr. JONAS. Mr. Speaker, this morning's Washington Post and Times Herald carries a story written by Paul Southwick, of the United Press, which states that "Democratic members of a House subcommittee have approved a report calling on President Eisenhower to fire Under Secretary of Interior Clarence A. Davis and Assistant Secretary Fred G. Aandahl."

The story highlighted statements in the report that were highly critical of officials in the Interior Department and of private-utility companies.

This story was based upon a report which was prepared by the staff for the Public Works and Resources Subcommittee. That subcommittee met in executive session last Thursday, May 17, 1956, and unanimously agreed not to release the report for publication until after it had been presented to and considered by the full House Committee on Government Operations on June 6, 1956. The intervening time was to be allowed in order to provide the minority members of the subcommittee an opportunity to file separate views or a minority report.

Since the premature publication of this staff report directly violates an agreement unanimously entered into by members of the subcommittee present at an executive session on May 17, I have been trying all day to find out who made the report available to the representative of the United Press without success. I frankly do not believe any member of the subcommittee did so because I do not believe any of my colleagues on the subcommittee would deliberately violate an agreement and must therefore conclude that some member of the staff released the report.

I think it is a rather serious matter for a staff employee of a committee to release reports before they have been cleared by the full committee and contrary to express agreements made by the members. I have already spoken with the chairman of the committee about the matter and believe he will cause an investigation to be made to discover who released this information in violation of the formal agreement unanimously made by subcommittee members. I think we should establish the identity of the individual, staff member or otherwise, who did this in order that appropriate action may be taken to prevent such action hereafter.

The fact that this report has been released prematurely, and before minority members have had an opportunity to file their separate views or a minority report, has the effect of giving the people of the country only a one-sided view of the controversy. There is another side which minority members intended to present to the full committee for consideration at the time the staff report above referred is to be considered, and it was our intention to have both sides released to the press simultaneously. That procedure would have been in accordance with our traditional sense of fair play.

As it is now, with only the one-sided staff report available for publication, the public is given a very distorted story of the result of the investigation. That it was deliberately planned this way, by the person who released the report, seems fairly obvious.

I had not intended to comment on the report until after it had been presented to the full committee, along with minority views, and until it had been adopted by the full committee and released for publication. But the premature publication of the one-sided report, makes it necessary, in the interest of fairness to those who are unjustly accused of wrong doing, to make a statement immediately disclaiming approval of the report or the conclusions in it.

Instead of being an objective or constructive report on power policies of the Government, the staff report which has now been made public represents a partisan effort to discredit the administration and to promote the nationalization of the electric utility industry. The premature release of the report, in direct violation of a unanimous agreement formally entered into by the members of the subcommittee on May 17, 1956, continues in the pattern in which the hearings were conducted—a pattern which reflected a staff policy of deliberately selecting as witnesses advocates of public power, enemies of the private utility industry, and critics of the administration. The record shows that witnesses were solicited by staff members to testify; were interviewed and briefed in advance of their testimony by staff members; and that only adverse witnesses were permitted to testify in the field.

In contrast, spokesmen for private industry, directly attacked by witnesses and by subcommittee members who used the hearing room as a forum, were denied—I repeat denied—by a formal vote of the subcommittee an opportunity to be heard although they made formal requests to be permitted to testify in reply to the attacks made upon their companies and upon the private utility industry.

It will be hard for you to believe that this happened—I would not have bebelieved it could happen here in the United States of America in the year 1956, if I had not been present to witness the defeat on a motion I made myself that these witnesses be heard—a motion defeated, I might add, by a straight party vote in the subcommittee.

And now a report, based upon that kind of a hearing, has been made available for publication and has been published no doubt throughout the country containing charges of the gravest character against reputable public officials and against private industry, without those of us who believe these charges to be unfounded having had an opportunity to present the other side of the story to the committee or to the public.

I ask that Members of the House and the public reserve judgment until both sides have been presented and until all of the facts are in the RECORD.

A minority report will be released in accordance with the agreed schedule. It will expose this staff-prepared report for what it is—a pamphlet of political bias coupled with an insidious attack upon the American system of free enterprise.

One of the most severe criticisms in the prematurely released report was directed at the alleged failure of the Interior Department to make Clark Hill power available to preference customers in Georgia.

Interior Department officials were accused of engaging in a conspiracy with private utilities to deny power to Georgia cooperatives.

Now it just happens that the press late last week carried news that on Wednesday or Thursday—I forget which day—contracts were signed which will bring Federal power to Clark Hill to the Georgia cooperatives for the first time. This may account for somebody's haste in getting the one-sided report to the press, because obviously the attack upon the administration over Clark Hill power dissolves into thin air in view of the signing of these contracts last week.

The signing of these contracts successfully concludes many months of patient and painstaking efforts on the part of officials of the Department of the Interior to work out a satisfactory settlement between the Georgia Power Co. and the Georgia Cooperatives. Interior Department officials are entitled to praise for this accomplishment, and do not deserve the harsh criticism levied at them in the report to which reference has been made.

Many difficulties had to be overcome in bringing about this settlement. One was the fact that transmission lines were not available to serve the cooperatives directly, and Congress itself had refused, during the Truman administration, to appropriate money to build such lines. On the contrary, there were ample privately owned utility lines available. The problem was to work out a satisfactory arrangement by which the private utility company would wheel Federal power from Clark Hill to the cooperatives.

The difficulty of negotiating a suitable contract for such purpose was increased by reason of the fact that, because of water conditions, the Clark Hill project can generate large amounts of power over short periods of time but cannot provide firm power over extended periods. To be useful to cooperatives which had no steam generation, Clark Hill power must be firmed up with steam power so as to be available for 24-hour service.

The press reports from Georgia indicate that the Georgia Power Co. has agreed, not only to wheel hydro power from Clark Hill to the cooperatives but to supply these cooperatives, from its own sources, firming power at project rates.

This is a good example of the effectiveness of the partnership policy which the Department of the Interior has sponsored. It is a flat contradiction of the charges that have been made repeatedly by partisan critics of the administration. It clearly demonstrates that the responsible officials in the Department of the Interior have been sincerely trying to bring about an adjustment and settlement of the many difficulties that were involved.

That a satisfactory solution has now been worked out, despite efforts on the part of politicians to convert the negotiations into a political football, is a tribute to the patience and determination of officials in the Department of the Interior.

PREMATURE PUBLICATION OF STAFF REPORT OF PUBLIC WORKS SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. KNOX] is recognized for 10 minutes.

Mr. KNOX. Mr. Speaker, I rise to speak on the same question that the gentleman from North Carolina [Mr. JONAS] has just spoken about, and to say that I concur in the remarks made by him on the question of the release of the staff report prior to the date set. The Republican members of the House Government Operations Subcommittee on Public Works were granted by unanimous consent of the full subcommittee an opportunity to file their views on public-power policy relative to preference customers. The date was fixed as of June 6, 1956, when the report would be filed with the full committee and in accordance with the rules of the said committee no release would be made before June 6. The report which was released and which appeared in the Washington Post and Times Herald of this date—Monday, May 21, 1956—is a direct and deliberate violation of all the ethics of the rules and agreement reached by the subcommittee. The report does not reflect the true picture but deliberately distorts the actual facts according to documents in the possession of the subcommittee members. The fact that the staff report was either stolen or released demands a full-scale investigation of each staff member and, in my opinion, every member of our staff of the subcommittee is under indictment until the committee has determined how the press acquired the staff report for publication. The general public is entitled to have the truth and the full facts of the study made by our subcommittee and not the slanted and distorted information included in the staff report appearing in the Washington Post of May 21 in a deliberate attempt to discredit the administration. It seems rather queer that when you pick up the paper this morning you find this release and then in the afternoon of the same day, a letter comes to your office along with the committee report of the staff report on which is printed in three different places "For subcommittee use only—not for release."

I can see no justification for any member of our subcommittee staff to have released this report after the agreement the subcommittee had made.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. KNOX. I yield to the gentleman.

Mr. MEADER. I want to commend my colleague from Michigan, Mr. KNOX, and my colleague from North Carolina, Mr. JONAS, for calling this matter to the attention of the House itself. This,

in my judgment, is a very serious matter, and I would like to say that, in my opinion, it is not merely a violation of an agreement entered into by the subcommittee, but it is an actual violation of the Rules of the House.

I call attention to rule XI, paragraph 25 (d) and (e):

> It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by his committee, and to take or cause to be taken necessary steps to bring the matter to a vote.
>
> (e) No measure or recommendation shall be reported from any committee unless a majority of the committee were actually present.

Then rule XIII (2):

> All reports of committees, except as provided in clause 20 of rule XI, together with the views of the minority, shall be delivered to the Clerk for printing.

Subcommittees are not recognized by the rules of the House and they can report only to the parent committee. That has not yet been done by the subcommittee. As I understand it, a meeting of the full committee was arranged for June 6 to receive and consider the report of the subcommittee. Until that action is taken, I would say the report has no legal standing and has not received the approval of a majority of the members of the committee, and therefore should not be released as the action of the subcommittee or the committee. So it seems to me that here is a clear violation, an act of irresponsibility and, from what you gentlemen say, it was motivated by political bias. I think your remedy is entirely appropriate, and that the chairman of the full committee, whose record has been blemished by this episode, should take immediate steps to ferret out the person responsible for the premature release of this document and see that proper disciplinary action is taken. If that is not the policy of the majority leadership of our committee, then I fear that this type of thing will occur again and again, and will embarrass Members of Congress and committees, and impair the reputation of committees for responsible action.

Mr. KNOX. I thank the gentleman for his contribution.

Mr. JONAS of North Carolina. Mr. Speaker will the gentleman yield?

Mr. KNOX. I yield.

Mr. JONAS of North Carolina. I think the RECORD at this point should disclose the fact that I talked to the chairman of the full committee and he told me that he had heard from the chairman of the subcommittee who told him that he had not authorized the release of this report prematurely. Then I talked with the chief counsel of the committee staff, Mr. Perlman, and he told me positively and definitely that he had not authorized the release of it and did not know who had done so. That would sort of narrow the field, and I think it is quite obvious that somebody released the report and apparently did so without being authorized to do so, and I intend to insist upon a complete investigation until we can find who it is on the staff, if anybody, who is releasing these reports prematurely.

Mr. KNOX. I thank the gentleman. I might say from the information that came to our subcommittee in our deliberations, the subcommittee was unanimous in holding the report in abeyance until June 6, and the minority members agreed that they would have their report ready, which would be a minority report that would reflect minority views, and be able to use some documents that we were not permitted to use on Thursday last. We requested certain information that we had in our possession become a part of the staff report, but that was denied. It was our intent to put this additional information into the minority report so that the general public would have full information of our findings, as far as the subcommittee's work was concerned, on the study of public power and preference customers.

Mr. Speaker, I yield back the remainder of my time.

SAFETY MEASURES FOR ARSENALS AND NAVY YARDS SHOULD BE RESTORED IN ARMED SERVICES APPROPRIATION BILL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, when we had under consideration the Armed Forces appropriation bill, setting aside $32 billion for them, section 633 safeguarding the manufacture of munitions in navy yards and naval establishments was stricken from the bill.

That section safeguarded the workers in the navy yards and arsenals and also the public, because you all know if contracts are given to fly-by-night companies, and I have known a number of such contracts so given in the last year, to little companies that were not responsible, who were not able to finish their contract, and we lost a year's production, and even more important human lives were endangered.

I was talking with Army representatives the other day and I learned that they too have been troubled with materiel and faulty munitions and faulty war munitions can cause great injury and loss of hundreds of lives. One lot of munitions was so bad that it was sent for testing to an arsenal and in the testing a man's leg was blown off and the man is still having a terrible time of it.

Other people have suffered bad gas burns because they did not know how to work with gas.

I know the Members did not realize the other day when that amendment was under consideration that it involved navy yards and arsenals.

The Department of Commerce sent around a statement by Secretary Pike, but in that they did not mention the arsenals and did not mention the munitions workers—did not mention the shipyards where dangerous work takes place day after day.

I called up that office, the Office of Logistics, and asked why in their statement arsenals and navy yards were not mentioned. The first reply was: "Oh, yes, they were." I said: "No, they were not, you know very well they were not;" and he finally admitted that they were not in the statement.

I consider that what was done was very tricky, very unfair to the House, and extremely dangerous. I hope the Senate will restore that provision to the bill, and I believe the House will go along with it.

Not so long ago you will remember that we in the House passed legislation protecting children from Fourth of July firecrackers—instruments of torture they proved to be in many instances—yet we are not willing to keep legislation on the statute books that will protect against faulty munitions that frequently cause injury to far more people than Fourth of July firecrackers and torpedoes.

GROWTH OF ENGINEERING AND MECHANICAL SKILLS IN RUSSIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] be allowed to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DINGELL. Mr. Speaker, recently Mr. Nikita S. Khrushchev, the boss of the Communist Party, and one of the real masters of the Kremlin and framers of Soviet policy, made a statement which is indicative of the recent change in Russian policy and which points up a new danger to the free world.

> We don't have to fight. Let us have peaceful competition and we will show you where the truth lies. Victory is ours.

Now let us analyze this statement in the light of current intelligence as to the fabulous recent growth of the Russian economy and developments showing an apparent change in Soviet policy. I now quote from an article which appeared in the Washington Star of September 25, 1955, which shows how Russia is outproducing America in engineers, technicians, and scientists, who are the key not only to a growing peacetime economy, but to victory either in peace or in the very thing which we seek to avoid, pushbutton war, fought with atomic and thermo-nuclear weapons. These same engineers and scientists are also the way to ultimate victory by peaceful means in an industrial competition which could mean economic bankruptcy for the loser and untold riches for the winner:

> Here is a sketch of how the Soviet system for training engineers out-produces ours:
>
> Past performance: From 1928 to 1953 the Soviet Union turned out 150,000 more engineers than the United States.

Present strengths: Both the Soviet Union and America now have about 520,000 graduate engineers available, but the United States' attrition rate is much higher.

Present training: Soviet engineer enrollment is 300,000; the United States is 194,000.

Past year's graduates: In 1954 the Soviet Union graduated 53,000 engineers, the United States 23,000.

Rate of expansion: The Soviet Union, now training over twice as many engineers per year as we are, has lately had a rate of increase of 35 percent per year; ours, for the next 10 or 12 years, will be well under 5 percent per year. No one knows, of course, what Soviet plans are for future years; the Reds may have been spurting the last two years; on the other hand, they have a solid enough secondary school "feeder system" to maintain their sensational rate of increase for several years.

Use: The Soviet Union has all its 520,000 engineers at work; in the United States, only 360,000 of the 520,000-odd who are qualified are working as engineers. When "practicals"—men without sheepskins working as engineers—are added to these figures, however, the total force of professional engineers in both the United States and Soviet Union comes to somewhere between 610,000 and 630,000.

Aeronautical engineers: Since 1915 the Soviet Union has been graduating from 1,200 to 1,400 aeronautical engineers per year. In the same period the United States output dropped from 1,725 in 1951 to 645 in 1954.

To summarize: American and Soviet pools of working engineers are now roughly equal, but from here on the Soviet Union will apparently graduate many more and will concentrate them much more effectively on military projects and heavy industry.

It is interesting to note that even once-backward China is approaching the problem with a vigor and determination far in excess of our own, which will raise the number of China's engineers and technicians to 100,000, an increase of 200 percent in less than 5 years. We in America will, in the same time increase our supply of engineers to only 900,000 while Russia will have 1.2 million, and will be running away from us faster and faster, in the technical and scientific fields. Even now Russia is graduating 55,000 competent engineers to America's 20,000 per year.

This information reaches us together with the knowledge that we will need 20,000 more engineers than we have available for only the road program which the House of Representatives just passed. Further proof of shortage of these trained minds is shown by the way that industry is literally breaking down the doors of American colleges to pick up any of the graduating engineers and scientists.

The disparity in the increase in American and Russian scientific and engineering personnel can be seen in the unbelievable growth of the Soviet war potential, first in the production of the atomic bomb, and then in the production of the hydrogen bomb, to a point of near equality with our own.

We read constantly that Russia's ability to produce the intercontinental ballistic missile surpasses our own. We recently discovered to our surprise that Russia's air force is equal to our own in quality and superior in numbers, in all types of aircraft.

These factors show that Mr. Khrushchev's statement is not idle talk, but that the Russian's long-range plan is no different than it ever was; ultimate domination and conquest of the world as set forth in the writings of Marx, Lenin, and Stalin. However, it would appear that the Russians have come to believe, in this day of atomic warfare, that there is an easier way, a bloodless way, to finally prevail, and indeed this is a great new danger to America in view of the switch in Soviet policy to sweetness and light.

We who love America and the liberty and freedom which we enjoy under our system of free competitive enterprise, must react vigorously to all phases of the communistic threat to all that we hold dear. The education of our present and future generations to provide ourselves with the trained manpower America needs is one of the most important steps.

We must recognize that this is not only a way to achieve the sinews of modern wars, but it is also the best way to guarantee the continued expansion of our own present high standard of living and to feed, clothe, house, and equip an ever-growing population.

To accomplish the rapid expansion which we must have in these fields, America must aggressively move ahead in the increasingly complex field of education.

Much of what we hope to accomplish in improving our educational system and in increasing our lagging supply of trained minds can be accomplished through the Federal aid to school construction, which I hope the Congress will pass during this session. But much is constitutionally reserved to State action.

Another easing of this critical shortage which we face will come through the improvements which the States will be able to make in their curriculum through additional facilities, larger teaching staffs, and courses which they can support as a result of this program.

This is a part of a long-term program, and it will be a long time before it is felt. We hope that this program will have effect soon enough to help our beloved country win this new war of technology, but we must be sure, we must have more, a program which will have quicker results.

I have introduced a bill today which I hope will make available to our country skilled technicians, scientists, and engineers in fields which are in critical supply, and vital to the defense of our country.

This will be accomplished by authorizing the Secretary of Defense to expend $10 million per year to award scholarships and graduate fellowships for scientific study or scientific work in the mathematical, physical, biological, engineering, and other sciences at accredited nonprofit American or nonprofit foreign institutions of higher education. Such selections are to be on the basis of ability.

Now, let us analyze this. The program will do a number of things to furnish a supply of technicians in branches of science most needed for defense at an early date, in time to help our country to win this new cold war. It will furnish much of the supply of teachers which must train our youth in a time of rapidly expanding population.

I want everyone to know that this is not a philanthropic venture, except insofar as it contributes to the defense of our America. In addition to furnishing at least two-thousand-five-hundred-odd fellowships and graduate scholarships, it will permit a number of graduate students and research scientists to study problems and conduct research vital to the defense of the United States.

The research which will result in fields needed by our national defense would cost 5 to 10 times as much if the country had to hire the scientists required to carry out an equivalent program. A large part of the study and research conducted under this program will, of course, be done at American universities, where those directing it will have access to the best men in their fields. Our Government will thereby purchase the services, facilities, and assistance of the best minds in their respective fields at a small part of the real cost.

I hope that the Congress will bear in mind that there is ample precedent for the proposals contained in this bill. Its forerunners are the National Science Foundation, the Fulbright Scholarships, and the research conducted under the Atomic Energy Act. I hope that the Congress will give my bill the early and favorable consideration required by a situation of grave concern to our country.

TOGETHERNESS—A GREAT NEW FORCE IN AMERICA

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include certain quotations and extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I would like to read into the Record an advertisement run by the Hecht Co. on Saturday last in the Washington Post.

It bears the headline "The Greatest Force in the World Today Is Togetherness" and it also carries a message from Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, who writes:

> On Armed Forces Day, 1956, soldiers, sailors, airmen, and marines are teamed together, at home and overseas, building security with freedom. Our lives are richer with the knowledge that hard work and dedication to duty are in the best security interests of our Nation. Together we guard our country and our way of life. Together, let all Americans renew this day our pledges to our country and to the principles which made it great. Signed: Arthur Radford.

To which the Hecht Co. adds a message urging all America to team up with our servicemen in supporting peace for our Nation, and notes that the entire advertisement is published as "a public service in the interests of Togetherness, McCall's wonderful word for work and responsibilities shared."

Frankly, I have been watching with warm pride the way the word "Togetherness"—as chiefly publicized by McCall's, the magazine of Togetherness—has captured our Nation. A month ago, the Gold Star Mothers, for example, gave their first Distinguished Service Citation to McCall's for its Togetherness program which, to quote—

> Has emerged as the dominant inspirational force in American life today and has brought national attention to the fact that America's future, as always, is as strong as its family ties.

I noticed, too, that the Togetherness program also won the Freedoms Foundation award—the first magazine campaign to do so. That eminent board of judges called Togetherness "the most consequential word to American family life today."

What is Togetherness, and why has it special significance to the Congress of the United States?

Otis Lee Wiese, editor and publisher of McCall's, speaking at a Togetherness awards luncheon here in Washington recently, defined Togetherness as the trend toward closer family relationships that is the hope of our time. Never before have there been so many families, so many children in families, so many self-owned homes. And families today are traveling together, playing together, working together, praying together, despite the minority statistics that would seem to indicate that our moral and ethical standards are slipping. In my native State, California, this happy, home-centered pattern of living is particularly obvious. But it also exists throughout the rest of the country.

Mr. George H. Allen, of the McCall's organization, was telling me the other day of the tremendous way Togetherness has swept the Nation. Outstanding stores in practically every State use it in their institutional advertising. But its import goes beyond the commercial. Educators, civic leaders, even the clergy from the pulpits of the Nation, refer to Togetherness constantly. Sometimes its connotation is enlarged from just family Togetherness to encompass partnership on all levels—as in the dramatic armed services advertisement highlighting the Togetherness today in our fighting forces.

The very institution of Congress, after all, is the epitome of Togetherness, in which States and political parties must come together for the common good.

But it is still the concept of family Togetherness which for me, as a Representative of the great family State of California, has deepest meaning. For no other country besides America is so blessed, not only with prosperity and products, but with the emotional and social enlightenment to foster this step forward in the living and dignity of man.

I think the story of Togetherness and its national acceptance has a message for every legislator. And I think McCall's magazine is to be commended for discovering and using a theme that melds commercial impact with such far-reaching civic and social overtones.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Thornberry (at the request of Mr. Ikard) for an indefinite period, on account of illness.

Mr. Wright, for May 21, 22, and 23, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. Bailey for 20 minutes on Thursday next.

Mr. Jonas, on today, for 10 minutes, and on June 6 for 30 minutes.

Mr. Knox for 10 minutes today.

Mr. Lanham for 45 minutes tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Priest and to include a letter from the Attorney General addressed to the Speaker.

Mr. Rabaut.

Mr. Morrison.

Mr. Ayres.

Mr. Bailey (at the request of Mr. Albert) and to include extraneous matter.

Mr. Alger in two instances and to include certain speeches.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. R. 7030. An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill and joint resolution of the Senate of the following title:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On May 17, 1956:

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alan G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

On May 18, 1956:

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

On May 21, 1956:

H. R. 7030. An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 22, 1956, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

May 21, 1956.

To the Clerk of the House of Representatives

Pursuant to clause 4 of rule XXVII, I, Hon. Wright Patman, move to discharge the Committee on Rules from the consideration of the resolution, House Resolution 414, entitled "A resolution providing for the consideration of H. R. 11, a bill to reaffirm the national public policy and purposes of Congress in the laws against unlawful restraints and monopolies, and for other purposes," which was referred to said committee February 28, 1956, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Wright Patman.
2. Hugh D. Scott, Jr.
3. Paul Cunningham.
4. Usher L. Burdick.
5. Samuel N. Friedel.
6. Cecil R. King.
7. Eugene J. McCarthy.
8. George M. Rhodes.
9. Henry S. Reuss.
10. William A. Barrett.
11. James E. Van Zandt.
12. Thomas E. Morgan.
13. James G. Polk.
14. Augustine B. Kelley.
15. Thomas S. Gordon.
16. Edward A. Garmatz.
17. Lee Metcalf.
18. William L. Dawson.
19. Clement J. Zablocki.
20. Earl Chudoff.
21. Robert C. Byrd.
22. Cleveland M. Bailey.
23. Harley O. Staggers.
24. Edward P. Boland.
25. Gordon L. McDonough.
26. A. S. J. Carnahan.
27. Leroy Johnson.
28. Clyde Doyle.
29. George H. Christopher.

30. Robert T. Ashmore.
31. James Roosevelt.
32. Harlan Hagen.
33. John J. Flynt, Jr.
34. Byron G. Rogers.
35. Jim Wright.
36. Eugene Siler.
37. George S. Long.
38. Thomas J. Lane.
39. Henderson Lanham.
40. James C. Davis.
41. Lester Johnson.
42. Michael J. Kirwan.
43. John E. Moss, Jr.
44. B. F. Sisk.
45. Iris F. Blitch.
46. M. G. Burnside.
47. Kenneth J. Gray.
48. Joe L. Evins.
49. James T. Patterson.
50. Wayne L. Hays.
51. Melvin Price.
52. Thomas J. Dodd.
53. Joel T. Broyhill.
54. Don Hayworth.
55. A. M. Fernandez.
56. Don Magnuson.
57. Roy W. Wier.
58. Ross Bass.
59. William T. Granahan.
60. Elmer J. Holland.
61. Walter Rogers.
62. Chester E. Merrow.
63. Louis C. Rabaut.
64. Perkins Bass.
65. Winfield K. Denton.
66. Hugh J. Addonizio.
67. Martha W. Griffiths.
68. James A. Byrne.
69. John Dowdy.
70. Edith Green.
71. Morgan M. Moulder.
72. Pat Jennings.
73. Elizabeth Kee.
74. Charles A. Boyle.
75. Ed Edmondson.
76. Tom Steed.
77. Fred Marshall.
78. Charles A. Vanik.
79. John Bell Williams.
80. Philip J. Philbin.
81. Harold D. Donohue.
82. Richard Bolling.
83. Wayne N. Aspinall.
84. Daniel J. Flood.
85. Chet Holifield.
86. Lester Holtzman.
87. A. S. Herlong.
88. W. J. Bryan Dorn.
89. R. W. Hoffman.
90. Thomas J. O'Brien.
91. James B. Bowler.
92. John J. Dempsey.
93. Barrett O'Hara.
94. Charles E. Bennett.
95. James G. Fulton.
96. George P. Miller.
97. Earl Wilson.
98. Clark W. Thompson.
99. John Lesinski.
100. Harry R. Sheppard.
101. Victor Wickersham.
102. Sidney R. Yates.
103. William J. Green, Jr.
104. J. W. Trimble.
105. Carl Albert.
106. Michael A. Feighan.
107. Clair Engle.
108. Frank M. Karsten.
109. Robert L. F. Sikes.
110. H. R. Gross.
111. Leonore K. Sullivan.
112. Thomas Ludlow Ashley.
113. Homer Thornberry.
114. Frank Ikard.
115. Herman P. Eberharter.
116. Ray J. Madden.
117. L. Mendel Rivers.
118. James J. Murray.
119. Howard H. Baker.
120. Charles B. Deane.
121. Frank Thompson, Jr.
122. James H. Morrison.
123. Charles M. Teague.
124. Albert W. Cretella.
125. E. Keith Thomson.
126. Orbin Fjare.
127. Gordon Canfield.
128. Jackson B. Chase.
129. John Jarman.
130. Alvin E. O'Konski.
131. Dean P. Taylor.
132. Robert D. Harrison.
133. Thor C. Tollefson.
134. Gracie Pfost.
135. Arthur Winstead.
136. E. C. Gathings.
137. Richard E. Lankford.
138. James A. Haley.
139. J. Percy Priest.
140. Clifford Davis.
141. John C. Watts.
142. A. L. Miller.
143. Stewart Udall.
144. Gardner N. Withrow.
145. Robert H. Mollohan.
146. Brent Spence.
147. Hamer H. Budge.
148. Walt Horan.
149. Carl L. Durham.
150. Leo W. O'Brien.
151. Aime J. Forand.
152. Charles S. Gubser.
153. Carroll Kearns.
154. Albert P. Morano.
155. Carl D. Perkins.
156. J. Edgar Chenoweth.
157. John J. Riley.
158. Antoni N. Sadlak.
159. Horace Seely-Brown, Jr.
160. John A. Blatnik.
161. T. A. Thompson.
162. John C. Kluczynski.
163. W. F. Norrell
164. Wilbur D. Mills.
165. Oren Harris.
166. Brooks Hays.
167. Coya Knutson.
168. John F. Shelley.
169. Harris B. McDowell, Jr.
170. Albert Thomas.
171. William H. Natcher.
172. Francis E. Dorn.
173. Otto E. Passman.
174. E. P. Radwan.
175. Thaddeus M. Machrowicz.
176. Carl Elliott.
177. Robert E. Jones.
178. Adam C. Powell, Jr.
179. Edith Nourse Rogers.
180. Kenneth A. Roberts.
181. Albert Rains.
182. Robert J. Corbett.
183. Bruce Alger.
184. John J. Bell.
185. H. Carl Andersen.
186. Torbert H. Macdonald.
187. W. M. Abbitt.
188. Paul G. Rogers.
189. Frank M. Clark.
190. F. Ertel Carlyle.
191. William G. Cramer.
192. Harold O. Lovre.
193. E. Y. Berry.
194. R. B. Chiperfield.
195. Harold D. Cooley.
196. Alvin R. Bush.
197. Phil Weaver.
198. Charles R. Jonas.
199. John E. Fogarty.
200. James G. Donovan.
201. Thomas M. Pelly.
202. William M. Tuck.
203. George Huddleston, Jr.
204. Carl Vinson.
205. Prince H. Preston.
206. Gordon H. Scherer.
207. J. L. Pilcher.
208. Frank T. Bow.
209. A. D. Baumhart, Jr.
210. Paul F. Schenck.
211. William E. Minshall.
212. Frank W. Boykin.
213. Sam Coon
214. Paul Brown.
215. Joe M. Kilgore.
216. J. T. Rutherford.
217. Herbert C. Bonner.
218. Martin Dies.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1863. A communication from the President of the United States, transmitting proposed supplemental appropriations of $1,250,000 for the fiscal year 1956 and $250,000 for the fiscal year 1957 for the Department of Agriculture (H. Doc. No. 407); to the Committee on Appropriations and ordered to be printed.

1864. A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1957 in the mount of $100,000 for the House of Representatives (H. Doc. No. 408); to the Committee on Appropriations and ordered to be printed.

1865. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes"; to the Committee on Agriculture.

1866. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to amend the National Security Act of 1947, as amended, to establish in the Department of Defense an Office of Under Secretary of Defense for International Security Affairs, and for other purposes"; to the Committee on Armed Services.

1867. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to validate certain payments in settlement of unused accrued leave heretofore or hereafter made to certain members of the Army and the Air Force, and for other purposes"; to the Committee on Armed Services.

1868. A letter from the Assistant Secretary of Defense, transmitting a monthly report on military prime contracts with business firms for work in the United States, pursuant to section 6 of Public Law 268,

84th Congress, which amended section 211 of the Small Business Act of 1953; to the Committee on Banking and Currency.

1869. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to establish a teaching hospital for Howard University, to transfer Freedman's Hospital to the university, and for other purposes"; to the Committee on Education and Labor.

1870. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Army industrial fund, Diamond Ordnance Fuze Laboratories, Ordnance Corps, Department of the Army, for the period September 27, 1953, to June 30, 1955; to the Committee on Government Operations.

1871. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1956, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1872. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of this Department on the activities and transactions of the Administration for the period from January 1, 1956, through March 31, 1956, pursuant to section 13 of the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

1873. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to extend the existing application of the Temporary Promotion Act of 1941, as amended, to the Coast Guard, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1874. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 1, 1956, submitting a report, together with accompanying papers and an illustration, on a review of reports on Black Vermillion River at Frankfort, Kans., requested by a resolution of the Committee on Public Works, House of Representatives, adopted September 29, 1949 (H. Doc. No. 409); to the Committee on Public Works, and ordered to be printed with one illustration.

1875. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1876. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1877. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1878. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1879. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1880. A letter from the Acting Chairman, United States Atomic Energy Commission, transmitting a draft of proposed legislation entitled "A bill to amend Public Law 506, 84th Congress, authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes"; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee on Appropriations. H. R. 11319. A bill making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2181). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. House Joint Resolution 511. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the interstate sanitation commission, established by said States pursuant to Public Resolution 62, 74th Congress, August 27, 1935; with amendment (Rept. No. 2182). Referred to the House Calendar.

Mr. CARLYLE: Committee on Interstate and Foreign Commerce. H. R. 9592. A bill to amend section 403 (b) of the Civil Aeronautics Act of 1938 so as to permit air carriers and foreign air carriers, subject to certain conditions, to grant reduced-rate transportation to ministers of religion; without amendment (Rept. No. 2183). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. S. 849. An act to provide assistance to certain non-Federal institutions for construction of facilities for research in crippling and killing diseases such as cancer, heart disease, poliomyelitis, nervous disorders, mental illness, arthritis and rheumatism, blindness, cerebral palsy, tuberculosis, multiple sclerosis, epilepsy, cystic fibrosis, and muscular dystrophy, and for other purposes; with amendment (Rept. No. 2184). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7552. A bill to amend sections 220 and 221 (d) of the Hawaiian Homes Commission Act, 1920; with amendment (Rept. No. 2185). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7887. A bill to authorize the Commissioner of Public Lands to sell public lands under certain circumstances without public auction; with amendment (Rept. No. 2186). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONOHUE: Committee on the Judiciary. H. R. 627. A bill to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States; with amendment (Rept. No. 2187). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on Un-American Activities. Report entitled "The Great Pretense, a Symposium on Anti-Stalinism and the 20th Congress of the Soviet Communist Party"; without amendment (Rept. No. 2189). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 9540. A bill to extend and strengthen the Water Pollution Control Act; with amendment (Rept. No. 2190). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7890. A bill to authorize the commissioner of public lands to sell public lands located at Kaneohe Bay, Oahu, to certain persons; with amendment (Rept. No. 2188). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 11319. A bill making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ABERNETHY:

H. R. 11320. A bill to amend certain laws effecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLER of Nebraska:

H. R. 11321. A bill to amend certain laws effecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ANFUSO:

H. R. 11322. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn*; to the Committee on Armed Services.

By Mr. BATES:

H. R. 11323. A bill to provide for the modification of the existing project for Salem Harbor, Mass.; to the Committee on Public Works.

H. R. 11324. A bill to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Division of the Department of the Interior, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BERRY:

H. R. 11325. A bill to authorize the Secretary of the Interior to donate to Indians certain federally owned personal property no longer required by the Department of the

Interior or other Federal agencies; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 11326. A bill to implement a treaty and agreement with the Republic of Panama by transferring certain property to the Republic of Panama, and adjusting the fiscal obligations of the Panama Canal Company; to the Committee on Merchant Marine and Fisheries.

H. R. 11327. A bill to implement a treaty and agreement with the Republic of Panama by amending the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 11328. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. CHATHAM:

H. R. 11329. A bill to provide a soil-bank program for farmers who grow flue-cured tobacco; to the Committee on Agriculture.

By Mr. DINGELL:

H. R. 11330. A bill to authorize the Secretary of Defense to grant scholarships and fellowships in scientific fields to promote the defense and security of the United States; to the Committee on Armed Services.

By Mrs. GREEN of Oregon:

H. R. 11331. A bill to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster; to the Committee on Agriculture.

By Mrs. KELLY of New York:

H. R. 11332. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. KEOGH:

H. R. 11333. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. PELLY:

H. R. 11334. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REECE of Tennessee:

H. R. 11335. A bill authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration; to the Committee on Veterans' Affairs.

By Mr. ROONEY:

H. R. 11336. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. SIMPSON of Pennsylvania:

H. R. 11337. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before the date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H. R. 11338. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

H. R. 11339. A bill to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.); to the Committee on Foreign Affairs.

By Mr. UDALL:

H. R. 11340. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. WALTER:

H. R. 11341. A bill to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 11342. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WILSON of California:

H. R. 11343. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. CHURCH:

H. Con. Res. 240. Concurrent resolution for the establishment of a joint congressional committee to review the policies and operations of foreign aid; to the Committee on Rules.

By Mr. HARRISON of Virginia:

H. Con. Res. 241. Concurrent resolution for the establishment of a joint congressional committee to review the policies and operations of foreign aid; to the Committee on Rules.

By Mr. ZABLOCKI:

H. Con. Res. 242. Concurrent resolution providing for 10,000 additional copies of the report entitled "Special Study Mission to the Middle East, South and Southeast Asia, and the Western Pacific"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States with reference to House Resolution No. 40, relative to the centennial of the birth of Booker T. Washington; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Michigan:

H. R. 11344. A bill for the relief of Mrs. Margaret Schmalz; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 11345. A bill for the relief of Peter Walsh; to the Committee on the Judiciary.

By Mr. DORN of South Carolina:

H. R. 11346. A bill for the relief of Camillus Bothwell Jeter; to the Committee on Agriculture.

By Mr. GAMBLE:

H. R. 11347. A bill for the relief of John M. Basjah; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 11348. A bill for the relief of White River Distributors, Inc., and certain other creditors of the Westmoreland Manganese Corp.; to the Committee in the Judiciary.

By Mr. JOHNSON of California:

H. R. 11349. A bill for the relief of Sylvia Kazandjian; to the Committee on the Judiciary.

H. R. 11350. A bill for the relief of Mohomad Akbar Khan (also known as Mohamed Akbar Khan and Muhamad Akbar Khan); to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 11351. A bill for the relief of Maria Angela La Faso; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 11352. A bill for the relief of Sgt. Mario Grassi; to the Committee on the Judiciary.

By Mr. WEAVER:

H. R. 11353. A bill for the relief of John Nicholas Christodoulias; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 11354. A bill for the relief of Armando Dumas Guillen; to the Committee on the Judiciary.

H. R. 11355. A bill for the relief of Ramon Rodriguez; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1056. By Mr. BUSH: Petition of A. B. Lupold and 48 other residents of Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1057. Also, petition of Local No. 411, IATSE, Moving Picture Machine Operators, Williamsport, Pa., protesting the continuance of the 20-percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

1058. By Mr. JENKINS: Petition of 45 veterans of Fairfield County, Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1059. Also, petition of 45 veterans of Coolville, Frost, Little Hocking, and Tuppers Plains, Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1060. By Mr. SHORT: Petition of James Hogg and many other citizens of Springfield, Mo., urging the passage of the Siler bill; to the Committee on Interstate and Foreign Commerce.

1061. Also, petition of J. D. Horton and other citizens of Lawrence County, Mo., urging that the Townsend plan be enacted into law; to the Committee on Ways and Means.

1062. By the SPEAKER: Petition of the executive director, the Congress of Freedom, Inc., Omaha, Nebr., requesting Congress to undertake a full-scale public inquiry into the techniques and operations of the well-established pressure patterns designed and employed for the paralysis of anti-Communist activities in the Congress of the United States, etc.; to the Committee on Un-American Activities.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the Congressional Record.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1955 were received after January 20, 1956, too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $148. E. (9) $362.21.

A. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $9,708.99. E. (9) $7,708.99.

A. AFL-CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $8,584.41. E. (9) $7,702.85.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $11,830.66. E. (9) $9,230.66.

A. American Humane Association, 896 Pennsylvania Street, Denver, Colo.
D. (6) $900. E. (9) $212.70.

A. American Legion, 700 North Pennsylvania Avenue, Indianapolis, Ind.
D. (6) $251.42. E. (9) $25,165.89.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $140. E. (9) $4,787.12.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $9,229.71.

A. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $6,348.15. E. (9) $2,345.21.

A. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,467.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $981.10.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $100. E. (9) $4,283.36.

A. Gibbs L. Baker, 917 15th Street NW., Washington, D. C.
B. Mastercraft Linen Fabrics Corp., 1071 Sixth Avenue, New York, N. Y.; Frederick J. Fawcett, Inc., 129 South Street, Boston, Mass.; Hughes Fawcett, Inc., 115 Franklin Street, New York, N. Y.
E. (9) $27.38.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treatex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $625.

A. Mrs. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.

A. Hudson Biery, 1012 Federal Reserve Bank Building, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 1012 Federal Reserve Bank Building, Cincinnati, Ohio.

A. Kenneth M. Birkhead, 1830 Jefferson Place, Washington, D. C.
B. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $1,346.10. E. (9) $185.90.

A. Warren B. Bledsoe, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $405. E. (9) $13.

A. John J. Boland, 70 Pine Street, New York, N. Y.
B. Merrill Lynch, Pierce, Fenner & Beane, 70 Pine Street, New York, N. Y.
D. (6) $500. E. (9) $60.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Wholesalers, 1001 Connecticut Avenue NW., Washington,

A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen E. V., Contrescarpe 46, Bremen, Germany.
D. (6) $2,000. E. (9) $492.40.

A. James M. Brewbaker, 1010 Vermont Avenue NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York City, N. Y.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Brotherhood of Locomotive Engineers, 1116 Engineers Building, Cleveland, Ohio.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Bulgarian Claims Committee, 24 Beekman Street, New York City, N. Y.
E. (9) $30.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington D. C.
E. (9) $800.

A. Julian W. Caplan, 1028 Connecticut Avenue NW., Washington D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $459.67. E. (9) $141.21.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Cheyenne River Reservation, Lower Brule Reservation, and Crow Creek Reservation, S. Dak.; also Standing Rock Reservation, North and South Dakota.
D. (6) $1,450.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $3,817.

A. Mrs. Theodore S. Chapman, 1734 N Street NW., Washington, D. C.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Chapman & Wolfsohn, 923 Pennsylvania Building, Washington, D. C.
B. Union Nacional de Productores de Azucar, S. A. de C. V., Balderas 36, Primer Piso, Mexico, D. F.

A. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $850. E. (9) $900.98.

A. Stewart N. Clarkson, 420 Lexington Avenue, New York, N. Y.
B. Mica Fabricators Association, 420 Lexington Avenue, New York, N. Y.
E. (9) $74.35.

A. Warren A. Clohisy, 1500 Massachusetts Avenue NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Occidental Life Insurance Co., Los Angeles, Calif.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $459.

A. Committee for Collective Security, 90 John Street, New York City, N. Y.
D. (6) $255. E. (9) $217.05.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $1,004,216.50. E. (9) $5,196.43.

A. Cooperative Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill.
D. (6) $6,894.50. E. (9) $7,736.62.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,625. E. (9) $2,625.

A. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
B. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $12,497.01. E. (9) $16,096.80.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $459.

A. Waters S. Davis, Jr.; League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee.
E. (9) $330.89.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
D. (6) $2,500. E. (9) $498.66.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,500.

A. Fayette B. Dow, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Munsey Building, Washington, D. C.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D. (6) $2,066.51. E. (9) $480.02.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $4,980.11.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,000.

A. John W. Emeigh, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $405. E. (9) $12.

A. David W. Evans and Associates, Phillips Petroleum Building, Salt Lake City, Utah.
B. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $4,523.97. E. (9) $8,754.41.

A. Mrs. Albert E. Farwell, Box 188, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
E. (9) $755.49.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington D. C.
D. (6) $625.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
E. (9) $90.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters, 1110 F Street NW., Washington, D. C.
D. (6) $1,700.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. The National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $490. E. (9) $50.

A. Carl O. Gustafson, 588 Fifth Avenue, New York, N. Y.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
D. (6) $500. E. (9) $7,081.71.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $1,560. E. (9) $93.62.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $696.85.

A. W. F. Hall, Sparta, Ga.
B. National Association of Soil Conservation Districts, League City, Tex.

A. L. James Harmanson, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Mrs. A. Paul Hartz, Box 228, Waverly, Va.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. American Wood Fabric Institute, 1145 19th Street NW., Washington, D. C.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.

A. Robert N. Hawes and John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. United States Plywood Corp., 55 West 44th Street, New York, N. Y.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. F. Cleveland Hedrick, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Bridgeport Brass Co., Bridgeport, Conn.

A. George R. Heidrich, Charles Town, W. Va.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Laurance G. Henderson, 1138 Pennsylvania Building, Washington, D. C.
B. North American Airlines, Burbank, Calif.
D. (6) $3,900. E. (9) $1,350.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $937.50. E. (9) $75.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.
D. (6) $3,800. E. (9) $211.17.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
D. (6) $24.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $4,802.

A. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $2,150. E. (9) $2,150.

A. International Council for Exceptional Children.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $276.56.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,374.

A. Rowland F. Kirks, 1800 H Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $597.78.

A. J. M. DeW. (Jack) Kyle II, Post Office Box 1520, Washington, D. C.
D. (6) $400.12. E. (9) $638.48.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $100. E. (9) $862.50.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.
D. (6) $375.

A. Norman M. Littell and Charles J. Alexander, 1826 Jefferson Place NW., Washington, D. C.
B. The Navajo Tribe of Indians, Window Rock, Ariz.
D. (6) $4,250. E. (9) $10.

A. Powers Luse, 4303 Indianola Avenue, Columbus, Ohio.
D. (6) $1,899.05. E. (9) $1,849.01.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $600. E. (9) $588.01.

A. George McLain, 1031 South Grand Avenue, Los Angeles, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.

A. Robert H. McNeill, 815 15th Street NW., Washington, D. C.
B. Beaufort Fisheries, Inc., Beaufort, N. C.

A. MacLeish, Spray, Price & Underwood, 134 South LaSalle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North LaSalle Street, Chicago, Ill.
E. (9) $319.93.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,802.

A. Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Mica Fabricators Association, 420 Lexington Avenue, New York, N. Y.
E. (9) $156.70.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association, Inc.

A. Donald Montgomery, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural, Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,960. E. (9) $233.49.

A. Monument Builders of America, Inc., 20 East Jackson Boulevard, Chicago, Ill.
D. (6) $1,872. E. (9) $2,253.62.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. The Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.
D. (6) $2,500. E. (9) $73.76.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
E. (9) $28.56.

A. John H. Myers, 1224 Cleveland Street, Wilmette, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $115,134.56. E. (9) $3,651.

A. National Association of Real Estate Boards, Its Public Relations Department and Its Realtors Washington Committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
D. (6) $61,753.46. E. (9) $37,204.03.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $875.98. E. (9) $906.69.

A. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $9,319. E. (9) $14,069.16.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Council Against Conscription, 104 C Street NE., Washington, D. C.
D. (6) $2,858.54. E. (9) $1,416.60.

A. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. National Council of Salesmen's Organizations, Inc., 80 West 40th Street, New York, N. Y.
D. (6) $662. E. (9) $375.

A. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
D. (6) $482.09. E. (9) $1,233.16.

A. National Federation of Independent Business, Inc., 740 Washington Building, Washington, D. C.
D. (6) $7,394.17. E. (9) $7,394.17.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $14.091.50. E. (9) $11,424.65.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $15,683.83. E. (9) $15,683.83.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $5,567.87. E. (9) $8,126.62.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $5,246.52. E. (9) $8,814.24.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $900.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. The American Humane Association, Denver, Colo.
D. (6) $900. E. (9) $212.70.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. The Merchants National Bank & Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
D. (6) $1,875. E. (9) $160.

A. Charles A. Parker, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. George F. Parrish, Post Office Box 7, Charleston, W. Va.
B. West Virginia Railroad Association, Post Office Box 7, Charleston, W. Va.
D. (6) $4,000.03.

A. Pennsylvania-Ohio-New York Committee on Low Niagara-St. Lawrence Power, North Baltimore, Ohio.
D. (6) $1,899.05. E. (9) $1,849.01.

A. Peoples Lobby, Emory Speer Avant, 1337 21st Street NW, Washington, D. C.
D. (6) $398. E. (9) $150.

A. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $500.

A. Robert A. Saltzstein, 777 14th Street NW., Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $497.43. E. (9) $66.33.

A. Stuart T. Saunders, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers' Association, 12 East 36th Street, New York, N. Y.
D. (6) $344.

A. Rosario Scibilia, 378 Avenue T, Brooklyn, N. Y.
B. Catholic War Veterans of the United States of America, 1012 14th Street NW., Washington, D. C.
E. (9) $325.50.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $51.05.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers' Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,249.98. E. (9) $156.80.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. New York Coffee and Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $3,000. E. (9) $32.05.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. Sharp and Bogan, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. Sher, Oppenheimer & Harris, 1026 Woodward Building, Washington, D. C.
B. A. S. Aloe Co., St. Louis, Mo.

A. Richard L. Shook, 1026 16th Street NW., Washington, D. C.
B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky.
E. (9) $9.

A. Paul Sifton, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America.
D. (6) $1,890. E. (9) $66.58.

A. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.
B. Edward Mallinckrodt, Jr., 16 West Moreland Place, St. Louis, Mo.
D. (6) $3,204.28.

A. Dr. Spencer M. Smith, Jr., 1709 Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $800.

A. Leland Glen Snarr, 2576 Redondo Avenue, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $1,500.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $4,198.76. E. (9) $4,223.11.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C.
D. (6) $12,706.93. E. (9) $12,869.67.

A. Mrs. Joseph Mills Stoll, 4001 61st Street, Brookmont, Washington, D. C.
B. Volunteer Worker for Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
E. (9) $71.18.

A. Surrey, Karasik, Gould & Efron, Woodward Building, Washington, D. C.
B. Comision de Defensa del Azucar y Fomento de la Cana, Ciudad Trujillo, Dominican Republic.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $237.50.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.

A. Ruth H. Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. United States Citizens Association, Box 354, Balboa, C. Z.
D. (6) $963. E. (9) $1,575.63.

A. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $4,643. E. (9) $4,523.97.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $273.05.

A. Richard H. Weis, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,249.99. E. (9) $1,888.91.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,971.77. E. (9) $1,971.77.

A. Kenneth Williamson, Mills Building, Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $645.72.

A. Howard Zahniser, 6222 43d Avenue, Hyattsville, Md.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.

QUARTERLY REPORTS

The following quarterly reports were submitted for the third calendar quarter 1955:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(*a*) In General: This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")

(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."

(*b*) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

☐ 1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (*a*) description; (*b*) quantity distributed; (*c*) date of distribution; (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value.
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e. g., salary, fee, etc.)
6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year
8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during the Quarter.

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	("*Period*" from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E."—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6"), and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures
9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year
11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Bank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $378.39.

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $41.47.

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,493.04.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $4,367.72. E. (9) $4,367.72.

A. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $10,708.06. E. (9) $10,708.06.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.
B. The Commercial Telegraphers' Union, 8605 Cameron Street, Silver Spring, Md.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $300.05.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $875. E. (9) $78.65.

A. The American Association of Port Authorities, 919 11th Street NW., Washington, D. C.

A. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $2,001.68. E. (9) $1,998.15.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $4,276.55. E. (9) $4,276.55.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D. C.
D. (6) $89,465. E. (9) $30,121.

A. American Federation of Labor and Congress of Industrial Organizations, AFL–CIO Building, Washington, D. C.
E. (9) $34,306.75.

A. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
E. (9) $16,852.08.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $419.79.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $165,833.43.

A. The American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $56,843.37. E. (9) $26,594.11.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $3,002.92. E. (9) $4,269.40.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $610.69. E. (9) $610.69.

A. American Medical Association, 535 Dearborn Street, Chicago, Ill.
D. (6) $25,000. E. (9) $11,646.87.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $7,999.70.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $73,316.82. E. (9) $8,711.01.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $476,218.66. E. (9) $2,776.70.

A. The American Optometric Association, Inc., Development Fund (Legislative), 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $3,013.74. E. (9) $2,986.81.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $1,526.23. E. (9) $1,526.23.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $1,543.23. E. (9) $1,685.55.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $39,396. E. (9) $15,866.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
E. (9) $357.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $37,427.71. E. (9) $16,637.15.

A. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,107.04. E. (9) $2,107.04.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.
D. (6) $150. E. (9) $1,349.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $195.12.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $17,000. E. (9) $14.847.58.

A. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,467.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $1,104.29.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $8,660.21. E. (9) $15,919.24.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $2,760. E. (9) $2,661.92.

A. Samuel W. Anderson, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington, D. C.
D. (6) $6,249.99.

A. John R. Arant, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,125. E. (9) $57.85.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
D. (6) $1,250.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class 1 railroads operating in the State of Arkansas.
D. (6) $3,750. E. (9) $2,111.09.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Committee for Hometown Television, Inc., Box 9140, Bridgeport, Conn.
D. (6) $300. E. (9) $28.93.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Simon & Schuster, 630 Fifth Avenue, New York, N. Y.
D. (6) $1,000.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $25,751.58. E. (9) $9,913.90.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $46,402.59. E. (9) $46,402.59.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty & Surety Companies, 60 John Street, New York, N. Y.
D. (6) $1,878.93. E. (9) $1,878.93.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $3,345.63. E. (9) $3,345.63.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 4, Box 126, Vienna, Va.
B. Junior Order United American Mechanics, 3827 North Broad Street, Philadelphia, Pa.
D. (6) $150. E. (9) $35.35.

A. George P. Baker, 806 Memorial Drive, Cambridge, Mass.
B. Transportation Association of America.

A. John A. Baker, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $2,400. E. (9) $146.95.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,250.

A. Hartman Barber, 1015 Vine Street, Cincinnati, Ohio.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,028.24. E. (9) $690.47.

A. Carlisle Bargeron and Associates, 614 Sheraton Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $781. E. (9) $1,211.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $948.75. E. (9) $240.71.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
D. (6) $3,000.

A. Irvin L. Barney, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; and Grace & Co. (West Coast), 2 Pine Street, San Francisco, Calif.

A. Burton N. Behling, 814 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $107. E. (9) $10.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $1,765.51.

A. Ernest H. Benson, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. Linen Supply Institute of Greater Washington, 2400 16th Street NW., Washington, D. C.
E. (9) $101.49.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. The G. B. Macke Corp, 212 H Street NW., Washington, D. C.; Automatic Canteen Company of America, Merchandising Mart Plaza, Chicago, Ill.; National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill.
E. (9) $20.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. J. Raymond Berry, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $960. E. (9) $1,535.82.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
E. (9) $2,450.44.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $378.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D. C.
B. Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 839 Shoreham Building, Washington, D. C.
B. American Institute of Marine Underwriters, Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.
E. (9) $60.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Massachusetts Protective Association, Worcester, Mass.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Paul Revere Life Insurance Co., Worcester, Mass.

A. Henry Bison, Jr., 917 15th Street NW., Washington, D. C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $233.70.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $925. E. (9) $610.05.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Thomas D. Blake, 4664 Reservoir Road NW., Washington, D. C.
B. United States-Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,550. E. (9) $15.

A. William Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $615.39. E. (9) $308.06.

A. Henry W. Blalock, Sr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. Central Electric Power Cooperative, Jefferson City, Mo.; Northwest Electric Power Cooperative, Cameron, Mo.; Western Farmers Electric Cooperative, Anadarko, Okla.
D. (6) $250.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,609.53. E. (9) $2,609.53.

A. Charles J. Bloch, 520 First National Bank Building, Macon, Ga.
B. Pacific National Fire Insurance Co., San Francisco, Calif.
E. (9) $1,133.26.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

A. Hyman Bookbinder, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,124.98. E. (9) $306.

A. Borax Cartel Story, Inc., 132 Third Street SE., Washington, D. C.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers of the U. S. A.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $2,620.64.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Ave., New York, N. Y.
D. (6) $375. E. (9) $399.87.

A. Ray B. Bowden, 600 Folger Building, 725 15th Street NW., Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $39.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. William E. Boyle, Providence, R. I.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $120. E. (9) $80.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery

Workers of America, 2347 Vine Street, Cincinnati, Ohio.
E. (9) $332.80.

A. Harold P. Braman, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 18th and M Streets NW., Washington, D. C.
D. (6) $450.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Frank P. Brennan, Avoca, Iowa.
B. Iowa Power & Light Co., Des Moines, Iowa.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $6,499.97. E. (9) $180.45.

A. Clark L. Brody, 4000 North Grand River Avenue, Lansing, Mich.
B. Michigan Farm Bureau, 4000 North Grand River Avenue, Lansing, Mich.
D. (6) $484.62. E. (9) $27.04.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $5,928.78. E. (9) $5,928.78.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50. E. (9) $7.25.

A. C. R. Brown, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $1,728.40.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $4,250. E. (9) $4,137.56.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $16.05.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Toby E. G. Brunner, 815 15th Street NW., Washington, D. C.
B. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $750.

A. Carl S. Buchanan, 404 Hollister Building, Lansing, Mich.
B. Michigan Motor Bus Association.

A. George S. Buck, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $168.75.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,350. E. (9) $26.30.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. Bulgarian Claims Committee, 24 Beekman Street, New York, N. Y.
E. (9) $30.

A. George J. Burger, 250 West 57th Street, New York, N. Y., and Washington Building, Washington, D. C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 740 Washington Building, Washington, D. C.

A. Donald T. Burke, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $172. E. (9) $35.09.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. International Union United Automobile, Aircraft and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich., and 718 Jackson Place NW., Washington, D. C.
D. (6) $995.67. E. (9) $640.69.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $6,696.95. E. (9) $6,252.26.

A. George B. Burnham, 132 Third Street SE., Washington, D. C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D. C.
D. (6) $25. E. (9) $25.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
D. (6) $2,550. E. (9) $506.50.

A. Bernard N. Burnstine, 900 F Street NW., Washington, D. C.
B. Jewelry Industry Tax Committee, Inc., 50 Broadway, New York, N. Y.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,875.03.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $266.66. E. (9) $3.39.

A. Lawrence V. Byrnes, 401 Third Avenue NW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $760.20. E. (9) $16.

A. Leonard J. Calhoun, Washington Building, Washington, D. C.
B. Public Information Committee of the Cotton Industries, Washington Building, Washington, D. C.
D. (6) $3,600.

A. Carl C. Campbell, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $46.02.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,307.66. E. (9) $230.77.

A. Daniel W. Cannon, 303 World Center Building, Washington, D. C.
B. Bituminous Coal Operators' Association, 303 World Center Building, Washington, D. C.
E. (9) $24.50.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $100.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $448.23. E. (9) $62.02.

A. Robert S. Carr, 1220 Pennsylvania Building, Washington, D. C.
B. Hiram Walker & Sons, Inc., Penobscot Building, Detroit, Mich.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson H. Carson, 600 First National Bank, Canton, Ohio and 744 Pennsylvania Building, Washington, D. C.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
D. (6) $2,000. E. (9) $1,300.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,285.97.

A. Chauncey P. Carter, Jr., 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orrington Avenue, Evanston, Ill.

A. Clarence B. Carter, P. O. Box 798, New Haven, Conn.
B. Railroad Pension Conference, P. O. Box 798, New Haven, Conn.

A. William L. Carter, 1012 14th Street NW., Washington, D. C.
B. The National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $115. E. (9) $14.30.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Lower Brule Reservation and Crow Creek Reservation, S. Dak.; also Standing Rock Reservation, N. and S. Dak.

A. Paul M. Castiglioni, 412 Fifth Street NW., Washington, D. C.
B. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.
D. (6) $499.98. E. (9) $549.71.

A. Benjamin F. Castle, 1145 19th Street NW., Washington, D. C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C,

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Clarence N. Sayen, president, Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $2,368.12.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $910.00. E. (9) $336.41.

A. Central Labor Union, Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $2,137.20. E. (9) $2,799.11.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $2,500.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $4,251.62. E. (9) $3,807.45.

A. Alex. M. Clark, 715 Indiana Building, Indianapolis, Ind.
B. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $5,500.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $83.12.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) 2,769.24.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. The National Cuban Sugar Mills Owners Association, Habana, Cuba, and the Cuban Sugar Cane Growers Association, Habana, Cuba.
E. (9) $553.98.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.
D. (6) $45.27. E. (9) $55.83.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $137.50.

A. Clarence F. Cockrell, 501 Patrick Street, Portsmouth, Va.
B. Active-Retired Lighthouse Service Employees Association, P. O. Box 2169, South Portland, Maine.
D. (6) $60. E. (9) $125.67.

A. Coles & Goertner, 813 Washington Building, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $10,000. E. (9) $231.63.

A. Don C. Collins, Kit Carson, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $669.57.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
E. (9) $29,942.51.

A. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
E. (9) $5,593.82.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $345. E. (9) $9,150.48.

A. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $1,205. E. (9) $17,671.28.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $1,278,433.97. E. (9) $5,059.97.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Anne Arundel County and Prince Georges County, Md.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. General Counsel for Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 815 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference for Inland Waterways Dry-Bulk Regulation, Transportation Building, Washington, D. C.
E. (9) $61.05.

A. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $2,499.99. E. (9) $48.04.

A. J. Robert Conroy, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $747.99. E. (9) $10.50.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. Nationwide Trailer Rental System, 512 South Market Street, Wichita, Kans.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,437.51. E. (9) $236.23.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $649.59.

A. John M. Costello, 3434 Porter Street NW., Washington, D. C.
B. American League for an Undivided Ireland, care of Charles T. Rice, 122 East 42d Street, New York City, N. Y.

A. Edward J. Coughlin, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $195. E. (9) $20.

A. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $9,600. E. (9) $7,317.49.

A. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C., and 176 Remsen Street, Brooklyn, N. Y.
D. (6) $37,567.43. E. (9) $21,288.11.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D. C.
D. (6) $15,832.04. E. (9) $11,647.52.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $75. E. (9) $26.50

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Chicago & North Western Railway System, 400 West Madison Street, Chicago, Ill.
E. (9) $36.54.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Club Managers Association of America, 408 Olive Street, St. Louis, Mo.
E. (9) $29.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Committee on Joint Resolution 1955 Legislature, Post Office Box 3170, Honolulu, T. H.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
E. (9) $288.39.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining & Smelting Co., Ltd., et al.
E. (9) $6.82.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.
D. (6) $3,000. E. (9) $782.12.

A. Cox, Langford, Stoddard & Cutler, 1625 I Street NW., Washington, D. C.
B. Estate of Joseph Ross, in care of Poses, Katcher & Driesen, 295 Madison Avenue, New York, N. Y.
D. (6) $250.

A. A. M. Crawford, 718 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and the Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
D. (6) $375. E. (9) $322.75.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $119,426.05. E. (9) $560.

A. Robert A. Crichton, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan, Avenue, Chicago, Ill.
D. (6) $191.70.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,375.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
D. (6) $669.57. E. (9) $669.57.

A. John C. Cuneo, Post Office Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $2,182.55. E. (9) $1,480.44.

A. Ralph E. Curtiss, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $525.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
D. (6) $250. E. (9) $27.45.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,406.25. E. (9) $36.23.

A. Joan David, 4737 36th Street NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. Joan David, 4737 36th Street NW., Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1145 19th Street NW., Washington, D. C.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.
B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.
D. (6) $917.48. E. (9) $927.12.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,590.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.
D. (6) $250.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Trustees under the will of Thomas C. Dennehy, deceased, care of the Northern Trust Co., 50 South La Salle Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.
E. (9) $393.14.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $5,600. E. (9) $1,170.57.

A. Sherlock Davis, 910 17th Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.
D. (6) $5,000. E. (9) $43.26.

A. Tony T. Dechant, 1575 Sherman Street, Denver, Colo.
B. Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $298.76.

A. Richard A. Dell, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $787.50.

A. Casimir deRham, Jr., 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D. C.
B. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.

A. R. T. DeVaney, 1918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D .C.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,300.

A. George J. Dietz, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $875. E. (9) $23.61.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, 312 Court House, Sacramento, Calif.
D. (6) $2,826.25. E. (9) $201.25.

A. Disabled American Veterans, National Headquarters, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $2,769.24.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $2,762.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
D. (6) $400.50. E. (9) $400.50.

A. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $14,359.88. E. (9) $13,862.55.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $12,442.42.

A. Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.
E. (9) $1,599.98.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $325.29.

A. Robert F. Donoghue, 236 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $1,625.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,582.59. E. (9) $39.25.

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $2,500. E. (9) $18.35.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Fayette B. Dow, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Munsey Building, Washington, D. C.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
D. (6) $1,800. E. (9) $225.

A. Ben DuBois, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $3,000.

A. Stephen M. DuBrul, 11–134 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. B. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $462.50. E. (9) $135.

A. Read P. Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $232.50.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,125. E. (9) $22.90.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,276. E. (9) $599.34.

A. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $3.12. E. (9) $28.70.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D (6) $2,203.49. E. (9) $453.56.

A. Bernard H. Ehrlich, 1002 Ring Building, Washington, D. C.
B. National Association and Council of Business Schools, Homer Building, Washington, D. C.

A. John Doyle Elliott, 1420 New York Avenue NW., Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $950.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $4,801.35.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $4,000.

A. Newell W. Ellison, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
D. (6) $4,750.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
D. (6) $3,300. E. (9) $220.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $1,500.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $8,295. E. (9) $79.39.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
D. (6) $2,250.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.

A. Robert B. Ely, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Emergency Conservation Committee, 767 Lexington Avenue, New York, N. Y.
D. (6) $10,126. E. (9) $10,320.03.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
D. (6) $2,700. E. (9) $251.45.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
E. (9) $862.29.

A. Walter M. Evans, 512 Travelers Building, Richmond, Va.
B. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
E. (9) $640.58.

A. Charles J. Fain, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $275.

A. Edward Falck & Co., 1625 I Street NW., Washington, D. C.
B. Gas distribution companies.
D. (6) $6,343.75. E. (9) $2,916.49.

A. Farmers Educational and Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $104,109.61. E. (9) $27,598.09.

A. Mrs. Albert E. Farwell, Box 188, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Joseph G. Feeney, 5508 Montgomery Street, Chevy Chase, Md.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $3,000. E. (9) $150.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $3,750.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. American Sugarcane League, New Orleans, La.; United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla.; and Okeelanta Sugar Refinery, Inc., South Bay, Fla.
D. (6) $8,353.59. E. (9) $2,203.59.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.
E. (9) $9.26.

A. Bernard M. Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, Ring Building, Washington, D. C.
D. (6) $337.50.

A. Stephen Fitzgerald & Co., Inc., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
D. (6) $4,100. E. (9) $609.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D. C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.
D. (6) $400. E. (9) $73.12.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,555.55. E. (9) $69.30.

A. John F. Floberg, 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orrington Avenue, Evanston, Ill.

A. John F. Floberg, 800 World Center Building, Washington, D. C.
B. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Florida Citrus Mutual, Lakeland, Fla.
E. (9) $1,788.29.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,376.30.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $4,750. E. (9) $3,186.95.

A. Mrs. J. A. Ford, 404 Evans Building, Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.

A. Forest Farmers Association, box 7284, Station C, Atlanta, Ga.
E. (9) $352.91.

A. James W. Foristel, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $712.50. E. (9) $19.70.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $1,261.63. E. (9) $3.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
E. (9) $13.08.

A. L. S. Franklin, 2309 Pine Croft Road, Greensboro, N. C.
D. (6) $835. E. (9) $835.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. American Book Publishers Council, Inc., 2 West 46th Street, New York, N. Y.
D. (6) $1,095. E. (9) $827.65.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. National Postal Committee for Books, 2 West 46th Street, New York, N. Y.
D. (6) $1,825. E. (9) $1,389.55.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. National Association of Retail Druggists.
D. (6) $3,900. E. (9) $1,124.

A. C. H. Frazier, 724 14th Street NW., Washington, D. C., and 1401 Arch Street, Philadelphia, Pa.
B. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
E. (9) $22.34.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $250. E. (9) $40.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $27,385.59. E. (9) $19,476.81.

A. George Milan Fuller, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers of the U. S. A., 918 16th Street NW., Washington, D. C.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $185.24. E. (9) $185.24.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $1,450.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota Railroads.
D. (6) $500. E. (9) $602.77.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.
E. (9) $40.50.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $200. E. (9) $6.85.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
D. (6) $3,568.17. E. (9) $1,000.

A. Gus F. Geissler, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $312.85.

A. General Gas Committee, 1625 K Street NW., Washington, D. C.
D. (6) $11,910. E. (9) $24,740.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, H. K. Brehmer, and C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,000.

A. Earnest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,509.38. E. (9) $183.60.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
D. (6) $3,050. E. (9) $710.16.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Hugh V. Gittinger, Jr., 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,875.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49.

A. John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. Adhesives Manufacturers' Association of America, 441 Lexington Avenue, New York, N. Y.
D. (6) $625. E. (9) $40.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employes' Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $5,357.53. E. (9) $4,798.69.

A. Grain and Feed Dealers National Association, 100 Merchants Exchange, St. Louis, Mo.
E. (9) $65.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
D. (6) $18,379.90. E. (9) $7,619.05.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $300. E. (9) $862.29.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. Citizens Committee for UNICEF, 132 Third Street SE., Washington, D. C.
D. (6) $80. E. (9) $11.95.

A. Ernest W. Greene, 723 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, post office box 2450, Honolulu, T. H.

A. Francis T. Greene, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $2,187.50. E. (9) $276.31.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.
D. (6) $1,875.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.
D. (6) $2,500.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $490. E. (9) $52.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $320.89.

A. Mrs. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $193.44.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $377.92. E. (9) $347.07.

A. Hal H. Hale, 423 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $1,671.87. E. (9) $61.17.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,083.31. E. (9) $25.45.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $2,499.99. E. (9) $1,167.57.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,354.12. E. (9) $156.90.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,706.55. E. (9) $581.55.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. William A. Hanscom, 1126 16th Street NW., Washington, D. C.
B. Oil, Chemical, and Atomic Workers International Union, AFL–CIO, 1840 California Street, Denver, Colo.
D. (6) $2,055. E. (9) $180.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $600. E. (9) $1,212.88.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1735 De Sales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,066.62. E. (9) $192.97.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. T. Wade Harrison, room 812, Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,750. E. (9) $15.52.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
D. (6) $100.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,616.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. American Wood Fabric Institute, 1145 19th Street NW., Washington, D. C.
D. (6) $450. E. (9) $10.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.
D. (6) $600. E. (9) $25.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. U. S. Plywood Corp., 55 West 44th Street, New York, N. Y.
D. (6) $150.

A. Paul M. Hawkins, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $10.65.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,650. E. (9) $165.60.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. John C. Hazen, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $12.55.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300. E. (9) $14.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners' Association, 1133 20th Street NW., Washington, D. C.
D. (6) $875. E. (9) $93.05.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $400.

A. William B. Henderson, 925 15th Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. (6) $2,872. E. (9) $2,893.

A. Maurice G. Herndon, 1002 Washington Loan & Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan & Trust Building, Washington, D. C.
D. (6) $304. E. (9) $304.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $27.46.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, Post Office Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers' Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $1,013.29.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.
E. (9) $718.80.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $196.88.

A. W. E. Himsworth, 724 14th Street NW., Washington, D. C., and 176 Remsen Street, Brooklyn, N. Y.
B. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,325.35. E. (9) $75.35.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 1145 19th Street NW., Washington, D. C.

A. Claude E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. Frank N. Hoffman, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,000. E. (9) $3,200.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $937.50. E. (9) $75.

A. Charles Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $228.75.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.
D. (6) $5,000.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeymen Barbers and Hairdressers International Union, 1141 North Delaware, Indianapolis, Ind.
D. (6) $2,561.86. E. (9) $796.36.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.
D. (6) $250.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Estate of Thomas C. Dennehy, deceased, 50 South La Salle Street, Chicago, Ill.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $5,600. E. (9) $1,170.57.

A. Donald E. Horton, 222 East Adams Street, Chicago, Ill.
B. American Warehousemen's Association.

A. Harold A. Houser, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,500.

A. Vernon F. Hovey, 101 Nott Terrace, Schenectady, N. Y.
B. National Dairy Products Corp., 260 Madison Avenue, New York, N. Y.
D. (6) $3,000. E. (9) $236.78.

A. S. H. Howard, 1414 Evergreen Avenue, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.
D. (6) $600.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $4,796.

A. William T. Huff, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, 10 Richards Road, Kansas City, Mo.
D. (6) $2,580. E. (9) $287.30.

A. Raymond E. Hughes, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $30. E. (9) $74.66.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $275.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $3,302. E. (9) $420.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $2,260.86.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $86,870. E. (9) $12,441.22.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $90,720.07. E. (9) $7,575.

A. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $2,868.97.

A. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
E. (9) $410.42.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
D. (6) $600. E. (9) $148.22.

A. Interstate Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $25.70.

A. Robert C. Jackson, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.
D. (6) $1,218.75. E. (9) $162.43.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $375. E. (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale Pour Participatione Industrielles et Commerciales, S. A. Peter Merianstr 19, Basle, Switzerland.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Forests, Inc., 1006 Grand Avenue, Kansas City, Mo.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
E. (9) $1,250.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.
D. (6) $120. E. (9) $135.39.

A. J. P. Johnson, 17 Varick Street, New York, N. Y.
B. National Association of Refrigerated Warehouses, Inc., Tower Building, Washington, D. C.

A. Reuben L. Johnson, Jr.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,615.68. E. (9) $55.82.

A. W. D. Johnson, 401 Third Street NW., Washington, D. C.
B. Order of Railway Conductors and Brakemen, O. R. C. and B. Building, Cedar Rapids, Iowa.

A. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $37,686. E. (9) $37,686.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $15.75.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $548.34.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $675.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $202.68.

A. Journeymen Barbers and Hairdressers International Union, 1141 North Delaware, Indianapolis, Ind.
E. (9) $2,561.86.

A. Orrin G. Judd, 655 Madison Avenue, New York, N. Y.
B. Dr. Ching-Lin Hsia and wife, Wai Tsung Hsia, 21 Park Place, Great Neck, N. Y.
D. (6) $750. E. (9) $2.44.

A. Robert I. Kabat, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $95.87.

A. David K. Kadane, 250 Old Country Road, Mineola, N. Y.
B. Long Island Lighting Co., 250 Old Country Road, Mineola, N. Y.
E. (9) $378.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,000. E. (9) $943.92.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee.
D. (6) $300. E. (9) $100.50.

A. Arthur C. Keefer, 900 F Street NW., Washington, D. C.
B. War Department Beneficial Association, United States Department of Labor Beneficial Association, and United States Departments of Commerce and Justice Beneficial Association, Washington, D. C.
D. (6) $12,500.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
E. (9) $34.29.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,500.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $15.

A. I. L. Kenen, 1737 H Street NW., Washington, D. C.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $2,999.99. E. (9) $673.38.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $625. E. (9) $82.95.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $237.50.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,100. E. (9) $92.09.

A. Ronald M. Ketcham, Post Office Box 351, Los Angeles, Calif.
B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.
D. (6) $445.40. E. (9) $938.02.

A. Omar B. Ketchum, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,150. E. (9) $293.

A. Jeff Kibre, 1341 G Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $654.72. E. (9) $692.63.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $875.01. E. (9) $148.14.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $127.50. E. (9) $56.17.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $150.

A. King, Noble & Sonosky, 1028 Connecticut Avenue NW., Washington, D. C.

A. Thomas R. Kingsley, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.

A. Bill Kirchner, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,250.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $390. E. (9) $36.43.

A. Rowland F. Kirks, 2000 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $1,156.23.

A. W. H. Kittrell, 207 Commercial Building, Dallas, Tex.
B. West Central Texas Oil and Gas Association, 503 F. & M. Bank Building, Abilene, Tex.
D. (6) $21,374.19. E. (9) $3,986.86.

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $6,000. E. (9) $300.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institution, Inc., 619 F. Street NW., Washington, D. C.
E. (9) $45.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Crushed Limestone Institution, Inc., 619 F Street NW., Washington, D. C.
E. (9) $15.

A. Georgia Koonce, 1031 South Grand Avenue, Los Angeles, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.
D. (6) $900. E. (9) $910.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Alden Lown, receiver of the joint venture of Barrett & Hilp, McDonald & Rutherford, 600 Montgomery Street, San Francisco, Calif.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $2,932.19. E. (9) $3,737.09.

A. Frank W. Kuehl, 1523 L Street, Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $575. E. (6) $54.95.

A. Catherine G. Kuhne, Dupont Circle Building, Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., Dupont Circle Building, Washington, D. C.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $4,605. E. (9) $4,656.67.

A. Harold M. LaFont, 419 Skaggs Building, Plainview, Tex.
B. Grain Sorghums Producers' Association, Box 77, Bushland, Tex.
D. (6) $1,000. E. (9) $1,351.53.

A. Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. A. M. Lampley, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $249.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $999.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 718 Insurance Building, Fort Worth, Tex.
D. (6) $1,275.

A. William C. Lantaff, 916 Du Pont Building, Miami, Fla.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,187.50. E. (9) $746.96.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers' Association, Inc., Statler Hotel, New York, N. Y.
D. (6) $1,500. E. (9) $3,013.32.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers' Association, 740 11th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $3,196.54.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $8,749.98. E. (9) $2.40.

A. Randall J. LeBoeuf, Jr., 15 Broad Street, New York, N. Y.
B. Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, N. Y.
E. (9) $183.48.

A. Robert F. Lederer, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $75.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $4,092.76.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $1,500. E. (9) $67.18.

A. James R. Lee, 1426 G Street NW., Washington, D. C.
B. Water Heater Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
D. (6) $1,000. E. (10) $183.46.

A. Legislative Committee of Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Legislative Council, National Antidumping Committee, Inc., 1101 Vermont Avenue NW., Washington, D. C.

A. Artemas C. Leslie, 17th and Pennsylvania Avenue NW., Washington, D. C.
B. Blue Cross Commission of the American Hospital Association, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,875.

A. Hal Leyshon, 292 Madison Avenue, New York, N. Y.
B. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
D. (6) $4,998.98. E. (9) $9,589.51.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street, Washington, D. C.
D. (6) $5,096.05. E. (9) $5,096.05.

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., 604 Madison Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $65.95.

A. Leo Lipson, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Robert W. Lishman, 412 Washington Building, Washington, D. C.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $628.13. E. (9) $233.13.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $5,588.67. E. (9) $2,681.68.

A. John M. Littlepage, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
D. (6) $5,750.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
D. (6) $2,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $2,150. E. (9) $710.75.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,749.93. E. (9) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Standard Oil Company of New Jersey, 30 Rockefeller Plaza, New York, N. Y.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $500. E. (9) $0.80.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
D. (6) $750.

A. Lowenstein, Pitcher, Spence, Hotchkiss, Amann & Parr, 25 Broad Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Sydney Lubarr, 9202 Chanute Drive, Bethesda, Md.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $625. E. (9) $106.20.

D. (6) $625. E. (9) $106.20.
nue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. State Loan & Finance Corp., 1200 18th Street NW., Washington, D. C.
D. (6) $300.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N. Y.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,781.21. E. (9) $59.73.

A. A. E. Lyon, 401 Third Street NW., Washington, D. C.
B. Railway Labor Executives' Association.
D. (6) $750.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $1,791.67. E. (9) $509.46.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $3,500. E. (9) $511.50.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill and Knowlton, Inc.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,033.33.

A. John A. McCart, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,712.28. E. (9) $29.20.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., Suburban Station Building, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $575. E. (9) $162.72.

A. Angus McDonald.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,550.97. E. (9) $263.30.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Alaska Juneau Goldmining Co., 425 Crocker Building, San Francisco, Calif.
D. (6) $1,000.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Transportes Maritimeo Mexicanos, S. A., Avenue Insurgentes No. 452, Mexico City, D. T.
D. (6) $1,200. E. (9) $32.36.

A. McDonnell and Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co., Butte, Mont.
D. (6) $781.25. E. (9) $1,069.98.

A. A. J. McFarland, 126 North Eighth Street, Sterling, Kans.
B. The Christian Amendment Movement, 804 Pennsylvania Avenue, Pittsburgh, Pa.
D. (6) $225. E. (9) $250.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.

B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.

A. J. V. McLaughlin, 929 Transportation Building, Washington, D. C.

B. Association of American Railroads, Transportation Building, Washington, D. C.

D. (6) $6,875. E. (9) $386.38.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.

B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. Clarence M. McMillan, 1424 K Street NW., Washington, D. C.

B. National Candy Wholesalers Association, 1424 K Street NW., Washington, D. C.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.

D. (6) $709.75.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.

B. American Optometric Association, 8001 Jenkins Arcade, Pittsburgh, Pa.

D. (6) $2,925. E. (9) $28.23.

A. William P. McCracken, Jr., 1152 National Press Building, Washington, D. C.

B. Frankel Brothers, 521 Fifth Avenue, New York, N. Y.

E. (9) $1.75.

A. John G. Macfarlan, Washington, D. C.

B. Railway Express Agency, Second and I Streets NE., Washington, D. C.

D. (6) $151.25. E. (9) $17.20.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D. C.

B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.

D. (6) $3,000.

A. Maclay, Morgan & Williams, 76 Beaver Street, New York, N. Y.

B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.

B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.

D. (6) $989.75. E. (9) $496.43.

A. James B. Madaris, 401 Third Street NW., Washington, D. C.

B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

D. (6) $437.50.

A. William J. Mahon, 1 Broadway, New York, N. Y.

B. Associated Railroads of New York State.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.

B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.

D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.

B. National Coal Association, Southern Building, Washington, D. C.

D. (6) $2,600. E. (9) $212.40.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.

B. Southern Pine Industry Committee, P. O. Box 1170, New Orleans, La.

D. (6) $375.

A. James D. Mann, 714 Sheraton Building, Washington, D. C.

B. Private Truck Council of America, Inc., 714 Sheraton Building, Washington, D. C.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.

D. (6) $2,375. E. (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.

B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N. Y.

D. (6) $1,625.78. E. (9) $93.60.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.

B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.

D. (6) $3,796.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $1,000. E. (9) $296.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.

B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.

D. (6) $1,000. E. (9) $17.70.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.

B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.

B. Kasser Distillers Products Corp., Philadelphia, Pa.

E. (9) $11.

A. John M. Martin, Jr., 1712 G Street NW., Washington, D. C.

B. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. Mike M. Masaoka, 1217 Hurley-Wright Building, Washington, D. C.

B. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Mike M. Masaoka, 1217 Hurley-Wright Building, Washington, D. C.

B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.

E. (9) $80.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.

B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.

D. (6) $2,899. E. (9) $372.

A. P. H. Mathews, 929 Transportation Building, Washington, D. C.

B. Association of American Railroads, Transportation Building, Washington, D. C.

D. (6) $4,993.96. E. (9) $1,059.61.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.

B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.

D. (6) $150. E. (9) $16.38.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $675. E. (9) $105.55.

A. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.

E. (9) $2,025.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Kenneth A. Meiklejohn, 1822 Jefferson Place NW., Washington, D. C.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N. Y.

D. (6) $1,152.

A. Kenneth A. Meiklejohn, 1822 Jefferson Place NW., Washington, D. C.

B. Retail, Wholesale and Department Store Union, 132 West 43d Street, New York, N. Y.

D. (6) $450.

A. The Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.

B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.

D. (6) $1,875.

A. J. T. Metcalf, 1002 L. & N. Building, Louisville, Ky.

E. (9) $170.68.

A. James G. Michaux, 1145 19th Street NW., Washington, D. C.

B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

D. (6) $1,250. E. (9) $179.66.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.

B. Chamber of Commerce of the U. S. A.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Charles C. Miller, 1346 Connecticut Avenue NW., Washington, D. C.

B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

D. (6) $174.99. E. (9) $25.01.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.

B. The Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

D. (6) $350. E. (9) $27.36.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.

B. Estate of Josephine S. Bogert, care of Charles M. Kritzman, 37 Wall Street, New York, N. Y.

D. (6) $2,500.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.

B. Kensington Co. (G. T. Forbes and Theodore M. Jacobs), San Diego, Calif.

D. (6) $3,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.

B. Dallas (Tex.) Chamber of Commerce.

D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.

B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.

D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.

B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.

D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.

B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.

D. (6) $2,226. E. (9) $131.53.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.

B. Republic Steel Corp., Cleveland, Ohio.

E. (9) $11.59.

A. Seymour S. Mintz, William T. Plumb, Jr., and Robert K. Elfler, 810 Colorado Building, Washington, D. C.

B. John H. Davis, Harriett O. Davis, Harry Handley Cloutier, Elinor S. Cloutier, Estate of Henri M. Cloutier, deceased, Harry M. Cloutier, executor, and Margaret S. Cloutier, Seattle, Wash.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Elfler, and Richard A. Mullens, 810 Colorado Building, Washington, D. C.

B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.

B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.

D. (6) $2,000.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.

B. American Vocational Association, Inc.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.

B. American Mining Congress, Ring Building, Washington, D. C.

D. (6) $1,350. E. (9) $9.30.

A. George W. Morgan, 76 Beaver Street, New York, N. Y.

B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. F. E. Mollin, 801 East 17th Avenue, Denver, Colo.

B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

D. (6) $4,400. E. (9) $427.57.

A. Donald Montgomery, 777 14th Street, Washington, D. C.

B. American Hotel Association, 221 West 57th Street, New York, N. Y.

D. (6) $2,300. E. (9) $368.24.

A. Donald Montgomery, 718 Jackson Place NW., Washington, D. C.

B. United Automobile, Aircraft, Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.

D. (6) $1,720. E. (9) $683.33.

A. Monument Builders of America, Inc., 20 East Jackson Boulevard, Chicago, Ill.

D. (6) $1,872. E. (9) $2,253.62.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.

B. The Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.

D. (6) $2,500.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.

B. Robert A. Drum, Metz Brewing Co., Omaha, Nebr.

D. (6) $3,595.48. E. (9) $55.44.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.

B. Ford Motor Co., 3000 Schaefer Road, Dearborn, Mich.

E. (9) $3.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.

B. Group Health Dental Insurance, Inc., 120 Wall Street, New York, N. Y.

E. (9) $2.87.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.

B. Salyer Water District, Post Office Box 488, Corcoran, Calif.

E. (9) $43.33.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.

B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.

D. (6) $3,255. E. (9) $157.60.

A. Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.

E. (9) $3,783.79.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.

D. (6) $4,375.03. E. (9) $121.30.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.

B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

D. (6) $3,750. E. (9) $589.50.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.

D. (6) $625.25. E. (9) $625.25.

A. Fisher Muldrow, Post Office Box 983, Oklahoma City, Okla.

B. Associated Motor Carriers of Oklahoma, Inc., Box 983, Oklahoma City, Okla.

D. (6) $1,000. E. (9) $2,426.26.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.

B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.

B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.

B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.

D. (6) $1,300. E. (9) $1,226.08.

A. Walter J. Munro, Hotel Washington, Washington, D. C.

B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.

B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.

D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.

B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

D. (6) $118.75.

A. Music Publishers' Association of the United States, 47 West 63d Street, New York, N. Y.

D. (6) $500. E. (9) $59.48.

A. Francis J. Myers, 2026 Land Title Building, Philadelphia, Pa.

B. Transamerica Corp., San Francisco, Calif.

E. (9) $474.70.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.

B. Forest Farmers Association Cooperative, Post Office Box 7284, Station C, Atlanta, Ga.

E. (9) $352.91.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

D. (6) $2,166.93. E. (9) $2,166.93.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.

D. (6) $14,193.75. E. (9) $211.20.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

D. (6) $63,546.34. E. (9) $17,574.69.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.

D. (6) $3,148.25. E. (9) $4,816.89.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

D. (6) $214.58. E. (9) $214.58.

A. National Association of Refrigerated Warehouses, Inc., 1210 Tower Building, Washington, D. C.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D. C.

D. (6) $750. E. (9) $750.

A. National Association of Soil Conservation Districts, League City, Tex.

D. (6) $1,820.80. E. (9) $392.62.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.

D. (6) $11,874.15. E. (9) $682.50.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.

D. (6) $279,104.40. E. (9) $2,115.19.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.

D. (6) $2,350. E. (9) $961.76.

A. National Committee of Shippers and Receivers, 100 West 31st Street, New York, N. Y.

E. (9) $129.88.

A. National Conference for Repeal of Taxes on Transportation, care of D. G. Ward, Mathieson Building, Baltimore, Md.

E. (9) $27.70.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

D. (6) $5,905.93. E. (9) $5,905.93.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.

A. National Council for Export Credits, 291 Broadway, New York, N. Y.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

D. (6) $17,155. E. (9) $4,790.

A. National Crushed Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

D. (6) $646.49. E. (9) $646.49.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

D. (6) $964.95. E. (9) $883.48.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.

D. (6) $43.11. E. (9) $43.11.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.

D. (6) $167,690.20. E. (9) $12,148.94.

A. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.

D. (6) $15,045.84. E. (9) $1,727.45.

A. National Food Brokers Association, 827 Munsey Building, Washington, D. C.

D. (6) $1,764.62. E. (9) $1,764.62.

A. National Housing Conference, Inc., 1025 Connecticut Avenue NW., Washington, D. C.

D. (6) $22,175.57. E. (9) $17,823.23.

A. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.

D. (6) $1,469.75. E. (9) $1,190,71.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.

D. (6) $1,616.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.

D. (6) $1,280.11. E. (9) $1,218.47.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

D. (6) $4,082.79. E. (9) $4,082.79.

A. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.

D. (6) $46,111.60. E. (9) $3,167.05.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.

D. (6) $10,179.97. E. (9) $14,365.93.

A. National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C.

D. (6) $1,658.21. E. (9) $590.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.

D. (6) $4,125. E. (9) $4,242.03.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.

D. (6) $17,347.49. E. (9) $6,128.52.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.

D. (6) $15,550.21. E. (9) $15,550.21.

A. National Savings & Loan League, 907 Ring Building, Washington, D. C.

D. (6) $259,693.89. E. (9) $1,156.75.

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.

D. (6) $5,000. E. (9) $4,985.14.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.

D. (6) $158,537.75. E. (9) $1,438.36.

A. The National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.

D. (6) $2,210.28. E. (9) $2,210.28.

A. The National Women's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.

D. (6) $2,382.15. E. (9) $3,000.58.

A. Nation-Wide Committee of Industry, Agriculture and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.

D. (6) $4,275. E. (9) $10,073.87.

A. William S. Neal, 918 16th Street NW., Washington, D. C.

B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.

B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.

E. (9) $15.55.

A. George S. Newcomer, 1000 Maryland Trust Building, Baltimore, Md.

B. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

A. Blake T. Newton, Jr., 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.

D. (6) $2,937.49.

A. New York and New Jersey Dry Dock Association, 161 William Street, New York, N. Y.

D. (6) $4,250. E. (9) $723.86.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.

E. (9) $3,000.

A. Russ Nixon, 930 F Street NW., Washington, D. C.

B. United Electrical, Radio, and Machine Workers of America, 11 East 51st Street, New York, N. Y.

D. (6) $1,170. E. (9) $260.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.

B. Wei-Kuan Chang and wife, Su Chen Wei Chang, 825 West End Avenue, New York, N. Y.

E. (9) $5.18.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.

B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

D. (6) $727.50. E. (9) $49.18.

A. Robert H. North, 1105 Barr Building, Washington, D. C.

B. International Association of Ice Cream Manufacturers.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.

B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.

D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

D. (6) $300. E. (9) $125.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.

B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.

D. (6) $1,000. E. (9) $95.77.

A. John Lord O'Brien, 701 Union Trust Building, Washington, D. C.

B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.

D. (6) $4,750.

A. Gerald H. O'Brien, 1757 K Street NW., Washington, D. C.

B. Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif.

D. (6) $2,500. E. (9) $2,500.

A. E. H. O'Connor, 176 West Adams Street, Chicago, Ill.

B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.

D. (6) $28,314.12.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.

B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.

A. Herbert R. O'Conor, Jr., 10 Light Street, Baltimore, Md.

B. National Automobile Dealers Association, 2060 K Street NW., Washington, D. C.

D. (6) $625. E. (9) $184.45.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.

B. Comite de Productores de Azucar, Antonio Mira Quesada 376, Of. 504, Lima, Peru.

D. (6) $15,000. E. (9) $237.55.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.

B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.

D. (6) $2,500. E. (9) $138.64.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.

B. The Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

E. (9) $3,760.16.

A. Alvin E. Oliver, 600 Folger Building, Washington, D. C.

B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.

D. (6) $23.08. E. (9) $2.

A. E. L. Oliver, 1001 Connecticut Avenue NW., Washington, D. C.

B. Labor Bureau of Middle West, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.

B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 901 Massachusetts Avenue NW., Washington, D. C.

B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.

D. (6) $3,345.46.

A. Clarence H. Olson, 1608 K Street NW., Washington, D. C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

D. (6) $2,370. E. (9) $39.05.

A. Samuel Omasta, 619 F Street NW., Washington, D. C.

B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.

E. (9) $15.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.

E. (9) $4,022.31.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.

B. Missouri Railroad Committee.

E. (9) $928.58.

A. Thomas R. Owens, 917 15th Street NW., Washington, D. C.

B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.

D. (6) $1,690. E. (9) $445.50.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York, N. Y.

E. (9) $74.51.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.

D. (6) $200. E. (9) $1,625.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.

D. (6) $1,500.

A. A. Lee Parsons, 1145 19th Street NW., Washington, D. C.

B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.

D. (6) $300. E. (9) $50.24.

A. R. L. Patterson, Oxford, Kans.

B. National Association of Wheat Growers, Dodge City, Kans.

E. (9) $1,121.

A. James G. Patton, 1575 Sherman Street, Denver, Colo.

B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.

D. (6) $1,250. E. (9) $1,401.96.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.

B. N. R. Caine & Co., 40 Exchange Place, New York, N. Y.

D. (6) $15,000. E. (9) $129.20.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.

B. S. Gumbel Realty & Security Co., Inc., New Orleans, La.

E. (9) $23.84.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.

B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.

E. (9) $63.81.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.

B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.

D. (6) $1,916.66. E. (9) $169.76.

A. Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

E. (9) $1.35.

A. Hugh Peterson.

B. Georgia Power Co., 75 Marietta Street, Altanta, Ga.

D. (6) $3,750.

A. Hugh Peterson.

B. United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.

D. (6) $3,000.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.

B. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.

D. (6) $4.73. E. (9) $174.46.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.

B. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.

D. (6) $1,700. E. (9) $88.29.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.

B. People's Lobby, Inc., 1337 21st Street NW., Washington, D. C.

D. (6) $500. E. (9) $13.08.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.

B. Tomoka Land Co., Sebring, Fla.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.

B. West Coast Inland Navigation District, Court House, Bradenton, Fla.

D. (6) $600. E. (9) $35.23.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.

B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.

D. (6) $500. E. (9) $400.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.

B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.

D. (6) $213.66. E. (9) $269.85.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.

D. (6) $125. E. (9) $53.54.

A. Piper & Marbury, 1000 Maryland Trust Building, Baltimore, Md.

B. The People's Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

E. (9) $8.66.

A. Walter C. Ploeser, 50 South Bemiston Avenue, Clayton, St. Louis, Mo.

B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

E. (9) $1,005.46.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.

B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.

D. (6) $1,300. E. (9) $5.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.

B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.

B. Sunkist Growers, Inc., and California Walnut Growers Association, Los Angeles, Calif.; Northwest Nut Growers, Portland, Oreg.; and California Almond Growers Exchange, Sacramento, Calif.

D. (6) $565.16. E. (9) $22.83.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.

B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.

D. (6) $625. E. (9) $100.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

D. (6) $200. E. (9) $384.73.

A. Homer V. Prater, 900 F Street NW., Washington, D. C.

B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.

D. (6) $1,662.72.

A. William H. Press, 1616 K Street NW., Washington, D. C.

B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

D. (6) $4,500.

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.

B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.

B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

D. (6) $157.50. E. (9) $22.05.

A. Public Information Committee of the Cotton Industries, 410 Washington Building, Washington, D. C.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.

B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.

D. (6) $2,500. E. (9) $19.04.

A. Purcell & Nelson, 910 17th Street NW., Washington, D. C.

B. Devalin Corp., 120 Wall Street, New York, N. Y.

E. (9) $287.24.

A. Purcell & Nelson, 910 17th Street NW., Washington, D. C.

B. Little & Christman, 120 Wall Street, New York, N. Y.

D. (6) $2,500. E. (9) $242.95.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.

B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.

D. (6) $843.75. E. (9) $303.73.

A. Edmund R. Purves, 1735 New York Avenue NW., Washington, D. C.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D. C.

D. (6) $200. E. (9) $290.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.

B. The Atchison, Topeka, and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.

E. (9) $170.82.

A. F. Miles Radigan, 3601 Wisconsin Avenue NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
D. (6) $2,925.

A. Mrs. Richard G. Radue, 3406 Quebec Street NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
E. (9) $120.53.

A. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.

A. Dewitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Sydney C. Reagan, 3537 Haynie Avenue, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Post Office Box 48, Durant, Okla.
D. (6) $150. E. (9) $1.25.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. The Joint Committee of the National Creameries Association and the American Butter Institute, 1107 19th Street NW., Washington, D. C.
D. (6) $1,875. E. (9) $2,369.18.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $5,043.65. E. (9) $5,043.65.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
D. (6) $5,000. E. (9) $320.

A. Reserve Officers Association of the U. S., 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $39,200.49.

A. Retirement Federation of Civil Service Employees of the U. S. Government, 900 F Street NW., Washington, D. C.
D. (6) $6,164.25. E. (9) $8,459.71.

A. John Arthur Reynolds, 653 Cortland Avenue, Fresno, Calif.
B. Western Cotton Grower's Association of California, 2201 F Street, Bakersfield, Calif.
D. (6) $333.65.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $550. E. (9) $10.

A. Thomas E. Rhodes, Southern Building, Washington, D. C.
B. P. F. Claveau, Post Office Box 1958, Anchorage, Alaska.

A. Arthur Rhorer, Peoples Building, Middlesborough, Ky.
B. Miss Marie B. Kraus, 2500 Calvert Street NW., Washington, D. C.
D. (6) $2,500.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $300.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $2,250. E. (9) $414.38.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $450.

A. John J. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $839.40.

A. H. J. Ripp, 811 North 22d Street, Milwaukee, Wis.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (5) $820. E. (9) $659.82.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, Post Office Box 742, Great Falls, Mont.
D. (6) $300. E. (9) $237.03.

A. Paul H. Robbins, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $250.

A. Frank L. Roberts, 1700 K Street NW., Washington, D. C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit. Mich.
D. (6) $350. E. (9) $100.

A. Charles A. Robinson, Jr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $90.75.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $741.47.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 510 West Sixth Street, Los Angeles, Calif.
D. (6) $3,750.

A. Watson Rogers, 827 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D. C.

A. James F. Rowan, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.
D. (6) $93.75.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, 400 Investment Building, Washington, D. C.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $450. E. (9) $195.06.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.

A. Horace Russell, 221 North LaSalle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $4,375. E. (9) $196.68.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $3,750. E. (9) $441.16.

A. William H. Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $2,249.91. E. (9) $60.

A. Robert A. Saltzstein, 511 Wyatt Building, Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $1,250.01. E. (9) $201.34.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, 705 Transportation Building, Washington, D. C.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $191.25.

A. Satterlee, Warfield & Stephens, 460 Park Avenue, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $3,900. E. (9) $148.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,200.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $344.

A. Henry P. Schmidt, 77 Lincoln Street, Jersey City, N. J.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $720.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.
E. (9) $17.88.

A. Jack Garrett Scott, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. W. J. Sears, 1346 Connecticut Avenue NW., Washington, D. C.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.
E. (9) $100.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreman Building, Washington, D. C.

A. Harry See, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
E. (9) $6.10.

A. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.
D. (6) $12.58. E. (9) $139.16.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.
D. (6) $375. E. (9) $55.15.

A. Sharp & Bogan, 1010 Vermont Avenue, NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.
E. (9) $134.54.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.

A. A. Manning Shaw, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
D. (6) $2,582.49.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $625. E. (9) $161.90.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $131.25.

A. Manly Sheppard, 1001 15th Street NW., Washington, D. C.
B. Passaic Valley Sewerage Commission, 24 Branford Place, Newark, N. J.
E. (9) $8.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $1,500.

A. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,350.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,000.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation.
D. (6) $1,250.

A. Paul Sifton, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America.
D. (6) $1,680. E. (9) $1,427.80.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,000. E. (9) $6,469.39.

A. Stephen Sliphor, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,000. E. (9) $26.

A. Smaller Magazines Postal Committee, Post Office Box 975, New Canaan, Conn.
D. (6) $3,948.50. E. (9) $3,344.69.

A. T. W. Smiley, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $600. E. (9) $749.18.

A. Dudley Smith, 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $4,250.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,666.67. E. (9) $980.23.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,897.

A. Purcell L. Smith, 5053 Loughboro Road NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Wallace M. Smith, Pennsylvania Building, Washington, D. C.
B. American Mutual Alliance, 20 Wacker Drive, Chicago, Ill.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,375. E. (9) $167.11.

A. J. D. Snyder, 10401 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $825. E. (9) $86.68.

A. J. Taylor Soop, 401 Third Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $661.50.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $53,424.20. E. (9) $26.583.12.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers Association, 305 Rockefeller Building, Cleveland, Ohio.
D. (6) $78. E. (9) $36.94.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
D. (6) $1,148.83. E. (9) $507.15.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $4,363.48.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $150. E. (9) $15.50.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. Asociacion de Colonos de Cuba, Agramonte 465, Habana, Cuba, and Asociacion Nacional de Hacendados de Cuba, Agramonte 465, Habana, Cuba.
E. (9) $459.

A. Nell F. Stephens, Post Office Box 6234, Northwest Station, Washington, D. C.

A. Russell M. Stephens, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $240. E. (9) $20.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. American Utility Trailer Rental Association, 700 Washington Building, Washington, D. C.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Chicago Rental Trailer Association, Chicago, Ill.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 519 South Broadway, Wichita, Kans.

A. Herman Sternstein, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $1,375. E. (9) $238.96.

A. Erskine Stewart, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $1.25.

A. Nelson A. Stitt, 815 15th Street NW., Washington, D. C.
B. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $1,380.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $2,962.20. E. (9) $87.20.

A. W. S. Story, 1729 H Street NW., Washington, D. C.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $11.35.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,000.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $50.

A. O. R. Strackbein, as executive secretary of America's Wage Earners' Protective Conference, 915 15th Street NW., Washington, D. C.
D. (6) $2,631.92.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. International Allied Printing Trades Association, Post Office Box 728, Indianapolis, Ind.
D. (6) $625.

A. O. R. Strackbein, as chairman for the Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $3,875.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $625. E. (9) $4.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
D. (6) $1,800. E. (9) $962.26.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City, N. Y.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
D. (6) $553.59. E. (9) $401.26.

A. Glenn J. Talbott, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,120. E. (9) $148.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
D. (6) $2,500. E. (9) $400.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Tyre Taylor, 917 15th Street NW., Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
D. (6) $3,000. E. (9) $295.54.

A. Miss Ruth Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Texas Water Conservation Association, 207 West 15th, Austin, Tex.
D. (6) $5,405. E. (9) $6,227.46.

A. J. Woodrow Thomas, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
D. (6) $1,500. E. (9) $230.95.

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
D. (6) $1,050. E. (9) $494.02.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
D. (6) $6,500. E. (9) $1,778.33.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $1,476.90.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $1,745.63. E. (9) $16.78.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
D. (6) $2,750. E. (9) $12.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., Suburban Station Building, Philadelphia, Pa.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $508.41. E. (9) $16.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Solano County, Calif.
D. (6) $295. E. (9) $367.09.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $2,418.75. E. (9) $133.46.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Tomoka Land Co., Sebring, Fla.

A. Touche, Niven, Bailey & Smart, 208 South La Salle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
E. (9) $497.51.

A. Harry L. Towe, 241 Main Street, Hackensack, N. J.
B. Associated Railroads of New Jersey, Pennsylvania Station, New York, N. Y.
D. (6) $3,000. E. (9) $507.61.

A. P. Gerald Toye, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $625. E. (9) $105.50.

A. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,215.59. E. (9) $92.32.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. William S. Tyson, 821 15th Street NW., Washington, D. C.
B. Local No. 30, Canal Zone Pilots, National Organization of Masters, Mates and Pilots of America, Post Office Box 493, Balboa, C. Z.
D. (6) $4,000. E. (9) $88.34.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $796.66.

A. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. United States Citizens Association, Canal Zone, Box 354, Balboa, C. Z.
D. (6) $100.85. E. (9) $1,292.19.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $79,361.15. E. (9) $21,848.07.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $16,627.07.

A. R. G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,250.

A. Vegetable Growers Association of America, Inc., 17th and Pennsylvania Avenue NW., Washington, D. C.
E. (9) $70.49.

A. Richard E. Vernor, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $41.60.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
E. (8) $3,003.37.

A. Stanley W. Vogt, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,315.68. E. (9) $177.51.

A. Vulcan Detinning Co., Sewaren, N. J.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $150.

A. Claude R. Wallace, 1453 Harvard Street NW., Washington, D. C.

A. Woollen H. Walshe, 2800 Woodley Road NW., Washington, D. C.
B. Standard Oil Company of California, 1700 K Street NW., Washington, D. C.
D. (6) $480.99. E. (9) $388.31.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,075.50. E. (9) $71.11.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $2,625.

A. P. K. Ward, 8 East Market Street, Indianapolis, Ind.
B. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $4,000.

A. Quaife M. Ward, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $14.90.

A. William C. Warren, 116th Street and Amsterdam Avenue, New York, N. Y.
B. Webb & Knapp, Inc., 383 Madison Avenue, New York, N. Y.
E. (9) $135.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.
D. (6) $1,545.50. E. (9) $3,035.97.

A. Washington Real Estate Board, Inc., 312 Wire Building, Washington, D. C.

A. Vincent T. Wasielewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $1,472.50. E. (9) $1,025.22.

A. J. R. Watson, 1 I. C. Railroad Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, 1 I. C. Railroad Passenger Station, Jackson, Mich.

A. Watters & Donovan, 161 William Street, New York, N. Y.
B. New York & New Jersey Dry Dock Association, 161 William Street, New York City.
D. (6) $3,750.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. National Electrical Contractors Association and the Council of Mechanical Specialty Contracting Industries, Inc., Ring Building, Washington, D. C.
D. (6) $9,000. E. (9) $1,176.61.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $1,256.80. E. (9) $1,064.24.

A. E. E. Webster, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $1,265.90.

A. Wei-Kuan Chang and Su Chen Wei Chang (wife), 825 West End Avenue, New York, N. Y.

A. Wayne M. Weishaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $3,300. E. (9) $1.95.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $378.93.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,750. E. (9) $257.83.

A. West Coast Inland Navigation District, Court House, Bradenton, Fla.
E. (9) $635.23.

A. Western Cotton Growers Association of California, 2201 F Street, Bakersfield, Calif.
D. (6) $4,066.79. E. (9) $1,425.99.

A. Robert V. Westfall, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. George Y. Wheeler II, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Montana Power Co., Electric Building, Butte, Mont.
D. (6) $2,100. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $2,100. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Washington Water Power Co., Spokane, Wash.
D. (6) $2,100. E. (9) $1.25.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $110.65.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $750.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Albert E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.
D. (6) $2,250. E. (9) 330.33.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Tribe of Indians, Wind River Reservation, Fort Washakie, Wyo.
E. (9) $5.70.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $1.50.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oreg.
E. (9) $8.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
E. (9) $53.74.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Spokane Indian Tribe, Wellpinit, Wash.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Quinaielt Indian Tribe, Taholah, Wash.
E. (9) $2.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Ute Indian Tribe of the Uintah and Ouray Reservation, Fort Duchesne, Utah.
E. (9) $2.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Ute Indian Tribe of Uintah and Ouray Reservation, et al.
E. (9) $195.84.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.
D. (6) $2. E. (9) $26.28.

A. Hugh S. Williamson, 1016 16th Street NW., Washington, D. C.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $3,200. E. (9) $569.84.

A. C. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,950. E. (9) $275.88.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $2,500.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $450. E. (9) $346.66.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,750. E. (9) $900.10.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $4,000. E. (9) $4,021.95.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $4,000. E. (9) $4,021.95.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.
D. (6) $6,076.69. E. (9) $1,324.23.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
D. (6) $1,526.15. E. (9) $1,317.55.

A. Albert Young Woodward, 1625 I Street NW., Washington, D. C.
B. Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif.
E. (9) $3,034.27.

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,468.70. E. (9) $148.19.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $1,560.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, et al.

A. Edgar A. Zingman, 300 Marion E. Taylor Building, Louisville, Ky.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $129.52.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter of 1956:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of the pages should be "4," "4," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed).

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a Quarterly" Report. ◀

AFFIDAVIT

[Omitted in printing]

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B. Munitions Carriers Conference, Inc., 1424 16th Street NW., Washington, D. C.

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EXTENSIONS OF REMARKS

How About Foreign Aid

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1956

Mr. ALGER. Mr. Speaker, foreign aid—Mutual Security Act—has totaled approximately $55 billion since World War II; $38 billion in economic help and technical assistance; $17 billion in military aid. This is $330 per person or about $250 million for Dallas County's share. Just the interest on the foreign aid part of our national debt equals $10 per person every year in this country. Add to this our civilian and military payrolls in foreign countries, plus the huge equipment transfers at war's end. Now we are asked for an additional $4.9 billion foreign aid this year.

Congress always approves foreign aid, but with increasing doubt. The foreign-aid program keeps growing since we are told that "backward countries may be saved from communism" and aid is a military necessity in winning the cold war. Examples of waste, questionable economic practices, and glaring human errors are numerous. We know that some countries which have received aid are not less anti-American, and that Communist influence in others is as strong as ever. We wonder if, since our dollar gifts do not win friends, will Russia's "gifts" win friends for them? We know that $6.5 billion to $9 billion is still unexpended from earlier congressional appropriations and is yet to be spent. We also know that aid given to Britain—$10.5 billion—was partially used to reduce their taxes, that Denmark reduced her national debt. Mainly, the ever-present thought is to combat communism with our gifts.

The Communist appeal is obviously not to impoverished areas or "empty stomachs" alone. For example, France—$10 billion aid to date—grows more communistic, with one quarter the total vote now Communist. Communism seems to appeal to those oppressed individuals who through a sense of futility, frustration or isolation seek asylum in a movement which will give them the answers and tell them what to do. If so, the outlay of United States money will not win people away from communism.

The Communist aid technique is a constant sales effort through propaganda to, one, discredit the United States with claims of Western imperialism—even as Russia is the world's most imperialistic nation; and two, to stress Russia's desire for peace and world brotherhood of socialist nations who through socialism will raise the world's living standards to undreamed of heights. This political propaganda is behind all offers of "aid" so that even military aid is clothed in the guise of peaceful, brotherly economic help.

United States freely gives, while Russia sells. We reason that "economic collapse is the prelude to communist expansion," and wholeheartedly offer help. Example, United States gift of wheat to India in 1951 saved India from Russia. Since 1949 we have given $500 million to India and 750,000 tons of steel free. Russia offers to sell 1 million tons and is praised even as we are criticized. Is this winning friends?

Burma and Indonesia will not accept United States aid but appreciate Russia's offer to sell machinery and technical aid for rice. So Russia gains prestige by selling; we lose by giving. Could it be people dislike handouts? Can we gain by permitting countries to pit the West against the East to get more aid from either or both? Another comparison shows the intangible nature of United States aid, such as funds for technical assistance, salaries and help in agriculture, additional public health, sanitation, and others. Russia, however, deals in tangibles with propaganda value—street pavement, storage depots, silos, pipelines; again United States loses. In short, the United States has lacked over the years a consistent philosophy or "sales pitch" representing our true greatness and generosity as against Russia's false claims of brotherhood and peace.

Our errors, now recognized, have included instances where we have subsidized allies who then ship goods to Russia—machine tools, and so forth—defeating our own policy of not shipping to Russia. Our aid builds foreign productive capacity and these businesses then take our markets. The deficit financing of our aid weakens our own economy. Too quickly have projects been undertaken without proper planning, to our later sorrow. Here are some specific examples, according to the audit report to Congress by the Comptroller General: In Iran the water drainage plant for sanitation was built but lost effectiveness because water still flowed through open gutters instead of pipes. The Fars Cement Plant was built, only to find a lack of raw material—limestone—needed to operate the plant. A cotton mill was built but available electric power was insufficient to run it. The Kerman Sugar Refinery site was selected but was subject to flooding, without accessible roads, and a supply of water. The rural community development project No. 64 involving schools, sanitation, water, irrigation, and farm tools was found too advanced for the long-term breaking down of the federal system of land tenure, precluding rapid or large-scale accomplishment—personnel was lacking and training programs far too slow.

The report on Pakistan calls attention to the "lagging program" where the 1952 and 1953 United States funds have not yet been used.

Afghanistan provides possibly the best example of all, namely the Helman Valley irrigation project. The Afghanistan Government secured $40 million from the United States Export-Import Bank which willingly advanced the money. The plant was built by an American firm which did a fine job. When finished—it was found there were no engineers capable of operating the project, no trained personnel. The natives did not know how to use the water to till their soil. They flooded their lands and then became nomads in disappointment. The Afghanistan Government did not get the revenues anticipated, and the yearly cost of $8 million was one-third of the government's entire budget, with not enough money in sight except the credit which Russia offered. So the Afghanistan Government was unhappy and blamed the Bank, the construction company, and the United States Government. None of the four agencies that participated had the final responsibility. The Afghanistan Government overestimated its ability and was encouraged by us. The construction company was responsible only for construction; the Export-Import Bank evaluated only the loan itself; the United States Embassy and a small staff found the project outside its realm. The United States had gotten deeply involved and had to go on. The net outcome—unhappiness all the way around. Lessons to be learned include: the need for prior study and evaluation, not haste, in government planning; that nations, peoples and customs differ, and must be handled differently, not all being ready for the economic development we anticipate or offer to them; United States prestige is always at stake and suffers; that United States has much to learn about helping others.

Other conclusions and questions that come to mind are these: Dollars alone or programs for underdeveloped countries do not make friends but can often alienate. Money alone does not assure our success against communism. The so-called military and economic help become confused and mistaken one for the other because United States policy has not been consistent. Competitive aid with Russia and other nations can only defeat itself without a consistent motivating philosophy displayed. With $6.5 to $9 billion on hand, why allocate more at this time? Since foreign aid, like foreign policy, should be flexible, is the commitment of expenditure for dams and other lengthy projects a flexible program? Most obviously the United States has not been a "good salesman" of our policy. Finally, the subject of foreign aid is so complex and the cost so great that great care and study is necessary on the part of us all. Certainly a Congressman must think long and hard—and may include a prayer or two—before casting a vote to appropriate more money and to extend aid over longer terms in the face of our previous experiences. Now let us weigh the facts, and soberly, without political distortion, chart the practical course of United States enlightened self-interest.

Michigan Week

EXTENSION OF REMARKS
OF

HON. LOUIS C. RABAUT

OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. RABAUT. Mr. Speaker, this is Michigan Week—the time of year when the residents of the Wolverine State pause to ponder the benefits and pleasures they have derived from Michigan.

We in Michigan have so much for which to be grateful and proud. Our State is world famous for the contributions it has made to mechanical progress and nationally famous for its social advancements. Our city of Detroit is largely responsible for the 56 million motor vehicles on our Nation's highways; our laws protecting the workingman and his family have been an inspiration and challenge to other States with large working forces.

Each year, thousands of Americans travel many miles to visit our vast woodlands and glacier-formed lakes. Our fishing and outdoor sports facilities are unsurpassed.

In addition to the privileges offered to the visitor, Michigan is rightly proud of the opportunities it has afforded its own citizens. Michigan is most famous for its manufacturing; 10,000 factories give us the highest national income average derived from manufacturing. The No. 1 industry is, of course, the automobile. In addition, countless allied and subordinate businesses supply the auto industry with necessary parts and services.

We are a great agricultural area as well as an industrial giant. Our State is the foremost producer of such foodstuffs as celery, cherries, strawberries, navy beans, and cantaloups, to mention just a few. Previously, I touched on a phase of our natural resources in connection with outdoor sports. However, the quality of our other resources is well known.

We have the largest deposit of native copper in the world, the largest forest acreage in the country, and one of the largest iron-ore producing regions in the world.

We in Michigan are inclined occasionally to look back with pride at our many achievements; however, we are primarily a forward-looking people. Our State has had a glorious past, but anticipates an even greater future. The St. Lawrence seaway will radically change the complexion of Michigan as inland ports are opened to world commerce. The completion of the new bridge uniting our two peninsulas will allow our citizens to become even better acquainted with each other. Automation, if pursued in a sensible and just fashion, with an adjusted workweek, will provide our working force more leisure without a decrease in pay.

Michigan in the past has been called the hub of the arsenal of democracy. She will not be found wanting in the future.

Promote Milk Consumption

EXTENSION OF REMARKS
OF

HON. WILLIAM H. AYRES

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. AYRES. Mr. Speaker, milk production exceeded consumption in the United States in 1955 by approximately 4,600,000,000 pounds, or almost 4 percent of the total production. These 4,600,000,000 pounds of milk were manufactured into butter, cheese, and powdered milk, and as such made up a large part of the dairy purchases by the Commodity Credit Corporation.

Every effort must be made to increase consumption of manufactured dairy products. More effort must also be made to increase the consumption of fluid milk. The fluid milk marketing areas have increased their production far in excess of fluid milk demands for class I milk. This has resulted in dumping large amounts of milk from the Federal and State order areas into competition with areas of our Nation producing manufactured dairy products. This depresses the cheese, butter, and powdered milk market. More fluid milk can and must be moved into consumption.

Today I wish to compliment a group for their help in promoting milk consumption. In 1955 the major manufacturers of the chocolate ingredients used in cholocate milk and chocolate milk drinks formed the Chocolate Milk Research Foundation. Its specific aims are to inform the public of the healthful and nutritious values of chocolate milk; to study its markets; to encourage its use; and to aid in the alleviation of the national milk surplus through increased uses of chocolate milk.

Chocolate milk can play a major role in moving fluid milk into consumption. Scientific research has demonstrated that chocolate milk is a decided stimulant to total milk sales and consumption. Whenever chocolate milk is available—in stores, restaurants, home delivery—total milk use increases. It has been definitely proved that consumers do not purchase chocolate milk as a substitute for their usual white milk ration, but rather as an addition.

An extensive series of studies was conducted at the Universities of Wisconsin and Illinois by the National Dairy Council for the Chocolate Ingredient Manufacturers on the per capita milk consumption of families, students, and factory workers in nearby medium sized cities. It was found that families which had regular deliveries of chocolate milk used an average of 21.72 percent more milk than those families which used only white milk.

A similar test was made at a university dining hall. For a 4-week control period only white milk was served; during the next control period both white and chocolate milk were offered. Results showed that during the final period, when students were offered the choice, total milk consumption jumped 12.7 percent.

A careful check of milk-vending machines in four factories indicated that 16.6 percent less milk was sold when chocolate milk was withdrawn from the dispensers. Interviews with factory workers indicated that more than half of the chocolate-milk drinkers would change to nonmilk beverages if chocolate milk were not available.

According to the surveys made, children and teen-agers comprise the largest group of milk drinkers in the United States today and the purpose of the special school milk program, with an appropriation of $75 million, is to make more milk available to a greater number of children and at the same time alleviate the national milk surplus which otherwise is converted into byproducts and stored in our Government warehouses. Chocolate milk can play an important role in this program.

Regulations of the Department of Agriculture, governing the operation of the special school milk program, provide for the reimbursement of whole milk, including flavored whole milk, meeting applicable State standards of butterfat content and sanitation. In schools serving chocolate milk, along with white, dairymen are pledged to deliver chocolate milk which meets the State's butterfat standard.

In one large city in Ohio—Toledo—vending machines for both white and chocolate milk were installed in the schools. Milk sales increased over 100 percent. Where children were offered a choice, the consumption of both white and chocolate milk went up. And children, who ordinarily were not milk drinkers, consumed large amounts of energy-giving chocolate milk, thereby increasing the total milk sales. And the more milk sold, white or chocolate, the larger the subsidy to the schools as provided by the school milk program.

In other words, schools which serve chocolate milk along with white increase milk consumption, improve the health of their children, enlarge their school milk budget, cut down on taxes spent buying up surplus milk, make the farmers happier and keep the cows contented.

West Virginia Honors a Statesman—Remarks of Hon. Robert C. Byrd Before the West Virginia Society Honoring the Memory of the Late Senator Harley M. Kilgore

EXTENSION OF REMARKS
OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. BAILEY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to have included the following tribute to the late Senator Harley M. Kilgore of West Virginia delivered by my colleague the Honorable ROBERT C. BYRD before the West Virginia Society on the occasion of their paying tribute in absentia to a great statesman:

My fellow West Virginians:

"Near a shady wall a rose once grew,
Budded and blossomed in God's free light,
Watered and fed by the morning dew,
Shedding its sweetness day and night.

"As it grew and blossomed fair and tall,
Slowly rising to loftier height,
It came to a crevice in the wall,
Through which there shone a beam of light.

"Onward it crept with added strength,
With never a thought of fear or pride.
It followed the light through the crevice's length
And unfolded itself on the other side.

"The light, the dew, the broadening view
Were found the same as they were before;
And it lost itself in beauties new,
Breathing its fragrance more and more.

"Shall claim of death cause us to grieve,
And make our courage faint or fall?
Nay! Let us faith and hope receive;
The rose still grows beyond the wall.

"Scattering fragrance far and wide,
Just as it did in days of yore,
Just as it did on the other side,
Just as it will for evermore."

Tonight we honor the life and memory of one of West Virginia's greatest men. The late Hon. Harley M. Kilgore was born in Harrison County and reared in Marion County. He was a graduate of the West Virginia University law school, and he moved to Beckley in 1915 and established a law practice. There he married Lois Lilly. He served in the United States Army during and after the First World War. He was elected Judge of the Criminal Court in Raleigh County, and he served 8 years in this office until he was elected to the United States Senate in 1940. Senator Kilgore served with distinction in the United States Senate, and he became known, respected, and loved, not only by his fellow Americans but also by the people of many nations.

The scriptures say, "A man that hath friends must show himself friendly." Harley Kilgore had a multitude of friends. Someone has said, "There can be no true greatness without humility." Harley Kilgore possessed this virtue. In him the elements of love and humility and kindness and brilliance were so mixed that it truly can be said: Here was a man. "When comes such another?"

He was the kind of man Emerson had in mind when he wrote:

"Not gold, but only men, can make
A nation great and strong,
Men, who for truth and honor's sake,
Stand fast and suffer long.

"Brave men who work when other men sleep,
Who dare while others fly,
They build a nation's pillars deep,
And lift them to the sky."

I am told that Benjamin Franklin's favorite scriptural quotation was a passage from Proverbs: "Sees thou a man diligent in his business? He shall stand before kings." Harley Kilgore was diligent in his business, and he walked with kings and presidents and the great men of the earth; yet, he never lost the common touch, and perhaps it was this that so endeared him to the people of our own State. They thought of him as a true son of the mountains; one who had breathed the fresh air of liberty one who had traced the greatness of his Creator in the stars of West Virginia heavens; one who had known the pain and sweat of honest toil; one who had experienced the joys, the sorrows and the sufferings that crowd the common way of life.

It is not the privilege of every man to build for himself a great shaft of granite or to engrave his name upon a plate of bronze, but it is within the power of each of us to so live as to plant an everblooming flower within the bosom of all whom we meet. Harley Kilgore so lived, and the fragrance of the flower of his life will never cease to shed itself within the lives of those who knew him. It was Tennyson who said, 'I am a part of all that I have met." Each of us is a part of Harley Kilgore.

He seemed to be dedicated to the task of serving others, and this could well have been the secret of his greatness.

" 'How far away is the temple of fame?'
Said a youth at the dawn of the day;
He toiled and dreamed of a deathless name,
And the hours went by, and the evening came,
Leaving him feeble, and old, and lame,
To plod on his cheerless way.

" 'How far away is the temple of good?'
Said a youth at the dawn of the day;
And he strove in the spirit of brotherhood
To help and succor as best he could,
The poor and unfortunate multitude,
In their hard and dreary way.

"He was careless alike of praise and blame,
But after his work was done,
An angel of glory from heaven came,
And wrote on high his immortal name,
To proclaim this truth that the temple of fame,
And the temple of good are one.

"For this is the lesson that history
Has taught since the world began;
That those whose memories never die,
But shine like stars in the human sky,
And brighter grow as the years roll by,
Are men who live for man."

Several months ago the West Virginia Society decided to honor Senator Harley M. Kilgore as West Virginia's most outstanding, most noteworthy, most derserving son of the year, and so it was planned to present him with a token of appreciation and esteem upon this occasion. But the Creator and Giver of life altered these plans, and so this evening we pay tribute to one who is no longer with us but the memory of whom will always live in our hearts. His companion is with us, and so we have chosen to present to her that which we had intended to give to him. With Mrs. Kilgore here tonight are her son and daughter and Senator Kilgore's sister. We are happy that all of them could be present.

As I prepare to present the plaque to Mrs. Kilgore, may I say to this audience that Senator Kilgore was my neighbor. Raleigh County was our home. I had an opportunity to observe his life, and mine has been enriched thereby.

"The roses red upon my neighbor's vine
Are owned by him, but they are also mine.
His was the cost, and his the labor too,
But mine, as well as his, the Joy—their loveliness to view.

"They bloom for me, and are for me as fair
As for the man who gives them all his care.
Thus I am rich because a good man grew
A rose-clad vine for all his neighbors' view.

"I know from this that others plant for me,
That what they own, my joy may also be.
So why be selfish, when so much that's fine,
Was grown for me upon Harley Kilgore's vine."

Mrs. Kilgore, we were proud of your husband, and we are proud of you and your family. I know that I speak the thoughts of every person present. On behalf of the West Virginia Society, I present you with this plaque as a token of the love and the pride possessed by all West Virginians whose hearts have been warmed and made glad by the services of your illustrious husband. May you cherish it forever, and may it not only recall to your memory the many good things he did for all of us but also may it constantly remind you of the way we feel toward West Virginia's great statesman and great son.

Amendments to the Slot Machine Act

EXTENSION OF REMARKS
OF

HON. J. PERCY PRIEST

OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. PRIEST. Mr. Speaker, at the request of the Department of Justice, I introduced on May 16, 1956, H. R. 11256, a bill to amend section 3 of the Slot Machine Act. The letter from the Attorney General to the Speaker of the House of Representatives, requesting introduction of the bill, and giving the reasons for the request, is as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., January 10, 1956.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Experience acquired by the Department of Justice in the administration and enforcement of the act of January 2, 1951, commonly known as the Slot Machine Act, coupled with the decision of the Supreme Court in *United States* v. *Five Gambling Devices* (346 U. S. 441 (1953)), indicates a need for some major revisions of the act both in form and in substance. Accordingly, the attached draft legislation is submitted for your consideration and introduction in the House of Representatives.

Section 3 of the Slot Machine Act now requires every manufacturer of and dealer in gambling devices to register with the Attorney General upon entering such business and to reregister annually thereafter. It also requires such persons to file monthly reports with the Attorney General, indicating in such reports an inventory and record of all sales and deliveries of gambling devices. The section further requirea that the component parts of gambling devices shall be separately marked and numbered if sold or shipped in unassembled form.

In providing for the registration and filing of required information, the section directs that information be supplied as to business places "in such district," and sales and deliveries "in the district." The quoted language was inadvertently retained in the legislation after the Congress had decided to substitute the Attorney General for the then Collector of Internal Revenue as the official with whom the required information was to be filed. However, two of the Justices of the Supreme Court, in the case above cited, found the section void and unenforceable because of the vagueness and the uncertainty of the quoted language. The bill would eliminate this language.

In the same case, three of the five Justices constituting the majority of the Court held that the registration and report provisions of the act, insofar as they undertook to regulate purely intrastate transactions which do not directly affect interstate commerce, went beyond the commerce power of Congress. As proposed to be amended, the language "every person manufacturing, repairing or reconditioning any gambling device who buys or receives such device knowing that it has been transported in interstate or foreign commerce, or who sells, ships, or delivers in interstate or foreign commerce, or sells, ships, or delivers knowing it will be introduced into interstate or foreign commerce, any gambling device, and every other person who buys or receive any gambling device knowing that it has been transported in interstate or foreign commerce, or who sells, ships, or delivers in interstate or foreign commerce, or sells, ships, or delivers knowing it will be introduced into interstate or foreign commerce, any gambling device, shall register" will clarify the matter by making quite clear who must register, and will effectuate the view expressed in the case that only those whose activities directly affect interstate commerce should be required to do so.

Another major change which the bill will accomplish will be to eliminate the present filing requirements. Rather, persons subject to the registration provision of the act will be required to maintain inventories of essential information. These inventories will reflect not only sales and transfers in intrastate commerce, or in interstate or foreign commerce, but also the acquisition, possession, ownership, or custody of gambling devices. The registrants will also be required to maintain records of the numbers placed on their devices in accordance with the amended section 3. This bill also takes a more realistic view of the difficulties involved in the numbering process than does existing law and does not require small component parts to be separately numbered.

Two other major changes include (1) provision for the inspection of the required records by personnel of the FBI and (2) an immunity provision applicable to those who maintain records in compliance with the act. With respect to the FBI inspection the bill will authorize Federal district courts to compel the production of requested records. Finally, the bill continues and clarifies the provision of the present law which declares it unlawful to sell, deliver, or ship any unmarked or unnumbered gambling device or to manufacture, recondition, repair, sell, deliver or ship any gambling device without complying with the registration requirements. It differs from and enlarges the present prohibitions in that it would make it unlawful for a person to possess any gambling devices if, being required to do so, such person has failed to register or to maintain the required records. This will permit enforcement personnel to pursue forfeiture processes without waiting for a sale or delivery in an appropriate case.

The Department of Justice is of the view that this legislation will materially strengthen and clarify the Slot Machine Act and will be of genuine help in the enforcement and the administration of that law. Its prompt introduction and enactment are urged.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

The United States Must Import Products From Other Countries if We Are To Export Our Farm Surpluses

EXTENSION OF REMARKS
OF
HON. JAMES H. MORRISON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. MORRISON. Mr. Speaker, the Members of this Chamber will recall that on April 27, 1956, Secretary of Commerce Sinclair Weeks published a list of approximately 700 items, approved by our Government, which may now be shipped to any Soviet bloc country without license or restriction.

Carefully tucked away in this list of what Mr. Weeks described as a roster of peaceful goods were three products—watches, watch movements, and watch parts. And I am sure that many of my colleagues must have opened their eyes in astonishment when they saw this portion of the list. It represents a very curious postscript on a very important trade action which our Government took nearly 2 years ago.

In July of 1954, President Eisenhower, on the advice of the Office of Defense Mobilization and many of his Cabinet officers, adopted a decision to increase our tariffs on Swiss watches by nearly 50 percent.

Watches, as you no doubt realize, are the chief commodity in Switzerland's trade with the United States, and the sales of watches enable Switzerland to buy between 150 and 190 millions of dollars of American goods each year.

For instance, my own State of Louisiana shipped more than $2 million worth of rice, cotton, furs, and chemicals to Switzerland during 1954. The States of the South and the Southwest sold more than $40 million worth of their products to Switzerland in the same year. American cotton, fruit, tobacco, and vegetables alone amounted to more than $22 million of sales to Switzerland.

Because of the present situation of mounting agricultural surpluses and falling farmer incomes, farmers in Louisiana and everywhere else in the United States have become increasingly interested in preserving and improving every opportunity to export American cotton, wheat, rice, corn and other products. They know how important is the role of two-way foreign trade in helping to enrich and stabilize the agricultural economy of our country.

When the President's decision to restrict watch trade with the Swiss was announced, these farmers knew that, by raising barriers to Swiss watch trade with us, our Government was quite probably shrinking the market for American farm products in Switzerland.

But the farmers of America loyally restrained their immediate criticism and protest over President Eisenhower's action on Swiss watches. Why? Because they were told by nearly every important officer in the President's official entourage that the restrictive action on Swiss sales to the United States was undertaken only as a vital measure to protect an American industry whose product had been declared essential to defense by the Office of Defense Mobilization.

I have now checked back over that famous watch report made by the Office of Defense Mobilization. And I have found that among the most strident and partisan advocates of protection for the American watch industry, and restrictions on Swiss imports, were our Secretary of Commerce, Mr. Sinclair Weeks, and his Department of Commerce representatives.

In one portion of this report, even after the Department of Defense had expressed serious doubt that the American watch companies represented unique or irreplaceable portions of our defense production, the Department of Commerce countered by finding still further reasons to favor the American companies' claim that they were "essential to defense".

The Department of Commerce reported to the ODM that the defense effort during World War II was hampered by serious shortages of watches for nurses, miners and railroad workers. It urged that on this basis the American companies be protected from competition so that they could produce at least 3 million watches a year.

For anyone who can read, it was clear that the Department of Commerce was arguing in 1954 that watches and watch movements are strategic goods needed by any country to wage war.

To say the least it is utterly amusing, therefore, to find the same Department of Commerce asserting in 1956 that watches and watch movements belong on a roster of "peaceful goods", which may be exported to the Soviet bloc countries without restriction.

If watches were needed to help us conduct war in 1941–1945, why should they not be helpful for the Soviet to conduct war tomorrow?

Are there no nurses, no miners, no railroad workers in Russia? I think the answer to this ridiculous inconsistency and confusion in our policy is that Mr. Sinclair Weeks must have changed his mind since 1954. Or perhaps he did not really believe that watches were necessary to conduct war in 1954, and was acting to favor the many influential protectionists who were bringing enormous pressure to bear on our Government at that time.

In 1956, it is highly conceivable that the same people who wanted him to shut off Swiss watch trade with the United States, were now urging him to permit them to resume trade with the Soviet bloc countries. After all there has been an alarming drop of hundreds of millions of dollars in the value of American products sold to these countries, and there must have been an accompanying loss of profit for many American exporters.

I see no reason to raise any objections to American shipments of watches and watch movements to foreign countries. However, I see sufficient reason to urge that Secretary of Commerce Sinclair Weeks immediately take action to rectify the absurd inconsistency and contradictions of his Department and his policies.

It is obvious that watches cannot be, at one and the same time, both peaceful goods and essential to the conduct of war.

If they are peaceful goods then it is incumbent upon the Secretary of Commerce to announce that he has withdrawn his decisions and recommendations to the ODM in 1954. I think the facts of the situation require that the Secretary take this action, and I can assure him that a clarification which will clear away the confusion over the defense essentiality of watches will be hailed by all friends of trade, both in the United States and in the democratic world.

To persist in stubbornly maintaining the defense essentiality of watches, after

his action of April 27, will only lay Secretary of Commerce Weeks open to criticism both from trade interests in the United States and from our democratic partners.

Need for Strengthening United States Airpower

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, May 21, 1956

Mr. WILEY. Mr. President, it was my privilege to speak to the Arnold Air Society at the University of Wisconsin in Madison on Saturday night last, on the subject of the necessity for strengthening United States air power. I ask unanimous consent that a copy of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES STRENGTHENING UNITED STATES AIR MUSCLE—SAYS ANY MORE UNDERESTIMATING OF RED STRENGTH COULD BE "SUICIDAL"—URGES MORE UNITED STATES REENLISTMENT INDUCEMENTS.

It is a privilege to be your guest tonight. You will have an even greater privilege—of serving in the United States Air Force.

Today, we pay tribute to you and all other patriots who defend America.

KREMLIN RESPECTS UNITED STATES MUSCLE

We pay tribute by the great Armed Forces Day parade which we have been privileged to witness. We pay tribute by our words of sincere praise for America's sentinels.

But most important of all, we pay tribute in action—by vowing to take constructive steps—to put still more "muscle" into the United States Air Force, into the crucial guided missile program, and into all other essential military arms. Why? So as to assure America's invincibility and to deter global war.

The Soviet Union, despite showy signs to the contrary, is still unfortunately bent on world conquest. The Kremlin still respects "muscle" on its opponents arms; not flabby fat, not apathy, not empty bragging on any American's part, but strong, well-trained, defensive, "muscle."

We don't get muscle without exercise, without training, without self-dedication.

That is what you of the Air Force Reserve Officers Training Corps have been learning, and it is what all Americans must relearn. In this dangerous Jet-Atomic Age, softness of mind or body can be suicide. We must be strong, vigilant.

A GREAT AMERICAN—"HAP" ARNOLD

As you so well know, the Arnold Air Society perpetuates in honor of the immortal name of "Hap" Arnold, one of the greatest, strongest airmen of all times.

He was an air officer who learned to fly from the Wright brothers, who picked up from Billy Mitchell's dying hands the torch of a dynamic Air Force. He carried the torch aloft into the "wild blue yonder" with the winged squadrons which played so magnificent a role in winning World War II.

In but a few years, we had built the insignificant airpower that we had before 1941—into the most powerful air force in the world—an armada of 2½ million men and 75,000 planes. That was an "impossible job," but it was done.

And it was done under the command of your namesake, Gen. Hap Arnold.

As he said, "The difficult, we do easily. The impossible takes a little longer."

This time, thank goodness, we recognized our potential enemy much sooner. And after a postwar relapse, we wisely began steps to rebuild our shrunken airpower.

THE NEED FOR SPLIT-SECOND REACTION

We are all aware that with the growth of flight radius and the rise in air speed—better than 1,400 miles per hour—we shall not again have much warning of actual outbreak of hostilities.

That is why our air strength is built into an instantaneous machine which must start without delay.

Our superb SAC, or Strategic Air Command, is poised, as you know, to go off at the flash of a signal.

Ready are the long range and medium bombers. Ready are the atomic-H-bombs. Ready are the skilled air crews. Waiting for a signal—we hope will never have to be flashed from headquarters; a signal that a potential enemy has actually started hostilities.

Then SAC stings back with fatal destructive power.

Our U. S. A. has never begun a war. And it does not intend to.

But it is ready with an all-powerful threat of awesome retaliation which our potential enemies fear.

Besides this retaliation, we have the defense of our far-flung Navy, with its own airpower afloat on the big flattops.

And our Army and Marine Corps are dispersed strategically to block attack upon the free world.

Similarly and most important, our missiles and interceptors are set up to defend our continental United States.

THE COMPONENTS OF AIR MIGHT

As you are so well aware, airpower includes, of course, the aircraft, and their weapons, and the men who fly and service them.

Airpower also means the indispensable bases—at home and abroad—from which the aircraft are launched on their missions.

And back of the bases and aircraft is the vast complicated industrial organization of human skills and of raw materials.

Through a kind of magic formula, there emerges the intricate airplanes, with automatic fire control systems, atomic-H-bombs and rockets.

And back of this production is the long research and development process. It conceives, designs, builds and tests all the things which go into their super-modern airplanes.

Air power also includes civil aviation which furnishes ready additional sources of planes, skills and fields.

"Air power," to quote Arnold again, "will always be the business of every American citizen."

MADISON JUST HOURS, SOON MINUTES AWAY FROM MOSCOW

In this shrunken world, it is now possible to fly from Moscow to Madison, or Madison to Moscow in a jet bomber in less than 9 hours; and from or to Siberia in less than 5 hours.

Soon, the long-range rocket will again shrink bomb transportation time between these spots and only to a matter of minutes.

These facts have utterly changed our concept of international relations. Gone—as dead as the dodo or the dinosaur—is the obsolete concept of isolation.

AIR POWER BACKS UP UNITED STATES DIPLOMACY

Technically speaking, General Arnold defined air power this way. He said:

"Air power includes a nation's ability to deliver cargo, people, destructive missiles and war-making potential through the air to a desired destination to accomplish a desired purpose."

American air power is not an offensive threat to anyone. But it is ready to back up our American Foreign Service and our economic and technical aid group in their front-line responsibility of strengthening our relations with other governments and with other people.

Here, at home in our domestic affairs we have put away our "six shooters." We face no major threat to domestic tranquillity. But, out in the cold international scene in this world where Korea was attacked and split asunder, where Vietnam was assaulted and divided, where fires rage in North Africa and potentially again in the Middle East, we face a grim challenge from international communism.

We are still so threatened with brutal Red disregard of right, honor and security; we are faced with so serious a threat of potential death and destruction of ourselves and of all that is dear to us, that we must keep up our guard. That means an attitude of vigilance. And it means appropriations for vigilance. False economy would not make sense. A second best air force is no good. Underestimating our enemy could be a catastrophe, perhaps sheer suicide.

We must maintain our air power supreme and ready to retaliate with efficiency at all times.

AIRPOWER IS PEACE POWER

We must and shall only use it to defend the peace of the world.

And so our airpower is, in reality, peace power.

Our statesmen—inside and outside NATO—must continue to be able to negotiate from positions of strength; from positions, not only of moral strength, but also of physical military strength, so as to assure respect for our statements, and to back them up, if need be.

SOVIET DISARMAMENT THUS FAR A SHAM

Unilateral disarmament would be the height of stupidity on our part, and that is why our alert President will never risk it. The Reds, for all their propaganda fanfare of reduction of conventional ground and sea forces, have not reduced by one iota, their all-out preparations in the crucial air arm—by piloted and pilotless aircraft.

They are putting away their obsolete "bean shooters," so they can step up their production of superdeadly missiles and H-bombs.

I do not mean that the recent ferment inside the top echelons of the Kremlin is without any meaning save as propaganda.

Obviously, there is a reappraisal going on, and a new phase of the struggle for power inside the Kremlin.

But while the Soviets so obviously continue to seek to conquer the world, their sham and showy efforts of so-called disarmament—their sirupy words of friendship—must not lull us to sleep.

IS KHRUSHCHEVISM ANY BETTER THAN STALINISM?

Joe Stalin is dead. Stalinism, as such, may be dead or dying.

But the Reds can "tell it to the Marines," or to the Army or the Air Force, if they think we naively believe that Khrushchevism is innocent or harmless.

Therefore, 365 days a year, we will continue to combat Red subversion at home and abroad.

And we will do so with the marvelous aid of the men with the honored, winged emblem, and with their hard-working ground crews.

They are called not simply to carry weapons of death, but, as well, the sinews of life.

INSPIRING EXAMPLES OF PEACEFUL AIRPOWER

Illustrations of peaceful use of airpower abound. There was the unforgettable Berlin airlift which fed and saved the liberty-loving Germans of West Berlin, who had been blockaded by the ruthless Communists.

There was the Moslem airlift to Mecca, which was appreciated as a friendly act to overcome a transportation problem encountered by devout pilgrims.

There has been the "Kinderlift" when Berlin children have been brought out by air for a few weeks' vacation and recreation in Western Germany.

And the Air Force has cooperated with her sister services on land and sea in a long series of disaster relief and rescue operations. These have covered flood relief in England, the Netherlands, Germany, Italy, and Pakistan, and earthquake relief in Greece and Turkey.

WE ARE PROUD OF OUR OVERSEAS FORCES

And that brings us to this point.

We can indeed be proud of the behavior and the accomplishments of our men stationed throughout the world.

Our American airmen, our sailors and ground forces have recognized the delicate nature of our overseas position—being stationed in other sovereign peoples' territories.

Of course, every once in a while, you hear some criticism of the conduct of some GI in a foreign land. But I say to you that there has never been a people whose overseas boys have behaved more admirably, more thoughtfully, more generously than have the Armed Forces of the United States stationed abroad. Despite the occasional, isolated incidents and mishaps, we have a right to hold our head high over the general conduct of our boys overseas. And we can thank the top command of our services, as well as the officers down the line, and the GI's themselves, for that inspiring record.

Even before the United States of America dispatches a fighter or bomber wing to a foreign base, the ground must have been prepared—in spirit and in letter—money must have been spent there first. Runways, shops, and hangars must have been built. Barracks and hospitals, chapels and commissaries—in fact the living needs the size of an American town must have been provided—for our own men.

And our airmen abroad are genuine ambassadors of good will, who are representative of all that is fine in American life. Although the United States Air Force is a new service, it has a record of devotion to duty and of accomplishment which makes it worthy of representing America abroad, along with our Army, Navy, and Foreign Service.

SOVIETS MAKING SPECTACULAR AIR PROGRESS

Now, what about our airmen's equipment? Are we losing the competitive race with the Reds?

As we are all aware, the newspapers, radio and television have recently been full of conflicting testimony of both sides of this crucial question: "Are we now still ahead of the Soviet Union in air power, or are the Reds already ahead of us?"

Gen. Curtiss LeMay has given the very disturbing but factual testimony that only 78 B-52 bombers have been produced, of which only 31 were accepted. On the other hand, it is estimated that the Reds have approximately 100 intercontinental jet bombers, which are equivalent to our B-52's.

While it is agreed that we are thus behind the Soviet Union in the long-range bomber, it is universally agreed that we are far ahead in medium range jet bombers—our B-47's. These medium bombers require, however, overseas bases, or refueling in air.

And there have been other comparisons—many of them disturbing comparisons—as regards our own versus Soviet production, in interceptor planes and in other categories of aircraft and missiles.

It is not my intention at the present time to try to evaluate the conflicting testimony—the defense of our supremacy by Secretary of Defense Wilson, and Admiral Radford, on one hand, or assertions by some Senators and others to the contrary.

The Soviets have, by everyone's opinion, made spectacular progress. And the very fact that there is now such strong dispute—the very fact that there is controversy as to who is ahead, the very fact that many people believe that by 1960, the Soviet Union may surpass us in many crucial respects—these facts make it absolutely necessary that we constantly re-evaluate the adequacy of our own forces, and that we appropriate every dime necessary for our survival.

DECISIVE BATTLES WOULD BE FOUGHT IN AIR

President Eisenhower has, of course, rightfully stressed that we cannot look exclusively at any one weapon and ignore other weapons and forces.

At the same time, it is quite clear that if World War III ever comes, (and we pray God that it will not come) the decisive battles will be fought in the air. And in the air, the decisive weapon may be pilotless aircraft, the guided missile and the intercontinental ballistic missile.

THREE CONDITIONS WE MUST NOT TOLERATE

Under these circumstances, it would be absolute folly to allow certain conditions to continue:

1. It would be absolute folly to fail to take steps to widen our inadequate reservoir of scientists, engineers and technicians.

2. It would be absolute folly to continue to allow conditions to exist which discourage our most skilled technicians in the Air Force and in other services from reenlisting.

Our country is each year losing literally billions of dollars in trained manpower, as our experienced airmen and as our mechanics quit in droves when their enlistment period is up. These men would be glad to continue to serve, if we gave them the minimal encouragement in adequate salary and benefits—for themselves and for their families.

3. It would be absolute folly to permit needless duplication of effort and confusion among the services in the guided missile or any similar advanced weapon field.

It is one thing to have a spirit of healthy competition; it is another thing to have each service "stepping over the other services' feet," retracing perhaps, the same steps which the other services may long since have gone through, and failing to benefit from the other services' latest research and findings.

I hope that recent Pentagon changes will at long last bring smooth coordination and teamwork. The air will be the crucial battlefield.

And I hope there will be universal recognition among our people of this and other "facts of life" in today's danger-strewn world.

NIKES AT MILWAUKEE, JETS IN NORTHERN MICHIGAN

A year ago, last November, steps were begun to surround Milwaukee with Nike sites. Milwaukee is, of course, our State's greatest manufacturing center and therefore, the most likely target in the State.

In northern Michigan, one of the greatest interceptor fields in all the world is now being built, with the idea that if the Russian bombers come, they can first be intercepted by Air Force fighters.

If the Russian bombers should get past the fighters and the guided Nikes, then it is goodbye Milwaukee and vast adjacent areas. Most of Wisconsin would be on the firing line in the next war, if hostilities should break out.

SAC, TAC, CADC

Fortunately, in the Strategic Air Command, we have the ability to destroy an enemy's war-making capacity and his will to fight.

In the Tactical Air Command, we have a highly mobile light bomber and fighter bomber force that can destroy enemy troop concentrations and lines of communication and can employ atomic weapons.

In the Continental Air Defense Command, we have a constantly increasing capability to detect, intercept, and destroy invading bomber aircraft before they reach our vital target centers.

Behind the radar network, our manned interceptors, such as those here at Truax Field, are ready for instant action against an aggressor.

THE GREAT VALUE OF TRUAX FIELD

Truax, as we all know, is an immensely important base and is rapidly expanding. There exists, however, a requirement for 523 family housing units, and construction of these has already been approved. The feasibility of extending the runways is under study. The Air Force expects Truax Field to be a permanent-type base for a long time to come.

General Mitchell Field, at Milwaukee, has an Air Reserve fighter bomber wing. Also an Air National Guard fighter interceptor wing. More space and equipment are needed. The Air Force has an approved construction program to provide during the next 2 years adequate facilities for the Air Reserve unit.

The field's location near the concentration of reservists in Milwaukee helps assure the permanence of this field.

As I'm sure you are aware, a new base is being constructed in an area generally to the south of Kansasville. Acquisition of land has begun and construction should start this summer. It should be completed in about a year and a half. At that time, about 150 officers, 1,225 airmen, and 250 civilians will be assigned to the base. The estimated annual base payroll will be about $5 million. Additional expenditures for base services, supplies, utilities, etc., are estimated to run up toward $1½ million per year. The location of this base in Racine and Kenosha Counties will result in tremendous financial benefits for that area and for the whole State. And the jets to be stationed at the base will provide protection of immeasurable value to the State of Wisconsin and the Nation as a whole.

Of course, we might have hoped that it would not be necessary to disturb the tranquil scene of our countrysides with roaring military jets. But we would far rather suffer such little inconvenience and disturbance as arises than risk national extinction.

CONCLUSION

The overall United States Air Force numbers more than 930,000 uniformed personnel, employs about 300,000 civilian employees with over 800,000 dependents. This represents a potent influence in our domestic life—and an influence for good.

Whether or not you make the Air Force your life-long career, as General Arnold made it his, you will find positions of importance and responsibility in the years that lie ahead. Chosen men like yourself are educated to be leaders and, whether in the Air Force or in civilian life, you have the opportunity to be leaders who understand and appreciate air power.

Wisconsin is proud of you and wishes you well.

As the Air Force says—

> "In space so vast
> It ends where no one knows,
> Our giant birds seem gnats
> As distance grows.
> We measure flight
> In miles and speed and men
> And quality of craft—
> But mostly men."

Address of Hon. Barry Goldwater, of Arizona, in Dallas, Tex., May 16, 1956

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1956

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the speech delivered by the Honorable BARRY GOLDWATER, Senator from Arizona, in Dallas, Tex., May 16, before a large group of the people of Dallas County. It is my hope that my colleagues will find great merit in the principles and the reasoning of Senator GOLDWATER presenting his views. I was particularly impressed with his remark about the common man philosophy which is so antithetical to the American's creed and beliefs as expressed in the Declaration of Independence and our Constitution:

It's a pleasure, as a Republican, to come to Texas without fear of being horsewhipped. Of course, I realize that, like the fellow who passed up filet of skunk, the "name of the animal" still bothers a lot of folks; but as long as we are together on the fundamental ideals of American Government I'm not too concerned about party labels.

I am glad, though, to see signs of the development of a two-party system in Texas. We went along for too many years in Arizona under the delusion that only Democrats were entitled to hold public office; but now, having experienced success in recent elections, Arizona Republicans no longer hide beneath the cloak of defeatism.

When the voters of this district elected BRUCE ALGER to Congress, they opened the way for the release of the fundamental Texas philosophy of conservative, free enterprise government. Not only did they send to Washington a man of the highest caliber and character, they also said to the Republican Party: "We are tired of New Deal socialism in America. The leaders of the pseudoliberal Democrat Party of today can't, or won't, save our liberty. Here's BRUCE ALGER to help Republicans do the job for Texas and America."

Believe me when I say that Texas can be proud of this decision. Your confidence in BRUCE ALGER has been fully justified. You can do no better than to continue his service for you in Washington.

BRUCE has one quality above all others, which authenticates him as a Texan—he brags. He brags about Texas—its traditions, its institutions, its opportunities—and I suggest that this is a trait which could well be developed to a greater extent by all Americans with respect to those principles of freedom which have enabled us to build on this continent the most perfect form of government yet devised.

There is something going on in Texas today, however, which leads me to believe that you people aren't going to be content with boasting the wonders of your State. In fact, when someone told me the story the other day about the fellow from Texas who was struck by lightning while he was swearing, I replied that there was nothing so strange about that. Indeed, it would only be unusual if lightning should strike a Texan when he wasn't swearing.

The truth of the matter is that people in Texas aren't the only ones cussing these days. In Arizona, folks have been swearing pretty lustily for 6 years or more. It has done them some good, but they still aren't satisfied; and if I know Arizonans they'll keep right on swearing, just like Texans, until the efforts of the self-styled, pseudoliberals to substitute their socialistic pipedreams for our proven system of constitutional, free enterprise government are effectively and completely combated.

Despite what might be said by your philosophical critics, you Texans aren't really moss-backed reactionaries. This kind of epithet is invariably hurled at men and women who believe in liberty and who want to preserve the creeds and institutions which created that liberty. It represents the only ammunition of the sordid crowd of New Dealers who have been trying for years to convince our citizens that we have reached the zenith of freedom's promise and must now revert to an antiquated theory of slavery and regimenation.

This attitude, of course, they advance in the name of liberalism; but I suggest that it is the New Dealers who are the true reactionaries—the revolutionists—who want to take America back down the jagged road to tyranny, who want to take from us the liberty for which we and our ancestors have fought and bled.

Texans brag because they know that there are no commen men in their midst—that, in fact, there is no such thing as a common man in America.

Texans recognize the wide diversities our country has in races, nationalities, religions, occupations, and income levels.

Texans believe in treating our citizens as individuals, with sacred rights and freedoms, and opportunities greater than anywhere else in the world.

They do not subscribe to the collectivist theory that Americans—or Texans—are cast from a common mold.

The preachers and prophets of gloom in our country—the New Deal revolutionists—have long leaned heavily, in the name of liberalism, upon the theme of the common man.

They have employed the tyrant's tactic of division and disunity by appealing to the lingering prejudices of a system of ranks and class which pure freedom does not recognize. When they speak, they speak not to all Americans as Americans, but rather they set labor against management, farmer against worker, black against white, Jew against gentile, Catholic against Protestant, rich against poor.

In other words, they classify Americans according to race, color, religion, and occupation, and they say to each group that they are the common men who are being oppressed by the privileged few.

This privileged few, of course, in the eyes of the Socialist-minded, pseudoliberal, is anyone who has enjoyed a measure of success and prosperity that is greater than that of the particular group to whom he is speaking.

For many years, the Democrat Party has applied this strategy. It has portrayed itself as the people's party, while Republicans have been described as the party of the special interests—in other words, the common man in opposition to the privileged few.

This claim is utterly false, but the self-styled liberals who have, unfortunately, gained control of the mechanism of the Democrat Party, have pressed it so boldly, for so long, and in so many forms that they have achieved for it a substantial measure of popular acceptance.

It is a flagrant example of the big lie in politics.

No major party could function successfully in a country of the size and diversity of the United States if it served only the common man or the privileged few.

It is one of the virtues of our nationwide two-party system that the voters may switch from one major party to the other and find each one an adequate instrument to serve the Nation as a whole.

If this were not true, our political system would soon degenerate into a multiplicity of small special interest parties not capable of governing.

The very health and vigor of our two-party system—each one drawing strength from all four corners of the Republic—belies the Democrat Party claim.

These statements by so-called liberals who have corrupted the traditional Democrat Party philosophy are so absurd that I often wonder just how stupid they think the American people are.

In his acceptance speech before the Democrat National Convention on July 15, 1948, Harry Truman said, for an example:

"The people know that the Democratic Party is the people's party and the Republican Party is the party of special privilege."

He said further, at that same time, "The Republican Party favors the privileged few and not the common, everyday man."

Adlai Stevenson, in a speech at Chicago on November 19, 1955, said:

"In whatever direction we look—tax policy, resources policy, credit policy or what not—we see the sharp outlines of what can only be described as special interest government in Washington, something we haven't seen since Republicans were there last."

Another instance of this pseudoliberal, common-man approach to Democrat partisanship may be found in the Report on Congress issued by the CIO in September 1954. This report says, on page 20:

"The question is not whether there will be any tax relief, but who will get it. The Democrats wanted it for the people. The Republicans wanted it for the upper brackets and the corporations."

As recently as April of this year, according to a story which appeared in the Washington Evening Star on the 13th of last month, Democrat Senator SAM ERVIN, of North Carolina, said:

"The Republicans believe in government for a few elite; the Democrats believe in a government serving all the people."

The big lie marches on.

One reason behind the Democrat Party claim that it is the party of the common man is the fact that for years it has labored hard to mold the American people into common men.

Secretary of Labor James P. Mitchell called attention to this tendency of the Democrats to turn our people into common men in an address at Flint, Mich., on January 20, 1956, when he said:

"The keepers of this doctrine were interested not in individual men but in collective man, massed man. For them social problems were quite simple. One merely had to determine what was good for collective man and then shove it down his throat like castor oil. The Government was of the people, for the people, but by the social planners."

Dr. James B. Conant, former president of Harvard University, put his finger on the source of the doctrine of massed man when he wrote:

"The Soviets seek uniformity and strict adherence to the creed of Marxism-Leninism."

In that creed man is nothing as an individual. He exists only as an unidentifiable atom in a collective mass; and men and mass exist only for the state.

Recent history shows the many steps through which the Democrats, who were in control of government, deprived our people of their individuality.

Democrats centralized the government of everyday affairs in Washington, leaving less and less for people to do in their home States and localities. They handed out billions in relief, grants, and aids from Washington, making people dependent upon the Great White Father at the Nation's Capital.

Through social security, they reduced the individuality of persons to numbers in electronic computing machines. They forced men into unions to bargain collectively.

By raising great citizen armies to fight in foreign wars, they put the GI stamp of uniformity on every mother's son. By spawning Government housing developments they scattered clusters of identical brick and frame boxes from one end of the country to the other.

The list of laws, acts, and regulations which systematically robbed people of their individuality and piled them up in collective masses could be extended a mile long.

No one can deny that the Democrats intended to do good by these operations. No criticism need be leveled against relief programs, social security, collective bargaining, and public housing. Yet, it cannot be denied that an inescapable and most harmful byproduct of such operations has been the weakening of individual personality and self-reliance.

The Democratic Party has done its utmost to pour our people into the mold of common men and to deal with them in the mass. This is the basis of their political philosophy and voting appeals.

While they have had some measure of success, especially where our technical progress has emphasized collective or mass action, this success has been superficial because deep down our people are proud and jealous of their individuality. They resent being compressed into the mold of the common man.

Behind the mass production and the collective this and that, our people still have wide diversities and at heart remain individualists. This is clear when we examine some of the deep-seated diversities in American life.

Where Democrats are sincere in making the claim to be the party of the common man, as some of them undoubtedly are, they see the forest and not the trees. They look at the material uniformities in American life—the same trains, hotels, restaurants, cooking, and newspapers—and quickly come to the conclusion that all our people, too, are of a common mold.

What they fail to see is that this conformity is merely an expression of our technical, material progress. They fail to understand, or deliberately close their eyes to the fact that beneath the common material veneer is a people still highly individual in talents, aspirations, and with the intense desire to fulfill their individual personalities.

Again, in his address at Flint, Mich., in January of this year, Secretary of Labor James P. Mitchell declared:

"We were told for some years that Government was supposed to minister to the common man. This doctrine of the common man was as singularly unfree a doctrine as we have ever witnessed in this country. The idea that we are all alike, a common mass, the products of some sort of biological punch press, seeking the same end, through the same means, with the same ideas, desires, and needs, is indeed a devastating one."

A similar view is expressed by James B. Conant in his latest book The Citadel of Learning, where he says: "We in the free world, through our schools, colleges, and universities, seek to perpetuate that tradi- [illegible]

[illegible]

Baptist, Jew, or any of the other hundreds of religious sects which flourish among our people?

Is he the business executive, the local banker, the city or rural lawyer, the office clerk, the shop manager or foreman, the factory worker, the school principal, the teacher, the corner grocer and his wife, the chain-store manager, the garage owner or mechanic, the department-store clerk, the Army officer or private, the housewife, or in any of the other thousands of occupations which make up our working population?

We have over 65 million employed persons in all occupations today. Where is the common man in this total?

Is he the worker in manufacturing who numbers only 15 million of our nonagricultural employed; or the 1 million engaged in mining; or the 2 million doing construction work; or the 4 million engaged in transportation; or the 9½ million who work in wholesale and retail trade; or the million and three-quarters who handle finance, insurance, and real estate; or the 5 million engaged in service industries; or the 5½ million people who work in Federal, State, and local government?

Is the common man to be found among our 8 million farmers? Is he the soft or hard winter wheat farmer, the cotton farmer, the rice farmer, the truck gardener, the cattle rancher, the cattle feeder, the peanut grower, the dairy farmer, the sheep raiser, the poultry and egg producer, or among the hundreds of other farm producers in our vast land?

Does he come from the 7.6 percent of consumer units who have a family personal income of $1,000 per year or under; or the 15.1 percent whose income ranges from one to two thousand dollars; or the 18.9 percent with income from two to three thousand dollars; or the 19.3 percent with income from three to four thousand dollars; or the 12.8 percent with income from four to five thousand dollars; or the 14.8 percent whose income is from five thousand to seventy-five hundred dollars; or the 4.8 percent with incomes between seventy-five hundred and ten thousand dollars; or the final 4.5 percent who have incomes of $10,000 and over?

What do these facts show?

They show one thing above all else: That there is no such thing as a common man in the United States.

Every man and woman is an individual, with talents, interests, needs, hopes and dreams of his or her own. Each person seeks freedom to live his own life, to develop his own personality, and a fair opportunity to get ahead in the game of life on his own merits.

When young we dream of making a professional career, starting a small business, operating a farm, owning our own home, establishing a family, and building a competence for old age.

America is the land which urges us to "hitch our wagon to a star," to plan and to build on the rich foundations of our freedom and the heritage of those who came before us and provided for us, and for the generations of Americans yet to come, the opportunities we have had, as well as inspiration to move ahead to yet [illegible]

[illegible]

A second reason lies in the field of raw politics.

Political history shows that Democrat Party leaders will make any claim and follow any line which promises them the votes to gain control of the country and remain in power.

They have shrewdly calculated where the bulk of votes lies and they make their appeals accordingly. That is why they label Republicans as the party of the "rich," the "bankers," "big business," and the "privileged few." They know that such labels carry an unpleasant, even sinister implication; and that few votes can be had from those sources.

They label their own party the party of the common man, the average man, and include among these the farmer, the laboring man, the white-collar worker, and the small-business man because such labels sound wholesome and the bulk of votes can be drawn from those sources.

It apparrently does not trouble Democrats in the least that this deliberate inflaming of class distinctions can do great harm to the peace and unity of the Nation.

It apparently does not bother them to malign good men and women among our people.

Their consciences seem not to trouble them when it is pointed out that their party, too, has its share of millionaires, its quota of advisers from banks and big business, and a very sorry record of favors to the privileged few. It doesn't seem to bother them, either, that a great many of the things they have done with professed intentions to help the so-called little man have resulted in great harm to the bulk of our people.

In using the inflammatory phrases of class distinction, they have had but one thought in mind—to get in power and stay there.

We are reminded in the third chapter of the First Epistle General of John that "Whosoever hateth his brother is a murderer."

Isn't this, after all, the end result of these pseudoliberal, common-man appeals?

They are attempts to instill fear in the minds of our citizens—fear of one another, fear of those who are different, fear of the self-reliance which is the keystone of liberty.

What has happened to the faith of our fathers?

America was not made free by hate. Humanity does not move forward in a climate of fear.

America has grown great because its citizens have trusted wholeheartedly in God, in our country, and in each other.

If the deceit of this new New Deal-Liberal dogma of the common man is perpetuated, freedom's call will go unanswered, opportunities will go unfulfilled, and competence for the future will be destroyed.

We cannot continue to reap the blessings of liberty by incubating cowards. We cannot carry on America's tradition of strength and leadership by stifling ambition, curbing incentive, and abandoning faith.

We need—desperately need—the uncommon men of our Nation. We need the courage and unquenched spirit of adventure which inspired the freedom of these United States.

We need to remind ourselves and each [illegible]

[illegible]